

# DAAR LOUDOUN

## HOME SALES REPORT

CUSTOM REPORT PREPARED BY  
**VIRGINIA REALTORS®**

# DAAR Home Sales Report

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## Second Quarter 2022

Dulles Area Association of REALTORS®

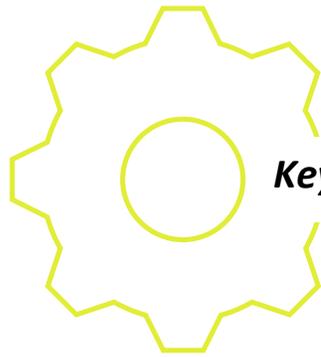
### Market Report Key Takeaways

#### Economic Conditions

- Virginia's job market continues to recover from the pandemic-related losses. The state added 6,600 jobs between April and May and is now about 42,200 jobs short of pre-pandemic levels. Most of the growth this month was in the Leisure and Hospitality sector.
- Despite growing economic uncertainty and rising inflation, unemployment remains very low. In May, the unemployment rate was 3% statewide, and 2.5% in Loudoun County.
- Mortgage rates are on the rise but have dipped from a month ago. In the third week of July, the average 30-year rate was 5.54%, up from the prior week, but down from the end of June when it was 5.7%.

#### Housing Market Conditions

- There were 2,067 homes sold in the Loudoun County market in the second quarter. This is a 24% drop from the second quarter a year ago, which is 649 fewer sales. The market has been cooling in the area for four straight quarters.
- Prices are surging in the Loudoun County housing market even as sales activity is slowing. The countywide median sales price was \$705,000 in the second quarter, jumping up 11% from a year ago, a gain of \$70,000.
- There was a huge increase in supply in Loudoun County this quarter. There were 655 active listings across the county at the end of the second quarter, 263 more listings than last year. This is the largest inventory build up in the county in seven years.



## Key Trends Dashboard, DAAR

### Economy



**2.5%**

Is the May-2022 **unemployment rate** in Loudoun County, which is up from Apr-2022



**5.54%**

Is the **30-year fixed-rate mortgage rate** during the third week of July 2022, which is up 2.76 percentage points from a year ago

### Housing Market



**-649**

Fewer **home sales** in Loudoun County in Q2-2022 compared to last year



**11%**

Percent change in **median sales price** in the Loudoun County housing market in Q2-2022 compared to a year ago



**-\$272.3**

Million dollars less in total **sold volume** in the Loudoun County housing market in Q2-2022 compared to last year



**67%**

Percent change in **active listings** at the end of Q2-2022 in Loudoun County compared to a year ago



**1**

**Month of supply** in the Loudoun County housing market in Q2-2022, which is up from a year ago

# Economic Overview

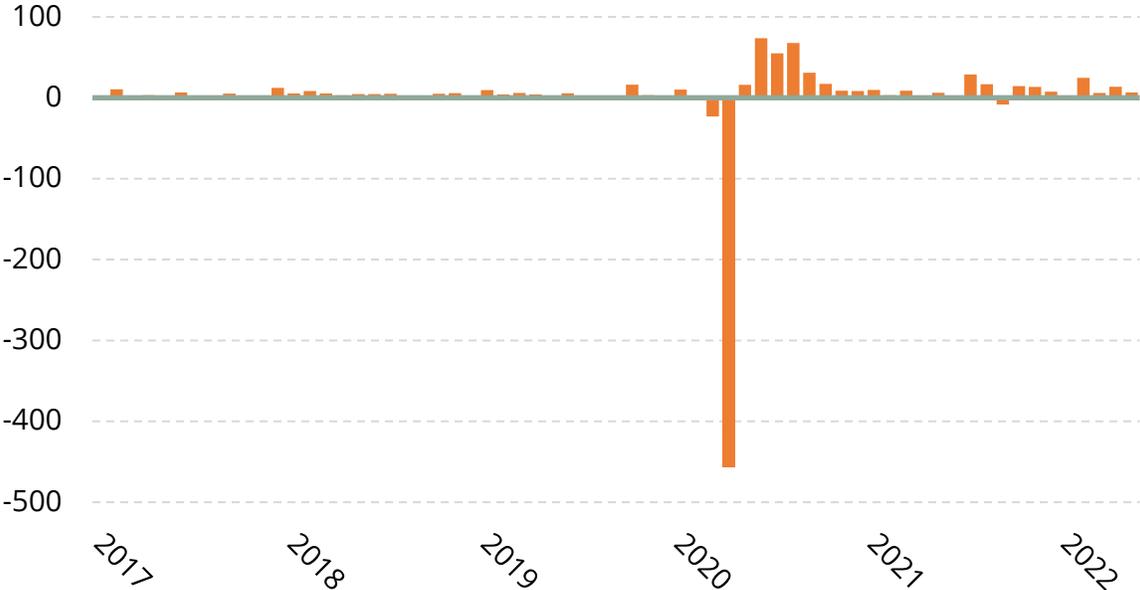
There continues to be a lot of economic uncertainty as inflation lingers at a 40-year high and supply chain issues persist. Mortgage interest rates are climbing, and purchasing power is down, leaving many buyers on the sidelines. Despite these headwinds, Virginia’s job base continues to grow, and unemployment remains very low.

## Jobs

In May 2022, there were 4.04 million jobs across Virginia, a gain of 6,600 jobs between April and May. Virginia’s job base has been expanding for the past two years and is now about 46,200 shy of pre-pandemic levels. Several job sectors have fully recovered and have actually expanded since the start of the pandemic, including the Professional and Technical Services sector, and the Federal Government sector. The homeownership rate within these two job sectors tends to be relatively high, so growth in these sectors provides fuel for the housing market in Virginia.

One of the fastest growing job sectors in recent months has been the Leisure and Hospitality sector. This sector was hit the hardest by the pandemic and is still recovering.

