

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

OCTOBER 2024

Virginia Home Sales Report

October 2024

Key Takeaways

- There was a surge in closed sales activity in October in Virginia’s housing market. The influx of sales was driven by a jump in pending sales (new contracts) in September when mortgage rates were falling into the low 6% range. Statewide there were 8,732 closed sales in October, 968 more than a year ago, a 12.5% increase.
- Sales prices are still rising in most local housing markets in the commonwealth. The statewide median sales price in October was \$415,000, climbing \$25,000 from this time last year, a 6.4% increase. Pent-up demand and tight (but improving) inventory conditions are keeping upward pressure on price points in the market.
- The influx of closed sales and higher prices drove up the sold dollar volume in Virginia this month. There was about \$4.54 billion of sold volume statewide in October, a 21.6% gain from last year, which is an additional \$807 million of volume.
- There were 20,042 active listings on the market throughout Virginia at the end of October, 16% more than a year ago, which is about 2,700 more listings. This is the first time the overall supply of active listings has exceeded 20,000 statewide in about four years, signaling that more sellers slowly entering the market.

October 2024 Housing Market Summary

| | Oct-23 | Oct-24 | Change | % Change | YTD 2023 | YTD 2024 | Change | % Change |
|------------------------------------|---------|---------|--------|----------|----------|----------|--------|----------|
| Sales | 7,764 | 8,732 | 968 | 12.5% | 84,587 | 86,749 | 2,162 | 2.6% |
| Median Sales Price (\$) | 390,000 | 415,000 | 25,000 | 6.4% | 389,355 | 411,000 | 21,645 | 5.6% |
| Sales Volume (\$ billions) | 3.7 | 4.5 | 0.81 | 21.6% | 37.1 | 40.5 | 3.4 | 9.2% |
| Median Days on Market | 11 | 15 | 4 | 36.4% | 9 | 11 | 2 | 22.2% |
| Pending Sales | 6,856 | 8,054 | 1,198 | 17.5% | 79,956 | 84,507 | 4,551 | 5.7% |
| New Listings | 10,232 | 11,792 | 1,560 | 15.2% | 106,588 | 116,657 | 10,069 | 9.4% |
| Active Listings (end of the month) | 17,274 | 20,042 | 2,768 | 16.0% | 17,274 | 20,042 | 2,768 | 16.0% |
| Months of Supply | 2.2 | 2.4 | 0.2 | 9.1% | 2.2 | 2.4 | 0.2 | 9.1% |

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

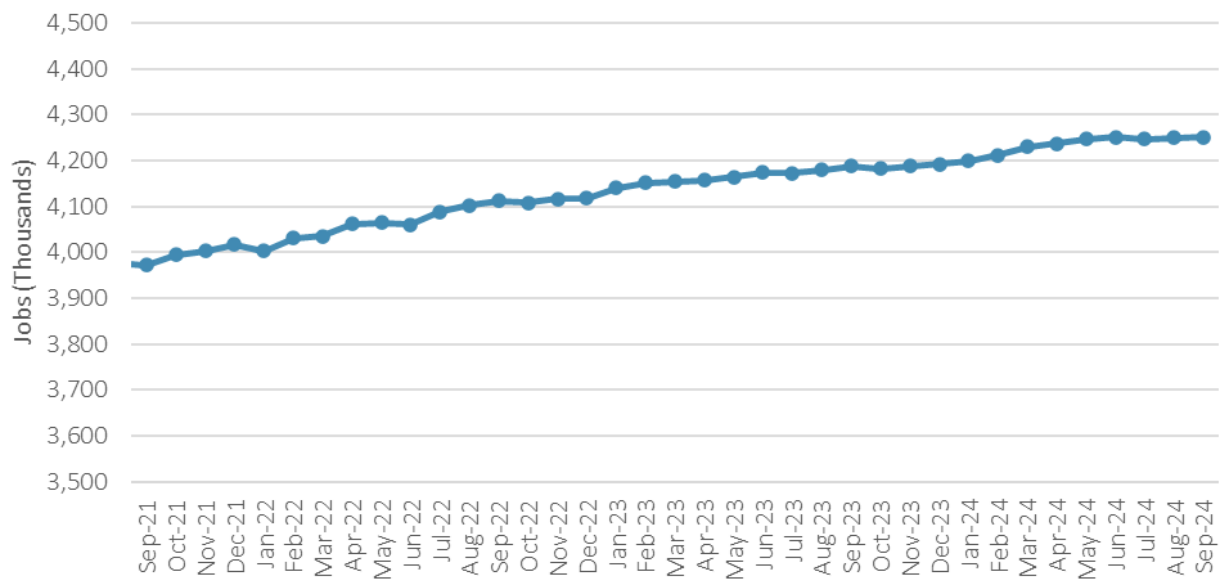
Economic Overview

Job growth resumed in Virginia but the pace of growth has slowed down a lot from the start of the year, and unemployment is inching up, signaling a cooling labor market. Mortgage rates have been climbing quickly since the end of September which could weaken housing market activity to close out the year.

