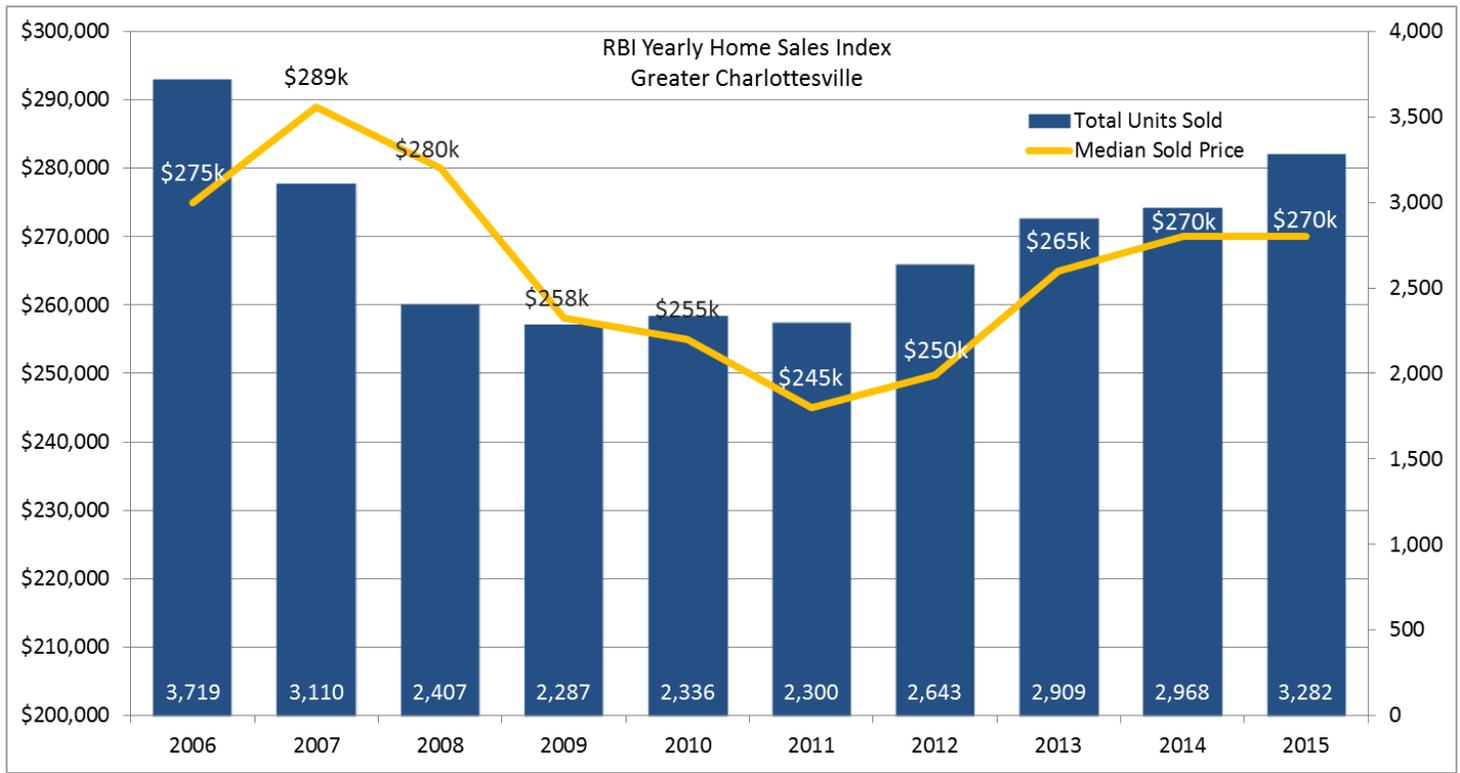


*CAAR Member Copy – Expanded Edition*

## Charlottesville Area Year-End 2015 Highlights:

- Home sales in Greater Charlottesville have now increased for four consecutive years as the 3,282 homes sold in 2015 marked the highest level since 2006.
- Pricing remained steady with a median sales price of \$270,000 for the year, unchanged from 2014 and 10.2% higher than the 2011 bottom of \$245,000.
- Inventory is 16.5% lower than this time last year, the lowest level since year-end 2005.
- Half the homes sold in 2015 were on the market 46 days or less, a six-day improvement from the median DOM of 2014 and the lowest level since 2006.

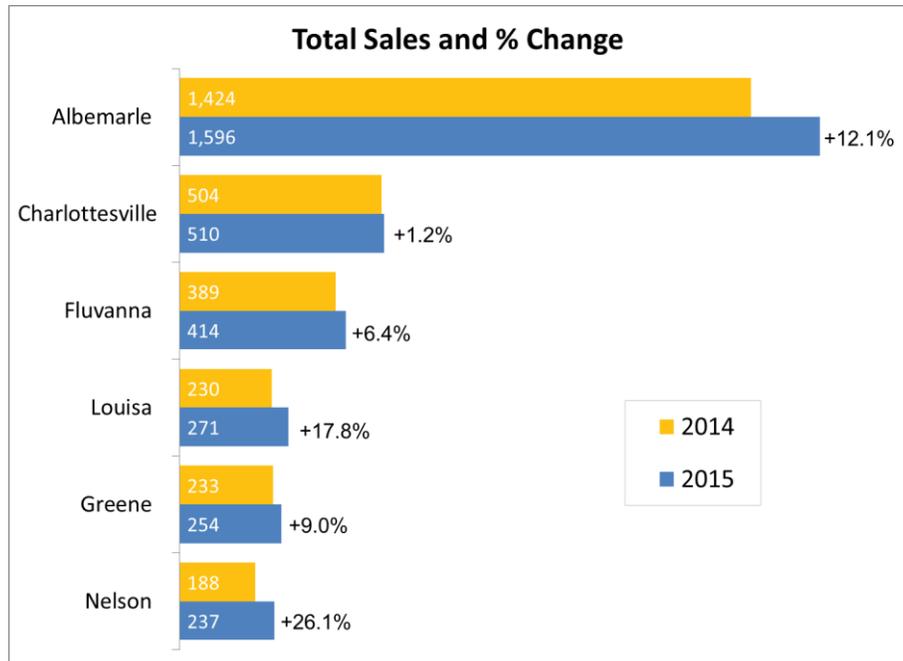


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## Sales Activity –

Greater Charlottesville area home sales reached the highest annual level since 2006, with year-over-year gains in both the attached and detached segments. Sales were up on an annual basis every quarter, led by a 12.0 percent year-over-year gain in the 2<sup>nd</sup> Quarter. The 3,282 cumulative sales in 2015 were 10.6 percent higher than 2014’s tally of 2,968, marking a net gain of over 300 settlements. Closed sales have increased every year

since 2011, when the region’s market dipped with only 2,300 homes sold, or nearly 1,000 fewer sales than were recorded in 2015.



