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Market Report

Metro St. Louis Real Estate

2nd Quarter 2008



REALTY VIEWPOINT: Housing Price Declines Flatten

by Blanche Evans

It looks like the beginning of the end to one of the worst housing markets ever.

Although inventories are still rising, home prices declined only half a percent, and only eight-tenths of a percent for the past three months, according to the Real-Time Housing Market Report, jointly published by Altos Research and Real IQ, two market research firms.

Some homebuyers may be taken by surprise that prices actually rose in 15 out of 26 markets tracked monthly by the report.

The reports notes that the “downturns are largely confined to specific geographic areas of the country with four states in particularly bad shape -- California, Florida, Nevada and Arizona.

For the third consecutive month, prices have retreated in Las Vegas by over seven percent in the past three months, while Denver’s prices were up 6.4 percent for the same period.

Listings rose substantially in the 10-City Composite markets, showing an increase of 1.9% in June. Inventory rose in 17 of 26 markets with the largest jumps in Los Angeles and San Diego.

Despite the rise in inventories, the average days-on-market increased only slightly from 106 to 109 in May. Eleven of 26 markets had an average days-on-market of over 100. By far, the market with the slowest rate of inventory was Miami at an average of 154 days-on-market Austin led all markets with the fastest rate of inventory turnover at an average of 72 days-on-market.

While this is only one report out of many that track the housing market, it’s supported by other signs of life in housing.

We all remember how miserable the numbers were for April. Radar Logic’s Residential Property Index found that prices declined overall, but rose in nine out of the 21 markets the index tracks. And, forward prices for 2010 through 2012 maturities rose, while the prices for 2008 and 2009 maturities were flat.

Meanwhile, it’s okay to be optimistic.

ON THE LOCAL FRONT

In the St. Louis Metropolitan Area, five counties show increases in Average Sale Prices for residential properties for the second Quarter. In St. Louis City the average sale price rose 13.39% for the quarter. In St. Louis County the increase was 6.08%, while St. Charles County showed an increase for 1.72%. Jefferson County rose by 4.03% and Franklin County’s increase was 16.15%.

Another indicator of an improving market is that Average Days on Market is down in the St. Louis Metropolitan Area. St Louis City is down 0.99% from 101 days in April to 100 days in June. St. Louis County is down 4.30% from 93 days in April to 89 days in June. St. Charles County is down 3.3% from 91 days in April to 88 days in June. Jefferson County days on market showed no change from 95 days in April to 95 days in June. Franklin County is up 4.65% from 129 days in April to 135 in June.

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Andrea Lawrence
President & Co-owner
Steve Holekamp
Executive Vice President & Co-owner
Prudential Alliance, REALTORS®



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Residential and Condo Statistics

Year to date 2008 vs. Year to date 2007 Compiled June 30, 2008

FRANKLIN COUNTY RESIDENTIAL

Franklin County School District	Units 2007	Units 2008	% of Change	Average 2007	Average 2008	% of Change	DOM 2007	DOM 2008	% of Change
Total Residential	556	443	-20.32%	\$156,392	\$155,612	-0.50%	122	135	10.66%
Pacific/ Meramec R-3	122	98	-19.67%	\$169,612	\$139,933	-17.50%	102	119	16.67%
Union R-11	118	87	-26.27%	\$145,462	\$133,665	-8.11%	126	1323	950.00%
St Clair	101	70	-30.69%	\$114,620	\$104,508	-8.82%	117	121	3.42%
Sullivan	55	32	-41.82%	\$112,619	\$114,792	1.93%	101	152	50.50%
New Haven	11	19	72.73%	\$131,964	\$120,984	-8.32%	162	192	18.52%
Washington	114	109	-4.39%	\$228,632	\$252,131	10.28%	134	140	4.48%
New Haven R-2	5	3	-40.00%	\$126,650	\$100,333	-20.78%	172	120	-30.23%
Gasconade	13	10	-23.08%	\$117,954	\$90,873	-22.96%	236	237	0.42%
Franklin R-16	4	2	-50.00%	\$60,003	\$91,375	52.28%	147	144	-2.04%
Springbluff	2	2	0.00%	\$197,500	\$205,500	4.05%	108	18	-83.33%
Herman R-1	0	1		\$0	\$222,500			165	


FRANKLIN COUNTY CONDO

Franklin County School District	Units 2007	Units 2008	% of Change	Average 2007	Average 2008	% of Change	DOM 2007	DOM 2008	% of Change
Condo/Coop/Villa	28	39	39.29%	\$134,339	\$128,400	-4.42%	189	188	-0.53%
Pacific/ Meramec R-3	7	12	71.43%	\$103,414	\$71,883	-30.49%	107	168	57.01%
Union R-11	2	8	300.00%	\$146,250	\$130,023	-11.10%	358	219	-38.83%
Washington	17	15	-11.76%	\$145,854	\$170,005	16.56%	210	196	-6.67%

Data is based on closed transactions January 1, 2008 through June 30, 2008. This representation is based in whole or part on data supplied by the Multiple Listing Services, for single-family residential property. Data maintained by the MLS may not reflect all real estate activity in the market.

MARIS-Mid America Regional Information Systems Rapattoni MLS. Properties listed and sold by various participants in the MLS

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