

BTVAR BRISTOL

HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

BTVAR Home Sales Report

Third Quarter 2022

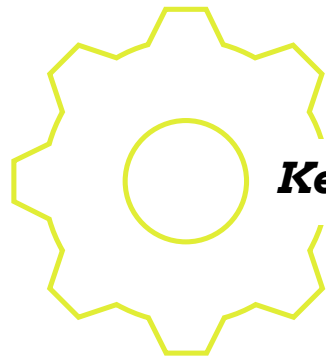
Bristol Tennessee/Virginia Association of REALTORS® Market Report Key Takeaways

Economic Conditions

- Virginia's job market continues to expand. The state added 16,700 jobs between July and August and is now only about 5,300 jobs short of pre-pandemic levels. Most of the growth continues to be in the Leisure and Hospitality sector.
- The unemployment rate remains very low. In August, the unemployment rate was 3.2% in Virginia and was 3.7% in the Bristol region. Both are down from a year ago.
- Mortgage rates climbed rapidly over the past month. In the second week of October, the average rate on a 30-year fixed mortgage rose to 6.92%, up from 6.02% a month ago.

Housing Market Conditions

- There were 184 home sales in the BTVAR region during the third quarter of 2022. This is six fewer sales than this time last year, which is a 3% drop.
- Home prices continue to climb in most parts of the region. The third quarter median sales price in the BTVAR market was \$155,901, rising 15% from a year ago, which is a gain of nearly \$20,000.
- The average days on market in the BTVAR footprint in the third quarter was 58 days, one day longer than this time last year.



Key Trends Dashboard, BTVAR

Economy



3.7%

Is the Aug-2022 **unemployment rate** in the BTVAR footprint, which is down from Aug-2021



6.92%

Is the **30-year fixed-rate mortgage rate** during the second week of October 2022, which is up 3.87 percentage points from a year ago

Housing Market



-6

Fewer **home sales** in the BTVAR footprint in Q3-2022 compared to last year.



15%

Percent change in **median sales price** in the BTVAR region in Q3-2022 compared to a year ago.



\$1.8

Million dollars more in total **sold volume** in the BTVAR footprint in Q3-2022 compared to last year.



58

Is the **average days on market** in the BTVAR region in Q3-2022, which is up from this time last year

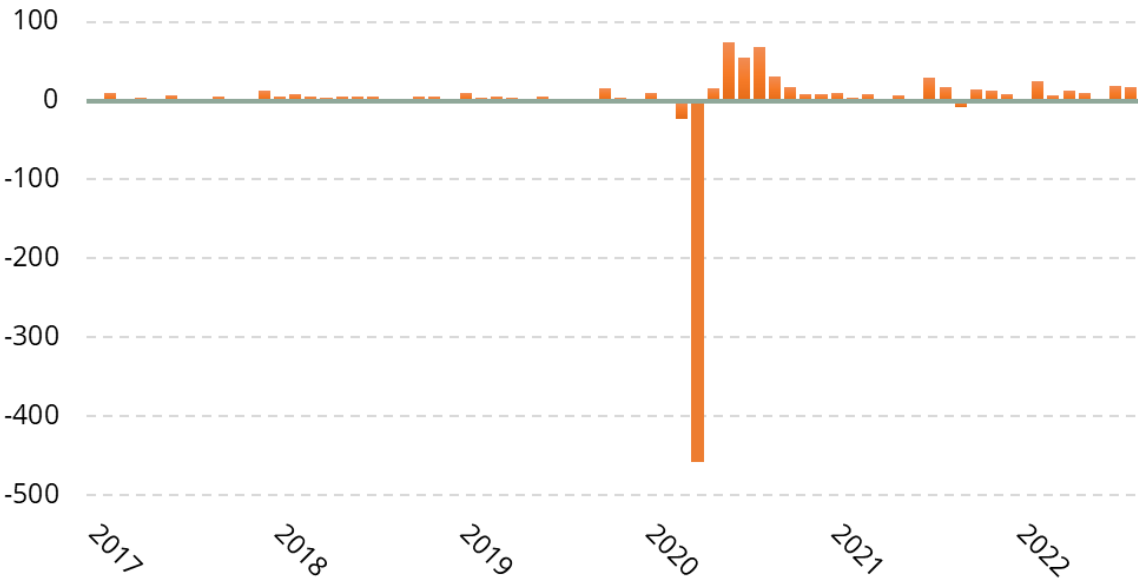
Economic Overview

Economic conditions are worsening as high inflation continues to be a significant factor. The labor market remains relatively strong in Virginia as there are more jobs in the economy and unemployment continues to be very low. Mortgage rates are climbing, which is cooling housing markets across the Commonwealth.

Jobs

There were 4.09 million jobs throughout Virginia in August 2022, an increase of about 16,700 jobs from July 2022. Virginia's economy is nearly back to pre-pandemic job levels, just 5,300 jobs shy of the January 2020 totals. The state's job recovery has been robust. More than 472,000 jobs have been added back since April 2020. Most of the job growth in Virginia continues to be in the Leisure & Hospitality sector and the Health & Social Assistance sector. Despite the strong gains this year in Leisure & Hospitality, this sector is still down compared to pre-pandemic levels. The sharpest decrease in jobs this month was in the Finance & Insurance sector.

