

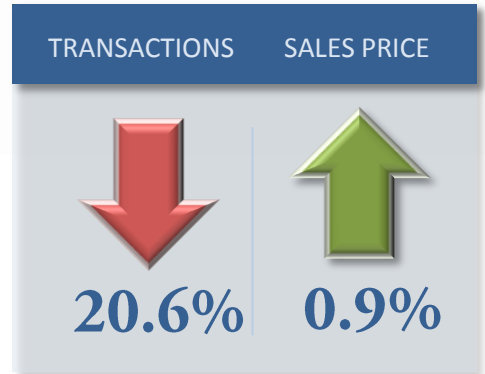


Home Sales Continue Post-Tax Credit Correction

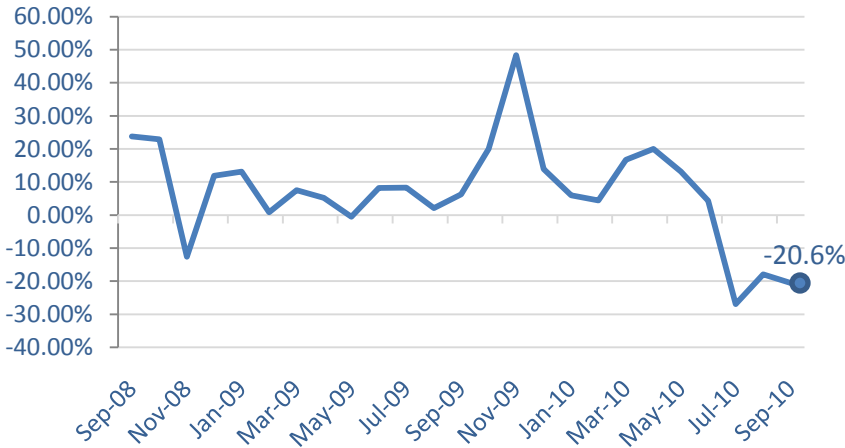
September 2010
volume 26

The summer season of home buying was a difficult one because many buyers purchased earlier in the spring in an attempt to qualify for the government's Tax Credit. The market is still attempting to return to traditional seasonal trends. A monthly survey of 54 metropolitan areas indicates that sales were 6.4% below those in August and 20.6% below sales in September 2009. The inventory of homes for sale is dropping slightly, which has resulted in a stabilization of prices.

"We anticipated the drop in home sales this summer due to the tax credit, and we usually see sales in September fall below August levels, but we're encouraged by reports of signed contracts in the field," said Margaret Kelly, CEO of RE/MAX, LLC. "An increase in signed contract activity should translate into increased home sales in the coming months."



TRANSACTIONS – YEAR-OVER-YEAR CHANGE



It seems clear that homebuyers trying to take advantage of the Tax Credit bought early. Sales in the spring were much higher than normal. This could explain why September 2010 sales were 20.6% below September last year. September sales were also down from the previous month by 6.4%. Much of this drop may be due to the usual trend of slower sales at the end of the summer. Of the 54 metro areas, only one reported higher sales from a year ago. Miami showed a 3.2% increase over September 2009.

MEDIAN SALES PRICE – YEAR-OVER-YEAR CHANGE

Even though transactions dropped in the month of September, home prices remained relatively stable, and 33 of the 54 metro areas surveyed showed a year-to-year increase in home sales prices. Overall, prices were down 2.7% from August, but still up only 0.9% from a year ago. Prices are still higher than 2009 in California cities and are up in the South and Midwest too; Raleigh, NC +11.6%, Pittsburgh, PA +8.2%, Detroit, MI +7.7%, Little Rock, AR +6.4%, Nashville, TN +5.7%, Philadelphia, PA +5.2%, Jackson, MS +4.7% and Charlotte, NC +4.2%.

