

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

MAY 2024

Virginia Home Sales Report

May 2024

Key Takeaways

- Home sales continue to outpace last year in Virginia. There were 10,715 sales statewide in May, 423 more than a year ago, which is a 4.1% bump. This is the fourth month out of five so far in 2024 with sales activity up from the prior year.
- Upward pressure on home prices remains a factor in Virginia's housing market. The May median sales price was \$425,000, a new high for the statewide median. This is \$15,000 higher than the median price last May, a 3.7% increase.
- There was approximately \$5.7 billion of sold volume throughout Virginia's housing market. Jumping up by about \$600 million from last May, an 11.4% influx. More sales and higher prices continue to drive up sold volume levels statewide.
- Much-needed inventory is growing around the state. There were 17,712 active listings on the market statewide at the end of May, more than 3,800 additional listings than there were a year ago, a 27.7% surge.

June 2024 Housing Market Summary

	May 23	May 24	Change	% Change	YTD 2023	YTD 2024	Change	% Change
Sales	10,292	10,715	423	4.1%	39,367	40,579	1,212	3.1%
Median Sales Price (\$)	410,000	425,000	15,000	3.7%	380,000	400,000	20,000	5.3%
Sales Volume (\$ billions)	5.15	5.73	0.59	11.4%	18.52	20.48	1.96	10.6%
Median Days on Market	6	7	1	16.7%	10	10	0	0.0%
Pending Sales	9,730	9,729	-1	0.0%	40,929	42,292	1,363	3.3%
New Listings	12,136	14,056	1,920	15.8%	51,305	56,598	5,293	10.3%
Active Listings (end of the month)	13,870	17,712	3,842	27.7%	13,870	17,712	3,842	27.7%
Months of Supply	1.6	2.1	0.5	31.2%	1.6	2.1	0.5	31.2%

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

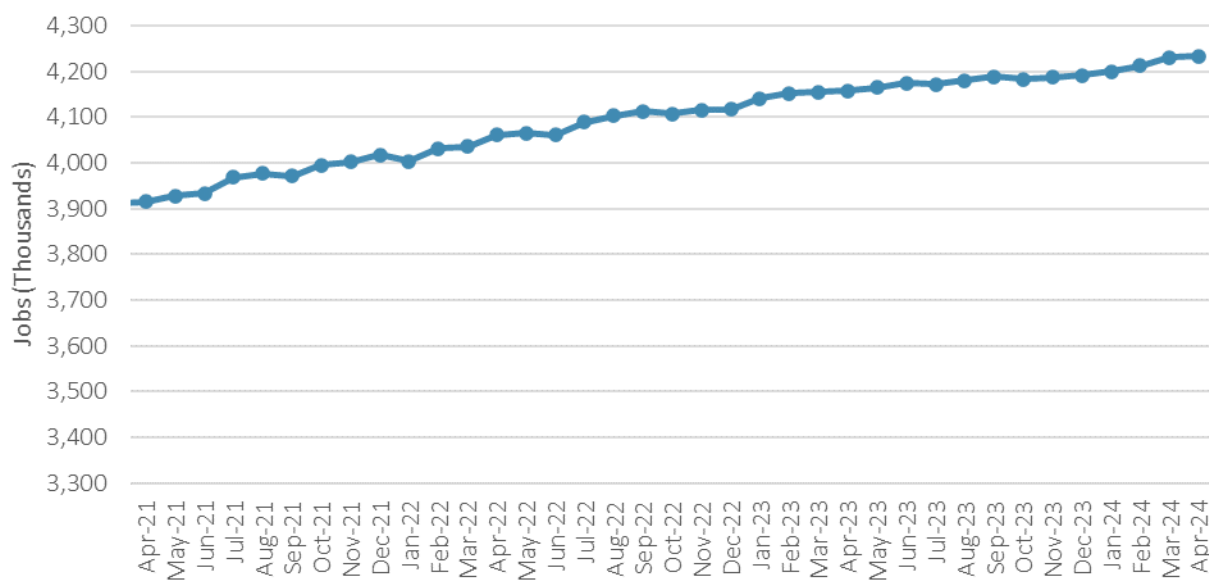
Overview

The economy is slowing and though the labor market remains tight, job growth continues. Inflation came in slightly lower than expected in May, which is good for the prospects of a Federal rate cut in the Fall. Mortgage rates remain stubbornly high but have drifted downward over the last few weeks.

Jobs

There were approximately 4.23 million jobs across the commonwealth in April 2024, which is about 3,400 more jobs than the prior month. Virginia's job base has been expanding since last Fall.

Figure 1. Total Jobs in Virginia (in thousands)



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

The largest job gains were in the Health Care sector (+1,900 jobs), the Professional & Technical Services sector (+1,700 jobs), and the Manufacturing sector (+1,100 jobs). The Local Government sector shed 3,400 jobs between March and April, and the Leisure & Hospitality sector lost about 2,600 jobs.

At the regional level, Northern Virginia had a gain of 3,700 jobs, and Richmond had 700 more jobs in April than in March. The Blacksburg region added 300 jobs, and the Harrisonburg region had 200 additional jobs. Hampton Roads shed about 1,800 jobs, and the Roanoke Valley had 300 fewer jobs in April compared to March 2024.

