

Annual Report on the Charlottesville Area Housing Market

RESIDENTIAL REAL ESTATE ACTIVITY IN THE CHARLOTTESVILLE AREA



2018

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While the 2017 housing market was marked by renewed optimism fueled by stock market strength, higher wages and a competitive environment for home sales, 2018 delivered a more seasoned prudence toward residential real estate. Home buyers, now steeped in several years of rising prices and low inventory, became more selective in their purchase choices as housing affordability achieved a ten-year low.

Yet the appetite for home buying remained strong enough to drive prices upward in virtually all markets across the country. In fact, national home prices have risen 53 percent from February 2012 to September 2018. That mark is a less dramatic but still sizable 40 percent increase when inflation is factored in.

The national median household income was last reported with a year-over-year increase of 1.8 percent, while home prices have gone up 5.5 percent in roughly the same amount of time. That kind of gap can't be sustained indefinitely, but prices are still expected to rise in most areas, albeit at a much slower pace.

Sales: Pending sales increased 3.5 percent, closing 2018 at 3,909. Closed sales were up 5.7 percent to finish the year at 3,894.

Listings: Year-over-year, the number of homes available for sale was lower by 10.5 percent. There were 891 active listings at the end of 2018. New listings increased by 1.5 percent to finish the year at 5,185.

New Construction: Nationally, builder confidence was up in the early part of the year but grew cautious amidst increasing interest rates and affordability concerns. Locally, the median sales price for new construction at year's end was \$443,900, and months of supply finished at 2.7 months.

Prices: Home prices were up compared to last year. The overall median sales price increased 4.6 percent to \$308,498 for the year. Single-Family Detached home prices were up 4.6 percent compared to last year, and Single-Family Attached home prices were up 6.3 percent.

List Price Received: Sellers received, on average, 98.1 percent of their original list price at sale, a year-over-year improvement of 0.2 percent. If demand shrinks in 2019, original list price received at sale could drop as well.

Consumer optimism has been tested by four interest rate hikes by the Federal Reserve in 2018. Meanwhile, GDP growth was at 4.2 percent in Q2 2018, dropped to 3.4 percent in Q3 2018 and is expected to be about 2.9 percent in Q4 2018 when figures are released.

Looking strictly at market fundamentals, recent Fed and GDP changes will not cause a dramatic shift away from the current state of the housing market. The booming sales at increased prices over the last several years may not be the same thrill ride to observe in 2019, but a long-awaited increase in inventory is something positive to consider, even if it arrives in the form of shrinking demand amidst rising mortgage rates.

The biggest potential problem for residential real estate in 2019 might be human psychology. A fear of buying at the height of the market could create home purchase delays by a large pool of potential first-time buyers, thus creating an environment of declining sales.

If the truth of a positive economic outlook coupled with responsible lending practices and more available homes for sale captures the collective American psyche, the most likely outcome for 2019 is market balance.

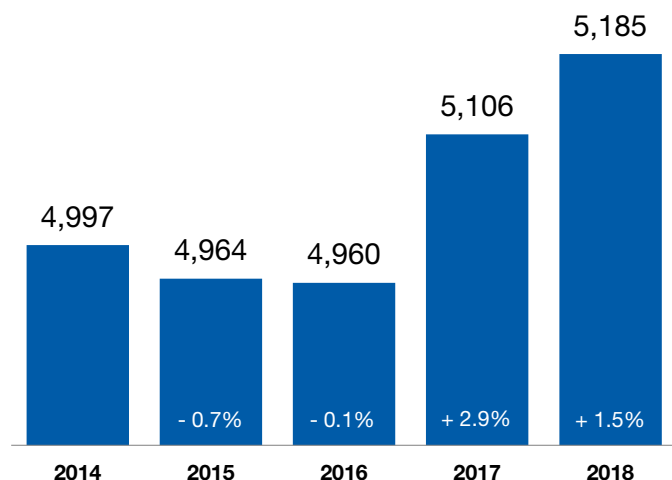
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Quick Facts



