

BTVAR BRISTOL HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

BTVAR Home Sales Report

Fourth Quarter 2023

Bristol Tennessee/Virginia Association of REALTORS®

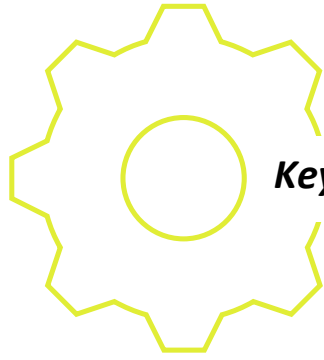
Market Report Key Takeaways

Economic Conditions

- Virginia's job market continues to be resilient. There was an influx of 7,900 jobs in the Commonwealth between October and November 2023.
- The statewide unemployment rate in Virginia was 2.9% in November 2023 (not seasonally adjusted), which is down from 3% a year ago. In the BTVAR region, the unemployment rate was 3.6% in November, down from 3.7% a year ago.
- After approaching 8% at the end of October 2023, mortgage rates have been trending down 10 of the last 12 weeks. In the third week of January 2024, the average rate on a 30-year fixed mortgage was 6.6%, which is down from 6.66% the week prior, but up from 6.15% a year ago.

Housing Market Conditions

- Sales activity continues to cool in the BTVAR region. There were 122 sales in the BTVAR housing market during the fourth quarter, 36 fewer sales than last year, which is a 23% drop.
- Upward pressure on home prices continues to be a factor in most of the BTVAR area. The median sales price in the BTVAR footprint during the fourth quarter was \$156,671, climbing 4% from this time last year.
- Homes are taking longer to sell on average in the BTVAR footprint. At 81 days, the regionwide average days on market in the fourth quarter was about two weeks longer than this time last year (+16 days).



Key Trends Dashboard, BTVAR

Economy



3.6%

Is the Nov-2023 **unemployment rate** in the BTVAR footprint, which is down from Nov-2022



6.60%

Is the **30-year fixed-rate mortgage rate** during the third week of January 2024, which is up from 6.15% a year ago

Housing Market



-36

Fewer **home sales** in the BTVAR footprint in Q4-2023 compared to last year.



4%

Percent change in **median sales price** in the BTVAR region in Q4-2023 compared to a year ago.



-\$3.0

Million dollars less in total **sold volume** in the BTVAR footprint in Q4-2023 compared to last year.



81

Is the **average days on market** in the BTVAR region in Q4-2023, which is up from this time last year

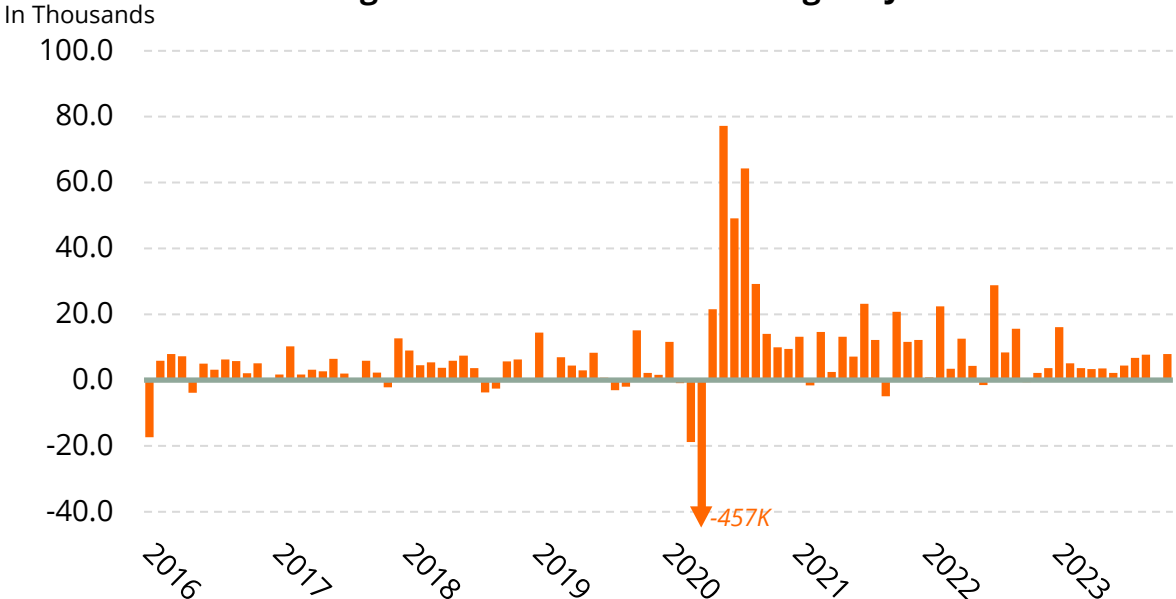
Economic Overview

Job growth exceeded expectations recently, and the labor market continues to be tight, but unemployment has edged upward in Virginia for several months. Mortgage rates have been falling since October, and inflation continues to retreat. The prospects of a “soft-landing” for the U.S. economy are improving, though there is still uncertainty about how much and when the full effects of the Fed’s rate hikes will be felt, as the economy slows down heading into 2024.

