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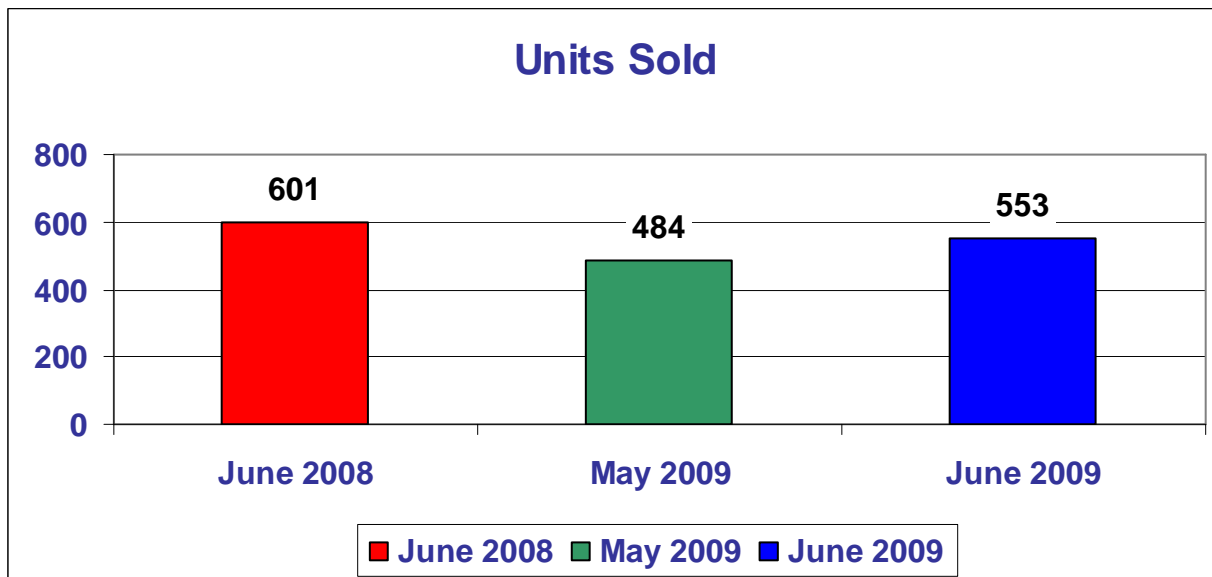
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## STRONG REBOUND MARKS JUNE SALES FIGURES

CHATTANOOGA, TN – July 23, 2009 – The local real estate market showed renewed strength from last month's modest beginning in the month to month statistics released today, in both number of homes sold and median price, according to data released by the Multiple Listing Service (MLS) of the Chattanooga Association of REALTORS®. In June of this year, Southeast Tennessee and the Northwest Georgia area saw the sale of **553** residential units, a **14.3%** increase compared to the previous month's sales in the best monthly showing since September of 2008. Although continuing to lag somewhat behind sales at the same point in the previous year, the year-to-year gap does appear to be narrowing.

Demonstrating again the recovery power of the Chattanooga marketplace, the June statistics are showing that, despite the continuance of the nation's economic challenges and growing unemployment on a national level, real estate continues to be the stalwart leader in the U.S. economic recovery picture.

"Obviously, there's much reason to celebrate these great new sales numbers," says Nickie Schwartzkopf, President of the Chattanooga Association of REALTORS®. "However, I am also inclined to temper my optimism with a degree of caution, as well. It would be shortsighted to declare that everything is back to normal, and let down our efforts as REALTORS® to do our part in pulling the economy back up," she adds.

