

LARLYNCHBURG

HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

LAR Home Sales Report

First Quarter 2022

Lynchburg Association of REALTORS®

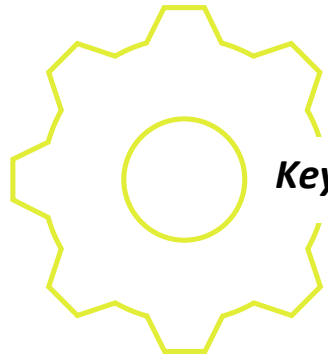
Market Report Key Takeaways

Economic Conditions

- Virginia's job market continues to recover from the pandemic-related losses. The state added 6,600 jobs between April and May and is now about 42,200 jobs short of pre-pandemic levels. Most of the growth this month was in the Leisure and Hospitality sector.
- Despite growing economic uncertainty and rising inflation, unemployment remains very low. In May, the unemployment rate was 3% statewide and 3.3% in the Lynchburg region.
- Mortgage rates are on the rise but have dipped from a month ago. In the third week of July, the average 30-year rate was 5.54%, up from the prior week, but down from the end of June when it was 5.7%.

Housing Market Conditions

- There were 1,146 homes sold in the LAR area in the second quarter. This is an 8% drop from the second quarter a year ago, which is 99 fewer sales. The market has been cooling in the LAR region for three consecutive quarters.
- Prices continue to surge in the LAR footprint even as sales activity is slowing. The median sales price regionwide was \$260,000 in the second quarter, jumping up 17% from a year ago, a gain of \$37,250.
- Supply increased slightly in the LAR housing market. There were 527 active listings across the footprint, 16 more listings than last year, rising 3%.



Key Trends Dashboard, LAR

Economy

- ▲ **3.3%** Is the May-2022 **unemployment rate** in the LAR footprint, which is up from Apr-2022
- ▲ **5.54%** Is the **30-year fixed-rate mortgage rate** during the third week of July 2022, which is up 2.76 percentage points from a year ago

Housing Market

- ▼ **-99** Fewer **home sales** in the LAR footprint in Q2-2022 compared to last year
- ▲ **17%** Percent change in **median sales price** in the LAR region in Q2-2022 compared to a year ago
- ▲ **\$40.4** Million dollars more in total **sold volume** in the LAR footprint in Q2-2022 compared to last year.
- ▲ **3%** Percent change in **active listings** at the end of Q2-2022 in the LAR market compared to a year ago
- **1.4** **Months of supply** in the LAR footprint in Q2-2022, which is unchanged from a year ago

Economic Overview

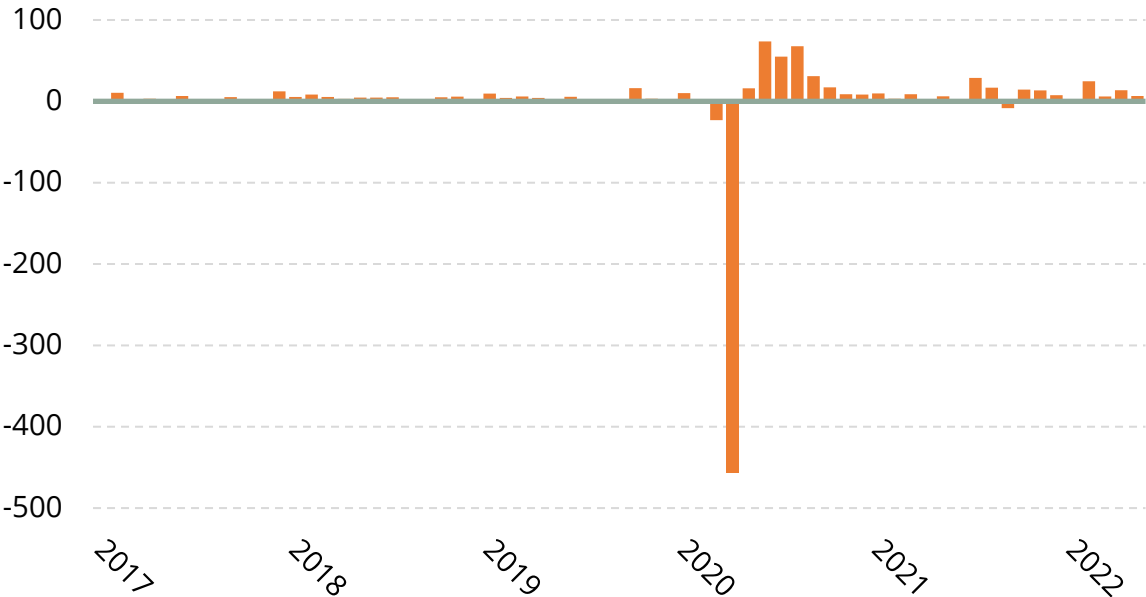
There continues to be a lot of economic uncertainty as inflation lingers at a 40-year high and supply chain issues persist. Mortgage interest rates are climbing, and purchasing power is down, leaving many buyers on the sidelines. Despite these headwinds, Virginia’s job base continues to grow, and unemployment remains very low.

Jobs

In May 2022, there were 4.04 million jobs across Virginia, a gain of 6,600 jobs between April and May. Virginia’s job base has been expanding for the past two years and is now about 46,200 shy of pre-pandemic levels. Several job sectors have fully recovered and have actually expanded since the start of the pandemic, including the Professional and Technical Services sector, and the Federal Government sector. The homeownership rate within these two job sectors tends to be relatively high, so growth in these sectors provides fuel for the housing market in Virginia.

One of the fastest growing job sectors in recent months has been the Leisure and Hospitality sector. This sector was hit the hardest by the pandemic and is still recovering.

