

DAAR LOUDOUN

HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

DAAR Home Sales Report

Fourth Quarter 2023

Dulles Area Association of REALTORS®

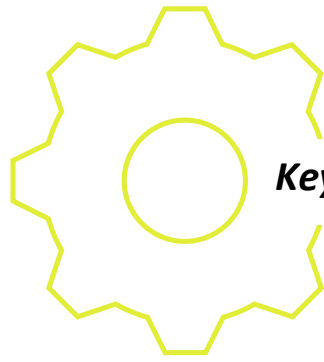
Market Report Key Takeaways

Economic Conditions

- Virginia's job market continues to be resilient. There was an influx of 7,900 jobs in the Commonwealth between October and November 2023.
- The statewide unemployment rate in Virginia was 2.9% in November 2023 (not seasonally adjusted), which is down from 3% a year ago. In Loudoun County, the unemployment rate was 2.6% in November, up from 2.5% a year ago.
- After approaching 8% at the end of October 2023, mortgage rates have been trending down 10 of the last 12 weeks. In the third week of January 2024, the average rate on a 30-year fixed mortgage was 6.6%, which is down from 6.66% the week prior, but up from 6.15% a year ago.

Housing Market Conditions

- Sales activity continues to cool in the Loudoun County market. There were 959 sales in the Loudoun County housing market during the fourth quarter, 116 fewer sales than last year, which is an 11% decline.
- Upward pressure on home prices continues to be a key factor in Loudoun County. The countywide median sales price during the fourth quarter was \$675,000, climbing 5% from this time last year.
- The supply of active listings in the Loudoun County market continues to get smaller. There were 345 active listings on the market at the end of the fourth quarter in the county, down 2% from a year ago.



Key Trends Dashboard, DAAR

Economy



2.6%

Is the Nov-2023 **unemployment rate** in Loudoun County, which is up from Nov-2022



6.6%

Is the **30-year fixed-rate mortgage rate** during the third week of January 2024, which is up from 6.15% a year ago

Housing Market



-116

Fewer **home sales** in Loudoun County in Q4-2023 compared to last year



5%

Percent change in **median sales price** in the Loudoun County housing market in Q4-2023 compared to a year ago



-\$45.9

Million dollars less in total **sold volume** in the Loudoun County housing market in Q4-2023 compared to last year



-2%

Percent change in **active listings** at the end of Q4-2023 in Loudoun County compared to a year ago



0.9

Months of supply in the Loudoun County housing market in Q4-2023, which is up from a year ago

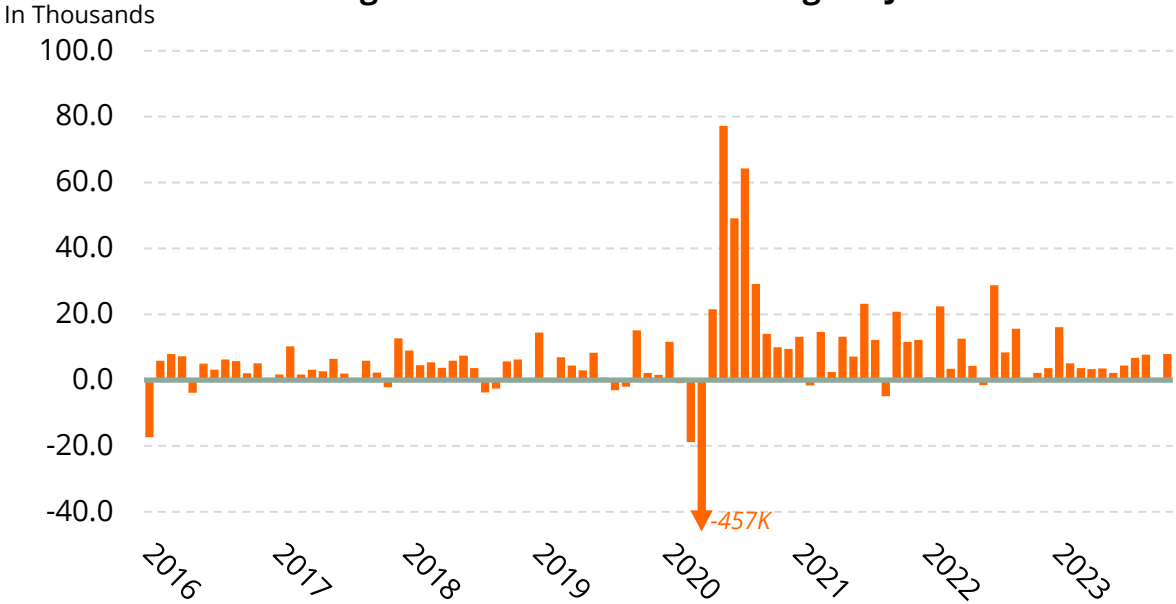
Economic Overview

Job growth exceeded expectations recently, and the labor market continues to be tight, but unemployment has edged upward in Virginia for several months. Mortgage rates have been falling since October, and inflation continues to retreat. The prospects of a “soft-landing” for the U.S. economy are improving, though there is still uncertainty about how much and when the full effects of the Fed’s rate hikes will be felt, as the economy slows down heading into 2024.

Jobs

There was a jump in the jobs data in Virginia in November after falling flat in October. There were approximately 4.17 million jobs statewide in November, which is 7,900 more than the revised October total. This is the strongest month-to-month increase since the start of 2023. The job sectors with the strongest gains in November were the Professional & Technical Services sector (+5,000 jobs), the Transportation & Warehousing sector (+4,900 jobs), and Wholesale Trade (+2,000 jobs). The Administrative & Waste Management Services sector shed about 5,500 jobs, and there were 1,000 fewer retail jobs in Virginia in November compared to October.

