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2021 Northern Virginia Housing Market Showed Continuing Pandemic-Era Strength, Surpassing 2020 Metrics
Despite Seasonal December Slowdown, Region Sees Strong Finish

Fairfax, Va. – “In year two of pandemic uncertainty, the real estate market in Northern Virginia continued to surprise and thrive, surpassing 2020 in dollar volume, price, and total number of homes sold,” said Ryan McLaughlin, CEO of the Northern Virginia Association of Realtors® (NVAR).

Despite a year-end seasonal decline in activity, 2021 closed with almost 27,000 homes sold in the NVAR region, an increase of 17% above 2020’s strong sales numbers and the highest number of homes sold since 2005, based on data from the region’s multiple listing service, Bright MLS.

“For the year, the NVAR footprint total sales volume was up by more than 23%, reaching almost \$19 billion. This is a reflection of the increased number of homes sold as well as rising prices due to extremely limited sales inventory,” said Reggie Copeland, principal broker, C.R. Copeland Real Estate and 2022 NVAR president. “In 2020, there were 22,840 homes sold, with a total sales volume just above \$15 billion,” said Copeland.

The average sold price of a home in the NVAR region in 2021 was \$714,208, an increase of 6.5% above 2020’s average of \$670,408. The median price rose by 5%, from \$590,000 in 2020 to \$620,000 in 2021.

Larger single-family homes posted the largest average price gains in the region, with an increase of almost 12% above the average cost of similar-sized homes (4 or more bedroom) sold in 2020.

The pace of home sales remained unchanged in 2021. It took an average of 19 days to sell a home in the NVAR region – equal to the average number of days on market for sellers in 2020.

In Arlington County, the number of homes sold in 2021 and the total dollar sales volume both increased by about 27% compared with 2020. However, the price of homes held steady year-over-year and homes took longer to sell, possibly a reaction to the already-high prices resulting from sharp price increases that occurred the prior year. In 2020, the average sold price in Arlington jumped almost 12% year-over-year and the median rose by 8.4%.

“In December, the average price of a single-family detached home in Arlington jumped from \$1,075,647 in 2020 to \$1,258,648 in 2021 – a 17% increase. The lack of inventory definitely played a huge role in this, leaving many sellers with the ability to choose from a number of offers, with multiple buyers waiting to see their home as soon as it hit the market.

“I met some buyers to view a home that went on the market with a short window for viewings. Fifteen minutes prior to the open house starting, there was a line at the door. At the peak there were a total of 50 people standing outside in a line to view this home,” Copeland said.

New listings decreased in the NVAR region in December by 20% compared to 2020 – to 1,088, which was 28% fewer new listings than came on the market in November.

“In December, many of our Realtor® members experienced a lull in market activity, particularly on the seller side with fewer new listings coming on the market,” said McLaughlin. “This was not unexpected, with more people planning holiday travel and in-person celebrations than occurred in 2020. Coupled with rising interest rates and uncertainty about the Omicron variant, some people just pushed the pause button at year-end,” McLaughlin said.

There was a decrease of almost 33% in new contract activity in December compared to November, with 1,271 new contracts pending. There was a similar percent decrease in total contract activity – new contracts plus contracts carried over from November. Total supply also fell in December to 1,044 active homes for sale, a 36% drop below November sales inventory.

Compared to December 2020, new contract activity fell by 13.8%, total contract activity dropped 13.7% year-over-year, and total supply decreased by 39%.

“A strong seller’s market continued through the month of December with a contract ratio of 1.39 pending contracts per active listing, based on data from Bright MLS,” said McLaughlin. “The ratio is up from 1.32 in November and was up 0.98 year-over-year. The higher the ratio, the more contract activity compared to supply, which works in the seller’s favor,” McLaughlin said.

As reported in the [2022 NVAR Region Forecast](#) released on December 16, expectations for 2022 depend on a number of factors, including the pandemic trajectory, the potential for interest rate increases and rising inflation.

“While we can make predictions based on current market conditions, there truly is no certainty where 2022 will take us. January certainly has kicked off with little inventory in most of the NVAR footprint, which could change in the next few months. Whatever happens, Realtors® are ready to help buyers and sellers make the best choice,” said Copeland.

December 2021 Regional Home Sales Compared to December 2020: Northern Virginia
Data from Bright MLS as of January 6, 2022; total sales and listings may not include garage/parking spaces.

The Northern Virginia Association of Realtors® reports on December 2021 home sales activity for Fairfax and Arlington counties, the cities of Alexandria, Fairfax and Falls Church and the towns of Vienna, Herndon and Clifton.

A total of 1,933 homes sold in December 2021, a 1.1% decrease below December 2020 home sales of 1,955.

The number of active listings decreased last month compared with 2020. Listings were 39% below last year, with 1,044 active listings in December, compared with 1,723 homes available in December 2020. The average days on market for homes in December 2021 rose by 33.3% to 28 days – compared to 21 days on market for homes in December 2020.

New listings fell by 20.4% in December compared with last year, to 1,088. There were 1,367 new listings in December of 2020.

The average home sale price rose by 4.6% compared with last December, to \$707,910. The December 2020 average sale price was \$676,724.

The median sold price of homes this December, which was \$600,000, rose by 3.4% compared to the median price of \$580,250 in December 2020.

Read more about the NVAR region housing market at [NVAR.com/public](https://www.nvar.com/public).

NVAR Charts, Graphs, Social Media for December 2021 NVAR Housing Stats

December Housing Data: [Click here.](#)

Infographic: [Click here.](#)

The December Market Stats Page: [Click here.](#)

December Market Minute Video: [Click here.](#)

These links are accessible from the Market Stats page here: [Click here.](#)

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