

Monthly Indicators



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February 2023

In its continued effort to curb inflation, the Federal Reserve raised its benchmark interest rate in February by a quarter-percentage point to 4.50% - 4.75%, its 8th rate hike since March of last year, when the interest rate was nearly zero. Mortgage interest rates have dipped slightly from their peak last fall, leading pending sales to increase 8.1% month-to-month as of last measure, but affordability constraints continue to limit homebuyer activity overall, with existing-home sales declining for the twelfth consecutive month, according to the National Association of Realtors® (NAR).

New Listings in the Chattanooga region decreased 12.9 percent to 936. Pending Sales were down 6.3 percent to 918. Inventory levels grew 57.1 percent to 1,529 units.

Prices continued to gain traction. The Median Sales Price increased 3.3 percent to \$297,500. Days on Market was up 85.7 percent to 39 days. Buyers felt empowered as Months Supply of Inventory was up 77.8 percent to 1.6 months.

With buyer demand down from peak levels, home price growth has continued to slow nationwide, although prices remain up from a year ago. Sellers have been increasingly cutting prices and offering sales incentives in an attempt to attract buyers, who have continued to struggle with affordability challenges this winter. The slight decline in mortgage rates earlier this year convinced some buyers to come off the sidelines, but with rates ticking up again in recent weeks, buyers are once again pulling back, causing sales activity to remain down heading into spring.

Activity Snapshot

- 9.6% **+ 57.1%** **+ 3.3%**

One-Year Change in **Closed Sales** One-Year Change in **Homes for Sale** One-Year Change in **Median Sales Price**

Residential real estate activity composed of single-family properties, townhomes and condominiums combined. Percent changes are calculated using rounded figures.

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Market Overview

Key metrics by report month and for year-to-date (YTD) starting from the first of the year.

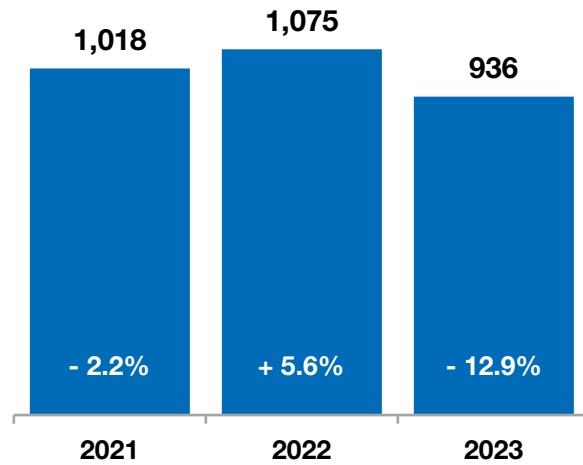


Key Metrics	Historical Sparkbars				2-2022	2-2023	Percent Change	YTD 2022	YTD 2023	Percent Change
	02-2020	02-2021	02-2022	02-2023						
New Listings					1,075	936	- 12.9%	1,963	1,903	- 3.1%
Pending Sales					980	918	- 6.3%	1,908	1,843	- 3.4%
Closed Sales					871	787	- 9.6%	1,666	1,391	- 16.5%
Days on Market Until Sale					21	39	+ 85.7%	21	38	+ 81.0%
Median Sales Price					\$288,000	\$297,500	+ 3.3%	\$289,900	\$294,000	+ 1.4%
Avg. Sales Price					\$324,879	\$342,759	+ 5.5%	\$336,732	\$348,794	+ 3.6%
Pct. of Orig. Price Received					99.0%	96.1%	- 2.9%	98.8%	95.5%	- 3.3%
Affordability Index					102	78	- 23.5%	102	79	- 22.5%
Homes for Sale					973	1,529	+ 57.1%	--	--	--
Months Supply of Inventory					0.9	1.6	+ 77.8%	--	--	--

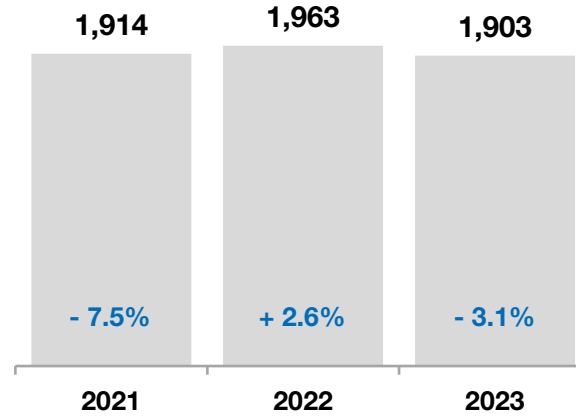
New Listings

A count of the properties that have been newly listed on the market in a given month.

