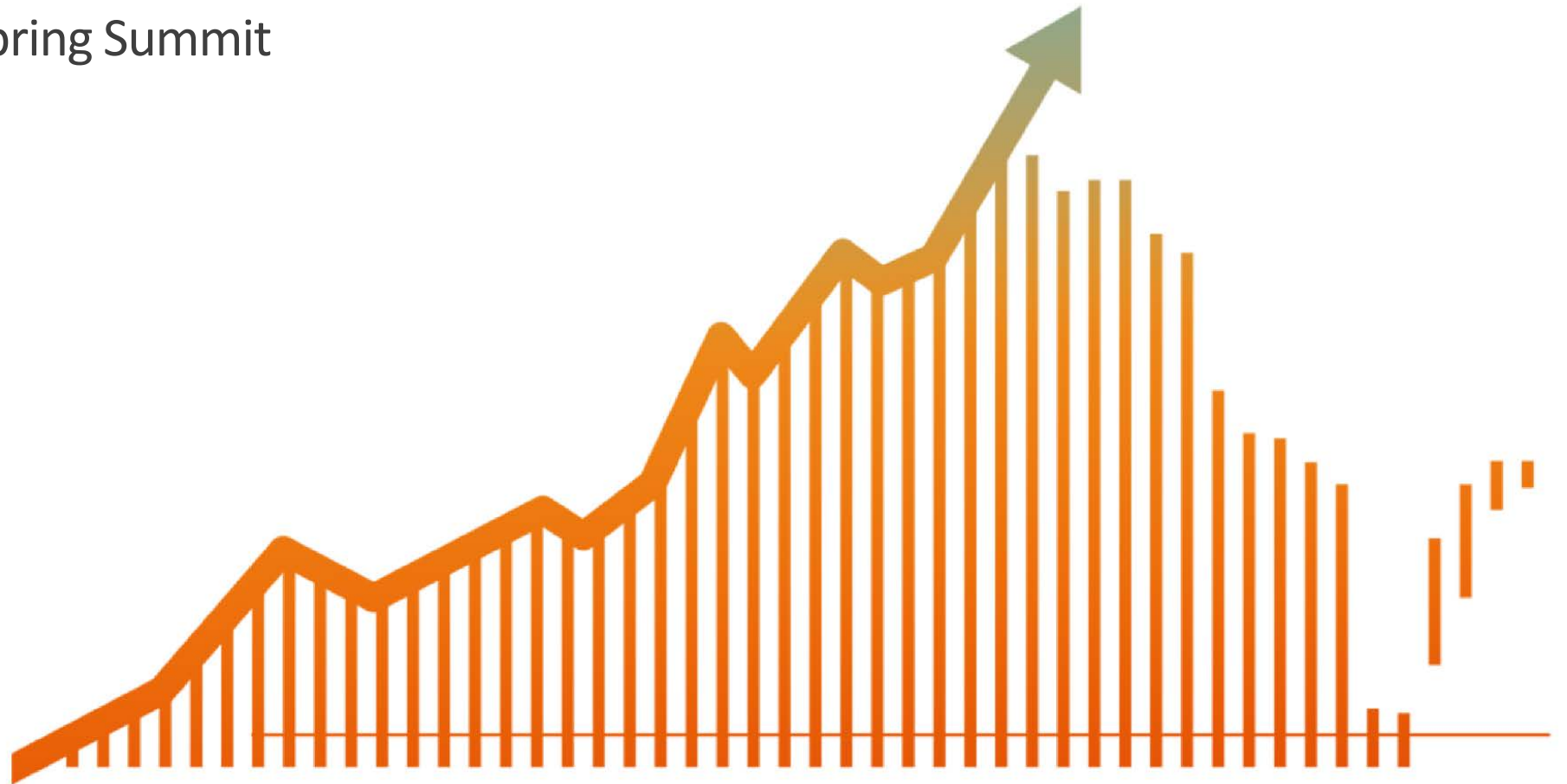


# The Impact of COVID-19 on Virginia's Housing Market: Current Conditions & Outlook

Northern Virginia Spring Summit

Lisa Sturtevant, PhD  
Chief Economist  
Virginia REALTORS®

April 30, 2020

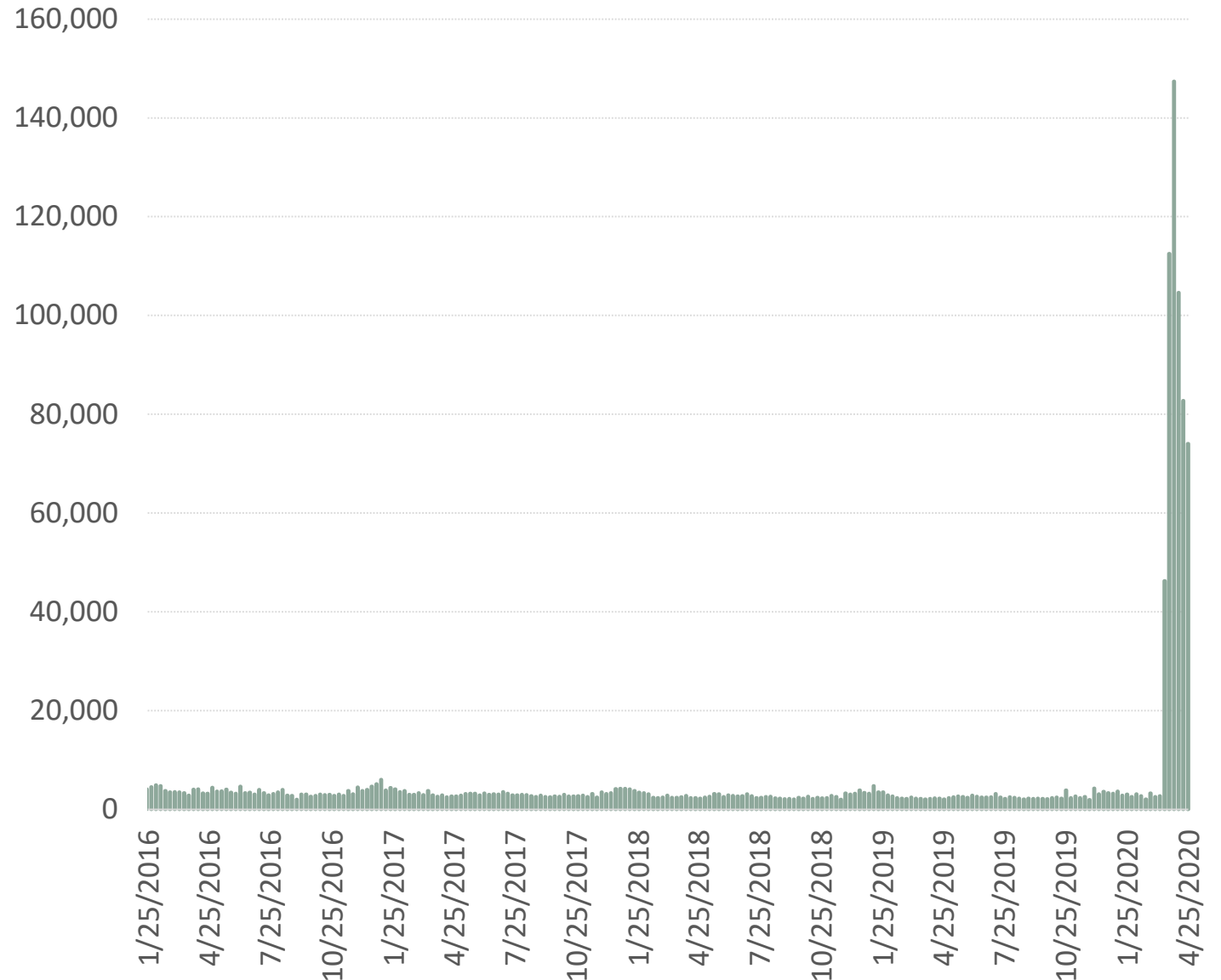


# Virginia Weekly Initial Claims for Unemployment

Between March 21 and April 25, more than 560,000 Virginians have filed for unemployment benefits.

