DATA AS OF August 6, 2023

# July 2023 Market Report
## North Central Virginia

## North Central VA Market Key Findings

**Median Price Up 4.4% Year-Over-Year**
***Active listings fall for the 3rd month in a row***

While some markets around the country have seen dropping prices, the same is not true in much of the Mid-Atlantic, including North Central Virginia. The median sale price in North Central Virginia was 4.4% higher than the previous year, off slightly from its recent high of $475,000.

Inventory will continue to keep pressure on prices. In 2023, new listings have been significantly lower last year. While pending and closed sales have also not kept pace with 2022, the gap is narrowing. Market activity is slow according to the Home Demand Index, but sellers' reluctance is pushing supply down and keeping transactions low.

In July 2023, active listings decreased 22.8% from last year. The difference has grown over the past three months, down 4.5% in May then 15.8% in June. Active listings may not look so bleak compared to the only 1,019 that were on the market in February 2022, but inventory levels are less than 40% of what they were in 2019.

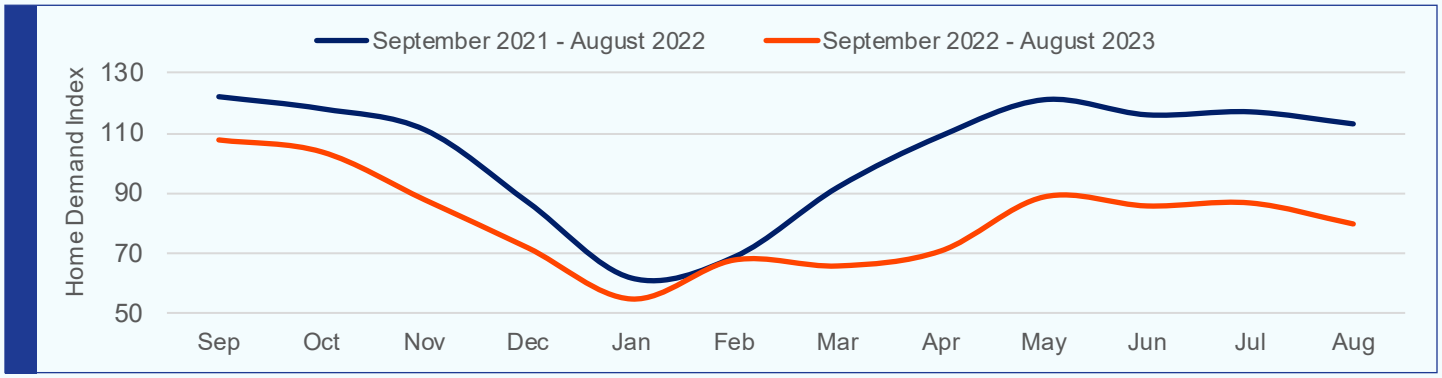
| | July 2023 | | vs. July 2022 |
|---|---|---|---|
| Closed sales | 1,452 | ▼ | -19.9% |
| Median sales price | $469,999 | ▲ | +4.4% |
| Median days on market | 7 | ▼ | -1 day |
| New pending sales | 1,604 | ▼ | -14.1% |
| New listings | 1,649 | ▼ | -32.1% |
| Active listings | 2,085 | ▼ | -22.8% |
| Months of supply | 1.45 | ▲ | +8.2% |
| Showings | 26,825 | ▼ | -17.6% |

**Bright MLS T3 Home Demand Index**

According to the Bright MLS T3 Home Demand Index (HDI), market activity in North Central Virginia is Slow with a reading of 80 in August, which is being driven by limited inventory.

Compared to a year ago, the index for North Central Virginia was 113 indicating Moderate activity.

