

# Virginia

## HOME SALES REPORT

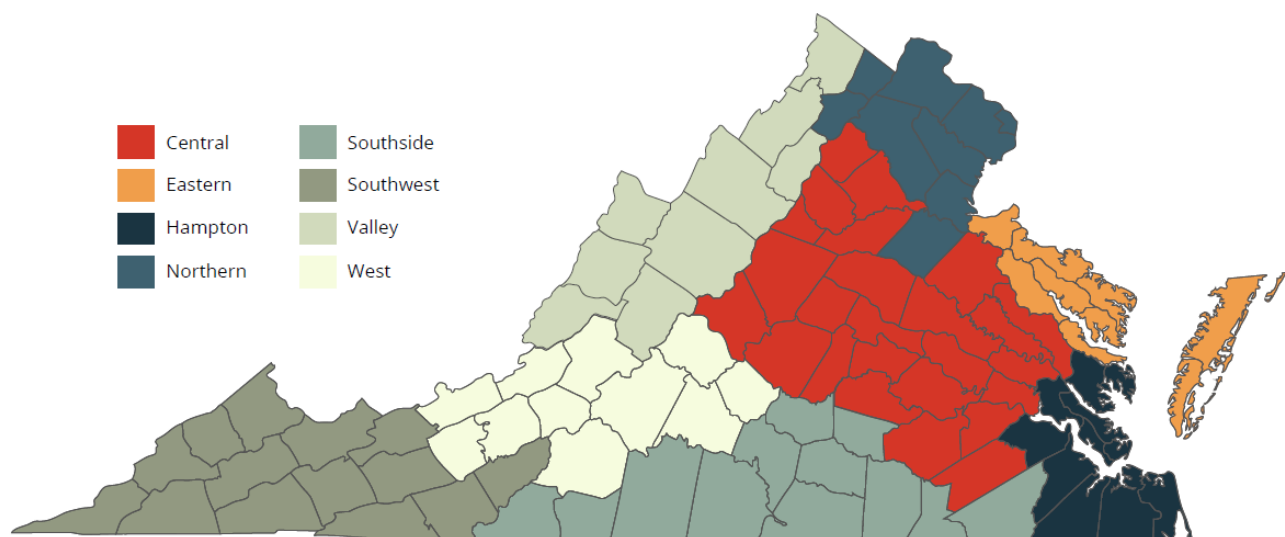
**AUGUST 2018**



Published by the Virginia REALTORS®, the advocate for real estate professionals and property owners in Virginia.

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

## August Market Summary

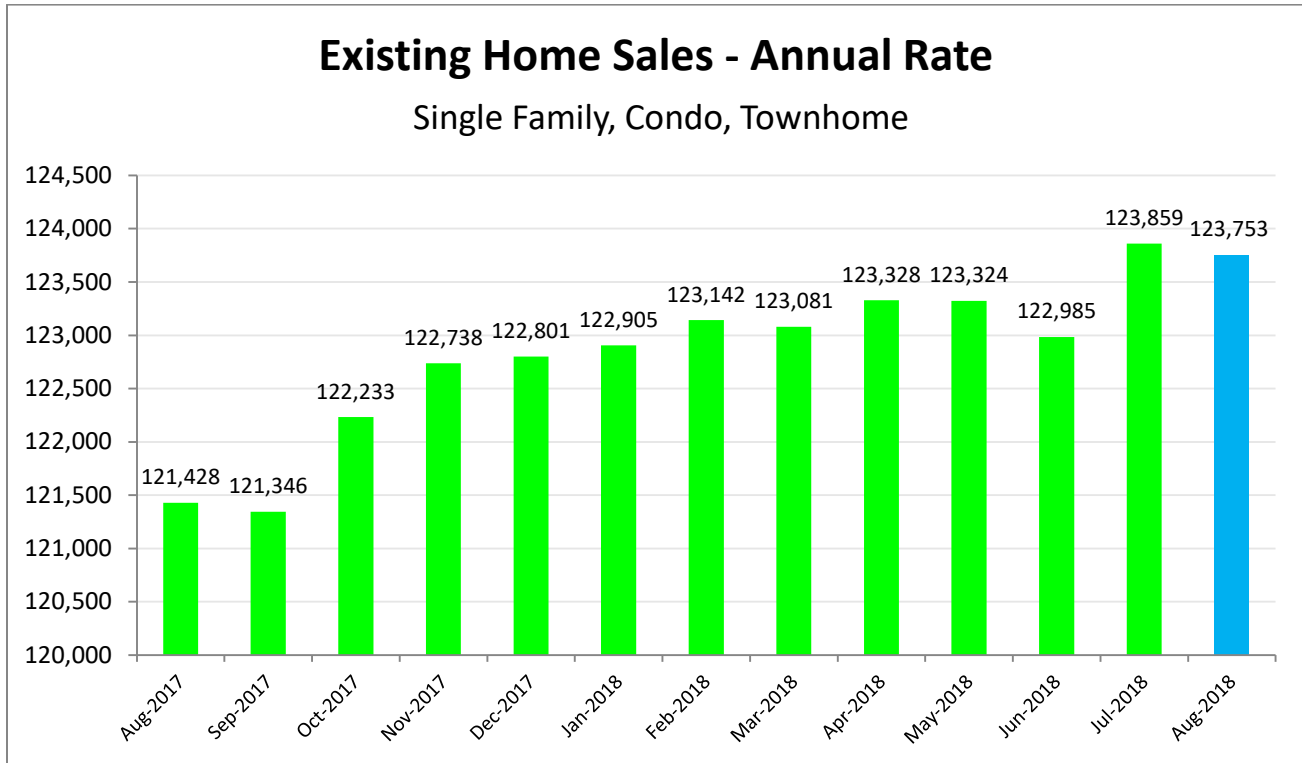
Existing homes sales in Virginia rebounded from a sluggish June (down 4.2%) and rose 6.7% in July. July existing home sales rose from 11,710 existing-home sales in July 2017 to 12,495 in July 2018. Annualized existing-home sales, a measure of the preceding 12 months of activity, totaled 123,697 sales at the end of July.

