

PHILADELPHIA REGIONAL HOUSE PRICE INDICES

March 5, 2021



DREXEL UNIVERSITY
Lindy Institute
for Urban Innovation

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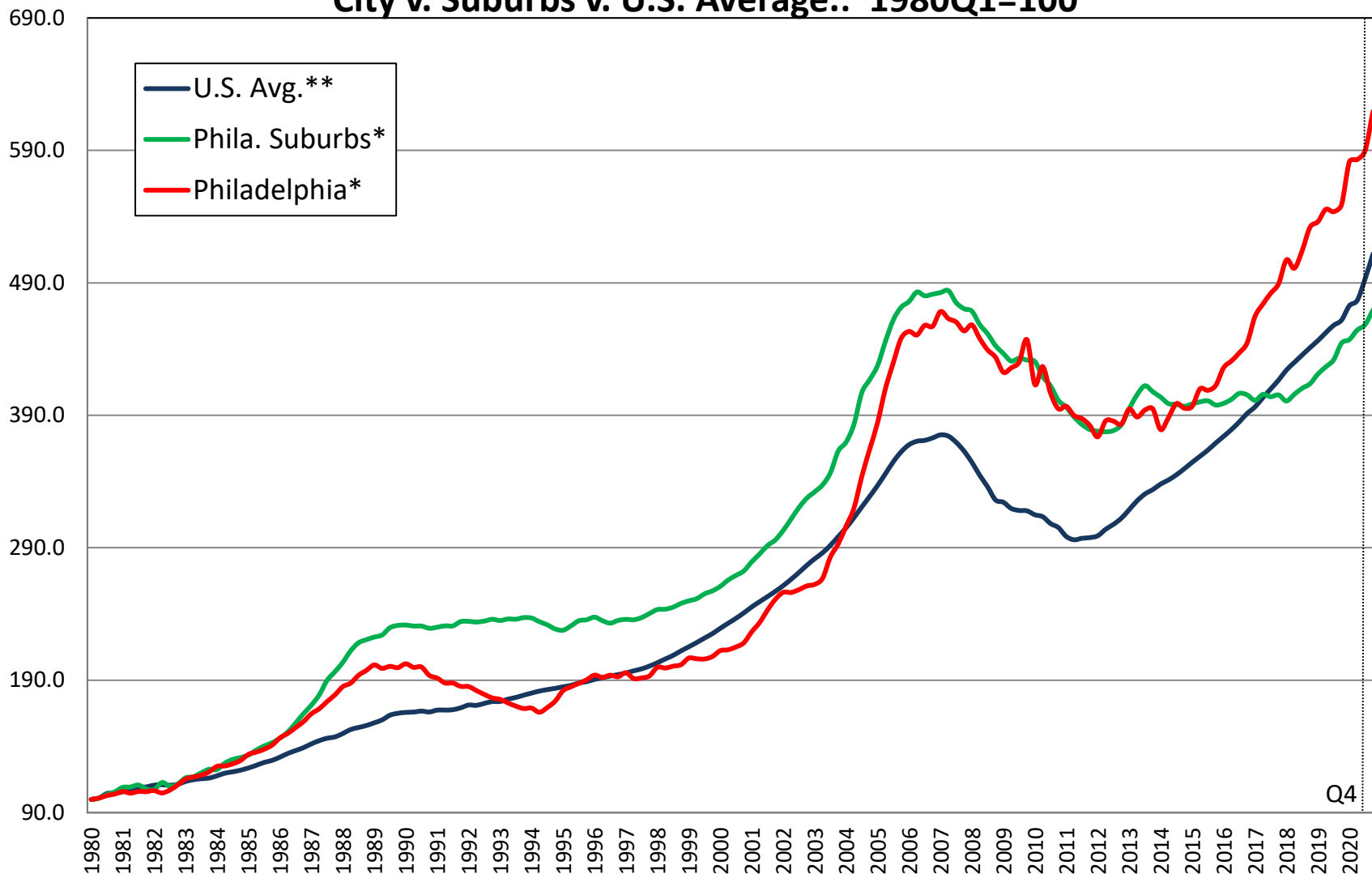
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Disclaimers and Acknowledgments: The Lindy Institute for Urban Innovation at Drexel University and Houwzer Inc. provide this report free of charge to the public. The report is produced by Kevin Gillen, a Senior Research Fellow with the Lindy Institute 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. © 2020, Drexel University, All Rights Reserved.

Philadelphia Regional House Price Indices 1980-2020

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



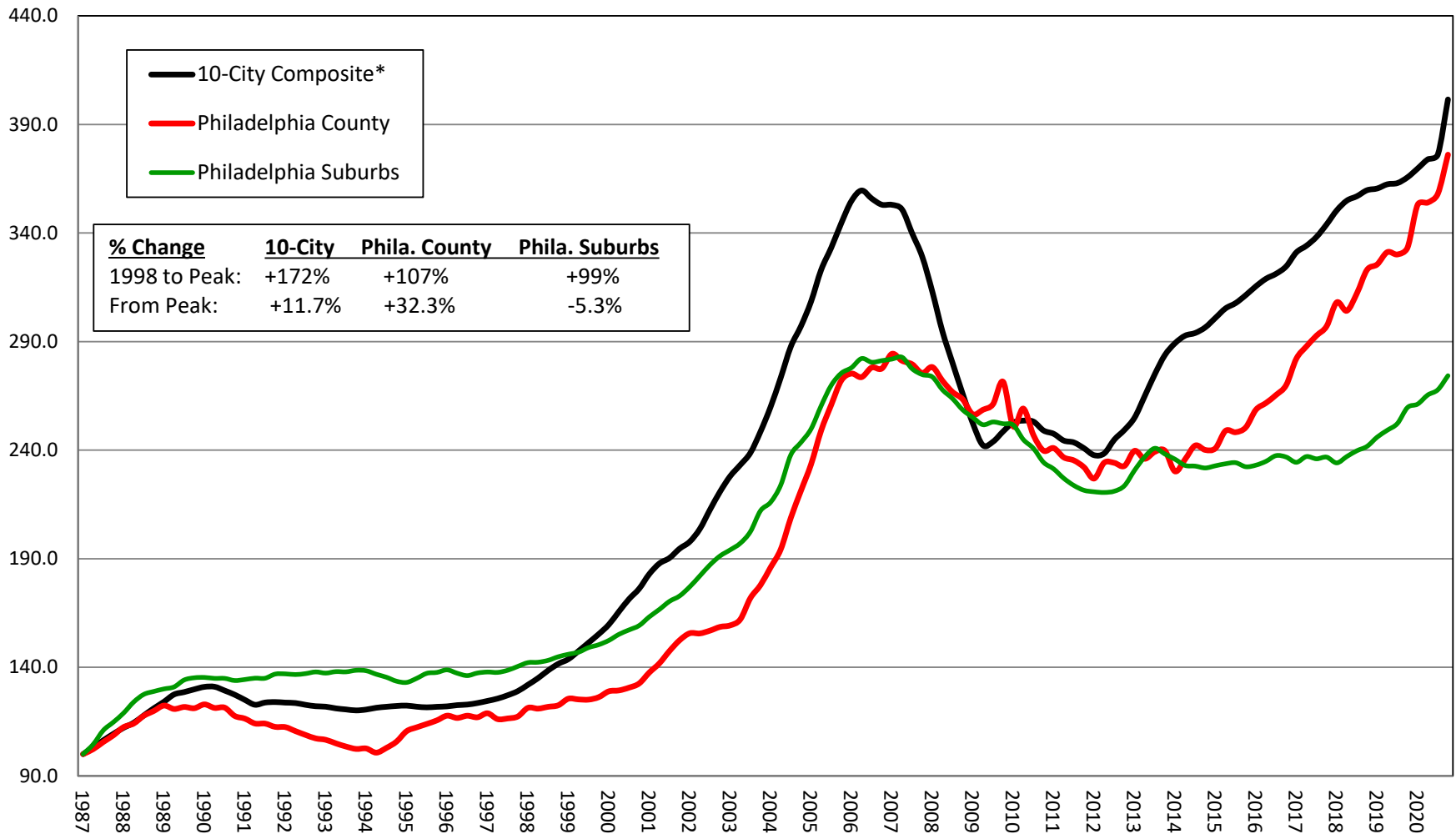
*Empirically estimated by Kevin C. Gillen, Ph.D.

**Courtesy Federal Housing Finance Agency (FHFA)

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

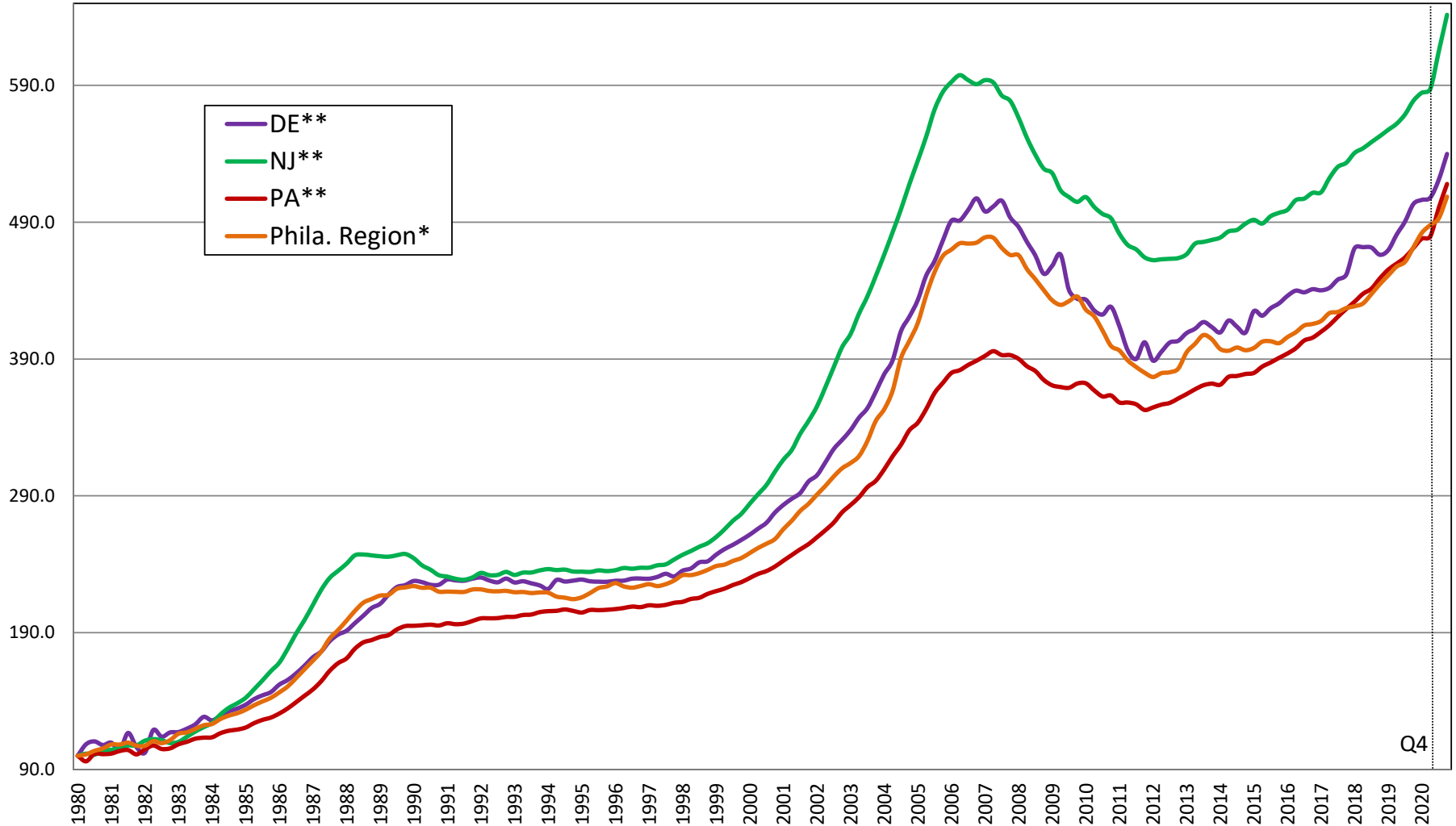
Q4

House Price Appreciation 1987-2020: 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 1980-2020 by Philadelphia Region and State: 1980Q1=100



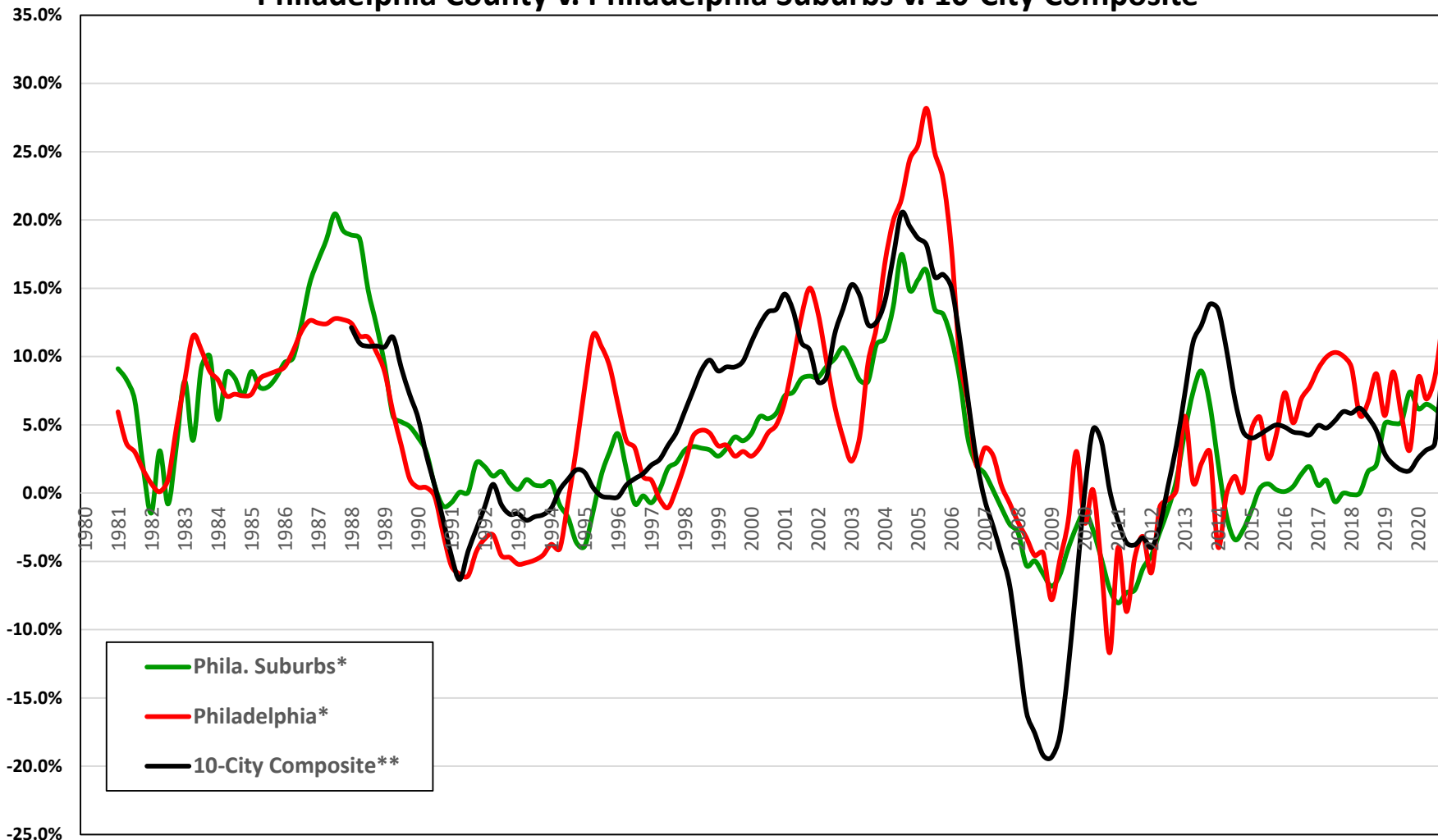
*Empirically estimated by Kevin C. Gillen, Ph.D.