## Bright MLS T3 Home Demand Index



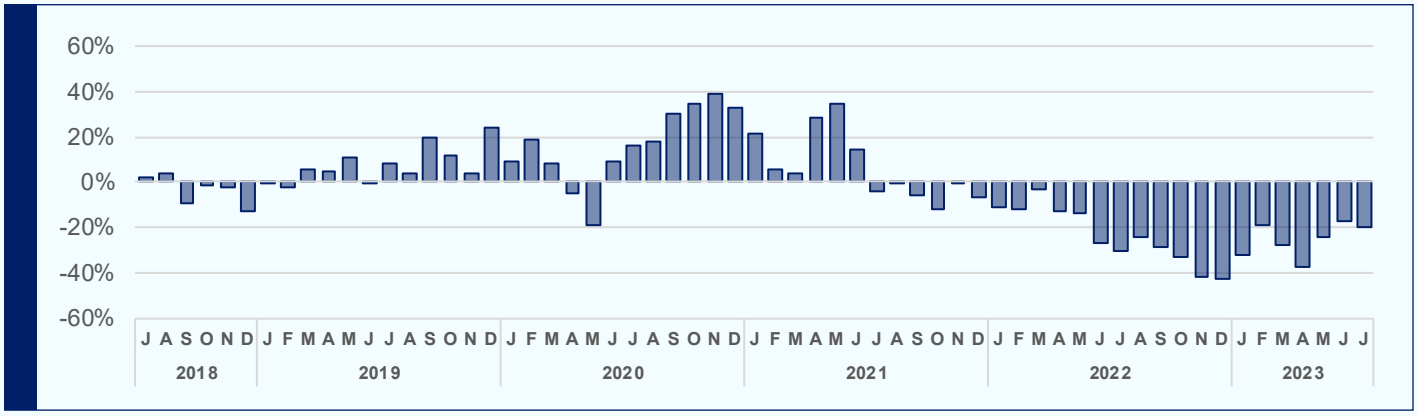

## Market Outlook

The autumn will bring falling leaves but not falling prices. The expectation for the North Central Virginia market is firm or rising prices, a continued dearth of inventory, and affordability challenges.

Some buyers and sellers can overcome affordability challenges by utilizing non-standard financing. Buyers who can assume a seller's mortgage, like with some FHA loans or mortgages backed by the VA or USDA, may have an opportunity to move up/move in while keeping a lower rate. Mortgage rates will begin to come down but will likely remain around 6.5% into the fall.

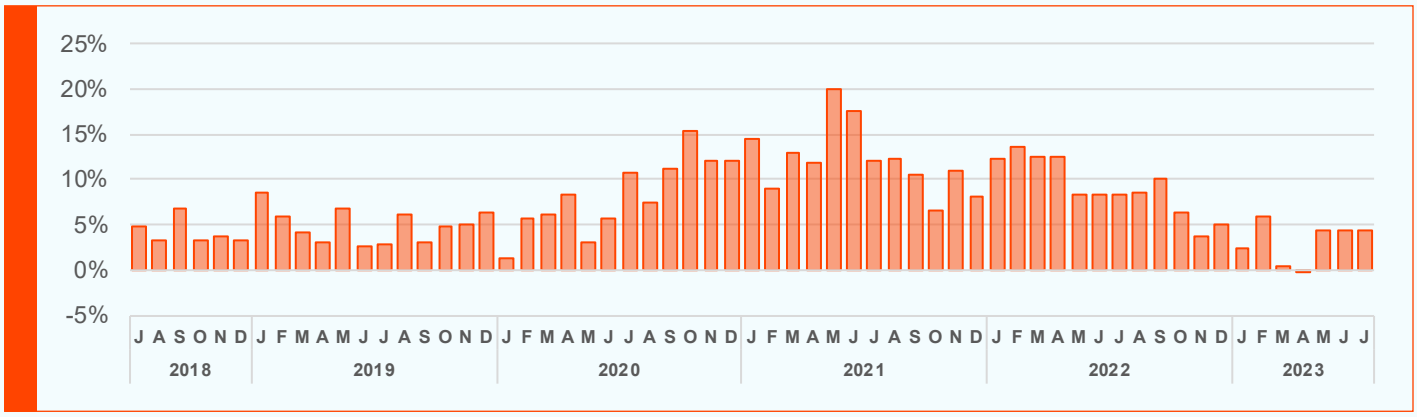
## **Closed Sales** Year-Over-Year Change

There were 1,452 closed sales in July in North Central Virginia, a 19.9% decrease from last year and a 17.9% drop from last month. In contrast to detached (-19.8%) and attached homes (-19.2%), condos saw a 13.4% increase in sales from last month. Sales are just two-thirds of 2019 levels as a result of low supply and high mortgage rates.



