

The Importance of the Housing Market in Lynchburg VA MSA

June 25, 2025



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Why is the Fed interested in the housing market?



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Housing relates to the Fed's main jobs

Monetary Policy

Actions taken by the central bank to influence interest rates in the economy

Objectives (mandate from Congress)

1. Maximum employment
2. Price Stability (2% inflation target)
3. Moderate long-term interest rates

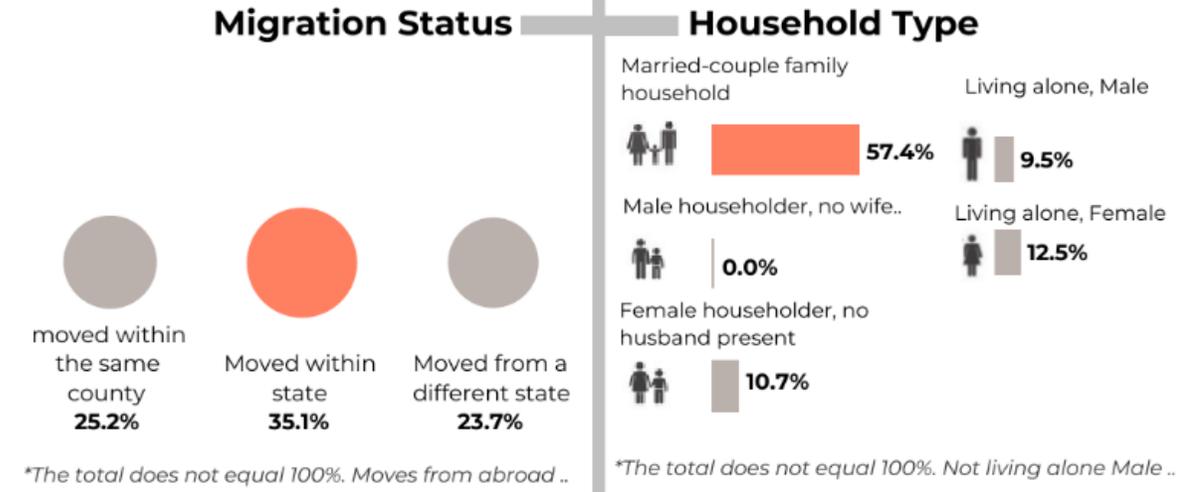
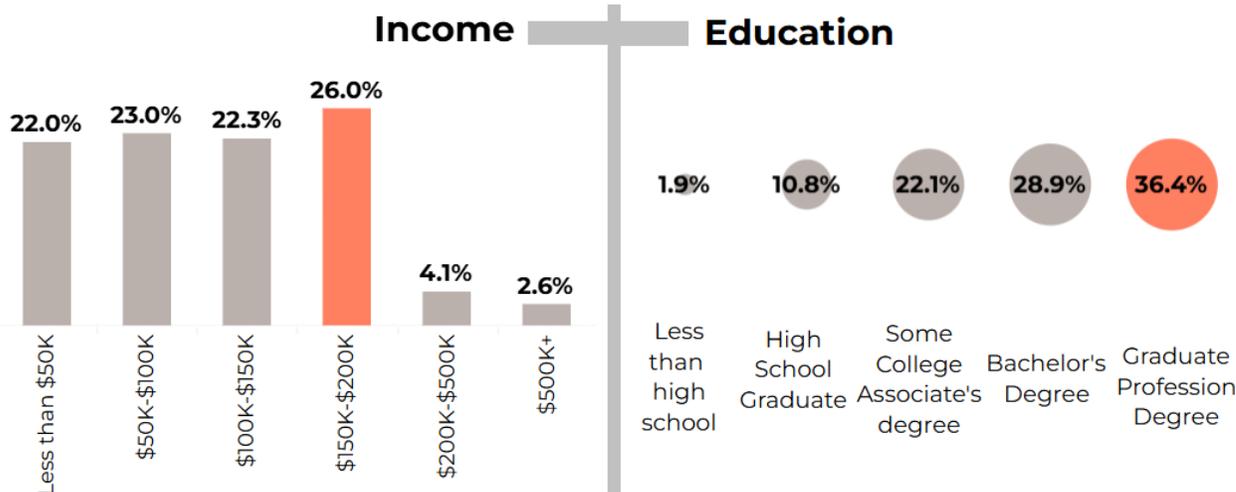
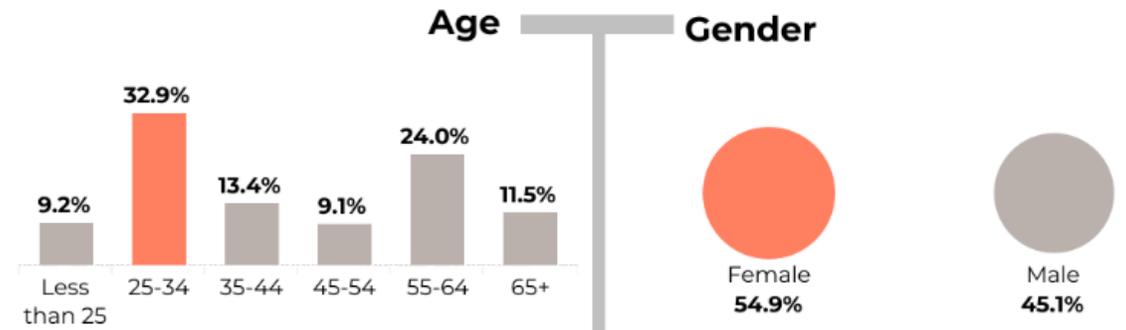
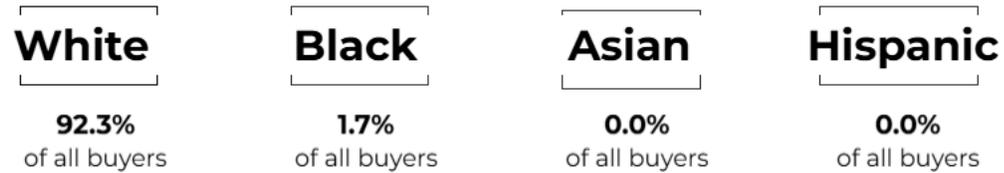


