

Annual Report on the Central Virginia Regional Multiple Listing Service Area

RESIDENTIAL REAL ESTATE ACTIVITY IN CHESTERFIELD, HANOVER, HENRICO, AND RICHMOND CITY

CVRMLS

2019

The 2019 housing market was fueled by the overall strength of the economy across most of the country. The stock markets reached new highs throughout the year, improving the asset bases of millions of Americans. Unemployment rates fell to 50-year lows, while wages increased, creating new home buyers. Mortgage rates also declined significantly from 2018, helping to offset affordability stresses caused by continued price appreciation nationally.

With a strong economy and low mortgage rates, buyer activity has been strong. However, most markets are being constrained by inventory levels that are still below historical norms. With supply and demand continuing to favor sellers, prices continue to rise.

With 10 years having now passed since the Great Recession, the U.S. has been on the longest period of continued economic expansion on record. The housing market has been along for much of the ride and continues to benefit greatly from the overall health of the economy. However, hot economies eventually cool and with that, hot housing markets move more towards balance.

Sales: Pending sales increased 5.6 percent, finishing 2019 at 13,652. Closed sales were up 4.5 percent to end the year at 13,609.

Listings: Comparing 2019 to the prior year, the number of homes available for sale was lower by 6.2 percent. There were 2,039 active listings at the end of 2019. New listings increased by 2.2 percent to finish the year at 17,460.

Bedroom Count: Increases in sales prices occurred across homes of all sizes over the last year. In 2019, properties with 3 bedrooms saw the largest growth at 5.5 percent. The highest percent of original list price received at sale went to properties with 3 bedrooms at 98.7 percent.

Prices: Home prices were up compared to last year. The overall median sales price increased 3.8 percent to \$270,000 for the year. Single Family home prices were up 4.2 percent compared to last year, Condo/Town home prices were up 7.3 percent.

List Price Received: Sellers received, on average, 98.8 percent of their original list price at sale, a year-over-year reduction of 0.2 percent.

While the Federal Reserve moved to temper the hot economy with four interest rate hikes in 2018, in 2019 they turned the heat back up, and reduced rates a total of three times during the year. The Fed's rate decreases were due in part to GDP growth in 2019 that came in notably lower than 2018, showing the Fed's alternating efforts to keep our economy at a steady simmer and not a full boil.

The housing market continues to remain healthy nationwide with price gains and limited inventory being the most common threads across markets. Tight inventory continues to constrain buyer activity in part of the country, while some areas are seeing increased seller inventory starting to improve buyers' choices. New construction activity continues to improve, but is still below levels required to fully supply the market's needs.

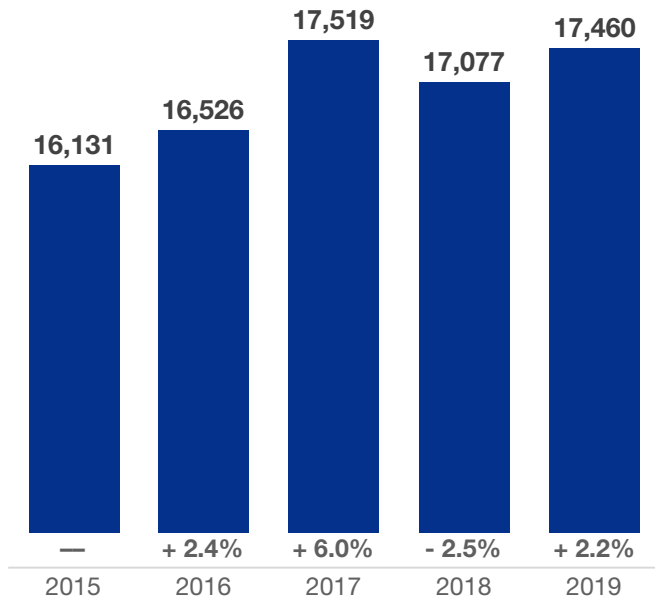
As we look at 2020, we see continued low mortgage rates and a healthy economy giving a great start to housing in the new year. But in election years, we sometimes see a softening of activity that may temper the market in the second half of the year.

