

FOR IMMEDIATE RELEASE

A Familiar Story: Active Inventory Continues to Decline

(Virginia Beach, Virginia – May 2017)

Statistics for April 2017 told a familiar story about the real estate market in Hampton Roads... While active inventory continues to decline year-over-year, the pending and settled sales remain steady with marginal year-over-year increases.

Residential active listings fell 9.33% from 11,500 units in April 2016 to 10,427 units in April 2017. Each of the region's seven major cities (Norfolk, Virginia Beach, Portsmouth, Chesapeake, Suffolk, Hampton, and Newport News) experienced weakening inventories year-over-year, with the most significant occurrences in Suffolk and Portsmouth, down 16.69% and 13.17% respectively. The number of residential active listings has declined year-over-year for 21 consecutive months now (from August 2015 to April 2017). Prior to that, active listings were up year-over-year for 24 successive months (August 2013–July 2015), and before that, down year-over-year for 29 uninterrupted months (March 2011–July 2013). Could the Hampton Roads market be nearing the end of an approximate 2 year cycle? The next few months will tell...

The region's months' supply of residential homes inventory is currently sitting at 4.81 months, down 15.61% from April 2016 when it was 5.7 months. Virginia Beach continues to hold the lowest supply of the seven major cities, at 3.76 months in April 2017, while Portsmouth is the highest at 5.52 months.

April's residential pending sales rose a moderate 6.17% compared to the same period of time last year. 2,614 homes went under contract in April 2017. The most significant gain from the major cities was experienced by Chesapeake, with 20.15% more pending contracts than in April 2016. Norfolk also experienced a notable gain, up 15% year-over-year. Portsmouth and Virginia Beach were the only major cities to undergo a decline, down 5.99% and 4.48% respectively from April 2016.

Residential settled sales increased year-over-year last month. April 2017 recorded 2,201 settled sales, up 4.96% from the 2,097 homes sold in April 2016. Of the major cities, Norfolk had the most sizable gain, rising 18.7%. Newport News, Suffolk and Chesapeake experienced year-over-year declines, dropping 8.84%, 5.19% and .88%. The region's residential median sales price rose 2.74% in April 2017, up to \$225,000 from \$219,000 in April 2016.

The number of distressed homes, those that are either short sales or foreclosures, have significantly decreased over the years. During April 2017, distressed homes accounted for just 10.88% of all residential active listings. This was down 2.57% from the same period of time last year, and is the lowest percentage since REIN began tracking the data in August 2009. Similarly, April's distressed homes accounted for only 13.38% of all residential settled sales, a decrease of 2.25% from April 2016.

April 2017 Summary

All Categories	April 2017	April 2016	Percent Change
Total Property Active Listings	12,939	14,205	-8.91%
Total Residential Active Listings	10,427	11,500	-9.33%
Total Property Pending Sales	2,731	2,557	6.8%
Total Residential Pending Sales	2,614	2,462	6.17%
Total Property Sales	2,276	2,203	3.31%
Total Residential Sales	2,201	2,097	4.96%
Total Residential New Construction Sales	236	248	-4.84%
Median Residential Sales Price	\$225,000	\$219,000	2.74%
Months' Supply of Inventory	4.81	5.7	-15.61%

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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