



2025 Temperature Check

Economic Conditions

Migration Patterns

Housing Markets

VML Small Towns Conference

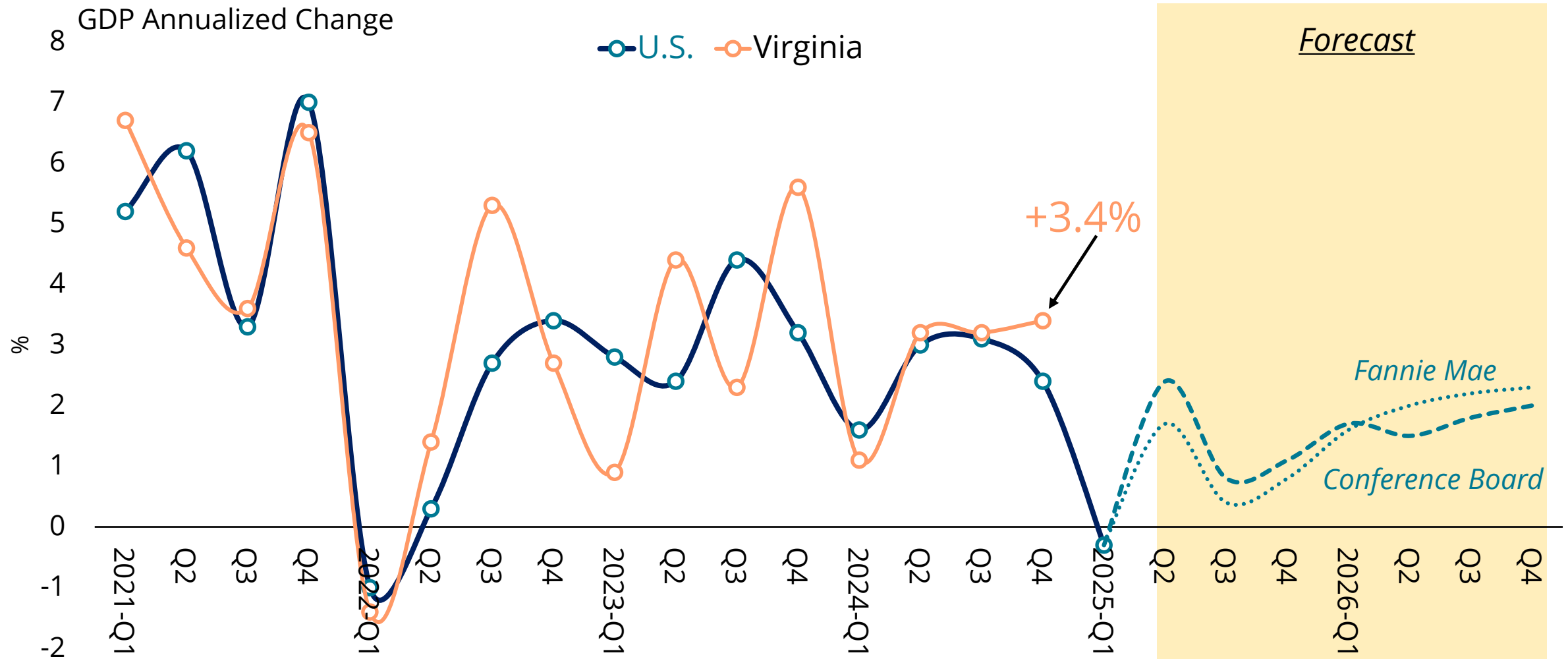
June 5, 2025

Ryan Price, Chief Economist, Virginia REALTORS®



ECONOMIC & MIGRATION TRENDS

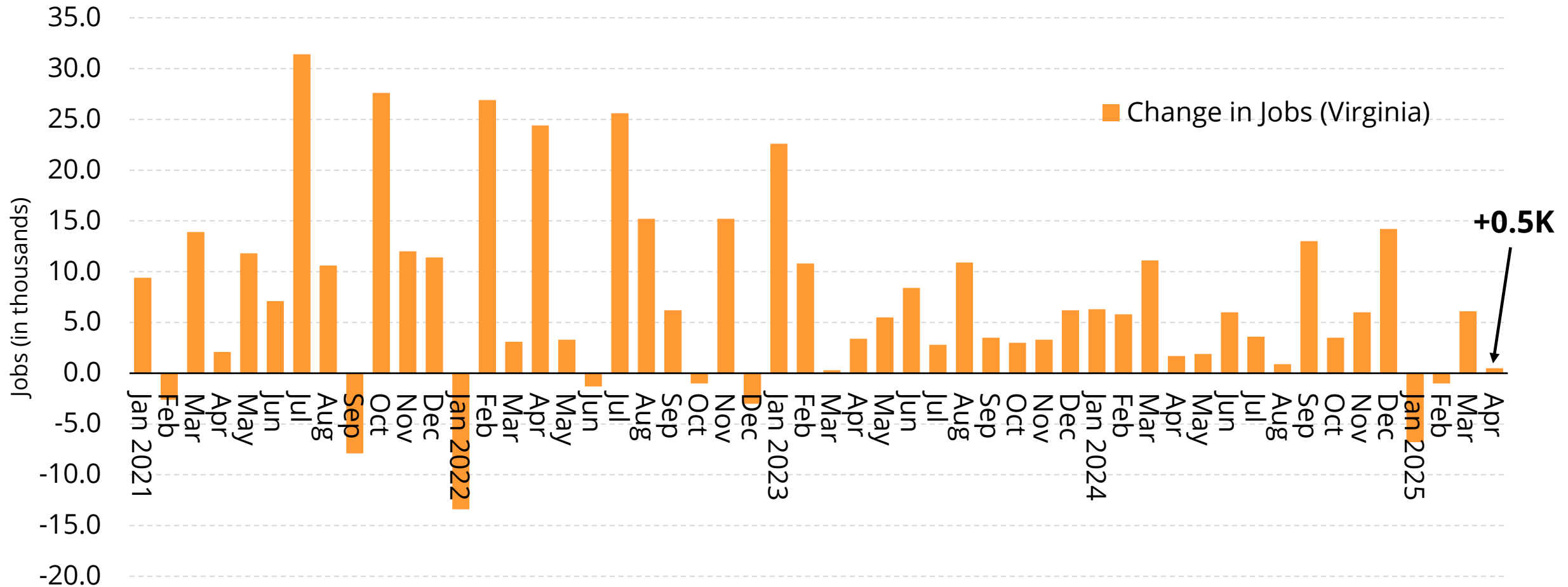
Gross Domestic Product - National & Virginia



Source: U.S. Bureau of Economic Analysis (BEA), Fannie Mae, The Conference Board

Virginia Job Trends

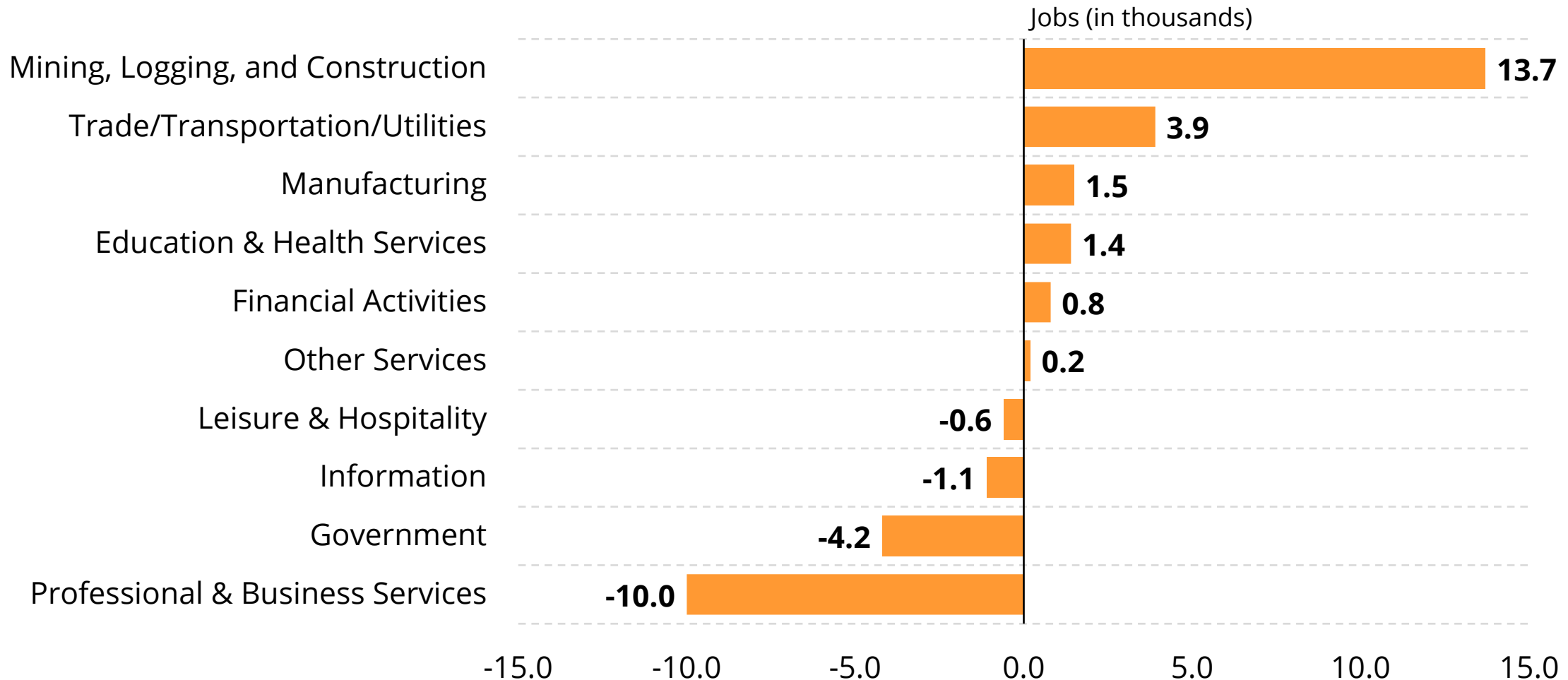
Monthly job change, Virginia (in thousands)



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

Job Change by Sector in Virginia

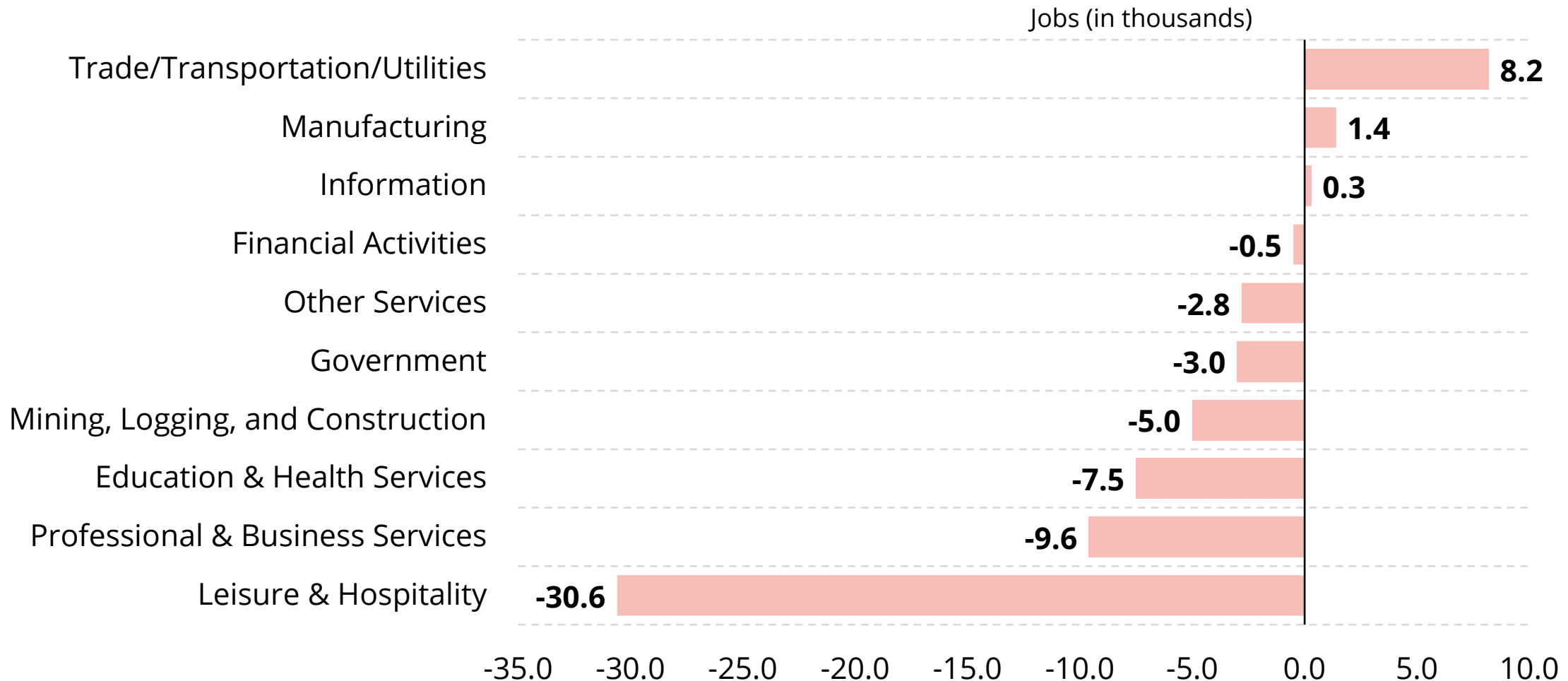
Job Change Jan 2025 to Apr 2025, Virginia (in thousands)



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

Job Change by Sector in Virginia's Non-Metro Areas

Job Change Jan 2025 to Apr 2025, Virginia Non-Metro Areas (in thousands)



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

Job Change by Metro Area in Virginia

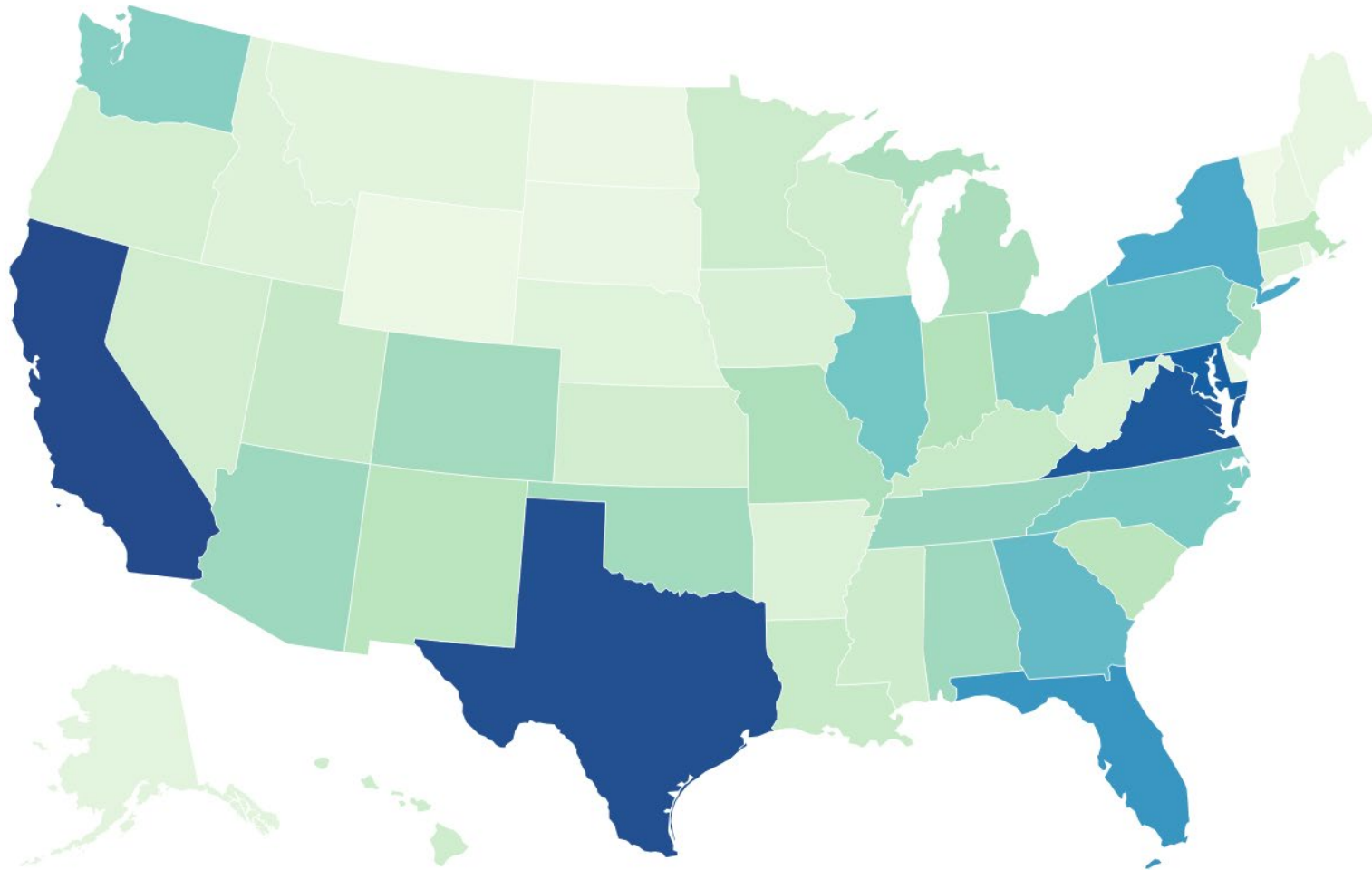
Job Change Jan 2025 to Apr 2025 by Metropolitan Statistical Area in Virginia

Metro Area	YTD Net Job Change	% Change
Charlottesville	600	+0.48%
Winchester	300	+0.41%
Richmond	2,800	+0.39%
Staunton	200	+0.37%
Lynchburg	100	+0.10%
Roanoke	100	+0.06%
Northern Virginia	1,000	+0.06%
Virginia Beach	-3,100	-0.37%
Blacksburg	-1,000	-1.21%
Harrisonburg	-1,400	-1.95%

