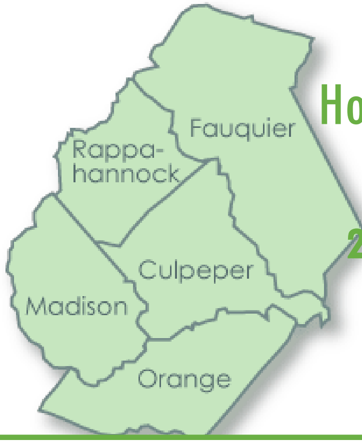


Housing Market Trends
2005 Year-End Report

May 2006

Executive Summary

The purpose of the Housing Market Trends: 2005 Year-End Report is to provide a summary of the Rappahannock-Rapidan regional housing market in 2005. This report analyzes how the region's housing market changed over the past year, reasons for the trends, and projections for future housing market activity.

Key findings include:

- The year 2005 was a record year for the Rappahannock-Rapidan regional housing market, continuing a trend begun in the late 1990s. Total sales were up for the third consecutive year. The average sold price of existing homes doubled over five years to reach over $400,000 in 2005. At the same time, the average number of days on the market dropped to a record low of 51 days.

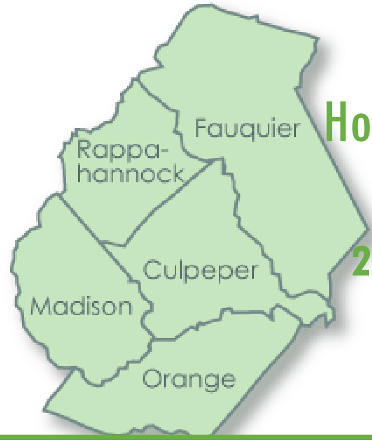
- The strong housing market is closely linked to the Washington DC metropolitan area economy and housing market. Rapidly escalating housing prices in the Washington DC metropolitan area have forced people to look further out to find affordable housing. Washington has added more jobs than any other metro area in the past five years. The jobs are also high paying and most of the growth has been in Northern Virginia, meaning that as prices continue to go up there, buyers looking for more affordability will place increasing demands for housing in the Rappahannock-Rapidan region.

- The result has been a rising burden on the Rappahannock-Rapidan region's workers who find it more difficult to buy a house, as local wages have not risen as fast as home prices and rents.

- As the demand for housing in the region increases, the local governments in RRRC face increasing pressures to approve new housing developments. As this demand gets met in parts of the region, the local governments are facing some of the pressures and problems of growth experienced in past decades by counties closer to Washington DC, such as Loudoun and Prince William.

Prepared for the Rappahannock-Rapidan REGIONAL COMMISSION

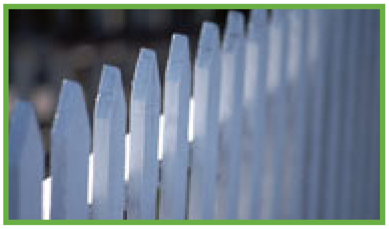
George Mason University School of Public Policy Center for Regional Analysis



Housing Market Trends

2005 Year-End Report

May 2006



Introduction

The year 2005 was a record year for the Rappahannock-Rapidan regional housing market, continuing a trend begun in the late 1990s. Total sales were up for the third consecutive year. The average sold price of existing homes doubled over five years to reach over $400,000 in 2005. At the same time, the average number of days on the market dropped to a record low of 51 days. The strong housing market is a product of the region's relatively strong economy but—more importantly—is inherently linked to the even more rapidly escalating housing markets in the Washington DC metropolitan area and adjoining jurisdictions to Planning District 9 that are sending people further out to find affordable housing. The result has been a rising burden on the Rappahannock-Rapidan region's workers who find it more difficult to buy a house, as local wages have not risen as fast as home prices and rents.

Housing Market Activity

In 2005, nearly 3,200 homes were sold in the Rappahannock-Rapidan region. The average sold price for all homes was just over $400,500 (Table 1). Seventeen percent of homes sold for $500,000 or more and 10 percent sold for $600,000 or more.

The vast majority—86 percent—of the homes sold in the Rappahannock-Rapidan region were single-family (SF) detached homes. The average SF detached home sold in the Rappahannock-Rapidan region in 2005 was built in 1983, had 3.5 bedrooms, and was 2,300 square feet in size. These homes sold for an average of $422,000 in 2005 and were on the market for an average of 56 days.

There were 306 SF attached homes/townhouses sold in 2005. The average price of a SF attached home in the Rappahannock-Rapidan region was $241,000. The demand for this type of housing was strong in 2005.

SF attached homes spent an average of only 14 days on the market. The average price of a SF attached home in the Rappahannock-Rapidan region was $241,000. The demand for this type of housing was strong in 2005. SF attached homes spent an average of only 14 days on the market.

Condominiums make up a small share of the Rappahannock-Rapidan region's housing stock but they are also in demand. Most of these condominiums are townhouse style units with a condominium ownership structure. In 2005, 58 condominiums units were sold at an average price of $292,100, making them more expensive than fee-simple SF attached homes.

Data obtained from the MRIS indicate 448 rental units were listed with real estate agents and rented in the year 2005 for an average rent of $1,356. The vast majority of rentals listed with MRIS were SF detached homes. Less than 5 percent of the listings were for units in multi-family buildings.

