



Central Kentucky's real estate market warms up **Sales, inventory and prices increase in March**

Lexington, KY (April 24, 2019) – Central Kentucky region's real estate market continues to flourish. Many of the major economic indicators point to this continuing through the remainder of the year - a powerful combination of low mortgage rates, increasing inventory, rising incomes and higher consumer confidence. This has translated into increased local activity in the market, even as national home sales slowed.

Home sales rose in March by 4 percent, hitting 1,088 total transactions in 2019 versus 1,042 in March 2018. Coupled with a strong February, the first quarter of 2019 ended up 4 percent as well, reaching 2,628 total home sales. Nationally, homes sales were down over 5 percent in March from a year ago.

Demand for housing in the area, as in many places across the country, has outpaced supply for several years. Although that is still happening locally, the lack of inventory issues that have plagued buyers for so long are starting to fade. Over the past several months, the total number of homes on the market has increased year-over-year, giving buyers more options when they start their search.

Total housing inventory in March hit 3,465, an increase of 7 percent from March 2018 and up 1.5 percent from February. New listings on the market jumped 8 percent in March year-over-year and hit the same growth in the first quarter. With the buying season ramping up, new listings grew 35 percent in March over the previous month, providing more options to house hunters.

Lexington-Bluegrass Association of REALTORS® President Al Blevins says that continued inventory increases coupled with a bump in new listings is a good sign for real estate in the bluegrass region. He continued, "Buyers have been limited in selection for some time now and this new trend opens up choices for those looking to purchase as well as bringing discouraged buyers back into the market."

This demand has pushed prices up in the region, however, increases have slowed. The median price for homes was \$169,900 in March, up 3 percent from \$165,000 a year prior. For the quarter, prices were up 3 percent as well, reaching \$167,200 in 2019 versus \$163,000 in 2018.

Even with a historically steady price increase, residents in the area enjoy housing affordability rates not seen in many parts of the country. With the national median home price reaching north of \$250,000, the local region offers residents good value and the chance to build equity if they decide to purchase a property.

Properties remained on the market for an average of 63 days in March, the same as it was a year ago. For the quarter, homes sold on average in the same amount of time, which was down 2 percent from the 64 days it took in the first quarter of 2018. Fifty-one percent of the homes sold in March were on the market for a month or less.

Blevins noted that with interest rates still at historically low levels, the real estate market should continue to be extremely strong throughout the Central Kentucky area.

Showing signs of strength, pending sales in March were up 8 percent year over year and up over 32 percent from February. The inventory of homes for sale jumped 3 percent in March from a year prior, reaching a 3.2-month supply.

“Buyers will enjoy a more favorable market for the next several months as more and more listings should become available,” Blevins said. “The spring months, typically the second quarter is when most people list their homes for sale.”

In fact, research from realtor.com shows that April and May are two of the best months to put a home on the market, giving sellers more property views, better exposure and ultimately selling faster than other times of the year.

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 22 counties: 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.

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