

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

MARCH 2024

Virginia Home Sales Report

March 2024

Key Takeaways

- Home sales dipped in Virginia’s housing market this month. There were 8,075 closed sales in March statewide, down 7.3% from a year ago, which is 634 fewer sales.
- While activity slowed, home prices rose in Virginia. The median sales price in Virginia was \$397,000 in March, rising 7.3% from last year, a \$27,000 price jump.
- There was approximately \$4 billion of sold volume in Virginia in March, inching down less than 1% from a year ago.
- At the end of March there were 14,950 active listings on the market throughout Virginia, a 10.3% increase from a year ago, which is about 1,400 more listings.

March 2024 Housing Market Summary

| | Mar-23 | Mar-24 | Change | % Change | YTD 2023 | YTD 2024 | Change | % Change |
|------------------------------------|---------|---------|--------|----------|----------|----------|--------|----------|
| Sales | 8,709 | 8,075 | -634 | -7.3% | 20,823 | 20,448 | -375 | -1.8% |
| Median Sales Price (\$) | 370,000 | 397,000 | 27,000 | 7.3% | 364,000 | 385,000 | 21,000 | 5.8% |
| Sales Volume (\$ billions) | 4.03 | 4.00 | -0.03 | -0.8% | 9.35 | 9.81 | 0.45 | 4.9% |
| Median Days on Market | 10 | 10 | 0 | 0.0% | 15 | 15 | 0 | 0.0% |
| Pending Sales | 8,537 | 8,981 | 444 | 5.2% | 22,090 | 22,744 | 654 | 3.0% |
| New Listings | 11,505 | 11,470 | -35 | -0.3% | 27,995 | 29,233 | 1,238 | 4.4% |
| Active Listings (end of the month) | 13,549 | 14,950 | 1,401 | 10.3% | 13,549 | 14,950 | 1,401 | 10.3% |
| Months of Supply | 1.5 | 1.8 | 0.3 | 20.0% | 1.5 | 1.8 | 0.3 | 20.0% |

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

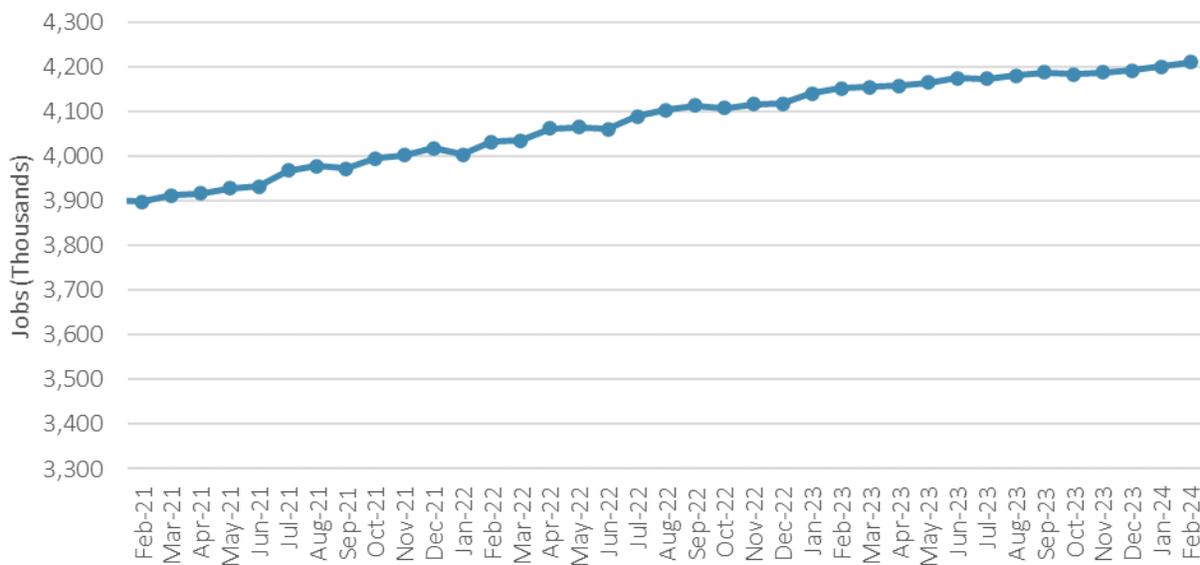
Overview

The economy is still growing and jobs are still being added to the economy both nationally and here in Virginia. The strength of the economy is putting upward pressure on inflation which started to trend back upward, pushing rate cuts by the Federal Reserve likely to the fall or beyond. Mortgage rates eclipsed 7% once again after falling to the mid-6% range at the start of 2024.