Homebuyer demographics in Lynchburg, VA MSA, 2023

Homebuyers were:

39
years old

\$121,850
income



Homebuyer demographics in Lynchburg, Virginia MSA, 2023

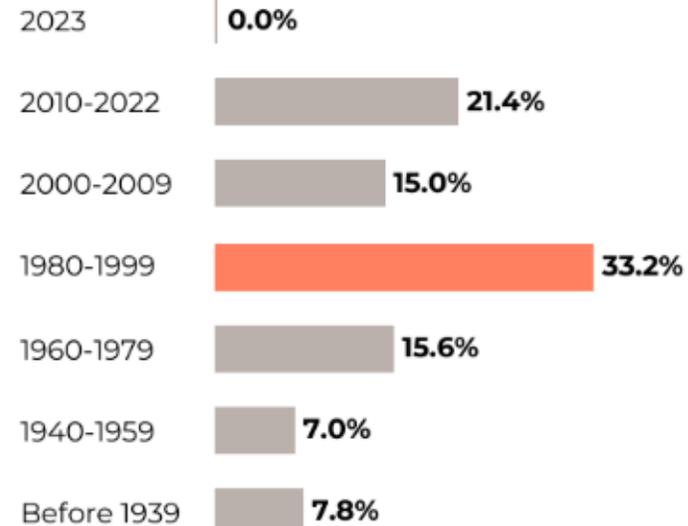
In 2023, homebuyers purchased:



