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A Spike in Under Contract Sales Contributes to Strong Finish to 3rd Q 2009

(Virginia Beach, Virginia – October 15, 2009)

Hampton Roads' real estate market posted positive sales gains again in September closing out the third quarter of 2009 on a high note. Despite lower median sales and list prices, as well as a continued decline in the number of *active* residential listings, the market remains stable. One factor contributing to this month's stable performance is the noticeable spike in *under contract* sales, which is likely due to the fast approaching end of the federal first-time home buyer's tax credit.

In terms of monthly settled sales of residential homes, the Hampton Roads region saw an increase of 16% in September '09 compared to September '08. The increase was realized in six of the seven major cities. Portsmouth was the only city that did not see an increase. The median settled sales price for these same listings went down year-over-year by -2.2%. At the same time, the number of units sold in September 2009 was the largest for the month of September since September 2006 (2,073).

When looking at year-to-date figures, settled residential sales are down 8% and the median sales price is down 6%. These percentages, however, have edged slightly upwards due to the strong third quarter sales increase of 5.24% and a reduction in the median sales price of only 5%. The past two quarters have shown progressive growth from the first quarter, which saw a decline of 25.5% in units sold and a drop of 7.8% in the median sales price.

As mentioned previously, *under contract* sales was the strongest performer posting an increase of 45.6% when compared to September of last year. This increase forecasts potentially healthy sales for the near future, or it may prove to be just an anomaly derived at as a result of those enticed by the federal first-time home buyer's tax credit. With the tax credit set to expire at the end of November, some prospective buyers may very well move themselves back onto the proverbial "fence".

Cities that posted especially high year-over-year gains in *under contract* sales include Virginia Beach and Chesapeake with each seeing improvements over 50% (50.75% and 58.97% respectively) from September 2008. The tremendous surge of *under contract* sales in September also caused the overall year-to-date percentage change to turn positive for the first time all year (1.68%) when compared to last year.

Lastly, the number of *active* residential listings dropped 4.9% year-over-year and the median list price of those homes also fell 8% for the month of September. The decline in median list price has been

consistent this year, hovering monthly between 7.2% and 9.9%. The steady nature of the price decline of the median list price of *active* listings, coupled with the firm median sales prices for two consecutive quarters, bodes well for the Hampton Roads real estate market by further signifying that our market seems to be stabilizing.

September 2009 Highlights

Listings

Residential *active* listings declined 4.9% year-over-year to 14,029 (September 09) from 14,753 (September 08). There was also a 2.7% decrease from August 2009.

Under Contract (Pending) Residential Sales

Total residential *under contract* sales increased by over 45.6% as compared to August 2008 (1,923 vs. 1,320).

Sales

Total residential sales and total property sales increased as compared to September 2008, with both showing significant rises of 16% and 14.9% respectively.

Inventory

There is currently 9.88 months' inventory of residential homes on the market in the Hampton Roads area, slightly lower from the previous month.

September 2009 Summary

All Categories	September 2009	September 2008	Percent Change
Total Active Listings	17,196	17,441	-1.4%
Total Pending Sales	1,987	1,366	45.46%
Total Residential Pending Sales	1,923	1,320	45.68%
Total Property Sales	1,759	1,531	14.89%
Total Residential Sales	1,704	1,469	16.0%
Median Residential Sales Price	\$220,000	\$225,000	-2.22%
Month's Inventory	9.88	---	---

* 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.