

VIRGINIA HOME SALES REPORT

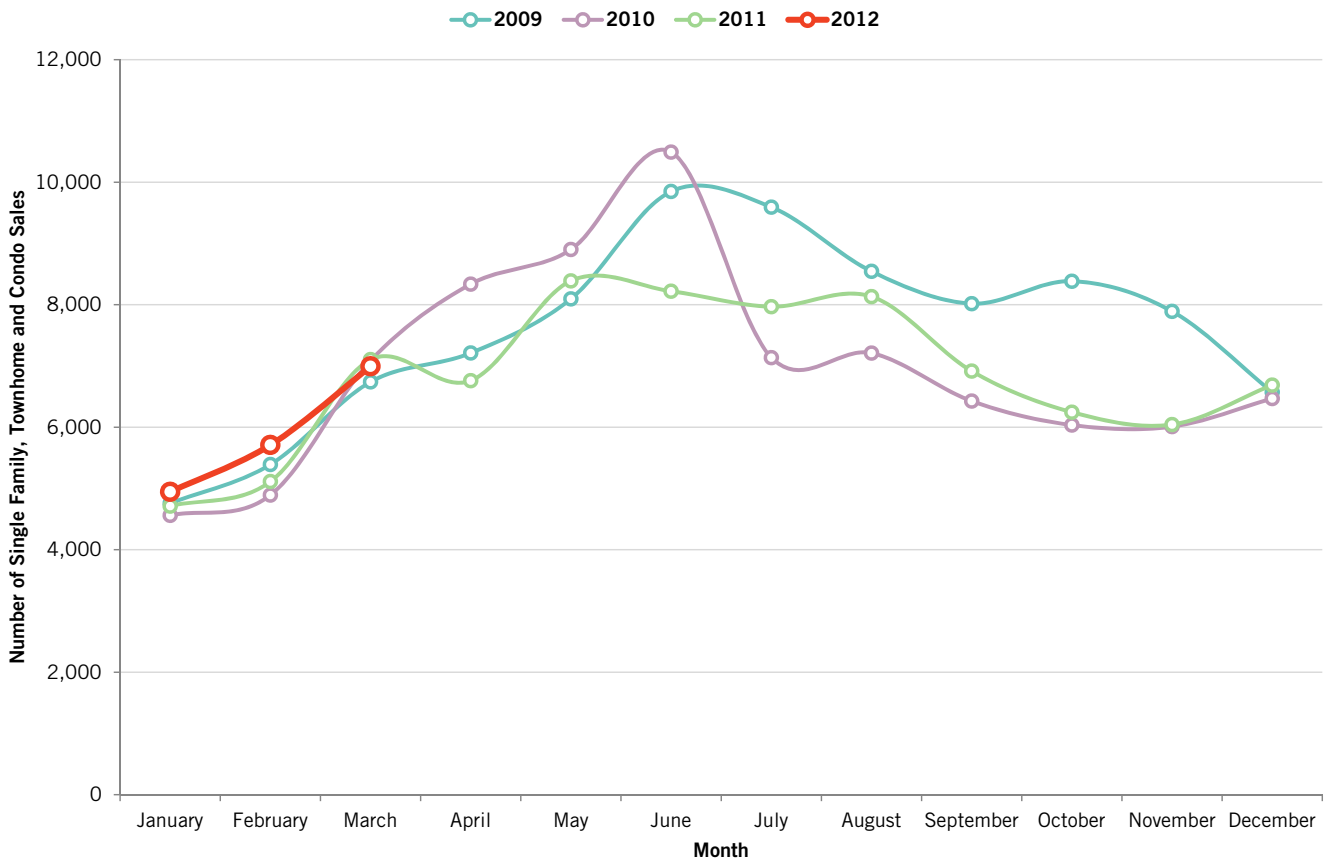
FIRST QUARTER 2012

Published by Virginia Association of REALTORS®, the advocate for real estate professionals and property owners in Virginia.



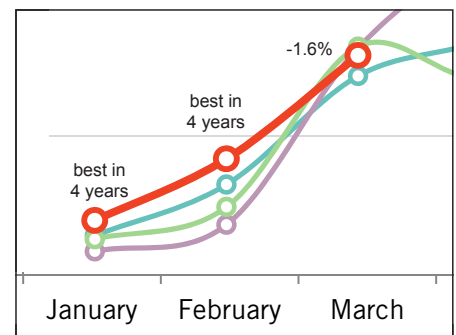
Virginia Month-to-Month Sales Trends

Single Family Homes, Townhomes, Condos



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2009	4,758	5,391	6,740	7,212	8,096	9,849	9,593	8,545	8,018	8,384	7,892	6,573
2010	4,562	4,892	7,087	8,337	8,903	10,493	7,137	7,210	6,427	6,035	6,010	6,468
2011	4,713	5,113	7,104	6,760	8,390	8,220	7,968	8,133	6,916	6,246	6,043	6,688
2012	4,945	5,710	6,996									

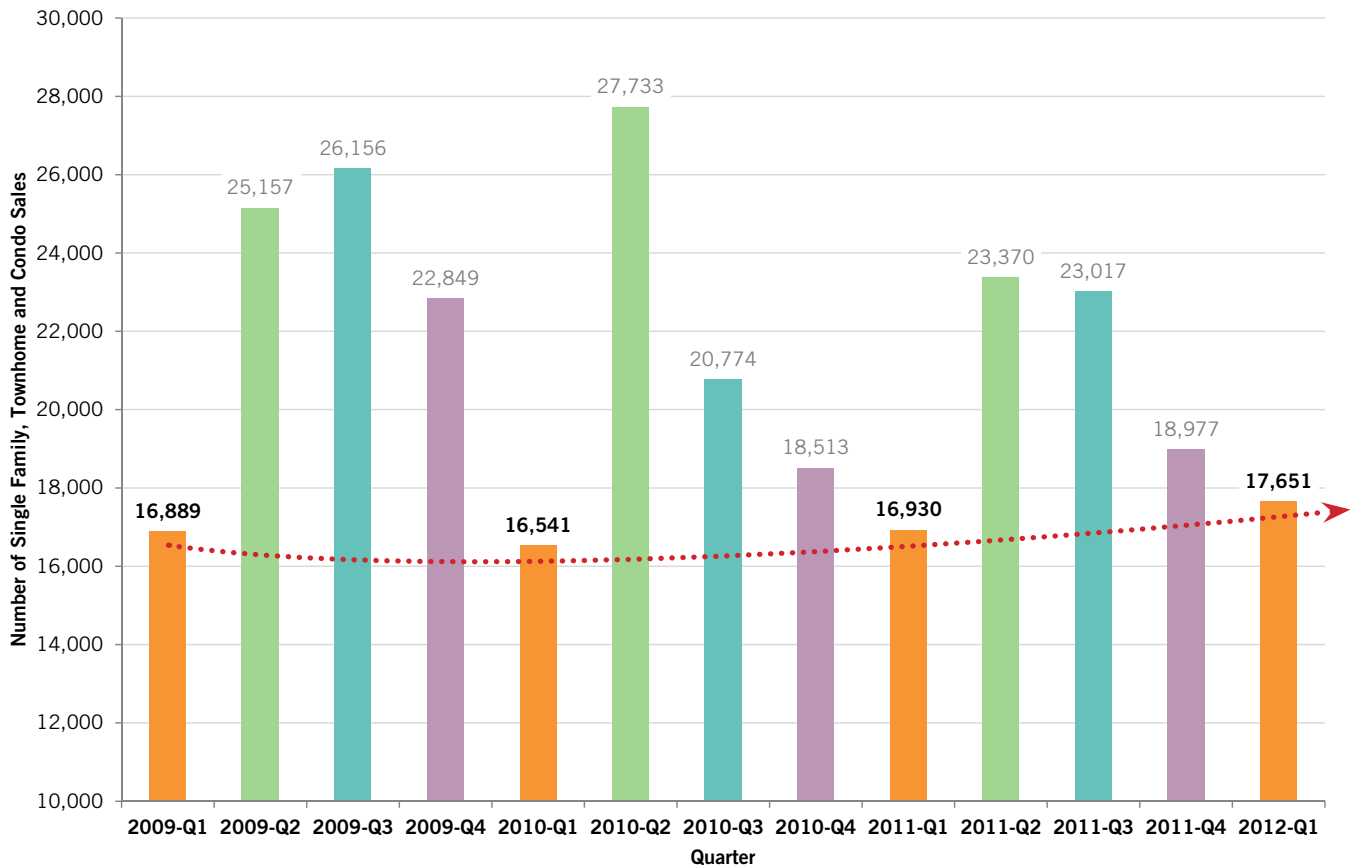
The pace of residential home sales increased in Virginia during the first quarter of 2012, compared to the previous three years. This surge in real estate activity began with strong sales in January and February -- both at the highest levels seen since at least 2009. March 2012 sales were not quite as strong as March 2010 and 2011, but they were strong enough to keep the overall first quarter ahead as compared to the first quarters of the three previous years.