February

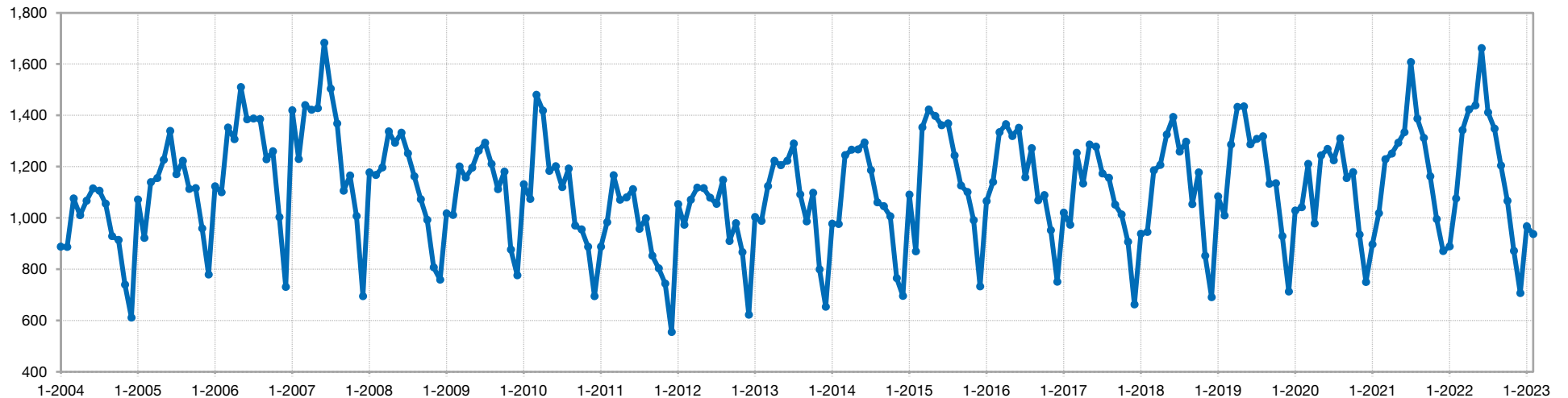


Year to Date



	New Listings	Prior Year	Percent Change
March 2022	1,342	1,228	+9.3%
April 2022	1,422	1,250	+13.8%
May 2022	1,438	1,292	+11.3%
June 2022	1,661	1,334	+24.5%
July 2022	1,411	1,607	-12.2%
August 2022	1,348	1,387	-2.8%
September 2022	1,204	1,311	-8.2%
October 2022	1,066	1,162	-8.3%
November 2022	871	995	-12.5%
December 2022	706	870	-18.9%
January 2023	967	888	+8.9%
February 2023	936	1,075	-12.9%
12-Month Avg	1,198	1,200	-0.2%