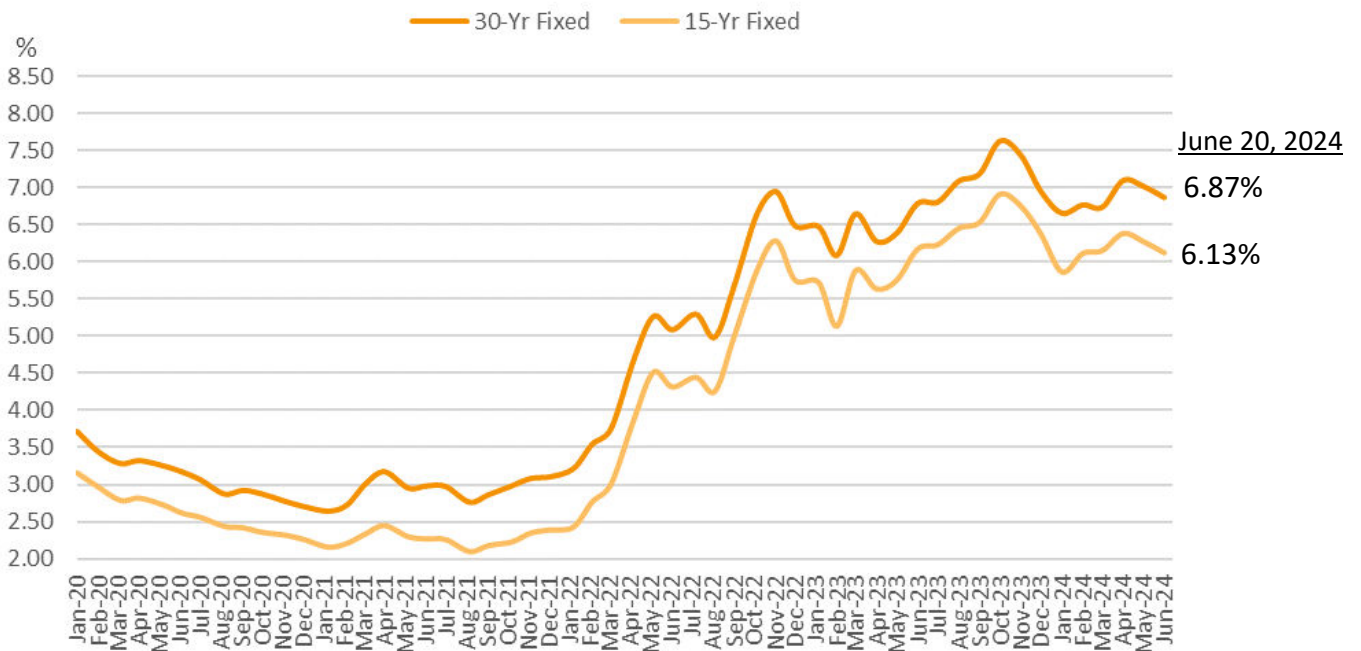
Unemployment

The statewide unemployment rate in Virginia continues to edge downward. The April 2024 unemployment rate in the commonwealth was 2.8%, down from 2.9% in March. The U.S. unemployment rate inched up to 3.9% in April from 3.8% in March.

Mortgage Rates

Mortgage rates have been drifting down now for four straight weeks. The average rate for a 30-year fixed mortgage in the third week of June was 6.87%. This is the lowest it has been since early April of this year but remains above where it was at the start of this year in the mid-6% range.