More than 10% of labor force has filed for benefits.

In a typical week, about 2,500 people would file for unemployment benefits in the Commonwealth.



# Homeownership Rates by Industry in Virginia

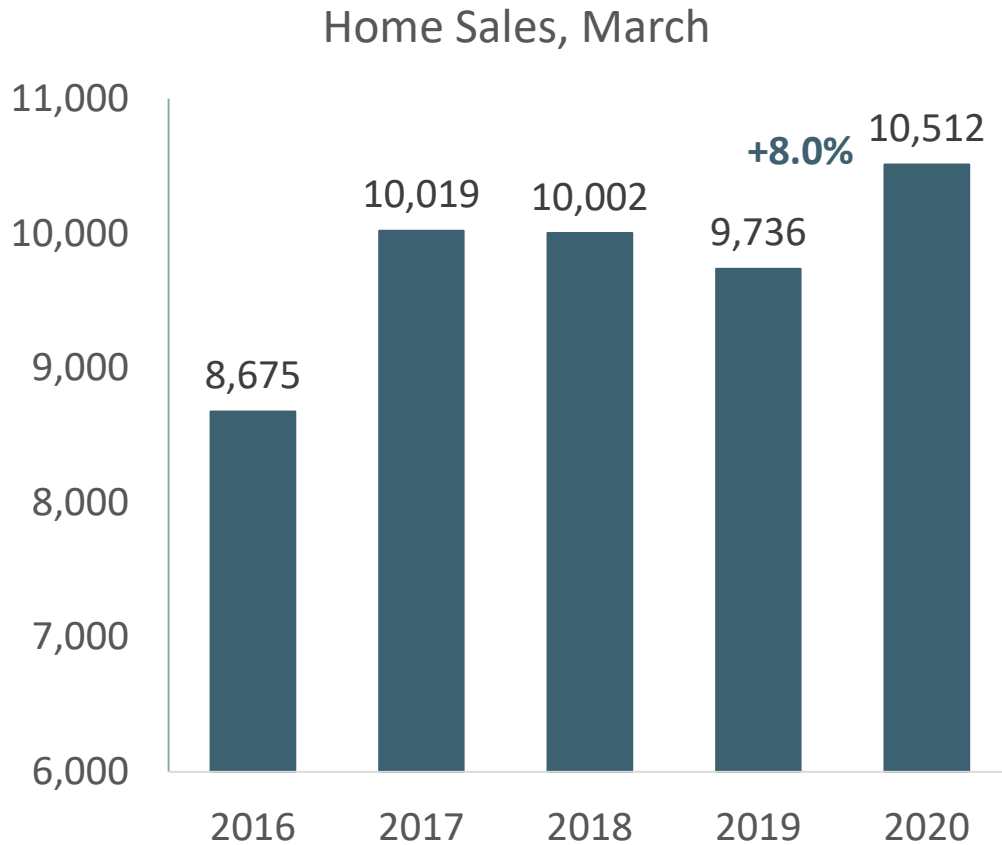
Sectors most impacted by unemployment and job losses tend to have higher shares of renters (i.e. lower homeownership rates).

