

CAAR CHARLOTTESVILLE AREA HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

CAAR Home Sales Report

Fourth Quarter 2023

Charlottesville Area Association of REALTORS®

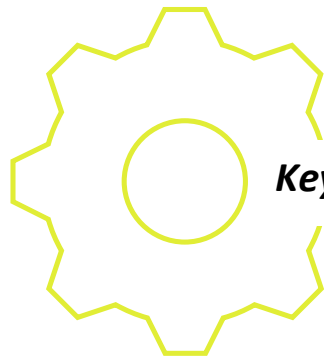
Market Report Key Takeaways

Economic Conditions

- Virginia's job market continues to be resilient. There was an influx of 7,900 jobs in the Commonwealth between October and November 2023.
- The statewide unemployment rate in Virginia was 2.9% in November 2023 (not seasonally adjusted), which is down from 3% a year ago. In the CAAR region, the unemployment rate was 2.6% in November, up from 2.5% a year ago.
- After approaching 8% at the end of October 2023, mortgage rates have been trending down 10 of the last 12 weeks. In the third week of January 2024, the average rate on a 30-year fixed mortgage was 6.6%, which is down from 6.66% the week prior, but up from 6.15% a year ago.

Housing Market Conditions

- Sales activity continues to cool in the CAAR region. There were 817 sales in the CAAR housing market during the fourth quarter, 100 fewer sales than last year, which is an 11% decline.
- Upward pressure on home prices continues to be a key factor in the CAAR area. The median sales price in the CAAR footprint during the fourth quarter was \$435,000, climbing a solid 9% from this time last year.
- The supply of active listings in the CAAR region continues to get smaller. There were 674 active listings on the market at the end of the fourth quarter regionwide, down 9% from a year ago.



Key Trends Dashboard, CAAR

Economy



2.5%

Is the Nov-2023 **unemployment rate** in the CAAR footprint, which is down from Nov-2022



6.6%

Is the **30-year fixed-rate mortgage rate** during the third week of January 2024, which is up from 6.15% a year ago

Housing Market



-100

Fewer **home sales** in the CAAR footprint in Q4-2023 compared to last year



9%

Percent change in **median sales price** in the CAAR region in Q4-2023 compared to a year ago



-\$9.3

Million dollars less in total **sold volume** in the CAAR footprint in Q4-2023 compared to last year



-9%

Percent change in **active listings** at the end of Q4-2023 in the CAAR market compared to a year ago



2.2

Months of supply in the CAAR footprint in Q4-2023, which is up from a year ago

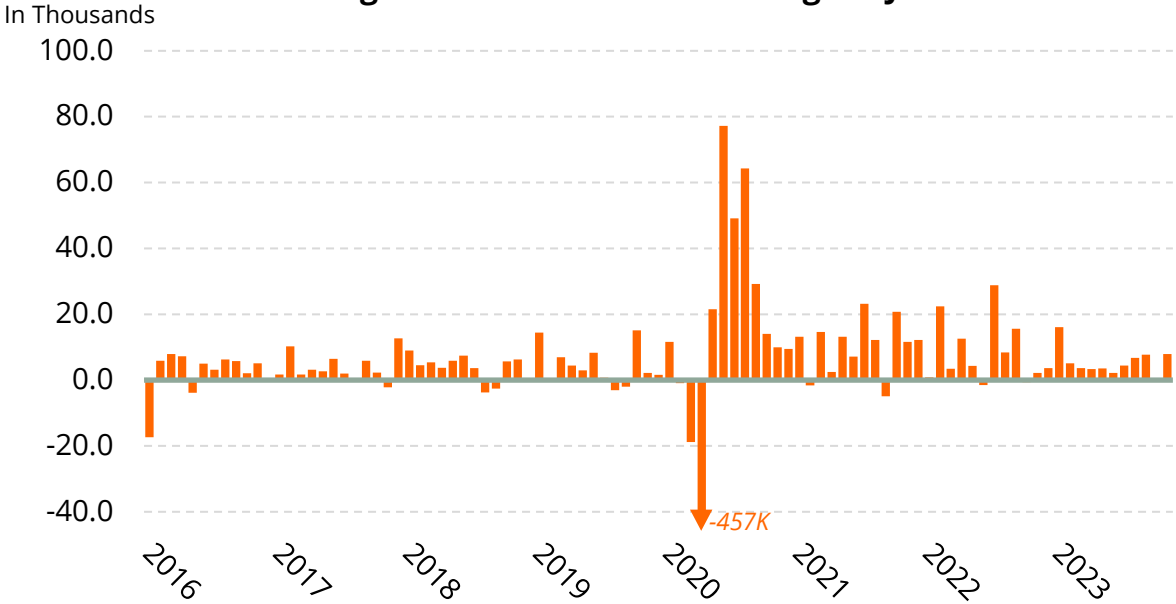
Economic Overview

Job growth exceeded expectations recently, and the labor market continues to be tight, but unemployment has edged upward in Virginia for several months. Mortgage rates have been falling since October, and inflation continues to retreat. The prospects of a “soft-landing” for the U.S. economy are improving, though there is still uncertainty about how much and when the full effects of the Fed’s rate hikes will be felt, as the economy slows down heading into 2024.

Jobs

There was a jump in the jobs data in Virginia in November after falling flat in October. There were approximately 4.17 million jobs statewide in November, which is 7,900 more than the revised October total. This is the strongest month-to-month increase since the start of 2023. The job sectors with the strongest gains in November were the Professional & Technical Services sector (+5,000 jobs), the Transportation & Warehousing sector (+4,900 jobs), and Wholesale Trade (+2,000 jobs). The Administrative & Waste Management Services sector shed about 5,500 jobs, and there were 1,000 fewer retail jobs in Virginia in November compared to October.

Figure 1
Virginia Month-to-Month Change in Jobs

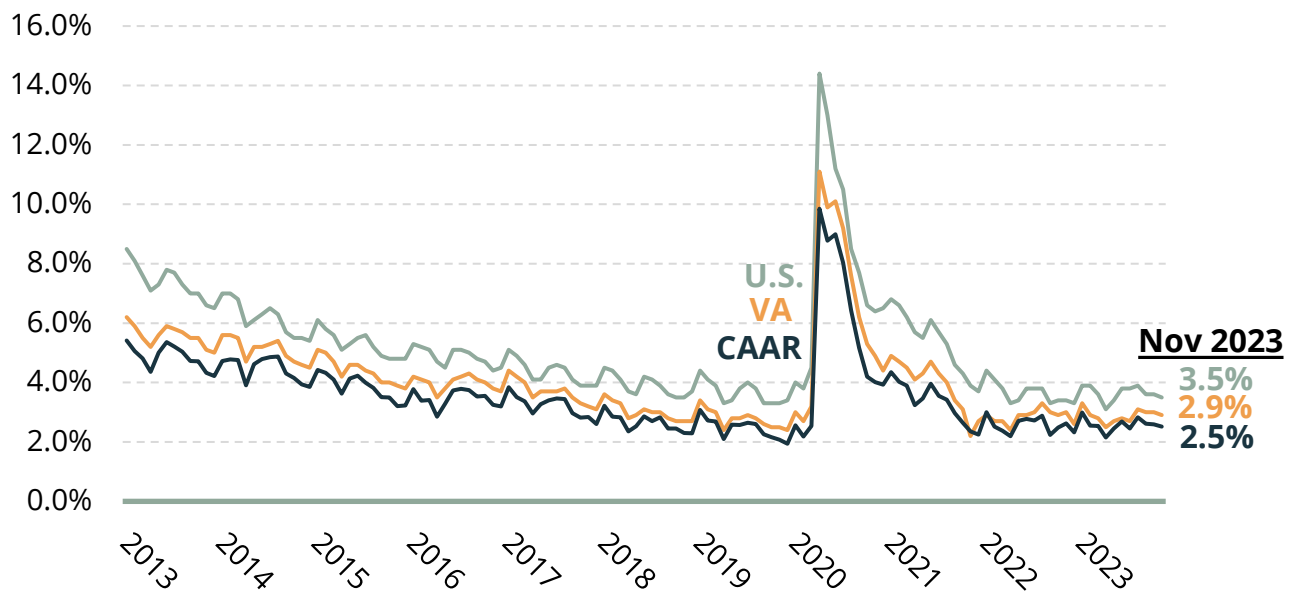


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

Unemployment

The statewide unemployment rate in Virginia dipped to 2.9% in November 2023, down from 3% in November 2022 (not seasonally adjusted). In the U.S., the unemployment rate rose to 3.5% in November, up from 3.4% a year ago. The nationwide unemployment rate has been inching up for four consecutive months but remains very low compared to historical averages. In the CAAR footprint the November unemployment rate was 2.5%, which is down from 2.6% a year ago.

