

DAAR LOUDOUN

HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

DAAR Home Sales Report

Second Quarter 2021

Dulles Area Association of REALTORS®

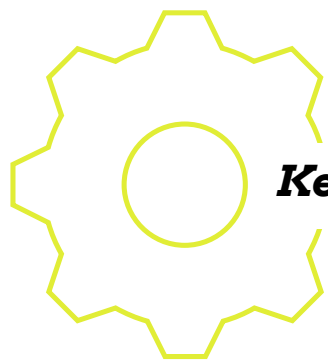
Market Report Key Takeaways

Economic Conditions

- In the second quarter of 2021, economic growth continued to expand both statewide and in the Dulles region. The unemployment rate is still falling, though the pace of job growth slowed a bit in May.
- Consumer confidence is up strongly in the second quarter, reflecting optimism about the economy and pent-up consumer demand.
- Mortgage rates have settled back to around 3% and likely will remain below 3.5% for the rest of the year.

Housing Market Conditions

- There were 2,676 homes sold in Loudoun County during the second quarter, a 43% increase from last year.
- Home prices are rising rapidly throughout the county. The second quarter median sales price was \$635,000, which is 20% higher than a year ago, a gain of \$105,000.
- The supply of homes for sale in Loudoun County continues to shrink rapidly. There were just 389 active listings in the county at the end of the second quarter, 32% fewer listings than this time last year.



Key Trends Dashboard, DAAR

Economy



3.3%

Is the May-2021 **unemployment rate** in Loudoun County, which is up from Apr-2021



2.98%

Is the **30-year fixed-rate mortgage rate** during the first week of July 2021, which is down 0.09% from a year ago

Housing Market



810

More **home sales** in Loudoun County in Q2-2021 compared to last year



20%

Percent change in **median sales price** in the Loudoun County housing market in Q2-2021 compared to a year ago



\$767.2

Million dollars more in total **sold volume** in the Loudoun County housing market in Q2-2021 compared to last year



-32%

Percent change in **active listings** at the end of Q2-2021 in Loudoun County compared to a year ago



0.5

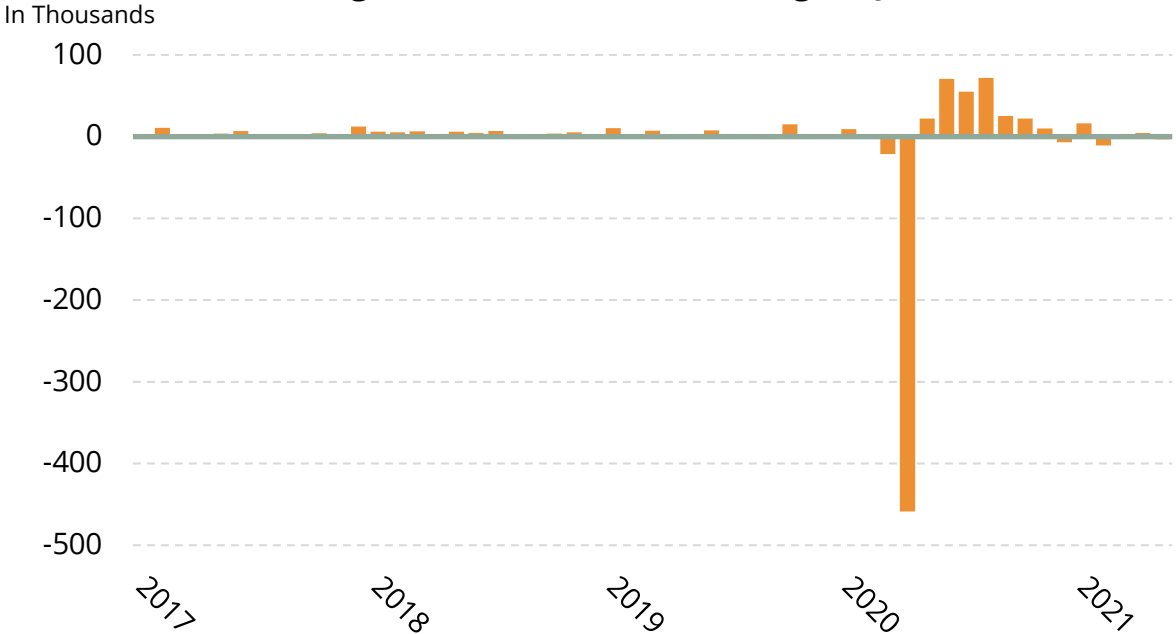
Months of supply in the Loudoun County housing market in Q2-2021, which is down from a year ago

Economic Overview

Virginia’s economy is opening back up as vaccination rates climb and restrictions have been lifted. There have been job gains across most sectors of the economy. In addition, there is significant pent-up consumer demand in the market, which is a good sign for strong economic growth this year. Even as signs are positive, there remains uncertainty about how COVID-19 will impact the economy over the long-term.

In May 2021, which is the latest data available, there was a total of 3.89 million jobs in Virginia. After several months of job gains, the number of jobs in the state declined slightly between April and May. This slowdown indicates the uncertainty that remains in the economy, although the overall employment picture remains positive in the commonwealth.

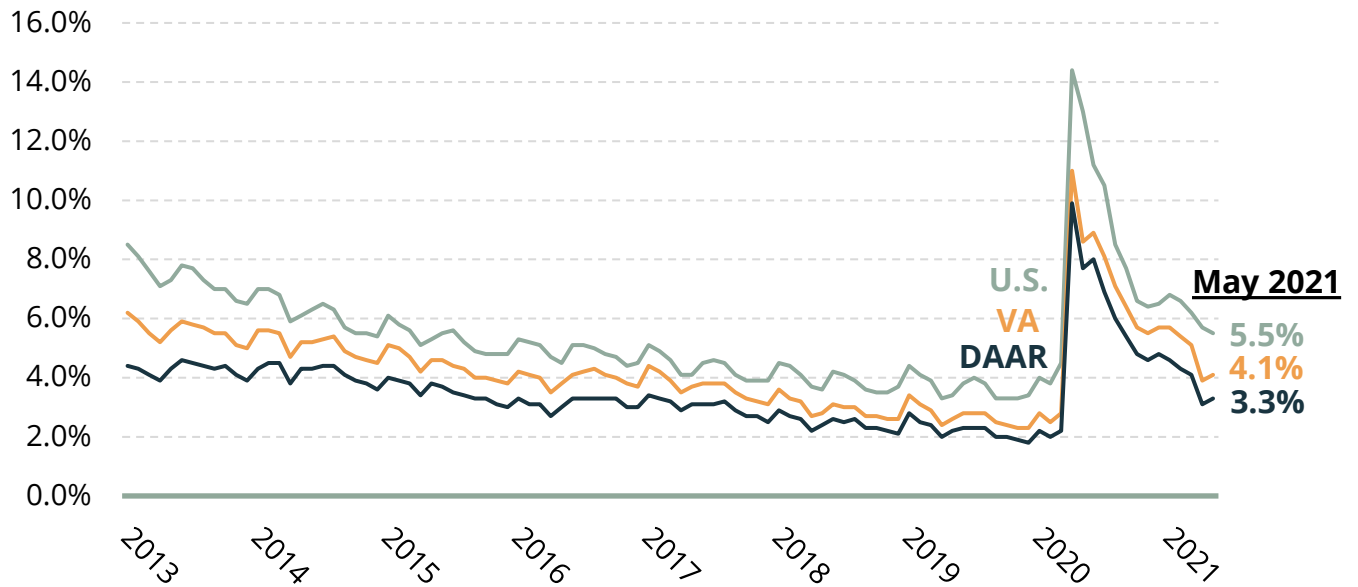
Figure 1
Virginia Month-to-Month Change in Jobs



