



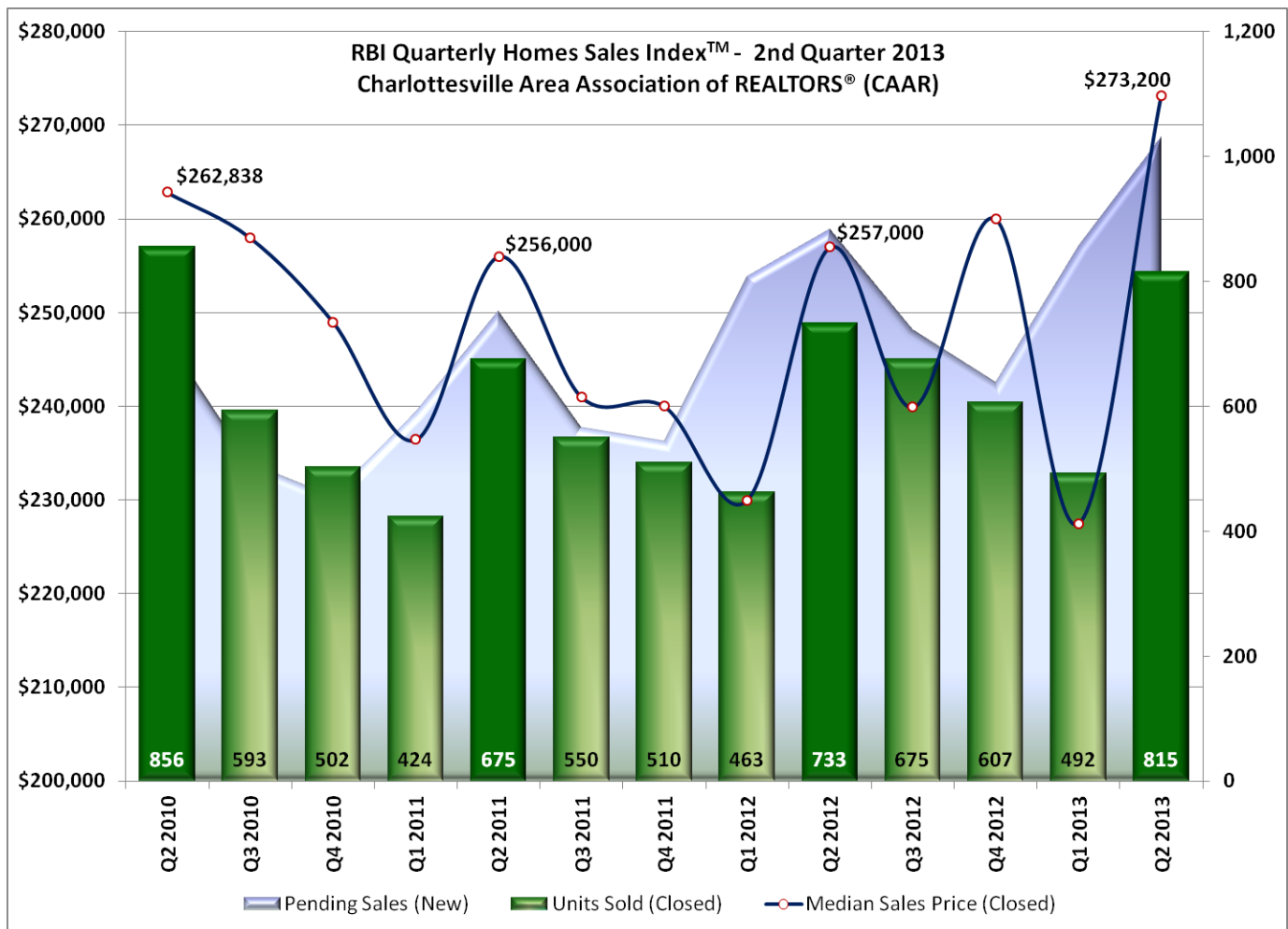
**CHARLOTTEVILLE AREA
ASSOCIATION OF REALTORS®**
The voice of real estate in Central Virginia

2013 2nd Quarter and Mid-Year Market Report

CAAR Member Copy – Expanded Edition

Charlottesville Area 2nd Quarter 2013 Highlights:

- Overall sales in Greater Charlottesville were up 11.2% over the same quarter last year, the seventh consecutive quarter with year-over-year gains.
- The median sales price of \$273,200 in the 2nd Quarter was up 20.1% from last quarter and 6.3% from one year ago.
- Half of the homes sold in Q2-2013 were on the market 40 days or less, representing a 20-day improvement over the median days on market (DOM) in the same quarter last year.