**Courtesy Federal Housing Finance Agency (FHFA)

Note: the State indices cover the entire State, not just those areas/counties near Philadelphia. However, the Philadelphia Regional House Price Index is computed by combining sales data in both Philadelphia county and its surrounding suburban counties.

YoY Change in Average House Prices: 1980-2020

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

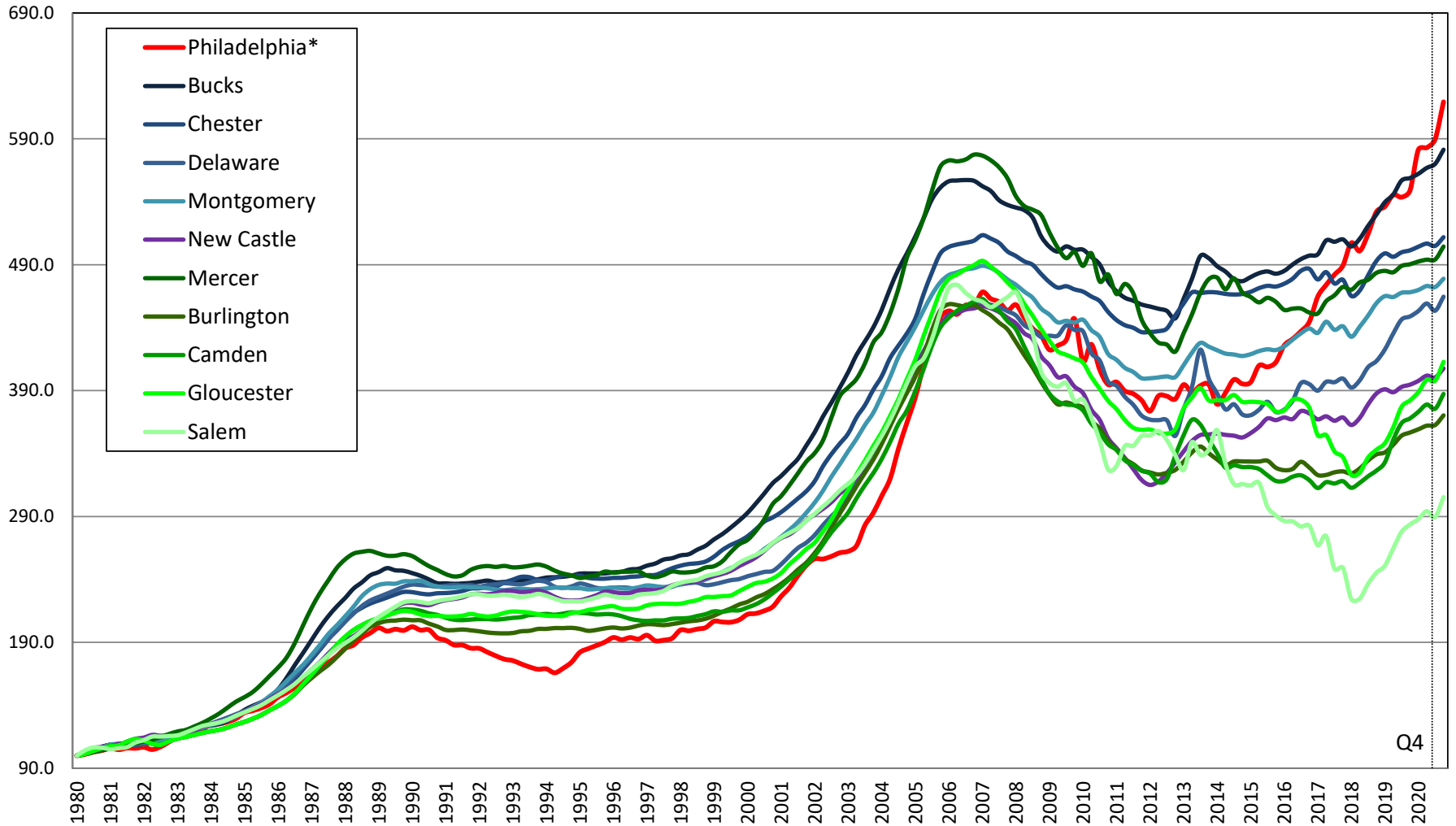


*Empirically estimated by Kevin C. Gillen, Ph.D.

**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 1980-2020, by County

1980Q1=100



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

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

Period	Philadelphia County*	Philadelphia Suburbs*	U.S.A.**
40-Year	519.4%	369.5%	411.8%
10-Year	56.9%	17.0%	67.7%
1-Year	12.8%	5.6%	10.8%
1-Quarter	5.0%	2.4%	3.8%

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

**Source: U.S. Federal Housing Finance Agency (FHFA). These numbers are through 2020Q4. “MSA”=“Metropolitan Statistical Area”, which is the entire 11-county region.

Philadelphia Region House Price Appreciation Rates by County

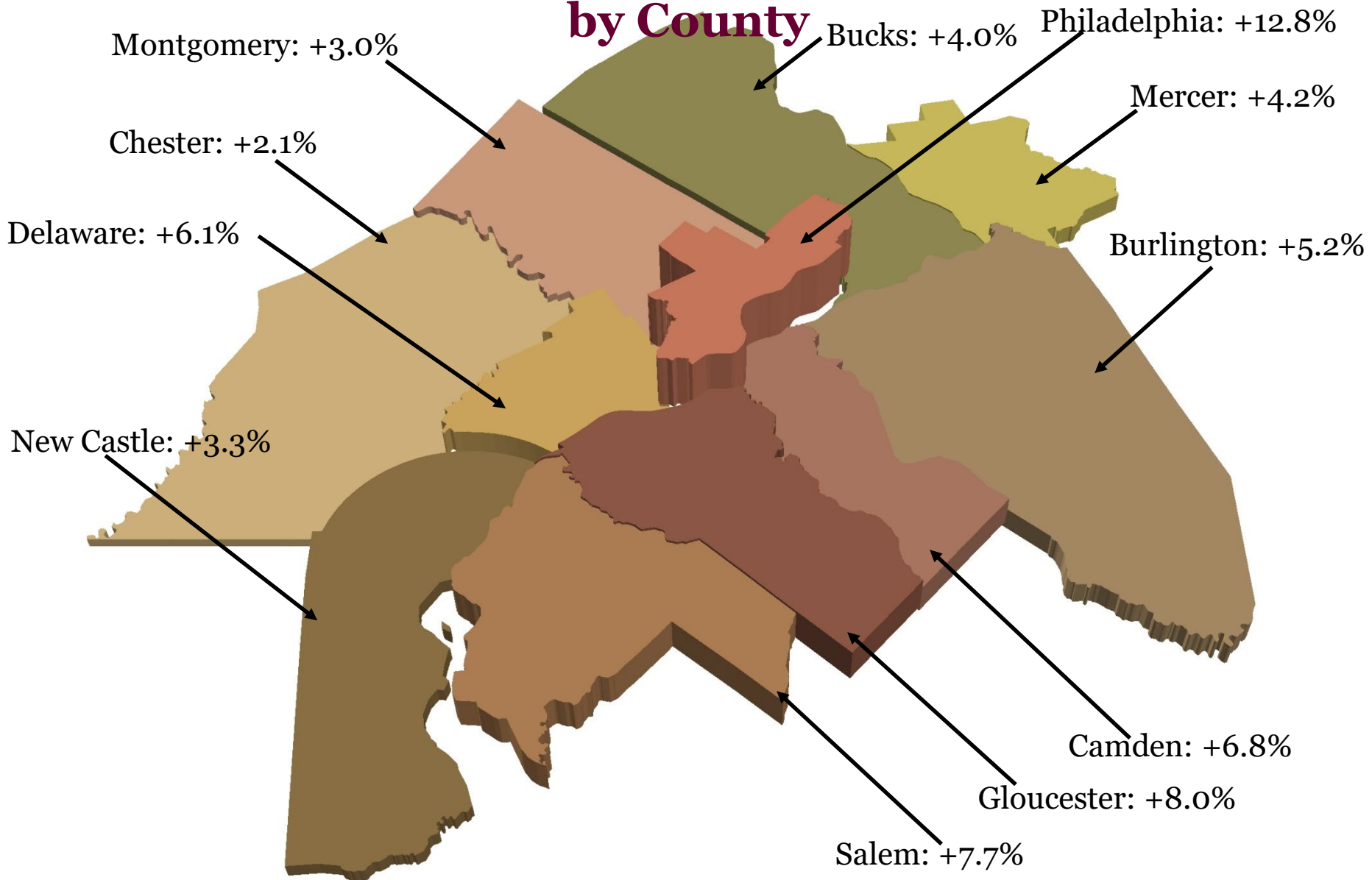
Period	Philadelphia	Bucks	Chester	Delaware	Montgomery	New Castle	Mercer	Burlington	Camden	Gloucester	Salem
40-Year	519%	481%	412%	365%	379%	308%	404%	270%	287%	313%	205%
10-Year	56.9%	21.9%	13.1%	17.0%	14.3%	15.7%	4.6%	5.9%	11.5%	8.1%	-6.7%
1-Year	12.8%	4.0%	2.1%	6.1%	3.0%	3.3%	4.2%	5.2%	6.8%	8.0%	7.7%
1-Quarter	5.0%	2.0%	1.4%	2.4%	1.4%	1.8%	2.1%	2.1%	3.1%	3.8%	5.5%

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

**Philadelphia Region:
County Boundary Definitions**

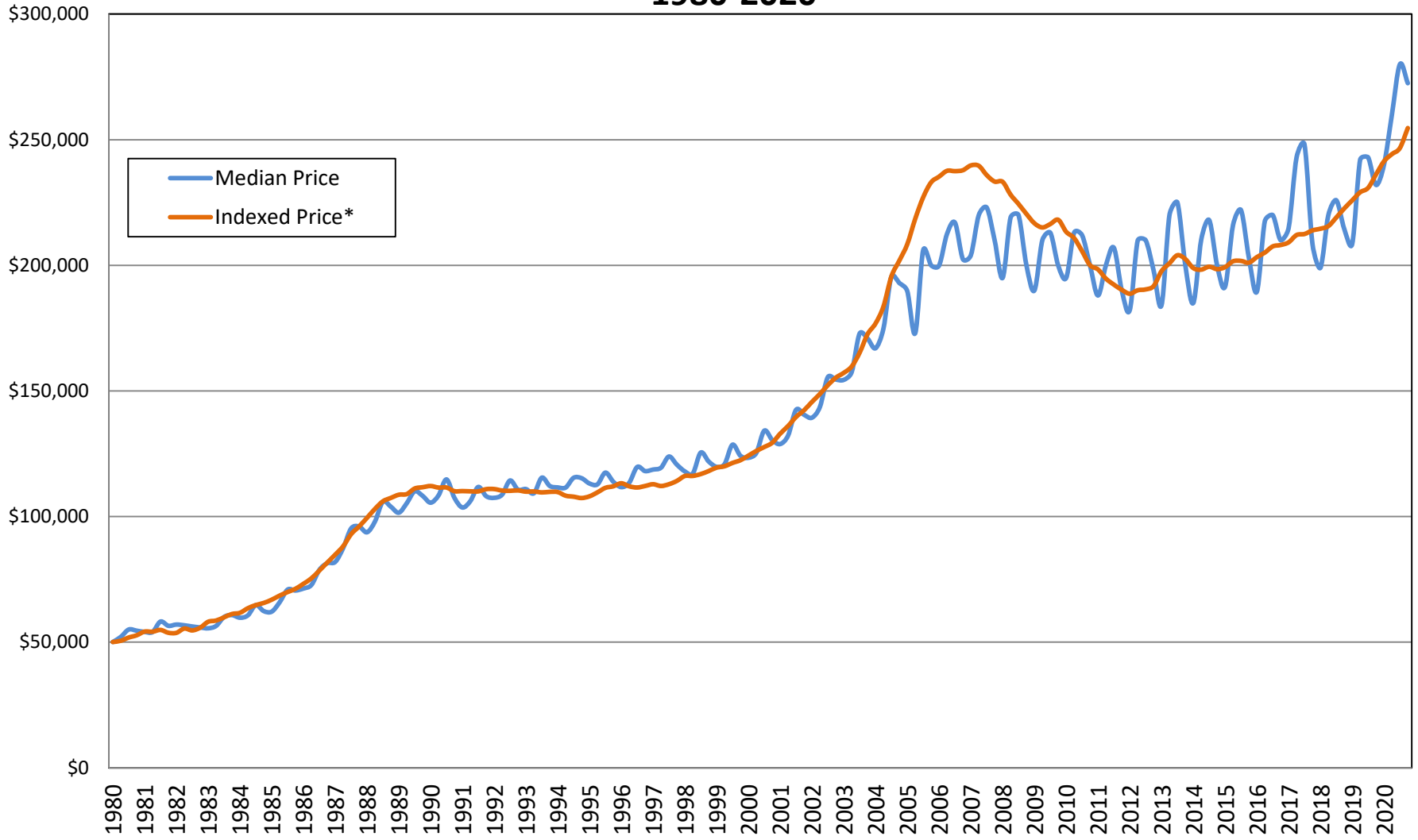


2020 Q4 Annual House Price Rate of Change by County



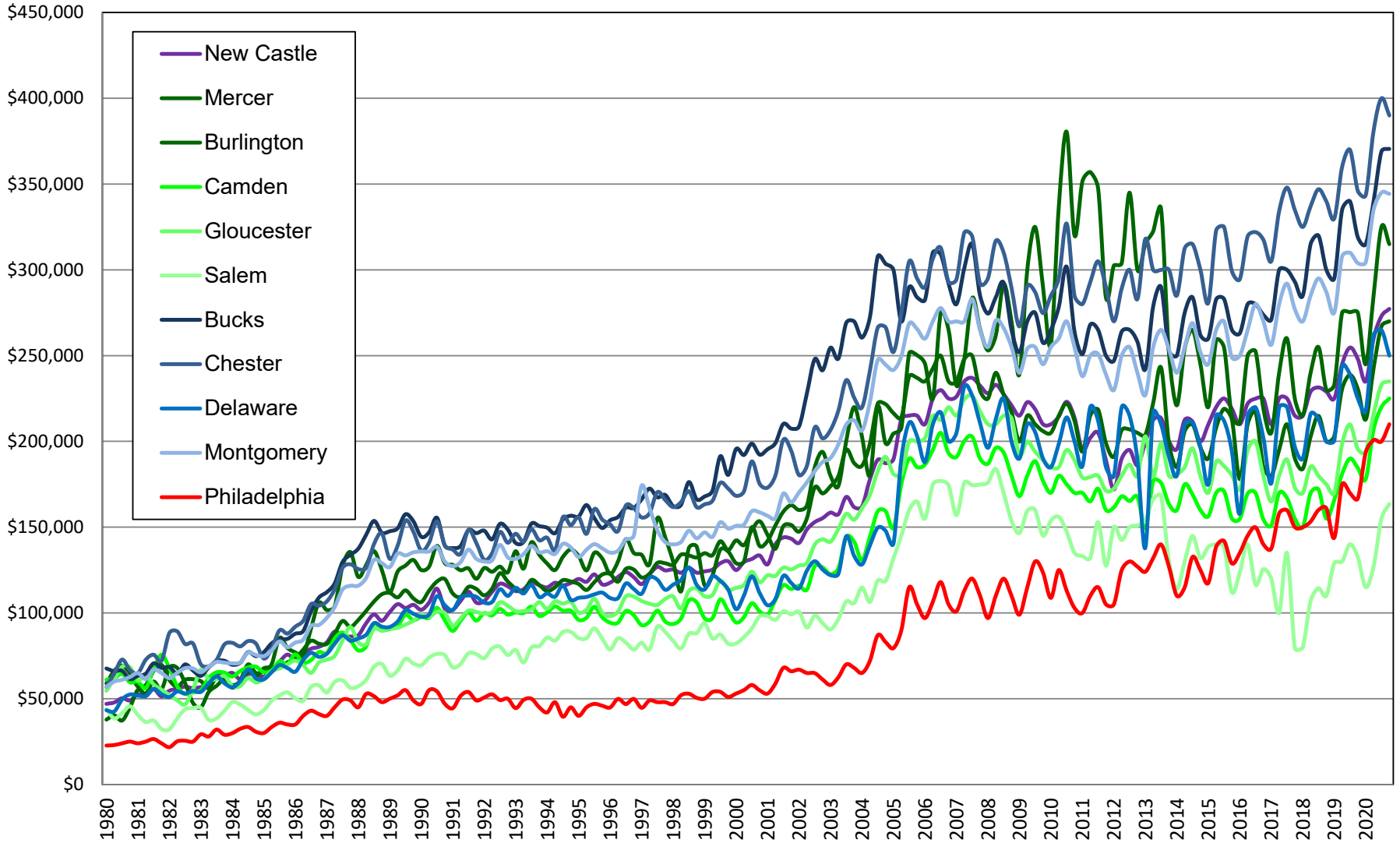
Note: Each county is extruded by its average change in house values from 2019 Q4 to 2020 Q4 in order to reflect its growth (or depreciation) rate relative to other counties.

