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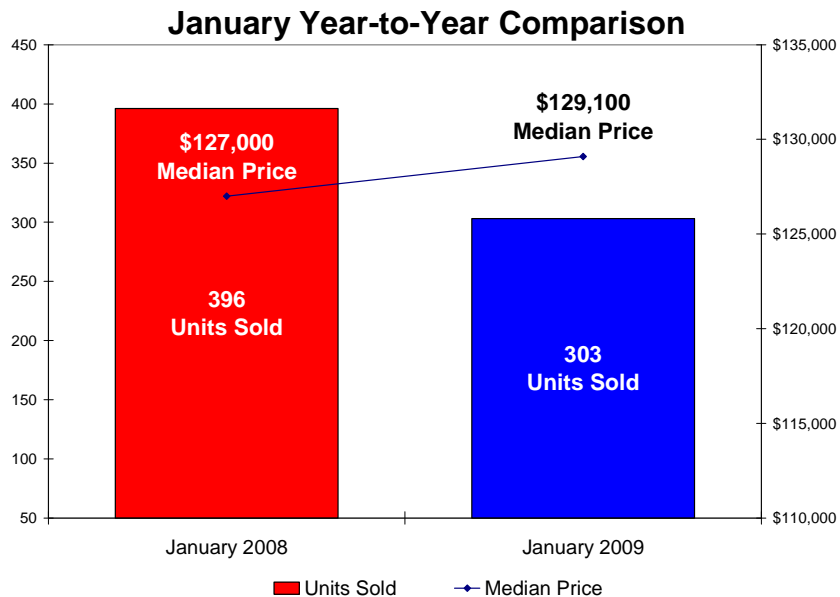
Soft Sales Mark Opening Year in Local Real Estate Market: *REALTORS® Optimistic for Turnaround with Pent-Up Demand*

CHATTANOOGA, TN – February 25, 2009 – The local residential real estate market continued to be held back by weak consumer confidence and tight credit markets in January. According to figures from the Multiple Listing Service (MLS) of the Chattanooga Association of REALTORS®, the year opened with the sale of 303 housing units, a 23.5 percent decline from the same time in 2008.

“The real estate market continues to be dragged down by a troubled economy,” stated Nickie Schwartzkopf, President of the Chattanooga Association of REALTORS®. “Consumers are putting off making major decisions, like buying a home. As REALTORS® we’re trying to show prospective buyers the opportunity that is here in our local market.”

The opportunity Schwartzkopf references include near-record low interest rates, an abundance of housing stock and properties competitively priced for sale. Admittedly, the winter months also represent slower times for residential real estate, evidenced by the fact that January 2009 sales figures also are off from the previous month by about a little over 30 percent. Still, the challenges in the economy, growing unemployment and widespread consumer pessimism remain the biggest obstacles to revitalizing the housing market, a fact that economist confirm as the leader for an overall economic turnaround.

Said MLS President Kathy Tucker: “The sluggish real estate market is being prolonged by the nation’s recession and buyers and sellers being scared off by doom and gloom reports highlighting many of our country’s worst problems. News of continued job losses, wage cuts and mortgage defaults and foreclosures are of serious concern and hindrance for getting the industry and economy back on track. As we move forward we are hopeful that some of the measures taking place, like the better tax credit and help for homeowners, will help the real estate industry.”



“The recently enacted first-time homebuyer credit is a true tax credit, one that should make buying today and the possibility of homeownership even more attractive for more people,” adds Schwartzkopf. “And the soon to be officially unveiled ‘Homeowner Affordability and Stability Plan’ appears to help homeowners struggling with their mortgage payments and, maybe more importantly, can help stem the rise in foreclosures. Fewer foreclosures will not

only help home prices, especially in the most volatile areas, stabilize more quickly, but can also help other homeowners keeping current preserve and grow equity in their own housing investments.

January’s median price, the price at which half sold for more and half sold for less, was \$129,100. The figure represents a 1.7 percent increase in the median price reported in January 2008. Compared to the aggregate median price of \$170,300, as released by the National Association of REALTORS®, the local markets promotes itself as one of the most affordable markets in the country.

“The advantage to our local market is found in our affordability level,” confirms Tucker. “Add in the fact that all the benefits of Northwest Georgia and Southeast Tennessee being such a scenic, great place to live, those moving to our area can find such great improvements for their quality of life, you really couldn’t pick a better place to call home.”

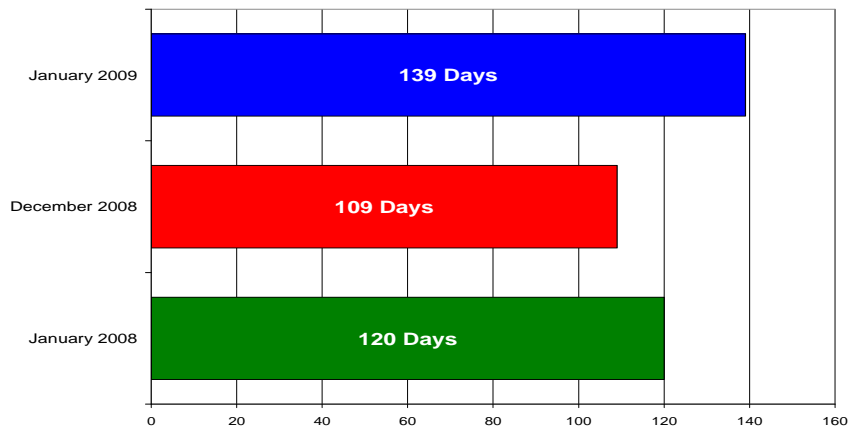
“The pent-up demand is strong but the local market is still functioning well, especially compared to those suffering from the worst of the housing downturns,” remarked Schwartzkopf. “Political changes in Washington shows optimistic signs for a housing turnaround, which is what this economy needs.”

“REALTORS®, as official ambassadors of the word ‘home,’ know that a kick start to the housing industry will bring us out of the recession,” declares Tucker. “Of course we understand the challenges individuals and families are facing all across the country but those in an advantageous position to embrace this housing market will find it to be the right move.”

“There are great deals, and in some cases, almost steals, available,” concludes Schwartzkopf. “The temporary first-time homebuyer tax credit will open the door to so many buyers; plus that means those trying to sell can quickly turn into buyers. Get out from under the negative sentiment that hovers over and clouds the perception in real estate and see all the local market has to offer.”

In terms of the days on market, the January numbers show the average time of sale was 139 days. It is an increase of 19 days from the same time in 2008 and 30 more than the previous month.

Average Days on Market Comparison



To learn why this is the Right Time, Right Market, the Chattanooga Association of REALTORS® wants people to 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.

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.