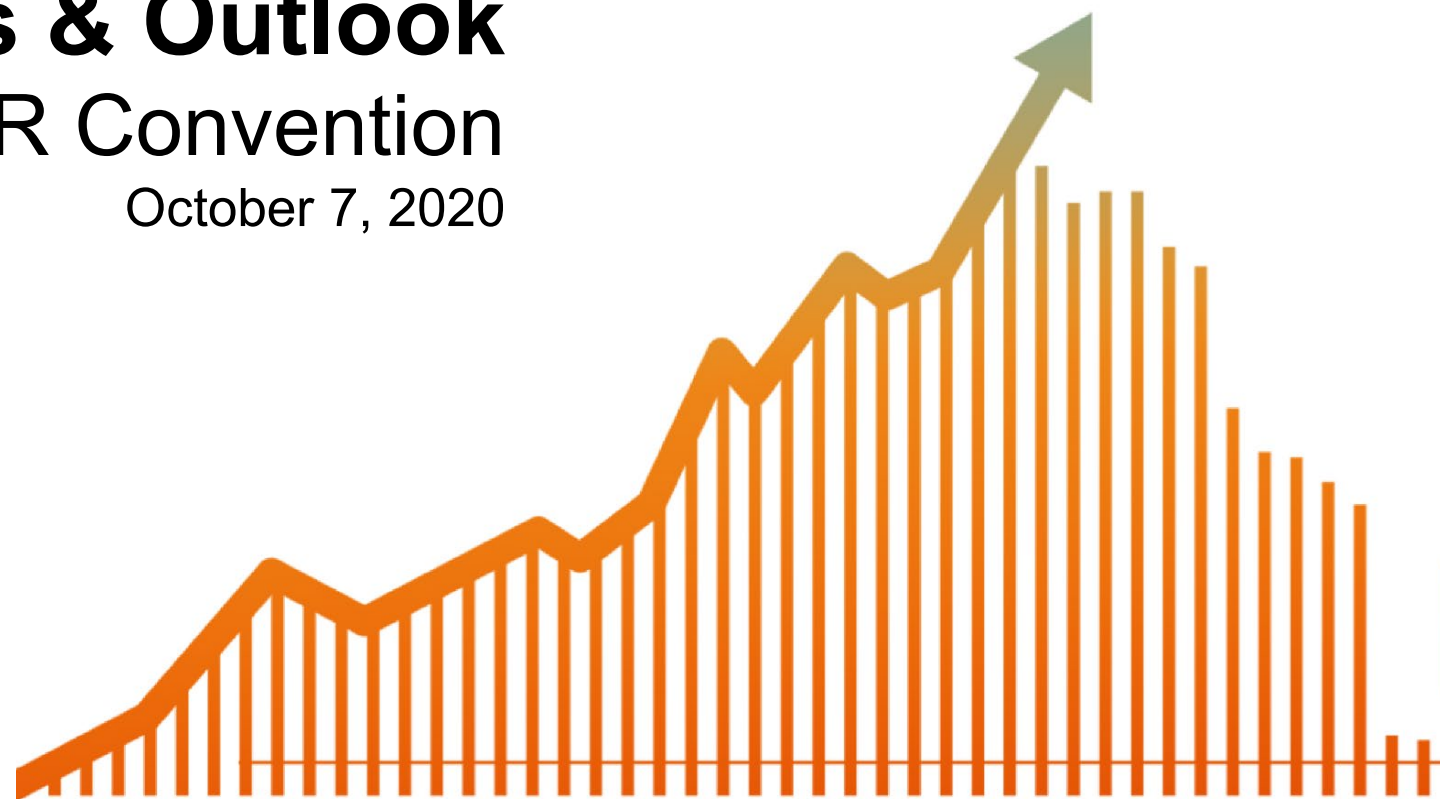




# Virginia's Housing Market: Trends & Outlook

## NVAR Convention

October 7, 2020



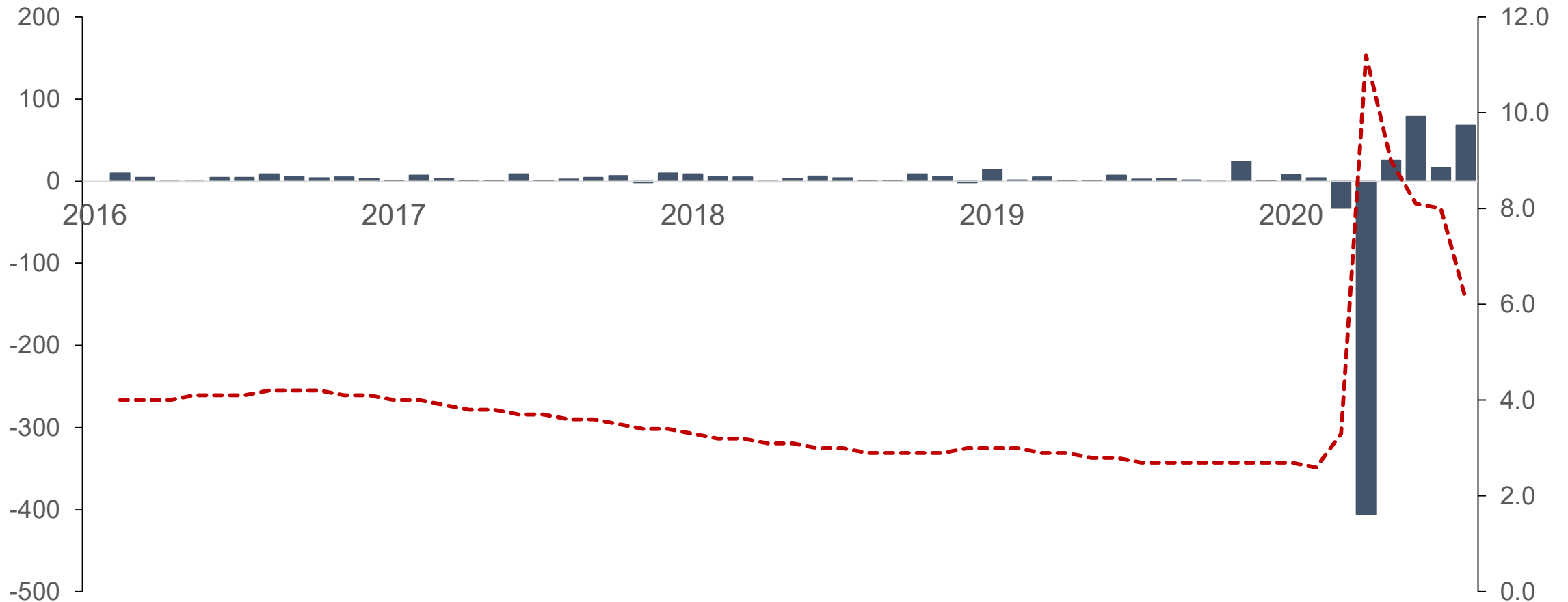
Lisa Sturtevant, PhD  
Chief Economist, Virginia REALTORS®