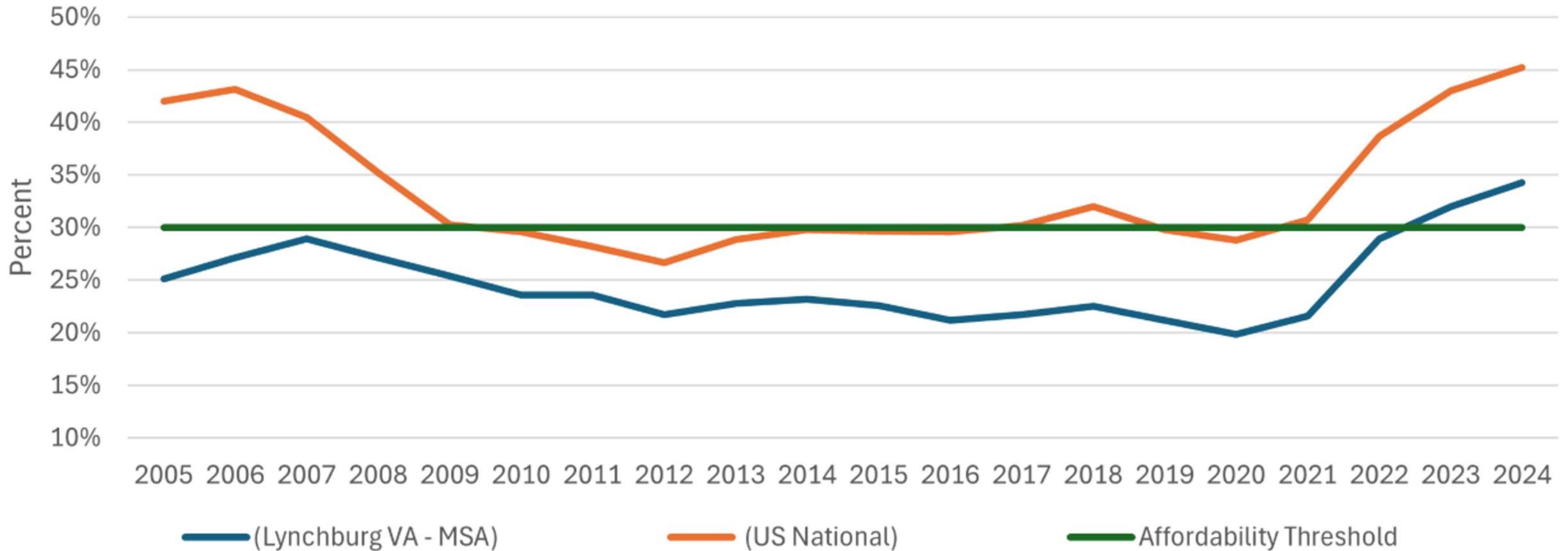
\$376,530
median property value

83.4%
of recent buyers
financed their home purchase

Year of Built

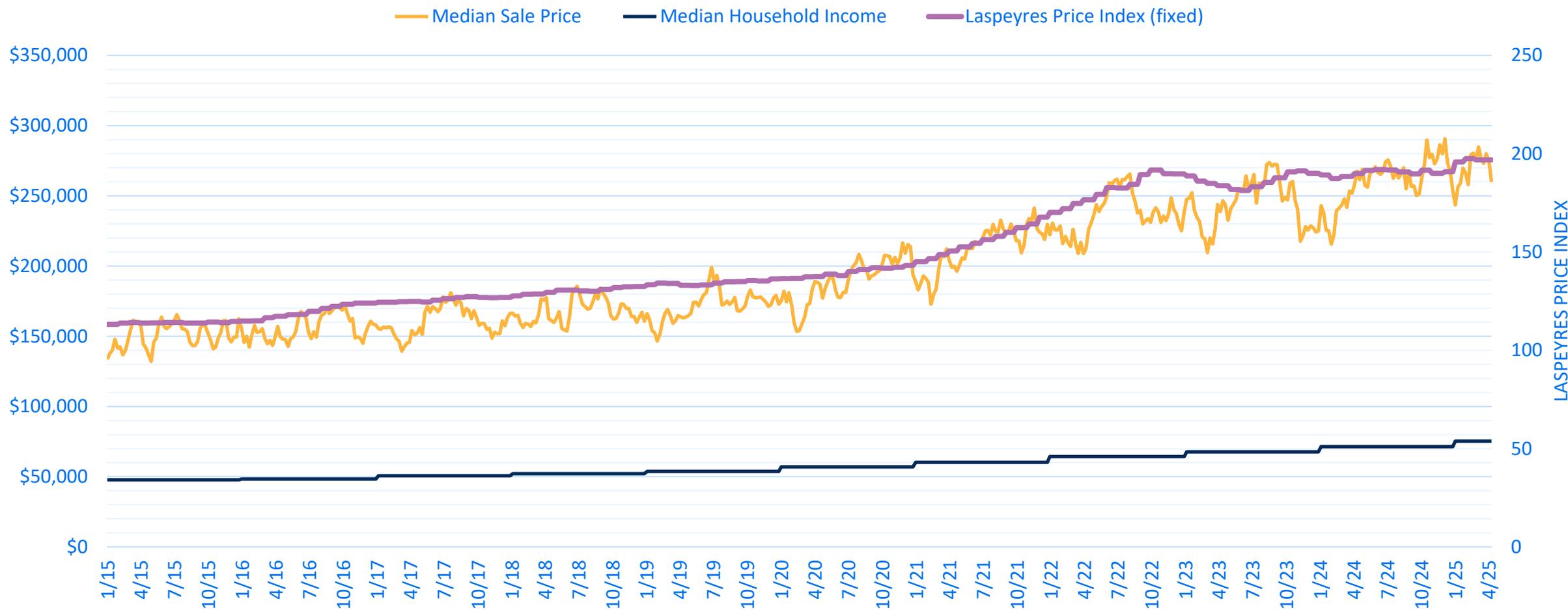


Share of Median Income Needed to Own Median Priced Home



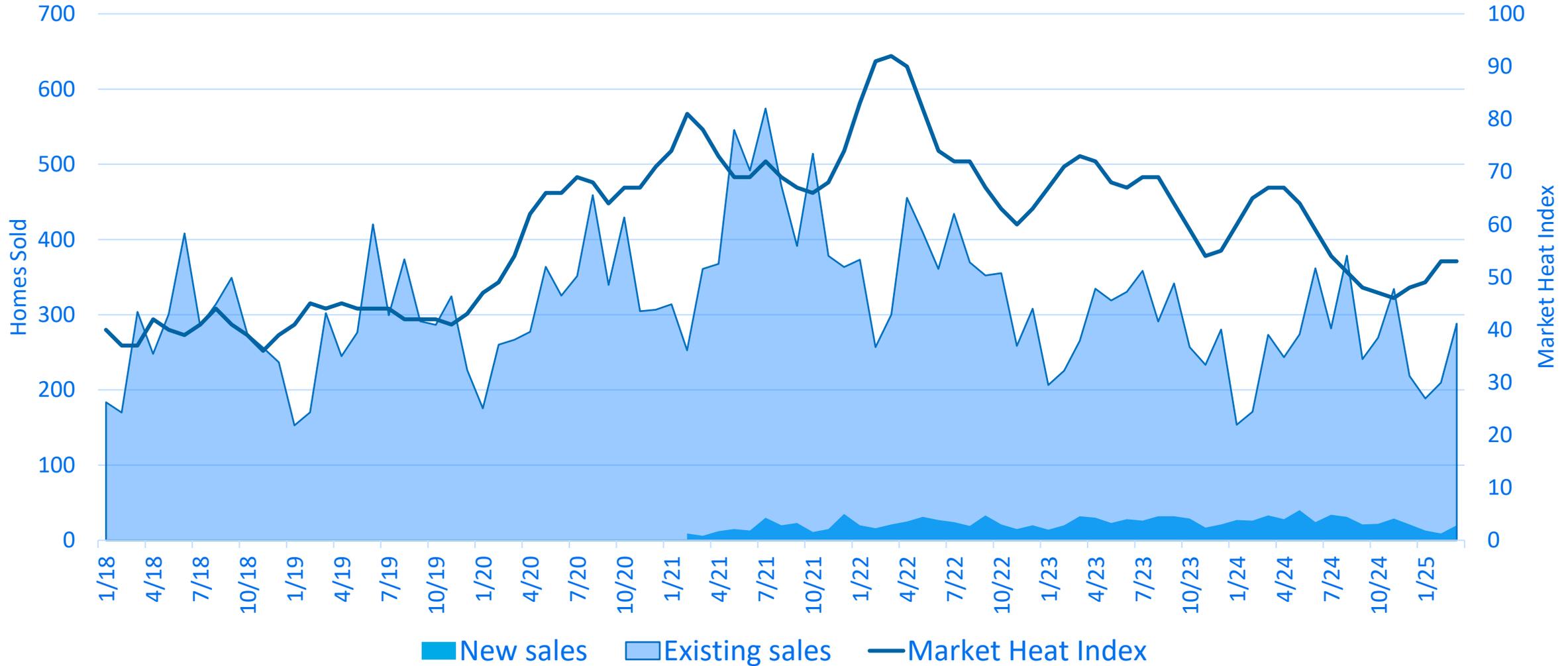
Source: Federal Reserve Bank of Atlanta: Home Ownership Affordability Monitor (HOAM)

Median Home Sale Price vs. Median Household Income (MHI) vs. Construction Costs, Lynchburg, Virginia MSA, 2015-2025



Information taken from US Census Bureau, Constant Quality (Laspeyres) Price Index of New Single-Family Houses Under Construction, American Community Survey 5-year estimates; Zillow Research
(Note: 2024 and 2025 Median Household Incomes are estimated)