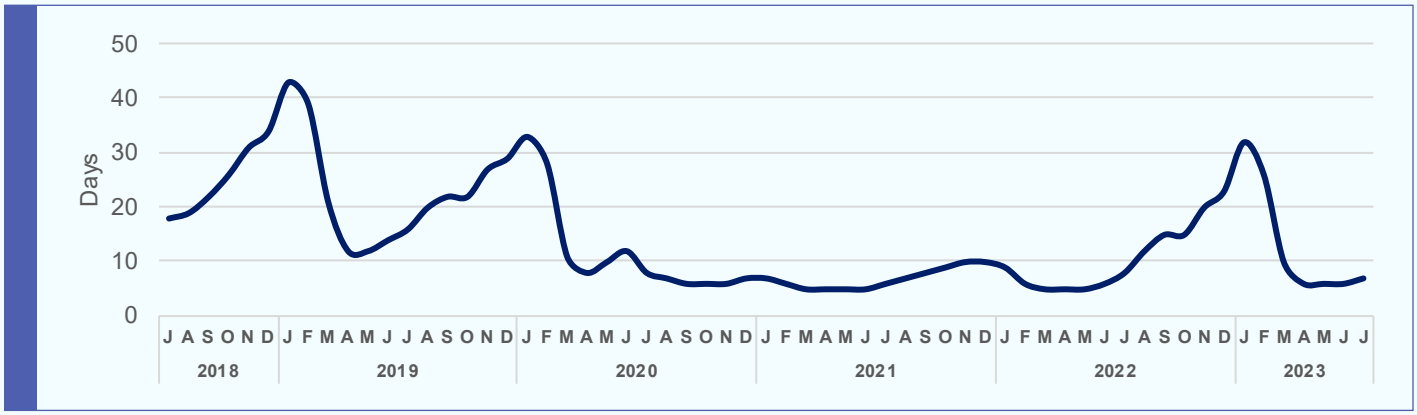

## **Median Sales Price** Year-Over-Year Change

The median sales price in the region is up 4.4% compared to last year for the 3rd month in a row. Condos (+8.7%) continue to have a higher increase in sales price year-over-year in comparison to detached (+2.0%) and attached (+2.0%) homes. From last month, there was a slight decrease in the overall median price (-1.1%).



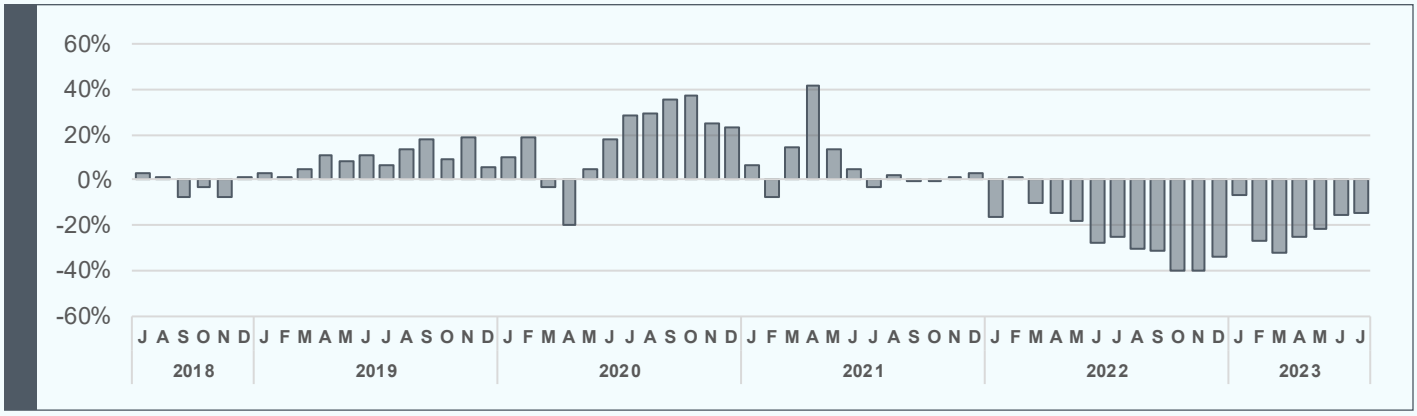

## Median Days on Market

The median days on market has ticked down 1 day compared to a year ago for all home types and is 9 days faster than in 2019, which was a more typical market. In comparison to last month, the median days on market for all home types is up 1 day, but it can be expected that the market will remain very fast-paced with the limited supply available to buyers.