Jobs

There were about 4.21 million jobs in Virginia in February 2024. This is an influx of 10,600 jobs from the revised January 2024 total. This is the largest month-to-month increase in jobs the state has seen in over a year.

Figure 1. Total Jobs in Virginia (in thousands)



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

Most of the jobs added in February were in the Professional and Technical Services sector (+3,500 jobs), and the Health Care sector (+2,200 jobs). The Retail Trade and Construction sectors also had relatively strong job growth in February (+1,000 jobs in each). The Wholesale Trade sector shed 600 jobs, and the Manufacturing sector lost 500 jobs from the prior month.

Northern Virginia had an influx of about 3,500 jobs in February compared to January, and the Richmond Metro Area gained about 2,400 jobs in this same time period. Hampton Roads had 2,100 more jobs and the Roanoke Valley Region had 700 jobs added from last month.

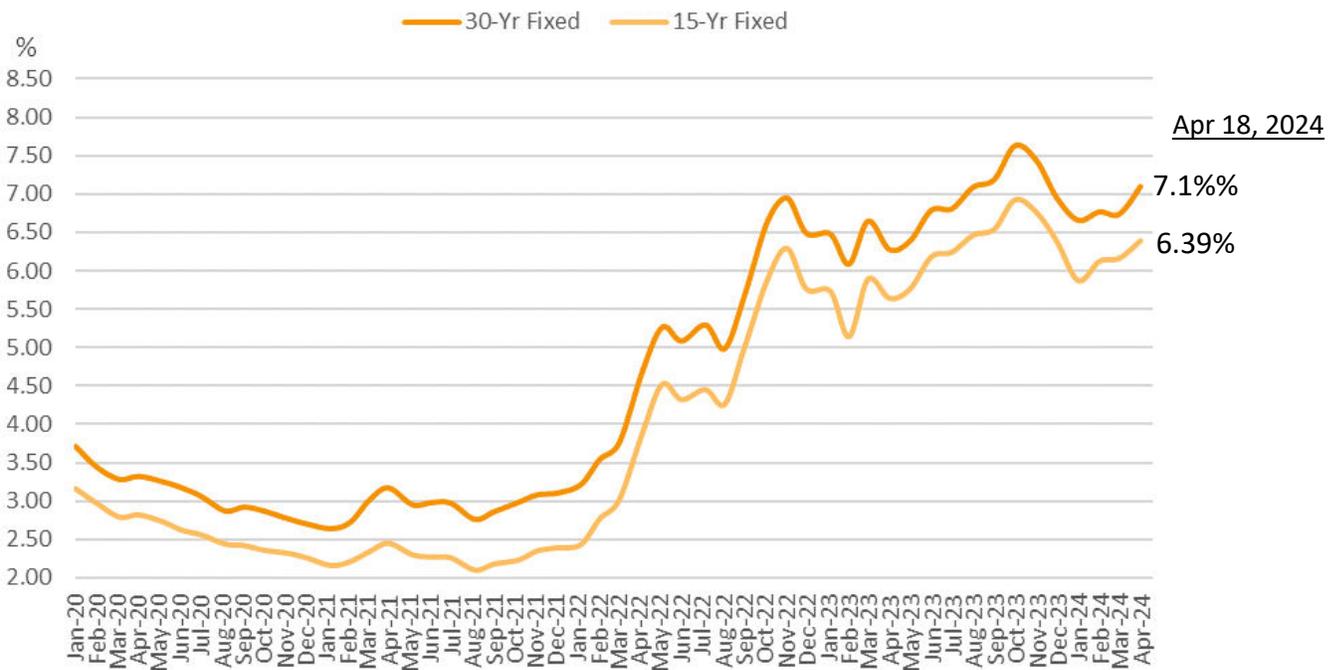
Unemployment

The statewide unemployment rate in Virginia inched down to 2.9% in March. Prior to this, it held firm at 3.0% for three consecutive months, reflecting stable but tight labor market conditions. The national unemployment rate dipped to 3.8% in March, down from 3.9% in February.