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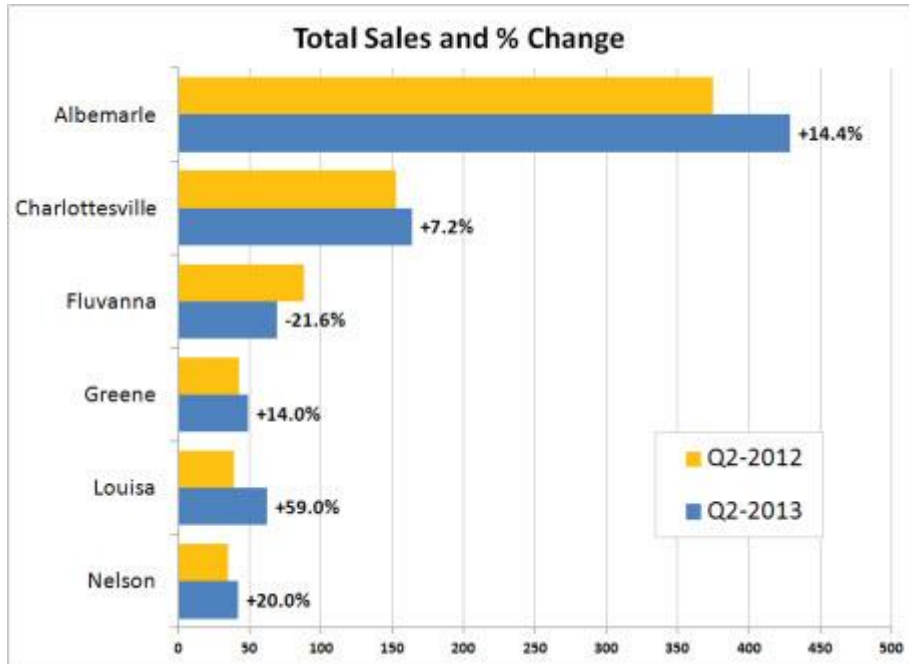
Data Source: CAAR MLS. Statistics calculated July 3, 2013.

2nd Quarter 2013 Sales Activity

There were 815 homes sold in the Charlottesville area in the second quarter, which was up 11.2% (+82 sales) from the second quarter last year and the highest Q2 sales rate since 2010. This increase in sales volume, coupled with a 7% increase in the average sales price compared to Q2-2012, resulted in an 18.9% jump in sold dollar volume (+\$42.9M) to

\$269,423,585. Compared to the 635 sales in Q2-2009, the lowest second quarter sales on record, there were 28.3% more sales (+180) and an increase of 37.7% in sold dollar volume (+73.7M).

Four of the six jurisdictions in the Charlottesville area experienced double-digit percent increases in the number of sales compared to Q2-2012. Louisa County (+59% or 23 more sales), Nelson (+20% or seven more sales), Albemarle (+14% or 54 more sales) and Greene (+14% or six more sales) each showed the strongest year-over-year gains. After experiencing a 22% year-over-year decrease in sales in the first quarter, Charlottesville rebounded in the second quarter with 164 sales, representing a 7% increase over Q2-2012 (+11 sales). Fluvanna was the only county to post a decline in sales, with 19 fewer closed sales than Q2-2012 representing a 22% dip.



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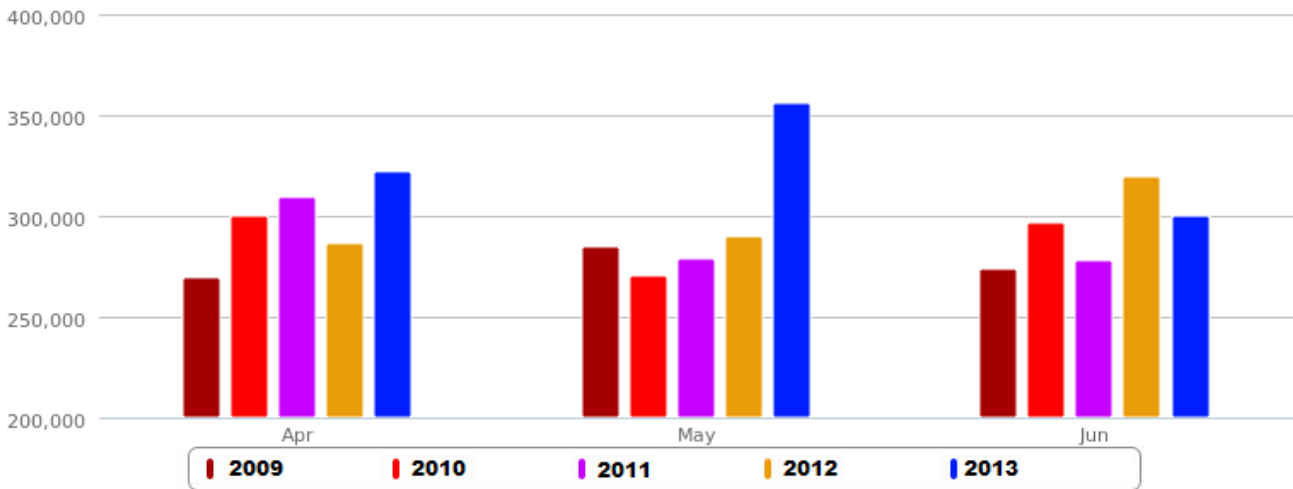
Prices Climbing

