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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 Spring Housing Market Has Plenty of Buyers
But Lacks Sufficient Inventory**

**Demand for homes continues to outpace inventory
as February home sales decline over last year**

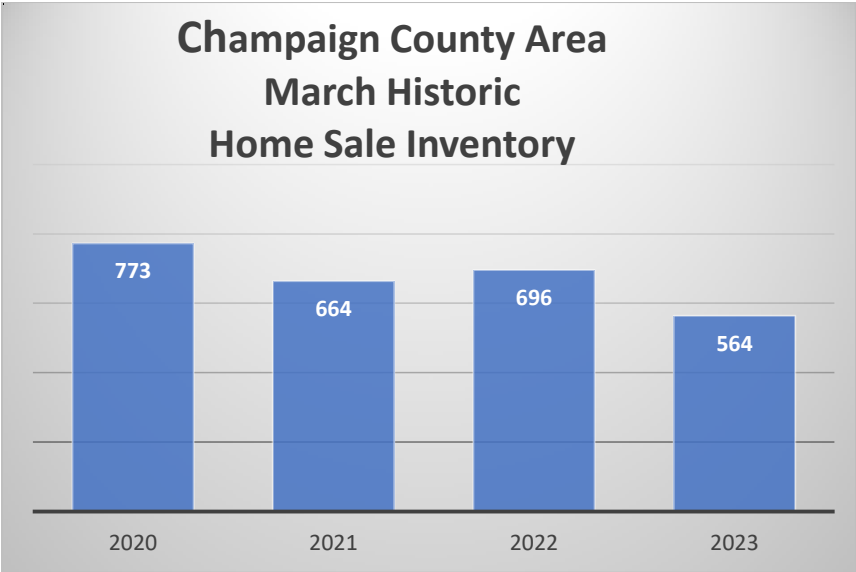
More inventory is needed to pull the sluggish housing market out of its current slump as more buyers battle for existing limited inventory, according to the Champaign County Association of REALTORS®. Champaign County area home sales totaled 130 units in February down 20.25 percent from 163 sales in February of 2022.

“As home shoppers started their search early this spring, we are seeing an uptick in competition for housing, causing a severe inventory shortage. The Champaign county area housing market has less inventory today than we did a year ago and this creates extremely favorable conditions for any homeowner considering selling as they face less housing competition,” said PJ Trautman, president of the Champaign County Association of REALTORS®. “With limited inventory, we are seeing properties receiving multiple offers, driving pricing

upwards, resulting in a sales price higher than the list price. Buyers in the market are eager to just find the right property that fits their needs, and are less worried about mortgage rates, as rates have dropped from their recent peak.” Freddie Mac research concludes that homebuyers can potentially save \$600 to \$1,200 annually by taking the time to shop among multiple lenders.

The Champaign County area monthly median home sale price was \$158,700 in February 2023, down 9.21 percent from \$175,000 in February of 2022. The median is the typical market price where half the homes sold for more and half for less. The average home sale price for the Champaign County area was \$193,594 down by 9.57 percent from \$214,088 in February of 2022.

Inventory for homes for sale dated March 16, 2023 stood at 561 properties, down from last month’s inventory of 562 and down from last year’s inventory as of March 17, 2022 at 696 properties. It took an average of 66 days to sell a home in February of 2023, up from 48 days a year ago.



Trautman indicates that there is very limited inventory across all price ranges in the Champaign County market area, and especially in ranges below \$250,000.

“We expect the spring market to continue to be busier than the winter months, and as such, sellers need to be thinking of prepping their homes now to hit the market sooner rather than later. Strong home prices in recent years means homeowners have gained more equity in their homes that can be used for their next move whether that is purchasing an existing home or building their dream home,” said Trautman.

“Sellers should work with a knowledgeable REALTOR® who can help them navigate through the procedures of the real estate transaction, advise them on prepping their home for sale and help to set an appropriate list price for their property. In this market buyers are eager to negotiate and willing to do minor updates themselves.”

The average rate on a 30-year fixed rate mortgage according to the Federal Home Loan Mortgage Corporation (Freddie Mac) was 6.26 percent in February, down from 6.27 percent in January 2023 and up from 3.76 percent in February of 2022. Turbulence in the financial markets is putting significant downward pressure on rates, which should benefit borrowers in the short-term, indicates [Sam Khater, Freddie Mac's Chief Economist](#). The 30-year fixed rate for the week ending March 16th averaged 6.60 percent, according the Freddie Mac. The National Association of REALTORS® indicates rates may decrease even further on reactions in the financial market and the outcome of the Federal Reserve's meeting this week.

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 March 14, 2023. 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, source of income, disability, familial status, sexual orientation, gender identity, & national origin.