# Virginia Employment - Up for 4 Consecutive Months

## *Unemployment rate hit 6.1% in August*

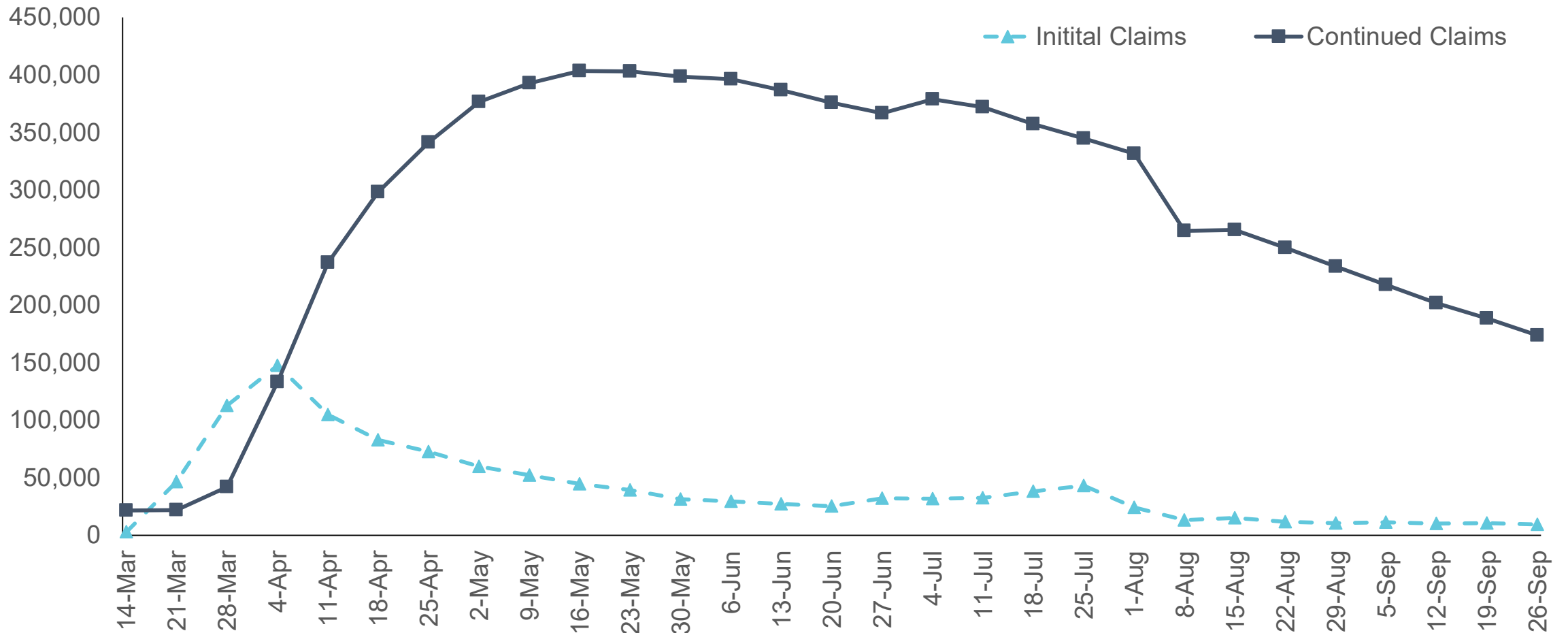
Virginia Month to Month Job Change (000s)

