

CAAR CHARLOTTEVILLE AREA HOME SALES REPORT

REVISED

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

CAAR Home Sales Report

First Quarter 2021

Charlottesville Area Association of REALTORS®

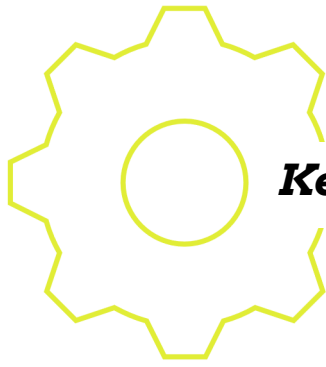
Market Report Key Takeaways

Economic Conditions

- In the first quarter of 2021, the pace of economic growth both statewide and in the Charlottesville region has slowed somewhat. However, consumer spending and job growth likely will accelerate this spring.
- Consumers' confidence about present and future economic conditions improved in March.
- Mortgage rates ticked up slightly in the first quarter of 2021, although it is likely that rates will stabilize and remain low for the rest of 2021.

Housing Market Conditions

- It was a busy start to 2021 in the CAAR housing market. There were 1,058 sales in the first quarter, up 27% from a year ago.
- Sales prices continue to rise throughout the area. At \$345,000, the first quarter median sales price climbed 14% from last year, a gain of \$43,000.
- The inventory in the region continues to be very low and is continuing to get smaller. There were just 540 active listings in the CAAR footprint at the end of the first quarter, down 61% from a year ago.



Key Trends Dashboard, CAAR

Economy



4.6%

Is the Feb-2021 **unemployment rate** in the CAAR footprint, which is down from Jan-2021



3.18%

Is the **30-year fixed-rate mortgage rate** during the first week of April 2021, which is down 0.15 percentage points from a year ago

Housing Market



222

More **home sales** in the CAAR footprint in Q1-2021 compared to last year



14%

Percent change in **median sales price** in the CAAR region in Q1-2021 compared to a year ago



\$133.6

Million dollars more in total **sold volume** in the CAAR footprint in Q1-2021 compared to last year



-61%

Percent change in **active listings** at the end of Q1-2021 in the CAAR market compared to a year ago



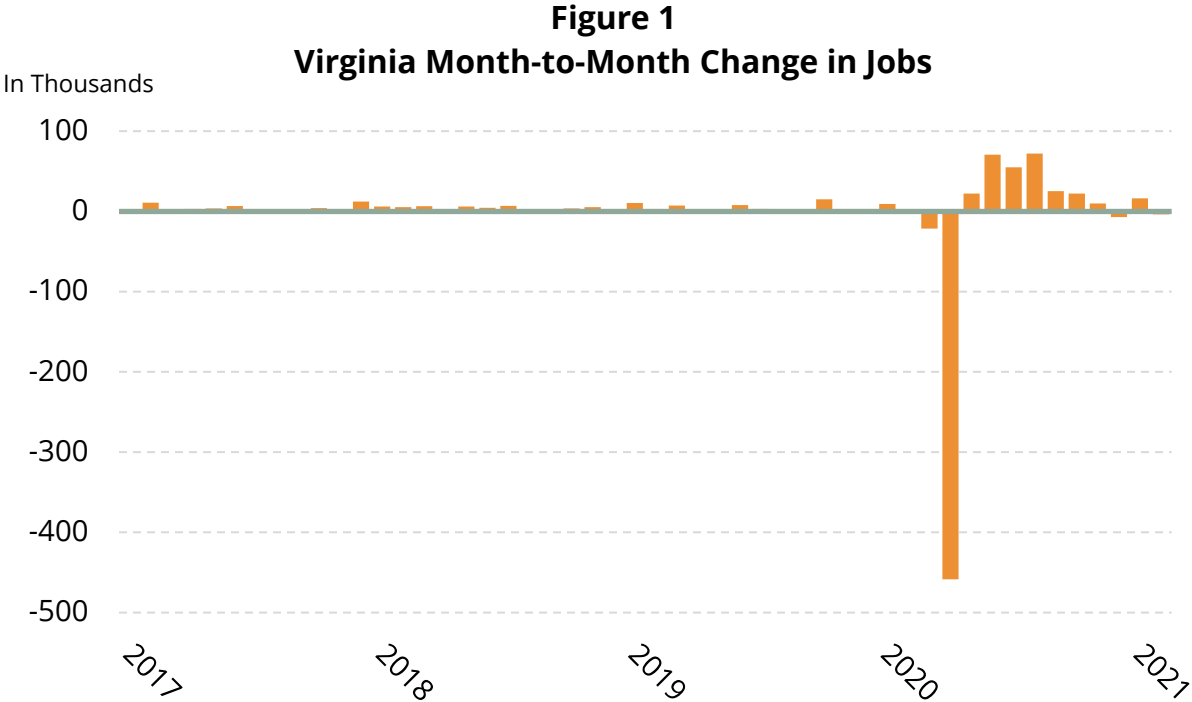
1.3

Months of supply in the CAAR footprint in Q1-2021, which is down from a year ago

Economic Overview

Economic conditions in Virginia improved in early 2021; however, the pace of job growth in the commonwealth has slowed. With the distribution of Federal stimulus funding and greater availability of the COVID-19 vaccine, consumer spending will rise and job growth will accelerate this spring. The improving economy will support strong housing demand.

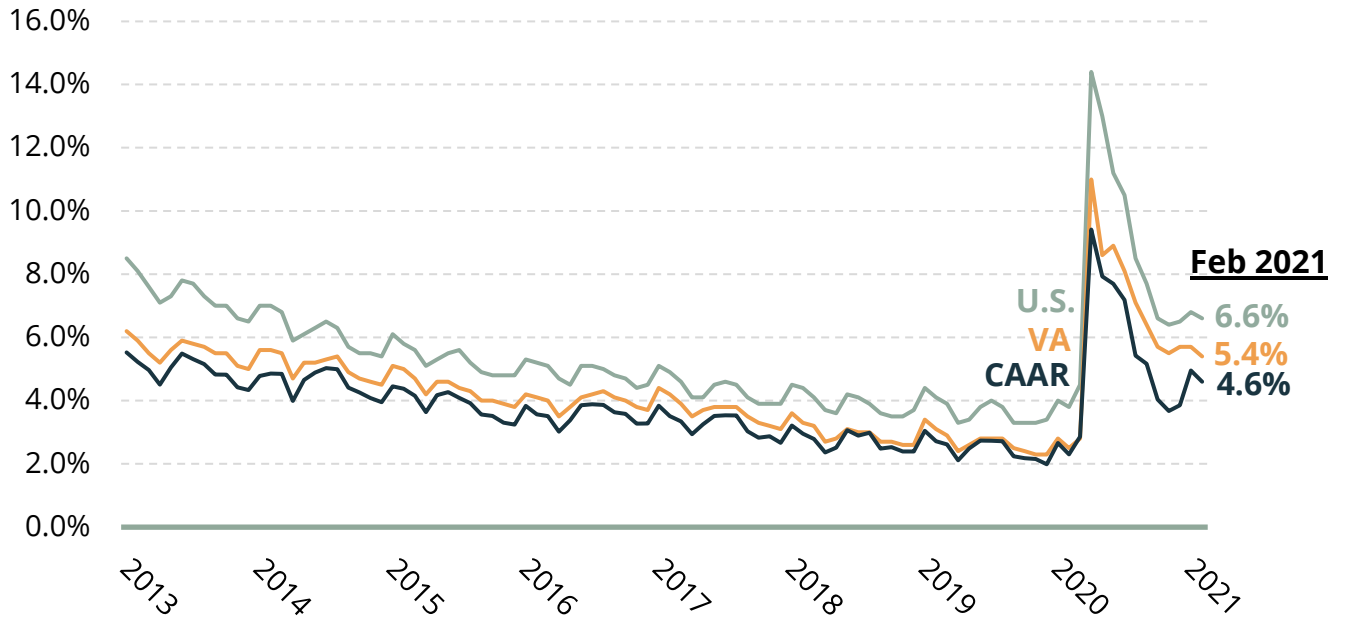
While the Virginia economy has been adding jobs since the summer, there has been a slowdown in early 2021. There were about 3,700 fewer jobs in February than there were in January, after the addition of 16,300 jobs between December and January.



Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

After falling for several months, the unemployment rate in the Charlottesville region was higher in January and February 2021. The regional unemployment rate was 4.6% in February, which was down from 5.0% in January but is an increase from 3.9% in December. The region's unemployment rate remains below both the statewide and national rates. The local economy should improve in 2021 and the unemployment rate likely will fall in the months ahead.

