

A background graphic consisting of a line graph with an upward-pointing arrow and a bar chart with vertical bars of varying heights, all in shades of teal and light blue.

RESEARCH STATISTICS

Virginia

HOME SALES REPORT

JANUARY 2024

Virginia Home Sales Report

January 2024

Key Takeaways

- There were 5,640 home sales across Virginia in January 2024, 31 more sales than a year ago, inching up less than 1%.
- The statewide median sales price in January was \$371,889, which is up nearly \$22,000 from a year ago, reflecting a 6.3% increase.
- There was approximately \$2.6 billion of sold volume throughout Virginia in January. This is about \$167 million more than a year ago, a 6.9% increase.
- At the end of January there were 15,229 active listings on the market in Virginia's housing market, 362 more listings than a year ago, a 2.4% increase.

January 2024 Housing Market Summary

	Jan-23	Jan-24	Change	% Change		YTD 2023	YTD 2024	Change	% Change
Sales	5,609	5,640	31	0.6%		5,609	5,640	31	0.6%
Median Sales Price (\$)	350,000	371,889	21,889	6.3%		350,000	371,889	21,889	6.3%
Sales Volume (\$ billions)	2.42	2.58	0.17	6.9%		2.42	2.58	0.17	6.9%
Median Days on Market	23	22	-1	-4.3%		23	22	-1	-4.3%
Pending Sales	6,743	6,407	-336	-5.0%		6,743	6,407	-336	-5.0%
New Listings	8,156	8,034	-122	-1.5%		8,156	8,034	-122	-1.5%
Active Listings (end of the month)	14,867	15,229	362	2.4%		14,867	15,229	362	2.4%
Months of Supply	1.5	1.8	0.4	25.7%		1.5	1.8	0.4	25.7%

Source: Virginia REALTORS®, data accessed February 15, 2024

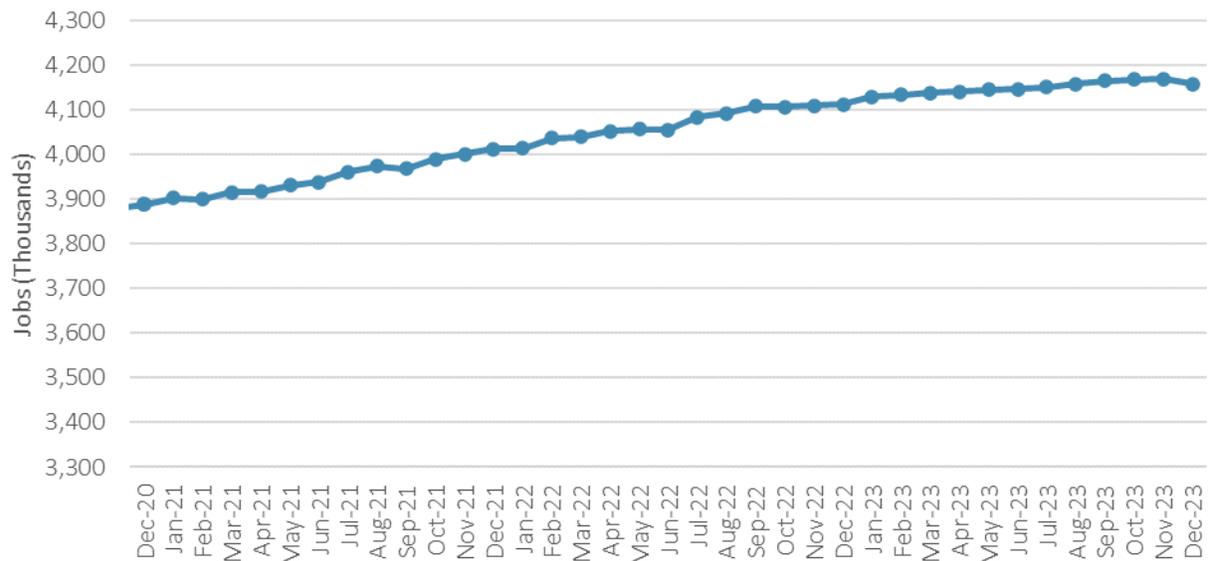
Overview

The economy held firm as 2023 came to a close. Inflation continues to improve but has plateaued and remains above the 2% target. Mortgage rates have also plateaued in recent weeks following several months of falling rates. Unemployment levels in Virginia inched up but remain historically low.

Jobs

There was a drop in jobs in Virginia in December, the first decrease in more than a year. There was about 4.16 million jobs throughout the state in December, 11,800 fewer jobs than the revised November total. This is the sharpest month-to-month decrease in jobs the state has seen in nearly four years.

Figure 1. Total Jobs in Virginia (in thousands)



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

Most of the job losses this month were in the Professional & Technical Services sector (-4,600 jobs) and the State Government sector (-5,500 jobs). The Health Care sector had 2,900 more jobs than November, and there were 500 more jobs in the Leisure & Hospitality sector.

