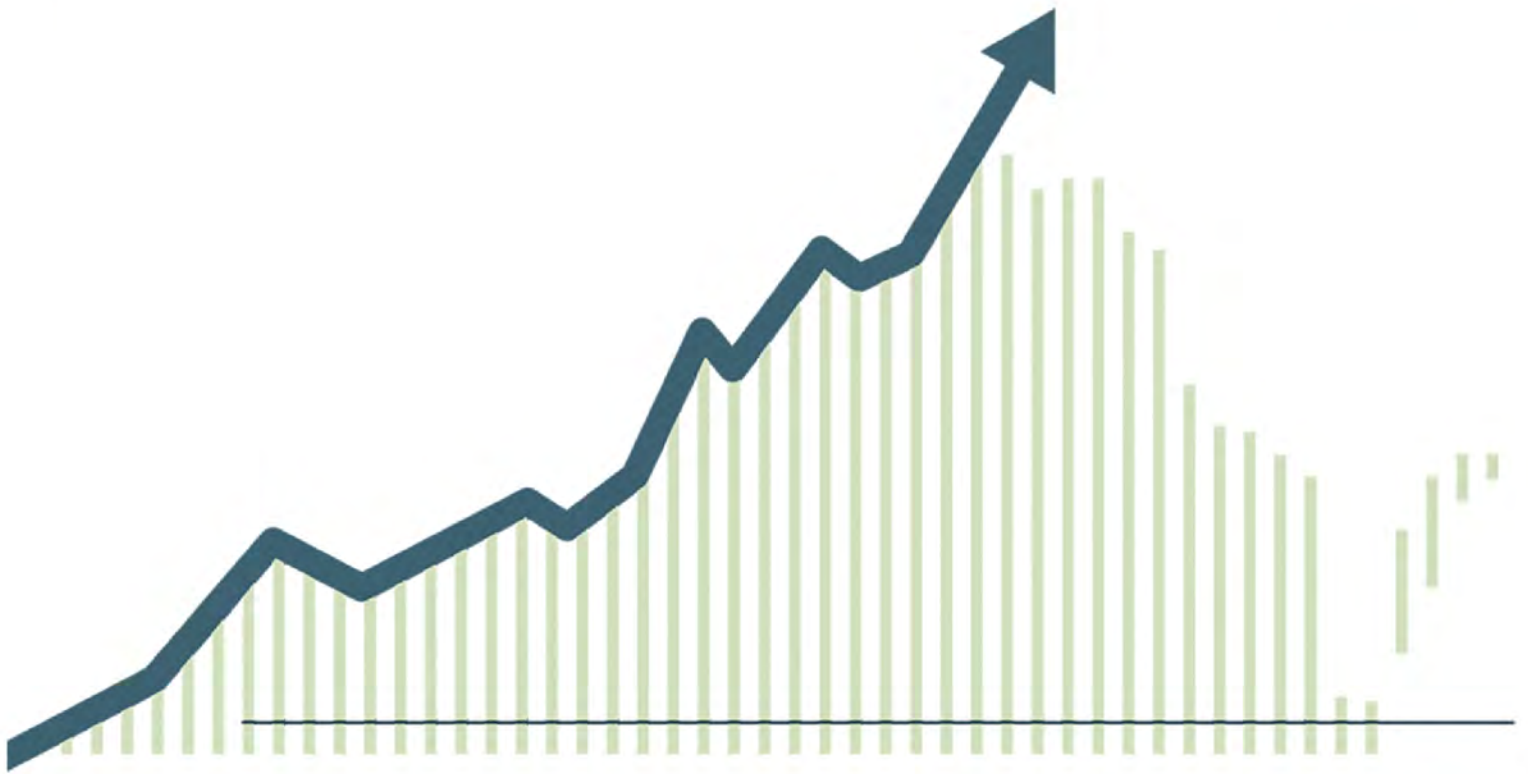




CAAR CHARLOTTEVILLE AREA HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

CAAR Home Sales Report

First Quarter 2022

Charlottesville Area Association of REALTORS®

Market Report Key Takeaways

Economic Conditions

- Virginia's economy continued to improve in early 2022, despite rising inflation and the escalating conflict overseas. Economic conditions are solid in the Charlottesville region, with very low unemployment and strong job growth.
- Even as the economy improves, consumer confidence is shaky. In March 2022, the measure of expectations of future economic conditions fell to its lowest level since 2013.
- Mortgage rates are on the rise. In the second week of April, the average 30-year rate hit 5%, the first time it has been at this level in 11 years.

Housing Market Conditions

- There were 888 homes sold in the CAAR region during the first quarter. The number of sales was 17% lower than a year ago, reflecting 177 fewer sales. This is the third quarter in a row of year-over-year sales declines in the region.
- Home prices continued to rise quickly in the CAAR area. In the first quarter, the median sales price was \$389,900, which was up 13% over a year ago, a gain of nearly \$45,000.
- Inventory continued to fall in the CAAR region but at a slower pace. There were 472 active listings across the CAAR footprint at the end of the first quarter, which is just 3% fewer listings than this time last year. Supply expanded in some local markets around the region.



Key Trends Dashboard, CAAR

Economy



2.5%

Is the Feb-2022 **unemployment rate** in the CAAR footprint, which is down from Jan-2022



5%

Is the **30-year fixed-rate mortgage rate** during the second week of April 2022, which is up 1.96 percentage points from a year ago

Housing Market



-177

Fewer **home sales** in the CAAR footprint in Q1-2022 compared to last year



13%

Percent change in **median sales price** in the CAAR region in Q1-2022 compared to a year ago



-\$13.2

Million dollars less in total **sold volume** in the CAAR footprint in Q1-2022 compared to last year



-3%

Percent change in **active listings** at the end of Q1-2022 in the CAAR market compared to a year ago



1.1

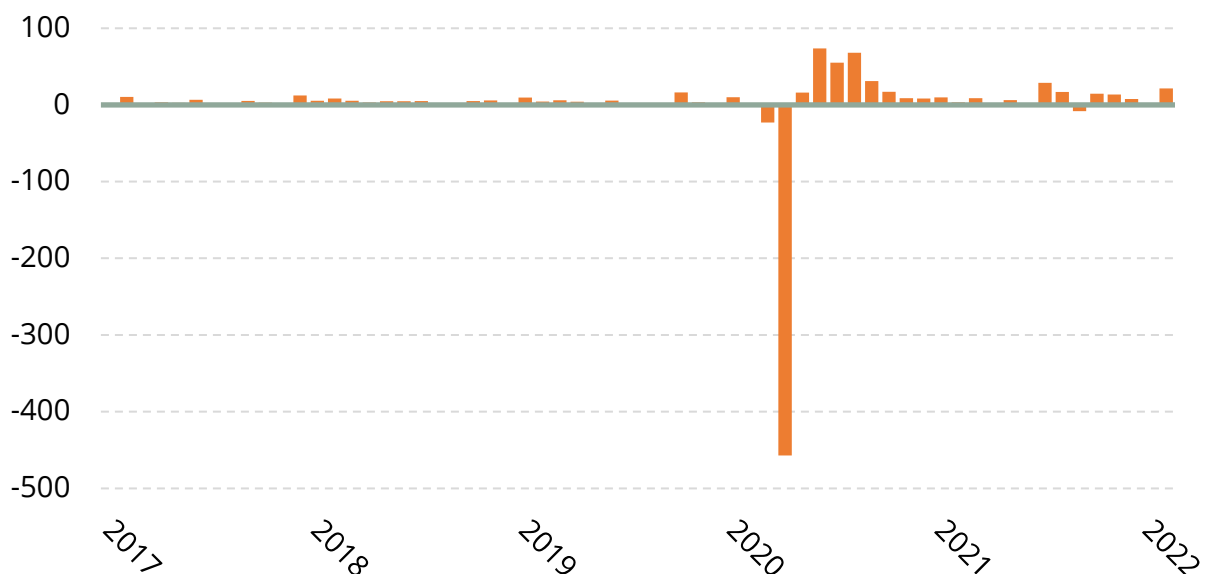
Months of supply in the CAAR footprint in Q1-2022, which is down from a year ago

Economic Overview

Despite ongoing uncertainties, the economy in Virginia continues to improve. In February 2022, total employment in Virginia surpassed four million jobs, the first time that milestone has been reached since March 2020. About 111,900 jobs have been added over the past 12 months. The total number of jobs in the state is now just 2% below where it was prior to the pandemic.

The job recovery in Virginia continues across most sectors, with the fastest growth in some of the sectors that were hardest hit by the pandemic. The Professional/Technical Services, Transportation/Warehousing, Administrative Services, and Federal Government sectors have all been back to pre-pandemic levels for several months. However, in February, for the first time, the number of jobs in both the Retail Trade and Construction sectors surpassed pre-pandemic levels.

