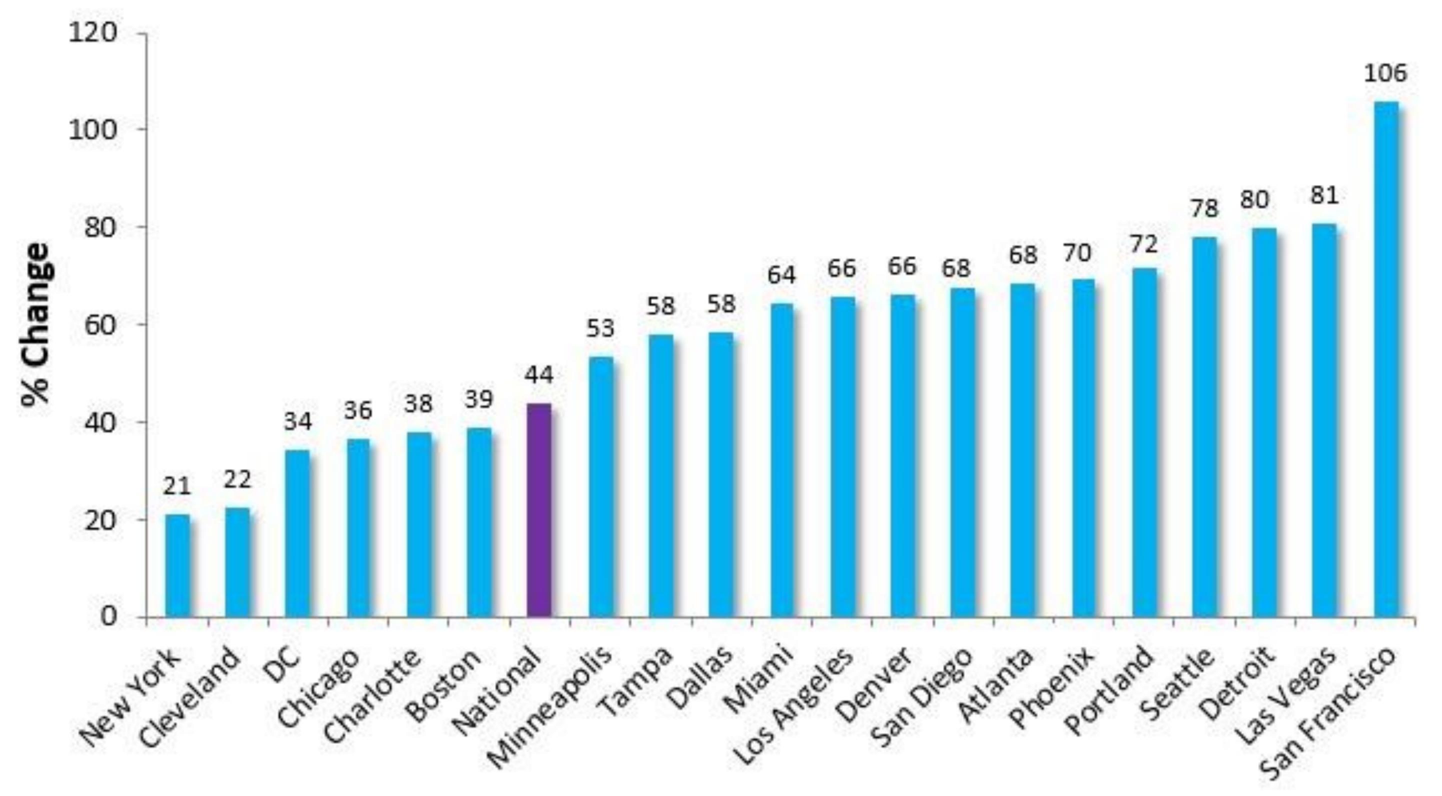
