

LARLYNCHBURG

HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

LAR Home Sales Report

Fourth Quarter 2023

Lynchburg Association of REALTORS®

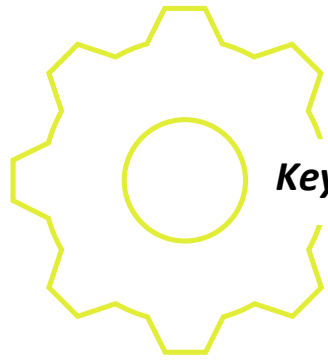
Market Report Key Takeaways

Economic Conditions

- Virginia's job market continues to be resilient. There was an influx of 7,900 jobs in the Commonwealth between October and November 2023.
- The statewide unemployment rate in Virginia was 2.9% in November 2023 (not seasonally adjusted), which is down from 3% a year ago. In the LAR region, the unemployment rate was 3.4% in November, up from 3.3% a year ago.
- After approaching 8% at the end of October 2023, mortgage rates have been trending down 10 of the last 12 weeks. In the third week of January 2024, the average rate on a 30-year fixed mortgage was 6.6%, which is down from 6.66% the week prior, but up from 6.15% a year ago.

Housing Market Conditions

- Sales activity continues to cool in the LAR region overall, but some local markets had an uptick in sales. There were 727 sales regionwide in the LAR housing market during the fourth quarter, 14 fewer sales than last year, which is a 2% decline.
- Upward pressure on home prices continues to be a key factor in the LAR area. The median sales price in the LAR footprint during the fourth quarter was \$273,000, climbing 5% from this time last year.
- The supply of active listings in the LAR region continues to build up. There were 622 active listings on the market at the end of the fourth quarter regionwide, up 35% from a year ago.



Key Trends Dashboard, LAR

Economy



3.4%

Is the Nov-2023 **unemployment rate** in the LAR footprint, which is up from Nov-2022



6.6%

Is the **30-year fixed-rate mortgage rate** during the third week of January 2024, which is up from 6.15% a year ago

Housing Market



-14

Fewer **home sales** in the LAR footprint in Q4-2023 compared to last year



5%

Percent change in **median sales price** in the LAR region in Q4-2023 compared to a year ago



-\$2.9

Million dollars less in total **sold volume** in the LAR footprint in Q4-2023 compared to last year



35%

Percent change in **active listings** at the end of Q4-2023 in the LAR market compared to a year ago



2.3

Months of supply in the LAR footprint in Q4-2023, which is up from a year ago

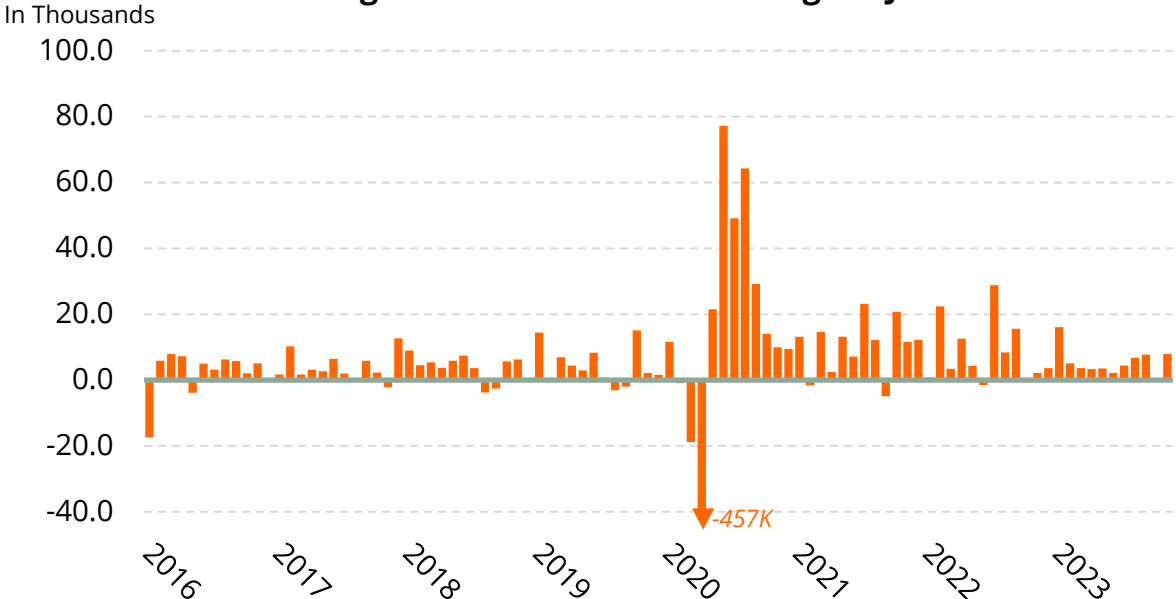
Economic Overview

Job growth exceeded expectations recently, and the labor market continues to be tight, but unemployment has edged upward in Virginia for several months. Mortgage rates have been falling since October, and inflation continues to retreat. The prospects of a “soft-landing” for the U.S. economy are improving, though there is still uncertainty about how much and when the full effects of the Fed’s rate hikes will be felt, as the economy slows down heading into 2024.

Jobs

There was a jump in the jobs data in Virginia in November after falling flat in October. There were approximately 4.17 million jobs statewide in November, which is 7,900 more than the revised October total. This is the strongest month-to-month increase since the start of 2023. The job sectors with the strongest gains in November were the Professional & Technical Services sector (+5,000 jobs), the Transportation & Warehousing sector (+4,900 jobs), and Wholesale Trade (+2,000 jobs). The Administrative & Waste Management Services sector shed about 5,500 jobs, and there were 1,000 fewer retail jobs in Virginia in November compared to October.

