

BTVAR BRISTOL HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

BTVAR Home Sales Report

Third Quarter 2021

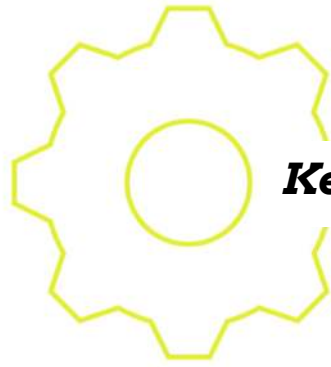
Bristol Tennessee/Virginia Association of REALTORS® Market Report Key Takeaways

Economic Conditions

- In the third quarter of 2021, while economic conditions remained positive, there was a slowdown in job growth in Virginia. The unemployment picture has improved significantly in the Bristol area over the summer and into the early fall, and economic conditions should improve further over the next few months.
- Consumer confidence has fallen amidst renewed uncertainties about the Delta variant. Individuals, families, and businesses have been rethinking plans that seemed more certain earlier this year.
- Mortgage rates remain at historically low levels, but an improving economy will lead to moderate increases in the average 30-year fixed-rate mortgage rate.

Housing Market Conditions

- There were 190 home sales in the BTVAR region during the third quarter, up 18% from sales totals a year ago.
- Price growth continued to be strong in the BTVAR market. The median sales price in the third quarter was \$136,128, which is about \$17,000 higher than it was last year (+15%).
- The average days on market in the region during the third quarter was 57 days, which is 70 days faster than this time last year.



Key Trends Dashboard, BTVAR

Economy



4.1%

Is the Aug-2021 **unemployment rate** in the BTVAR footprint, which is down from Jul-2021



3.01%

Is the **30-year fixed-rate mortgage rate** during the last week of September 2021, which is up 0.11% from a year ago

Housing Market



29

More **home sales** in the BTVAR footprint in Q3-2021 compared to last year



15%

Percent change in **median sales price** in the BTVAR region in Q3-2021 compared to a year ago



\$8.7

Million dollars more in total **sold volume** in the BTVAR footprint in Q3-2021 compared to last year



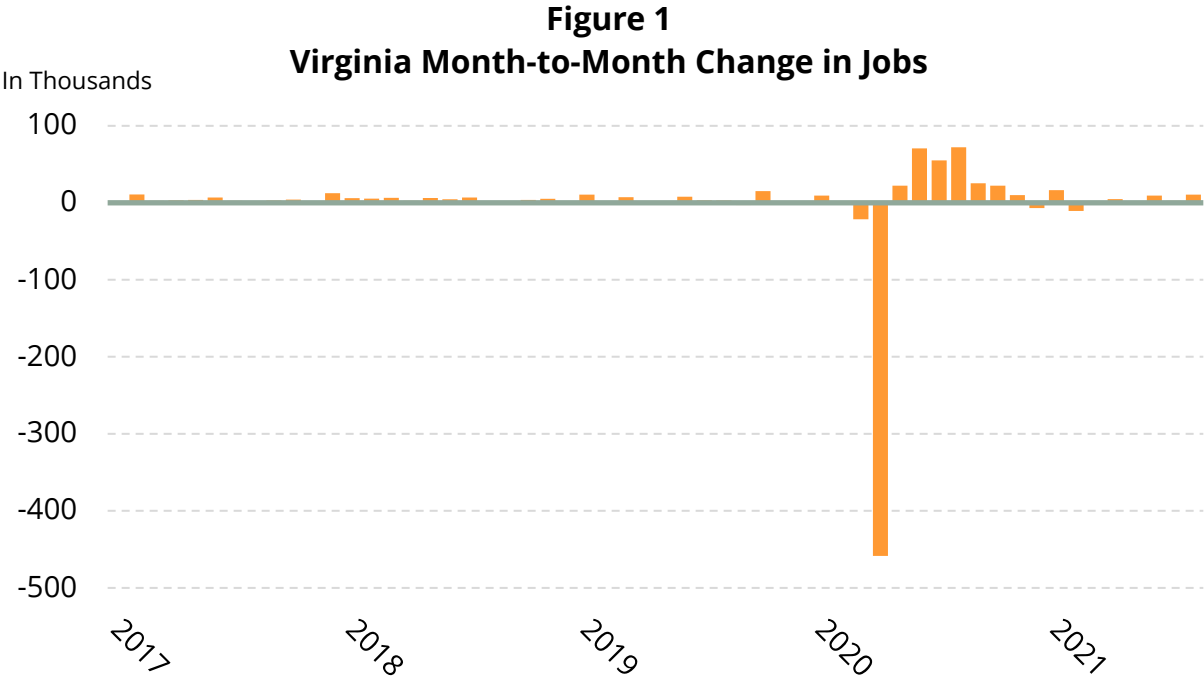
57

Is the **average days on market** in the BTVAR region in Q3-2021, which is down from this time last year

Economic Overview

Virginia’s economy continues to improve, though the Delta variant has taken the wind out of its sails. The growing uncertainty over the summer and into the fall has eroded consumer confidence and has made businesses rethink opening decisions. Despite the uncertainty, it is expected that the state’s economy will continue to expand throughout the rest of 2021 and growth will accelerate in 2022.

