

PHILADELPHIA REGIONAL HOUSE PRICE INDICES

September 6, 2019



DREXEL UNIVERSITY
Lindy Institute
for Urban Innovation

KEVIN C. GILLEN, Ph.D.

Kevin.C.Gillen@Drexel.edu

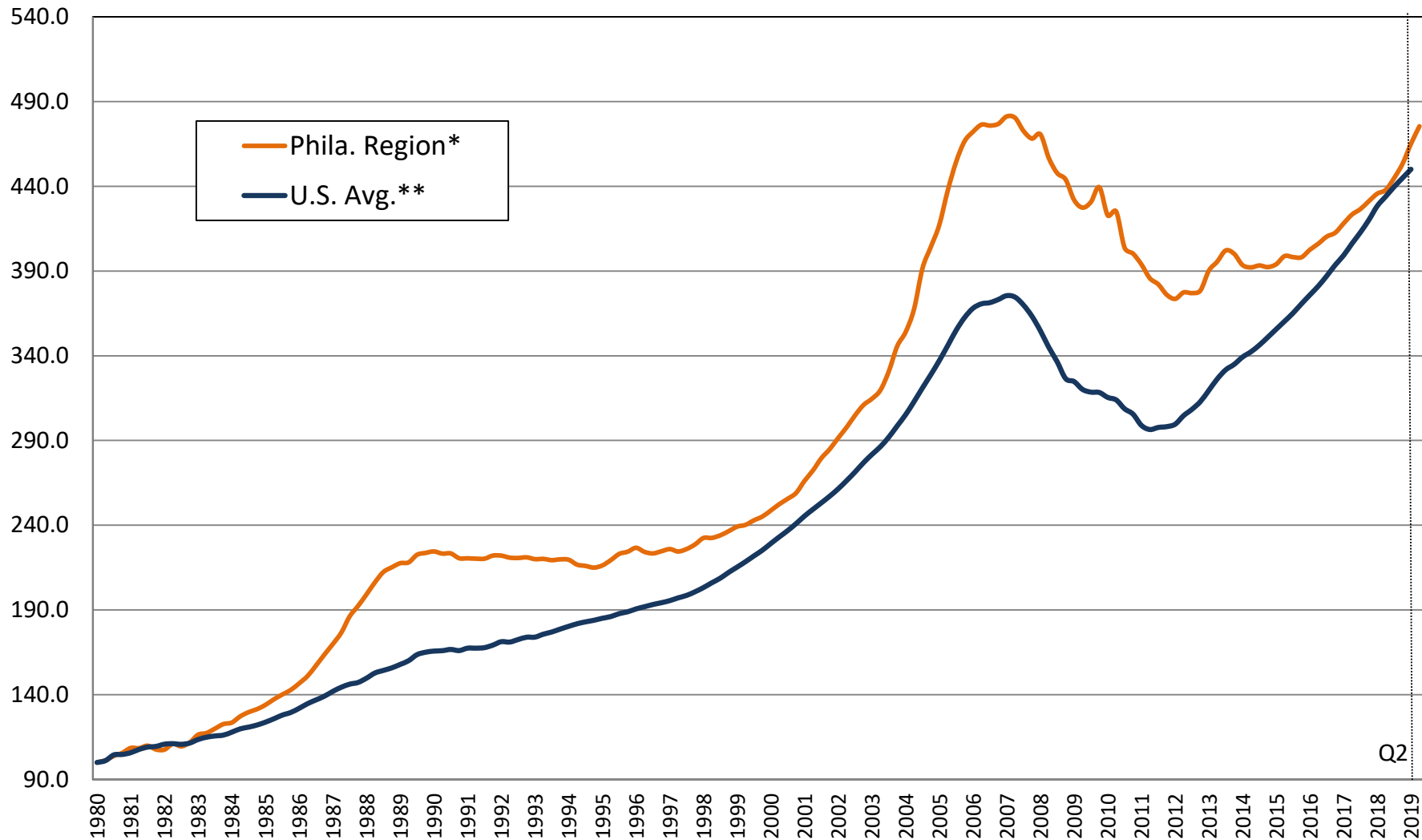
Sponsored By:



Disclaimers and Acknowledgments: The Lindy Institute for Urban Innovation at Drexel University and Houwzer Inc. provide this report free of charge to the public. The report is produced by Kevin Gillen, a Senior Research Fellow with the Lindy Institute and a Senior Economic Advisor with Houwzer. The author thanks Houwzer Inc., 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 available for this report. © 2019, Drexel University, All Rights Reserved.

Philadelphia Regional House Price Indices 1980-2019

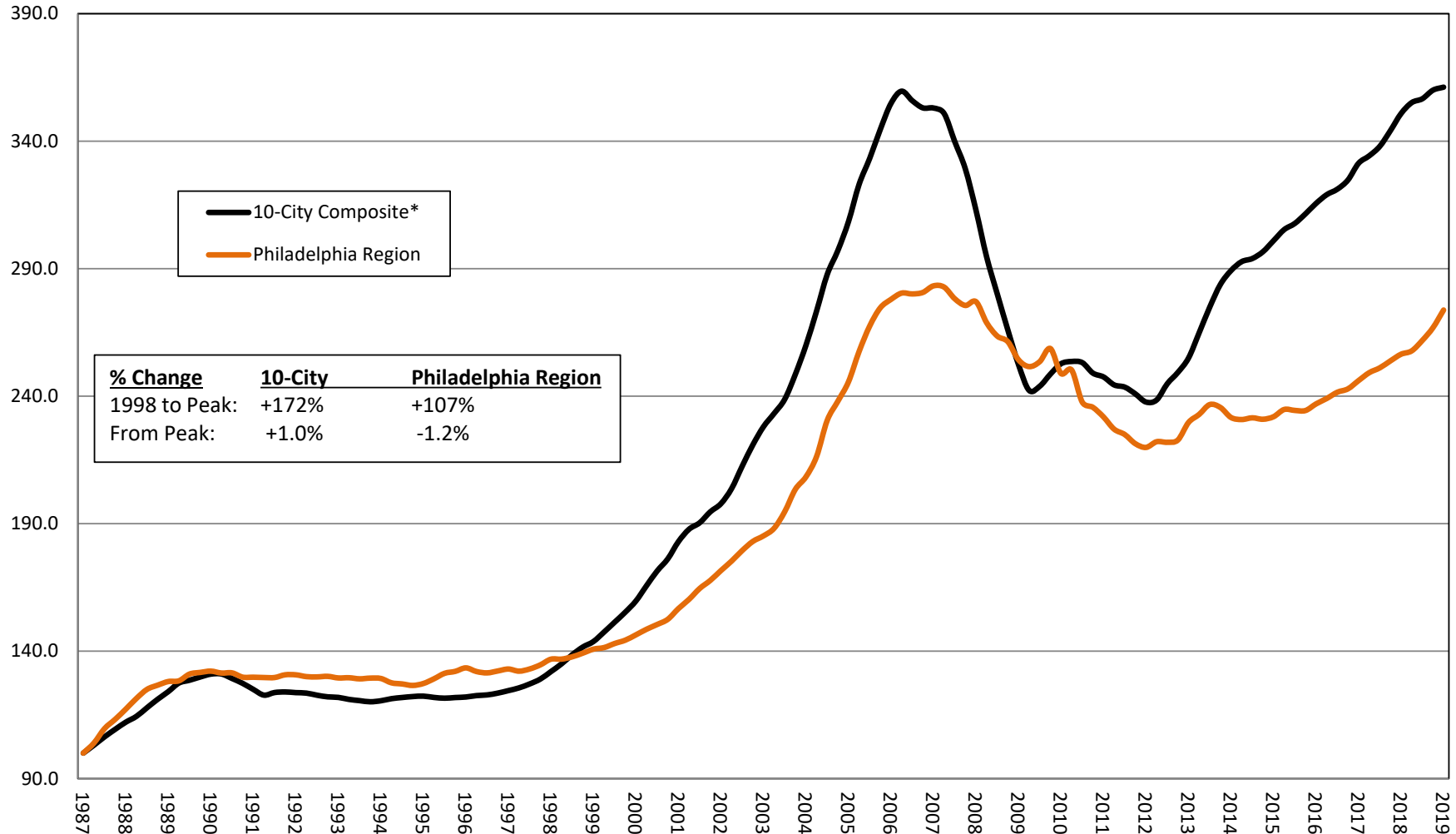
1980Q1=100



*Empirically estimated by Kevin C. Gillen, PhD

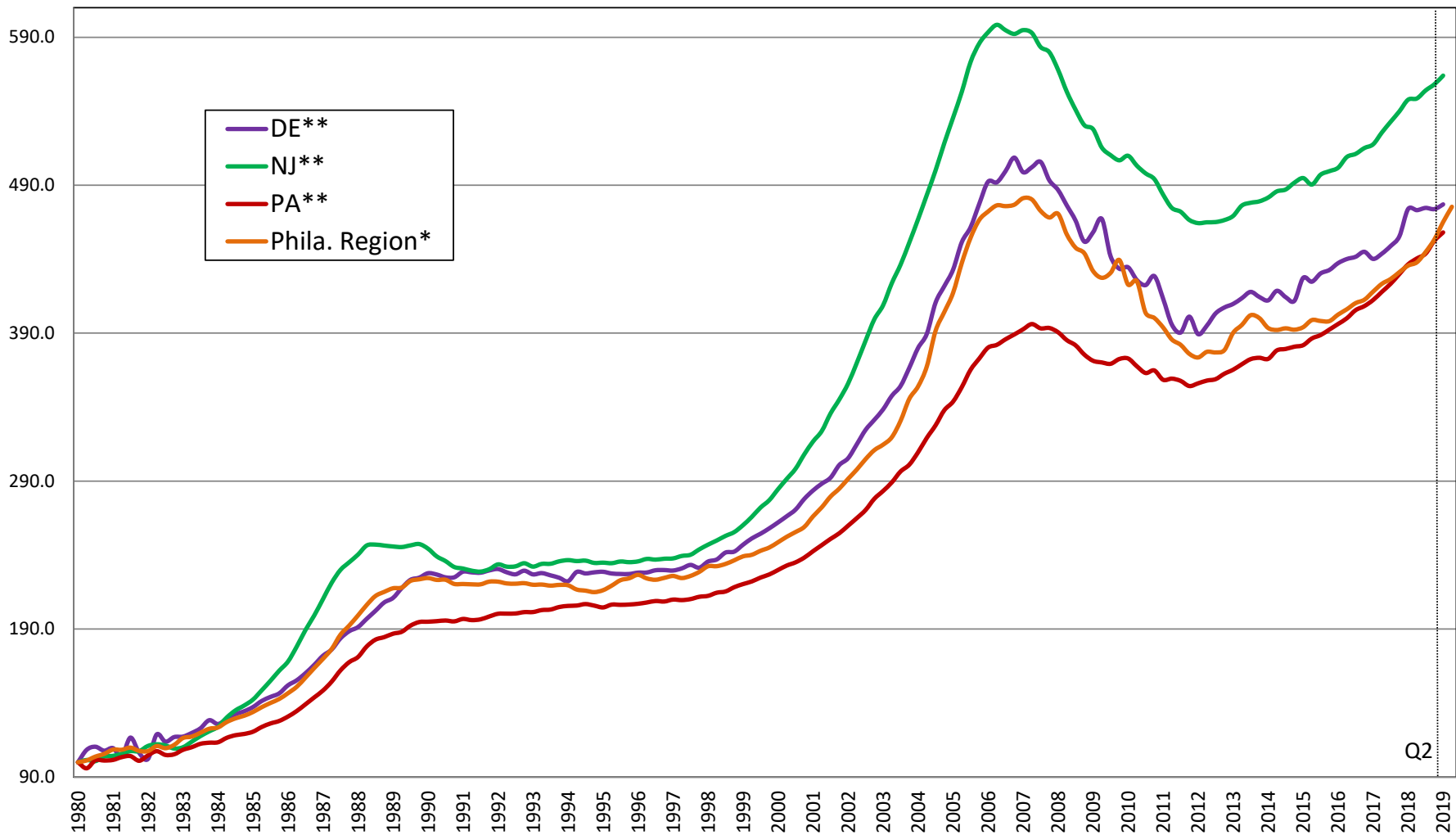
**Courtesy Federal Housing Finance Agency (FHFA)

House Price Appreciation 1987-2019: 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 1980-2019 by Philadelphia Region and State: 1980Q1=100



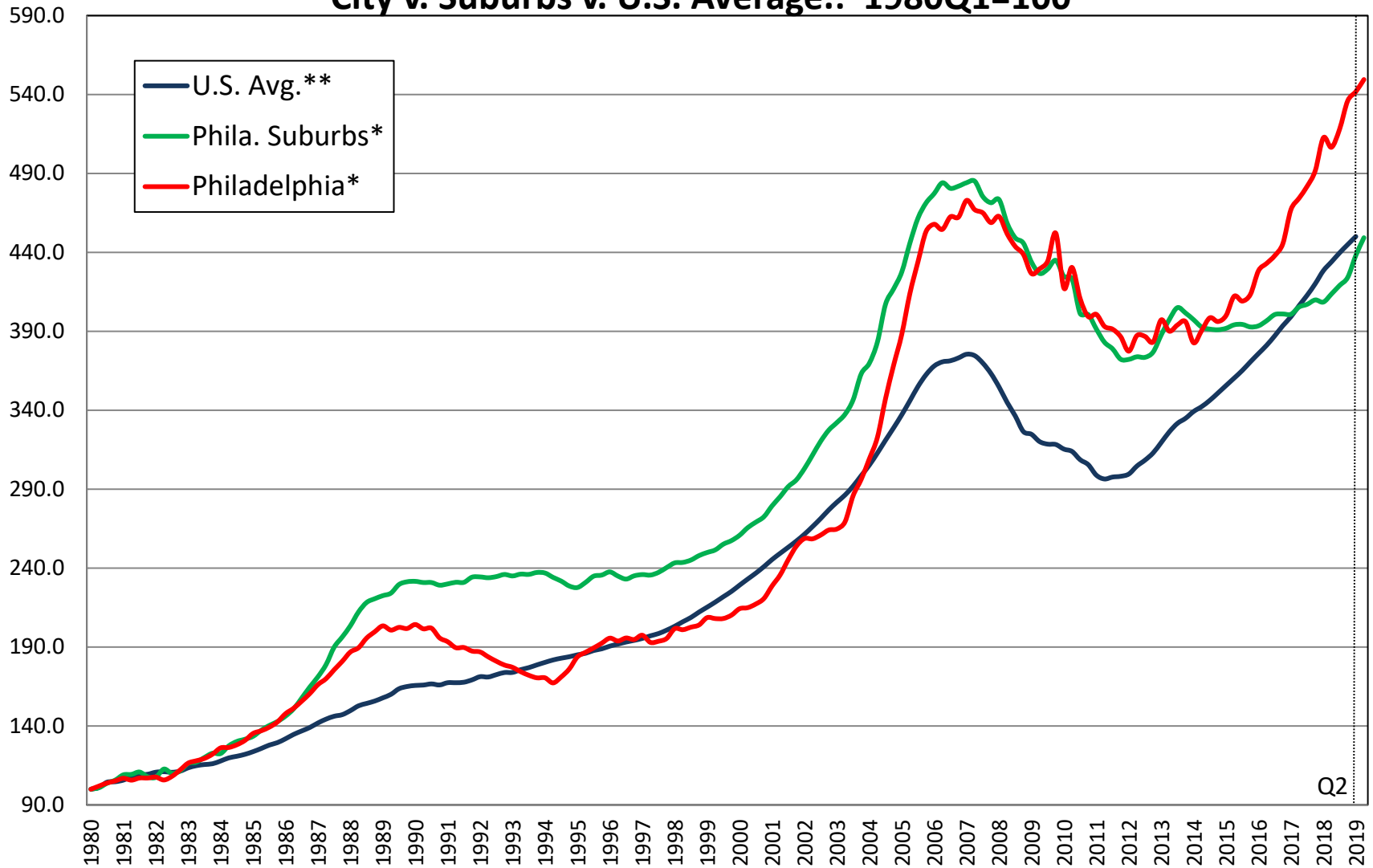
*Empirically estimated by Kevin C. Gillen, Ph.D.

