

LARLYNCHBURG

HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

LAR Home Sales Report

Fourth Quarter 2022

Lynchburg Association of REALTORS®

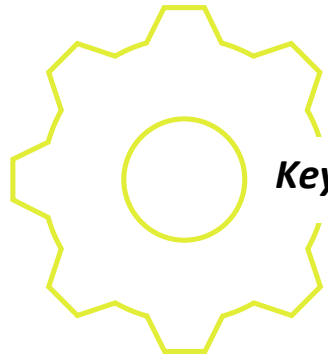
Market Report Key Takeaways

Economic Conditions

- Virginia's job market slowed down recently. The state had about 2,200 fewer jobs in November, compared to October. Despite this dip, the overall job base in the state is now about 4,500 jobs above pre-pandemic levels, reflecting a robust job recovery over the last couple years.
- The unemployment rate remains very low but inched up for the first time in nearly two years. In November, the statewide unemployment rate in Virginia was 3%, and it was 3.3% in the Lynchburg region. Both are up from a year ago.
- Mortgage rates have started to stabilize and trend downward. In the third week of January 2023, the average rate on a 30-year fixed mortgage was 6.15%, which is down from around 7% a few months ago.

Housing Market Conditions

- There were 741 homes sold in the LAR market in the fourth quarter of 2022, which is a 32% reduction in sales from this time last year, or 345 fewer sales. The market has been slowing down in the LAR footprint for the entirety of 2022.
- Home prices continue to rise through the entire area. At \$260,000, the fourth quarter median sales price in the LAR market climbed 8% from the fourth quarter last year, a gain of \$20,000.
- The supply of active listings is growing in the LAR footprint. There were 462 active listings on the market at the end of the fourth quarter, 113 more listings than a year ago, a 32% supply jump.



Key Trends Dashboard, LAR

Economy



3.3%

Is the Nov-2022 **unemployment rate** in the LAR footprint, which is up from Nov-2021



6.15%

Is the **30-year fixed-rate mortgage rate** during the third week of January 2023, which is up 2.59 percentage points from a year ago

Housing Market



-345

Fewer **home sales** in the LAR footprint in Q4-2022 compared to last year



8%

Percent change in **median sales price** in the LAR region in Q4-2022 compared to a year ago



-\$92.1

Million dollars less in total **sold volume** in the LAR footprint in Q4-2022 compared to last year



32%

Percent change in **active listings** at the end of Q4-2022 in the LAR market compared to a year ago



1.4

Months of supply in the LAR footprint in Q4-2022, which is up from a year ago

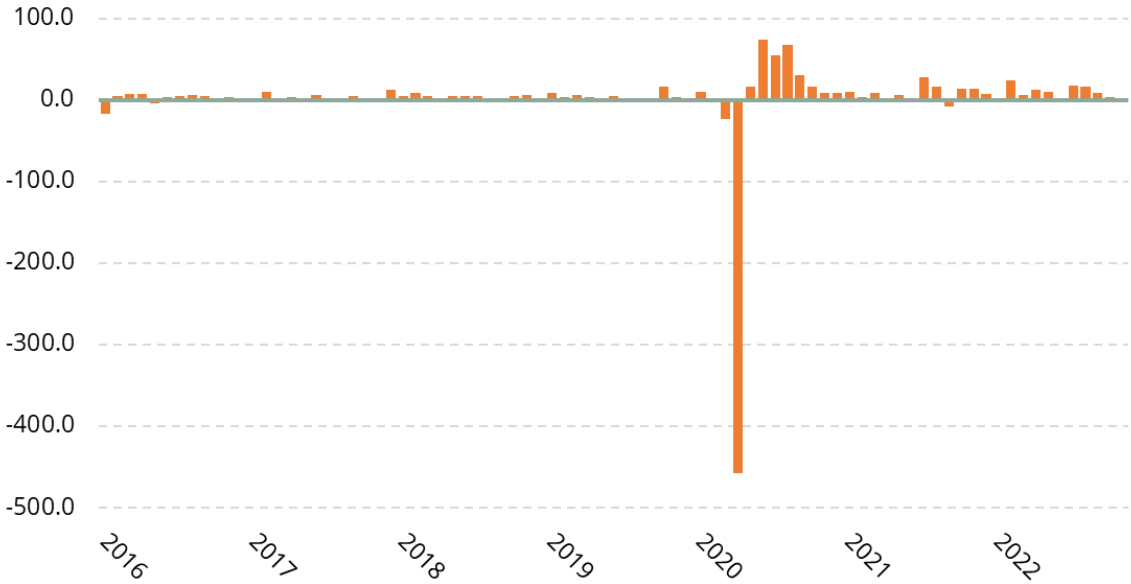
Economic Overview

Inflation remains elevated but appears to be easing, trending down for several months. Despite the economic headwinds, the job base is growing and unemployment remains very low across Virginia. Mortgage rates have been relatively stable and trending downward over the last couple of months.

Jobs

There were 4.10 million jobs throughout Virginia in November 2022, a decrease of about 2,200 jobs from October 2022. Virginia’s economy is now back to pre-pandemic jobs levels; there are now about 4,500 more jobs statewide than there were in January 2020. The strongest growth sector continues to be Leisure & Hospitality. There were about 28,400 additional Leisure & Hospitality jobs than November of last year. Most of these additional hospitality jobs were in Accommodation & Food Services (+19,000 jobs). There were 24,500 more Health & Social Assistance jobs compared to a year ago, and about 8,800 more education jobs in the state’s economy. The only sectors that lost jobs this month compared to November of last year were Finance & Insurance (-4,500 jobs), Retail Trade (-1,700 jobs), and Real Estate (-200 jobs).