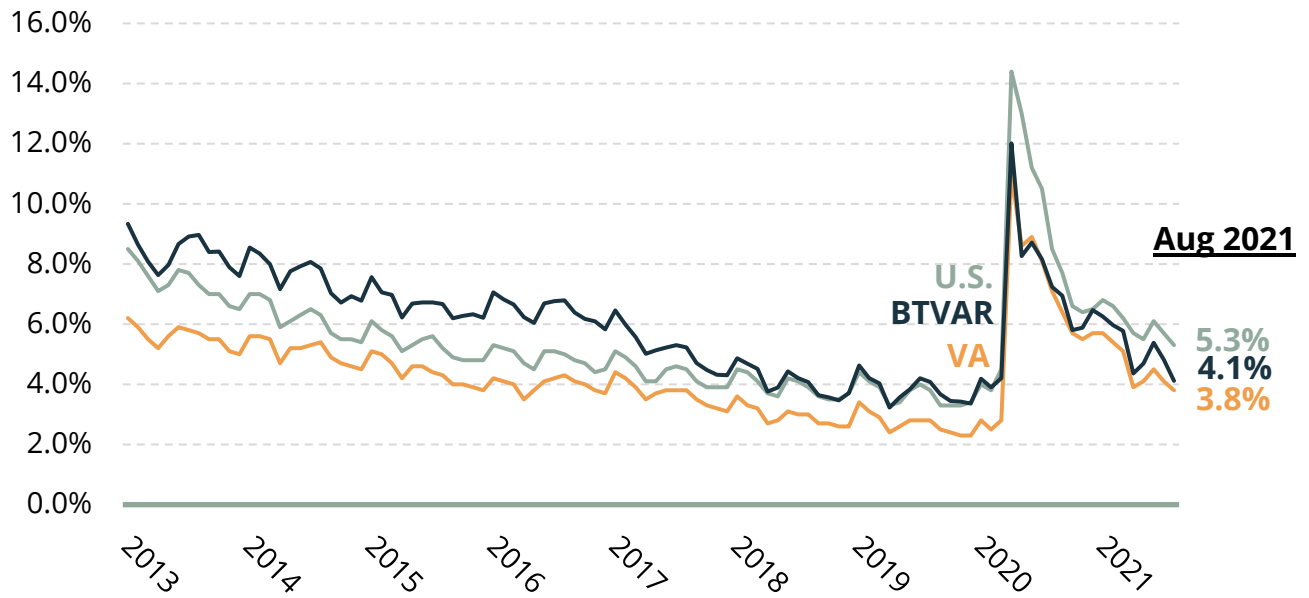
In August 2021, there was a total of 3.91 million jobs in Virginia, which is up 82,500 jobs from a year ago. Job growth has been steady, but the pace of the economic recovery has slowed. There are still about 175,000 fewer jobs in Virginia than there were before the pandemic. It is projected that the state will not regain all of the jobs lost during the pandemic and the recession until at least the end of 2022.



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

The statewide unemployment rate was 3.8% in August 2021. The statewide unemployment rate has been falling steadily for the past 18 months. The unemployment rate in the Bristol region was 4.1% in August 2021, down significantly from earlier in the summer. Like the rest of the state, the region’s economy has been impacted by the rise of the Delta variant, but economic conditions should improve in the weeks and months to come.

**Figure 2
Unemployment Rate**

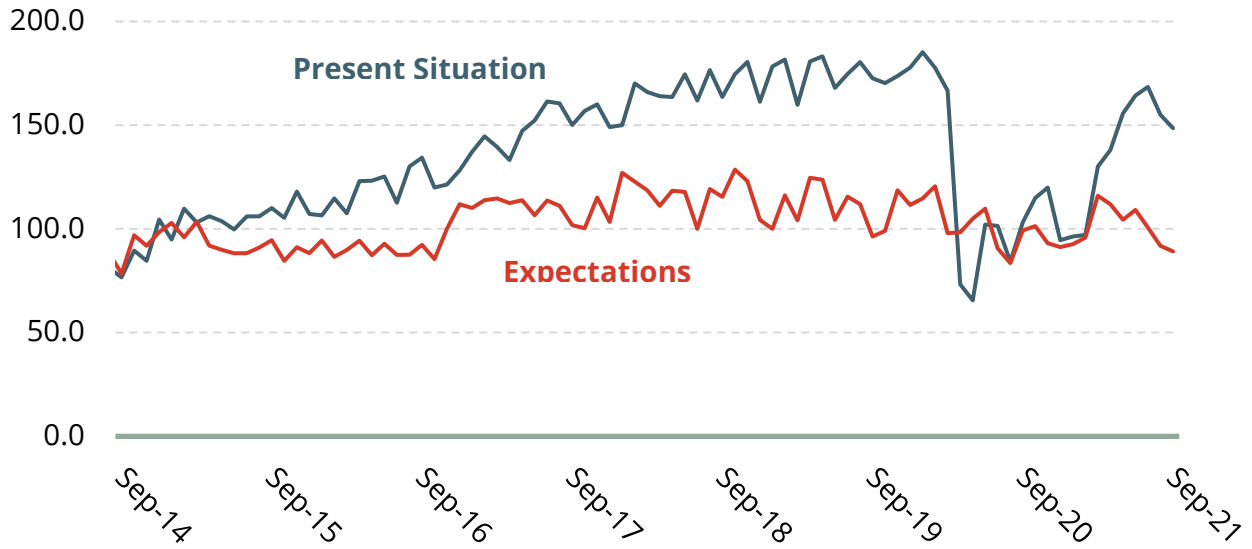


Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

The Delta variant has also impacted consumer confidence, as individuals and families are feeling more uncertain. In September 2021, the measure of confidence in the present economic situation was 148.5, down from nearly 170 earlier this summer. The measure of consumers' confidence in future economic conditions fell to 89.1 in September, after rising steadily throughout the late spring and early summer. A consumer confidence index above 100 indicates people are feeling more optimistic about economic conditions.

