



**CHATTANOOGA**  
**ASSOCIATION *of* REALTORS®**  
*Serving Southeast TN and Northwest GA*

**Regional Residential Real Estate Report**  
**2<sup>nd</sup> Quarter Market Condition**

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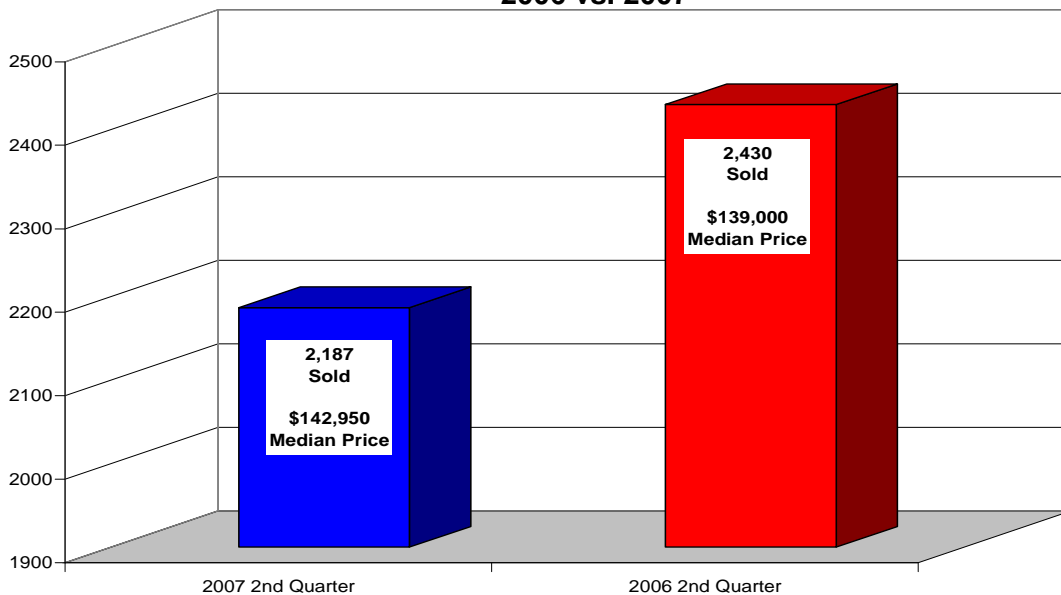
## Regional Residential Real Estate Report 2<sup>nd</sup> Quarter Market Conditions

Area home sales in the second quarter were below levels from the previous year but followed historical trends and out paced this year's first quarter numbers according to the latest reports from the Multiple Listing Service of the Chattanooga Association of REALTORS®. 2007 real estate market conditions continued to favor buyers throughout the quarter as the total number of sales remained soft when compared to 2006.

Throughout Southeast Tennessee and Northwest Georgia there were 2,187 listings sold in the second quarter, a 21 percent increase over the beginning quarter this year. Compared to this same time last year, the 2007 figures represent an 11 percent decline in total number of residential listings sold.

“This time last year we were in the middle of a record setting year. Now we’re experiencing somewhat of a different market,” explained Jason Farmer, President of the Chattanooga Association of REALTORS®. “Though the local real estate activity is somewhat softer, the market has managed to avoid many of the more serious problems and buck national trends.”

