

Press Release

Standard & Poor's Announces July Results of the S&P/GRA Commercial Real Estate Indices (SPCREX™)

New York, October 21, 2008 – Standard & Poor's today announced the July results for the S&P/GRA Commercial Real Estate Indices. Nationally, commercial real estate prices were flat versus July 2007.

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 July 2008. More than 14 years of monthly history for these data series are available and can be accessed in full by going to www.spcrex.standardandpoors.com.

Index	July 2008 Level	July/June Change (%)	June/May Change (%)	1-Year Change (%)
Apartments	142.52	-0.9%	-1.0%	0.4%
Office	149.69	-0.8%	1.1%	0.1%
Retail	161.69	-0.7%	1.0%	0.0%
Warehouse	156.55	-1.7%	-1.4%	-2.8%
Desert Mountain West	150.63	-0.8%	0.2%	-2.7%
Mid Atlantic South	155.44	1.0%	0.4%	3.3%
Midwest	135.22	0.3%	0.2%	4.9%
Northeast	146.28	-0.3%	0.8%	-1.3%
Pacific West	156.93	-3.0%	-1.1%	-1.2%
National	149.07	-0.9%	0.0%	0.0%

Source: Standard & Poor's

Data through July 2008

The National composite reported an annual price change that was flat, versus July of 2007. This is down from the +1.5% reported in June's data. It is also well below this cycle's peak of +14.7%, reported in August of 2006, and is the lowest growth rate in the near 15-year history of the index.

The National composite was down in July versus June, returning -0.9%. Two of the regions reported positive monthly returns, while three had declines. The Mid Atlantic South performed the best during the July/June period, returning +1.0%. Furthermore, it is the only region which saw an acceleration in its annual growth rate over last month. The Midwest and Mid Atlantic South, the two regions which had positive returns for the July/June period, are also the regions which have the best annual results, returning +4.9% and +3.3%, respectively. The worst performing region in the July/June period was the Pacific West, returning -3.0%. This was the lowest monthly return for this region since the index's inception in October 1993. It's annual rate of -1.2% was the first negative reading since November 2001. For the one year period, the Desert Mountain West was the region with the biggest decline, returning -2.7%, its fifth consecutive month of reporting an annual decline in commercial real estate prices.

In the property sector, all four sectors reported negative returns over the July/June period. Warehouse had the dubious distinction of having both the lowest monthly and annual return. For the July/June period Warehouse returned -1.7% and was down 2.8% versus July of last year. Warehouse is the only property sector that is reporting negative returns on a year-over-year basis. Its return over the past 12 months is

the lowest it has been since the index's inception. Apartments had the highest returns over the past 12 months, returning +0.4%, but this was a deceleration for this sector. Office was the only sector which saw an increase in its annual growth rate over last month.

"The National composite has the lowest annual return in the history of the index", says David Blitzer, Managing Director and Chairman of the Index Committee at Standard & Poor's. "Its value is virtually unchanged from July 2007. In the property sector, all indices recorded negative monthly returns. Warehouse recorded the lowest 12 month return in its history, while the other property sectors were relatively flat over the past year. The regions had mixed results. The Midwest and Mid Atlantic South reported the highest monthly and 1 year returns. The Desert Mountain West, Pacific West, and Northeast all had negative returns for both the month and year. The Pacific West's return of -3.0% for the July/June period is the lowest monthly return it ever recorded. Overall, there are few positive takeaways from this month's commercial real estate numbers."

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 Index Services

Standard & Poor's Index Services, the world's leading index provider, maintains a wide variety of investable and benchmark indices to meet an array of investor needs. Its family of indices includes the S&P 500, an index with \$1.5 trillion invested and \$4.85 trillion benchmarked, and the S&P Global 1200, a composite index comprised of seven regional and country headline indices. For more information, please visit www.standardandpoors.com/indices <<<http://www.standardandpoors.com/indices>.

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