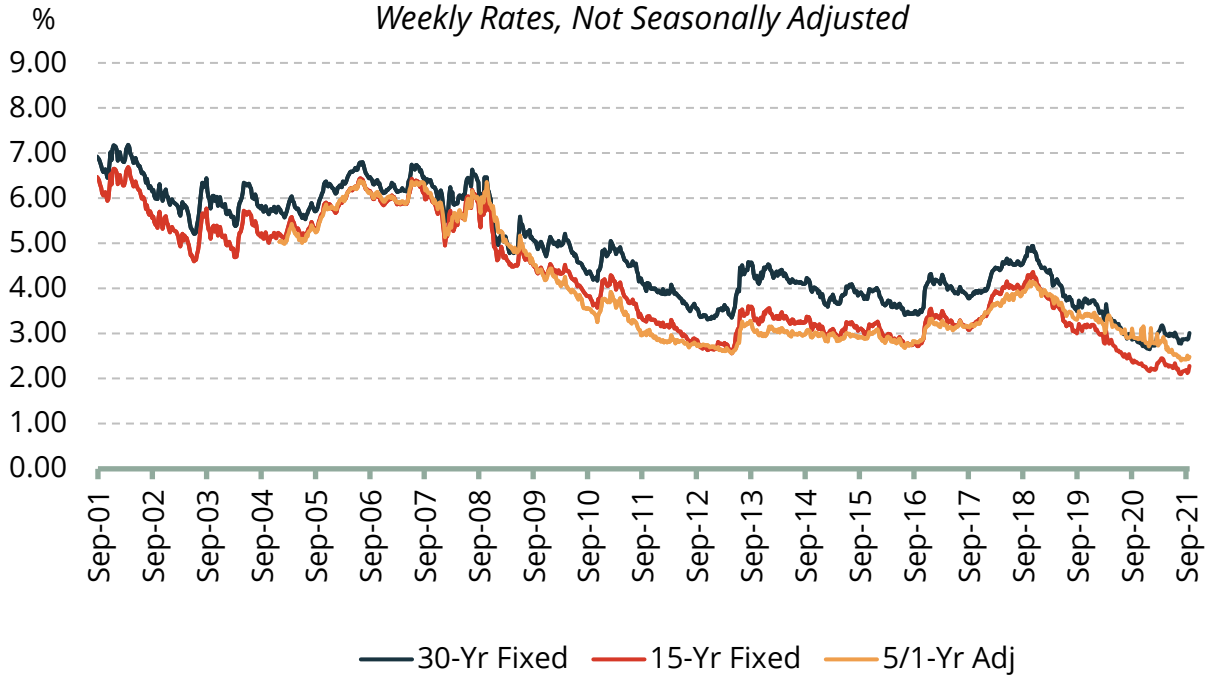
The average rate on a 30-year fixed-rate mortgage has consistently been below 3% percent for most of the past year. With an improving economy, mortgage rates have been rising slightly, though they still remain at historically low levels. At the end of September, the average 30-year fixed-rate mortgage rate had edged up to just above 3%. Rates are expected to rise modestly over the next few months but should remain below 3.5% throughout the end of the year.

Figure 3
Consumer Confidence
South Atlantic Region



Source: The Conference Board

Figure 4
Mortgage Interest Rates
Weekly Rates, Not Seasonally Adjusted



Source: Federal Reserve Bank of St. Louis

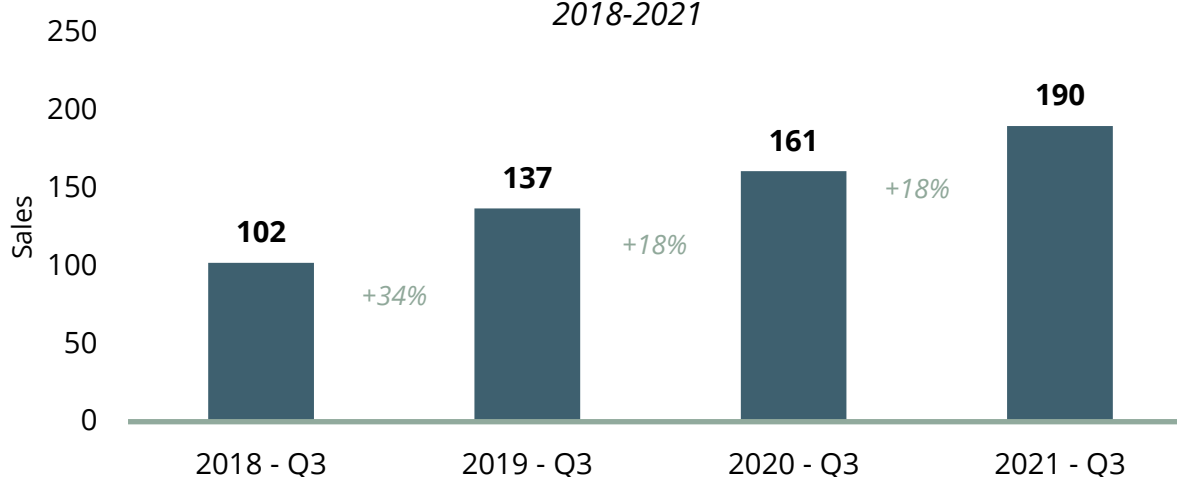
Housing Market Overview

The BTVAR housing market continued to show signs of growth. Sales activity in the region continued to outpace last year and are well above pre-pandemic levels. Home prices are surging in the area as demand in the market heats up. These trends are pushing up the sold dollar volume significantly higher than last year. Homes also continued to take much less time to sell on average, which is a reflection of the strong activity in the market.

