

BTVAR BRISTOL

HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

BTVAR Home Sales Report

First Quarter 2023

Bristol Tennessee/Virginia Association of REALTORS®

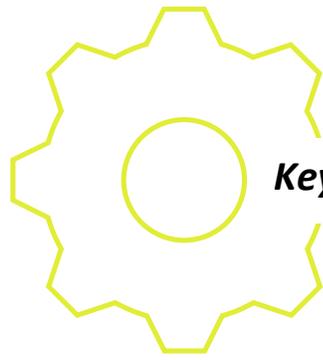
Market Report Key Takeaways

Economic Conditions

- There were about 3,200 jobs added to Virginia's economy between January and February 2023. Most regions around the Commonwealth have now fully recovered net jobs lost in the spring of 2020.
- Virginia's unemployment rate was 2.9% in February 2023 (not seasonally adjusted), which is up from 2.7% a year ago. The unemployment rate continues to be historically low, but has started to inch up, rising three of the last four months. In the BTVAR region, the unemployment rate was 3.8% in February, up from 3.1% a year ago.
- Mortgage rates have been volatile since initially falling in January, then rising for five straight weeks, and then falling again for five straight weeks. In the third week of April 2023, the average rate on a 30-year fixed mortgage was 6.39%.

Housing Market Conditions

- The 2023 housing market is off to a slower start in the BTVAR region than the last several years. There were 100 homes sold in total across the area in the first quarter of 2023, down 28% from last year.
- The first quarter median sales price in the BTVAR market was \$143,507. This is about \$9,000 higher than it was a year ago, a 7% price jump.
- The average days on market in the region in the first quarter was 46 days, which is down from 71 days at this time last year.



Key Trends Dashboard, BTVAR

Economy



3.8%

Is the Feb-2023 **unemployment rate** in the BTVAR footprint, which is up from Feb-2022



6.39%

Is the **30-year fixed-rate mortgage rate** during the third week of April 2023, which is up from 5.11% a year ago

Housing Market



-39

Fewer **home sales** in the BTVAR footprint in Q1-2023 compared to last year.



7%

Percent change in **median sales price** in the BTVAR region in Q1-2023 compared to a year ago.



\$4.9

Million dollars less in total **sold volume** in the BTVAR footprint in Q1-2023 compared to last year.



46

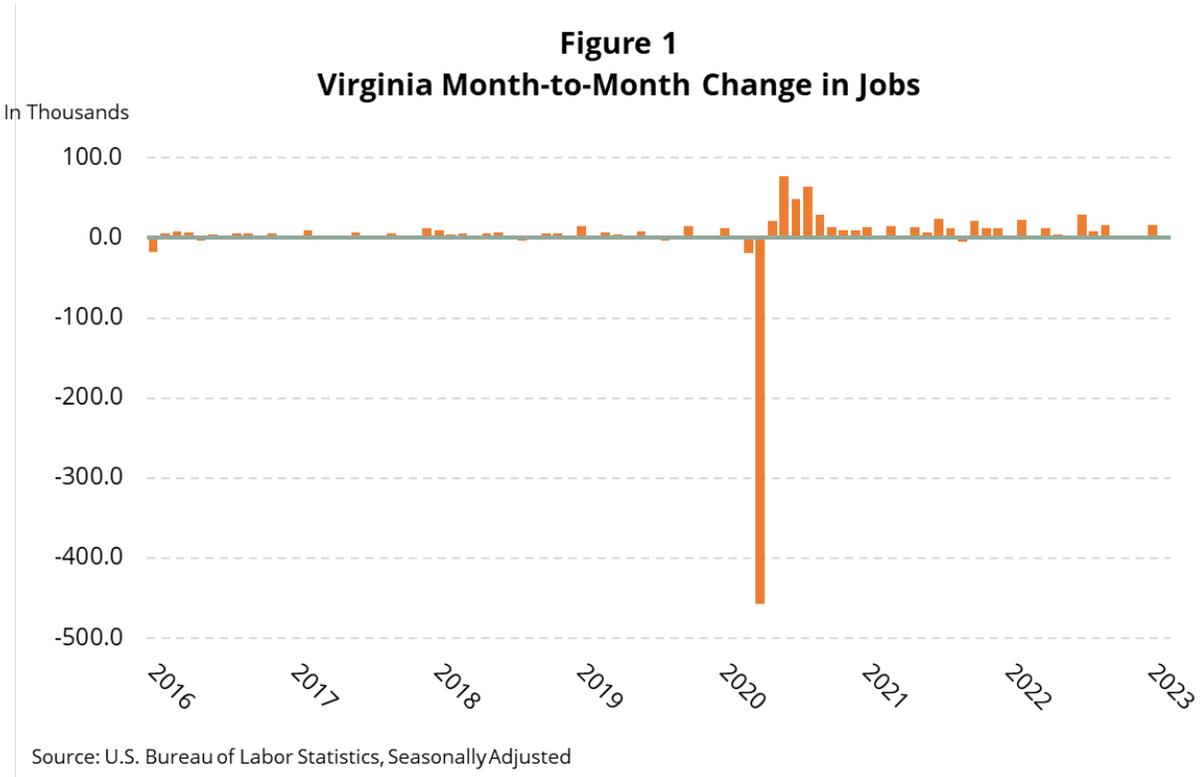
Is the **average days on market** in the BTVAR region in Q1-2023, which is down from this time last year

Economic Overview

The economy continues to see mixed signals. Inflation is trending down, but remains much higher than the target rate. The job market has been resilient, but the growth has slowed in recent months. Mortgage rates have been inching down in recent weeks, but are still much higher than they were at this time last year.