Figure 1
Virginia Month-to-Month Change in Jobs

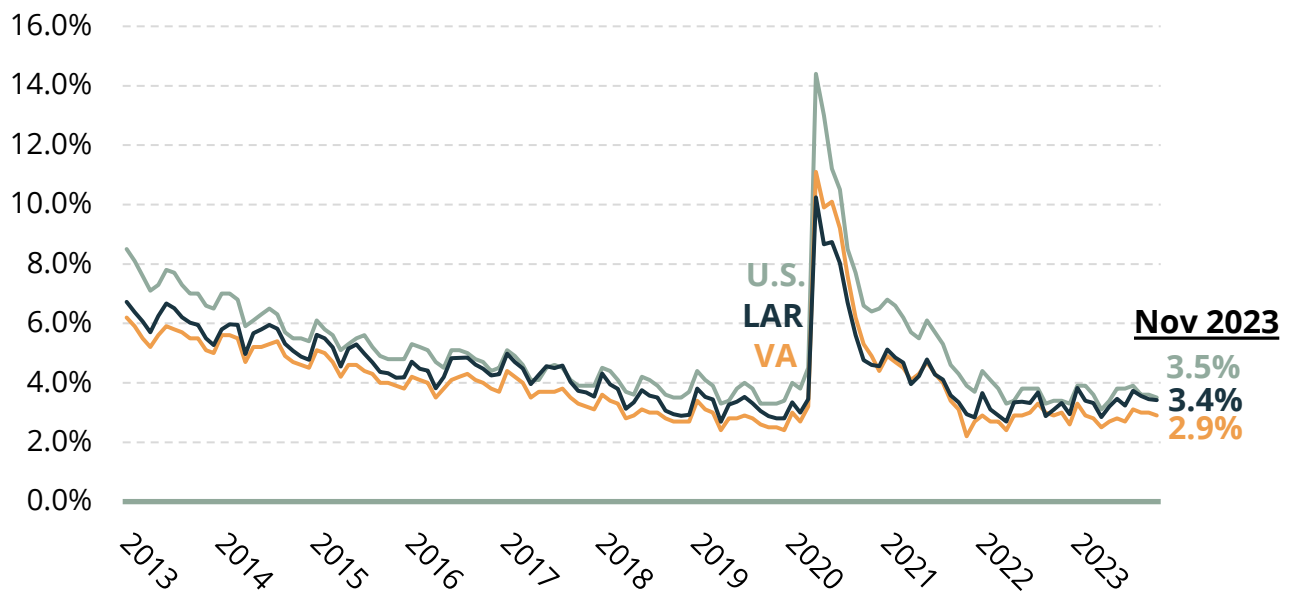


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

Unemployment

The statewide unemployment rate in Virginia dipped to 2.9% in November 2023, down from 3% in November 2022 (not seasonally adjusted). In the U.S., the unemployment rate rose to 3.5% in November, up from 3.4% a year ago. The nationwide unemployment rate has been inching up for four consecutive months but remains very low compared to historical averages. In the LAR footprint the November unemployment rate was 3.4%, which is up from 3.3% last year.

Figure 2
Unemployment Rate

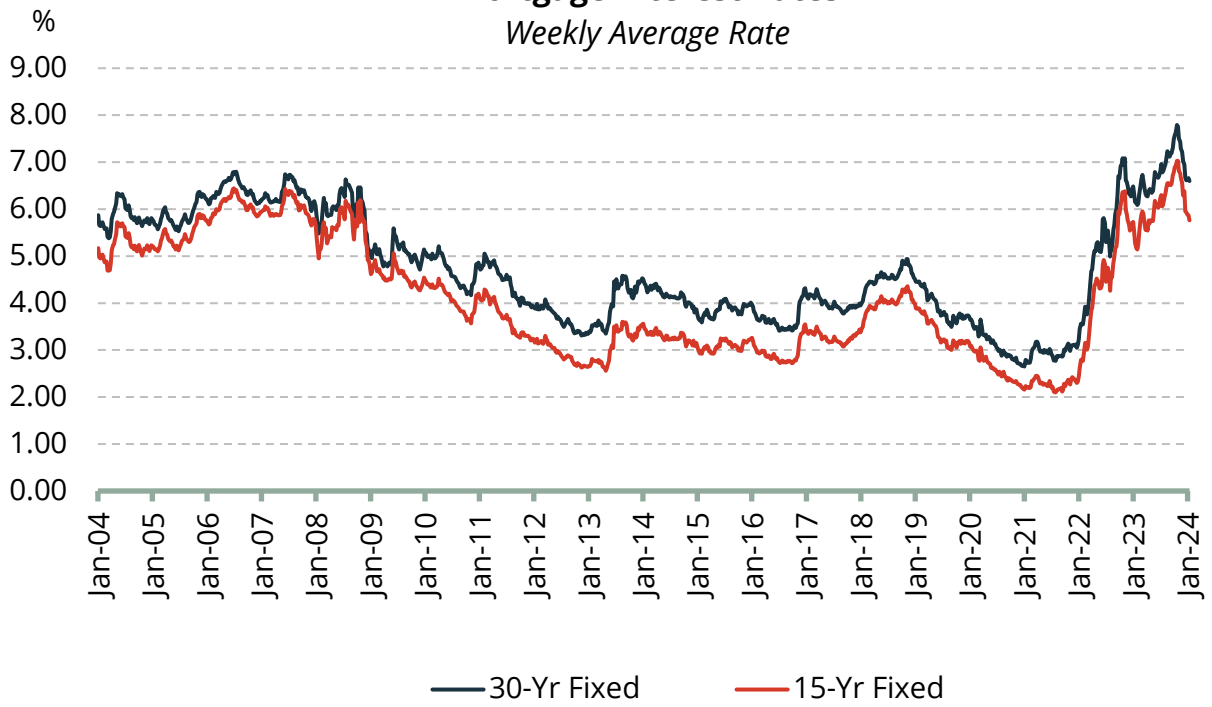


Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Mortgage Rates

After peaking near 8% in October 2023, the average interest rate for a 30-year fixed mortgage is now 6.6% as of January 18, 2024. Rates have been trending down steadily 10 of the last 12 weeks, which has ushered in renewed optimism from both buyers and sellers alike. The Federal Reserve has indicated that it plans to implement a series of fed funds rate cuts in 2024, which will continue to put downward pressure on interest rates. This will boost activity in the housing market and loosen up the “lock-in effect” for some homeowners that have pent-up demand to buy another house.

