

Fredericksburg, Virginia

Rental Real Estate Overview 2023

Thinking about investing near the U.S. Capitol? The real estate in D.C. costs [more than twice](#) the U.S. average, but it is still possible for investors to benefit from the popularity of the capital city by investing in other towns nearby.

One of the best small cities near Washington, D.C. is Fredericksburg, Virginia. Keep reading to learn more about the city and determine whether Fredericksburg could be your next investment location.

About Fredericksburg, VA

Founded in 1728, Fredericksburg was named after Frederick, Prince of Wales (1707-1751). While old roads downtown still bear names of British royals, Fredericksburg has been a significant part of U.S. history. The city [manufactured guns](#) for the Revolutionary War. It's also the site of the famous Battle of Fredericksburg—one of the Union's biggest losses during the Civil War.

Fredericksburg is also George Washington's hometown. In fact, you can still visit [Ferry Farm](#), where Washington spent his boyhood days. Historic Kenmore is another famous site owned by George Washington's sister, Betty Washington Lewis, and her husband, Fielding Lewis.

Fredericksburg is located along the Rappahannock River, which runs straight through its historic downtown. The Potomac River lies just east of the city. I-95 gives commuters easy access to Washington, D.C., a one-hour drive away, allowing Fredericksburg citizens to enjoy the perks of the United States capital city along with the small-town perks of Fredericksburg.

CITY STATISTICS

Population

29,092 (city proper)
338,000 (greater area)

Median Income

\$40,619 /capita
\$72,293 /household

Median Age

30.7

Area

10.5 sq mi.

Unemployment rate

3.7%

GDP

\$7.3 Billion

Highest Paying Jobs

Dump Truck Owner Operator, Scrum Master, Nurse Practitioner, Outpatient Clinic RN, Voice Actor, Radio, Nursing

Major employers

Mary Washington Hospital, Commonwealth of Virginia, City of Fredericksburg & Public School System, Walmart, Wegmans, Rappahannock Area Community Services Board, Favor Techconsulting LLC, Rehabilitation Hospital of Fredericksburg

FREDERICKSBURG REAL ESTATE MARKET STATISTICS

44 (city proper)

123 (metro area)
Neighborhoods

590

Homes for sale
as of April 2023

\$475K

Median List
Price

\$450K

Median Sold
Price

\$193

Median Price per
Square Foot

95%

Sale-to-List
Price Ratio

56

Median Days
on Market

\$1,675

Median Montly
Rent

3.5%

1-Year
Appreciation Rate

22.39

Price-To-Rent
Ratio

4.7%

Rental Vacancy
Rate

3.9%

Homeowner Vacancy
Rate

MOST EXPENSIVE NEIGHBORHOODS

Neighborhood	Average Monthly Rent	Median Listing Price
College Terrace / Downtown Fredericksburg	\$1,884	\$629,260
Smiths Hill	\$1,782	\$607,141
England Run / England Run North	\$1,742	\$584,848
Doe Run Estates / Mineral Springs Plantation	\$1,616	\$558,360
The Hills at Snowden / Villas at Snowden	\$1,677	\$531,785

LEAST EXPENSIVE NEIGHBORHOODS

Neighborhood	Average Monthly Rent	Median Listing Price
Legacy Woods / Timbers	\$2,069	\$268,572
Cottage Green	\$1,978	\$305,289
Sheraton Hills / Chancellor Green	\$2,365	\$317,411
Maple Grove / Waverly Village	\$1,945	\$319,763
Summerlake / Leavells Crossing	\$1,954	\$330,692

LOOKING FOR AN INVESTOR-FRIENDLY AGENT?

From accessing off-market deals, to building a team, to determining the right rental rates, buying properties in a new market can prove tough for any investor. That's why we launched Evernest Brokerage.

Invest in [some of the best real estate markets](#) in the United States. Working with Evernest's in-house brokerage team of investor-friendly real estate agents is the most efficient way to build a local team and grow your rental portfolio.

It's simple. Visit our website, pick your market, fill out the form, and a member of our team will get back to you within 24 hours.

Get started here
TODAY!



AT-A-GLANCE PROS AND CONS TO INVESTING IN FREDERICKSBURG

When looking at any new real estate market, it's important to consider all aspects of investing in the area. Considerations like quality of life, overall affordability, and school choice will impact your long-term investment even if they aren't a direct factor in your buying decision.

Here are a few pros and cons of investing in Fredericksburg, Virginia. These will have a different impact on you depending on your risk tolerance and investment strategy. Don't have an investment strategy yet? No worries - just [get in touch with our team](#) to put together a solid plan today.