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

Federal Employment by State

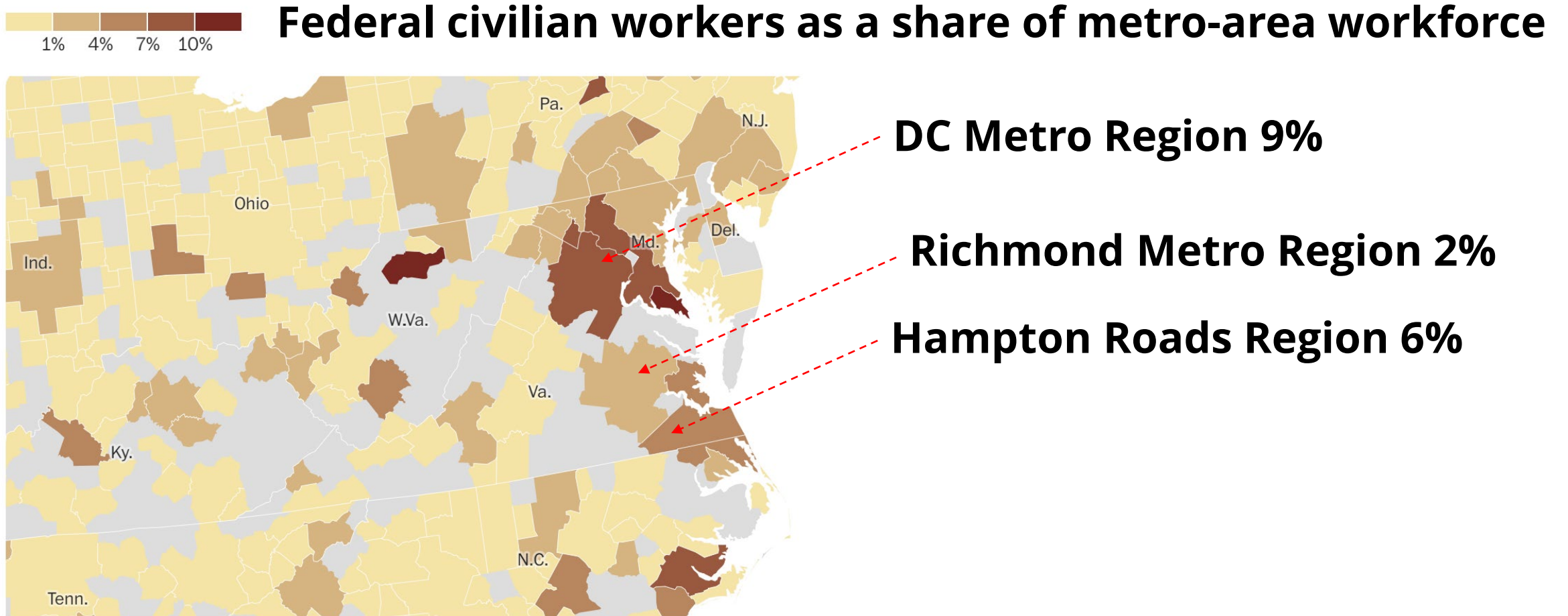
low high



Top 5 by # of Federal Jobs

1. CA
2. VA
3. MD
4. TX
5. FL

Fed employment in VA concentrated in a few regions



Federal Employment by Type in Virginia

- Federal Civilian: approximately **321K jobs**
- Active-Duty Military: approximately **131K Jobs**
- Federal Contracting: approximately **441K jobs**

Federal Workers in Virginia's Labor Force

Metro Area	Total # of People in the Labor Force	Federal Workers Share of Labor Force
DC Metro Area	3,466,360	9.1%
Hampton Roads	894,522	5.8%
Richmond	712,809	2.0%
Roanoke	164,556	1.9%
Lynchburg	124,571	0.2%
Charlottesville	122,704	1.0%
Blacksburg	101,331	0.3%
Harrisonburg	70,795	0.3%

Potential Impact of Fed Job Cuts on Unemployment

Metro Area	Baseline Unemployment
DC Metro Area	2.8%
Hampton Roads	2.6%
Richmond	2.6%
Roanoke	2.4%
Lynchburg	2.9%
Charlottesville	2.0%
Blacksburg	2.4%
Harrisonburg	2.5%

Source: Urban Institute, U.S. Office of Personnel Management, U.S. Bureau of Labor Statistics

Potential Impact of Fed Job Cuts on Unemployment

Metro Area	Baseline Unemployment	Unemployment rate if federal workforce cut by...	
		25%	Reduction
DC Metro Area	2.8%	5.0%	
Hampton Roads	2.6%	4.0%	
Richmond	2.6%	3.1%	
Roanoke	2.4%	2.9%	
Lynchburg	2.9%	2.9%	
Charlottesville	2.0%	2.3%	
Blacksburg	2.4%	2.5%	
Harrisonburg	2.5%	2.5%	

Source: Urban Institute, U.S. Office of Personnel Management, U.S. Bureau of Labor Statistics

Potential Impact of Fed Job Cuts on Unemployment

Metro Area	Baseline Unemployment	Unemployment rate if federal workforce cut by...	
		25% Reduction	50% Reduction
DC Metro Area	2.8%	5.0%	7.3%
Hampton Roads	2.6%	4.0%	5.5%
Richmond	2.6%	3.1%	3.6%
Roanoke	2.4%	2.9%	3.4%
Lynchburg	2.9%	2.9%	3.0%
Charlottesville	2.0%	2.3%	2.5%
Blacksburg	2.4%	2.5%	2.5%
Harrisonburg	2.5%	2.5%	2.6%

Source: Urban Institute, U.S. Office of Personnel Management, U.S. Bureau of Labor Statistics

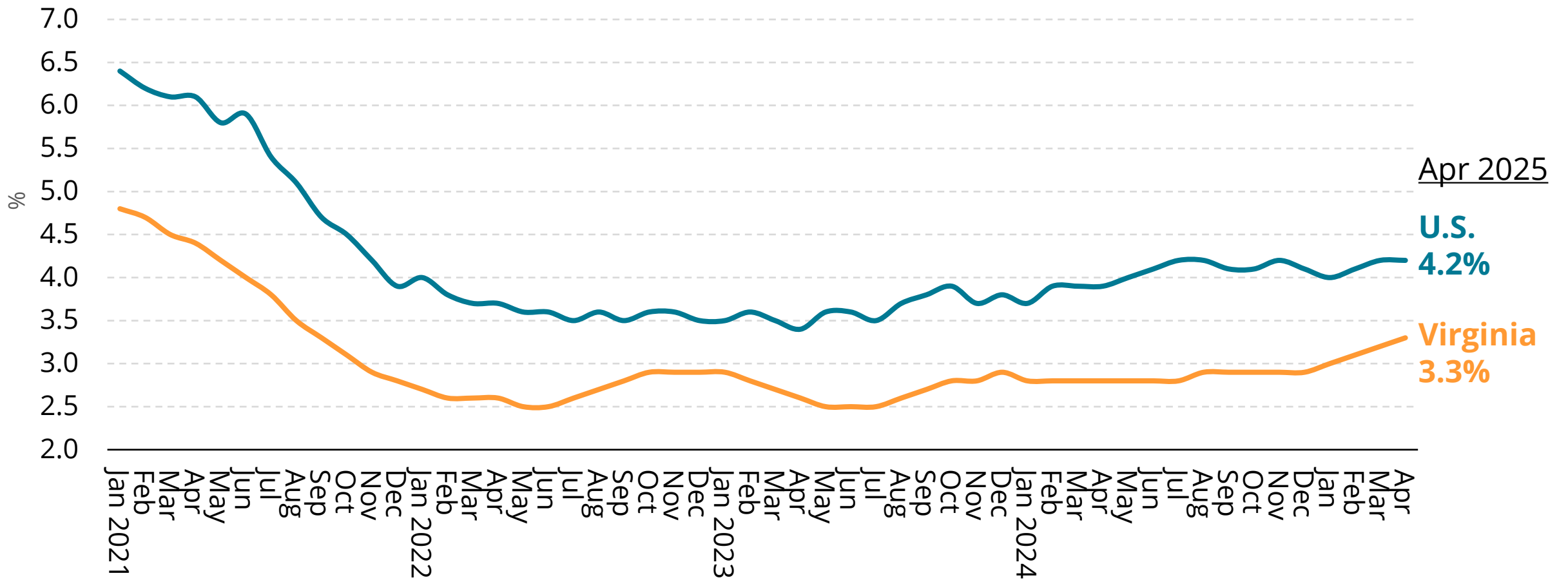
Potential Impact of Fed Job Cuts on Unemployment

Metro Area	Baseline Unemployment	Unemployment rate if federal workforce cut by...		
		25% Reduction	50% Reduction	75% Reduction
DC Metro Area	2.8%	5.0%	7.3%	9.6%
Hampton Roads	2.6%	4.0%	5.5%	6.9%
Richmond	2.6%	3.1%	3.6%	4.1%
Roanoke	2.4%	2.9%	3.4%	3.9%
Lynchburg	2.9%	2.9%	3.0%	3.0%
Charlottesville	2.0%	2.3%	2.5%	2.8%
Blacksburg	2.4%	2.5%	2.5%	2.6%
Harrisonburg	2.5%	2.5%	2.6%	2.7%

Source: Urban Institute, U.S. Office of Personnel Management, U.S. Bureau of Labor Statistics

Unemployment rate increasing over the past few months

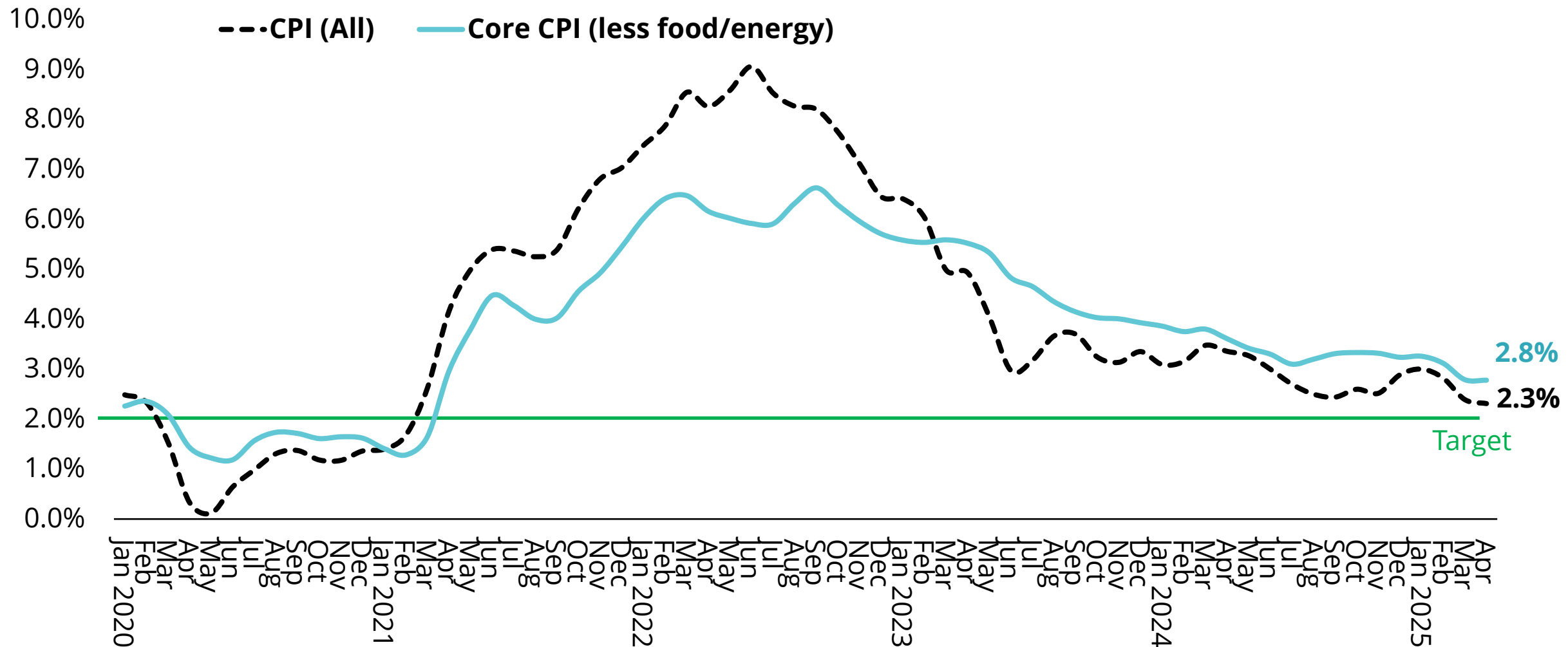
Unemployment Rate (%)



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

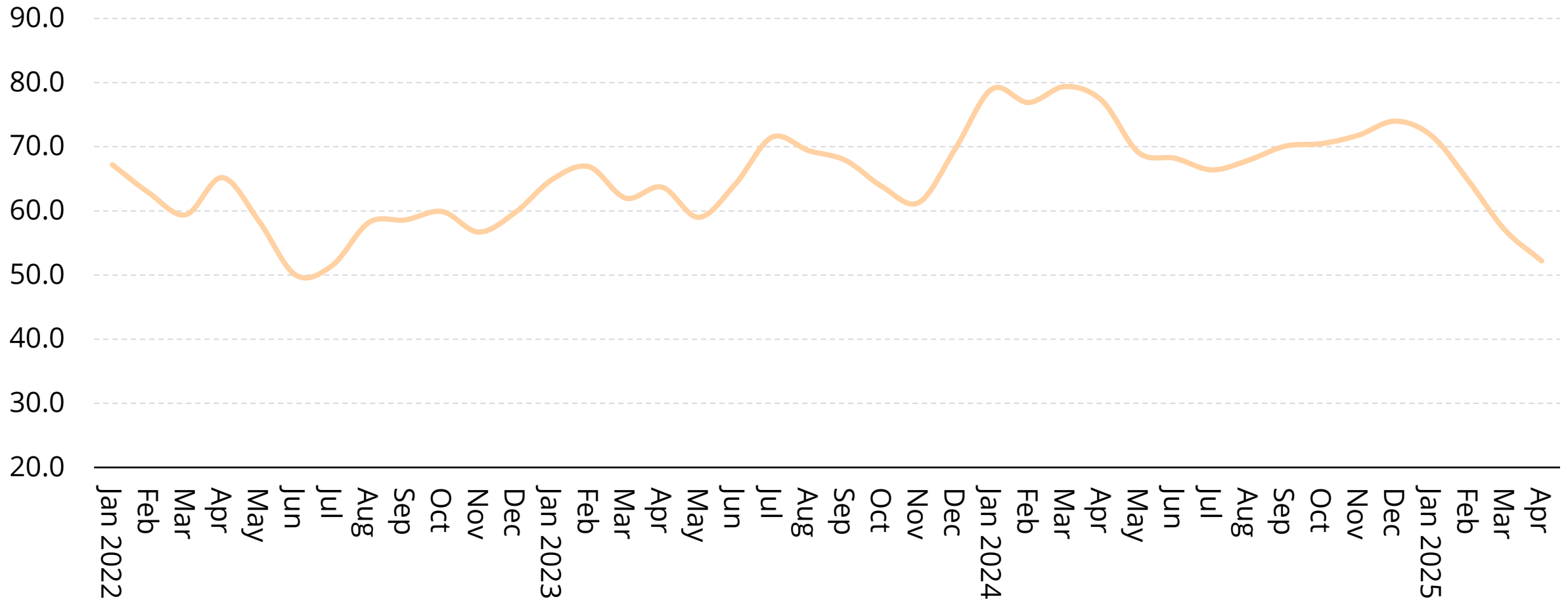
Inflation Rate

Inflation is still hovering above the target level, but drifting down



Consumer Sentiment

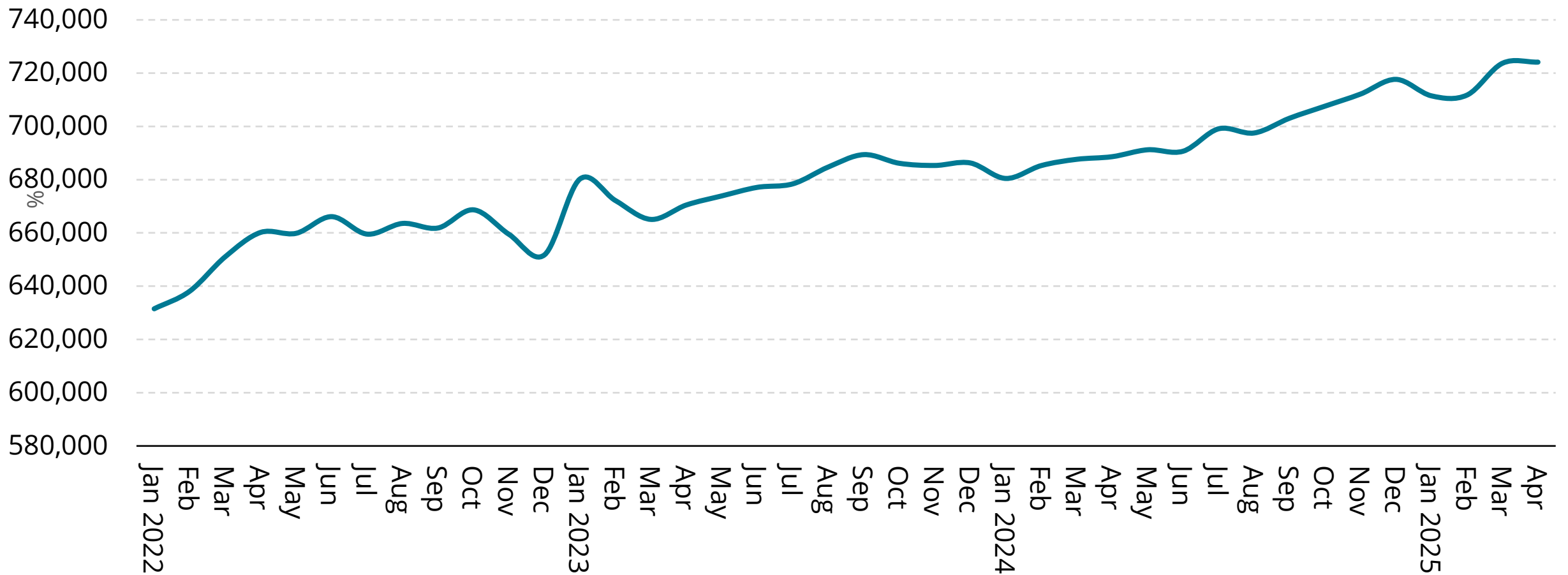
Index of Consumer Sentiment



Source: University of Michigan

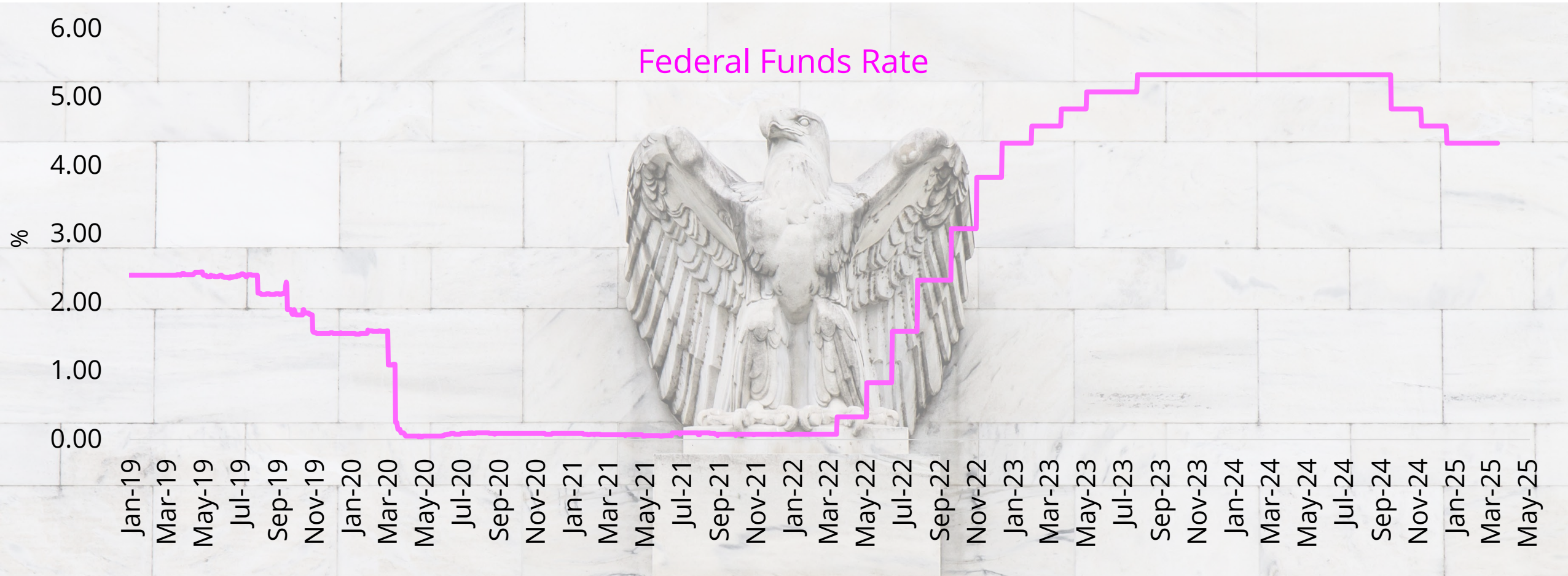
Retail Sales

U.S. Retail Sales (in millions)



