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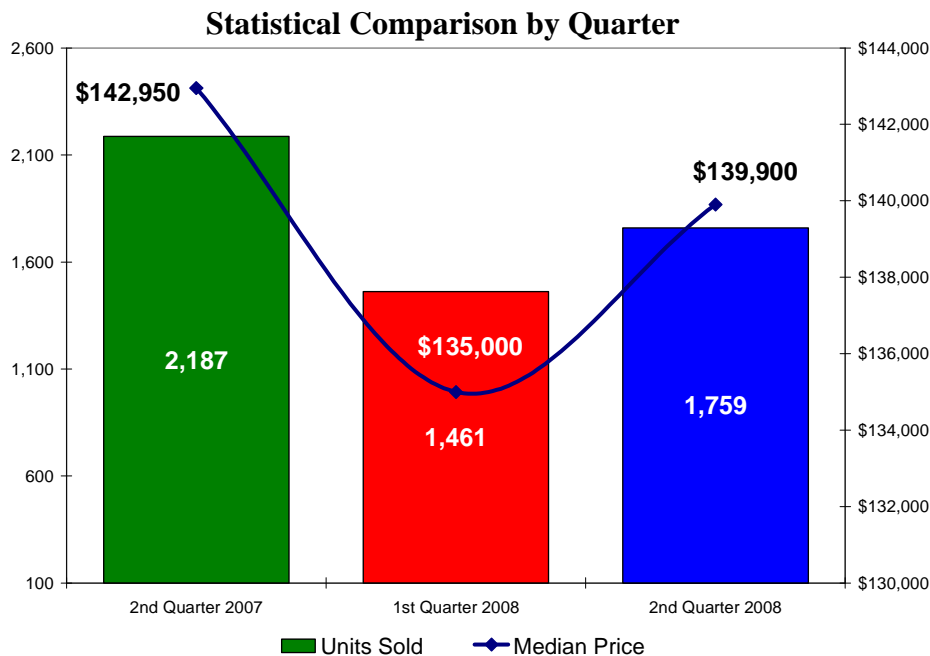
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Real Estate Market Remains Steady in Second Quarter

CHATTANOOGA, TENN – August 14, 2008 – Healthy market fundamentals continue to present opportunity in local real estate, as conditions tilt towards buyers in year’s second quarter. According to figures from the Multiple Listing Service (MLS) of the Chattanooga Association of REALTORS®, Southeast Tennessee and Northwest Georgia saw 1,759 units sold in the second quarter. This figure represents a 19.6 percent decline from the 2007 second quarter. Comparing this year’s first and second quarter sales, market statistics reflect a 20 percent increase.

“With the local market filled with plentiful choices in housing, and at affordable and realistic prices, Chattanooga is showing why this is the right real estate market for more and more people ready to make the move,” said Pam Duffy, President of the Chattanooga Association of REALTORS®. “We’re finding our clients who are ignoring the hype and opening the door to the great opportunities this market presents are very happy with what they find. But we can’t say how long these conditions are going to last.”

“I think our market is underperforming as buyers continue to sit on the sidelines trying to time the market,” suggest MLS President Randy Durham. “The reality is this is the right time, the right market and delaying a decision isn’t going to serve the serious buyer. Waiting around, kicking the tires, it only keeps someone from realizing all that homeownership has to offer. With tax-saving opportunities, freedom to make home improvements, the chance to build up your nest egg and all the social benefits homeownership does to strengthen the community, the benefits of homeownership reach far and wide.”



The second quarter statistics also show that homeownership remains within reach for more homeowners. A strong indicator for this is the area's median home price, which is the middle price point where half of the homes sold for more and half sold for less. A median price is used because it is a more reliable gauge that does not become overly skewed by extreme high or low sale points. For the 2008, the second quarter median price was \$139,900. Compared to previous quarters, the current median price is down 2.1 percent from last year but up 3.6 percent from this year's first quarter. However, when compared to the aggregate median price of \$206,500, as released by the National Association of REALTORS[®], the local real estate market's affordability is clear.