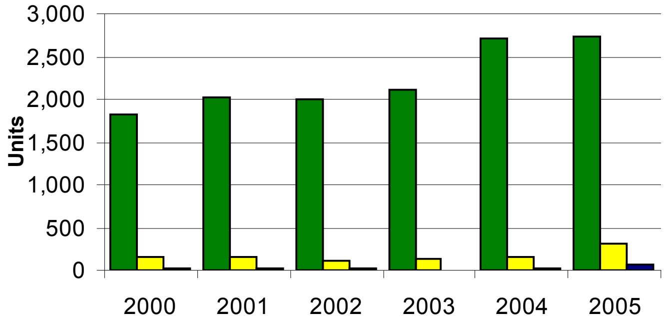
Table 1. Housing Market Activity in the Rappahannock-Rapidan Region: 2005

Sales by Type	Units Sold	Avg. Price	Avg. Days on Market
SF Detached	2,739	$422,036	56
SF Attached	306	$241,163	14
Condo	58	$292,092	23
Other	71	$345,805	51
Total Sales	**3,174**	**$400,519**	**51**
Rentals	448	$1,356	51

Source: MRIS, GMU

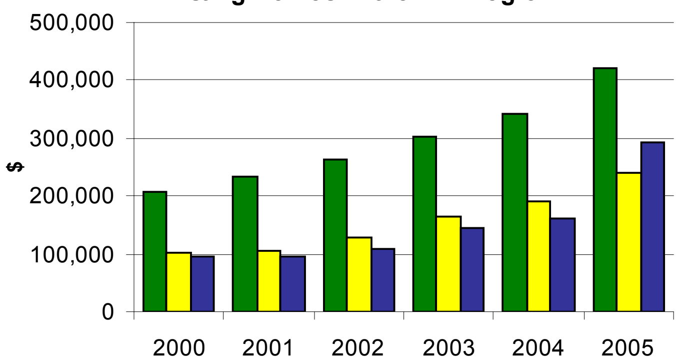
Prepared for the Rappahannock-Rapidan REGIONAL COMMISSION

Figure 1.
Units Sold by Type: 2000 - 2005
Existing Homes in the R-R Region



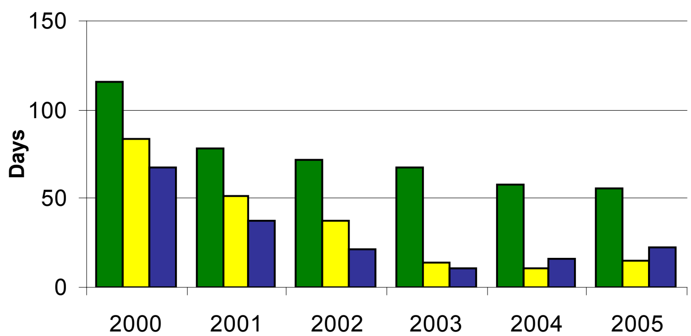
Source: MRIS. GMU

Figure 2.
Avg Sold Price by Type: 2000 - 2005
Existing Homes in the R-R Region



Source: MRIS. GMU

Figure 3.
Avg Days on the Market by Type: 2000 - 2005
Existing Homes in the R-R Region



Source: MRIS. GMU

The growth of the Rappahannock-Rapidan regional housing market has been remarkable over the last five years. The number of homes sold annually increased by 57 percent between 2000 and 2005. The average sold price more than doubled during that same period. The average days on the market fell from 113 in 2000 to 51 in 2005 (all housing types). Figures 1 through 3 summarize the five-year trends by housing type.

The region has experienced annual double digit home price appreciation for the past five years, but the jump in 2005 to an average price of over $400,500 represents a 21 percent increase over the 2004 average price—the largest jump in recent history.

While condominiums comprised the smallest share of home sales in the Rappahannock-Rapidan region, they experienced the fastest price appreciation, with prices rising 81 percent between 2004 and 2005. The price of SF detached homes and SF attached/townhouses grew by 24 percent and 26 percent, respectively, between 2004 and 2005.

Average rents in the Rappahannock-Rapidan have also risen over the past five years, but the increases have not been as dramatic as in the sale market. In 2000, the average rental unit (usually a SF detached home) rented for $1,014 per month. In 2005, the average rent had increased 34 percent to $1,356 per month.

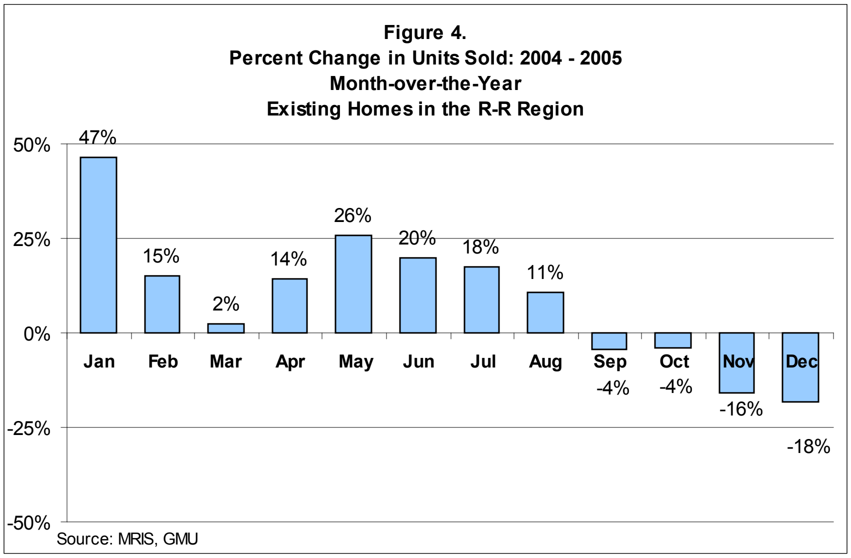
The number of rental properties listed with real estate agents has increased dramatically. In 2000, only 140 rental properties were listed and rented through a licensed real estate agent. By 2005, the number had more than tripled to 448.