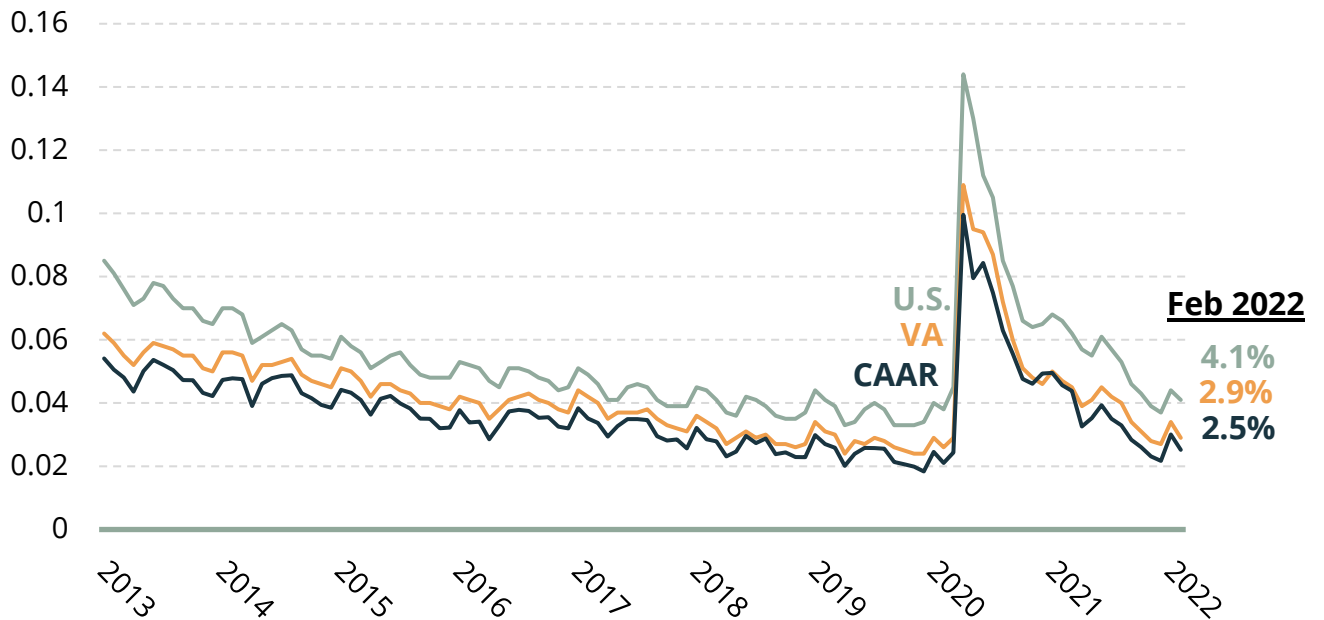
Figure 1
Virginia Month-to-Month Change in Jobs



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

A key indicator of the improving economy is the unemployment rate. In February, the unemployment rate in Virginia was 2.9% (not seasonally adjusted), which is down from 3.4% in January and is at the lowest level since March 2020. In the Charlottesville region, the February unemployment rate was 2.5%, down from 3% in January.

Figure 2
Unemployment Rate



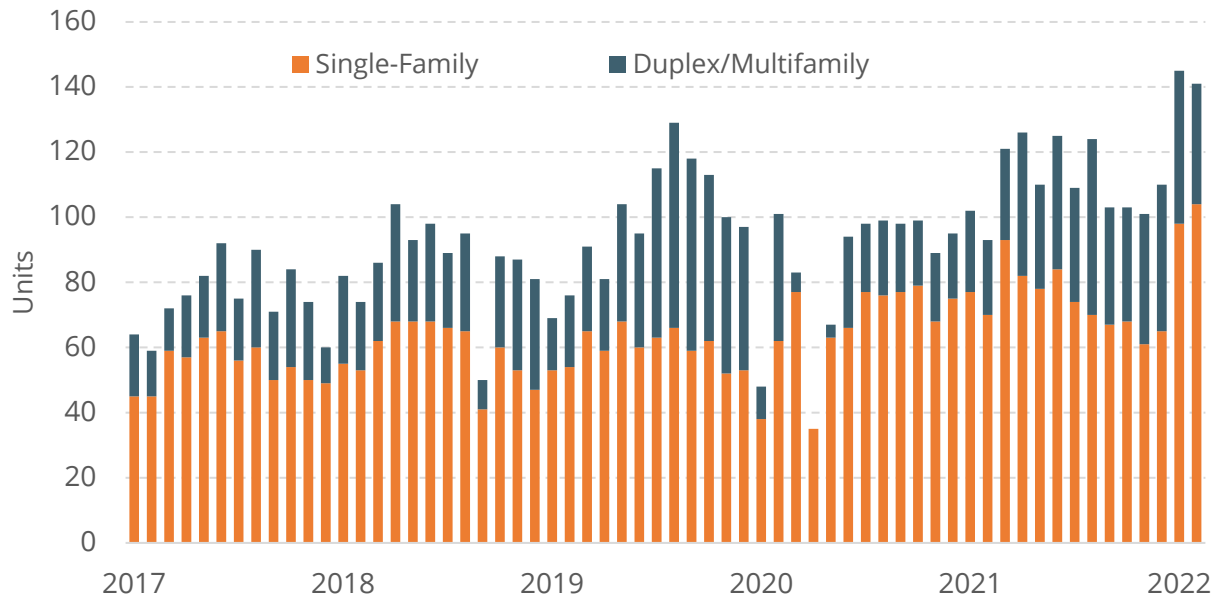
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

New Construction

In 2021, there was a total of 1,327 permits issued for the construction of new housing units in the Charlottesville metro area. This is the highest number of housing permits issued in the region since 2006, at the height of the housing boom.

New residential construction continued to be brisk in the first part of 2022. In January and February, there were 286 new construction permits, which is up significantly from prior years. In 2021, about two-thirds of all new construction permitted was single-family housing. In the first two months of 2022, more than 70% of new housing permits were for the construction of single-family homes.

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

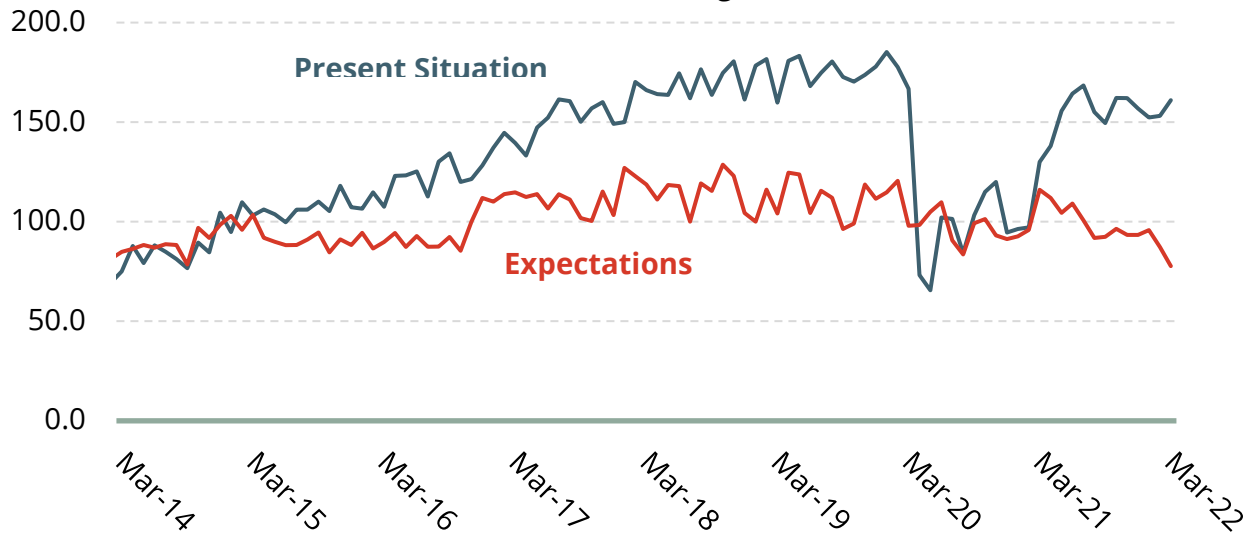
Consumer Confidence

Consumers' outlook for the economy dipped this spring in response to high inflation and ongoing conflict overseas. In March 2022, the measure of how confident consumers feel about the future economy fell to 77.7, down from 87.2 in February, and the lowest level since 2013. Between February and March 2022, consumers' confidence in the present economic situation ticked up from 153.1 to 161. (A consumer confidence index above 100 indicates people are feeling more optimistic about economic conditions.)