**Figure 2
Unemployment Rate**

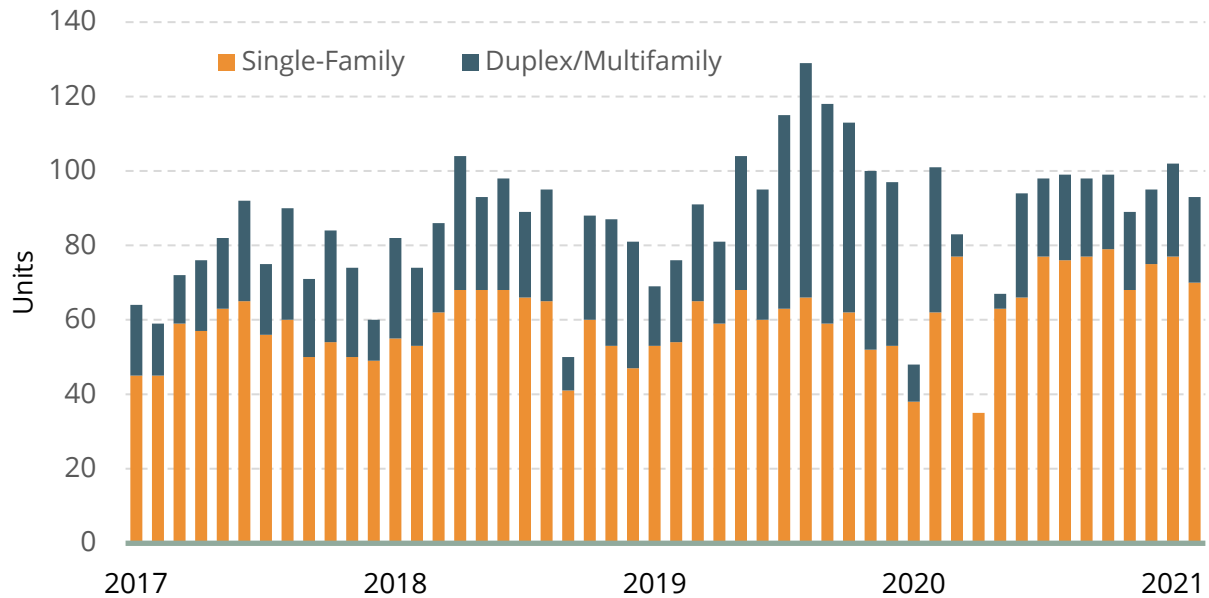


Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

New residential construction activity has remained relatively steady in the Charlottesville region over the past nine months. In January and February 2021, there was a total of 195 permits issued for the construction of new homes, including 147 single-family homes and 48 housing units in multifamily buildings (including duplexes). Compared to January and February 2020, the number of permits for new housing construction is up 31%, with an increase of 47% in permits for new single-family homes.

Despite the steady homebuilding activity, the pace of new housing construction remains below what is needed to meet demand. At the same time, rising lumber and other materials costs have increased the cost of delivering new housing.

Figure 3
Monthly Permits for New Residential Construction
Charlottesville Metropolitan Area

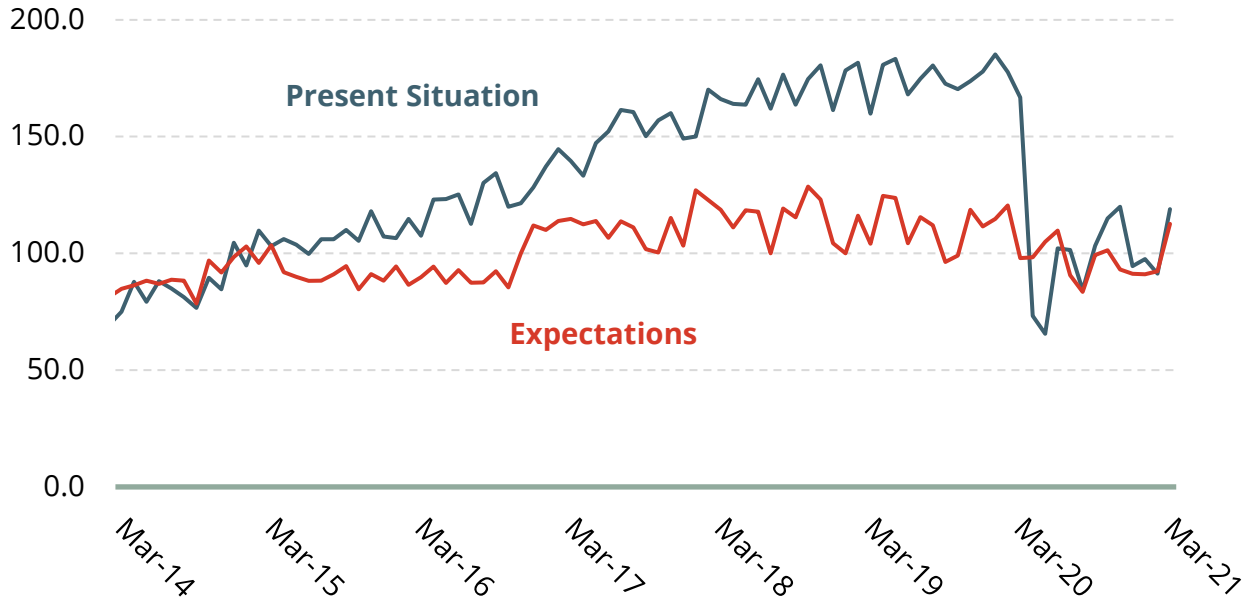


Source: U.S. Census Bureau
 *Charlottesville Metropolitan Area includes Charlottesville City, Albemarle County, Buckingham County, Fluvanna County, Greene County, and Nelson County

Consumer confidence measures improved in March. A consumer confidence index above 100 indicates people are feeling more optimistic. In March 2021, the measure of confidence in the present economic situation was 118.9, up from 91.3 in February. The measure of consumers' confidence in future economic conditions rose to 112.6 in March, moving above 100 for the first time since October.

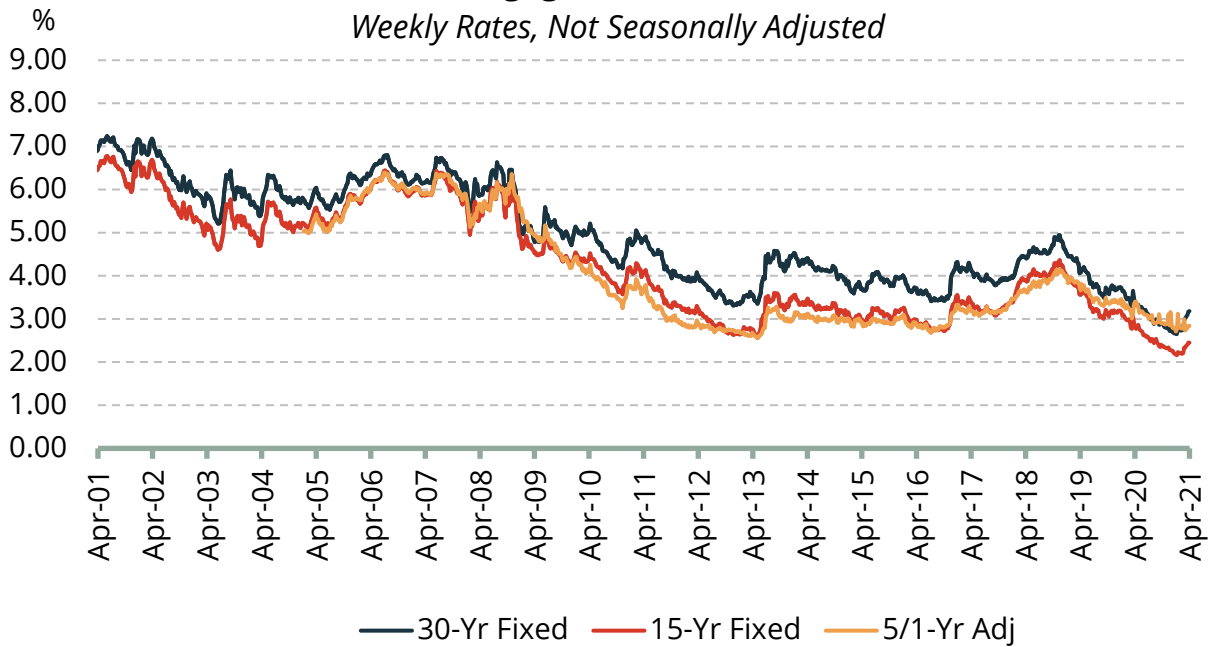
Mortgage rates increased for several weeks in February and March. According to data reported by Freddie Mac, the average 30-year fixed-rate mortgage rate increased from an average of 2.73% in mid-February to 3.18% at the end of March. Average rates fell to 3.13% in the first week of April. It is unlikely that the Federal Reserve will raise rates in 2021, even with improvements in economic conditions. As a result, mortgage rates likely will remain low throughout the year.

