

For Immediate Release

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Kentucky Residential Sales Figures Breaks Closings and Volume Records in 2019

Lexington, KY (1/20/2019) – 2017 set the bar as the year to beat for homes sales in the Commonwealth. With booming economic growth seen in the U.S. over the past eighteen months, it didn't take long to top those marks set just two years ago. The closed listings level topped 50,000 homes sold for the first time in Kentucky history. December sales that topped the 2018 mark by almost 13% pushed 2019 Kentucky home sales to 50,891. This crested over the previous record (49,574 in 2017) by 2.5%. Steadily increasing prices due to rising demand ushered the total sales volume mark into record territory as well. \$10.4 billion in residential real estate changed hands in 2019.

The consensus forecast of the National Association of REALTORS® called for 2.0% GDP growth, a 3.7% unemployment rate and a 3.8% average mortgage rate in 2020. Home prices in the U.S. are projected to rise by 3.6% in 2020 after a 5% gain in 2019.

“Sales prices continue to rise, but I am hopeful that we will see price appreciation slow in 2020,” said Lawrence Yun, NAR's chief economist. “Builder confidence levels are high, so we just need housing supply to match and more home construction to take place in the coming year.”

The median home price in Kentucky for December was up over 7% from the previous year at \$175,000. This is the fifth consecutive month of year-over-year increases. The year-to-date figure for 2019 stands at \$172,335, which is 5.6% higher than last year's mark of \$163,169.

December's days-on-market (DOM) figure rose 8% over last year's mark to 147 days. This increase is indicative that homes that have been on the market for some time are finally selling as demand is steadily increasing without an adequate supply of newly listed homes to satisfy consumers.

Lester Sanders, 2020 President of Kentucky REALTORS®, says that increasing home prices highlights the issue of housing affordability that the association is trying to bring to the forefront in 2020. “Kentucky's communities can suffer even when the housing market is buzzing”, Sanders said. “REALTORS® will continue to advocate for Kentuckians to reduce the cost of buying a home and protecting homeowners' rights.”

Homes available for sale remain under the ideal level of a 6-month supply. The December figure of 4.8 months of inventory is down 4.7% from last year's figure.

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