**2<sup>nd</sup> Quarter Comparison  
2006 vs. 2007**



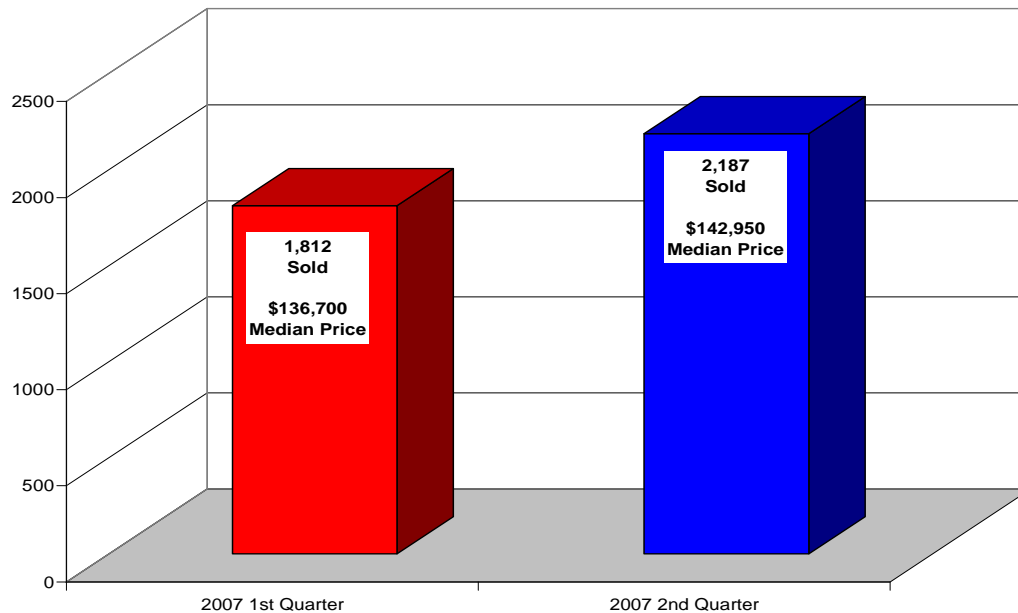
|                       | 2006 2nd Quarter | 2007 2nd Quarter |
|-----------------------|------------------|------------------|
| <b>Sold</b>           | 2,430            | 2,187            |
| <b>Median Price</b>   | \$139,000        | \$142,950        |
| <b>Days on Market</b> | 101              | 112              |

One issue experienced in other parts of the country was the rapid price increases over the past several years. Some markets witnessed price appreciations that surpassed what seemed to be realistic economic expectations. For a time, supply and demand principles held steady as buyers proved willing to accept what would be premium prices. Now markets hardest hit by escalating prices are facing even sharper declines and dramatic market fluctuations.

“The run up on home prices just didn’t happen here,” added Dan Griess, President of the REALTOR® Multiple Listing Service. “Buyers and sellers continue to see eye-to-eye as we remain one of the best markets, especially in terms of affordability.”

Buyers will continue to have a variety of options in available property and the regional standard of affordable home prices remains, as proven by the region’s second quarter median price – the price at which half sells for more and half sell for less. The Chattanooga Association of REALTORS® is reporting a second quarter median home price of \$142,950. By comparison, the National Association of REALTORS® reveals the second quarter national median price to be \$223,800. The local second quarter median is also below the \$185 t,000 price in the Southern region.

### 2007 Quarterly Comparison



|                       | 2007 1st Quarter | 2007 2nd Quarter |
|-----------------------|------------------|------------------|
| <b>Sold</b>           | 1,812            | 2,187            |
| <b>Median Price</b>   | \$136,700        | \$142,950        |
| <b>Days on Market</b> | 116              | 112              |

While overall sales are lower for the year, the median price points to some especially good news for consumers. Compared to the \$139,000 median price this same time as last year, the 2007 second quarter median represents a 3 percent increase. It also shows nearly a 5 percent growth from the first quarter in 2007.

“2006 was a really good year for us. But by no means is this a disastrous year,” said Griess. “Our median price remains affordable but it continues to increase, which represents the sound value that is found in homeownership.”

“It continues to be a buyer’s market. The inventory gives people great opportunity to jump into the market today. And the attractive features of the region are amazing,” relayed Farmer. “Southeast Tennessee and North Georgia is an area people want to call home. The region continues to support a diversified economy and population.”