Figure 2
Unemployment Rate

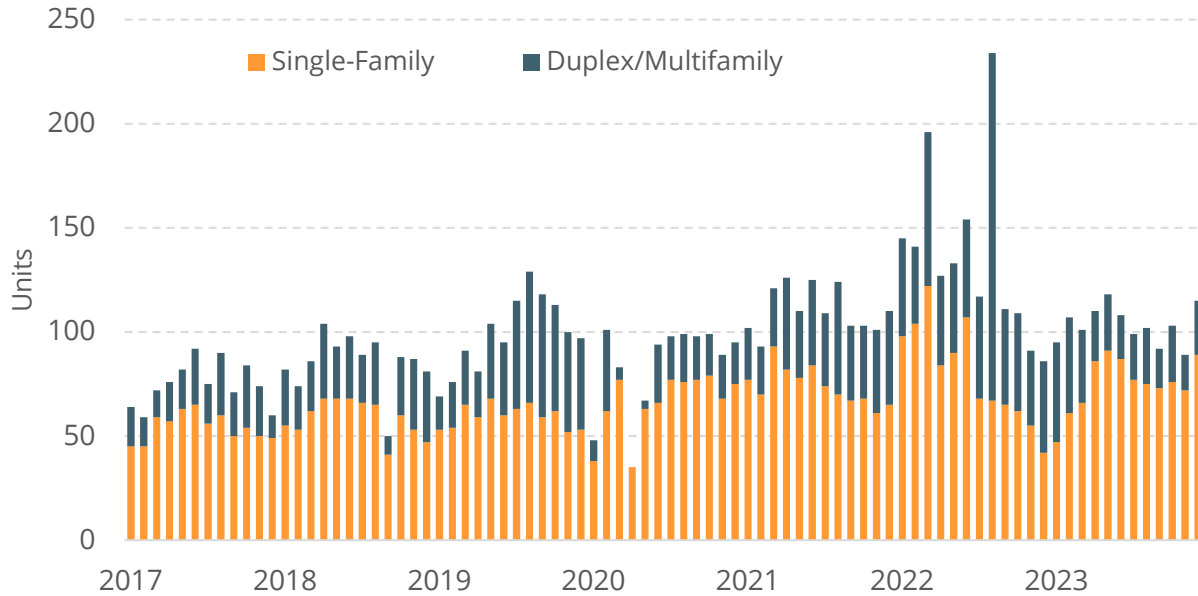


Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

New Construction

New permitting activity cooled throughout 2023 in the Charlottesville MSA. There were 1,239 residential building permits issued in the region in 2023 (January through December), which is down 25% from the 2022 total, reflecting a decrease of 405 permits. Most of the slowdown over the past year was in the multifamily sector, which saw a 50% reduction in permits issued, or 341 fewer permits. Building permits for single-family homes were down 7%, which was 64 fewer permits.

Figure 3
Monthly Permits for New Residential Construction
Charlottesville Metropolitan Area



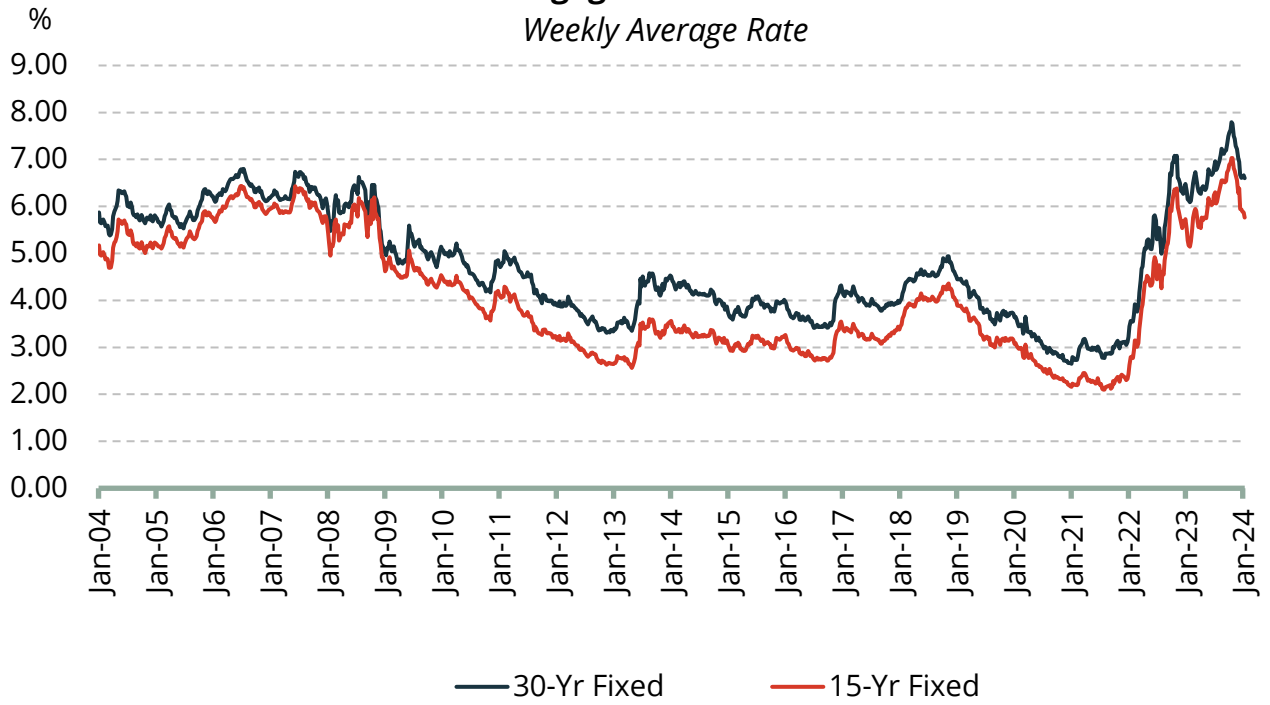
Source: U.S. Census Bureau

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

Mortgage Rates

After peaking near 8% in October 2023, the average interest rate for a 30-year fixed mortgage is now 6.6% as of January 18, 2024. Rates have been trending down steadily 10 of the last 12 weeks, which has ushered in renewed optimism from both buyers and sellers alike. The Federal Reserve has indicated that it plans to implement a series of fed funds rate cuts in 2024, which will continue to put downward pressure on interest rates. This will boost activity in the housing market and loosen up the “lock-in effect” for some homeowners that have pent-up demand to buy another house.

Figure 4
Mortgage Interest Rates
Weekly Average Rate



Source: Freddie Mac

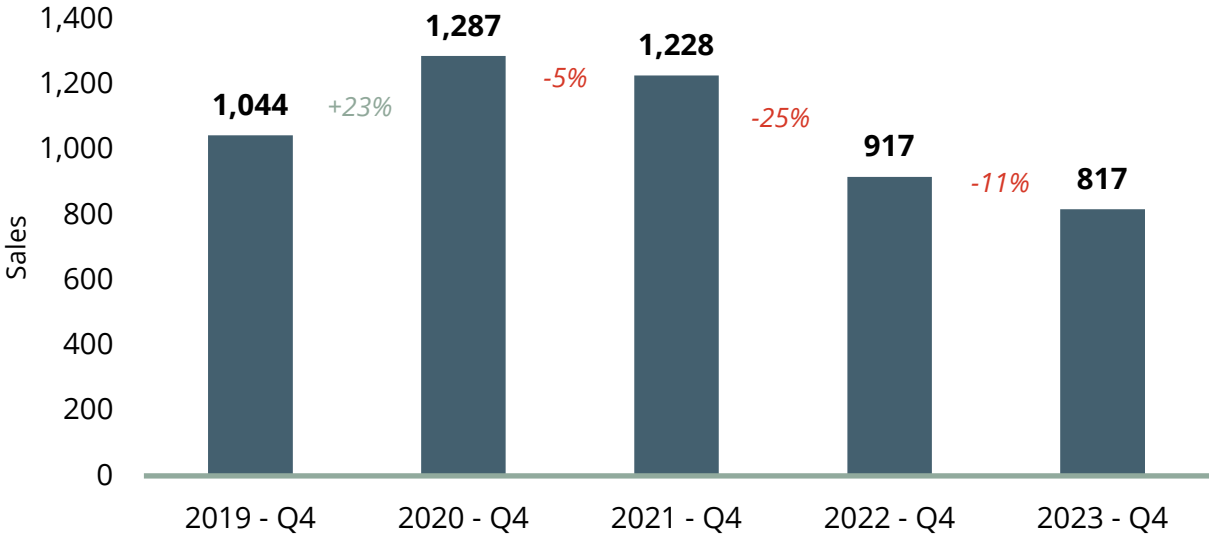
Housing Market Overview

The CAAR housing market ended 2023 similarly to how it began, with cooling sales activity and rising home prices. These dynamics are largely being driven by three factors — the low supply of homes for sale, the pent-up demand in the market, and the volatility of mortgage rates this year.

