

Home Prices Continued to Rise in August 2012 According to the S&P/Case-Shiller Home Price Indices

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NEW YORK, Oct. 30, 2012 [/PRNewswire/](#) -- Data through August 2012, released today by S&P Dow Jones Indices for its S&P/Case-Shiller^[1] Home Price Indices, the leading measure of U.S. home prices, showed average home prices increased by 0.9% for both the 10- and 20-City Composites in August versus July 2012. Nineteen of the 20 cities and both Composites posted positive monthly gains in August; Seattle was the only exception where prices declined 0.1% over the month.

The 10- and 20-City Composites recorded annual returns of +1.3% and +2.0% in August 2012 – an improvement over the +0.6% and +1.2% respective annual rates posted for July 2012. Eighteen of the 20 cities and both Composites posted better annual returns in August compared to July 2012. Annual returns for Dallas remained unchanged at +3.6% and Chicago saw its annual return worsen from -1.0% in July to -1.6% in August 2012. Only three cities posted negative annual returns in August: Atlanta with -6.1%, New York at -2.3% and Chicago at -1.6%. Phoenix posted its fourth consecutive month double-digit increase in annual rates with a recording of +18.8% in August 2012. It is the best performing city among the 20 cities followed by S&P Dow Jones Indices.

In August 2012, the 10- and 20-City Composites recorded respective annual increases of 1.3% and 2.0%, and monthly gains of 0.9% each.

"Home prices continued climbing across the country in August," says David M. Blitzer, Chairman of the Index Committee at S&P Dow Jones Indices. "Nineteen of the 20 cities and both Composites showed monthly gains in August. Seventeen cities and both Composites posted positive annual returns in August 2012. In 18 cities and both Composites annual rates improved in August versus July. Dallas' rate remained unchanged at +3.6% and Chicago worsened slightly from a -1.0% annual rate in July to a -1.6% annual rate in August.

"Phoenix continues to lead the home price recovery. It recorded its fourth consecutive month of double-digit positive annual returns with a +18.8% rate for August. Atlanta posted a -6.1% annual rate, however this is significantly better than the nine consecutive months of double-digit declines it posted from October 2011 through June 2012. Las Vegas' annual rate finally moved to positive territory with a +0.9% annual rate of change in August 2012, its first since January 2007.

"The sustained good news in home prices over the past five months makes us optimistic for continued recovery in the housing market.

"News on home prices confirms other good news about housing. Single family housing starts are 43% ahead of last year's pace, existing and new home sales are also up, the inventory of homes for sale continues to drop and consumer mortgage default rates are reaching new lows. Further consumer confidence continues to rise. Even as we end the seasonally strong home buying period, the statistics are positive. For the fifth time in a row, both Composites had monthly gains. Home prices in Seattle fell modestly in August, but other than that the 20 cities have also seen home prices generally improve since April."

As of August 2012, average home prices across the United States are back to their summer/autumn 2003 levels for the 10-City and 20-City Composites. Measured from their June/July 2006 peaks, the decline for both Composites is approximately 30% through August 2012 and approximately 35% from the June/July 2006 peak values. The August 2012 levels for both Composites are about 8.5% above their recent early 2012 lows.

In August 2012, 19 MSAs and both Composites posted positive monthly gains. Seattle was the only city with a negative monthly return of -0.1%. Cleveland and Las Vegas were the only two cities with stronger monthly returns in August versus June. Cleveland posted a +1.0% month-over-month change in August as compared to

+0.4% in July. Las Vegas had a monthly increase of 1.6% in August, an improvement over the +0.7% in July. The remaining 18 cities and two Composites had lower monthly returns in August versus July.

Atlanta, Detroit and Las Vegas continued to post average home prices below their January 2000 levels. With an index level of 194.00, Washington DC is the city showing the biggest increase in average home prices since January 2000.

The table below summarizes the results for August 2012. The S&P/Case-Shiller Home Price Indices are revised for the 24 prior months, based on the receipt of additional source data. More than 25 years of history for these data series is available, and can be accessed in full by going to www.homeprice.standardandpoors.com.

