

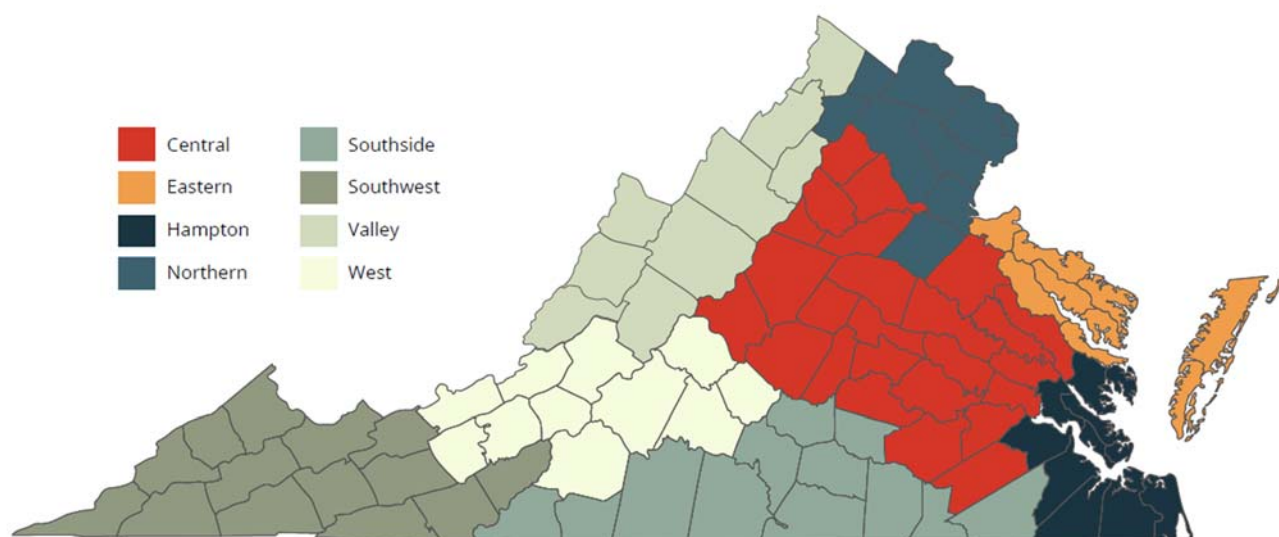
Virginia

HOME SALES REPORT

OCTOBER 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, Greenville, 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

October Market Summary

October sales of existing homes indicate that Virginia's residential real estate market remains very strong. Year-to-date volume (the sum of all sales) for the period January through October rose 8.5 percent over the same period in 2016, from \$32.460 billion to \$35.226 billion. October 2017 volume (the sum of all transactions) was \$3.191 billion, rising 9.8 percent from last October's volume (\$2.907 billion). In keeping with industry seasonality, volume fell from September by 2 percent (from \$3.256 billion).