Figure 3
Mortgage Interest Rates
Weekly Average Rate



Source: Freddie Mac

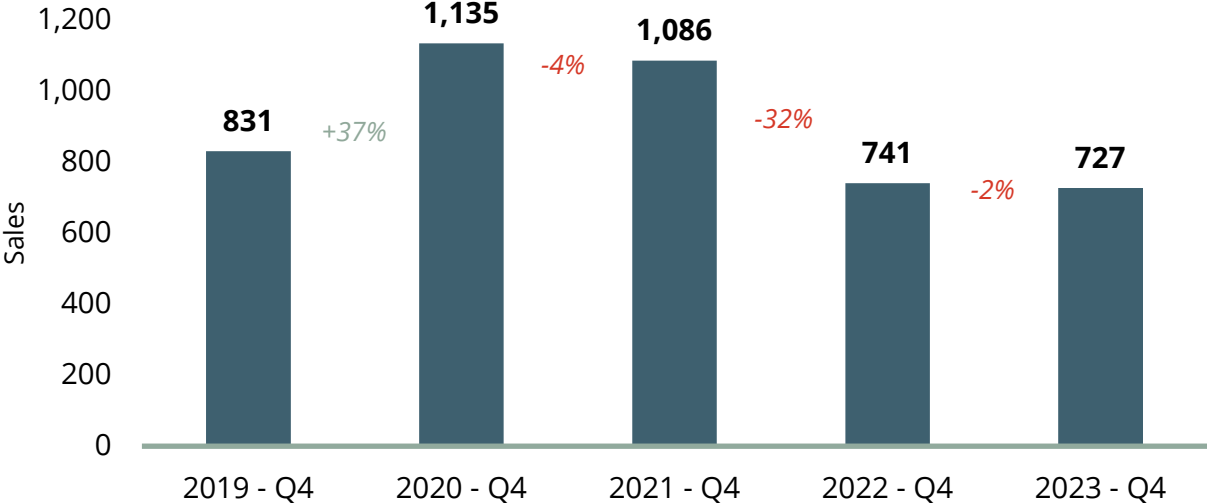
Housing Market Overview

The LAR housing market ended 2023 similarly to how it began, with cooling sales activity and rising home prices. These dynamics are largely being driven by three factors — the low supply of homes for sale, the pent-up demand in the market, and the volatility of mortgage rates this year.

Sales

It was a slow fourth quarter in the LAR regional housing market. There were 727 sales throughout the footprint in the fourth quarter of 2023. This is 14 fewer sales than the fourth quarter a year ago, a 2% decline. The last time the region had a fourth quarter that was slower than this was back in 2015. Mortgage rates hit a more than two-decade high in October 2023, which likely deterred some market activity this quarter. Within the quarter, sales activity was flat in October, and declined in November. There was an uptick in sales in December, the first increase in nearly two years. Statewide, sales activity declined 10% in the fourth quarter of 2023 compared to last year.

Figure 4
Fourth Quarter Home Sales, LAR
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024



Local Snapshot – *Total Home Sales*

Amherst County: Quarterly sales activity in Amherst County rose for the first time in over a year. There were 88 closed sales in the fourth quarter, 23 more than last year, marking a 35% increase.

Appomattox County: Appomattox County had 42 home sales in the fourth quarter, a 24% increase from last year, which is an additional eight sales. This is the second consecutive quarter that home sales have risen year-over-year.

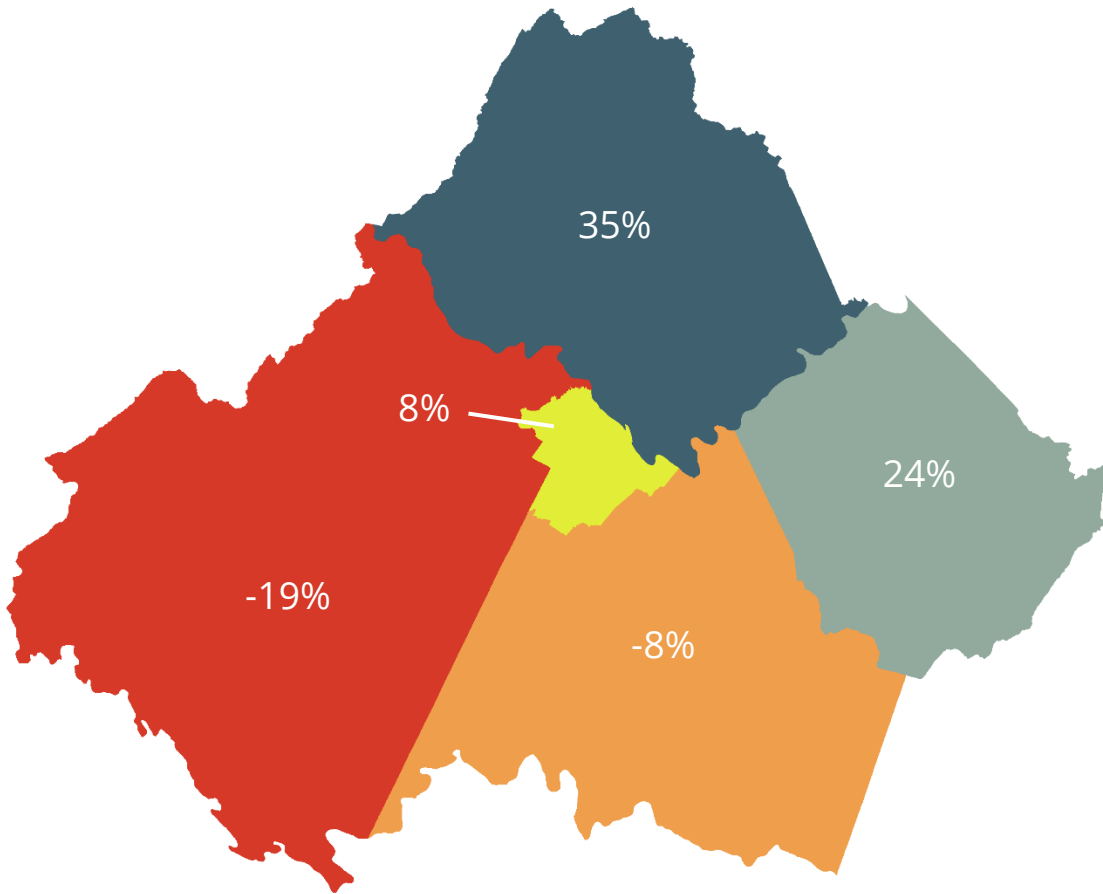
Bedford County: In the fourth quarter, there were 224 home sales in Bedford County, 51 fewer than the previous year, a 19% drop.

Campbell County: At 134, fourth-quarter sales fell 8% from last year in Campbell County, a reduction of 11 sales. Sales have slowed down in the county for seven straight quarters.

Lynchburg: In Lynchburg, there were 239 home sales in the fourth quarter, 17 more than the previous year (+8%).

