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Another Swell in Pending Home Sales for August

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August totals continue to indicate that the Hampton Roads' housing market is moving in a positive direction. Pending residential sales soared and many other local real estate statistics showed a leveling off from previous declines or slight improvements. In spite of lower median home sales prices, the Hampton Roads real estate market appears healthy and poised for growth in the near future.

Most notable for the month of August was the surge in pending residential home sales when compared to 2008. This figure saw an increase of over 27.6% which is 2009's largest year-over-year increase, surpassing the previous high set in June by over 3 percent. Despite the overwhelming increase, with six of the seven major cities posting gains over 14% each, the median list price for these homes again declined, albeit only 1.75% when compared to last August.

For the Southside, the effects of the recent surge in pending residential sales pushed the year-to-date comparison in units into positive territory, up 2.4% for January through August of 2009 as compared to the same period of 2008. Chesapeake and Suffolk are experiencing the largest gains with 9.9% and 8.5% respectively. Conversely, the same statistic for the Peninsula still shows a year-over-year decline of 6.2% year-to-date.

Looking at the number of active residential homes for sale, the region saw a year-over-year decline of 3.2%. This drop follows a trend of significant declines over the recent months dating back to March. The lower inventory level, however, is one factor that has contributed to keeping local prices from falling too far. It has also allowed the area to maintain a months' supply of inventory no larger than approximately 10 months, where 6 to 8 months of supply is considered a normal housing market.

Home sales for the entire Hampton Roads region were flat this month, despite five of the seven major cities experiencing an increase in the number of residential homes sold in August when compared to last year. The median sales price of the same category, as measured each month, continues to stay lower than the same month the previous year. The median sales price for residential homes sold was down 3.8% for August 2009. For all of Hampton Roads, home sales declined by 0.1% when compared to August 2008 even with sales in Suffolk and Chesapeake each increasing over 11%.

Finally, the submarkets of residential *resale* and distressed properties also showed positive signs. For the month, the median price in the residential *resale* submarket declined only 4.4% and the number

of units sold increased 1.1% when compared to August last year. Meanwhile, the number of sold distressed properties dropped 20% from July 2009 doubling the drop in the number of non-distressed homes sold. Month to month declines in August are considered a normal seasonal trend. But, distressed sales were still up 146% from August last year. As a whole, distressed properties still accounted for 15% of all residential sales in August though edging downward from July's 17%.

August 2009 Highlights

Listings

Residential active listings declined again, 3.2% year-over-year, to 14,417 (August 09) from 14,894 (August 08). There was also a slight decrease from July 2009 of 0.28%.

Under Contract (Pending) Residential Sales

Total residential under contract sales increased by over 27.6% as compared to August 2008 (1,930 vs. 1,512).

Sales

Total residential sales and total property sales were unchanged as compared to August 2008 with both showing only a minute edging downward of 0.1%.

Inventory

There is currently 10.29 months' inventory of residential homes on the market in the Hampton Roads area, a slight decrease from the previous month.

August 2009 Summary

All Categories	August 2009	August 2008	Percent Change
Total Active Listings	17,508	17,548	-0.2%
Total Pending Sales	1,985	1,572	26.27%
Total Residential Pending Sales	1,930	1,512	27.65%
Total Property Sales	1,796	1,798	-0.1%
Total Residential Sales	1,741	1,743	-0.1%
Median Residential Sales Price	\$226,000	\$235,000	-3.83%
Month's Inventory	10.29	---	---

* Months' 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 469 real estate firms with 611 offices, 7800 real estate agents, and 201 appraiser members using REIN. For more information visit: www.reinmls.com.