Jobs

There were about 4.25 million jobs statewide in September 2024, which is approximately 2,100 more jobs than the revised total in August. The upward revisions to the August job totals mean that so far in 2024 the state has only had one month of declining employment (July). The remaining eight months saw job gains in the state, but importantly, the pace of growth has slowed down significantly since the start of the year.

Figure 1. Total Jobs in Virginia (in thousands)



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

The Information sector (+1,100 jobs) and the Federal Government sector (+1,100 jobs) had the largest gains this month. The Manufacturing sector also had strong growth (+800 jobs). The Leisure & Hospitality sector (-2,200 jobs) and the State Government sector (-1,800 jobs) shed the most jobs this month.

The Blacksburg region had the largest percentage gain of jobs this month (+0.8%), while the Harrisonburg area had the sharpest drop in jobs (-2.3%). The state's largest job market, Northern Virginia had about 3,300 fewer jobs in September than in August (-0.2%). Job growth in the Richmond region was relatively flat (+0.1%, +500 jobs).

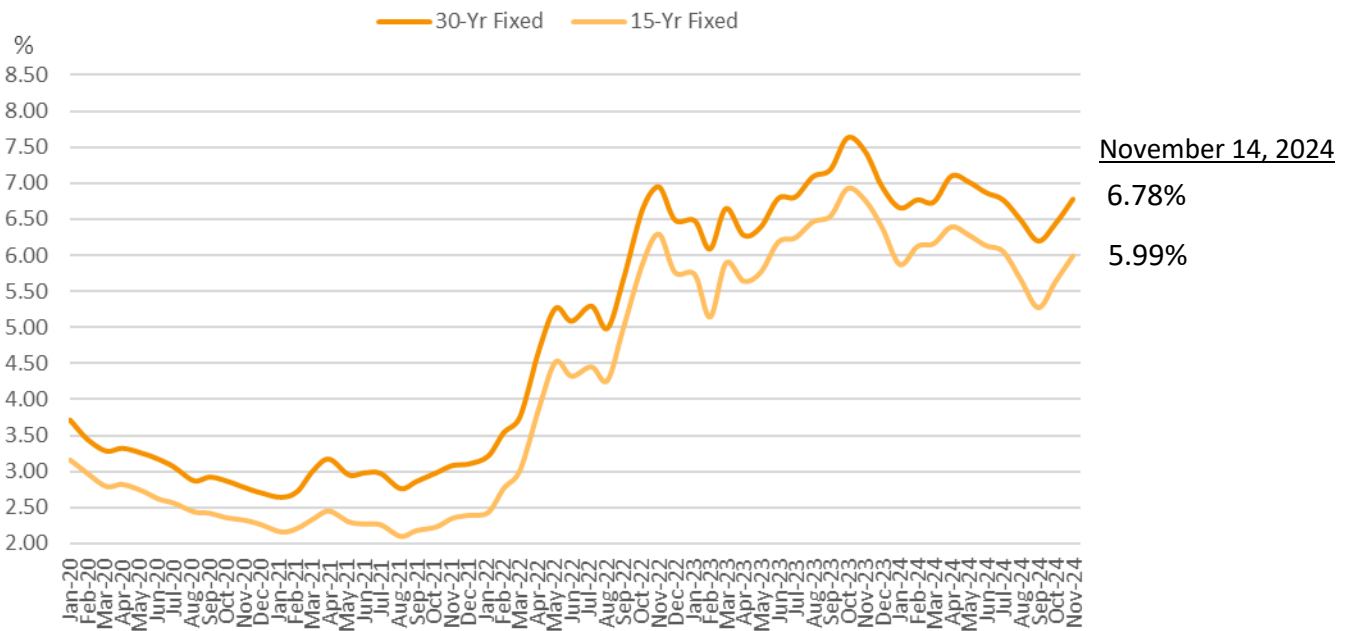
Unemployment

Virginia's unemployment rate continues to inch up. In September it was 2.9%, up from 2.8% unemployment in August. While the state's unemployment rate has risen slightly over the last two months it remains well below the national unemployment rate of 4.1% in September.

Mortgage Rates

Mortgage rates have risen each week since late September and flattened out in mid-November. The average rate for a 30-year fixed mortgage in the second week of November was 6.78%, up from 6.08% at the end of September, but down from 7.44% this time last year.

