

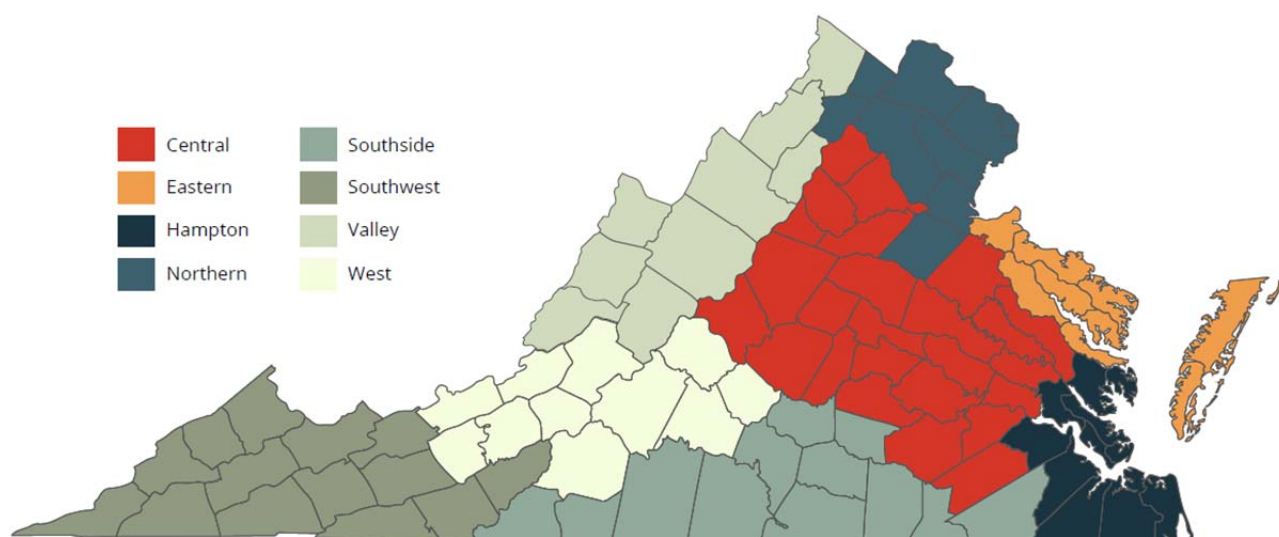
# Virginia

## HOME SALES REPORT

FEBRUARY 2017

The Virginia REALTORS® association publishes monthly and quarterly home sales reports to provide our members, the media, and real estate-related industries with current data. The report data comes from a variety of sources and is analyzed by the Virginia REALTORS®. All data may be used with citation to the proprietary owner, the Virginia REALTORS®.

The data presented is based on specific economic regions comprised of counties and independent cities in Virginia, as detailed in the map below. It should be noted that these regions do not necessarily align with the counties and cities that comprise the 28 local REALTOR® associations in Virginia. For example, the economic region defined as Northern Virginia encompasses more counties and cities than those within the bounds of the Northern Virginia Association of REALTORS® (NVAR). Please take this into consideration when referencing regions.