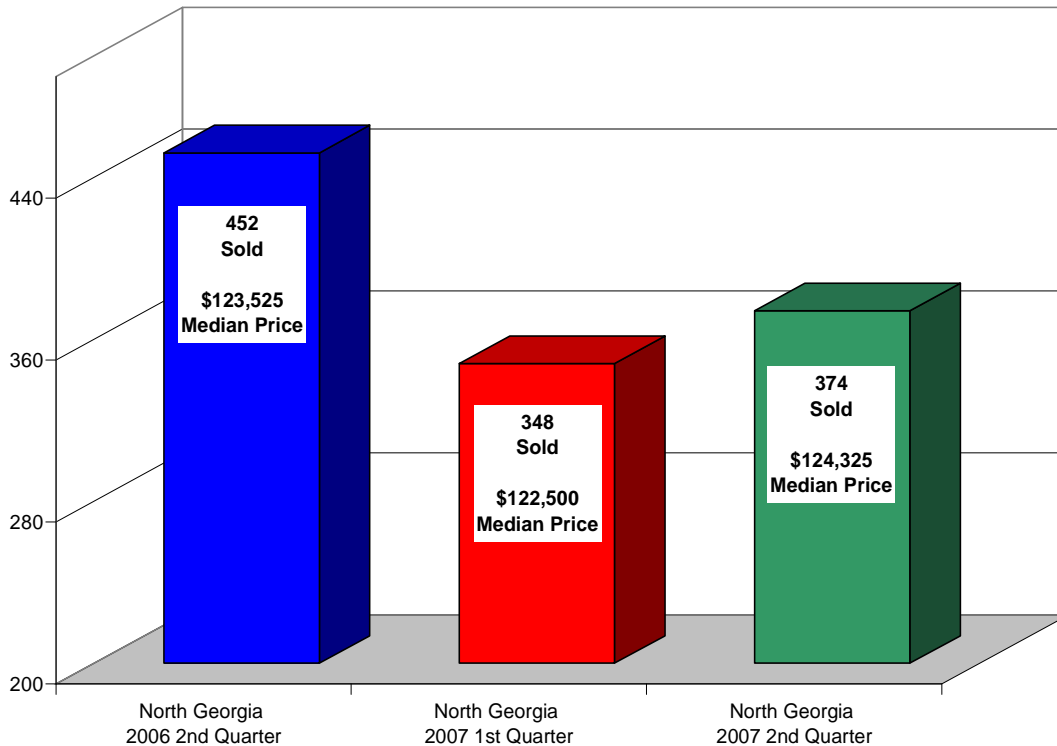
As companies and individuals continue to discover what is available in the greater Chattanooga area, the region will continue to yield positive results. “We’re hearing more and more about Realtors working with clients coming from other regions looking for a more cost effective way to do business,” says Farmer.

“And it continues to be a surprise at the number of retirees migrating from places like Tampa and the Florida Keys. This is a great place to retire with a lower cost of living, options in neighborhoods, and opportunity to stay close to your children and grandchildren.”

“It definitely continues to prove itself as a great place to live, work, and play,” affirms both Farmer and Griess.

Sale declines in the quarter were not limited to solely one state. North Georgia saw a 7.5 percent increase in sales over the year’s first quarter but about a 21 percent decrease from the year before. The median price, however, stayed stable with moderate growth over last year and 2006’s second quarter values.

### North Georgia Quarterly Comparisons



### North Georgia Market Comparison

|                       | 2006 2nd Quarter | 2007 1st Quarter | 2007 2nd Quarter |
|-----------------------|------------------|------------------|------------------|
| <b>Sold</b>           | 452              | 348              | 374              |
| <b>Median Price</b>   | \$123,525        | \$122,500        | \$124,325        |
| <b>Days on Market</b> | 109              | 111              | 112              |

The Chattanooga Association of REALTORS® is made up over 2,000 members engaged in every aspect of the real estate profession in Southeast Tennessee and Northwest Georgia.

