



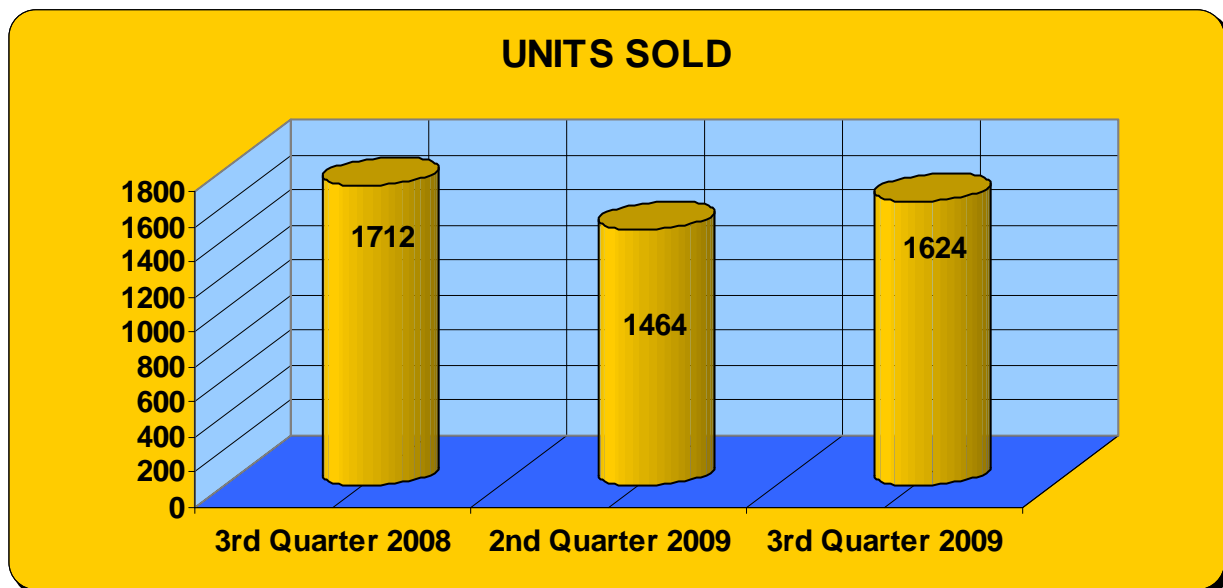
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QUARTERLY EXISTING HOME SALES REBOUND IN LOCAL AREA, BUT TRAIL THE PACE OF SAME PERIOD OF 2008

