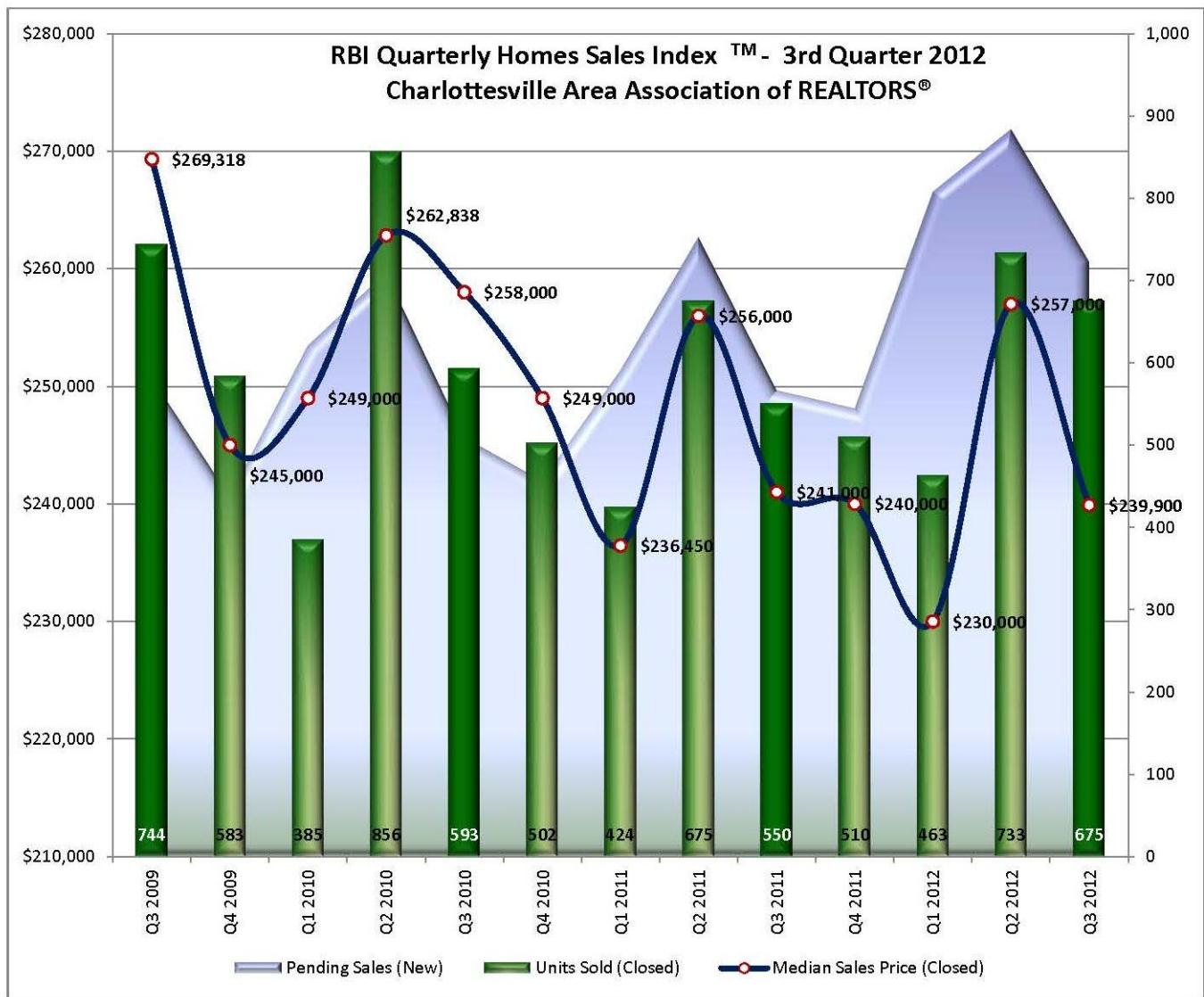


Charlottesville Area 3rd Quarter 2012 Highlights:

