

DAAR LOUDOUN

HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

DAAR Home Sales Report

4th Quarter 2020

Dulles Area Association of REALTORS®

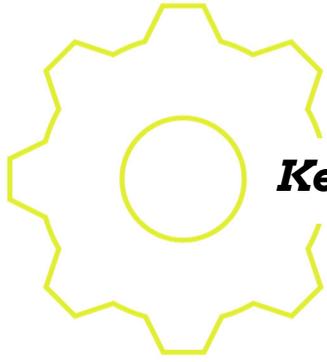
Market Report Key Takeaways

Economic Conditions

- In the 4th quarter of 2020, economic conditions continued to improve in Virginia, as well as in the Dulles area and Northern Virginia region. There have been steady gains in employment and a consistent decline in the unemployment rate since the summer.
- Consumer confidence dropped in December, reflecting uncertain political and economic conditions at the end of 2020.
- Mortgage rates remained at historically low levels throughout the 4th quarter, fueling strong home sales activity.

Housing Market Conditions

- Loudoun County had its largest quarterly increase in sales in more than 5 years. There were 2,056 sales in the County during the 4th quarter, a 35% surge from last year.
- At \$550,000, the 4th quarter median sales price in Loudoun County jumped up 10% from last year, a gain of \$50,000. This is the largest median price increase the County has had in more than 5 years.
- The supply of active listings in the County is very low and is getting smaller. There were just 231 active listings in Loudoun County at the end of the 4th quarter, a 58% reduction from last year.



Key Trends Dashboard, DAAR

Economy



3.9%

Is the Nov-2020 **unemployment rate** in Loudoun County, which is down from Oct-2020



2.65%

Is the **30-year fixed-rate mortgage rate** during the 1st week of January 2021, which is down 1.07 percentage points from a year ago

Housing Market



530

More **home sales** in Loudoun County in Q4-2020 compared to last year



10%

Percent change in **median sales price** in the Loudoun County housing market in Q4-2020 compared to a year ago



\$419

Million dollars more in total **sold volume** in the Loudoun County housing market in Q4-2020 compared to last year



-55%

Percent change in **active listings** at the end of Q4-2020 in Loudoun County compared to a year ago



0.4

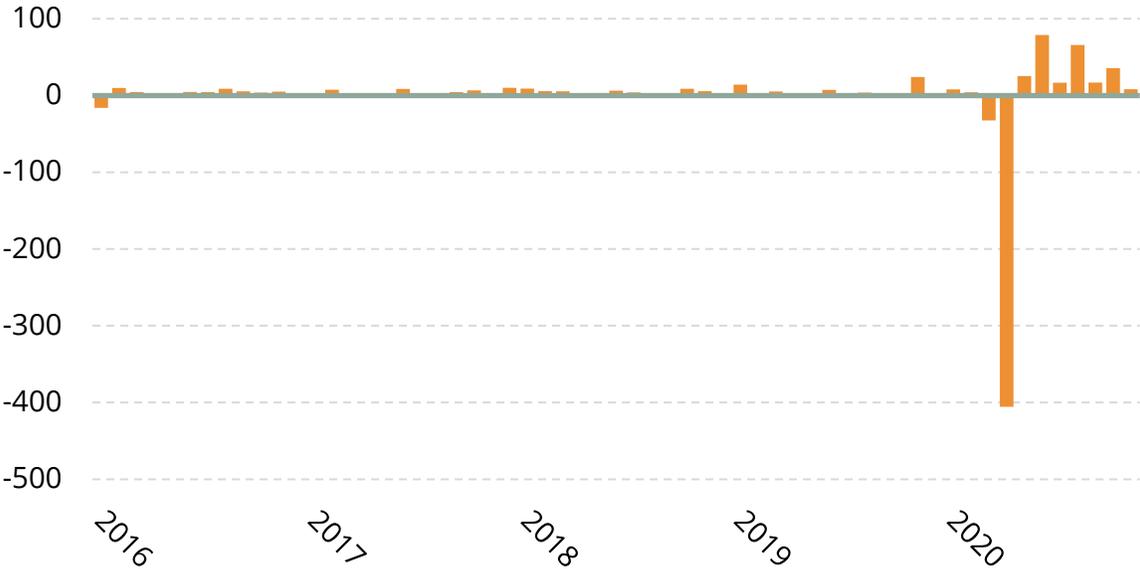
Months of supply in the Loudoun County housing market in Q4-2020, which is down from a year ago

Economic Overview

The economic recession officially began 10 months ago. Economic conditions continue to improve, although the pace of recovery has slowed in recent months. Looking ahead, the 2nd round of Federal assistance and the ramp-up in the distribution of the COVID-19 vaccine will be critical for strengthening the economy in 2021.

Economic conditions have rebounded faster in Virginia than in many other parts of the country. In the Commonwealth, the economy has added jobs for 7 consecutive months. The Statewide unemployment rate fell to 4.6% in November. Despite steady job gains, the State has regained only about 56% of the jobs that were lost during the spring. It is likely that it will take years for the economy to fully regain the jobs that have been lost during this recession.

