



**CHATTANOOGA**  
**ASSOCIATION *of* REALTORS®**  
*Serving Southeast TN and Northwest GA*

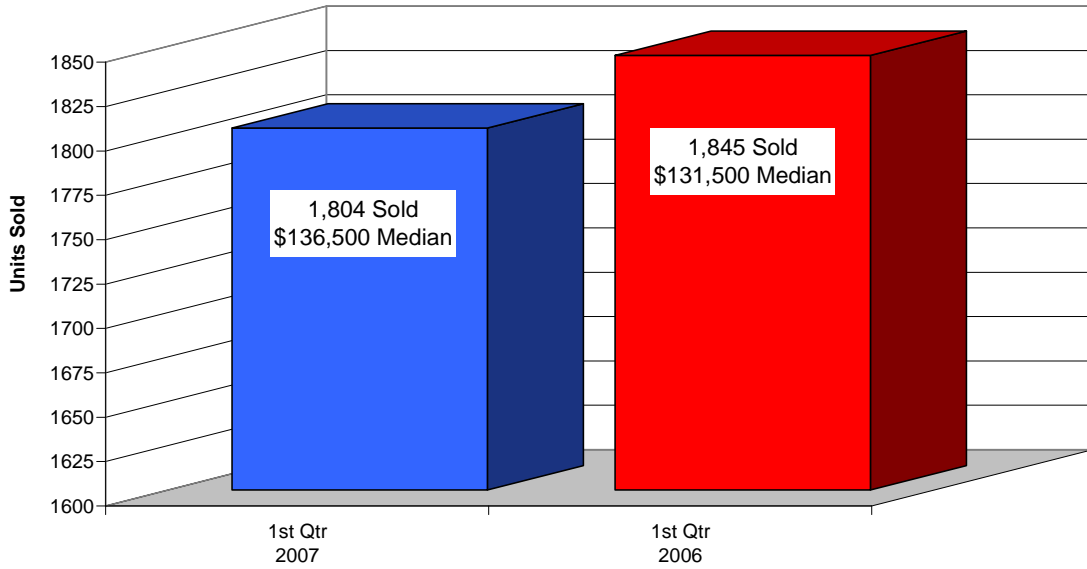
**2007 First Quarter  
Area Market Report**

**Released May 15, 2007**

## Solid Numbers in First Quarter

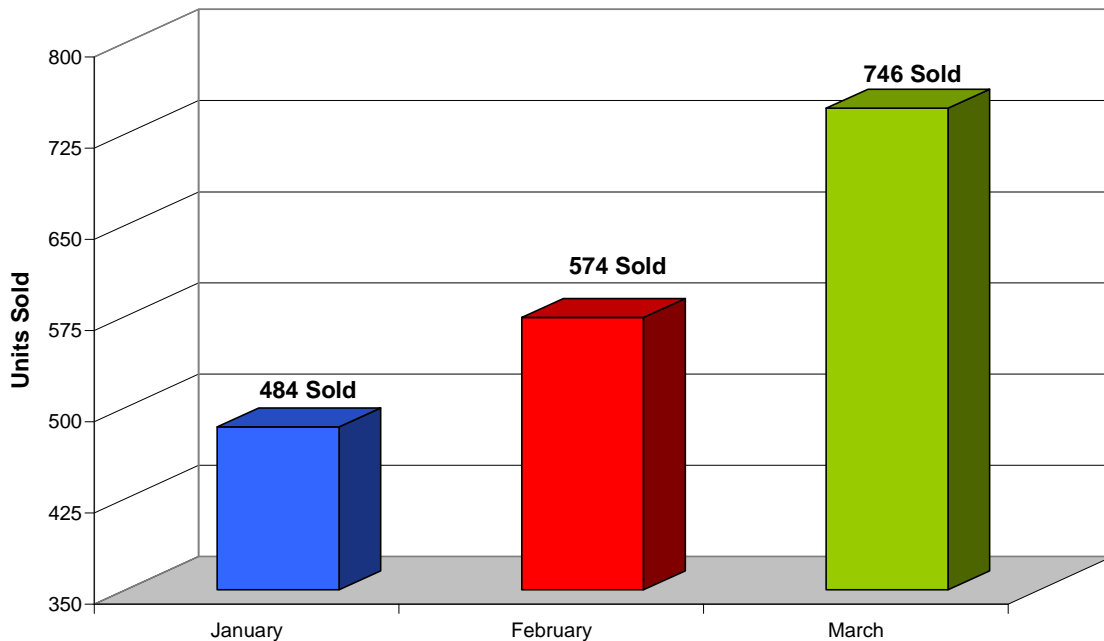
The area's real estate market showed a positive start for 2007, according to first quarter figures released by the Chattanooga Association of REALTORS®. With 1,804 total sales being reported through the group's Multiple Listing Service, the numbers represents a slight 2 percent dip from year-ago levels, but is still a solid start to the year.