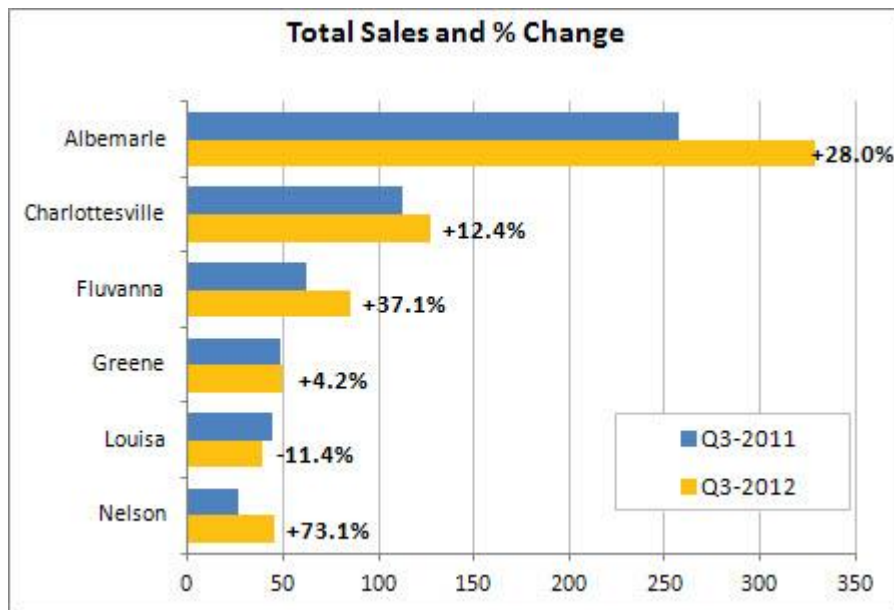
- Overall sales in Greater Charlottesville were up 22.7% over the same quarter last year.
- The average sales price of \$313,445 in the 3rd Quarter was up 6.8% from Q3-2011 and 1.4% from Q2-2012.
- Homes took 23 fewer days to sell on average in Q3-2012 than Q2-2012, and active inventory was down 18.9% over Q3-2011.
- Median short sale price in Q3 increases to \$176,000 representing a 20.5% jump from \$146,000 at the same time last year.



3rd Quarter 2012 Sales & Contract Activity

There were 675 homes sold in the Charlottesville area in the third quarter, which was up 22.7% (+125 sales) from the third quarter last year and the highest Q3 sales pace since 2009. Total units sold in this quarter are strong as compared over the same time in 2010 and 2011, with 593 and 550 units sold in the same period.

Albemarle County (+28%) had the largest year-over-year increased (+72) sales at 329 during the quarter, while Fluvanna (+37.1%) picked up 23 more sales to record 85, and Charlottesville (+12.4%), Greene (+4.2%), and Nelson (+73.1% or 19 sales) also showed annual gains for the quarter. Only Louisa County (-11.4%) experienced a decline in sales volume from Q3-2011 levels.



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Data Source: CAAR MLS. Statistics calculated October 4, 2012.

Days on Market (DOM)

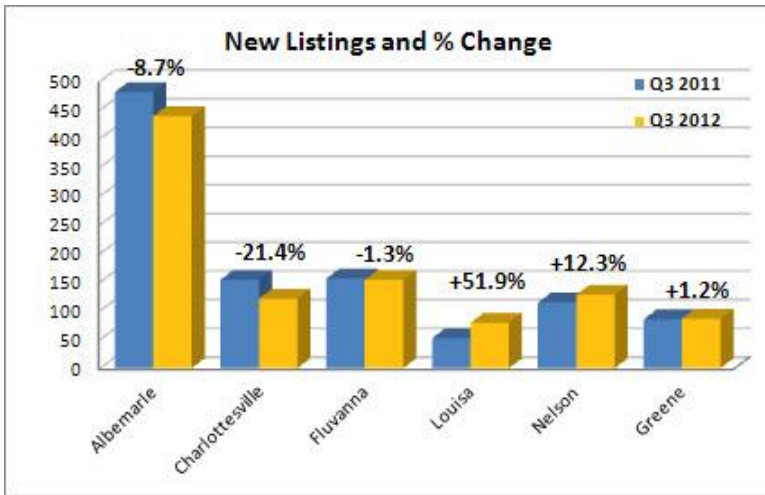
Homes took 23 fewer days to sell on average in Q3-2012 than Q2-2012, down in average days on market (DOM) to 127 from 150 days in last quarter. Homes sold fastest on average in Louisa (101 days), Charlottesville (103 days) and Albemarle (112 days). Greene (170 days), Fluvanna (143 days) and Nelson (256 days) each had a higher average DOM than the region at large.