**Figure 1**  
**Virginia Month-to-Month Change in Jobs**

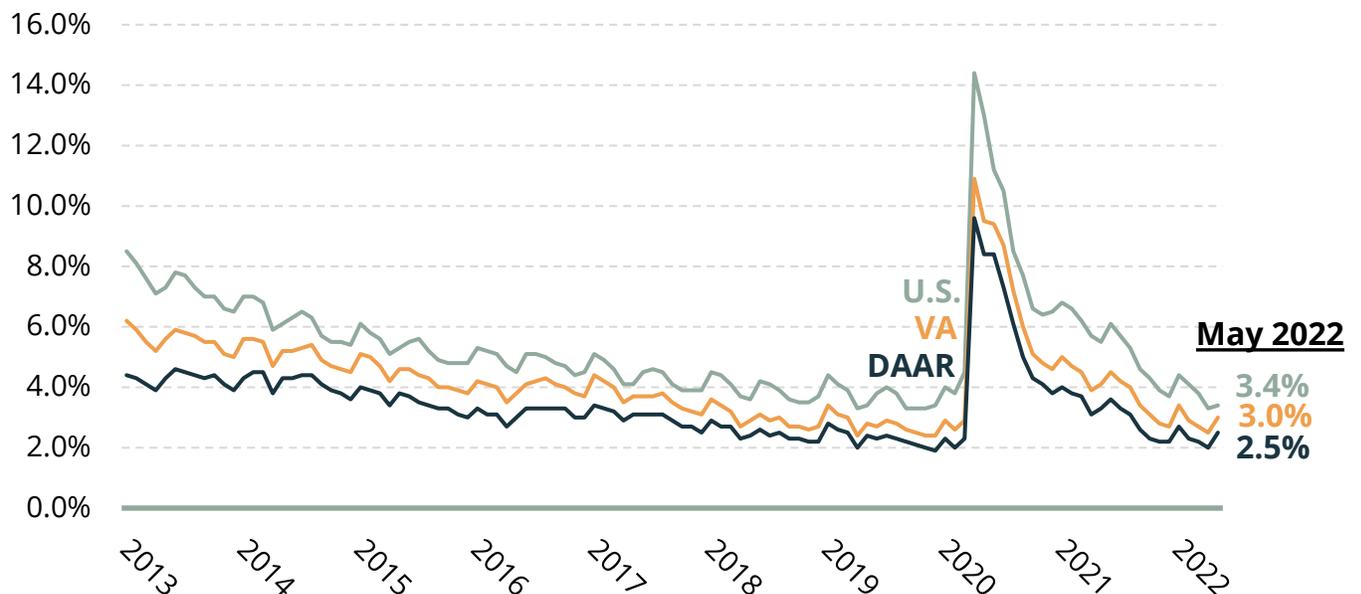


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

## Unemployment

The unemployment rate continues to be a bright spot in Virginia's economy amid mounting inflation and economic uncertainty. In May, the unemployment rate in Virginia was 3% (not seasonally adjusted), which is up from 2.5% in April. This is a typical seasonal increase in the unemployment rate. In Loudoun County, the May unemployment rate was 2.5%, which is up from 2% in April.

**Figure 2**  
**Unemployment Rate**



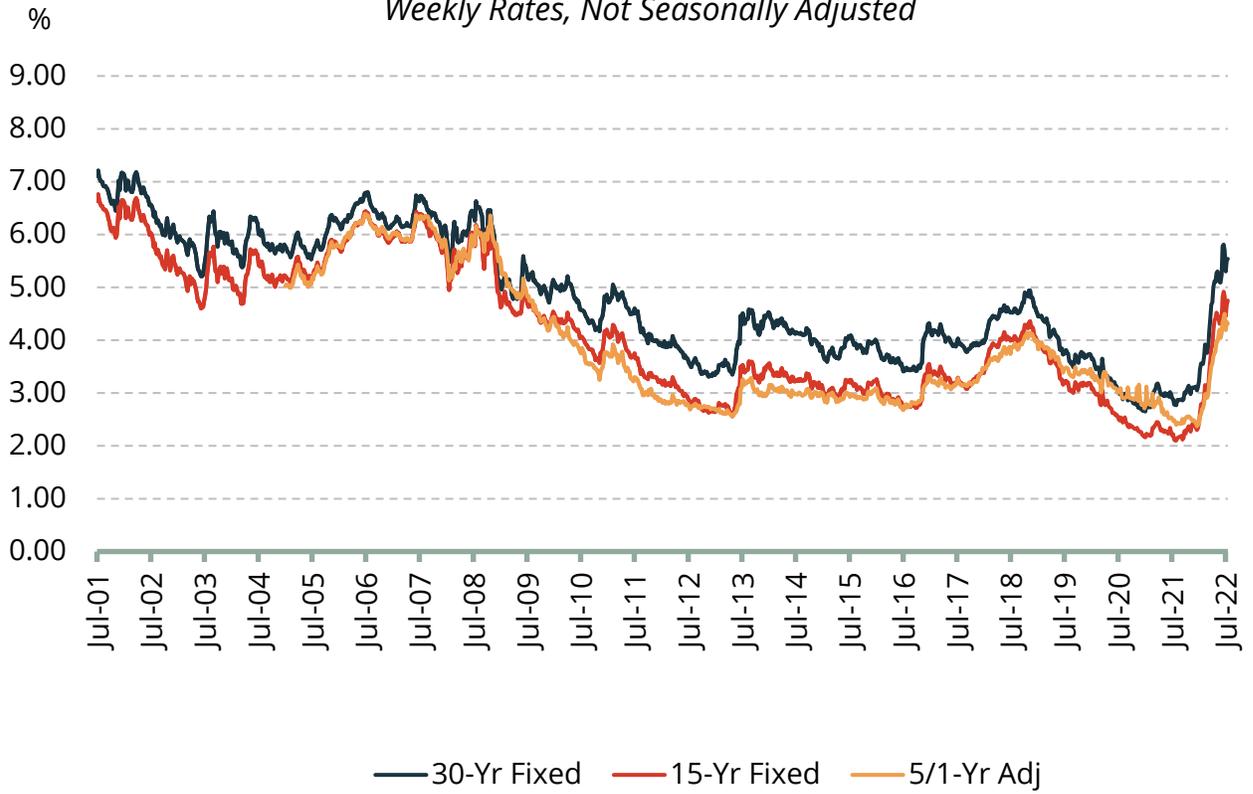
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

## Mortgage Rates

The average rate on a 30-year fixed mortgage in the third week of July was 5.54%, which is up from the prior week, but down from the end of June when it was 5.7%. Upward pressure on interest rates is likely to continue as the Federal Reserve is set to increase the Federal Funds Rate at the end of July amid rising inflation. Mortgage rates have increased more than two percentage points so far this year, which has had a cooling effect on housing markets across the country, including here in Virginia.

