

House Prices in America

Valuation Methodology & Findings

Updated for the 3rd Quarter of 2005

**A Global Insight/National City Corporation
Joint Venture**

December, 2005

Summary

- Over the period from 1985 to 2005, single family house price-to-income ratios were studied for 299 metropolitan areas that now account for 80 percent of U.S. single family housing market value.
- Price-to-income ratios were statistically explained by household population density, mortgage interest rates, relative income levels and characteristics unique to the history of each metro area.
- As of the third quarter of this year, 65 metro areas representing 38 percent of the total U.S. housing market are extremely overvalued and face a high risk of future price correction. In the second quarter, 67 metro areas representing 35 percent of the total U.S. housing market met the high risk threshold. Hence, extreme overvaluation has become more concentrated in fewer markets.
- The list of extremely over-valued metro markets has changed only slightly. Six dropped off the list, including two in Massachusetts and two in Michigan, and four areas were added: Honolulu, Orlando, Pensacola, and Phoenix.
- Though not fully captured by our latest house price data, more recent indicators reveal a slowing in prices that we believe will lead to a general market rebalancing in 2006.

The Issue

If home prices are overvalued then, by definition, the risk of a price correction is high. In the event that such a correction plays out with home prices falling broadly, adverse implications abound. Individuals will suffer a wealth decline and spend less freely. Lenders will suffer elevated loan losses and credit conditions will tighten. Mortgage-backed securities will lose value and consumer confidence and home building will decline, all other things being equal.

Given the obvious importance of the issue and the absence of any consensus regarding the question of housing market valuation, this report describes our efforts — and findings — along those lines.

The Approach¹

Our approach to determining fair value in the housing market is statistical in orientation. This contrasts with financial asset valuation, where a vast body of theoretical and empirical literature addresses the question of “intrinsic value.” Rather, our approach examines a particular historical period — 1985 to 2005 — and accepts that house prices, on average, adhered to some normal

relationship to underlying determinants during that time.

We conduct our analysis at the metropolitan area level of geographic detail, in recognition of, and controlling for, the disparate conditions that characterize different markets. This is done with a technique called multivariate pooled time series analysis, which combines the virtues of time series analysis (estimating relationships as they develop over time) and cross-section analysis (estimating relationships as they vary across different members of a group). Specifically, we examine the ratio of home prices to household incomes in 299 metropolitan areas and attempt to explain the variation in that ratio as a function of four key determinants:

- Household Population Density_{MSA}
- Conventional Mortgage Rate_{US}
- Relative Income Level_{MSA}
- Constant_{MSA}

Household population density is measured as the number of households per square mile in each metro area and serves as a proxy for the scarcity of land. The fact that Detroit, for example, has 1,246 households per square mile implies a far greater scarcity of land than in Las Vegas, where there are 82 households per square mile. Also relevant to house prices is the fact that Detroit's household population density has fallen 2 percent

¹ Following is an update of, and enhancement to, research conducted last year (*Metro Area Home Prices: Valuation Methodology*) and released publicly on www.nationalcity.com/economics this February.

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over the past decade, while in Las Vegas it climbed 70 percent.

The conventional mortgage rate is not specific to metropolitan areas and captures the extent to which financing costs influence home prices. For example, a conventional 30-year mortgage of \$200,000 carries a monthly cost of \$1,468 with mortgage interest rates of 8 percent. At 6 percent, however, a homebuyer could service a far higher \$245,000 mortgage with the same monthly expense. In recognition of the fact that changing interest rates have a nonlinear impact on financing costs (due to changing interest and amortization schedules) we incorporate the mortgage interest rate on an annuitized basis.

Relative income borrows from the economic concept of the “luxury good.” Generally, a luxury good is defined as one toward which consumers allocate more of their income as their real incomes rise. In this case, we recognize that the high-income (twice the national average) residents of Bridgeport, Connecticut, are likely to allocate a larger share of their income toward housing than are the lower-income (three-quarters the national average) residents of Hattiesburg, Mississippi.

Finally, we calculate a “constant” term for each metropolitan area. These control for the historically observed difference in metro area price-to-income ratios that is not explained by the other three determinants. The numbers range from -1 to 3 and reflect a variety of difficult to quantify, but nonetheless important, factors that influence prices. For example, Honolulu and Santa Barbara each have a metro constant of approximately 2.7, meaning that house prices there should be 2.7 times income levels, abstracting from the influence of all other factors. Presumably, their famously pleasant climate, sunshine and beaches influence these high metro area constants. Other factors that influence metro area constants include expected property price appreciation rates, pollution, cultural amenities, school systems and miscellaneous costs (e.g. tax and utility rates).

While metropolitan area constants, to some extent, reflect the desirability of residential areas, other factors are also involved. For example, the both the New York and Detroit metro areas have negative constant values. However, because household population densities there are

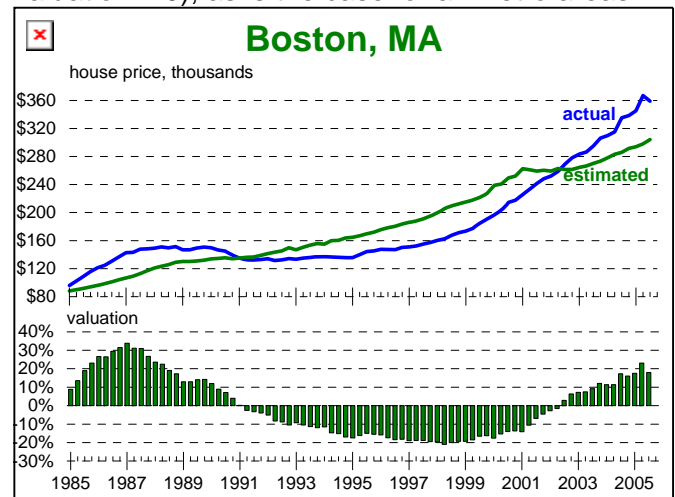
extraordinarily high and its residences are disproportionately multifamily properties (as opposed to single family properties, which are covered herein), their low constant terms correct for the overstatement of its relevant population.

On the whole, this statistical model works well. It explains 80 percent of the variation in home price-to-income ratios across places and over time. Additionally, all explanatory variables are very statistically significant.

Once the model has been estimated, we then use it to determine what prices “should” be, in the statistical sense. By comparing those estimated prices to actually observed prices, we then determine the extent to which markets have historically been under or overvalued.

The Findings

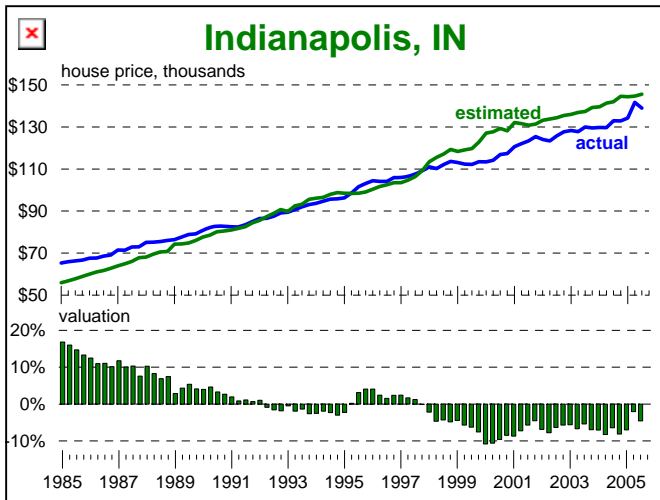
Results for the Boston area are shown as an example in the following chart. As of the third quarter of 2005, the observed median house price of \$358,968 compares to an estimated price of \$304,365, meaning that houses there were overvalued by 18 percent, comparable to late-1988 levels. Note that over the 20-year period as a whole, house prices are fairly valued (i.e. average valuation = 0), as is the case for all metro areas.



Boston is not representative, however, as this area is known to experience greater-than-average house price volatility over time. Indianapolis presents the other extreme, where stability is more characteristic. This metro area’s valuation has varied between a high of 17 percent overvalued (1985) and 11 percent undervalued (2000). For practical purposes, we recommend treating

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valuation metrics between ± 15 percent as “fair value.”



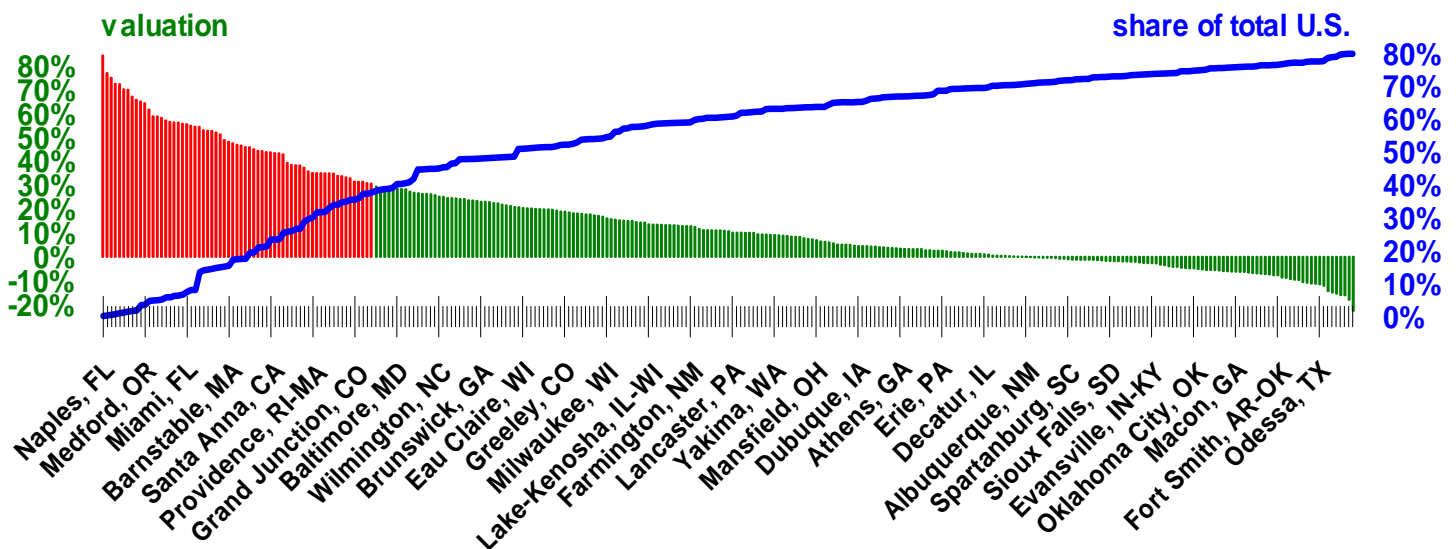
To summarize, the chart below shows valuation metrics for all 299 metro areas as of the third quarter of 2005. Metro areas are ranked from most overvalued (Naples, Florida: +84 percent) to most undervalued (College Station, Texas: -23 percent), with only each tenth market labeled. Additionally, the blue line (tracking to the right) denotes the cumulative share of the total U.S. single family housing market (in dollar terms) represented by the respective areas. So, for example, the 65 metro areas that are 30 percent or more overvalued account for 38 percent of the U.S. housing market.

