

▪ **Location**
Springfield, Illinois

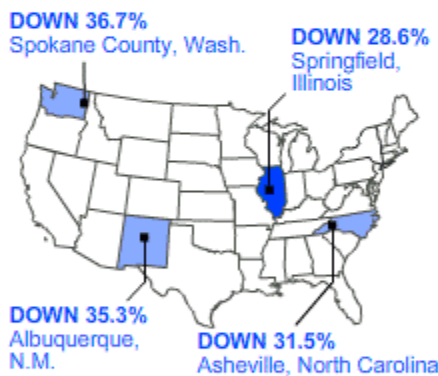
▪ **Monthly sales volume**

DOWN 28.6% Springfield¹ DOWN 29.7% Illinois DOWN 18.4% in the USA



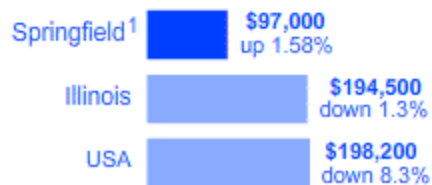
▪ **Comparing sales volume**

The four most-recent cities in the USA TODAY's Close to Home series and their one-year change in monthly sales volume when originally published:



▪ **Median home price**

Change from one year ago:



1 — metro area

Sources: Capital Area Association of Realtors, Illinois Association of Realtors, National Association of Realtors

Springfield, Ill.: Home sales are down, but upturn expected

By Christine Dugas, USA TODAY

Springfield is surrounded by farmland and rolling prairie grass. The gently undulating terrain might also aptly describe the area's real estate market.

The city, the capital of Illinois, is going through some ups and downs, but it's rolled on through, largely side-stepping the mortgage crisis.

Though the metro area has been hit by a downturn in home sales this year, it hasn't suffered much from foreclosures or overbuilding. And even though sales have dropped, prices have been rising.

Several factors have caused sales to stumble this year. For one thing, lending requirements have tightened nationally, requiring more creditworthiness and larger down payments.

"That's caused a decline in first-time home buyers," says Philip Chiles, president of the Capital Area Association of Realtors.

And there has been little measurable job growth in the Springfield area, Chiles says.

Rising gas and food prices are also contributing, as they are elsewhere, to consumers' financial strain. "I think people are just running a little scared right now," Chiles says.

Sales were also frozen by the cold, icy and rainy weather that lasted through winter and into early spring. But local agents say Springfield should be able to bounce back. For one thing, it's the seat of state government, a stable source of jobs.

"And in the last 25 years, we've had a huge growth in the medical community, which has changed the entire town," says Rita Victor, an agent at Coldwell Banker Devonshire.

The area's medical industry includes two major hospitals, a heart surgery institute and a medical school. "I think our biggest influx of people is for the medical community," Chiles says.

The improved weather, lower mortgage rates and swelling inventory could now help bring back buyers. More people have been visiting local real estate websites — a hopeful sign.

"The statistics show that 85% of the people who buy a home start out looking online," Chiles says. They tend to shop online for two to three months before they go out and look at houses.

The current housing downturn in Springfield also needs to be put in perspective. Last year, home sales fell only slightly, about 4%. And Victor says 2007 was the best year ever for her business, which specializes in high-end homes.

"You always like to go up," she says. "But I'm realistic. If it goes down, I will still have had a wonderful year."

Courtesy of JB Goodwin