

CAAR CHARLOTTESVILLE AREA HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

CAAR Home Sales Report

First Quarter 2023

Charlottesville Area Association of REALTORS®

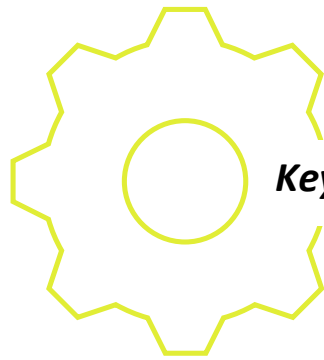
Market Report Key Takeaways

Economic Conditions

- There were about 3,200 jobs added to Virginia's economy between January and February 2023. Most regions around the Commonwealth have now fully recovered net jobs lost in the spring of 2020.
- Virginia's unemployment rate was 2.9% in February 2023 (not seasonally adjusted), which is up from 2.7% a year ago. The unemployment rate continues to be historically low, but has started to inch up, rising three of the last four months. In the CAAR region, the unemployment rate was 2.6% in February, which is up from 2.5% a year ago.
- Mortgage rates have been volatile since initially falling in January, then rising for five straight weeks, and then falling again for five straight weeks. In the third week of April 2023, the average rate on a 30-year fixed mortgage was 6.39%.

Housing Market Conditions

- The 2023 housing market is off to a slow start in the CAAR region. There were 688 homes sold in total across the area in the first quarter of 2023, down 23% from last year, the lowest first quarter sales total since 2016.
- The first quarter median sales price in the CAAR market was \$401,200. This is \$11,300 higher than it was a year ago, a 3% increase.
- The supply of active listings continues to build up in the CAAR footprint. There were 700 active listings on the market at the end of the first quarter, 228 more listings than a year ago, a 48% increase.



Key Trends Dashboard, CAAR

Economy



2.6%

Is the Feb-2023 **unemployment rate** in the CAAR footprint, which is up from Feb-2022



6.39%

Is the **30-year fixed-rate mortgage rate** during the third week of April 2023, which is up from 5.11% a year ago

Housing Market



-200

Fewer **home sales** in the CAAR footprint in Q1-2023 compared to last year



3%

Percent change in **median sales price** in the CAAR region in Q1-2023 compared to a year ago



-\$86.3

Million dollars less in total **sold volume** in the CAAR footprint in Q1-2023 compared to last year



48%

Percent change in **active listings** at the end of Q1-2023 in the CAAR market compared to a year ago



2

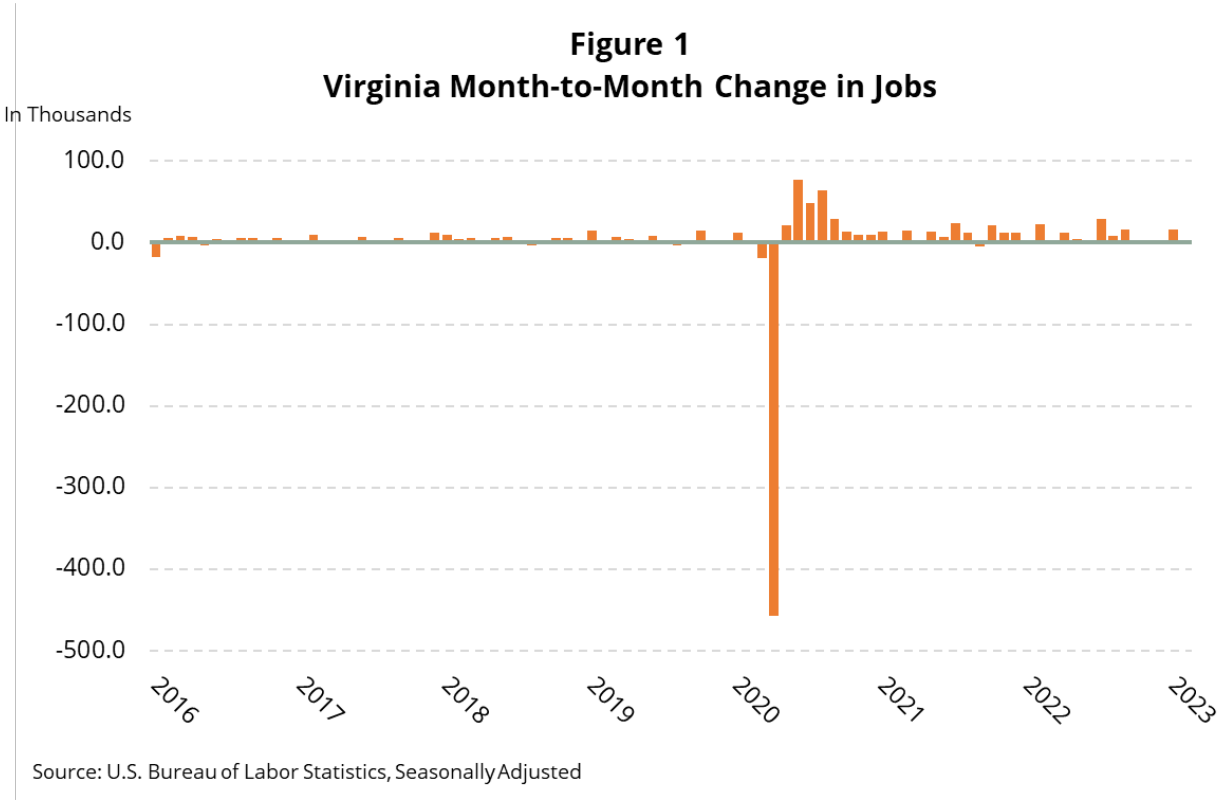
Months of supply in the CAAR footprint in Q1-2023, which is up from a year ago

Economic Overview

The economy continues to see mixed signals. Inflation is trending down, but remains much higher than the target rate. The job market has been resilient, but the growth has slowed in recent months. Mortgage rates have been inching down in recent weeks, but are still much higher than they were at this time last year.

Jobs

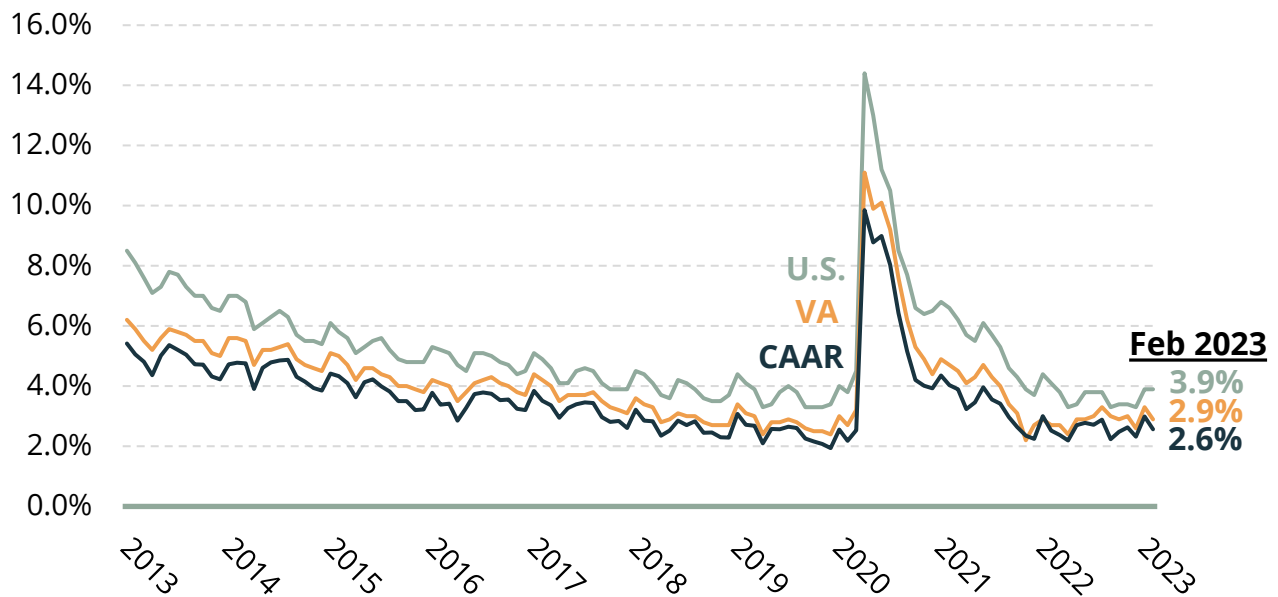
Virginia’s job base continues to expand, but the pace has slowed from recent months. There were about 4.31 million jobs across the state in February 2023, which is an influx of 3,200 jobs from January 2023. Virginia has fully recovered job losses incurred in the spring of 2020, and the job base has grown by approximately 41,600 jobs since pre-pandemic levels. The largest influx of jobs this month occurred in the State Government sector, which had 6,200 more jobs in February compared to January. The Health Care and Social Services sector continues to expand, with about 2,200 more jobs added to Virginia’s economy from the prior month. The largest decrease this month was in the Administrative and Waste Services sector (-2,600 jobs), and Leisure & Hospitality (-1,800 jobs).