Markets with valuations of +30 percent or greater are indicated in red to signify that these areas are at an especially high risk of future price corrections. We chose the cutoff level of +30 percent based on a review of actually observed price corrections over the past 20-year history. Specifically, we define price corrections as declines of 10 percent or more, lasting a period of two years or more. In all, 63 metro areas — 21 percent of the total — satisfy these criteria. The median degree of overvaluation demonstrated by these 63 areas is 30 percent, the typical price decline is 17 percent, and the typical adjustment period is 13 quarters. When price corrections occur, they are generally about half the magnitude of the extreme degree of overvaluation. Improving fundamentals, such as rising incomes and household population density tend to account for the other half.

Results for the 3rd quarter of 2005 reveal some cooling in the housing market outside many of the “frothiest” coastal housing markets. While the number of significantly over-valued metros fell slightly from 67 in the 2nd quarter to 65 in the 3rd quarter, the percentage of the total housing market considered extremely overvalued increased from 35 percent. Hence, the incidence of extreme overvaluation has become more concentrated.

The list of extremely overvalued markets was largely unchanged, with 61 metros on it in both quarters.

Valuation Summary: Third Quarter of 2005

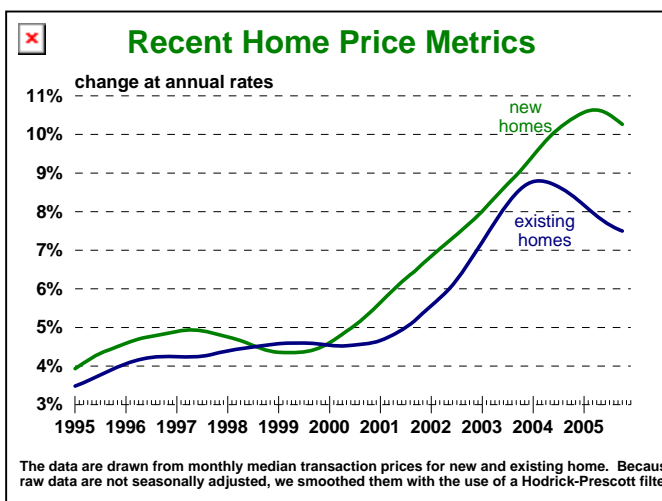


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Newcomers to the list of significantly over-valued markets in the 3rd quarter were Orlando, Phoenix, Pensacola, and Honolulu. A total of 41 of the significantly over-valued metro housing markets were located in California and Florida, with most of the rest clustered near the New York City (including the New Jersey shore), Boston/Providence, and Washington DC metro areas, continuing recent trends.

The largest declines in the extent of over-valuation occurred in both strong housing markets, such as Santa Barbara, Santa Cruz, Ocean City NJ, Greeley CO, San Diego, and Boston; but also in the middle of the country in such markets as Detroit along with most of Michigan's metro areas, Pueblo CO, Boulder, CO and Sandusky OH, and a some of smaller metros in Texas. The largest absolute price declines were in Santa Barbara, Ocean City NJ, San Francisco, Boston and Cambridge, and Ann Arbor MI, while the largest price rises occurred, as expected, in the significantly over-valued markets.

Finally, we believe the true test of our approach to house valuation lies immediately ahead. Though our quarterly home prices are updated with information from the Office of Federal Housing Enterprise Oversight (OFHEO), more recent data from other sources suggest that price appreciation has begun a slowing that we expect to carry into 2006, restoring better balance to housing market valuations.



APPENDICES 1 & 2

Comparison of Results in 2005q1 and 2005q2 for the Global Insight/National City Bank Housing Valuation Analysis