Figure 1
Virginia Month-to-Month Change in Jobs

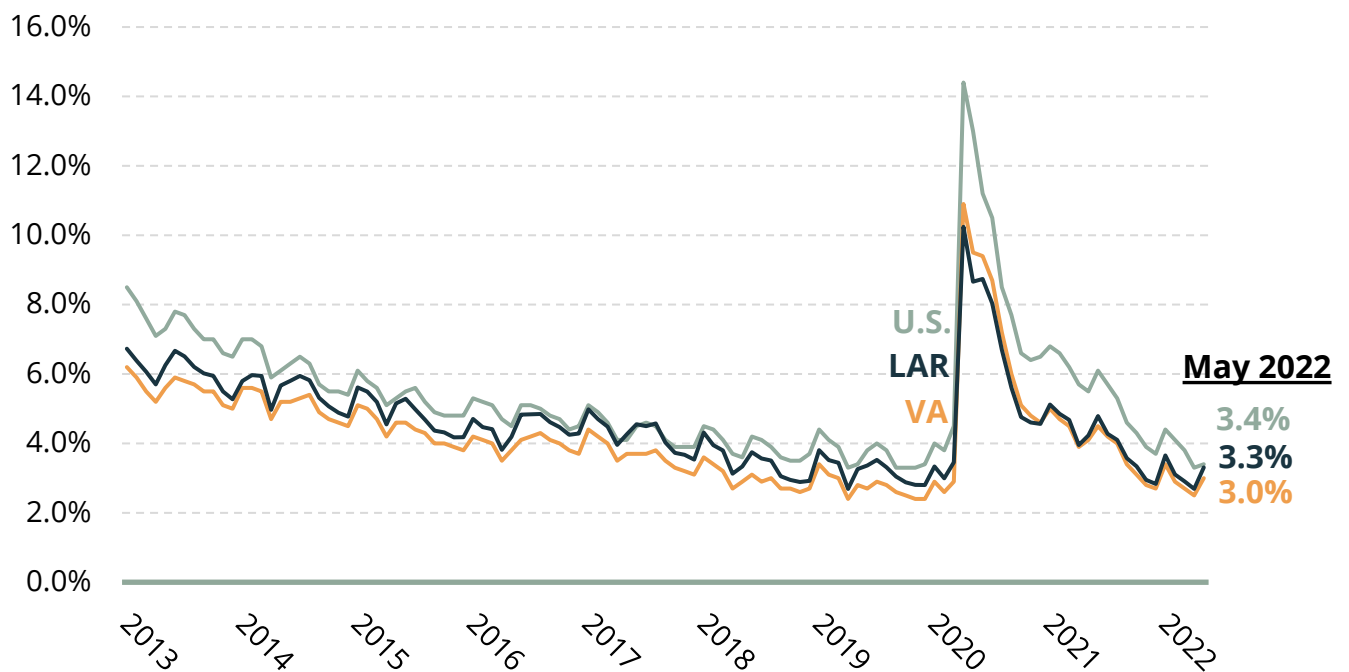


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

Unemployment

The unemployment rate continues to be a bright spot in Virginia's economy amid mounting inflation and economic uncertainty. In May, the unemployment rate in Virginia was 3% (not seasonally adjusted), which is up from 2.5% in April. This is a typical seasonal increase in the unemployment rate. In the LAR footprint, the May unemployment rate was 3.3%, which is up from 2.7% in April.

Figure 2
Unemployment Rate



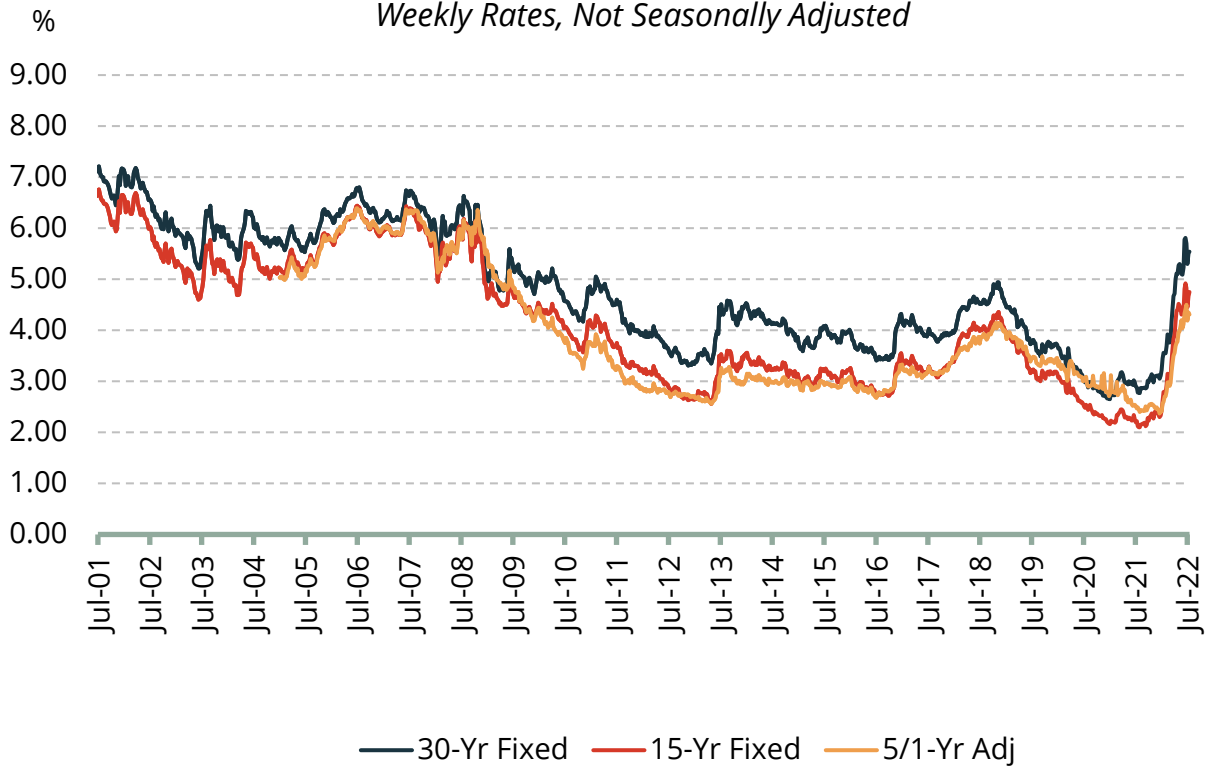
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Mortgage Rates

The average rate on a 30-year fixed mortgage in the third week of July was 5.54%, which is up from the prior week, but down from the end of June when it was 5.7%. Upward pressure on interest rates is likely to continue as the Federal Reserve is set to increase the Federal Funds Rate at the end of July amid rising inflation. Mortgage rates have increased more than two percentage points so far this year, which has had a cooling effect on housing markets across the country, including here in Virginia.

