



The State of the Housing Market

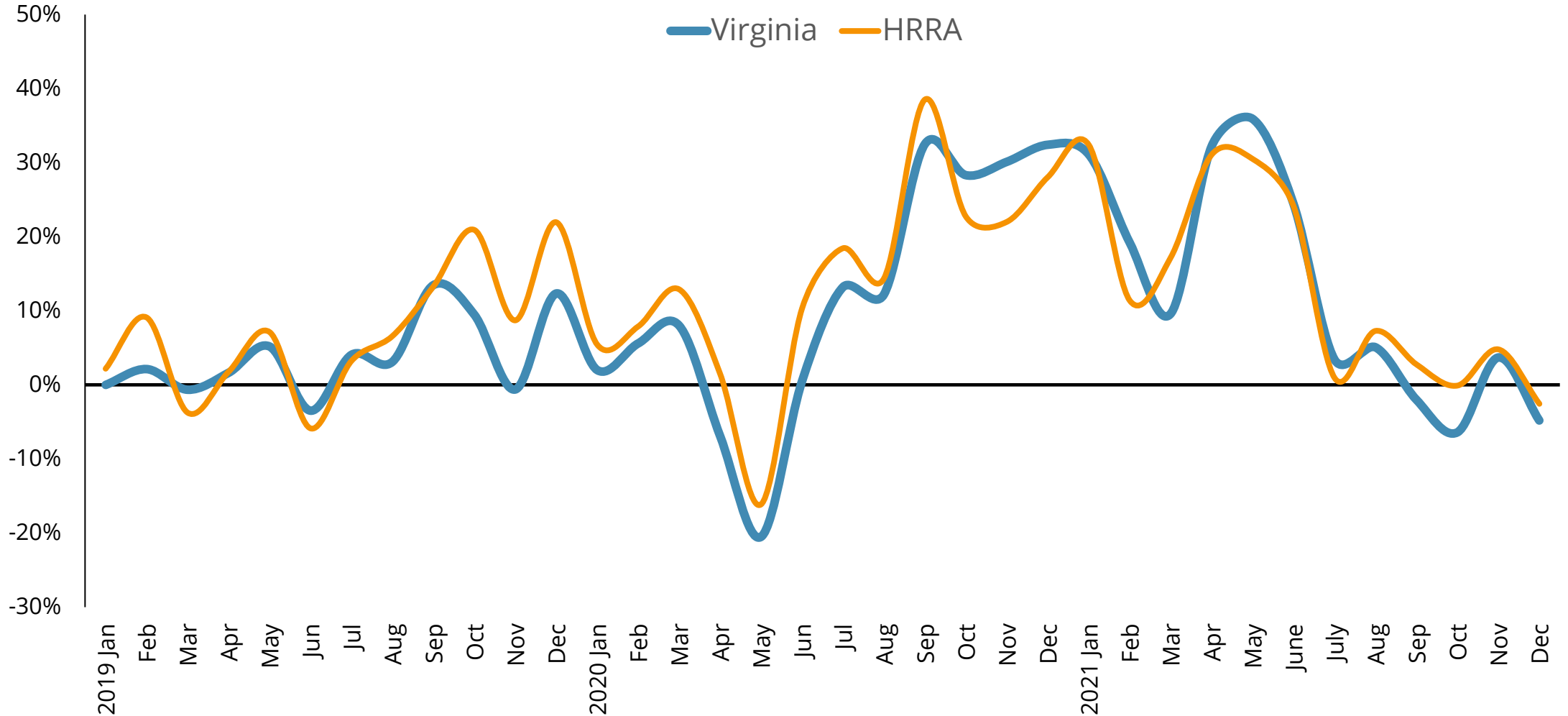
Hampton Roads REALTOR® Association

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Virginia REALTORS®

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Virginia and HRRAA Home Sales