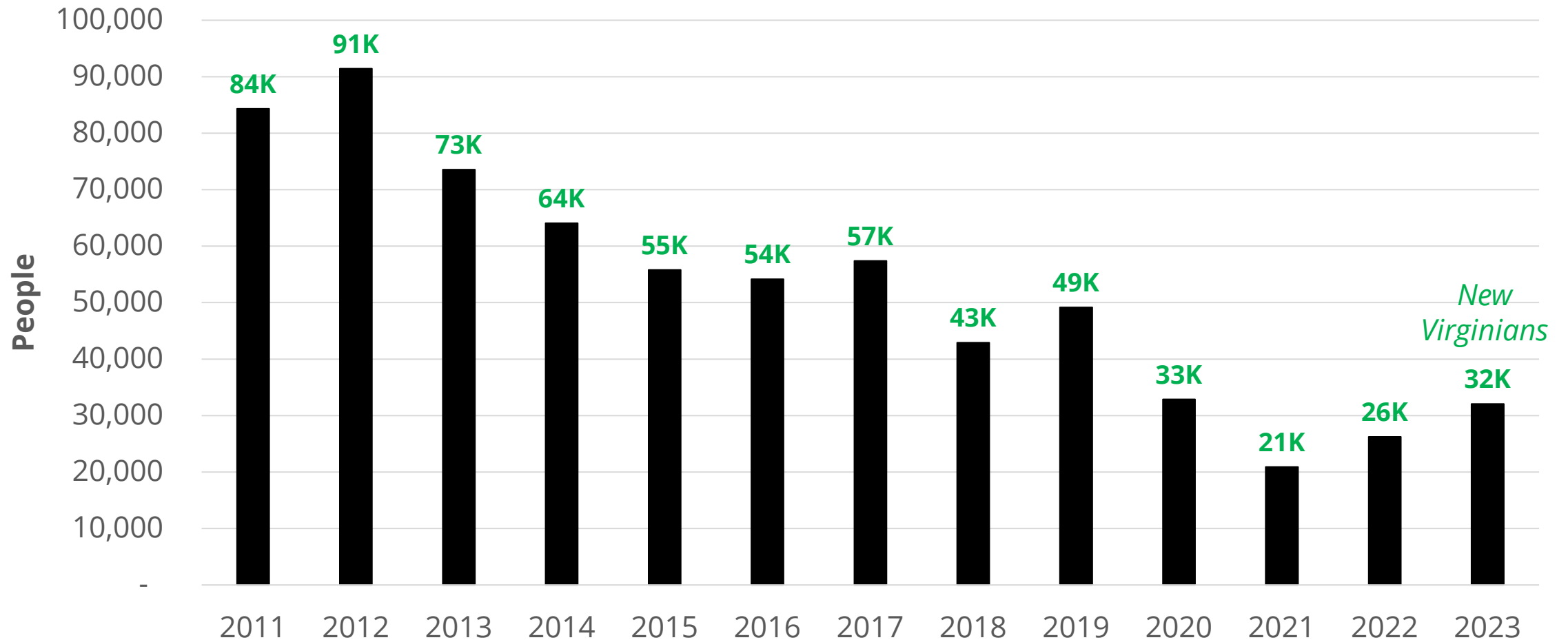
Source: U.S. Census Bureau, seasonally adjusted

Federal Funds Rate



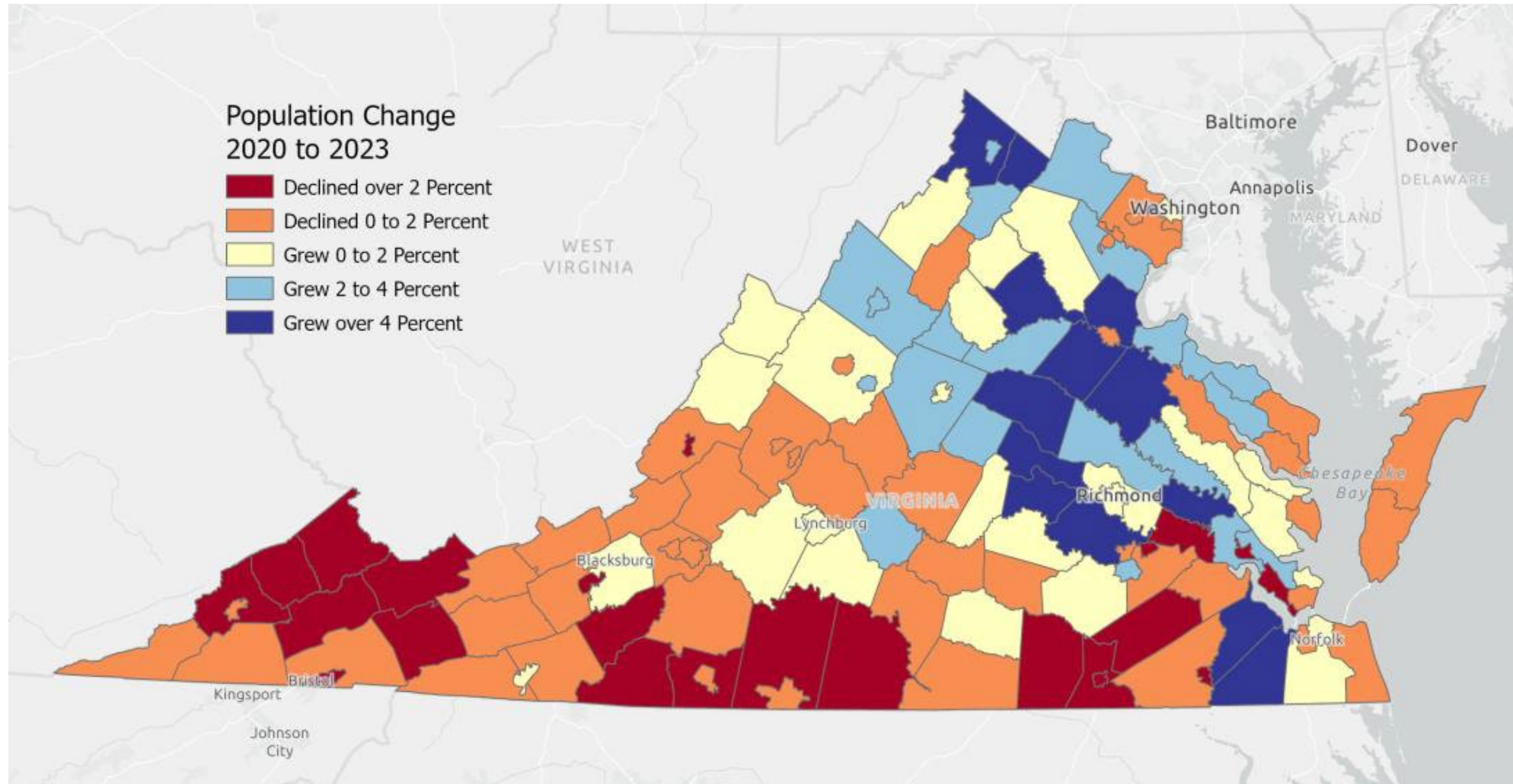
Virginia Population Change

Population growth picking back up, but remains lower than its levels a decade ago