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Home sale activity increased in every jurisdiction. With its 1,596 sales accounting for nearly half of the region’s total volume, Albemarle’s 12.1% increase (a net gain of 172 settlements) played a key factor in the region’s positive sales trends. While Nelson’s 237 sales were the lowest tally in the region, they marked a 26.1% increase from 2014, the largest percent gain in the region. Louisa was the other county with double-digit percent gains, with its 271 sales representing a 17.8% annual gain. Greene (+9.0%) and Fluvanna (+6.4%) also had moderate sales growth. Charlottesville sales activity in 2015 was flat, with its 510 sales exceeding the previous year’s total by only six sales, a gain of only 1.2 percent.

“The strong number seen in closed sales could have contributed from a number of factors from last quarter. Nevertheless, the fact that each jurisdiction positively gained in total sales and the median sales price remains steady at \$270,000 compared to last year indicates that our market remains solid,” said CAAR President, Donna Patton.

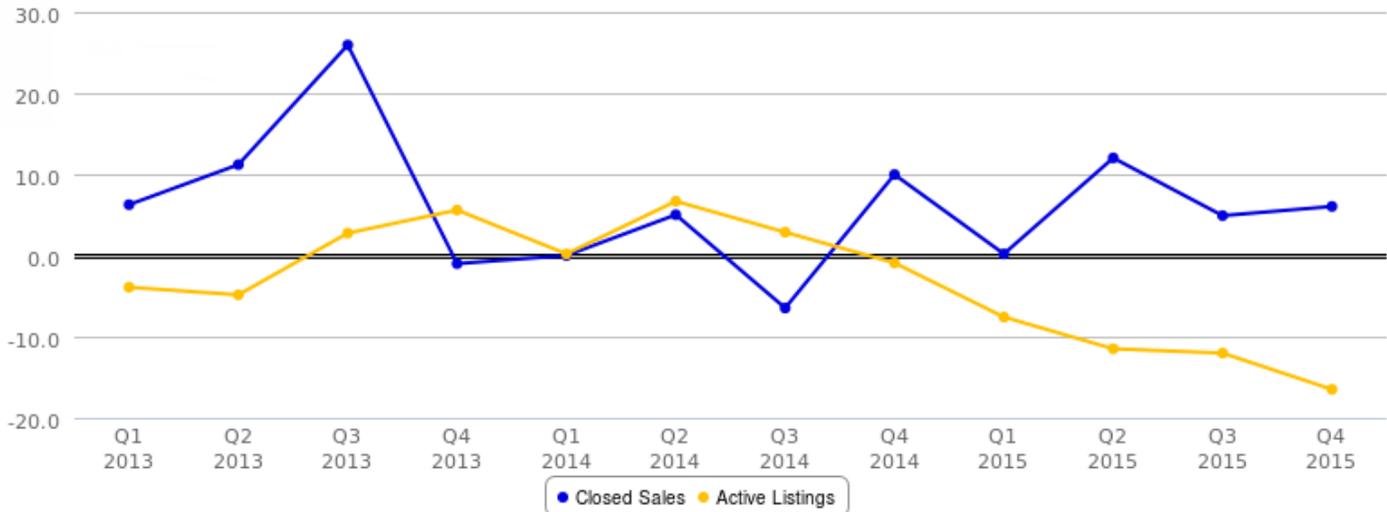
**Inventory –**

Twelve months ago, active inventory heading into 2015 was flat from the previous year, with only 17 fewer listings than in January 2014. But over the course of the year, the supply picture began to shift significantly. New listing activity in the 2<sup>nd</sup> Quarter was only 0.6% higher than the Q2 2014 tally, while sales climbed 12.0%. As a result, inventories at mid-year were 11.5% lower than the same point in 2014. The 3<sup>rd</sup> Quarter saw relative parity in year-over-year sales gains (+4.9%) and new listing gains (+5.8%) and active inventories at quarter’s end remained 12.0% below the respective level in 2014. But new listing activity in the 4<sup>th</sup> Quarter fell by 22.1% compared to Q4 2014, the largest year-over-year decline for any quarter in at least a decade. Despite this falloff in Q4 listing activity, closed sales grew by 6.0%. Cumulatively, for the year, there were 1.5% fewer listings added than over the course of 2014. Coupled with the strong sales gains, the region’s supply level headed into 2016 is now 16.5% lower than last year and the 1,531 active listings mark the lowest level since 2005.

“Seller activity didn’t keep pace with the increase in buyers entering the market. This was evident in the 16.5% decline of inventory compared to last year. While restricted inventory is being felt across the state, it can drive up prices. This may

have been a factor as prices topped 2014 levels in nine of twelve months in 2015,” said Anthony McGhee, President-Elect.