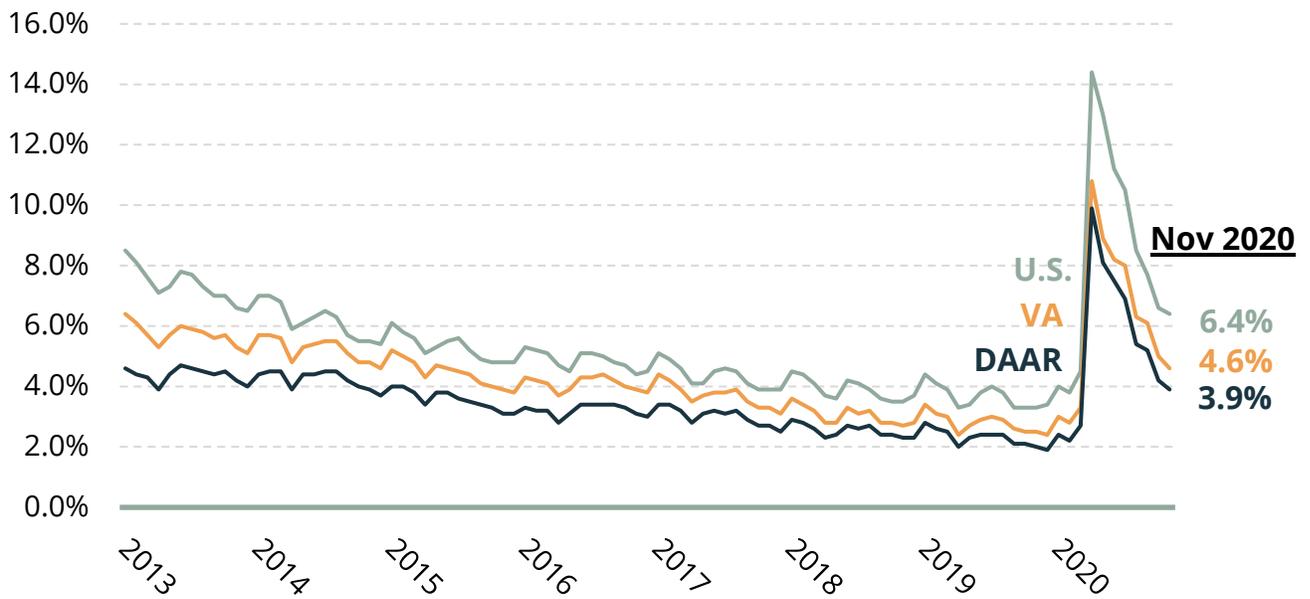
Figure 1
Virginia Month-to-Month Change in Jobs



Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

Like the rest of the Commonwealth, the Dulles region has seen economic conditions improve through the end of 2020. The DAAR regional unemployment rate was 3.9% in November, falling steadily from the peak unemployment rate of 9.9% in April. The Dulles area unemployment rate is slightly elevated compared to earlier in 2020; however, the downward trend in the region's unemployment rate is a positive sign.

Figure 2
Unemployment Rate

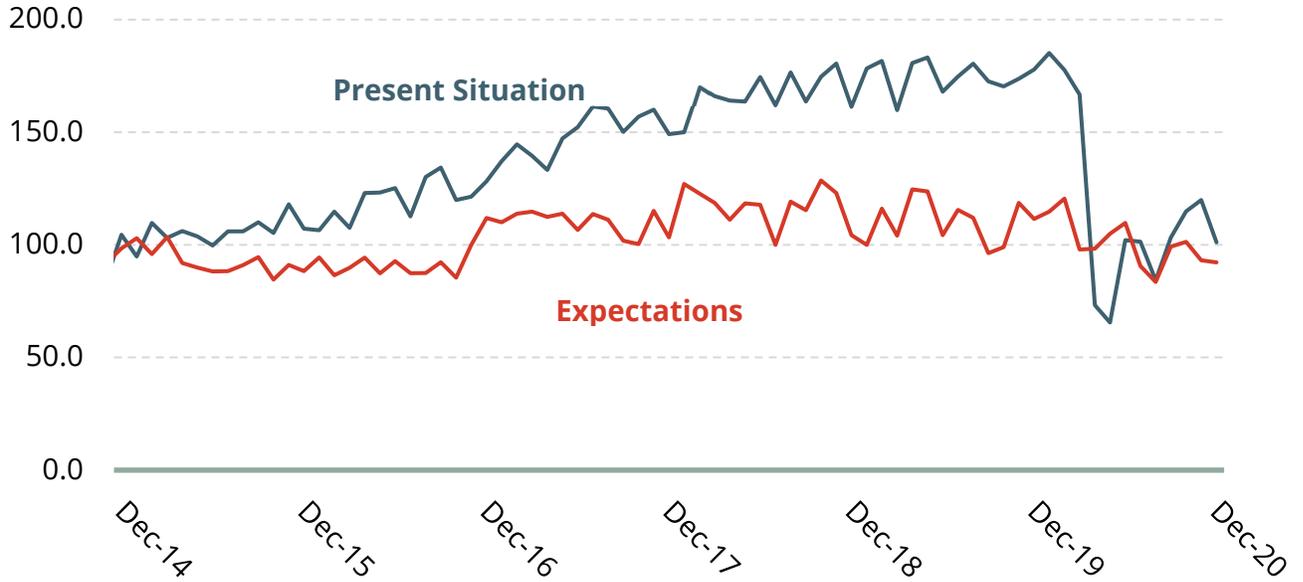


Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Measures of consumer confidence reflect how people feel about economic conditions. As a result of economic and political uncertainties, as well as rising numbers of COVID-19 cases, consumer confidence dropped in December. The measure of confidence in the present economic situation was 101.1, but the future consumer confidence index fell to 92.2. A consumer confidence index below 100 indicates people are feeling more pessimistic.

During the 4th quarter, historically low mortgage rates continued to support strong refinance and purchase activity. According to data reported by Freddie Mac, the average 30-year fixed-rate mortgage rate has been below 3% for 23 consecutive weeks. In the 1st week of January, the average 30-year fixed-rate mortgage rate was 2.65%, which is a full percentage point lower than the same time last year.

