

PHILADELPHIA REGIONAL HOUSE PRICE INDICES



August 11, 2015

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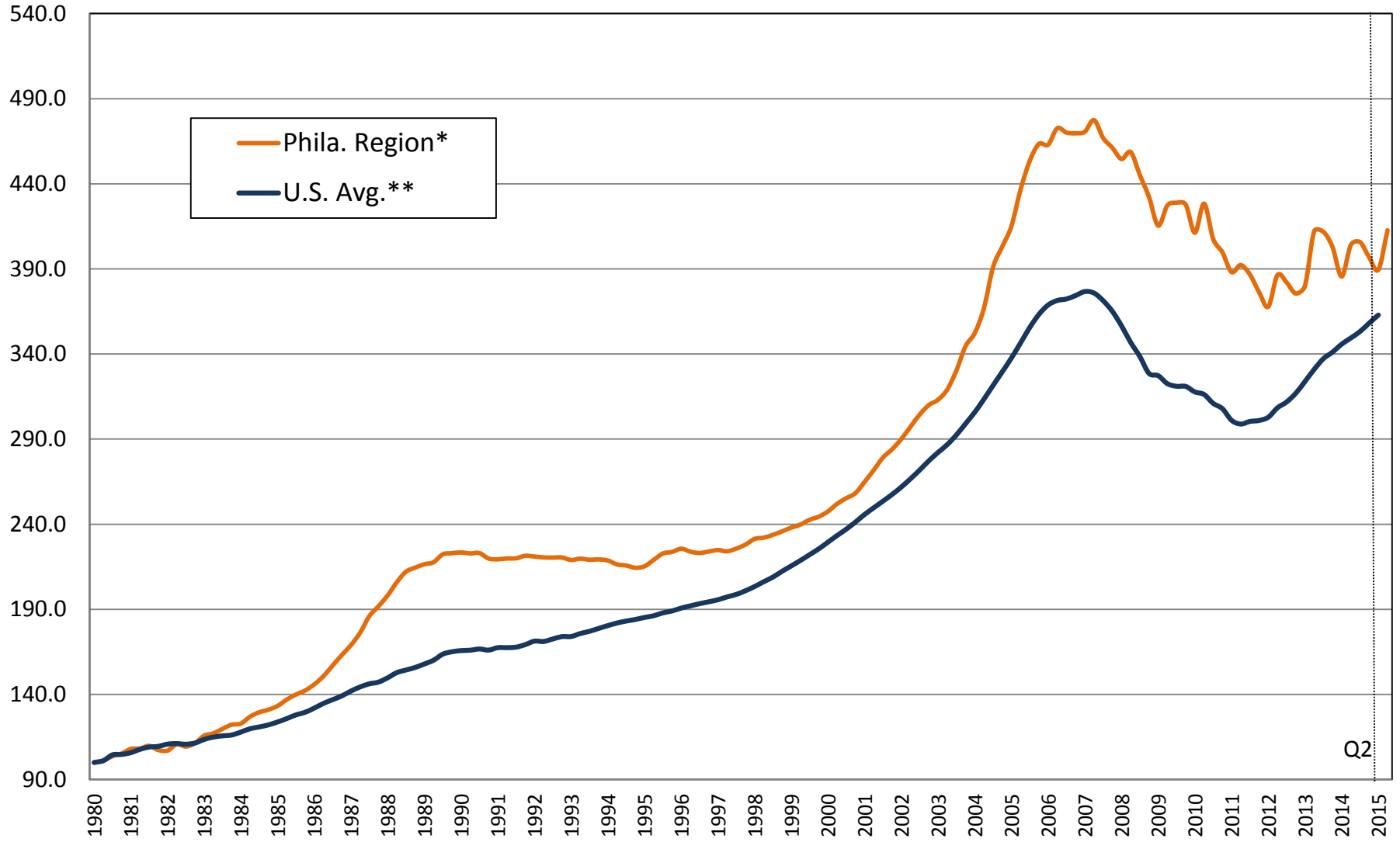
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Disclaimers and Acknowledgments: The Lindy Institute for Urban Innovation at Drexel University provides this report free of charge to the public. The report is produced by Lindy Senior Research Fellow Kevin Gillen, in association with Meyers Research LLC. The author thanks Azavea.com, the Philadelphia Office of Property Assessment, the Federal Housing Finance Agency, Case-Shiller MacroMarkets LLC, RealtyTrac, Zillow.com, Trulia.com and the NAHB for making their data publicly available.

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Philadelphia Regional House Price Indices 1980-2015

1980Q1=100

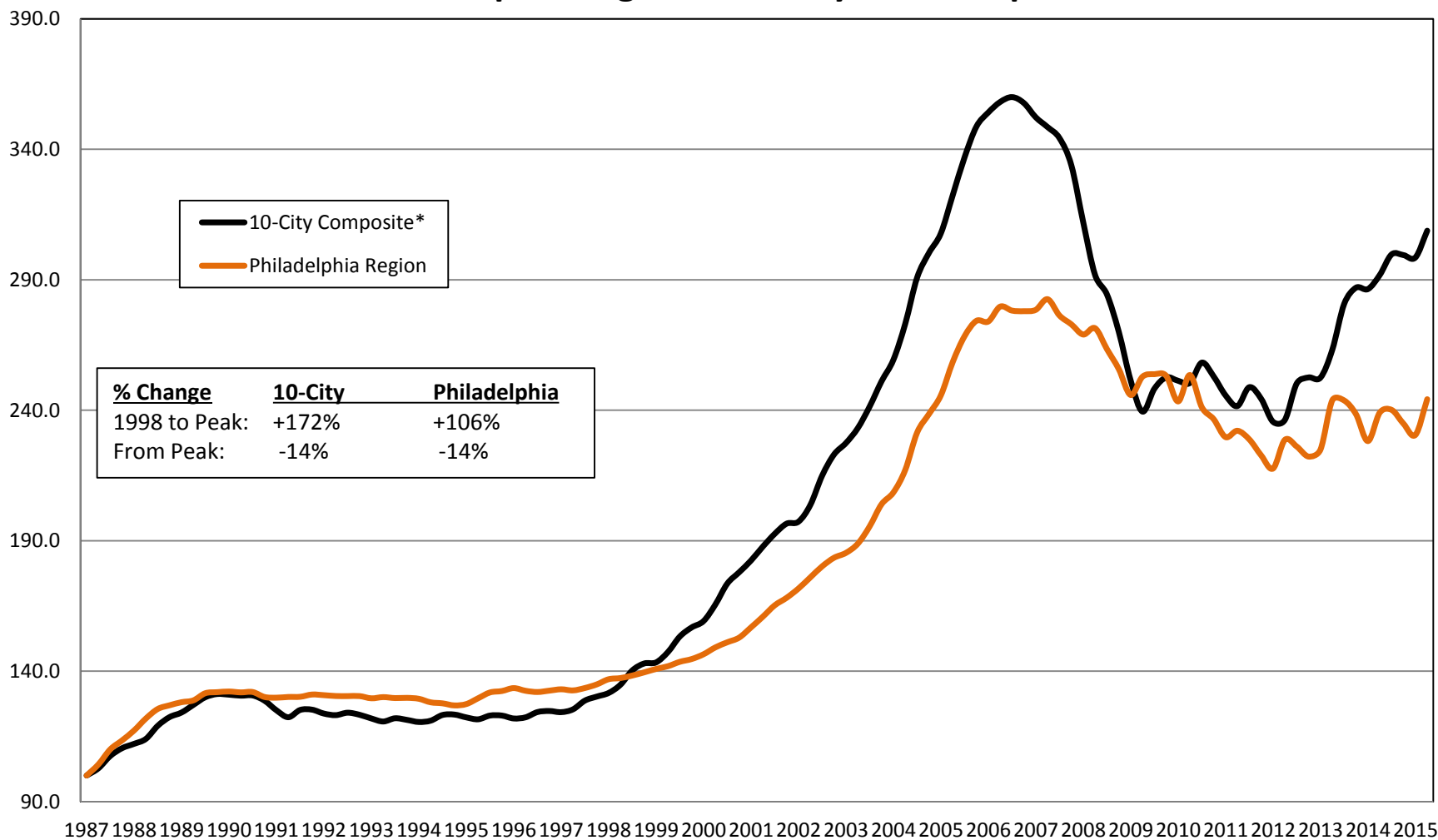


*Empirically estimated by Kevin C. Gillen, PhD

**Courtesy Federal Housing Finance Agency (FHFA)

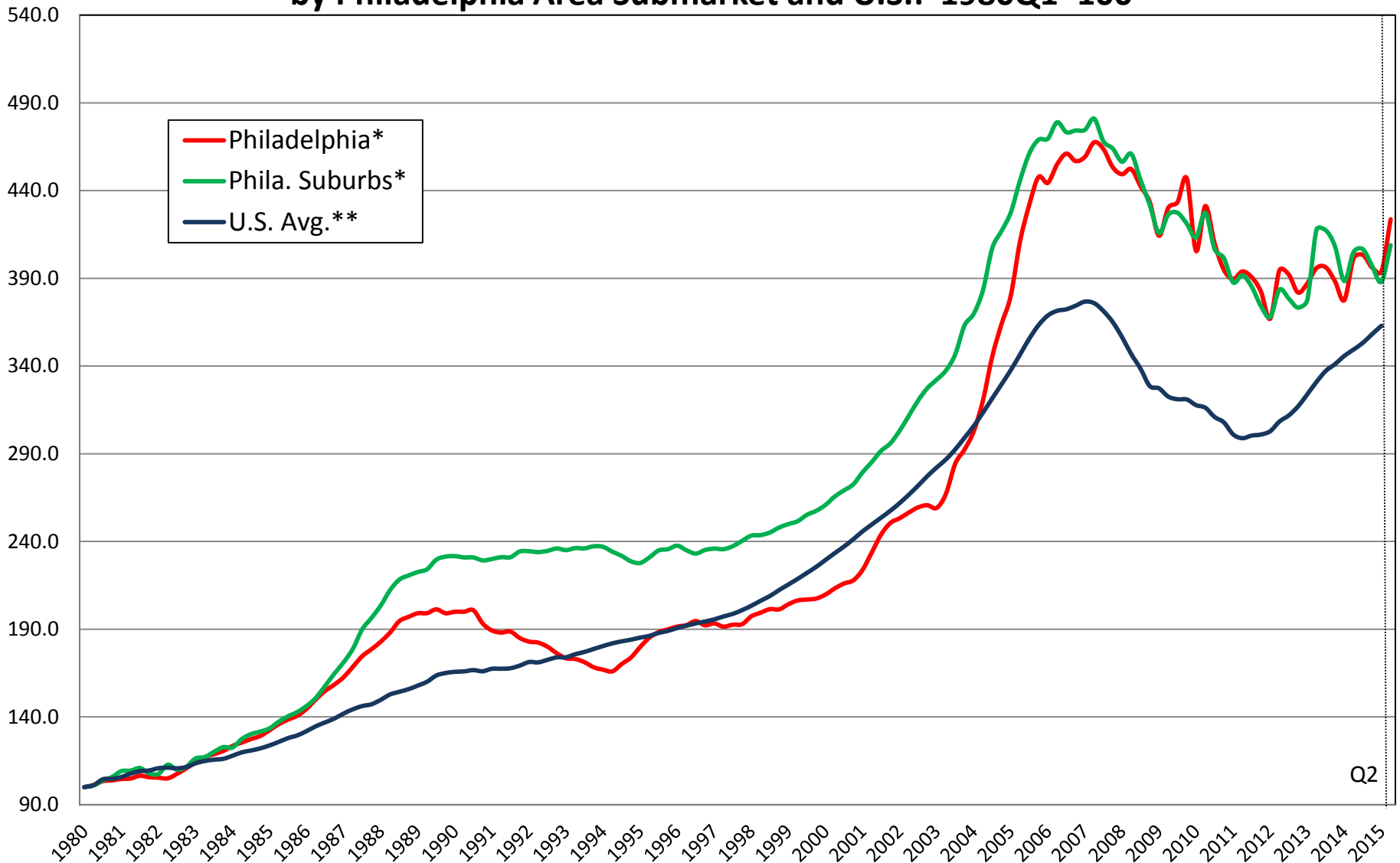
Q2

House Price Appreciation 1987-2015: Philadelphia Region v. 10-City U.S. Composite



*Source: Case-Shiller MacroMarkets LLC. The 10-City Composite Index includes Boston, Chicago, Denver, Las Vegas, Los Angeles, Miami, New York, San Diego, San Francisco and Washington DC. It does not include Philadelphia.

Philadelphia Regional House Price Indices 1980-2015 by Philadelphia Area Submarket and U.S.: 1980Q1=100



*Empirically estimated by Kevin C. Gillen, PhD **Courtesy Federal Housing Finance Agency (FHFA)

Note: The suburban index includes all counties in the regional index, except for Philadelphia county.

Total House Price Appreciation Rates by Philadelphia Area Submarket and U.S.