Jobs

There was a jump in the jobs data in Virginia in November after falling flat in October. There were approximately 4.17 million jobs statewide in November, which is 7,900 more than the revised October total. This is the strongest month-to-month increase since the start of 2023. The job sectors with the strongest gains in November were the Professional & Technical Services sector (+5,000 jobs), the Transportation & Warehousing sector (+4,900 jobs), and Wholesale Trade (+2,000 jobs). The Administrative & Waste Management Services sector shed about 5,500 jobs, and there were 1,000 fewer retail jobs in Virginia in November compared to October.

Figure 1
Virginia Month-to-Month Change in Jobs

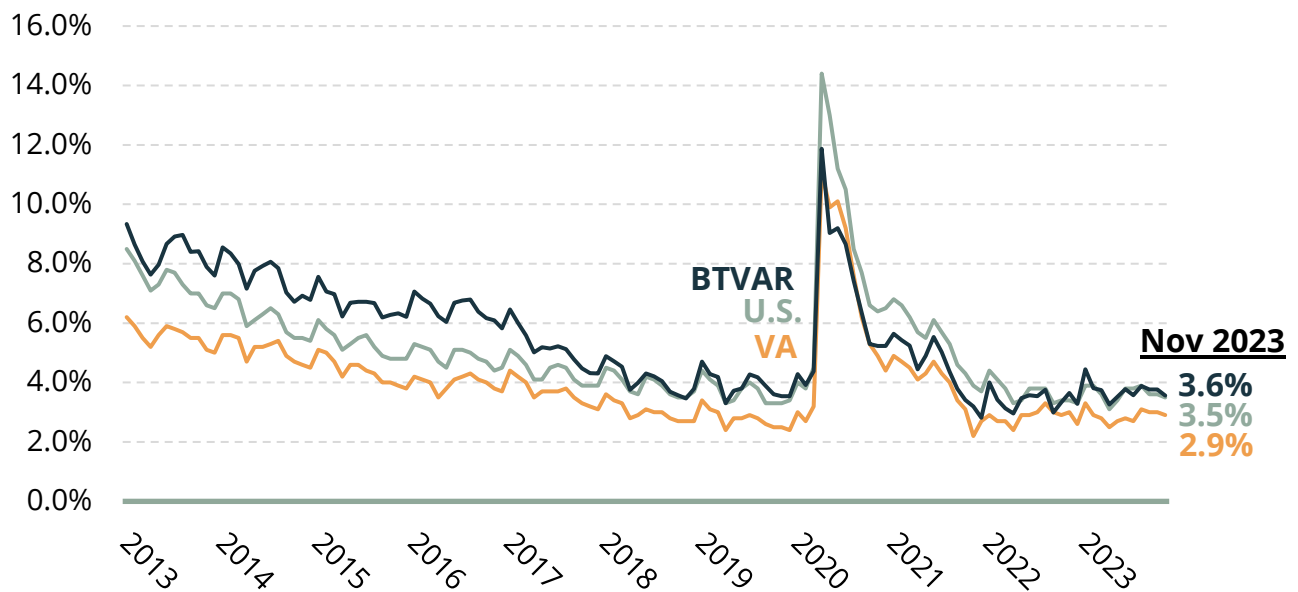


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

Unemployment

The statewide unemployment rate in Virginia dipped to 2.9% in November 2023, down from 3% in November 2022 (not seasonally adjusted). In the U.S., the unemployment rate rose to 3.5% in November, up from 3.4% a year ago. The nationwide unemployment rate has been inching up for four consecutive months but remains very low compared to historical averages. In the BTVAR footprint the November unemployment rate was 3.6%, which is down from 3.7% a year ago.