The \$273,200 median sales price in the 2nd Quarter is the highest level since 2008 and is 6.3% above the Q2-2012 median of \$257,000. Not surprisingly, the average amount of original list price received at time of sale also has increased to 94.2% from 92.5% in Q2-2012. This is the highest average sale-to-original-list-price ratio since the 4th Quarter of 2007.

Louisa (\$200,250) and Nelson (\$243,500) both saw double-digit year-over-year gains in median sales price, up 30% and 21.8% respectively. Both Charlottesville (\$262,750) and Albemarle (\$325,000) reached their highest median sales price levels since 2008. The Charlottesville median sales price was 6.2% above the Q2-2012 level while Albemarle was up 8.4%. "Seeing the steady rise in pricing in most of the localities across Greater Charlottesville is exactly what drives the confidence of both buyers and sellers in achieving their individual property ownership goals," reports CAAR 2013 President Denise Ramey, GRI. Fluvanna pricing (\$185,000) was essentially unchanged with a 0.7% year-over-year decrease. At \$198,000, Greene was the only county with significant declines in median sales price, down 16.4% from last year's level.

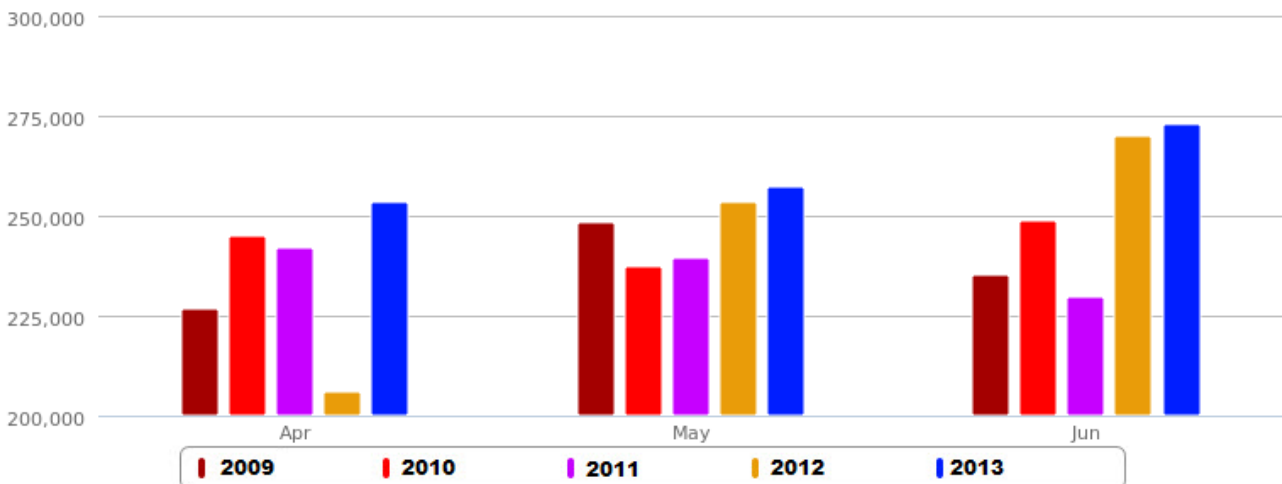


Median Sale Price | Albemarle County, VA



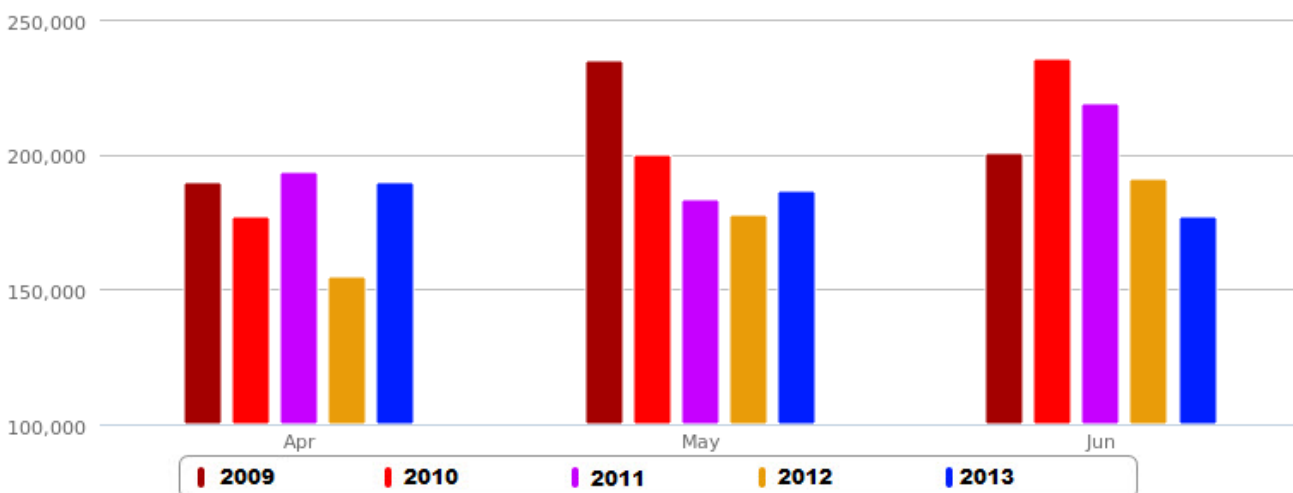
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Median Sale Price | Charlottesville City, VA



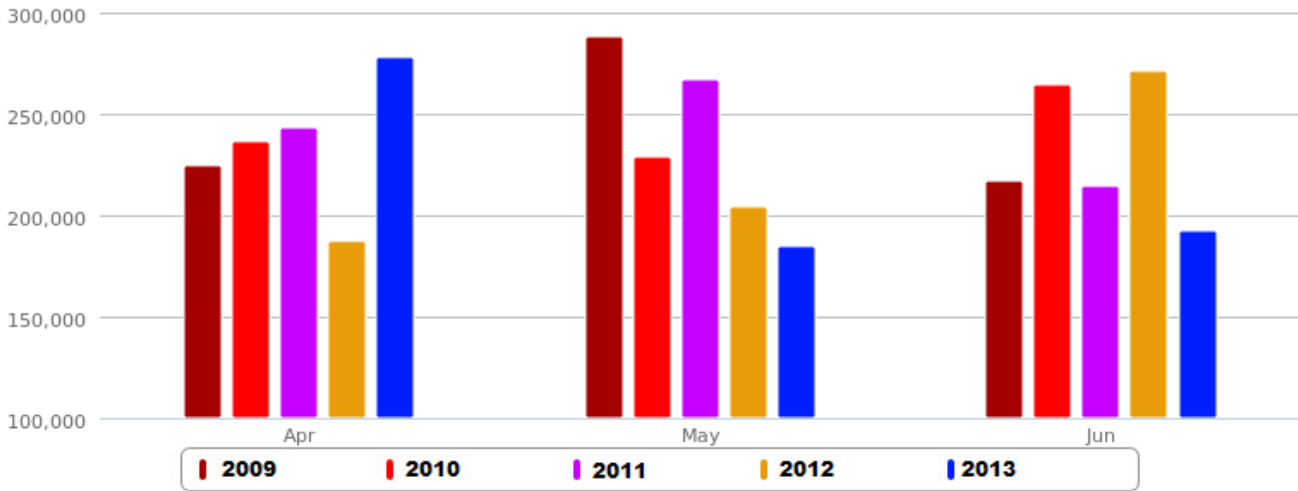
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Median Sale Price | Fluvanna County, VA



