

CAAR CHARLOTTESVILLE AREA HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

CAAR Home Sales Report

4th Quarter 2019

Charlottesville Area Association of REALTORS®

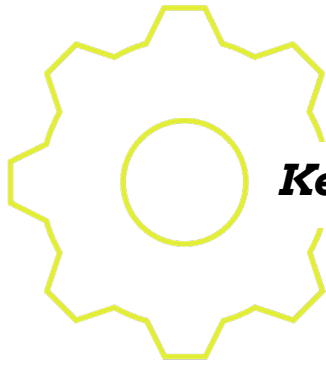
Market Report Key Takeaways

Economic Conditions

- The Charlottesville area economy is strong, with steady job growth in the first half of 2019.
- Low unemployment in the region has made it challenging for local businesses to find workers to fill vacant positions.
- Permits for new residential construction leveled off at the end of 2019, with the pace of new construction still lagging behind what is needed to meet pent-up demand.
- Consumer confidence remains strong, though there are some indications of growing uncertainty about the future economic conditions.
- Interest rates have remained relatively unchanged for the past few weeks and are expected to remain low into 2020.

Housing Market Conditions

- Housing market conditions were strong overall in the CAAR footprint in the 4th quarter. There were more sales transactions, the median sales price climbed by \$18,000, and the sold volume surged up nearly \$58 million compared to last year.
- Homes sold about 5 days faster, on average, in the region, a reflection of the shrinking inventory of active listings, which declined 3% in the 4th quarter compared to a year ago.



Key Trends Dashboard, CAAR

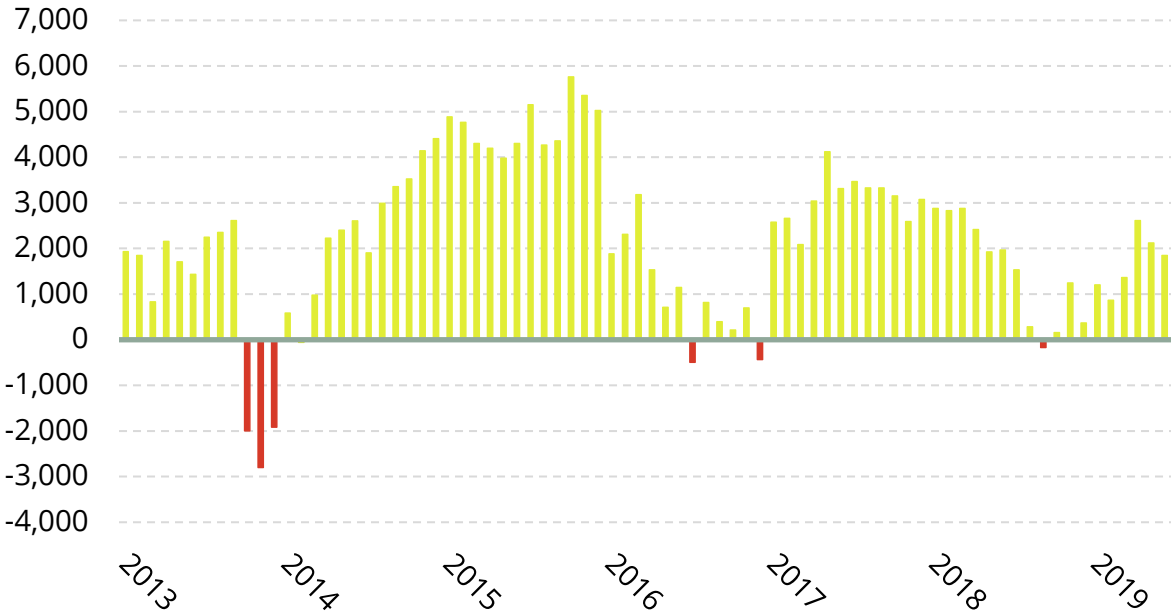
▲	1,846	More jobs in the CAAR footprint between Jun-2018 and Jun-2019
▲	2.2%	Is the Nov-2019 unemployment rate in the CAAR footprint, which is up slightly from Oct-2019
▲	174.4	Is the present situation consumer confidence index level for the South Atlantic region economy in Dec-2019, which is up from one year prior
▼	102.9	Is the consumer expectations index level for the South Atlantic region economy in Dec-2019, which is down from one year prior
▲	72	More home sales in the CAAR footprint in Q4-2019 compared to last year
▲	\$18,270	Increase in median sales price in the CAAR region in Q4-2019 compared to a year ago
▲	\$58	Million dollars more in total sold volume in the CAAR footprint in Q4-2019 compared to last year
▼	-5	Days faster average days on market for the CAAR footprint in Q4-2019 compared to a year ago
▼	3.5	Months of supply in the CAAR footprint in Q4-2019, which is down from a year ago

Economic Overview

The Charlottesville area economy has been performing well, with strong job growth through the first half of 2019 (the latest data available). Between June 2018 and June 2019, the region added 1,846 net new jobs, continuing several months of strong job growth.

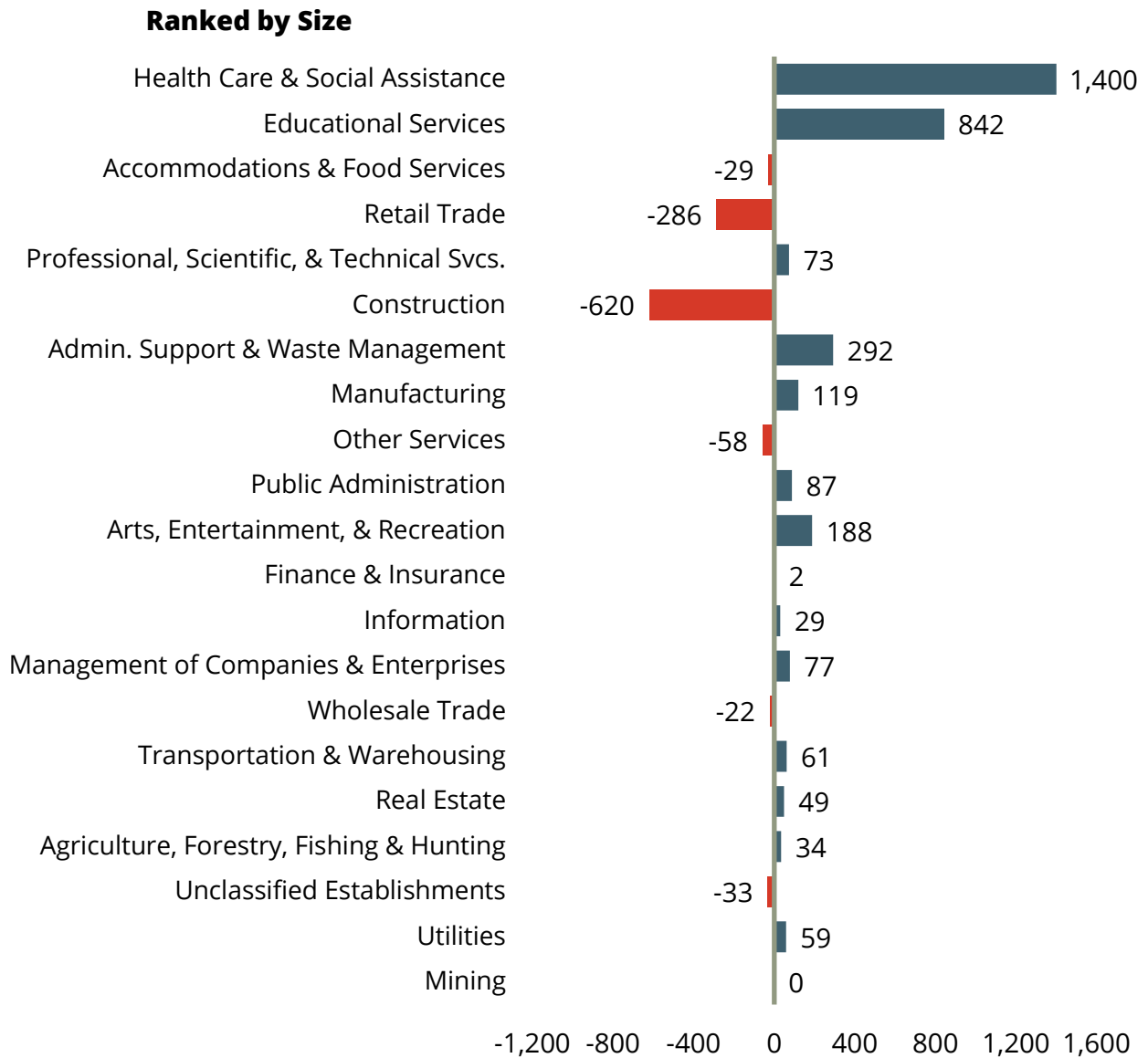
The biggest gains in the region have been in the Health Care & Social Assistance and Educational Services sectors, which added 1,400 jobs and 842 jobs, respectively, between June 2018 and June 2019. There were also gains in the Administrative Support (+292 jobs), Arts, Entertainment & Recreation (+188 jobs), Manufacturing (+119 jobs), and Professional & Technical Services (+73 jobs) sectors. Both the Retail Trade and Construction sectors experienced relatively large job losses in June.