Unemployment

The unemployment rate in Virginia remains historically low, but has been rising slowly in recent months. Statewide, the unemployment rate in February 2023 was 2.9% (not seasonally adjusted), up from 2.7% in February of 2022. The unemployment rate in the CAAR region was 2.6% in February 2023, up from 2.5% a year ago.

Figure 2
Unemployment Rate

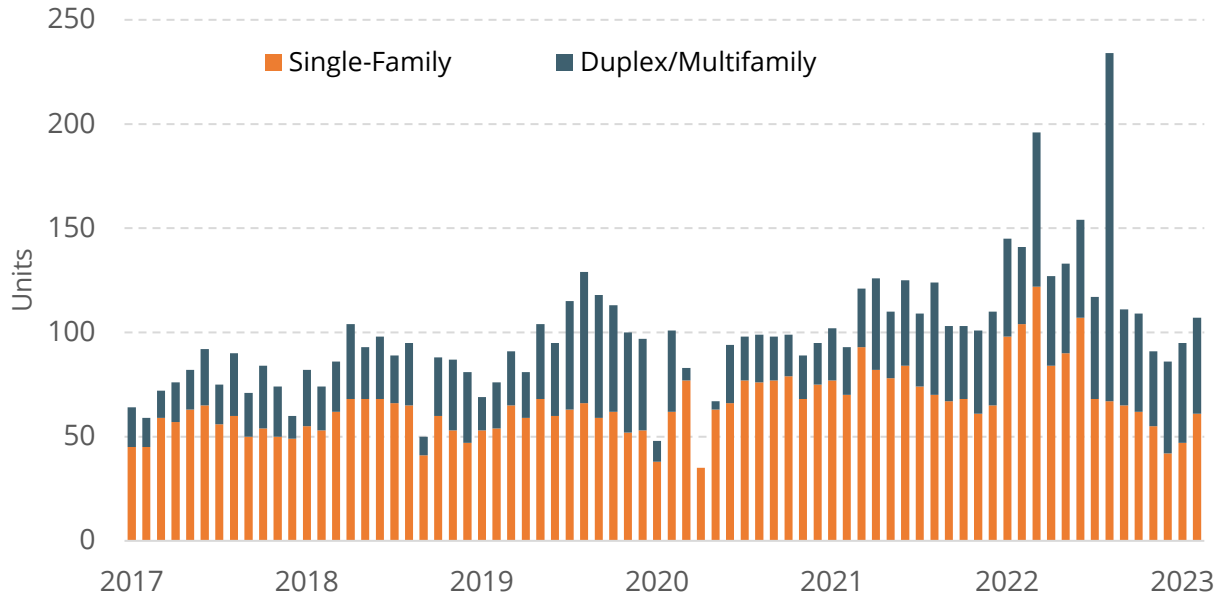


Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

New Construction

New residential construction permitting in the Charlottesville MSA continues to track higher than average. There have been 202 total building permits issued in the region so far in 2023 (through February), which is the second highest Jan+Feb total since 2015 (2022 was the highest). About 53% of the permits so far have been for single-family detached homes. There have been 94 duplex/multifamily permits so far in 2023, which is about double the number of permits two years ago.

Figure 3
Monthly Permits for New Residential Construction
Charlottesville Metropolitan Area



Source: U.S. Census Bureau

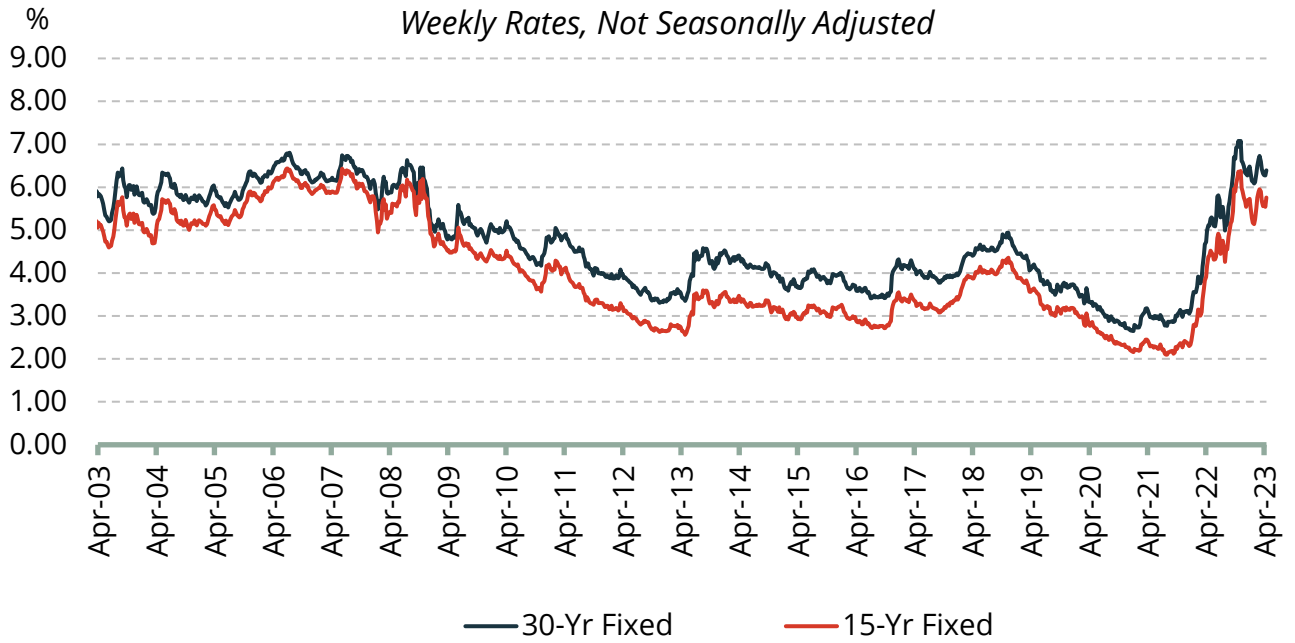
*Charlottesville Metropolitan Area includes Charlottesville City, Albemarle County, Buckingham County, Fluvanna County, Greene County, and Nelson County

Mortgage Rates

Mortgage rates have been up and down so far in 2023. In the third week of April, the average rate on a 30-year fixed mortgage was 6.39%, up from 6.27% in the previous week, but down from 6.42% in the previous month. Mortgage rates started off the year trending down for much of January, then rose for February into March, and then back down again March through mid-April. This volatility could continue in the coming months, though the longer-term trajectory is likely to be downward.