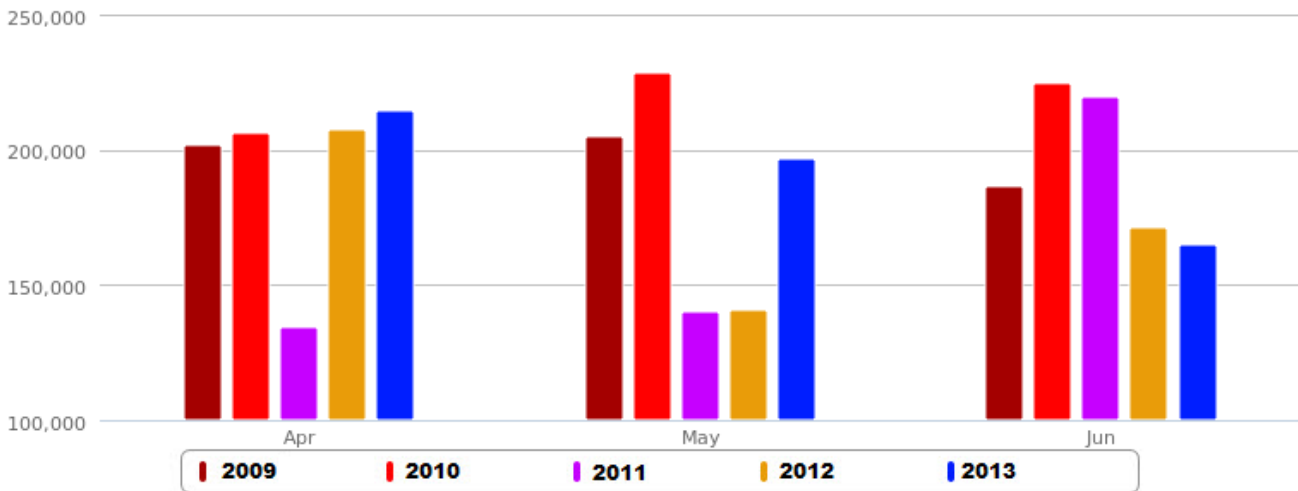
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Median Sale Price | Greene County, VA



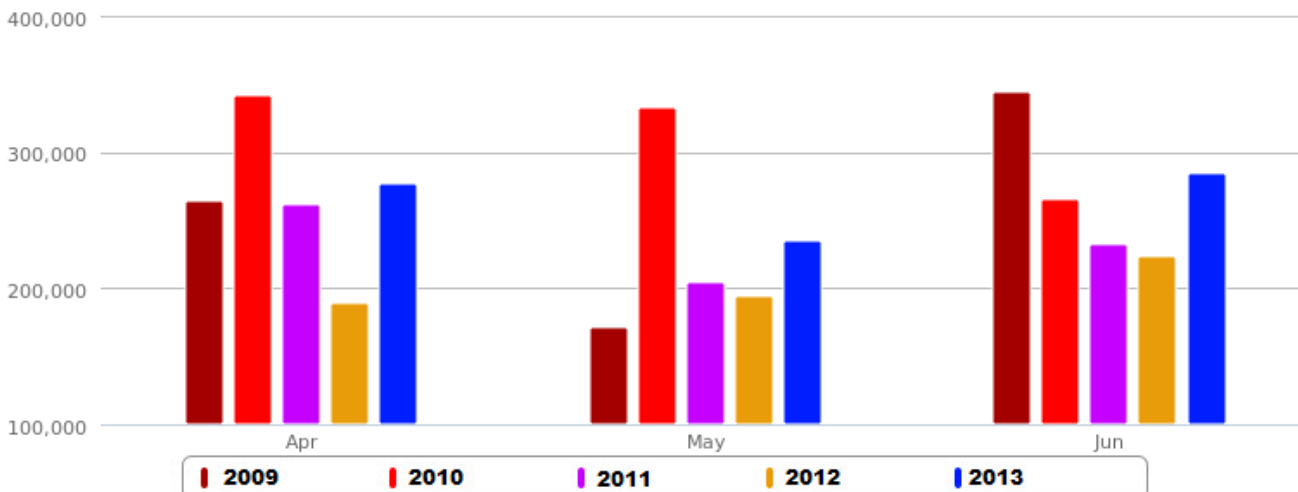
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Median Sale Price | Louisa County, VA

