



---

Contact: Hunt Cooper, Communications Director  
[hunt@bluegrassrealtors.com](mailto:hunt@bluegrassrealtors.com) | 859.276.3503

## **Bluegrass real estate market moves forward in December**

### **Year-end numbers show positive momentum**

**Lexington, KY (January 26, 2026)** – The real estate market in Central and Southern Kentucky got a boost across many categories to close out the year. Residential transactions were up 8% in December, with 1,117 sales in 2025 compared to 1,038 last year. Sales surged more than 20% over the previous month's total of 930.

Single-family sales in December saw an 8% increase, with 1,044 homes sold compared to 967 last year, while townhouse and condo sales jumped 3%, from 71 units in 2024 to 73 this year. Townhouses and condos represented 7% of the market.

New construction sales surged 17% in December with 106 sales, the highest December total since 2021, compared to 91 last year. Year-end sales for 2025 were 5% higher than in 2024 with 1,312 transactions compared to 1,248 last year.

The total number of properties sold across the region totaled 13,684 for 2025, a 5% increase compared to the 13,075 closings recorded last year.

Home prices in December also came out ahead of last year by 2%. This year, the median home price was \$275,000 compared to \$270,000 last year. The year-over-year increase restarted the improvement after the 80-month streak was broken in November. The median price decreased from \$280,000 the previous month.

Single-family home prices in December rose 1% to \$275,000, up from \$272,250 while townhouse and condo prices jumped 8% to \$276,500 from \$257,000 in 2024.

For the year, the overall market saw a 4% bump in the median price, reaching \$285,000 in 2025 compared to \$275,000 in 2024.

Real estate sales volume topped \$4.5 billion in 2025, a 9% increase over last year, as the market has been on an upward trajectory for most of the year. For the month, total volume sold hit just over \$362 million, an improvement of 12% compared to the \$323 million recorded in December 2024.

“The year ended in a really positive way,” said Mike Inman, president of Bluegrass Realtors®. “December saw housing inventory increase along with many of the other housing indicators. The market is strong right now in the Bluegrass region after a year of adjusting back to what has been historically normal.”

Overall housing inventory in December hit its highest monthly total since 2019. With 4,176 homes available, this represents a 7% increase from the 3,914 properties on the market last year. Inventory has now posted 26 months of consecutive year-over-year growth, giving buyers more options and choices in their search.



---

As a boost to overall inventory, new listings hit 922 for the month, an 8% bump compared to the 851 homes listed one year ago. For the year, homes coming to the market were also up 8% with 19,722 homes compared to 18,259 in 2024. New listings to the market have increased annually since 2022.

Months of inventory (MOI) dropped, year-over-year, for the first time in over three and a half years. In December MOI was 3.7 months, a 3% drop from 3.8 months a year prior. This decline comes after a healthy month of sales activity to close out the year.

Homes spent more time on the market compared to both last year and last month, rising to the highest level since April. The average days on market (DOM) in December rose to 49 days, up 11% from 44 days a year earlier and increased from 42 days the month prior. The median days on market jumped to 29 days, up from 21 days in 2024. For the year, the average time on market was 15% higher in 2025, up to 46 days from 40 days last year.

“Properties are taking longer to sell which is a good thing for buyers,” continued Inman. “Consumers want to be comfortable when making the major decision of purchasing a home and having more time certainly relieves some of the stress. Rising inventory also helps by bringing more selection to search process.”

As a forward-looking indicator of buyer behavior, pending sales rose 1% in December, with 817 homes going under contract, up from 807 a year ago. In 2025, pending sales outpaced 2024 by 6% with 14,268 in 2025 compared to 13,506 last year.

Market activity at the end of the year may have benefited by interest rates dropping to a 15-month low. The average interest rate was 6.19% in December. From the previous year, the rate was 8% lower when it averaged 6.72%. Rates have been consistently falling in the second half of the year as the Fed continued to ease the national rates.

*As the region's leading advocate for homeownership, Bluegrass Realtors® understands the value and joy of owning a home. The Association represents more than 4,000 Realtors® located in 38 counties: Anderson, Bath, Bell, Bourbon, Boyle, Casey, Clark, Clay, Elliott, Estill, Fayette, Franklin, Garrard, Harrison, Henry, Jackson, Jessamine, Knox, Laurel, Lee, Lincoln, Madison, McCreary, Menifee, Mercer, Montgomery, Nicholas, Owsley, Powell, Pulaski, Rockcastle, Rowan, Russell, Scott, Shelby, Wayne, Whitley and Woodford counties. Visit [www.bluegrassrealtors.com](http://www.bluegrassrealtors.com) for up-to-the-minute real estate listings and buying and selling resources.*