Mortgage Rates

Mortgage rates have jumped back above the 7% mark for the first time since early December 2023. As of April 18, 2024, the average rate for a 30-year fixed mortgage was 7.1%. This is up from 6.88% the prior week, and up from 6.62% at the start of 2024. Volatile rate conditions are likely to continue, which could deter some buyers from entering the typically busy spring market.

Figure 2. Mortgage Rates



Source: Freddie Mac

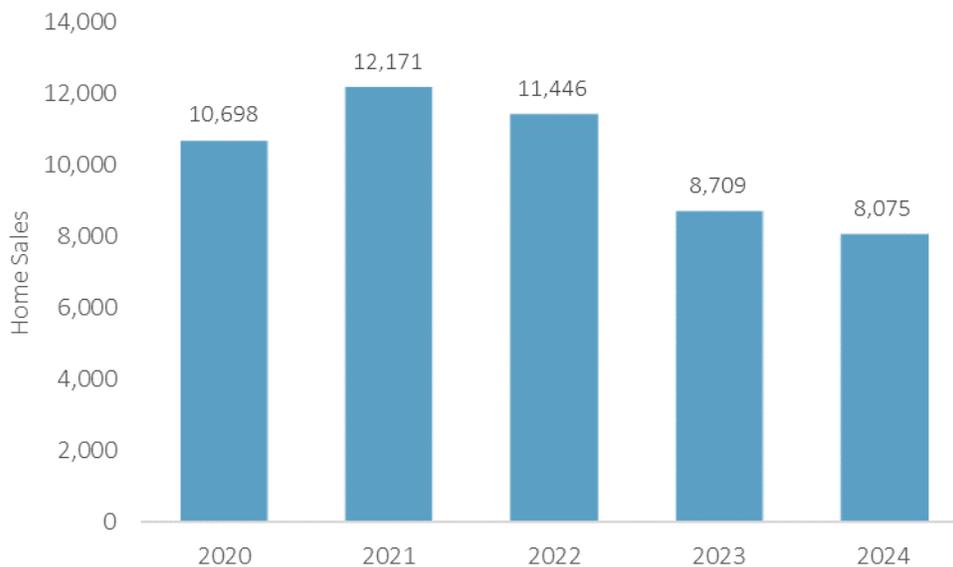
Housing Market Overview

The number of closed sales declined from last March, but pending sales activity continues to outpace last year. The median sales price in Virginia rose sharply, the largest jump in nearly two years. The overall supply of active listings continues to expand, but new listings were flat from last March, and the typical February to March spring market influx was muted this year signaling hesitation from potential sellers.

Sales

Sales activity in Virginia's housing market slowed down in March. There were 8,075 homes sold throughout the state, which is 634 fewer sales than March of last year, reflecting a 7.3% decline. Prior to this dip, sales activity had been trending up in Virginia as 2024 began. About half (53%) of the local county and city markets in Virginia had a drop in sales in March. From a year-to-date perspective, some places continue to outpace sales activity last year, while others are trailing last year's sales totals through March. The regions with the strongest growth in sales so far in 2024 are Southside Virginia, the Shenandoah Valley, and the Eastern Shore. The areas with the sharpest drop in activity through March are the Lynchburg region, Northern Virginia, and the Richmond Metro Area.