### 1st Quarter Comparison

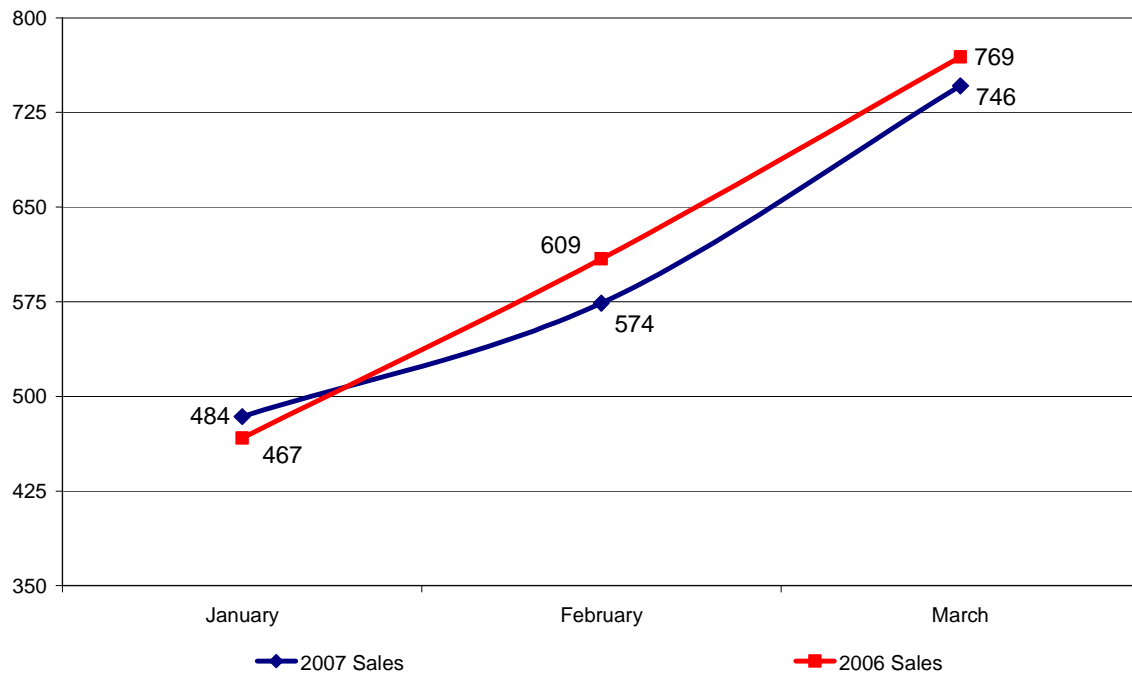


While the national market continues to see drastic declines, the local market provides a truer picture in understanding what is happening in the Southeast Tennessee and North Georgia. For each month in the first quarter there was a steady increase in the number of units sold.

### 2007 1st Quarter Residential Sales



### 1st Quarter Home Sales 2006 to 2007 Comparison



“Real estate is local and each market is distinctly different from another,” said Jason Farmer, President of the Chattanooga Association of REALTORS®.