For the Greater Charlottesville region, attached homes continue to sell faster on average than detached homes. The average DOM of 108 for attached homes was down 23 days (-17.6%) over the Q3-2011 level, and dropped by 20.6% over the average DOM of 136 last quarter. The average DOM of 134 days for detached homes is a noticeable drop of 13% over the last quarter, selling in 20 fewer days.

There was 16.7% year-over-year improvement in the median DOM for Greater Charlottesville, with half the homes sold in the 3rd Quarter taking 70 days or less, 10 days faster than the median DOM in Q3-2011.

Sales Price Activity & Decreasing Inventory of Homes for Sale

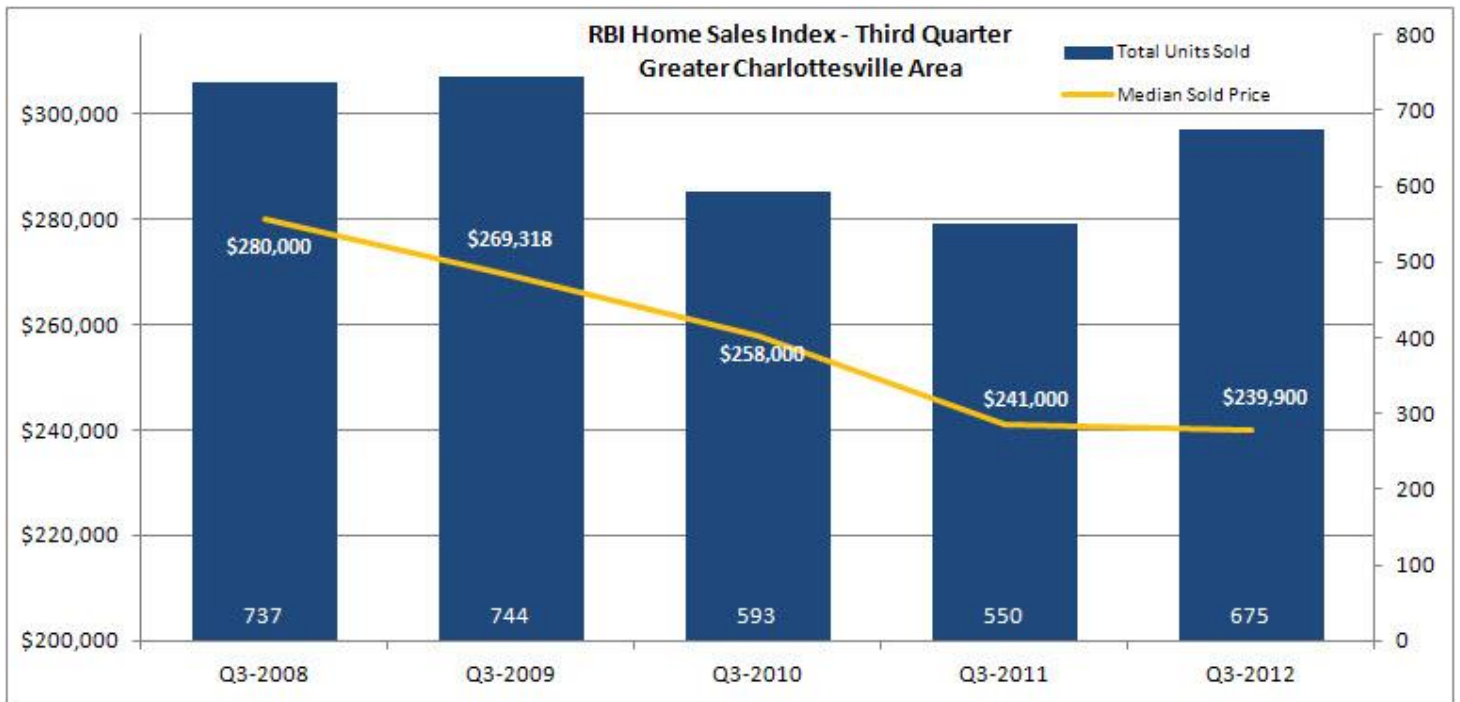
Pending sales of 547 are the highest of this quarter since 2006 (569). Q3 pending sales also rose 27.5% over last quarter. "Overlaying closed sales and average sale price with new pending sales is a useful comparison between forward leading indicators and past activity, and when both the actual and forecasted sales are trending upward along with sales price, it is an indicator of future demand," says Brad Conner, CAAR 2012 President. Conner explains, "a layered approach to forecasting demand, as opposed to relying solely on the rise and fall in listing inventory, accounts for other mitigating circumstances which can impact sales."