Median Regional House Price v. Indexed Regional House Price: 1980-2020

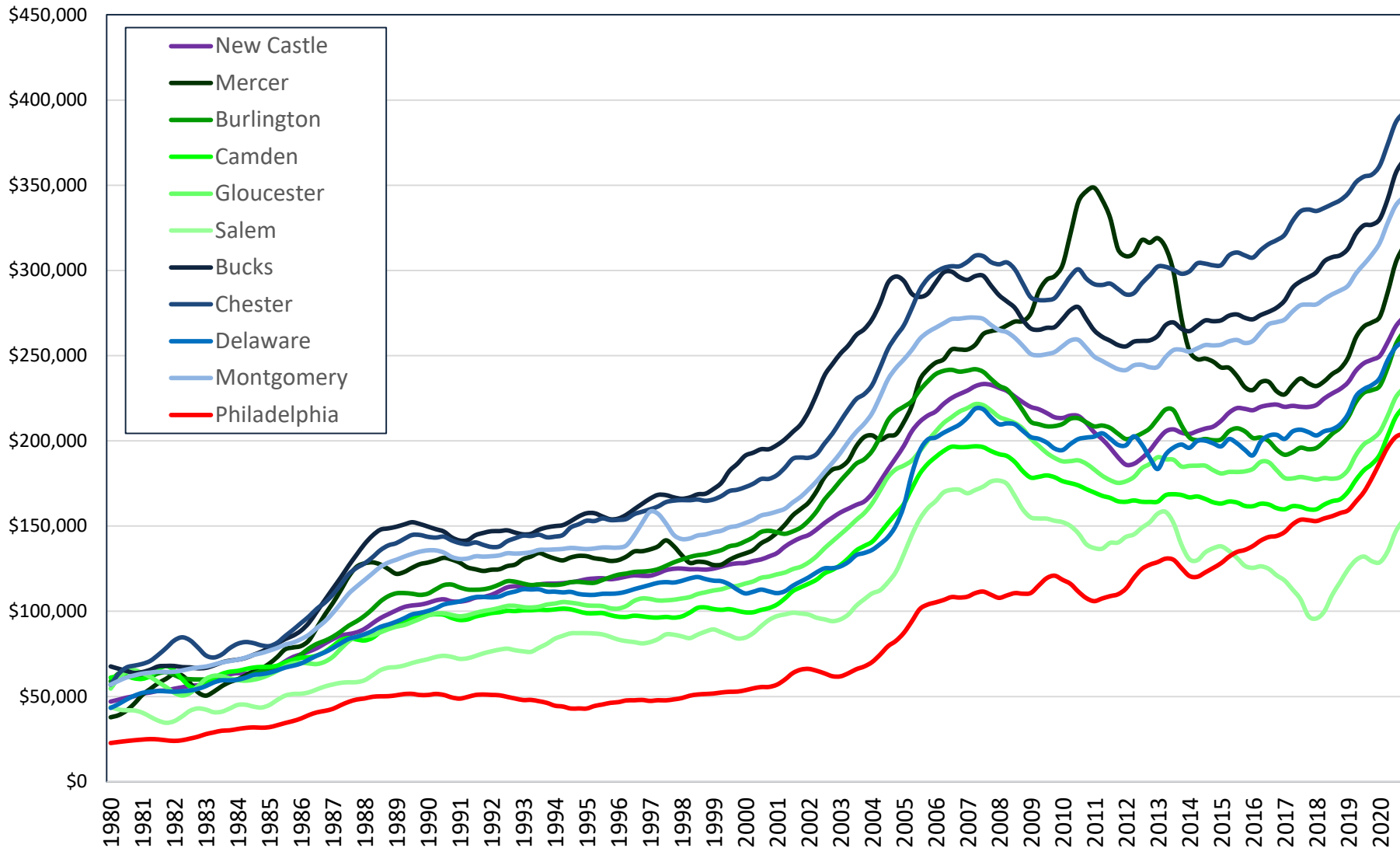


*Empirically estimated by Kevin C. Gillen, Ph.D.

Median House Price by County: 1980-2020

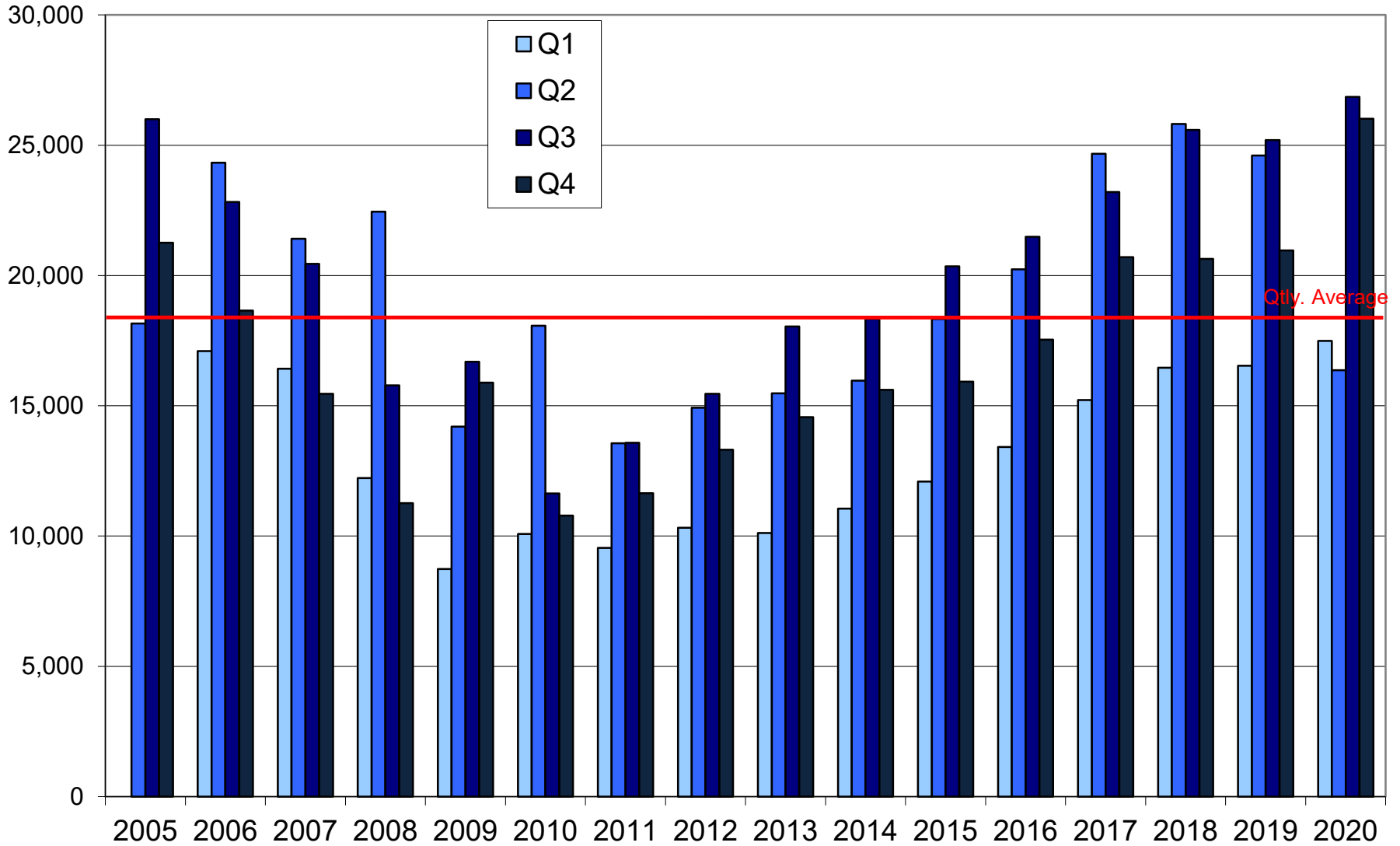


Median House Price by County, Smoothed*: 1980-2020



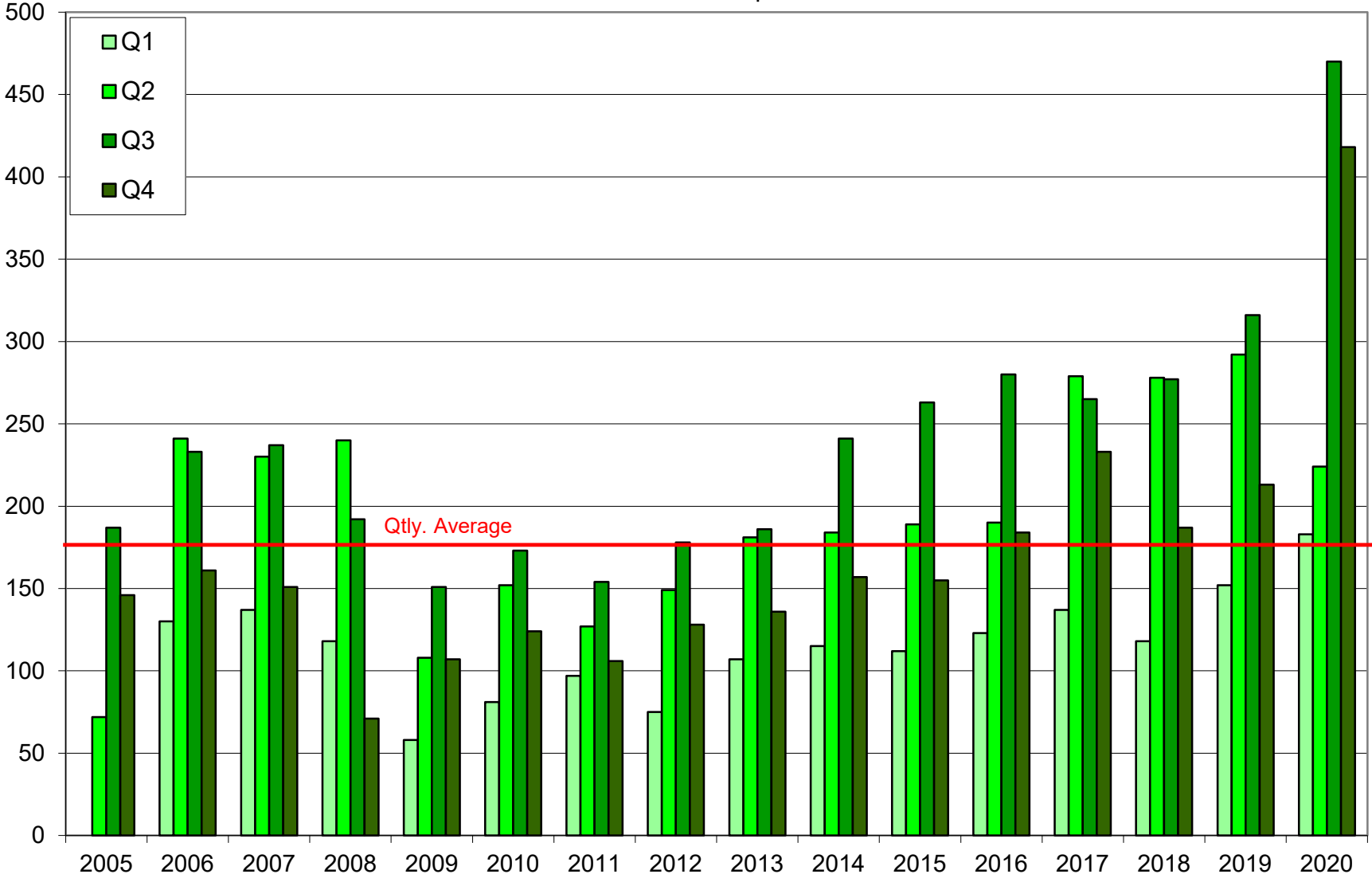
*The price data was smoothed by applying a 3-period moving average, in order to eliminate seasonal noise.

