

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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July Home Sales Slide 35% ; But Remain Up for First 7 Months

The rush to buy homes before the federal tax credit program for housing expired on April 30 caught up with sales (closings) in July.

March closings were up 15%, April 34%, May 26%, and June 8%. But July, off 35%, broke that string of gains. Overall, for the first seven months of the year, sales are still up 3% (10,816 compared to 10,495 the same period one year ago).

The spring buying simply accelerated sales from summer buying.

“It was the ‘borrowing from Peter to pay Paul’ syndrome,” said Tim Mahoney, president of the Cincinnati Area Board of Realtors. “And it may continue for a while,” he said, “until it balances out.”

The same thing happened after the nationwide car rebate program expired Nov. 30. Qualified car buyers got a discount up to \$4,500 if they turned in older cars and bought a new car. That upped sales for a brief while, but crimped sales immediately thereafter, before it eventually balanced out and auto sales continued their growth. The same scenario is expected for housing sales.

Although July home sales declined, the average selling price held up at \$164,424 compared to \$164,204 a year earlier.

Mahoney pointed to the jobs picture and its impact on the economy. “The unemployment rate of 9.5% needs to improve to boost consumer confidence in housing and retail sales,” he said.

But for people buying now, they have been given the gift of low mortgage interest rates. A home mortgage now averages 4.56% for a 30-year fixed rate loan. That’s the lowest cost for home loans since they started keeping records in 1971. Compared to a year ago, when mortgages were at 5.45%, a buyer now saves about \$55 a month for every \$100,000 of home loan.

Vicki Cox Golder, president of the National Association of Realtors, said that “with interest rates at record lows, buyers with good jobs and favorable credit ratings find themselves in a fortunate position to take advantage of today’s buying opportunities.”

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

July Monthly Home Sales

		<u>Closings</u>	<u>Gross Volume</u>	<u>Average Price</u>
July	2010	1,302	\$214,080,083	\$164,424
July	2009	<u>2,008</u>	<u>\$329,721,617</u>	<u>\$164,204</u>
	Variance	-35.16%	-35.07%	+0.13%

Year-to-Date Home Sales

		<u>Closings</u>	<u>Gross Volume</u>	<u>Average Price</u>
Jan-July	2010	10,816	\$1,711,727,019	\$158,259
Jan-July	2009	<u>10,495</u>	<u>\$1,562,072,533</u>	<u>\$148,840</u>
	Variance	+3.06%	+9.58%	+6.33%

Nationwide, July home sales were down 25.5% from a year ago,
and down 27.2% last month from June on a seasonally adjusted basis.

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