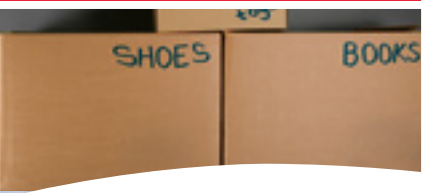


# 8 FACTS

on what's happening and what's next for Virginia's real estate markets

Q22009



## 1 RISING INTEREST RATES ARE STILL AT HISTORIC LOWS

Smart, well-prepared buyers are acting now. Interest rates are on the rise, jumping 13 percent from Q2 2008 to Q2 2009. For prepared buyers who plan to capitalize on affordable lending and today's historic first-time home-buyer tax credit, now is the time to act.

## JOB LOSS IS SLOWING

Across the nation, job losses declined 37 percent from first to second quarter 2009. And while Virginia is not immune to national trends in this tough economy, the Commonwealth has fared better than most of its neighbors posting modest losses of under three percent in comparison to 5 or more percent for other Mid-Atlantic States.

## 2 THE ECONOMY IS PRIMED

Ten of Virginia's 15 major employment sectors saw growth in Q2 2009. In July 2009 CNBC named the Commonwealth the Top State for Business for its economic growth, affordable cost of doing business, talented workforce and other factors. The surge in business means more competition for homes and future price appreciation.



## VIRGINIANS ARE MOTIVATED

A recent study by Myers Research showed that 91 percent of registered Virginia voters surveyed believe that buying a home is a good financial decision. While nationally consumer confidence fluctuates, if you're selling in Virginia, there are motivated buyers looking for your listing.

## 3 INVENTORY IS DROPPING

In June, new housing inventories fell to fewer than 10 months for the first time since February 2008. In many areas of Virginia, agents are reporting transactions involving multiple offers — a sign that smart buyers are getting off the fence.

## 4 HARD HIT AREAS ARE REBOUNDING

Second quarter statistics showed Virginia areas previously hardest hit by foreclosures are experiencing serious surges in sales volume. In Northern Virginia, Fredericksburg, and Blue Ridge, sales volume jumped, and in Lexington/Buena Vista, Williamsburg, and Southern Piedmont, median prices jumped sharply, as much as 32 percent in one locality.

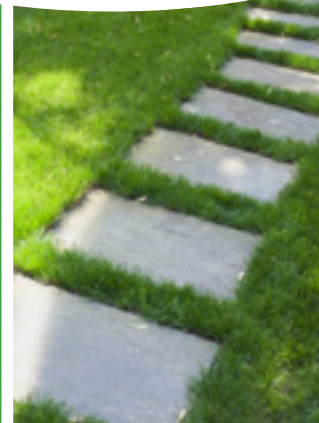
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## 5 BUYERS ARE ACTING, THE MARKETS' ARE RESPONDING

Pending sales in Virginia, a measure of homes currently under contract, are up 11.6 percent, while the statewide median sales price is almost 18 percent higher than Q4 2008.

## 6 FIRST-TIME BUYERS AND SELLERS ARE BENEFITING

How's it possible? Statistics show that Virginia homes sold in the second and third quarters typically sell for more. Combine that with the new first-time home buyer tax credit mandate that participating buyers must close before November 30, and the second and third quarter become prime time for buying and selling real estate.





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## Today's transactions are more complex —

Get expert advice. New lending rules, short sales, tax credits, downpayment assistance programs — it's hard to keep up. You need an expert who knows the ins and outs of the current market and who'll guide you through the complicated buying or selling process. You need a local Realtor®.

## Get an \$8k tax credit, but hurry...

Buyers your dream of home ownership comes with extra benefits this year. Make sure you are eligible for the maximum benefits of the new \$8,000 first-time home buyer tax credits, including using it toward your down payment if you close before November 30. Visit [www.VARealtor.com/09TaxCredit](http://www.VARealtor.com/09TaxCredit) for details.

### You should know

- The credit only applies for buyers who close on or before November 30.
- The credit applies only to buyers who have not owned a home in the past three years.
- Eligible properties include anything that will be used as a principal single-family residence — including condos and townhouses.
- The new tax credit does not have to be repaid if the buyer stays in the home at least three years. If the home is sold before that, the entire amount of the credit is recaptured on the sale.