**Figure 3**  
**Mortgage Interest Rates**

*Weekly Rates, Not Seasonally Adjusted*



Source: Freddie Mac

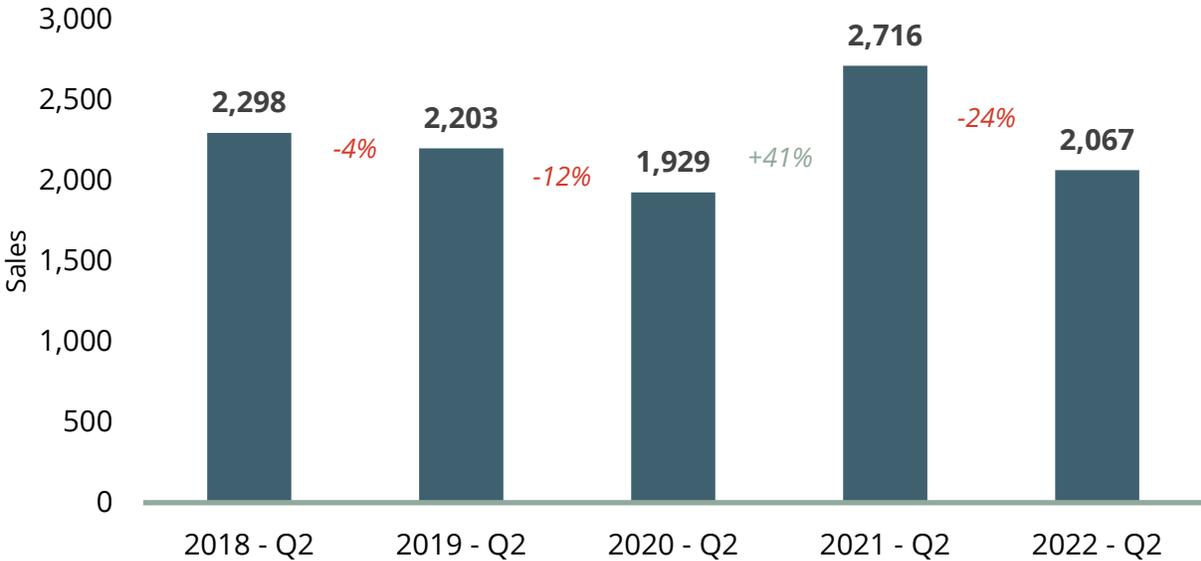
# Housing Market Overview

The Loudoun County housing market continues to show signs of cooling. Sales activity was slower than this time last year, the fourth drop in a row. Despite fewer sales overall, home prices continue to climb rapidly in the county, and homes are selling faster on average. The tight inventory is keeping upward pressure on home prices. While the supply remains low, the county did have another large increase in active listings this quarter, a signal that the inventory is building up in many local markets.

## Sales

Home sales activity continued to slow down in the Loudoun County housing market. There were 2,067 sales countywide during the second quarter of 2022, which is 24% fewer sales than a year ago, a decline of 649 sales. This is the sharpest drop in sales the Loudoun County market has had in more than seven years. Sales activity moderated all three months in the second quarter (April through June) compared to the busy pace last year. Nearly all local markets had a slowdown in sales this quarter compared to last year. The sharpest decrease was in Lovettsville ZIP code 20180 (-50%), Ashburn ZIP code 20147 (-28%), and Leesburg ZIP code 20176 (-27%). Statewide sales activity moderated this quarter, down 14% from the second quarter of last year.

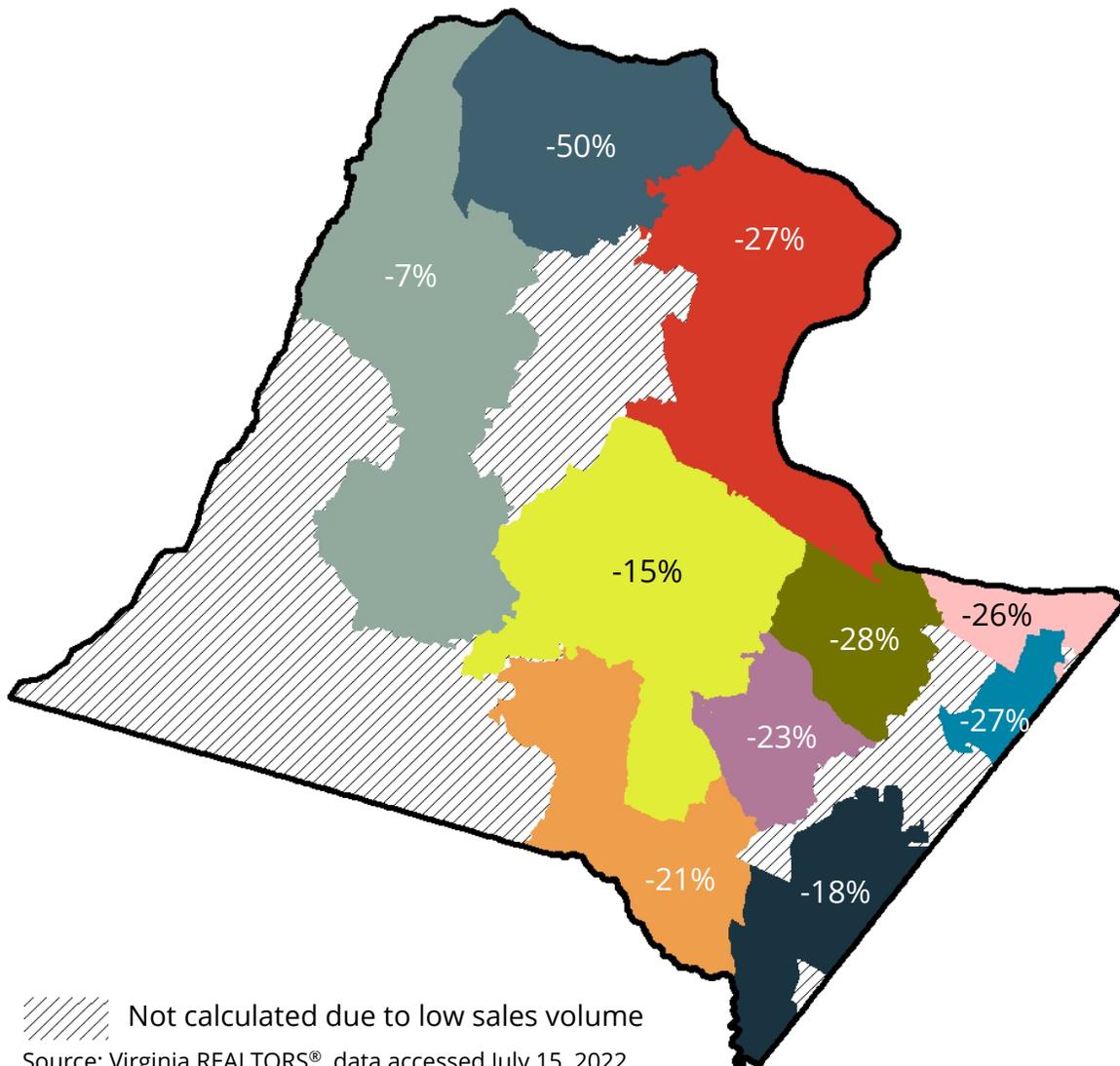
**Figure 4**  
**Second Quarter Home Sales, Loudoun County**  
2018-2022



