

## DESPITE WEAK TRENDS IN HOUSING MARKETS, POCKETS OF STRENGTH AND OPPORTUNITY ARE EMERGING

*New York shows appreciation fueled by the continued resilience of Manhattan condominiums*

*Look to the stimulus-package to create RPX investment opportunity*

NEW YORK, NY – February 1, 2008 – In what seems like a sea of bad news, three of the cities tracked by the RPX prices show persistent strength, according to the *RPX Monthly Housing Market Report* released today by Radar Logic Incorporated.

“As volume in RPX contracts continues to grow, we are seeing more investment and trading strategies emerge within the 25 cities we currently publish,” said Michael Feder, Chief Executive Officer of Radar Logic Incorporated. “The November monthly research report shows that RPX offers investors the opportunity to successfully trade disparities in regional and local housing markets.” The *RPX Monthly Housing Market Report* is published by the Radar Logic Incorporated research department under the direction of Jonathan Miller, Executive Vice President.

### Key Characteristics for November 2007:

- **For November 2007, of the 25 Metropolitan Statistical Areas (MSAs) examined, five residential markets showed price increases and 20 markets showed price declines.** Milwaukee and New York remain strong with 5.6% and 5.0% annual appreciation, respectively. Six markets (Miami, Los Angeles, Tampa, San Diego, Las Vegas, and Sacramento) show double-digit losses and are at price levels not seen since the second quarter of 2005.
- **The announcement of the government stimulus-package may impact housing prices; however regional differences are likely to appear.** Specifically, the proposed plan (House version) would allow Freddie Mac and Fannie Mae to buy mortgages above the current limit of \$417,000. Based on the amount of housing stock under the proposed and current limits, mortgage data and median home prices suggest the stimulus could have the largest effect in California markets.
- **The New York MSA continues to appreciate. The effect is further amplified by the composition shifting to favor Manhattan.** The number of included transactions in the New York MSA declined in recent months, while the number of transactions on the island of Manhattan increased slightly. This “neighborhood” shift increases the weight of the higher-priced Manhattan properties, shifting the index value higher. When considering only condos, the median price per square foot increases 32.8% over the last year.

The complete November 2007 *RPX Monthly Housing Market Report* is available on Radar Logic’s website at:

[www.radarlogic.com/research/RPXMonthlyHousingMarketReportforNovember2007.pdf](http://www.radarlogic.com/research/RPXMonthlyHousingMarketReportforNovember2007.pdf)

## Report Methodology

The *RPX Monthly Housing Market Report* is produced by Radar Logic Incorporated, a New York-based real estate and data analytics company. These reports are published 63 days after the last transaction date of every month, providing insight and detailed analysis of Radar Logic's 25 Metropolitan Statistical Areas (MSAs) across the United States. This study is based on the premise that there is not a national housing market; rather, each of the MSAs, while having economic influences in common like credit and mortgage rates, is influenced primarily by local conditions.

Data reflects the 28-day aggregated value of Radar Logic Daily™ Prices, which represent the most timely and accurate surrogate available for a "spot market" for residential real estate. The price per square foot metric used is a powerful tool for analyzing housing markets because it significantly reduces the influence of property sizes on overall housing price trends, which can skew results. The Daily Prices for each MSA are sorted by their percentage change from the same period last year, without adjusting for seasonal variations. In some cases, Daily Prices may vary based on reporting characteristics within individual MSAs.

The December 2007 *RPX™ Monthly Housing Market Report* will be released on March 3, 2008 at 9:00 AM EST.

## About Radar Logic

Radar Logic is a technology-driven research and analytics business that produces a daily "spot" price for residential real estate in 25 U.S. metropolitan areas. To do this, actual transaction data are captured from public sources and translated into the Radar Logic Daily™ Prices. The Daily Prices, in turn, power the Residential Property Index™ (RPX™) market, where derivatives and other financial instruments are offered and traded. RPX allows real estate and financial professionals to manage risk, invest in real estate without owning physical assets, and obtain more accurate insight into the residential property market. Complete press kit available online at <http://www.radarlogic.com/presskitintro.html>.

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