

FOR IMMEDIATE RELEASE

Local Hampton Roads Real Estate Defies National Trend

(Virginia Beach, Virginia – June 2018)

On a national level, the National Association of Realtors (NAR) is reporting declines in sales, while locally, the Hampton Roads real estate market is experiencing significant gains in sales. For April 2018 (the most current month's statistics available at this time), NAR reported pending home sales as down 1.3%, and existing home sales with a drop of 1.4% year-over-year. In comparison, for April 2018, Real Estate Information Network, Inc. (REIN) reported an increase of 19.30% year-over-year in residential pending sales, and a 9.36% increase in settled sales of residential existing (resale) homes. Nationally, the decline in sales is attributed to inventory shortages. While locally our inventory continues to decline, our sales remain strong – both in April and May 2018.

Residential active listings for the region were down 6.62% year-over-year in May 2018, with 9,974 available homes. Despite this being 315 more available listings than the prior month, the area's active inventory has declined year-over-year for 34 consecutive months. Each of the region's seven major cities (Norfolk, Virginia Beach, Portsmouth, Chesapeake, Suffolk, Hampton and Newport News) experienced decreased inventory, with Norfolk and Hampton registering the largest declines at 12.94% and 12.67% respectively.

May's supply of residential home inventory in the region is currently 4.39 months, down 10.41% from the same period of time last year. This marks the 37th 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 5.05 months), with two of those below 4 months.

The region's statistics for sales reflect a more positive outlook. Residential pending sales have risen year-over-year for 48 consecutive months (since May 2014). May 2018 recorded a 15.46% increase, with 3,151 homes going under contract vs. 2,729 in May 2017. All seven of the region's major cities experienced year-over-year increases between 7-23%. Hampton and Norfolk saw a most dramatic upswings of 23.24% and 21.89% respectively.

Residential settled sales also experienced year-over-year growth in May 2018, up 3.64% for the region. Of the area's major cities, Suffolk and Newport News were the only areas to experience a decline in settled sales for May, down 17.61% and .50% respectively. Norfolk experienced the greatest year-over-year gain for the month, up 13.95%.

The region's residential median sales price rose to \$240,000 in May 2018, up 4.35% from \$230,000 recorded a year ago. Of the major cities, Norfolk's median sales price rose the most at 10.70% year-over-year (now \$212,000), and Newport News was the only area to experience a decline of 1.32% (now 183,000).

The number of distressed homes, those that are either short sales or foreclosures, have significantly decreased over the years. During May 2018, distressed homes accounted for just 9.42% of all residential active listings locally. This is the lowest percentage since REIN began tracking the data in August 2009. Similarly, distressed homes accounted for only 9.39% of all residential settled sales in May, a decrease of 2.04% from the same period of time last year. When REIN began tracking distressed vs. total residential sold units in June 2008, the percentage was 5.25%, and peaked at 42.8% in March 2011.

May 2018 Summary

All Categories	May 2018	May 2017	Percent Change
Total Property Active Listings	12,141	13,122	-7.48%
Total Residential Active Listings	9,974	10,681	-6.62%
Total Property Pending Sales	3,284	2,858	14.91%
Total Residential Pending Sales	3,151	2,729	15.46%
Total Property Sales	2,862	2,788	2.65%
Total Residential Sales	2,764	2,667	3.64%
Total Residential New Construction Sales	273	297	-8.08%
Median Residential Sales Price	\$240,000	\$230,000	4.35%
Months' Supply of Inventory	4.39	4.90	-10.41%

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.