Figure 1
Virginia Month-to-Month Change in Jobs

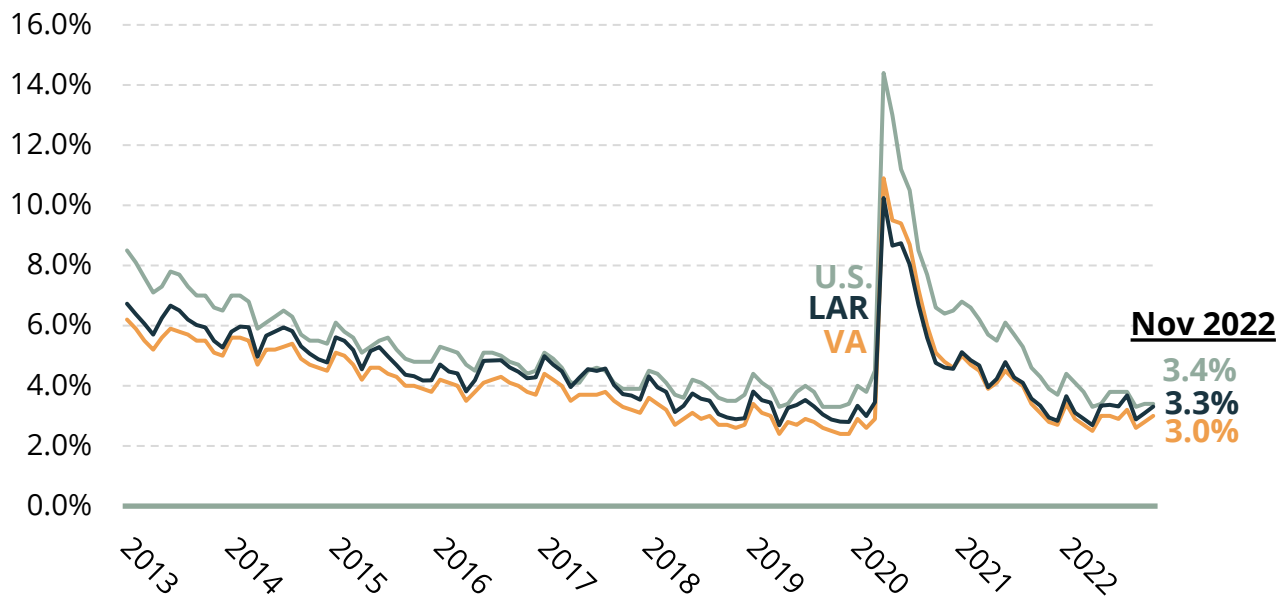


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

Unemployment

The unemployment rate in Virginia remains very low, but edged up. Statewide, the unemployment rate in November was 3% (not seasonally adjusted), up from 2.8% in November of last year. The unemployment rate in the LAR footprint was 3.3% in November 2022, up from 2.9% in November 2021.

Figure 2
Unemployment Rate



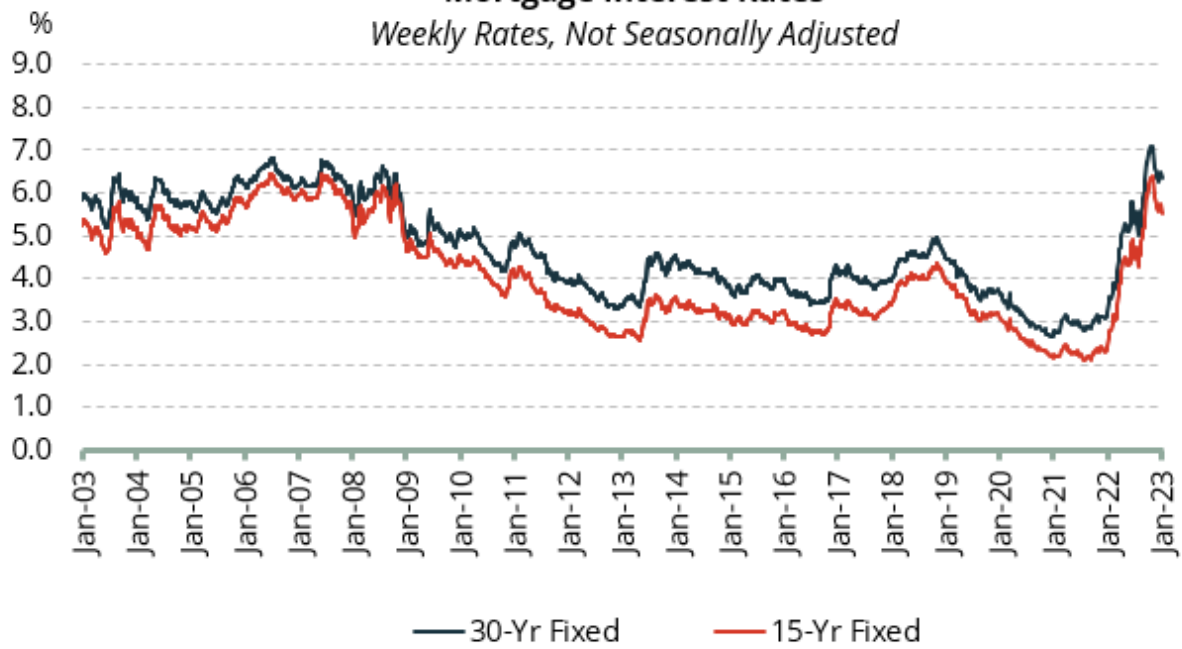
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Mortgage Rates

In the third week of January, the average rate on a 30-year fixed mortgage fell to 6.15%, down from 6.33% in the previous week, and down from above 7% three months ago. Mortgage rates have been trending downward over the last couple months, which has provided some relief and stability in what has otherwise been a volatile year for interest rates.