Sales

It was a slow fourth quarter in the CAAR regional housing market. There were 817 sales throughout the footprint in the fourth quarter of 2023. This is 100 fewer sales than the fourth quarter a year ago, an 11% decline. The last time the region had a fourth quarter that was this sluggish was in 2014. Mortgage rates hit a more than two-decade high in October 2023, which likely deterred some market activity this quarter. Sales activity cooled all three months in the fourth quarter, which covers October through December. Statewide, sales activity declined 10% in the fourth quarter of 2023 compared to last year.

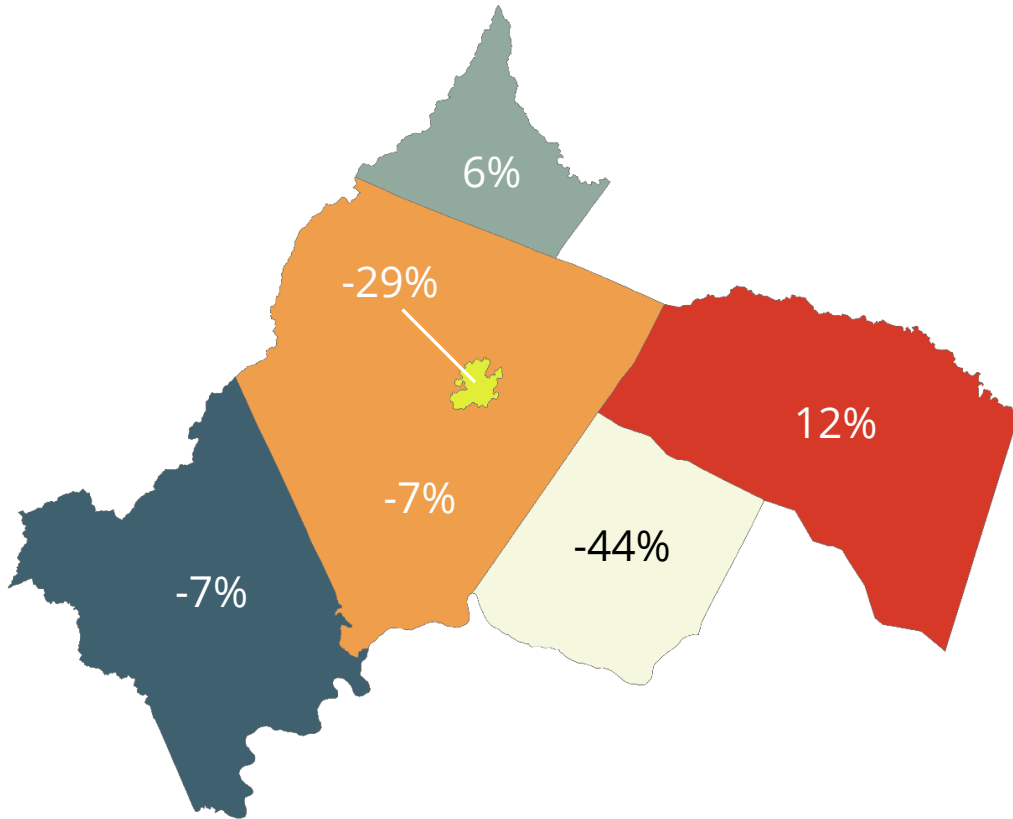
Figure 5
Fourth Quarter Home Sales, CAAR
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024

Figure 6
Change in Sales by Jurisdiction
CAAR

Fourth Quarter 2022 to Fourth Quarter 2023



<i>Jurisdiction</i>	<i>2022 - Q4</i>	<i>2023 - Q4</i>	<i>% Change</i>
Albemarle County	378	350	-7%
Charlottesville	108	77	-29%
Fluvanna County	131	73	-44%
Greene County	47	50	6%
Louisa County	165	185	12%
Nelson County	88	82	-7%

Source: Virginia REALTORS®, data accessed January 15, 2024

Figure 7
Fourth Quarter New Construction Sales, CAAR
 2019-2023

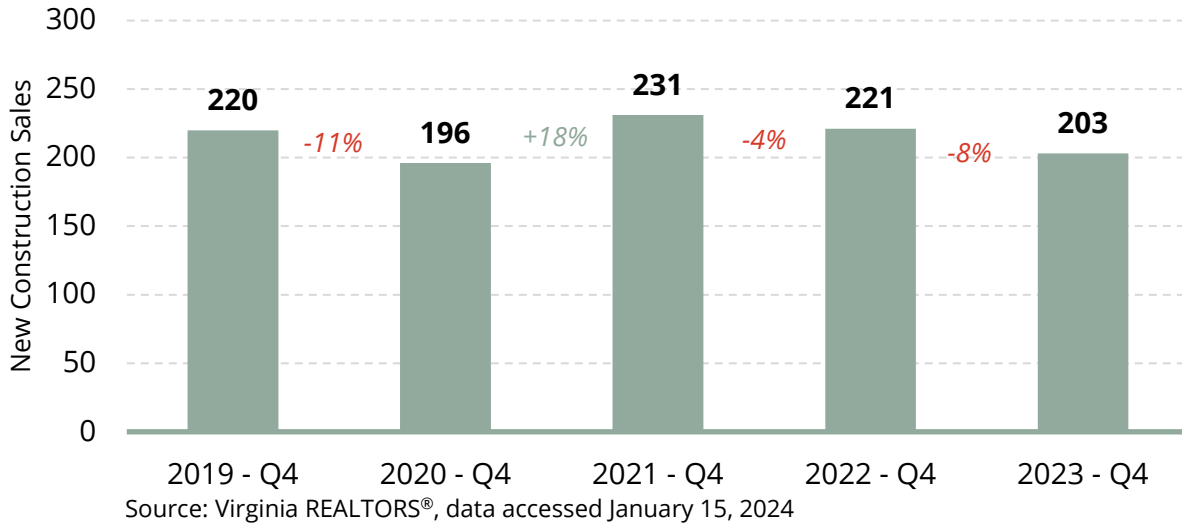


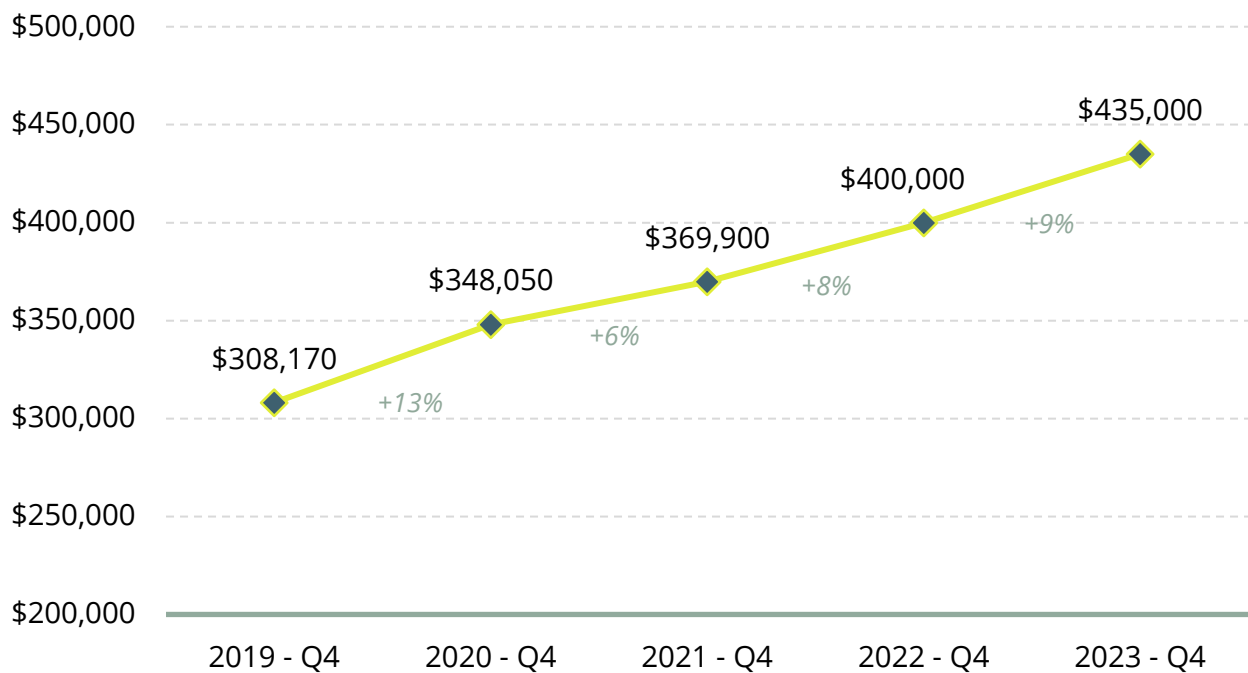
Figure 8
Fourth Quarter New Construction Median Sales Price, CAAR
 2019-2023



