

Housing Market Update

DULLES AREA ASSOCIATION OF REALTORS[®]

Lisa Sturtevant, PhD
Chief Economist

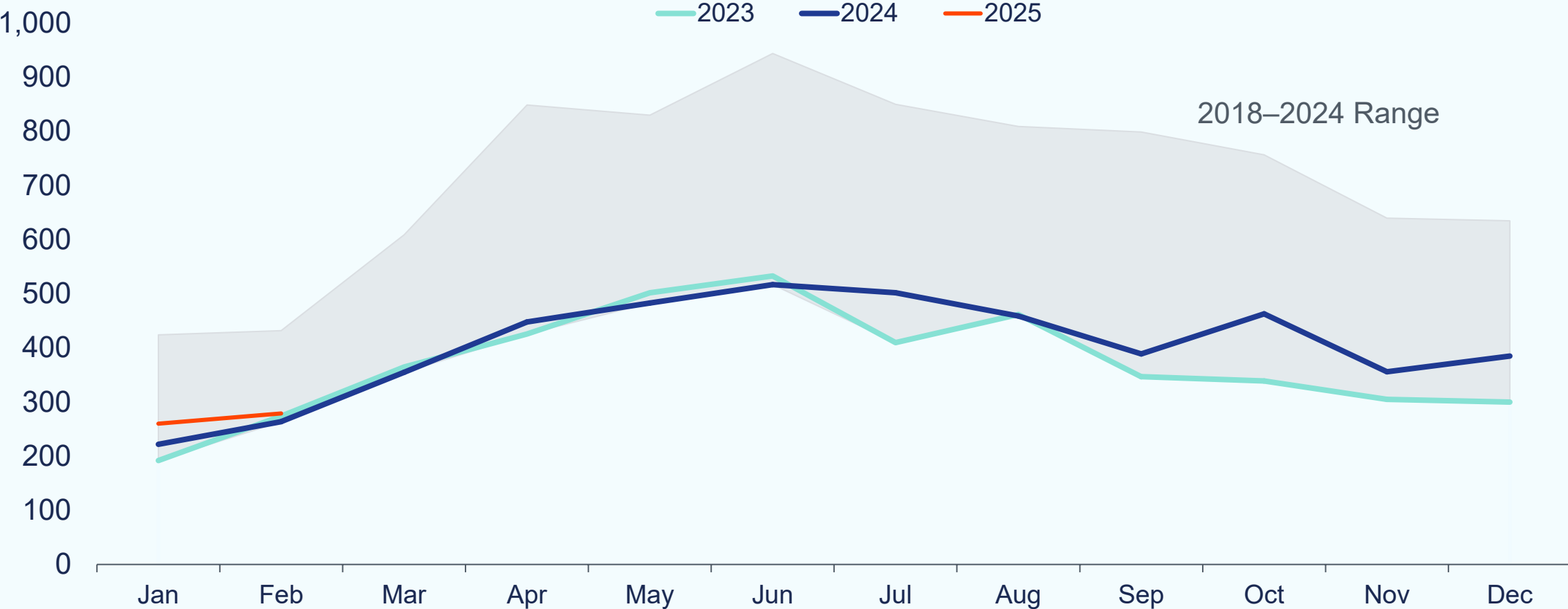
March 5, 2025



Local Housing Market

Home sales picked up at the end of 2024, still low by historic standards

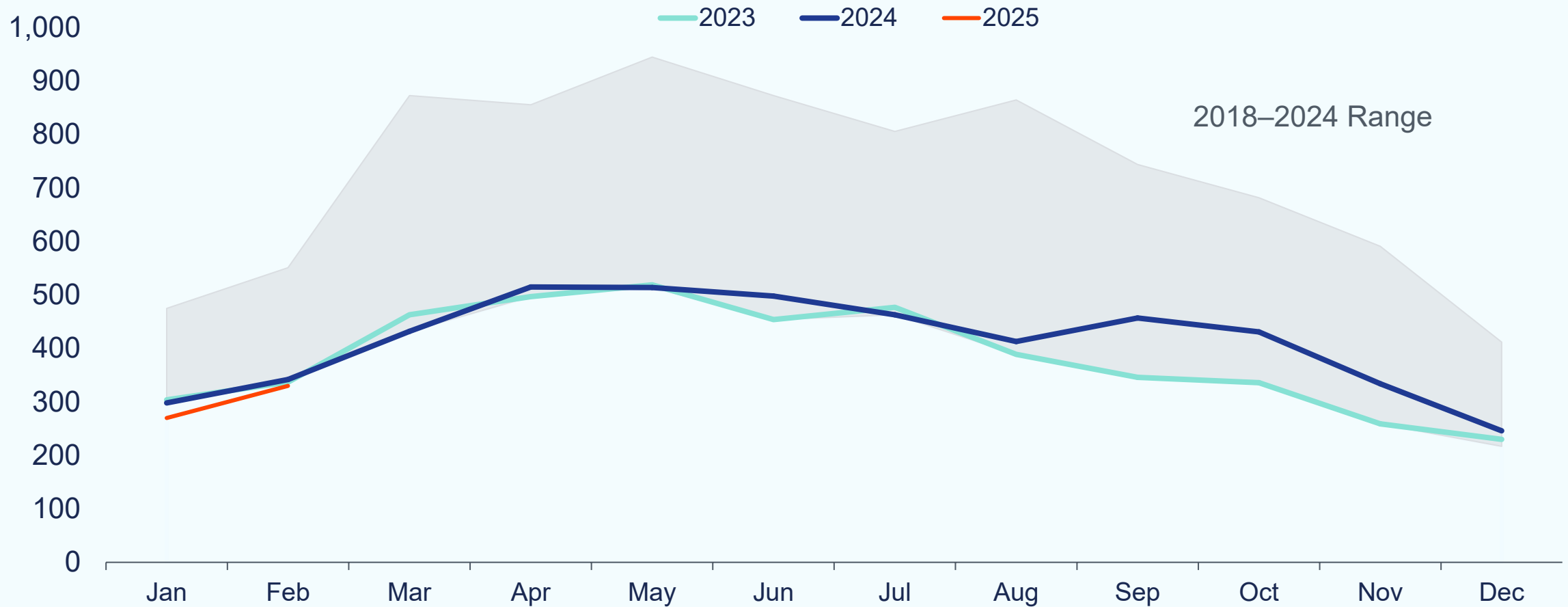
Monthly Closed Sales, Loudoun County



It has been a slow start to 2025

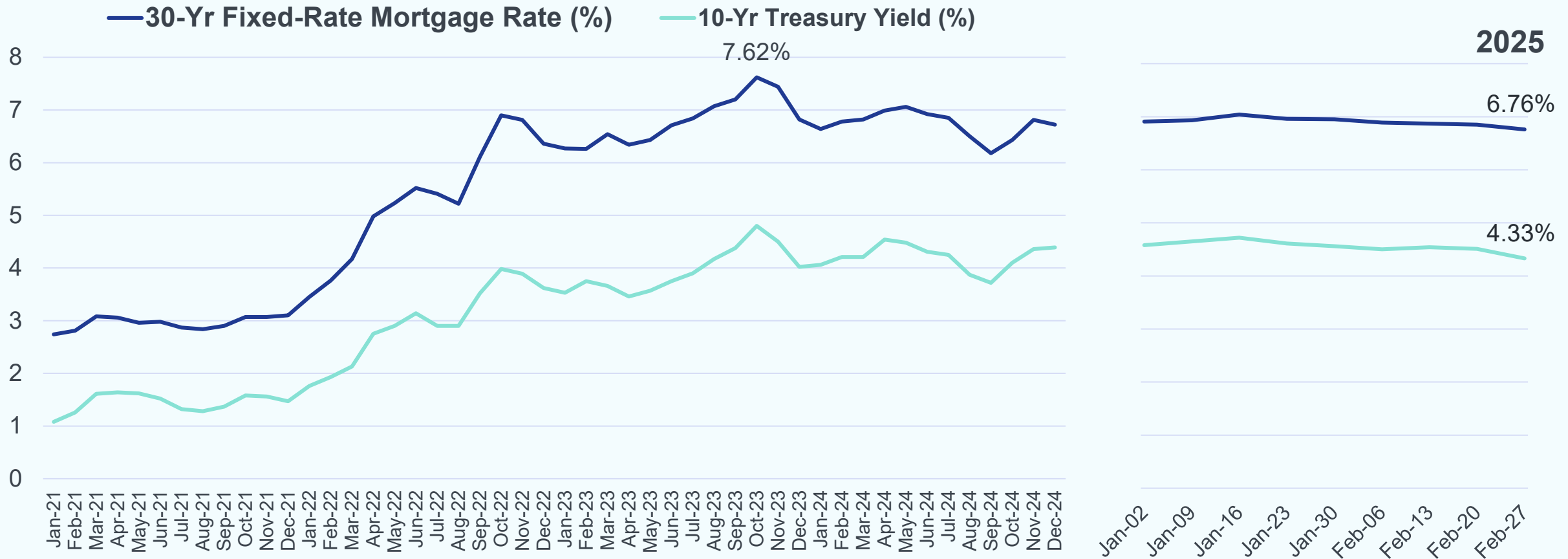
New pending contracts lower than last year