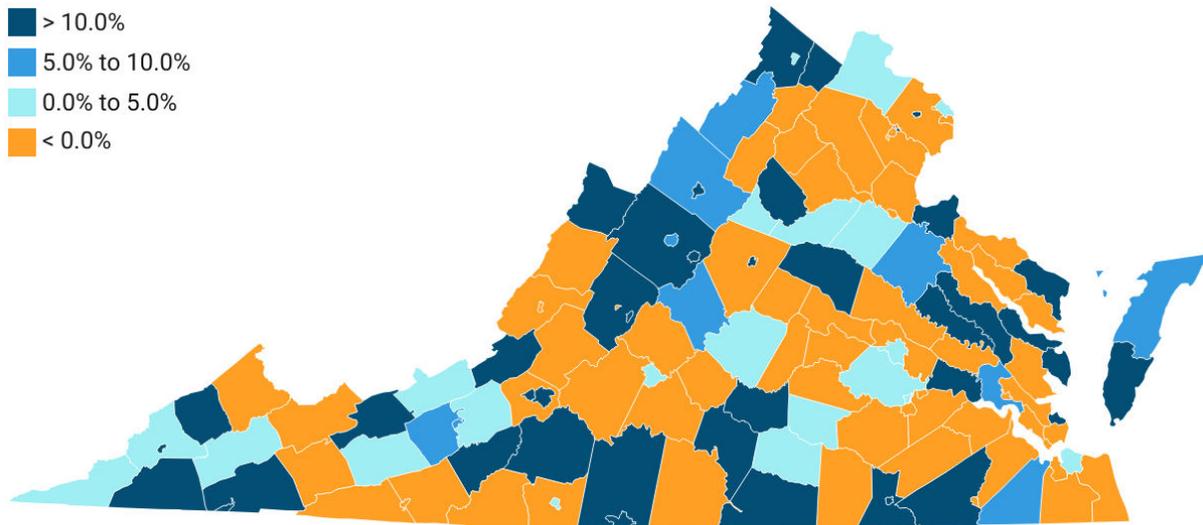
Figure 3. Virginia Home Sales, March



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

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

Change in Home Sales, 2023 to 2024



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

Home Prices

Home prices are trending up in most markets in Virginia. The statewide median sales price in March was \$397,000, jumping up \$27,000 from March of last year, a 7.3% gain. The low supply of homes in the market continues to insulate and put upward pressure on home prices even as transaction volume has slowed. About 65% of counties and cities in the commonwealth had a higher median sales price in March compared to a year ago. The largest median price gains in March were in the Danville region, the Charlottesville region, and the Richmond Metro Area. The median price was flat in the Eastern Shore market and dipped slightly in the Roanoke Valley market.

In March 2024, sellers received slightly more than asking price, on average, statewide. The average sold-to-list price ratio in Virginia’s housing market was 100.2%, up from 99.8% in February, but unchanged from a year ago. Sellers in most price bands continue to get at or above asking price on average. The only price segment that has an average sold-to-list ratio below 100% is the \$200K and under, which is at 95.7%.

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



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

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

| Price Range | Ratio |
|------------------------|--------|
| \$200,000 or less | 95.7% |
| \$200,001 to \$400,000 | 100.0% |
| \$400,001 to \$600,000 | 100.6% |
| \$600,001 to \$800,000 | 101.6% |
| \$800,001 or more | 102.0% |
| All price levels | 100.2% |

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

Most of the homes that sold in March in Virginia went for \$200K to \$400K (41.3% of all sales). About a quarter of all sales in March were priced between \$400K and \$600K (24.3%). Another quarter of all homes sold in March went for \$600K or higher (24.4%).