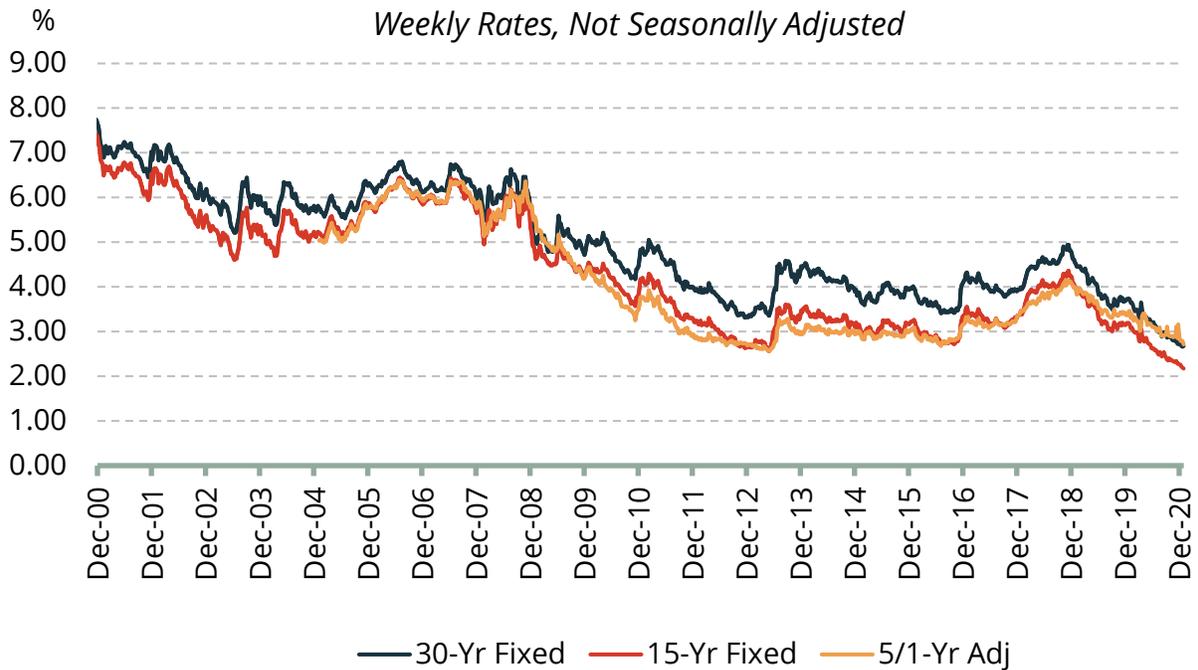
Figure 3
Consumer Confidence
South Atlantic Region



Source: The Conference Board

Figure 4
Mortgage Interest Rates

Weekly Rates, Not Seasonally Adjusted



Source: Federal Reserve Bank of St. Louis

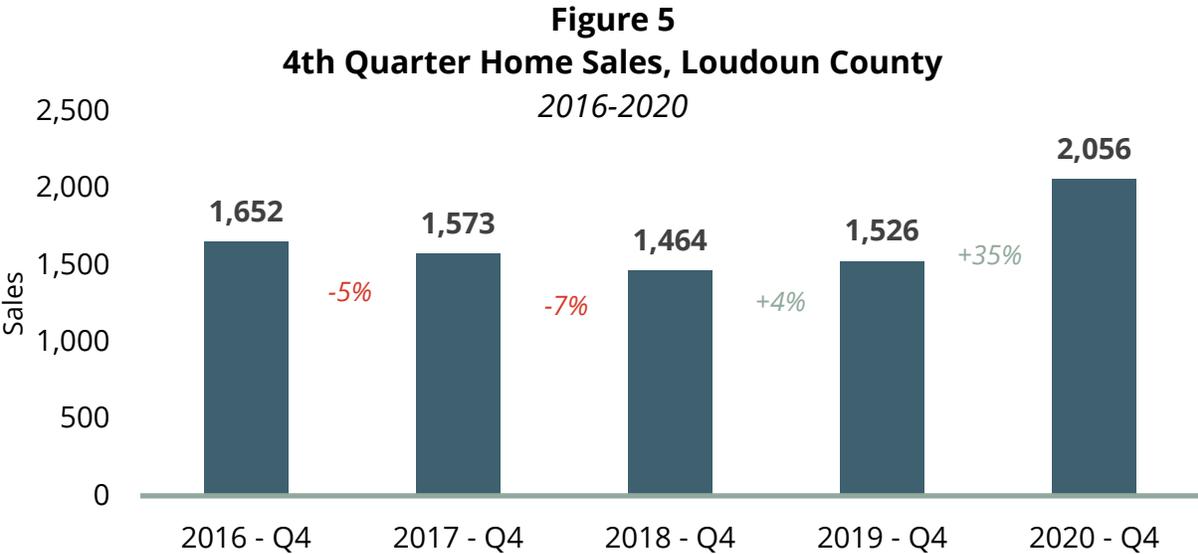
Housing Market Overview

Housing market indicators in Loudoun County were very positive as 2020 came to a close. Pent-up demand from the spring and historically low interest rates continue to drive market growth in the County. Growth in sales activity, the median sales price, and the sold dollar volume all reached multiyear highs this quarter. Homes continue to sell faster, on average, in the County which reflects active buyers and a tight supply of homes available for sale. The low inventory in the County's housing market continues to be a major factor, as the supply level is now less than 1/2 a month, its lowest level of any quarter in more than 5 years.

Sales

The Loudoun County housing market had a very strong end to 2020. There were 2,056 sales in the County in the 4th quarter, a 35% spike from last year, which is 530 additional sales. This is the largest influx of sales the Loudoun County market has had in more than 5 years and reflects the pent-up demand from earlier in the year. Sales activity surged all 3 months in the 4th quarter. The number of home sales Statewide was up 28% in the 4th quarter compared to a year ago.

The sales growth was widespread in the County. Across the local markets, Chantilly (zip code 20152) had the sharpest 4th quarter growth in sales activity with 79 more sales than last year, an 80% spike. Two areas of Leesburg (zip codes 20176 and 20175) also had a strong quarter, each with 48% more sales than last year.



