



Virginia's Housing Market Outlook

Northern Virginia Association of REALTORS®
October 7, 2021

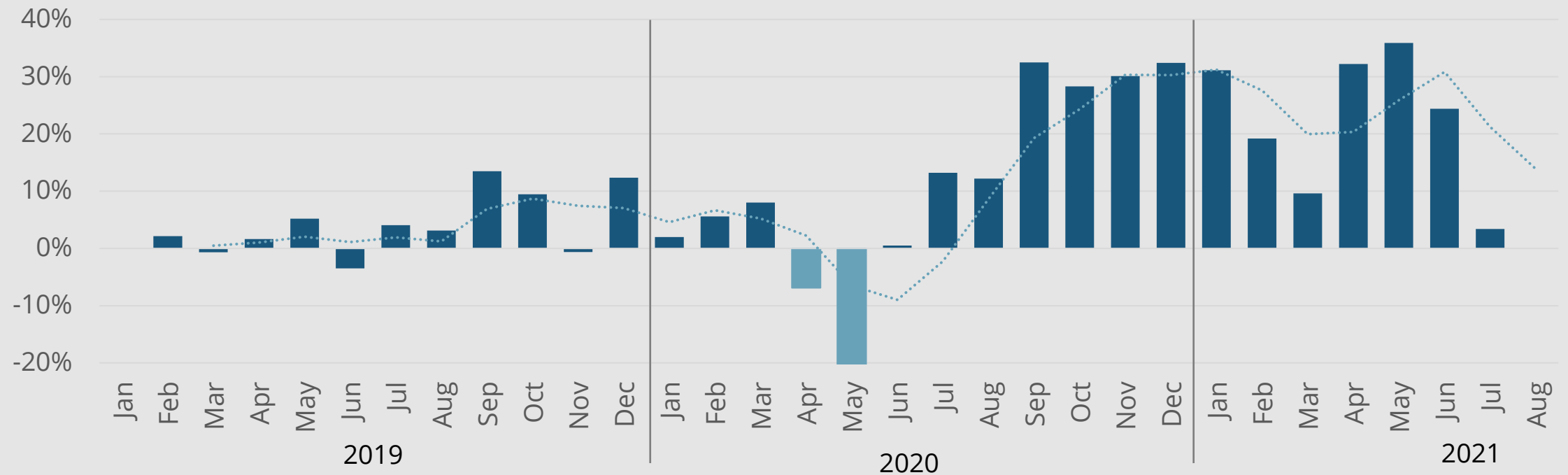
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Chief Economist, Virginia REALTORS®

The Housing Market: Where We've Been

- Surprisingly **strong housing demand** fueled by high savings rates, low mortgage rates, and remote work.
- **Home buyer preferences shifted** to single-family homes and suburban, exurban, and small town communities.
- **Prices rose** at double-digit rates.