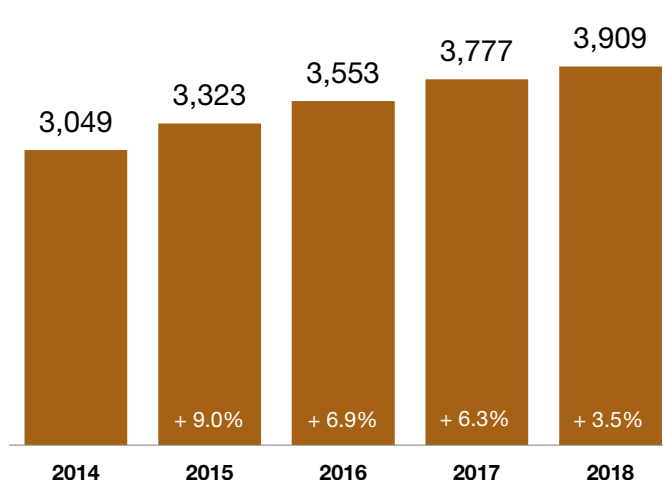
New Listings



Change in New Listings from 2017

Greene County	+ 20.4%
City of Charlottesville	+ 15.7%
Nelson County	+ 0.5%
Albemarle County	+ 0.4%
Fluvanna County	- 7.0%
Louisa County	- 13.2%

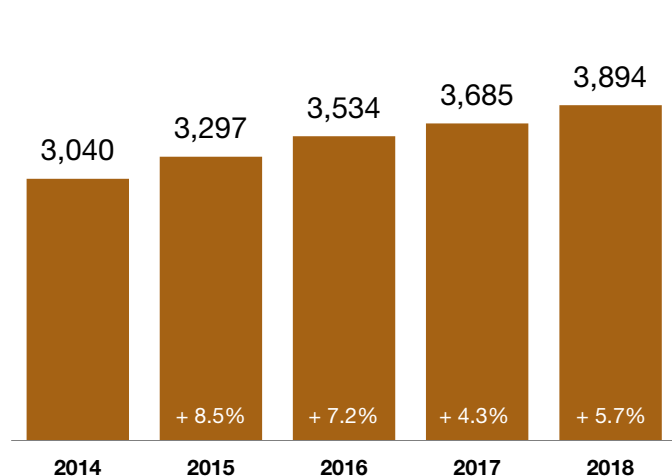
Pending Sales



Change in Pending Sales from 2017

Greene County	+ 29.3%
Nelson County	+ 11.1%
City of Charlottesville	+ 9.0%
Albemarle County	- 0.1%
Fluvanna County	- 1.0%
Louisa County	- 4.3%

Closed Sales

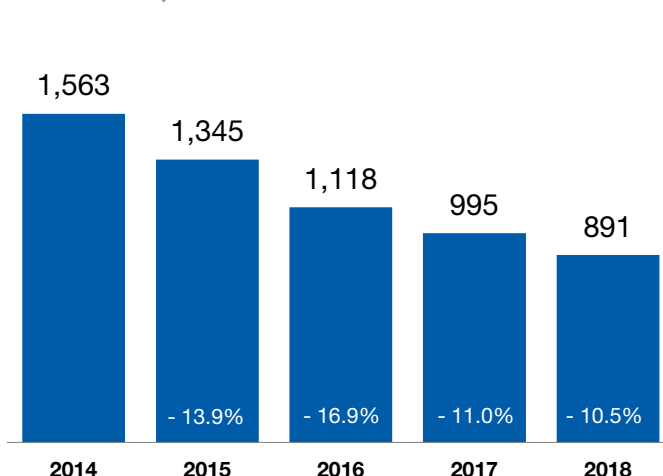


Change in Closed Sales from 2017

Nelson County	+ 23.4%
Greene County	+ 13.2%
City of Charlottesville	+ 7.0%
Albemarle County	+ 4.2%
Louisa County	+ 1.8%
Fluvanna County	- 0.2%

Inventory of Homes for Sale

At the end of the year.



