

WAAR WILLIAMSBURG HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

WAAR Home Sales Report

First Quarter 2022

Williamsburg Area Association of REALTORS®

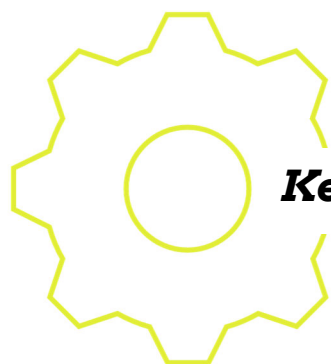
Market Report Key Takeaways

Economic Conditions

- Virginia's economy continued to improve in early 2022, despite rising inflation and the escalating conflict overseas. Economic conditions are solid in the Williamsburg area, with a steady decline in the local unemployment rate.
- Even as the economy improves, consumer confidence is shaky. In March 2022, the measure of expectations of future economic conditions fell to its lowest level since 2013.
- Mortgage rates are on the rise. In the second week of April, the average 30-year rate hit 5%, the first time it has been at this level in 11 years.

Housing Market Conditions

- There were 867 homes sold in the WAAR region during the first quarter, which is 86 fewer home sales than in the first quarter of 2021, a 9% dip. This is the first year-over-year decline in home sales in the WAAR region since the second quarter of 2020.
- Home prices continued to rise briskly in the WAAR area. In the first quarter, the median sales price was \$360,000, which is 11% higher than a year ago. The region's median home price is now \$60,000 higher than it was two years ago.
- Inventory remains low throughout most of the WAAR region. There were 402 active listings in the region at the end of the first quarter, 17% fewer listings than this time last year. In some local markets, however, inventory increased year-over-year.



Key Trends Dashboard, WAAR

Economy



2.8%

Is the Feb-2022 **unemployment rate** in the WAAR footprint, which is down from Jan-2022



5%

Is the **30-year fixed-rate mortgage rate** during the second week of April 2022, which is up 1.96 percentage points from a year ago

Housing Market



-86

Fewer **home sales** in the WAAR footprint in Q1-2022 compared to last year



11%

Percent change in **median sales price** in the WAAR region in Q1-2022 compared to a year ago



\$7.1

Million dollars more in total **sold volume** in the WAAR footprint in Q1-2022 compared to last year



-17%

Percent change in **active listings** at the end of Q1-2022 in the WAAR market compared to a year ago



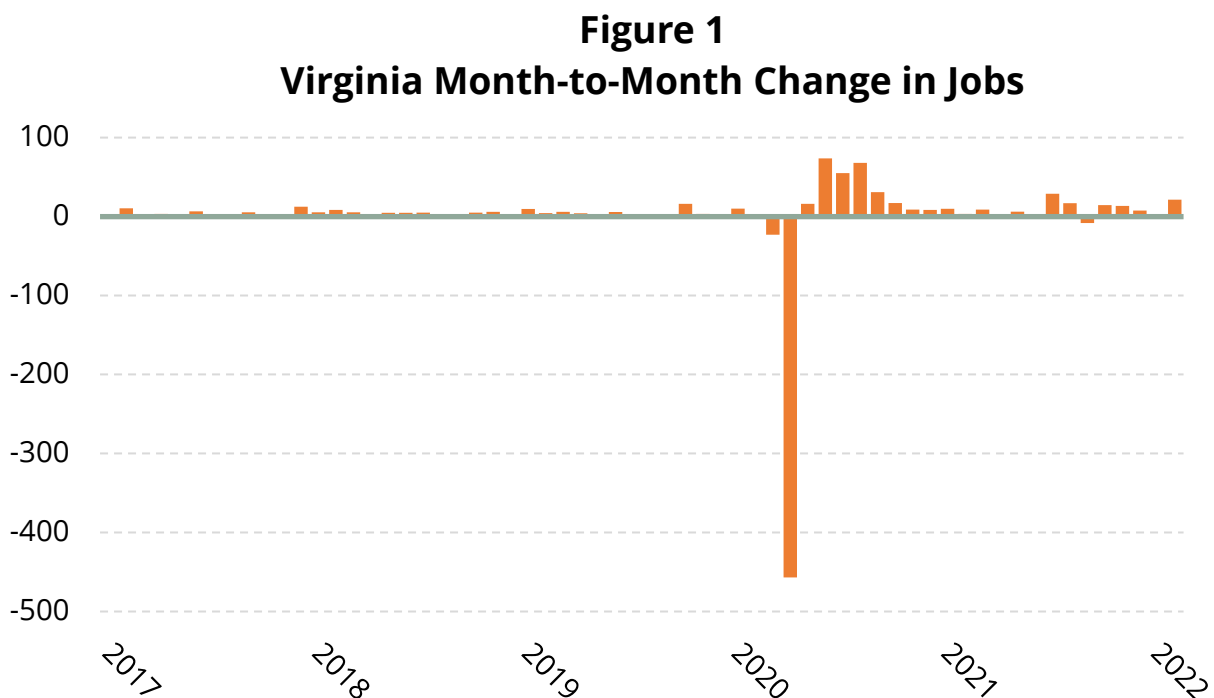
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Month of supply in the WAAR footprint in Q1-2022, which is down from a year ago