**Courtesy Federal Housing Finance Agency (FHFA)

Q2

Philadelphia Regional House Price Indices 1980-2019

City v. Suburbs v. U.S. Average.: 1980Q1=100

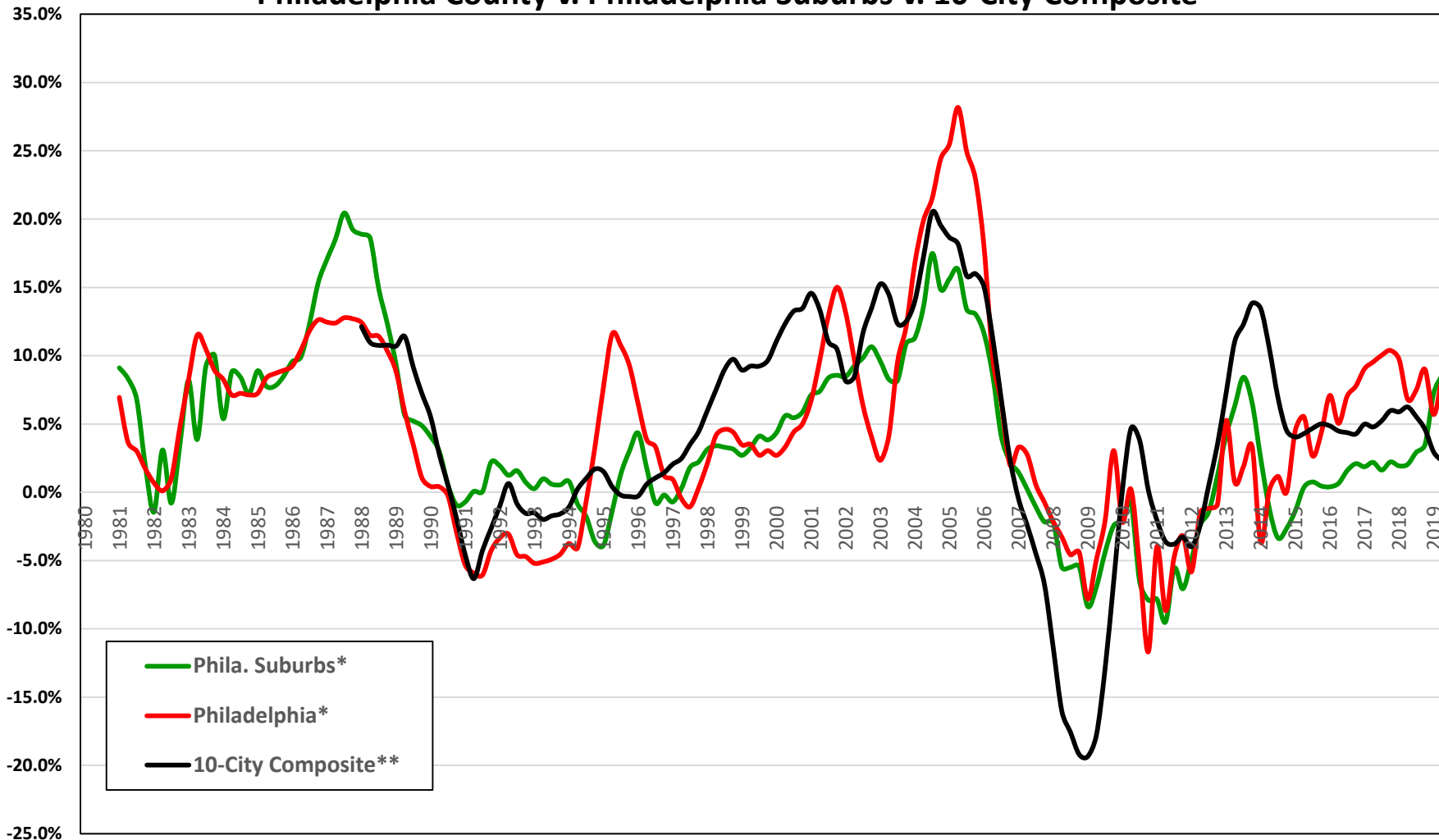


*Empirically estimated by Kevin C. Gillen, Ph.D.

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

YoY Change in Average House Prices: 1980-2019

Philadelphia County v. Philadelphia Suburbs v. 10-City Composite

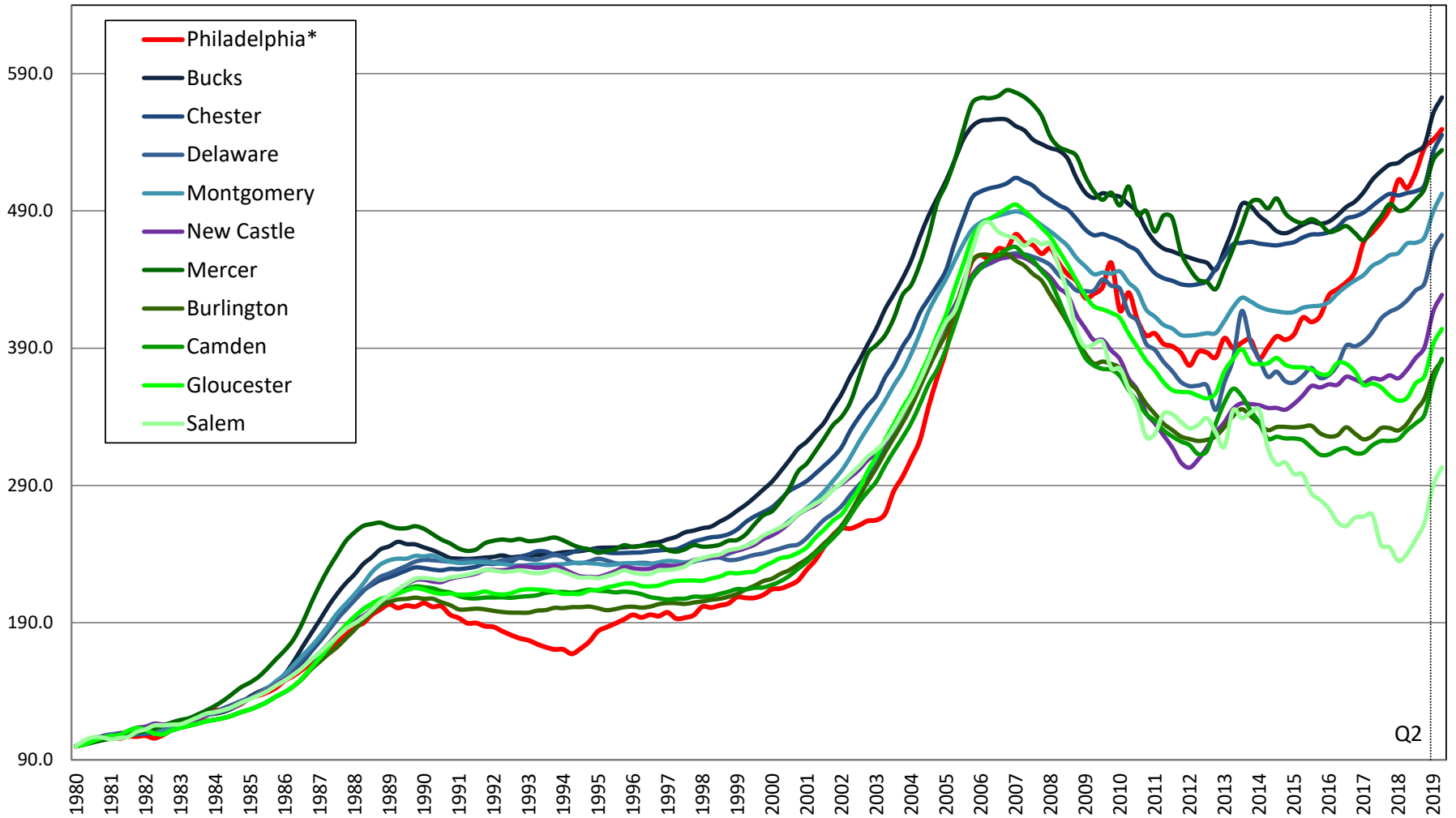


*Empirically estimated by Kevin C. Gillen, Ph.D.

**Empirically estimated by Case-Shiller. The 10-City Composite reflects average annual house price changes in ten large US cities, including: 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 1980-2019, by County

1980Q1=100



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

Q2

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

Period	Philadelphia County*	Philadelphia Suburbs*	U.S.A.**
39-Year	449.5%	349.3%	350.0%
10-Year	27.9%	5.3%	38.6%
1-Year	8.5%	8.6%	5.1%
1-Quarter	1.4%	2.6%	1.1%

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

**Source: U.S. Federal Housing Finance Agency (FHFA). These numbers are through 2019Q1 only. “MSA”=“Metropolitan Statistical Area”, which is the entire 11-county region.

Philadelphia Region House Price Appreciation Rates by County

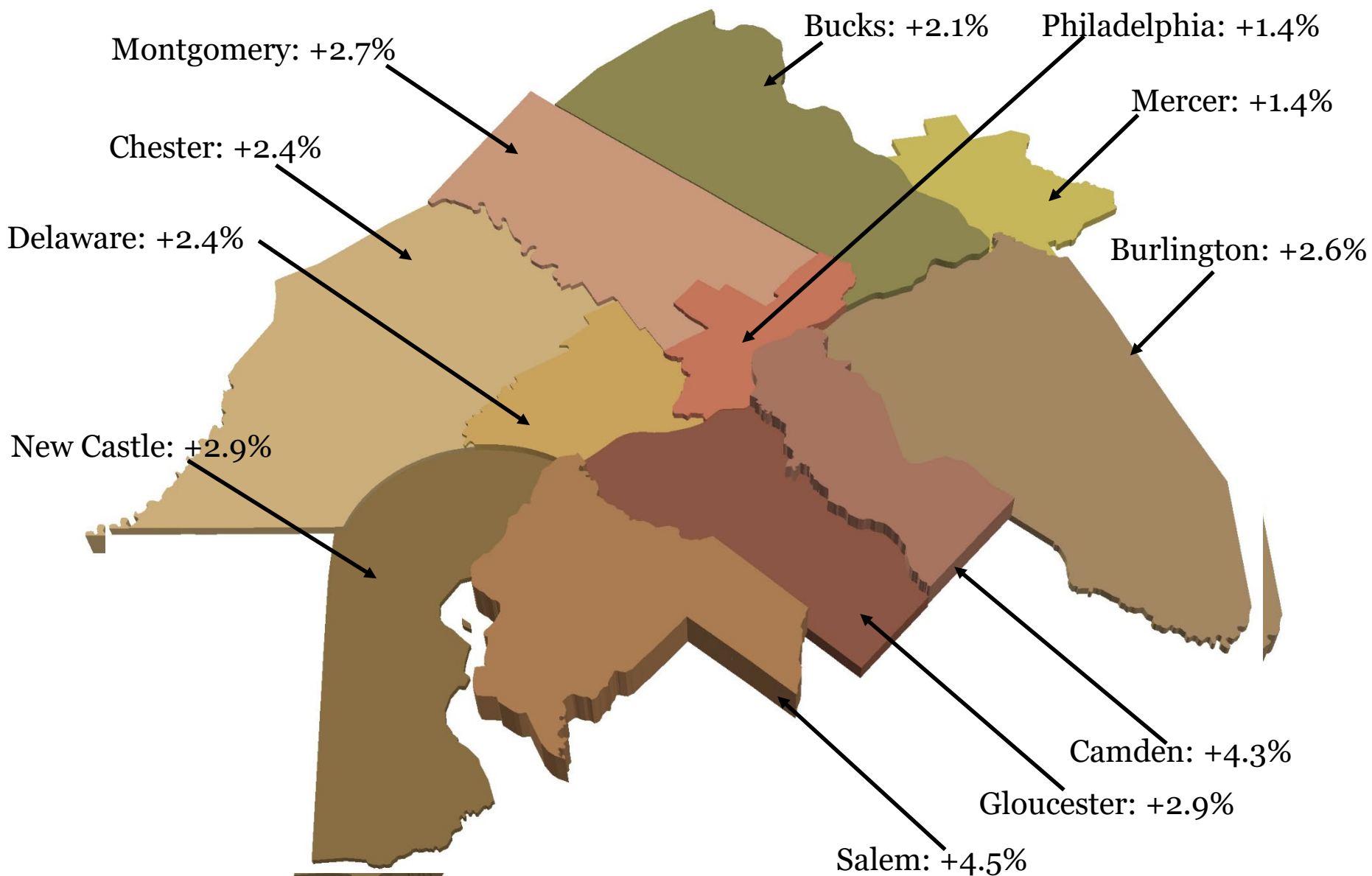
Period	Philadelphia	Bucks	Chester	Delaware	Montgomery	New Castle	Mercer	Burlington	Camden	Gloucester	Salem
39-Year	449%	473%	445%	372%	403%	329%	434%	281%	282%	304%	203%
10-Year	27.9%	14.7%	15.5%	9.4%	13.2%	8.3%	5.9%	0.6%	1.3%	-3.9%	-22.8%
1-Year	8.5%	8.1%	8.4%	11.2%	7.8%	14.6%	8.6%	13.7%	15.8%	14.2%	26.2%
1-Quarter	1.4%	2.1%	2.4%	2.4%	2.7%	2.9%	1.4%	2.6%	4.3%	2.9%	4.5%

