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### **The local housing market continues to cool**

*Median price continues to rise but units sold, total volume down*

**Fredericksburg, VA – (July 14, 2022)** – *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 in June repeated its performance from May with increasing prices, falling sales volume, and growing available inventory. June closed out the month with a nearly 20% decrease in total sold dollar volume, going from approximately \$434 million in June of 2021, down to just over \$349 million in June of 2022. Fueling the decline in total volume was a steep dip in market activity potentially due to increased mortgage rates. Units sold declined nearly 28%, going from 1,031 in June of 2021 and declining to 748 in June of 2022, just one transaction less than last month. At the same time that demand is waning, median sold price posted another big year-over-year jump, clocking in at an all-time high of \$441,000 in June of 2022 compared to \$397,500 in June of 2021.

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, stayed nearly flat from last year at 11 days.

Active listings have shown year-over-year growth since July of 2021 with June posting another 30% increase in homes on the market. There were 955 homes on the market at the end of June compared to 735 last year. New listings were down this June by 20%, with 918 new homes coming on the market compared to 1,147 last June. New pending sales were down over 26% and overall pending sales are down 30%, indicating that increasing interest rates could be dampening demand for the third sustained month in a row.

The rental market is also experiencing significant price increases with Realtors® seeing potential tenants offering greater than the posted rent to sweeten their application. FAAR Board of Director and active Property Manager Dawn Josemans comments, "The rental market is still pretty hot. We have multiple applications for every listing and very soon after putting the listing active. People have been offering higher rents and asking for longer term leases as well. There is such a high demand that the prices have increased by about 30-40%. The supply has been low due to the high number of owners either not wanting to be landlords anymore or just wanting to take advantage of the hot sales market."

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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](http://www.faarmembers.com) or contact Kim McClellan, Public Policy Director at [kmcclellan@faarmembers.com](mailto:kmcclellan@faarmembers.com) or 540-373-7711.