

FOR IMMEDIATE RELEASE

April 23, 2009

Contact:

Mary Schaefer/Ann Londrigan

217-529-2600

**Statewide March Home Sales Jump 35.5 Percent from February Totals
Illinois Median Price Up to \$149,995**

SPRINGFIELD, Ill. — For the second-straight month, Illinois home sales increased over the month before and for the first time since June 2008 the statewide median home price also rose from the previous month.

According to the Illinois Association of REALTORS® latest report, total home sales (which include single-family and condominiums) were up 35.5 percent in March 2009 to 6,944 homes compared to 5,125 homes sold in February 2009. Overall, home sales were down 21.1 percent from March 2008 sales of 8,799.

The Illinois median price in March 2009 was \$149,995, up 6.6 percent compared to \$140,700 in February 2009; it was down 21.1 percent from \$190,000 in March 2008. The median is a typical market price where half the homes sold for more, half sold for less.

“For the first time in over a year, there are several positive signals in the housing market as inventories declined and sales recorded modest increases,” said Dr. Geoffrey J.D. Hewings, director of the Regional Economics Applications Laboratory (REAL) of the University of Illinois. “Whether this momentum can be sustained over the coming months will be determined by a number of factors—the effects of the federal stimulus package and the state’s capital bill, declines in the numbers of job losses and the impact that foreclosed properties will play in dampening the recovery in house prices.”

Hewings anticipates that month-to-month sales for April through June will be positive in Illinois and Chicago area with the greatest increases recorded in May.

The monthly average commitment rate for a 30-year, fixed-rate mortgage for the North Central region was 5.15 percent in March 2009, down slightly from the 5.16 average rate during the previous month, according to the Federal Home Loan Mortgage Corporation. Last year in March it averaged 6.01 percent.

“Interest rates remain near record lows while recent reports on housing affordability, the pending home sales index and home builder confidence are on the rise,” said REALTOR® Pat Callan, president of the Illinois Association of REALTORS®. “And while still lower than a year ago, both statewide home sales and the state’s median

home price were up from February 2009 and that is a step in the right direction. Stabilized prices will lead the way to a housing market recovery.”

Adds Callan: “More must be done to help qualified buyers finance their homes. FHA loans now account for more than 30 percent of the mortgage financing market, but additional federal resources will be needed to help it keep up with demand. Potential buyers, in turn, would benefit if FHA made it easier to purchase a condominium and if first-time buyers were allowed to use the new \$8,000 tax credit upfront as down payment assistance.”

In the Chicago Primary Metropolitan Statistical Area (PMSA), home sales were up 38.3 percent to 4,260 homes sold in March 2009 compared to 3,081 home sales in February 2009; sales were down 26.0 percent from 5,759 home sales in March 2008.

The median home sale price for the Chicago PMSA was \$194,000 in March 2009, up 5.7 percent from \$183,500 in February 2009; the median price is down 21.8 percent from \$248,000 in March 2008.

In the city of Chicago, March total home sales (single-family and condominiums) were up 40.6 percent to 1,181 sales compared to February 2009 sales of 840; sales were down 42.2 percent from 2,044 in March 2008.

The city of Chicago median price also rose 0.8 percent to \$220,000 in March compared to \$218,125 in February 2009; the city of Chicago median price was down 26.9 percent from \$300,980 in March 2008.

“We see positive signs in March numbers over February, and are cautiously optimistic about the second quarter sales and median pricing in the Chicago market,” said David Hanna, president of the Chicago Association of REALTORS®. “We continue to observe disparity in the ability of buyers to find adequate financing, especially in the condominium sector. While pricing has continued to make this a buyer’s market, the activity levels needed for a sustained recovery in local housing are still far above the current numbers. We will need several months of increasing sales, declining inventory and continuous absorption of distressed properties if this is to be called a recovery.”

According to the IAR report, home sale prices comparing March 2009 to the same month in 2008 were up in 41 of 98 Illinois counties reporting including Adams, up 13.1 percent; Boone, up 7.3 percent; Kendall, up 1.3 percent; Livingston, up 23.9 percent; Marion, up 11.6 percent; McLean, up 0.9 percent; Sangamon, up 8.0 percent; Whiteside, up 12.2 percent; and Winnebago, up 1.0 percent.

Sales and price information is generated from a survey of Multiple Listing Service sales reported by 37 participating Illinois REALTOR® local boards and associations. The Chicago PMSA, as defined by the U.S. Census Bureau, includes the counties of Cook, DeKalb, DuPage, Grundy, Kane, Kendall, Lake, McHenry and Will.

The Illinois Association of REALTORS® is a voluntary trade association whose 53,000 members are engaged in all facets of the real estate industry. In addition to serving the professional needs of its members, the Illinois Association of REALTORS® works to protect the rights of private property owners in the state by recommending and promoting legislation that safeguards and advances the interest of real property ownership.

Find Illinois market stats data at www.illinoisrealtor.org, click on Market Stats.