



**RESEARCH
STATISTICS**

Virginia

HOME SALES REPORT

NOVEMBER 2023

Virginia Home Sales Report

November 2023

Key Takeaways

- There were 6,948 home sales across Virginia in November, a 9.5% decrease from last November, or 733 fewer sales. This is the smallest year-over-year decline in statewide sales activity in nearly two years, which indicates that we could be approaching a trough in some markets.
- The median sales price in Virginia's housing market was \$385,000 in November 2023, climbing more than \$20,000 from a year ago, which is a 5.5% price gain.
- There was approximately \$3.3 billion of sold volume across the state in November. This is about \$77 million less volume than a year ago, reflecting a modest 2.3% decrease.
- Inventory levels remain flat this month in Virginia. Statewide, there were 18,381 active listings on the market at the end of November, which is just 121 fewer active listings than a year ago, inching down less than 1%.

November 2023 Housing Market Summary

	Nov-22	Nov-23	Change	% Change	YTD 2022	YTD 2023	Change	% Change
Sales	7,681	6,948	-733	-9.5%	115,752	91,535	-24,217	-20.9%
Median Sales Price (\$)	364,900	385,000	20,100	5.5%	375,000	390,000	15,000	4.0%
Sales Volume (\$ billions)	3.4	3.3	-0.1	-2.3%	53.7	44.1	-9.5	-17.8%
Median Days on Market	14	13	-1	-7.1%	7	9	2	28.6%
Pending Sales	6,057	5,958	-99	-1.6%	108,716	92,862	-15,854	-14.6%
New Listings	8,158	8,186	28	0.3%	138,434	114,774	-23,660	-17.1%
Active Listings (end of the month)	18,502	18,381	-121	-0.7%	18,502	18,381	-121	-0.7%
Months of Supply	1.8	2.2	0.4	21.8%	1.8	2.2	0.4	21.8%

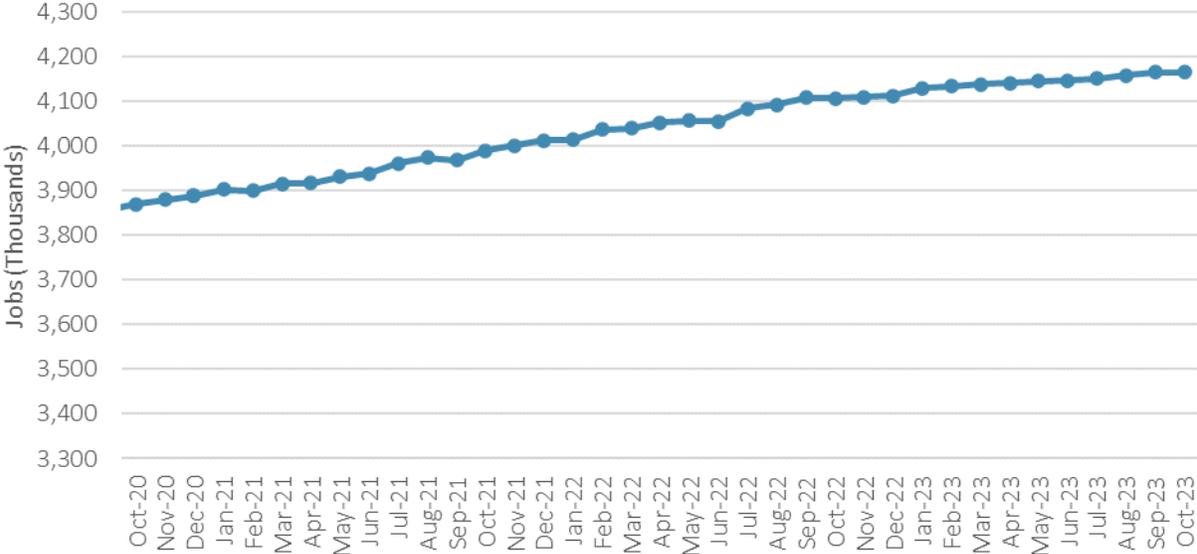
Source: Virginia REALTORS®, data accessed December 15, 2023
[Overview](#)

The job market is starting to cool and unemployment, while still very low, is inching upward, signaling that labor market conditions could be moving more into balance. This, coupled with easing inflation, has led the Federal Reserve to hold rates steady once again, and signal that rate cuts are coming in 2024.

