Home price recovery index: Which metros have improved the most, least?

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Even after years have passed since last decade's boom and bust, only about 80% of the nation's top 100 metropolitan areas have seen their homes recover all the value lost in the Great Recession and housing bust. Still-rising home values continue to help fill in home-value gaps, and lower-than-expected mortgage rates seem to have re-ignited price increases again. While that's not especially good news for potential homebuyers, it is welcome news for homeowners still waiting for the value of their home to get back to par. For four new metro areas, the wait to achieve recovery came to an end in the third quarter of 2019, but for 21 others, the more than a decade-long wait for recovery still continues.

HSH.com's ***Home Price Recovery Index*** uses the Federal Housing Finance Agency's (FHFA) Home Price Index as a basis to determine which housing markets have fully recovered (or more) and which still lag behind the housing recovery. The time period represented begins with the first quarter of 1991 and runs through the third quarter of 2019.

Quarterly update:

Home price gains had turned decidedly cooler in the last few quarters, but lower mortgage rates finally had the expected impact on home values, fueling homebuying demand to help them flare higher again in the third quarter of 2019. That's not to say that price gains occurred everywhere; in fact, 13 markets showed quarter-to-quarter decreases in value, with three of those metro areas among the group with the greatest distance gap yet to close. The value in one market (the Albany-Schenectady-Troy, NY area) was lower for both the third quarter and when referenced against year-ago values.

Higher home prices elsewhere did help *four new markets join the ranks of the recovered*, though: The include the metros of where all four saw aggregate values move above the boom-time value peaks hit during the last decade. It took this latest group over 13 years to get above breakeven.

Reflecting the acceleration in home prices during the period relative to the quarters which preceded it, the four new metros that were added to the recovered list in the third quarter was actually a greater number than in the last three quarters combined. Presently, 79 markets have now reached recovery, but that still leaves 21 that have not, and in those markets at least some homeowners are still waiting for market-based price appreciation to reflate the value of their home back to the original purchase price.

Most recovered group

The group of 10 markets that have values the furthest above their former "boom-era" peaks didn't have any changes overall this time around, but a couple of markets in Texas elbowed their way up the ranks, pushing the San Francisco-San Mateo-Redwood City, CA metro down from #3 to #5, and the San Antonio-New Braunfels, TX and Buffalo-Cheektowaga, NY markets swapped spots at #8 and #9, respectively. The Denver-Aurora-Lakewood, CO market still holds the top spot by a wide margin, and with prices 93.48% above their 4Q08 low it probably won't be long until we see a doubling of home values from that nadir.

10 markets with the largest value gaps

There was also very little movement in the ranks of those markets that yet have the greatest gap to cover to reach recovery. The seven most challenged markets remained in the same order as in the second quarter, with Bakersfield, CA still sporting a 21.75% gap between its present value and a 3Q06 peak. That said, there *was one new entrant into this group, and a sizable market, at that: the Chicago-Naperville-Evanston, IL metro area* slid into the #10 slot, as the metro still has a 7.34% chasm to fill to reach recovery.

It's worth noting that the improvements among the most challenged markets is continuing. By way of example, three years ago, the Bakersfield, CA market had a value gap of 43.93%, and so has made considerable progress, if not as quickly as have other markets. Back then, the #10 market at the time (Camden, NJ) had a 23% hole yet to fill; today, that's down to 16.51%. In fact, in 3Q16, there were 33 markets with double-digit home value gaps to fill; that number is now just 7. The bottom group also has some geographic concentration, as well, as it is comprised of 3 California markets, 3 Connecticut markets, 2 Illinois metro areas with a Florida and New Jersey market rounding out the group.

Although the amount of the difference in values from the last peak 'til now is getting smaller for these areas, it may be a while yet before they climb out of the hole and reach recovery. For example, the New Haven-Milford CT metro area is currently 16.03% below par, but had a solid 3.20% increase in year-over-year values (the best of the bottom bunch). If this annual pace of value increases should continue, it will be early-mid 2024 before full recovery is achieved -- about 17 years after the the last peak value was reached. Of course, there is no guarantee that this will happen, and any slowing of increases in value in the coming years would lengthen this time horizon.