|               |  |
|---------------|--|
| Central       | Albemarle, Amelia, Buckingham, Caroline, Charles City, Chesterfield, Culpeper, Cumberland, Dinwiddie, Fluvanna, Goochland, Greene, Hanover, Henrico, King & Queen, King William, Louisa, Madison, Nelson, New Kent, Orange, Powhatan, Prince George, Rappahannock, Sussex; Charlottesville, Colonial Heights, Hopewell, Petersburg, Richmond |
| Eastern       | Accomack, Essex, King George, Lancaster, Middlesex, Northampton, Northumberland, Richmond, Westmoreland  |
| Hampton Roads | Gloucester, Isle of Wight, James City, Mathews, Surry, York; Chesapeake, Franklin, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, Williamsburg   |
| Northern      | Arlington, Clarke, Fairfax, Fauquier, Loudoun, Prince William, Spotsylvania, Stafford, Warren; Alexandria, Fairfax, Falls Church, Fredericksburg, Manassas, Manassas Park  |
| Southside     | Brunswick, Charlotte, Greensville, Halifax, Henry, Lunenburg, Mecklenburg, Nottoway, Patrick, Pittsylvania, Prince Edward, Southampton; Danville, Emporia, Martinsville  |
| Southwest     | Bland, Buchanan, Carroll, Dickenson, Floyd, Grayson, Lee, Russell, Scott, Smyth, Tazewell, Washington, Wise, Wythe; Bristol, Galax, Norton   |
| Valley        | Alleghany, Augusta, Bath, Frederick, Highland, Page, Rockbridge, Rockingham, Shenandoah; Buena Vista, Covington, Harrisonburg, Lexington, Staunton, Waynesboro, Winchester   |
| West Central  | Amherst, Appomattox, Bedford, Botetourt, Campbell, Craig, Franklin, Giles, Montgomery, Pulaski, Roanoke; Lynchburg, Radford, Roanoke, Salem  |

## February Market Summary

Residential real estate sales continue to indicate a year of market strength. Though pace year-over-year remained static, the spike in median price and accompanying decline in average days on the market point to high demand and restricted inventory.

Year-over-year, the number of transactions in February varied by only 7 units (6,569 in 2016 and 6,562 in 2017). Typical of the industry's seasonality, February sales were 1.9 percent higher than January's (6,440 units).

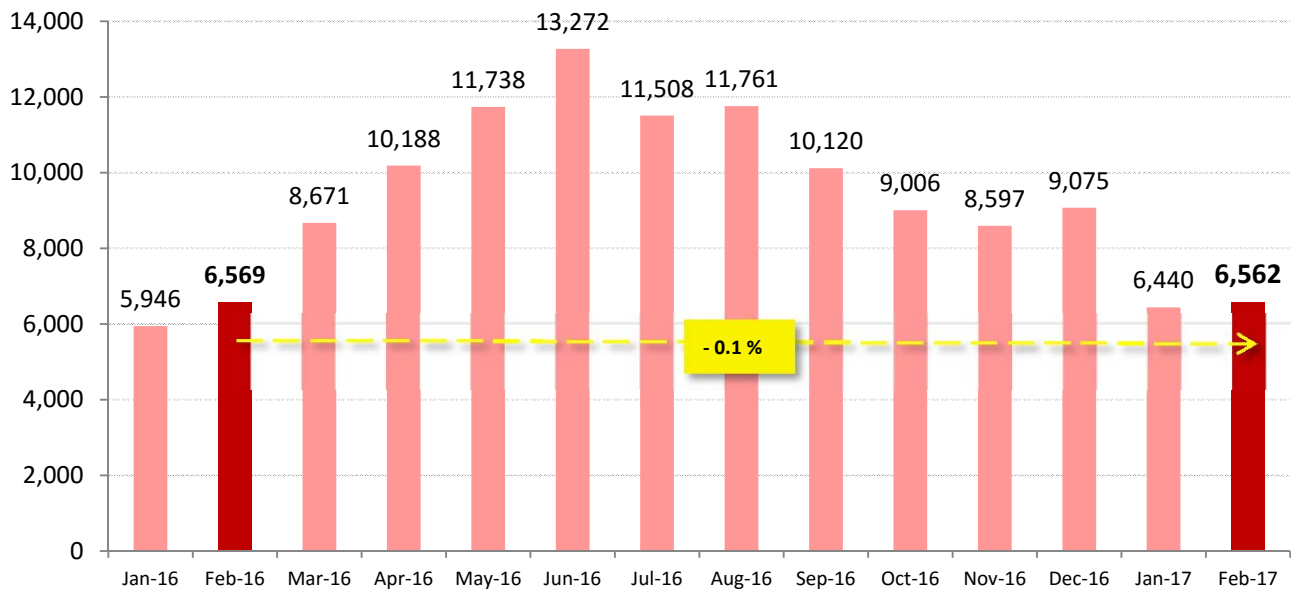
February 2017 volume (the sum of all transactions) exceeded \$2.074 billion, rising 3.9 percent from last year's February volume. On the month, volume rose 2 percent (from \$2.033 billion). The rise in volume was magnified exclusively by the strong performance in price, since pace was unchanged. Statewide median sales price for February 2017 was \$260,000, 6.1 percent higher than the median price last February (\$245,000). Typical of the season, February median price rose from January's \$255,000 (2 percent).