Figure 2. Mortgage Rates



Source: Freddie Mac

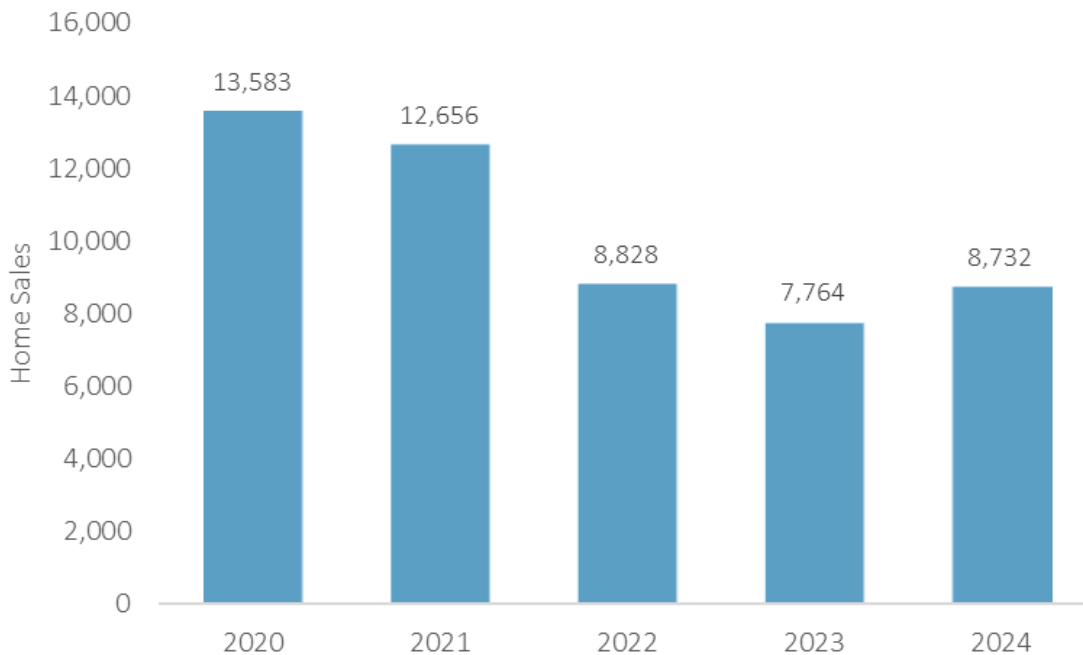
Housing Market Overview

It was a strong October in Virginia's housing market compared to where we were a year ago. Both closed sales and pending sales activity jumped up by double-digits, as did supply metrics likely new listings and active listings. Prices continue to climb in most areas, and homes are selling relatively quickly, although a few days longer than last year.

Sales

Falling mortgage rates in September led to a jump in buyer activity, as reflected in the surge in pending sales (new contracts) last month. This ushered in an influx of closed sales in October. There were 8,732 sales across Virginia in October, 968 more than a year ago, which is a 12.5% increase. This month reflects the largest increase in sales activity since April of this year, which also was preceded by a drop in mortgage rates in March. At the local level, about 6 out of every 10 counties and cities in the state (62%) had more sales in October than a year ago. The strongest gains in sales this month occurred in the Loudoun County market, the Winchester region, and the Virginia Peninsula area. There was a dip in sales in the Fredericksburg region and the New River Valley compared to last October.

Figure 3. Virginia Home Sales, October

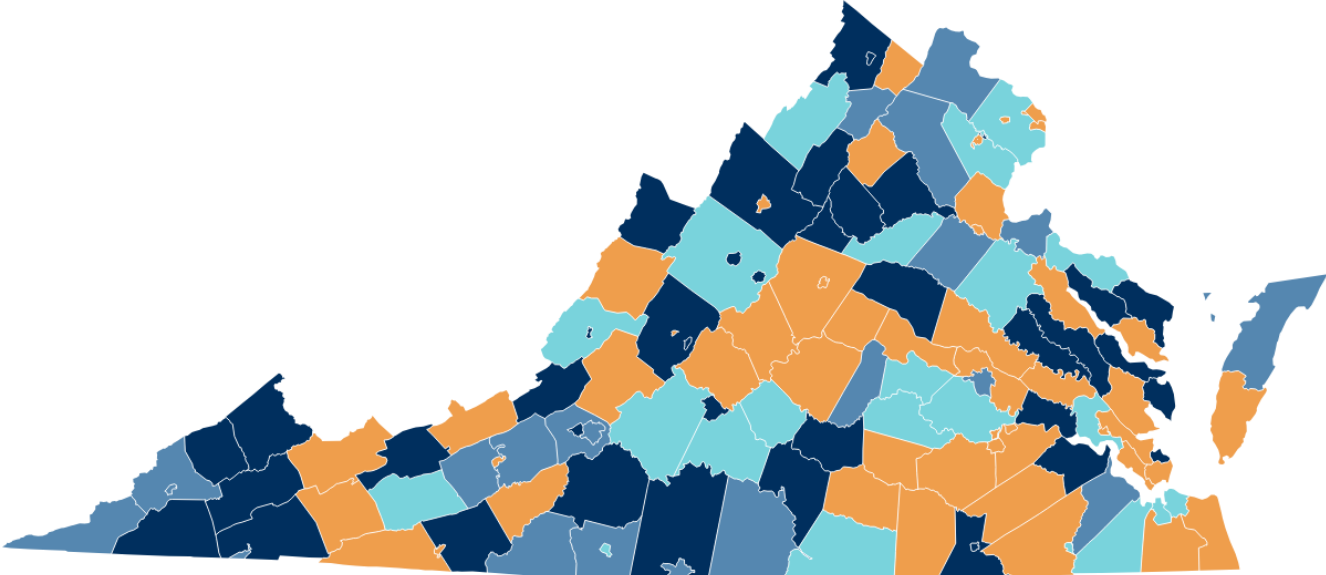


Source: Virginia REALTORS®, data accessed November 15, 2024

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

Change in Home Sales, 2023 to 2024

- more than 10% increase
- 5% to 10% increase
- no change to 5% increase
- decrease in sales



