

VIRGINIA REALTORS®

2026 Investor Activity Report

Fredericksburg Regional Market Focus

Prepared by Virginia REALTORS® for the Fredericksburg Area Association of REALTORS®

August 2026

Table of Contents

Executive Summary 3

Background and Scope 4

- Data Source 4
- Geography 4

Findings: Investor Activity in Fredericksburg 5

- Figure 1: Heat maps for all investor-owned properties in Fredericksburg 5
- Figure 2: Distribution of Fredericksburg Parcel Data 7
- Figure 3: Heat maps for institutional investor-owned properties in Fredericksburg 8
- Potential impact of investor-owned housing in Fredericksburg 9

Appendix 11

- Methodology 11
- Data Limitations 11

Executive Summary

- Investor-owned housing represents 11.4% of residential properties in Fredericksburg, slightly above Virginia's statewide share of 11.3%.
- Institutional investors (defined as owning 100+ properties) account for only 1.2% of residential properties in Fredericksburg — a small fraction consistent with national estimates showing institutional ownership near 1% of the single-family housing stock nationwide.
- Small "mom-and-pop" investors, owning fewer than 10 properties, drive the majority of local investor activity, making up more than 60% of investor-owned properties in Fredericksburg, mirroring national trends of small investors filling the space left by large institutional players.
- Investor activity is unevenly distributed across the region: Spotsylvania County has the highest concentration of investor-owned properties, followed by Stafford County, Orange County, King George County, and the City of Fredericksburg; Caroline County has the lowest share.
    - The relatively low investor share within the City of Fredericksburg itself suggests investor activity regionally skews toward suburban and exurban housing stock rather than the urban core.
- The newly enacted 21st Century ROAD to Housing Act would restrict institutional investors from purchasing single-family homes (with a build-to-rent exception) and includes supply-side provisions that may have greater local relevance than the investor restriction, given Fredericksburg's limited institutional footprint.
- Overall, findings suggest investor activity in Fredericksburg is driven predominantly by small-scale, local, and regional investors rather than large institutional players.

Background and Scope

Institutional investor activity is an increasingly discussed issue in the conversations about housing supply shortages. To understand its overall impact, through this study, we will quantify the share of investor ownership of residential properties in the Fredericksburg area by analyzing parcel level data. Furthermore, we discuss potential impacts of investor-owned housing on the local economy through a review of studies and research done across the country on this topic.

National estimates of institutional investors' footprint vary depending on how the term is defined. AEI Housing Center research found institutional investors owned only 1.0% of the total single-family housing stock as of June 2025 and noted that their combined presence is concentrated in a relatively small number of counties nationally. Realtor.com's analysis, using a broader definition covering entities with 350 or more purchases since 2015, similarly found institutional investors accounted for only 1% of total single-family home purchases nationally over the past decade, with activity concentrated in a handful of metros and ZIP codes rather than spread evenly across markets. By contrast, small "mom-and-pop" investors made up the substantial majority of investor purchases nationally, underscoring the importance of distinguishing investor size and type in the Fredericksburg-specific analysis that follows.

Data Source

We use the following data for our analysis:

- Virginia parcel data from ReportAll USA: https://reportallusa.com/store/Virginia (Property owner information within all jurisdictions in Virginia)

