

SPLLAR SOUTHERN PIEDMONT HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

SPLLAR Home Sales Report

Second Quarter 2023

Southern Piedmont Land & Lakes Association of REALTORS®

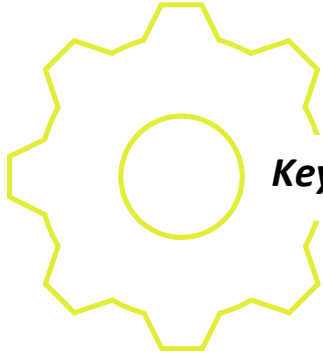
Market Report Key Takeaways

Economic Conditions

- Virginia's job base continues to expand, which generates demand for housing. There were approximately 6,900 jobs added to Virginia's economy between April and May 2023.
- The statewide unemployment rate in Virginia was 2.7% in May 2023 (not seasonally adjusted), which is down from 2.9% a year ago. In the SPLLAR region, the unemployment rate was 3.4% in May, down from 3.6% a year ago.
- Mortgage rates continue to fluctuate widely. In the third week of July 2023, the average rate on a 30-year fixed mortgage was 6.78%, which is down from 6.96% the week prior.

Housing Market Conditions

- Sales activity continues to trend slower than last year in the SPLLAR housing market. There were 112 homes sold across the region in the second quarter, down 2% from last year.
- The median sales price in the SPLLAR footprint was \$193,850 during the second quarter, inching up 1% from last year, a \$2,350 gain.
- There were 234 active listings on the market in the SPLLAR region at the end of the second quarter, 36 more listings than a year ago, which is an 18% supply increase.



Key Trends Dashboard, SPLLR

Economy



3.4%

Is the May-2023 **unemployment rate** in the SPLLR footprint, which is down from May-2022



6.78%

Is the **30-year fixed-rate mortgage rate** during the third week of July 2023, which is up from 5.54% a year ago

Housing Market



-2

Fewer **home sales** in the SPLLR footprint in Q2-2023 compared to last year



1%

Percent change in **median sales price** in the SPLLR region in Q2-2023 compared to a year ago



\$1.1

Million dollars more in total **sold volume** in the SPLLR footprint in Q2-2023 compared to last year



18%

Percent change in **active listings** at the end of Q2-2023 in the SPLLR market compared to a year ago



6.4

Months of supply in the SPLLR footprint in Q2-2023, which is up from a year ago

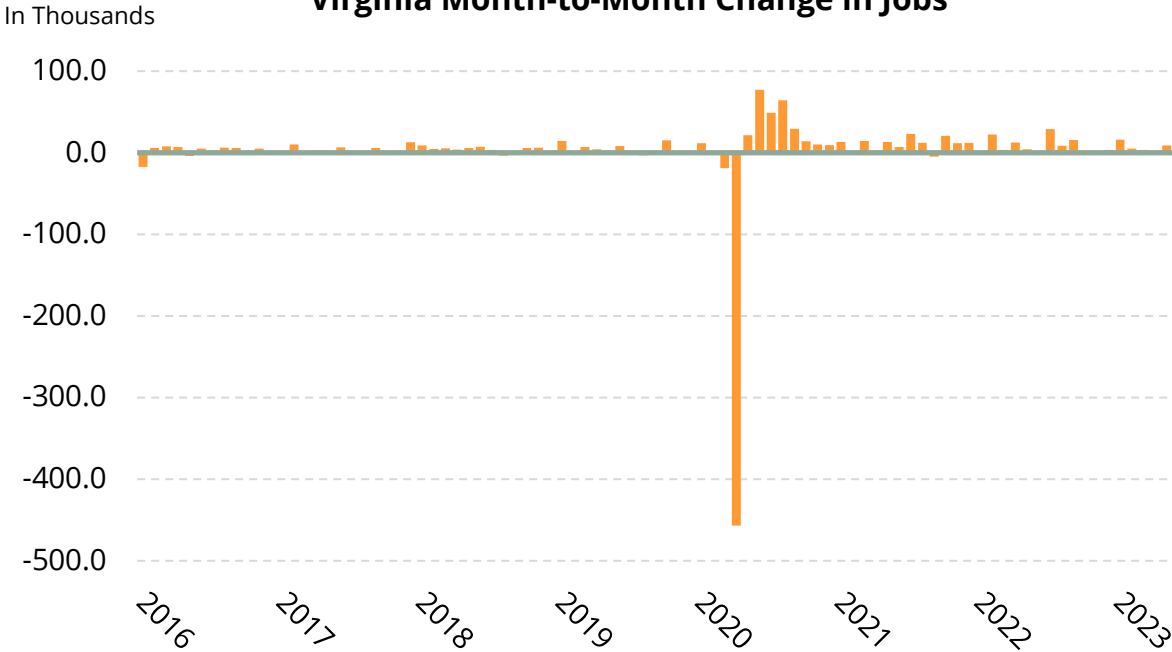
Economic Overview

Inflation continues to march downward but is still hovering above target levels. The Federal Reserve hiked rates again at its July 2023 meeting to continue combating inflation. This could slow the economy further and soften what has been a very resilient job market.

