

BTVAR BRISTOL HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

BTVAR Home Sales Report

First Quarter 2022

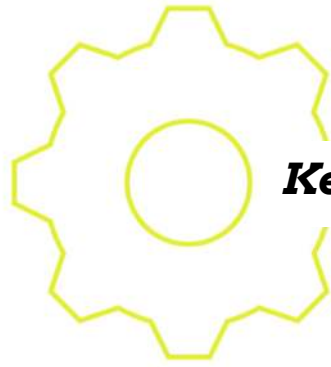
Bristol Tennessee/Virginia Association of REALTORS® Market Report Key Takeaways

Economic Conditions

- Virginia's economy continued to improve in early 2022, despite rising inflation and the escalating conflict overseas. Economic conditions are solid in the Bristol region, with a steady decline in the regional unemployment rate.
- Even as the economy improves, consumer confidence is shaky. In March 2022, the measure of expectations of future economic conditions fell to its lowest level since 2013.
- Mortgage rates are on the rise. In the second week of April, the average 30-year rate hit 5%, the first time it has been at this level in 11 years.

Housing Market Conditions

- There were 139 homes sold in the BTVAR region in the first quarter, up 21% from last year, which is an influx of 24 sales.
- Home prices moderated this quarter in the BTVAR footprint. The median sales price in the area was \$134,508 in the first quarter of 2021, falling 6% from last year, a drop of about \$9,000.
- The average days on market in the region during the first quarter was 71 days, which is 59 days faster than a year ago.



Key Trends Dashboard, BTVAR

Economy



3.4%

Is the Feb-2022 **unemployment rate** in the BTVAR footprint, which is down from Jan-2022



5.00%

Is the **30-year fixed-rate mortgage rate** during the second week of April 2022, which is up 1.96 percentage points from a year ago

Housing Market



24

More **home sales** in the BTVAR footprint in Q1-2022 compared to last year.



-6%

Percent change in **median sales price** in the BTVAR region in Q1-2022 compared to a year ago.



\$1.8

Million dollars more in total **sold volume** in the BTVAR footprint in Q1-2022 compared to last year.



71

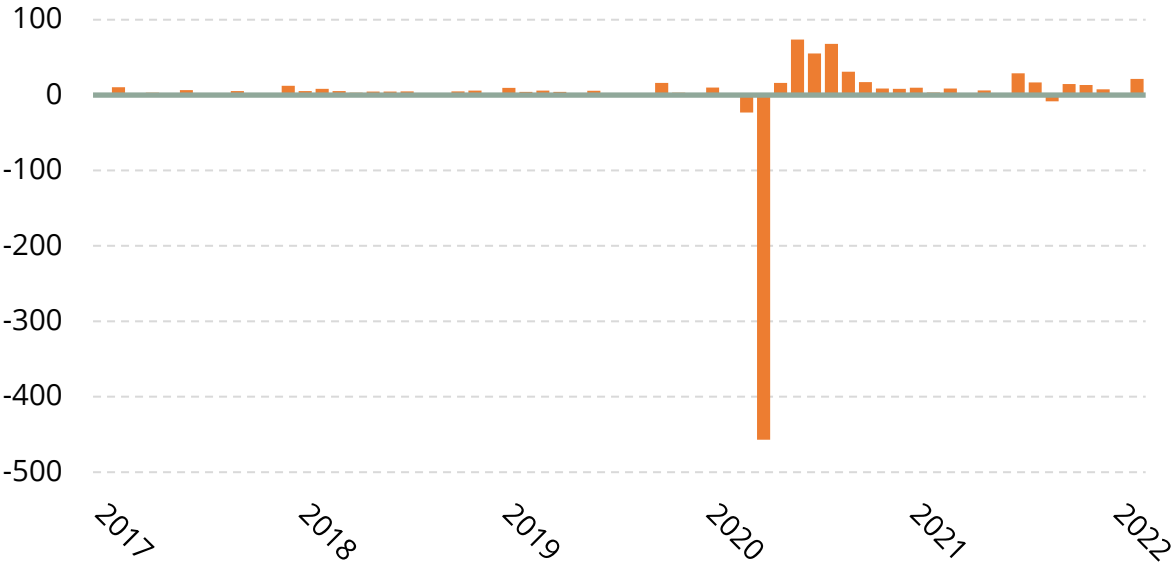
Is the **average days on market** in the BTVAR region in Q1-2022, which is down from this time last year

Economic Overview

Despite on-going uncertainties, the economy in Virginia continues to improve. In February 2022, total employment in Virginia surpassed four million jobs, the first time that milestone has been reached since March 2020. About 111,900 jobs have been added over the past 12 months. The total number of jobs in the state is now just 2% below where it was prior to the pandemic.

The job recovery in Virginia continues across most sectors, with the fastest growth in some of the sectors that were hardest hit by the pandemic. The Professional/Technical Services, Transportation/Warehousing, Administrative Services, and Federal Government sectors have all been back to pre-pandemic levels for several months. However, in February, for the first time, the number of jobs in both the Retail Trade and Construction sectors surpassed pre-pandemic levels.