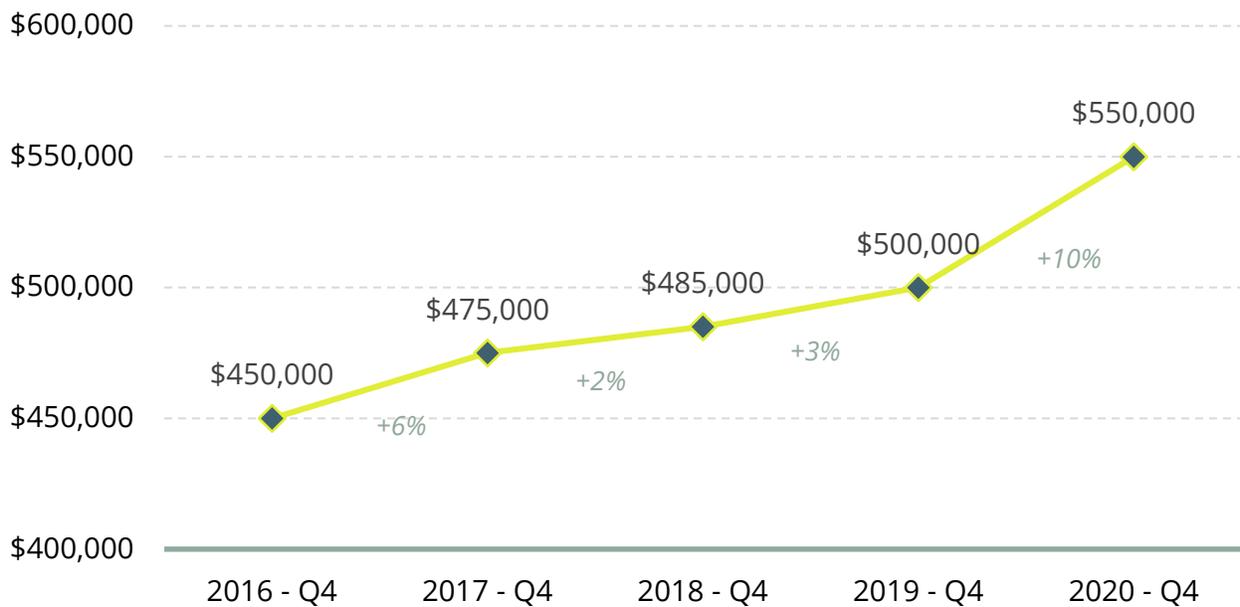
Source: Virginia REALTORS®, data accessed January 15, 2021

Sales Prices

Home prices are soaring in the Loudoun County market, a reflection of strong buyer demand and a dwindling inventory of available homes for sale. The 4th quarter median sales price in the County was \$550,000, which is \$50,000 higher than it was a year ago, representing a 10% jump. This is the largest median price gain the County has had in more than 5 years. The Statewide median sales price in the 4th quarter was \$329,000, an 11% increase from a year earlier.

All local markets continue to experience rising home prices. Notable growth this quarter includes Sterling (zip code 20165) and Purcellville (zip code 20132) where the median sales price was about \$70,000 higher than last year, a 16% and 13% gain, respectively. Leesburg (zip code 20176) also had a large median sales price gain this quarter, up 20% from last year, a \$102,500 increase.

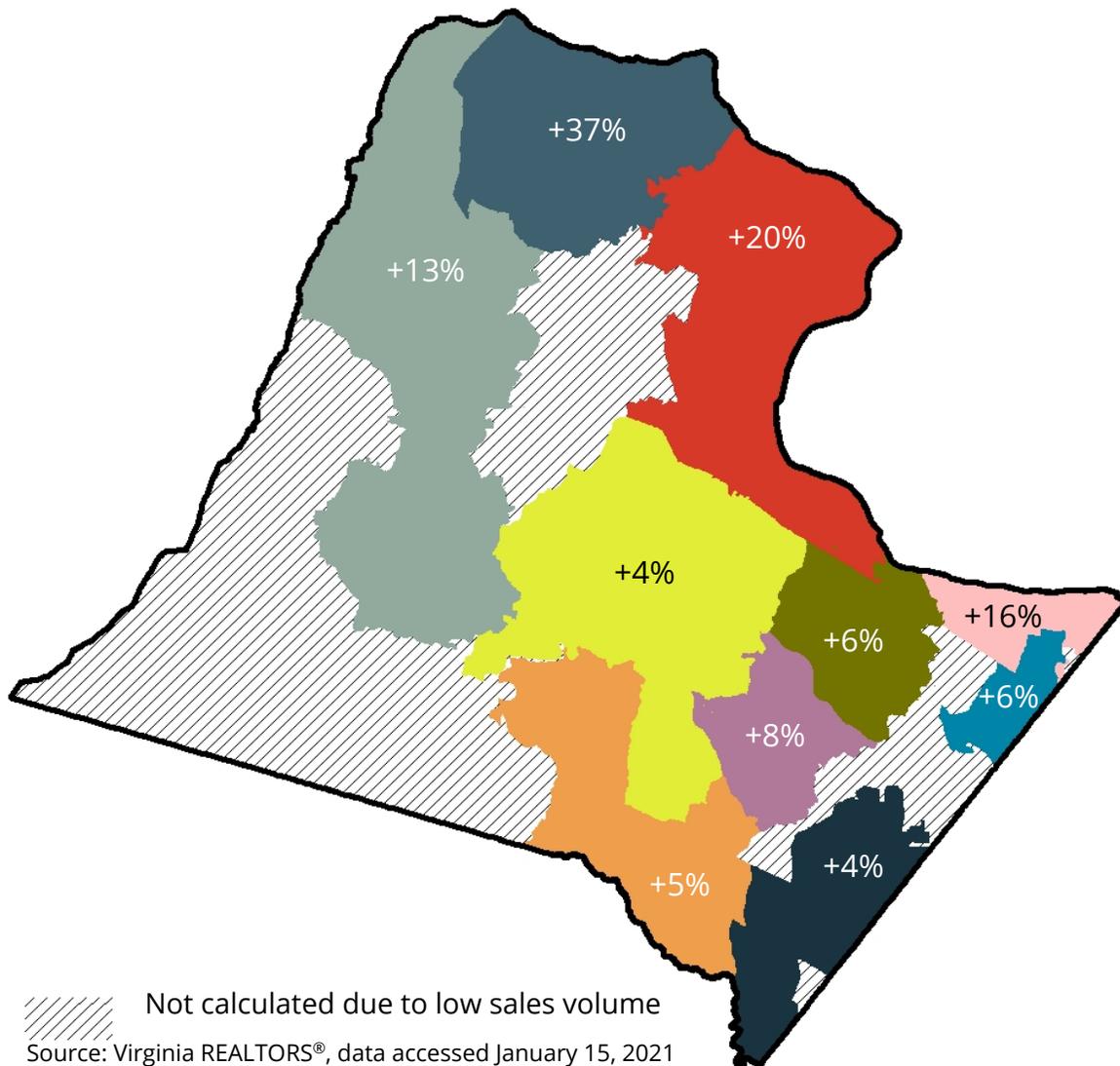
Figure 7
4th Quarter Median Sales Price, Loudoun County
2016-2020