Figure 5
Change in Sales by Jurisdiction
LAR

Fourth Quarter 2022 to Fourth Quarter 2023



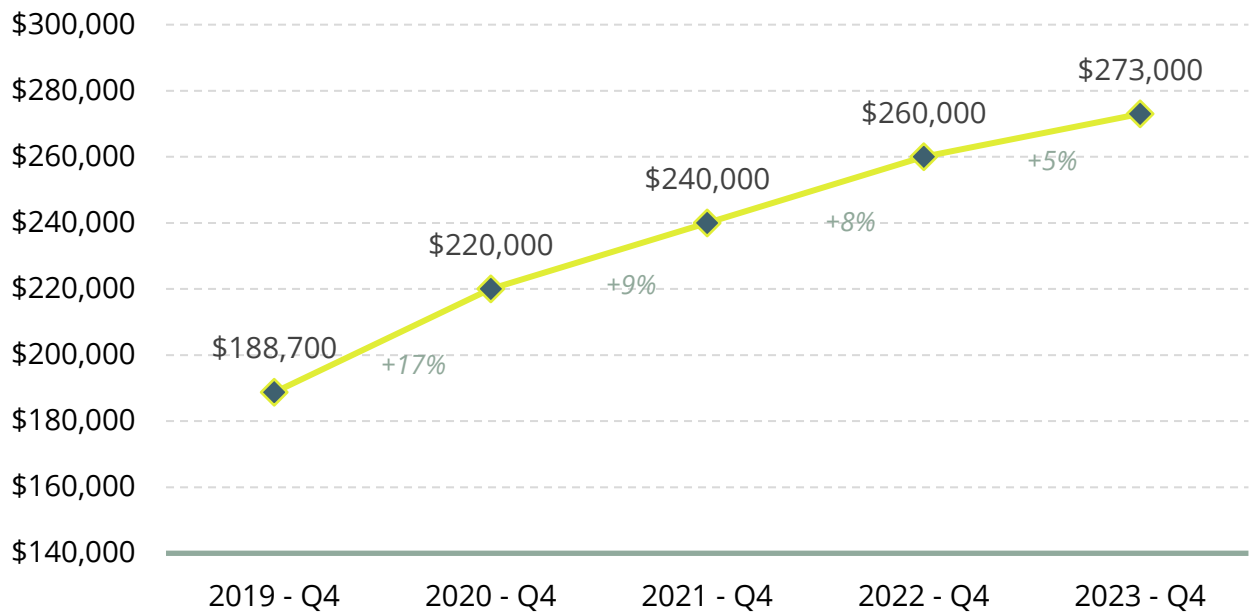
<i>Jurisdiction</i>	<i>2022 - Q4</i>	<i>2023 - Q4</i>	<i>% Change</i>
Amherst County	65	88	35%
Appomattox County	34	42	24%
Bedford County	275	224	-19%
Campbell County	145	134	-8%
Lynchburg	222	239	8%

Source: Virginia REALTORS®, data accessed January 15, 2024

Sales Prices

Home prices are climbing throughout most of the LAR region as the tight inventory continues to put upward pressure on home prices. The fourth quarter regionwide median sales price was \$273,000, which is \$13,000 higher than it was a year ago, a 5% increase. All but one local market in the LAR footprint had higher median sales prices to close out 2023. At the state level, the median sales price in Virginia during the fourth quarter was \$387,000, climbing 7% from last year.

Figure 6
Fourth Quarter Median Sales Price, LAR
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024



Local Snapshot – *Median Sales Price*

Amherst County: In Amherst County, the median sales price was \$224,900 in the fourth quarter, \$9,900 higher than a year ago, a 5% rise.

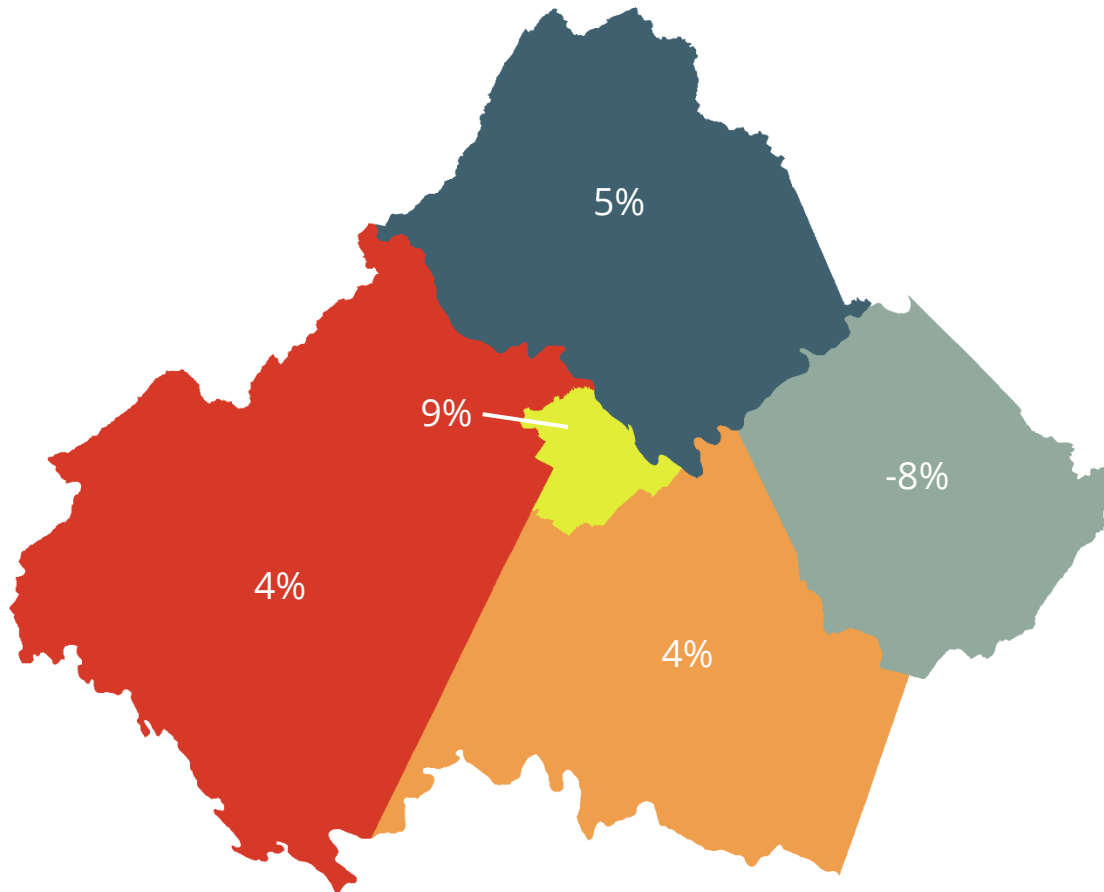
Appomattox County: The median sales price in Appomattox County was \$250,000 in the fourth quarter, \$22,450 less than last year, reflecting an 8% decline. This is the first median price drop the county has seen in three and a half years.

