

NATIONAL ASSOCIATION OF REALTORS®
RESEARCH DIVISION

Survey of REALTOR® Sentiment Region 4 October 2011



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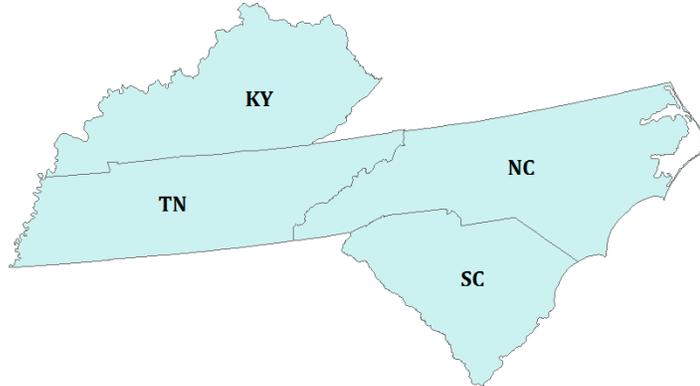
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REGION 4 SURVEY RESULTS

October 2011

Region 4 (Kentucky, North Carolina, South Carolina, and Tennessee)

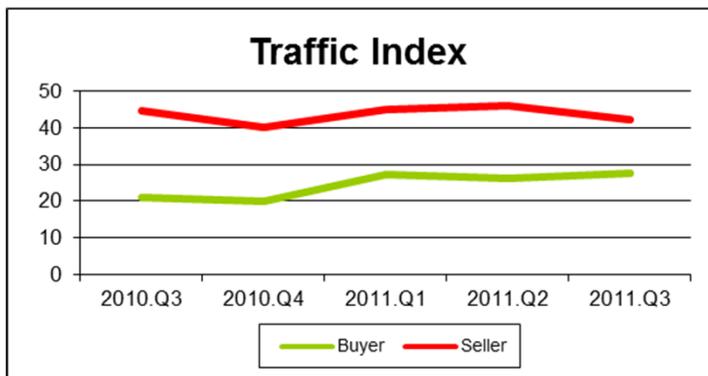


Cindy S. Chandler, CCIM, CRE
Regional Vice President

While visiting the states' conventions in Region 4 during September, I heard mixed reviews of the market. Some agents are not seeing any improvement while others are. Again, it depends on the pocket of the market each agent is in. All the states are competing for new business as the economy is everyone's #1 concern and when asked "where do you see light at the end of the tunnel?", the reply usually is "the economy needs to improve" or "we are worried about the creation of jobs in our area" or "lending is still not where it needs to be". However, nearly everyone feels that this is a good time to buy...

What Members are Saying:

"No matter how reasonably a property is priced, buyers still expect to negotiate way lower. Hard to determine listing prices. Appraisals are a joke." – KY



"I'm predicting that interest rates for home loans will rise to five percent in January which will spur the buyers that are waiting to finally make a move and start the market rolling." – KY

"If the media would be positive in their pursuit, buyers would not think that they should try to steal every purchase." – NC

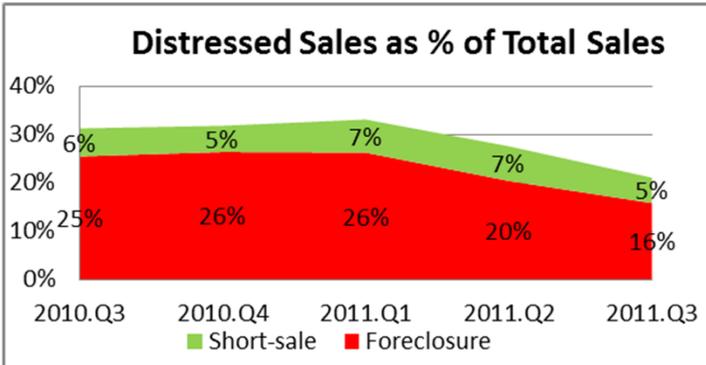
"We need to make credit more available to qualified borrowers with less down payment, especially first time homebuyers." – NC

"I have completed several market analysis this year and majority of the sellers are underwater and can't even break even." – NC

REGION 4 SURVEY RESULTS

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"It appears that sales up to \$150,000 and over \$300,000 are moving somewhat. Not many sales between the two price ranges." – NC