Figure 4
Mortgage Interest Rates

Weekly Rates, Not Seasonally Adjusted



Source: Freddie Mac

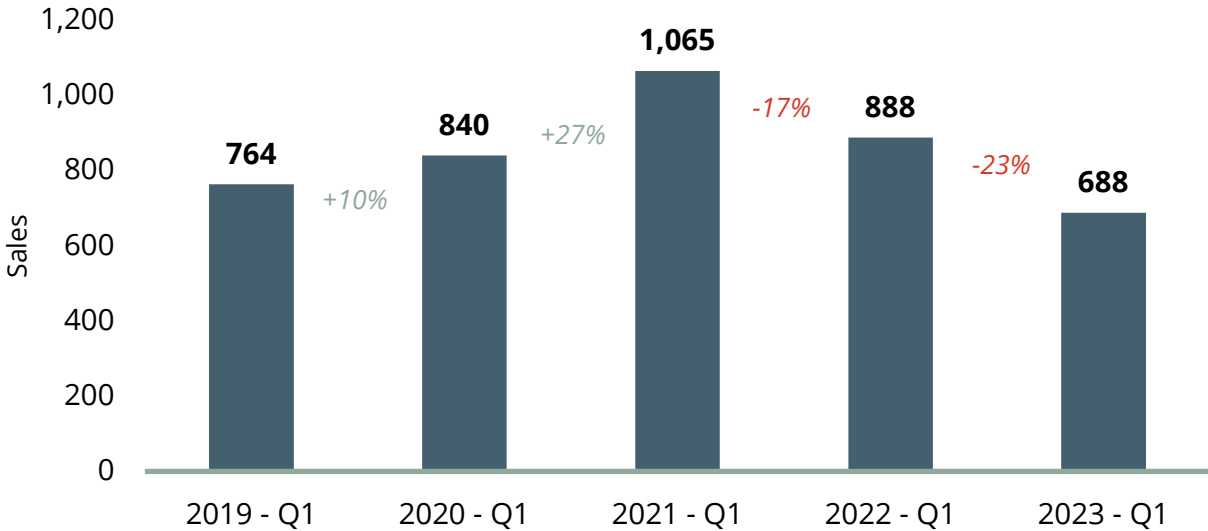
Housing Market Overview

The CAAR housing market is off to a slower start in 2023. Sales activity in the first quarter is back to 2016 levels, and homes are staying on the market about two weeks longer on average. Sold volume levels continue to be well below last year as a result of fewer sales. Prices are climbing in some local markets while falling in others, and the inventory of active listings is building up as the market cools.

Sales

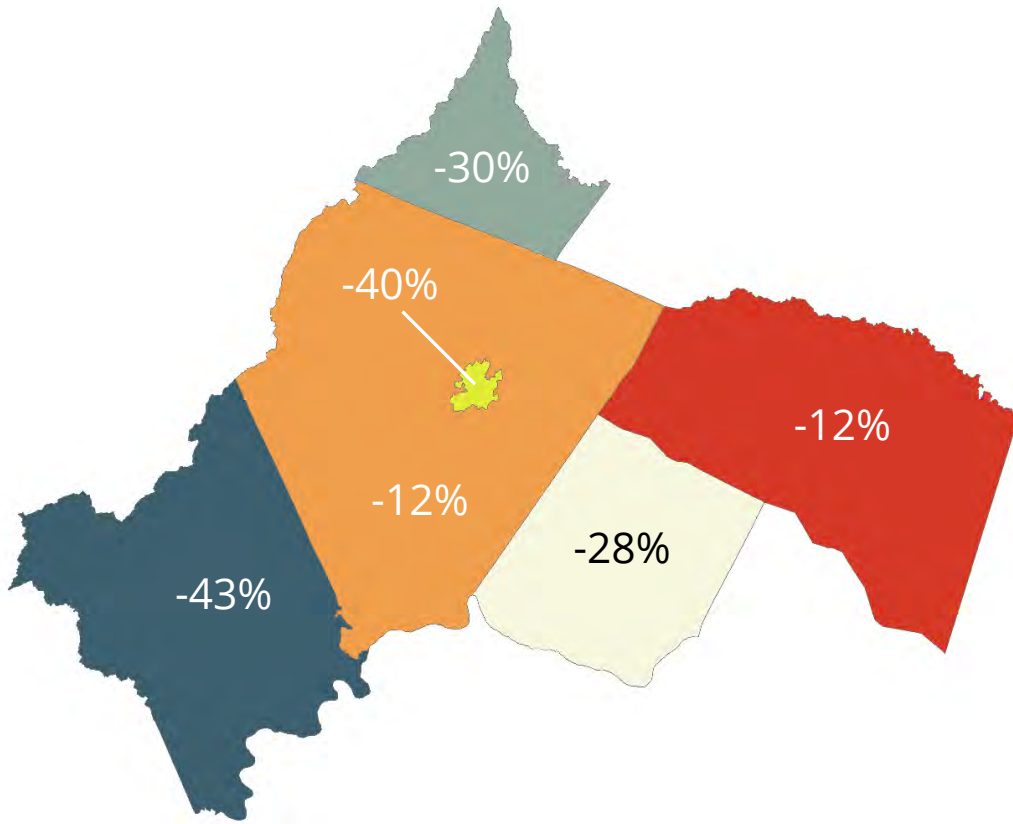
There were 688 sales in the CAAR housing market in the first quarter of 2023, which is 200 fewer sales than this time last year, a 23% drop. This is the slowest first quarter the CAAR market has had since 2016, as rising interest rates and lack of inventory have cooled the market. Sales activity in the region moderated in all three months of the quarter, which covers January through March. Statewide, total home sales were down 25% from the first quarter a year ago.

Figure 5
First Quarter Home Sales, CAAR
2019-2023



Source: Virginia REALTORS®, data accessed April 15, 2023

Figure 6
Change in Sales by Jurisdiction
CAAR
First Quarter 2022 to First Quarter 2023



<i>Jurisdiction</i>	<i>2022 - Q1</i>	<i>2023 - Q1</i>	<i>% Change</i>
Albemarle County	339	299	-12%
Charlottesville	106	64	-40%
Fluvanna County	116	83	-28%
Greene County	67	47	-30%
Louisa County	154	135	-12%
Nelson County	106	60	-43%

Source: Virginia REALTORS®, data accessed April 15, 2023

Figure 7
First Quarter New Construction Sales, CAAR
 2019-2023

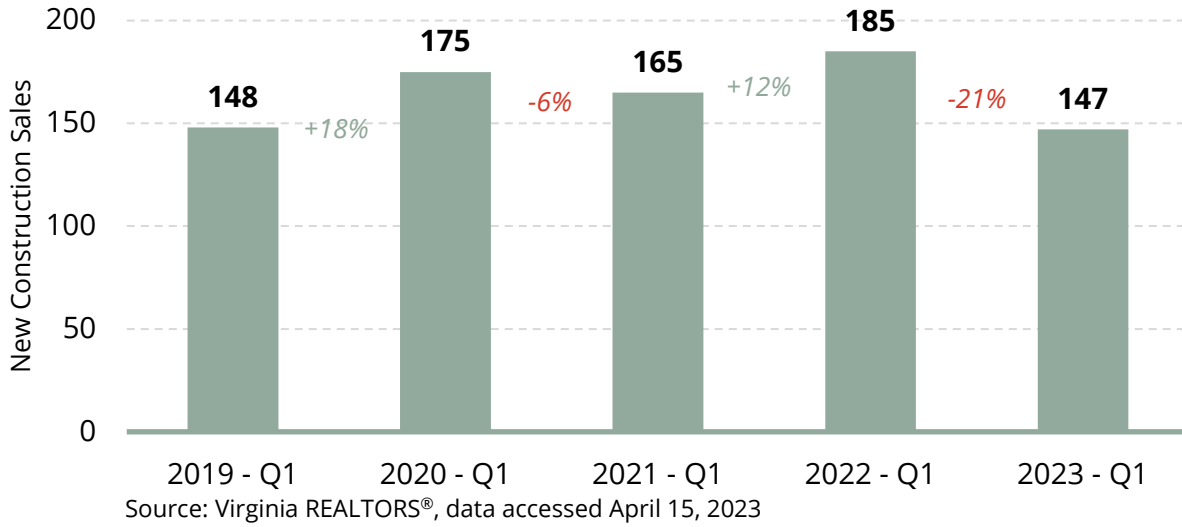
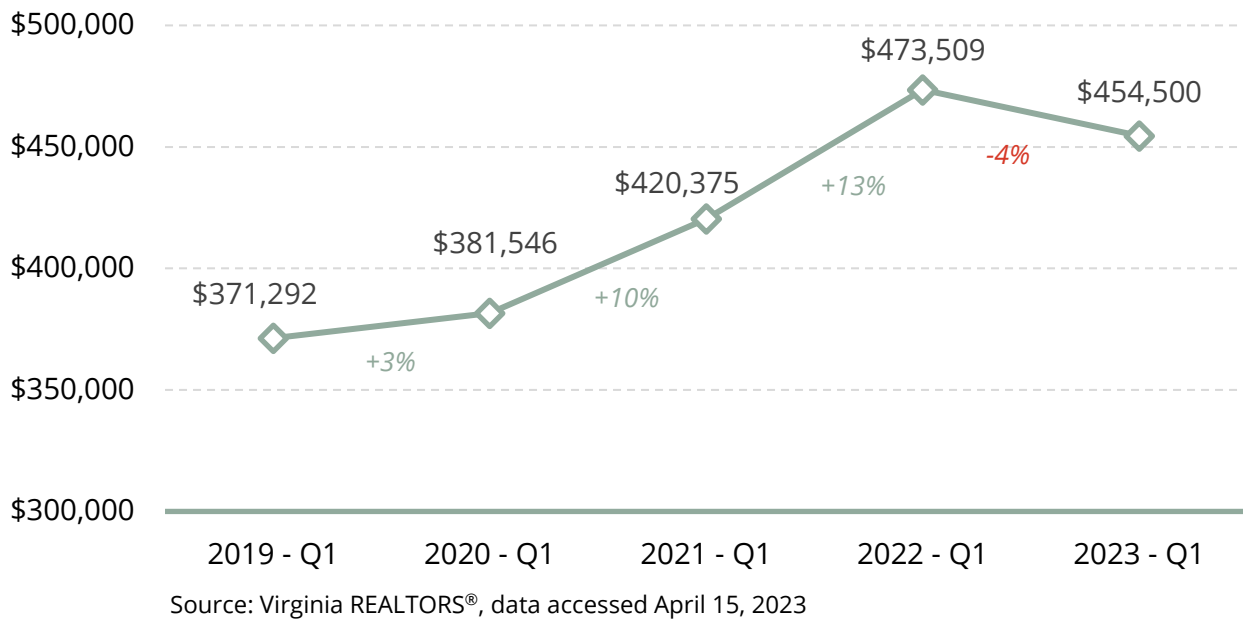