Jobs

In May 2023, there were approximately 4.15 million jobs in Virginia, which is about 6,900 more jobs than the revised April 2023 total. The job market in Virginia and in many parts of the country has been resilient even as economic headwinds mount. Virginia’s job base has been expanding steadily over the last few years, faster than some of our neighbors to the north (MD, DC) and west (WV), but slower than places to the south (NC, TN). Most of the jobs added between April and May 2023 in Virginia were Professional and Technical Services jobs (+3,300), Construction jobs (+2,600), and Health Care and Social Assistance jobs (+1,600). The Other Services sector shed the most jobs over the past month (-1,700). This sector includes a wide range of service-related jobs such as personal care services, pet care services, and housekeeping, among others.

Figure 1
Virginia Month-to-Month Change in Jobs

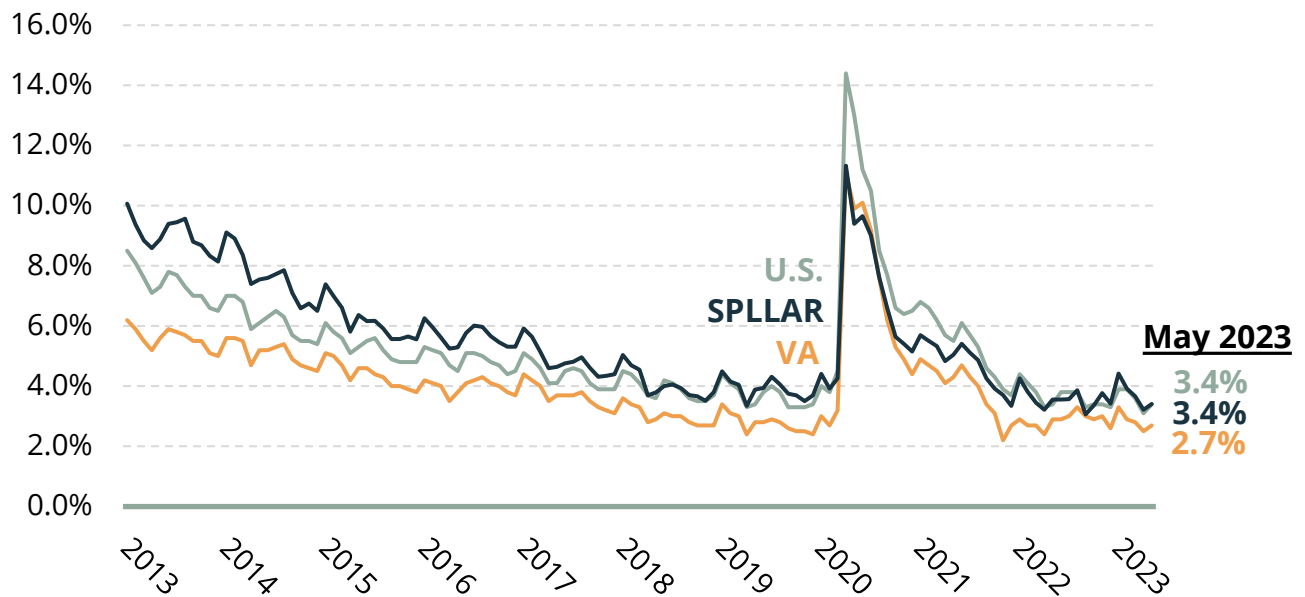


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

Unemployment

The labor market in Virginia continues to be tight as unemployment lingers below 3%. The May unemployment rate in Virginia was 2.7% (not seasonally adjusted), which is down from 2.9% in May of last year. In the SPLLAR region, the May unemployment rate was 3.4%, which is down from 3.6% a year ago.

Figure 2
Unemployment Rate



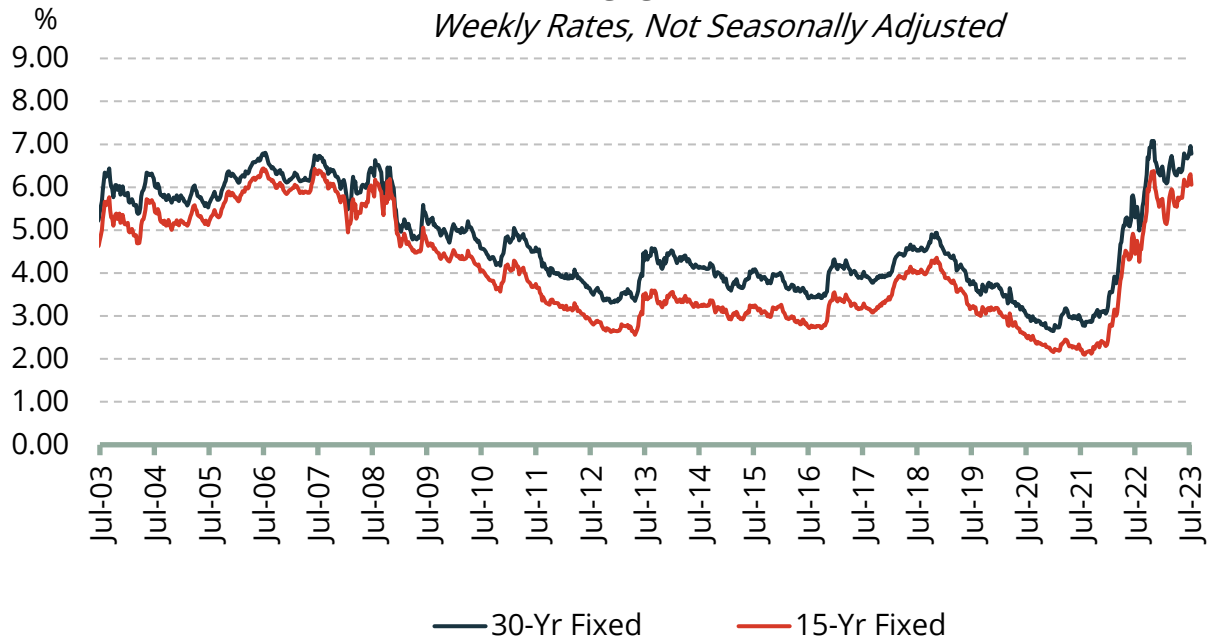
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Mortgage Rates