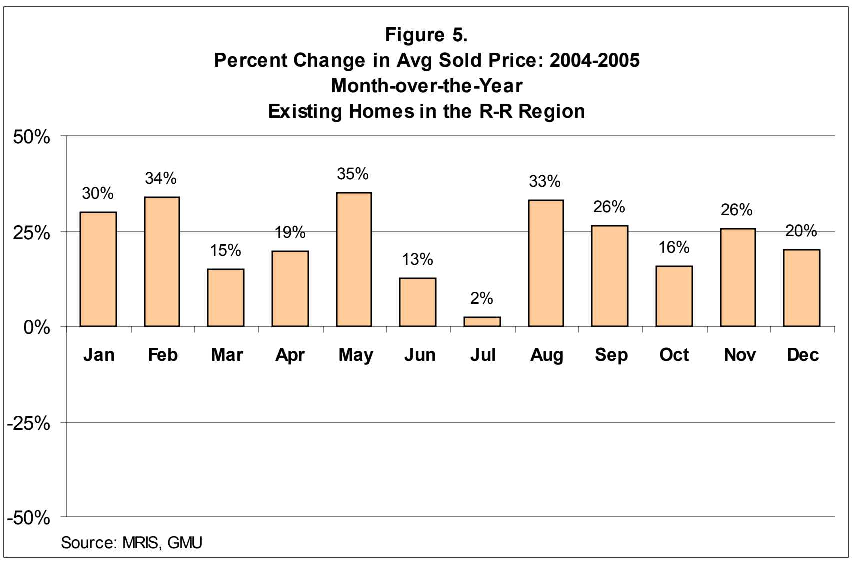
Monthly data do not show any significant moderating in the Rappahannock-Rapidan regional housing market in the second half of 2005. (See Figures 4 through 6.) The one exception is the drop in the number of units sold. In January through August of 2005, the number of units sold each month was greater than the number sold in the same month during 2004. In September through December, the number of monthly units sold in 2005 was less than in 2004.

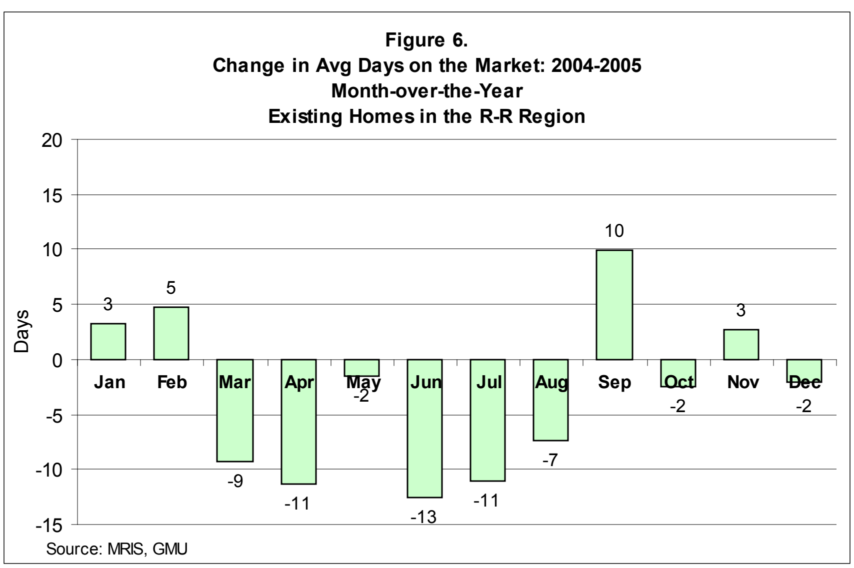
However, home price appreciation remained strong throughout the year. Average sold prices in August through December 2005 were between 16 and 33 percent higher than the same months in 2004.

The number of days homes were on the market also continued to be lower throughout 2005, with the exception of January, February and September.

These trends indicate that the Rappahannock-Rapidan regional housing market will be strong in 2006, with double-digit price appreciation. Sellers will continue to have a slight advantage over buyers, as the average days on the market drops even further.







County Comparisons

There was variation in the housing market across the five counties comprising the Rappahannock-Rapidan region. The greatest number of homes sales—38 percent of all 2005 sales—were in Fauquier County. Thirty-one percent of sales were in Culpeper County and 23 percent were in Orange County. Less than 5 percent of all 2005 homes sales were in Madison or Rappahannock Counties.

Fauquier and Rappahannock Counties were home to the most expensive houses. In the Rappahannock-Rapidan region, only 17 percent of all homes sold for more than $500,000; however, 30 percent of homes in Fauquier and Rappahannock Counties sold for more than a half million dollars. The most affordable homes were in Madison and Orange Counties where approximately 60 percent of homes were sold for less than $300,000 in 2005 (Table 2).

Home prices in the Rappahannock-Rapidan region are closely related to proximity to Northern Virginia and Washington DC. The most expensive housing in the region was in the northernmost zip codes of Fauquier and Rappahannock counties (Map 1). The most expensive zip code was 20198, located in the northern tip of Fauquier County on the border of Prince William and Loudoun Counties. In zip code 20198, there were 28 homes sold in 2005 at an average price of $1.5 million. The zip codes in the southern portion of Orange County had average sold prices of less than $300,000 in 2005.

Price appreciation in 2005 was not concentrated in any one part of the Rappahannock-Rapidan region (Map 2). Several zip codes experienced a doubling of the average sold price between 2004 and 2005. Some zip codes, like 22640 in northern Rappahannock County, were also home to relatively expensive housing. Other zip codes, like zip code 22923 in southern Orange County, had relatively inexpensive housing.

The situation for rentals is somewhat different than for homes sales. Sixty percent of all homes rented through real estate agents in 2005 were in Fauquier County. The highest rents, however, were in Culpeper County where the 2005 average was $1,427 per month. The average rent- in Fauquier County was $1,362 per month and in Orange and Rappahannock Counties the 2005 average rents were slightly lower, at about $1,200 per month (Table 3).