Figure 1
Virginia Month-to-Month Change in Jobs

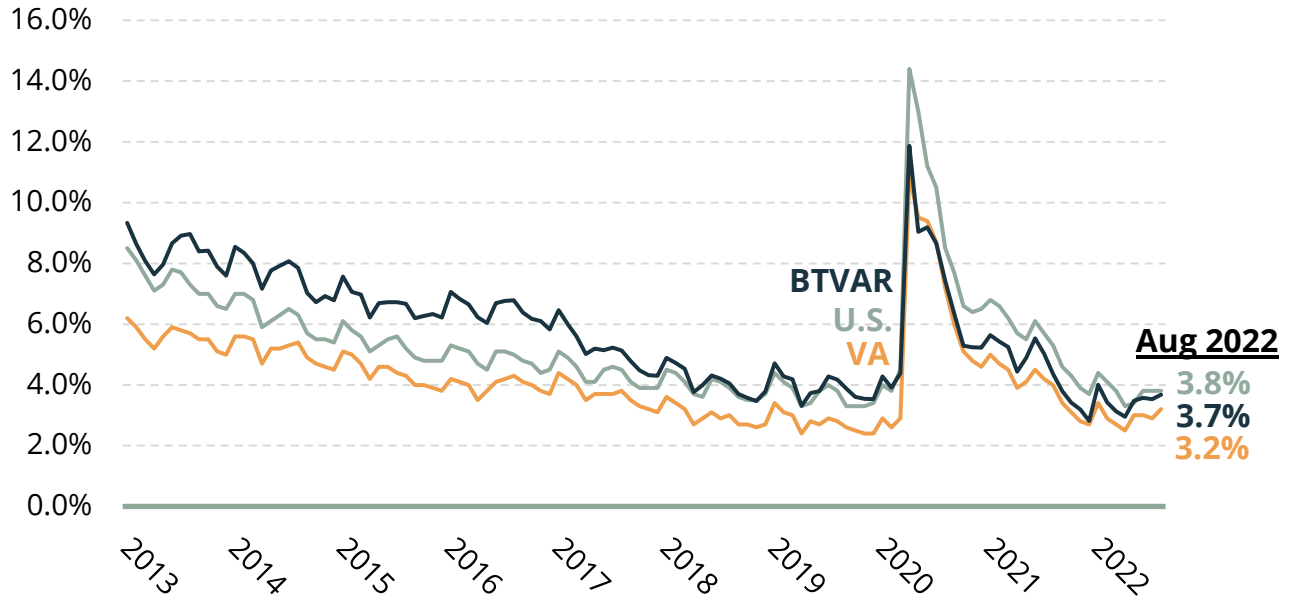


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

Unemployment

The unemployment rate in Virginia continues to be very low. The statewide unemployment rate was 3.2% in August 2022 (not seasonally adjusted), down from 4% from last August. In the Bristol area, the August unemployment rate was 3.7%, down from 4.4% a year ago.

Figure 2
Unemployment Rate



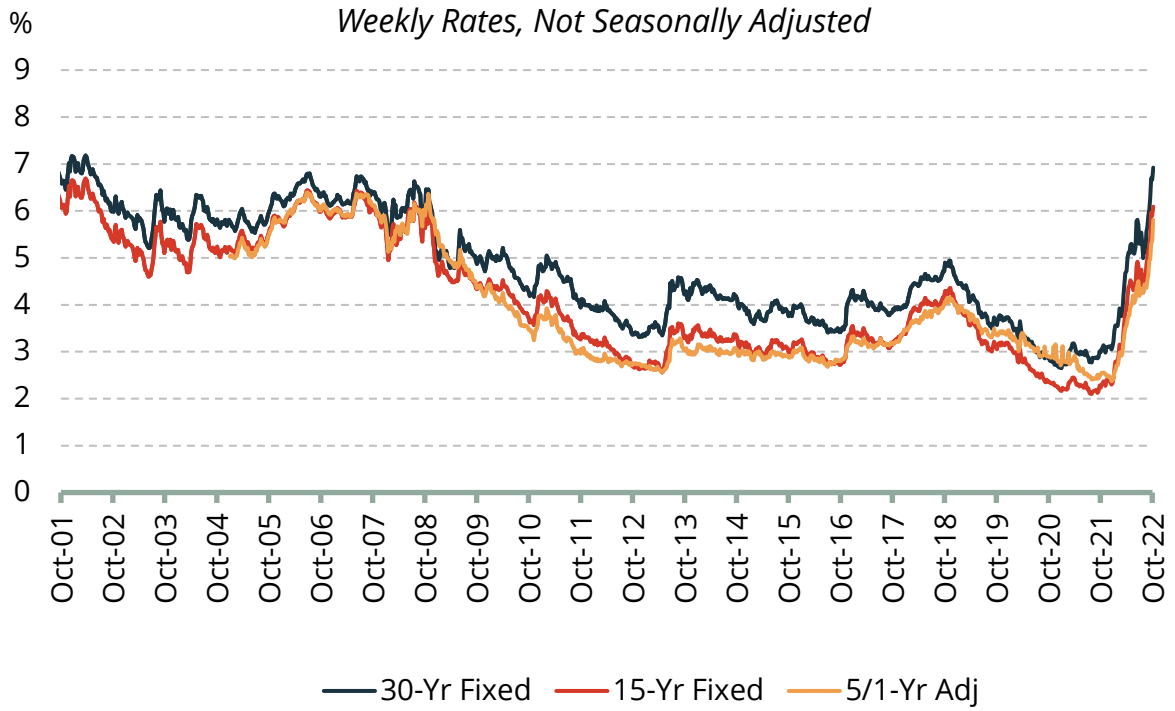
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Mortgage Rates