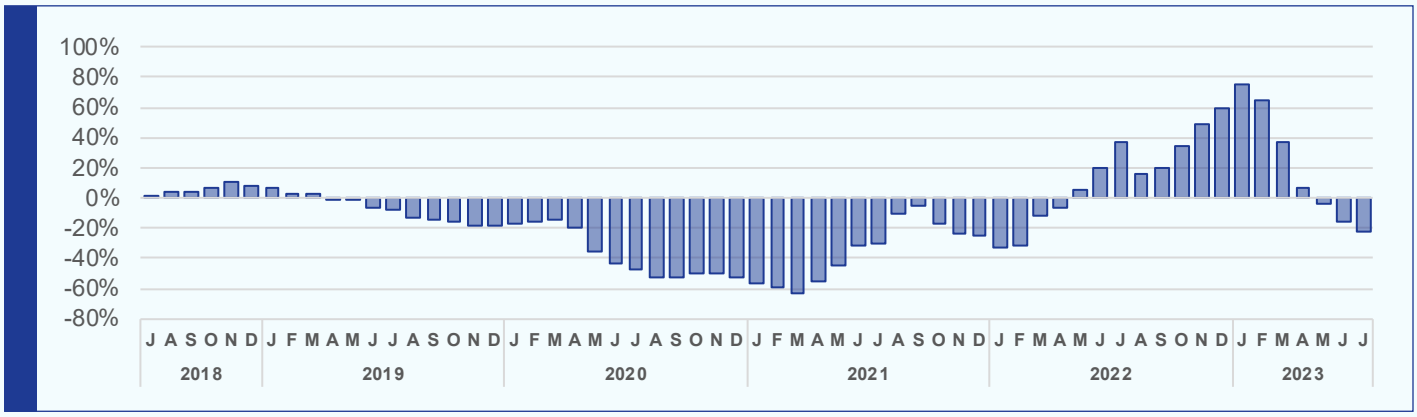
## **New Pending Sales** Year-Over-Year Change

Pending sales are down 14.1% from last year, with 1,604 new pending sales in July. With supply still being such a large constraint, sales activity has continued to lag behind previous years, but the gap is showing signs of closing in the latter half of 2023.



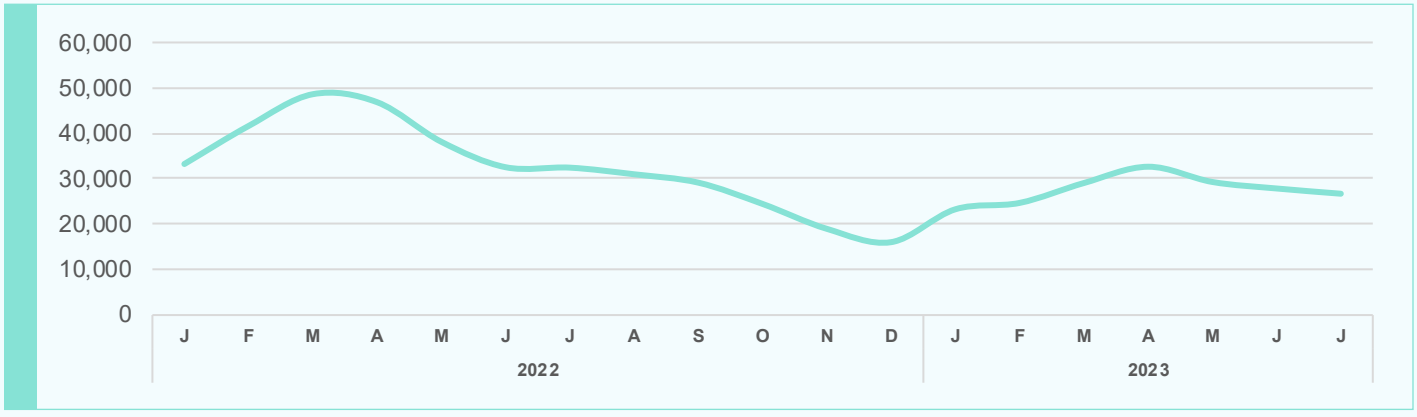

## **Active Listings** Year-Over-Year Change

There were 2,085 active listings at the end of July. This is a 22.8% decrease overall from last year with a notable 42.8% decrease in attached homes, specifically. Active listings are only 38% of what they were in July of 2019. Buyers are going to have tight competition for homes in their price range.