Figure 3
Mortgage Interest Rates

Weekly Rates, Not Seasonally Adjusted



Source: Federal Reserve Bank of St. Louis

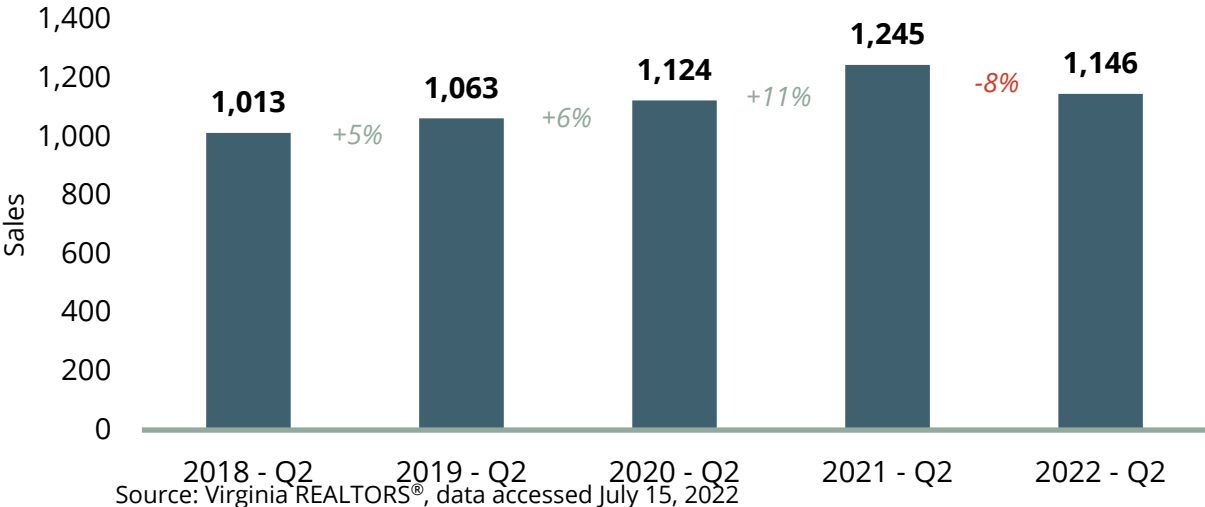
Housing Market Overview

The LAR housing market continues to show signs of cooling. Sales activity was slower than this time last year, the third drop in a row. Despite fewer sales overall, prices are surging, and homes continued to sell faster on average. This reflects how competitive the market is in many parts of the region. While the supply remains tight, the region did have its first increase in active listings in years, a signal that the inventory is starting to build up in some local markets.

Sales

Home sales activity continued to slow down in the LAR housing market. There were 1,146 sales across the region during the second quarter of 2022, which is 8% fewer sales than a year ago, a decline of 99 sales. This is the sharpest drop in sales the LAR market has had in more than seven years. Sales activity moderated in May and June in the second quarter and increased in April compared to last year. Statewide sales activity moderated this quarter, down 14% from the second quarter of last year.

Figure 4
Second Quarter Home Sales, LAR
2018-2022





Local Snapshot – *Total Home Sales*

Amherst County: Total sales in Amherst County decreased during quarter two of 2022. There were 108 home sales, which is 23 less than last year, an 18% drop.

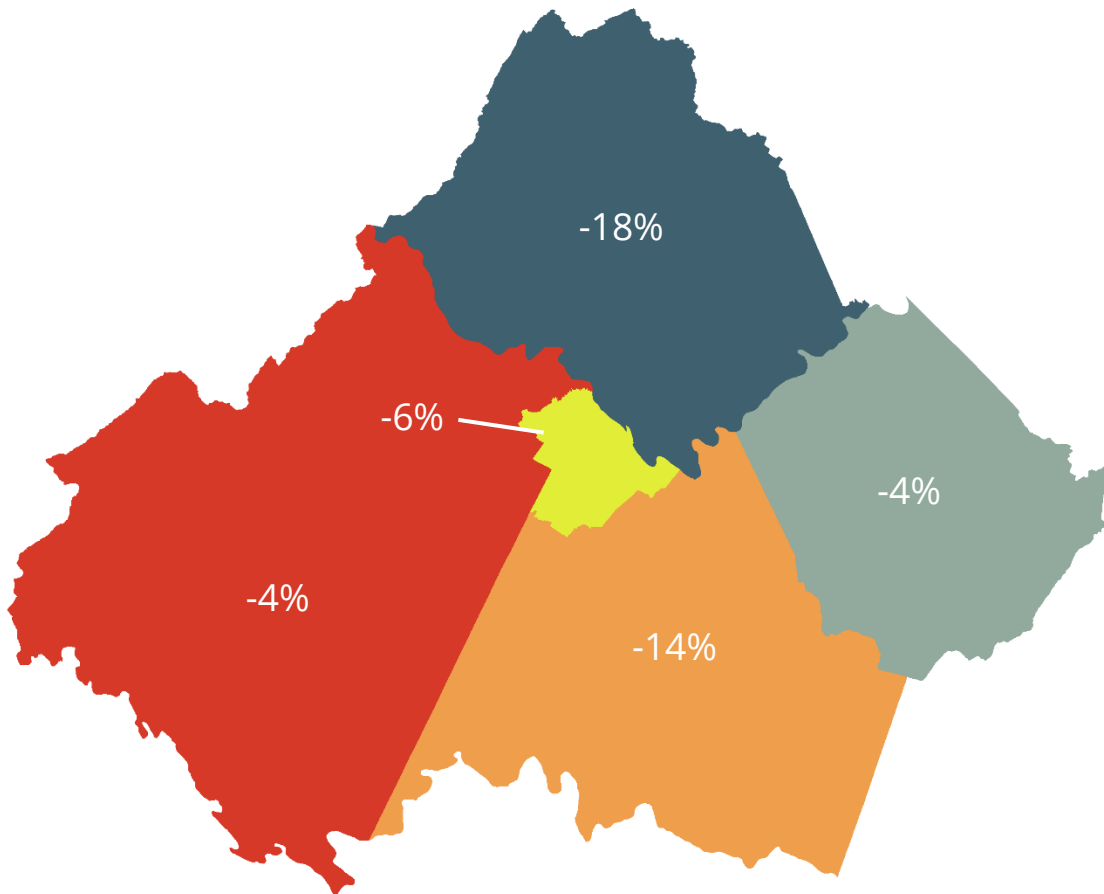
Appomattox County: In Appomattox County total sales dropped for the second consecutive quarter in 2022. A total of 53 homes were sold during this quarter, which is 4% less than last year (two fewer homes).

Bedford County: Bedford County continued to have the most quarterly sales in the LAR footprint, with 413 total sales in the second quarter of 2022. This is a 4% decline in total sales (-15) compared to last year. Sales have declined for four consecutive quarters in the county.

Campbell County: There was a sharp decline in total sales in Campbell County this quarter. During the second quarter of 2022, there were 224 sales within the county, which is 36 less than the previous year (-14%).

Lynchburg: Total sales in Lynchburg have declined for three consecutive quarters. During the second quarter of 2022, there were a total of 348 home sales, which is a 6% decrease, or 23 fewer sales than last year.

