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Fredericksburg-area Real Estate Market Shows No Sign of Slowing Down

Dollar volume and units sold way up, days on market way down

Fredericksburg, VA – (November 13, 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.*

The local real estate market shows no signs of slowing down despite the ongoing pandemic, fears of another wave of the virus, continued economic contraction, and cooler weather approaching. Total sold dollar volume was up a whopping 63% from last year, coming in at approximately \$291.1 million this October compared to \$178.1 million last October. The region's median price increased for the 19th straight month, soaring more than 13% year-over-year going from \$310,000 in October of 2019 to \$352,000 in October of this year. Units sold increased a record breaking 42% with 760 homes sold this October compared to 535 last year.

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 50% with houses averaging a mere 20 days on the market in October 2020 compared to 40 days in October 2019.

"With the listing inventory still at an all-time low, the October market resulted in higher sales volume and increased sale prices," comments FAAR Board of Director and affiliate member Donna Schmidt. "Escalation clauses were insane, with buyers foregoing home inspections and all other contingencies taking us back to the 2004-05 market. However, appraisers and Realtors® have tried to keep things in check and are doing an amazing job keeping up with the times."

The region's supply issues continue to frustrate buyers as the market saw another huge drop in active listings compared to last year at the same time. The region closed out October with just 653 homes on the market, a 59% decrease from last year. Realtors® would have said a year ago that supply was the biggest issue facing the market and that was when active listings were over 1,600. New listings provided a glimmer of hope again this month with a more than 13% increase in homes coming on the market over the same time last year. New listings are being absorbed into current demand leading to higher units sold the next month. New pending transactions were strong again this month with a 44% increase, indicating that things are not slowing down.

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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.