



Richmond's Housing Market: Current Trends and a Post-Pandemic Outlook

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Richmond Association of REALTORS®

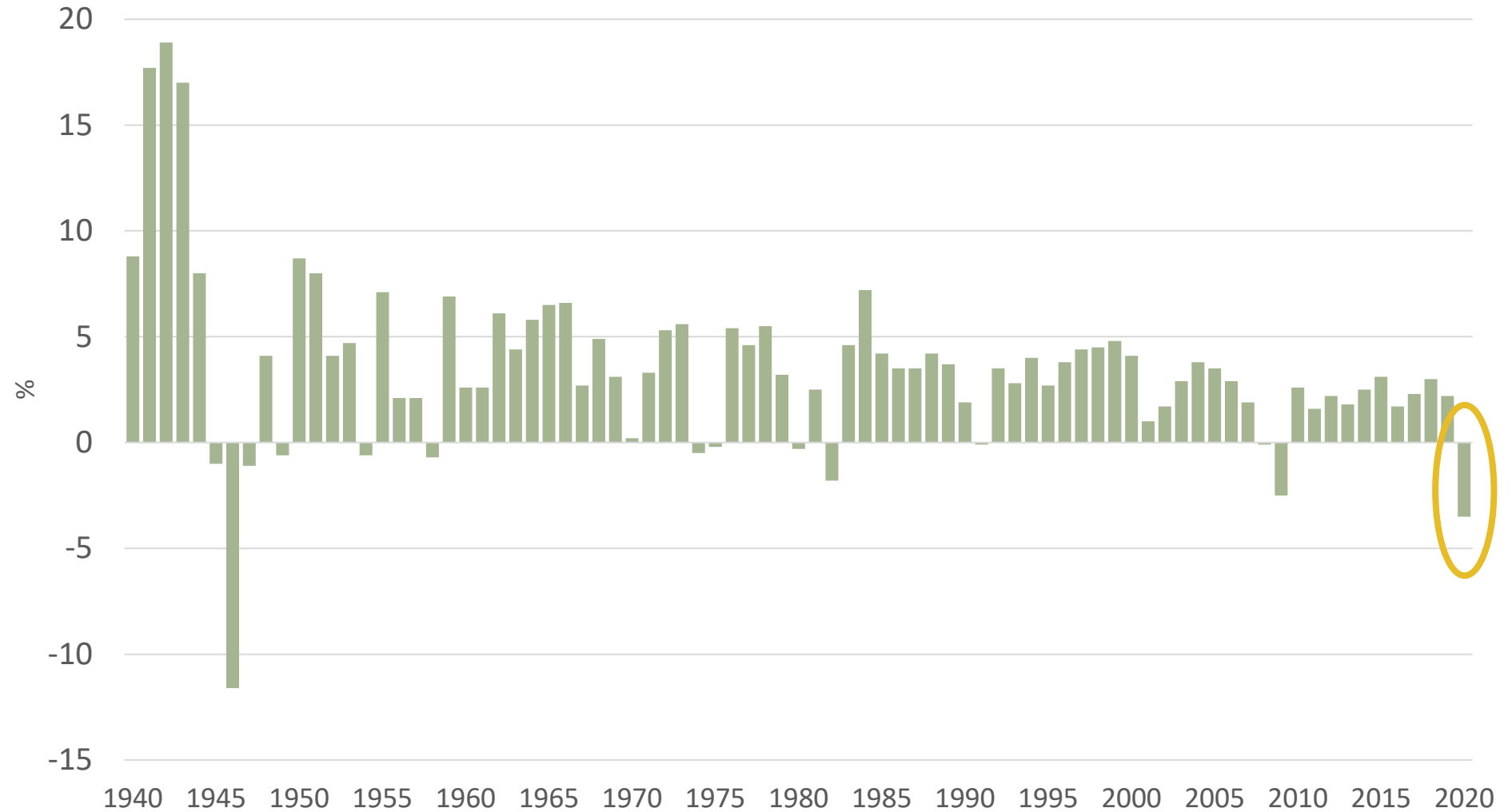
April 13, 2021



Economic Trends

The U.S. Economy Shrank in 2020

Real GDP, Annual Percent Change



BIGGEST ANNUAL GDP DECLINES

1946: -11.6%
End of War Recession

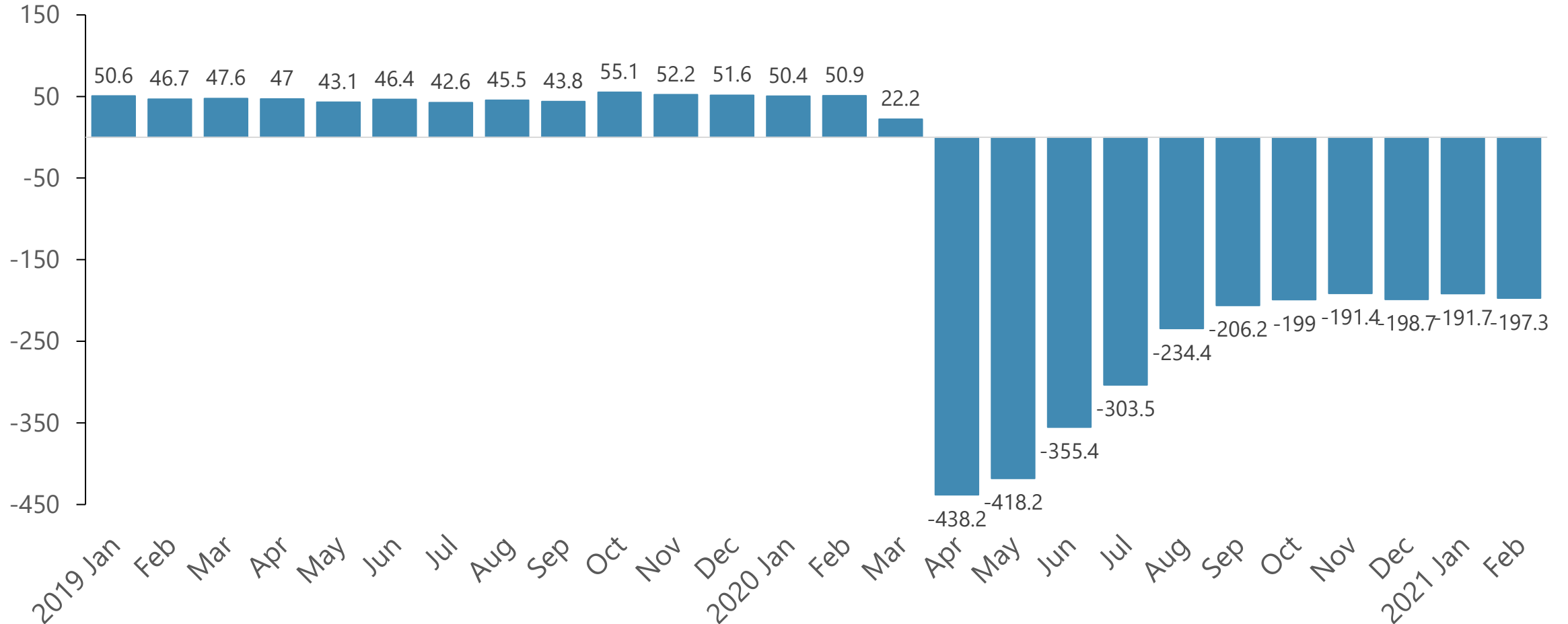
2020: -3.5%
COVID-19 Recession

2009: -2.5%
Great Recession

1982: -1.8%
Energy Crisis Recession

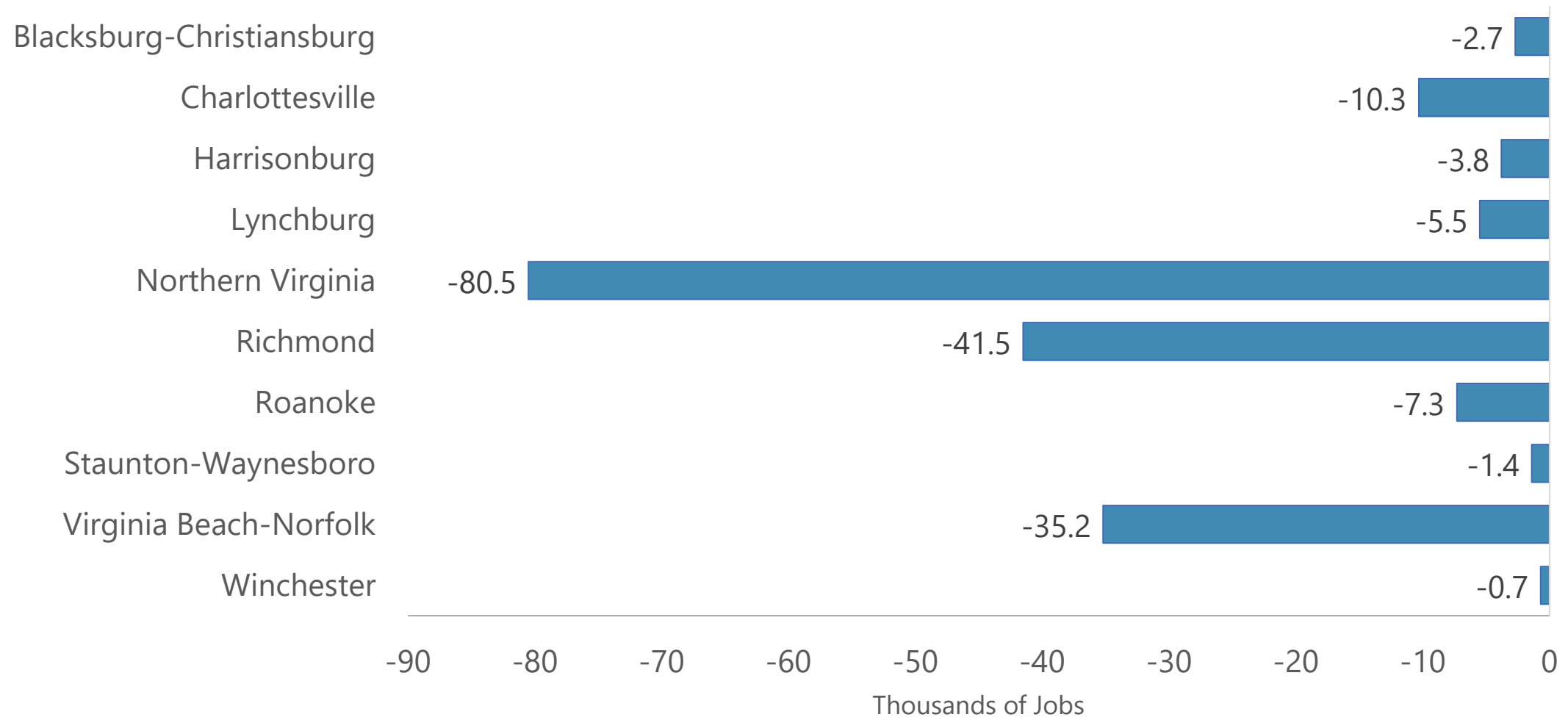
Virginia Employment

Virginia Year-Over-Year Job Change (000s)