Figure 2. Mortgage Rates



Source: Freddie Mac

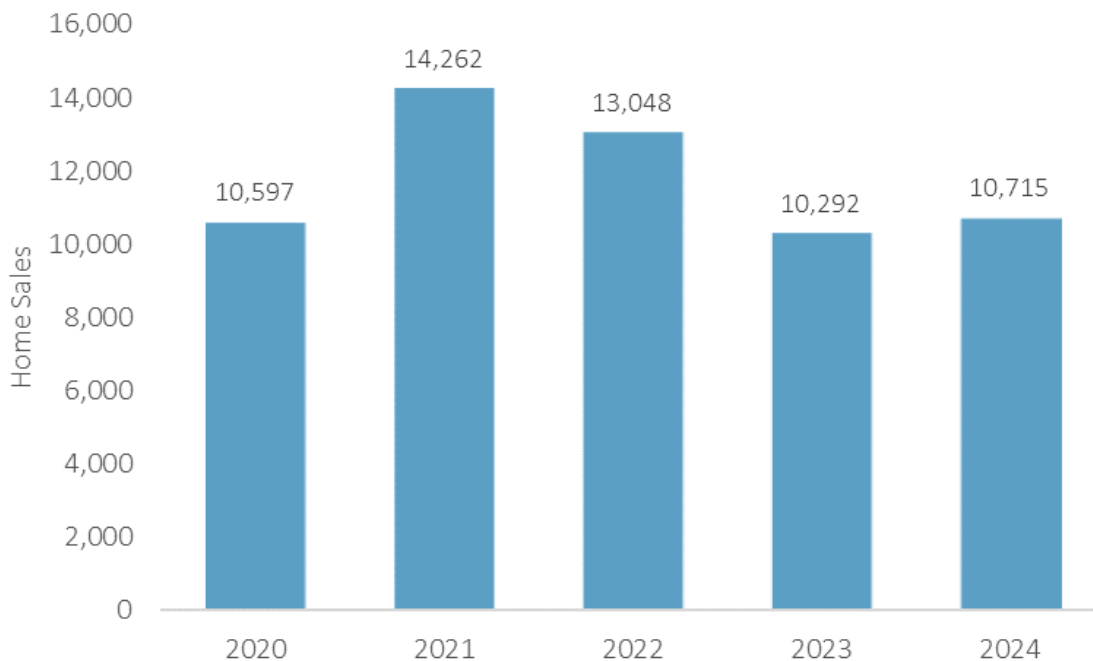
Housing Market Overview

There were mixed signals in Virginia’s housing market in May. Closed sales activity was higher than last year, but pending sales were flat, potentially a signal of some hesitation in the market. Home prices continue to climb, and homes are selling quickly, reflecting competitive market conditions. The supply of listings remains tight compared to the number of sales and the demand in the market, but there has been some notable improvement to the number of active listings, and more new listings continue to be added in most regions in Virginia.

Sales

There were 10,715 homes sold throughout Virginia in May 2024. This is 423 more sales than May of last year, a 4.1% increase. Sales activity has outpaced last year four out of five months so far in 2024, but activity is still below average. More than half (57%) of the local city and county markets around the commonwealth had more sales in May than a year ago. The largest percentage growth in sales in May was in the Shenandoah Valley, the Roanoke Valley, and South Central Virginia, including the Southern Piedmont region. Sales activity dipped below last May’s levels in the Virginia Peninsula market, the Northern Neck region, and the Fredericksburg area. Home sales were relatively flat in the Hampton Roads and Northern Virginia markets compared to last May.