Sales Prices

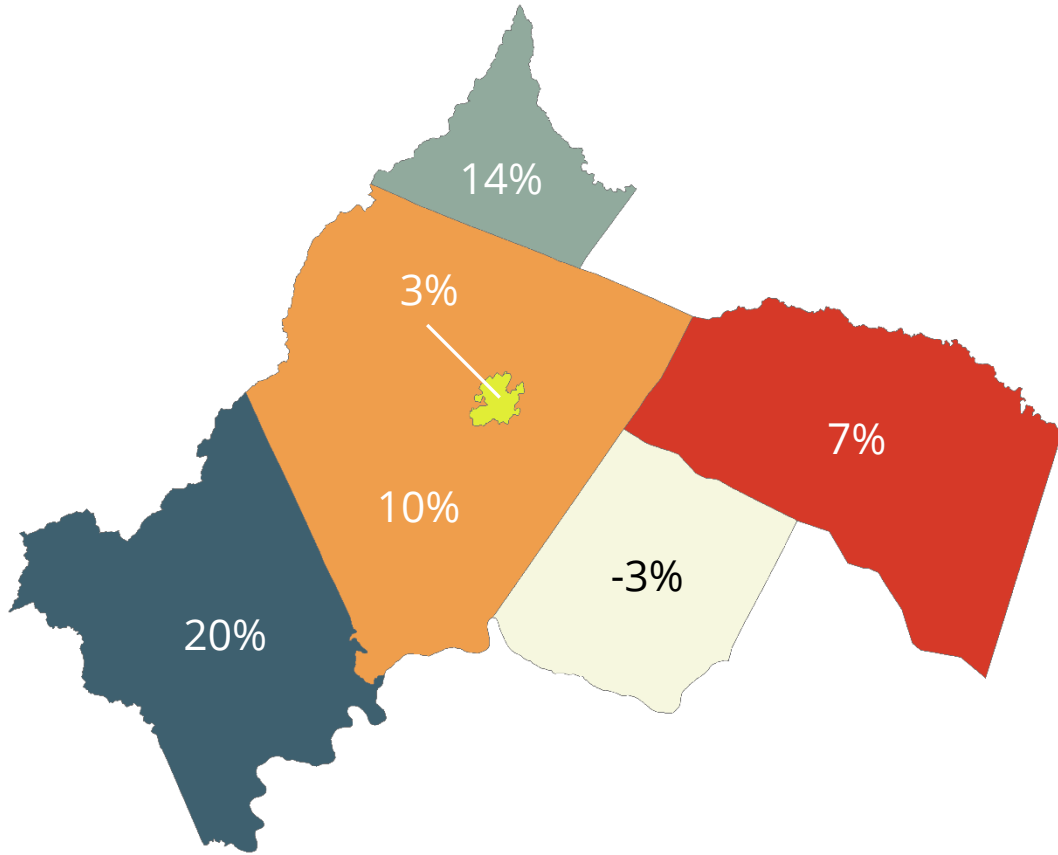
Home prices are climbing throughout most of the CAAR region as the tight inventory continues to put upward pressure on home prices. The fourth quarter regionwide median sales price was \$435,000, which is \$35,000 higher than it was a year ago, a 9% increase. Nearly all local markets in the CAAR footprint had higher median sales prices to close out 2023. At the state level, the median sales price in Virginia during the fourth quarter was \$387,000, climbing 7% from last year.

Figure 9
Fourth Quarter Median Sales Price, CAAR
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024

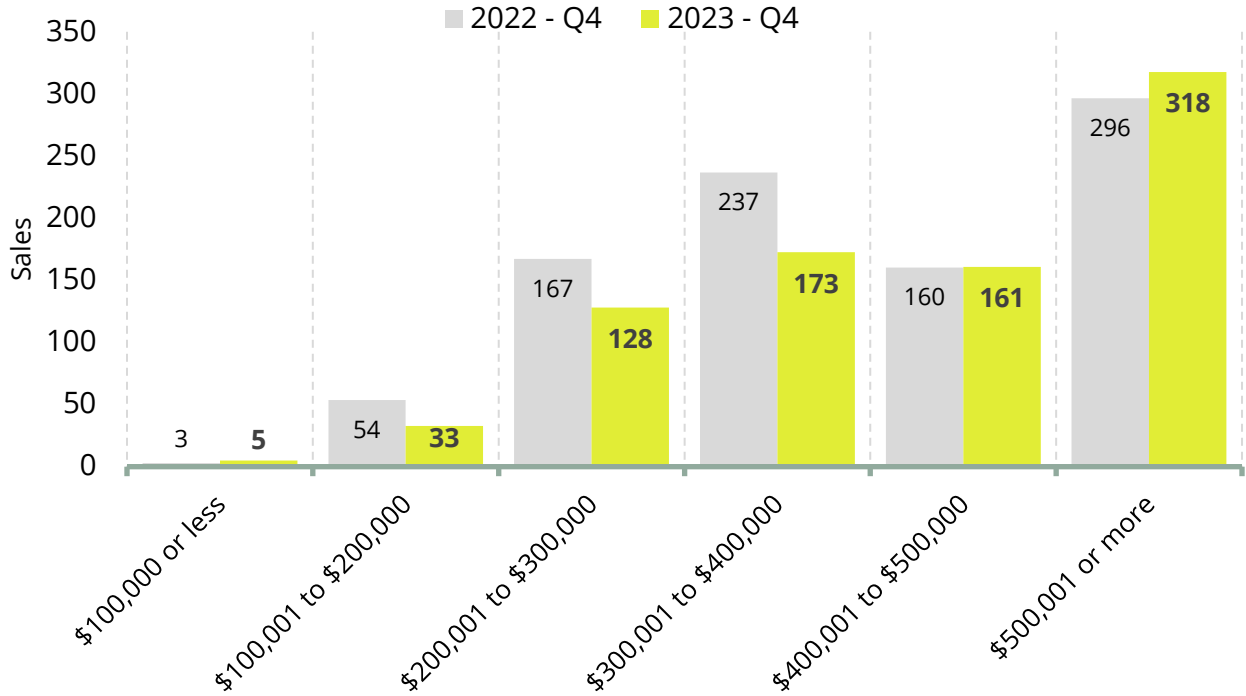
Figure 10
Change in Median Sales Price by Jurisdiction
CAAR
Fourth Quarter 2022 to Fourth Quarter 2023



<i>Jurisdiction</i>	<i>2022 - Q4</i>	<i>2023 - Q4</i>	<i>% Change</i>
Albemarle County	\$475,000	\$522,160	10%
Charlottesville	\$433,000	\$445,000	3%
Fluvanna County	\$359,990	\$350,000	-3%
Greene County	\$338,000	\$386,500	14%
Louisa County	\$355,000	\$379,900	7%
Nelson County	\$350,000	\$418,500	20%