Statewide inventory levels dropped from 6.1 months of supply to 5.9 months in July. Regional inventory varied widely from a low of 3.5 months in the Central region to a high of 24.9 months in the Southwest region. Inventory levels in the urban areas were significantly lower than in the rural areas.

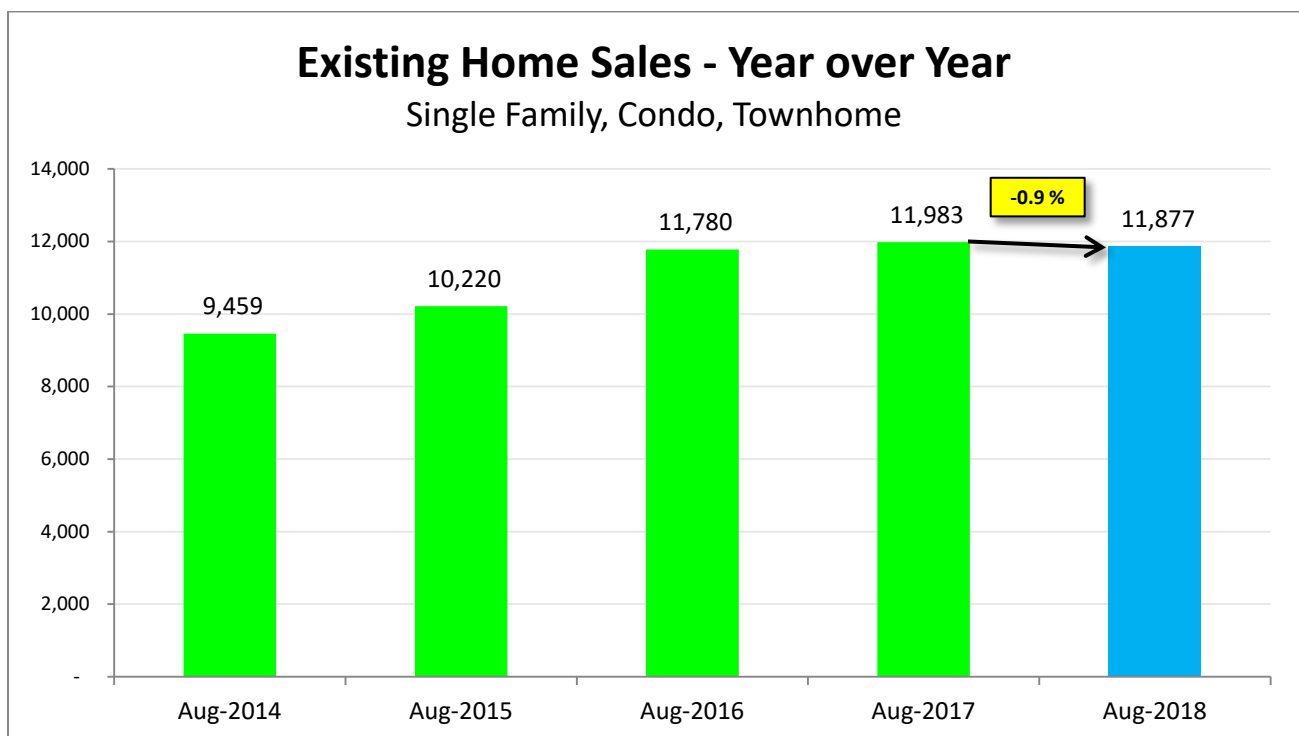
Statewide median sales price declined slightly year over year, from \$295,000 to \$294,850 in July 2018. This is the first month in over two years that median sales price did not rise year over year. The ask-to-sell ratio stayed at 100.0% in July, the fourth straight month at that level. The median number of days on the market dropped from 38 days in July 2017 to 33 days in July 2018. This is the 28<sup>th</sup> straight month of year over year declines in median days on market.