Sales

For this report, home sales data, with the exception of the average days on market, are from both Virginia-based and Tennessee-based MLSs.¹ Sales activity in the BTVAR market continued to be strong through the summer. There were 190 homes sold in the BTVAR region during the third quarter. Home sales were up 18% compared to a year ago, an increase of 29 sales. This is the fifth straight quarter of sales growth in the region's housing market. The number of sales exceeded last year's sales in most local markets throughout the BTVAR area. In addition, home sales in the BTVAR market ran well above pre-pandemic levels, with third quarter sales 39% higher than sales in the third quarter of 2019. Statewide, the number of home sales in the third quarter was up 2% compared to last year and was 19% higher than third quarter 2019 sales totals.

Figure 5
Third Quarter Home Sales, BTVAR
2018-2021



Sources: Virginia REALTORS®, data accessed October 15, 2021, from Virginia-based MLSs
Bristol Tennessee-Virginia Association of REALTORS®, data accessed October 11, 2021, from Tennessee-based MLS

¹ Quarterly home sales reports prior to 2021 relied only on data from Virginia-based MLSs.



Local Snapshot – *Total Home Sales*

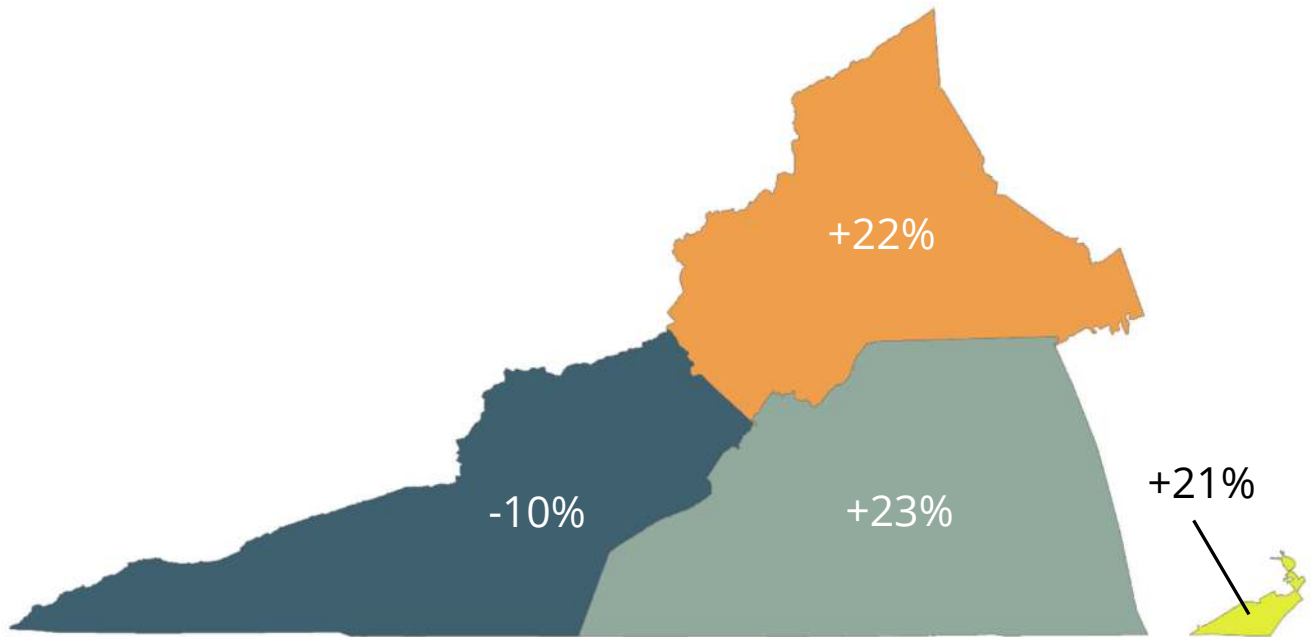
Bristol: There were 23 sales in Bristol in the third quarter, four more sales than a year ago, which is a 21% increase in market activity. Sales have been trending up in the city for three consecutive quarters.

Lee County: Sales activity slowed down modestly in Lee County this quarter. There were 19 sales in the county in the third quarter, two fewer sales than this time last year, representing a 10% decrease. Sales have been fluctuating in the county since the start of this year.

Scott County: The Scott County housing market continued to show signs of growth. There were 53 sales in the county in the third quarter, 10 more sales than a year ago, which is a 23% increase. Sales activity has increased five straight quarters in the county.

Wise County: There were 95 sales in Wise County during the third quarter, a 22% increase from last year, which is 17 more sales. Other than a modest slowdown in the first quarter of this year, sales activity has been strong in the county since the third quarter of 2020.

Figure 6
Change in Sales by Jurisdiction
BTVAR
Third Quarter 2020 to Third Quarter 2021



