

# REALTOR NEWS

Peoria Area Association of Realtors® news and information

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## **Housing Market Selling Activity Heats Up with Summer Temps: Low Inventory Causes Home Prices to Edge Upward and Pushes Days on the Market Significantly Lower**

**SUMMARY:** The Peoria Area Association of Realtors® 2013 second quarter results show the homes market recovery continuing, with lower property inventories and increased buyer activity causing homes to sell faster and home prices to creep upward. The number of new listings to date is down 4.4 percent keeping inventory numbers 18.3 percent lower for the second quarter. As buyer activity heats up, prices are edging up and days on the market are dropping, down 15 percent. The median sales price was up 2.5 percent, and the average sales price climbed 1.5 percent. Days on the market were 15 percent lower.

**Peoria, Ill. – July 16, 2013** – According to the Peoria Area Association of Realtors® (PAAR) 2013 second quarter housing report, housing data across the nation continues to impress the markets, and the Peoria market is right in line. For the 12-month period spanning July 2012 through June 2013, pending sales in the Peoria region are up 4.3 percent overall and closed sales are up 8.4 percent. New buyers are competing in a tighter marketplace, with home inventories continuing to shrink in 2013, down 18.3 percent and new listings down 4.4 percent.

Two important economic recovery indicators are increasing prices and homes selling in less time. The Peoria region has both, as the median sales price was up 2.5 percent from \$122,000 to \$125,000 and the average sales price climbed to \$147,123 from \$144,776, up 1.5 percent. Days on the market dropped a dramatic 15 percent to 85 days, down from 100 days in the second quarter of 2012.

“We are happy to see home sales heat up along with the weather. This year home sales have rebounded across the US, and financial experts report that the housing market is on-pace to contribute positively to GDP in 2013. I can tell you that positive economic contribution extends to our local economy,” said John Purple, PAAR President.

“According to a local study done several years ago, the economic impact of each residential property sold in the Peoria area is over \$20,000,” said Purple. “In 2012, over 4,900 properties were sold, resulting in over \$98,000,000 being pumped into our communities. That includes all the expenditures associated with buying and selling a home, including fixing it up to sell and remodeling by new owners, new appliances and furniture. When we look at new construction, the impact is amplified, and begins to show up in the jobs market, increasing opportunities in the construction trades.

“As we see the housing activity increase, we are keeping a close eye on interest rates, though still very attractive, they have recently moved up slightly to 4.3-4.5 percent,” Purple continued. “Many experts believe it is possible we could see rates back to 4.0 percent before the end of the year — it’s doubtful they’ll be lower than that anytime in the near future. If you have been sitting on the sidelines waiting for a good time to buy or sell, this may be the opportune time to make a move, with interest rates still relatively low, property inventories low, and home prices starting to edge up.”

### **ABOUT THE PEORIA ASSOCIATION OF REALTORS® (PAAR)**

PAAR is the “Voice for Real Estate” in the Greater Peoria area, with over 700 members engaged in all facets of the real estate industry. PAAR advocates for property owners and on behalf of a healthy business community. PAAR publishes the Central Illinois HOMES Guide, a monthly guide of homes for sale in the Peoria area.

Links to open houses can be found at: [www.peoriaopenhouse.com](http://www.peoriaopenhouse.com)

More information on purchasing a home in the Peoria area can be found at <http://www.yourhometools.com>

PAAR videos and monthly updates on the central Illinois homes marketplace can be found at: <http://www.youtube.com/user/peoriarealtors>

**PEORIA AREA ASSOCIATION OF REALTORS®**  
**2ND QUARTER HOME SALES, AVERAGE & MEDIAN SALES PRICES**

<u>YEAR</u>	<u>HOME SALES</u>	<u>AVE. SALE PRICE</u>	<u>MEDIAN</u>	<u>2013 1ST QTR # SALES</u>
2013	1,390	\$147,123	\$125,000	911
2012	1,378	\$144,776	\$122,000	
2011	1,219	\$136,406	\$113,000	
2010	1,463	\$138,297	\$117,500	
2009	1,206	\$141,829	\$119,000	
2008	1,491	\$142,108	\$118,000	
2007	1,718	\$138,467		
2006	1,833	\$137,377		
2005	1,821	\$127,495		
2004	1,697	\$119,728		
2003	1,602	\$115,274		
2002	1,416	\$105,364		
2001	1,401	\$110,054		
2000	1,328	\$103,345		
1999	1,254	\$104,064		
1998	1,272	\$ 97,880		
1997	1,106	\$ 95,352		
1996	1,010	\$ 90,860		

**INVENTORY NUMBERS**  
**2ND QUARTER BY MONTH**

	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>APRIL</b>	2,130	2,617	2,861
<b>MAY</b>	2,218	2,627	3,295
<b>JUNE</b>	2,347	2,573	3,389

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John Purple, PAAR President, is available for interviews.

Footage of John is available through PAAR.

You can also find him in the PAAR YouTube Channel,

<http://www.youtube.com/user/peoriarealtors>

For more information, interviews or additional information —

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