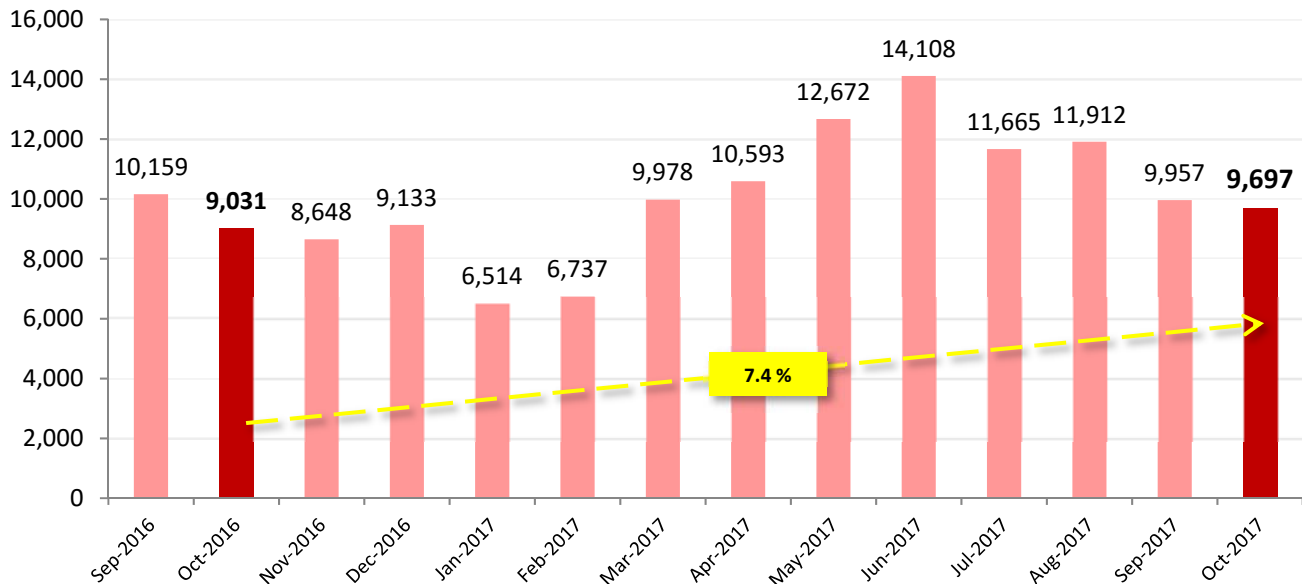
Month-over-month, transactions in October tapered by 2.6 percent (from 9,957 to 9,697), also in accordance with historical trends. Year-over-year, sales escalated from October 2016 to October 2017 by 7.4 percent.

Statewide median sales price for October 2017 was \$269,900, an increase of 2.6 percent from the median price last October (\$263,000). Reflecting historical seasonal trends, October median price fell from September's by 1.1 percent (from \$267,000). The sustained elevated median price, year-over-year spike in October pace, and decline in average days on the market illustrate continued high demand. The average number of days on the market declined 7.7 percent year-over year, from 65 to 60 days.

The average 30-year fixed mortgage interest rate for October increased to 3.90 percent. The Virginia unemployment rate dropped from the prior month to 3.6 percent. Relative consumer confidence and growing anticipation that interest rates will increase continue to motivate buyers with urgency into Virginia's housing market.

Sales Pace - Monthly

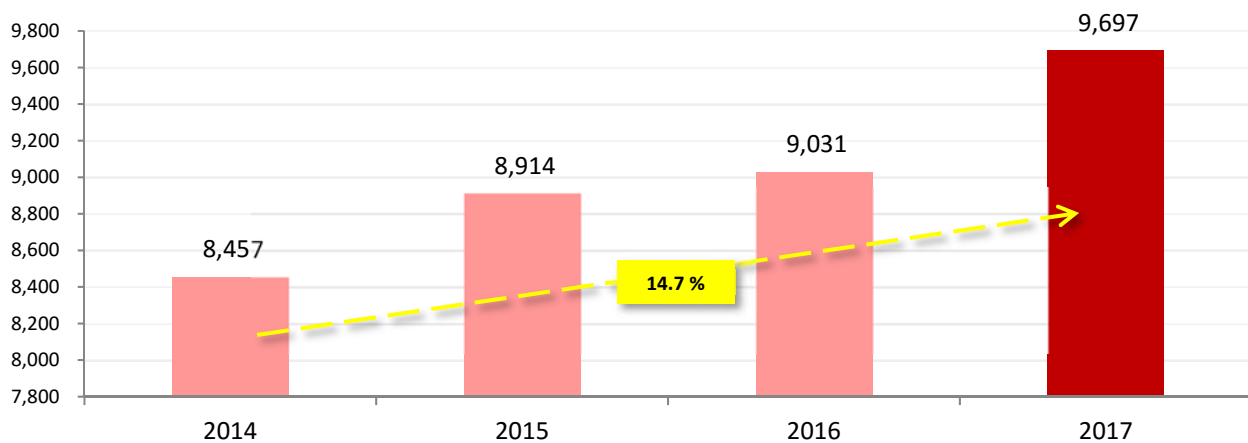
Single Family, Condo, Townhome



Year-over-year, the number of transactions in October rose by 7.4 percent (from 9,031 in 2016 to 9,697 in 2017). Relative to the prior month, October sales fell by 2.6 percent, typical of industry seasonality but less pronounced than last year’s decline from September to October (11.1 percent). Year-to-date sales (January through October) have risen 4.8 percent, from 99,101 in 2016 to 103,833 in 2017.