Source: Virginia REALTORS®, data accessed July 15, 2022

**Figure 5**  
**Change in Sales by ZIP Code**  
**Loudoun County**  
*Second Quarter 2021 to Second Quarter 2022*

| <i>Jurisdiction</i>   | <i>2021 - Q2</i> | <i>2022 - Q2</i> | <i>% Change</i> | <i>Jurisdiction</i>   | <i>2021 - Q2</i> | <i>2022 - Q2</i> | <i>% Change</i> |
|-----------------------|------------------|------------------|-----------------|-----------------------|------------------|------------------|-----------------|
| 20105<br>Aldie        | 221              | 175              | -21%            | 20164<br>Sterling     | 230              | 167              | -27%            |
| 20132<br>Purcellville | 117              | 109              | -7%             | 20165<br>Sterling     | 232              | 171              | -26%            |
| 20147<br>Ashburn      | 437              | 316              | -28%            | 20175<br>Leesburg     | 208              | 176              | -15%            |
| 20148<br>Ashburn      | 441              | 338              | -23%            | 20176<br>Leesburg     | 332              | 241              | -27%            |
| 20152<br>Chantilly    | 212              | 173              | -18%            | 20180<br>Lovettsville | 54               | 27               | -50%            |



## Sales Prices

Despite the sharp drop in sales activity, home prices continued to climb rapidly across the Loudoun County housing market. The countywide median sales price in the second quarter was \$705,000, jumping up 11% from last year, a gain of \$70,000. The median sales price in the county is now \$227,000 higher than it was at this time five years ago. Statewide, the second quarter median sales price was \$397,500, up 9% from last year. All local markets in the county had climbing prices this quarter. The largest price jump was in Lovettsville ZIP code 20180 (+21%), Aldie ZIP code 20105 (+20%), and Sterling ZIP code 20165 (+12%). Statewide, the second quarter median sales price was \$397,500, up 9% from last year.

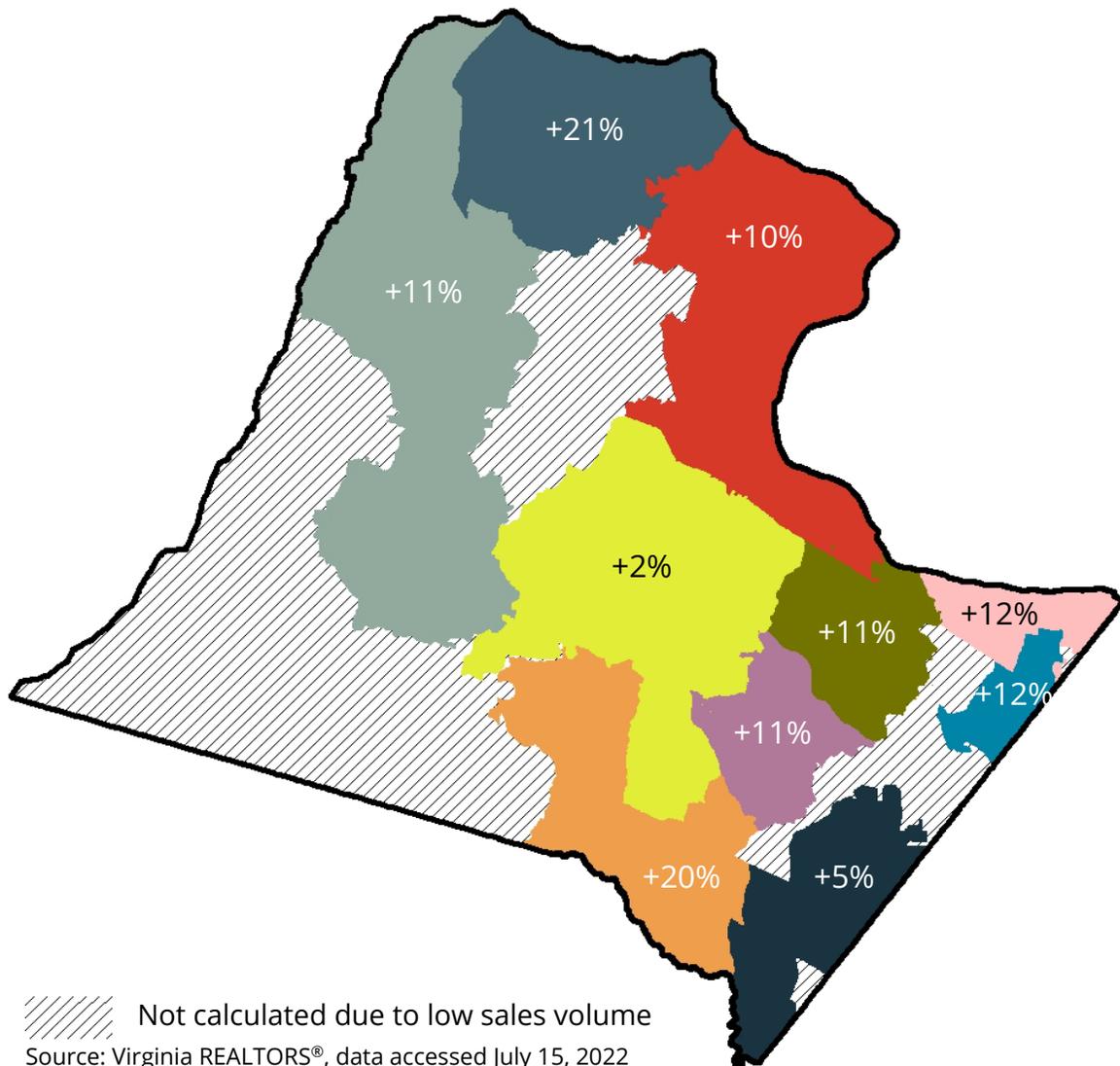
**Figure 6**  
**Second Quarter Median Sales Price, Loudoun County**  
2018-2022