Jobs

Virginia’s job base was flat in October 2023 following a full year of monthly job gains. There were approximately 4.16 million jobs in the commonwealth in October, unchanged from the revised September level. Similar to the U.S. overall, Virginia’s job market has been resilient over the last several years.

Figure 1. Total Jobs in Virginia (in thousands)



Source: U.S. Bureau of Labor Statistics, seasonally adjusted

The Transportation & Warehousing sector had the largest increase in jobs this month (+3,200 jobs), while the Health Care & Social Services sector shed the most jobs statewide (-4,000 jobs). A key sector for Virginia’s job base, the Professional & Technical Services sector, had 1,900 fewer jobs than the prior month. There were about 1,800 additional Construction sector jobs in Virginia compared to September 2023 levels.

Of Virginia’s three largest job markets, two added jobs this month, while one shed jobs. Both the Richmond Metro region and Hampton Roads gained jobs, adding 1,000 jobs and 2,100 jobs, respectively, in October compared to September. Northern Virginia, the largest job market in the state, had 3,700 fewer jobs than the prior month. Both Roanoke and Harrisonburg had a net gain of about 600 jobs each from the previous month, while the Charlottesville region added around 700 jobs in October.

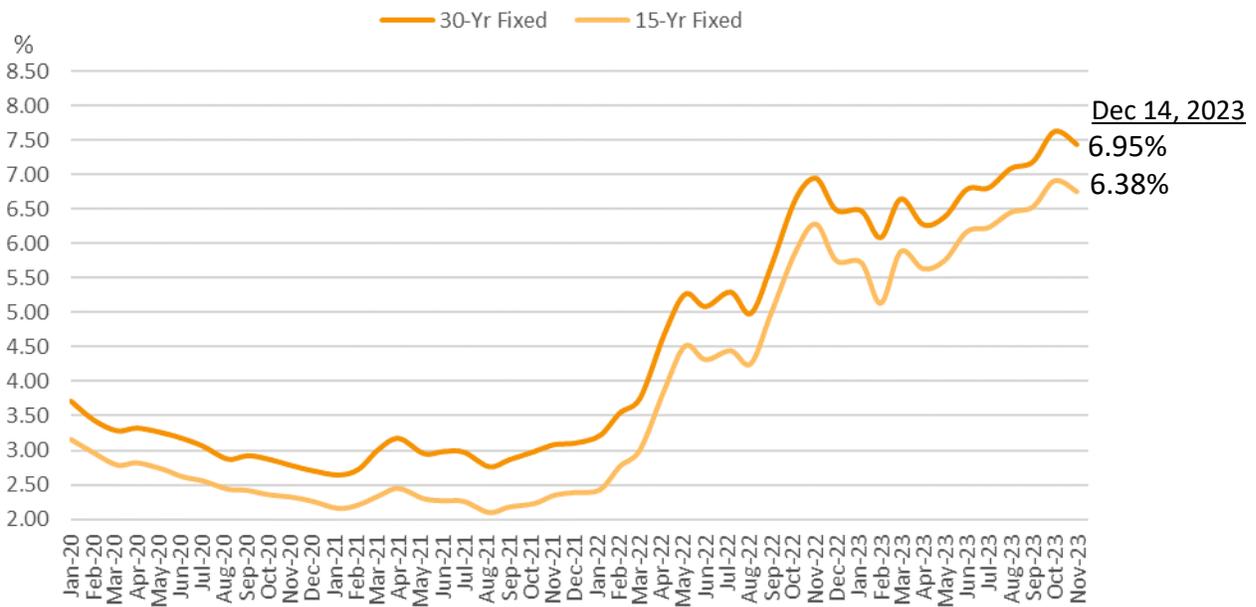
Unemployment

The unemployment rate in Virginia rose to 2.7% in October, which is up from 2.5% in September. Despite the increase, the statewide unemployment rate remains near historic lows. The U.S. unemployment rate in October was 3.9%, up from 3.8% in September. The labor market remains tight which is keeping unemployment low, though some softening is starting to occur as the job market has slowed down in recent months.