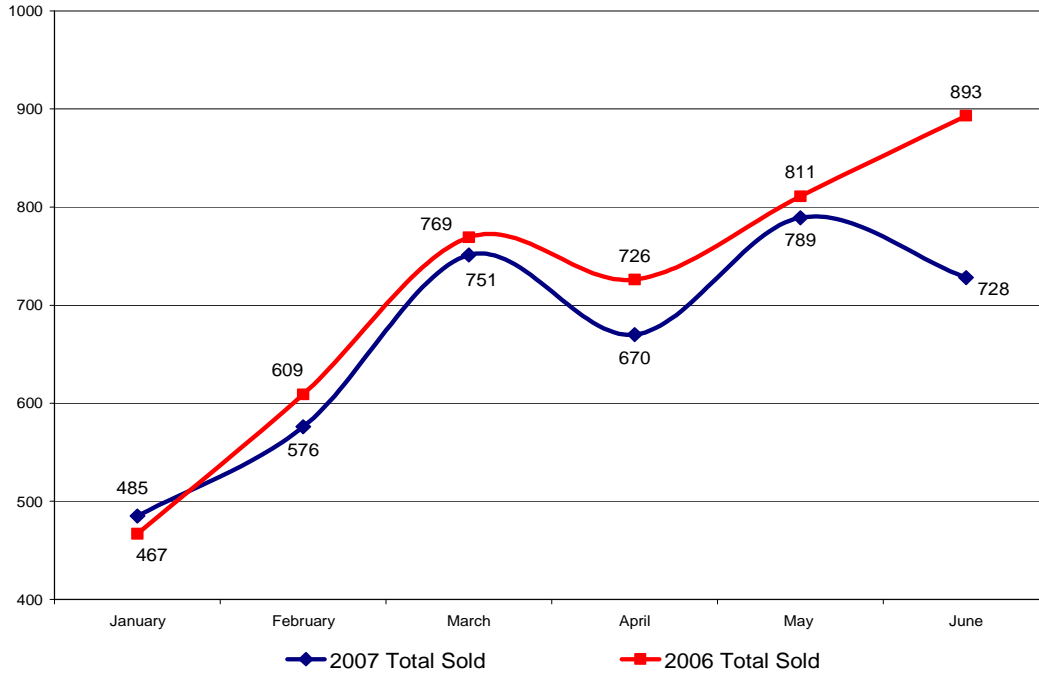
### 2007 2<sup>nd</sup> Quarter Data by MLS Area