Number of Regional House Sales per Quarter: 2005-2020

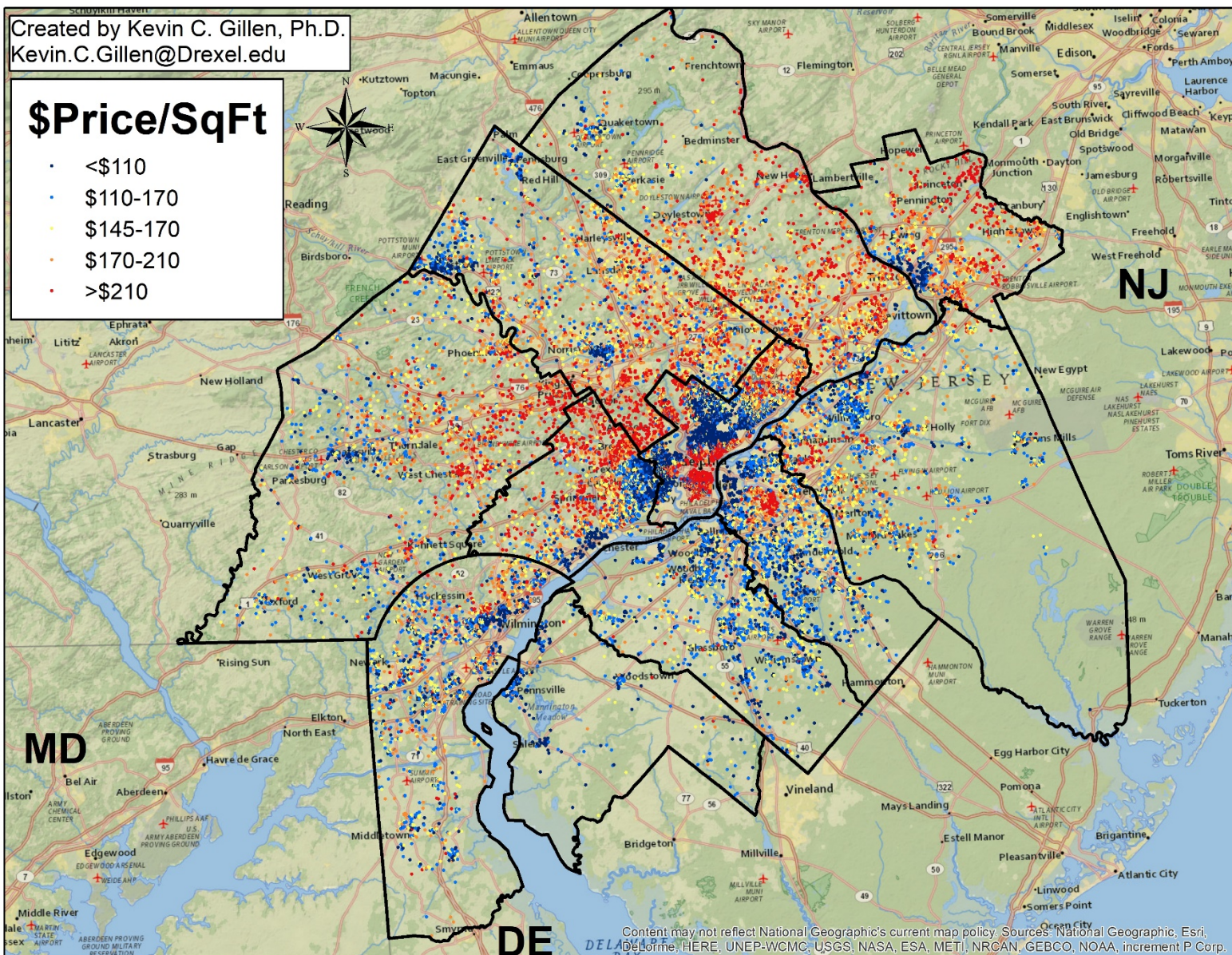


Qtly. Average

Number of Regional House Sales 2005-2020 with Price >=\$1m



Philadelphia Region House Sales in 2020 Q4



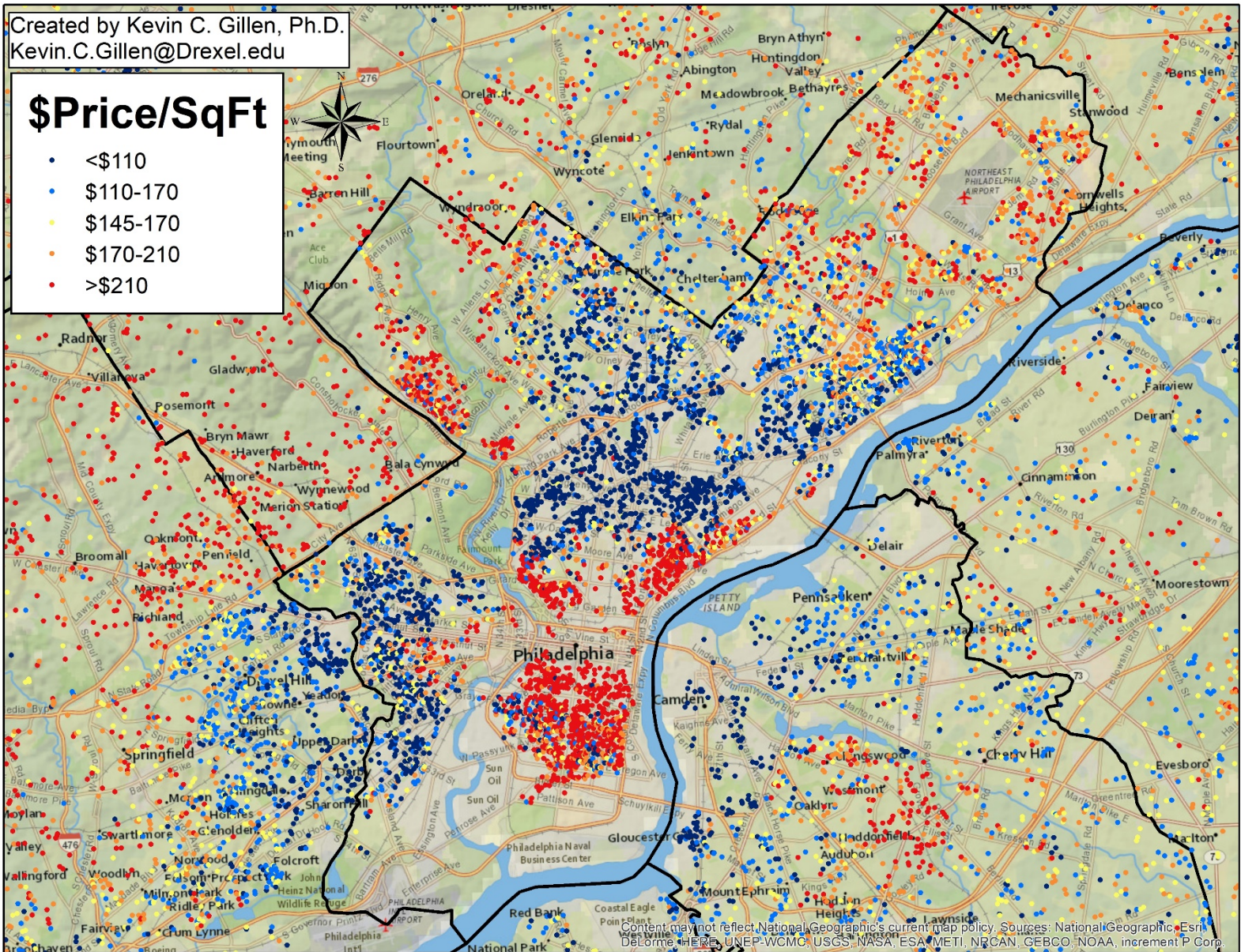
Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Philadelphia County House Sales in 2020 Q4

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Kevin.C.Gillen@Drexel.edu

\$Price/SqFt

- <\$110
- \$110-170
- \$145-170
- \$170-210
- >\$210



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.



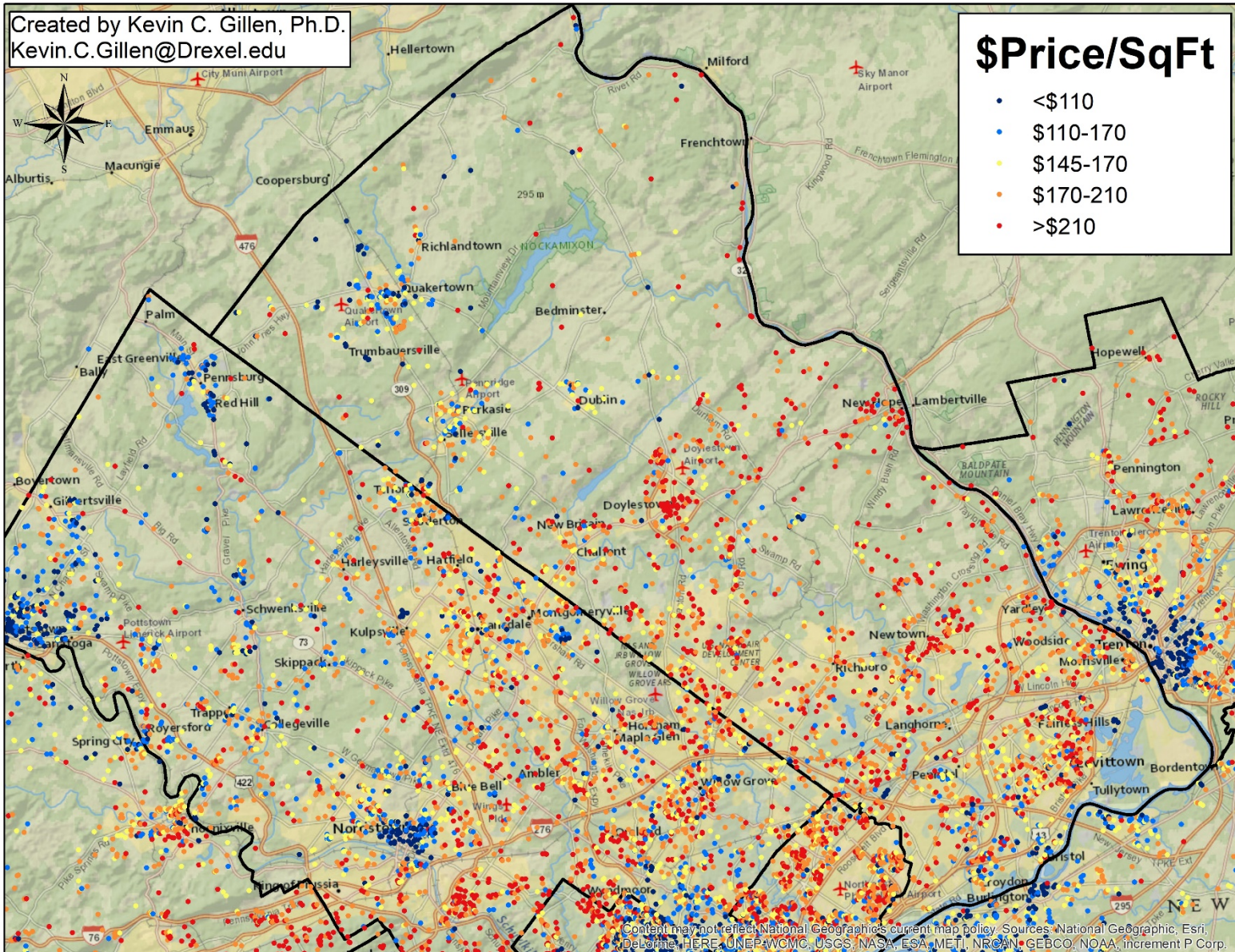
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Bucks County House Sales in 2020 Q4

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\$Price/SqFt

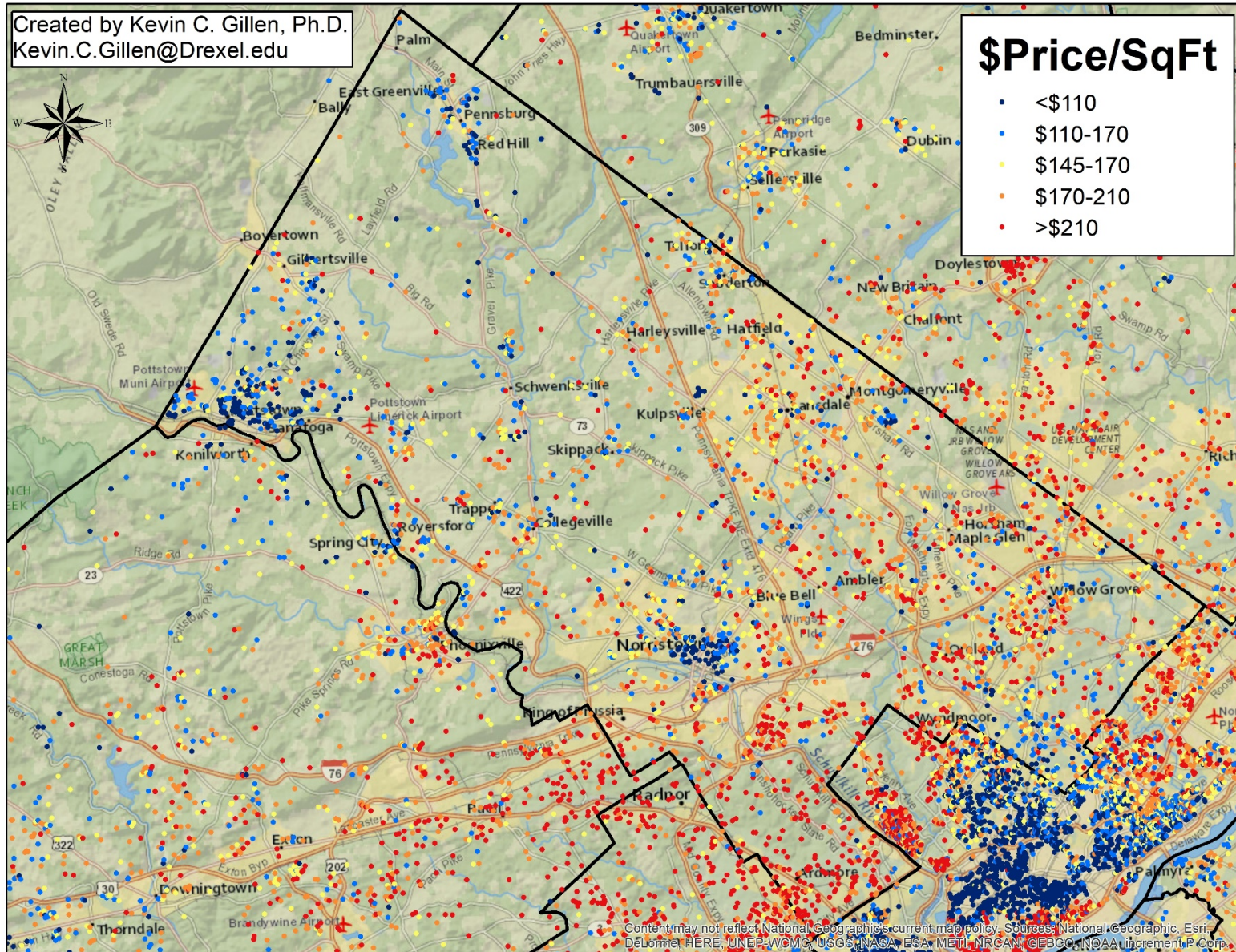
- <\$110
- \$110-170
- \$145-170
- \$170-210
- >\$210