## **Showings**

There were 26,825 showings in July, a 17.6% decrease from last year. There were also 4.1% fewer showings than last month. With supply so tight and competition high, there have been fewer showings than recent years.



## Local Markets

North Central Virginia has had a reversal in its inventory direction, with May, June, and July having lower active listings than the same month last year. Only Clarke County (+59.1%), Fauquier County (+26.3%), Madison County (+13.8%), and Page County (+7.5%) had higher active listings count in July 2023 compared to July 2022.

Low inventory has put pressure on time on market and pricing. Half of homes in North Central Virginia are on the market for one week (7 days) or less. Of the 19 counties in the region, 8 had median time to contract at a week or less and another three counties had median time to contract of 8 days.

Prices were generally up in July. King George County (-16.0%, 30 sales), Madison County (-1.0%, 11 sales), Manassas Park City (-4.4%, 22 sales), and Winchester City (-12.4%, 20 sales) had a lower median sale price compared to last year, but these are small markets.



**CLOSED SALES**

| | July 2023 | vs. July 2022 |
|---|---|---|
| Caroline County, VA | 46 | +27.8% |
| Clarke County, VA | 10 | -16.7% |
| Culpeper County, VA | 45 | -25.0% |
| Fauquier County, VA | 70 | -31.4% |
| Frederick County, VA | 136 | +4.6% |
| Fredericksburg City, VA | 27 | +42.1% |
| King George County, VA | 30 | +3.4% |
| Madison County, VA | 11 | -15.4% |
| Manassas City, VA | 35 | -25.5% |
| Manassas Park City, VA | 22 | +4.8% |
| Orange County, VA | 45 | -36.6% |
| Page County, VA | 23 | -11.5% |
| Prince William County, VA | 473 | -22.2% |
| Rappahannock County, VA | 6 | -14.3% |
| Shenandoah County, VA | 57 | -20.8% |
| Spotslvania County, VA | 160 | -31.9% |
| Stafford County, VA | 194 | -19.5% |
| Warren County, VA | 42 | -28.8% |
| Winchester City, VA | 20 | -16.7% |
| **North Central VA** | **1,452** | **-19.9%** |

## MEDIAN SALES PRICE

| | July 2023 | vs. July 2022 |
|---|---|---|
| Caroline County, VA | $385,000 | +18.0% |
| Clarke County, VA | $479,997 | +0.5% |
| Culpeper County, VA | $432,000 | +6.7% |
| Fauquier County, VA | $580,000 | +5.5% |
| Frederick County, VA | $389,000 | +2.9% |
| Fredericksburg City, VA | $511,250 | +46.1% |
| King George County, VA | $378,000 | -16.0% |
| Madison County, VA | $415,000 | -1.0% |
| Manassas City, VA | $490,000 | +14.5% |
| Manassas Park City, VA | $411,000 | -4.4% |
| Orange County, VA | $410,000 | +20.6% |
| Page County, VA | $400,000 | +56.9% |
| Prince William County, VA | $540,000 | +2.3% |
| Rappahannock County, VA | $517,000 | +3.4% |
| Shenandoah County, VA | $310,000 | +10.7% |
| Spotslvania County, VA | $447,495 | +5.3% |
| Stafford County, VA | $508,500 | +3.8% |
| Warren County, VA | $362,000 | +13.1% |
| Winchester City, VA | $300,000 | -12.4% |
| **North Central VA** | **$469,999** | **+4.4%** |