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

Home Prices

Prices continue to trend higher in most parts of Virginia’s housing market. The statewide median sales price in October was \$415,000, jumping \$25,000 from a year ago, a 6.4% increase. Home price growth has been strong this year even with little improvement in mortgage rates due to the supply/demand imbalance in the market. Approximately 7 out of every 10 counties and cities in Virginia had a higher median sales price in October compared to last year (70%). The sharpest median price growth this month was in the Staunton region, the Chesapeake Bay & Rivers market, and the Martinsville area. The median price inched down in the Winchester area and the Williamsburg region.

The average-sold-to-list price ratio in Virginia’s housing market was 99.6% in October, down slightly from September, but still relatively high. Homes that sold for \$400K or above had an average-sold-to-list price ratio above 100%, indicating that sellers received above asking price, on average.

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



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

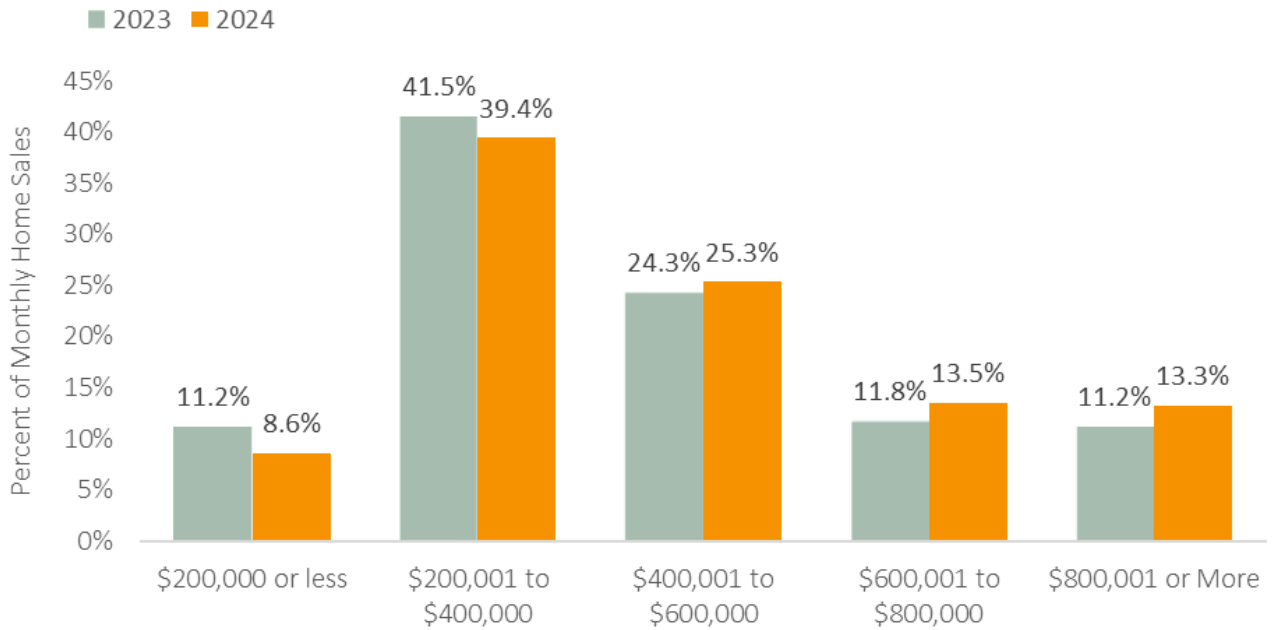
Figure 6. Average Sold-to-List Price Ratio, October 2024

| Price Range | Ratio |
|------------------------|--------|
| \$200,000 or less | 95.8% |
| \$200,001 to \$400,000 | 99.5% |
| \$400,001 to \$600,000 | 100.0% |
| \$600,001 to \$800,000 | 100.4% |
| \$800,001 or More | 100.7% |
| All price levels | 99.6% |

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

The largest share of closed sales in October were in the \$200K-\$400K range (39.4% of all sales), but this is down from last year, and has been getting smaller over time as prices trend higher. Price points above \$400K continue to make up a larger share of sales than last year. About a quarter of all sales were in the \$400K-\$600K range statewide (25.3%), and another quarter were priced above \$600K (26.8%).