**Market Activity - YoY % Change | Greater Charlottesville**

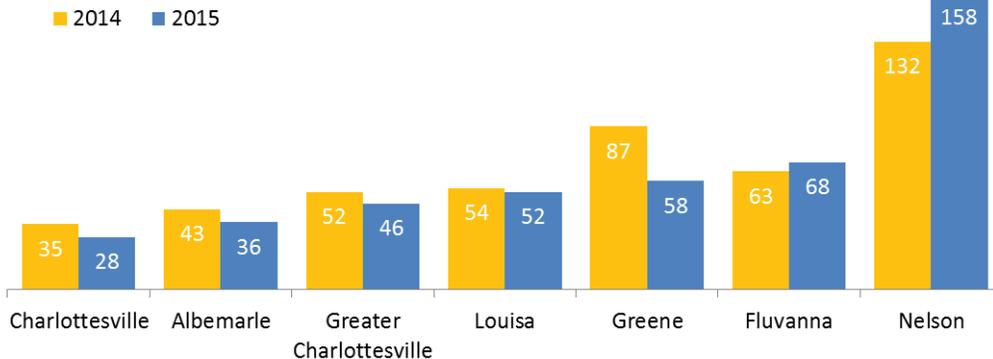


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### Days on Market (DOM) and Pricing –

Half the homes sold in the Greater Charlottesville area in 2015 were on the market for 46 days or less, marking the lowest median DOM since 2006 and a six-day improvement versus 2014. For context, the 2015 median DOM is 16 days lower than the five-year average (62 days) and three weeks better than the ten-year average (67 days). One in every four homes sold (26.0%) was listed ten days or fewer prior to sale. Despite this proportion of fast-moving listings, the average (or mean) DOM for the region was 115 days, which was actually three days higher than the 2014 average, but remained 13 days below the five-year average of 128. It should be noted that the average DOM is less representative than the median as it is inherently skewed by outliers, in particular the 7.5 percent of 2015 sales that were on the market for more than a year prior to sale.

**Median Days on Market**



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Listings in the city of Charlottesville sold fastest, with half of its homes sold in less than a month, as its median DOM improved from 35 days in 2014 to 28 days in 2015. One in every three Charlottesville listings (32.9%) was on the market ten days or less prior to sale. This was only slightly higher than surrounding Albemarle, where 30.7% of sales were listed

for ten days or less. Like Charlottesville, Albemarle’s median DOM improved by one week compared to 2014, decreasing from 43 to 36 days. Louisa’s median DOM level remained steady at 52, two days lower than the previous year. Greene saw the most significant improvement in the region as homes there sold nearly a month faster than in 2014 with its median DOM level improving to 58 days. With a median DOM of 68 days, Fluvanna homes took five days longer to sell than the prior year. Sellers in Nelson continue to require the most patience as half of its sold listings were on the market at least five months prior to sale. Nelson’s median DOM jumped from 132 days in 2014 to 158 and nearly 75% of its sold listings were on the market for more than two months.



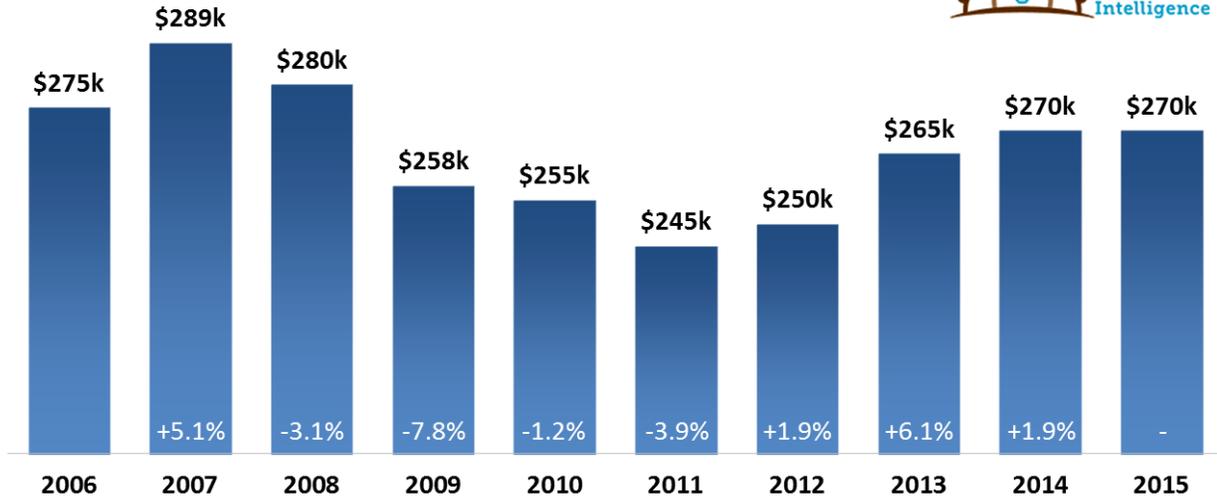
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Regionally, the average percent of original list price received at sale (Avg SP to OLP ratio) was 94.8%, a slight uptick from the 94.2% average of 2014. Five of the six areas saw improvement in this indicator. Not surprisingly, sellers in the two jurisdictions with the lowest DOM levels received the highest percent of original asking price on average. Albemarle sellers received 95.9%, up from 95.4% in 2014, while Charlottesville’s average jumped by more than a point to 95.4%. Louisa’s Avg SP to OLP ratio climbed nearly two points from 93.4% in 2014 to 95.3% in 2015. As homes in Greene sold significantly faster than the previous year, its Avg SP to OLP ratio likewise bumped up by more than a point to 95.3%. Fluvanna sellers averaged a lower percentage of asking price than the overall region, but its average improved slightly from the previous year to 93.5%. Nelson was the only area to see a year-over-year decline as its Avg SP to OLP ratio dipped to 87.3% due to supply there continuing to outpace buyer demand.

