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PRESS RELEASE

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LOW INTEREST RATES ATTRACT BUYERS

Florence, KY – October 25, 2010 – Local REALTORS® are hopeful that 2010 will exceed 2009 in total dollar volume if the current trend continues. For the month of September 2010 the average price of homes sold (\$153,931) was up 14% over the same period of 2009 (\$134,920). That is encouraging news for sellers who have been waiting for housing prices to stop their downward slide. September's home sales (363) were even with the previous month (363) but down 19% from September 09's sales (450), obtained during the peak of the stimulus offerings. The median price of homes sold reached \$130,000 in September, further evidence that volatility in the housing market is subsiding.

"Fewer homes are selling right now but, at a higher price," said Rebecca Trout, President of the Northern Kentucky Association of REALTORS®. In the 3rd quarter of the year, September had the highest dollar volume (\$55,876,856) exceeding August (\$54,129,072) and July (\$49,237,324). "With Fall approaching, we anticipate that sales will hold steady or decrease slightly as the holiday season is just around the corner," added the Association's Leader.

Interest rates continue to remain the lowest in modern history. Many buyers can save hundreds, even thousands of dollars in interest compared to rates obtained just a few years ago. Northern Kentucky averages nearly 4,000 residential listings for sale. Locally, REALTORS® held over 2000 open houses across the tri-state region last weekend in their "Nest For Less" campaign. They encourage buyers to grasp their "American Dream Home" while the rates are so low.

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“This is a volatile election year that will directly affect the economy and our local business environment,” said Ms. Trout. In a recent survey conducted by the National Association of REALTORS®, they found that consumers are still insecure about their jobs and the economy in general. They worry that the lack of jobs creation will continue to be an obstacle in the recovery of the housing market and the economy. The survey also revealed that nearly eight out of ten respondents believe buying a home is a good financial decision. “While job recovery is key to consumer confidence in the economy and housing market, home ownership continues to be big part of the American Dream. It’s a proven way to build long term wealth and invest in the future,” added Trout.

The following graph displays a comparison of 2009 to 2010 Northern Kentucky homes sales within a defined price range. The graph shows that homes \$250,000 and above are selling at a faster rate in 2010 than they did in 2009. That’s good news for sellers in the \$250K and above range.

Sale Price Range	# 2009 Sales	#2010 Sales
\$50,000- \$99,999	807	735
\$100,000 - \$149,999	1092	1004
\$150,000- \$199,999	637	609
\$200,000 - \$249,999	343	298
\$250,000 - \$299,999	158	165
\$300,000 +	189	239

Trout reminds buyers, “The perfect buying conditions have arrived.” Interest rates have dropped to their lowest level in over 40 years and won’t stay this low forever. Payments on a \$200,000 mortgage at 4.25% = \$983.88. At 5.25% it would be \$1,104.41 or \$120.53 more per month, and at 6.25% the same \$200,000 house payment would be \$1,231.43 or \$247.55 a month higher. Over the 30 year life of the mortgage, it’s incredible what a difference one percentage point makes. Ms. Trout added, “Homeownership remains the foundation of the American Dream. Home is where we make our memories and set our cornerstone for the future.”

The 1000 member Northern Kentucky Association of REALTORS® and the 1400 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.