Mortgage Rates

Mortgage rates continue to fall and have now edged below 7% for the first time since the summer. The average rate for a 30-year fixed mortgage in the second week of December was 6.95%, falling eight-consecutive weeks from the late-October high of 7.79%. With the Federal Reserve holding the Fed Funds Rate steady once again in December, and also signaling three potential rate cuts in 2024, mortgage rates will likely retreat down further in the coming year, which could fuel more activity in the housing market.

Figure 2. Mortgage Rates



Source: Freddie Mac

Housing Market Overview

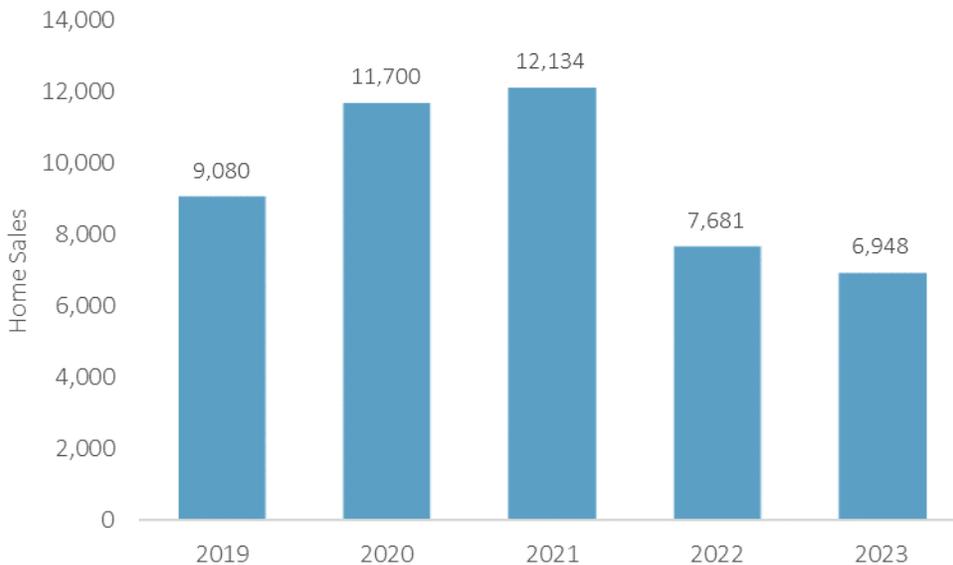
Virginia's housing market remains slow, but some signals are emerging that we could be nearing the trough of the slowdown. There were fewer sales than in November of last year, but the rate of decline was the smallest in nearly two years. Similarly, pending sales activity in November,

while lower than a year ago, inched down just slightly, the smallest decrease in two and a half years. Prices continue to climb in most parts of the state, a reflection of tight inventory conditions. The number of active listings was essentially unchanged from a year ago, and there were slightly more new listings that came on to the market in November than last year, the first year-over-year increase in more than two years.

Sales

There were 6,948 sales in Virginia’s housing market in November, 733 fewer sales than November of last year, reflecting a 9.5% slowdown. Tight inventory conditions and higher interest rates have kept Virginia’s housing market constrained to a decade-low so far this year. However, we could be nearing a trough, as the year-over-year drop in sales this month was the smallest decrease the market has seen since the spring of 2022. Some regional markets had an increase in sales activity in November compared to last year, including the Danville region, the Williamsburg area, and the Winchester region. Most regions in Virginia, however, continue to have fewer sales than a year ago. The sharpest drops in November occurred in the Harrisonburg area, the Chesapeake Bay & Rivers region, and parts of Hampton Roads.