New Pendings, Loudoun County



Mortgage rates have been persistently elevated

High rates keeping some buyers and sellers out of the market

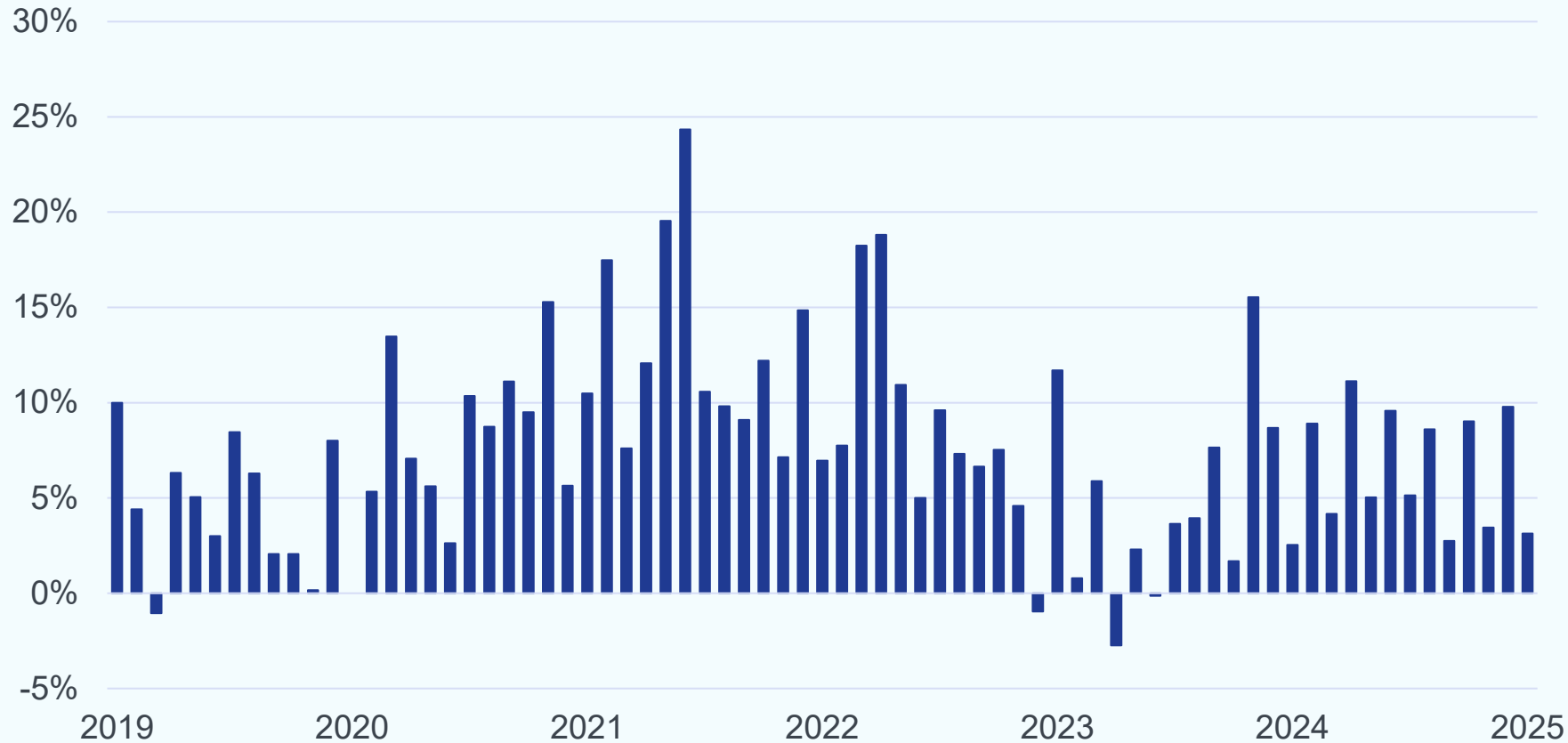


Source: Freddie Mac, Federal Reserve



Despite slower sales, home prices continue to rise

Change in Median Price, Year-Over-Year Change (%), Loudoun County



Median price Change, 2023-2024

Market	Change
U.S.	+4.7%
D.C. Metro	+6.1%
Loudoun	+7.2%
Ashburn	+4.8%
Leesburg	7.1%
Sterling	8.3%
Chantilly	1.1%
Purcellville	+6.3%
Aldie	+6.3%
Middleburg	+19.2%

Prices up significantly over the past 5 years

Homeowners have built up tremendous equity in their homes

2024 median sold price
(change from 2019)

Fairfax

SFD	\$950K (+39%)
TH	\$630K (+39%)
Condo	\$372K (+31%)

Arlington

\$1.30m (+37%)
\$920K (+34%)
\$460K (+12%)

Alexandria

\$1.14m (+32%)
\$850K (+25%)
\$385K (+26%)

Falls Church

SFD	\$1.38m (+45%)
TH	\$1.12m (+30%)
Condo	\$514K (+8%)

Loudoun

\$990K (+52%)
\$680K (+51%)
\$490K (+49%)

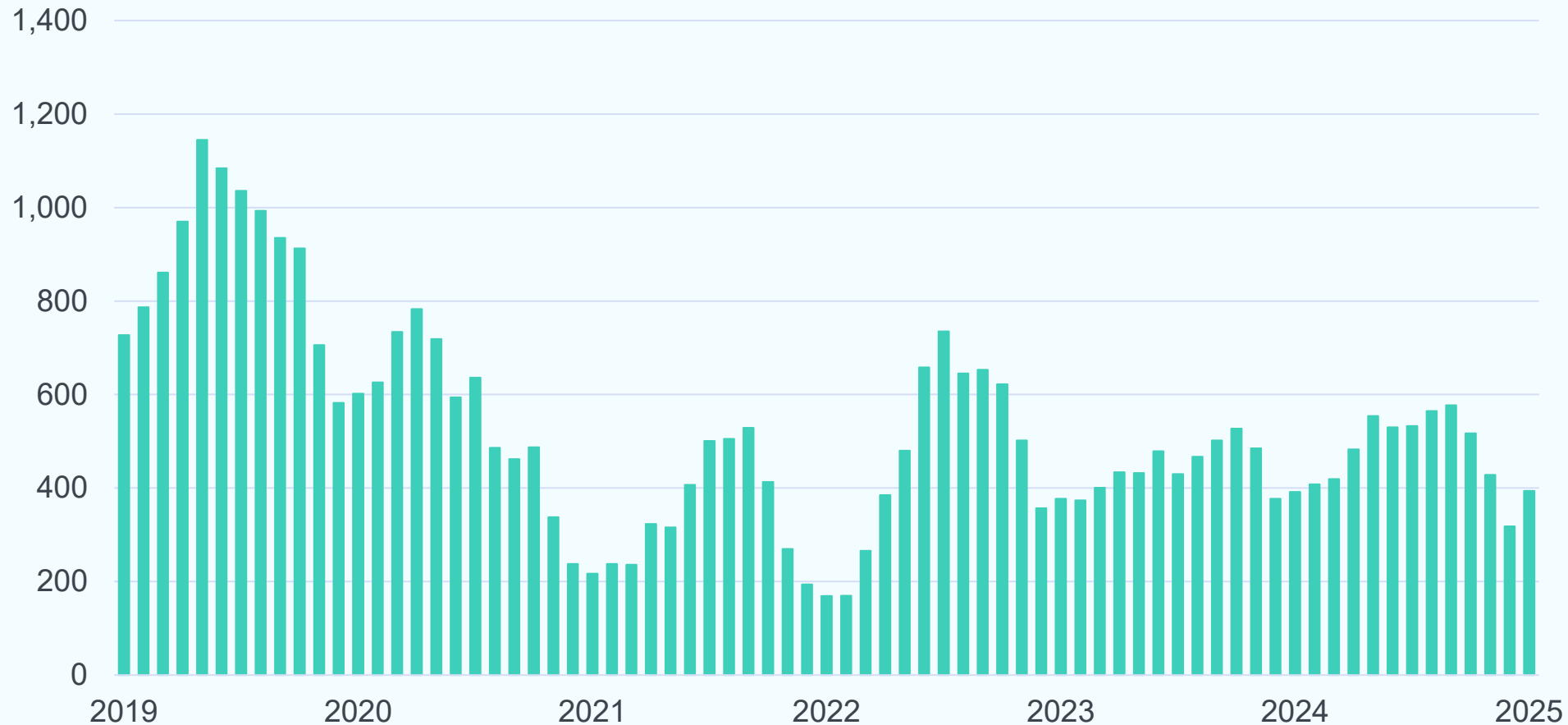
DC

\$1.16m (+38%)
\$842K (+17%)
\$480K (+1%)

Inventory has been increasing but is still very tight

Countywide inventory is about half of pre-pandemic levels

Month-End Inventory, Loudoun County



Months of Supply
End of 2024

Market	MOS
D.C. Metro	1.31
Loudoun	0.76
Fairfax	0.70
Arlington	1.15
Alexandria	0.91
Montgomery	0.97
D.C.	3.64

The pace of the market has slowed somewhat but it depends on home type and location