Figure 2
Unemployment Rate

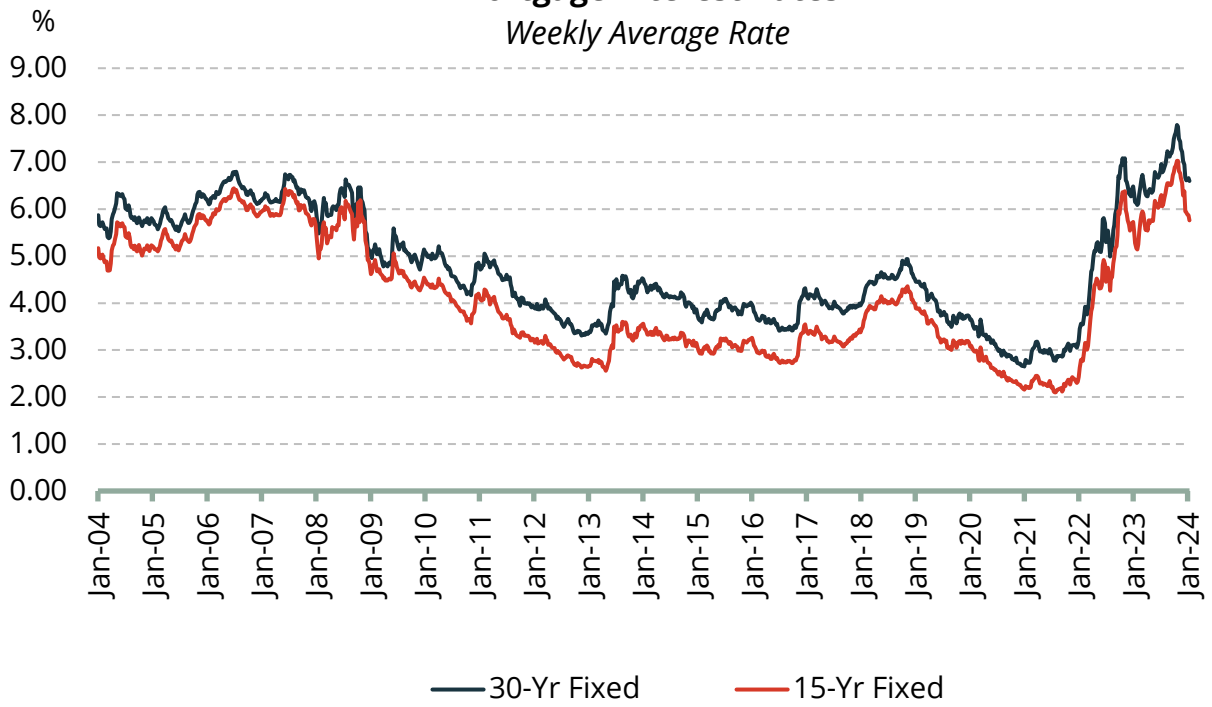


Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Mortgage Rates

After peaking near 8% in October 2023, the average interest rate for a 30-year fixed mortgage is now 6.6% as of January 18, 2024. Rates have been trending down steadily 10 of the last 12 weeks, which has ushered in renewed optimism from both buyers and sellers alike. The Federal Reserve has indicated that it plans to implement a series of fed funds rate cuts in 2024, which will continue to put downward pressure on interest rates. This will boost activity in the housing market and loosen up the “lock-in effect” for some homeowners that have pent-up demand to buy another house.

Figure 3
Mortgage Interest Rates
Weekly Average Rate



Source: Freddie Mac

Housing Market Overview

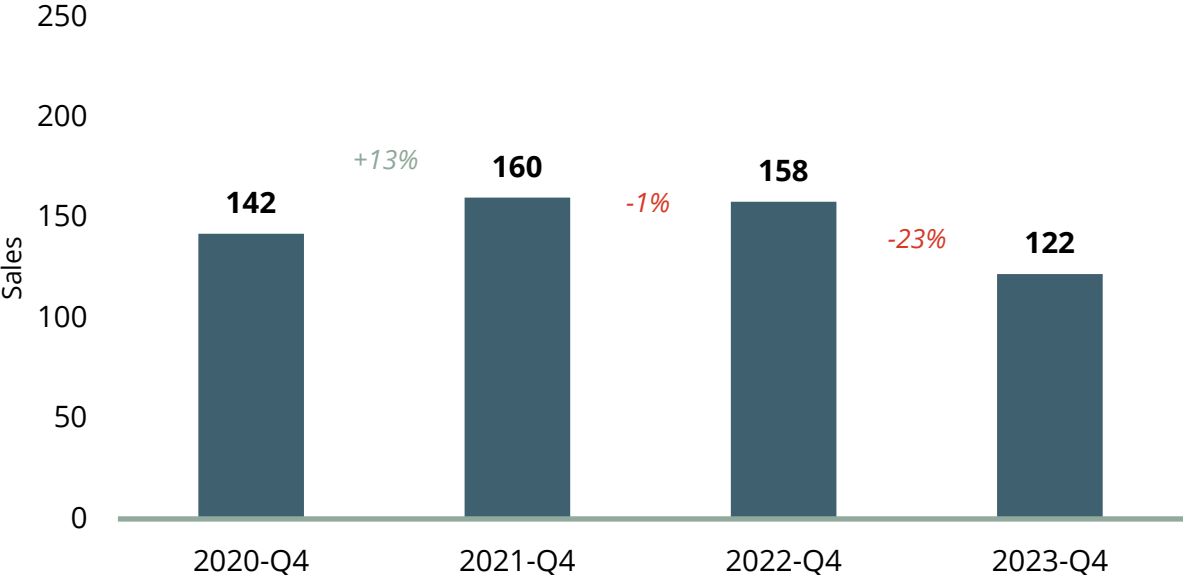
The BTVAR housing market continued to cool as 2023 came to a close. Sales activity was down in most local markets, which led to a drop in sold dollar volume. Home prices continue to rise, but homes were on the market longer on average.

For this report, home sales, median sales price, and sold dollar volume data are from both Virginia-based and Tennessee-based MLSs. The average days on market data is from Virginia-based MLSs only.

Sales

The BTVAR housing market continues to slow down. There were 122 sales in the region during the fourth quarter. This is 36 fewer sales than a year ago, reflecting a 23% drop. Sales activity slowed down all four quarters in 2023 compared to 2022, a reflection of the pull back in the market amid climbing interest rates during much of the past year.

Figure 4
Fourth Quarter Home Sales, BTVAR
2020-2023



Sources: Virginia REALTORS®, data accessed January 15, 2024, from Virginia-based MLSs
Bristol Tennessee-Virginia Association of REALTORS®, data accessed February 2, 2024, from Tennessee-based MLS



Local Snapshot – *Total Home Sales*

Bristol: Sales activity continues to cool in the Bristol housing market. There were 15 homes sold in the city during the fourth quarter, five less than a year ago, which is a 25% decline. Sales have fallen at a double-digit rate for four straight quarters in the city's housing market.