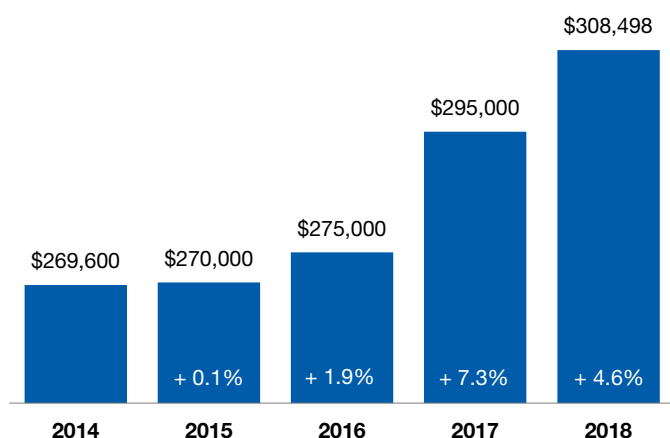
Change in Inventory of Homes for Sale from 2017

City of Charlottesville	+ 44.1%
Greene County	- 7.6%
Fluvanna County	- 8.9%
Nelson County	- 11.8%
Albemarle County	- 15.3%
Louisa County	- 24.2%

Quick Facts



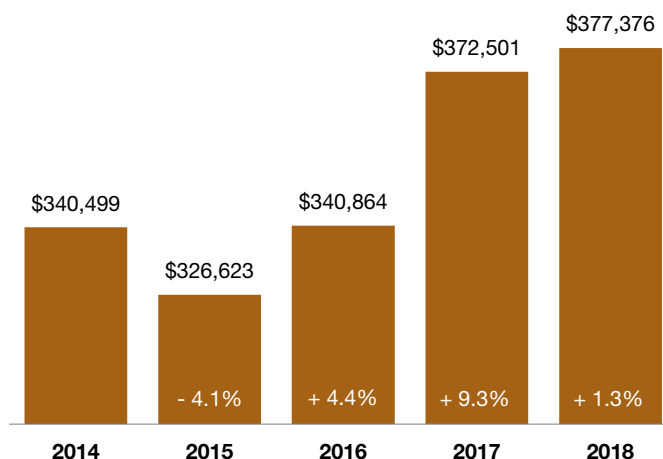
Median Sales Price



Change in Median Sales Price from 2017

City of Charlottesville	+ 11.0%
Louisa County	+ 7.7%
Fluvanna County	+ 4.0%
Greene County	+ 1.5%
Albemarle County	+ 1.1%
Nelson County	0.0%

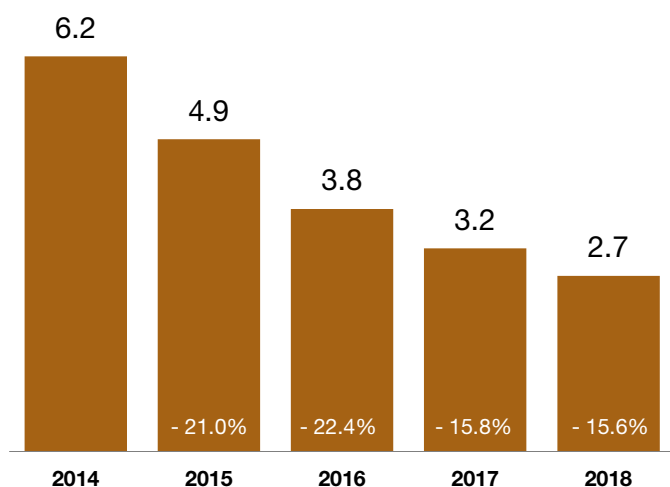
Average Sales Price



Change in Average Sales Price from 2017

City of Charlottesville	+ 11.3%
Louisa County	+ 2.4%
Greene County	+ 1.1%
Fluvanna County	- 0.2%
Albemarle County	- 0.6%
Nelson County	- 1.5%

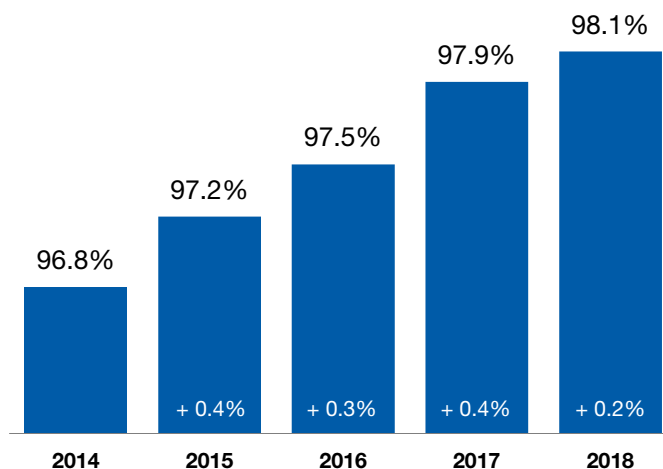
Months Supply of Inventory



Change in Months Supply of Inventory from 2017

City of Charlottesville	+ 33.3%
Fluvanna County	- 6.7%
Albemarle County	- 14.8%
Louisa County	- 19.4%
Nelson County	- 20.5%
Greene County	- 29.0%