Unemployment Rate (%)



# Virginia Unemployment Claims – Steady Declines

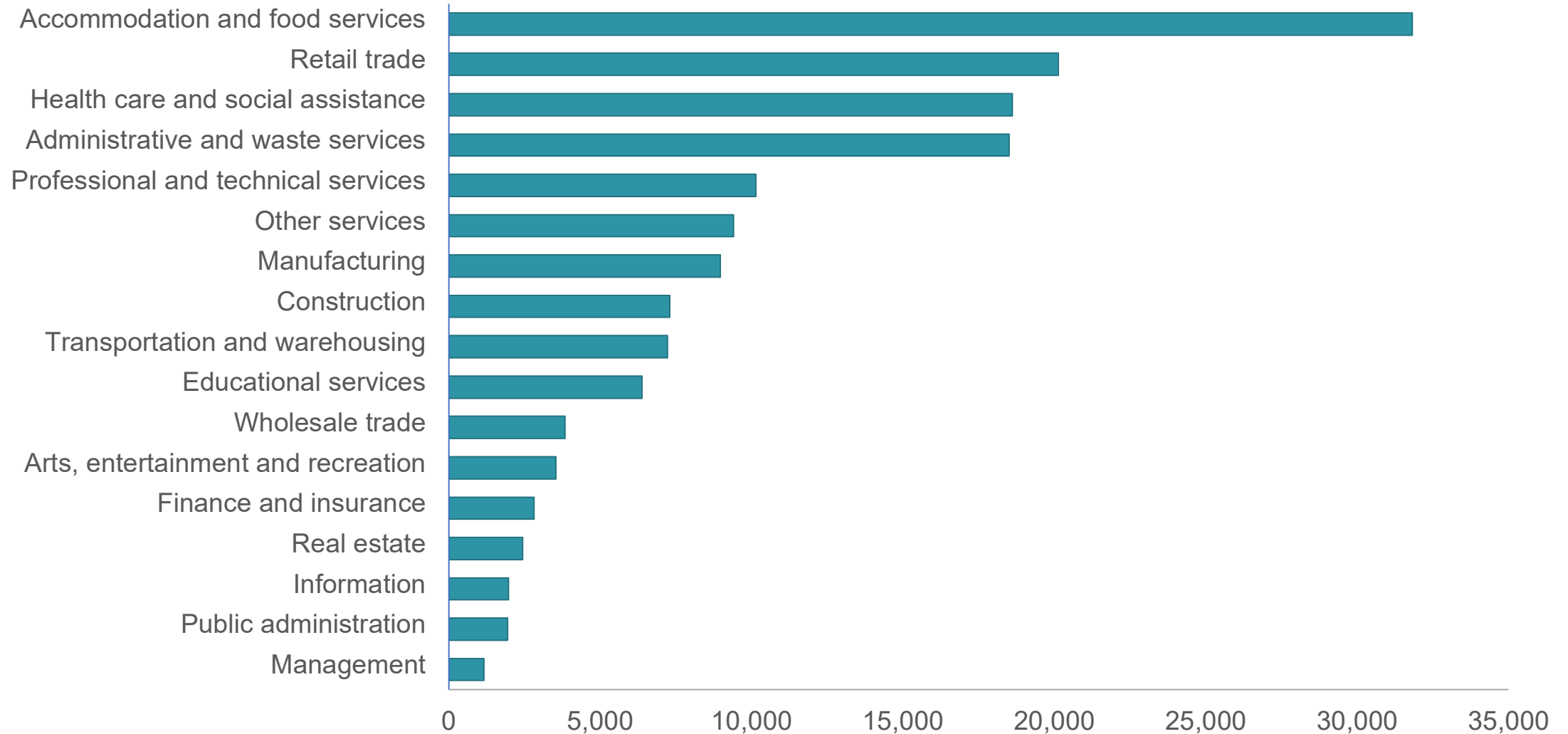
*About 174,000 Virginia were receiving unemployment benefits at the end of Sep*