Nearly all of the lost jobs were in the Northern Virginia region (-9,000 jobs). The only other metro area to shed jobs between November and December was the Roanoke region (-100 jobs). Hampton Roads had the largest increase in jobs from November (+900 jobs).

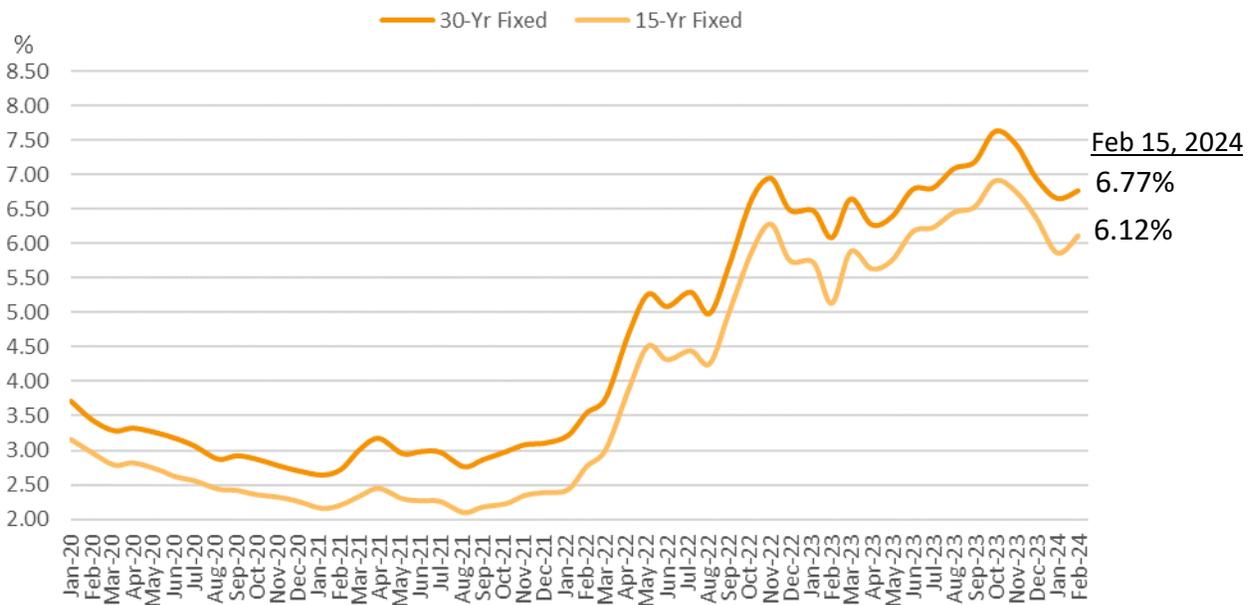
Unemployment

The statewide unemployment rate in Virginia was 3.0% in December, climbing from 2.9% in November. The unemployment rate has been inching up in Virginia for four straight months but remains low compared to historical averages. In the U.S., the unemployment rate held steady at 3.7% in December.

Mortgage Rates

As of February 15th, the average rate for a 30-year fixed mortgage was 6.77%. This is up from 6.64% in the prior week, but down from 7.44% three months ago. Rates have been trending up for two straight weeks after declining steadily since November.

Figure 2. Mortgage Rates



Source: Freddie Mac

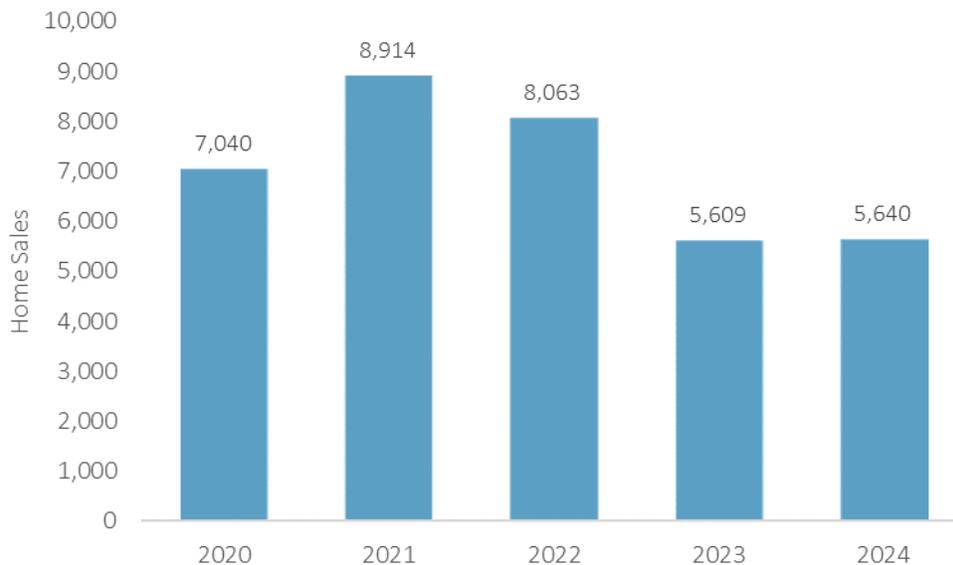
Housing Market Overview

Virginia's housing market was relatively slow to start 2024. Sales activity was flat from last year, inching up less than 1%, and pending sales were down. Inventory remains tight and has shown little sign of improvement; new listings inched down from last year, and the supply of active listings inched up. Upward pressure on home prices continues in many parts of Virginia, and homes continue to sell quickly.

