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FOR IMMEDIATE RELEASE

Demand for Inventory Continues to Outpace Supply

(Virginia Beach, Virginia – June 2019)

For the Hampton Roads real estate market, the supply of inventory continues to fall short of demand. Despite a 3.57% year-over-year increase in the number of new listings added to the region in May (4,846 in 2019 vs. 4,679 in 2018), in the end, the month closed with 7.32% fewer available properties for sale (all property types) than during the same period of time last year. 3,316 properties went under contract in May 2019, up 7.77% year-over-year. Add to that another 3,072 settled sales (up 7.34% year-over-year) and it becomes clear that sales are outpacing new listings coming on the market.

In May 2019, the region's residential active listings dropped 8.03% year-over-year. This is the 46th consecutive month that active listings have declined year-over-year. Each of the region's seven major cities (Norfolk, Virginia Beach, Portsmouth, Chesapeake, Suffolk, Hampton and Newport News) experienced a decline in inventory for the month, with Hampton and Virginia Beach undergoing the most significant decreases at 16.05% and 11.79% respectively.

May's supply of residential home inventory is currently at 4.03 months, down 8.20% from May 2018. This is the 49th consecutive month that the months' supply of inventory has declined year-over-year. Of the region's seven major cities, Suffolk and Portsmouth are the only cities with a month's supply over 4 months, which is still significantly below the six months that is typically considered a balanced market.

Residential pending sales for the region rose 7.15% year-over-year, with 3,176 homes going under contract in May. This continues the trend where 59 of the past 60 months have exhibited increases. While six of the region's major cities experienced a boost in sales, three cities saw double digit gains: Portsmouth 20.61%, Newport News 16.67% and Hampton 16.59%. Chesapeake was the only major city to undergo a decline in residential pending sales, down 3.34% year-over-year.

Similar to pending sales, May's residential settled sales in the region also rose 7.31% year-over-year. In fact, just like with pending sales, Chesapeake was the only major city to experience a decline (down 9.45%) compared to May 2018. Suffolk, Hampton and Norfolk each saw gains just over 15%.

The area's residential median sales price for May 2019 was \$250,250, up 4.27% from May 2018 when it was \$240,000. Suffolk was the only major city whose median price declined, down 3.64% year-over-year. All others rose between 4.52% and 10.54%.

The number of distressed homes in the Hampton Roads region, those that are either short sales or foreclosures, has significantly decreased. In May 2019, distressed homes accounted for just 5.89% of all residential settled sales, down 3.50% year-over-year, and the lowest recording in 11 years (since June 2008). Similarly, distressed homes accounted for only 7.13% of all residential active listings in May 2019, down 2.29% year-over-year and the lowest recording since REIN began tracking the data in August 2009.

May 2019 Summary

All Categories	May 2019	May 2018	Percent Change
Total Property Active Listings	11,592	12,508	-7.32%
Total Residential Active Listings	9,457	10,283	-8.03%
Total Property Pending Sales	3,316	3,077	7.77%
Total Residential Pending Sales	3,176	2,964	7.15%
Total Property Sales	3,072	2,862	7.34%
Total Residential Sales	2,966	2,764	7.31%
Total Residential New Construction Sales	317	273	16.12%
Median Residential Sales Price	\$250,250	\$240,000	4.27%
Months' Supply of Inventory	4.03	4.39	-8.20%

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 603 real estate firms with 745 offices, 7640 real estate agents, and 171 appraiser members using REIN. For more information visit www.REINMLS.com.