

# CAAR CHARLOTTESVILLE AREA HOME SALES REPORT



CUSTOM REPORT PREPARED BY  
**VIRGINIA REALTORS®**

# CAAR Home Sales Report

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## 1<sup>st</sup> Quarter 2020

### Charlottesville Area Association of REALTORS®

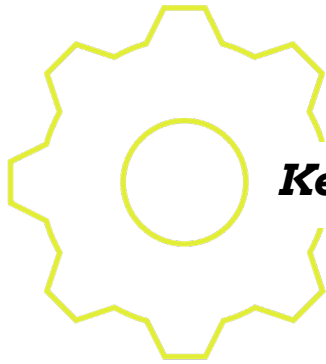
### Market Report Key Takeaways

#### **Economic Conditions**

- The Charlottesville area economy has been very strong leading into this challenging time. The region's strong economy and strong housing demand will be important to the future health of the Charlottesville area's housing market.
- Like the rest of Virginia and the nation, the Charlottesville region will be experiencing the economic impacts of COVID-19 this spring.
- Permits for new residential construction had been strong over the past six months, including in February 2020, the most recent month for which data is available.
- Consumers' confidence in the economy has been declining somewhat for several months. Expectations about future economic conditions have become pessimistic in the early spring.
- Mortgage rates are still low, but there has been substantial volatility and growing uncertainty in the mortgage market.

#### **Housing Market Conditions**

- Sales activity continues to expand compared to last year in the CAAR housing market. There were 837 sales in the region in the 1<sup>st</sup> quarter, 10% more than a year ago.
- At \$302,000, the 1<sup>st</sup> quarter median sales price in the CAAR housing market was about \$26,000 higher than last year, a 10% increase.
- The inventory in the CAAR housing market continues to shrink. There were 1,392 active listings on the market at the end of the 1<sup>st</sup> quarter, 11% fewer than a year ago.



## Key Trends Dashboard, CAAR

### Economy



**3,156**

**More jobs** in the CAAR footprint between Sep-2018 and Sep-2019



**2.3%**

Is the Feb-2020 **unemployment rate** in the CAAR footprint, which is down from Jan-2020



**3.33%**

Is the **30-year fixed-rate mortgage rate** during the 1st week of April 2020, which is down 0.75 percentage points from a year ago

### Housing Market



**73**

More **home sales** in the CAAR footprint in Q1-2020 compared to last year



**10%**

Percent change in **median sales price** in the CAAR region in Q1-2020 compared to a year ago



**\$36**

Million dollars more in total **sold volume** in the CAAR footprint in Q1-2020 compared to last year



**-11%**

Percent change in **active listings** in the CAAR footprint at the end of Q1-2020 compared to a year ago



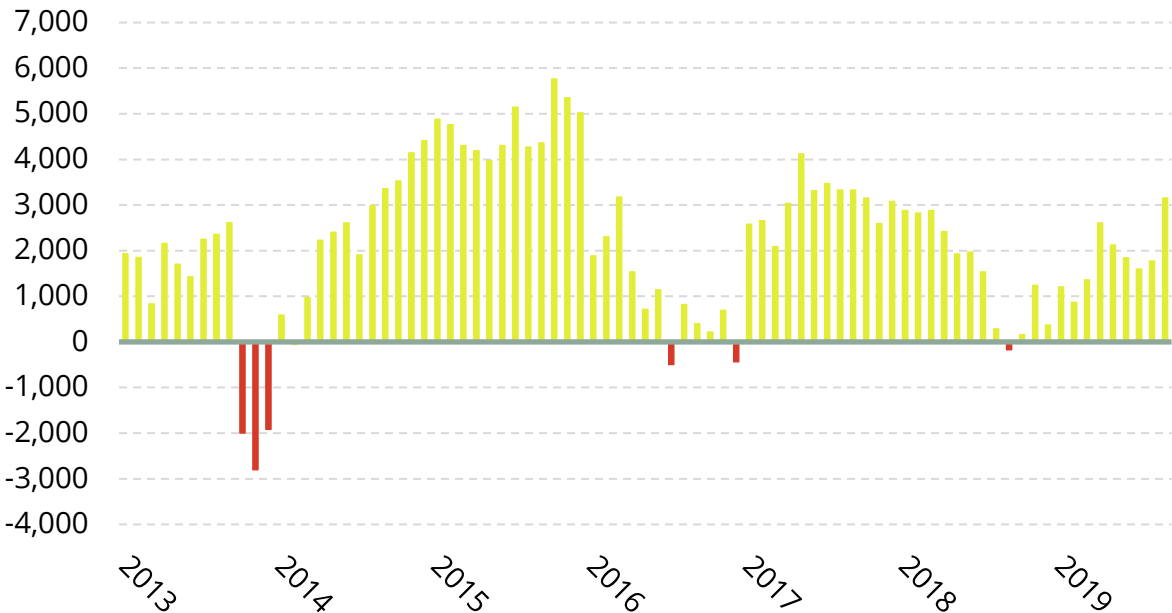
**3.6**

**Months of supply** in the CAAR footprint in Q1-2020, which is down from a year ago

# Economic Overview

As we headed into 2020, the Charlottesville economy had been performing well, with strong job and wage growth. In 2019, the region was on pace to add an estimated 2,000 net new jobs over 2018. In the Charlottesville area, job growth has been driven by increases in the Educational Services and Health Services sectors, with job losses in the Retail Trade and Accommodation & Food Services sectors.

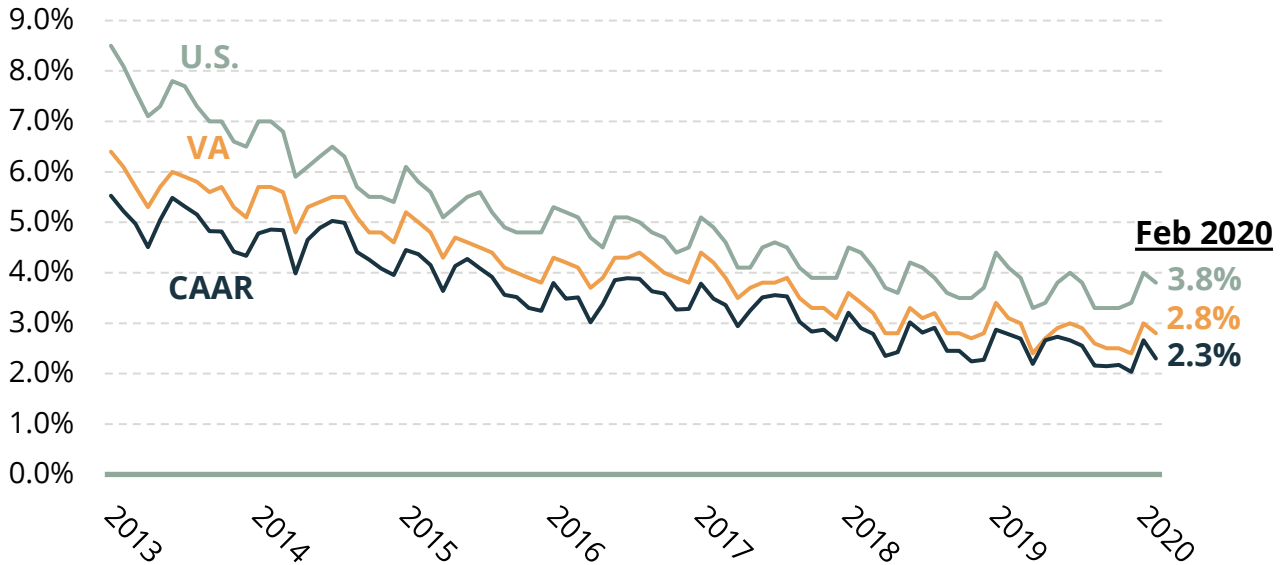
**Figure 1**  
**Annual Change in Jobs, CAAR**



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

In addition to steady job growth, unemployment in the Charlottesville area has been very low. The region's unemployment rate in February 2020 was 2.3%, lower than both the national and statewide rates. The region's strong economy has been an important driver of the strong housing demand and declining inventories in the Charlottesville area.