| Price Level               | 0-2             |                  | 3                | 4+              | Multi            | Condo            | Farms            | Total Sold |
|---------------------------|-----------------|------------------|------------------|-----------------|------------------|------------------|------------------|------------|
|                           | Bedroom         | Bedroom          | Bedrooms         | Family          | Co-Op            |                  |                  |            |
| \$29,999 or Under         | 42              | 29               | 1                | 4               | 1                | 0                | 77               |            |
| \$30,000 - \$39,999       | 18              | 19               | 6                | 2               | 3                | 0                | 48               |            |
| \$40,000 - \$49,999       | 15              | 24               | 4                | 4               | 4                | 0                | 51               |            |
| \$50,000 - \$59,999       | 15              | 24               | 5                | 3               | 2                | 0                | 49               |            |
| \$60,000 - \$69,999       | 17              | 31               | 3                | 4               | 5                | 0                | 60               |            |
| \$70,000 - \$79,999       | 20              | 46               | 9                | 7               | 6                | 0                | 88               |            |
| \$80,000 - \$89,999       | 23              | 46               | 4                | 1               | 4                | 0                | 78               |            |
| \$90,000 - \$99,999       | 18              | 71               | 16               | 4               | 3                | 0                | 112              |            |
| \$100,000 - \$119,999     | 29              | 166              | 19               | 7               | 12               | 0                | 233              |            |
| \$120,000 - \$139,999     | 29              | 197              | 33               | 4               | 20               | 0                | 283              |            |
| \$140,000 - \$159,999     | 16              | 163              | 40               | 3               | 19               | 0                | 241              |            |
| \$160,000 - \$179,999     | 15              | 108              | 32               | 1               | 16               | 0                | 172              |            |
| \$180,000 - \$199,999     | 4               | 69               | 28               | 0               | 12               | 0                | 113              |            |
| \$200,000 - \$249,999     | 9               | 115              | 73               | 3               | 25               | 0                | 225              |            |
| \$250,000 - \$299,999     | 7               | 54               | 48               | 2               | 16               | 0                | 127              |            |
| \$300,000 - \$399,999     | 0               | 39               | 79               | 0               | 4                | 1                | 123              |            |
| \$400,000 - \$499,999     | 0               | 9                | 33               | 1               | 3                | 1                | 47               |            |
| \$500,000 - \$749,999     | 1               | 4                | 25               | 0               | 6                | 0                | 36               |            |
| \$750,000 - \$999,999     | 0               | 2                | 9                | 0               | 2                | 1                | 14               |            |
| \$1,000,000 - \$1,249,999 | 0               | 0                | 5                | 0               | 2                | 0                | 7                |            |
| \$1,250,000 - \$1,499,999 | 0               | 1                | 2                | 0               | 0                | 0                | 3                |            |
| \$1,500,000 - \$1,999,999 | 0               | 0                | 0                | 0               | 0                | 0                | 0                |            |
| \$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                |            |
| <b>Total</b>              | <b>278</b>      | <b>1217</b>      | <b>474</b>       | <b>50</b>       | <b>165</b>       | <b>3</b>         | <b>2187</b>      |            |
| <b>Median Price</b>       | <b>\$85,900</b> | <b>\$135,000</b> | <b>\$225,000</b> | <b>\$90,000</b> | <b>\$165,000</b> | <b>\$598,433</b> | <b>\$142,950</b> |            |

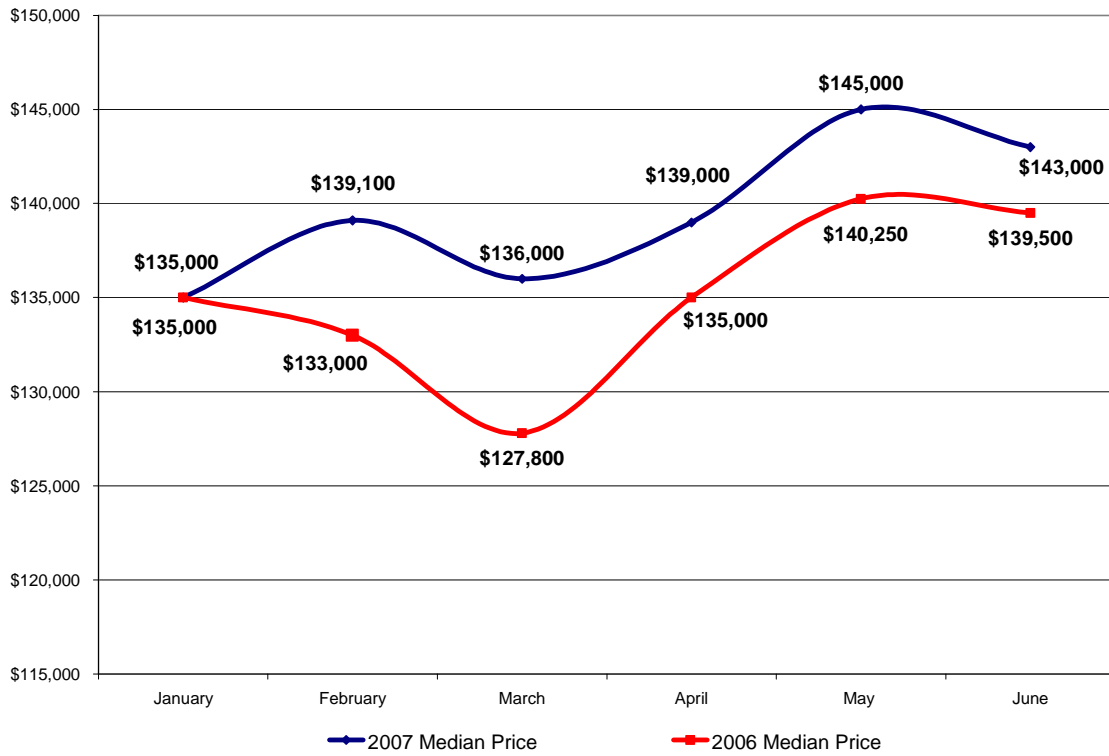
### 2007 2<sup>nd</sup> Quarter Data by MLS Area