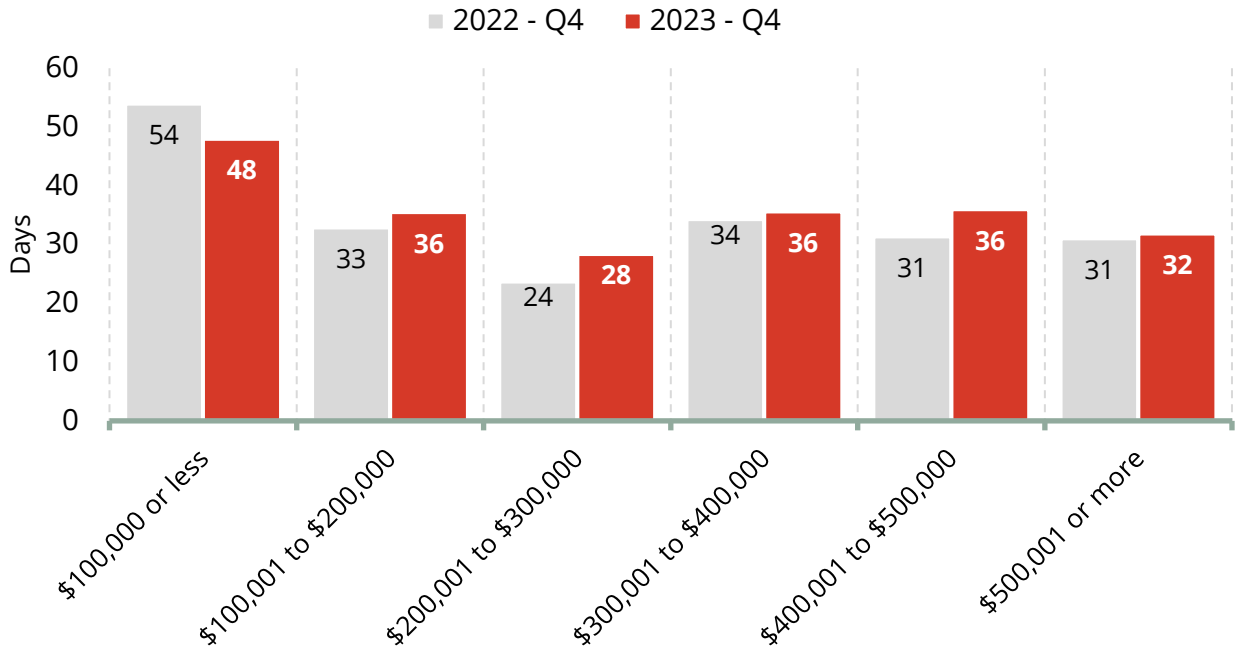
Source: Virginia REALTORS®, data accessed January 15, 2024

Figure 11
Fourth Quarter Sales Price Range Distribution - CAAR



Source: Virginia REALTORS®, data accessed January 15, 2024

Figure 12
Fourth Quarter Average DOM by Sales Price Range - CAAR

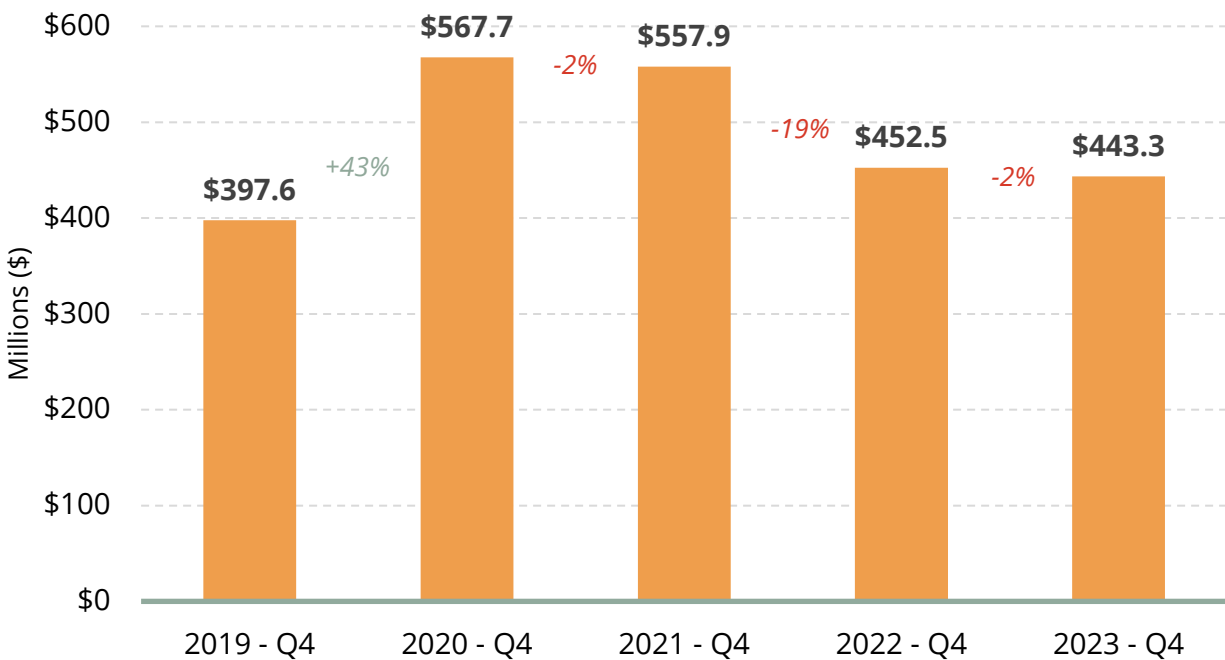


Source: Virginia REALTORS®, data accessed January 15, 2024

Sold Volume

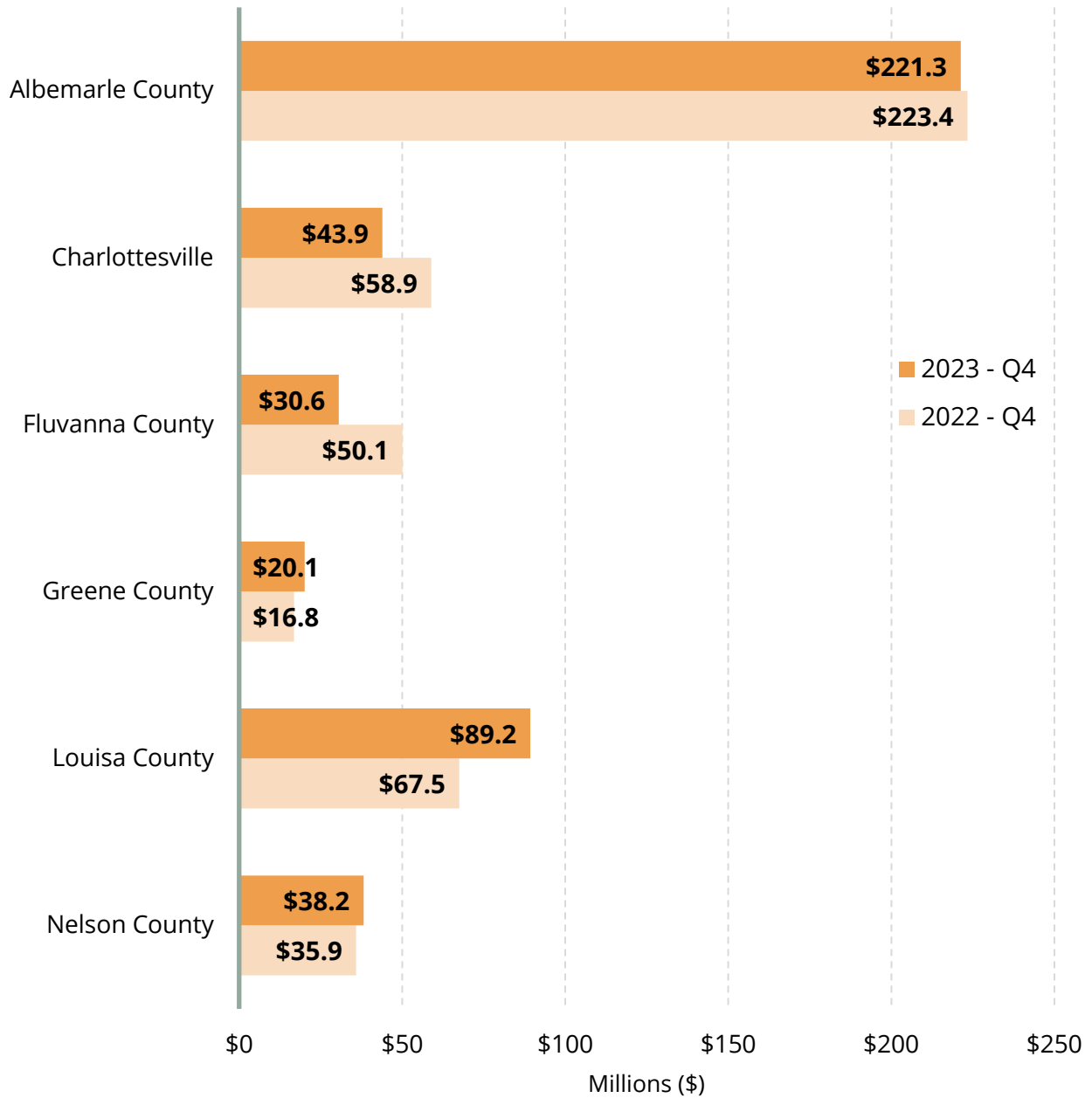
While prices are rising across much of the region, the slowdown in sales activity is pulling down the total sold dollar volume in the CAAR market. There was about \$443.3 million of sold volume in the area in the fourth quarter. This is \$9.2 million less volume than this time last year, a 2% drop. The sold volume has been trending down for the last year and a half in the region as the market has slowed.

