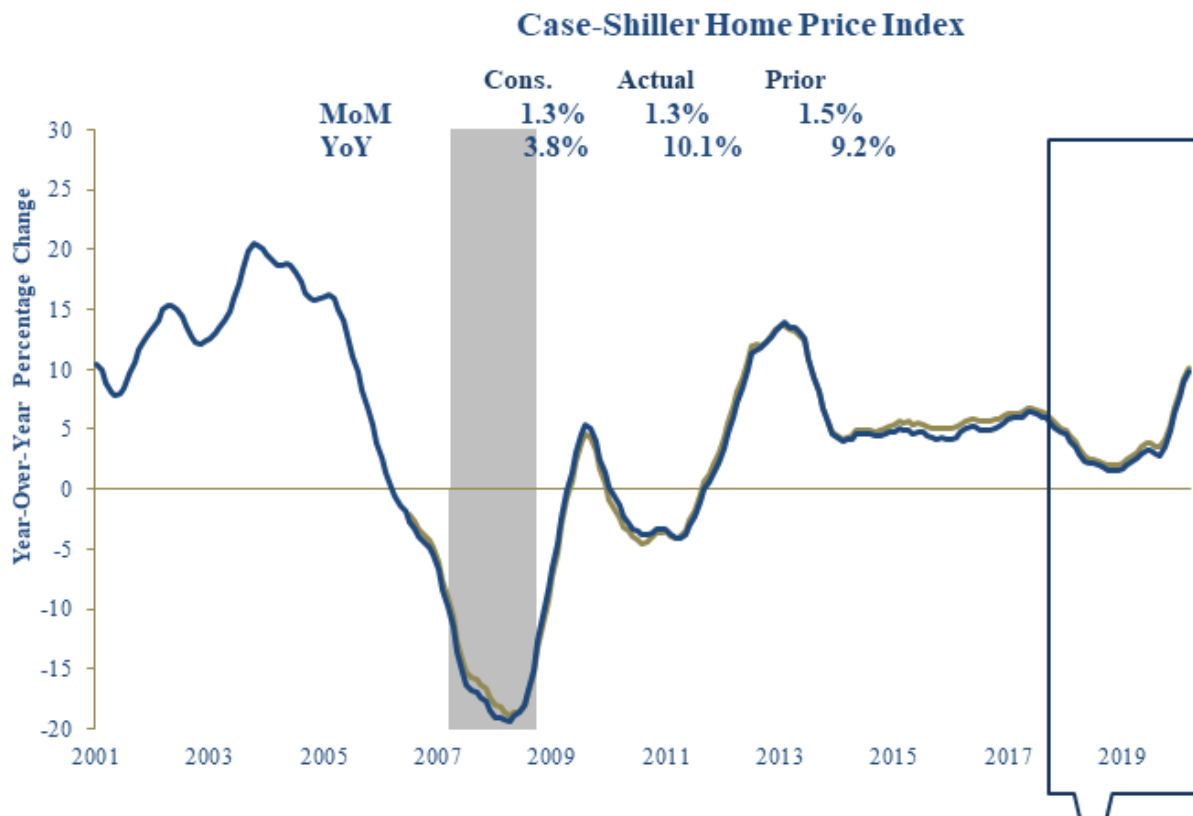
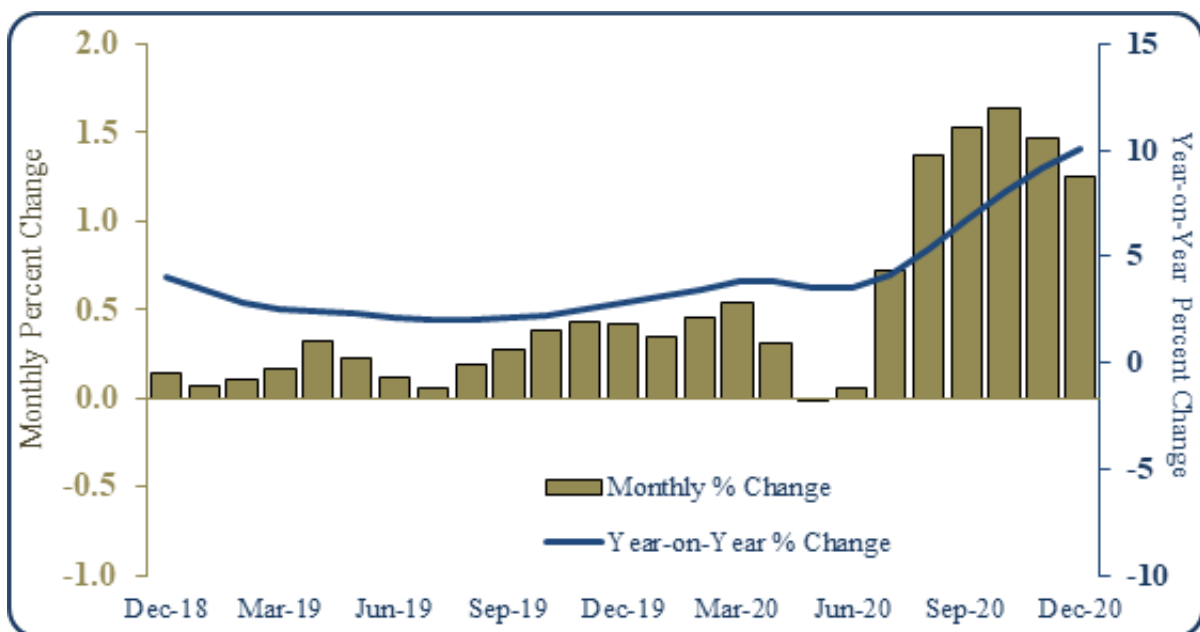


