



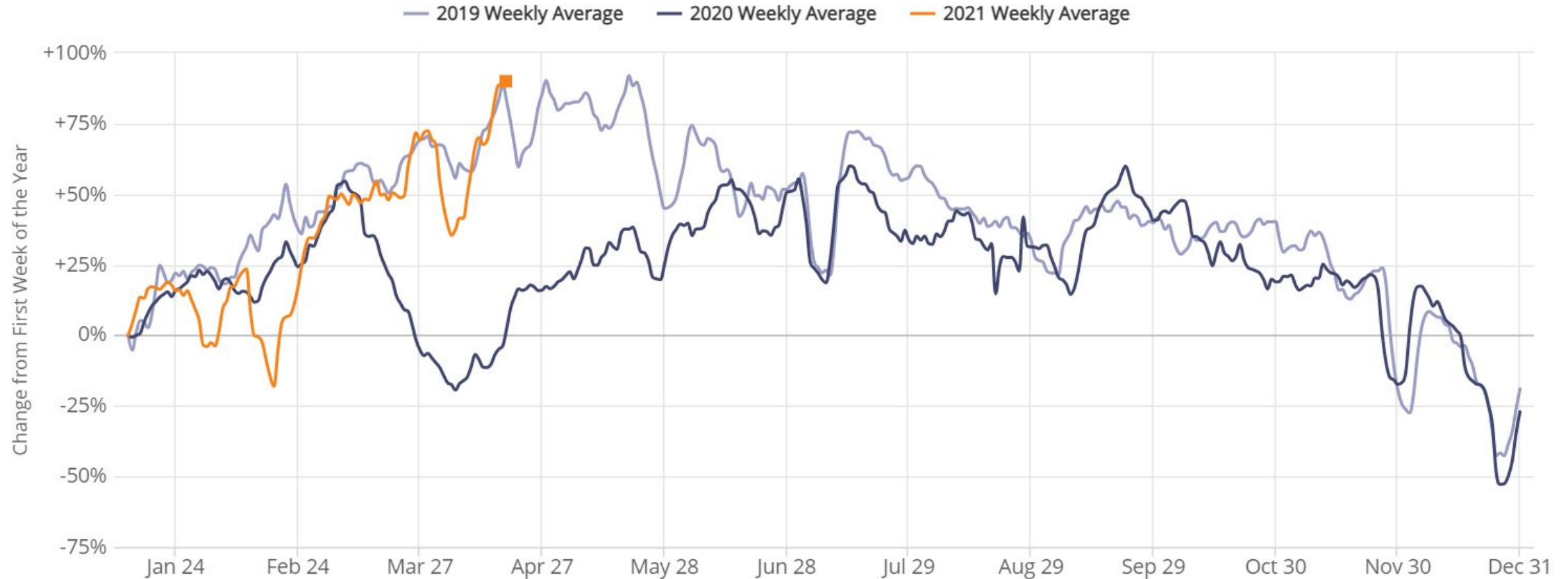
How to Navigate a Competitive Housing Market