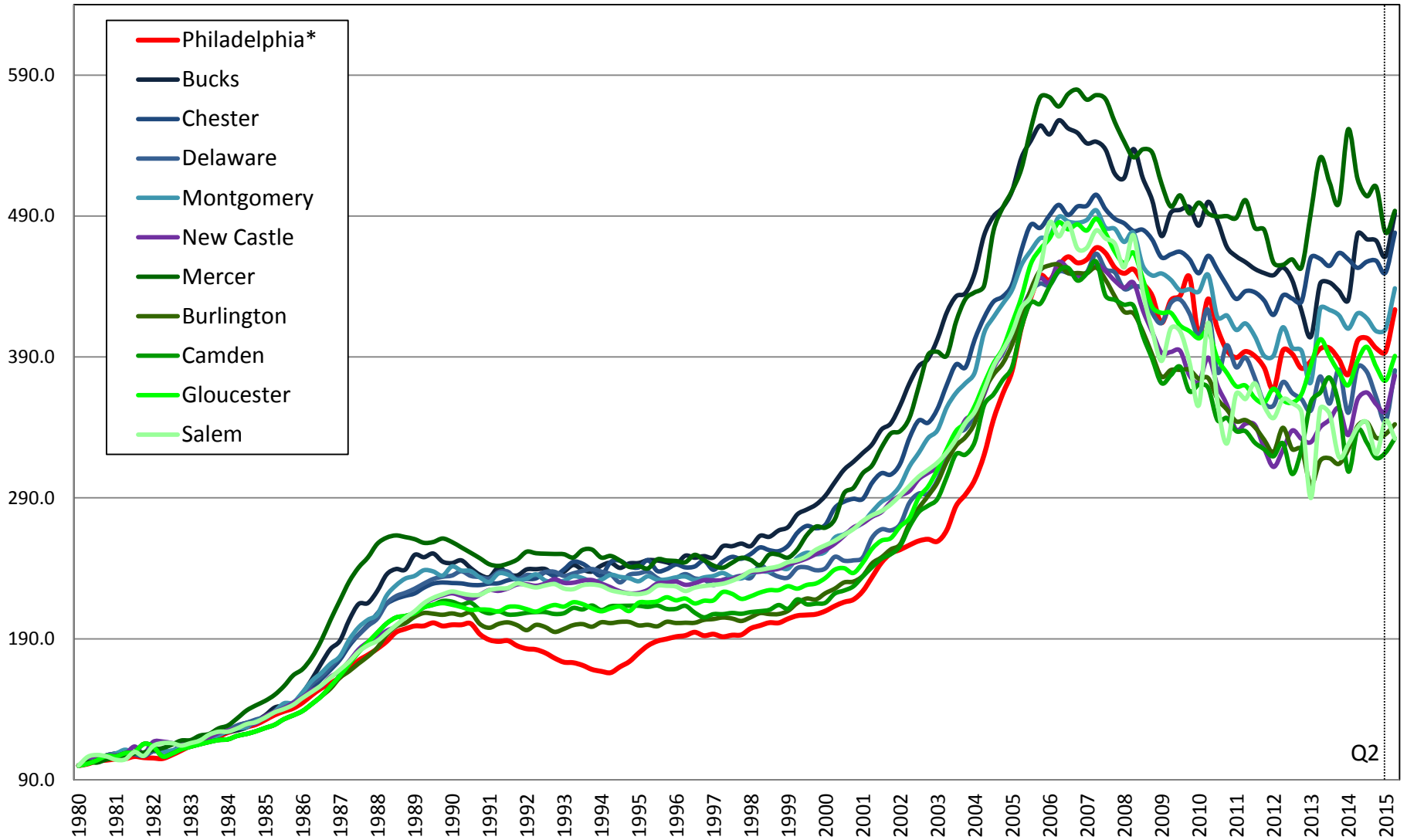
Period	Philadelphia Region*	Philadelphia County*	Philadelphia Suburbs*	U.S.A.**
36-Year	141.8%	144.4%	140.8%	128.9%
10-Year	-5.7%	3.0%	-8.6%	7.2%
1-Year	2.1%	5.4%	1.0%	4.8%
1-Quarter	5.8%	7.3%	5.2%	1.3%

*Empirically estimated by Kevin C. Gillen Ph.D.

**Source: Federal Housing Finance Agency (FHFA). FHFA numbers are through 2015 Q1 only.

Philadelphia Regional House Price Indices 1980-2015, by County

1980Q1=100



*All indices empirically estimated by Kevin C. Gillen, PhD

Philadelphia Region House Price Appreciation Rates by County

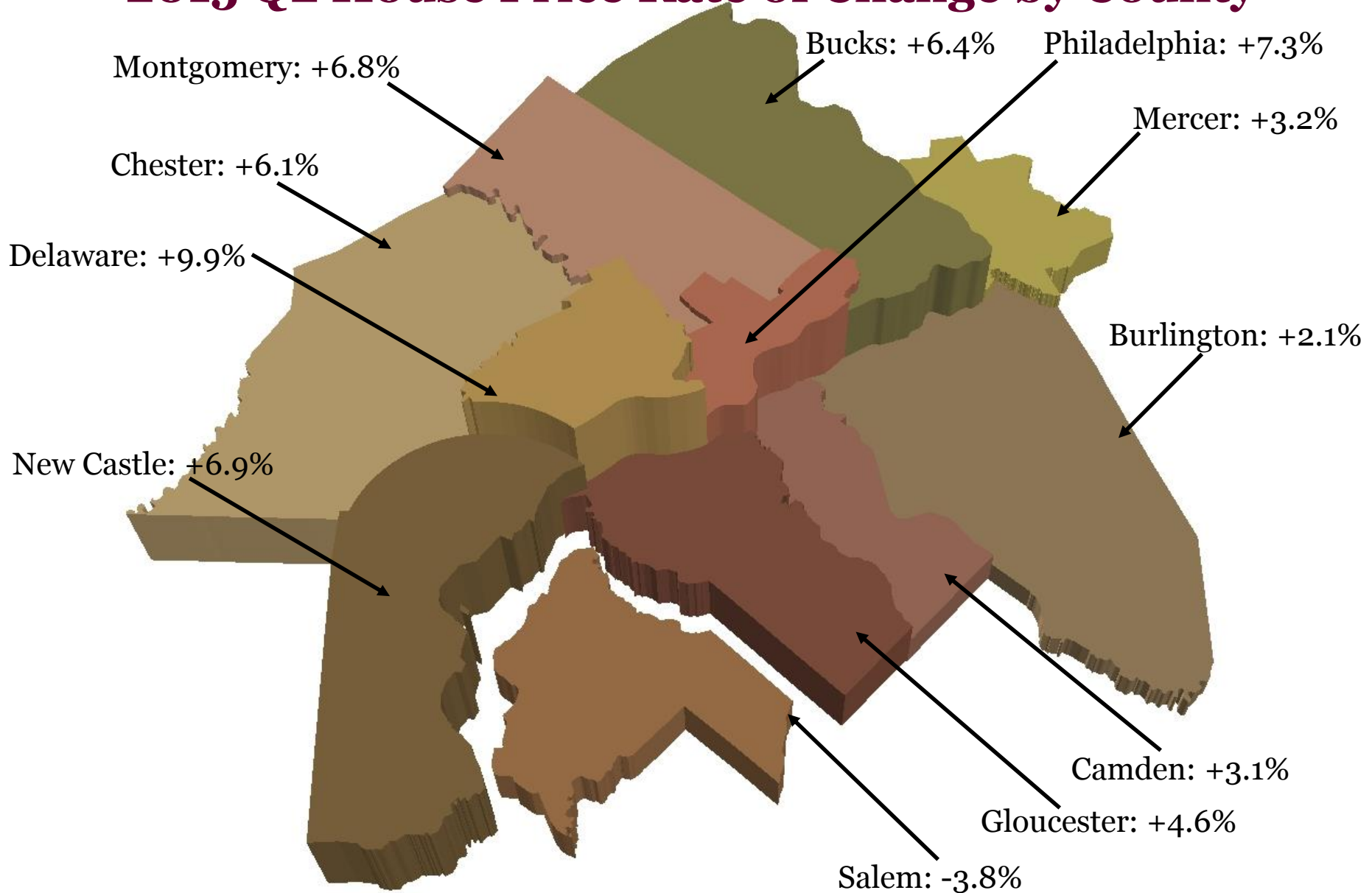
Period	Philadelphia	Bucks	Chester	Delaware	Montgomery	New Castle	Mercer	Burlington	Camden	Gloucester	Salem
36-Year	144.4%	159.3%	156.5%	133.6%	147.9%	132.6%	159.7%	123.0%	120.1%	136.3%	120.0%
10-Year	3.0%	-7.7%	2.6%	-10.6%	-3.7%	-11.6%	-5.9%	-19.9%	-21.2%	-10.1%	-24.7%
1-Year	5.4%	3.0%	5.4%	-0.6%	4.1%	4.6%	-4.5%	0.4%	-1.8%	0.9%	-2.4%
1-Quarter	7.3%	6.4%	6.1%	9.9%	6.8%	6.9%	3.2%	2.1%	3.1%	4.6%	-3.8%

All county-level indices and appreciation rates estimated by Kevin C. Gillen, Ph.D.

Philadelphia Region: County Boundary Definitions

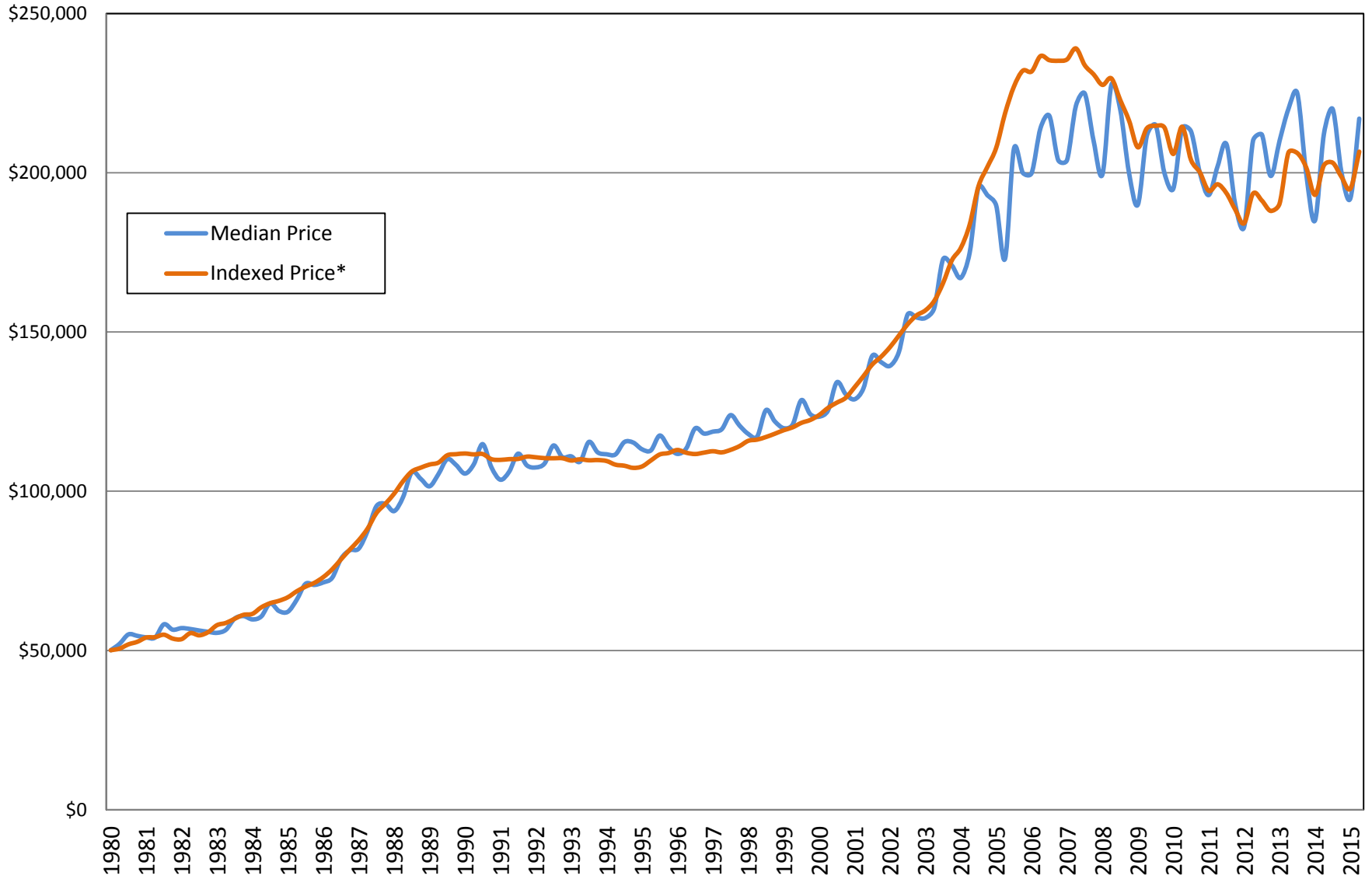


2015 Q2 House Price Rate of Change by County



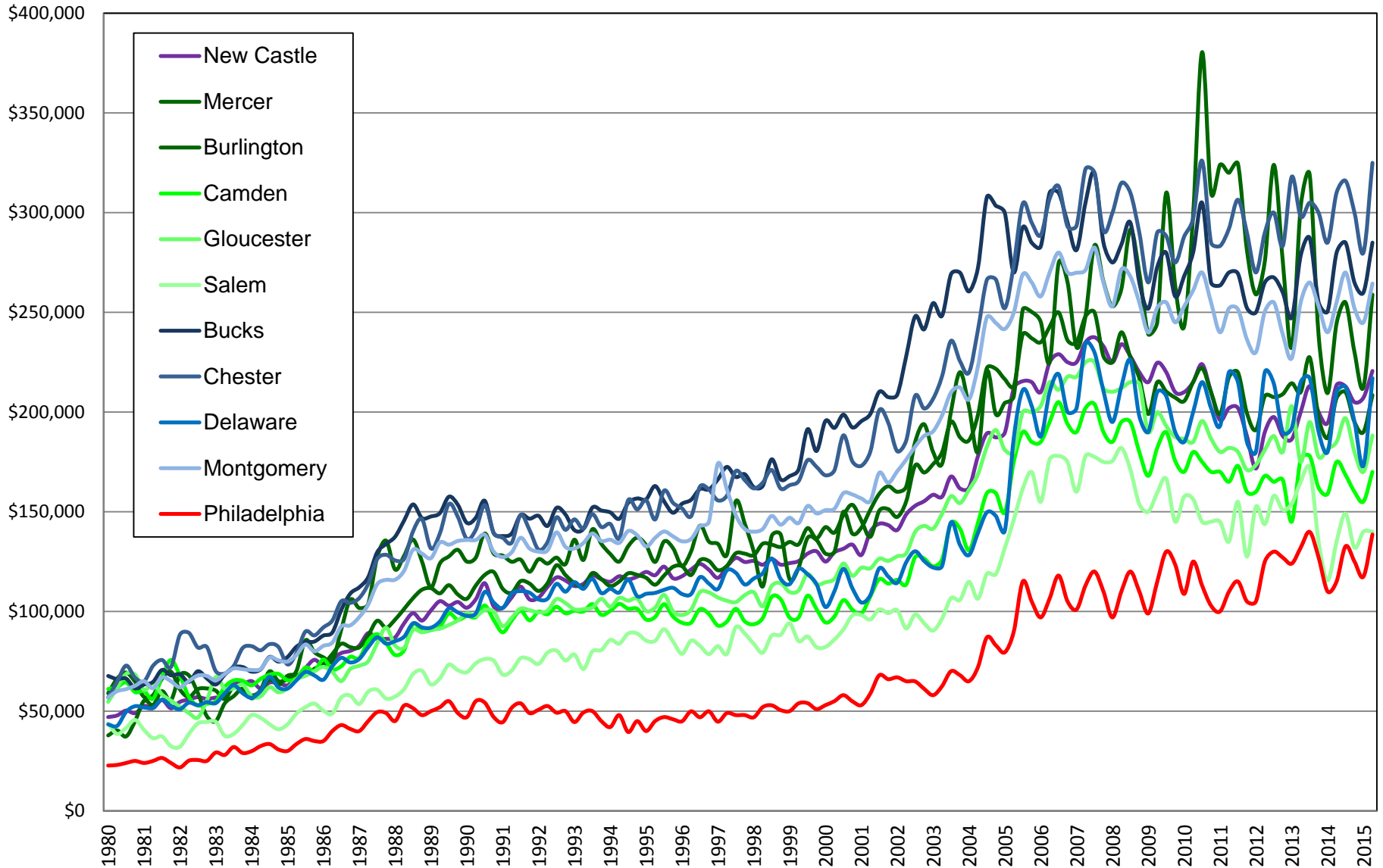
Note: Each county is extruded by its average change in house values during 2015 Q2 in order to reflect its growth (or depreciation) rate relative to other counties.