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

The statewide unemployment rate was 4.1% in May 2021. The unemployment rate has fallen significantly from its peak last spring, although it remains higher than pre-pandemic levels. The unemployment rate in Loudoun County was 3.3% in May 2021, up slightly from 3.1% in April 2021, but down significantly from the peak of 9.9%. Like the rest of the state, the region’s economy should continue to improve in 2021 and unemployment likely will fall in the months ahead.

Figure 2
Unemployment Rate

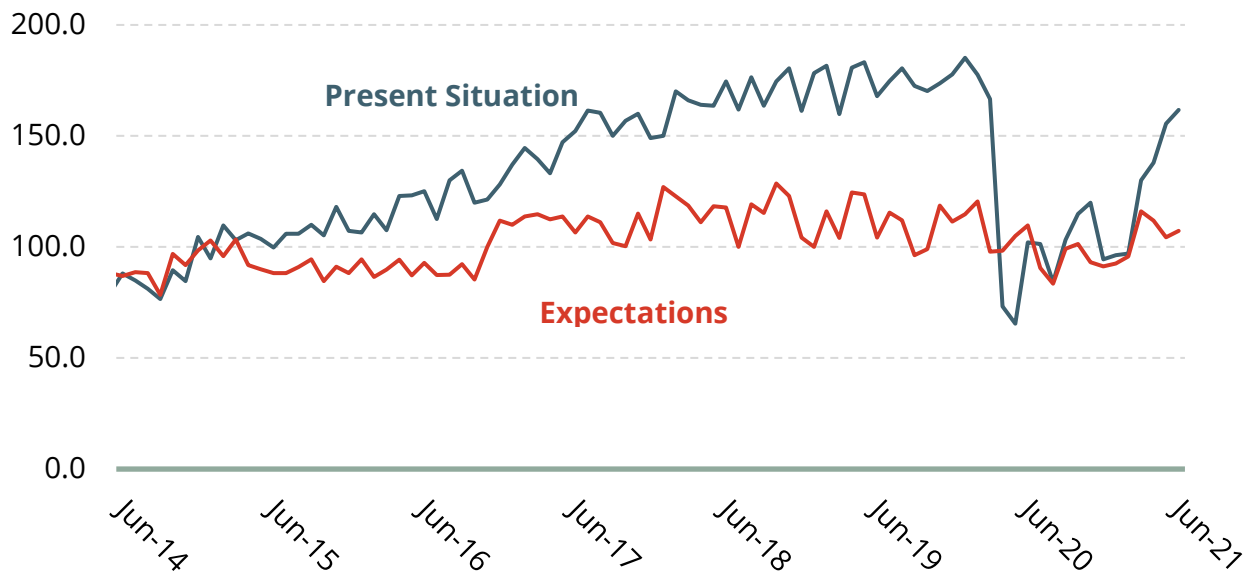


Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Consumer confidence continues to improve into the summer. In June 2021, the measure of confidence in the present economic situation was 161.7, up from 155.6 in May. The measure of consumers' confidence in future economic conditions rose to 107.2 in June, an increase from May, though below earlier springtime levels. A consumer confidence index above 100 indicates people are feeling more optimistic about economic conditions.

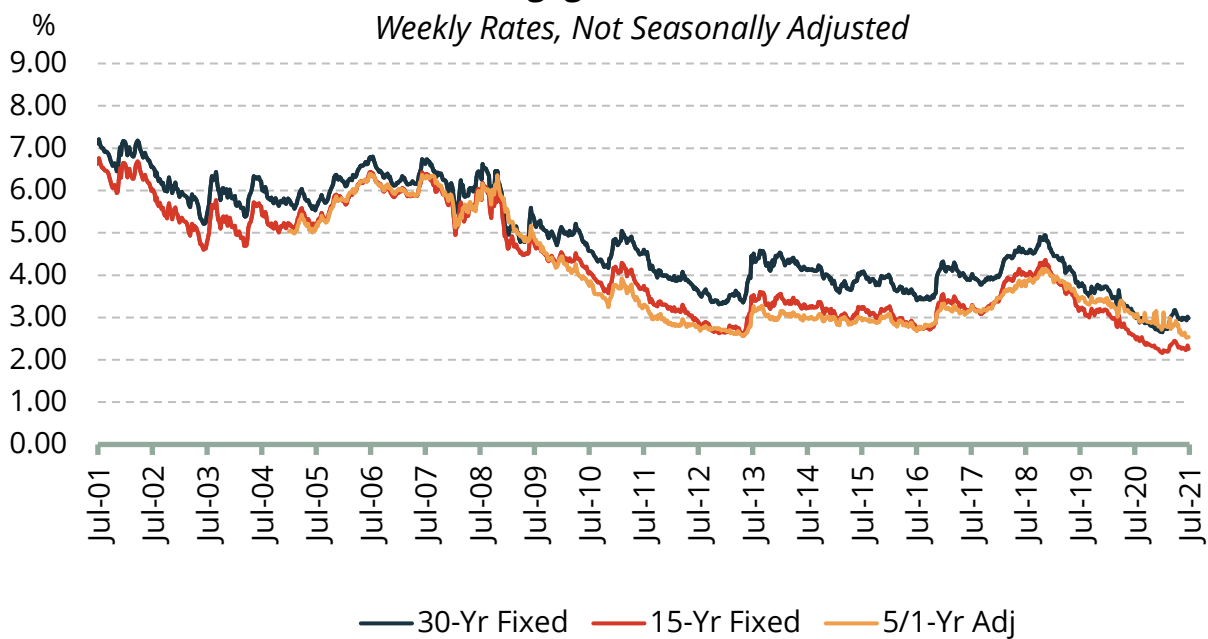
Mortgage rates hit rock bottom levels at the end of last year and into early 2021. Despite a brief uptick in rates in late March and early April, the average 30-year fixed-rate mortgage rate has settled back down to around 3% at the beginning of July. Mortgage rates likely will rise slightly over the course of the next several months, but it is likely that rates will remain below 3.5% throughout the 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

It was a competitive spring in the Loudoun County housing market. Sales activity expanded in nearly all local markets and prices are surging rapidly amid the tight supply, which is driving up the sold dollar volume significantly throughout the county. Homes are selling faster compared to last year, and the inventory of active listings continues to shrink in most areas.