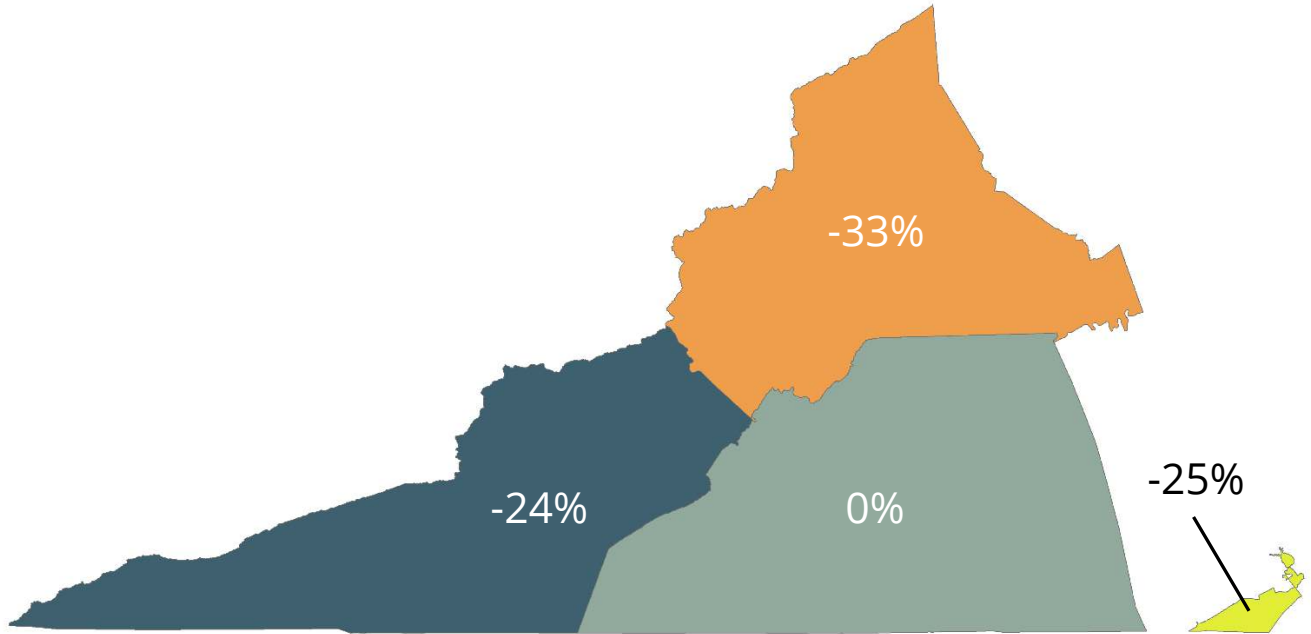
Lee County: There were 19 sales in Lee County this quarter, eight fewer sales than the fourth quarter of 2022, reflecting a 24% drop. The market slowed down in the county for much of 2023.

Scott County: After an influx of sales last quarter, the housing market was flat this quarter in Scott County. There were 38 homes sold in Scott County during the fourth quarter of 2023, the same number of sales that occurred this time last year.

Wise County: There were 50 sales in Wise County in the fourth quarter, which is 14 fewer sales than the previous year. This is a 33% drop in sales activity, the fourth consecutive quarter of cooling sales.

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



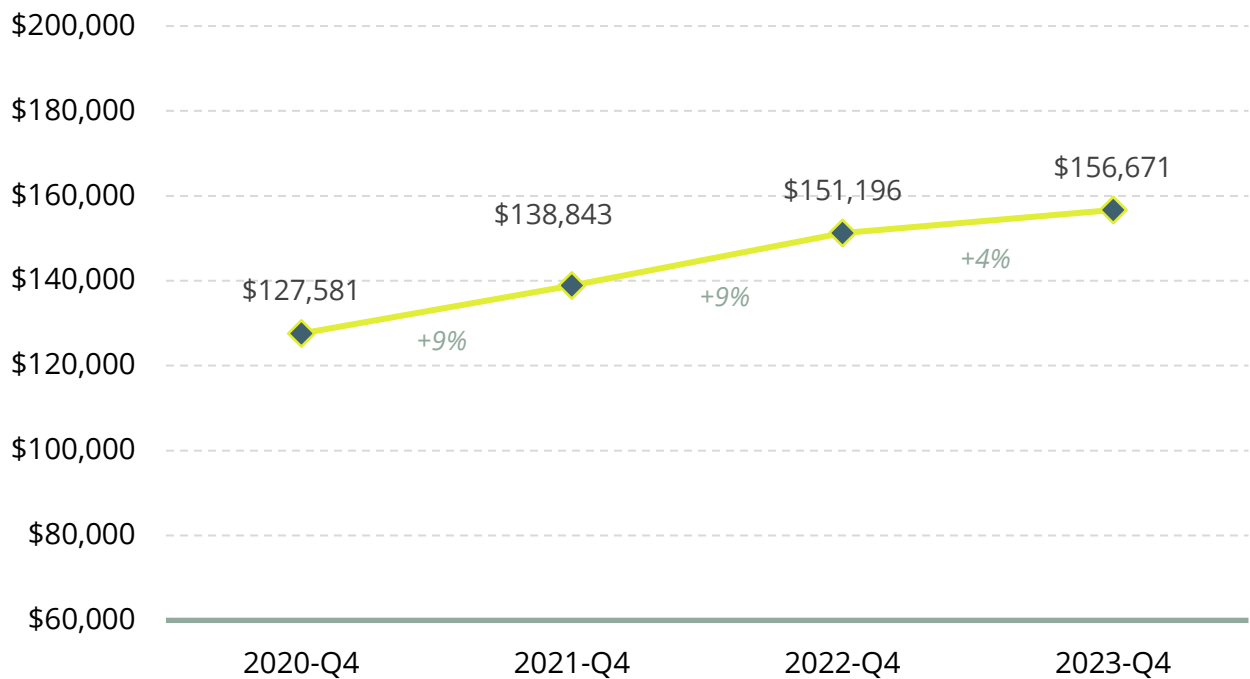
<i>Jurisdiction</i>	<i>2022 - Q4</i>	<i>2023 - Q4</i>	<i>% Change</i>
Bristol	20	15	-25%
Lee County	25	19	-24%
Scott County	38	38	0%
Wise County	75	50	-33%