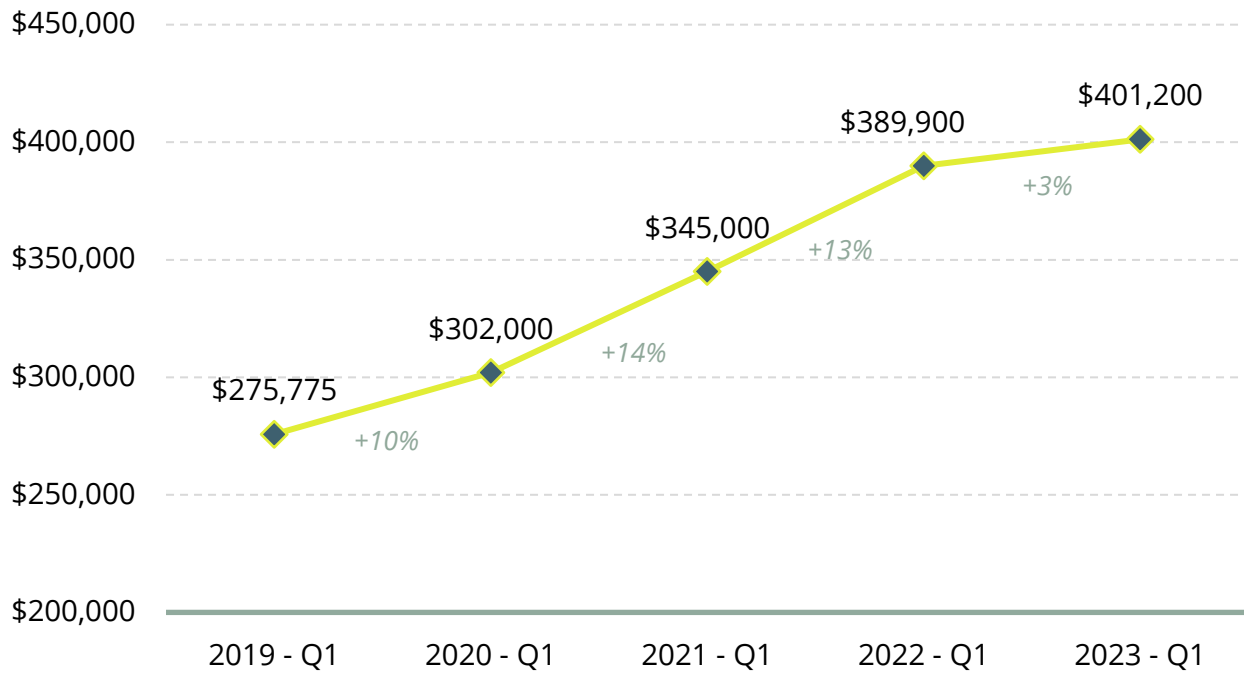
Figure 8
First Quarter New Construction Median Sales Price, CAAR
 2019-2023



Sales Prices

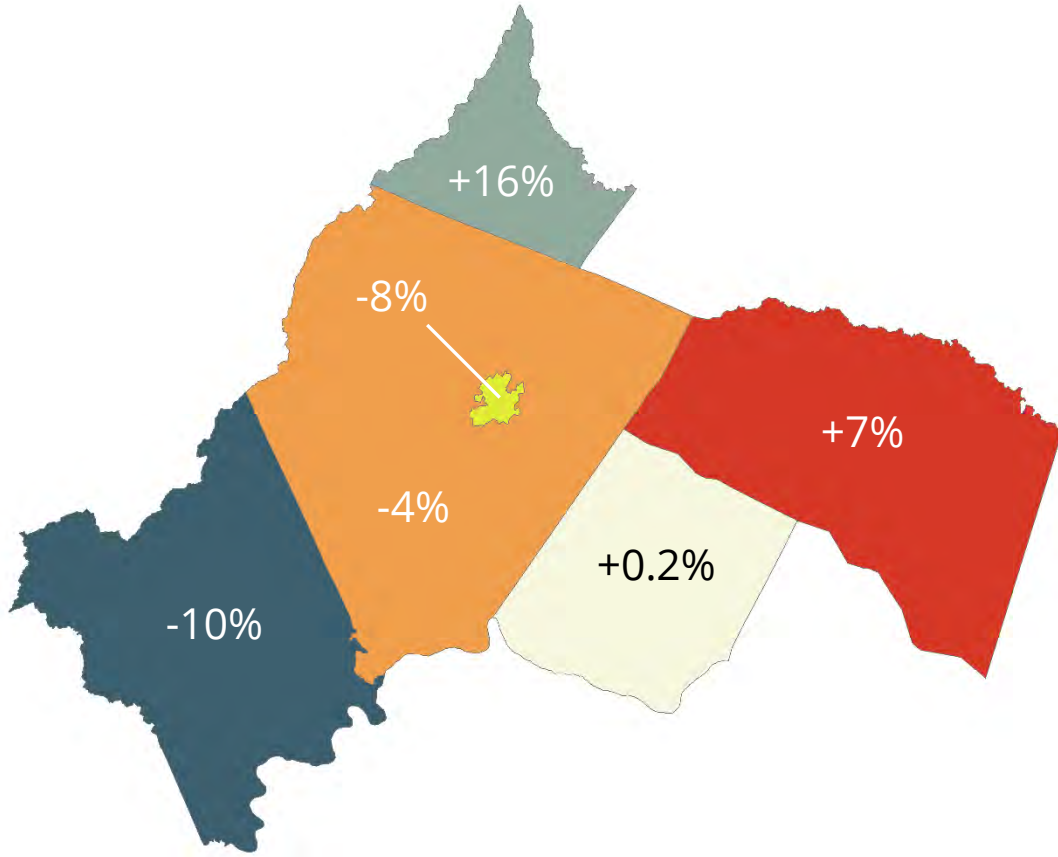
Home prices rose overall but dropped in some local markets this quarter. The regionwide median sales price in the CAAR market was \$401,200, rising \$11,300 from the first quarter last year, representing a 3% increase. This is the smallest quarterly price gain in three and a half years. Price growth has slowed in recent quarters as market activity has cooled. Three local markets in the CAAR region had a lower median sales price this quarter compared to last year. Statewide, the first quarter median sales price was \$365,000, climbing 3% from the first quarter last year.