Source: Virginia REALTORS®, data accessed July 15, 2022

**Figure 7**  
**Change in Median Sales Price by ZIP Code**  
**Loudoun County**  
*Second Quarter 2021 to Second Quarter 2022*

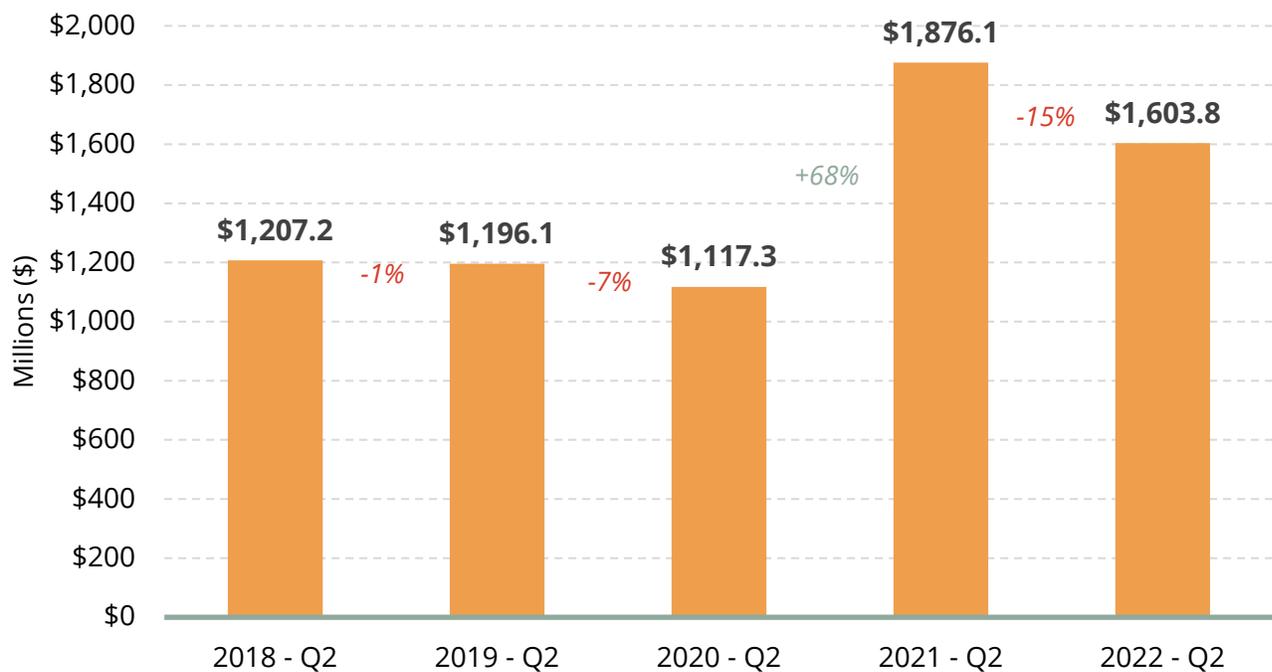
| Zip Code              | 2021 - Q2 | 2022 - Q2 | % Change | Zip Code              | 2021 - Q2 | 2022 - Q2 | % Change |
|-----------------------|-----------|-----------|----------|-----------------------|-----------|-----------|----------|
| 20105<br>Aldie        | \$755,000 | \$902,500 | 20%      | 20164<br>Sterling     | \$470,000 | \$525,005 | 12%      |
| 20132<br>Purcellville | \$677,001 | \$752,500 | 11%      | 20165<br>Sterling     | \$577,790 | \$645,000 | 12%      |
| 20147<br>Ashburn      | \$592,000 | \$657,500 | 11%      | 20175<br>Leesburg     | \$660,000 | \$676,000 | 2%       |
| 20148<br>Ashburn      | \$725,000 | \$805,000 | 11%      | 20176<br>Leesburg     | \$675,000 | \$744,000 | 10%      |
| 20152<br>Chantilly    | \$665,000 | \$700,000 | 5%       | 20180<br>Lovettsville | \$594,000 | \$721,000 | 21%      |



