



Talk Smart!

A closer look at 2021/Yearend sales throughout the Charlotte region.

All data is according to Canopy MLS.

Underlying messages:

- Home sales across the Charlotte region reached their highest level yet in 2021, with close to 60,000 homes sold across the 16-county Charlotte region. Sales increased 8 percent when compared to last year, and 2020 was a banner year of sales.
- The last two years of phenomenal sales activity was as a result of several things:
 - The low mortgage rate environment that carried over from 2019,
 - The pandemic and lockdowns over the first half of 2020, that caused pent-up buyer and seller activity to be pushed into 2021
 - Consumers making significant lifestyle changes, i.e., remote work creating the ability to work anywhere, increased demand for larger homes and second homes.
- Sales during the month of December 2021 were down 5.8 percent, which seems to signal a return to a more normalized market, as this time of year it's not unusual for buyers and sellers with families to generally settle into the usual routines of the holidays and winter.
- New listing activity at the end of 2021 could be signaling some relief for buyers, as activity increased 5 percent over activity in 2020, with 64,010 total new listings.
- Buyers would need to look back to yearend 2017 to find as strong of a year-over-year increase headed into the new year. These continued gains in new listings show that seller confidence is steady and favorable, and over time, should help to generate more inventory. ***(New listing activity was strong in the following areas in 2020: Alexander, Anson, Cleveland, Gaston, Stanly, Rowan, and Union Counties, along with the towns of Kannapolis, Lincolnton, Monroe, Mooresville and Salisbury, NC — Rock Hill, SC and the counties of Chester and Chesterfield, SC to the south.***
- Yearend pending sales activity which gauges buyer demand was up 5.6 percent over last year, which signals steady sales over the next few months. Buyers are quickly purchasing almost every new listing coming to market and due to steady demand, will continue to face headwinds with higher home prices and falling affordability, as supply challenges continue.
- Buyers looking now are much more measured about their financial limits, though many are also pressed to act due to the recent rise in rates and lure of steady mortgage if they are renters.
- Homes sold quickly over the course of 2021, as the 16-county region showed homes averaged 20 days on market.
- Buyers and sellers interested in the market, should start preparing now to determine their lending options and financial position, and they need to be flexible in terms of location and

amenities, while also being mindful of how quickly the market is moving. A fast-paced market means buyers have less time for negotiation, as multiple offers in highly sought after areas, will cause homes to close quickly. They should connect with a Realtor® to navigate the complexities of the market.

Key Indicators

- Trends toward work-from-home have been forecasted to continue in 2021 and beyond. As the vaccine becomes more mainstream and reopening on a large scale starts to occur, work-from-home hybrid schedules are predicted as employers give workers flexibility.
- Buyers, particularly work from home buyers, are seeking larger homes with dedicated offices and outdoor living spaces in suburban and rural settings, which means buyer interest should continue in the region's surrounding counties. Strong contract and closed sales activity throughout a number of outlying counties and areas continue to support this trend.
- Inventory and supply will continue to impact prices, especially given the increased competition among buyers. Inadequate housing stock is going to be the main issue that holds the market back in the coming year.
- Sellers who are ready to list have the opportunity to receive high visibility for their listings and spend less time on market. Days on market (DOM) continues to break records as it trends lower. Properties averaged 20 days on market last year. Sales are brisk, leaving little room for negotiation.
- The original list price to sales price ratio of 100.8 last year, showed sellers received asking prices or more this year. This stat has been increasing since February 2021 for sellers in the Charlotte market.

The Charlotte region's extremely tight inventory situation will continue to impact prices. We believe price growth overall will continue, with some areas seeing increased volatility due to rapidly dwindling supply. Price growth is predicted to slow over next year, as more inventory is expected, particularly in the second half of the year.

While [Charlotte has been recently ranked as one of the top 10 hottest real estate markets in the U.S.](#) for 2022, the Charlotte region has been on the national radar for some time now.

Beginning with the [National Association of Realtors® ranking the region back in 2019 as one of the Top 10 Markets in the Country predicted to outperform the national average over the next 3-5 years....and followed by \[realtor.com ranking the Charlotte region as the number 3 top housing market to watch in 2021.\]\(#\)](#)

And the Charlotte market's housing activity since 2019 until the present certainly bears out these predictions and will likely continue to make Charlotte attractive to buyers well into the foreseeable future.