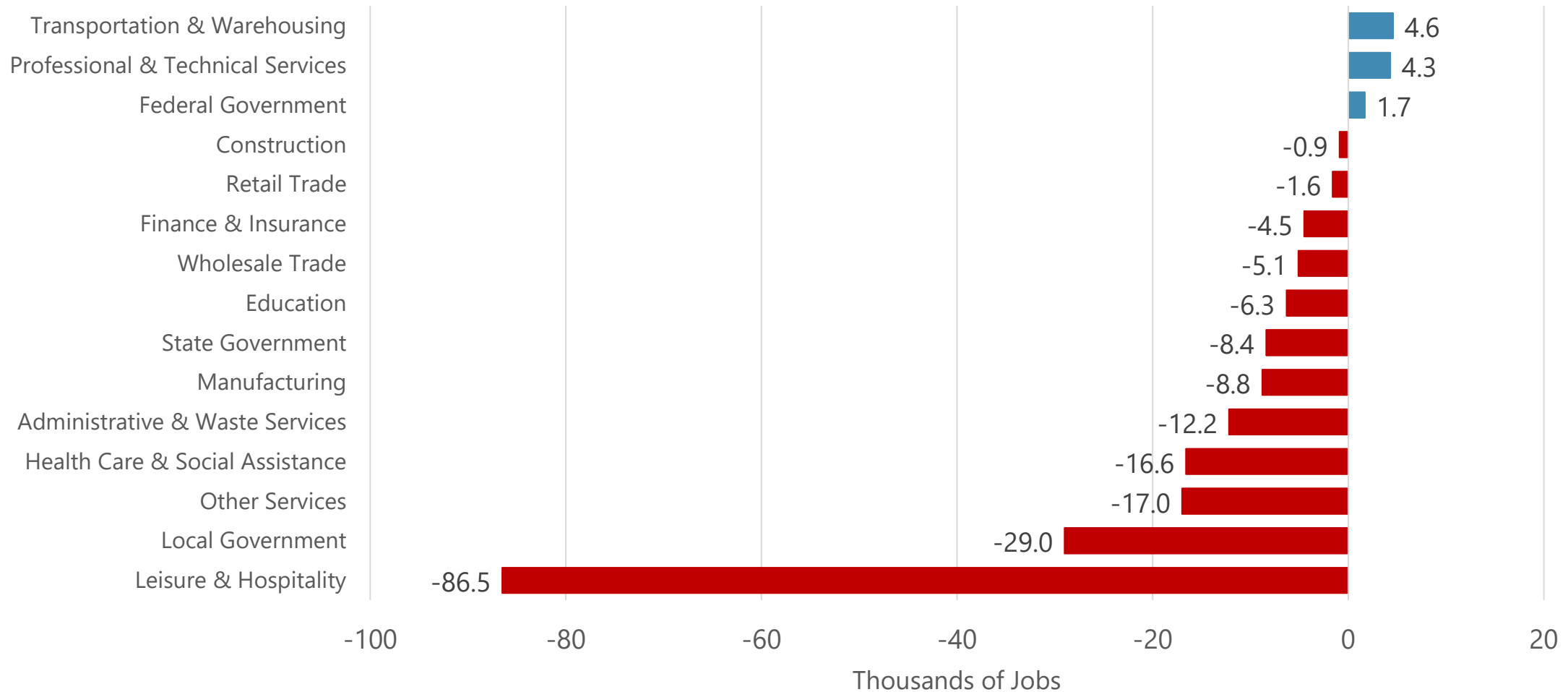
Regional Employment

Job Change February 2020 to February 2021 by Metro Area



Virginia Employment Change by Sector

February 2020 to February 2021 (thousands)