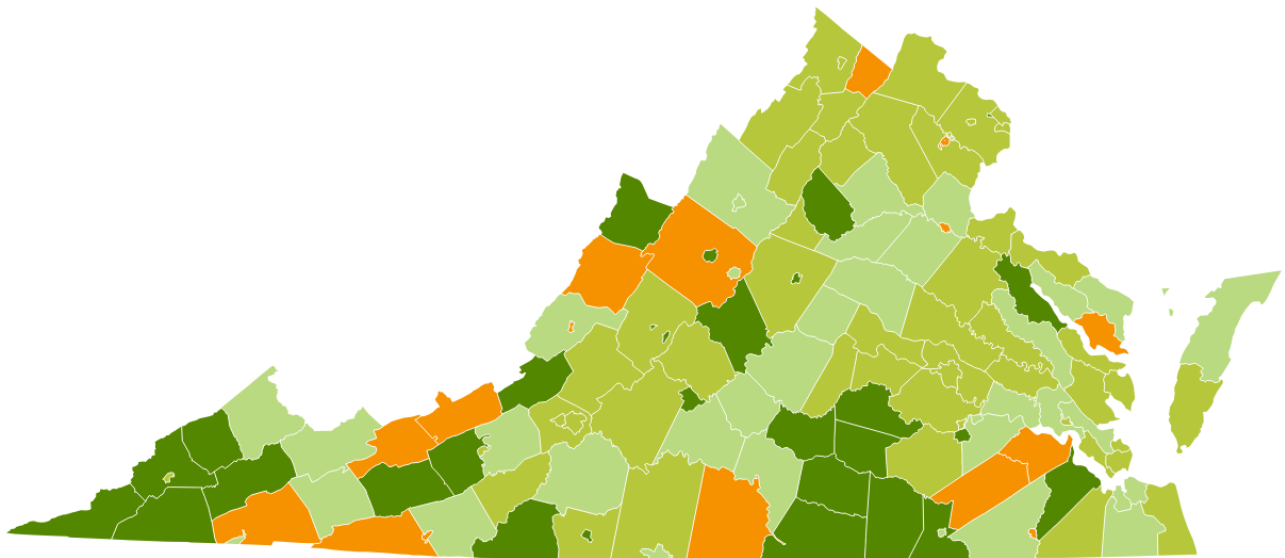
Figure 7. Sales by Price Range, October



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

**Figure 8. County/City Median Home Sales Price, October YTD
Change in Median Sales Price, 2023 to 2024**

- more than 10% increase
- 5% to 10% increase
- no change to 5% increase
- decrease in median price

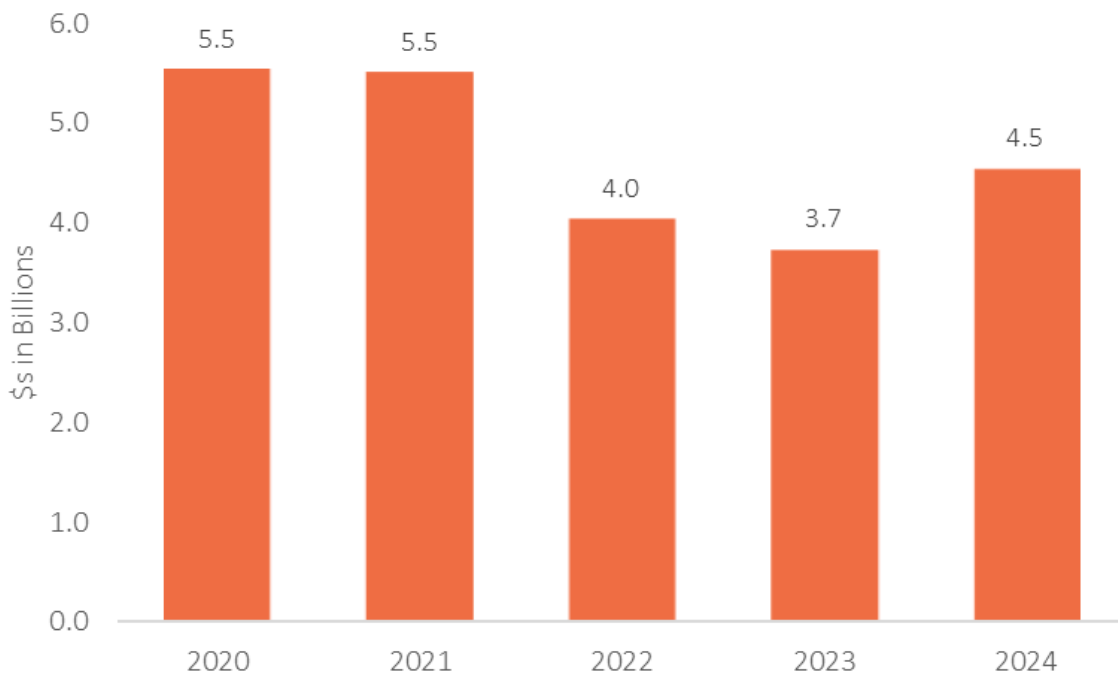


Source: Virginia REALTORS®, data accessed November 15, 2024

Sold Volume

With more homes sold and higher prices, the sold dollar volume surged in October. There was about \$4.54 billion of sold volume across all housing markets in the commonwealth. This is an influx of more than \$800 million from October of last year, a 21.6% jump. Sold dollar volume has been rising sharply most months so far in 2024. Cumulative sold volume year-to-date in October is up 9.4% over this time last year, while cumulative closed sales during the same time period are only up 2.6%. The strong sold volume growth is mostly being driven by higher prices in the market.