New vs. Existing Home Sales and Market Heat Index, Lynchburg, Virginia MSA, 2018-2025

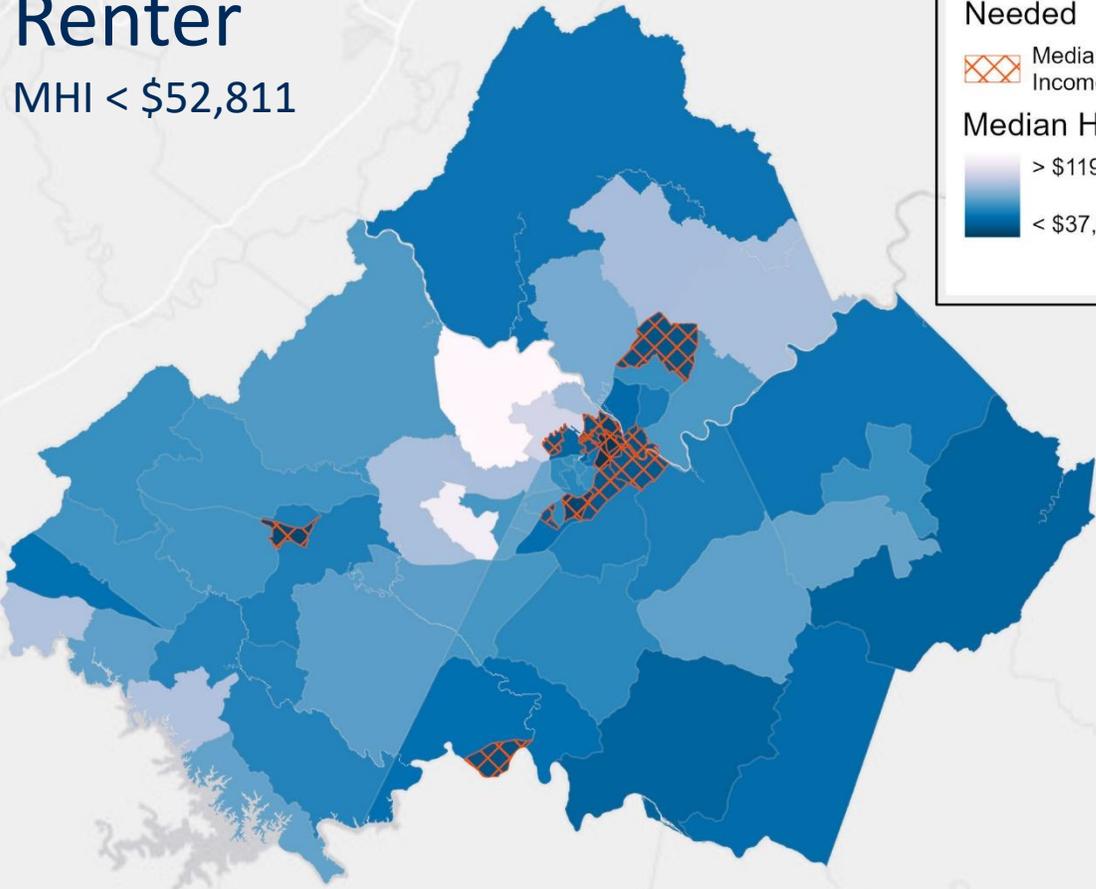


Information taken from Zillow Research

New Homeowner/Renter Income Needed vs. MHI, Lynchburg, Virginia MSA Census Tracts (2023)