Bedford County: Bedford County's median sales price was \$352,500 in the fourth quarter, a 4% gain from the previous year, which is an additional \$12,500.

Campbell County: In the fourth quarter, the median sales price in Campbell County was \$274,450, a \$9,500 price jump from last year, marking a 4% increase.

Lynchburg: The median sales price in Lynchburg was \$239,950 in the fourth quarter, a 9% jump from last year, which is \$19,950 more. Year-over-year home prices in the city have been increasing each quarter for four straight years.

Figure 7
Change in Median Sales Price by Jurisdiction
LAR
Fourth Quarter 2022 to Fourth Quarter 2023



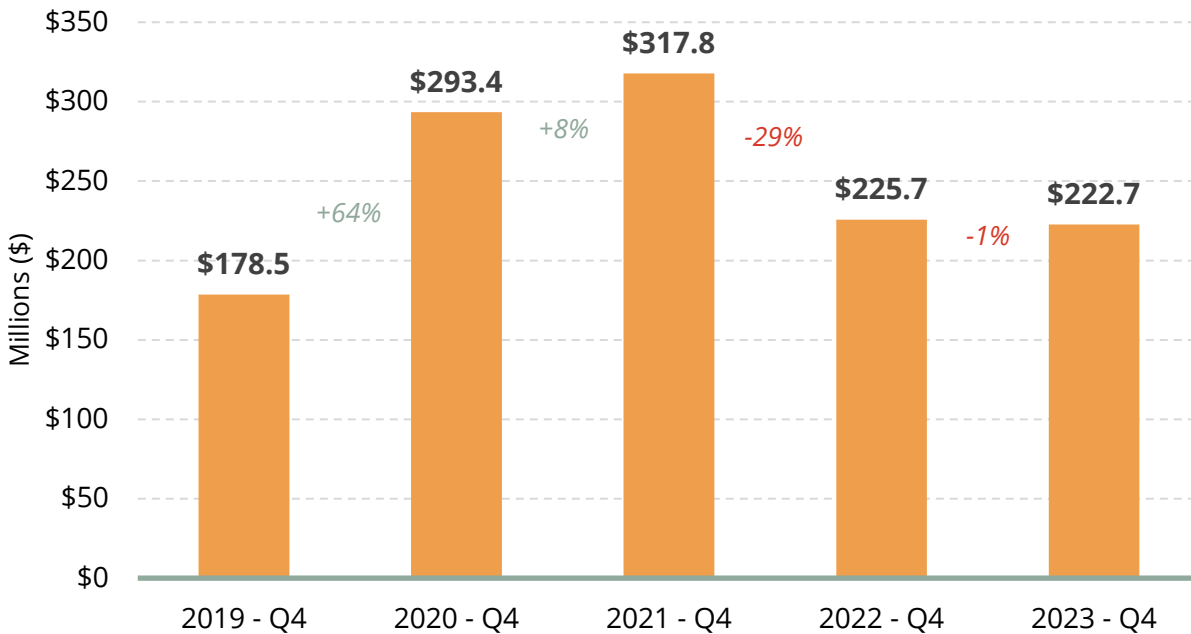
<i>Jurisdiction</i>	<i>2022 - Q4</i>	<i>2023 - Q4</i>	<i>% Change</i>
Amherst County	\$215,000	\$224,900	5%
Appomattox County	\$272,450	\$250,000	-8%
Bedford County	\$340,000	\$352,500	4%
Campbell County	\$264,950	\$274,450	4%
Lynchburg	\$220,000	\$239,950	9%

Source: Virginia REALTORS®, data accessed January 15, 2024

Sold Volume

While prices are rising across much of the region, the slowdown in sales activity is pulling down the total sold dollar volume in the LAR market. There was about \$222.7 million of sold volume in the area in the fourth quarter. This is \$3 million less volume than this time last year, a 1% drop. The sold volume has been trending down for the last year and a half in the region as the market has slowed.

Figure 8
Fourth Quarter Sold Dollar Volume (Millions), LAR
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024



Local Snapshot – *Sold Dollar Volume*

Amherst County: Strong sales activity in Amherst County increased the sold volume in the fourth quarter after two sluggish quarters. There was about \$21.9 million in sold volume in the fourth quarter, 39% higher than last year, a \$6.1 million increase.