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

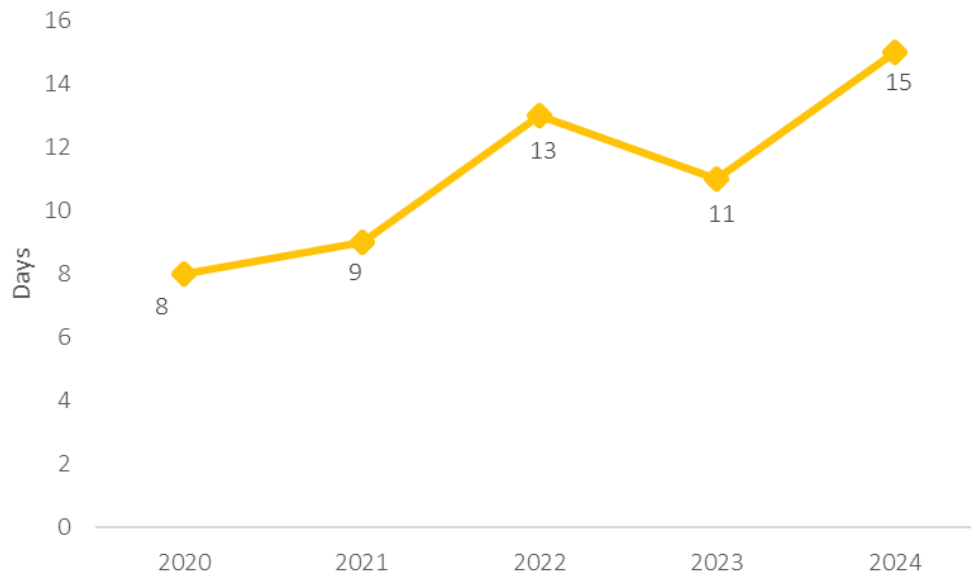


Source: Virginia REALTORS®, data accessed November 15, 2024

Days on Market

Homes are still selling relatively quickly but are staying on the market a bit longer than last year. The statewide median days on market in October was 15 days. This is four days slower than last October. Homes sold in about a week (8 days) in the Northern Virginia, Charlottesville, and Harrisonburg markets in October. Homes were on the market about a week and a half in the Richmond region (10 days). In the Hampton Roads region, homes were on the market three weeks (21 days).

Figure 10. Median Days on Market, October

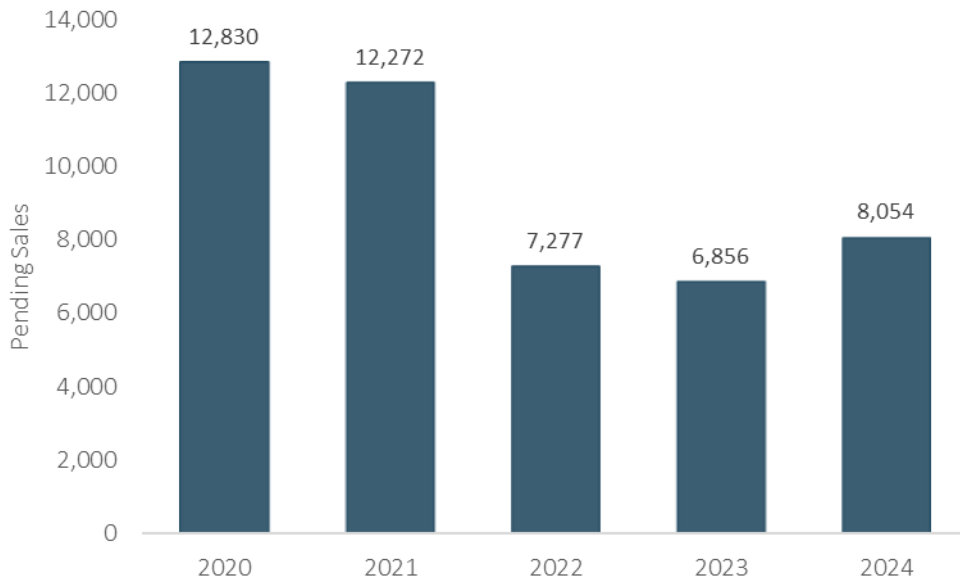


Source: Virginia REALTORS®, data accessed November 15, 2024

Pending Sales

Pending sales activity continues to surge compared to last year in Virginia. There were 8,054 pending sales throughout the state in October, an influx of nearly 1,200 pending sales than last year, which is a 17.5% jump. Average mortgage rates for a 30-year fixed loan were still in the low to mid-6% range for much of October which likely brought buyers off the sidelines. It's also important to note that last October was the slowest October in more than a decade for pending sales activity as mortgage rates climbed into the upper 7% range, so part of the large jump this month is due to the fact that last year was unusually slow.