Source: Virginia REALTORS®, data accessed January 15, 2021

Figure 8
Change in Median Sales Price by Zip Code
Loudoun County
4th Quarter 2019 to 4th Quarter 2020

Zip Code	2019 - Q4	2020 - Q4	% Change	Zip Code	2019 - Q4	2020 - Q4	% Change
20105 Aldie	\$665,000	\$694,995	5%	20164 Sterling	\$410,000	\$435,000	6%
20132 Purcellville	\$555,000	\$625,000	13%	20165 Sterling	\$449,950	\$520,000	16%
20147 Ashburn	\$486,000	\$515,000	6%	20175 Leesburg	\$495,000	\$513,750	4%
20148 Ashburn	\$548,569	\$591,300	8%	20176 Leesburg	\$510,000	\$612,500	20%
20152 Chantilly	\$543,000	\$564,990	4%	20180 Lovettsville	\$455,000	\$625,000	37%

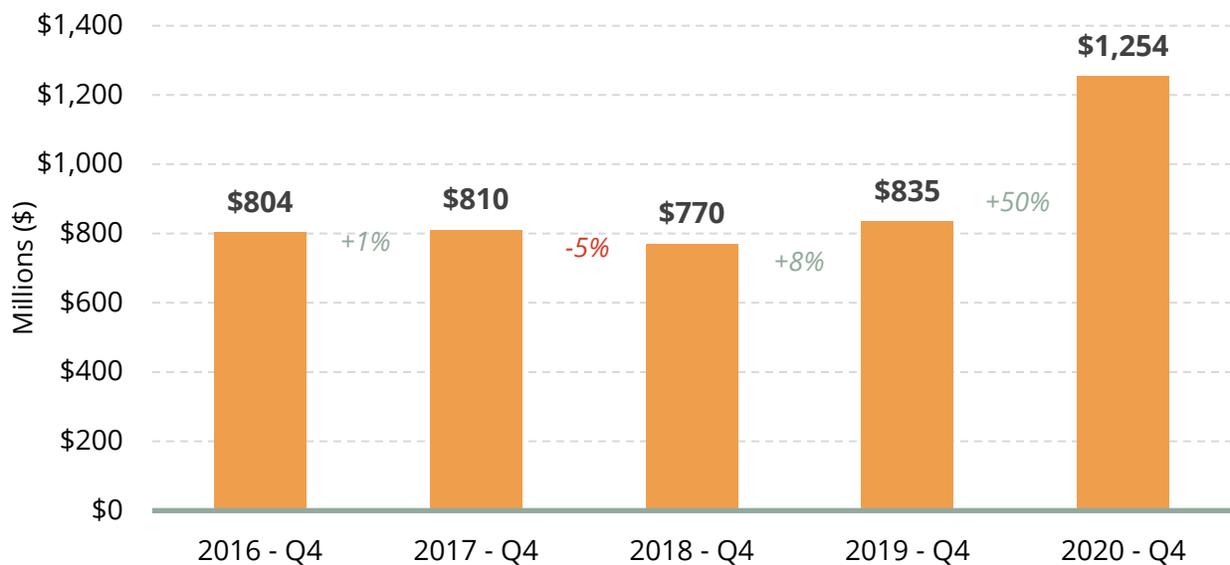


Sold Volume

The Loudoun County housing market had its strongest 4th quarter of sold volume in more than 5 years as both sales and home prices surged to multiyear highs. There was about \$1.25 billion of sold volume in the County during the 4th quarter, a dramatic 50% jump from last year, which is an additional \$419 million of sold volume. Other than a slowdown in the spring related to the COVID-19 pandemic, the sold dollar volume in Loudoun County has been climbing for about a year and a half and the pace of growth has accelerated in recent quarters.