Source: U.S. Department of Labor, Not Seasonally Adjusted

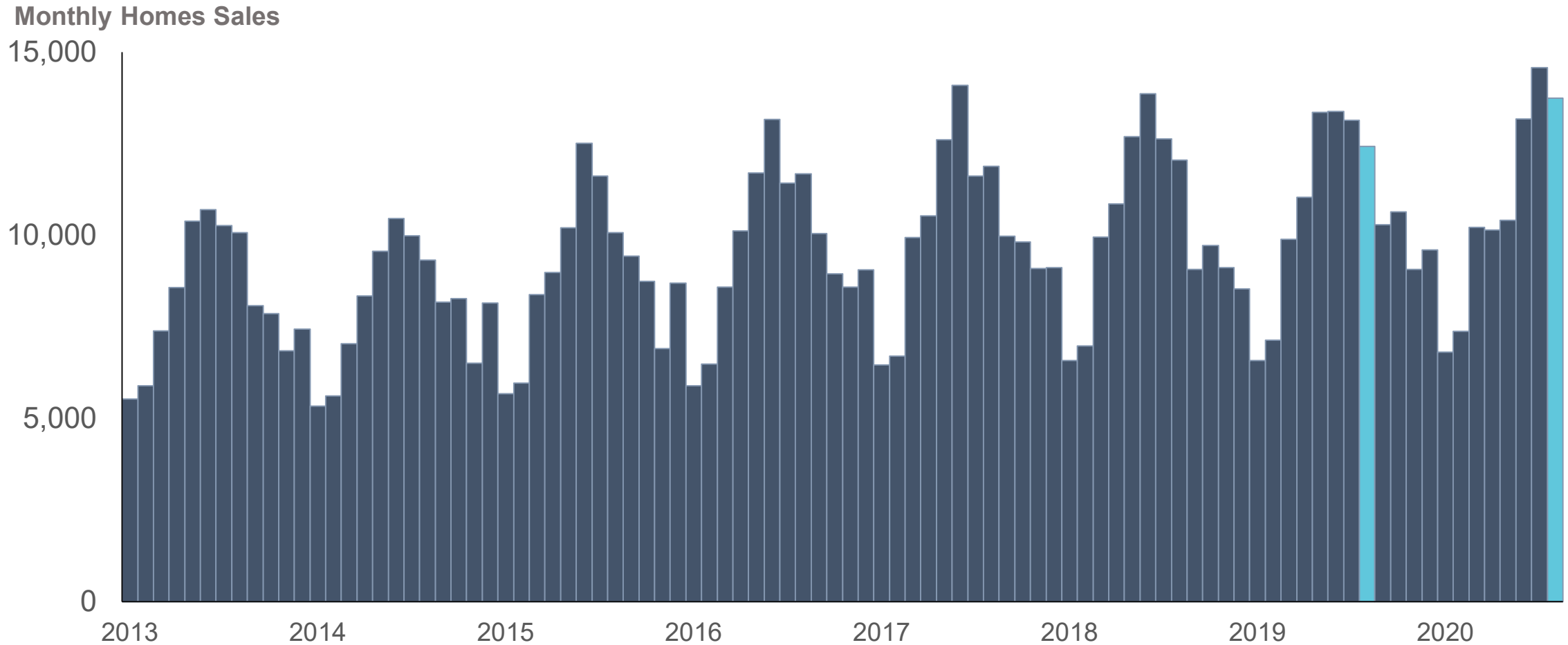
# Virginia Continued Unemployment Claims – Week of September 26