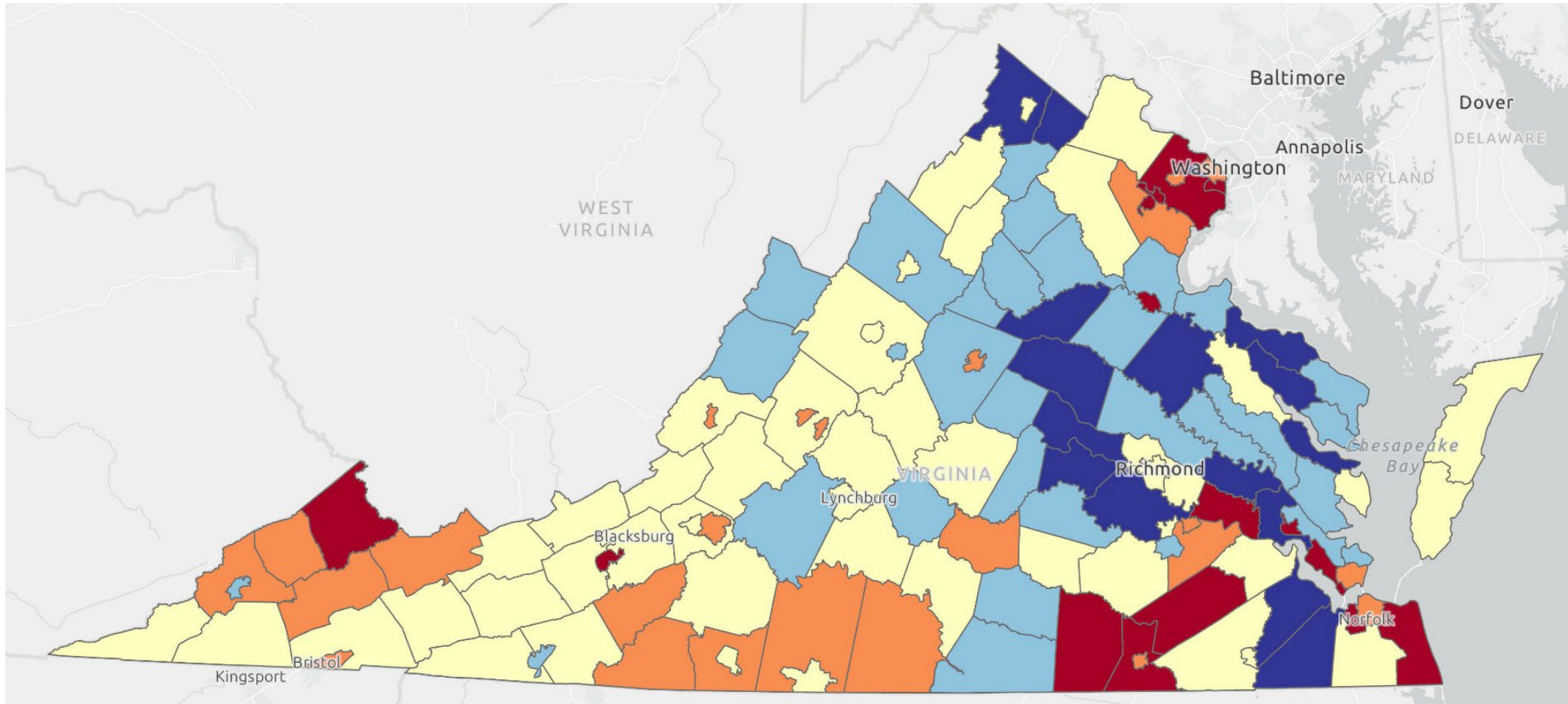
Virginia Population Change

Total Net Population % Change by County/City, 2020 to 2023



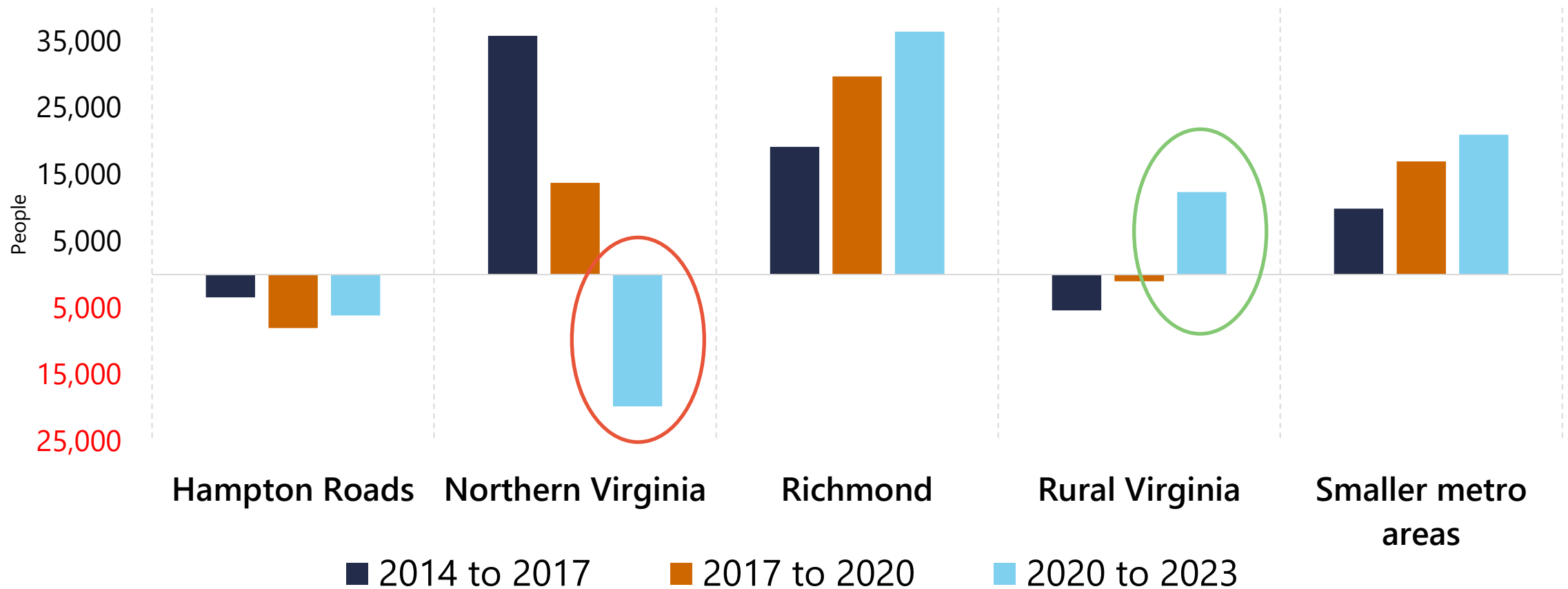
Virginia Population Change

Migration Population % Change by County/City, 2020 to 2023

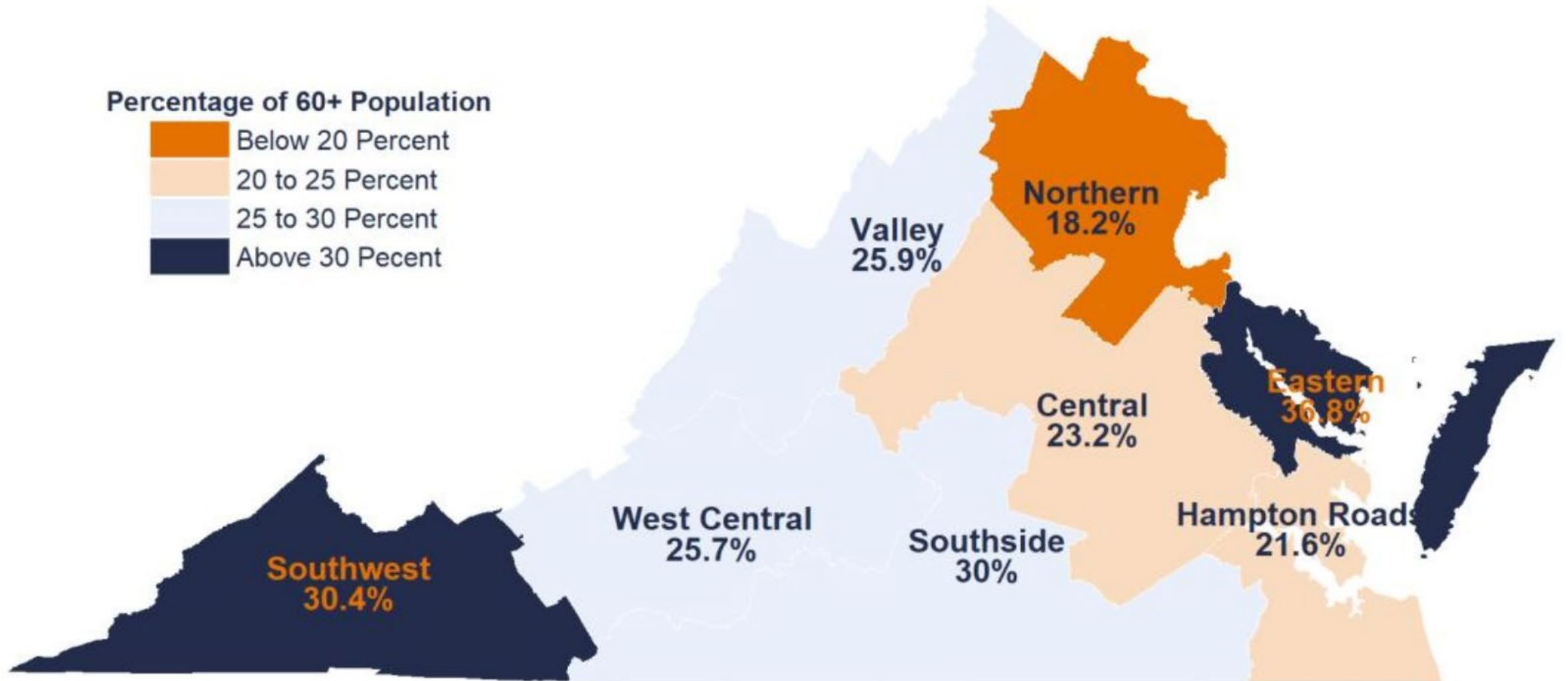


Net Migration by Region

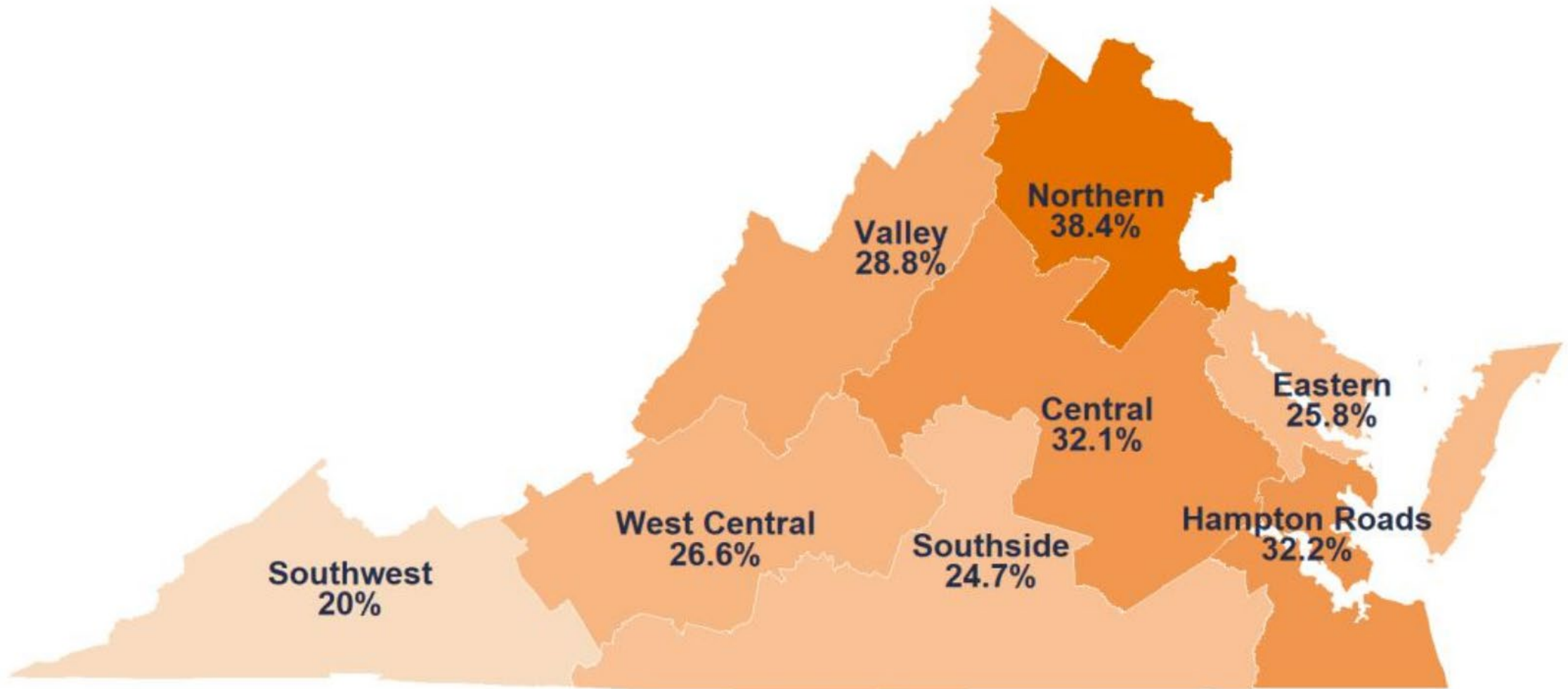
Net Migration Population Change by Region



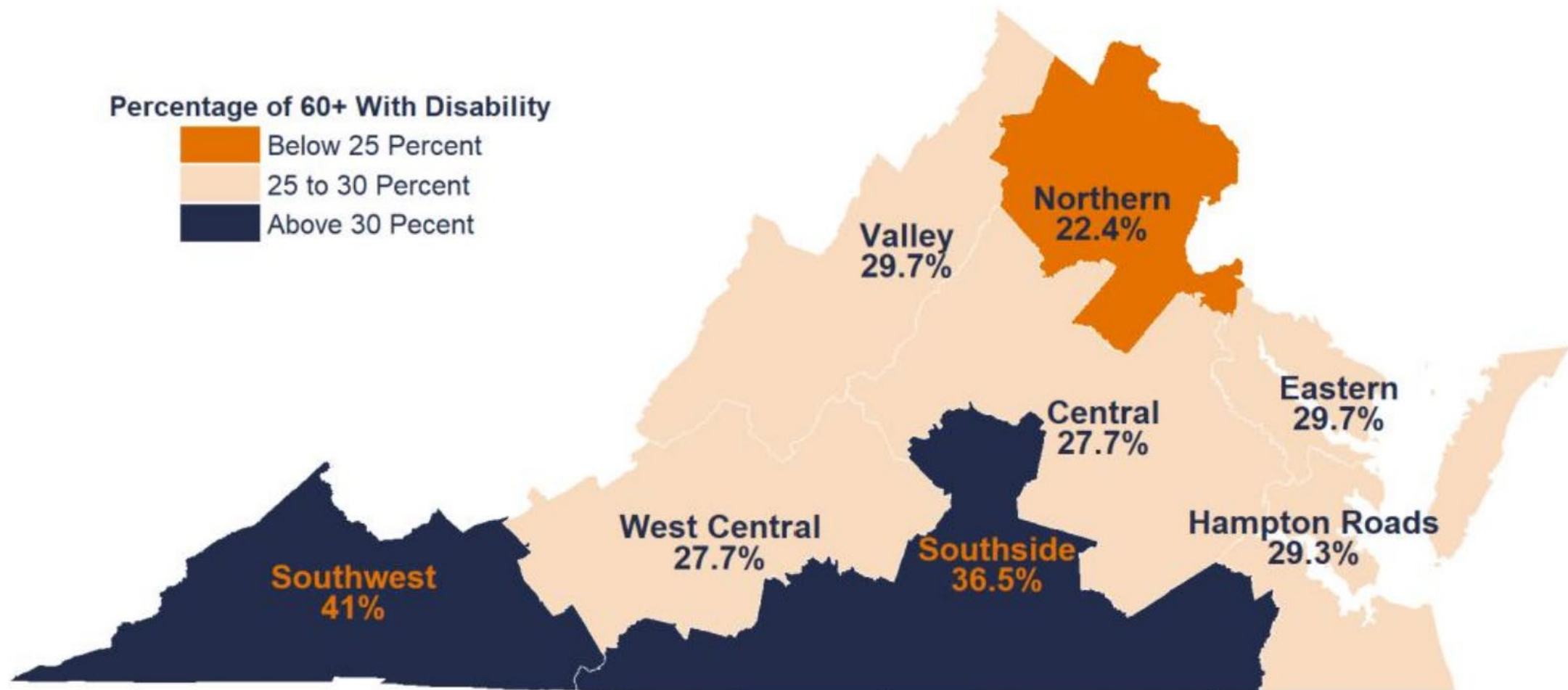
Rural regions have higher concentrations of older adults



Labor force participation among older adults

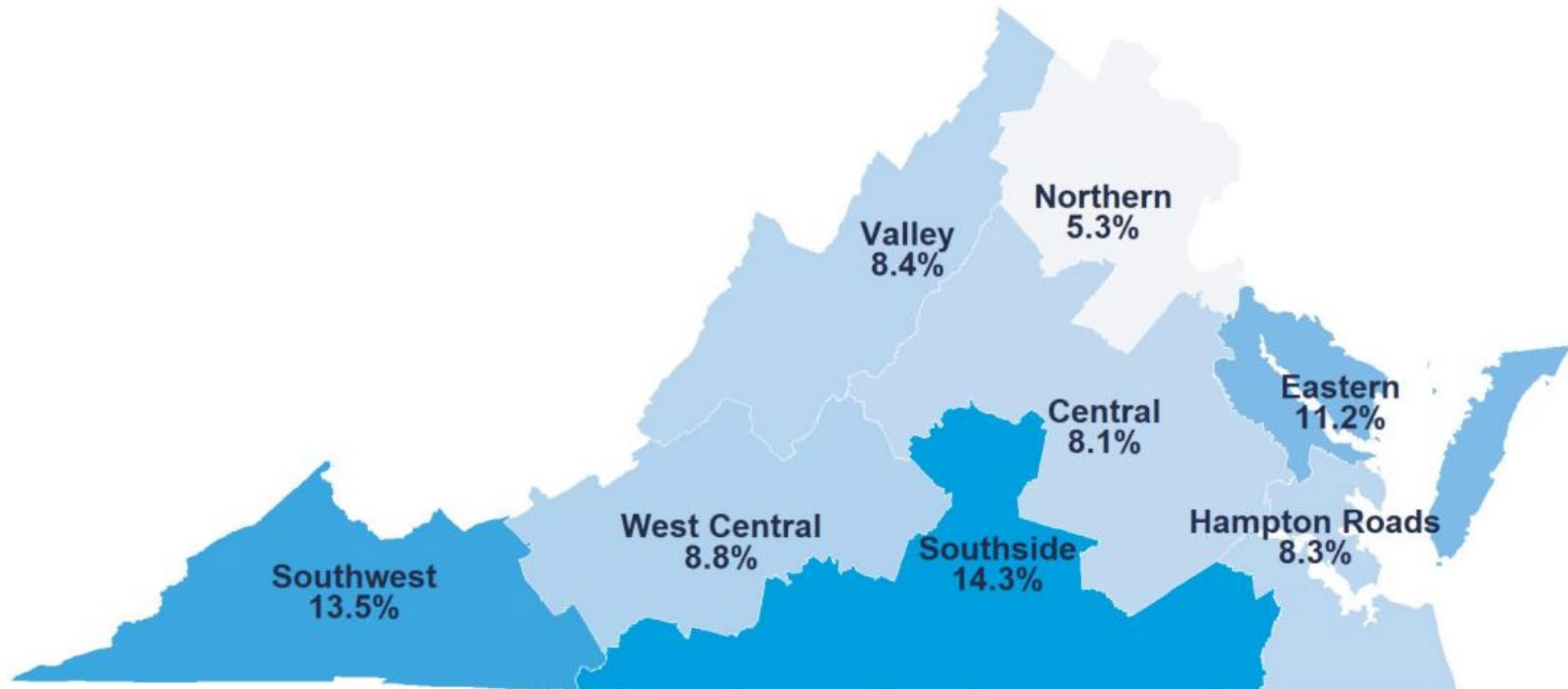


Southwest and Southside regions had the highest rates of older adults with a disability



8.2% of the population aged 60 and older were below the poverty level in Virginia

Percent of Population Aged 60+ Below Poverty Level by Region



Technology has made it easier to age in place



Devices which have made it easiest to age in place

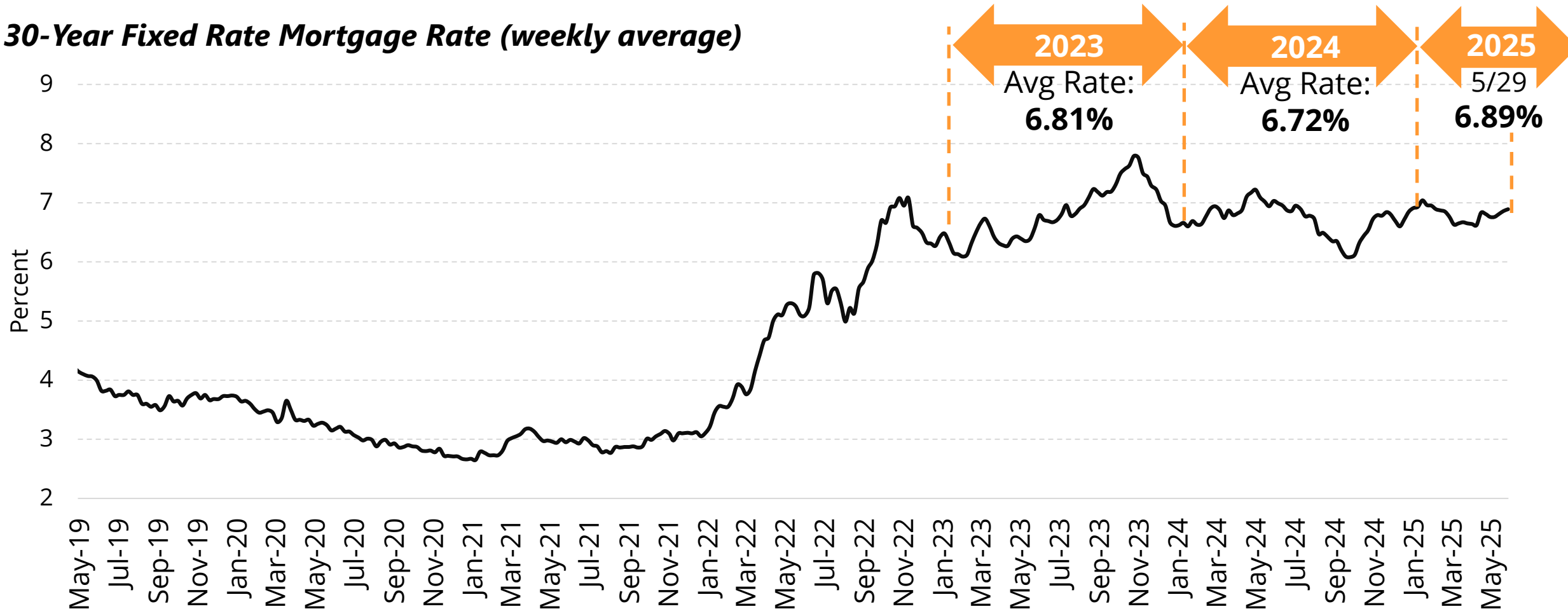
1. Medical or health-related mobile apps
2. Service-related apps (i.e. grocery delivery/food delivery apps)
3. Wearable medical or health-related trackers
4. Assistive smart home technologies
5. Hearing assistance-related devices
6. Medical alert system/devices



HOUSING MARKET TRENDS

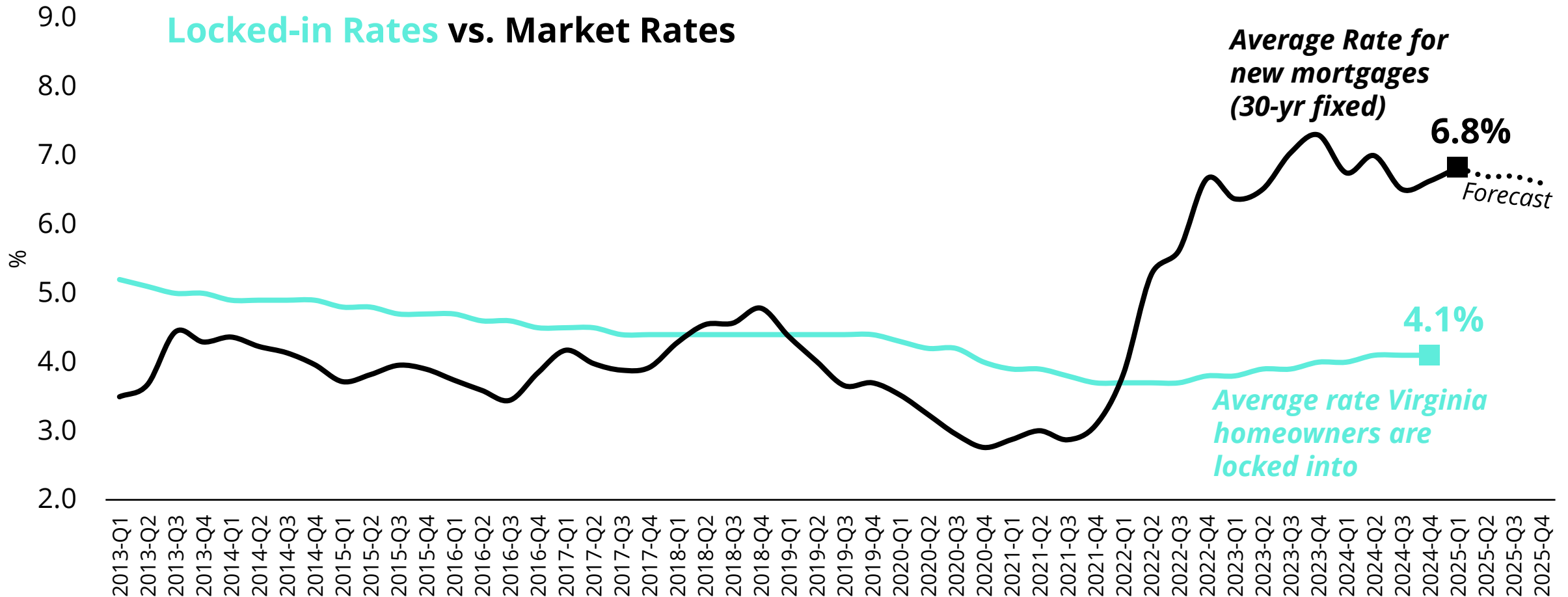
Mortgage Rate Trends

30-Year Fixed Rate Mortgage Rate (weekly average)



Source: Freddie Mac

Lock-in Effect Keeping Sellers on the Sidelines



But...Delayed Sellers Cannot Wait Forever

Lock-in effect will likely weaken over time due to pent-up demand from major life events

Each Year in the U.S...