Y-o-Y Change in Monthly Home Sales



2021 versus 2020

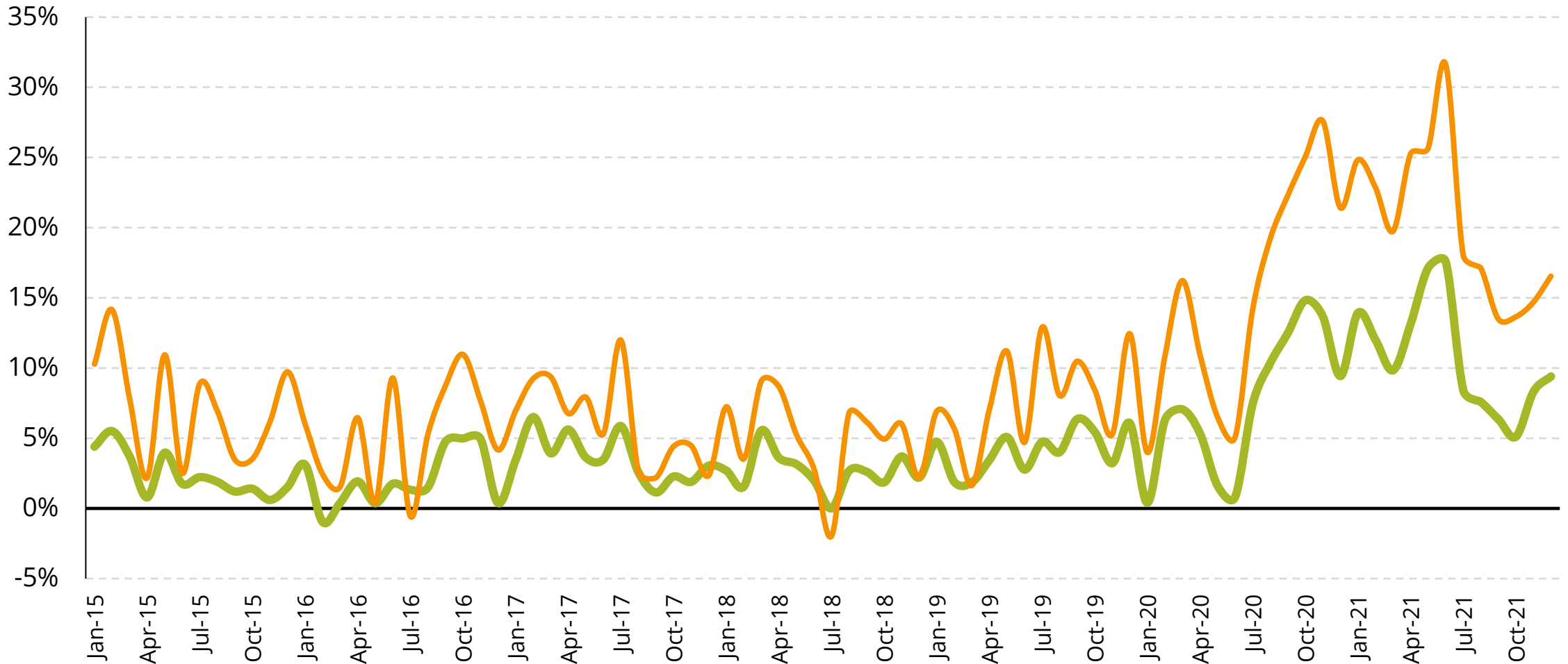
Virginia			
	2020	2021	Change 2020 to 2021
Sales	139,908	154,340	+10%
Volume	\$53.6B	\$66.8B	+22%
Median Price	\$319,902	\$350,000	+9%
Average Days on Market	41	25	-15 days
Months of Supply	1.52	1.04	-0.48 months

HRRA			
	2020	2021	Change 2020 to 2021
	23,597	26,366	+12%
	\$7.3B	\$8.9B	+22%
	\$274,000	\$299,900	+9%
	38	24	-14 days
	1.47	1.24	-0.23 months

