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Virginia REALTORS® Releases 2021 Economic & Housing Market Forecast
Chief Economist predicts significant rises in home prices and new housing permits

RICHMOND, Va. (December 8, 2020) – Virginia’s largest trade association has released its [2021 Economic & Housing Market Forecast](#), taking a look at what’s ahead for Virginia in 2021.

Each year, Virginia REALTORS® produces a forecast of the economy and housing market. After a year of unprecedented challenges, there remains a lot of uncertainty in the economy. However, the outlook is for Virginia’s economic conditions to improve steadily in 2021. In addition, the housing market will remain on sound footing, with home sales steady in 2021 and home prices rising faster than they did in 2020.

- **Total Jobs in Virginia:** By the end of 2021, we expect employment in Virginia will total 3.96 million jobs, up 2.2% over 2020, but below pre-recession levels.
- **Unemployment:** Virginia’s unemployment rate is expected to continue improving in 2021, falling to 5.0% by the end of the year, a percentage point lower than 2020.
- **Home Sales:** While demand for homeownership will continue to be strong in 2021, a lack of inventory will be a major constraint on the market. The home sales forecast suggests that in 2021 there will be a total of 135,018 sales in Virginia, which will be up 2.0% from the total number of sales in 2020.
- **Home Prices:** We predict that the 2021 median home sales price statewide in Virginia will increase by 9.5% in 2021, following an 8.1% increase in 2020.
- **New Housing Permits:** Our forecasts are for a total of 37,817 permits to be issued statewide for new housing units in 2021, which reflects an 8.9% rise over the 2020 total.
- **Mortgage Rates:** The 30-year fixed-rate mortgage rate is forecasted to be 3.2% at the end of 2021, just 0.3 percentage points higher than the 2020 year-end rate.

[Click here](#) for more details on the Virginia REALTORS® 2021 Economic & Housing Market Forecast.

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About Virginia REALTORS®

Virginia REALTORS® (previously known as the Virginia Association of REALTORS®) is one of the largest professional trade associations in Virginia, representing 35,000 REALTORS® engaged in the residential and commercial real estate business. Virginia REALTORS® serves as an advocate for homeownership and homeowners and represents the interests of property owners in the Commonwealth of Virginia. For more information, visit www.virginiarealtors.org or follow Virginia REALTORS® on [Facebook](#), [Twitter](#), and [LinkedIn](#).

Virginia REALTORS® is celebrating its 100-year anniversary in 2020.

NOTE: The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics.