

Half of Amazon's HQ2 finalists have overvalued housing markets

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As Amazon ponders possible locations for its new second headquarters, analysts are looking at costs in potential locations.

Half of the metro areas on Amazon's "short list" for its new HQ2 have overvalued housing—including the Dallas area, according to a new report by economists at CoreLogic.

"CoreLogic has reviewed [home](#) price trends in the cities that are being considered for the second headquarters for online retail giant Amazon," chief economist Frank Nothaft says in a new report. "All the cities on the shortlist are experiencing home price increases.

"Some cities have even exceeded the national average of 6 percent."

CoreLogic considers Austin, Dallas, Denver, Los Angeles, Miami, Montgomery County Md., Nashville, New York, Northern Virginia and Washington, D.C. as market where home values have exceeded sustainable levels.

Indianapolis and Pittsburgh—also on Amazon's HQ2 shopping list—CoreLogic sees as undervalued.

Real estate costs are just one of the factors the Seattle-based digital retailing giant is said to be considering in its hunt for the huge new employment site.

"Whatever decision Amazon makes will certainly be a boon for the selected [city](#)," Nothaft said.

North Texas housing analysts have said that if Amazon's HQ2 lands in D-FW the area won't have any problem housing the anticipated 50,000 jobs the new office center would create over 10 years.

Dallas-Fort Worth home [prices](#) are currently at record levels, having risen by more than 40 percent in the last four years.

CoreLogic estimates that Dallas-area home prices have risen about 6.4 percent in the last year.

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