Sources: Virginia REALTORS®, data accessed January 15, 2024, from Virginia-based MLSs
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed February 2, 2024, from Tennessee-based MLS

Sales Prices

The regionwide fourth quarter median sales price was \$156,671, which is about \$5,500 higher than it was a year ago, a 4% gain. The BTVAR median sales price rose three out of four quarters in 2023 compared to 2022. Within the region, the median home price rose in all local markets except for Lee County. At the state level, the median sales price in Virginia during the fourth quarter was \$387,000, climbing 7% from last year.

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



Sources: Virginia REALTORS®, data accessed January 15, 2024, from Virginia-based MLSs

Bristol Tennessee-Virginia Association of REALTORS®, data accessed February 2, 2024, from Tennessee-based MLS



Local Snapshot – *Median Sales Price*

Bristol: Home prices continue to climb in the Bristol market. The fourth quarter median sales price in the city was \$210,000, jumping up \$37,000 from a year ago, which is a 21% gain. The median home price in the city rose all four quarters in 2023.

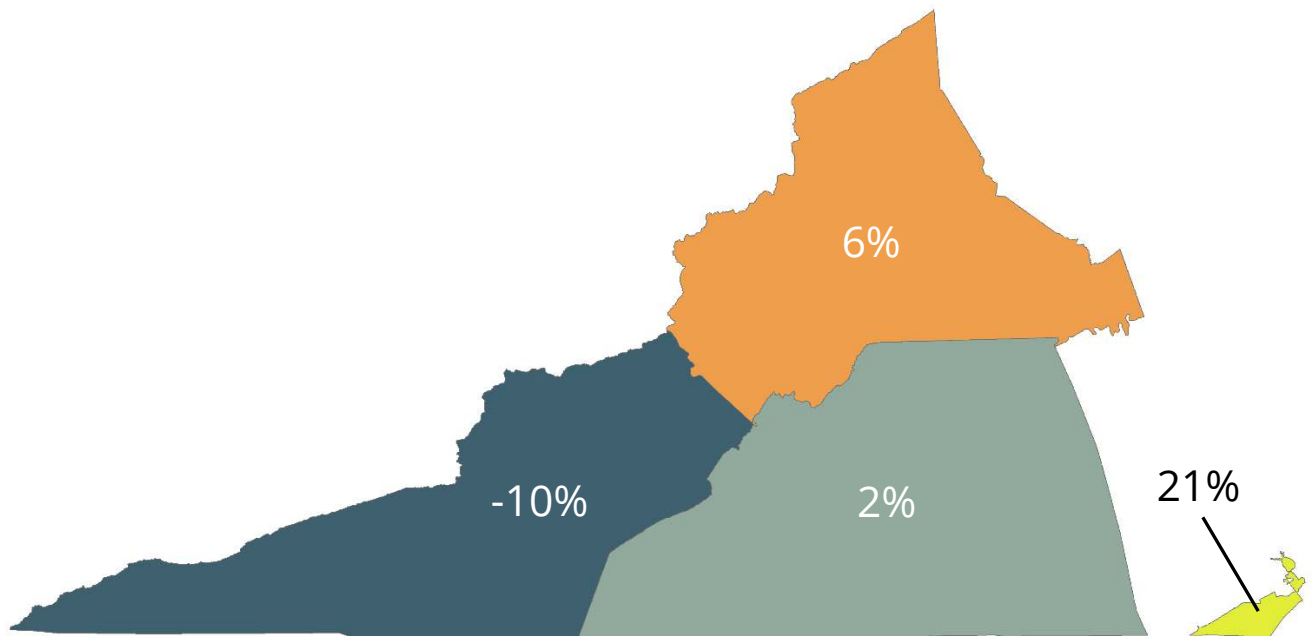
Lee County: At \$114,042, the median sales price in Lee County fell 10% from the fourth quarter of last year, which is about a \$12,500 drop. Other than a bump in the median last quarter, prices have been falling in the county much of 2023.

Scott County: The median sales price in Scott County was \$173,474 in the fourth quarter, inching up 2% from a year ago, a gain of about \$3,600. The median price in county's housing market has been rising for three straight quarters compared to the prior year.

Wise County: After falling last quarter, the median price in Wise County rose in the fourth quarter. The countywide median sales price was \$148,590 in the fourth quarter, climbing 6% from this time last year, a gain of \$8,270.

