



Lexington-Bluegrass Association of REALTORS®
2250 Regency Road
Lexington, KY 40503

Home prices continue upward trend in September **Lexington-Bluegrass Association of REALTORS® experiences decreased sales activity**

Lexington, KY (October 29, 2018) – Median home prices increased in September for existing single-family homes, townhouses and condos sold by members of the Lexington-Bluegrass Association of REALTORS® (LBAR). Single-family homes jumped 2 percent, reaching \$170,000 in 2018, up from \$166,700 in 2017. Median prices for townhouses/condos climbed 34 percent to \$153,000 in 2018 versus \$113,900 in 2017. Year-to-date, median prices in 2018 gained 4 percent for single-family homes and 13 percent for townhouses/condos.

New construction homes experienced a price decline in September with the median dropping just over 7 percent to \$239,525 in 2018, down from \$259,900 in 2017. Compared to the previous month, September's median price of new construction properties was up 6 percent.

On the national level, median prices were up 4.2 percent in September, reaching \$258,100 in 2018 and marking the 79th straight month of year-over year gains.

“Low inventories through the year have continued to push up prices in most counties in our area,” according to John Groft, 2018 president of LBAR. “September marked the first month this year where the available inventory of homes increased compared to 2017. New homes on the market increased as well. If we continue to see inventory levels rise over the next several months, it will certainly help move buyers into homes.”

Total housing inventory at the end of September increased 2.5 percent to 4,303 homes available for sale, up from 4,200 homes available this time last year and up 2.6 percent from the previous month when inventory levels were 4,192.

Unsold inventory hit 4.3 months in September which is closer to a normalized market than it has been in the previous 6 months. Months of inventory is up over 10 percent year-over-year and 38 percent from August when it stood at 3.1 months. Nationally, months of inventory is tracking at a 4.4-month supply, up from both the prior month and the same time the previous year.

Real estate sales by members of LBAR decreased in September, dropping 7 percent from the same period in 2017. Sales activity reached 1,010 in September 2018 versus 1,084 during the same month in 2017. New construction saw a decrease in sales of 15 percent in September (74) versus 2017 (87) and down 30 percent versus August 2018 when 106 sales were reported.

For the year, total activity has dropped 4 percent over 2017, with 10,183 properties sold in 2018 versus 10,659 in 2017. Single-family homes are down 5 percent year-over-year, while townhouses/condos are down 1 percent.

According to Groft, “Looking at the real estate environment here in Kentucky and across the nation, sales activity has slowed. Nationally, sales are down to the lowest levels since November 2015 due in large part to

mortgage rates hitting a decade high. Buyers are still very active in the market however, we may start to experience longer wait times before they place offers on properties.”

This is reflected locally by the average days on market (DOM), which increased for townhouses and condos by 27 percent in September from a year ago, rising to 71 days from a previous 56 days. For single-family homes, average DOM remained flat year-over-year, although it was down 6 percent, to 45 days, compared to the previous month. The number of homes that sold within a month of being on the market dropped from 66 percent to 64 percent.

First-time buyers made up just over 22 percent of the market in September, the same as it was in the month prior, but increased from 21.7 percent from September 2017.

As the region’s leading advocate for homeownership, Lexington-Bluegrass Association of REALTORS® (LBAR) understands the value and joy of owning a home. LBAR represents more than 3,300 REALTORS® located in Anderson, Bath, Bell, Bourbon, Clark, Clay, Elliott, Fayette, Franklin, Harrison, Jackson, Jessamine, Knox, Laurel, Menifee, Montgomery, Nicholas, Powell, Rowan, Scott, Whitley and Woodford Counties. Visit www.lbar.com for up to the minute real estate listings and buying and selling resources.

###

Contact: Hunt Cooper, Communications Director
 hunt@lbar.com
 859.276.3503