Sales

Sales activity in Virginia's housing market was relatively flat to start 2024. There were 5,640 home sales throughout the state in January 2024, which is 31 more sales than a year ago, reflecting a 0.6% uptick. Sales activity fell sharply between January and December (-18.6%), which is a typical seasonal market decline. The increase in sales activity was prevalent in most local markets around the state. About six out of every ten counties and cities in Virginia had more sales in January 2024 than they had a year ago. The largest influx of sales occurred in the Winchester region, South Central Virginia, and the Harrisonburg area. The sharpest slowdown this month was in the Lexington region, the Greater Piedmont Region, and the Lynchburg area.

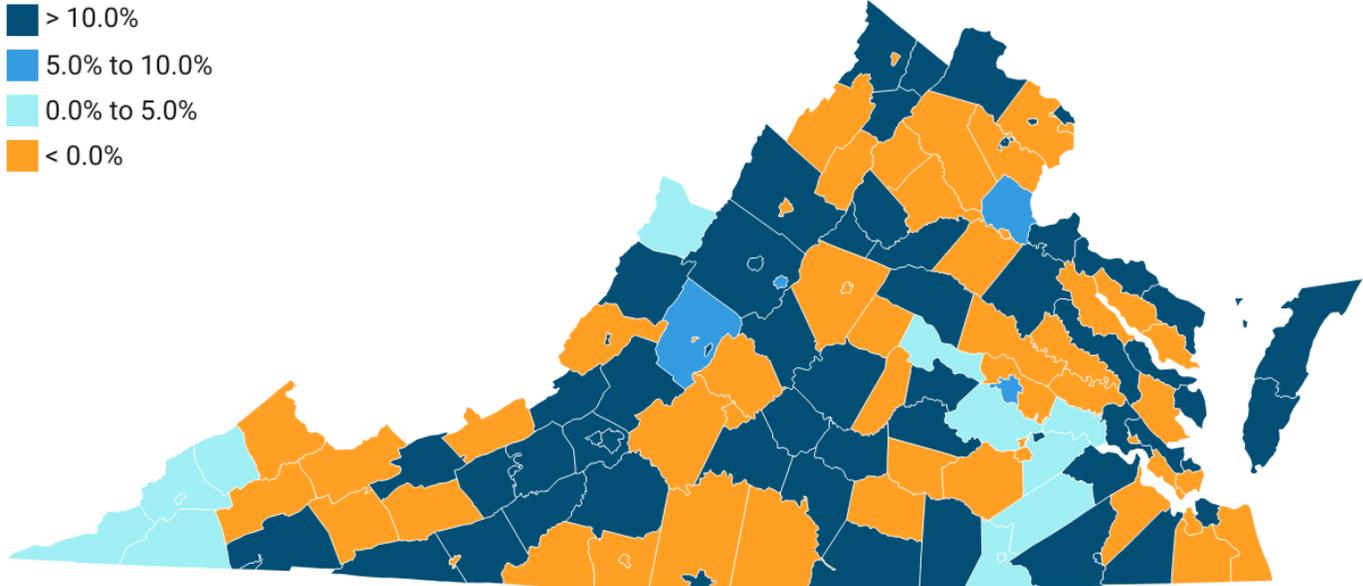
Figure 3. Virginia Home Sales, January



Source: Virginia REALTORS®, data accessed February 15, 2024

Figure 4. County/City Home Sales, January YTD % Change

Change in Home Sales, 2023 to 2024



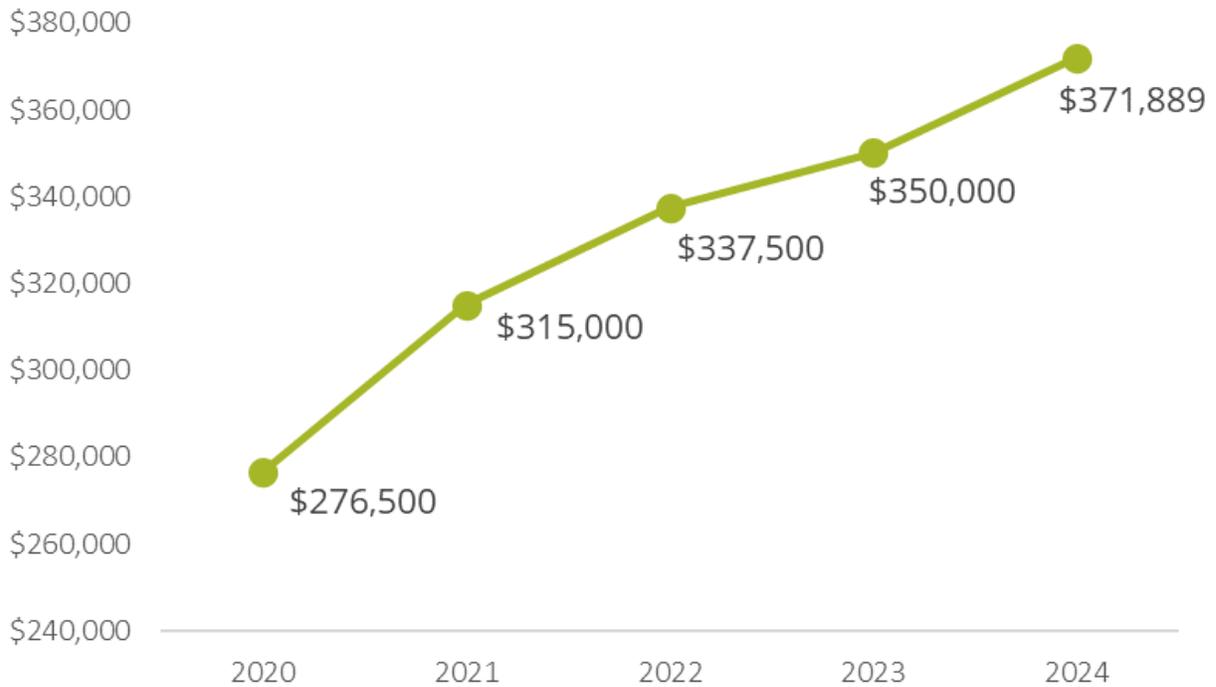
Source: Virginia REALTORS®, data accessed February 15, 2024

Home Prices

Upward pressure on home prices remains a big factor in housing markets across the state. The statewide median sales price in January was \$371,889, which is about \$22,000 higher than it was in January of last year, reflecting a 6.3% gain. Median