Figure 1
Annual Change in Jobs, CAAR



Source: Virginia Employment Commission, Quarterly Census of Employment and Wages

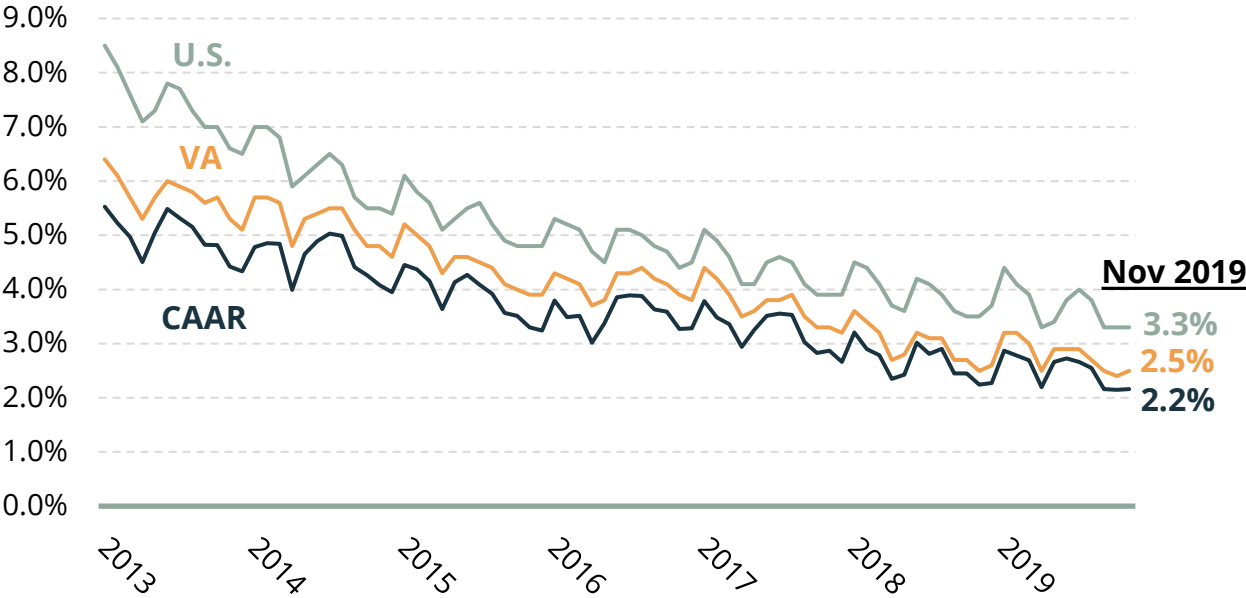
Figure 2
Job Change by Industry
CAAR
Jun-2018 to Jun-2019



Source: Virginia Employment Commission, Quarterly Census of Employment and Wages

The unemployment rate in the Charlottesville region was 2.2% in November 2019, lower than the statewide unemployment rate. The tight labor market continues to make it difficult for businesses to find workers to fill vacant positions.

**Figure 3
Unemployment Rate**



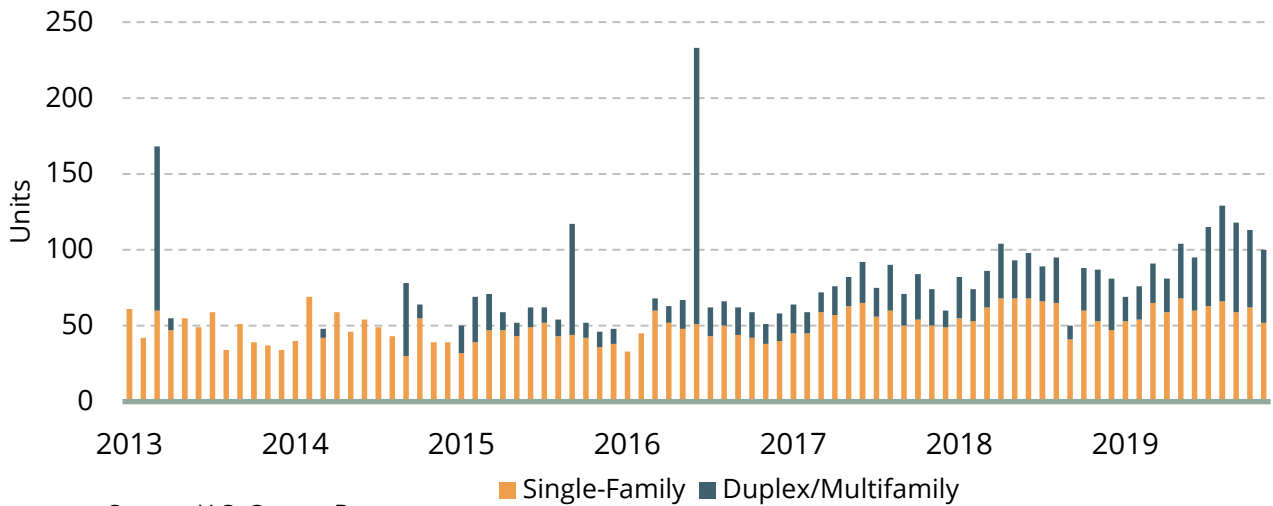
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

New residential construction activity in the Charlottesville Metropolitan Statistical Area (MSA)¹ remained steady in the second half of 2019. In November 2019, there were 100 permits issued for new residential housing units, which is up 14.9% over the number issued in November 2018.

Through November, there have been a total of 1,091 permits issued for new residential construction in the region. About 60% of those permits were for single-family homes, and 40% were for units in multifamily buildings (both rental and condominium).

¹The Charlottesville MSA includes Charlottesville City, Albemarle County, Buckingham County, Fluvanna County, Greene County, and Nelson County

Figure 4
Monthly Permits for New Residential Construction
Charlottesville MSA



Source: U.S. Census Bureau

*Charlottesville MSA includes Charlottesville City, Albemarle County, Buckingham County, Fluvanna County, Greene County, and Nelson County