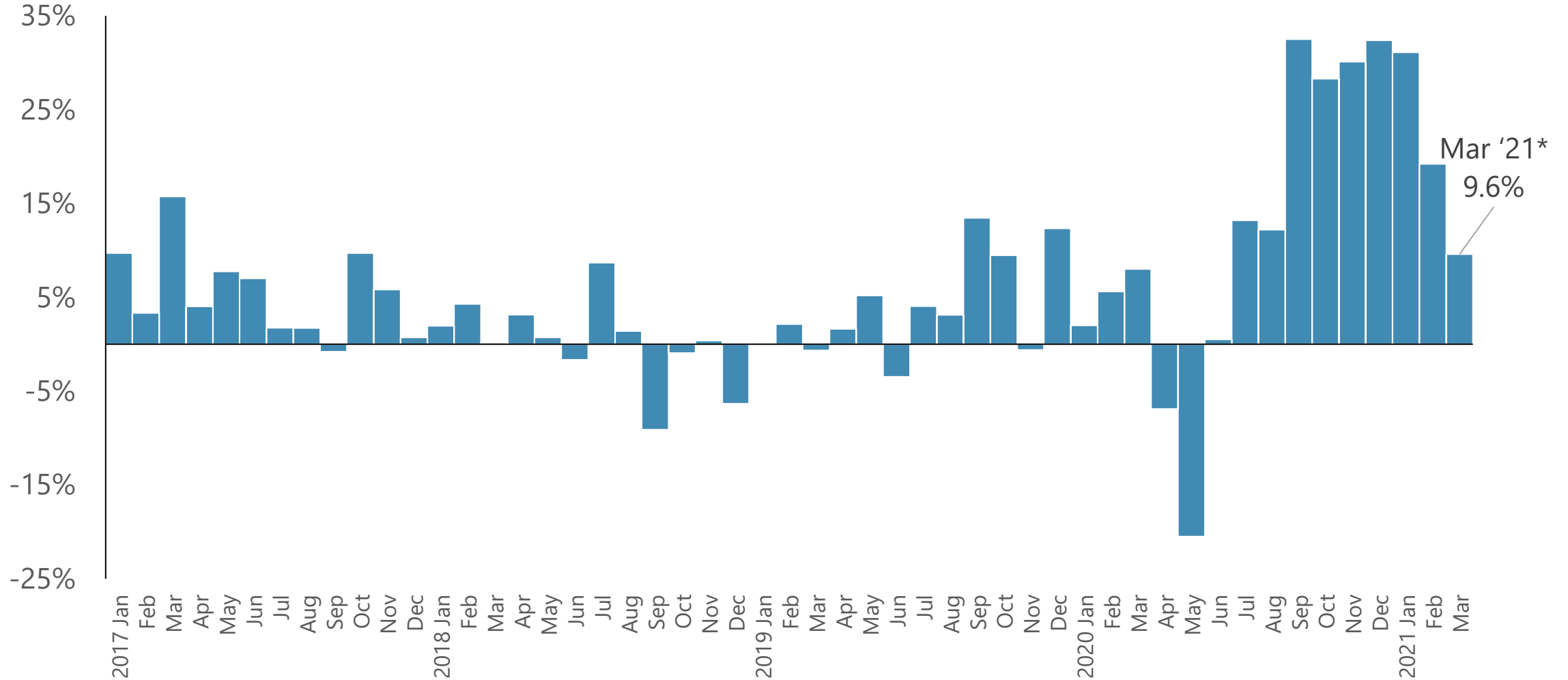


Housing Market Trends



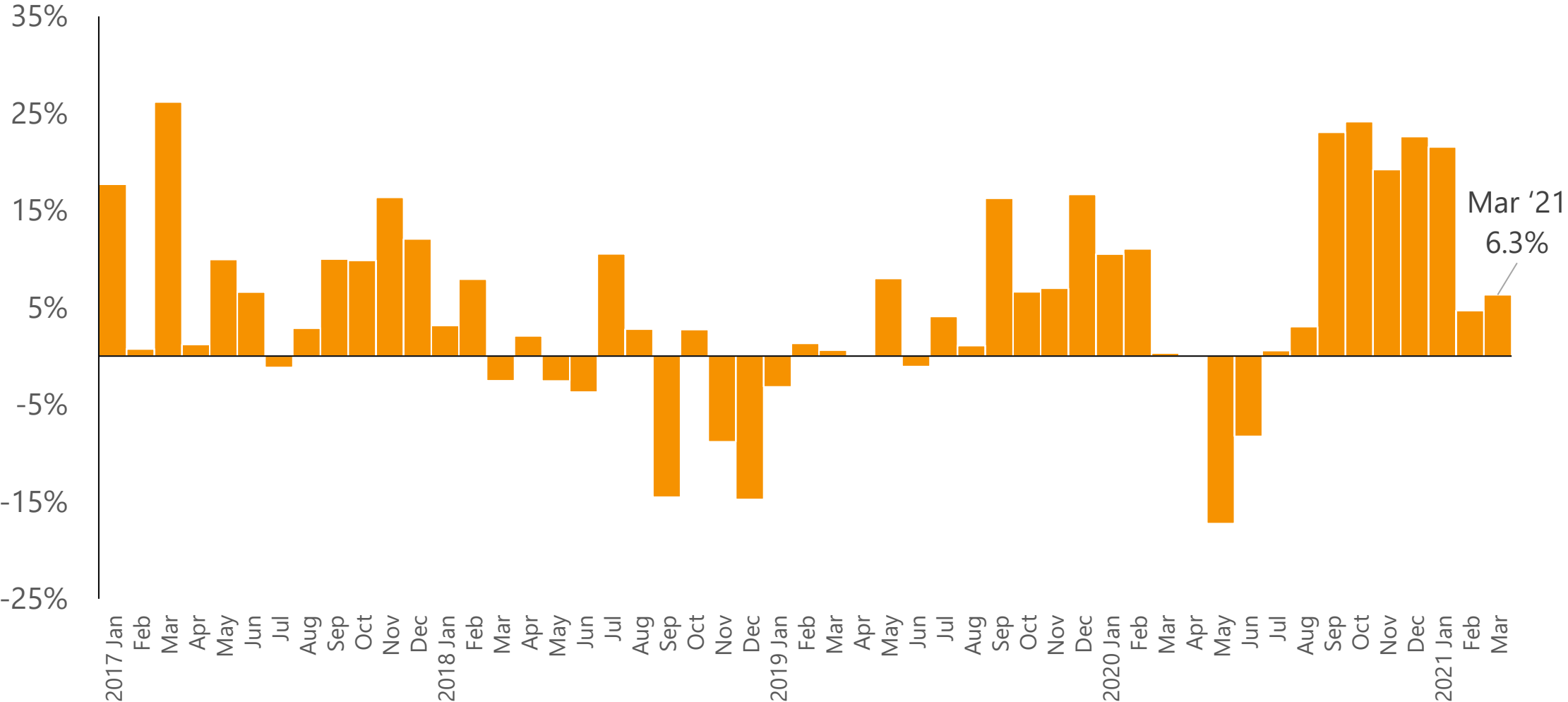
Virginia Home Sales

Virginia Y-o-Y Change in Monthly Home Sales



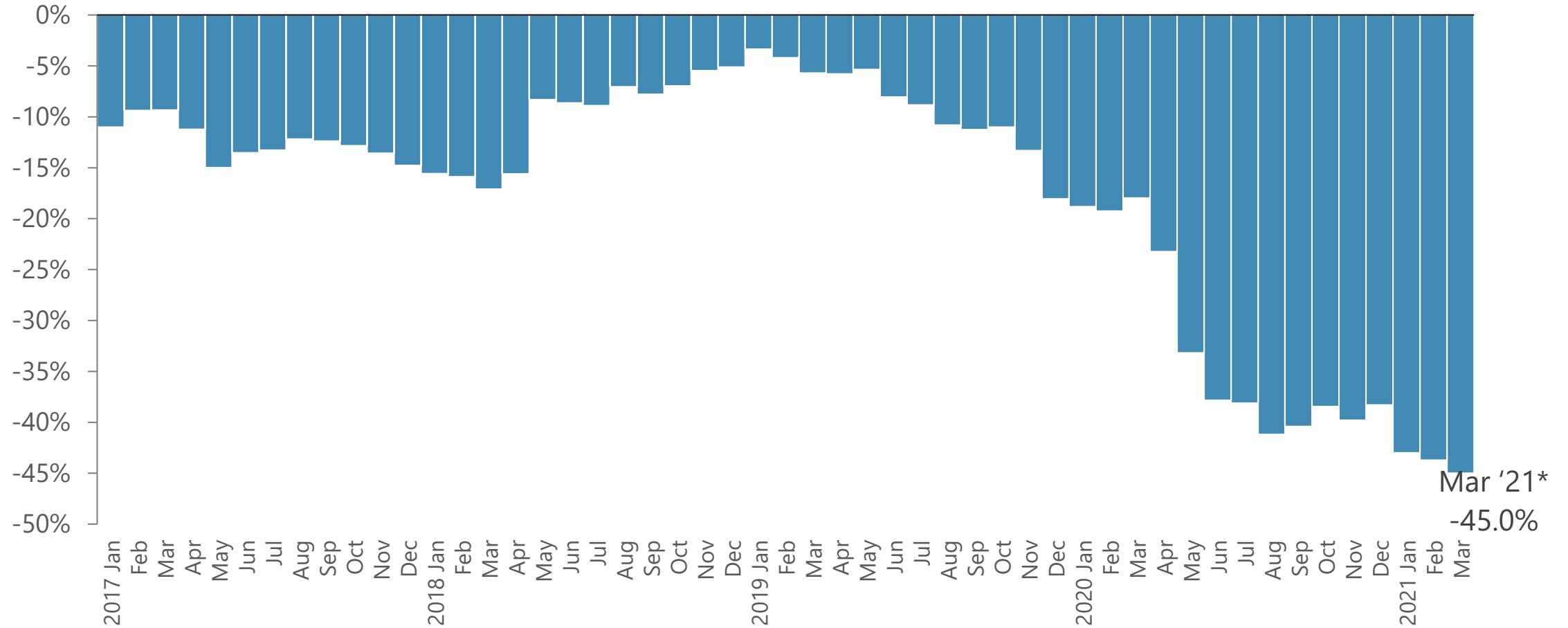
Richmond Metro Home Sales

Richmond Metro Y-o-Y Change in Monthly Home Sales



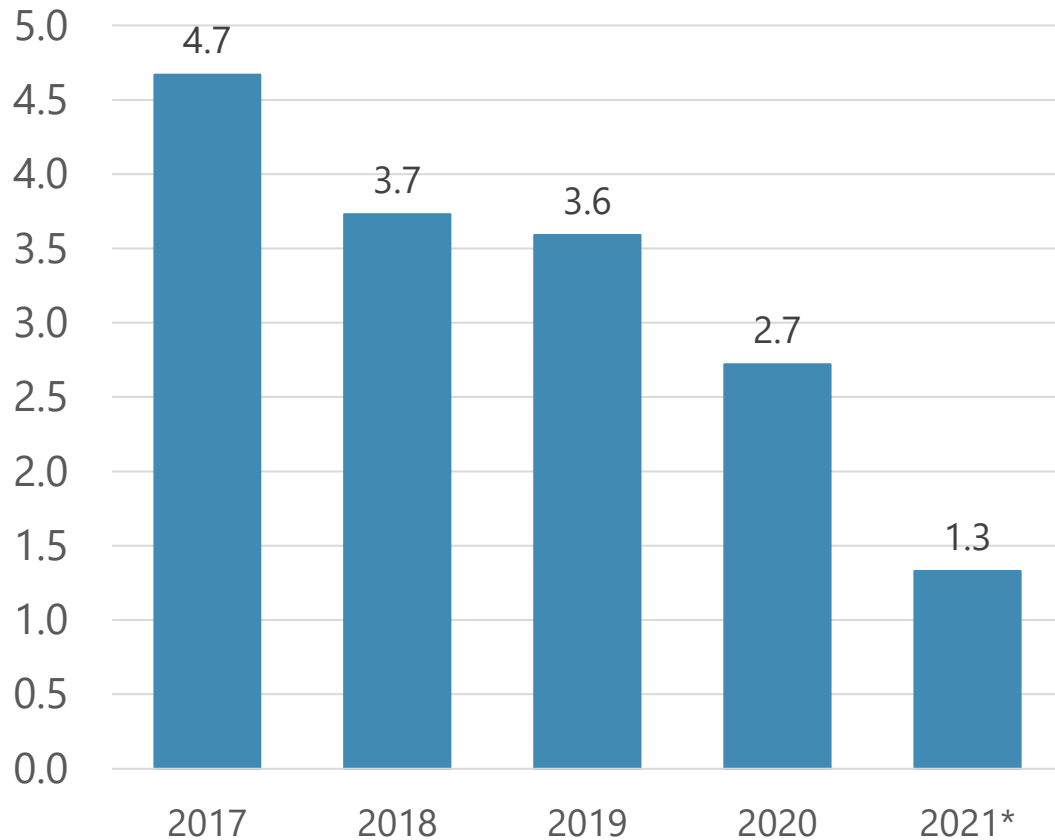
Virginia Inventory

Virginia Y-o-Y Change in Monthly Active Listings

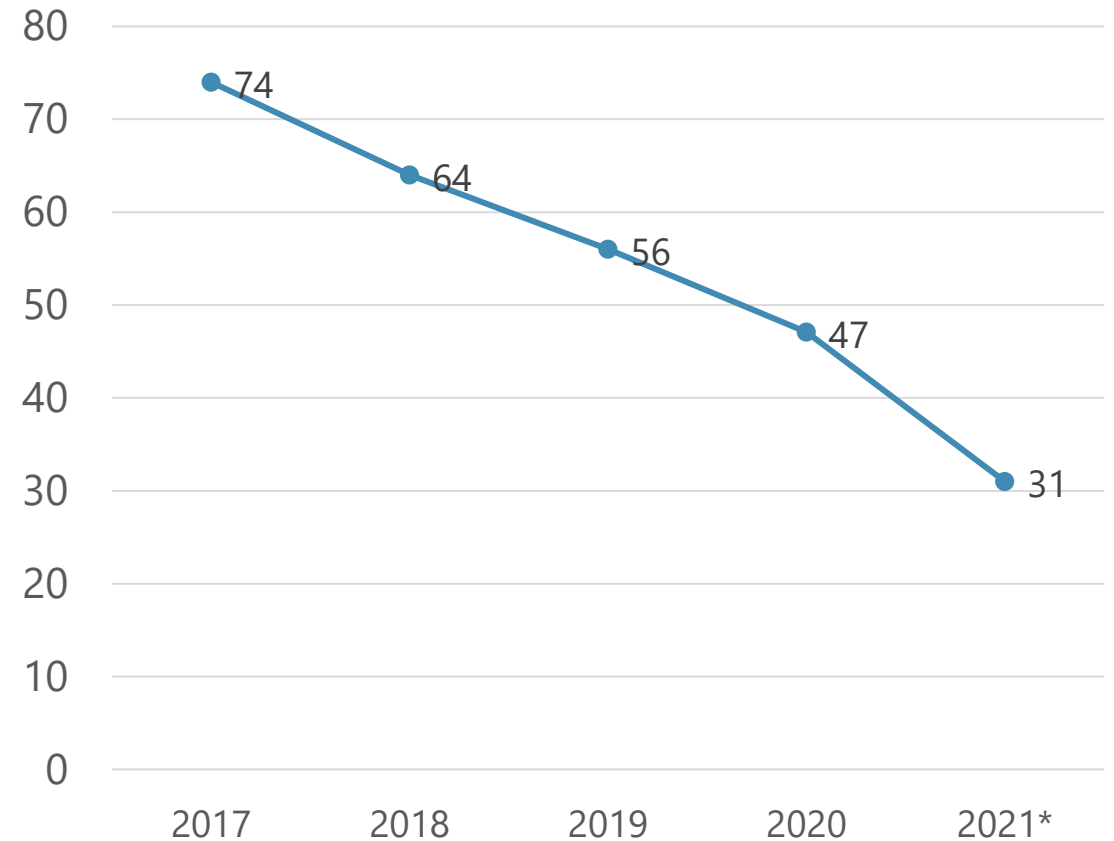


Virginia Inventory

Months of Supply, March

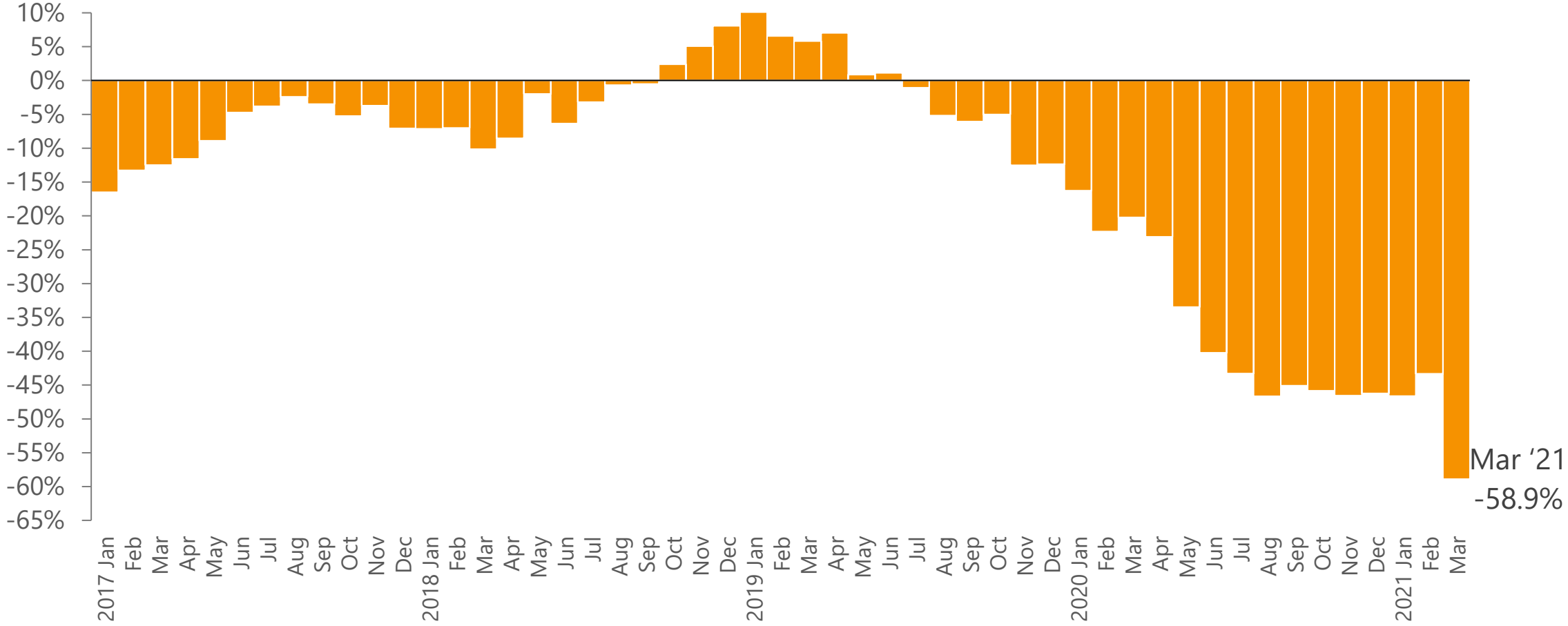


Average Days on Market, March



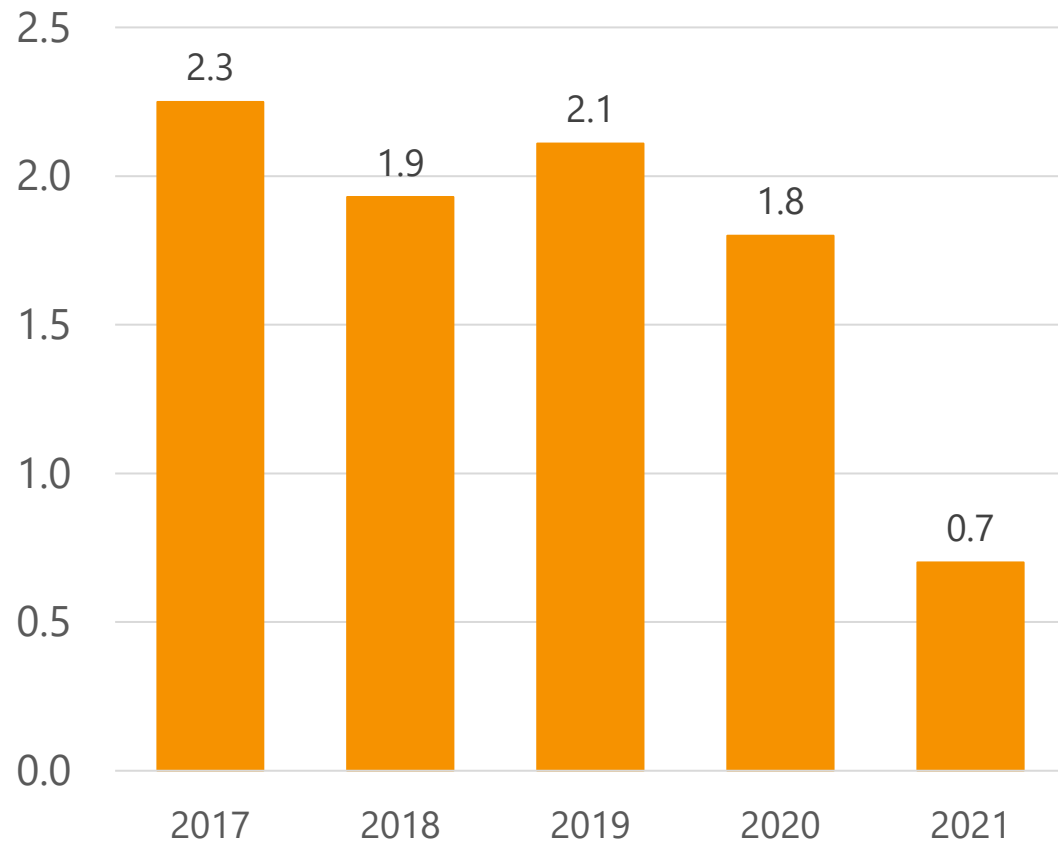