Looking ahead, the second quarter of 2012 will likely compare favorably to 2011, as home sales were rather slow in both April and June of last year.

Virginia Quarterly Residential Sales

Single Family Homes, Townhomes, Condos

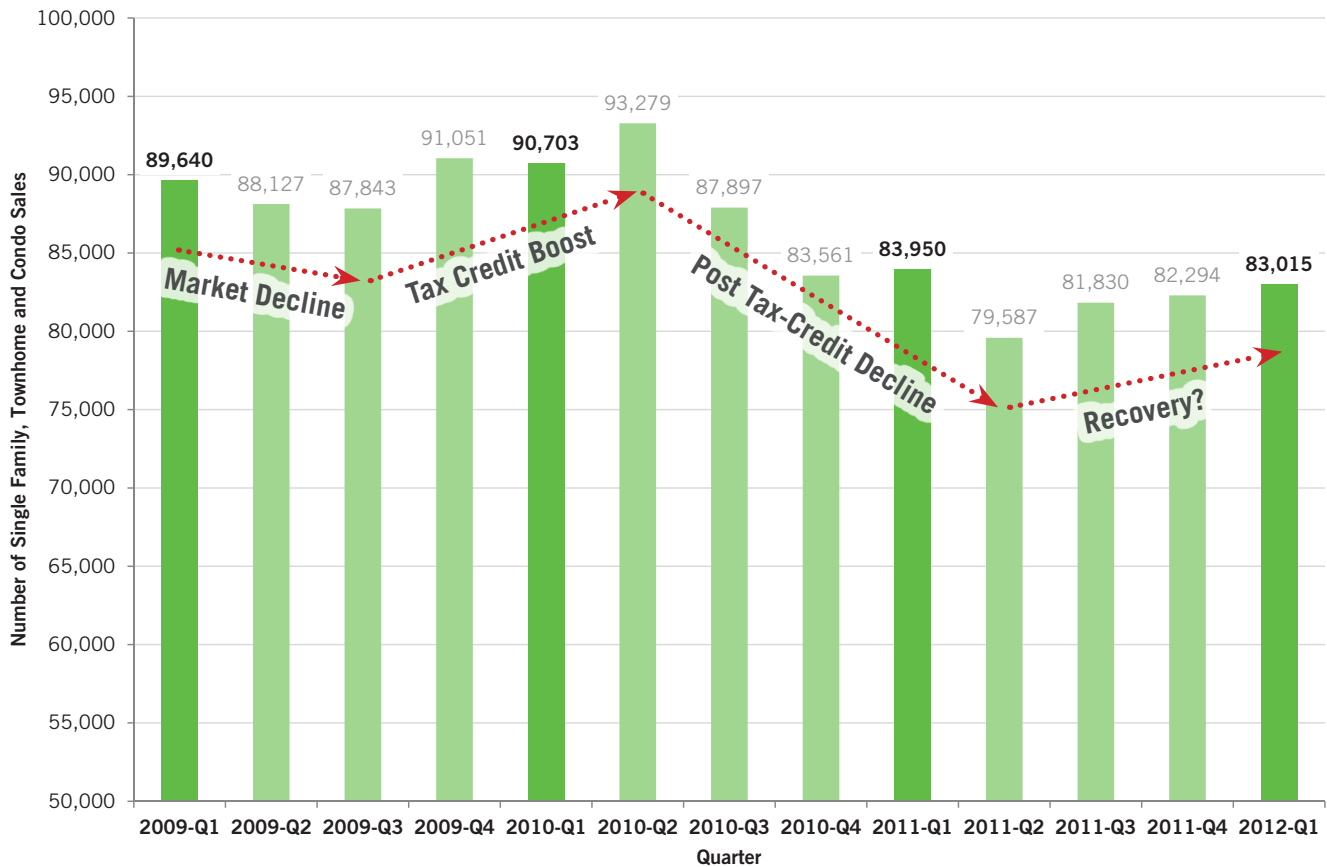


When viewed on a quarterly basis, the first quarter of 2012 shows further growth in Virginia’s residential real estate market with a 4.3% increase in home sales as compared to the first quarter of 2011. This is the second year in a row of growth in first quarter home sales in Virginia, after sales dropped significantly in the first quarter of 2010.

For the second quarter 2012 home sales trend, we are likely to see an increase, since home sales during the second quarter of last year were the lowest pace of second quarter sales seen in the past several years. Two significant factors contributing to continued strength in Virginia’s housing market are current historically low mortgage interest rates and continued low unemployment levels as compared to other areas of the country.

Virginia Annualized Residential Sales

Single Family Homes, Townhomes, Condos



When examining long term trends, it seems nearly certain that the worst is behind us as far as the pace of home sales in Virginia. We have now seen solid increases in the annualized pace of home sales in Virginia for four quarters in a row.

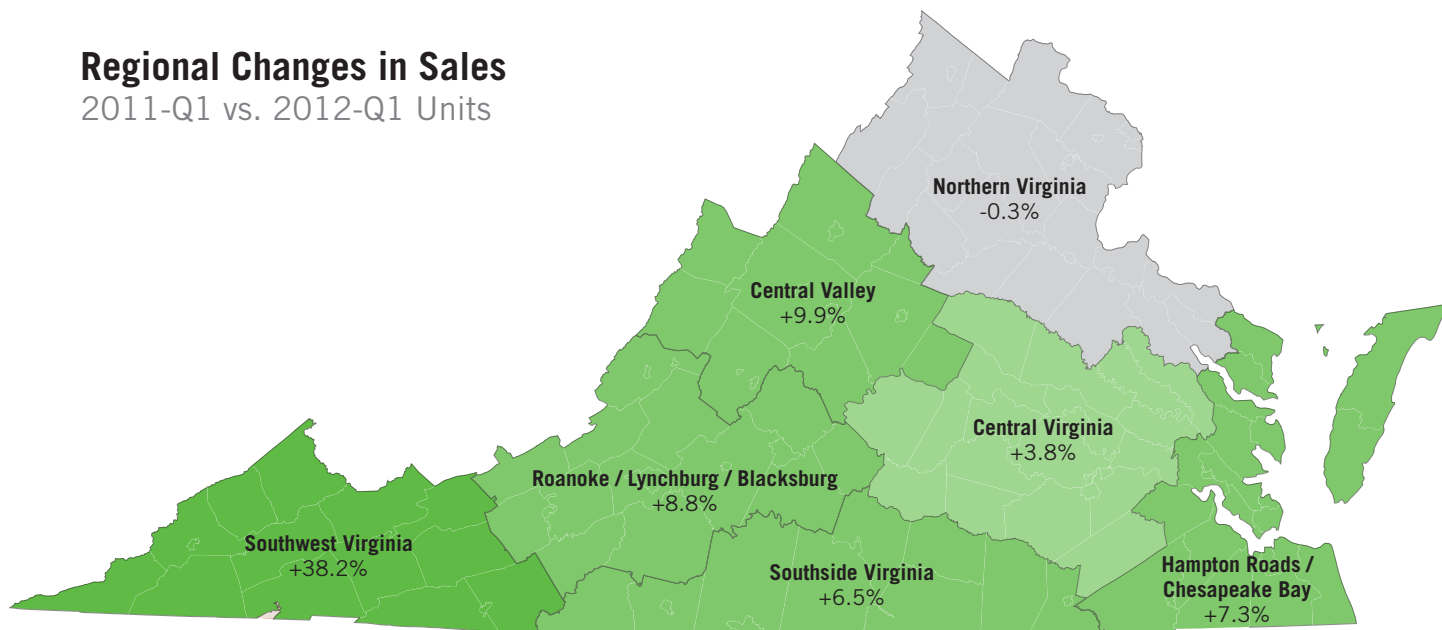
Each data point on the graph above includes 12 months of home sales data, thus the 2012-Q1 figure includes home sales from 2011-Q2 through 2012-Q1. Using this rolling sum of home sales can provide a clearer indicator of the trends we are seeing in Virginia’s housing market.