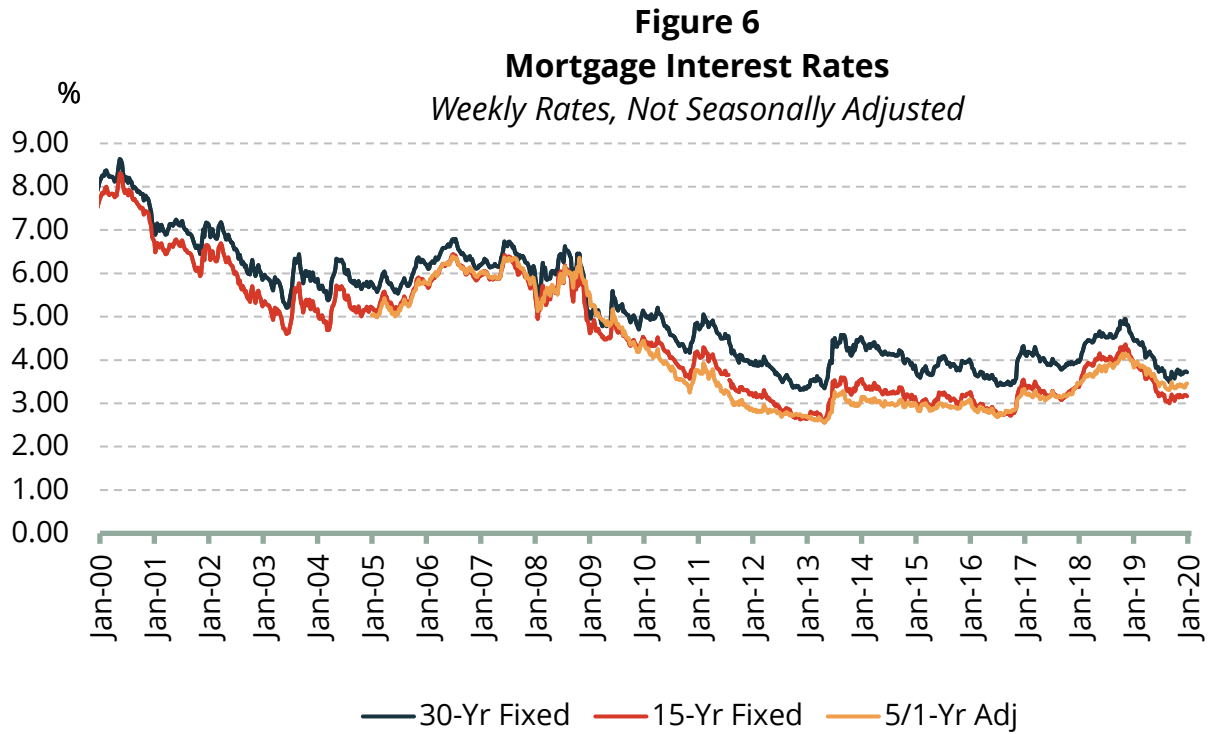
While consumer confidence remains strong, data suggest some uncertainties about future economic conditions among residents of the South Atlantic region of the U.S., which includes Virginia. The measure of confidence in current economic conditions continues to rise and was 174.4 in December. The measure of consumers' confidence in future economic conditions fell to 102.9 in December. A level above 100 is positive, but this metric has been hovering slightly above and below 100 for the last few months.

Figure 5
Consumer Confidence
South Atlantic Region



Source: The Conference Board

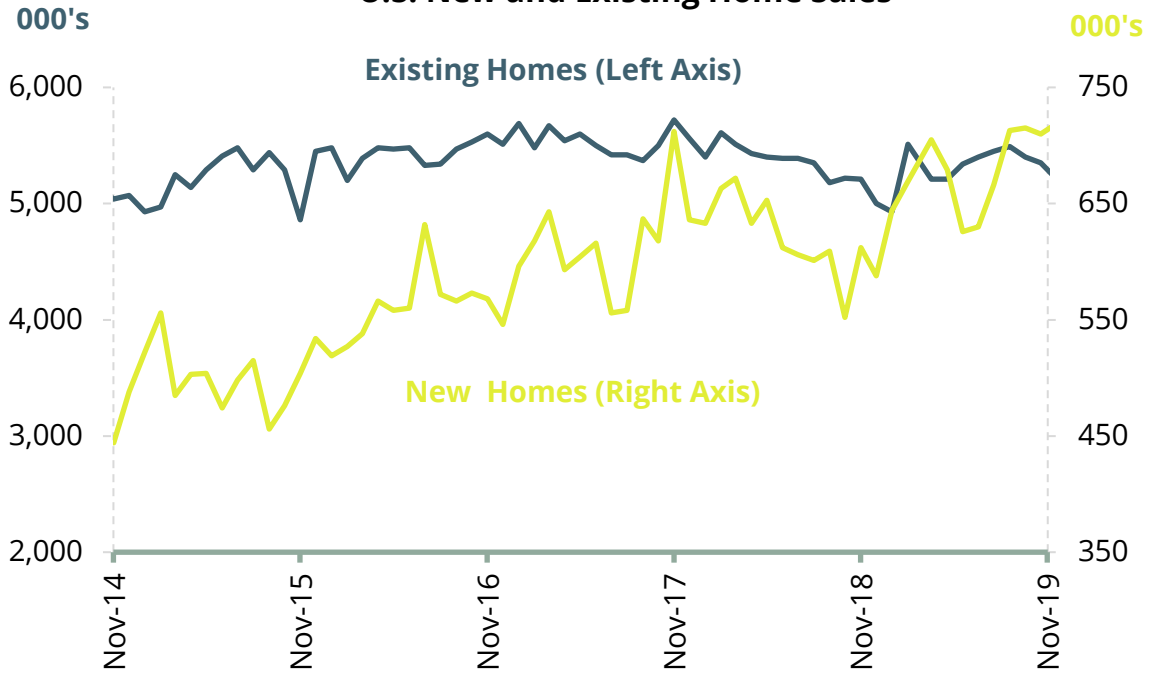
In the 1st week of January 2020, the 30-year fixed-rate interest rate was 3.72, virtually unchanged from a month ago and three-quarters of a point lower than last January. This long period of low interest rates will likely continue into 2020, which helps create favorable housing market conditions.



Source: Federal Reserve Bank of St. Louis

The national housing market continues to perform fairly well. Growth in wages and continued low mortgage rates have been factors in the market performance. Existing home sales have generally been on a slow upward trend since the spring of 2019. New home sales declined slightly through the spring and summer but rebounded in the last quarter of 2019.

Figure 7
U.S. New and Existing Home Sales



Source: U.S Census Bureau, National Association of REALTORS®

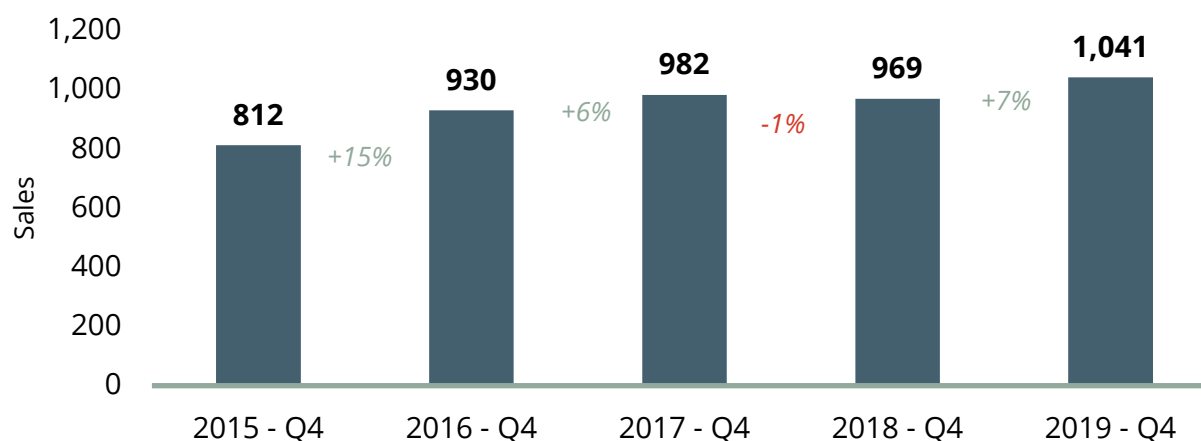
Housing Market Overview

For the 2nd quarter in a row, there were more sales transactions in the CAAR housing market compared to last year. Albemarle and Fluvanna Counties drove much of the sales growth this quarter. Home prices are rising throughout much of the region; the median sales price in the CAAR footprint climbed more than \$18,000 in the 4th quarter compared to last year, the strongest growth in over a year. The additional sales transactions and boost in prices led to a \$57.6 million surge in sold dollar volume across the region. Homes sold about 5 days faster, on average, in the 4th quarter compared to last year, and the inventory of active listings continues to trend down at a moderate pace (-3%). Strong regional job growth and very low unemployment and mortgage interest rates continue to fuel much of the activity in the CAAR housing market. These trends likely will not change in the coming months.