Figure 1
Virginia Month-to-Month Change in Jobs

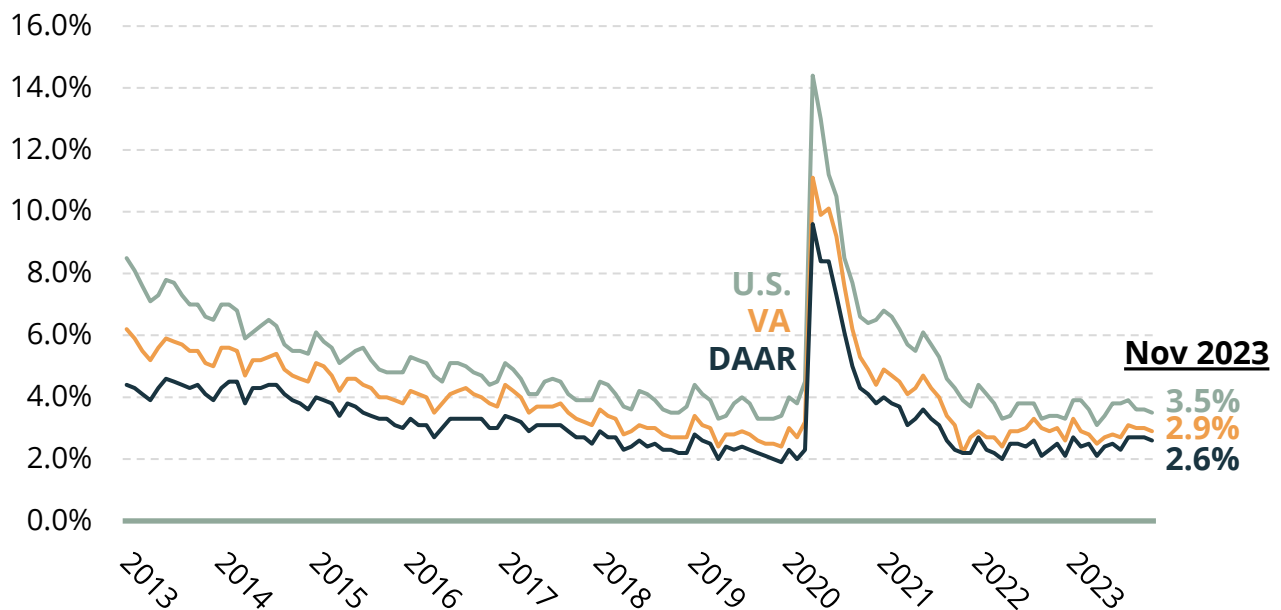


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

Unemployment

The statewide unemployment rate in Virginia dipped to 2.9% in November 2023, down from 3% in November 2022 (not seasonally adjusted). In the U.S., the unemployment rate rose to 3.5% in November, up from 3.4% a year ago. The nationwide unemployment rate has been inching up for four consecutive months but remains very low compared to historical averages. In Loudoun County the November unemployment rate was 2.6%, which is up from 2.5% a year ago.

Figure 2
Unemployment Rate

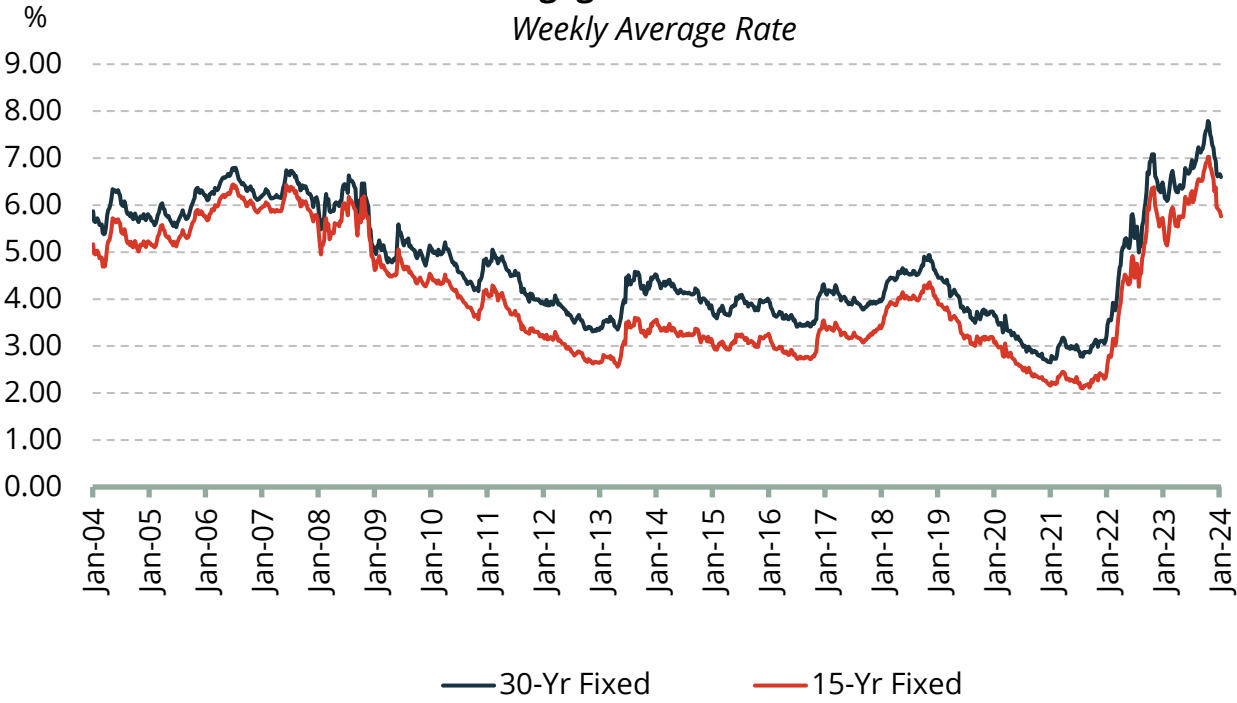


Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Mortgage Rates

After peaking near 8% in October 2023, the average interest rate for a 30-year fixed mortgage is now 6.6% as of January 18, 2024. Rates have been trending down steadily 10 of the last 12 weeks, which has ushered in renewed optimism from both buyers and sellers alike. The Federal Reserve has indicated that it plans to implement a series of fed funds rate cuts in 2024, which will continue to put downward pressure on interest rates. This will boost activity in the housing market and loosen up the “lock-in effect” for some homeowners that have pent-up demand to buy another house.