While this graph can take quite a long time to reveal market trends, when it finally does (now) there can be much greater certainty as to the conclusions.

While the federal home buyer tax credit provided a brief respite from declining home sales between 2009-Q3 and 2010-Q2, the pace of sales declined again all the way through the second quarter of 2012 when the market began to pick up steam again.

Regional Changes in Sales

2011-Q1 vs. 2012-Q1 Units



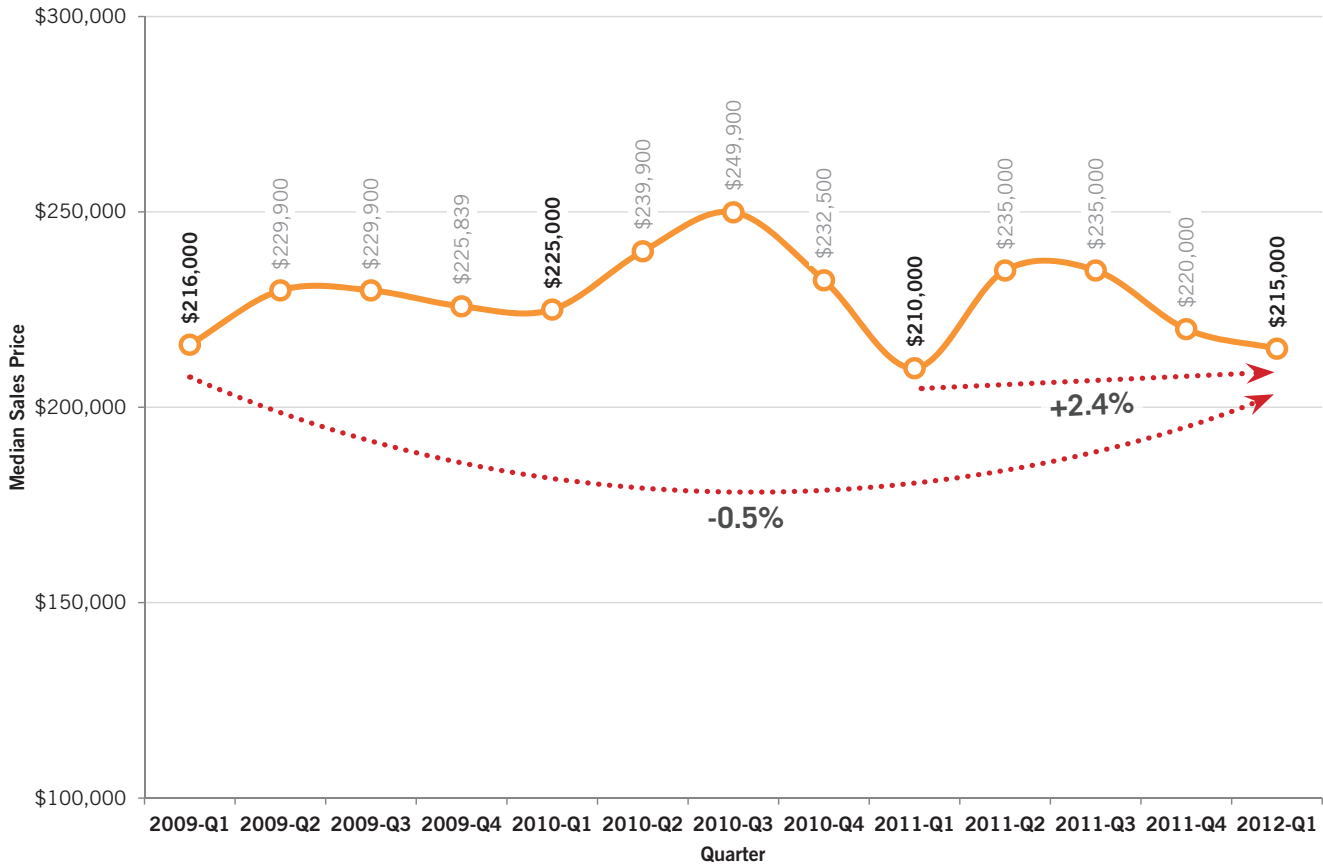
Region	2011-Q1	2012-Q1	Change
Central Valley	860	945	+9.9%
Central Virginia	2,588	2,687	+3.8%
Hampton Roads / Chesapeake Bay	4,019	4,312	+7.3%
Northern Virginia	7,773	7,753	-0.3%
Roanoke / Lynchburg / Blacksburg	1,192	1,297	+8.8%
Southside Virginia	355	378	+6.5%
Southwest Virginia	173	239	+38.2%

Home sales increased in nearly every region of the Commonwealth during the first quarter of 2012 as compared to the first quarter of 2011. The largest, most populated region (Northern Virginia) did not fare quite as well (-0.3%) as all of the other regions in Virginia (+3.8% to +38.2%).

Looking back at earlier data, the lack of increase in sales in Northern Virginia can be attributed to earlier market recoveries in those regions.

Virginia Median Residential Sales Price

Single Family Homes, Townhomes, Condos

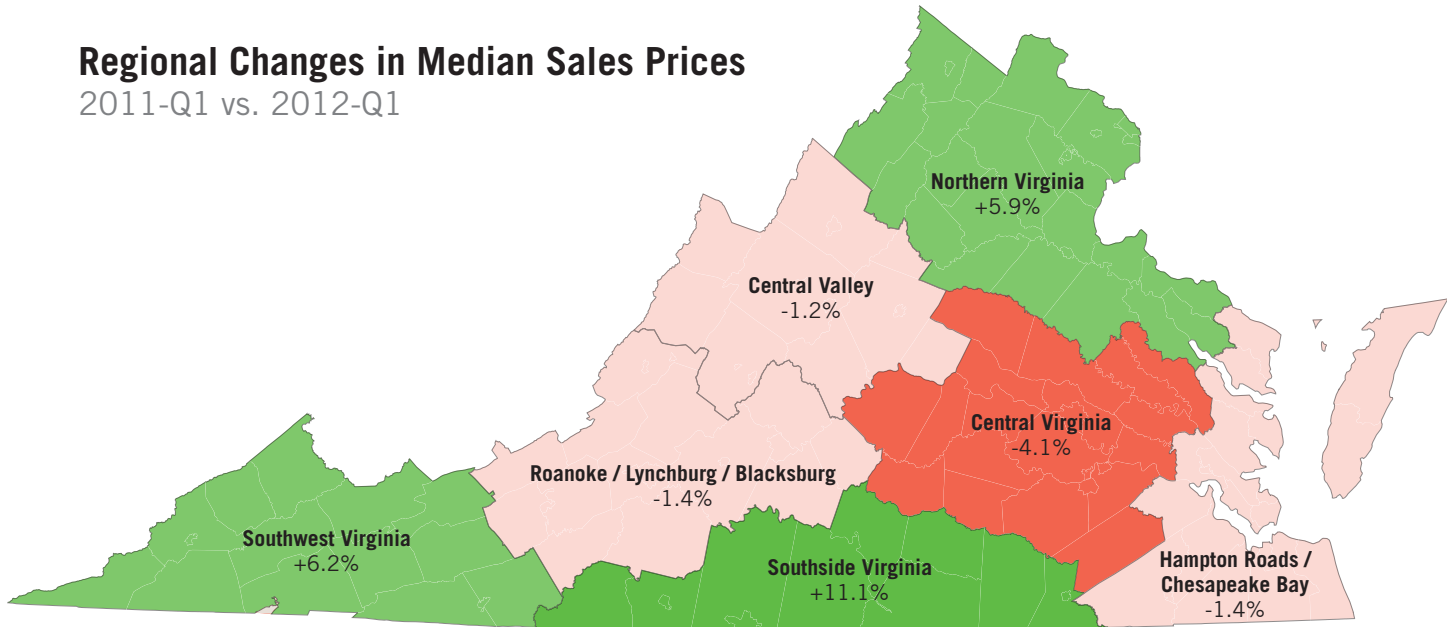


The median sales price in Virginia increased 2.4% over the past year to \$215,000 for all residential sales. The median sales price did show a decline from the fourth quarter of 2011 to the first quarter of 2012, but this is typical for this timeframe.