home price growth in Virginia has accelerated in recent months as inventory levels remain tight. About two thirds of the local markets in the state had a higher median sales price than last January (67%). The strongest price growth in January was in the Shenandoah Valley, Southwest Virginia, and coastal markets including the Northern Neck and the Eastern Shore. The median price dipped in the Roanoke Valley and was essentially flat in the Williamsburg region compared to last January.

In January 2024, sellers received slightly less than asking price on average statewide. The average sold-to-list price ratio in Virginia’s housing market was 99.3%, unchanged from December, and the third consecutive month this metric has been below 100%. The only price band where sellers got slightly higher than asking price on average in January continues to be the \$600K-\$800K range at 100.4%. On the higher end of the price spectrum, homes that sold about \$800K, the average sold-to-list price ratio was 99.5% in January, while homes on the other end of the price spectrum, selling for \$200K or less, sold for 96.5% of the asking price on average.

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



Source: Virginia REALTORS®, data accessed February 15, 2024

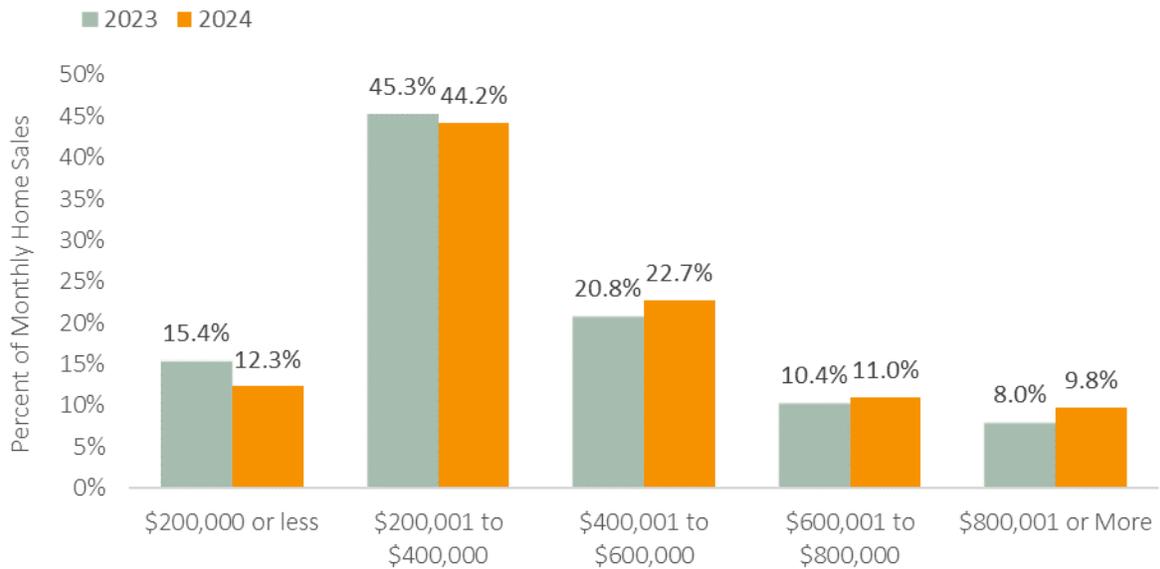
Figure 6. Average Sold-to-List Price Ratio, January 2024