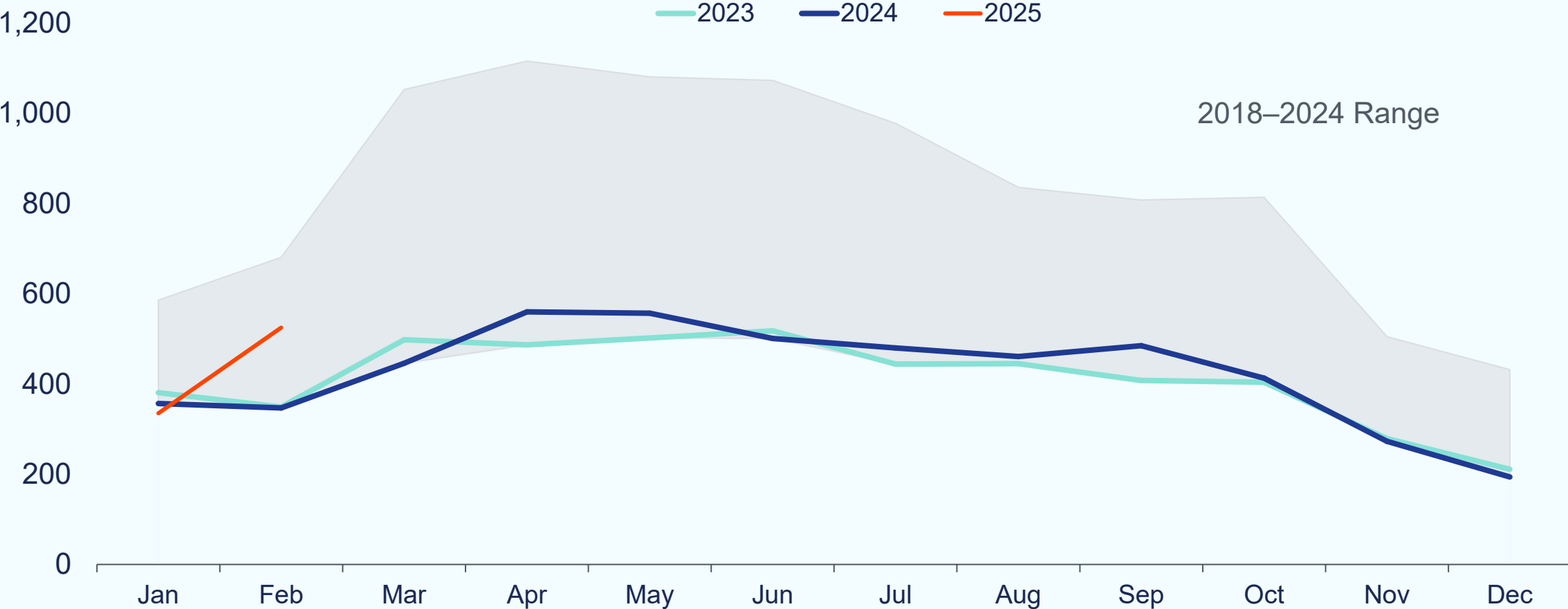
Median Days on Market, Loudoun County



Listing activity was at a record low at the end of 2024

The picture appears to be changing in 2025

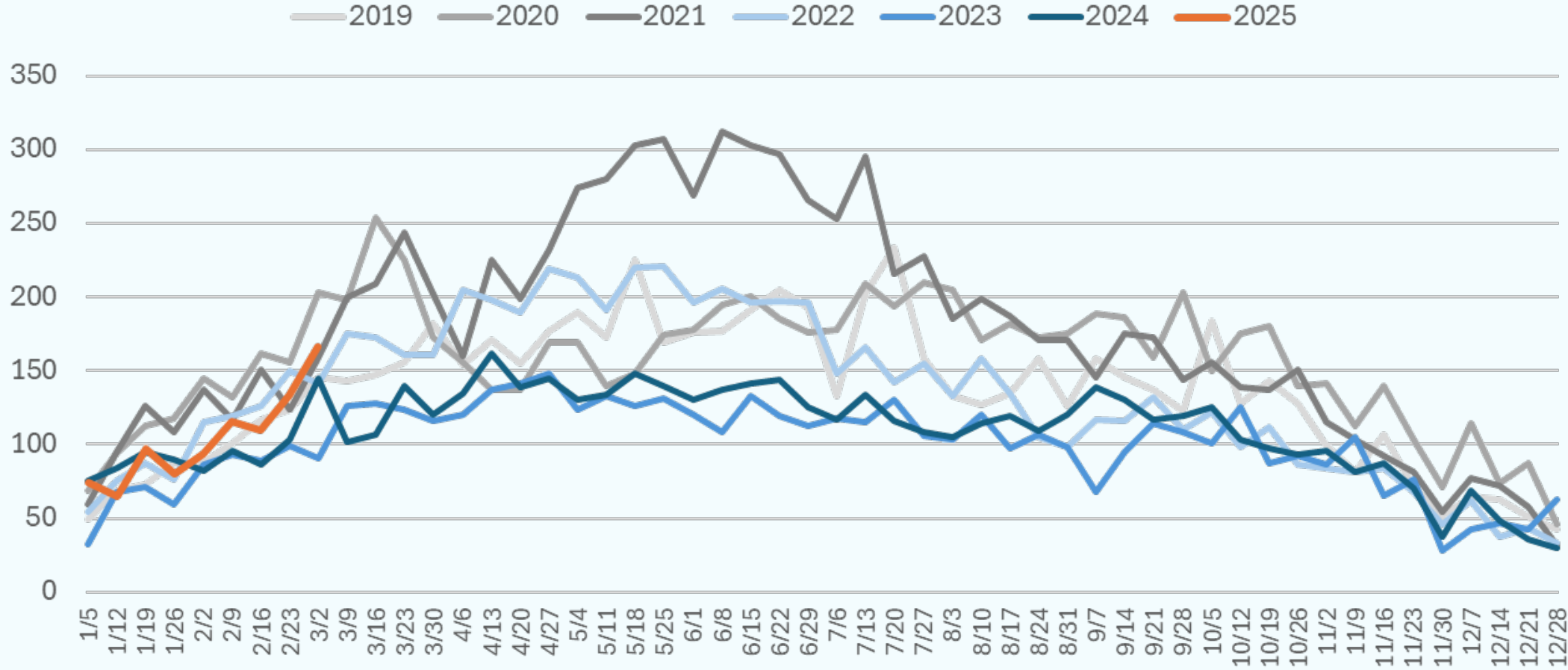
Monthly New Listings, Loudoun County



Weekly listings in the county rising in February and March

Seasonal uptick, administration initiatives

Weekly New Listings, Loudoun County



What's ahead for 2025?

What to watch in 2025?

Labor Market

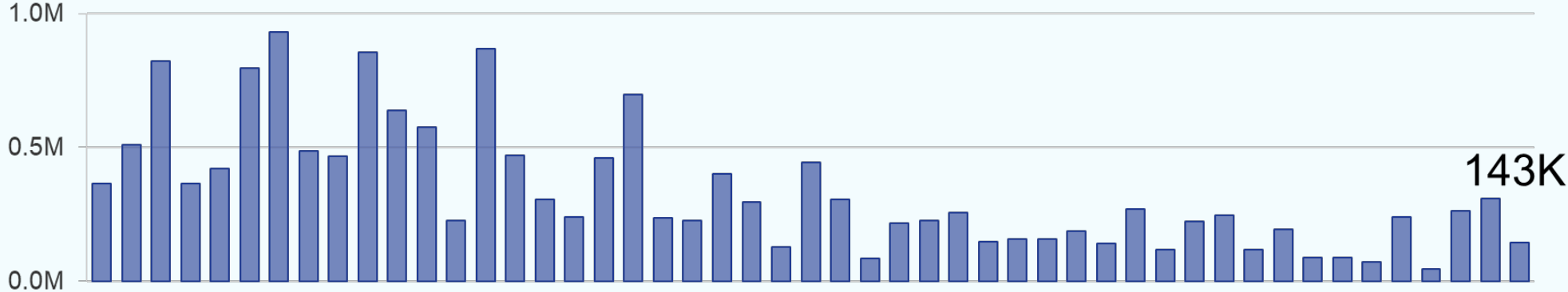
- Labor market is still resilient, unemployment rate is still very low.
- However, labor market conditions may be weakening with more layoffs, more turnover which could lead to slower economic growth.
- The Washington D.C. area economy faces risk associated with changes in the federal government.



Labor market remains resilient

Relatively strong job growth, low unemployment rate in January

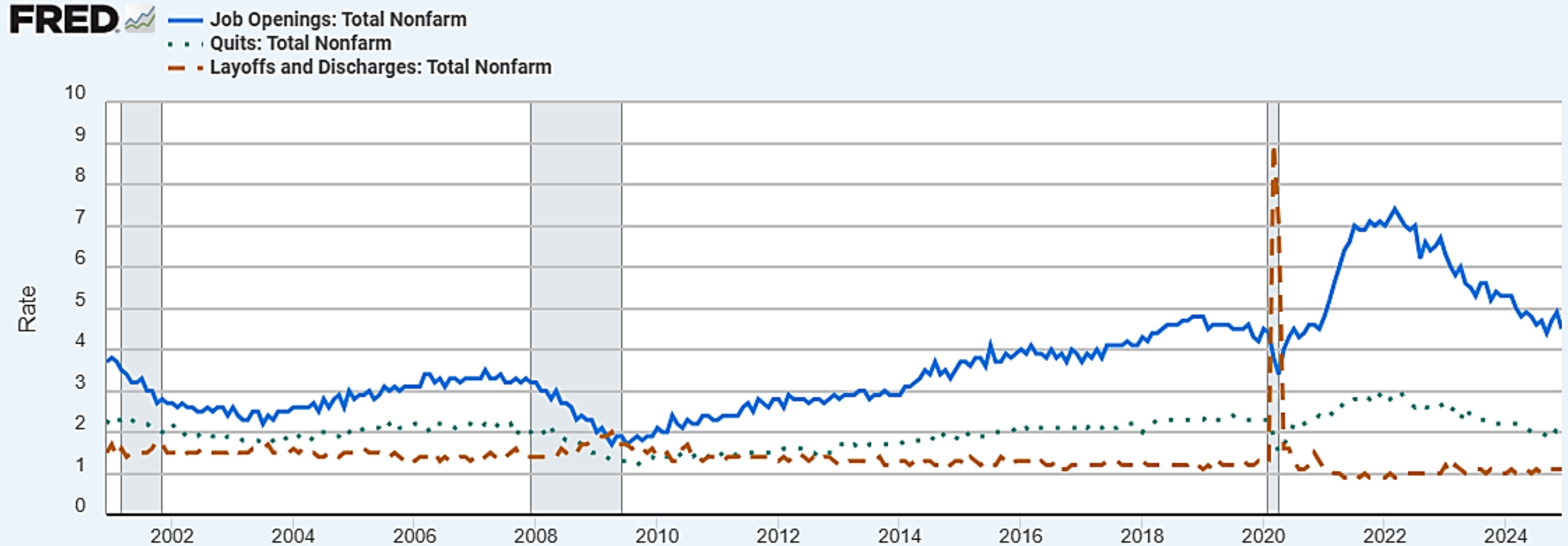
Monthly Change in Total U.S. Employment



U.S. Unemployment Rate



Layoffs stable, job openings and quits lower



Source: U.S. Bureau of Labor Statistics via FRED®
Shaded areas indicate U.S. recessions.