Economic Overview

Despite ongoing uncertainties, the economy in Virginia continues to improve. In February 2022, total employment in Virginia surpassed four million jobs, the first time that milestone has been reached since March 2020. About 111,900 jobs have been added over the past 12 months. The total number of jobs in the state is now just 2% below where it was prior to the pandemic.

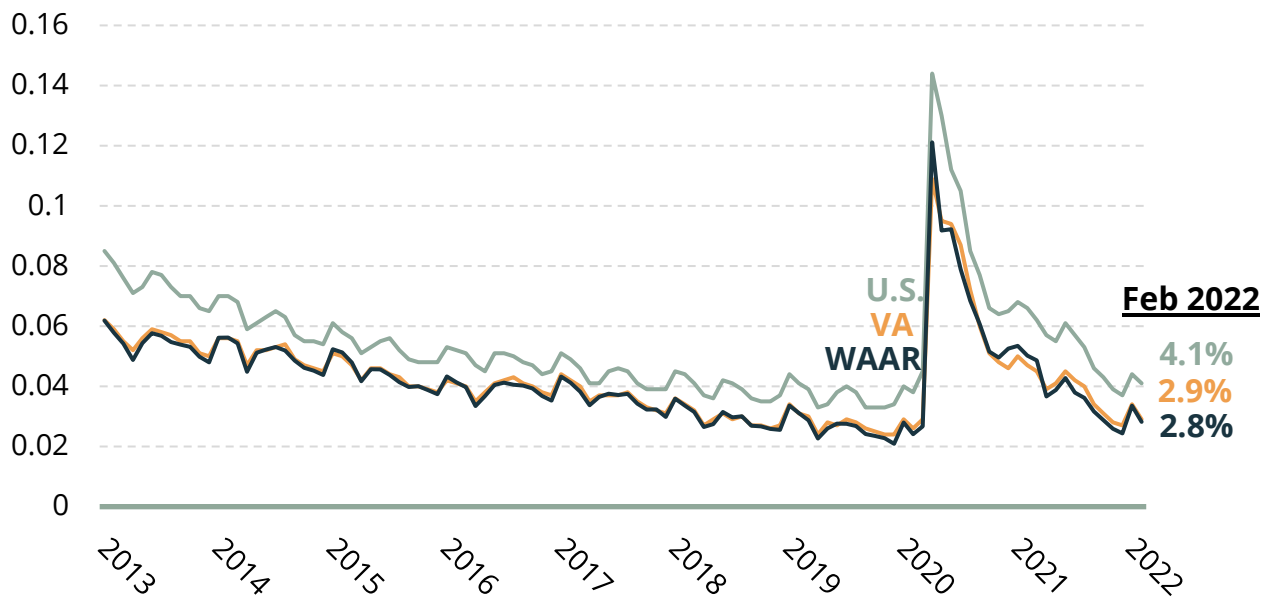
The job recovery in Virginia continues across most sectors, with the fastest growth in some of the sectors that were hardest hit by the pandemic. The Professional/Technical Services, Transportation/Warehousing, Administrative Services, and Federal Government sectors have all been back to pre-pandemic levels for several months. However, in February, for the first time, the number of jobs in both the Retail Trade and Construction sectors surpassed pre-pandemic levels.