## **Local Markets** Continued

| | NEW PENDINGS | | NEW LISTINGS | | MEDIAN DAYS ON MARKET | |
|---|---|---|---|---|---|---|
| | July 2023 | vs. July 2022 | July 2023 | vs. July 2022 | July 2023 | vs. July 2022 |
| Caroline County, VA | 46 | -23.3% | 59 | -33.0% | 21 | +7 days |
| Clarke County, VA | 12 | -29.4% | 20 | +17.6% | 8 | +1 day |
| Culpeper County, VA | 59 | +40.5% | 58 | -4.9% | 6 | -3 days |
| Fauquier County, VA | 74 | -23.7% | 85 | -17.5% | 5 | -3 days |
| Frederick County, VA | 137 | -6.2% | 147 | -27.2% | 8 | -3 days |
| Fredericksburg City, VA | 29 | -19.4% | 33 | -15.4% | 8 | +0 days |
| King George County, VA | 40 | -2.4% | 38 | -15.6% | 7 | -7 days |
| Madison County, VA | 12 | +71.4% | 14 | +40.0% | 24 | +12 days |
| Manassas City, VA | 59 | +20.4% | 58 | -12.1% | 6 | +0 days |
| Manassas Park City, VA | 25 | +56.3% | 23 | -4.2% | 6 | -2 days |
| Orange County, VA | 74 | -2.6% | 84 | -15.2% | 12 | +1 day |
| Page County, VA | 26 | +18.2% | 36 | +16.1% | 11 | +3 days |
| Prince William County, VA | 506 | -15.8% | 478 | -42.3% | 6 | -2 days |
| Rappahannock County, VA | 6 | -14.3% | 6 | -45.5% | 19 | -19 days |
| Shenandoah County, VA | 59 | -29.8% | 52 | -29.7% | 7 | +0 days |
| Spotslvania County, VA | 156 | -28.8% | 185 | -31.0% | 10 | +1 day |
| Stafford County, VA | 194 | -21.5% | 188 | -41.3% | 7 | -1 day |
| Warren County, VA | 62 | -7.5% | 59 | -42.2% | 11 | +2 days |
| Winchester City, VA | 28 | -17.6% | 26 | -33.3% | 14 | +5 days |
| **North Central VA** | **1,604** | **-14.1%** | **1,649** | **-32.1%** | **7** | **-1 day** |

## **Local Markets** Continued

| | ACTIVE LISTINGS | | MONTHS OF SUPPLY | |
|---|---|---|---|---|
| | July 2023 | vs. July 2022 | July 2023 | vs. July 2022 |
| Caroline County, VA | 90 | -14.3% | 2.20 | -1.3% |
| Clarke County, VA | 35 | +59.1% | 2.33 | +121.9% |
| Culpeper County, VA | 97 | -5.8% | 2.16 | +45.0% |
| Fauquier County, VA | 173 | +26.3% | 2.44 | +83.5% |
| Frederick County, VA | 207 | -17.5% | 1.86 | +8.8% |
| Fredericksburg City, VA | 48 | -14.3% | 1.78 | +4.7% |
| King George County, VA | 66 | -20.5% | 2.20 | -4.8% |
| Madison County, VA | 33 | +13.8% | 3.30 | +59.4% |
| Manassas City, VA | 37 | -43.1% | 0.90 | -21.1% |
| Manassas Park City, VA | 13 | -53.6% | 0.93 | -30.1% |
| Orange County, VA | 130 | -5.1% | 2.50 | +40.4% |
| Page County, VA | 57 | +7.5% | 2.59 | +7.5% |
| Prince William County, VA | 390 | -45.2% | 0.84 | -19.2% |
| Rappahannock County, VA | 27 | -3.6% | 4.50 | +44.7% |
| Shenandoah County, VA | 78 | -11.4% | 1.39 | +6.1% |
| Spotslvania County, VA | 272 | -7.8% | 1.70 | +33.9% |
| Stafford County, VA | 216 | -36.5% | 1.14 | -7.3% |
| Warren County, VA | 78 | -36.1% | 1.50 | -17.6% |
| Winchester City, VA | 38 | -20.8% | 1.52 | -5.0% |
| **North Central VA** | **2,085** | **-22.8%** | **1.45** | **+8.2%** |

### Mind the Pending Sales Gap

In North Central Virginia, watch the closing of the gap between pending sales in 2023 and 2022.

Pending sales activity is impacted by demand and supply, both lower than 2022.

Mortgage rates play a large part in the affordability of a home. Buyers in July faced rates at least a percentage or more higher than a year ago.

Recall that in January, rates were more than double what they were in January 2022. As mortgage rates have converged, so has the movement in pending sales. The July gap was 14.1% in North Central Virginia. As rates move even closer, pending sales may track closer to last year's levels this fall.