Median Regional House Price v. Indexed Regional House Price

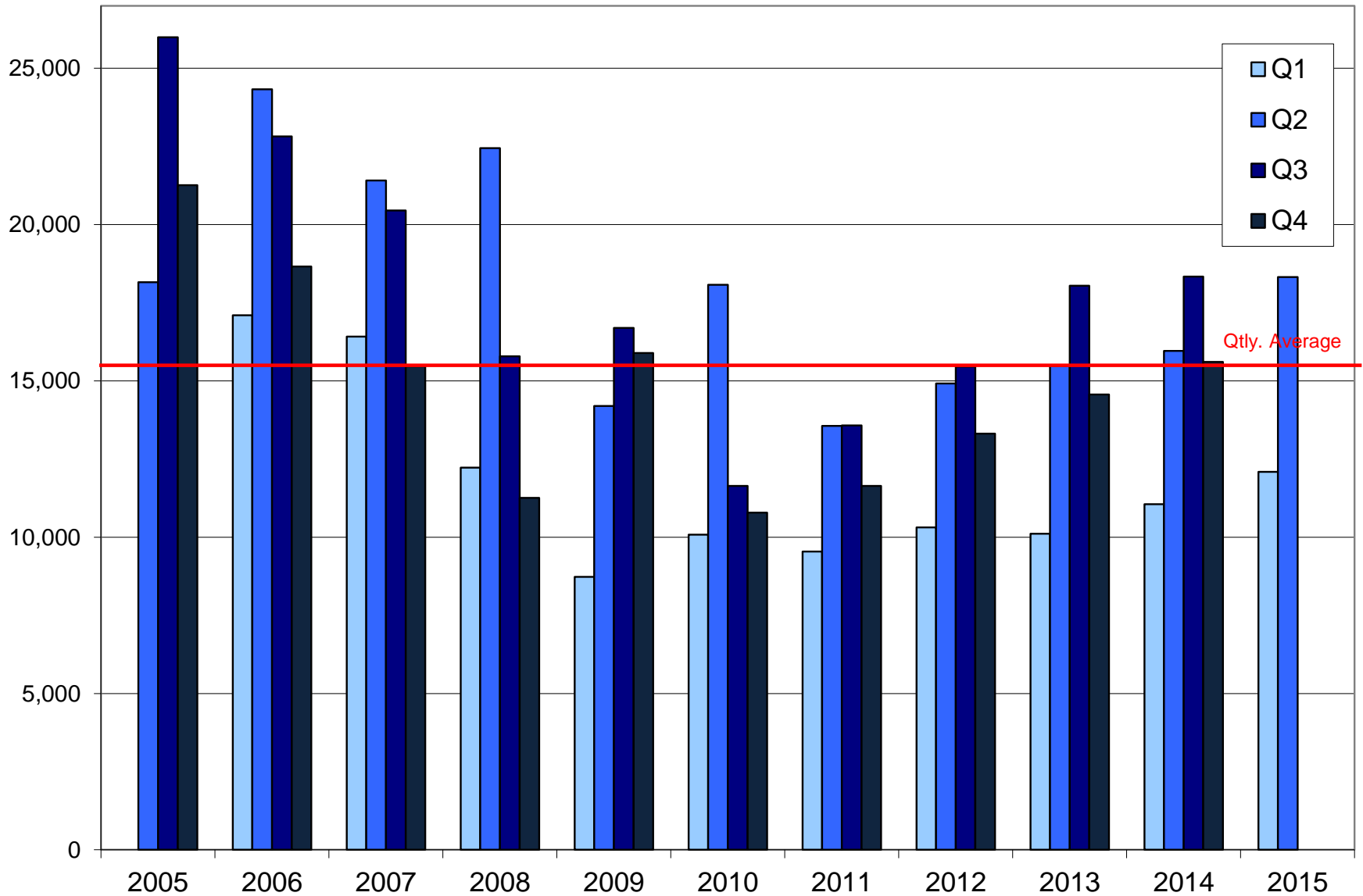


*Empirically estimated by Kevin C. Gillen, PhD

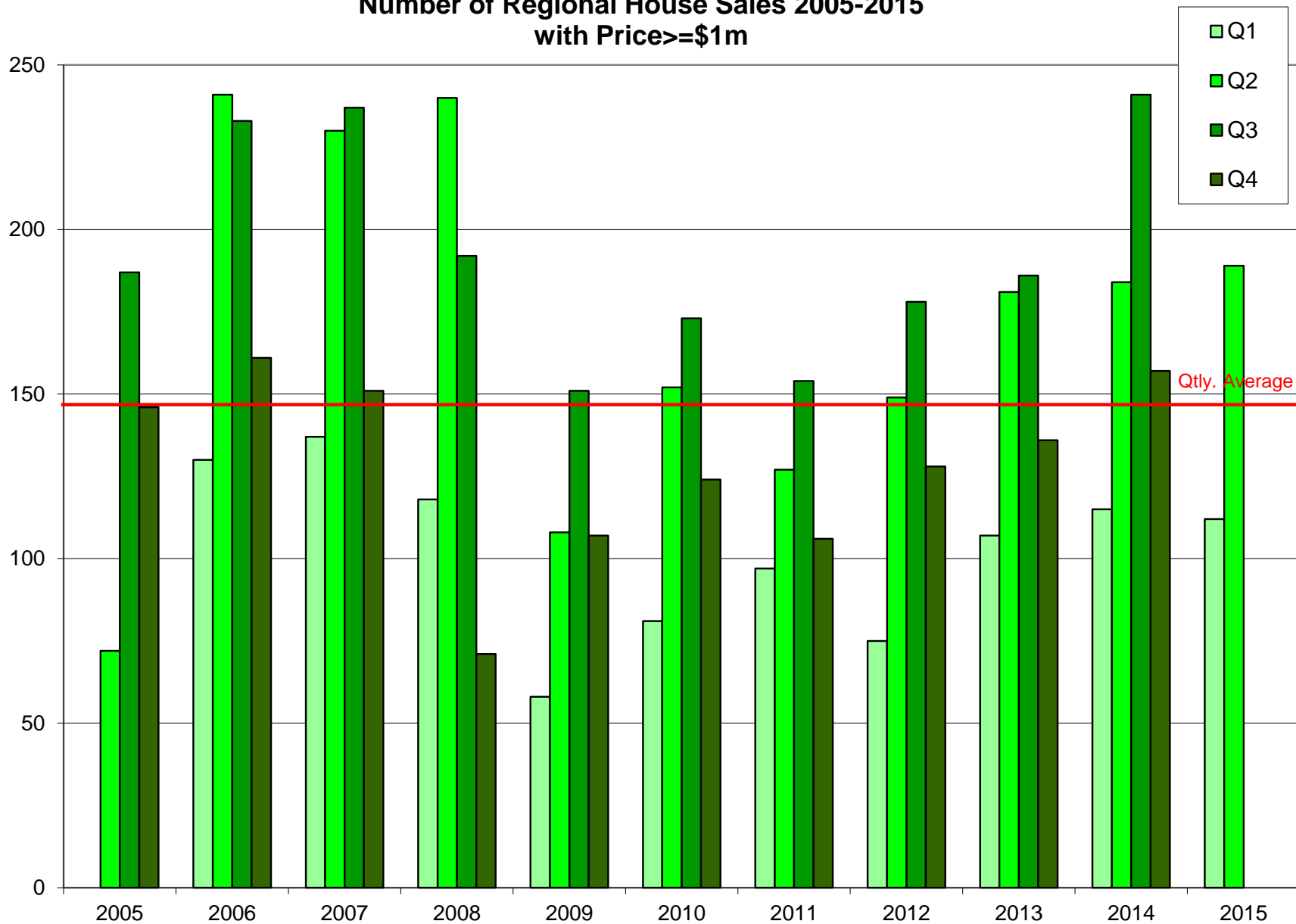
Median House Price by County: 1980-2015



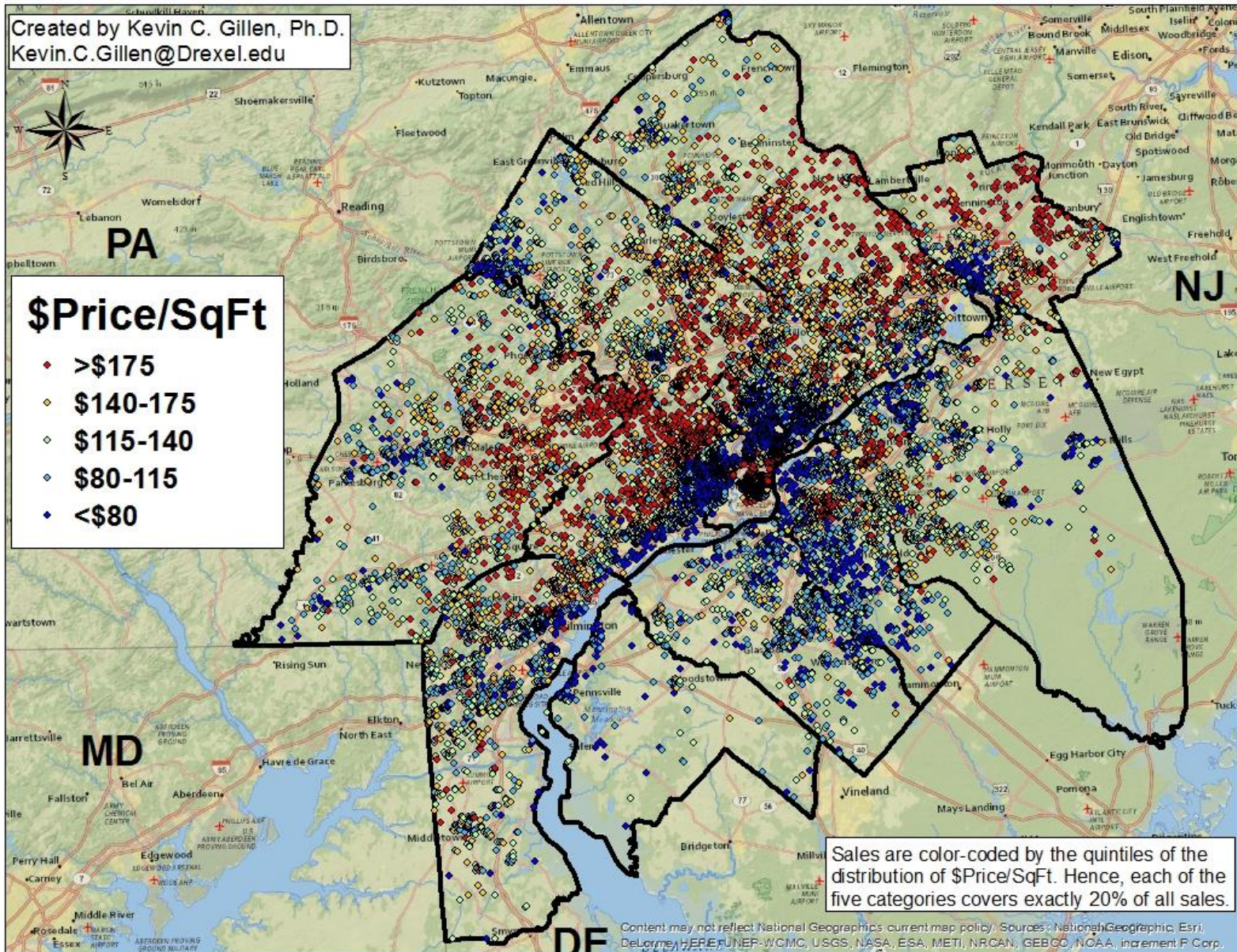
Number of Regional House Sales per Quarter: 2005-2015



