

# BTVAR BRISTOL

## HOME SALES REPORT

CUSTOM REPORT PREPARED BY  
**VIRGINIA REALTORS®**

# BTVAR Home Sales Report

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## Second Quarter 2022

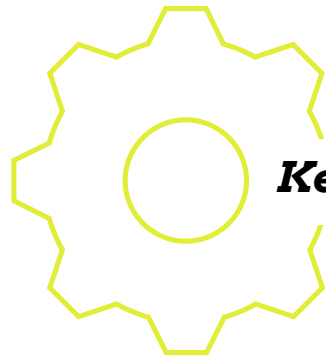
### Bristol Tennessee/Virginia Association of REALTORS® Market Report Key Takeaways

#### **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 3.0% statewide and 3.5% in the BTVAR 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 5.70%.

#### **Housing Market Conditions**

- There were 175 home sales in the BTVAR region during the second quarter, down 13% from a year ago, which is 26 fewer sales.
- Home prices are surging in the BTVAR market. The median sales price in the footprint was \$151,239 in the second quarter of 2022, up 20% from last year, a gain of nearly \$25,000 to the median price.
- The average days on market in the region in the second quarter was 87 days, which is three weeks longer than this time last year (+21 days).



## Key Trends Dashboard, BTVAR

### Economy



**3.5%**

Is the May-2022 **unemployment rate** in the BTVAR 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



**-26**

Fewer **home sales** in the BTVAR footprint in Q2-2022 compared to last year.



**20%**

Percent change in **median sales price** in the BTVAR region in Q2-2022 compared to a year ago.



**\$2**

Million dollars more in total **sold volume** in the BTVAR footprint in Q2-2022 compared to last year.



**87**

Is the **average days on market** in the BTVAR region in Q2-2022, which is up from this time last year

# Economic Overview

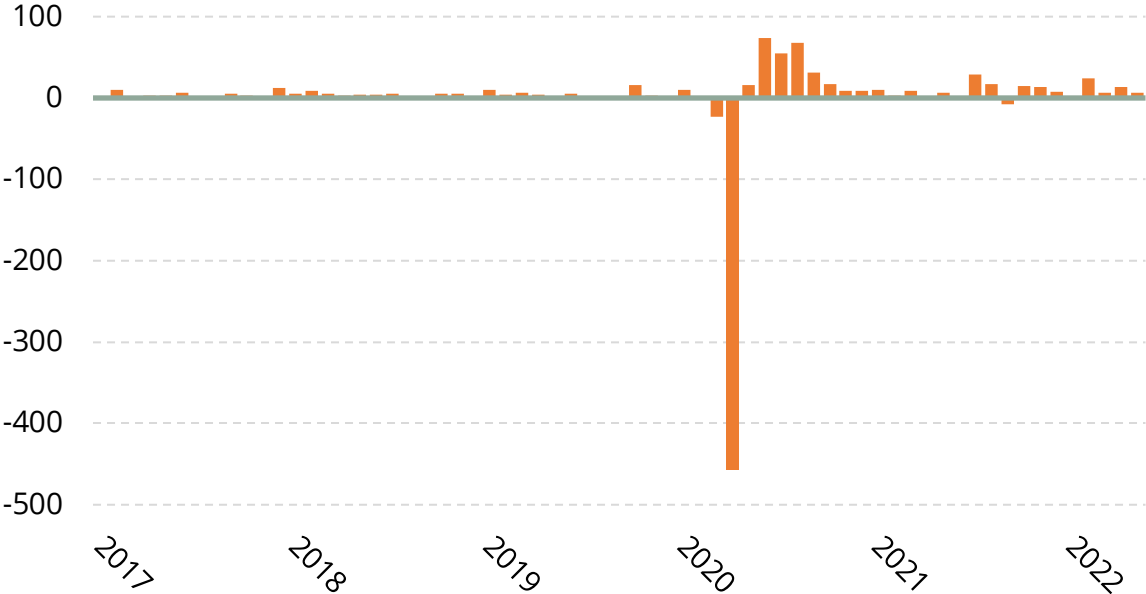
There continues to be a lot of economic uncertainty as inflation lingers at a 40-year high, and supply chain issues persist. Mortgage interest rates are climbing, and purchasing power is down, leaving many buyers on the sidelines. Despite these headwinds, Virginia’s job base continues to grow, and unemployment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