- 35% of Virginia property managers said tenants did not pay their April rent, as of April 17.
- Estimated that 7.6% of all mortgages nationally will be in forbearance at the end of April.

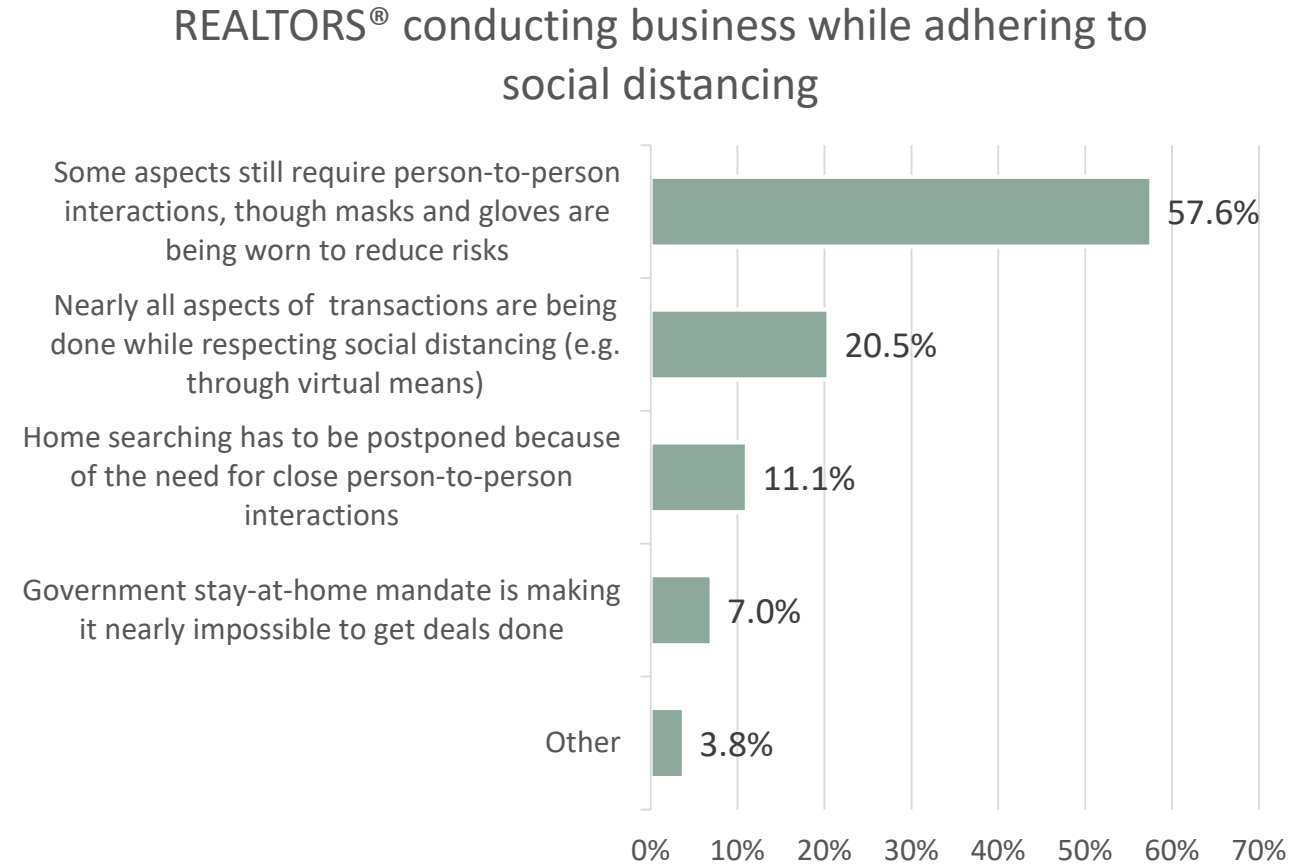
<b>More Impacted Sectors</b>	<b>Homeownership Rate</b>
Leisure and Hospitality	44%
Health Care and Social Assistance	59%
Administrative and Support and Waste Services	52%
Retail Trade	57%
Construction	62%
Other Services (e.g. personal services)	65%

<b>Less Impacted Sectors</b>	<b>Homeownership Rate</b>
Information	69%
Finance and Insurance	72%
Management of Companies and Enterprises	59%
Professional, Scientific, and Technical Services	73%
Public Administration	67%