**Figure 2**  
**Unemployment Rate**

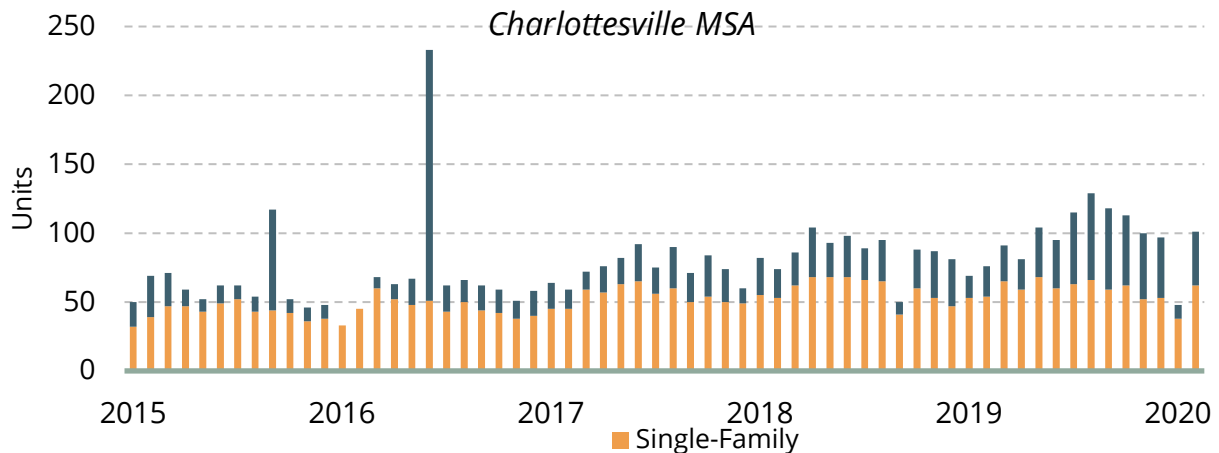


Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

New residential construction activity had been strong at the end of 2019 and into 2020. In February 2020, there were 101 permits issued for new residential housing units in the Charlottesville metropolitan area, which is up 33% from February of 2019.

Over the prior 6 months (September 2019 through February 2020), there has been a total of 577 permits for new residential units. About 56% of these new residential permits were for single-family homes, and 44% were for townhomes and units in multifamily buildings (both rental and condominium).

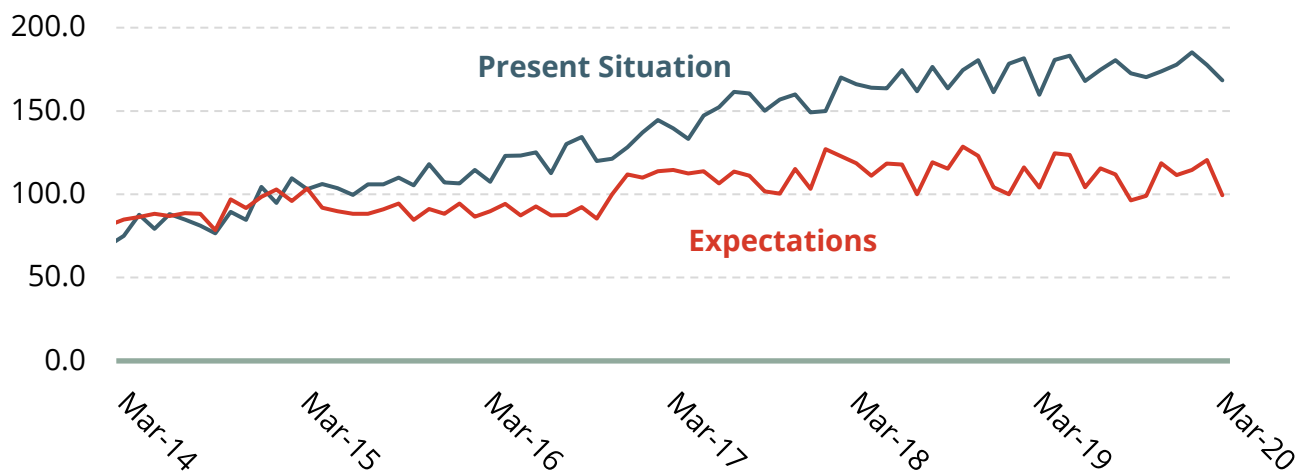
**Figure 3**  
**Monthly Permits for New Residential Construction**



Source: U.S. Census Bureau  
\*Charlottesville MSA includes Charlottesville City, Albemarle County, Buckingham County, Fluvanna County, Greene County, and Nelson County

Consumer confidence took a dip in March, though confidence in the present economic situation remains strong so far. Among residents of the South Atlantic region of the U.S., which includes Virginia, the measure of confidence in current economic conditions was 168.4 in March, down slightly from February, but still in positive territory. The measure of consumers' confidence in future economic conditions fell to 99.4 in March. The future expectations metric had been trending down beginning at the end of 2019. A level below 100 indicates consumers are feeling more pessimistic about future economic conditions.

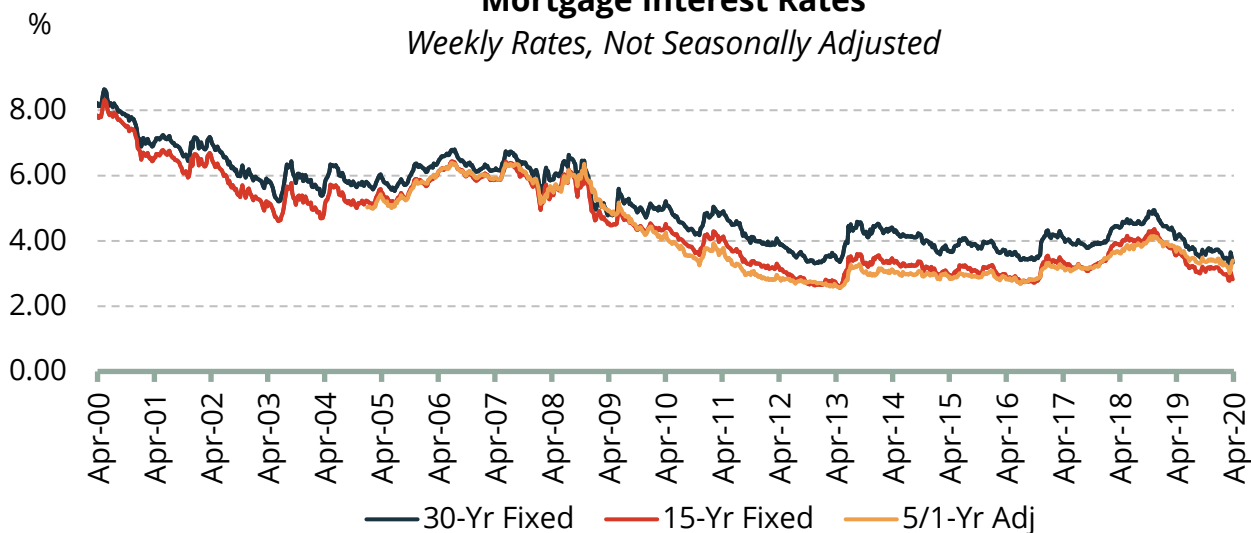
**Figure 4**  
**Consumer Confidence**  
*South Atlantic Region*



Source: The Conference Board

In the 2nd week of April, the 30-year fixed-rate interest rate was 3.33%, virtually unchanged from a month ago. However, there has been a tremendous amount of volatility in the mortgage market, with mortgage rates bouncing around on a daily basis. In addition, there are growing concerns about a lack of liquidity in the mortgage market, which has led to higher-than-expected rates, as well as more stringent lending requirements. Stabilization in the mortgage market and more predictable interest rates that link back to fundamentals will be an important signal of a return to normalcy in the housing market.