Sales

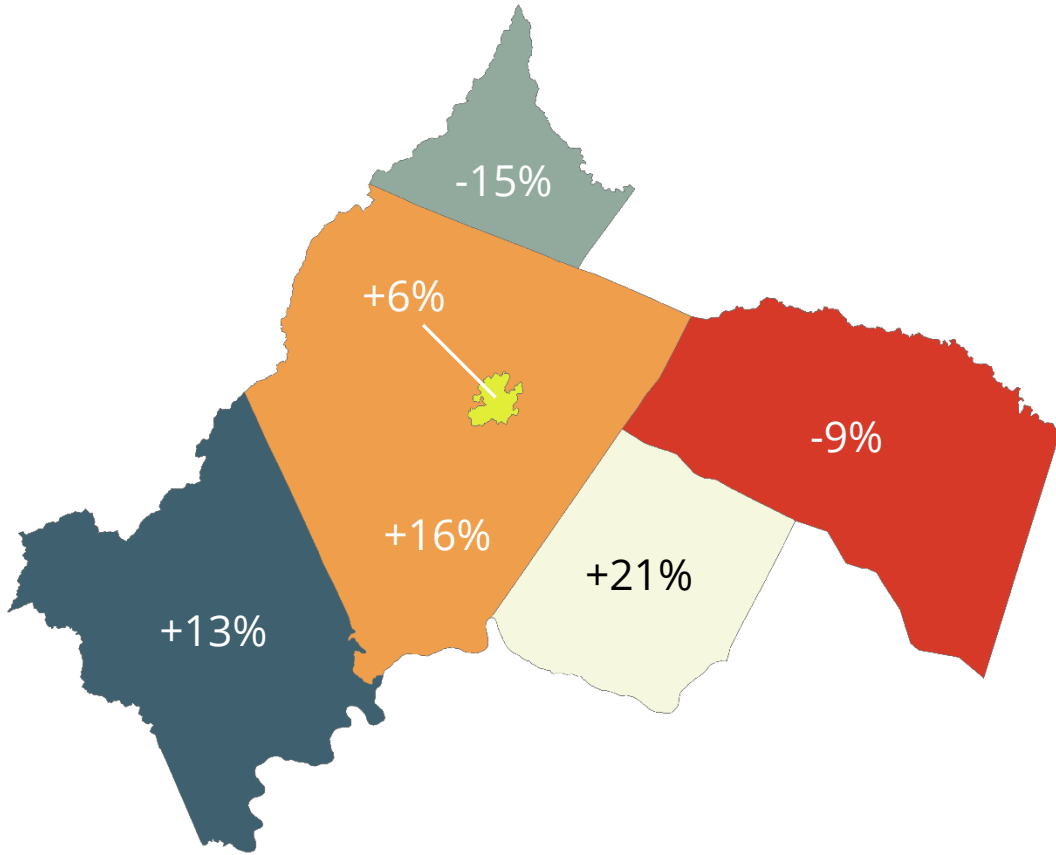
Sales activity continues to expand in the CAAR regional housing market. There were 1,041 sales in the 4th quarter, a 7% gain from a year ago, representing 72 additional sales transactions. Most of the additional sales occurred in Albemarle County (+60 sales) and Fluvanna County (+23 sales). Both Greene County and Louisa County had a reduction in sales compared to last year, down 15% (-13 sales) and 9% (-17 sales), respectively. The 4th quarter is the first drop in sales for Greene County since the spring of 2018.

Figure 8
4th Quarter Home Sales, CAAR
2015-2019



Source: Virginia REALTORS®, data accessed January 17, 2020

Figure 9
Change in Sales by Jurisdiction
CAAR
4th Quarter 2018 to 4th Quarter 2019



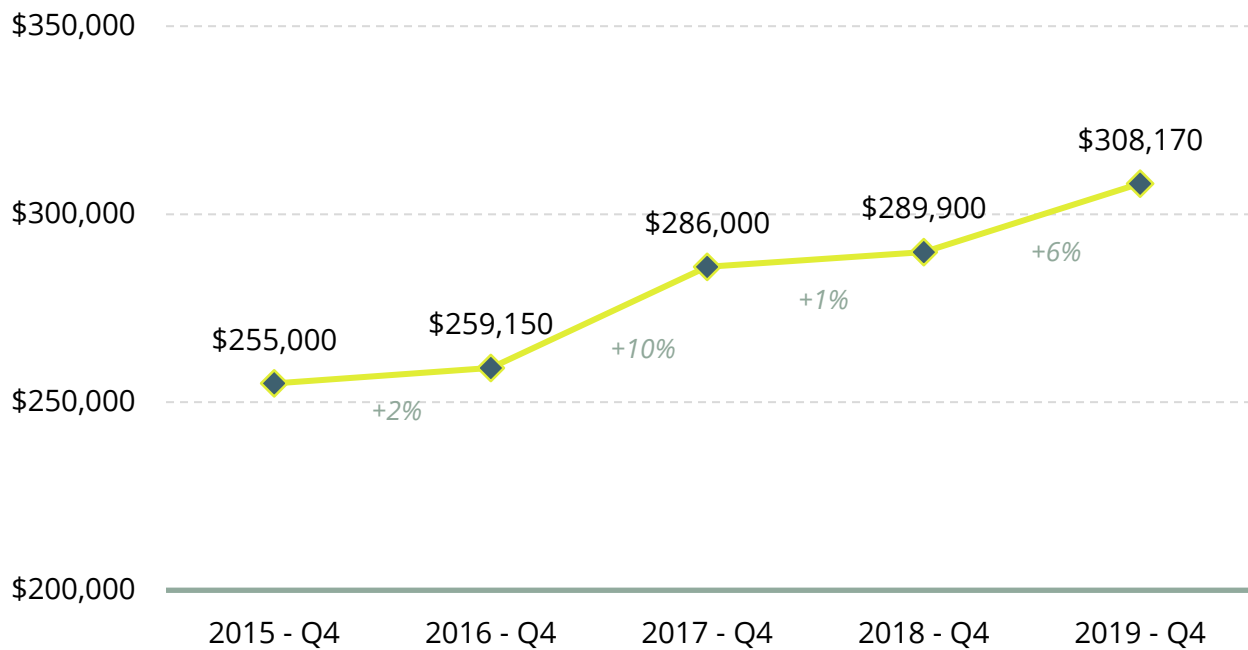
<i>Jurisdiction</i>	<i>2018 - Q4</i>	<i>2019 - Q4</i>	<i>% Change</i>
Albemarle County	378	438	16%
Charlottesville	113	120	6%
Fluvanna County	111	134	21%
Greene County	88	75	-15%
Louisa County	186	169	-9%
Nelson County	93	105	13%