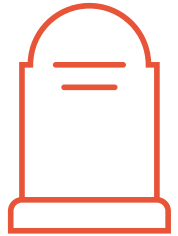
3.5 million turn 65 years old



25 million job switches



3.5 million births



3 million deaths



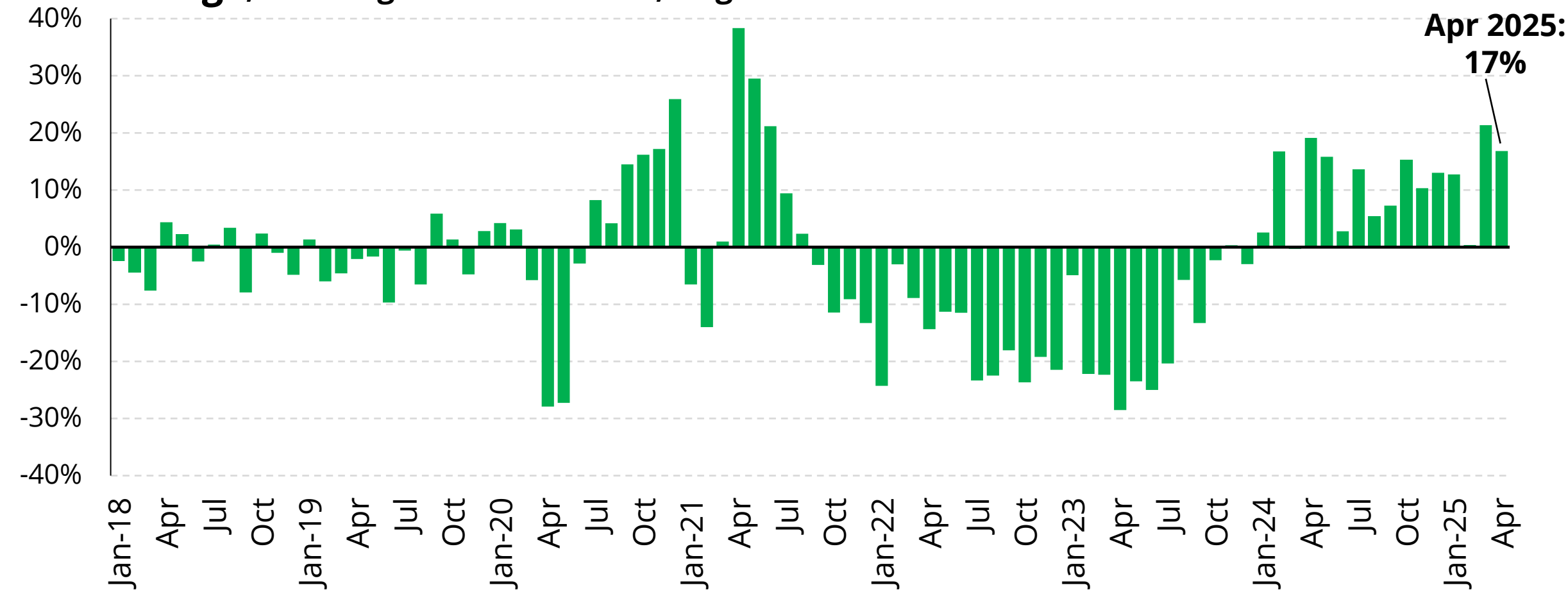
1.5 million marriages



700,000 divorces

Inventory levels improving, but remain tight

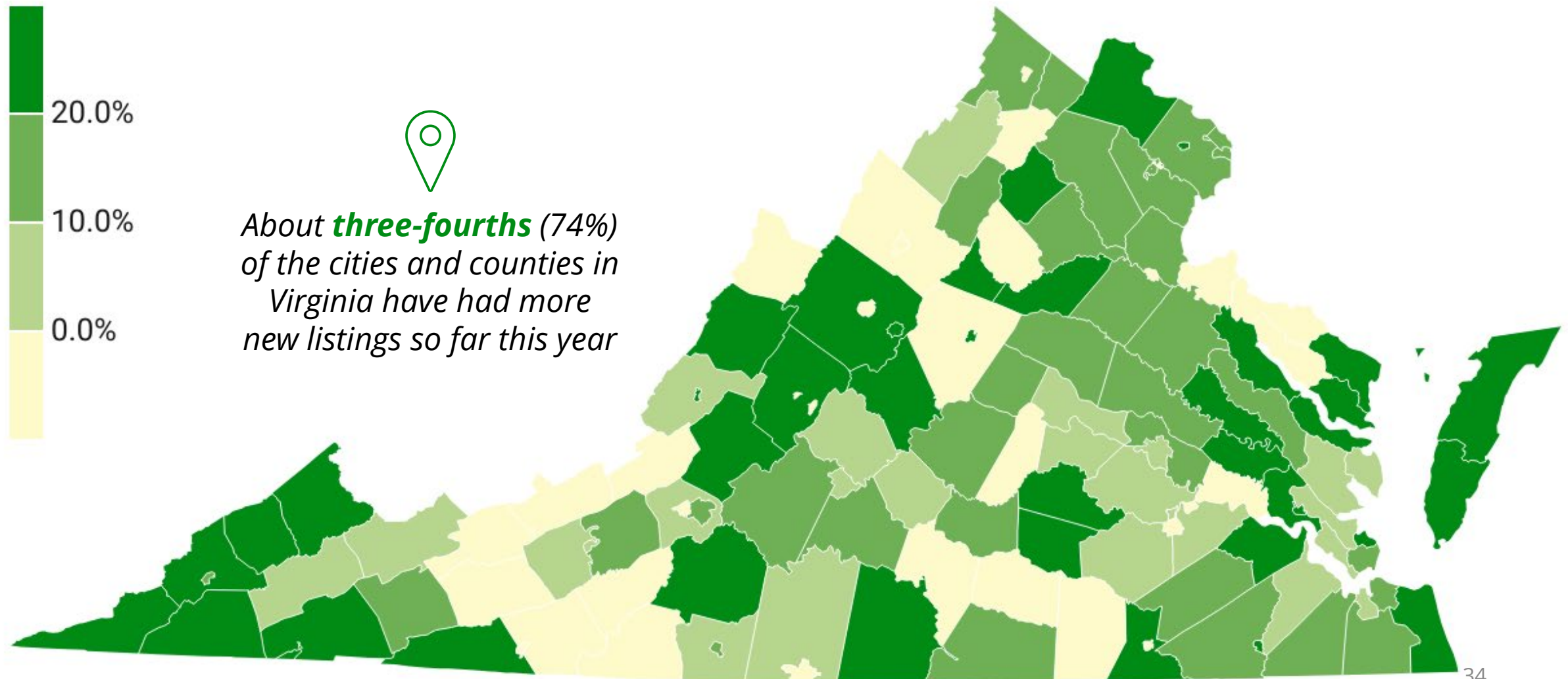
New Listings, % Change from Prior Year, Virginia



**Apr 2025:
17%**

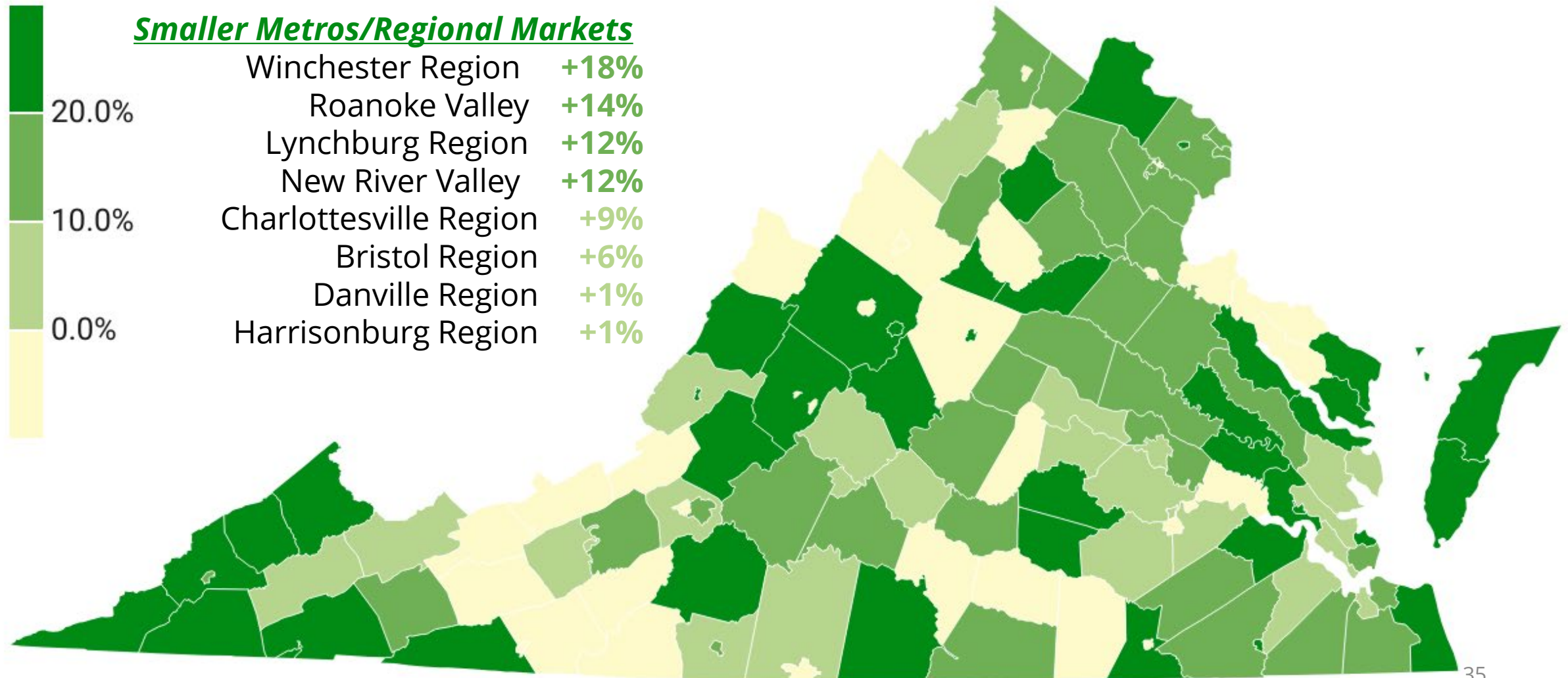
New Listings – Local Markets

Change in New Listings – YTD April 2025 compared to YTD April 2024



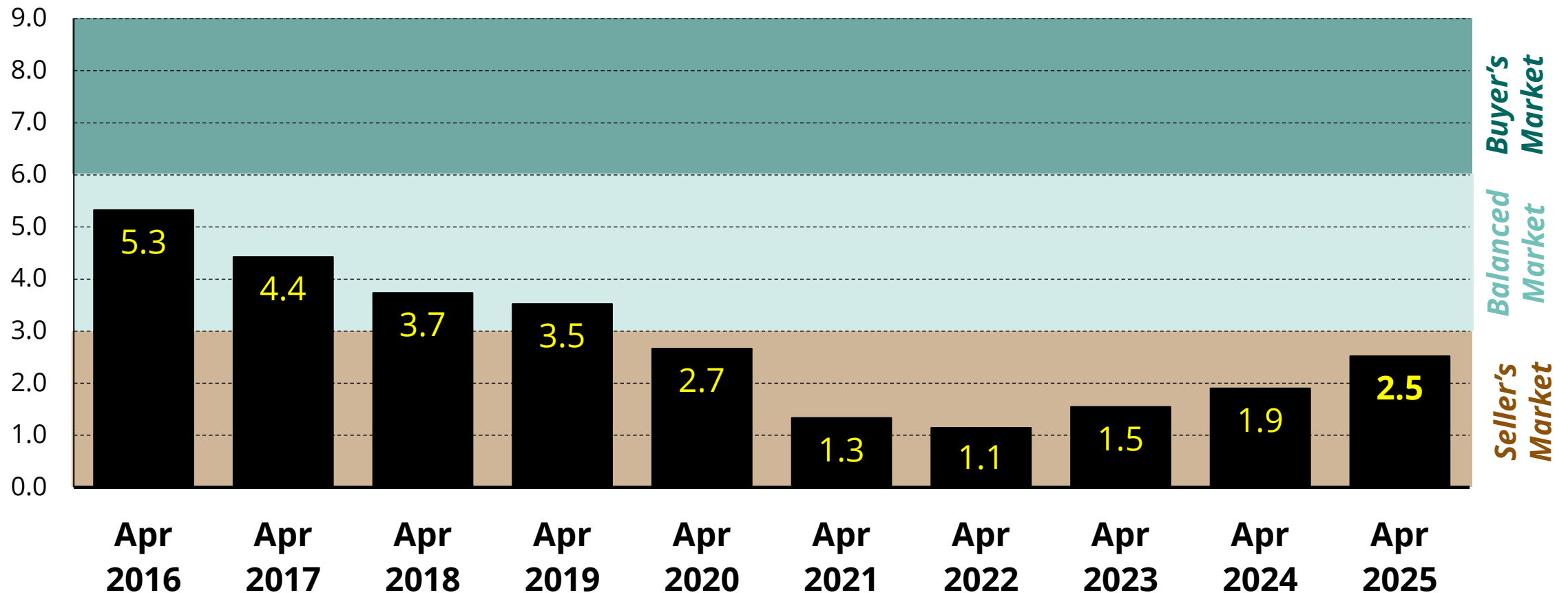
New Listings – Local Markets

Change in New Listings – YTD April 2025 compared to YTD April 2024



Supply increasing, but still a seller's market

Months of Supply, Virginia (April)

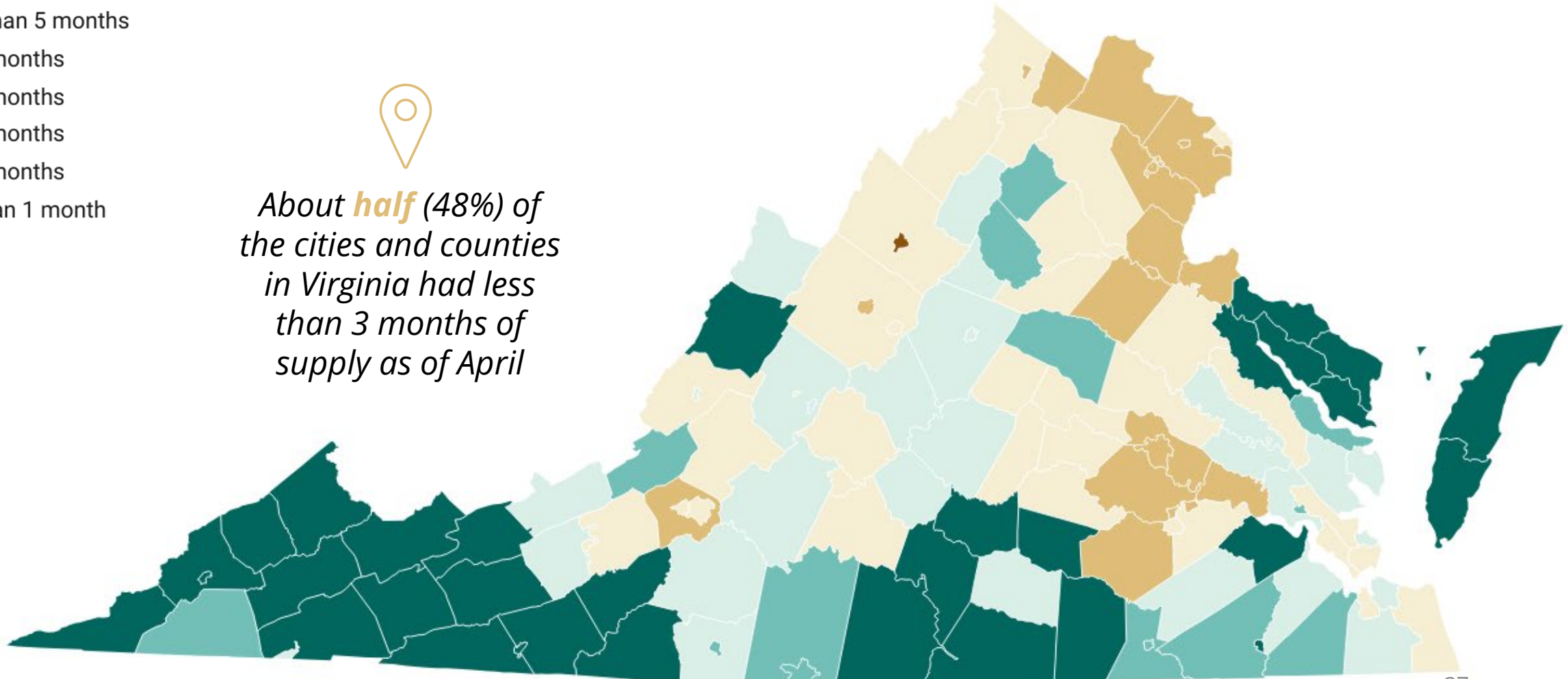


Months of Supply – Local Markets

Months of Supply – April 2025



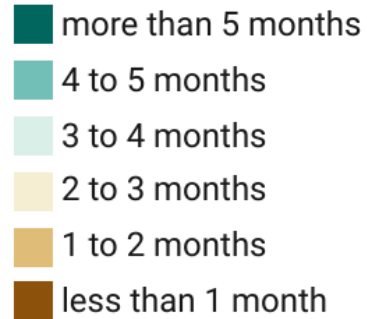
*About **half** (48%) of the cities and counties in Virginia had less than 3 months of supply as of April*