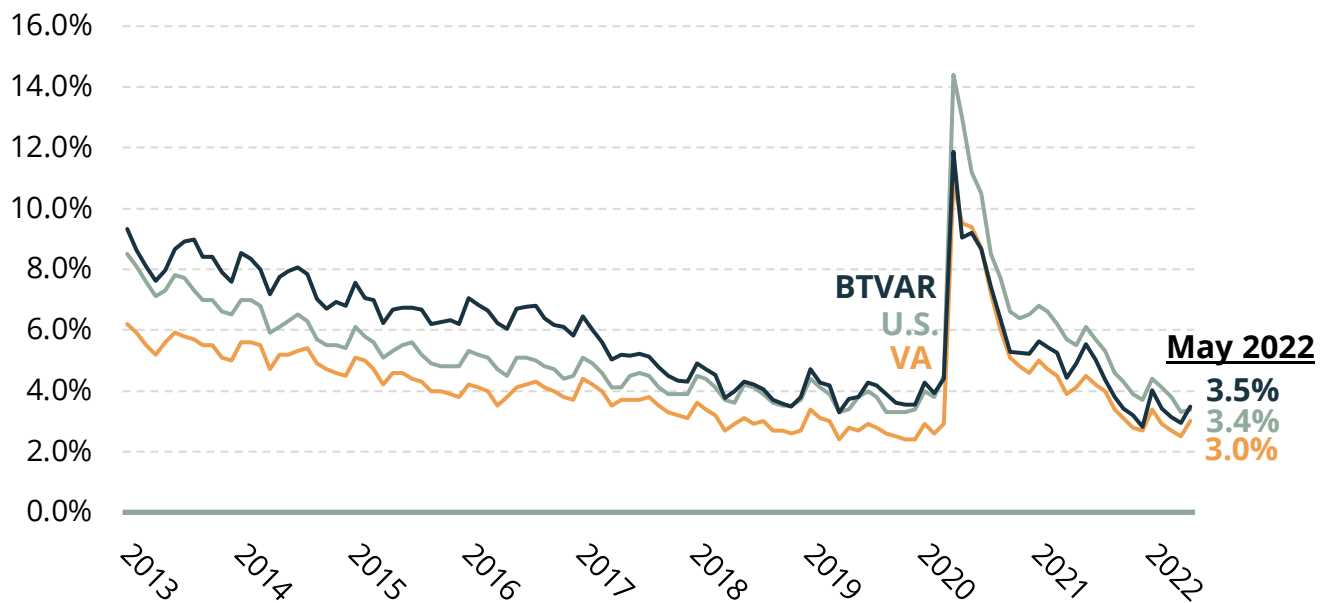


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

## 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 3.0% (not seasonally adjusted) which is up from 2.5% in April. This is a typical seasonal increase in the unemployment rate. In the BTVAR area, the May unemployment rate was 3.5%, which is up from 3.0% in April.

**Figure 2**  
**Unemployment Rate**



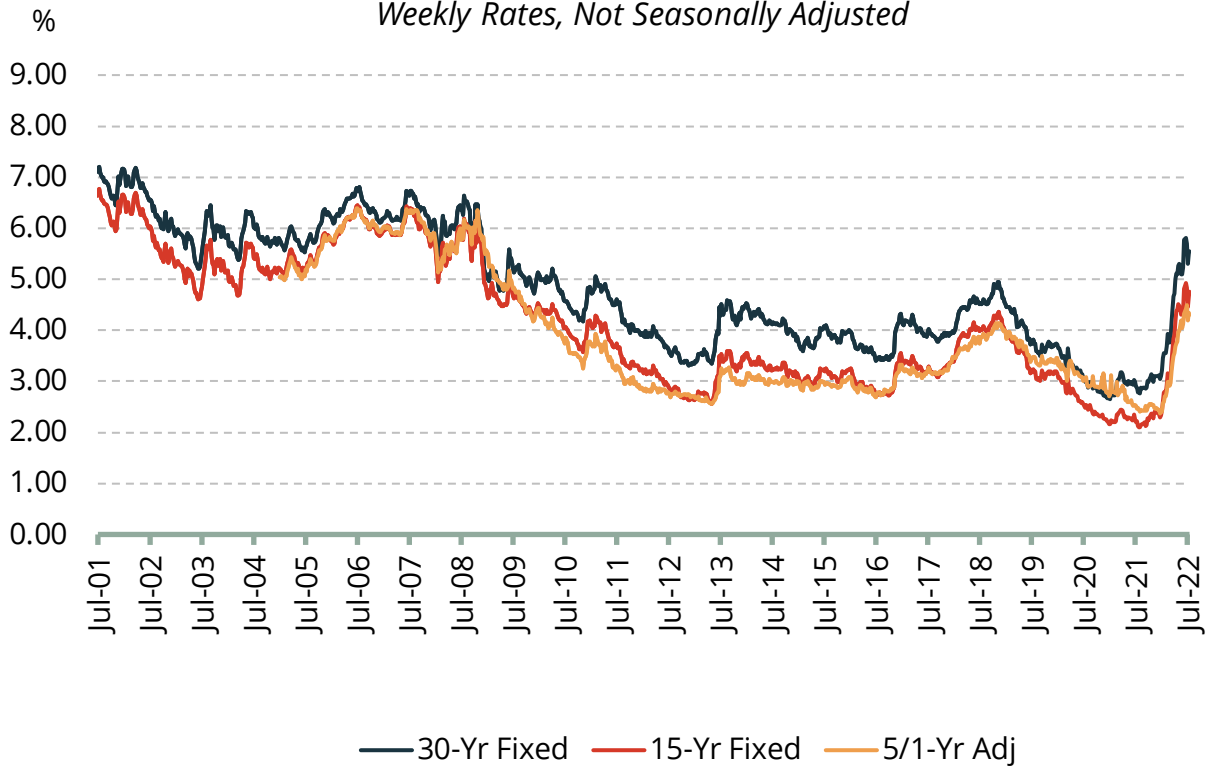
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