Figure 9
First Quarter Median Sales Price, CAAR
2019-2023



Source: Virginia REALTORS®, data accessed April 15, 2023

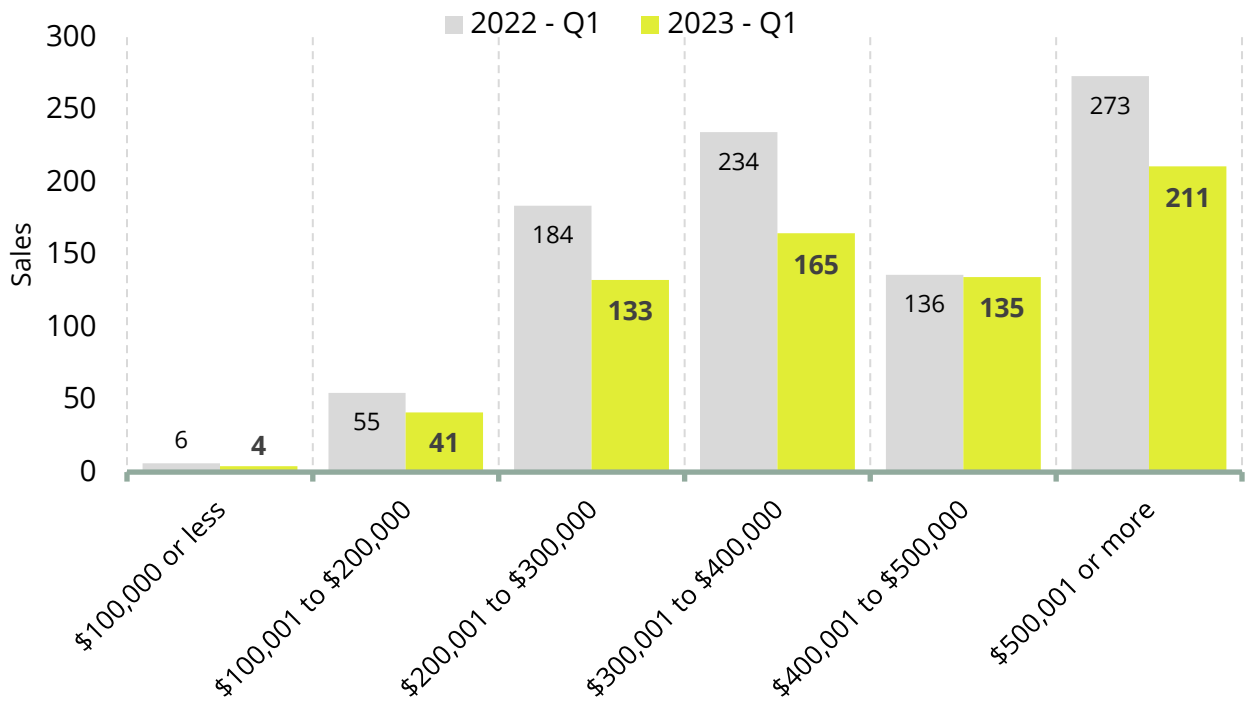
Figure 10
Change in Median Sales Price by Jurisdiction
CAAR
First Quarter 2022 to First Quarter 2023



<i>Jurisdiction</i>	<i>2022 - Q1</i>	<i>2023 - Q1</i>	<i>% Change</i>
Albemarle County	\$476,750	\$458,798	-4%
Charlottesville	\$412,000	\$377,500	-8%
Fluvanna County	\$335,263	\$336,000	0.2%
Greene County	\$335,000	\$389,900	16%
Louisa County	\$344,914	\$369,900	7%
Nelson County	\$361,250	\$325,000	-10%

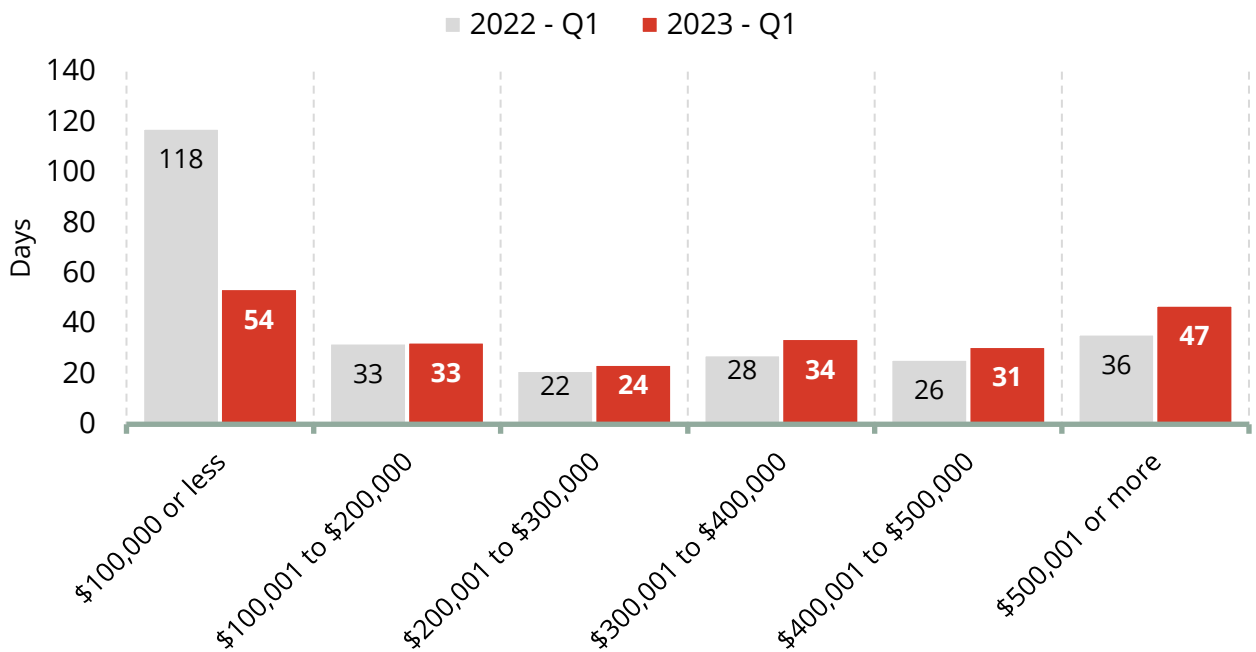
Source: Virginia REALTORS®, data accessed April 15, 2023