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Quick Facts

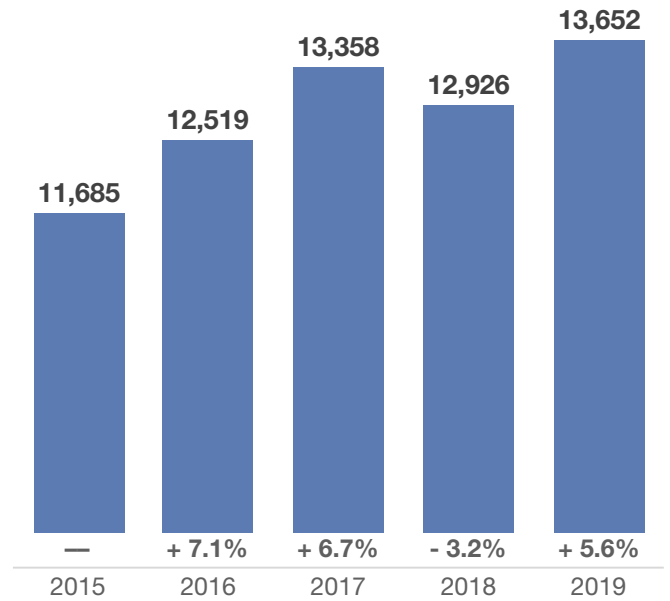
New Listings



Top 4 Areas: Change in New Listings from 2018

Richmond City	+ 6.8%
Hanover County	+ 5.4%
Henrico County	+ 2.7%
Chesterfield County	+ 1.1%

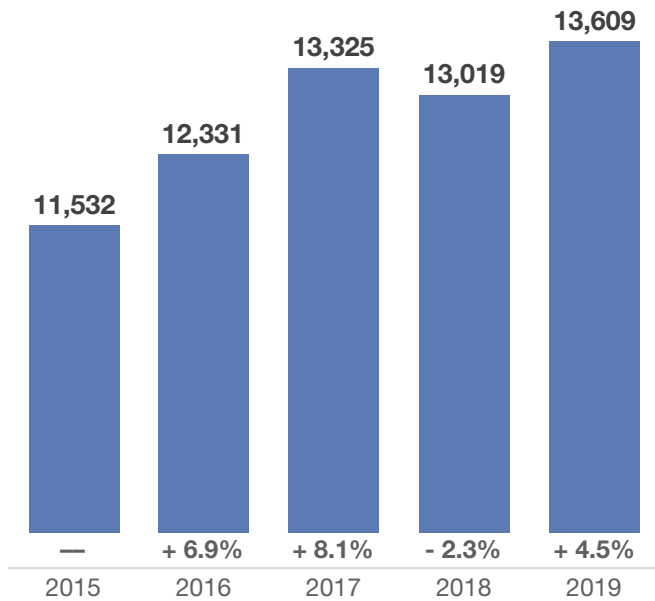
Pending Sales



Top 4 Areas: Change in Pending Sales from 2018

Hanover County	+ 7.9%
Richmond City	+ 7.6%
Chesterfield County	+ 5.3%
Henrico County	+ 5.1%

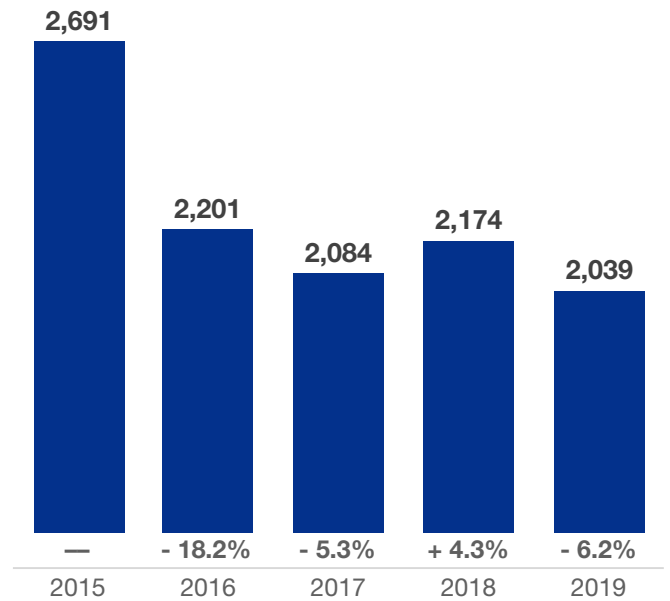
Closed Sales



Top 4 Areas: Change in Closed Sales from 2018

Chesterfield County	+ 6.7%
Richmond City	+ 6.1%
Henrico County	+ 2.8%
Hanover County	+ 1.0%