New Listing inventory is down in the majority of the market area, most notably in Albemarle and Charlottesville, with upticks in the counties of Greene, Louisa and Nelson. The drop in new listings is apparent also in the foreclosure and short sale categories, with foreclosures dropping from 11.5% of new listings in Q3- 2011 to 5.8% in Q3. There are noticeably fewer short sales listings coming on market, with a drop from 6.2% to 3.6% year-over-year.

The 2,101 homes for sale to end the quarter represent 18.9% fewer active listings than at this time last year and a decrease of 8.3% over Q2-2012. Of active listings, 132 are foreclosures or short sales, the same number as were active at the end of Q2-2012, but

35.6% less than the 205 active distressed listings at this time last year. "With distressed properties accounting for just 6.3% of the active market, down from the 7.9% share at this time last year, we are pleased with this positive trend," says CAAR 2012 President-Elect Denise Ramey. The 60 active foreclosure listings at the end of Q3 represent a 40.6% decrease from this time last year and the 72 active short sales are 32.1% less than the 106 at the end of Q3-2011.



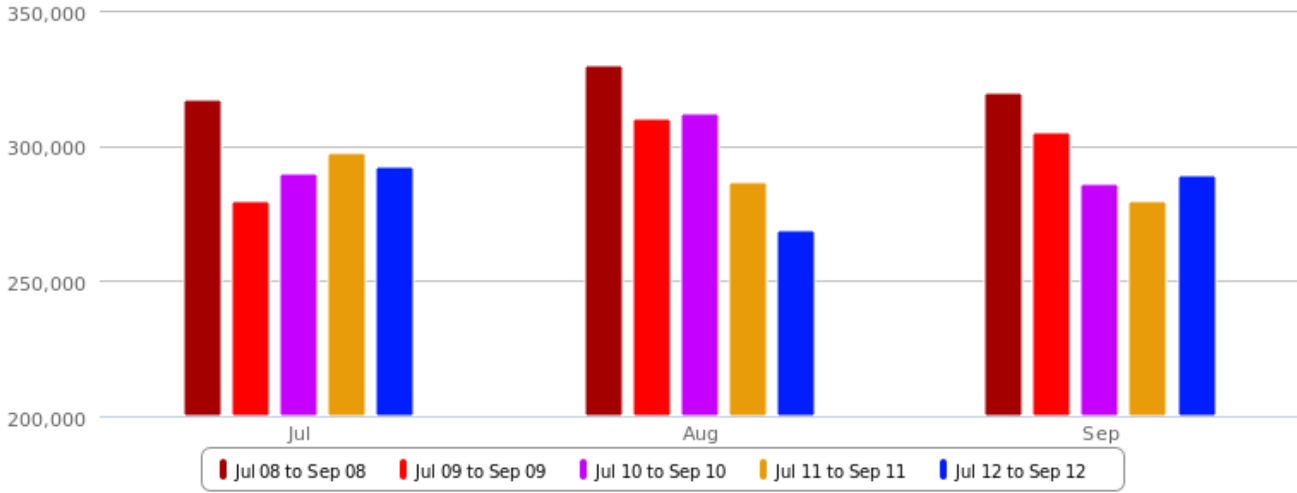
Home Prices

The average sales price of \$313,445 in the 3rd Quarter was up a slight 1.4% over Q2-2012 and an impressive 6.8% from the same period one year ago. The sales price increases in this quarter are attributed to an increase of 3.2% in Q3 in detached home prices (+\$10,806) over last quarter. This gain is tempered by a decrease in the attached sales price by 1.3% (-\$2,791).

"The continued strength in pace of sales and stable median sales prices are positive indicators," reports CAAR 2012 President Brad Conner. "There is a balance in the sales, supported by our analysis of purchase financing with 25% cash, 44% conventional and 31% FHA, VA and other sources funding this quarter's sales."