Five metro areas have seen home prices rise more that 100% from their bottoms but still haven't made it back to previous-peak valuations (this was six markets, but the Sacramento-Roseville-Folsom CA hit exit velocity this quarter). The markets with more than doubling of values but still falling short include the Cape Coral-Fort Myers, FL metro (a market that still has the second-largest gap to cover at 16.61%), Stockton CA, North Port-Sarasota-Bradenton FL, Riverside-San Bernardino-Ontario, CA and the Las Vegas-Henderson-Paradise, NV, where values have rise by a whopping 151.03% but are still some 6.97% below 2006 peaks (Las Vegas is hanging just outside the group with the largest value gaps).

"Nearly recovered": Who's Next

Our "nearly recovered" group contains those areas with current values only about two percent below previous highs and who are likely to be next in line to hit "fully recovered" in the next quarter or so. These include the aforementioned North Port-Sarasota-Bradenton FL metro, the Tucson AZ metro area and the Frederick-Gaithersburg-Rockville and Baltimore-Columbia-Towson, MD metropolitan areas. Home values eased in two of these markets in the third quarter compared to the second and the other two registered gains of less than 1 percent, so we may not see any of them make the leap over par in the fourth quarter.

We only review trough-to-peak for each market in our evaluation, so your local experience in price changes from when you purchased your home to now will of course be different. **To see what's happened with home prices during the time you've owned your home**, check our [home value estimator, MyHPI](). To see where you are in your mortgage, use our [mortgage amortization calculator](). The combination of price increase and your retirement of the amount you owe may see with a larger equity stake than you think. As well, if you're interested in how much equity you've got in your home or are looking to pursue a future home equity goal, you'll want to check out our [Home Equity Calculator and Projector]().

10 metro areas that have recovered the most

Metro Area	Peak high value	Post-peak Low value	Current value	Amount now above prev peak
Denver-Aurora-Lakewood, CO	275.12	253.10	532.29	93.48%
Austin-Round Rock-Georgetown, TX	268.15	258.60	485.98	81.23%
Dallas-Plano-Irving, TX (MSAD)	171.63	164.83	299.31	74.39%
Fort Worth-Arlington-Grapevine, TX (MSAD)	168.50	160.33	286.17	69.83%
San Francisco-San Mateo-Redwood City, CA (MSAD)	275.96	213.36	463.33	67.90%
Nashville-Davidson--Murfreesboro--Franklin, TN	223.43	196.54	364.93	63.33%
Houston-The Woodlands-Sugar Land, TX	200.16	193.92	323.59	61.67%
San Antonio-New Braunfels, TX	215.13	198.83	324.53	50.85%
Buffalo-Cheektowaga, NY	145.75	145.50	219.40	50.53%
Colorado Springs, CO	260.00	215.09	381.69	46.80%

10 metro areas that have recovered the least

It is important to note that many markets -- even the 10 that still remain the furthest from their boom-year price peaks -- have seen significant price recoveries since hitting their bottom values. However, home prices in areas like Bakersfield, CA may have been inflated to such a degree that even when they return to a “normal” value they may still be well below their previous price peak.

For example, despite more than a 120 percent rise from the metro's lowest value (a figure reached in the fourth quarter of 2011), there is still a gap of over 14 percent yet to go in the Stockton (CA) metro. There are plenty of other markets with a similar tale to tell, and places where the home price recovery is happening at a much slower pace.

It's important to note that even in markets that have not yet returned to previous peaks, it's not as though borrowers have no equity in their homes. Underwater or no- or low-equity situations might only exist for a relatively small slice of properties purchased during peak pricing times of last decade's boom.

For example, if someone purchased a home in the Baltimore-Columbia-Towson, MD metro area *before the first quarter of 2007,* our calculations suggest that the value of your home has recently risen to or is now slightly above its original purchase price. This is also the case if the home was purchased when prices had begun to decline, in this instance *after the first quarter of 2008*. **In this metro, only homes purchased in this four-quarter window have yet to reclaim their original purchase value**.

