

DAAR LOUDOUN

HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

DAAR Home Sales Report

Third Quarter 2022

Dulles Area Association of REALTORS®

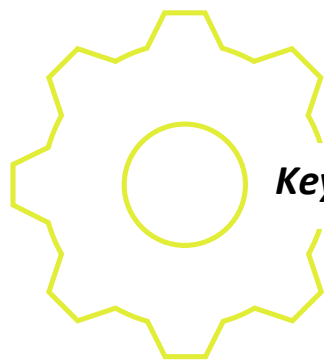
Market Report Key Takeaways

Economic Conditions

- Virginia's job market continues to expand. The state added 16,700 jobs between July and August and is now only about 5,300 jobs short of pre-pandemic levels. Most of the growth continues to be in the Leisure and Hospitality sector.
- The unemployment rate remains very low. In August, the unemployment rate was 3.2% in Virginia and was 2.6% in Loudoun County. Both are down from a year ago.
- Mortgage rates climbed rapidly over the past month. In the second week of October, the average rate on a 30-year fixed mortgage rose to 6.92%, up from 6.02% a month ago.

Housing Market Conditions

- There were 1,568 home sales in Loudoun County during the third quarter of 2022. This is 856 fewer sales than this time last year, which is a 35% drop. The housing market has been slowing down in the county for five straight quarters.
- Home prices continue to climb across the county. The third quarter median sales price in Loudoun County was \$660,000, rising 7% from a year ago, which is a \$45,000 gain.
- Inventory continues to build up in the Loudoun County housing market. There were 660 active listings on the market at the end of the third quarter, 110 more listings than a year ago, a 20% increase.



Key Trends Dashboard, DAAR

Economy



2.6%

Is the Aug-2022 **unemployment rate** in Loudoun County, which is down from Aug-2021



6.92%

Is the **30-year fixed-rate mortgage rate** during the second week of October 2022, which is up 3.87 percentage points from a year ago

Housing Market



-856

Fewer **home sales** in Loudoun County in Q3-2022 compared to last year



7%

Percent change in **median sales price** in the Loudoun County housing market in Q3-2022 compared to a year ago



-\$476.2

Million dollars less in total **sold volume** in the Loudoun County housing market in Q3-2022 compared to last year



20%

Percent change in **active listings** at the end of Q3-2022 in Loudoun County compared to a year ago



1.2

Months of supply in the Loudoun County housing market in Q3-2022, which is up from a year ago

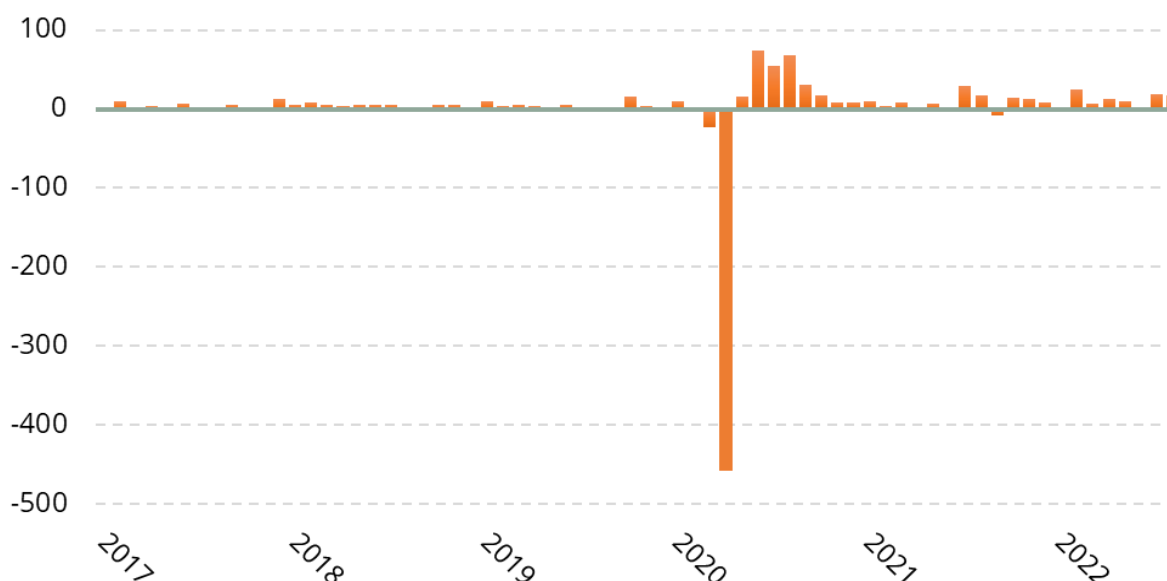
Economic Overview

Economic conditions are worsening as high inflation continues to be a significant factor. The labor market remains relatively strong in Virginia as there are more jobs in the economy and unemployment continues to be very low. Mortgage rates are climbing, which is cooling housing markets across the Commonwealth.

Jobs

There were 4.09 million jobs throughout Virginia in August 2022, an increase of about 16,700 jobs from July 2022. Virginia's economy is nearly back to pre-pandemic job levels, just 5,300 jobs shy of the January 2020 totals. The state's job recovery has been robust. More than 472,000 jobs have been added back since April 2020. Most of the job growth in Virginia continues to be in the Leisure & Hospitality sector and the Health & Social Assistance sector. Despite the strong gains this year in Leisure & Hospitality, this sector is still down compared to pre-pandemic levels. The sharpest decrease in jobs this month was in the Finance & Insurance sector.