Figure 3
Mortgage Interest Rates
Weekly Average Rate



Source: Freddie Mac

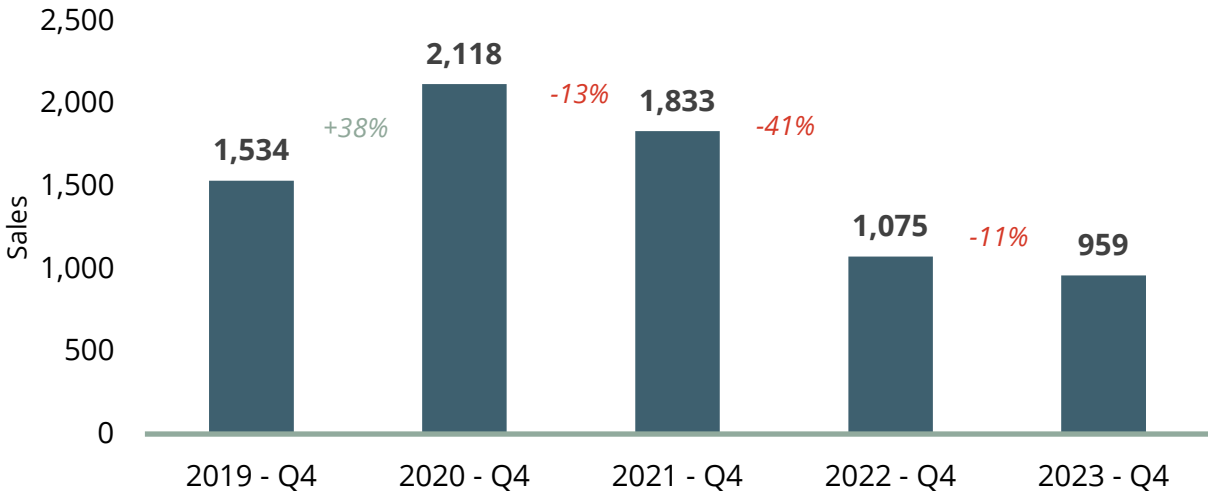
Housing Market Overview

The Loudoun County housing market ended 2023 similarly to how it began, with cooling sales activity and rising home prices. These dynamics are largely being driven by three factors — the low supply of homes for sale, the pent-up demand in the market, and the volatility of mortgage rates this year.

Sales

It was a slow fourth quarter in the Loudoun County housing market. There were 959 sales throughout the footprint in the fourth quarter of 2023. This is 116 fewer sales than the fourth quarter a year ago, an 11% decline. This is by far the slowest fourth quarter the Loudoun County market has seen in more than a decade. Mortgage rates hit a more than two-decade high in October 2023, which likely deterred some market activity this quarter. Sales activity cooled all three months in the county during the fourth quarter, which covers October through December. Nearly all local markets in the county had fewer sales than a year ago. The largest decrease was in Sterling ZIP code 20165 (-25%), Aldie ZIP code 20105 (-23%), and Leesburg ZIP code 20176 (+17%). Sterling ZIP code 20164 had an uptick in sales this quarter (+4%). Statewide, sales activity declined 10% in the fourth quarter of 2023 compared to last year.

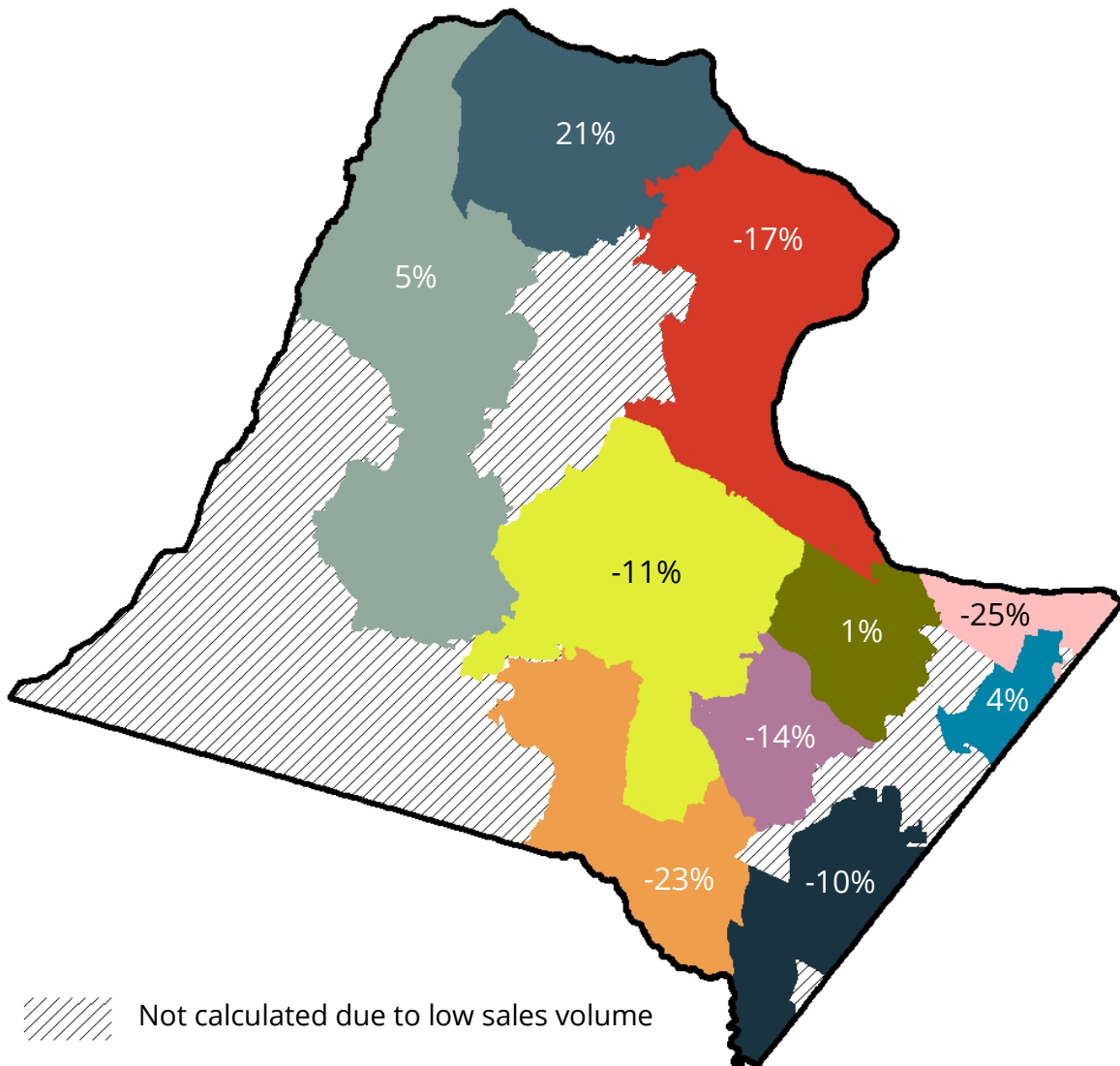
Figure 4
Fourth Quarter Home Sales, Loudoun County
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024