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

Philadelphia Region: County Boundary Definitions

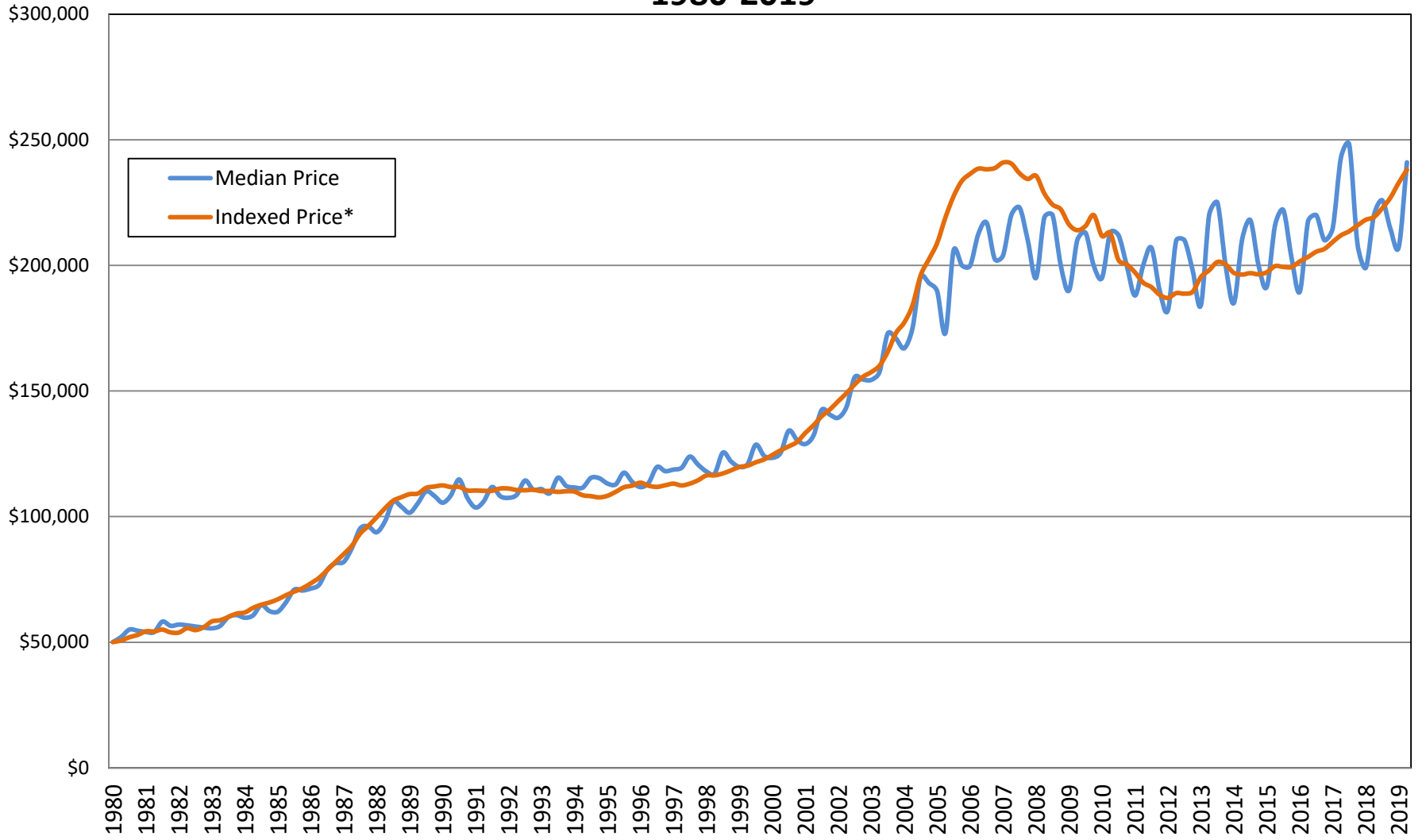


2019 Q2 House Price Rate of Change by County



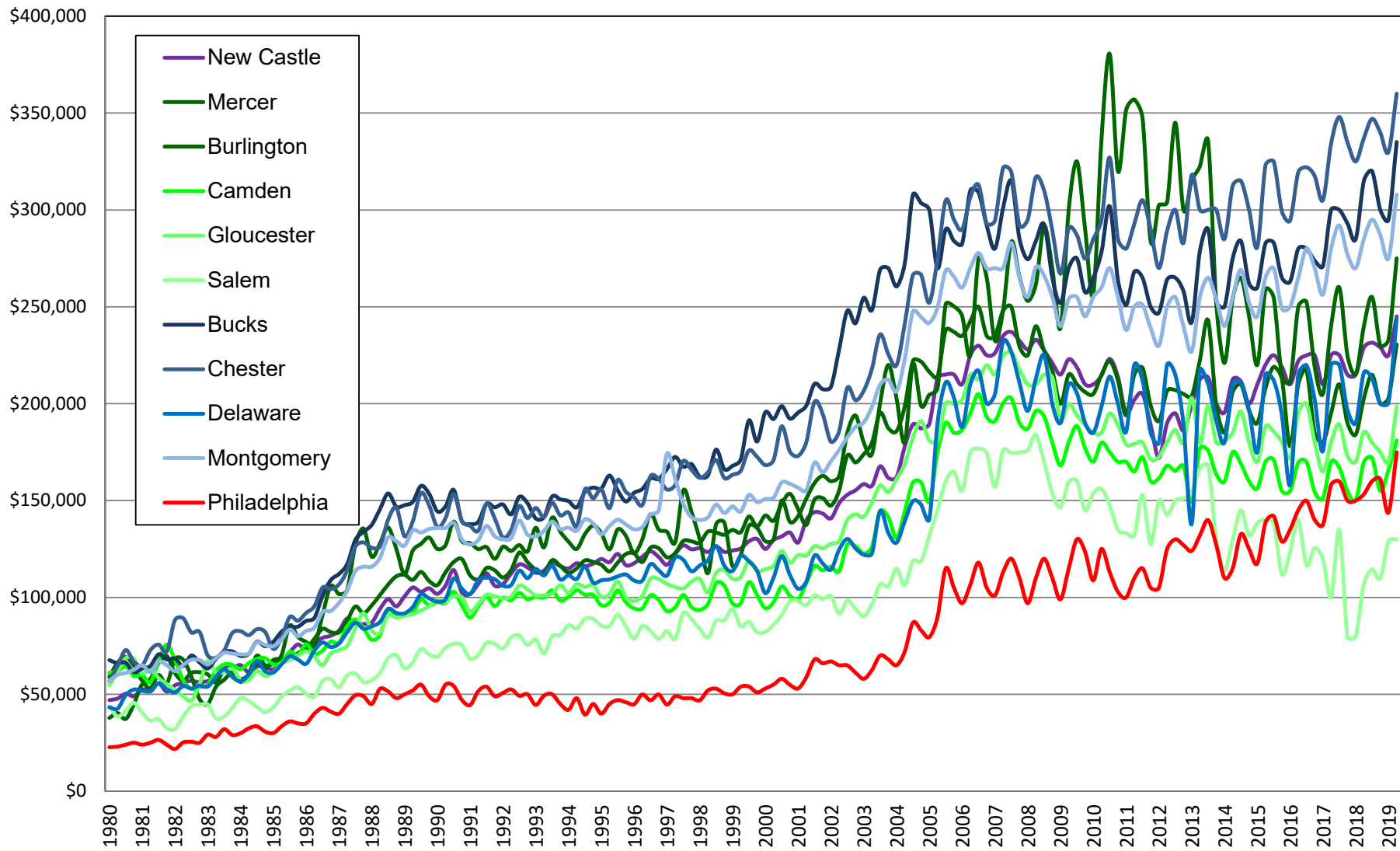
Note: Each county is extruded by its average change in house values during 2019 Q2 in order to reflect its growth (or depreciation) rate relative to other counties.

Median Regional House Price v. Indexed Regional House Price: 1980-2019

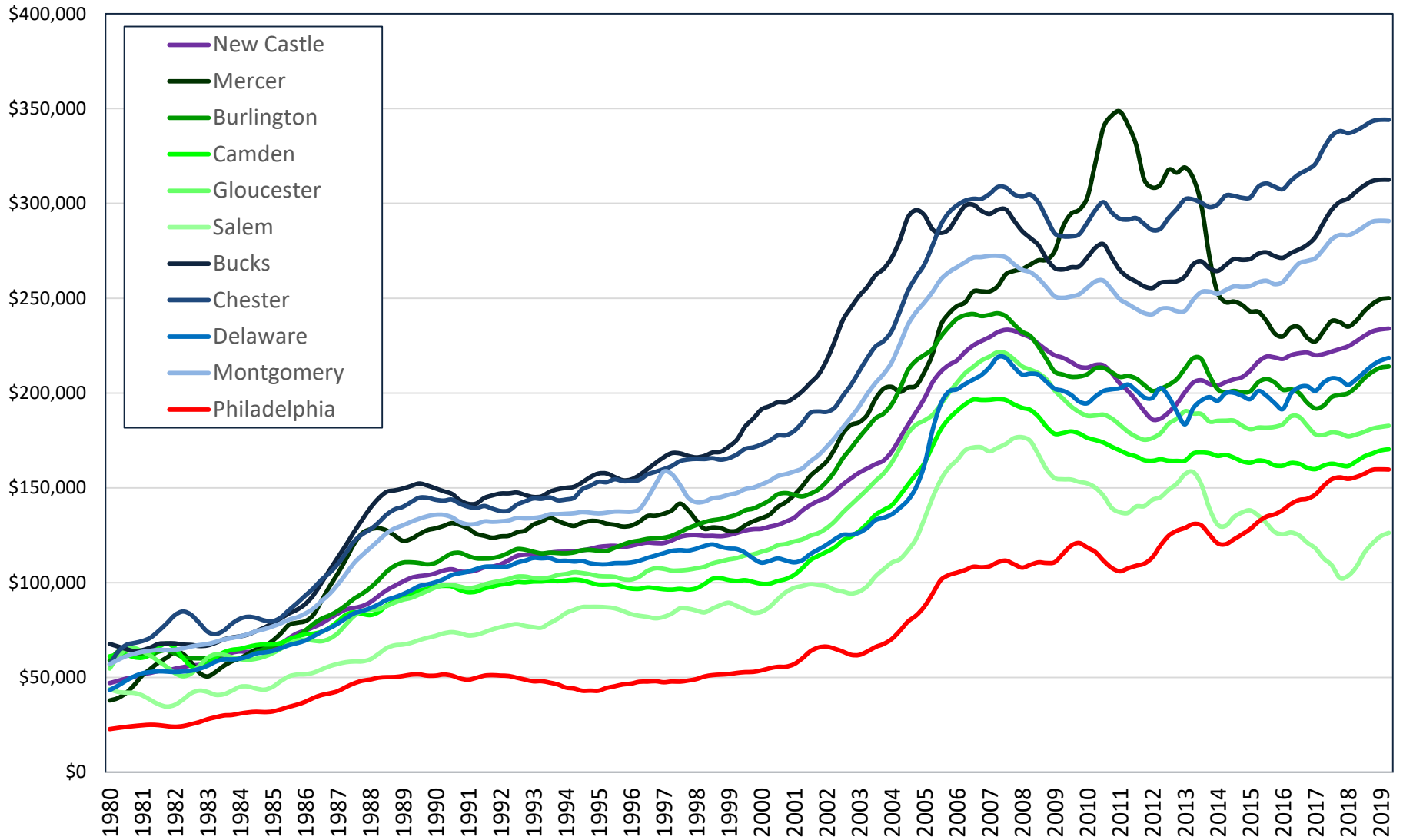


*Empirically estimated by Kevin C. Gillen, Ph.D.

Median House Price by County: 1980-2019

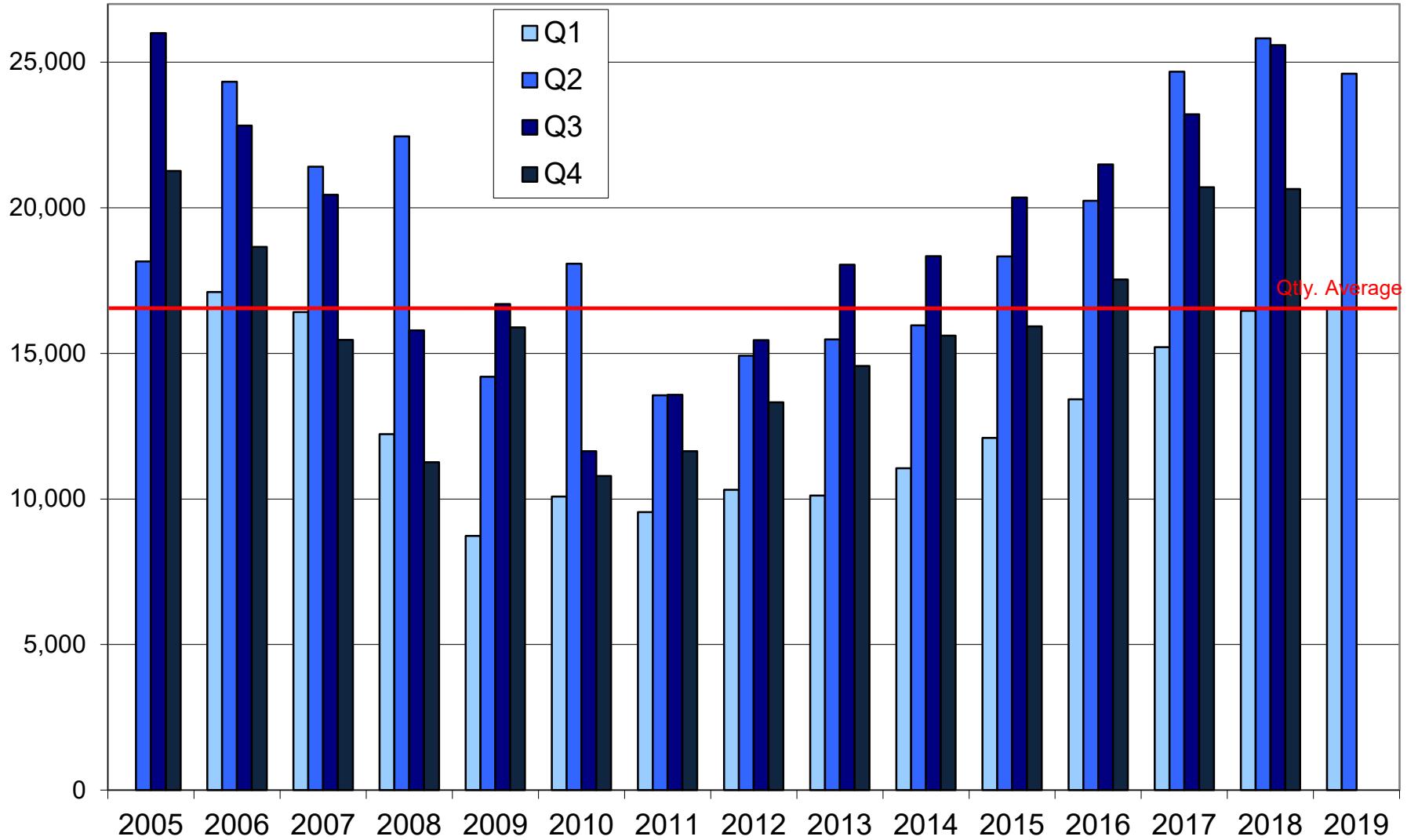


Median House Price by County, Smoothed*: 1980-2019

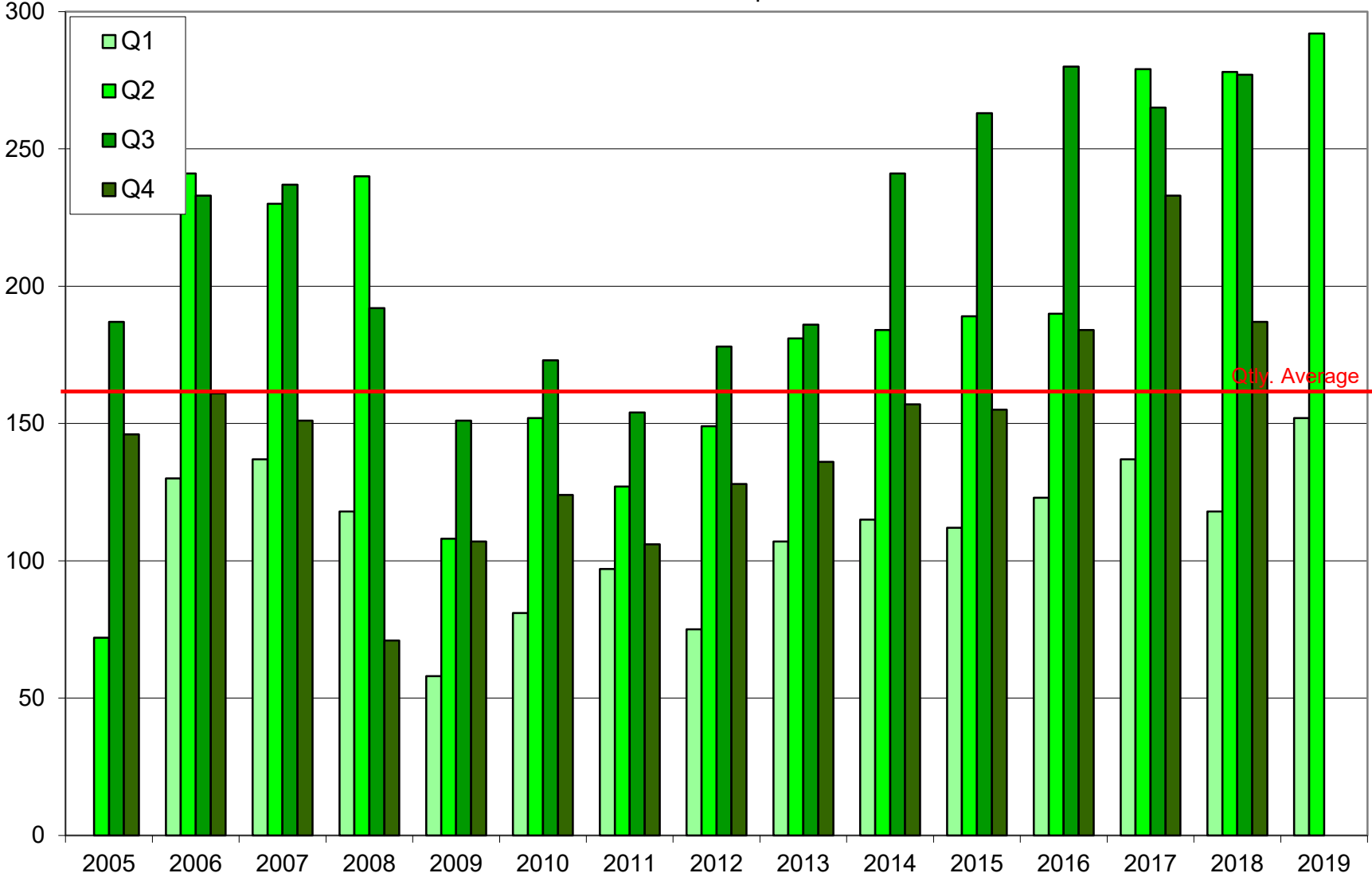


*The price data was smoothed by applying a 3-period moving average, in order to eliminate seasonal noise.