*Unemployed individuals remain highly concentrated in a few industries*



# Virginia Home Sales Rebounded Strongly This Summer

*August sales were up 10.6% compared to a year ago*



# The COVID-19 Pandemic Slowed Spring Home Sales

*The spring market has shifted to the summer; buyers have returned to the market*

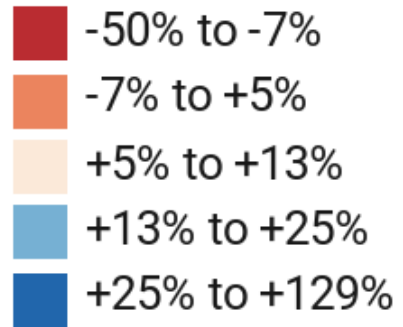


**2020 compared to 2019**

# Summer Home Sales Up in Many Parts of the State

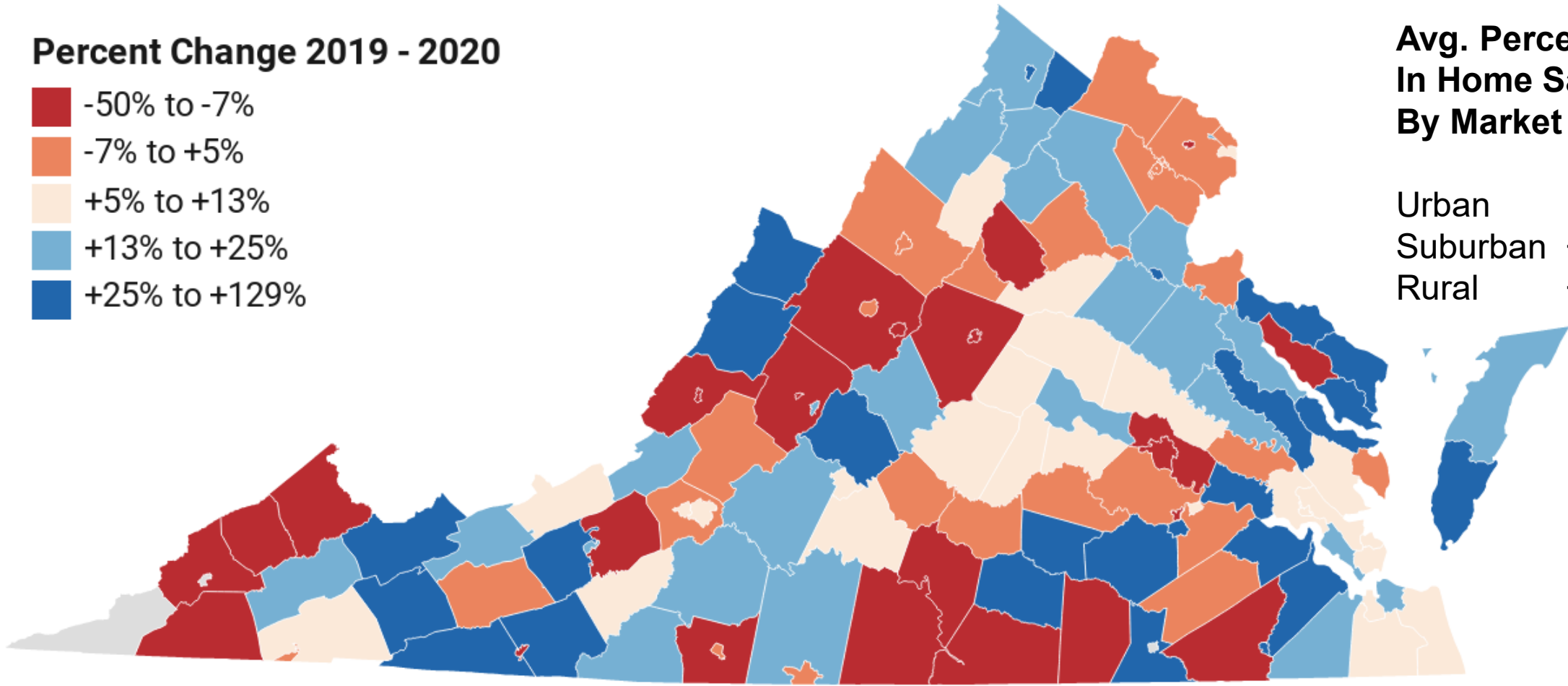
*Stronger sales activity in suburban and rural markets*