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 2020 Q4



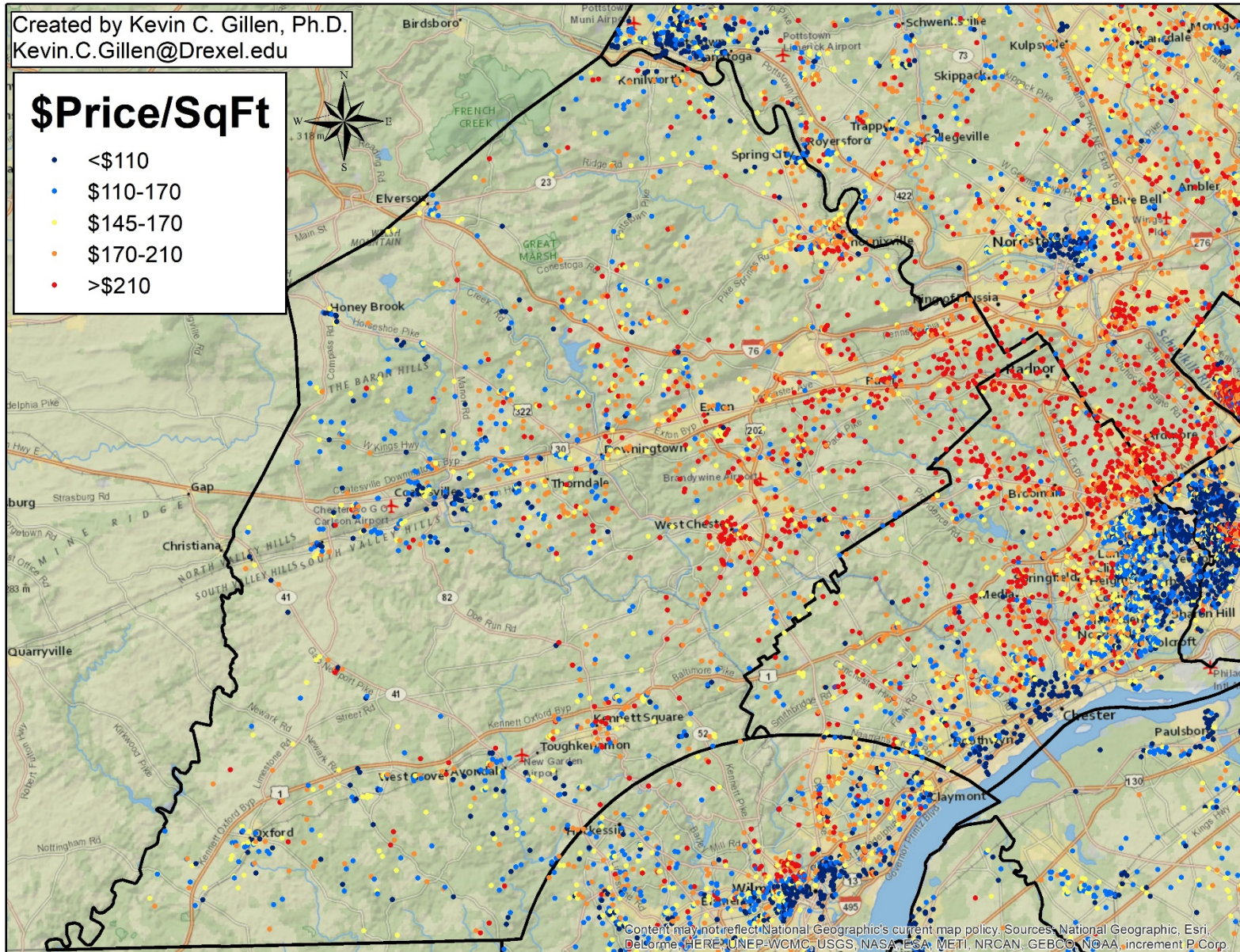
Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Chester County House Sales in 2020 Q4

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\$Price/SqFt

- <\$110
- \$110-170
- \$145-170
- \$170-210
- >\$210



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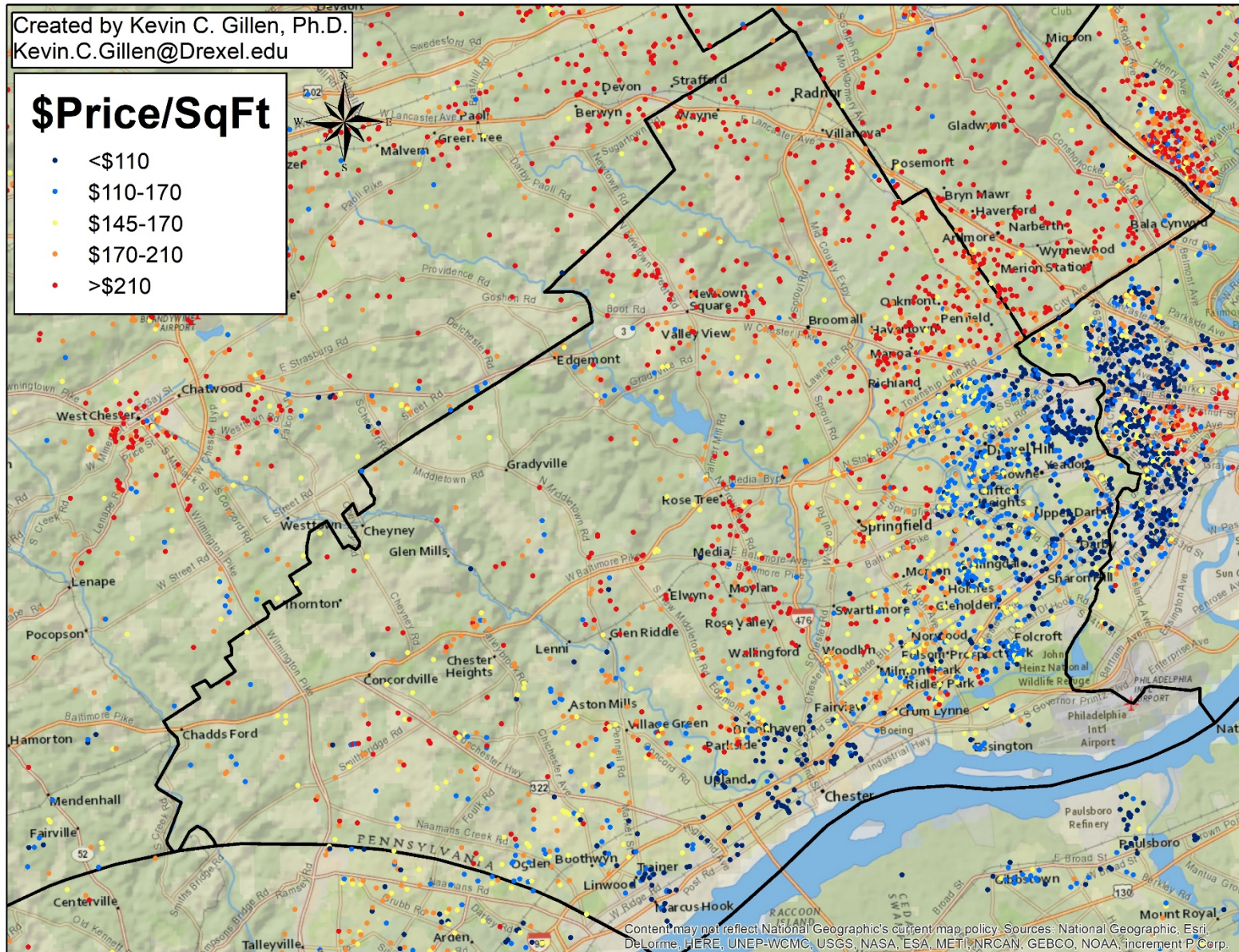
Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Delaware County House Sales in 2020 Q4

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\$Price/SqFt

- <\$110
- \$110-170
- \$145-170
- \$170-210
- >\$210



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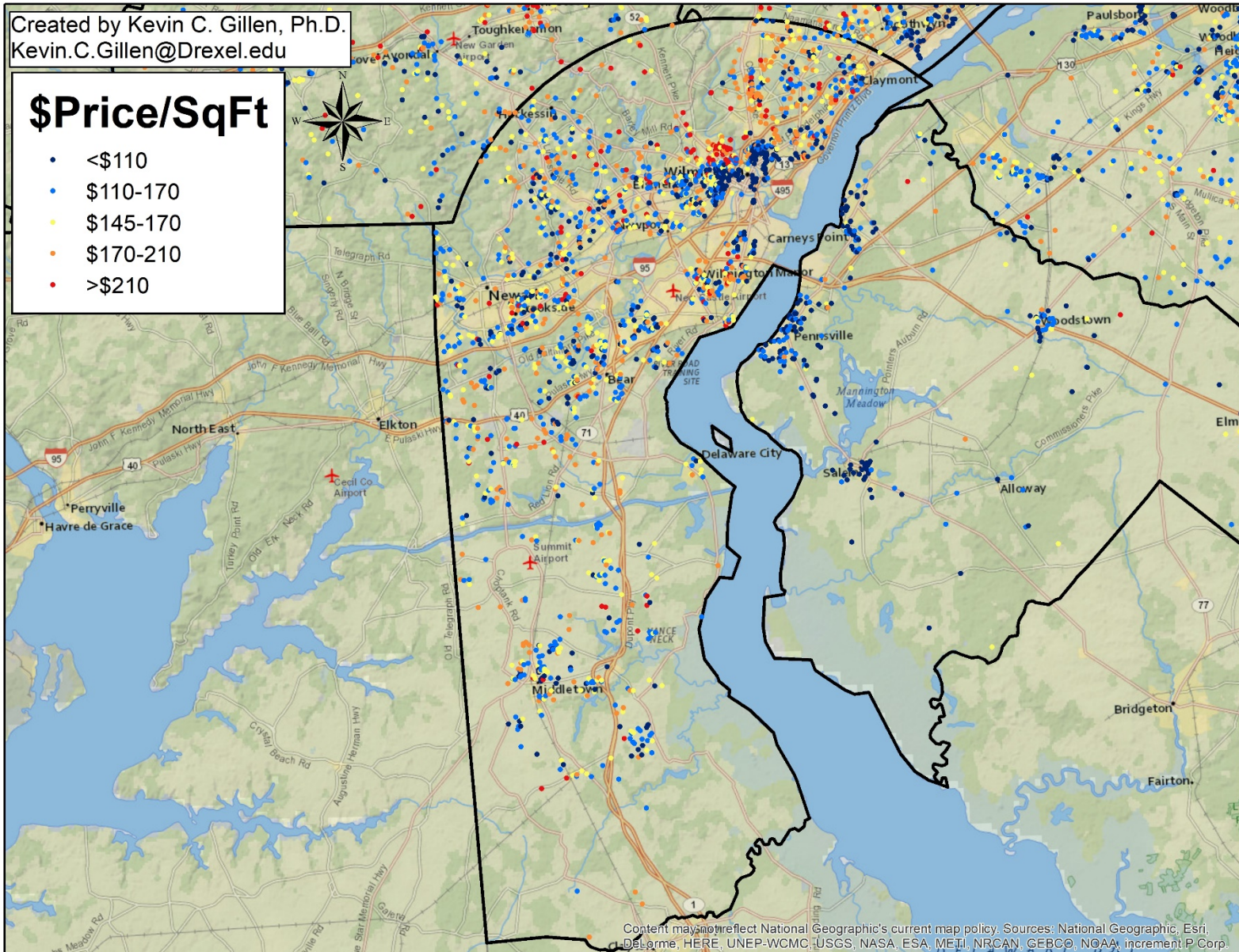
Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

New Castle County House Sales in 2020 Q4

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\$Price/SqFt

- <\$110
- \$110-170
- \$145-170
- \$170-210
- >\$210



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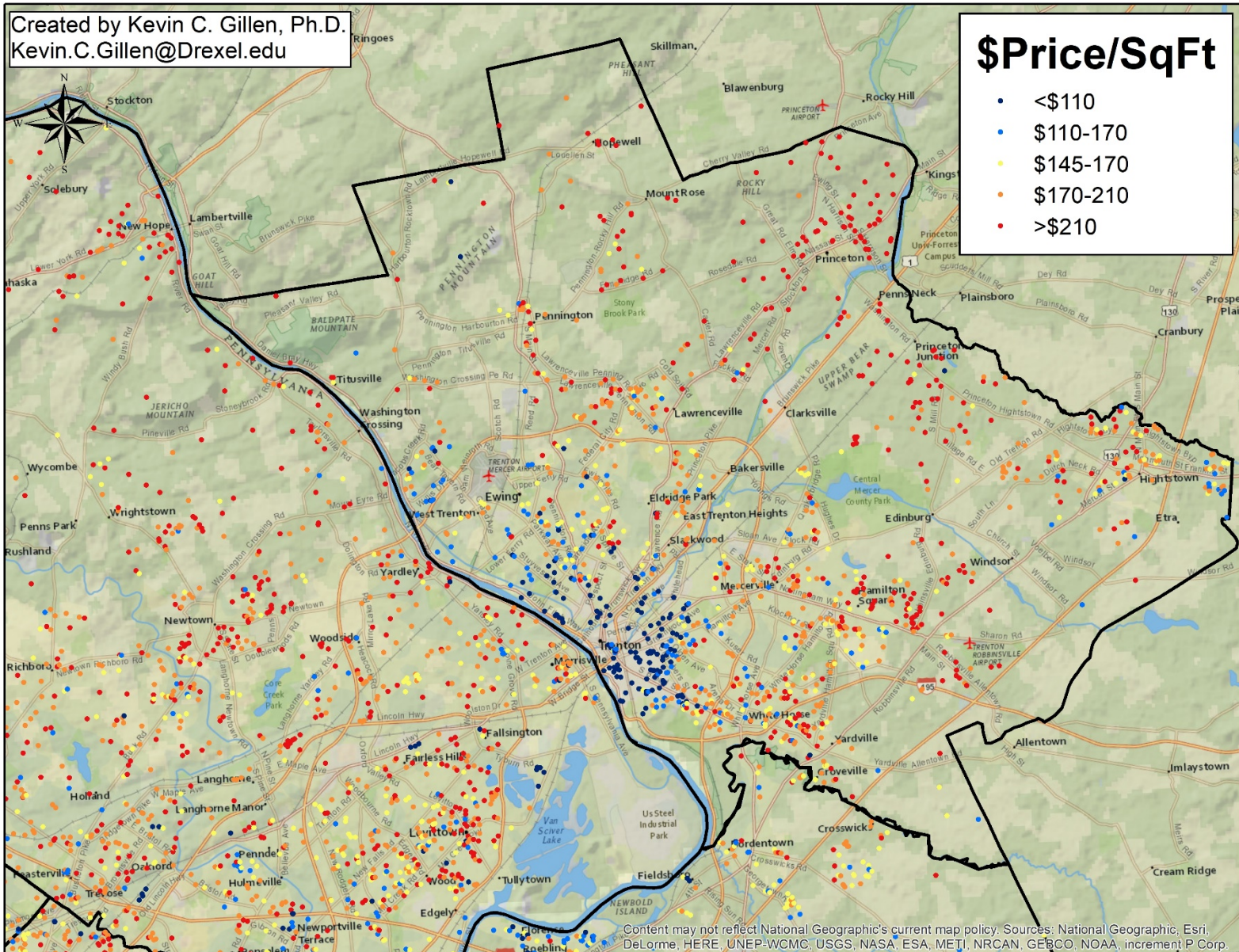
Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Mercer County House Sales in 2020 Q4