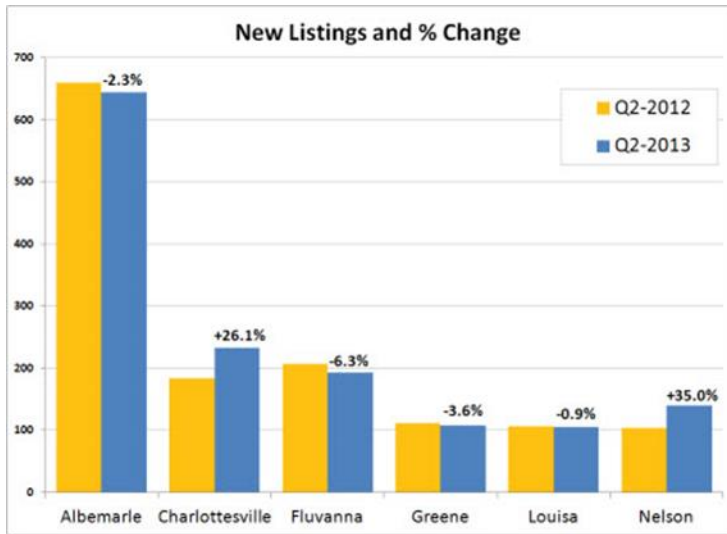


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Median Sale Price | Nelson County, VA



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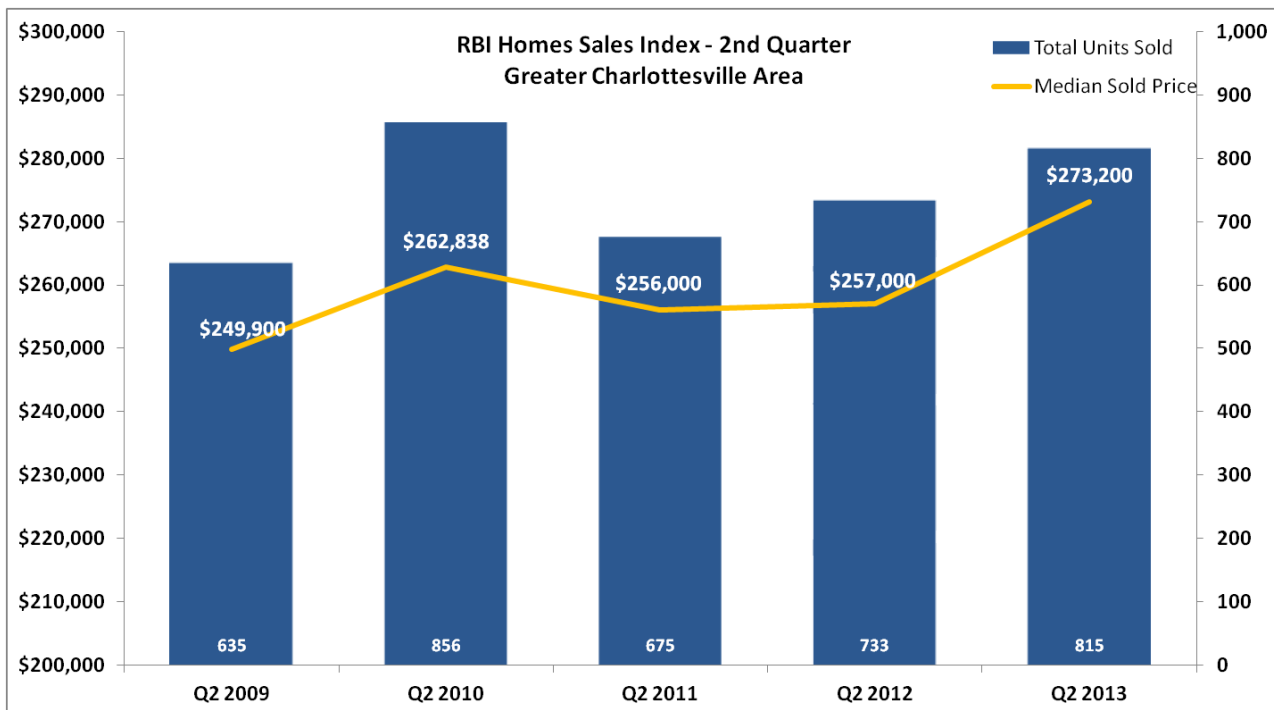


New Contracts and Inventory Movement

The 1,031 new pending sales in the Greater Charlottesville area this quarter represented a 16.7% increase over the 883 in Q2-2012. This is only the fifth time on record that new pending sales reached the 4-digit level, so obviously buyer demand heated up over the first half of 2013. This was the ninth consecutive quarter with year-over-year gains in new contract activity. "In analyzing the results of this quarter, all indicators point to a healthy housing market in our region. The local market has consistently gained momentum over the past few quarters," adds Denise Ramey.