Historical New Listings by Month

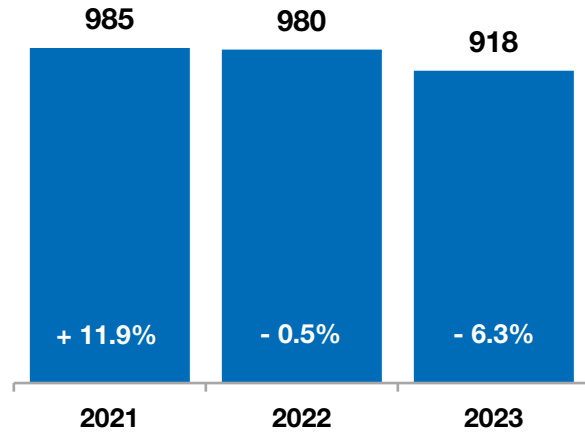


Pending Sales

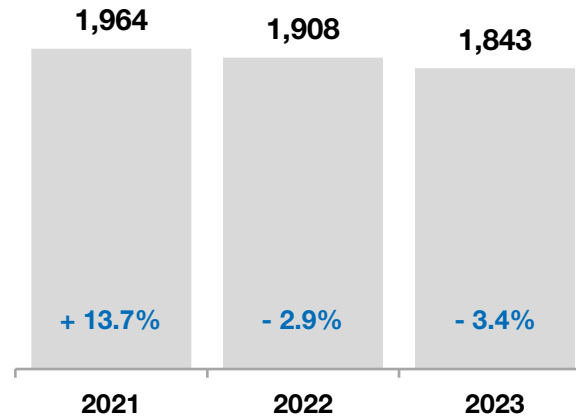
A count of the properties on which offers have been accepted in a given month.



February



Year to Date



Pending Sales	Prior Year	Percent Change
March 2022	1,115	1,105 +0.9%
April 2022	1,093	1,173 -6.8%
May 2022	1,119	1,111 +0.7%
June 2022	1,052	1,145 -8.1%
July 2022	1,045	1,251 -16.5%
August 2022	1,031	1,193 -13.6%
September 2022	906	1,171 -22.6%
October 2022	780	1,169 -33.3%
November 2022	665	954 -30.3%
December 2022	630	828 -23.9%
January 2023	925	928 -0.3%
February 2023	918	980 -6.3%
12-Month Avg	940	1,084 -13.3%

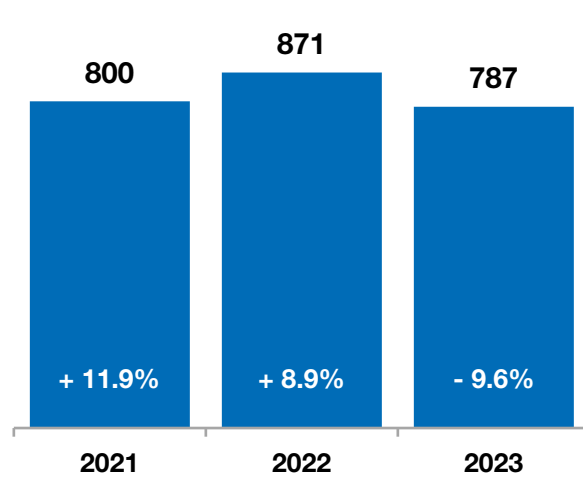
Historical Pending Sales by Month



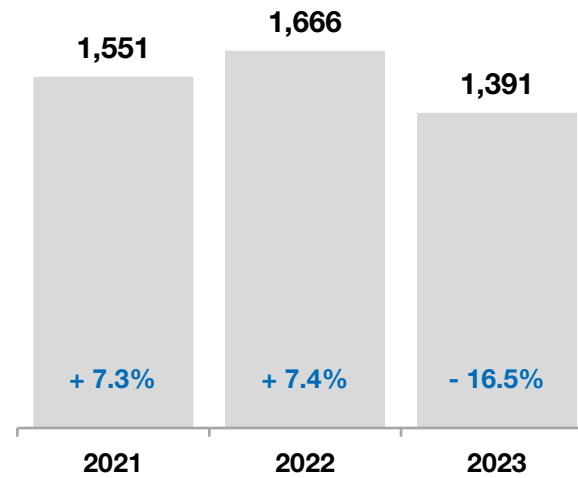
Closed Sales

A count of the actual sales that closed in a given month.

