

The data in these gauges highlight activity for the first six months of 2011. Data for just the second quarter of 2011 is highlighted on the reverse side.

Mid-Year Market Highlights:

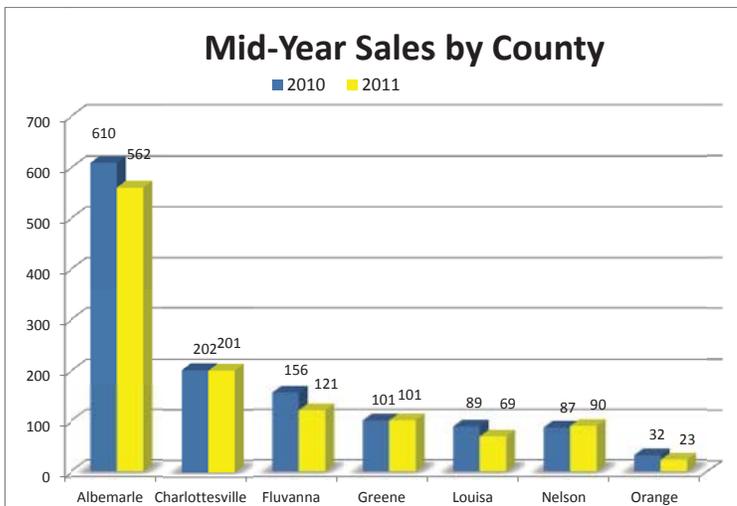
(References Charts below)

- Top three areas for sales in 2011 are Albemarle, Charlottesville and Fluvanna.
- The most affordable areas in our market remain Fluvanna, Louisa, and Orange.
- Overall sales are down by 5.9% year to date from 2010.

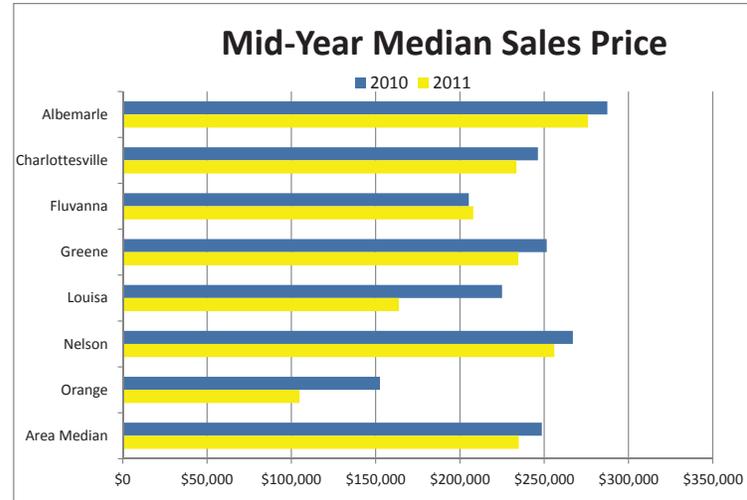
Quarterly Highlights:

(References Key Metrics on next page)

- Active inventory is down at 3,626 which is down nearly 6% year to date from 2010.
- Median sales price for the region is up 9.8% this quarter over last quarter from \$219,465 to \$241,000.
- Buyer activity in the second quarter is picking up, with Pending sales up 20.1% over first quarter, an increase from 758 to 910.
- The Days on Market (DOM) for homes decreased since the first quarter by 13.5% from 133 to 115 days on average.



This chart represents the number of closed sales for the first six months of 2011 for each locality noted.



Median sales price indicates the price at the middle of the market of properties that sold. Half of the homes sold were above that price and half were below.

The Bottom Line:

For the second half of 2011, pricing and property condition continue to rule the days ahead. While inventory levels continue to decrease, lagging consumer demand is tempering what would otherwise point to a pickup in sales. Now more than ever, it is vital that sellers work with a REALTOR® to prepare a Comparative Market Analysis (CMA) to price your property to sell. And if you are looking to buy, a REALTOR® can help you understand the current market and evaluate your options.

This 2011 Mid-Year Market Report is produced by the Charlottesville Area Association of REALTORS® using data from the CAAR MLS. For more information on this report or the real estate market, pick up a copy of the CAAR Real Estate Weekly, visit www.caar.com, or contact your REALTOR®.

See Reverse for More

CAAR 2011 Mid-Year Market Report

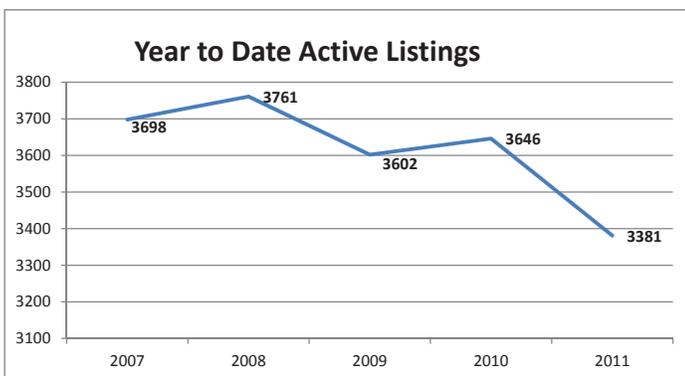
Comparing the local market year over year at the midpoint, we still have the remains of the first-time homebuyer's tax credit in this data, with an outsized number of sales in June 2010 as compared to June 2011. Even so, the market shows signs of slight improvement in the 2nd Quarter of 2011.

Inventory for the quarter continues on the decline and is 5.6% down for the same time last year and is down 7.3% year-to-date. Absorption is also improving with fewer new listings coming on the market, down 11.7% from 2,205 in the 2nd Quarter of 2010 to 1,909 in this quarter 2011. A verified market recovery still eludes prediction as demand remains in lock-step with pricing. Barbara McMurry, 2011 CAAR President cautions that, "There is still caution with predicting price stability and pace of sales until we reach what would be considered historically level inventory."