Figure 5
Change in Sales by ZIP Code
Loudoun County
Fourth Quarter 2022 to Fourth Quarter 2023

<i>Jurisdiction</i>	<i>2022 - Q4</i>	<i>2023 - Q4</i>	<i>% Change</i>	<i>Jurisdiction</i>	<i>2022 - Q4</i>	<i>2023 - Q4</i>	<i>% Change</i>
20105 Aldie	95	73	-23%	20164 Sterling	111	115	4%
20132 Purcellville	43	45	5%	20165 Sterling	84	63	-25%
20147 Ashburn	150	152	1%	20175 Leesburg	97	86	-11%
20148 Ashburn	168	145	-14%	20176 Leesburg	140	116	-17%
20152 Chantilly	69	62	-10%	20180 Lovettsville	19	23	21%

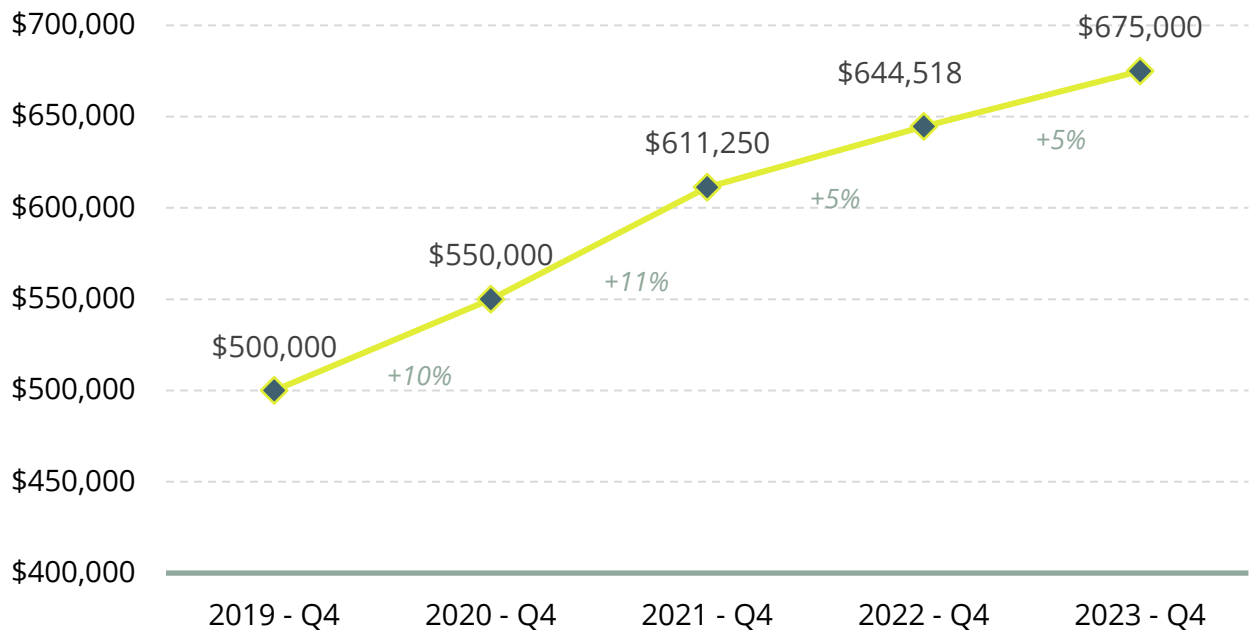


Source: Virginia REALTORS®, data accessed January 15, 2024

Sales Prices

Home prices are climbing throughout Loudoun County as the tight inventory continues to put upward pressure on home prices. The fourth quarter regionwide median sales price was \$675,000, which is \$30,482 higher than it was a year ago, a 5% increase. Nearly all local markets in the county had higher median sales prices to close out 2023. The sharpest median price increases in the fourth quarter were in the Purcellville ZIP code 20132 market (+26%), Sterling ZIP code 20164 (+19%), and Lovettsville ZIP code 20180 (+18%). At the state level, the median sales price in Virginia during the fourth quarter was \$387,000, climbing 7% from last year.

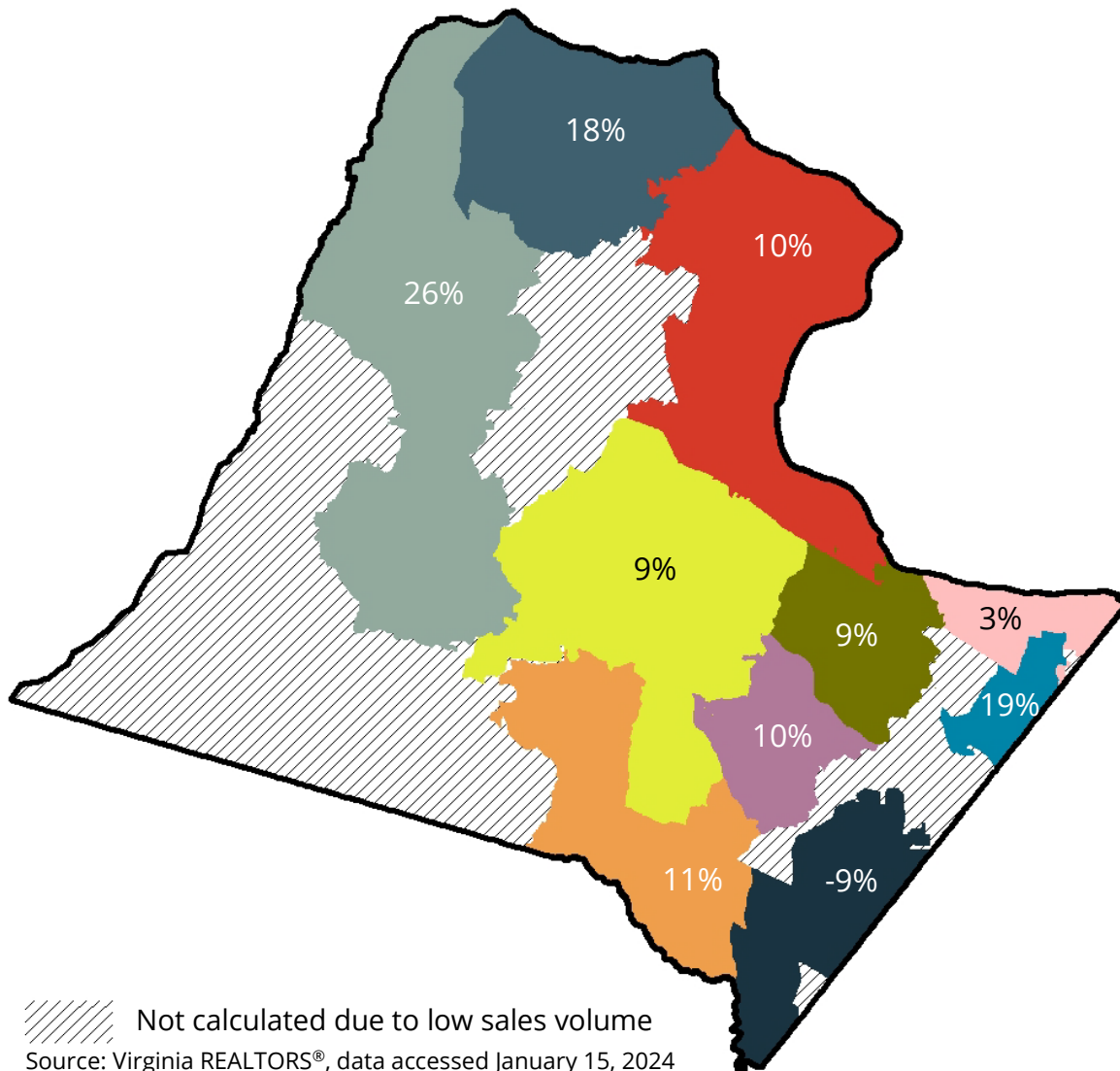
Figure 6
Fourth Quarter Median Sales Price, Loudoun County
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024

Figure 7
Change in Median Sales Price by ZIP Code
Loudoun County
Fourth Quarter 2022 to Fourth Quarter 2023

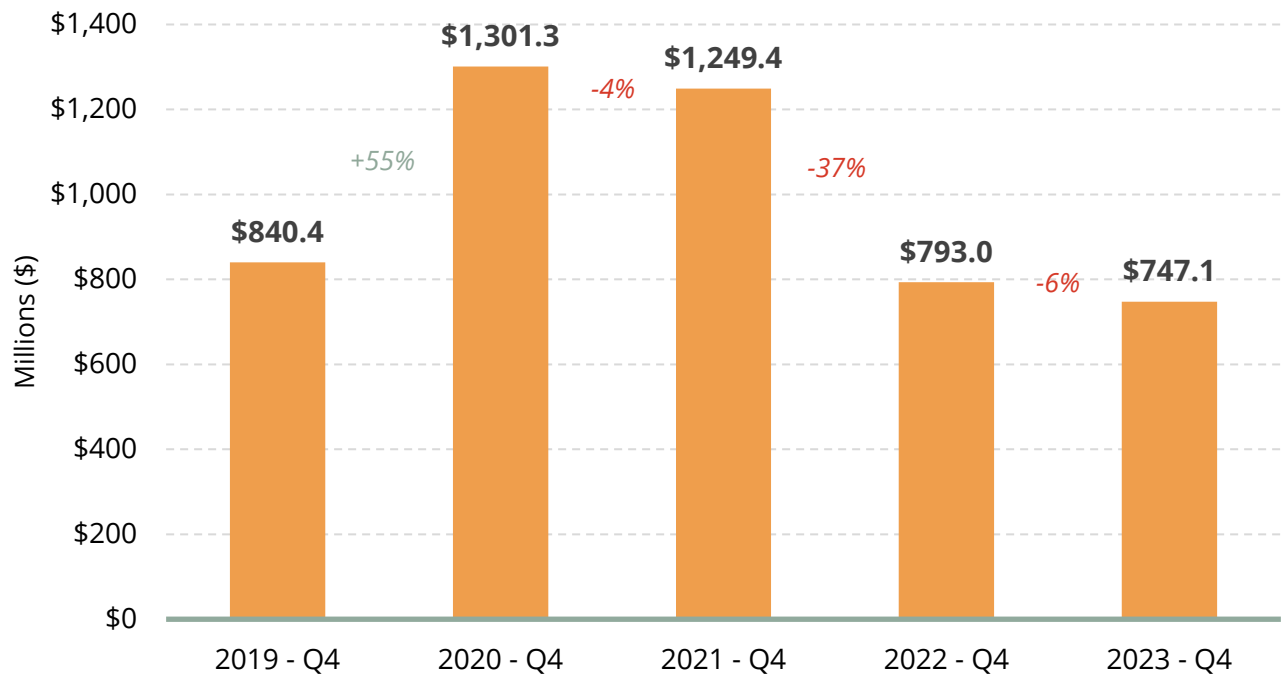
Zip Code	2022 - Q4	2023 - Q4	% Change	Zip Code	2022 - Q4	2023 - Q4	% Change
20105 Aldie	\$900,000	\$995,590	11%	20164 Sterling	\$485,000	\$575,000	19%
20132 Purcellville	\$685,000	\$860,000	26%	20165 Sterling	\$610,000	\$627,000	3%
20147 Ashburn	\$596,245	\$648,272	9%	20175 Leesburg	\$680,000	\$739,950	9%
20148 Ashburn	\$670,000	\$740,114	10%	20176 Leesburg	\$670,000	\$737,495	10%
20152 Chantilly	\$715,000	\$650,000	-9%	20180 Lovettsville	\$665,000	\$785,000	18%