Looking at the longer term trends, the median sales price in Virginia has only decreased by 0.5% over the past three years, as measured by first quarter sales data.

Regional Changes in Median Sales Prices

2011-Q1 vs. 2012-Q1

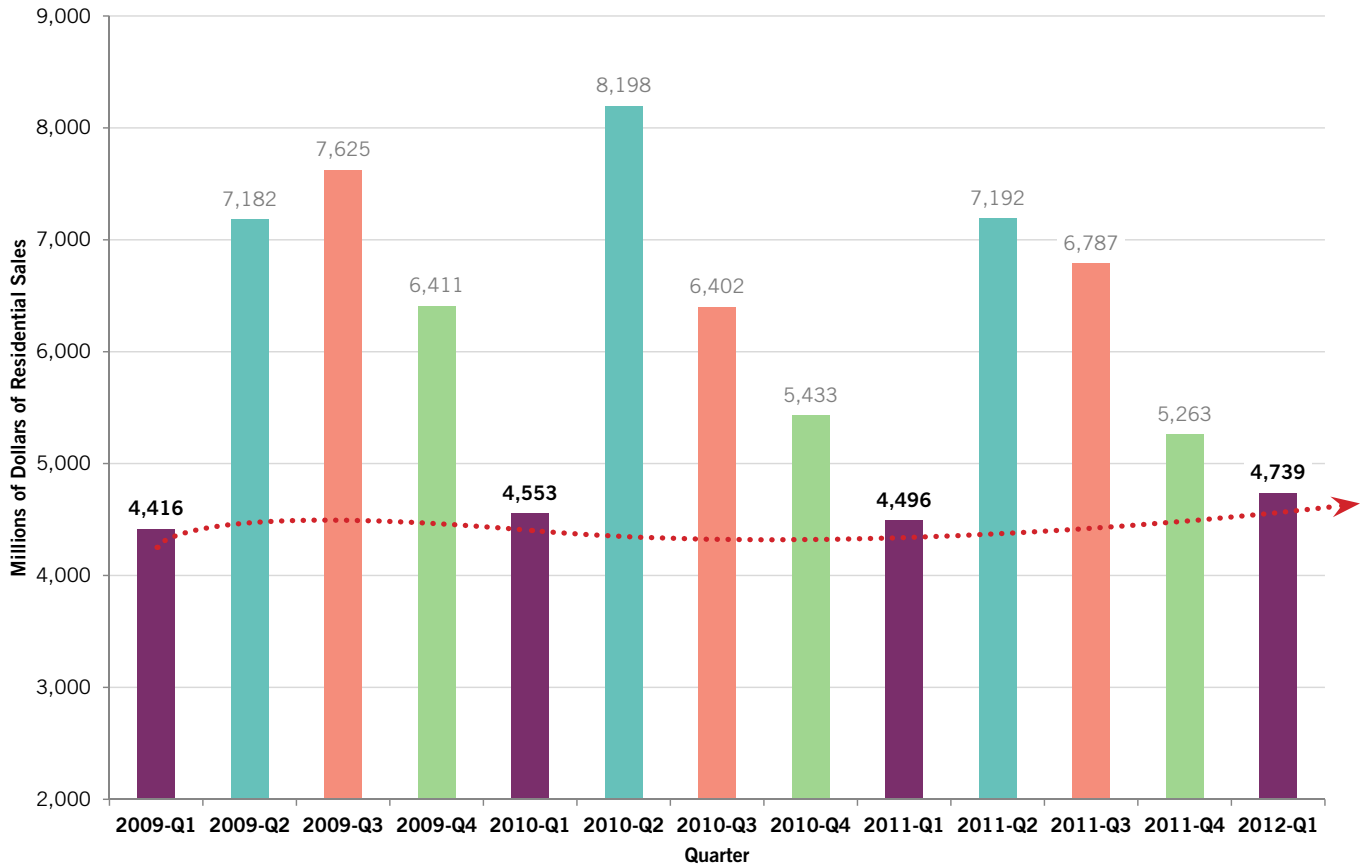


Region	2011-Q1	2012-Q1	Change
Central Valley	\$188,200	\$186,000	-1.2%
Central Virginia	\$170,000	\$163,000	-4.1%
Hampton Roads / Chesapeake Bay	\$187,608	\$185,000	-1.4%
Northern Virginia	\$283,250	\$300,000	+5.9%
Roanoke / Lynchburg / Blacksburg	\$140,000	\$138,000	-1.4%
Southside Virginia	\$71,000	\$78,900	+11.1%
Southwest Virginia	\$91,090	\$96,750	+6.2%

After several years of declining sales prices in all regions of Virginia, we are starting to see stability and even increases in sales prices for some regions. When comparing the first quarter of 2012 to the first quarter of 2011, only one region (Central Virginia) experienced a decline in median sales price of more than -2%. While Northern Virginia experienced a slight decline in the pace of sales (-0.3%) during this time frame, the median sales price actually increased 5.9%.

