

## PRESS RELEASE

### **Home Prices Grew at Twice the Rate of Inflation in 2014 According to the S&P/Case-Shiller Home Price Indices**

**New York, February 24, 2015** – S&P Dow Jones Indices today released the latest results for the S&P/Case-Shiller Home Price Indices, the leading measure of U.S. home prices. Data released today for December 2014 shows a slight uptick in home prices across the country. Nine cities reported monthly increases in prices.

More than 27 years of history for these data series is 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 can also be found on S&P Dow Jones Indices' housing blog: [www.housingviews.com](http://www.housingviews.com).

#### **Year-over-Year**

Both the 10-City and 20-City Composites saw year-over-year increases in December compared to November. The 10-City Composite gained 4.3% year-over-year, up from 4.2% in November. The 20-City Composite gained 4.5% year-over-year, compared to a 4.3% increase in November. The S&P/Case-Shiller U.S. National Home Price Index, which covers all nine U.S. census divisions, recorded a 4.6% annual gain in December 2014 versus 4.7% in November.

The fastest year-over-year gains were in San Francisco and Miami, where prices rose 9.3% and 8.4% over the last 12 months. Twelve cities, including Cleveland, Denver, and Seattle, saw prices rise faster in the year to December than a month earlier. Las Vegas led the declining annual returns with 6.9%, down from 7.7% annually.

#### **Month-over-Month**

The National index was slightly negative in December, while both composite Indices were positive. Both the 10- and 20-City Composites reported slight increases of 0.1%, while the National Index posted a -0.1% change for the month. Miami and Denver led all cities in December with increases of 0.7% and 0.5% respectively. Chicago and Cleveland offset those gains by reporting decreases of -0.9% and -0.5% respectively.

December recorded mixed monthly figures. Nine cities recorded higher monthly figures, and six posted decreases. Five cities reported relatively flat monthly changes for December. Miami had the largest increase of all 20 cities at 0.7% month-over-month.

#### **Analysis**

“The housing recovery is faltering. While prices and sales of existing homes are close to normal, construction and new home sales remain weak. Before the current business cycle, any time housing starts were at their current level of about one million at annual rates, the economy was in a recession” says David M. Blitzer, Managing Director and Chairman of the Index Committee at S&P Dow Jones Indices. “The softness in housing is despite favorable conditions elsewhere in the economy: strong job growth, a declining unemployment rate, continued low interest rates and positive consumer confidence.

“Movements in home prices show clear regional patterns. The western half of the nation plus Miami and Atlanta enjoyed year-over-year increases of 5% or more. San Francisco and Miami were the strongest. Dallas, Denver, Las Vegas and Atlanta also experienced solid gains. Phoenix was an exception to the western strength with only a 2.4% increase; San Diego was a bit under 5% at 4.8%. The Midwest and Northeast lagged. Boston was the strongest among this weak group with prices up

3.8%. The regional patterns and the weakness in new construction and new sales may reflect decreasing mobility – fewer people moving to different parts of the country or seeking jobs in different regions.”

**Graphical Representations of the U.S. Housing Market**

Chart 1 below depicts the annual returns of the U.S. National, the 10-City Composite and the 20-City Composite Home Price Indices. The S&P/Case-Shiller U.S. National Home Price Index, which covers all nine U.S. census divisions, recorded a 4.6% annual gain in December 2014. The 10- and 20-City Composites reported year-over-year increases of 4.3% and 4.5%.