Also reflecting buyer motivation, the average number of days on the market declined significantly year-over-year by 9.5 percent, from 84 to 76.

The average 30-year fixed mortgage interest rate for February 2017 rose slightly to 4.17 percent. The Federal Reserve Bank announced an increase of 25 basis points to the key rate on March 15<sup>th</sup>, acting on strong labor reports.

## February Sales Pace

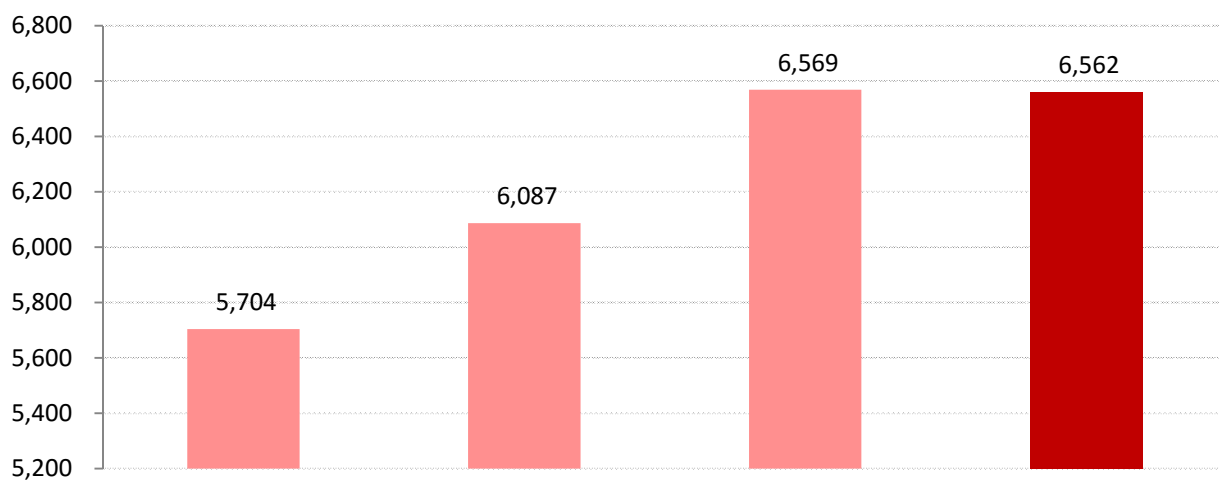
### Single Family, Condo, Townhome



Year-over-year, February sales were flat, varying by only seven transactions (or 0.1 percent). Typical of seasonal trends, the month-to-month figure increased by 1.9 percent. The Virginia residential market typically increases in sales each month from the beginning of the year to the summer peak.