Geography

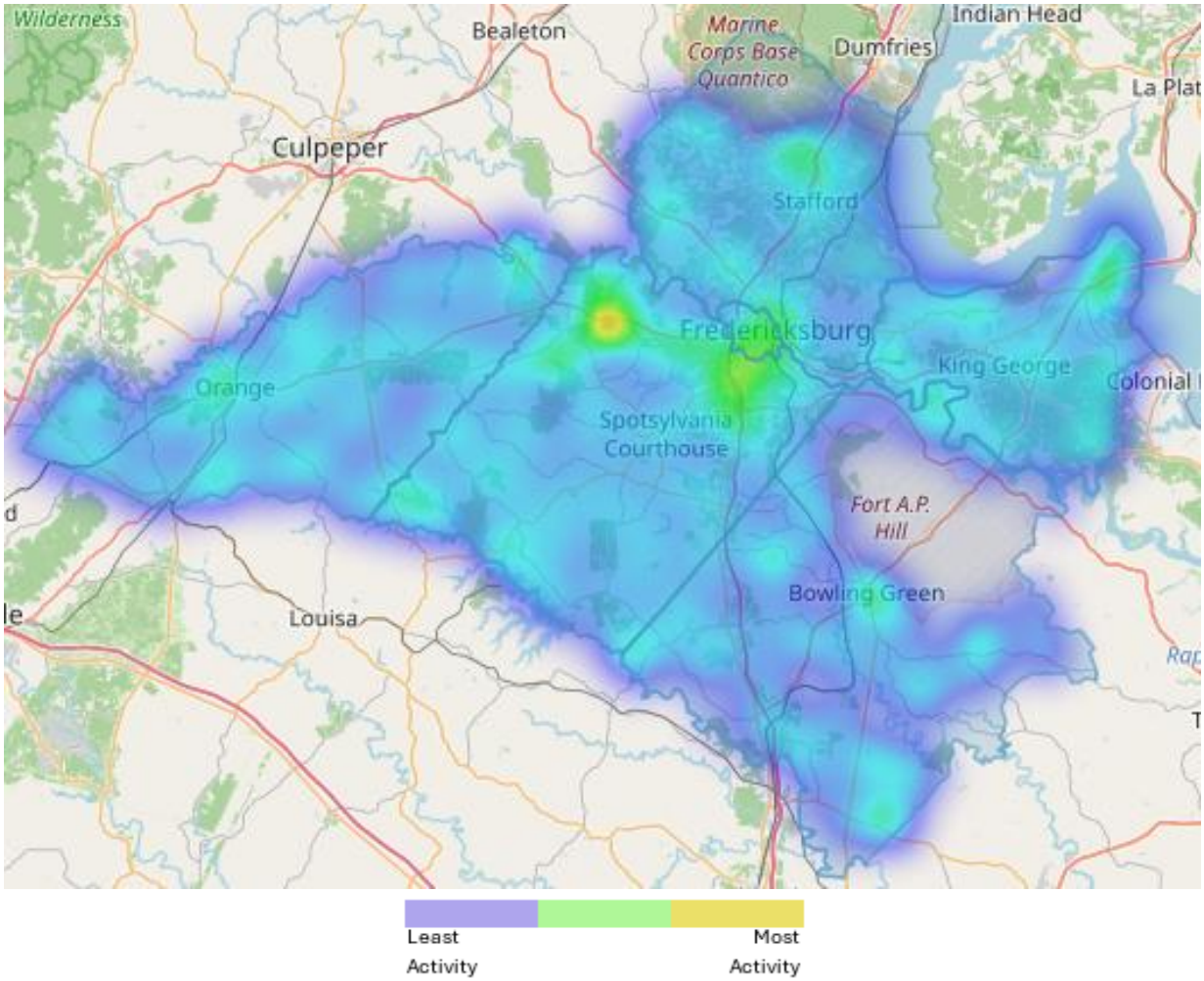
We focus on parcel data from the following geographies to understand the investor activity in the Fredericksburg area:

