

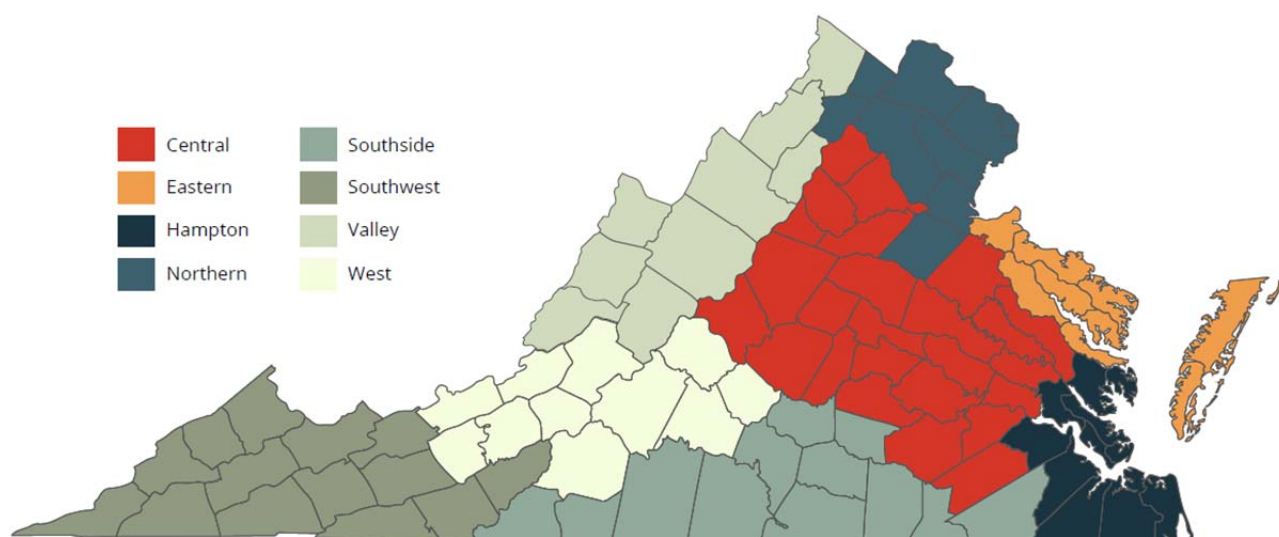
Virginia

HOME SALES REPORT

JANUARY 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

January Market Summary

The beginning of 2017 has reflected notable year-over-year improvement. Pace, or the total number of transactions, rose from January 2016 by 6.5 percent (from 5,946 transactions to 6,335). Likewise, January volume grew year-over-year, from \$1.800 billion in 2016 to \$2.005 billion in 2017. The 11.4 percent increase in volume is attributed to both rising sales numbers and rising median price. Statewide, median price for January 2017 rose 3.2 percent from January 2016, from \$247,000 to \$255,000.