Price Range	Ratio
\$200,000 or less	96.5%
\$200,001 to \$400,000	99.3%
\$400,001 to \$600,000	99.9%
\$600,001 to \$800,000	100.4%
\$800,001 or more	99.5%
All price levels	99.3%

Source: Virginia REALTORS®, data accessed February 15, 2024

About four out of every 10 sales in January were homes priced between \$200K and \$400K (44.2%), but this proportion has been shrinking every month as prices have been climbing. About 22.7% of January sales closed between \$400K and \$600K, and another 11% closed between \$600K and \$800K. There was a relatively large jump in the share of homes selling about \$800K, going from 8% of all sales in January 2023 to nearly 10% of all sales in January 2024.

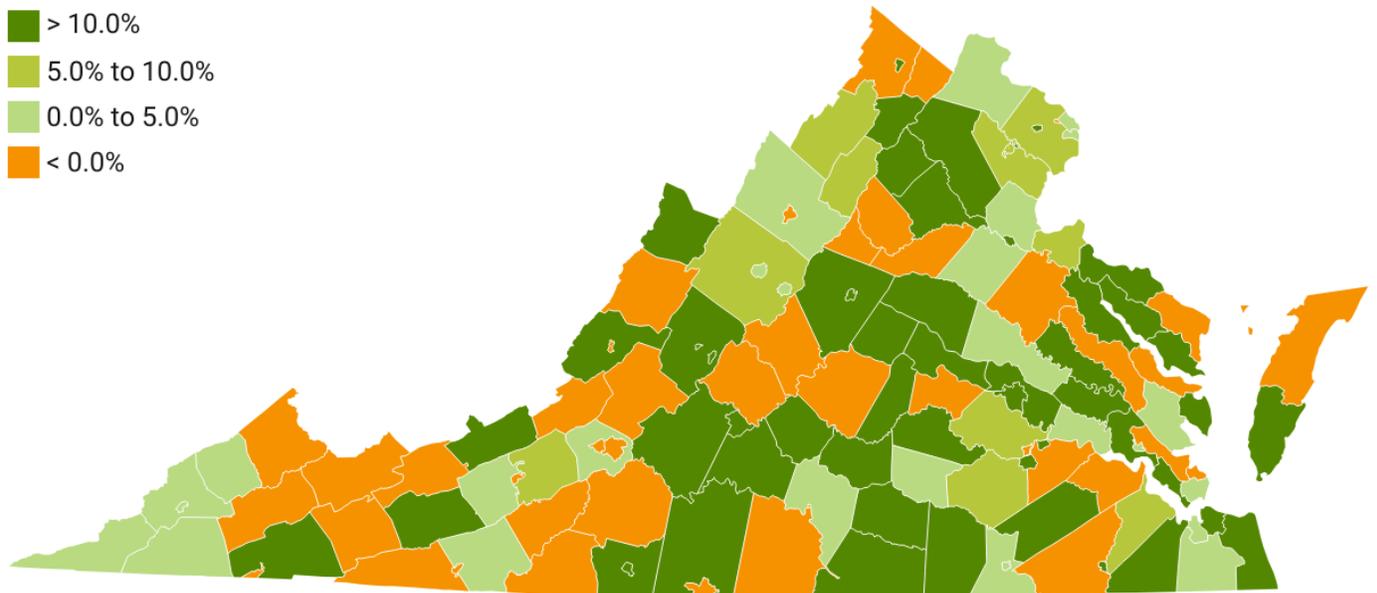
Figure 7. Sales by Price Range, January



Source: Virginia REALTORS®, data accessed February 15, 2024

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

Change in Median Sales Price, 2023 to 2024

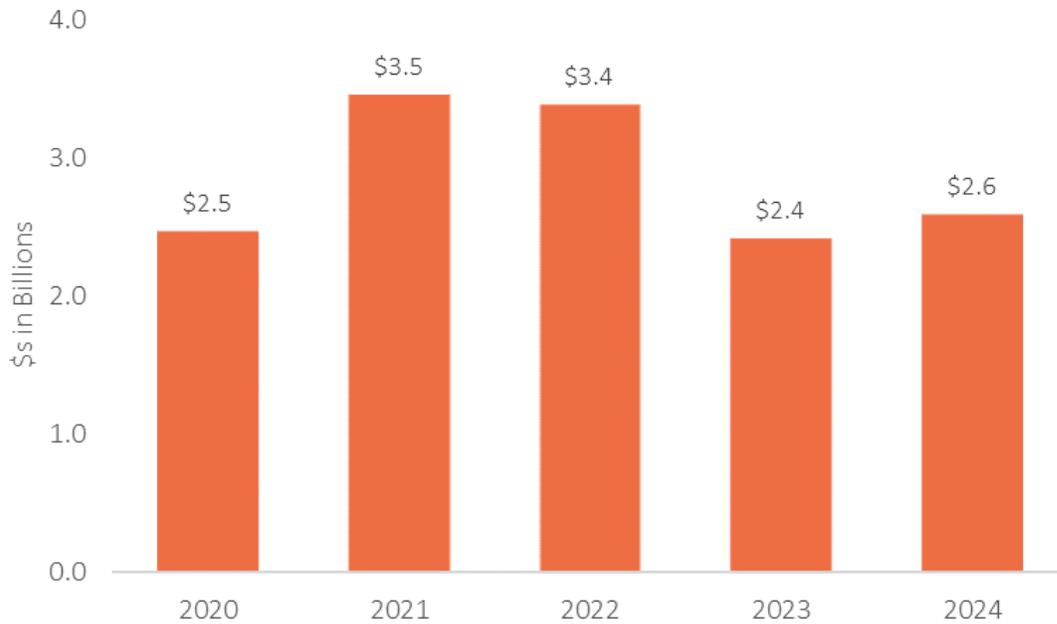


Source: Virginia REALTORS®, data accessed February 15, 2024

Sold Volume