**Figure 5**  
**Mortgage Interest Rates**  
*Weekly Rates, Not Seasonally Adjusted*



Source: Federal Reserve Bank of St. Louis

Like the rest of the country and Virginia, the Charlottesville area is feeling the economic impact of COVID-19. The 1<sup>st</sup> quarter 2020 housing market data do not reflect the current economic situation. Since February, more than 22 million Americans, including more than 400,000 Virginians, have applied for unemployment benefits. Housing market activity will slow in Charlottesville in the 2nd quarter of 2020, though strong underlying fundamentals going into the COVID-19 pandemic will help the region's market rebound.

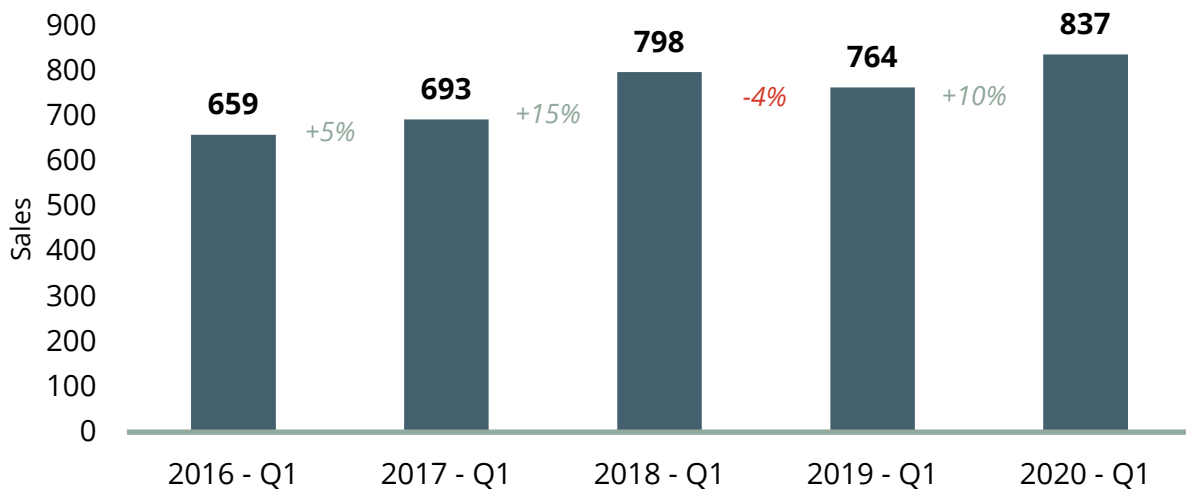
# Housing Market Overview

The CAAR regional housing market was off to a strong start overall in 2020. Sales activity expanded in the 1<sup>st</sup> quarter compared to last year, and the median sales price climbed more than \$26,000. Growth in both transactions and prices led to a nearly \$36 million surge in sold dollar volume. While it took a few days longer, on average, to sell a home in the 1<sup>st</sup> quarter compared to a year ago, the inventory of active listings continues to shrink.

## Sales

The sales growth trend continued in the CAAR footprint this quarter. There were 837 sales transactions throughout the CAAR region, which is 73 more sales than the 1<sup>st</sup> quarter of last year, representing a 10% increase. This is the 3<sup>rd</sup> consecutive quarter of increasing sales activity for the CAAR housing market, and the 1<sup>st</sup> double-digit gain in 2 years. Sales growth in the CAAR footprint continues to outpace the State housing market overall, which had a 4% increase in sales this quarter.

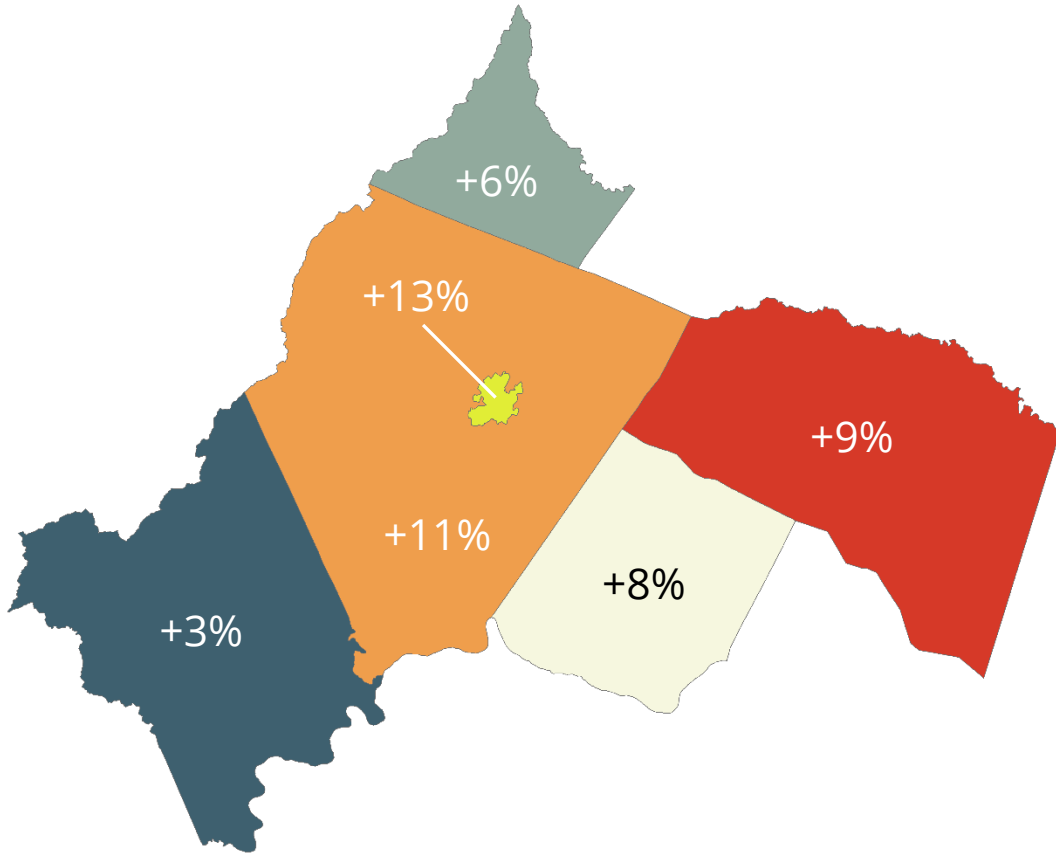
**Figure 6**  
**1st Quarter Home Sales, CAAR**  
2016-2020



Source: Virginia REALTORS®, data accessed April 16, 2020



**Figure 7**  
**Change in Sales by Jurisdiction**  
**CAAR**  
*1<sup>st</sup> Quarter 2019 to 1<sup>st</sup> Quarter 2020*