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

A key indicator of the improving economy is the unemployment rate. In February, the unemployment rate in Virginia was 2.9% (not seasonally adjusted), which is down from 3.4% in January and is at the lowest level since March 2020. In the Williamsburg area, the February unemployment rate was 2.8%, down from 3.4% in January.

Figure 2
Unemployment Rate



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

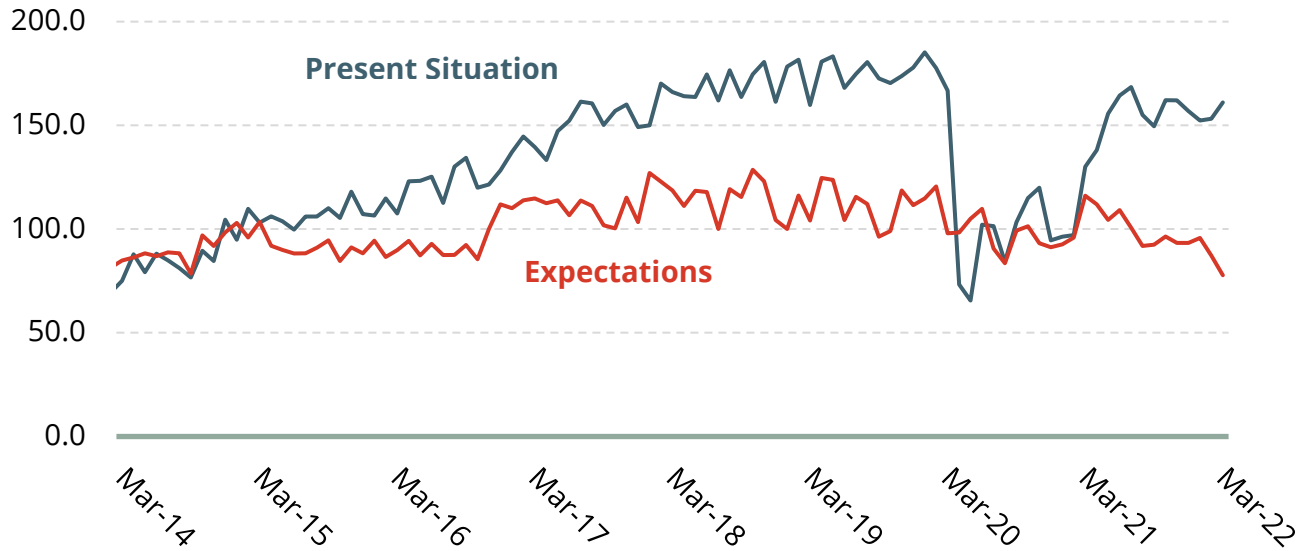
Consumer Confidence

Consumers' outlook for the economy dipped this spring in response to high inflation and ongoing conflict overseas. In March 2022, the measure of how confident consumers feel about the future economy fell to 77.7, down from 87.2 in February, and the lowest level since 2013. Between February and March 2022, consumers' confidence in the present economic situation ticked up from 153.1 to 161. (A consumer confidence index above 100 indicates people are feeling more optimistic about economic conditions.)