Jobs

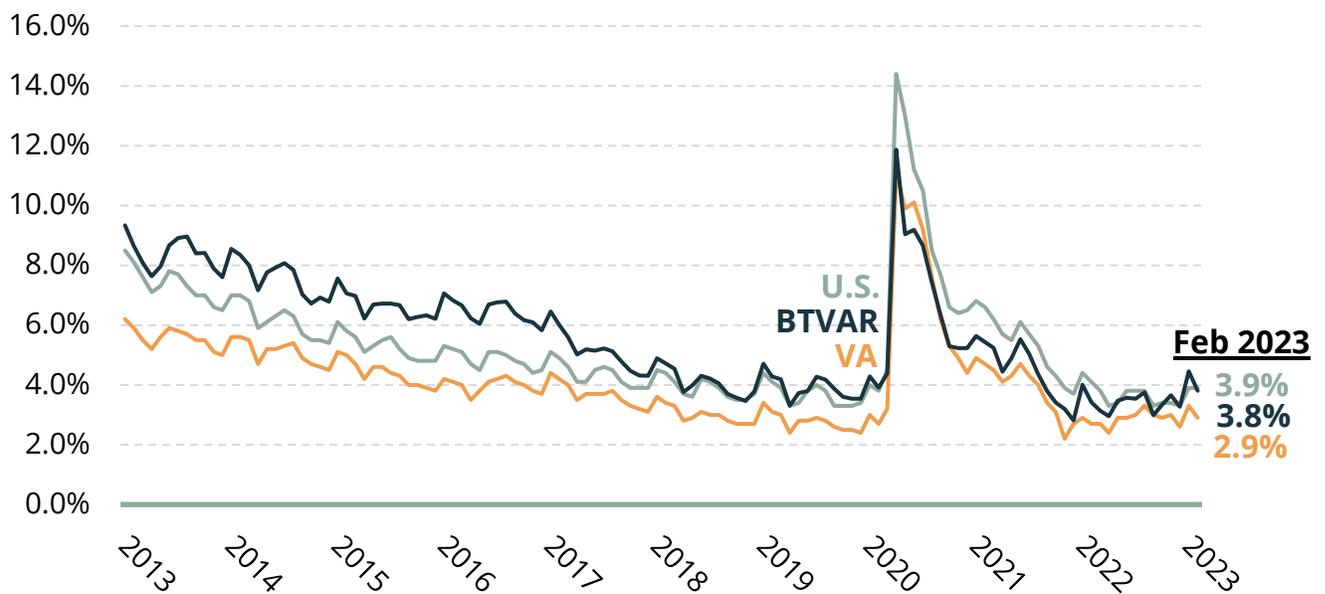
Virginia’s job base continues to expand, but the pace has slowed from recent months. There were about 4.31 million jobs across the state in February 2023, which is an influx of 3,200 jobs from January 2023. Virginia has fully recovered job losses incurred in the spring of 2020, and the job base has grown by approximately 41,600 jobs since pre-pandemic levels. The largest influx of jobs this month occurred in the State Government sector, which had 6,200 more jobs in February compared to January. The Health Care and Social Services sector continues to expand, with about 2,200 more jobs added to Virginia’s economy from the prior month. The largest decrease this month was in the Administrative and Waste Services sector (-2,600 jobs), and Leisure & Hospitality (-1,800 jobs).



Unemployment

The unemployment rate in Virginia remains historically low, but has been rising slowly in recent months. Statewide, the unemployment rate in February 2023 was 2.9% (not seasonally adjusted), up from 2.7% in February of 2022. The unemployment rate in the BTVAR region was 3.8% in February 2023, up from 3.1% a year ago.

Figure 2
Unemployment Rate



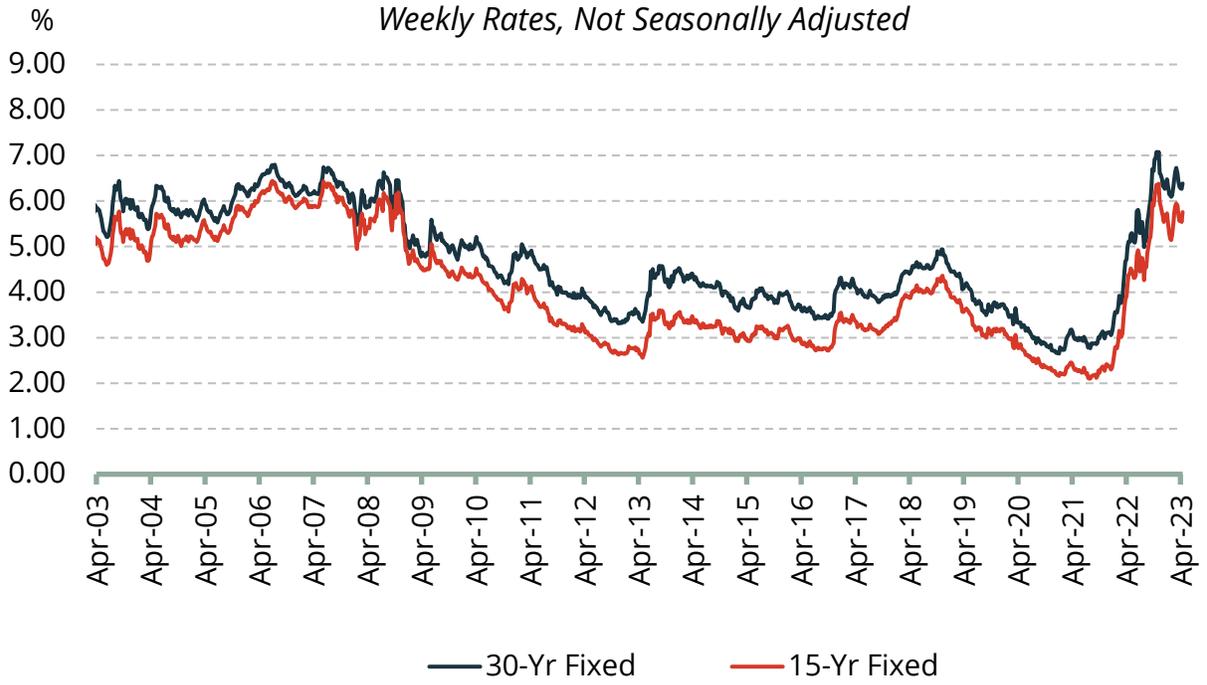
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Mortgage Rates

Mortgage rates have been up and down so far in 2023. In the third week of April, the average rate on a 30-year fixed mortgage was 6.39%, up from 6.27% in the previous week, but down from 6.42% in the previous month. Mortgage rates started off the year trending down for much of January, then rose for February into March, and then back down again March through mid-April. This volatility could continue in the coming months, though the longer-term trajectory is likely to be downward.

Figure 3
Mortgage Interest Rates

Weekly Rates, Not Seasonally Adjusted



Source: Freddie Mac

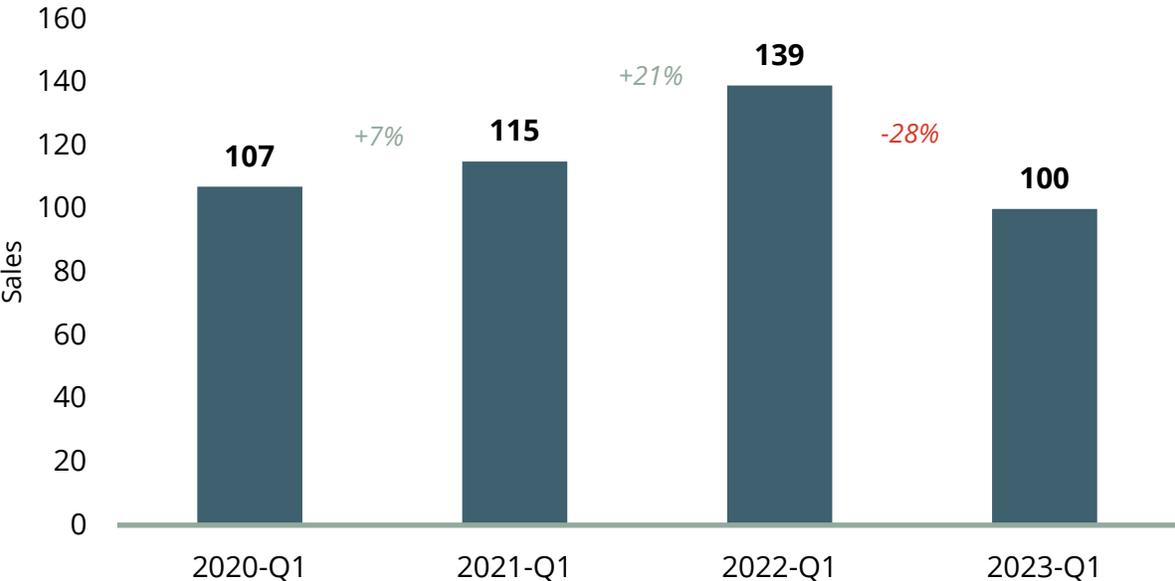
Housing Market Overview

The BTVAR housing market is off to a slower start in 2023. Sales activity in the first quarter is well below last year and sold volume levels are down as a result. Despite the slowdown, prices continue to climb in some local markets. Homes continue to sell faster on average, a reflection of competition 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 There were 100 sales in the BTVAR housing market in the first quarter of 2023, which is 39 fewer sales than this time last year, a 28% drop. Sales activity has been moderating for much of the past year in the region as rising interest rates have taken a toll on the market. Statewide, total home sales were down 25% from the first quarter a year ago.