Mortgage rates continue to be volatile. The average rate for a 30-year fixed mortgage in the United States as of July 20 was 6.78%. This is down from 6.96% the previous week but is up from 6.67% this time last month. The rate volatility will likely remain a factor in the coming months, though many expect rates will trend downward over time.

Figure 3
Mortgage Interest Rates

Weekly Rates, Not Seasonally Adjusted



Source: Freddie Mac

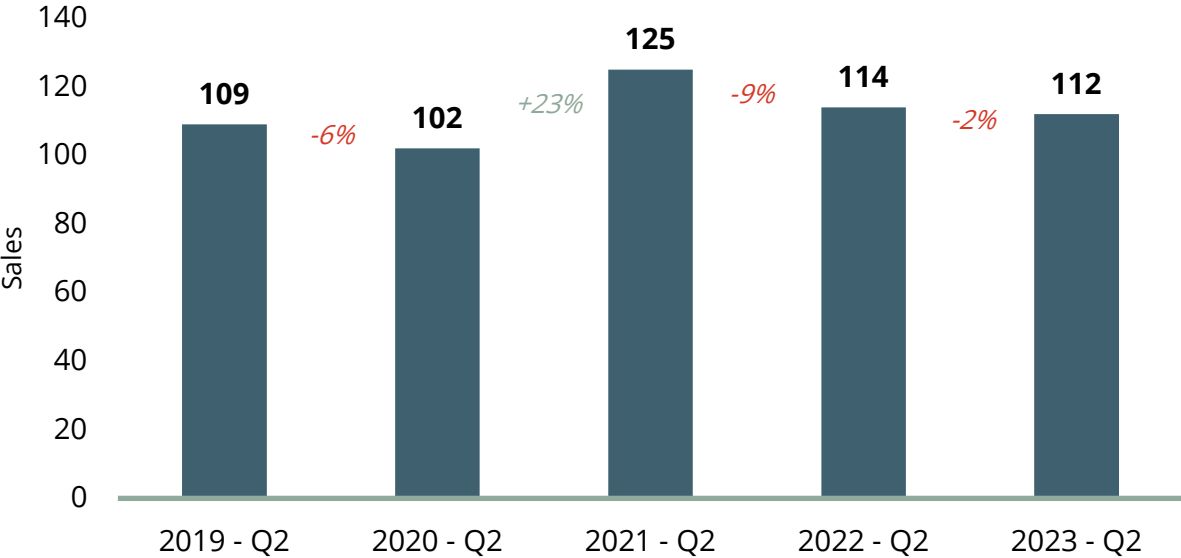
Housing Market Overview

Midway through 2023, the SPLLR housing market continues to be slower than last year. Sales activity was down modestly, but prices are trending up, which led to a bump in sold dollar volume in the region. It's taking slightly longer to sell homes on average, and the supply of active listings continues to build up, expanding for the third straight quarter.

Sales

During the second quarter of 2023 there were 112 homes sold across the SPLLR footprint. This is two fewer sales than a year ago, a modest 2% decline in sales activity. The SPLLR housing market has been slowing now for a year and a half. The slowdown in market activity is being driven by a combination of factors, but one of the main reasons is rising interest rates. The dramatic rise in mortgage rates over the last year and a half has also created a "lock-in effect" in which would-be sellers have little incentive to sell their homes and lose the ultra-low mortgage rates that many homeowners locked into during the 2020 and 2021 refinance boom.