Figure 5
Change in Sales by Jurisdiction
LAR
Second Quarter 2021 to Second Quarter 2022



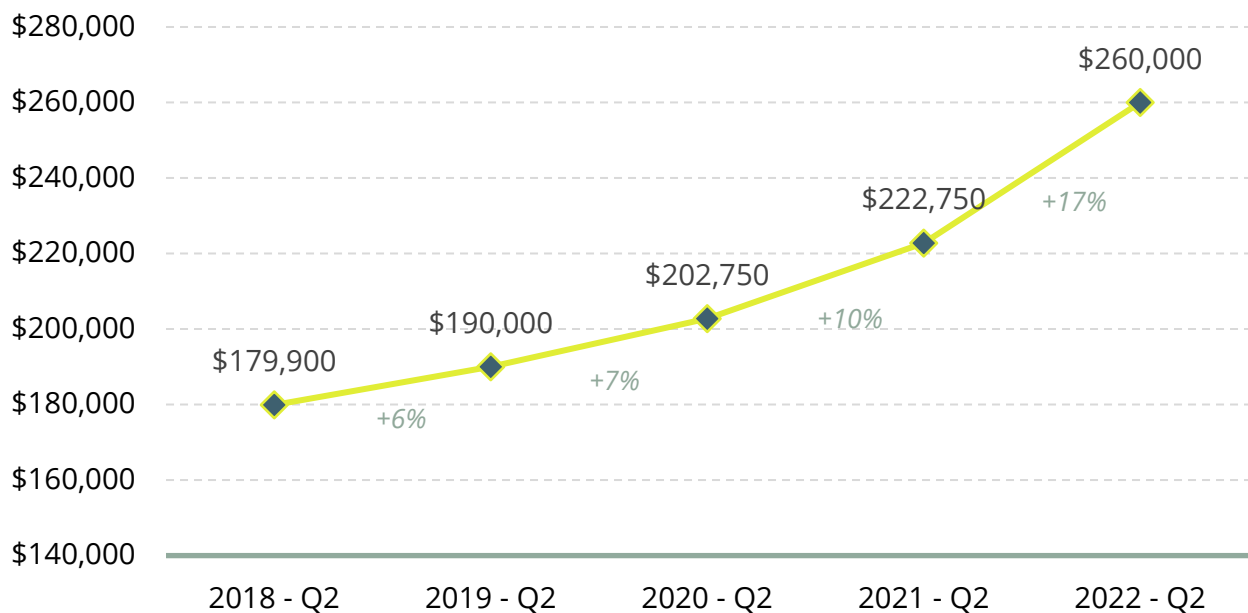
<i>Jurisdiction</i>	<i>2021 - Q2</i>	<i>2022 - Q2</i>	<i>% Change</i>
Amherst County	131	108	-18%
Appomattox County	55	53	-4%
Bedford County	428	413	-4%
Campbell County	260	224	-14%
Lynchburg	371	348	-6%

Source: Virginia REALTORS®, data accessed July 15, 2022

Sales Prices

Despite the sharp drop in sales activity, home prices continued to climb rapidly across the entire LAR footprint. The regionwide median sales price in the second quarter was \$260,000, jumping up 17% from last year, a gain of \$37,250. The median sales price in the region is now about \$87,000 higher than it was at this time five years ago. Statewide, the second quarter median sales price was \$397,500, up 9% from last year.

Figure 6
Second Quarter Median Sales Price, LAR
2018-2022



Source: Virginia REALTORS®, data accessed July 15, 2022



Local Snapshot – *Median Sales Price*

Amherst County: In Amherst County, the median sales price was \$219,950, which is \$21,000 more than it was last year, representing an 11% increase in the second quarter of 2022, compared to last year.

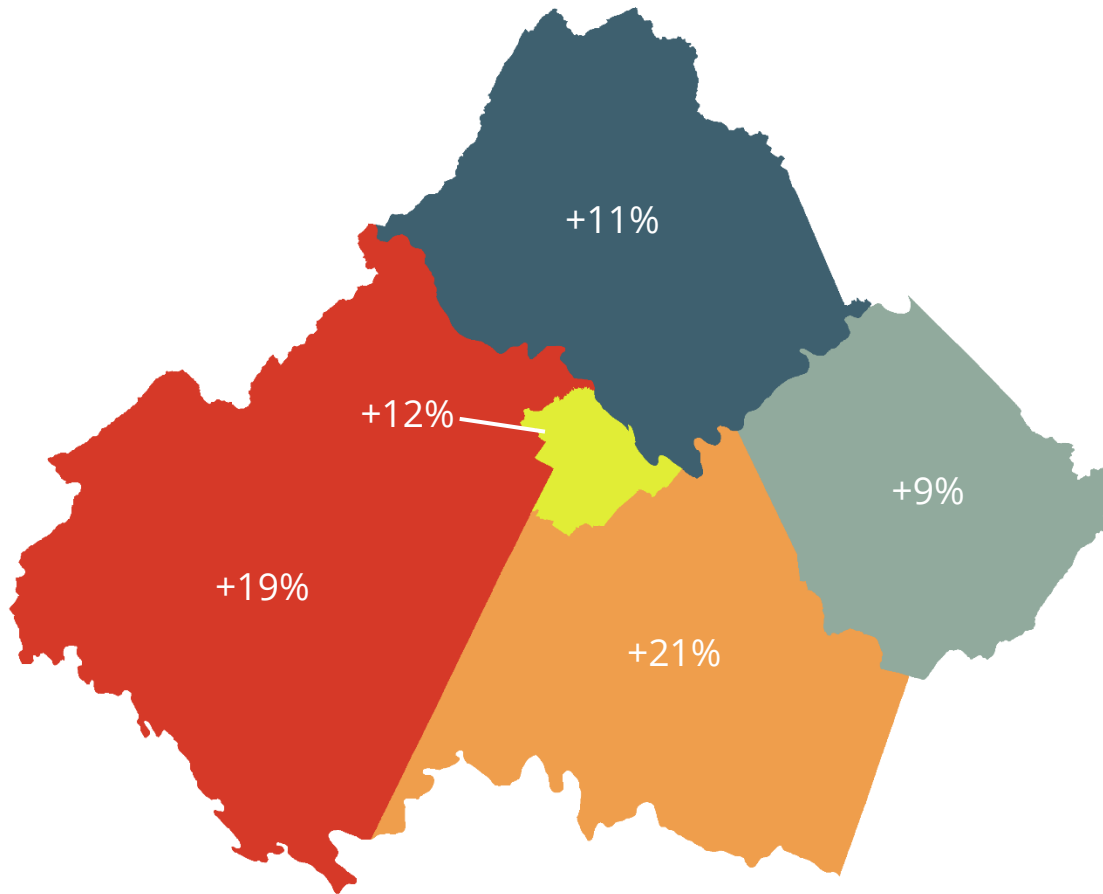
Appomattox County: The median sales price in Appomattox County was \$249,950. This median price is \$20,000 more than it was last year, a 9% increase. Since the pandemic began, the median price in the county has risen by over \$90,000 (+48%).