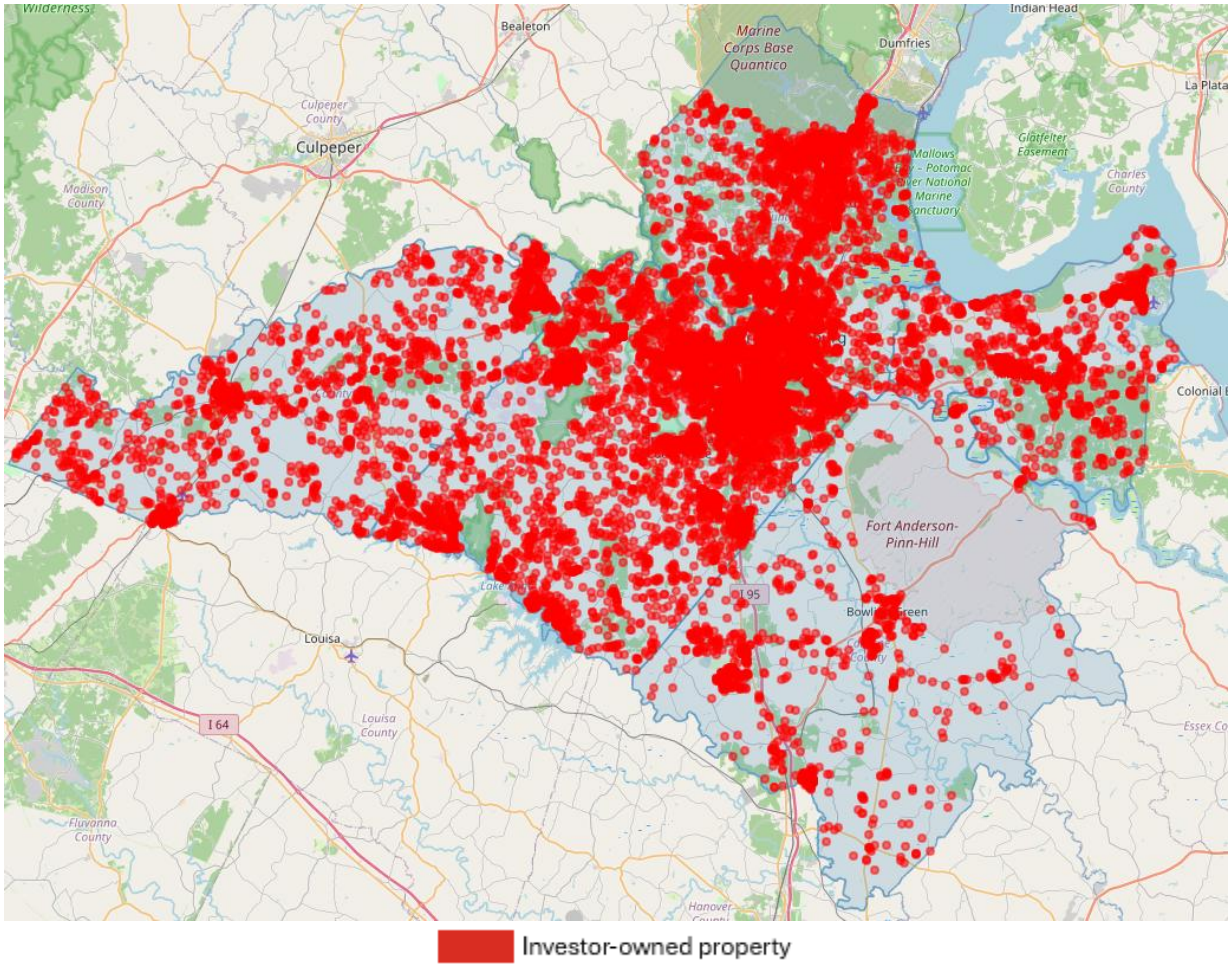
- Caroline County
- Fredericksburg
- King George County
- Orange County
- Spotsylvania County
- Stafford County

Findings: Investor Activity in Fredericksburg

After analyzing the parcel data for properties in Fredericksburg, we find that 11.4% of the residential properties across Fredericksburg are owned by investors. This is slightly higher than the investor-activity share across the Commonwealth, with 11.3% of residential properties owned by investors. This share for Virginia has gone up slightly since the last time the study was conducted in 2023, when investor-owned properties made up 10.2% of the residential share. This modest but steady increase mirrors a broader national pattern: investor purchase activity has remained relatively steady even as overall home sales have softened in some markets.

Figure 1: Heat maps for all investor-owned properties in Fredericksburg





Institutional investors, however, account for a small portion of total residential ownership. For this report, we define institutional investors as those who own more than 100 properties — consistent with the threshold used in recent national research distinguishing large-scale corporate ownership from smaller investor activity. In Fredericksburg, institutional-investor-owned properties made up just 1.2% of residential properties, a figure broadly in line with national findings that large institutional investors typically account for only about 1% of total single-family housing stock, even in markets that receive significant media attention for investor activity. Most investor activity in Fredericksburg is instead driven by small, mom-and-pop investors (defined as those owning fewer than 10 properties), who make up more than 60% of investor-owned properties locally, echoing the national trend in which small-scale investors have become the dominant and most stable segment of the investor market.