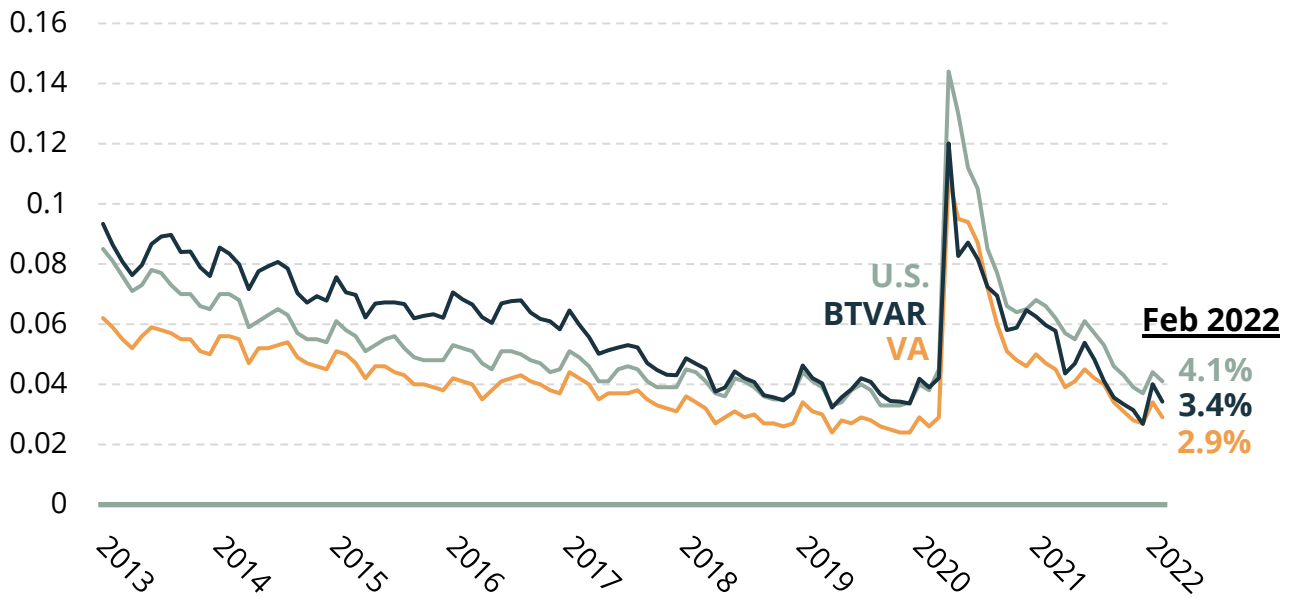
Figure 1
Virginia Month-to-Month Change in Jobs



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

A key indicator of the improving economy is the unemployment rate. In February, the unemployment rate in Virginia was 2.9% (not seasonally adjusted), which is down from 3.4% in January and is at the lowest level since March 2020. In the Bristol region, the February unemployment rate was 3.4%, down from 4.0% in January.

Figure 2
Unemployment Rate



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

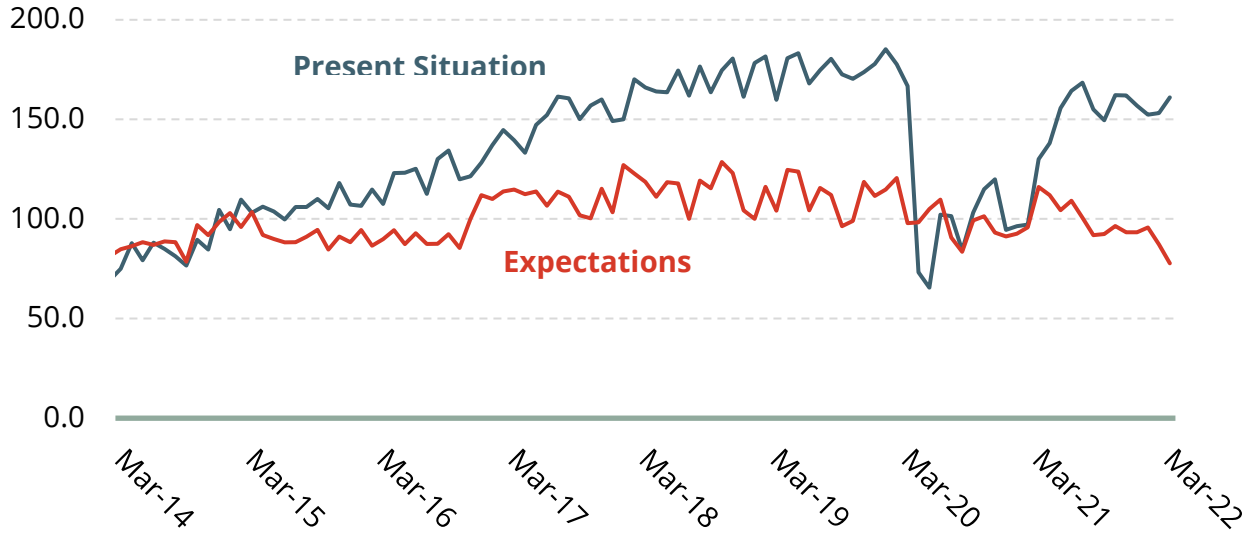
Consumer Confidence

Consumers’ outlook for the economy dipped this spring in response to high inflation and ongoing conflict overseas. In March 2022, the measure of how confident consumers feel about the future economy fell to 77.7, down from 87.2 in February, and the lowest level since 2013. Between February and March 2022, consumers’ confidence in the present economic situation ticked up from 153.1 to 161. (A consumer confidence index above 100 indicates people are feeling more optimistic about economic conditions.)