Figure 3
Mortgage Interest Rates

Weekly Rates, Not Seasonally Adjusted



Source: Federal Reserve Bank of St. Louis

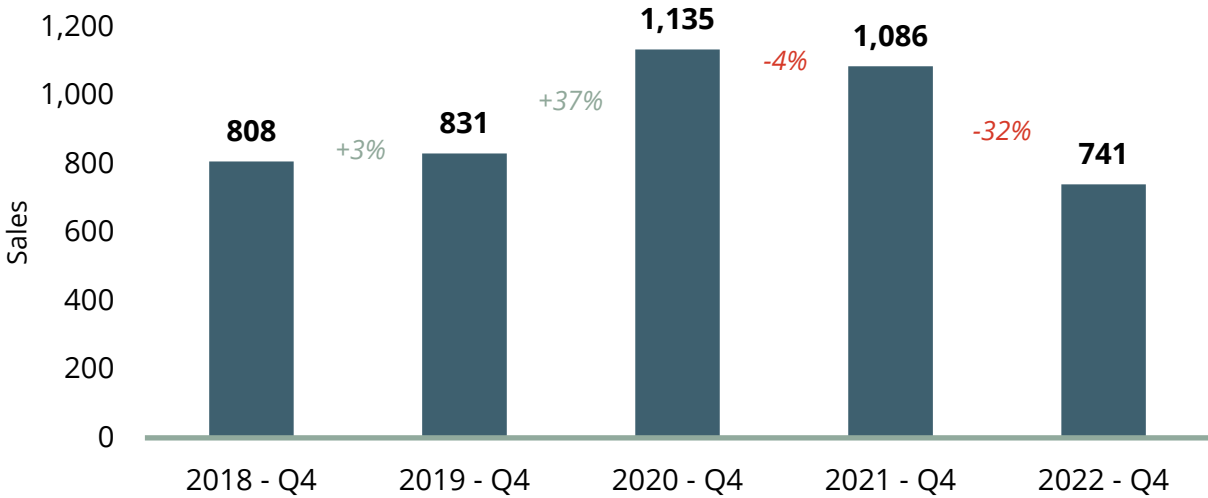
Housing Market Overview

Conditions in the LAR regional housing market continued to be sluggish as 2022 came to a close. Sales levels are way down from last year, which has led to a big drop in sold dollar volume regionwide. The slowdown has largely coincided with climbing interest rates, both of which accelerated in the second half of 2022. Even with fewer sales, home prices in the region continue to climb, evidence of how tight the supply in the market remains. There has been some evidence that the inventory is growing, as the supply of active listings is above last year’s level in most local markets.

Sales

Sales activity continues to cool down across the LAR housing market. There were 741 homes sold in the fourth quarter of 2022. This is 345 fewer sales than the fourth quarter of 2021, representing a 32% decrease in sales. While this is the sharpest drop in sales the region has seen in years, it’s important to keep it in context, as last year was an unusually busy year in the LAR housing market. The current fourth quarter sales totals are now a little below where they were four years ago, in the fourth quarter of 2018. Sales slowed down all three months of the quarter, which covers October through December. Statewide, total home sales were down 35% from the fourth quarter a year ago.

Figure 4
Fourth Quarter Home Sales, LAR
2018-2022



Source: Virginia REALTORS®, data accessed January 15, 2023



Local Snapshot – *Total Home Sales*

Amherst County: Sales activity in Amherst County fell for three consecutive quarters. In the fourth quarter, there were 65 home sales, a 31% drop compared to last year, which is 29 fewer sales.

Appomattox County: Quarterly sales in Appomattox County fell throughout the year in 2022. There were 34 home sales in the fourth quarter, a 45% decline compared to a year ago, with 28 fewer sales.

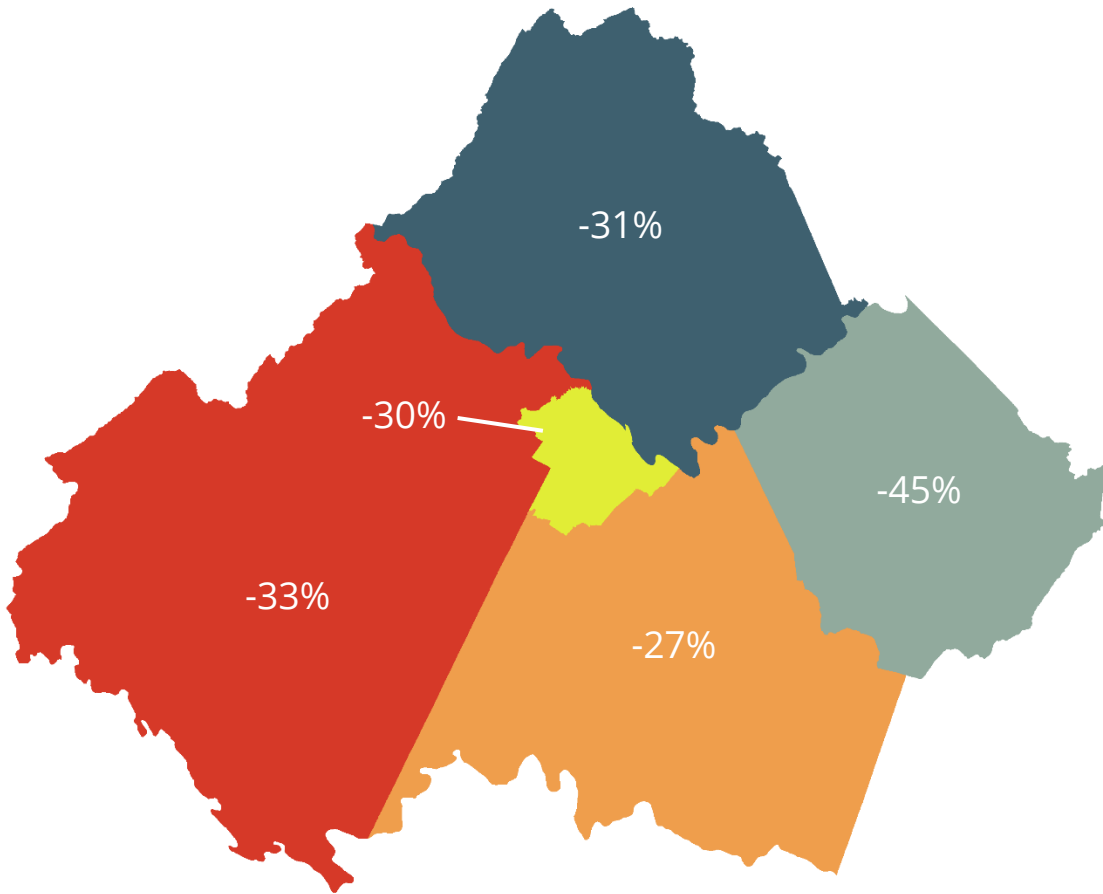
Bedford County: Home sales sharply fell during the fourth quarter in Bedford County. In the fourth quarter, there were 275 home sales, 138 fewer sales than last year, a 33% drop.

Campbell County: In the fourth quarter of 2022, there were 145 home sales in Campbell County, a 27% drop from last year, which is 53 fewer sales.

Lynchburg: Demand in the Lynchburg market has fallen for five consecutive quarters. In the fourth quarter, there were 222 home sales, 97 fewer sales than last year, representing a 30% drop in sales.