Sold Volume

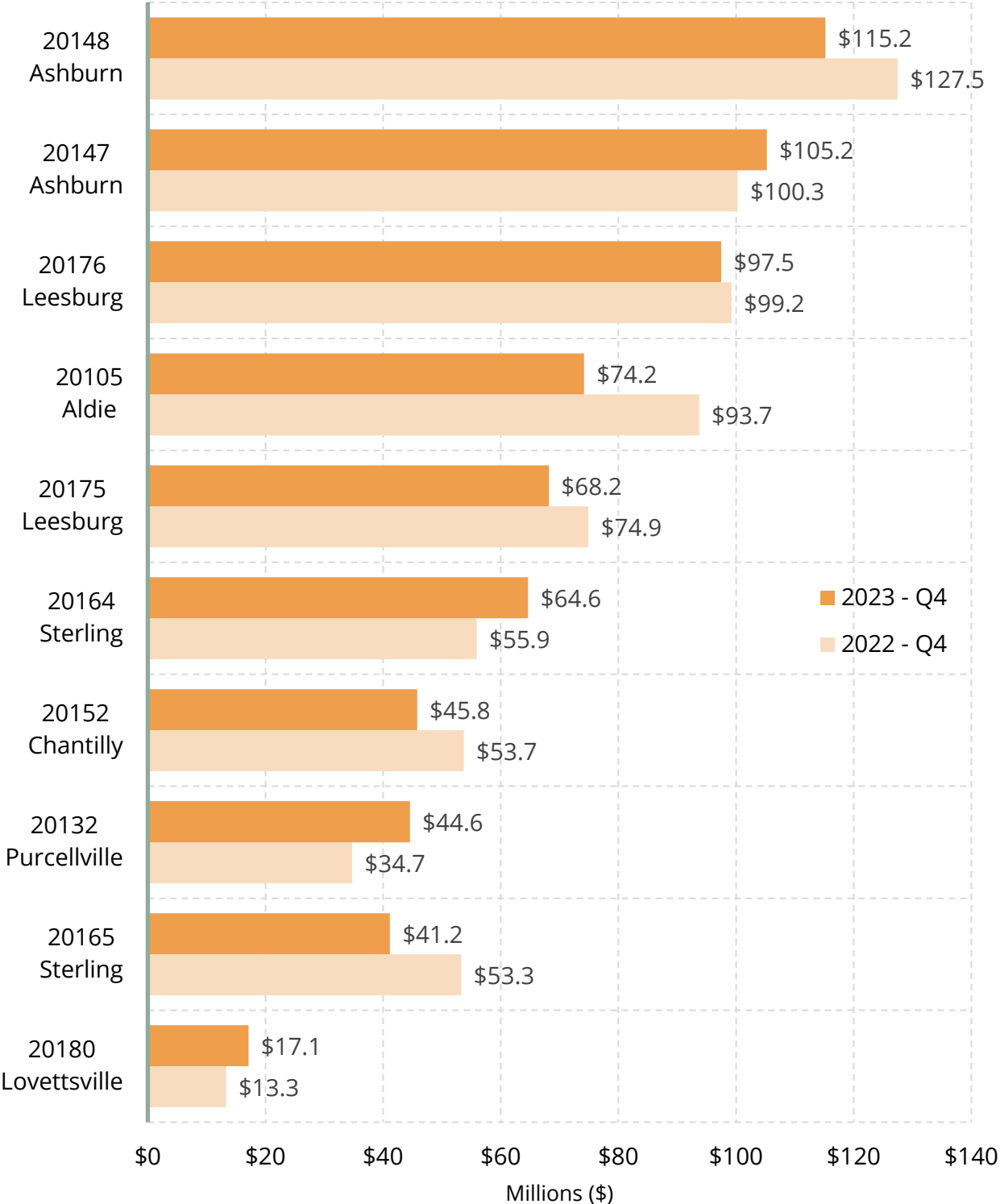
While prices are rising across the county, the slowdown in sales activity is pulling down the total sold dollar volume in the Loudoun County market. There was about \$747.1 million of sold volume in the county in the fourth quarter. This is \$45.9 million less volume than this time last year, a 6% drop. The sold volume has been trending down for the last two years in the county as the market has slowed. At the local level, sold volume fell sharply in Sterling ZIP code 20165 (-23%), Aldie ZIP code 20105 (-21%), and Chantilly ZIP code 20152 (-15%).

Figure 8
Fourth Quarter Sold Dollar Volume (Millions), Loudoun County
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024

Figure 9
Fourth Quarter Sold Dollar Volume, Loudoun County ZIP Codes
2022 and 2023