	2005Q2				2005Q3				Difference in Rank	Change in Over/Under Valuation in Percent Points	Rank Based on Change (Declines Are First)	Trend	% Change in Actual Price	Rank	\$ Value Change in Price	Rank
	Actual Home price	Model-Estimated Home Price	% Over/Under Valued	Rank	Actual Home price	Model-Estimated Home Price	Over/Under Valued	Rank								
Abilene, TX	\$ 71,872	\$ 77,650	-7.4%	284	\$70,680	\$79,047	-11%	287	3	-3	70	Down	-2%	91	-\$1,192	147
Akron, OH	\$ 138,346	\$ 128,720	7.5%	181	\$135,705	\$130,154	4%	185	4	-3	66	Down	-2%	73	-\$2,641	73
Albany, GA	\$ 90,243	\$ 90,163	0.1%	244	\$88,167	\$90,092	-2%	247	3	-2	127	Down	-2%	34	-\$2,076	102
Albany, NY	\$ 179,388	\$ 157,389	14.0%	144	\$180,781	\$159,409	13%	132	-12	-1	224	Down	1%	229	\$1,393	226
Albuquerque, NM	\$ 160,511	\$ 159,454	0.7%	232	\$161,900	\$161,964	0%	221	-11	-1	219	Down	1%	233	\$1,389	225
Alexandria, LA	\$ 83,140	\$ 85,017	-2.2%	258	\$83,922	\$84,283	0%	227	-31	2	266	Up	1%	237	\$782	213
Allentown, PA-NJ	\$ 192,832	\$ 167,106	15.4%	133	\$192,242	\$169,517	13%	133	0	-2	150	Down	0%	178	-\$590	174
Amarillo, TX	\$ 90,214	\$ 88,949	1.4%	224	\$89,586	\$89,963	0%	226	2	-2	157	Down	-1%	163	-\$628	173
Anchorage, AK	\$ 219,447	\$ 183,586	19.5%	115	\$221,685	\$184,900	20%	105	-10	0	242	Up	1%	239	\$2,238	239
Anderson, IN	\$ 97,501	\$ 93,408	4.4%	202	\$97,232	\$94,249	3%	196	-6	-1	198	Down	0%	179	-\$269	184
Ann Arbor, MI	\$ 229,863	\$ 186,600	23.2%	97	\$222,069	\$189,694	17%	119	22	-6	5	Down	-3%	12	-\$7,794	5
Appleton, WI	\$ 137,478	\$ 134,044	2.6%	214	\$134,406	\$134,365	0%	220	6	-3	105	Down	-2%	42	-\$3,072	49
Asheville, NC	\$ 148,868	\$ 117,167	27.1%	80	\$146,608	\$117,914	24%	85	5	-3	96	Down	-2%	105	-\$2,260	92
Athens, GA	\$ 141,435	\$ 132,023	7.1%	184	\$137,517	\$132,965	3%	191	7	-4	41	Down	-3%	22	-\$3,918	26
Atlanta, GA	\$ 179,168	\$ 170,752	4.9%	201	\$176,024	\$171,776	2%	200	-1	-2	111	Down	-2%	85	-\$3,144	47
Atlantic City, NJ	\$ 238,483	\$ 147,642	61.5%	13	\$236,203	\$148,894	59%	13	0	-3	86	Down	-1%	145	-\$2,280	89
Augusta, GA-SC	\$ 108,181	\$ 108,041	0.1%	243	\$106,337	\$108,869	-2%	248	5	-2	112	Down	-2%	89	-\$1,844	110
Austin, TX	\$ 151,407	\$ 160,246	-5.5%	278	\$149,585	\$160,980	-7%	277	-1	-2	173	Down	-1%	131	-\$1,822	111
Bakersfield, CA	\$ 197,264	\$ 131,403	50.1%	31	\$203,437	\$134,676	51%	29	-2	1	254	Up	3%	282	\$6,173	276
Baltimore, MD	\$ 253,981	\$ 199,689	27.2%	79	\$256,819	\$199,975	28%	71	-8	1	259	Up	1%	240	\$2,838	244
Barnstable Town, MA	\$ 360,381	\$ 236,362	52.5%	25	\$354,564	\$239,552	48%	31	6	-4	25	Down	-2%	99	-\$5,817	11
Baton Rouge, LA	\$ 110,904	\$ 110,424	0.4%	236	\$108,446	\$108,781	0%	224	-12	-1	218	Down	-2%	45	-\$2,458	81
Battle Creek, MI	\$ 104,388	\$ 85,590	22.0%	106	\$103,591	\$86,566	20%	108	2	-2	125	Down	-1%	156	-\$797	169
Bay City, MI	\$ 109,753	\$ 83,642	31.2%	63	\$107,387	\$85,092	26%	78	15	-5	15	Down	-2%	51	-\$2,366	85
Beaumont, TX	\$ 73,709	\$ 83,621	-11.9%	294	\$71,123	\$84,078	-15%	295	1	-4	43	Down	-4%	9	-\$2,586	78
Bellingham, WA	\$ 262,084	\$ 180,386	45.3%	39	\$263,522	\$183,969	43%	42	3	-2	145	Down	1%	220	\$1,438	229
Bend, OR	\$ 227,887	\$ 151,449	50.5%	28	\$238,101	\$152,608	56%	19	-9	6	295	Up	4%	293	\$10,214	296
Bethesda, MD (Div)	\$ 411,572	\$ 304,848	35.0%	52	\$413,379	\$304,691	36%	50	-2	1	247	Up	0%	216	\$1,807	235
Billings, MT	\$ 143,368	\$ 131,933	8.7%	173	\$140,424	\$133,577	5%	176	3	-4	48	Down	-2%	57	-\$2,944	54
Binghamton, NY	\$ 99,127	\$ 100,480	-1.3%	253	\$100,289	\$101,757	-1%	238	-15	0	230	Down	1%	241	\$1,162	221
Birmingham, AL	\$ 121,892	\$ 121,620	0.2%	239	\$120,404	\$121,895	-1%	233	-6	-1	184	Down	-1%	129	-\$1,488	131
Bismarck, ND	\$ 117,158	\$ 114,369	2.4%	215	\$117,942	\$113,904	4%	190	-25	1	258	Up	1%	226	\$784	214
Bloomington, IL	\$ 134,432	\$ 133,911	0.4%	237	\$130,044	\$133,686	-3%	252	15	-3	73	Down	-3%	15	-\$4,388	20
Bloomington, IN	\$ 122,113	\$ 115,506	5.7%	192	\$120,215	\$116,513	3%	195	3	-3	104	Down	-2%	103	-\$1,898	107
Boise City, ID	\$ 155,831	\$ 143,688	8.5%	175	\$160,728	\$142,045	13%	137	-38	5	291	Up	3%	283	\$4,897	264
Boston, MA (Div)	\$ 367,079	\$ 298,214	23.1%	98	\$358,968	\$304,365	18%	115	17	-5	12	Down	-2%	46	-\$8,111	4
Boulder, CO	\$ 305,655	\$ 250,587	22.0%	105	\$301,454	\$256,202	18%	117	12	-4	26	Down	-1%	115	-\$4,201	22
Bowling Green, KY	\$ 110,195	\$ 107,669	2.3%	216	\$110,038	\$108,731	1%	209	-7	-1	201	Down	0%	184	-\$157	187
Bremerton, WA	\$ 238,370	\$ 193,816	23.0%	99	\$242,975	\$198,553	22%	94	-5	-1	222	Down	2%	261	\$4,605	260
Bridgeport, CT	\$ 458,932	\$ 422,554	8.6%	174	\$451,480	\$427,656	6%	175	1	-3	75	Down	-2%	97	-\$7,452	7
Brunswick, GA	\$ 121,044	\$ 97,318	24.4%	90	\$121,008	\$98,432	23%	91	1	-1	185	Down	0%	195	-\$36	195
Buffalo, NY	\$ 114,867	\$ 118,969	-3.4%	265	\$114,066	\$120,431	-5%	263	-2	-2	159	Down	-1%	161	-\$801	168
Burlington, NC	\$ 116,847	\$ 111,284	5.0%	199	\$111,732	\$111,907	0%	222	23	-5	11	Down	-4%	2	-\$5,115	15
Burlington, VT	\$ 208,294	\$ 174,271	19.5%	116	\$209,075	\$176,484	18%	112	-4	-1	207	Down	0%	212	\$781	212
Cambridge, MA (Div)	\$ 402,491	\$ 343,955	17.0%	126	\$394,772	\$351,044	12%	142	16	-5	22	Down	-2%	71	-\$7,719	6
Camden, NJ (Div)	\$ 218,463	\$ 182,610	19.6%	113	\$219,359	\$185,749	18%	114	1	-2	175	Down	0%	215	\$896	218
Canton, OH	\$ 123,620	\$ 108,265	14.2%	143	\$121,188	\$109,492	11%	150	7	-4	52	Down	-2%	66	-\$2,432	82
Cape Coral, FL	\$ 207,433	\$ 141,823	46.3%	35	\$217,220	\$143,015	52%	28	-7	6	297	Up	5%	296	\$9,787	295
Casper, WY	\$ 131,163	\$ 108,470	20.9%	110	\$132,038	\$110,178	20%	106	-4	-1	205	Down	1%	225	\$875	216
Cedar Rapids, IA	\$ 118,223	\$ 117,609	0.5%	234	\$114,992	\$119,147	-3%	254	20	-4	31	Down	-3%	24	-\$3,231	44
Champaign, IL	\$ 119,518	\$ 109,667	9.0%	171	\$119,757	\$109,749	9%	160	-11	0	236	Up	0%	205	\$239	205
Charleston, SC	\$ 91,339	\$ 96,188	-5.0%	276	\$89,615	\$96,129	-7%	275	-1	-2	166	Down	-2%	75	-\$1,724	115
Charleston, WV	\$ 158,487	\$ 123,588	28.2%	75	\$159,948	\$124,803	28%	73	-2	0	231	Down	1%	235	\$1,461	230