Source: Virginia REALTORS[®], data accessed January 17, 2020

Sales Prices

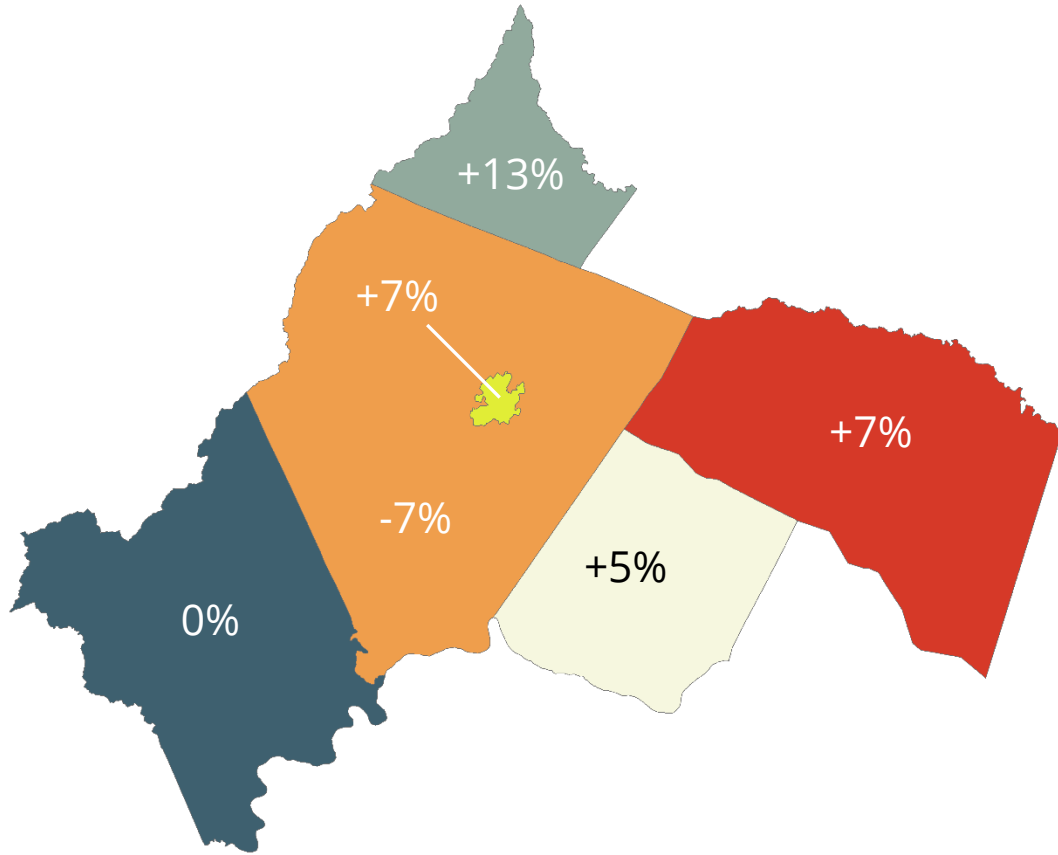
Median sales prices continue to trend up in the CAAR housing market. At \$308,170, the 4th quarter median sales price rose 6% from a year ago, an increase of over \$18,000. Most of the region's local markets experienced sales price growth in the 4th quarter. Greene County led all jurisdictions in the area with 13% median sales price growth compared to last year, a \$32,000 jump. The City of Charlottesville also had relatively strong price growth in the 4th quarter, climbing 7%, a gain of nearly \$24,000. Albemarle County was the only jurisdiction to have a drop in the median sales price, falling 7% from the 4th quarter of last year, a drop of nearly \$26,000. Sales prices have been trending up in the CAAR footprint consistently for several years, largely due to shrinking inventories of active listings and strong buyer activity in the market.

Figure 10
4th Quarter Median Sales Price, CAAR
2015-2019



Source: Virginia REALTORS®, data accessed January 17, 2020

Figure 11
Change in Median Sales Price by Jurisdiction
CAAR
4th Quarter 2018 to 4th Quarter 2019



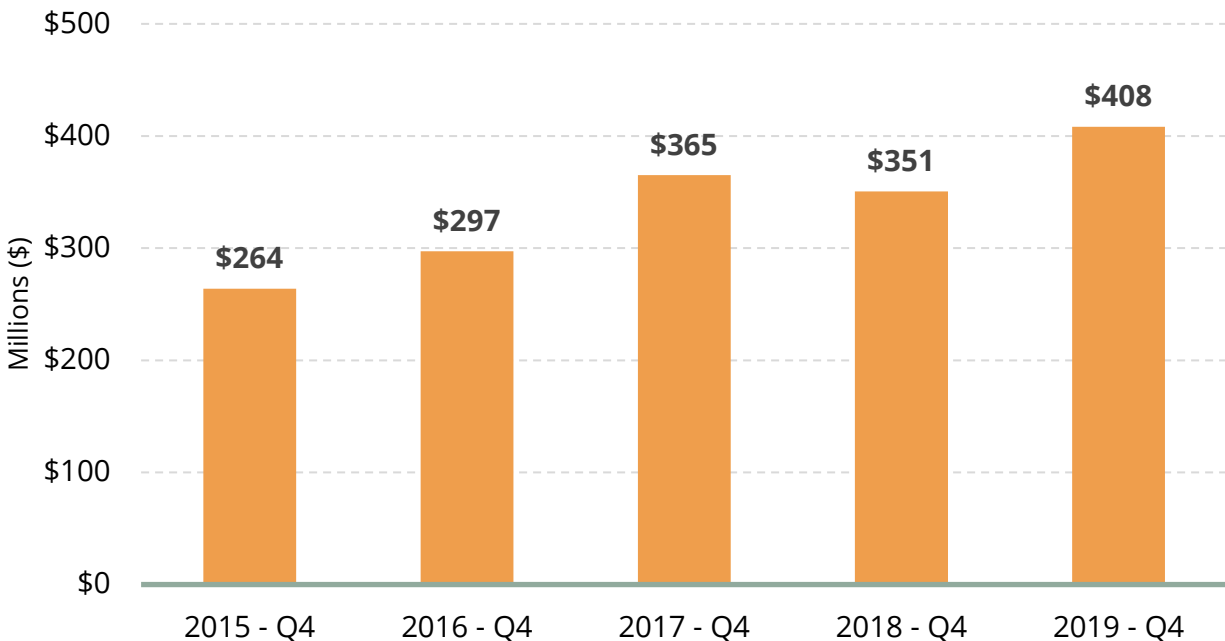
<i>Jurisdiction</i>	<i>2018 - Q4</i>	<i>2019 - Q4</i>	<i>% Change</i>
Albemarle County	\$395,000	\$369,250	-7%
Charlottesville	\$344,000	\$367,898	7%
Fluvanna County	\$225,000	\$236,500	5%
Greene County	\$252,635	\$284,660	13%
Louisa County	\$229,950	\$245,000	7%
Nelson County	\$230,000	\$230,000	0%

Source: Virginia REALTORS®, data accessed January 17, 2020

Sold Volume

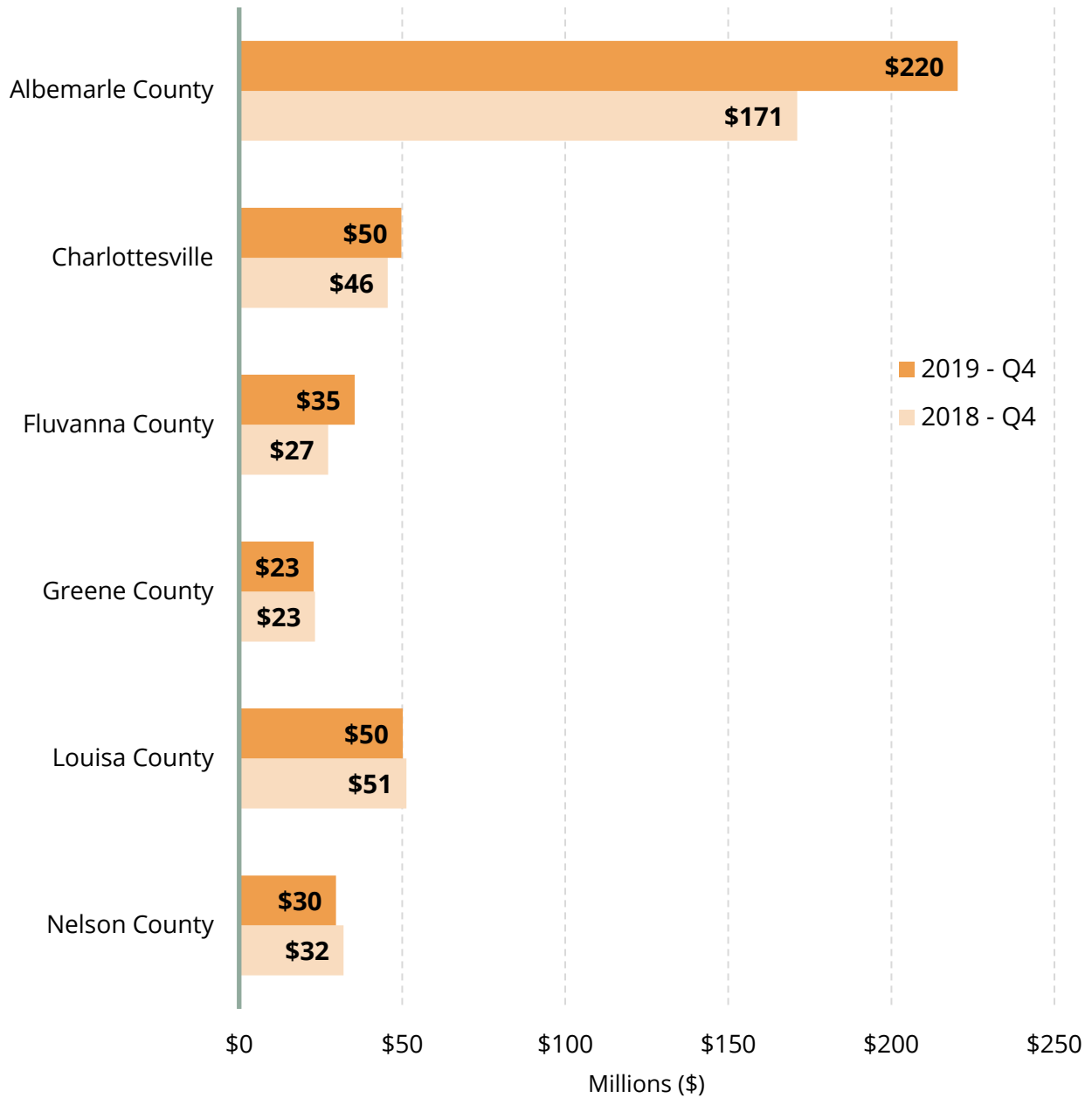
The additional sales transactions and rising home prices in the 4th quarter led to a strong gain in the sold dollar volume in the CAAR region. There was approximately \$408 million in sold volume in the 4th quarter, which is about \$58 million more than the 4th quarter of last year. This represents the largest sold volume gain for the region in 2 years. Albemarle County led all jurisdictions in sold volume growth, surging up 29% in the 4th quarter compared to last year, a \$49 million increase. Fluvanna County also had strong gains, up 30% from last year, an \$8 million jump. Nelson County had the largest decline in sold volume, falling 7% from a year ago, a \$2 million reduction. The housing market growth that has occurred broadly in much of the region over the past several years is reflected by the sold dollar volume, which has now climbed in 18 out of the past 20 quarters compared to the prior year.