Virginia and HRRA Home Prices

Y-o-Y Change in Median Home Price

— Virginia — HRRA

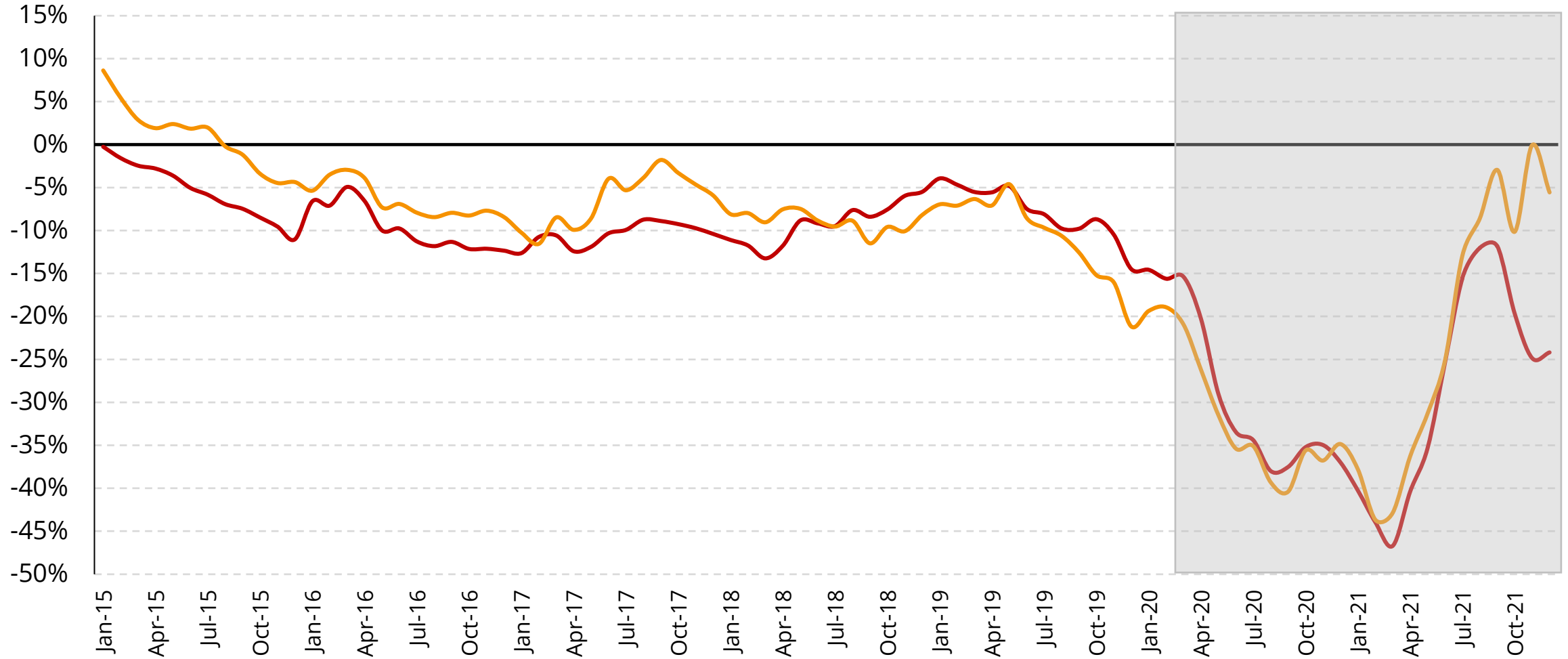


Virginia and HRRRA Inventory

Y-o-Y Change in Month-End Inventory