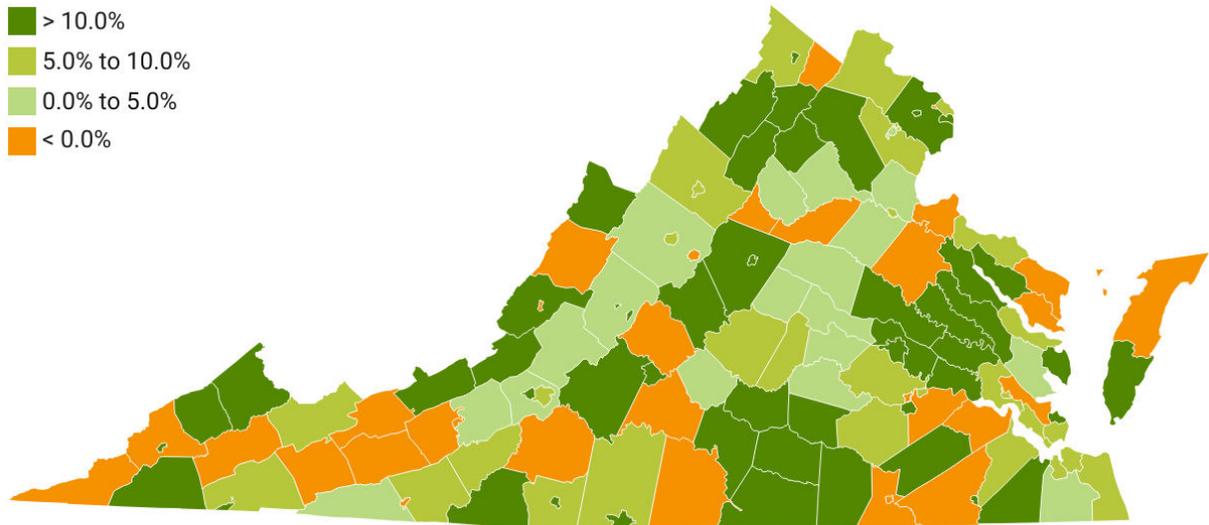
Figure 7. Sales by Price Range, March



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

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

Change in Median Sales Price, 2023 to 2024

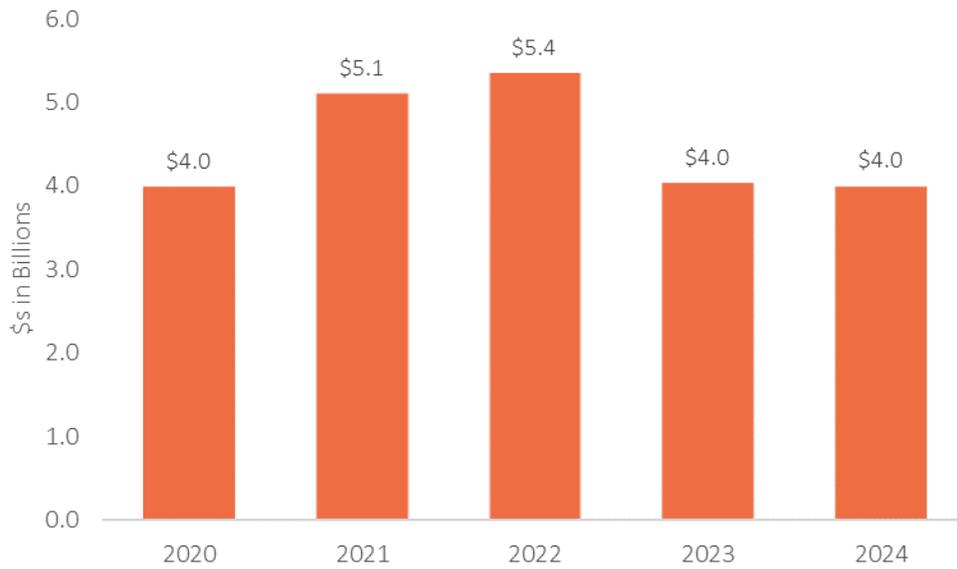


Source: Virginia REALTORS®, data accessed April 15, 2024

Sold Volume

There was about \$4 billion of sold volume in Virginia in March, virtually unchanged from March of last year (-0.8%). Even with the drop in closed sales compared to last March, the rise in prices kept the sold volume level the same.