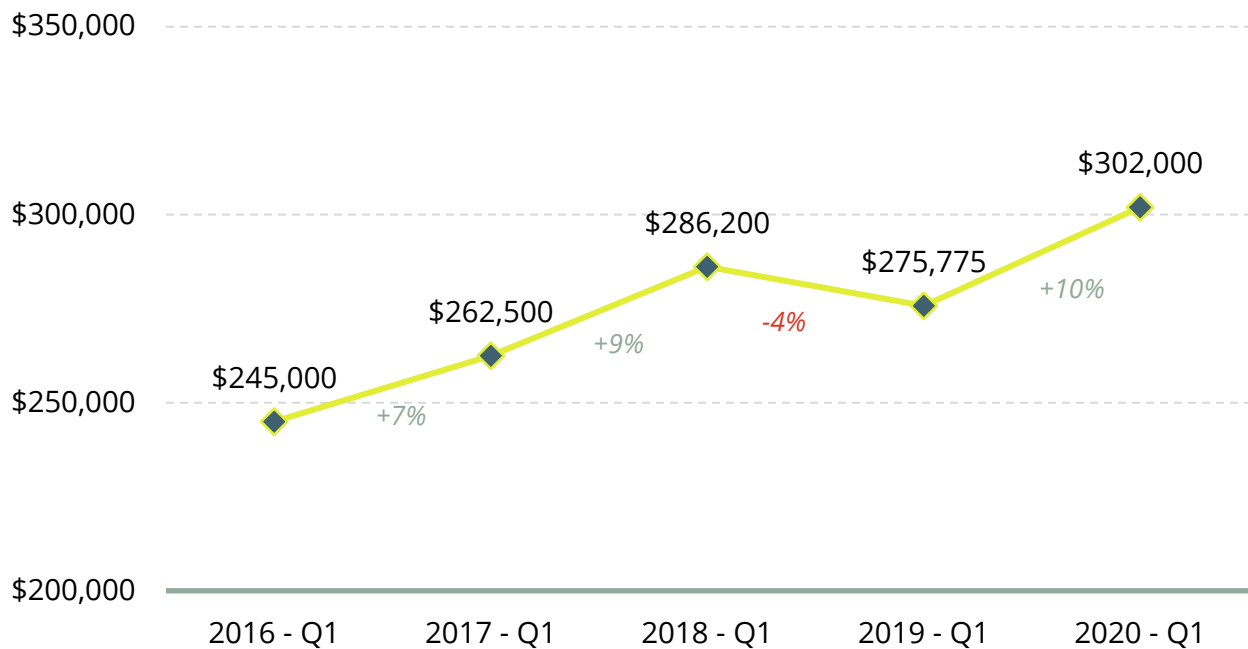
<i>Jurisdiction</i>	<i>2019 - Q1</i>	<i>2020 - Q1</i>	<i>% Change</i>
Albemarle County	309	343	11%
Charlottesville	97	110	13%
Fluvanna County	98	106	8%
Greene County	70	74	6%
Louisa County	128	140	9%
Nelson County	62	64	3%

Source: Virginia REALTORS®, data accessed April 16, 2020

## Sales Prices

Home prices continued to rise in the CAAR housing market in the 1<sup>st</sup> quarter of 2020. At \$302,000, the 1<sup>st</sup> quarter median sales price is more than \$26,000 higher than it was a year ago, a 10% increase. Sales prices have been climbing steadily in the CAAR area for much of the past 4 years; the median sales price in the region is now more than \$50,000 higher than it was in the 1<sup>st</sup> quarter 4 years ago. The price trends are largely being driven by steady buyer demand in the market and a shrinking supply of active listings. Similar trends are occurring in other parts of the State. Overall, the median sales price in Virginia also climbed 7% in the 1<sup>st</sup> quarter compared to last year, to \$295,100.

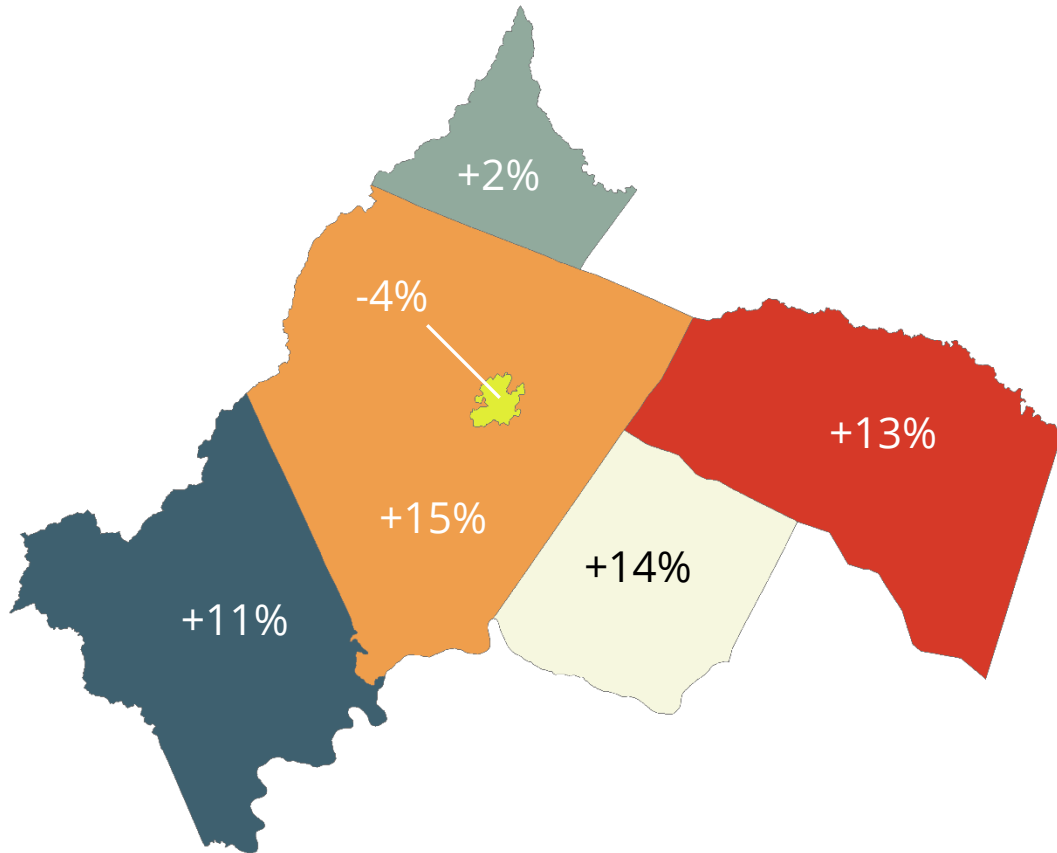
**Figure 8**  
**1st Quarter Median Sales Price, CAAR**  
2016-2020