Richmond Metro Inventory

Richmond Metro Y-o-Y Change in Monthly Active Listings

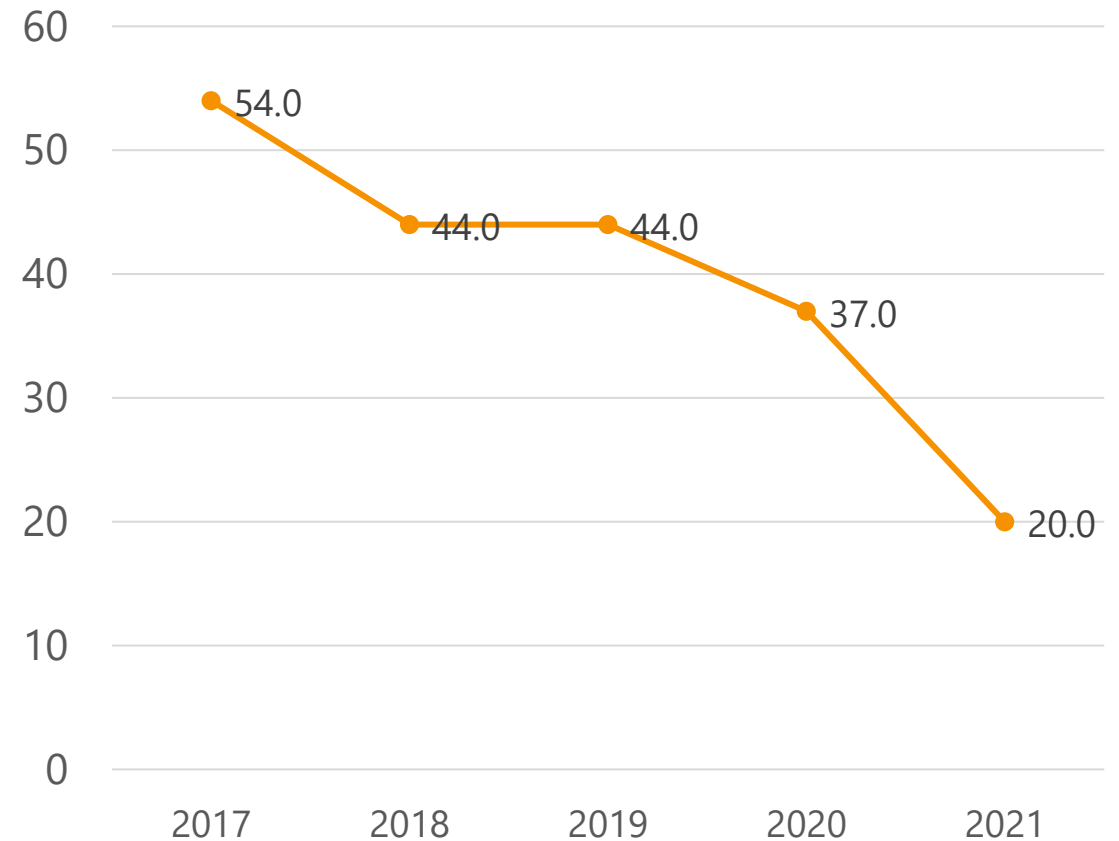


Richmond Metro Inventory

Months of Supply, March

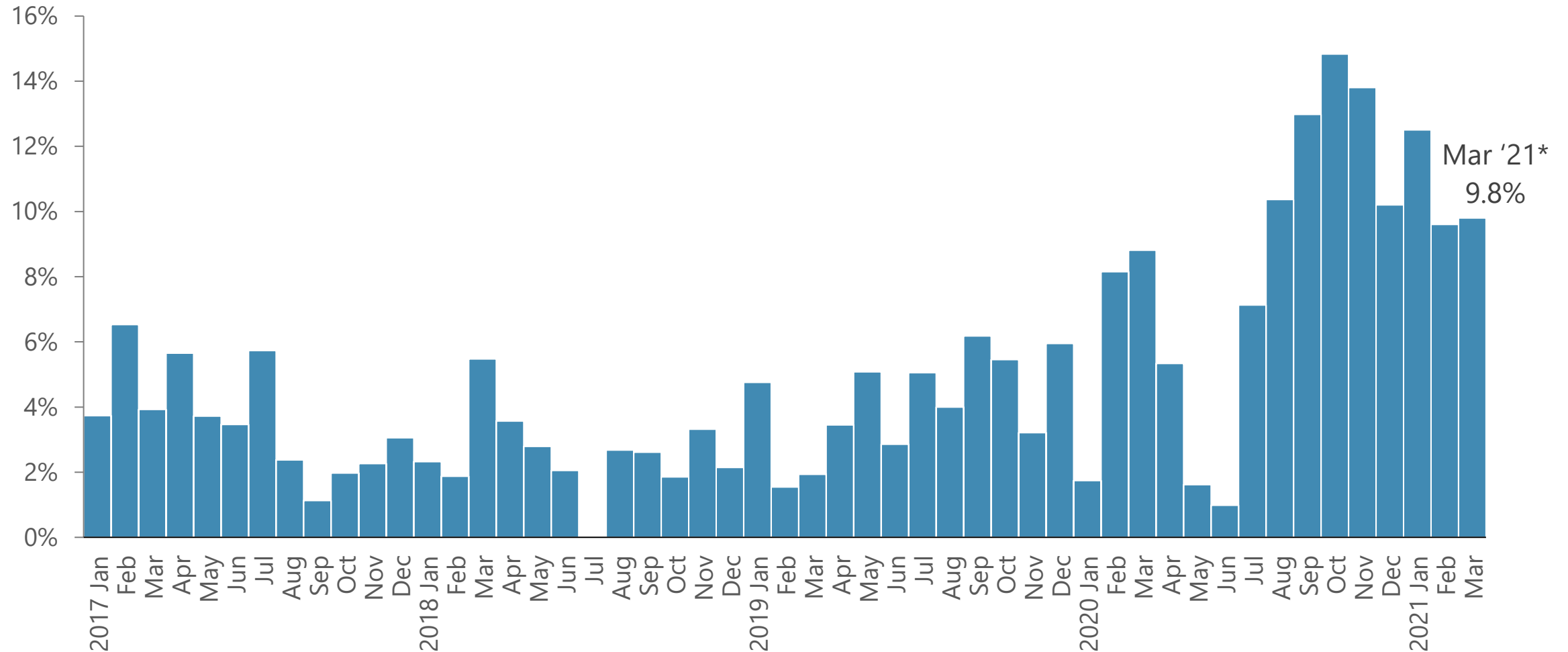


Average Days on Market, March



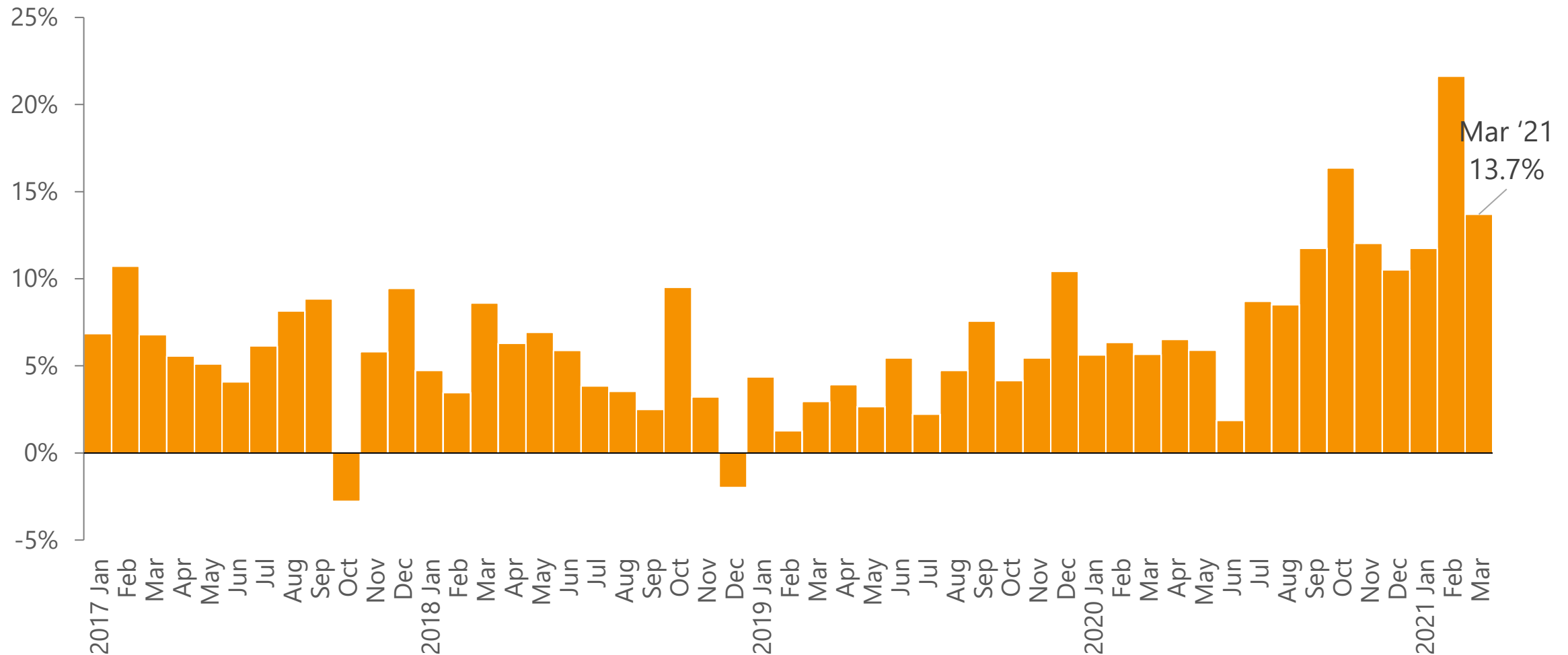
Virginia Home Prices

Virginia Y-o-Y Change in Monthly Median Home Price



Richmond Metro Home Prices

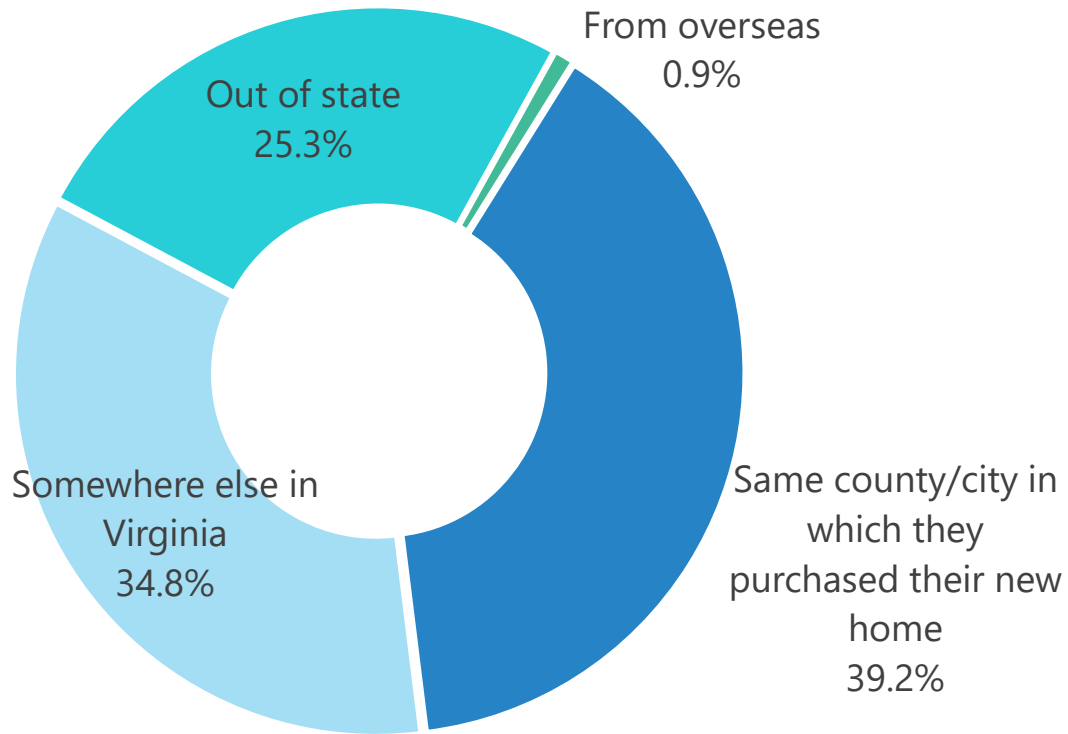
Richmond Metro Y-o-Y Change in Monthly Median Home Price



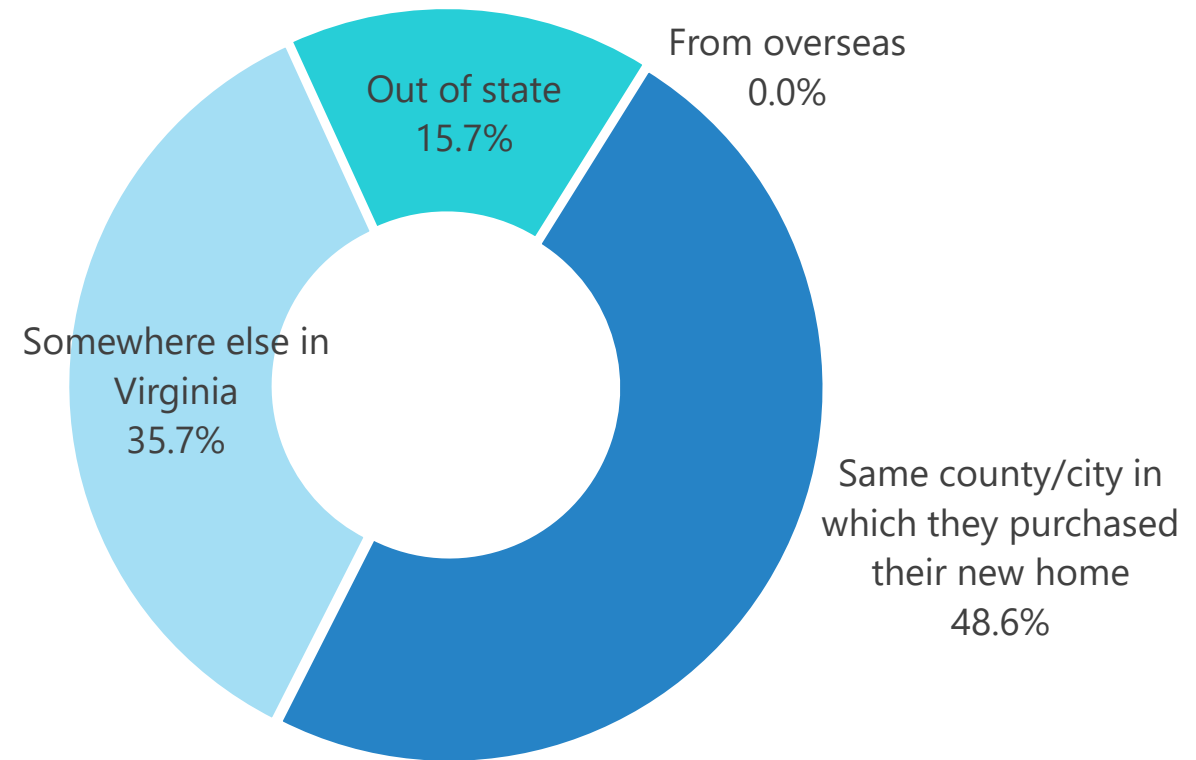
Source: Virginia REALTORS®, CVR MLS¹⁴

Where Are Buyers Moving From?