# March home sales were up because of strong housing demand and REALTORS® shift to new business practices

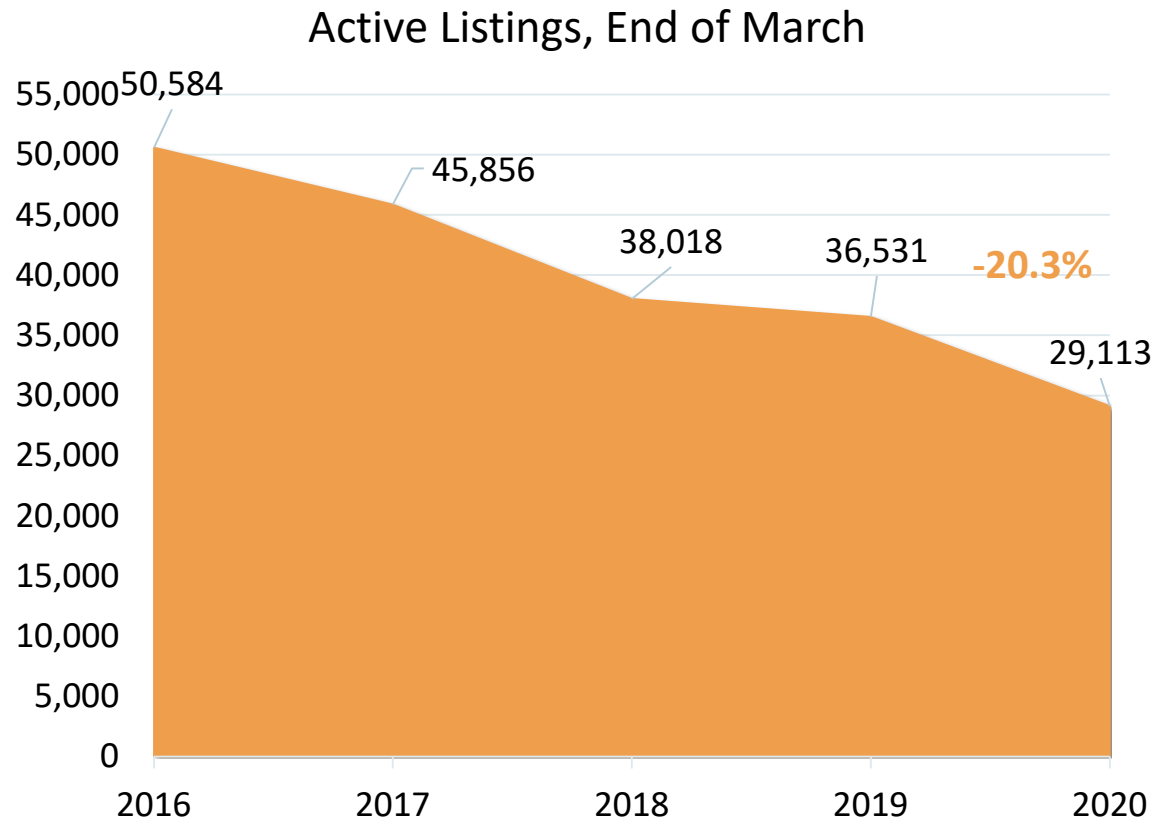


Source: Virginia REALTORS®

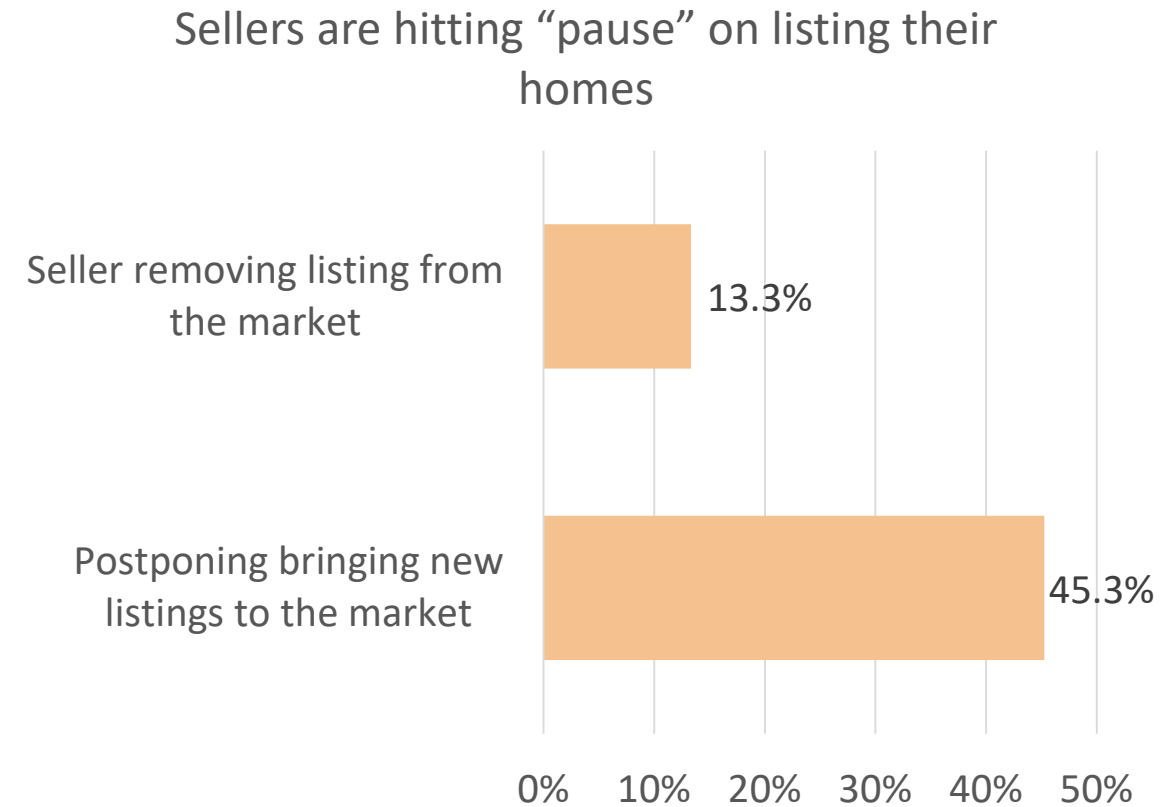


Source: Virginia REALTORS®, April 24-25 survey of members