## February Benchmarks - Sales Pace

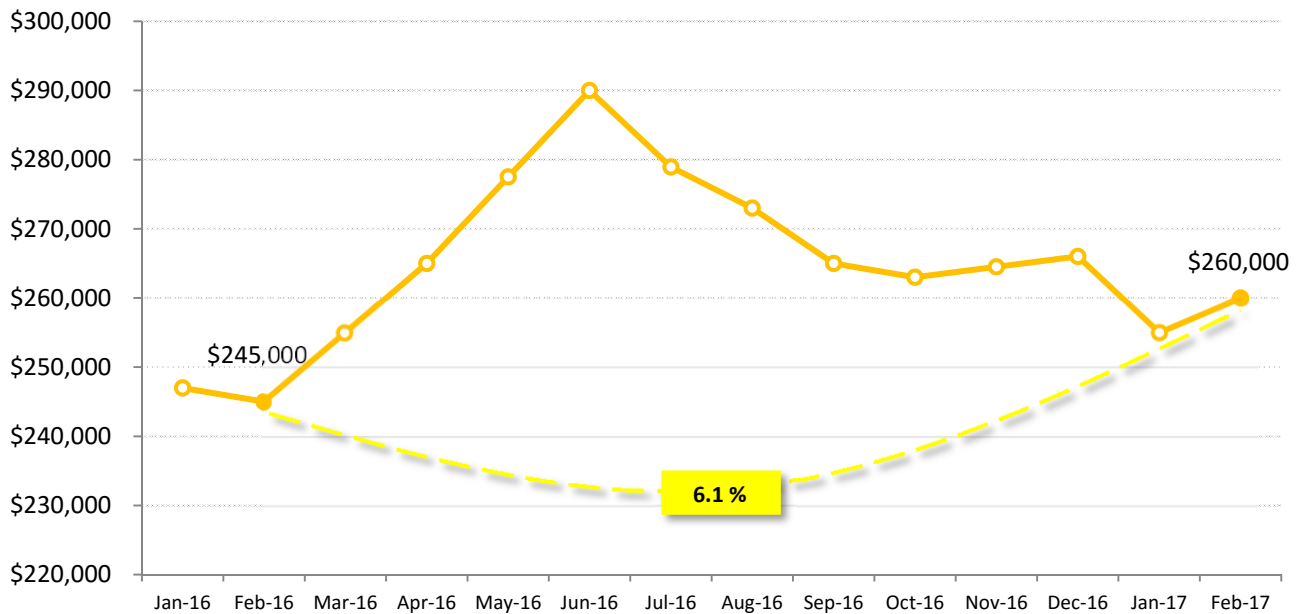
### Single Family, Condo, Townhome



February benchmarks are a clear indicator of long term market gains. February 2017 sales were 7.8 percent higher than in 2015 and 15 percent higher than in 2014.