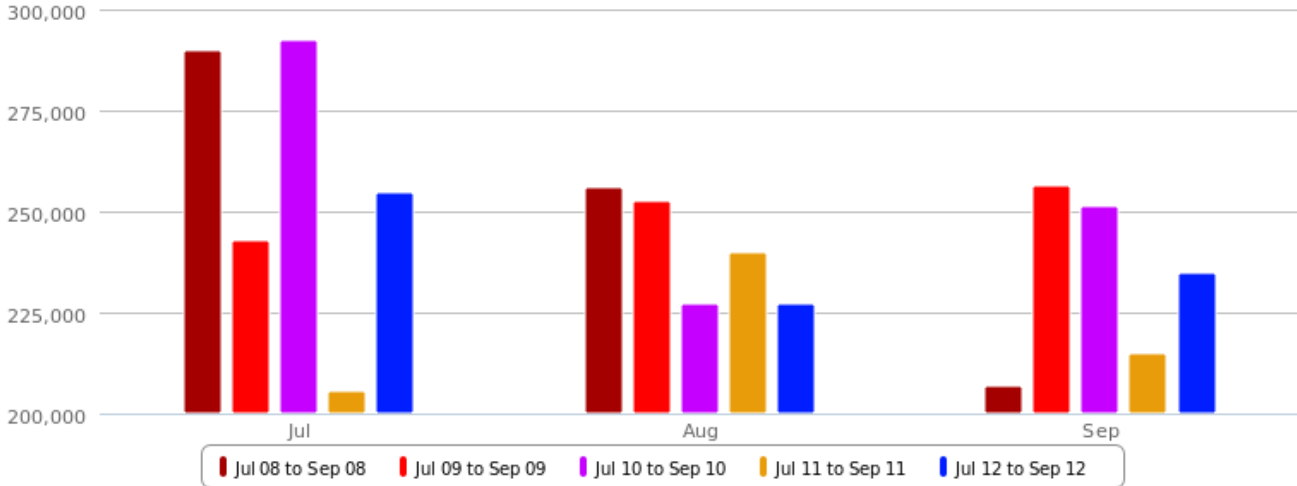
Nelson, Albemarle, and Greene counties all posted positive gains in average sales price, with Nelson also leading in median sales price gain of 25% (+\$50,000) since last quarter, and nearly matching the impressive gain year over year from \$201,500 (+24.1%) in Q3-2011. Albemarle is credited with the area's highest median sales price of \$284,900 which is unchanged from the same period last year and down 5% from last quarter at \$299,900. Greene rounded out the counties with year-over-year gains in both average and median sales price, with an average sales price of \$266,678, up 15.7% from Q2-2012 and 9.3% from Q3-2011. City of Charlottesville (-2.7%), Fluvanna (-15.3%) and Louisa (-5.4%) all experienced year-over-year declines in the median sale price for the 3rd Quarter, however, Louisa's median price of \$175,000 is a 13.6% gain over Q2-2012 median of \$154,000.

Median Sale Price | Albemarle County, VA



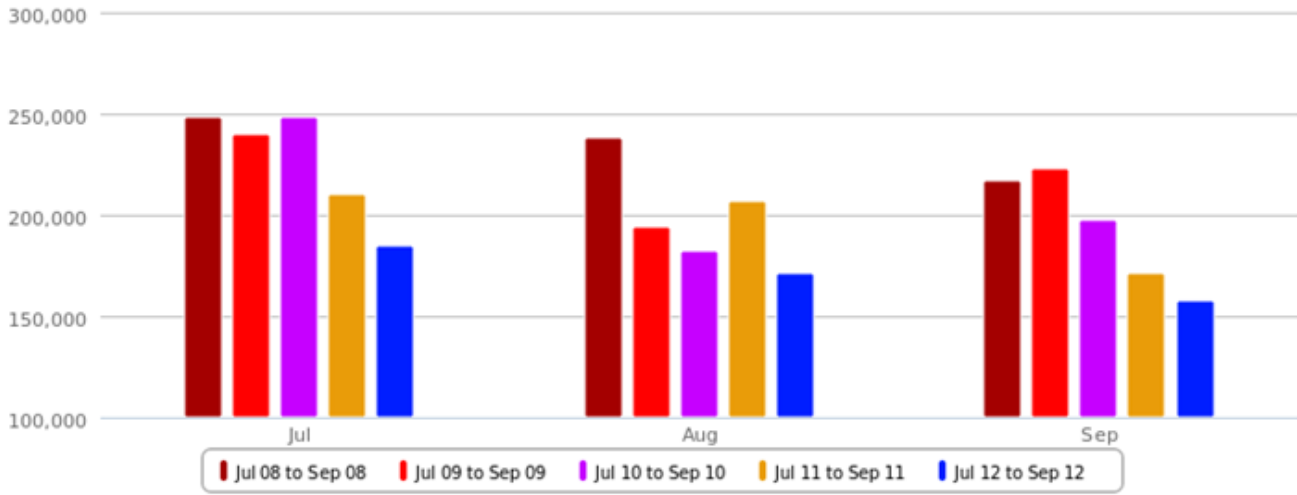
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Median Sale Price | Charlottesville City, VA