Virginia
(596 sales transactions)

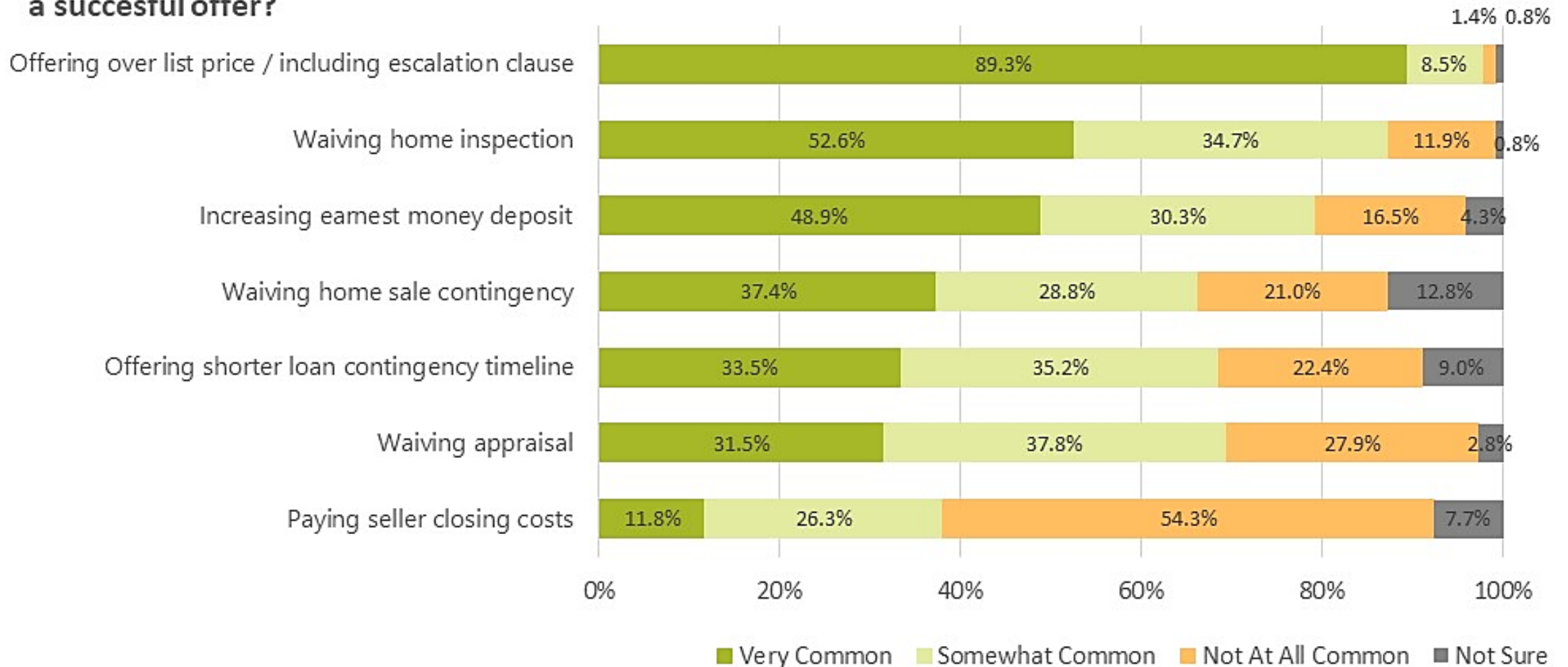


Richmond Metro
(70 sales transactions)



Home Buyer Compromises and Concessions

What are the most common concessions buyers are making to improve their chances of a successful offer?



Source: Virginia REALTORS® Flash Survey, March 25-28 2021



Outlook

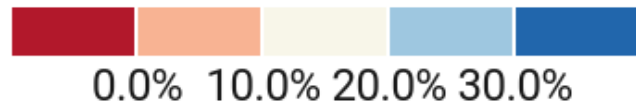
The Post-Pandemic Housing Market in Virginia

Hybrid Work Transition



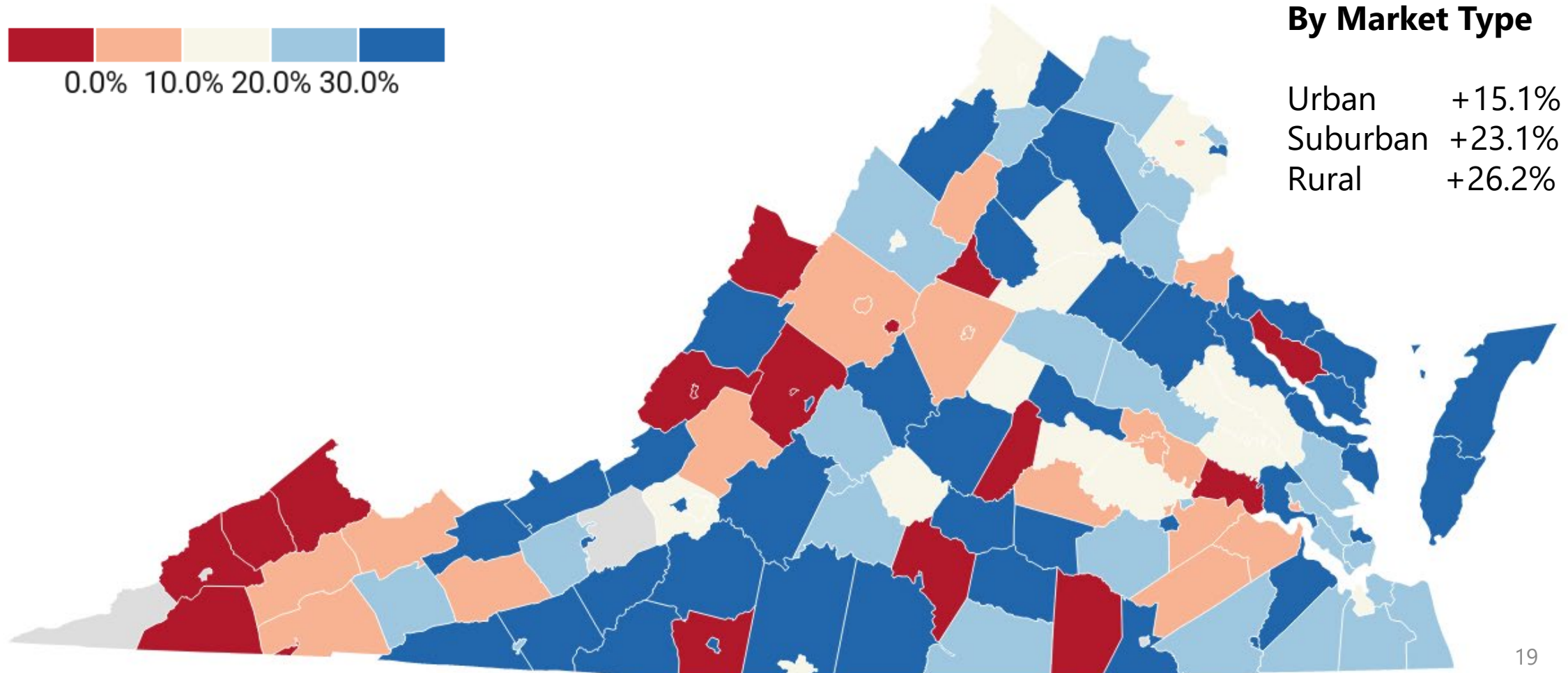
Increase in Home Sales in Some Rural Markets, But Demand Was Widespread Across the State

Home Sales - 2nd Half of the Year
Percent change, 2019 to 2020



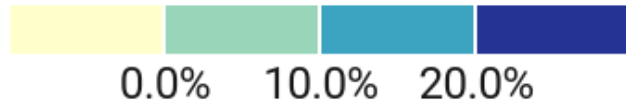
**Avg. Percent Change
In Home Sales
By Market Type**

Urban	+15.1%
Suburban	+23.1%
Rural	+26.2%



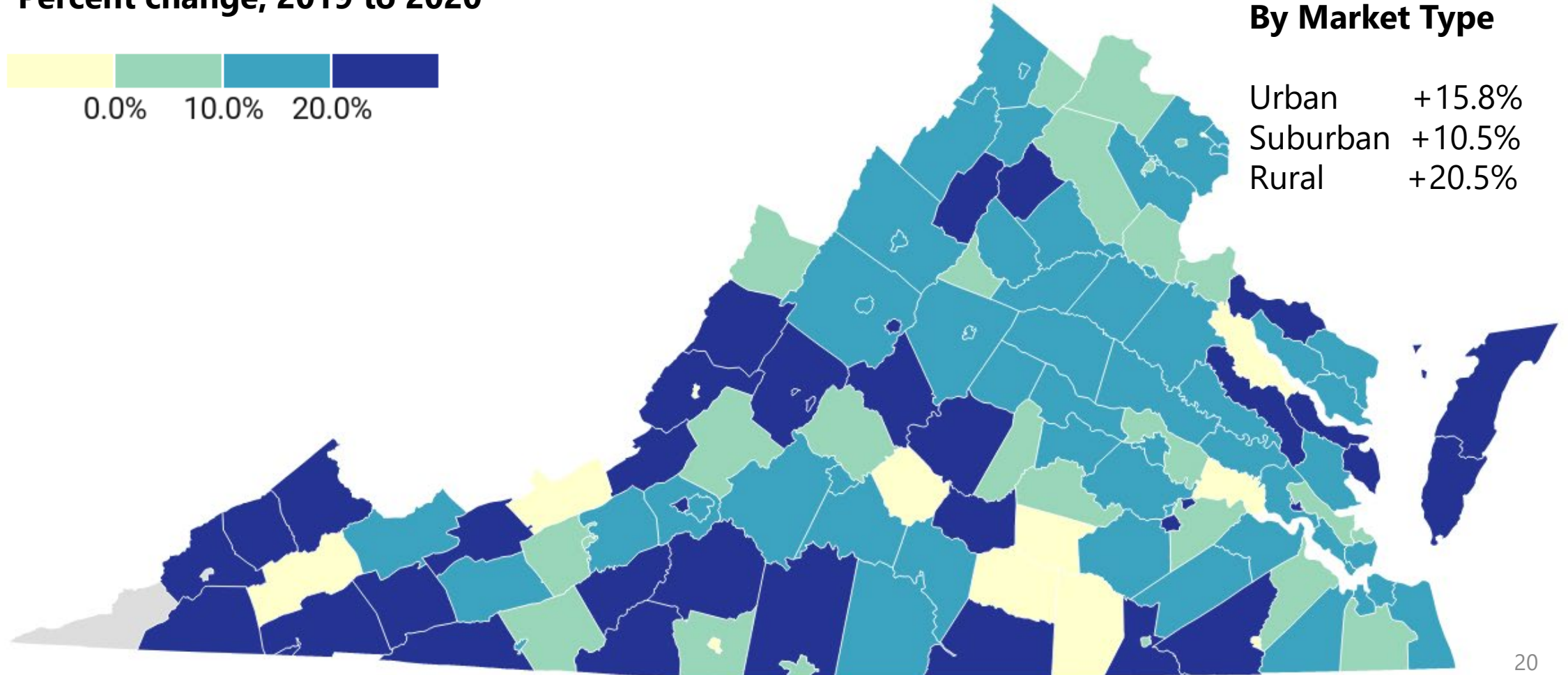
Median Home Prices Rising Faster in Rural Markets