Figure 2: Distribution of Fredericksburg Parcel Data

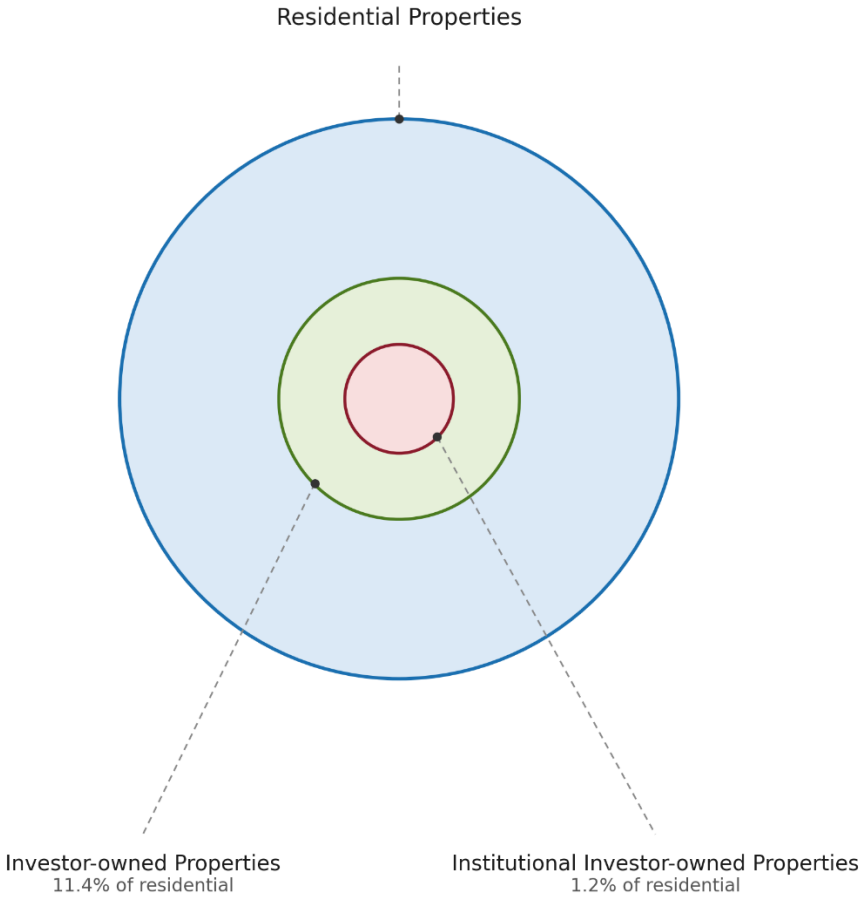