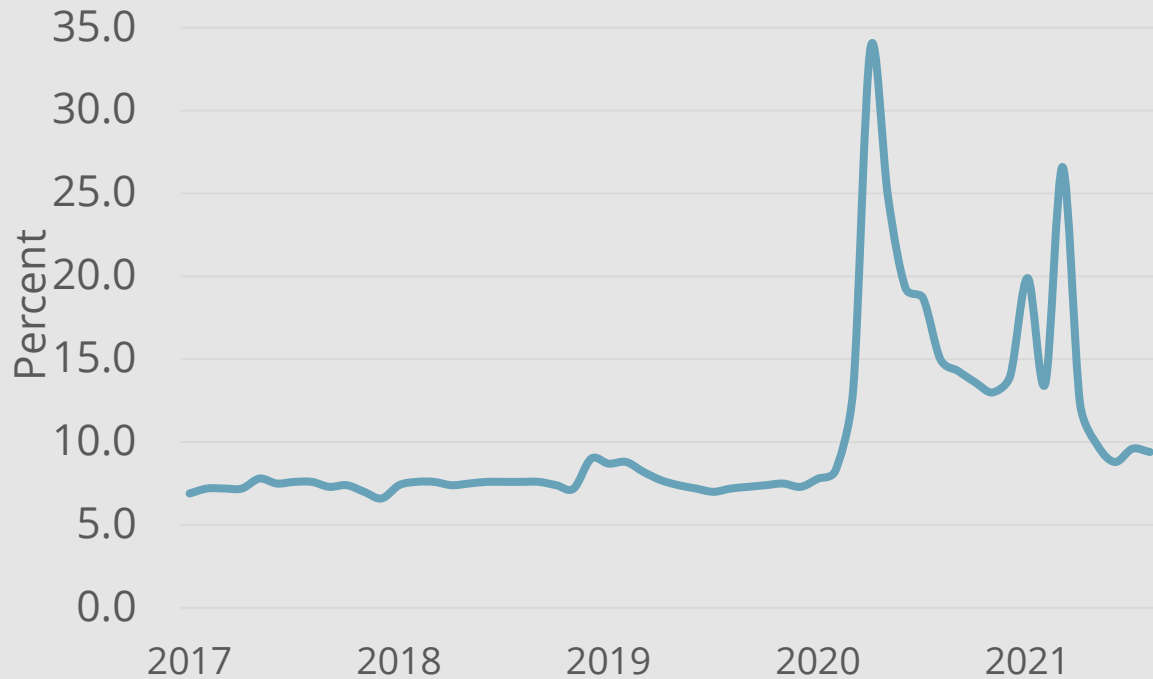
The Housing Market: Where We've Been

Year-Over Change in Monthly Home Sales



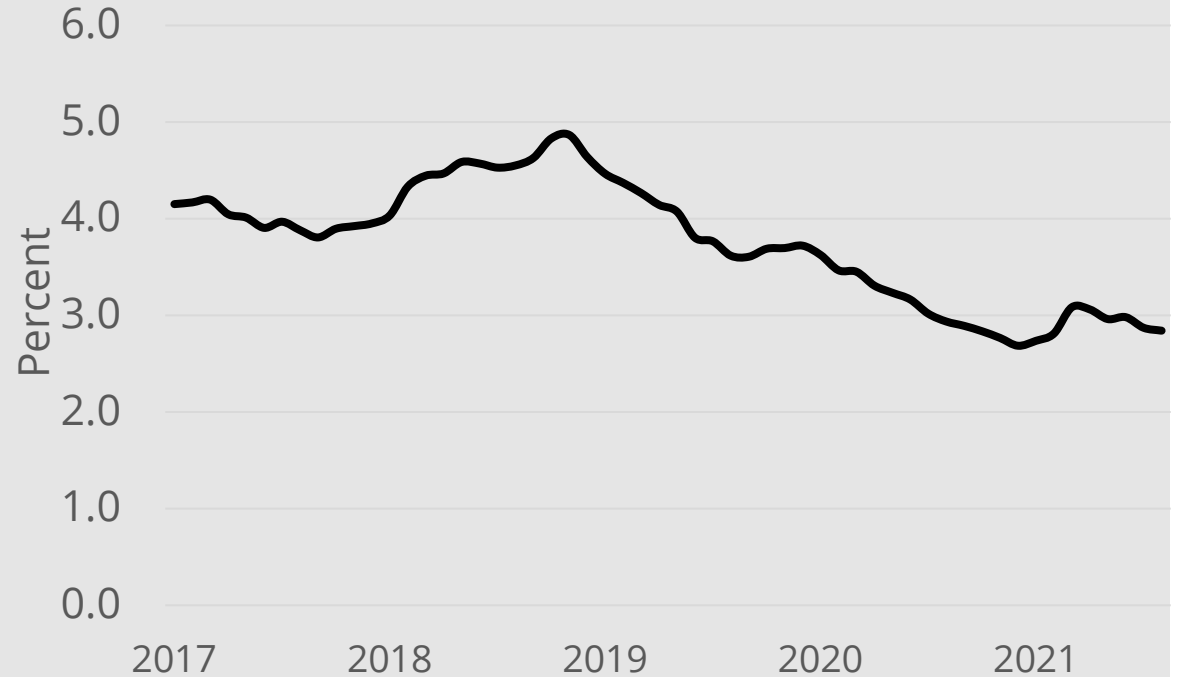
The Housing Market: Where We've Been

Personal Savings Rate (U.S.)