Median Sales Price - 2nd Half of the Year
Percent change, 2019 to 2020



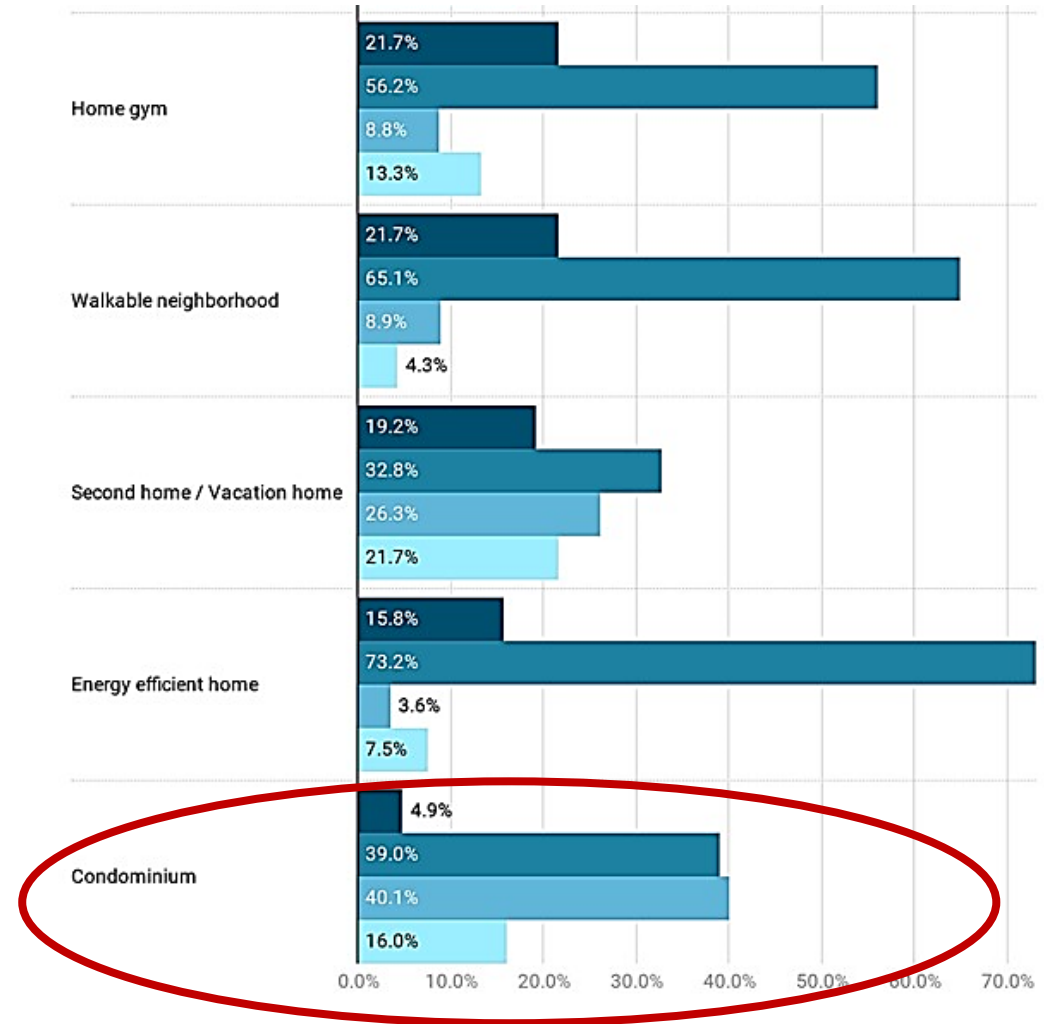
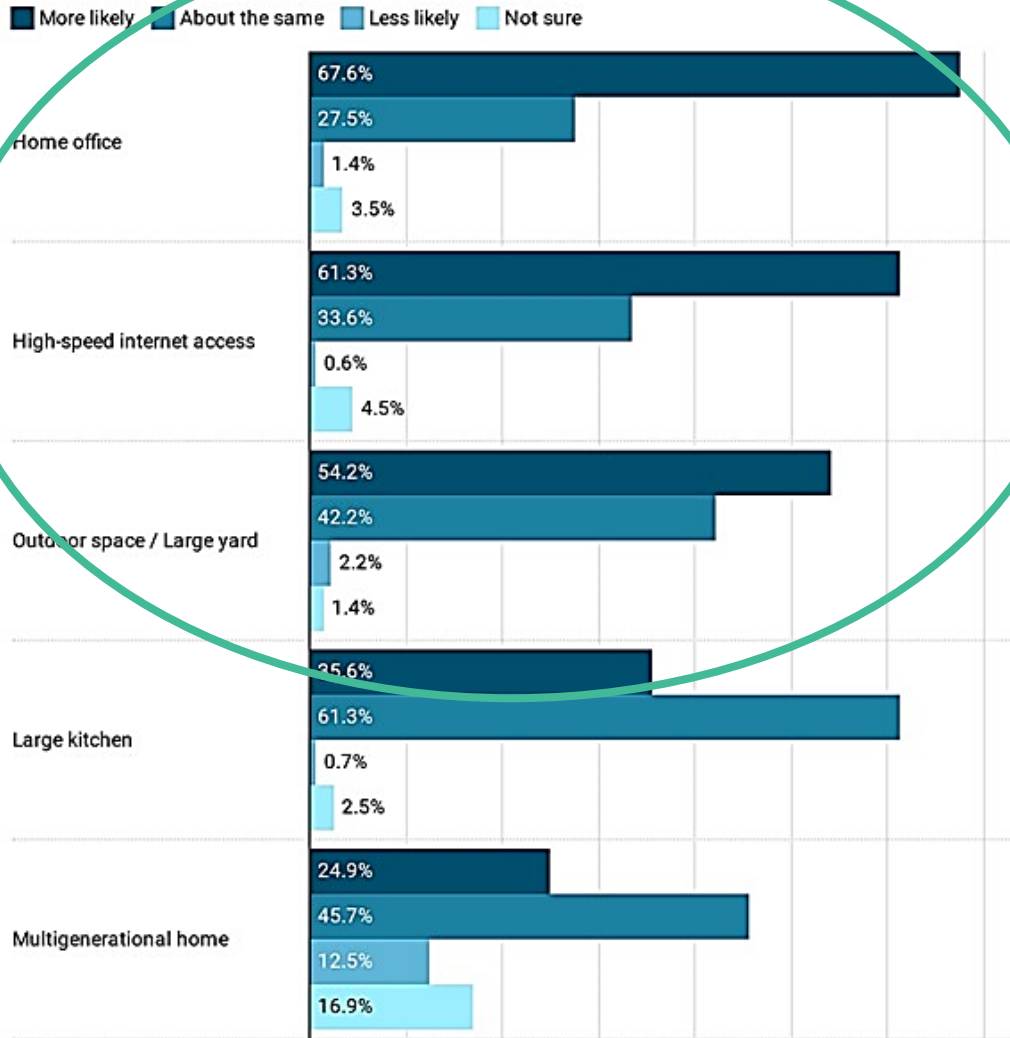
**Avg. Percent Change
 Median Home Price
 By Market Type**

Urban	+15.8%
Suburban	+10.5%
Rural	+20.5%



What Buyers are Looking for in 2021?

Compared to this same time last year (i.e. January 2020), which home features are your buyer(s) more or less likely to be looking for?