| Multiple Listing Service (MLS) Area                 | Total Sold  | Median Price     | Average Days On Market |
|---|-------------|------------------|------------------------|
| 01 (Tiftonia - Lookout Valley - Elder Mountain)     | 26          | \$195,000        | 94                     |
| 02 (Downtown-St.Elmo-High Park-Avondale-Miss Ridge) | 185         | \$77,615         | 158                    |
| 03 (City of East Ridge)                             | 77          | \$109,200        | 96                     |
| 04 (Brainerd-East Brainerd)                         | 198         | \$143,250        | 153                    |
| 05 (Hwy 58 - city - Eastdale/Dalewood/Tyner)        | 73          | \$131,000        | 110                    |
| 06 (N. Chatt-Mtn. Creek-Riverview-Rivermont)        | 149         | \$158,000        | 110                    |
| 07 (Red Bank City Limits)                           | 58          | \$122,000        | 84                     |
| 08 (Hixson-Chattanooga City Limits)                 | 99          | \$162,500        | 95                     |
| 09 (Signal Mtn-Walden-Suck Creek)                   | 81          | \$250,465        | 93                     |
| 10 (Lookout Mountain)                               | 17          | \$276,000        | 124                    |
| 11 (Catoosa County)                                 | 173         | \$138,950        | 115                    |
| 12 (Hwy 58/Harrison/Georgetown)                     | 65          | \$147,000        | 83                     |
| 13 (N Ham Co/Soddy/Bakewell/Sale Cr/Middle Valley)  | 220         | \$155,900        | 88                     |
| 14 (Counties Other than Hamilton (excluding GA))    | 95          | \$111,500        | 118                    |
| 15 (Volunteer Site to Hunter Road)                  | 19          | \$179,900        | 72                     |
| 16 (E Brainerd (county) - Ooltewah)                 | 142         | \$195,500        | 110                    |
| 17 (Snow Hill)                                      | 47          | \$230,500        | 149                    |
| 18 (Collegedale (Includes Apison))                  | 40          | \$259,000        | 115                    |
| 19 (Walker County)                                  | 152         | \$103,450        | 100                    |
| 20 (Dade County)                                    | 24          | \$132,500        | 127                    |
| 21 (All Other Georgia Counties)                     | 2           | \$98,000         | 149                    |
| 22 (Bradley County)                                 | 139         | \$142,900        | 94                     |
| 23 (McMinn County)                                  | 12          | \$90,000         | 99                     |
| 24 (Rhea County)                                    | 33          | \$111,500        | 97                     |
| 25 (Alabama)  | 8           | \$110,210        | 83                     |
| 26 (Whitfield)                                      | 11          | \$95,000         | 134                    |
| 27 (Chattooga)                                      | 12          | \$62,000         | 157                    |
| 28 (Sequatchie)                                     | 30          | \$123,000        | 106                    |
| <b>Total</b>  | <b>2187</b> | <b>\$142,950</b> | <b>112</b>             |

### 2007 Month-to-Month Area Sales



### 2007 Month-to-Month Area Median Price



For additional data and market information, please contact the  
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