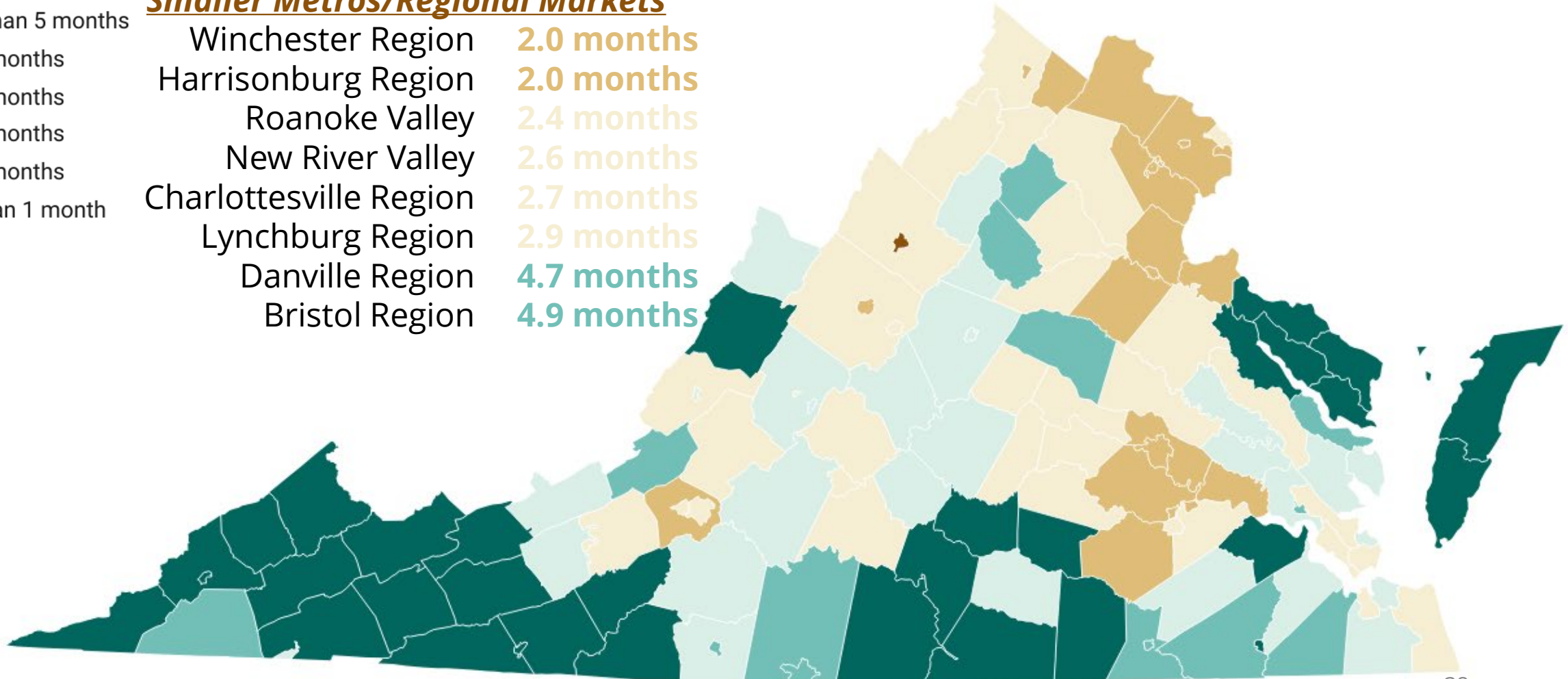
Months of Supply – Local Markets

Months of Supply – April 2025

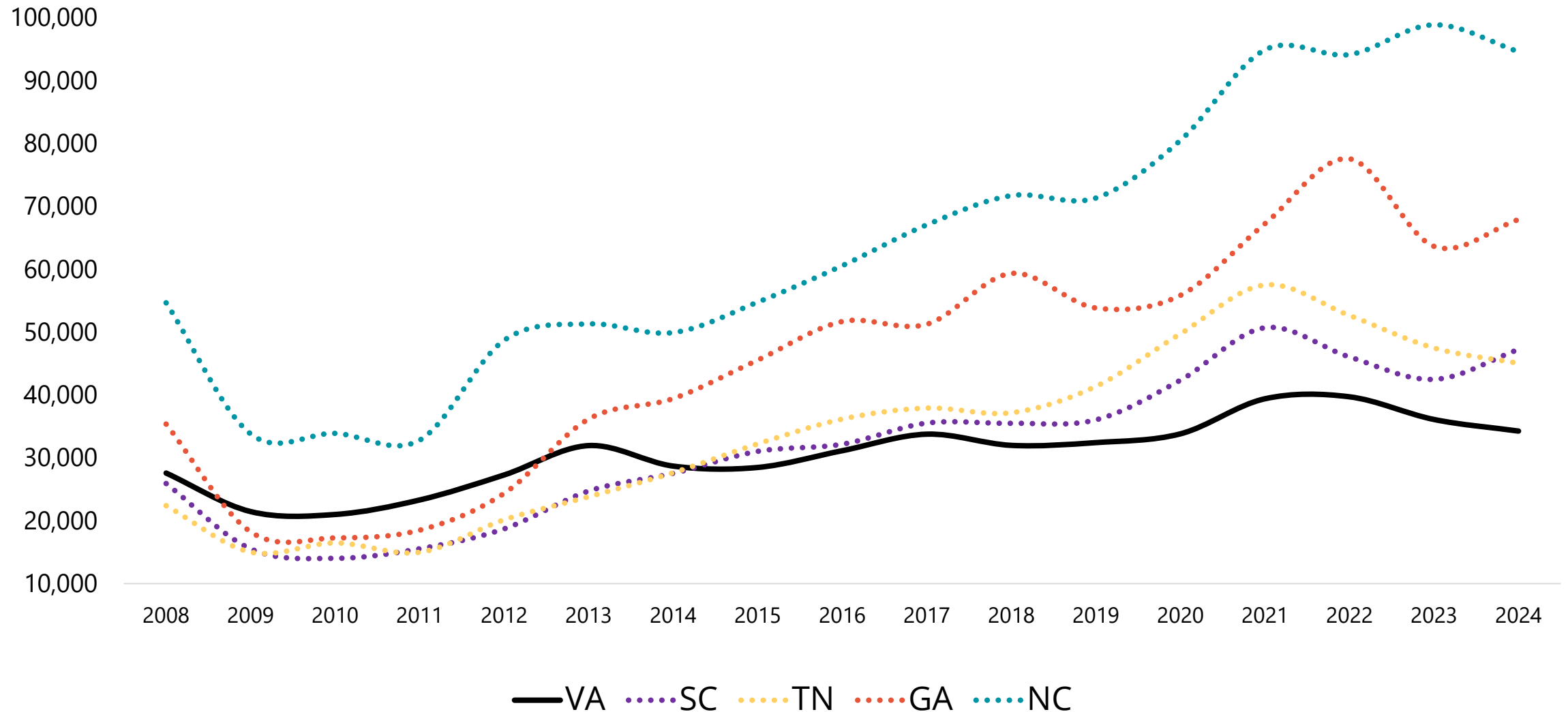
Smaller Metros/Regional Markets



Winchester Region	2.0 months
Harrisonburg Region	2.0 months
Roanoke Valley	2.4 months
New River Valley	2.6 months
Charlottesville Region	2.7 months
Lynchburg Region	2.9 months
Danville Region	4.7 months
Bristol Region	4.9 months

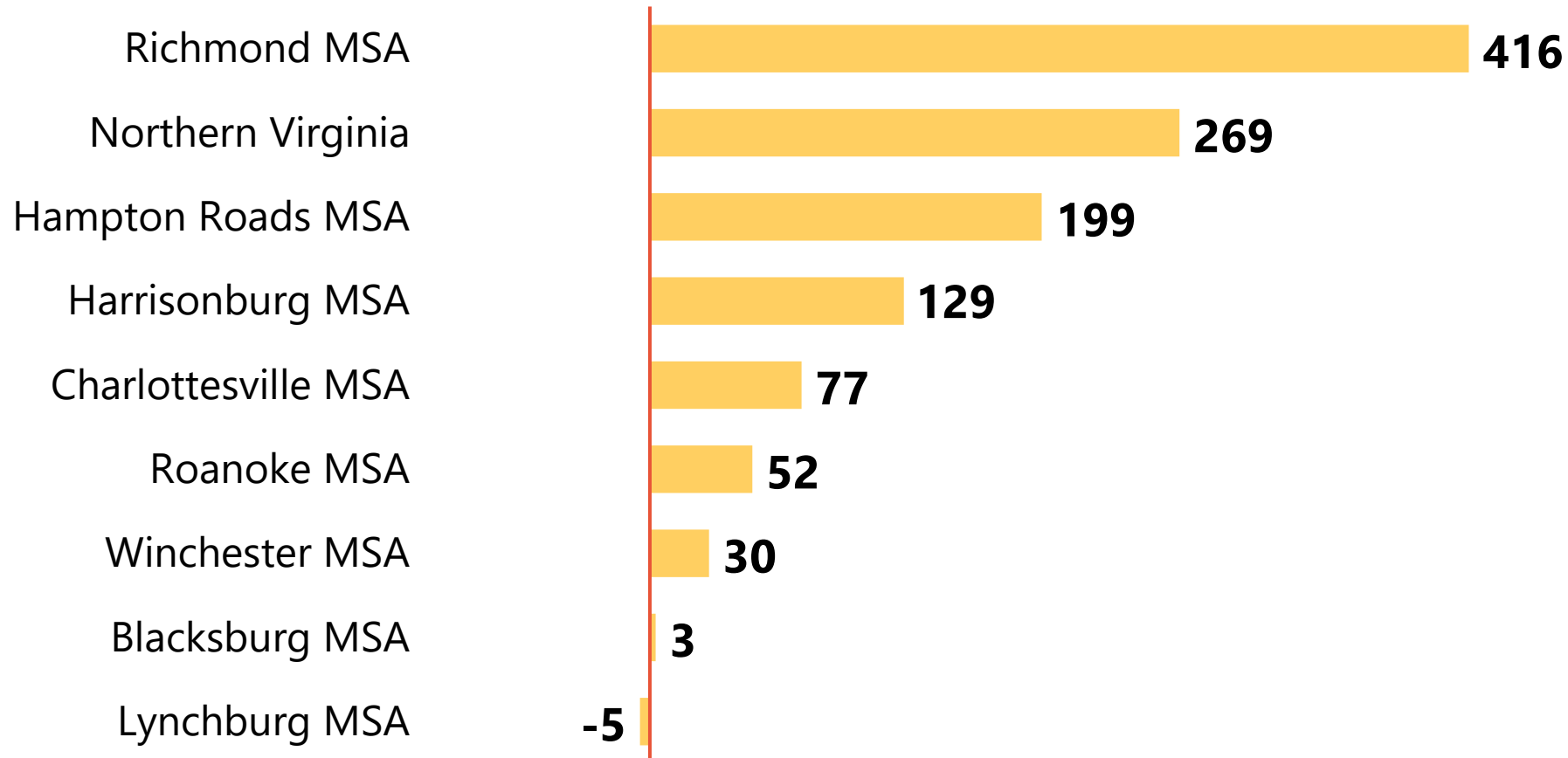


Annual Building Permits by State



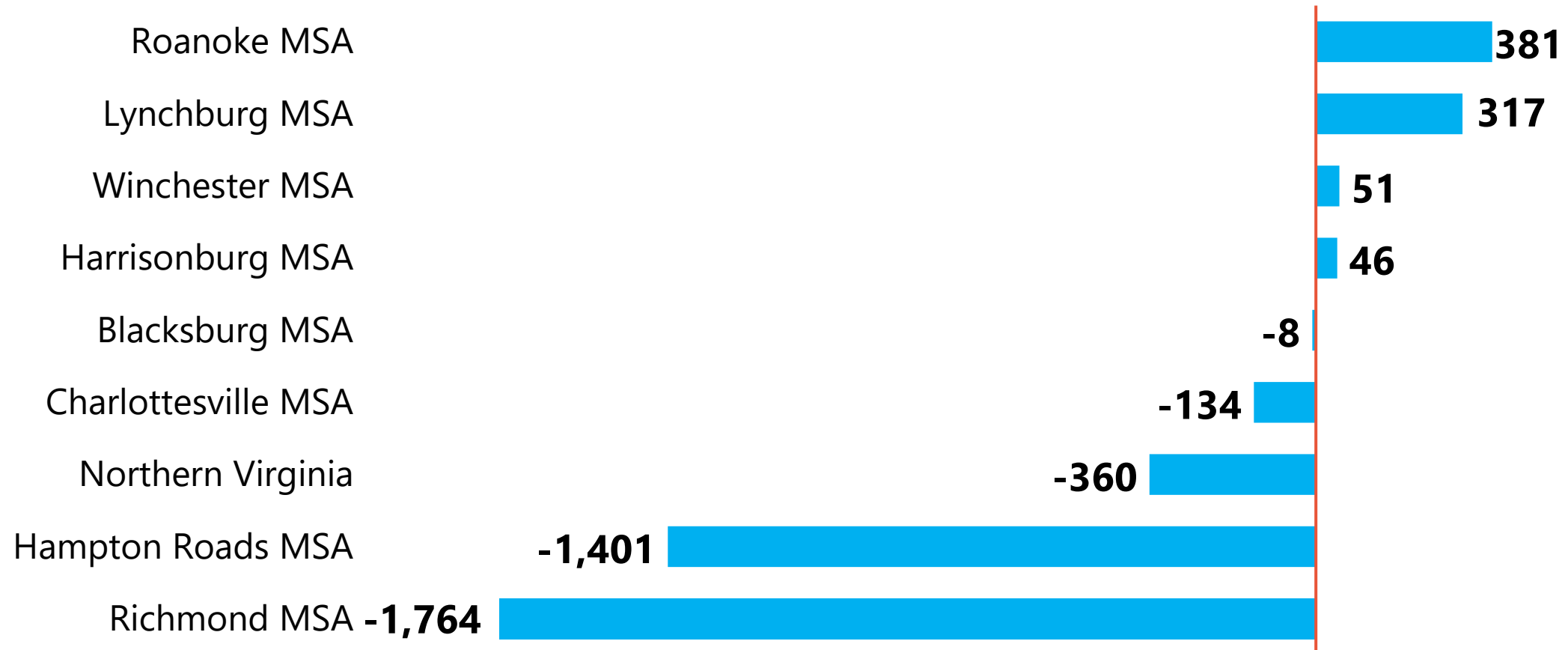
Single-Family Detached & Townhome Permits Up

Change in Building Permits for Single-Family Detached & Townhomes, 2024 vs. 2023 (annual)



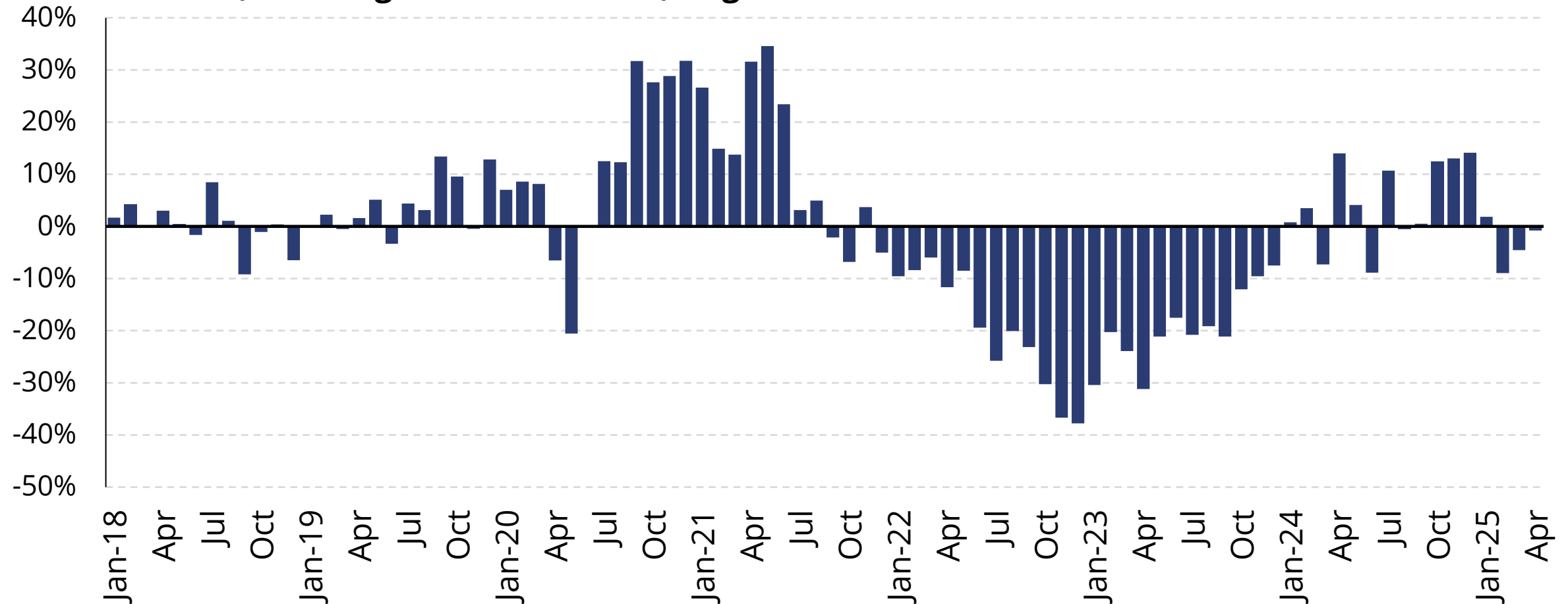
Multi-Family Permits Down in Larger Markets

Change in Building Permits for Multifamily, 2024 vs. 2023 (annual)



Home Sales Off to a Slow Start in 2025

Closed Sales, % Change from Prior Year, Virginia



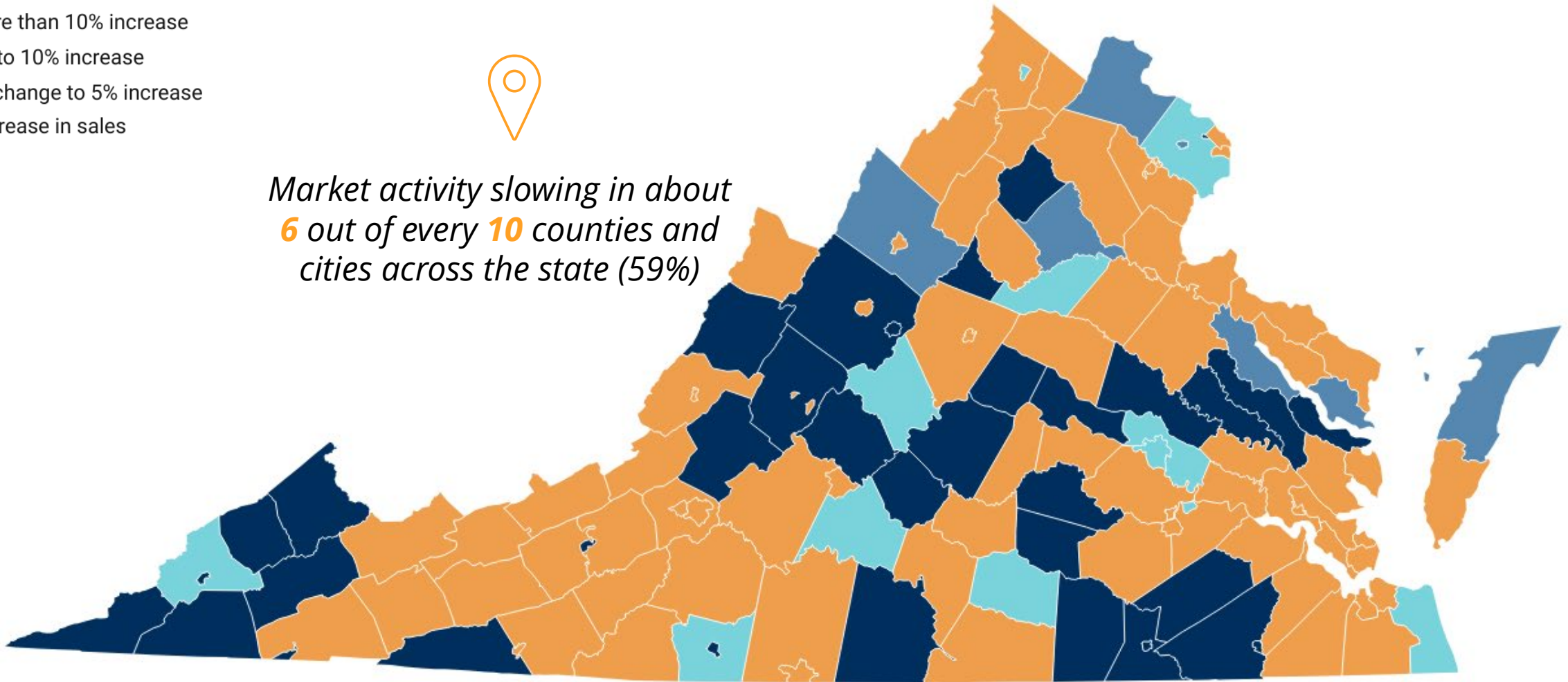
Closed Sales Activity – Local Markets

Change in Home Sales – YTD April 2025 compared to YTD April 2024

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



*Market activity slowing in about
6 out of every **10** counties and
cities across the state (59%)*