Renter

MHI < \$52,811



VITA, West Virginia GIS, Esri, HERE, Garmin, USGS, EPA, NPS

Zillow New Owner/Renter Income Needed

 Median Household Income insufficient

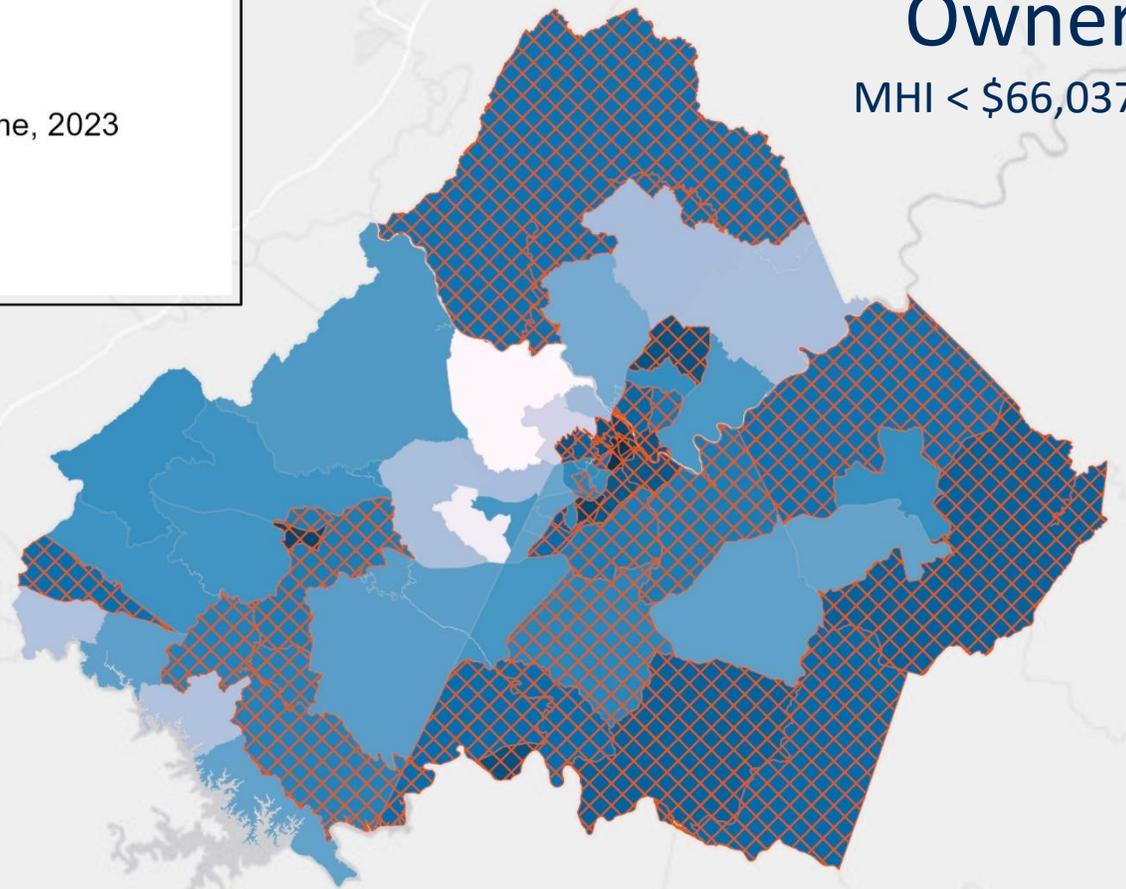
Median Household Income, 2023

 > \$119,300

 < \$37,800

Owner

MHI < \$66,037

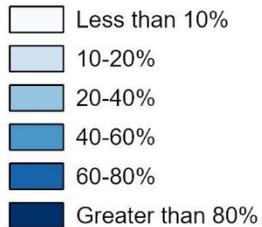


VITA, West Virginia GIS, Esri, HERE, Garmin, USGS, EPA, NPS

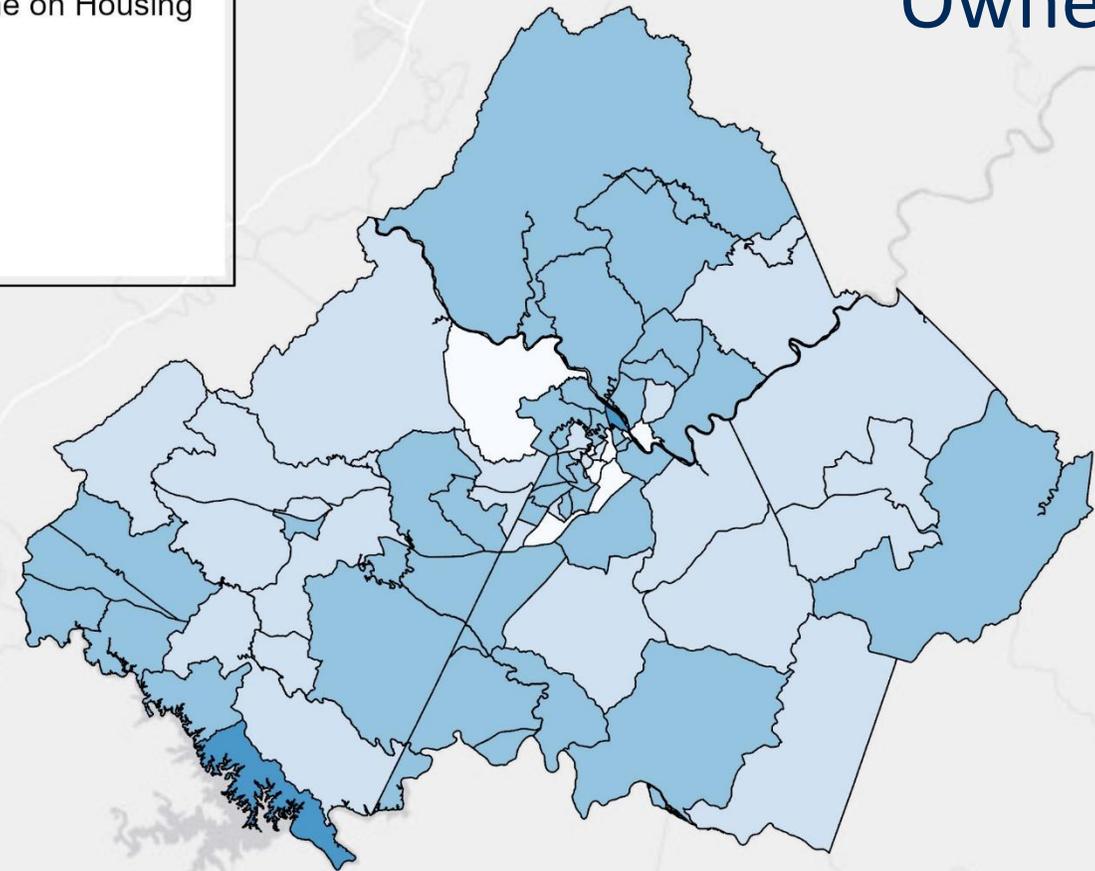
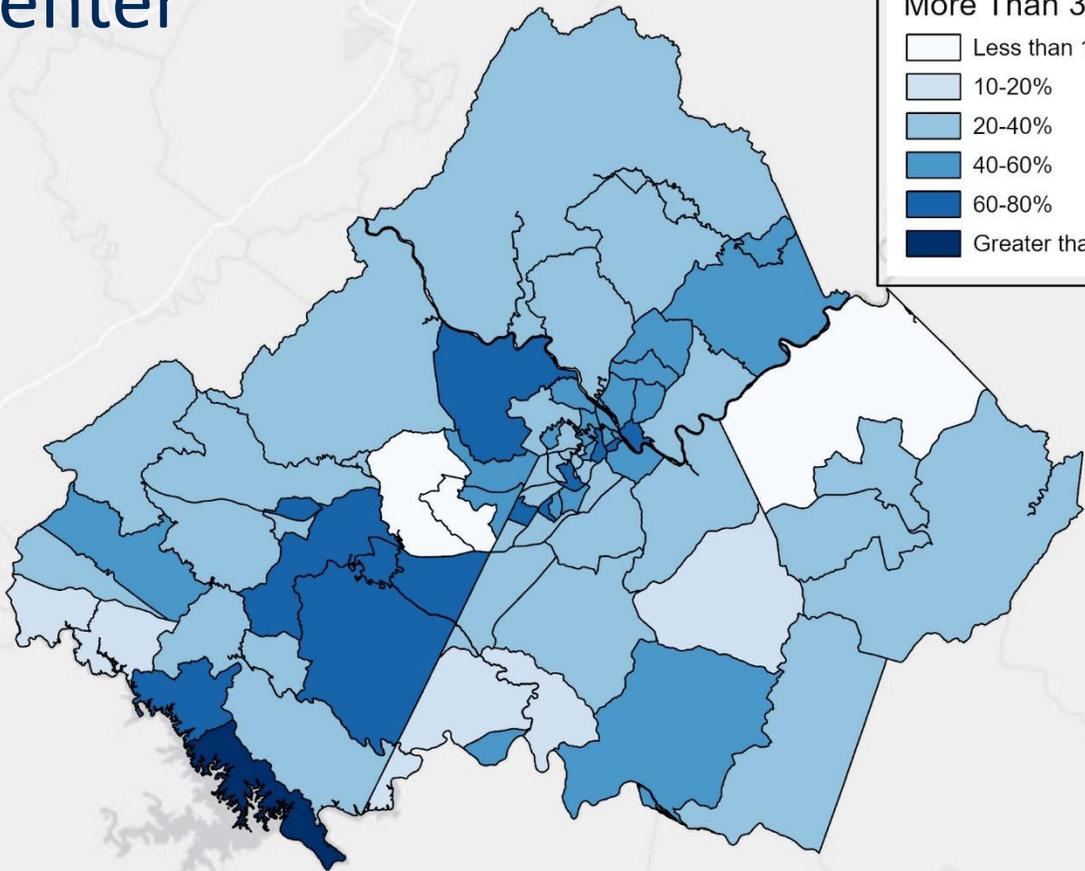
Renter and Owner Housing Cost Burden, Lynchburg, Virginia MSA Census Tracts (2023)