fred.stlouisfed.org

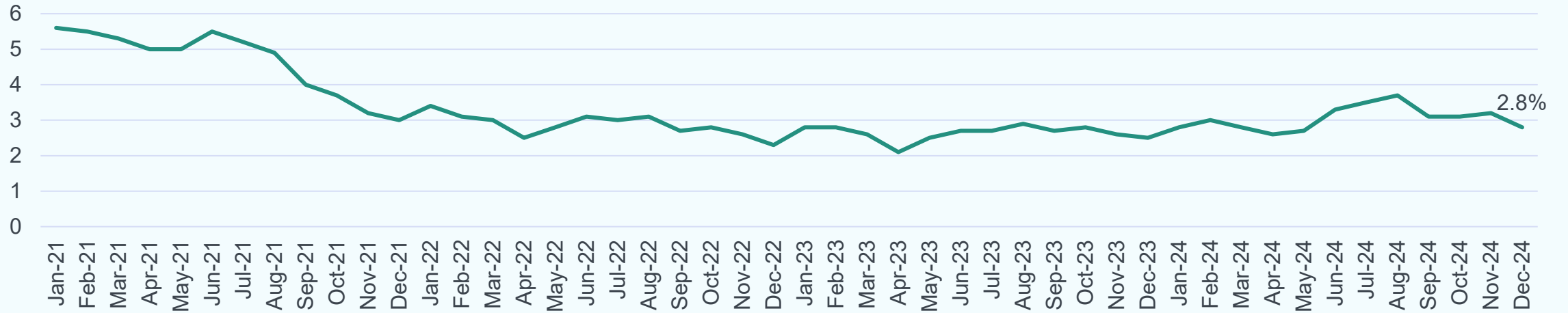
DC metro economy has been a little weaker than others post-pandemic

Unemployment rate is still historically low

D.C. Metro Monthly Job Change (000s)



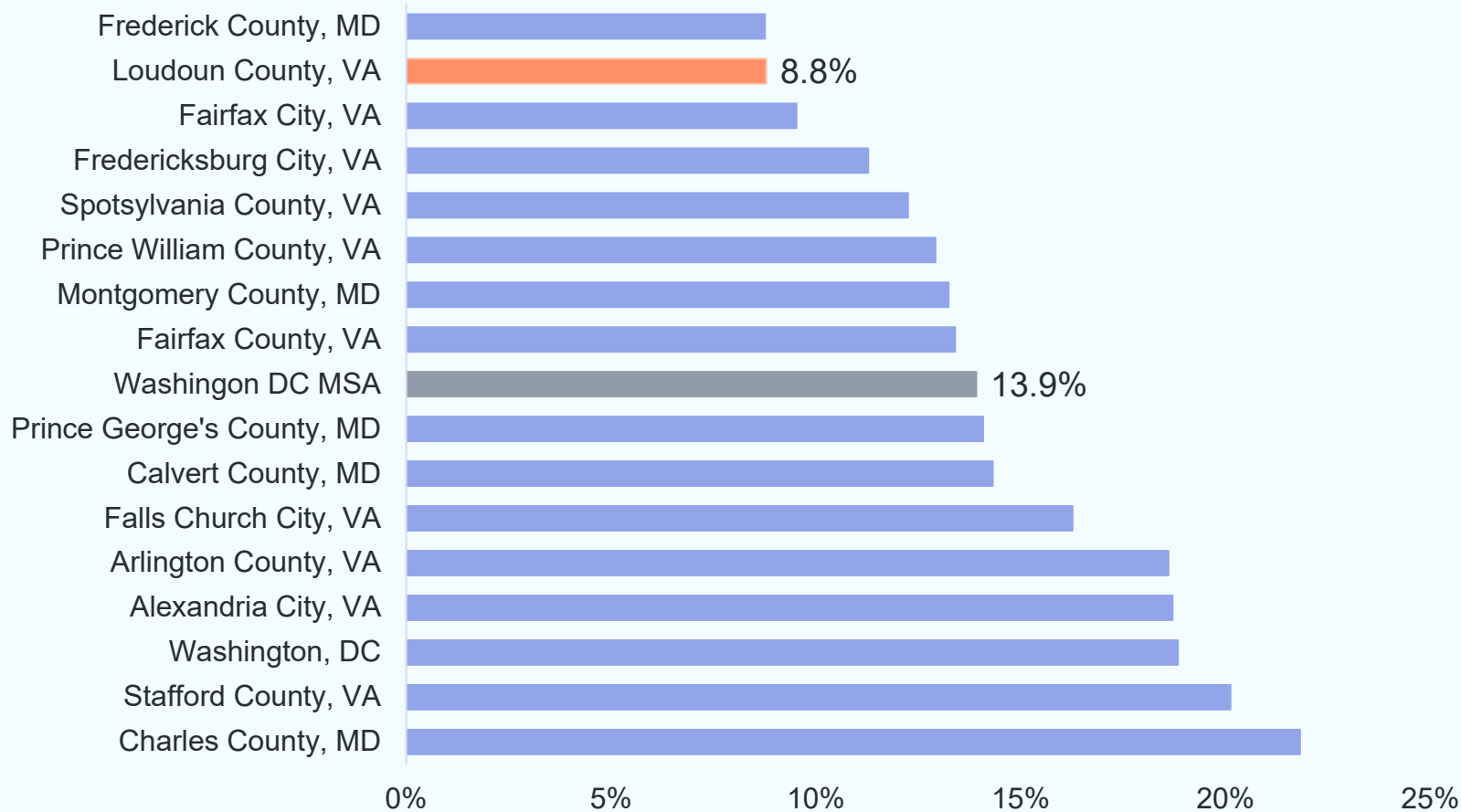
D.C. Metro Unemployment Rate (%)



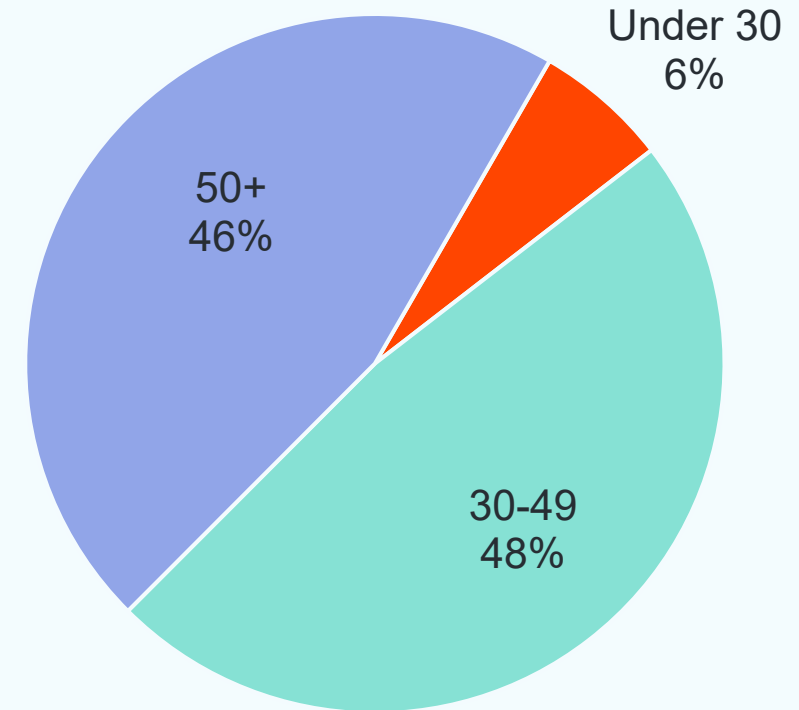
Source: Bureau of Labor Statistics

How will DOGE impact the local housing market?

Federal Civilian Govt Employees as a Share of Resident Workforce



Federal Govt Workforce by Age Group Washington DC Metro



Greater D.C. Area: Weekly Market Update

Monitor the latest market activity in and around the nation's capital with our experts' week-by-week data breakdown.