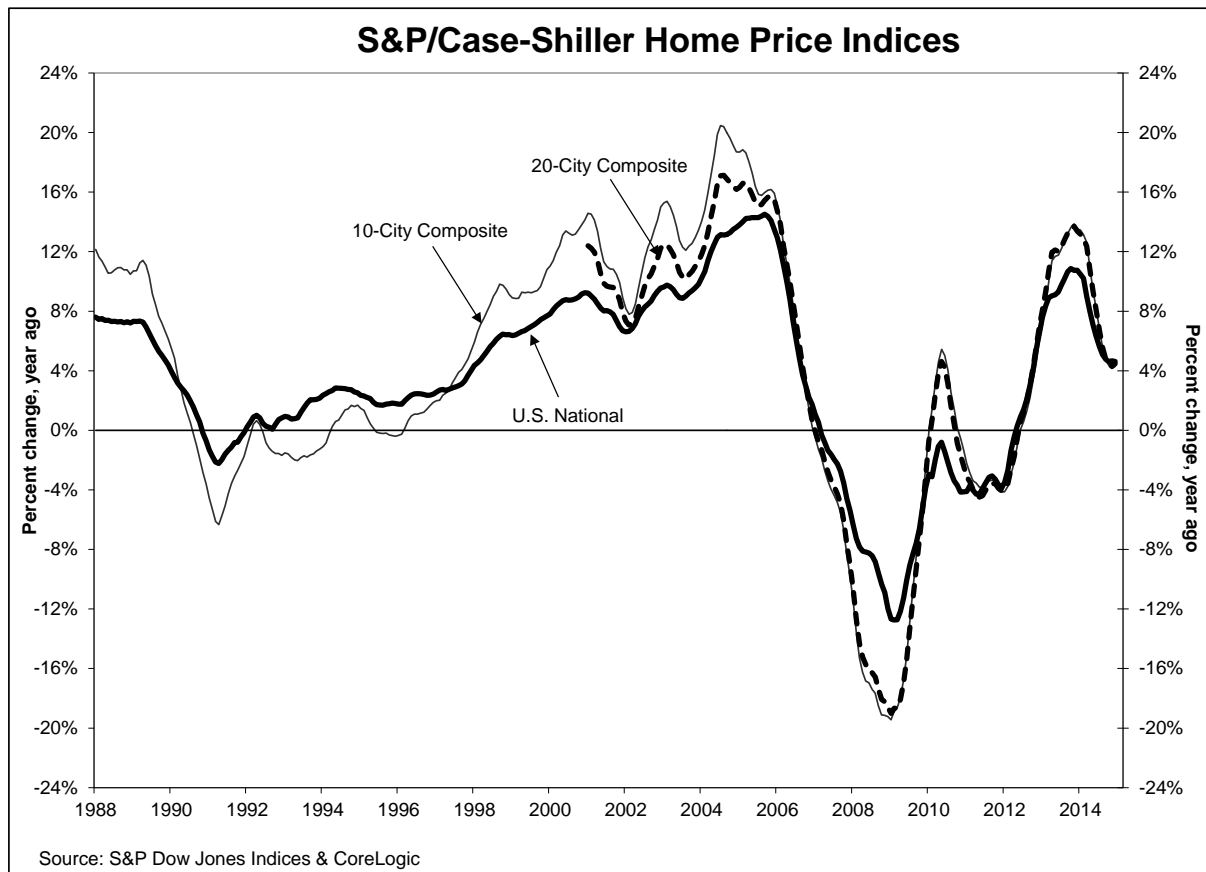
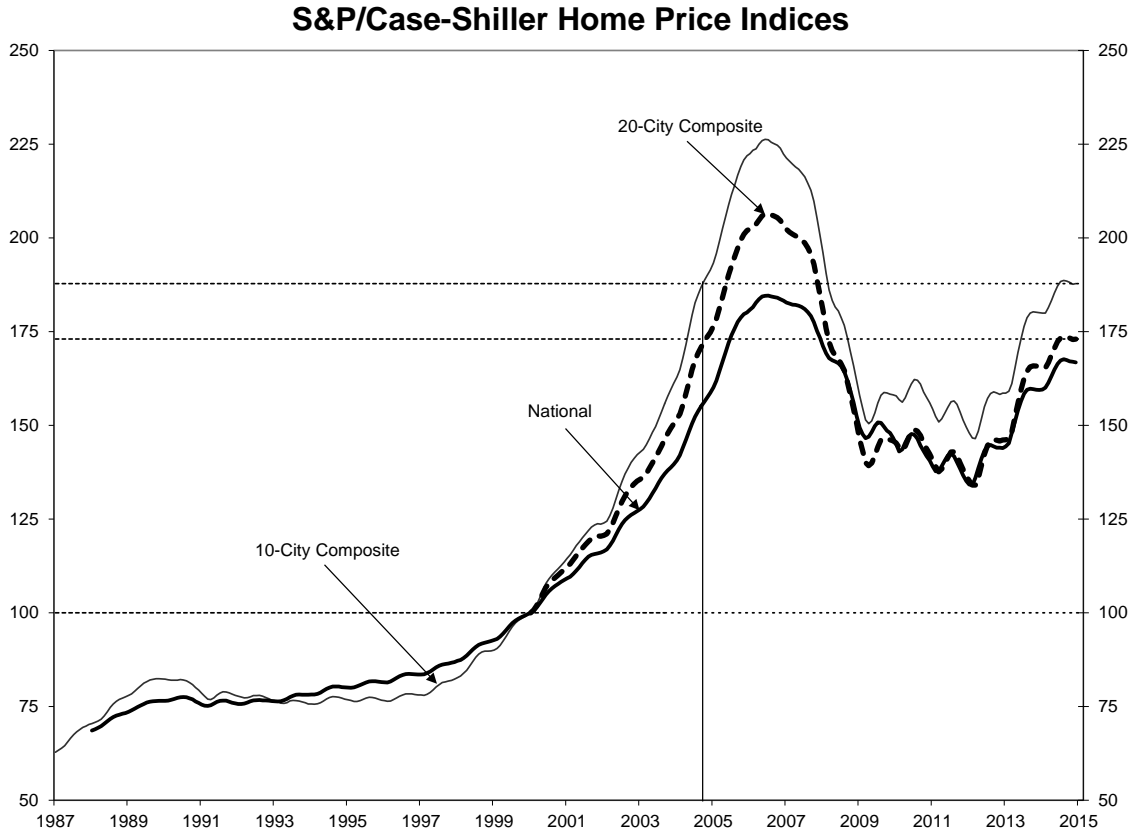