Renter

Percent of Households that Spend
More Than 30% of Income on Housing



Owner



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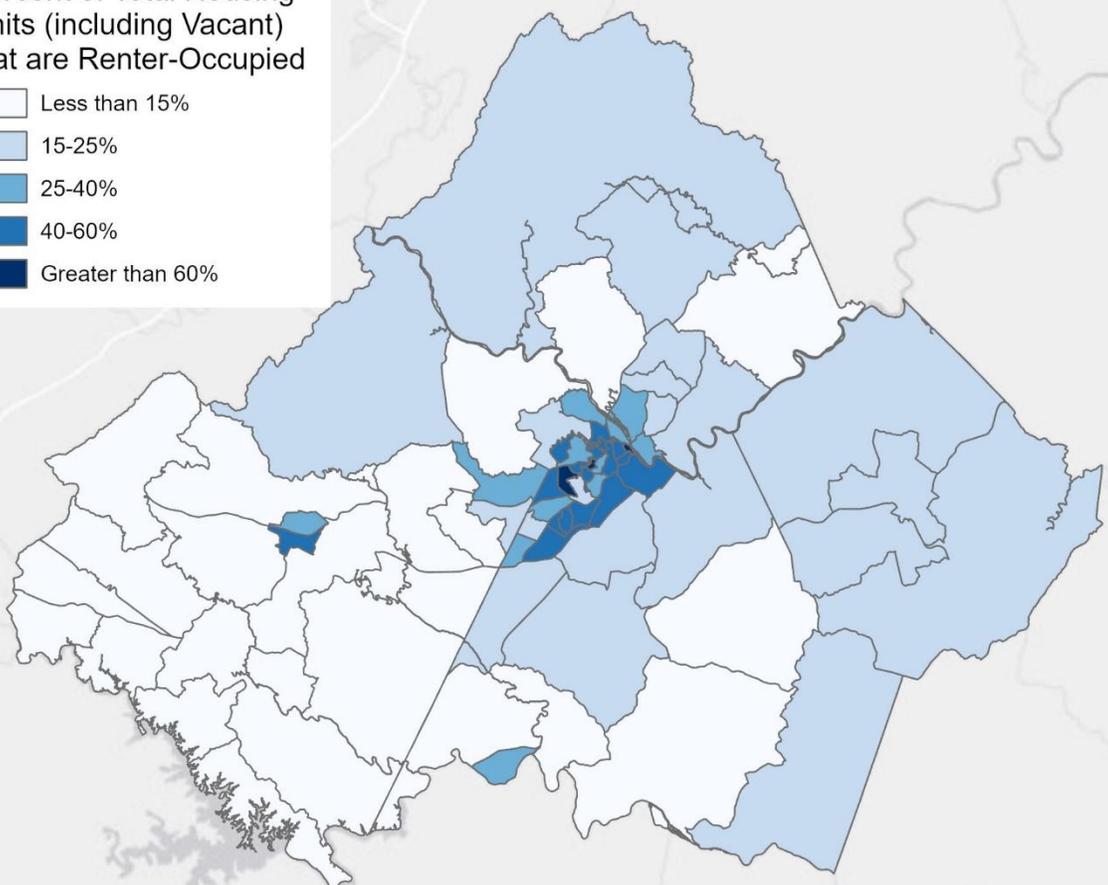
VITA, West Virginia GIS, Esri, HERE, Garmin, USGS, EPA, NPS

Information taken from US Census Bureau, American Community Survey 5-year estimates (2023)

Supply vs. Cost Burden for Rental Homes, Lynchburg, Virginia MSA Census Tracts (2023)