Metropolitan Area	August 2012 Level	August/July Change (%)	July/June Change (%)	1-Year Change (%)
Atlanta	95.80	1.8%	2.6%	-6.1%
Boston	158.27	0.7%	1.8%	1.7%
Charlotte	116.58	0.6%	0.7%	2.8%
Chicago	117.45	0.7%	2.7%	-1.6%
Cleveland	103.04	1.0%	0.4%	1.1%
Dallas	121.34	0.1%	0.9%	3.6%
Denver	133.48	0.5%	1.3%	5.5%
Detroit	79.18	2.3%	3.6%	7.6%
Las Vegas	96.04	1.6%	0.7%	0.9%
Los Angeles	173.02	1.3%	1.3%	2.1%
Miami	150.12	1.0%	2.1%	6.7%
Minneapolis	124.65	1.2%	3.7%	7.4%
New York	166.32	0.7%	1.1%	-2.3%
Phoenix	119.28	1.8%	2.2%	18.8%
Portland	140.80	0.5%	1.2%	3.6%
San Diego	157.84	0.9%	1.1%	1.9%
San Francisco	142.37	0.5%	1.9%	5.3%
Seattle	141.69	-0.1%	1.4%	3.4%
Tampa	134.91	0.4%	1.0%	4.2%
Washington	194.00	1.1%	1.4%	4.3%
Composite-10	158.62	0.9%	1.5%	1.3%
Composite-20	145.87	0.9%	1.6%	2.0%

Source: S&P Dow Jones Indices and Fiserv
Data through August 2012

Since its launch in early 2006, the S&P/Case-Shiller Home Price Indices have published, and the markets have followed and reported on, the non-seasonally adjusted data set used in the headline indices. For analytical purposes, S&P Dow Jones Indices publishes a seasonally adjusted data set covered in the headline indices, as well as for the 17 of 20 markets with tiered price indices and the five condo markets that are tracked.

A summary of the monthly changes using the seasonally adjusted (SA) and non-seasonally adjusted (NSA) data can be found in the table below.

Metropolitan Area	August/July Change (%)		July/June Change (%)	
	NSA	SA	NSA	SA
Atlanta	1.8%	1.7%	2.6%	1.0%
Boston	0.7%	0.5%	1.8%	0.7%
Charlotte	0.6%	0.4%	0.7%	0.3%
Chicago	0.7%	0.7%	2.7%	0.8%
Cleveland	1.0%	0.3%	0.4%	-0.4%
Dallas	0.1%	0.2%	0.9%	0.1%
Denver	0.5%	0.2%	1.3%	0.8%
Detroit	2.3%	0.7%	3.6%	1.5%
Las Vegas	1.6%	0.7%	0.7%	0.5%
Los Angeles	1.3%	1.0%	1.3%	0.5%
Miami	1.0%	0.5%	2.1%	0.6%
Minneapolis	1.2%	0.3%	3.7%	0.8%
New York	0.7%	0.0%	1.1%	-0.2%
Phoenix	1.8%	1.4%	2.2%	1.4%
Portland	0.5%	0.4%	1.2%	0.2%
San Diego	0.9%	0.6%	1.1%	0.1%
San Francisco	0.5%	0.0%	1.9%	0.8%
Seattle	-0.1%	-0.1%	1.4%	0.8%
Tampa	0.4%	0.3%	1.0%	0.1%
Washington	1.1%	0.5%	1.4%	0.3%
Composite-10	0.9%	0.4%	1.5%	0.3%
Composite-20	0.9%	0.5%	1.6%	0.3%

Source: S&P Dow Jones Indices and Fiserv

About S&P Dow Jones Indices

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S&P Dow Jones Indices has introduced a new blog called HousingViews.com. This interactive blog delivers real-time commentary and analysis from across the Standard & Poor's organization on a wide-range of topics impacting residential home prices, homebuilding and mortgage financing in the United States. Readers and viewers can visit the blog at www.housingviews.com, where feedback and commentary is certainly welcomed and encouraged.

The S&P/Case-Shiller Home Price Indices are published on the last Tuesday of each month at 9:00 am ET. 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 S&P/Case-Shiller

National U.S. Home Price Index tracks the value of single-family housing within the United States. The index is a composite of single-family home price indices for the nine U.S. Census divisions and is calculated quarterly. The S&P/Case-Shiller Composite of 10 Home Price Index is a value-weighted average of the 10 original metro area indices. The S&P/Case-Shiller Composite of 20 Home Price Index is a value-weighted average of the 20 metro area indices. 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.

These indices are generated and published under agreements between S&P Dow Jones Indices and Fiserv, Inc.

The S&P/Case-Shiller Home Price Indices are produced by Fiserv, Inc. In addition to the S&P/Case-Shiller Home Price Indices, Fiserv also offers home price index sets covering thousands of zip codes, counties, metro areas, and state markets. The indices, published by S&P Dow Jones Indices, represent just a small subset of the broader data available through Fiserv.

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