Mortgage Rates

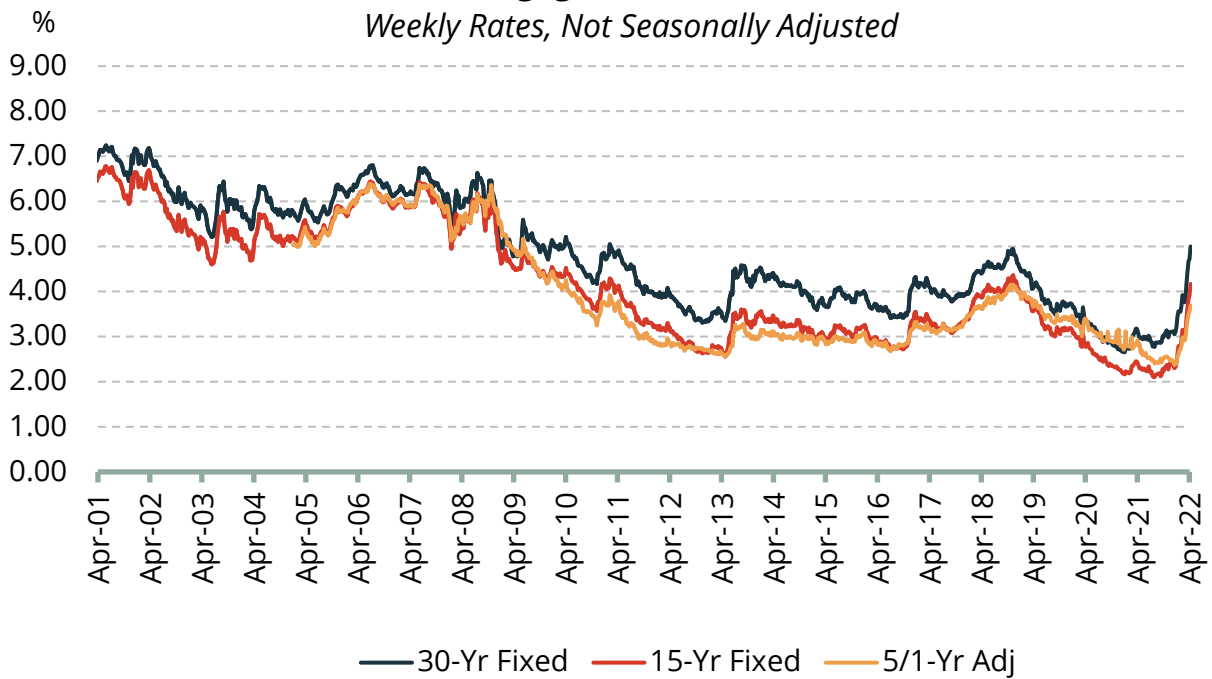
Over the past few weeks, mortgage rates have risen faster than they have in nearly 30 years. In the second week of April, the average rate on a 30-year fixed-rate mortgage hit 5% for the first time in 11 years. Rates are rising in response to actions taken by the Federal Reserve, including a boost in short-term interest rates and a pullback in the purchase of bonds and mortgage-backed securities. The Fed has telegraphed several more short-term rate increases during 2022, which indicates that mortgage rates will likely rise further during the year. Even as rates continue to climb, they are still at historically low levels.

Figure 4
Consumer Confidence
South Atlantic Region



Source: The Conference Board

Figure 5
Mortgage Interest Rates
Weekly Rates, Not Seasonally Adjusted



Source: Federal Reserve Bank of St. Louis

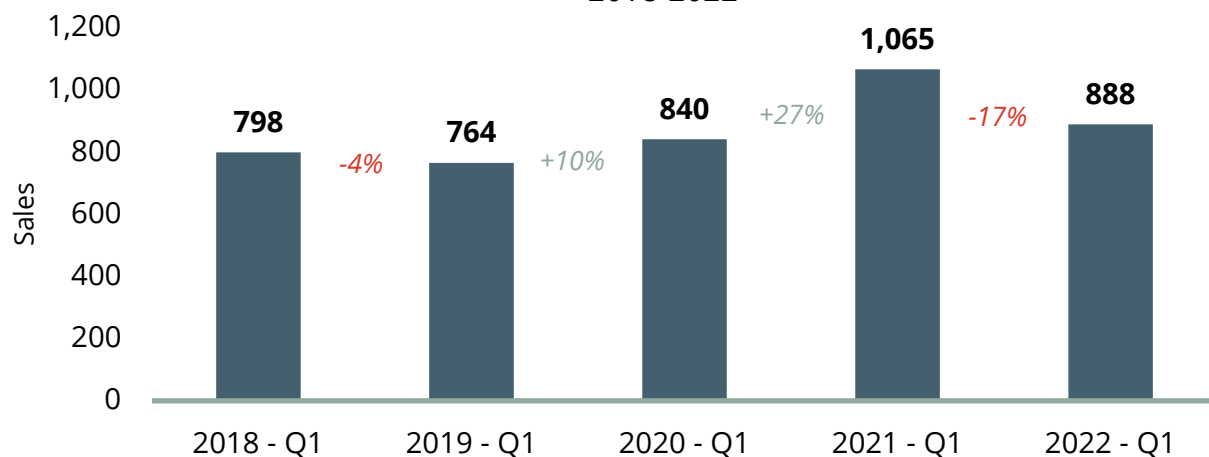
Housing Market Overview

The number of home sales in the CAAR housing market was lower than a year ago, which reflects a cooling from the frenzied market of 2021. However, homes prices in the region continued to rise briskly, and homes were selling more quickly, which means that buyers are still active in the market. A lack of inventory has been the primary constraint on the market, and there would have been more sales if there was more inventory. Market conditions could be changing, as inventory may have bottomed out in the Charlottesville region and higher mortgage rates could dampen demand.

Sales

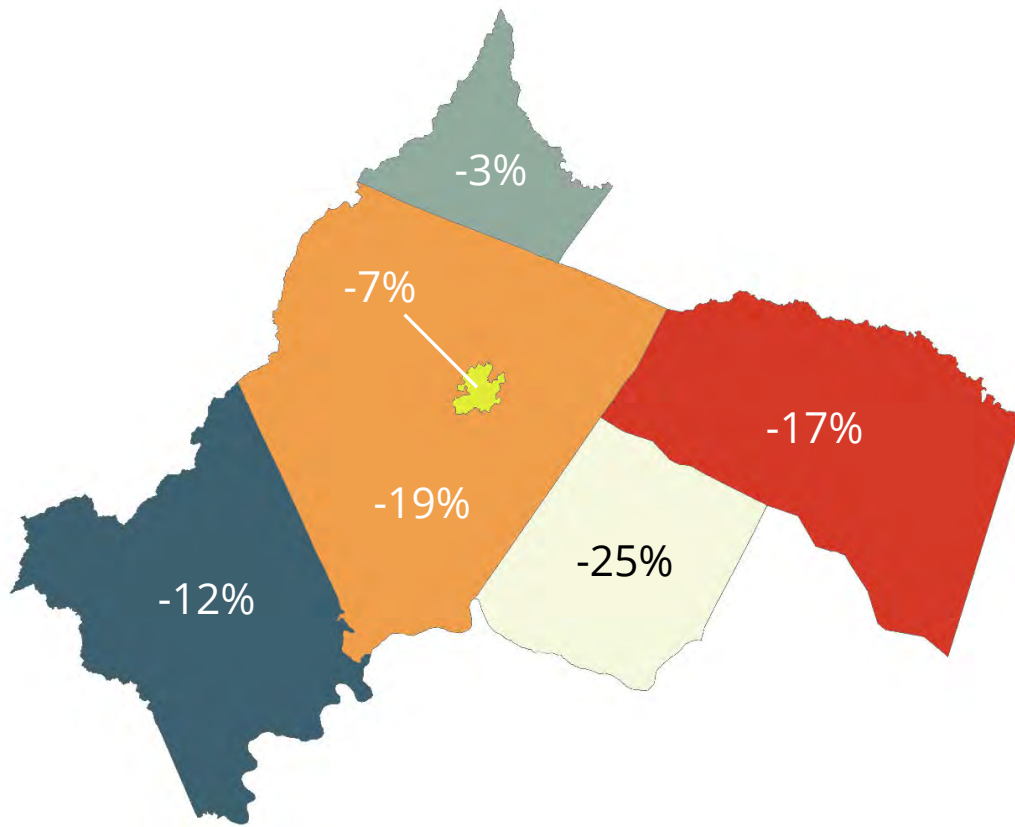
There were 888 sales across the CAAR footprint in the first quarter of 2022. Home sales have been down year-over-year for three consecutive quarters, reflecting a slowdown from the frenzied 2021 market. In the first quarter, the number of sales was 17% lower than a year ago, a decline of 177 sales. Home sales were 6% higher than pre-pandemic levels, with the first quarter sales total 6% higher than sales during the first quarter of 2020. Statewide, the number of home sales in the first quarter was down 8% compared to a year ago and was 9% higher than first quarter 2020 sales totals.

Figure 6
First Quarter Home Sales, CAAR
2018-2022



Source: Virginia REALTORS®, data accessed April 15, 2022

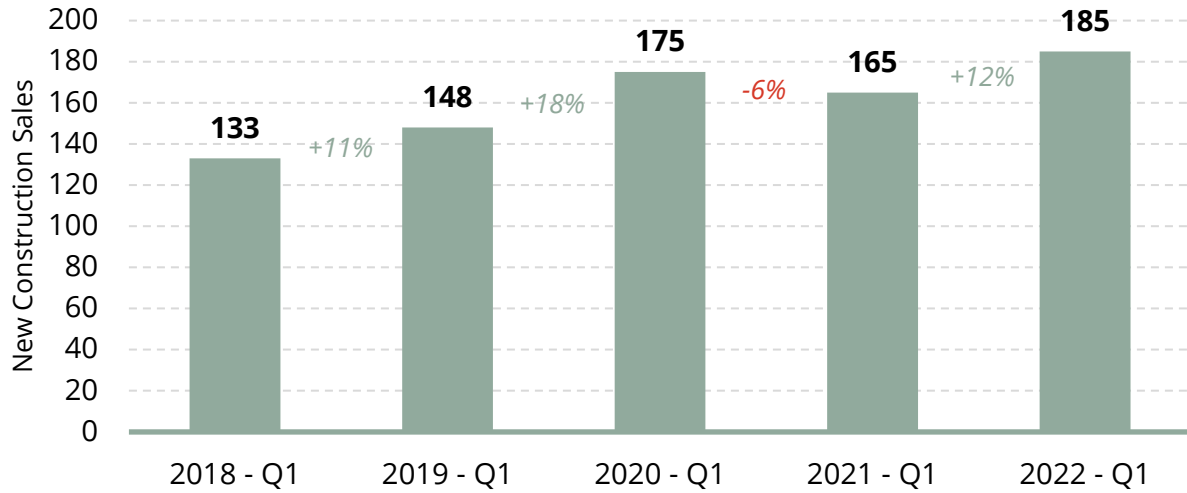
Figure 7
Change in Sales by Jurisdiction
CAAR
First Quarter 2021 to First Quarter 2022