Sales

It was a very busy spring in the Loudoun County housing market. There were 2,676 sales in the county during the second quarter, a 43% surge from a year ago. Sales activity increased dramatically all three months of the quarter, which covers April through June. It is not surprising that sales this quarter far exceeded last year's second quarter totals when the onset of the pandemic caused a significant market slowdown. Sales activity this quarter in the county is also above pre-pandemic levels; the total number of sales is about 22% higher than the second quarter of 2019. Statewide, the number of home sales in the second quarter was up 30% compared to last year and was 16% higher than second quarter 2019 sales totals.

Across the local markets, the strongest sales growth occurred in Ashburn zip code 20147 (+76%), Sterling zip code 20165 (+66%), and Sterling zip code 20164 (+57%). Chantilly zip code 20152 also had a strong quarter of sales activity compared to the prior year (+23%). For the second quarter in a row, Lovettsville zip code 20180 was the only local area to have a slight decline in sales this quarter, inching down 2% from the first quarter of last year. It is important to note however, that Lovettsville was the only local market that did not experience a drop in sales last spring at the beginning of the pandemic.

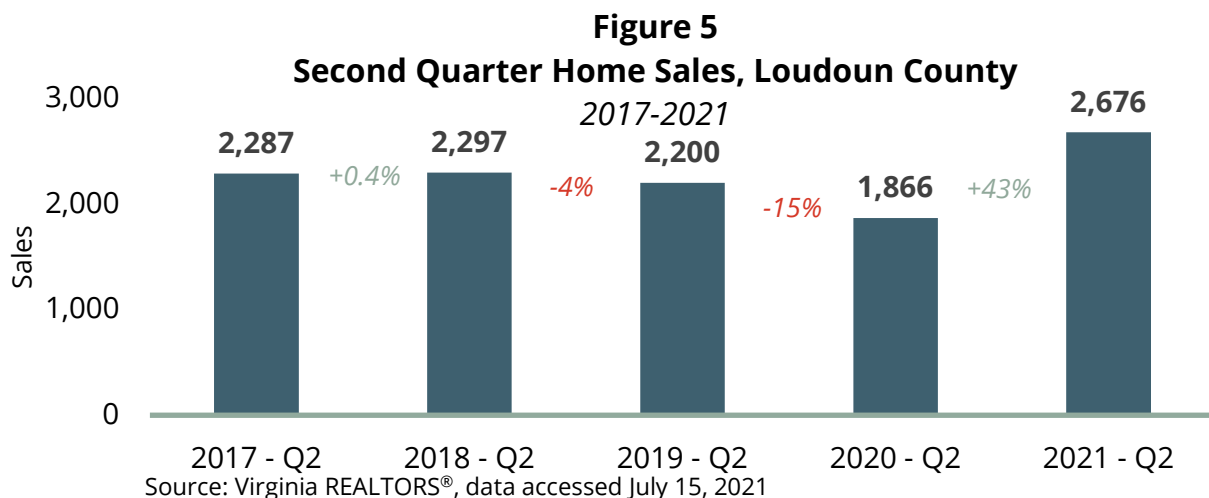
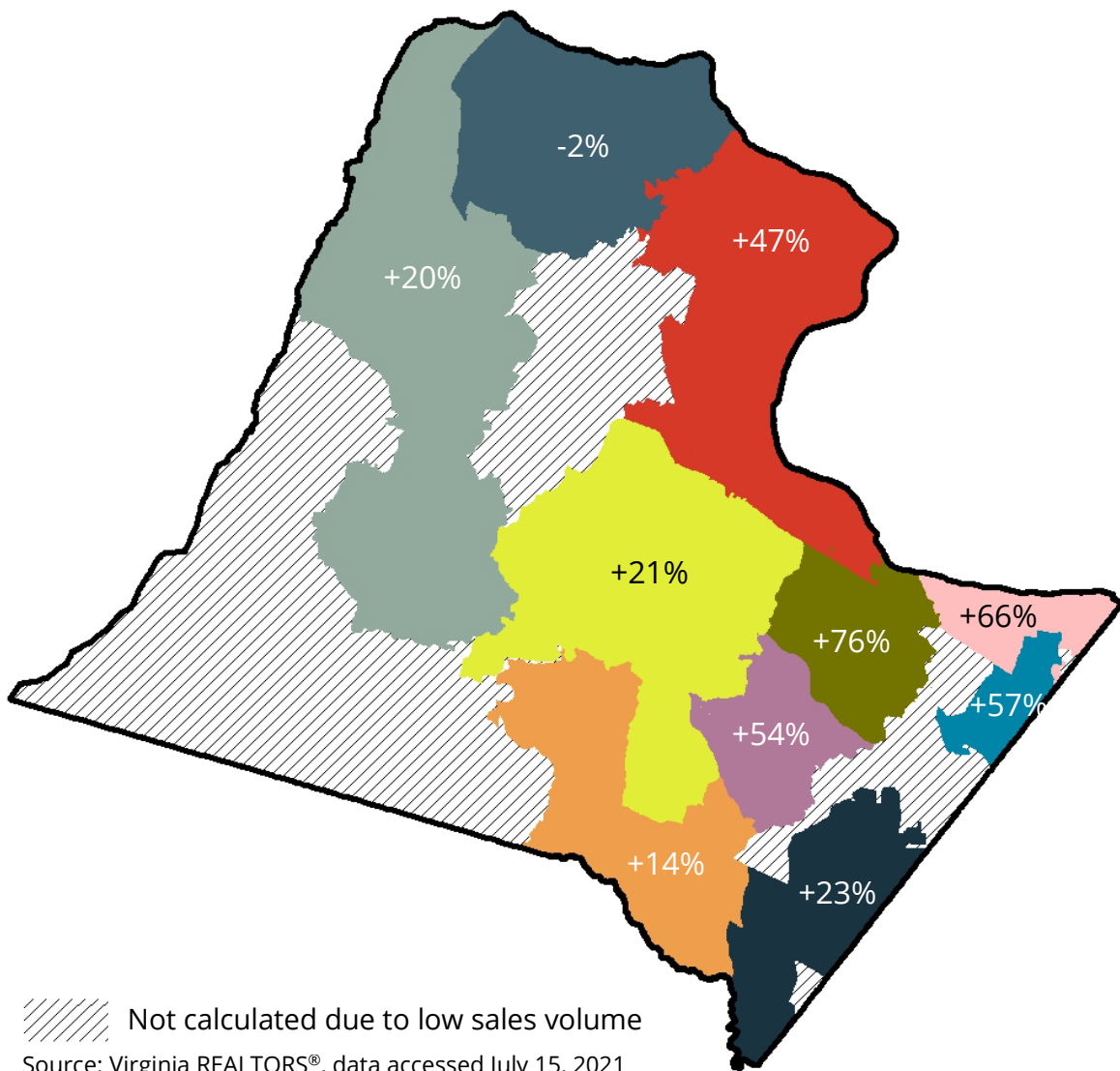