— Virginia — HRRRA

COVID Pandemic



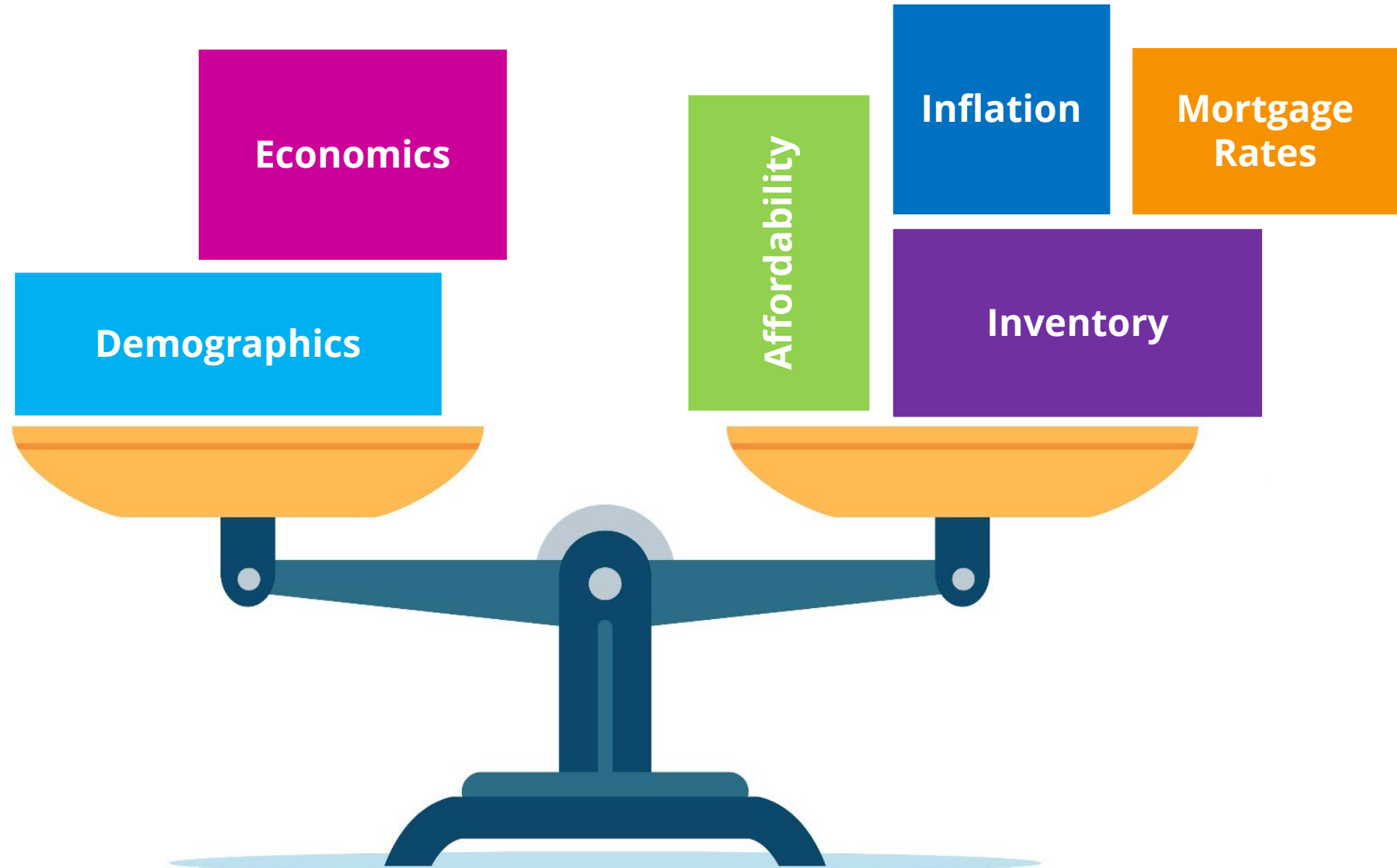
Outlook for the 2022 Housing Market

Strong economic and demographic fundamentals will support a strong housing market in 2022

