

FOR IMMEDIATE RELEASE

Distressed Sales at Lowest Percentage of Market in 10 Years

(Virginia Beach, Virginia – July 2018)

The number of distressed homes in the Hampton Roads region, those that are either short sales or foreclosures, have significantly decreased. In June 2018, distressed homes accounted for just 7.89% of all residential settled sales. While this is a reduction of only 1.32% year-over-year, it is the lowest percentage since August 2008, when it was 6.53%. REIN began tracking distressed vs. total residential sales in June 2008 when the percentage was 5.25%, and the statistic peaked in March 2011 at 42.8%. Similarly, distressed homes accounted for only 9.48% of all residential active listings in June 2018, the second lowest recording since REIN began tracking the data in August 2009.

Residential active listings for the region were down 8.46% year-over-year in June 2018, with 10,133 available homes. This marks the 35th consecutive month that the area's active inventory had declined year-over-year. Each of the region's seven major cities (Norfolk, Virginia Beach, Portsmouth, Chesapeake, Suffolk, Hampton and Newport News) experienced decreased inventory, with Hampton and Norfolk registering the largest declines at 16.80% and 14.13% respectively.

June's supply of residential home inventory in the region is currently 4.43 months, down 12.62% from the same period of time last year. This marks the 38th consecutive month that the supply of inventory has declined year-over-year, a trend that started in May 2015. Of the region's seven major cities, six exhibit inventories below 5 months (Suffolk was the only major city above at 5.19 months). Virginia Beach and Chesapeake are currently below 4 months.

Despite low inventory, the region's sales continue to perform well. Residential pending sales have risen year-over-year for 49 consecutive months (since May 2014). June 2018 recorded a 16.24% increase, with 2,956 homes going under contract vs. 2,543 in June 2017. All seven of the region's major cities experienced year-over-year increases, with Portsmouth and Hampton experiencing the most dramatic upswings of 51.16% and 23.12% respectively.

Residential settled sales also experienced year-over-year growth in June 2018, up 5.74% for the region. Of the area's major cities, Virginia Beach was the only area to experience a decline in settled sales for June,

down just .26%. Newport News and Suffolk experienced the greatest year-over-year gain for the month, up 16.74% and 16.47% respectively.

The region's residential median sales price rose to \$248,000 in June 2018, up 2.06% from a year ago. Of the major cities, Newport News' median sales price rose the most at 10.47% year-over-year, while Suffolk, Portsmouth and Virginia Beach all experienced declines of less than 1%.

June 2018 Summary

| All Categories | June 2018 | June 2017 | Y-o-Y Percent Change |
|---|-----------|-----------|----------------------|
| Total Property Active Listings | 12,299 | 13,497 | -8.88% |
| Total Residential Active Listings | 10,133 | 11,069 | -8.46% |
| Total Property Pending Sales | 3,074 | 2,661 | 15.52% |
| Total Residential Pending Sales | 2,956 | 2,543 | 16.24% |
| Total Property Sales | 3,045 | 2,931 | 3.89% |
| Total Residential Sales | 2,946 | 2,786 | 5.74% |
| Total Residential New Construction Sales | 311 | 308 | .97% |
| Median Residential Sales Price | \$248,000 | \$243,000 | 2.06% |
| Months' Supply of Inventory | 4.43 | 5.07 | -12.62% |

Total Property statistics include all property types (Residential, Commercial, Duplex, Apartment and Land & Farms), resale and new construction.

New Construction Sales reflect only those properties reported in the MLS.

Months' Supply of Inventory estimates the number of months it will take to deplete current active inventory based on the prior 12 months average sales activity.

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About REIN

Real Estate Information Network, Inc., (REIN) serves real estate brokers in the Tidewater / Hampton Roads area of Virginia from Williamsburg east to Virginia Beach and south to the North Carolina border. REIN is an independent MLS owned by broker stockholder members. Currently there are approximately 575 real estate firms with 712 offices, 7455 real estate agents, and 167 appraiser members using REIN. For more information visit www.REINMLS.com.