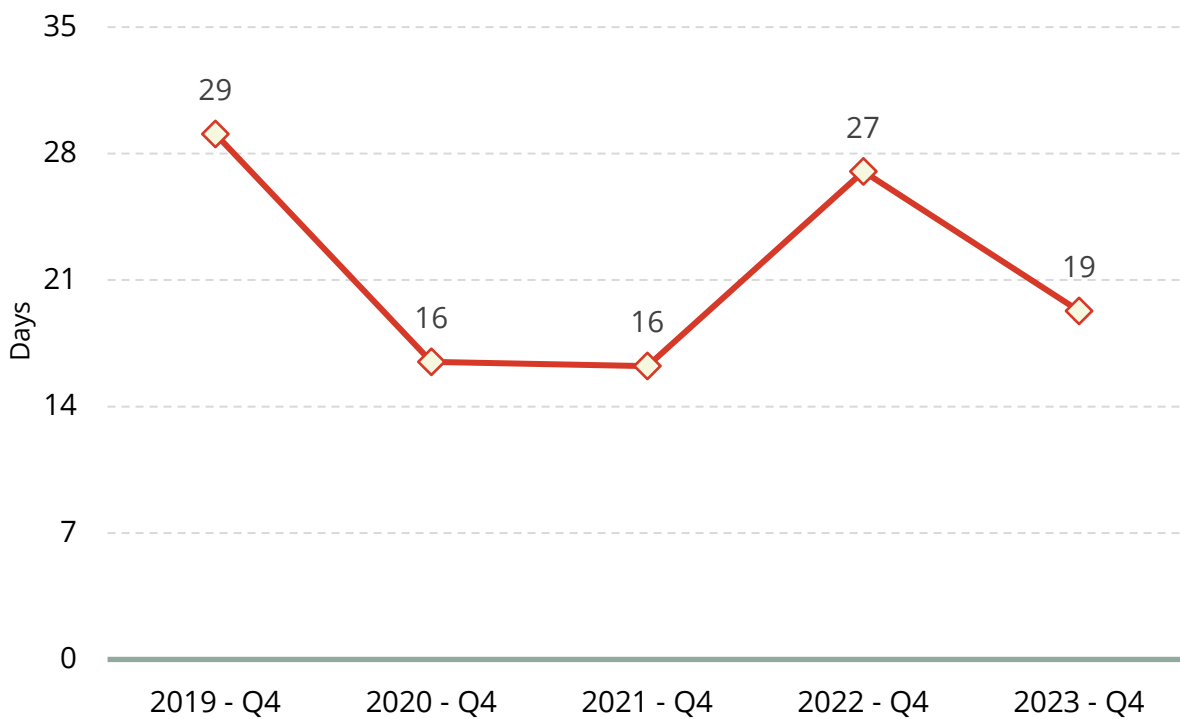


Source: Virginia REALTORS®, data accessed January 15, 2024

Days on Market

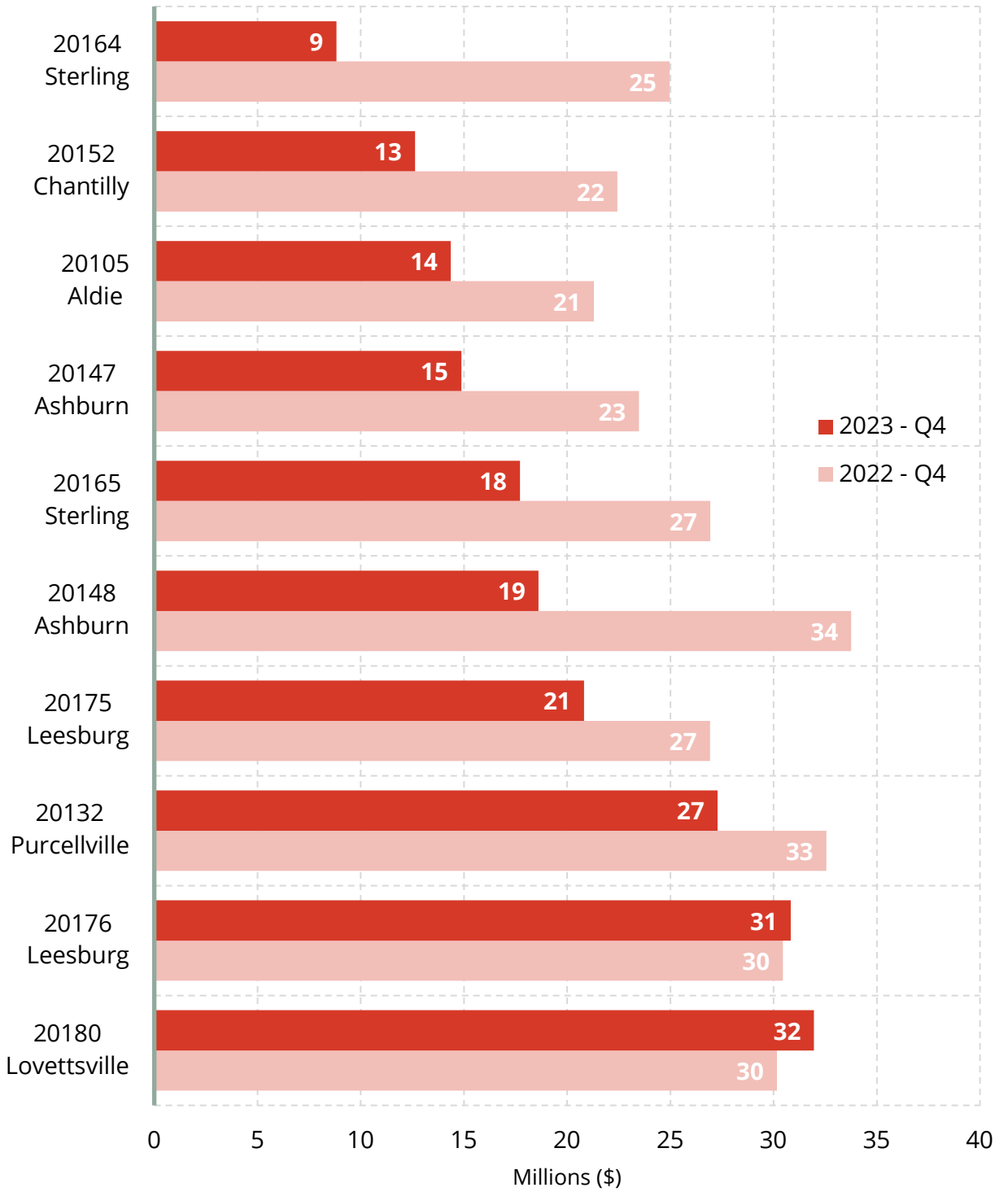
It took about a week less than last year on average to sell a home in the Loudoun County housing market during the fourth quarter. The fourth quarter average days on market across the county was 19 days, down from 27 days a year ago. The average days on market has been trending down in the county for two consecutive quarters. Within the local areas, the average days on market was about two weeks faster in both Sterling ZIP code 20164 (-16 days) and Ashburn ZIP code 20148 (-15 days). Homes were on the market about a week faster in Aldie ZIP code 20105 (-7 days) and Leesburg ZIP code 20175 (-6 days). Statewide, homes were on the market 31 days on average in the fourth quarter, unchanged from last year.

Figure 10
Fourth Quarter Average Days on Market, Loudoun County
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024

Figure 11
Fourth Quarter Average Days on Market, Loudoun County ZIP Codes
2022 and 2023