Figure 6
Change in Sales by Zip Code
Loudoun County
Second Quarter 2020 to Second Quarter 2021

<i>Jurisdiction</i>	<i>2020 - Q2</i>	<i>2021 - Q2</i>	<i>% Change</i>	<i>Jurisdiction</i>	<i>2020 - Q2</i>	<i>2021 - Q2</i>	<i>% Change</i>
20105 Aldie	188	215	14%	20164 Sterling	145	228	57%
20132 Purcellville	92	110	20%	20165 Sterling	140	232	66%
20147 Ashburn	248	437	76%	20175 Leesburg	169	204	21%
20148 Ashburn	280	430	54%	20176 Leesburg	224	330	47%
20152 Chantilly	168	207	23%	20180 Lovettsville	55	54	-2%

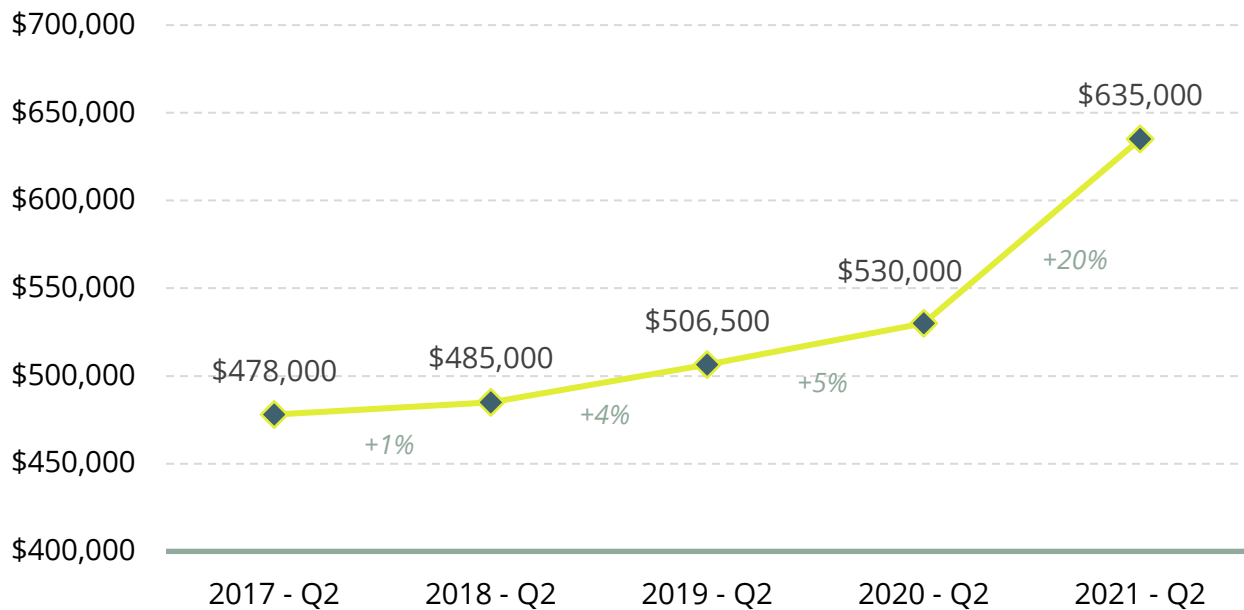


Sales Prices

Dramatic price growth continues across all local markets in Loudoun County. The second quarter median sales price in the county was \$635,000, which is \$105,000 higher than a year ago, representing a 20% spike. This is by far the largest quarterly price increase the county has had in more than five years. Upward pressure on prices driven by low inventory and active buyers has been consistent in the county's housing market for several years. Statewide, the second quarter median sales price was \$365,000, up 16% from this time last year.

All local markets in the county had significant price growth this quarter. The sharpest dollar increase occurred in Ashburn zip code 20148 where the second quarter median sales price soared to \$725,000, a \$155,000 increase from a year ago (+27%). Similar price growth occurred in Leesburg zip code 20175, where the second quarter median sales price spiked up \$150,000 from last year to \$660,000 (+29%). The median sales price in Purcellville was \$677,001, up \$112,001 from the second quarter last year (+20%).