**Week Ending
March 2, 2025**

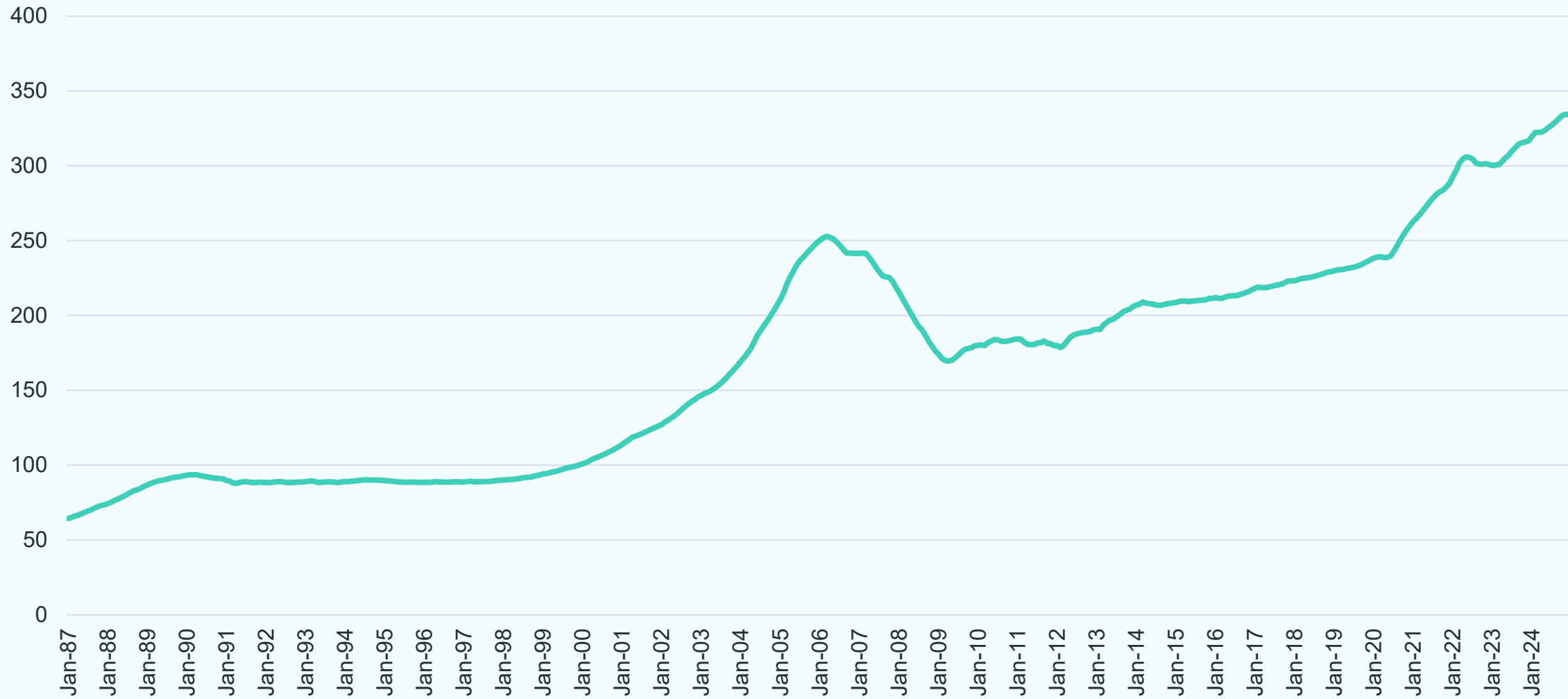
	NEW LISTINGS			MEDIAN LIST PRICE			% of ACTIVES WITH A PRICE DROP			NEW PENDING CONTRACTS			SHOWINGS		
	Current week	Compared to a year ago	Compared to a week ago	Current week	Compared to a year ago	Compared to a week ago	Current week	Compared to a year ago	Compared to a week ago	Current week	Compared to a year ago	Compared to a week ago	Current week	Compared to a year ago	Compared to a week ago
Alexandria City, VA	67	45.7%	67.5%	\$739,000	-6.2%	9.2%	6.9%	+0.7 pp	+0.5 pp	51	0.0%	8.5%	719	-10.7%	-5.3%
Arlington County, VA	65	30.0%	27.5%	\$899,000	41.7%	30.5%	11.1%	+5.7 pp	+3.7 pp	47	-16.1%	-9.6%	736	-18.8%	-5.3%
Fairfax City, VA	9	28.6%	0.0%	\$1,164,950	22.6%	41.2%	13.6%	+13.6 pp	+8.1 pp	3	-40.0%	-57.1%	183	13.7%	134.6%
Fairfax County, VA	344	22.9%	15.1%	\$800,000	7.0%	-3.0%	7.8%	+3.4 pp	+0.3 pp	243	-3.6%	-4.7%	5,104	-15.0%	1.9%
Falls Church City, VA	5	150.0%	0.0%	\$720,000	-67.6%	-2.0%	0.0%	+0.0 pp	+0.0 pp	1	-75.0%	0.0%	139	717.6%	456.0%
Fredericksburg City, VA	6	-14.3%	0.0%	\$572,450	21.9%	-28.0%	6.5%	+0.8 pp	+2.2 pp	4	-55.6%	-42.9%	92	-12.4%	46.0%
Loudoun County, VA	166	14.5%	24.8%	\$782,450	7.9%	-5.2%	8.6%	+5.7 pp	-1.1 pp	122	16.2%	0.8%	1,924	-8.8%	-2.5%
Manassas City, VA	10	42.9%	400.0%	\$477,450	-20.4%	61.0%	0.0%	-12.5 pp	-13.3 pp	6	-50.0%	-33.3%	119	-35.3%	22.7%
Manassas Park City, VA	5	-16.7%	-16.7%	\$504,900	20.2%	36.5%	9.1%	-10.9 pp	-0.9 pp	4	-20.0%	-20.0%	81	-22.9%	-2.4%
Prince William County, VA	152	33.3%	50.5%	\$602,500	1.5%	-3.6%	8.0%	+0.7 pp	-2.2 pp	116	0.0%	33.3%	2,118	-19.1%	0.1%
Spotsylvania County, VA	56	14.3%	7.7%	\$515,000	12.0%	-2.4%	4.3%	-1.8 pp	-2.6 pp	45	-11.8%	18.4%	601	-8.7%	-8.9%
Stafford County, VA	42	-35.4%	0.0%	\$576,450	7.8%	-0.2%	8.3%	+3.2 pp	+4.7 pp	37	-14.0%	-24.5%	562	-36.3%	-11.2%
Calvert County, MD	22	-26.7%	-26.7%	\$512,400	6.3%	4.1%	6.0%	-0.6 pp	-1.4 pp	23	-11.5%	-8.0%	289	-19.7%	-9.4%
Charles County, MD	52	-7.1%	8.3%	\$444,000	0.3%	-5.2%	6.2%	-1.4 pp	+0.6 pp	54	-22.9%	-10.0%	881	6.5%	-7.7%
Frederick County, MD	110	35.8%	23.6%	\$545,586	7.0%	3.9%	6.3%	-1.8 pp	-4.5 pp	69	-22.5%	15.0%	1,087	3.7%	6.4%
Montgomery County, MD	261	12.0%	-2.2%	\$695,000	11.2%	14.9%	9.9%	+3.0 pp	+4.3 pp	235	-0.8%	15.8%	4,091	-20.7%	1.3%
Prince George's County, MD	213	0.5%	2.9%	\$460,000	2.5%	4.5%	7.6%	+0.7 pp	-2.8 pp	199	-26.0%	5.3%	3,678	-20.5%	-10.6%
Washington, DC	265	-1.9%	7.3%	\$649,000	-6.9%	-0.1%	7.5%	-0.0 pp	+0.8 pp	164	-2.4%	10.8%	2,718	-7.2%	0.4%
Greater DC Region	1,850	11.4%	13.2%	\$630,000	6.8%	2.4%	7.8%	+1.3 pp	+0.2 pp	1,423	-9.2%	4.4%	25,122	-14.9%	-1.2%
Anne Arundel County, MD	183	21.2%	18.1%	\$500,000	2.0%	-6.5%	10.4%	+0.5 pp	+2.1 pp	166	12.9%	-2.4%	2,432	-14.6%	14.5%
Howard County, MD	89	20.3%	21.9%	\$539,900	-16.9%	-8.3%	6.5%	+1.5 pp	+1.9 pp	71	1.4%	69.0%	1,749	-2.8%	31.6%
Bright MLS Area*	5,707	5.3%	12.8%	\$445,000	6.2%	4.7%	7.6%	+0.4 pp	+0.4 pp	5,287	-5.7%	7.2%	82,387	-10.0%	0.2%