## Sold Volume

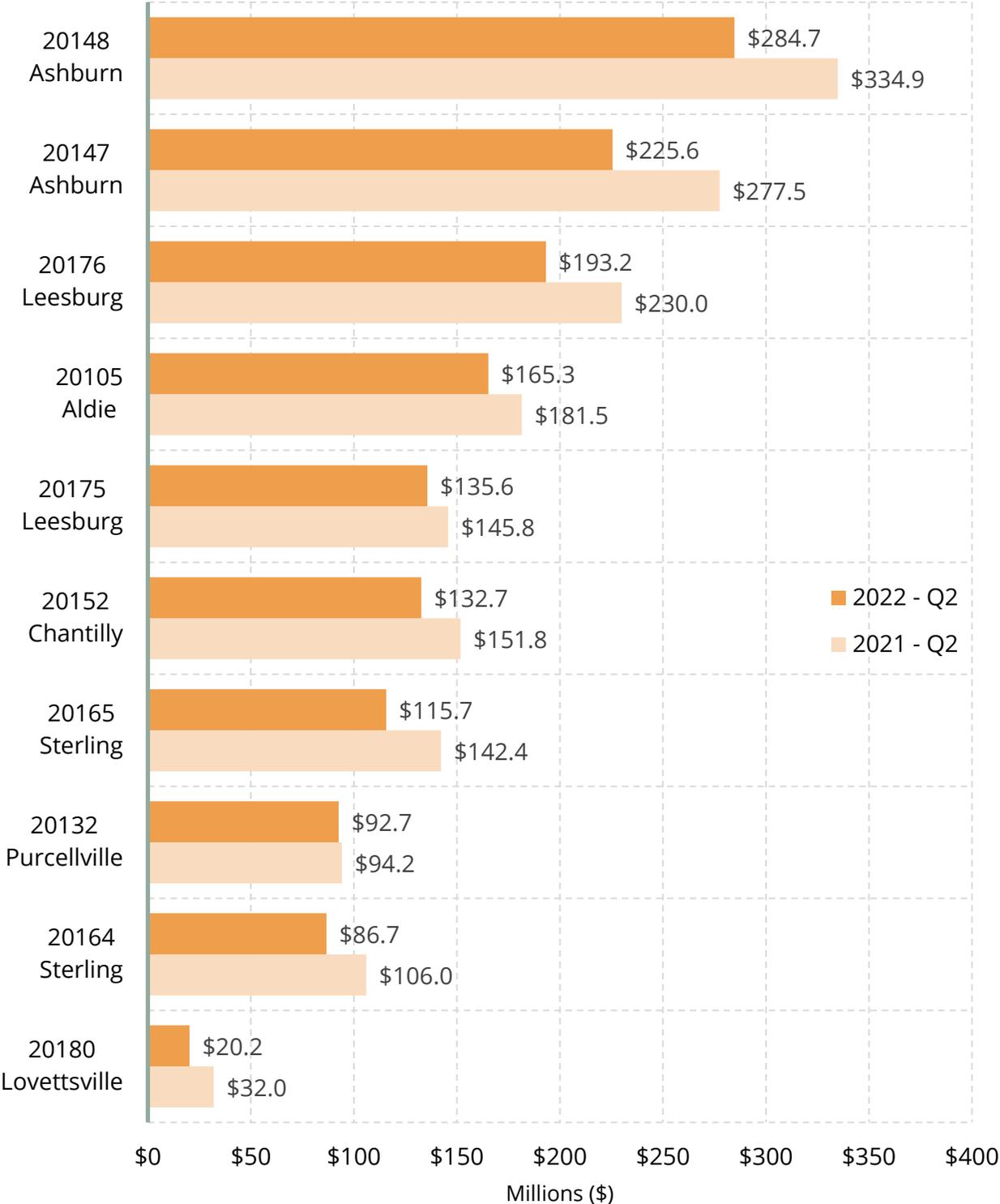
Even though prices climbed in the area, the large drop in sales activity brought down the total sold dollar volume compared to last year in the Loudoun County market. There was approximately \$1.6 billion of sold volume in Loudoun County during the second quarter of 2022, about \$272.3 million less volume than last year, representing a 15% decrease. This is the third consecutive quarterly decrease in sold volume in the Loudoun County housing market. Within the local markets, the largest volume drop occurred in Sterling ZIP code 20165 (-19%), Sterling ZIP code 20164 (-18%), and Ashburn ZIP code 20147 (-19%).

