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For Further Information Contact:

CCAR President PJ Trautman, 217-714-1234

CCAR CEO Janet Cheney, 217-356-1389

Mary Schaefer, 217-725-6433

**Champaign County area home sales rally in September to
post gains for the first time in seven months**

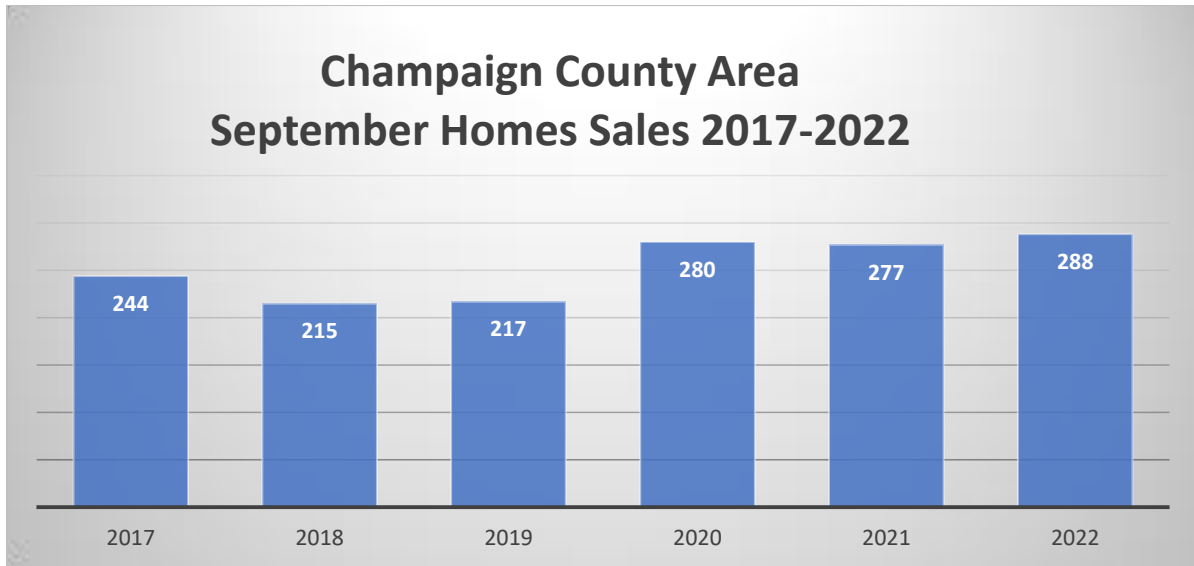
Both median and average home prices rise

Champaign County area residential home sales rose for the first time in seven months in September while both the median and average prices also reported gains as well, according to the Champaign County Association of REALTORS®. This September marked the highest number of home sales for the month since 2005 when 309 sales were reported.

Residential home sales totaled 288 in September 2022, up 3.97 percent from 277 homes sold in September 2021.

The average number of days on the market for the month of September 2022 was 27 days, up 5 days when compared to 22 days a year ago.

Year-to-date sales were down 7.62 percent in September to 2,387 sales from 2,584 home sales during the same period in 2021.



The Champaign County area median home sale price rose 2.09 percent in September 2022 to \$181,625 from \$177,900 in September 2021. The median is the typical market price where half the homes sold for more and half for less.

Inventory of homes for sale as of October 19, 2022 stood at 762 properties on the market down from 797 properties last month.

The average home sale price for September 2022 was \$227,008 up 9.23 percent from \$207,819 in September 2021.

Pending sales declined 18 percent to 196 sales in September from 240 in September of 2021, according to Midwest Real Estate Data, LLC for Champaign County. Pending sales for the month of September reflect the total number of active listings that went under contract and are awaiting closing, usually 30 to 60 days in the future.

“The number of days on the market for homes in the Champaign County area still averages below 30 days despite increasing mortgage rates and growing concern over inflationary conditions. The solid strength of the Champaign County housing market is reflective in the vitality of the overall state of the economy in the Champaign area and the solid employment base,” said PJ Trautman, president of the Champaign County Association of REALTORS®. “The demand for housing remains strong in our community and well-priced homes are still selling quickly and sellers are beginning to negotiate more with buyers on prices. We are getting closer to a more balanced market as homes are beginning to stay on the market a bit longer. Rising consumer prices and higher mortgage rates are squeezing homebuyer budgets and therefore a cool down could be on the way for the housing market this fall.”

The average 30-year fixed rate mortgage according to the Federal Home Loan Mortgage Corporation was 6.11 percent in September up from 5.22 percent in August and up from 2.90 percent in September of 2021. The average 30-year fixed rate mortgage for the week ending Oct. 13 was 6.92 percent.

“The direction of mortgage rates will have a definite impact on home sales moving forward into the last quarter of the year,” said Trautman. “High inflationary pressures are destined to keep mortgage rates elevated for the time being. While the 1980s saw interest rates near 18 percent, we are nowhere near those levels, but 7 percent may be a new normal for the time being. If rates do come down, borrowers will have the opportunity to refinance at a lower rate. Renters are eager to pursue their dream of homeownership to build their own

financial investment and are seeing now is the time to make their move before rates move higher.”

Lawrence Yun, chief economist with the National Association of REALTORS®, expects the economy will remain sluggish throughout the remainder of the year and only when inflation calms down will we see mortgage rates begin to steady. The National Association of REALTORS® predicts existing home sales to decline 15.2% in 2022 to 5.19 million units, while new home sales are projected to fall by 20.9%.

The Champaign County Association of REALTORS® is a voluntary trade organization serving Champaign County and surrounding areas and is the leading resource for REALTOR® members and an advocate for homeownership and private property rights. Data was compiled by Midwest Real Estate Data, LLC as available on October 14, 2022. The Champaign County Association of REALTORS® is an active participant in promoting equality and inclusion as longtime champions of fair housing with equal access to housing and opportunity for all. CCAR opposes discrimination based on race, color, religion, sex, handicap, familial status, sexual orientation, gender identity, & national origin.