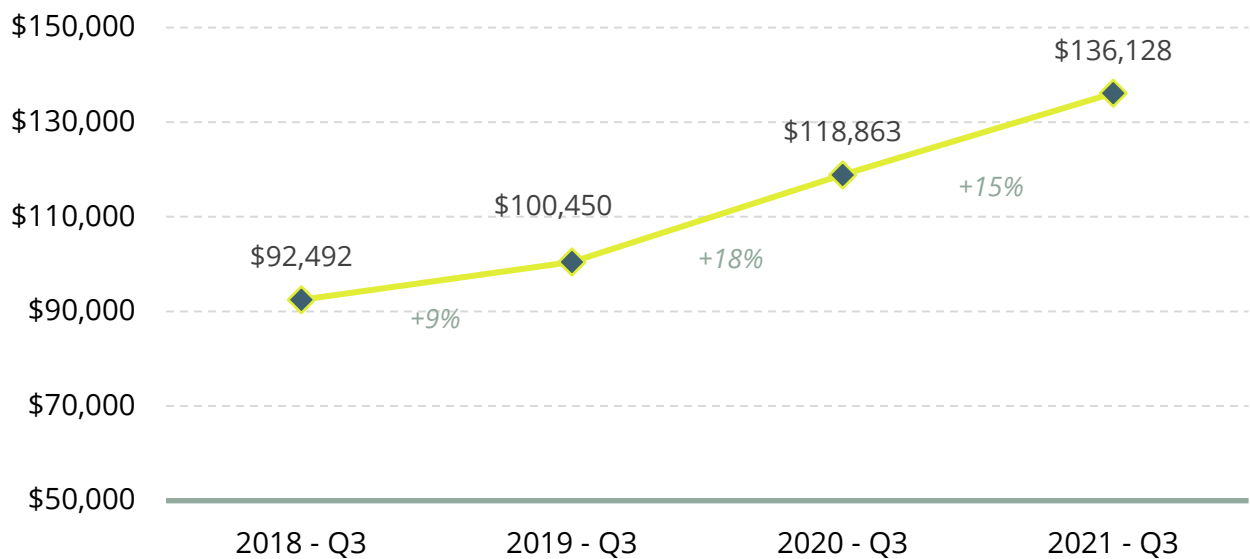
<i>Jurisdiction</i>	<i>2020 - Q3</i>	<i>2021 - Q3</i>	<i>% Change</i>
Bristol	19	23	21%
Lee County	21	19	-10%
Scott County	43	53	23%
Wise County	78	95	22%

Sources: Virginia REALTORS®, data accessed October 15, 2021, from Virginia-based MLSs
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed October 11, 2021, from Tennessee-based MLS

Sales Prices

Home prices in the BVTAR area continued to rise quickly. The median sales price in the third quarter was \$136,128, which is about \$17,000 higher than it was last year, representing a 15% price jump. Prices rose across all local markets in the BTVAR footprint, many at double-digit rates. The third quarter median sales price is now more than \$43,500 higher than it was at this time three years ago. The median sales price statewide was \$355,000 in the third quarter, up 8% compared to a year ago.

Figure 7
Third Quarter Median Sales Price, BTVAR
2018-2021



Sources: Virginia REALTORS®, data accessed October 15, 2021, from Virginia-based MLSs
Bristol Tennessee-Virginia Association of REALTORS®, data accessed October 11, 2021, from Tennessee-based MLS



Local Snapshot – *Median Sales Price*

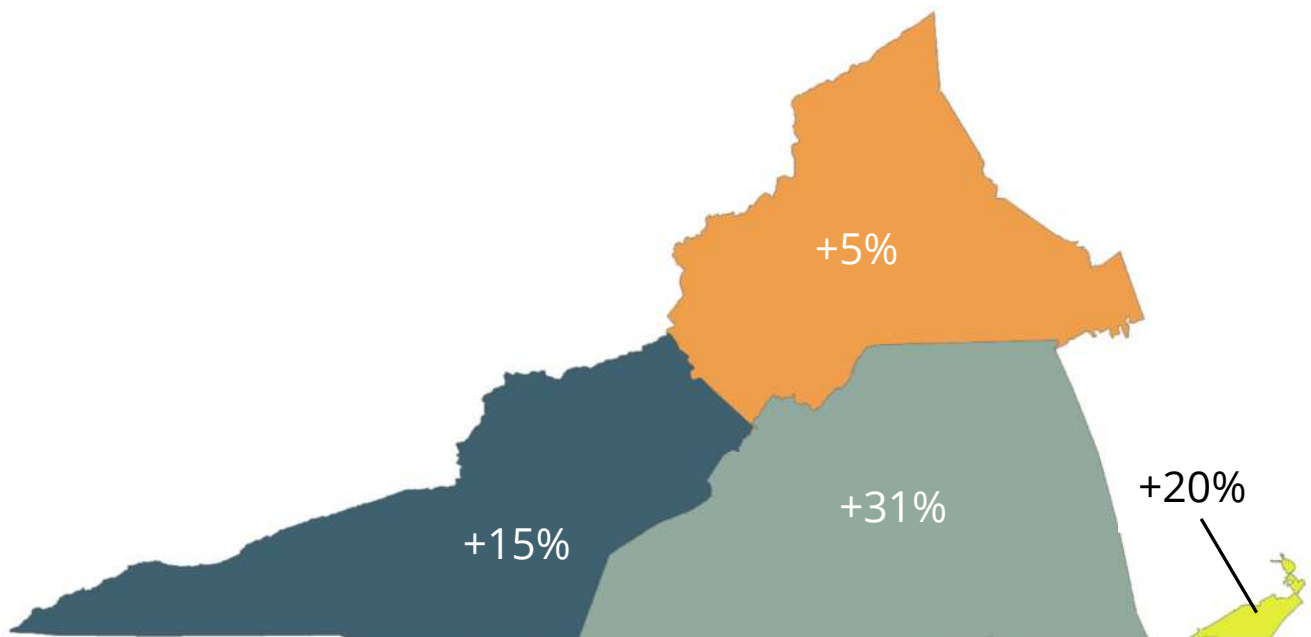
Bristol: Prices continued to climb in the Bristol housing market, though the rate of growth has moderated from the surging levels of the past year. The third quarter median sales price in the city was \$148,000, a \$25,000 increase from a year ago, which is a 20% gain.

Lee County: Home prices rose in the Lee County housing market this quarter. The third quarter median sales price in Lee County was \$131,211, which is 15% higher than it was a year ago, a price gain of about \$17,400.