Bedford County: Bedford County has the highest median price in the LAR region. The median sales price was \$350,000 in Bedford County in the second quarter of 2022. This is \$55,000 more than it was one year ago, a 19% increase. The current price is about 37% more than it was in the second quarter of 2020, which about a \$90,000 increase.

Campbell County: The median price in Campbell County has increased for the fourth consecutive quarter. The median sales price in the county was \$252,950, a \$43,050 increase from the second quarter last year (+21%).

Lynchburg: Home prices continued to climb in the Lynchburg housing market. During the second quarter of 2022 the median sales price in Lynchburg was \$219,000. This is \$24,000 more than last year, a 12% increase.

Figure 7
Change in Median Sales Price by Jurisdiction
LAR
Second Quarter 2021 to Second Quarter 2022



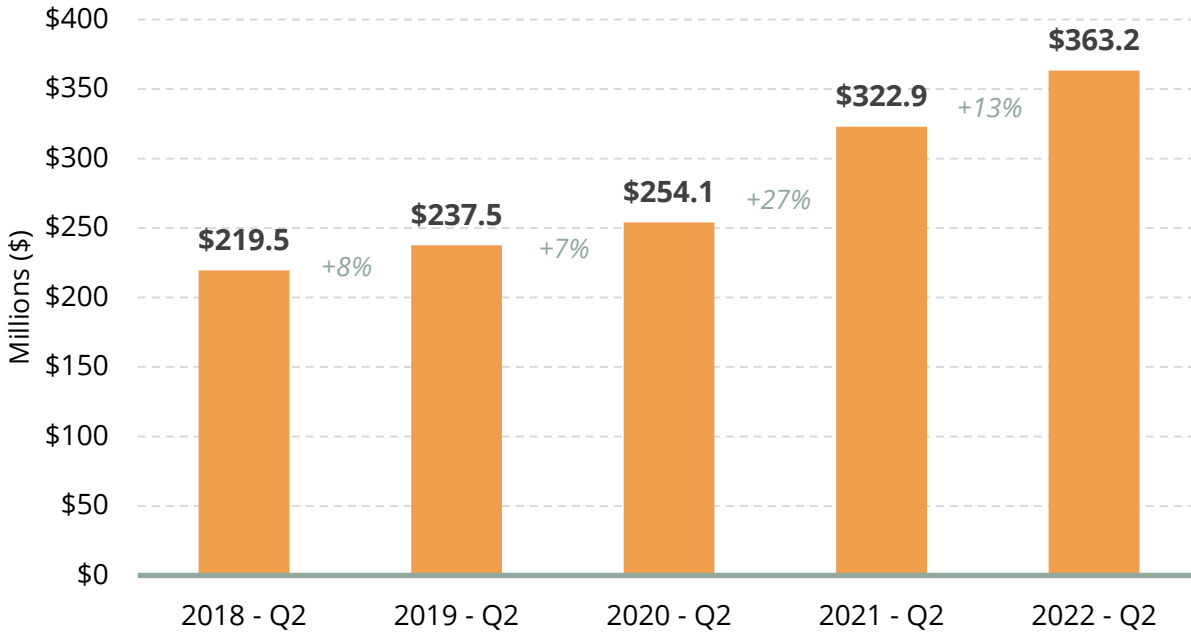
<i>Jurisdiction</i>	<i>2021 - Q2</i>	<i>2022 - Q2</i>	<i>% Change</i>
Amherst County	\$198,950	\$219,950	11%
Appomattox County	\$229,950	\$249,950	9%
Bedford County	\$295,000	\$350,000	19%
Campbell County	\$209,900	\$252,950	21%
Lynchburg	\$195,000	\$219,000	12%

Source: Virginia REALTORS®, data accessed July 15, 2022

Sold Volume

Even as sales activity continued to cool, surging home prices drove up the total sold dollar volume in the LAR market. In the second quarter there was approximately \$363.2 million of sold volume, an influx of \$40.3 million from last year, representing a 13% increase. The LAR region is one of only a handful in Virginia that had sold volume growth this quarter.

Figure 8
Second Quarter Sold Dollar Volume (Millions), LAR
2018-2022



Source: Virginia REALTORS®, data accessed July 15, 2022



Local Snapshot – *Sold Dollar Volume*

Amherst County: Even though the median sales price rose, Amherst County was the only county to have a decline in sold dollar volume this quarter. During the second quarter of 2022, the total sold dollar volume was more than \$24.9 million in the county, which is about \$4.7 million less than what it was in 2021, a 16% drop.

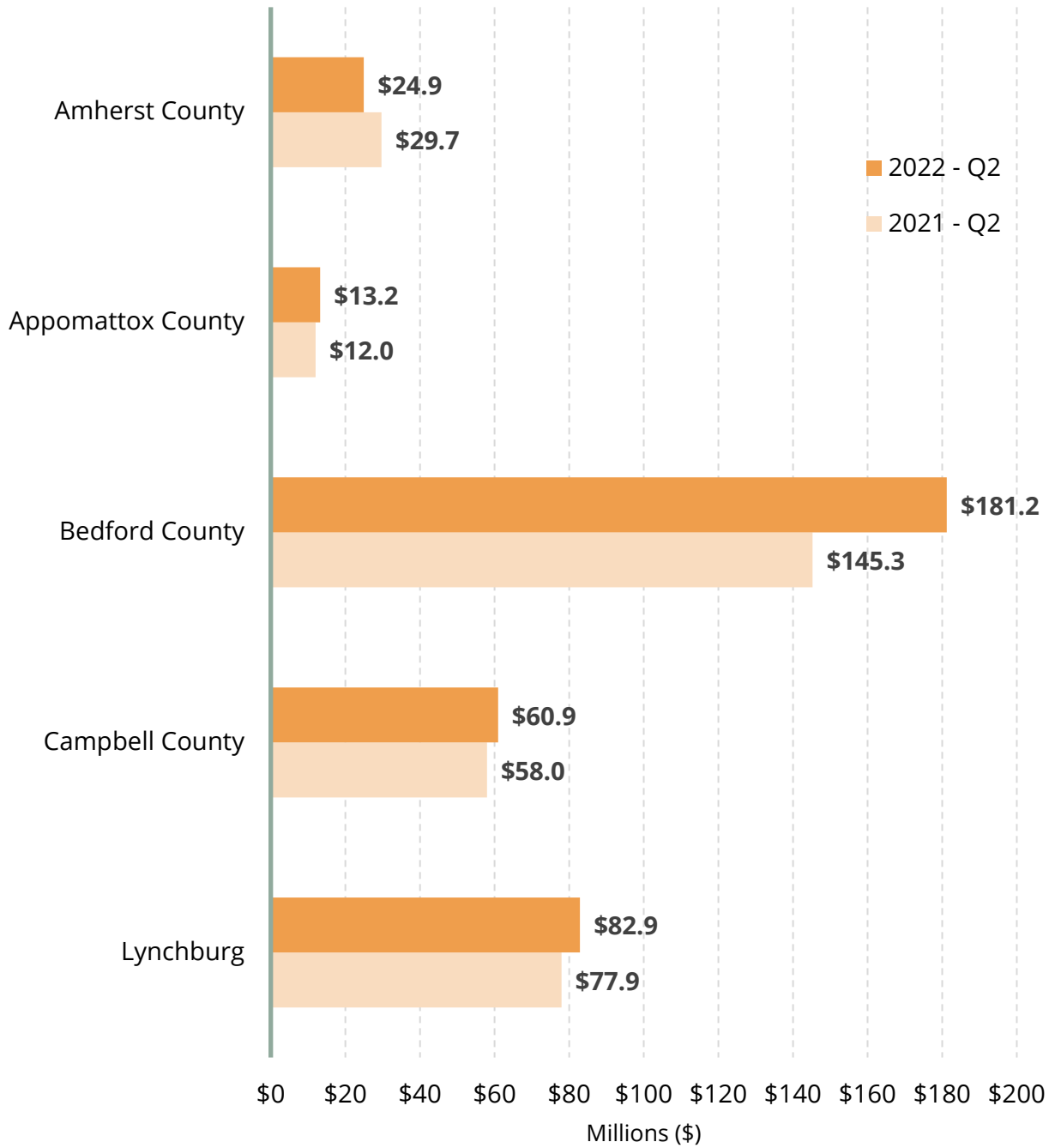
Appomattox County: As total sales declined slightly in Appomattox County, rising sales prices resulted in an increase of sold dollar volume during the second quarter of 2022. The sold dollar volume in the county was more than \$13.2 million, which is a growth of \$1.2 million from last year, a 10% increase.

