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October housing inventory reaches highest level in nearly seven years

Activity remains steady as price appreciation levels off

Lexington, KY (November 25, 2026) – October's housing inventory came in just under 5,000 available properties, reaching its highest total since late 2019. With 4,944 properties available on the market, inventory extended its year-over-year growth streak to 36 consecutive months, giving buyers the widest selection of homes since before the pandemic. The October total was 11% higher than the 4,471 homes available a year ago and 4% higher than the previous month. Available homes have now remained above 4,000 for six consecutive months.

The increase in inventory pushed months of inventory (MOI) to 4.2 months in October, the highest level since January. That compares with 3.9 months in both October 2025 and September 2026, representing an 8% increase from both periods. October's MOI was also the highest for the month since 2019.

"Buyers are going into the holiday season with a selection of homes not seen in many years," said Mike Inman, president of Bluegrass Realtors®. "And with price appreciation slowing, the market is becoming a more level playing field for both buyers and sellers to navigate."

The median home price reached an all-time October high of $291,000, increasing less than 1% from both last year's and the previous month's $290,000. Year-to-date, the median home price is up 3%, reaching $294,500 compared with $285,000 in 2025.

Single-family home prices declined less than 1% in October, falling to $293,000 from $294,950 a year ago. Meanwhile, townhouse and condominium prices rose 13%, from $225,000 in October 2025 to $255,000 this year.

The total value of real estate transactions reached $403 million in October, a record for the month. This represents a 4% increase from the $387 million recorded during the same month last year. Year-to-date, transaction volume has exceeded $4.1 billion in 2026, an 8% improvement over the $3.9 billion recorded in 2025.

After three consecutive months of increases, the average number of days on market (DOM) dropped in October to 45 days, down from 47 days in September and one day from the year prior. Median DOM, however, increased by one day, from 22 days in October 2025 to 23 days this year. Year-to-date, homes have spent an average of 48 days on the market, slightly longer than the 46-day average in 2025.

"Home prices have leveled somewhat across the region, at least in the short term," continued Inman. "They are down from an all-time high this summer and with several external factors at play in the market, have reached a point that is more in line with historical appreciation."

While national reporting indicated that October home sales fell to their lowest level in more than 16 years, activity across Central and Southern Kentucky increased compared with a year ago. The region recorded 1,172 transactions in October, nearly 2% more than the 1,155 sales in October 2025. Sales did decline 4% from September's

1,223 transactions. Year-to-date, home sales remain up 5%, with 12,208 transactions in 2026 compared with 11,647 during the same period last year.

Single-family sales improved 2%, with 1,119 homes sold compared to 1,096 last year, while townhouse and condo sales dropped 10% from 59 units in 2025 to 53 this year. Townhouses and condos accounted for less than 5% of the market.

New construction sales remained relatively steady, with 113 transactions in October, one fewer than the 114 recorded a year ago. Sales increased by two from September.

Pending sales, an indicator of future market activity, declined 13% in October. A total of 1,054 homes went under contract, compared with 1,207 in October 2025, and pending sales fell 4% from the previous month. Despite the monthly decline, year-to-date pending sales remain up 3%, with 12,866 properties under contract in 2026 compared with 12,490 in 2025.

New listings also declined in October, falling 3% to 1,699 homes from 1,748 a year ago. Compared with September, new listings dipped 8%, a seasonal trend as sellers typically slow their activity heading into the final months of the year. Year-to-date, however, new listings continue to outpace last year, increasing 6% to 18,711 homes from 17,586 during the same period in 2025. The continued flow of new listings has helped support the region's growing inventory.

"The national picture in October was not as encouraging as what we saw locally," stated Inman. "Our market was still relatively strong for overall real estate activity. Of course, that could change but we remain optimistic about the continued rise in inventory, which is an indicator we have needed to see improve for a long time now."

The 30-year fixed mortgage rate averaged 7.33% in October, up from 6.86% in September. Compared with the previous year's average of 6.25%, rates were more than a full percentage point higher and had increased every month since March. The latest forecasts project the 30-year mortgage rate will remain above 7% through 2027.

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