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FOR IMMEDIATE RELEASE

Distressed Listings Activity Lowest in 4 Years

(Virginia Beach, Virginia – June 2014)

To-date, the Hampton Roads real estate market has avoided the pitfall of too few listings, as experienced in other parts of the country. In fact, residential active listings increased significantly in May 2014 from the prior year. Unfortunately residential pending and settled sales have not kept pace, and experienced declines for May. Good news for the sales statistics is that distressed sales activity is dropping as well.

Last month's residential active listings increased 9.54% when compared to May 2013. Each of the region's seven major cities (Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach) saw year-over-year increases in the number of residential homes for sale. Suffolk and Chesapeake were dominant contributors to this jump, with increases of 17.82% and 17.05% respectively. The months' supply of inventory of residential homes for sale is currently 6.9 months, up 4.86 % from May 2013 when it was 6.58.

Residential pending sales decreased year-over-year for the second time in 2014, with a slight 1.83% decline for the region in May. Despite the regional drop, Newport News, Portsmouth and Virginia Beach saw gains in pending sales of 35.37%, 20.49% and .33% respectively. Suffolk and Hampton experienced the largest declines of 15.03% and 11.04%.

For the fifth consecutive month residential settled sales have declined from the prior year. Norfolk and Virginia Beach were major contributors to the region's drop, with year-over-year declines of 12.99% and 10.89%. Going against this trend, Suffolk, Newport News and Hampton saw increases of 28.70%, 9.09% and 7.56% respectively. While May's sales may be down, the region's median sales price for a residential home is currently \$210,000, up 2.44% from May 2013's median sales price of \$205,000.

Distressed homes, those that are either short sales or foreclosures, had considerably less impact on the region's real estate market during May 2014. Distressed homes accounted for only 17.97% of all residential homes for sale in May 2014, down 4.44% from May 2013. The percentage of distressed homes as active listings has steadily declined each month in 2014, and has now reached its current level which is the lowest reading in 4 years, when it was 17.39% in May 2010. In the arena of residential settled sales, distressed homes accounted for 21.26% of all sales during May 2014, which is down 4.99% from May 2013, and down 8.23% from the beginning of the year.

May 2014 Summary

All Categories	May 2014	May 2013	Percent Change
Total Property Active Listings	15,019	13,753	9.21%
Total Residential Active Listings	12,173	11,113	9.54%
Total Property Pending Sales	2,319	2,322	-0.13%
Total Residential Pending Sales	2,204	2,245	-1.83%
Total Property Sales	2,044	2,123	-3.72%
Total Residential Sales	1,953	2,030	-3.79%
Total Residential New Construction Sales	217	236	-8.05%
Median Residential Sales Price	\$210,000	\$205,000	2.44%
Months' Supply of Inventory	6.9	6.58	4.86%

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

* 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

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