## Percent Change 2019 - 2020



## Avg. Percent Change In Home Sales By Market Type

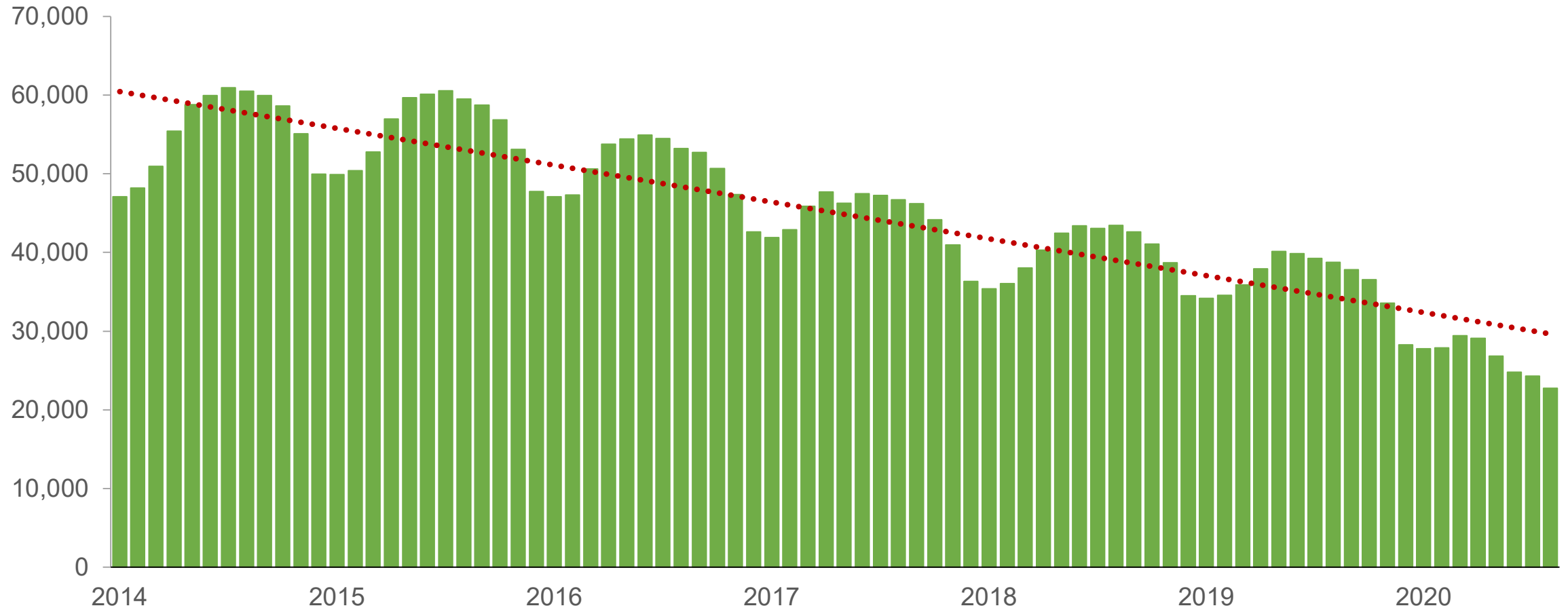
Urban	+5.8%
Suburban	+11.9%
Rural	+15.2%