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\$Price/SqFt

- <\$110
- \$110-170
- \$145-170
- \$170-210
- >\$210



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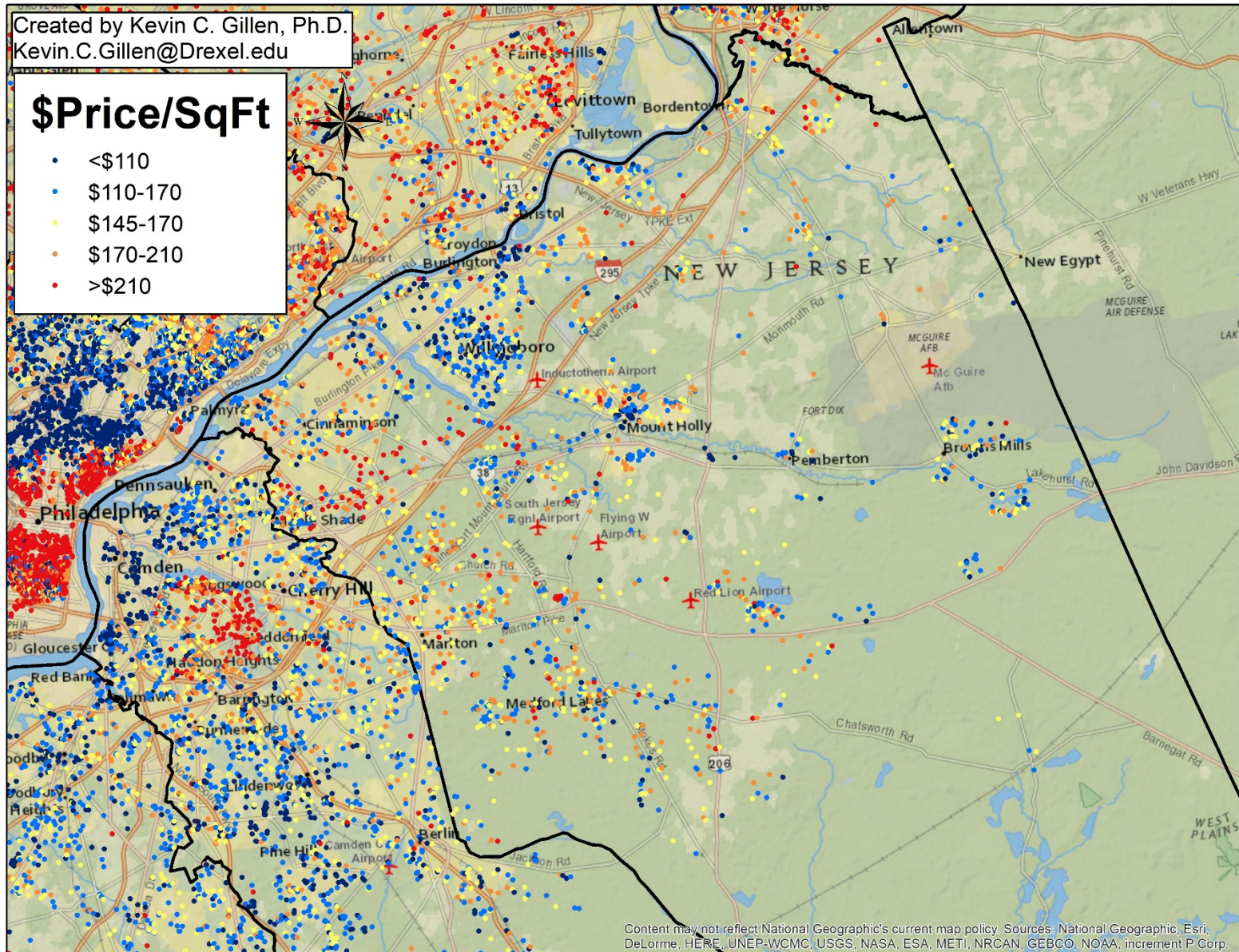
Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Burlington County House Sales in 2020 Q4

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\$Price/SqFt

- <\$110
- \$110-170
- \$145-170
- \$170-210
- >\$210



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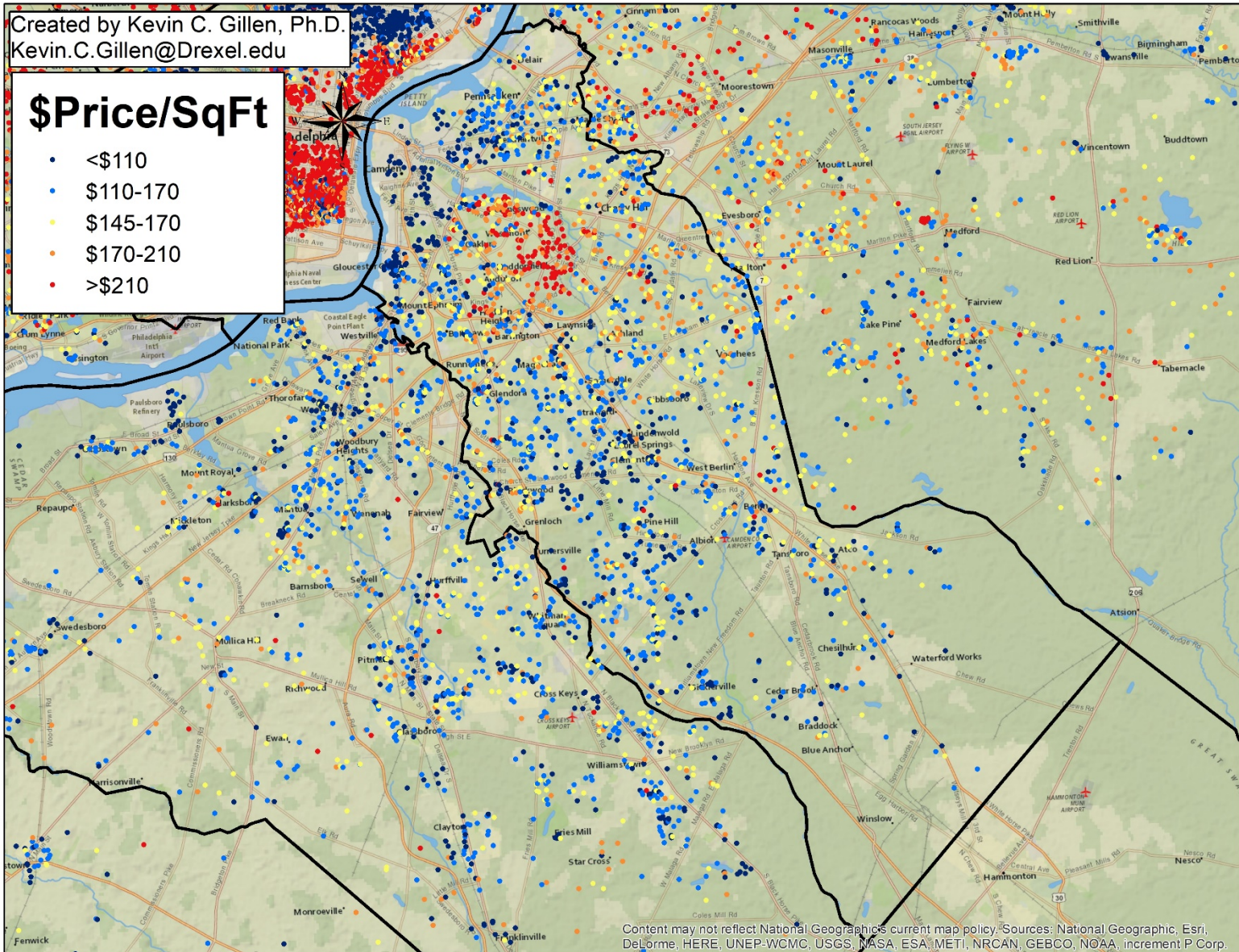
Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Camden County House Sales in 2020 Q4

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Kevin.C.Gillen@Drexel.edu

\$Price/SqFt

- <\$110
- \$110-170
- \$145-170
- \$170-210
- >\$210

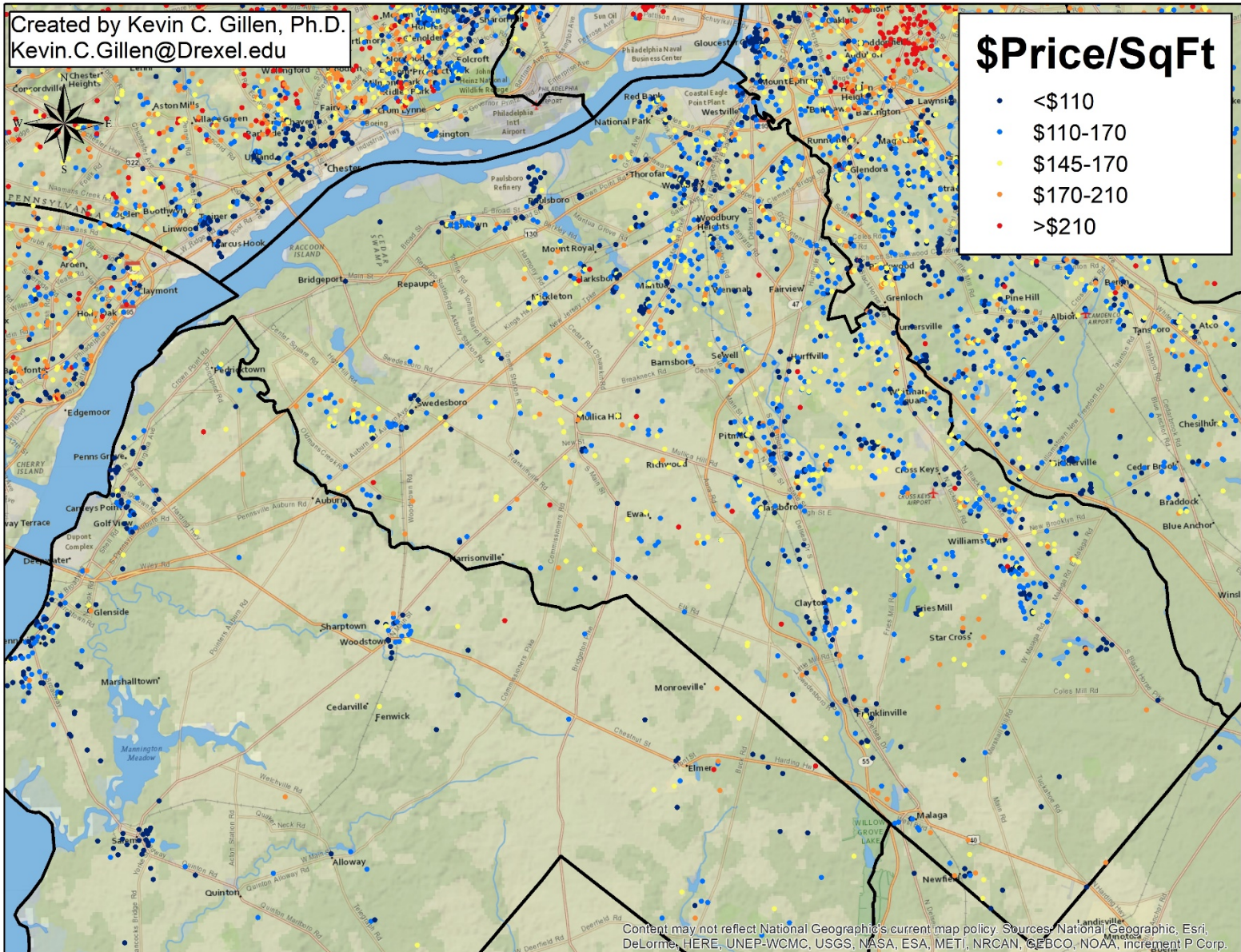


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Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Gloucester County House Sales in 2020 Q4

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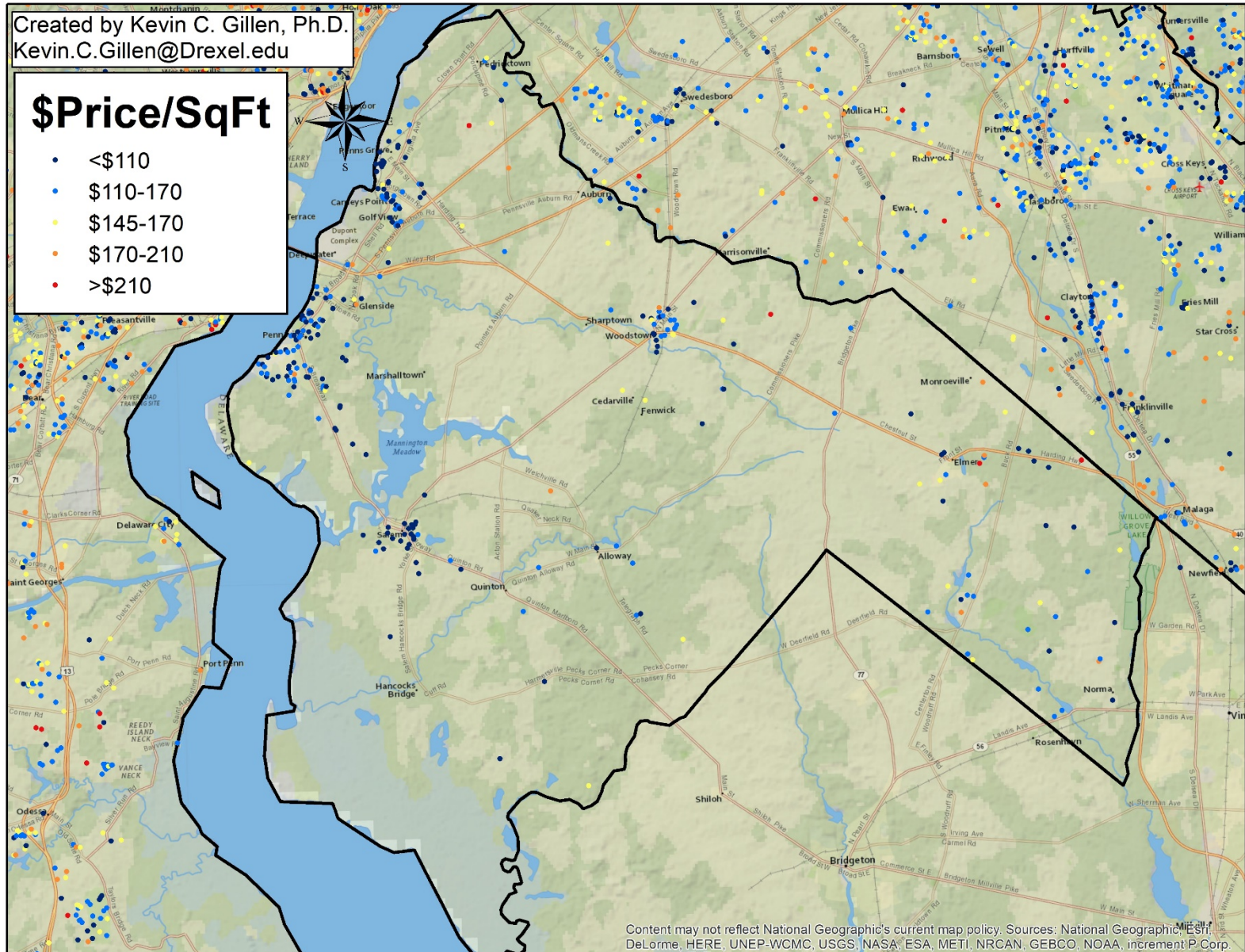
Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

Salem County House Sales in 2020 Q4

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Kevin.C.Gillen@Drexel.edu

\$Price/SqFt

- <\$110
- \$110-170
- \$145-170
- \$170-210
- >\$210

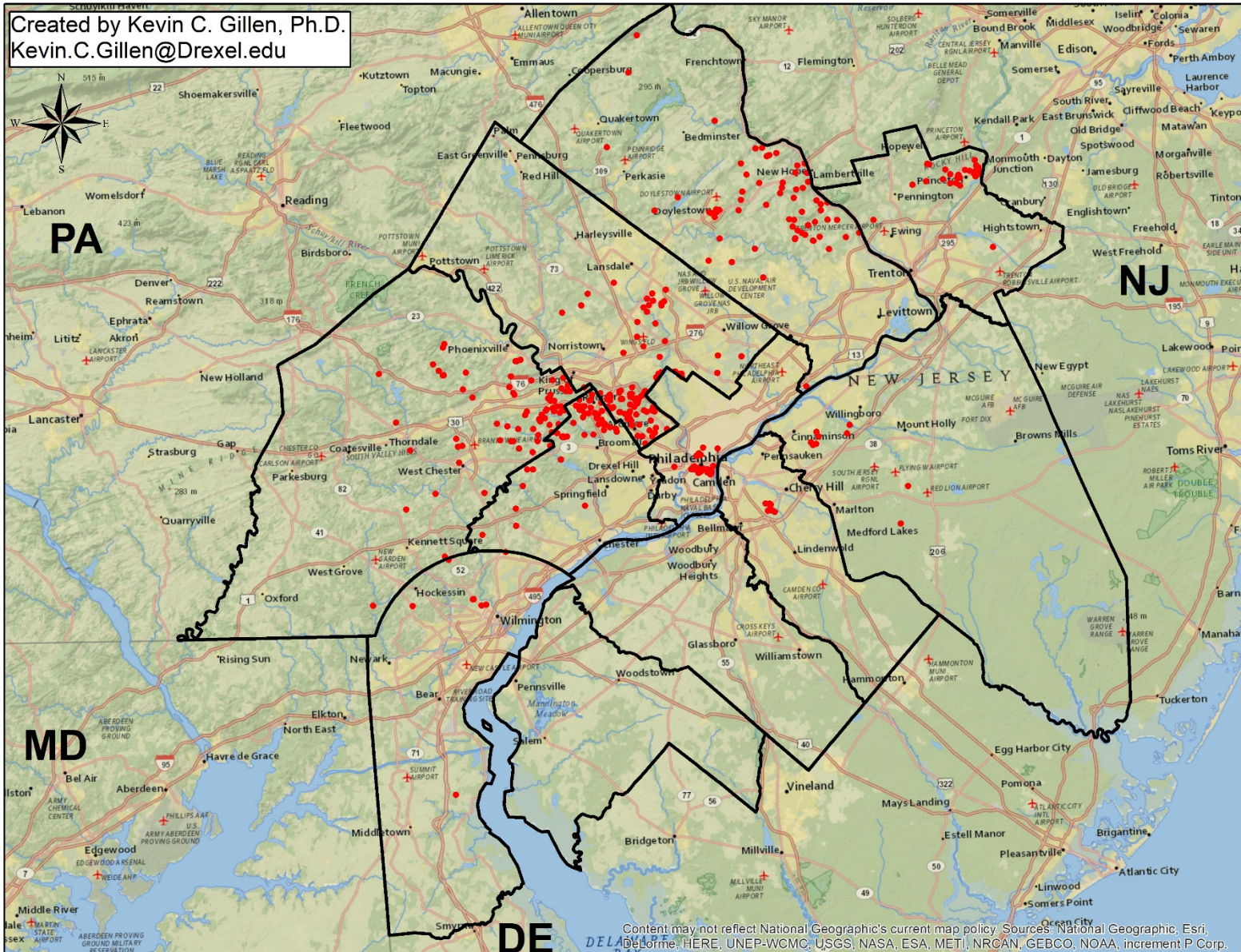


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Note: the categories for \$price/sqft are based upon the quintiles of its distribution. Hence, exactly 20% of all sales fall into each one of the five categories.