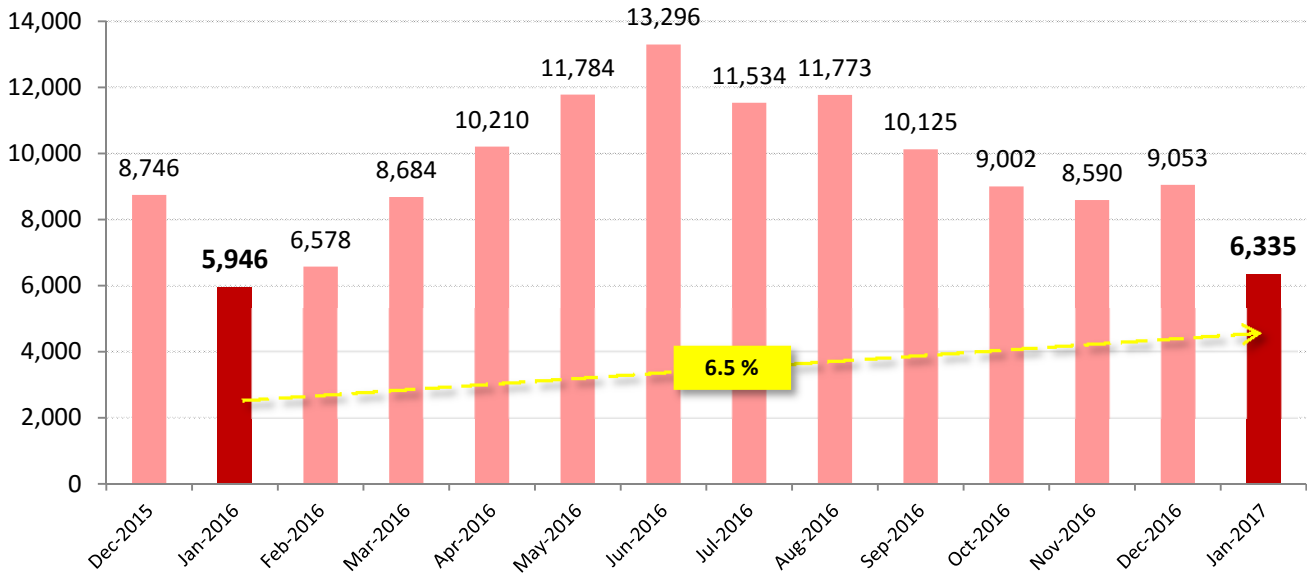
Typical of industry seasonality, January sales pace and volume fell significantly from December. The declines of 30 percent and 33 percent, respectively, were less steep than the December to January seasonal adjustments last year. By comparison, last January's pace was 32 percent less than in December, and volume was 36.2 percent lower. Virginia's historical trends indicate that sales climb every month from January to June as they reach summer's market peak.

Along with declining days on the market, the 3.2 percent year-over-year increase in median price (from \$247,000 to \$255,000) indicates continued buyer motivation. Average days on the market declined year-over-year from 86 to 77 (10.5 percent).

The average 30-year fixed mortgage interest rate for January 2017 dipped slightly to 4.15 percent after spiking at year's end. Though the Federal Reserve Bank deferred raising the key rate in January, the prospect of rising mortgage rates may propel buyers into the market while financing remains historically affordable.

Sales Pace - Monthly

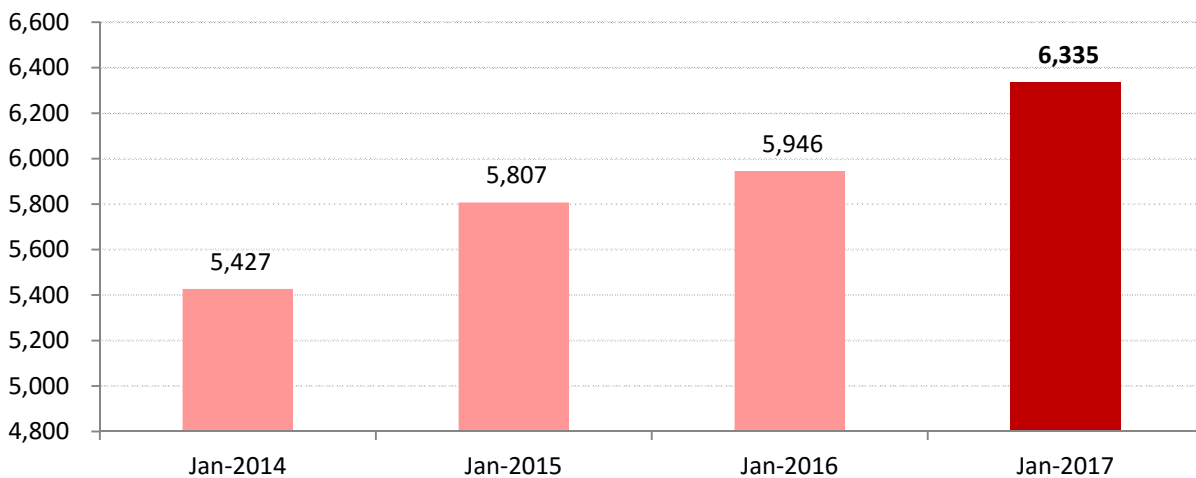
Single Family, Condo, Townhome



January 2017 sales rose 6.5 percent year-over-year. Predictably, the month-to-month figure fell 30 percent from December. The Virginia residential market typically sees a year-end boost before the slowest month of performance in January. As the seasonal climate warms up, so does Virginia’s housing market, with sales climbing month-to-month from the January trough to summer peak.