Percent of List Price Received



Change in Percent of List Price Received from 2017

Greene County	+ 0.4%
City of Charlottesville	+ 0.4%
Albemarle County	+ 0.4%
Fluvanna County	- 0.1%
Louisa County	- 0.3%
Nelson County	- 0.3%

Property Type Review



59

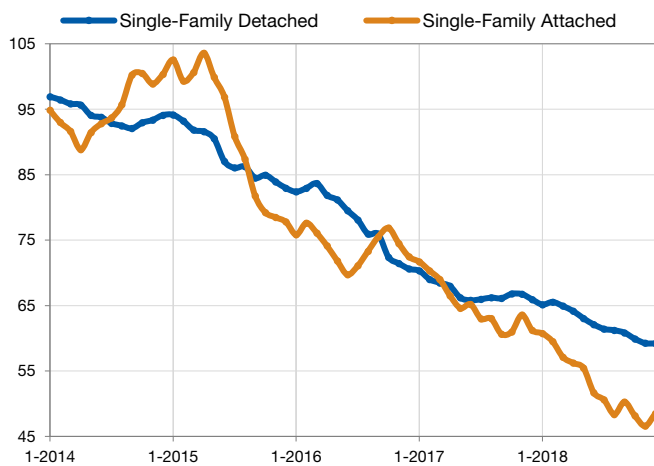
Average Days on Market
Single-Family Detached

48

Average Days on Market
Single-Family Attached

Days on Market Until Sale

This chart uses a rolling 12-month average for each data point.



Top Areas: Single-Family Attached Market Share in 2018

22911	52.3%
22967	50.0%
22902	44.1%
22901	41.9%
22958	41.0%
Albemarle County	37.7%
22903	35.3%
Nelson County	34.7%
City of Charlottesville	32.0%
22932	26.8%
22942	10.2%
Louisa County	4.1%
22947	2.0%
22936	1.3%
22963	1.0%
Fluvanna County	0.8%