Inventory of Homes for Sale

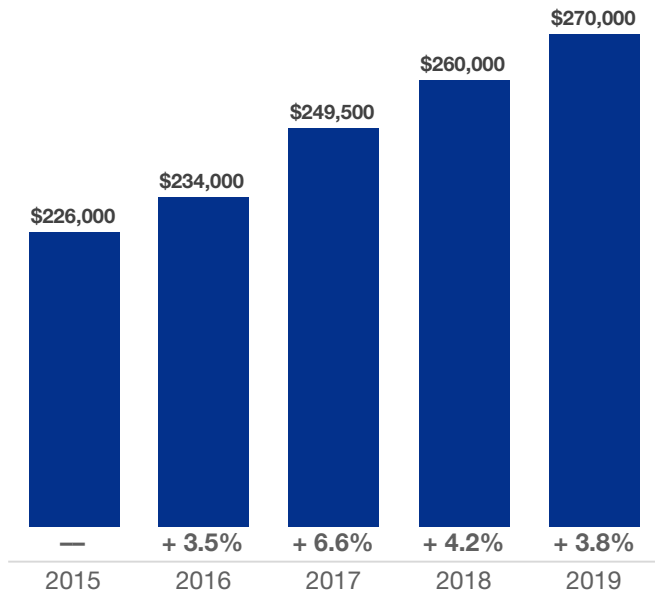


Top 4 Areas: Change in Homes for Sale from 2018

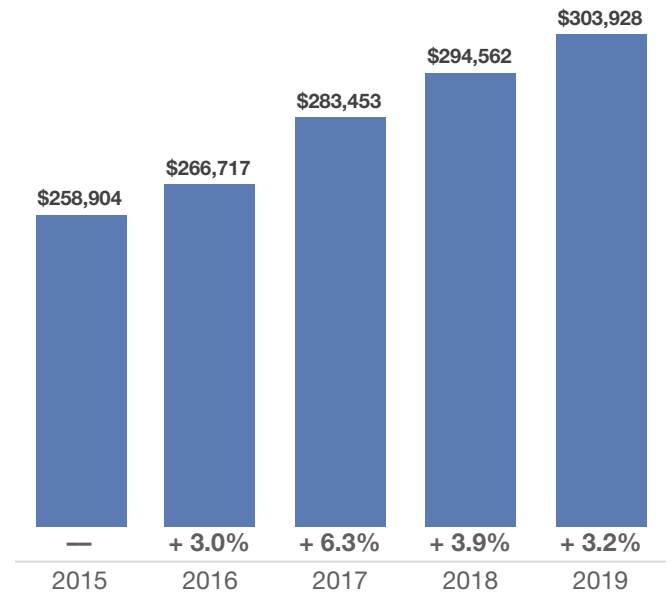
Hanover County	+ 4.2%
Henrico County	- 7.1%
Chesterfield County	- 8.4%
Richmond City	- 12.5%