## Median Sales Price

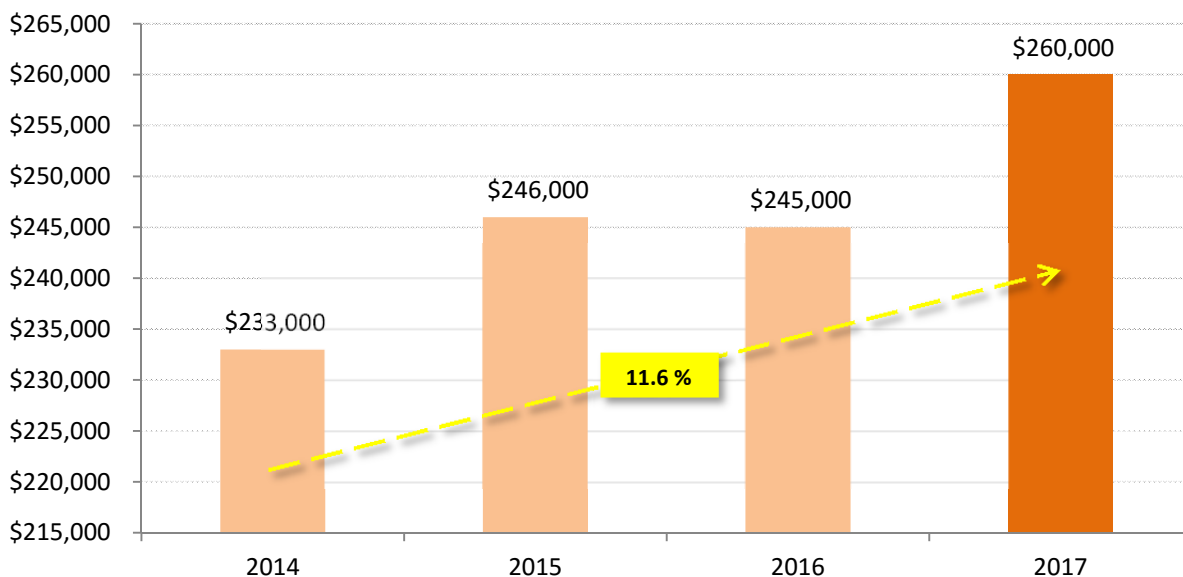
### Single Family, Condo, Townhome



Median price rose from February 2016 by 6.1 percent, from \$245,000 to \$260,000. In keeping with historical trends, price rose from January by 2 percent (from \$255,000). Sustained increases in price reflect strong demand. Below, historical benchmarks indicate long-term gains in median price.