Figure 1
Virginia Month-to-Month Change in Jobs

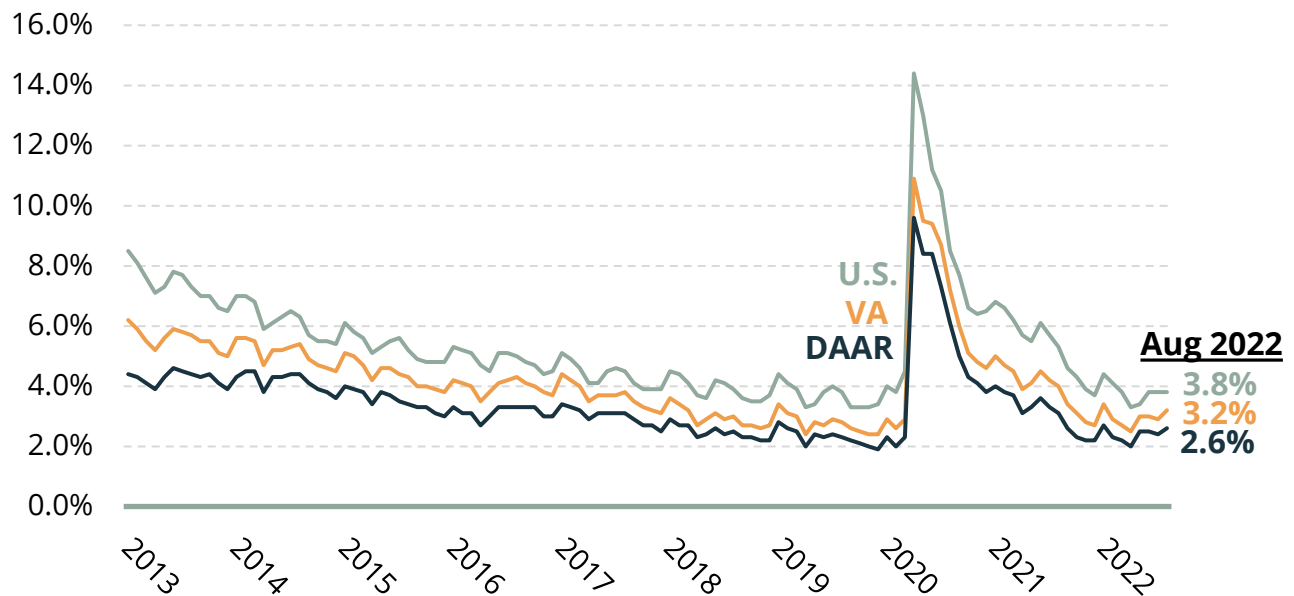


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

Unemployment

The unemployment rate in Virginia continues to be very low. The statewide unemployment rate was 3.2% in August 2022 (not seasonally adjusted), down from 4% from last August. In Loudoun County, the August unemployment rate was 2.6%, down from 3.1% a year ago.

Figure 2
Unemployment Rate



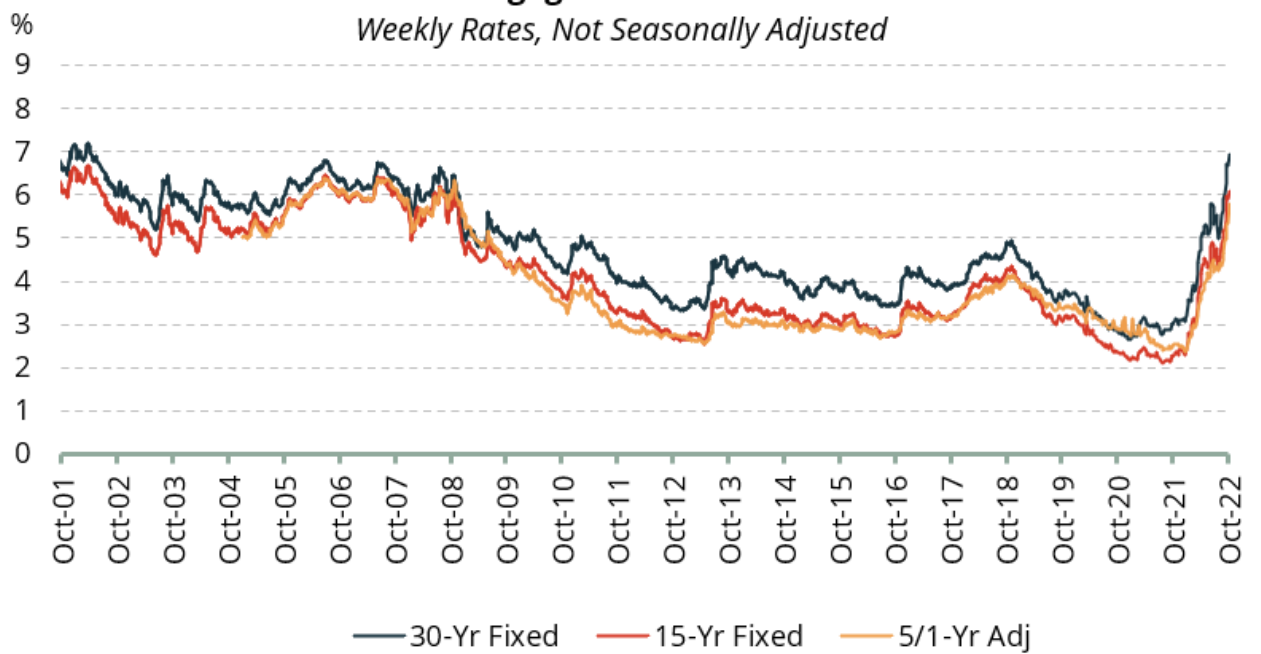
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Mortgage Rates

In the second week in October, the average rate on a 30-year fixed mortgage rose to 6.92%. This is the highest the rate has been in more than two decades (since August 2001). Interest rates have soared in 2022. As a result, the housing market has slowed down significantly. The 30-year fixed mortgage rate has more than doubled since the start of the year.

