

Contact: Robin Spensieri, Vice President of Communications & Media Relations
Email: rspensieri@virginiarealtors.orgTelephone: 404.433.6015

**Virginia REALTORS® Releases 2022 Economic & Housing Market Forecast**

*Chief Economist predicts a slowdown in home sales and price growth next year after remarkable performance during the pandemic*

RICHMOND, Va. (September 24, 2021) – Virginia’s largest trade association has released its [2022 Economic & Housing Market Forecast](https://virginiarealtors.org/research/reports/other-reports/economic-and-housing-forecasts-an-outlook-for-real-estate-in-a-post-pandemic-economy/), which looks at what is ahead for the commonwealth.

Overall, the job and unemployment forecasts reflect the fact that our economy is still being driven by COVID. By the end of 2022, it is expected that job totals and the statewide unemployment rate will be back close to pre-pandemic levels.

“While home sales activity in 2021 will surpass even the strong performance of 2020, next year will be a little different, due primarily to rising affordability challenges, continued low inventory, and a slight uptick in mortgage rates,” says Virginia REALTORS® Chief Economist Lisa Sturtevant, PhD. Prices will continue to rise in 2022, though the rate of price growth will slow as demand softens a bit and inventory expands, making it a more typical year for price appreciation.

* **Total Jobs in Virginia:** In 2022, we forecast 2% more jobs will be added than in 2021. The pace of job growth will accelerate next year, and total employment is expected to hit pre-pandemic levels by the end of 2022.
* **Unemployment:** Virginia’s unemployment rate is expected to continue improving in 2022, falling to 3% by the end of the year, half a percentage point lower than 2021.
* **Home Sales:** Our projections are for a total of about 148,600 home sales statewide in 2021, which is up 6.2% from 2020. We are forecasting that sales activity will be down by just about a tenth of a percent in 2022.
* **Home Prices:** While we predict the 2021 median home price in Virginia to increase by 9.2%over 2020, the rate of price growth will slow in 2022, with prices up by about 4.1%.
* **New Housing Permits:** We are forecasting that a total of about 37,000 new housing units will be built in Virginia in 2021, up 10.3% compared to 2020. We predict a modest 0.5% rise in 2022, reflecting longer-term constraints to new housing construction.
* **Mortgage Rates:** It is expected that the 30-year fixed-rate mortgage rate will be 3.1% in December of 2021 and will rise to 4.0% by the end of 2022.

“As Virginia’s economy continues to improve, Virginia REALTORS® members continue to provide professional expertise to home buyers and sellers that are navigating this changing housing market,” says Virginia REALTORS® 2021 President Beth Dalton.

[Click here](https://virginiarealtors.org/research/reports/other-reports/economic-and-housing-forecasts-an-outlook-for-real-estate-in-a-post-pandemic-economy/) for more details on the Virginia REALTORS® 2022 Economic & Housing Market Forecast.

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**About Virginia REALTORS®**

Virginia REALTORS® (previously known as the Virginia Association of REALTORS®) is the largest trade association in Virginia, representing 36,000 REALTORS® engaged in the residential and commercial real estate business. Virginia REALTORS® serves as an advocate for homeownership and homeowners and represents the interests of property owners in the Commonwealth of Virginia. For more information, visit [www.virginiarealtors.org](http://www.virginiarealtors.org) or follow Virginia REALTORS® on [Facebook](https://www.facebook.com/REALTORSVirginia/), [Twitter](https://twitter.com/REALTORS_VA), and [LinkedIn](https://www.linkedin.com/groups/31801).

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.