Pros of Fredericksburg, Virginia

- Established history
- Walkable downtown
- Easy access to major cities (Richmond, Charlottesville, D.C.)
- Affordable in comparison to the surrounding areas
- 45 minutes from a major international airport
- AmTrak station
- Ethnically diverse
- Spacious homes with large yards
- Historic homes and beautiful craftsmanship
- Relatively young city

Cons of Fredericksburg, Virginia

- Bad traffic
- Low real estate inventory
- Higher property tax rate than state average
- Bad price-to-rent ratio
- Many garageless homes downtown
- Cost of living 8.2% higher than national average

FIVE REASONS TO INVEST IN FREDERICKSBURG REAL ESTATE

While there are downsides to investing in Fredericksburg, the pros certainly outweigh the cons for the right investors. Here are the top five reasons to invest in Fredericksburg real estate:

- Established History
- Location and Accessibility
- Relative Affordability
- Long-term Growth Prospects
- Quality of Life



1.

ESTABLISHED HISTORY

With both Civil War and Revolutionary War history, Fredericksburg has remained a common attraction for hundreds of years. Since it's such a hub for important history, it's likely to remain an established tourist location for United States history-lovers for years to come.

Historic attractions in Fredericksburg include:

- Chatham Manor
- Rappahannock Railroad Museum
- Ferry Farm

- James Monroe Museum & Memorial Library
- Slaughter Pen Farm
- Fredericksburg Battlefield Visitor Center
- Braehead Manor

Established history always means dozens of beautiful historic homes! The city's architecture features a [wide array of styles](#): Bungalows, Colonial Revivals, Queen Annes, Federal, Romanesque Revivals, Greek Revivals and Gothic Revivals are some of the top historic architecture styles you'll see in historic downtown.



2.

LOCATION AND ACCESSIBILITY

Fredericksburg is close to several major cities:

- 53 miles from Washington, D.C.
- 60 miles from Richmond, Virginia
- 71 miles from Charlottesville, North Carolina
- 82 miles from Baltimore, Maryland

Close to Quantico, Fredericksburg also offers a 45-minute commute for military members working there. Many people employed in D.C. also choose to live in Fredericksburg and commute to the capitol city.

Interstate 95 connects Fredericksburg to hundreds of cities on the east coast. Other major highways include State Route 1, running north-south; State Route 3, running east-west; and State Route 3, running east-west.

Fredericksburg's accessibility doesn't end with its roadways, though. Its AmTrak station allows for easy access to most of the country by train. It's only one hour away from the Ronald Reagan Washington International Airport (DCA), allowing for quick flights to many domestic locations.

Fredericksburg also has water accessibility - the Rappahannock River runs right through downtown, and the Potomac River is accessible on the east side of the greater Fredericksburg areas.

For a small town, this makes Fredericksburg incredibly accessible, especially when you consider everything the surrounding cities have to offer!



3.

RELATIVE AFFORDABILITY

Overall, the [cost of living](#) in Fredericksburg is 7.1% higher than the national average. But when compared to the surrounding areas, you can see why this town is a shoe-in for people wanting an investment property.

[Here's a quick table](#) comparing cost of living in D.C. and Fredericksburg. The only thing cheaper in Washington, D.C. is healthcare! An annual salary of \$50,000 in Fredericksburg would need to be replaced by a salary of close to \$70,000 in Washington, D.C.

Overall Index	D.C. is 39.2% more expensive
Food & Groceries	D.C. is 5.9% more expensive
Housing	D.C. is 99.2% more expensive
Median Home Price	D.C. is 83.0% more expensive
Utilities	D.C. is 7.2% more expensive
Transportation	D.C. is 45.5% more expensive
Health	D.C. is 8.1% less expensive
Miscellaneous	D.C. is 3.1% more expensive

Many people choose to work in Washington, D.C. for the networking potential, connections, and career opportunities it offers. But not everyone wants to deal with the cost of living associated with the capital city. In fact, [42% of Fredericksburg's residents](#) commute outside the city for work!

Now that remote (or partially remote) options are available for many workers, it's likely more people will look at the relative affordability of Fredericksburg and choose to settle in an affordable area still close to D.C.



4.

LONG-TERM GROWTH PROSPECTS

The Capital of the United States isn't likely to change location... which means there will always be people working in D.C. who are looking for housing in the surrounding areas! Fredericksburg is an affordable alternative to D.C., so it's likely to continue being a go-to for people who want to work for D.C. companies without paying the high price to live in the city.