## Home Prices –

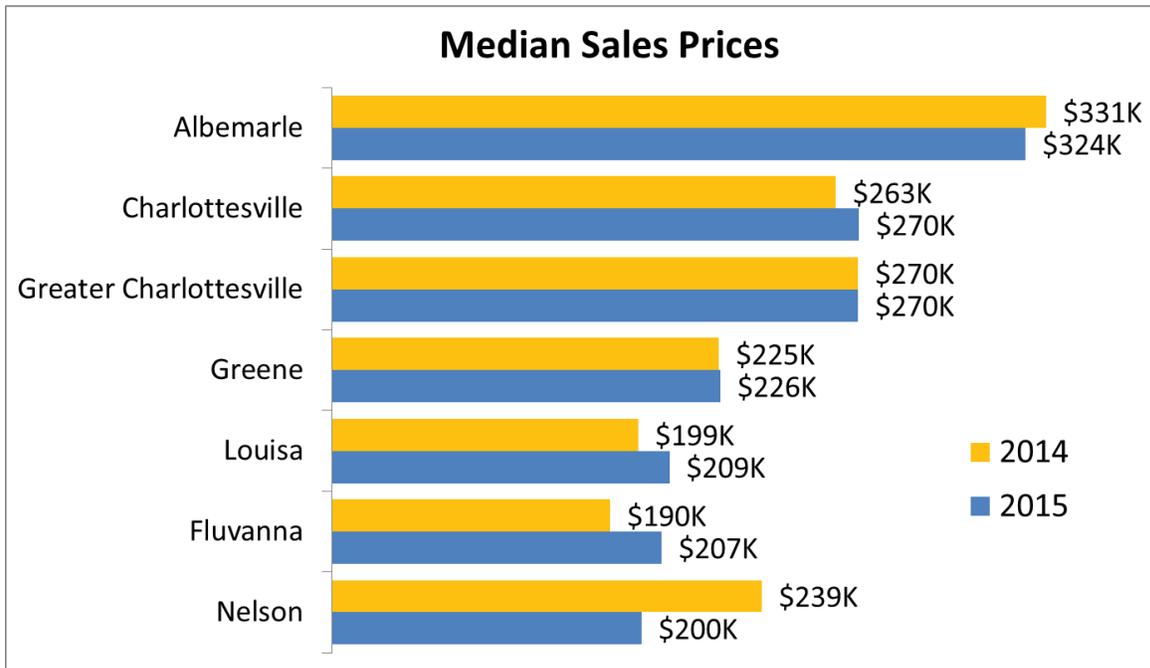
Prices topped 2014 levels in nine of twelve months in 2015, including an 11.9% year-over-year increase in November. But a soft 3<sup>rd</sup> Quarter, in which the median sales price missed the Q3 2014 level by 5.1%, nullified the modest gains of the other quarters and the median price level for the year was ultimately unchanged from 2014 at \$270,000. The region’s median price levels remained 10.2 percent higher than the 2011 bottom of \$245,000 and are only 6.6% off the 2007 peak of \$289,000. The double-digit annual gains in home sales more than offset a 4.4% dip in 2015’s average sales price, as total sold dollar volume for the region climbed 5.7% from \$1.01B to \$1.07B. This topped the 2011 low of \$691M by 55.2% and was the highest dollar volume reached since 2007.

### Greater Charlottesville - Median Sales Price by Year



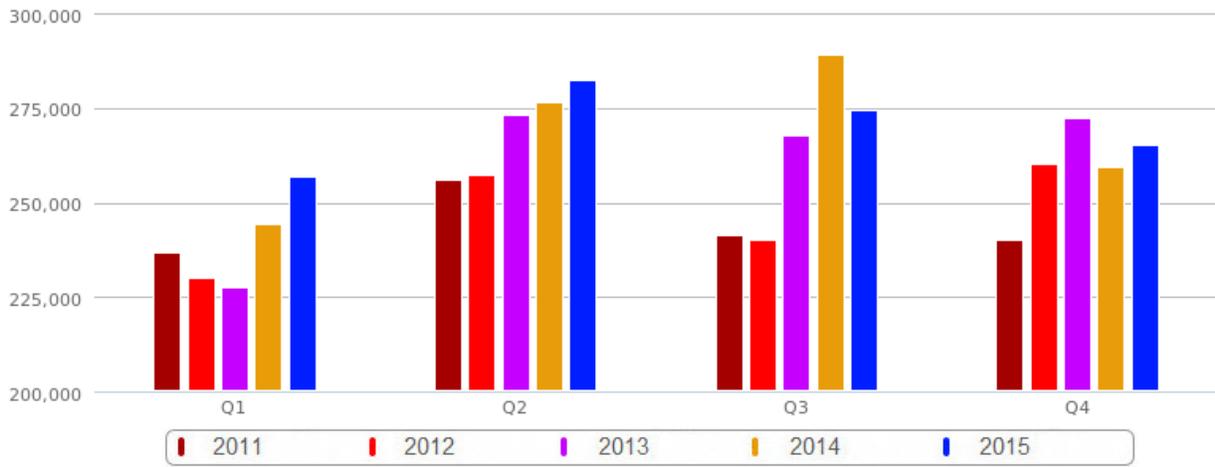
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Four of the region’s six jurisdictions saw median price appreciation in 2015. Fluvanna (+8.7%) had the largest annual gain, followed by neighboring Louisa (+5.1%). Charlottesville’s median sales price of \$270,250 was 2.9% higher than 2014, missing its peak 2007 level of \$280,000 by only 3.5%. Albemarle, which reached its ten-year high of \$330,618 in 2014, dropped a modest 2.0% to \$324,000. The median price in Greene was virtually flat for the fifth straight year, rising only \$500 to \$225,500. With a 16.3% annual decrease, Nelson’s median prices reached a ten-year low at \$200,000, representing only 61.5% of its 2006 peak of level of \$325,000.