The small uptick in closed sales coupled with strong price growth pulled the January sold dollar volume above last year's level in Virginia's housing market. There was about \$2.6 billion of sold volume statewide in January 2024, an influx of approximately \$167 million from a year ago. This is a 6.9% increase, and the first year-over-year increase in nearly two years.

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

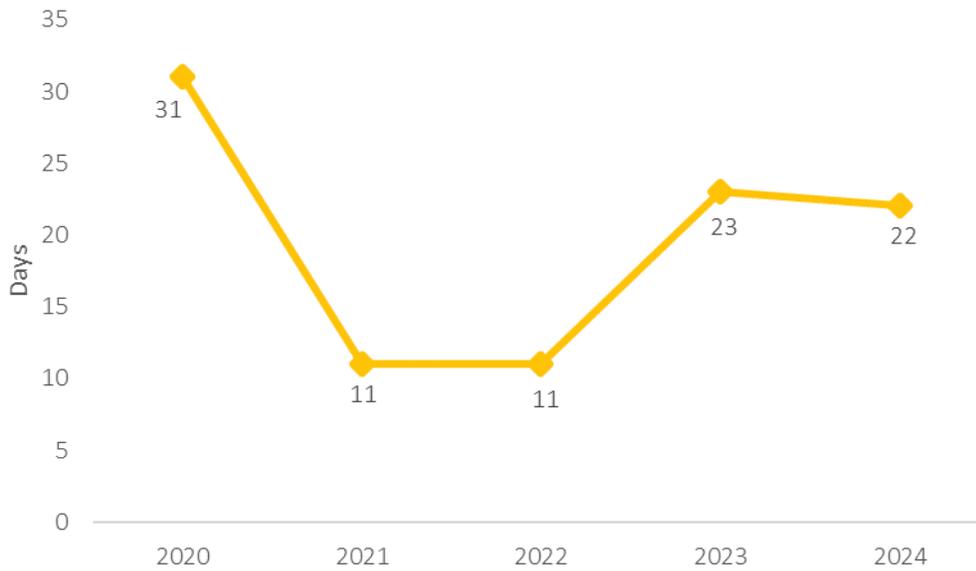


Source: Virginia REALTORS®, data accessed February 15, 2024

Days on Market

It took about three weeks to sell a home in Virginia in January. The median days on market was 22 days across the state. This is one day faster than last January, but double the amount of time it took in January two years ago.

Figure 10. Median Days on Market, January

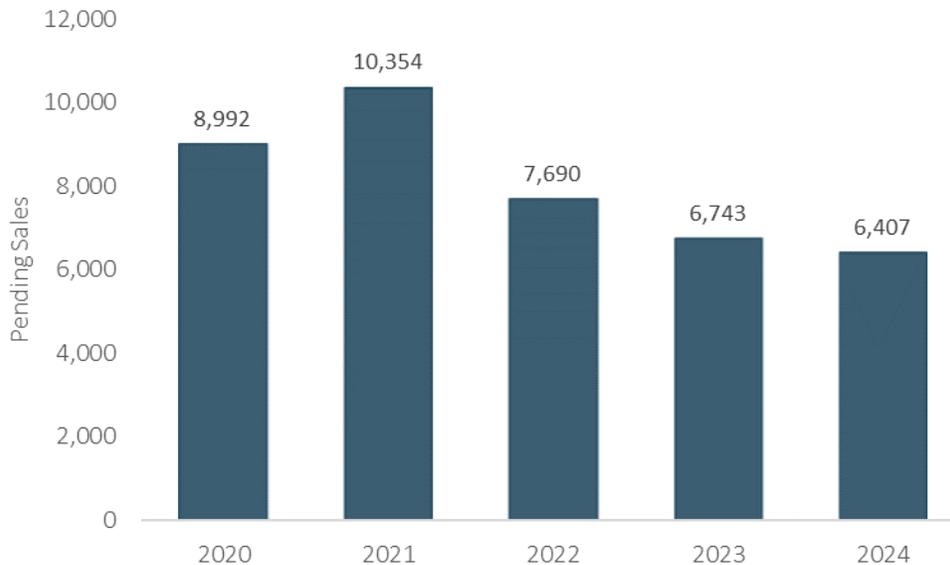


Source: Virginia REALTORS®, data accessed February 15, 2024

Pending Sales

There were 6,407 pending sales across the commonwealth in January. This is 336 fewer pending sales than last January, a 5% decline. Pending sales surged 25.6% between December and January, which is a typical seasonal bump in the market coming out of the holiday season.