In either case, years of making regular payments should also by now give the homeowner a considerable equity stake. In the case of a home purchased in early 2007 (and assuming no refinance of the mortgage) the homeowner would have paid off about 27 percent of the original loan amount by now. This calculation doesn't include any downpayment the homeowner may have made, so the equity stake would be increased by that amount. In the case of a pre-2Q05 purchase, the homeowner would likely have a minimum 32 percent equity stake.

Similar experiences should be seen in other markets, too. Also, as home prices generally continue to increase over time, this "yet unrecovered time period" will continue to narrow. For example, in Sacramento, this time period has shrunk by three quarters over the last year alone.

Metro Area	Peak high value	Post-peak Low value	Current value	Amount still below peak value
Bakersfield, CA	251.75	117.71	206.79	21.74%
Cape Coral-Fort Myers, FL	317.51	132.13	272.29	16.61%

Metro Area	Peak high value	Post-peak Low value	Current value	Amount still below peak value
Camden, NJ (MSAD)	223.79	163.58	192.07	16.51%
New Haven-Milford, CT	201.60	152.98	173.75	16.03%
Bridgeport-Stamford-Norwalk, CT	241.60	182.08	210.30	14.88%
Stockton, CA	274.59	108.77	240.16	14.34%
Fresno, CA	272.97	136.74	245.69	11.10%
Hartford-East Hartford-Middletown, CT	173.21	144.58	159.57	8.55%
Elgin, IL (MSAD)	200.44	129.36	184.70	8.52%
Chicago-Naperville-Evanston, IL (MSAD)	238.67	160.02	222.34	7.34%

How has the value of YOUR home changed?

HSH.com has developed a tool that allows you to see how the price change in your market has affected the value of your home. With our "**Home Value Estimator**," you select your market and the time frame in which you have owned your home to estimate how the changes in your market have impacted your home's value. If your market still hasn't fully recovered and you think your home is still underwater, find out when you'll have positive home equity again with our KnowEquity When calculator.

Neither most nor least: 80 more metro areas

Here's a look at the remaining 80 metro areas from the FHFA's HPI list.

Metro Area	Peak high value	Post-peak Low value	Current value	Amount still below peak value	Amount now above prev peak
Akron, OH	177.37	141.04	204.71	n/a	15.41%

Metro Area	Peak high value	Post-peak Low value	Current value	Amount still below peak value	Amount now above prev peak
Albany-Schenectady-Troy, NY	184.02	168.31	200.64	n/a	9.03%
Albuquerque, NM	238.57	189.03	250.04	n/a	4.81%
Allentown-Bethlehem-Easton, PA-NJ	204.84	152.17	192.08	6.64%	n/a
Anaheim-Santa Ana-Irvine, CA (MSAD)	287.78	197.02	324.99	n/a	12.93%
Atlanta-Sandy Springs-Alpharetta, GA	199.89	139.26	269.99	n/a	35.07%
Baltimore-Columbia-Towson, MD	269.59	206.62	263.11	2.46%	n/a
Baton Rouge, LA	229.52	213.35	280.14	n/a	22.05%
Birmingham-Hoover, AL	213.62	175.81	261.74	n/a	22.53%
Boise City, ID	297.12	163.51	429.1	n/a	44.42%
Boston, MA (MSAD)	268.64	221.03	326.15	n/a	21.41%
Cambridge-Newton-Framingham, MA (MSAD)	257.42	212.52	329.32	n/a	27.93%
Charleston-North Charleston, SC	285.69	202.91	393.74	n/a	37.82%
Charlotte-Concord-Gastonia, NC-SC	195.42	159.74	275.73	n/a	41.10%
Cincinnati, OH-KY-IN	179.64	149.71	224.2	n/a	24.81%
Cleveland-Elyria, OH	173.62	135.59	193.68	n/a	11.55%
Columbia, SC	187.1	161.1	224.82	n/a	20.16%
Columbus, OH	180.5	159.03	257.26	n/a	42.53%
Dayton-Kettering, OH	156	125.8	183.93	n/a	17.90%