Scott County: Following moderate growth last quarter, home prices are once again surging in the Scott County market. The third quarter median sales price was \$140,258, a 31% jump from last year, which is a gain of nearly \$33,000.

Wise County: At \$130,953, the third quarter median sales price in Wise County grew by 5% from this time last year, which is a gain of about \$6,700.

Figure 8
Change in Median Sales Price by Jurisdiction
BTVAR
Third Quarter 2020 to Third Quarter 2021



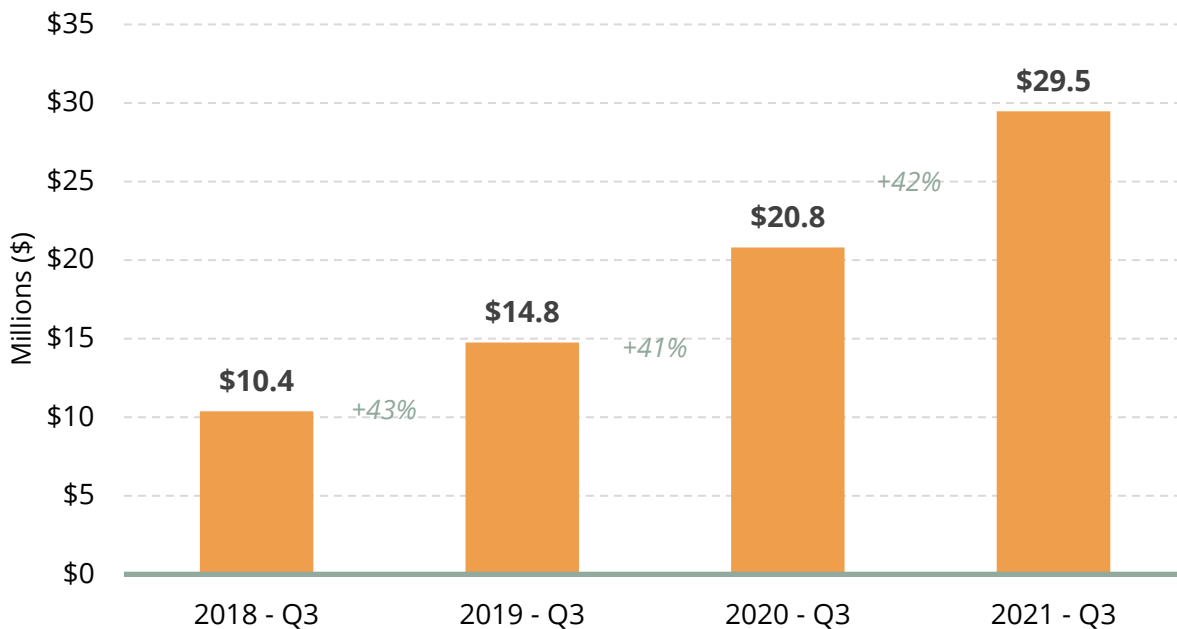
<i>Jurisdiction</i>	<i>2020 - Q3</i>	<i>2021 - Q3</i>	<i>% Change</i>
Bristol	\$123,000	\$148,000	20%
Lee County	\$113,810	\$131,211	15%
Scott County	\$107,442	\$140,258	31%
Wise County	\$124,255	\$130,953	5%

Sources: Virginia REALTORS®, data accessed October 15, 2021, from Virginia-based MLSs
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed October 11, 2021, from Tennessee-based MLS

Sold Volume

With strong price growth and an increase in sales, the sold dollar volume in the BTVAR market continued to surge in the third quarter. There was approximately \$29.5 million of sold volume in the BTVAR region, an increase of 42%, or a gain of about \$8.7 million. Total sold volume was up in the third quarter in most local markets in the BTVAR footprint. Statewide, total sold volume was up 9% compared to the third quarter of last year.

Figure 9
Third Quarter Sold Dollar Volume (Millions), BTVAR
2018-2021



Sources: Virginia REALTORS®, data accessed October 15, 2021, from Virginia-based MLSs
Bristol Tennessee-Virginia Association of REALTORS®, data accessed October 11, 2021, from Tennessee-based MLS