Bedford County: In Bedford County the sold dollar volume was the highest in the LAR footprint during the second quarter of 2022. The sold volume was more than \$181.2 million, the highest it's ever been in the county. This is \$35.9 million more than it was last year, a 25% increase.

Campbell County: Even though total sales declined sharply in the second quarter of 2022, strong sales price growth resulted in an incremental increase in sold dollar volume. Campbell County had about \$60.9 million of sold volume, which is \$2.9 million more than the previous year (+5%).

Lynchburg: The sold dollar volume moderated in Lynchburg during the second quarter of 2022. There was about \$82.8 million of sold volume in the city this quarter, which is an additional \$4.9 million from last year (+6%).

Figure 9
Second Quarter Sold Dollar Volume, LAR Jurisdictions
2021 and 2022

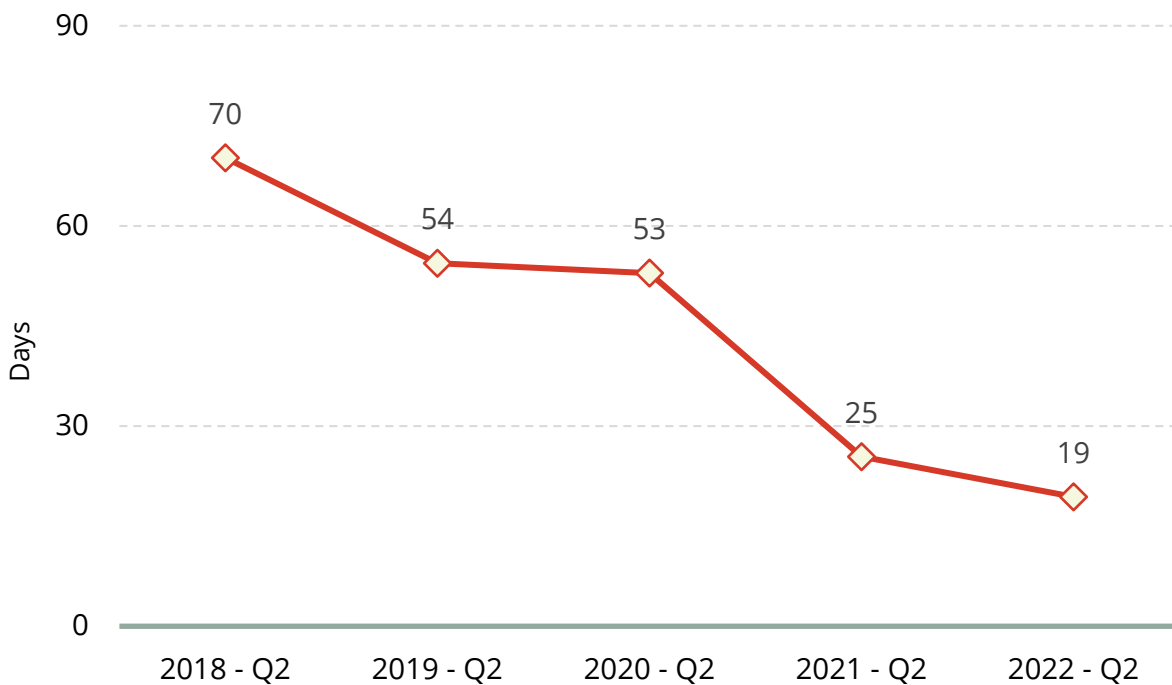


Source: Virginia REALTORS®, data accessed July 15, 2022

Days on Market

Homes are selling historically fast in the LAR market. The average days on market in the second quarter was just 19 days, about a week faster than this time last year (-6 days). As the supply of homes in the region has tightened, competition in the housing market has increased even with fewer sales overall. Statewide, homes sold in 18 days on average in the second quarter, down from 22 days a year ago.

Figure 10
Second Quarter Average Days on Market, LAR
2018-2022



Source: Virginia REALTORS®, data accessed July 15, 2022



Local Snapshot – *Average Days on Market*

Amherst County: Homes are selling faster on average in the Amherst County housing market. During the second quarter of 2022, the average days on market was 24 days. Last year in the second quarter homes were on the market an average of 48 days.