Challenges in the Market

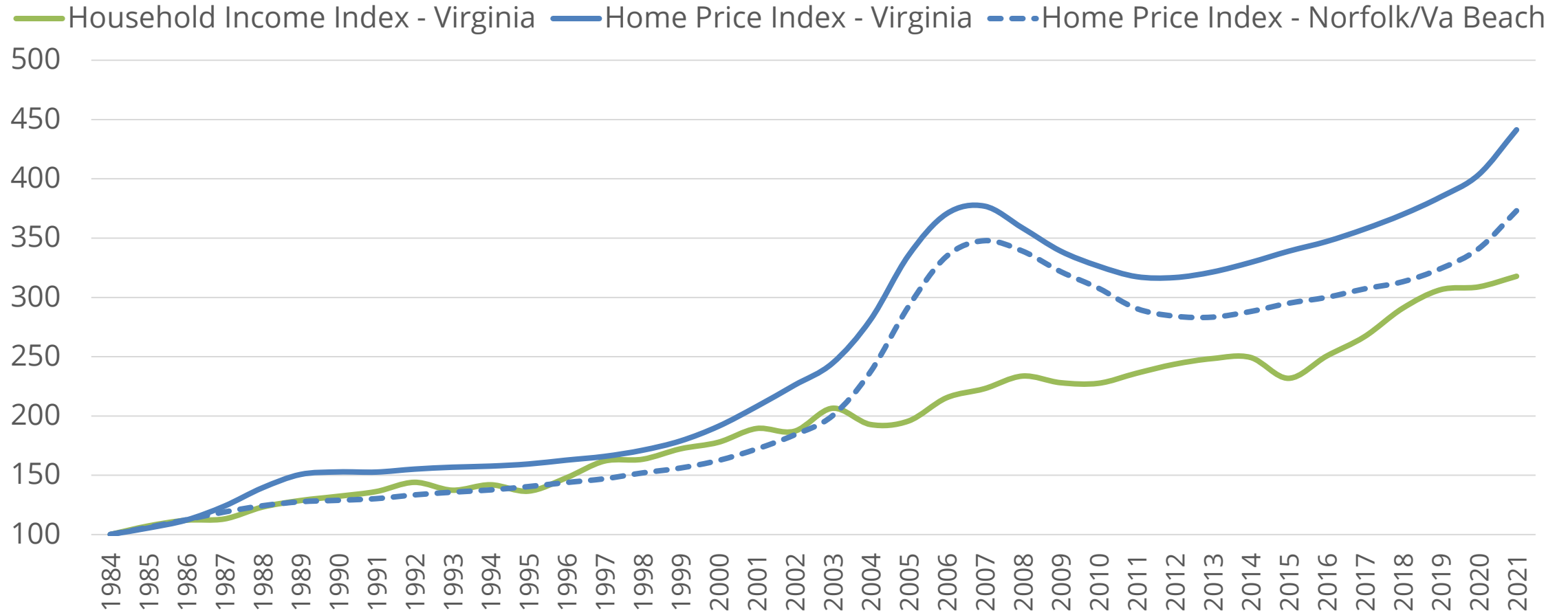
- Affordability
- Inventory
- Inflation
- Mortgage Rates

What will tip the scales in the 2022 housing market?