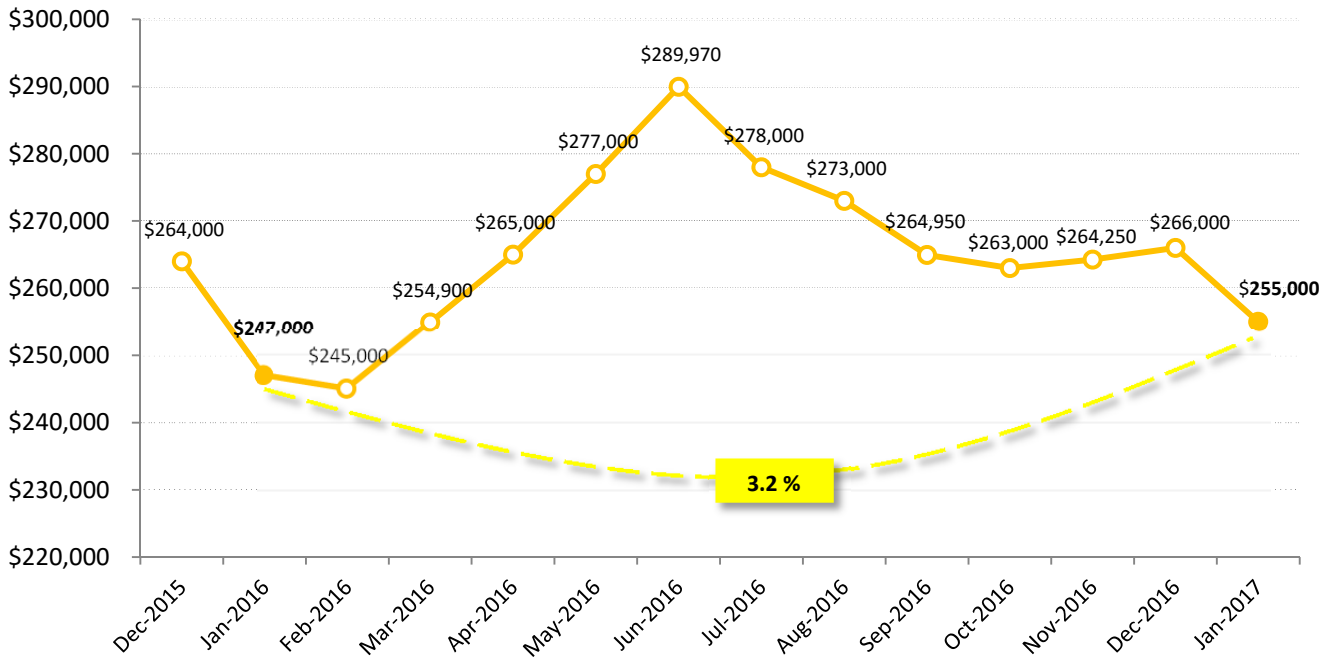
January Benchmarks - Sales Pace

Single Family, Condo, Townhome



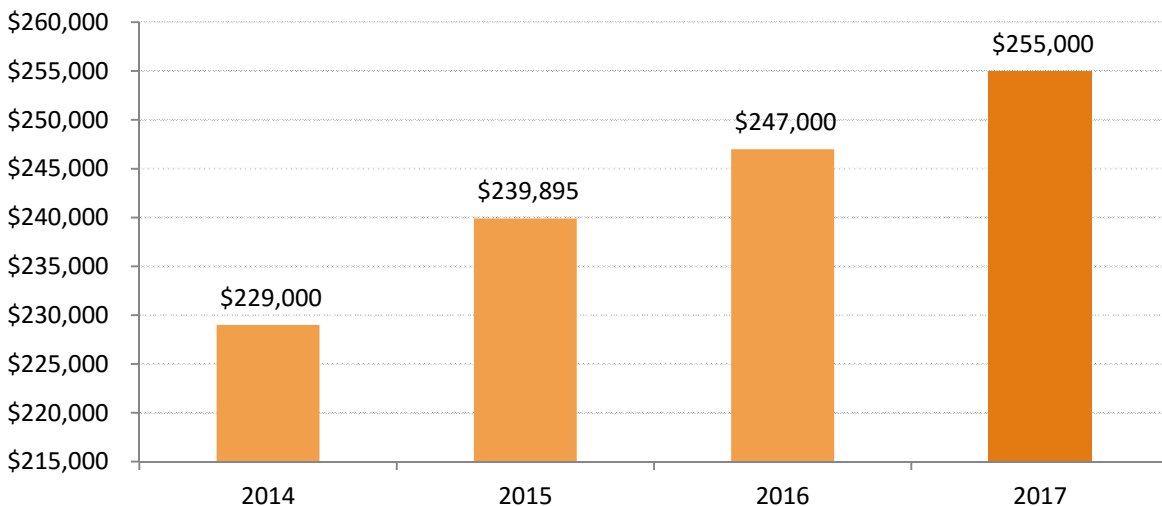
January benchmarks are a clear indicator of sustained market strengthening. January 2017 sales were 9.1 percent higher than in 2015 and 16.7 percent higher than in 2014.

Median Sales Price Single Family, Condo, Townhome