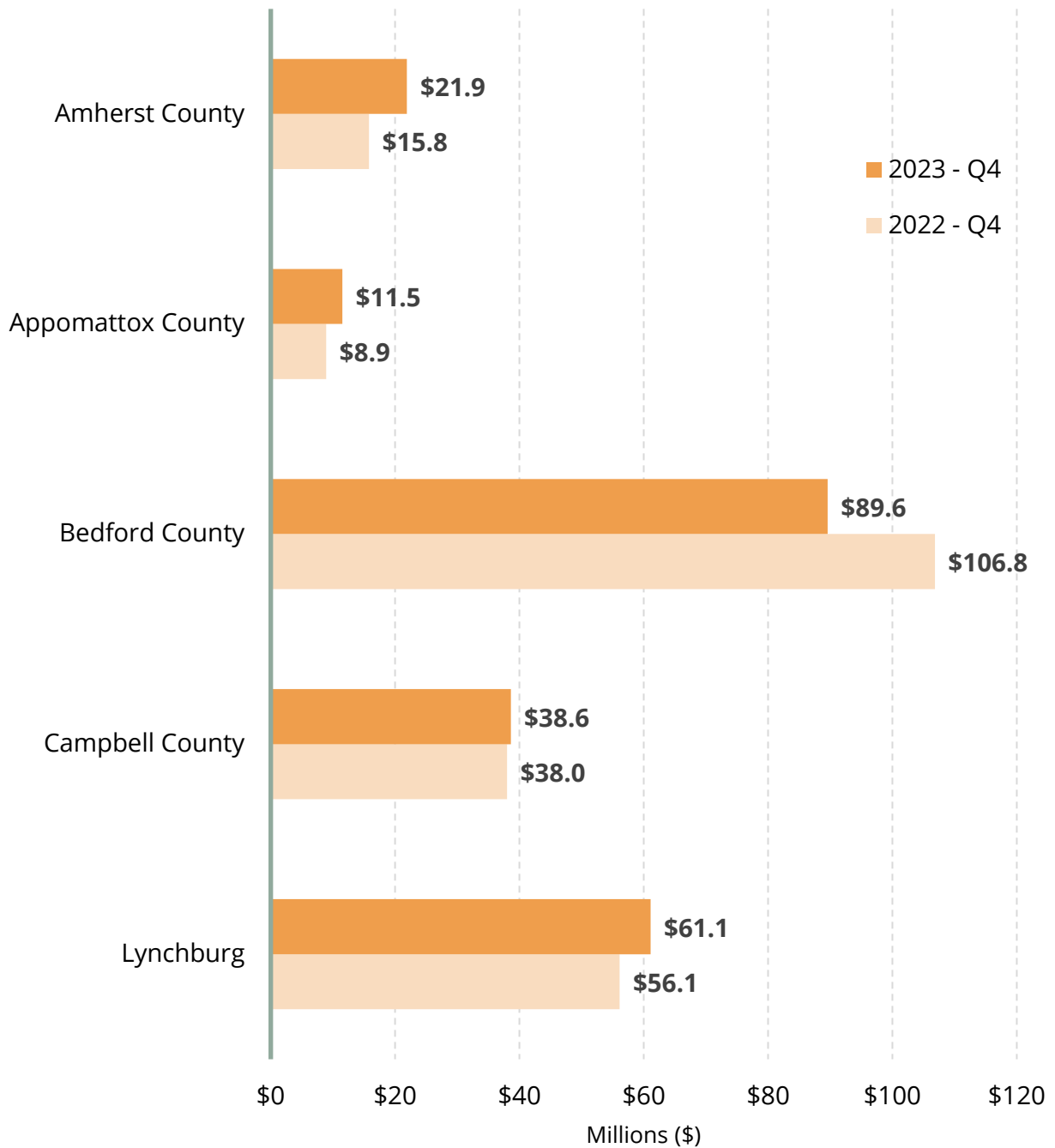
Appomattox County: Despite a decrease in the median sales price, sold volume in Appomattox County rose due to higher sales activity in the fourth quarter. At roughly \$11.5 million, the sold volume was \$2.6 million more than the previous year, a 29% increase.

Bedford County: Low sales activity in Bedford County continues to drive down sold volume levels. In the fourth quarter, there was around \$89.6 million in sold volume in Bedford County, \$17.3 million more than last year, a 16% decline.

Campbell County: Strong price growth in Campbell County increased the sold volume in the fourth quarter despite lower sales activity. There was roughly \$38.6 million in sold volume in Campbell County during the fourth quarter, which is \$632,000 higher than a year ago (+2%).

Lynchburg: Higher sales activity and median sales price increased sold volume in the Lynchburg market. In Lynchburg, there was \$61.1 million in sold volume in the fourth quarter, 2% higher than last year, a \$5 million increase.

Figure 9
Fourth Quarter Sold Dollar Volume, LAR Jurisdictions
2022 and 2023

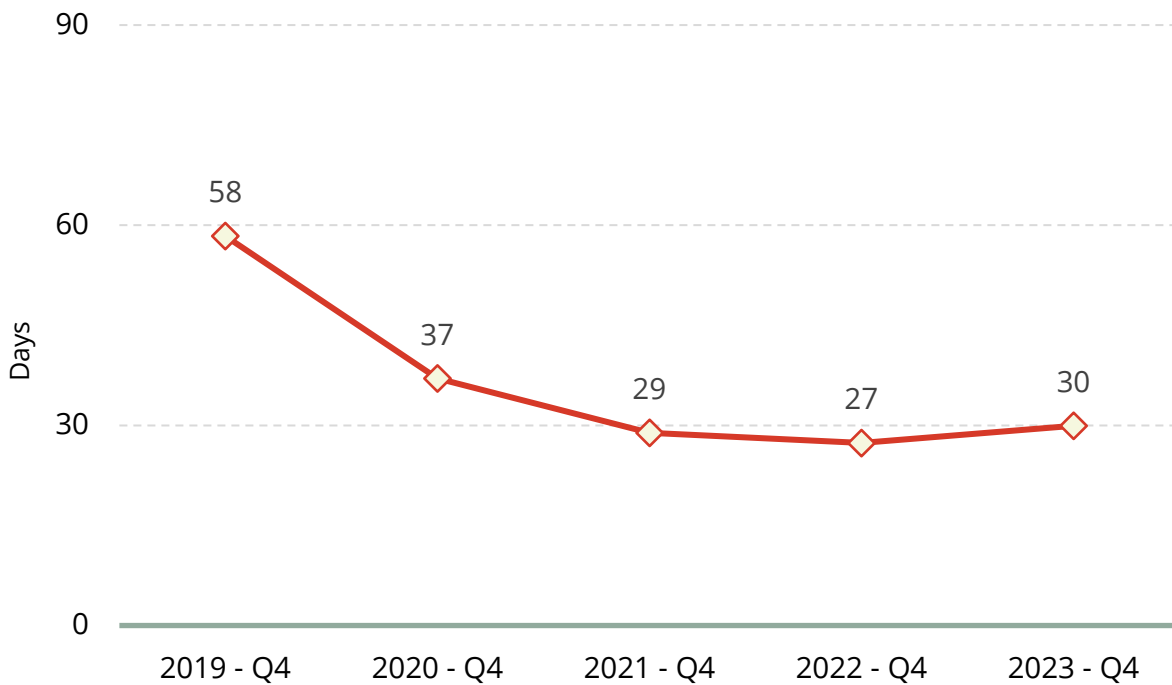


Source: Virginia REALTORS®, data accessed January 15, 2024

Days on Market

It took a few days longer than last year on average to sell a home in the LAR housing market during the fourth quarter. The fourth quarter average days on market across the footprint was 30 days, up from 27 days a year ago. The average days on market has been trending up in the LAR market for four consecutive quarters. Statewide, homes were on the market 31 days on average in the fourth quarter, unchanged from last year.