Figure 4
Second Quarter Home Sales, SPLLR
2019-2023



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



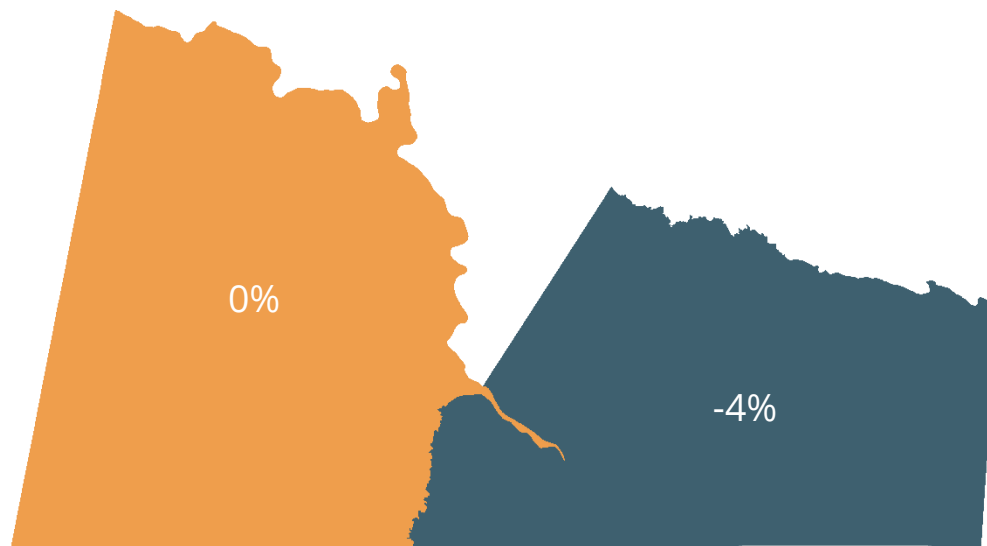
Local Snapshot – Total Home Sales

Halifax County: There were 64 sales in Halifax County during the second quarter. The number of sales was unchanged from last year.

Mecklenburg County: Sales were down in Mecklenburg County. In the second quarter, there were 48 sales in the county, two fewer sales than a year ago, a 4% dip.

Figure 5
Change in Sales by Jurisdiction
SPLLAR

Second Quarter 2022 to Second Quarter 2023



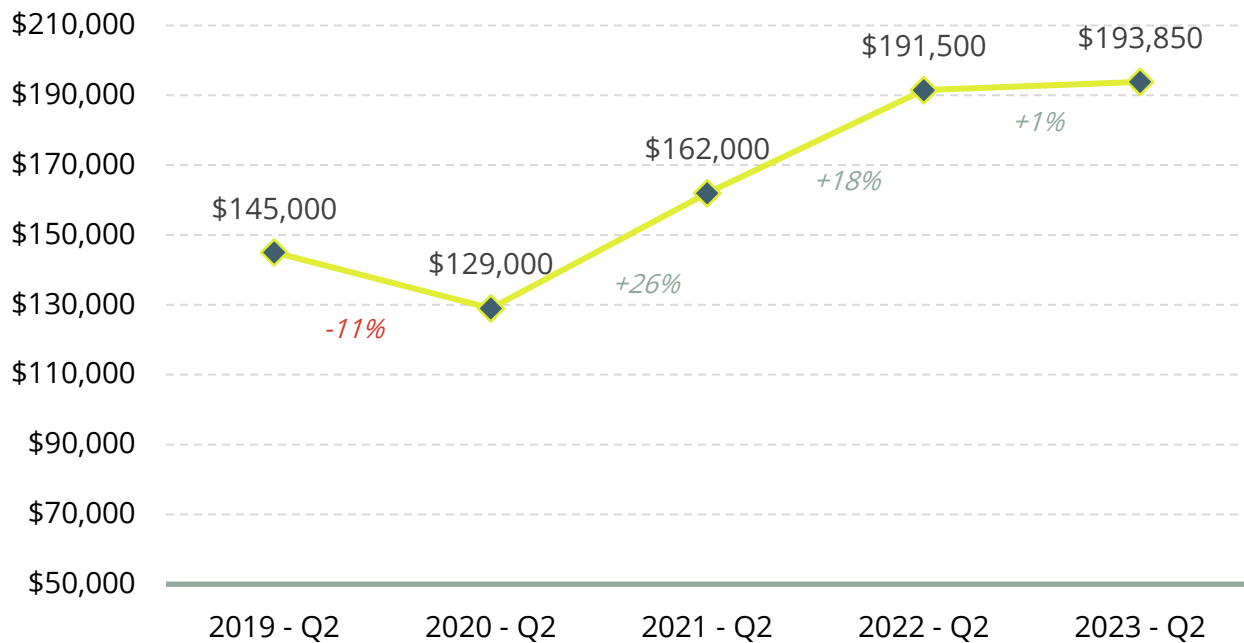
<i>Jurisdiction</i>	<i>2022 - Q2</i>	<i>2023 - Q2</i>	<i>% Change</i>
Halifax County	64	64	0%
Mecklenburg County	50	48	-4%

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

Sales Prices

The regionwide median sales price in the SPLLAR market was \$193,850 in the second quarter, inching up 1% from last year, a gain of \$2,350. The regionwide median sales price has been trending up for six consecutive quarters compared to the prior year. The median price rose in both local markets in the footprint this quarter. Statewide, median sales price in the second quarter of 2023 was \$388,825, which is up 2% from a year ago.