Figure 4
First Quarter Home Sales, BTVAR
2020-2023



Sources: Virginia REALTORS®, data accessed April 15, 2023, from Virginia-based MLSs
Bristol Tennessee-Virginia Association of REALTORS®, data accessed July 20, 2023, 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*

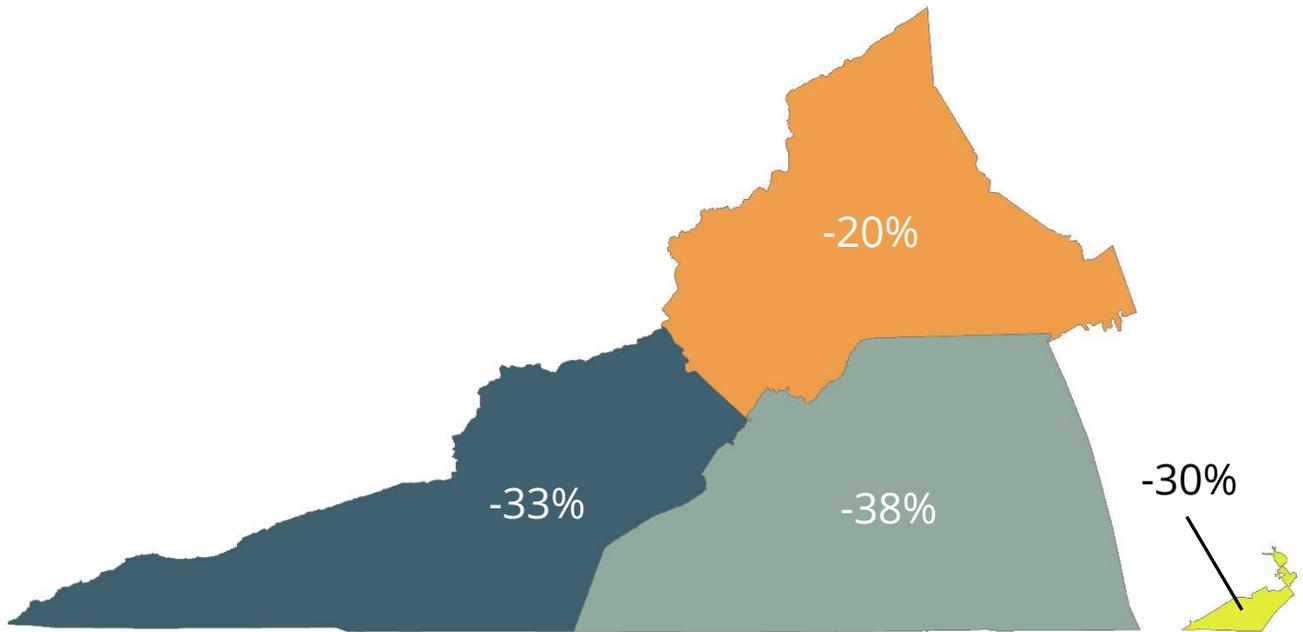
Bristol: Sales activity slowed down in Bristol this quarter. There were 14 homes sold in the city during the first quarter, six fewer sales than a year ago, representing a 30% drop. This is the second straight dip in sales activity in the city's housing market.

Lee County: There were 12 sales in Lee County in the first quarter of 2023, six fewer sales than a year ago, which is a 33% decline. Prior to this slowdown, sales activity had been surging in the county's housing market since the summer of last year.

Scott County: The Scott County housing market continues to cool. There were 23 sales in the county in the first quarter. This is 14 fewer sales than there were in the first quarter last year, which is a 38% plunge.

Wise County: There were 51 homes sold in Wise County in the first quarter, 13 fewer sales than this time last year, representing a 20% decrease. The Wise County housing market has been moderating last fall.

Figure 5
Change in Sales by Jurisdiction
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First Quarter 2022 to First Quarter 2023



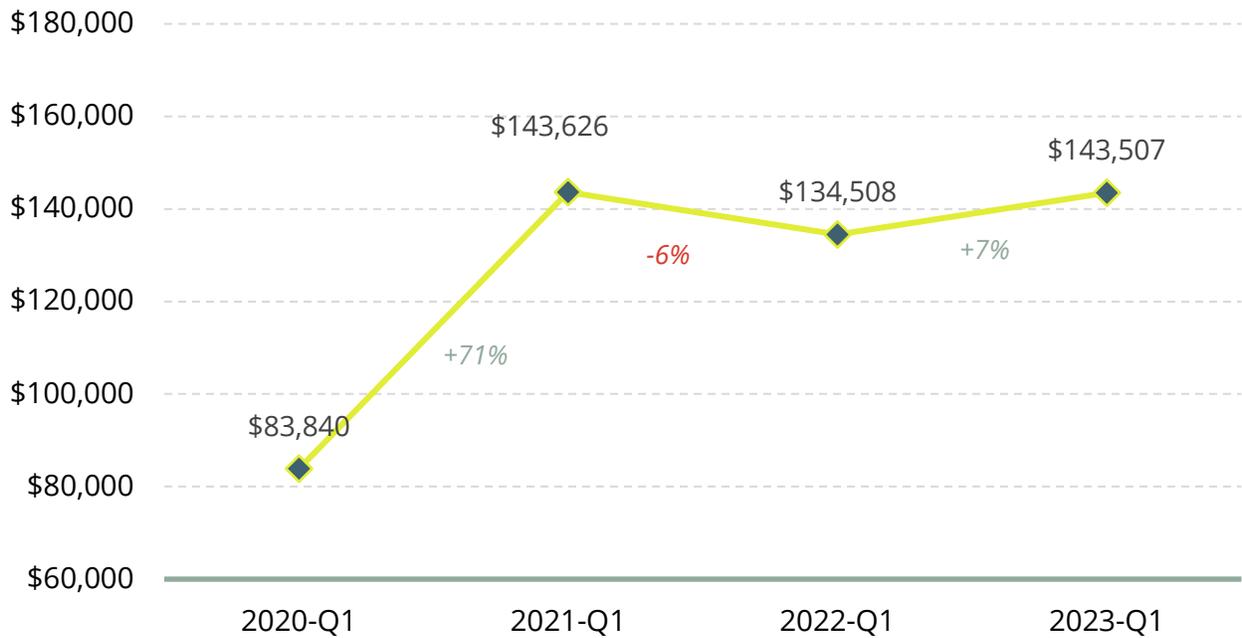
<i>Jurisdiction</i>	<i>2022 - Q1</i>	<i>2023 - Q1</i>	<i>% Change</i>
Bristol	20	14	-30%
Lee County	18	12	-33%
Scott County	37	23	-38%
Wise County	64	51	-20%

Sources: Virginia REALTORS®, data accessed April 15, 2023, from Virginia-based MLSs
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed July 20, 2023, from Tennessee-based MLS

Sales Prices

Home prices rose sharply in some parts of the BTVAR footprint, and dropped in others. The regionwide median sales price in the BTVAR market was \$143,507, rising about \$9,000 from the first quarter last year, representing a 7% increase. At the region-level, the median sales price has been trending up consistently even as sales activity has cooled. Statewide, the first quarter median sales price was \$365,000, climbing 3% from the first quarter last year.

Figure 6
First Quarter Median Sales Price, BTVAR
2020-2023



Sources: Virginia REALTORS®, data accessed April 15, 2023, from Virginia-based MLSs

Bristol Tennessee-Virginia Association of REALTORS®, data accessed July 20, 2023, from Tennessee-based MLS



Local Snapshot – *Median Sales Price*

Bristol: The median sales price in Bristol during the first quarter was \$206,875, surging up more than \$52,000 from the first quarter of last year, a 34% price jump. Home prices in the city have been rising at a double-digit rate for three straight quarters.

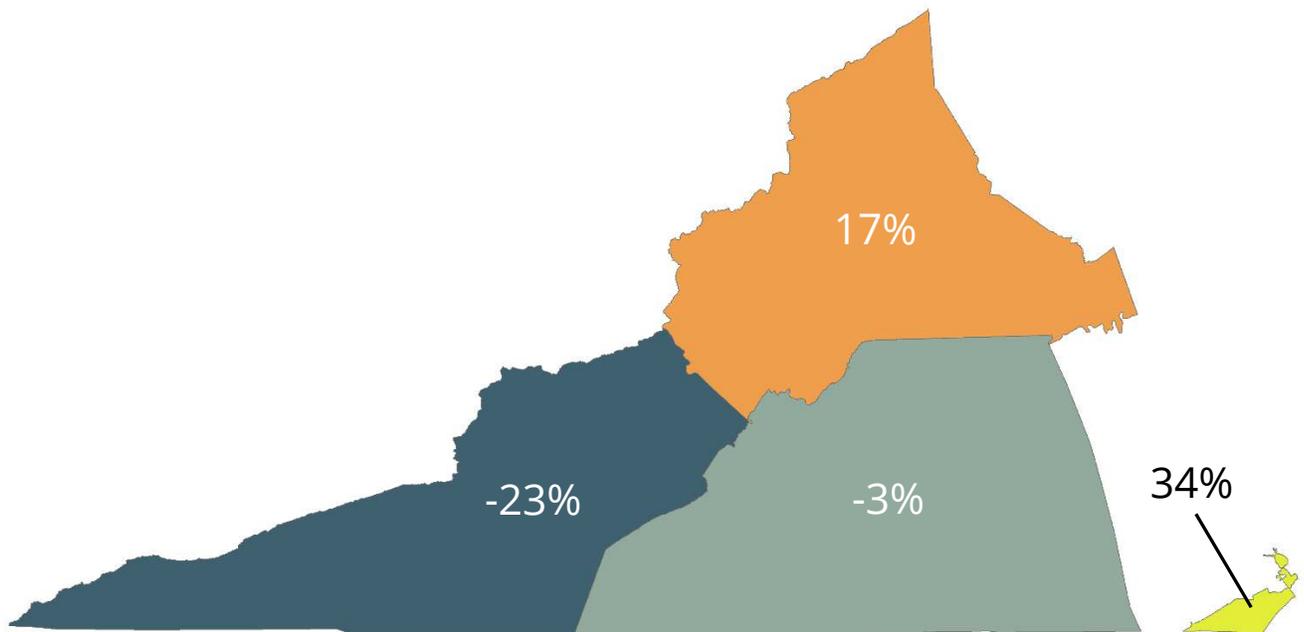
Lee County: At \$115,083, the first quarter median sales price in Lee County fell 23% from a year ago, a price drop of about \$33,000. Home prices in the county have been softening since the summer of last year.

Scott County: After surging for much of 2022, home prices in Scott County edged down at the start of 2023. The median sales price in the county in the first quarter was \$141,174, down 3% from last year.

Wise County: Prices in the Wise County market continue to rise rapidly. The first quarter median sales price in the county was \$134,059, jumping up nearly \$20,000 from a year ago, which is a 17% gain.

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



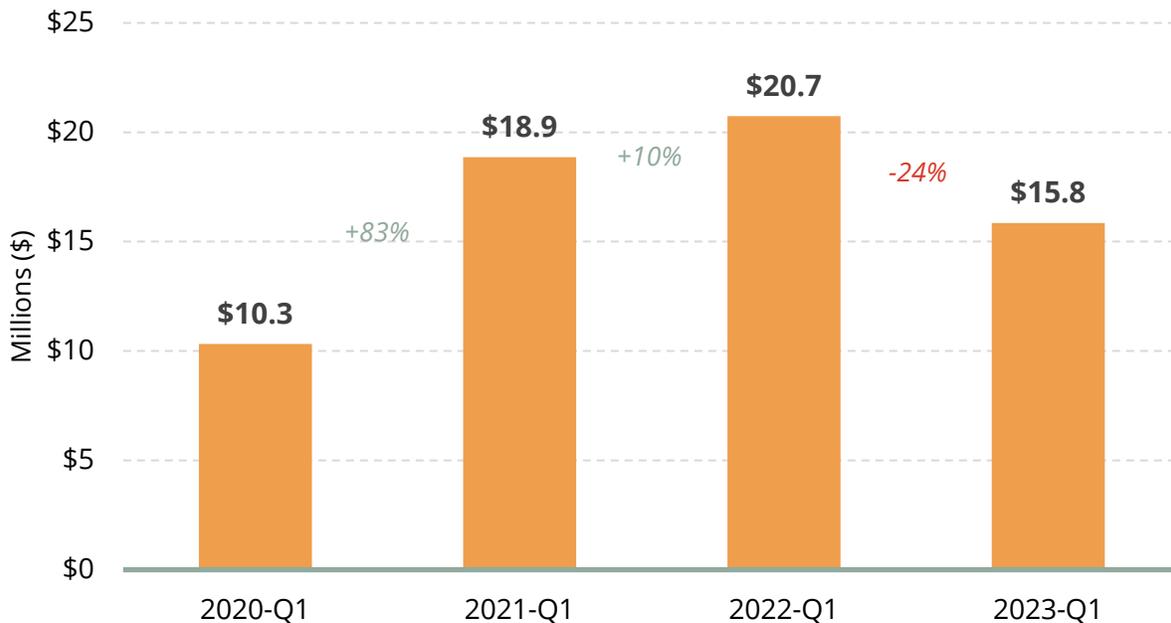
<i>Jurisdiction</i>	<i>2022- Q1</i>	<i>2023 - Q1</i>	<i>% Change</i>
Bristol	\$154,250	\$206,875	34%
Lee County	\$148,521	\$115,083	-23%
Scott County	\$146,243	\$141,174	-3%
Wise County	\$114,625	\$134,059	17%

Sources: Virginia REALTORS®, data accessed April 15, 2023, from Virginia-based MLSs
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed July 20, 2023, from Tennessee-based MLS

Sold Volume

The sold dollar volume fell in the BTVAR housing market as there were far fewer sales overall than a year ago. There was approximately \$15.8 million of sold volume in the BTVAR footprint during the first quarter. This is about \$4.9 million less volume than the first quarter last year, a 24% drop. Prior to this decrease, the sold volume levels in the region had been trending up consistently for the past two years.

Figure 8
First Quarter Sold Dollar Volume (Millions), BTVAR
2020-2023



Sources: Virginia REALTORS®, data accessed April 15, 2023, from Virginia-based MLSs
Bristol Tennessee-Virginia Association of REALTORS®, data accessed July 20, 2023, from Tennessee-based MLS



Local Snapshot – *Sold Dollar Volume*

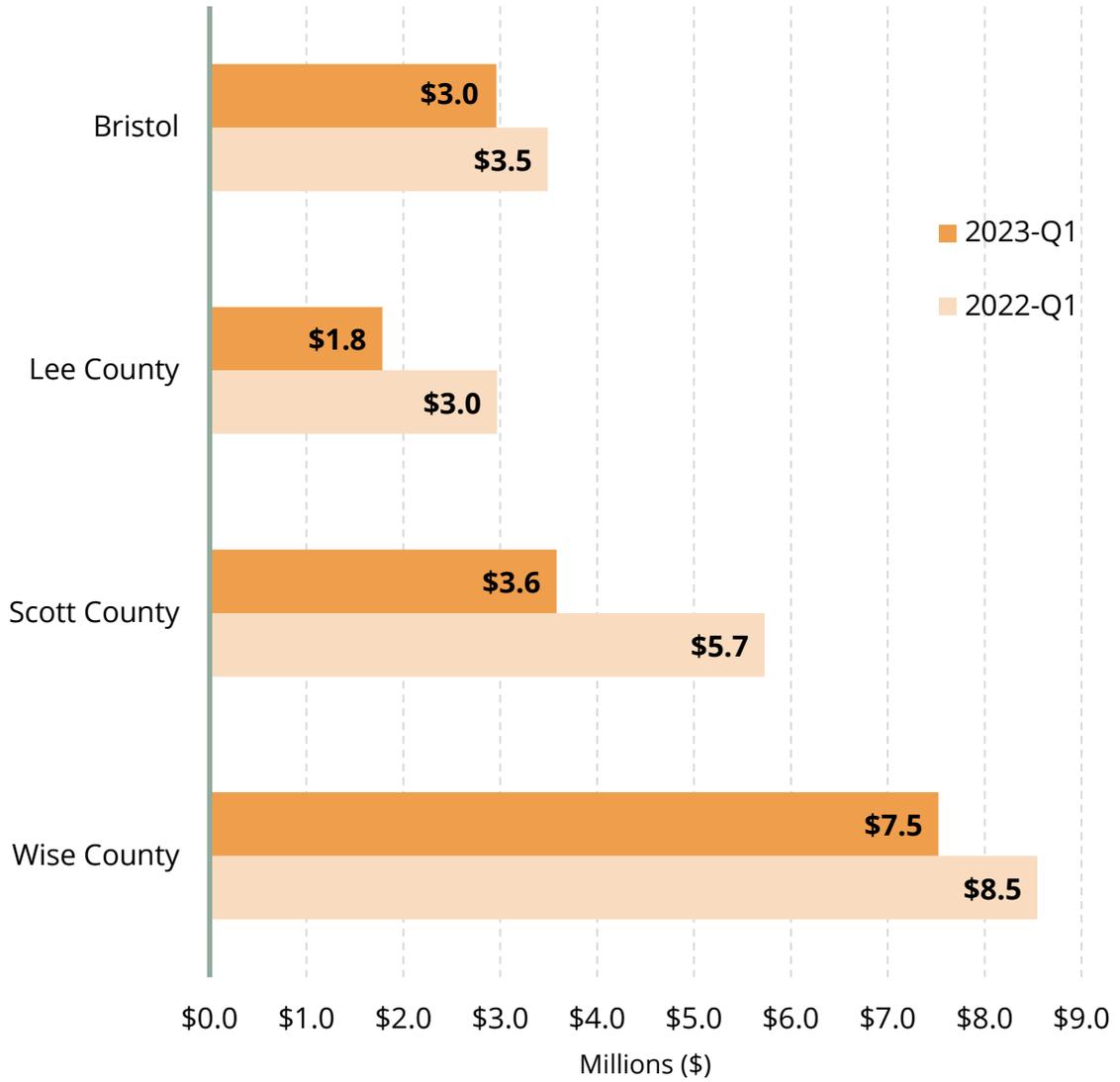
Bristol: Even with climbing prices, the drop in sales activity brought down the sold dollar volume in Bristol during the first quarter. There was about \$3 million of sold volume in the city's housing market in the first quarter, which is about \$500,000 less volume than a year ago, a 15% decline.

Lee County: There was approximately \$1.8 million of sold volume in the Lee County housing market during the first quarter. This is about \$1.2 million less volume that was sold in the first quarter of 2022, a 40% plunge.

Scott County: The dip in home prices and fewer closed sales drove down the sold dollar volume in Scott County this quarter. There was about \$3.6 million of sold volume countywide in the first quarter, down by \$2.1 million of sold volume from a year ago, which is a 38% decrease.

Wise County: There was about \$7.5 million of sold volume in Wise County in the first quarter, a decrease of \$2 million, a 35% reduction in sold volume.

Figure 9
First Quarter Sold Dollar Volume, BTVAR Jurisdictions
2022 and 2023

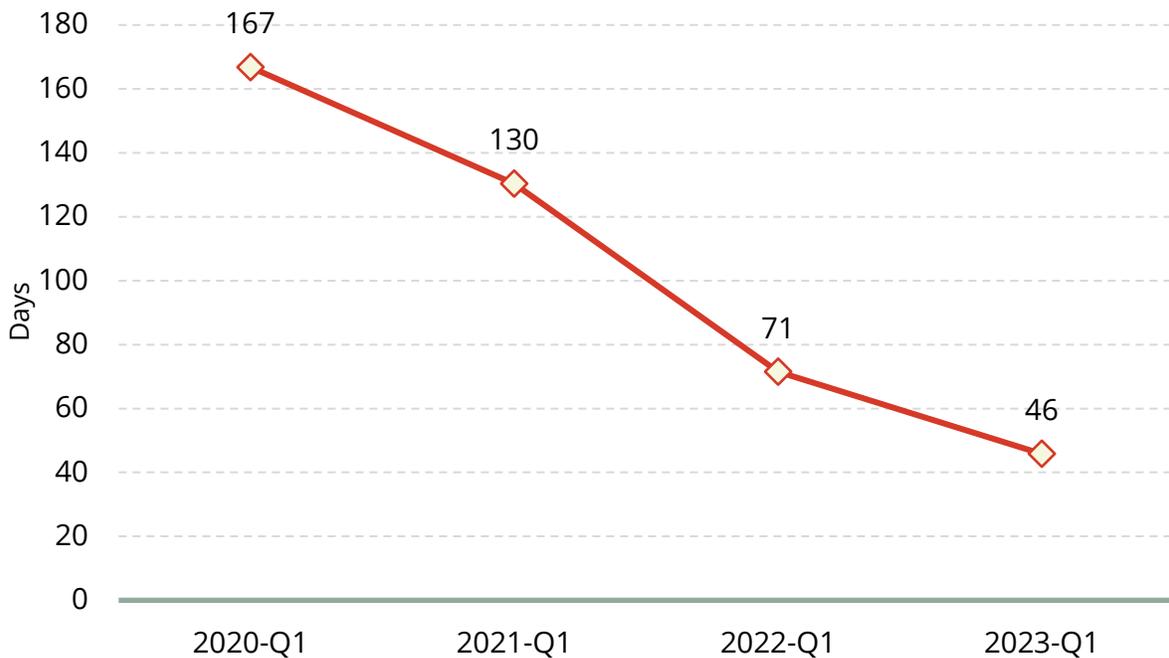


Sources: Virginia REALTORS®, data accessed April 15, 2023, from Virginia-based MLSs
Bristol Tennessee-Virginia Association of REALTORS®, data accessed July 20, 2023, from Tennessee-based MLS

Days on Market

Even though sales activity has been moderating, homes are selling faster on average in the region. The average days on market in the BTVAR area during the first quarter was 46 days, which is more than three weeks faster than the first quarter last year (-25 days). This is the sharpest drop in this metric the region has seen in about a year. Homes sold in 37 days on average in Virginia during the first quarter of 2023, nine days longer than this time last year.

