

# Rate of Home Price Gains Drop Sharply According to the S&P/Case-Shiller Home Price Indices

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NEW YORK, June 24, 2014 /PRNewswire/ -- Data through April 2014, released today by S&P Dow Jones Indices for its S&P/Case-Shiller<sup>[1]</sup> Home Price Indices, the leading measure of U.S. home prices, show that the 10-City and 20-City Composites posted annual gains of 10.8%. This is a significantly lower rate when compared to last month. Nineteen of the 20 cities saw lower annual gains in April than in March. California (Los Angeles, San Diego and San Francisco) saw their returns worsen by approximately three percentage points. Boston was the only city to see its annual rate improve.

The 10-City and 20-City Composites increased 1.0% and 1.1% in April. Seven cities –Cleveland, Las Vegas, Los Angeles, Miami, Phoenix, San Diego and San Francisco – reported lower returns than in March. Boston rose 2.9%, its largest monthly gain in over its 27 years of history. San Francisco rose 2.3%, its sixth consecutive price increase.

In April 2014, the 10-City and 20-City Composites posted year-over-year increases of 10.8%.

"Although home prices rose in April, the annual gains weakened," says David M. Blitzer, Chairman of the Index Committee at S&P Dow Jones Indices. "Overall, prices are rising month-to-month but at a slower rate. Last year some Sunbelt cities were seeing year-over-year numbers close to 30%, now all are below 20%: Las Vegas (18.8%), Los Angeles (14.0%), Phoenix (9.8%), San Diego (15.3%) and San Francisco (18.2%). Other cities around the nation are also experiencing slower price increases.

"While the annual numbers worsened, the monthly figures were seasonally strong. Five cities –Atlanta, Boston, Chicago, San Francisco and Seattle – reported monthly gains of 2% or more. Dallas and Denver gained 1.6% and continue to set new peaks. Boston and Charlotte are less than 10% away from their peaks.

"Near term economic factors favor further gains in housing: mortgage rates are lower than a year ago, the Fed is expected to keep interest rates steady until mid-2015 and the labor market is improving. However, housing is not back to normal: prices are being supported by cash sales, low inventories and declining foreclosure and REO sales. First time home buyers are not back in force and qualifying for a mortgage remains challenging. The question is whether housing will bounce back before the Fed begins to tighten sometime next year."

As of April 2014, average home prices across the United States are back to their summer 2004 levels. Measured from their June/July 2006 peaks, the peak-to-current decline for both Composites is approximately 18-19%. The recovery from the March 2012 lows is 25-26% for the 10-City and 20-City Composites.

All cities continue to post positive year-over-year returns. Boston was the only city to show improvement in its annual rate – it went from 8.3% in March to 9.0% in April. After posting 13 months of annual gains of over 20%, San Francisco saw its rate dip below 20%.

In April, all cities saw prices increase with twelve cities reporting higher returns than last month. Boston gained the most with an increase of 2.9%, its highest month-over-month gain. San Francisco and Seattle trailed at +2.3%. At the bottom of the list, New York gained only 0.1%. Dallas and Denver continue to set new peaks while Detroit remains the only city below its January 2000 value.

More than 27 years of history for these data series are available, and can be accessed in full by going to [www.homeprice.spdji.com](http://www.homeprice.spdji.com). Additional content on the housing market may also be found on S&P Dow Jones Indices' housing blog: [www.housingviews.com](http://www.housingviews.com).

The table below summarizes the results for April 2014. The S&P/Case-Shiller Home Price Indices are revised for the 24 prior months, based on the receipt of additional source data.

Metropolitan Area	April 2014 Level	April/March Change (%)	March/February Change (%)	1-Year Change (%)
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Atlanta	115.95	2.0%	1.0%	13.7%
Boston	173.51	2.9%	1.0%	9.0%
Charlotte	125.62	1.2%	0.5%	4.4%
Chicago	125.98	2.0%	0.7%	10.7%
Cleveland	104.88	1.0%	1.5%	2.7%
Dallas	136.73	1.6%	1.2%	9.3%
Denver	150.59	1.6%	1.4%	8.9%
Detroit	95.03	1.4%	0.3%	15.0%
Las Vegas	131.97	0.5%	1.1%	18.8%
Los Angeles	219.47	0.7%	1.2%	14.0%
Miami	183.19	1.1%	1.4%	14.7%
Minneapolis	138.67	1.1%	0.9%	9.4%
New York	170.76	0.1%	-0.4%	5.4%
Phoenix	145.42	0.4%	0.5%	9.8%
Portland	165.15	1.6%	1.2%	11.1%
San Diego	200.79	0.8%	1.2%	15.3%
San Francisco	190.83	2.3%	2.6%	18.2%
Seattle	165.76	2.3%	1.9%	11.2%
Tampa	156.56	1.2%	0.1%	10.2%
Washington	207.81	1.1%	1.1%	7.0%
Composite-10	183.28	1.0%	0.8%	10.8%
Composite-20	168.71	1.1%	0.9%	10.8%

Source: S&P Dow Jones Indices and CoreLogic

Data through April 2014

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	April/March Change (%)		March/February Change (%)	
	NSA	SA	NSA	SA
Atlanta	2.0%	0.0%	1.0%	1.0%
Boston	2.9%	1.9%	1.0%	1.2%
Charlotte	1.2%	0.2%	0.5%	-0.1%
Chicago	2.0%	0.9%	0.7%	2.0%
Cleveland	1.0%	-0.6%	1.5%	1.1%
Dallas	1.6%	0.4%	1.2%	0.6%
Denver	1.6%	0.6%	1.4%	0.7%
Detroit	1.4%	1.5%	0.3%	3.6%
Las Vegas	0.5%	0.4%	1.1%	1.0%
Los Angeles	0.7%	0.1%	1.2%	1.1%
Miami	1.1%	0.9%	1.4%	1.7%
Minneapolis	1.1%	1.2%	0.9%	2.2%
New York	0.1%	-0.3%	-0.4%	0.4%
Phoenix	0.4%	0.0%	0.5%	0.2%
Portland	1.6%	0.8%	1.2%	1.1%
San Diego	0.8%	-0.3%	1.2%	1.1%
San Francisco	2.3%	0.1%	2.6%	1.7%
Seattle	2.3%	0.8%	1.9%	1.1%
Tampa	1.2%	0.1%	0.1%	-0.1%
Washington	1.1%	-0.4%	1.1%	1.6%
Composite-10	1.0%	0.0%	0.8%	1.2%
Composite-20	1.1%	0.2%	0.9%	1.2%

Source: S&P Dow Jones Indices and CoreLogic

Data through April 2014

## About S&P Dow Jones Indices

S&P Dow Jones Indices LLC, a part of McGraw Hill Financial, is the world's largest, global resource for index-based concepts, data and research. Home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average™, S&P Dow Jones Indices LLC has over 115 years of experience constructing innovative and transparent solutions that fulfill the needs of investors. More assets are invested in products based upon our indices than any other provider in the world. With over 830,000 indices covering a wide range of asset classes across the globe, S&P Dow Jones Indices LLC defines the way investors measure and trade the markets. To learn more about our company, please visit [www.spdji.com](http://www.spdji.com).

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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](http://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 CoreLogic.

The S&P/Case-Shiller Home Price Indices are produced by CoreLogic. In addition to the S&P/Case-Shiller Home Price Indices, CoreLogic 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 CoreLogic.

For more information about S&P Dow Jones Indices, please visit [www.spdji.com](http://www.spdji.com).

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