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Are home prices heading for a triple-dip?

By JOHN P. NITSCHE
Daily Record Columnist

Does the battered housing market have even further to fall before home prices hit rock bottom? According to a national financial analytics company, home values are expected to fall another 3.6 percent nationally by next June, pushing them to a new low of 35 percent below the peak reached in early 2006 and marking a triple-dip in prices.

Should home values meet these expectations, it would make the third (and lowest) trough for home prices since the housing bubble burst.

The first post-bubble bottom was hit in 2009, when prices fell 31 percent below peak. The First-Time Homebuyer Credit helped perk prices up by mid-2010, but by the time the credit expired, prices fell again.

In the second dip, which was reached last winter, prices were down 33 percent before staging a mild rally that was artificially spurred as banks slowed the processing of foreclosures following the robo-signing scandal, which found that loan servicers were rapidly signing foreclosures without properly vetting them.

Now that the scandal is mostly resolved, lenders are speeding more cases through the foreclosure pipeline and back onto the market, weighing on home prices even further.

Several factors are expected to work against the housing market in the upcoming months, including an increase in foreclosure activity and sustained high unemployment. Earlier this month, it was reported foreclosure filings increased for the first time in three quarters. Even more concerning: new default notices were up 14 percent.

There is also a "shadow inventory" of homes in foreclosure that have yet to go back onto the market. The specter that those foreclosed homes could flood the market at any time and drive prices significantly lower is a huge concern. It is widely believed there are 6 million homes currently in shadow inventory.

Many of the regions that will be hardest hit were already beaten up during the previous two dips. Naples, Fla., is expected to take the biggest hit of any metro area, a price decrease of another 18.9 percent by the end of next June. Home prices in the area have already fallen 61 percent from the peak.

It is anticipated that the housing market will begin its comeback in mid-2012, and the recovery is predicted to be modest at best. If analysts are correct, it is projected that home prices will climb just 2.4 percent nationally between June 2012 and June 2013.

Many markets that will record the biggest increases are vacation or retirement communities that had taken some of the biggest hits during the bust. The biggest winner is projected to be Ocala, Fla., with a 22.4 percent spike for the 12 months ending June 30, 2013.

Ocala was one of the hardest hit communities in the U.S. over the past several years, with home prices falling some 50 percent. Other anticipated gainers will be Napa, Calif., which is projected to gain 20.9 percent over the same period. Panama City, Fla., is estimated to gain 18.2 percent.

However, some cities are projected to continue to fade. Fort Lauderdale, Fla.'s forecast is for a 9.2 percent drop through next June and another 6.7 percent for the 12 months after that. Its neighbor, Miami, is forecasted to endure 13.5 percent and 5.2 percent declines, respectively.

John P. Nitsche is president of WebTitle Agency, an authorized issuing agent for First American Title Insurance Co. of New York, Fidelity National Title Insurance Co. and Old Republic National Title Insurance Co. WebTitle Agency offices are located at 69 Cascade Drive, Rochester, N.Y. 14614; phone (585) 454-4770; www.webtitle.us.