23.Feb.2021

Case Shiller Home Prices: 2020 Ended With Solid Gains

Bottom Line: Home prices saw strong gains in 2020 as the pandemic drove demand for single-family homes. While headlines focus on "covid migration," people able to work remotely moving to less dense, lower-cost cities, price increases were broad across the major metro areas. New York, for instance, where the NYC core boroughs have reportedly seen homeowners fleeing, saw prices in the broader metro area rise 1.4% in December, finishing 2020 up 10+%. 2020 also saw further gains for the hot markets like Phoenix, San Diego, and Seattle. Overall, the covid-induced structural shift in demand towards single-family, suburban housing and improved affordability due to low mortgage rates has led to an acceleration in prices nationwide, with the trend now running over 5% annually. Expect that to settle into a slightly lower trend rate, but still above the pre-pandemic trend of 2-3% as long as mortgage rates remain near the recent lows.

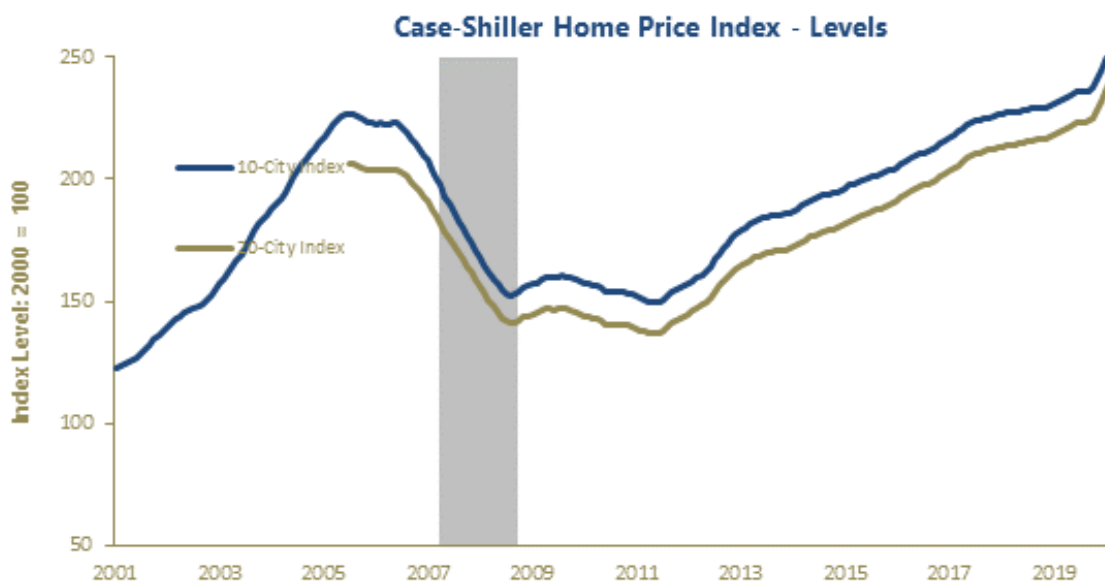




Case Shiller 20-City Home Price Index ROSE by 1.25% (seasonally adjusted) in December to 242.2, compared with market expectations for an increase of 1.3%. Home prices are 10.1% ABOVE their year-ago level.

On a non-seasonally adjusted basis, the home price index ROSE by 0.8% on the month. Housing prices rose in 19 of the 20 metro areas in December (on a seasonally adjusted basis) and in 20 of 20 metro areas on a year-over-year basis.

Phoenix had the largest year-over-year increase at 15.4%.



