

# BUSINESS

## Home price fall in October nation's largest since '91

**INDEX:** Analysts believe the slide could continue for another year to 18 months.

**By Stephen Bernard**  
The Associated Press

**NEW YORK** — U.S. home prices fell in October for the 10th consecutive month, posting their largest drop since early 1991, according to a key index released Wednesday.

The record 6.7 percent slide in the Standard & Poor's/Case-Shiller home price index also marked the 23rd consecutive month that prices either fell or grew more slowly than the month prior.

"No matter how you look at these data, it is obvious that the current state of the single-family housing market remains grim," said Robert Shiller, who helped create the index, in a statement.

The previous record decline was 6.3 percent, recorded in April 1991. The index tracks prices of existing single-family homes in 10 metropolitan areas.

It is considered a strong measure of home prices because it examines price changes of the same property over time, instead of calculating a median price of homes sold.

Prices could fall an additional 10 percent over the next year to 18 months before bottoming out, said Patrick Newport, an economist with financial consultant Global Insight.

Newport said four of the largest groups trying to sell homes — banks holding foreclosed properties, home builders, speculators and unemployed consumers — are typically flexible about lowering house prices because they need to get rid of the property.

A second, broader Case-Shiller index, which measures 20 metropolitan areas, fell 6.1 percent in October. Among the 20 areas used in the broader index, 11 posted record year-over-year declines and all 20 declined in October compared with September.

Leading the index lower was Miami, where prices fell 12.4 percent in October compared with the same month last year. That led it to surpass Tampa, Fla., as the worst-performing city.

Detroit, Las Vegas, Phoenix and San Diego also posted double-digit year-over-year declines. Atlanta and Dallas, which had posted price appreciation, fell in October. Prices fell 0.7 percent in Atlanta and 0.1 percent in Dallas.

Only Charlotte, N.C., Portland, Ore. and Seattle posted year-over-year home price appreciation in October.