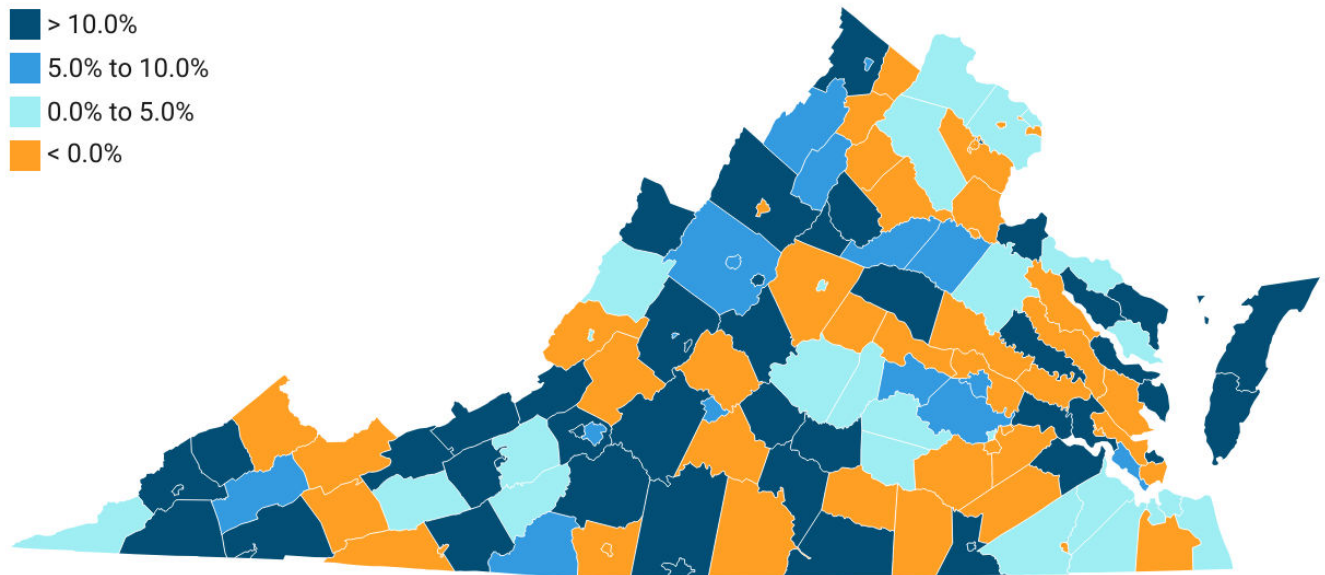
Figure 3. Virginia Home Sales, May



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

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

Change in Home Sales, 2023 to 2024



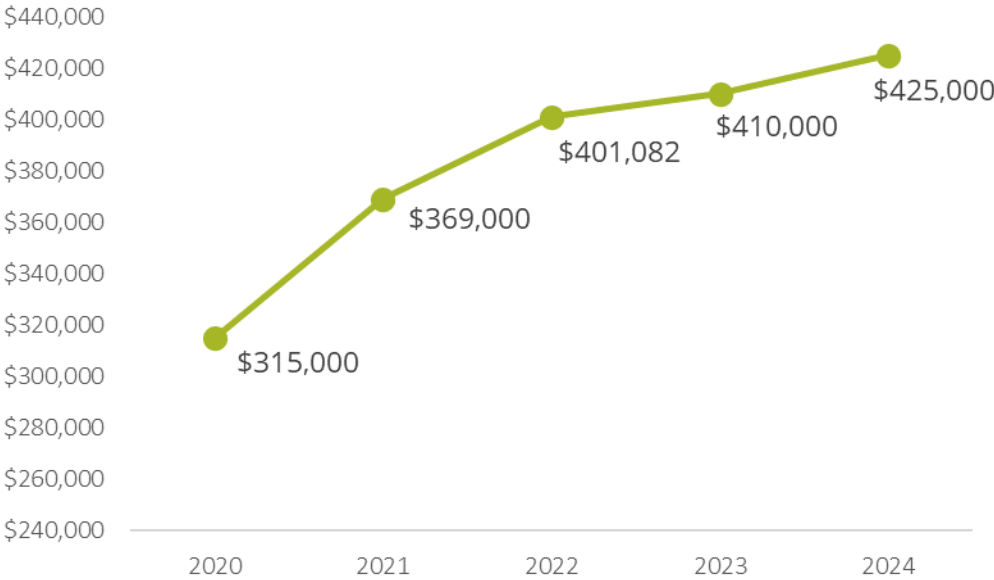
Source: Virginia REALTORS®, data accessed June 15, 2024

Home Prices

Home prices are climbing in most parts of the state. The May median sales price in Virginia was \$425,000, rising \$15,000 from May of 2023, a 3.7% price gain. Tight inventory conditions coupled with pent-up demand continue to put upward pressure on home prices in most local markets around Virginia. About three-quarters (73%) of all local city and county markets had a higher median sales price in May compared to the year prior. The strongest median price growth this month occurred in the Shenandoah Valley, the Danville region, South Central Virginia, and parts of the New River Valley. The only region with a lower median sales price in May was the Eastern Shore market. Prices were flat in the Williamsburg region and the Greater Piedmont region.

Sellers continue to get above asking price, on average, in Virginia. The average sold-to-list price ratio statewide in May was 100.9%, unchanged from April. All price bands had an average sold-to-list price ratio above 100% except for the \$200K and less range, which was 97.1% in May. The highest ratio was at the top end of the price spectrum; homes selling for \$800K or higher sold at 102.6% of asking price, on average.

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



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

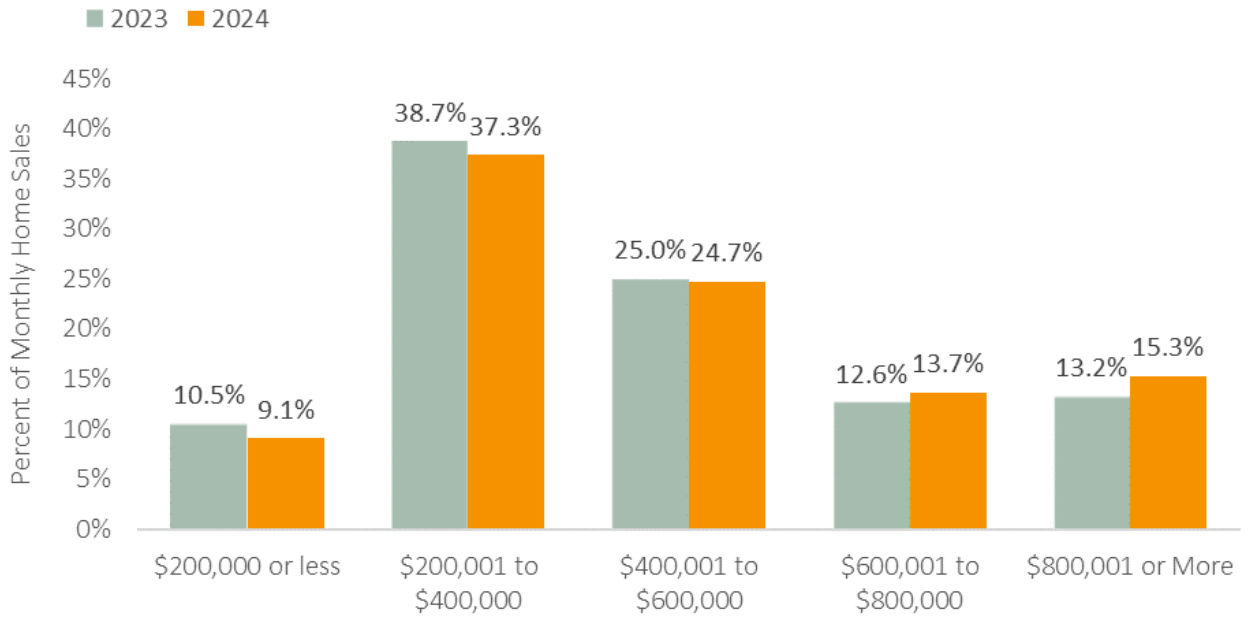
Figure 6. Average Sold-to-List Price Ratio, May 2024

Price Range	Ratio
\$200,000 or less	97.1%
\$200,001 to \$400,000	100.5%
\$400,001 to \$600,000	101.4%
\$600,001 to \$800,000	101.9%
\$800,001 or more	102.6%
All price levels	100.9%

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

Most of the homes sold in Virginia in May, about 37.3% of sales, went for \$200K to \$400K. But the share of homes in this price range has been getting smaller as home prices are climbing. Homes that sold for \$600K or higher represented 29% of all sales in May, which is up from 25.8% of sales last May.