Rental data for multi-family developments

Table 2. Distribution of Sales Price by County: 2005

Sales Price	Culpeper		Fauquier		Madison		Orange		Rappahannock		R-R Region	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Less than $200,000	129	13%	30	2%	45	30%	123	17%	4	4%	331	10%
$200,000 - 299,999	314	32%	207	17%	49	32%	309	43%	23	26%	902	28%
$300,000 - 399,999	304	31%	322	26%	40	26%	187	26%	21	23%	874	28%
$400,000 - 499,999	156	16%	292	24%	9	6%	57	8%	15	17%	529	17%
$500,000 - 599,999	56	6%	160	13%	1	1%	13	2%	6	7%	236	7%
$600,000 or More	37	4%	209	17%	8	5%	27	4%	21	23%	302	10%
Totals	**996**	**100%**	**1,220**	**100%**	**152**	**100%**	**716**	**100%**	**90**	**100%**	**3,174**	**100%**

Source: MRIS, GMU

Table 3. Units Rented and Average Rent by County: 2005

County	Units Rented	Avg. Rent
Culpeper	103	$1,427
Fauquier	269	$1,362
Madison	1	$2,100
Orange	65	$1,224
Rappahannock	10	$1,253
Totals	**448**	**$1,356**

Source: MRIS, GMU

are not readily available and therefore the trends in rentals is not complete. To obtain more complete data will require primary data collection (i.e. surveying rental properties). Additional resources would be needed for such research.

Housing Supply

There were about 12,000 housing units built in the Rappahannock-Rapidan region between 2000 and 2005. In 2004, the number of residential building permits was 2,827. Figures for 2005 are based on incomplete reporting; however, these preliminary figures indicate another year of active residential construction in the region (Table 4).

The vast majority of new residential construction was single-family detached homes. In 2004, 93 percent of building permits were issued for single-family detached homes. Only 176 multi-family units were started in 2004, but that figure is up from 52 in 2003.

Overall, most of the new housing starts in 2004 took place in Culpeper County. There were 1,428 building permits issued in Culpeper County in 2004. The new construction was predominantly single-family housing.

Another leading indicator of housing supply is the record of sales of large tracts of land. In 2005, sales of 50+ acre parcels totaled 167 in the Rappahannock-Rapidan region. The majority—100 transactions—were in Culpeper County. Another 43 were in Fauquier County.

Many large land sales involve transactions between family members or large personal estate sales. However, some sales were to developers planning large residential projects. For example, Three Flags/Culpeper LLC is consolidating parcels in the Cedar Mountain district of Culpeper with a $32 million purchase of 103 acres in 2005. Centex Homes purchased 1,500 acres in the northern tip of Culpeper County for $25 million dollars.

These transactions may or may not be indicative of future major residential construction in the region. However, tracking this information is made difficult by inconsistencies in the record keeping across Counties. Furthermore, some of the sales data are incomplete (e.g. no address information) and some of the transactions may indicate a name change on a deed rather than an actual sales.

Economic Conditions

The Rappahannock-Rapidan region has experienced strong economic growth in the period between 2000 and 2005, but job and wage growth has accelerated at rates far below home price growth. Furthermore, the growth industries in the Rappahannock-Rapidan region have historically been in lower wage construction and service jobs. These trends indicate that it has become harder for local workers to find affordable housing in the Rappahannock-Rapidan region.

Monthly unemployment rates in the Rappahannock-Rapidan region have been lower than the unemployment rates for the Commonwealth of Virginia over the last five years (Figure 7). Unemployment rates hit record lows in late 2000. Beginning in 2001, unemployment rates rose. Since 2003, however, the unemployment rate in the Rappahannock-Rapidan region and in the Commonwealth of Virginia has been declining. The December 2005 unemployment rate was 2.1 percent, compared with 3.0 percent for Virginia.

Overall, the Rappahannock-Rapidan region gained 2,000 jobs between 2nd quarter 2004 and 2nd quarter 2005, reflecting an increase of 4 percent. The biggest gain was in the Construction industry. Nearly 900 construction jobs

Table 4. Housing Starts by Area: 2003, 2004 and 2005 (est.)

	2003			2004			2005 (est.)*		
Area	**SF**	**Duplex**	**MF**	**SF**	**Duplex**	**MF**	**SF**	**Duplex**	**MF**
Culpeper	707	10	32	1,236	16	176	838	0	0
Fauquier	798	2	0	703	0	0	661	0	197
Madison	120	0	20	112	0	0	DNR	DNR	DNR
Orange	384	2	0	524	2	0	575	2	64
Rappahannock	60	0	0	58	0	0	29	0	0
Totals	**2,069**	**14**	**52**	**2,633**	**18**	**176**	**2,103**	**2**	**261**

Source: Weldon Cooper Center. SF=single-family; MF=multi-family
* Figures for 2005 data are based on aggregated monthly reported data; however, these reports are preliminary. The final annual totals will be available in June.
DNR = Did Not Report for any month in 2005.

Wages grew by 4 percent between 2004 and 2005.

The region's highest wages were in the Information sector, which was also the among the fastest growing sectors. In 2005, the average weekly wages for a worker in the Information sector was $1,139. This wage is higher than the average Information wage statewide.

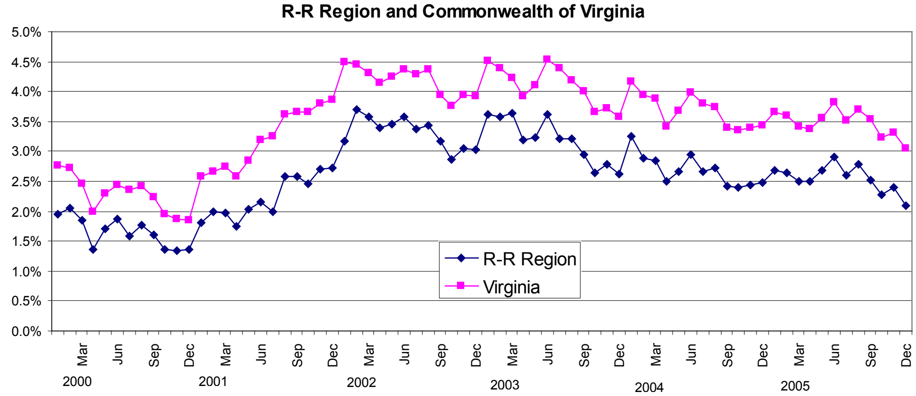
were added between 2nd quarter 2004 and 2nd quarter 2005. This industry was also the fastest growing in the region, growing by 15 percent. The Information sector was the second fastest growing sector, adding 118 jobs in 2005, an increase of 12 percent.