Figure 11. Pending Sales, October



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

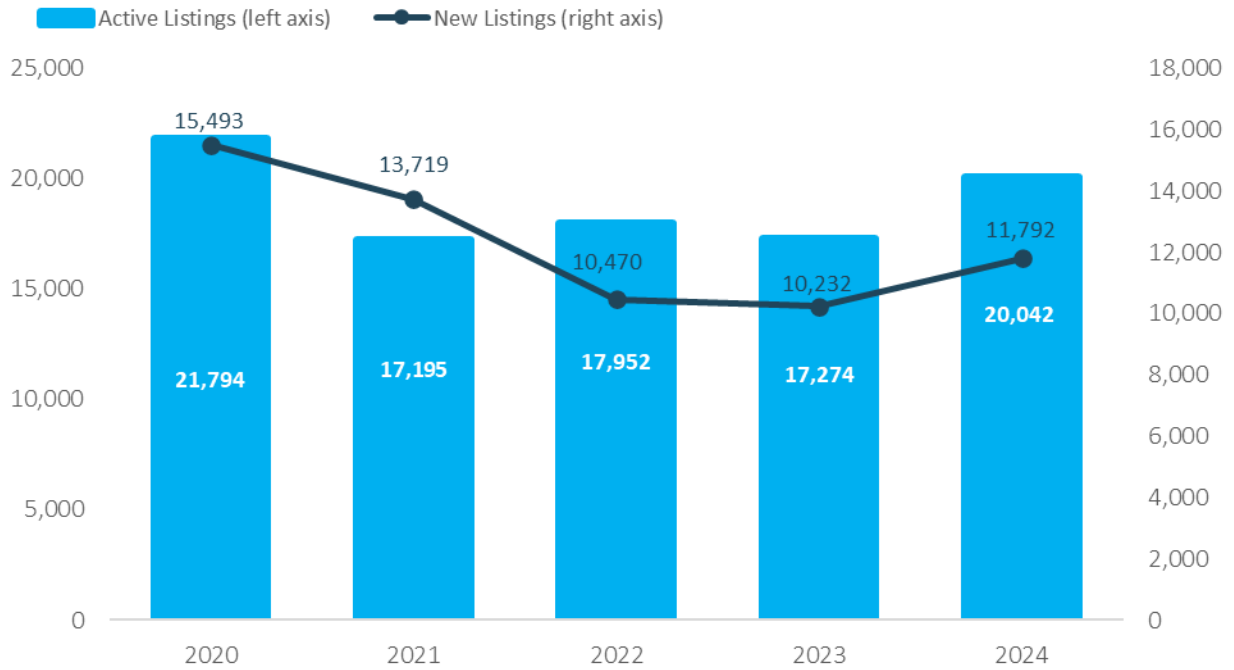
New Listings

New listing growth remains a key trend in the 2024 housing market in Virginia. There were 11,792 new listings across the state in October, up 15.2% from last year, an increase of more than 1,500 new listings. More new listings have been hitting the market almost every month so far this year, reflecting that sellers are starting to come off the sidelines as pent-up demand from move-up buyers mounts.

Active Listings

There were 20,042 active listings on the market in Virginia at the end of October, a 16% influx from a year ago, which is 2,768 more listings. Virginia's housing market has not had more than 20,000 active listings in nearly four years, a clear signal that inventory conditions are improving, albeit slowly.