pp = percentage point

* Area includes markets in 6 states and the District of Columbia

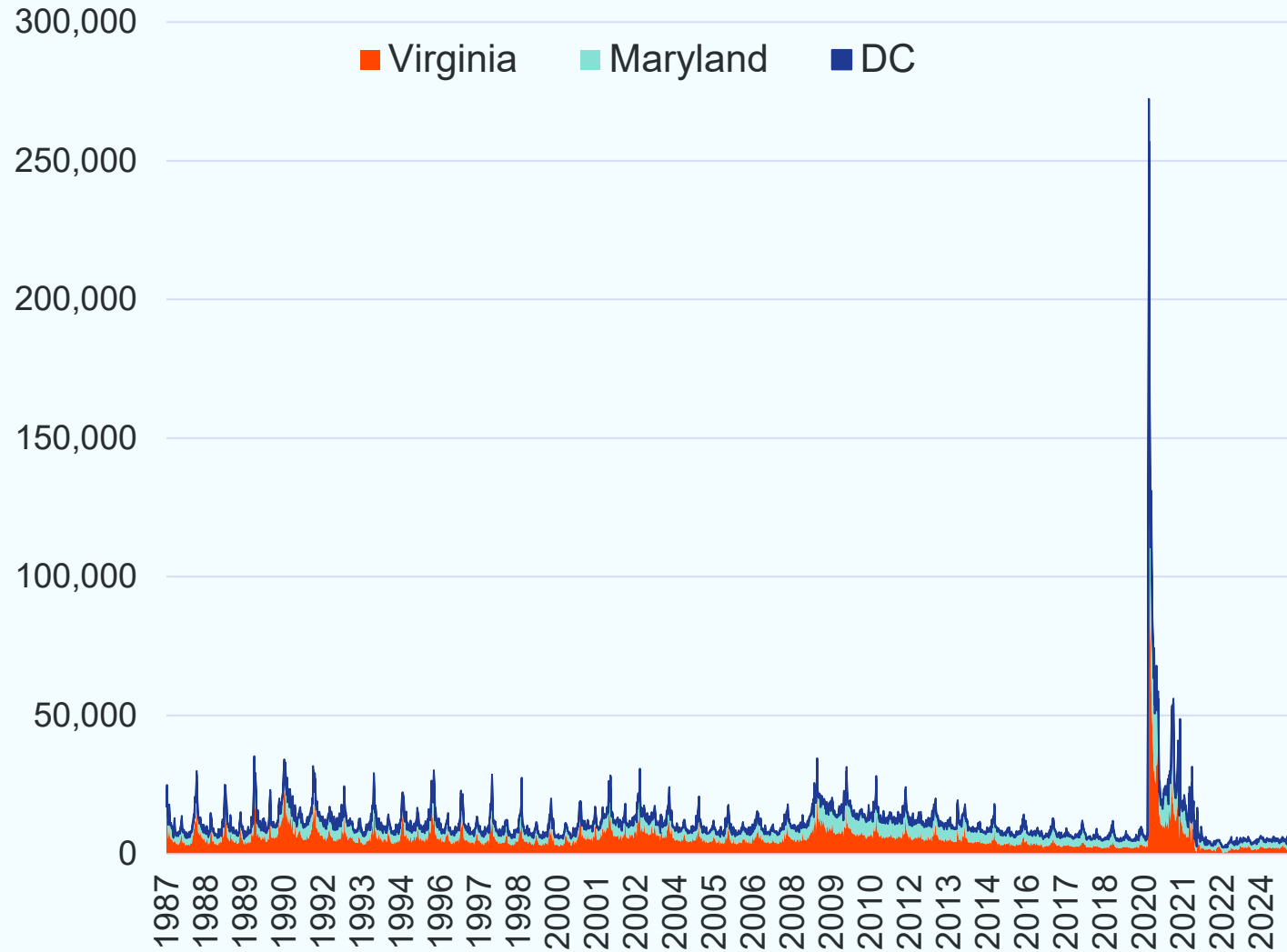
Learn more at BrightMLS.com/DCtracker

Home Price Index Washington D.C. Metro Area

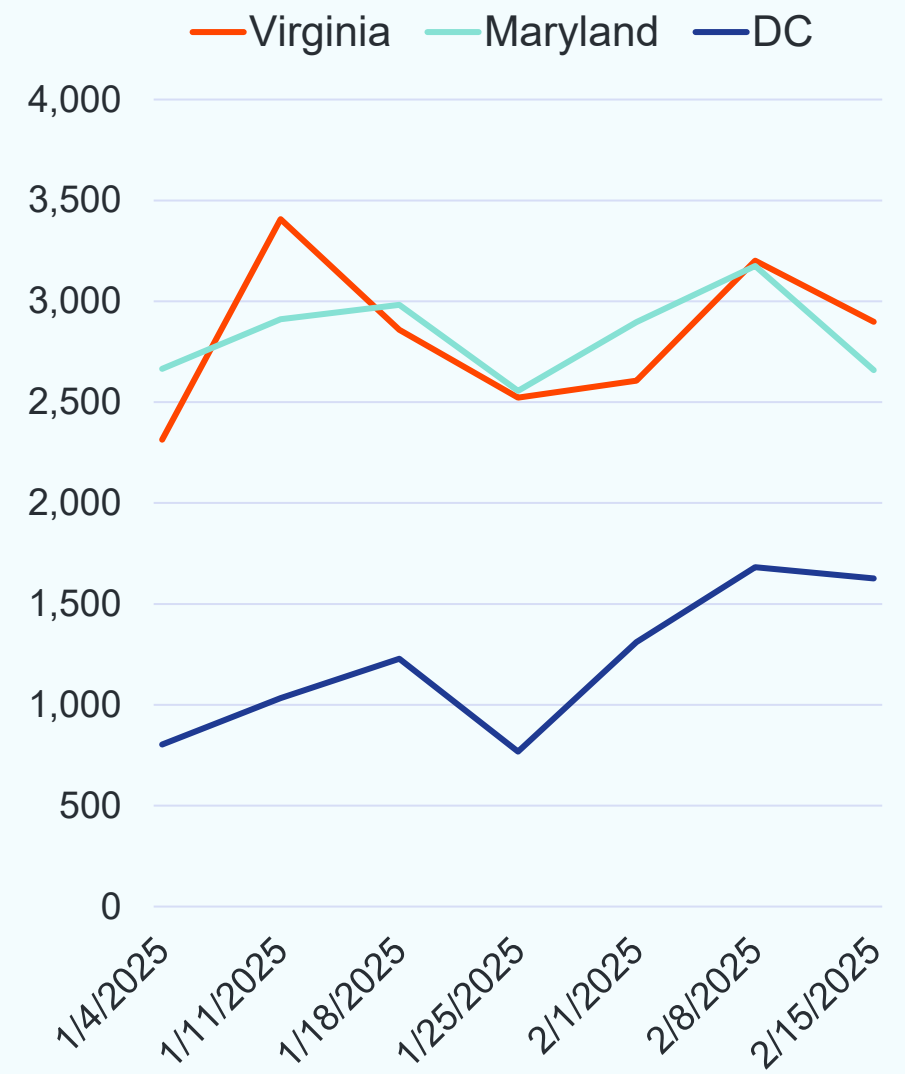


Source: S&P CoreLogic Case-Shiller Home Price Index

Weekly Initial Claims for Unemployment



2025



Source: U.S. Department of Labor

What to watch in 2025?

Inflation

- Higher inflation expectations means pullback in the number of Fed interest rate cuts in 2025.
- Consumers are feeling stressed by the cumulative impact of higher prices, leading them to feel less confident about their personal financial situations and making it harder to save for a downpayment.
- Inflation could come down if economic activity cools.



After falling in 2023 and 2024, inflation has started to increase again

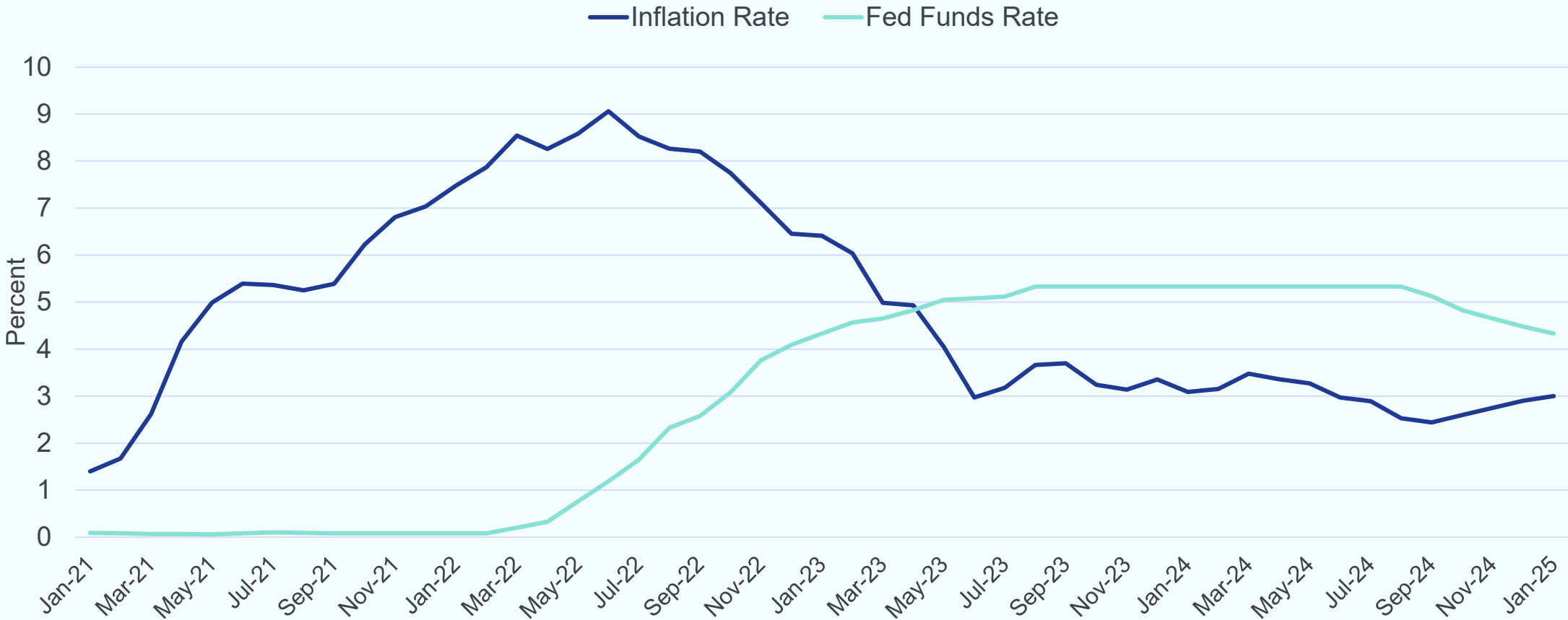
Inflation Rate (%)

Year-over-year change, Consumer Price Index



Source: Bureau of Labor Statistics

With inflation rising, the Federal Reserve has pulled back on 2025 rate cuts



Source: Bureau of Labor Statistics, Federal Reserve

What to watch in 2025?