Percent of Total Housing Units (including Vacant) that are Renter-Occupied

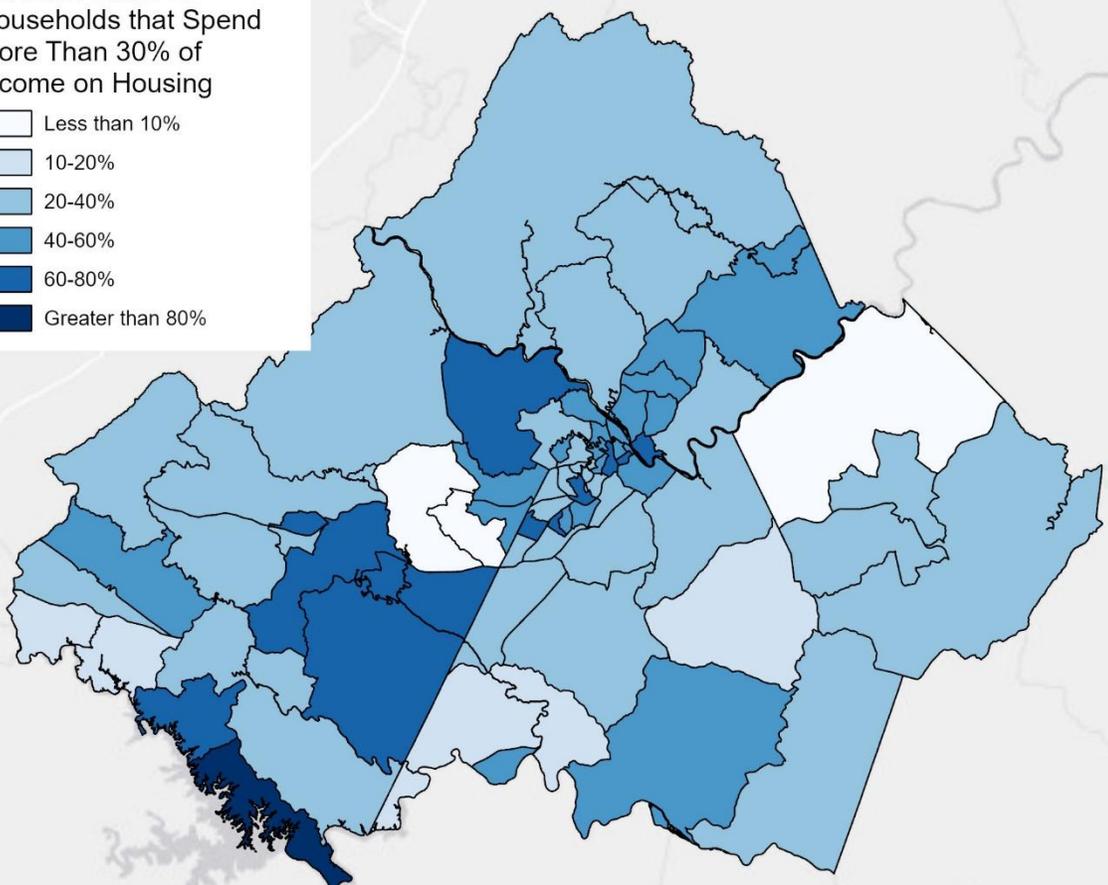
- Less than 15%
- 15-25%
- 25-40%
- 40-60%
- Greater than 60%