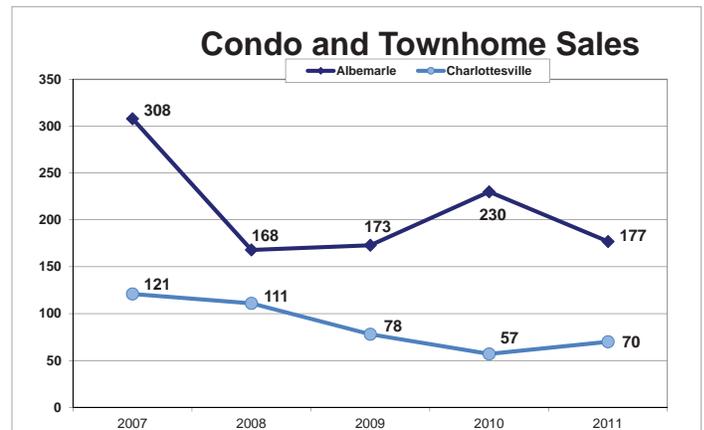
Currently, there are 3,626 homes on the market, compared to 3,843 at this time one year ago. 2011 CAAR President-Elect Brad Conner observes, "This continual float down of active inventory is continued progress toward what is considered a balanced, neither buyer's nor seller's advantaged, market of 2,000 to 2,500 listings." The median price of homes sold so far in 2011 is \$234,950, which is 5.5% less than the same period last year. The average Days on Market (DOM) of active listings is 115 days in the 2nd Quarter, down 13.5% from the 1st Quarter. For year-to-date that number is 122, slightly up from the 116 days in 2010.

For now, we will continue to watch the inventory of homes for sale and the number of short sales coming into our local market. If we see inventory levels continue to decline and the pace of foreclosures stays steady, it is logical, although not predictable, to see prices begin to inch upward. However, if inventory climbs again in the second half of the year, and our regional economy and access to loans proves difficult, we will continue to bump along with incremental increases and decreases month to month in the marketplace.

| Key Metrics | Q2-2010 | Q1-2011 | Q2-2011 | +/- YOY | +/- QOQ | YTD 2010 | YTD 2011 | +/-YTD |
|---|-----------|-----------|-----------|---------|---------|-----------|-----------|--------|
| New Listings | 2205 | 1,909 | 1946 | -11.7% | 1.9% | 4251 | 3855 | -9.3% |
| Pending Sales | 893 | 758 | 910 | 1.9% | 20.1% | 1664 | 1668 | 0.2% |
| Closed Sales | 986 | 519 | 849 | -13.9% | 63.6% | 1454 | 1368 | -5.9% |
| Days on Market Until Sale | 107 | 133 | 115 | 6.8% | -13.5% | 116 | 122 | 2.1% |
| Median Sales Price | \$253,250 | \$219,465 | \$241,000 | -4.8% | 9.8% | \$248,570 | \$234,950 | -5.5% |
| Average Sales Price | \$306,502 | \$281,963 | \$304,835 | -0.5% | 8.1% | \$299,378 | \$293,399 | -2.0% |
| Percent of Original List Price Received | 93.6% | 88.8% | 90.4% | -3.5% | 1.8% | 92.0% | 89.6% | -2.7% |
| Inventory Of Homes for Sale | 3,843 | 3,084 | 3,626 | -5.6% | 17.6% | 3,646 | 3,381 | -7.3% |



Active listings are those properties listed for sale in the CAAR MLS database.



For purposes of statistical relevance, the sale of attached homes is only reported in Charlottesville and Albemarle because few properties in this category are located in other counties, except the resort market in Nelson County.

| Year to Date (thru June) Median Prices | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|
| County | 2007 | 2008 | 2009 | 2010 | 2011 |
| Albemarle | \$309,900 | \$310,733 | \$281,580 | \$287,467 | \$275,975 |
| Charlottesville | \$278,000 | \$265,000 | \$247,000 | \$246,289 | \$233,500 |
| Fluvanna | \$253,000 | \$250,000 | \$199,950 | \$205,250 | \$207,900 |
| Greene | \$291,300 | \$258,750 | \$253,500 | \$251,500 | \$234,675 |
| Louisa | \$252,310 | \$259,000 | \$205,000 | \$225,000 | \$163,750 |
| Nelson | \$293,500 | \$300,000 | \$280,000 | \$267,000 | \$256,000 |
| Orange | \$285,000 | \$232,350 | \$161,400 | \$152,577 | \$104,900 |
| Area Median | \$274,000 | \$269,950 | \$247,000 | \$248,570 | \$234,950 |

Median sales price indicates the price at the middle of the market of properties that sold. Half of the homes sold were above that price and half were below.

| Average Days on Market (Year to Date) | | | | | |
|---------------------------------------|-----------|------------|------------|------------|------------|
| County | 2007 | 2008 | 2009 | 2010 | 2011 |
| Albemarle | 91 | 114 | 107 | 109 | 118 |
| Charlottesville | 69 | 122 | 131 | 106 | 115 |
| Fluvanna | 86 | 128 | 129 | 88 | 119 |
| Greene | 94 | 93 | 92 | 117 | 105 |
| Louisa | 137 | 115 | 102 | 114 | 95 |
| Nelson | 113 | 163 | 159 | 161 | 169 |
| Orange | 111 | 142 | 152 | 130 | 108 |
| Area Average | 92 | 122 | 124 | 116 | 122 |

The Days on Market represent the number of days a property is on the market before it is sold.