Figure 4
Consumer Confidence
South Atlantic Region



Source: The Conference Board

Figure 5
Mortgage Interest Rates
Weekly Rates, Not Seasonally Adjusted



Source: Federal Reserve Bank of St. Louis

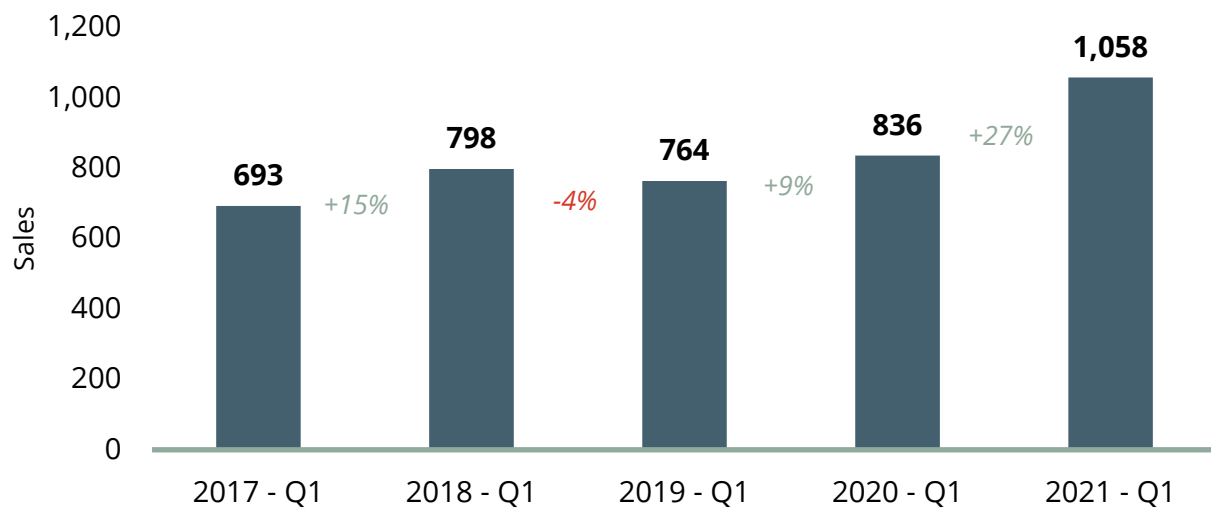
Housing Market Overview

The CAAR regional housing market continues to show signs of strong growth in the first quarter of 2021. Sales are outpacing last year's levels, home prices are rising in all parts of the region, and the sold dollar volume is surging. The low supply of homes continues to create a very competitive market for buyers, which is driving up home prices around the region and causing homes to sell much faster.

Sales

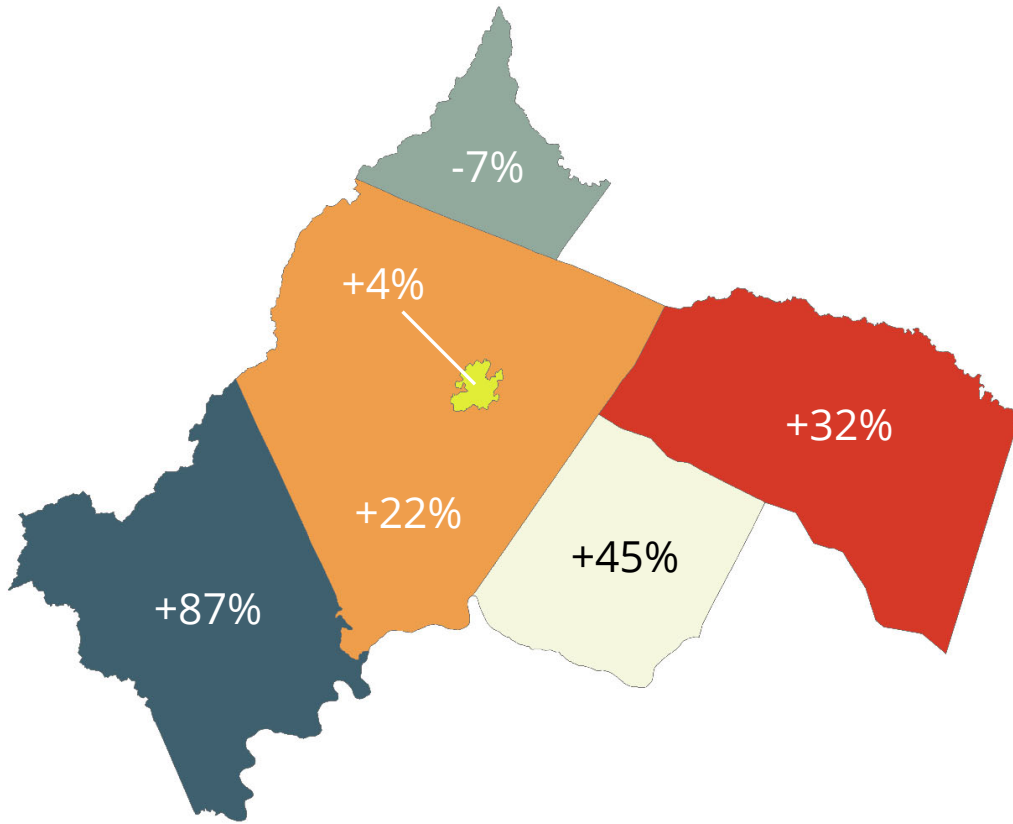
Sales activity in the CAAR region continues to surge. There were 1,058 sales in the area during the first quarter, which is 222 more sales than last year, representing a 27% spike. Sales increased all three months of the quarter (January through March) compared to the same time last year, evidence of strong demand in the market. Similar growth is occurring in other parts of the state. In the first quarter of 2021, there were 29,128 homes sales in Virginia, which is up 19% compared to the first quarter of 2020.

Figure 6
First Quarter Home Sales, CAAR
2017-2021



Source: Virginia REALTORS®, data accessed May 5, 2021

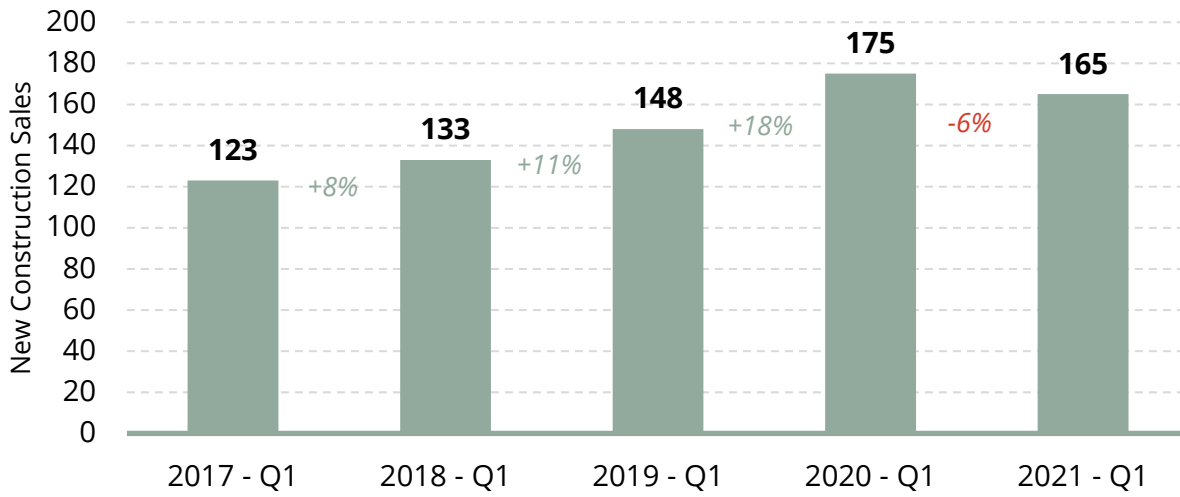
Figure 7
Change in Sales by Jurisdiction
CAAR
First Quarter 2020 to First Quarter 2021



<i>Jurisdiction</i>	<i>2020 - Q1</i>	<i>2021 - Q1</i>	<i>% Change</i>
Albemarle County	343	418	22%
Charlottesville	110	114	4%
Fluvanna County	106	154	45%
Greene County	74	69	-7%
Louisa County	140	185	32%
Nelson County	63	118	87%