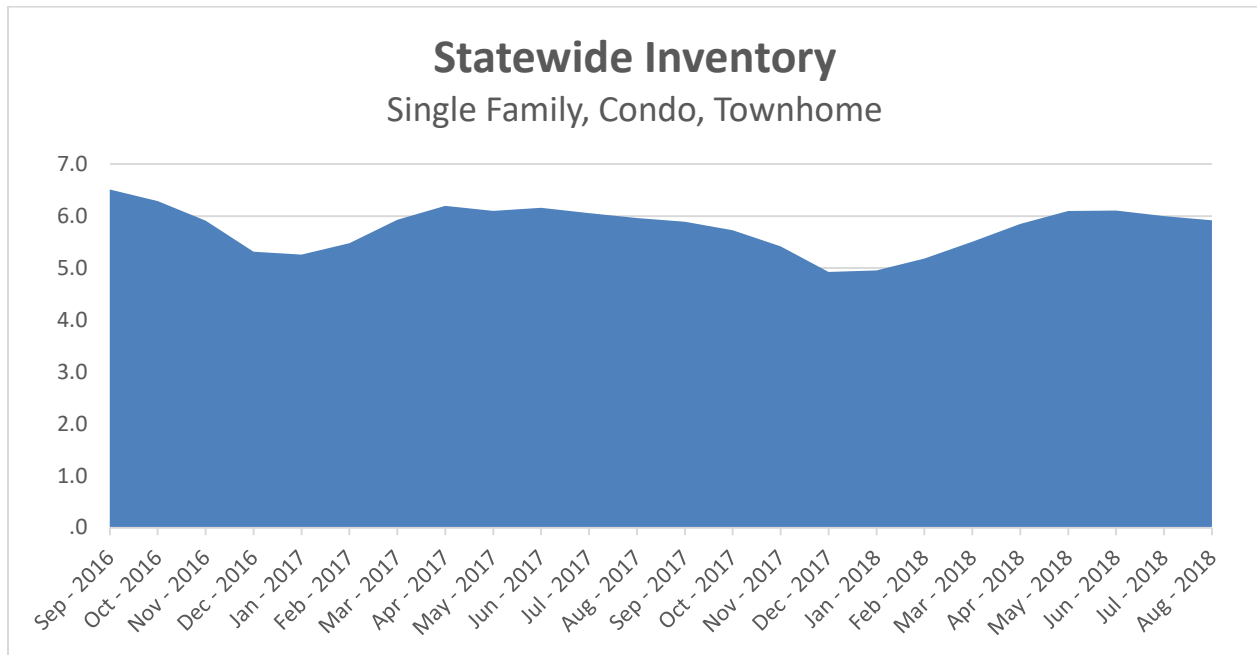
July 2018 existing home sales volume (the sum of all sales) rose by 5.4 percent over the same period in 2017, from \$4.19 billion in June 2017 to \$4.42 billion in July 2018. Annualized home sales volume, a measure each month of the total sales volume for the previous 12 months, totaled \$42.53 billion for existing-home sales for the twelve months preceding July 31, 2018.

The average 30-year fixed mortgage interest rate for July increased slightly to 4.60 percent. Despite rate increases over the past year, financing remains historically affordable and, coupled with Virginia's low 3.1% unemployment rate and high consumer confidence, continues to encourage market entry.