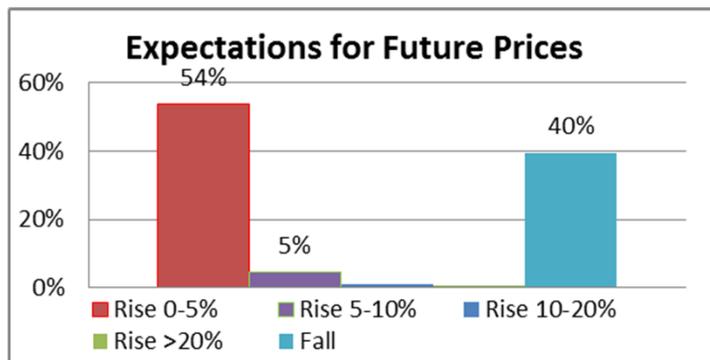


"We are a gated, resort, golf course community, generally second homes. There is a trend to rental versus buyer for the season 2012." – NC

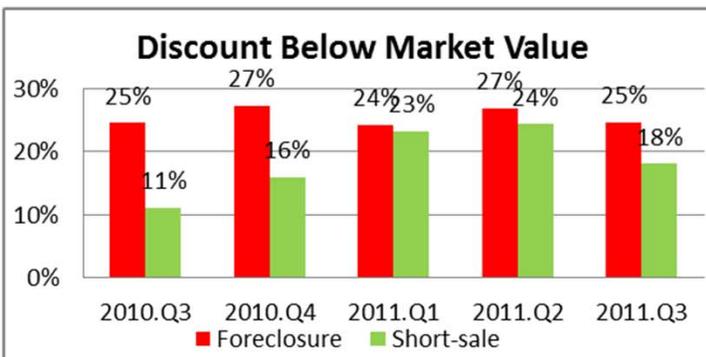
"lots of pent up demand but the buyers are not mentally ready to make a decision due to the fluctuation of the markets and job outlook" – NC

"Distressed houses definitely have been where most potential buyers/investors approach me. But buyers for non-distressed homes are definitely picking up." – NC

"A lot of looking, but still low on the buying. Great deals, great interest rates, perhaps someone should be telling buyers that it will never get any better than this." – NC



"Media has hurt our local market with all the negative news about other real estate markets. There was no reason for our local market to slow down. All media related, entirely." – NC



"I mostly list foreclosure properties for FNMA. They do cosmetic repairs to many of the properties. The homes with the updates sell faster. They still have to be very competitively priced." – NC

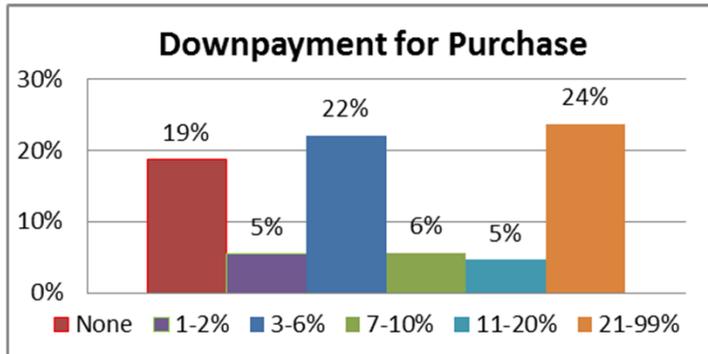
"Have to stay on top of both home inspectors and appraisors without direct interference. Too many of both do not understand the complexity of age and condition and effects of distressed

homes in certain areas." – SC

REGION 4 SURVEY RESULTS

October 2011

"Short sales taking far too long to reach negotiated settlement; foreclosure lenders accepting significantly lower than FMV on properties which depresses current values; lenders / underwriters taking 45 to 60 days to close a loan" – SC



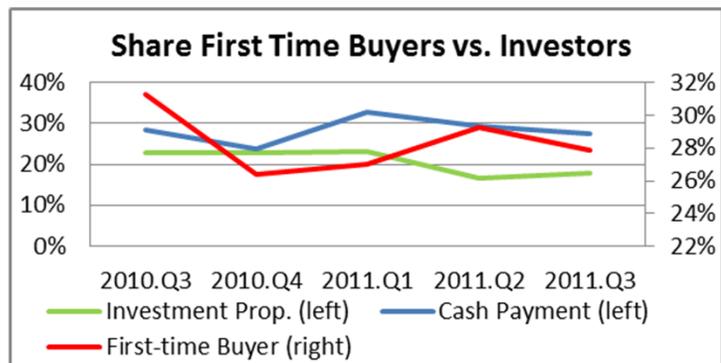
"If the banks would speed up and more flexible on short sales transaction closed would increase by 10%. I have lost deals due to time taken for short sale approval or just the short sale agreed price being well out of market price range." – SC