<i>Jurisdiction</i>	<i>2021 - Q1</i>	<i>2022 - Q1</i>	<i>% Change</i>
Albemarle County	421	339	-19%
Charlottesville	114	106	-7%
Fluvanna County	155	116	-25%
Greene County	69	67	-3%
Louisa County	186	154	-17%
Nelson County	120	106	-12%

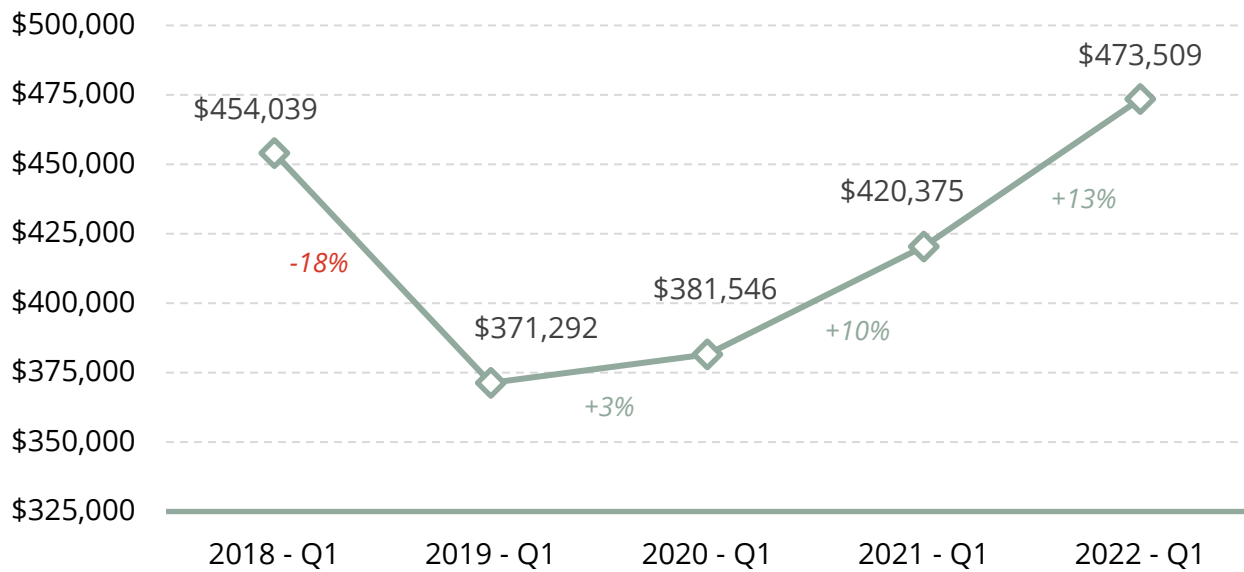
Source: Virginia REALTORS®, data accessed April 15, 2022

Figure 8
First Quarter New Construction Sales, CAAR
2018-2022



Source: Virginia REALTORS®, data accessed April 15, 2022

Figure 9
First Quarter New Construction Median Sales Price, CAAR
2018-2022



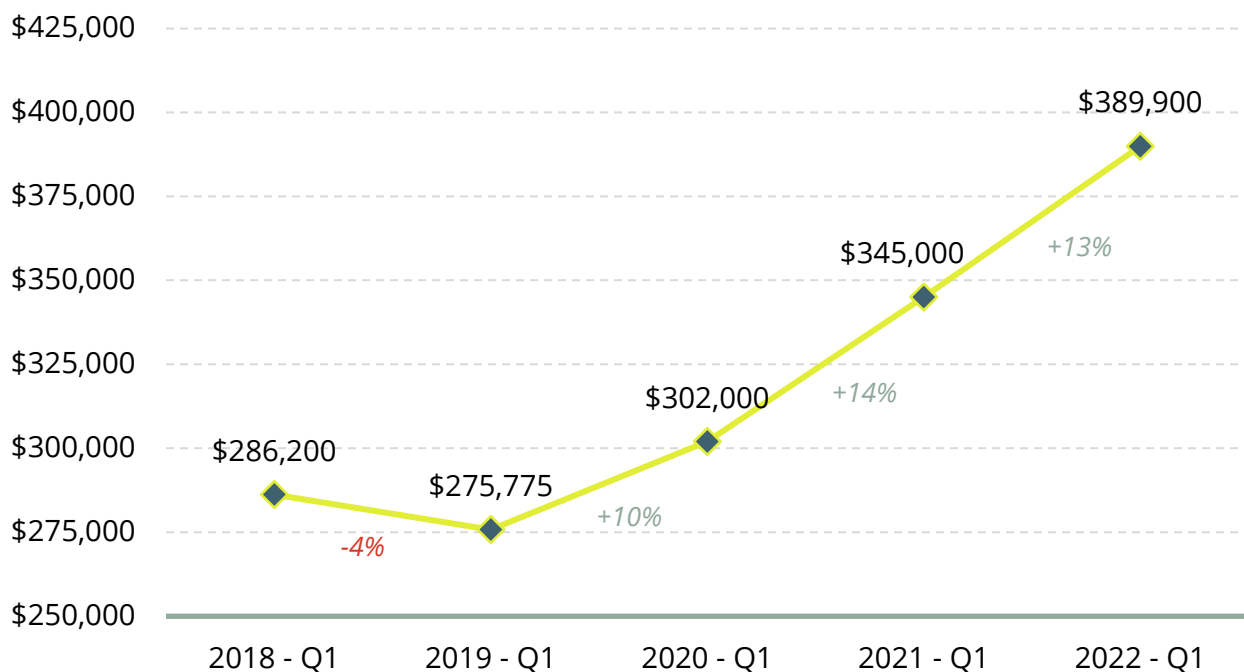
Source: Virginia REALTORS®, data accessed April 15, 2022

Sales Prices

The number of home sales transactions has slowed in the CAAR market, but prices continued to rise broadly across the region. The median sales price in the region was \$389,900 in the first quarter, which is up 13% compared to a year ago, a gain of nearly \$45,000. Home prices have risen quickly over the past two years in the Charlottesville area. The median sales price is now \$87,900 higher than it was during the first quarter of 2020.

The median sales price rose in the first quarter in all local markets in the CAAR region. The strongest price growth was in Fluvanna County, where the median price increased by 24% year-over-year. Median home prices were up by 22% in Louisa County and 17% in Nelson County. Statewide, the first quarter median sales price was \$375,000, up 12% compared to a year ago.

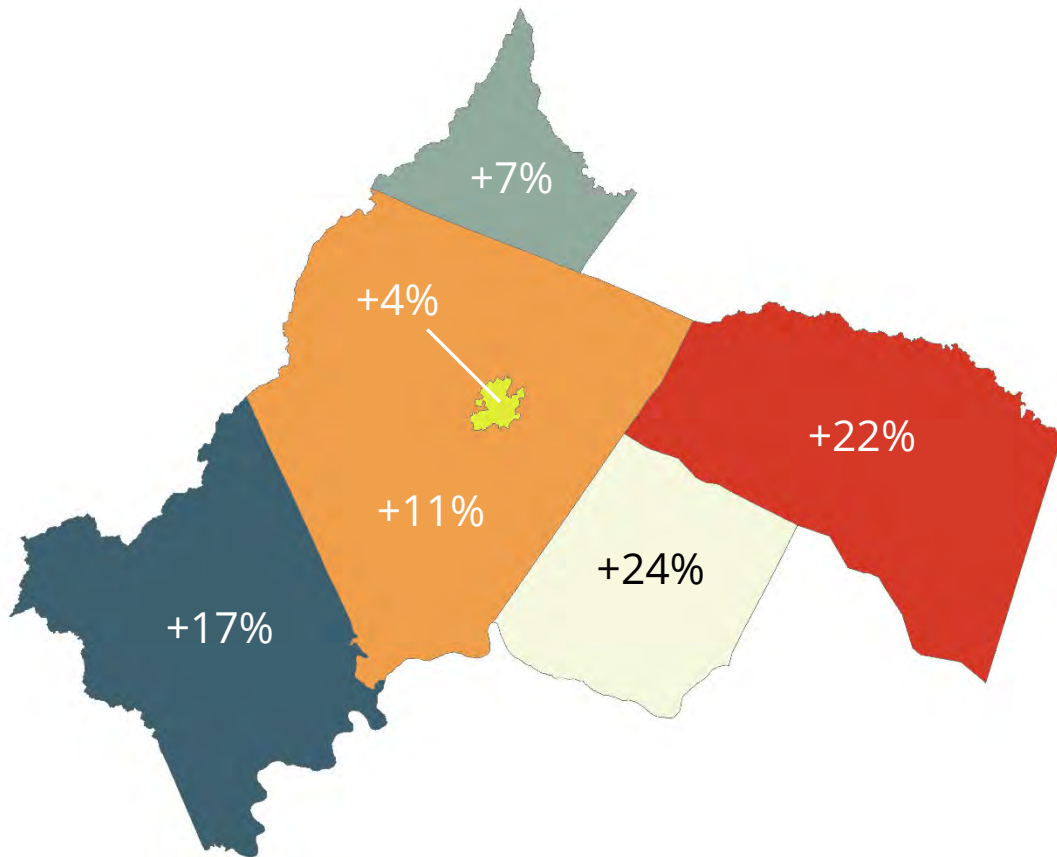
Figure 10
First Quarter Median Sales Price, CAAR
2018-2022