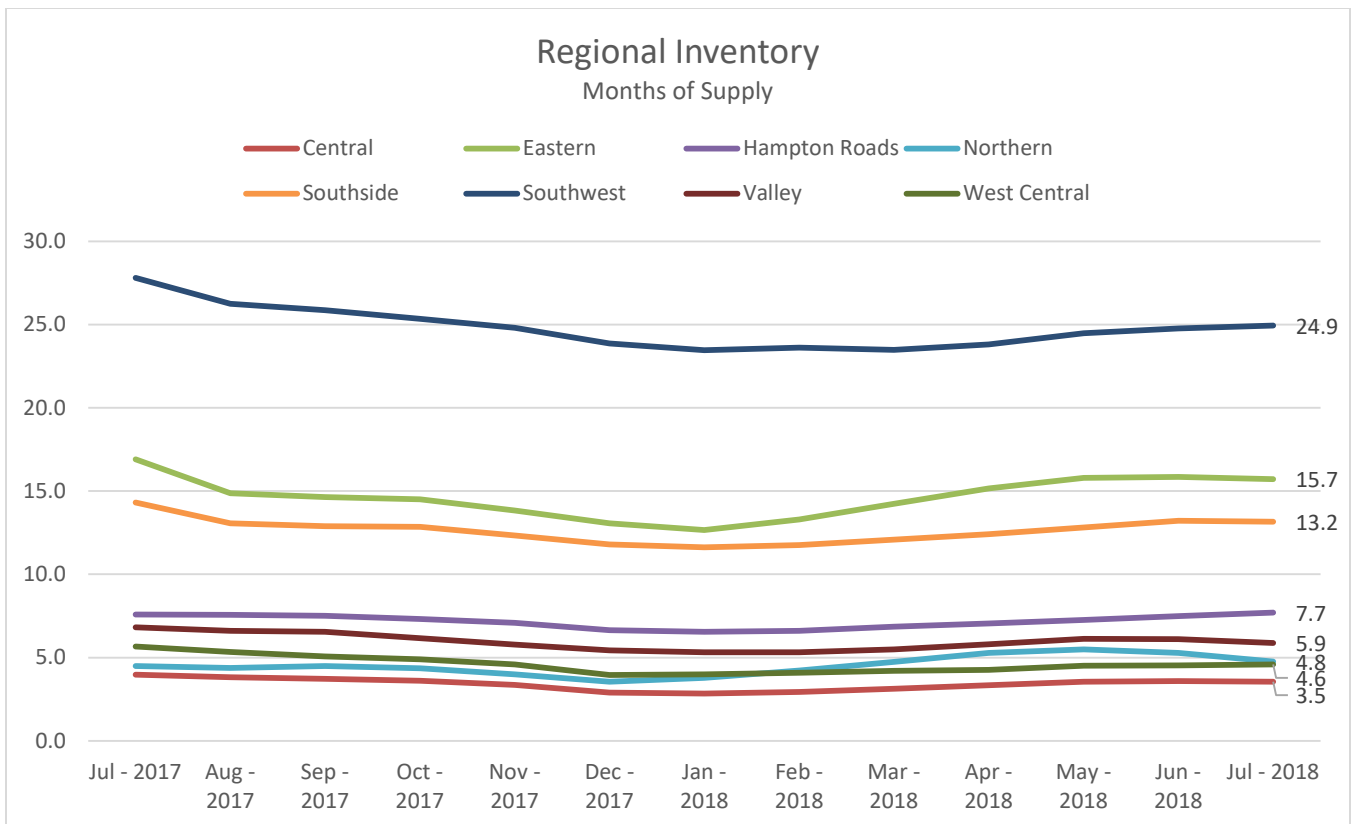


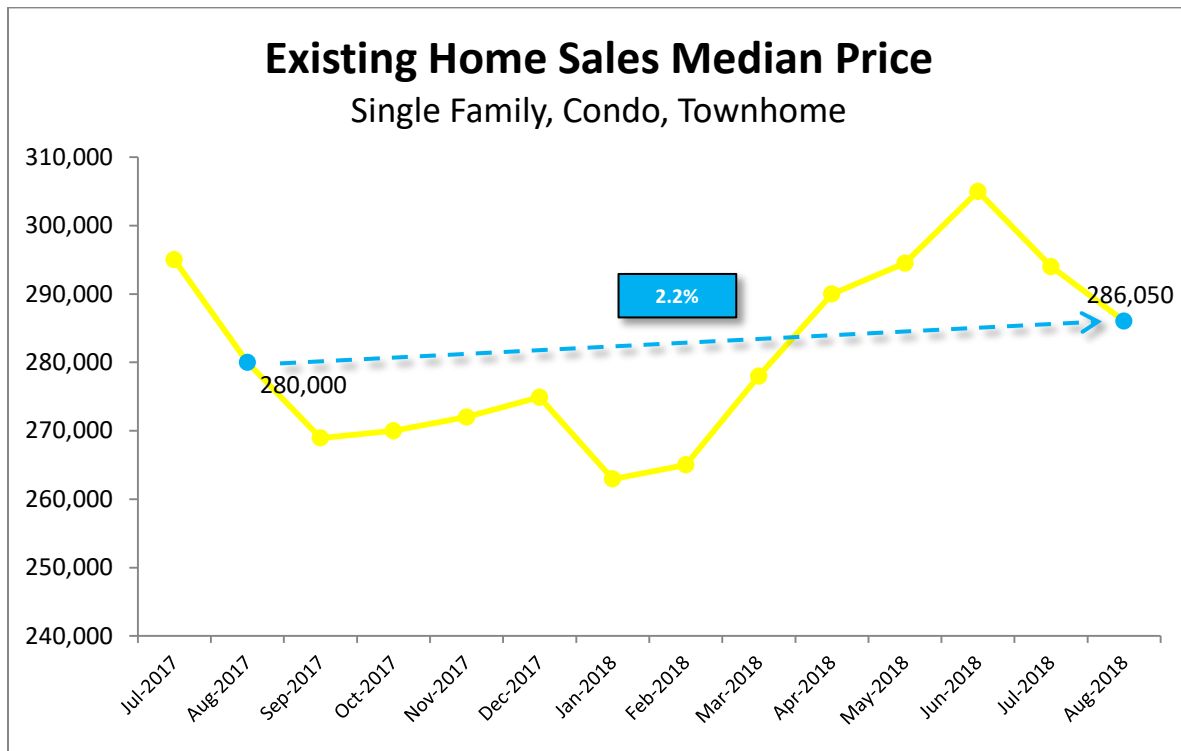
Year over year, existing home sales fell slightly in August by 0.9% (from 11,983 in August 2017 to 11,877 in August 2018). Annualized home sales, a measure each month of the total sales for the previous 12 months, totaled 123,753 existing-home sales transactions for the twelve months preceding August 31, 2018.