October Benchmarks - Sales Pace

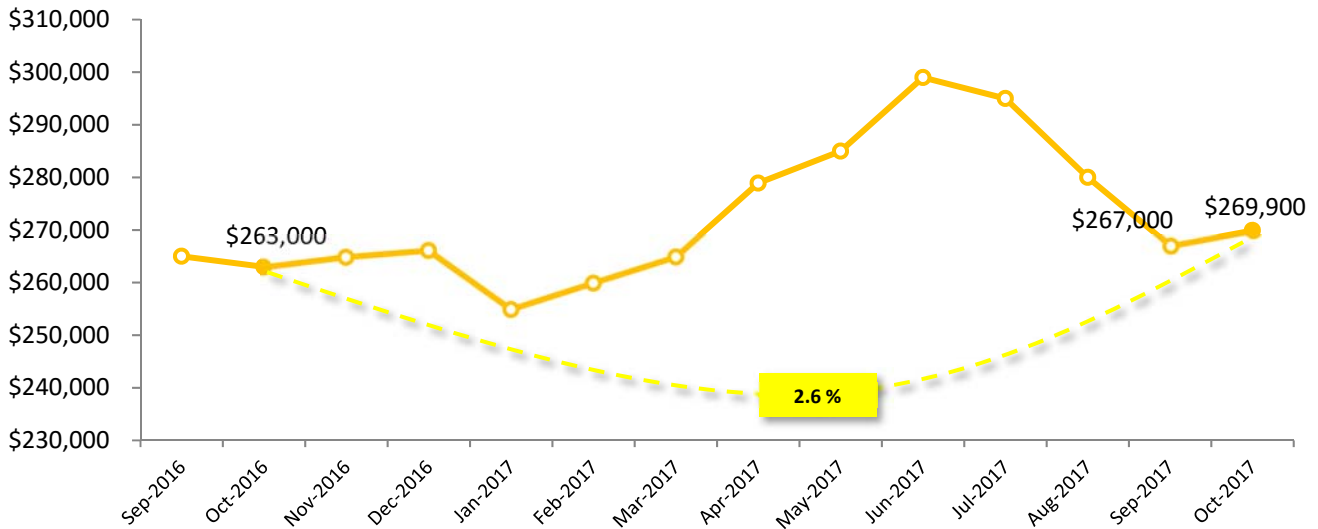
Single Family, Condo, Townhome



October sales pace has risen significantly over time, up nearly 15 percent relative to the 2014 benchmark.

