

For Immediate Release

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NEW NVAR 2024 Mid-Year Housing Update Report Shows that Local Jurisdictions are Looking to Increase Housing Supply for Young Professional Families in the Region

Fairfax, VA (July 23, 2024) – Recognizing that the future of Northern Virginia’s workforce is dependent on providing housing that’s affordable for young professionals and their families, local jurisdictions are seeking solutions to rising housing prices and inventory shortages according to a NEW [report](#) by the [Northern Virginia Association of Realtors®](#) (NAR) in conjunction with the [Center for Regional Analysis at George Mason University \(GMU-CRA\)](#).

NVAR has supported changes that increase the region’s housing inventory—even if that increase is minimal. For example, NVAR supported the controversial Missing Middle zoning change for Arlington County that permits a multi-unit dwelling to replace a single-family home.

Overall, the 2024 Mid-Year Housing Update Report has a mix of pluses and drawbacks for the region’s housing. While the residential real estate market continues to stabilize post-pandemic, the report data indicates we haven’t yet reached equilibrium. And although inflation has moderated to three percent (June 2024), most household budgets are stretched thin due to increased living costs. Additionally, while most people were able to save money during the pandemic, those savings have disappeared in the last few years due to increased cost of living.

Further, low housing inventory continues to drive home prices higher. Many homeowners that may have sold in the past few years, don’t want to trade their low mortgage rates of three percent for today’s much higher rates. There’s also uncertainty surrounding the upcoming election, which may lead to businesses delaying decision-making until after November.

“There’s some good news in this new report,” said Ryan McLaughlin, CEO, NVAR. “Northern Virginia continues to attract regional workers which adds to the region’s robust economy. And all in all, our spring housing market was on the upswing.”

This report looks at how the pandemic has expanded the Northern Virginia housing market from areas close to Washington, D.C. into areas further from the city.

“Since hybrid work has become the norm, the region’s housing market has expanded to include Loudoun, Stafford, and Prince William counties in addition to Arlington, Alexandria and Fairfax,” said Terry Clower, Director, Center for Regional Analysis, Schar School of Policy and Government, George Mason University. “Adding these areas slightly alters the data and provides us with a more inclusive perspective of the full Northern Virginia housing marketplace.”

Finally in the good news arena, the report illustrates that the demand for housing in the region continues to outpace supply, a situation that drives price stability.

This Mid-Year report is a consensus forecast issued by NVAR in conjunction with GMU-CRA. To compile the report, NVAR convenes a panel of key experts from differing sectors of the real

estate industry to review preliminary forecasts developed by GMU-CRA economists. This expert panel then offers their insights into current and near-future market conditions.

Forecast by Jurisdiction [NOTE: To view the charts for each jurisdiction, visit nvar.com/stats.]

Fairfax County

The market for single-family homes in the region's largest jurisdiction has returned to growth with prices forecast to increase 8.1 percent from December 2023 to December of 2024. Inventory has rebounded, with average month-end inventory forecast to increase 1.6 percent from 2023 to 2024, leading to an increase in total sales volume of 4.6% from 2023 to 2024.

Relatively flat inventory for townhomes will weigh on total townhome sales in Fairfax County, as existing owners are likely to choose their three percent mortgages over more space. However, given that demand remains relatively strong, prices for townhomes are forecast to increase 3.9 percent from December 2023 to December 2024.

Prices for Fairfax condominiums are forecast to grow more modestly than single-family or townhomes, gaining 2.9 percent from December 2023 to December 2024. This trend is partially the result of relatively large increases in average month-end inventory, which is forecast to increase 10 percent from 2023 to 2024. Increased inventory will lift total sales volume 1.7 percent from 2023 to 2024, a welcome change after two years of slowing sales volume.

Arlington County

Overall affordability and mortgage rates continue to constrain price gains of single-family homes in Arlington after robust increases the past several years. Median prices for Arlington single-family homes will increase 0.7 percent from December 2023 to December 2024. After two years of contracting inventory, average month-end inventory is forecast to increase 2.1 percent from 2023 to 2024, which will lift total sales volume 5.5 percent during the same period.

Strong demand for Arlington will push prices for townhomes up 13.3 percent from December 2023 to December 2024. Furthermore, a 2.9 percent increase in average month-end inventory from 2023 to 2024 will help lift sales volume 9.4 percent during the same period.

While average month-end inventory for condos will be down 1.6 percent in 2024, demand will continue to support sales volume and price growth. Total sales volume will increase 5.1 percent from 2023 to 2024, while the median sales price of condos is forecast to increase 4.2 percent from December 2023 to December 2024.

Alexandria City

As the smallest market in Northern Virginia, there are relatively few sales of single-family units in Alexandria City each month, resulting in price swings depending on the monthly sales (size, location, etc.). While the price of single-family homes is forecast to decline 5.6 percent from December 2023 to December 2024, the notable trend is continued moderation of monthly price swings. Average month-end inventory will increase just 2.7 percent from 2023 to 2024, and total sales will follow suit, increasing 2.5 percent during the same period.