# A lack of inventory has been a challenge for years, and COVID-19 is reducing supply further



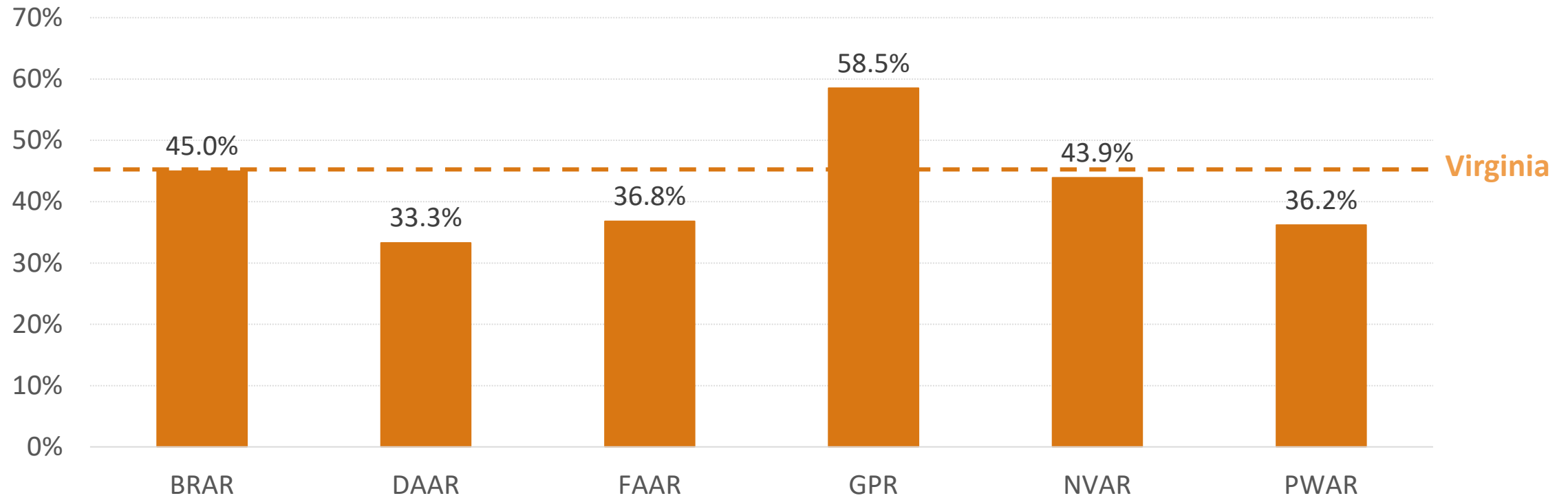
Source: Virginia REALTORS®



Source: Virginia REALTORS®, April 24-25 survey of members

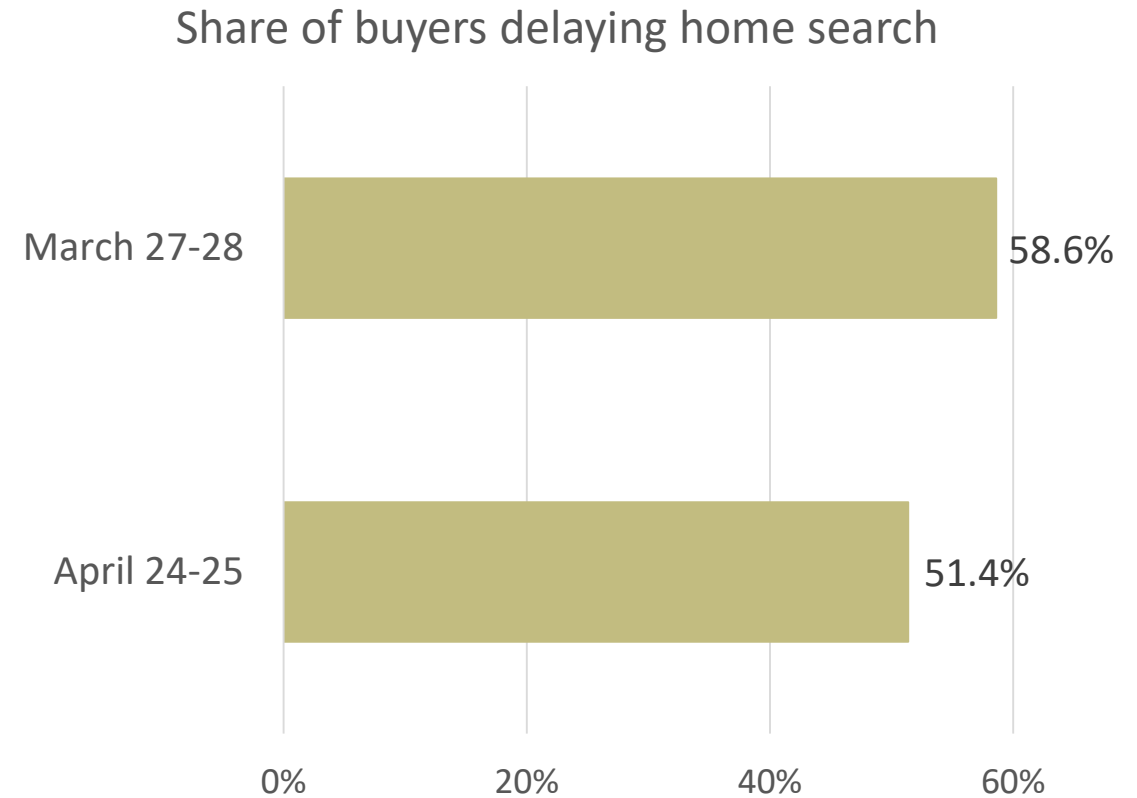
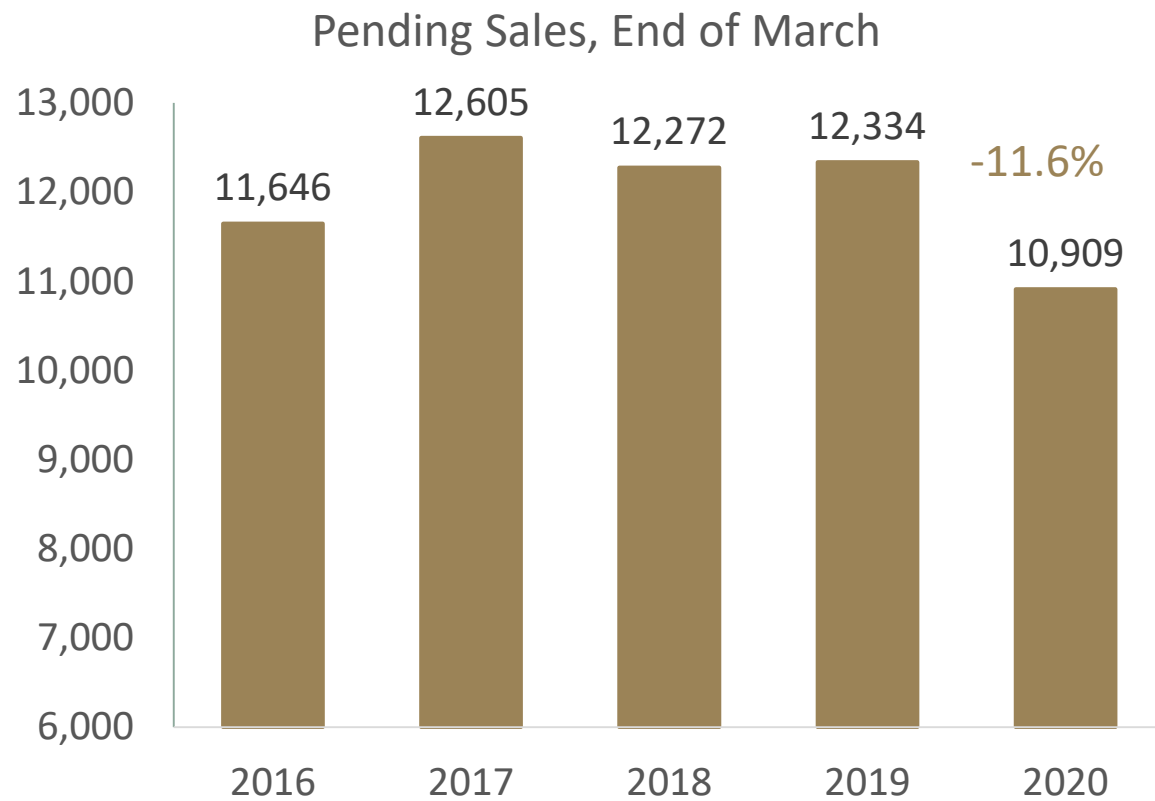
# COVID-19 is causing some sellers to press “pause” this spring