Median Sales Price

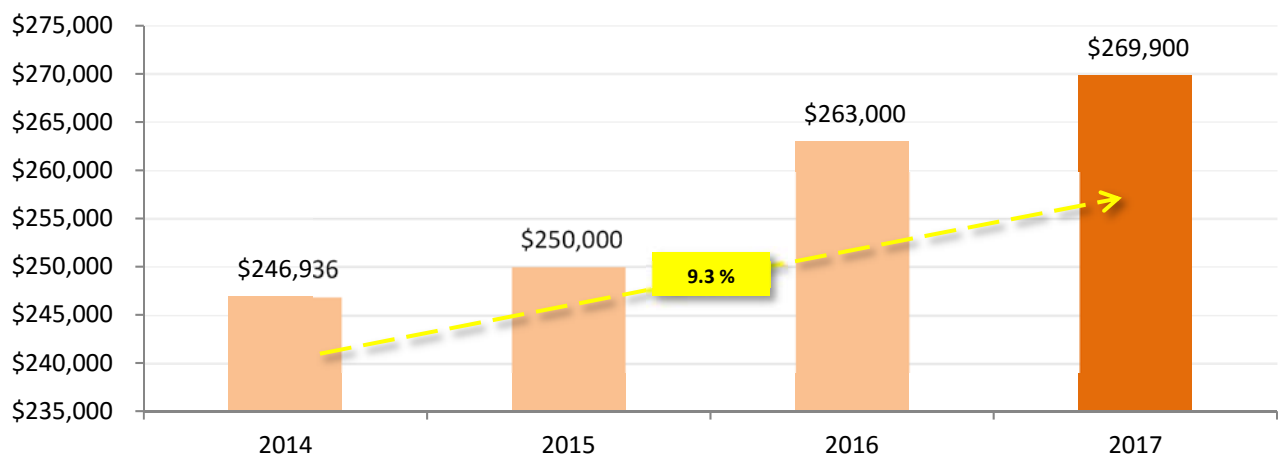
Single Family, Condo, Townhome



Median price rose from October 2016 by 2.6 percent, from \$263,000 to \$269,900. Price rose from the prior month by 1.1 percent (from \$267,000). The month-over-month price increase was a departure from the historical trend of declining median price through the early fourth quarter. The elevation in price illustrates that buyer interest remains high, as demand continues to support premiums. Below, historical benchmarks indicate continued long-term price escalation.

October Benchmarks - Median Price

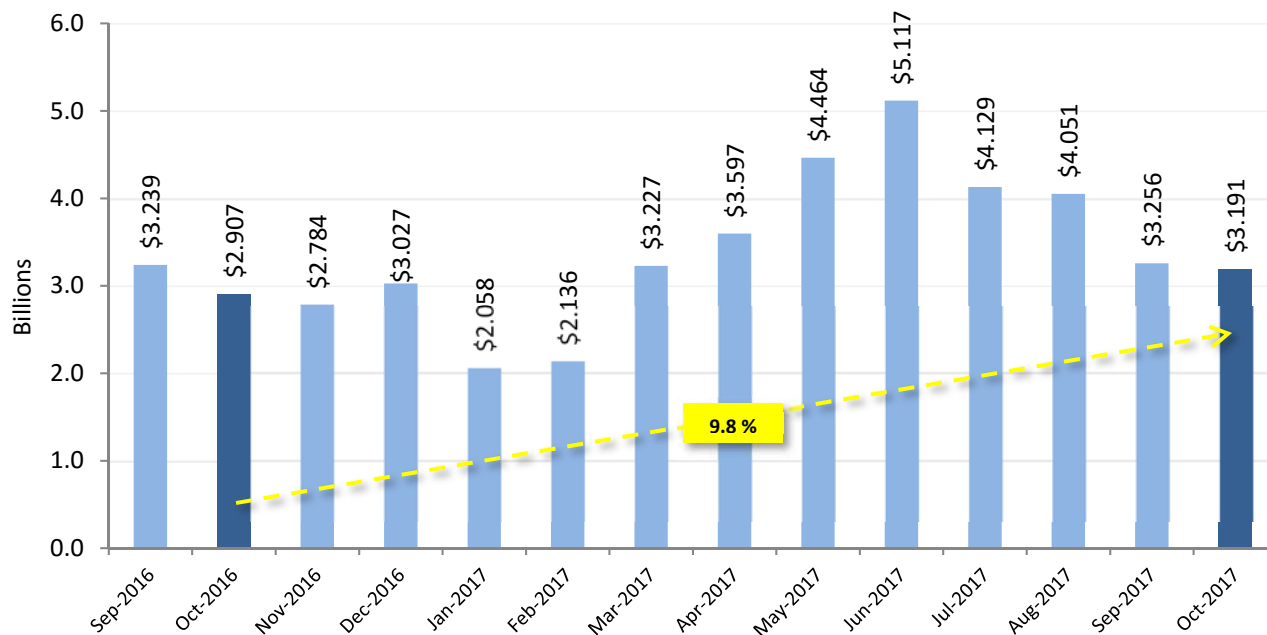
Single Family, Condo, Townhome



Median price for October has risen 9.3 percent from its 2014 benchmark, averaging an increase of 3 percent each year for the last three years.