April 28, 2021

Richmond Area Market Update

Impact of COVID-19 to Real Estate Showings in Central Virginia MLS

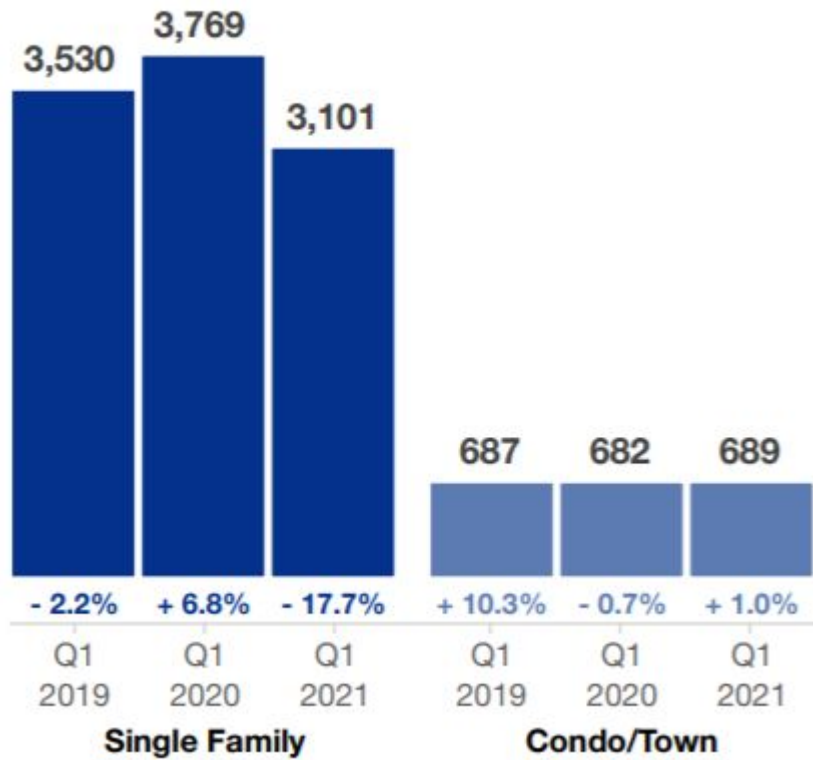
Weekly showings normalized to the first calendar week of January, 7-day moving average. Data through April 18, 2021



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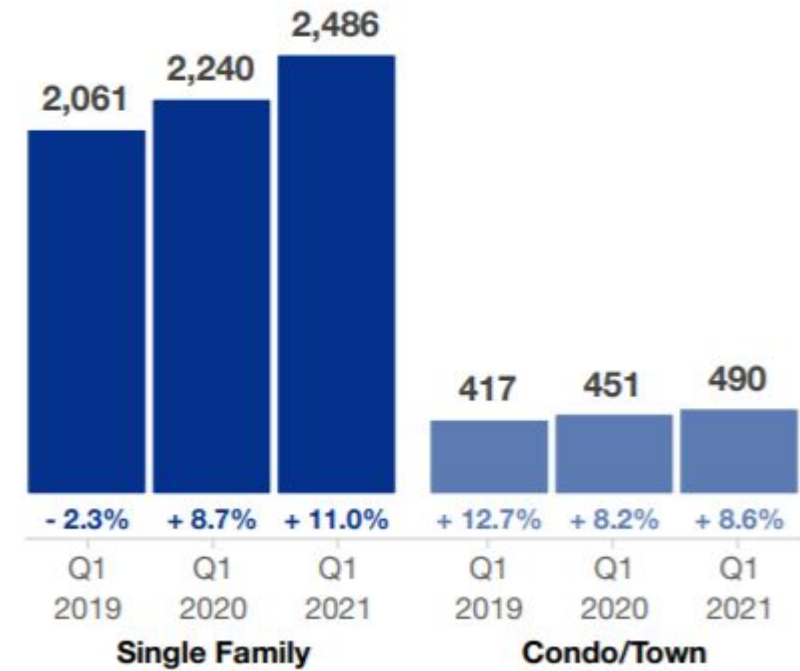
New listings