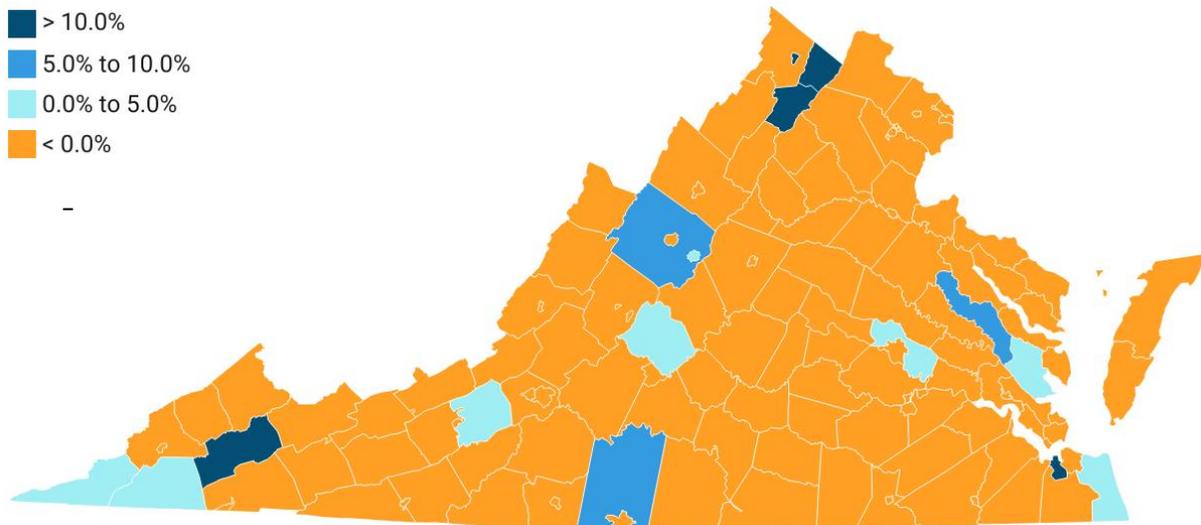
Figure 3. Virginia Home Sales, November



Source: Virginia REALTORS®, data accessed December 15, 2023

Figure 4. County/City Home Sales, November YTD

Change in Home Sales, 2022 to 2023



Source: Virginia REALTORS®, data accessed December 15, 2023

Home Prices

The median sales price for a home in Virginia in November was \$385,000, which is \$20,100 higher than it was a year ago, a 5.5% price gain. Home prices have been trending up in most parts of the state despite the cooldown in the market due to the tight inventory and pent-up demand.

Approximately two-thirds of all counties and cities in Virginia had median price gains in November compared to last year. The strongest price growth this month took place in parts of the Eastern Shore housing market, the Danville region, the Lynchburg area, and the Greater Piedmont region. The median price dipped in parts of the Rockbridge-Highlands region compared to last November.

Sellers got slightly less than asking price, on average, in Virginia’s housing market for the first time in ten months. The statewide average sold-to-list price ratio was 99.6% in November. Most price bands dipped below 100% this month. The only exception was homes priced between \$600K and \$800K which sold at 101.2% of asking price, on average, in November.

Figure 5. Median Home Price (\$), November



Source: Virginia REALTORS®, data accessed December 15, 2023

Figure 6. Average Sold-to-List Price Ratio, November 2023

Price Range	Ratio
\$200,000 or less	97.5%
\$200,001 to \$400,000	99.8%
\$400,001 to \$600,000	99.9%
\$600,001 to \$800,000	101.2%
\$800,001 or more	99.8%
All price levels	99.6%

Source: Virginia REALTORS®, data accessed December 15, 2023

About four out of every ten homes that sold in November sold for \$200K to \$400K (41.4%). Another quarter of homes sold in November were priced between \$400K and \$600K (23.9%). The remaining sales were evenly distributed between the \$200K or less price range (11.8%), \$600K to \$800K homes (11.8%), and homes priced above \$800K (11.1%). Sales prices continue to shift into higher price bands as price growth continues to be a consistent factor in Virginia’s housing market.