Figure 12. Inventory, October

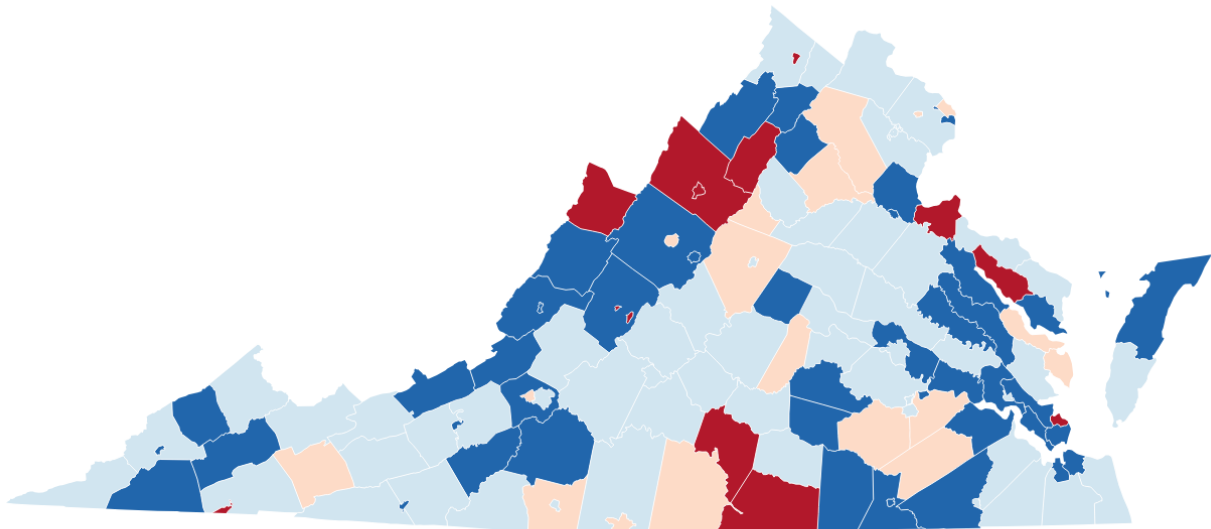


Source: Virginia REALTORS®, data accessed November 15, 2024
 Note: Active listings at the end of the month

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

Change in Month End Inventory, 2023 to 2024

- more than 20%
- 1% to 20%
- no change to -20%
- -20% or less

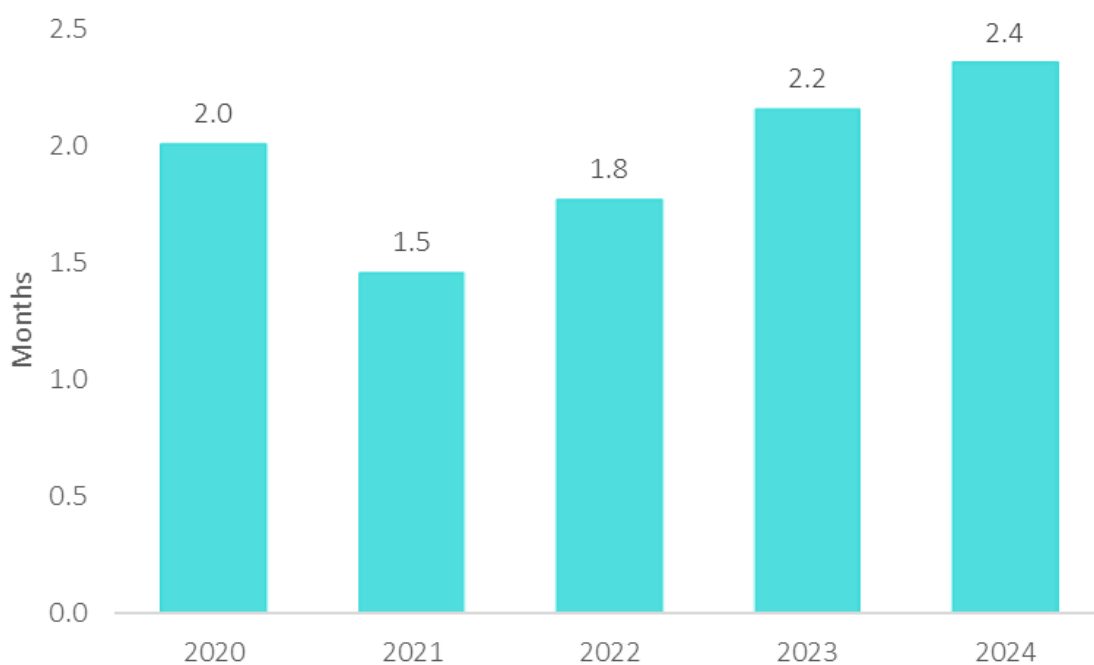


Source: Virginia REALTORS®, data accessed November 15, 2024

Most local markets in the state had more active listings at the end of October than a year ago (74%), reflecting that the influx of inventory is a widespread trend, not a localized trend. The biggest jump in active listings this month occurred in the Eastern Shore market, the Roanoke Valley, and the Williamsburg region. The number of active listings declined from last October in the Harrisonburg area, and parts of Southside Virginia.

There was approximately 2.4 months of supply in Virginia’s housing market in October 2024, up from 2.2 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, October



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

Outlook

It was a busy October in Virginia’s housing market, but will it continue? Here are some key things to watch as the autumn market progresses:

- We are in a highly rate-sensitive market on both sides of the table given the higher price points and much higher mortgage rates than a few years ago. Climbing mortgage rates will likely deter activity, and falling rates will spur more activity. Mortgage rates have been trending up since September and this could keep some sellers and buyers on the sidelines in the coming month or two until the upward trend pivots downward.

- The supply in Virginia's housing market is still tight but there is mounting evidence that conditions are stabilizing. There was 2.4 months of supply in October statewide, the most supply Virginia has had in more than four years. More new listings are coming onto the market each month, and overall active listings continue to build as a result. Given the pent-up demand that exists in the market, any improvement to mortgage rates coupled with more options from the growing inventory will likely facilitate more sales activity.



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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