Year to Date



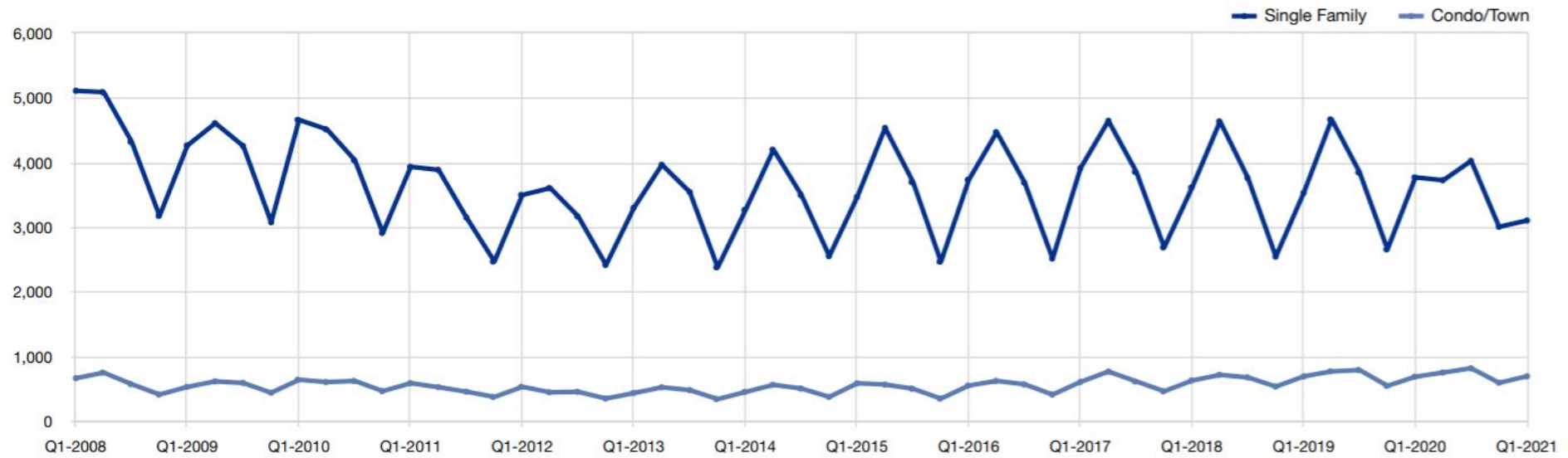
Closed sales

Year to Date



Source: CVRMLS April 2021

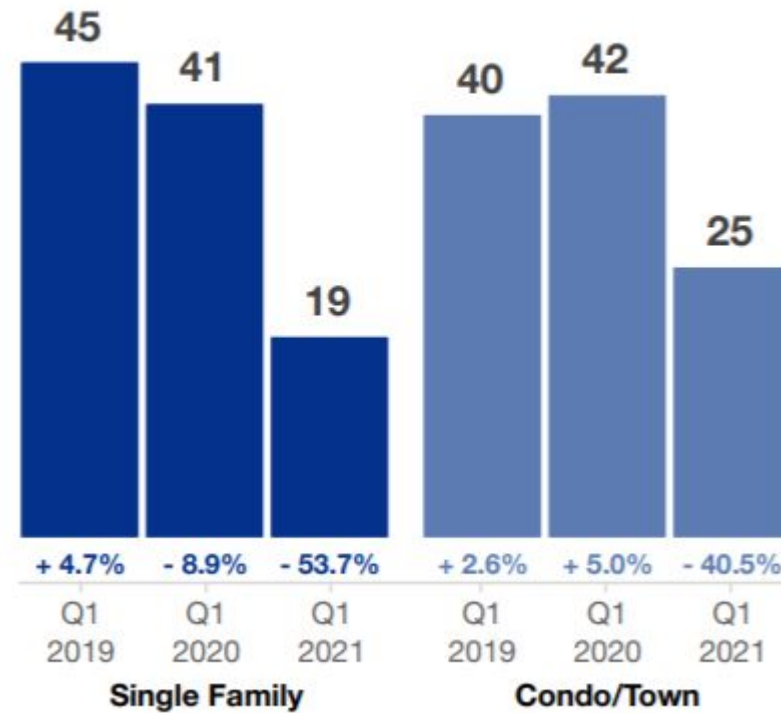
New Listings



Source: CVRMLS April 2021

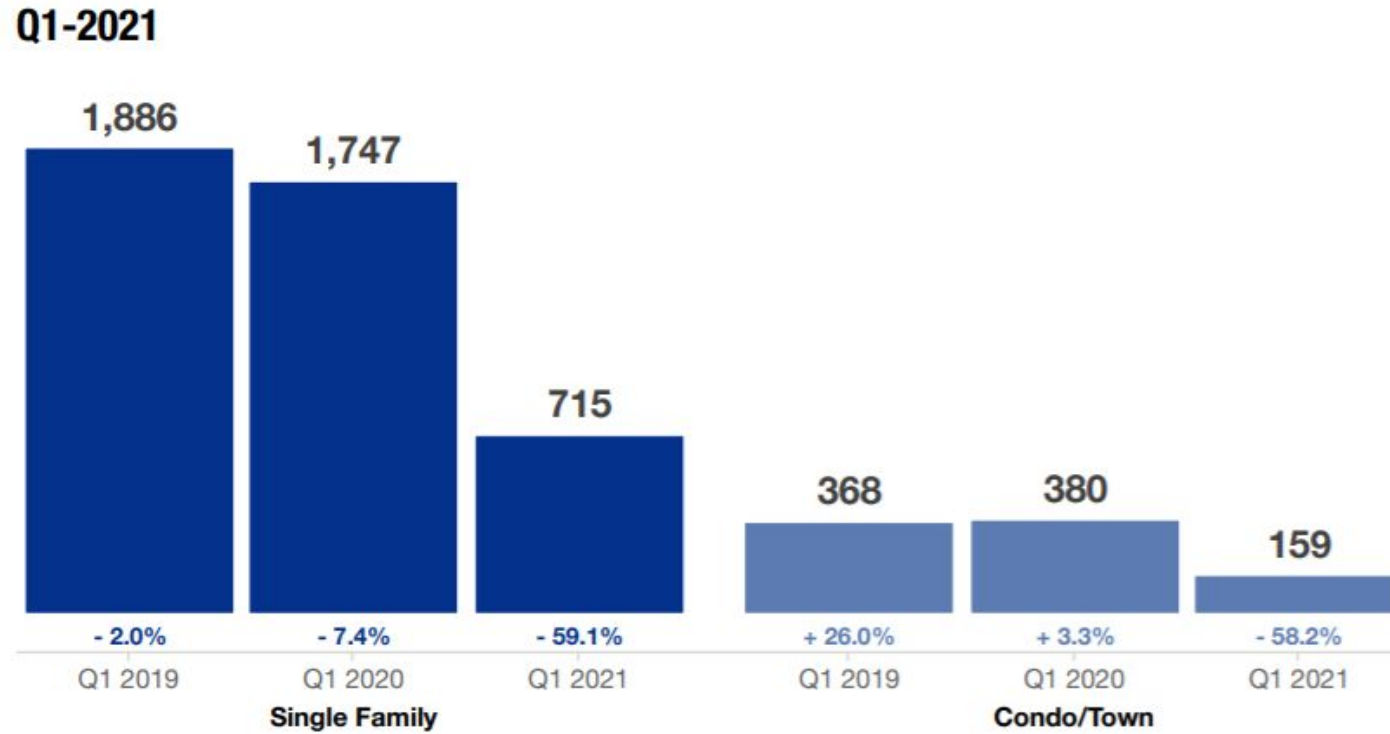
Days on Market Until Sale

Year to Date



Source: CVRMLS April 2021

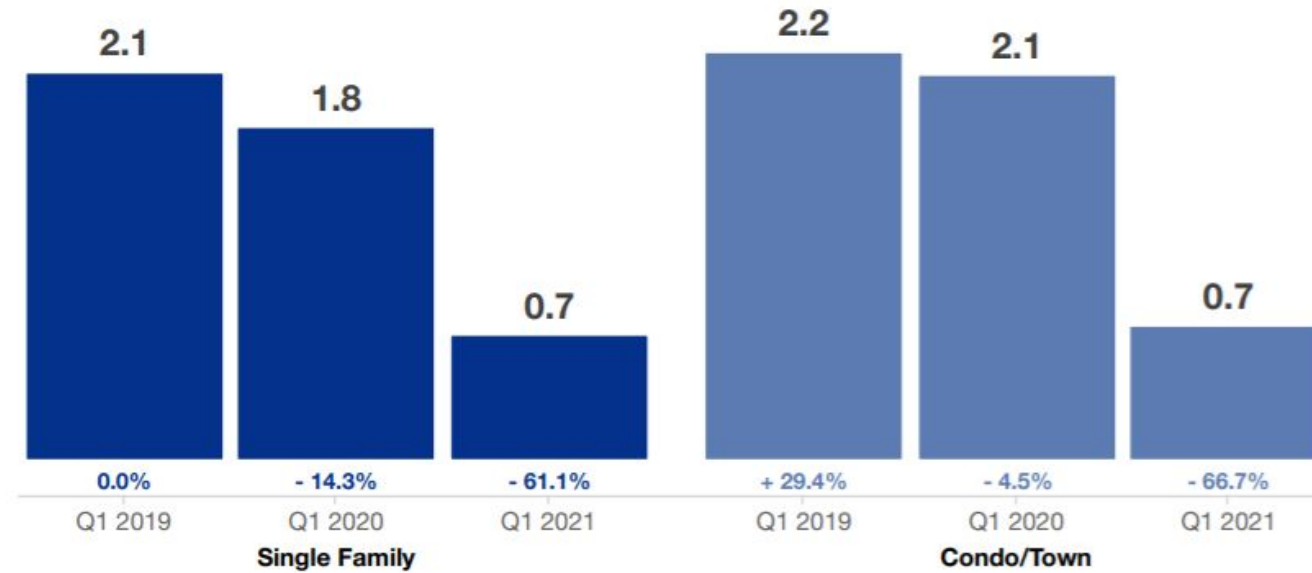
Inventory of Home Sales



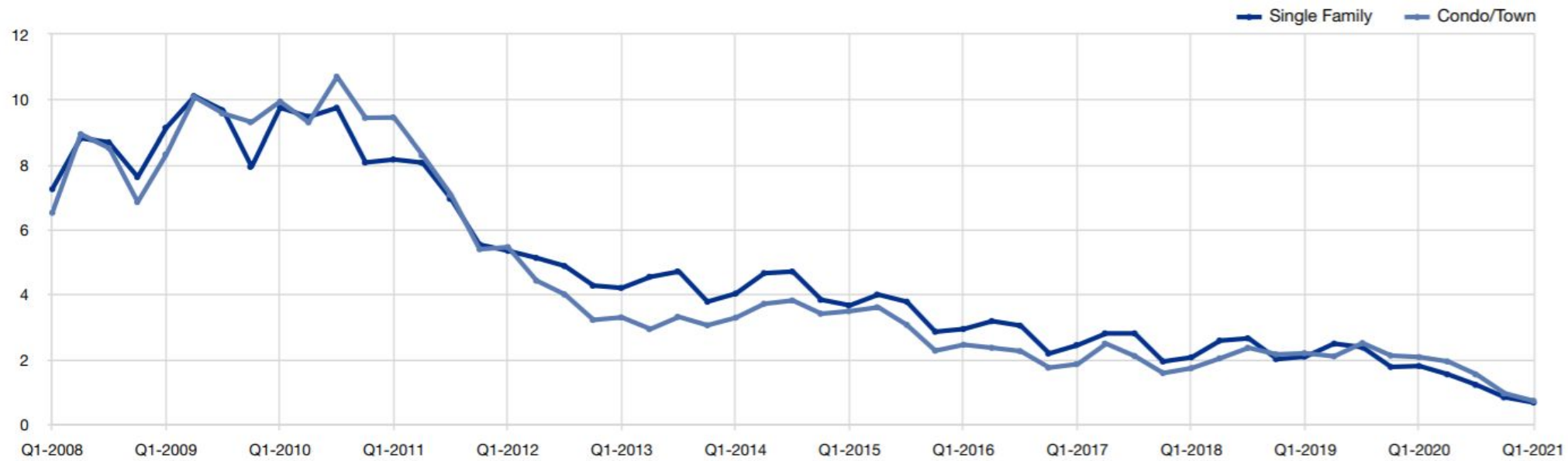
Source: CVRMLS April 2021

Months Supply of Inventory

Q1-2021

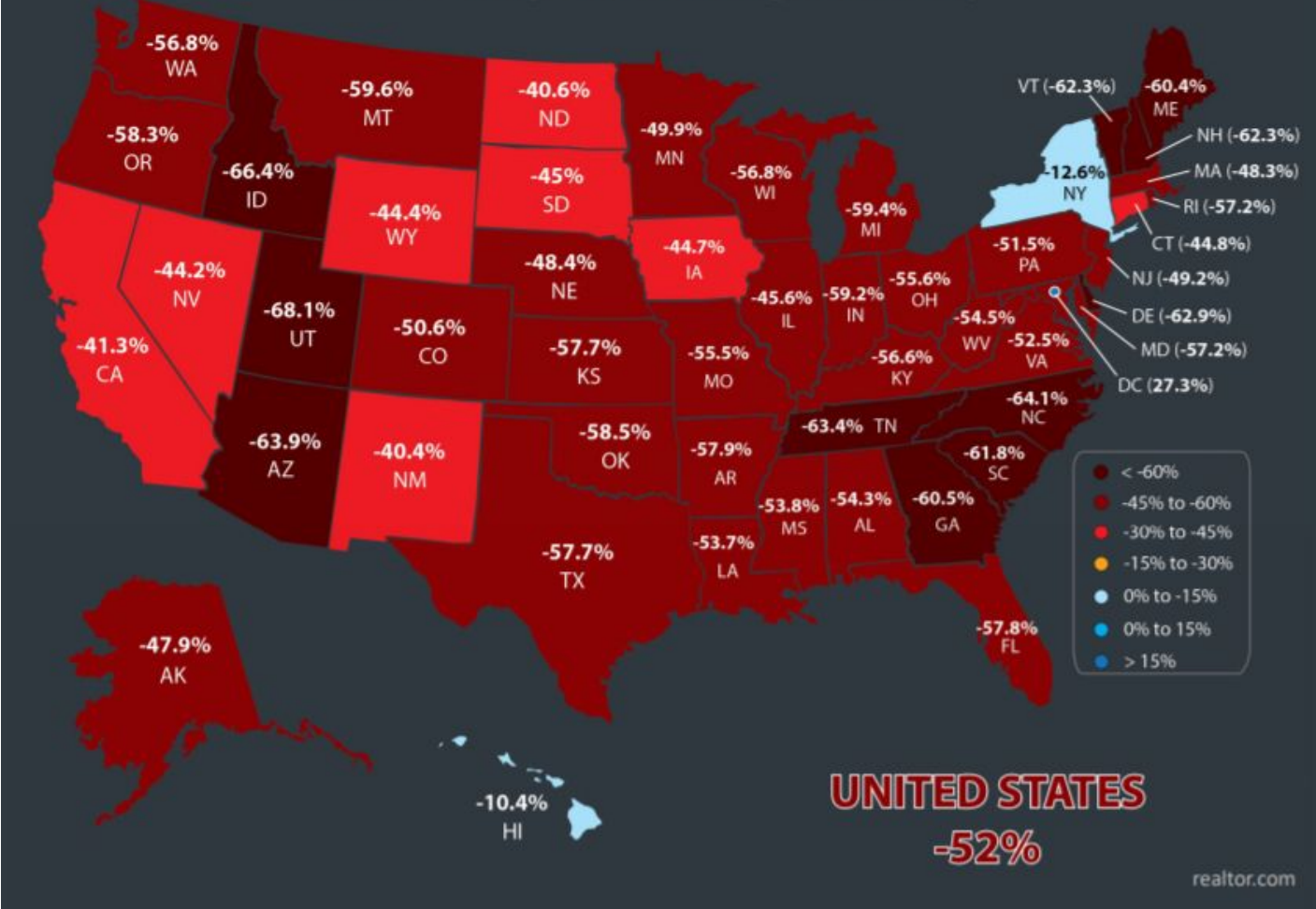


Source: CVRMLS April 2021



Source: CVRMLS April 2021

YOY Change in Housing Inventory



Source: www.realtor.com April 2021

“House prices nationwide recorded the largest annual and quarterly increase in the history of the FHFA HPI. Low mortgage rates, pent up demand from homebuyers, and a limited housing supply propelled every region of the country to experience faster growth in 2020 compared to a year ago despite the pandemic.”