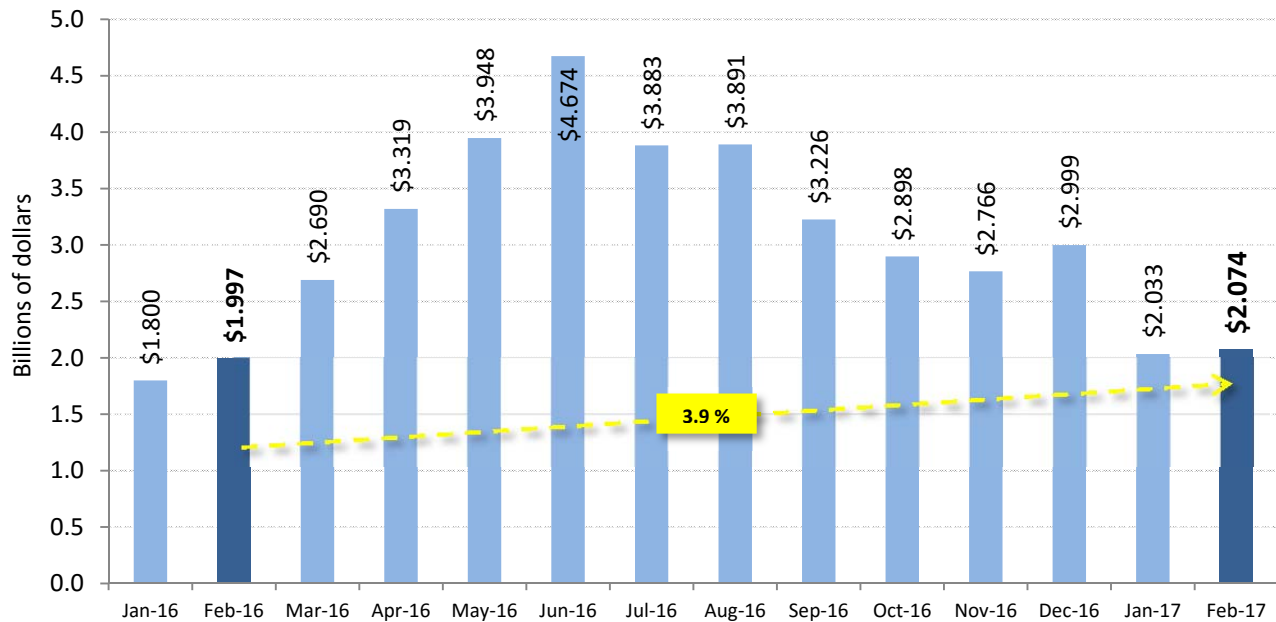
## February Benchmarks - Median Price

### Single Family, Condo, Townhome



## Residential Sales Volume - Monthly

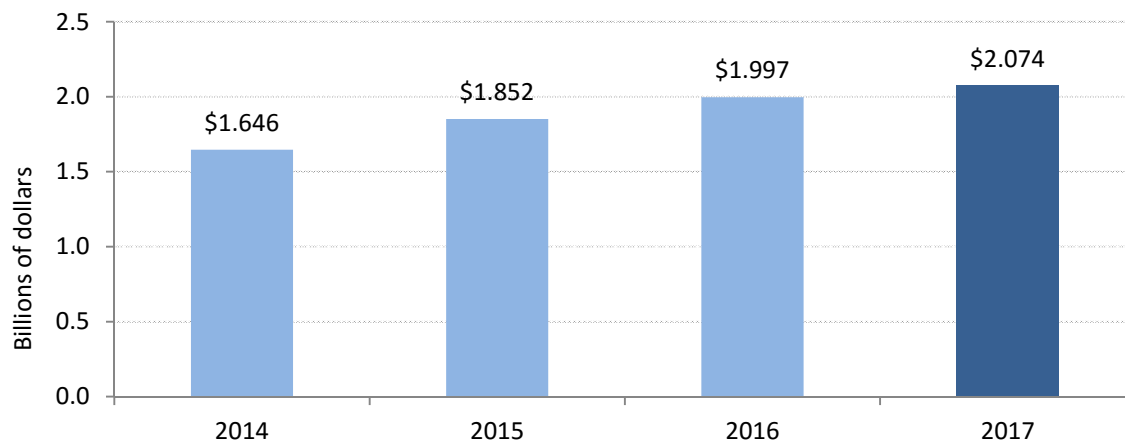
Single Family, Condo, Townhome



Sales volume (the total dollar value of all sales for a given period) totaled \$2.074 billion for February 2017, an increase of 3.9 percent from the preceding February (\$1.997 billion). Volume, a multiplier of price and number of transactions, rose on the increase in median price since pace was unchanged year-over-year.

