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Northern Virginia Housing Market Shows Strong Growth in January 2025 with Higher Sales and Rising Prices, According to NVAR

First January Year-Over-Year Sales Increase Since 2021

FAIRFAX, Va. (**February 11, 2025**) The Northern Virginia housing market started 2025 with solid momentum, as closed sales, total dollar volume, and home prices showed notable increases compared to the previous year, according to the [Northern Virginia Association of Realtors® \(NVAR\)](#). In January 2025, 833 homes were sold across the region — an 8% increase from January 2024 — demonstrating resilience in buyer demand despite ongoing inventory challenges and marking the first time the area has seen a year-over-year sales increase in January since 2021.

“The beginning of 2025 has reaffirmed the strength of Northern Virginia’s housing market,” said Ryan McLaughlin, CEO of NVAR. “With closed sales up and price growth remaining steady, buyers are actively engaging in the market despite fluctuating economic conditions. The fact that this is the first year-over-year sales increase we’ve seen in January since 2021 is a positive sign of renewed market momentum.”

The total sold dollar volume in January 2025 reached \$698,468,219, a 19.2% year-over-year increase. The median sold price rose to \$685,000, up 5.4% compared to January 2024, while the average sold price climbed 10.4% to \$836,329. These price increases highlight the continued competition for available homes and the desirability of Northern Virginia’s real estate market.

At the same time, inventory levels showed signs of improvement, giving buyers more options. Active listings rose by 28.5% year-over-year to 1,261 units, and months of supply increased to 0.92 — up 25.1% from January 2024. However, new listings in January remained below the five-year average at 995 units, reflecting lingering constraints on seller activity.

“Inventory levels are increasing, which is a positive sign for buyers who have faced a highly competitive market,” said Rob Carney, NVAR President-Elect, TTR Sotheby’s International Realty. “Yet, with new listings still below historical averages, sellers remain in a strong position, especially as demand continues to push prices higher.”

One key market shift was the decline in new pending sales, which fell 9.7% compared to January 2024, indicating that some buyers may be adjusting to changing affordability conditions. Meanwhile, homes spent an average of 31 days on the market, a 6.9% increase from the previous year — giving buyers a slightly longer window to make purchasing decisions.

“While rising inventory is a welcome trend, the market remains dynamic,” added McLaughlin. “With steady price appreciation and strong overall demand, Northern Virginia continues to be an attractive destination for homeownership. As we move further into 2025, we anticipate an active spring market with opportunities for both buyers and sellers.”

The regional growth is expected to continue, according to NVAR’s recent [2025 Housing Forecast](#), produced in conjunction with the George Mason University Center for Regional Analysis. The Northern Virginia housing market will keep strengthening with moderate price

increases and higher levels of market activity. Northern Virginia's outlook is similar to the national 2025 housing forecast that predicts the worst of the housing inventory shortage is ending, mortgage rates are stabilizing, and job additions are continuing.

BACKGROUND

The Northern Virginia Association of Realtors® reports on home sales activity for Fairfax and Arlington counties, the cities of Alexandria, Fairfax, and Falls Church and the towns of Vienna, Herndon, and Clifton. Below is January 2025 regional home sales compared to January 2024 for Northern Virginia, with data derived from Bright MLS as of February 10, 2025 (total sales and listings may not include garage/parking spaces):

- The number of closed sales in January 2025 was 833 units. This was an 8% increase compared to January 2024.
- The volume sold in January 2025 was \$698,468,219. This was up 19.2% compared to January 2024.
- The average sold price was \$836,329 in January 2025. This was up 10.4% compared to January 2024.
- The amount of new pending sales in January 2025 was 933 units. This was down 9.7% compared to January 2024.
- The amount of active listings January 2025 was 1,261 units. This number was up 28.5% compared to January 2024.
- The number of new listings in January 2025 was 995 units. This is below the five-year average of 1,315 new listings in January.

Read more about the NVAR regional housing market at nvar.com/Marketstats.

NVAR Charts, Graphs, Social Media for January 2025 NVAR Housing Stats

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

Regional Jurisdiction Infographic: [Click here.](#)

NVAR Region Infographic: [Click here.](#)

NVAR 2023 Housing Economic Impact Report: [Click here.](#)

[NVAR 2025 Housing Forecast Update Report: Click here.](#)

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

About NVAR

The Northern Virginia Association of Realtors® (NVAR) serves as the voice of real estate in the Greater Northern Virginia Region. NVAR is dedicated to enhancing Realtor® success by delivering exceptional value, driving innovation, and impacting the industry. Headquartered in Fairfax, Virginia, NVAR supports its 13,000 members with essential resources, including industry education, advocacy, networking, and professional development opportunities. The Association is committed to promoting ethical practices and excellence in real estate. It advocates on behalf of homebuyers, sellers, renters, and commercial tenants who are directly affected by local, state, and federal policy decisions impacting affordability, property rights, and quality of life. NVAR strives to elevate the standards of the real estate industry and to contribute to the overall growth and prosperity of the Washington DC Metropolitan Area and beyond. nvar.com.

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