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

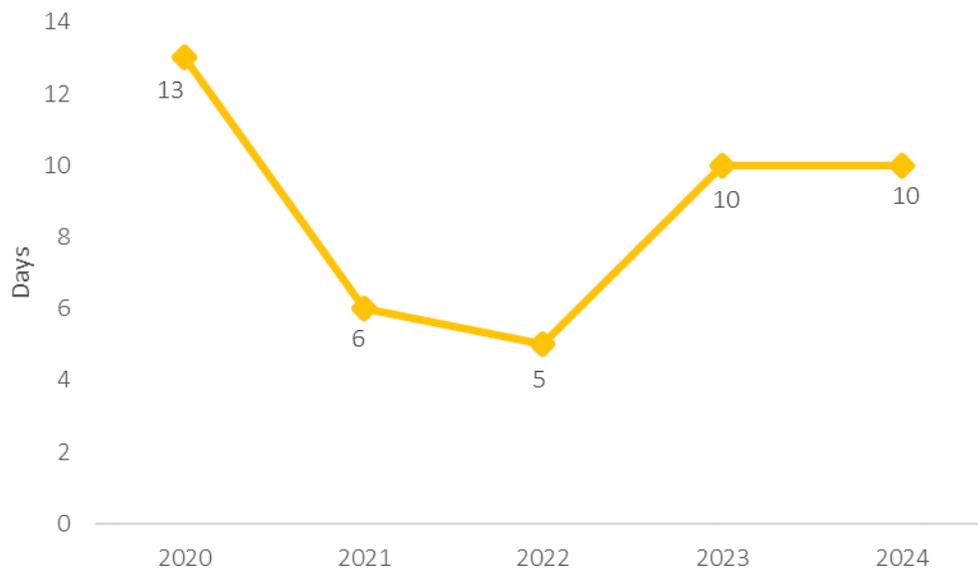


Source: Virginia REALTORS®, data accessed April 15, 2024

Days on Market

Homes stayed on the market about a week and half in March. The median days on market in Virginia was 10 days in March, unchanged from a year ago. The fastest median days on market was in Northern Virginia, at 5 days. In the Richmond Metro Area, the median days on market was 7 days in March 2024.

Figure 10. Median Days on Market, March

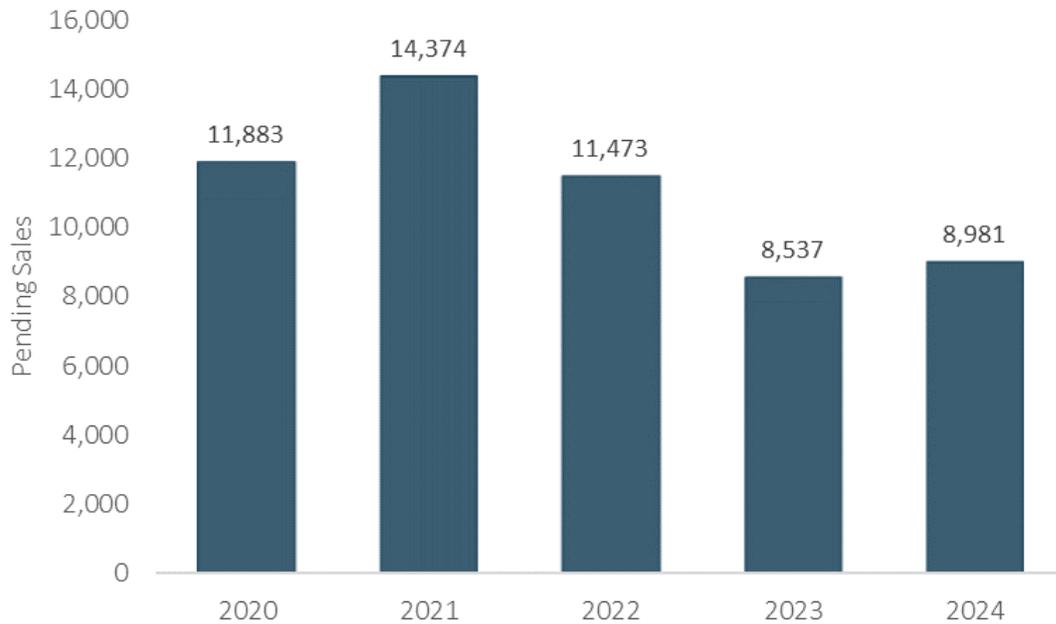


Source: Virginia REALTORS®, data accessed April 15, 2024

Pending Sales

Pending sales activity continues to outpace last year. There were 8,981 pending sales across the commonwealth in March, which is 444 more than a year ago, a 5.2% increase. Pending sales have increased for two straight months in Virginia's housing market, signaling a pickup from last year, but the March 2024 levels are still slow compared to much of the past decade.