Number of Regional House Sales 2005-2015 with Price >= \$1m

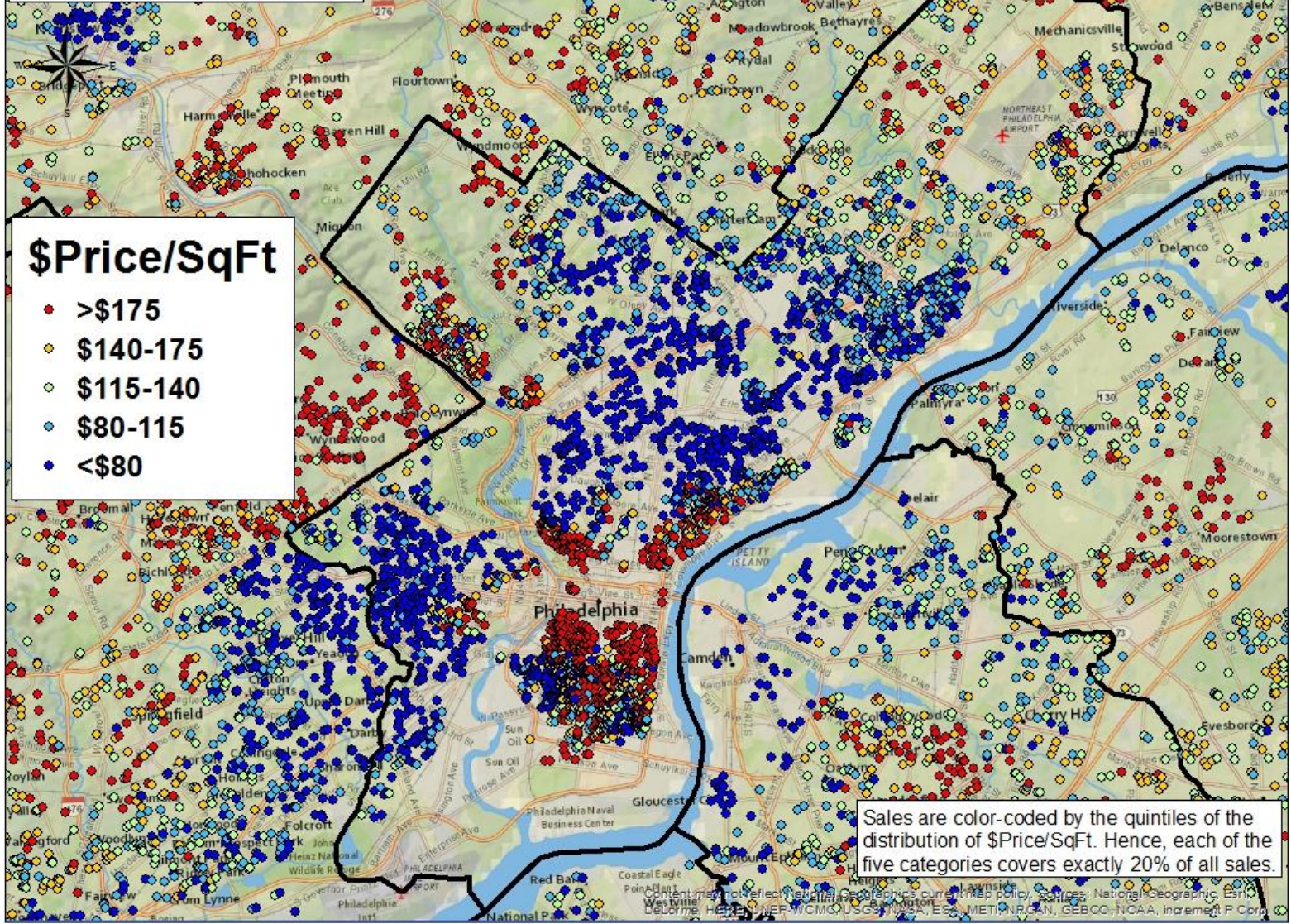


Philadelphia Region House Sales in 2015 Q2

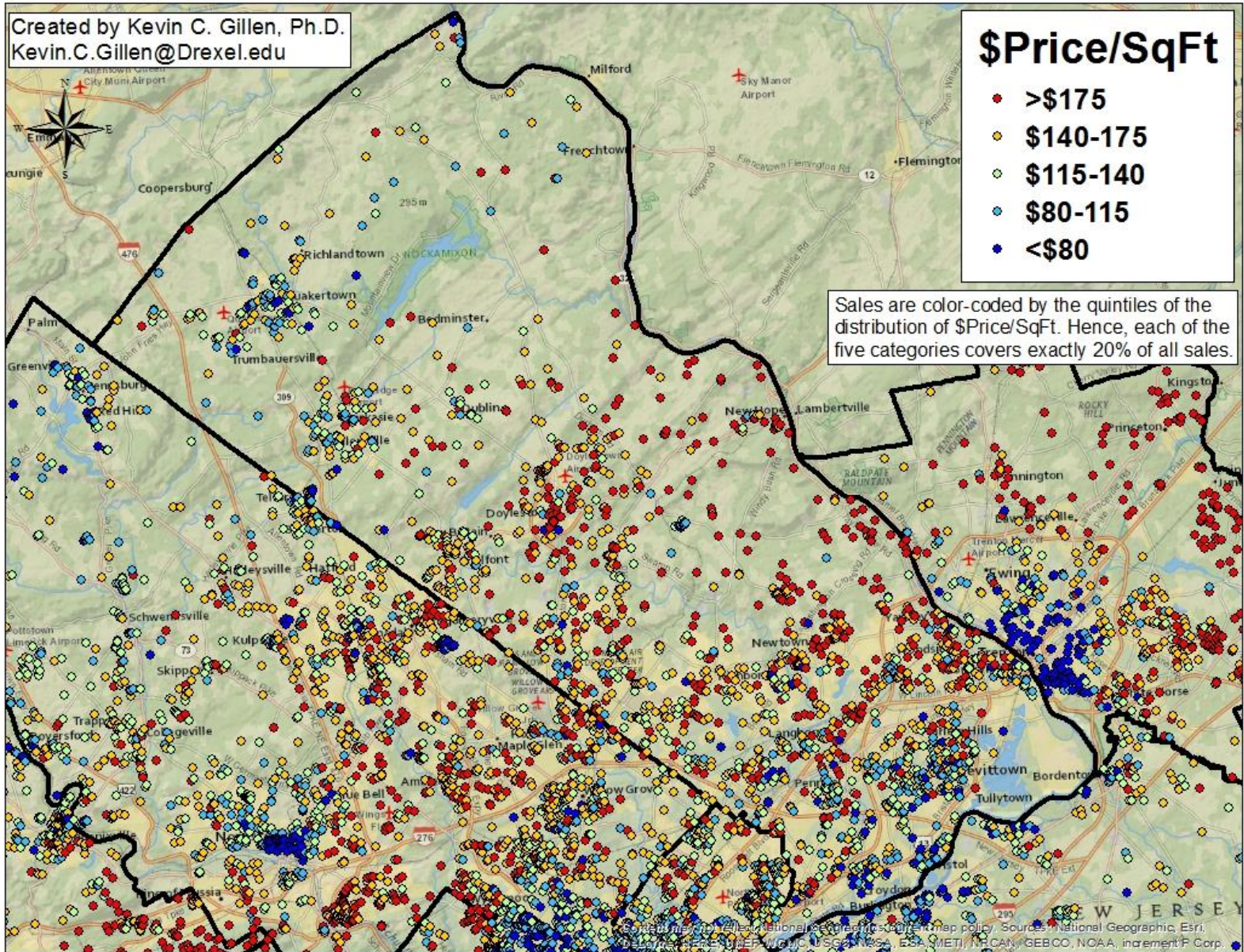


Philadelphia County House Sales in 2015 Q2

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Bucks County House Sales in 2015 Q2



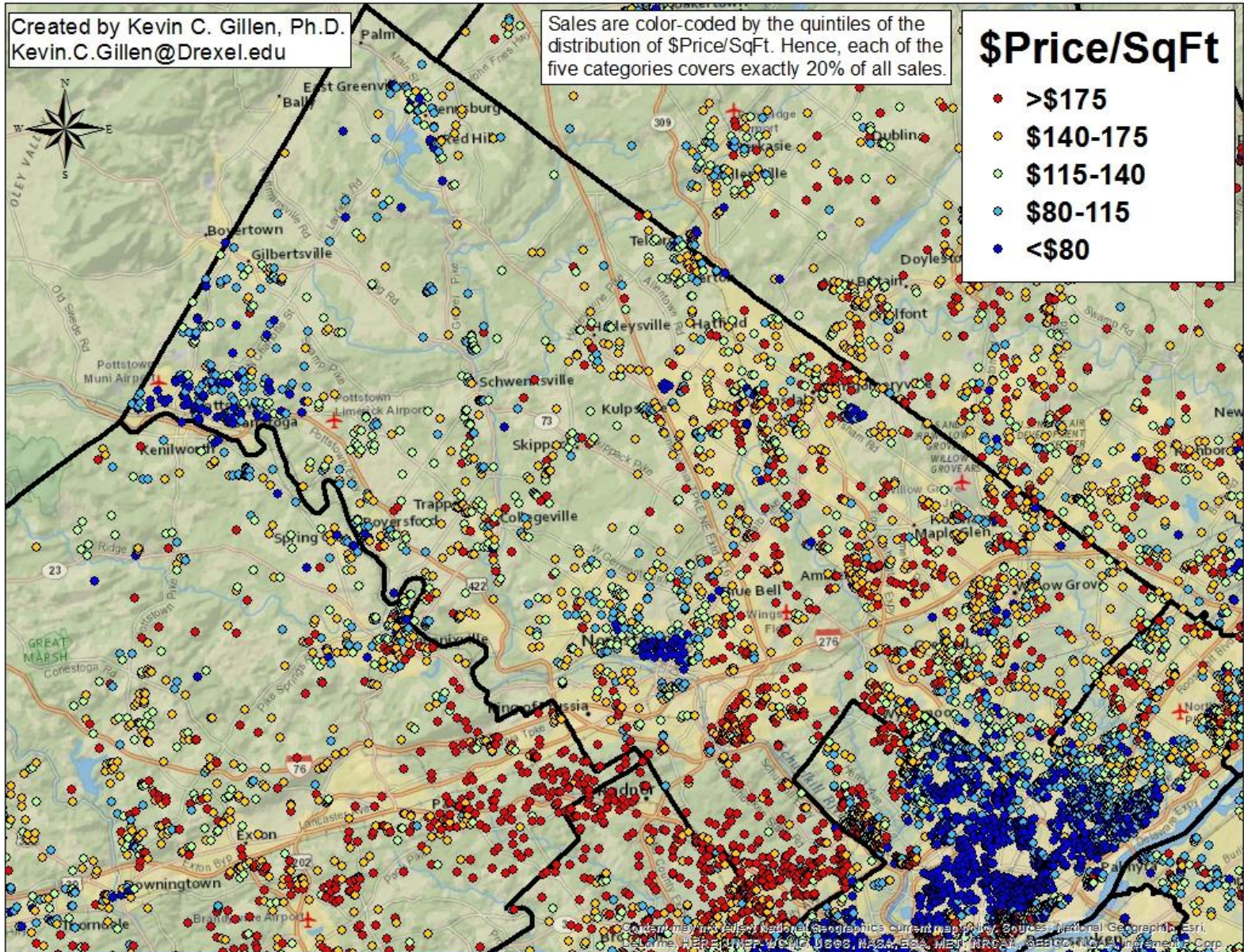
Montgomery County House Sales in 2015 Q2

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Sales are color-coded by the quintiles of the distribution of \$Price/SqFt. Hence, each of the five categories covers exactly 20% of all sales.

