

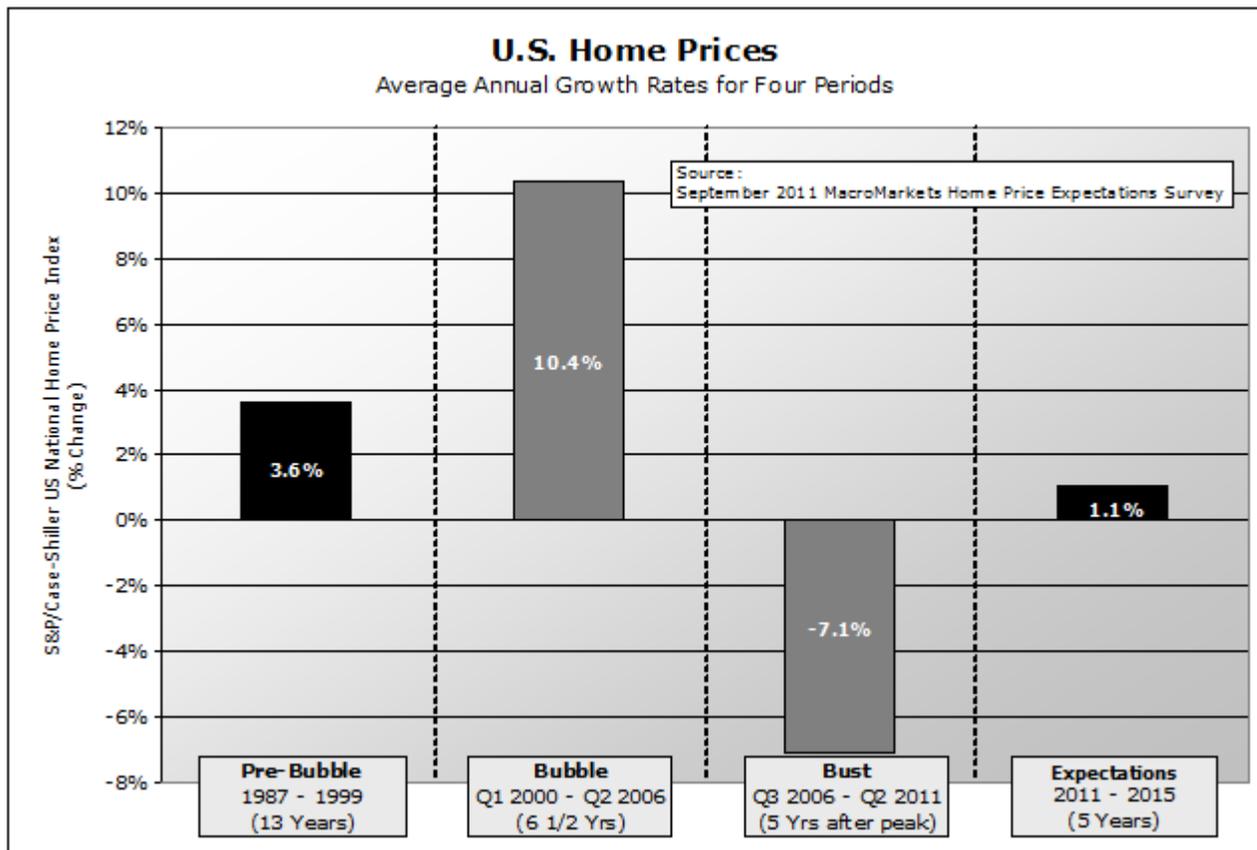
**FOR IMMEDIATE RELEASE**

**Housing Outlook Still Dimming Five Years After The Market Peak**

Madison, N.J., September 21, 2011 – Today, MacroMarkets LLC announced the results of the September 2011 home price expectations survey, compiled from 111 responses of a diverse group of economists, real estate experts, investment and market strategists. The survey is based upon the projected path of the S&P/Case-Shiller U.S. National Home Price Index over the coming five years.

Although some local real estate markets are stable or strong, more broadly, fundamentals in the U.S. housing market remain very weak despite record-low interest rates. The dimming outlook for national home prices has also been impacted by other factors that are shaking economic confidence globally. Robert Shiller, MacroMarkets co-founder and Yale University professor of economics explained, “Markets and government institutions are visibly struggling to respond consistently to an unprecedented rash of crises and conflicts. These struggles diminish confidence, which compounds the underlying economic stresses and lowers expectations.”

Five years after national home prices peaked in the U.S., overall expectations continue to dim. The MacroMarkets home price expectations survey now says that home prices will grow at a mere 1.1% nominal average annual rate through 2015. Shiller said, “Expectations for home price performance in 2011 has become somewhat less negative. Unfortunately, the average projection is somewhat *more* negative for each of the following four years.”



Terry Loeb, founder of Pulsenomics LLC, the firm that conducts the survey for MacroMarkets, noted that the data still reveal a wide variety of individual views among panelists regarding a recovery in the U.S. housing market. Loeb said, "The erosion of price expectations in the face of record low mortgage rates and the wide dispersion of views among many professional forecasters are symptoms of persistent dysfunction and imbalances in this country's housing market."

In the September survey, the panelists also offered their views of the likelihood, desirability and necessity for further government intervention in the U.S. housing and mortgage finance markets in the coming 12 months. Almost three-quarters (73%) of the respondents who shared a view think that further policy action is "highly likely" or "likely", while more than half (57%) said such action is undesirable, and almost half (49%) said additional government action is unnecessary.

Loeb remarked, "This data suggests that regardless of when and how housing recovers, controversy will persist regarding the role of government in the market." More than half of panel members who indicated that more policy action is desirable or necessary suggested specific measures the government might focus on. Loeb said, "We received a variety of constructive proposals. Several panelists clearly want or expect the government to be a catalyst for more effective mortgage refinancing and modification initiatives, as well as rental and other home equity conversion programs."

This edition of The Home Price Expectations Survey was conducted during the period September 1st through September 15<sup>th</sup>. More details concerning the survey can be found at [www.macromarkets.com](http://www.macromarkets.com) and [www.pulsenomics.com](http://www.pulsenomics.com).

#### **About MacroMarkets:**

MacroMarkets LLC is a financial technology company on a mission to add liquidity to valuable economic interests and important asset classes throughout the world. Its principal focus is cultivating new markets and developing innovative financial instruments that facilitate investment and risk management.

#### **About Pulsenomics:**

Pulsenomics LLC manages the Home Price Expectations Survey on behalf of MacroMarkets LLC. Pulsenomics is an independent research and consulting firm that specializes in new product development and data analytics for institutional clients in the financial and real estate arenas. Pulsenomics also designs and manages expert surveys and consumer polls to identify trends and expectations that are relevant to effective business management and monitoring economic health.

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