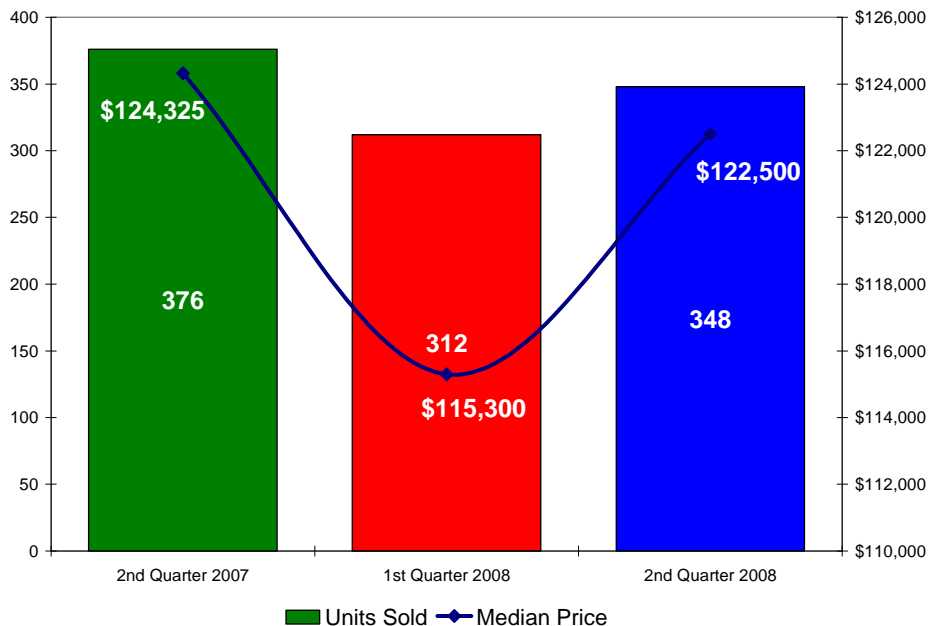
"Affordability issues and unsustainable price appreciations have crippled other markets. Our area's buyers and sellers have been realistic and we were able to avoid the unfortunate mess others are experiencing in parts of Florida, California, Nevada and Arizona," adds Duffy.

Local median prices have remained steady, a positive sign for sellers. The first to second quarter growth was fueled by more robust sales in housing units priced in the \$100,000 to \$200,000 range. Though not surprising, also providing the statistical increases were the strong performing months of May and June. Families are often more eager to buy and sell during the spring and summer months as children are out of school, making it is an especially positive time frame for many real estate markets across the country.

"Good jobs and economic development strongly impact real estate markets. With the recent announcement from Volkswagen and the ancillary effects it will bring to our region, the local market will remain viable and rewarding for many years to come," predicts Durham.

Separating out the Northwest Georgia segment of the recently released figures, the second quarter also showed higher levels than the first quarter. In terms of units sold, the April, May and June month quarter bested the first part of the year by 11.5 percent with a median figure growing over 6 percent. Compared to the same time last year, the second quarter data softened 7 percent for units sold and only 1.5 percent for the median price.

