

D-FW home prices to buck trend, edge up in 2012



Michael Ainsworth / Staff Photographer

Overall home prices in D-FW should rise by 5.8 percent by the end of 2012, a Clear Capital report predicts. That's higher than the nationwide forecast of a 0.2 percent price gain.

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After almost five years of declines, Dallas-Fort Worth home prices will edge up in 2012, according to a new forecast.

The D-FW area will be among the top 10 home price gainers this year, according to a report by California-based housing analyst Clear Capital.

Overall home prices in D-FW should rise by 5.8 percent by the end of 2012, Clear Capital predicts.

<http://www.dallasnews.com/business/residential-real-estate/20120109-d-fw-home-prices-to-buck-trend-edge-up-in-2012.ece>

That's higher than the nationwide forecast of a 0.2 percent price gain.

About half of the 50 major U.S. cities in the Clear Capital forecast are expected to have price gains this year.

"Our projections show that the current balance the market has found will continue through 2012," Clear Capital research director Alex Villacorta said in the report.

The largest price increases are forecast for Orlando and Bakersfield, Calif. – both over 11 percent. Those markets have been among the hardest hit during the housing downturn.

Along with D-FW's increase, Clear Capital also predicts a 3 percent price gain in Houston.

Major declines of home prices are forecast this year for cities including Atlanta, -14.4 percent, and Las Angeles, -10.3 percent.

Home prices in the D-FW area have been falling since mid 2007 – down about 9 percent since then.

Through the first 11 months of 2011, the median price of homes sold in North Texas through real estate agents' multiple listing services was flat compared to the same period of 2010.

Local data shows that prices in the D-FW are rising slightly in affluent areas. But prices were still falling in 2011 in low and moderate-priced neighborhoods that have seen large numbers of home foreclosures.

Clear Capital estimates that in the fourth quarter of 2011 more than 28 percent of the homes for sale in North Texas were previously foreclosed properties.

That was higher than the nationwide rate of just under 25 percent of distressed properties on the market.

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REAL ESTATE

D-FW home prices to rise, forecast says

Analyst predicts 5.8% gain for 2012, the first increase since 2007.

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D-FW to see home prices rise

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Home prices in the D-FW area have been falling since mid-2007, down about 9 percent since then.

Nationwide, home prices are down more than a third.

"Dallas hasn't fallen very far and is hanging in there," Villacorta said in a recent interview. "The positive year [2011] you have is outperforming the nation."

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Home price forecast

The markets expected to show the highest home price gains in 2012:

Market	Gains
Orlando, Fla.	11.7%
Bakersfield, Calif.	11.1%
Washington, D.C.	9.3%
Phoenix	8.9%
Miami-Fort Lauderdale	8.8%
Tampa-St. Petersburg	7.4%
Dallas-Fort Worth	5.8%
Jacksonville, Fla.	4.3%
Cleveland	4.2%
Honolulu	3.2%

SOURCE: Clear Capital

Staff graphic

Ted Wilson of Residential Strategies said that since the supply of homes on the market in North Texas is falling, it makes sense that prices would inch up.

"The tighter supply of housing should help to boost prices," Wilson said.

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were previously foreclosed properties.

That was higher than the nationwide rate of just under 25 percent of distressed properties on the market.

North Texas home prices will be negatively affected if large numbers of additional foreclosed homes hit the market, said Dr. James Gaines, an economist with the Real Estate Center at Texas A&M University.

"2012, though, will generally be an up year, but the up won't be all that remarkable and still not what we might call a full-on recovery," Gaines said. "That will take several more years to get to."

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