\$Price/SqFt

- >\$175
- \$140-175
- \$115-140
- \$80-115
- <\$80



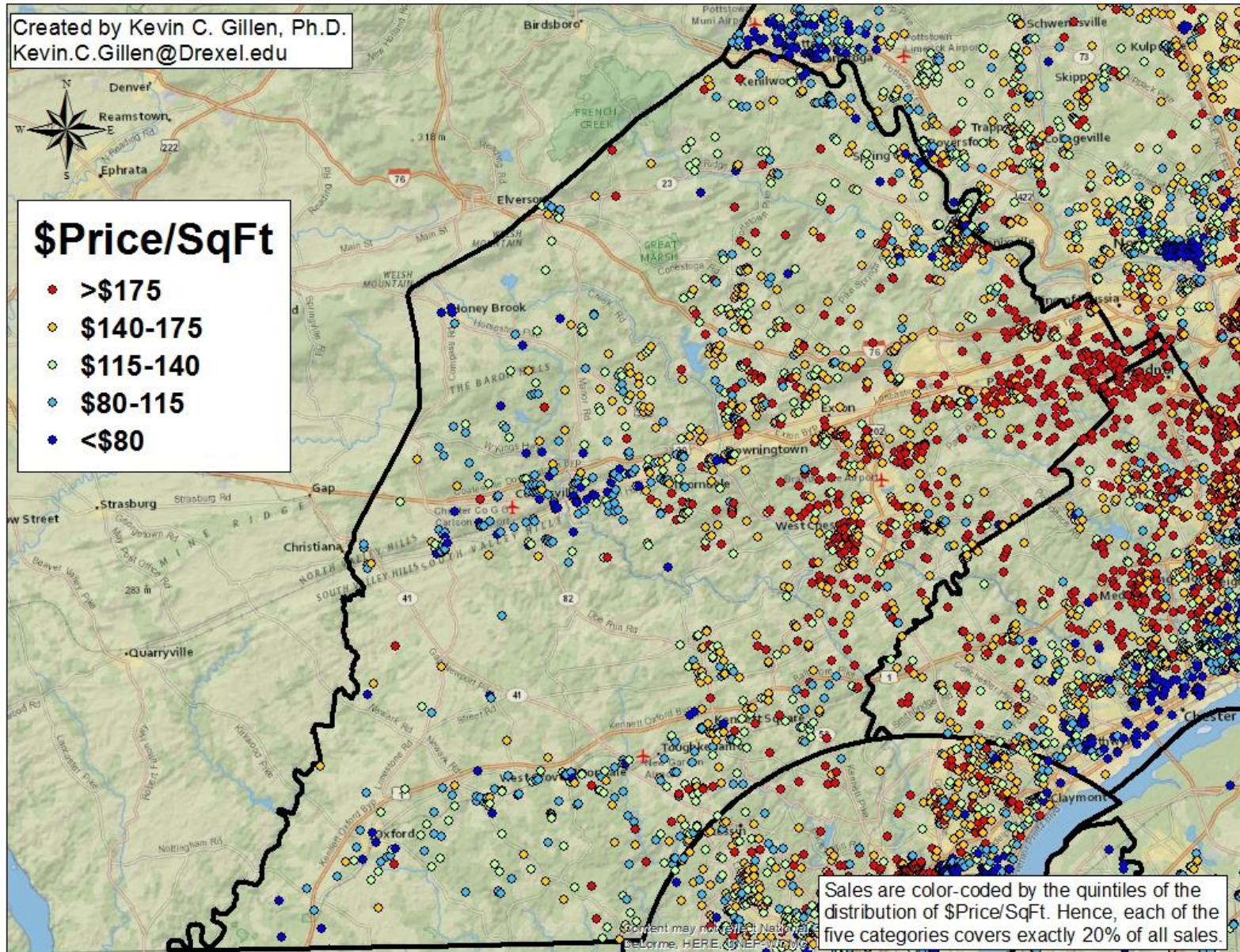
Chester County House Sales in 2015 Q2

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\$Price/SqFt

- >\$175
- \$140-175
- \$115-140
- \$80-115
- <\$80



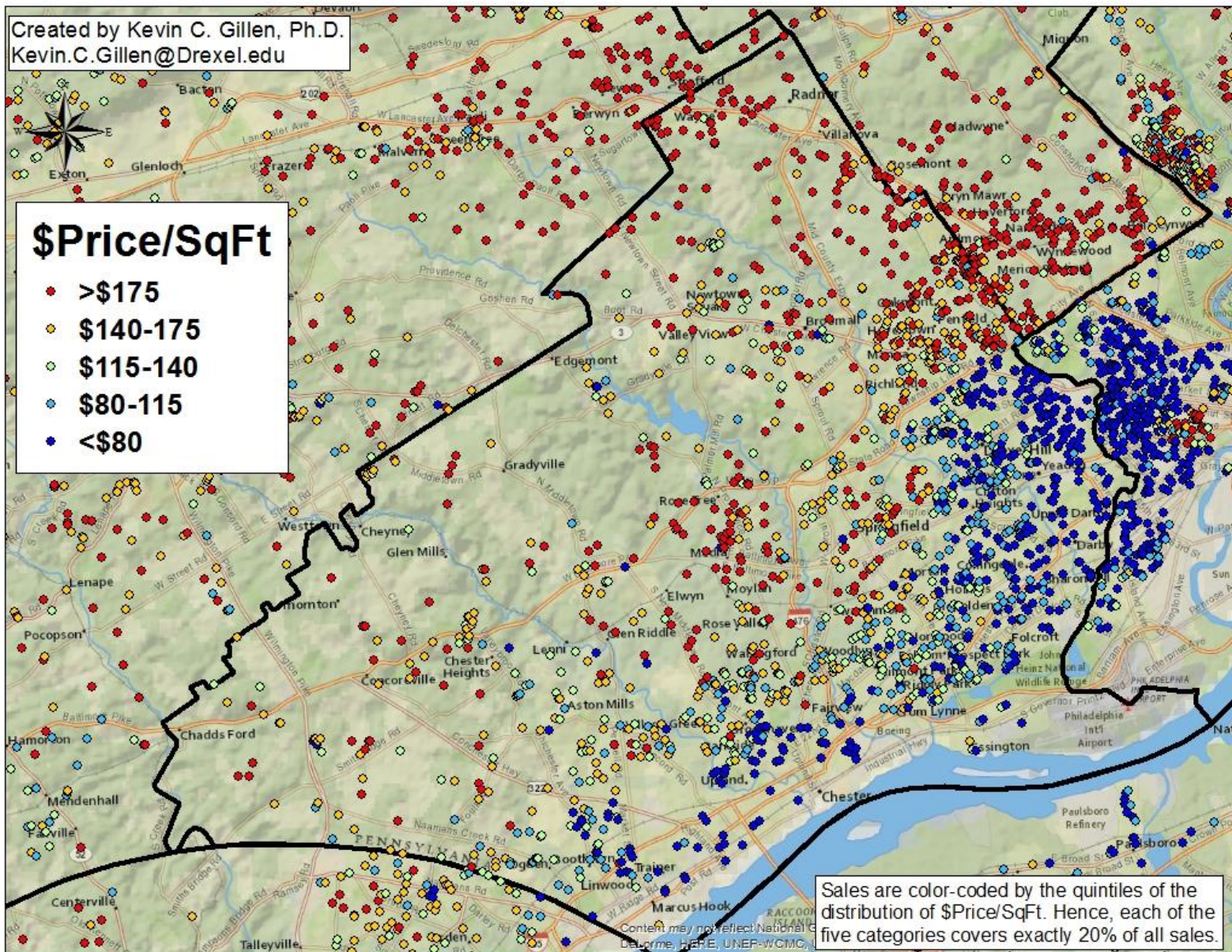
Sales are color-coded by the quintiles of the distribution of \$Price/SqFt. Hence, each of the five categories covers exactly 20% of all sales.

Delaware County House Sales in 2015 Q2

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\$Price/SqFt

- >\$175
- \$140-175
- \$115-140
- \$80-115
- <\$80



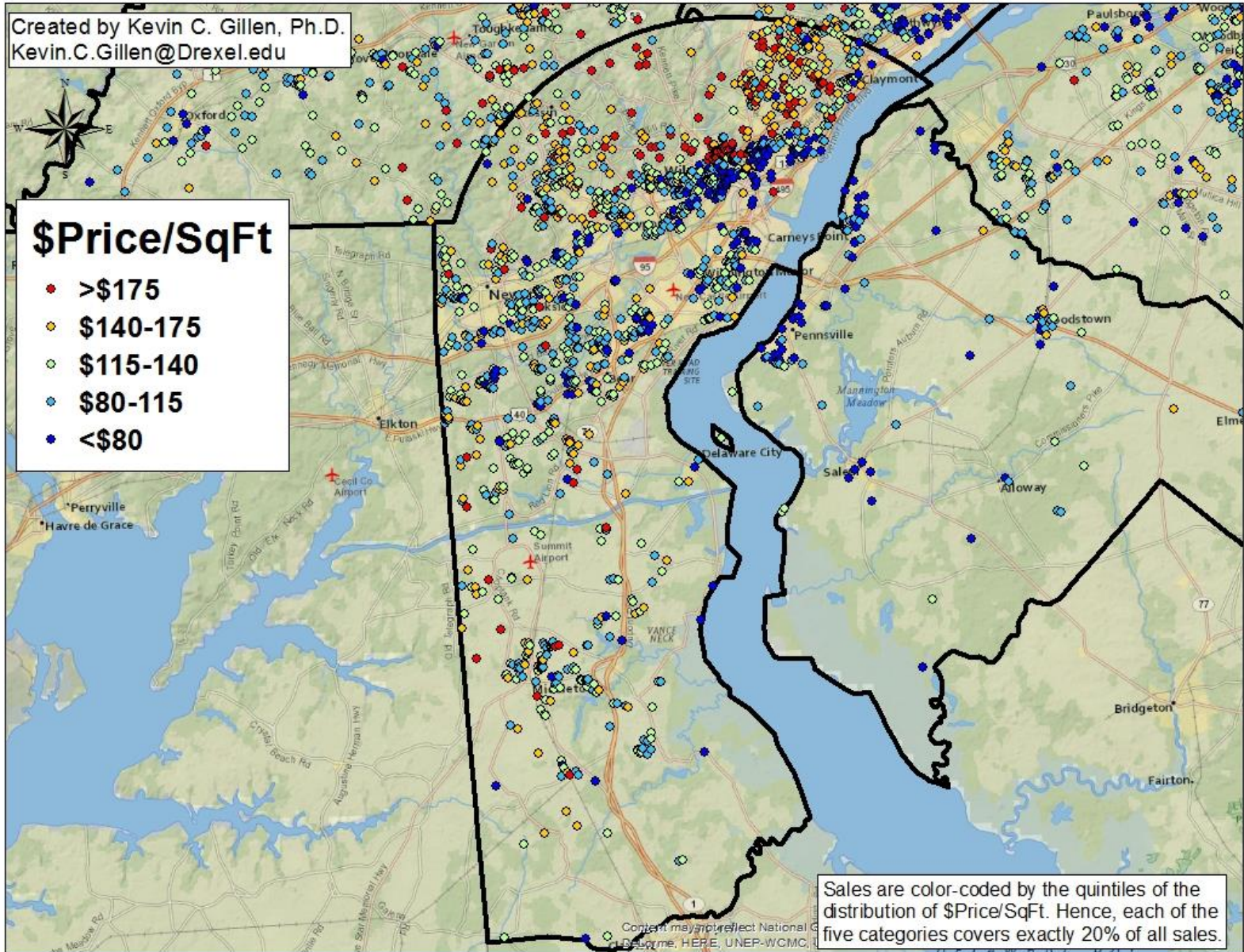
Sales are color-coded by the quintiles of the distribution of \$Price/SqFt. Hence, each of the five categories covers exactly 20% of all sales.

New Castle County House Sales in 2015 Q2

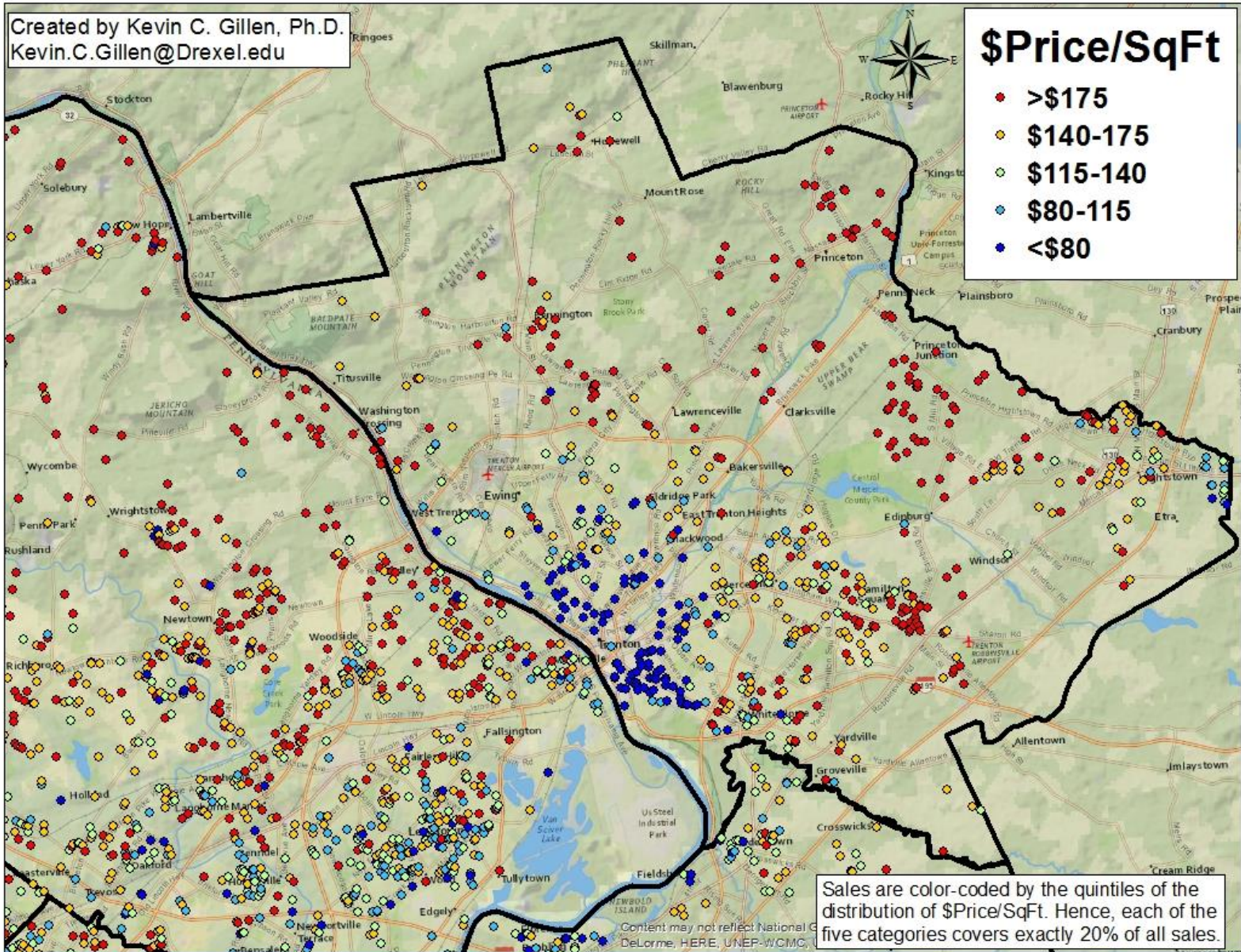
Created by Kevin C. Gillen, Ph.D.
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\$Price/SqFt