Figure 3
Mortgage Interest Rates

Weekly Rates, Not Seasonally Adjusted



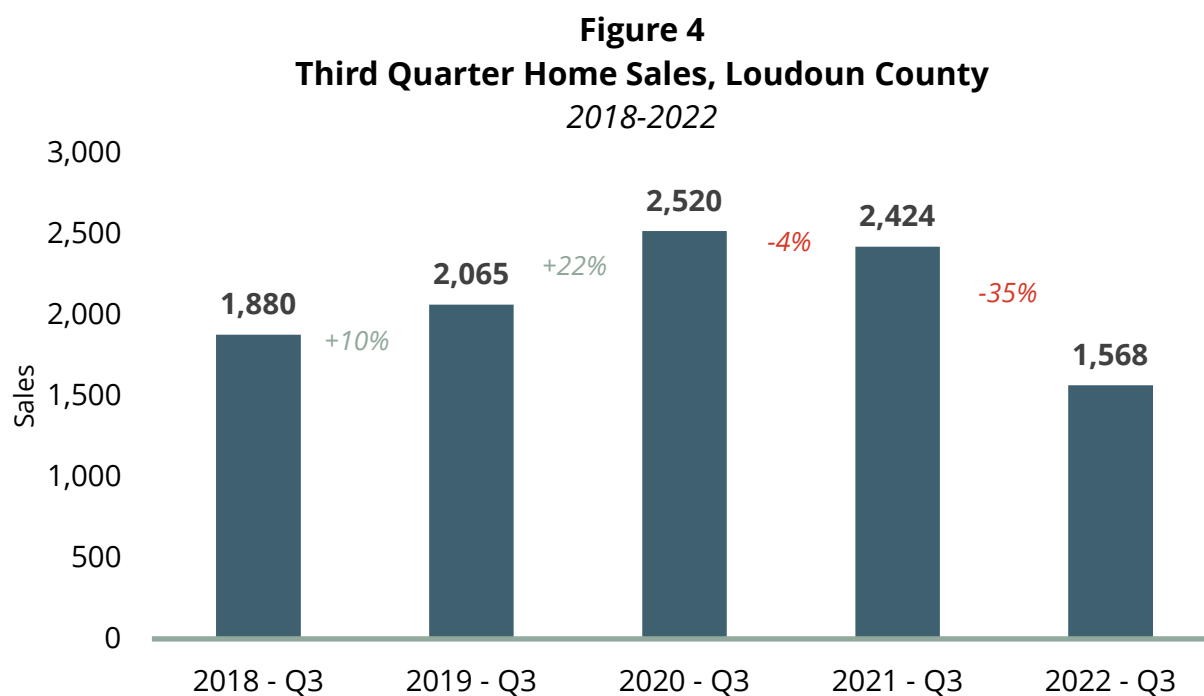
Source: Federal Reserve Bank of St. Louis

Housing Market Overview

The Loudoun housing market continues to moderate. Sales were well below last year's third quarter level, and sold volume dropped again. For the first time in years, it's taking longer to sell homes on average in the region, another signal of the shifting market. Despite the moderating market, home prices continue to trend up as the supply remains tight. The inventory of active listings is low but is building up in local markets across the county as the market slows.

Sales

For the fifth consecutive quarter, sales activity in the Loudoun housing market cooled from the busy pace of last year. There were 1,568 homes sold across the county in the third quarter, 856 fewer sales than the same period last year, representing a 35% decrease. This quarter was the sharpest drop in sales the county has seen in years, as the market adjusts to rising interest rates. Sales slowed down all three months of the quarter, which covers July through September. All local markets had fewer sales this quarter. The sharpest drop was in Lovettsville ZIP code 20180 (-47%), Sterling ZIP code 20165 (-42%), and Ashburn ZIP code 20148 (-41%). Statewide, total home sales were down 23% from the third quarter a year ago.