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



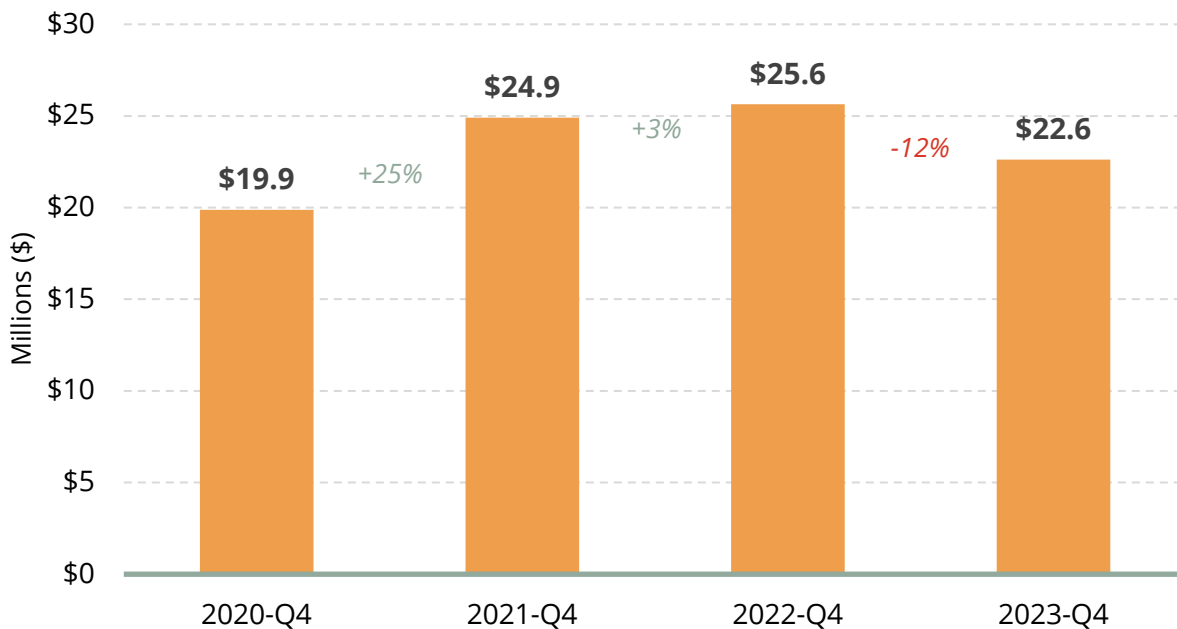
<i>Jurisdiction</i>	<i>2022- Q4</i>	<i>2023 - Q4</i>	<i>% Change</i>
Bristol	\$173,000	\$210,000	21%
Lee County	\$126,550	\$114,042	-10%
Scott County	\$169,886	\$173,474	2%
Wise County	\$140,320	\$148,590	6%

Sources: Virginia REALTORS®, data accessed January 15, 2024, from Virginia-based MLSs
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed February 2, 2024, from Tennessee-based MLS

Sold Volume

Home prices rose in most local markets, but the slowdown in sales activity pulled down the total sold dollar volume this quarter in the BTVAR footprint. There was about \$22.6 million of sold volume regionwide in the fourth quarter of 2023, a decline of \$3 million compared to a year ago, which is a 12% drop. The sold volume fell all four quarters in 2023 in the region as there were fewer closed sales in the market.

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



Sources: Virginia REALTORS®, data accessed January 15, 2024, from Virginia-based MLSs
Bristol Tennessee-Virginia Association of REALTORS®, data accessed February 2, 2024, from Tennessee-based MLS



