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FOR IMMEDIATE RELEASE
 SEPTEMBER 21, 2022

PRESS RELEASE

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NAR Backs the Student Loan Forgiveness Program

Florence, KY – September 21, 2022 – The Northern Kentucky Association of REALTORS® (NKAR) and the Northern Kentucky Multiple Listing Service, Inc. (NKMLS) reported that August home sales were off by -6.36% compared to August 2021. Year to date sale statistics is still on the rise with the average sale price up by 11.61% and the median sale price was higher by 10.13% through August. The real estate housing market in the NKY area is beginning to cool off with a decline in Residential Sold properties at 677 in August 2022 v. 723 in August 2021. This transition will ease the market for newcoming homebuyer’s that have yet to see this type of fluctuation.

	<u>August 2021</u>	<u>August 2022</u>	<u>%</u>
Residential Sold	723	677	-6.36%
Average Price	273,078	287,383	5.24%
Median Price	240,000	250,000	4.17%
Total \$ Volume	197,435,643	194,558,532	-1.46%
Avg. DOM	14	18	
	<u>YTD 2021</u>	<u>YTD 2022</u>	<u>%</u>
Residential Sold	5,166	4,748	-8.09%
Average Price	259,164	289,254	11.61%
Median Price	227,000	250,000	10.13%
Total \$ Volume	1,338,844,159	1,373,382,305	2.58%
Avg. DOM	21	19	

If you are a recent college graduate and are in repayment on your federal student loans, your’e in for a treat. On Wednesday, August 24th, the Biden Administration officially announced the cancelation of \$10,000 in federal student loan debt for borrowers who make less than \$125,000 a year (or \$250,000 for married couples), as well as forgiving \$20,000 for those who attended college with a Pell Grant. This change is estimated to aid 43 million Americans and fully relieve the debt of 20 million borrowers.

~More~

Streamlining loan programs provides further opportunities for student loan borrowers ensuring that this debt is standardized and not impairing homeownership. The National Association of REALTORS® research shows that student loan debt is one of the biggest barriers to overcome when purchasing a home, and that 51% of all borrowers have postponed buying a home due to student loan debt. This relief program will provide further opportunity to individuals burdened by the weight of student loan debt. NAR supports a variety of policies that side with simplifying student debt over all such as, providing tax relief to student debt holders, as well as to employers who choose to assist with their employees' student loan debt.

The student loan announcement made great changes, but there is more work to do. Experts are concerned about the aftermath that will come from this forgiveness, but overall the significant reduction or complete elimination of student loan expenses reduces the stress of becoming a first-time homebuyer. There will be a generous income-driven repayment plan in addition to reduced debt-to-income ratios, increased savings and improved credit histories. All steps in the process of buying your first home.

While the \$10,000 or \$20,000 forgiveness may not make enough of a difference to a borrower who is severely debt burdened, it may provide the momentum to make it a goal they can achieve in the future. At this time, Millennials make up 43% of home buyers – the most of any generation, but Millennials have been hesitant to buy homes due to student loan debt or feel they don't have the means to do so. With the encouragement and guidance of a REALTOR® they can help you on the path to homeownership.

The REALTOR®-consumer relationship is essential to supporting homeownership, real estate investment, and the very future of the real estate industry.

REALTORS® are in YOUR favor! Reach out to one today!

The 1338 members of the Northern Kentucky Association of REALTORS® and the 1899 users of the Northern Kentucky MLS (NKMLS), Northern Kentucky's leader in the real estate information and services business, operates with a professional staff from 7660 Turfway Road, Suite 100 in Florence, KY. Both NKAR and the NKMLS work to protect the public's right to transfer real property and promote better public understanding of the profession and the real estate transaction process.

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