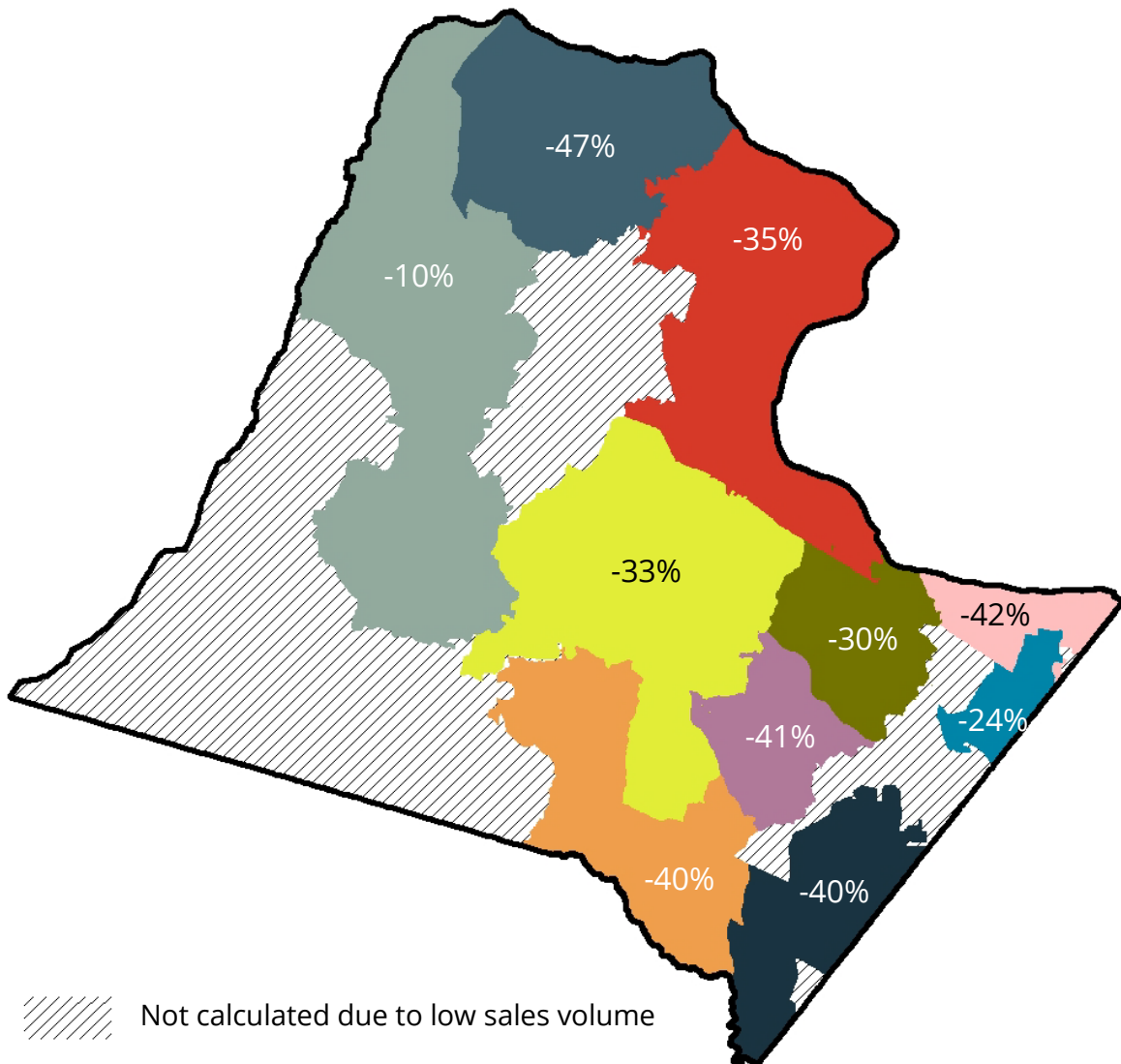


Source: Virginia REALTORS®, data accessed October 15, 2022

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

<i>Jurisdiction</i>	<i>2021 - Q3</i>	<i>2022 - Q3</i>	<i>% Change</i>
20105 Aldie	207	124	-40%
20132 Purcellville	92	83	-10%
20147 Ashburn	393	275	-30%
20148 Ashburn	421	249	-41%
20152 Chantilly	194	117	-40%

<i>Jurisdiction</i>	<i>2021 - Q3</i>	<i>2022 - Q3</i>	<i>% Change</i>
20164 Sterling	194	147	-24%
20165 Sterling	198	115	-42%
20175 Leesburg	202	136	-33%
20176 Leesburg	271	176	-35%
20180 Lovettsville	55	29	-47%



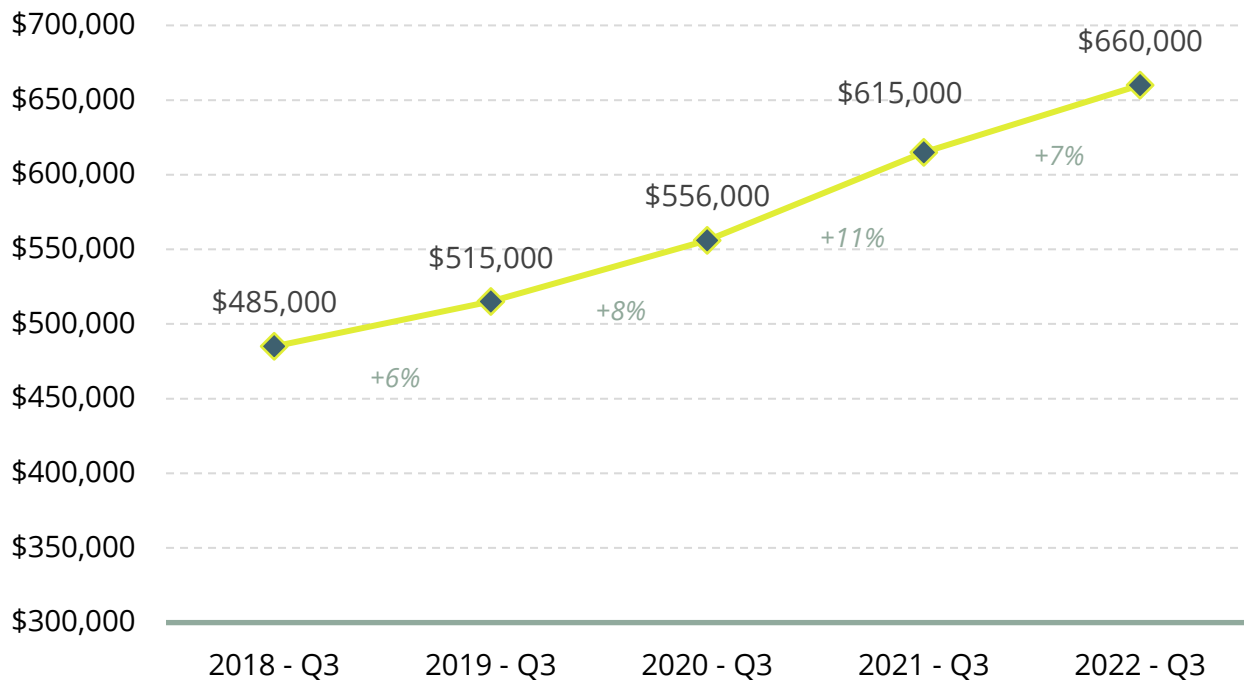
Not calculated due to low sales volume

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

Sales Prices

Even as market activity moderates, home prices continue to trend higher in Loudoun County. At \$660,000, the third quarter median sales price in the county rose 7% from a year ago, a gain of \$45,000. The median price in the county has increased significantly over the past several years and is now \$145,000 higher than it was at this time three years ago. The tight inventory is putting upward pressure on prices. All local markets in the county had median price growth this quarter. The largest price gains this quarter were in Sterling ZIP code 20165 (+18%), Ashburn ZIP code 20148 (+15%), and Lovettsville ZIP code 20180 (+15%). The statewide median sales price in the third quarter was \$375,000, up 5.6% from a year ago.