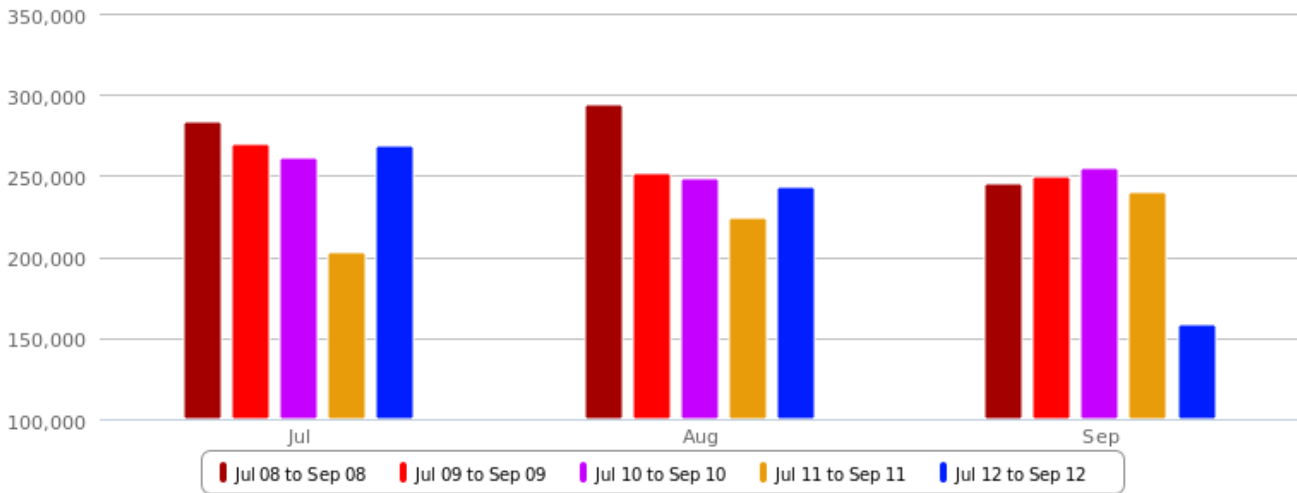
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Median Sale Price | Fluvanna County, VA



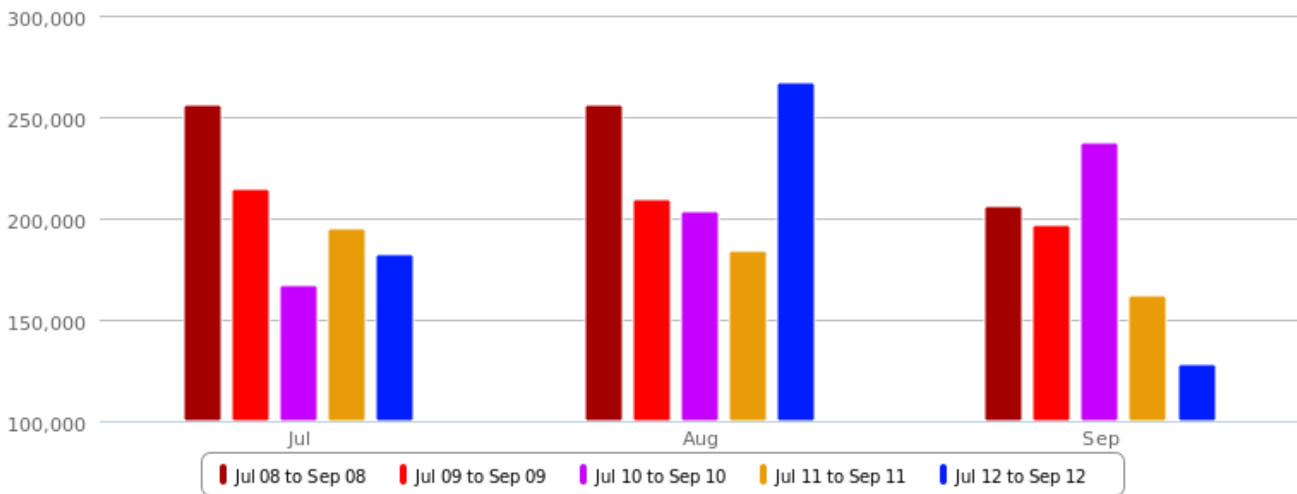
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Median Sale Price | Greene County, VA