Source: Virginia REALTORS® Flash Survey January 21-24, 2021

100% FINANCING

FOR SALE



Heart & Home
REAL ESTATE

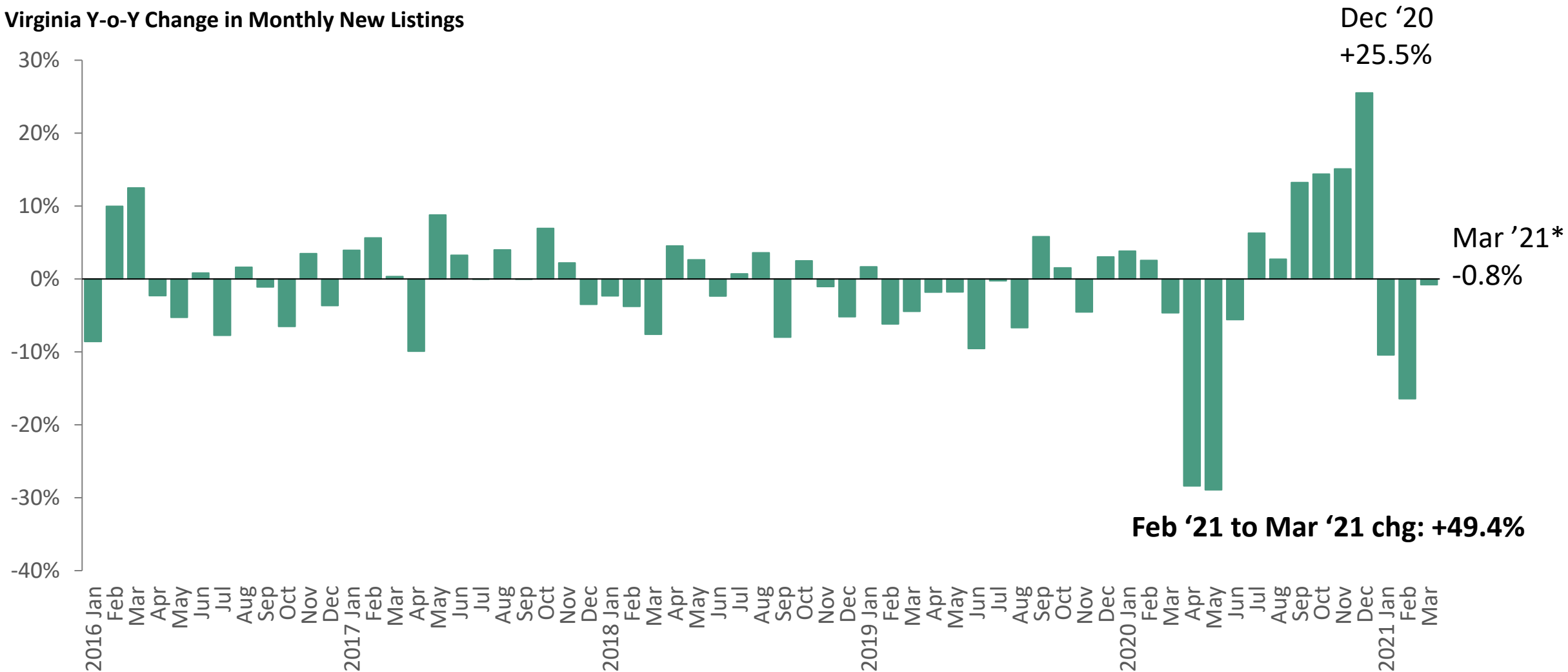
Call or Text:
541-554-7918

www.HRTandHOME.com

Inventory
Remains
Tight

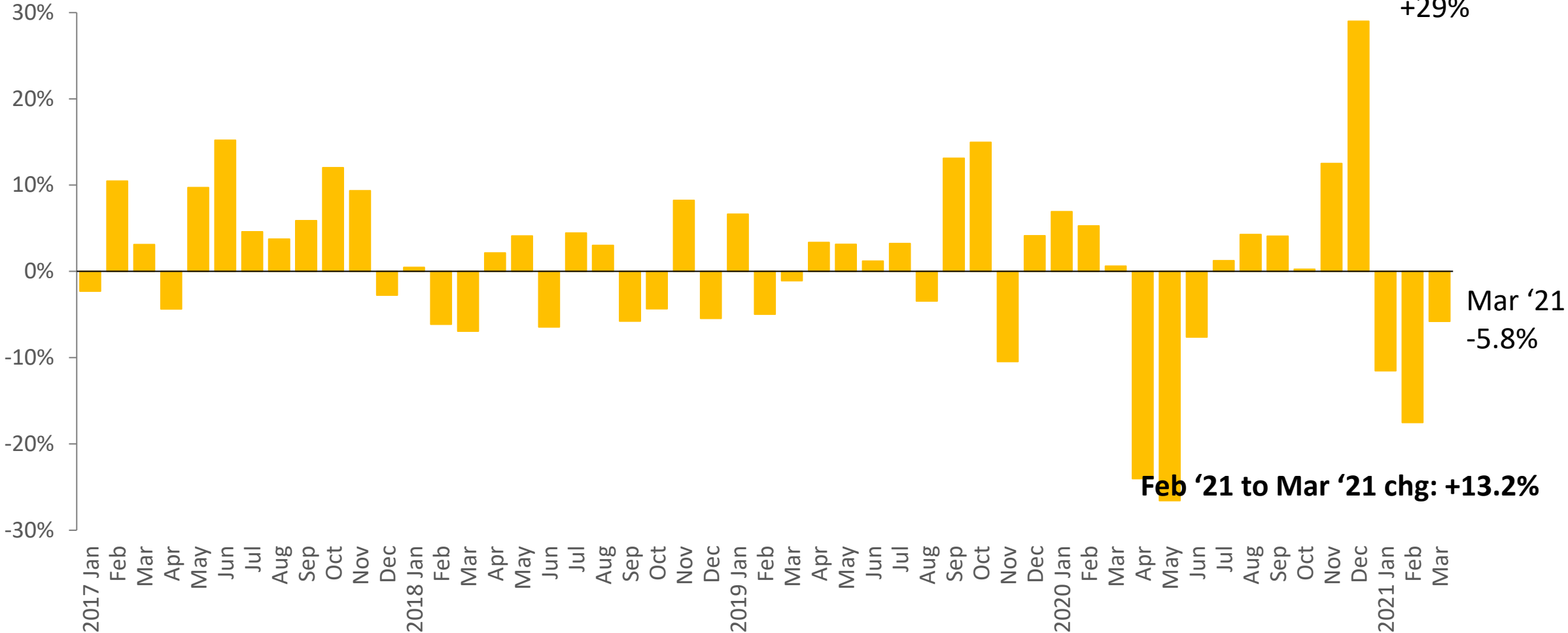
Virginia New Listings

Virginia Y-o-Y Change in Monthly New Listings



Richmond Metro New Listings

Richmond Metro Y-o-Y Change in Monthly New Listings

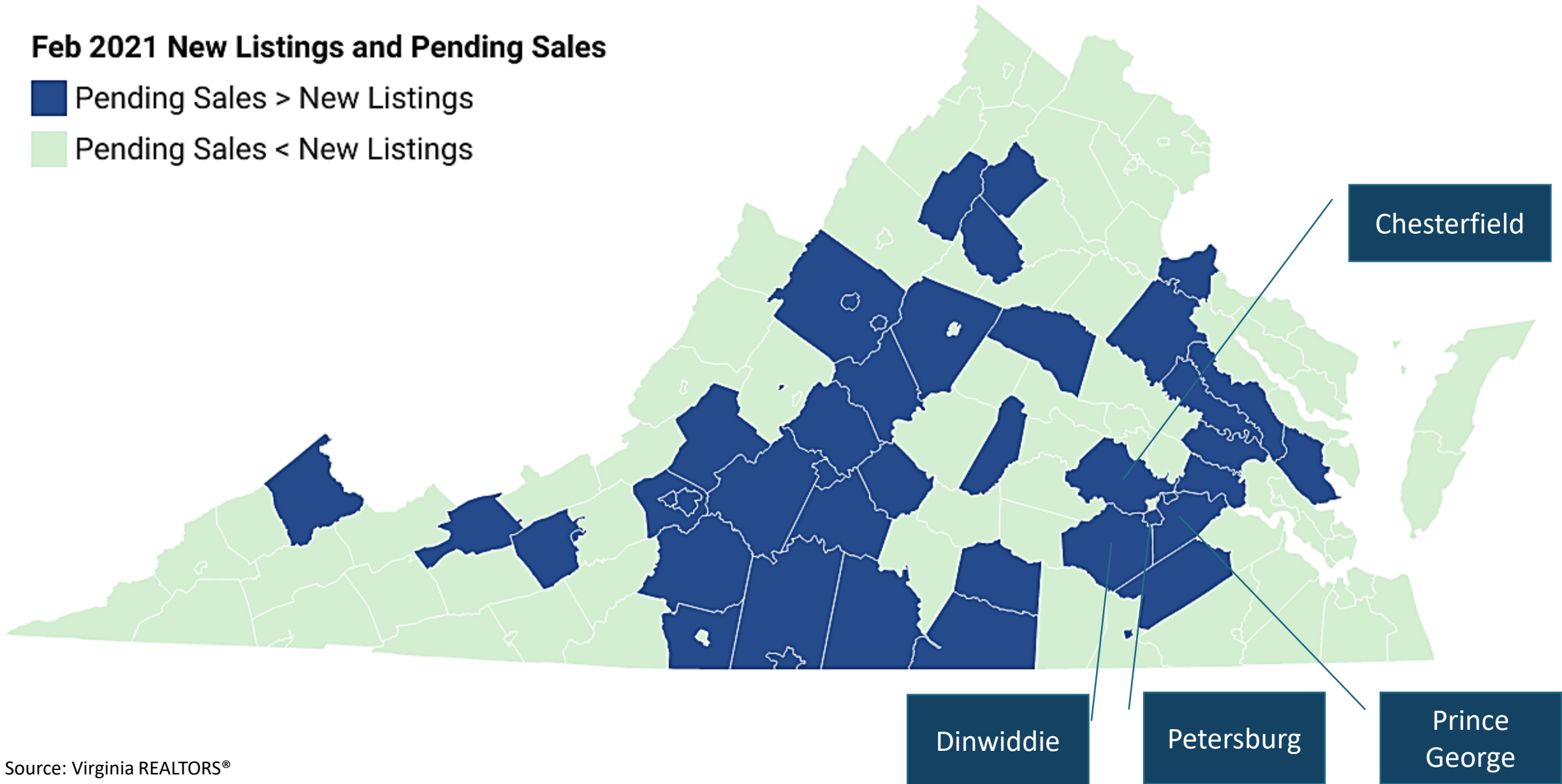


Source: Virginia REALTORS®, CVR MLS

Feb 2021 New Listings and Pending Sales

■ Pending Sales > New Listings

■ Pending Sales < New Listings



Why Homeowners Are Not Selling



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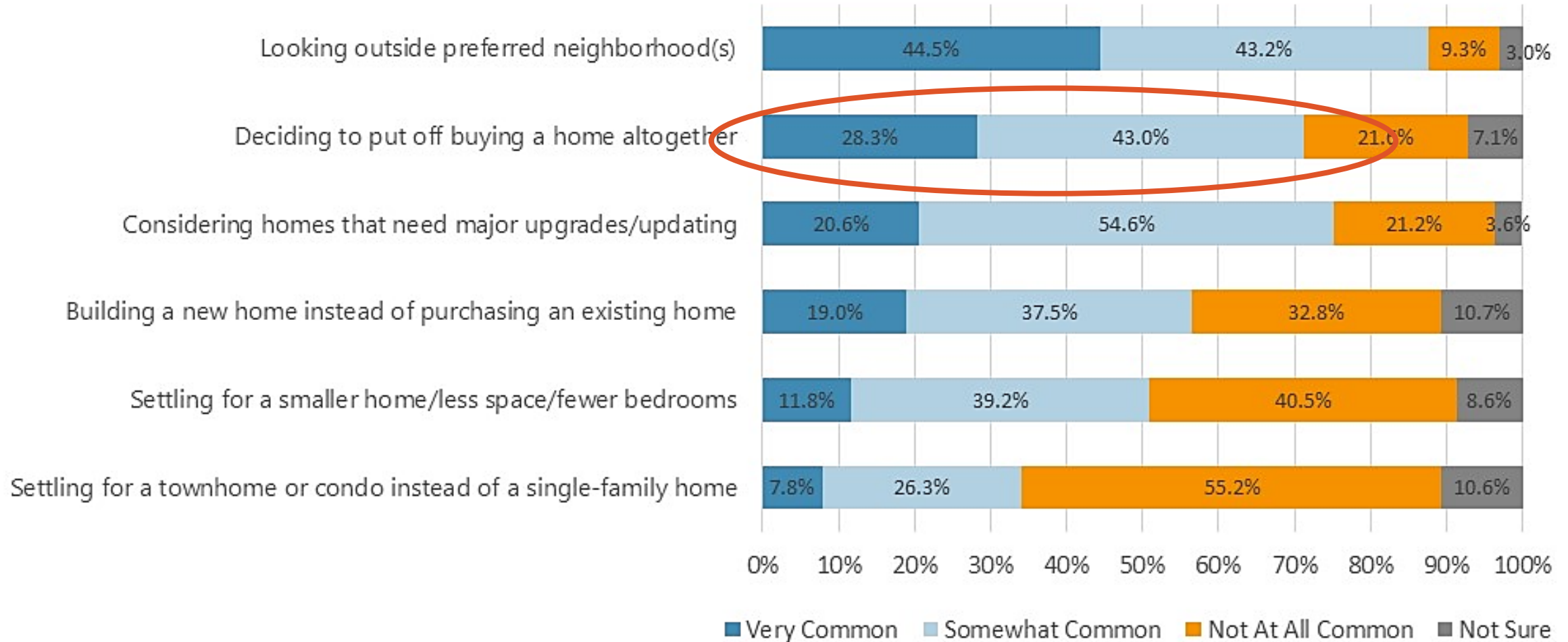
- Baby Boomers aging into their 60s and staying in their homes longer, sometimes living in homes that are “too big”
 - Room for adult children to move back home
 - Space for home office as people work longer
- Nowhere to move if they sell
 - New construction has not rebounded sufficiently
 - Prices are high
- Refinancing is very attractive
 - Refinancing into a sub-3% loan
 - Renovate/add on instead of move

A man and a woman are sitting on a couch, looking at a smartphone held by the woman. The woman has a frustrated expression, with her mouth open as if speaking or shouting. The man is leaning in, looking at the phone with a concerned or frustrated expression, his hand near his mouth. The background is a simple, light-colored wall with a plant visible on the right side.

Frustrated Buyers Leaving the Market

Home Buyer Compromises and Concessions

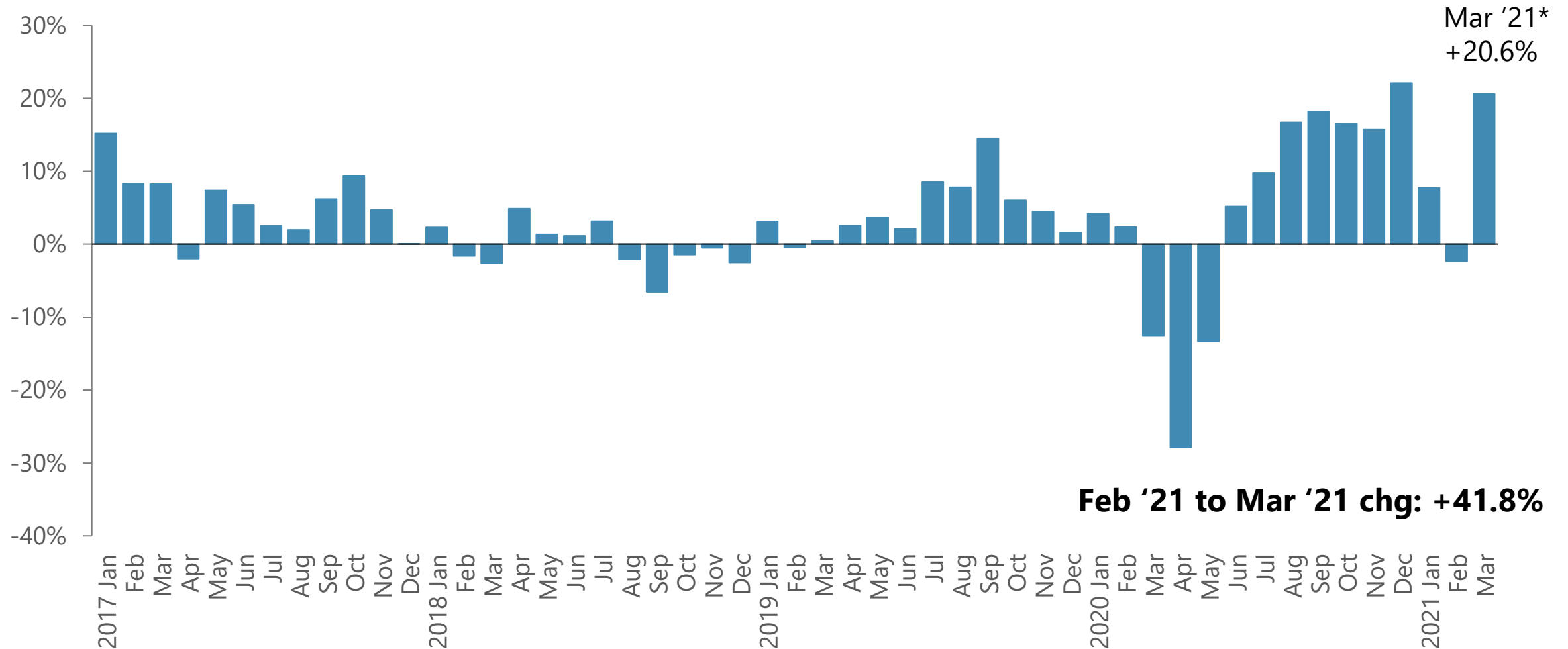
What are the most common compromises buyers are making in their home search?