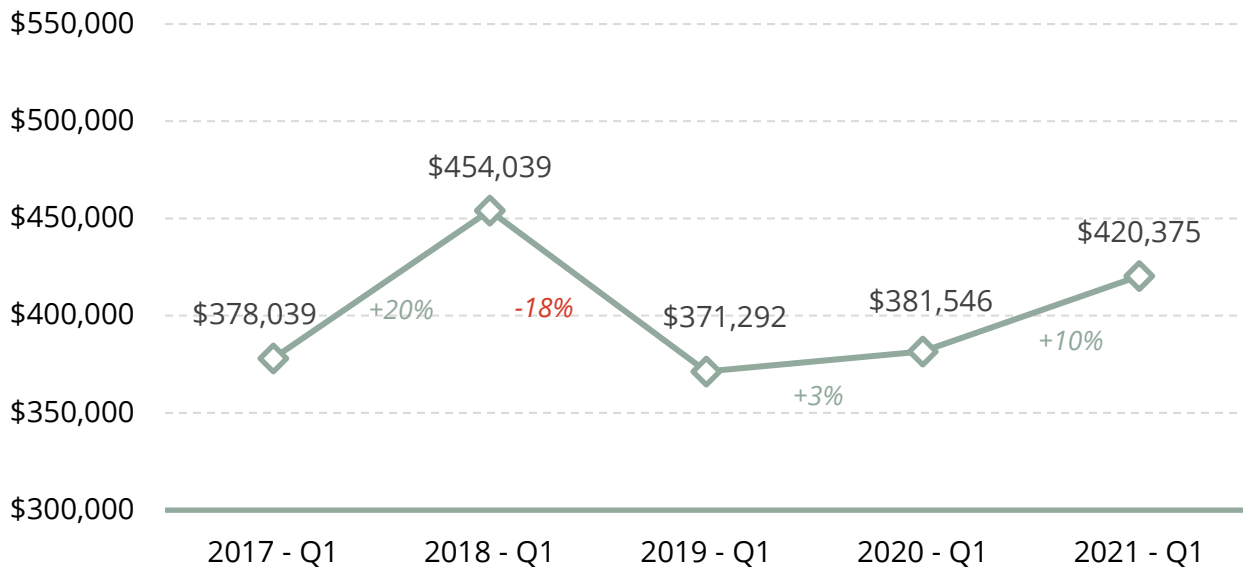
Source: Virginia REALTORS®, data accessed May 5, 2021

Figure 8
First Quarter New Construction Sales, CAAR
 2017-2021



Source: Virginia REALTORS®, data accessed May 5, 2021

Figure 9
First Quarter New Construction Median Sales Price, CAAR
 2017-2021

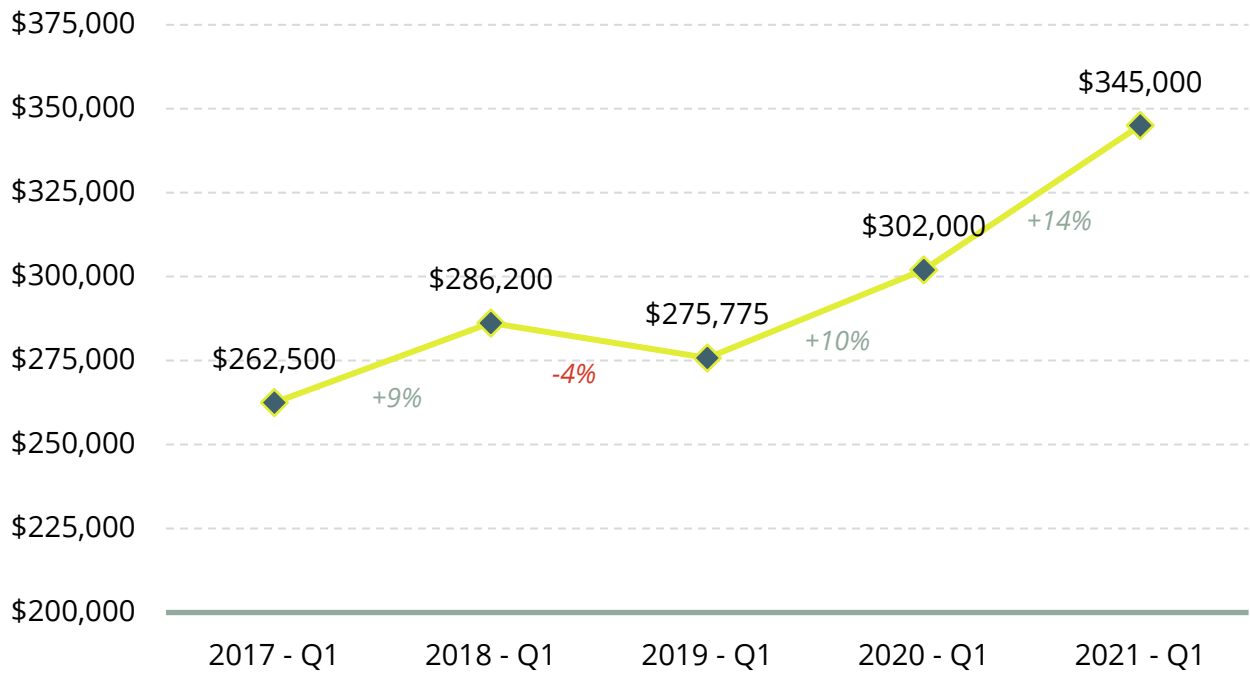


Source: Virginia REALTORS®, data accessed May 5, 2021

Sales Prices

Sales prices continue to rise rapidly throughout the CAAR footprint as the shrinking supply is making the market increasingly competitive for buyers. At \$345,000, the first quarter median sales price in the region was \$43,000 higher than it was at this time last year, which is a 14% increase. All local markets in the area had strong median price growth this quarter. In Virginia, the median sales price in the first quarter was \$325,000, which was up 12% compared to the first quarter of 2020.

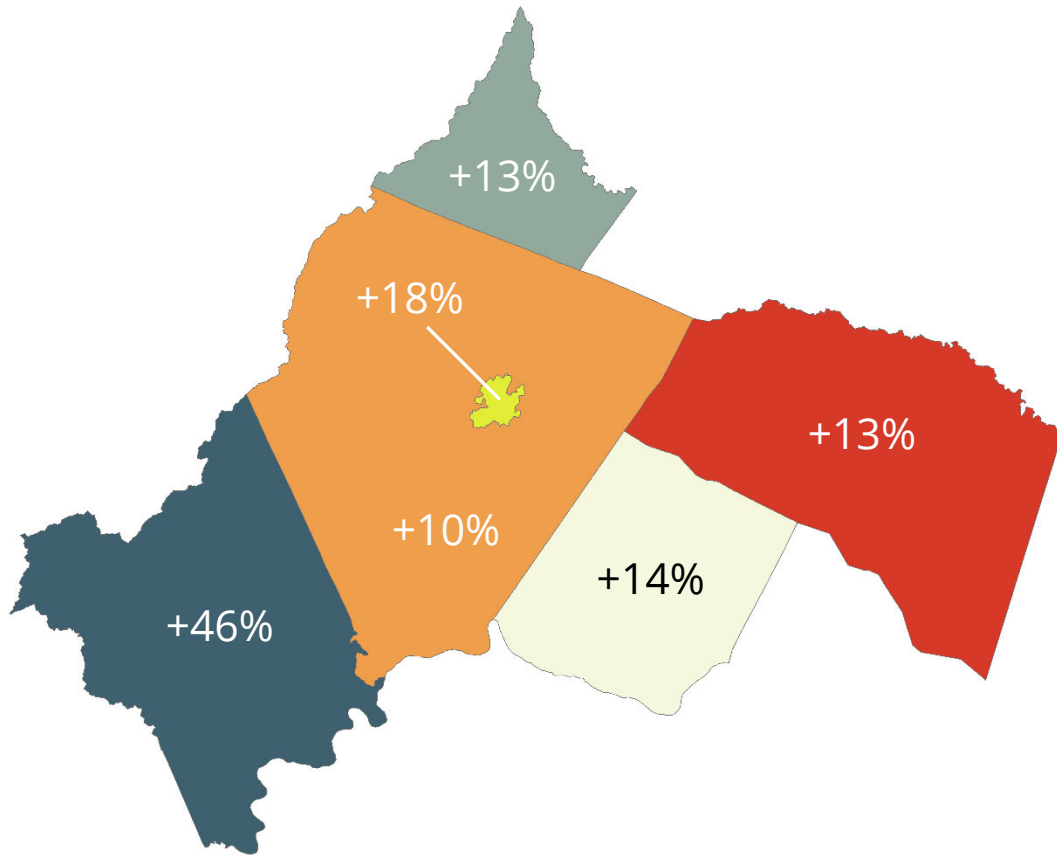
Figure 10
First Quarter Median Sales Price, CAAR
2017-2021



