



Fredericksburg
Area Association
of REALTORS®

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Fredericksburg Area Real Estate – Q3 2015 Market Trends Report Total Dollar Volume Up 9% – Sales Highest Since 2005

Strong Third Quarter Sales Figures

Fredericksburg, VA – (October 21, 2015) – The following analysis of the Fredericksburg, Virginia area housing market has been prepared for the Fredericksburg Area Association of REALTORS® based on analysis of MRIS multiple listing data by RealEstate Business Intelligence, LLC (RBI).

Overview

The strong showing in the Fredericksburg area market, which began in the second quarter, continued to build steam throughout the third quarter. The 1,558 new contracts ratified was the highest third quarter level seen in ten years. The number of sellers entering the market during the third quarter was also at its highest since the third quarter of 2008, exceeding both the five-year and ten-year third quarter average new listings levels of 2,080 and 2,140 respectively. The third quarter new inventory level was on par with last year's third quarter new listings level of 2,199.

At \$265,000, the median sale price in the third quarter increased 3.9% from its year ago level (\$255,000) but showed an expected seasonal tapering of 1.8% from the previous quarter's level of \$269,950. The 1,460 total units sold in the third quarter increased 10.8% from their year ago levels (1,318 sales). At \$412,720,556, the total sold dollar volume was the highest third quarter level since 2006, representing a 9.0% increase over the 2014 third quarter level of \$361,347,994.

The median Days on Market (DOM), the number of days from when a listing enters the market until it obtains a ratified purchase contract, decreased from 40 days in the third quarter of 2014 to 35 days in the third quarter of 2015. This 12.5% decrease is lower than the ten-year average of 40 days and is equal to the five-year average third quarter level of 35 days. Looking ahead to the fourth quarter, days on market will most likely increase slightly in accordance with established seasonal patterns.