# Inventory – Supply Remains a Major Constraint

*Number of active listings was down 41% in August*

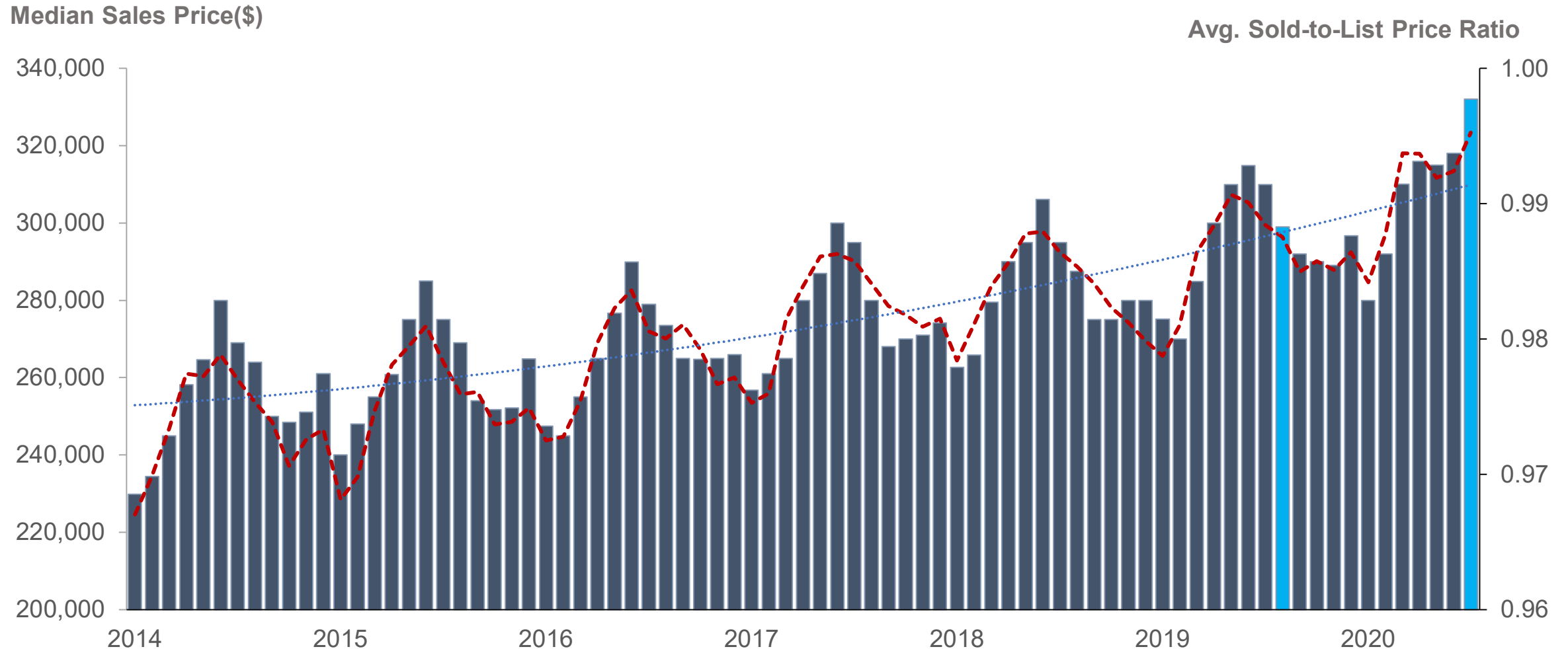
Active Listings, End of the Month





# Home Prices Are on the Rise

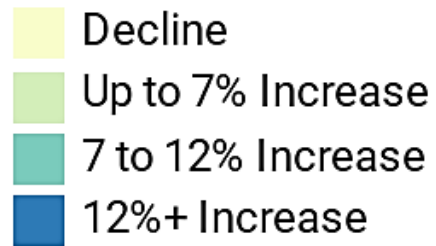
*The statewide median home price was \$330,000, up 10.4% from a year ago*