"Market continues to be over-supplied and loan qualification remains high. Values in the market appear to have diminished by 25-30% in nearly all ranges and do not have sufficient pressure to reverse trends although prices do appear stable at this time. Unemployment continues to plague the economy and little change is seen." – SC

"In area where I have listings more people want to rent rather than buy due to credit problems or lack of funds to buy." – TN

"I think we should be able to let lender pick the appraiser instead of the pool. I think Rural housing needs to go back to no mi." – TN

"Appraisers should have experience in the neighborhood where home is being appraised, especially in older urban neighborhoods where prices often vary by block." – TN



"Mortgages are much harder to complete, and appraisal are ridiculous. The time frame for solds sure does not fit our market, and the appraisors are difficult to work with because they may not know our market." – TN

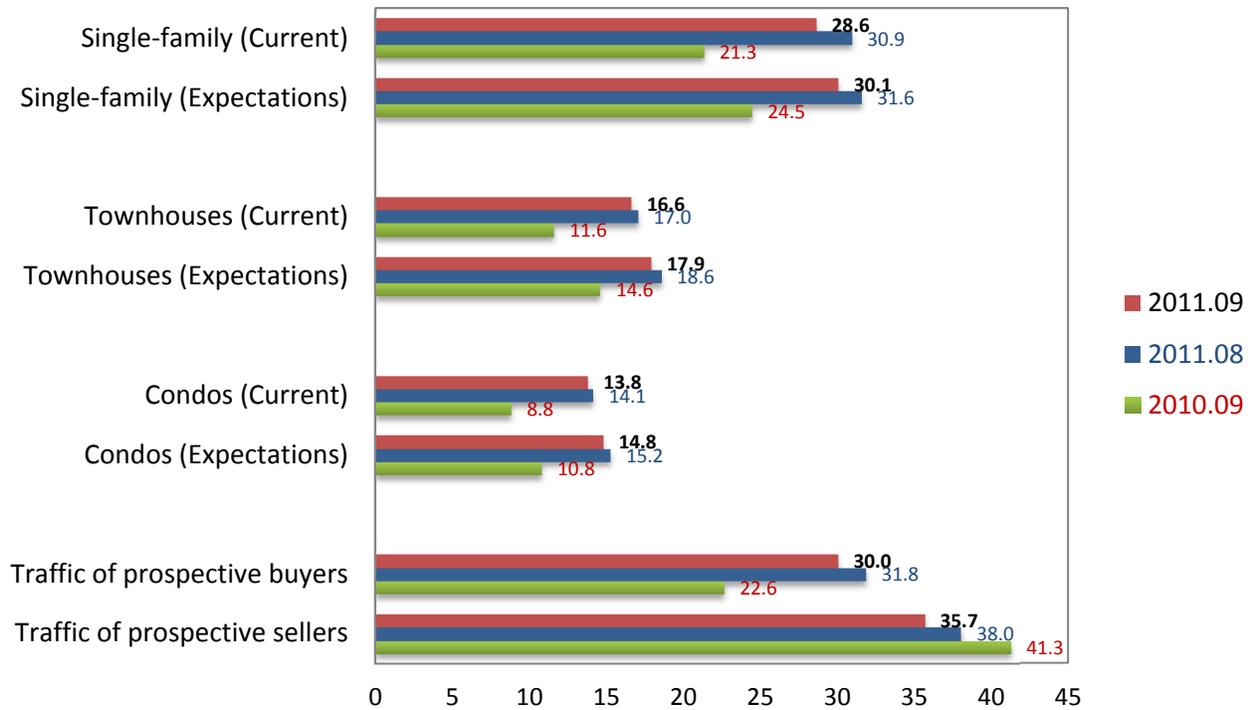
"still people are afraid of what the market might or might not do. Sales are stagnet and sellers are still struggling with pricing for sale. Lots of unwanted or overpriced inventory on market needs to go away. FSBOs are still trying to sell for a while then turning over to agents." – TN