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

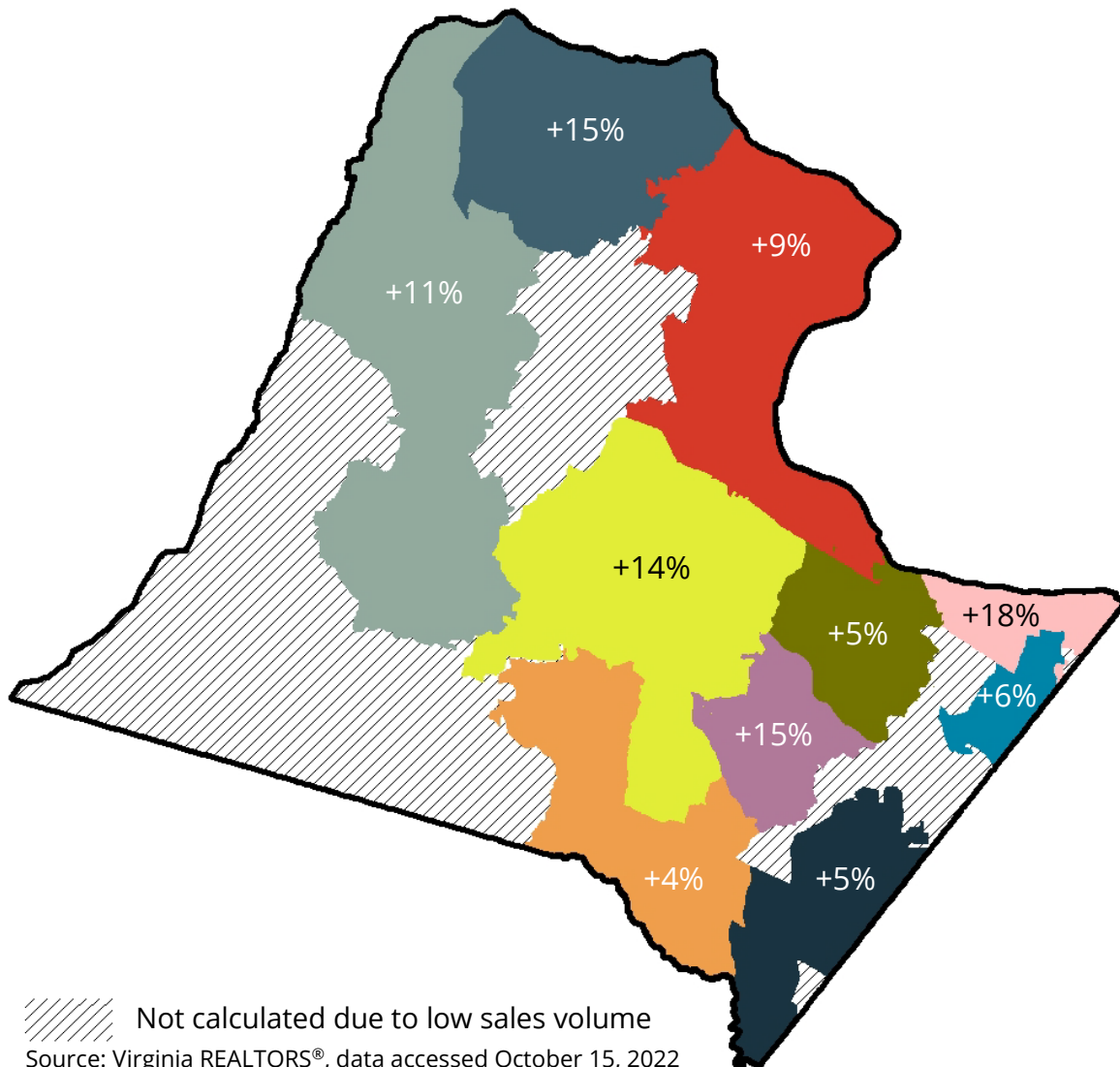


Source: Virginia REALTORS®, data accessed October 15, 2022

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

Zip Code	2021 - Q3	2022 - Q3	% Change
20105 Aldie	\$790,000	\$825,000	4%
20132 Purcellville	\$685,000	\$759,500	11%
20147 Ashburn	\$594,950	\$624,679	5%
20148 Ashburn	\$664,085	\$767,000	15%
20152 Chantilly	\$660,000	\$690,000	5%

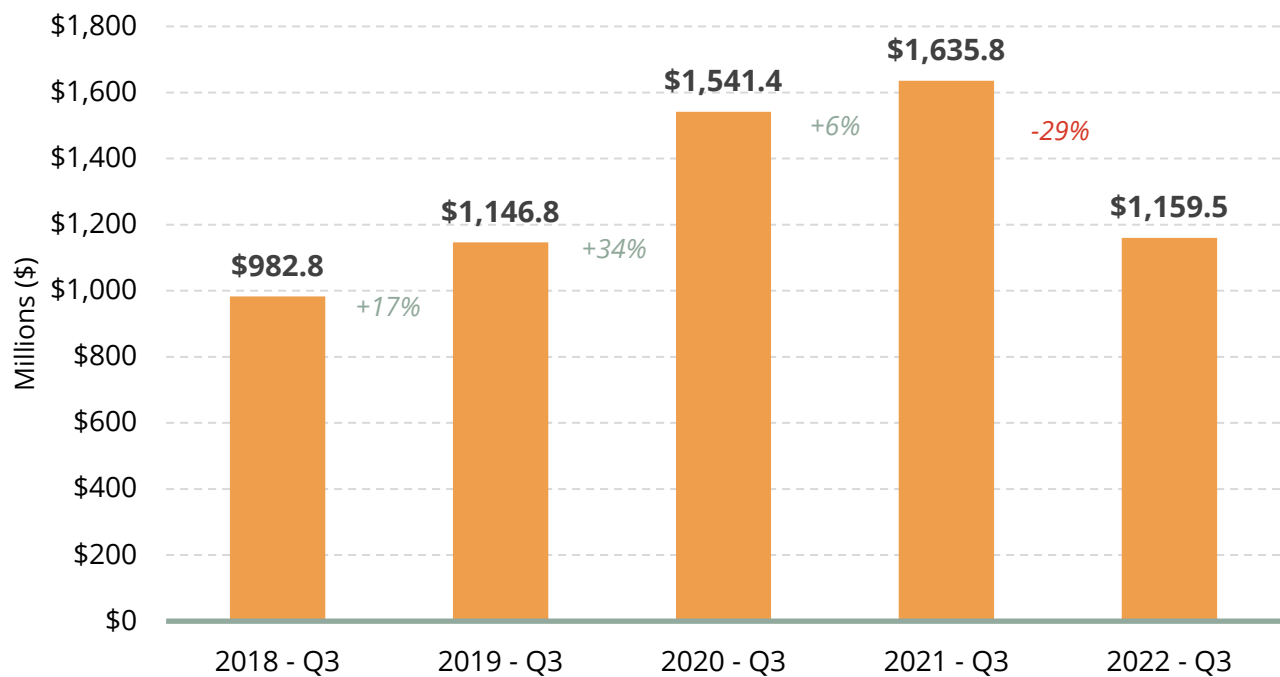
Zip Code	2021 - Q3	2022 - Q3	% Change
20164 Sterling	\$470,000	\$500,000	6%
20165 Sterling	\$559,750	\$660,000	18%
20175 Leesburg	\$550,000	\$627,000	14%
20176 Leesburg	\$671,500	\$735,000	9%
20180 Lovettsville	\$614,000	\$708,000	15%