# Year-to-Date Median Home Prices are Up Across the State

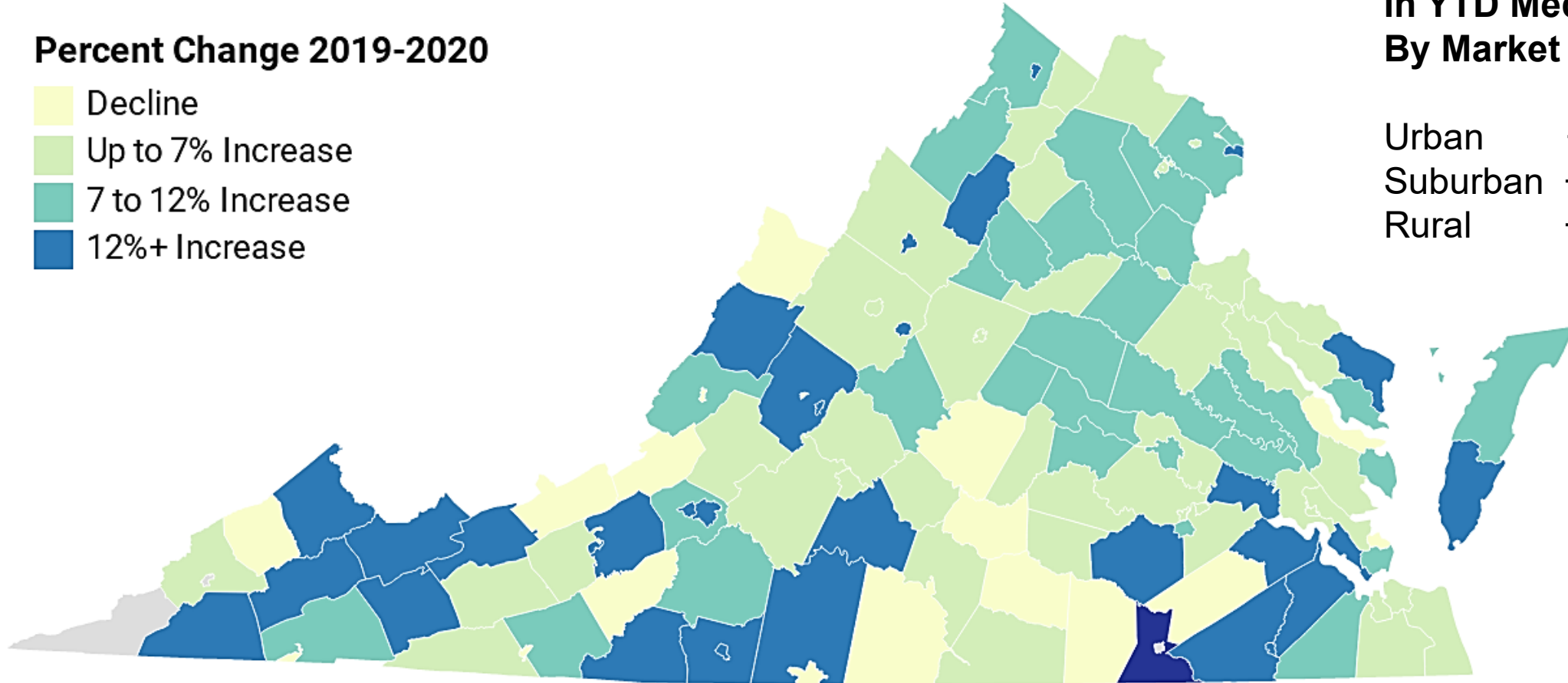
*Prices are rising faster in smaller markets*

## Percent Change 2019-2020



## Avg. Percent Change In YTD Median Home Price By Market Type

Urban	+7.0%
Suburban	+7.2%
Rural	+12.7%



# What's ahead for 2020 and 2021?

- Slower economic recovery in Q4
  - K-shaped recovery
- Flattening of V-shaped housing market recovery
  - Supply is the constraint
  - Minimal impact of Presidential election
- Low mortgage rates into 2021
- More demand for smaller markets, bigger homes?
- Housing affordability and low inventory will remain challenges

# Thank You

Questions?

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