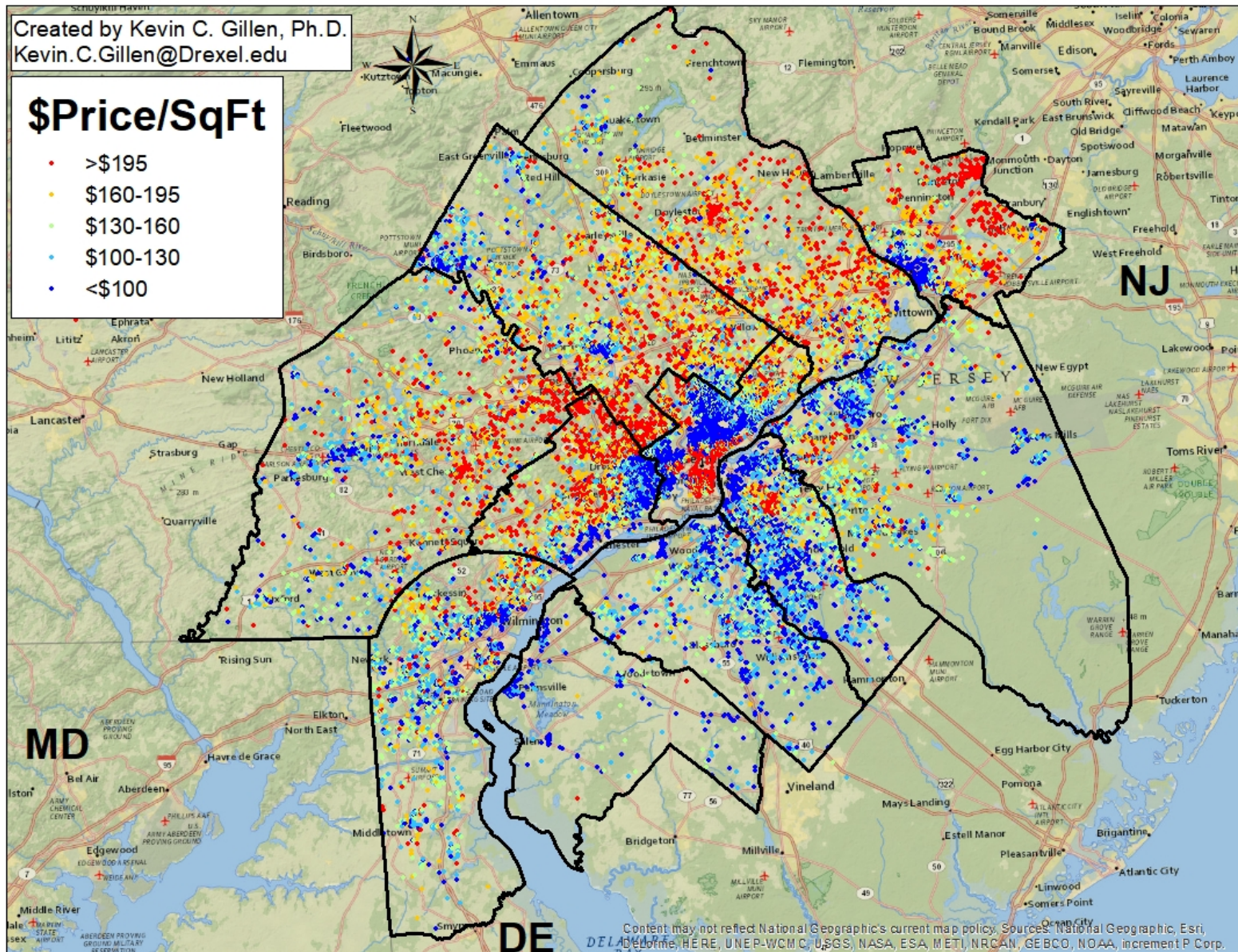
Number of Regional House Sales per Quarter: 2005-2019



Number of Regional House Sales 2005-2019 with Price >=\$1m



Philadelphia Region House Sales in 2019 Q2



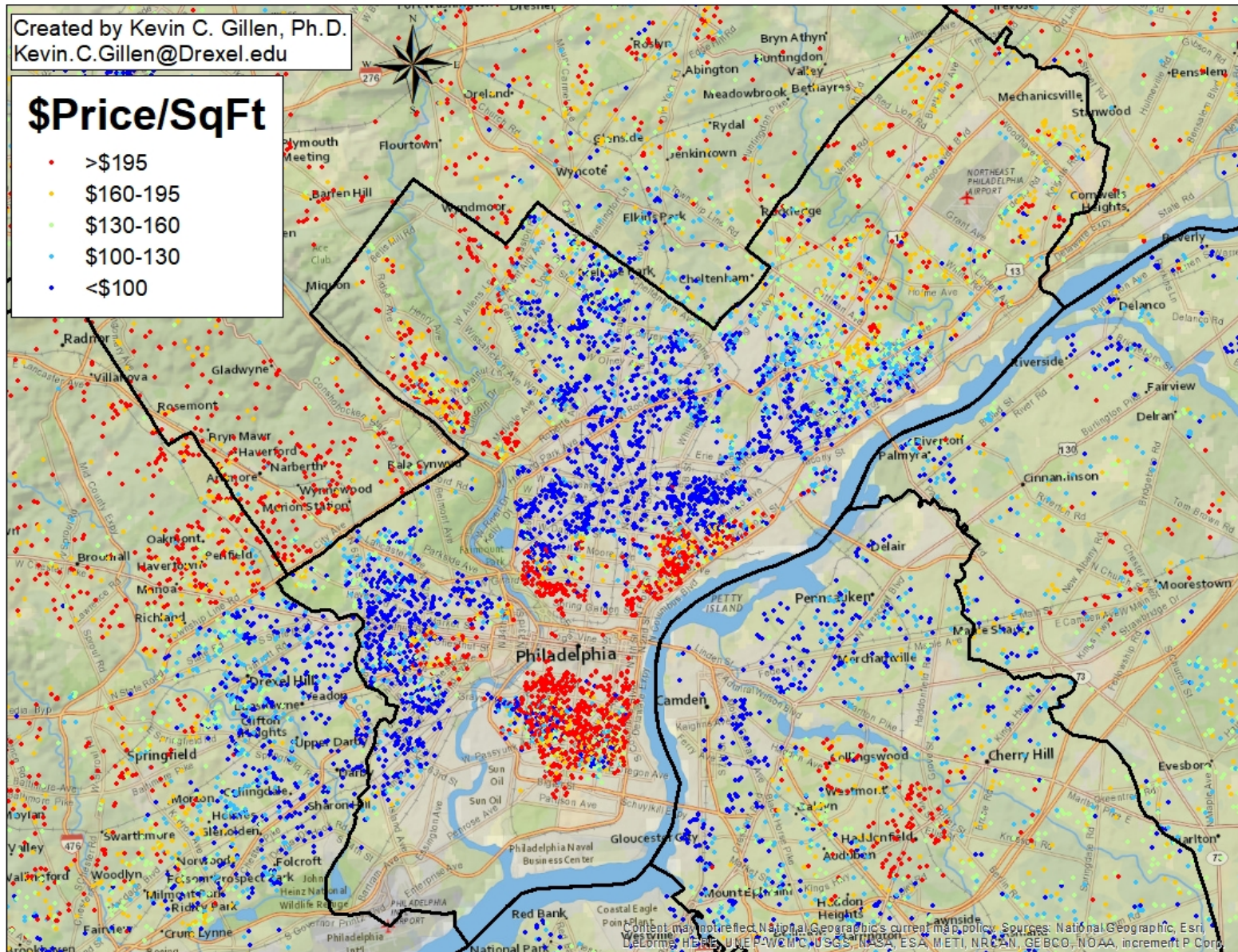
Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Philadelphia County House Sales in 2019 Q2

Created by Kevin C. Gillen, Ph.D.
Kevin.C.Gillen@Drexel.edu

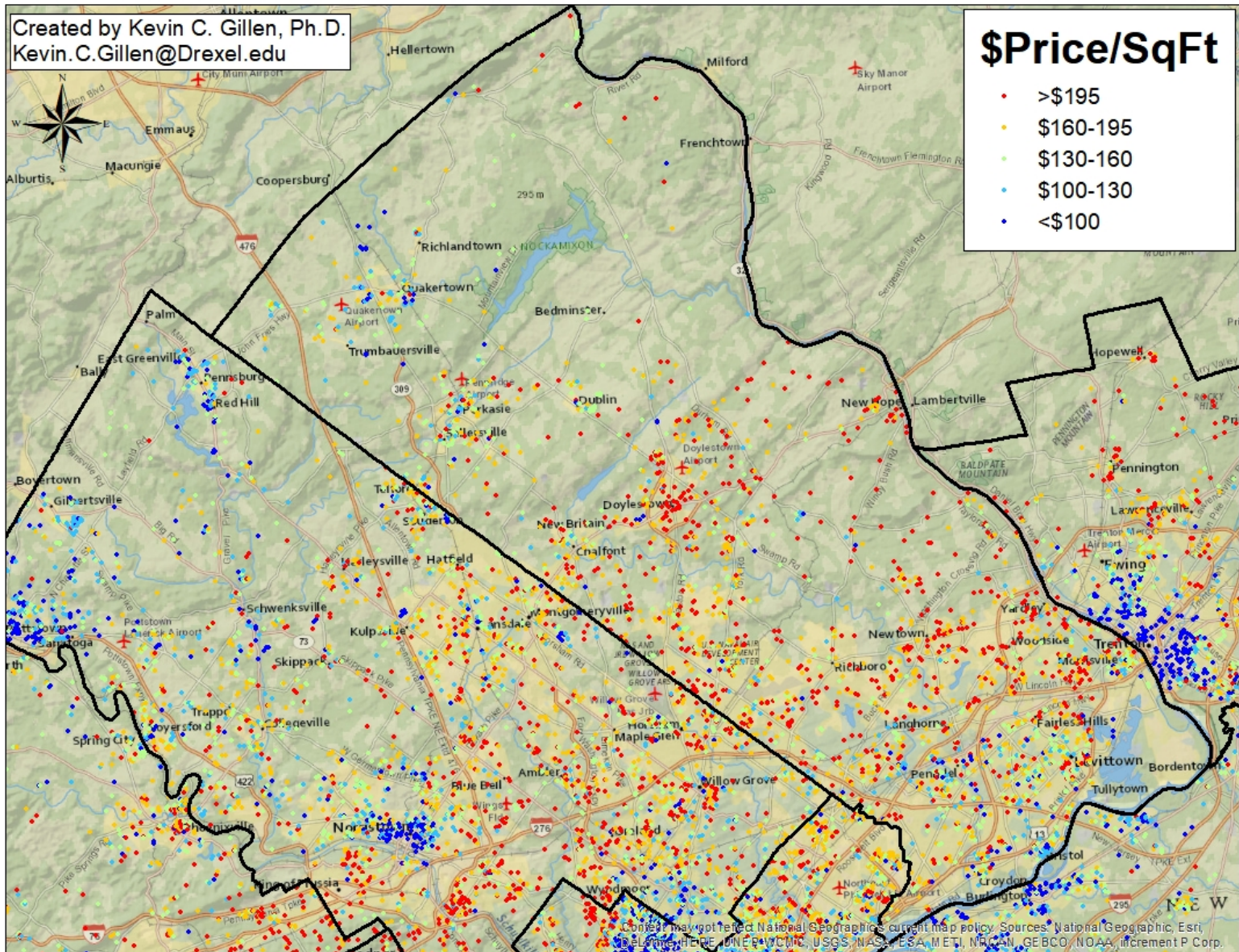
\$Price/SqFt

- >\$195
- \$160-195
- \$130-160
- \$100-130
- <\$100



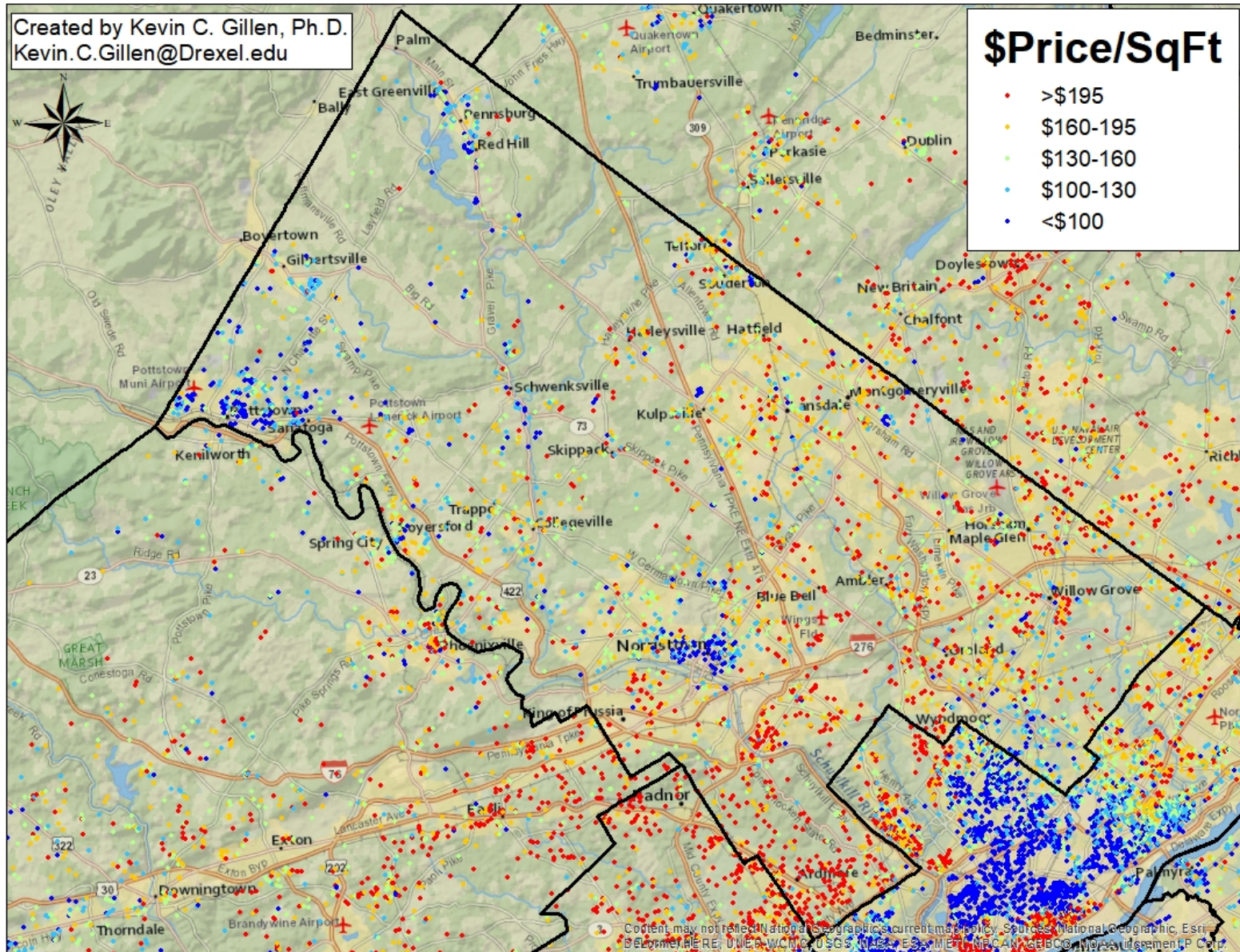
Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Bucks County House Sales in 2019 Q2



Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Montgomery County House Sales in 2019 Q2