Source: Virginia REALTORS®

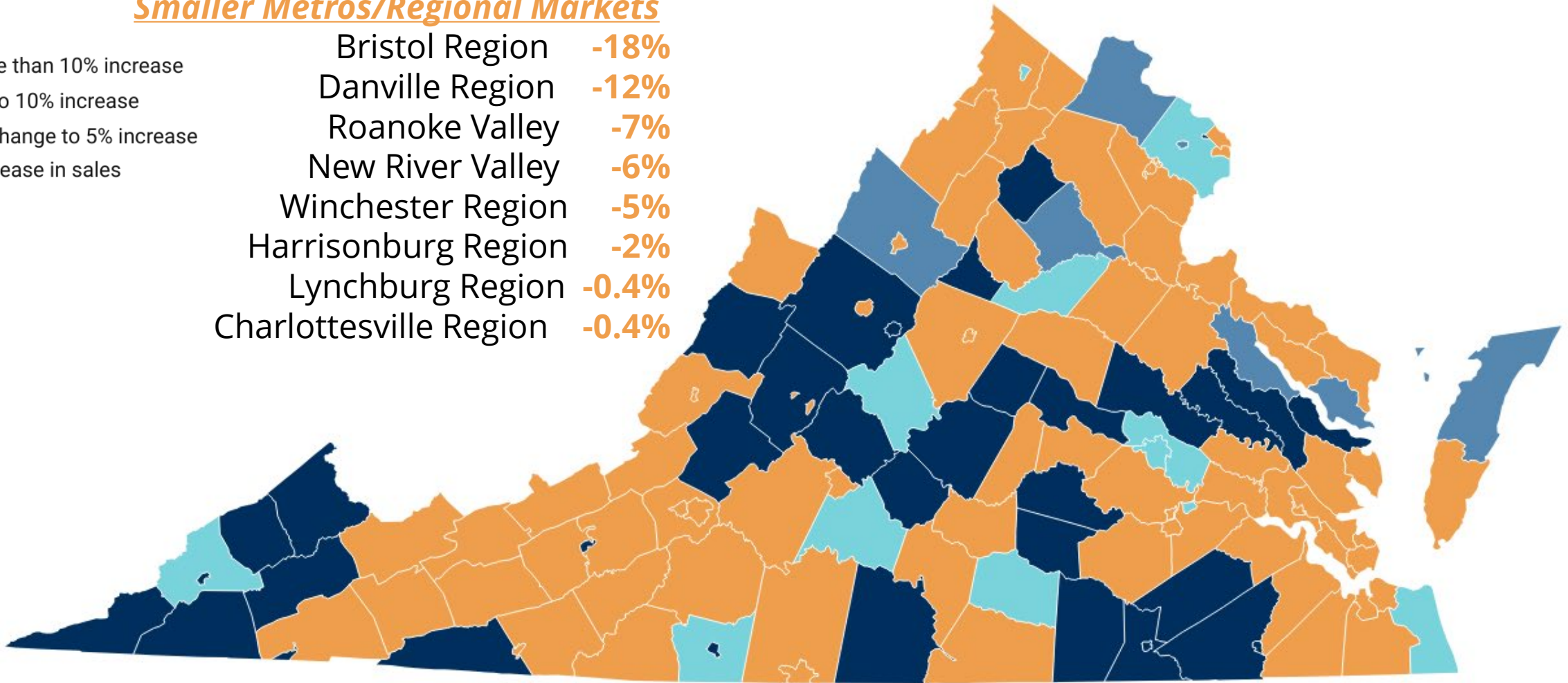
Closed Sales Activity – Local Markets

Change in Home Sales – YTD April 2025 compared to YTD April 2024

Smaller Metros/Regional Markets

Bristol Region	-18%
Danville Region	-12%
Roanoke Valley	-7%
New River Valley	-6%
Winchester Region	-5%
Harrisonburg Region	-2%
Lynchburg Region	-0.4%
Charlottesville Region	-0.4%

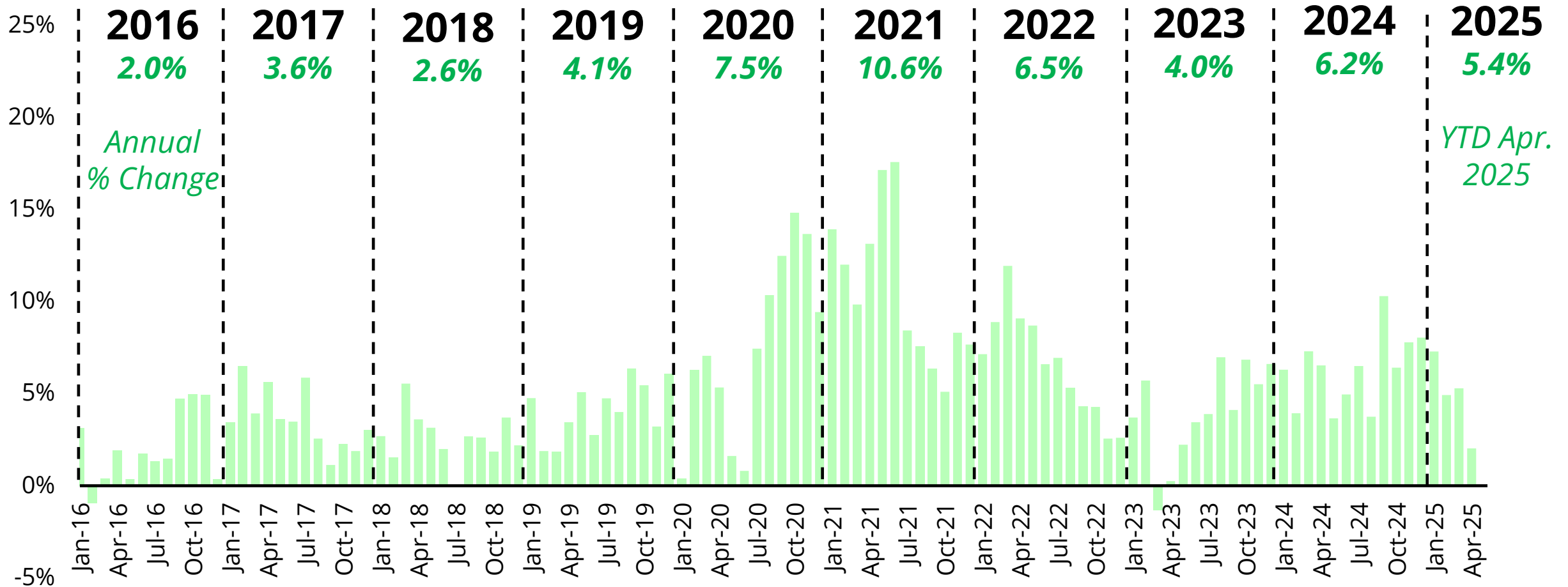
- more than 10% increase
- 5% to 10% increase
- no change to 5% increase
- decrease in sales



Source: Virginia REALTORS®

Home prices still climbing in Virginia

Median Sales Price, % Change from Prior Year, Virginia



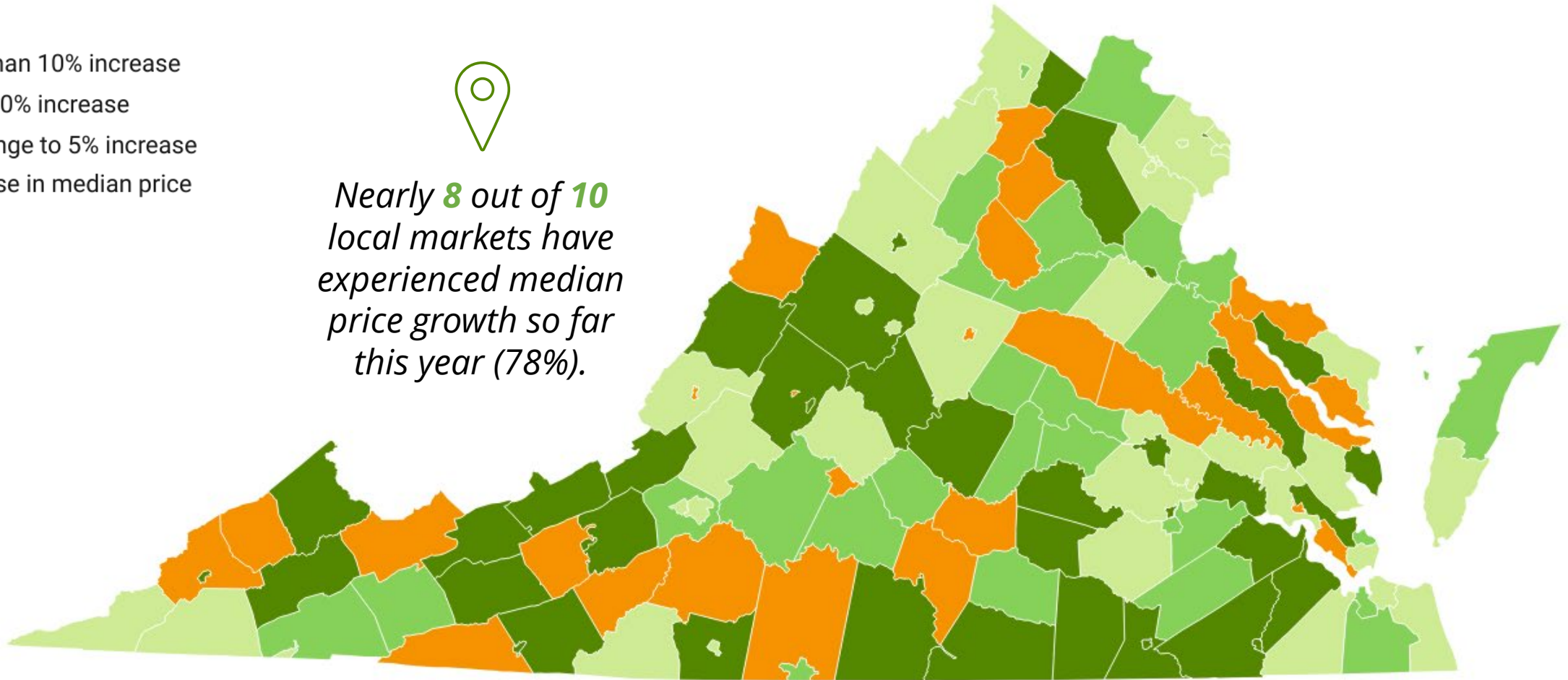
Median Sales Price Change – Local Markets

Change in Median Sales Price – YTD April 2025 compared to YTD April 2024

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



*Nearly **8** out of **10** local markets have experienced median price growth so far this year (78%).*



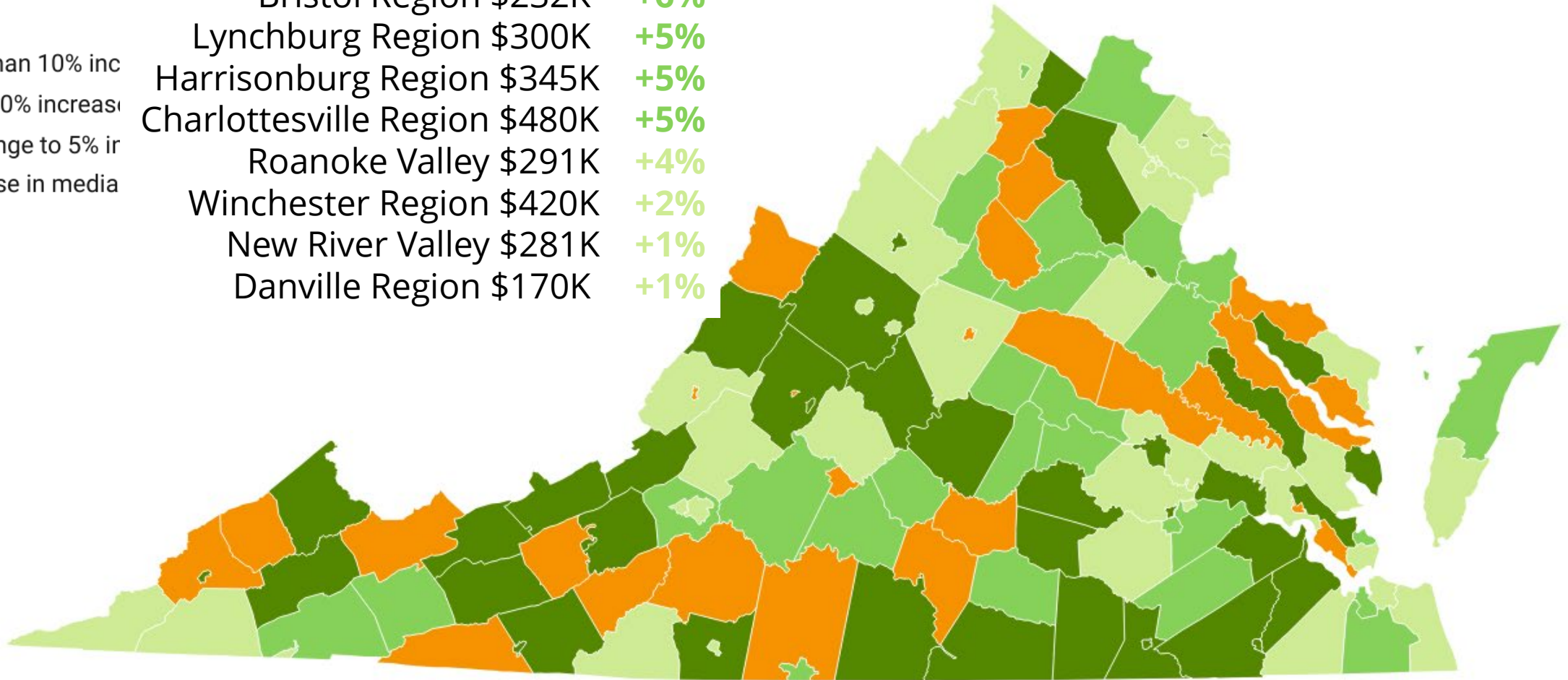
Median Sales Price Change – Local Markets

Change in Median Sales Price – YTD April 2025 compared to YTD April 2024

Smaller Metros/Regional Markets

Bristol Region \$232K	+6%
Lynchburg Region \$300K	+5%
Harrisonburg Region \$345K	+5%
Charlottesville Region \$480K	+5%
Roanoke Valley \$291K	+4%
Winchester Region \$420K	+2%
New River Valley \$281K	+1%
Danville Region \$170K	+1%

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



Source: Virginia REALTORS®

Younger buyers getting priced out of the market?

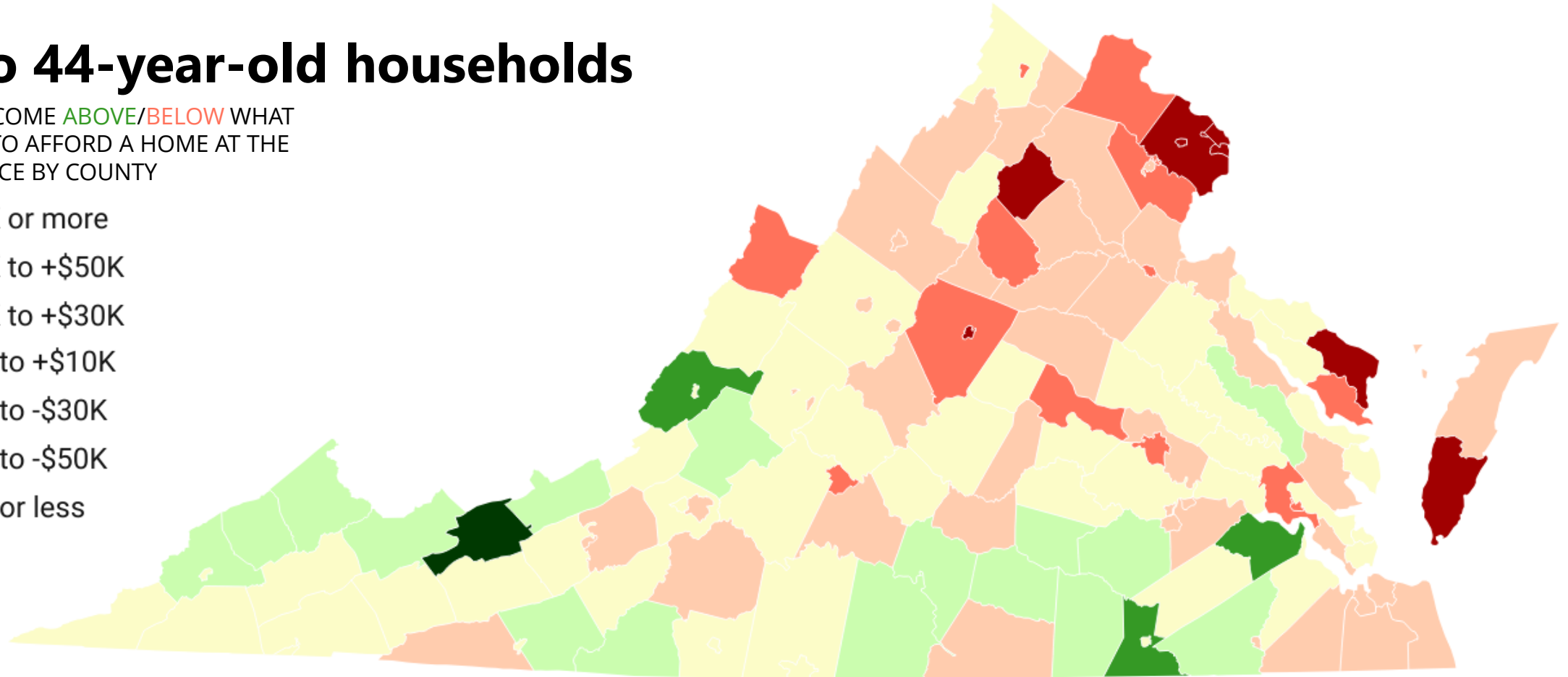
Metro Area	<u>Income Needed</u> to Afford Monthly Payment on a Median-Priced Home	Estimated Annual Household Income of 25-44 Year Olds	Difference
Northern Virginia	\$200K	\$126K	-\$74K
Charlottesville	\$151K	\$103K	-\$48K
Winchester	\$133K	\$95K	-\$38K
Harrisonburg	\$107K	\$74K	-\$33K
Richmond	\$123K	\$91K	-\$32K
Hampton Roads	\$111K	\$79K	-\$32K
Lynchburg	\$94K	\$71K	-\$22K
Blacksburg	\$92K	\$71K	-\$21K
Roanoke	\$93K	\$77K	-\$16K

Younger buyers getting priced out of the market?