- >\$175
- \$140-175
- \$115-140
- \$80-115
- <\$80

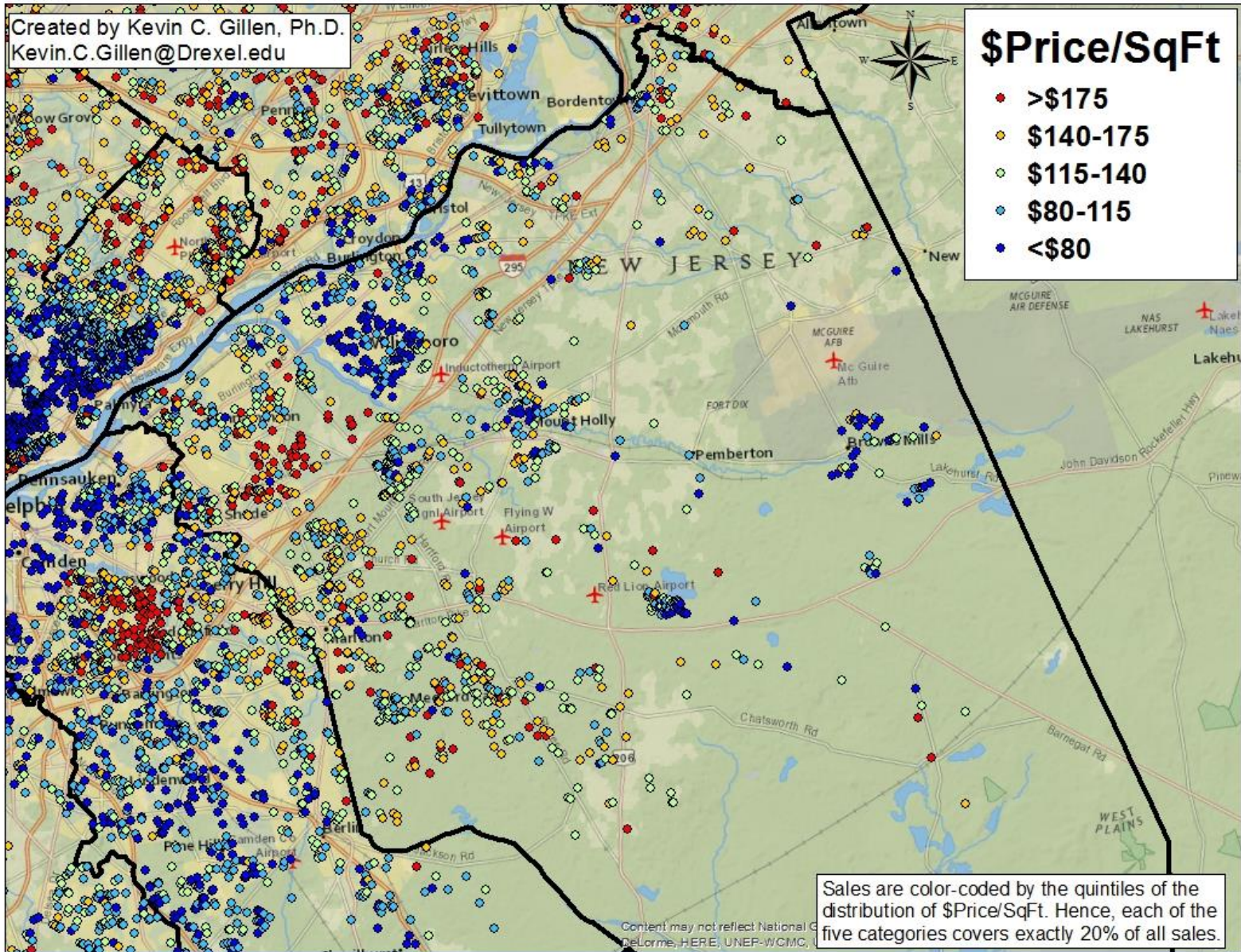


Mercer County House Sales in 2015 Q2

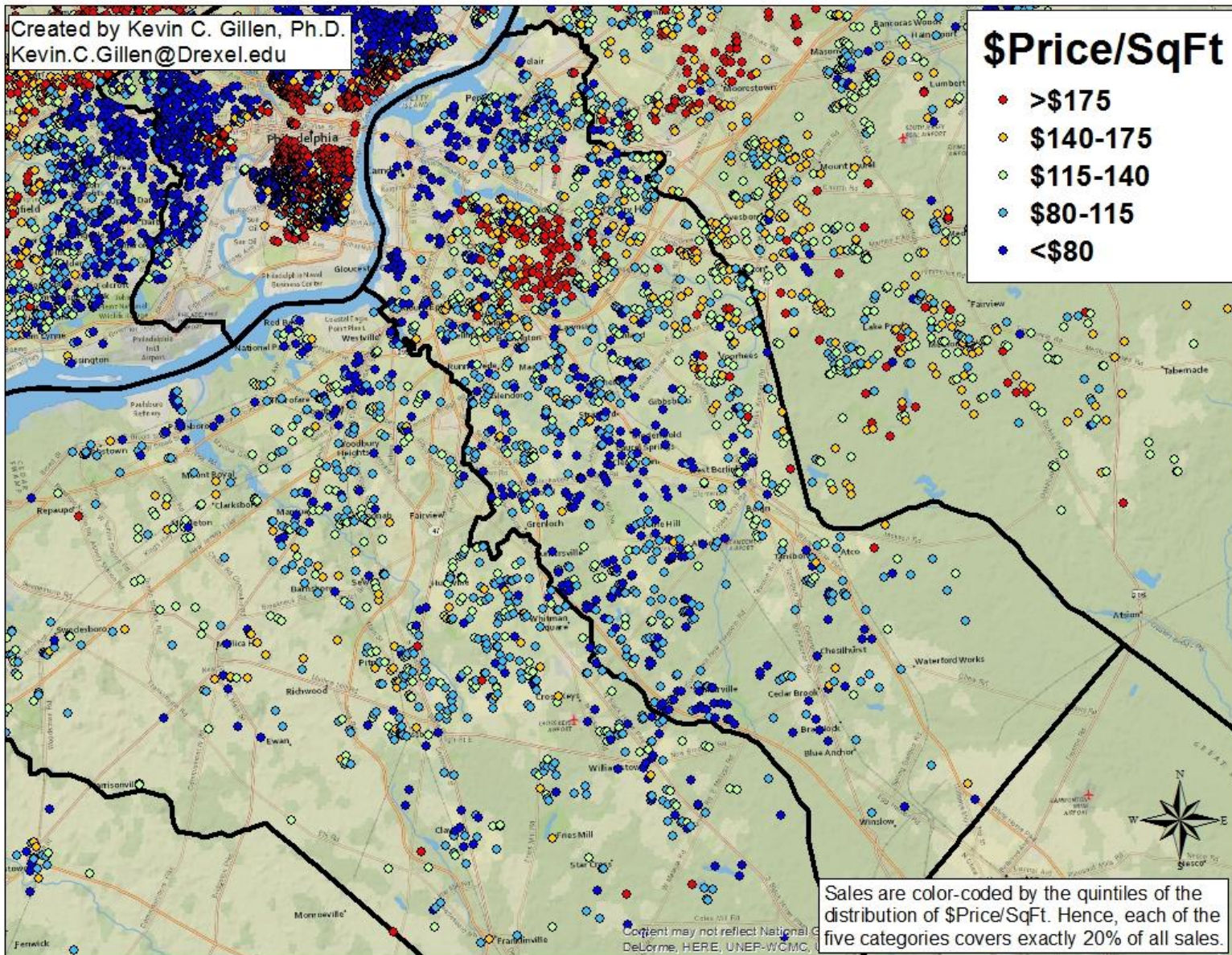


Burlington County House Sales in 2015 Q2

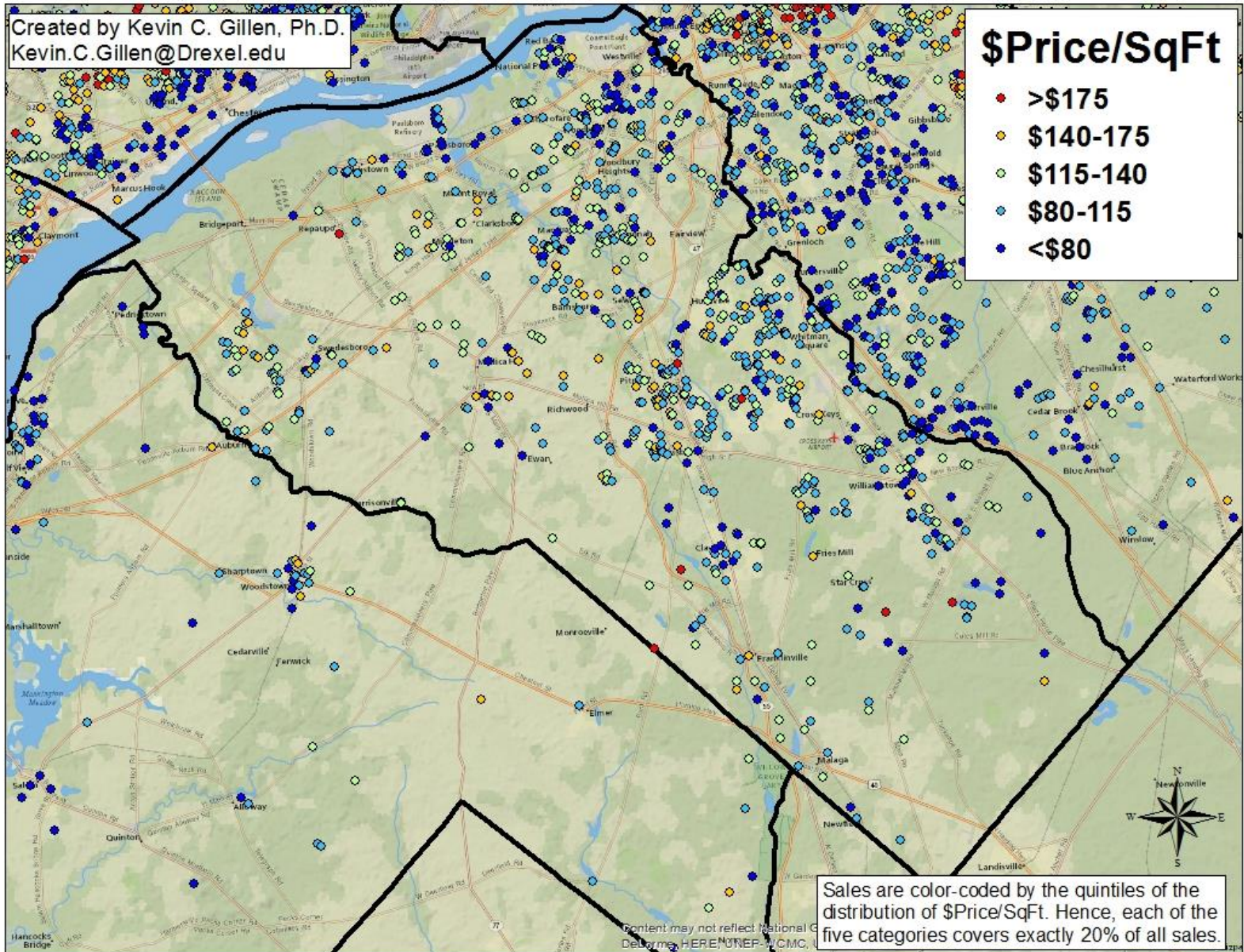
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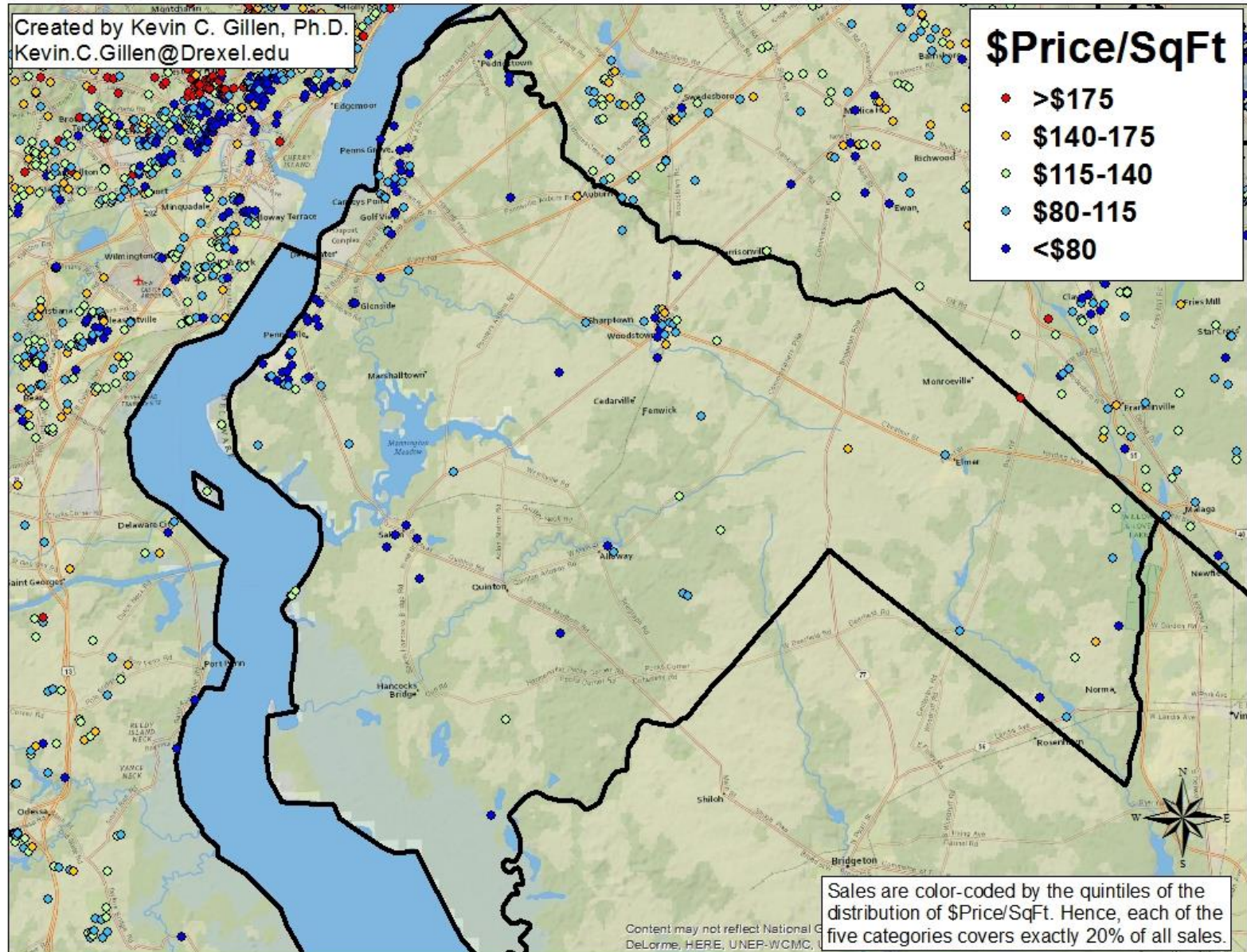
Camden County House Sales in 2015 Q2