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	Actual Home price	Model-Estimated Home Price	% Over/Under Valued	Rank	Actual Home price	Model-Estimated Home Price	Over/Under Valued	Rank								
Charlotte, NC-SC	\$ 147,491	\$ 151,410	-2.6%	260	\$144,569	\$153,019	-6%	265	5	-3	82	Down	-2%	64	-\$2,922	56
Charlottesville, VA	\$ 234,907	\$ 180,377	30.2%	67	\$233,786	\$182,335	28%	72	5	-2	148	Down	0%	173	-\$1,121	153
Chattanooga, TN-GA	\$ 116,633	\$ 108,496	7.5%	180	\$114,085	\$108,627	5%	177	-3	-2	110	Down	-2%	48	-\$2,548	79
Cheyenne, WY	\$ 146,531	\$ 138,570	5.7%	191	\$146,992	\$140,059	5%	179	-12	-1	215	Down	0%	211	\$461	209
Chicago, IL (Div)	\$ 242,001	\$ 196,980	22.9%	100	\$239,378	\$198,333	21%	100	0	-2	129	Down	-1%	135	-\$2,623	76
Chico, CA	\$ 256,461	\$ 159,021	61.3%	14	\$260,257	\$164,152	59%	14	0	-3	93	Down	1%	250	\$3,796	254
Cincinnati, OH-KY-IN	\$ 144,385	\$ 138,889	4.0%	203	\$141,531	\$140,765	1%	213	10	-3	56	Down	-2%	65	-\$2,854	59
Cleveland, OH	\$ 150,091	\$ 136,526	9.9%	166	\$146,642	\$138,378	6%	174	8	-4	33	Down	-2%	35	-\$3,449	39
College Station, TX	\$ 99,362	\$ 122,671	-19.0%	299	\$95,892	\$123,759	-23%	299	0	-4	51	Down	-3%	10	-\$3,470	38
Colorado Springs, CO	\$ 198,533	\$ 174,357	13.9%	145	\$194,738	\$176,888	10%	152	7	-4	38	Down	-2%	72	-\$3,795	29
Columbia, MO	\$ 126,813	\$ 122,391	3.6%	205	\$126,832	\$123,983	2%	202	-3	-1	192	Down	0%	197	\$19	197
Columbia, SC	\$ 117,289	\$ 113,639	3.2%	209	\$115,396	\$114,363	1%	212	3	-2	123	Down	-2%	100	-\$1,893	108
Columbus, GA-AL	\$ 110,392	\$ 111,379	-0.9%	250	\$110,654	\$112,585	-2%	240	-10	-1	213	Down	0%	208	\$262	207
Columbus, IN	\$ 119,693	\$ 118,668	0.9%	230	\$118,367	\$120,608	-2%	243	13	-3	95	Down	-1%	134	-\$1,326	142
Columbus, OH	\$ 154,135	\$ 145,834	5.7%	193	\$150,702	\$147,827	2%	203	10	-4	39	Down	-2%	43	-\$3,433	40
Corpus Christi, TX	\$ 91,080	\$ 97,976	-7.0%	282	\$91,068	\$98,653	-8%	280	-2	-1	221	Down	0%	196	-\$12	196
Corvallis, OR	\$ 225,045	\$ 191,383	17.6%	122	\$222,105	\$194,001	14%	128	6	-3	74	Down	-1%	119	-\$2,940	55
Dallas, TX (Div)	\$ 132,955	\$ 153,335	-13.3%	297	\$129,632	\$154,296	-16%	296	-1	-3	99	Down	-2%	27	-\$3,323	42
Dalton, GA	\$ 108,356	\$ 98,475	10.0%	165	\$108,291	\$99,356	9%	162	-3	-1	208	Down	0%	191	-\$65	192
Davenport, IA-IL	\$ 106,338	\$ 96,863	9.8%	167	\$105,049	\$97,797	7%	169	2	-2	121	Down	-1%	130	-\$1,289	143
Dayton, OH	\$ 125,229	\$ 121,660	2.9%	213	\$122,513	\$123,028	0%	225	12	-3	59	Down	-2%	49	-\$2,716	68
Decatur, AL	\$ 95,400	\$ 99,288	-3.9%	270	\$94,221	\$100,197	-6%	268	-2	-2	146	Down	-1%	127	-\$1,179	149
Decatur, IL	\$ 86,607	\$ 81,481	6.3%	185	\$82,866	\$82,008	1%	211	26	-5	10	Down	-4%	3	-\$3,741	32
Deltona, FL	\$ 165,497	\$ 117,459	40.9%	44	\$170,557	\$118,299	44%	39	-5	3	282	Up	3%	279	\$5,060	265
Denver, CO	\$ 231,439	\$ 201,609	14.8%	137	\$225,922	\$205,280	10%	153	16	-5	20	Down	-2%	32	-\$5,517	13
Des Moines, IA	\$ 131,482	\$ 131,236	0.2%	242	\$129,396	\$131,776	-2%	242	0	-2	149	Down	-2%	102	-\$2,086	101
Detroit, MI (Div)	\$ 123,632	\$ 99,466	24.3%	91	\$119,611	\$100,585	19%	110	19	-5	9	Down	-3%	16	-\$4,021	25
Dubuque, IA	\$ 117,913	\$ 109,363	7.8%	179	\$117,086	\$112,091	4%	181	2	-3	58	Down	-1%	160	-\$827	166
Duluth, MN-WI	\$ 123,564	\$ 91,720	34.7%	53	\$120,824	\$92,381	31%	64	11	-4	36	Down	-2%	44	-\$2,740	63
Durham, NC	\$ 165,867	\$ 156,411	6.0%	188	\$162,089	\$158,149	2%	199	11	-4	44	Down	-2%	38	-\$3,778	31
Eau Claire, WI	\$ 125,563	\$ 103,595	21.2%	109	\$125,444	\$104,222	20%	101	-8	-1	211	Down	0%	185	-\$119	189
Edison, NJ (Div)	\$ 333,403	\$ 250,396	33.2%	55	\$333,453	\$253,934	31%	63	8	-2	160	Down	0%	198	\$50	199
El Paso, TX	\$ 88,212	\$ 105,574	-16.4%	298	\$87,861	\$107,111	-18%	298	0	-2	178	Down	0%	176	-\$351	181
Elkhart, IN	\$ 116,604	\$ 124,605	-6.4%	280	\$116,644	\$124,551	-6%	273	-7	0	233	Up	0%	199	\$40	198
Erie, PA	\$ 104,186	\$ 98,906	5.3%	195	\$102,369	\$99,911	2%	201	6	-3	87	Down	-2%	86	-\$1,817	112
Essex County, MA (Div)	\$ 354,918	\$ 267,668	32.6%	58	\$348,447	\$271,217	28%	70	12	-4	29	Down	-2%	78	-\$6,471	10
Eugene, OR	\$ 197,433	\$ 148,518	32.9%	56	\$200,617	\$149,953	34%	57	1	1	253	Up	2%	254	\$3,184	246
Evansville, IN-KY	\$ 101,321	\$ 100,800	0.5%	235	\$99,260	\$102,032	-3%	251	16	-3	64	Down	-2%	58	-\$2,061	103
Fargo, ND-MN	\$ 131,203	\$ 124,756	5.2%	198	\$128,060	\$123,998	3%	192	-6	-2	155	Down	-2%	31	-\$3,143	48
Farmington, NM	\$ 116,286	\$ 100,285	16.0%	131	\$115,229	\$102,204	13%	141	10	-3	68	Down	-1%	149	-\$1,057	158
Fayetteville, AR-MO	\$ 127,222	\$ 113,880	11.7%	154	\$127,277	\$114,835	11%	149	-5	-1	210	Down	0%	200	\$55	200
Flagstaff, AZ	\$ 212,995	\$ 170,982	24.6%	89	\$221,126	\$171,939	29%	69	-20	4	286	Up	4%	289	\$8,131	287
Flint, MI	\$ 116,147	\$ 89,835	29.3%	69	\$114,302	\$90,685	26%	79	10	-3	63	Down	-2%	101	-\$1,845	109
Florence, SC	\$ 86,773	\$ 85,594	1.4%	225	\$85,268	\$86,249	-1%	232	7	-3	107	Down	-2%	87	-\$1,505	129
Fond du Lac, WI	\$ 131,922	\$ 121,698	8.4%	177	\$129,565	\$121,902	6%	173	-4	-2	135	Down	-2%	82	-\$2,357	87
Fort Collins, CO	\$ 226,690	\$ 197,275	14.9%	135	\$221,820	\$201,683	10%	156	21	-5	16	Down	-2%	52	-\$4,870	17
Fort Lauderdale, FL (Div)	\$ 230,790	\$ 153,513	50.3%	29	\$238,518	\$156,125	53%	25	-4	2	273	Up	3%	285	\$7,728	284
Fort Smith, AR-OK	\$ 80,800	\$ 84,501	-4.4%	272	\$78,512	\$85,064	-8%	281	9	-3	61	Down	-3%	21	-\$2,288	88
Fort Walton Beach, FL	\$ 193,056	\$ 139,968	37.9%	49	\$202,044	\$141,089	43%	43	-6	5	293	Up	5%	295	\$8,988	292
Fort Wayne, IN	\$ 105,553	\$ 108,851	-3.0%	262	\$104,057	\$110,089	-5%	264	2	-2	114	Down	-1%	110	-\$1,496	130
Fort Worth, TX (Div)	\$ 109,432	\$ 125,114	-12.5%	295	\$107,238	\$126,099	-15%	294	-1	-2	115	Down	-2%	61	-\$2,194	95
Fresno, CA	\$ 236,512	\$ 150,373	57.3%	16	\$241,251	\$152,689	58%	15	-1	1	249	Up	2%	263	\$4,739	261
Gainesville, FL	\$ 147,046	\$ 118,845	23.7%	94	\$147,639	\$120,104	23%	92	-2	-1	214	Down	0%	214	\$593	211

Comparison of Results in 2005q1 and 2005q2 for the Global Insight/National City Bank Housing Valuation Analysis