Mortgage Rates

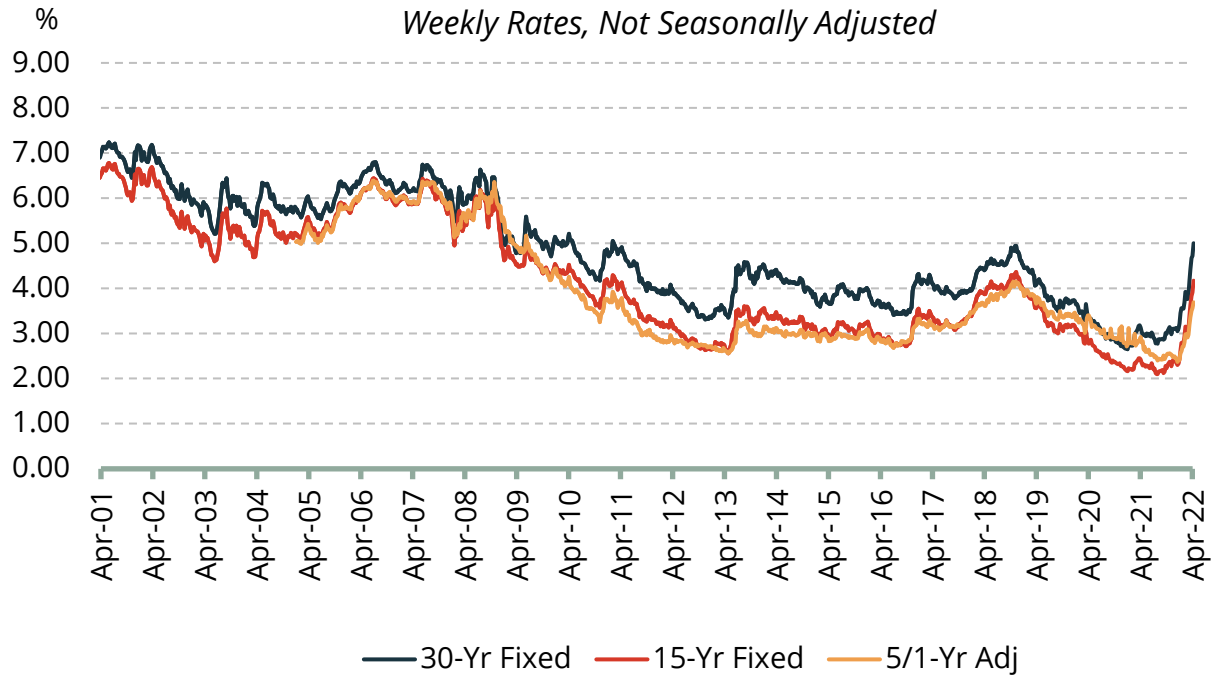
Over the past few weeks, mortgage rates have risen faster than they have in nearly 30 years. In the second week of April, the average rate on a 30-year fixed-rate mortgage hit 5% for the first time in 11 years. Rates are rising in response to actions taken by the Federal Reserve, including a boost in short-term interest rates and a pullback in the purchase of bonds and mortgage-backed securities. The Fed has telegraphed several more short-term rate increases during 2022, which indicates that mortgage rates will likely rise further during the year. Even as rates continue to climb, they are still at historically low levels.

