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Constrained Supply Remains the Focus of Local Real Estate Market *Price Increases and Dwindling Supply Continue*

Fredericksburg, VA – (May 10, 2017) – *The following analysis of the Fredericksburg, Virginia area housing market has been prepared by the Fredericksburg Area Association of REALTORS® based data provided by Bright MLS (formerly MRIS).*

The local real estate market continues to see rising prices along with a lack of supply. April posted a 10% increase in sold dollar volume going from \$138,267,056 in April of 2016 to \$152,095,477 in April of 2017. Median sold price increased nearly 14%, rising from \$268,500 in April of 2016 to \$305,950 in April of 2017. There was a slight decrease in units sold, with 484 sold in April of last year compared to 482 this year. The difference may be attributable to continued lack of supply causing buyers to delay purchase until they can find a home that matches their criteria.

FAAR Board Member Arlene Mason comments, “The area's real estate market proved to be very brisk and robust in April. As inventory remained low, sellers saw their homes go under contract very quickly and often with multiple offers. In fact, I saw homes that did not sell last fall actually sell very swiftly when re-listed this spring. Successful buyers benefited from reasonably stable and favorable interest rates.”

The brisk market also led to a 20% reduction in days on market, the time it takes from when a listing enters the market until it has a ratified contract. In April of 2016, sellers were waiting an average of 85 days for their homes to sell but the average plummeted to just 68 days in April of this year. New listings coming onto the market won't provide any relief for buyers in the near future as April saw a 6.79% decrease in active listings and a 4.29% decrease in new listings coming onto the market. The area's housing market is running at an inventory of about 3.1 months, a balanced market is generally considered a 5-month supply.

Mason continues, “Realtors® expect the strong market to continue into the summer months.” Some Realtors® are expecting to see a slight drop off in sales as the spring selling season started earlier than usual due to unseasonably warm weather, shifting some sales earlier in the year.

About the Fredericksburg Area Association of REALTORS®

Founded in 1957, the Fredericksburg Area Association of REALTORS® is the trade association for more than 1,500 Realtor® and affiliate members serving the areas noted above. Members also work in the surrounding counties of Westmoreland, Louisa, Orange and Prince William and in Northern Virginia. FAAR strongly supports the availability of affordable housing for all market segments and supports government policies designed to enhance homeownership opportunities. For more information about FAAR, visit www.faarmembers.com or contact Kim McClellan, Public Policy Director at kmcclellan@faarmembers.com or 540-373-7711.