Source: U.S. Bureau of Economic Analysis

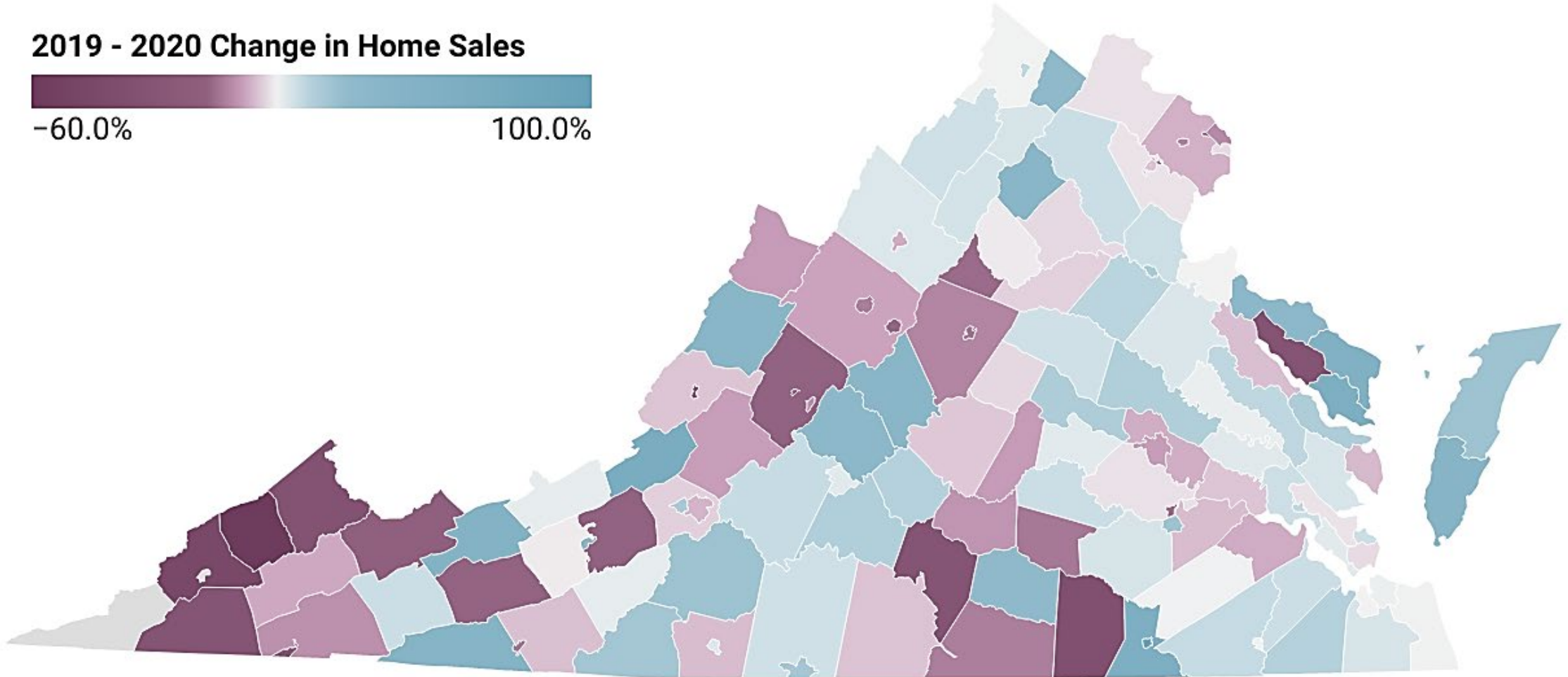
Average 30-Year Fixed Rate Mortgage



Source: Freddie Mac

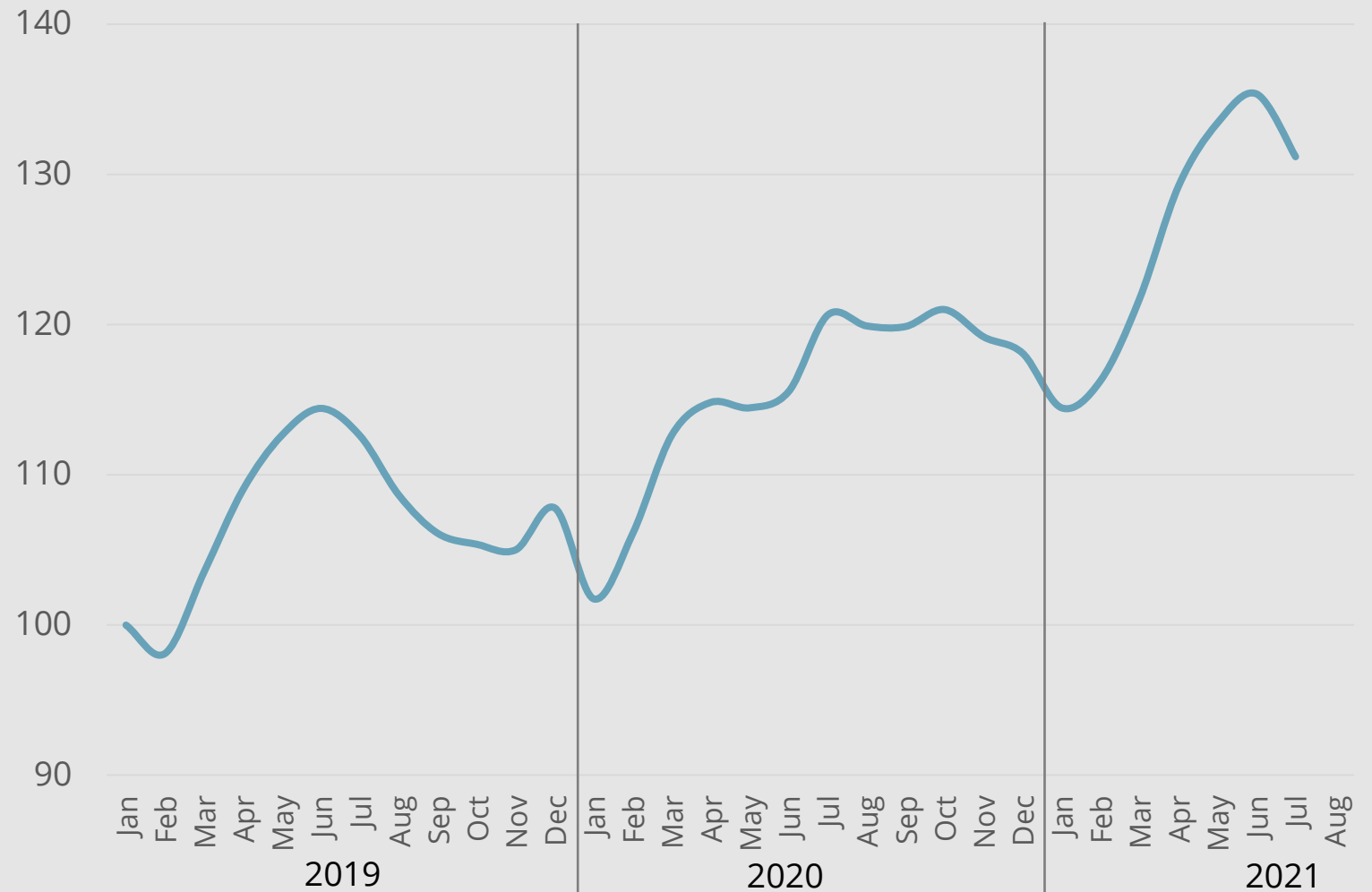
The Housing Market: Where We've Been

2019 - 2020 Change in Home Sales