Figure 10
First Quarter Average Days on Market, BTVAR
2020-2023



Source: Virginia REALTORS®, data accessed April 15, 2023, from Virginia-based MLSs



Local Snapshot – *Average Days on Market*

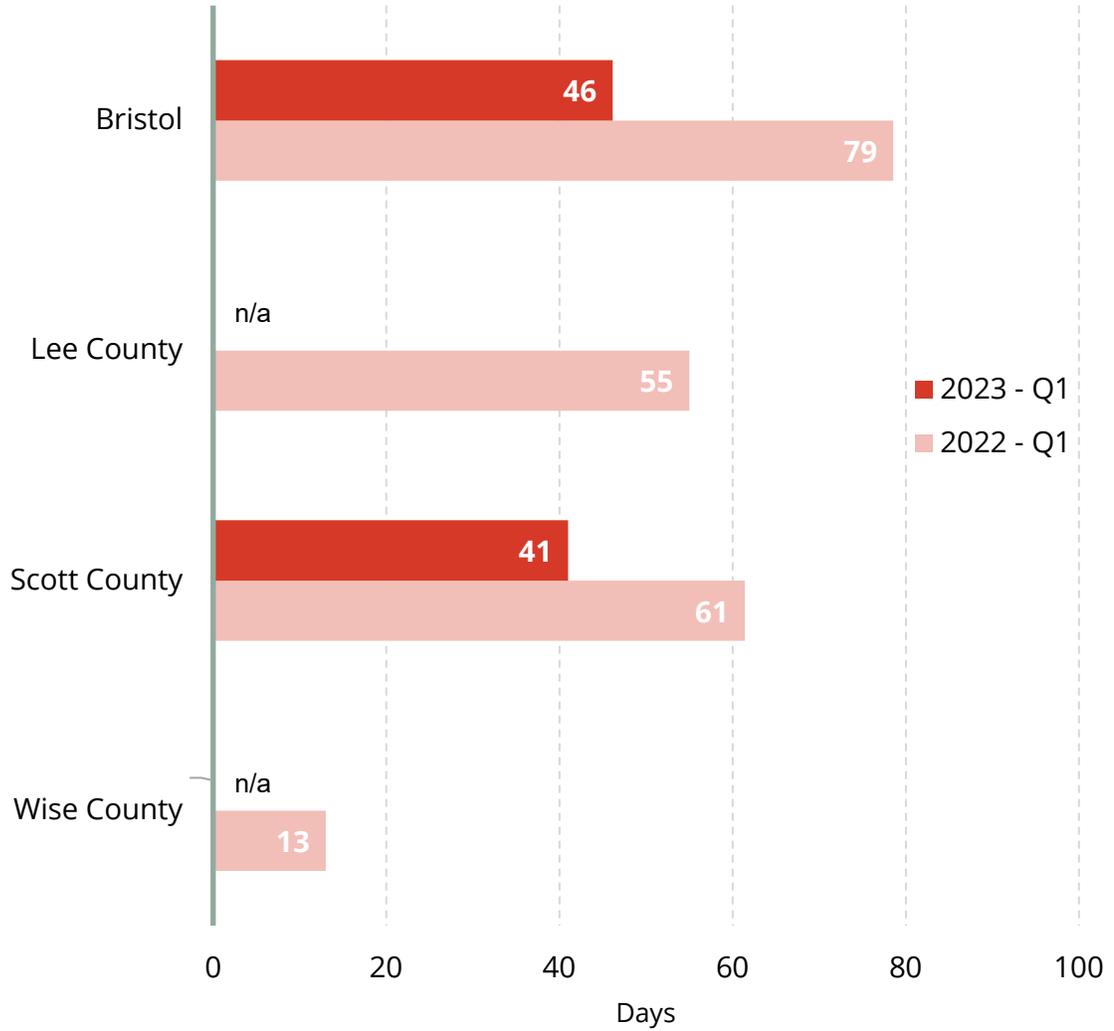
Bristol: The average days on market in the Bristol market was 46 days in the first quarter, which is about a month faster than it was a year ago (-33 days).

Lee County: There were no Virginia-based MLS sales in the first quarter in Lee County.

Scott County: Homes that sold in Scott County during the first quarter were on the market an average of 41 days, which is about three weeks faster than last year (-20 days).

Wise County: There were no Virginia-based MLS sales in the first quarter in Wise County.

Figure 11
First Quarter Average Days on Market, BTVAR Jurisdictions
2022 and 2023



Source: Virginia REALTORS®, data accessed April 15, 2023, 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 the Virginia REALTORS® Research Team:

Ryan Price
Virginia REALTORS® Chief Economist
rprice@virginiarealtors.org

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.