Figure 10
Fourth Quarter Average Days on Market, LAR
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024



Local Snapshot – *Average Days on Market*

Amherst County: In Amherst County, homes were on the market 26 days on average, about a week faster than last year (-5 days).

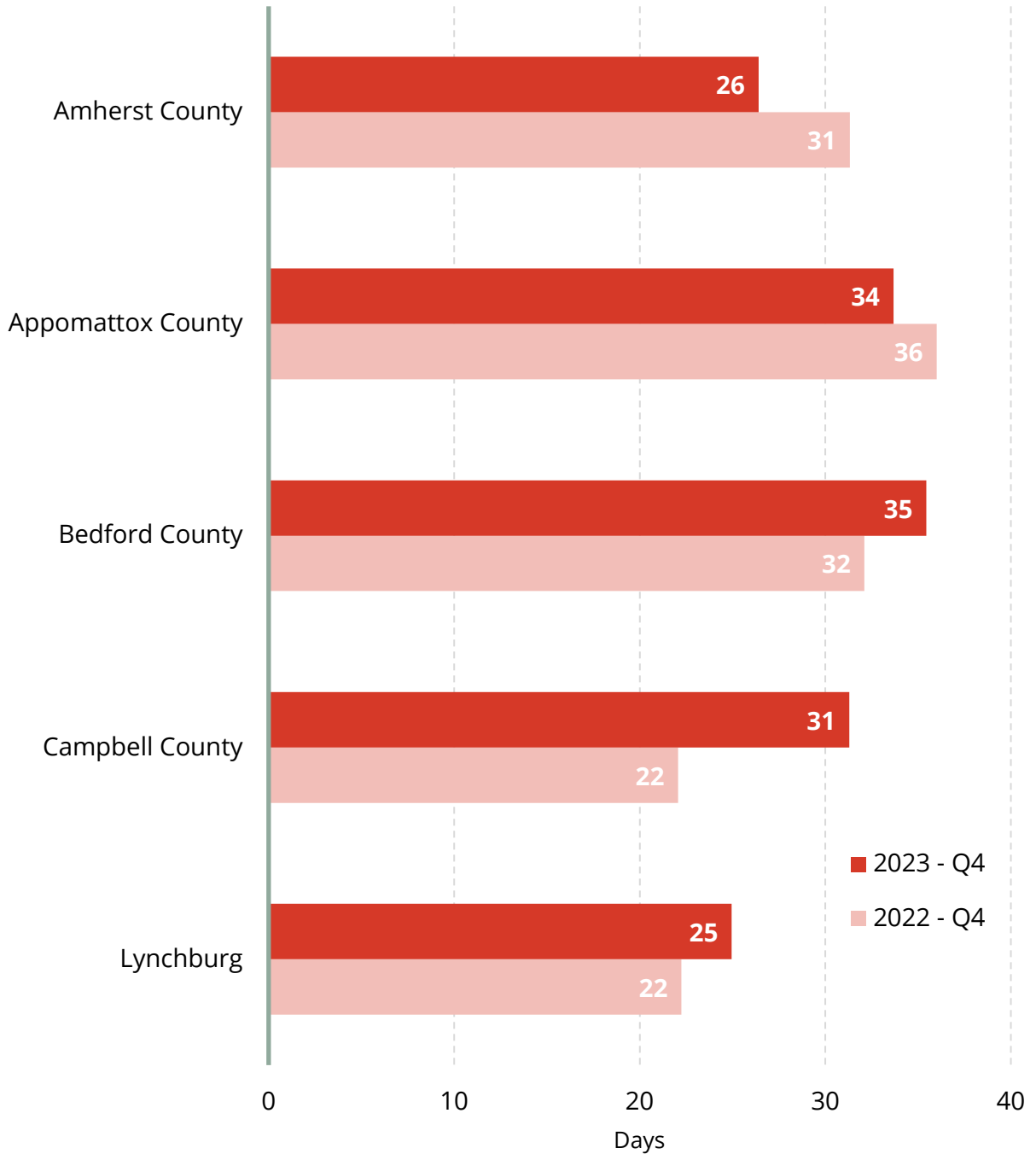
Appomattox County: Homes were on the market for over a month on average (34 days) in Appomattox County in the fourth quarter, two days faster than a year ago.

Bedford County: On average, homes in Bedford County were on the market 35 days on average in the fourth quarter, three days longer than last year.

Campbell County: In the fourth quarter, homes were on the market for a month on average in Campbell County (31 days), which is nine days longer than the previous year.

Lynchburg: At 25 days, homes in Lynchburg were on the market three days longer in the fourth quarter than last year.