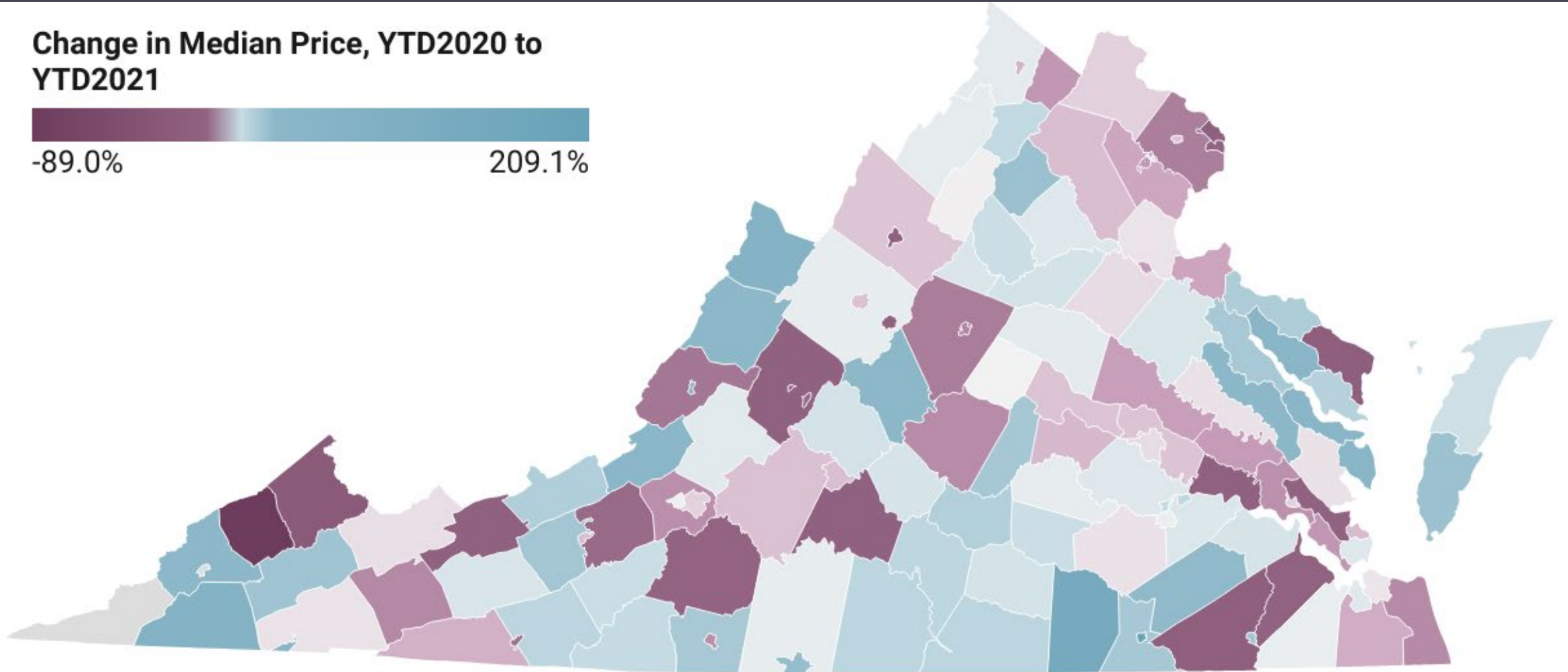
The Housing Market: Where We've Been

Virginia Median Home Prices
Jan 2019 = 100



The Housing Market: Where We've Been

Change in Median Price, YTD2020 to YTD2021

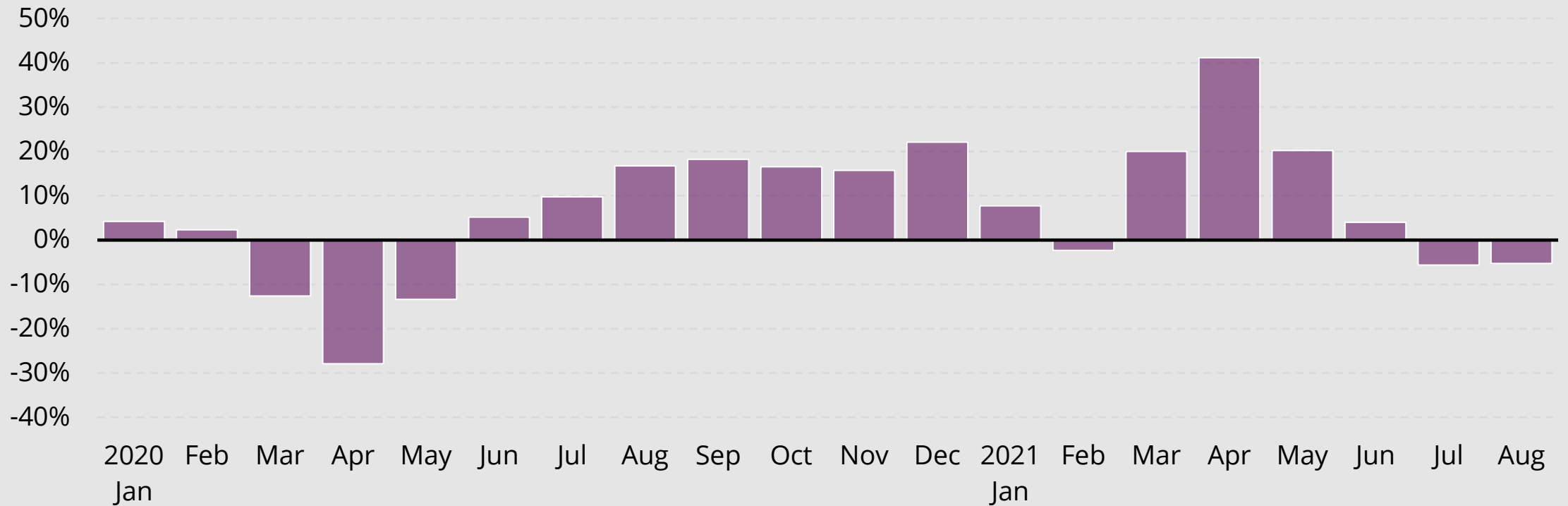


The Housing Market: Where We're Headed

- **Market cooling**, heading towards a more “typical” market, with a softening of demand and a (slight) expansion of inventory.
- More buyer interest in **townhomes, condos, and urban neighborhoods**.
- **Continued out-migration** to places with lower costs of living.