Source: Virginia REALTORS®, data accessed April 16, 2020

**Figure 9**  
**Change in Median Sales Price by Jurisdiction**  
**CAAR**

*1<sup>st</sup> Quarter 2019 to 1<sup>st</sup> Quarter 2020*



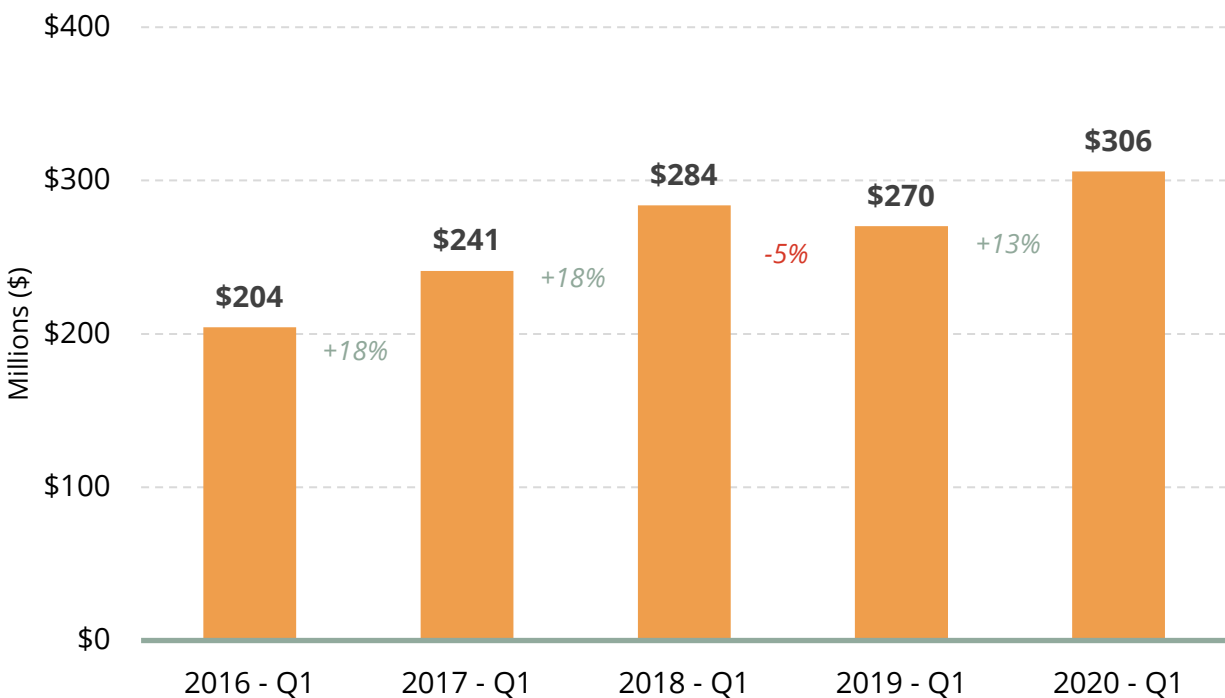
<i>Jurisdiction</i>	<i>2019 - Q1</i>	<i>2020 - Q1</i>	<i>% Change</i>
Albemarle County	\$340,000	\$389,421	15%
Charlottesville	\$350,000	\$337,000	-4%
Fluvanna County	\$208,555	\$237,000	14%
Greene County	\$269,538	\$275,000	2%
Louisa County	\$221,950	\$249,975	13%
Nelson County	\$190,000	\$211,500	11%

Source: Virginia REALTORS®, data accessed April 16, 2020

## Sold Volume

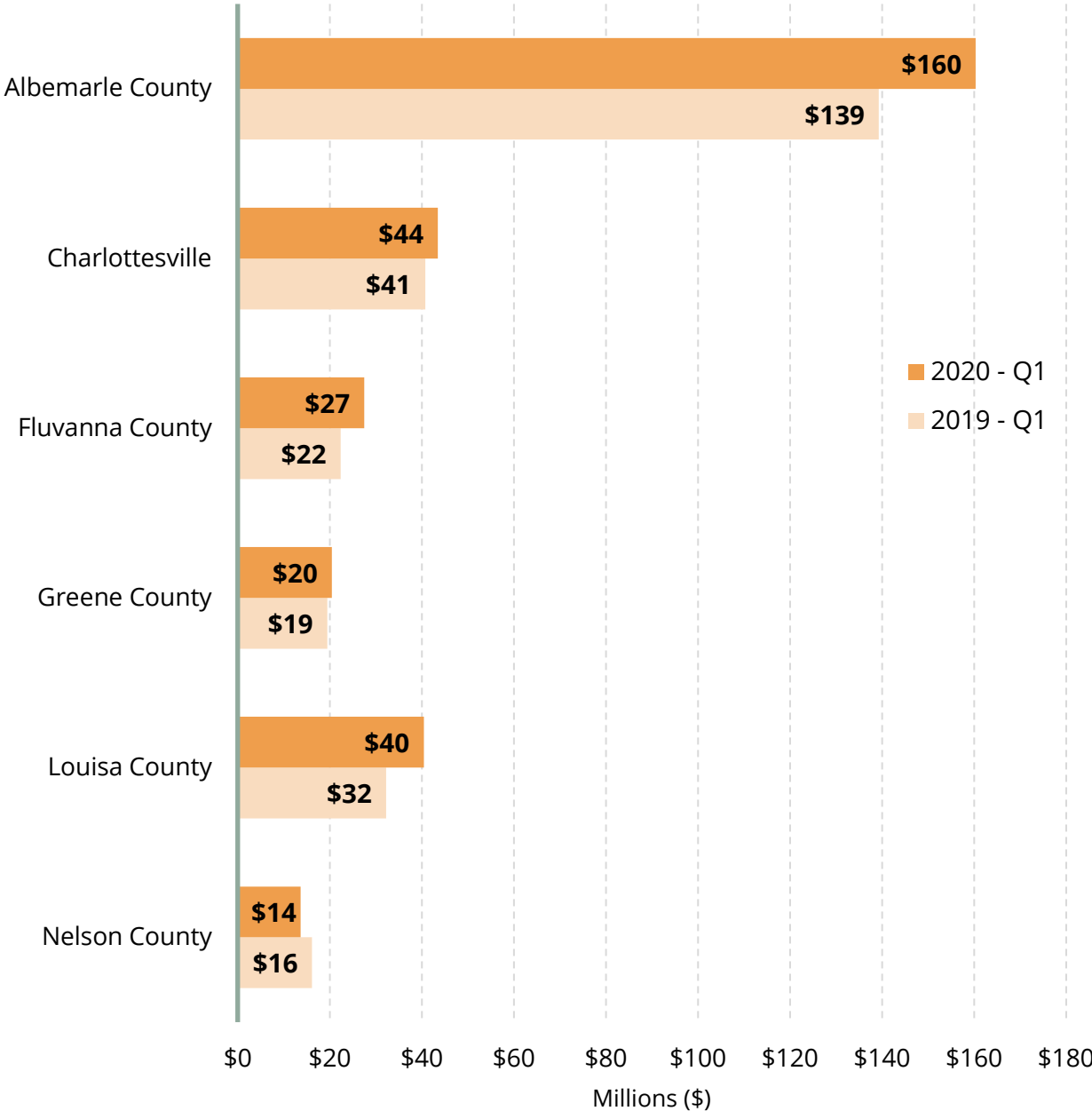
The growth in sales transactions and sales prices led to a surge in the total sold dollar volume in the CAAR footprint in the 1<sup>st</sup> quarter. There was approximately \$306 million of sold volume between January and March this year, which is nearly \$36 million more than the same time last year, representing a 13% jump in volume. The sold volume has now increased for 4 consecutive quarters in the CAAR region, evidence of strong market growth.