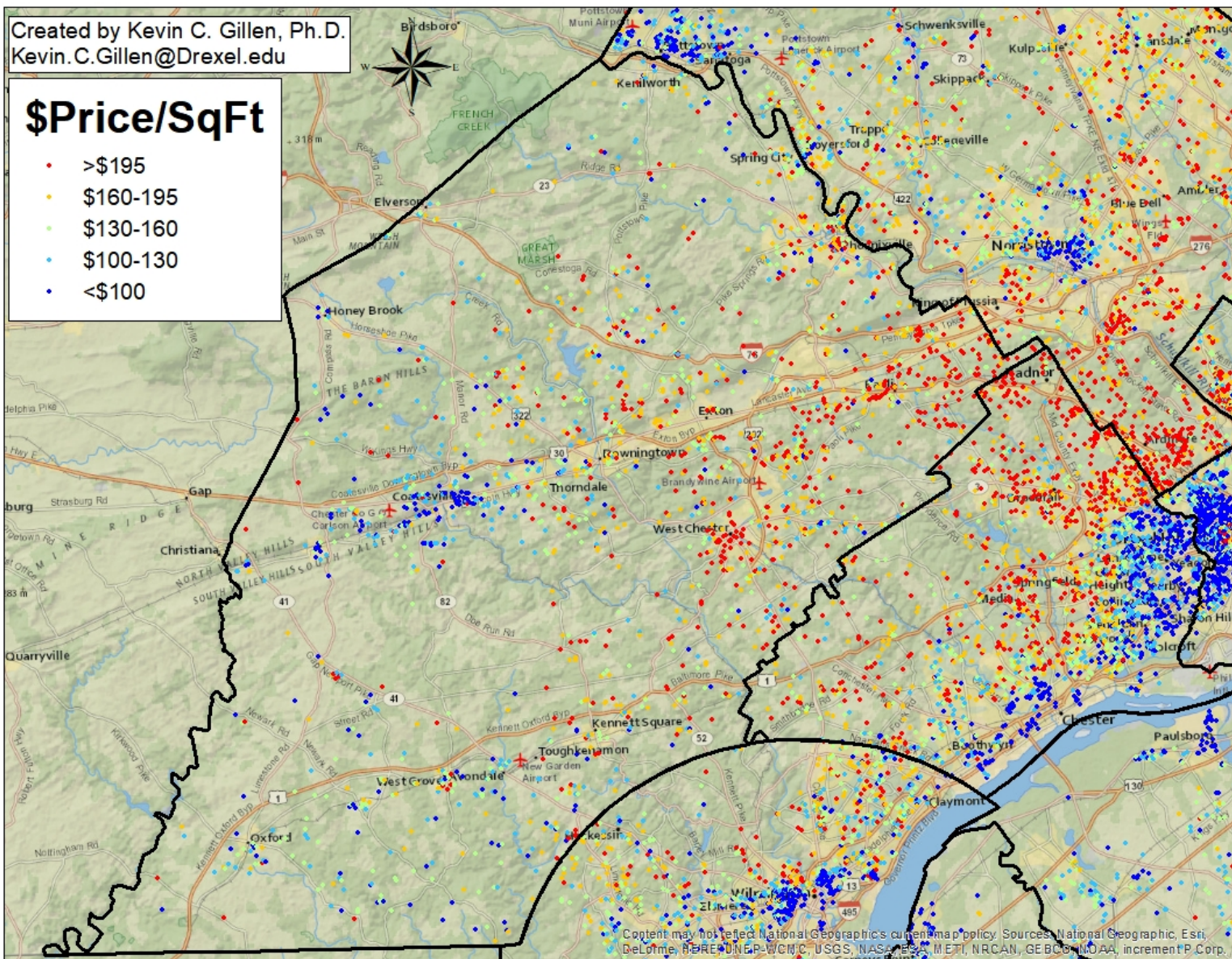
Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Chester County House Sales in 2019 Q2

Created by Kevin C. Gillen, Ph.D.
Kevin.C.Gillen@Drexel.edu

\$Price/SqFt

- >\$195
- \$160-195
- \$130-160
- \$100-130
- <\$100



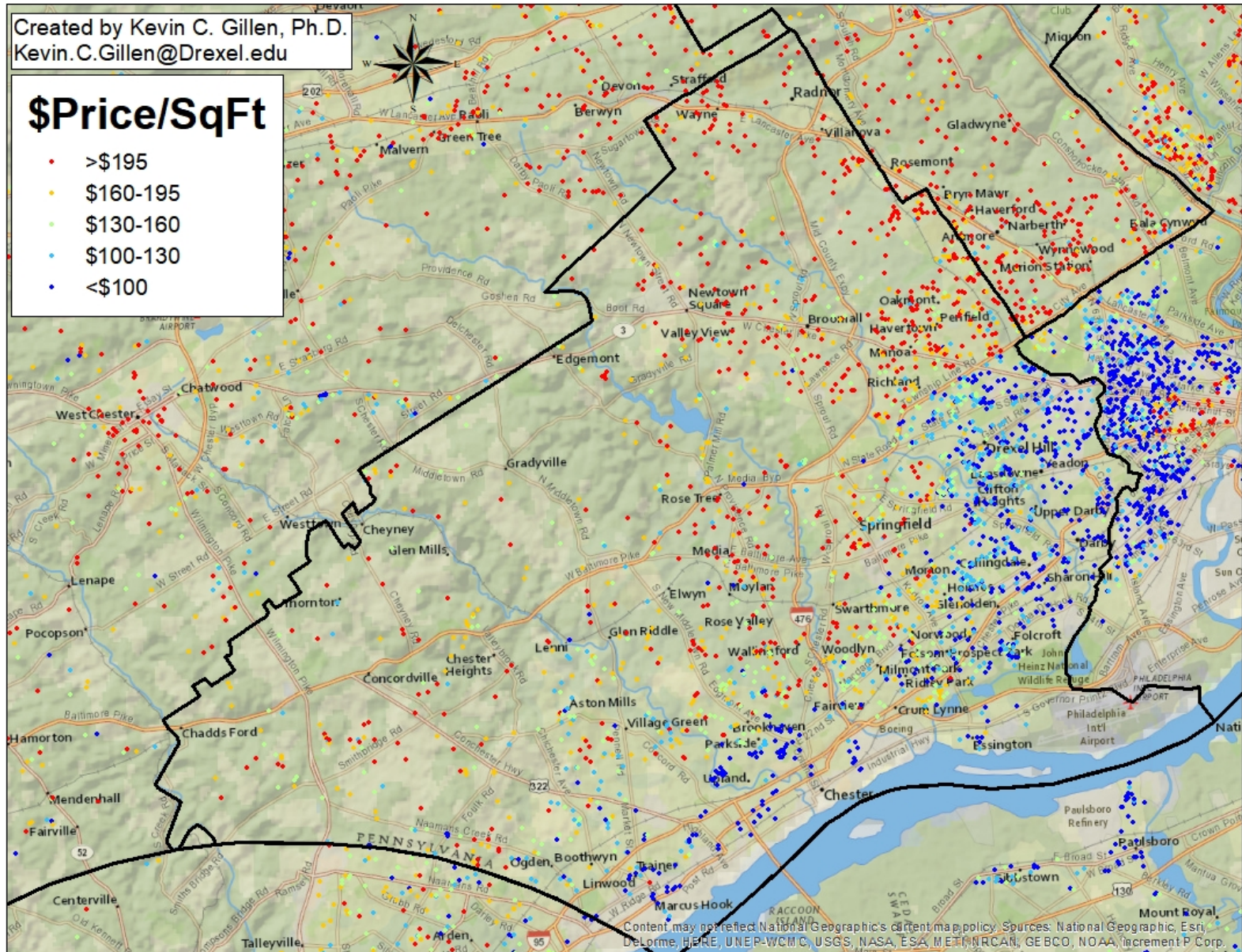
Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Delaware County House Sales in 2019 Q2

Created by Kevin C. Gillen, Ph.D.
Kevin.C.Gillen@Drexel.edu

\$Price/SqFt

- >\$195
- \$160-195
- \$130-160
- \$100-130
- <\$100

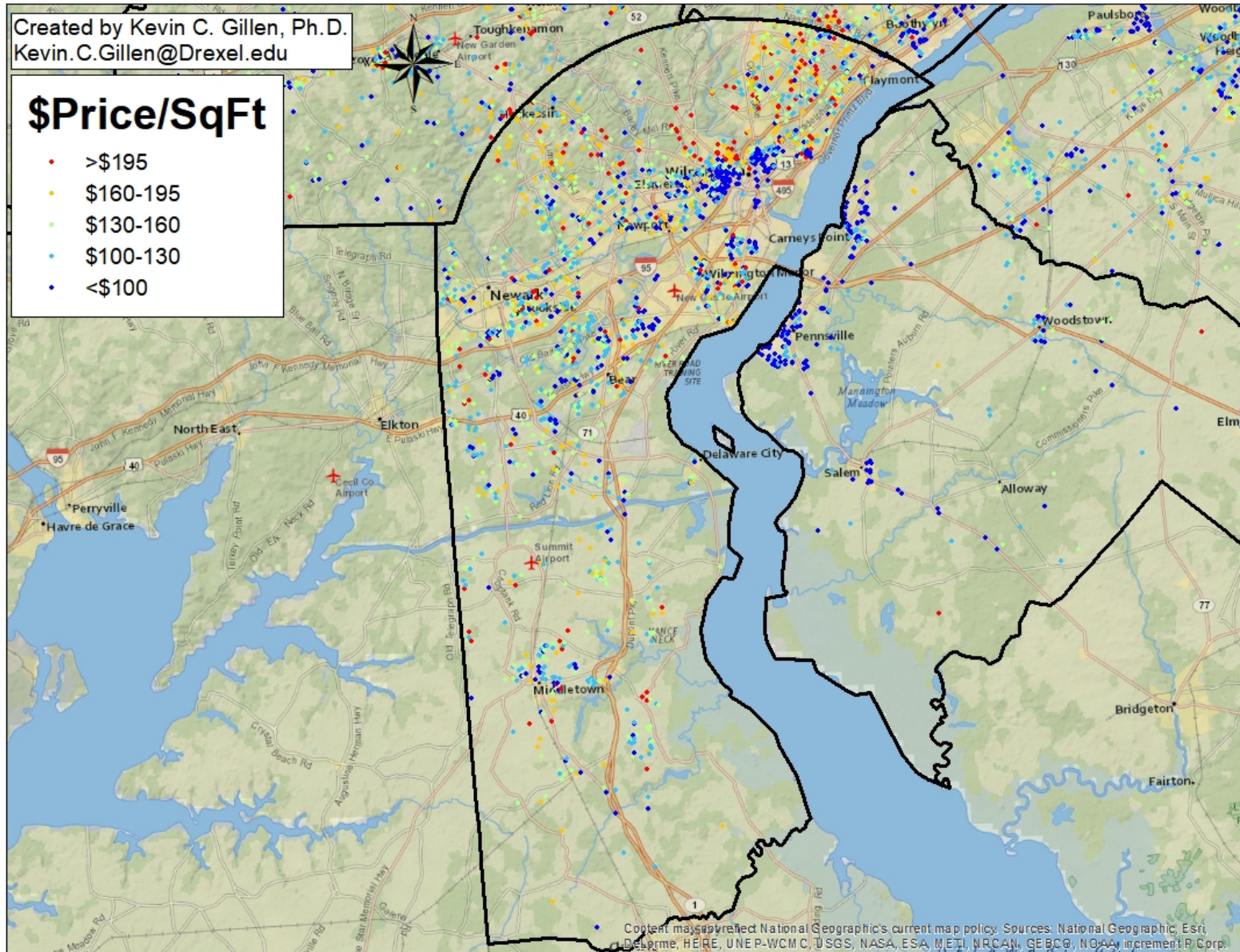


Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.



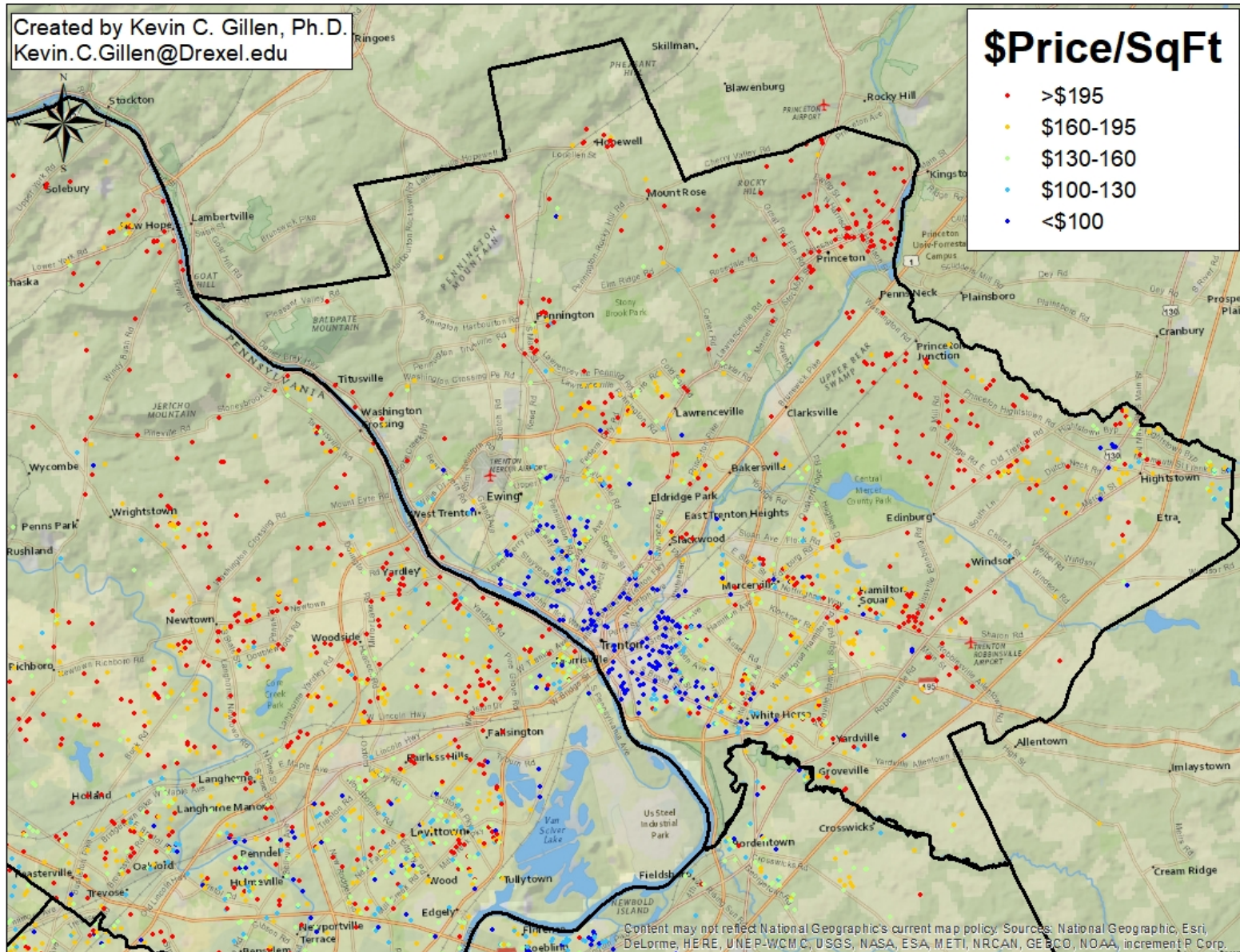
DREXEL UNIVERSITY
Lindy Institute
for Urban Innovation