Figure 12
4th Quarter Sold Dollar Volume (Millions), CAAR
2015-2019



Source: Virginia REALTORS®, data accessed January 17, 2020

Figure 13
4th Quarter Sold Dollar Volume, CAAR Jurisdictions
2018 and 2019

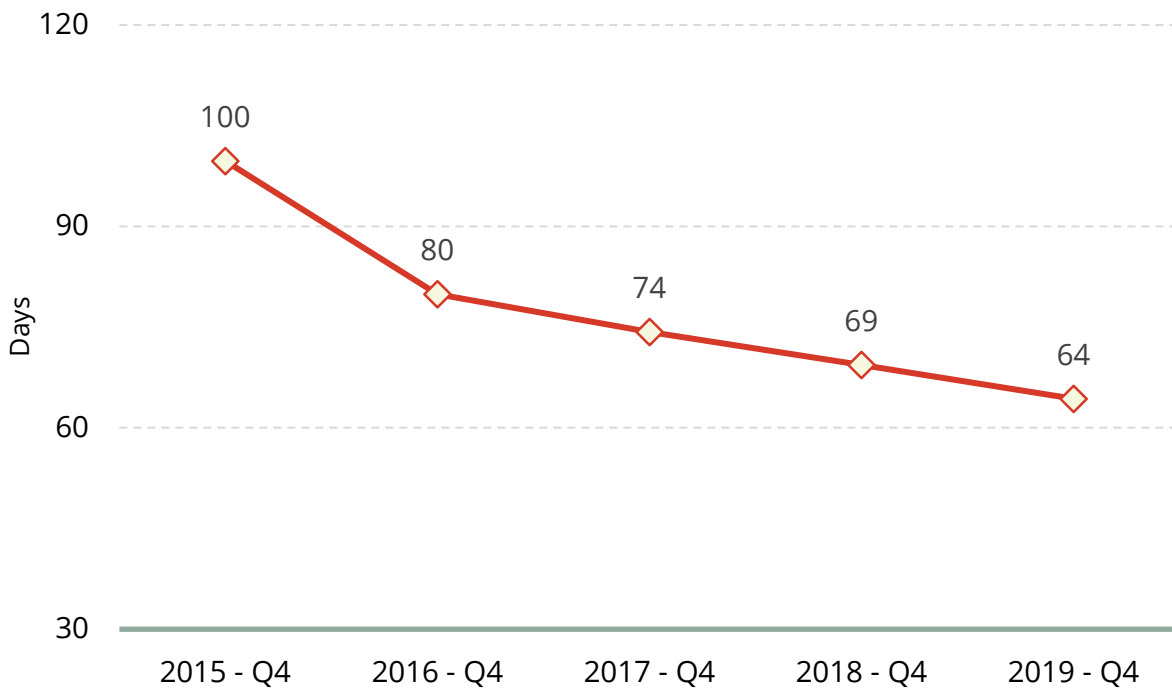


Source: Virginia REALTORS®, data accessed January 17, 2020

Days on Market

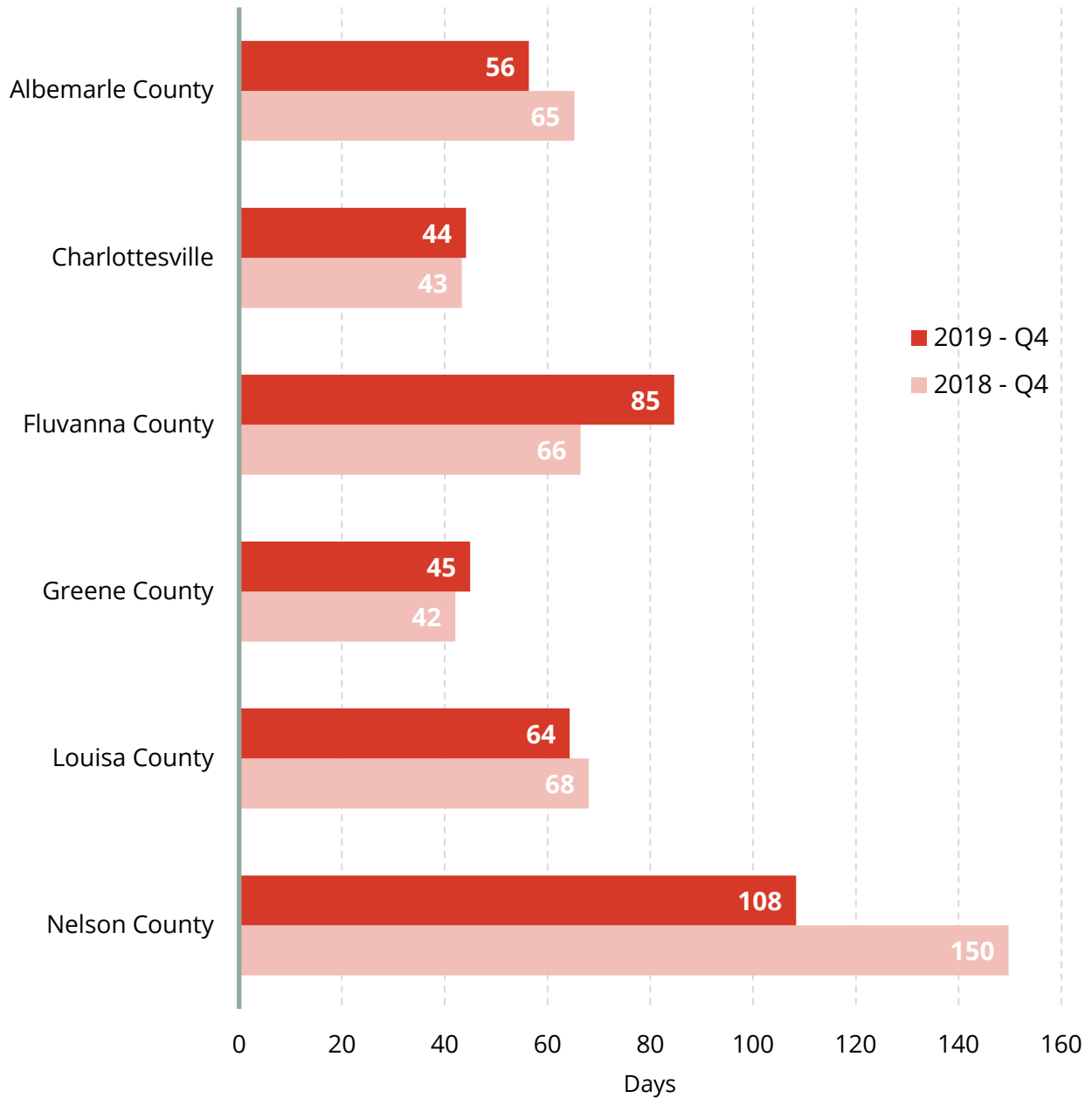
The average days on market continues to trend downward in the CAAR housing market. Homes that sold in the 4th quarter were on the market 64 days, on average, which is 5 days less than a year ago. The low supply of active listings continues to push this metric down. Albemarle County, which accounts for most of the sales activity in the CAAR footprint in any given quarter, is pulling the average days on market down for the region. At 56 days, the average days on market in Albemarle County is 9 days less than last year. While homes are selling faster in Albemarle County, the average days on market has been trending up in several local markets in the region. The City of Charlottesville and Fluvanna County have had rising average days on market for the past several quarters, which could be an early signal of changing market conditions, or possibly a mismatch between the homes available and the types and/or prices of homes sought after by buyers.