Virginia Quarterly Residential Sales Volume

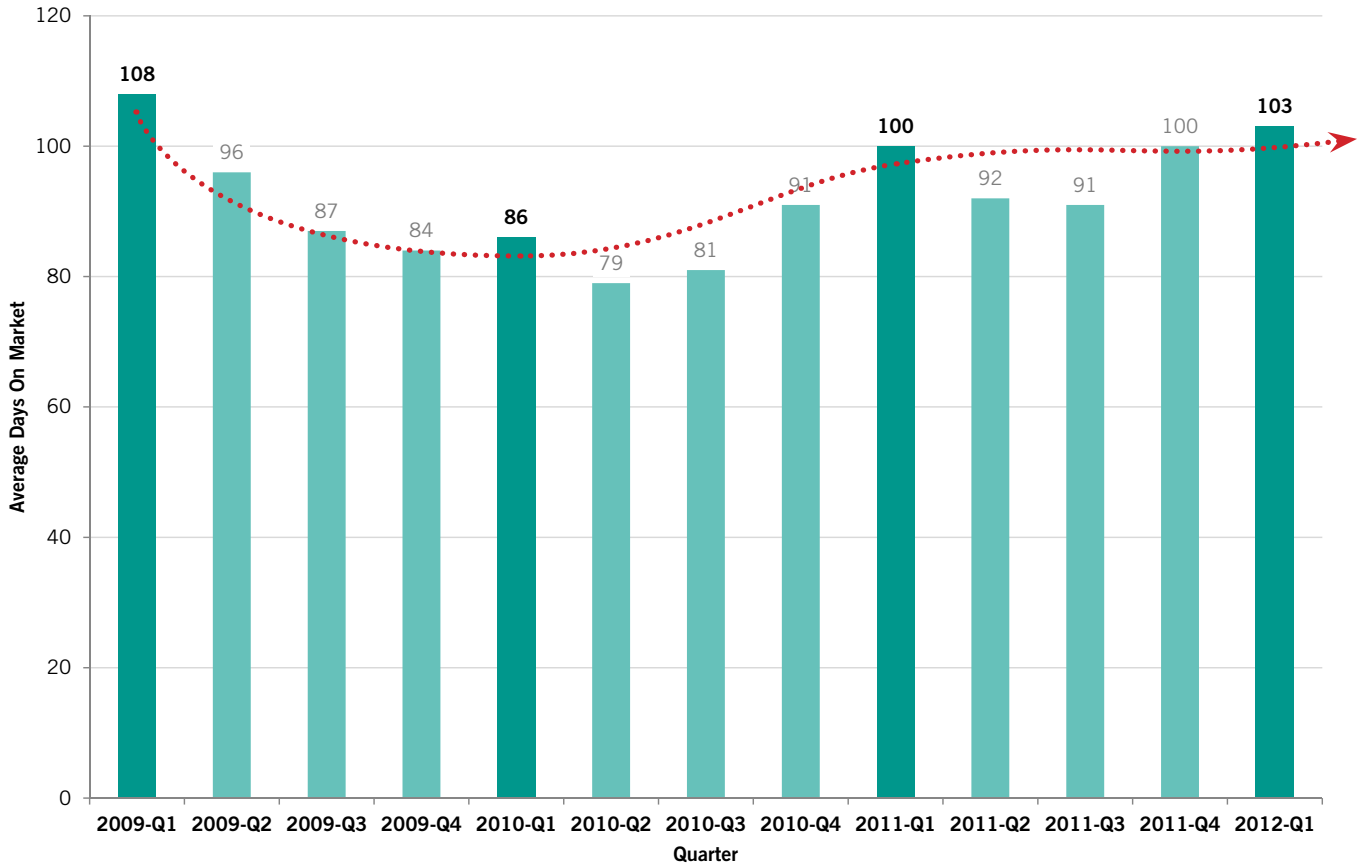
Single Family Homes, Townhomes, Condos



This graph illustrates the number of millions of dollars of real estate sold during each quarter over the past three years. The volume of real estate sold in the first quarter of 2012 (\$4.7B) marks a 5.4% increase from the first quarter of 2011 (\$4.5B). This is the first quarterly increase seen in sales volume in Virginia -- the result of both increased sales pace and stabilizing prices.

Virginia Average Days On Market

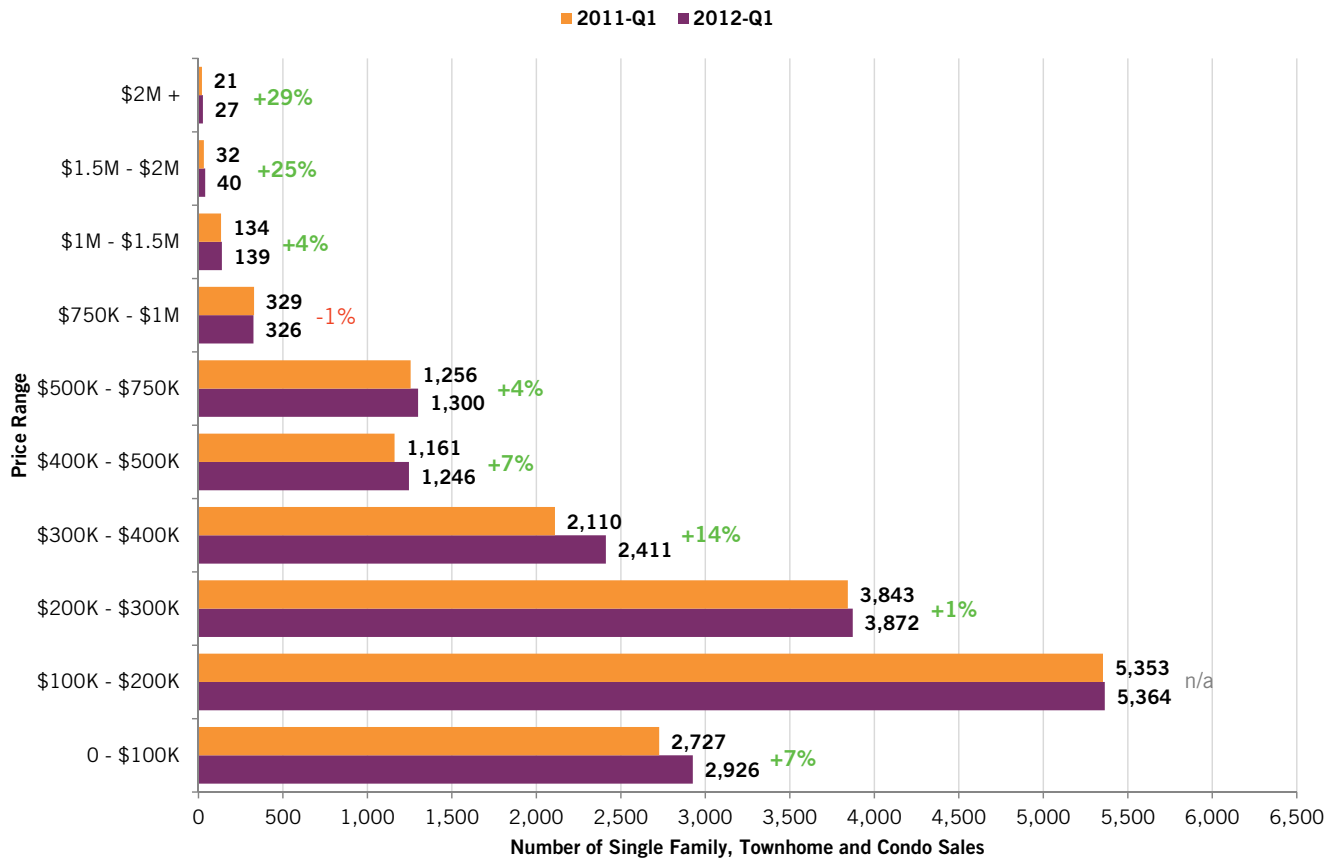
Single Family Homes, Townhomes, Condos



The average time to market and sell a house has increased slightly (+3%) over the past year, but has declined 5% over the past three years. The federal home buyer tax credit certainly spurred on buyer activity during 2009 and 2010, lowering the average days on market, but that did not last too much longer than the period during which those tax credits were available.