Sold Volume

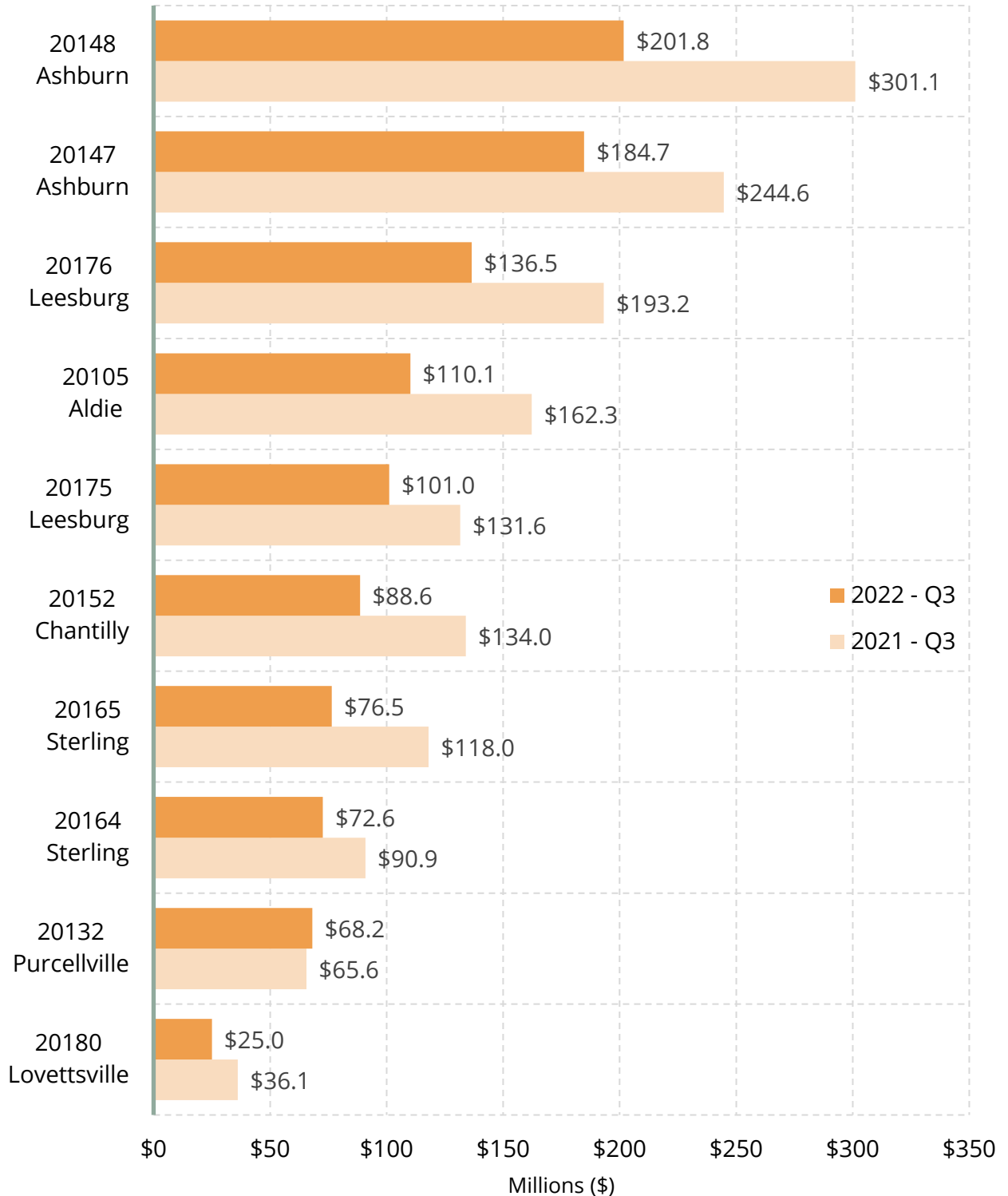
While prices continue to trend up, the sharp drop in sales activity brought down the total sold dollar volume this quarter in the Loudoun County market. There was approximately \$1.2 billion of sold volume across the county during the third quarter. This is about \$476.3 million less sold volume than the third quarter of 2021, which is a 29% decrease. Within the local markets, the largest volume drop occurred in Sterling ZIP code 20165 (-35%), Chantilly ZIP code 20152 (-34%), and Ashburn ZIP code 20148 (-33%). Purcellville ZIP code 20132 was the only local market to have an uptick in sold volume compared to last year (+4%).