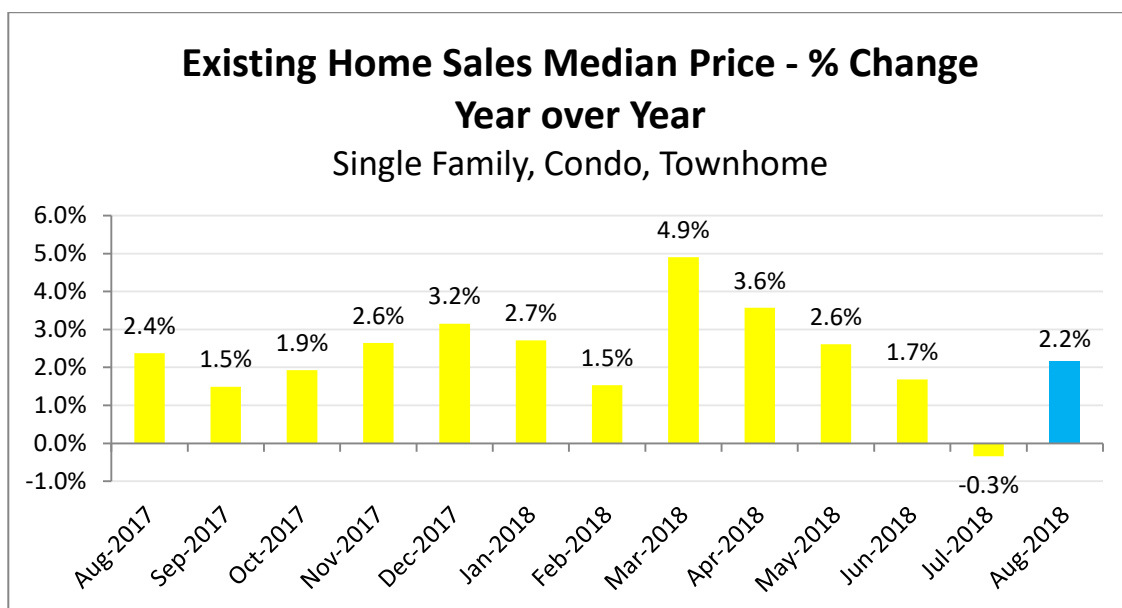


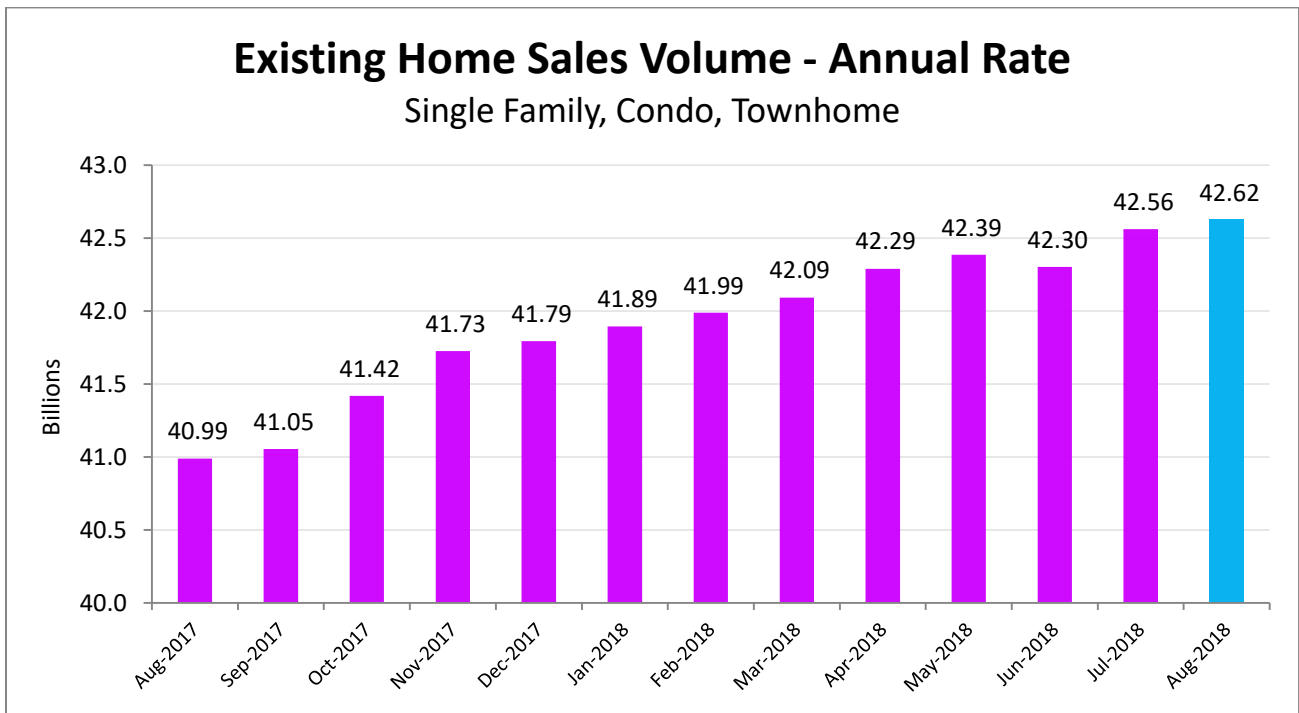
Statewide inventory dropped slightly to 5.9 months of supply in August 2018, down from 6.0 months in August 2017. Inventory levels vary widely by region as the more urban areas, with more sales, have much lower inventory levels than the more rural area. Inventory is down to 3.5 months of supply in the Central Region and is as high as 24.9 months in the Southwest Region.