Virginia Price Distribution Of Residential Home Sales

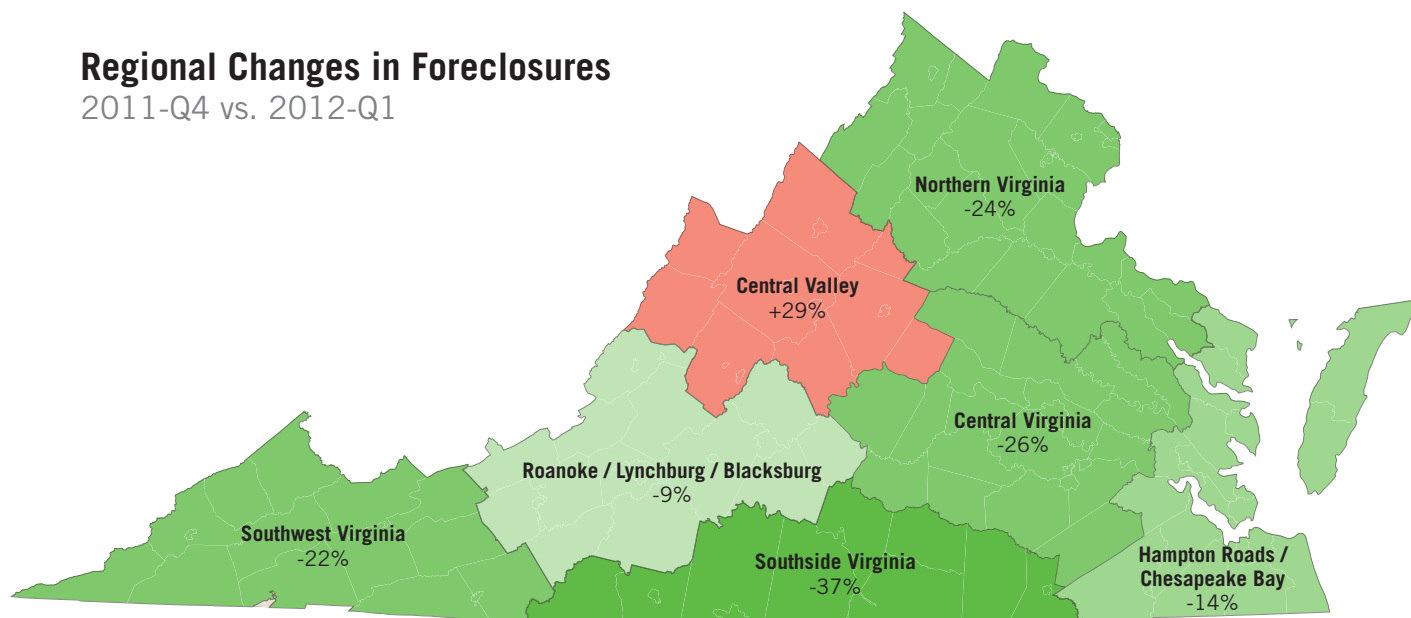
Single Family Homes, Townhomes, Condos



Home sales increased in nearly every price range during the first quarter of 2012 in Virginia, as compared to the first quarter of 2011. Of note, the more moderate price ranges (\$100K-\$200K, \$200K-\$300K) experienced very little change in sales pace, while price ranges above \$300K experienced much more of an increase during this time period.

Regional Changes in Foreclosures

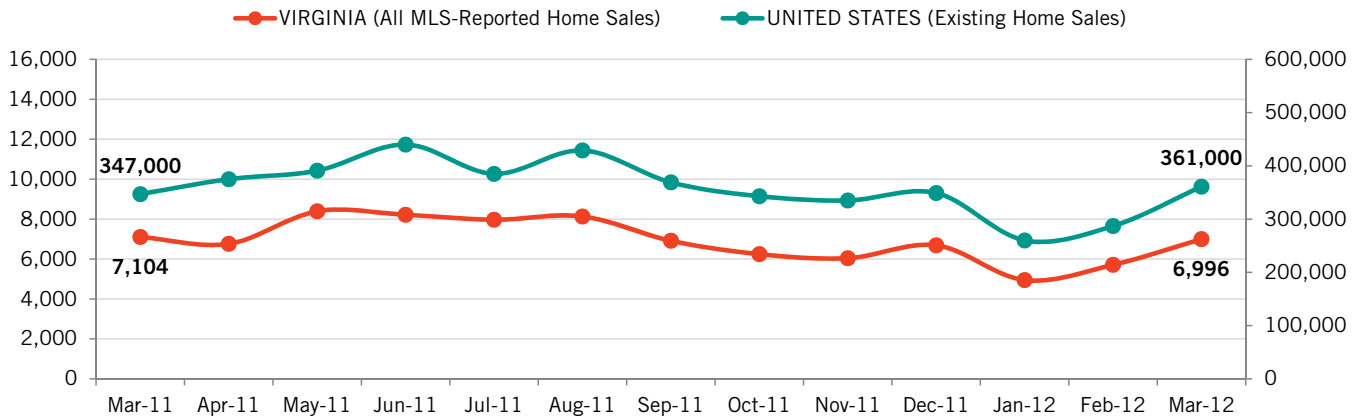
2011-Q4 vs. 2012-Q1



Region	2011-Q4	2012-Q1	Change
Central Valley	77	99	+29%
Central Virginia	586	435	-26%
Hampton Roads / Chesapeake Bay	673	582	-14%
Northern Virginia	1,523	1,159	-24%
Roanoke / Lynchburg / Blacksburg	118	107	-9%
Southside Virginia	84	53	-37%
Southwest Virginia	27	21	-22%
All of Virginia	3,088	2,456	-21%

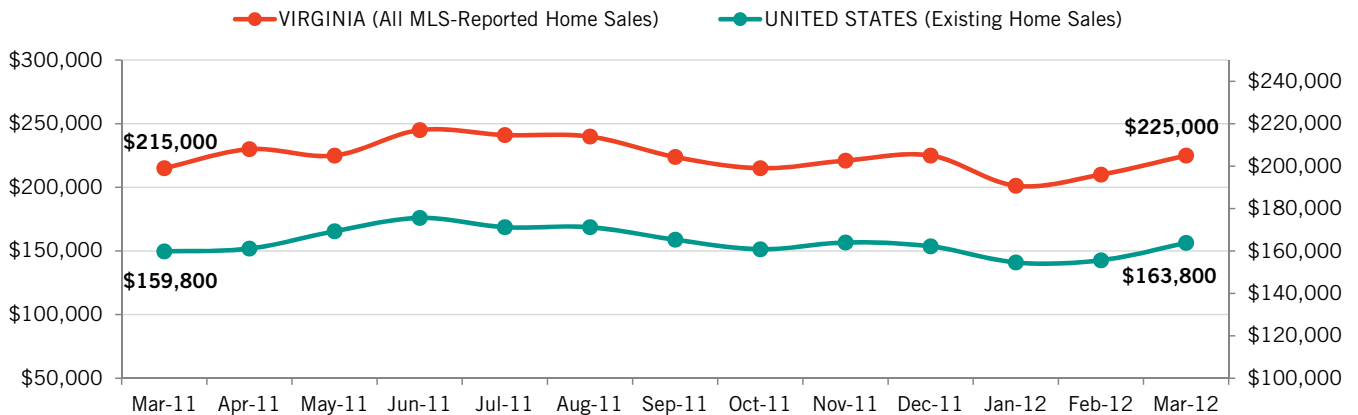
Foreclosure rates decreased in nearly every region in Virginia in the first quarter of 2012 to mark an overall 21% decline in Virginia foreclosures as compared to the fourth quarter of 2011. The largest proportional declines were seen in Southside Virginia (-37%), Central Virginia (-26%), Northern Virginia (-24%) and Southwest Virginia (-22%).

Monthly Residential Sales



The monthly variation in the pace of home sales is relatively consistent in Virginia as compared to the entire United States. March 2012 home sales declined 4% in the United States (existing home sales only) as compared to March 2011, while Virginia only experienced a 2% decline.

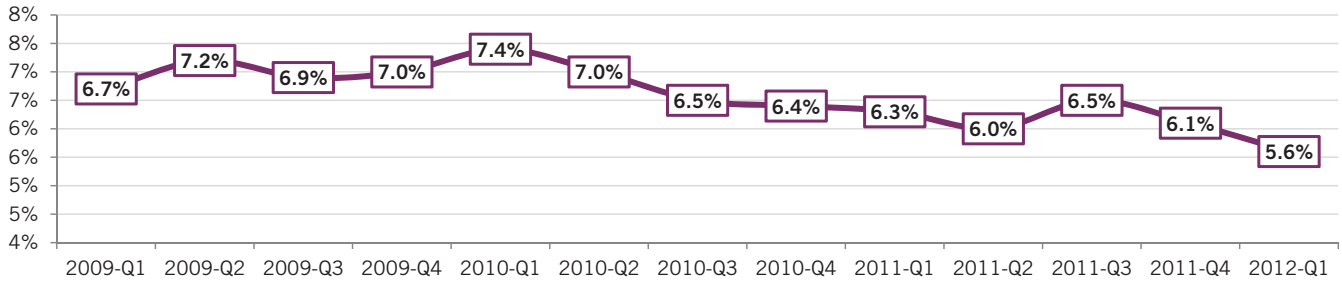
Monthly Residential Median Sales Price



Median home prices have increased in both Virginia and the United States over the past year (March 2011 to March 2012), though home values increased a bit more in the entire United States (+5% during the past year) than in Virginia (+3%).