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



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

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

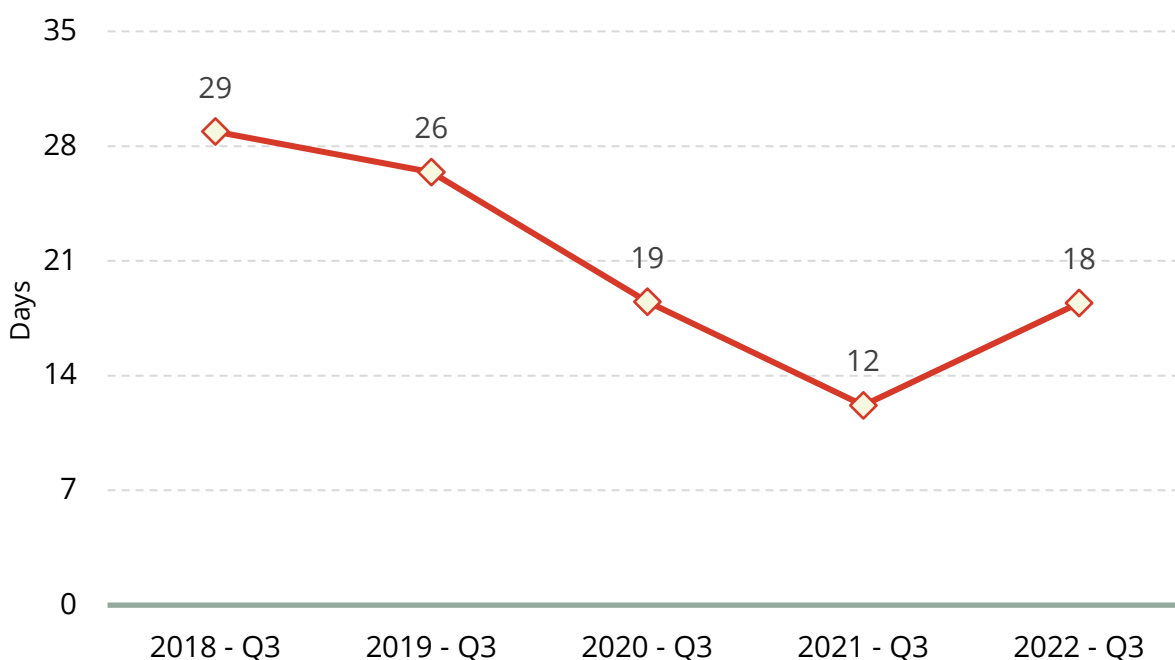


Source: Virginia REALTORS®, data accessed October 15, 2022

Days on Market

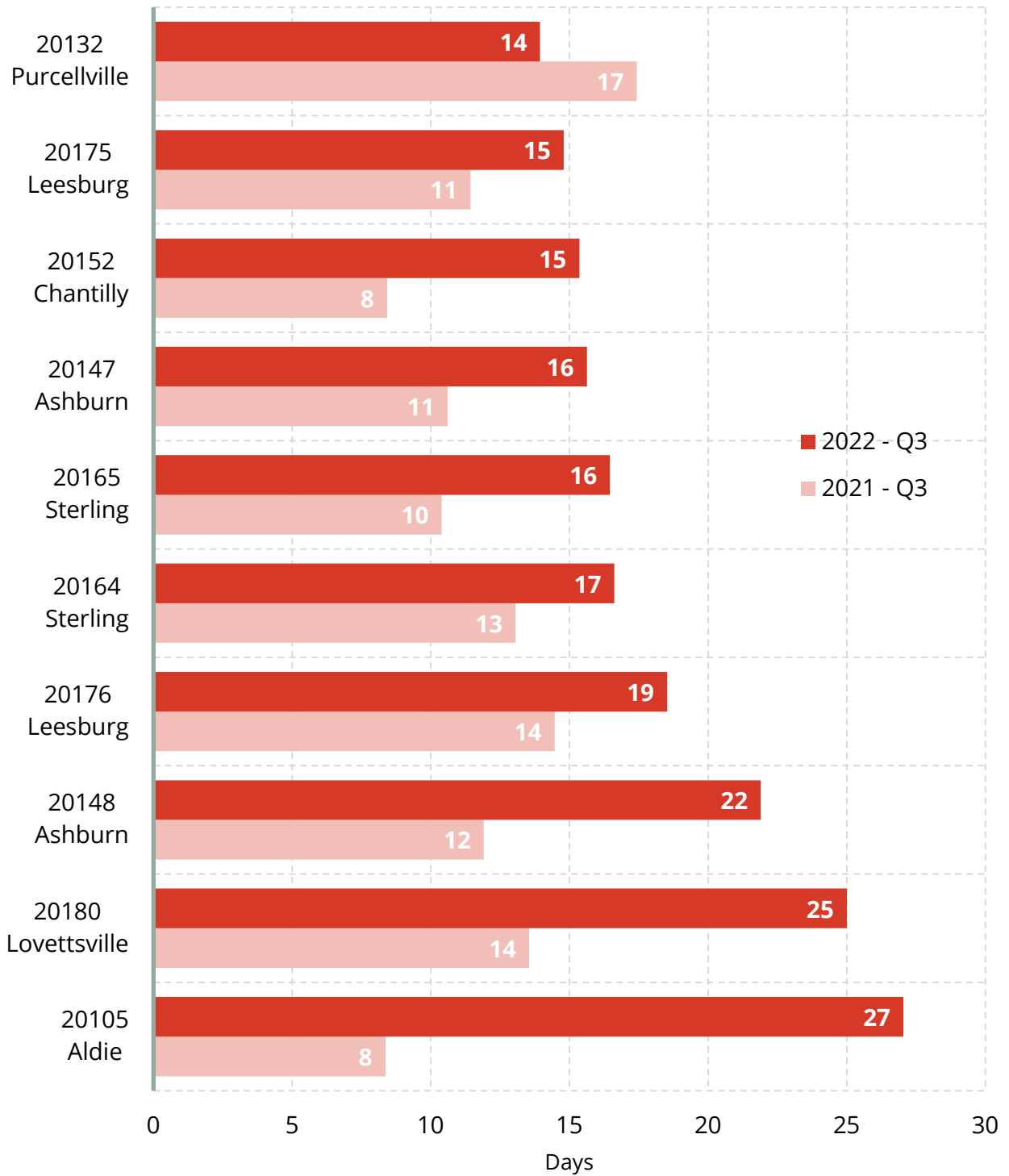
Homes are taking longer to sell in the Loudoun County housing market on average. The average days on market in the county in the third quarter was 18 days, six days longer than the third quarter last year. This is the first time this metric has increased in the county in about six years. Homes were on the market 19 days longer on average in Aldie ZIP code 20105, and 10 days longer in Ashburn ZIP code 20148 compared to the third quarter last year. Within Leesburg, the third quarter average days on market was four days longer in ZIP code 20176, and three days longer in ZIP code 20175. Statewide, the average days on market in the third quarter was 23 days, up from 21 days this time last year.

