

For Immediate Release

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January Home Sales off to a Slightly Slower Start Compared to 2018 Housing Inventory Numbers Rebounding

Lexington, KY (3/12/2019) – Kentucky home sales in January are down eight percent from January 2018. Units sold reached 2,747 which comes in 252 units shy of last year’s mark of 2,999. A near record year in 2018 home sales resulted in below average inventory and above average prices creating a market that proved to be difficult to sustain.

Nationwide, existing-home sales dropped just 1.2% in January, according to the National Association of Realtors®. Lawrence Yun, NAR’s chief economist, says January’s home sales of 4.94 million were the lowest since November 2015, but that he does not expect the numbers to decline further going forward. “Existing home sales in January were weak compared to historical norms; however, they are likely to have reached a cyclical low. Moderating home prices combined with gains in household income will boost housing affordability, bringing more buyers to the market in the coming months.”

While the January housing inventory mark was up only 5% over last year at 5.66 months, it is now double what it was just six months ago at its lowest 2018 level. The rebounding number continues to approach the six-month mark which is considered a comfortable standard by most economists.

The days on market level rose just 2%. January saw houses remain on the market for an average of 118 days, up from 116 one year ago.

Rip Phillips, President of Kentucky REALTORS®, said that a market correction was inevitable as the supply of homes dwindled throughout the latter half of last year. “There are areas in Kentucky where inventory became so strapped that it created a seller’s market which inflated home prices. This can price certain segments of potential home-buyers out of the market.” Phillips noted that a slow-down in sales will help bolster inventory. “Hopefully, prices will normalize and allow those looking to get into the market for the first time to find financing options that will meet their needs”, he said.

The median home price rose by 7% in January after falling for two consecutive months. January 2018 numbers topped out at \$131,120 while the 2018 level was \$122,495.

Kentucky REALTORS® is one of the largest and most influential associations in Kentucky. Founded in 1922, Kentucky REALTORS® represents more than 11,000 REALTORS® who are involved in all aspects of real estate, including residential and commercial real estate brokers, sales agents, developers, builders, property managers, office managers, appraisers and auctioneers.

To view housing statistics for the state, as reported to Kentucky REALTORS®, visit housingstats.kyrealtors.com.

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