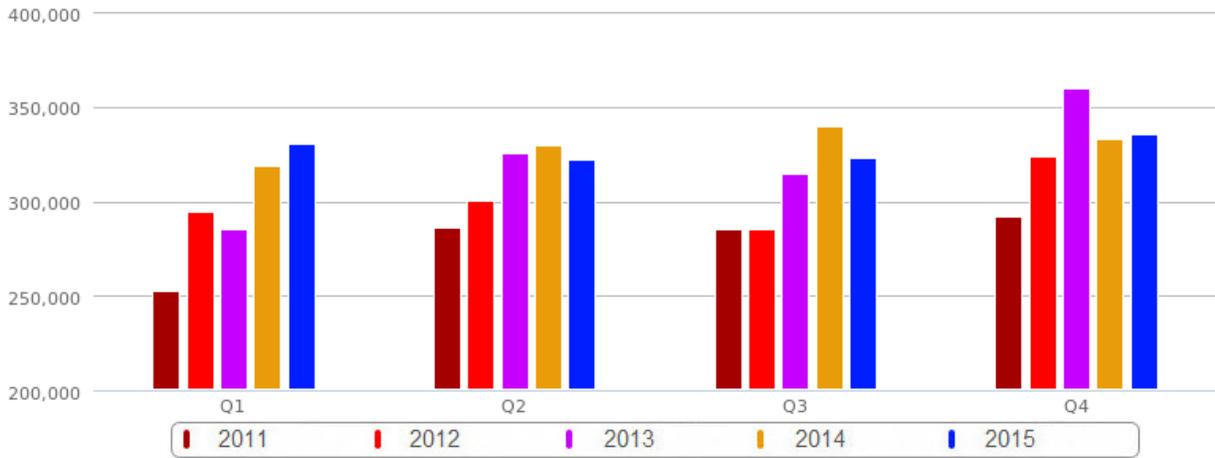


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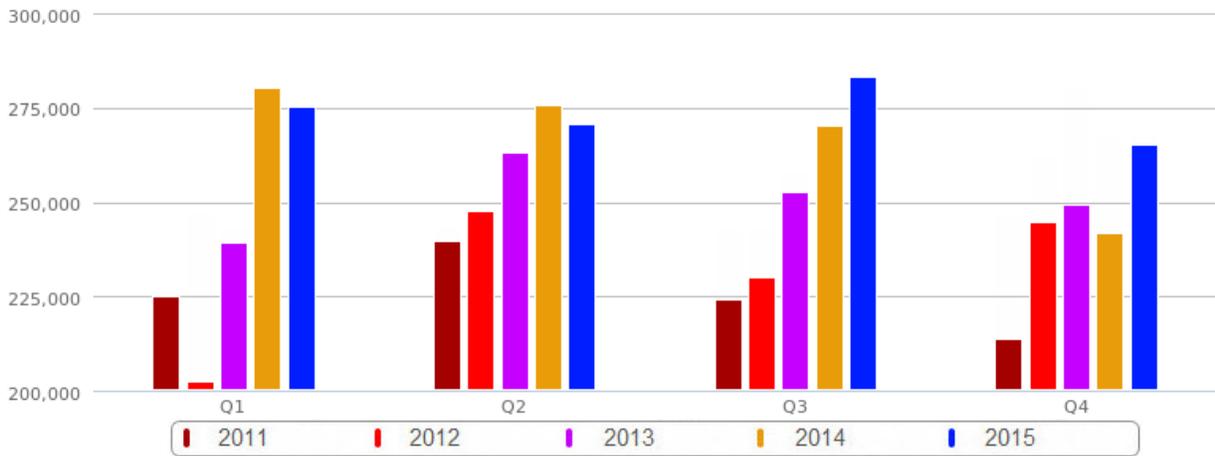
**Med Sale \$ | Greater Charlottesville**



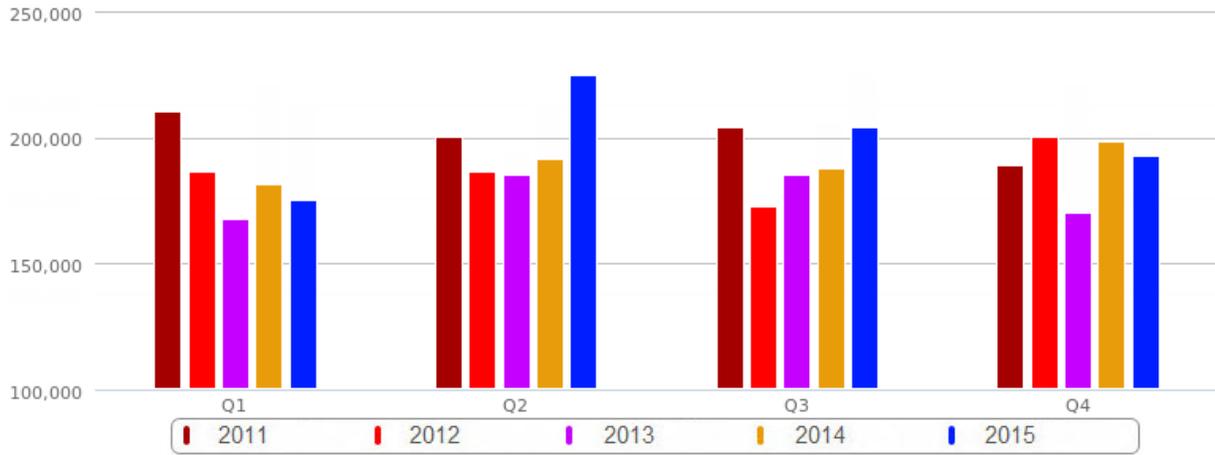
**Med Sale \$ | Albemarle County, VA**



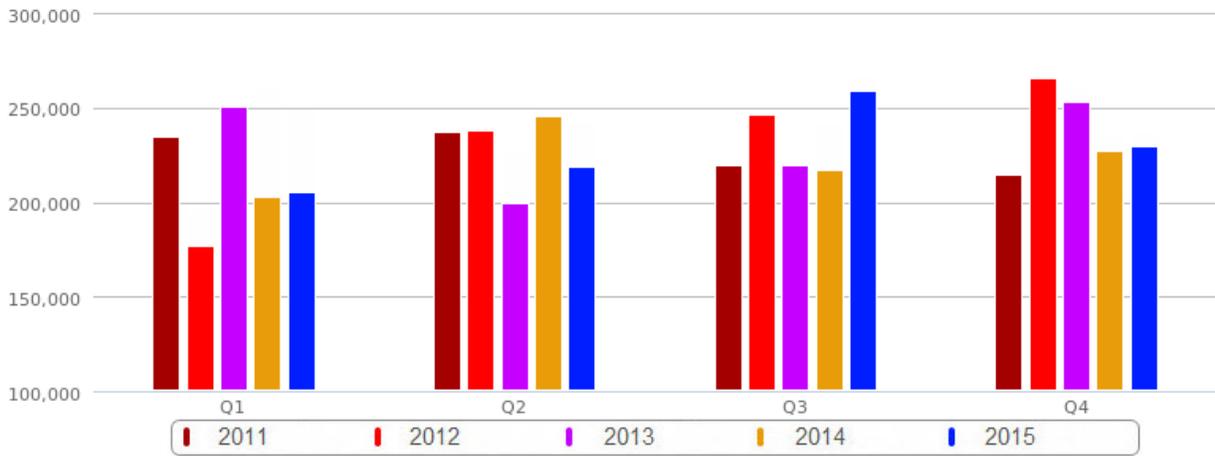
**Med Sale \$ | Charlottesville City, VA**