Chart 2 below shows the index levels for the U.S. National, 10-City and 20-City Composite Indices. As of December 2014, average home prices for the MSAs within the 10-City and 20-City Composites are back to their autumn 2004 levels. Measured from their June/July 2006 peaks, the peak-to-current decline for both Composites is approximately 16-17%. Since the March 2012 lows, the 10-City and 20-City Composites have recovered 28.2% and 29.1%.



Source: S&P Dow Jones Indices and CoreLogic

Table 1 below summarizes the results for December 2014. The S&P/Case-Shiller Home Price Indices are revised for the prior 24 months, based on the receipt of additional source data.

<b>Metropolitan Area</b>	<b>December 2014 Level</b>	<b>December/November Change (%)</b>	<b>November/October Change (%)</b>	<b>1-Year Change (%)</b>
Atlanta	119.15	0.2%	0.2%	5.1%
Boston	175.04	-0.2%	-0.2%	3.8%
Charlotte	128.47	0.2%	-0.3%	3.5%
Chicago	126.98	-0.9%	-1.2%	1.3%
Cleveland	105.79	-0.5%	-0.4%	1.5%
Dallas	142.77	0.0%	0.1%	7.5%
Denver	158.17	0.5%	0.1%	8.1%
Detroit	97.21	0.0%	-0.8%	2.8%
Las Vegas	137.41	-0.3%	0.4%	6.9%
Los Angeles	226.68	0.3%	0.3%	5.5%
Miami	192.49	0.7%	0.6%	8.4%
Minneapolis	140.73	-0.3%	-0.7%	1.9%
New York	175.24	0.0%	-0.8%	1.9%
Phoenix	147.98	0.2%	0.2%	2.4%
Portland	170.70	0.2%	0.1%	6.8%
San Diego	203.14	-0.2%	0.3%	4.8%
San Francisco	197.43	0.4%	0.2%	9.3%
Seattle	169.77	0.0%	-0.4%	6.6%
Tampa	165.19	0.1%	0.8%	6.4%
Washington	207.09	0.0%	-0.6%	1.5%
Composite-10	187.81	0.1%	-0.3%	4.3%
Composite-20	173.02	0.1%	-0.2%	4.5%
U.S. National	166.82	-0.1%	-0.1%	4.6%

Source: S&P Dow Jones Indices and CoreLogic  
Data through December 2014

Table 2 below shows a summary of the monthly changes using the seasonally adjusted (SA) and non-seasonally adjusted (NSA) data. 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.

Metropolitan Area	December/November Change (%)		November/October Change (%)	
	NSA	SA	NSA	SA
Atlanta	0.2%	1.1%	0.2%	1.8%
Boston	-0.2%	0.5%	-0.2%	0.8%
Charlotte	0.2%	0.7%	-0.3%	0.8%
Chicago	-0.9%	0.5%	-1.2%	0.9%
Cleveland	-0.5%	0.5%	-0.4%	0.4%
Dallas	0.0%	0.7%	0.1%	1.0%
Denver	0.5%	1.4%	0.1%	0.8%
Detroit	0.0%	1.2%	-0.8%	0.6%
Las Vegas	-0.3%	0.2%	0.4%	0.8%
Los Angeles	0.3%	1.0%	0.3%	1.1%
Miami	0.7%	0.9%	0.6%	0.8%
Minneapolis	-0.3%	0.9%	-0.7%	0.1%
New York	0.0%	0.9%	-0.8%	0.4%
Phoenix	0.2%	0.7%	0.2%	0.5%
Portland	0.2%	1.0%	0.1%	1.2%
San Diego	-0.2%	0.4%	0.3%	0.8%
San Francisco	0.4%	1.2%	0.2%	1.2%
Seattle	0.0%	1.2%	-0.4%	0.5%
Tampa	0.1%	0.8%	0.8%	1.7%
Washington	0.0%	0.7%	-0.6%	0.4%
Composite-10	0.1%	0.8%	-0.3%	0.8%
Composite-20	0.1%	0.9%	-0.2%	0.8%
U.S. National	-0.1%	0.7%	-0.1%	0.8%

Source: S&P Dow Jones Indices and CoreLogic

Data through December 2014

### About the S&P/Case-Shiller Home Price Indices

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. 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.

**About S&P Dow Jones Indices**

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