Residential Sales Volume - Monthly

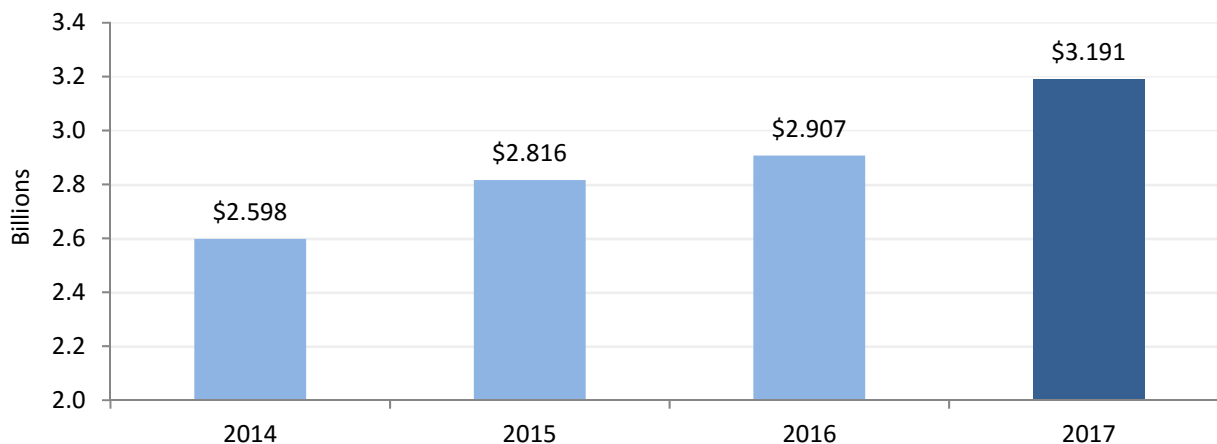
Single Family, Condo, Townhome



Sales volume (the total dollar value of all sales for a given period) totaled \$3.191 billion for October 2017, a notable increase of 9.8 percent from the preceding October (\$2.907 billion). As a multiplier of price and number of transactions, October volume was boosted by both rising median price and strong pace. Month-over-month, volume fell by 2 percent, typical of industry seasonality as both activity and price trend higher in summer earlier months.

