

**FOR IMMEDIATE RELEASE**

## ***Local Real Estate Diverges From National Trends For Now***

*(Virginia Beach, Virginia – September 2018)*

Real estate is local, and nowhere is that demonstrated more than in the Hampton Roads region. Even as experts report that nationally inventory is on the rise, sales are down and median sales prices are leveling off, on a local front, the real estate market reflects the opposite. For the month of August, residential active inventory is once again down year-over-year, sales are up, and home prices continue to climb, and this trend has not waivered for over three years. But could the tides be turning and the market changing? August's stats do reflect softer increases compared to recent months.

In August 2018, residential active listings for the region were down 7.66% year-over-year with 10,020 available homes, down from 10,851 during the same period of time in 2017. This marks the 37<sup>th</sup> consecutive month that the area's active inventory has 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 Portsmouth registering the largest decline at 16.86%.

August's supply of residential home inventory in the region is currently 4.29 months, down 13.16% from the same period of time last year. This marks the 40<sup>th</sup> consecutive time that the months' supply of inventory has declined year-over-year, a trend that started in May 2015. Of the region's seven major cities, six maintain inventories below 5 months (Suffolk was the only major city above at 5.21 months). Statistics like these do not suggest a softening to the inventory shortage for the immediate future.

Despite low inventory, the region's sales continue to progress. Residential pending sales have risen year-over-year for 51 consecutive months (since May 2014). August 2018 recorded a moderate 3.59% increase, with 2,652 homes going under contract vs. 2,560 in August 2017. When comparing August 2017 with August 2016, residential pending sales rose a more robust 7.94% year-over-year, suggesting that the size of the increases may be waning. Four of the region's seven major cities experienced year-over-year increases, with Norfolk undergoing the most dramatic upswing at 22.73%, and Newport News (-12.99%), Chesapeake (-12.15%) and Hampton (-3.13%) experiencing year-over-year declines.

Similarly, residential settled sales experienced modest year-over-year growth in August 2018, up 1.85%

for the region. Three of the region's major cities underwent year-over-year increases, with Virginia Beach being the highest at 15.80%. Four cities (Portsmouth, Suffolk, Chesapeake & Norfolk) saw year-over-year declines in settled sales. In recent months (June and July 2018), all seven major cities had year-over-year increases, while August is split down the middle. As a region, sales are up, but for some individual cities, sales are starting to temper.

The region's residential median sales price rose to \$238,000 in August 2018, up 2.15% from a year ago. Of the major cities, Norfolk's median sales price rose the most, up 14.07% year-over-year, and Chesapeake exhibits the highest median sales price at \$280,500.

The number of distressed homes in the Hampton Roads region, those that are either short sales or foreclosures, have significantly decreased. In August 2018, distressed homes accounted for just 7.97% of all residential settled sales, down 2.11% year-over-year. Similarly, distressed homes accounted for only 8.89% of all residential active listings in August 2018, the lowest recording since REIN began tracking the data in August 2009.

### August 2018 Summary

All Categories	August 2018	August 2017	Y-o-Y Percent Change
<b>Total Property Active Listings</b>	12,197	13,227	-7.79%
<b>Total Residential Active Listings</b>	10,020	10,851	-7.66%
<b>Total Property Pending Sales</b>	2,776	2,652	4.68%
<b>Total Residential Pending Sales</b>	2,652	2,560	3.59%
<b>Total Property Sales</b>	2,922	2,868	1.88%
<b>Total Residential Sales</b>	2,815	2,764	1.85%
<b>Total Residential New Construction Sales</b>	280	324	-13.58%
<b>Median Residential Sales Price</b>	\$238,000	\$233,000	2.15%
<b>Months' Supply of Inventory</b>	4.29	4.94	-13.16%

*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 590 real estate firms with 732 offices, 7524 real estate agents, and 166 appraiser members using REIN. For more information visit [www.REINMLS.com](http://www.REINMLS.com).