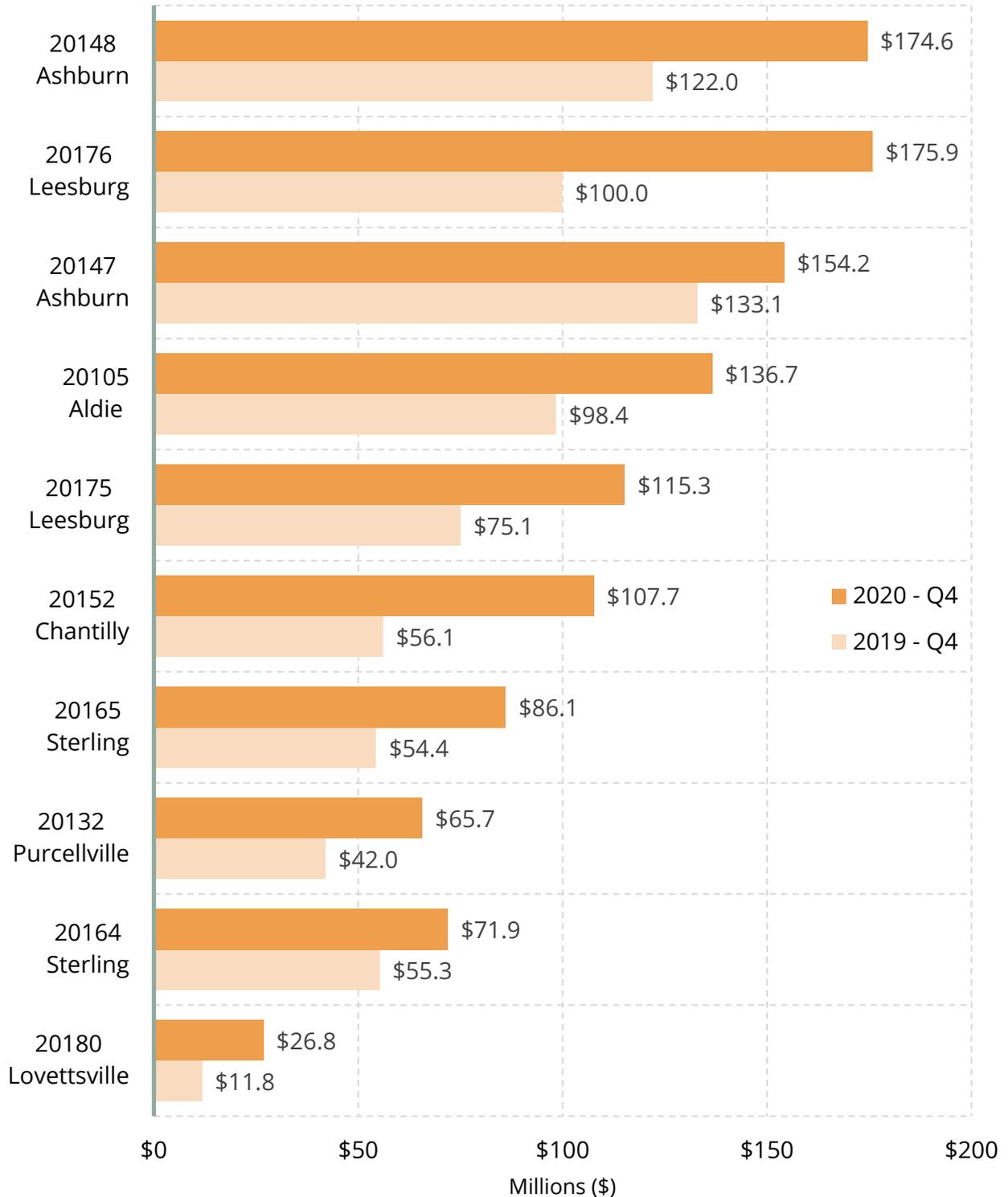
Sold volume is surging throughout the County. The largest percentage gain occurred in Lovettsville (zip code 20180), where the volume more than doubled from last year (+127%). The largest dollar gain this quarter happened in Leesburg (zip code 20176), where there was about \$75.9 million more sold volume than a year ago. Chantilly (zip code 20152) also had very strong volume growth this quarter, with \$51.6 million more volume, a 92% jump from the 4th quarter of last year.

Figure 9
4th Quarter Sold Dollar Volume (Millions), Loudoun County
2016-2020



Source: Virginia REALTORS®, data accessed January 15, 2021

Figure 10
4th Quarter Sold Dollar Volume, Loudoun County Zip Codes
2019 and 2020



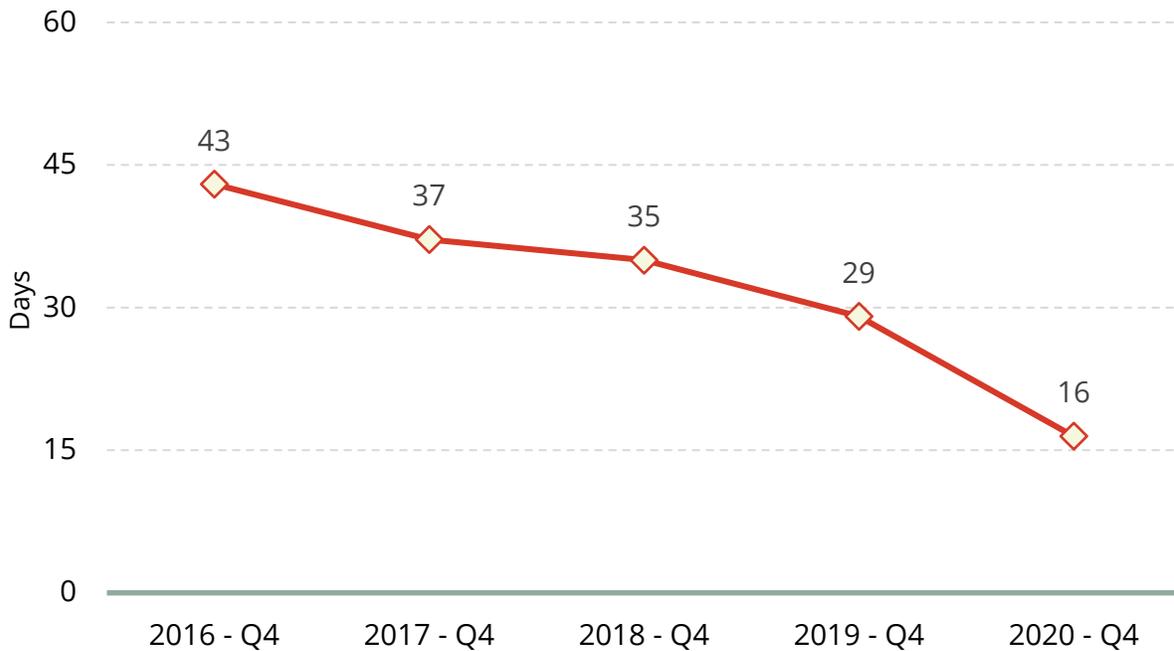
Source: Virginia REALTORS®, data accessed January 15, 2021

Days on Market

Homes that sold in Loudoun County during the 4th quarter were on the market an average of 16 days, which is about 2 weeks faster than last year (-13 days). Homes have been selling faster on average in the County for the past several years because buyers remain highly active in the market and the inventory of active listings is tight and shrinking. Statewide, homes were on the market for an average of 33 days in the 4th quarter.