REALTORS[®] CONFIDENCE INDEX

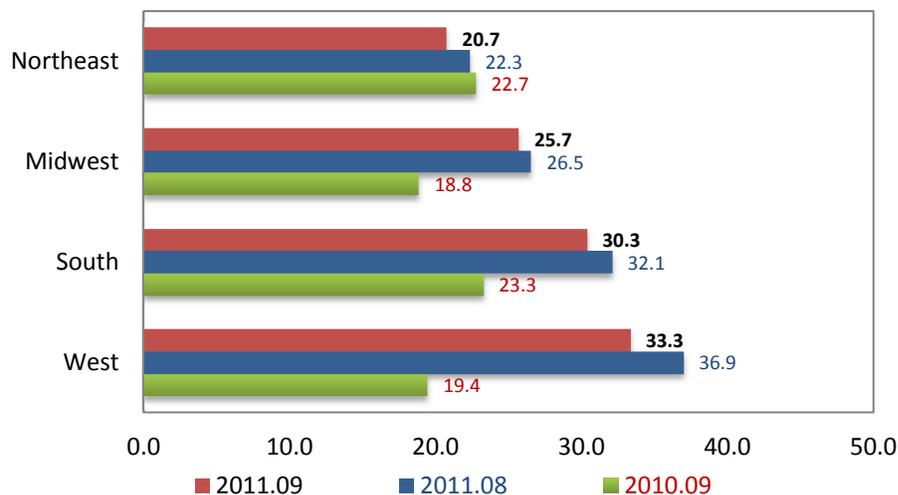
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National Survey Results

Realtor[®] Confidence Index



REALTORS[®] Confidence Index by Region

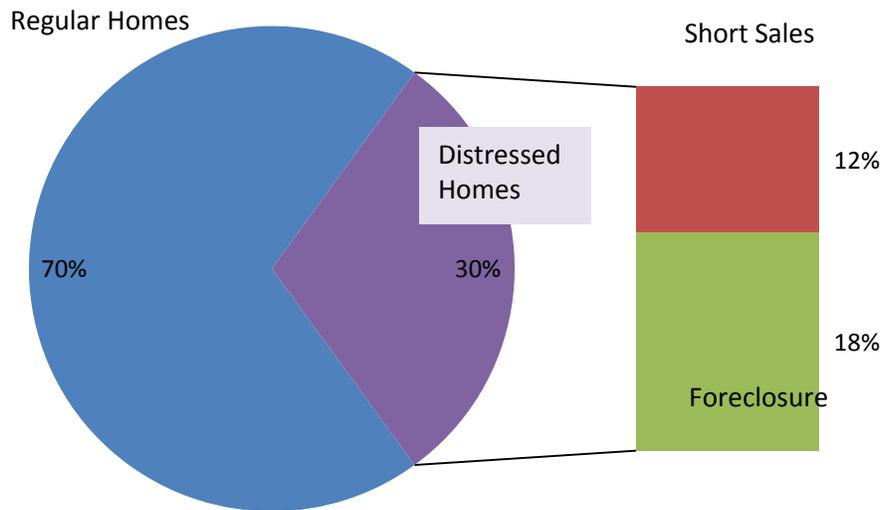


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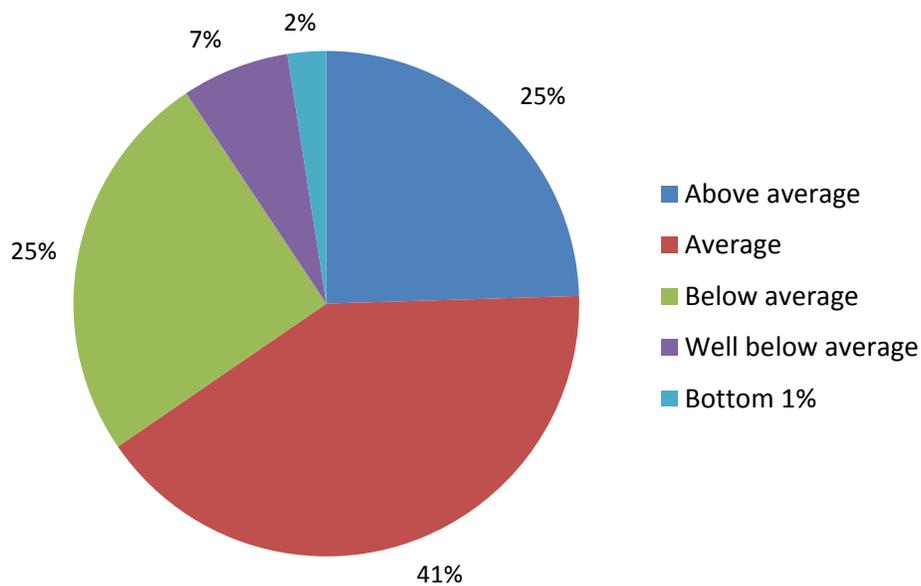
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National Survey Results