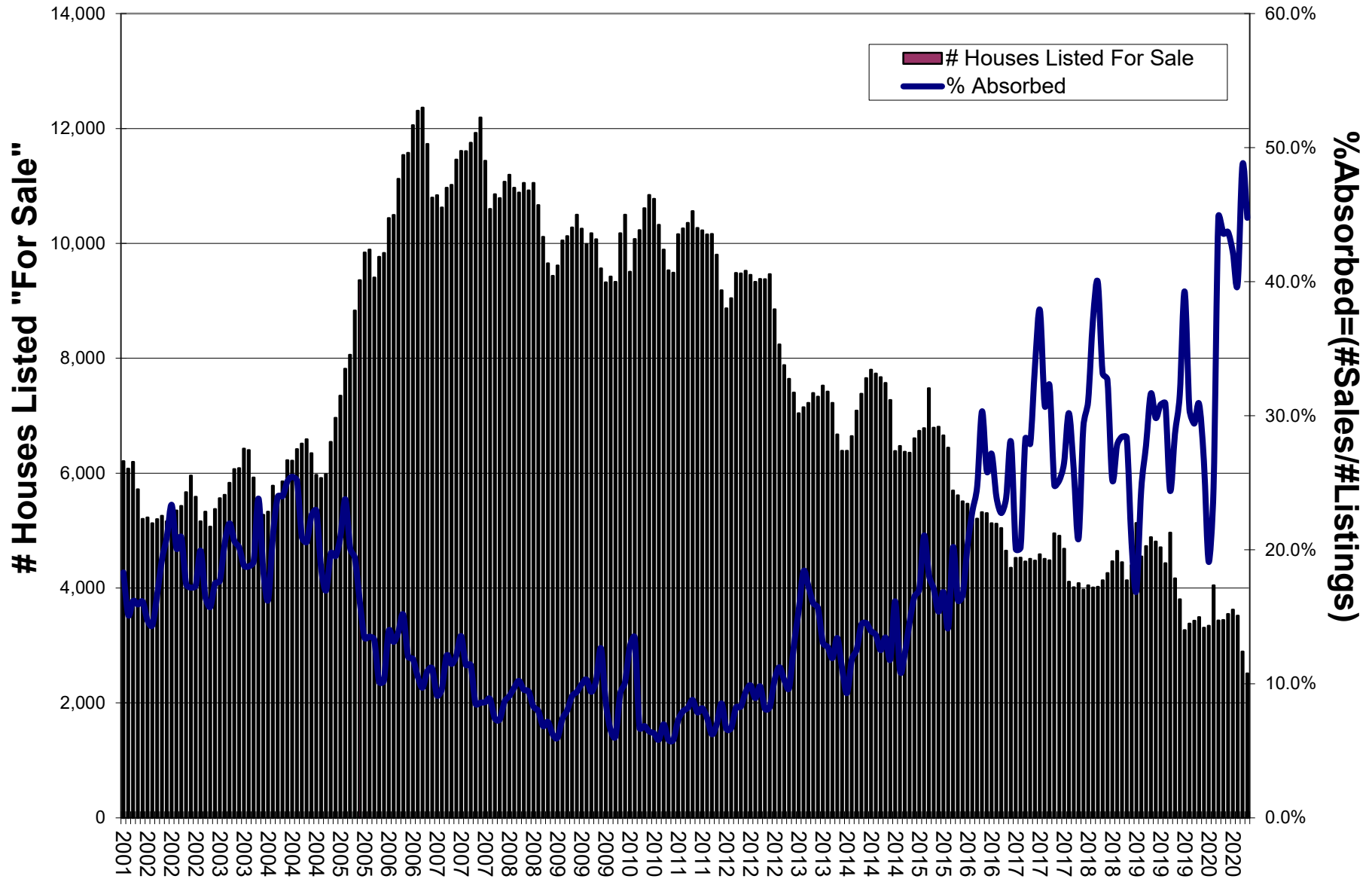
+ \$1 Million Dollar House Sales in 2020 Q4

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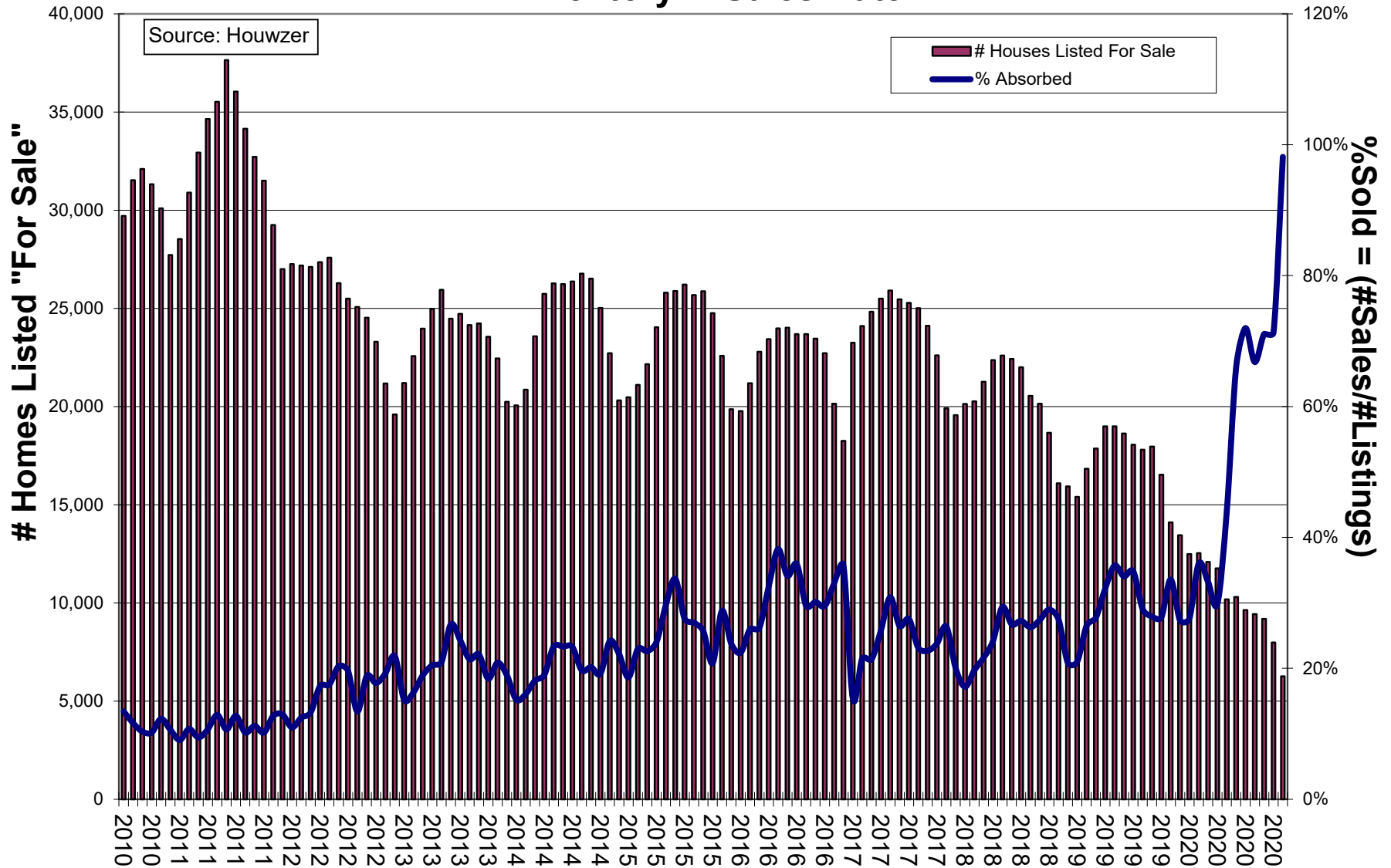


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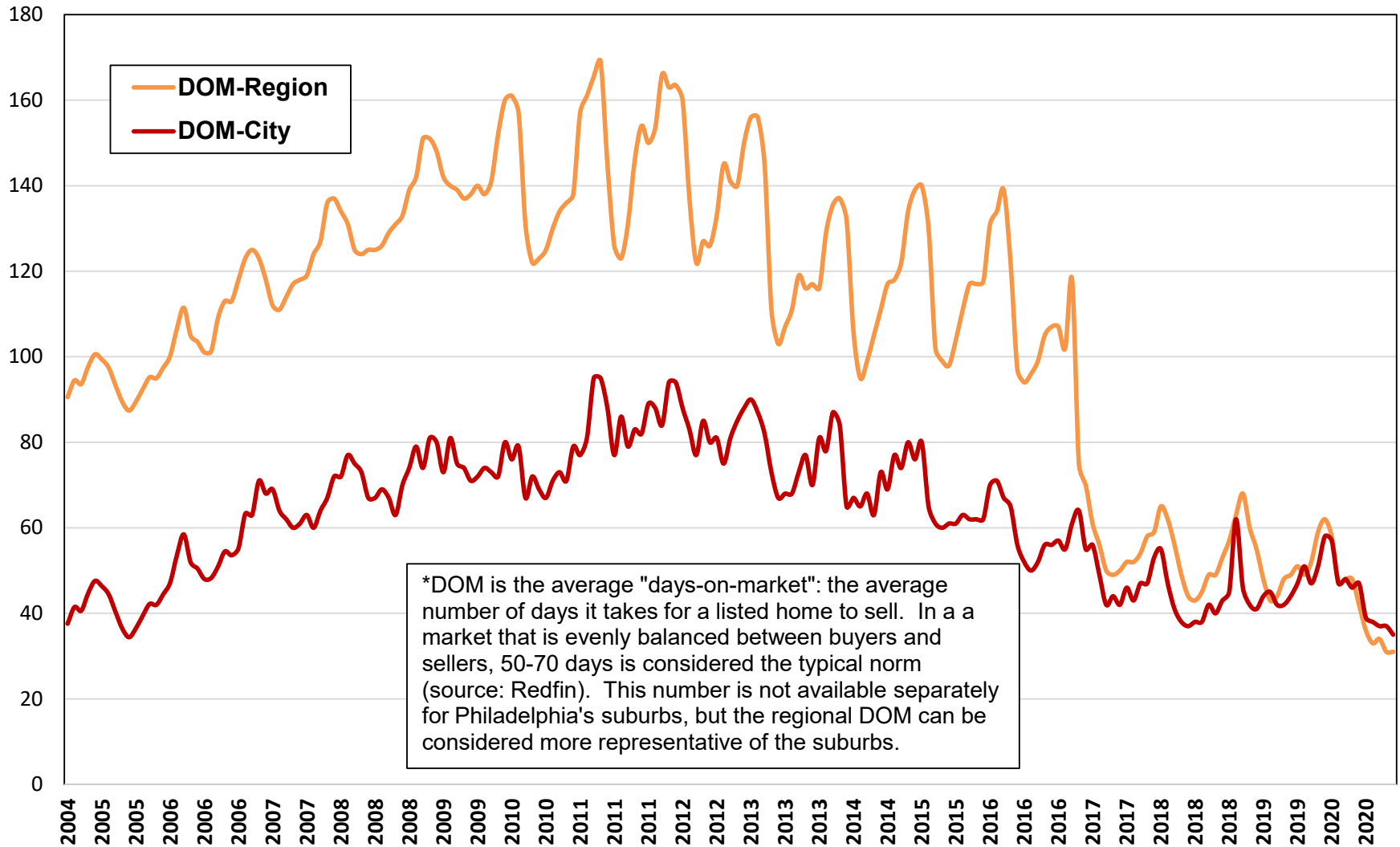
Philadelphia Houses Listed For Sale: Inventory v. Sales Rate



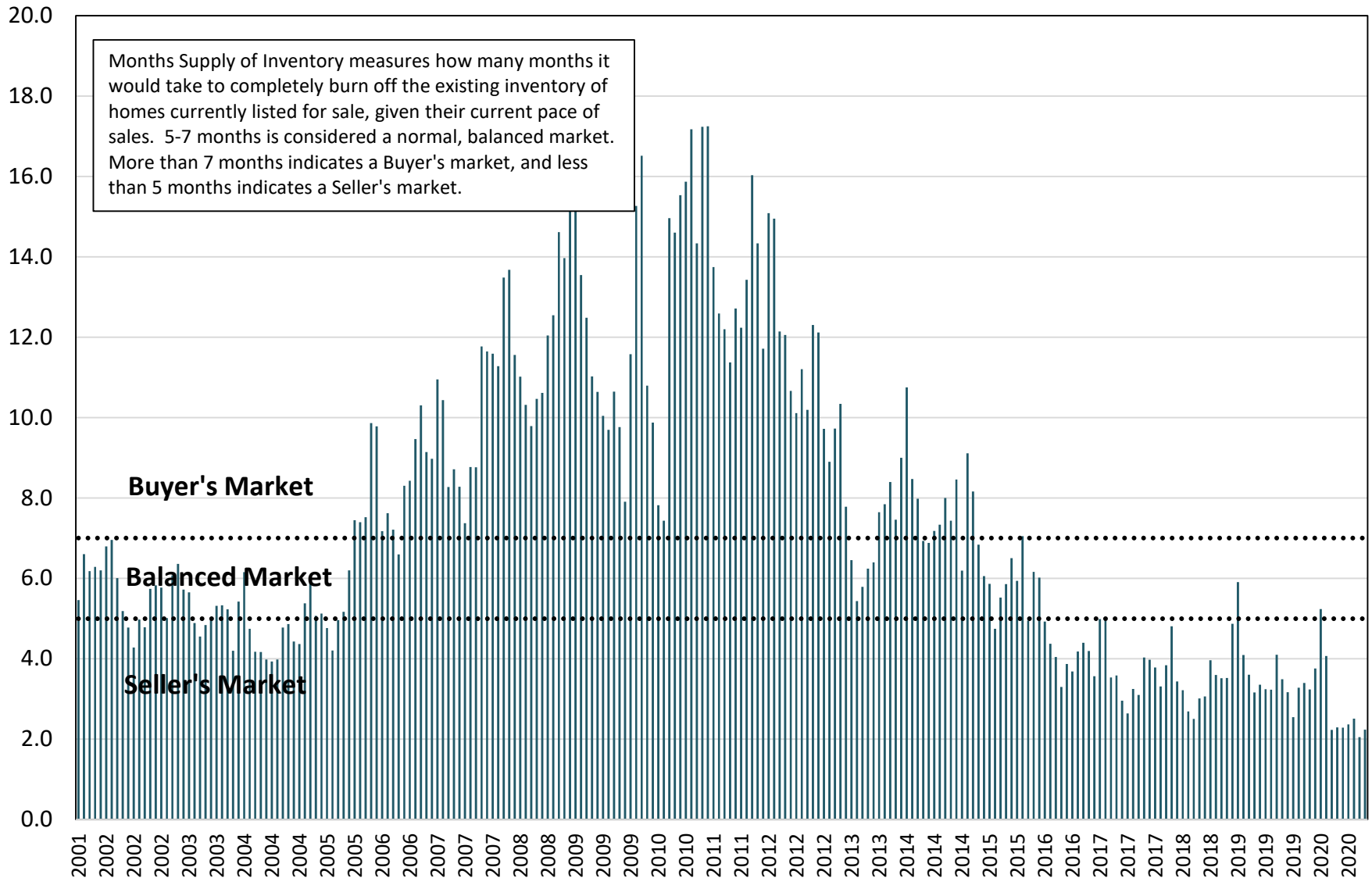
Philadelphia Suburb's Houses Listed For Sale: Inventory v. Sales Rate



