



FOR RELEASE: January 26, 2009

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## December Sales Up Over November but Housing Industry Continues To Lag

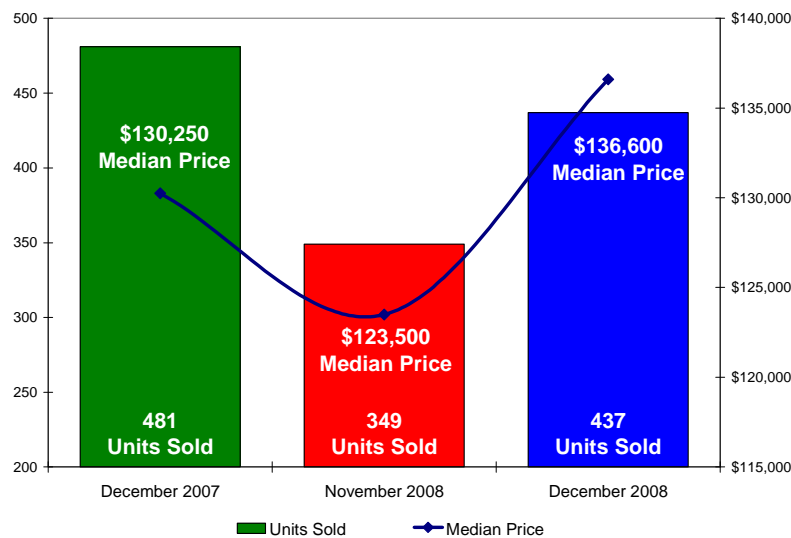
CHATTANOOGA, TN – January 26, 2009 – Challenging economic times continue to weigh on real estate markets across the country. According to figures released by the Multiple Listing Service (MLS) of the Chattanooga Association of REALTORS®, 437 units were sold in the month of December. Compared to the same month in 2007, that is a 9 percent decline. There are, however, signs of growth when compared to the previous month, which shows that sales edged up 25 percent in December 2008.

“Buyers are still out there and serious people looking at what’s out there are walking away with a positive feeling about the local real estate market,” said Nickie Schwartzkopf, President of the Chattanooga Association of REALTORS®. “We all understand how the market has softened but homeownership remains a positive thing, helping families and individuals build equity and strengthen the community.”

“Real estate sales always lag in the winter months but we’re still seeing interest, in fact the market is really underperforming,” adds MLS President Kathy Tucker. “Buyers are on the fence and they’re really missing out on some incredible opportunities.”

Consumer confidence remains low and continued job losses, tightened credit markets and weak consumer spending keeps permeating the public consciousness. Still, conditions in the local market remain favorable for buyers. Interest rates are low, the housing stock is high and sellers are competitively pricing properties for sale.

### Statistical Comparison



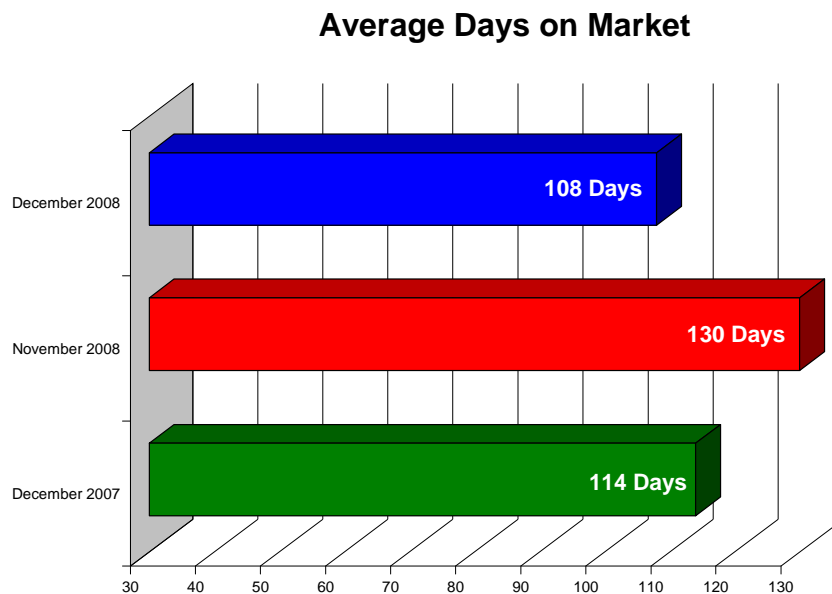
Though other markets are seeing home prices fall drastically, the greater Chattanooga area never saw the extreme and unsustainable run up in real estate prices with sellers finding a higher than normal demand for property. For the past several months the median home prices has stayed at a healthy and affordable level. The median home price is the price at which half of all units sold for more and half sold for less. In

December, the local median price was \$136,600. This represents a little less than 5 percent increase over the same month in 2007 and an over 10 percent increase from November of last year. Compared to the aggregate median price of \$175,400, as released by the National Association of REALTORS®, the Southeast Tennessee and Northwest Georgia area remains affordable and is keeping homeownership more attainable for more consumers.

Contends Schwartzkopf: “Affordability is a huge factor in our industry and right now the low interest rates only help. Buyers coming into our market are happily seeing they’re getting more house for their hard earned dollar.”

“The effects of the recession are providing some tough economic challenges. As REALTORS® we understand prospective buyers and sellers are hesitant, property transactions are a significant undertaking. But those who are financially and emotionally ready to make that move will be pleasantly surprised with what our market has to offer,” declares Tucker.

In terms of the average number of days units remained on the market, the month of December’s sellers witnessed 108 days, or just a little more than three and a half months. That was about one week less than the figure seen in the previous year and three weeks less than it was in November.



The real estate industry will continue to face challenges in 2009 and key to any sort of economic turnaround will be driven by a revitalized housing market. Years from now people will look back at the period as one of tremendous opportunity and REALTORS® stand ready to assist qualified buyers, sellers and investors willing to embrace the current housing market.

To learn why this is the Right Time, Right Market, the Chattanooga Association of REALTORS® wants people to visit [www.RightTimeRightMarket.com](http://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.

The Chattanooga Association of REALTORS®, the region’s premier voice for real estate, is made up of about 1,700 real estate professionals engaged in every aspect of real estate throughout Southeast Tennessee and Northwest Georgia.