

Press Release
Cincinnati Area Board of Realtors®

The following press release was sent to the local media today at 10:15 a.m.

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August Home Sales Spurred By Tax Credit Program

The \$8,000 federal home tax credit program – now in place – continues to drive home sales. Local home buyers, for the third month in a row, bought more homes than a year ago. Sales in August totaled 1,812 units compared to 1,776 sales in August 2008.

Nationally, homes sales last month were 3.4% higher than a year ago.

A “full” housing tax credit is available for anyone nationwide who hasn’t owned a home in the last three years, buys one now, and doesn’t exceed \$75,000 in income (married couples filing jointly, \$150,000). A “partial” tax credit goes to a new homeowner with an income between \$75,000 and \$95,000 (couples \$150,000 to \$170,000). The tax credit (10%) is based on the purchase price of the home, but the credit can’t exceed \$8,000.

In addition to the tax credit program, other factors favoring current home buying include favorable mortgage rates – about 5.3% for a 30-year fixed rate loan, a good inventory of homes to choose from, and favorable home prices.

“Prospective buyers who want to take advantage of the tax credit shouldn’t wait,” said Paul Jacob, president of the Cincinnati Area Board of Realtors. The tax credit program expires Nov. 30. But a sale must close by that date. It generally takes 60 days -- when financing is involved -- to close on a sale from the time the contract is executed between buyer and seller. That means financing-backed sales should take place by the end of September, in order for eligible buyers to benefit from the tax credit.

Jacob said that multiple offers on the same property for sale are happening again. “That hasn’t occurred in a while,” he remarked. That speaks highly for increased housing demand

Housing inventory locally is now at 7.52 months. That’s the amount of time it would take to sell all homes for sale that are currently on the market based on August selling activity. A year ago, it was 9.23 months. A lower number is better for sellers (more demand for fewer homes); a higher number is better for buyers (more homes to choose from).

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**Summary of Single Family and Condominium Sales
 Multiple Listing Service of Greater Cincinnati
 Cincinnati Area Board of REALTORS**

August Monthly Home Sales

	<u>Closings</u>	<u>Gross Volume</u>	<u>Average Price</u>
August 2009	1,812	\$293,085,132	\$161,747
August 2008	<u>1,776</u>	<u>\$293,007,671</u>	<u>\$164,982</u>
Variance	+2.03%	+0.03%	-1.96%

Year-to-Date Home Sales

	<u>Closings</u>	<u>Gross Volume</u>	<u>Average Price</u>
Jan-Aug 2009	12,282	\$1,851,391,653	\$150,740
Jan-Aug 2008	<u>13,166</u>	<u>\$2,206,767,736</u>	<u>\$167,611</u>
Variance	-6.71%	-16.10%	-10.07%

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