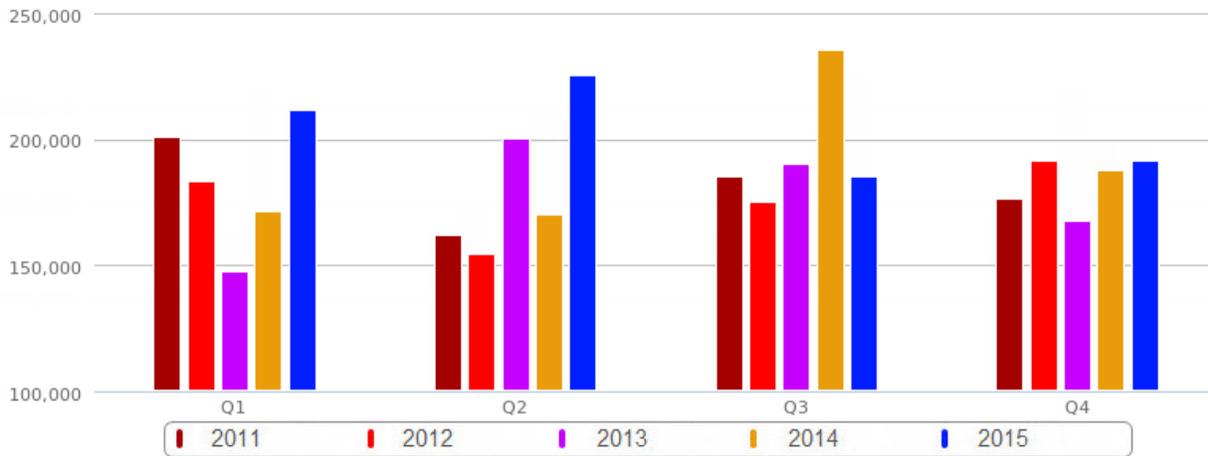
**Med Sale \$ | Fluvanna County, VA**



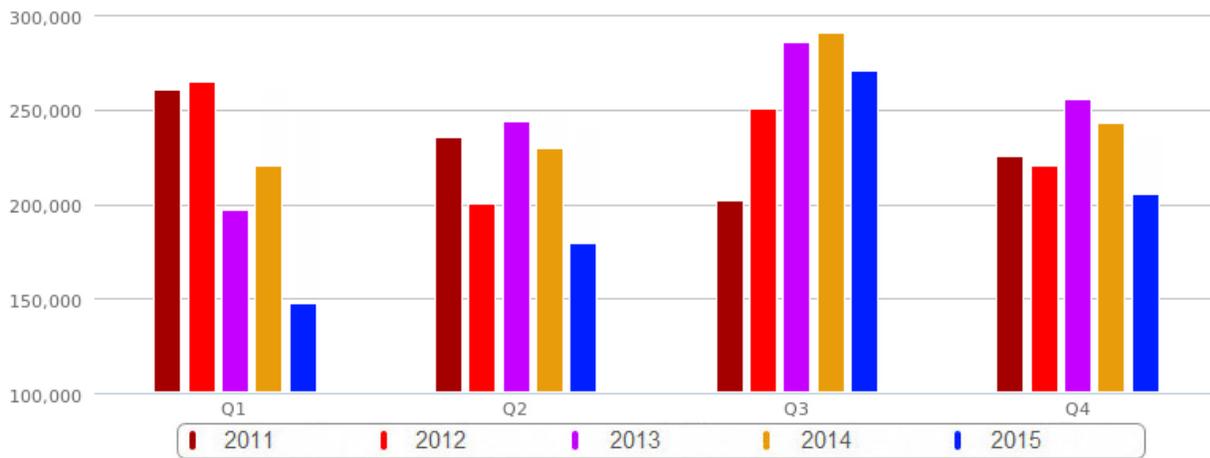
**Med Sale \$ | Greene County, VA**



**Med Sale \$ | Louisa County, VA**



Med Sale \$ | Nelson County, VA



**Attached vs. Detached Homes –**

The \$295,000 median price for detached homes marked a slight 2.2% increase from 2014’s level and is 9.3% higher than the segment’s 2011 low of \$270,000. The attached segment saw a modest 4.5 decrease from the prior year, but its 2015 median of \$210,000 remains 10.5% above 2012, when the segment bottomed out at \$190,000. The 744 attached units sold in 2015 were 15.5% more than the 2014 tally, marking the largest year-over-year increase for this segment since 2005. Detached homes, which account for more than 75% of all sales in the region, also saw a significant year-over-year gain. The 2,535 detached units sold topped the previous year’s total by 9.1%, the fourth consecutive year with sales gains for the segment.

As the more affordable segment, attached units sold 11 days faster than detached units, based on median DOM levels. Half the attached homes sold were on the market for 38 days or less, a two-week improvement from 2014. The median DOM for detached homes improved by three days from last year to 49. Detached sellers received 94.7% of original list price on average, an improvement from 2014’s 93.9% average. Attached sellers received 95.1% of OLP on average, down slightly from 95.4% the previous year.