February

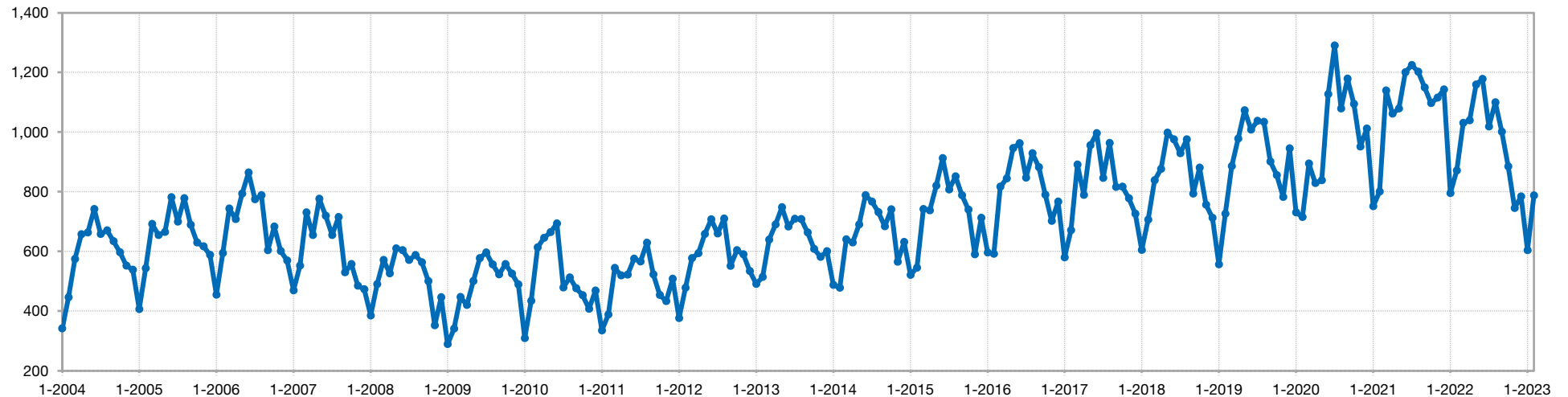


Year to Date



Closed Sales	Prior Year	Percent Change
March 2022	1,030	1,139 -9.6%
April 2022	1,039	1,061 -2.1%
May 2022	1,159	1,079 +7.4%
June 2022	1,178	1,200 -1.8%
July 2022	1,018	1,224 -16.8%
August 2022	1,099	1,202 -8.6%
September 2022	1,001	1,149 -12.9%
October 2022	885	1,097 -19.3%
November 2022	745	1,115 -33.2%
December 2022	784	1,142 -31.3%
January 2023	604	795 -24.0%
February 2023	787	871 -9.6%
12-Month Avg	944	1,090 -13.4%

Historical Closed Sales by Month

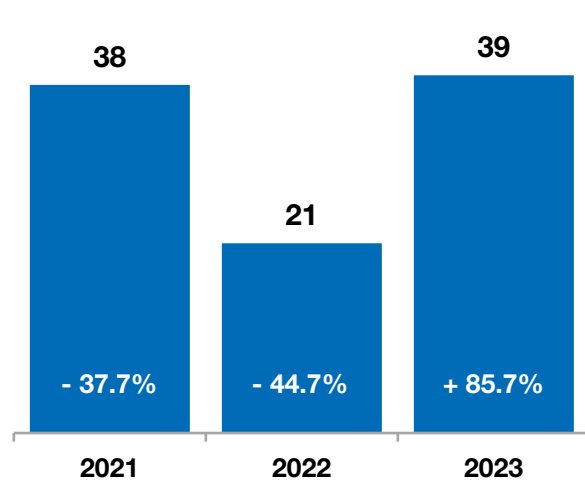


Days on Market Until Sale

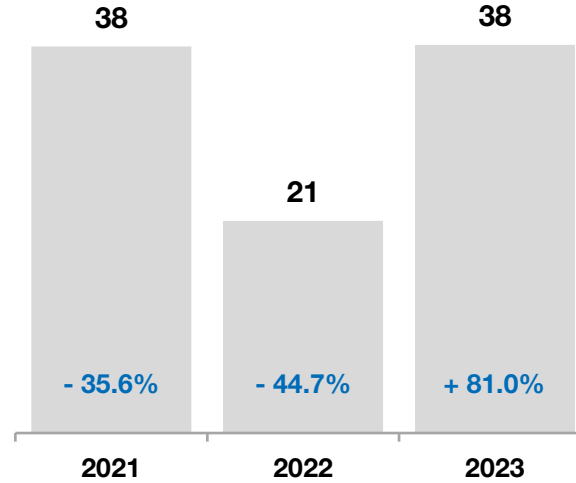
Average number of days between when a property is listed and when an offer is accepted in a given month.