Figure 11
First Quarter Sales Price Range Distribution - CAAR



Source: Virginia REALTORS®, data accessed April 15, 2023

Figure 12
First Quarter Average DOM by Sales Price Range - CAAR

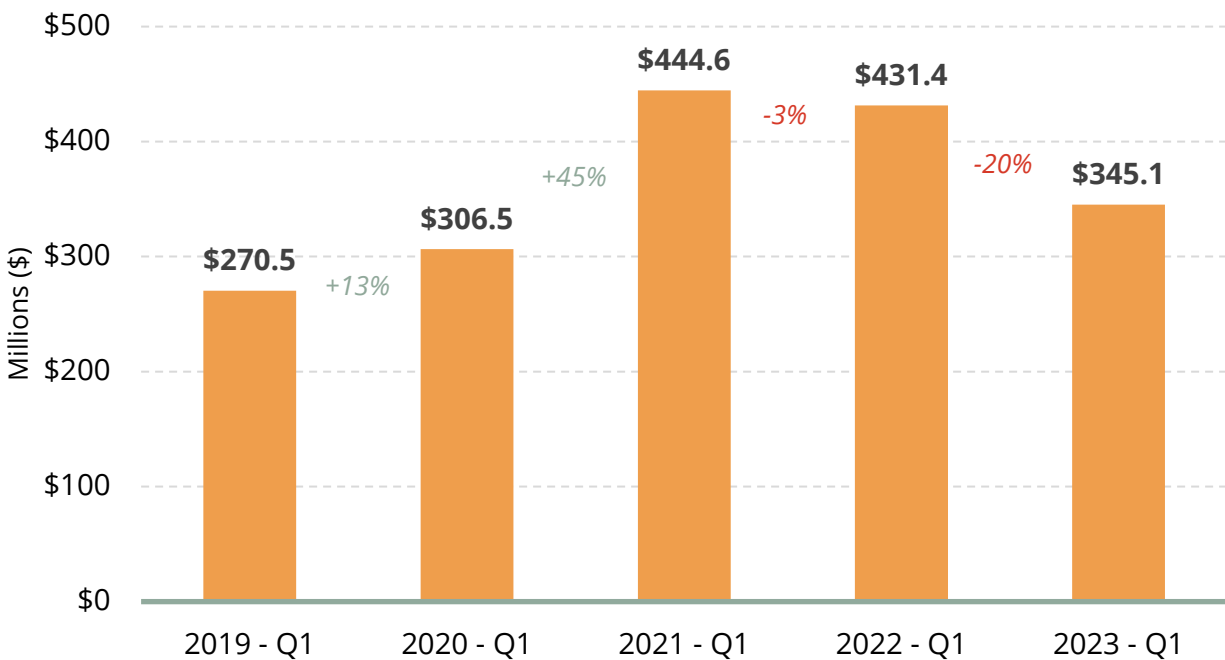


Source: Virginia REALTORS®, data accessed April 15, 2023

Sold Volume

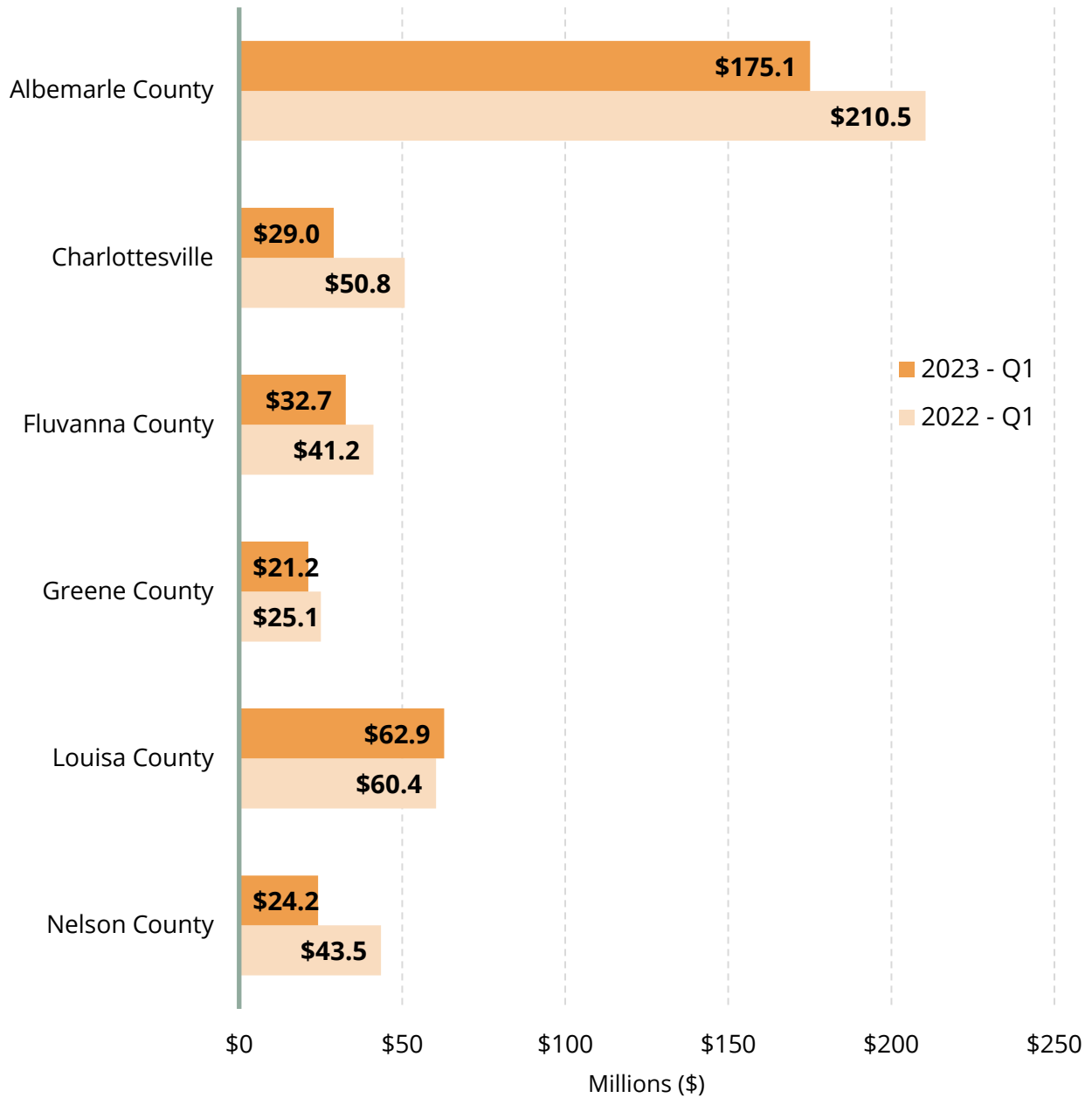
The sold dollar volume continues to trend down in the CAAR housing market as there are fewer sales overall. There was approximately \$345.1 million of sold volume in the CAAR footprint during the first quarter. This is \$86.3 million less volume than the first quarter last year, a 20% drop. Most local markets had a sharp decrease in volume this quarter, a trend that has been consistent for much of the past year.