**RBI Year End Housing Metrics  
Greater Charlottesville Area**

<u>Detached</u>	2015	% Y-O-Y	2014	% Y-O-2Y	2013	% Y-O-3Y	2012	% Y-O-5YAvg	5 Yr Avg
Average Sales Price	\$353,387	-4.0%	\$368,283	-1.4%	\$358,395	3.3%	\$342,230	0.8%	\$350,710
Median Sales Price	\$295,000	2.2%	\$288,750	3.5%	\$285,000	5.9%	\$278,692	4.1%	\$283,488
Units Sold	2,535	9.1%	2,324	14.2%	2,219	26.6%	2,002	17.2%	2,163
Average Days On Market	118	+4 days	114	-6 days	124	-27 days	145	-12 days	130
Median Days on Market	49	-3 days	52	-9 days	58	-28 days	77	-16 days	65
Average SP to OLP Ratio	94.7%	0.8%	93.9%	1.7%	93.0%	3.7%	91.0%	2.1%	92.6%

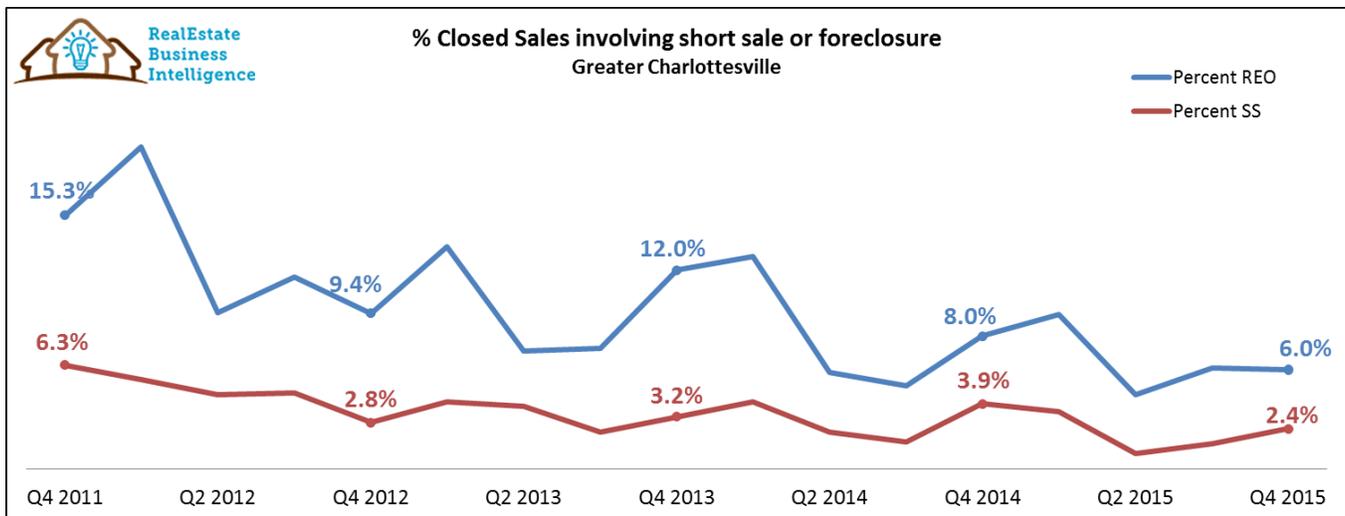
<u>Attached</u>	2015	% Y-O-Y	2014	% Y-O-2Y	2013	% Y-O-3Y	2012	% Y-O-5YAvg	5 Yr Avg
Average Sales Price	\$234,647	-4.3%	\$245,227	0.7%	\$233,118	10.8%	\$211,865	3.7%	\$226,172
Median Sales Price	\$210,000	-4.5%	\$220,000	-1.8%	\$213,750	10.5%	\$190,000	2.5%	\$204,950
Units Sold	744	15.5%	644	7.8%	690	16.1%	641	13.2%	657
Average Days On Market	107	+2 days	105	-5 days	112	-33 days	140	-14 days	121
Median Days on Market	38	-14 days	52	-8 days	46	-19 days	57	-15 days	53
Average SP to OLP Ratio	95.1%	-0.3%	95.4%	-0.2%	95.3%	1.5%	93.6%	0.7%	94.4%

## RBI Year End Housing Metrics Greater Charlottesville Area

All Residential	2015	% Y-O-Y	2014	% Y-O-2Y	2013	% Y-O-3Y	2012	% Y-O-5YAvg	5 Yr Avg
Average Sales Price	\$326,710	-4.4%	\$341,582	-0.6%	\$328,680	5.2%	\$310,613	1.6%	\$321,592
Median Sales Price	\$270,000	0.0%	\$270,000	1.9%	\$265,000	8.1%	\$249,750	3.9%	\$259,950
Units Sold	3,282	10.6%	2,968	12.8%	2,909	24.2%	2,643	16.4%	2,820
Average Days On Market	115	+3 days	112	-6 days	121	-29 days	144	-13 days	128
Median Days on Market	46	-6 days	52	-8 days	54	-26 days	72	-16 days	62
Average SP to OLP Ratio	94.8%	0.6%	94.2%	1.3%	93.5%	3.1%	91.7%	1.8%	93.0%

### Distressed Inventory –

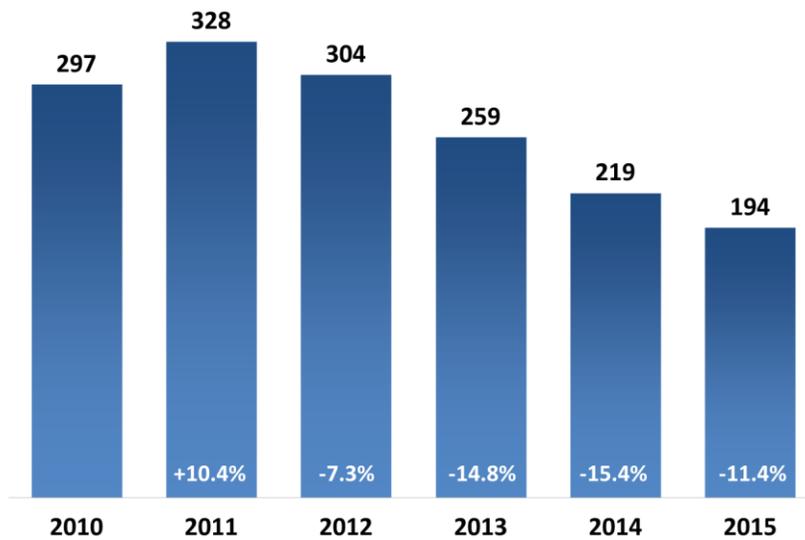
After foreclosures sales unexpectedly increased by 27.5 percent in the 3<sup>rd</sup> Quarter to a total of 51, they declined again in 4<sup>th</sup> Quarter compared to 2014. There were 42 foreclosure sales in the final quarter of 2015, 20.8% fewer than were recorded in Q4 2014. Foreclosure sales have now decreased from the previous year in seven of the last eight quarters. Foreclosures accounted for just 6.0% of sales in Q4 2015, down from a 9.3% share in Q1 2014. The 6.0% share is the lowest Q4 level in the last five years and marks a significant improvement from 2011, when 15.3% of homes sold in the 4<sup>th</sup> Quarter were foreclosed properties.