Figure 3
Consumer Confidence
South Atlantic Region



Source: The Conference Board

Figure 4
Mortgage Interest Rates
Weekly Rates, Not Seasonally Adjusted



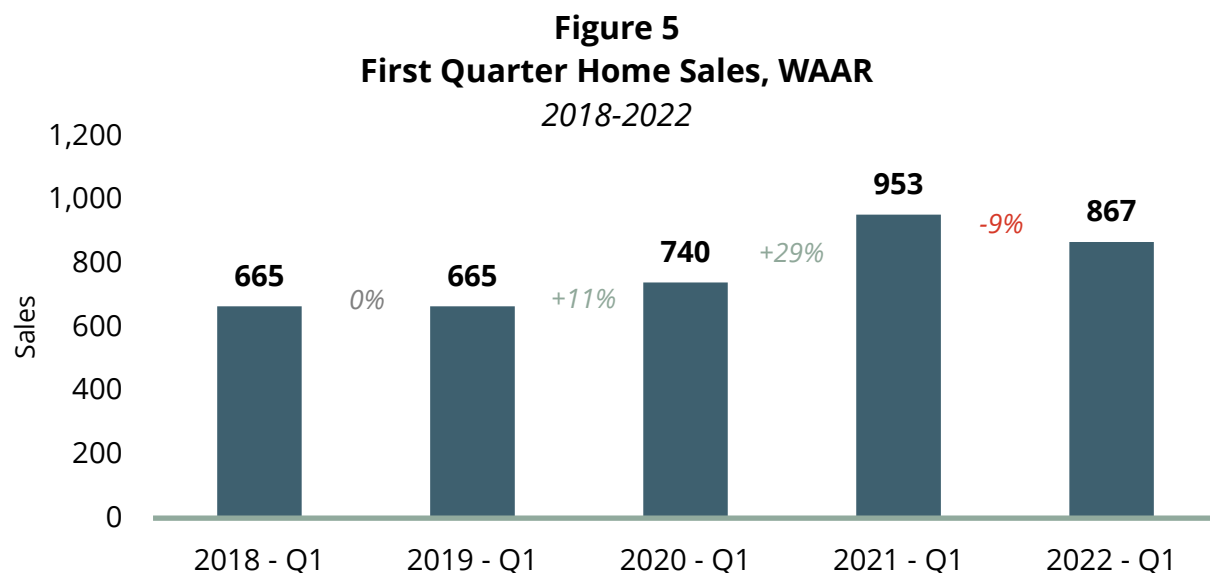
Source: Federal Reserve Bank of St. Louis

Housing Market Overview

Home sales activity was still strong in the WAAR regional housing market in the fourth quarter, with the median home sales price rising at a double-digit rate and the average days on market continuing its rapid decline. Inventory remains low; however, there are signs that supply is beginning to expand in some local markets. Buyer activity could accelerate this spring, as buyers try to enter the market before rates move higher. Later in the year, however, home sales activity likely will cool in the region as higher rates and rising affordability challenges create headwinds. This report provides details about housing market conditions within the WAAR footprint. A summary of housing market trends for the larger region are available at the end of this report.

Sales

In March, home sales were down in the first quarter compared to a year ago, the first time since spring of 2020 that there has been a year-over-year decline in sales activity in the WAAR region. There were 867 sales across the WAAR footprint in the first quarter of 2022, which is 86 fewer sales than the first quarter of 2021, a 9% decline. Despite this dip, the housing market activity remains relatively strong, with first quarter sales 17% higher than the first quarter of 2020, before the onset of the pandemic. Statewide, the number of home sales in the first quarter was down 8% compared to a year ago and was 9% higher than first quarter 2020 sales totals.



Source: Virginia REALTORS®, data accessed April 15, 2022



Local Snapshot – *Total Home Sales*

Charles City County: There were 14 sales in the county in the first quarter. Unlike in some other parts of the region, sales were up in Charles City County, with six more sales than during the first quarter of 2021, a 75% increase.