There were 1,420 new listings added in the quarter, 3.7% more than Q2-2012, the third consecutive quarter with increased listing activity. This signifies that potential sellers are coming off the sidelines of late, but the fact that the growth in new contracts is outpacing the growth in new listings could bode well for the health of the market as inventory levels continue to decline. With 11 months of active inventory at the end of June, Greater Charlottesville remains a buyer's market, but this is down substantially from the 14.5 months of supply level in June 2011. There were 15.6% fewer distressed properties listed throughout the quarter compared to Q2-2012, while the 1,323 non-distressed new listings represented a 5.5% increase. "The heightened activity surrounding high-end purchases is more evidence of a strengthening market. We've seen the sales over \$1 million nearly double, to 19 sales in Q2-2013 from 10 this same timeframe last year," says CAAR 2013 President-Elect John Ince.

Where do these shifts in new listing and contract activity leave the active inventory level heading into the second half of the year? The 2,179 active listings at the end of the quarter are down 4.8% from the same period last year. This is 14.1% lower than the five-year June 30th average. Nine of every 10 active listings (95.3%) are non-distressed properties. Of active listings, 103 are foreclosures or short sales, 29 fewer than this time last year and 71 fewer than at the end of Q2-2011 (-40.8%). The 51 active foreclosure listings at the end of Q2 represent a 27.1% decrease from this time last year, and the 52 active short sales are 16.1% lower than Q2-2011.



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Data Source: CAAR MLS. Statistics calculated July 3, 2013.

Days on Market (DOM)

As detailed in the 1st Quarter report, homes typically sell faster in the 2nd Quarter than the 1st Quarter, and this year was no exception. In fact, the median DOM of 40 days represents a 57% decrease from the 94-day median DOM of the previous quarter (that's nearly two months faster). This is the lowest quarterly level for the region in six years and is 20 days lower than the same period last year. The average DOM is down to 117 days, a 33-day improvement over Q2-2012 and 53-day improvement over last quarter.

Homes sold fastest in Charlottesville, where the 16-day median DOM for the quarter matched the previous record low back in 2005. This was a 33-day improvement over the 49-day level in Q2-2012. Remarkably, the median DOM for Charlottesville homes sold in June was only eight days, which is actually a day lower than the median DOM in Washington, DC (one of the hottest markets in the county). Albemarle (31 days) experienced a 20-day drop in median DOM compared to Q2-2012. Fluvanna's median DOM improved slightly (-4 days) to 67 days. Louisa (74 days), Greene (83 days) and Nelson (186 days) each had higher median DOM levels versus Q2-2012.

Distressed Sales and Pricing

Only 58 of the 815 sales in the 2nd Quarter, or 7.7%, were foreclosures. This represents 11 fewer foreclosure sales versus Q2-2012, when foreclosures accounted for 9.4% of sales. The 31 short sales were two fewer than the same quarter last year and represent an identical share of the sold market at 4.5%. Non-distressed properties accounted for 87.9% of all homes sold, up from 86.1% in Q2-2012.

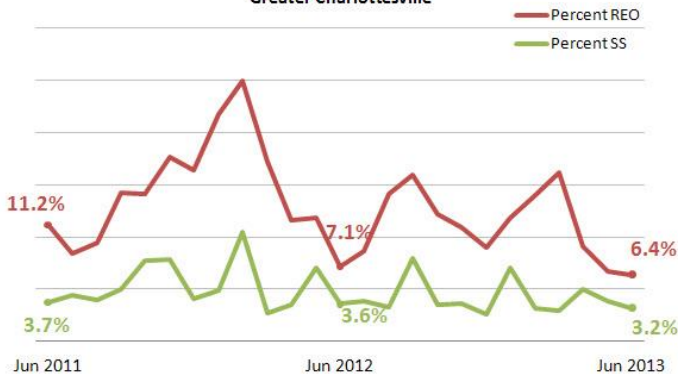
The median sale price for non-distressed sales was up 4.8% from Q2-2012 to \$285,000 while the foreclosure median level was up 1.7% to \$137,500. The median price for the short sale segment was up 5.6%, to \$190,000.