Source: Virginia REALTORS®, data accessed April 15, 2022

Figure 11
Change in Median Sales Price by Jurisdiction
CAAR

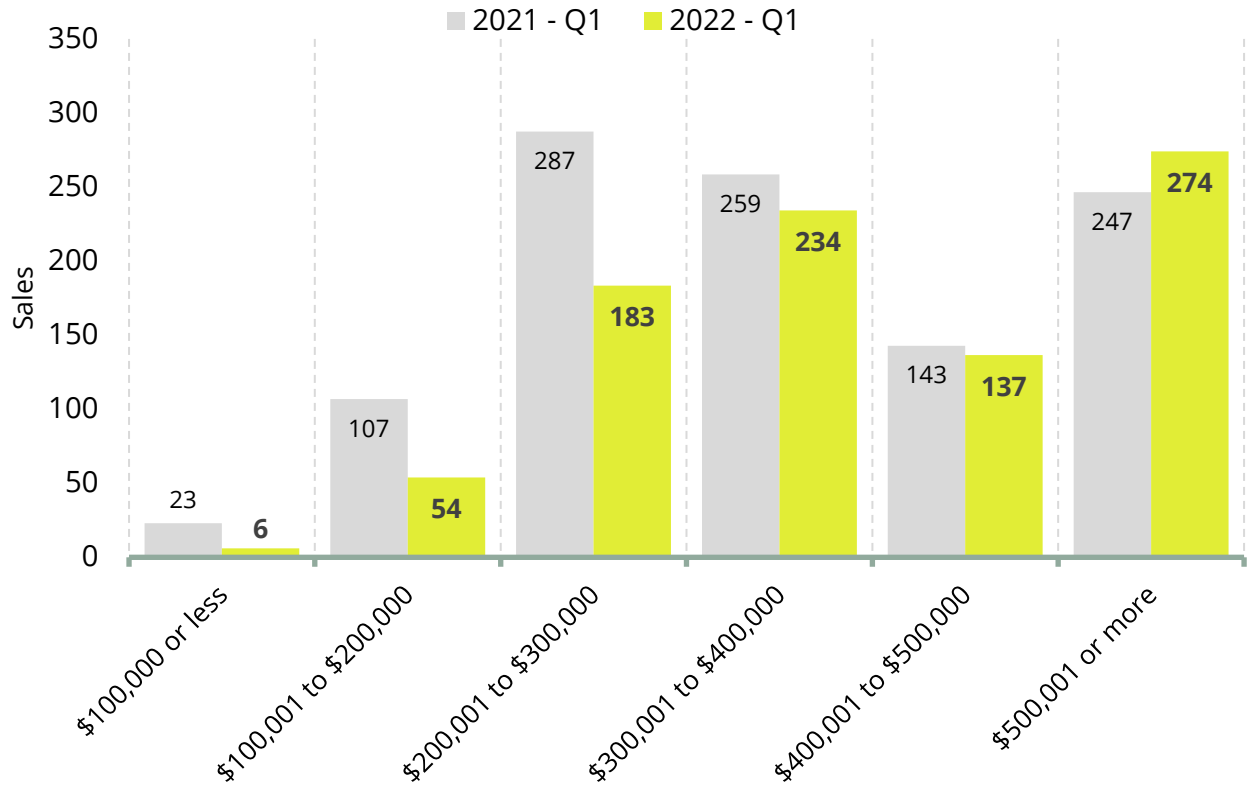
First Quarter 2021 to First Quarter 2022



<i>Jurisdiction</i>	<i>2021 - Q1</i>	<i>2022 - Q1</i>	<i>% Change</i>
Albemarle County	\$429,900	\$476,750	11%
Charlottesville	\$397,650	\$412,000	4%
Fluvanna County	\$270,070	\$335,263	24%
Greene County	\$312,000	\$335,000	7%
Louisa County	\$282,651	\$344,914	22%
Nelson County	\$308,500	\$361,250	17%

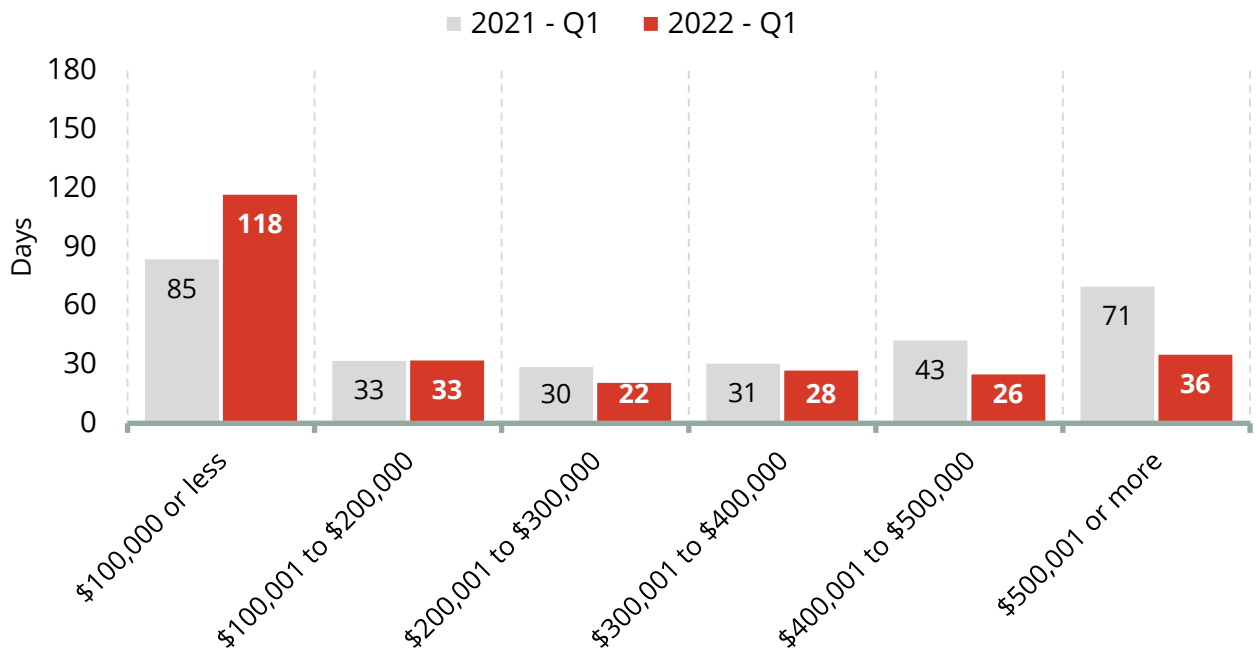
Source: Virginia REALTORS®, data accessed April 15, 2022