Figure 11. Pending Sales, March



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

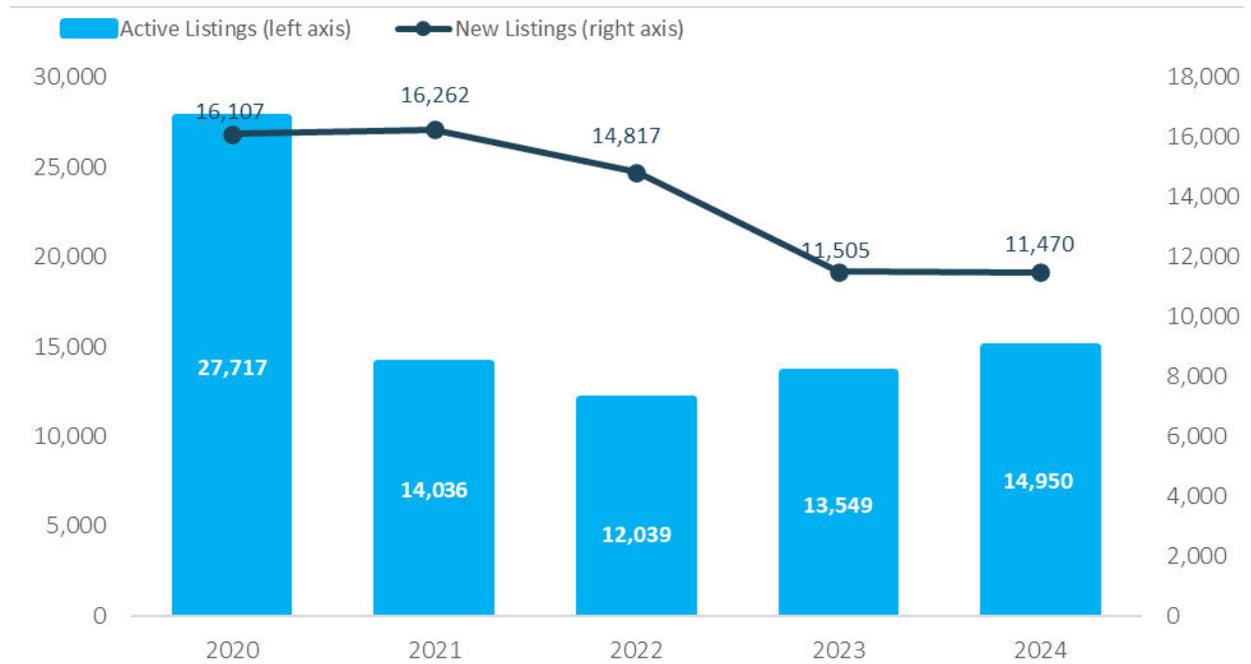
New Listings

The number of new listings was flat from last year. There were 11,470 new listings across the state in March, just 35 fewer than a year ago (-0.3%). While flat from last year, there were about 17.9% more new listings in March compared to last month, February. But the spring inventory bump is much lower this year than a typical February to March increase, which tends to be in the 30% to 50% range. This could signal hesitation with sellers who are watching interest rates just as closely as buyers.

Active Listings

There were 14,950 active listings on the market at the end of March throughout Virginia. This is about 1,400 more listings than this time last year, a 10.3% increase. This is the fourth consecutive month that the overall inventory of active listings has expanded in Virginia's housing market which is welcome news for buyers in this competitive market.