Mortgage Rates

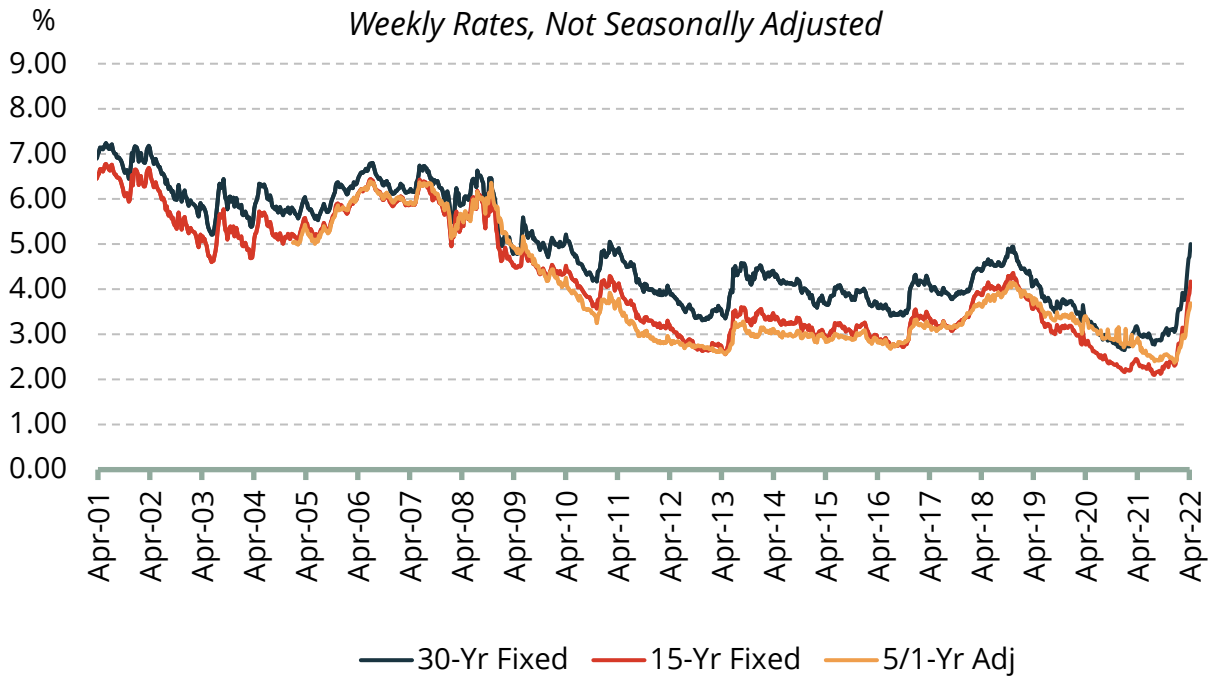
Over the past few weeks, mortgage rates have risen faster than they have in nearly 30 years. In the second week of April, the average rate on a 30-year fixed-rate mortgage hit 5% for the first time in 11 years. Rates are rising in response to actions taken by the Federal Reserve, including a boost in short-term interest rates and a pullback in the purchase of bonds and mortgage-backed securities. The Fed has telegraphed several more short-term rate increases during 2022, which indicates that mortgage rates will likely rise further during the year. Even as rates continue to climb, they are still at historically low levels.

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

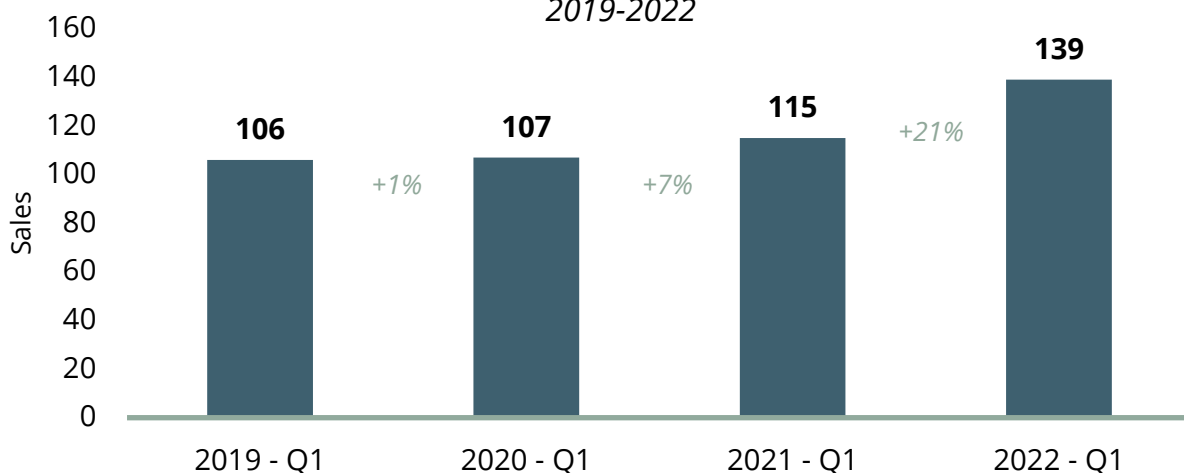
Housing Market Overview

The BTVAR housing market is showing signs of continued strength to start off the year. Sales activity is surging compared to a year ago, and homes are selling much faster on average. Prices moderated slightly, however the total sold dollar volume continues to rise due to the increase in sales transactions.

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 Home sales in the region continue to far outpace last year's level. There were 139 sales in the BTVAR footprint in the first quarter of 2022, a 21% jump in activity from this time last year, which is an influx of 24 sales. Sales activity in the region has been expanding now for seven consecutive quarters. Regionwide, sales slowed down between the fourth quarter and the first quarter, which is a typical seasonal change. The BTVAR market was one of only a handful in Virginia that had more sales this quarter than the first quarter of 2021. Sales activity in the region also is above pre-pandemic levels, up 30% from the first quarter of 2020. Statewide, the number of home sales in the first quarter was down 8% compared to a year ago and was 9% higher than first quarter 2020 sales totals.