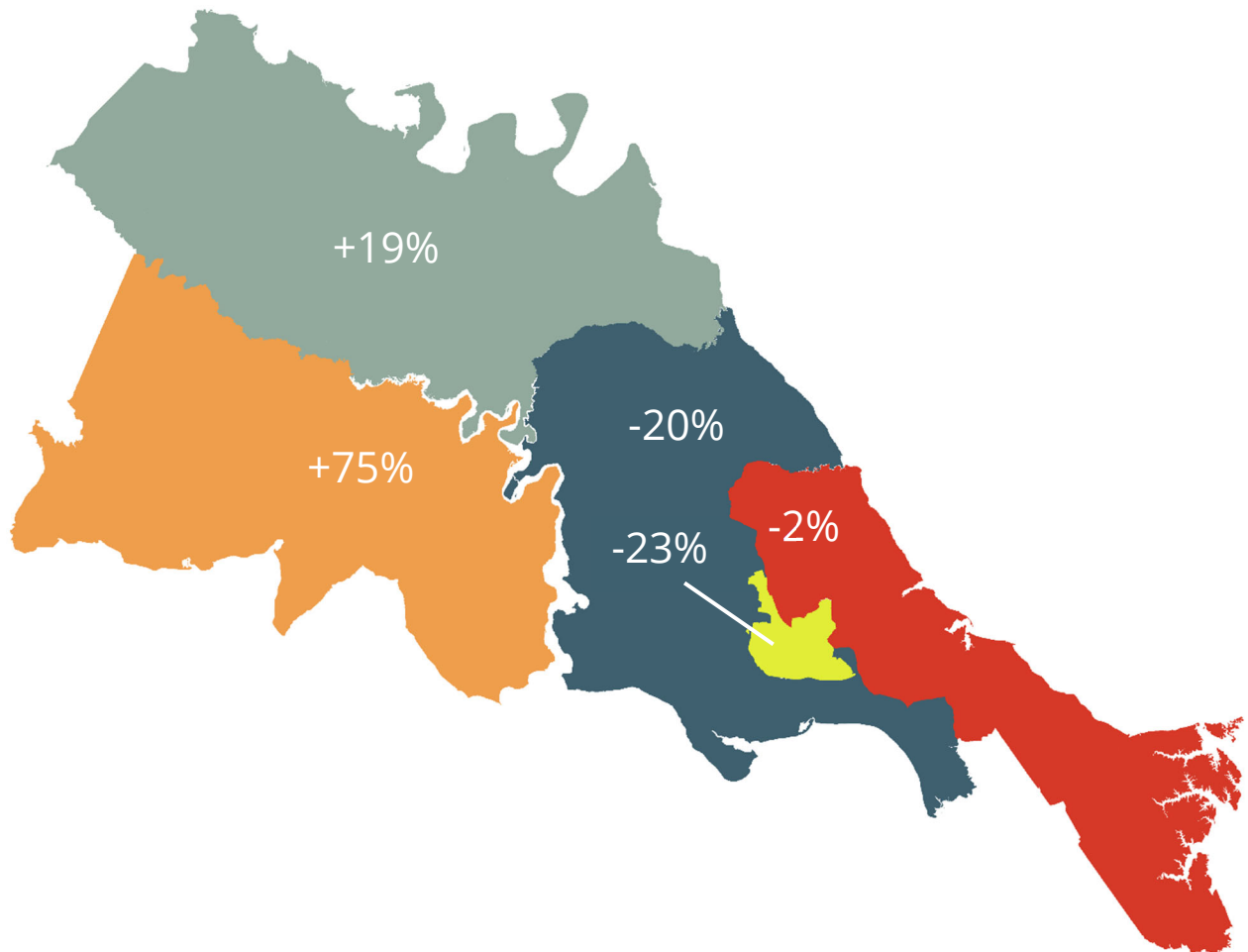
James City County: Home sales in James City County declined sharply in the first quarter. There were 378 sales in James City County during the first quarter, 20% fewer sales than a year ago, or 94 fewer sales. Despite this decline, sales activity in the county was still 15% higher than during the first quarter of 2020.

New Kent County: Sales activity continued to be strong in New Kent County. There were 142 sales in the county during the first quarter, which is 19% more sales than a year ago, or 23 additional home sales.

Williamsburg: Home sales in Williamsburg declined. In the first quarter, there were 50 home sales in the city, which is 15 fewer sales than a year ago, a 23% decline. First quarter sales in Williamsburg were down 24% compared to the first quarter of 2020.

York County: Sales activity was somewhat slower in York County. There were 283 sales in the first quarter, six fewer sales than a year ago, or a modest 2% drop. Home sales in York County continued to surpass pre-pandemic sales activity, with sales 25% higher than in the first quarter of 2020.