In the second week in October, the average rate on a 30-year fixed mortgage rose to 6.92%. This is the highest the rate has been in more than two decades (since August 2001). Interest rates have soared in 2022. As a result, the housing market has slowed down significantly. The 30-year fixed mortgage rate has more than doubled since the start of the year.

Figure 3
Mortgage Interest Rates

Weekly Rates, Not Seasonally Adjusted



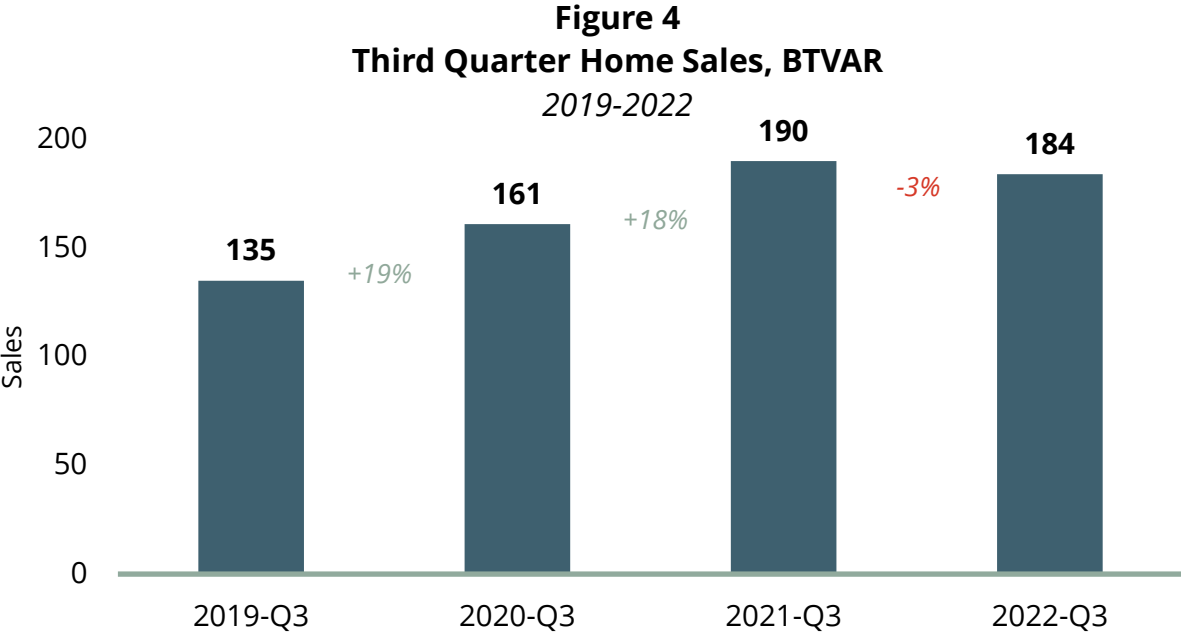
Source: Federal Reserve Bank of St. Louis

Housing Market Overview

Overall, the BTVAR market is moderating, though price levels continue to trend upward in most areas. Despite fewer sales, rising prices led to more sold dollar volume this quarter compared to a year ago. Homes are taking longer to sell in most local markets, a reflection of the cooling 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 slowed down in the BTVAR housing market this quarter. There were 184 homes sold throughout the region in the third quarter of 2022. This is six fewer sales than a year ago, inching down 3%. Sales activity has been cooling in the region for two consecutive quarters compared to the busy pace last year. This slowdown reflects the impact that climbing interest rates are having on buyers. Statewide, total home sales were down 23% from the third quarter a year ago.



Sources: Virginia REALTORS®, data accessed October 15, 2022, from Virginia-based MLSs
Bristol Tennessee-Virginia Association of REALTORS®, data accessed November 10, 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*