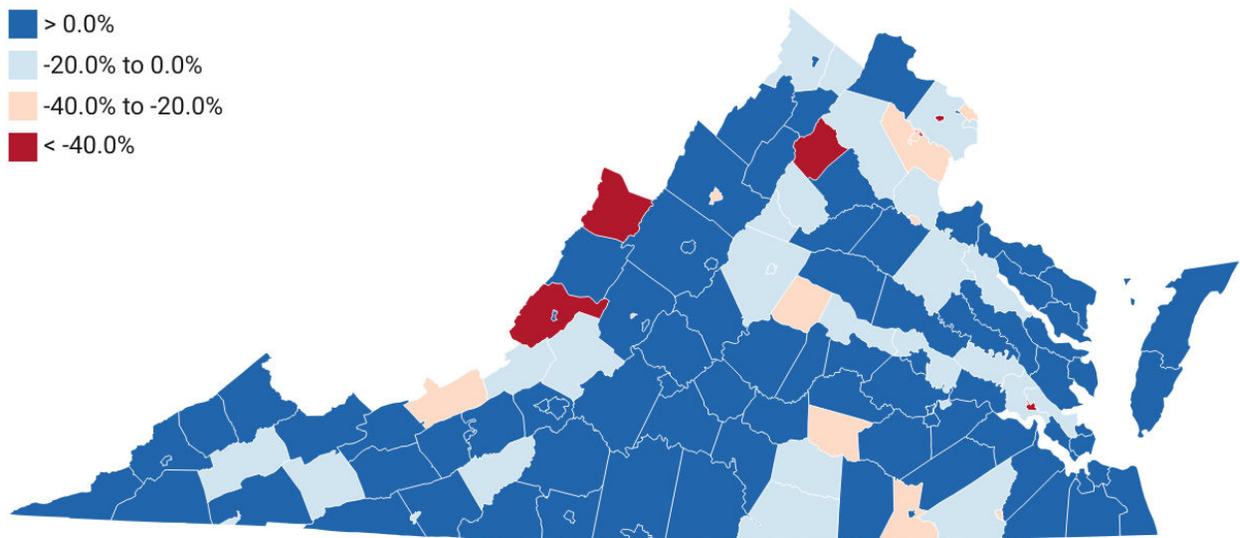
Figure 12. Inventory, March



Source: Virginia REALTORS®, data accessed April 15, 2024
 Note: Active listings at the end of the month

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

Change in Month End Inventory, 2023 to 2024

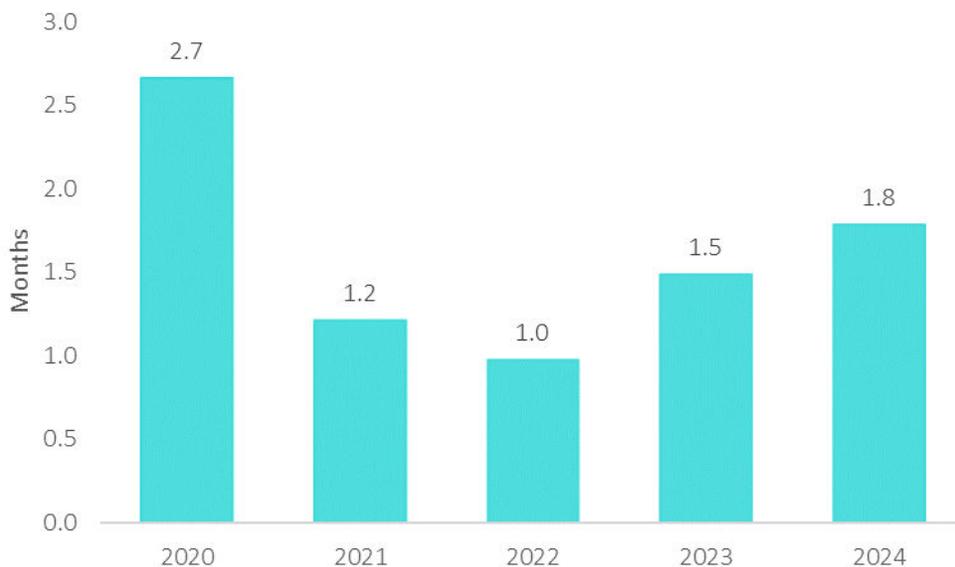


Source: Virginia REALTORS®, data accessed April 15, 2024

Most local markets around the state had an expanding inventory of homes for sale this month. About 65% of counties and cities in Virginia had more active listings on the market in March compared to a year ago. Despite these gains, supply conditions remain tight in most places. The sharpest increase in active listings in March happened in the Harrisonburg and Lynchburg regions. The biggest drop in active listings occurred in Northern Virginia and the Williamsburg area.

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



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

Outlook

Market conditions slowed in March, but it’s still competitive based on key indicators. Here are some key trends to keep an eye on as we progress through the spring market:

- Climbing mortgage rates are taking some of the steam out of the typically busy spring market. The average rate for a 30-year fixed mortgage eclipsed 7% again in mid-April. Rising rates and rising home prices make affordability a key concern in markets around the commonwealth, pricing out many would-be buyers. If the upward trend continues with rates, the spring market will likely be slower than last year, and last year was the slowest spring in a decade.

- The number of new listings were flat from last year, and the typical February to March spring jump in new listings was muted compared to average levels. This signals hesitation from potential sellers, likely a reaction to rising mortgage rates, and limited supply of homes to move into after their current home is sold. Just last month, Virginia had the largest influx of new listings in about three years. The pivot to a slowdown this month could reflect a pullback or holding pattern from sellers.



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.

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