Affordability

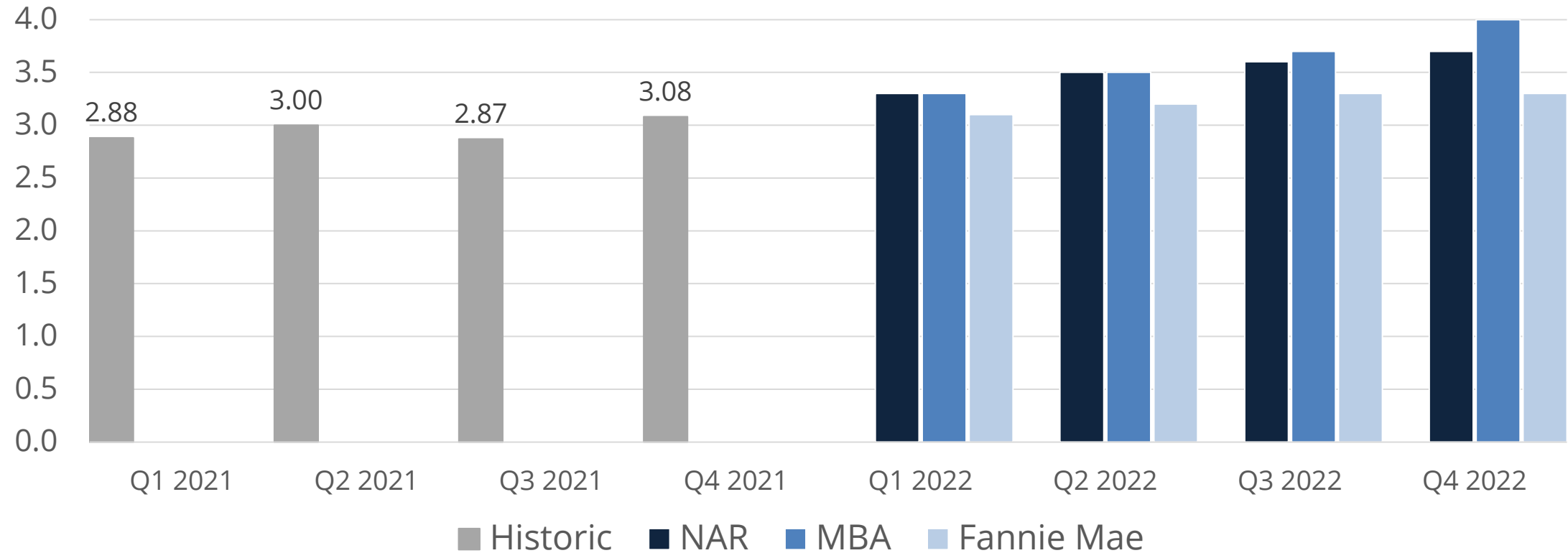
Home prices are rising much faster than incomes



Mortgage Rates

Modest increases forecasted for 2022

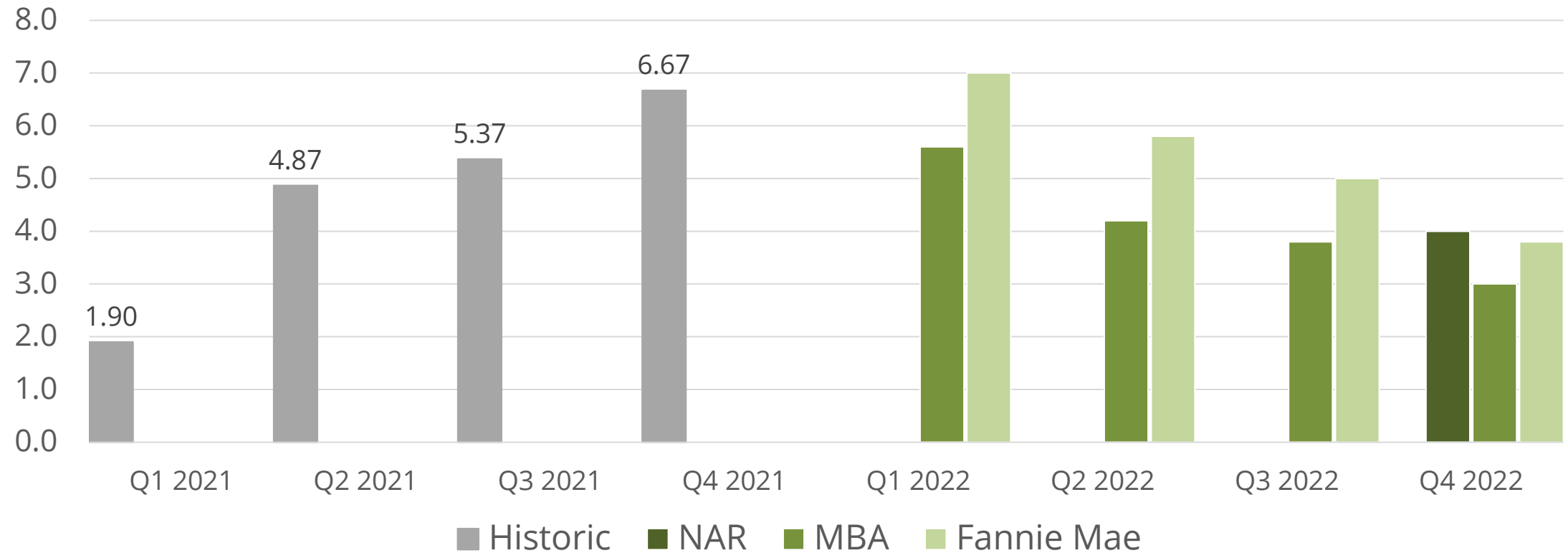
Average 30-Year Fixed Rate Mortgage Rate