February



Year to Date



Days on Market	Prior Year	Percent Change	
March 2022	19	33	-42.4%
April 2022	15	23	-34.8%
May 2022	14	22	-36.4%
June 2022	13	17	-23.5%
July 2022	15	16	-6.3%
August 2022	16	17	-5.9%
September 2022	24	15	+60.0%
October 2022	26	17	+52.9%
November 2022	31	19	+63.2%
December 2022	32	21	+52.4%
January 2023	36	21	+71.4%
February 2023	39	21	+85.7%
12-Month Avg*	22	20	+10.0%

* Average Days on Market of all properties from March 2022 through February 2023. This is not the average of the individual figures above.

Historical Days on Market Until Sale by Month

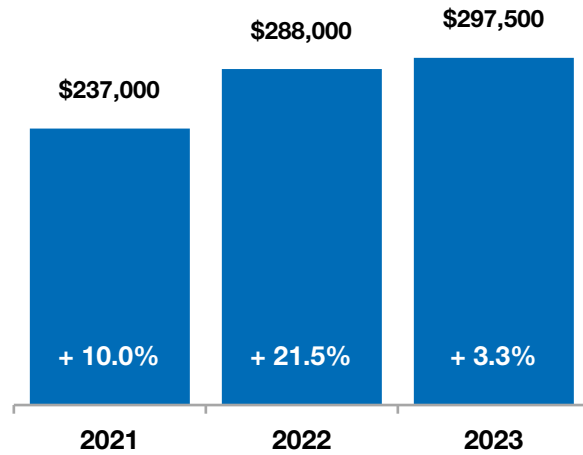


Median Sales Price

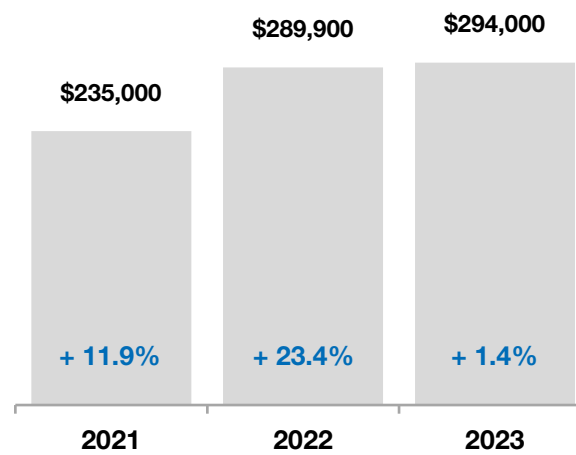
Point at which half of the sales sold for more and half sold for less, not accounting for seller concessions, in a given month.



February



Year to Date



Month	Median Sales Price	Prior Year	Percent Change
March 2022	\$300,000	\$253,093	+18.5%
April 2022	\$301,000	\$251,000	+19.9%
May 2022	\$315,000	\$260,000	+21.2%
June 2022	\$326,900	\$275,000	+18.9%
July 2022	\$309,950	\$262,100	+18.3%
August 2022	\$300,000	\$270,000	+11.1%
September 2022	\$306,000	\$265,000	+15.5%
October 2022	\$304,500	\$275,000	+10.7%
November 2022	\$299,450	\$280,000	+6.9%
December 2022	\$300,000	\$285,000	+5.3%
January 2023	\$289,450	\$290,000	-0.2%
February 2023	\$297,500	\$288,000	+3.3%
12-Month Med*	\$305,000	\$270,000	+13.0%

* Median Sales Price of all properties from March 2022 through February 2023. This is not the average of the individual figures above.

