



N. Texas housing market expected to do better than nation

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Confused about where the local housing market is going?

Well, don't look to the economists and research analysts for help.

Most respected housing forecasters agree that the Dallas-Fort Worth area will fare better than rest of the country when it comes to home sales and pricing.

But getting any two economists to agree about anything is tougher than getting a no-down-payment loan.

Here's what the top prognosticators are saying about the North Texas home market.

Moody's Economy.com

What home price decline?

Moody's Economy.com predicts that Dallas-area home prices will go up about 3 percent a year over the next couple of years.

At the same time, it expects double-digit price declines in other cities – especially in California and Florida.

Moody's thinks nationwide home prices will fall by almost 8 percent by the time the current housing downturn bottoms.

PMI Group

No worries for North Texas

The folks who insure mortgages should have an idea where home prices are heading. And PMI Group – one of the country's largest mortgage insurance firms – isn't worried about home prices here.

The California firm estimates that D-FW home prices have less than a 10 percent chance of falling during the next two years.

Case-Shiller Home Price Index

Dallas stands out

The Dallas area was a standout in Standard & Poor's latest Case-Shiller home price index.

Case-Shiller said in a report last month that Dallas home prices were up just 0.5 percent over last year. But that sure beats the national decline, which was 4.4 percent – the biggest such dip on record.

Office of Federal Housing Enterprise Oversight

Even rosier predictions

The federal agency that tracks loans purchased by the country's top mortgage firms – Fannie Mae and Freddie Mac – found that home prices in the Dallas area are still gaining ground.

The latest report found that prices in the Dallas area were up about 5 percent at midyear compared with the same period of 2006.

By the numbers

You decide

North Texas' preowned home sales are down about 7 percent this year.

Nationwide in September, preowned home sales were down by 19.1 percent from a year earlier. For the year, the National Association of Realtors is forecasting a 13 percent sales decline.

The bigger difference between D-FW and the U.S. is in prices.

The latest national report showed that Dallas-Fort Worth had a 3 percent home price decline in the third quarter compared with a year earlier. That's in conflict with local statistics – the local Realtors' group says prices were up 1 percent. It's also a reversal of the National Association of Realtors' midyear report, which said D-FW prices were up 2 percent.

The inventory of homes for sale here is also lower than the national average.

The national outlook

All over the map

Most economists agree that Texas will fare much better than other parts of the country – especially some coastal markets.

"I believe the Texas economy and housing market will be doing relatively well compared to the U.S. totals," said David Seiders, chief economist for the National Association of Home Builders.

What they can't agree on is how long the national slump will last. Here are two extremes.

North Texas*

Preowned home sales	74,918	{TriDown}	-7%
Preowned home prices	\$150,000	{TriUp}	1%
Inventory	6.4 months		
New home starts	25,632	{TriDown}	-33%

*Year to date through October

U.S.

Preowned home sales	5.04 million*	{TriDown}	-19.1%
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Preowned home prices	\$211,700	{TriDown}	-4.2%
Inventory	10.5 months		
New home starts	884,000*	{TriDown}	-25%
*Annualized, as of Oct. 1			

STACKING UP HOME PRICES

Annual change in home prices through first half of 2007:

City	Change
Atlanta	{TriUp} 3.84%
Boston	{TriDown} 1.78%
Chicago	{TriUp} 3.69%
Dallas	{TriUp} 5.01%
Detroit	{TriDown} 3.31%
Fort Worth	{TriUp} 3.57%
Houston	{TriUp} 5.66%
Las Vegas	{TriDown} 0.87%
Los Angeles	{TriUp} 2.06%
Miami	{TriUp} 7.47%
New York	{TriUp} 2.72%
Phoenix	{TriUp} 1.57%
San Francisco	{TriDown} 0.86%
Seattle	{TriUp} 9.89%

SOURCE: Office of Federal Housing Enterprise Oversight

BIGGEST DECLINES

Moody's Economy.com expects the Dallas area to gain about 3 percent in home prices over the next two years while most other U.S. cities see declines:

1. Stockton, Calif.	{TriDown} 25%
2. Palm Bay, Fla.	{TriDown} 24.9%
3. Sarasota, Fla.	{TriDown} 24.8%
4. Reno, Nev.	{TriDown} 22.4%
5. Modesto, Calif.	{TriDown} 22.3%

SOURCE: Moody's Economy.com

HOW RISKY IS YOUR HOUSING MARKET?

Markets with the least risk of a home price decline, based on price appreciation, economic growth and affordability. An index of 100 means there is a 10 percent chance of home prices falling in the next two years

Least risky

Pittsburgh	85
Fort Worth-Arlington	89
Houston-Sugar Land-Baytown	94
Dallas-Plano-Irving	95
Indianapolis-Carmel	101
SOURCE: PMI Group	

WHO'S AHEAD OF LAST YEAR?

Atlanta	{TriUp}	0.8%
Charlotte	{TriUp}	5.6%
Dallas	{TriUp}	0.5%
Portland	{TriUp}	2.8%
Seattle	{TriUp}	5.7%
SOURCE: Standard & Poor's		