Distressed Home Sales



House Condition of Distressed Sales

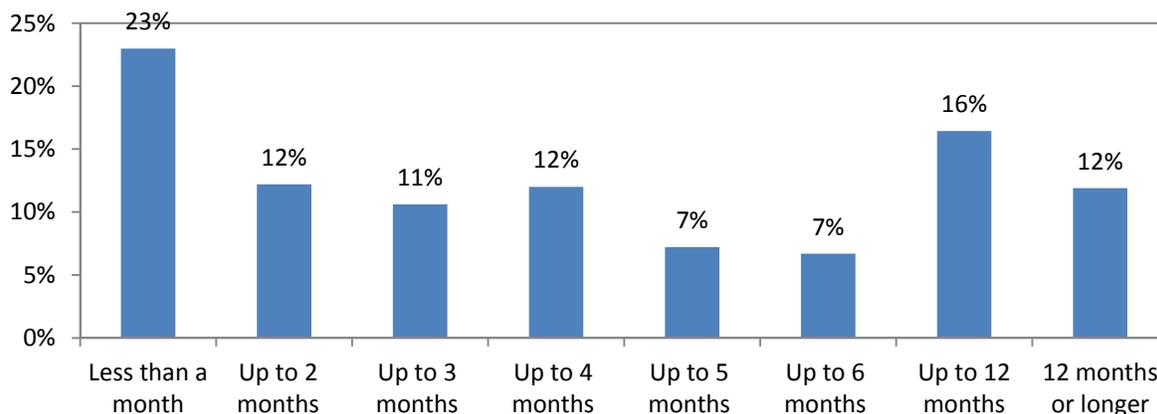


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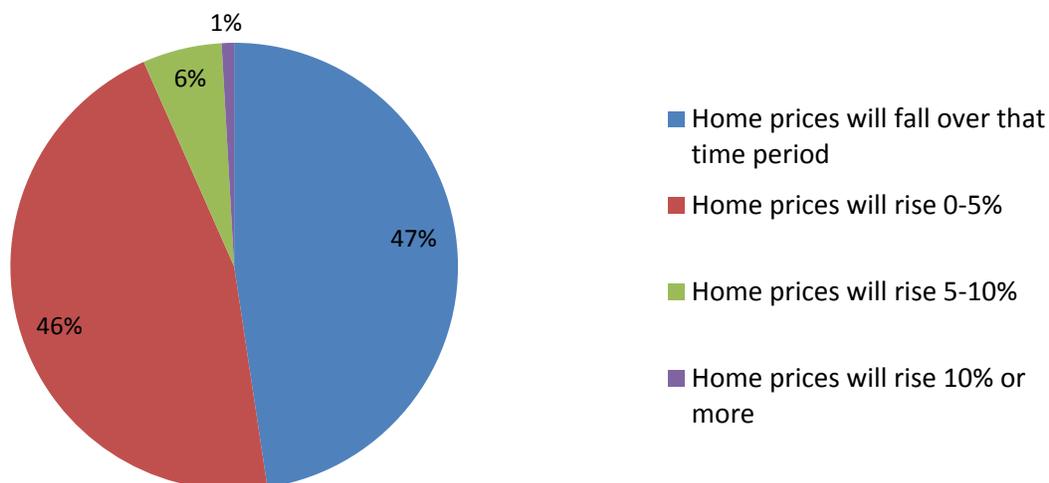
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National Survey Results

Day on the market for the last sold property



Expectations of home prices over the next year





METHODOLOGY

October 2011

Regional survey results are tabulated on a quarterly basis from responses to the monthly surveys for the national Realtor Confidence Index .

The REALTORS® Confidence Index measures the strength of the current housing market and expectations about the future. The index is based on information received from a random survey of Realtors®. The questions are designed to capture the effects of existing economic conditions and trends on the real estate business. This index provides Realtors® a snapshot of the performance, sentiments and expectations of their counterparts.

Each month participants respond to questions regarding the current and expected demand for homes, price trends, and economic conditions. The answers are then quantified and used to create the confidence index. Responses are assigned weights of 0, 50 or 100. A response of “strong” gets 100 points, while “moderate” is given 50 points, and “weak” is assigned 0 points. The index represents the average score for each question.

The results in this report reflect respondents’ confidence level for the current period and their future expectations, compared with both the previous month and the same month last year. The sample size for the monthly reports varies depending upon the number of responses, but the sample is always well in excess of the number of responses needed for a plus or minus 1 percent precision