

Real Estate Hot Spots:

Number of Improving Housing Markets Nearly Doubles in October

The second edition of the National Association of Home Builders/First American Improving Markets Index (IMI), released recently, shows 23 individual housing markets now qualifying as "improving" under the new gauge's parameters. This is nearly double the 12 housing markets that made the list last month.

The index reveals metropolitan areas that have shown improvement for at least six months in housing permits, employment and housing prices. The following metros were listed in October:

- Alexandria, Louisiana
- Amarillo, Texas
- Anchorage, Alaska
- Bismarck, North Dakota
- Casper, Wyoming
- Fairbanks, Alaska
- Fayetteville, North Carolina
- Houma, Louisiana
- Iowa City, Iowa
- Jonesboro, Arkansas
- * • Kankakee, Illinois
- McAllen, Texas
- Midland, Texas
- New Orleans, Louisiana
- Odessa, Texas
- Pine Bluff, Arkansas
- Pittsburgh, Pennsylvania
- Sherman, Texas
- Sumter, South Carolina
- Waco, Texas
- Waterloo, Iowa
- Wichita Falls, Texas
- Winston-Salem, North Carolina



"Both the number and geographic diversity of improving housing markets expanded last month, with Iowa, Illinois and South Carolina all newly represented by one entry or more on the list," says National Association of Home Builders (NAHB) Chairman Bob Nielsen, a home builder from Reno, Nevada. "This is further evidence that, despite the tough conditions that persist in many cities, pockets of improvement are emerging in local housing markets across the country."

"While Pittsburgh and New Orleans remain the two largest-improving markets, the October IMI is heavily weighted by smaller cities in which energy and agriculture are the primary economic drivers and where the effects of the recession have been less pronounced," says NAHB Chief Economist David Crowe. "In particular, Texas stands out for its seven entries on the improving markets list."

Bangor, Maine, was the only area to drop off of the improving markets list

in October, due to a decline in local building permits.

The IMI is designed to track housing markets throughout the country that are showing signs of improving economic health. The index measures three sets of independent monthly data to get a mark on the top improving Metropolitan Statistical Areas. The three indicators that are analyzed are employment growth from the Bureau of Labor Statistics, house price appreciation from Freddie Mac, and single-family housing permit growth from the U.S. Census Bureau. NAHB uses the latest available data from these sources to generate a list of improving markets. A metro area must see improvement in all three areas for at least six months following their respective troughs before being included on the improving markets list. **RE**

Visit www.nahb.org/imi for additional data, tables and a list of 2011 future economic release dates.