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## **Fiserv Case-Shiller(R) Home Price Insights: Despite Housing Crisis, Nashville Shines among Affordable Markets with Solid Employment**

### **Fiserv launches first in a series of quarterly reports based on leading measure of home price trends**

BROOKFIELD, Wis., Sep 02, 2008 (BUSINESS WIRE) -- In a year when home prices across the U.S. have fallen 14 percent, some metropolitan markets are showing notable resilience against the national downward trend, according to an analysis of more than 375 U.S. markets based on the Fiserv Case-Shiller(R) Home Price Indexes, owned and generated by Fiserv, Inc. (NASDAQ: FISV). The markets outperforming national trends, which include Nashville and several other southeastern U.S. metro areas outside of Florida, share a number of characteristics: they never got caught up in the housing bubble, homes remain affordable and a relatively strong local job market is helping sustain demand.

The Fiserv Case-Shiller Home Price Indexes, which include data covering thousands of zip codes, counties, metro areas and state markets, are owned and generated by Fiserv, Inc., a leading provider of information technology services to the financial and insurance industries. The monthly home price trend information in this report applies Fiserv's Case-Shiller methodology to the company's proprietary data as well as to supplemental data from OFHEO.

In the Nashville metro area, for example, median home prices have held steady over the past year at \$156,000. This is about 20 percent below the U.S. median house price of \$196,000 in the first quarter of 2008 but lower prices translate to greater affordability. In Nashville the median monthly mortgage payment in the 2008 first quarter, accounted for 15 percent of monthly family income, compared to about 19 percent nationally. Employment trends in the Tennessee metro area have also been strong, with 5 percent growth in total employment over the past three years compared to 3 percent for the U.S. as a whole.

"The bursting of the housing bubble is playing out in one of several ways in metro areas across the U.S.," said David Stiff, economist, Fiserv. "By now, the most familiar and dramatic story is the erstwhile bubble markets in states including California and Washington, D.C., where prices raced far ahead of household income and developers built too many new homes. That dynamic, along with falling prices in Detroit, Cleveland and other industrial Midwest cities where labor markets are weak, have been the headline stories. But a deeper look at home prices in a broader set of markets shows there are regional exceptions to the national story. Those markets have avoided both the housing bubble that fueled the crisis as well as a weakening labor market that is making it worse in other cities."

Nashville is far from alone. Of the more than 375 metropolitan statistical areas analyzed, approximately 63 percent have posted year-over-year increases in home prices and another 12 percent experienced price declines of less than 5 percent. The pockets of resilience in home prices included metro areas in Georgia, North Carolina, Texas, Colorado and several other Tennessee cities. The markets where home prices have increased or declined by less than 5 percent over the last year represent a total population of approximately 120.5 million people.

Of the 88 metro areas with declines topping 5 percent, 56 were in the states of California, Florida, Nevada and Arizona.

"The markets that were once bubbles still have very large supplies of unsold homes and, even after significant price declines, housing remains unaffordable for most households," added Stiff. "In the hardest hit markets, prices have already fallen by more than 30 percent, and are edging closer to 40 percent in certain markets. There is still room for them to fall, with price declines of 50 percent likely in what were once the most overheated and over-built markets."

Stiff cautioned, however, that even metro markets that have avoided falling prices to date are feeling pressures.

"Even though the long-term demand fundamentals in markets like Nashville are good, prices may go flat or fall as banks scale back mortgage lending. We're already seeing some potential buyers on the sidelines amid the mortgage crisis and shutdown in non-conventional mortgage lending."

About Fiserv, Inc.

Fiserv, Inc. (NASDAQ: FISV), a Fortune 500 company, provides information management and electronic commerce systems and services to the financial and insurance industries. Leading services include transaction processing, outsourcing, electronic bill payment and presentment, investment management solutions, business process outsourcing (BPO), software and systems solutions. Headquartered in Brookfield, Wis., the company is the leading provider of core processing solutions for U.S. banks, credit unions and thrifts. Fiserv was ranked the largest provider of information technology services to the financial services industry worldwide in the 2004, 2005 and 2006 FinTech 100 surveys. In 2007, the company completed the acquisition of CheckFree, a leading provider of electronic commerce services. Fiserv reported nearly \$4 billion in total revenue from continuing operations for 2007. For more information, please visit [www.fiserv.com](http://www.fiserv.com).

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