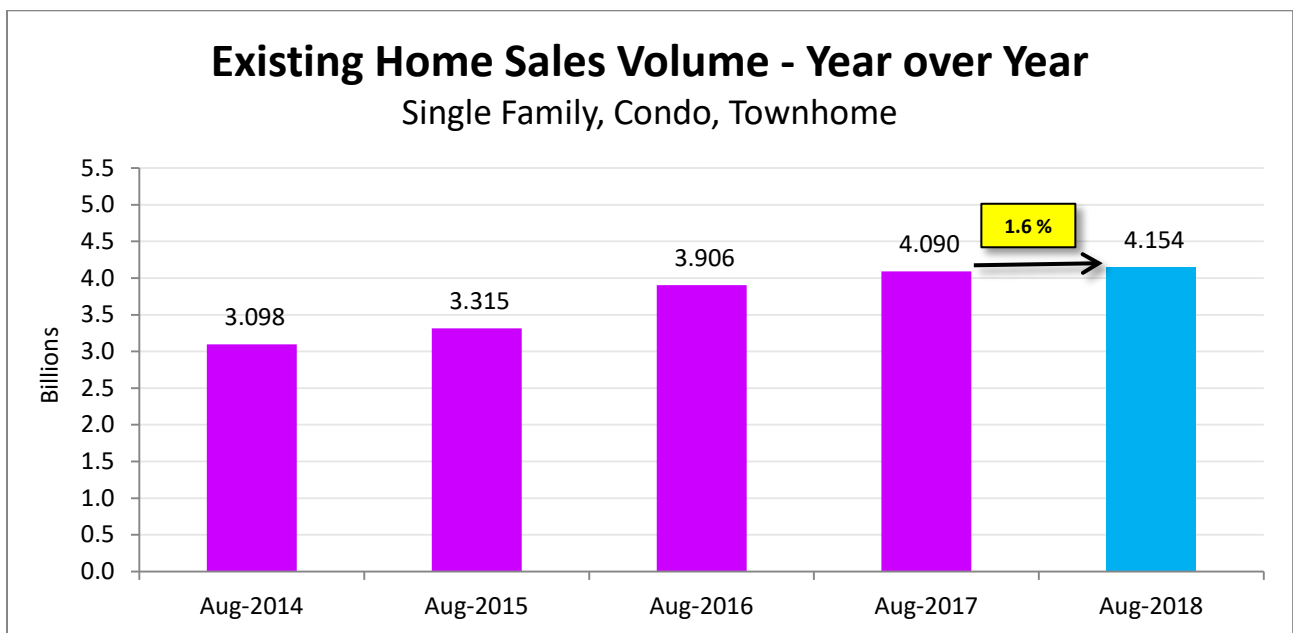


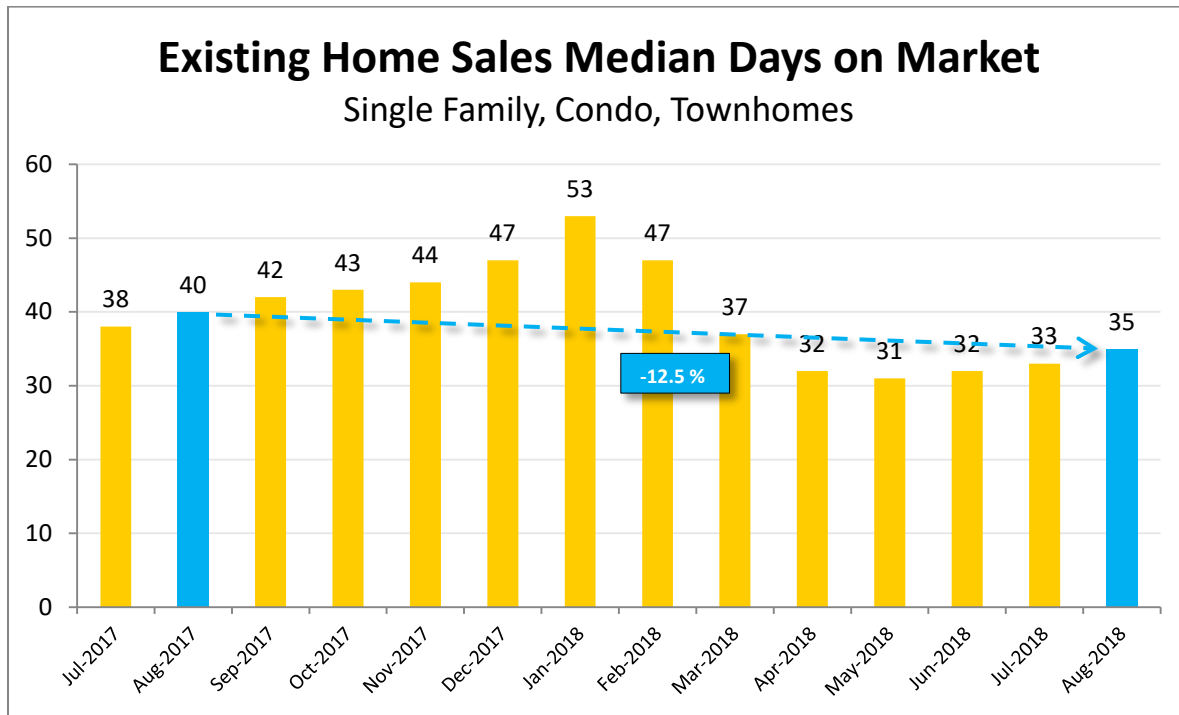
Median price rebounded year over year and increased over \$6,000 in August, from \$280,000 in 2017 to \$286,050 in 2018. This reverses the first dip in year over year median price appreciation seen last month for the first time in 29 months. Median price dropped \$7,950 from the prior month and 8,950 from its 2018 high in June. Below, historical data indicates continued long-term price escalation.



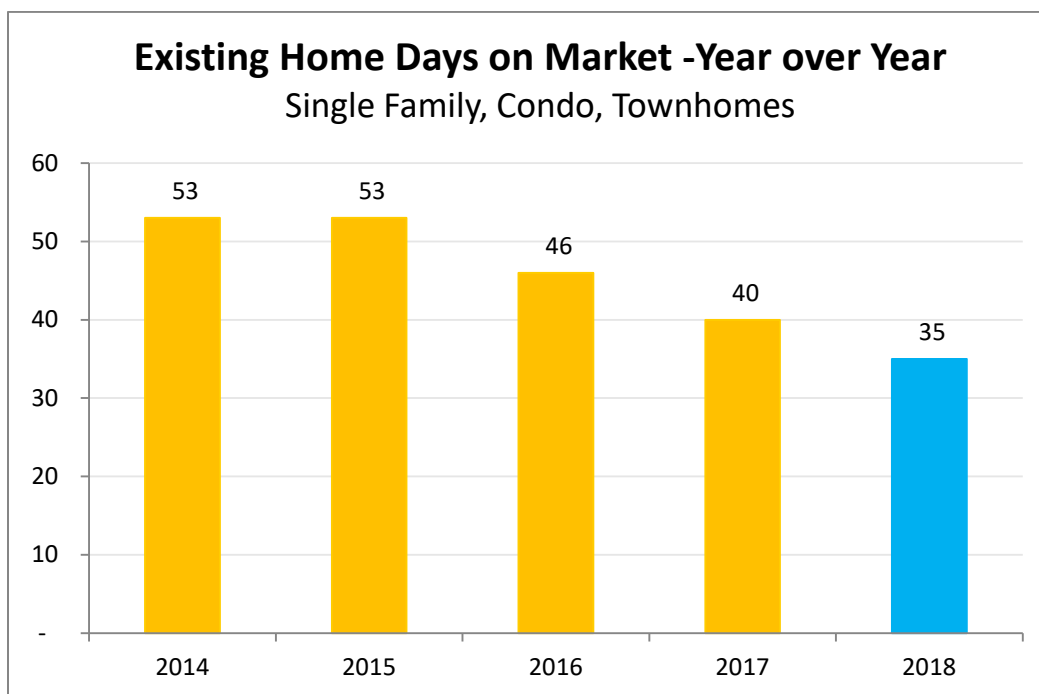


Existing home sales volume (the total dollar value of all sales for a given period) totaled \$4.154 billion for August 2018, an increase of 1.6 percent from the preceding August (\$4.090 billion). Annualized home sales volume, a measure each month of the total sales volume for the previous 12 months, totaled \$42.62 billion for the twelve months preceding August 31, 2018.