Source: Virginia REALTORS®, data accessed May 5, 2021

Figure 11
Change in Median Sales Price by Jurisdiction
CAAR

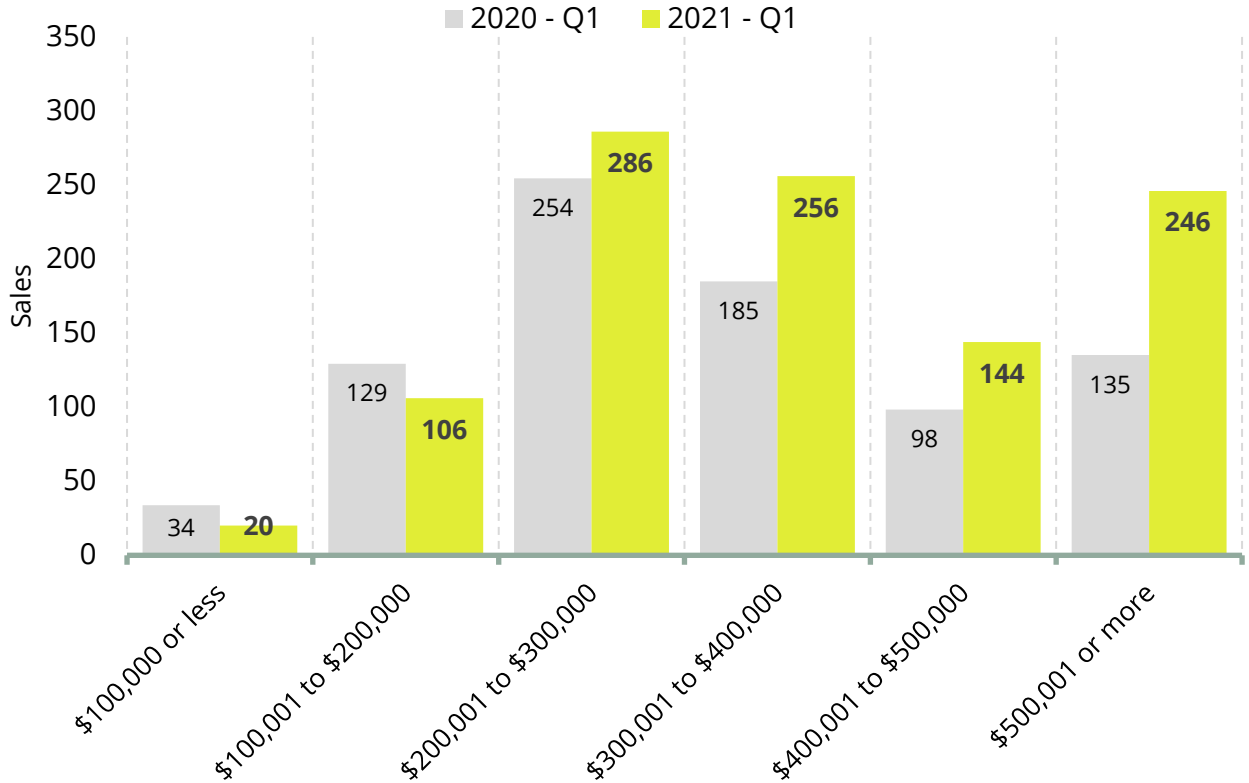
First Quarter 2020 to First Quarter 2021



<i>Jurisdiction</i>	<i>2020 - Q1</i>	<i>2021 - Q1</i>	<i>% Change</i>
Albemarle County	\$389,421	\$429,900	10%
Charlottesville	\$337,000	\$397,650	18%
Fluvanna County	\$237,000	\$270,070	14%
Greene County	\$275,000	\$312,000	13%
Louisa County	\$249,975	\$282,651	13%
Nelson County	\$211,500	\$308,500	46%

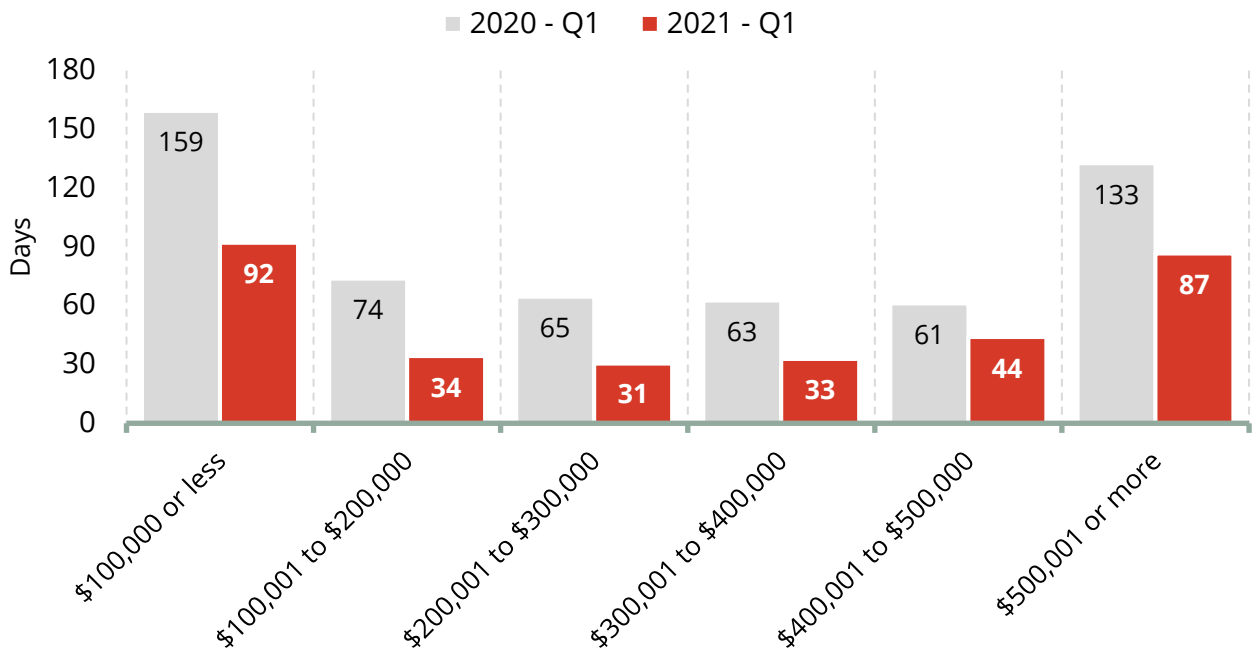
Source: Virginia REALTORS®, data accessed May 5, 2021

