



27 Metros Where Home Prices Still Lag After Recession

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Recent home price softening prevents new metros from joining the ranks of markets with fully-recovered housing prices

Foster City, CA, March 12, 2019 - HSH.com, a trusted online resource for mortgage data, content and expertise, has released its latest quarterly "[Home Price Recovery Index](#)," an analysis of the nation's top 100 metropolitan housing markets including those with home prices at previous "boom era" peaks and those that have not yet completely recovered.

The study examines home values in the largest 100 metropolitan areas between 1991 through the fourth quarter of 2018. The index shows a slowing of home price gains in many markets during the fourth quarter of 2018, meaning that no new markets fully recovered during the period. This includes 27 metros that were once filled with high prices, in the mid 2000's that still haven't recovered since the recession.

HSH.com's "Home Price Recovery Index" uses the Federal Housing Finance Agency's (FHFA) Home Price Index for insight on housing markets values since the last decade. Findings showed that of the nation's 100 largest metro areas, seventy-three have returned to or surpassed previous boom-era peaks; four years ago this number was only 42.

Areas with greatest pricing recovery	Percent of market now above "boom era" price peak
1. Denver-Aurora-Lakewood, CO	88.28%
2. Austin-Round Rock-Georgetown, TX	72.13%
3. Dallas-Plano-Irving, TX	70.37%
Areas with largest recovery gaps	Percent increase needed to regain boom era price peak
1. Bakersfield, CA	24.34%
2. Cape Coral-Fort Myers, FL	19.33%
3. New Haven-Milford, CT	18.88%

It is important to note that many markets have seen significant price recoveries since hitting their bottom values but that many have still not attained full recovery of lost value. In fact, there are five metros areas where this is the case despite a doubling or more of "bust era" bottom home values, and three remain in the group with the largest value gap yet to close.

Areas nearing recovery	Percent needed to regain prior price peak
1. El Paso, TX	0.34%
2. Albuquerque, NM	0.92%
3. Sacramento-Roseville-Folsom, CA	2.19%

Important takeaways

- **Home price gains appear to be cooling.** Compared to third-quarter 2018, where there were double-digit price gains seen in 8 markets, in the fourth-quarter the highest quarterly gain was just 3.96%, and prices softened in 17 metros. Slower gains lengthen the time to recovery for markets.
- **For the first time in four years, a market with just a single-digit deficit is in the bottom group.** By way of reference, in the fourth quarter of 2015, 38 metros had double-digit gaps to bridge to return to recovery with chasms as wide as 52.97%. That same market today - the Las Vegas-Henderson-Paradise, NV metro – is just 9.43% below fully-recovered status.

It's also interesting to note that in the fourth quarter of 2018, the "worst of the worst" in terms of price gap: Bakersfield CA, still 24.34% below peak, is actually considerably better than the "best of the worst" from four years ago: Fort Lauderdale-Pompano Beach-Deerfield Beach FL, which was then

28.03% below peak.

- **There was more movement in the markets that have the greatest gap yet to reach recovery.** At 24.34%, Bakersfield, CA retains the widest housing price gap since it's peak, but is closing it slowly; meanwhile, Tucson, AZ and Lake County-Kenosha County, IL-WI climbed out of the bottom group with strong home price gains in the fourth quarter. Their previous slots were backfilled by Hartford-East Hartford-Middletown, CT and Las Vegas-Henderson-Paradise, NV.

- **Dallas-Plano-Irving, TX elbowed past the San Francisco-San Mateo-Redwood City, CA** to take over the third highest slot, while Nashville-Davidson--Murfreesboro--Franklin, TN swapped positions 6th and 7th with Houston-The Woodlands-Sugar Land, TX.

See the full analysis here: <https://www.hsh.com/finance/real-estate/home-price-recovery.html>

Homeowners interested in seeing how their home's value has changed over time are encouraged to use HSH.com's free "[Home Value Estimator](#)" tool. The tool allows users to select their market from 100 metropolitan areas and enter the time frame in which they've owned their home; the tool reveals changes in the home's value during this ownership period and provides a current price estimate based on housing cost trends in the selected metro area.

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