	2005Q2				2005Q3				Difference in Rank	Change in Over/Under Valuation in Percent Points	Rank Based on Change (Declines Are First)	Trend	% Change in Actual Price	Rank	\$ Value Change in Price	Rank
	Actual Home price	Model-Estimated Home Price	% Over/Under Valued	Rank	Actual Home price	Model-Estimated Home Price	Over/Under Valued	Rank								
Gainesville, GA	\$ 146,895	\$ 131,882	11.4%	156	\$146,850	\$132,232	11%	146	-10	0	227	Down	0%	194	-\$45	193
Gary, IN (Div)	\$ 132,235	\$ 118,242	11.8%	153	\$130,300	\$119,173	9%	158	5	-2	109	Down	-1%	109	-\$1,935	106
Grand Junction, CO	\$ 166,959	\$ 125,988	32.5%	59	\$168,357	\$128,148	31%	61	2	-1	202	Down	1%	231	\$1,398	227
Grand Rapids, MI	\$ 139,147	\$ 118,374	17.5%	125	\$136,096	\$119,104	14%	129	4	-3	62	Down	-2%	47	-\$3,051	50
Greeley, CO	\$ 183,632	\$ 146,383	25.4%	85	\$176,551	\$148,574	19%	111	26	-7	4	Down	-4%	5	-\$7,081	8
Green Bay, WI	\$ 145,823	\$ 132,046	10.4%	163	\$142,324	\$131,318	8%	165	2	-2	144	Down	-2%	29	-\$3,499	36
Greensboro, NC	\$ 122,727	\$ 122,470	0.2%	240	\$121,180	\$123,675	-2%	246	6	-2	126	Down	-1%	125	-\$1,547	126
Greenville, NC	\$ 99,281	\$ 99,413	-0.1%	245	\$95,784	\$99,723	-4%	255	10	-4	37	Down	-4%	8	-\$3,497	37
Greenville, SC	\$ 117,637	\$ 114,069	3.1%	210	\$115,463	\$115,018	0%	215	5	-3	92	Down	-2%	77	-\$2,174	97
Harrisburg, PA	\$ 145,393	\$ 140,369	3.6%	206	\$144,500	\$141,835	2%	204	-2	-2	168	Down	-1%	165	-\$893	164
Harrisonburg, VA	\$ 161,573	\$ 143,576	12.5%	148	\$164,984	\$145,690	13%	135	-13	1	248	Up	2%	264	\$3,411	251
Hartford, CT	\$ 233,736	\$ 220,593	6.0%	189	\$232,545	\$222,677	4%	183	-6	-2	177	Down	-1%	170	-\$1,191	148
Hattiesburg, MS	\$ 88,324	\$ 89,530	-1.3%	254	\$84,245	\$83,271	1%	210	-44	3	274	Up	-5%	1	-\$4,079	23
Hickory, NC	\$ 105,480	\$ 96,439	9.4%	170	\$103,897	\$97,645	6%	172	2	-3	80	Down	-2%	107	-\$1,583	124
Holland, MI	\$ 164,579	\$ 131,876	24.8%	88	\$161,311	\$132,453	22%	96	8	-3	76	Down	-2%	62	-\$3,268	43
Honolulu, HI	\$ 521,692	\$ 405,171	28.8%	72	\$537,718	\$409,447	31%	62	-10	3	276	Up	3%	280	\$16,026	299
Houma, LA	\$ 97,035	\$ 96,287	0.8%	231	\$94,392	\$95,582	-1%	236	5	-2	147	Down	-3%	25	-\$2,643	72
Houston, TX	\$ 111,517	\$ 126,236	-11.7%	293	\$109,328	\$127,572	-14%	293	0	-3	101	Down	-2%	67	-\$2,189	96
Huntsville, AL	\$ 118,824	\$ 133,066	-10.7%	291	\$118,783	\$133,744	-11%	289	-2	0	226	Down	0%	193	-\$41	194
Idaho Falls, ID	\$ 121,317	\$ 117,773	3.0%	212	\$122,800	\$116,926	5%	178	-34	2	268	Up	1%	242	\$1,483	232
Indianapolis, IN	\$ 141,711	\$ 144,657	-2.0%	257	\$138,979	\$145,610	-5%	258	1	-3	106	Down	-2%	70	-\$2,732	64
Iowa City, IA	\$ 151,368	\$ 156,169	-3.1%	263	\$150,271	\$159,340	-6%	267	4	-3	102	Down	-1%	157	-\$1,097	155
Jackson, MI	\$ 128,908	\$ 97,797	31.8%	61	\$123,364	\$99,863	24%	88	27	-8	2	Down	-4%	4	-\$5,544	12
Jackson, MS	\$ 102,679	\$ 109,517	-6.2%	279	\$101,605	\$102,877	-1%	235	-44	5	292	Up	-1%	137	-\$1,074	157
Jacksonville, FL	\$ 165,102	\$ 126,575	30.4%	66	\$166,578	\$127,625	31%	65	-1	0	235	Up	1%	234	\$1,476	231
Janesville, WI	\$ 128,603	\$ 113,215	13.6%	146	\$125,908	\$113,291	11%	144	-2	-2	113	Down	-2%	54	-\$2,695	70
Jefferson City, MO	\$ 111,861	\$ 113,580	-1.5%	256	\$109,587	\$115,502	-5%	262	6	-4	42	Down	-2%	59	-\$2,274	91
Kalamazoo, MI	\$ 131,866	\$ 114,903	14.8%	138	\$129,612	\$116,747	11%	147	9	-4	40	Down	-2%	88	-\$2,254	93
Kansas City, MO-KS	\$ 139,482	\$ 130,168	7.2%	183	\$136,983	\$131,347	4%	184	1	-3	88	Down	-2%	81	-\$2,499	80
Kennewick, WA	\$ 145,452	\$ 137,088	6.1%	187	\$141,108	\$138,593	2%	205	18	-4	27	Down	-3%	18	-\$4,344	21
Killeen, TX	\$ 95,793	\$ 110,016	-12.9%	296	\$93,409	\$111,262	-16%	297	1	-3	71	Down	-2%	28	-\$2,384	83
Kingston, NY	\$ 212,133	\$ 152,647	39.0%	48	\$212,961	\$154,172	38%	48	0	-1	212	Down	0%	213	\$828	215
Knoxville, TN	\$ 125,045	\$ 120,932	3.4%	208	\$125,213	\$121,321	3%	194	-14	0	228	Down	0%	203	\$168	201
Kokomo, IN	\$ 103,649	\$ 101,717	1.9%	219	\$102,252	\$102,867	-1%	228	9	-2	108	Down	-1%	116	-\$1,397	137
La Crosse, WI-MN	\$ 127,820	\$ 111,832	14.3%	142	\$127,188	\$112,335	13%	136	-6	-1	206	Down	0%	171	-\$632	172
Lafayette, IN	\$ 119,541	\$ 128,214	-6.8%	281	\$116,819	\$129,438	-10%	286	5	-3	79	Down	-2%	39	-\$2,722	67
Lafayette, LA	\$ 112,449	\$ 108,662	3.5%	207	\$110,859	\$107,941	3%	197	-10	-1	217	Down	-1%	112	-\$1,590	123
Lake-Kenosha, IL-WI (Div)	\$ 256,696	\$ 219,812	16.8%	128	\$251,817	\$221,758	14%	131	3	-3	65	Down	-2%	74	-\$4,879	16
Lakeland, FL	\$ 113,866	\$ 97,424	16.9%	127	\$120,925	\$98,059	23%	90	-37	6	299	Up	6%	299	\$7,059	282
Lancaster, PA	\$ 169,553	\$ 152,407	11.2%	157	\$168,968	\$153,475	10%	151	-6	-1	200	Down	0%	177	-\$585	176
Lansing, MI	\$ 141,014	\$ 114,917	22.7%	102	\$137,796	\$117,110	18%	116	14	-5	14	Down	-2%	37	-\$3,218	45
Las Cruces, NM	\$ 107,284	\$ 105,631	1.6%	223	\$107,869	\$107,738	0%	218	-5	-1	186	Down	1%	219	\$585	210
Las Vegas, NV	\$ 268,125	\$ 189,174	41.7%	43	\$265,766	\$192,327	38%	47	4	-4	46	Down	-1%	153	-\$2,359	86
Lawrence, KS	\$ 160,307	\$ 152,726	5.0%	200	\$155,691	\$155,366	0%	217	17	-5	19	Down	-3%	19	-\$4,616	19
Lexington, KY	\$ 138,965	\$ 129,668	7.2%	182	\$136,873	\$132,007	4%	189	7	-3	54	Down	-2%	106	-\$2,092	100
Lima, OH	\$ 105,289	\$ 101,494	3.7%	204	\$104,279	\$102,869	1%	207	3	-2	120	Down	-1%	144	-\$1,010	159
Lincoln, NE	\$ 131,577	\$ 132,073	-0.4%	247	\$128,863	\$131,421	-2%	244	-3	-2	172	Down	-2%	56	-\$2,714	69
Little Rock, AR	\$ 105,813	\$ 110,346	-4.1%	271	\$104,091	\$110,973	-6%	270	-1	-2	137	Down	-2%	96	-\$1,722	116
Longview, TX	\$ 84,427	\$ 92,613	-8.8%	288	\$82,788	\$93,294	-11%	290	2	-2	116	Down	-2%	68	-\$1,639	120
Longview, WA	\$ 164,647	\$ 134,135	22.7%	101	\$167,209	\$135,371	24%	89	-12	1	250	Up	2%	251	\$2,562	242
Los Angeles, CA (Div)	\$ 448,953	\$ 289,637	55.0%	19	\$455,518	\$295,367	54%	24	5	-1	216	Down	1%	248	\$6,565	280
Louisville, KY-IN	\$ 130,030	\$ 122,455	6.2%	186	\$127,661	\$124,320	3%	198	12	-3	53	Down	-2%	79	-\$2,369	84
Lubbock, TX	\$ 84,151	\$ 88,189	-4.6%	273	\$82,624	\$89,105	-7%	278	5	-3	98	Down	-2%	80	-\$1,527	128

Comparison of Results in 2005q1 and 2005q2 for the Global Insight/National City Bank Housing Valuation Analysis