Local Snapshot – *Sold Dollar Volume*

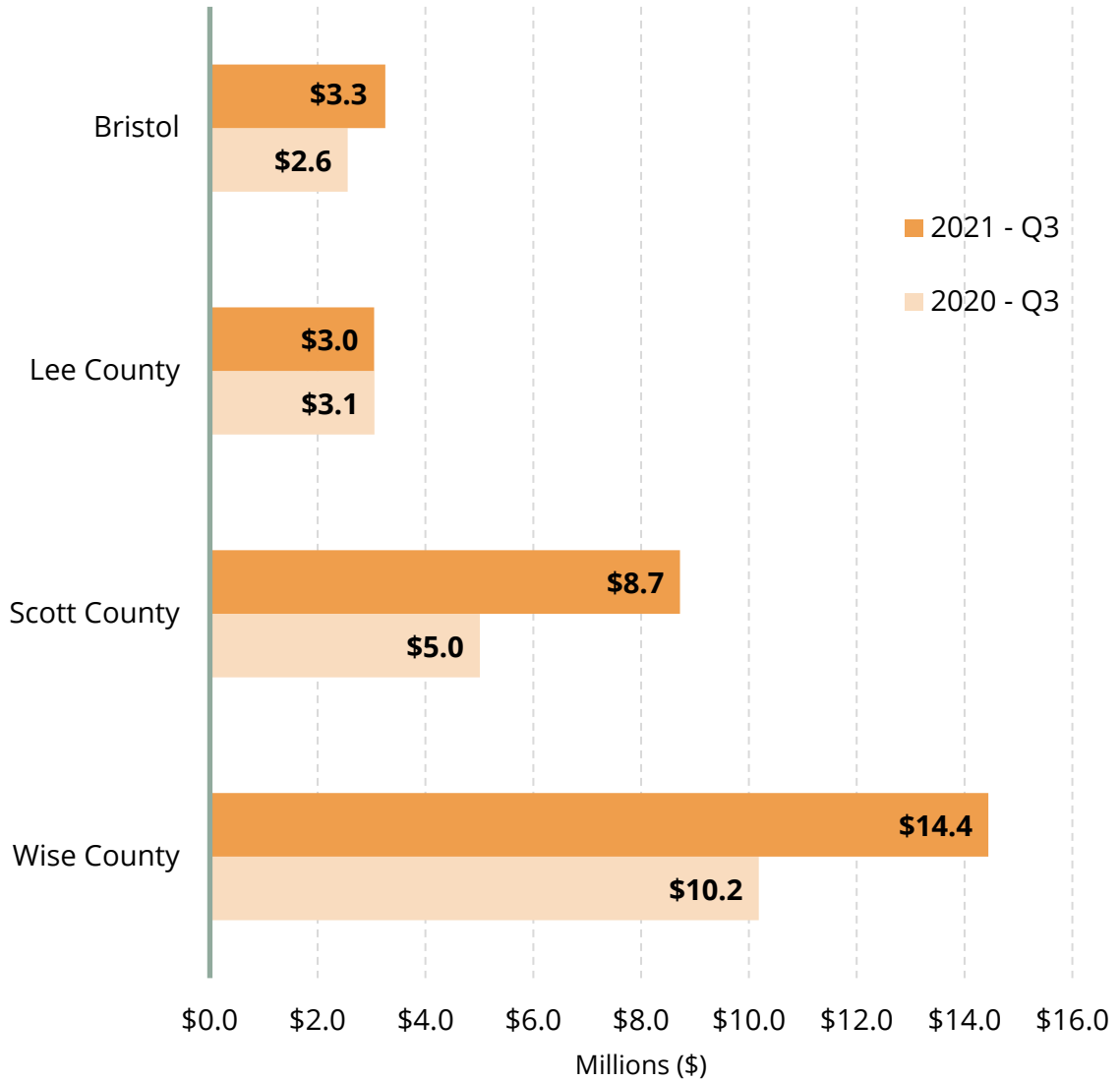
Bristol: More sales and higher prices pushed up the sold dollar volume in the Bristol market. There was about \$3.3 million of sold volume in the city during the third quarter, a 27% influx of volume compared to last year, which is a gain of about \$700,000.

Lee County: While home price growth was strong, the decrease in sales this quarter in Lee County kept the total sold dollar volume levels about the same as last year. There was approximately \$3 million of sold volume in the county during the third quarter, inching down 0.2%, or about \$5,000 from last year.

Scott County: There was about \$8.7 million of sold volume in Scott County in the third quarter, \$3.7 million more volume than a year ago, representing a 74% surge. The influx of sales and higher price levels drove up the sold dollar volume in the county this quarter.

Wise County: Sold dollar volume in Wise County continued to increase rapidly. There was about \$14.4 million of sold volume in the county during the third quarter, a 42% jump from last year, which is a gain of about \$4.2 million.

Figure 10
Third Quarter Sold Dollar Volume, BTVAR Jurisdictions
2020 and 2021

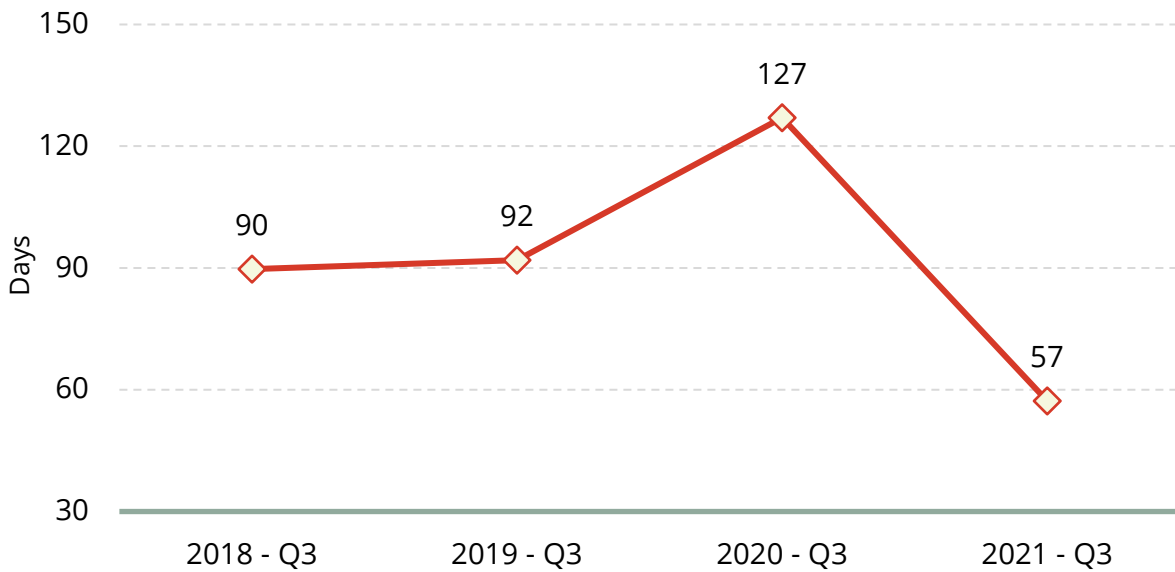


Sources: Virginia REALTORS®, data accessed October 15, 2021, from Virginia-based MLSs
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed October 11, 2021, from Tennessee-based MLS

Days on Market

Homes are selling much faster than last year in the BTVAR region, as buyer activity has been strong in most local areas. The average days on market in the third quarter in the BTVAR footprint was 57 days, which is 70 days faster than last year. Statewide, homes sold in an average of 21 days in the third quarter, down from 39 days a year ago.