Dr. Lynn Fisher

Deputy Director of FHFA's Division
of Research and Statistics



What we are Seeing...

- Multiple offer situations throughout the market
- Homes selling for substantially above asking price
- Buyers are waiving appraisals & inspections (or portions of them)
- Renters want to be in their own place (Same Payment?!)
- Lower price points are competing against investors and cash
- Buyers need to be prepared & patient (Buyer Fatigue)
- Spike in "Back on Market" & "Withdrawn from Market"
- Quicker price adjustments if initially overpriced

Tips for Navigating the Market

1. Window shop
 2. Get a good real estate agent
 3. Decide where you can compromise
 4. Get your financing lined up
 5. Offer a quick closing or rent back
 6. Waive contingencies (financing, appraisal & inspections)
 7. Be nimble, look at new construction
- Finally: be patient and persistent

Industry Trends & News

Lumber Costs & Home Production

- As the lumber industry tries to meet the overwhelming demand for building materials, experts say the supply of homes has continued to dwindle under lagging new construction and rising price tags.
- The lead time for people to get their lumber can be months instead of weeks
- Sale of newly built, single-family homes dropped by 18.2% in February. While winter storms served as a contributing factor, they were merely exacerbating the ongoing challenge builders face with surging costs for building materials.

What Happened?

- Lumber mills across the country overestimated the decline in housing demand during the pandemic's early days. Some mills shut down for a period while others that kept producing curtailed capacity.