The Education and Health Services sector is the largest employment sector in the Rappahannock-Rapidan region, with a total of 10,800 in 2005. Following closely behind is the Trade, Transportation and Utilities sector with 10,600 jobs. Each of these sectors comprises about one-fifth of all jobs in the Rappahannock-Rapidan region. These shares are comparable to the shares for the Commonwealth.

The Professional and Business Services sector comprises only 8 percent of all of the jobs in the Rappahannock-Rapidan region, or 3,900 jobs. This is a relatively smaller share than is found in the Commonwealth of Virginia, where 17 percent of all jobs are in this sector. Many of Virginia's Professional and Business Services jobs are located in the Northern Virginia suburbs of Washington DC.

The average weekly wage in the Rappahannock-Rapidan region was $626 in 2005, which is $161 less than the average wages in the Commonwealth of Virginia.

Figure 7.
Monthly Unemployment Rate: 2000 - 2005
R-R Region and Commonwealth of Virginia



Source: Virginia Employment Commission

Impact of the Washington DC Metro Area Economy and Housing Market

If home prices and rents are escalating faster than wages of workers in the Rappahannock-Rapidan region, who is buying the homes and pushing up prices? In general, home buyers and some renters in the Rappahannock-Rapidan region are people who work in the Washington DC metropolitan area and have been priced out of housing in Northern Virginia.

The Greater Washington area economy has outperformed all other metropolitan areas in the U.S. for the past six years, and this economic growth has been a major factor in the appreciation of house prices in the metropolitan area and in Northern Virginia in particular. Combined with factors of low mortgage interest rates and the collective policies of local governments in Northern Virginia to limit the supply of housing, sales and prices have reached all-time highs and annual increases in 2004 and 2005. The metropolitan area's rapidly growing economy and housing prices are having—and will continue to have—ramifications for areas outside the metro area boundary, including the Rappahannock-Rapidan Region.

Over the past five years, the Washington metropolitan area added 287,000 jobs. Northern Virginia alone added 144,000. This job growth was greatly stimulated by federal spending and especially federal procurement from area companies. The wars on terrorism and Iraq have been major factors in this increased spending, and explain why Washington has outperformed all other metropolitan economies. Of the total increase nationally in federal procurement spending from 2003-2004, companies in the Washington metro area captured 68 percent of the total increase. The rest of the country all together got only

Table 5. Jobs and Wages by Sector: 2004 and 2005
R-R Region

	Q2 2004		Q2 2005	
Industry	**Jobs**	**Avg. Weekly Wage**	**Jobs**	**Avg. Weekly Wage**
Total, all industries	48,360	$605	50,404	$626
Natural Resources and Mining	1,683	$535	1,700	$528
Construction	5,827	$666	6,708	$707
Manufacturing	3,718	$669	3,831	$743
Trade, Transportation and Utilities	10,248	$562	10,597	$599
Information	991	$1,175	1,109	$1,139
Financial Activities	1,578	$729	1,691	$746
Professional and Business Services	3,683	$840	3,901	$736
Education and Health Services	10,784	$593	10,776	$614
Leisure and Hospitality	4,815	$274	4,930	$293
Other Services	2,385	$480	2,350	$505
Public Administration	2,649	$733	5,234	$735

Source: Virginia Employment Commission

32 percent. And Northern Virginia has been the focus of the lion's share of this growth. In fact, from 2000-2005, Northern Virginia's job growth was 97 percent of the total job growth in the Commonwealth of Virginia.

Not only has the number of jobs increased, but the job increases have been in sectors of higher pay— 33 percent of new jobs have been in professional and business services and 21 percent in government. Thus, over half of all new jobs have been in sectors that have high average pay, especially the professional and business sector jobs.

High job growth plus high wages added to the factors of low interest rates and constrained housing supply yields a hot housing market.

However, there were signs at the end of 2005 that the Washington DC market started to return to more normal times, and it is anticipated that this trend will continue into 2006 and 2007. While prices increased by 22 percent in the metropolitan area in 2005 and 23 percent in Northern Virginia, increases in 2006 are expected to be in the 6 to 12 percent range overall. Also, sales volume and days on the market are expected to return to longer-term normalcy.

This cooling or returning to normal may not be felt as much in the RRRC jurisdictions. Here, and in similarly-situated jurisdictions north of Washington nearer Baltimore, housing is generally at more affordable levels so the buyers looking for housing in the more affordable ranges are still going to be searching for housing in the Rappahannock-Rapidan region, and this outwardly-relocated demand will continue to put pressure on the region's housing market and its affordability. And this will be even truer than outer counties in Maryland because the Rappahannock-Rapidan region is closer to the Northern Virginia engine of growth, which is creating the most jobs. It is likely that average prices in the Rappahannock-Rapidan region will rise in the 15 to 20 percent range in 2006.

Pressure on the region is coming not only from the closer-in suburbs of Fairfax, Loudoun and Prince William. Orange County, for example, is facing increased housing demand from people moving from places like Spotsylvania County and the City of Charlottesville.

Longer term out to 2007-2009, the Washington and Northern Virginia job growth markets are expected to moderate along with the housing markets. Moderation in the housing market should follow in the Rappahannock-Rapidan region as well.

Policy Implications for the Rappahannock-Rapidan Region

As the demand for housing in the region increases, local governments in the Rappahannock-Rapidan region will face increasing pressures to approve new housing developments. As this demand gets met in parts of the region, the local governments will increasingly face some of the pressures and problems of growth experienced in past decades by counties closer to Washington DC, such as Loudoun and Prince William. In those jurisdictions, development followed improvements in the highway network and the development pattern and densities were placed in concert with highway accessibility only.