Virginia Unemployment Rate

Source: Bureau of Labor & Statistics

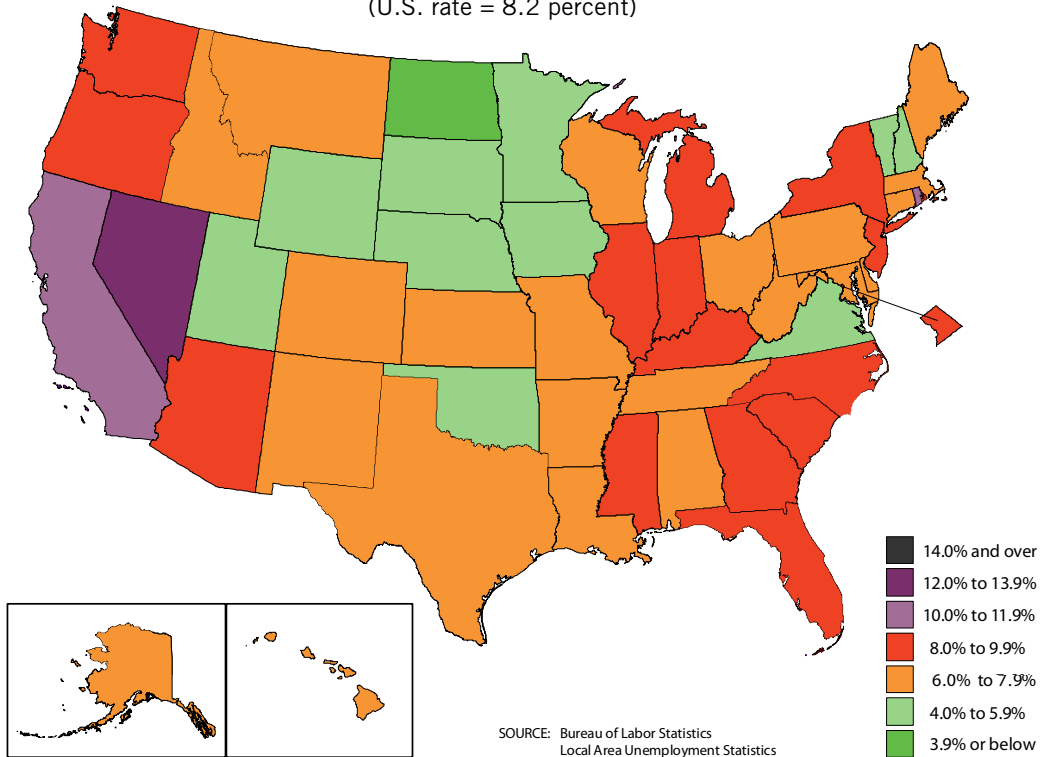


2012-Q1 unemployment rate based on preliminary March 2012 data.

Unemployment Rates By State

seasonally adjusted, March 2012

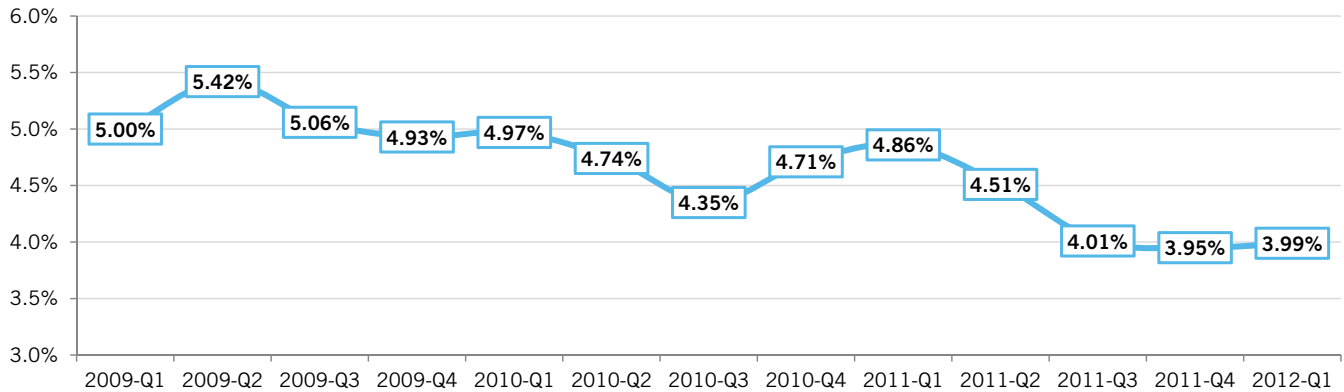
(U.S. rate = 8.2 percent)



Virginia's unemployment rate is at its lowest levels (5.6%) in more than three years, and Virginia currently has the 9th lowest unemployment rate in the country. It is encouraging news that an increasing number of Virginians are employed, as this bodes well for further stability and recovery in Virginia's housing market.

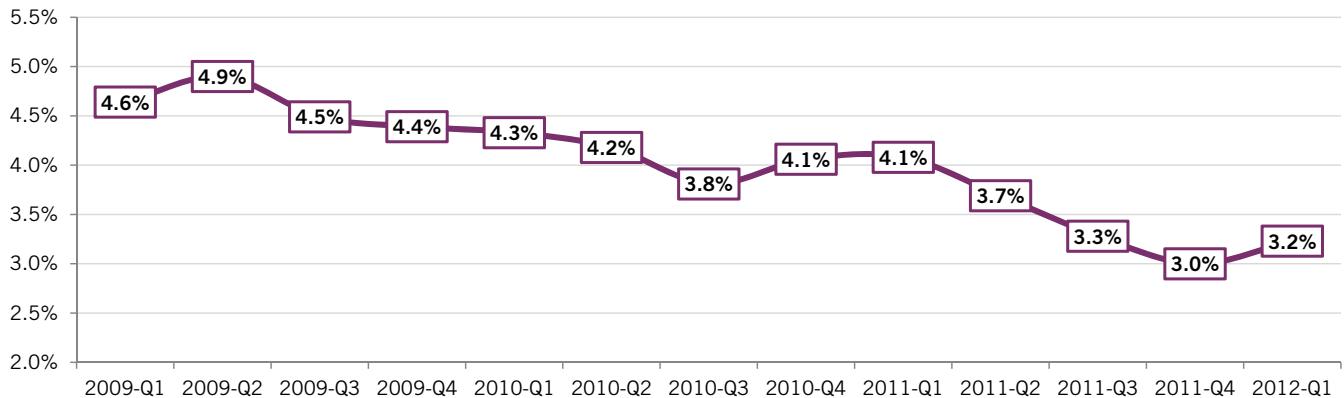
Average 30-Year Mortgage Interest Rates

Source: FreddieMac



Average 15-Year Mortgage Interest Rates

Source: FreddieMac



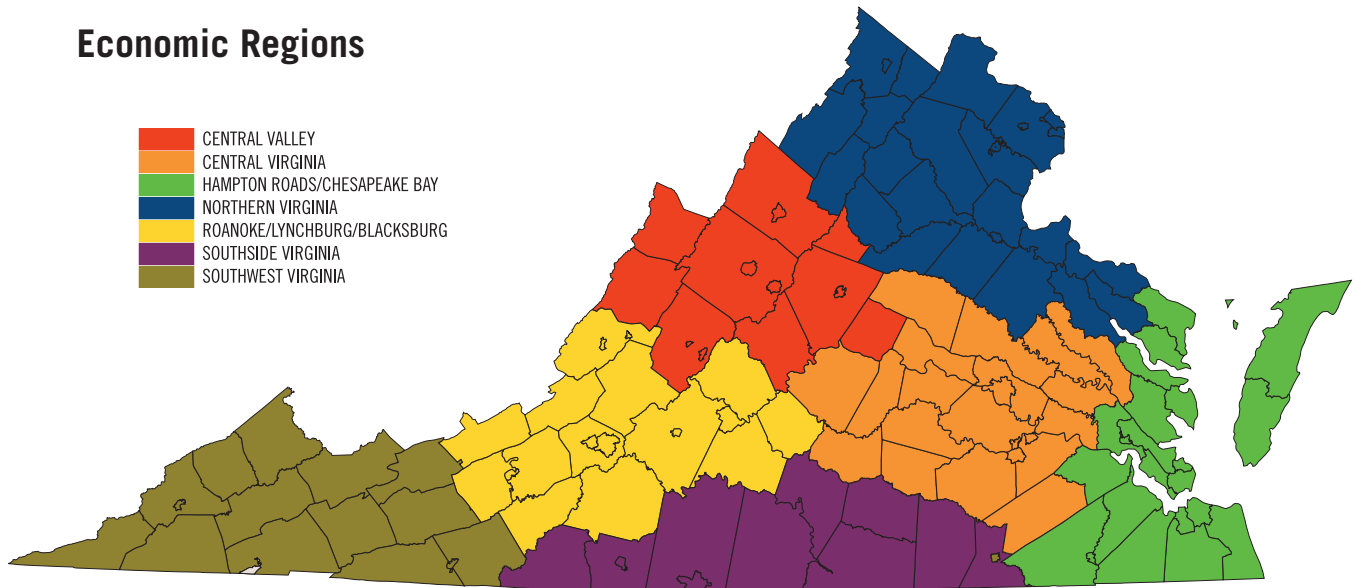
Long-term mortgage interest rates have remained relatively steady over the past six months with 30-year fixed rates hovering just under 4%, and 15-year fixed rates remaining just above 3%. These historically low mortgage interest rates certainly play an important part in encouraging buyer activity in Virginia’s housing market.