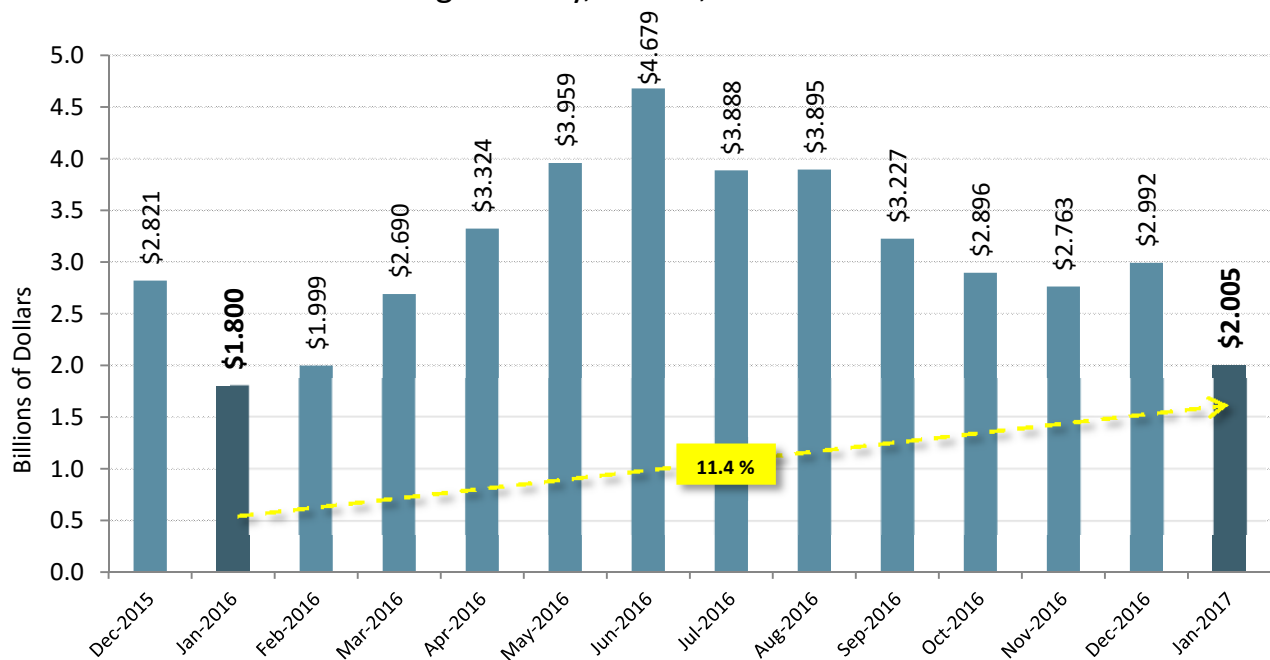
Median price rose from January 2016 by 3.2 percent, from \$247,000 to \$255,000. Though price fell predictably from December to January, its decline was less pronounced than between December 2015 and January 2016. The overall buoyed price trend reflects strong demand. Below, historical benchmarks indicate long-term sustained gains in median price.

