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**Virginia REALTORS® Releases 2024 Economic & Housing Market Forecast**

*Trade association predicts more sales in 2024 than 2023, but still slower than much of the past decade as low inventory is likely to keep market activity constrained.*

RICHMOND, Va. (September 26, 2023) – Virginia’s largest trade association has released its 2024 Economic & Housing Market Forecast, predicting what is ahead for the commonwealth.

Virginia REALTORS® 2023 President Katrina M. Smith says, “Due to rising and volatile mortgage rates, upward pressure on home prices, and tight inventory conditions, Virginia’s housing market experienced a sharp decline in sales activity in 2023—the lowest it has seen in almost a decade.”

“We have a lot of pent-up demand in Virginia’s housing market—demand that is still here despite all of the headwinds in the market,” says Virginia REALTORS® Chief Economist Ryan Price. “The key issues facing the market in 2023 that will likely be with us in 2024 are the low supply of homes available to meet this demand and the growing affordability challenges facing much of the potential buyer pipeline. There are far fewer sellers than there are buyers. This will not only keep sales activity constrained, but it will also keep prices relatively insulated as buyers continue to face competitive market conditions. Sellers, most of whom also become buyers, are facing similar challenges with low inventory and also much higher mortgage rates than they are currently locked into.”

* **Net Job Change in Virginia:** In 2024, we forecast a 0.1% net change of jobs in 2024 compared to 2023 (approximately 3,000 jobs).
* **Unemployment:** Virginia’s unemployment rate is expected to rise from 2023’s predicted rate of 2.9%. It is projected to climb to 3.6% by the end of 2024.
* **Home Sales:** After a sharp drop in sales in 2023, as mortgage rates could stabilize in the coming year, we predict an 11.4% increase in sales overall in 2024.An improvement over 2023 activity, but still lower than much of the past decade.
* **Home Prices:** We project the 2024 median home price in Virginia to increase by 1.2%over 2023. While home prices may still see an upward trajectory in many markets around the state, the pace of growth will continue to ease in the coming year.
* **New Housing Permits:** Demand for more housing supply continues to be essential, especially for newly constructed homes. Our prediction is for a 7.1% increase in new housing starts in Virginia in 2024.
* **Mortgage Rates:** After mortgage rates hit a 20-year high in 2023, we forecast that 30-year fixed-rate mortgage rates will continue to be volatile in 2024 but will gradually trend downward to about 6.15% by the end of next year.

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**About Virginia REALTORS®**

Virginia REALTORS® (previously known as the Virginia Association of REALTORS®) is the largest trade association in Virginia, representing over 38,000 REALTORS® engaged in the residential and commercial real estate business. Virginia REALTORS® serves as an advocate for homeownership and represents the interests of property owners in the Commonwealth of Virginia. For more information, visit [www.virginiarealtors.org](http://www.virginiarealtors.org) or follow Virginia REALTORS® on [Facebook](https://www.facebook.com/REALTORSVirginia/) and [LinkedIn](https://www.linkedin.com/groups/31801).

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