Figure 5
First Quarter Home Sales, BTVAR
2019-2022



Sources: Virginia REALTORS®, data accessed April 15, 2022, from Virginia-based MLSs
Bristol Tennessee-Virginia Association of REALTORS®, data accessed May 2, 2022, 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 20 sales in the Bristol housing market during the first quarter, five more sales than the first quarter last year, which is a 33% increase. Sales activity has been expanding rapidly in the city for more than a year.

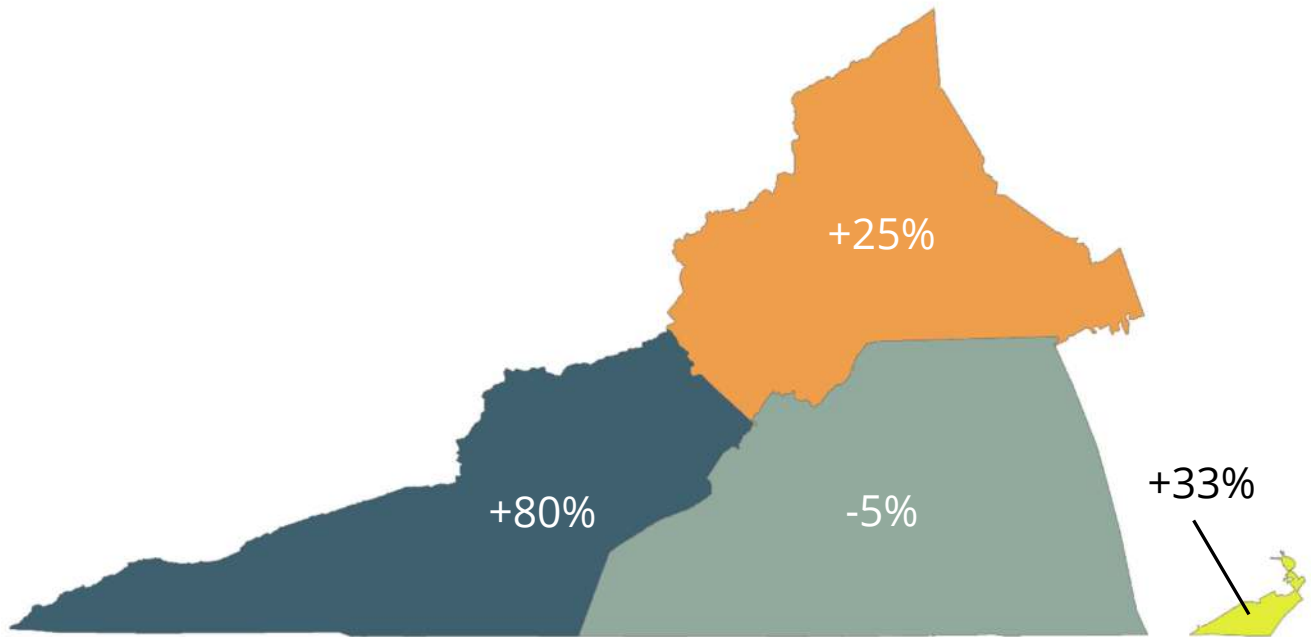
Lee County: Sales are surging in the Lee County housing market this quarter. There were 18 sales in the county in the first quarter of 2022, an additional eight sales compared to a year ago, which is an 80% surge.

Scott County: After a year and a half of growth, the Scott County housing market moderated slightly this quarter. There were 37 sales in the county in the first quarter, two less than a year ago, inching down 5%.

Wise County: Activity in the Wise County housing market remains strong. There were 64 sales countywide during the first quarter, an influx of 13 sales from last year, which is a 25% jump. Wise County had the largest increase in sales this quarter in the BTVAR footprint.

Figure 6
Change in Sales by Jurisdiction
BTVAR

First Quarter 2021 to First Quarter 2022



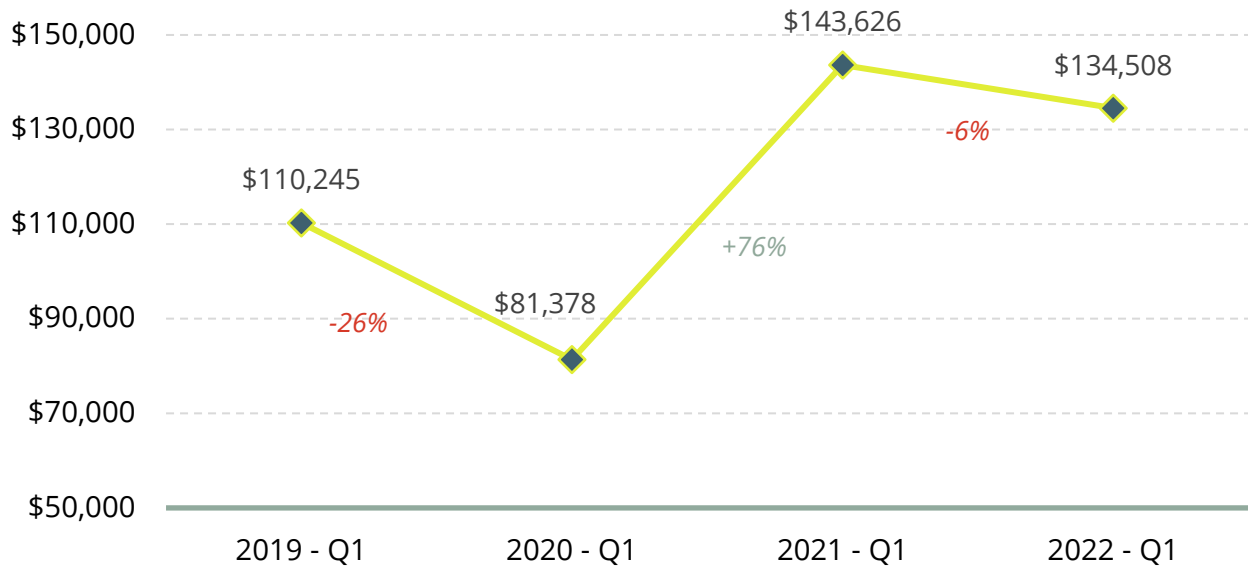
<i>Jurisdiction</i>	<i>2021 - Q1</i>	<i>2022 - Q1</i>	<i>% Change</i>
Bristol	15	20	33%
Lee County	10	18	80%
Scott County	39	37	-5%
Wise County	51	64	25%

Sources: Virginia REALTORS®, data accessed April 15, 2022, from Virginia-based MLSs
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed May 2, 2022, from Tennessee-based MLS

Sales Prices

After climbing rapidly for a year and a half straight, the sales prices moderated this quarter in the BTVAR housing market. The first quarter median sales price in the region was \$134,508, which is about \$9,000 lower than it was in the first quarter last year, representing a 6% decrease. Some local markets had a modest increase in the median price, while others had sharp declines. Despite the decrease this quarter, the region's median sales price is well above pre-pandemic levels, up by more than \$53,000 compared to this time two years ago. Statewide, the first quarter median sales price was \$375,000, up 12% compared to a year ago.

Figure 7
First Quarter Median Sales Price, BTVAR
2019-2022



Sources: Virginia REALTORS®, data accessed April 15, 2022, from Virginia-based MLSs
Bristol Tennessee-Virginia Association of REALTORS®, data accessed May 2, 2022, from Tennessee-based MLS



Local Snapshot – *Median Sales Price*

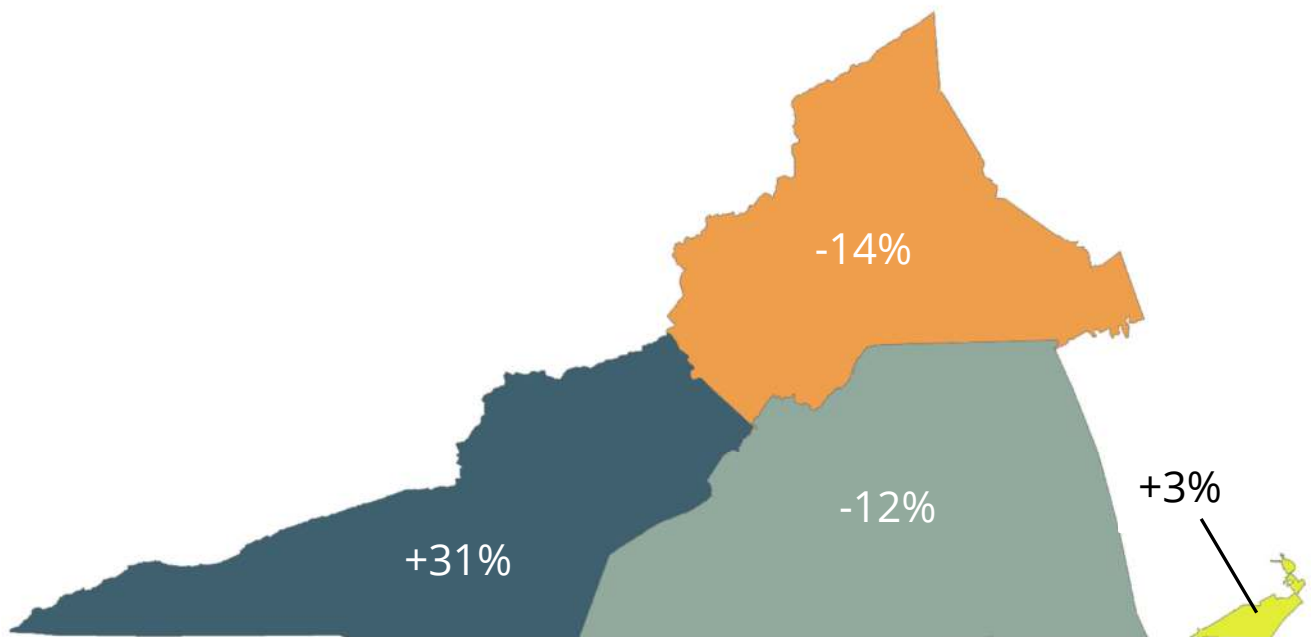
Bristol: Sales prices were relatively flat in the Bristol housing market compared to last year. The first quarter median sales price in the city was \$154,250, inching up 3% from a year ago, which is an increase of about \$4,000.

Lee County: Home prices continue to surge in Lee County. The first quarter median sales price in the county was \$148,521, climbing 31% from a year ago, which is an increase of more than \$35,000.

Scott County: At \$146,243, the first quarter median sales price in the Scott County market was about \$20,000 lower than it was in the first quarter last year. This is a 12% decrease in the median sales price.

Wise County: The median sales price in Wise County in the first quarter was \$114,625, which is 14% lower than it was a year ago, falling nearly \$19,000. Prices have been moderating in the county's housing market for two consecutive quarters.

Figure 8
Change in Median Sales Price by Jurisdiction
BTVAR
First Quarter 2021 to First Quarter 2022



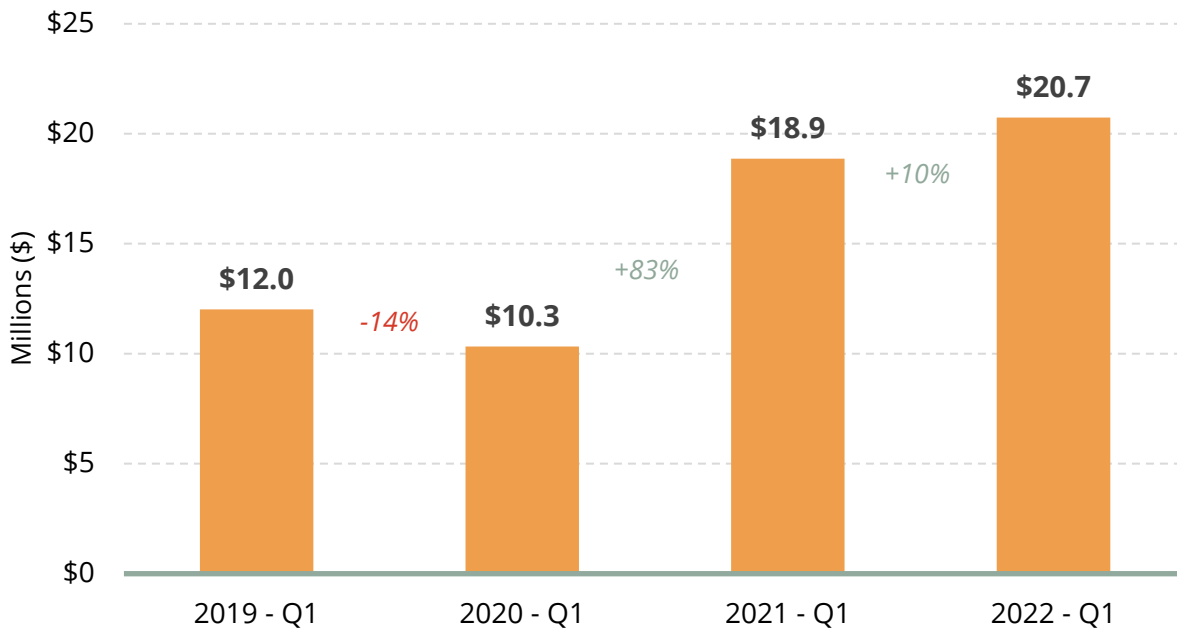
<i>Jurisdiction</i>	<i>2021 - Q1</i>	<i>2022 - Q1</i>	<i>% Change</i>
Bristol	\$150,000	\$154,250	3%
Lee County	\$113,300	\$148,521	31%
Scott County	\$166,333	\$146,243	-12%
Wise County	\$133,363	\$114,625	-14%

Sources: Virginia REALTORS®, data accessed April 15, 2022, from Virginia-based MLSs
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed May 2, 2022, from Tennessee-based MLS

Sold Volume

While prices moderated this quarter in the BTVAR region, the surge in sales activity drove up the sold dollar volume in the housing market. There was approximately \$20.7 million of sold volume across the BTVAR footprint, a 10% increase from the volume level a year ago, which is an influx of about \$1.8 million. All but one local market in the region had sold volume growth this quarter, which reflects the busy sales activity. Sold volume has been surging in the region consistently for two years.

Figure 9
First Quarter Sold Dollar Volume (Millions), BTVAR
2019-2022



Sources: Virginia REALTORS®, data accessed April 15, 2022, from Virginia-based MLSs

Bristol Tennessee-Virginia Association of REALTORS®, data accessed May 2, 2022, from Tennessee-based MLS



Local Snapshot – *Sold Dollar Volume*

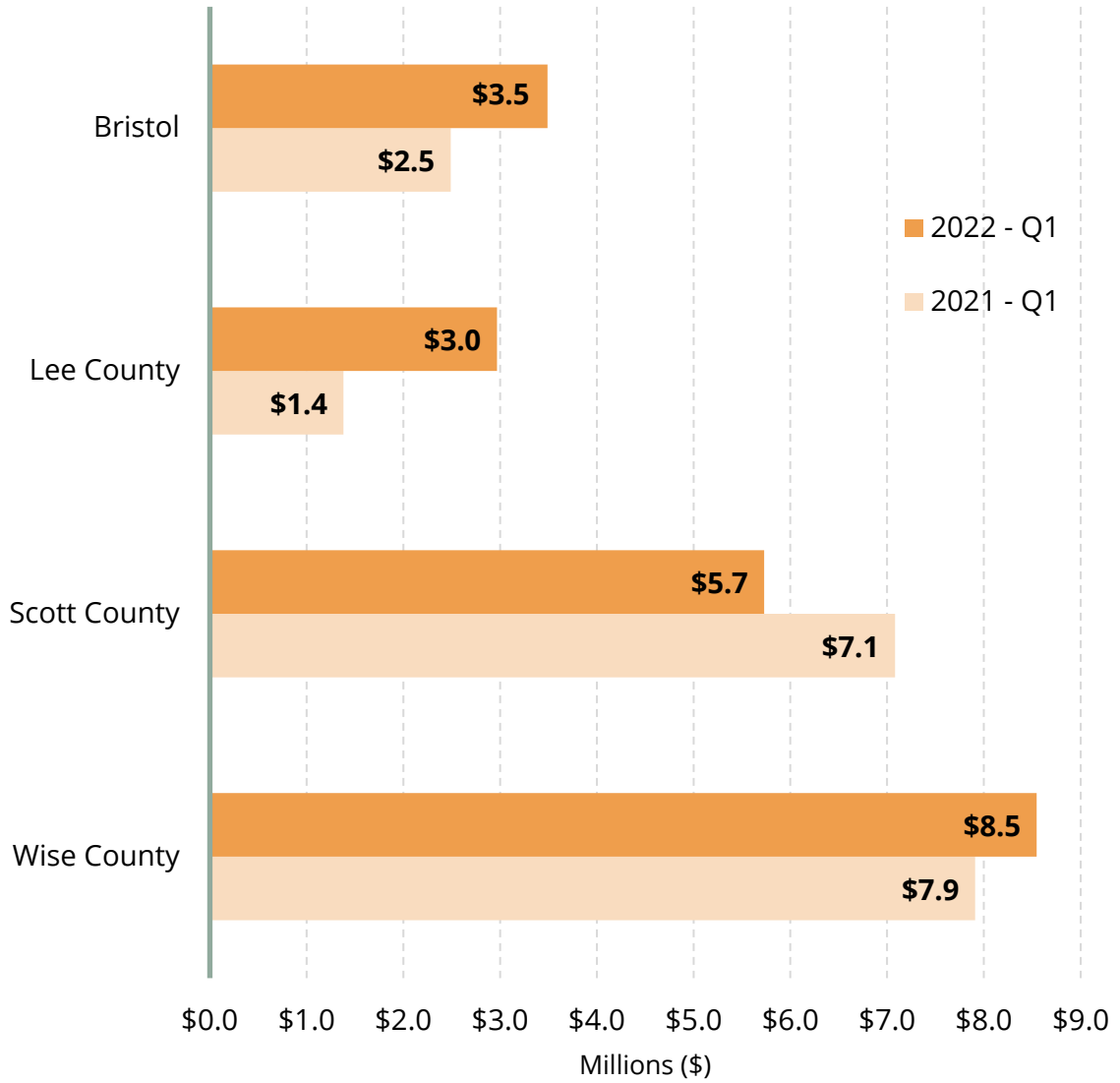
Bristol: Sold dollar volume in Bristol is surging. There was approximately \$3.5 million of sold volume in the city in the first quarter, up 40% from a year ago, which is a gain of about \$1.0 million. The sold volume in the city has increased significantly over the past year or so.

Lee County: The large influx of sales and higher prices led to a massive surge of sold volume in the county. There was about \$3.0 million of sold volume in the county during the first quarter of 2022, more than double the amount of volume from last year (+115%), an increase of about \$1.6 million.

Scott County: There was about \$5.7 million of sold volume in Scott County in the first quarter, which is about \$1.4 million less volume than this time last year, representing a 19% decline. This is the first drop in sold volume in the county in several years and was the result of fewer sales transactions and moderating prices.

Wise County: There was approximately \$8.5 million of sold volume in Wise County in the first quarter of 2022, which is about \$600,000 more volume than last year, an 8% increase.

Figure 10
First Quarter Sold Dollar Volume, BTVAR Jurisdictions
2021 and 2022

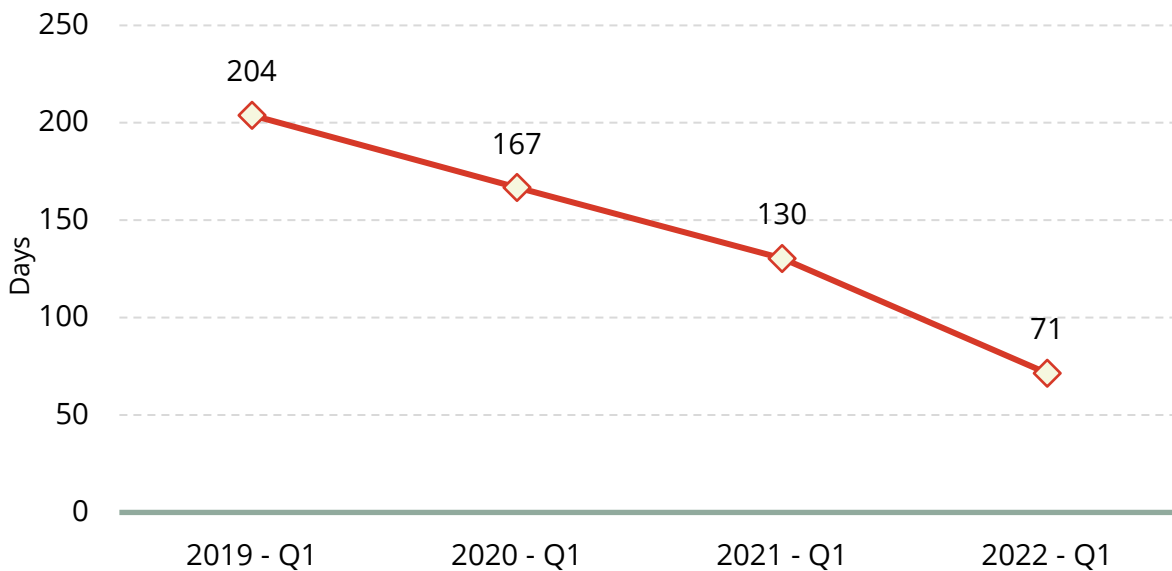


Sources: Virginia REALTORS®, data accessed April 15, 2022, from Virginia-based MLSs
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed May 2, 2022, from Tennessee-based MLS

Days on Market

Homes continue to sell faster on average in the BTVAR market. The first quarter average days on market was 71 days, which is about two months faster than a year ago (-59 days). Homes have been selling much faster on average for six straight quarters in the region, a reflection of increased competition in the market among buyers. Statewide, homes sold in an average of 24 days in the first quarter, down from 31 days a year ago.

Figure 11
First Quarter Average Days on Market, BTVAR
2019-2022



Source: Virginia REALTORS®, data accessed April 15, 2022, from Virginia-based MLSs



Local Snapshot – *Average Days on Market*

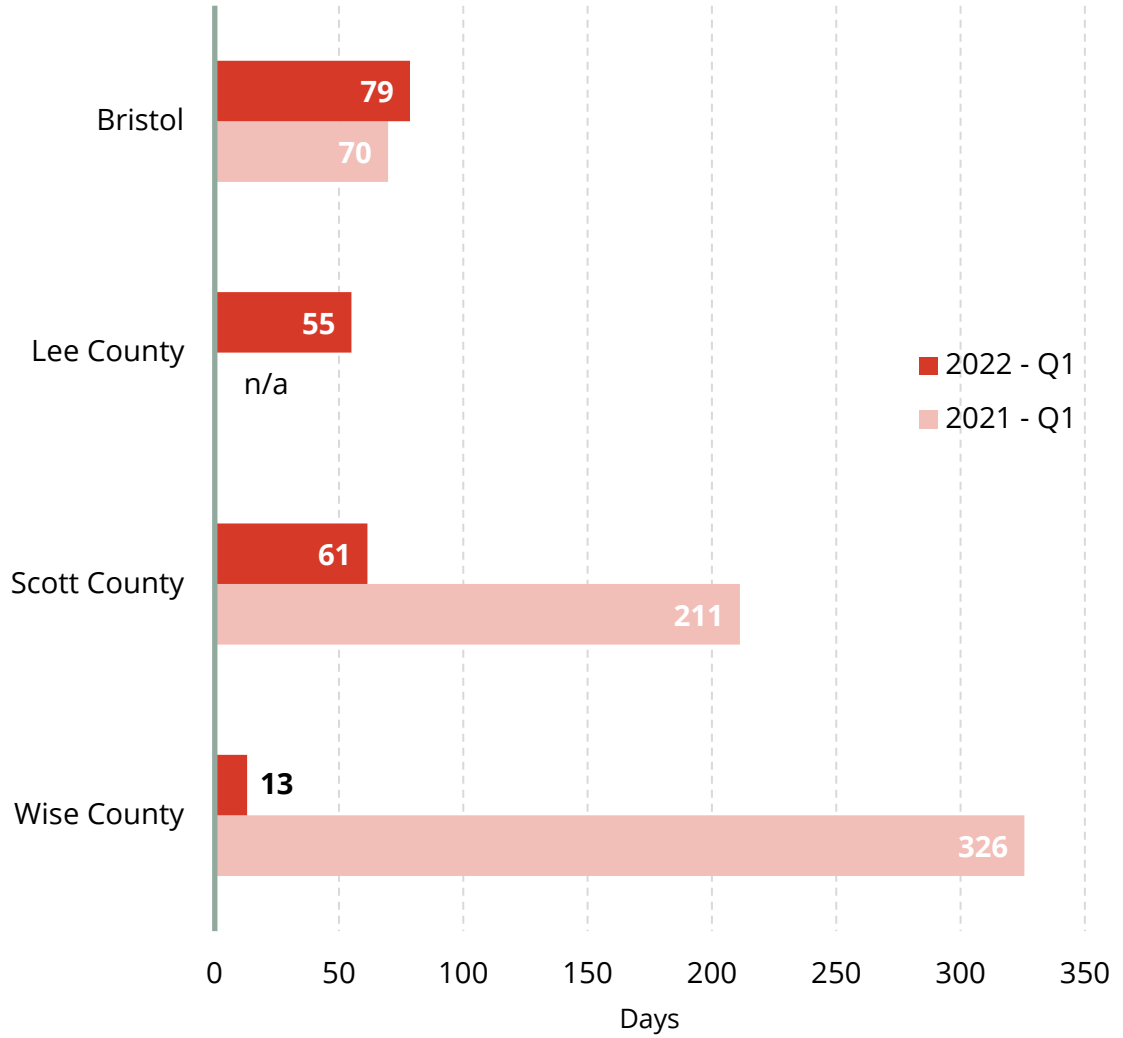
Bristol: At 79 days, the average days on market in Bristol was nine days longer than a year ago. This is the first increase of this metric in city's housing market since the summer of 2020.

Lee County: The average days on market in Lee County in the first quarter was 55 days. Average days on market data for the first quarter of 2021 in Lee County is not available.

Scott County: Homes that sold in Scott County in the first quarter were on the market about two months on average (61 days), which is about five months faster than this time last year (-150 days). Homes have been selling faster on average in the county for the past year and a half.

Wise County: The average days on market in Wise County was 13 days in the first quarter. This is way down from last year (-313 days). This metric can fluctuate widely based on the mix of homes on the market.

Figure 12
First Quarter Average Days on Market, BTVAR Jurisdictions
2021 and 2022



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

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.