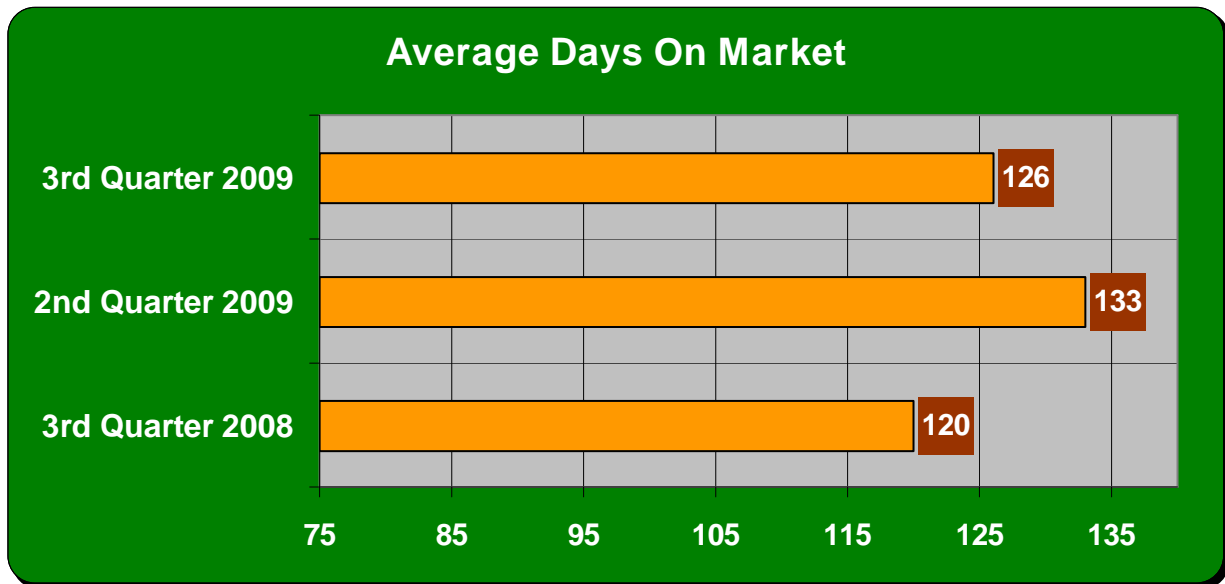
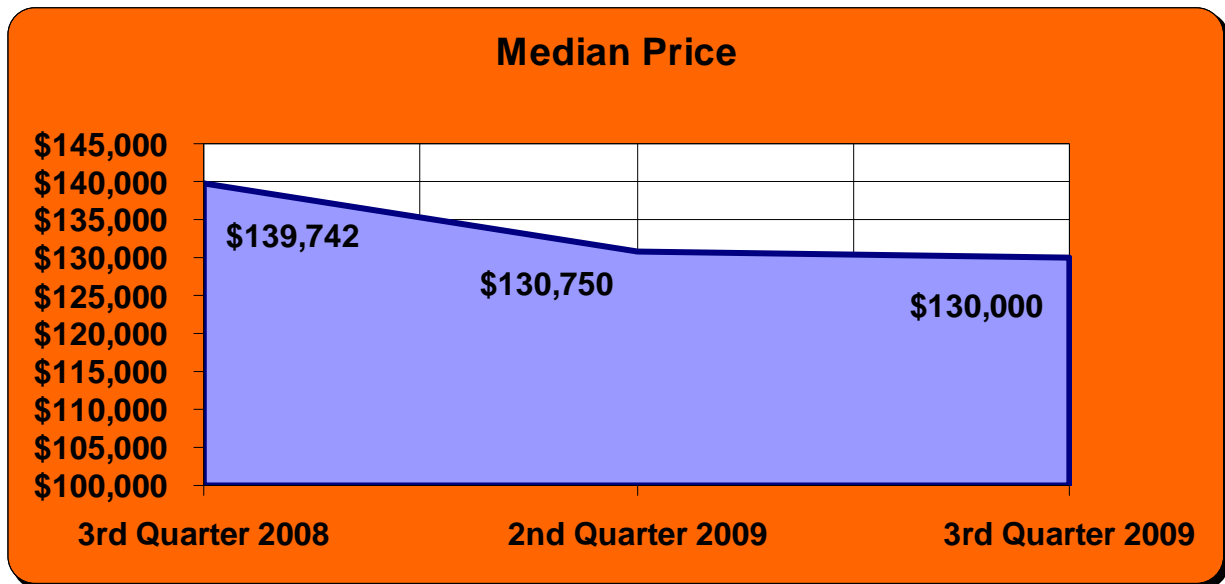
CHATTANOOGA, TN – November 10, 2009 – The local real estate market showed a very significant gain over the Second Quarter of 2009, according to data released by the Multiple Listing Service (MLS) of the Chattanooga Association of REALTORS®. In the third three month period of this year, the Southeast Tennessee and Northwest Georgia area saw the sale of **1,624** residential units, a **5.1%** decrease compared to the same quarter's sales in the previous year. However, it is a significantly better performance for the area in comparison to the Second Quarter of this year, increasing from the April through June period by **10.9%**.

The continuing economic challenges and worries about consumer confidence continue to weigh down on the real estate market. Home sales generally lead the way in any recovery, but require help from more positive employment numbers to do so. Median price figures for the period witnessed a decrease to **\$130,000** – a drop of **7%** from the 3rd Quarter of 2008. While a positive sign, in terms of affordability, the price drop sometimes might indicate a slower economic outlook. However, the increase of only 4 extra days on the market – from **120** a year ago to **126** in the past Quarter is statistically insignificant.



Nickie Schwartzkopf, President of the Chattanooga Association of REALTORS® said, “The longer term assessment – calculating beyond the month-to-month regime that we’re used to – shows us that real growth, no matter how slow, is beginning to take hold.”