January Benchmarks - Median Price Single Family, Condo, Townhome



Residential Sales Volume - Monthly

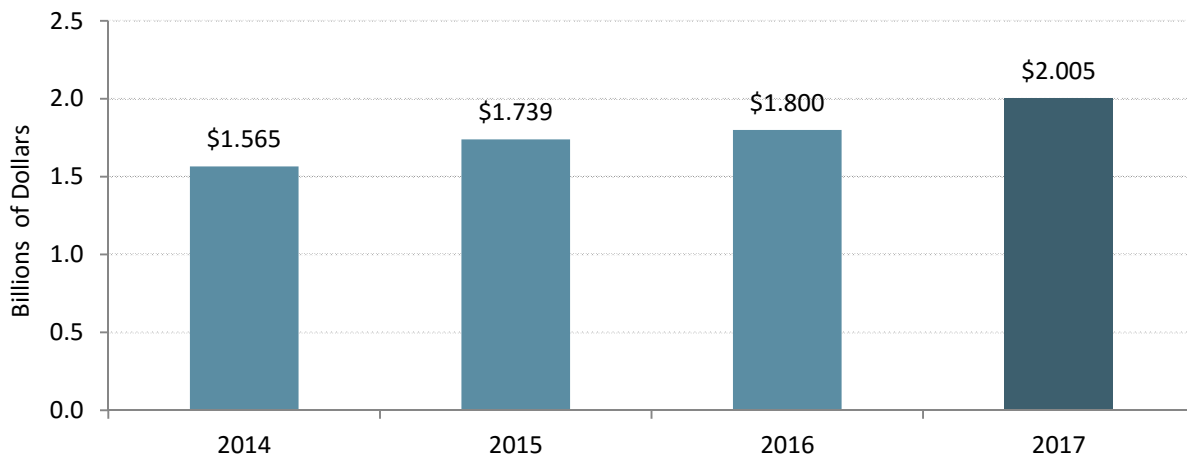
Single Family, Condo, Townhome



Sales volume (the total dollar value of all sales for a given period) totaled \$2.005 billion for January 2017, an increase of 11.4 percent from the preceding January (\$1.800 billion). Volume, a multiplier of price and number of transactions, reflects the improvement in each of those metrics.