## 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 5.70%. 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

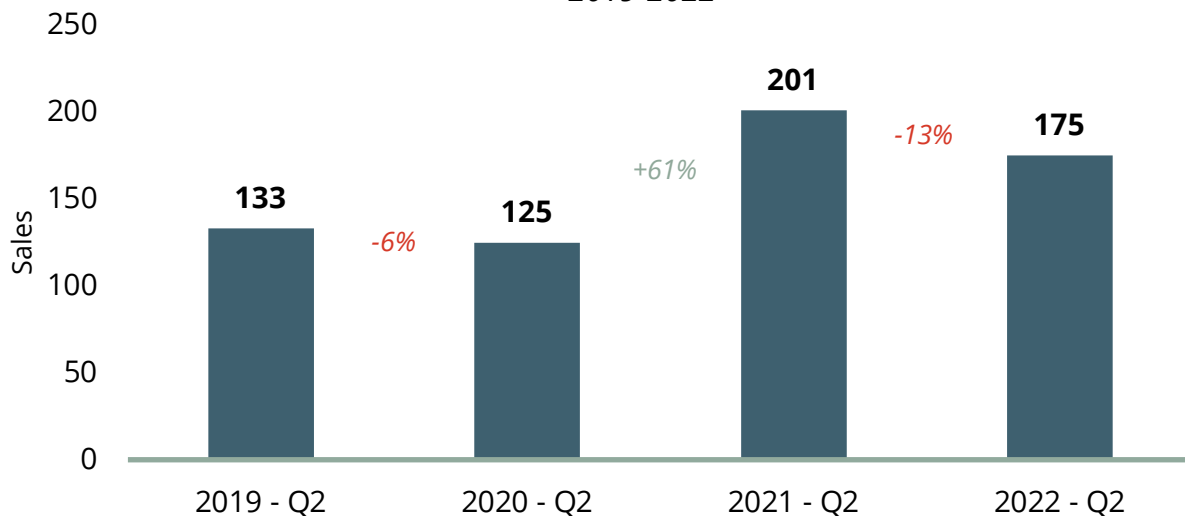
# Housing Market Overview

The BTVAR housing market is showing signs of cooling. Sales activity this quarter was slower than this time last year in the region, the first drop in over a year. It's also taking longer to sell homes on average. Despite fewer sales overall, prices are climbing in all local markets, which drove up the sold dollar volume.

## 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.<sup>1</sup> Sales activity slowed down in the BTVAR housing market this quarter. There were 175 sales across the region during the second quarter of 2022, which is 13% fewer sales than a year ago, a decline of 26 sales. This is the first drop in sales the BTVAR market has had in about a year and a half. Within the quarter, sales activity increased slightly in April, and moderated in May and June 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, BTVAR**  
2019-2022



Sources: Virginia REALTORS®, data accessed July 15, 2022, from Virginia-based MLSs  
Bristol Tennessee-Virginia Association of REALTORS®, data accessed August 3, 2022, from Tennessee-based MLS

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



## Local Snapshot – *Total Home Sales*

**Bristol:** There were 16 homes sold in Bristol in the second quarter, 15 fewer sales than last year, which is about half as many sales (-48%). This is the first slowdown in the city's housing market in more than a year.