Figure 12
First Quarter Sales Price Range Distribution - CAAR



Source: Virginia REALTORS®, data accessed April 15, 2022

Figure 13
First Quarter Average DOM by Sales Price Range - CAAR

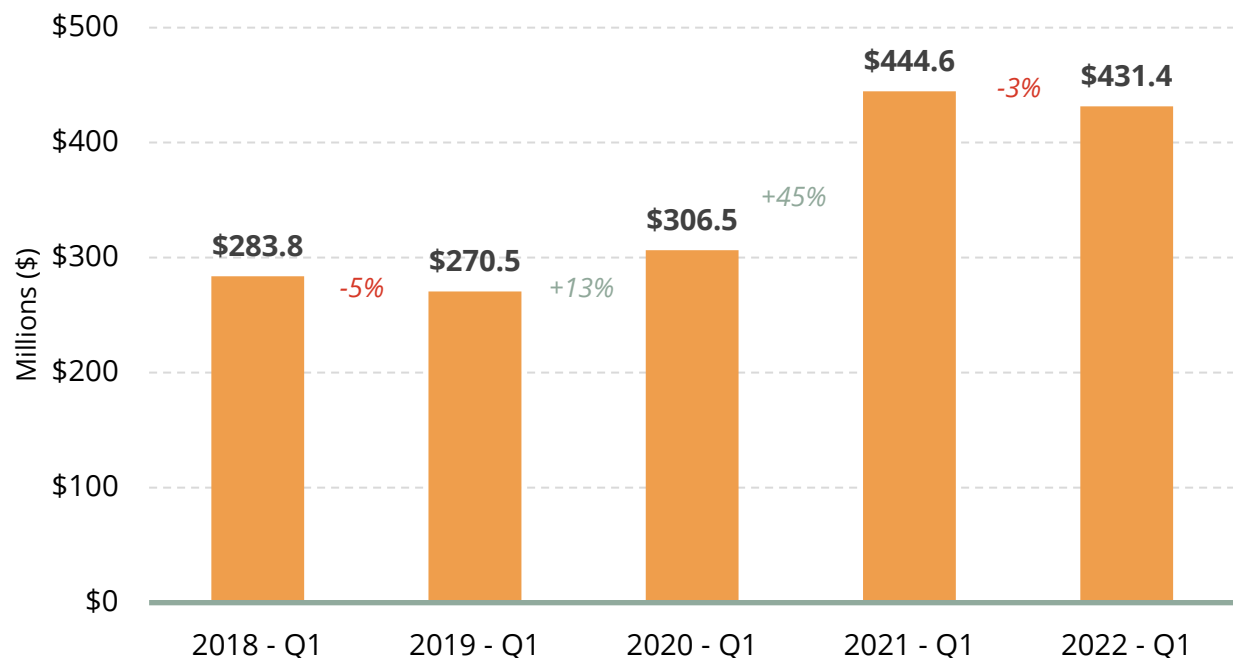


Source: Virginia REALTORS®, data accessed April 15, 2022

Sold Volume

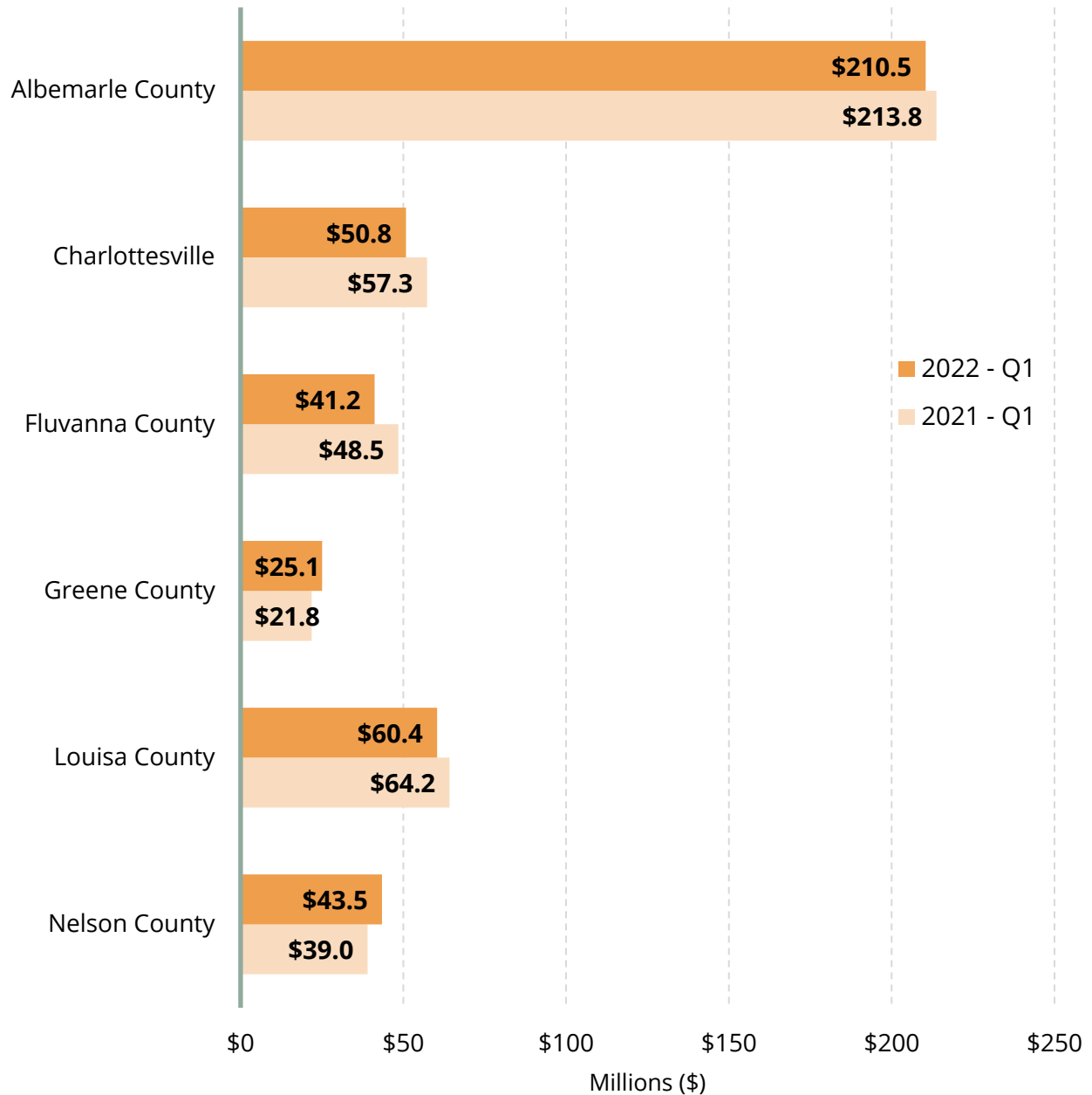
The decline in home sales led to a drop in total sold dollar volume in the CAAR region. Regionwide, there was a total of approximately \$431.4 million of sold volume during the first quarter. Sold volume was down 3% compared to a year ago, which is a decline of about \$13.2 million.

Figure 14
First Quarter Sold Dollar Volume (Millions), CAAR
2018-2022



Source: Virginia REALTORS®, data accessed April 15, 2022

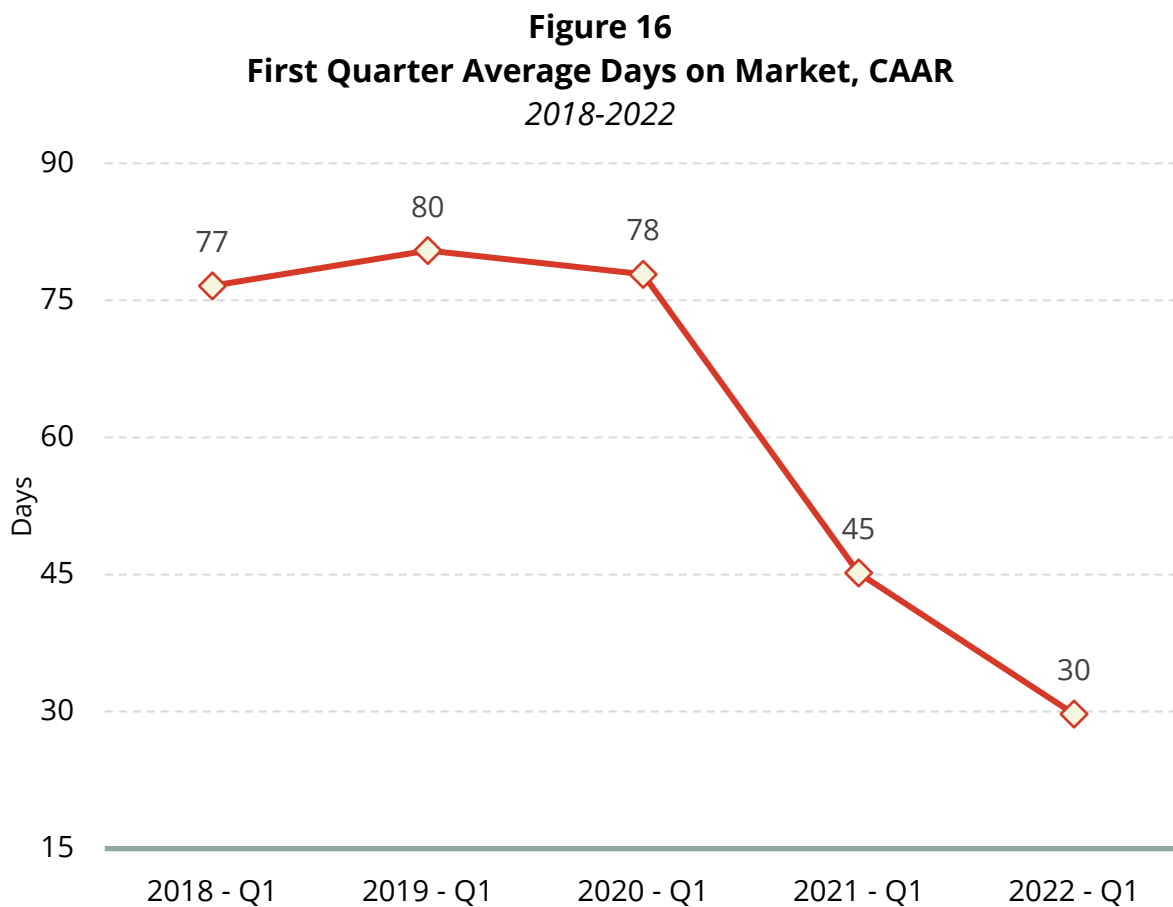
Figure 15
First Quarter Sold Dollar Volume, CAAR Jurisdictions
2021 and 2022