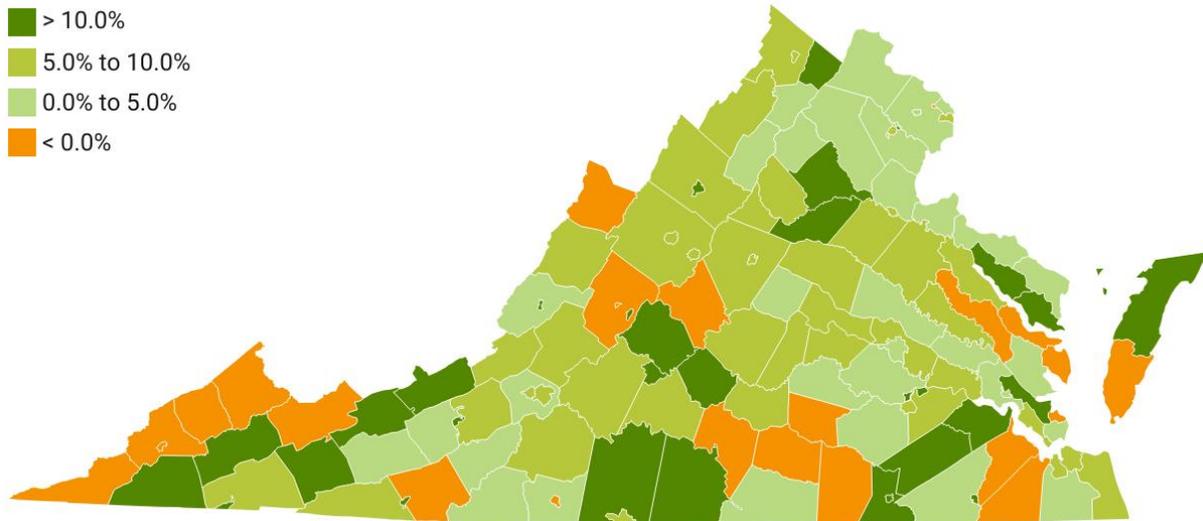
Figure 7. Sales by Price Range, November



Source: Virginia REALTORS®, data accessed December 15, 2023

Figure 8. County/City Median Home Sales Price, November YTD

Change in Median Sales Price, 2022 to 2023

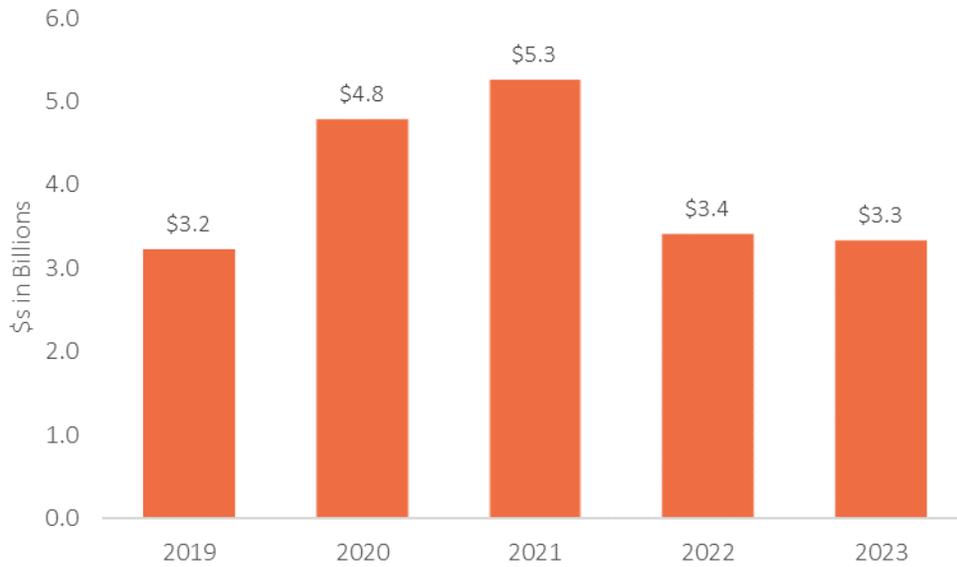


Source: Virginia REALTORS®, data accessed December 15, 2023

Sold Volume

There was about \$3.3 billion of sold volume throughout Virginia in November. This is about \$77 million less sold volume than last November, a 2.3% dip. The drop in volume continues to be driven by fewer sales transactions in the market.

Figure 9. Sold Dollar Volume, November (in \$ billions)