Quick Facts

Median Sales Price



Average Sales Price



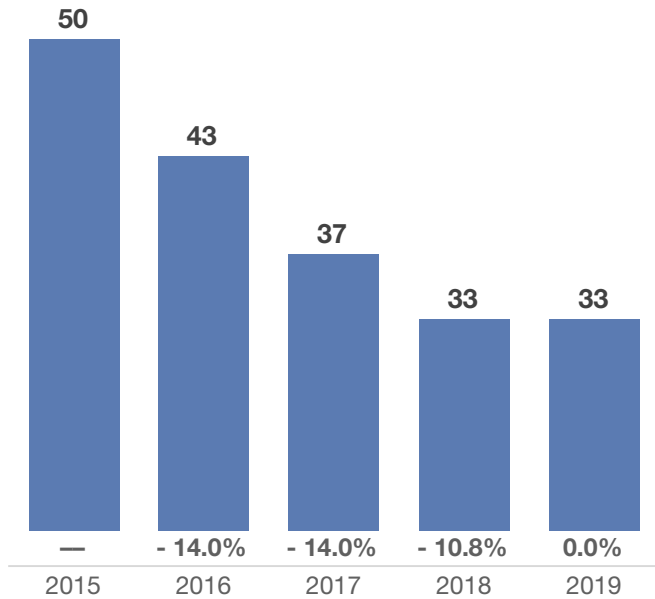
Top 4 Areas: Change in Median Sales Price from 2018

Richmond City	+ 7.5%
Hanover County	+ 5.9%
Henrico County	+ 4.8%
Chesterfield County	+ 3.6%

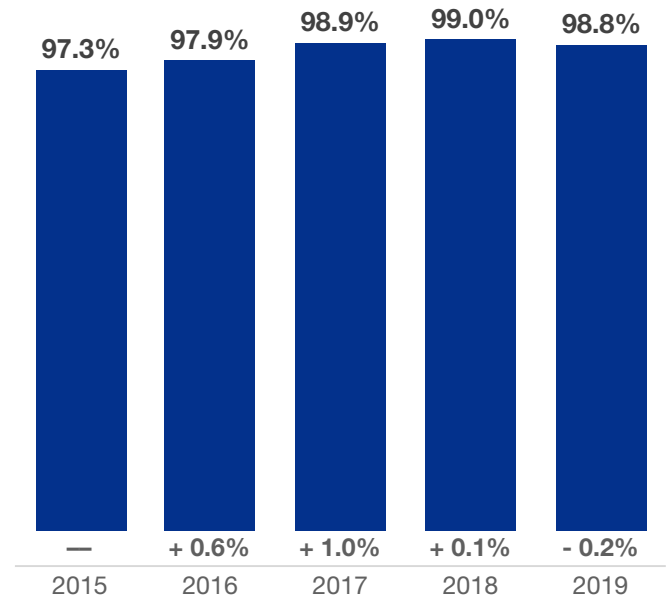
Top 4 Areas: Change in Avg. Sales Price from 2018

Richmond City	+ 6.8%
Hanover County	+ 4.1%
Chesterfield County	+ 3.7%
Henrico County	+ 2.4%

Days on Market Until Sale



Percent of Original List Price Received



Top 4 Areas: Change in Days on Market from 2018

Richmond City	+ 11.1%
Henrico County	+ 7.1%
Chesterfield County	- 2.9%
Hanover County	- 10.0%

Top 4 Areas: Change in Pct. of Orig. Price Received from 2018

Hanover County	+ 0.1%
Chesterfield County	- 0.1%
Henrico County	- 0.3%
Richmond City	- 0.4%