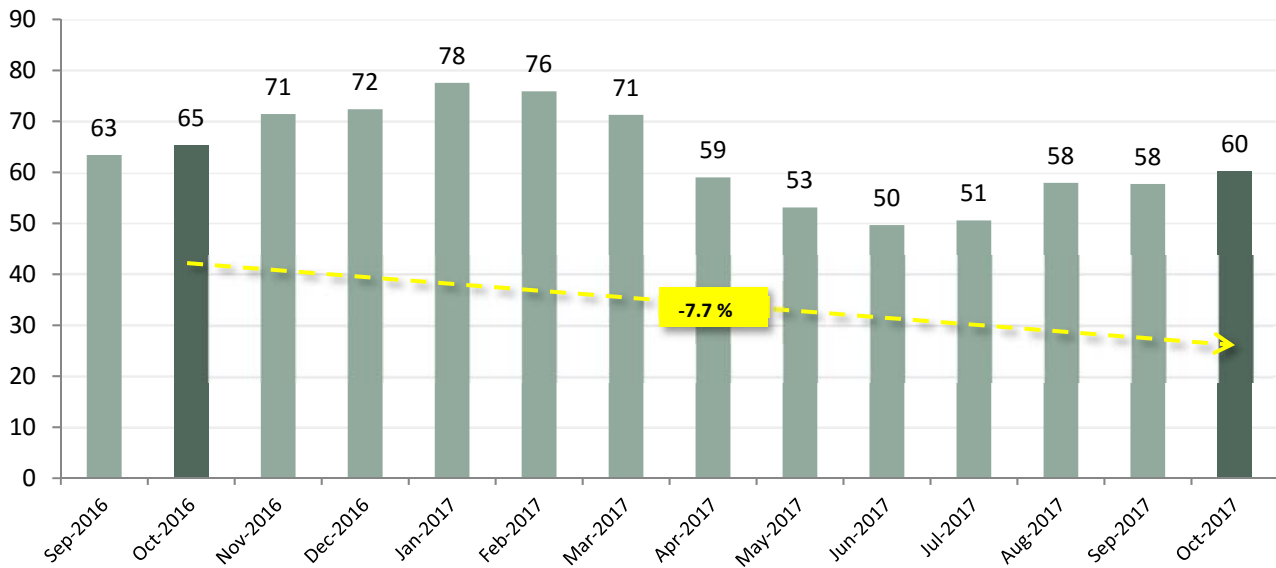
October Benchmarks - Sales Volume

Single Family, Condo, Townhome



Average Days on Market

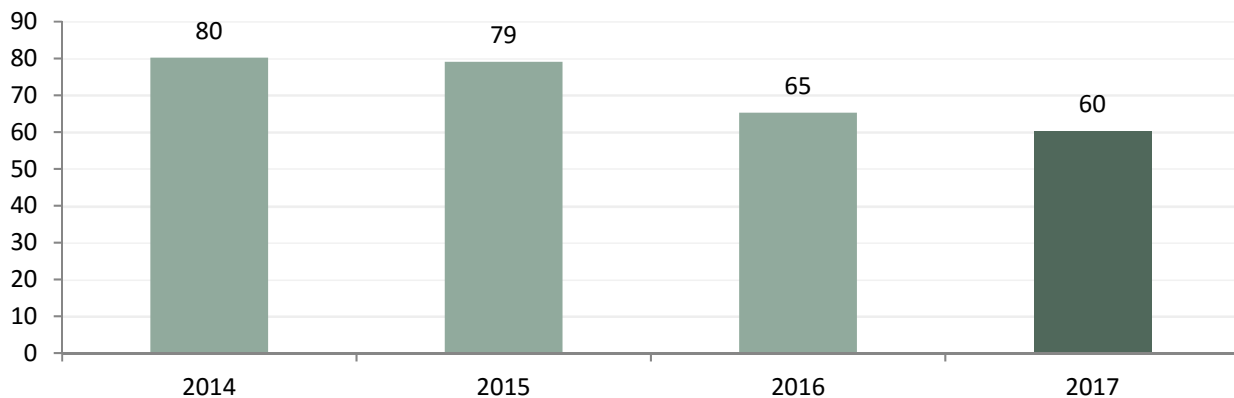
Single Family, Condo, Townhomes



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, October 2017 average time from list to close decreased by 7.7 percent (from 65 days to 60 days). Month-to-month, average days on the market increased by only 2 days, or 3.4 percent. In other years, increases have been steeper at the end of the year, as demand tapers and properties wait on the market longer. This year’s metrics further illustrate sustained high demand.