Figure 11. Pending Sales, January



Source: Virginia REALTORS®, data accessed February 15, 2024

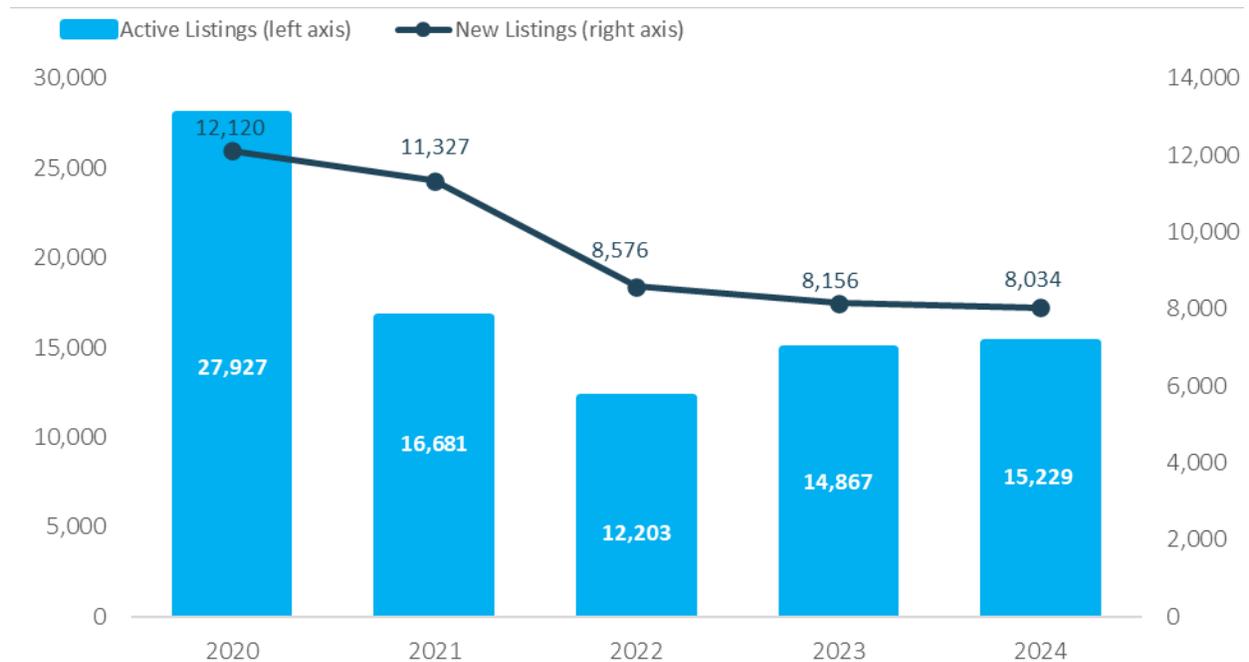
New Listings

There were 8,034 new listings in Virginia’s housing market in January, which is 122 fewer new listings than a year ago, inching down 1.5%. This reflects that many homeowners who may want to buy another home are still reticent to lose the low mortgage rates that they are locked into and are not listing their homes for sale. If mortgage rates fall further as projected as we proceed through 2024, it could entice more move-up buyers to enter the market, which could provide much needed supply.

Active Listings

There were 15,229 active listings at the end of January statewide in Virginia, which is 362 more active listings than a year ago, a 2.4% increase. This is the second straight month of more active listings on market; however, it does not necessarily reflect more sellers listing their homes, but homes that are staying on the market longer.