Figure 6
Second Quarter Median Sales Price, SPLLAR
2019-2023



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

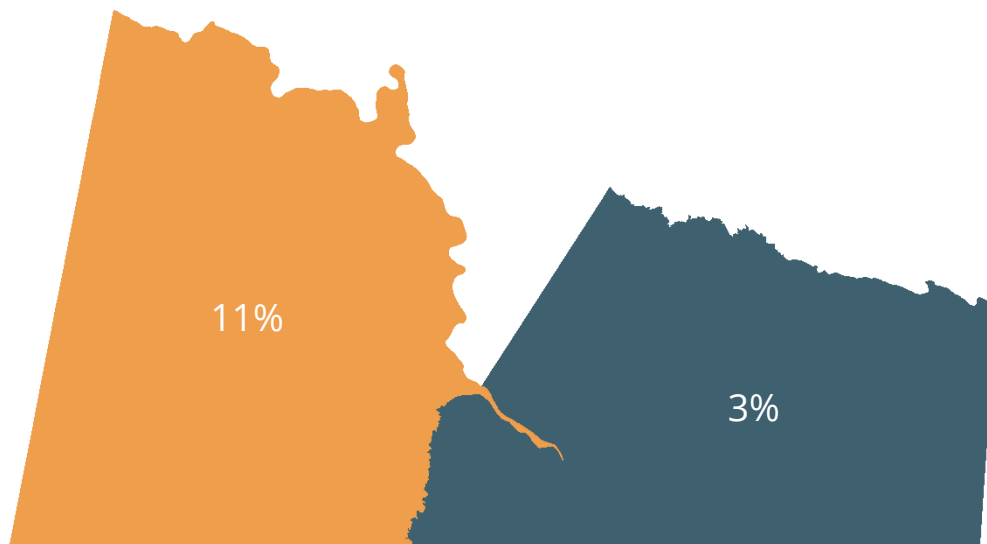


Local Snapshot – Median Sales Price

Halifax County: In Halifax County, the median sales price was \$170,000 during the second quarter, \$17,500 higher than a year earlier, an 11% increase.

Mecklenburg County: The sales price for a home in Mecklenburg County went up this quarter. The median sales price was \$222,500 during the second quarter, 3% more than the previous year, a \$6,400 rise in price.

Figure 7
Change in Median Sales Price by Jurisdiction
SPLLAR
Second Quarter 2022 to Second Quarter 2023



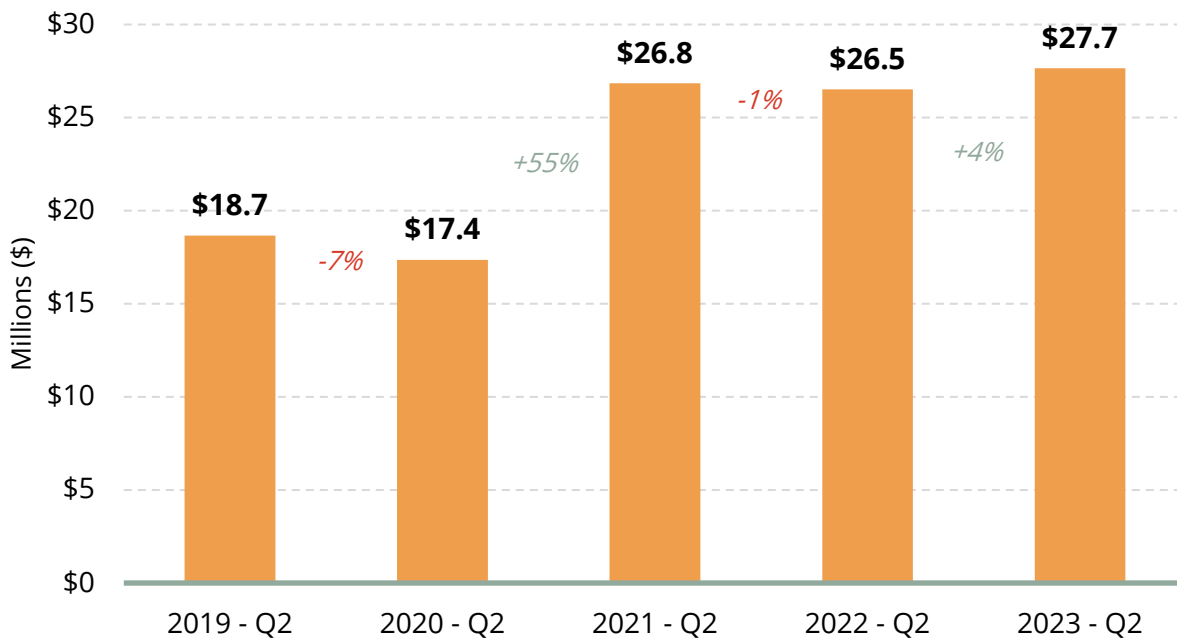
<i>Jurisdiction</i>	<i>2022 - Q2</i>	<i>2023 - Q2</i>	<i>% Change</i>
Halifax County	\$152,500	\$170,000	11%
Mecklenburg County	\$216,100	\$222,500	3%

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

Sold Volume

Even with the small dip in sales activity, climbing home prices brought up the total sold dollar volume in the region this quarter. There was about \$27.7 million of sold volume across the SPLLAR market during the second quarter of 2023, which is approximately \$1.2 million more volume than the second quarter last year, a 4% increase. The SPLLAR region is one of only a few in Virginia that had a bump in sold volume in the second quarter compared to last year.