Figure 11
Third Quarter Average Days on Market, BTVAR
2018-2021



Source: Virginia REALTORS®, data accessed October 15, 2021, from Virginia-based MLSs



Local Snapshot – *Average Days on Market*

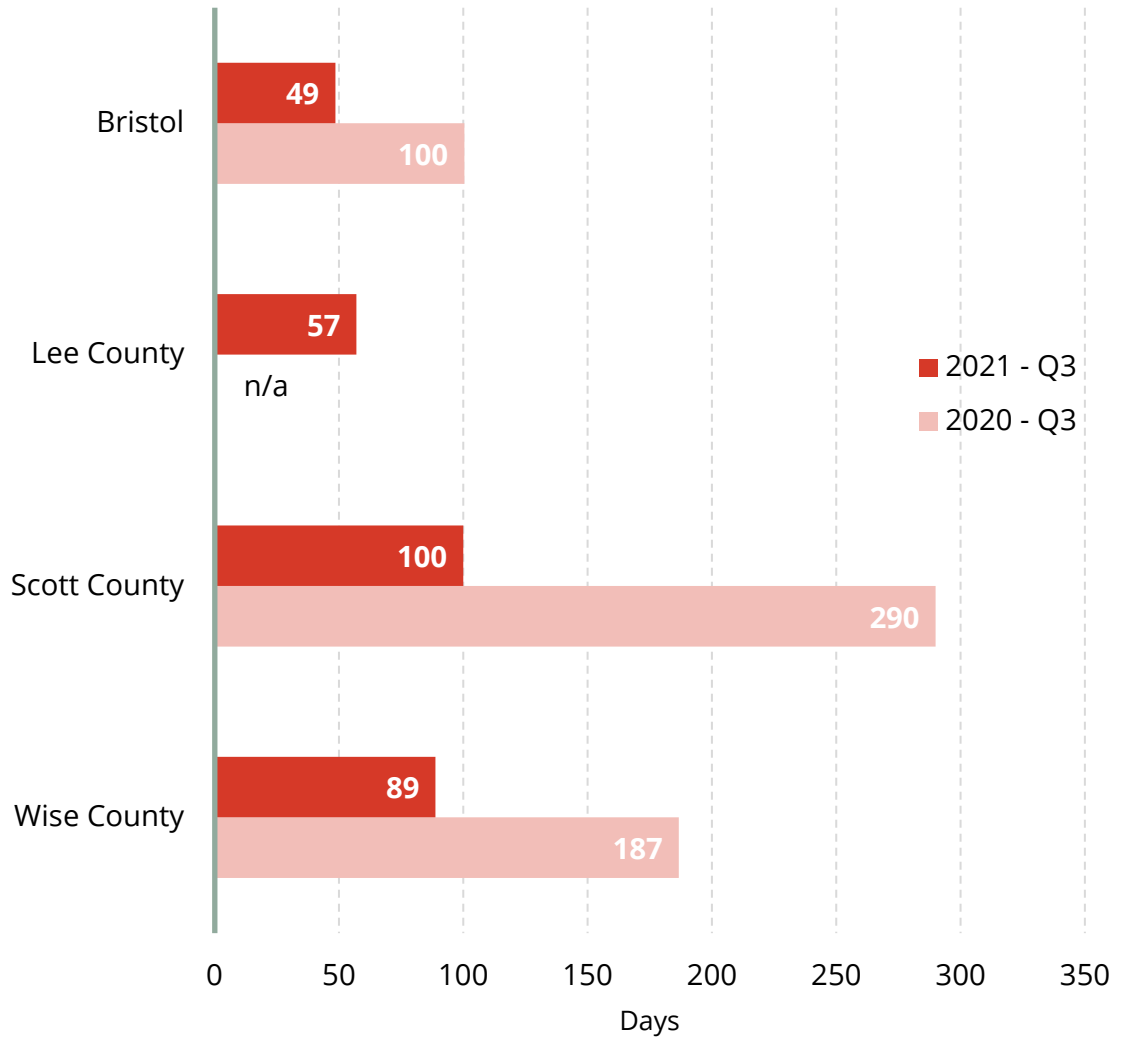
Bristol: The average days on market in Bristol during the third quarter was 49 days, which is 51 days faster than a year ago. Homes have been selling faster in the city on average for four consecutive quarters.

Lee County: The average days on market in Lee County in the third quarter was 57 days. Average days on market data for the third quarter of 2020 in Lee County is not available.

Scott County: Homes continued to sell much faster in Scott County. At 100 days, the average days on market in the third quarter was 190 days faster than a year ago. This metric has been declining rapidly for four straight quarters in the county's housing market.

Wise County: Homes that sold in Wise County during the third quarter were on the market an average of about three months (89 days), which is 98 days faster than this time last year. Homes have been taking much less time to sell in recent quarters in the county as buyers are active in the market.

Figure 12
Third Quarter Average Days on Market, BTVAR Jurisdictions
2020 and 2021



Source: Virginia REALTORS®, data accessed October 15, 2021, from Virginia-based MLSs



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:

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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.