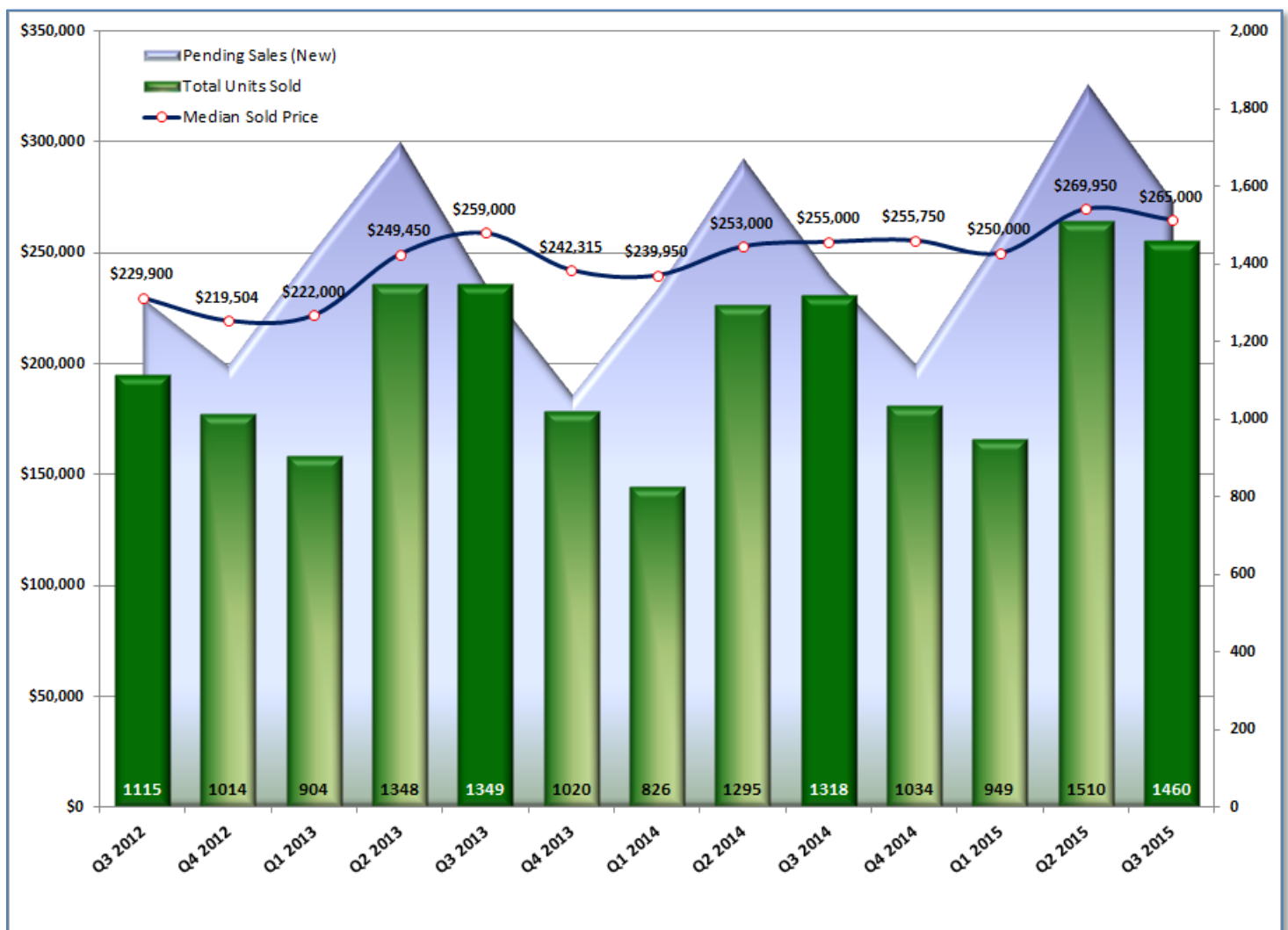
Key Trends – 3rd Quarter 2015

- **Pricing.** The median sale price for all residential property types in Q3 2015 was \$265,000 which represented a 3.9% increase from last year's Q3 level of \$255,000 and a decrease of 1.8% from the second quarter's level of \$269,950. Two of the three housing segments demonstrated median sale price increases. With a Q3 2015 median sale price of \$278,000 for the largest housing segment, detached homes had a 3.0% price increase over the Q3 2014 level and recorded 1,288 sales, a 14.0% increase over Q3 2014. The attached/townhouse segment median sale price of \$207,000 was a 1.5% increase over Q3 2014. The 151 sales in the third quarter represented an 8.5% decrease in townhouse sales. The smallest housing segment with 21 total sales, the condo/coops segment registered a 5.0% decrease from last year to a median sale price of \$230,000 in Q3 2015. This amount still reflected a 28.5% increase over Q2 2015 driven largely

by new condo sales in Stafford County at Woodstream and Colonial Forge where sale prices ranged from \$210,000 to \$320,000.

- Sales and Inventory.** Total sales in the third quarter increased 10.8% from their year ago levels. The 1,460 properties sold in Q3 2015 represented a 3.3% decrease from the Q2 2015 level of 1,510 sales. Total sales in the third quarter exceeded both their five-year and ten-year averages of 1,318 and 1,193 respectively. The 2,204 new listings added during Q3 2015 represented a slight 0.2% increase from their year-ago level of 2,199, and exceeded the five-year average of 2,080 by 3.6% but fell short of the ten-year average new listings level of 2,140 by -2.3%. New contracts totaled 1,558 in the third quarter, a 13.8% increase over their year ago level and the highest Q3 level since 2005.
- Sold to List Price Ratio.** In Q3 2015, the average sold price to average original list price ratio was 95.7%, or a 4.3% seller discount. This was a slight increase over the Q3 2014 level of 95.2% and was a decrease from the Q2 2015 level of 96.1%. It exceeded both the five-year and ten-year average Q3 ratios of 95.4% and 94.5% respectively. Even with the strong increase in inventory, this did not keep pace with buyer demand. While sellers lost one-half a percentage point from the second quarter's level, it should be noted that this ratio has historically been very stable in this market, fluctuating between 94.0% and 96.0% of list price over the last fourteen quarters.
- Time on Market.** In the third quarter, sold properties were listed an average of 66 days prior to contract, representing a 9.6% decrease from the second quarter and a 4.3% decrease from last year's Q3 level. The 66 day value is even with the five-year Q3 average level of 66 days, but is 13.1% lower than the ten-year Q3 average level of 76 days on market.