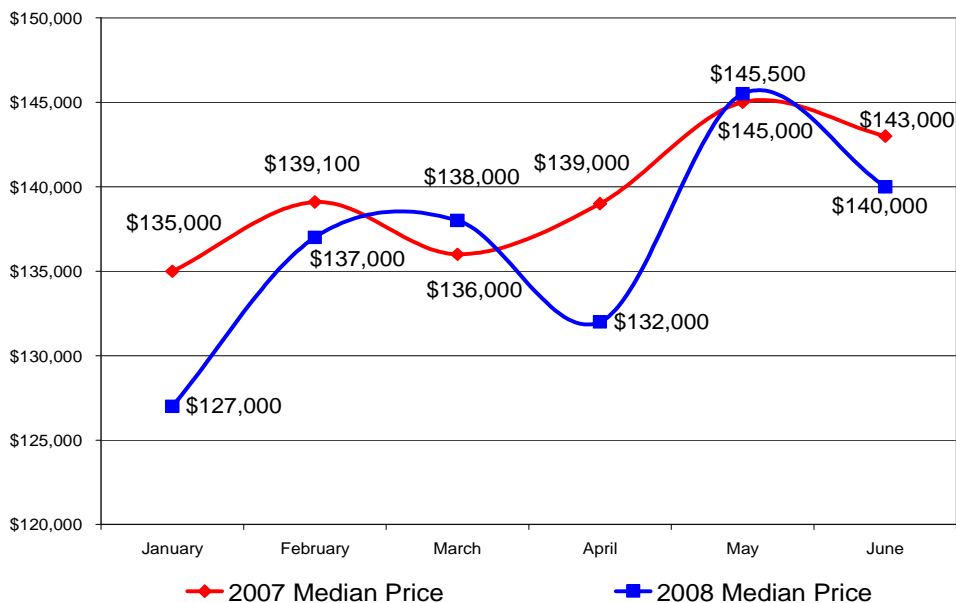
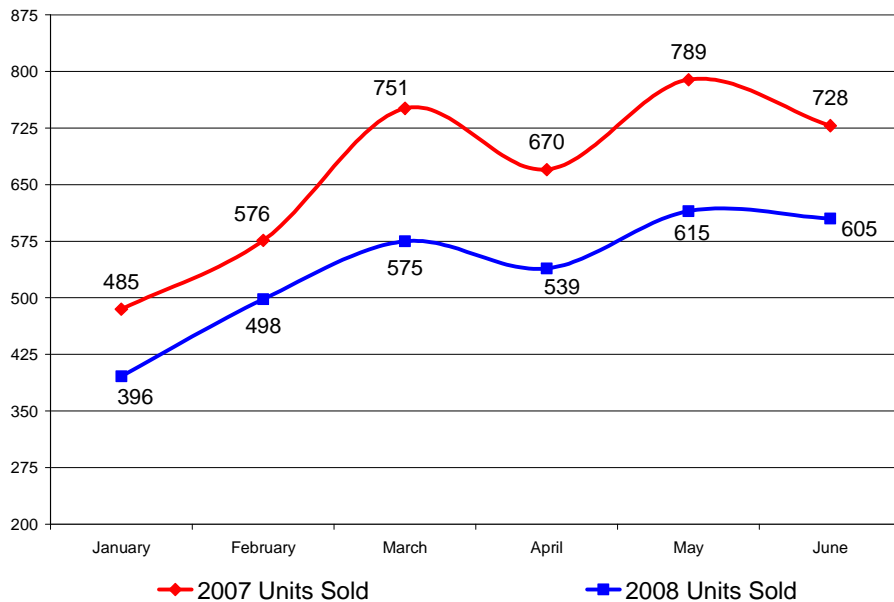
Northwest Georgia Statistical Comparison



With ideal conditions and the new first-time homebuyer tax credit the Chattanooga Association of REALTORS® encourages people to learn why this is the Right Time, Right Market by visiting www.RightTimeRightMarket.com. The informative Web site offers up-to-date information about the state of the Northwest Georgia and Southeast Tennessee real estate market while also offering helpful tips on buying or selling a home, information on renting versus owning a home and area facts for those relocating or retiring to the greater Chattanooga area.

The Chattanooga Association of REALTORS®, the region’s premier voice for real estate, is made up of over 1,900 real estate professionals engaged in every aspect of real estate throughout Southeast Tennessee and Northwest Georgia. Consumers working with a REALTOR® can be confident in the level of professional service they are receiving, as only REALTORS® set themselves apart from others in the business as industry leaders who adhere to the strict REALTOR® Code of Ethics.