## **Local Markets** Continued

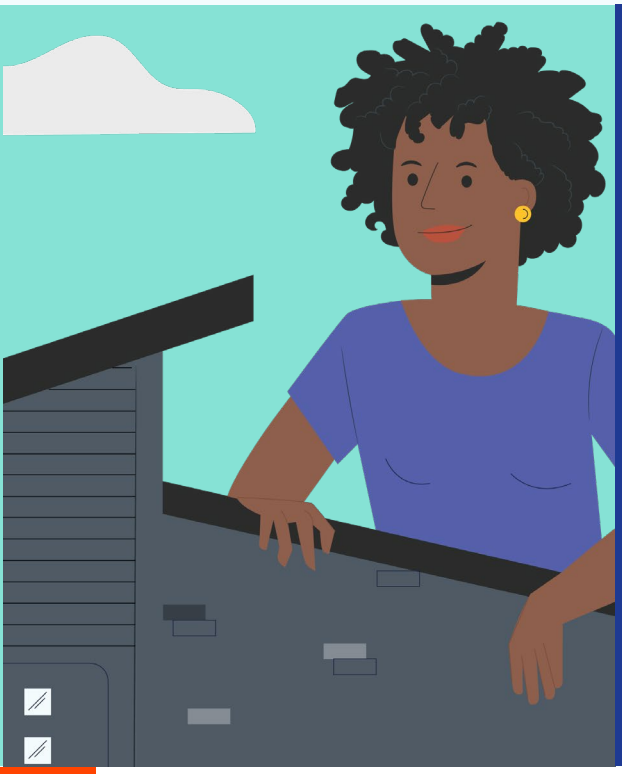
| | SHOWINGS | | HOME DEMAND INDEX | |
|---|---|---|---|---|
| | July 2023 | vs. July 2022 | August 2023 | vs. August 2022 |
| Caroline County, VA | 508 | -18.7% | 72 | -36.3% |
| Clarke County, VA | 266 | +3.5% | 65 | +22.6% |
| Culpeper County, VA | 515 | -14.0% | 49 | -5.8% |
| Fauquier County, VA | 1,392 | -1.8% | 64 | -9.9% |
| Frederick County, VA | 1,797 | -18.3% | 79 | -25.5% |
| Fredericksburg City, VA | 452 | -9.1% | 76 | -29.6% |
| King George County, VA | 416 | -34.3% | 57 | -32.1% |
| Madison County, VA | 105 | +133.3% | 63 | +50.0% |
| Manassas City, VA | 1,224 | +18.3% | 141 | -16.6% |
| Manassas Park City, VA | 309 | -12.0% | 104 | -25.2% |
| Orange County, VA | 947 | +8.6% | 80 | -8.0% |
| Page County, VA | 262 | +10.5% | 58 | +7.4% |
| Prince William County, VA | 10,728 | -16.2% | 108 | -35.7% |
| Rappahannock County, VA | 79 | -8.1% | 31 | -16.2% |
| Shenandoah County, VA | 633 | -33.4% | 42 | -27.6% |
| Spotslvania County, VA | 2,670 | -28.5% | 76 | -31.5% |
| Stafford County, VA | 3,143 | -31.7% | 92 | -35.7% |
| Warren County, VA | 1,074 | -3.6% | 65 | -21.7% |
| Winchester City, VA | 305 | -40.9% | 53 | -41.8% |
| **North Central VA** | **26,825** | **-17.6%** | **80** | **-29.2%** |

### Bright MLS T3 Home Demand Index

The Home Demand Index (HDI) captures buyer signals including showing requests, listing views and more to let you know what buyers are doing right now, before they buy. The HDI is forward-looking, providing a picture of what market activity will be this month.

The Home Demand Index was created as part of our strategy to create a nimbler and more innovative MLS platform that drives your business forward.

**Read More about the HDI homedemandindex.com**



## About **Bright MLS**

Bright is proud to be the source of truth for comprehensive real estate data in the Mid-Atlantic, with market intelligence currently covering six states (Delaware, Maryland, New Jersey, Pennsylvania, Virginia, West Virginia) and the District of Columbia. Bright MLS's innovative tool library—both created and curated—provides services and award-winning support to well over 100k real estate professionals, enabling their delivery on the promise of home to over half a million home buyers and sellers monthly. In 2022, Bright subscribers facilitated $121B in real estate transactions through the company's platform. Learn more at Bright MLS.com.

**Please contact Christy Reap, Media Relations Director with interview or information requests: (202) 309-9362 | christy.reap@brightmls.com**

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