Quarterly Home Sales Index - Fredericksburg Area Association of REALTORS® Q3 - 2015



Detached Housing

- Within the Fredericksburg Area Association of REALTORS® territory, the median sold price for Detached properties for Q3 was \$278,000, representing a decrease of 2.4% compared to last quarter and an increase of 3% from Q3 2014.
- There was a 14% year-over-year increase in sales activity with 1,288 closed sales in Q3.
- There were 1,938 active listings at the end of the quarter, representing a 0.3% decrease in supply compared to the same time last year.
- The average days on market for units sold in Q3 was 69 days, 5% below the 5-year Q3 average of 73 days.
- The Average Sold to Original List Price ratio of 95.5% was equal to the 95.9% level of the preceding quarter, indicating no change in the negotiating power of the buyer.

Attached Housing - Townhouses

- The median sold price for Attached/Townhouse properties for Q3 was \$207,000, representing a decrease of 3.2% compared to last quarter and an increase of 1.5% from Q3 2014.
- There was an 8.5% year-over-year decrease in sales activity with 151 closed sales in Q3.
- There were 99 active listings at the end of the quarter, representing a 41.8% decrease in supply compared to the same time last year.
- The average days on market for units sold in Q3 was 43 days, 4% above the 5-year Q3 average of 41 days.
- The Average Sold to Original List Price ratio of 97.4% was equal to the 97.4% level of the preceding quarter, indicating no change in the negotiating power of the buyer.

Attached Housing - Condo/Coop

- The median sold price for Condo & Coop properties for Q3 was \$230,000, representing an increase of 28.5% compared to last quarter and a decrease of 5% from Q3 2014.
- There was an 8.7% year-over-year decrease in sales activity with 21 closed sales in Q3.
- There were 38 active listings at the end of the quarter, representing an 18.8% increase in supply compared to the same time last year.
- The average days on market for units sold in Q3 was 60 days, 5% above the 5-year Q3 average of 57 days.
- The Average Sold to Original List Price ratio of 96.7% was equal to the 96.8% level of the preceding quarter, indicating no change in the negotiating power of the buyer.

County	Quarter	Average Sales Price	Median Sales Price	Units Sold	Avg DOM	Listing Discount (Avg)	Ratio Avg SP / Avg OLP	Avg SP / Sq Ft
Fredericksburg City	Q3-15	\$313,165	\$320,000	80	77	7.3%	92.7%	\$173
	Q3-14	\$316,414	\$291,200	70	74	7.0%	93.0%	\$159
	% Y-O-Y	-1.0%	9.9%	14.3%	4.1%			8.8%
Stafford	Q3-15	\$312,710	\$302,365	626	65	4.1%	95.9%	\$158
	Q3-14	\$301,793	\$289,900	557	68	4.4%	95.6%	\$155
	% Y-O-Y	3.6%	4.3%	12.4%	-4.4%			1.9%
Spotsylvania	Q3-15	\$266,853	\$239,950	546	61	3.8%	96.2%	\$147
	Q3-14	\$265,703	\$242,000	472	62	4.7%	95.3%	\$139
	% Y-O-Y	0.4%	-0.8%	15.7%	-1.6%			5.8%
Caroline	Q3-15	\$178,908	\$170,000	105	70	5.0%	95.0%	\$124
	Q3-14	\$177,221	\$168,500	129	94	6.6%	93.4%	\$121
	% Y-O-Y	1.0%	0.9%	-18.6%	-25.5%			2.5%
King George	Q3-15	\$266,253	\$259,900	103	82	1.3%	98.7%	\$136
	Q3-14	\$253,632	\$242,450	90	76	4.9%	95.2%	\$124
	% Y-O-Y	5.0%	7.2%	14.4%	7.9%			9.7%

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Quarterly Housing Metrics – Fredericksburg Area Association of REALTORS® Q3 - 2015