**Figure 8**  
**Second Quarter Sold Dollar Volume (Millions), Loudoun County**  
*2018-2022*



Source: Virginia REALTORS®, data accessed July 15, 2022

**Figure 9**  
**Second Quarter Sold Dollar Volume, Loudoun County ZIP Codes**  
*2021 and 2022*

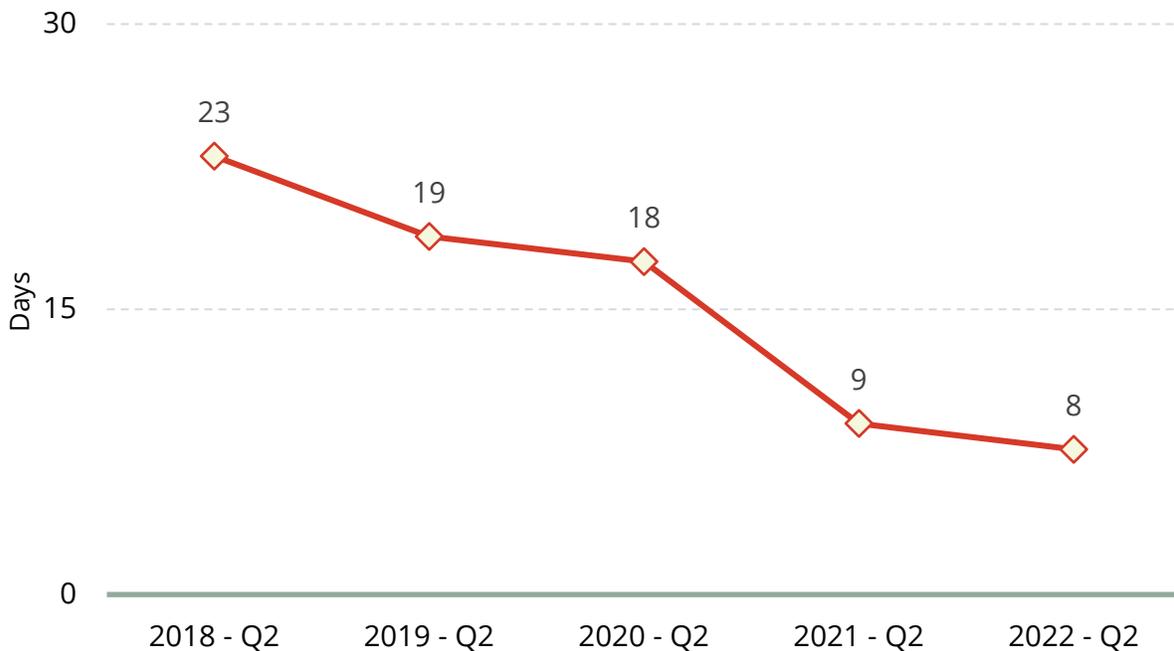


Source: Virginia REALTORS®, data accessed July 15, 2022

## Days on Market

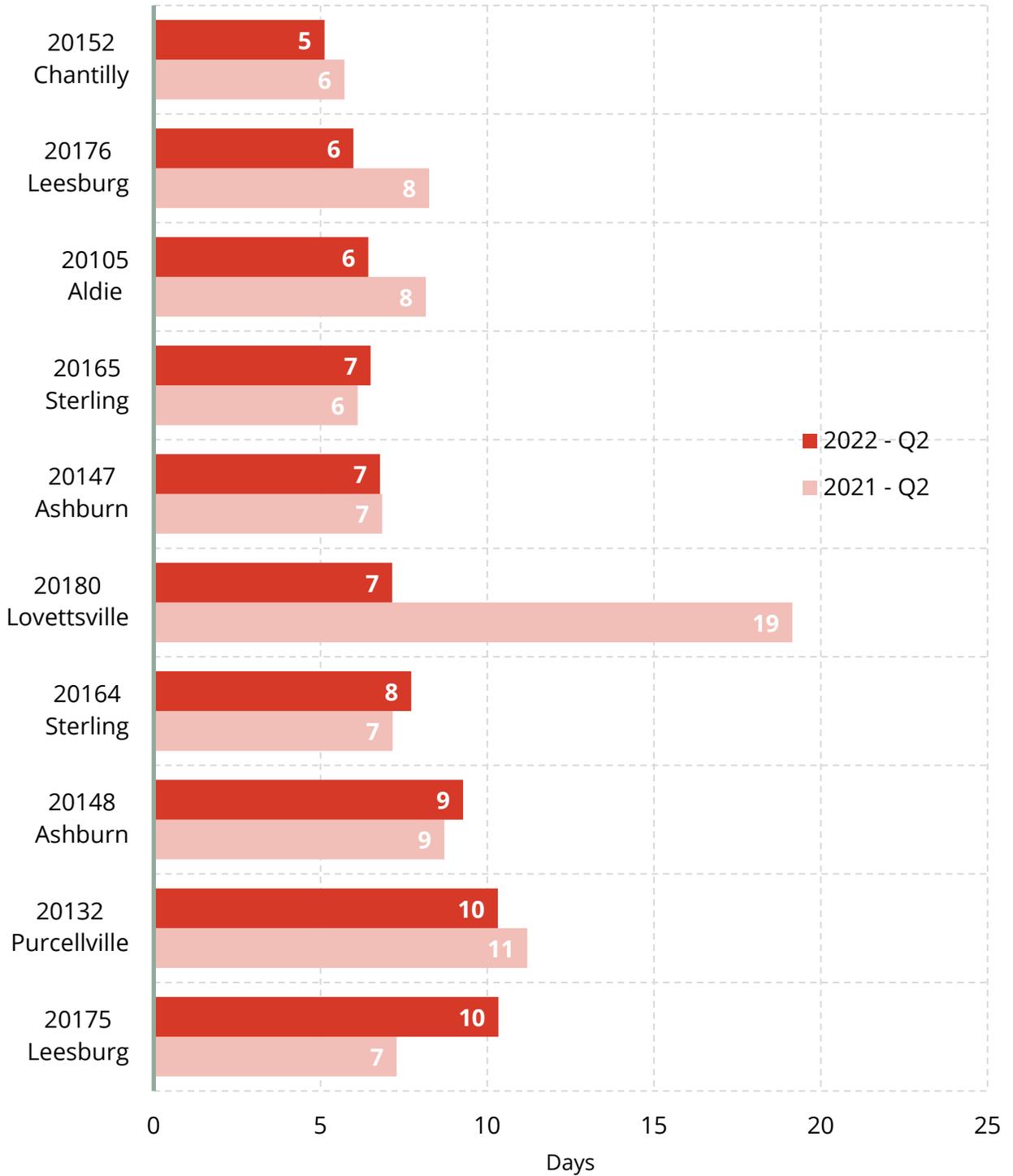
Homes are selling historically fast in the Loudoun County market. The average days on market in the second quarter was just eight days, one day faster than this time last year. As the supply of homes in the region has tightened, competition in the housing market has increased even with fewer sales overall. Homes sold in ten days on average in Leesburg ZIP code 20175 and Purcellville ZIP code 20132. Homes were on the market one week on average in Ashburn ZIP code 20147, Sterling ZIP code 20165, and Lovettsville 20180. Chantilly ZIP code 20152 had the fastest average days on market this quarter at just five days. Statewide, homes sold in 18 days on average in the second quarter, down from 22 days a year ago.