Mortgage Rates

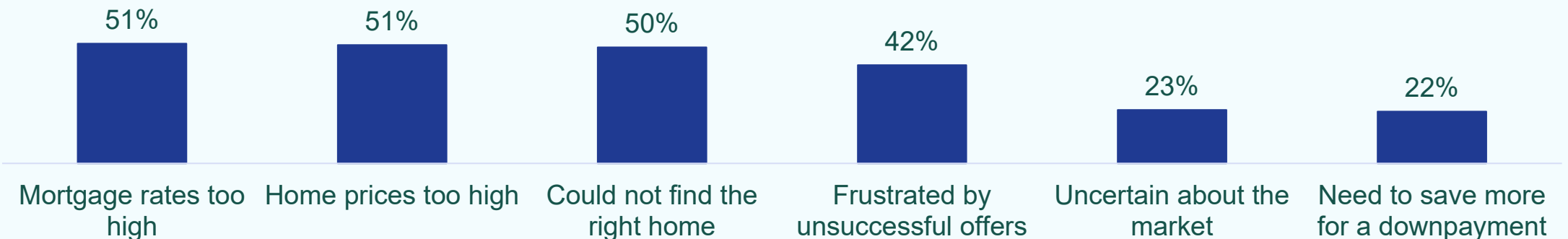
- Rates have remained elevated for longer than buyers and sellers would like.
- Rates likely will start to come down but they could be volatile from week to week.
- Buyers may act opportunistically to jump on lower rates this spring.



There is a lot of pent-up demand in the market

About **70%** of agents in the Bright MLS service area said that they had worked with at least one client in 2024 who had decided to pause their home search

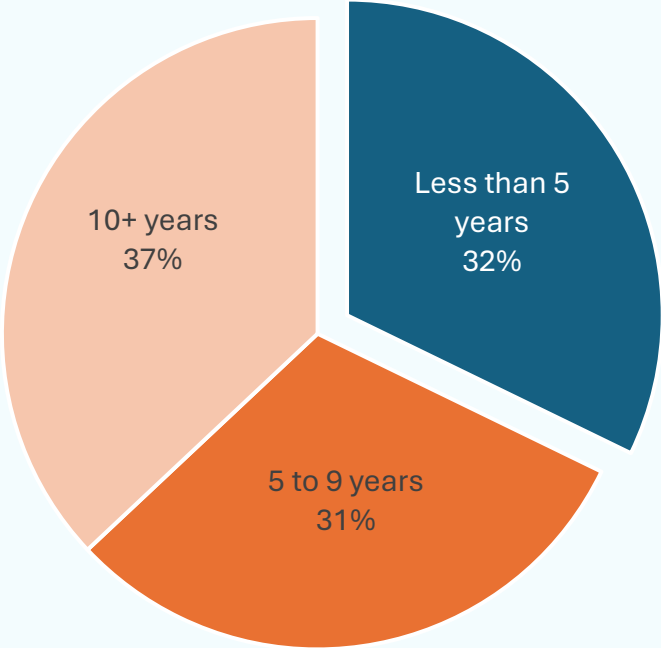
Why buyer clients paused their home search



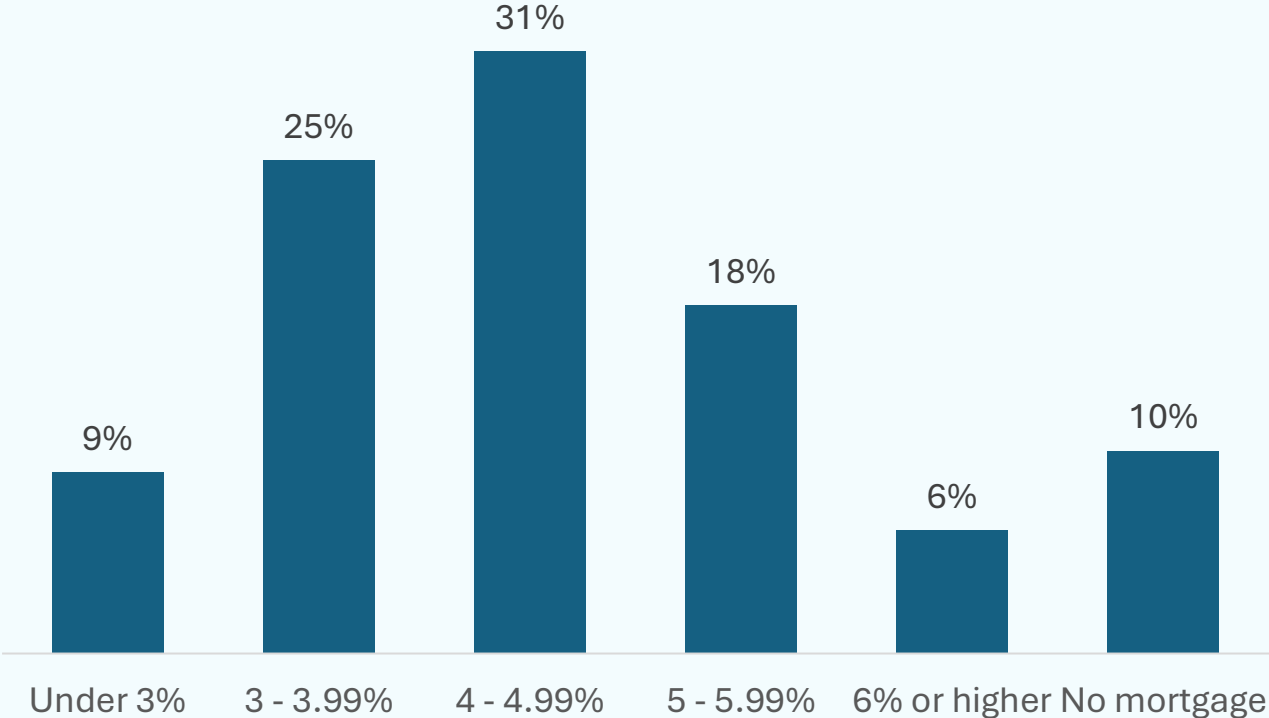
Source: Bright MLS survey of agents and brokers, December 2024

Some pandemic buyers are going to be 2025 sellers

How Long Prospective Home Sellers Have Lived in their Homes



Current Mortgage Rate Held by Prospective Sellers



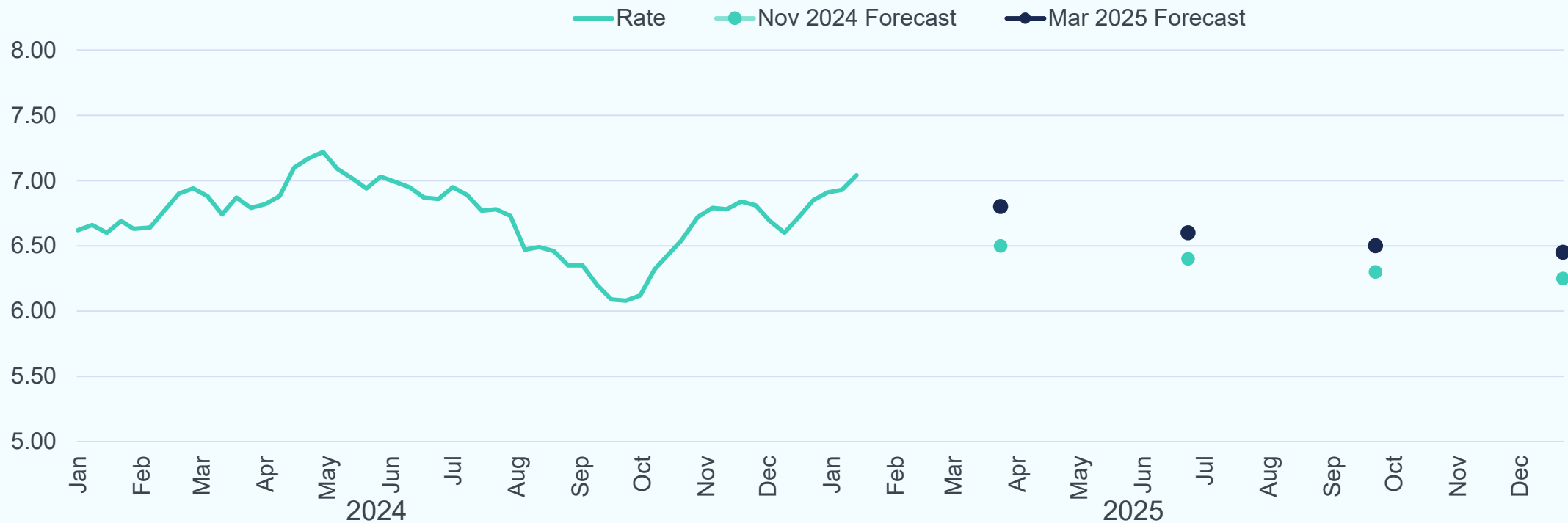
Source: Bright MLS national survey of prospective home sellers, November 2024