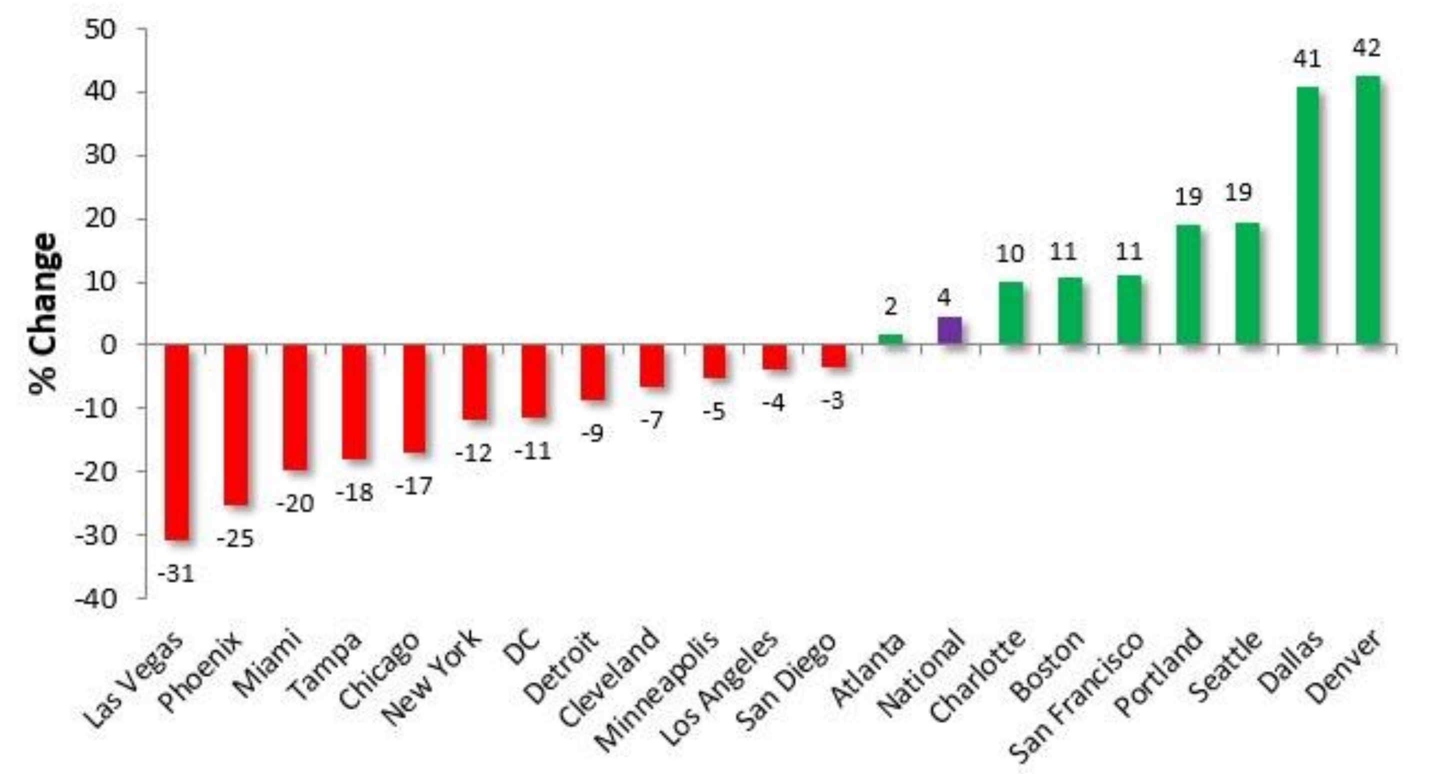
Chart of the Month