Price Range Review

\$100,000 to \$199,999

Price Range with Shortest Average Days on Market Until Sale

\$450,000 or More

Price Range with Longest Average Days on Market Until Sale

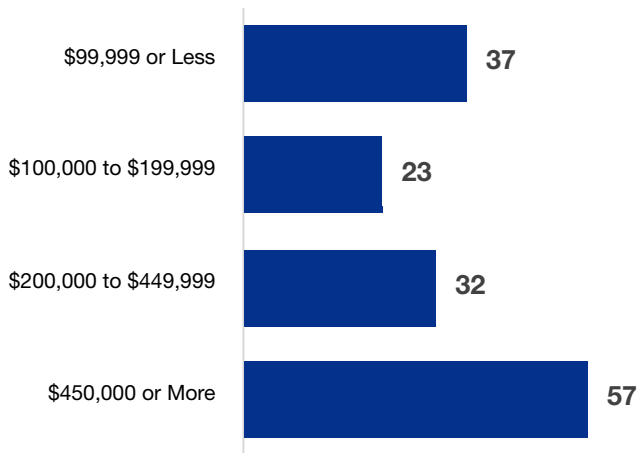
11.6%

of Sales at Year End Priced \$100,000 to \$199,999

- 22.5%

One-Year Change in Homes for Sale Priced \$100,000 to \$199,999

Days on Market Until Sale by Price Range



Share of Homes for Sale \$100,000 to \$199,999



\$200,000 to \$449,999

Price Range with the Most Closed Sales

+ 11.5%

Price Range with Strongest One-Year Change in Sales: \$200,000 to \$449,999

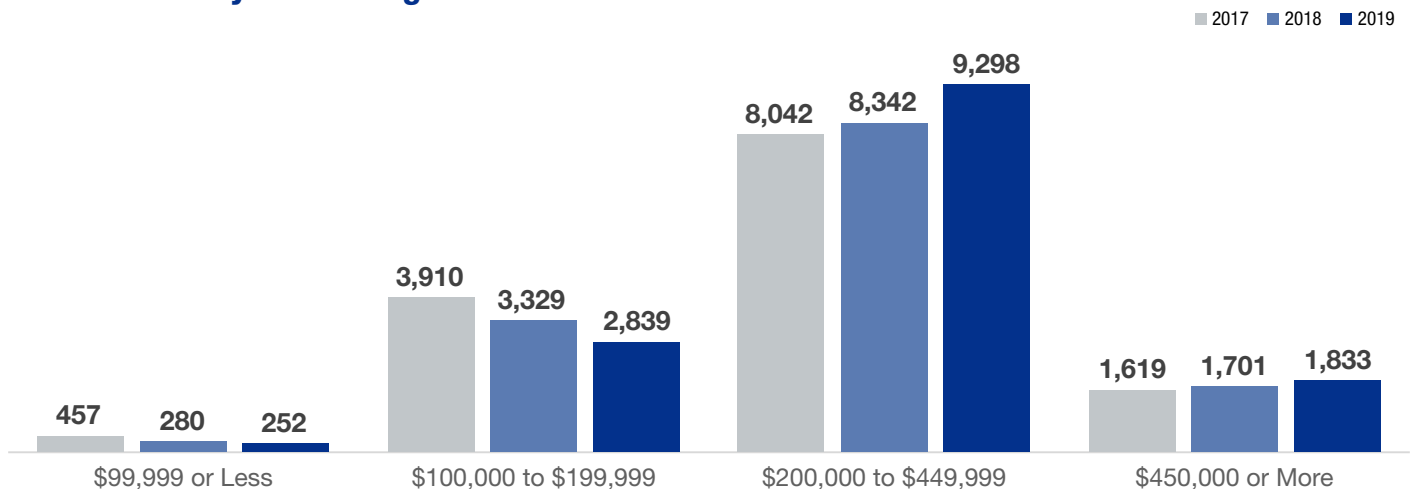
\$99,999 or Less

Price Range with the Fewest Closed Sales

- 14.7%

Price Range with Weakest One-Year Change in Sales: \$100,000 to \$199,999

Closed Sales by Price Range



Property Type Review

33

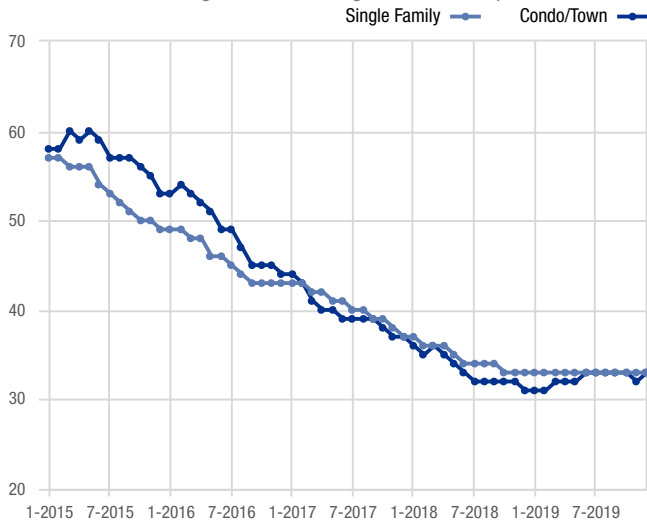
Average Days on Market
Single Family

33

Average Days on Market
Condo/Town

Days on Market Until Sale

This chart uses a rolling 12 month average for each data point



Top Areas: Condo/Town Market Share in 2019

Henrico County	24.1%
Richmond City	12.3%
Hanover County	11.4%
Chesterfield County	11.2%