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



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

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



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

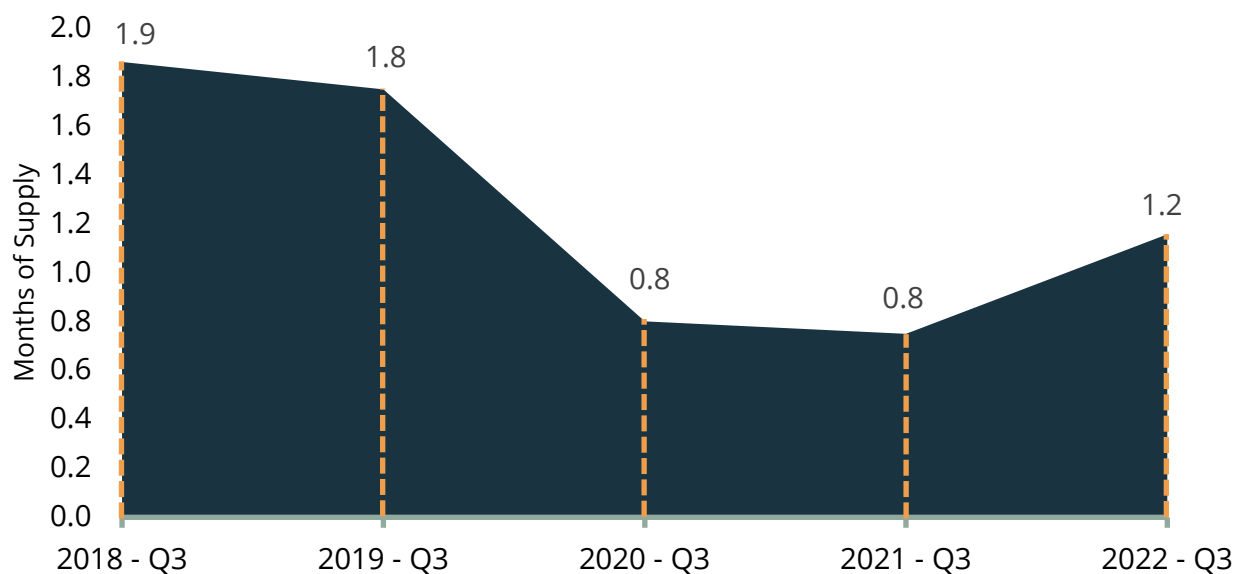
Inventory

The supply of active listings in Loudoun County is building up as sales activity slows. There were 660 active listings on the market at the end of the third quarter countywide, 110 more listings than a year ago, which is a 20% increase. The inventory in the county's housing market has been expanding for much of the past year. Nearly all local markets in the county had an increase in active listings this quarter. The largest supply gains were in Leesburg ZIP code 20176 (+50 listings), Sterling ZIP code 20164 (+37 listings), and Sterling ZIP code 20165 (+15 listings).

There was about 1.2 months of supply at the end of the third quarter in Loudoun County, which is up from less than 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 1.7 months of supply at the end of the third quarter.

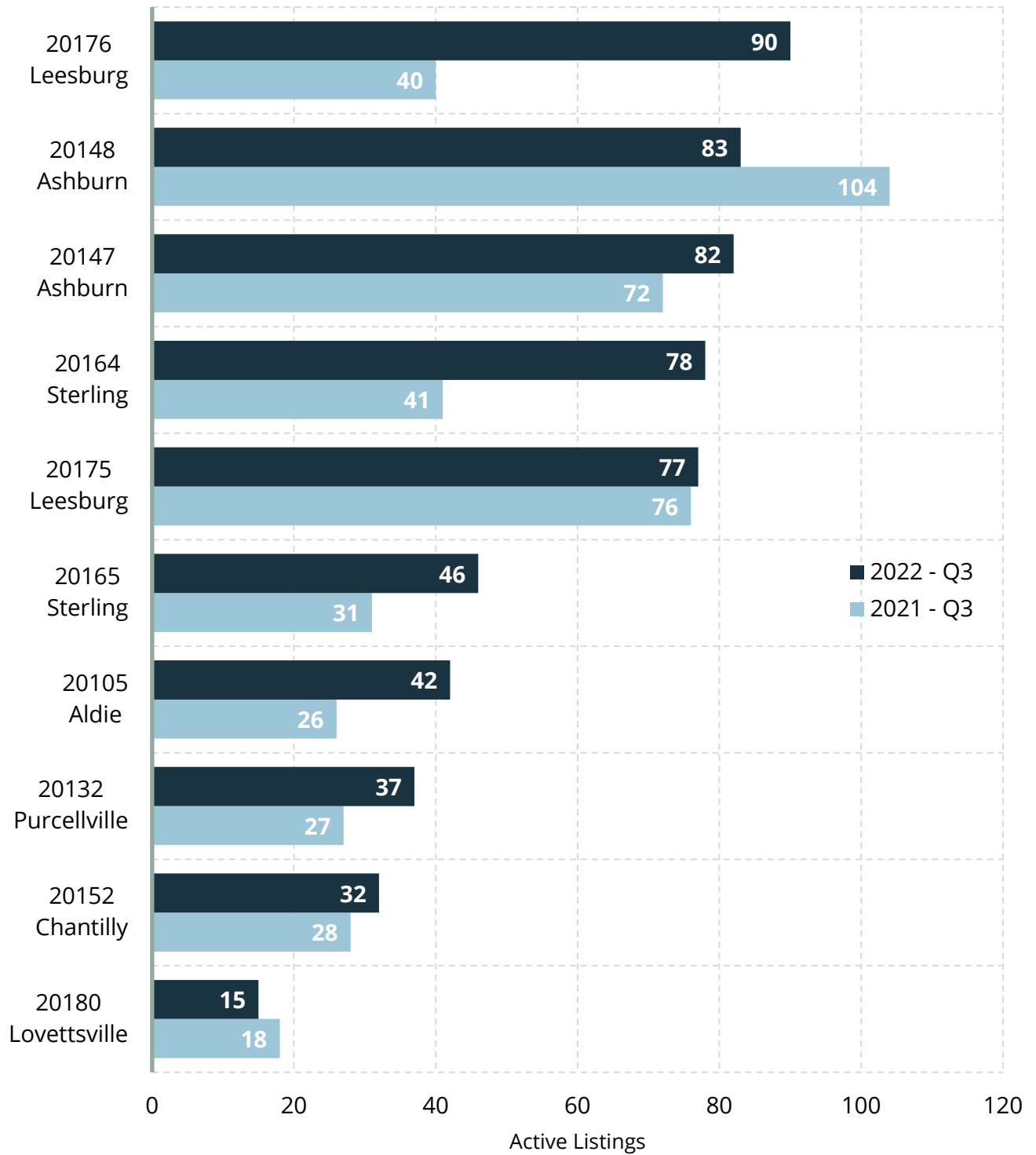
Across Virginia, there were 19,793 active listings at the end of the third quarter, a 2.9% decrease from last year, which is a reduction of 586 listings.

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



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

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



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



The Virginia REALTORS® association is the largest professional trade association 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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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.