Local housing recovery gets low marks in national ranking

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The Cincinnati region's housing recovery is lagging other parts of the country, according to a new report from a national real estate data company.

The eight-county Cincinnati metro area in Ohio, Kentucky and Indiana ranked 83rd out of the top 100 metro areas in RealtyTrac's analysis. Factors included the percentage of distressed sales and underwater homeowners and the change in prices and the number of foreclosures.

"Every single market we looked at, including Cincinnati, is showing signs of recovery, but the pace of recovery is slower in some areas," said Daren Blomquist, vice president at RealtyTrac.

According to the company, more than a third of all Cincinnati area sales – 35 percent – are still distressed, generally defined as foreclosures or short sales, in which the lender agrees to a sale for less than the amount owed. The U.S. average is 23 percent.

In addition, the region's foreclosures have dropped 45 percent from their height – less than the U.S. average 65 percent decrease.

RealtyTrac says 30 percent of homeowners in the Cincinnati metro region still owe more on their house than it's worth – known as being under water. The firm puts the national average at 26 percent.

Home prices here have risen 22 percent since the market hit bottom, according to RealtyTrac – slightly above the 19 percent U.S. average but well below the top cities. Rochester, N.Y., the No. 1 city on the list, has seen prices rebound 93 percent.

Real estate officials in Cincinnati and Northern Kentucky have said slower increases in prices and sales are more sustainable and less likely to lead to another real estate bubble.