The Housing Market: Where We're Headed

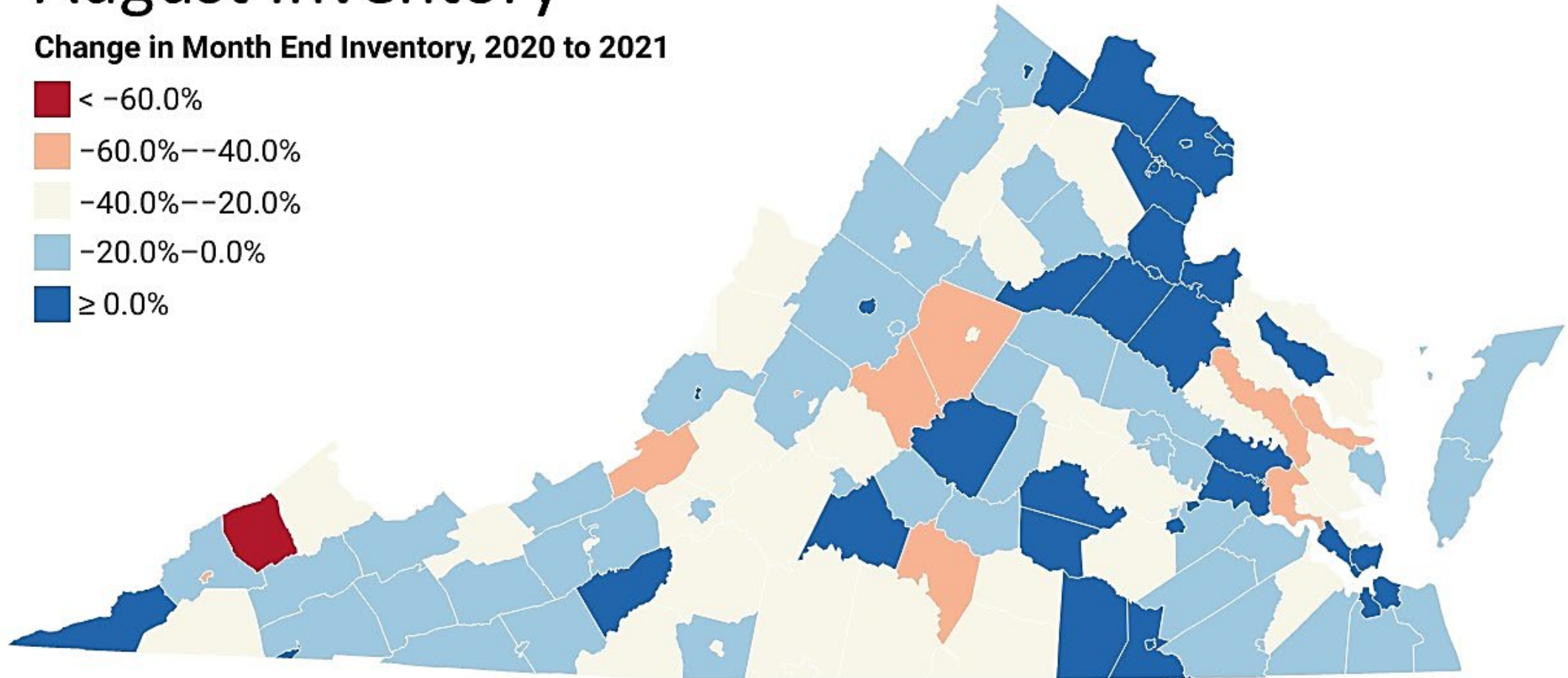
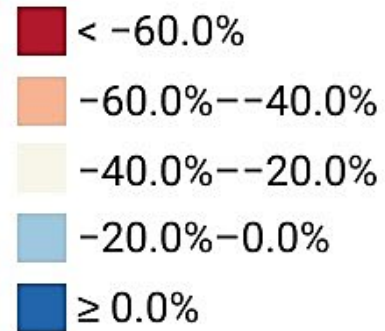
Virginia Y-o-Y Change in Pending Sales