Figure 12
First Quarter Sales Price Range Distribution - CAAR



Source: Virginia REALTORS®, data accessed May 5, 2021

Figure 13
First Quarter Average DOM by Sales Price Range - CAAR

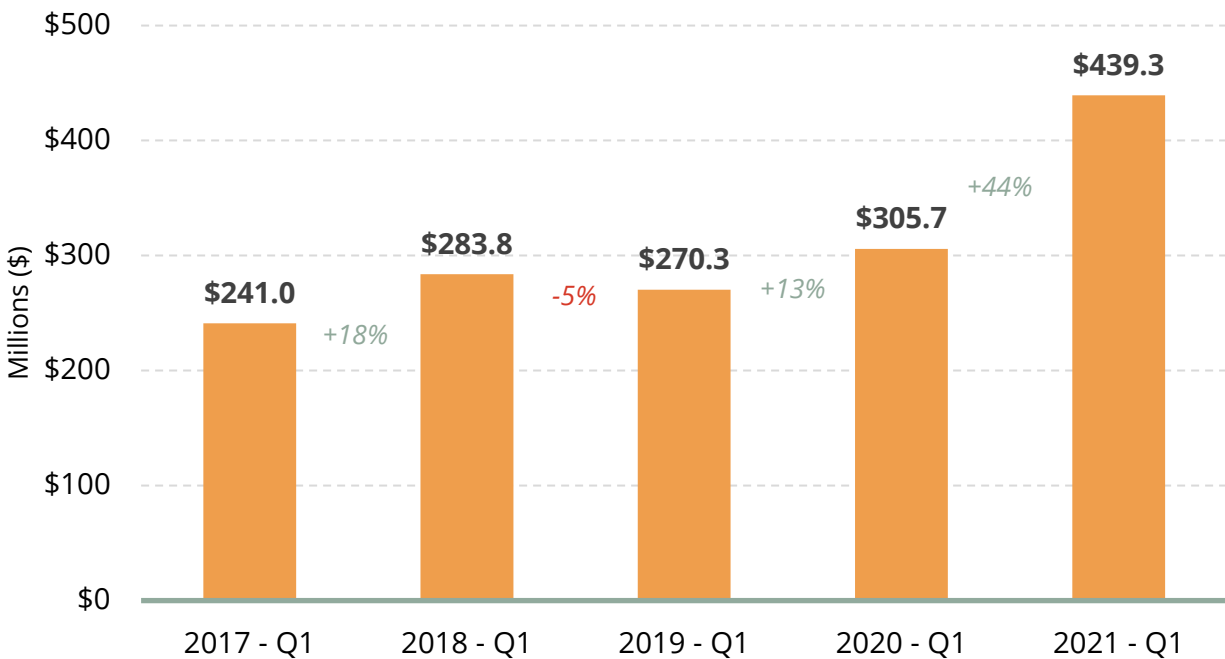


Source: Virginia REALTORS®, data accessed May 14, 2021

Sold Volume

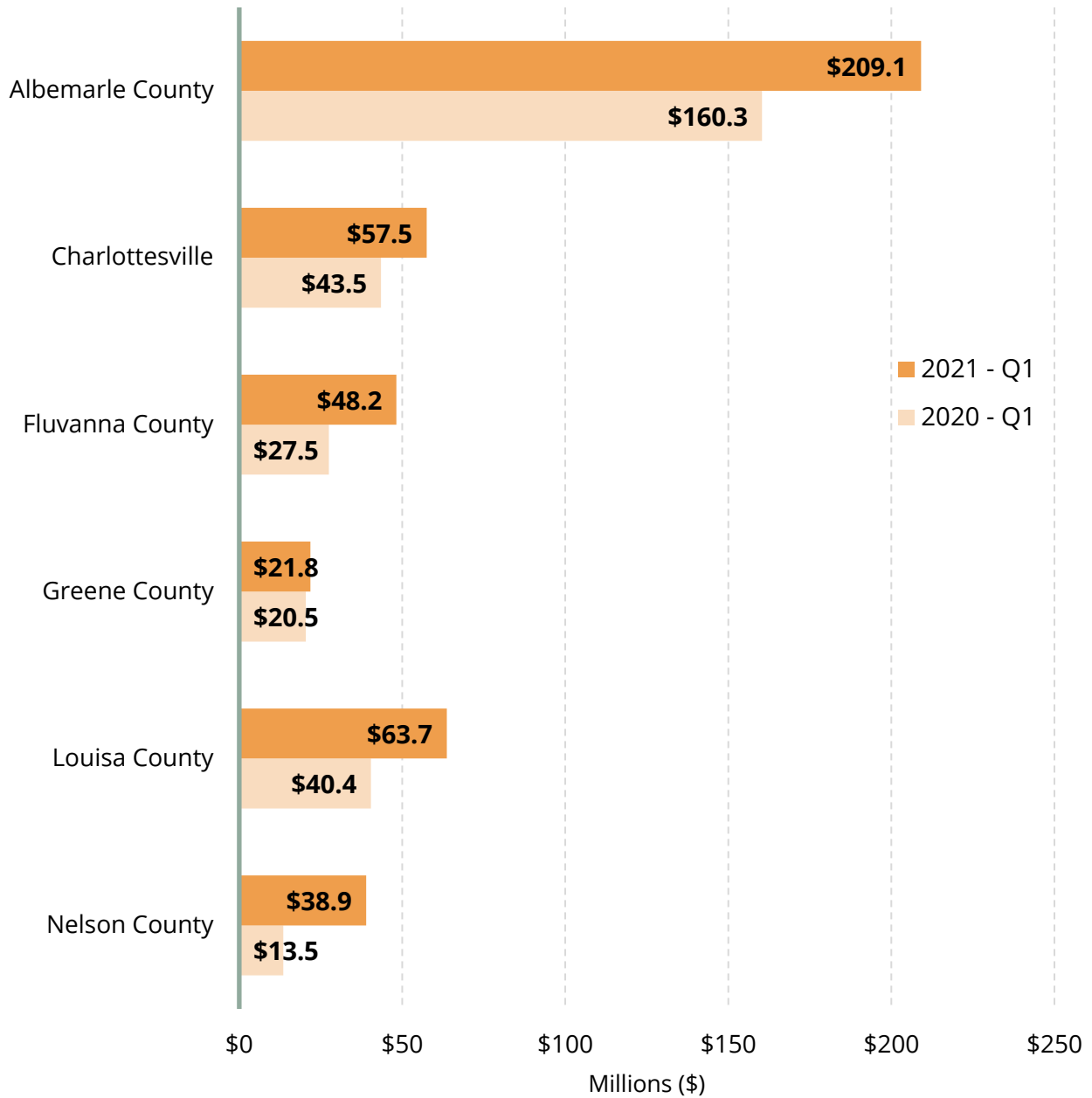
The large influx of sales and higher prices led to a massive increase of sold dollar volume this quarter in the CAAR area housing market. There was approximately \$439.3 million of sold volume in the region during the first quarter, a 44% spike from this time last year, a gain of approximately \$133.6 million. The sold volume in the region has been rising rapidly over the past three quarters.