New Castle County House Sales in 2019 Q2



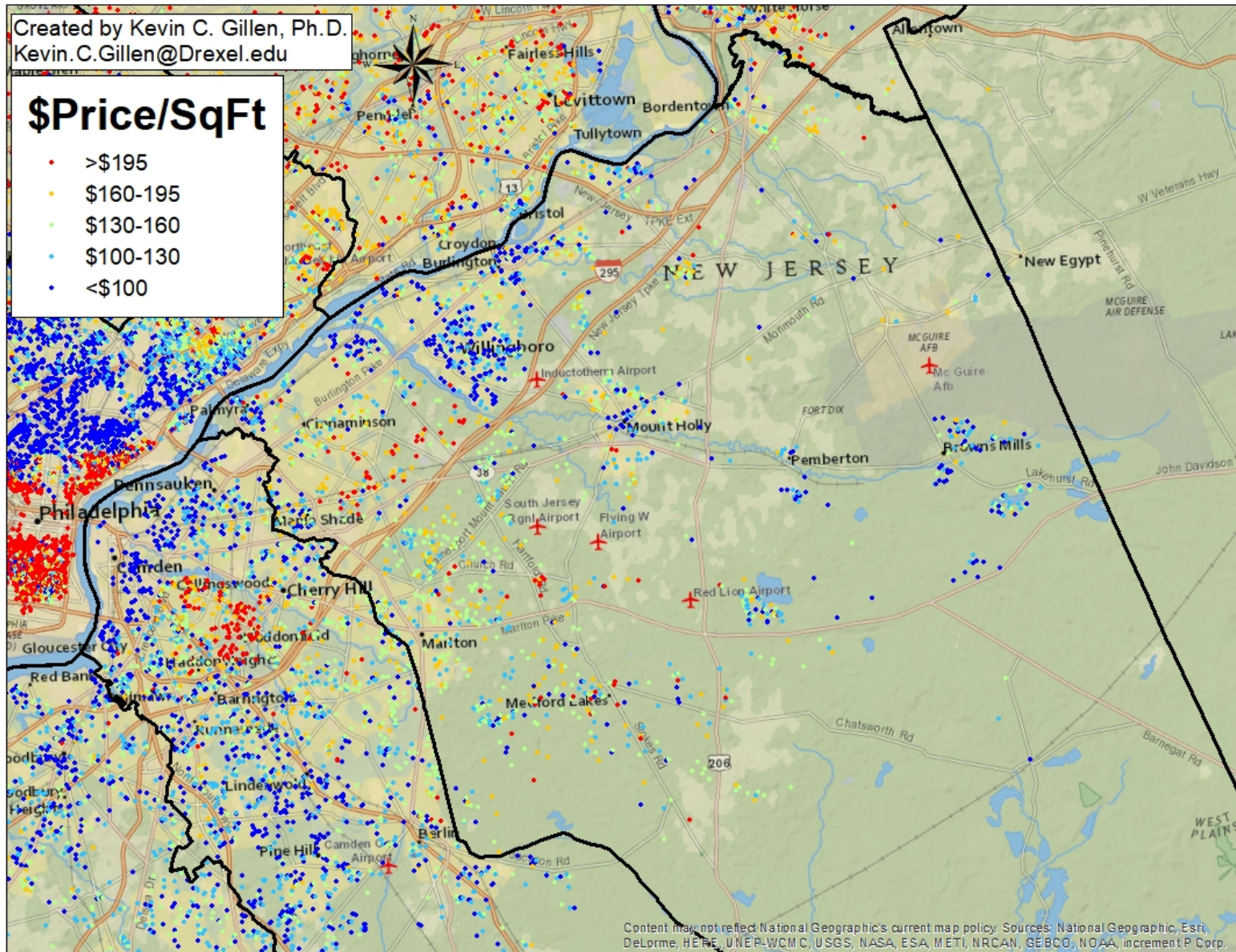
Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Mercer County House Sales in 2019 Q2



Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

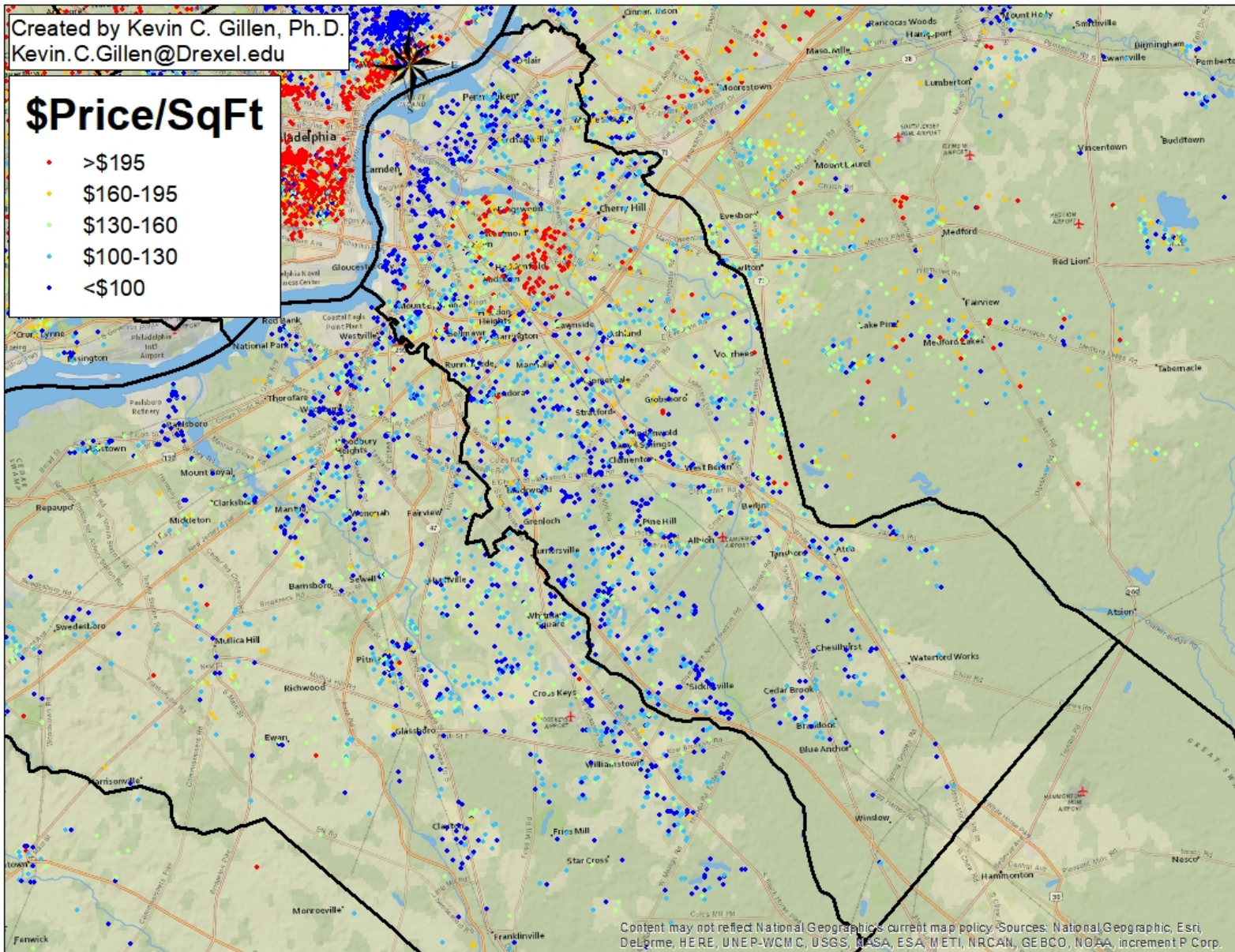
Burlington County House Sales in 2019 Q2



Content may not reflect National Geographic's current map policy. Sources: National Geographic, Esri, DeLorme, HERE, UNEP-WCMC, USGS, NASA, ESA, METI, NRCAN, GEBCO, NOAA, increment P Corp.

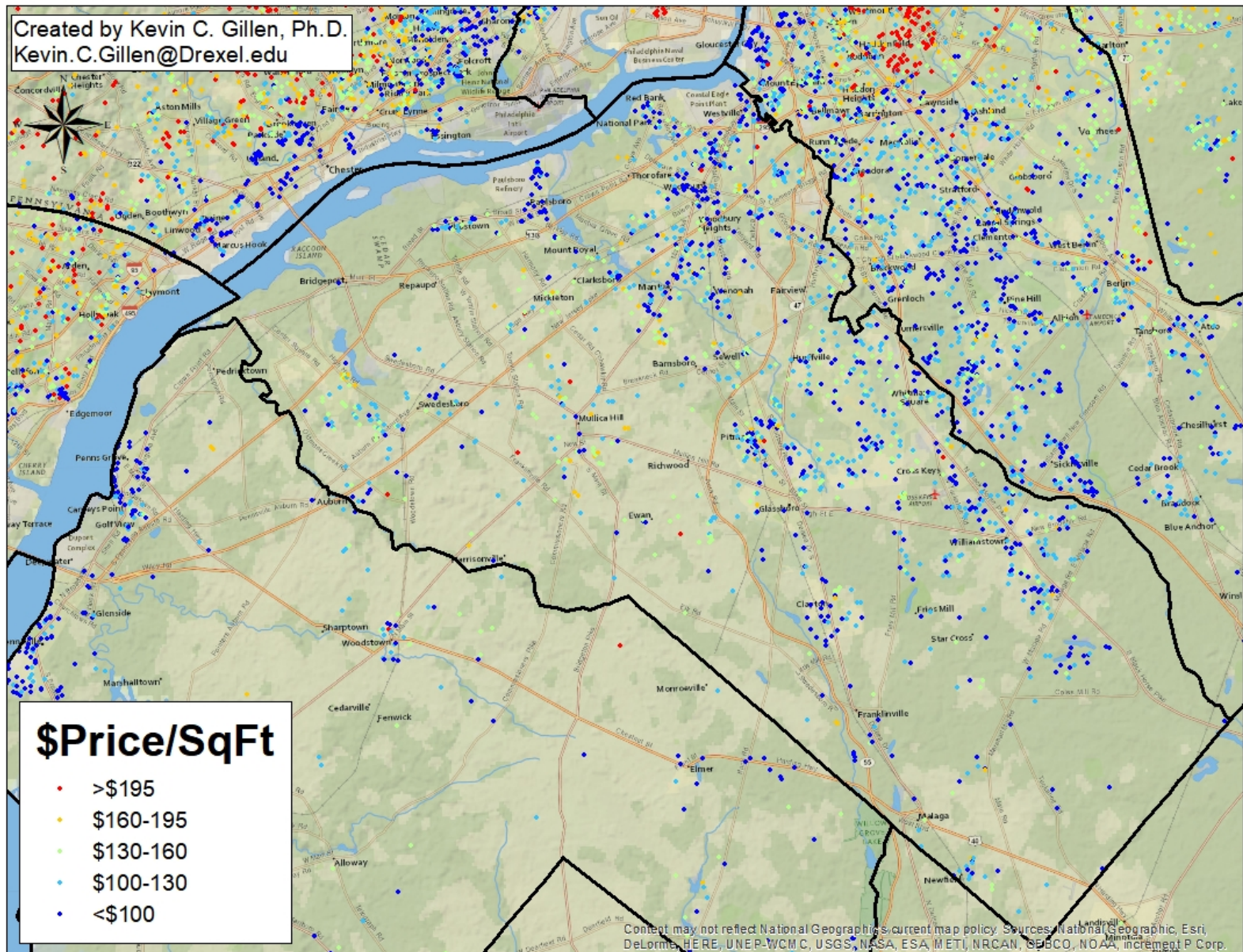
Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Camden County House Sales in 2019 Q2



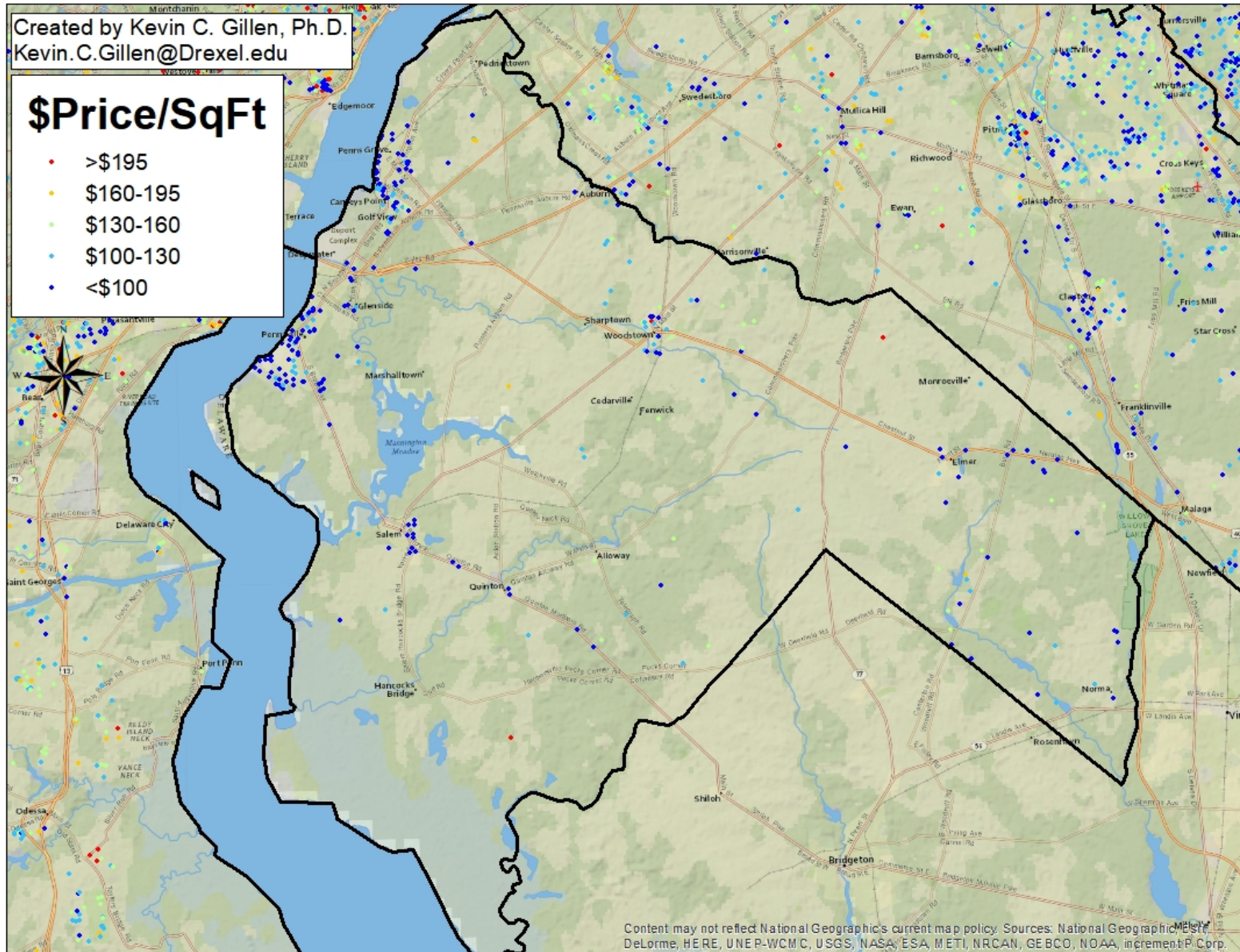
Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Gloucester County House Sales in 2019 Q2