As the RRRC jurisdictions face these growth issues, there may be some "lessons learned" from the inner counties, and opportunities should be sought for higher densities and clustering of development.

However, in clustering new developments near retail stations they will need to be carefully planned and located to minimize traffic impacts.

The Rappahannock-Rapidan region may also face pressures for additional housing supply in the age-restricted segment. These types of developments are relatively new in the greater Washington region, and there is not much trend information available. These developments do have less fiscal impact than traditional residential developments as they generate few, if any, school children. However, these types of development have special service and tax implications that are not yet fully understood. It is anticipated that more information may become available about this market segment in the future.

Culpeper County

Economic Conditions

Unemployment Rate (12/05)	2.0
Change in Unemployment Rate (12/04 - 12/05)	-0.4
Total Jobs (Q2 05)	14,563
Change in Jobs (Q2 04 - 05)	1,007
Population (2004)	40,192
Change in Population (00 - 04)	5,930
Pct. Change in Population (00-04)	17.3

2005 Homes Sales by Zip Code

Zip Code	Units Sold	Avg Price	Avg Days on Market
20106	38	$446,700	45
22071	1	$389,900	34
22701	697	$315,464	38
22710	1	$236,000	10
22712	3	$452,613	1
22713	28	$336,912	83
22714	15	$318,564	71
22718	6	$341,667	34
22724	56	$497,261	48
22726	8	$280,342	29
22729	1	$255,000	75
22733	16	$277,917	92
22734	4	$1,113,078	115
22735	24	$320,587	54
22736	7	$340,207	55
22737	72	$385,310	55
22741	2	$330,950	33
22742	1	$469,999	0
22746	10	$587,200	129
22942	1	$449,890	0
Zip Unknown	5	$445,088	22
Total	**996**	**$343,150**	**44**

Culpeper County

2005 Home Sales by Type

Type	Units Sold	Avg. Price
SF Detached	806	$372,291
SF Attached	152	$211,682
Condo	15	$208,035
Other	23	$278,960
Total	**996**	**$343,151**

Fauquier County

Economic Conditions

Unemployment Rate (12/05)	2.0
Change in Unemployment Rate (12/04 - 12/05)	-0.4
Total Jobs (Q2 05)	21,607
Change in Jobs (Q2 04 - 05)	801
Population (2004)	63,255
Change in Population (00 - 04)	8,116
Pct. Change in Population (00-04)	14.7

2005 Homes Sales by Zip Code

Zip Code	Units Sold	Avg Price	Avg Days on Market
20106	4	$434,475	30
20112	1	$550,000	0
20115	93	$729,686	73
20117	4	$778,500	163
20119	56	$497,501	57
20128	3	$939,967	81
20137	11	$496,491	33
20138	1	$390,000	8
20139	5	$604,760	134
20140	3	$702,000	116
20144	11	$1,096,364	140
20169	1	$998,483	0
20181	11	$563,564	53
20184	5	$1,354,000	322
20185	4	$446,500	48
20186	326	$451,057	45
20187	281	$523,687	42
20198	28	$1,471,629	106
20199	1	$510,990	9
22184	1	$335,000	67
22374	1	$335,000	9

Fauquier County

2005 Homes Sales by Zip Code (continued)

Zip Code	Units Sold	Avg Price	Avg Days on Market
22554	1	$445,000	40
22639	12	$718,598	55
22642	8	$373,438	95
22643	2	$948,750	200
22701	3	$381,994	9
22712	178	$374,402	37
22720	11	$487,627	74
22724	1	$332,000	11
22728	37	$484,505	42
22734	87	$290,189	45
22742	28	$348,438	43
22743	1	$250,000	0
Total	**1,220**	**$508,150**	**51**

2005 Homes Sales by Type

Type	Units Sold	Avg. Price
SF Detached	1,028	$544,273
SF Attached	138	$218,238
Condo	42	$326,090
Other	12	$1,384,830
Total	**1,200**	**$508,150**

Madison County

Economic Conditions

Unemployment Rate (12/05)	2.5
Change in Unemployment Rate (12/04 - 12/05)	-0.3
Total Jobs (Q2 05)	3,476
Change in Jobs (Q2 04 - 05)	-52
Population (2004)	13,134
Change in Population (00 - 04)	614
Pct. Change in Population (00-04)	4.9

2005 Homes Sales by Zip Code

Zip Code	Units Sold	Avg Price	Avg Days on Market
22556	1	$70,000	41
22701	8	$233,463	39
22709	11	$223,573	40
22711	3	$289,333	87
22715	16	$316,569	27
22719	2	$528,750	119
22722	4	$344,225	131
22724	1	$90,000	4
22725	2	$191,500	33
22727	68	$319,046	56
22730	1	$319,000	7
22731	2	$217,250	38
22732	4	$224,925	119
22735	3	$405,833	21
22738	12	$350,131	70
22743	3	$193,300	76
22748	4	$263,750	80
22948	2	$311,500	105
22960	2	$228,500	49
22973	2	$128,200	46
22989	1	$175,000	0
Total	**152**	**$297,047**	**56**

Madison County

2005 Home Sales by Type

Type	Units Sold	Avg. Price
SF Detached	146	$302,755
SF Attached	0	N/A
Condo	0	N/A
Other	6	$158,150
Total	**152**	**$297,047**

Orange County

Economic Conditions

Unemployment Rate (12/05)	2.4
Change in Unemployment Rate (12/04 - 12/05)	-0.2
Total Jobs (Q2 05)	9,225
Change in Jobs (Q2 04 - 05)	280
Population (2004)	28,970
Change in Population (00 - 04)	3,089
Pct. Change in Population (00-04)	11.9

2005 Homes Sales by Zip Code

Zip Code	Units Sold	Avg Price	Avg Days on Market
22433	1	$229,000	38
22508	460	$321,302	54
22542	31	$305,369	47
22553	3	$251,600	35
22554	1	$325,000	52
22567	33	$318,119	75
22598	1	$267,900	85
22701	7	$197,375	57
22733	6	$719,400	190
22923	3	$399,667	61
22942	30	$233,366	65
22957	1	$385,000	18
22960	136	$256,469	64
22972	2	$300,000	36
23117	1	$420,000	75
Total	**716**	**$306,596**	**58**