**Figure 10**  
**1st Quarter Sold Dollar Volume (Millions), CAAR**  
*2016-2020*



Source: Virginia REALTORS®, data accessed April 16, 2020

**Figure 11**  
**1st Quarter Sold Dollar Volume, CAAR Jurisdictions**  
*2019 and 2020*

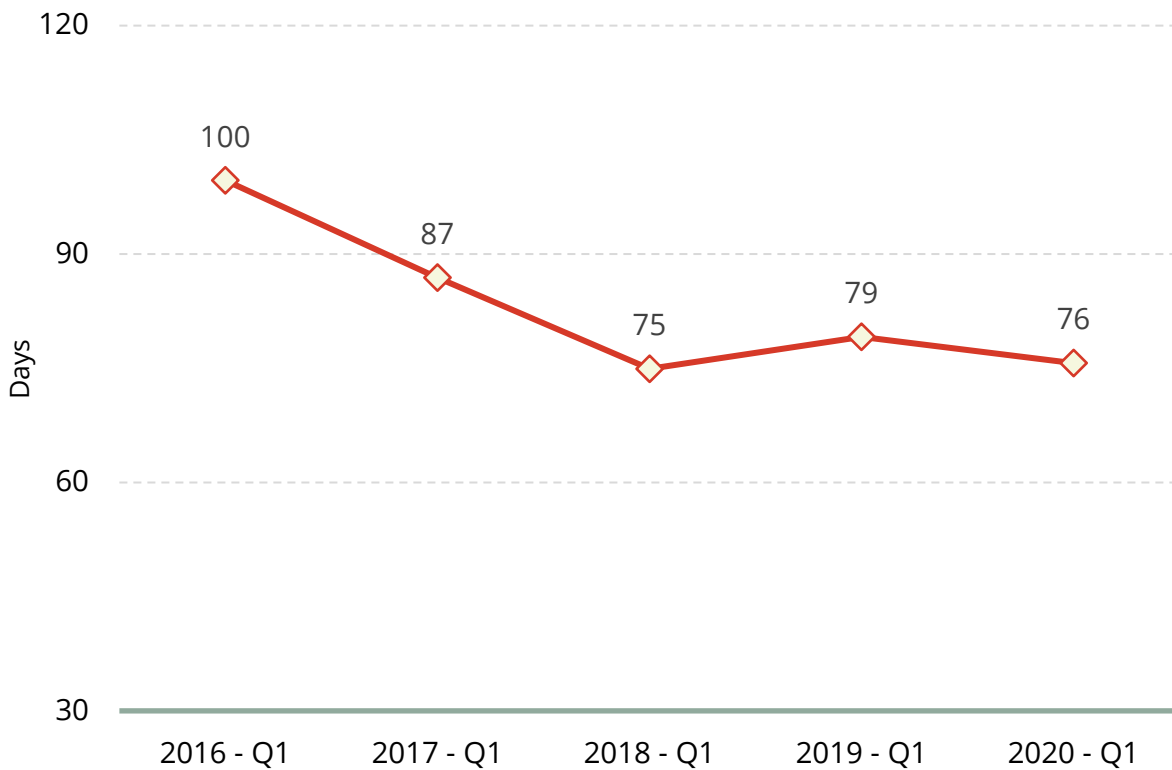


Source: Virginia REALTORS®, data accessed April 16, 2020

## Days on Market

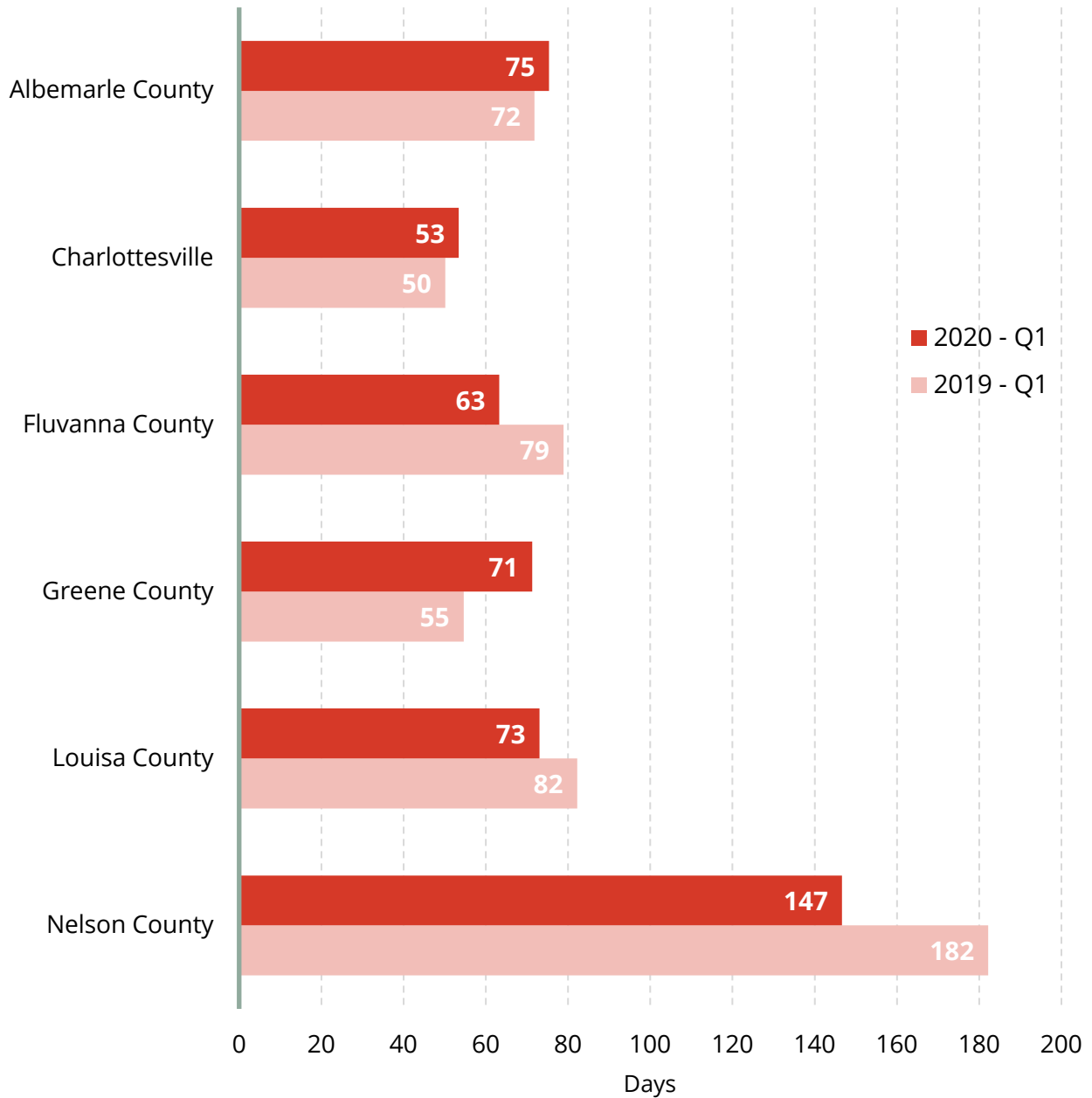
Homes that sold in the CAAR housing market in the 1<sup>st</sup> quarter were on the market an average of 76 days, which is 3 days less than a year ago. This metric has been trending down for several years as fewer homes are listed for sale. The average days on market in the CAAR housing market is about 3 weeks lower (-24 days) than the 1<sup>st</sup> quarter 4 years prior. At the State level, homes sold in 49 days, on average, during the 1<sup>st</sup> quarter, which is 11 days faster than a year ago.