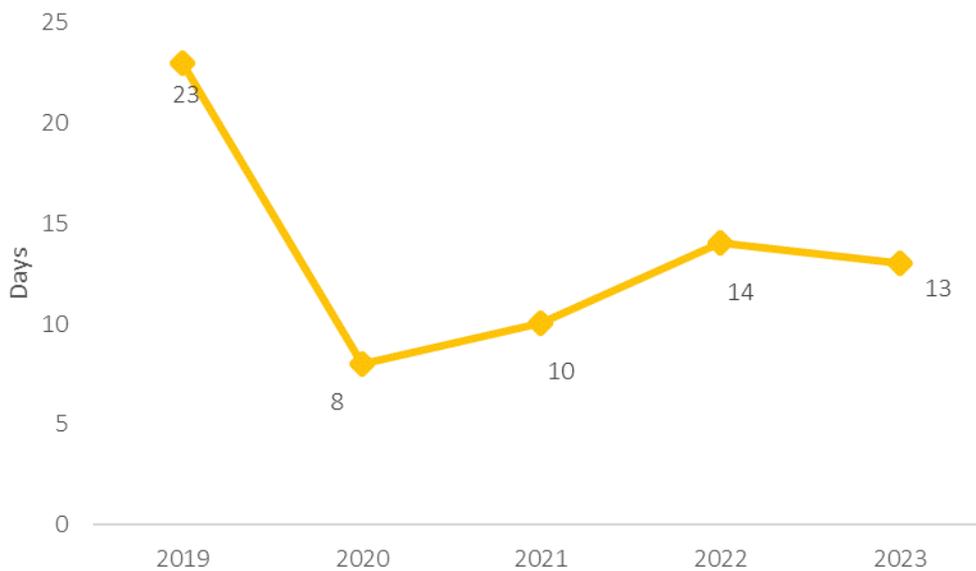


Source: Virginia REALTORS®, data accessed December 15, 2023

Days on Market

The median days on market statewide in November was 13 days, which is about a day faster than November last year. The tight inventory is keeping the market competitive for buyers, as homes are not staying on the market for long in most regions around the state.

Figure 10. Median Days on Market, November

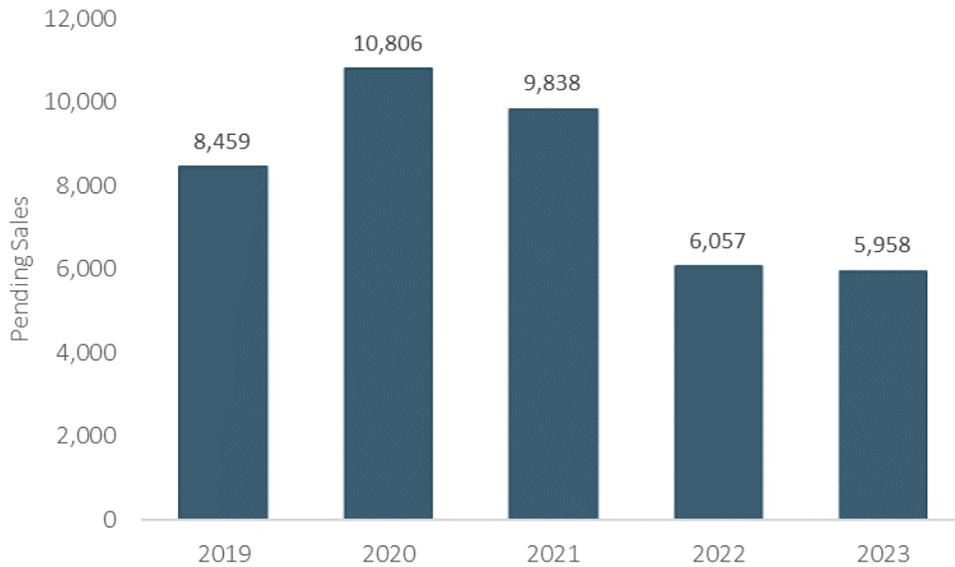


Source: Virginia REALTORS®, data accessed December 15, 2023

Pending Sales

There were 5,958 pending sales across the State in November, 99 fewer pending sales than a year ago, inching down 1.6%. This is the smallest dip in pending sales the state's housing market has had in two and a half years, signaling that we could be nearing a trough in the market slowdown.