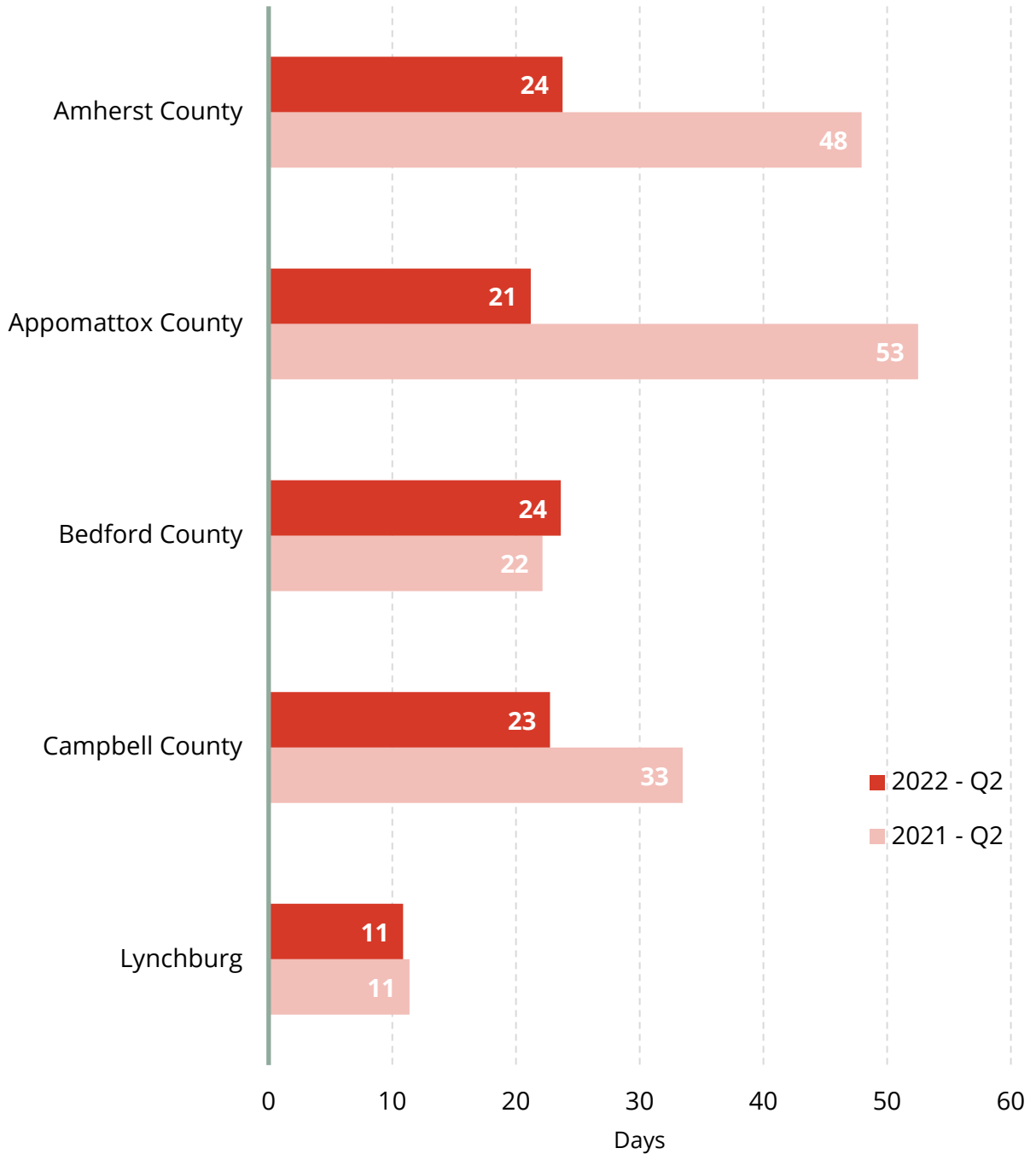
Appomattox County: In Appomattox County, homes are selling faster on average. During the second quarter, homes were on the market an average of 21 days, which is 24 days faster compared to quarter two of 2021.

Bedford County: For the first time since 2020 the average days on market in Bedford County increased. In the second quarter of 2022, homes were on the market an average of 24 days, which is one day longer than last year.

Campbell County: Homes that sold in Campbell County during the second quarter were on the market an average of 23 days, which is 11 days faster than last year.

Lynchburg: The average days on market in Lynchburg has been relatively consistent in recent quarters. In quarter two of 2022, the average days on market was 11 days, one day less compared to last year at this time.

Figure 11
Second Quarter Average Days on Market, LAR Jurisdictions
2021 and 2022



Source: Virginia REALTORS®, data accessed July 15, 2022

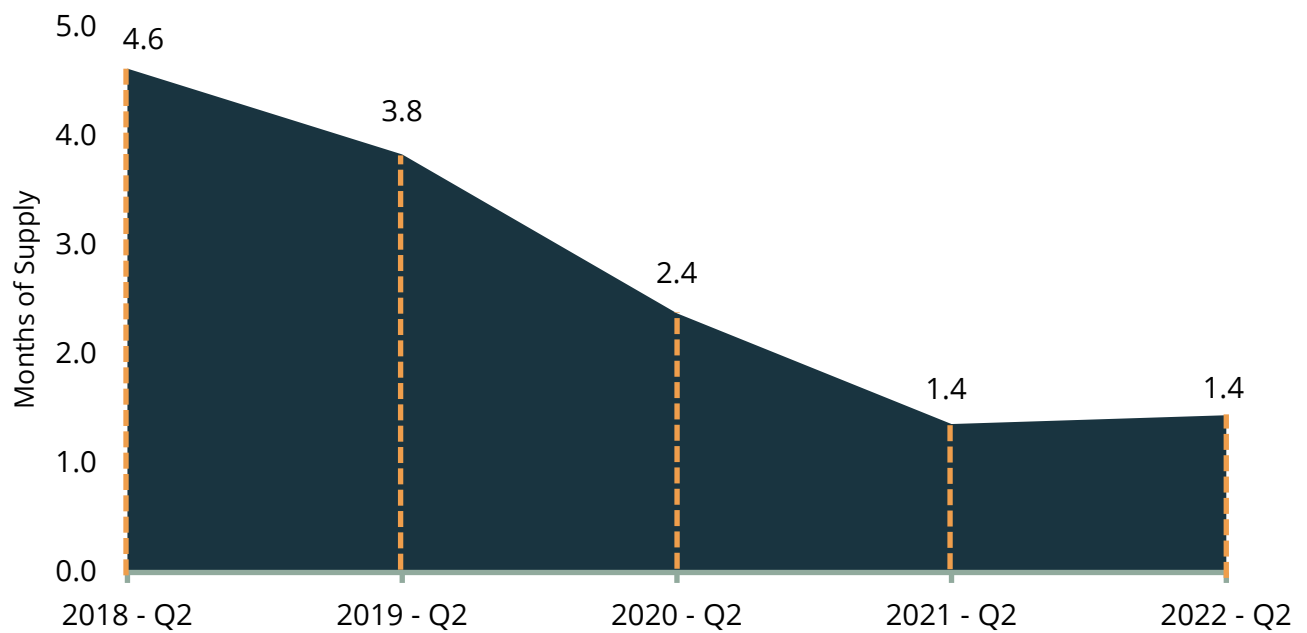
Inventory

The supply of homes on the market edged up for the first time in years, albeit modestly. There were 527 active listings throughout the LAR footprint at the end of the second quarter, 16 more listings than last year, inching up about 3%. Most of the additional active listings this quarter were in the Lynchburg and Bedford County markets. Although the increase was very small, it does reflect a changing pattern in parts of the region; the inventory is starting to build up in some communities as sales activity is cooling.