Market Share by Bank-Mediated Status

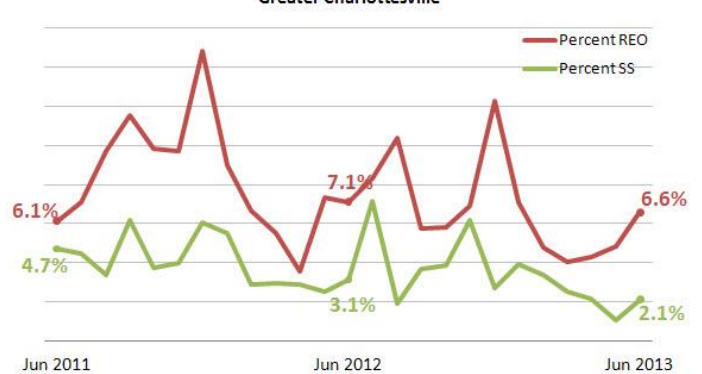


Three-Year June Snapshot

% Closed Sales involving short sale or foreclosure
Greater Charlottesville



% New Listings involving short sale or foreclosure
Greater Charlottesville



Detached vs. Attached Homes in Greater Charlottesville

Sales of attached homes (condos and townhomes) in the region during Q2-2013 were up 25.5% (+41) to 202 from Q2-2012. The 613 detached homes sold represented a 7.2% increase from the 572 sold in Q2-2012. At \$220,500, the median sales price for attached homes had the largest year-over-year increase, +16.7%, since Q1-2008. Detached homes showed a 4.4% increase in median sales price, up \$12,710 to \$300,000.

RBI Key Housing Trend Metrics [Charlottesville Area Association of REALTORS® (CAAR)]



All Residential	Q2-13	% Q-O-Q	Q1-13	% Y-O-Y	Q2-12	% Y-O-2Y	Q2-11	% Y-O-3Y	Q2-10
Average Sales Price (Closed)	\$330,581	19.4%	\$276,795	7.0%	\$309,070	8.2%	\$305,606	5.0%	\$314,888
Median Sales Price (Closed)	\$273,200	20.1%	\$227,500	6.3%	\$257,000	6.7%	\$256,000	3.9%	\$262,838
Units Sold (Closed)	815	65.7%	492	11.2%	733	20.7%	675	-4.8%	856
Average DOM (Closed)	117	-31.2%	170	-22.0%	150	-19.3%	145	-11.4%	132
Listing Discount (Average)	5.8%		9.1%		7.5%		8.3%		6.1%
Ratio Avg SP/Avg OLP	94.2%		91.0%		92.5%		91.7%		93.9%
Avg SP/Sq Ft	143	10.9%	129	2.1%	140	3.6%	138	-1.4%	145

Detached	Q2-13	% Q-O-Q	Q1-13	% Y-O-Y	Q2-12	% Y-O-2Y	Q2-11	% Y-O-3Y	Q2-10
Average Sales Price (Closed)	\$358,768	20.3%	\$298,318	6.6%	\$336,600	7.3%	\$334,370	3.9%	\$345,252
Median Sales Price (Closed)	\$300,000	22.7%	\$244,500	4.4%	\$287,290	7.9%	\$277,950	2.4%	\$293,000
Units Sold (Closed)	613	58.0%	388	7.2%	572	16.1%	528	-3.5%	635
Average DOM (Closed)	124	-24.8%	165	-19.5%	154	-19.0%	153	-11.4%	140
Listing Discount (Average)	6.4%		9.4%		8.0%		9.1%		7.3%
Ratio Avg SP/Avg OLP	93.6%		90.6%		92.0%		91.0%		92.7%
Avg SP/Sq Ft	141	11.0%	127	0.7%	140	3.7%	136	-3.4%	146

Attached	Q2-13	% Q-O-Q	Q1-13	% Y-O-Y	Q2-12	% Y-O-2Y	Q2-11	% Y-O-3Y	Q2-10
Average Sales Price (Closed)	\$245,045	24.7%	\$196,498	16.0%	\$211,263	21.1%	\$202,289	7.6%	\$227,642
Median Sales Price (Closed)	\$220,500	20.2%	\$183,520	16.7%	\$189,000	13.7%	\$194,000	0.2%	\$220,000
Units Sold (Closed)	202	94.2%	104	25.5%	161	37.4%	147	-8.6%	221
Average DOM (Closed)	98	-48.4%	190	-27.9%	136	-15.5%	116	-10.9%	110
Listing Discount (Average)	4.0%		7.8%		5.6%		5.5%		2.6%
Ratio Avg SP/Avg OLP	96.0%		92.2%		94.5%		94.5%		97.4%
Avg SP/Sq Ft	149	8.8%	137	4.9%	142	2.1%	146	4.9%	142

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If you plan to sell a home in 2013, be sure to have a REALTOR® prepare a comparative market analysis (CMA) so that you can price it to sell. And, if you are looking to buy, a REALTOR® can help you understand the current market and evaluate your options.

This 2013 2nd Quarter 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®.