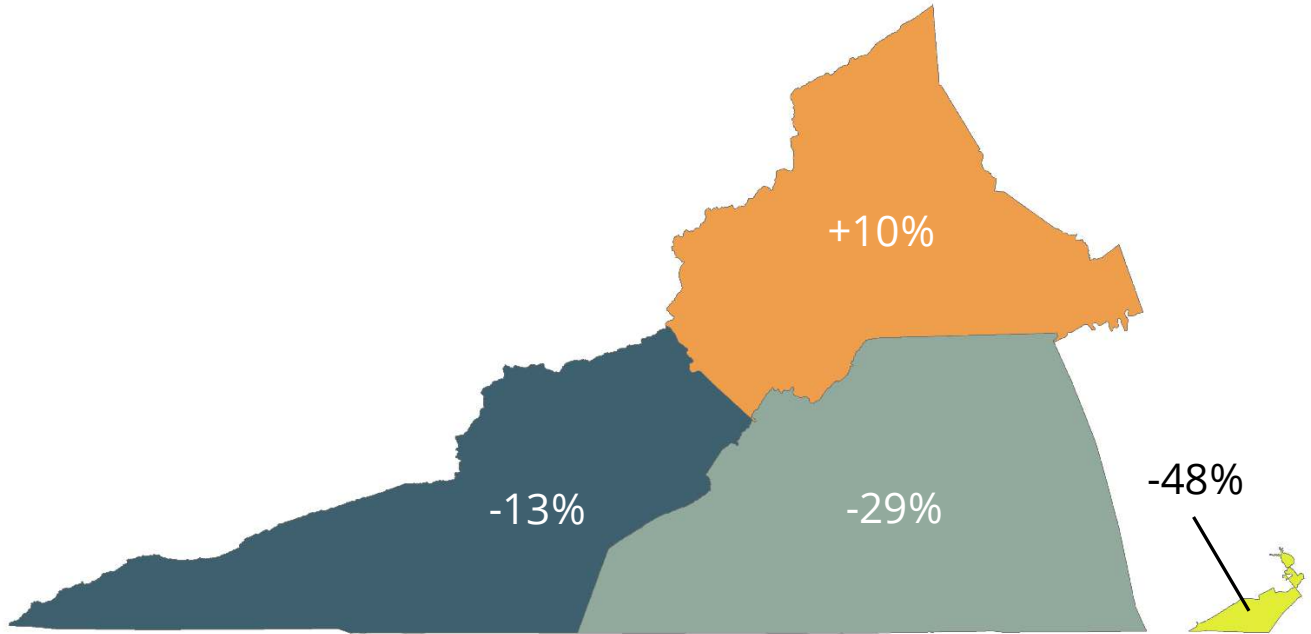
**Lee County:** After surging at the start of the year, the Lee County housing market has cooled. There were 21 sales in the second quarter, three fewer sales than the second quarter last year, representing a 13% decrease.

**Scott County:** There were 41 sales in Scott County in the second quarter, 17 fewer sales than this time last year, which is a 29% drop. This is the second straight quarter that sales activity has slowed in the Scott County market.

**Wise County:** Sales activity continues to outpace last year in Wise County. There were 97 homes sold in Wise County during the second quarter of 2022, nine more sales than a year ago, which is a 10% increase. Wise County was the only local market in the region that had an increase in sales this quarter.



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



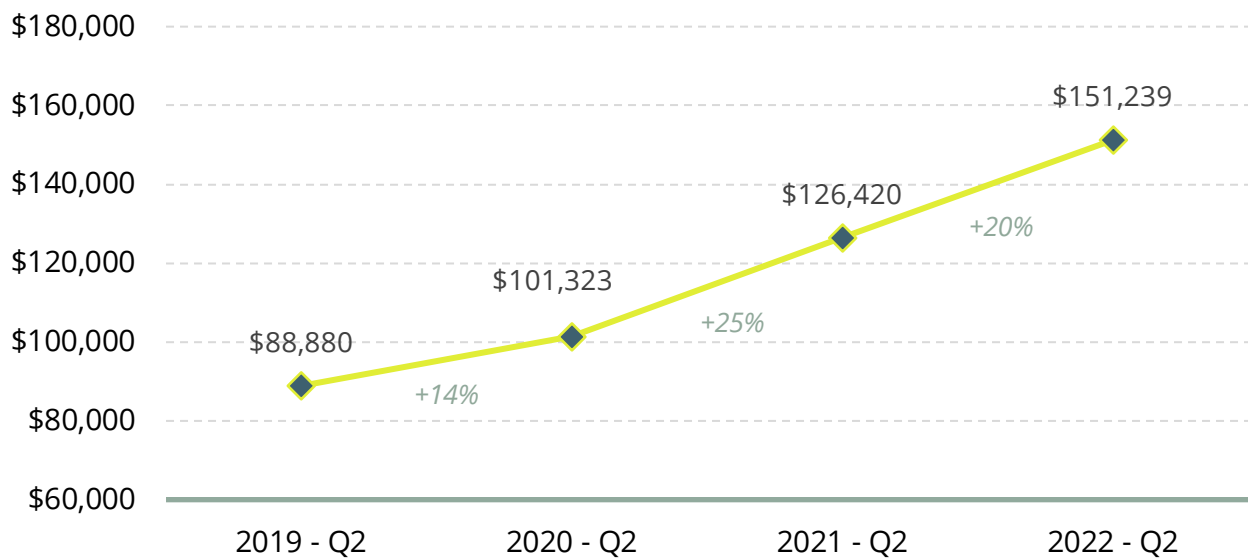
<i>Jurisdiction</i>	<i>2021 - Q2</i>	<i>2022 - Q2</i>	<i>% Change</i>
Bristol	31	16	-48%
Lee County	24	21	-13%
Scott County	58	41	-29%
Wise County	88	97	10%

Sources: Virginia REALTORS®, data accessed July 15, 2022, from Virginia-based MLSs  
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed August 3, 2022, from Tennessee-based MLS

## Sales Prices

Despite the sharp drop in sales activity, home prices climbed rapidly across the entire BTVAR footprint this quarter. The regionwide median sales price in the second quarter was \$151,239, jumping up 20% from last year, a gain of nearly \$25,000. All local markets in the region had price growth this quarter. Statewide, the second quarter median sales price was \$397,500, up 9% from last year.

**Figure 6**  
**Second Quarter Median Sales Price, BTVAR**  
2019-2022



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

Bristol Tennessee-Virginia Association of REALTORS®, data accessed August 3, 2022, from Tennessee-based MLS



## Local Snapshot – *Median Sales Price*

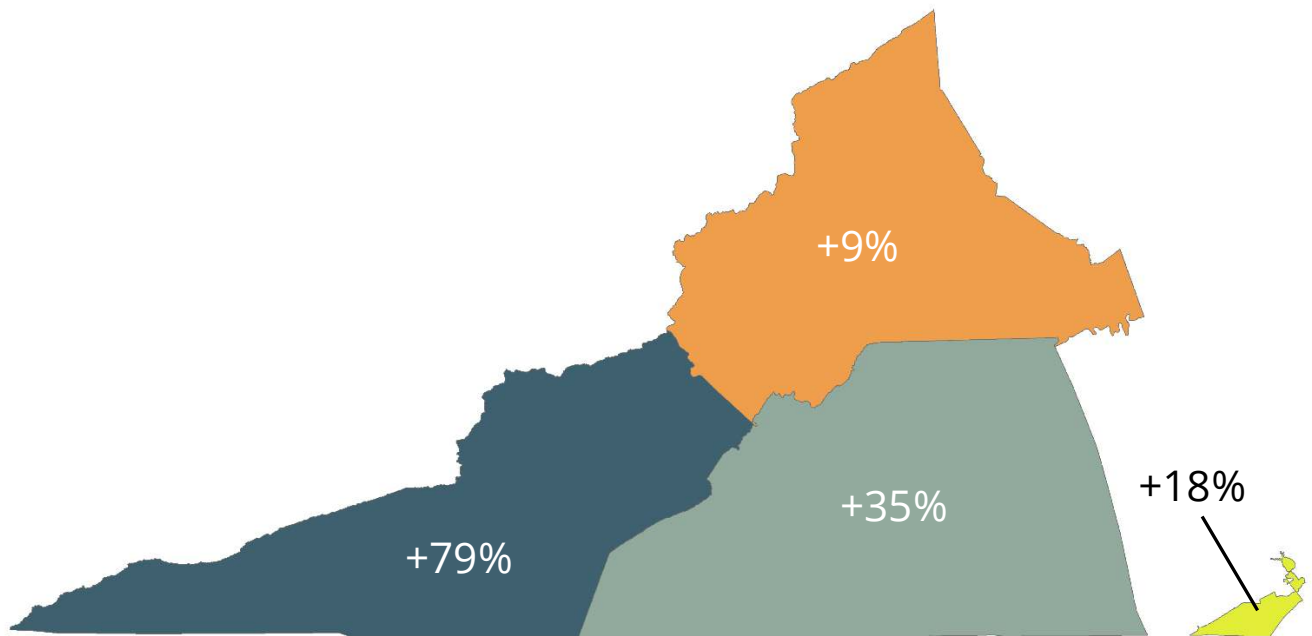
**Bristol:** After a relatively flat start to the year, home prices rose sharply in the second quarter in the Bristol housing market. The second quarter median sales price in the city was \$188,825, an 18% jump from a year ago, a gain of nearly \$29,000.

**Lee County:** At \$139,214, the second quarter median sales price in Lee County jumped up 79% from this time last year, a \$61,519 surge. Home prices in the county have risen rapidly for four consecutive quarters.

**Scott County:** The second quarter median sales price in Scott County was \$169,207, climbing 35% from last year, a gain of more than \$44,000.

**Wise County:** The median sales price in Wise County during the second quarter was \$139,909, which is 9% higher than it was a year ago, an increase of about \$12,000. Prior to the price gain this quarter, the median price in the county's housing market had been trending down since the end of 2021.

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



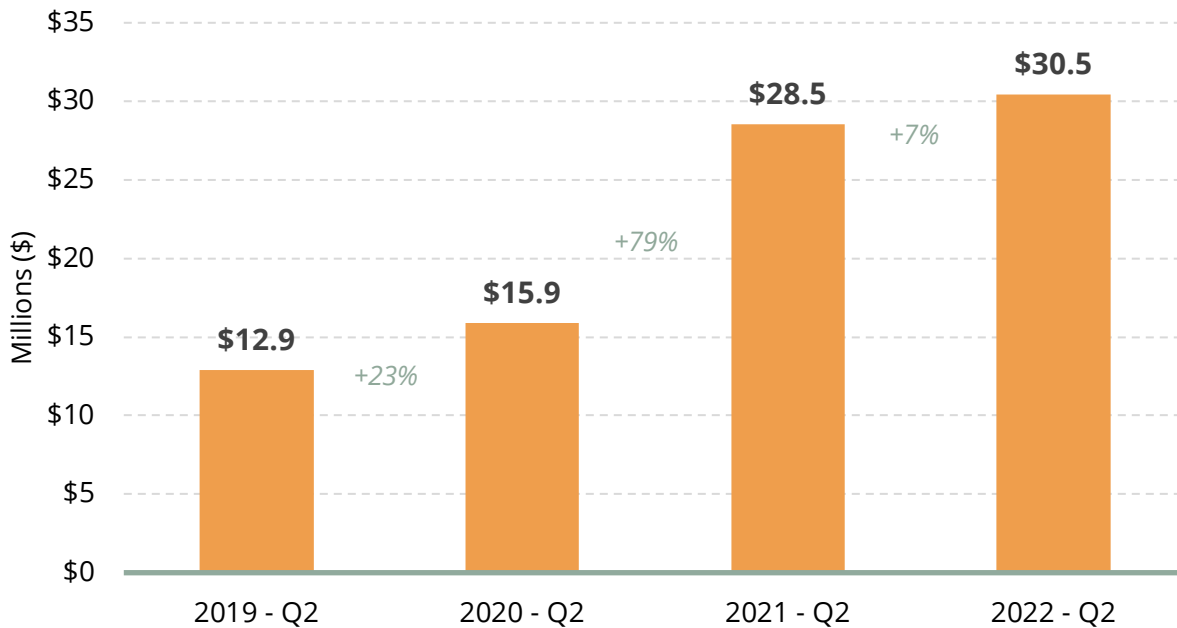
<i>Jurisdiction</i>	<i>2021 - Q2</i>	<i>2022 - Q2</i>	<i>% Change</i>
Bristol	\$159,900	\$188,825	18%
Lee County	\$77,695	\$139,214	79%
Scott County	\$125,171	\$169,207	35%
Wise County	\$128,169	\$139,909	9%

Sources: Virginia REALTORS®, data accessed July 15, 2022, from Virginia-based MLSs  
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed August 3, 2022, from Tennessee-based MLS

## Sold Volume

Even as sales activity cooled, surging home prices drove up the total sold dollar volume in the BTVAR market. In the second quarter there was approximately \$30.5 million of sold volume, an influx of \$2 million from last year, representing a 7% increase. The BTVAR region is one of only a handful in Virginia that had sold volume growth this quarter. All of the growth this quarter was in the Lee County and Wise County markets.

**Figure 8**  
**Second Quarter Sold Dollar Volume (Millions), BTVAR**  
*2019-2022*



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

Bristol Tennessee-Virginia Association of REALTORS®, data accessed August 3, 2022, from Tennessee-based



## Local Snapshot – *Sold Dollar Volume*

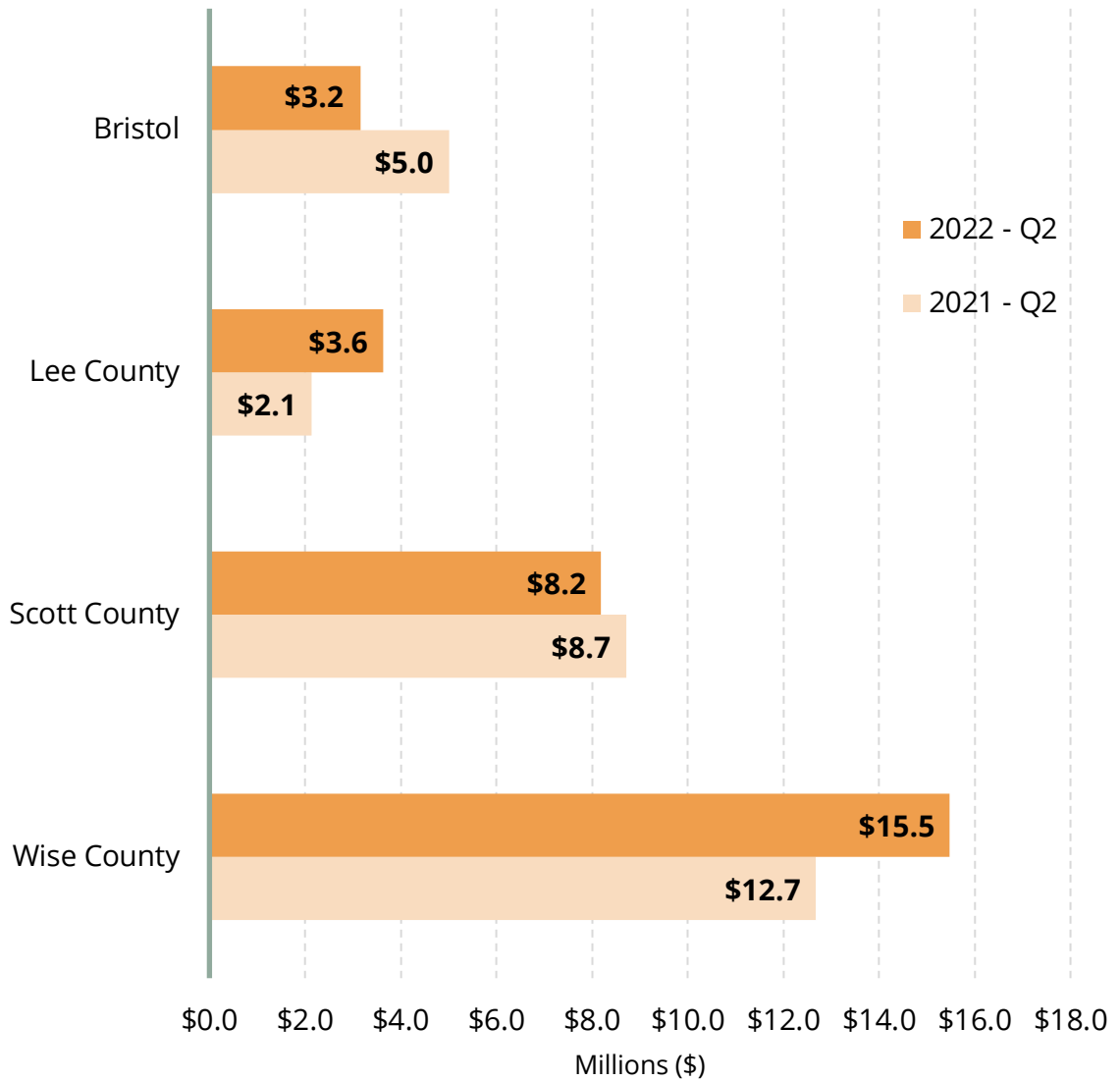
**Bristol:** For the first time in more than a year, the sold volume in the Bristol housing market moderated. There was about \$3.2 million of sold volume in the city in the second quarter, a 37% reduction from this time last year, which is about \$1.8 million less volume.

**Lee County:** Despite the slowdown in sales activity, massive price growth drove up the sold dollar volume in the Lee County housing market this quarter. There was approximately \$3.6 million of sold volume in Lee County in the second quarter, an influx of about \$1.5 million from last year, which is a 70% surge.

**Scott County:** Sales slowed down significantly, but rising price kept the sold dollar volume relatively stable but down slightly in Scott County this quarter. There was about \$8.2 million of sold volume in the county in the second quarter, which is about \$500,000 less volume than last year (-6%). This is the second consecutive decrease in sold volume in the county.

**Wise County:** There was about \$15.5 million of sold volume in Wise County in the second quarter of 2022, which is about \$2.8 more volume than a year ago. This represents a 22% surge in volume. Wise County had the largest dollar volume increase in the region this quarter.

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

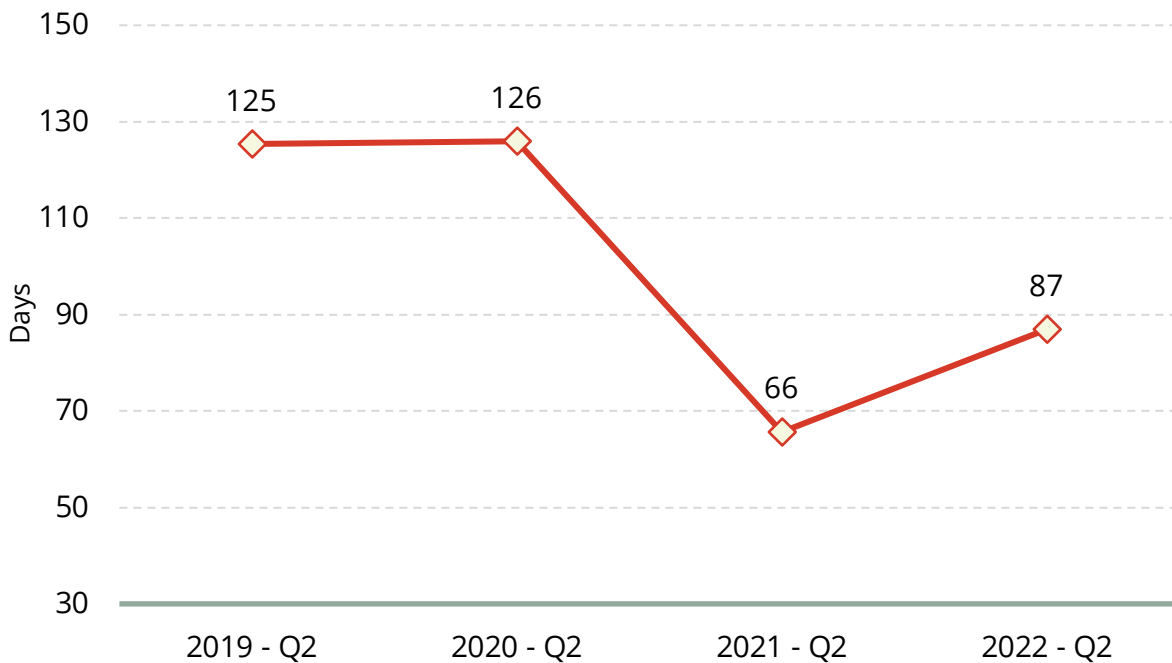


Sources: Virginia REALTORS®, data accessed July 15, 2022, from Virginia-based MLSs  
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed August 3, 2022, from Tennessee-based MLS

## Days on Market

It took longer to sell homes on average in the BTVAR market this quarter. The average days on market in the second quarter in the region was 87 days, three weeks longer than this time last year (+21 days). As sales activity in the region slowed this quarter, homes are staying on the market longer than earlier this year and also last year. 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, BTVAR**  
*2019-2022*



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





## Local Snapshot – *Average Days on Market*

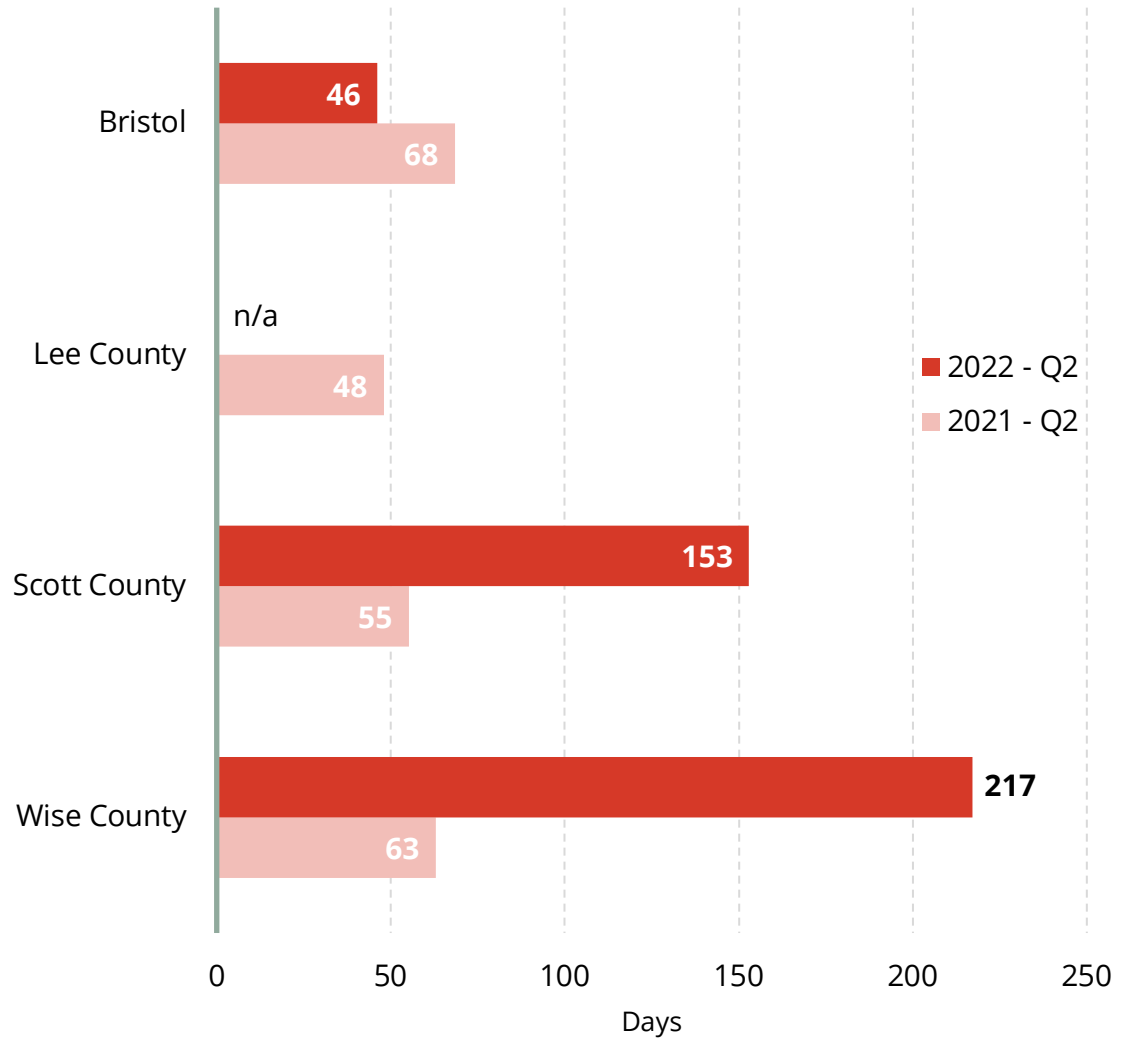
**Bristol:** After an uptick last quarter, homes are selling faster on average once again in the Bristol housing market. The average days on market in Bristol in the second quarter was 46 days, which is about three weeks faster than a year ago (-22 days).

**Lee County:** Average days on market data for the second quarter of 2022 in Lee County is not available. The average days on market in Lee County in the second quarter last year was 48 days.

**Scott County:** The average days on market in Scott County was 153 days in the second quarter. This is about 98 days longer than it was a year ago. This metric can fluctuate widely in the county based on the mix of homes on the market.

**Wise County:** Homes that sold in Wise County in the second quarter were on the market about seven months on average (217 days), which is about five months longer than this time last year (+154 days).

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



Source: Virginia REALTORS®, data accessed July 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.

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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.