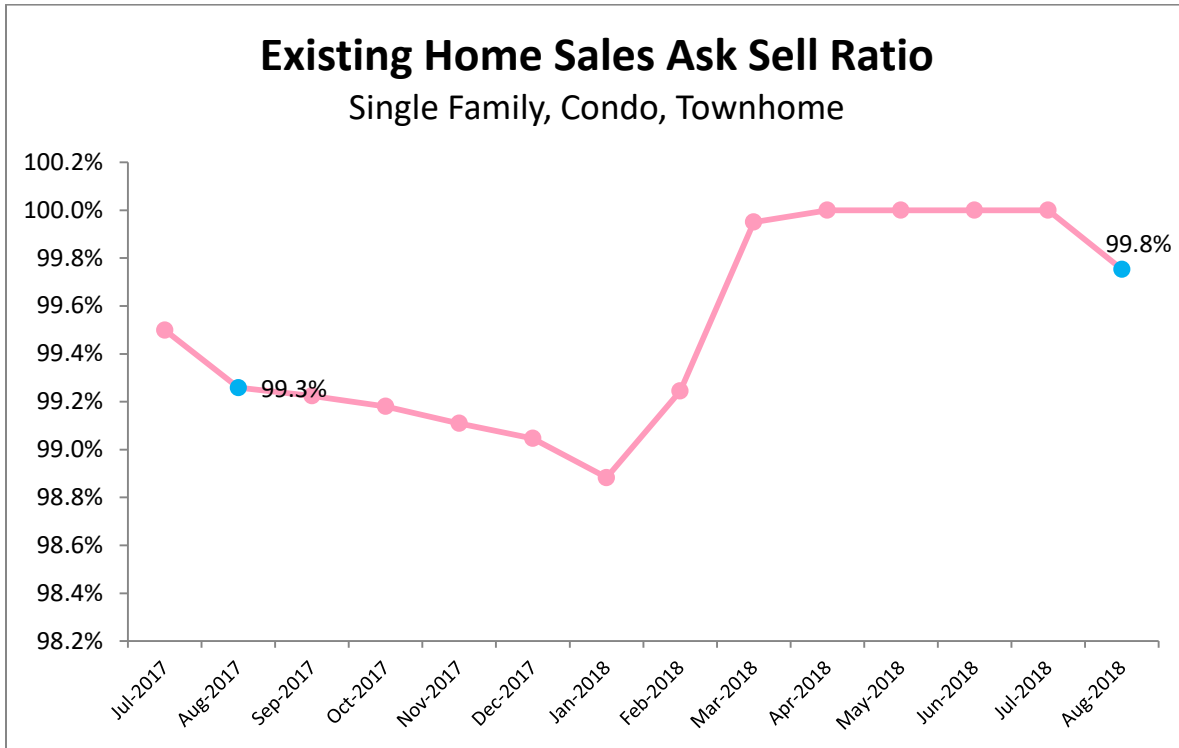




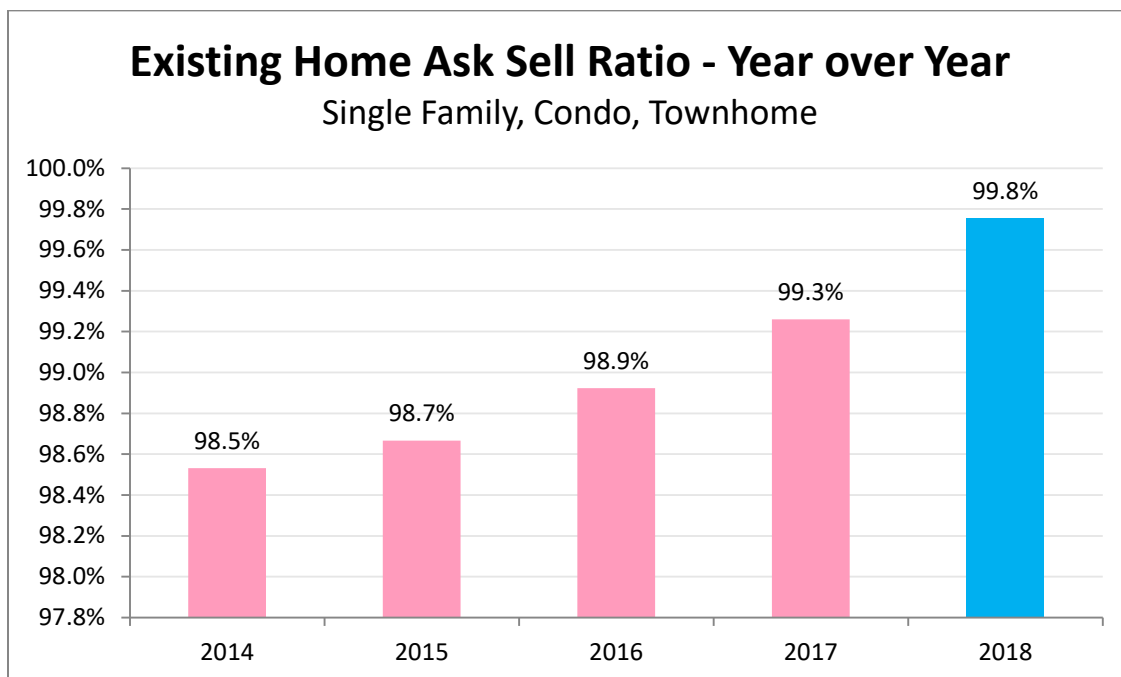
The chart above illustrates the median number of days on the market for each month. Shorter transaction time suggests strong buyer motivation. Relative to last year, August median days on market, the time from list to close, decreased by a notable 12.5 percent (from 40 to 35 days). Month-to-month, median days on the market slightly increased (2 days or 6.0 percent) as the Spring typically marks the low water mark for the year for the median days on the market.