Local Snapshot – *Sold Dollar Volume*

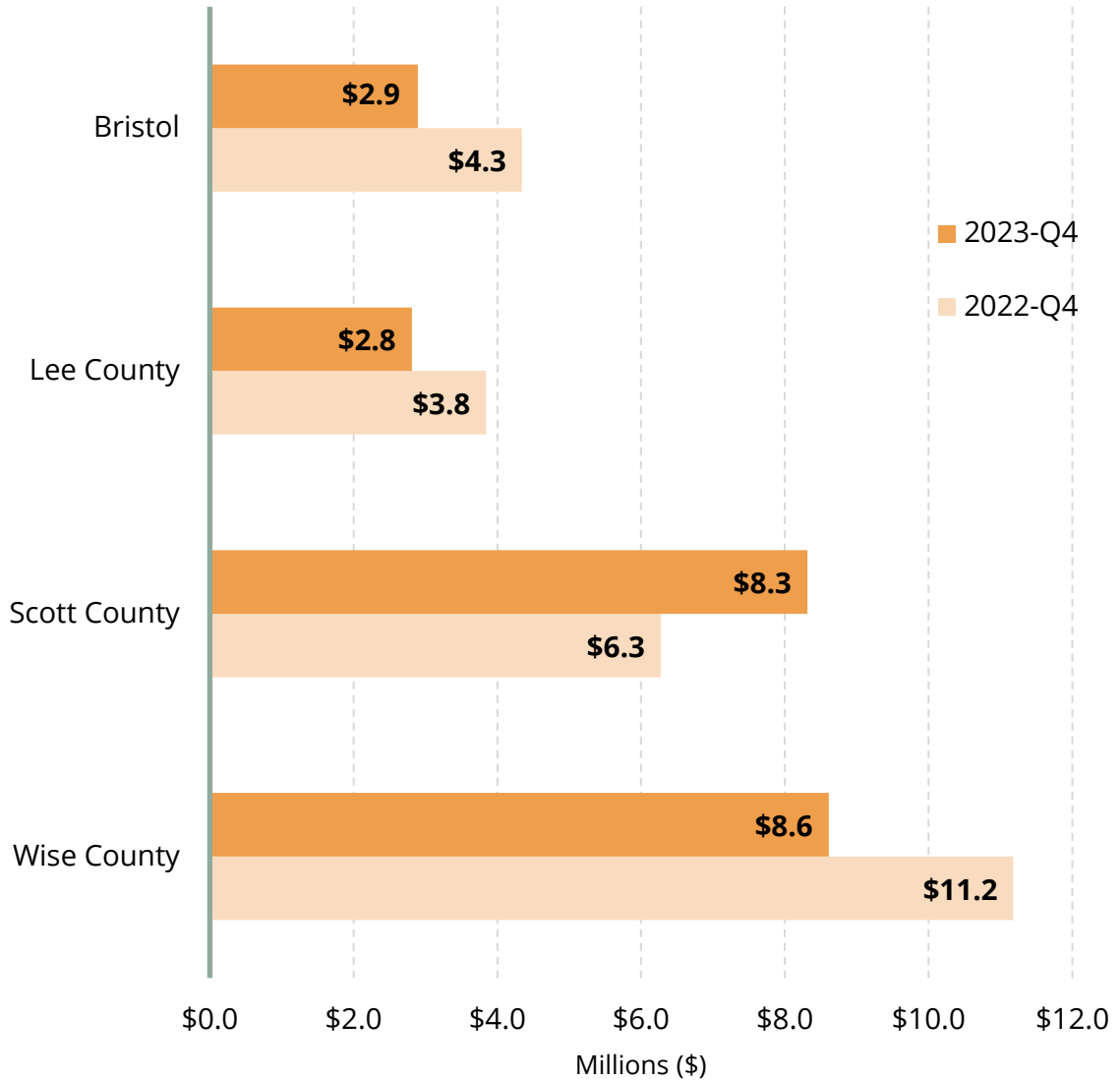
Bristol: While prices continue to climb, the slowdown in sales activity continues to pull down the sold dollar volume in the Bristol market. There was about \$2.9 million of sold volume in the city during the fourth quarter. This is \$1.4 million less volume than last year, a 33% drop.

Lee County: There was approximately \$2.8 million of sold volume in Lee County in the fourth quarter, which is about \$1 million less volume than last year, reflecting a 27% decrease. Fewer sales and a dip in prices led to the decline in volume this quarter.

Scott County: The rise in home prices brought up the sold volume in Scott County this quarter. There was about \$8.3 million of sold volume countywide in the fourth quarter, up \$2 million from last year, which is a 32% increase.

Wise County: There was approximately \$8.6 million of sold volume in Wise County in the fourth quarter, down from \$11.2 million last year, a 23% drop. Even with higher prices, the decline in sales drove down the sold volume this quarter in the county.

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

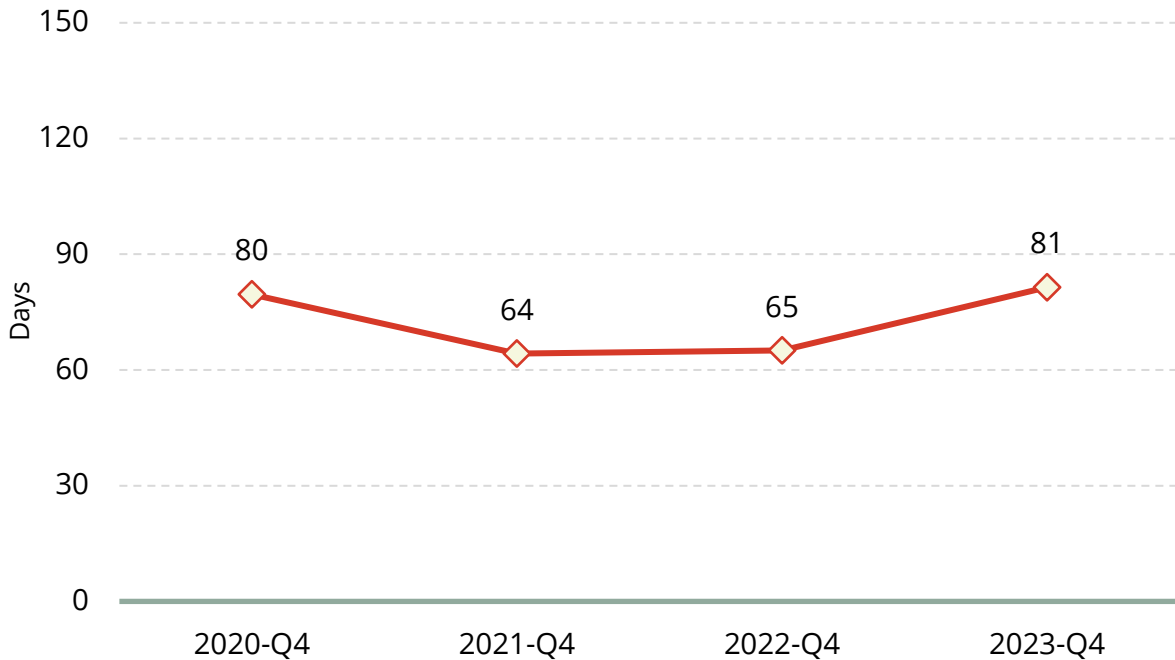


Sources: Virginia REALTORS®, data accessed January 15, 2024, from Virginia-based MLSs
 Bristol Tennessee-Virginia Association of REALTORS®, data accessed February 2, 2024, from Tennessee-based MLS

Days on Market

It took about two weeks longer than last year on average to sell a home in the BTVAR housing market during the fourth quarter. The fourth quarter average days on market across the footprint was 81 days, up from 65 days a year ago. Homes have been taking longer to sell on average in the region for two straight quarters. Statewide, homes were on the market 31 days on average in the fourth quarter, unchanged from last year.