Figure 11. Pending Sales, November



Source: Virginia REALTORS®, data accessed December 15, 2023

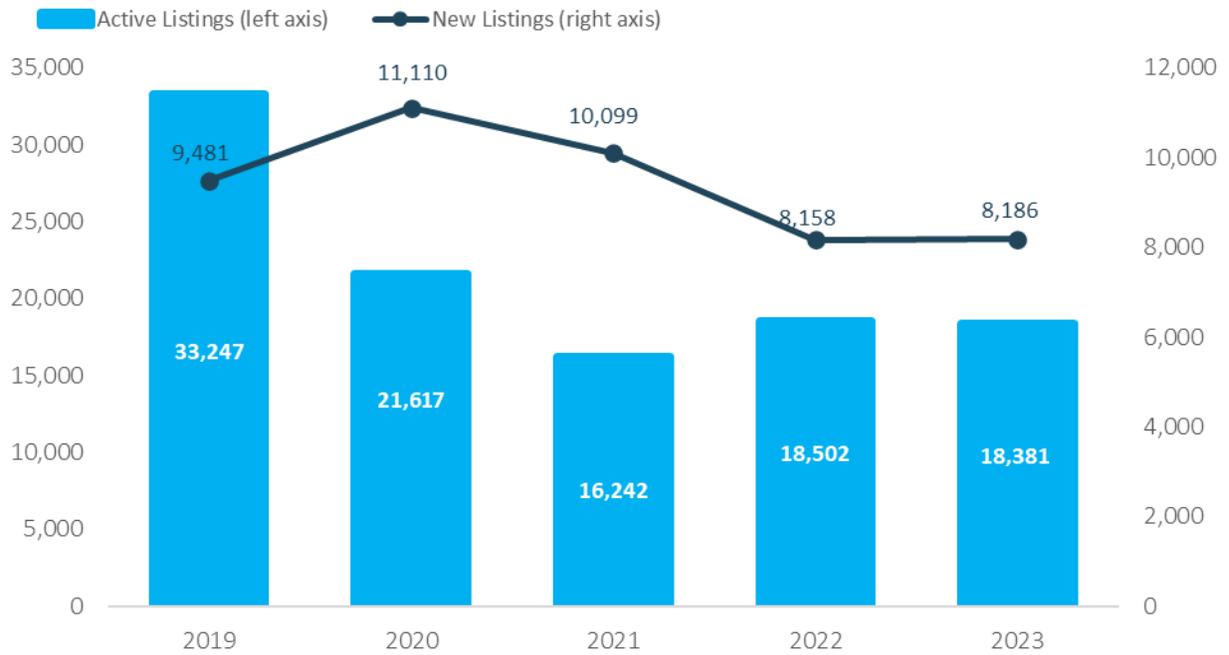
New Listings

There were 8,186 new listings that came onto the market throughout Virginia in November, which is 28 more than a year ago, inching up less than 1%. While just a modest uptick, the increase this month represents the first year-over-year increase in statewide new listings since the summer of 2021.

Active Listings

The inventory of active listings was nearly the same as a year ago in Virginia's housing market this month. There were 18,381 homes on the market statewide at the end of November, just 121 fewer listings than this time last year, less than a 1% supply drop. This is the smallest decrease in listings the state's housing market has had in eight months.

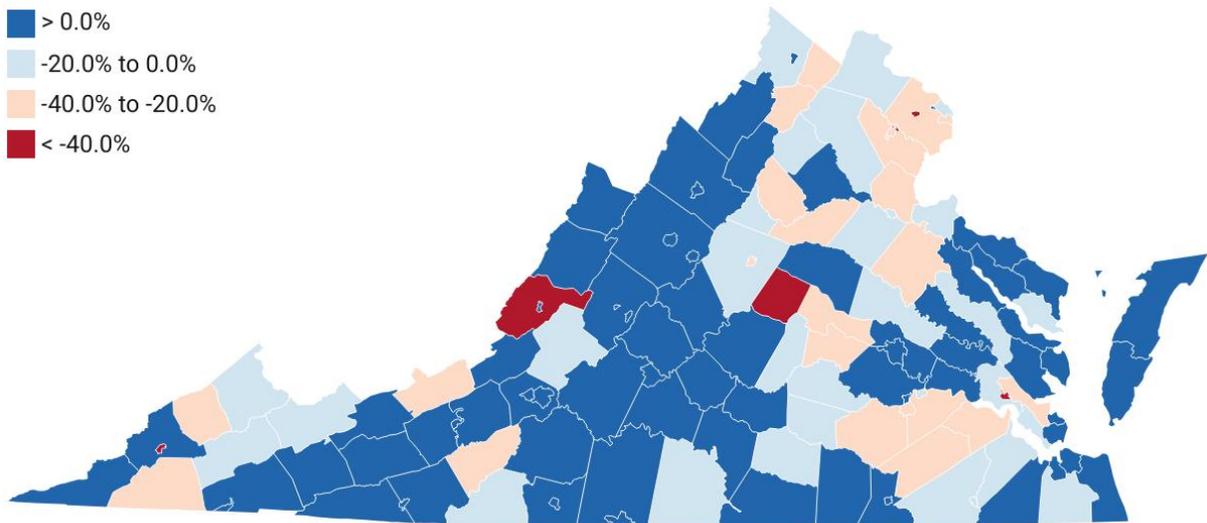
Figure 12. Inventory, November



Source: Virginia REALTORS®, data accessed December 15, 2023
 Note: Active listings at the end of the month