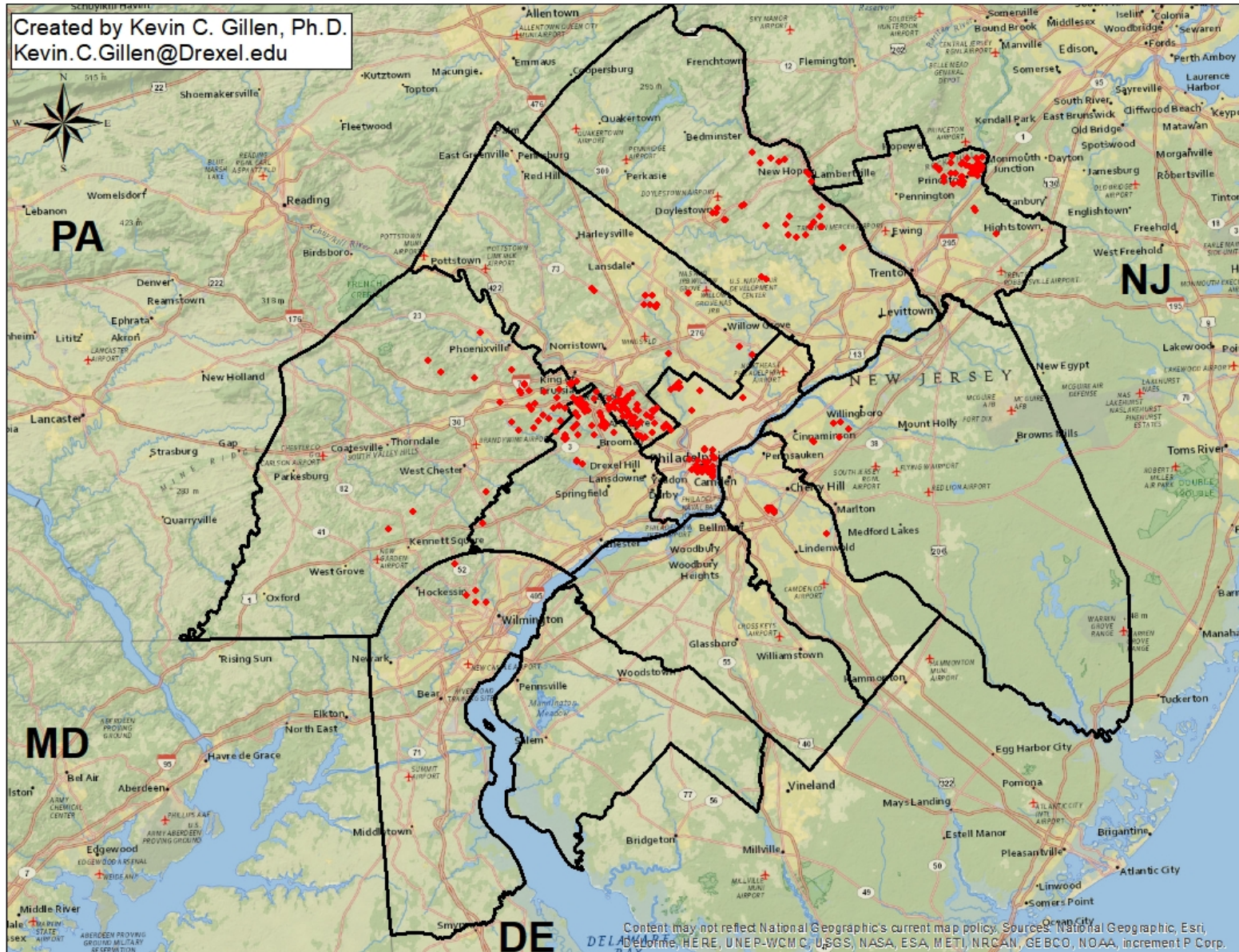
Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Salem County House Sales in 2019 Q2

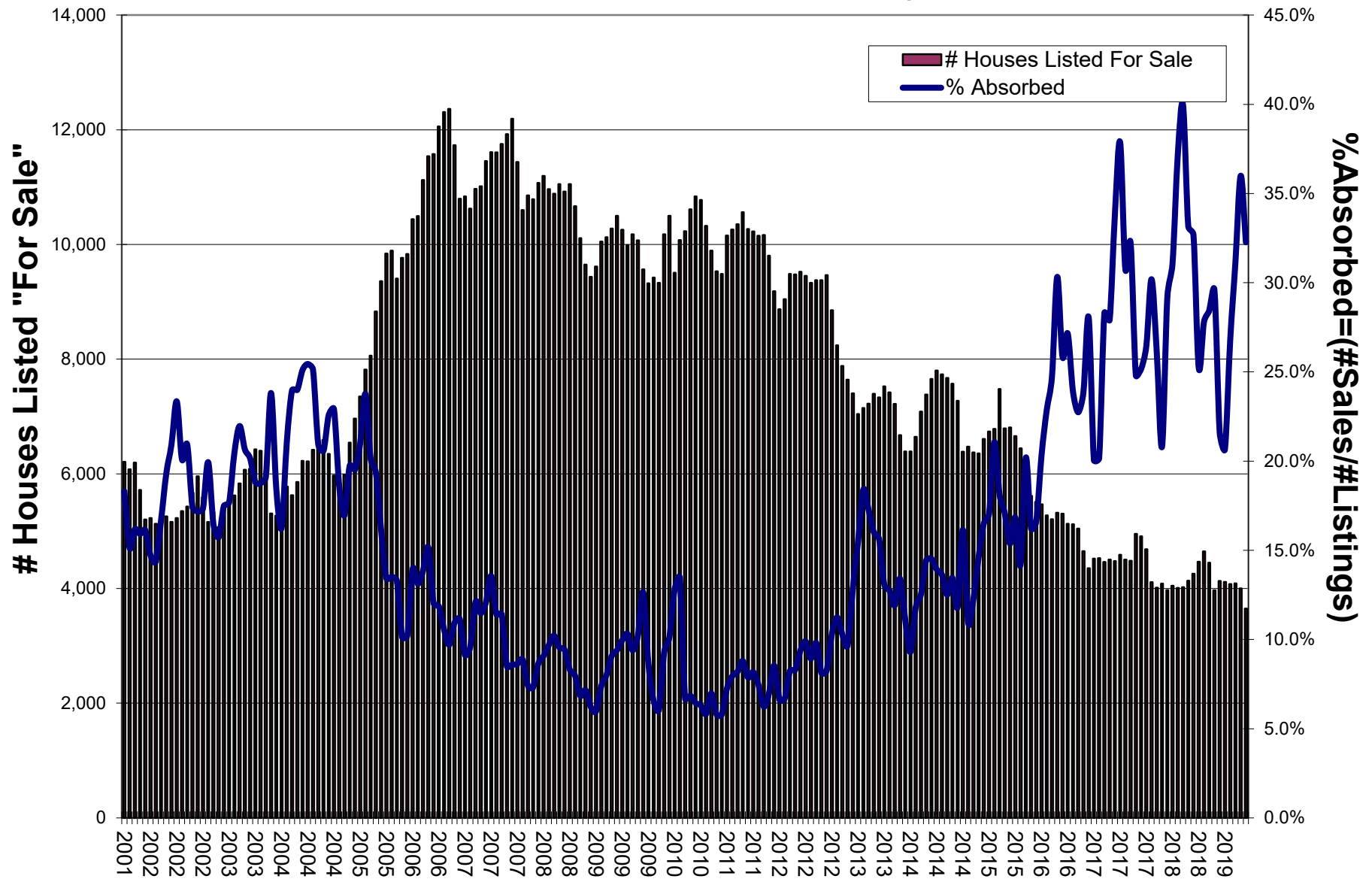


Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

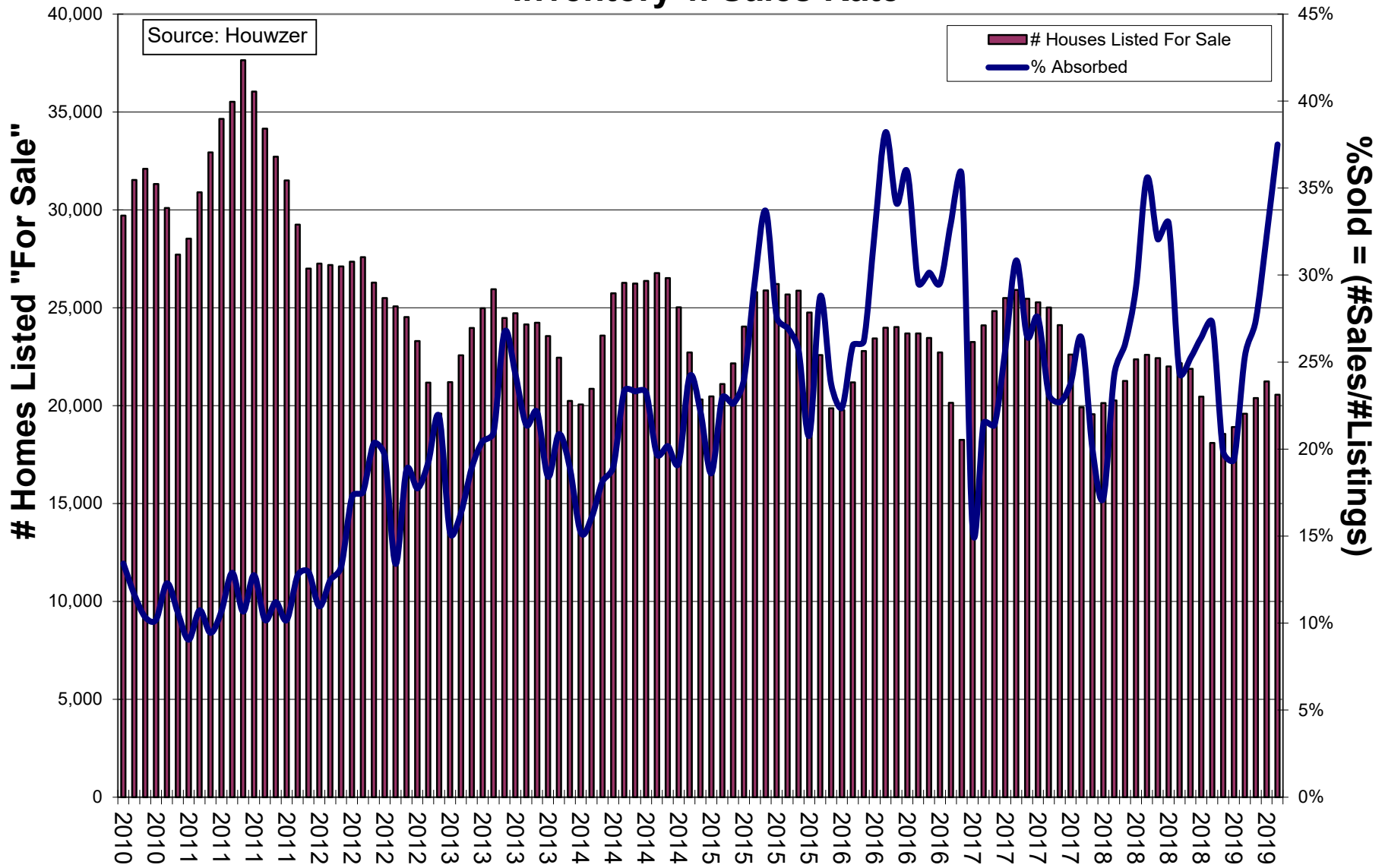
+ \$1 Million Dollar House Sales in 2019 Q2



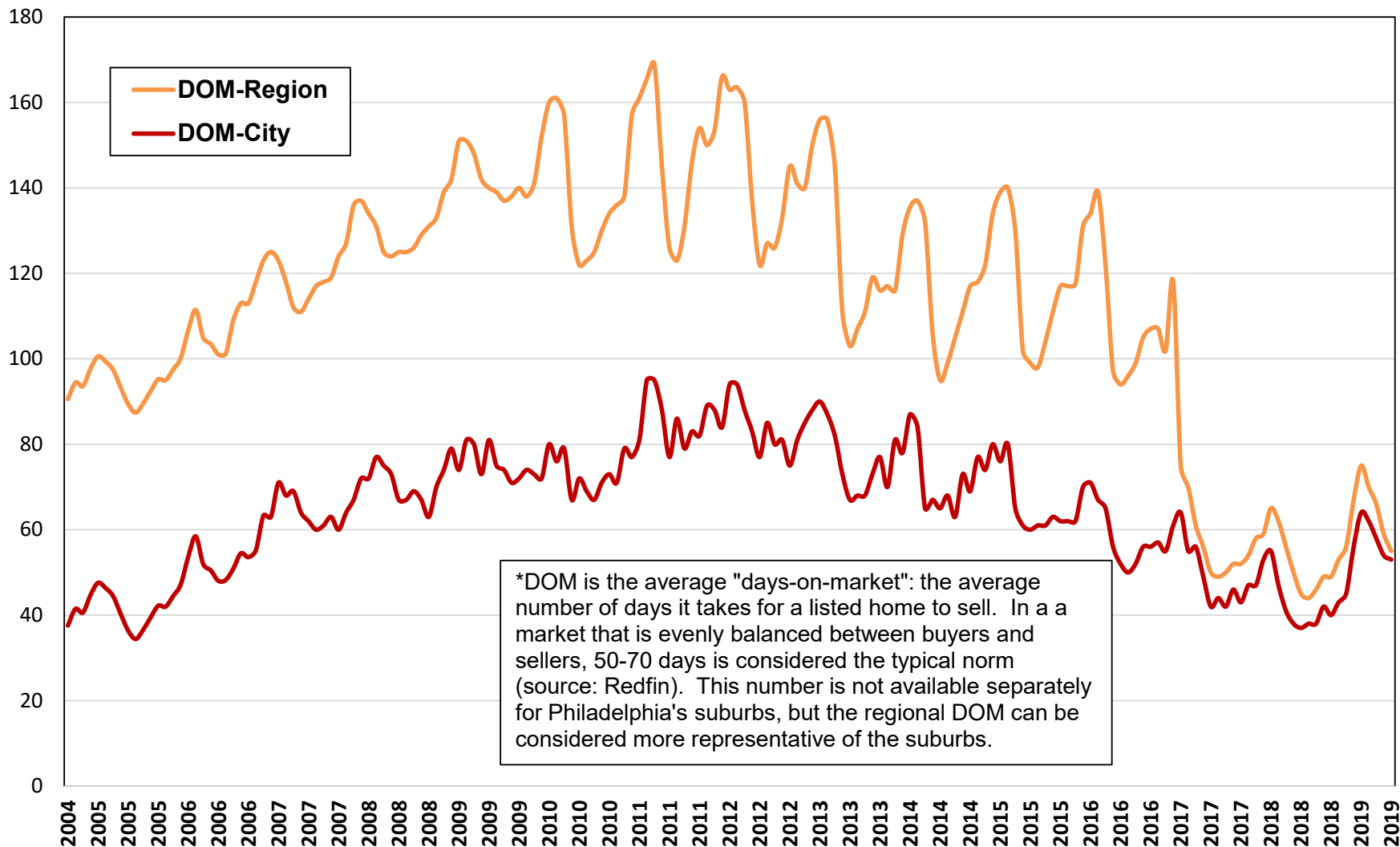
Philadelphia Houses Listed For Sale: Inventory v. Sales Rate



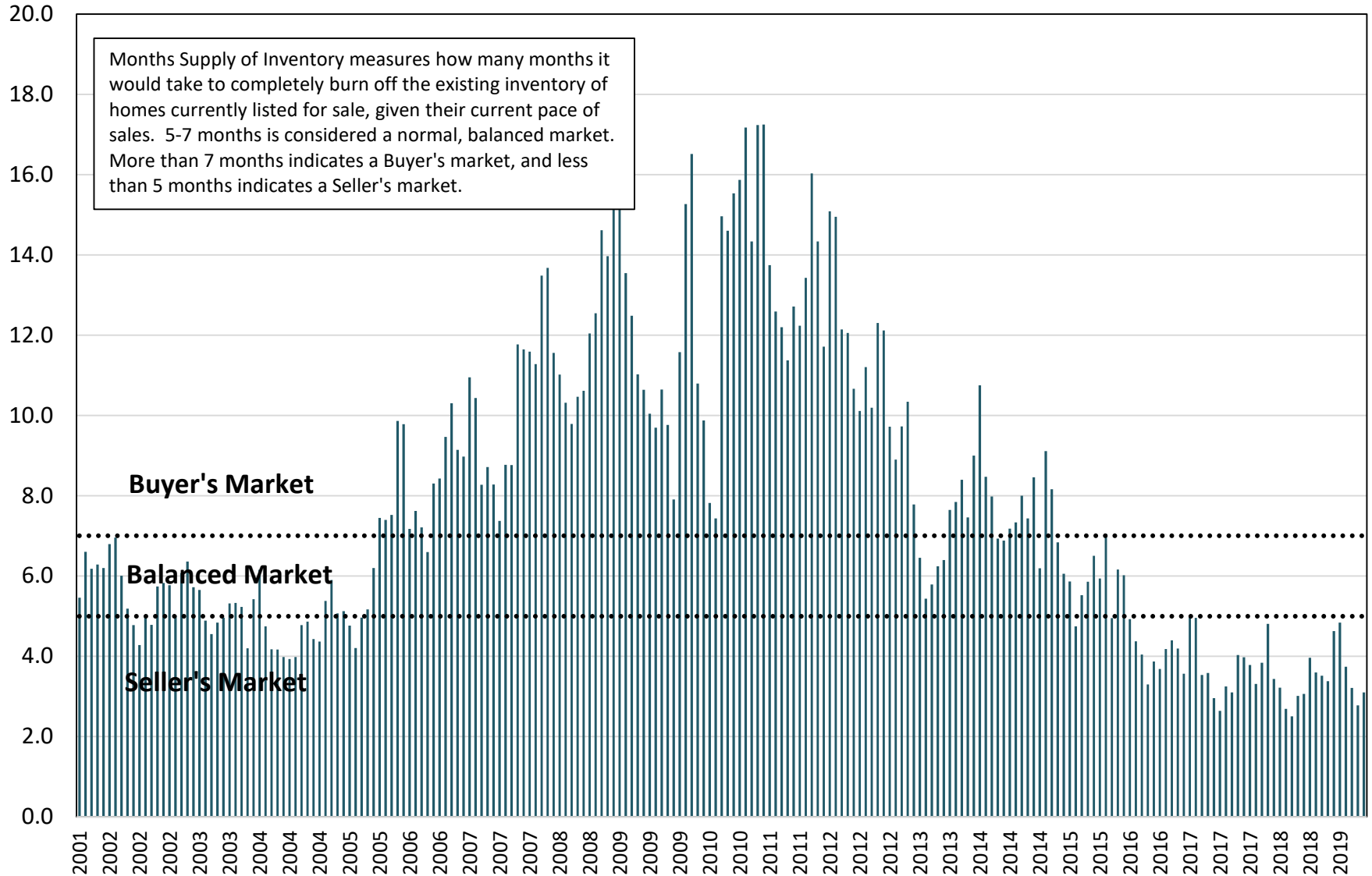
Philadelphia Suburb's Houses Listed For Sale: Inventory v. Sales Rate