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



Source: Virginia REALTORS®, data accessed January 15, 2024, from Virginia-based MLSs



Local Snapshot – *Average Days on Market*

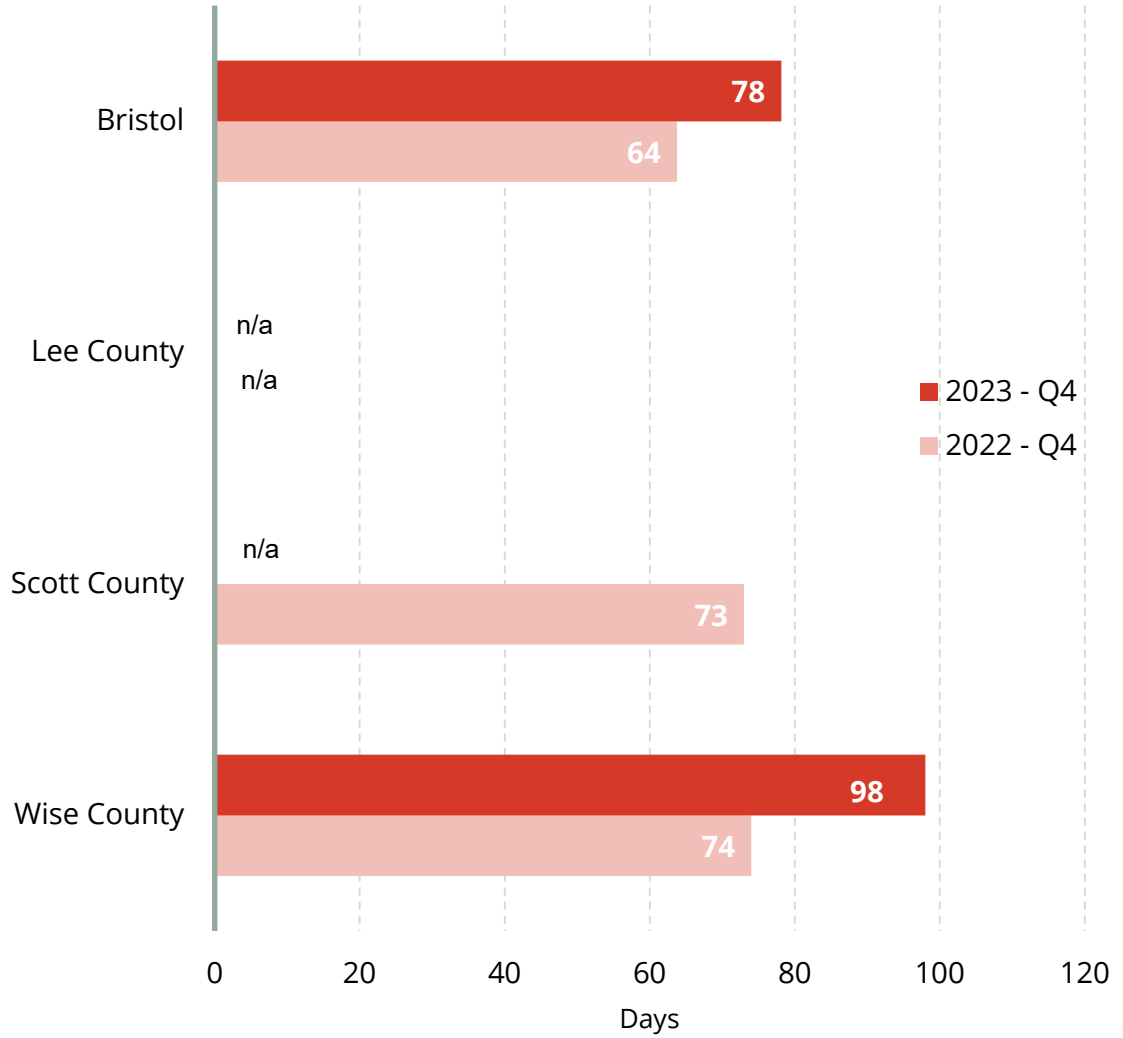
Bristol: It took two weeks longer (+14 days) for homes to sell in Bristol on average this quarter. The average days on market in the city in the fourth quarter was 78 days, up from 64 days a year ago.

Lee County: There were no sales in Lee County in a Virginia MLS in the fourth quarter of 2023.

Scott County: There were no sales in Scott County in a Virginia MLS in the fourth quarter of 2023.

Wise County: The average days on market in Wise County in the fourth quarter was 98 days. This is 24 days slower than the fourth quarter last year.

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



Source: Virginia REALTORS®, data accessed January 15, 2024, 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.