

1 of 3 7/10/2008 8:02 AM

Issue #1: America's Money THIS WEEK ON CNN

+ Full coverage

Housing prices post record declines

Las Vegas, Miami and Phoenix all saw prices plummet by at least 20%. And so far, there is no sign of a bottom.

By Les Christie, CNNMoney.com staff writer Last Updated: April 29, 2008: 2:56 PM EDT

NEW YORK (CNNMoney.com) -- Home prices have posted another record decline, as most of the nation's largest markets suffered double-digit drops over last year, a survey released Tuesday shows.

The S&P Case/Shiller Home Price Index, which tracks 20 of the largest housing markets, showed prices plummeting by 12.7% in the 12 months ending February. That's the biggest fall since the index began tracking prices in 2000.

Of those 20 metro areas, 17 posted their largest year-over-year declines ever. Ten of the 20 cities posted double-digit dips.

The 10-city Case/Shiller index is down 13.6% year-over-year, the biggest drop since its launch in 1987.

Housing bust: Tell us your story

"There is no sign of a bottom in the numbers," S&P spokesman David M. Blitzer, said in a prepared statement. "Prices of single family homes continue to drop across the nation."

"This is huge," said Dean Baker, co-director of the Center for Economic and Policy Research. "Back a couple of years ago, people were saying, 'Housing prices are not like stocks; they change slowly,'" he said.

But the drop in home prices appears to be accelerating. Indeed, Baker said that at the rate prices are falling, as much as \$6 trillion in home values could be wiped out from the top of the market in June, 2006, through the end of this year.

Prices in the Las Vegas metro area have plunged more than any other city, down 22.8% over the 12 months through February. Miami prices plummeted 21.7%. In Phoenix, they've fallen 20.8%.

Of the 20 cities Case/Shiller tracks, only Charlotte, N.C. showed higher prices, up 1.5% over the 12-month period.

A vicious cycle

2 of 3

Other metro areas recorded only modest price declines, including Portland, Ore., down 2.0%, Seattle, off 2.7% and Dallas, 4.1%. In the nation's largest city, New York, metro area prices dropped a modest 6.6%.

The declines create a vicious cycle, according to Peter Schiff, the president of the investment firm Euro Pacific Capital. He was sounding alarms about the housing bubble more than two years ago.

As housing price losses extend, he said, the fall-off in demand for homes will deepen. And Schiff expects to see a national price decline of 30% - and by as much as 50% in the worst hit markets.



Homes for sale - cheap



More Videos

HOME PRICE DECLINES

Metropolitan Area	I-Year Change (%)
Atlanta	-5.6%
Boston	-4.6%
Charlotte	1.5%
Chicago	-8.5%
Cleveland	-9.2%
Dallas	-4.1%
Denver	-5.5%
Detroit	-16.5%
Las Vegas	-22.8%
Los Angeles	-19.4%
Miami	-21.7%
Minneapolis	-12.5%
New York	-6.6%
Phoenix	-20.8%
Portland	-2.0%
San Diego	-19.2%
San Francisco	-17.2%
Seattle	-2.7%
Tampa	-17.5%
Washington	-13.0%
SOURCE: STANDARD) & POOR'S AND FISERV

Quick Vote

I consider my current health care plan to be ...

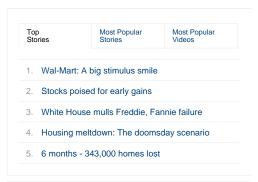
- Extremely reliable
- Shaky at best
- Not worth my money

Vote or View results

Bankrate.com

Current Mortgage Rates

Ourrent Mortgage Mates	
Туре	Overall avgs
30 yr fixed mtg	6.15%
15 yr fixed mtg	5.67%
30 yr fixed jumbo mtg	7.19%
5/1 ARM	5.56%
5/1 jumbo ARM	6.10%
Find personalized rates: Enter ZIP code GO >	



US Indexes	Fortune 500 Movers	
Markets	Last	Change
Dow Jones	11,147.44	-236.77 / -2.08%
Nasdaq	2,234.89	-59.55 / -2.60%
S&P 500	1,244.69	-29.01 / -2.28%
10-year Bond	100 15/32	Yield: 3.81%
U.S.Dollar	1 euro = \$1.569	-0.005
	July	9, 2008 12:00 AM ET
symbol	Go Sponsored by	
SYMBOL LOOKUP	_	

Photo Galleries



Proving grounds

Want to stop employees from skipping off to Starbucks? These hotshot espresso machines might help. more



Top 10 luxury rides

For those who want the best of the best, here they are. Plus 20 more options to consider. more



Where cheetahs roam

In Namibia, animal lovers' tourism dollars help protect threatened species. more

TRY 2 FREE PREVIEW ISSUES!





7/10/2008 8:02 AM

© 2008 Cable News Network. A Time Warner Company. All Rights Reserved. Terms under which this service is provided to you. Privacy Policy

Portfolio Calculators Contact Us Newsletters Podcasts RSS Mobile Widgets Press Center Site Map User Preferences Advertise with Us Magazine Customer Service Download Fortune Lists Reprints Career Opportunities Special Sections Conferences Business Leader Council

Live Quotes automatically refresh, but individual equities are delayed 15 minutes for Nasdaq, and 20 minutes for other exchanges. Market indexes are shown in real time, except for the

DJIA, which is delayed by two minutes. All times are ET.

*: Time reflects local markets trading time. † - Intraday data delayed by two minutes. All times are ET.

Copyright © 2008 BigCharts.com Inc. All rights reserved. Please see our Terms of Use. MarketWatch, the MarketWatch logo, and BigCharts are registered trademarks of MarketWatch, Inc.Intraday data delayed 15 minutes for Nasdaq, and 20 mi

7/10/2008 8:02 AM 3 of 3