Statewide, there were 19,375 active listings on the market at the end of the second quarter, which is 169 more active listings than a year ago, a 1% increase. This is the first time the statewide inventory has increased (year-over-year) in more than seven years.

There was 1.4 months of supply at the end of the second quarter in the LAR footprint, which is essentially unchanged from a year ago. The months of supply metric is calculated by taking the average monthly sales over the preceding 12-month period and dividing it by the inventory of active listings. Statewide, there was 1.6 months of supply at the end of the second quarter.

Figure 12
End of Second Quarter Months Supply, LAR
2018-2022



Source: Virginia REALTORS®, data accessed July 15, 2022



Local Snapshot – *Active Listings*

Amherst County: At the end of the second quarter of 2022, there were 43 active listings in Amherst County. There were 11 more active listings in the county last year at this time, a 20% decline.

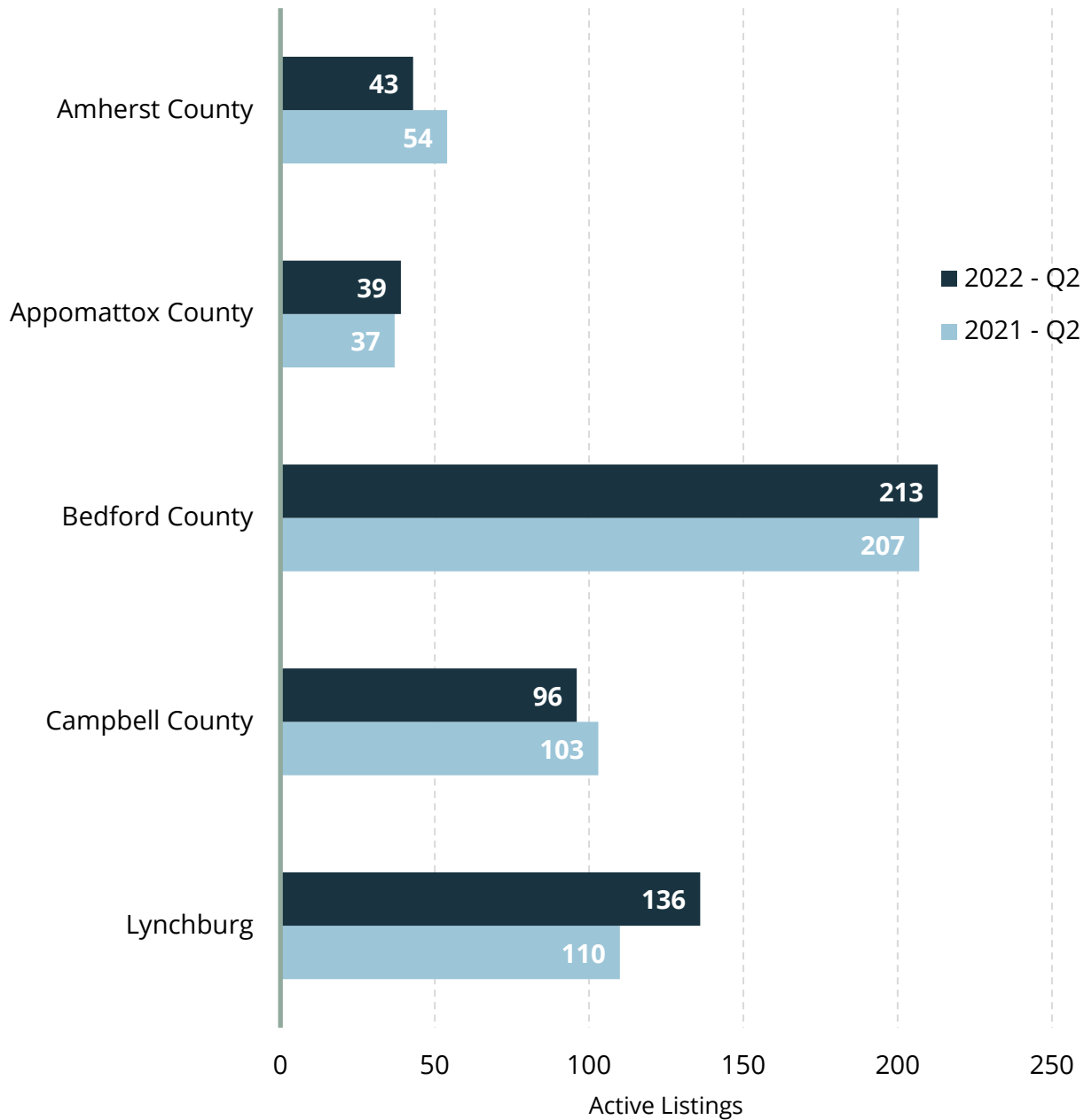
Appomattox County: For the first time since 2019, active listings in Appomattox County increased. There were 39 active listings at the end of the second quarter of 2022, which is two more than last year (+5%).

Bedford County: At the end of the second quarter, there were 213 active listings in Bedford County. This is an additional six active listings than a year ago and is the first time in seven years the active listings in the county have increased compared to the prior year.

Campbell County: There were 96 active listings in Campbell County at the end of the second quarter of 2022, which is seven less than there was last year (-7%).

Lynchburg: There were 136 active listings in Lynchburg at the end of the second quarter, which is 26 more than last year (+24%). This is by far the largest supply increase the city has had in more than seven years.

Figure 13
End of Second Quarter Active Listings, LAR Jurisdictions
2021 and 2022



Source: Virginia REALTORS®, data accessed July 15, 2022



The Virginia REALTORS® association is the largest professional trade association in Virginia, representing 35,000 REALTORS® engaged in the residential and commercial real estate business. The Virginia REALTORS® association serves as the advocate for homeownership and private property rights and represents the interests of real estate professionals and property owners in the Commonwealth of Virginia.

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.

All inquiries regarding this report may be directed to:

Robin Spensieri
Virginia REALTORS® Vice President of Communications and Media Relations
rspensieri@virginiarealtors.org
804-622-7954

Data and analysis provided by Virginia REALTORS® Chief Economist, Lisa Sturtevant, PhD.

The numbers reported here are preliminary and based on current entries into multiple listing services. Over time, data may be adjusted slightly to reflect increased reporting. Information is sourced from multiple listing services across Virginia and is deemed reliable, but not guaranteed.