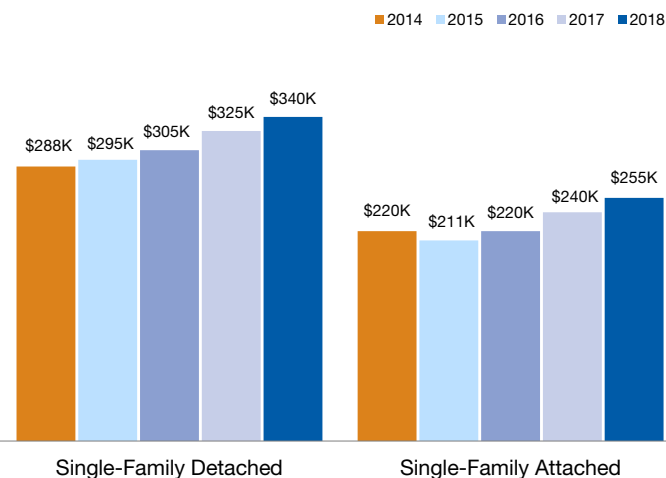
+ 4.6%

One-Year Change in Price
Single-Family Detached

+ 6.3%

One-Year Change in Price
Single-Family Attached

Median Sales Price



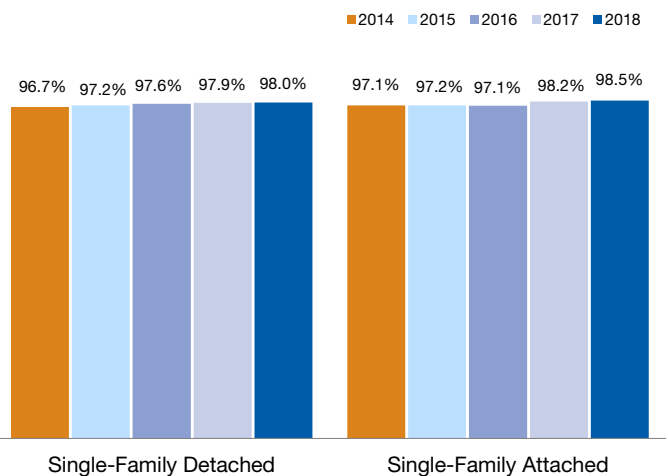
98.0%

Pct. of List Price Received
Single-Family Detached

98.5%

Pct. of List Price Received
Single-Family Attached

Percent of List Price Received



New Construction Review



Nov '16

65 Units

Peak of New Construction Inventory

Drop in New Construction Inventory from Peak

New Construction Homes for Sale



Top Areas: New Construction Market Share in 2018

22932	43.2%
22911	38.0%
22942	31.4%
Albemarle County	26.4%
22946	25.0%
22974	24.1%
22903	21.6%
22968	20.6%
22947	19.4%
Louisa County	18.1%
22902	17.8%
Greene County	16.3%
22901	15.5%
22959	15.4%
23093	15.0%
City of Charlottesville	11.6%
22938	11.1%
23117	9.8%

\$443,900

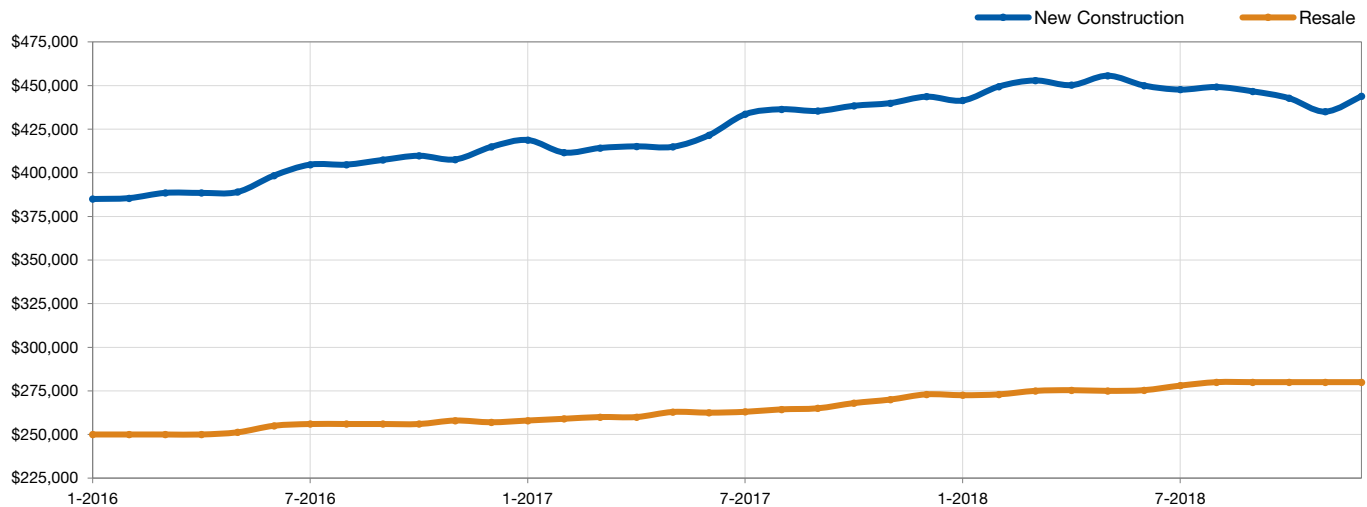
\$280,000

Median Sales Price
New Construction

Median Sales Price
Resale

Median Sales Price

This chart uses a rolling 12-month average for each data point.