September 2017

% Change from Housing Crash Lows in S&P/Case-Shiller Home Prices



% Change from Bubble Highs in S&P/Case-Shiller Home Prices

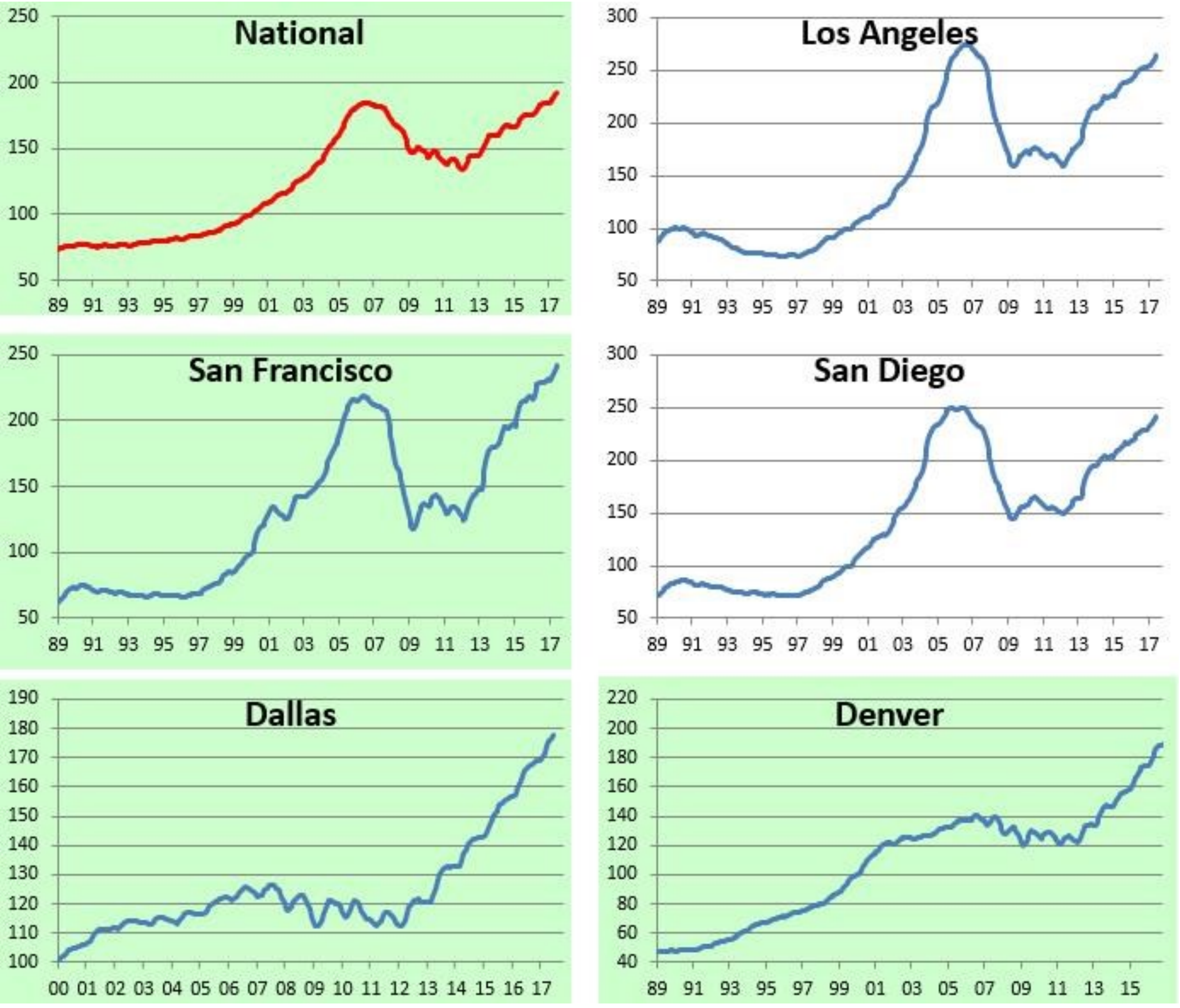


According to the S&P/Case-Shiller Index, the leading measure of residential real estate data, the median single-family home price in the U.S. rose nearly 1% in June and 6% year-over-year to a new all-time high.

As shown in the two bar charts, the national median home price has gained 44% from the trough in February 2012 and is now 4% above its prior peak in July 2006. Among major metropolitan areas, San Francisco (+106%) has led while New York (+21%) has lagged during the rebound over the past five-plus years. Denver (+42%) and Dallas (41%) have been the best-performing markets since the bubble highs 11 years ago. Las Vegas (-31%), despite rallying 81% from the bottom, has been the worst-performing market since the top, illustrating the extent of the Vegas bubble and burst.

Closer to home, Los Angeles (which includes Los Angeles and Orange Counties) is up 66% from the low but is still down 4% from the previous high. When it comes to real estate, it's all about location, location, location. As such, there are communities that have bounced back more than the county averages and many homes in Southern California are now valued at levels never before seen.

The charts below reflect the median home prices at the national level and five selected markets since 1989. Those in green are at new highs while L.A. and San Diego are within striking distance of making full recoveries.



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