Metro Area	Peak high value	Post-peak Low value	Current value	Amount still below peak value	Amount now above prev peak
Detroit-Dearborn-Livonia, MI (MSAD)	207.79	112.64	220.47	n/a	6.10%
El Paso, TX	195.25	167.37	203.64	n/a	4.30%
Fort Lauderdale-Pompano Beach-Sunrise, FL (MSAD)	352.78	176.64	353.91	n/a	0.32%
Frederick-Gaithersburg-Rockville, MD (MSAD)	279.49	205.49	273.63	2.14%	n/a
Gary, IN (MSAD)	186.54	158.37	228.84	n/a	22.68%
Grand Rapids-Kentwood, MI	184.55	137.94	269.5	n/a	46.03%
Greensboro-High Point, NC	168.11	144.2	195.71	n/a	16.42%
Greenville-Anderson, SC	193.44	174.05	279.1	n/a	44.28%
Indianapolis-Carmel-Anderson, IN	160.48	145.77	231.7	n/a	44.38%
Jacksonville, FL	300.95	181.84	320.32	n/a	6.44%
Kansas City, MO-KS	200.92	164.97	270.91	n/a	34.83%
Knoxville, TN	206.07	179.06	260.71	n/a	26.52%
Lake County-Kenosha County, IL-WI (MSAD)	208.78	139.66	195.72	6.67%	n/a
Las Vegas-Henderson-Paradise, NV	269.12	100.22	251.58	6.97%	n/a
Little Rock-North Little Rock-Conway, AR	191.08	181.49	220.72	n/a	15.51%
Los Angeles-Long Beach-Glendale, CA (MSAD)	276.79	166.31	310.13	n/a	12.05%
Louisville/Jefferson County, KY-IN	200.63	187.03	270.61	n/a	34.88%
Memphis, TN-MS-AR	176.1	144.65	216.68	n/a	23.04%

Metro Area	Peak high value	Post-peak Low value	Current value	Amount still below peak value	Amount now above prev peak
Miami-Miami Beach-Kendall, FL (MSAD)	419.36	214.62	428.42	n/a	2.16%
Milwaukee-Waukesha, WI	235.88	189.5	273.69	n/a	16.03%
Minneapolis-St. Paul-Bloomington, MN-WI	264.26	188.98	306.99	n/a	16.17%
Montgomery County-Bucks County-Chester County, PA (MSAD)	213.16	183.81	234.26	n/a	9.90%
Nassau County-Suffolk County, NY (MSAD)	301.64	237	318.75	n/a	5.67%
New Orleans-Metairie, LA	265.15	223.08	318.17	n/a	20.00%
New York-Jersey City-White Plains, NY-NJ (MSAD)	274.07	221.28	295.36	n/a	7.77%
Newark, NJ-PA (MSAD)	271.29	206.92	262.15	3.49%	n/a
North Port-Sarasota-Bradenton, FL	344.08	162.12	338.56	1.63%	n/a
Oakland-Berkeley-Livermore, CA (MSAD)	308.26	162.95	368.4	n/a	19.51%
Oklahoma City, OK	201.56	193.1	272.28	n/a	35.09%
Omaha-Council Bluffs, NE-IA	201.29	180.98	274.54	n/a	36.39%
Orlando-Kissimmee-Sanford, FL	288.1	142.81	291.78	n/a	1.28%
Oxnard-Thousand Oaks-Ventura, CA	285.3	172.91	293.08	n/a	2.73%
Philadelphia, PA (MSAD)	238.78	204.56	296.88	n/a	24.33%
Phoenix-Mesa-Chandler, AZ	341.43	162.14	372.56	n/a	9.12%
Pittsburgh, PA	179.45	174.95	263.41	n/a	46.79%
Portland-Vancouver-Hillsboro,	337.28	248.67	467.21	n/a	38.52%