**Figure 12**  
**1st Quarter Average Days on Market, CAAR**  
2016-2020



Source: Virginia REALTORS®, data accessed April 16, 2020

**Figure 13**  
**1st Quarter Average Days on Market, CAAR Jurisdictions**  
*2019 and 2020*



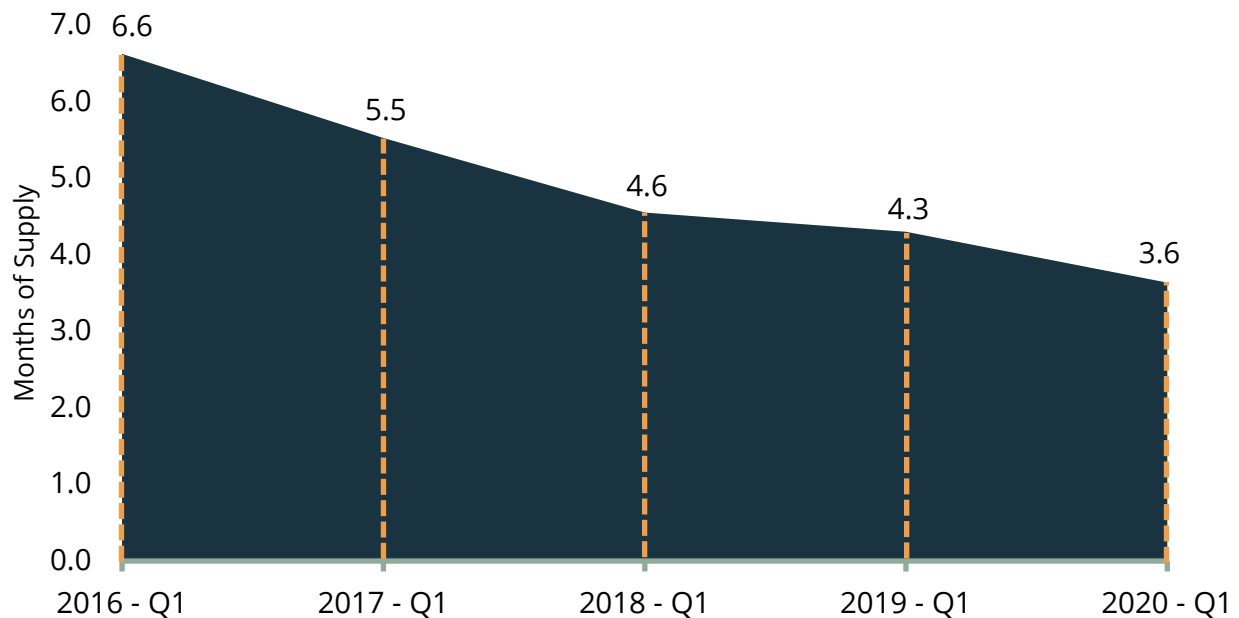
Source: Virginia REALTORS®, data accessed April 16, 2020

## Inventory

The inventory of active listings in the CAAR regional housing market continued to shrink in the 1<sup>st</sup> quarter of 2020. There were approximately 1,392 active listings at the end of the 1<sup>st</sup> quarter, down 11% from last year, 176 fewer active listings. This decline represents the sharpest inventory reduction in the CAAR footprint in more than 2 years. Prior to this quarter's drop, the rate of inventory decline had been moderating. The inventory in the CAAR housing market is now about 2/3 of the level it was at this time 4 years ago. The shrinking supply continues to put upward pressure on home prices in the CAAR housing market. Similar inventory trends have been occurring in regions throughout the State. The supply of active listings in Virginia overall declined by 19% in the 1<sup>st</sup> quarter compared to last year.

There was approximately 3.6 months of supply at the end of the 1st quarter in the CAAR area, down from 4.3 months last year. The months of supply is calculated by taking the average monthly sales over the preceding 12-month period and dividing it by the inventory of active listings. In most housing markets, a supply below 6 months tends to favor sellers rather than buyers.

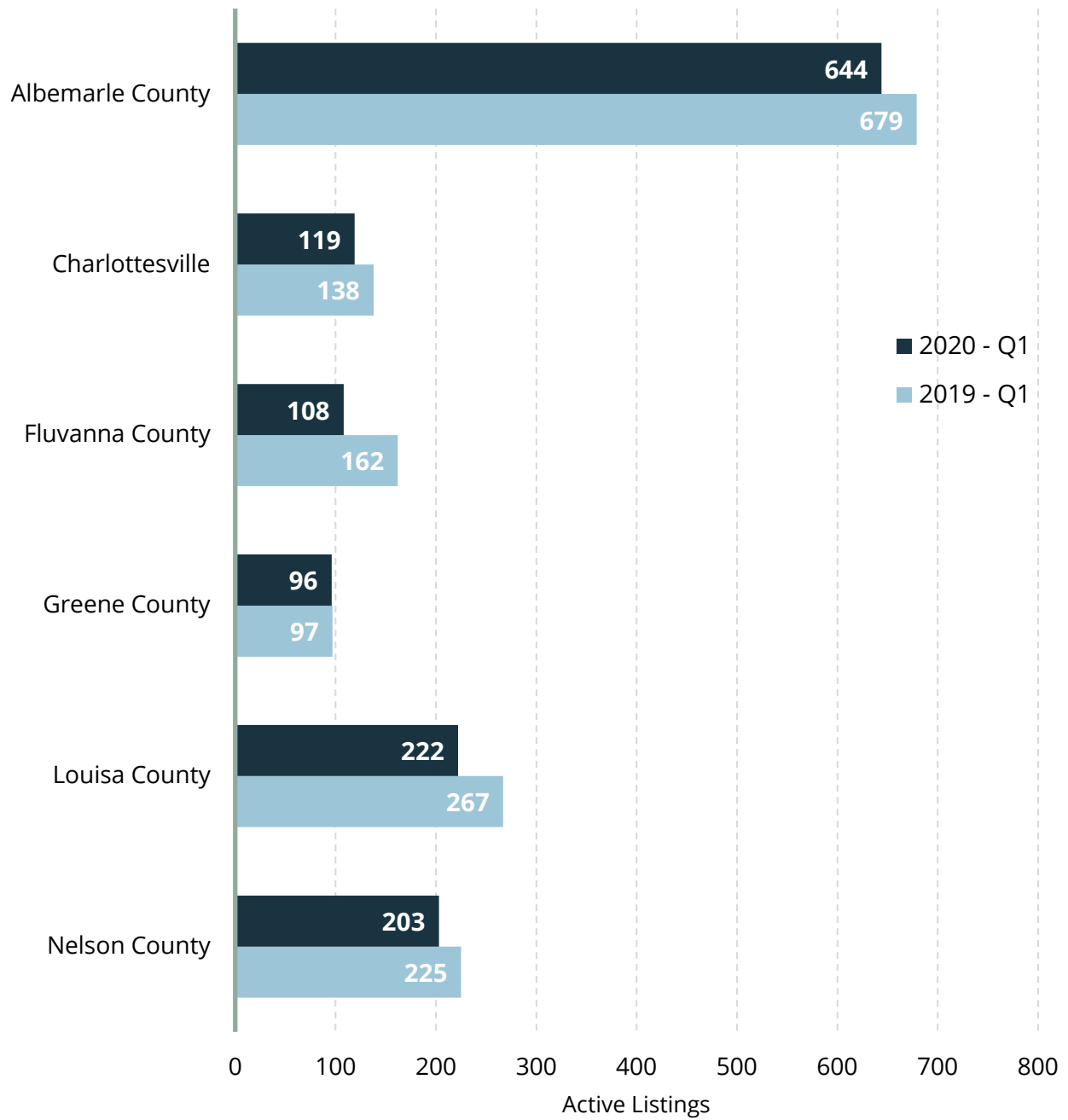
**Figure 14**  
**End of 1st Quarter Months Supply, CAAR**  
*2016-2020*



Source: Virginia REALTORS®, data accessed April 16, 2020



**Figure 15**  
**End of 1st Quarter Active Listings, CAAR Jurisdictions**  
*2019 and 2020*



Source: Virginia REALTORS®, data accessed April 16, 2020



## Local Snapshot – *Albemarle County*

**Sales:** For the 4<sup>th</sup> consecutive quarter, sales activity expanded in the Albemarle County housing market. There were 343 sales in the County during the 1<sup>st</sup> quarter of 2020, which is 34 more sales than last year, an 11% increase.