Source: Virginia REALTORS® Flash Survey, March 25-28 2021

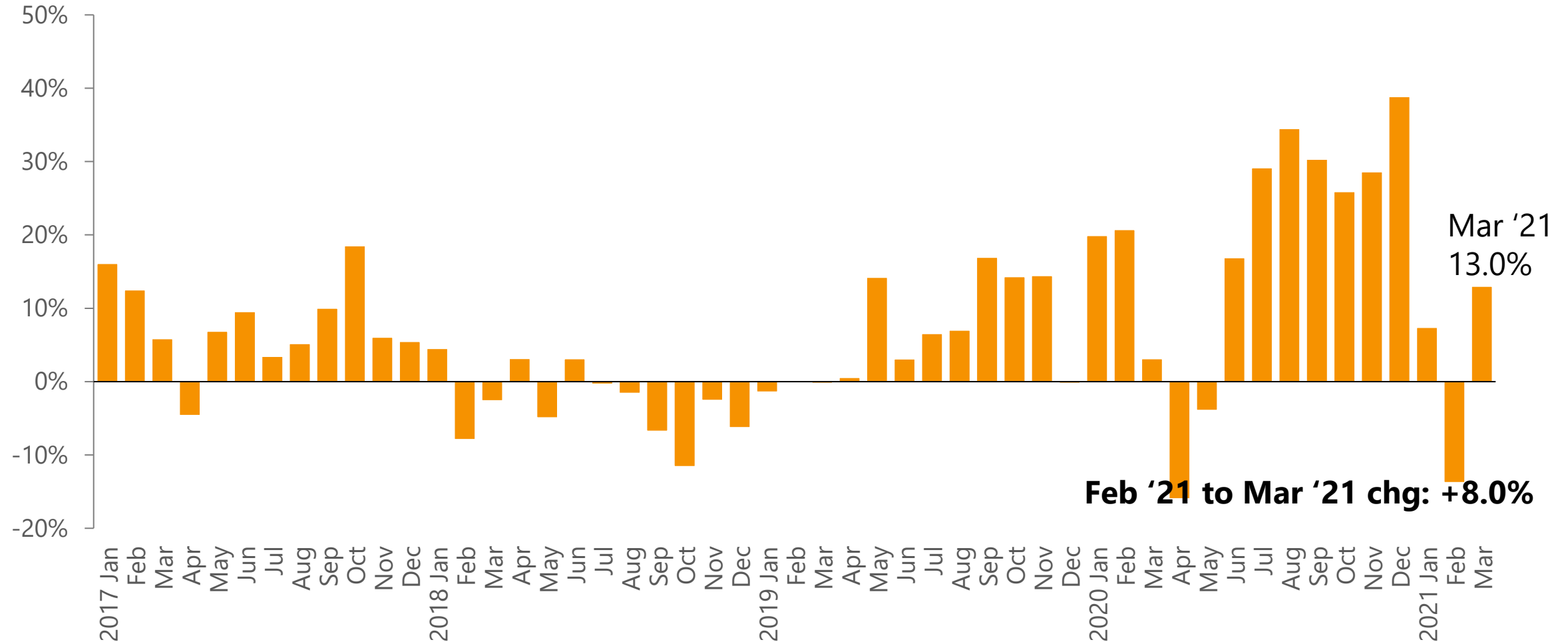
Virginia Pending Sales

Virginia Y-o-Y Change in Month-End Pending Sales



Richmond Metro Pending Sales

Richmond Metro Y-o-Y Change in Month-End Pending Sales

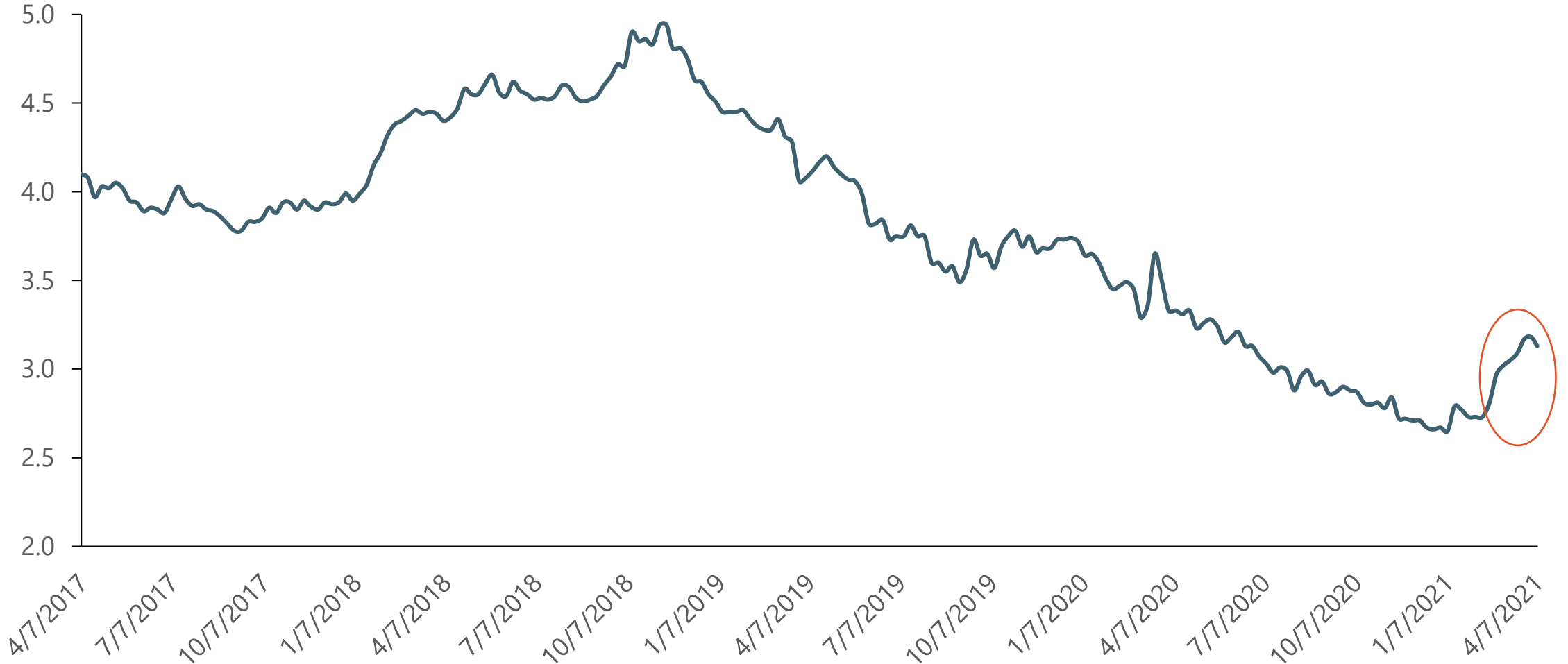


Mortgage Rates

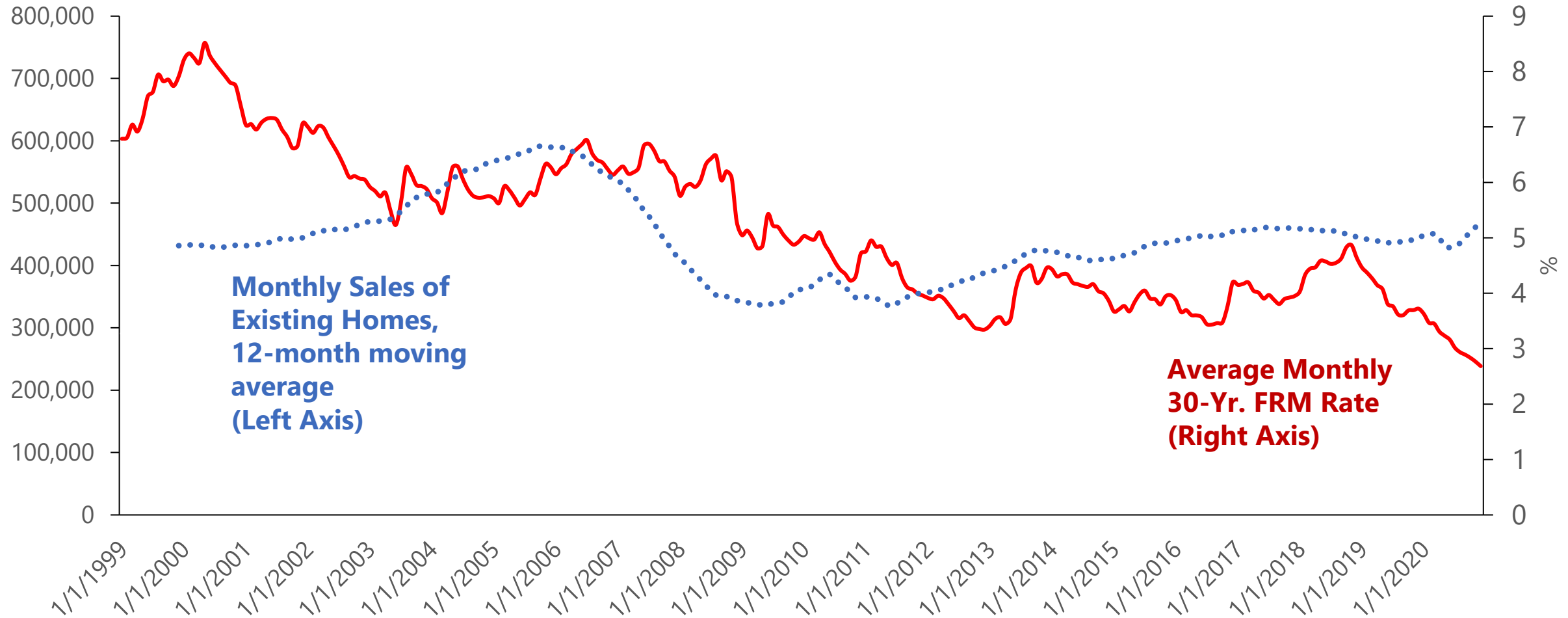
Mortgage Rates
Will Remain Low

Mortgage Rates

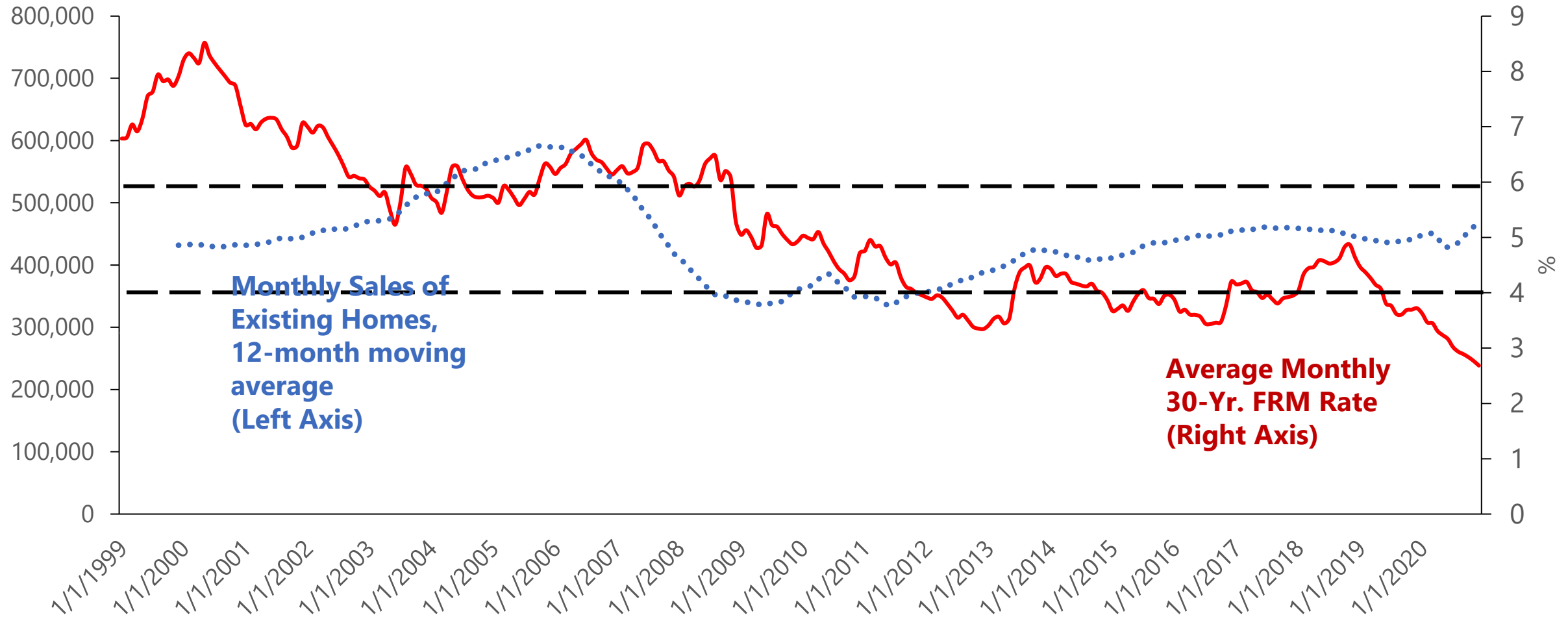
Weekly Average 30-Year Fixed-Rate Mortgage Interest Rate (%), Not Seasonally Adjusted



Mortgage Rates and Home Sales Activity (National)



Mortgage Rates and Home Sales Activity (National)



Have Questions or Need More Info?

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