Figure 8
Second Quarter Sold Dollar Volume (Millions), SPLLAR
2019-2023



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

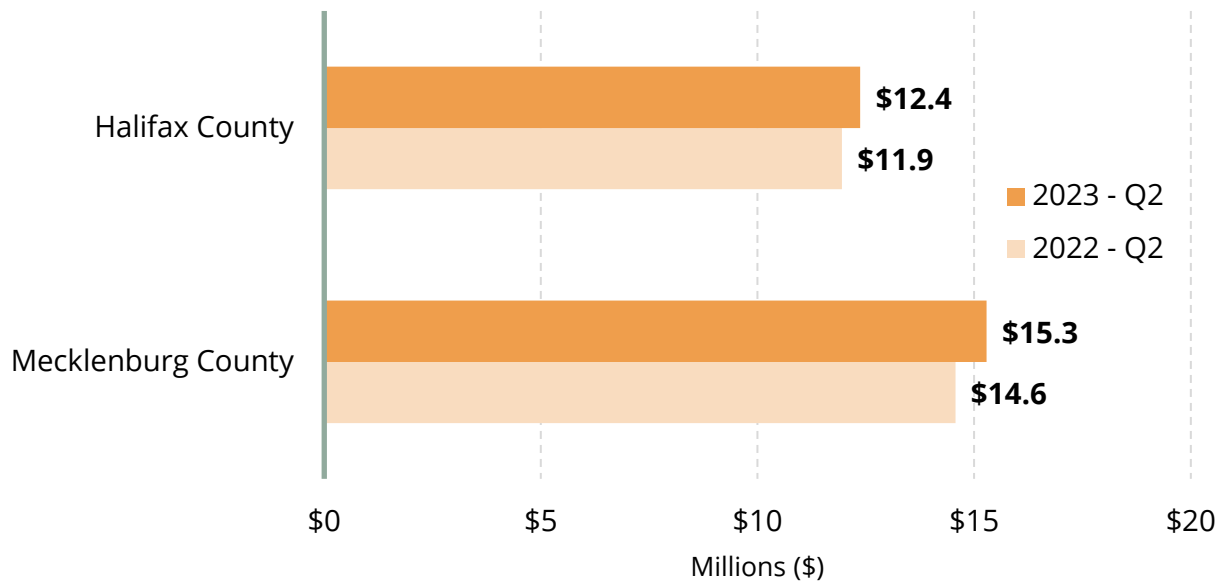


Local Snapshot – Sold Dollar Volume

Halifax County: The jump in sales price led to more sold dollar volume in Halifax County. There was about \$12.4 million of sold volume during the second quarter, up 4% from the year before, a \$420,843 gain.

Mecklenburg County: Total sold dollar volume was \$15.3 million during the second quarter in Mecklenburg County, \$720,200 more than the year prior, rising by 5%.

