



Home Prices Fall in 23 of 25 U.S. Metropolitan Areas (Update1)

By Bob Ivry



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July 7 (Bloomberg) -- Home values fell in 23 of 25 U.S. metropolitan areas in April, according to Radar Logic Inc., as sales of a record number of **foreclosed** homes pushed prices down.

The Sacramento, California, region saw the biggest drop, with prices falling 31.7 percent from April 2007. Sacramento was followed by the Las Vegas area (29.9 percent), San Diego (28.1 percent), Phoenix (25.5 percent) and Los Angeles (23.4 percent), Radar Logic said.

``Prices are going down so fast they can't go down much longer," said **Christopher Thornberg**, president of Beacon Economics LLC in Los Angeles, who predicts a total decline of 30 percent nationally in the housing recession. ``We've never seen prices fall like this."

Nevada and California were the **states** with the most homeowners entering some stage of foreclosure in May, according to RealtyTrac Inc. of Irvine, California, a seller of real estate data. Foreclosures, which reached a record high of 2.47 percent of U.S. homes in March, sell for less than occupied homes and lower the average **selling price** of all homes by 6 percent, according to Lehman Brothers Holdings Inc. economists **Michelle Meyer** and **Ethan Harris**.

Motivated Sales

Motivated sales -- of foreclosed homes or houses in which borrowers have fallen behind on their payments -- accounted for 35 percent of April transactions, said Radar Logic Chief Executive Officer **Michael Feder**.

``The percentage of transactions that are occurring by motivated sellers is increasing," Feder said in an interview on Bloomberg TV. ``It's very difficult to tell if any of these markets are any closer to hitting bottom."

In May, one in every 118 Nevada households and one in every 183 California households had either received a notice of default, a warning that their home was being auctioned, or had their house repossessed by a lender, RealtyTrac said. The national average was one in every 483 households.

Prices in the New York area fell 3 percent from April 2007, according to Radar Logic.

Prices rose 1.5 percent in the Charlotte, North Carolina, region and 0.1 percent in the Columbus, Ohio, vicinity in April, the only two metropolitan areas where prices went up, Radar Logic said.

The RPX Monthly Housing Market Report, published by New York-based Radar Logic, measures home values using price per square foot; data reflects 28-day aggregated values, the company said. The prices are the basis for property derivatives traded on the Residential Property Index.

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