Figure 14
4th Quarter Average Days on Market, CAAR
2015-2019



Source: Virginia REALTORS®, data accessed January 17, 2020

Figure 15
4th Quarter Average Days on Market, CAAR Jurisdictions
2018 and 2019

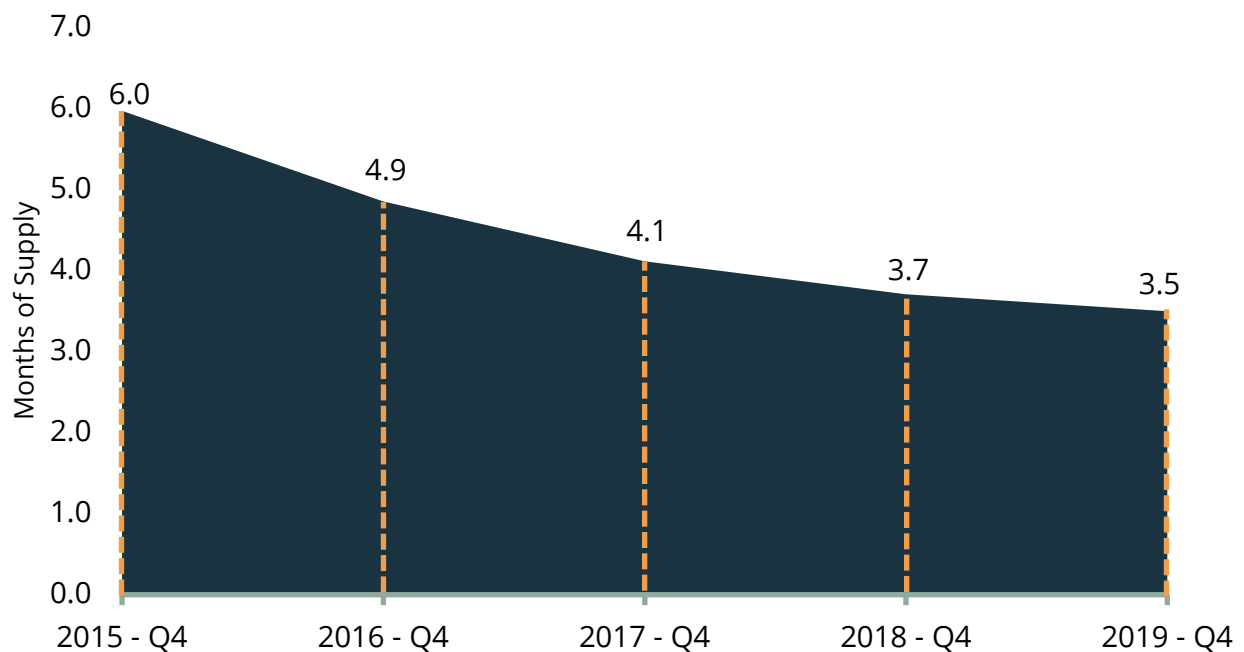


Source: Virginia REALTORS®, data accessed January 17, 2020

Inventory

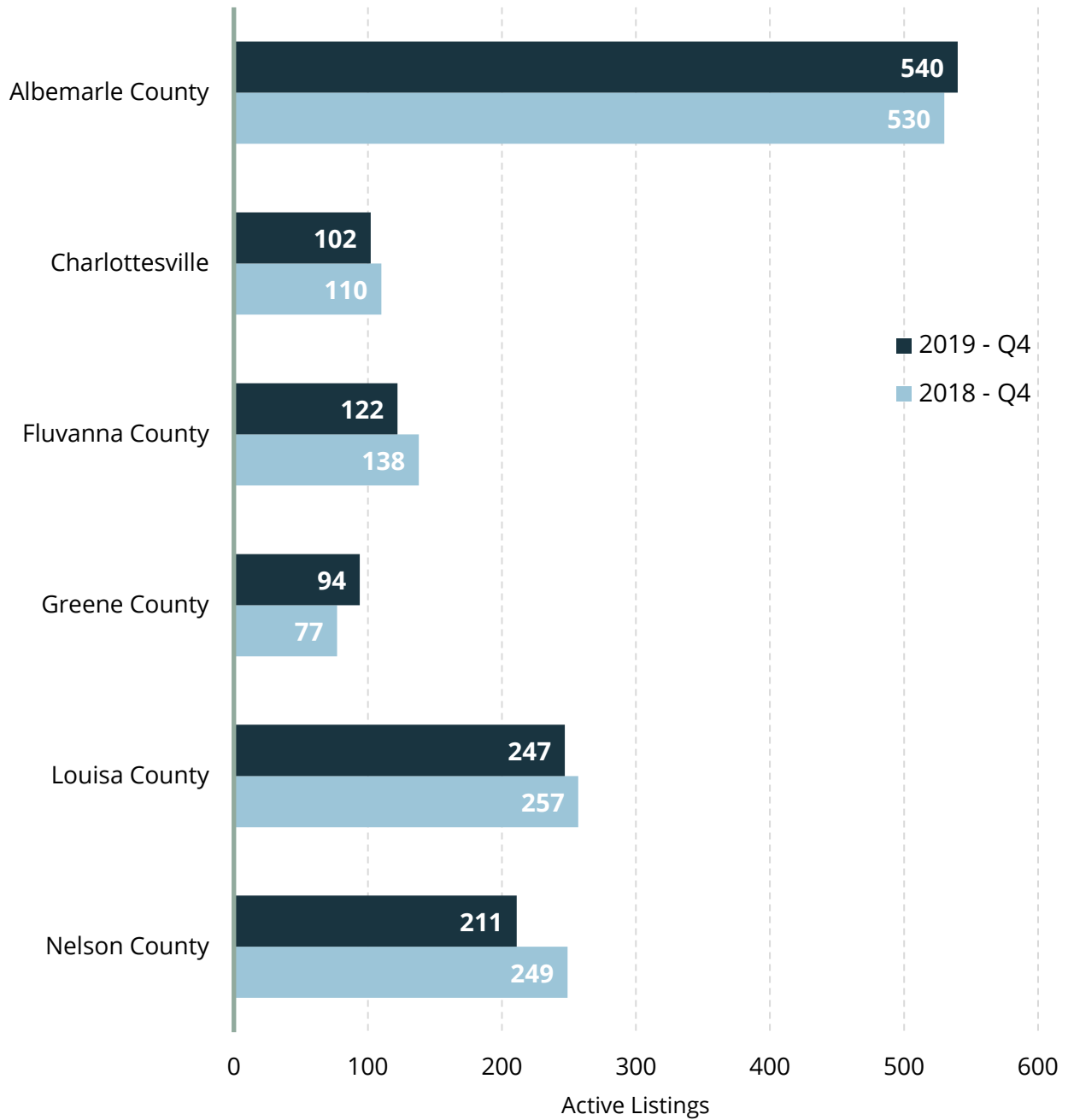
The inventory of active listings continues to decline at a moderate pace in the CAAR region. There were about 1,316 active listings at the end of the 4th quarter, which is 45 fewer listings than a year ago, a 3% drop. For the 2nd quarter in a row, Nelson County had the largest inventory decrease, with 38 fewer active listings on the market compared to a year prior. After nearly 2 years of expanding inventory, the City of Charlottesville had a reduction of active listings in the 4th quarter, with 8 fewer listings compared to a year ago. Greene County continues to have the most consistent supply growth, with 17 more active listings than a year ago, the 6th increase in the past 7 quarters. The tight inventory in the CAAR footprint reflects similar trends occurring throughout the State and beyond, which are putting upward pressure on home prices and causing affordability challenges in many local markets. There was approximately 3.5 months of supply at the end of the 4th quarter in the CAAR regional housing market, down from 3.7 months last year.