Price Range Review

\$200,001 to \$300,000

Price Range with Shortest Average Days on Market

\$100,000 and Below

Price Range with Longest Average Days on Market

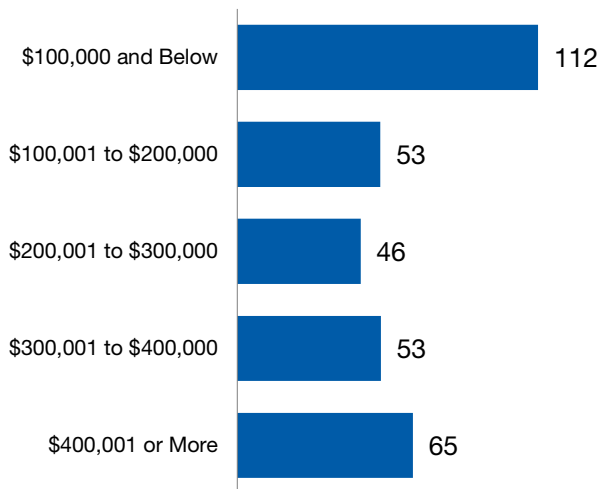
4.0%

of Homes for Sale at Year End Priced \$100,000 and Below

- 21.7%

One-Year Change in Homes for Sale Priced \$100,000 and Below

Days on Market Until Sale by Price Range



Share of Homes for Sale \$100,000 and Below



\$400,001 or More

Price Range with the Most Closed Sales

+ 19.1%

Price Range with Strongest One-Year Change in Sales: \$300,001 to \$400,000

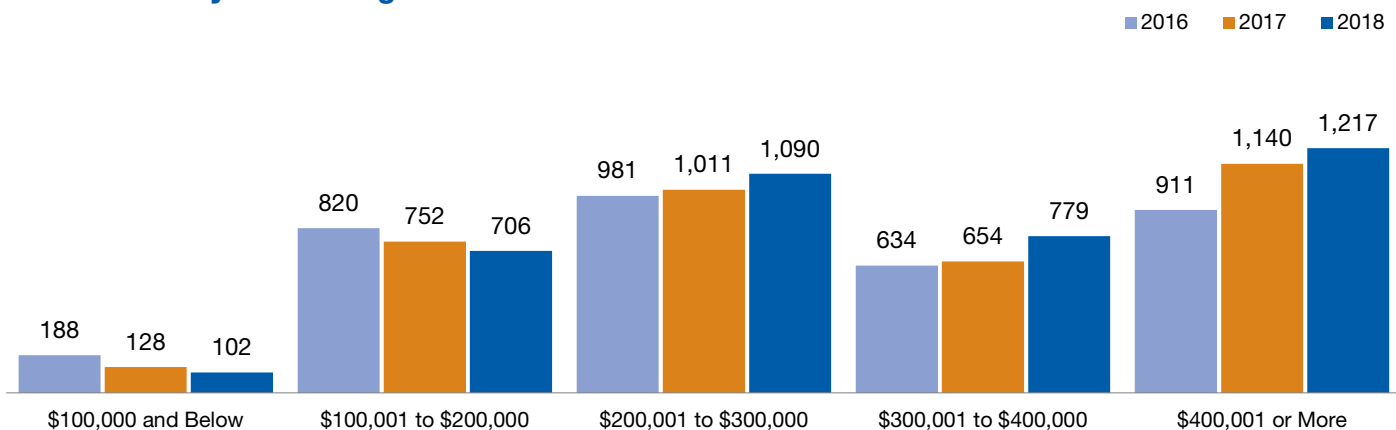
\$100,000 and Below

Price Range with the Fewest Closed Sales

- 20.3%

Price Range with Weakest One-Year Change in Sales: \$100,000 and Below

Closed Sales by Price Range



Area Overviews

FOR GEOGRAPHIES WITH FOUR OR MORE SOLD LISTINGS THIS YEAR



	Total Closed Sales	Change from 2017	Percent New Construction	Percent Attached	Days on Market	New Listings	Months Supply	Pct. of List Price Received
Greater Charlottesville Area	3,894	+ 5.7%	18.4%	26.2%	56	5,185	2.7	98.1%
City of Charlottesville	596	+ 7.0%	11.6%	32.0%	31	789	1.6	98.6%
Albemarle County	1,881	+ 4.2%	26.4%	37.7%	51	2,495	2.3	98.7%
Fluvanna County	490	- 0.2%	7.8%	0.8%	59	620	2.8	97.8%
Greene County	300	+ 13.2%	16.3%	0.3%	51	430	2.2	98.3%
Louisa County	342	+ 1.8%	18.1%	4.1%	65	435	2.5	97.6%
Nelson County	285	+ 23.4%	0.7%	34.7%	133	416	9.3	94.3%
22901	592	- 2.1%	15.5%	41.9%	42	775	1.8	98.8%