Figure 9
Second Quarter Sold Dollar Volume, SPLLAR Jurisdictions
2022 and 2023

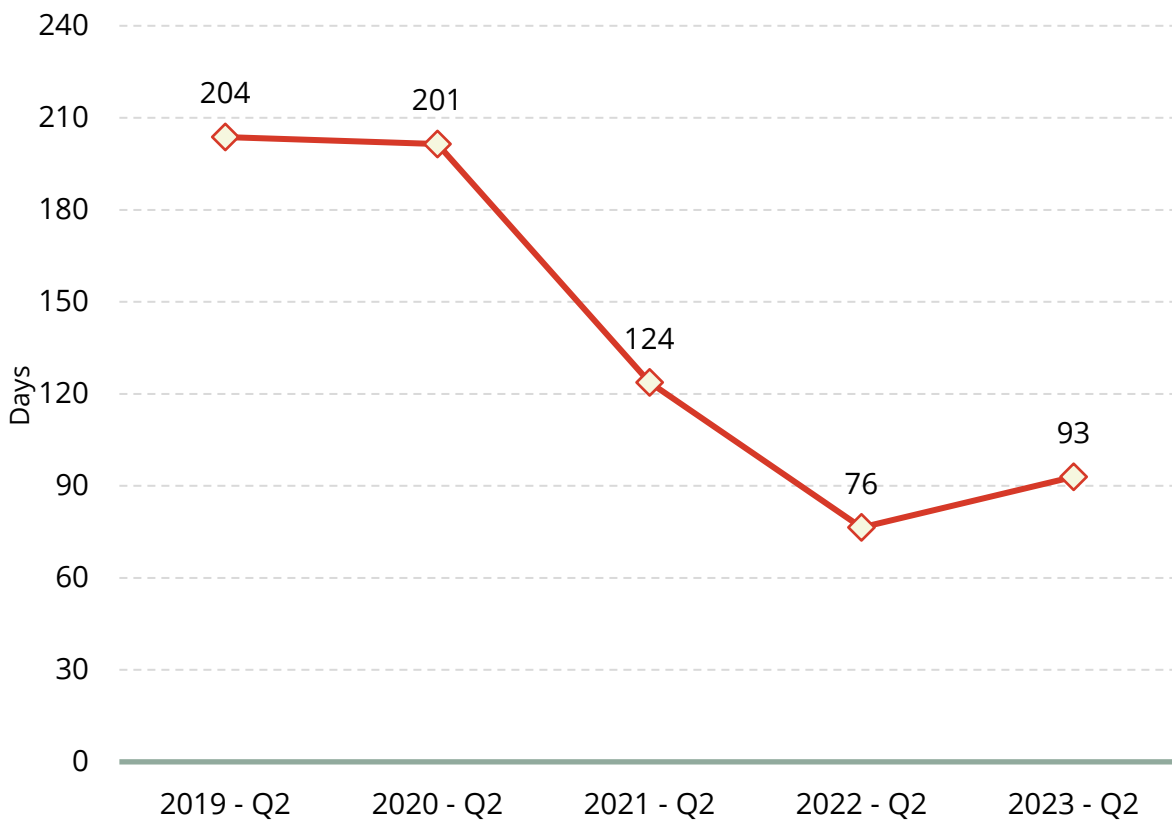


Source: Virginia REALTORS®, data accessed July 15, 2023

Days on Market

Homes that sold in the SPLLAR housing market during the second quarter of 2023 were on the market 93 days on average. This is 17 days longer than the second quarter of 2022, the first time this metric has increased in about three years in the region. At the state level, the average days on market this quarter was 23 days, which is six days longer than the second quarter of 2022.

Figure 10
Second Quarter Average Days on Market, SPLLAR
2019-2023



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

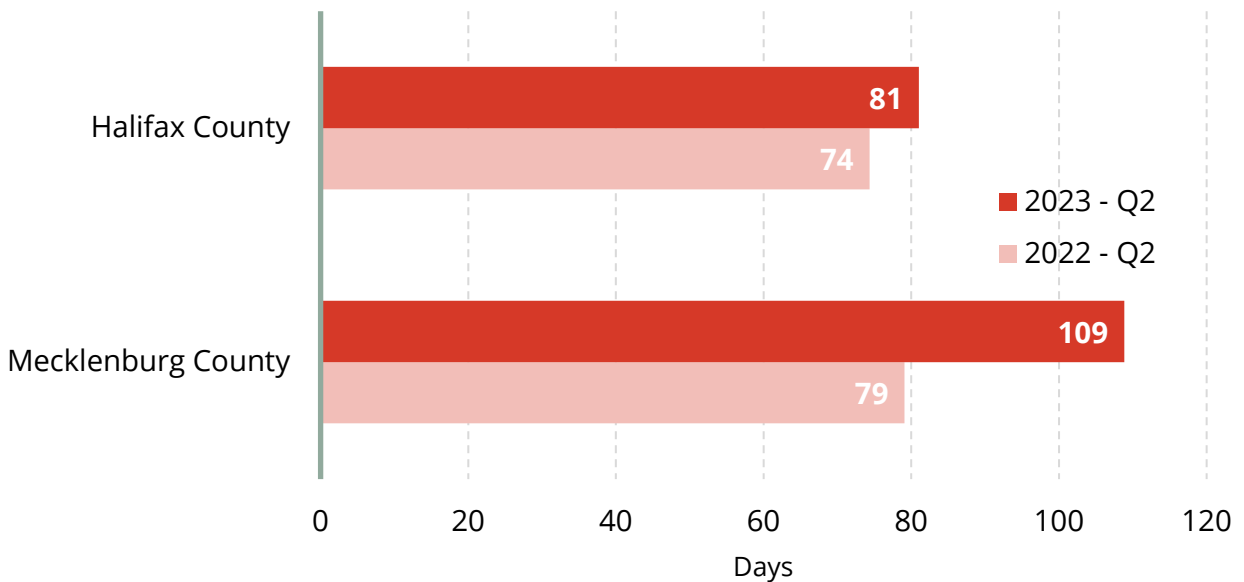


Local Snapshot – Average Days on Market

Halifax County: At 81 days, the average days on market in Halifax County during the second quarter was seven days longer than the previous year.

Mecklenburg County: Homes took longer to sell in Mecklenburg County. In the second quarter, the average days on market was 109 days in the county, 30 days slower than a year earlier.

Figure 11
Second Quarter Average Days on Market , SPLLAR Jurisdictions
2022 and 2023