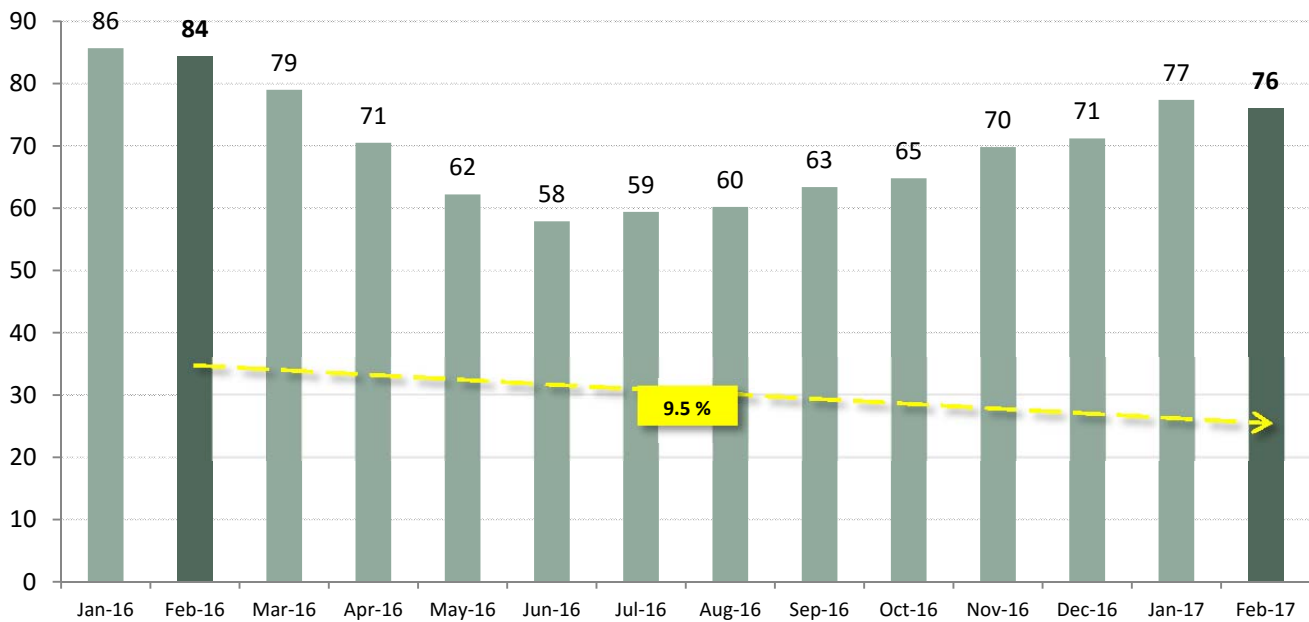
## February Benchmarks - Sales Volume

Single Family, Condo, Townhome



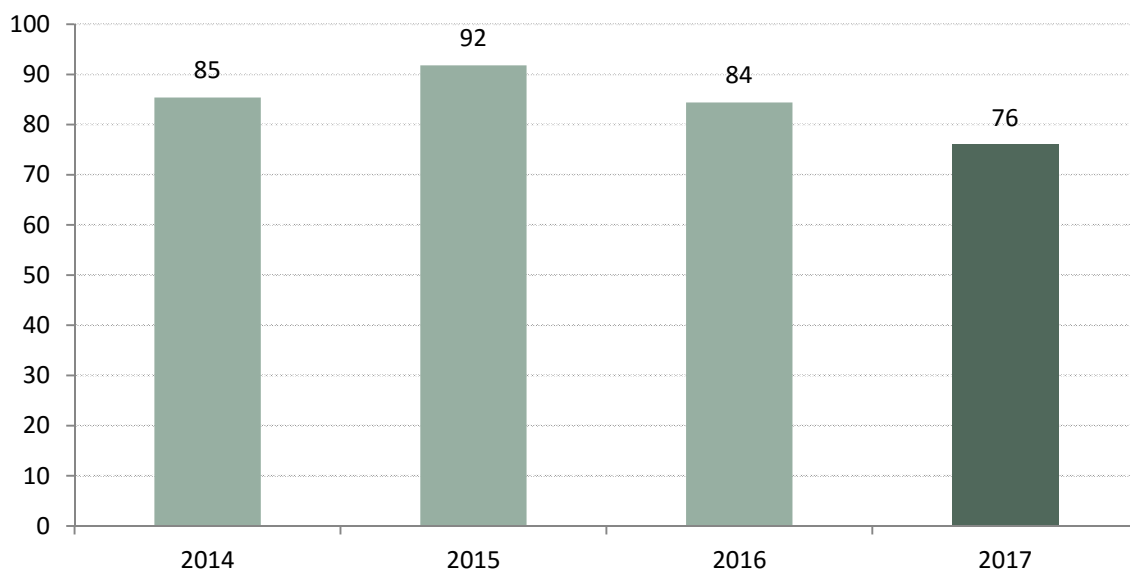
The historical measures for February volume illustrate improvement on a continued annual basis.