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The 194 foreclosures sold in 2015 marked the lowest annual level since CAAR began collecting distressed sales data in 2010. This marked the fourth consecutive decrease and the third year in a row where the decrease was more than ten percent. The 2015 tally was 11.4% lower than 2014's total and represents a decrease of 40.9% drop-off from the 2011 peak, when 328 foreclosure sales were recorded. Foreclosures accounted for only 5.9% of 2015's sales, down from 7.4% in 2014 and a marked improvement from five years ago, when one of every seven sales was a foreclosure (14.3%).

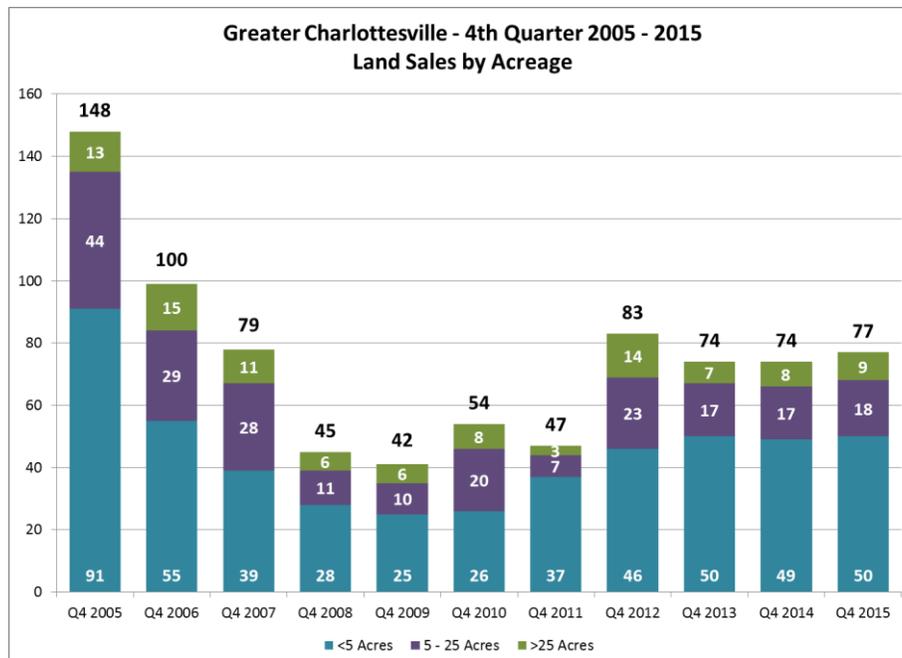
### Greater Charlottesville - Yearly Foreclosure Sales



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### 4<sup>th</sup> Quarter Land/Acreage Sales –

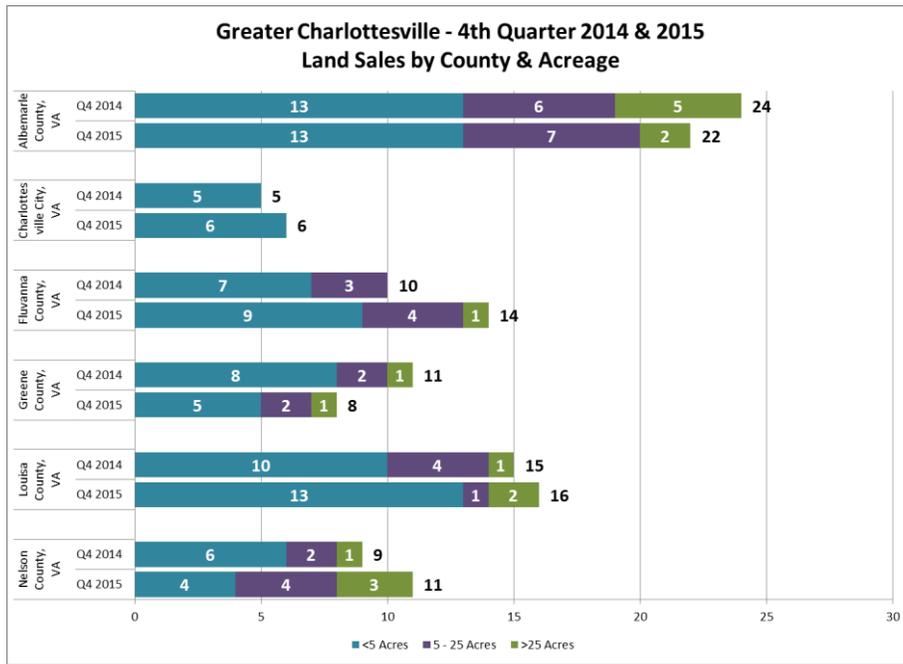
4<sup>th</sup> Quarter land/acreage sales have been notably consistent over the last four years. There were 77 land/acreage sales in Greater Charlottesville for the quarter, three more than the Q4 2014 tally. Each of the acreage segments analyzed saw an increase of one land/acreage sales versus last year. There were 50 land sales in the sub-five-acre segment, 18 in the 5-to-25-acre group and nine sales for lots that exceeded 25 acres. While the 77 overall sales total was only slightly higher than the Q4-2014 tally, it topped the ten-year average for the 4<sup>th</sup> Quarter by 13.2%.



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Land sales were up compared to Q4-2014 in four of the six jurisdictions. Fluvanna had the largest net gain with four more land sales than Q4-2014. Greene, with three fewer sales, and Albemarle, with two fewer sales, were the only locations

with lower tallies. With 22 sales in the 4<sup>th</sup> Quarter, Albemarle remains the highest volume area for land sales, accounting for around one in every four land/acreage sales in the region (28.6%).



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