**Median Sales Price:** At \$389,421, the 1<sup>st</sup> quarter median sales price in Albemarle County climbed 15% from last year, a gain of more than \$49,000. This represents the largest median sales price growth in the County since the Fall of 2017.

**Sold Volume:** The growth in sales and home prices led to a strong sold dollar volume gain in Albemarle County in the 1<sup>st</sup> quarter. There was approximately \$160 million in sold volume this quarter, a 15% increase from the 1<sup>st</sup> quarter last year, a gain of over \$21 million in volume.

**Days on Market:** At 75 days, it took 3 days longer, on average, to sell homes in Albemarle County in the 1<sup>st</sup> quarter. This is the first increase of this metric since the Spring of last year.

**Inventory:** There were approximately 644 active listings on the market in Albemarle County at the end of the 1<sup>st</sup> quarter, which is 35 fewer active listings than a year ago, representing a 5% decline. The inventory has been shrinking for much of the past 4 years.



## Local Snapshot – *Charlottesville*

**Sales:** There were 110 sales in the City of Charlottesville in the 1<sup>st</sup> quarter of 2020, 13 more sales than last year, representing a 13% increase. Sales activity has been expanding in the City for 3 consecutive quarters.

**Median Sales Price:** At \$337,000, the 1<sup>st</sup> quarter median sales price in the City of Charlottesville is \$13,000 lower than it was at this time last year, a 4% drop. This is the first median sales price decline in the City in 4 years.

**Sold Volume:** Rising home prices and more sales transactions led to a sold dollar volume increase in the City. There was approximately \$44 million in sold volume in Charlottesville in the 1<sup>st</sup> quarter of 2020, about \$3 million more than last year, representing a 7% increase.

**Days on Market:** Homes continue to take longer to sell in Charlottesville compared to last year. The 1<sup>st</sup> quarter average days on market in the City was 53 days, which is 3 days longer than the 1<sup>st</sup> quarter of 2019.

**Inventory:** For the 2<sup>nd</sup> straight quarter, the inventory in the Charlottesville housing market is lower than a year ago. There were 119 active listings on the market at the end of the 1<sup>st</sup> quarter, which is 19 fewer listings than a year ago, a 14% drop and the largest decline in 3 years.



## Local Snapshot – *Fluvanna County*

**Sales:** There were 106 sales in Fluvanna County in the 1<sup>st</sup> quarter, which is 8 more sales than last year, representing an 8% increase. Sales activity has expanded for 3 consecutive quarters in the County.

**Median Sales Price:** Home prices continue to climb in Fluvanna County. At \$237,000, the 1<sup>st</sup> quarter median sales price rose more than \$28,000 from last year, a 14% gain. This is the largest median sales price gain for the County in 2 years.

**Sold Volume:** There was approximately \$27 million in sold volume in Fluvanna County in the 1<sup>st</sup> quarter, which is \$5 million more than last year, a 23% surge. The spike in sold volume was driven by higher sales prices and more sales transactions compared to a year ago.

**Days on Market:** At 63 days, the average days on market in Fluvanna County during the 1<sup>st</sup> quarter is about 2 weeks less (-16 days) than a year ago.

**Inventory:** There were 108 active listings on the market in Fluvanna County at the end of the 1<sup>st</sup> quarter of 2020, which is 54 fewer active listings than last year, a 33% drop. The inventory in the County's housing market has been shrinking for much of the past several years and is now less than half the level it was in the 1<sup>st</sup> quarter 4 years ago.



## Local Snapshot – *Greene County*

**Sales:** Sales growth resumed in Greene County in the 1<sup>st</sup> quarter after slowing down at the end of 2019. There were 74 sales in the 1<sup>st</sup> quarter in the County, 4 more sales than a year ago, a 6% increase.

**Median Sales Price:** At \$275,000, the 1<sup>st</sup> quarter median sales price in Greene County rose by about \$5,400 from last year, a 2% uptick. Prices have been climbing in the County now for 7 consecutive quarters.

**Sold Volume:** More sales activity and higher sales prices led to an increase in sold dollar volume this quarter in Greene County. There was approximately \$20 million in sold volume in the 1<sup>st</sup> quarter, about \$1 million more than last year, a 5% gain.

**Days on Market:** At 71 days, the 1<sup>st</sup> quarter average days on market in Greene County jumped up by more than 2 weeks (+16 days) compared to last year. This is the largest increase in this metric in 4 years in the County.

**Inventory:** The inventory of active listings in Greene County remained flat this quarter. There were 96 active listings at the end of the 1<sup>st</sup> quarter, 1 less listing than a year ago.



## Local Snapshot – *Louisa County*

**Sales:** There were 140 sales in Louisa County in the 1<sup>st</sup> quarter, 12 more sales than last year, representing a 9% gain. This is the highest percentage increase in sales for the County since the Summer of 2018.

**Median Sales Price:** At \$249,975, the 1<sup>st</sup> quarter median sales price in Louisa County rose 13% from a year ago, an increase of more than \$28,000. This is the largest price gain for the County in 2 years.

**Sold Volume:** The strong price gains and increase in sales activity led to a surge in sold dollar volume in Louisa County this quarter. There was approximately \$40 million in sold volume in the 1<sup>st</sup> quarter, \$8 million more than a year ago, representing a 25% jump.

**Days on Market:** At 73 days, the average days on market in Louisa County during the 1<sup>st</sup> quarter was 9 days faster than last year. Homes have been selling faster in the County for 8 consecutive quarters compared to the prior year.

**Inventory:** The supply of active listings in Louisa County continued to shrink. There were 222 active listings on the market at the end of the 1<sup>st</sup> quarter, which is 45 fewer active listings than a year ago, a 17% decline.



## Local Snapshot – *Nelson County*

**Sales:** There were 64 sales in Nelson County in the 1<sup>st</sup> quarter of 2020, inching up 3% from last year, 2 additional sales.

**Median Sales Price:** At \$211,500, the 1<sup>st</sup> quarter median sales price climbed 11% from last year, a gain of \$21,500. This is the largest median price gain for the County in over a year.

**Sold Volume:** Flat sales activity and a drop in sales prices led to a decline in the total sold dollar volume in Nelson County this quarter. There was approximately \$14 million in sold volume in the 1<sup>st</sup> quarter, about \$2 million less than last year, a 16% reduction.

**Days on Market:** At 147 days, the average days on market in Nelson County in the 1<sup>st</sup> quarter was more than a month lower than last year (-35 days). This metric has declined 6 of the last 8 quarters in the County.

**Inventory:** There were 203 active listings at the end of the 1<sup>st</sup> quarter in Nelson County, 22 fewer listings than a year ago, a 10% drop. The inventory is now about 2/3 of the level it was in the 1<sup>st</sup> quarter 4 years ago.



The Virginia REALTORS® association is one of the largest professional trade associations in Virginia, representing 35,000 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.

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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.