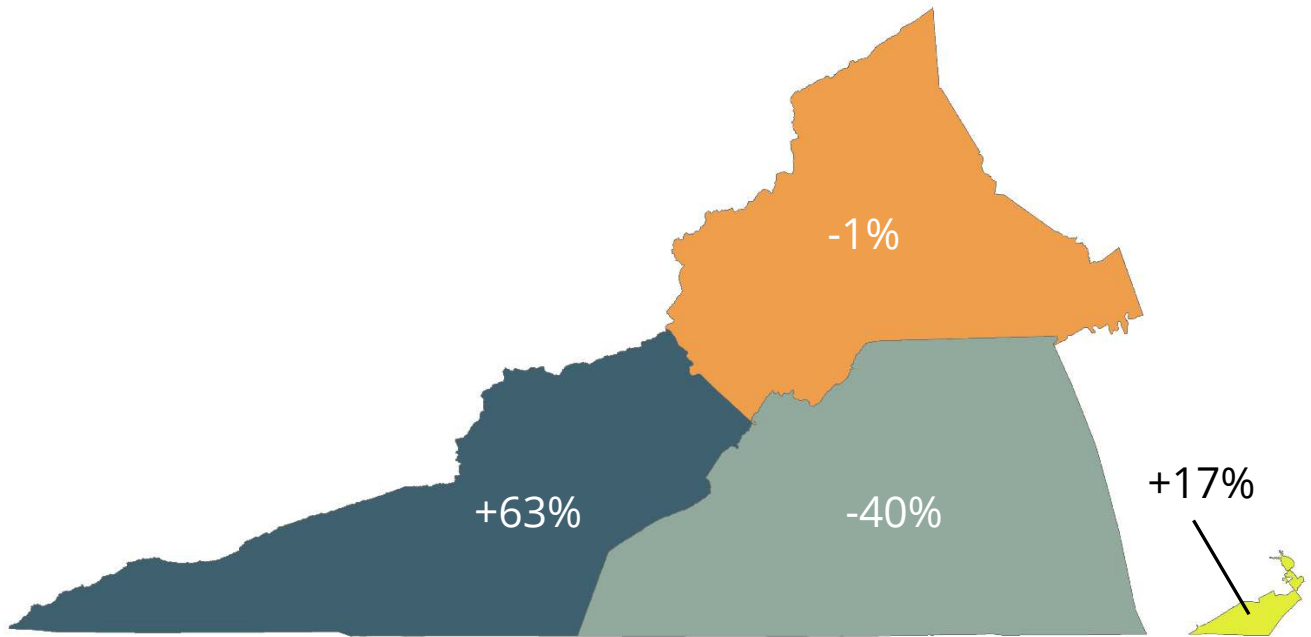
Bristol: After moderating last quarter, activity in the Bristol housing market picked up this quarter. There were 27 sales in the city during the third quarter, four more sales than a year ago, which is a 17% increase.

Lee County: There was an influx of sales in Lee County in the third quarter. There were 31 homes sold in the county in the third quarter, 12 more sales than this time last year, representing a 63% surge.

Scott County: The Scott County housing market continues to slow down. There were 32 sales in the county in the third quarter, 21 fewer sales than last year, a 40% drop. Sales have been moderating in the county for most of 2022.

Wise County: Sales activity was relatively flat in Wise County this quarter. There were 94 sales in the county in the third quarter, one fewer sale than the third quarter of 2021, inching down 1%.

Figure 5
Change in Sales by Jurisdiction
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Third Quarter 2021 to Third Quarter 2022



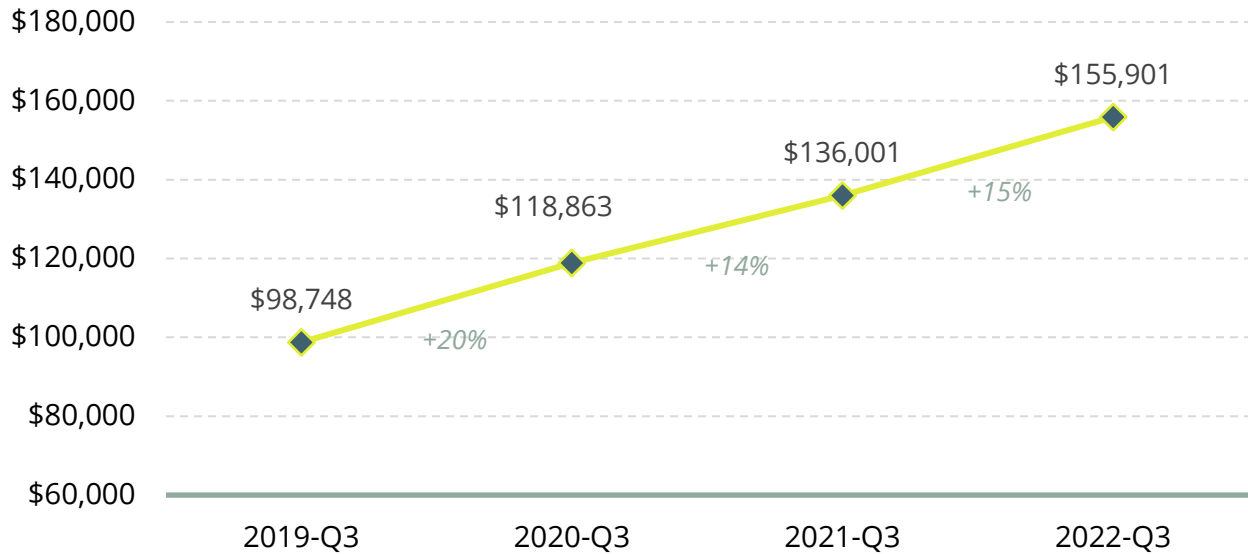
<i>Jurisdiction</i>	<i>2021 - Q4</i>	<i>2022 - Q4</i>	<i>% Change</i>
Bristol	23	27	17%
Lee County	19	31	63%
Scott County	53	32	-40%
Wise County	95	94	-1%