Alexandria townhome inventories are forecast to be down 7.6 percent in 2024 with sales activity remaining relatively flat, growing just 2.1 percent on average for the year. Prices will decline moderately, falling 0.9 percent from December 2023 to December 2024.

Demand for Alexandria condos has cooled, with average month-end inventory forecast to increase 1.3 percent from 2023 to 2024, as sales are forecast to decline 4.6 percent. Despite the building inventory, the median price of sold condos in Alexandria will grow a modest 4.5 percent from December 2023 to December 2024.

Prince William County

Prince William County continues to be an attractive option for families seeking affordable single-family homes that are unavailable in Arlington, Alexandria, and increasingly in Fairfax. Unfortunately, average month-end inventory is forecast to decline 10.2 percent from 2023 to 2024. Inventory constraints will weigh on total sales, which are forecast to increase just 2.4 percent from 2023 to 2024. While supply continues to be constrained, demand remains, and prices are forecast to increase 8.9 percent from December 2023 to December 2024.

The median sales price of townhomes in Prince William County is forecast to increase 7.5 percent from December 2023 to December 2024, further reflecting the trend of families seeking this more affordable, but family-sized housing options. While sales volume growth of townhomes is anticipated to be in-line with single family, increasing 2.2 percent from 2023 to 2024, average month-end townhome inventory is forecast to increase 3.4 percent, indicating that days on market may start to increase modestly.

Although the condominium market in Prince William County is small, it is forecast to be strong for the rest of 2024 with the median sales price to increase 32 percent from December 2023 to December 2024. Further, total sales are forecast to increase 3.1 percent from 2023 to 2024 while the average month-end inventory is expected to decrease 18.2 percent.

Loudoun County

After a year of slow price appreciation in 2022, prices for single-family homes returned to strong price appreciation, which is forecast to continue with the median price of sold single-family homes in Loudoun County increasing 5.4 percent from December 2023 to December 2024. The strong demand will result in average month-end inventory forecast decline 5 percent from 2023 to 2024 while the number of sales will increase 6.2 percent.

Similarly, townhome prices are forecast to increase 7 percent from December 2023 to December 2024, and total sales are forecast to increase 2.2 percent from 2023 to 2024. However, inventory is anticipated to build, with the average month-end inventory growing 9.6 percent from 2023 to 2024.

Average month-end inventory of condominiums for sale is a bright spot for buyers, as it is forecast to increase 19.6 percent from 2023 to 2024. The building inventory will prop up sales volume, forecast to increase 5.8 percent from 2023 to 2024, and keep price appreciation low, with the median sales price of sold units to increase just 0.3 percent from December 2023 to December 2024.

Stafford County

Before the pandemic, Stafford County began to record a huge contraction in month-end inventory of single-family homes. The constrained inventory has remained low and is set to decline only marginally, with the average month-end inventory forecast to decline just 3.4 percent from 2023 to 2024. Low inventory will be a headwind for sales, which are forecast to decline 2.4 percent from 2023 to 2024. Given that demand remains, prices are set to increase 2.4 percent from December 2023 to December 2024.

The average month-end inventory of Stafford townhomes is forecast to decline 22.8 percent from 2023 to 2024, as buyers continue to look for affordable, family-sized, housing. As with single-family homes in Stafford, the tightening market will impact total sales, which are forecast to decline 0.3 percent from 2023 to 2024.

While there may be less to buy and fewer sales, demand remains and those looking to buy are forecast to push up the median price of sold townhomes 3.8 percent from December 2023 to December 2024.

Although the condo market in Stafford is among the smallest markets in the region, average month-end inventory is set to increase 45.1 percent from 2023 to 2024. This is forecast to result in a 26.4 percent increase in total condo sales in the county all while the median price of sold condos increases 13.1 percent from December 2023 to December 2024.

NVAR Charts, Graphs

June Housing Data: [Click here.](#)

Regional Jurisdiction Infographic: [Click here.](#)

NVAR Region Infographic: [Click here.](#)

NVAR 2024 Market Forecast Mid-Year Update: [Click Here.](#)

NVAR 2023 Housing Economic Impact Report: [Click Here.](#)

These links are accessible from the Market Stats page here: [Click here.](#)

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The Northern Virginia Association of Realtors® serves as The Voice for Real Estate in Northern Virginia, enhancing the ability and opportunity of its members to conduct their business successfully, promoting professional competency, upholding the principles of fair housing for all, and preserving the right to own, transfer and use real property. Headquartered in Fairfax, NVAR has grown to more than 13,000 Realtor® and real estate service provider members who carry out a real estate industry in a community of more than two million residents. Visit NVAR online at www.nvar.com.

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George Mason University's Center for Regional Analysis provides research and technical assistance to local government and businesses, primarily located in the Washington DC Metro region. These efforts focus on economic, demographic, transportation, housing, and fiscal issues. The Center's staff conducts research on the performance of the Washington area economy, issues reports on the region's economy, housing, and demographic conditions, and participates in local meetings and conferences sponsored by governments, nonprofit organizations, chambers of commerce, and like organizations. Visit GMU-CRA at www.cra.gmu.edu.