Figure 13
First Quarter Sold Dollar Volume (Millions), CAAR
2019-2023



Source: Virginia REALTORS®, data accessed April 15, 2023

Figure 14
First Quarter Sold Dollar Volume, CAAR Jurisdictions
2022 and 2023

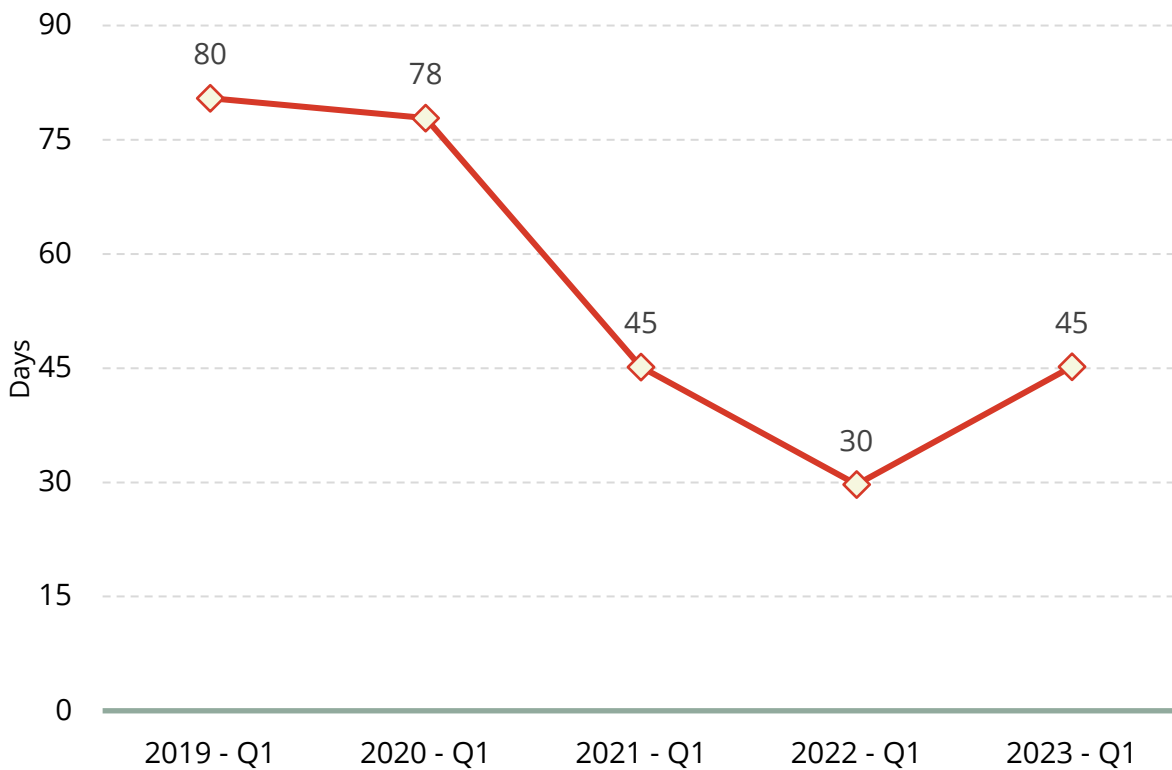


Source: Virginia REALTORS®, data accessed April 15, 2023

Days on Market

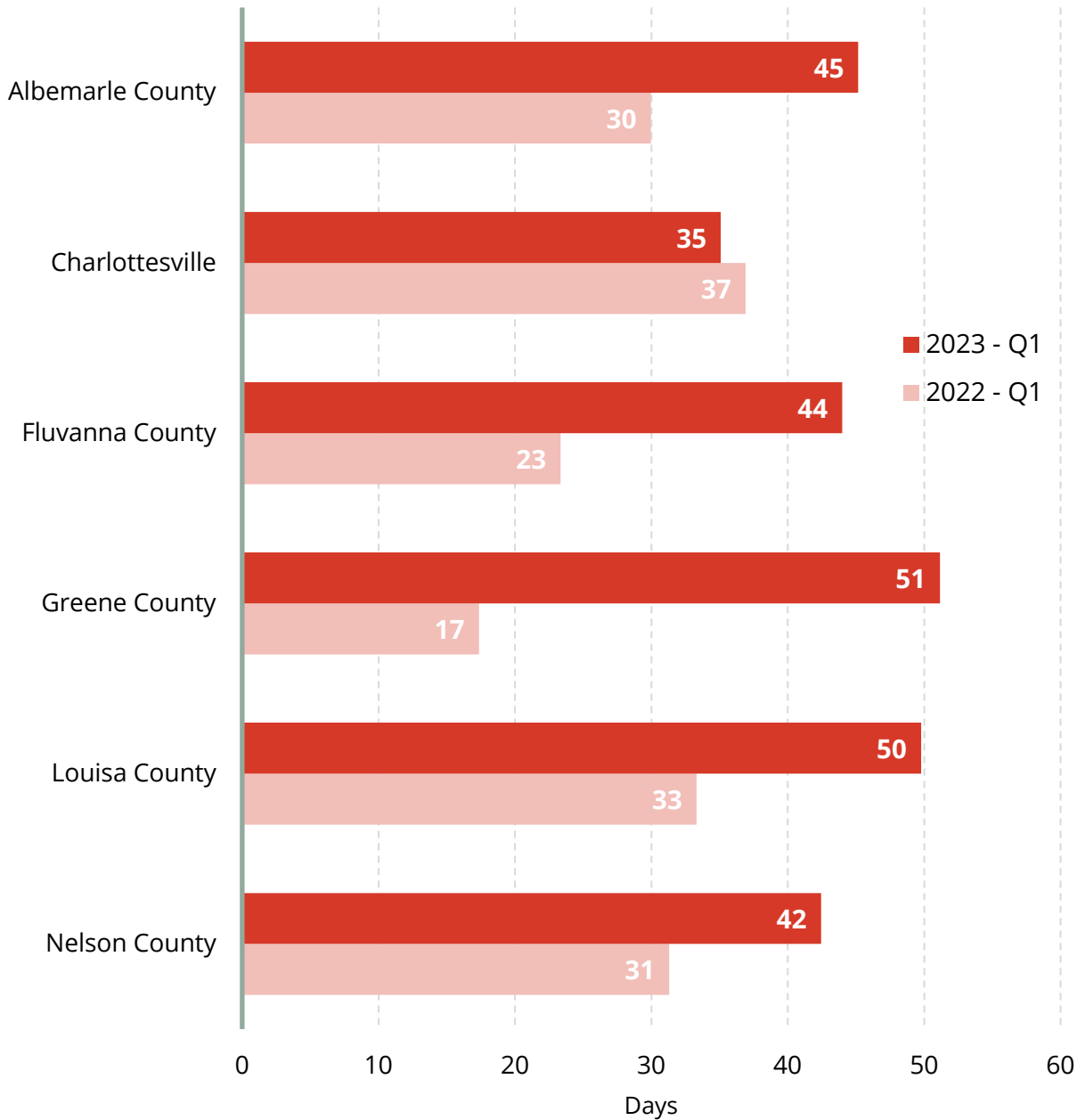
It's taking longer to sell homes on average in the CAAR housing market. The average days on market in the region during the first quarter was 45 days, which is 15 days longer than the first quarter of last year. This is the first increase in this metric in two and half years. A similar slowdown occurred statewide this quarter. Homes sold in 37 days on average in Virginia during the first quarter of 2023, nine days longer than this time last year.

Figure 15
First Quarter Average Days on Market, CAAR
2019-2023



Source: Virginia REALTORS®, data accessed April 15, 2023

Figure 16
First Quarter Average Days on Market, CAAR Jurisdictions
2022 and 2023



Source: Virginia REALTORS®, data accessed April 15, 2023

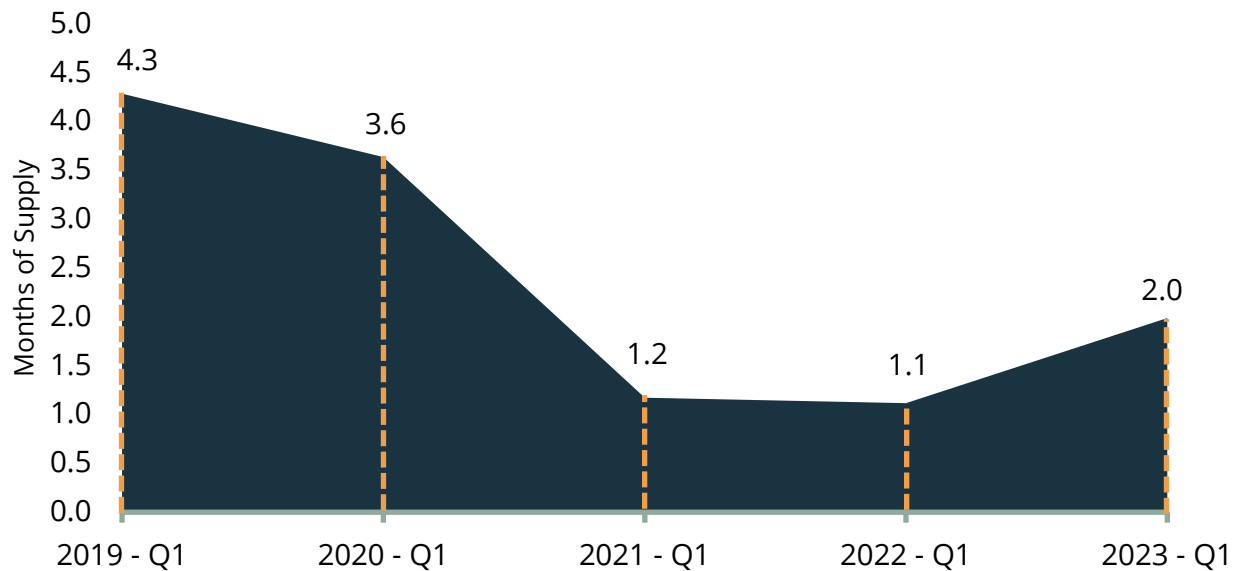
Inventory

The number of active listings in the CAAR region continues to build up. There were 700 active listings on the market at the end of the first quarter of 2023. This is 228 more listings than this time last year, a 48% jump. Nearly all local markets had an increase in active listings at the end of this quarter. The increase in listings reflects that homes are staying on the market longer and the inventory is building up over time, not necessarily that a lot of new listings are coming on the market.

Statewide, there were 15,108 active listings at the end of the first quarter, an 11% increase from a year ago, which is nearly 1,500 more listings.