- As a result, the unexpected surge in demand for building materials amid the 2020 remodeling boom and pandemic relief-induced wealth blindsided mills.
- Two different industries—remodeling and home building—needing the same product at the same time.

Current Environment for Buyers

- High lumber prices and their effects on builders have trickled down to end consumers, according to real estate agents who say prospective buyers are feeling the strain of slower construction and growing competition.
- Very low inventory so people are looking further outside of the city.
- Demand has not slowed down, there has just been a shift in activity as builders' prices have gone up substantially.

Source: RisMedia 2021

Benefits to University of Richmond Employees

Eligible UR employees receive a 20% rebate back after closing... What does this mean?

For instance:

You **sell** a home:

Sale price: \$250,000

Your agent gets 3% of the sales price (\$7,500)

You get 20% of the \$7,500

Rebate= \$1,500

You **buy** a home:

Purchase price: \$300,000

Your agent gets 3% of the sales price (\$9,000)

You get 20% of the \$9,000

Rebate= \$1,800

Joyner also donates to a scholarship fund for every closed transaction!

LOAN AMOUNT	REBATE
Up to \$99,999	\$ 250.00
\$ 100,000 - \$149,000	\$ 500.00
\$ 150,000- \$ 199,999	\$ 750.00
\$ 200,000 - \$ 249,999	\$ 1,000.00
\$ 250,000 - \$ 299,999	\$ 1,250.00
\$ 300,000 - \$ 399,999	\$ 1,500.00
\$ 400,000 - \$ 499,999	\$ 2,000.00
\$ 500,000 +	\$ 2,500.00



Virginia Credit Union is once again offering a \$500 promotional discount on closing costs on new mortgage loans.

This offer is subject to qualification and credit approval.

Thank you for joining us!

Please direct any questions to
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