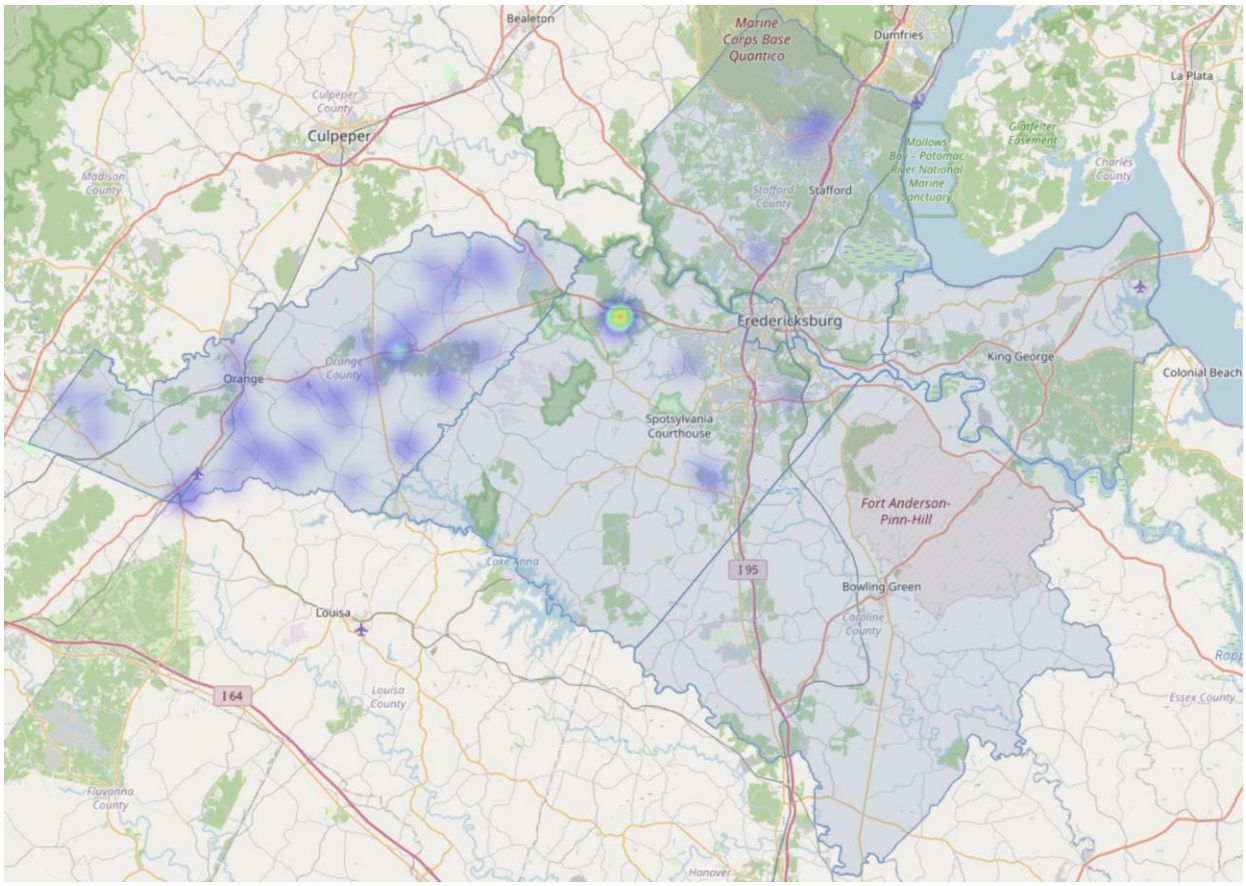
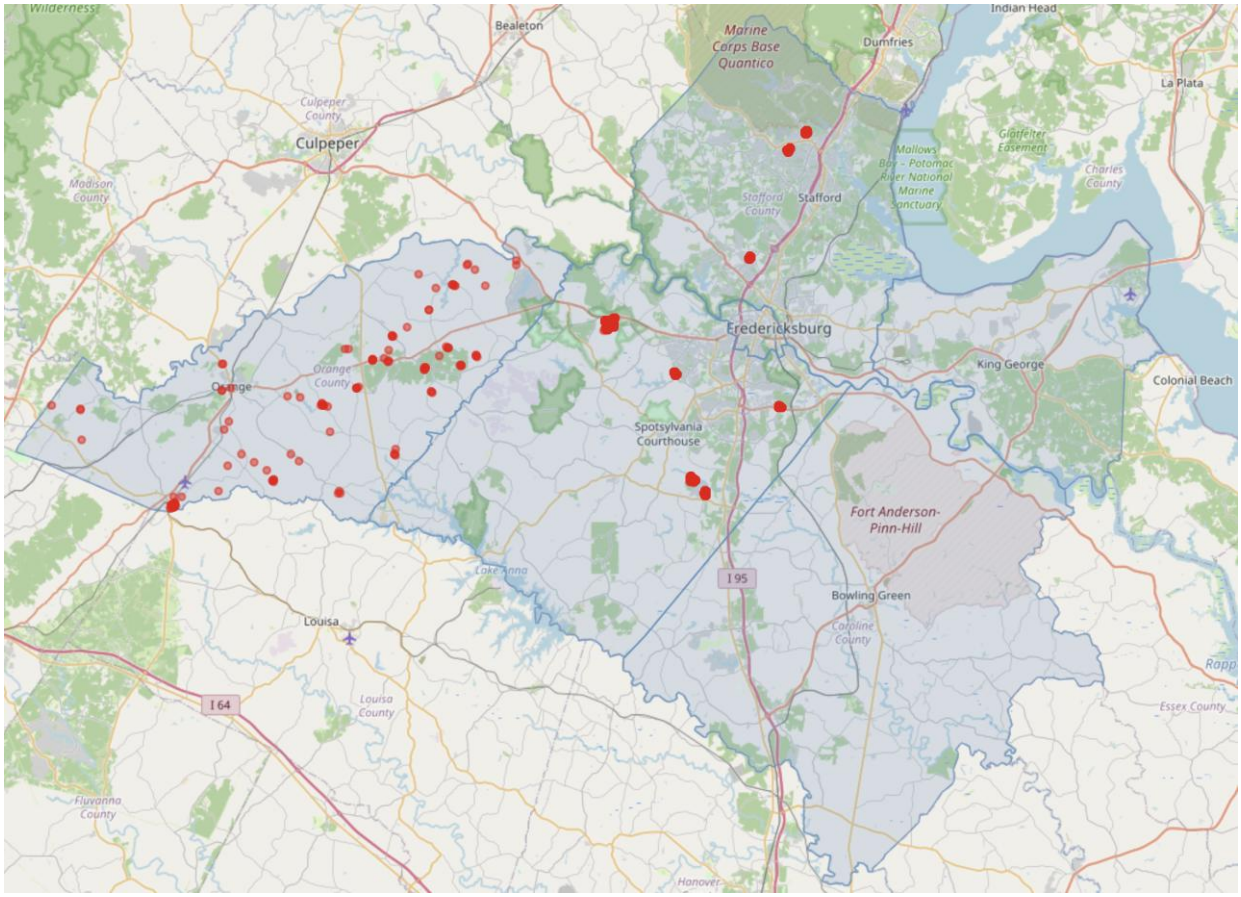