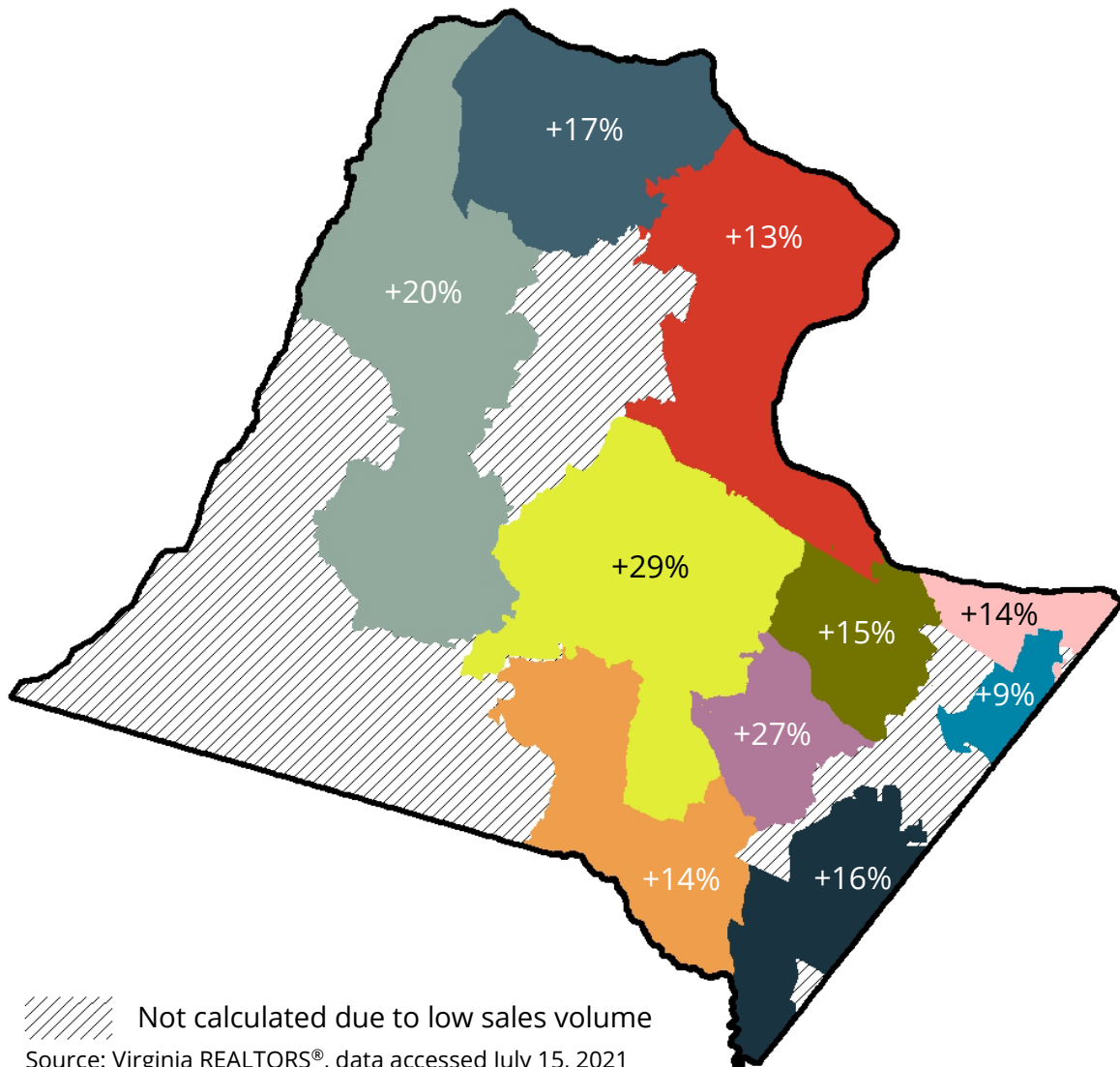
Figure 7
Second Quarter Median Sales Price, Loudoun County
2017-2021



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

Figure 8
Change in Median Sales Price by Zip Code
Loudoun County
Second Quarter 2020 to Second Quarter 2021

Zip Code	2020 - Q2	2021 - Q2	% Change	Zip Code	2020 - Q2	2021 - Q2	% Change
20105 Aldie	\$663,634	\$755,000	14%	20164 Sterling	\$430,200	\$470,000	9%
20132 Purcellville	\$565,000	\$677,001	20%	20165 Sterling	\$509,000	\$577,790	14%
20147 Ashburn	\$515,000	\$592,000	15%	20175 Leesburg	\$510,000	\$660,000	29%
20148 Ashburn	\$570,000	\$725,000	27%	20176 Leesburg	\$600,000	\$675,000	13%
20152 Chantilly	\$571,200	\$665,000	16%	20180 Lovettsville	\$506,500	\$594,000	17%



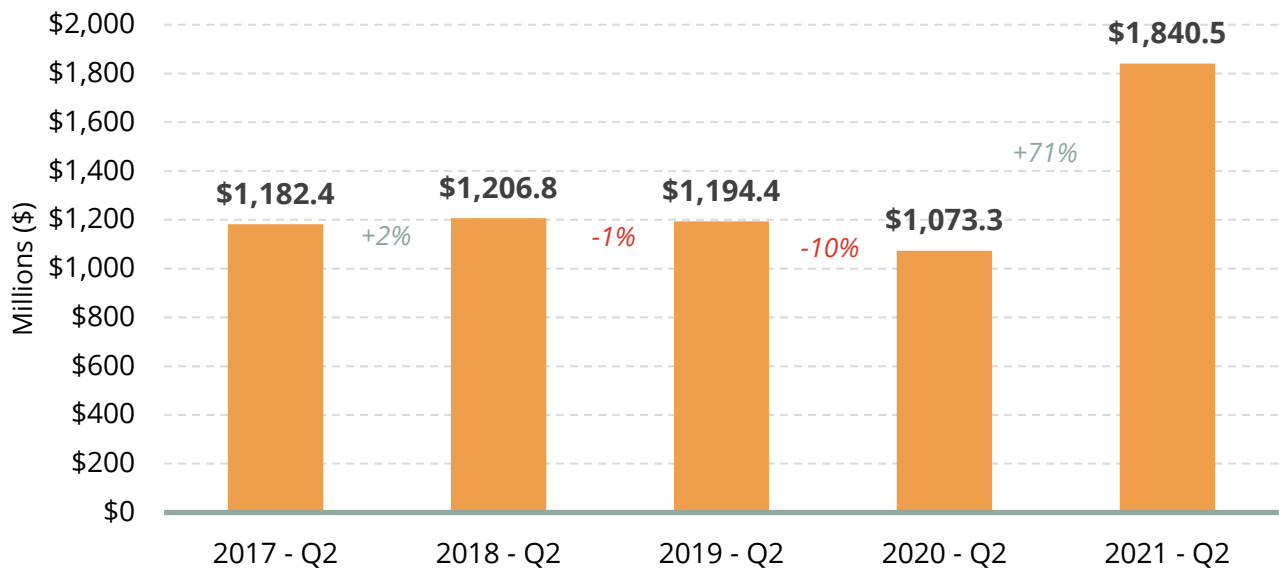
Not calculated due to low sales volume
 Source: Virginia REALTORS®, data accessed July 15, 2021

Sold Volume

The red-hot housing market in Loudoun County is clearly reflected in the swell of sold dollar volume that occurred this quarter. There was approximately \$1.8 billion of sold volume in the county during the second quarter, a staggering \$767.2 million increase from a year ago, representing a 71% surge. While the market slowdown last spring is making the volume gains larger this quarter, the sold volume this quarter also far outpaces pre-pandemic levels, up 54% from the second quarter of 2019 (+646.1 million).