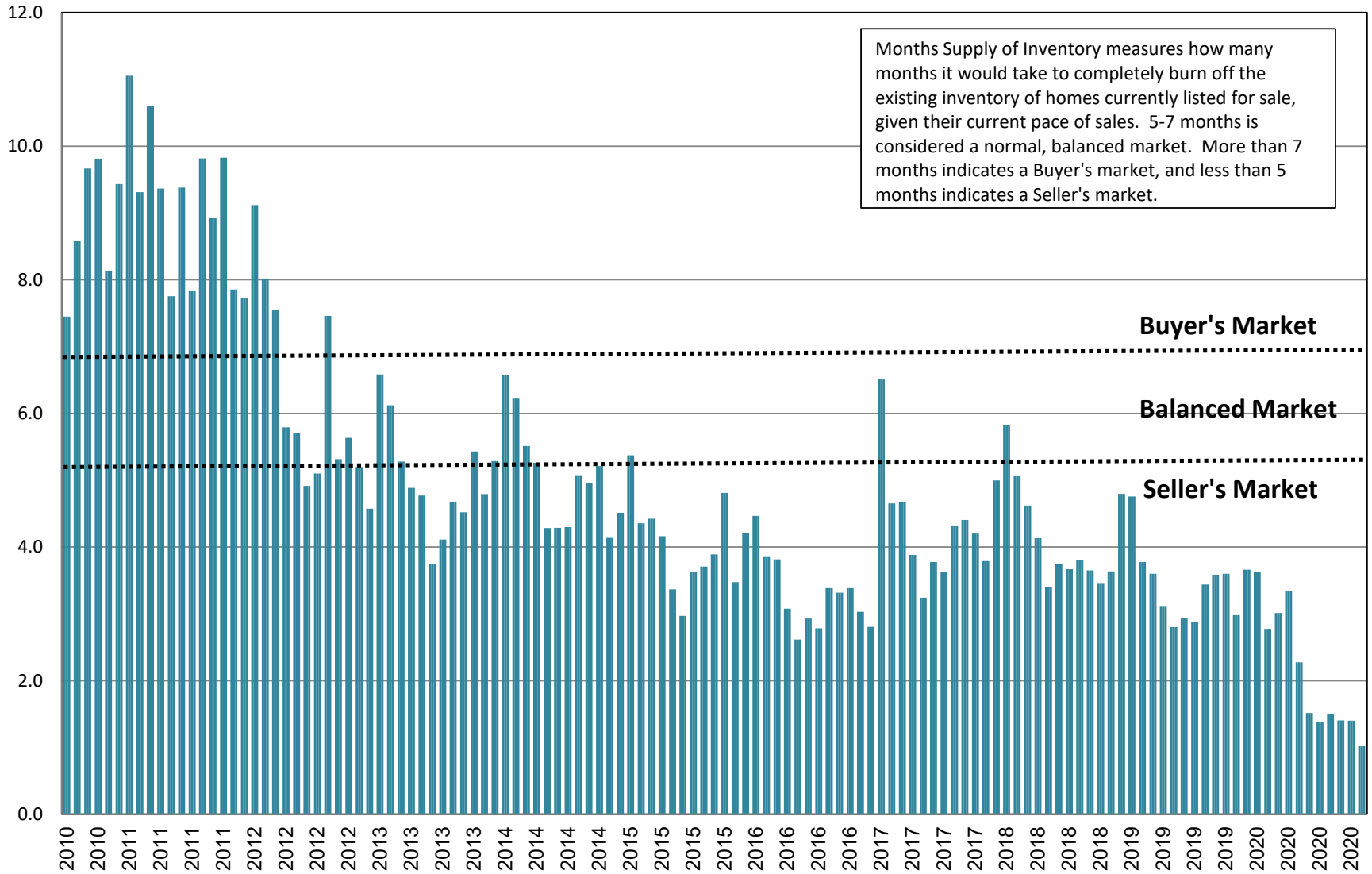
Average Days-on-Market* for Home Sales



Months Supply of Inventory in Philadelphia



Months Supply of Inventory in Philadelphia Suburbs



Pennsylvania Foreclosure Rates

FORECLOSURE RATES FOR PENNSYLVANIA

January 2021

Pennsylvania
1 in every 14459

Top 5 Counties

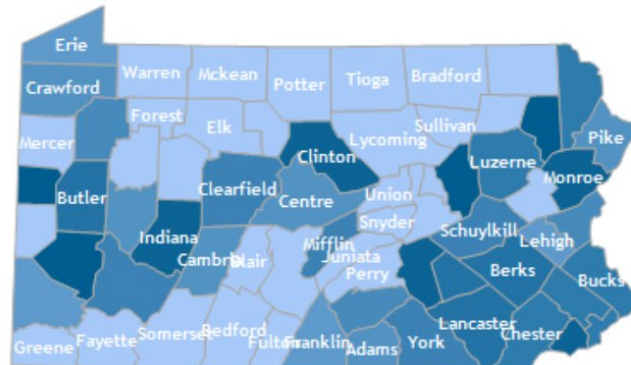
Columbia
1 in every 3746

Allegheny
1 in every 5791

Lawrence
1 in every 5881

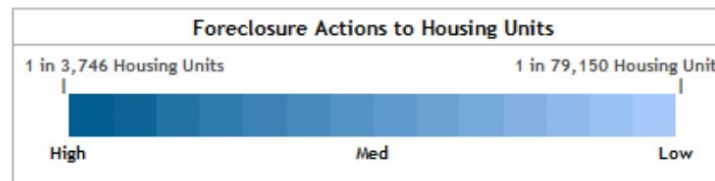
Lackawanna
1 in every 6596

Monroe
1 in every 6760



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After spiking in the latter half of 2020, foreclosure rates across Pennsylvania appear to have leveled out, and even dropped in our region.

Four months ago, 1 in every 12,733 PA homes was in the process of foreclosure. Currently, only 1 in every 14,459 PA homes is in foreclosure.

For Philadelphia, the numbers have gone from 1 in every 9,443 homes to 1 in every 16,582.

New Jersey Foreclosure Rates

FORECLOSURE RATES FOR NEW JERSEY

January 2021

New Jersey
1 in every 10961

Top 5 Counties

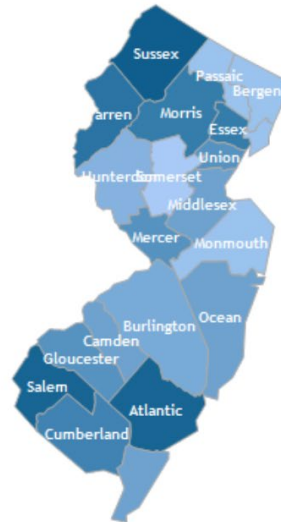
Sussex
1 in every 3278

Salem
1 in every 5517

Atlantic
1 in every 5557

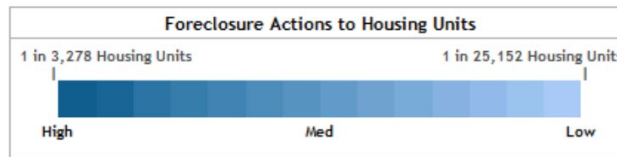
Warren
1 in every 6485

Morris
1 in every 6844



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After surging in the final months of 2020, foreclosures in New Jersey have also declined.

As 2020 rolled over into 2021, foreclosures in New Jersey fell from 1 in every 7,732 homes to 1 in every 10,961.

Also, only 2 of the 5 counties with the highest foreclosure rates are in South Jersey. Typically, 4 to 5 of top 5 counties are in South Jersey.

Delaware Foreclosure Rates

FORECLOSURE RATES FOR DELAWARE

January 2021

Delaware
1 in every 4812

Top 3 Counties

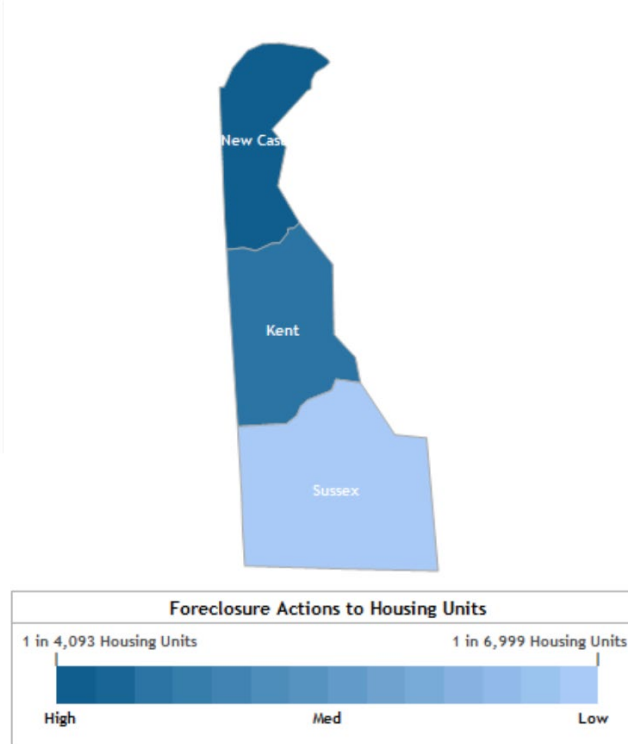
New Castle
1 in every 4093

Kent
1 in every 4634

Sussex
1 in every 6999

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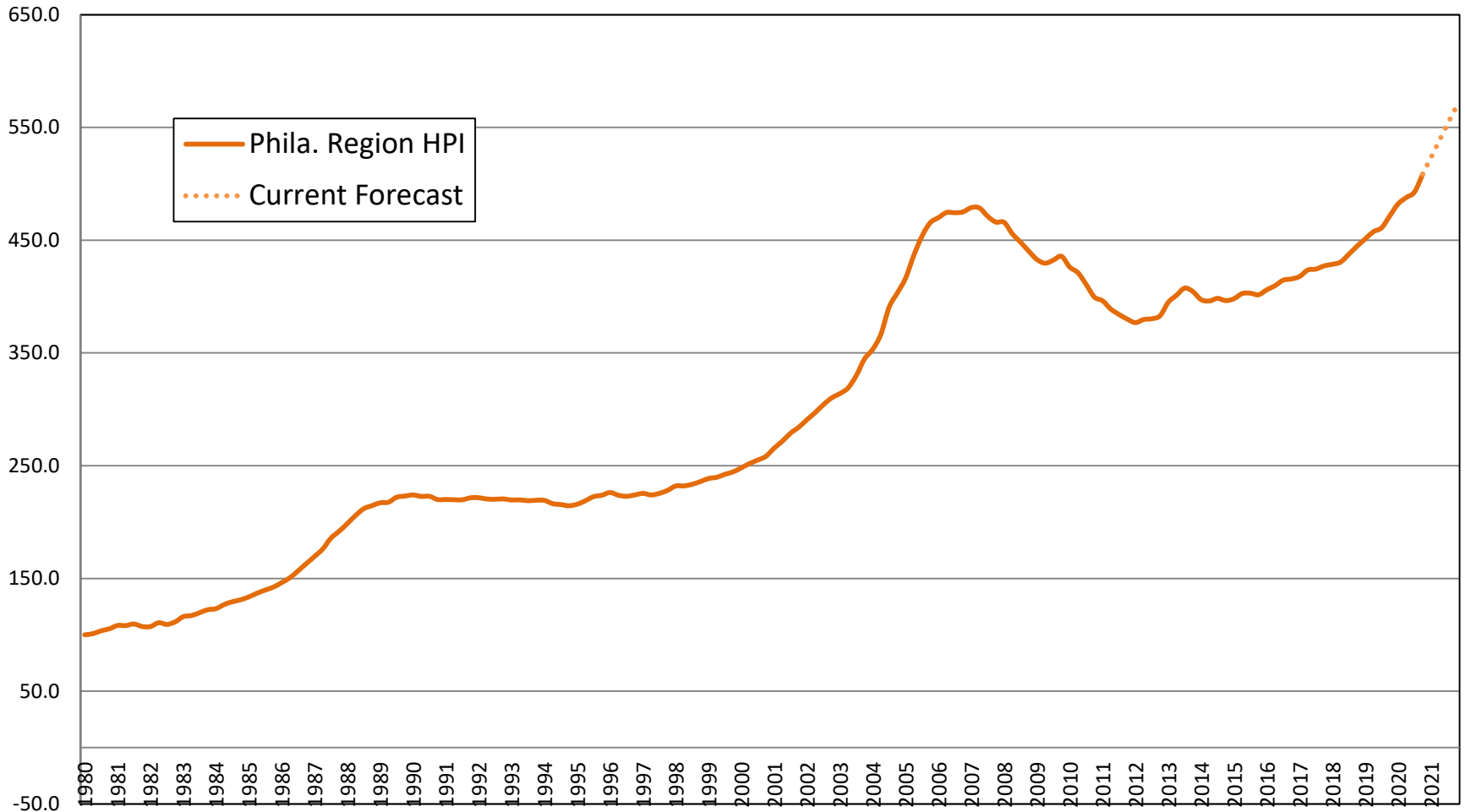


Unlike Pennsylvania and New Jersey, Delaware began relaxing the conditions of its moratorium in mid-2020.

The result has been a significant statewide surge in foreclosure activity.

From last summer, foreclosures in Delaware increased from 1 in every 12,456 homes to 1 in every 8,470 homes by October, and currently stand at 1 in every 4,812 homes; **a nearly 160% increase!**

Philadelphia Region House Price Index: Actual v. Forecast



Zillow.com significantly upgraded its forecast for the Philadelphia region's house prices this quarter. It is currently predicting that the general level of house prices in the region will increase by 10.9% over the next twelve months. Its previous forecast last quarter predicted a 5.6% increase over the next twelve months.

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