**Figure 10**  
**Second Quarter Average Days on Market, Loudoun County**  
*2018-2022*



Source: Virginia REALTORS®, data accessed July 15, 2022

**Figure 11**  
**Second Quarter Average Days on Market, Loudoun County ZIP Codes**  
*2021 and 2022*



Source: Virginia REALTORS®, data accessed July 15, 2022

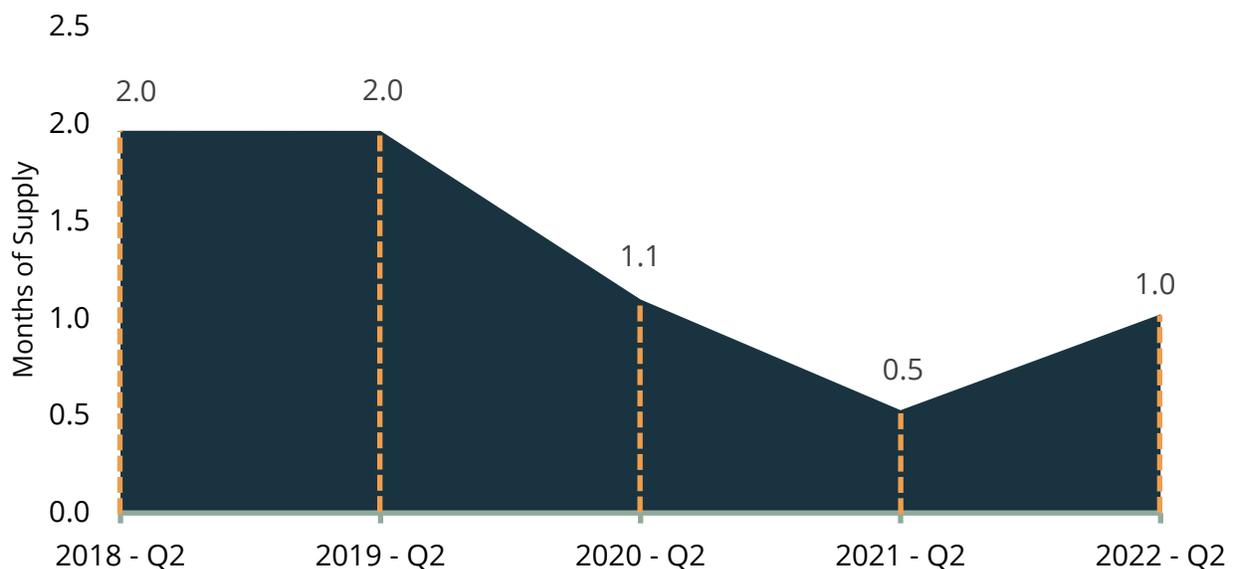
## Inventory

The supply of homes on the market increased sharply again in the Loudoun County market. There were 655 active listings throughout the county at the end of the second quarter, 263 more listings than last year, a 67% jump in supply. This was the third large influx of active listings in the Loudoun County housing market in the last four quarters. All local markets in the county had a buildup of inventory this quarter, which is being driven by a slowdown in sales activity. There was about one month of supply at the end of the second quarter in Loudoun County, which is up from a half of a 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. Statewide, there was 1.6 months of supply at the end of the second quarter.

Statewide, there were 19,375 active listings on the market at the end of the second quarter, which is 169 more active listings than a year ago, a 1% increase. This is the first time the statewide inventory has increased (year-over-year) in more than seven years.

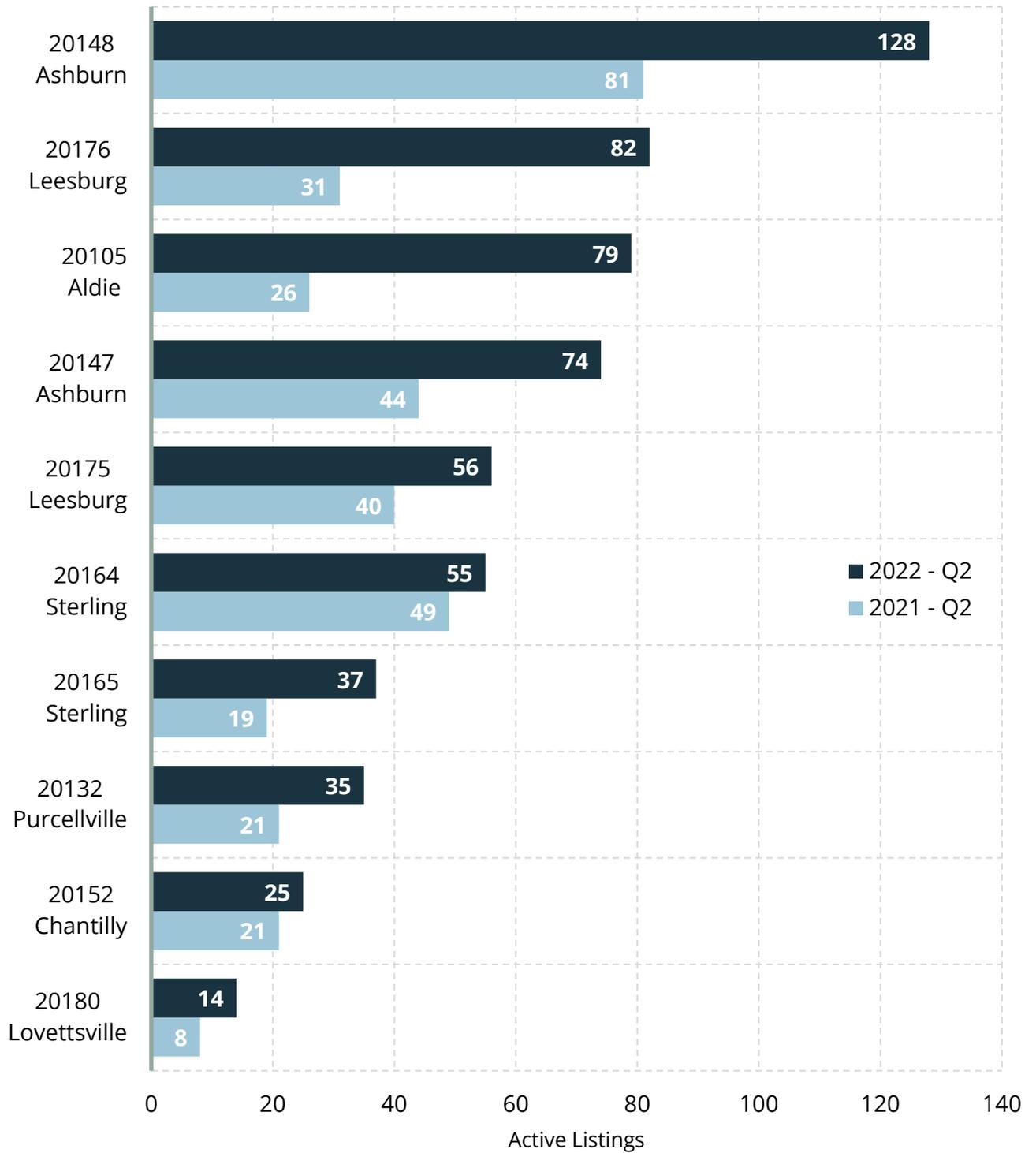
All local markets in the county had more active listings on the market than this time last year. The largest influx was in Aldie ZIP code 20105 (+74 listings), Leesburg ZIP code 20176 (+51 listings), and Ashburn ZIP code 20148 (+47 listings).

**Figure 12**  
**End of Second Quarter Months Supply, Loudoun County**  
*2018-2022*



Source: Virginia REALTORS®, data accessed July 15, 2022

**Figure 13**  
**End of Second Quarter Active Listings, Loudoun County ZIP Codes**  
*2021 and 2022*



Source: Virginia REALTORS®, data accessed July 15, 2022



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.