

Press Release
Cincinnati Area Board of Realtors®

The following press release was sent to the local media today at 10:30 a.m.

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February Home Sales Take a Breather Due to April Extension of Tax Credit Program

Local home sales (closings) fell 17.45% last month from a year ago, reports the Cincinnati Area Board of Realtors.

The reduction was due to the home buyer tax credit program being extended from the original date of Nov. 30, 2009 to April 30, 2010. Accordingly, buyers backed off a couple of months over the holidays.

They picked up their buying momentum in February, however, with pending sales (contracts written) registering a 7.8% gain over February one year earlier. Many of the February 2010 contracted properties will close this month.

Year-to-date local sales for 2010 are off 12.96%, but gross dollar volume is up 1.54%. Average selling price is up 16.67% for the January-February period over the comparable period in 2009. That increase in price is due primarily to fewer foreclosure sales this year.

There are a trio of reasons why new contracts written are strong this year: (1) ample inventory of homes from which a buyer can select, (2) attractive mortgage rates of slightly over five percent and, (3) the federal home tax credit up to \$8,000 for first-time buyers and \$6,500 for repeat buyers.

But in order for a buyer to take advantage of the tax credit offering, the buyer must have a completed contract with a seller by April 30 and close by June 30. Generous income limits apply for a buyer's eligibility.

"The tri-state Open House weekend on March 20-21 of 4,164 MLS-listed homes for sale really brought buyers out," said Tim Mahoney, Realtor Board president. "They know a good situation when they see it."

Mahoney is referring to the tax credit, which is a bonus for today's buyers. That program is not scheduled for any extension.

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“The fact that pending sales (contracts written) are up in February bodes well for March closings,” Mahoney said.

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

February Monthly Home Sales

		<u>Closings</u>	<u>Gross Volume</u>	<u>Average Price*</u>
Feb.	2010	932	\$139,461,761	\$149,637
Feb.	2009	<u>1,129</u>	<u>\$146,797,813</u>	<u>\$130,025</u>
	Variance	-17.45%	-5.00%	+15.08%

Year-to-Date Home Sales

		<u>Closings</u>	<u>Gross Volume</u>	<u>Average Price</u>
Jan-Feb.	2010	1,786	\$268,110,178	\$150,118
Jan-Feb.	2009	<u>2,052</u>	<u>\$264,035,591</u>	<u>\$128,672</u>
	Variance	-12.96%	+1.54%	+16.67%

*Note on Average Price: February 2009 was an abnormality in average price. There were more lender-involved sales in Feb. 2009 vs. Feb. 2010, which brought down the average price in Feb. 2009. Thus, Feb. 2010 is better compared to Feb. 2008. Average selling price in Feb. 2008 was \$154,107.

February 2008: 33.31% of home sales were lender-involved (e.g., bank-owned, foreclosures, short sales)
 February 2009: 48.18% “ “ “ “ “ “
 February 2010: 33.05% “ “ “ “ “ “

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