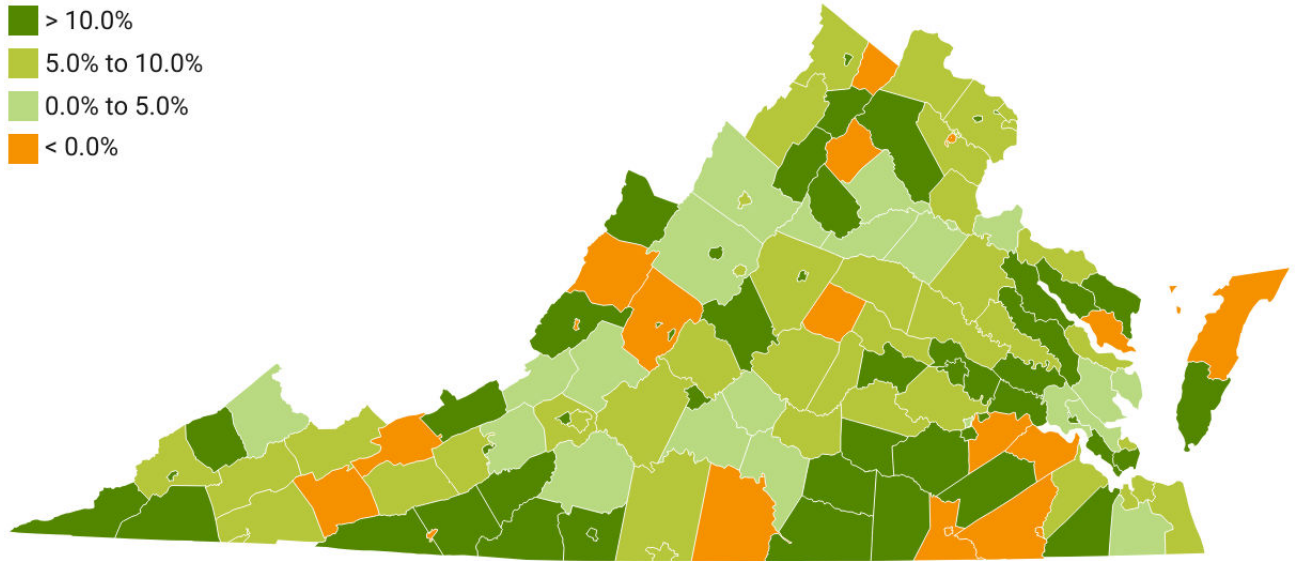
Figure 7. Sales by Price Range, May



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

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

Change in Median Sales Price, 2023 to 2024

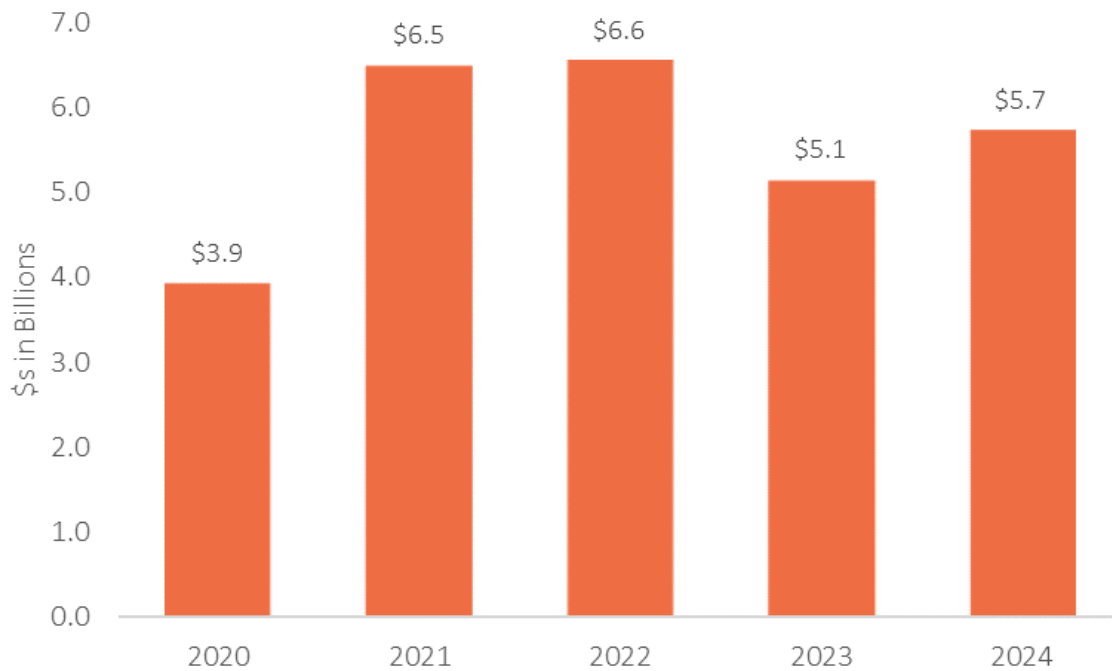


Source: Virginia REALTORS®, data accessed June 15, 2024

Sold Volume

Sold volume continues to trend up as sales activity builds and home prices are climbing. There was about \$5.7 billion of sold volume across the state in May, an 11.4% influx from a year ago, reflecting an additional \$600 million of sold volume.