Orange County

2005 Home Sales by Type

Type	Units Sold	Avg. Price
SF Detached	675	$313,521
SF Attached	16	$175,581
Condo	1	$125,000
Other	24	$206,748
Total	**716**	**$306,596**

Rappahannock County

Economic Conditions

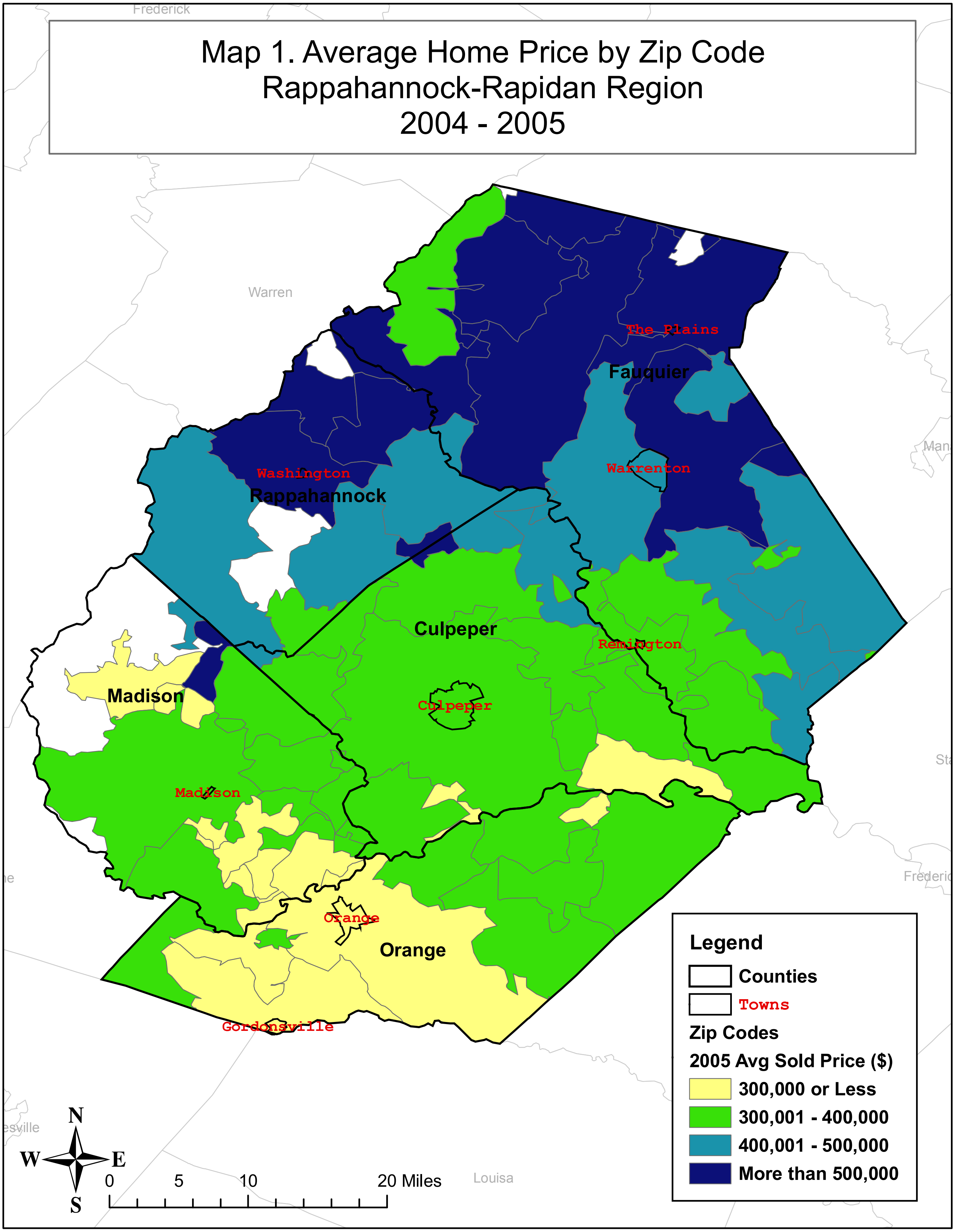
Unemployment Rate (12/05)	1.9
Change in Unemployment Rate (12/04 - 12/05)	-0.4
Total Jobs (Q2 05)	1,533
Change in Jobs (Q2 04 - 05)	8
Population (2004)	7,171
Change in Population (00 - 04)	188
Pct. Change in Population (00-04)	2.7