Figure 5
Change in Sales by Jurisdiction
LAR

Fourth Quarter 2021 to Fourth Quarter 2022



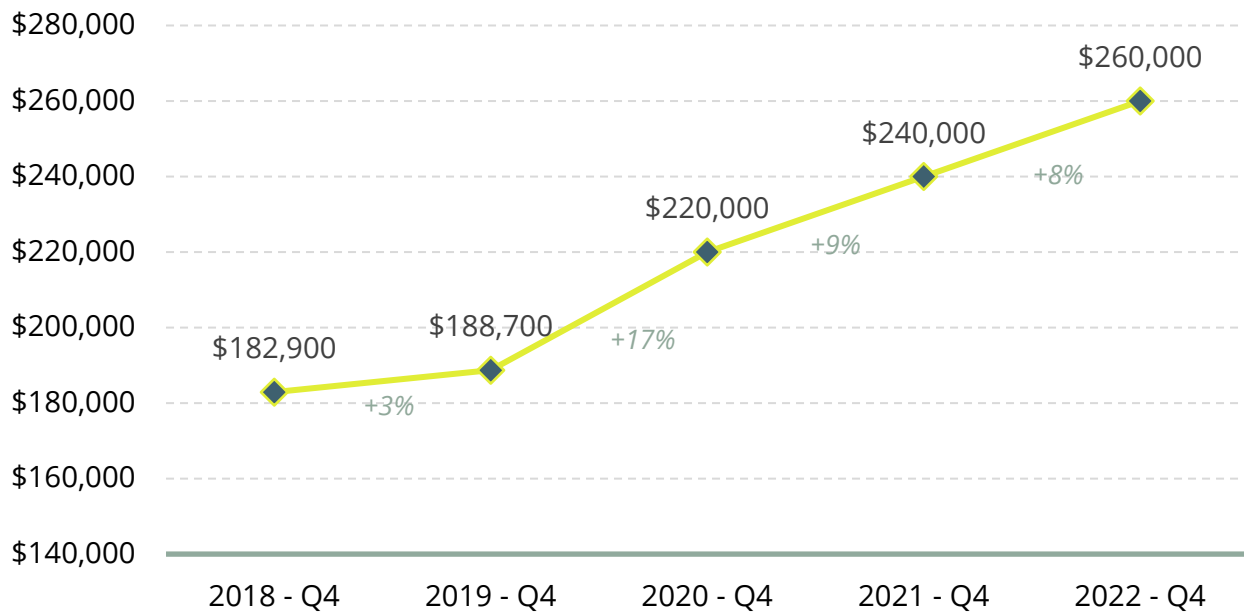
<i>Jurisdiction</i>	<i>2021 - Q4</i>	<i>2022 - Q4</i>	<i>% Change</i>
Amherst County	94	65	-31%
Appomattox County	62	34	-45%
Bedford County	413	275	-33%
Campbell County	198	145	-27%
Lynchburg	319	222	-30%

Source: Virginia REALTORS®, data accessed January 15, 2023

Sales Prices

Home prices across the LAR footprint are trending higher compared to last year despite the fact that far fewer homes have sold this year. This dynamic is being driven by the tight inventory situation in the region. The fourth quarter median sales price in the LAR market was \$260,000, which rose 8% from this time last year, a gain of \$20,000. All local markets in the LAR area had higher median prices to close out the year than a year ago. Rising home prices in tandem with climbing interest rates through much of 2022 has cooled the market significantly and has deterred many potential buyers from entering the market and left many potential sellers hesitant to list their homes. Statewide, the fourth quarter median sales price was \$362,500, climbing 3.6% from the fourth quarter last year.

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



Source: Virginia REALTORS®, data accessed January 15, 2023



Local Snapshot – *Median Sales Price*

Amherst County: The median sold price climbed during the fourth quarter in Amherst County. At \$215,000, the median sold price increased by 9% compared to last year, an \$18,350 price jump.

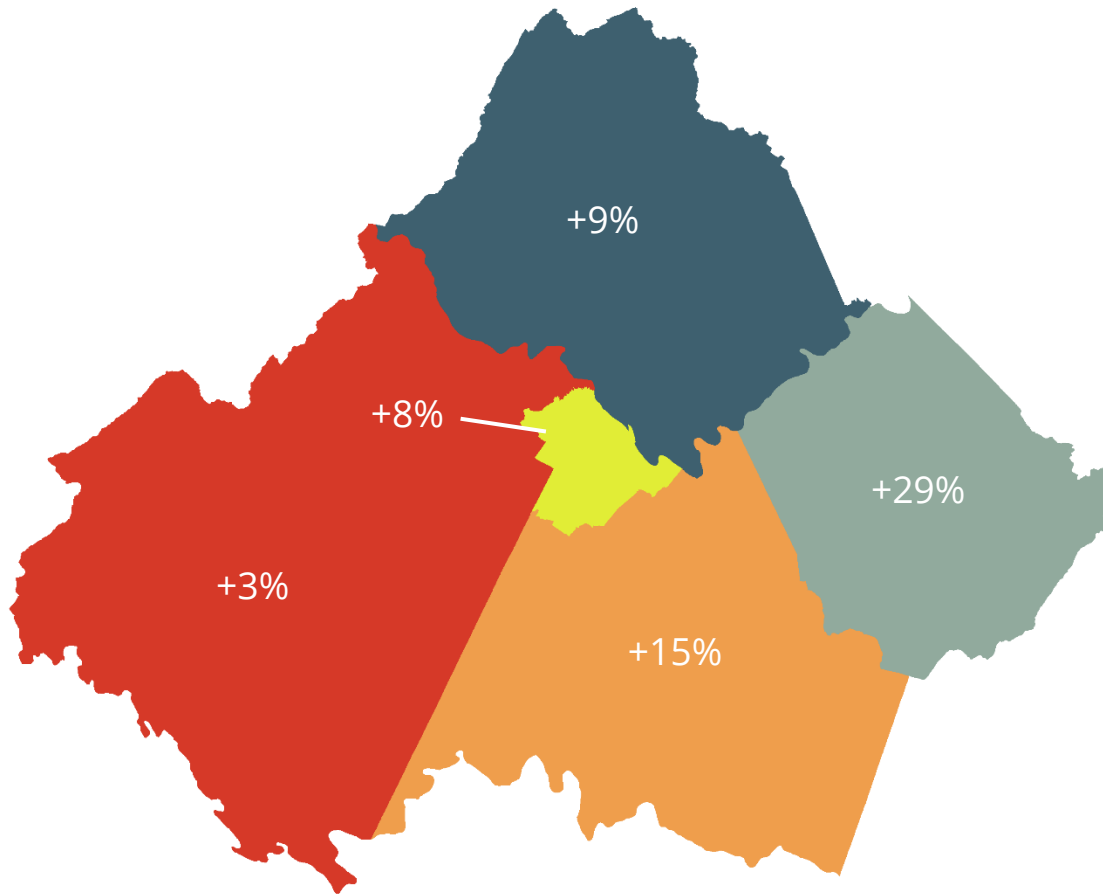
Appomattox County: In the fourth quarter, home prices increased the most in Appomattox County throughout the LAR market. The median sold price in the county was \$272,450 during the fourth quarter, a 29% price increase compared to last year, which is an additional \$60,700.

