



Talk Smart!

A closer look at January 2022 sales throughout the Charlotte region.

All data is according to Canopy MLS.

Underlying messages:

- Though January 2022 sales numbers were down slightly (-0.7 percent) home sales across the Charlotte region were mostly on par with sales at the start of January 2021.
- Month-over-month however, sales are down 25 percent, and reflect the last-minute end of year flurry of sales activity that elevated December's closing activity.
- January's sales activity was largely impacted by news of rising rates and inflation as well as concerns surrounding job creation. In fact, Consumer Confidence fell in January, following gains in fourth quarter over growing economic concerns. January's activity also reflects some seasonality, as much of the country, including Charlotte and the southeast, were impacted by winter storms.
- 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.
- Pending sales, which are typically a good gauge of future sales, because they tend to close 45-60 days later, were down at the start of the year and reflect buyers pulling back from the market. Buyers are frustrated by rising rates, rising prices, tight inventory and economic concerns, like inflation. Pending contract activity compared to December however, is up 12 percent and signals serious buyers are still looking for homes. Should this month-over-month activity continue, we may still see a surge in buyer demand at the start of the spring selling season in late March.
- New listing activity was also down at the start of the year, reflecting typical seller activity that we see in January. Again, weather and seasonality can impact sales – as showing activity tends to fall, when there is bad weather. Sellers were likewise, distracted by poor economic activity. However listing activity compared to December 2021 is up 12 percent. So again, we expect to continue to see a slow month-over-month buildup leading into the spring selling season.
- Buyers looking now are much more measured about their financial limits, though many are also pressed to act due to the rising rates. Rising rents are also a factor, as rent continues to outpace monthly mortgage payments.
- Buyers will find that homes are still selling quickly. January's data showed homes averaged 82 days from listing until closed, with days on market, which accrues for "Active" and "Under Contract-show" statuses, much faster, averaging 23 days on market until sale.

- 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. As the vaccine becomes more mainstream and COVID concerns lessen, reopening will continue to happen on a large scale. The work-from-home hybrid schedule is predicted to continue, as employers give workers greater 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 this year, especially given the increased competition among buyers, pressed by rising rates. 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 23 days on market last year. Sales are brisk, leaving little room for negotiation.

The original list price to sales price ratio of 100.1 this past month, showed sellers still clearly in command of the market and receiving well over asking prices for their homes.

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.