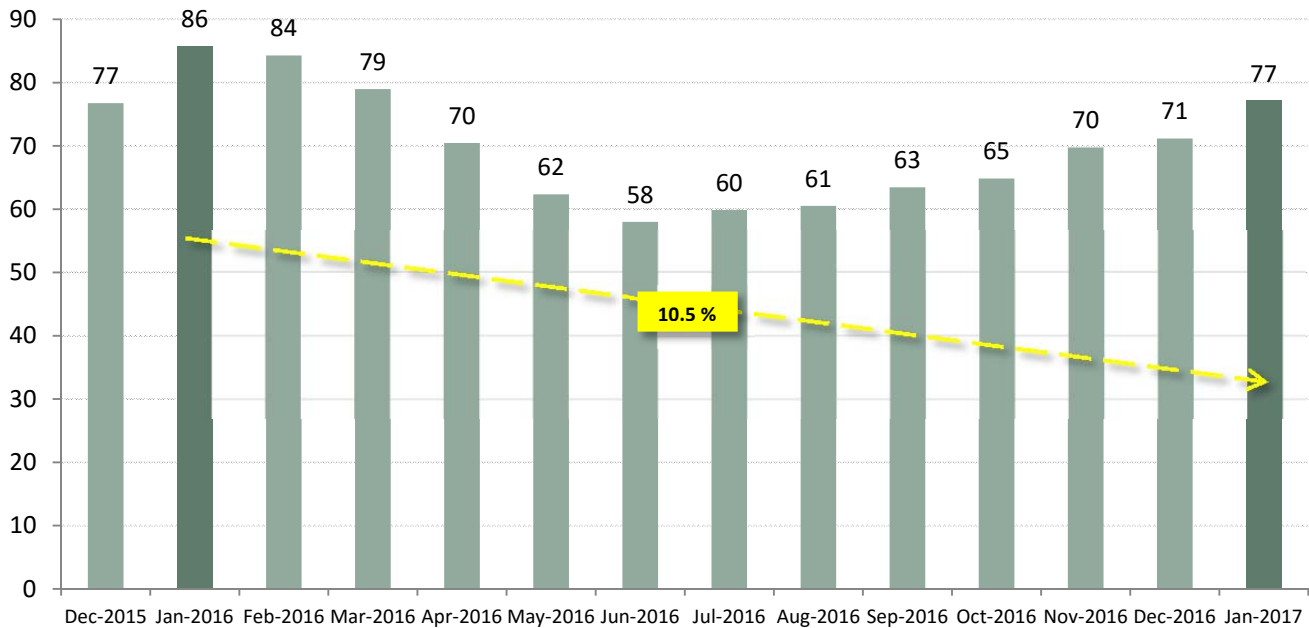
January Benchmarks - Sales Volume

Single Family, Condo, Townhome



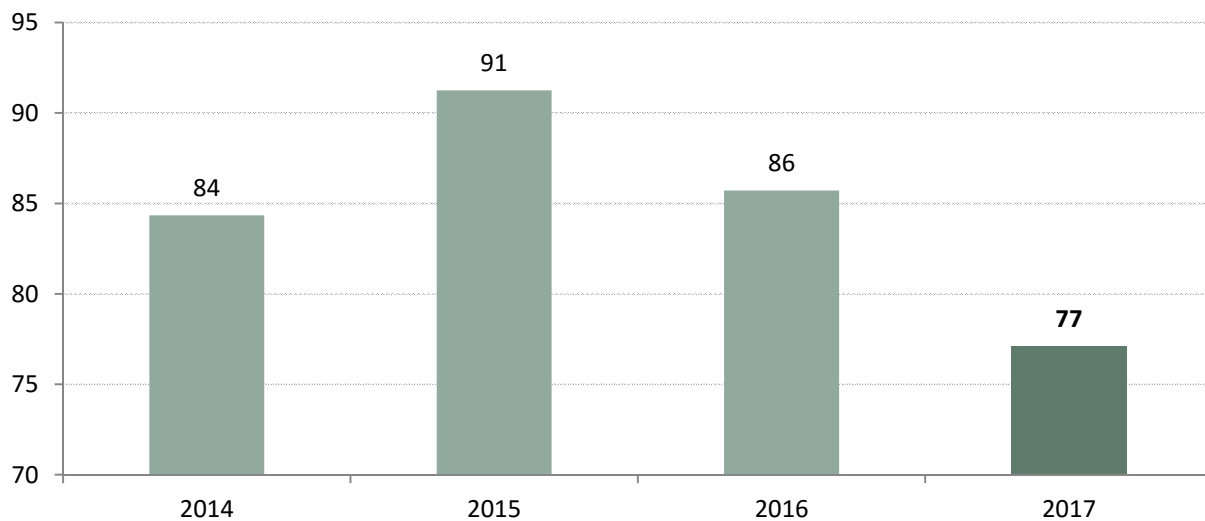
Like the annual benchmarks for sales pace and median price, the historical measures for January volume illustrate improvement on a continued annual basis.