## Average Days on Market Single Family, Condo, Townhomes



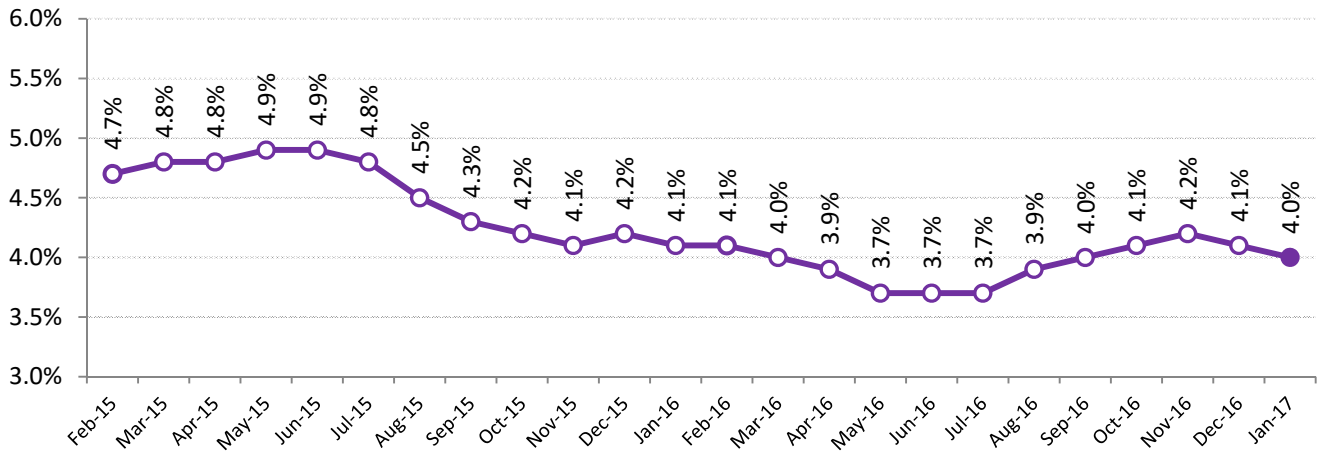
The chart above illustrates the average number of days on the market for each month. Shorter transaction time suggests strong buyer motivation. Relative to last year, February 2017 average time from list to close quickened by 9.5 percent (from 84 days to 76 days).

## February Benchmarks - Days on Market Single Family, Condo, Townhomes



### Virginia Unemployment Rate

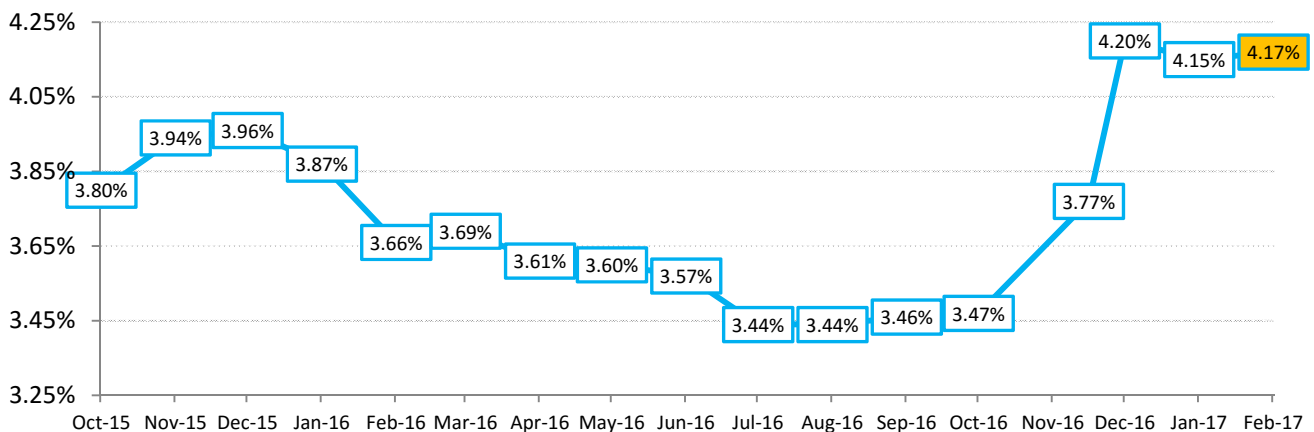
Source: Bureau of Labor Statistics



The latest reported Virginia unemployment rate for January 2017 indicated a slight decline from the prior month. Virginia unemployment continues to track below the national average. Low unemployment is correlated with bolstered consumer confidence that may encourage buyers to enter the market.

### Average 30 -Year Mortgage Interest Rate

Source: FreddieMac



The Federal Reserve Bank responded to strong labor reports recently with a raise in the key rate of 25 basis points. Though mortgage rates did not react dramatically to the announcement, their rise is a certainty for buyers and should compel entry to the market while they remain advantageous.



The Virginia REALTORS® association is the largest professional trade association in Virginia, representing approximately 32,000 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.