Don't believe us? Fredericksburg has an [average annual population growth rate](#) of 2.42%—well above the U.S. average of 0.69%!

There's also a broader trend across the entire U.S. of people moving **out** of big cities and **into** smaller towns and suburbs. Moving trends show ([according to the Hill](#)) that many Americans are moving out of D.C. In fact, Washington, DC lost over 3,600 residents in 2022 alone.

In addition to the influx of people moving to Fredericksburg, the city has also been fielding growth incentives, working hard to attract business owners and investors. A few of these incentives include:

- [Arts and Cultural District Incentive](#)
- [Technology Zone Incentive](#)
- [Tourism Zone Incentive](#)



5.

QUALITY OF LIFE

Not surprisingly, Fredericksburg has been ranked [in the 78th percentile when compared to 1,300 small cities in the U.S.](#) according to Wallethub.

Many people [mention](#):

- “Southern charm”
- “Small town atmosphere”
- “Sense of place”

...when describing the Fredericksburg area.

Of course, the “feel” of the town isn’t all that draws people there. The Historic District remains a hub of the city, drawing tourists and defining the core of what makes the city great.

The University of Mary Washington is the reason Fredericksburg is known as a college town. The average age of the city reflects this. With a median age of 31 years, the city is young in contrast to its historic roots. The youth and vibrance of the area adds to its charm. For a small city, Fredericksburg has an [active nightlife culture](#)—probably due to the youth of the people who live there.

Outdoor activities are prominent in Fredericksburg. With the Potomac and Rappahannock Rivers nearby, water activities like kayaking and paddle boarding are popular. There are also dozens of trails nearby. For avid outdoors lovers, the Appalachian trail is only two hours away, along with numerous other hiking opportunities.

Outdoor parks near Fredericksburg include:

- Fredericksburg Battlefield
- Lake Anna State Park
- Caledon State Park
- Old Mill Park
- Alum Spring Park
- Fredericksburg & Spotsylvania National Military Park

Of course, with D.C., Richmond, and Charlottesville nearby, Fredericksburg has the best of both worlds: the small-town feel with the big-city activities just a drive away.

FREDERICKSBURG REAL ESTATE PREDICTIONS

While no one can perfectly predict what will happen in the future, there are overall trends and statistics investors can look at to determine whether a market is worth investing in.

Here are a few key factors that will impact Fredericksburg's housing market: :

Demand for housing will stay steady or increase.

According to data from Pods, the moving and storage company, Washington, D.C. [is 4th on the list of U.S. cities](#) with the highest move-out rates. As remote work becomes more popular, it will be increasingly common to see people moving from large cities like D.C. into smaller surrounding towns and cities for the affordability and quietness they offer.

Fredericksburg is still close enough to D.C. to allow for easy airport access and a work commute when needed, but offers all the perks of a small town that many people are looking for today.

For this reason, people will continue moving to Fredericksburg, which is a great sign for the local housing market!

Rentals will be in high demand.

With a high price to rent ratio and growing interest rates, many individual buyers won't want to risk purchasing property. For this reason, more people moving to Fredericksburg will be looking for rental homes. This provides a perfect opportunity for investors looking for long-term investments with consistent rental potential.

INVEST WITH EVERNEST

whole world fears a recession. With every news source calling for a “collapse” of some sort or predicting “another bubble,” how can you sort through the fluff and find the most valuable markets for your money?

That’s why it’s crucial to have a team surrounding you as you build wealth and make investment decisions. Knowledgeable investment teams can help you avoid the common mistakes most investors make (and give you the extra boost of confidence to know you’re making a smart investment decision, *even in the most unpredictable markets.*)

Here at [Evernest](#), we’ve been investing in markets all across the United States since 2008. And not only that—we’ve also been [analyzing and sharing our information](#) about these opportunity-filled markets, in good times and bad, for other investors to study.

Our local team can be your eyes and ears in the Fredericksburg real estate world, saving you hours of time (and a few headaches as well). We’ll connect you with investor-friendly real estate agents and advisors to make your wealth-building journey smooth and successful.

Ready to invest with the help of a qualified team?

Let’s talk.

Are you an investor not just limited to Fredericksburg or Virginia? You can invest in [some of the best real estate markets](#) in the United States by working with Evernest’s in-house Brokerage team of investor-friendly Real Estate Agents. All you have to do is fill out this [form](#) and one of our agents will reach out within 24 hours.

*Make the best investments in the most attractive markets
with Evernest.....in good times and bad.*

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