Share Postponing Bring New Listings to Market



Source: Virginia REALTORS®, April 24-25 survey of members

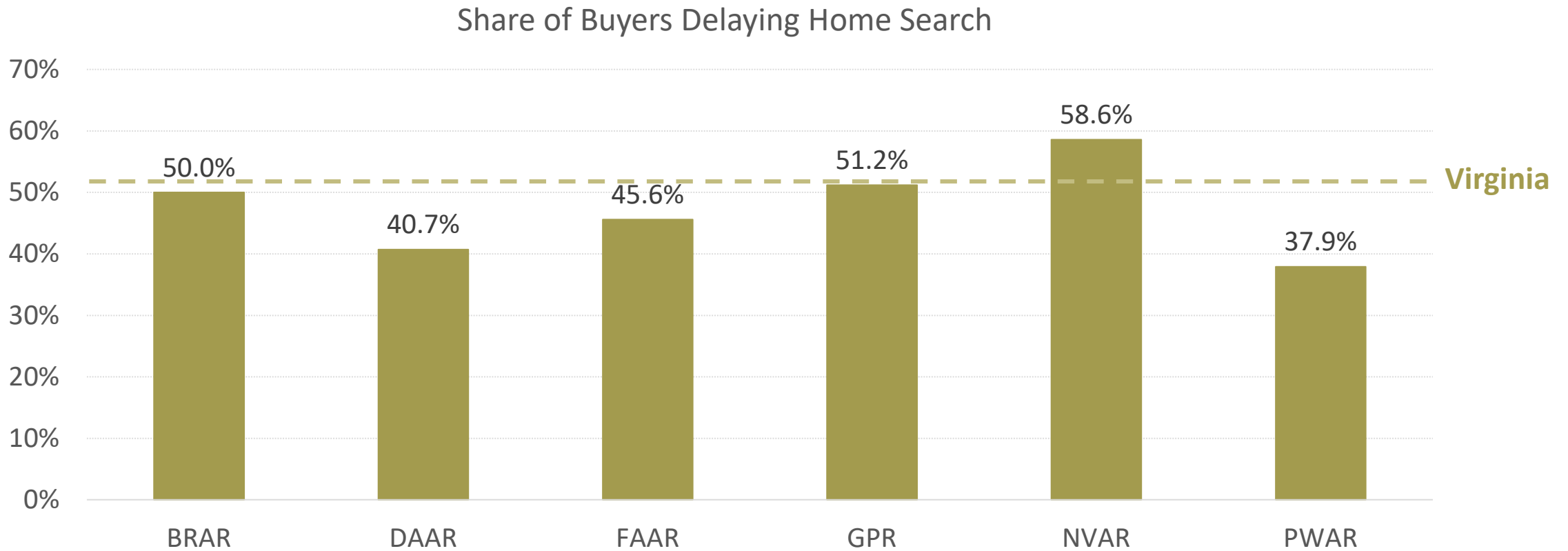
# A drop in pending sales indicates April home sales could be down by between 30 and 40%