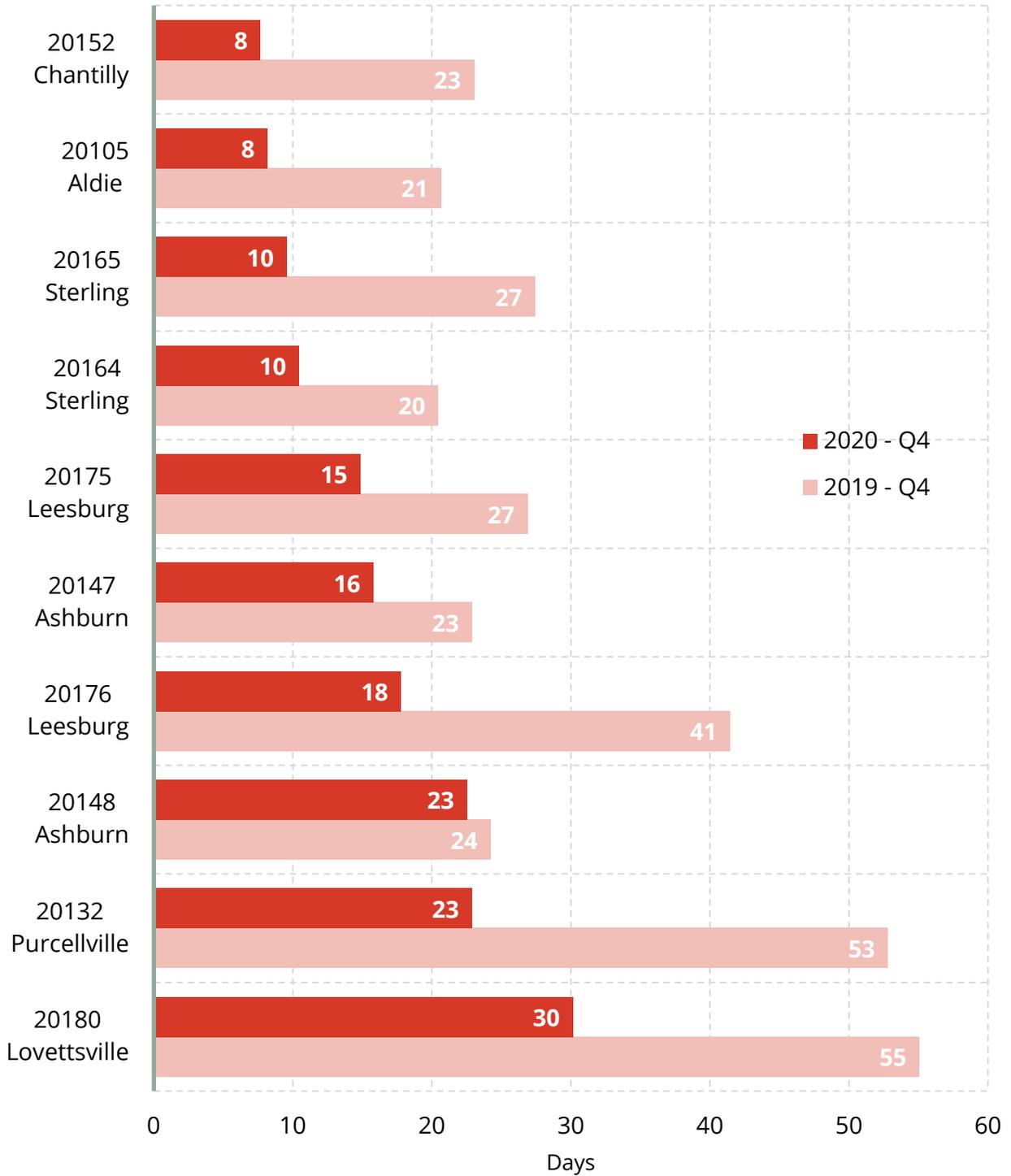
At the local level, the average days on market in Sterling (zip code 20164) was 10 days, 10 days faster than the 4th quarter of last year. At 23 days, the average days on market in Purcellville (zip code 20132) was about a month faster than last year (-30 days). It took about a week on average (8 days) to sell homes in Aldie (zip code 20105) and Chantilly (zip code 20152) this quarter.

Figure 11
4th Quarter Average Days on Market, Loudoun County
2016-2020



Source: Virginia REALTORS®, data accessed January 15, 2021

Figure 12
4th Quarter Average Days on Market, Loudoun County Zip Codes
2019 and 2020



Source: Virginia REALTORS®, data accessed January 15, 2021

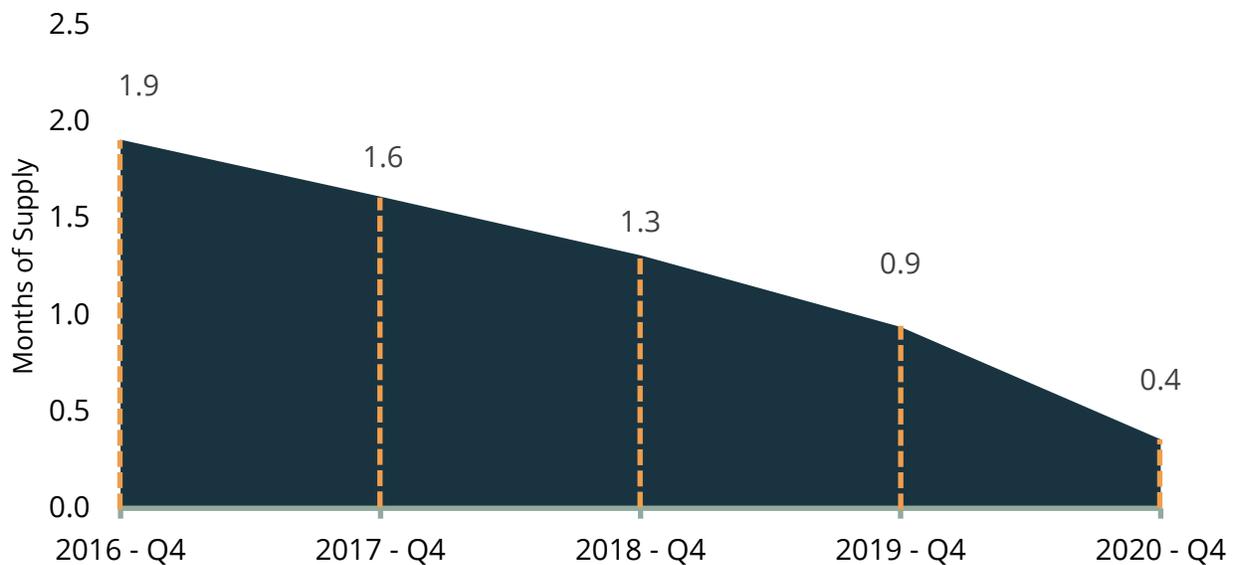
Inventory

The inventory of active listings in Loudoun County continues to shrink to new lows. There were only 231 active listings on the market in the County at the end of the 4th quarter, which is 318 fewer active listings than last year, representing a 58% reduction. The inventory has been shrinking for many years, but the pace has accelerated as sales activity is surging. The supply of active listings in the County is now only 15% of the level it was at the end of 2015. Similar trends continue to occur around the State. At the end of the 4th quarter, there was a total of 17,537 listings Statewide, a drop of more than 38% from a year ago.