The Housing Market: Where We're Headed

August Inventory

Change in Month End Inventory, 2020 to 2021

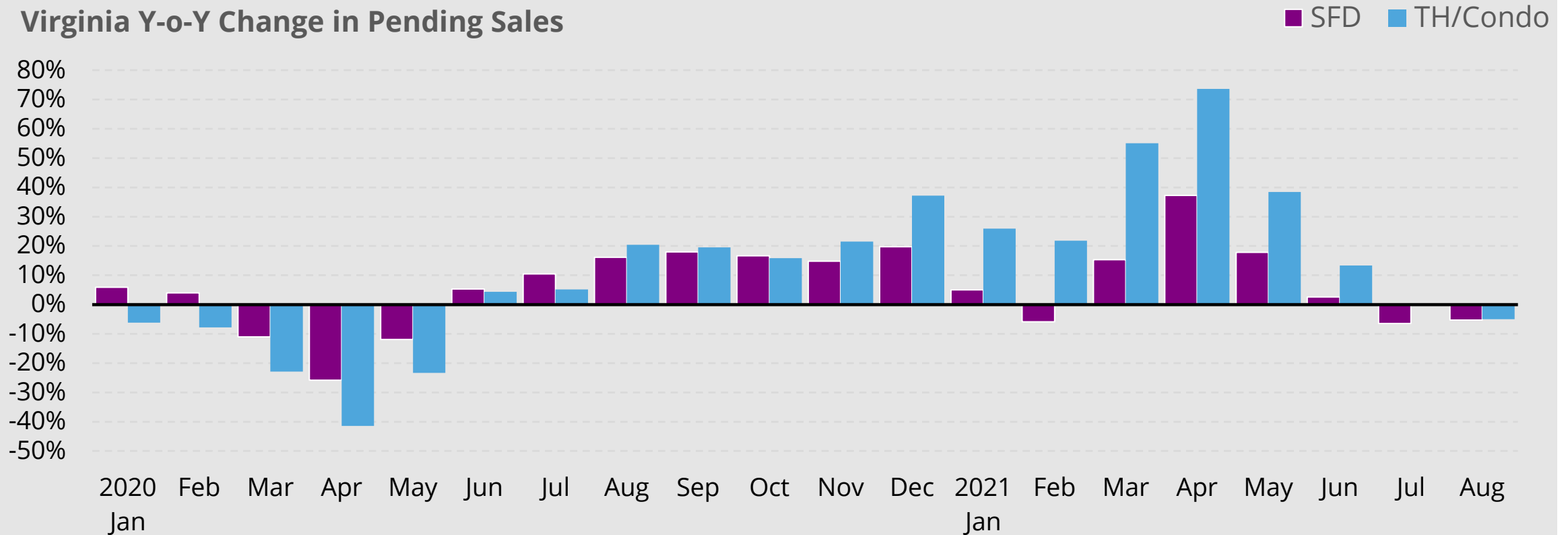


Source: Virginia REALTORS®

The Housing Market: Where We're Headed

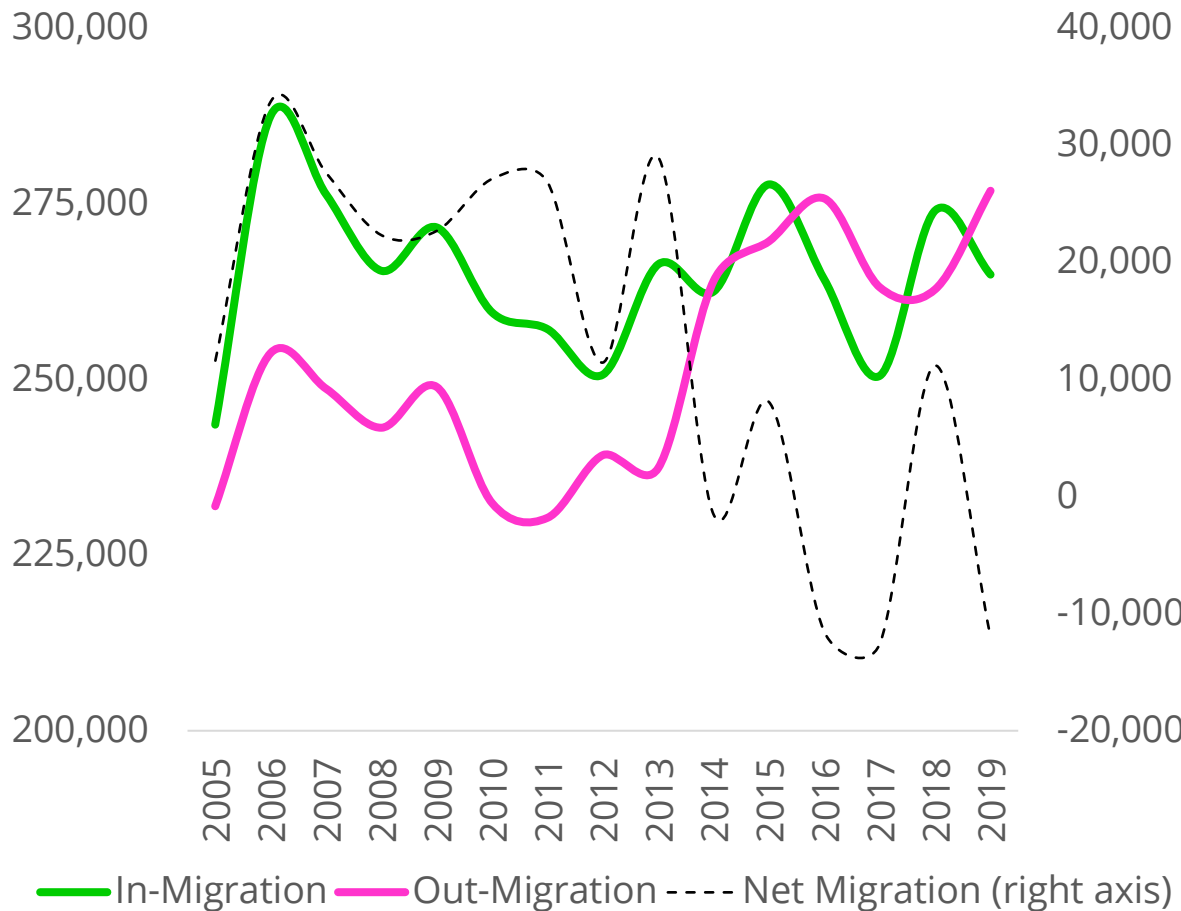


Virginia Y-o-Y Change in Pending Sales

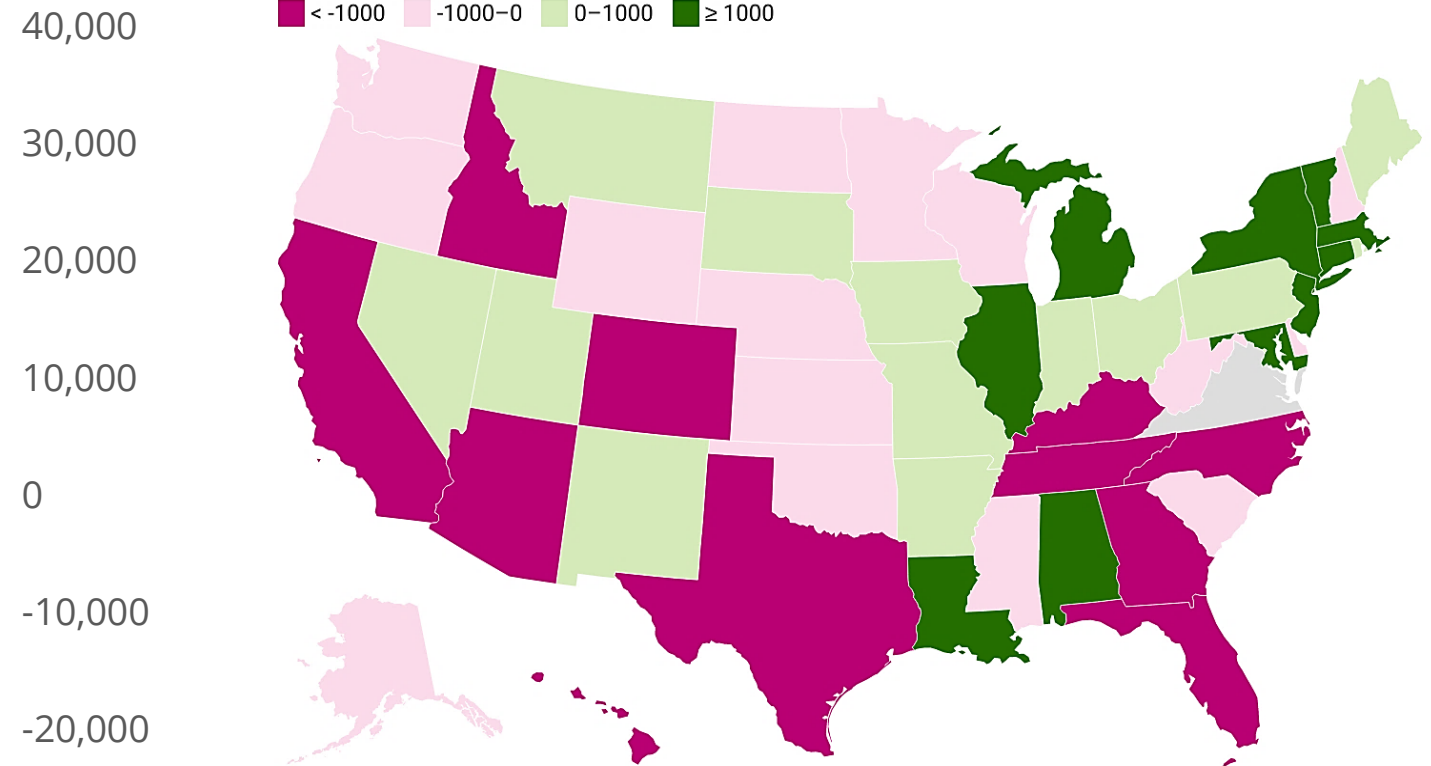


The Housing Market: Where We're Headed

Domestic Migration, Virginia



Virginia Net Migration, 2019



Source: U.S. Census Bureau

The Housing Market: Where We're Headed



Home Sales

Annual Change

2021: +6.2%

2022: -0.1%



Median Home Price

Annual Change

2021: +9.2%

2022: +4.1%

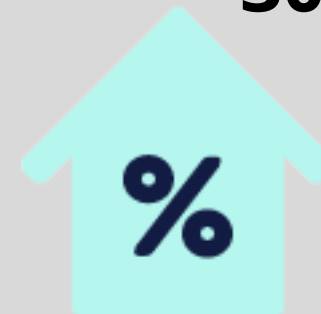


New Housing Starts

Annual Change

2021: +10.3%

2022: +0.5%



30-Year Mortgage Rate

December average

2021: 3.10%

2022: 4.00%

Have Questions or Need More Info?

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