

HOME SALES INDICATE THAT THE HOUSING MARKET CONTINUES TO STRUGGLE TO FIND A BOTTOM WITH APRIL 2009 RESULTS OFF SOMEWHAT FROM MARCH 2009 RESULTS

April 2009 results were down measurably compared to the March 2009 in the level of home sales and prices. April 2009 housing sales were down 11.1 percent compared to April 2008 which is still the second best performance on a year-over-year basis in the last 18 months. The average price of homes sold fell 20.5% in April 2009 from April in 2008 which indicates the continuation of much higher sales in lower priced segments.

May 14, 2009 – Denver, CO - The recovery in home sales slowed somewhat on a year-over-year basis in April. The results indicated that homes sales continue to suffer from overall weakness in the general economy and the weakness in middle and upper tiers of the home price segments. Unit sales were down 11.1 percent from April 2008 to April 2009 that compares unfavorably with March numbers that showed sales down only 5.8 percent from March 2008 to March 2009. Prices of sold homes were down 20.5 percent from April 2008 compared to the March report that showed closed sales prices being down 18.1 percent.

The best region for sales units was the western region where unit sales continued their run of increased housing activity although the increase is less than previous months. Unit sales in the western region were up 9.9 percent in April 2009 compared to April 2008. Other regions saw sales decreases of between 13.3 and 20.5 percent with the Northeast region having the largest unit decline compared to last year.

Prices continue to be soft with every region reporting continued price declines. The western region showed the largest decline with April 2009 prices down 31.7 percent from April 2008. The best region was the South where prices were down 15.8 percent from the same month a year ago. The national average price of homes sold was down 20.5 percent from a year ago. Much of the decline in the average sold price is due to the inordinately high number of lower priced foreclosure and short sales and the impact of the first-time homebuyer sales which typically are focused on lower priced home segments.

"April 2009 results show that low interest rates, soft home prices and high levels of affordability are having a positive effect but that the lack of affordable mortgages for the middle and upper tiered home priced segments and weakness in the general economy continue to be a drag on the housing recovery," said Steve Murray, editor of *REAL Trends*. "As we said in our last report, there are several factors that will subdue housing sales in 2009. The April results show strong evidence that a true broad based housing recovery is a ways off."

SUMMARY:

REAL Trends Housing Market Report (Versus same month a year ago)

| | April 2009 | | March 2009 | |
|------------------------|--------------|-----------|--------------|-----------|
| | Closed Sales | AVG Price | Closed Sales | AVG Price |
| National | -11.1% | -20.5% | -5.8% | -14.7% |
| Regional Report | | | | |
| Northeast | -20.5% | -16.8% | -16.2% | -9.7% |
| South | -18.4% | -15.8% | -12.5% | -7.9% |
| Midwest | -13.3% | -18.4% | -10.3% | -12.6% |
| West | +9.9% | -31.7% | +18.7% | -23.0% |