Inflation

Most economists are forecasting a sharp drop in inflation this year

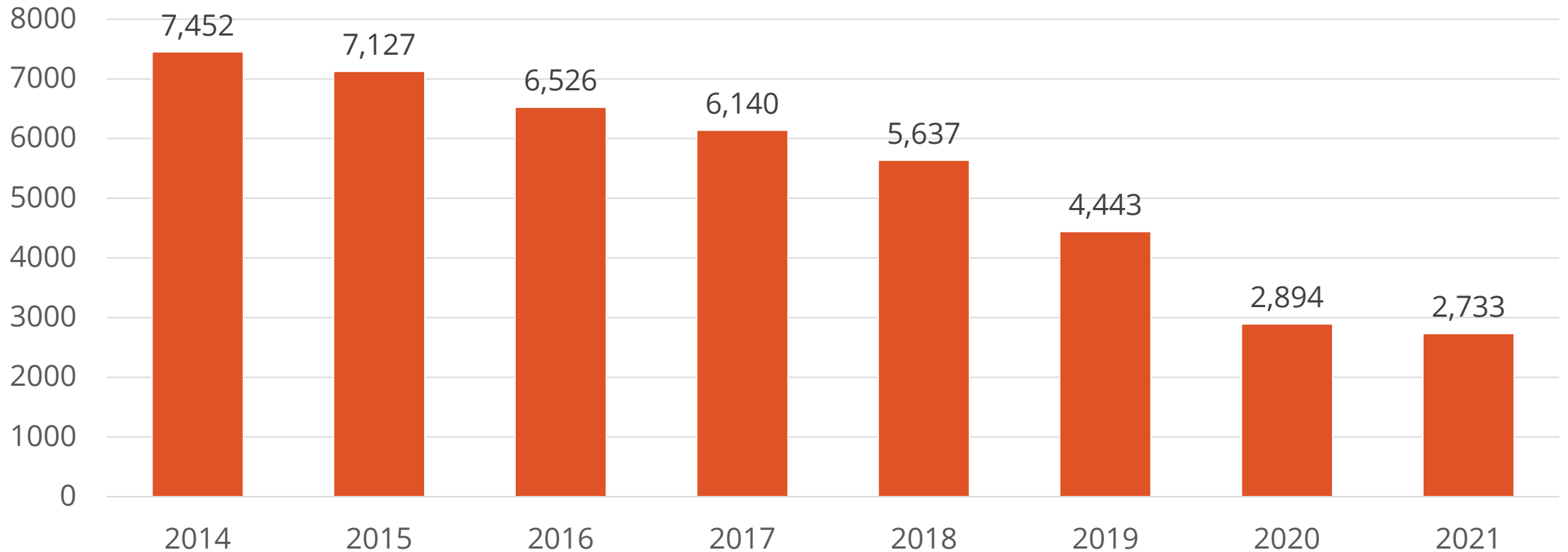
Average Change in CPI-U



HRRA Inventory

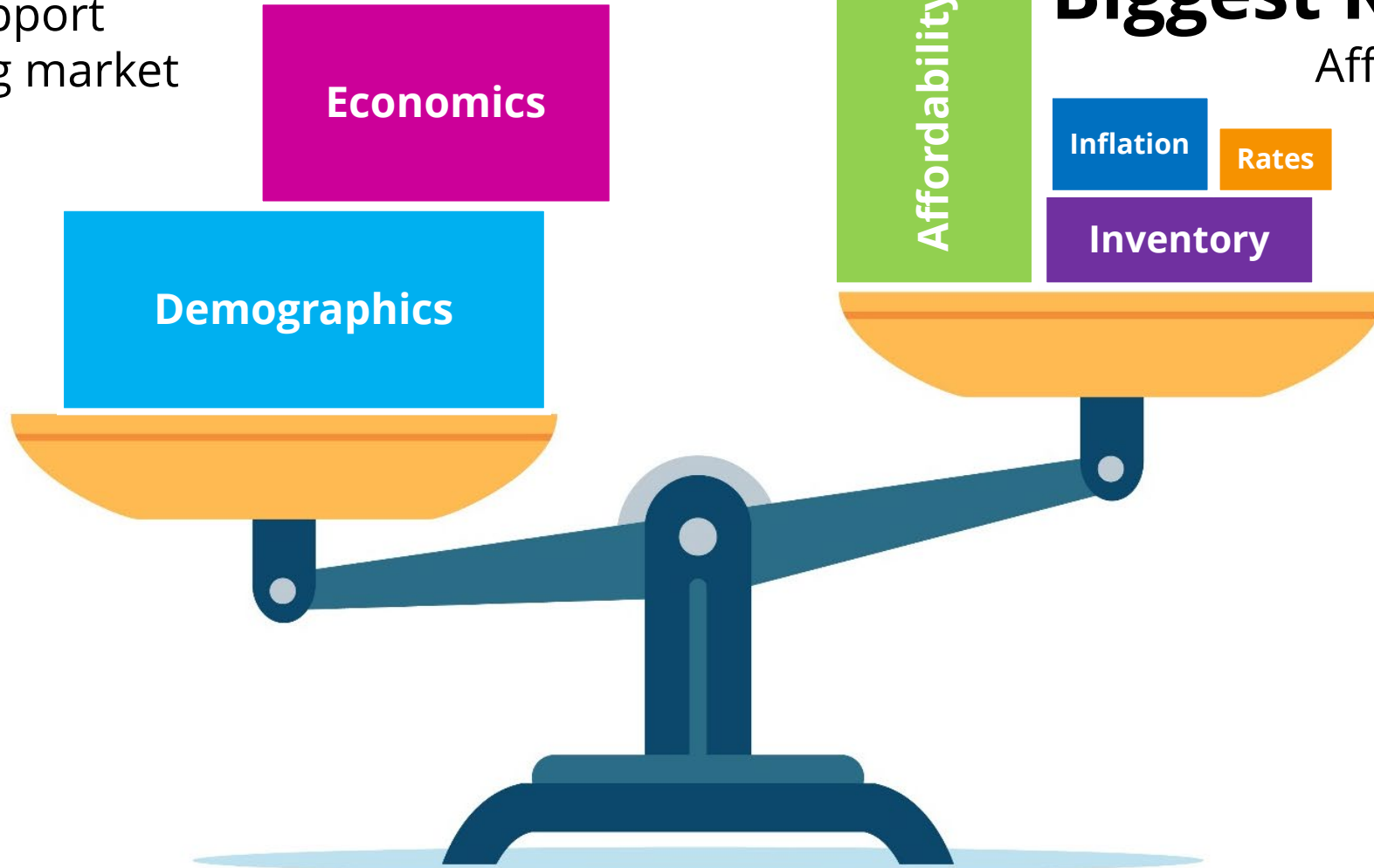
Inventory has been declining for years, but shortage got worse during pandemic

Number of active listings, HRRA
End of December each year



Outlook for 2022

Economic and demographic factors will support strong housing market conditions, outweighing potential challenges in the market.



Biggest Risks in 2022

Affordability will be the biggest challenge in 2022, with buyers in many markets priced out.

Inventory will continue to be very tight.

Reach out to
Research staff
directly -

We're here for
you!



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