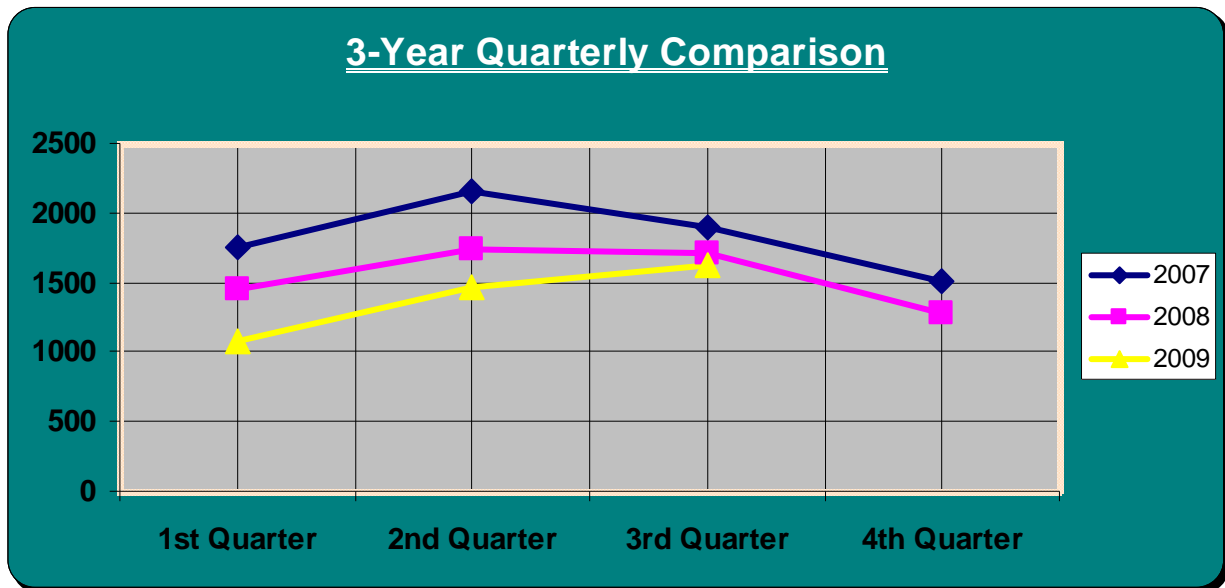
She added, “While local home sales are behind from the same period last year, we’ve seen them trending upward from the second quarter of this year, as local consumer confidence continues to grow and from local buyers who took advantage of the \$8,000 first-time buyer’s credit. I’d place more emphasis, personally, on where our immediate trends are taking us, rather than the backward snapshot of July through September during the unusual period that was 2008.”



“No one can be pleased by what we’ve seen nationally and locally within the employment picture,” says Kathy Tucker, President of the local Multiple Listings Service. “The National Association of REALTORS® has projected that a discernible turnaround in the unemployment rate could be as far off as the second or third quarter of 2010. That’s not only damaging to our industry, but hurtful to the hard-working members of the public who are still struggling to find work”

Schwartzkopf agrees. “While it’s been great to see the decline in interest rates, and the wonderful indications of true affordability in our local and regional market, those statistics mean little if potential homebuyers are out of a job. And when they eventually return to the workforce, there may be serious issues about their creditworthiness with some lenders.”

The two leaders concurred that it is axiomatic that recovery may come slower to both Chattanooga and the State of Tennessee, because our areas were not as deeply affected by the economic slowdown in the early going as were some of the major U.S. markets were.



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The Chattanooga Association of REALTORS®, the region’s premier voice for real estate, is made up of about 1,800 real estate professionals engaged in every aspect of real estate throughout Southeast Tennessee and Northwest Georgia. Those interested in the region’s real estate market can visit www.RightTimeRightMarket.com, an informative Web site with 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, information on the temporary tax credit for first-time homebuyers, and area facts for those relocating or retiring to the greater Chattanooga area.

[PLEASE SEE THE INCLUDED .PDF FILE, TITLED “TAX CREDIT CHART-110509” FOR COMPLETE INFORMATION REGARDING THE EXTENSION OF THE HOMEBUYER’S TAX CREDIT.](#)