Figure 13
Fourth Quarter Sold Dollar Volume (Millions), CAAR
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024

Figure 14
Fourth Quarter Sold Dollar Volume, CAAR Jurisdictions
2022 and 2023

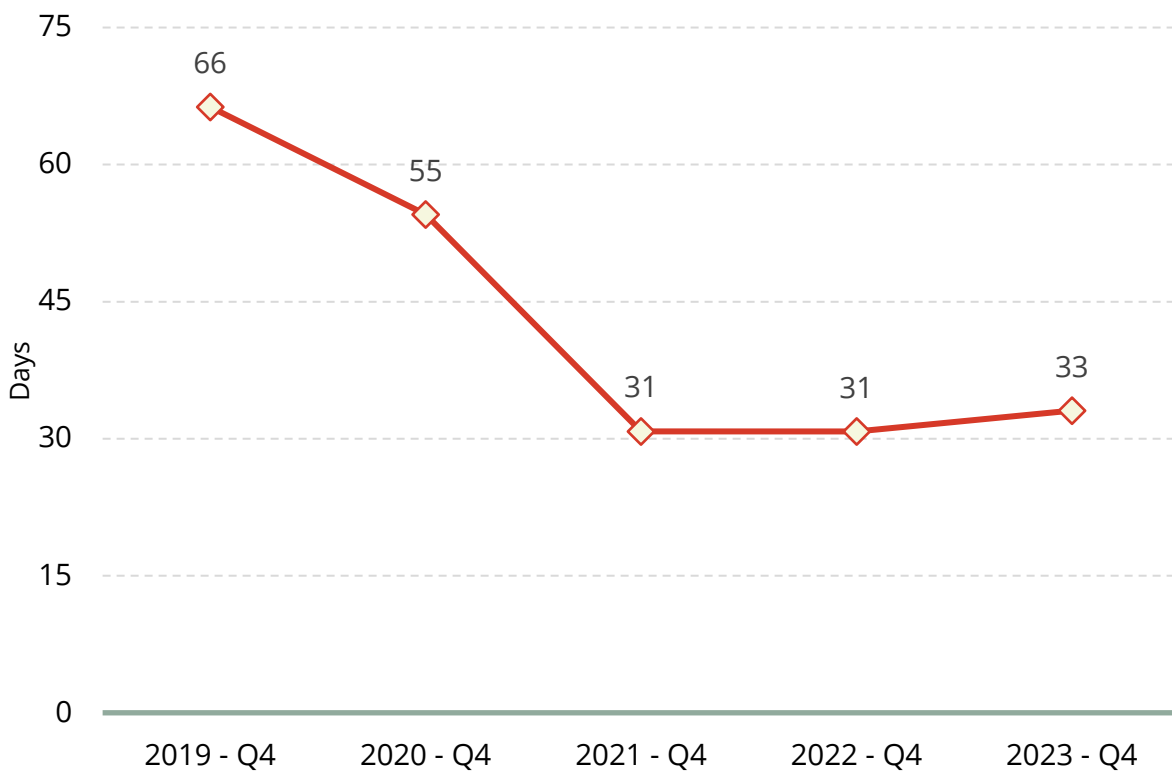


Source: Virginia REALTORS®, data accessed January 15, 2024

Days on Market

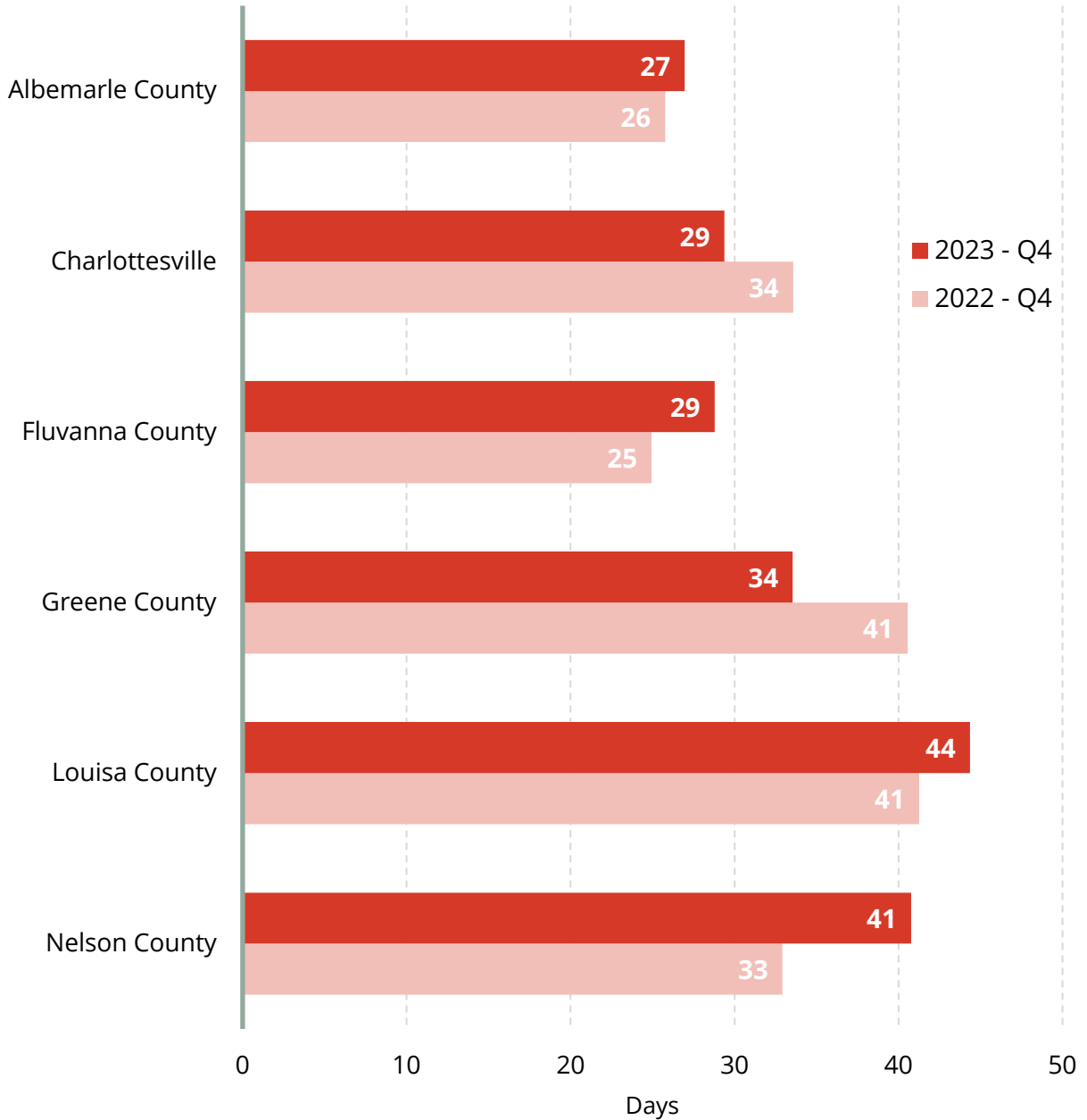
It took a couple days longer than last year on average to sell a home in the CAAR housing market during the fourth quarter. The fourth quarter average days on market across the footprint was 33 days, up from 31 days a year ago. The average days on market has been trending up in the CAAR market for four consecutive quarters. Statewide, homes were on the market 31 days on average in the fourth quarter, unchanged from last year.