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

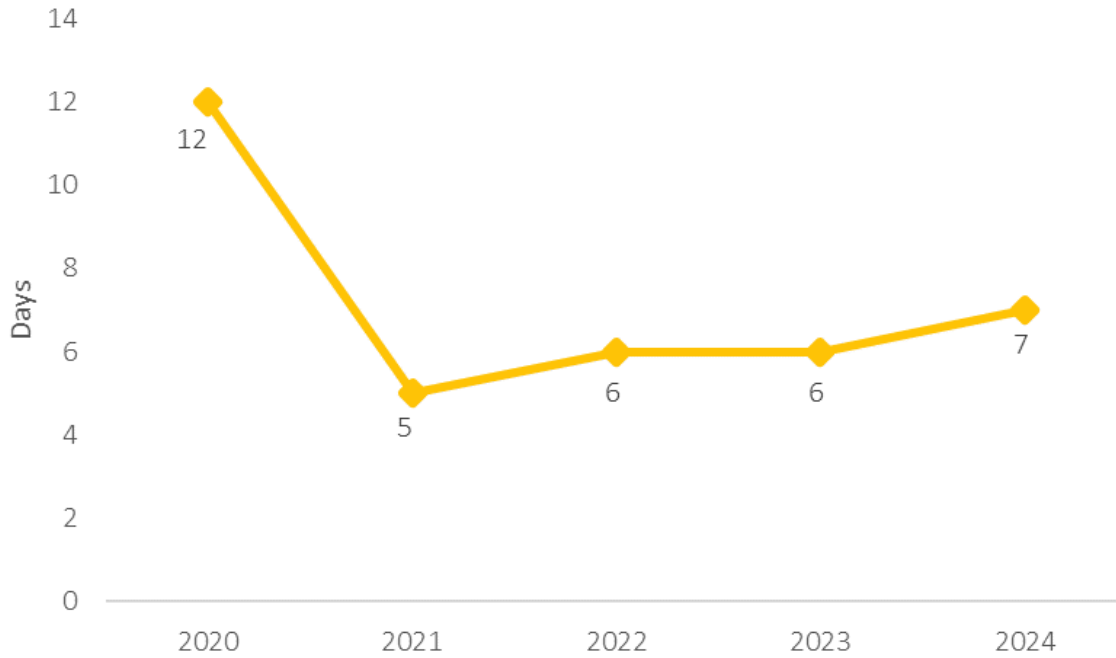


Source: Virginia REALTORS®, data accessed June 15, 2024

Days on Market

The median days on market statewide was seven days in May 2024, just one day longer than a year ago. Competitive market conditions remain a factor in most local markets around the state as inventory has been slow to expand. The fastest median days on market in May was in Northern Virginia (5 days), the Richmond region (6 days), and parts of Central Virginia including the Charlottesville area (6 days), and the Greater Piedmont region (6 days). Homes were on the market about a month in the Eastern Shore region and in the Northern Neck.

Figure 10. Median Days on Market, May

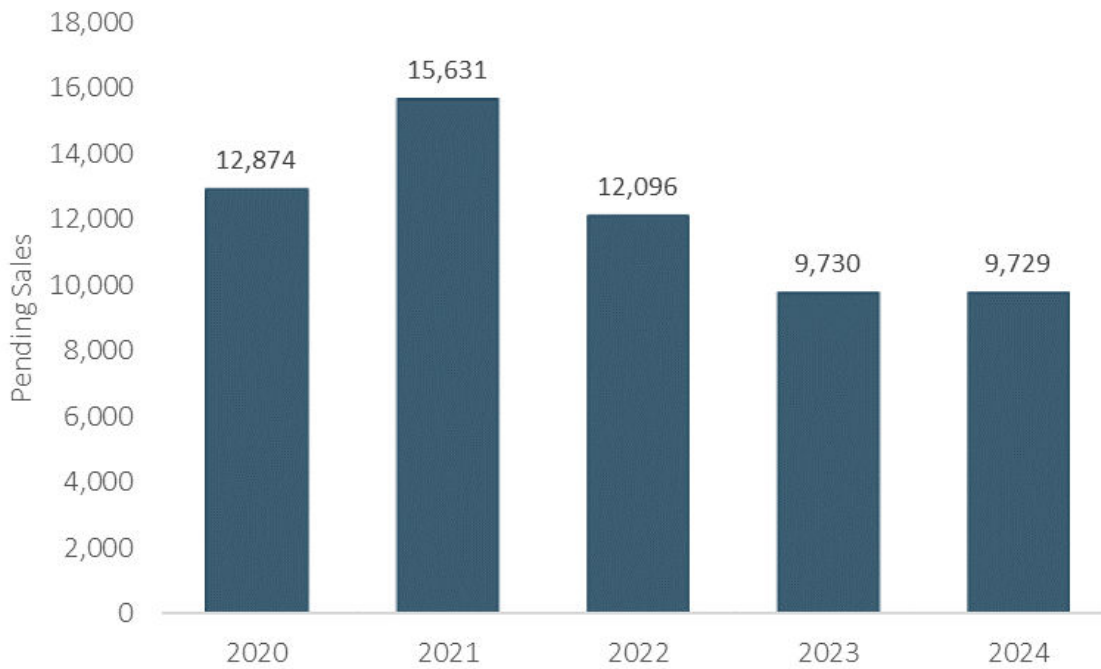


Source: Virginia REALTORS®, data accessed June 15, 2024

Pending Sales

Pending sales activity was flat in May compared to a year ago. There were 9,729 pending sales this month statewide, just one fewer than a year ago. There is typically a bump in pending sales in the spring market between April and May, but this year there was a modest decrease, which could reflect some hesitation in the market for buyers as average mortgage rates hit their highest level in six months during the first week in May.