22902	381	+ 24.9%	17.8%	44.1%	29	538	1.9	98.8%
22903	564	+ 16.0%	21.6%	35.3%	41	634	1.3	98.8%
22911	432	- 5.7%	38.0%	52.3%	41	543	1.4	99.6%
22920	26	- 18.8%	0.0%	0.0%	119	39	4.6	94.7%
22922	5	+ 25.0%	0.0%	0.0%	187	9	2.0	96.8%
22923	84	+ 37.7%	8.3%	0.0%	61	116	2.7	97.8%
22932	213	- 5.8%	43.2%	26.8%	46	317	2.8	98.7%
22935	5	- 28.6%	0.0%	0.0%	158	8	3.0	98.5%
22936	79	+ 1.3%	5.1%	1.3%	86	116	3.6	97.1%
22937	18	+ 50.0%	0.0%	0.0%	108	23	1.0	92.6%
22938	9	0.0%	11.1%	0.0%	58	13	3.1	96.6%
22940	7	- 46.2%	0.0%	0.0%	48	22	5.7	99.4%
22942	137	- 29.0%	31.4%	10.2%	55	173	3.8	98.4%
22943	6	- 25.0%	0.0%	0.0%	97	10	0.9	97.5%
22946	4	- 20.0%	25.0%	0.0%	91	6	0.0	98.1%
22947	98	+ 22.5%	19.4%	2.0%	109	160	5.0	96.8%
22949	11	0.0%	0.0%	0.0%	73	17	5.1	96.2%
22958	156	+ 16.4%	0.0%	41.0%	145	193	7.4	93.8%
22959	13	- 23.5%	15.4%	0.0%	71	26	5.1	93.7%
22963	382	+ 1.1%	5.0%	1.0%	59	474	2.3	98.0%
22967	70	+ 40.0%	1.4%	50.0%	132	137	18.6	94.2%
22968	194	+ 12.8%	20.6%	0.5%	44	270	1.2	98.7%
22969	11	- 8.3%	0.0%	0.0%	166	17	4.5	91.5%
22971	10	+ 11.1%	0.0%	0.0%	133	13	4.2	98.6%
22973	62	- 4.6%	6.5%	0.0%	83	103	6.6	96.4%
22974	58	0.0%	24.1%	0.0%	53	79	4.2	98.7%
23024	37	+ 2.8%	8.1%	0.0%	61	47	2.3	98.1%
23038	4	- 60.0%	0.0%	0.0%	171	6	3.0	97.6%
23055	17	+ 70.0%	5.9%	0.0%	96	10	1.1	93.5%
23084	14	+ 100.0%	0.0%	0.0%	71	22	3.2	97.9%
23093	133	+ 3.1%	15.0%	0.0%	83	148	2.5	96.9%
23117	61	+ 22.0%	9.8%	0.0%	55	102	2.7	96.8%
24590	81	- 6.9%	7.4%	0.0%	71	130	5.6	97.1%