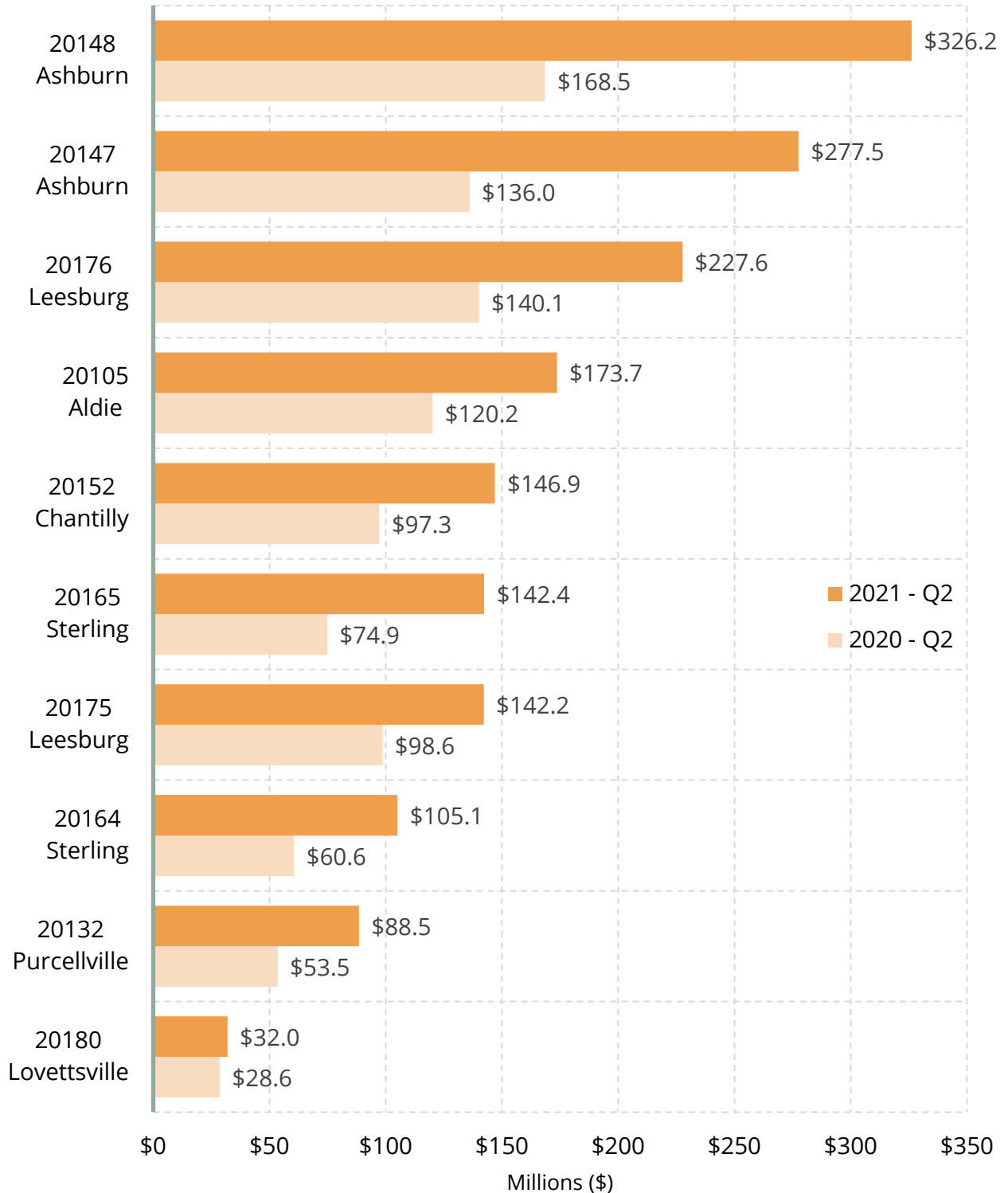
The sold dollar volume in Ashburn zip code 20147 more than doubled from the first quarter of last year (+104%), a gain of about \$141.5 million. Both zip codes in Sterling, 20164 and 20165, also had very large sold volume gains, up 74% and 90%, respectively, from the second quarter last year.

Figure 9
Second Quarter Sold Dollar Volume (Millions), Loudoun County
2017-2021



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

Figure 10
Second Quarter Sold Dollar Volume, Loudoun County Zip Codes
2020 and 2021



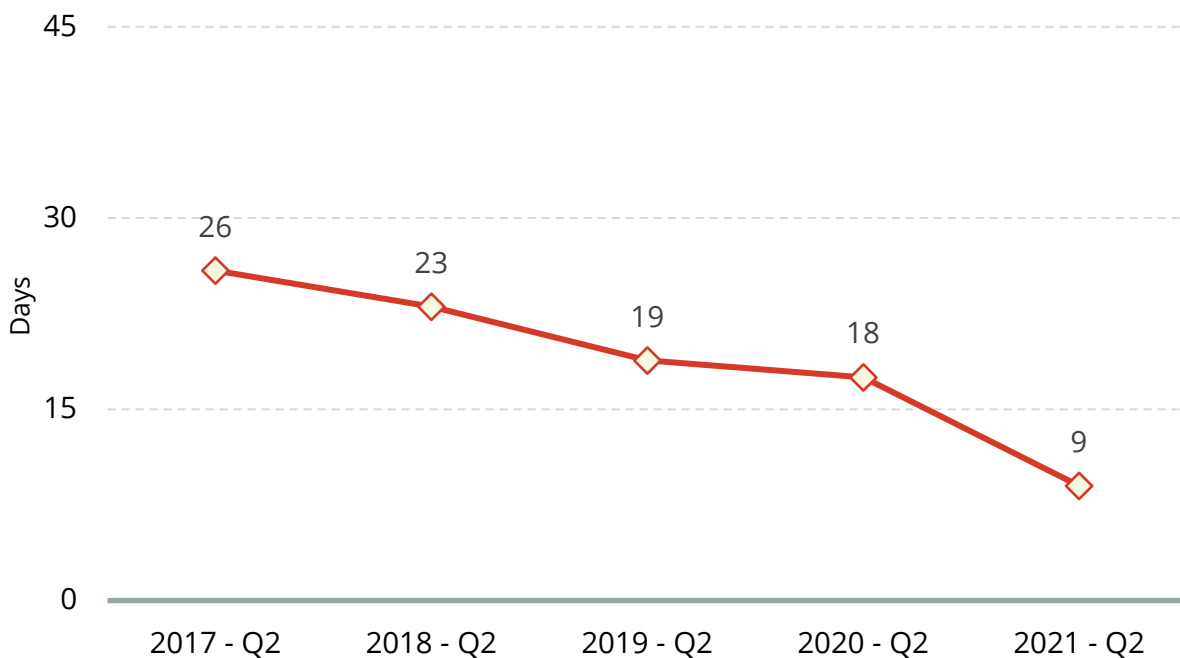
Source: Virginia REALTORS®, data accessed July 15, 2021

Days on Market

Homes in Loudoun County continue to sell much faster than last year. The second quarter average days on market in the county was just nine days, which is nine days faster than a year ago. The shrinking supply of homes listed for sale in the county is causing more competition among active buyers in the market, which is causing homes to sell faster, a trend that has been consistent in the county since 2016. Statewide, homes sold in an average of 22 days in the second quarter, down from 40 days a year ago.