Figure 16
End of 4th Quarter Months Supply, CAAR
2015-2019



Source: Virginia REALTORS®, data accessed January 20, 2020

Figure 17
End of 4th Quarter Active Listings, CAAR Jurisdictions
2018 and 2019



Source: Virginia REALTORS®, data accessed January 20, 2020



Local Snapshot – *Albemarle County*

Sales: There were 438 sales in Albemarle County in the 4th quarter, a 16% jump from last year, a gain of 60 sales. This is the largest sales expansion for the County since the beginning of 2018.

Median Sales Price: At \$369,250, the 4th quarter median sales price in Albemarle County declined 7% from last year, a nearly \$26,000 reduction. This is the largest price decline since the 1st quarter of 2019.

Sold Volume: Despite the lower median sales price, strong growth in sales activity led to a large increase in the total sold dollar volume during the 4th quarter in Albemarle County. There was approximately \$220 million in sold volume in the County this quarter, a \$49 million surge from last year, representing a 29% jump.

Days on Market: At 56 days, the average days on market in the 4th quarter in Albemarle County dropped by 9 days compared to last year. This the 2nd decline in a row for this metric in the County.

Inventory: There was an uptick in active listings in Albemarle County this quarter. There were about 540 active listings on the market at the end of the 4th quarter, which is 10 more than last year, representing a 2% increase.



Local Snapshot – *Charlottesville*

Sales: Sales activity in the Charlottesville housing market expanded in the 4th quarter compared to last year. There were 120 sales in the 4th quarter, 7 more than a year ago, representing a 6% gain. Prior to this growth, sales had been flat or declining in the City for 4 quarters.

Median Sales Price: Consistent price growth continued in the 4th quarter in Charlottesville. At \$367,898, the median sales price climbed 7%, which is about \$24,000 higher than last year. Prices have been climbing in the City steadily since early 2016.

Sold Volume: There was approximately \$50 million in sold volume in Charlottesville in the 4th quarter, a 9% increase from last year, a \$4 million gain. Prior to this gain, the sold volume in the City declined in 3 out of the previous 4 quarters.

Days on Market: Homes are taking slightly longer to sell in Charlottesville compared to last year. The 4th quarter average days on market in the City was 44 days, 1 day higher than last year.

Inventory: After expanding for much of the past 2 years, the inventory of active listings declined in Charlottesville this quarter. There were 102 active listings on the market in the City at the end of the 4th quarter, 8 fewer listings than last year, a 7% drop.



Local Snapshot – *Fluvanna County*

Sales: Homes sales continue to increase in Fluvanna County compared to last year. There were 134 sales in the County in the 4th quarter, a 21% increase from last year, the 2nd gain in a row following a year of declining sales.

Median Sales Price: At \$236,500, the 4th quarter median sales price in Fluvanna County climbed \$11,500 from last year, representing a 5% gain. Prices have been trending up for nearly 2 years in the County.

Sold Volume: The surge in sales activity and strong price growth led to another high-growth quarter for sold volume in Fluvanna County. There was approximately \$35 million in sold volume in the 4th quarter in the County, up 30% from a year ago, representing an \$8 million increase. This is the 2nd quarter in a row of large sold volume gains in the County.

Days on Market: Homes that sold in the 4th quarter in Fluvanna County were on the market an average of 85 days, which is 18 days longer than this time last year. This is the largest increase for this metric since the spring of 2015.

Inventory: There were 122 active listings on the market in Fluvanna County at the end of the 4th quarter, which is 12% fewer than a year ago, a reduction of 16 active listings.



Local Snapshot – *Greene County*

Sales: After 5 consecutive quarters of growth, sales activity slowed down in Greene County this quarter. There were 75 sales throughout the County in the 4th quarter, 13 fewer than a year ago, which is a 15% decrease.

Median Sales Price: The 4th quarter median sales price in Greene County was \$284,660, which is more than \$32,000 higher than a year ago, a 13% increase. This is the sharpest uptick in median sales price for the County in the past 3 years.

Sold Volume: After 5 consecutive quarters of growth, the sold volume in Greene County declined this quarter. There was approximately \$23 million in sold volume throughout the County in the 4th quarter, inching down 2% from last year, a drop of \$472,000.

Days on Market: At 45 days, the 4th quarter average days on market in Greene County climbed by 3 days compared to last year, the 2nd quarterly increase in a row for the County after more than 2 years of trending down.

Inventory: The supply of active listings in Greene County continues to expand, the most consistent increases among the CAAR local markets. There were 94 active listings in the County at the end of the 4th quarter, 17 more than last year, a 22% increase.



Local Snapshot – *Louisa County*

Sales: There were 169 sales in Louisa County in the 4th quarter, 17 fewer than last year, a 9% decline. This represents the largest drop in sales for the County in more than 5 years.

Median Sales Price: At \$245,000, the 4th quarter median sales price in Louisa County climbed 7% from a year ago, a \$15,000 gain. This is the 2nd quarter in a row of median price growth for the County, following several quarters of flat or declining prices.

Sold Volume: There was approximately \$50 million in sold volume in the 4th quarter in Louisa County, down \$1 million from a year ago, a 2% decrease.

Days on Market: At 64 days, the average days on market in the 4th quarter in Louisa County is 4 days faster than a year ago. This metric has been trending down consistently in the County since the spring of 2018.

Inventory: There were 247 active listings at the end of the 4th quarter in Louisa County, 10 fewer than last year, a 4% decline. Inventory in the County has been shrinking consistently for more than 4 years.



Local Snapshot – *Nelson County*

Sales: Market activity continues to increase in Nelson County, a trend that has been consistent for most of 2019. There were 105 sales in the 4th quarter in the County, 12 more than last year, a 13% gain.

Median Sales Price: At \$230,000, the 4th quarter median sales price in Nelson County is unchanged from this time last year.

Sold Volume: After surging last quarter, the sold dollar volume in Nelson County declined in the 4th quarter. There was approximately \$30 million in sold volume in the County during the 4th quarter, down 7% from last year, a \$2 million reduction.

Days on Market: Homes sold much faster in Nelson County during the 4th quarter compared to last year. At 108 days, the 4th quarter average days on market is nearly 6 weeks faster (-41 days) than this time last year.

Inventory: There were 211 active listings at the end of the 4th quarter in Nelson County, 38 fewer listings than a year ago, a 15% drop. The inventory has been declining in the County since 2015.



The Virginia REALTORS® association is the largest professional trade association in Virginia, representing nearly 34,000 REALTORS® engaged in the residential and commercial real estate business. The Virginia REALTORS® association serves as the advocate for homeownership and private property rights and represents the interests of real estate professionals and property owners in the Commonwealth of Virginia.

NOTE: The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict code of ethics.

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Data and analysis provided by Virginia REALTORS® Chief Economist, Lisa Sturtevant, PhD.

The numbers reported here are preliminary and based on current entries into multiple listing services. Over time, data may be adjusted slightly to reflect increased reporting. Information is sourced from multiple listing services across Virginia and is deemed reliable, but not guaranteed.