	2005Q2				2005Q3				Difference in Rank	Change in Over/Under Valuation in Percent Points	Rank Based on Change (Declines Are First)	Trend	% Change in Actual Price	Rank	\$ Value Change in Price	Rank
	Actual Home price	Model- Estimated Home Price	% Over/Under Valued	Rank	Actual Home price	Model- Estimated Home Price	Over/Under Valued	Rank								
Lynchburg, VA	\$ 130,428	\$ 118,935	9.7%	168	\$129,350	\$120,046	8%	168	0	-2	153	Down	-1%	155	-\$1,078	156
Macon, GA	\$ 100,557	\$ 105,771	-4.9%	275	\$99,316	\$105,930	-6%	271	-4	-1	193	Down	-1%	128	-\$1,241	144
Madera, CA	\$ 270,285	\$ 162,693	66.1%	8	\$279,858	\$164,696	70%	6	-2	4	285	Up	4%	288	\$9,573	294
Madison, WI	\$ 202,440	\$ 170,711	18.6%	118	\$199,810	\$172,743	16%	122	4	-3	83	Down	-1%	120	-\$2,630	74
Manchester, NH	\$ 241,120	\$ 191,877	25.7%	83	\$238,117	\$193,892	23%	93	10	-3	89	Down	-1%	126	-\$3,003	52
Mansfield, OH	\$ 111,164	\$ 102,003	9.0%	172	\$109,721	\$102,616	7%	171	-1	-2	142	Down	-1%	121	-\$1,443	135
Medford, OR	\$ 255,096	\$ 155,702	63.8%	11	\$258,812	\$157,691	64%	11	0	0	240	Up	1%	247	\$3,716	253
Memphis, TN-MS-AR	\$ 109,476	\$ 120,148	-8.9%	289	\$108,342	\$118,806	-9%	283	-6	0	234	Up	-1%	139	-\$1,134	152
Merced, CA	\$ 265,204	\$ 151,931	74.6%	4	\$272,441	\$154,179	77%	2	-2	2	270	Up	3%	274	\$7,237	283
Miami, FL (Div)	\$ 244,545	\$ 158,719	54.1%	22	\$250,452	\$161,227	55%	21	-1	1	260	Up	2%	269	\$5,907	274
Michigan City, IN	\$ 118,308	\$ 103,175	14.7%	139	\$121,587	\$103,740	17%	118	-21	3	275	Up	3%	276	\$3,279	249
Midland, TX	\$ 88,893	\$ 97,009	-8.4%	286	\$90,843	\$97,579	-7%	276	-10	-1	264	Up	2%	265	\$1,950	236
Milwaukee, WI	\$ 190,603	\$ 162,108	17.6%	124	\$189,245	\$163,102	16%	121	-3	-2	174	Down	-1%	159	-\$1,358	139
Minneapolis, MN-WI	\$ 225,432	\$ 176,814	27.5%	78	\$221,744	\$178,118	24%	84	6	-3	77	Down	-2%	95	-\$3,688	33
Mobile, AL	\$ 96,171	\$ 97,458	-1.3%	252	\$95,583	\$97,509	-2%	245	-7	-1	220	Down	-1%	166	-\$588	175
Modesto, CA	\$ 298,339	\$ 179,474	66.2%	7	\$303,936	\$182,150	67%	8	1	1	246	Up	2%	258	\$5,597	271
Monroe, LA	\$ 91,448	\$ 92,711	-1.4%	255	\$89,816	\$91,198	-2%	239	-16	0	229	Down	-2%	83	-\$1,632	121
Monroe, MI	\$ 163,963	\$ 128,057	28.0%	76	\$163,126	\$129,213	26%	77	1	-2	163	Down	-1%	169	-\$837	165
Montgomery, AL	\$ 105,075	\$ 116,516	-9.8%	290	\$103,284	\$117,534	-12%	292	2	-2	124	Down	-2%	90	-\$1,791	113
Mount Vernon, WA	\$ 238,439	\$ 190,213	25.4%	86	\$237,953	\$191,771	24%	87	1	-1	195	Down	0%	182	-\$486	178
Muskegon, MI	\$ 109,108	\$ 90,909	20.0%	112	\$105,528	\$92,362	14%	130	18	-6	6	Down	-3%	13	-\$3,580	35
Napa, CA	\$ 510,779	\$ 311,139	64.2%	10	\$524,714	\$317,048	65%	9	-1	1	262	Up	3%	272	\$13,935	298
Naples, FL	\$ 329,970	\$ 180,956	82.3%	1	\$335,183	\$182,141	84%	1	0	2	265	Up	2%	253	\$5,213	267
Nashville, TN	\$ 157,471	\$ 155,778	1.1%	227	\$154,879	\$156,157	-1%	229	2	-2	154	Down	-2%	93	-\$2,592	77
Nassau-Suffolk, NY (Div)	\$ 421,268	\$ 289,092	45.7%	38	\$418,349	\$293,123	43%	44	6	-3	78	Down	-1%	164	-\$2,919	57
New Haven, CT	\$ 253,011	\$ 225,063	12.4%	150	\$252,838	\$227,582	11%	145	-5	-1	191	Down	0%	189	-\$1,713	185
New Orleans, LA	\$ 138,183	\$ 130,887	5.6%	194	\$137,220	\$122,976	12%	143	-51	6	298	Up	-1%	162	-\$963	161
New York, NY-NJ (Div)	\$ 442,396	\$ 344,333	28.5%	73	\$442,049	\$349,395	27%	76	3	-2	151	Down	0%	187	-\$347	182
Newark, NJ-PA (Div)	\$ 368,262	\$ 285,893	28.8%	71	\$366,508	\$289,322	27%	75	4	-2	133	Down	0%	174	-\$1,754	114
Niles, MI	\$ 128,923	\$ 103,104	25.0%	87	\$126,949	\$104,493	21%	97	10	-4	45	Down	-2%	104	-\$1,974	105
Norwich, CT	\$ 245,834	\$ 208,937	17.7%	120	\$242,649	\$211,044	15%	126	6	-3	100	Down	-1%	122	-\$3,185	46
Oakland, CA (Div)	\$ 538,931	\$ 358,777	50.2%	30	\$542,946	\$368,227	47%	32	2	-3	91	Down	1%	228	\$4,015	257
Ocala, FL	\$ 122,382	\$ 92,294	32.6%	57	\$125,622	\$93,170	35%	54	-3	2	271	Up	3%	270	\$3,240	248
Ocean City, NJ	\$ 299,732	\$ 193,674	54.8%	20	\$290,428	\$197,946	47%	33	13	-8	3	Down	-3%	17	-\$9,304	2
Odessa, TX	\$ 55,229	\$ 62,014	-10.9%	292	\$55,473	\$62,704	-12%	291	-1	-1	223	Down	0%	217	\$244	206
Ogden, UT	\$ 166,389	\$ 163,819	1.6%	222	\$164,960	\$165,406	0%	223	1	-2	158	Down	-1%	154	-\$1,429	136
Oklahoma City, OK	\$ 101,775	\$ 105,761	-3.8%	268	\$101,047	\$106,240	-5%	261	-7	-1	204	Down	-1%	158	-\$728	170
Olympia, WA	\$ 215,222	\$ 169,853	26.7%	81	\$217,214	\$172,826	26%	80	1	-1	209	Down	1%	236	\$1,992	237
Omaha, NE-IA	\$ 126,401	\$ 124,431	1.6%	221	\$124,351	\$124,274	0%	219	-2	-2	179	Down	-2%	98	-\$2,050	104
Orlando, FL	\$ 180,329	\$ 140,495	28.4%	74	\$188,422	\$141,947	33%	60	-14	4	289	Up	4%	294	\$8,093	286
Oshkosh, WI	\$ 126,014	\$ 123,424	2.1%	217	\$124,779	\$124,300	0%	216	-1	-2	167	Down	-1%	142	-\$1,235	145
Owensboro, KY	\$ 90,692	\$ 90,912	-0.2%	246	\$90,876	\$93,300	-3%	250	4	-2	122	Down	0%	206	\$184	202
Oxnard, CA	\$ 518,447	\$ 330,577	56.8%	17	\$522,160	\$337,404	55%	22	5	-2	139	Down	1%	227	\$3,713	252
Palm Bay, FL	\$ 191,516	\$ 131,071	46.1%	36	\$196,760	\$132,287	49%	30	-6	3	277	Up	3%	275	\$5,244	268
Panama City, FL	\$ 159,411	\$ 111,143	43.4%	41	\$164,769	\$113,017	46%	35	-6	2	272	Up	3%	286	\$5,358	270
Pensacola, FL	\$ 145,168	\$ 112,555	29.0%	70	\$150,767	\$113,224	33%	59	-11	4	288	Up	4%	290	\$5,599	272
Peoria, IL	\$ 111,488	\$ 99,482	12.1%	152	\$109,842	\$99,863	10%	154	2	-2	138	Down	-1%	108	-\$1,646	119
Philadelphia, PA (Div)	\$ 213,480	\$ 182,939	16.7%	129	\$213,323	\$184,767	15%	123	-6	-1	196	Down	0%	188	-\$1,577	187
Phoenix, AZ	\$ 207,413	\$ 160,162	29.5%	68	\$218,152	\$161,814	35%	55	-13	5	294	Up	5%	298	\$10,739	297
Pittsburgh, PA	\$ 113,447	\$ 111,613	1.6%	220	\$111,311	\$112,773	-1%	237	17	-3	81	Down	-2%	76	-\$2,136	98
Pittsfield, MA	\$ 190,016	\$ 165,828	14.6%	140	\$189,844	\$168,078	13%	138	-2	-2	170	Down	0%	186	-\$1,772	186
Port St. Lucie, FL	\$ 219,180	\$ 130,355	68.1%	6	\$225,648	\$131,044	72%	4	-2	4	287	Up	3%	278	\$6,468	278
Portland, ME	\$ 218,887	\$ 166,082	31.8%	62	\$216,083	\$167,925	29%	68	6	-3	72	Down	-1%	124	-\$2,804	62

Comparison of Results in 2005q1 and 2005q2 for the Global Insight/National City Bank Housing Valuation Analysis