Historical Median Sales Price by Month

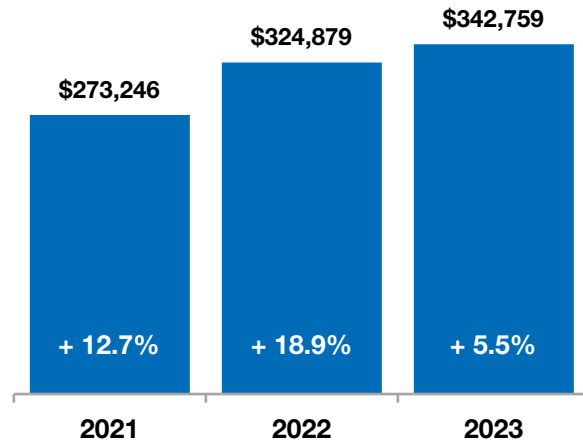


Average Sales Price

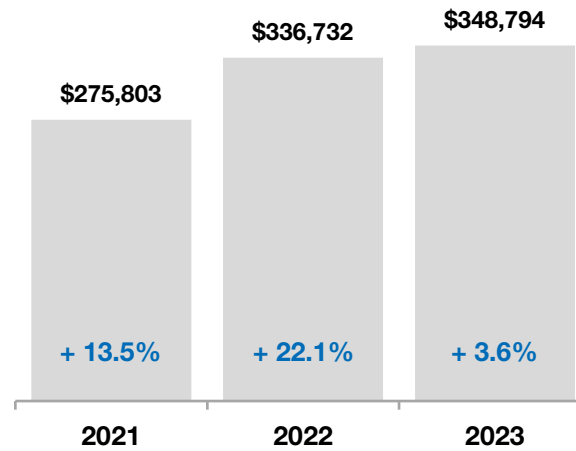
Average sales price for all closed sales, not accounting for seller concessions, in a given month.



February



Year to Date



	Avg. Sales Price	Prior Year	Percent Change
March 2022	\$349,159	\$289,520	+20.6%
April 2022	\$348,773	\$298,933	+16.7%
May 2022	\$364,140	\$300,727	+21.1%
June 2022	\$373,983	\$317,735	+17.7%
July 2022	\$350,344	\$312,093	+12.3%
August 2022	\$357,333	\$314,511	+13.6%
September 2022	\$358,383	\$320,185	+11.9%
October 2022	\$363,321	\$329,280	+10.3%
November 2022	\$344,208	\$320,923	+7.3%
December 2022	\$352,913	\$317,215	+11.3%
January 2023	\$356,664	\$349,752	+2.0%
February 2023	\$342,759	\$324,879	+5.5%
12-Month Avg*	\$355,953	\$315,353	+12.9%

* Avg. Sales Price of all properties from March 2022 through February 2023. This is not the average of the individual figures above.

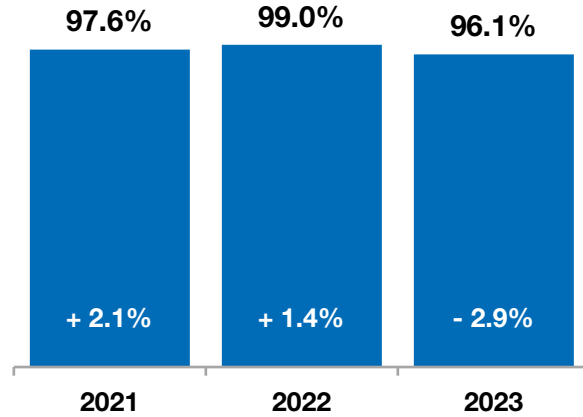
Historical Average Sales Price by Month



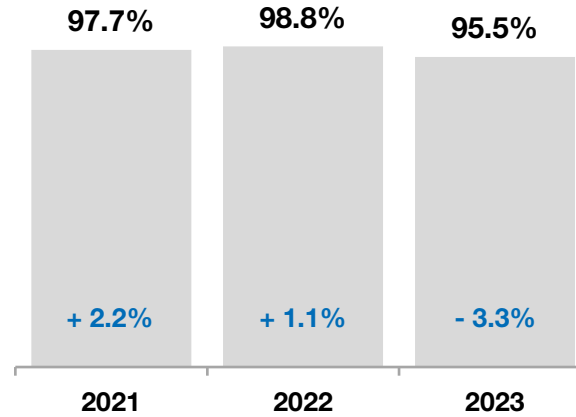
Percent of Original List Price Received

Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.