Source: Virginia REALTORS®

Source: Virginia REALTORS®, surveys of members

# Buyers have also delayed their home search, however demand for housing in Northern Virginia remains strong

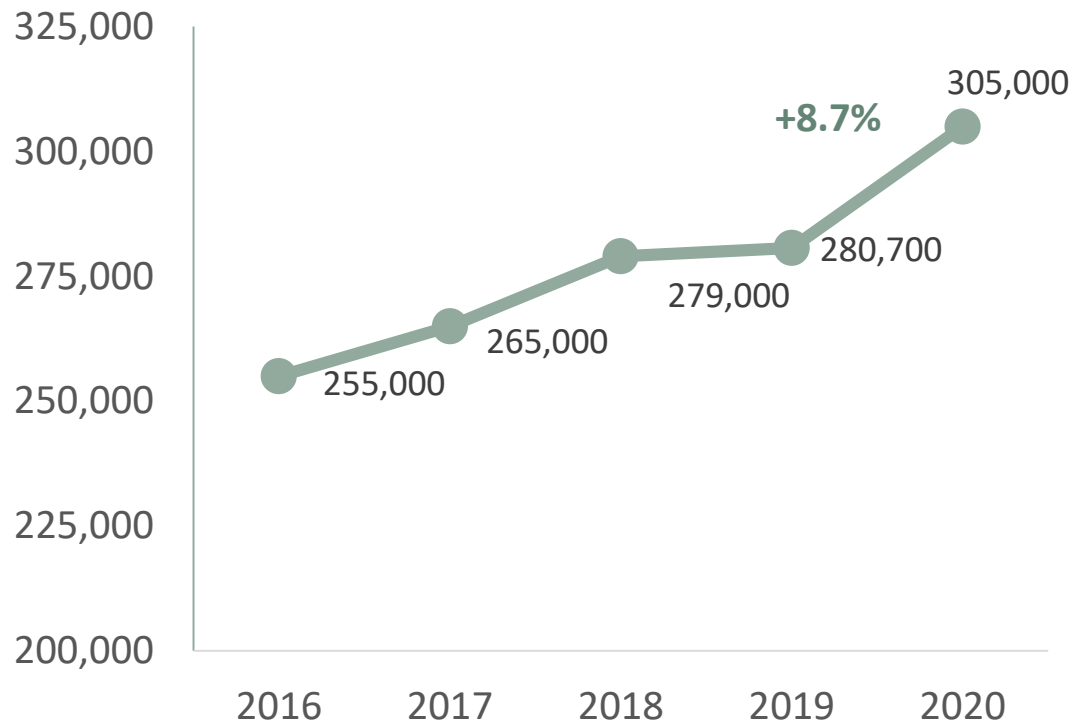


Source: Virginia REALTORS®, April 24-25 survey of members



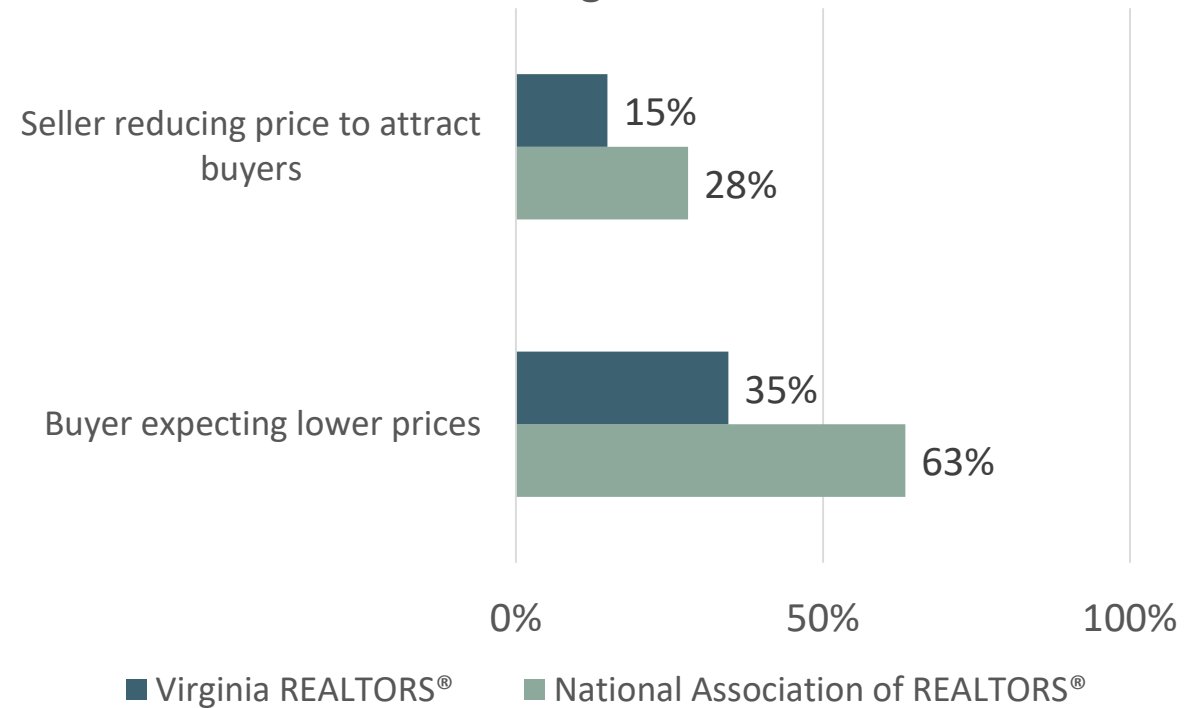
# Current trends suggest no major impacts on home prices in the Commonwealth