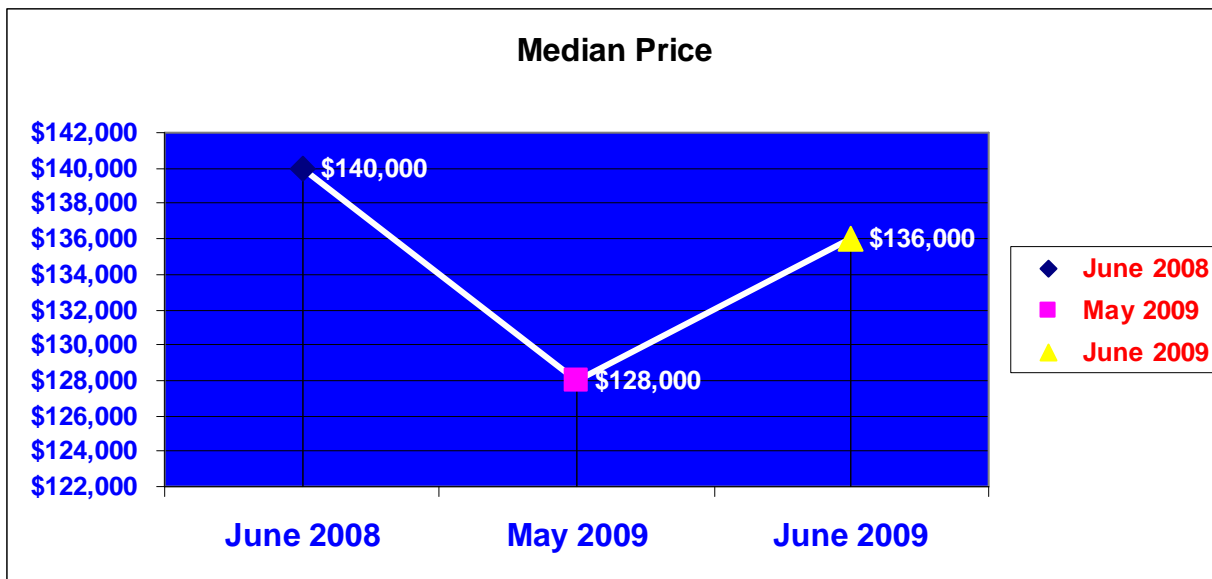


Kathy Tucker, President of the Chattanooga Area MLS, concurs. "The recovery is looking better and better as we progress through what should be the healthier sales months of the year, but I, too, am not ready to declare victory yet" she says. "However, I must acknowledge that it's great to see the pace of closings picking up, and people getting settled into their new homes."

In terms of market affordability, a key indicator can be seen in the local median home price, which is the price that half of all units sell for more and half sell for less. For the month of June, the local median home price was **\$136,000**. That represents a decrease of less than **3%** from the same time one year earlier and a very encouraging **6.3%** increase from the median price reported last month. While it represents a continuing trend of real affordability, the increased median price speaks to a much healthier economic picture. Additionally, it also speaks well for the area's ability to attract new residents who continue to hesitate in making the home purchase decision in the less affordable areas of the country.

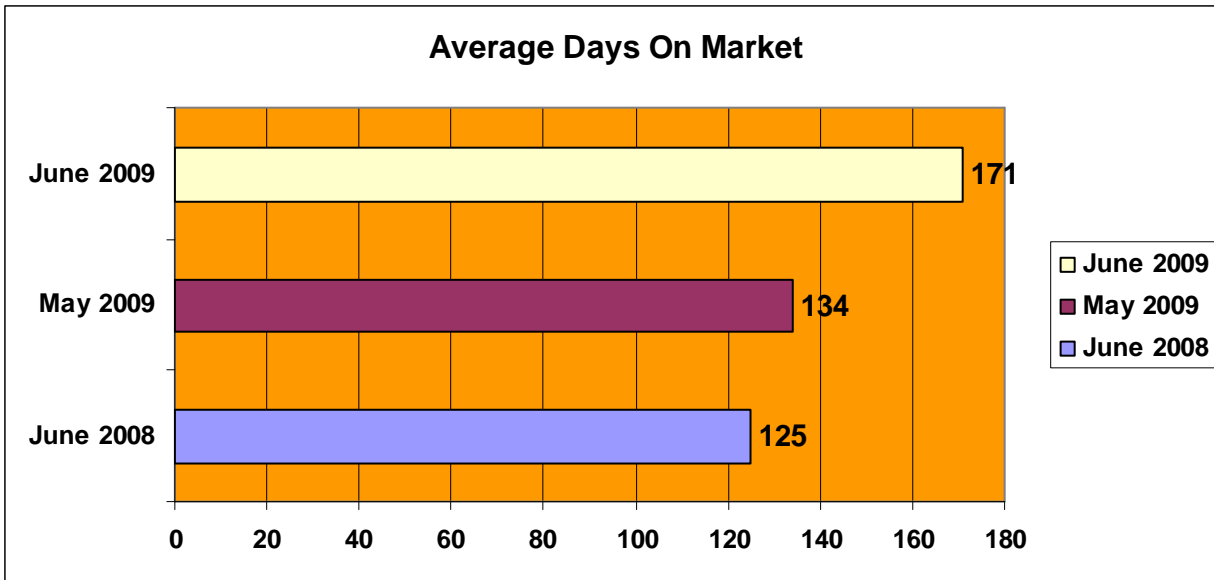
"Though things are definitely looking up in the market, let's not forget that these homes are not sold in a vacuum", says Schwartzkopf. "Let me add, too, that we are seeing more foreclosures hitting the market which may have an effect on the prices of homes that are available now, where buyers are looking for "more home for the price" and first time homebuyers taking advantage of the \$8000 tax credit".

Schwartzkopf adds, "Our Association strongly salutes the men and women REALTORS® in the area who are working tirelessly to make all of this possible. I believe that we can count some of the best and most skilled REALTORS® in the country among our members."



Tucker agrees. "I think that we're seeing the start of the proverbial "perfect storm" of circumstances – improved economic environment, savvy and motivated buyers, and dedicated, hard-working REALTORS® who are making things happen. I continue to be thankful that the Chattanooga marketplace never mirrored the activity that took place in most of the rest of the U.S. in the last several years. Like Nickie, I'm cautiously optimistic, but I also believe that we've turned a very big corner."

In terms of the number of average days on the market, June 2009 increased significantly from 2008, and also over the previous month of May 2009. Many mortgage experts attribute this to the continuing pressures in the financial markets as credit remains tight for even the most qualified of buyers. However, it is believed that, as lender confidence increases, allowing for greater access to credit, those authorities expect the number of days on market to return to their previous averages and then remain fairly consistent over a longer period of time.



*The Chattanooga Association of REALTORS<sup>®</sup>, 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](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.*

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