Figure 13. Active Listings by County/City, End of November

Change in Month End Inventory, 2022 to 2023

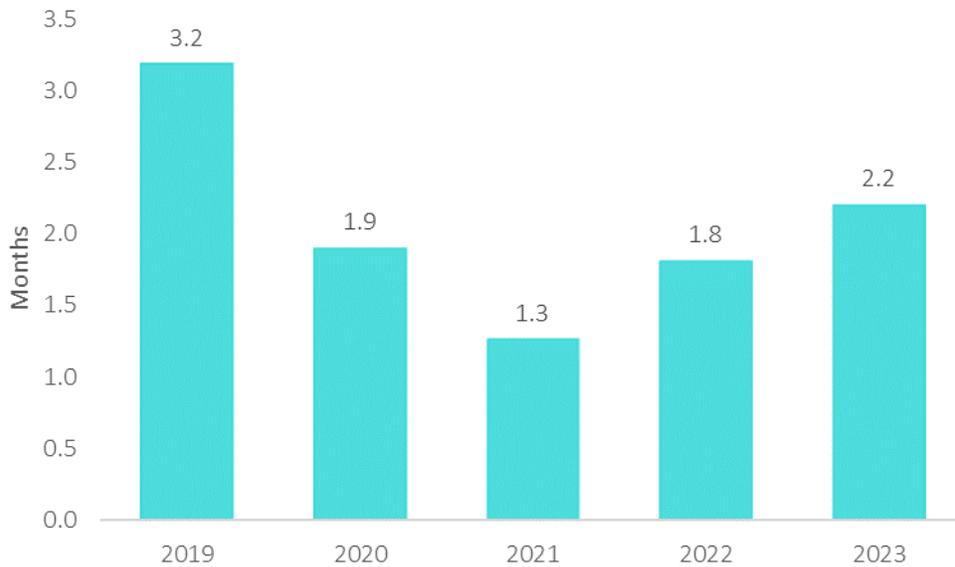


Source: Virginia REALTORS®, data accessed December 15, 2023

The largest inventory gains this month occurred in the Shenandoah Valley, the Eastern Shore market, Central Virginia, and parts of Hampton Roads. Inventory declines were concentrated mostly in the Northern Virginia markets, and the Tri-Cities region south of Richmond.

There was about 2.2 months of supply in Virginia’s housing market in November 2023, up from 1.8 months of supply a year ago. The months of supply statistic is calculated by taking the average monthly sales over the preceding 12-month period and dividing it by the inventory of active listings.

Figure 14. Months of Supply, November



Source: Virginia REALTORS®, data accessed December 15, 2023

Outlook

After a decade-low number of sales so far in 2023, what is on the horizon for 2024? Here are some key things to watch for in the coming year:

- A big factor in the slow 2023 housing market has been the lack of inventory. The “lock-in effect” is keeping would-be sellers/move-up buyers from listing their homes, and new housing production had not kept up with demand for years. Inventory conditions remain historically tight, but it’s likely we’ll see some improvement in the coming year as pent-up demand among existing homeowners builds.
- As mortgage rates have started to decline, and are projected to fall further in 2024, it could entice some homeowners who may have been on the fence about listing their homes to enter the market. The November data suggests that inventory levels may have bottomed out in some markets, as overall listings were flat, and there was a small uptick in new listings statewide for the first time in more than two years.
- In addition to bringing more sellers into the market, falling mortgage rates will also bring more buyers back from the sidelines in 2024. The outlook is for more sales in 2024 than

2023, but overall sales volume is likely to remain below average as affordability issues and supply/demand imbalance will continue to be deterring factors in the 2024 market.



The Virginia REALTORS® association is the largest professional trade association in Virginia, representing 37,000 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.