Bedford County: At \$340,000, the median sold price increased by 3% in Bedford County during the fourth quarter, which is \$11,050 more than last year.

Campbell County: Home prices in the Campbell County market have been increasing for over a year. In the fourth quarter, the median sold price was \$264,950, which is \$34,950 more than it was compared to last year, reflecting a 15% price gain.

Lynchburg: The median sold price continues to climb in the Lynchburg area. During the fourth quarter of 2022, the median sold price was \$220,000, an 8% rise from last year, which is a \$16,500 price increase.

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



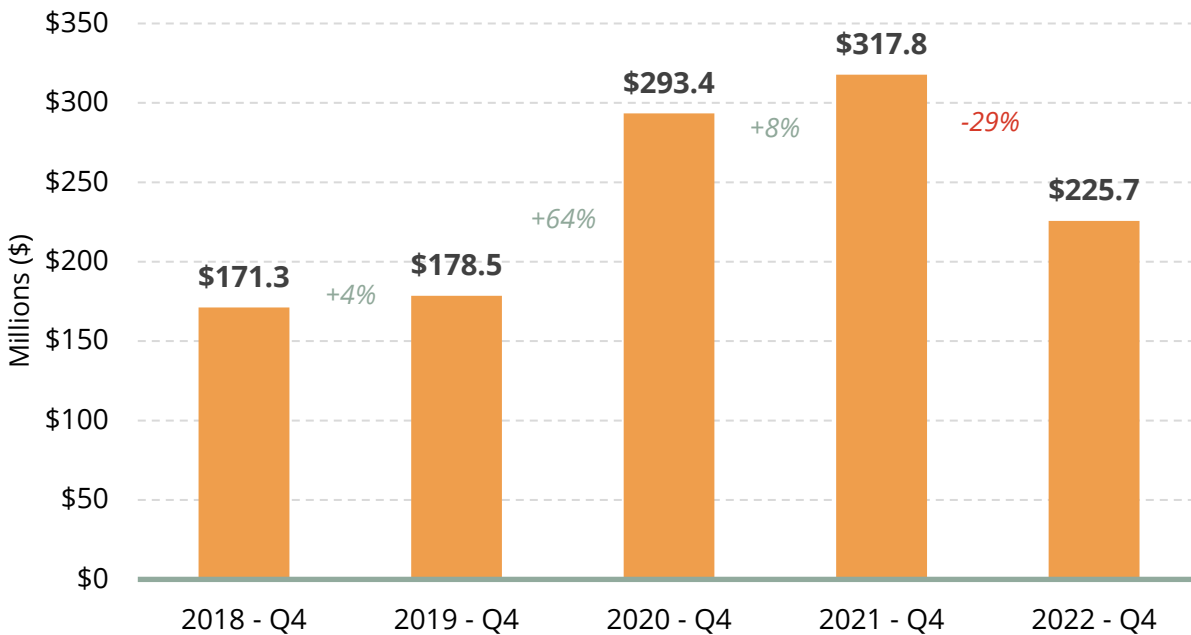
<i>Jurisdiction</i>	<i>2021 - Q4</i>	<i>2022 - Q4</i>	<i>% Change</i>
Amherst County	\$196,650	\$215,000	9%
Appomattox County	\$211,750	\$272,450	29%
Bedford County	\$328,950	\$340,000	3%
Campbell County	\$230,000	\$264,950	15%
Lynchburg	\$203,500	\$220,000	8%

Source: Virginia REALTORS®, data accessed January 15, 2023

Sold Volume

Even though home prices continue to trend higher in the LAR region, the dramatic slowdown in sales activity led to a much lower sold dollar volume in the market this quarter. There was about \$225.7 million of sold volume across the LAR footprint in the fourth quarter of 2022, which is \$92.1 million less volume than there was in the fourth quarter of 2021. This is a 29% reduction in sold dollar volume, the sharpest decline in more than seven years in the region.

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



Source: Virginia REALTORS®, data accessed January 15, 2023



Local Snapshot – *Sold Dollar Volume*

Amherst County: Sold volume in Amherst County has declined for three consecutive quarters as sales continue to plummet. In the fourth quarter, there was about \$15.8 million in sold volume in the county, a 27% drop compared to last year, which is a \$5.9 million drop.

