



## Press Release

### Standard & Poor's Announces May Results of the S&P/GRA Commercial Real Estate Indices (SPCREX<sup>TM</sup>)

**New York, August 21, 2007** – Standard & Poor's today announced the May results for the S&P/GRA Commercial Real Estate Indices. The indices measure the change in commercial real estate prices by property sector and geographic region in the United States. The S&P/GRA Commercial Real Estate Indices comprise ten commercial real estate indices: a national composite, five geographic regions, and four national property sectors.

The table below summarizes the results for May 2007. More than 13 years of monthly history for these data series is available and can be accessed in full by going to [www.spcrex.standardandpoors.com](http://www.spcrex.standardandpoors.com).

Index	May 2007 Level	May/April Change (%)	April/March Change (%)	1-Year Change (%)
Apartments	137.19	0.5%	-0.4%	-2.2%
Office	144.84	-1.0%	2.5%	13.9%
Retail	160.41	1.4%	1.4%	14.6%
Warehouse	156.46	1.0%	1.5%	11.3%
Desert Mountain West	154.52	0.8%	0.6%	14.0%
Mid Atlantic South	151.13	2.4%	-0.3%	4.9%
Midwest	127.50	-0.4%	0.6%	6.8%
Northeast	142.73	-0.7%	2.1%	5.4%
Pacific West	152.45	0.6%	0.5%	7.7%
National	145.09	0.2%	1.0%	6.6%

*Source: Standard & Poor's*

*Data through May 2007*

The National composite reported positive annual returns of 6.6% versus May of last year, with the strongest returns yielded in the Desert Mountain West region and the Retail property sector. Apartments are the weakest property sector, exhibiting negative price returns on a year-over-year basis, but showed a slight improvement in the May over April numbers. Monthly returns for the National index were 0.2% in May. Of the nine property types and regional indices six reported positive returns in May compared to seven in April.

“It appears that prices are increasing on an annual basis in the commercial real estate sector,” says David Blitzer, Managing Director and Chairman of the Index Committee at Standard & Poor's. “However, these gains appear to be joining the residential market in their shrinking returns. Year-over-year returns are 6.6% this month compared to 8.4% in April and 9.1% in March”.

The S&P/GRA Commercial Real Estate Indices are published on the second to last Tuesday of each month at 9:00 am ET. They are calculated to reflect underlying real estate and capital market fundamentals by measuring the change in commercial real estate prices by property sector and geographic region. Reported index values are based on a three-month rolling average transaction price per square foot, and are computed using a stock value, or market capitalization-weighted, methodology. This approach utilizes average transaction prices per square foot and commercial real estate stock data to derive index levels.

To be eligible for inclusion, property sales must be identified as closed transactions in the defined commercial real estate regions and sectors. Closed commercial transactions are those where the escrow

has closed and the title has been transferred to the new owner. There are no transactions included in the index that are appraisals, just listed, sales pending, or in escrow.

The indices are maintained and published under agreements between Standard & Poor's and GRA/Charles Schwab Investment Management (CSIM).

**About Standard & Poor's**

Standard & Poor's, a division of The McGraw-Hill Companies (NYSE: MHP), is the world's foremost provider of financial market intelligence, including independent credit ratings, indices, risk evaluation, investment research and data. With approximately 8,500 employees, including wholly owned affiliates, located in 21 countries, Standard & Poor's is an essential part of the world's financial infrastructure and has played a leading role for more than 140 years in providing investors with the independent benchmarks they need to feel more confident about their investment and financial decisions. For more information, visit <http://www.standardandpoors.com>.

For more information contact:

David Blitzer  
Chairman of the Index Committee  
Standard & Poor's  
212 438 3907  
[david\\_blitzer@standardandpoors.com](mailto:david_blitzer@standardandpoors.com)

David Guarino  
Communications  
Standard & Poor's  
1 212 438 1471  
[dave\\_guarino@standardandpoors.com](mailto:dave_guarino@standardandpoors.com)