Figure 14
First Quarter Sold Dollar Volume (Millions), CAAR
2017-2021



Source: Virginia REALTORS®, data accessed May 5, 2021

Figure 15
First Quarter Sold Dollar Volume, CAAR Jurisdictions
2020 and 2021

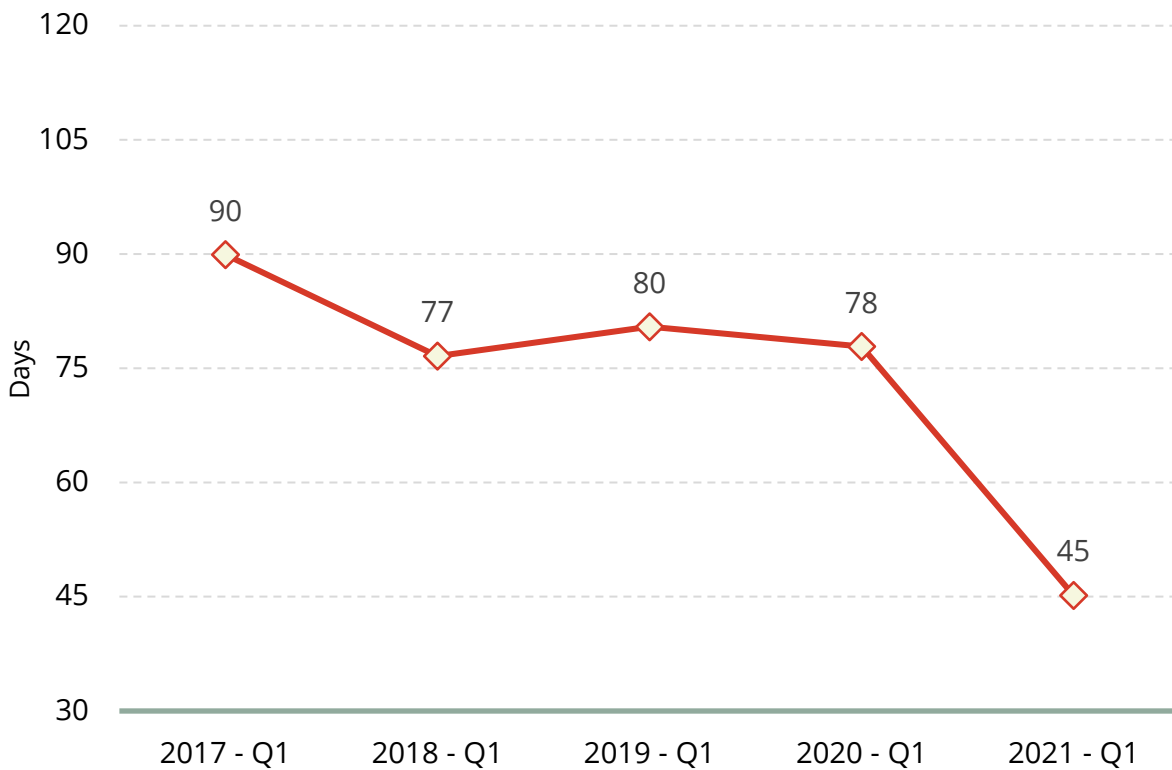


Source: Virginia REALTORS®, data accessed May 5, 2021

Days on Market

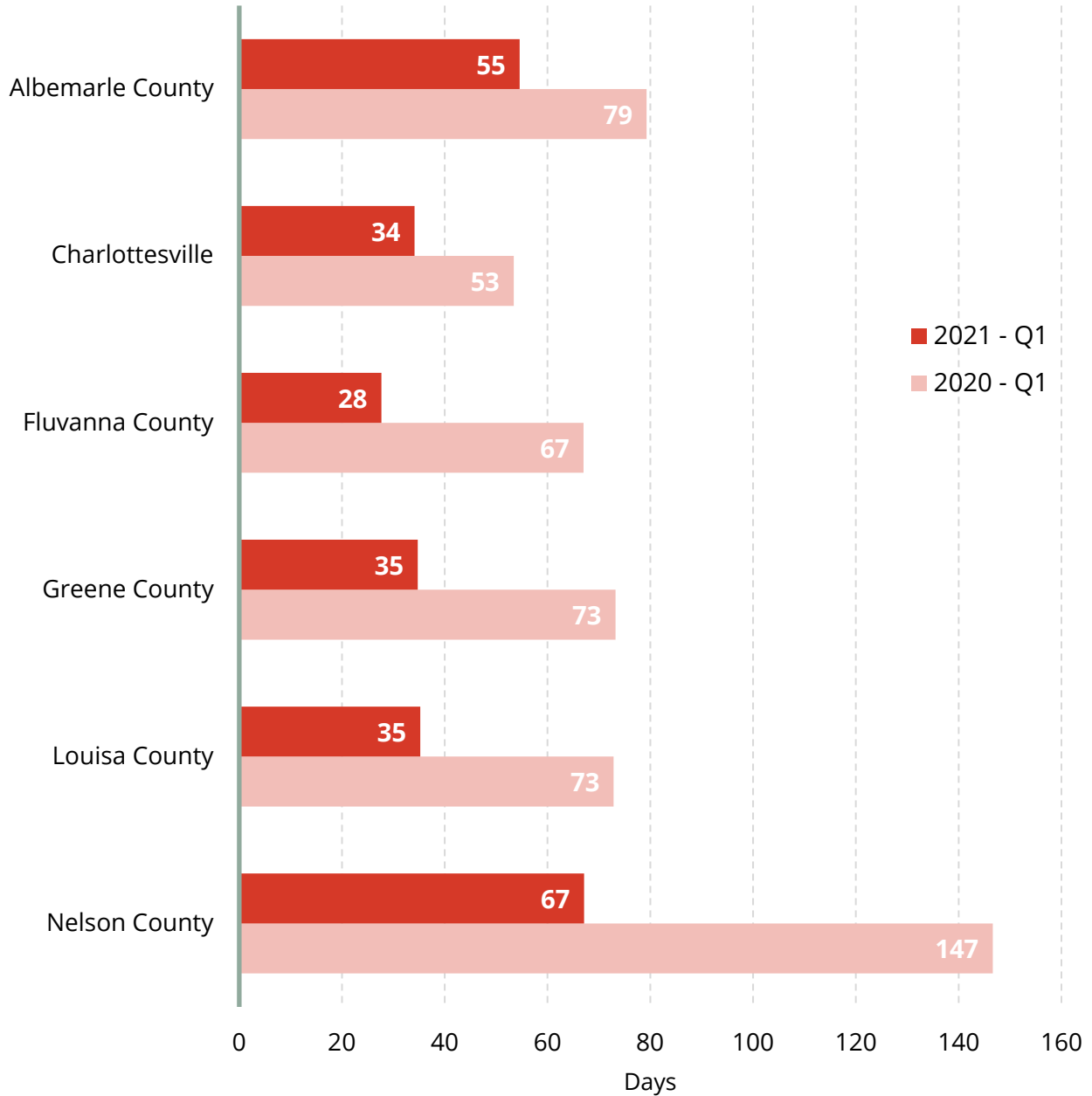
As supply continues to shrink, homes are selling much faster on average in the CAAR area. The average days on market in the first quarter was 45 days, which is about a month faster than last year (-33 days). The amount of time it takes to sell a home in the region has been trending down for years; the average days on market this quarter is about two months faster than in the first quarter five years ago. Statewide, the average days on market in the first quarter was 34 days, which is down from 53 days in the first quarter of 2020.

Figure 16
First Quarter Average Days on Market, CAAR
2017-2021



Source: Virginia REALTORS®, data accessed May 14, 2021

Figure 17
First Quarter Average Days on Market, CAAR Jurisdictions
2020 and 2021



Source: Virginia REALTORS®, data accessed May 14, 2021

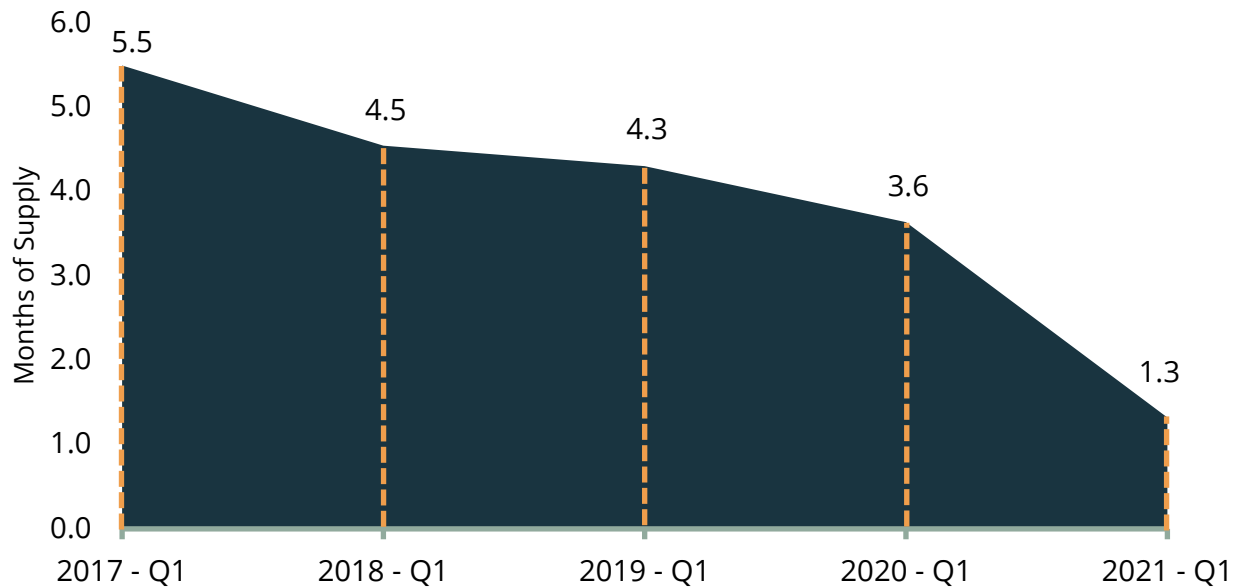
Inventory

The CAAR area market is one of the most competitive in Virginia as the supply of active listings continues to shrink rapidly. There were just 540 active listings in the region at the end of the first quarter, less than half the number of listings available a year ago (-61%), which is a reduction of 858 listings. The chronically low supply in the region's housing market reflects broader market trends both in other parts of Virginia and nationally. In Virginia, there was a total of 15,787 active listings at the end of the first quarter, which is down 46% compared to a year ago.

Many would-be sellers are opting to renovate or expand their homes instead of selling. In other cases, homeowners are hesitant to sell their homes because price points have been rising rapidly so buying another home to move into in a tight market makes less sense financially than staying put in their current home.

