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PRESS RELEASE

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REALTORS® Say "Home Is Where the Heart Is"

Florence, KY – June 21, 2011- Average home sale prices continue to rebound in Northern Kentucky even though sold listings are still down. The area's residential solds are consistent with the numbers seen in early 2009 when the First Time Homebuyer's Tax Credit was beginning to strengthen the housing market. In later months of 2009 and through July, 2010 the local real estate market was boosted by Congress' implementation of tax credit incentives. "Like other parts of the country, Northern Kentucky stats are still being impacted by the frenzied purchases in the first part of 2010, said Mike Becker," President of the Northern Kentucky Association of REALTORS®. In comparison of May's Residential solds (356) to May 2010 (539) it's clear that the tax credit had a huge impact on the numbers at that time. Looking back to May 2009 (409), a more reasonable comparison of local sales is seen.

"The average sale price in May, climbed to \$160,813, which makes two months in 2011 that the average price was over \$160K," said Becker. Adding, "The last time we saw the average price that high was in August 2008 (\$166,085), which is remarkable." The average price of closed sales in May (\$160,813) was 10.6% above May 2010 (\$145,431). Average prices are also impacted by distressed sales. The percentage of distressed sales has ranged between 17-35% of the monthly sold inventory since the beginning of 2010. The number of pending (accepted purchase agreements) continues to be consistent, month over month. In May, 448 residential homes went pending, an increase of 39% over May 2010 (270); another example of how the tax credit affected the real estate market locally. There still seems to be plenty of potential buyers in the pipeline. A recent survey showed that 73% of those surveyed who don't currently own a home have a goal to own a home in their future.

Some economists estimated that the U.S. housing market would rebound from the current recession by 2012. That may have been more optimistic than the reality which has slowed down that process. Higher gas prices equates to higher prices for food, and other necessities. With less to spend on non-essentials such as entertainment and restaurants, the trickle down equates to fewer jobs and slower economic recovery. The real issue facing the nation's economy right now is that many Americans can't find meaningful work to support their families, and housing is essential to creating jobs.

"We need to make sure that any changes to current programs or incentives don't jeopardize our housing and economic recovery" said Mr. Becker. Recently, there has been discussion on Capital Hill to eliminate or reduce the mortgage interest deduction. "It's imperative for Congress to protect the MID", he added. Many economists firmly believe that a functioning home ownership process can lead our country out of recession.

The old saying is still true...."Home is where the heart is". Homeownership is an investment in your future. Home is where we make memories, build our futures, and feel comfortable and secure. Owning a home is one of the best ways to build long-term wealth, providing both equity accumulation and tax benefits over time.

The 900 member Northern Kentucky Association of REALTORS® and the 1200 users of the Northern Kentucky MLS (NKMLS), Northern Kentucky's leader in the real estate information and services business, operates with a professional staff from 7660 Turfway Road, Suite 100 in Florence, KY. Both NKAR and the NKMLS work to protect the public's right to transfer real property and promote better public understanding of the profession and the real estate transaction process.

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