Case-Shiller Home Price Index - YoY % Changes



Case-Shiller By City

City	Monthly Changes		
	Dec-20	Nov-20	MoM Diff
Atlanta	1.3	1.5	-0.2
Boston	1.4	1.7	-0.2
Chicago	1.1	1.2	-0.1
Cleveland	1.5	0.9	0.6
Dallas	1.2	1.1	0.2
Denver	1.3	1.4	-0.1
Las Vegas	1.3	1.0	0.3
Los Angeles	1.0	1.2	-0.2
Miami	1.5	1.4	0.1
Minneapolis	1.2	1.3	-0.1
New York	1.4	2.1	-0.7
Portland	0.5	0.7	-0.3
Phoenix	1.5	1.6	-0.2
San Diego	1.2	1.6	-0.4
San Francisco	0.8	1.0	-0.2
Seattle	1.5	1.7	-0.2
Tampa	1.5	9.9	-8.4
Washington, DC	1.5	1.3	0.2

Yearly Changes		
Dec-20	Nov-20	YoY Diff
9.2	8.4	0.8
12.0	11.2	0.8
8.3	7.3	1.0
11.4	10.5	0.8
8.5	7.7	0.9
9.5	8.5	0.9
8.2	7.6	0.7
10.1	9.6	0.5
9.5	8.2	1.3
10.6	9.4	1.2
10.3	9.0	1.3
10.1	9.6	0.4
15.4	14.6	0.9
13.6	13.3	0.3
9.5	9.1	0.4
14.5	13.6	0.8
11.1	9.9	1.2
10.7	9.5	1.2

	Monthly				Average for						
	Dec-20	Nov-20	Oct-20	Sep-20	Three Month	Six Month	Twelve Month	2019	2018	Five Year	Ten Year
20-City Home Price Index	242.2	239.2	235.7	231.9	239.0	233.8	228.3	220.0	214.0	203.5	178.6
(percent change)	1.25	1.5	1.6	1.5	18.9	17.2	10.1				
(year-on-year percent chan	10.1	9.2	8.1	6.7				2.8	4.0	4.8	4.2
10-City Home Price Index	255.4	252.2	248.5	244.5	252.0	246.5	240.8	232.6	227.4	217.0	192.2
(percent change)	1.2	1.5	1.6	1.5	18.9	17.3	9.8				
(year-on-year percent chan	9.8	8.9	7.7	6.4				2.3	3.5	4.2	3.9

Source: Standard and Poors via Bloomberg. Our calculations.

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February 23, 2021

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