

TMLS REAL ESTATE SALES END YEAR ON POSITIVE NOTE Pending Sales Up 21 percent

Raleigh, NC: The Triangle Multiple Listing Service (TMLS) reports the following information pertaining to the housing industry on residential properties located in the 16 counties of the greater Triangle Region of North Carolina during December 2011. The percentage changes are comparison with the prior year's month unless otherwise noted.

Closed sales ended the year on a six-month favorable trend which had sales exceeding the same time frame in 2010 ever so slightly by just one half of one percent. The prior five months showed sales up with ranges between 9 to 23 percent over the same months in 2010. Wake, Johnston and Chatham Counties fared the best with closed sales up 2.4, 7.5, and 16.7 percent respectfully. The three communities with the largest increase in sales for December were North Durham up 34.4 percent, North Raleigh up 18.9 percent and Wake Forest up 13.2 percent over December 2010. Another positive indicator for the real estate market was the continued growth in pending sales (homes under contract, but not yet closed) for the eighth month running. Pending sales for December 2011 were up 21.5 percent over December 2010.

New Listings in the Triangle region decreased 15.8 percent to 1,797. Inventory levels shrank 21.7 percent to 13,036 units, extending the signature trend of 2011. Prices remained fairly stable for the month with the Median Sales Price decreasing 0.3 percent to \$185,000. Absorption rates improved as Month's Supply of Inventory was down 17.4 percent to 8.0 months supply.

"We are seeing more optimism in the market with more stable prices," said TMLS President Raymond Larcher. "Buyers are seeing sub 4.0 percent loans with more balanced supply and demand trends. The Housing Affordability Index is at 191, which is the second highest level in 2011. An index of 120 means the median household income was 120 percent of what is necessary to qualify for the median-priced home under prevailing interest rates. A higher number means greater affordability," he concluded.