Figure 12. Inventory, January

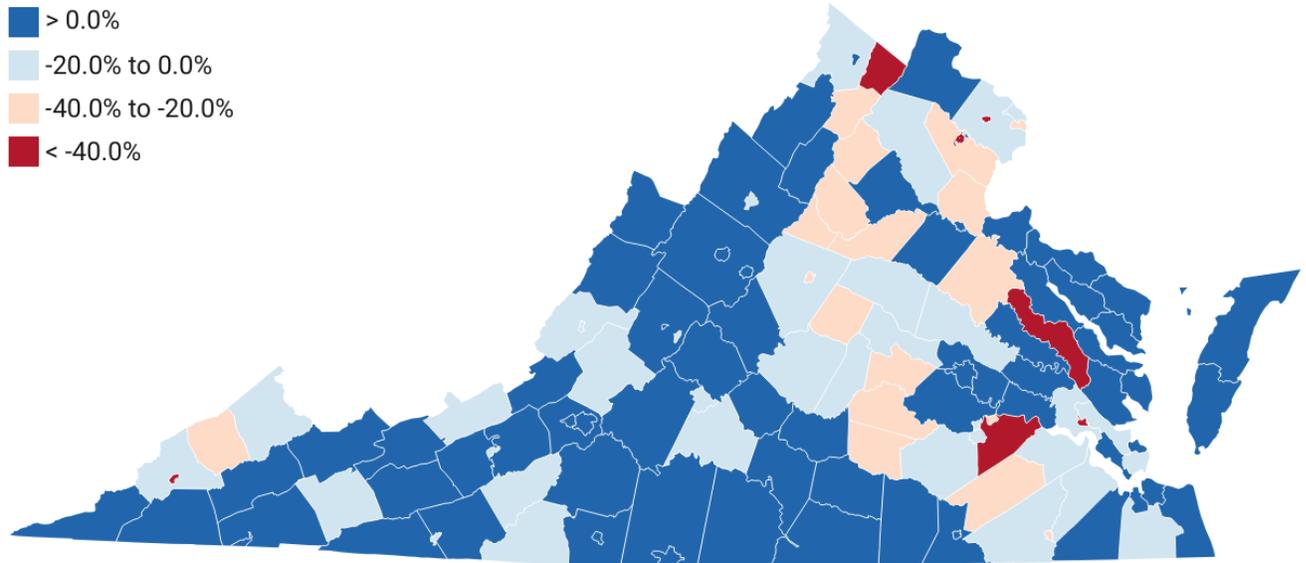


Source: Virginia REALTORS®, data accessed February 15, 2024

Note: Active listings at the end of the month

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

Change in Month End Inventory, 2023 to 2024

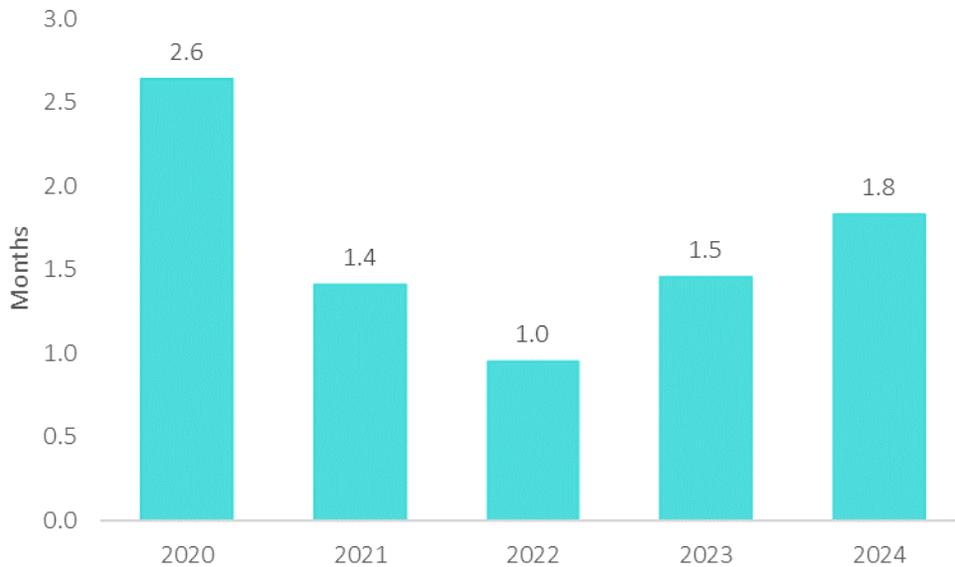


Source: Virginia REALTORS®, data accessed February 15, 2024

The regions with the largest increase in active listings include the Harrisonburg market, the Southern Piedmont region, and the Danville area. The inventory of active listings continues to shrink rapidly in Northern Virginia, the Winchester market, and the Greater Piedmont Region.

There was about 1.8 months of supply in Virginia’s housing market in January 2024, up from 1.5 months of supply last January. 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, January



Source: Virginia REALTORS®, data accessed February 15, 2024

Outlook

The 2024 market is underway and is off to a slow start. This is being driven by the lack of inventory available in the market. Here are a couple things to watch for in the coming months:

- Home price growth has accelerated in recent months. This is being driven by the pent-up demand in the market and constrained inventory conditions. For the first half of 2023 home prices continued to rise, but the pace of the increase slowed down. This has since changed, prices are climbing compared to last year, and the size of the increase has been getting larger. This trend is likely to continue heading into the spring unless more listings come on the market.
- Would-be sellers appear to still be hesitant, for now. There were fewer new listings that came on the market compared to last January. Pent-up demand within the move-up buyer market is mounting, but interest rates have not fallen far enough to loosen the lock-in effect. If this pattern holds it could dampen sales activity in the coming months.



The Virginia REALTORS® association is the largest professional trade association in Virginia, representing over 36,000 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.