Gloucester County House Sales in 2015 Q2

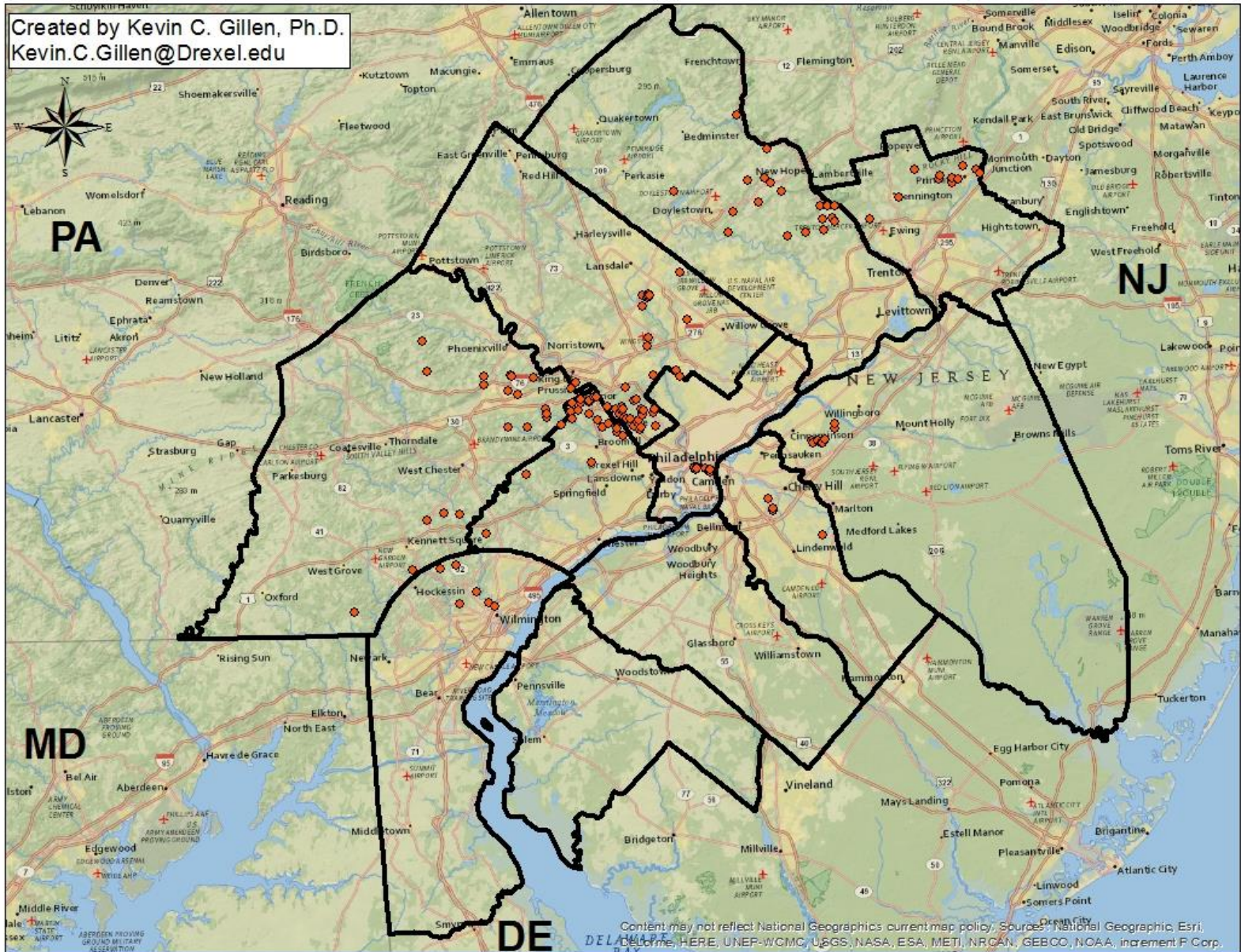


Salem County House Sales in 2015 Q2



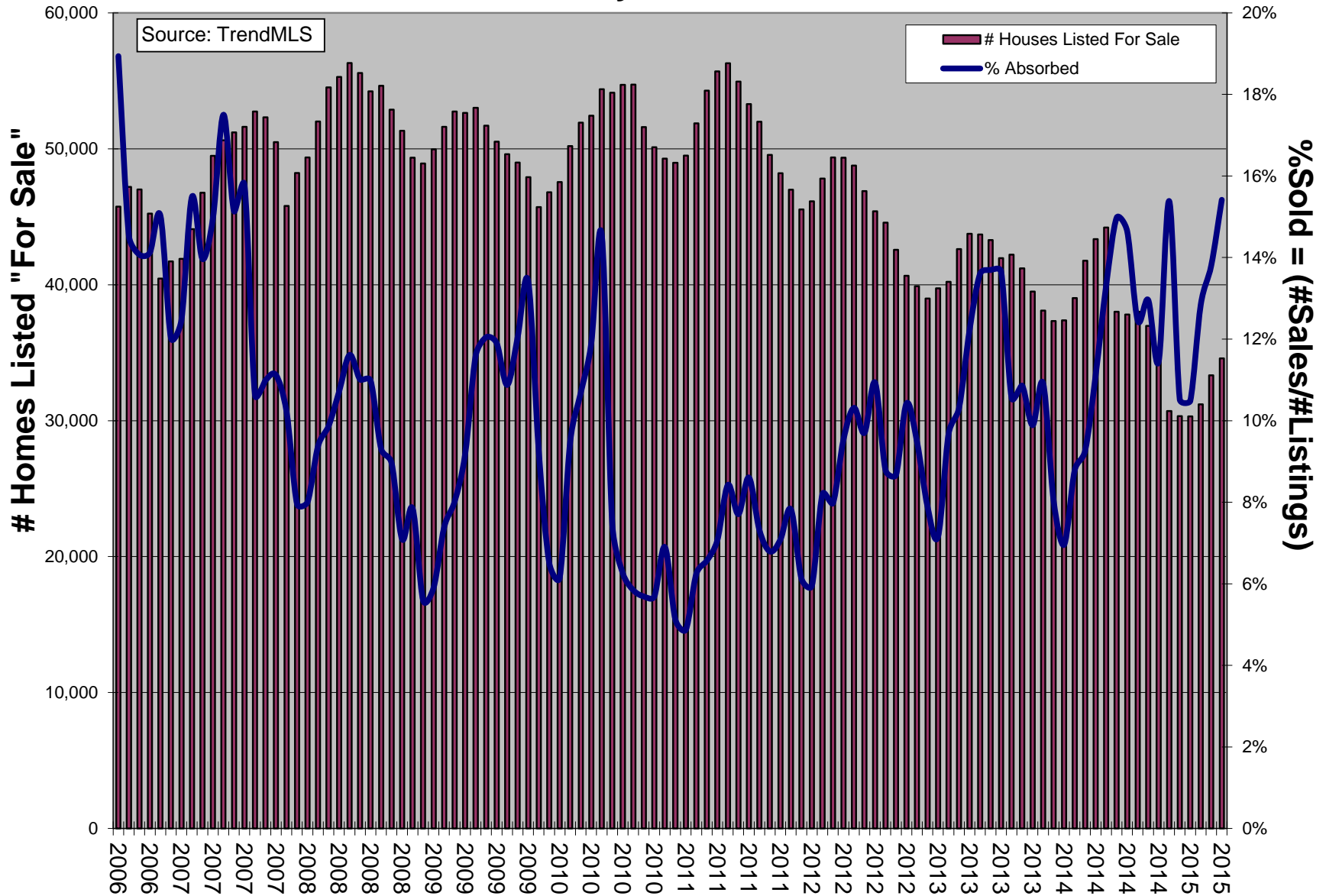
+ \$1 Million Dollar House Sales in 2015 Q2

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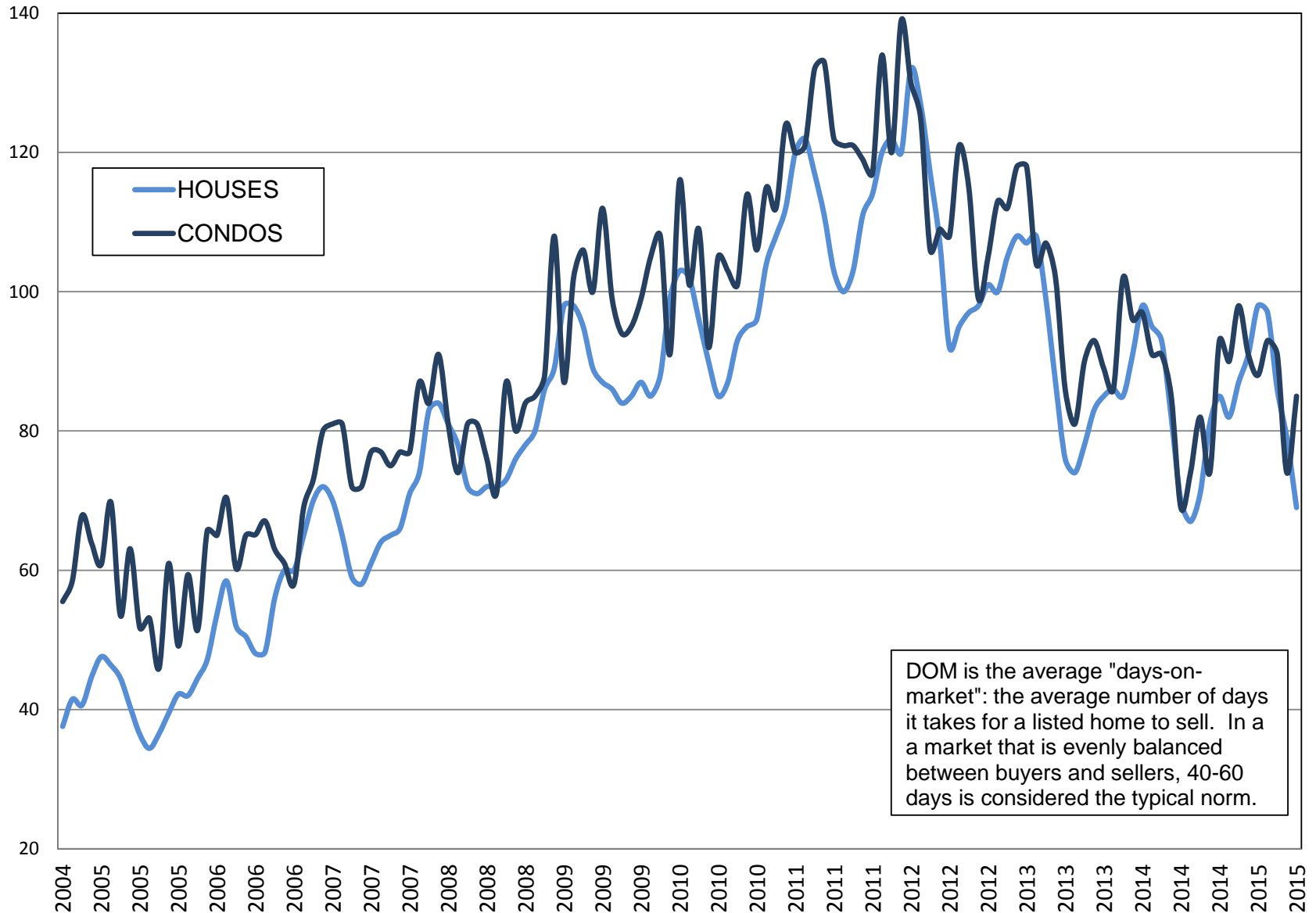


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Philadelphia Region Houses Listed For Sale: Inventory v. Sales Rate