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

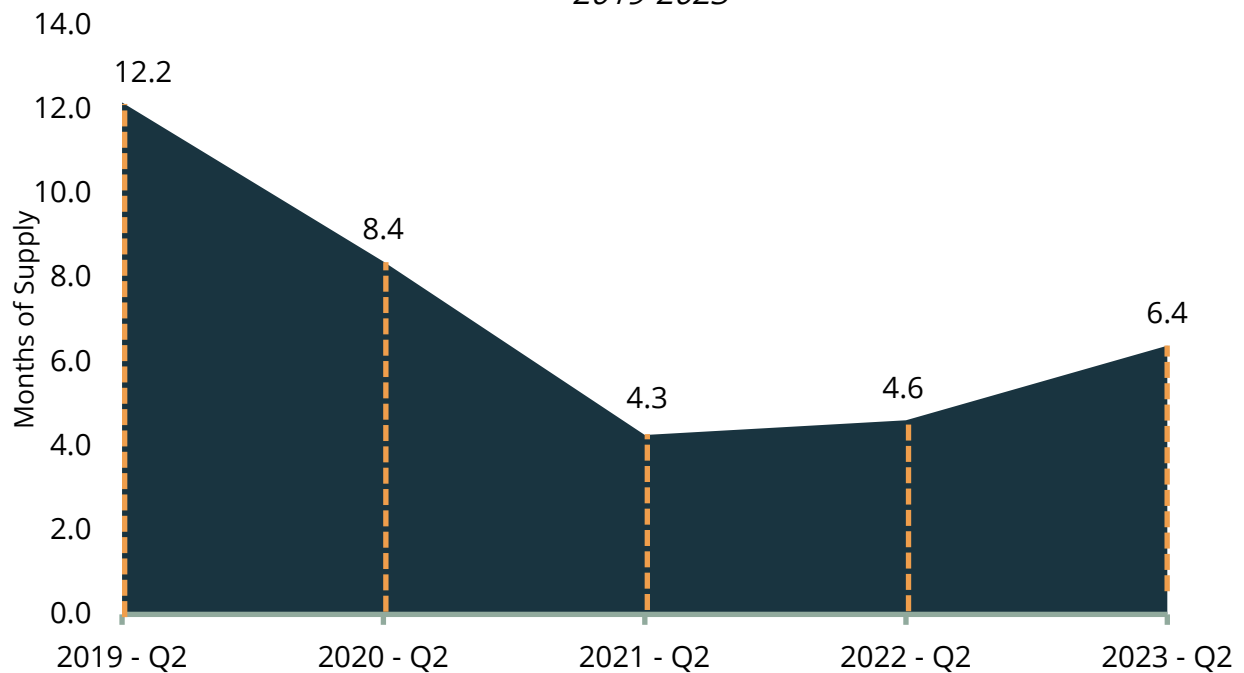
Inventory

Supply in the SPLLAR housing market continues to grow. There were 234 homes listed for sale at the end of the second quarter, 36 more listings than a year ago, which is an 18% increase. All of the additional listings this quarter were in the Mecklenburg County market.

There were 16,246 active listings across Virginia at the end of the second quarter. This is 3,129 fewer listings than a year ago, representing a 16.1% decrease.

There was 6.4 months of supply at the end of the second quarter in the SPLLAR footprint, which is up from 4.6 months of supply a year ago. The months of supply metric is calculated by taking the average monthly sales over the preceding 12-month period and dividing it by the inventory of active listings. Statewide, there was 1.8 months of supply at the end of the second quarter.

Figure 12
End of Second Quarter Months Supply, SPLLAR
2019-2023



Source: Virginia REALTORS[®], data accessed July 15, 2023

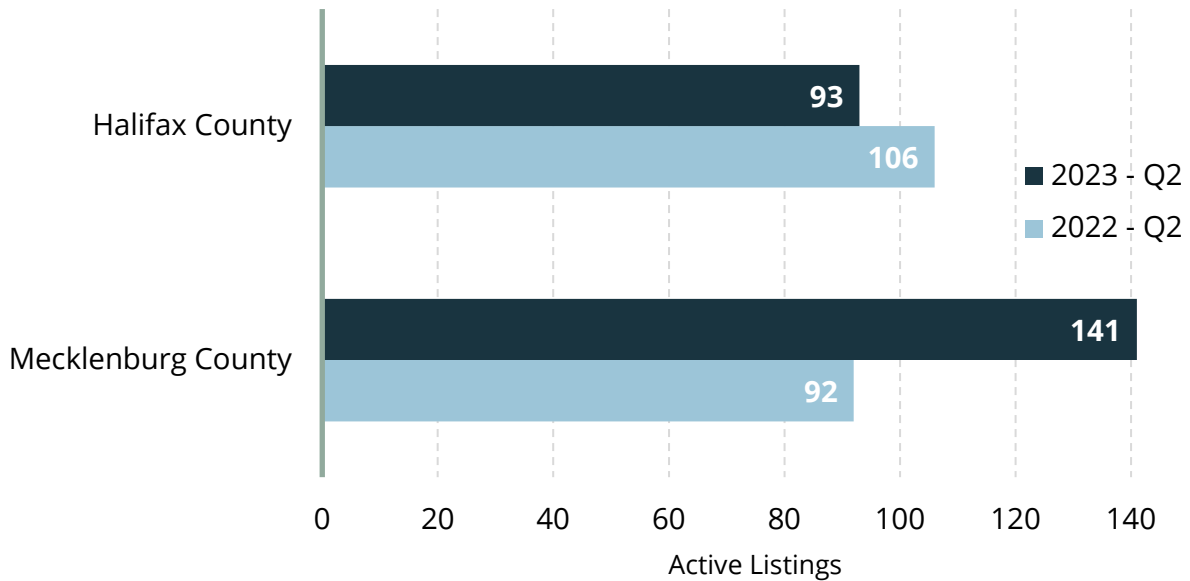


Local Snapshot – Active Listings

Halifax County: At the end of the second quarter, there were 93 active listings in Halifax County, down 12% from last year, which is 13 fewer listings.

Mecklenburg County: The number of listings grew as supply increased this quarter. There were 141 active listings on the market in Mecklenburg County at the end of the second quarter, jumping by 53% from a year ago, an additional 49 listings.

Figure 13
End of Second Quarter Active Listings , SPLLAR Jurisdictions
2022 and 2023



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



The Virginia REALTORS® association is the largest professional trade association in Virginia, representing 35,000 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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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.