February



Year to Date



	Pct. of Orig. Price Received	Prior Year	Percent Change
March 2022	99.8%	98.4%	+1.4%
April 2022	100.8%	99.7%	+1.1%
May 2022	100.1%	100.1%	0.0%
June 2022	100.4%	100.5%	-0.1%
July 2022	98.3%	99.8%	-1.5%
August 2022	97.1%	99.7%	-2.6%
September 2022	96.2%	98.5%	-2.3%
October 2022	95.7%	98.5%	-2.8%
November 2022	95.6%	98.1%	-2.5%
December 2022	95.0%	98.6%	-3.7%
January 2023	94.7%	98.5%	-3.9%
February 2023	96.1%	99.0%	-2.9%
12-Month Avg*	97.8%	99.1%	-1.3%

* Average Pct. of Orig. Price Received for all properties from March 2022 through February 2023. This is not the average of the individual figures above.

Historical Percent of Original List Price Received by Month

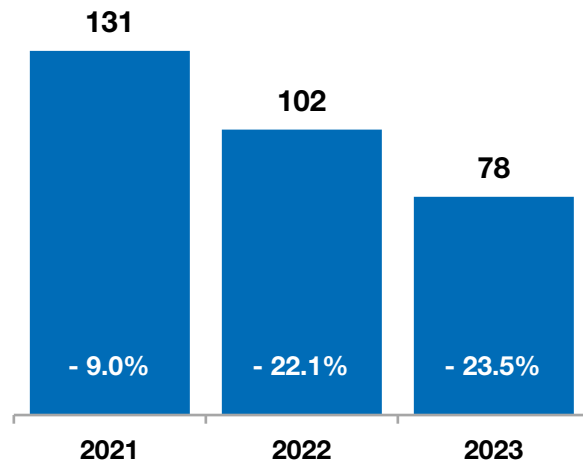


Housing Affordability Index

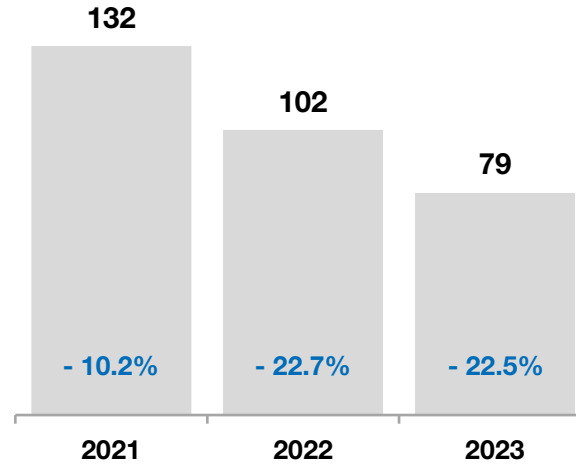


This index measures housing affordability for the region. For example, an index of 120 means the median household income is 120% of what is necessary to qualify for the median-priced home under prevailing interest rates. A higher number means greater affordability.

February



Year to Date



	Affordability Index	Prior Year	Percent Change
March 2022	90	122	-26.2%
April 2022	83	126	-34.1%
May 2022	81	122	-33.6%
June 2022	75	114	-34.2%
July 2022	83	121	-31.4%
August 2022	85	118	-28.0%
September 2022	75	119	-37.0%
October 2022	73	115	-36.5%
November 2022	76	116	-34.5%
December 2022	78	108	-27.8%
January 2023	83	103	-19.4%
February 2023	78	102	-23.5%
12-Month Avg	80	116	-30.8%