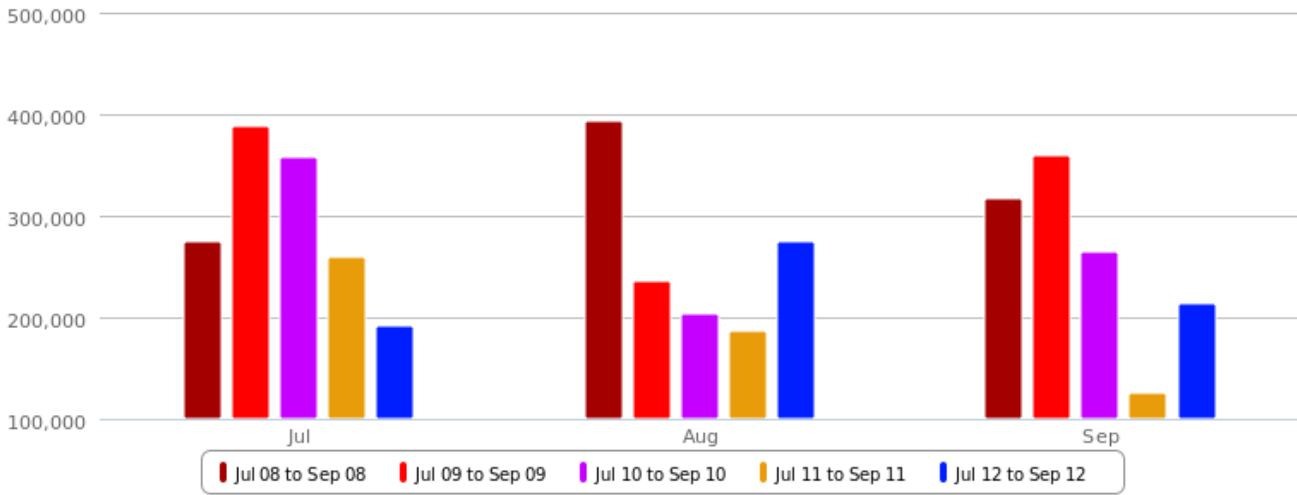
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Median Sale Price | Louisa County, VA



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Median Sale Price | Nelson County, VA



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Analysis of Charlottesville Short Sale and Foreclosures

Of active listings, 132 are foreclosures or short sales, the same number as were active at the end of Q2-2012, but 35.6% less than the 205 active distressed listings at this time last year. "Distressed properties accounted for just 6.3% of the active market, down from the 7.9% share at this time last year. We are pleased with the downward trend in new listings of distressed properties as indicated by Q3 ending numbers," says CAAR 2012 President-Elect Denise Ramey.

Only 78 of the 675 sales in the 3rd Quarter, or 11.6%, were foreclosures. This represents 19 more foreclosure sales versus Q3-2011, when foreclosures accounted for 10.7% of sales. The number of short sales increased slightly in the 3rd Quarter, with 31 short sales making up 4.6% of all sales.