Figure 15
Fourth Quarter Average Days on Market, CAAR
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024

Figure 16
Fourth Quarter Average Days on Market, CAAR Jurisdictions
2022 and 2023



Source: Virginia REALTORS®, data accessed January 15, 2024

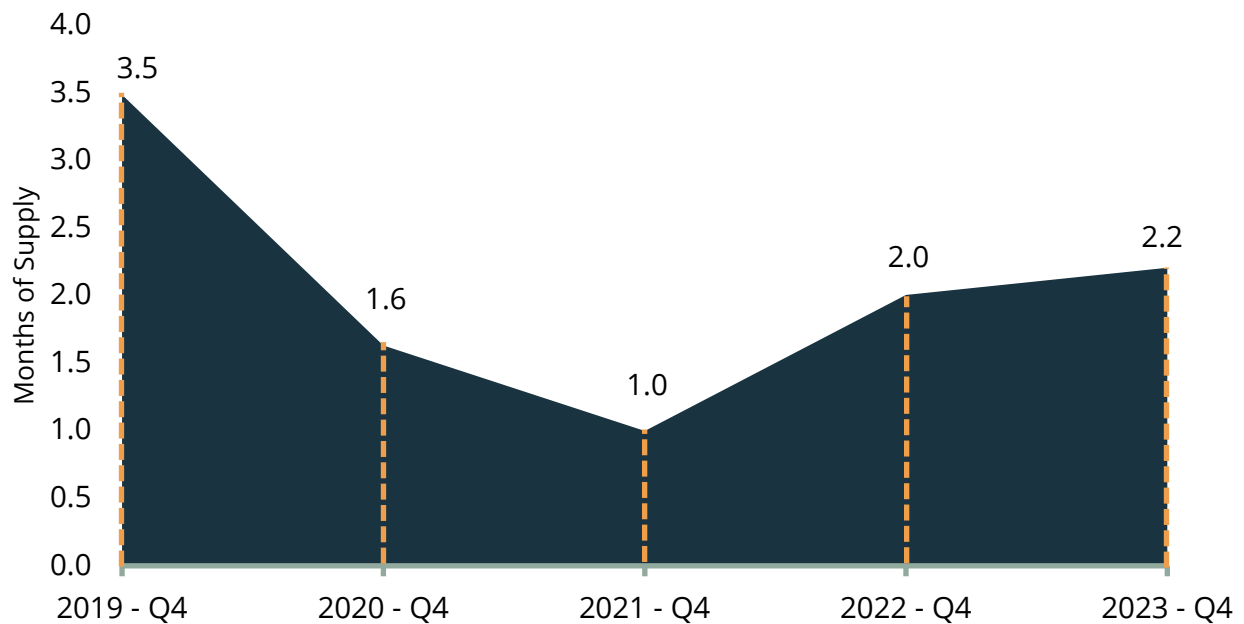
Inventory

The inventory of active listings in the CAAR region remains very low and has not expanded since the start of 2023. At the end of the fourth quarter there were 674 active listings throughout the area, 66 fewer listings than the fourth quarter last year, which is a 9% drop.

Statewide, there were 16,244 active listings on the market at the end of the fourth quarter, 129 more than there were a year ago, inching up 1%.

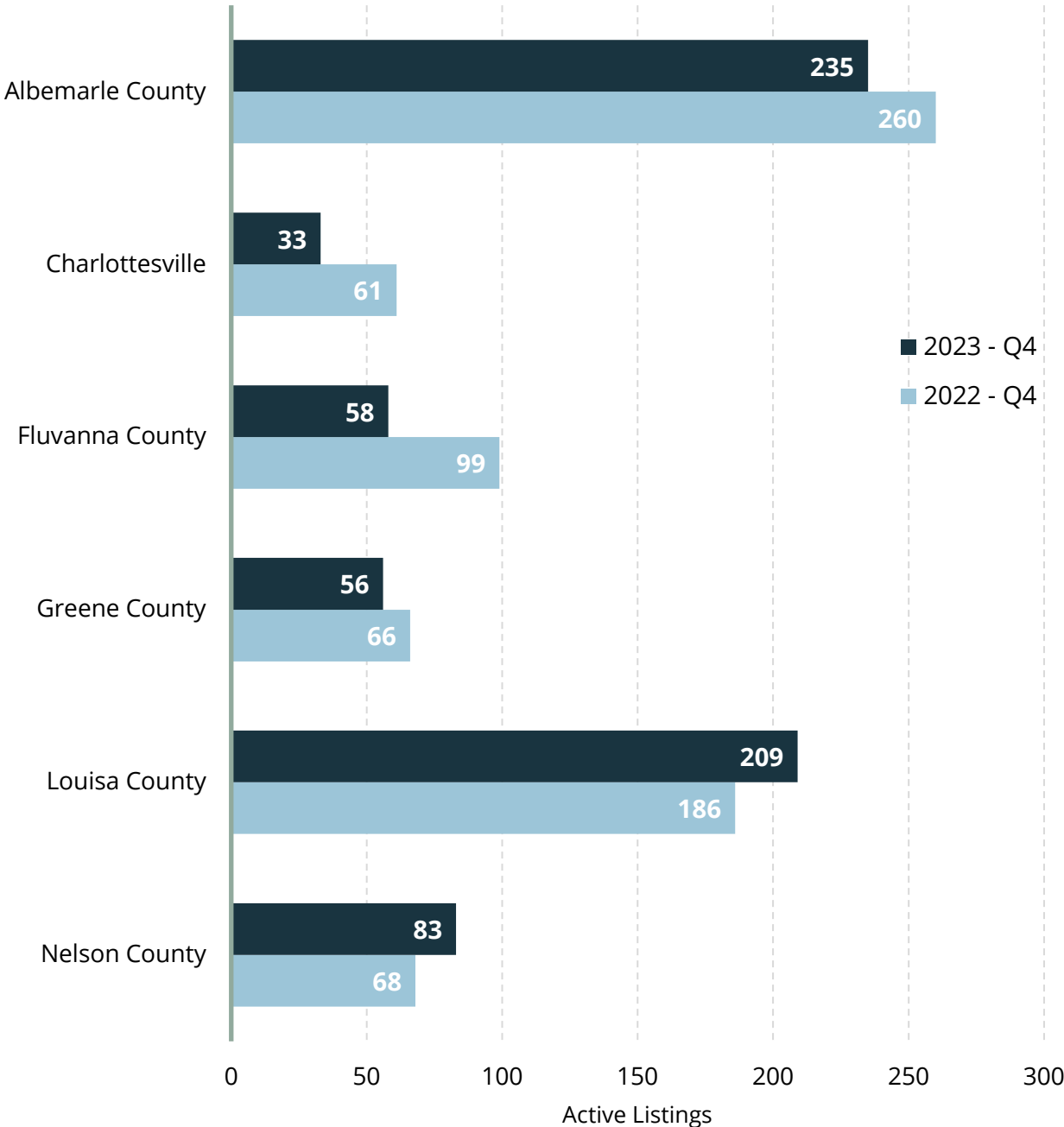
There was approximately 2.2 months of supply at the end of the fourth quarter in the CAAR footprint, which is up from two months a year ago. The months of supply metric is calculated by taking the average monthly sales over the preceding 12-month period and dividing it by the inventory of active listings. Statewide, there was about two months of supply at the end of the fourth quarter.