Figure 11
Fourth Quarter Average Days on Market, LAR Jurisdictions
2022 and 2023



Source: Virginia REALTORS®, data accessed January 15, 2024

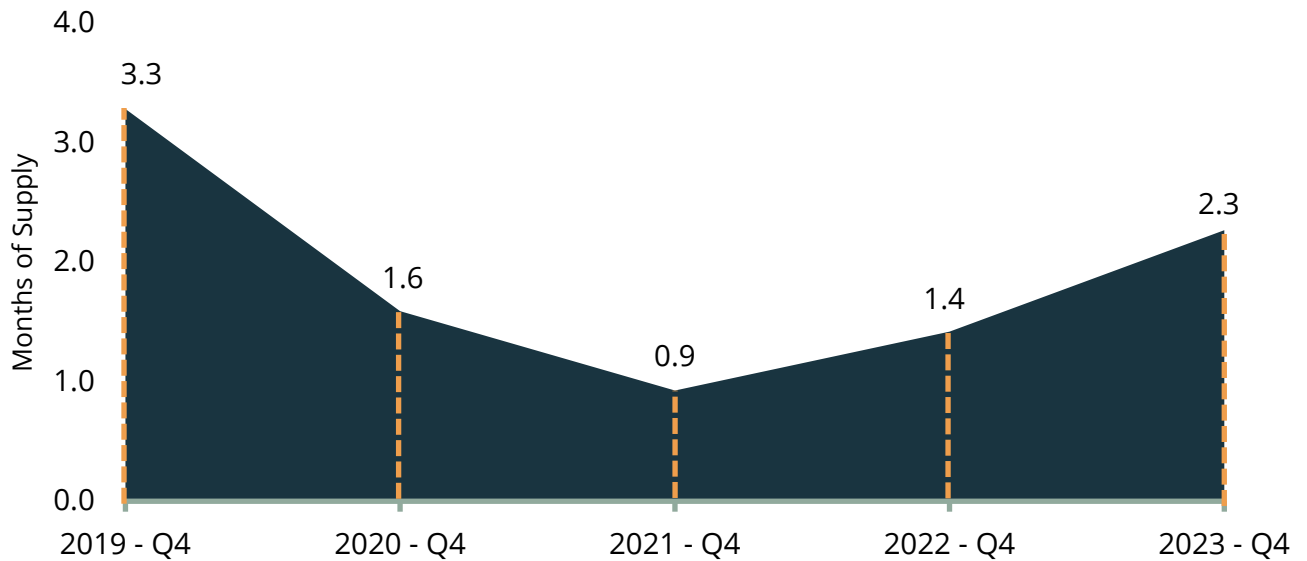
Inventory

The supply of active listings in the LAR region remains low but more active listing are coming on the market, providing more options for buyers. At the end of the fourth quarter there were 622 active listings throughout the area, 160 more listings than the fourth quarter last year, which is a 35% increase. Inventory has been expanding in the region now for five straight quarters.

Statewide, there were 16,244 active listings on the market at the end of the fourth quarter, 129 more than there were a year ago, inching up 1%.

There was approximately 2.3 months of supply at the end of the fourth quarter in the LAR footprint, which is up from 1.4 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 about two months of supply at the end of the fourth quarter.

Figure 12
End of Fourth Quarter Months Supply, LAR
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024



Local Snapshot – *Active Listings*

Amherst County: At the end of the fourth quarter, there were 65 active listings in Amherst County, 28 more than a year ago, marking a 76% surge. Inventory levels have increased for two consecutive quarters.

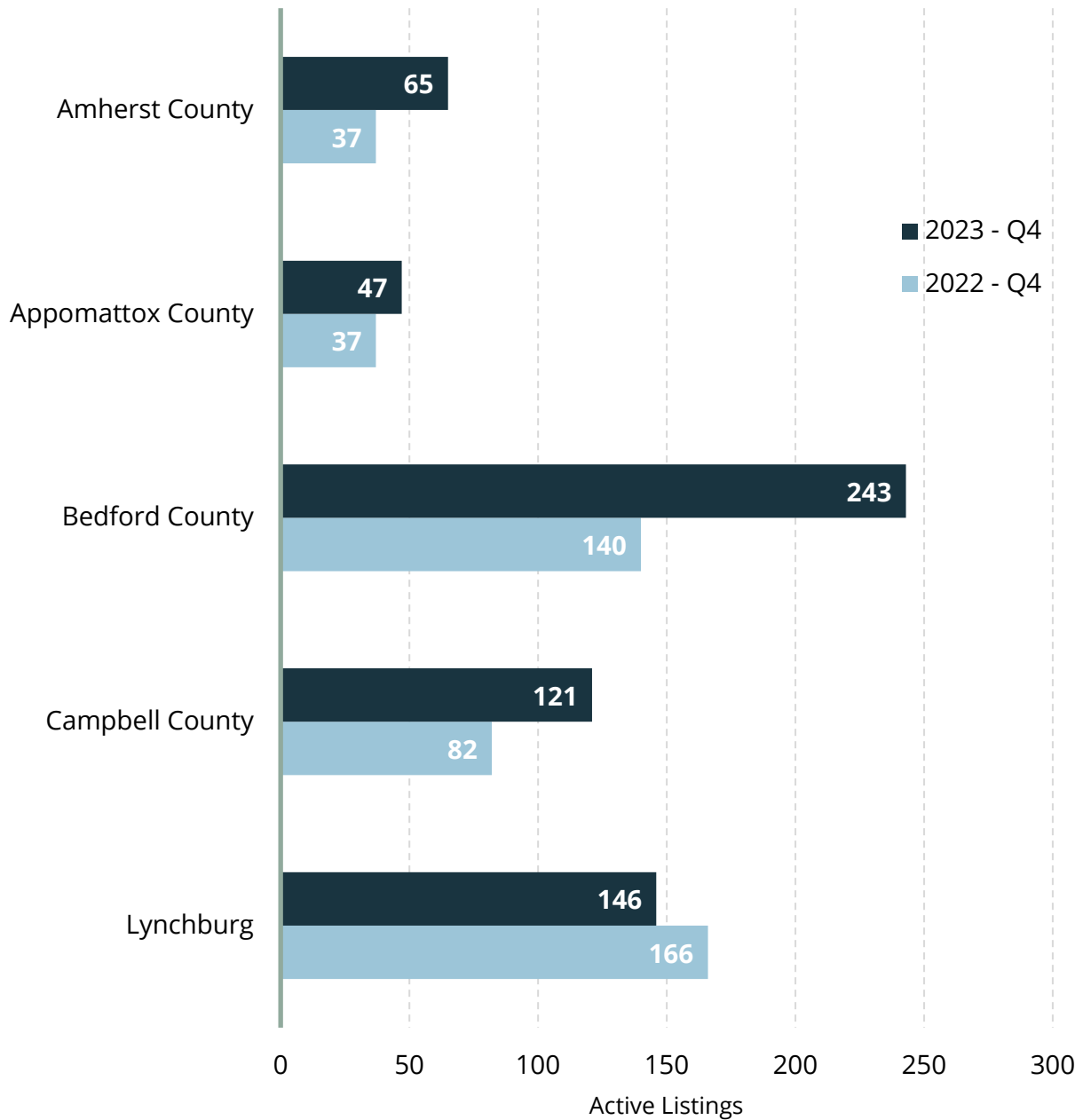
Appomattox County: There were 47 active listings at the end of the fourth quarter in Appomattox County, 10 more than last year, a 27% increase.

Bedford County: Bedford County had 243 active listings at the end of the fourth quarter, 103 fewer than last year, a 74% increase. The number of active listings has increased for two consecutive quarters.

Campbell County: At 121, the number of active listings increased 48% at the end of the fourth quarter from a year ago, which is an additional 39 active listings. Inventory has grown for over a year in the county.

Lynchburg: In Lynchburg, there were 146 active listings at the end of quarter four, 20 fewer than last year, a 12% decrease.

Figure 13
End of Fourth Quarter Active Listings, LAR Jurisdictions
2022 and 2023



Source: Virginia REALTORS®, data accessed January 15, 2024



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.