Figure 11. Pending Sales, May



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

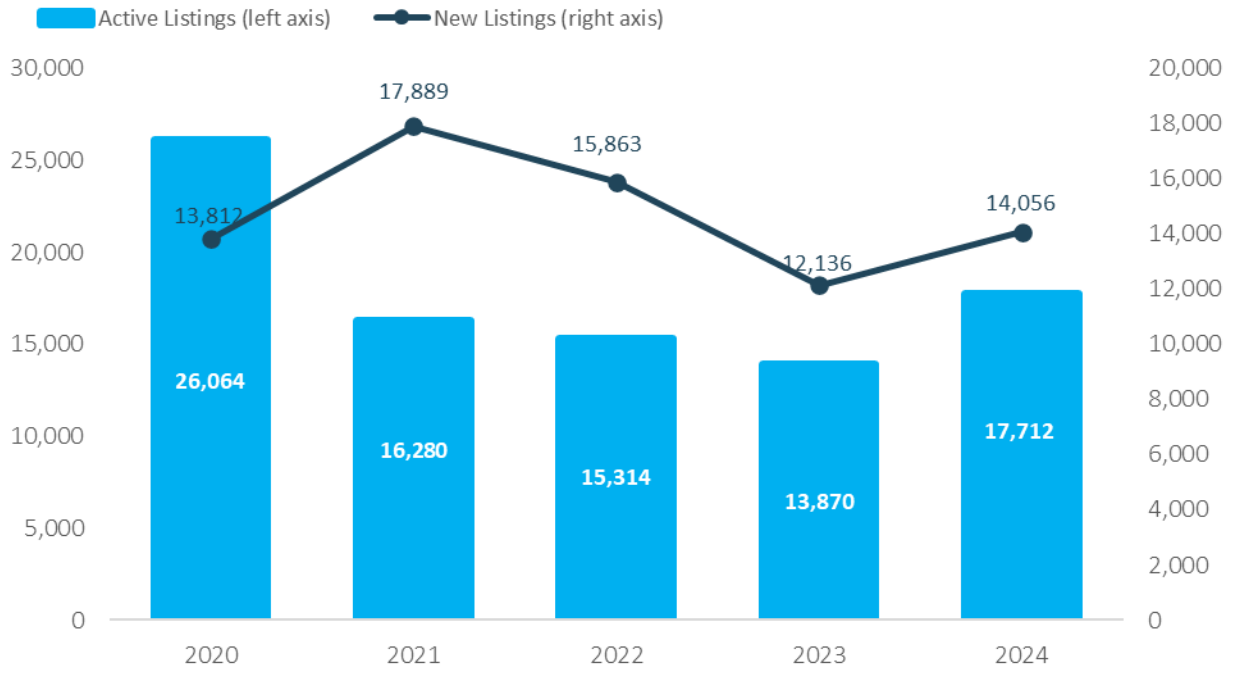
New Listings

More new listings continue to hit the market, which is providing some inventory relief for buyers looking for more options. There were 14,056 new listings that came onto the market in May throughout Virginia. This is 1,920 more new listings than this time last year, a 15.8% jump. New listings increased 5.6% between May and April, which is a typical seasonal increase.

Active Listings

The inventory of active listings in Virginia's housing market continues to expand. There were 17,712 active listings on the market at the end of May statewide, an influx of 3,842 listings from a year ago, which is a 27.7% surge. This is the largest increase in active listings the state has had in more than a decade. Unfortunately, even with the additional listings, overall supply remains tight given the number of sales and pent-up demand in the market.

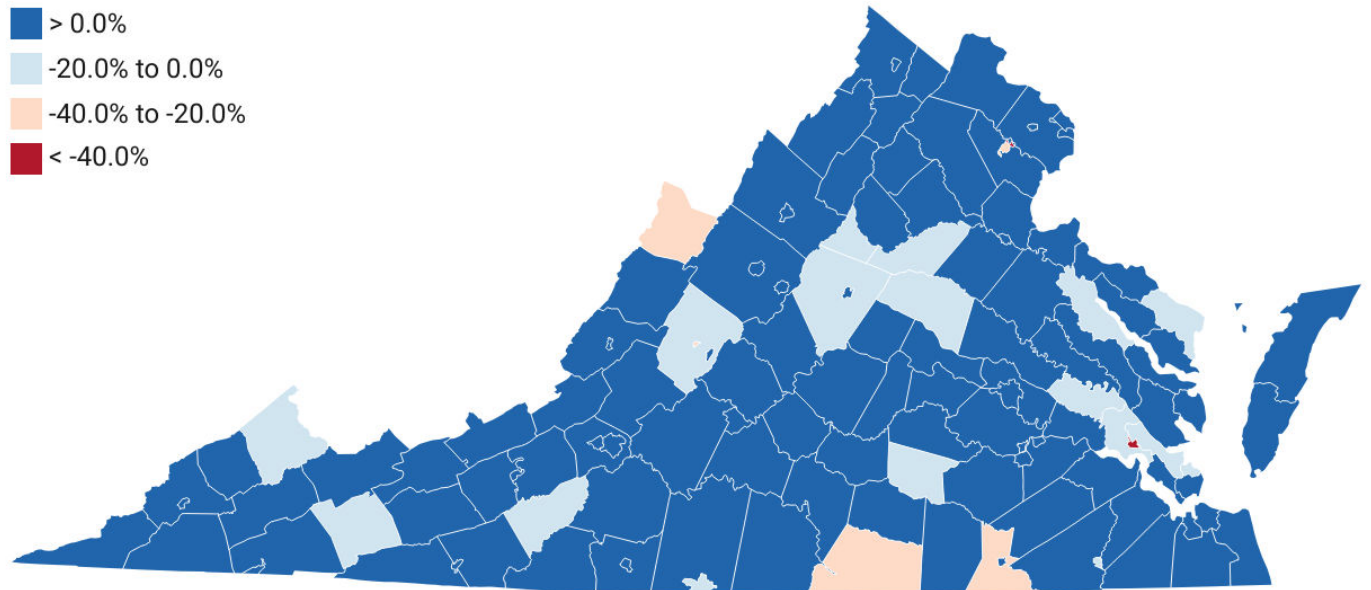
Figure 12. Inventory, May



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

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

Change in Month End Inventory, 2023 to 2024

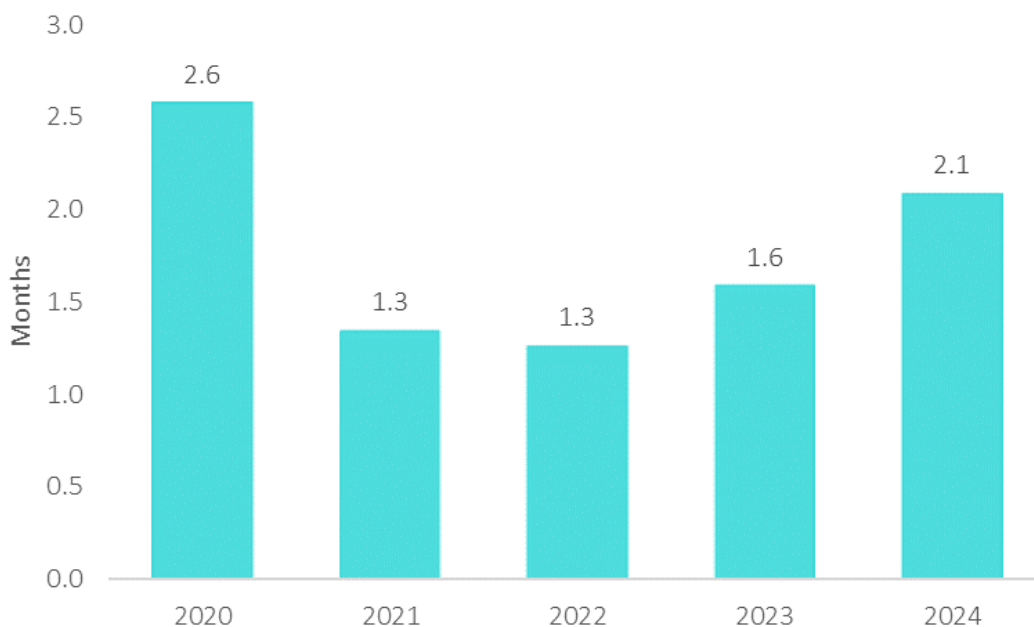


Source: Virginia REALTORS®, data accessed June 15, 2024

Inventory expansion is spreading, which is starting to loosen up supply conditions in housing markets around the commonwealth. About 79% of local markets, cities, and counties in Virginia had more active listings at the end of May 2024 than a year ago. By contrast, at the start of 2024, in January, about 51% of local markets had more listings, and one year ago, at the end of May 2023, about 38% had more inventory. At the regional level, the largest active listings growth this month was in the Lynchburg region, the Roanoke Valley, and the Shenandoah Valley. The Williamsburg region had another drop in active listings, as did the Southern Piedmont region compared to May of last year.

There was about 2.1 months of supply in Virginia’s housing market in May 2024, up from 1.6 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, May



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

Outlook

The spring market is in full swing, and signals are mixed. What could impact the market heading into the summer? Here are some key trends to watch:

- Stubbornly high mortgage rates are likely pricing out many potential buyers. Mortgage rates have not retreated as many expected so far in 2024. There have been some fluctuations up and down, but rates for a 30-year fixed have remained in the upper 6% to low 7% range for much of the year. At the same time, home prices have climbed higher. This is creating affordability challenges for many potential

home buyers. If these conditions persist, sales activity could be muted in the coming months compared to the potential demand that is out there.

- Supply is finally building up after many years of contracting. This is welcome news for buyers in the market, but only those who can afford the higher prices and higher mortgage rates. If the trend of more supply holds, buyers who are active in the market will have more choices, and this could soften price growth slightly in some local areas, though overall conditions will remain competitive.



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.

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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.