Figure 17
End of Fourth Quarter Months Supply, CAAR
2019-2023



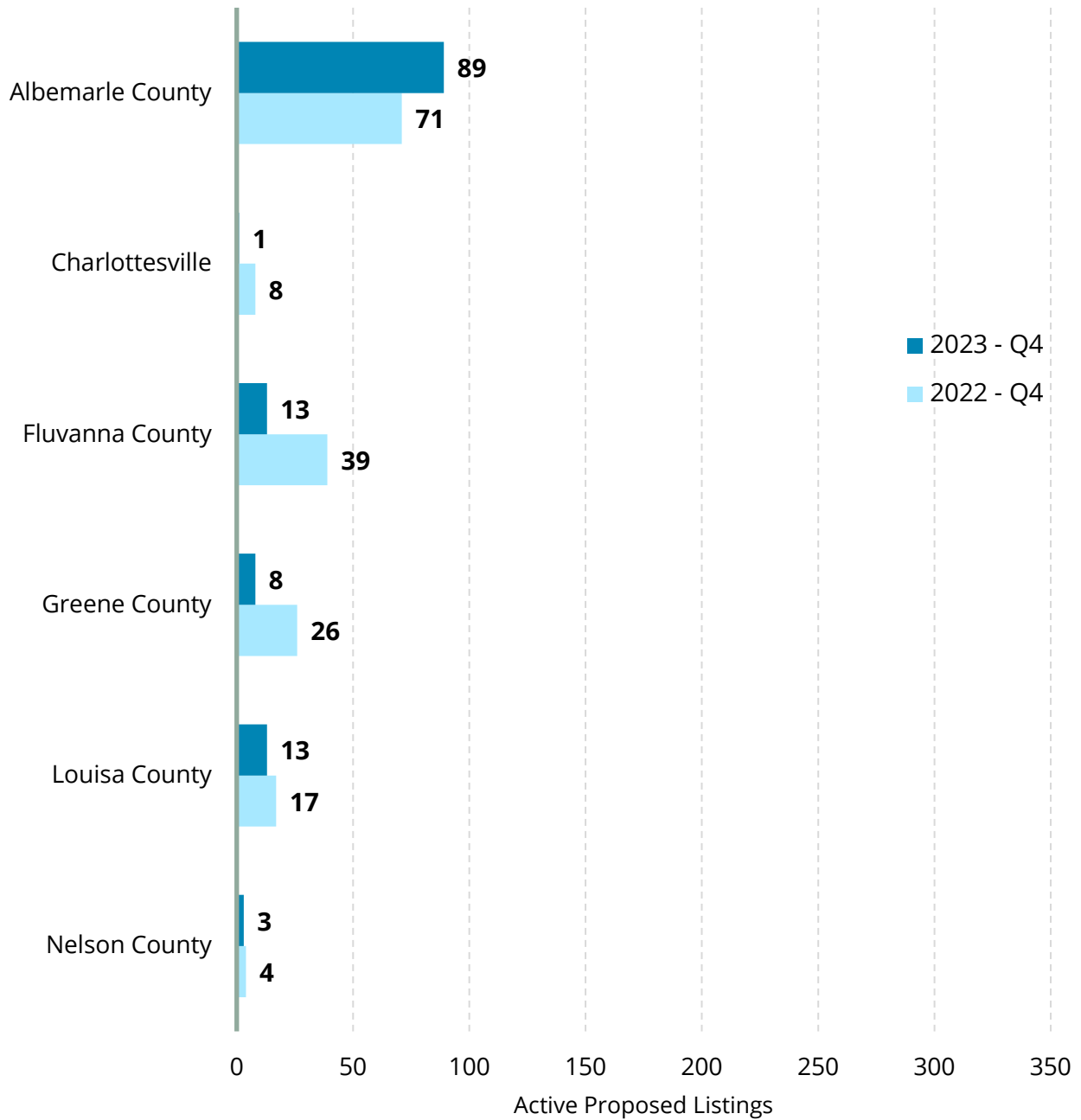
Source: Virginia REALTORS®, data accessed January 15, 2024

Figure 18
End of Fourth Quarter Active Listings (includes proposed listings)
CAAR Jurisdictions
2022 and 2023



Source: Virginia REALTORS®, data accessed January 15, 2024

Figure 19
End of Fourth Quarter Active Proposed Listings
CAAR Jurisdictions
2022 and 2023



Source: Virginia REALTORS®, data accessed January 15, 2024



Local Snapshot – *Albemarle County*

Sales: Sale numbers slowed down in Albemarle County this month. In the county, there were 350 homes sold during the fourth quarter, 28 fewer sales than last year, a 7% decline.

Median Sales Price: At \$522,160, the median sales price jumped up 10% or \$47,160 during the fourth quarter in Albemarle County.

Sold Volume: In Albemarle County, sold volume inched down 1% compared to a year ago. There was about \$221.3 million of sold dollar volume in the fourth quarter in the county, \$2.09 million less than the year prior.

Active Listings: There were 235 active listings at the end of the fourth quarter in Albemarle County. The number of active listings fell 10% from the previous year, which is 25 fewer listings.

Days on Market: Homes in Albemarle County took one day longer to sell than the year before on average during the fourth quarter. The average days on market in the county was 27 days in the fourth quarter of 2023.



Local Snapshot – *Charlottesville*

Sales: There were 77 sales in Charlottesville in the fourth quarter, down 29% from the previous year, which is 31 fewer sales.

Median Sales Price: In Charlottesville the median home price reached \$445,000 in the fourth quarter, climbing 3% from last year, an additional \$12,000.

Sold Volume: In the fourth quarter, Charlottesville had \$43.8 million of total sold volume, down \$15 million from the year before, a 26% volume drop.

Active Listings: The number of listings fell as supply dipped. There were 33 listings in Charlottesville at the end of the fourth quarter, 28 fewer listings than last year, declining by 46%.

Days on Market: The average days on market in Charlottesville in the fourth quarter was 29 days, four days longer than a year ago.



Local Snapshot – *Fluvanna County*

Sales: In Fluvanna County, sales were down 44% or 58 fewer sales compared to a year ago. There were 73 home sales in the county in the fourth quarter.

Median Sales Price: The median cost of a home in Fluvanna County dipped by 3% in the fourth quarter, bringing the median sales price down to \$350,000, a \$9,990 price reduction from a year ago.

Sold Volume: Sold dollar volume was down \$19.5 million in Fluvanna County with both sales and home prices falling this quarter. The sold volume came to \$30.6 million in the fourth quarter, a 39% drop from a year ago.

Active Listings: There were 58 listings at the end of the fourth quarter in Fluvanna County, 41 fewer listings than the year before. This is a 41% reduction in active listings.

Days on Market: The average days on market was 29 days in Fluvanna County in the fourth quarter, four days slower than the same time last year.



Local Snapshot – *Greene County*

Sales: Sales activity trended up during the fourth quarter in Greene County with 50 sales. This represents a 6% gain or three more sales than a year ago.

Median Sales Price: The sales price in Greene County during the fourth quarter was \$386,500, a 14% increase that is \$48,500 more compared to the same time last year.

Sold Volume: There was \$20.1 million of sold dollar volume in Greene County in the fourth quarter, up 20% from the previous year. The rise in median prices and sales during the fourth quarter led to the \$3.29 million increase in volume.

Active Listings: In Greene County, listings decreased by 15%, bringing the total amount of listings to 56 at the end of the fourth quarter, which is 10 fewer listings than last year.

Days on Market: In the fourth quarter, homes sold seven days faster in Greene County than a year ago with an average of 34 days on the market.



Local Snapshot – *Louisa County*

Sales: In the fourth quarter there were 185 sales in Louisa County, up 12% from the year before, an additional 20 sales. This is the first time the number of sales has increased in seven quarters in the county's housing market.

Median Sales Price: In Louisa County, the fourth quarter median sales price was \$379,900, rising 7%, which is \$24,900 more than the year before.

Sold Dollar Volume: The sold volume in Louisa County increased in the fourth quarter with \$89.2 million of total volume. This represents a \$21.8 million gain or 32% surge in sold dollar volume compared to last year.

Active Listings: Active listings were up in Louisa County with 209 listings on the market at the end of the fourth quarter, increasing by 12%, an additional 23 listings.

Days on Market: Homes took three days longer to sell in Louisa County than a year ago, with the average days on market at 44 days during the fourth quarter.



Local Snapshot – *Nelson County*

Sales: Sales dipped in Nelson County with 82 homes sold in the fourth quarter. This is six fewer sales than a year ago, a 7% decrease in activity.

Median Sales Price: The median home price in Nelson County was \$418,500 in the fourth quarter, \$68,500 more than the previous year. Prices grew by 20% in the county, the first increase the county has seen in four quarters.

Sold Dollar Volume: In Nelson County, there was roughly \$38.2 million of sold dollar volume in the fourth quarter, up 6% or \$2.31 million from a year ago.

Active Listings: Active listings grew by 22% in Nelson County at the end of the fourth quarter with 83 listings on the market, 15 more listings than the year prior.

Days on Market: The average days on market in Nelson County was 41 days in the fourth quarter, up eight days from a year ago.



The Virginia REALTORS® association is the largest professional trade association 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.

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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.