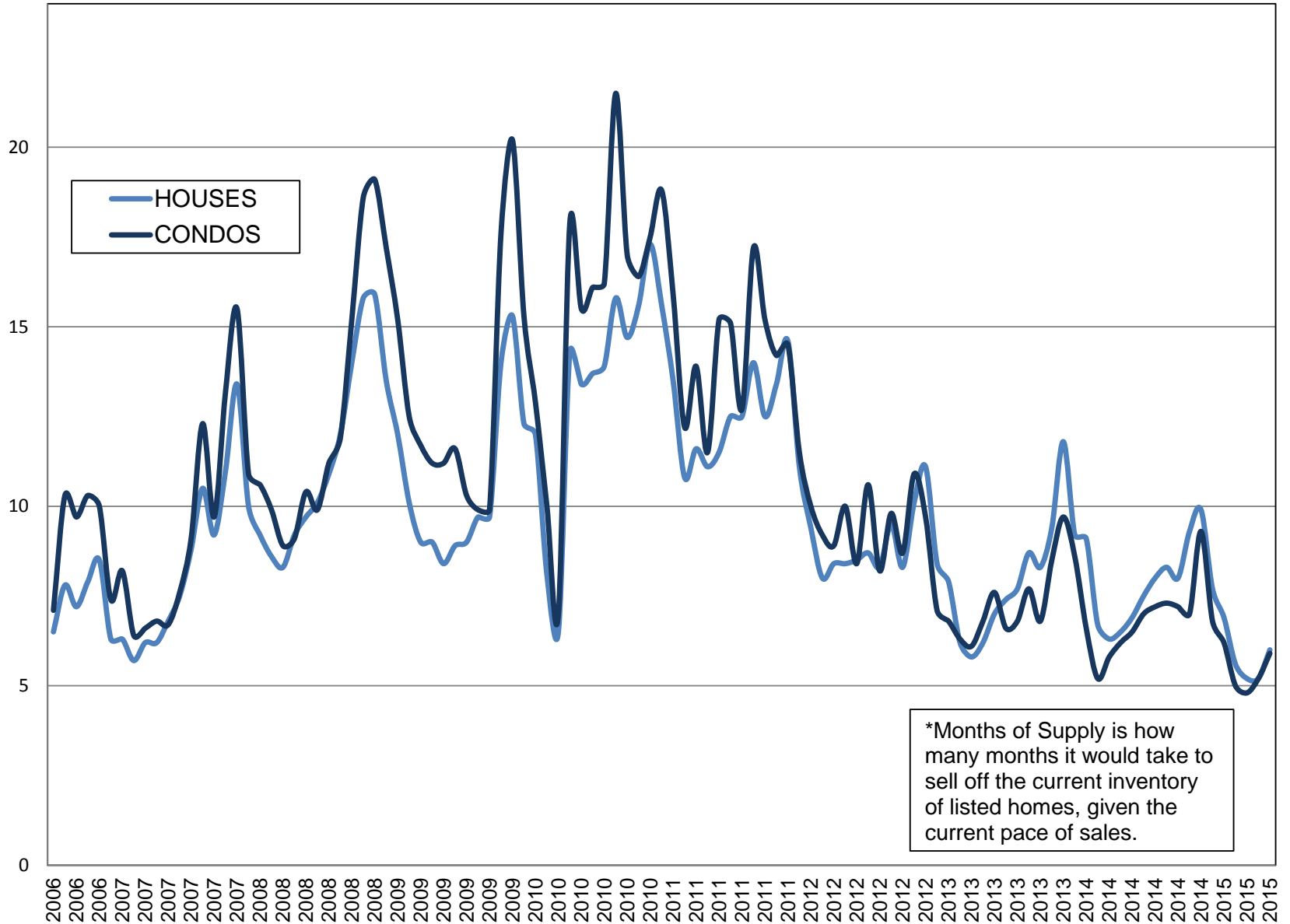


Philadelphia Region Avg. DOM*: Houses v. Condos



DOM is the average "days-on-market": the average number of days it takes for a listed home to sell. In a a market that is evenly balanced between buyers and sellers, 40-60 days is considered the typical norm.

Philadelphia Region Months of Supply*: Houses v. Condos

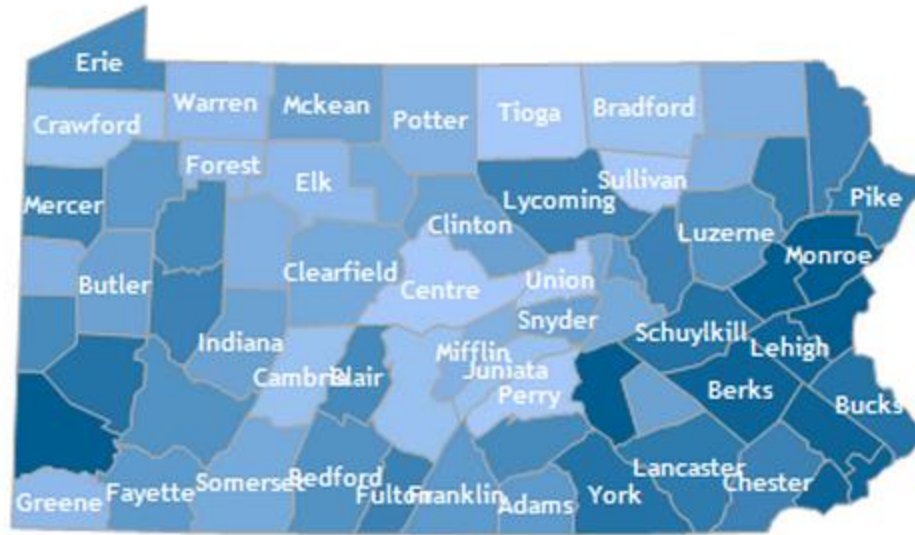


*Months of Supply is how many months it would take to sell off the current inventory of listed homes, given the current pace of sales.

Pennsylvania Foreclosure Rates

Top 5 Counties

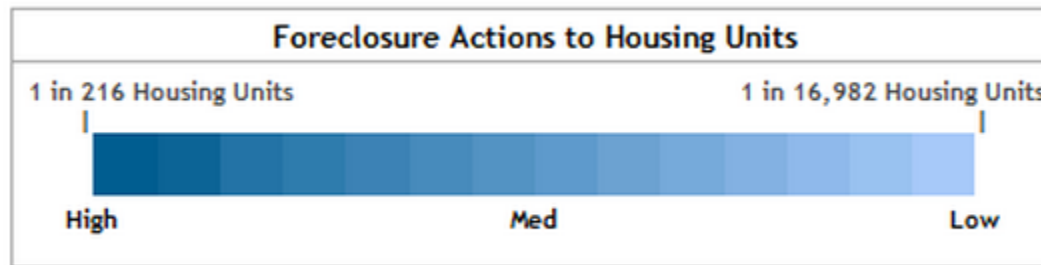
- Monroe**
1 in every 216
- Washington**
1 in every 322
- Northampton**
1 in every 366
- Dauphin**
1 in every 444
- Carbon**
1 in every 483



1 out of every 610 homes in Philadelphia is currently in the process of foreclosure, which is up from 1 out of every 758 homes in the previous quarter.

In the entire Commonwealth, 1 out of every 858 homes in Pennsylvania is in the process of foreclosure, which is also up from 1 out of every 1,217 homes in the previous quarter.

Source: <http://www.realtytrac.com/statsandtrends/foreclosuretrends/pa>



New Jersey Foreclosure Rates

New Jersey
1 in every 584

Top 5 Counties

Sussex
1 in every 350

Atlantic
1 in every 371

Cumberland
1 in every 381

Camden
1 in every 383

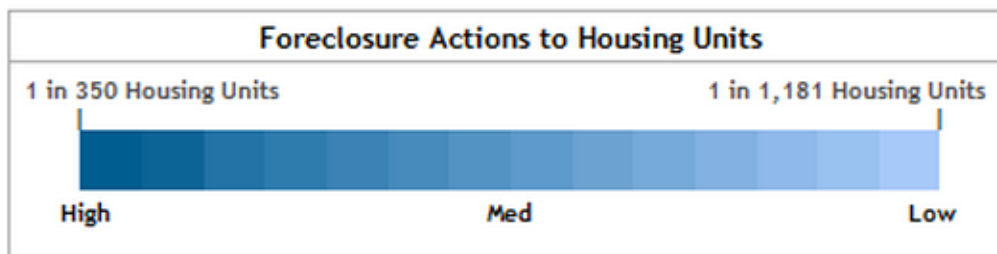
Monmouth
1 in every 415



Although South Jersey's foreclosure rate remains higher than Pennsylvania's, it is currently trending down while Pennsylvania's is trending up.

Currently, 1 out of every 371 homes in Atlantic County is in the process of foreclosure, down from 1 out of every 255 homes in the previous quarter. And 1 out of every 383 homes in Camden County is in the process of foreclosure, which is also down from 1 out of every 355 homes in the previous quarter.

Just 6 months ago, 1 out of every 188 homes in South Jersey was in the process of foreclosure.



Delaware Foreclosure Rates

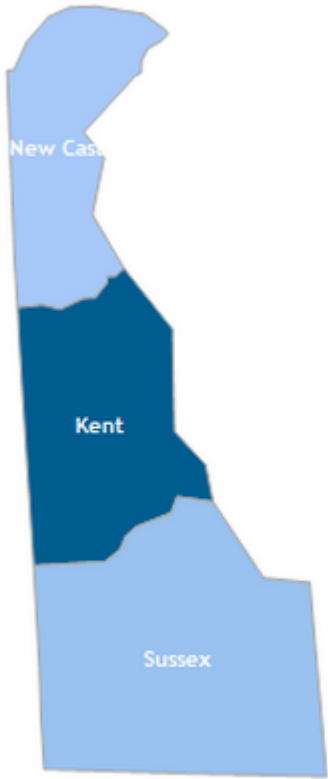
Delaware
1 in every 1207

Top 3 Counties

Kent
1 in every 694

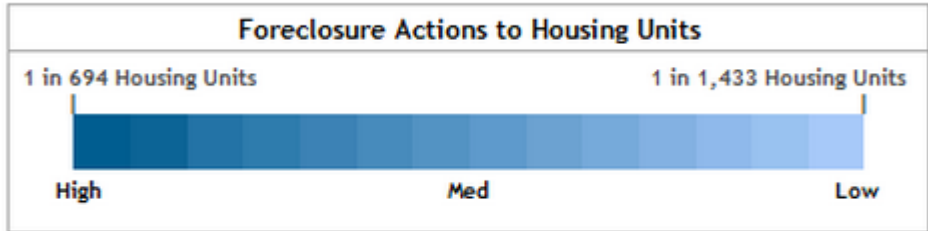
Sussex
1 in every 1365

New Castle
1 in every 1433



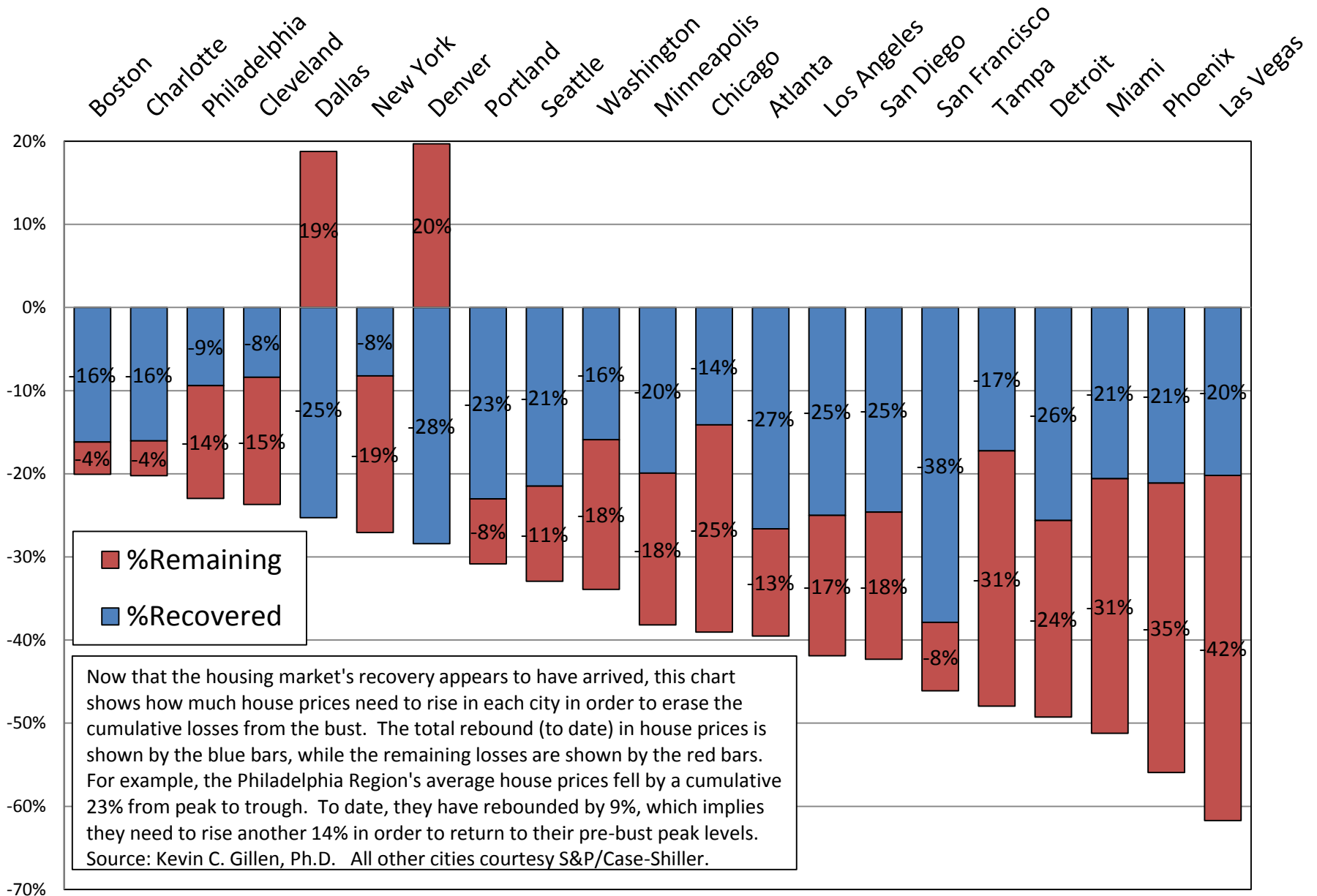
Delaware continues to not only have the lowest overall foreclosure rate in the Tri-State area, but its foreclosure rate is also generally trending downwards:

- 1 out of every 1,433 homes in New Castle County, down from 1 out of every 783 homes in the previous quarter.
- 1 out of every 694 homes in Kent County, down from 1 out of every 659 homes in the previous quarter
- 1 out of every 1,365 homes in Sussex County, down from 1 out of every 1,109 homes in the previous quarter
- An average of 1 out of every 1,207 homes Statewide, down from 1 out of every 832 homes in the previous quarter.



Source: <http://www.realtytrac.com/statsandtrends/foreclosure trends/de>

Housing's Road to Recovery: %Lost v. %Recovered



Now that the housing market's recovery appears to have arrived, this chart shows how much house prices need to rise in each city in order to erase the cumulative losses from the bust. The total rebound (to date) in house prices is shown by the blue bars, while the remaining losses are shown by the red bars. For example, the Philadelphia Region's average house prices fell by a cumulative 23% from peak to trough. To date, they have rebounded by 9%, which implies they need to rise another 14% in order to return to their pre-bust peak levels. Source: Kevin C. Gillen, Ph.D. All other cities courtesy S&P/Case-Shiller.