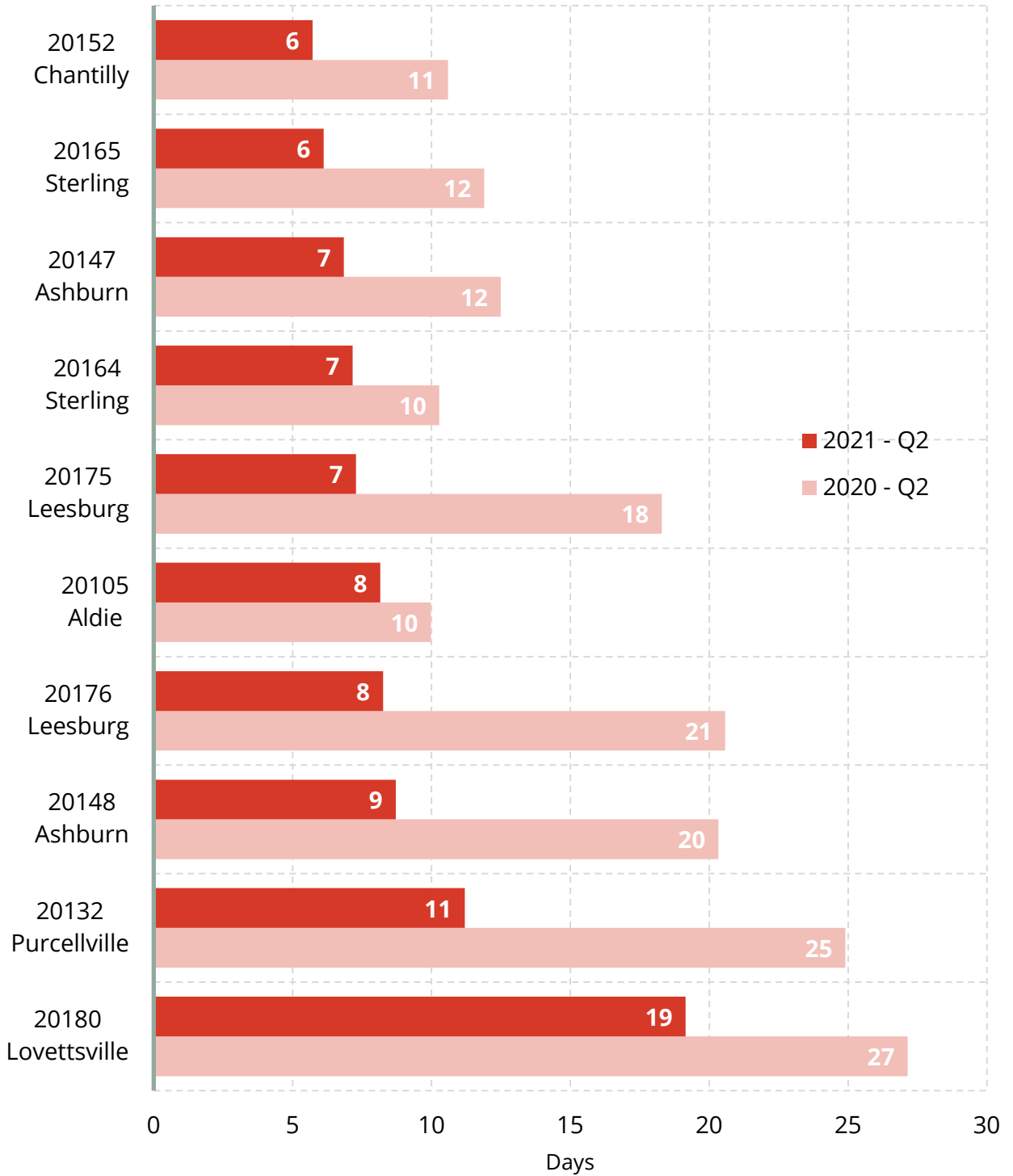
Average days on market was down in all local markets in the county. The average days on market in Purcellville zip code 20132 was 11 days, which is two weeks faster than a year ago (-14 days). Homes that sold in Aldie zip code 20105 in the second quarter were on the market an average of about a week (8 days), which is two days faster than a year ago. It also took about a week to sell a home on average in Leesburg zip code 20176 (8 days), which is about two weeks faster than the second quarter last year (-13 days).

Figure 11
Second Quarter Average Days on Market, Loudoun County
2017-2021



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

Figure 12
Second Quarter Average Days on Market, Loudoun County Zip Codes
2020 and 2021



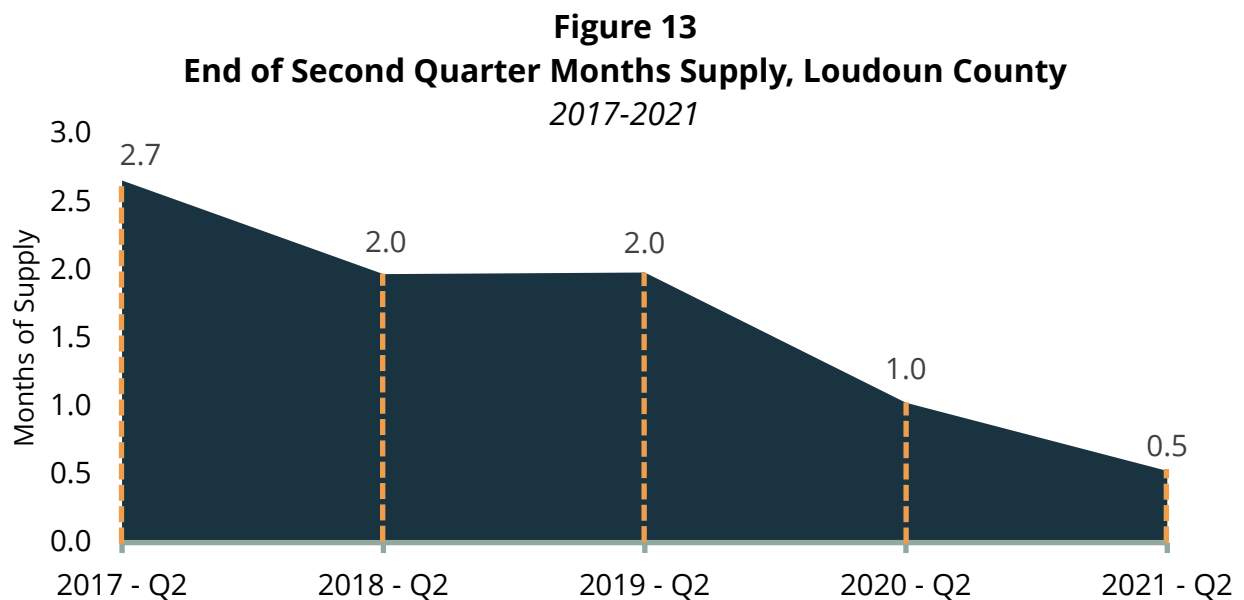
Source: Virginia REALTORS®, data accessed July 15, 2021

