



For Immediate Release

Contact: Jenny Wortham

Email: jwortham@virginiarealtors.org

Telephone: (804) 262-3755

Second Quarter Residential Real Estate Sales Illustrate Strong Growth

Year-to-date volume exceeds \$20 billion

RICHMOND, Va. (July 24, 2017) – The second quarter Virginia residential real estate market continued its rise over prior year benchmarks according to the Second Quarter 2017 Home Sales Report released by the Virginia REALTORS® association. The number of sales, value of all transactions, median price, and average length of time on the market illustrated notable year-over-year gains, continuing a trend of sustained growth in Virginia’s residential real estate market.

The second quarter of 2017 saw 37,201 residential transactions closed, a 5.3 percent increase over the 35,317 units sold in the second quarter of 2016. The value of those transactions was magnified by a rising median price, and totaled \$13.091 billion, an increase of 9.2 percent from 2016’s second quarter volume of \$11.986 billion. Relative to the second quarter of 2015, volume rose 20.2 percent (from \$10.970 billion).

According to 2017 Virginia REALTORS® President Claire Forcier-Rowe, “Virginia’s residential market has continued to gain strength as buyer motivation remains very high and the relatively low financing rates offer great opportunity for market entry. The steep drop in the average length of time that properties are on the market is the clearest indicator of buyer urgency.”

Annualized residential sales, a rolling sum of the home sales closed in the preceding twelve months, rose for the eleventh consecutive period. Relative to the previous quarter, annualized sales rose 1.6 percent (to 118,738 from 120,622). Serial improvement in annualized sales illustrates sustained growth in the market.

The rise in second quarter 2017 sales pace was spread across the strong performance of each month in the quarter. Historical trends indicate that Virginia home sales peak in June and begin to taper through the remaining summer months into the fourth quarter. Each month of the year so far has outperformed its 2016 benchmark.

Aggregate median sales price for the first quarter was \$288,000, an increase of 3.2 percent from the second quarter of 2016 (\$279,000). Compared to the second quarter of last year, 2017 second quarter home sales increased in all price bands except the lowest (\$0 to \$200,000), where low levels of inventory affect the number of sales possible. Sales increased especially in the ranges above \$400,000.

Increasing sales across broad price categories illustrate overall market improvement, as buyers enter the market at varied price points.

The average number of days on the market dropped from prior year benchmarks to an average of 54 for the 2017 second quarter, 14.3 percent lower than last year's second quarter average (63 days).

Expected with industry seasonality, the average length of time on the market declined notably from the first quarter to the second, where June represents the pinnacle of market activity. The year-over-year decrease in days on the market reflects strong buyer motivation, compelled by persistently restricted inventory and sustained urgency to take advantage of relatively low-cost financing.

Virginia's unemployment rate fell from its first quarter mark to 3.8 percent for the second quarter of 2017. State unemployment continues to outperform the national rate (4.4 percent). The average cost of borrowing remains low, encouraging market entry for buyers in all price brackets. Both 30-year and 15-year averages for fixed mortgage interest rates fell in the second quarter, to 3.99 percent and 3.24 percent, respectively. Despite fluctuation, affordable rates should continue to bolster consumer urgency and contribute to a strongly motivated buyer population as 2017 continues.

The Virginia Home Sales Report is published by the Virginia REALTORS® association. [Click here](#) to view the full Second Quarter 2017 Home Sales Report. Current and past reports are available to members, media, and real estate related-industries through the organization's website.

#

About the Virginia REALTORS®

The Virginia REALTORS® association (previously known as the Virginia Association of REALTORS®) is the largest professional trade association in the Virginia, representing approximately 33,000 REALTORS® engaged in the residential and commercial real estate business. The Virginia REALTORS® association 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 or follow Virginia REALTORS® on [Facebook](#), [Twitter](#), and [LinkedIn](#).

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.