

Press Release
Cincinnati Area Board of Realtors®

The following press release was sent to the local media today at 10:20 a.m.

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May Home Sales Up 25%; Spring Sales Show Strength

Local home sales (closings) in May continued in uptrend style. Sales one month ago climbed 25.43% from the same period a year ago. Here is the monthly tally of home sale increases the past three months, comparing 2010 to 2009:

2010 Monthly Gain
* March 2010 vs. March 2009..... +13.97%
* April 2010 vs. April 2009..... +32.69%
* **May 2010 vs. May 2009..... +25.43%**

Major reason for the increase in home sales was the housing-related federal tax credit -- up to \$8,000 -- offered to qualified home buyers who contracted to buy a home by April 30 and close by June 30.

Lower mortgage rates were another factor for higher sales in May. A 30-year, fixed rate home loan averaged 5.00% during the month compared to 5.32% a year ago. As of last week, that same loan averaged 4.81%.

The inventory of homes for sale continues to improve toward a balanced market. It's now 6.76 months in contrast to 8.37 months a year ago. A lower number is generally advantageous for sellers in pricing; a higher number for buyers. A balanced market -- fair to buyers and sellers -- ranges from 5 to 6 months. Accordingly, today it still tends to be a buyer's market.

"Home buyers who were in a position to buy and take advantage of the tax credit were fortunate," said Tim Mahoney, president of the Cincinnati Area Board of Realtors. "Since then, contracts written have lessened, which was expected. But with mortgage rates at less than 5%, it's still a great opportunity for buyers. Mortgage rates are at a 40-year low."

Nationwide, May home sales (closings) were up 19.2% from a year ago.

June closings will continue to be strong, since many of these sales were written by April 30. Many of those buyers will receive the tax credit.

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

May Monthly Home Sales

		<u>Closings</u>	<u>Gross Volume</u>	<u>Average Price</u>
May	2010	2,106	\$335,832,856	\$159,465
May	2009	<u>1,679</u>	<u>\$260,848,776</u>	<u>\$155,360</u>
	Variance	+25.43%	+28.75%	+2.64%

Year-to-Date Home Sales

		<u>Closings</u>	<u>Gross Volume</u>	<u>Average Price</u>
Jan-May	2010	7,358	\$1,127,333,634	\$153,212
Jan-May	2009	<u>6,509</u>	<u>\$ 907,397,021</u>	<u>\$139,407</u>
	Variance	+13.04%	+24.24%	+9.90%

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