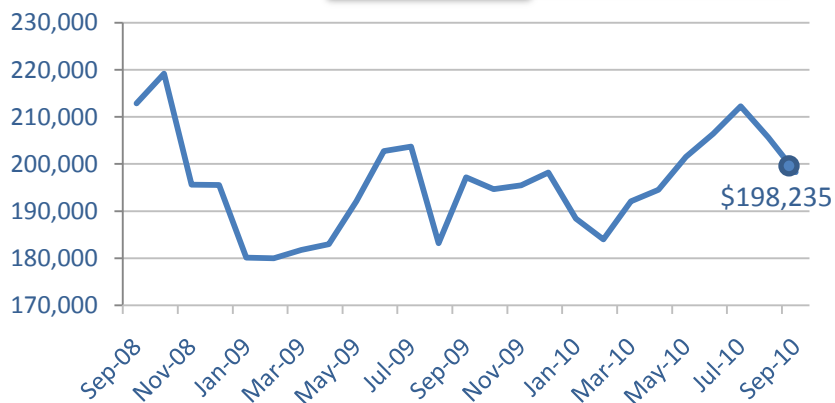
MEDIAN SALES PRICE

SEPT 2010

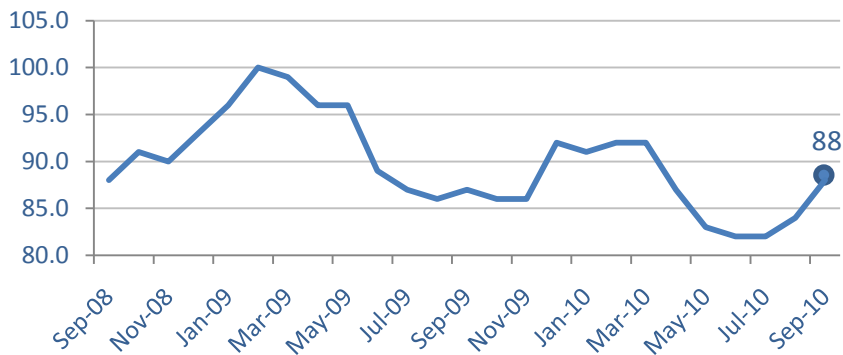
\$198,235

SEPT 2009

\$196,425



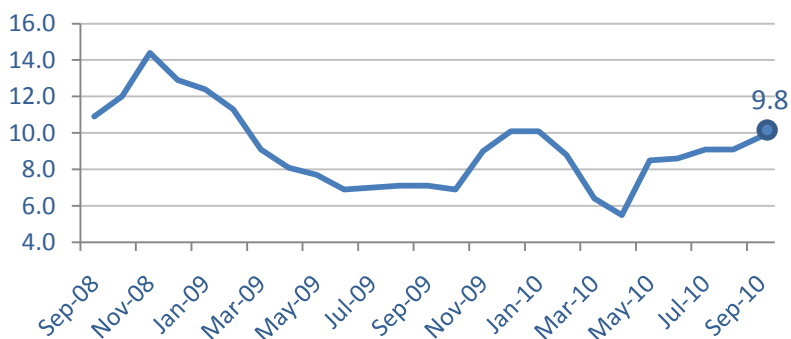
DAYS ON MARKET – AVERAGE OF 54 METRO AREAS



For the homes that sold in the survey's 54 metro areas, the average number of days it took from listing to signed contract was 88, four days longer than the 84 day average reported last month and also higher than the 87 day average in September one year ago.

MONTHS SUPPLY OF INVENTORY – AVERAGE OF 54 METRO AREAS

The inventory of homes on the market in September dropped by 2.8% from August and is 0.52% lower than the inventory in September 2009. Based on sales contracts signed in September, the Months Supply of Inventory in the survey's 54 cities was 9.8, which is slightly higher than the 9.1 supply reported in August and higher than the 7.1 month supply in September 2009. The Months Supply of Inventory indicates how long it would take to eliminate the current inventory of homes for sale in the survey's 54 metro areas at the current rate of sales. A six month supply is considered a market that is balanced equally between buyers and sellers.



CONTACT

For specific data on the 54 metropolitan areas in this report or to request an interview, please call (303) 796-3667.

ABOUT RE/MAX, LLC

RE/MAX was founded in 1973 by Dave and Gail Liniger. From a single office in Denver, Colorado, it has grown into a global network of more than 90,000 Sales Associates in more than 80 countries, an international presence greater than any of its competitors. Nobody in the world sells more real estate than RE/MAX. RE/MAX has been recognized as the leading real estate franchise in the "2009 Franchise Times Top 200," and has also been honored as the top real estate franchise for nine of the last 11 years in "The Franchise 500 Survey," published by *Entrepreneur* magazine.

Today, all U.S. home listings in thousands of cities and towns can be found at www.remax.com, the most visited real estate franchise web site. (*Compete.com, Hitwise, ComScore for 6-month period through July 2010.*)

RE/MAX is proud of its Premier Community Citizenship, which has raised over \$100 million for deserving organizations such as Susan G. Komen for the Cure®, Children's Miracle Network and The Sentinels of Freedom Foundation. For information on RE/MAX, please visit: www.remax.com or www.joinremax.com

DESCRIPTION

The RE/MAX National Housing Report is distributed each month on or about the 15th. The first Report was distributed in August 2008. The Report is based on MLS data in approximately 54 metropolitan areas, includes all residential property types, and is not annualized. For maximum representation, many of the largest metro areas in the country are represented, and an attempt is made to include at least one metro from each state. Metro area definitions include the specific counties established by the U.S. Government's Office of Management and Budget, with some exceptions.

DEFINITIONS

Transactions are the total number of closed residential transactions during the given month. Month's Supply of Inventory is the total number of residential properties listed for sale at the end of the month (active inventory) divided by the number of sales contracts signed (pending) during the month. Where "pending" data is unavailable, this calculation is made using closed transactions. Days on Market is the number of days that pass from the time a property is listed until the property goes under contract for all residential properties sold during the month. Median Sales Price is the median price of all residential properties sold during the month.

MLS data is provided by contracted data aggregators, RE/MAX brokerages and regional offices. While MLS data is believed to be accurate, it cannot be guaranteed. MLS data is constantly being updated, making any analysis a snapshot at a particular time. Every month the RE/MAX National Housing Report re-calculates the previous period's data to ensure accuracy over time. All raw data remains the intellectual property of each local MLS organization.