Figure 3: Heat maps for institutional investor-owned properties in Fredericksburg





Within Fredericksburg's local markets, investor ownership is unevenly distributed across the surrounding region. Spotsylvania County had the highest share of investor-owned properties, followed by Stafford County, Orange County, King George County, and the City of Fredericksburg. Caroline County had the lowest share of investor-owned properties in the region. This concentration pattern is consistent with national research showing that investor activity tends to cluster in specific submarkets rather than distributing evenly across a region, often reflecting differences in housing stock age, price point, and rental demand. The relatively low investor share within the City of Fredericksburg itself, compared to neighboring Spotsylvania and Stafford Counties, suggests that investor activity in the broader region is more heavily weighted toward suburban and exurban housing stock than toward the city's core.

Potential impact of investor-owned housing in Fredericksburg

We look at studies done on a national level to understand the possible impact of investor-owned housing in Fredericksburg. Research done at the national level on investor-owned housing's economic impact is mixed. A review of 74 studies conducted by the U.S. Government Accountability Office found that institutional investment may increase rents and home prices, particularly where investor ownership is concentrated, and research from the Federal Reserve Bank

of Philadelphia found investors raise rents faster than average when acquiring a property. On the other hand, other economists find the aggregate effect small. According to Realtor.com, nationally, large institutional investors accounted for about 1% of total single-family home sales, concentrated in the larger Sunbelt markets.

The 21st Century ROAD to Housing Act, signed into law July 2026, is the first major bipartisan federal housing package since the 1990s. It would restrict institutional investors from buying single-family homes (with a build-to-rent exception) and create a HUD renter outreach resource. While Fredericksburg shows tight inventory and steady price growth, it lacks large-scale institutional concentration as local investor activity skews smaller and regional. The supply-side provisions of the law, which include expanding certain programs such as CDBG/HOME programs and cutting regulatory barriers, may matter more locally than the investor restriction, given Fredericksburg's limited institutional presence.

Appendix

Methodology

In this analysis, we examined Fredericksburg parcel data acquired in June 2026. Firstly, within the parcel data, we identify residential properties and exclude any commercial properties in the relevant geographical area. Secondly, within the subset of residential properties, we define an investor as an owner that has a name that includes variations of the following keywords: Corporation, INC, LLC, LP, LTD, TRUST. Lastly, we identify institutional investor ownership based on whether an owner owns 100 or more properties.

Data Limitations

Data limitations exist because our data provider repackages parcel data obtained from databases across various counties and cities across the Commonwealth. The ways in which counties and municipalities record the physical and legal attributes of parcels can vary. Furthermore, some properties are likely not categorized as investor-owned or institutional investor-owned since some investors use different names and addresses when purchasing multiple properties. It is also possible that some small investors are not identified because they have not registered under a company name.

2026 Investor Activity Report

Prepared by Virginia REALTORS® for the Fredericksburg Area Association of REALTORS®

© 2026 Virginia REALTORS®. All rights reserved.

virginiarealtors.org