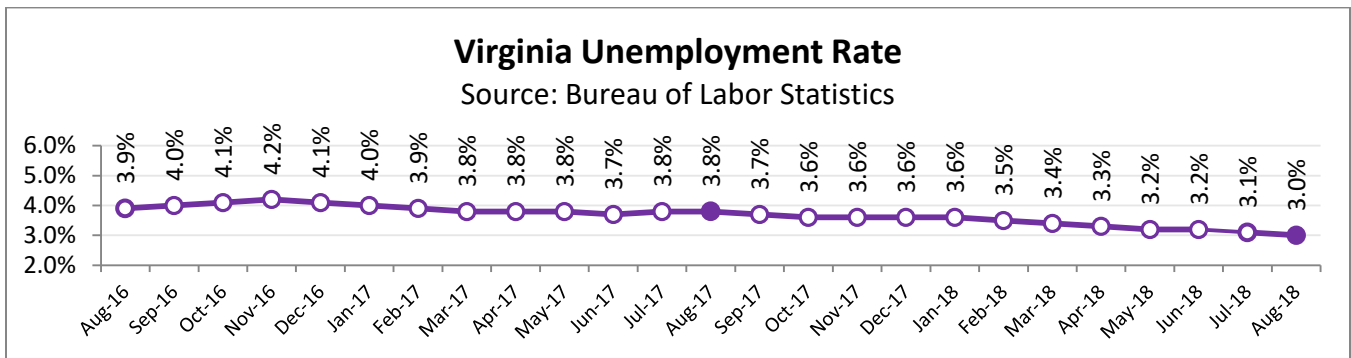




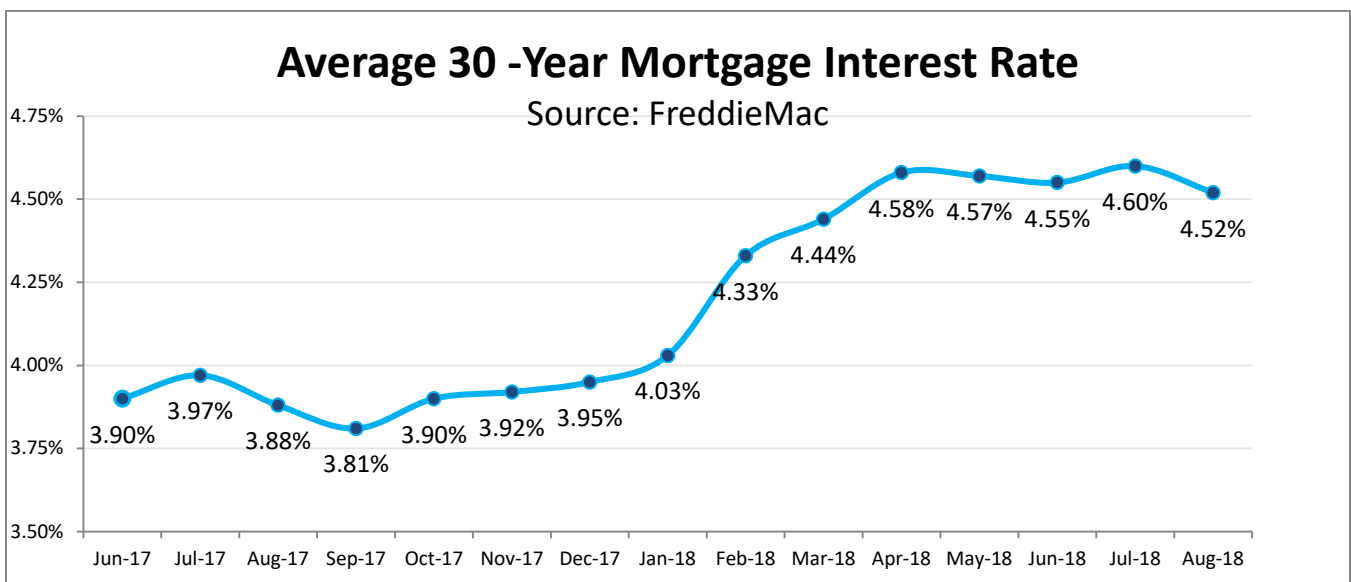


Sellers in August sold their Virginia homes for 99.8% of the listing price, slightly higher than the national average. This is the first time in five months the ratio is less than 100%. The ask sell ratio (sales price / list price) shows how close to the seller’s asking price that buyers are paying for their homes. It is a measure meant to show who has leverage in the typical transaction. The ask to sell ratio has been climbing slightly over the years as inventory constraints continue to drive prices up.





Virginia unemployment continues to track well below the national average as August 2018's unemployment rate dropped to 3.0%, compared with the national average of 3.9%. Low unemployment is correlated with bolstered consumer confidence and encouragement for buyers to enter the market.



The average 30-year fixed mortgage interest rate for August 2018 dropped slightly to 4.52 percent. Despite increases over the past year, rates remain enticing to buyers.

The Virginia REALTORS® association is the largest professional trade association in Virginia, representing approximately 34,000 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 to reflect increased reporting. Information is sourced from multiple listing services across Virginia and is deemed reliable, but not guaranteed.