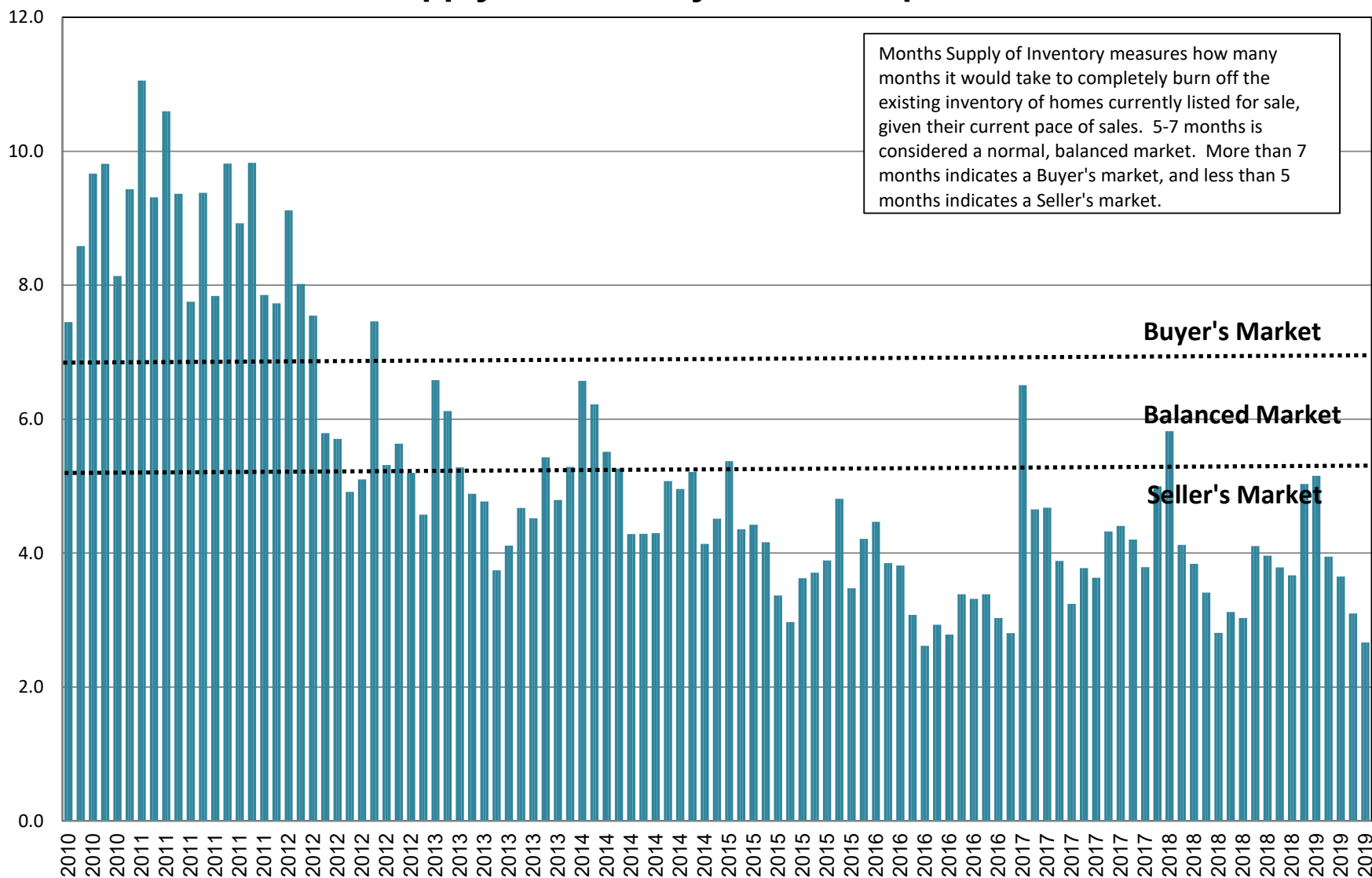
Average Days-on-Market* for Home Sales



Months Supply of Inventory in Philadelphia



Months Supply of Inventory in Philadelphia Suburbs



Pennsylvania Foreclosure Rates

Pennsylvania
1 in every 2458

Top 5 Counties

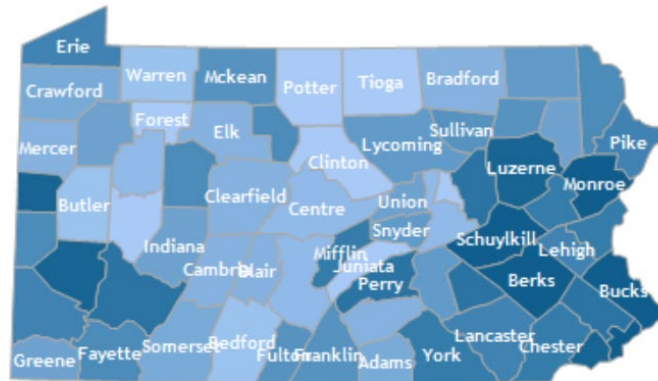
Berks
1 in every 1139

Bucks
1 in every 1345

Schuylkill
1 in every 1367

Monroe
1 in every 1560

Philadelphia
1 in every 1570



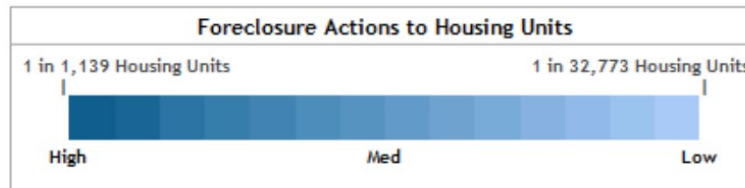
Both Bucks and Philadelphia counties are in the top 5 counties in Pennsylvania with the highest foreclosure rates.

Last quarter, neither county was in the top 5.

Bucks county has the higher foreclosure rate of the two, with 1 out of every 1,345 homes in the process of foreclosure, compare to 1 out of every 1,570 homes in Philadelphia.

Add this map to your website.

GET EMBED CODE



New Jersey Foreclosure Rates

New Jersey
1 in every 1173

Top 5 Counties

Cumberland
1 in every 503

Sussex
1 in every 593

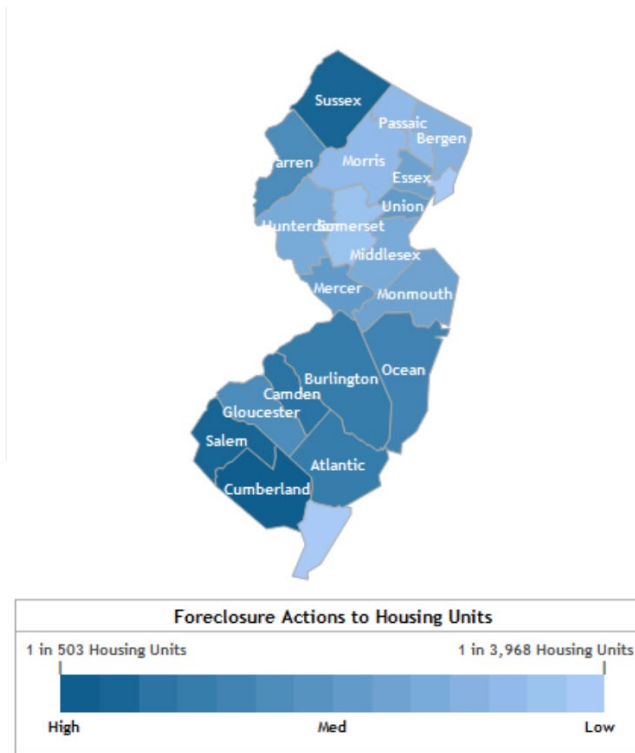
Salem
1 in every 600

Camden
1 in every 649

Atlantic
1 in every 666

Add this map to your website.

GET EMBED CODE



South Jersey's foreclosure rate continues to remain the highest in both the region and the state. Currently, 4 out of the top 5 counties in NJ with the highest foreclosure rates are in South Jersey.

Atlantic, Camden Cumberland and Salem counties currently have a collective foreclosure rate of 1 in every 605 homes.

This is nearly double the statewide foreclosure rate of 1 in every 1,173 homes.

Delaware Foreclosure Rates

Delaware
1 in every 1336

Top 3 Counties

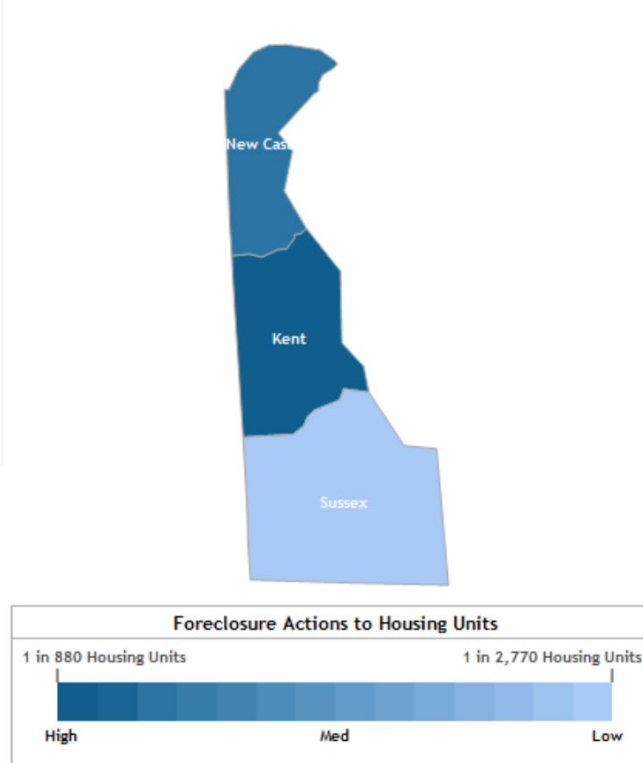
Kent
1 in every 880

New Castle
1 in every 1163

Sussex
1 in every 2770

Add this map to your website.

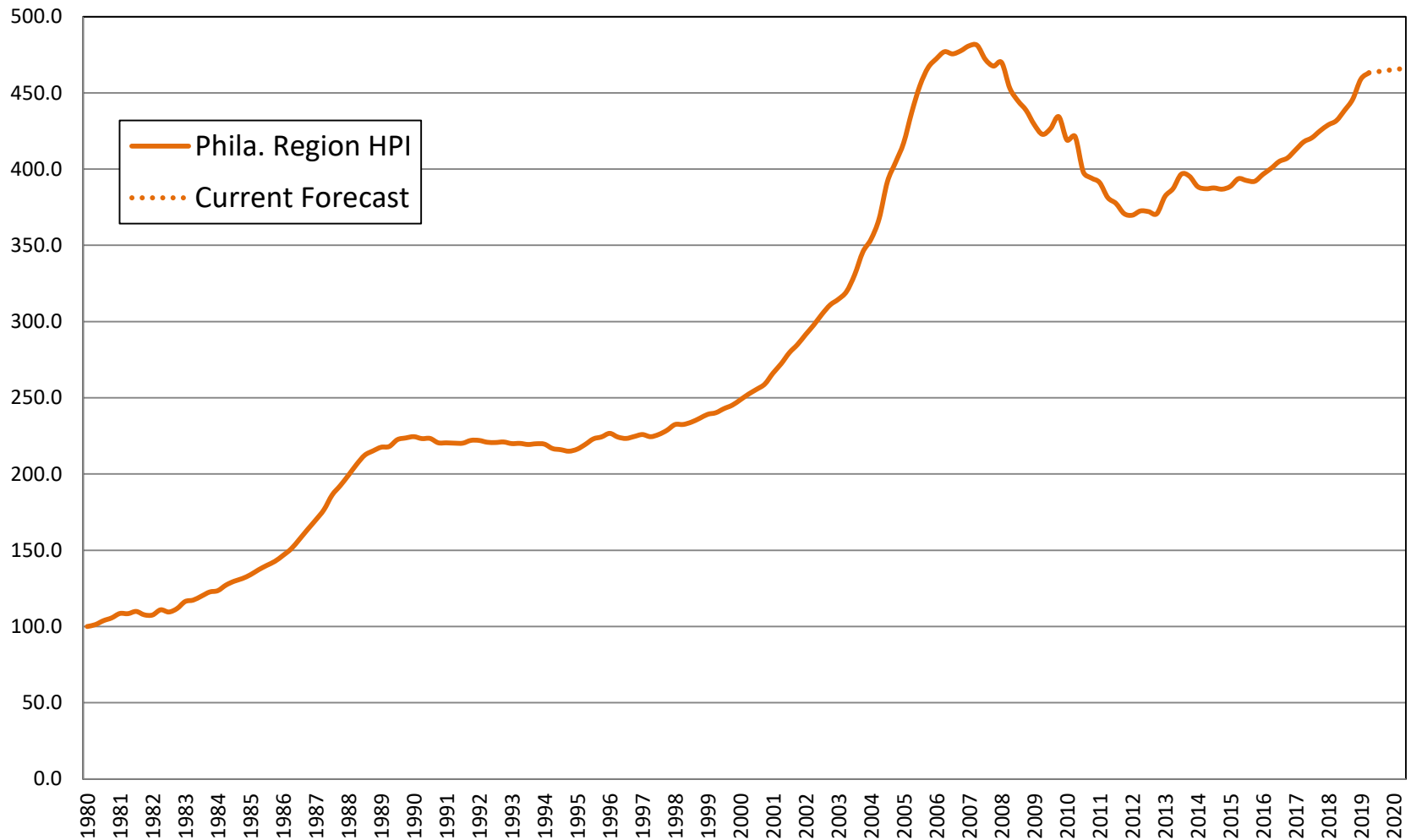
GET EMBED CODE



Delaware's foreclosure rate continues to show improvement this quarter.

One year ago, 1 in every 902 homes was in the process of foreclosure. It has declined steadily since then, and now stands at 1 in every 1,336 homes.

Philadelphia Region House Price Index: Actual v. Forecast



Zillow.com downgraded its outlook for Philadelphia house prices for the fourth consecutive quarter in a row this quarter. A year ago, it was projecting a 7.03% annual increase in the region's house prices. This has been steadily revised downwards, and they are currently predicting an increase of a mere 0.6% over the course of the next twelve months. Incidentally, their forecast from last year proved to be quite accurate: the actual YoY change in the regional HPI used in this report is 7.3%.

Source: https://www.zillow.com/philadelphia-camden-wilmington-metro-pa_r394974/home-values/