Area Historical Median Prices

FOR GEOGRAPHIES WITH FOUR OR MORE SOLD LISTINGS THIS YEAR



	2014	2015	2016	2017	2018	Change From 2017	Change From 2014
Greater Charlottesville Area	\$269,600	\$270,000	\$275,000	\$295,000	\$308,498	+ 4.6%	+ 14.4%
City of Charlottesville	\$261,250	\$266,250	\$280,000	\$300,000	\$333,000	+ 11.0%	+ 27.5%
Albemarle County	\$329,900	\$325,000	\$336,000	\$376,500	\$380,472	+ 1.1%	+ 15.3%
Fluvanna County	\$190,000	\$206,000	\$200,500	\$212,500	\$221,000	+ 4.0%	+ 16.3%
Greene County	\$225,950	\$225,000	\$247,500	\$248,000	\$251,750	+ 1.5%	+ 11.4%
Louisa County	\$198,625	\$210,000	\$219,950	\$223,680	\$240,950	+ 7.7%	+ 21.3%
Nelson County	\$238,750	\$200,000	\$200,000	\$235,000	\$235,000	0.0%	- 1.6%
22901	\$303,500	\$300,000	\$293,000	\$343,000	\$369,000	+ 7.6%	+ 21.6%
22902	\$272,500	\$280,000	\$278,000	\$315,000	\$328,000	+ 4.1%	+ 20.4%
22903	\$303,500	\$295,000	\$325,000	\$330,750	\$353,725	+ 6.9%	+ 16.5%
22911	\$313,430	\$317,500	\$307,612	\$344,439	\$349,153	+ 1.4%	+ 11.4%
22920	\$263,500	\$304,000	\$248,500	\$387,500	\$459,450	+ 18.6%	+ 74.4%
22922	\$173,000	\$125,000	\$180,000	\$157,750	\$166,000	+ 5.2%	- 4.0%
22923	\$249,900	\$267,000	\$289,000	\$255,000	\$286,000	+ 12.2%	+ 14.4%
22932	\$403,836	\$407,583	\$449,900	\$489,186	\$465,000	- 4.9%	+ 15.1%
22935	\$147,200	\$148,000	\$300,000	\$349,900	\$249,500	- 28.7%	+ 69.5%
22936	\$378,750	\$330,000	\$340,000	\$399,950	\$369,000	- 7.7%	- 2.6%
22937	\$145,000	\$107,500	\$178,000	\$197,000	\$190,000	- 3.6%	+ 31.0%
22938	\$205,000	\$252,500	\$235,000	\$250,000	\$300,000	+ 20.0%	+ 46.3%
22940	\$382,850	\$240,000	\$377,167	\$349,000	\$563,000	+ 61.3%	+ 47.1%
22942	\$283,574	\$310,000	\$315,000	\$275,000	\$339,000	+ 23.3%	+ 19.5%
22943	\$694,502	\$180,000	\$425,000	\$174,000	\$463,750	+ 166.5%	- 33.2%
22946	\$185,000	\$117,000	\$380,000	\$177,500	\$293,000	+ 65.1%	+ 58.4%
22947	\$512,900	\$554,000	\$601,250	\$611,500	\$617,500	+ 1.0%	+ 20.4%
22949	\$168,812	\$189,250	\$191,950	\$200,000	\$156,000	- 22.0%	- 7.6%
22958	\$255,000	\$250,000	\$215,500	\$279,500	\$245,000	- 12.3%	- 3.9%
22959	\$273,000	\$410,000	\$313,250	\$298,713	\$512,500	+ 71.6%	+ 87.7%
22963	\$187,500	\$199,950	\$196,600	\$208,500	\$218,000	+ 4.6%	+ 16.3%
22967	\$290,000	\$175,000	\$186,750	\$154,000	\$210,000	+ 36.4%	- 27.6%
22968	\$225,000	\$243,000	\$249,450	\$256,977	\$251,750	- 2.0%	+ 11.9%
22969	\$184,000	\$145,000	\$135,450	\$152,400	\$135,000	- 11.4%	- 26.6%
22971	\$135,000	\$175,000	\$121,800	\$190,000	\$227,000	+ 19.5%	+ 68.1%
22973	\$191,700	\$180,500	\$186,500	\$230,000	\$194,750	- 15.3%	+ 1.6%
22974	\$241,500	\$235,780	\$292,000	\$260,500	\$294,950	+ 13.2%	+ 22.1%
23024	\$163,450	\$179,000	\$178,250	\$216,750	\$220,000	+ 1.5%	+ 34.6%
23038	\$140,000	\$162,700	\$182,500	\$174,275	\$157,500	- 9.6%	+ 12.5%
23055	\$262,500	\$150,500	\$134,900	\$169,950	\$196,400	+ 15.6%	- 25.2%
23084	\$135,500	\$172,750	\$182,475	\$203,000	\$202,450	- 0.3%	+ 49.4%
23093	\$149,000	\$182,950	\$195,095	\$202,000	\$215,000	+ 6.4%	+ 44.3%
23117	\$152,275	\$168,600	\$183,500	\$188,000	\$219,900	+ 17.0%	+ 44.4%
24590	\$170,000	\$187,000	\$188,350	\$199,900	\$215,000	+ 7.6%	+ 26.5%