October Benchmarks - Days on Market

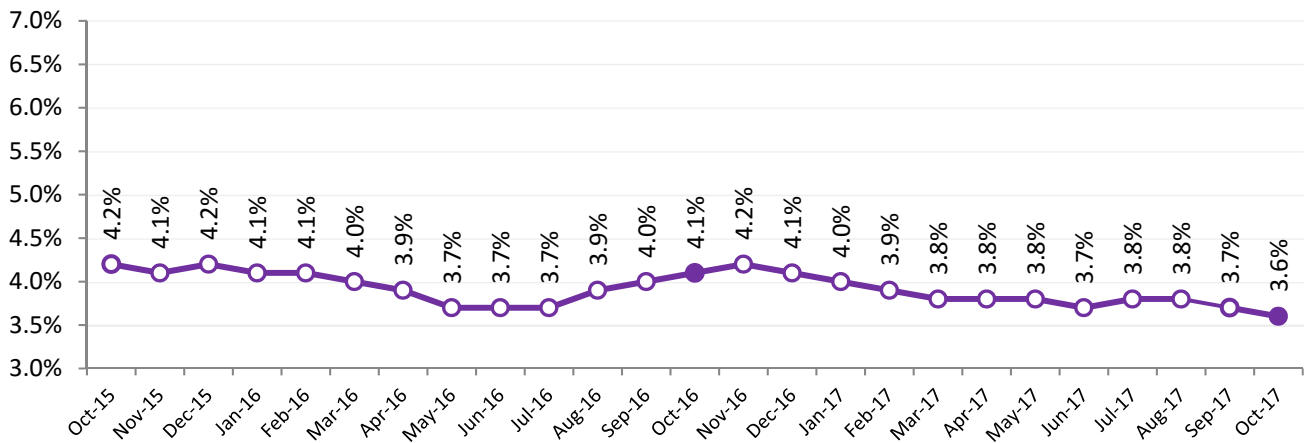
Single Family, Condo, Townhomes



An inverse of the pace and volume trends, average days on the market have declined progressively year-over-year.

Virginia Unemployment Rate

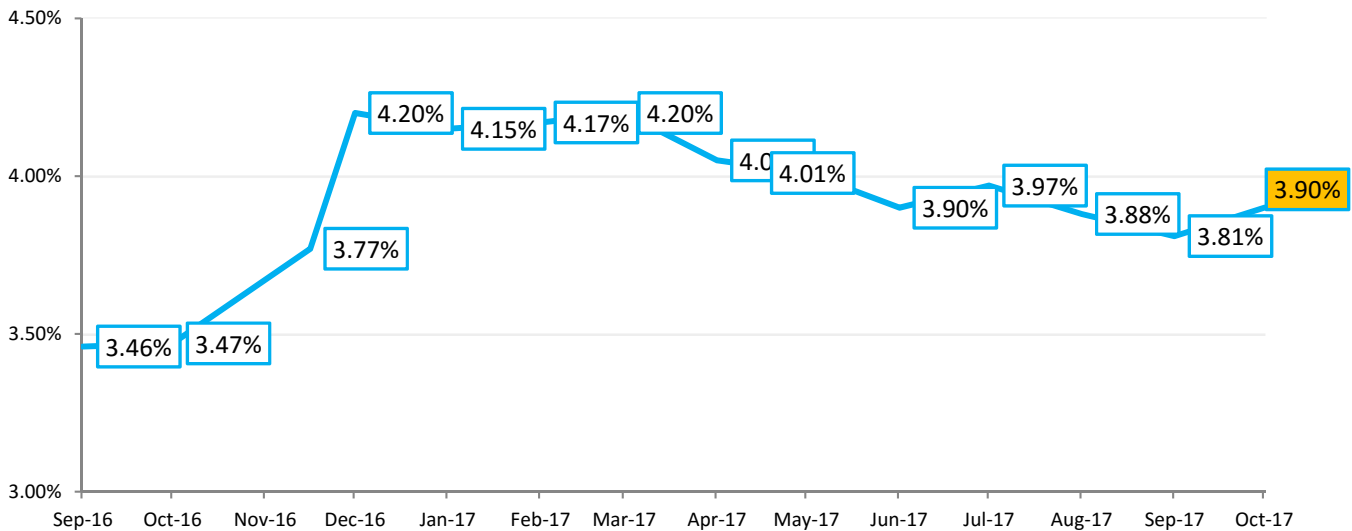
Source: Bureau of Labor Statistics



The latest reported Virginia unemployment rate for October 2017 indicated continued low unemployment, declining from the previous month to 3.6 percent. Virginia unemployment continues to track well below the national average. Low unemployment is correlated with bolstered consumer confidence and encouragement for buyers to enter the market.

Average 30 -Year Mortgage Interest Rate

Source: FreddieMac



The average 30-year fixed mortgage interest rate for October 2017 rose to 3.90 percent. The nomination of a new President of the Federal Reserve (Jerome Powell) was announced on November 2, and speculation of a rate hike in December remains high. Nevertheless, financing remains historically affordable and encouraging to buyers eager to enter the market.

The Virginia REALTORS® association is the largest professional trade association in Virginia, representing approximately 33,000 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 Palmer
Virginia REALTORS®
jpalm@virginiarealtors.org
804-262-3755

The numbers reported here are preliminary and based on current entries into multiple listing services. Over time, data may be adjusted to reflect increased reporting. Information is sourced from multiple listing services across Virginia and is deemed reliable, but not guaranteed.