Metro Area	Peak high value	Post-peak Low value	Current value	Amount still below peak value	Amount now above prev peak
OR-WA					
Providence-Warwick, RI-MA	242.91	177.97	253.44	n/a	4.33%
Raleigh-Cary, NC	200.11	176.07	282.23	n/a	41.04%
Richmond, VA	239.88	184.15	278.56	n/a	16.12%
Riverside-San Bernardino-Ontario, CA	272.39	127.88	257.83	5.65%	n/a
Rochester, NY	139	134.57	173.96	n/a	25.15%
Sacramento-Roseville-Folsom, CA	257.76	125.95	259.03	n/a	0.49%
Salt Lake City, UT	353.64	262.65	496.49	n/a	40.39%
San Diego-Chula Vista-Carlsbad, CA	299.35	188.26	338.08	n/a	12.94%
San Jose-Sunnyvale-Santa Clara, CA	289.26	197.67	414.45	n/a	43.28%
Seattle-Bellevue-Kent, WA (MSAD)	297.33	203.57	426.18	n/a	43.34%
St. Louis, MO-IL	211.67	173.44	243.72	n/a	15.14%
Syracuse, NY	149.64	140.64	180.97	n/a	20.94%
Tacoma-Lakewood, WA (MSAD)	295.14	183.13	378.8	n/a	28.35%
Tampa-St. Petersburg-Clearwater, FL	313.26	170.89	353.37	n/a	12.80%
Tucson, AZ	307.46	174.73	305.75	0.56%	n/a
Tulsa, OK	190.68	170.28	246.2	n/a	29.12%
Urban Honolulu, HI	195.59	174.04	275.28	n/a	40.74%
Virginia Beach-Norfolk-Newport	274.52	206.62	264.27	3.88%	n/a

Metro Area	Peak high value	Post-peak Low value	Current value	Amount still below peak value	Amount now above prev peak
News, VA-NC					
Warren-Troy-Farmington Hills, MI (MSAD)	206.4	123.44	239.15	n/a	15.87%
Washington-Arlington-Alexandria, DC-VA-MD-WV (MSAD)	283.61	204.65	311.35	n/a	9.78%
West Palm Beach-Boca Raton-Boynton Beach, FL (MSAD)	323.31	154.32	331.82	n/a	2.63%
Wichita, KS	183.89	165.66	225.63	n/a	22.70%
Wilmington, DE-MD-NJ (MSAD)	216.46	164.79	209.13	3.50%	n/a
Winston-Salem, NC	172.98	153.01	205.45	n/a	18.77%
Worcester, MA-CT	231.93	171.5	242.48	n/a	4.55%

More about the HPI

The Home Price Index is a broad measure of the movement of single-family house prices. It has been published by the Federal Housing Finance Agency and precursor agencies since the fourth quarter of 1995.

For each market, the index uses 1990 home prices as a basis. Those dollars are "normalized" to a value of 100 for each market; that is, regardless of the actual dollar cost, the index value for a given market becomes 100. For example, a home price in Allentown, PA in 1990 might have been $65,000; this becomes a base value for Allentown of 100, and changes since then are **presented as percentage changes** from that initial 100 value.

The HPI is based on transactions involving conforming, conventional mortgages purchased or securitized by Fannie Mae or Freddie Mac. Only mortgage transactions on single-family properties are included. The HPI does not include property transactions backed by FHA, VA, USDA or non-conforming (i.e. jumbo) mortgages.

The HPI is updated each quarter as additional mortgages are purchased or securitized by Fannie Mae and Freddie Mac.

The HPI is a weighted, repeat-sales index, meaning that it measures average price changes in repeat sales or refinances on the same properties.

The HPI shows the relative change in prices in a metropolitan area from quarter to quarter or period to period. HSH.com has pulled out information from each area to show the amount of change from 1990 to the pre-housing-crisis peak, the low achieved during or after the peak, and how much improvement has taken place since that near-term bottom.

The FHFA uses the revised Metropolitan Statistical Areas (MSAs) and Divisions as defined by the Office of Management and Budget (OMB) in February 2013 (and revised in July 2015 and August 2017, and April 2018). If specified criteria are met and an MSA contains a single core population greater than 2.5 million, the MSA is divided into Metropolitan Divisions.

For more details on the HPI and how it is put together, see http://www.fhfa.gov/Media/PublicAffairs/Pages/Housing-Price-Index-Frequently-Asked-Questions.aspx