Estimated Annual Median Household Income vs. Annual Income Needed to Afford a Median Priced Home

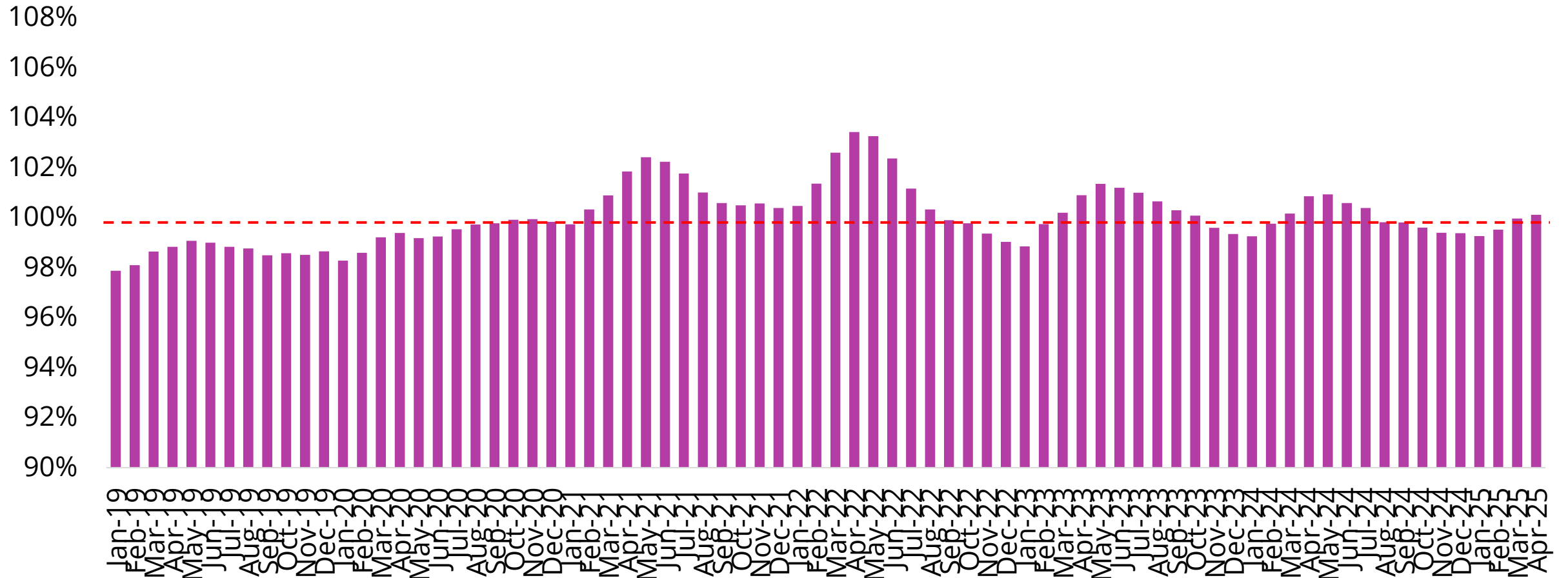
25- to 44-year-old households

ANNUAL INCOME ABOVE/BELOW WHAT
IS NEEDED TO AFFORD A HOME AT THE
MEDIAN PRICE BY COUNTY



Market Remains Competitive

Average Sold-to-Ask Price Ratio, Virginia

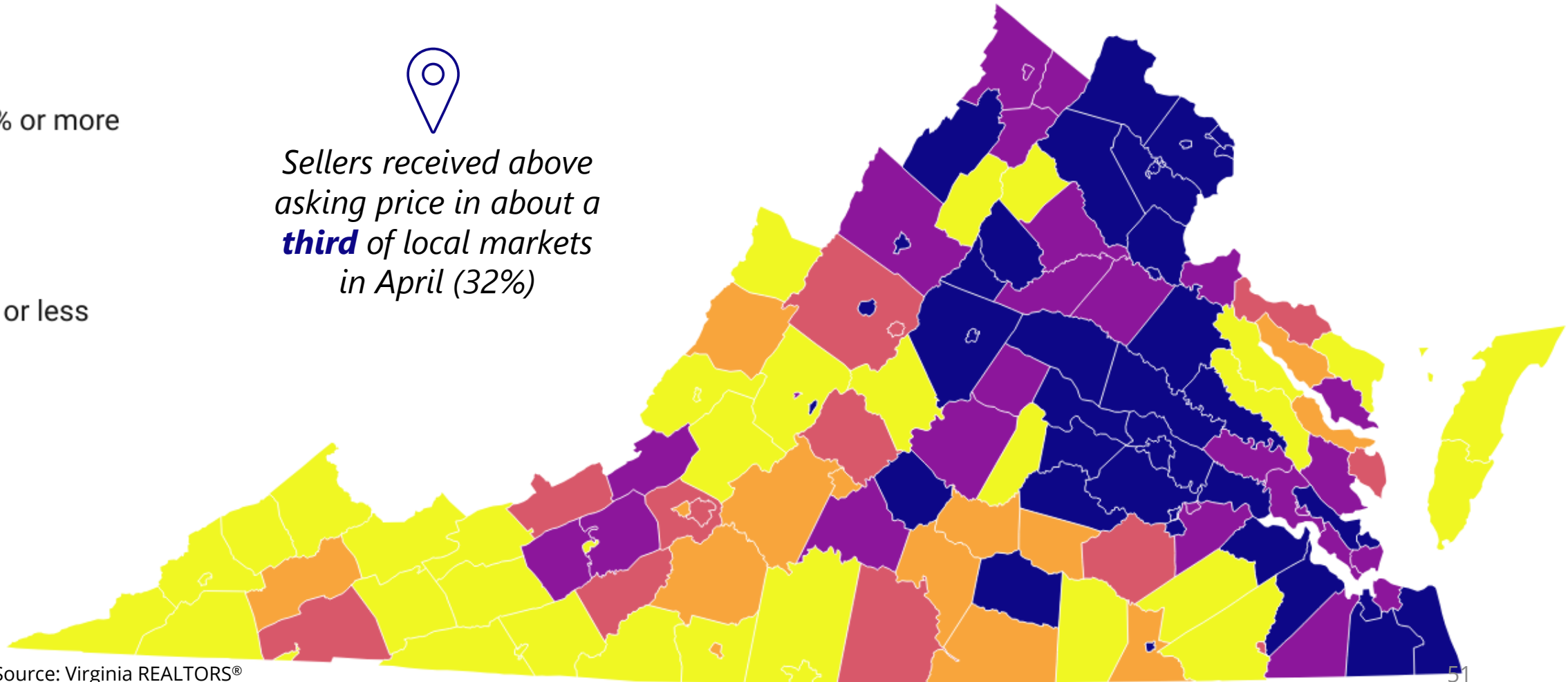
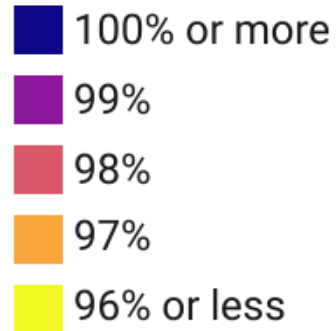


Average Sold-to-List Price Ratio – Local Markets

Average Sold-to-List Price Ratio, April YTD 2025



*Sellers received above asking price in about a **third** of local markets in April (32%)*

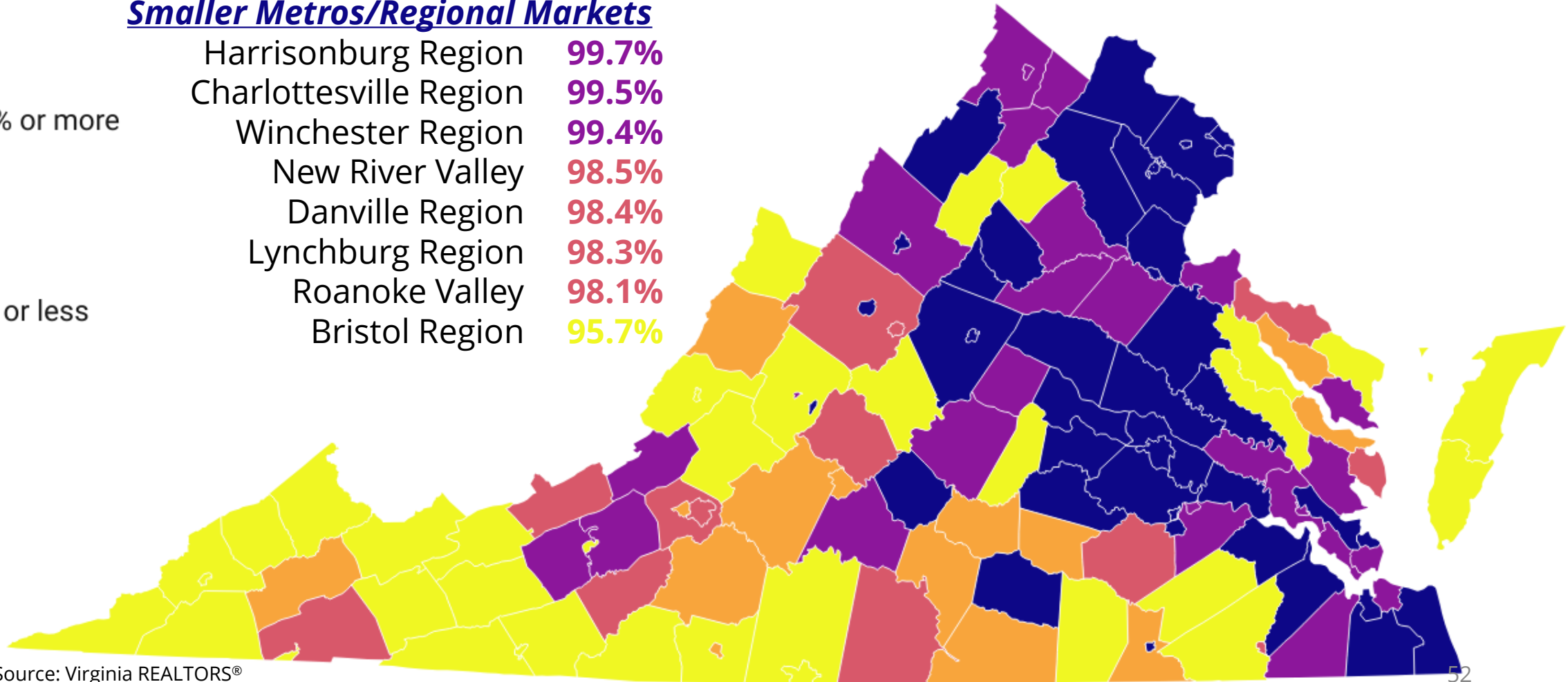
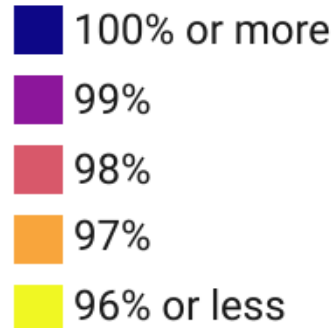


Average Sold-to-List Price Ratio – Local Markets

Average Sold-to-List Price Ratio, April YTD 2025

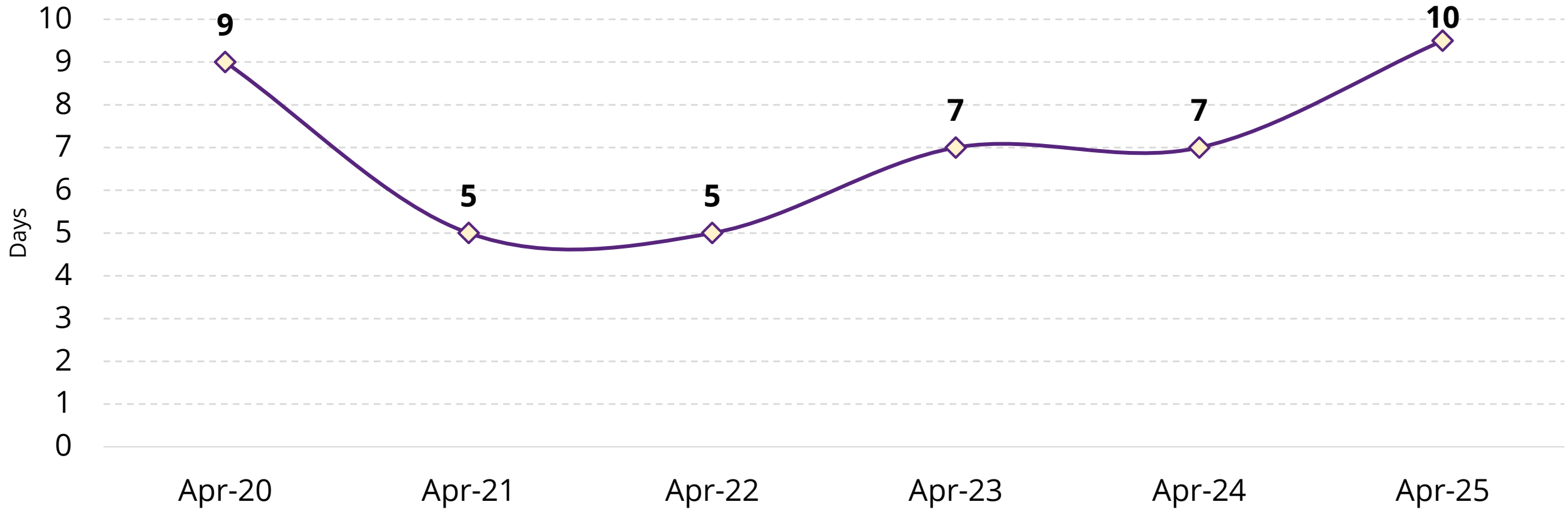
Smaller Metros/Regional Markets

Harrisonburg Region	99.7%
Charlottesville Region	99.5%
Winchester Region	99.4%
New River Valley	98.5%
Danville Region	98.4%
Lynchburg Region	98.3%
Roanoke Valley	98.1%
Bristol Region	95.7%



Median Days on Market

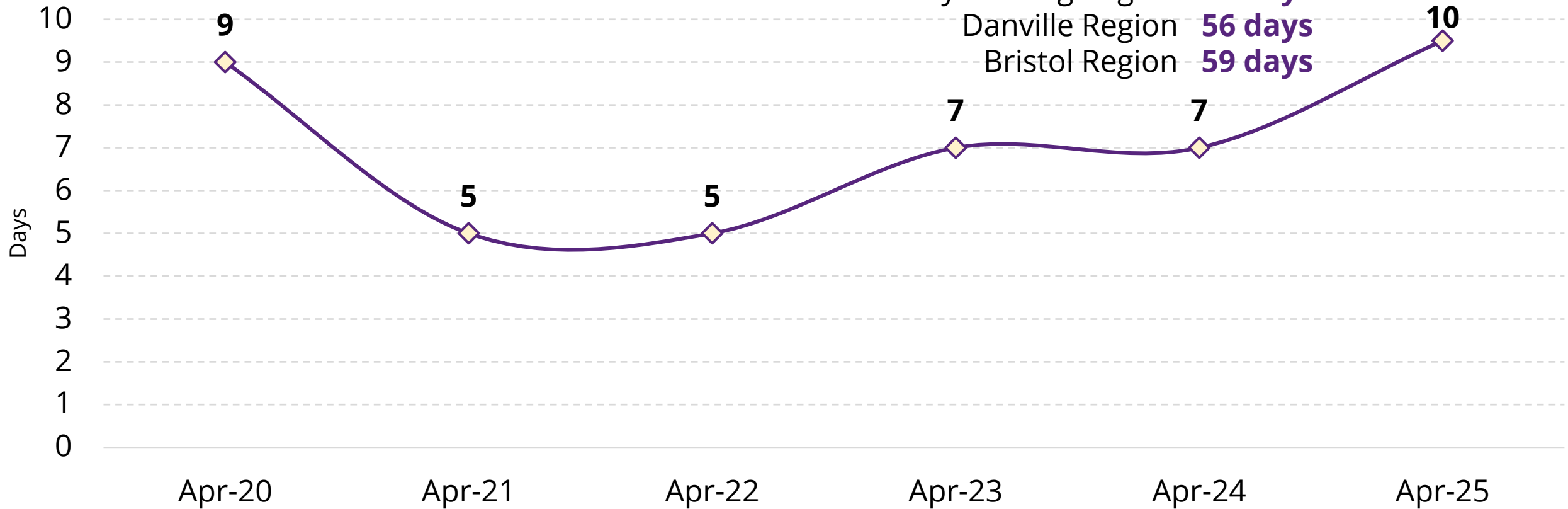
Median Days on Market, April (Statewide)



Source: Virginia REALTORS®

Median Days on Market

Median Days on Market, April (Statewide)



Smaller Metros/Regional Markets

Charlottesville Region	7 days
Harrisonburg Region	8 days
New River Valley	9 days
Roanoke Valley	11 days
Winchester Region	14 days
Lynchburg Region	19 days
Danville Region	56 days
Bristol Region	59 days

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