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## Home prices drop 6.1% through October Case-Shiller says 11 of 20 cities show record-low growth rates

By [Ruth Mantell](#), MarketWatch  
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**WASHINGTON (MarketWatch) -- Home prices in 20 major U.S. cities were down 6.1% on average in the past year as of October, according to the Case-Shiller price index released Wednesday by Standard & Poor's.**

Since October 2006, prices in 10 cities fell 6.7% -- a record drop. The prior largest decline was 6.3% in April 1991.

"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, chief economist at MacroMarkets LLC and co-developer of the index.

Eleven of the 20 metro areas posted a record low annual growth rate, and six of the metro areas posted double digit declines. Also, all 20 metro areas declined from the prior month.

San Diego posted the largest decline of 2.6%.

Miami sustained the largest drop over the past year, with a decline of 12.4%. Next came Tampa, with a drop of 11.8%; Detroit, with a drop of 11.2%; and San Diego, with a drop of 11.1%.

Home prices are going to decline "considerably further" in coming quarters, likely reaching a double-digit pace on a year-over-year basis, according to Joshua Shapiro, chief economist for MFR Inc.

"Given conditions relating to mortgage financing, and the number of unsold homes that is piling up, all regions are likely to continue on a negative trend in the months ahead, and those with the greatest oversupply (at the bottom of the pack at the moment) will continue to fall by the most," wrote Shapiro in a research note.

Three areas -- Charlotte, N.C., Seattle, and Portland, Ore., -- were the only ones still experiencing positive annual growth rates in home prices, according to the report. Charlotte gained 4.3%, Seattle gained 3.3% and Portland gained 1.9%.

Both the 10-city and 20-city composites declined 1.4% from September -- their single largest monthly decline on record.

October's results mark the 10th consecutive month of negative annual returns, and the 23rd consecutive month of decelerating returns, according to the report. ■

*Ruth Mantell is a MarketWatch reporter based in Washington.*

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