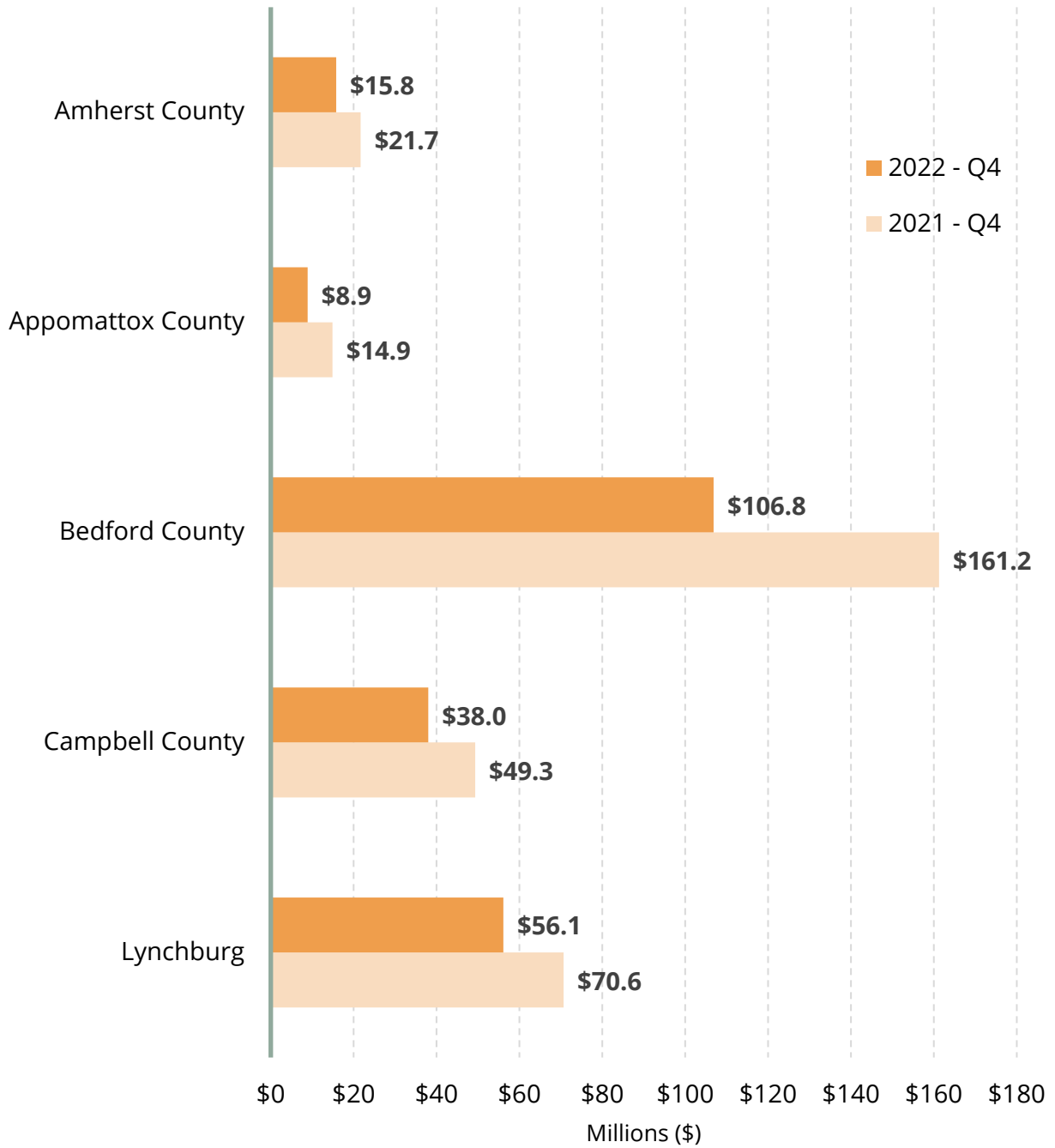
Appomattox County: The sold volume has declined for two consecutive quarters in Appomattox County. There was approximately \$8.9 million in sold volume during the fourth quarter, which is about \$6 million less volume than last year, a 40% decline.

Bedford County: A sharp decline in sales led to a second consecutive drop in sold volume in Bedford County. In the fourth quarter, there was about \$106.8 million in sold volume in the county, a 34% decline compared to a year ago, reflecting a decrease of about \$54.3 million.

Campbell County: Despite higher prices in the Campbell housing market, fewer sales led to a decline in sold volume. During the fourth quarter of 2022, there was about \$38 million in sold volume, which is 23% lower than last year, an \$11.3 million decline.

Lynchburg: Sold volume fell towards the end of the year in the Lynchburg area. In the fourth quarter, there was roughly \$56.1 million in sold volume, a decrease of \$14.5 million from a year ago, which is a 21% decline.

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

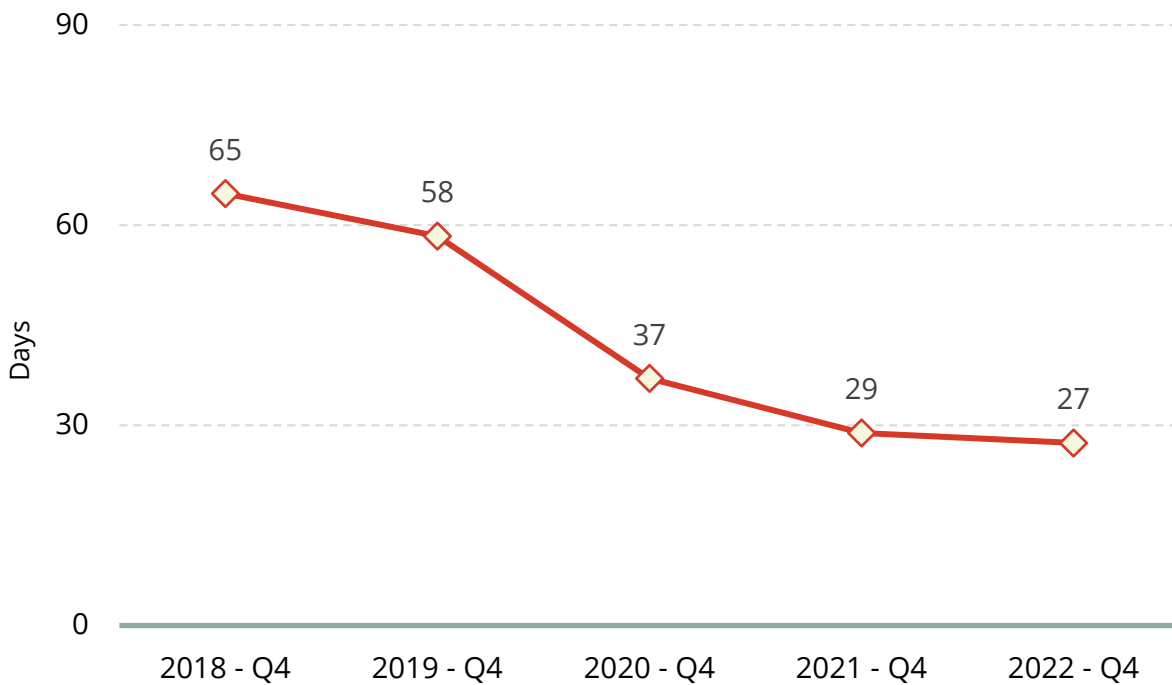


Source: Virginia REALTORS®, data accessed January 15, 2023

Days on Market

Overall, homes sold slightly faster on average in the LAR region; however, in some local markets it took longer to sell homes than last year. Regionwide, the average days on market in the fourth quarter was 27 days, which is two days faster than last year. Statewide, the average days on market in the fourth quarter was 31 days, up from 27 days this time last year.

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



Source: Virginia REALTORS®, data accessed January 15, 2023



Local Snapshot – *Average Days on Market*

Amherst County: Homes took longer to sell in Amherst County for the first time since the early 2020. In the fourth quarter, homes were on the market for over a month (31 days) on average, which is eight days longer than last year.