Historical Housing Affordability Index by Month



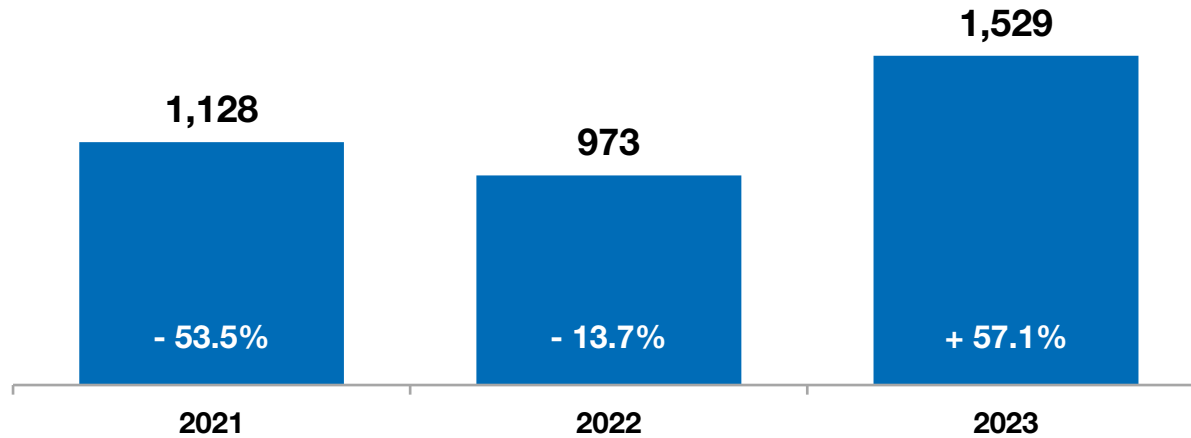
Inventory of Homes for Sale

The number of properties available for sale in active status at the end of a given month.



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February



Homes for Sale		Prior Year	Percent Change
March 2022	1,074	1,142	-6.0%
April 2022	1,280	1,100	+16.4%
May 2022	1,451	1,183	+22.7%
June 2022	1,870	1,249	+49.7%
July 2022	2,015	1,485	+35.7%
August 2022	2,112	1,501	+40.7%
September 2022	2,170	1,492	+45.4%
October 2022	2,226	1,328	+67.6%
November 2022	2,166	1,248	+73.6%
December 2022	1,910	1,137	+68.0%
January 2023	1,712	975	+75.6%
February 2023	1,529	973	+57.1%
12-Month Avg	1,793	1,234	+45.3%

Historical Inventory of Homes for Sale by Month

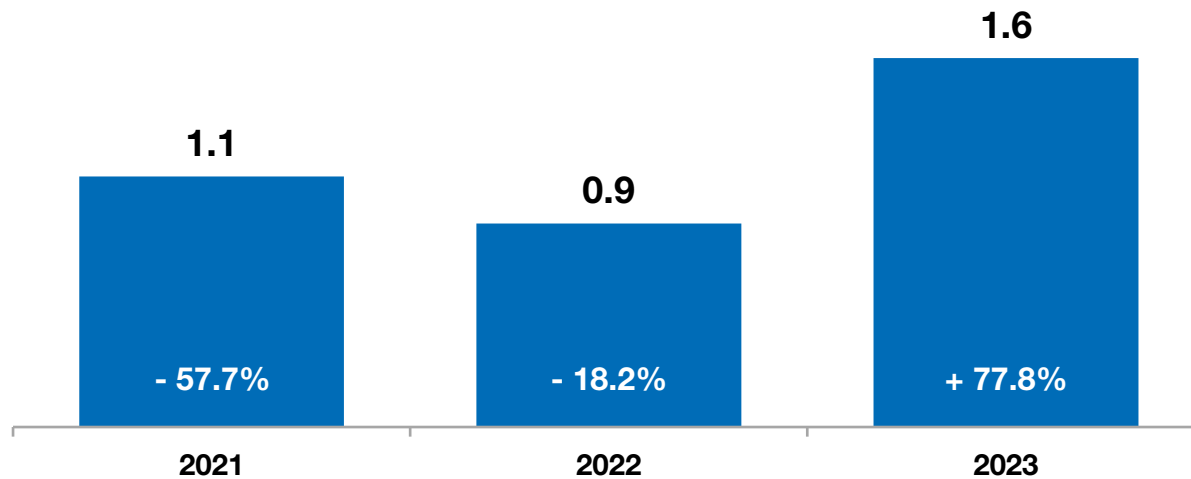


Months Supply of Inventory

The inventory of homes for sale at the end of a given month, divided by the average monthly pending sales from the last 12 months.



February



Months Supply	Prior Year	Percent Change
March 2022	1.0	-9.1%
April 2022	1.2	+20.0%
May 2022	1.1	+18.2%
June 2022	1.2	+41.7%
July 2022	1.4	+35.7%
August 2022	1.4	+42.9%
September 2022	1.4	+50.0%
October 2022	1.2	+91.7%
November 2022	1.1	+109.1%
December 2022	1.0	+100.0%
January 2023	0.9	+100.0%
February 2023	1.6	+77.8%
12-Month Avg	1.8	+50.0%

Historical Months Supply of Inventory by Month