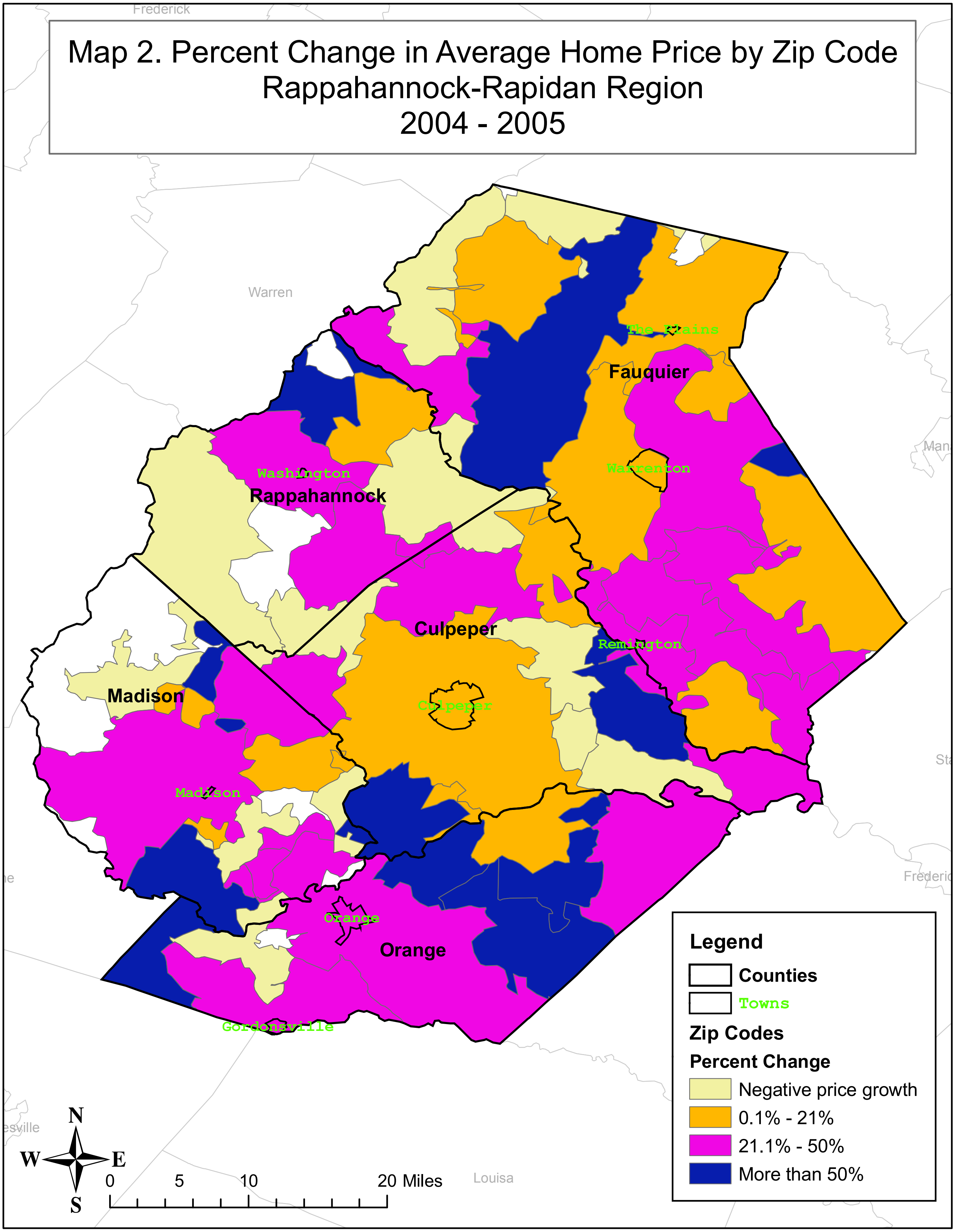
2005 Homes Sales by Zip Code

Zip Code	Units Sold	Avg Price	Avg Days on Market
20106	15	$352,340	69
21016	1	$302,000	120
22623	11	$256,703	98
22627	9	$540,667	82
22640	5	$873,030	89
22713	2	$537,000	159
22716	11	$490,045	61
22735	1	$210,000	14
22740	20	$485,420	95
22746	2	$359,950	91
22747	13	$777,462	93
Total	**90**	**$498,353**	**86**

2005 Home Sales by Type

Type	Units Sold	Avg. Price
SF Detached	84	$482,733
SF Attached	0	N/A
Condo	0	N/A
Other	6	$717,045
Total	**90**	**$498,353**


Map 1. Average Home Price by Zip Code
Rappahannock-Rapidan Region
2004 - 2005
Frederick
Warren
The Plains
Fauquier
Washington
Rappahannock
Warrenton
Culpeper
Remington
Madison
Orange
Gordonsville
Louisa
Legend
Counties
Towns
Zip Codes
2005 Avg Sold Price ($)
300,000 or Less
300,001 - 400,000
400,001 - 500,000
More than 500,000
N
W
E
S
0
5
10
20 Miles


Map 2. Percent Change in Average Home Price by Zip Code
Rappahannock-Rapidan Region
2004 - 2005
Frederick
Warren
The Plains
Fauquier
Warrenton
Washington
Rappahannock
Culpeper
Remington
Madison
Orange
Gordonsville
Louisa
Legend
Counties
Towns
Zip Codes
Percent Change
Negative price growth
0.1% - 21%
21.1% - 50%
More than 50%
N
W
E
S
0
5
10
20 Miles

About RRRC

The Rappahannock-Rapidan Regional Commission serves the counties of Culpeper, Fauquier, Madison, Orange and Rappahannock, and the towns of Culpeper, Gordonsville, Madison, Orange, Remington, and Warrenton.

One of 21 regional or planning district commissions chartered by the Commonwealth of Virginia, the Commission provides a broad range of planning-related services and technical assistance, a concerted approach to regional cooperation, and a forum for the interaction of appointed and elected local government officials and citizen members.

The Rappahannock-Rapidan Regional Commission is located in Culpeper, VA, and can be found online at: http://www.rrregion.org.

Rappahannock-Rapidan Regional Commission
420 Southridge Parkway, S.106
Culpeper, VA 22701
(540) 829-7450 phone
(540) 829-7452 fax
planinfo@rrregion.org

Acknowledgment

This report was made possible in part through funding provided by the Virginia Department of Rail and Public Transportation (DRPT).

About the George Mason University Center for Regional Analysis

The Center for Regional Analysis was formed in 1993 to undertake research on regional economic development policy focusing primarily on technologically intense regions. Over the past decade, the Center for Regional Analysis has evolved to become the leader for research and analysis of the Washington DC metropolitan area.

The Center for Regional Analysis is houses with the School of Public Policy at George Mason University and can be found online at http://www.cra-gmu.org.

The Center for Regional Analysis
School of Public Policy
George Mason University
4400 University Drive, MailStop 3C6
Fairfax, Virginia 22030-4444
(703) 993-2401
John McClain jmcclai5@gmu.edu
Lisa Fowler lfowler2@gmu.edu