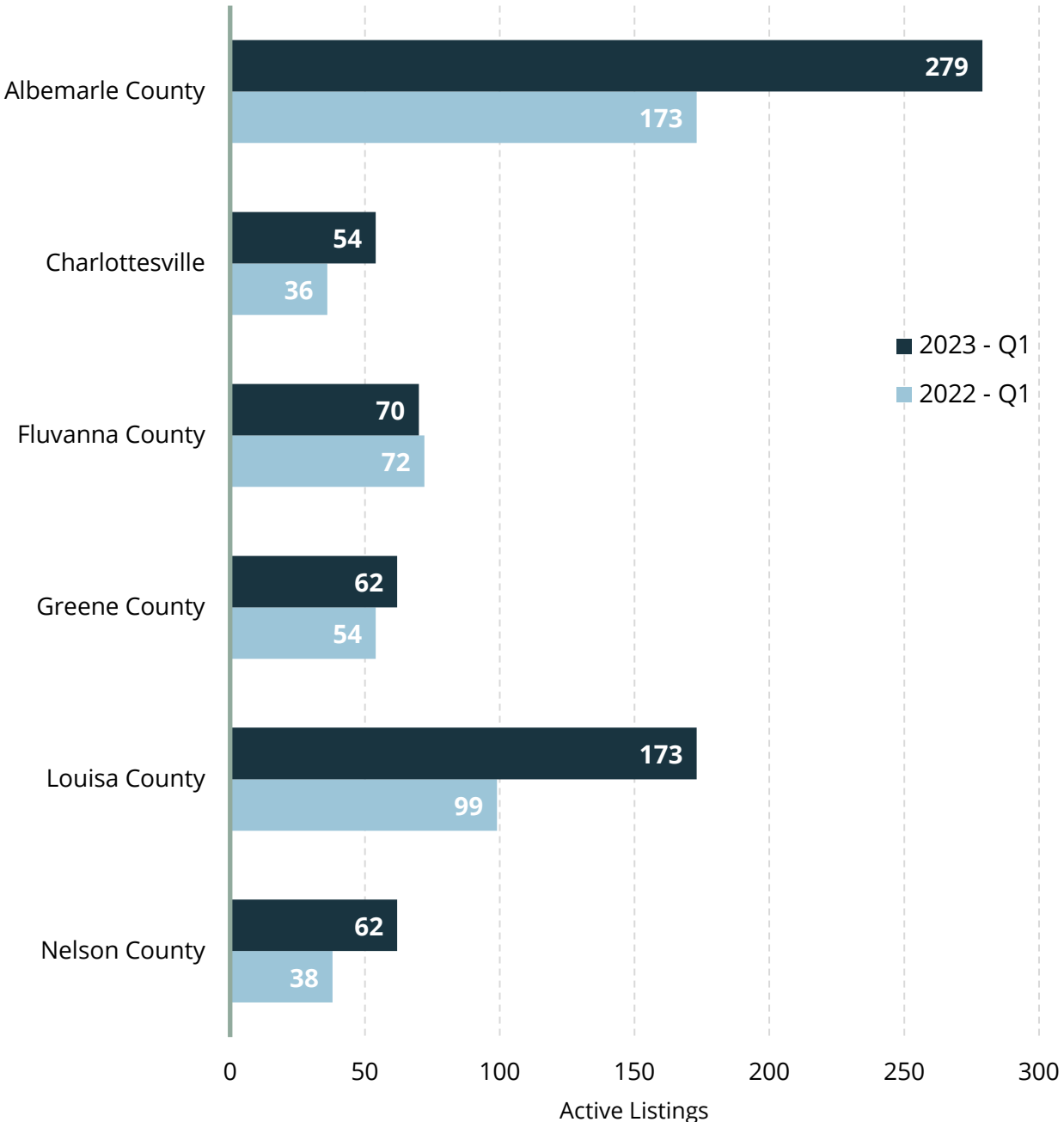
There was 2 months of supply at the end of the first quarter in the CAAR footprint, which is up from 1.1 months a year ago. The months of supply metric is calculated by taking the average monthly sales over the preceding 12-month period and dividing it by the inventory of active listings. Statewide, there was 1.5 months of supply at the end of the first quarter.

Figure 17
End of First Quarter Months Supply, CAAR
2019-2023



Source: Virginia REALTORS®, data accessed April 15, 2023

Figure 18
End of First Quarter Active Listings, CAAR Jurisdictions
2022 and 2023



Source: Virginia REALTORS®, data accessed April 15, 2023



Local Snapshot – *Albemarle County*

Sales: In Albemarle County, there were 299 sales during the first quarter, 40 fewer sales than last year, a decrease of 12%. This is the sixth consecutive quarter in which sales have fallen in the county.

Median Sales Price: The sales price in Albemarle County went down this quarter. The median price of a home in the county was \$458,798 in the first quarter, \$17,953 less than the previous year, a 4% drop.

Sold Volume: The decrease in sales activity and median sales price led to less sold dollar volume in Albemarle County. There was about \$175.1 million of sold volume in the first quarter, a loss of \$35.3 million or 17% from a year ago.

Days on Market: At 45 days, the average days on market in Albemarle County was 15 days slower than the same time last year.

Active Listings: At the end of the first quarter, there were 279 active listings on the market in Albemarle County, 106 more listings compared to last year, a growth of 61%. Active listings have been steadily growing in the county for four straight quarters.



Local Snapshot – *Charlottesville*

Sales: There were 64 homes sold in Charlottesville during the first quarter, 42 fewer sales than a year ago, a 40% drop off in activity.

Median Sales Price: Home prices in Charlottesville fell in the first quarter. The median sales price was \$377,500, down 8% from last year, a \$34,500 price reduction.

Sold Volume: There was about \$28.9 million of sold volume in Charlottesville during the first quarter, a decrease of \$21.8 million from the previous year, representing a decline of 43%.

Days on Market: Homes that sold in Charlottesville in the first quarter were on the market an average of 35 days, selling two days faster than last year.

Active Listings: Supply increased this quarter in Charlottesville. There were 54 active listings at the end of the first quarter, 18 more listings than a year ago, a 50% increase.



Local Snapshot – *Fluvanna County*

Sales: In the first quarter, there were 83 sales in Fluvanna County, a 28% decrease or 33 fewer sales compared to last year. The number of sales have been trending down in the county for seven consecutive quarters.

Median Sales Price: In Fluvanna County, the price of a home continues to grow. In the first quarter, the median sales price was \$336,000, a price increase of \$738 from the previous year.

Sold Volume: In Fluvanna County, the drop in sales led to less sold dollar volume. There was approximately \$32.7 million of sold volume during the first quarter, \$8.5 million less than the same time a year ago, a 21% decrease.

Days on Market: The average days on market was 44 days in Fluvanna County during the first quarter, 21 days longer than the previous year.

Active Listings: Active listings went down this quarter in Fluvanna County. At the end of the first quarter, there were 70 listings on the market, 3% less than the year prior, which is two fewer listings. This is the first time listings have fallen since the third quarter of 2021.



Local Snapshot – *Greene County*

Sales: In the first quarter, there were 47 sales in Greene County. Sales were down 30% from the year prior, which is 20 fewer sales.

Median Sales Price: The median sales price in Greene County was \$389,900 in the first quarter, a price increase of \$54,900 from last year, a 16% jump.

Sold Volume: The sold dollar volume in Greene County decreased this quarter. In the county, there was \$21.2 million of sold volume during the first quarter, down \$3.86 million from a year ago, a 15% loss.

Days on Market: In Greene County, the average days on market for a home in the first quarter was 51 days, 34 days longer than the previous year.

Active Listings: There were 62 active listings at the end of the first quarter in Greene County, a 15% increase from last year, which is eight additional listings. This is the fifth consecutive quarter in which listings have gone up in the county.



Local Snapshot – *Louisa County*

Sales: Sales activity fell for the fifth straight quarter in Louisa County. There were 135 sales in the county during the first quarter, 19 fewer sales than a year ago, a 12% decrease.

Median Sales Price: In Louisa County, the median sales price was \$369,900 in the first quarter. Home prices in the county went up by \$24,986 or 7% compared to the same time last year.

Sold Volume: The rise in sales price led to increased sold volume in Louisa County. There was approximately \$62.3 million of sold dollar volume in the first quarter, \$2.5 million more volume than the previous year, a 4% gain.

Days on Market: In the first quarter, the average days on market in Louisa County was 50 days, 16 days longer than last year.

Active Listings: Inventory jumped in Louisa County. At the end of the first quarter, there were 173 active listings on the market, up 75% from the year prior, an additional 74 listings.



Local Snapshot – *Nelson County*

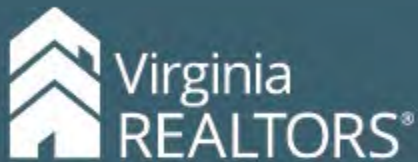
Sales: There were 60 sales in Nelson County during the first quarter, 46 fewer sales than the previous year, down 43%.

Median Sales Price: The sales price in Nelson County continued to fall this quarter. The median price was \$325,000 in the first quarter, down \$36,250 from last year, a 10% decline.

Sold Volume: There was about \$24.2 million of sold volume in Nelson County during the first quarter, \$19.2 million less than a year ago, a 44% drop. The loss of sold volume was brought on by fewer sales and a decrease in median sales price.

Days on Market: Homes were on the market longer in Nelson County this quarter. The average days on market was 42 days in the first quarter, 11 days longer than last year.

Active Listings: In Nelson County, there were 62 active listings at the end of the first quarter, 24 more listings than the year prior, which is a growth of 63%. This is the fourth consecutive quarter in which inventory has grown in the county.



The Virginia REALTORS® association is the largest professional trade association 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.

All inquiries regarding this report may be directed to:

Robin Spensieri
Virginia REALTORS® Vice President of Communications and Media Relations
rspensieri@virginiarealtors.org
804-622-7954

Data and analysis provided by the Virginia REALTORS® Research Team:

Ryan Price
Virginia REALTORS® Chief Economist
rprice@virginiarealtors.org

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.