Inventory

Supply in the Loudoun County housing market continues to be tight. There were just 389 active listings in the county at the end of the second quarter, 32% fewer listings than at this time last year, which is a reduction of 187 listings. The low supply of homes available in the county continues to be a major factor for both buyers and sellers. Many potential buyers, particularly first-time homebuyers, are having trouble competing with other buyers due to the rapid price increases and bidding wars. In addition, would-be sellers also are impacted because there are limited options of homes to move into after they sell, which is causing many to remain in their current homes. These trends are occurring both locally and all throughout the commonwealth. At the end of the second quarter, there was a total of 19,346 active listings on the market statewide, down 18% from a year ago.

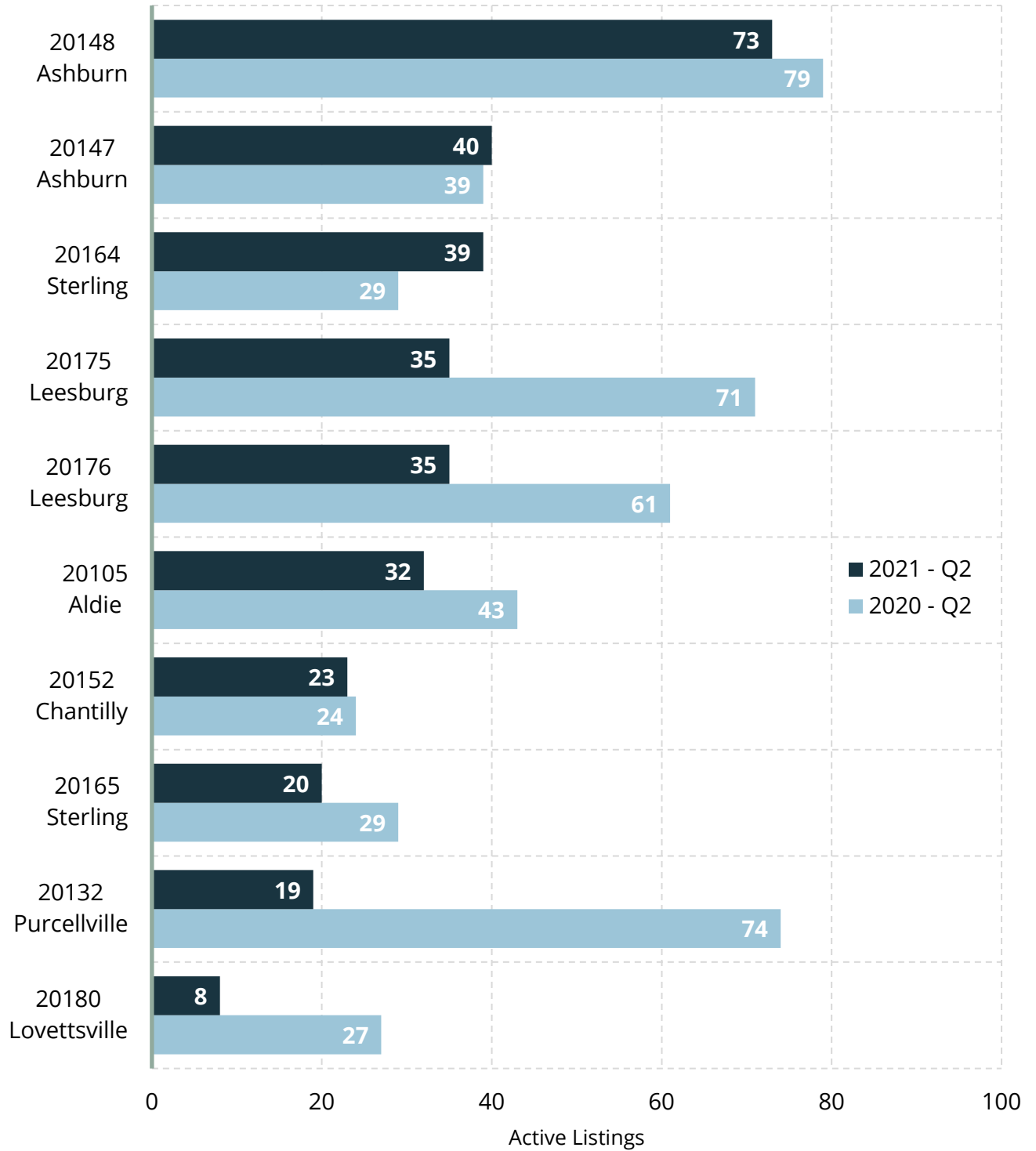
At the local level, the sharpest inventory declines this quarter occurred in Purcellville zip code 20132 (-74%), Lovettsville zip code 20180 (-70%), and Leesburg zip code 20175 (-51%). Sterling zip code 20164 had 10 additional listings compared to the end of the second quarter last year, which is a 34% increase. This is the largest inventory jump that zip code has had in more than five years.

There was about a half of a month of supply at the end of the second quarter in Loudoun County, down from one month of supply a year ago. The months of supply metric is calculated by taking the average monthly sales over the preceding 12-month period and dividing it by the inventory of active listings.



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

Figure 14
End of Second Quarter Active Listings, Loudoun County Zip Codes
2020 and 2021



Source: Virginia REALTORS®, data accessed July 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.

All inquiries regarding this report may be directed to:

Robin Spensieri
Virginia REALTORS® Vice President of Communications and Media Relations
rspensieri@virginiarealtors.org
804-622-7954

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.