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Local Real Estate Market Surges Despite Significant Restrictions

April proves all real estate is local as region bucks national trends

Fredericksburg, VA – (May 12, 2020) – *The following analysis of the Fredericksburg, Virginia area housing market has been prepared by the Fredericksburg Area Association of REALTORS® based on analysis of brightMLS multiple listing data.*

While continued governmental restrictions shutter businesses and completely change the way Americans operate in their day-to-day lives, the local real estate market bucked national trends and posted increases in volume, sold price, and units sold. While national news outlets are reporting decreased sales and falling prices, the local market saw sellers receiving 98.9% of their original list price, indicating that we are not seeing downward pressure on prices as a result of the restrictions in place to combat COVID-19.

Sold dollar volume was up more than 12% in April, jumping from approximately \$189.8 million last April to more than \$213 million this year. The increase in volume was fueled by a nearly 4% increase in units sold and a more than 6% increase in median sold price. There were 598 properties sold this year compared to 573 last April with a median price increase from \$318,000 last year to \$338,548 this year.

Stafford County led the charge in rising median price posting its highest sales price in the month of April since 2006. Median price in the County for April was \$390,000, not too far off from the last highest price of \$402,000 posted in April of 2006. Every other jurisdiction except for Orange County saw an increase in median price, and even that decrease was fairly negligible at 3.6%.

Days on market, the time it takes from when a listing enters the market until it receives a ratified contract and is removed from active status on the multiple listing service, fell nearly 24% with houses averaging just 29 days on the market in April 2020 compared to 38 days in April 2019.

Overall active listings were down more than 26% this April compared to last year and new listings coming on to the market were down over 22%. Prospective buyers have just 1,220 homes to choose from right now, with 882 new listings coming onto the market. This is a significant reduction in new listings and active listing from March, indicating that as the area progressed deeper into economic restrictions and fears of contracting the virus, would-be sellers became more reticent about putting their homes up for sale.

"The inventory of homes on the market has been affected as some sellers are reluctant to have buyers tour their homes," states FAAR Board Member Sandy Pearce. "Realtors® are using creative means to showcase the homes that ARE on the market with virtual showings and Facebook Live open houses, and many buyers are facing bidding wars when they find their home of choice. Some buyers are putting their home search on hold until the time they feel more comfortable being out. All this could portend for a very active summer market as interest rates remain at historic lows."

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About the Fredericksburg Area Association of REALTORS®

Founded in 1957, the Fredericksburg Area Association of REALTORS® (FAAR) is the trade association for more than 1,700 Realtor® and affiliate members serving the City of Fredericksburg, the Counties of Caroline, King George, Orange, Spotsylvania, and Stafford, along with the Colonial Beach area of Westmoreland County. Members also work in the surrounding counties of Westmoreland, Louisa, and Prince William and in Northern Virginia. For more information about FAAR, visit www.faarmembers.com or contact Kim McClellan, Public Policy Director at kmcclellan@faarmembers.com or 540-373-7711.