Source: Virginia REALTORS®, data accessed January 15, 2024

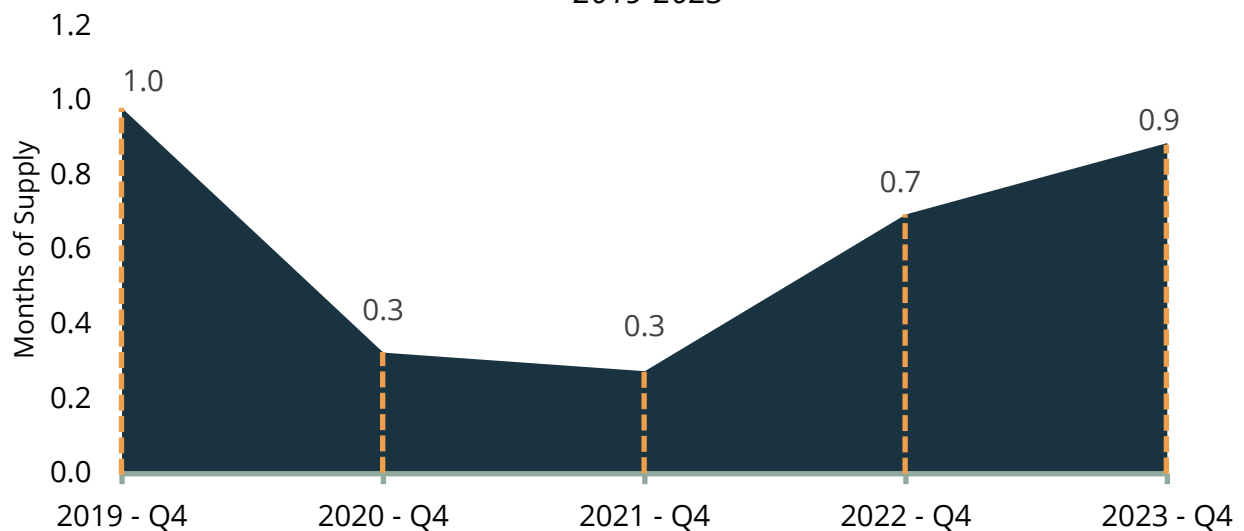
Inventory

The supply of active listings in the Loudoun County housing market remains very low and has not expanded since the start of 2023. At the end of the fourth quarter there were 345 active listings throughout the county, eight fewer listings than the fourth quarter last year, which is a 2% decline. The drop in active listings continues to occur in most local markets. Sterling ZIP code 20165 had 10 fewer listings (-53%), and Aldie ZIP code 20105 had 12 fewer listings than the fourth quarter last year (-30%). There was an influx of eight active listings in Ashburn ZIP code 20148 (+14%), and there were 12 more active listings in Purcellville ZIP code 20132 (+75%) compared to this time last year.

Statewide, there were 16,244 active listings on the market at the end of the fourth quarter, 129 more than there were a year ago, inching up 1%.

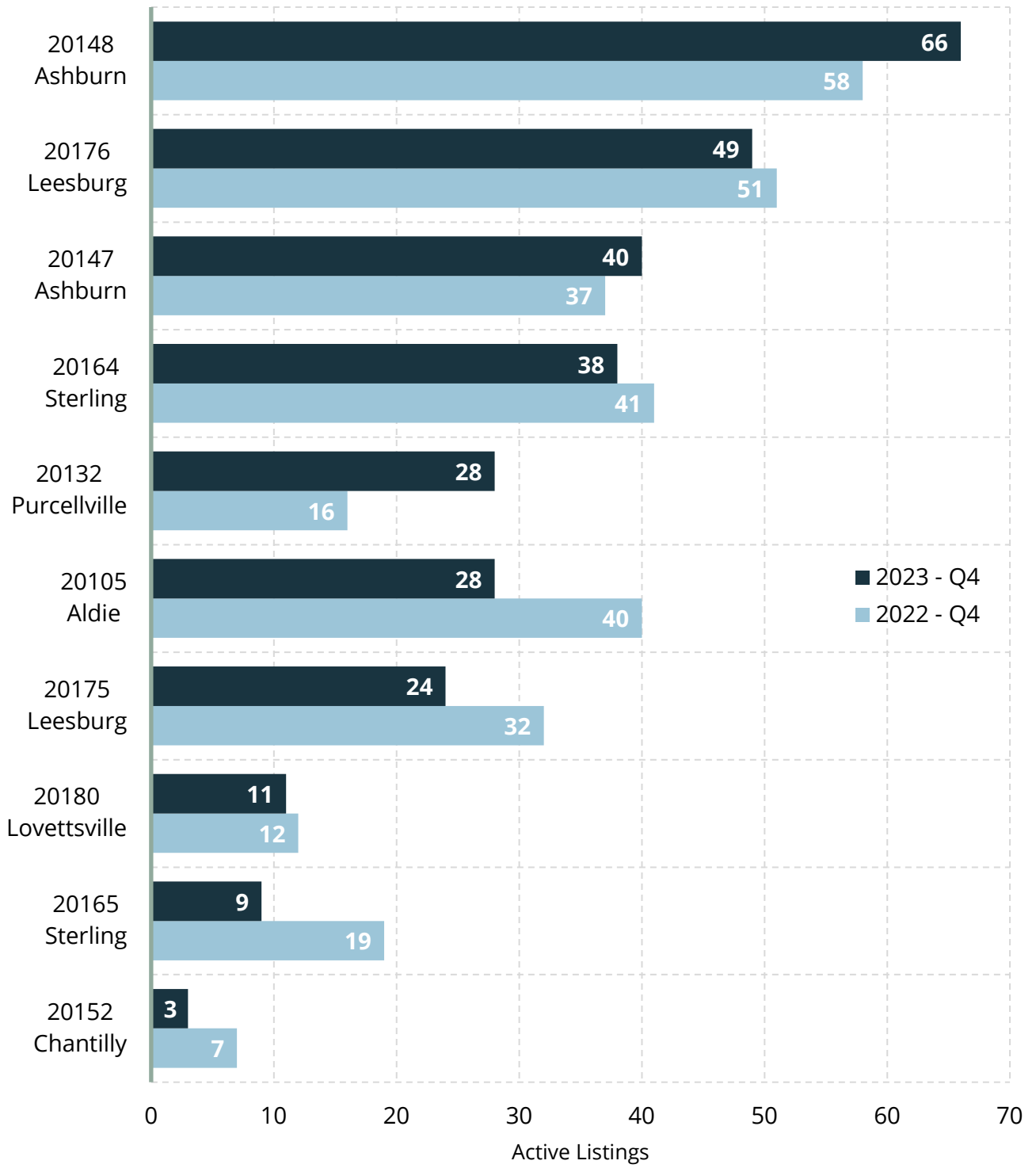
There was just 0.9 of a month of supply at the end of the fourth quarter in Loudoun County, which is up from 0.7 a year ago. The months of supply metric is calculated by taking the average monthly sales over the preceding 12-month period and dividing it by the inventory of active listings. Statewide, there was about two months of supply at the end of the fourth quarter.

Figure 12
End of Fourth Quarter Months Supply, Loudoun County
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024

Figure 13
End of Fourth Quarter Active Listings, Loudoun County ZIP Codes
2022 and 2023



Source: Virginia REALTORS®, data accessed January 15, 2024



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.