	2005Q2				2005Q3				Difference in Rank	Change in Over/Under Valuation in Percent Points	Rank Based on Change (Declines Are First)	Trend	% Change in Actual Price	Rank	\$ Value Change in Price	Rank
	Actual Home price	Model-Estimated Home Price	% Over/Under Valued	Rank	Actual Home price	Model-Estimated Home Price	Over/Under Valued	Rank								
Portland, OR-WA	\$ 246,440	\$ 184,047	33.9%	54	\$251,281	\$186,510	35%	56	2	1	252	Up	2%	262	\$4,841	263
Poughkeepsie, NY	\$ 282,651	\$ 201,150	40.5%	46	\$282,919	\$203,218	39%	45	-1	-1	194	Down	0%	202	\$268	208
Prescott, AZ	\$ 201,679	\$ 140,351	43.7%	40	\$206,492	\$141,031	46%	34	-6	-3	280	Up	2%	267	\$4,813	262
Providence, RI-MA	\$ 277,616	\$ 201,384	37.9%	50	\$274,648	\$203,536	35%	51	1	3	84	Down	-1%	136	-\$2,968	53
Provo, UT	\$ 184,631	\$ 179,206	3.0%	211	\$183,721	\$180,954	2%	206	-5	-1	182	Down	0%	172	-\$910	162
Pueblo, CO	\$ 123,643	\$ 112,176	10.2%	164	\$119,594	\$114,299	5%	180	16	-6	7	Down	-3%	14	-\$4,049	24
Racine, WI	\$ 160,239	\$ 131,849	21.5%	107	\$158,686	\$132,534	20%	107	0	-2	162	Down	-1%	143	-\$1,553	125
Raleigh, NC	\$ 172,953	\$ 171,469	0.9%	229	\$169,053	\$173,487	-3%	249	20	-3	55	Down	-2%	41	-\$3,900	27
Reading, PA	\$ 156,860	\$ 140,759	11.4%	155	\$156,761	\$142,521	10%	155	0	-1	183	Down	0%	190	-\$99	190
Redding, CA	\$ 247,303	\$ 160,158	54.4%	21	\$255,665	\$163,600	56%	17	-4	2	267	Up	3%	287	\$8,362	289
Reno, NV	\$ 306,184	\$ 217,507	40.8%	45	\$306,380	\$221,386	38%	46	1	-2	118	Down	0%	201	\$196	203
Richmond, VA	\$ 174,762	\$ 151,333	15.5%	132	\$175,824	\$152,987	15%	127	-5	-1	225	Down	1%	223	\$1,062	219
Riverside, CA	\$ 302,312	\$ 182,061	66.0%	9	\$306,619	\$186,036	65%	10	1	-1	197	Down	1%	246	\$4,307	259
Roanoke, VA	\$ 142,528	\$ 128,681	10.8%	162	\$143,739	\$129,514	11%	148	-14	0	239	Up	1%	232	\$1,211	222
Rochester, MN	\$ 149,017	\$ 146,117	2.0%	218	\$147,690	\$147,025	0%	214	-4	-2	176	Down	-1%	151	-\$1,327	141
Rochester, NY	\$ 118,604	\$ 128,165	-7.5%	285	\$117,406	\$129,421	-9%	284	-1	-2	161	Down	-1%	141	-\$1,198	146
Rockford, IL	\$ 123,335	\$ 107,846	14.4%	141	\$122,169	\$108,329	13%	140	-1	-2	171	Down	-1%	146	-\$1,166	150
Rockingham, NH (Div)	\$ 255,390	\$ 206,824	23.5%	96	\$250,074	\$208,504	20%	104	8	-4	47	Down	-2%	55	-\$5,316	14
Rocky Mount, NC	\$ 92,449	\$ 95,974	-3.7%	267	\$91,921	\$96,565	-5%	260	-7	-1	203	Down	-1%	167	-\$528	177
Sacramento, CA	\$ 365,285	\$ 223,259	63.6%	12	\$367,465	\$227,585	61%	12	0	-2	130	Down	1%	222	\$2,180	238
Saginaw, MI	\$ 106,719	\$ 90,717	17.6%	121	\$104,601	\$92,259	13%	134	13	-4	28	Down	-2%	63	-\$2,118	99
Salem, OR	\$ 175,208	\$ 141,139	24.1%	92	\$176,631	\$141,866	25%	83	-9	0	243	Up	1%	230	\$1,423	228
Salinas, CA	\$ 569,770	\$ 322,235	76.8%	3	\$578,690	\$331,137	75%	3	0	-2	141	Down	2%	252	\$8,920	291
Salt Lake City, UT	\$ 199,447	\$ 189,472	5.3%	197	\$199,075	\$191,612	4%	187	-10	-1	189	Down	0%	183	-\$372	180
San Angelo, TX	\$ 81,548	\$ 85,504	-4.6%	274	\$78,497	\$86,787	-10%	285	11	-5	17	Down	-4%	6	-\$3,051	50
San Antonio, TX	\$ 99,445	\$ 109,011	-8.8%	287	\$98,117	\$110,045	-11%	288	1	-2	140	Down	-1%	117	-\$1,328	140
San Diego, CA	\$ 477,925	\$ 315,938	51.3%	27	\$471,156	\$323,237	46%	36	9	-6	8	Down	-1%	111	-\$6,769	9
San Francisco, CA (Div)	\$ 757,755	\$ 542,730	39.6%	47	\$748,892	\$555,091	35%	52	5	-5	21	Down	-1%	132	-\$8,863	3
San Jose, CA	\$ 666,225	\$ 451,291	47.6%	34	\$664,850	\$460,761	44%	38	4	-3	60	Down	0%	181	-\$1,375	138
San Luis Obispo, CA	\$ 476,072	\$ 304,039	56.6%	18	\$477,563	\$313,064	53%	27	9	-4	30	Down	0%	210	\$1,491	233
Sandusky, OH	\$ 137,087	\$ 126,523	8.3%	178	\$133,304	\$129,098	3%	193	15	-5	13	Down	-3%	23	-\$3,783	30
Santa Ana, CA (Div)	\$ 558,955	\$ 382,823	46.0%	37	\$562,363	\$391,512	44%	41	4	-2	119	Down	1%	224	\$3,408	250
Santa Barbara, CA	\$ 626,402	\$ 351,475	78.2%	2	\$613,042	\$361,285	70%	7	5	-9	1	Down	-2%	53	-\$13,360	1
Santa Cruz, CA	\$ 625,296	\$ 421,824	48.2%	33	\$626,425	\$435,961	44%	40	7	-5	23	Down	0%	204	\$1,129	220
Santa Fe, NM	\$ 257,447	\$ 210,168	22.5%	104	\$258,831	\$214,341	21%	99	-5	-2	165	Down	1%	218	\$1,384	224
Santa Rosa, CA	\$ 510,793	\$ 323,446	57.9%	15	\$517,503	\$331,453	56%	18	3	-2	164	Down	1%	243	\$6,710	281
Sarasota, FL	\$ 220,559	\$ 144,881	52.2%	26	\$226,945	\$145,897	56%	20	-6	3	284	Up	3%	277	\$6,386	277
Savannah, GA	\$ 138,722	\$ 113,160	22.6%	103	\$138,383	\$114,163	21%	98	-5	-1	188	Down	0%	180	-\$339	183
Scranton, PA	\$ 119,368	\$ 113,395	5.3%	196	\$118,702	\$114,411	4%	188	-8	-2	180	Down	-1%	168	-\$666	171
Seattle, WA (Div)	\$ 322,605	\$ 257,096	25.5%	84	\$323,487	\$260,690	24%	86	2	-1	187	Down	0%	209	\$882	217
Sheboygan, WI	\$ 140,228	\$ 126,369	11.0%	161	\$137,396	\$126,250	9%	163	2	-2	132	Down	-2%	60	-\$2,832	60
Sherman, TX	\$ 86,990	\$ 86,141	1.0%	228	\$86,183	\$87,252	-1%	234	6	-2	128	Down	-1%	147	-\$807	167
Shreveport, LA	\$ 97,079	\$ 100,542	-3.4%	264	\$96,070	\$99,304	-3%	253	-11	0	238	Up	-1%	138	-\$1,009	160
Sioux Falls, SD	\$ 124,172	\$ 123,750	0.3%	238	\$123,069	\$125,288	-2%	241	3	-2	136	Down	-1%	152	-\$1,103	154
South Bend, IN-MI	\$ 109,688	\$ 110,840	-1.0%	251	\$106,857	\$111,531	-4%	257	6	-3	69	Down	-3%	26	-\$2,831	61
Spartanburg, SC	\$ 101,738	\$ 101,138	0.6%	233	\$101,258	\$102,328	-1%	231	-2	-2	169	Down	0%	175	-\$480	179
Spokane, WA	\$ 160,179	\$ 139,438	14.9%	136	\$163,124	\$141,619	15%	124	-12	0	241	Up	2%	257	\$2,945	245
Springfield, IL	\$ 106,817	\$ 109,849	-2.8%	261	\$105,333	\$110,528	-5%	259	-2	0	152	Down	-1%	114	-\$1,484	132
Springfield, MA	\$ 207,705	\$ 171,926	20.8%	111	\$207,630	\$174,026	19%	109	-2	-2	181	Down	0%	192	-\$75	191
Springfield, MO	\$ 113,487	\$ 116,241	-2.4%	259	\$110,764	\$118,243	-6%	272	13	-4	35	Down	-2%	30	-\$2,723	66
Springfield, OH	\$ 111,916	\$ 100,783	11.0%	160	\$110,770	\$102,251	8%	166	6	-3	97	Down	-1%	140	-\$1,146	151
St. George, UT	\$ 201,763	\$ 154,621	30.5%	65	\$210,420	\$155,977	35%	53	-12	4	290	Up	4%	292	\$8,657	290
St. Joseph, MO-KS	\$ 97,444	\$ 88,879	9.6%	169	\$96,544	\$90,012	7%	170	1	-2	117	Down	-1%	148	-\$900	163

Comparison of Results in 2005q1 and 2005q2 for the Global Insight/National City Bank Housing Valuation Analysis