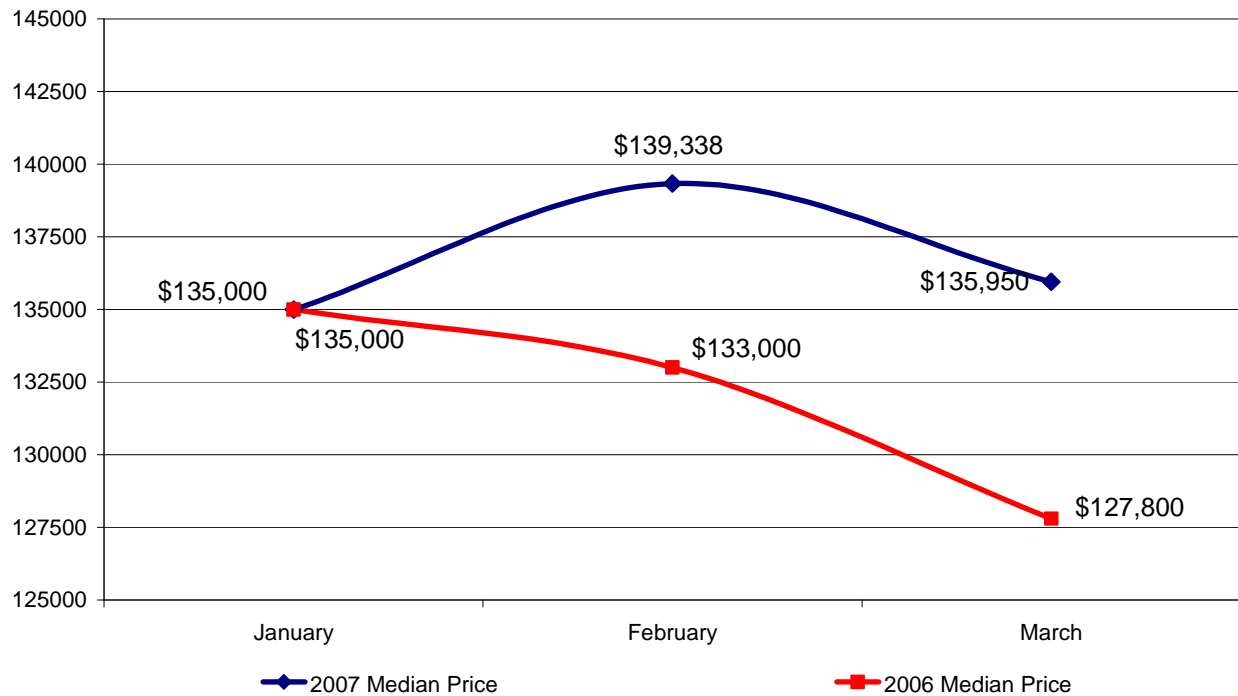
“Our regional market continues to perform well and is not facing the downturns several other real estate markets are seeing,” added Dan Griess, President of the Association’s Multiple Listing Service.

The downturn referenced is being driven by various economic factors and real estate trends. One of the most influential causes has been drastic price adjustments being witnessed in some markets. Following a particularly robust time for residential real estate, various communities saw selling prices increase past a point of sustainability. Buyers soon began to be priced right out of the market and real estate was no longer affordable.

“The price increases were astounding, especially in places like Miami, San Francisco, and Las Vegas. Buyers and sellers were not seeing eye-to-eye,” explains Farmer. “It couldn’t be expected to last and we’re seeing realism work its way back into those local markets. And that’s going to take some time.”

Locally, affordability is on the consumer’s side, as seen by the median home price – the price at which half sold for more and half sold for less. While the national median home price is over \$200,000, the greater Chattanooga area is considerable less. First quarter numbers show the local median home price at \$136,500. This figure represents a nearly 4 percent increase over the same time one year ago.

## 1st Quarter Median Home Price 2006 to 2007 Comparison



With an affordable median price, several attractive options in neighborhood and community settings, and steady, positive growth, the area represents one of the premier regions in today's real estate industry. Though not a record breaking quarter, area REALTORS<sup>®</sup> see all of this as some good news for the market. It comes at a good time, as the industry has been unfairly marred and lumped together by headlines of housing contractions and subprime mortgage woes.

Says Farmer, "What you're seeing is that while national trends can and do impact home values and sales, it's really local market activity that is much more influential. It's still a great time to buy or sell."

Optimistic for another strong year, REALTORS<sup>®</sup> are now into the historically healthy spring-summer months for residential real estate. Contacting a REALTOR<sup>®</sup> today and taking advantage of the opportunities now will provide brighter long term prospects for consumers and yield greater appreciation in value and wealth.

The Chattanooga Association of REALTORS<sup>®</sup> is made up over 2,000 members engaged in every aspect of the real estate profession in Southeast Tennessee and Northwest Georgia. Area REALTORS<sup>®</sup> have helped make real estate a major driving force in the economy for nearly 100 years while also serving as representatives for the free enterprise system and the protection of private property rights. The organization is part of a network that includes the National Association of REALTORS<sup>®</sup> stationed in both Chicago and Washington, DC, the Tennessee Association of REALTORS<sup>®</sup> headquartered in Nashville, and the Georgia Association of REALTORS<sup>®</sup> in Atlanta. REALTORS<sup>®</sup> set themselves apart from others in the business by leading the industry as real estate experts who adhere to a strict Code of Ethics.