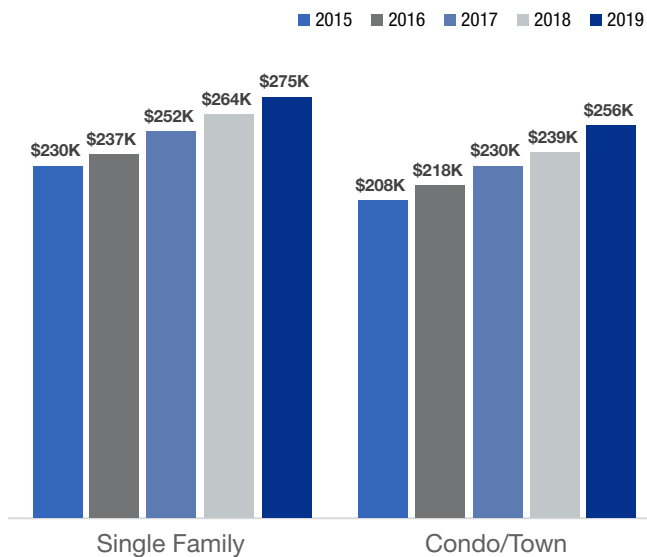
+ 4.2%

One-Year Change in Price
Single Family

+ 7.3%

One-Year Change in Price
Condo/Town

Median Sales Price



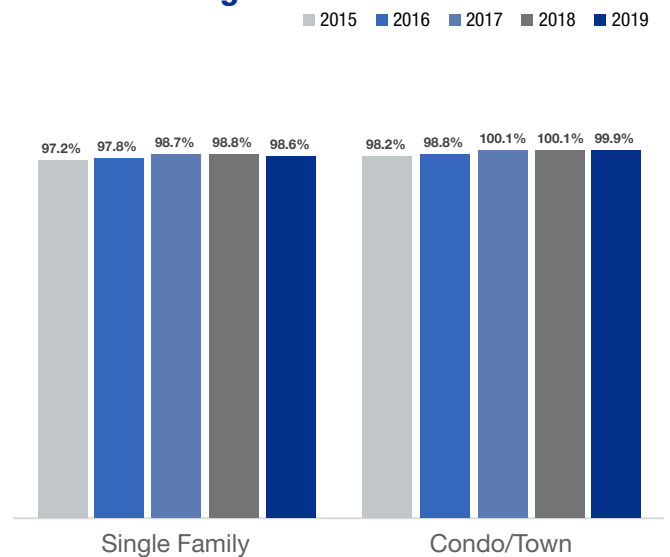
98.6%

Pct. of Orig. Price Received
Single Family

99.9%

Pct. of Orig. Price Received
Condo/Town

Percent of Original List Price Received



Bedroom Count Review

+ 2.4%

Growth in
1 Bedroom or Less

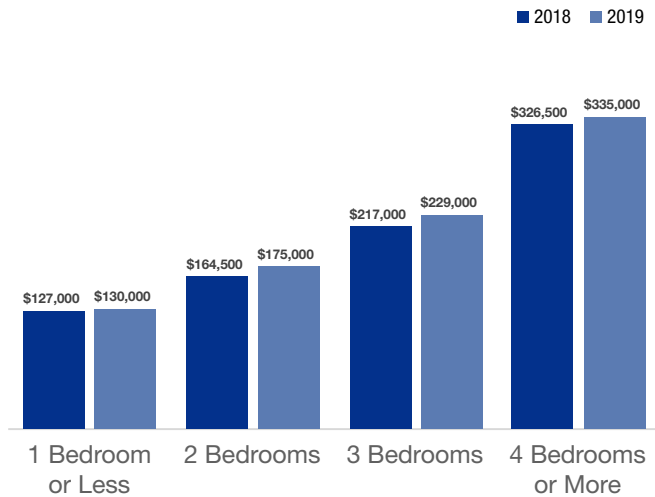
+ 5.5%

Growth in
3 Bedrooms

Top Areas: 2 Bedrooms Market Share in 2019

Richmond City	18.3%
Henrico County	10.3%
Chesterfield County	5.1%
Hanover County	5.0%