	2005Q2				2005Q3				Difference in Rank	Change in Over/Under Valuation in Percent Points	Rank Based on Change (Declines Are First)	Trend	% Change in Actual Price	Rank	\$ Value Change in Price	Rank	
	Actual Home price	Model- Estimated Home Price	% Over/Under Valued	Rank	Actual Home price	Model- Estimated Home Price	Over/Under Valued	Rank									
St. Louis, MO-IL	\$ 140,758	\$ 125,146	12.5%	149	\$138,027	\$126,325	9%	159	10	-3	67	Down	-2%	69	-\$2,731	65	
Stockton, CA	\$ 319,007	\$ 186,014	71.5%	5	\$324,338	\$188,542	72%	5	0	1	244	Up	2%	255	\$5,331	269	
Syracuse, NY	\$ 115,616	\$ 116,380	-0.7%	249	\$112,990	\$117,929	-4%	256	7	-4	49	Down	-2%	40	-\$2,626	75	
Tacoma, WA (Div)	\$ 230,662	\$ 182,788	26.2%	82	\$231,996	\$185,588	25%	82	0	-1	199	Down	1%	221	\$1,334	223	
Tallahassee, FL	\$ 146,100	\$ 120,467	21.3%	108	\$148,863	\$121,707	22%	95	-13	1	256	Up	2%	259	\$2,763	243	
Tampa, FL	\$ 157,580	\$ 120,326	31.0%	64	\$161,846	\$121,091	34%	58	-6	3	278	Up	3%	271	\$4,266	258	
Toledo, OH	\$ 122,759	\$ 109,004	12.6%	147	\$120,108	\$110,550	9%	164	17	-4	32	Down	-2%	50	-\$2,651	71	
Topeka, KS	\$ 106,437	\$ 98,187	8.4%	176	\$102,812	\$98,437	4%	182	6	-4	34	Down	-3%	11	-\$3,625	34	
Trenton, NJ	\$ 263,658	\$ 220,881	19.4%	117	\$269,829	\$224,589	20%	103	-14	1	251	Up	2%	266	\$6,171	275	
Tucson, AZ	\$ 172,091	\$ 138,784	24.0%	93	\$177,766	\$139,789	27%	74	-19	3	281	Up	3%	284	\$5,675	273	
Tulsa, OK	\$ 100,321	\$ 105,769	-5.2%	277	\$97,459	\$106,716	-9%	282	5	-4	50	Down	-3%	20	-\$2,862	58	
Tyler, TX	\$ 101,249	\$ 109,291	-7.4%	283	\$101,473	\$109,507	-7%	279	-4	0	232	Up	0%	207	\$224	204	
Utica, NY	\$ 100,455	\$ 100,254	0.2%	241	\$102,863	\$101,637	1%	208	-33	1	255	Up	2%	268	\$2,408	241	
Vallejo, CA	\$ 383,899	\$ 249,414	53.9%	23	\$390,407	\$255,846	53%	26	3	-1	190	Down	2%	256	\$6,508	279	
Vero Beach, FL	\$ 189,546	\$ 127,448	48.7%	32	\$198,601	\$128,723	54%	23	-9	6	296	Up	5%	297	\$9,055	293	
Vineland, NJ	\$ 147,039	\$ 124,448	18.2%	119	\$151,051	\$125,631	20%	102	-17	2	269	Up	3%	273	\$4,012	256	
Virginia Beach, VA-NC	\$ 203,136	\$ 158,720	28.0%	77	\$207,028	\$160,142	29%	66	-11	1	261	Up	2%	260	\$3,892	255	
Visalia, CA	\$ 191,619	\$ 134,781	42.2%	42	\$199,772	\$137,887	45%	37	-5	3	279	Up	4%	291	\$8,153	288	
Waco, TX	\$ 86,938	\$ 90,429	-3.9%	269	\$85,408	\$91,427	-7%	274	5	-3	94	Down	-2%	84	-\$1,530	127	
Warner Robins, GA	\$ 106,508	\$ 107,190	-0.6%	248	\$102,680	\$108,703	-6%	266	18	-5	18	Down	-4%	7	-\$3,828	28	
Warren, MI (Div)	\$ 199,811	\$ 167,095	19.6%	114	\$195,166	\$169,548	15%	125	11	-4	24	Down	-2%	33	-\$4,645	18	
Washington, DC-VA-MD-WV (Div)	\$ 371,270	\$ 272,683	36.2%	51	\$376,435	\$274,316	37%	49	-2	1	257	Up	1%	244	\$5,165	266	
Waterloo, IA	\$ 106,767	\$ 95,088	12.3%	151	\$105,283	\$96,251	9%	157	6	-3	85	Down	-1%	113	-\$1,484	132	
Wausau, WI	\$ 130,772	\$ 123,531	5.9%	190	\$129,322	\$124,362	4%	186	-4	-2	156	Down	-1%	133	-\$1,450	134	
Wenatchee, WA	\$ 187,317	\$ 162,936	15.0%	134	\$185,632	\$164,545	13%	139	5	-2	131	Down	-1%	150	-\$1,685	117	
West Palm Beach, FL (Div)	\$ 255,678	\$ 166,506	53.6%	24	\$263,541	\$168,016	57%	16	-8	3	283	Up	3%	281	\$7,863	285	
Wichita, KS	\$ 99,607	\$ 103,215	-3.5%	266	\$97,330	\$103,617	-6%	269	3	-3	103	Down	-2%	36	-\$2,277	90	
Wilmington, DE-MD-NJ (Div)	\$ 218,158	\$ 185,526	17.6%	123	\$221,351	\$187,367	18%	113	-10	1	245	Up	1%	249	\$3,193	247	
Wilmington, NC	\$ 160,895	\$ 130,096	23.7%	95	\$163,174	\$130,455	25%	81	-14	1	263	Up	1%	245	\$2,279	240	
Winston-Salem, NC	\$ 125,977	\$ 124,369	1.3%	226	\$124,350	\$125,388	-1%	230	4	-2	134	Down	-1%	123	-\$1,627	122	
Worcester, MA	\$ 254,665	\$ 192,598	32.2%	60	\$251,297	\$195,082	29%	67	7	-3	57	Down	-1%	118	-\$3,368	41	
Yakima, WA	\$ 135,242	\$ 121,694	11.1%	158	\$133,009	\$121,940	9%	161	3	-2	143	Down	-2%	92	-\$2,233	94	
York, PA	\$ 156,571	\$ 134,258	16.6%	130	\$158,093	\$135,403	17%	120	-10	0	237	Up	1%	238	\$1,522	234	
Youngstown, OH-PA	\$ 102,005	\$ 91,832	11.1%	159	\$100,328	\$92,678	8%	167	8	-3	90	Down	-2%	94	-\$1,677	118	
	Number Significantly Over Valued				67	Number Significantly Over Valued				65	Number Trend Up		68				
	Number Over Valued				244	Number Over Valued				220	Number Trend Down		231				
	Number Under Valued				55	Number Under Valued				79							
	Average % of Over Valuation				22.4%	Average % of Over Valuation				23.4%							
	Average % of Under Valuation				-5.6%	Average % of Under Valuation				-5.7%							

Extremely Over-Valued Metropolitan Areas

Number	MSA	2005q2	On in	2005q3	On in	
		% Over/Under	2005q2, Off in 2005q3	% Over/Under	2005q3, Not on in 2005q2	
1	Naples, FL	82.3%		Naples, FL	84.0%	
2	Santa Barbara, CA	78.2%		Merced, CA	76.7%	
3	Salinas, CA	76.8%		Salinas, CA	74.8%	
4	Merced, CA	74.6%		Port St. Lucie, FL	72.2%	
5	Stockton, CA	71.5%		Stockton, CA	72.0%	
6	Port St. Lucie, FL	68.1%		Madera, CA	69.9%	
7	Modesto, CA	66.2%		Santa Barbara, CA	69.7%	
8	Madera, CA	66.1%		Modesto, CA	66.9%	
9	Riverside, CA	66.0%		Napa, CA	65.5%	
10	Napa, CA	64.2%		Riverside, CA	64.8%	
11	Medford, OR	63.8%		Medford, OR	64.1%	
12	Sacramento, CA	63.6%		Sacramento, CA	61.5%	
13	Atlantic City, NJ	61.5%		Atlantic City, NJ	58.6%	
14	Chico, CA	61.3%		Chico, CA	58.5%	
15	Santa Rosa, CA	57.9%		Fresno, CA	58.0%	
16	Fresno, CA	57.3%		West Palm Beach, FL (Div)	56.9%	
17	Oxnard, CA	56.8%		Redding, CA	56.3%	
18	San Luis Obispo, CA	56.6%		Santa Rosa, CA	56.1%	
19	Los Angeles, CA (Div)	55.0%		Bend, OR	56.0%	
20	Ocean City, NJ	54.8%		Sarasota, FL	55.6%	
21	Redding, CA	54.4%		Miami, FL (Div)	55.3%	
22	Miami, FL (Div)	54.1%		Oxnard, CA	54.8%	
23	Vallejo, CA	53.9%		Vero Beach, FL	54.3%	
24	West Palm Beach, FL (Div)	53.6%		Los Angeles, CA (Div)	54.2%	
25	Barnstable Town, MA	52.5%		Fort Lauderdale, FL (Div)	52.8%	
26	Sarasota, FL	52.2%		Vallejo, CA	52.6%	
27	San Diego, CA	51.3%		San Luis Obispo, CA	52.5%	
28	Bend, OR	50.5%		Cape Coral, FL	51.9%	
29	Fort Lauderdale, FL (Div)	50.3%		Bakersfield, CA	51.1%	
30	Oakland, CA (Div)	50.2%		Palm Bay, FL	48.7%	
31	Bakersfield, CA	50.1%		Barnstable Town, MA	48.0%	
32	Vero Beach, FL	48.7%		Oakland, CA (Div)	47.4%	
33	Santa Cruz, CA	48.2%		Ocean City, NJ	46.7%	
34	San Jose, CA	47.6%		Prescott, AZ	46.4%	
35	Cape Coral, FL	46.3%		Panama City, FL	45.8%	
36	Palm Bay, FL	46.1%		San Diego, CA	45.8%	
37	Santa Ana, CA (Div)	46.0%		Visalia, CA	44.9%	
38	Nassau-Suffolk, NY (Div)	45.7%		San Jose, CA	44.3%	
39	Bellingham, WA	45.3%		Deltona, FL	44.2%	
40	Prescott, AZ	43.7%		Santa Cruz, CA	43.7%	
41	Panama City, FL	43.4%		Santa Ana, CA (Div)	43.6%	
42	Visalia, CA	42.2%		Bellingham, WA	43.2%	
43	Las Vegas, NV	41.7%		Fort Walton Beach, FL	43.2%	
44	Deltona, FL	40.9%		Nassau-Suffolk, NY (Div)	42.7%	
45	Reno, NV	40.8%		Poughkeepsie, NY	39.2%	
46	Poughkeepsie, NY	40.5%		Reno, NV	38.4%	
47	San Francisco, CA (Div)	39.6%		Las Vegas, NV	38.2%	
48	Kingston, NY	39.0%		Kingston, NY	38.1%	
49	Fort Walton Beach, FL	37.9%		Washington, DC-VA-MD-WV (Div)	37.2%	
50	Providence, RI-MA	37.9%		Bethesda, MD (Div)	35.7%	
51	Washington, DC-VA-MD-WV (Div)	36.2%		Providence, RI-MA	34.9%	
52	Bethesda, MD (Div)	35.0%		San Francisco, CA (Div)	34.9%	
53	Duluth, MN-WI	34.7%		St. George, UT	34.9%	
54	Portland, OR-WA	33.9%		Ocala, FL	34.8%	
55	Edison, NJ (Div)	33.2%		Phoenix, AZ	34.8%	Y
56	Eugene, OR	32.9%		Portland, OR-WA	34.7%	
57	Ocala, FL	32.6%		Eugene, OR	33.8%	
58	Essex County, MA (Div)	32.6%	Y	Tampa, FL	33.7%	
59	Grand Junction, CO	32.5%		Pensacola, FL	33.2%	Y
60	Worcester, MA	32.2%	Y	Orlando, FL	32.7%	Y
61	Jackson, MI	31.8%	Y	Grand Junction, CO	31.4%	
62	Portland, ME	31.8%	Y	Honolulu, HI	31.3%	Y
63	Bay City, MI	31.2%	Y	Edison, NJ (Div)	31.3%	
64	Tampa, FL	31.0%		Duluth, MN-WI	30.8%	
65	St. George, UT	30.5%		Jacksonville, FL	30.5%	
66	Jacksonville, FL	30.4%				
67	Charlottesville, VA	30.2%	Y			

On in 2005q2, Off in 2005q3
On in 2005q3, Not on in 2005q2