The Virginia Association of REALTORS® (VAR) is the business advocate for real estate professionals in Virginia. VAR represents more than 29,000 REALTORS active in all phases of real estate brokerage, management, development and appraisal. Our mission is to enhance our membership’s ability to achieve business success.

All inquiries regarding this report should be directed to:

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Economic Regions



- CENTRAL VALLEY
- CENTRAL VIRGINIA
- HAMPTON ROADS/CHESAPEAKE BAY
- NORTHERN VIRGINIA
- ROANOKE/LYNCHBURG/BLACKSBURG
- SOUTHSIDE VIRGINIA
- SOUTHWEST VIRGINIA

Central Valley: Albemarle, Augusta, Bath, Buena Vista City, Charlottesville City, Fluvanna, Greene, Harrisonburg City, Highland, Lexington City, Nelson, Rockbridge, Rockingham, Staunton City, Waynesboro City

Central Virginia: Amelia, Buckingham, Charles City, Chesterfield, Colonial Heights City, Cumberland, Dinwiddie, Goochland, Hanover, Henrico, Hopewell City, King and Queen, King William, Louisa, New Kent, Nottoway, Petersburg City, Powhatan, Prince Edward, Prince George, Richmond City, Sussex

Hampton Roads / Chesapeake Bay: Accomack, Chesapeake City, Franklin City, Gloucester, Hampton City, Isle of Wight, James City, Lancaster, Mathews, Middlesex, Newport News City, Norfolk City, Northampton, Northumberland, Poquoson City, Portsmouth City, Southampton, Suffolk City, Surry, Virginia Beach City, Williamsburg City, York

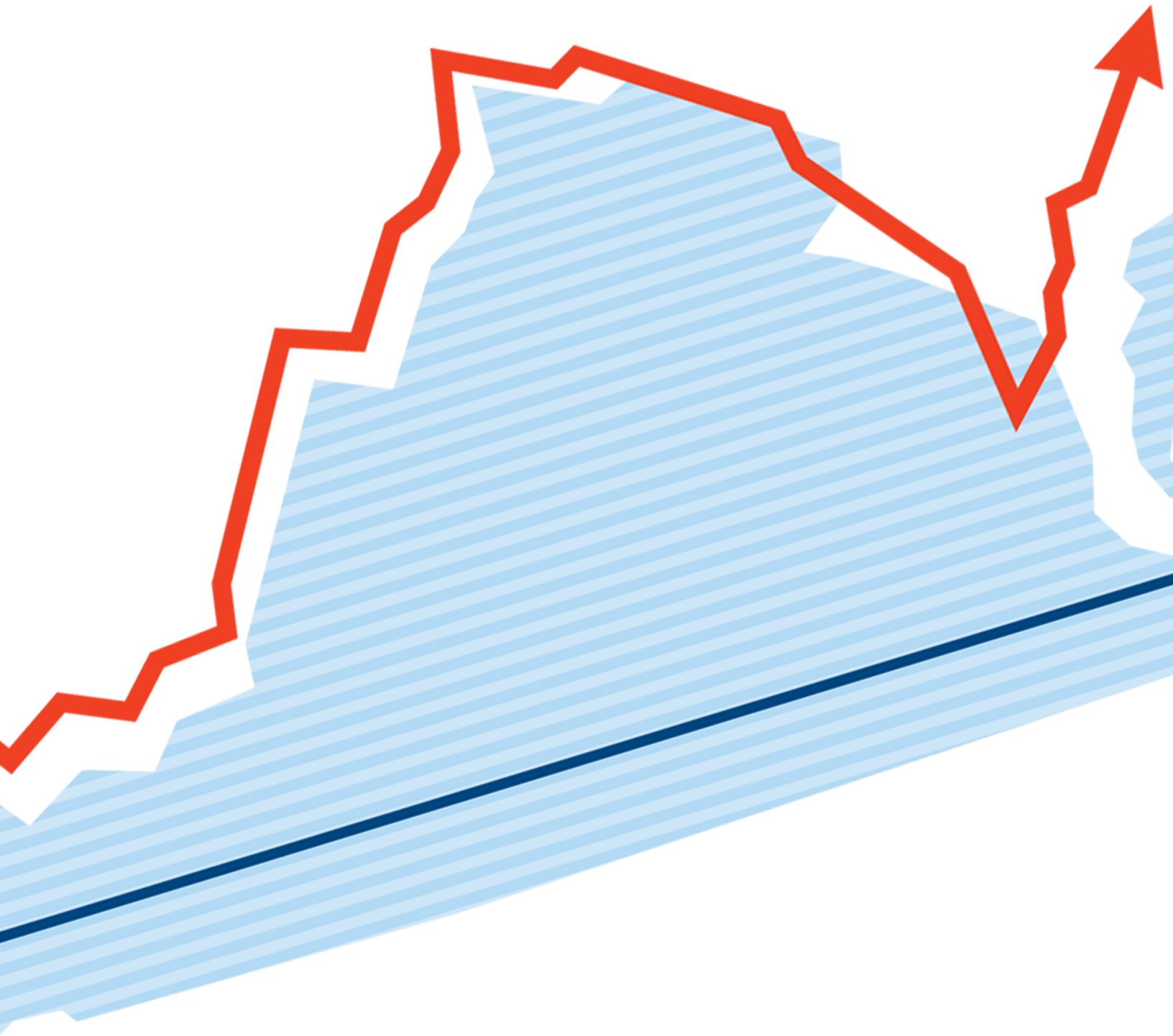
Northern Virginia: Alexandria City, Arlington, Caroline, Clarke, Culpeper, Essex, Fairfax, Fairfax City, Falls Church City, Fauquier, Frederick, Fredericksburg City, King George, Loudoun, Madison, Manassas City, Manassas Park City, Orange, Page, Prince William, Rappahannock, Richmond, Shenandoah, Spotsylvania, Stafford, Warren, Westmoreland, Winchester City

Roanoke / Lynchburg / Blacksburg: Alleghany, Amherst, Appomattox, Bedford, Bedford City, Botetourt, Campbell, Covington City, Craig, Floyd, Franklin, Giles, Lynchburg City, Montgomery, Pulaski, Radford, Roanoke, Roanoke City, Salem City

Southside Virginia: Brunswick, Charlotte, Danville City, Emporia City, Galax City, Greensville, Halifax, Henry, Lunenburg, Martinsville City, Mecklenburg, Norton City, Patrick, Pittsylvania

Southwest Virginia: Bland, Bristol City, Buchanan, Carroll, Dickenson, Grayson, Lee, Russell, Scott, Smyth, Tazewell, Washington, Wise, Wythe

Information sourced from multiple listing services across the state with data compiled by R E Stats Inc. All information is deemed reliable but is not guaranteed. Figures might not match those reported elsewhere.



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