



FOR IMMEDIATE RELEASE

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Second Quarter Posts Increase in Pending Sales in Metro Richmond

Richmond, Va. – While the unemployment rate continues to be the main drag on home sales activity in Central Virginia, there are some signs of improvement in the region's housing market.

"Pending sales, typically a leading indicator of final sales, are up again for the first time in more than a year," states Cheryl Hamm, president of the Richmond Association of Realtors® and Central Virginia Regional MLS, "which suggests we'll see an improvement in sales through the summer."

In the first quarter of 2011, the number of pending sales was about four percent lower than the number in the first quarter of 2010. In the second quarter of 2011, however, the number of pending sales is up two percent across the Central Virginia market compared with the second quarter of 2010.

Although the end of the Federal tax credit program last June caused the pace of sales activity to appear slower this quarter than in the second quarter of 2010, inventories continue to be drawn down. The number of active listings at the end of the second quarter of 2011 was down 12 percent compared to a year ago. There were 8,431 active listings (single-family and condominiums) at the end of the second quarter of 2011, down from 9,599 active listings at the end of the second quarter of 2010. In terms of sales, 3,161 homes sold in the Central Virginia area in the second quarter of 2011, including 2,690 sales in the Richmond Metro area and 214 sales in the Tri Cities area.

The average sales price of Single Family homes in the region also showed improvement in a month to month comparison going from \$215,488 in May to \$242,147 in June. This is a significant bump from where it had been hovering, and is the highest it's been since August of last year.

With most of the economic indicators and housing market trends suggesting that the end of 2011 will be brighter than the first half of the year, Hamm advises, "As our economy improves and job growth restarts, the backdrop to the region's housing market should strengthen, which will be a boost to the positive indicators we're just beginning to see."

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With more than 4,500 members, the Richmond Association of REALTORS® is the voice for real estate in the Richmond metropolitan area.