All Residential	Q3-15	% Q-O-Q	Q2-15	% Y-O-Y	Q3-14	% Y-O-2Y	Q3-13	% Y-O-3Y	Q3-12
Avg Sales Price (Closed)	\$282,685	-2.4%	\$289,597	3.1%	\$274,164	2.4%	\$276,007	13.9%	\$248,225
Med Sales Price (Closed)	\$265,000	-1.8%	\$269,950	3.9%	\$255,000	2.3%	\$259,000	15.3%	\$229,900
Units Sold (Closed)	1,460	-3.3%	1,510	10.8%	1,318	8.2%	1,349	30.9%	1,115
Pending Sales (New)	1,558	-16.3%	1,862	13.8%	1,369	15.7%	1,347	18.9%	1,310
Avg DOM (Closed)	66	-9.6%	73	-4.3%	69	6.5%	62	0.0%	66
Listing Discount (Avg)	4.3%		3.9%		4.8%		3.4%		4.6%
Ratio Avg SP/Avg OLP	95.7%		96.1%		95.2%		96.7%		95.4%
Avg SP/Sq Ft	\$151	2.0%	\$148	4.9%	\$144	6.3%	\$142	16.2%	\$130
Detached	Q3-15	% Q-O-Q	Q2-15	% Y-O-Y	Q3-14	% Y-O-2Y	Q3-13	% Y-O-3Y	Q3-12
Avg Sales Price (Closed)	\$292,695	-2.8%	\$301,250	2.9%	\$284,553	2.2%	\$286,486	13.2%	\$258,570
Med Sales Price (Closed)	\$278,000	-2.4%	\$284,900	3.0%	\$269,900	1.5%	\$274,000	13.5%	\$245,000
Units Sold (Closed)	1,288	-2.7%	1,324	14.0%	1,130	9.1%	1,181	28.9%	999
Pending Sales (New)	1,359	-16.8%	1,634	16.6%	1,166	16.8%	1,164	20.7%	1,126
Avg DOM (Closed)	69	-9.2%	76	-4.2%	72	7.8%	64	-2.8%	71
Listing Discount (Avg)	4.5%		4.1%		5.1%		3.6%		5.0%
Ratio Avg SP/Avg OLP	95.5%		95.9%		94.9%		96.4%		95.0%
Avg SP/Sq Ft	\$153	2.0%	\$150	4.8%	\$146	5.5%	\$145	15.9%	\$132
Attached	Q3-15	% Q-O-Q	Q2-15	% Y-O-Y	Q3-14	% Y-O-2Y	Q3-13	% Y-O-3Y	Q3-12
Avg Sales Price (Closed)	\$207,732	0.5%	\$206,652	-1.9%	\$211,718	2.7%	\$202,338	30.5%	\$159,134
Med Sales Price (Closed)	\$207,700	-1.1%	\$210,000	1.6%	\$204,450	12.3%	\$185,000	30.2%	\$159,500
Units Sold (Closed)	172	-7.5%	186	-8.5%	188	2.4%	168	48.3%	116
Pending Sales (New)	199	-12.7%	228	-2.0%	203	8.7%	183	8.2%	184
Avg DOM (Closed)	45	-15.1%	53	-11.8%	51	2.3%	44	60.7%	28
Listing Discount (Avg)	2.7%		2.7%		3.2%		1.6%		1.4%
Ratio Avg SP/Avg OLP	97.3%		97.3%		96.8%		98.4%		98.6%
Avg SP/Sq Ft	\$139	4.5%	\$133	7.8%	\$129	14.9%	\$121	26.4%	\$110

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About the Fredericksburg Area Association of REALTORS®

Founded in 1957, the Fredericksburg Area Association of REALTORS® is the trade association for more than 1,300 REALTOR® and affiliate members serving the areas noted above. Members also work in the surrounding counties of Westmoreland, Louisa, Orange and Prince William and in Northern Virginia. FAAR strongly supports the availability of affordable housing for all market segments and supports government policies designed to enhance homeownership opportunities. For more information about FAAR, visit www.faarmembers.com or contact Kim McClellan, Government Affairs Director at kmcclellan@faarmembers.com or 540-373-7711.

About RBI

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