Average Days on the Market Single Family, Condo, Townhome



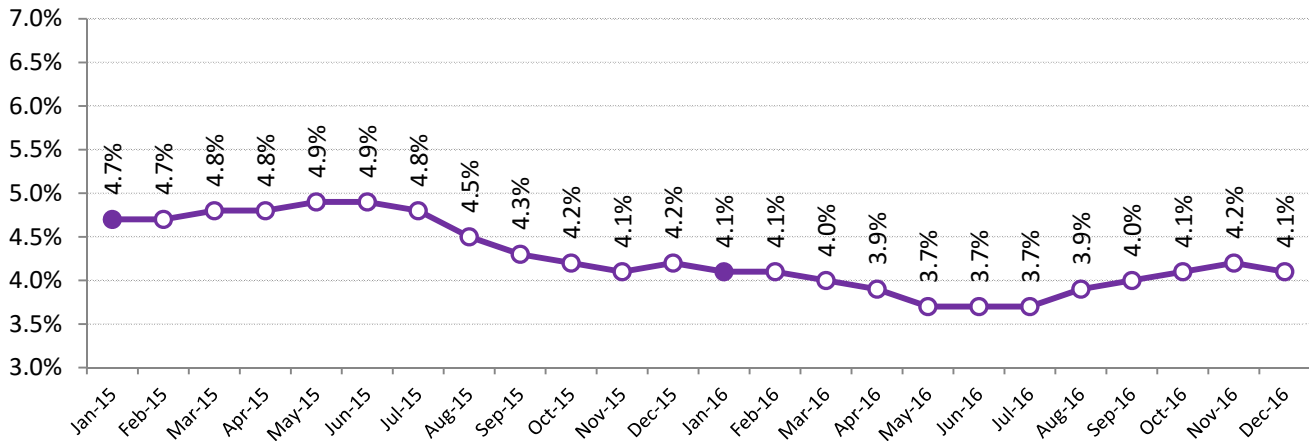
The chart above illustrates the average number of days on the market for each month. Average days on the market increase seasonally, as activity slows in winter months. Relative to last year, January 2017 average time from list to close quickened by 10.5 percent (from 86 days to 77 days). The shorter transaction time suggests strong buyer motivation.

January Benchmarks - Days on Market Single Family, Condo, Townhome



Virginia Unemployment Rate

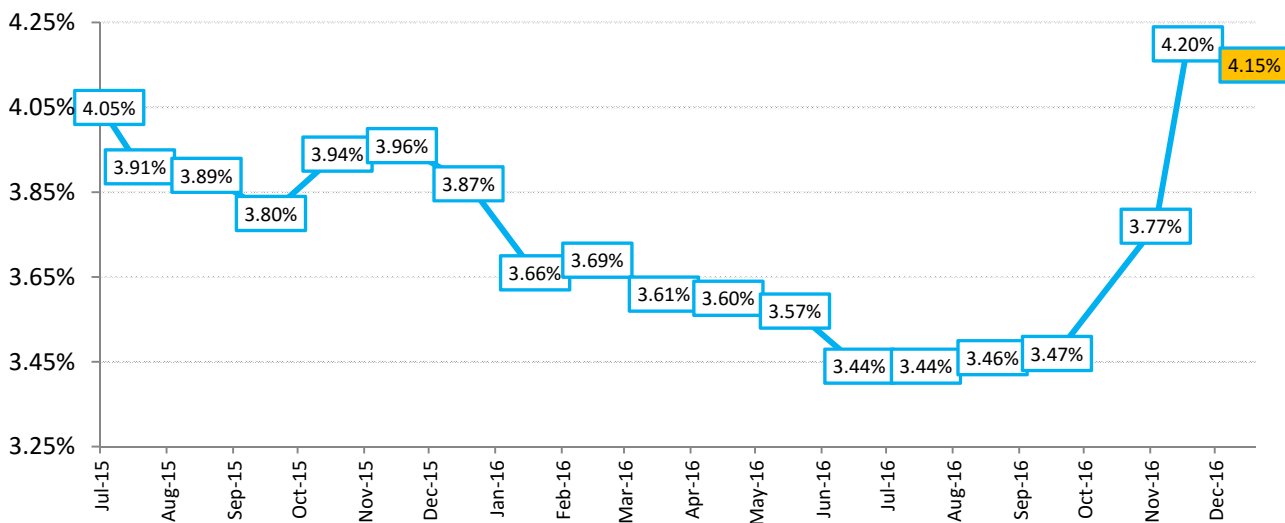
Source: Bureau of Labor Statistics



The latest reported Virginia unemployment rate fell slightly 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



Rates spiked dramatically following the November federal elections, but have held steady in the beginning of 2017. The Federal Reserve Bank announced in January that it would not raise the key rate, moderating the prospect of significant increases in the near term. Despite the increases, rates remain enticing and the current affordability of borrowing should compel buyer activity.

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.

All inquiries regarding this report may be directed to:

Jenny Wortham
Virginia REALTORS®
Jenny@VARealtor.com
804-262-3755

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.