Sources: Virginia REALTORS®, data accessed October 15, 2022, from Virginia-based MLSs
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed November 10, 2022, from Tennessee-based MLS

Sales Prices

Home prices continue to trend higher across most of the BTVAR market. The median sales price in the third quarter regionwide was \$155,901, jumping up \$19,900 from the third quarter last year, a 15% jump. With the exception of Lee County, all local markets had double-digit price growth this quarter compared to the prior year. The statewide median sales price in the third quarter was \$375,000, up 5.6% from a year ago.

Figure 6
Third Quarter Median Sales Price, BTVAR
2019-2022



Sources: Virginia REALTORS®, data accessed October 15, 2022, from Virginia-based MLSs
Bristol Tennessee-Virginia Association of REALTORS®, data accessed November 10, 2022, from Tennessee-based MLS



Local Snapshot – *Median Sales Price*

Bristol: At \$173,500, the median sales price in the Bristol housing market jumped up 17% from a year ago, which is a \$25,500 increase. This is the second straight quarter of double-digit price gains in the city.

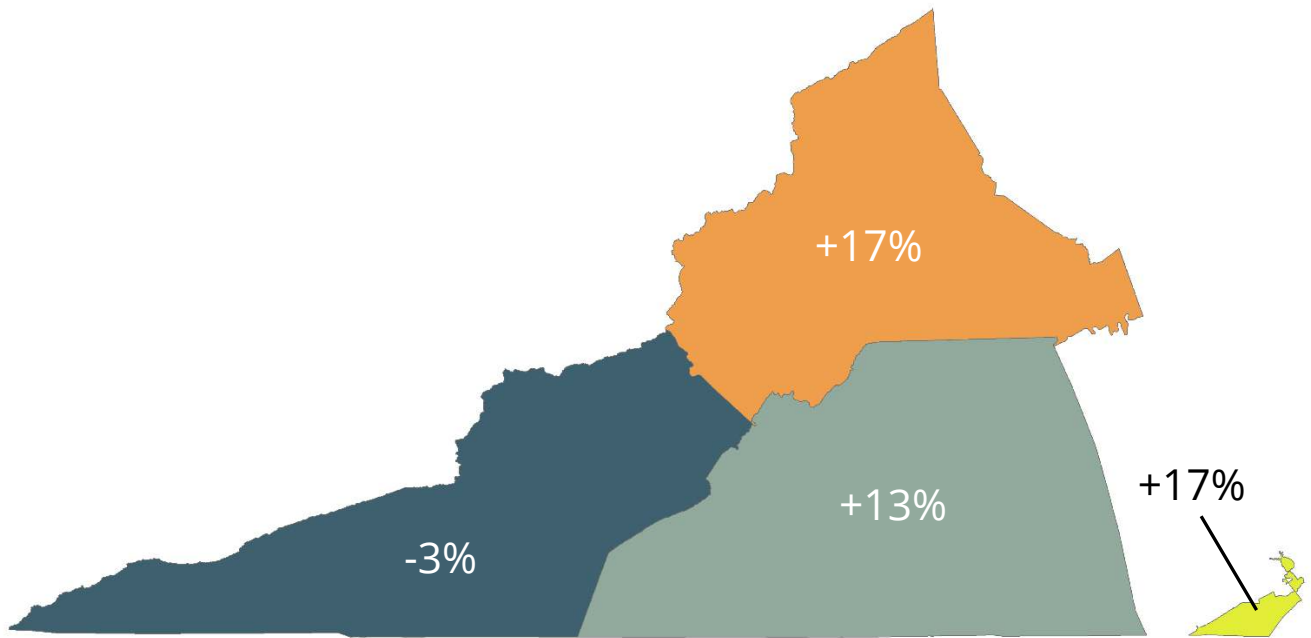
Lee County: Home prices inched down this quarter in Lee County. The third quarter median sales price in the county was \$127,624, about \$3,500 lower than it was a year ago, a 3% dip.

Scott County: For the second straight quarter, the median price in Scott County surged from last year. The third quarter median sales price in the county was \$158,797, up 13% from a year ago, a gain of about \$18,500.

Wise County: Prices in the Wise County market continue to climb. At \$152,644, the third quarter median sales price jumped up by about \$21,600 from the same time last year, representing a 17% increase.

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



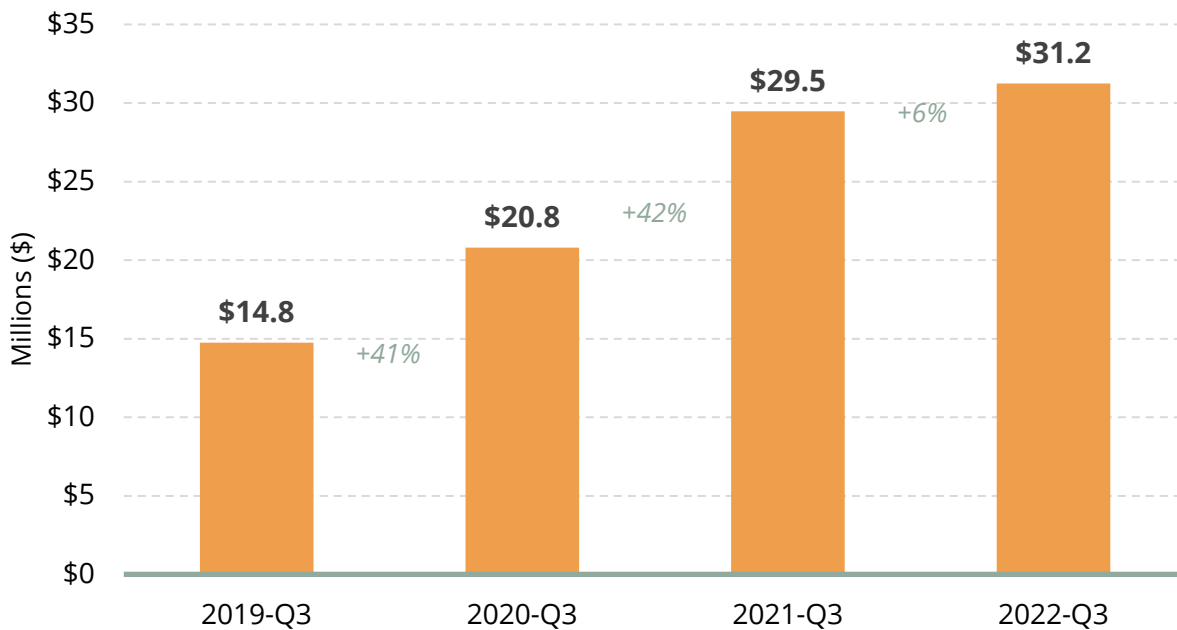
<i>Jurisdiction</i>	<i>2021 - Q3</i>	<i>2022 - Q3</i>	<i>% Change</i>
Bristol	\$148,000	\$173,500	17%
Lee County	\$131,211	\$127,624	-3%
Scott County	\$140,258	\$158,797	13%
Wise County	\$130,953	\$152,644	17%

Sources: Virginia REALTORS®, data accessed October 15, 2022, from Virginia-based MLSs
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed November 10, 2022, from Tennessee-based MLS

Sold Volume

There were fewer sales overall, but rising prices led to an increase in total sold dollar volume in the BTVAR market this quarter. There was about \$31.2 million of sold volume across the footprint in the third quarter, \$1.7 million more volume than a year ago, which is a 6% increase. The BTVAR region is one of only a few in Virginia that had sold volume growth this quarter. Most growth this quarter was in the Wise County and Bristol markets.

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



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

Bristol Tennessee-Virginia Association of REALTORS®, data accessed November 10, 2022, from Tennessee-based MLS



Local Snapshot – *Sold Dollar Volume*

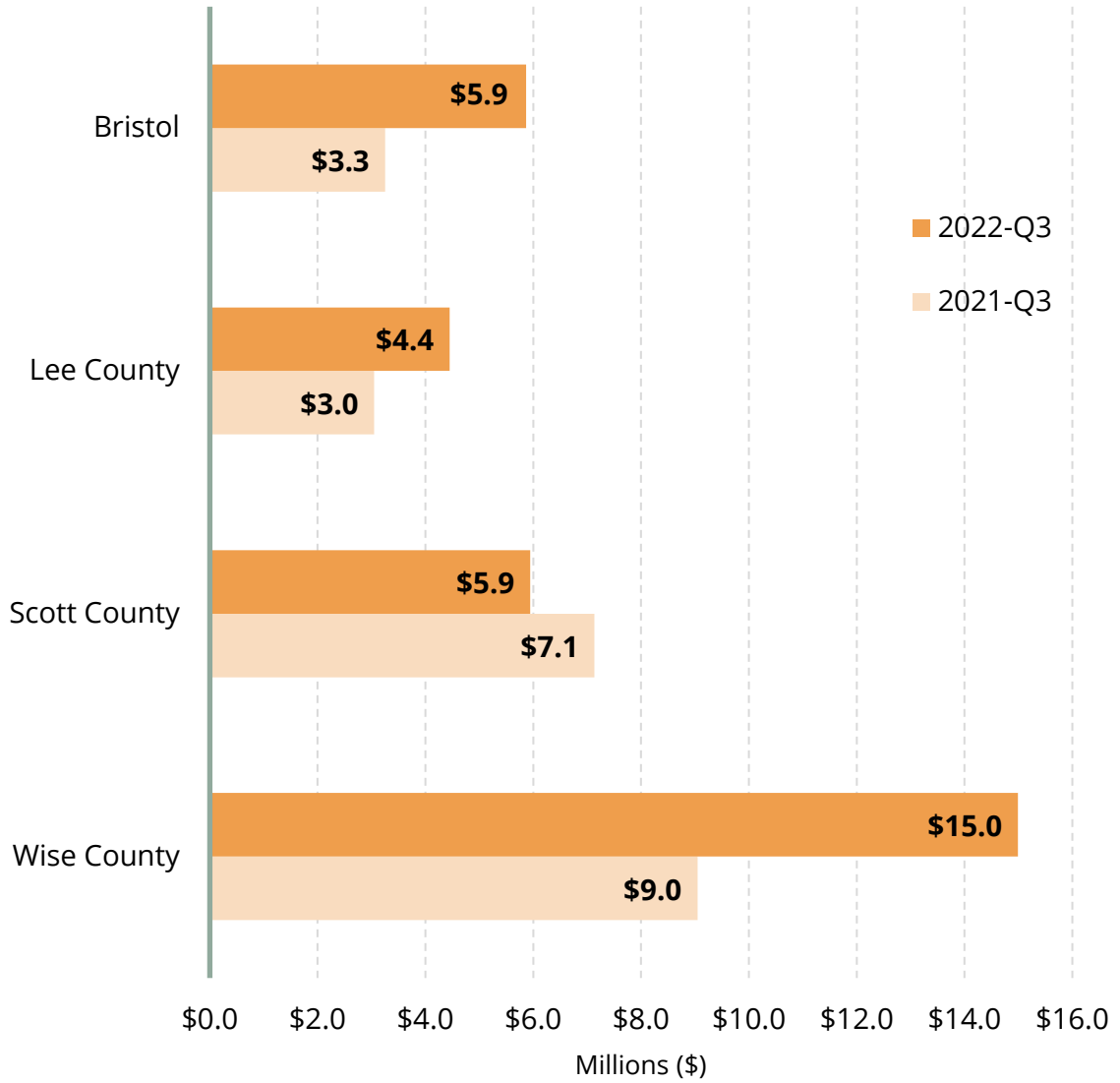
Bristol: More sales and higher prices led to a large influx of sold volume this quarter in the Bristol market. There was about \$5.9 million of volume in the city during the third quarter. This is about \$2.6 million more volume than a year ago, an 80% surge in sold volume.

Lee County: While prices inched down in the county, the surge in sales led to a jump in the sold dollar volume. There was approximately \$4.4 million of sold volume in Lee County in the third quarter, up by \$1.4 million from last year, which is a 46% increase in sold volume.

Scott County: There was about \$5.9 million of sold volume in Scott County during the third quarter, down by \$1.2 million, or a 17% decrease.

Wise County: There was approximately \$15.0 million of sold volume in Wise County in the third quarter of 2022, which is about \$6.0 more volume than a year ago. This represents a 66% increase in volume.

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

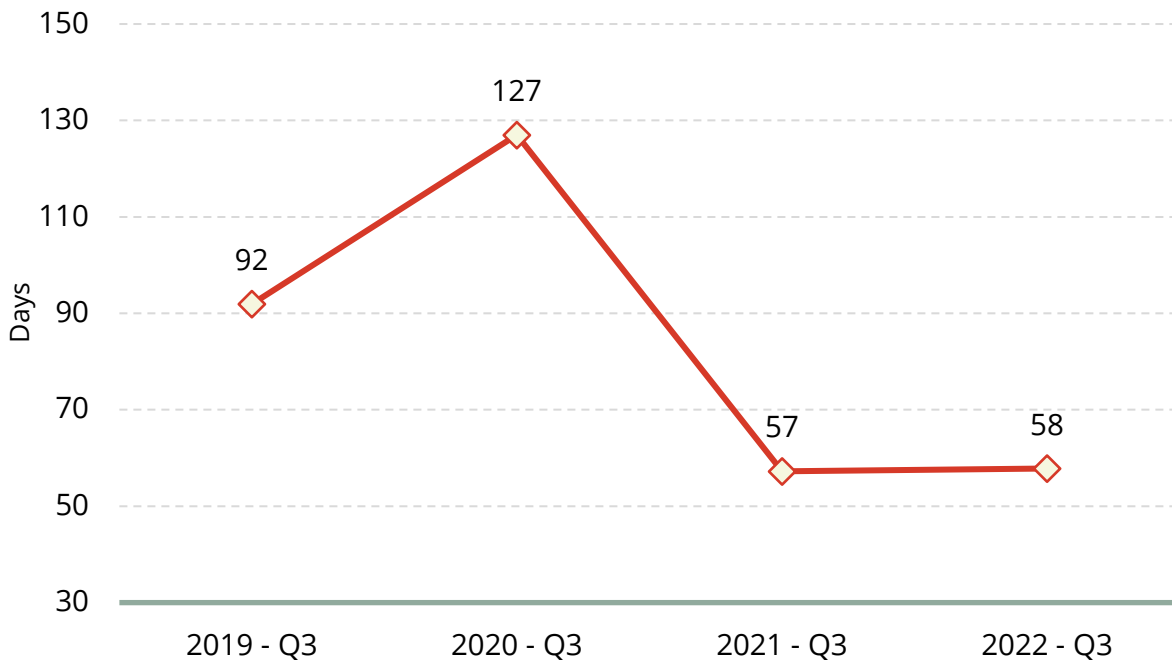


Sources: Virginia REALTORS®, data accessed October 15, 2022, from Virginia-based MLSs
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed November 10, 2022, from Tennessee-based MLS

Days on Market

As market activity has slowed, homes are taking longer to sell in most local markets. The regionwide average days on market was 58 days in the BTVAR market in the third quarter, one day slower than a year ago. Three out of the four local markets had an uptick in the average days on market, which is in line with statewide trends. Statewide, the average days on market in the third quarter was 23 days, up from 21 days this time last year.

Figure 10
Third Quarter Average Days on Market, BTVAR
2019-2022



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



Local Snapshot – *Average Days on Market*

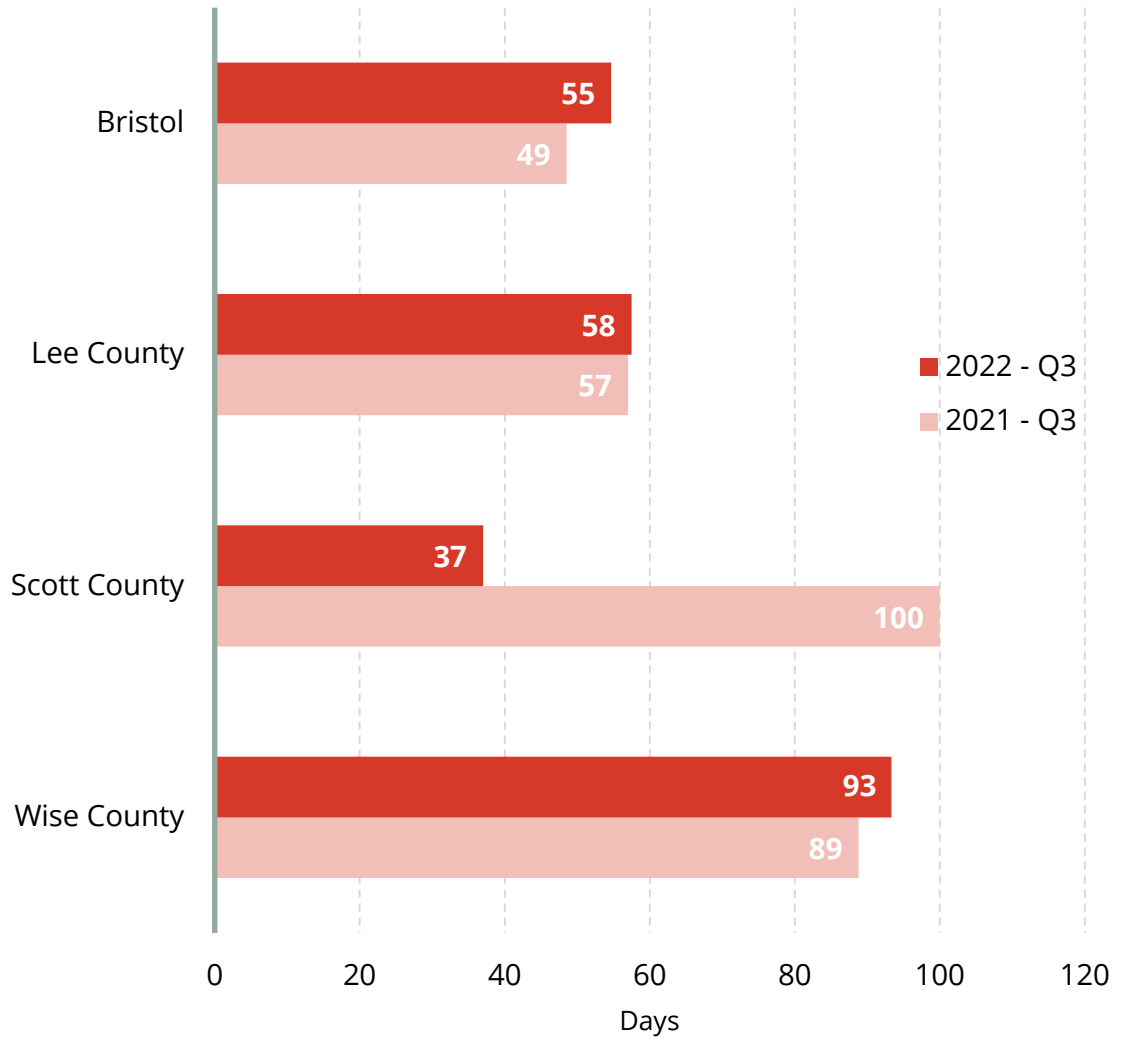
Bristol: Homes that sold in Bristol during the third quarter were on the market 55 days on average, six days longer than a year ago.

Lee County: A 58 days, the average days on market in Lee County was one day slower than a year ago.

Scott County: The average days on market in Scott County was 37 days in the third quarter, 63 days faster than last year. Scott County is the only local market where homes sold faster on average than a year ago.

Wise County: Homes that sold in Wise County in the third quarter were on the 93 days on average. This is five days slower than the third quarter of 2021.

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



Source: Virginia REALTORS®, data accessed October 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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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.