All local markets are being impacted by the shrinking inventory. The largest supply drops this quarter occurred in Lovettsville (zip code 20180) and Purcellville (zip code 20132), down 81% and 79%, respectively. Leesburg (zip code 20176) also had a very large drop in inventory this quarter, falling 76% from last year.

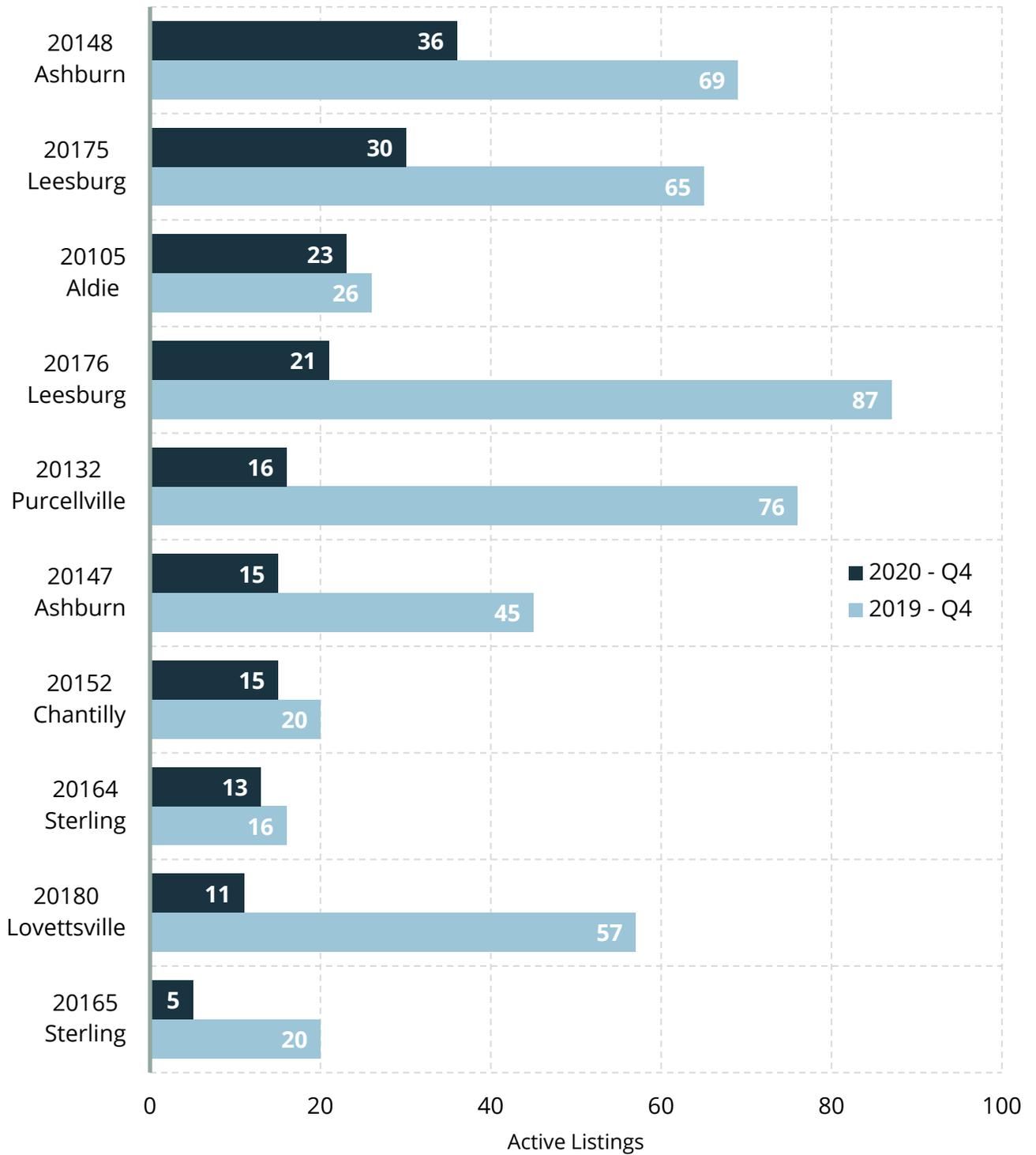
At the end of the 4th quarter, there was less than 1/2 month of supply in the Loudoun County housing market, down from about 1 month of supply a year ago. The months of supply is calculated by taking the average monthly sales over the preceding 12-month period and dividing it by the inventory of active listings.

Figure 13
End of 4th Quarter Months Supply, Loudoun County
2016-2020



Source: Virginia REALTORS®, data accessed January 15, 2021

Figure 14
End of 4th Quarter Active Listings, Loudoun County Zip Codes
2019 and 2020



Source: Virginia REALTORS®, data accessed January 15, 2021



The Virginia REALTORS® association is one of the largest professional trade associations in Virginia, representing 35,000 REALTORS® engaged in the residential and commercial real estate business. The Virginia REALTORS® association serves as the advocate for homeownership and private property rights and represents the interests of real estate professionals and property owners in the Commonwealth of Virginia.

NOTE: The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict code of ethics.

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Data and analysis provided by Virginia REALTORS® Chief Economist, Lisa Sturtevant, PhD.

The numbers reported here are preliminary and based on current entries into multiple listing services. Over time, data may be adjusted slightly to reflect increased reporting. Information is sourced from multiple listing services across Virginia and is deemed reliable, but not guaranteed.