



Press Release

Cooling Home Prices Evident from the S&P/Case-Shiller® Home Price Indices

New York, September 26, 2006 – Data released today by Standard & Poor’s for its S&P/Case-Shiller® Home Price Indices, the leading measure of U.S. home prices in the United States, continue to show deceleration in average home prices.

“Home prices are definitely showing signs of cooling,” says Robert J. Shiller, Chief Economist at MacroMarkets LLC. “as year-over-year gains continue to shrink. Nine out of the ten metro areas and the 10-city composite show a decrease in the annual growth rate in July from the June numbers reported last month. Perhaps more important, Boston is now showing outright housing deflation at –2.3%, and San Diego’s annual growth rate is only 0.7%.”

In comparing the annual growth rates to those of a year ago, the signs of cooling home prices are striking; for example, in July 2005 the annual growth rate in Washington D.C. was almost 25% compared to 4.4% in July 2006. This trend can be seen across all metro areas and is summarized in the composite, which reported an annual growth rate of 15.8% in July 2005 and was more than halved to 6.7% in July of this year.

Boston’s annual growth rate continues to show a down turn in home prices, down 2.3% from a year ago. San Diego reported an annual growth rate of only 0.7%, a significant difference from the 25.5% rate in early 2005.

The table below summarizes the results for July 2006. The S&P/Case-Shiller® Home Price Indices are revised for the 24 prior months, based on the receipt of additional source data. Eighteen years of history for these data series is available, and can be accessed in full by going to www.standardandpoors.com/indices.

Metropolitan Area	July 2006 Level	July/June Change (%)	June/May Change (%)	1-Year Change (%)
Boston	177.80	-0.1%	-0.4%	-2.3%
Chicago	167.61	0.3%	0.3%	6.5%
Denver	140.25	0.6%	0.8%	2.8%
Las Vegas	234.29	0.2%	-0.3%	5.6%
Los Angeles	273.85	0.2%	0.4%	11.2%
Miami	278.33	0.0%	-0.2%	16.5%
New York	214.12	-0.5%	-0.2%	7.1%
San Diego	249.05	-0.2%	0.2%	0.7%
San Francisco	217.64	-0.2%	-0.1%	2.9%
Washington, DC	250.15	-0.3%	-0.1%	4.4%
Composite	225.88	-0.1%	0.0%	6.7%

Source: Standard & Poor's

Data through July 2006

The S&P/Case-Shiller® Home Price Indices are published on the last Tuesday of each month at 2:15pm EST. They are constructed to accurately track the price path of typical single-family homes located in each metropolitan area provided. Each index combines matched price pairs for thousands of individual houses from the available universe of arms-length sales data. The indices have a base value of 100 in January 2000; thus, for example, a current index value of 150 translates to a 50% appreciation rate since January 2000 for a typical home located within the subject market. The S&P/Case-Shiller® Composite Home Price Index is a stock -weighted average of the 10 individual indices.

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