VITA, West Virginia GIS, Esri, HERE, Garmin, USGS, EPA, NPS

Percent Renter of Households that Spend More Than 30% of Income on Housing

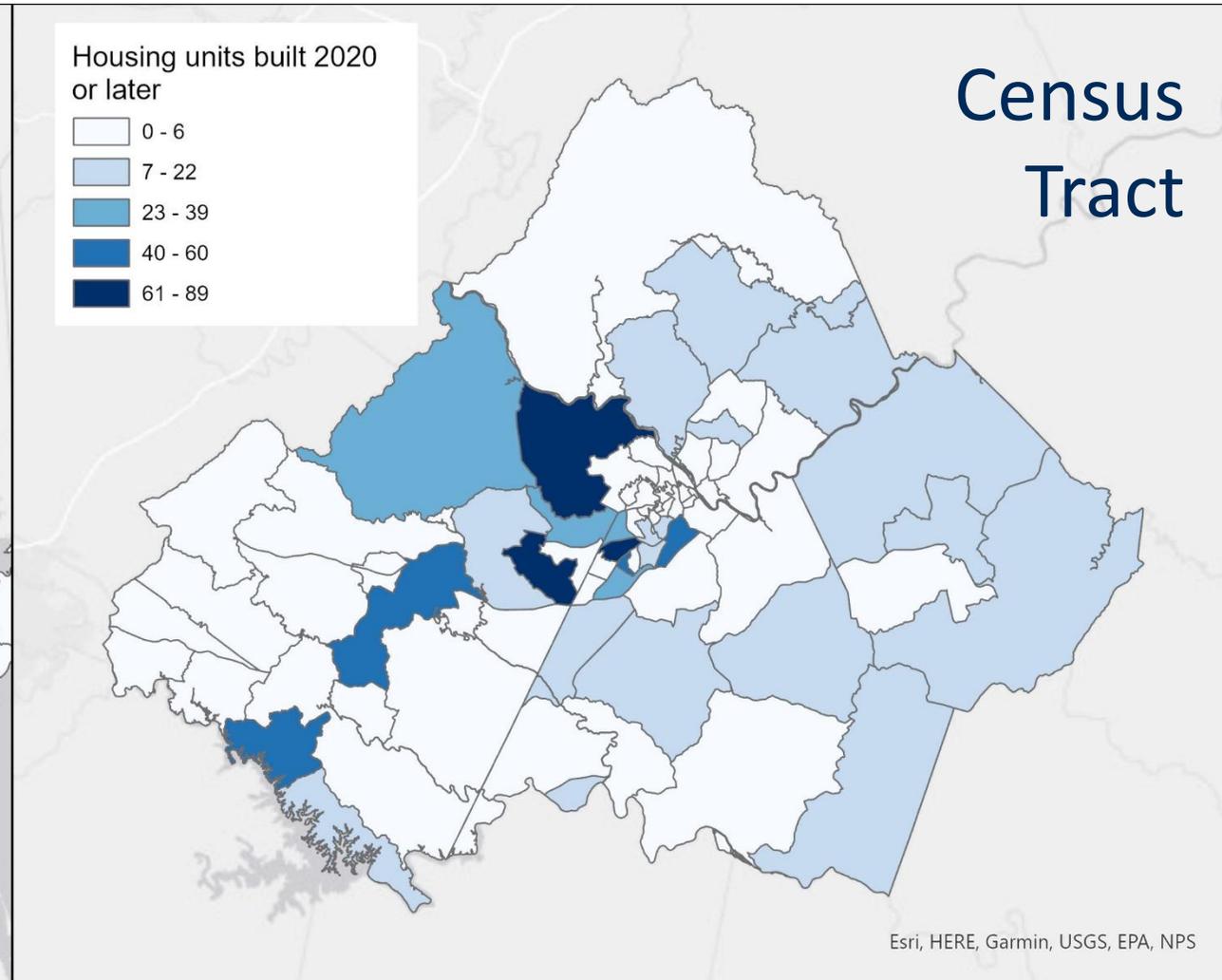
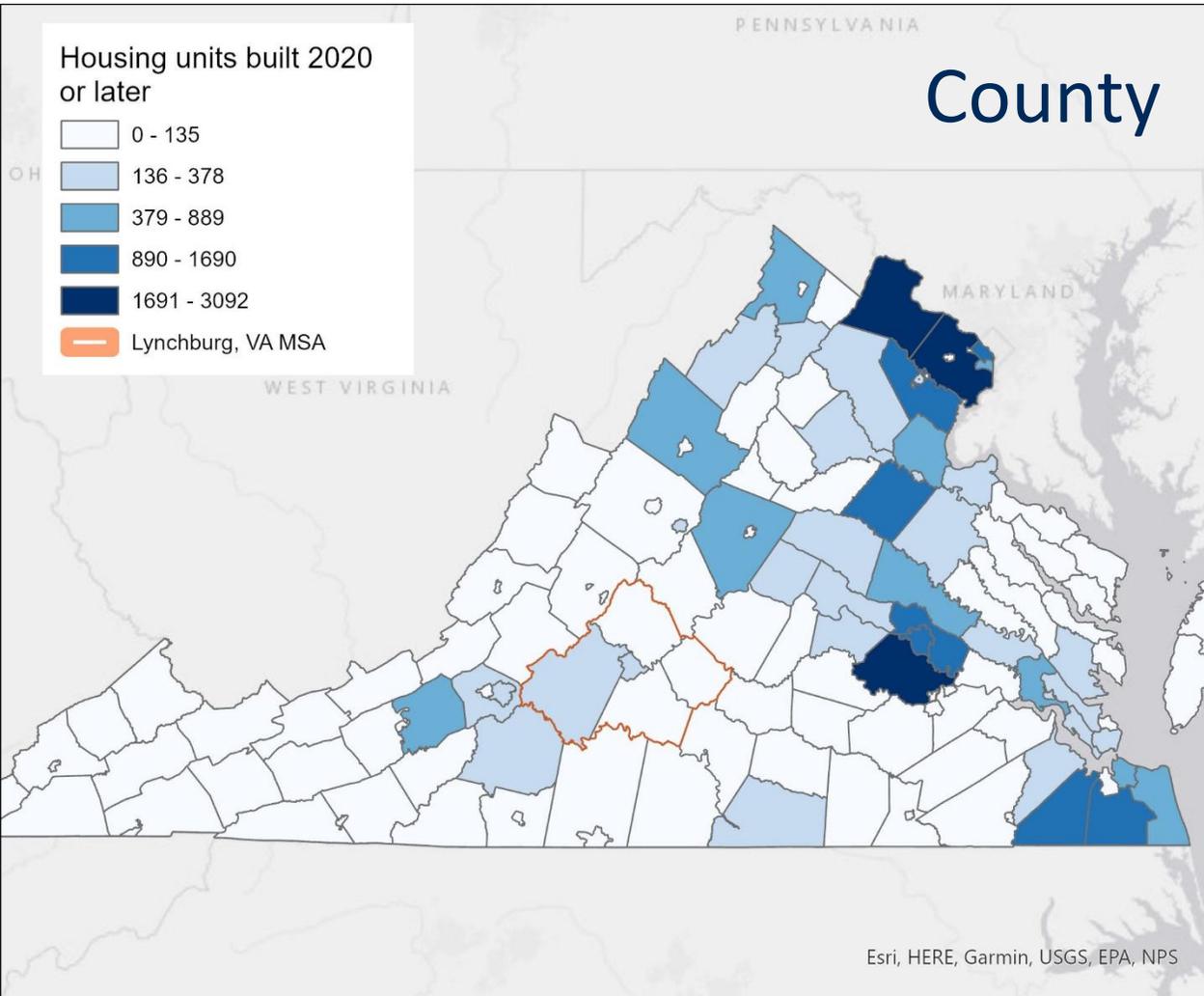
- Less than 10%
- 10-20%
- 20-40%
- 40-60%
- 60-80%
- Greater than 80%



VITA, West Virginia GIS, Esri, HERE, Garmin, USGS, EPA, NPS

Information taken from US Census Bureau, American Community Survey 5-year estimates (2023)

New Housing Units Built, Lynchburg, VA MSA Census Tracts and Virginia Counties (2023)



Information taken from US Census Bureau, American Community Survey 5-year estimates (2023)

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