Median Sales Price



96.6%

Percent of Original List Price
Received
in 2019 for
1 Bedroom or Less

98.6%

Percent of Original List Price
Received
in 2019 for
2 Bedrooms

98.7%

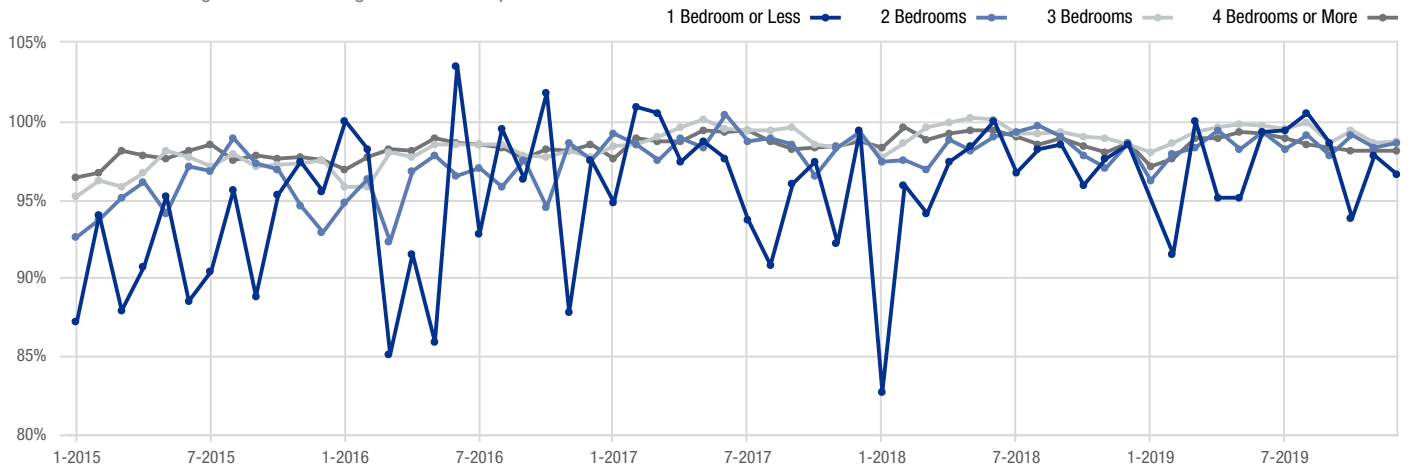
Percent of Original List Price
Received
in 2019 for
3 Bedrooms

98.1%

Percent of Original List Price
Received
in 2019 for
4 Bedrooms or More

Percent of List Price Received

This chart uses a rolling 12-month average for each data point.



Area Historical Inventory of Homes for Sale

	2015	2016	2017	2018	2019	Change from 2018	Change from 2015
Chesterfield County	1,330	1,120	1,109	1,147	1,051	- 8.4%	- 21.0%
Hanover County	432	340	343	330	344	+ 4.2%	- 20.4%
Henrico County	924	731	623	686	637	- 7.1%	- 31.1%
Richmond City	544	450	365	416	364	- 12.5%	- 33.1%

Numbers are calculated by taking the average number of properties for sale in active status for each month in a given year.

Area Historical Median Prices

	2015	2016	2017	2018	2019	Change from 2018	Change from 2015
Chesterfield County	\$224,000	\$230,000	\$248,500	\$258,800	\$268,000	+ 3.6%	+ 19.6%
Hanover County	\$254,950	\$260,000	\$278,623	\$290,000	\$307,000	+ 5.9%	+ 20.4%
Henrico County	\$219,000	\$224,975	\$237,000	\$251,950	\$264,000	+ 4.8%	+ 20.5%
Richmond City	\$202,000	\$220,000	\$230,000	\$237,150	\$255,000	+ 7.5%	+ 26.2%