Median Home Price (\$), March



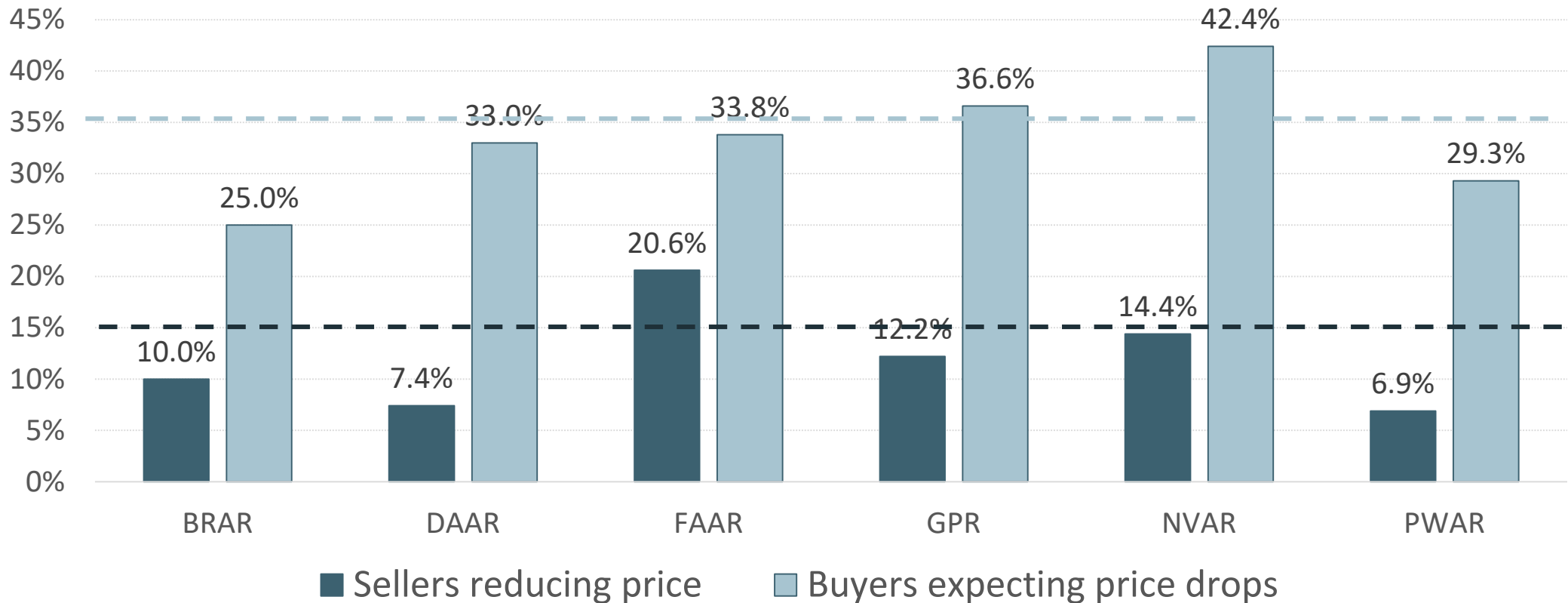
Source: Virginia REALTORS®

Home prices remaining relatively firm in Virginia



Source: Virginia REALTORS®, April 24-25; NAR, April 5-6

# Buyers have also delayed their home search, however demand for housing in Northern Virginia remains strong



Source: Virginia REALTORS®, April 24-25 survey of members

# How Will We Know When the Housing Market is Rebounding?

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01

Slowdown in  
new COVID-  
19 cases

02

End to stay-  
at-home  
directive

03

End to military  
stop-  
movement  
order

04

Stabilization of  
the mortgage  
market

05

Furloughed  
employees  
returning to  
work

# More information

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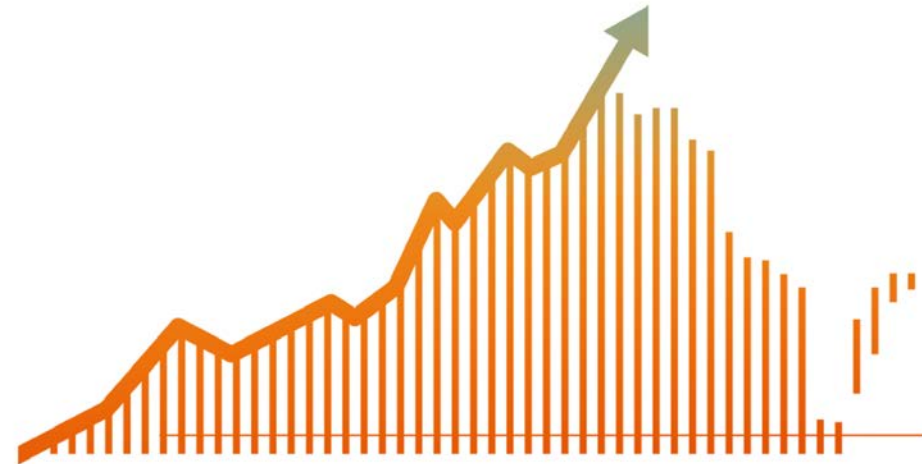
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703-598-1220



Thursdays at 4:00 PM



Monthly Home Sales Reports