Source: Virginia REALTORS®, data accessed April 15, 2022

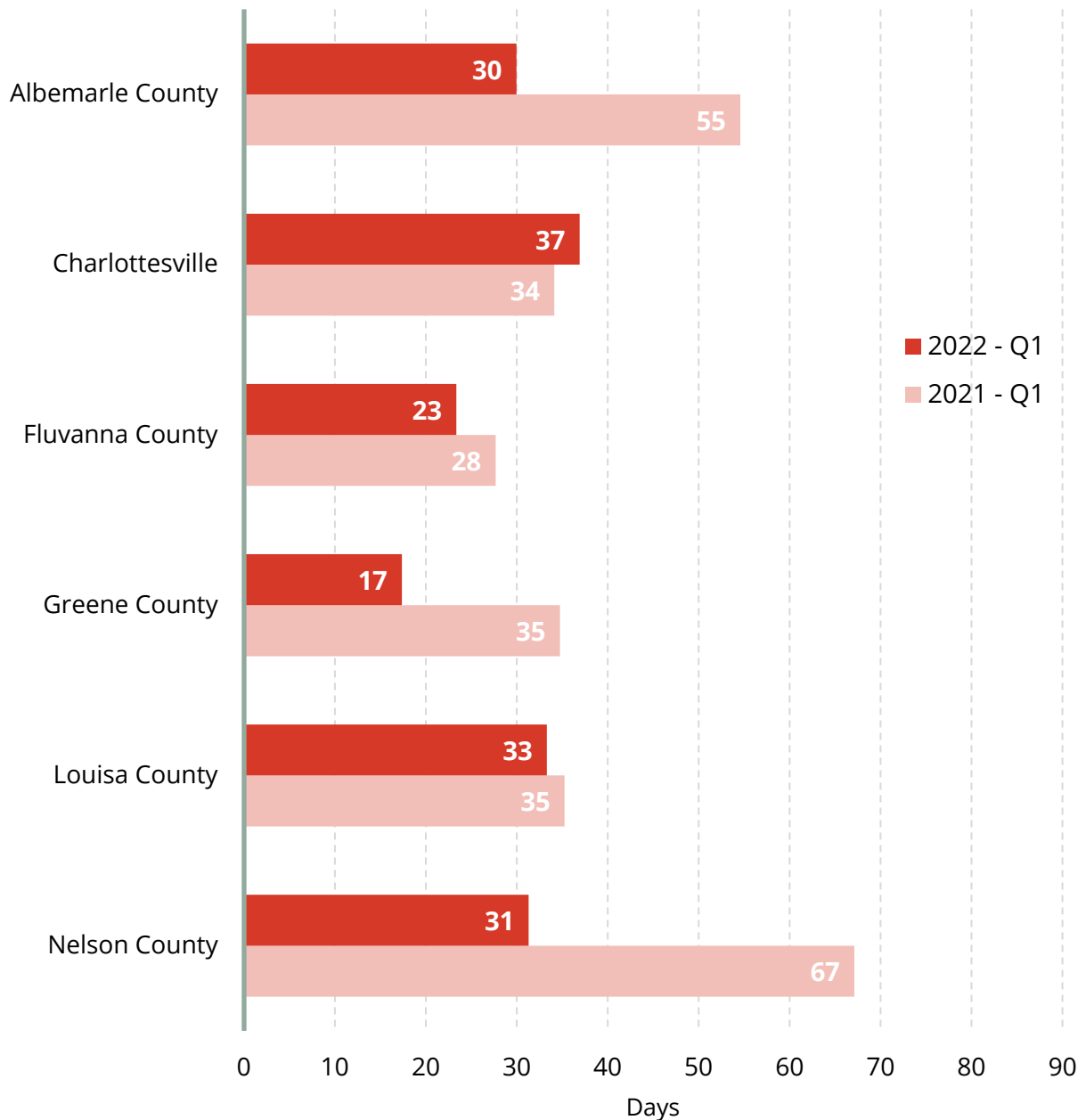
Days on Market

Even though the number of home sales has declined, transactions are moving very quickly in the CAAR market. Homes that sold in the first quarter in the CAAR region were on the market about a month on average, or 30 days, which is 15 days faster than a year ago. The pandemic accelerated the region's housing market. In the first quarter of 2020, for example, it took an average of 78 days for homes to sell in the CAAR region. Statewide, homes sold in an average of 24 days in the first quarter, down from 31 days a year ago.



Source: Virginia REALTORS®, data accessed April 15, 2022

Figure 17
First Quarter Average Days on Market, CAAR Jurisdictions
2021 and 2022



Source: Virginia REALTORS®, data accessed April 15, 2022

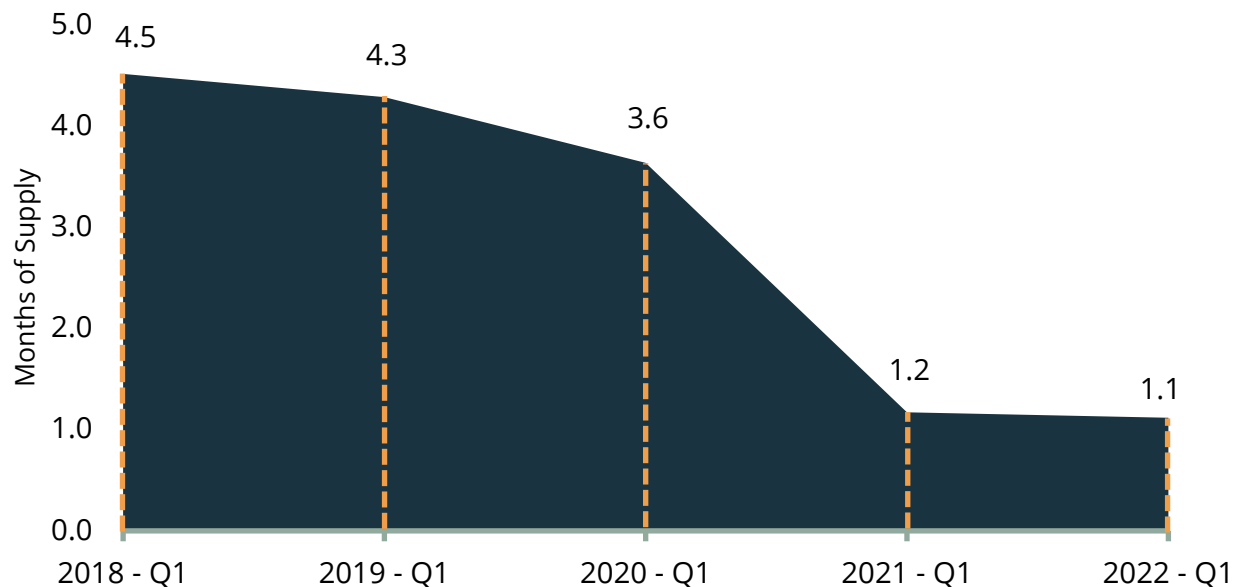
Inventory

Inventory is at historically low levels in the CAAR region. Supply continued to fall in the first quarter, but the year-over-year inventory declines have moderated, suggesting that inventory might be bottoming out in the region. Across the CAAR footprint, there were 472 active listings in the region at the end of the first quarter. Inventory is down by just 16 listings, or 3%, compared to the end of the first quarter of 2021. Compared to a year ago, the number of active listings actually increased significantly in Fluvanna County, Greene County, and Louisa County. Despite those gains, the number of homes on the market in the CAAR region is just about a third of what it was in the first quarter of 2020, before the onset of the pandemic.

Statewide, there was a total of 13,610 active listings at the end of the first quarter, which is about 2,000 fewer active listings than a year ago, a 13% drop.

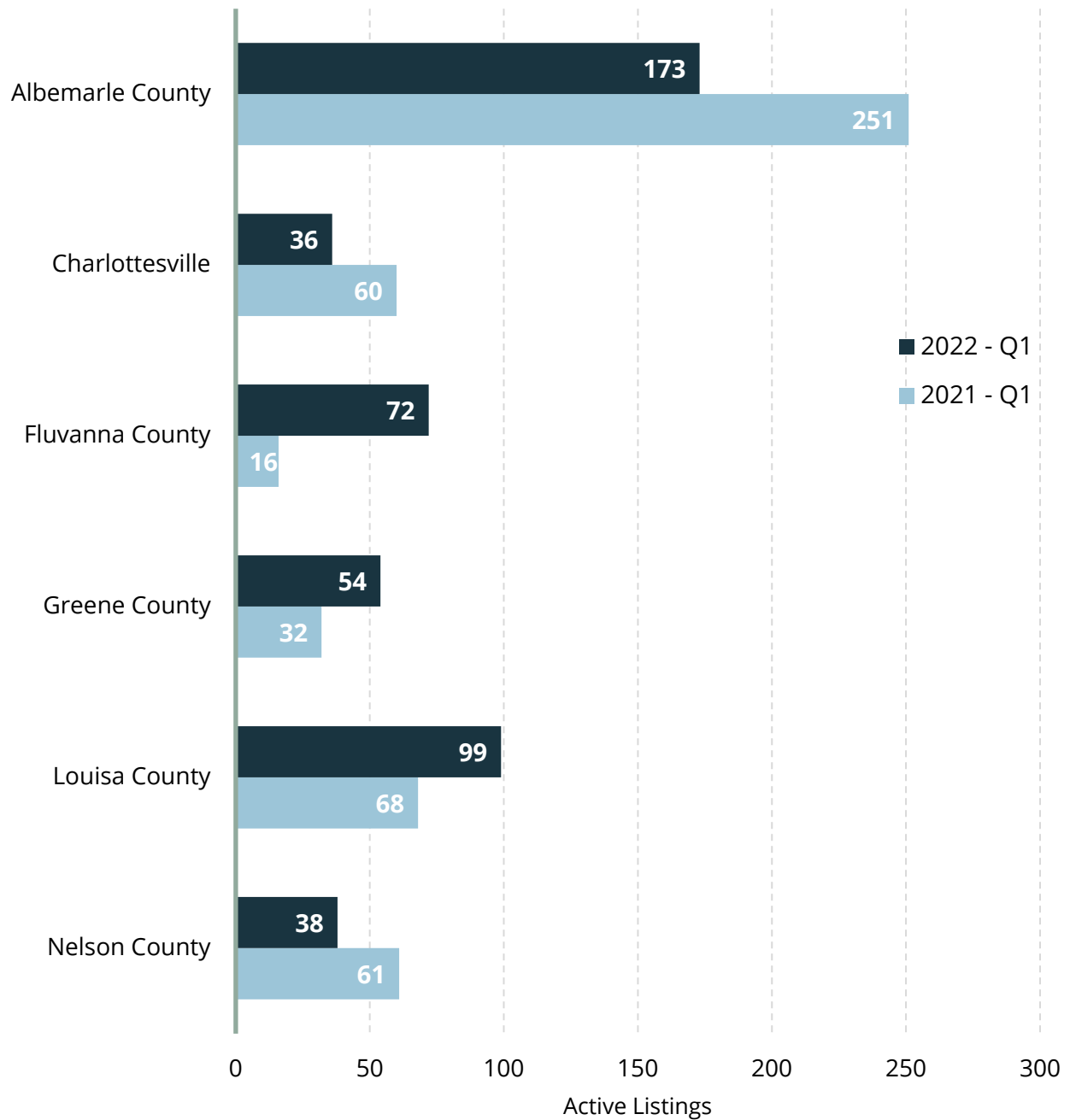
There was just 1.1 months of supply at the end of the first quarter in the CAAR footprint. The metric is down from 1.2 months a year ago but rose from 1 month at the end of the fourth quarter of 2021. The months of supply metric is calculated by taking the average monthly sales over the preceding 12-month period and dividing it by the inventory of active listings.