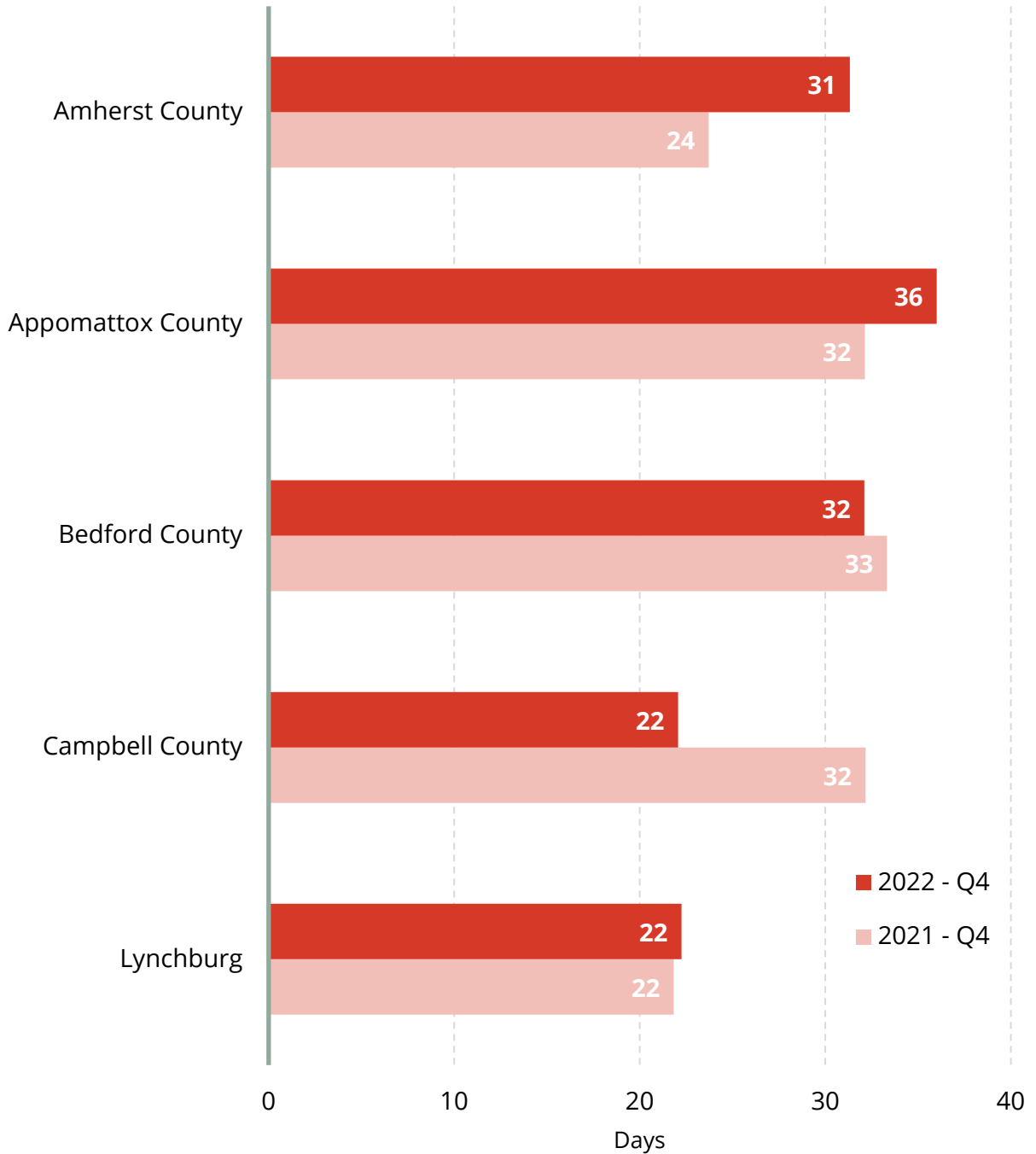
Appomattox County: Average days on the market increased for the second consecutive quarter in Appomattox County. During the fourth quarter, homes were on the market for 36 days on average, four days longer than last year.

Bedford County: At 32 days, homes sold one day faster in Bedford County during the fourth quarter compared to a year ago.

Campbell County: Homes that were sold in Campbell County during the fourth quarter were on the market for 22 days on average, ten days faster than last year.

Lynchburg: About the same as last year, homes were on the Lynchburg market for 22 days on average during the fourth quarter.