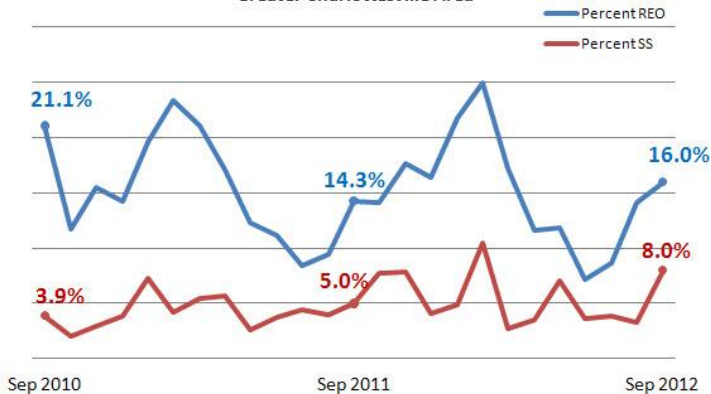
Market Share by Bank-Mediated Status



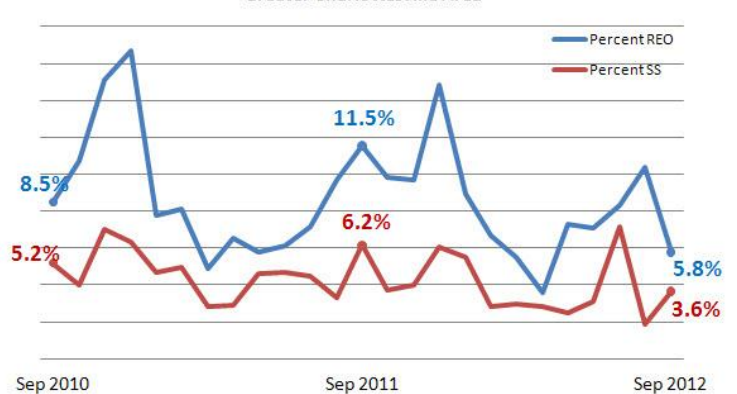
Market Share by Bank-Mediated Status



% Closed Sales involving short sale or foreclosure
Greater Charlottesville Area



% New Listings involving short sale or foreclosure
Greater Charlottesville Area



Breakdown of Average Sales Price of Detached and Attached Units in Greater Charlottesville

The breakdown detached and attached homes sold are also strong. Q3 sales of detached homes in the area were up 25% (+102) from 408 in Q3-2011 to 510. There were 165 attached homes (condos and townhouses) sold, representing a 16.2% increase over the 142 attached homes sold in Q3-2011. Attached properties sold in Q3 also outpaced Q2 sales by 2.5%.

Detached homes saw year-over-year pricing gains with the \$347,406 average sale price representing a 6.4% increase over Q3-2011. The corresponding detached median sales price of \$266,625 is a 1.3% decline from \$270,000 in Q3-2011. With a median sale price of \$180,000, attached home prices declined both on a quarter-over-quarter (-4.8%) and year-over-year (-3.7%) basis.

Detached	Q3-12	% Q-O-Q	Q2-12	% Y-O-Y	Q3-11	% Y-O-2Y	Q3-10	% Y-O-3Y	Q3-09
Average Sales Price (Closed)	\$347,406	3.2%	\$336,600	6.4%	\$326,382	0.2%	\$346,591	-3.8%	\$360,942
Median Sales Price (Closed)	\$266,625	-7.2%	\$287,290	-1.3%	\$270,000	-6.4%	\$285,000	-10.9%	\$299,158
Units Sold (Closed)	510	-10.8%	572	25.0%	408	14.6%	445	-7.6%	552
Average DOM (Closed)	134	-13.0%	154	4.7%	128	-2.2%	137	-8.8%	147
Listing Discount (Average)	9.5%		8.0%		8.7%		8.1%		8.5%
Ratio Avg SP/Avg OLP	90.5%		92.0%		91.3%		91.9%		91.6%
Avg SP/Sq Ft	132	-5.7%	140	-2.9%	136	-7.7%	143	-13.7%	153

Attached	Q3-12	% Q-O-Q	Q2-12	% Y-O-Y	Q3-11	% Y-O-2Y	Q3-10	% Y-O-3Y	Q3-09
Average Sales Price (Closed)	\$208,472	-1.3%	\$211,263	4.9%	\$198,783	-13.8%	\$241,783	-10.5%	\$232,885
Median Sales Price (Closed)	\$180,000	-4.8%	\$189,000	-3.7%	\$186,950	-14.5%	\$210,601	-15.9%	\$214,000
Units Sold (Closed)	165	2.5%	161	16.2%	142	11.5%	148	-14.1%	192
Average DOM (Closed)	108	-20.6%	136	-17.6%	131	-40.7%	182	-9.2%	119
Listing Discount (Average)	6.6%		5.6%		8.0%		7.5%		4.8%
Ratio Avg SP/Avg OLP	93.5%		94.5%		92.0%		92.5%		95.2%
Avg SP/Sq Ft	139	-2.1%	142	-1.4%	141	-11.5%	157	-9.7%	154

If you plan to sell a home in 2012, 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 2012 3rd 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®.