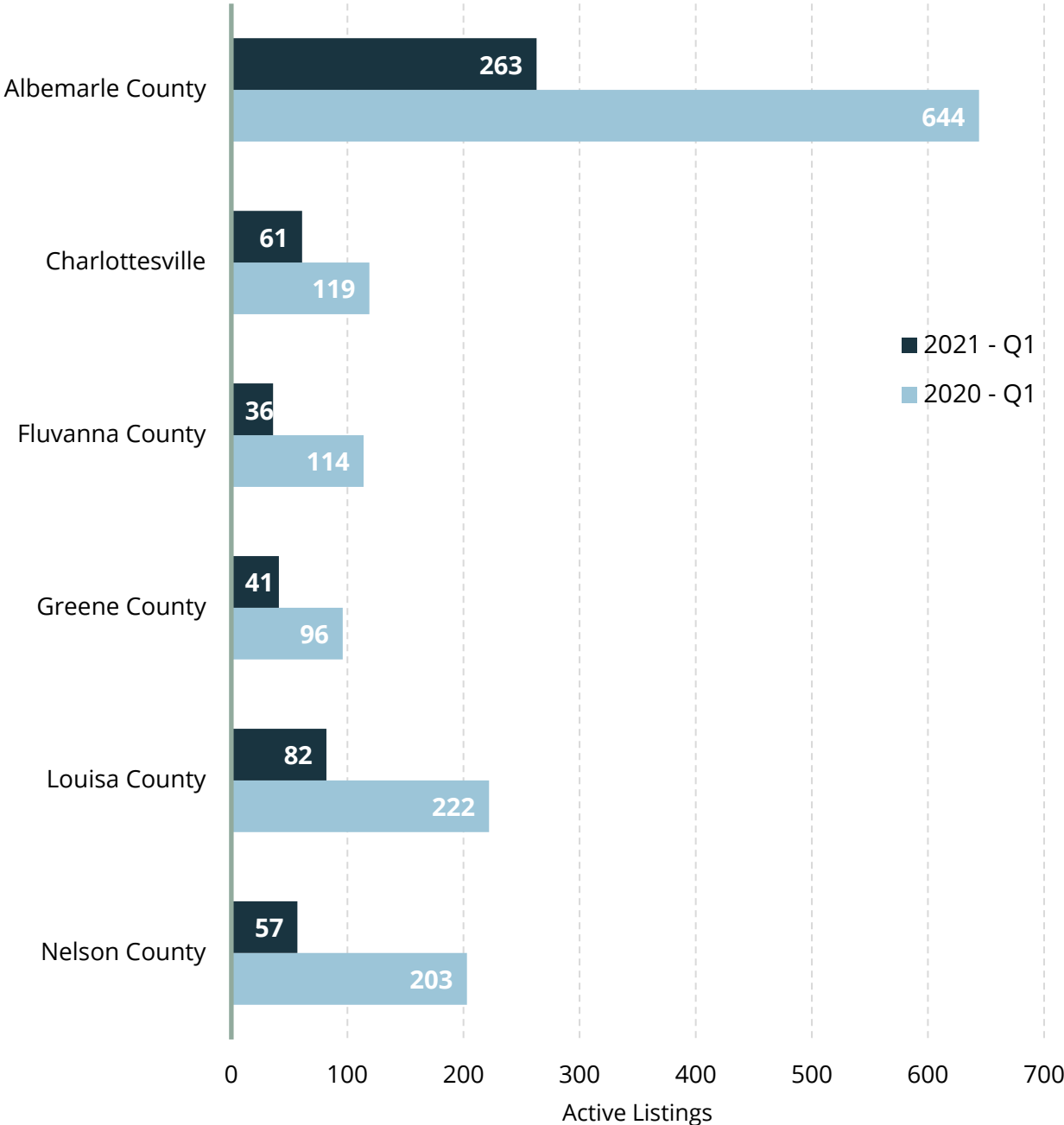
There was about 1.3 months of supply at the end of the first quarter in the CAAR footprint, down from 3.6 months a year ago. The months of supply metric is calculated by taking the average monthly sales over the preceding 12-month period and dividing it by the inventory of active listings.

Figure 18
End of First Quarter Months Supply, CAAR
2017-2021



Source: Virginia REALTORS®, data accessed May 5, 2021

Figure 19
End of First Quarter Active Listings, CAAR Jurisdictions
2020 and 2021



Source: Virginia REALTORS®, data accessed April 14, 2021



Local Snapshot – *Albemarle County*

Sales: There were 418 sales in Albemarle County in the first quarter, a 22% surge from a year ago, which is 75 additional sales. Sales activity has increased seven of the last eight quarters in the county, evidence of strong demand in the market.

Median Sales Price: Home prices in the Albemarle County market continue to climb higher. The first quarter median sales price in the county was \$429,900, up 10% from a year ago, a gain of more than \$40,000.

Sold Volume: There was about \$209.1 million of sold volume in Albemarle County during the first quarter, a 30% influx compared to last year, which is about \$48.8 million more sold volume.

Days on Market: At 55 days, the average days on market in Albemarle County during the first quarter was 24 days faster than last year. This is the largest drop in this metric in four years and reflects the shrinking supply of homes available in the county.

Inventory: The inventory remains tight in the county's housing market. There were 263 active listings on the market in Albemarle County at the end of the first quarter, less than half the number of listings available a year ago (-59%), a reduction of 381 listings.



Local Snapshot – *Charlottesville*

Sales: There were 114 sales in Charlottesville during the first quarter, four more sales than last year, representing a 4% increase. Sales activity has increased modestly in the city's housing market for two straight quarters.

Median Sales Price: As supply remains tight, home prices in the city continue to rise rapidly. At \$397,650, the first quarter median sales price in Charlottesville surged up 18% from last year, a gain of \$60,650. This is the largest price jump the city has had in more than five years.

Sold Volume: There was approximately \$57.5 million of sold volume in Charlottesville in the first quarter, surging up 32% from a year ago, which is a gain of \$14.0 million.

Days on Market: Homes that sold during the first quarter in Charlottesville were on the market about a month on average (34 days), which is nearly three weeks faster than last year (-19 days).

Inventory: The inventory continues to shrink rapidly in Charlottesville. There were just 61 active listings at the end of the first quarter, about half the number of listings a year ago (-49%), which is 58 fewer listings.



Local Snapshot – *Fluvanna County*

Sales: It was a very strong quarter in the Fluvanna County housing market. There were 154 sales in the county in the first quarter, 48 more sales than last year, which is a 45% jump in sales. This is the largest increase in sales activity the county has had in more than five years.

Median Sales Price: At \$270,070, the first quarter median sales price in Fluvanna County jumped up by \$33,070 from a year ago, representing a 14% gain. Prices have been rising rapidly in the county for the past two years.

Sold Volume: The additional sales and higher price points this quarter led to a massive influx of sold dollar volume in the county. There was about \$48.2 million of sold volume in Fluvanna County in the first quarter, which is \$20.7 million more than last year, a 75% surge in volume.

Days on Market: The average days on market in Fluvanna County during the first quarter was 28 days, which is 39 days faster than this time last year.

Inventory: The supply level in the Fluvanna County housing market remains very low. There were only 36 active listings on the market in the county at the end of the first quarter, a 68% plunge from last year, which is a reduction of 78 listings.



Local Snapshot – *Greene County*

Sales: There were 69 sales in Greene County in the first quarter, five fewer than last year, which is a 7% decline. The drop in sales this quarter was driven by a decline in sales in March. Compared to 2020, sales activity increased in February and was flat in January.

Median Sales Price: Price growth continues to be very strong in the Greene County housing market. At \$312,000, the first quarter median sales price in the county was \$37,000 higher than last year, which is a 13% spike.

Sold Volume: Despite fewer sales overall, rising prices drove up the sold dollar volume this quarter in Greene County. There was about \$21.8 million of sold volume in the county during the first quarter, which is \$1.3 million more volume than last year, a 7% increase.

Days on Market: The average days on market in the first quarter in Greene County was 35 days, which is 38 days faster than last year. This is a significant reduction for this metric and reflects the low supply of homes available in the county.

Inventory: There were just 41 active listings on the market in Greene County at the end of the first quarter, a 57% decline from last year, which is 55 fewer active listings. The inventory has been shrinking rapidly in the county for the past year.



Local Snapshot – *Louisa County*

Sales: There were 185 sales in Louisa County in the first quarter, a 32% increase from a year ago, which is 45 more sales. Home sales have increased for five straight quarters in the county compared to the prior year.

Median Sales Price: At \$282,651, the first quarter median sales price in Louisa County rose 13% from last year, a gain of \$32,676. Prices have been trending up in the county for seven consecutive quarters.

Sold Volume: There was approximately \$63.7 million of sold volume during the first quarter in Louisa County, an influx of \$23.3 million, which is a 57% increase. Sold dollar volume in the Louisa County market has been rising rapidly for over a year as the market has been busy and prices are climbing.

Days on Market: The average days on market during the first quarter in Louisa County was 35 days, which is 38 days faster than last year.

Inventory: There were only 82 active listings in Louisa County at the end of the first quarter, plunging 63% from last year, which is 140 fewer active listings.



Local Snapshot – *Nelson County*

Sales: There were 118 sales in Nelson County during the first quarter, 55 more sales than last year, which is an 87% surge, the strongest in the CAAR footprint. Sales more than doubled in January and rose significantly in March compared to last year.

Median Sales Price: At \$308,500, the first quarter median sales price in Nelson County jumped up 46% from a year ago, a gain of \$97,000. This is the strongest price growth of any quarter in the county in more than five years.

Sold Volume: The amount of sold dollar volume in the Nelson County market continues to surge. There was approximately \$38.9 million of sold volume in the first quarter in the county, nearly triple (+188%) the amount of volume last year, which is an influx of \$25.4 million.

Days on Market: The average days on market in Nelson County during the first quarter was 67 days, which is 80 days faster than last year. This is the largest drop in this metric in four years and is reflective of the tight inventory of homes available in the county.

Inventory: There were only 57 active listings in Nelson County at the end of the first quarter, about a quarter of the supply available a year ago (-72%), a reduction of 146 active listings.



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.

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.

All inquiries regarding this report may be directed to:

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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.