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



Source: Virginia REALTORS®, data accessed January 15, 2023

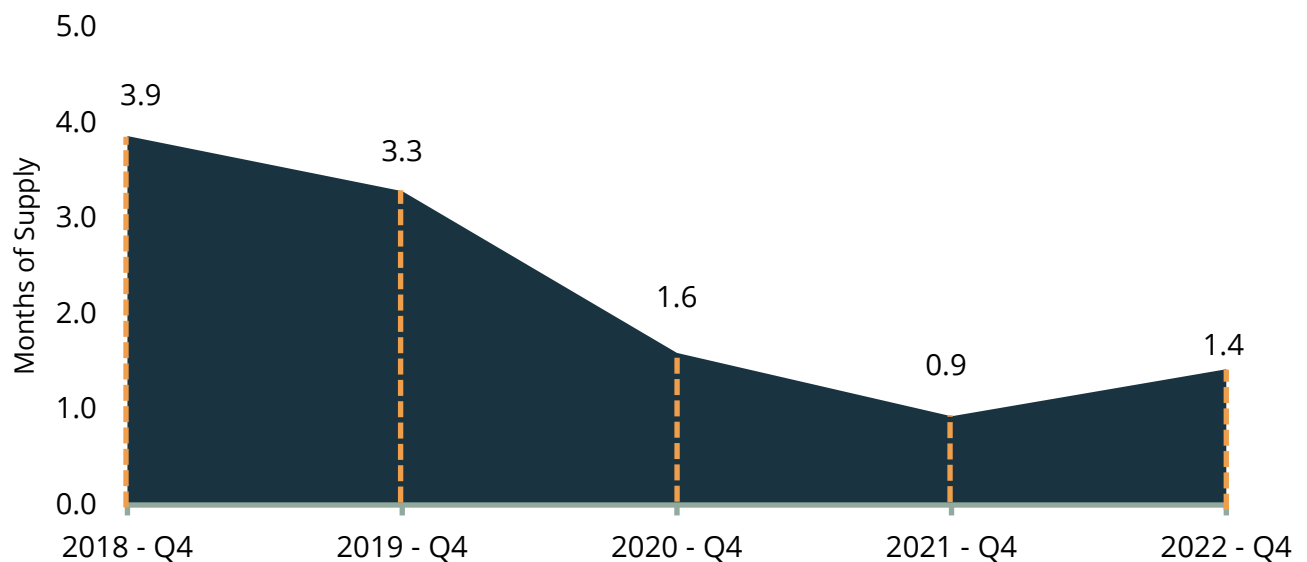
Inventory

The inventory of active listings in the LAR footprint rose sharply at the end of 2022 compared to the end of 2021. There were 462 active listings on the market at the end of the fourth quarter regionwide, 113 more listings than a year ago, which is a 32% supply increase. Overall inventory levels have been building up for two out of the last three quarters, and this quarter is by far the strongest growth the area has seen in more than seven years. The growth in supply levels does not necessarily reflect that more new listings are coming on the market; rather, as interest rates rose quickly in the summer and fall, sales activity slowed down, which is allowing existing active listings to stay on the market longer, which is building up the inventory.

There were 16,115 active listings throughout the Commonwealth at the end of the fourth quarter, a 19.6% increase from a year ago, which is an additional 2,646 listings.

There was about 1.4 months of supply at the end of the fourth quarter in the LAR footprint, which is up from 0.9 months 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 1.5 months of supply at the end of the fourth quarter.

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



Source: Virginia REALTORS®, data accessed January 15, 2023



Local Snapshot – *Active Listings*

Amherst County: At the end of the fourth quarter, there were 37 active listings in Amherst County, which is two fewer than a year ago, a 5% decline.

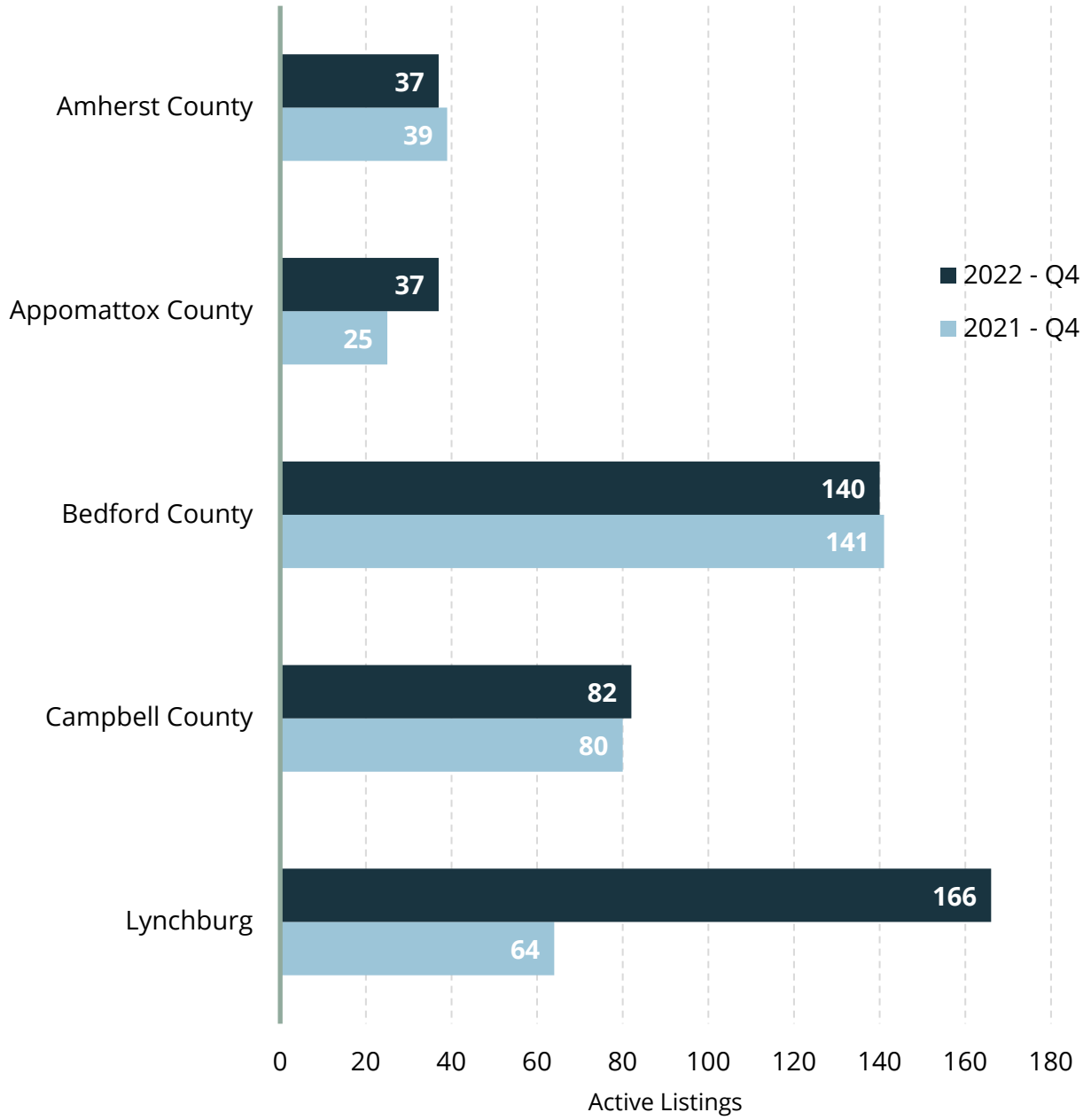
Appomattox County: At the end of the fourth quarter, there were 37 active listings in Appomattox County, a 48% increase compared to last year, which is 12 more active listings. Supply in the county's housing market has been trending up for three straight quarters.

Bedford County: There were about 140 active listings in Bedford County by the end of the fourth quarter, which is one less than last year (-1%). Inventory remained strong in the area, with just over a month of supply.

Campbell County: There were 82 active listings in Campbell County at the end of the fourth quarter, two more than last year, representing a 2% increase. Inventory increased for the first time in three years in the county's housing market this quarter.

Lynchburg: Active listings surged in the Lynchburg market. At the end of the fourth quarter, there were 166 active listings in the city, 102 more than this time last year, reflecting a 159% increase. The supply of active listings has been building up in the city for three of the last four quarters.

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



Source: Virginia REALTORS®, data accessed January 15, 2023



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.

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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.