Month-to-Month Units Sold and Median Price Comparison versus Previous Year



2008 Second Quarter Stats By Price/Type

Price Class/Type	0-2 Bedrooms	3 Bedrooms	4+ Bedrooms	Multi Family	Condo Co-Op	Farms	Total Units
\$29,999 or Under	34	22	3	2	2	0	63
\$30,000 - \$39,999	16	23	6	2	4	0	51
\$40,000 - \$49,999	14	23	3	1	0	0	41
\$50,000 - \$59,999	19	30	7	1	0	0	57
\$60,000 - \$69,999	11	29	6	2	4	0	52
\$70,000 - \$79,999	17	31	4	3	1	0	56
\$80,000 - \$89,999	20	60	11	4	0	0	95
\$90,000 - \$99,999	9	54	8	1	2	0	74
\$100,000 - \$119,999	25	133	23	5	3	0	189
\$120,000 - \$139,999	13	148	27	8	17	0	213
\$140,000 - \$159,999	8	115	23	2	14	1	163
\$160,000 - \$179,999	9	90	32	5	8	1	145
\$180,000 - \$199,999	0	55	29	1	12	0	97
\$200,000 - \$249,999	7	87	58	0	10	0	162
\$250,000 - \$299,999	1	51	47	0	14	0	113
\$300,000 - \$399,999	0	34	71	0	8	1	114
\$400,000 - \$499,999	0	5	19	0	1	0	25
\$500,000 - \$749,999	0	4	26	0	3	0	33
\$750,000 - \$999,999	0	0	11	0	0	0	11
\$1,000,000 - \$1,249,999	0	0	2	0	0	0	2
\$1,250,000 - \$1,149,999	0	0	0	0	1	0	1
\$1,500,000 - \$1,999,999	0	0	2	0	0	0	2
\$2,000,000 - \$2,999,999	0	0	0	0	0	0	0
\$3,000,000 or Over	0	0	0	0	0	0	0
Total Types	203	994	418	37	104	3	1759
Median Price	\$75,000	\$132,000	\$226,500	\$171,000	\$171,000	\$285,100	\$139,900

2008 Second Quarter Stats By MLS Area

MLS Area	Total Sold	Median Price	Days on Market
1 - Tiftonia - Lookout Valley - Elder Mountain	11	\$200,000	173
2 - Downtown-St.Elmo-High Park-Avondale-Miss Ridge	123	\$65,500	96
3 - City of East Ridge	65	\$102,750	106
4 - Brainerd-East Brainerd	146	\$158,450	149
5 - Hwy 58 - city - Eastdale/Dalewood/Tyner	64	\$113,450	136
6 - N. Chatt-Mtn. Creek-Riverview-Rivermont	106	\$163,250	116
7 - Red Bank City Limits	35	\$115,000	97
8 - Hixson-Chattanooga City Limits	83	\$163,400	101
9 - Signal Mtn-Walden-Suck Creek	78	\$279,000	126
10 - Lookout Mountain	19	\$232,500	171
11 - Catoosa County	144	\$125,900	115
12 - Hwy 58/Harrison/Georgetown	50	\$135,000	144
13 - N Ham Co/Soddy/Bakewell/Sale Cr/Middle Valley	159	\$165,500	150
14 - Counties Other than Hamilton excluding GA	17	\$102,600	119
15 - Volunteer Site to Hunter Road	32	\$154,900	106
16 - E Brainerd county/Ooltewah	109	\$200,000	142
17 - Ooltewah/Snow Hill	62	\$205,500	179
18 - Collegedale Includes Apison	43	\$245,500	140
19 - Walker County	116	\$89,708	129
20 - Dade County	24	\$121,500	139
21 - All Other Georgia Counties	2	\$114,500	20
22 - Bradley County	127	\$130,000	122
23 - McMinn County	9	\$112,950	147
24 - Rhea County	36	\$127,500	128
25 - Alabama	5	\$191,500	184
26 - Whitfield	9	\$97,750	95
27 - Chattooga	4	\$58,000	41
28 - Sequatchie	17	\$113,750	140
29 - Marion	43	\$97,250	97
30 - Bledsoe	13	\$50,000	135
31 - Meigs	4	\$132,500	109
32 - Polk	4	\$108,000	57
Total	1,759	\$139,900	128