Buyers may act opportunistically when rates dip

Most sellers are also buyers

Average Rate (%)
30-year fixed rate mortgage



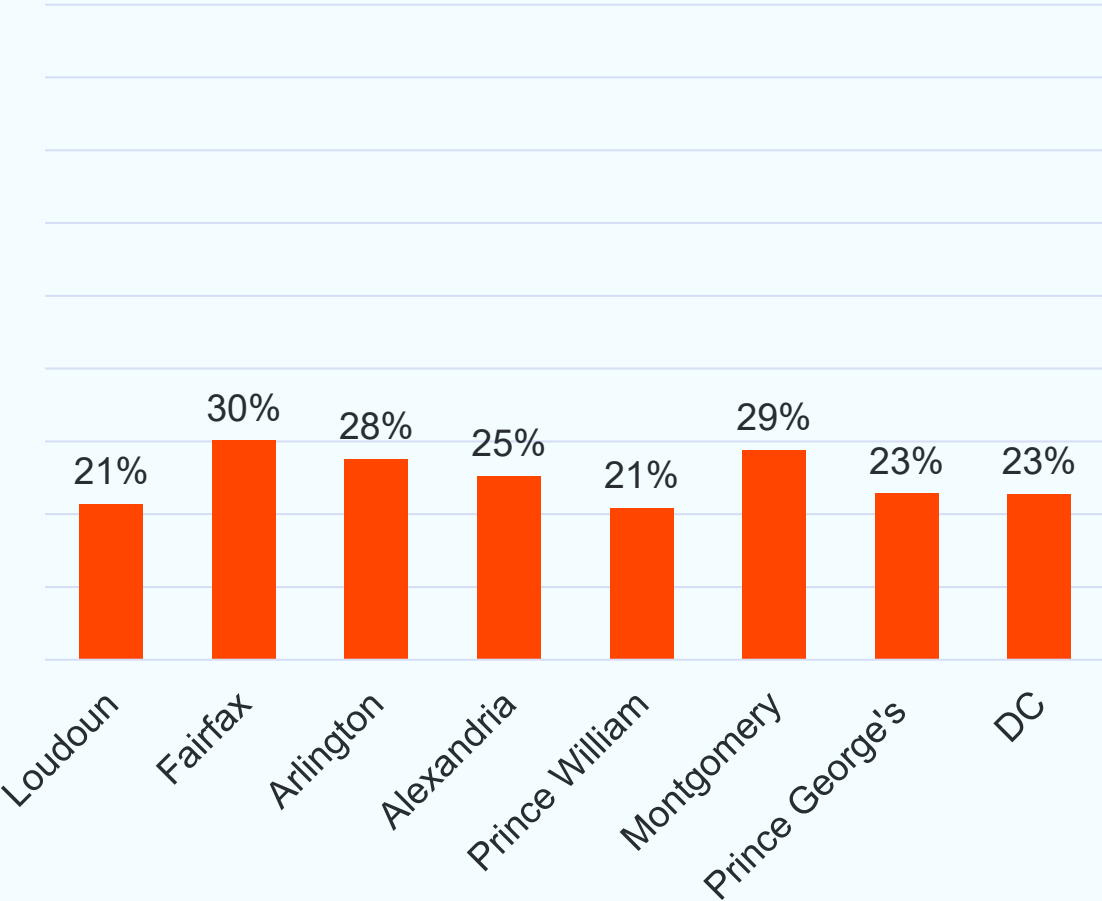
Source: Freddie Mac, Bright MLS

Some buyers are less interest rate sensitive than others

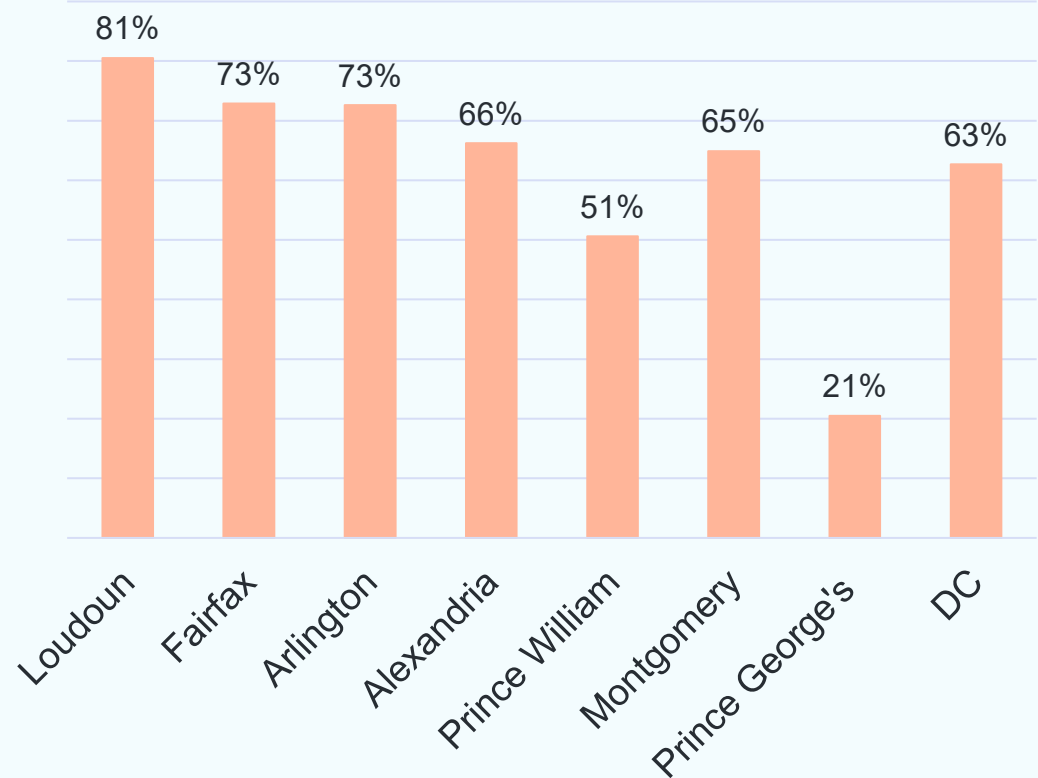
**Share of Closed Sales
All Cash, Loudoun County**



Share of Homeowners with No Mortgage



Share of those Homes Valued at \$500K or more



Source: U.S. Census Bureau, 2023 American Community Survey

What to watch in 2025?

New Administration

- Executive orders related to the federal workforce could have a dampening effect on the Washington D.C. metro area housing market.

Staff cuts, agencies out of D.C., return-to-the-office

- Crackdown on immigration could impact the construction sector, reducing the already-tight labor supply and making it more difficult to build new housing.
- Proposed tariffs could slow economic growth, pushing inflation higher.

Competing forces on interest rates



Bright MLS Resources

Research and insights specifically designed to help brokers and agents be a resource to their clients, colleagues and communities: www.brightmls.com/research

Mid-Atlantic Region

June 2024 Housing Market Report

Prepared by Bright Research



Data as of July 5, 2024


Key Market Statistics	Jun 2024	Jun 2023	Change	YTD 2024	YTD 2023	Change
Closed Sales	20,552	22,948	-10.4%	105,467	107,789	-2.2%
Median Sold Price	\$430,000	\$408,000	+5.4%	\$405,000	\$380,000	+6.6%
Median Days on Market	8 days	7 days	+1 day	10 days	10 days	+0 days
New Pending Sales	22,034	21,831	+0.9%			
New Listings	23,686	23,990	-1.3%			
Active Listings	35,106	29,875	+17.5%			
Months of Supply	1.95	1.52	+0.43 mo			
Showings	389,362	452,792	-14.0%			

Housing Market Key Findings MD Eastern Shore

May 2023 VS. May 2022

- New Listings: 400 (-35.2%)
- Months of Supply: 2.08 (+24.0%)
- Closed Sales: 323 (-13.6%)
- Median Sales Price: \$375,000 (+7.1%)
- Median Days on Market: 12 (+5 days)
- Showings: 4,708
- New Pending Sales: 377
- Active Listings: 100

Weekly Av



Jul 23
Source: Freddie Mac

bright MLS

Housing Market Update

Washington Metro Area



bright research

BRIGHT COMMENTARY

Pending Home Sales

MAY 30, 2024



Lisa Sturtevant, PhD
Chief Economist,
Bright MLS

bright research

Mid-Atlantic Luxury Housing Report

A high-end market overview



Housing Market Trends

Sales down sharply in June although home prices continue to rise. Across the Mid-Atlantic, there were 20,552 home sales in June, which was 10.4% lower than last June. The number of sales also dropped by 3.2% between May and June. Mortgage rates slunk near 7% have been keeping some prospective buyers out of the market.

Buyers who remain in the market will find more options to choose from. Active listings have increased for four months in a row, with inventory up 17.5% compared to last year. New listings were down slightly from a year ago, but the number of fresh listings coming onto the market in recent months has outpaced the number of new pending sales, leading to an increase in overall inventory. Despite the recent inventory gains, supply in the Mid-Atlantic is still just 67% of what it was in 2019.

Home prices continue to rise strongly across much of the region. In June, the median sold price was \$430,000, another new record high for the Mid-Atlantic.

bright MLS

Research Survey

Listing Agent



BRIGHT MLS SERVICE AREA Weekly Snapshot

	91,798	-9.7%	+12.5%
Showings	5,829	+0.9%	-14.0%
New Purchase Contracts	19 days	+1 day	+2 days
Median Time to Contract	5,902	+6.0%	+2.4%
New Listings	\$430,000	+6.2%	+1.2%
Median List Price	31,564	+17.5%	+3.4%
Active Listings	8.4%	+0.9 pp	+0.5 pp
% Active Listings with Price Decrease	357	+17.0%	-11.0%
Canceled Listings			

pp = percentage point



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Home Demand Index

2025 National Housing Market Outlook

Push and pull: competing forces
shape the 2025 housing market.

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Contact us!

research@brightmls.com

Lisa Sturtevant

Chief Economist



Erica Plemmons

Senior Housing Economist



Colby Stout

Research Analyst