Figure 18
End of First Quarter Months Supply, CAAR
2018-2022



Source: Virginia REALTORS®, data accessed April 15, 2022

Figure 19
End of First Quarter Active Listings, CAAR Jurisdictions
2021 and 2022



Source: Virginia REALTORS®, data accessed April 15, 2022



Local Snapshot – *Albemarle County*

Sales: The number of home sales in Albemarle County declined dramatically compared to a year ago. There were 339 home sales in the first quarter, which is 82 fewer sales than in the first quarter of 2021, or a 19% decline. The number of sales is slightly lower than during the first quarter of 2020.

Median Sales Price: Despite fewer sales, home prices continued to rise briskly in Albemarle County. In the first quarter, the median sales price was \$476,750, which is up 11% from a year ago. The median home price in the county is now more than \$87,000 higher than it was two years ago.

Sold Volume: There was approximately \$210.5 million of sold volume in Albemarle County during the first quarter. As a result of slower sales, total volume declined by 2%, or by about \$3.3 million, compared to last year.

Days on Market: Homes continued to sell quickly in Albemarle County, which suggests that buyer interest is still high. In the first quarter, homes sold in an average of 30 days, which is 25 days faster than a year ago. In the first quarter of 2020, before the onset of the pandemic, it took an average of 79 days for homes to sell in the county.

Inventory: Inventory remains at historically low levels in Albemarle County. There were 173 active listings at the end of the first quarter, which is 78 fewer listings than a year ago, or a 31% decline. Inventory is now about a quarter of what it was two years ago.



Local Snapshot – *Charlottesville*

Sales: For the first time in two years, quarterly home sales in Charlottesville were down compared to a year earlier. There were 106 sales in the city in the first quarter, which is eight fewer sales than last year, a 7% decline. The number of home sales was also 4% lower than it was in the first quarter of 2020.

Median Sales Price: Prices have risen very quickly in Charlottesville over the past two years. In the first quarter, the median home price in Charlottesville was \$412,000, which was up 4% compared to a year ago, a gain of \$14,350. The median home price in the city is now \$75,000 higher than what it was two years ago.

Sold Volume: Despite rising prices, lower sales totals led to a decline in sold volume in Charlottesville. There was about \$50.8 million of sold volume during the first quarter. Total sold volume was down 11% compared to last year, a drop of about \$6.5 million.

Days on Market: The average days on market increased for the second quarter in a row in Charlottesville. In the first quarter, the average home took 37 days to sell, which is three days longer than a year ago.

Inventory: There were just 36 active listings in Charlottesville at the end of the first quarter, which is down 40% compared to a year ago, or 24 fewer listings. Inventory in the city is less than a third of what it was two years ago.



Local Snapshot – *Fluvanna County*

Sales: For the third quarter in a row, the number of home sales in Fluvanna County was lower than a year earlier. There were 116 sales in the county in the first quarter, which is 39 fewer sales than a year ago, a decline of 25%. However, the number of sales in the first quarter of 2022 was 8% higher than in the first quarter of 2020.

Median Sales Price: Home prices surged in Fluvanna County. In the first quarter, the median home price in the county was \$335,263, which is up 24% compared to a year ago, or a gain of more than \$65,000. Home prices have risen briskly over the past two years. The median price in Fluvanna County is now more than \$98,000 higher than it was during the first quarter of 2020.

Sold Volume: Fewer home sales transactions led to lower sold volume, despite price growth. There was approximately \$41.2 million of sold volume in Fluvanna County in the first quarter. Total sold volume fell by 15% compared to last year at this time, a drop of about \$7.3 million.

Days on Market: Despite fewer sales, homes continued to sell quickly in Fluvanna County. In the first quarter, the average days on market was 23 days, which was four days faster than last year at this time.

Inventory: Available inventory expanded dramatically in Fluvanna County. There were 72 active listings in the county at the end of the first quarter, 56 more listings than a year ago, which is a 350% increase. Despite that stunning increase, supply in the county is just two-thirds of what it was at the end of the first quarter of 2020.



Local Snapshot – *Greene County*

Sales: The number of home sales in Greene County dipped slightly in the first quarter. There were 67 sales in the county in the first quarter, two fewer sales than a year ago, a decline of 3%. First quarter sales were down 11% compared to the first quarter of 2020.

Median Sales Price: Despite slower sales activity, home prices continued to rise in Greene County. At \$335,000, the first median sales price was 7% higher than a year ago, which is a gain of \$23,000. The median price in the county is \$60,000 higher than it was two years ago.

Sold Volume: There was about \$25.1 million of sold volume in the county in the first quarter. Higher home prices pushed total sold volume up 15% compared to a year ago, a gain of about \$3.2 million.

Days on Market: Homes sold very quickly in Greene County during the first quarter. The average days on market was 17 days, which is 17 days faster than a year ago. In the first quarter of 2020, it took 73 days, on average, for a home to sell in Greene County.

Inventory: For the first time in more than two years, inventory increased year-over-year in Greene County. At the end of the first quarter, there were 54 homes listed for sale in the county, which is 22 more listings than a year ago, a gain of 69%. Despite that uptick, inventory is still only about 54% of what it was at the end of the first quarter of 2020.



Local Snapshot – *Louisa County*

Sales: The number of home sales in Louisa County was lower than a year ago. There were 154 sales in the county during the first quarter, which is 32 fewer sales than last year, or a 17% decline. However, the number of sales was 10% higher than during the first quarter of 2020.

Median Sales Price: The median home price rose significantly in Louisa County. The first quarter median sales price in Louisa County was \$344,914. The median price in the county is up 22% compared to a year ago, which is a gain of more than \$62,000. Over the past two years, the median price in Louisa County has increased by nearly \$95,000.

Sold Volume: In the first quarter, there was about \$60.4 million of sold volume in Louisa County. As a result of fewer sales, total sold volume fell by 6%, or about \$3.8 million, compared to a year ago.

Days on Market: Homes continued to sell quickly in Louisa County. In the first quarter, homes sold in an average of 33 days, which is two days faster than a year ago. Homes have been selling more quickly in the county for the past two years. In the first quarter of 2020, homes sold in 73 days, on average, in Louisa County.

Inventory: Inventory expanded in Louisa County for the second quarter in a row. At the end of the first quarter, there were 99 active listings on the market in Louisa County, which is up 46% compared to last year or 31 additional listings. Despite this increase, supply is still less than half of what it was two years ago.



Local Snapshot – *Nelson County*

Sales: For the third quarter in a row, home sales were down compared to a year earlier in Nelson County. There were 106 sales in the county in the first quarter, which is down 12% compared to a year ago or 14 fewer sales. Despite this slowdown, sales activity is much stronger than it was prior to the pandemic. The number of sales in the first quarter of 2022 was 66% higher than during the first quarter of 2020.

Median Sales Price: Home prices have increased dramatically in Nelson County over the past two years. The median sales price in the first quarter was \$361,250, which is an increase of 17%, or nearly \$53,000, compared to a year ago. The median home price in Nelson County is now nearly \$150,000 higher than it was two years ago.

Sold Volume: There was approximately \$43.5 million of sold volume in Nelson County during the first quarter. Total sold volume was up 11% compared to a year ago, a gain of about \$4.4 million.

Days on Market: Homes continued to sell more quickly in Nelson County. It took about 31 days on average to sell a home in the county during the first quarter. The average days on market is more than a month (36 days) faster than a year ago and nearly four months faster than during the first quarter of 2020.

Inventory: Inventory is very limited in Nelson County. There were just 38 active listings on the market at the end of the first quarter. The number of active listings is down 38% compared to a year ago, which is 23 fewer listings. Supply is just 18% of what it was two years ago in Nelson County.



The Virginia REALTORS® association is one of the largest professional trade associations 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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Data and analysis provided by Virginia REALTORS® Chief Economist, Lisa Sturtevant, PhD.

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.