Figure 6
Change in Sales by Jurisdiction
WAAR
First Quarter 2021 to First Quarter 2022



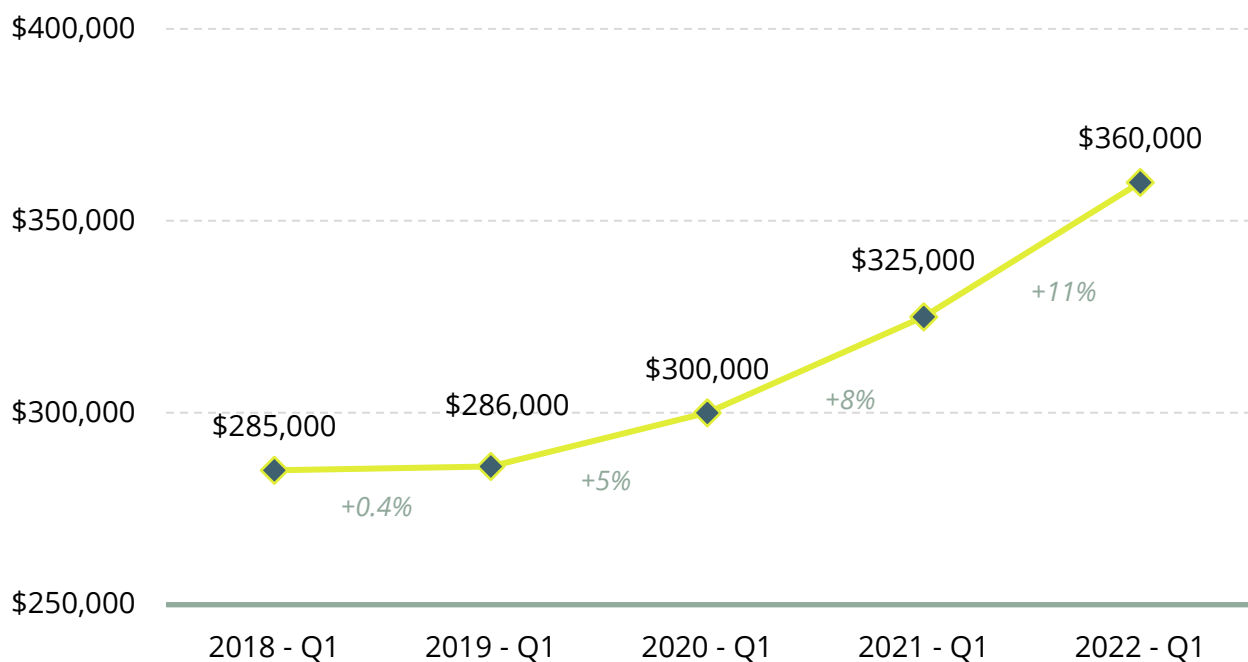
<i>Jurisdiction</i>	<i>2021 - Q1</i>	<i>2022 - Q1</i>	<i>% Change</i>
Charles City County	8	14	75%
James City County	472	378	-20%
New Kent County	119	142	19%
Williamsburg	65	50	-23%
York County	289	283	-2%

Source: Virginia REALTORS®, data accessed April 15, 2022

Sales Prices

Home prices in the WAAR region continued to rise briskly. The median sales price across the region was \$360,000, which is up 11% from the first quarter of 2021, a gain of \$35,000. Median prices were up in all local markets with the exception of Williamsburg. Home prices have been rising quickly in the region for the past two years. The median sales price in the WAAR region is now \$60,000 higher than it was two years ago. Statewide, the first quarter median sales price was \$375,000, up 12% compared to a year ago.

Figure 7
First Quarter Median Sales Price, WAAR
2018-2022



Source: Virginia REALTORS®, data accessed April 15, 2022



Local Snapshot – *Median Sales Price*

Charles City County: In the first quarter, the median sales price in Charles City County was \$283,000, which is up 13% compared to a year ago, an increase of \$33,500. Home prices have been rising quickly in the county. The median price is now \$73,000 higher than in the first quarter of 2020.

James City County: At \$397,250, the first quarter median sales price in James City County surged 17% from last year, which is a gain of more than \$56,500. The median price in the county is now nearly \$100,000 higher than it was in the first quarter of 2020.

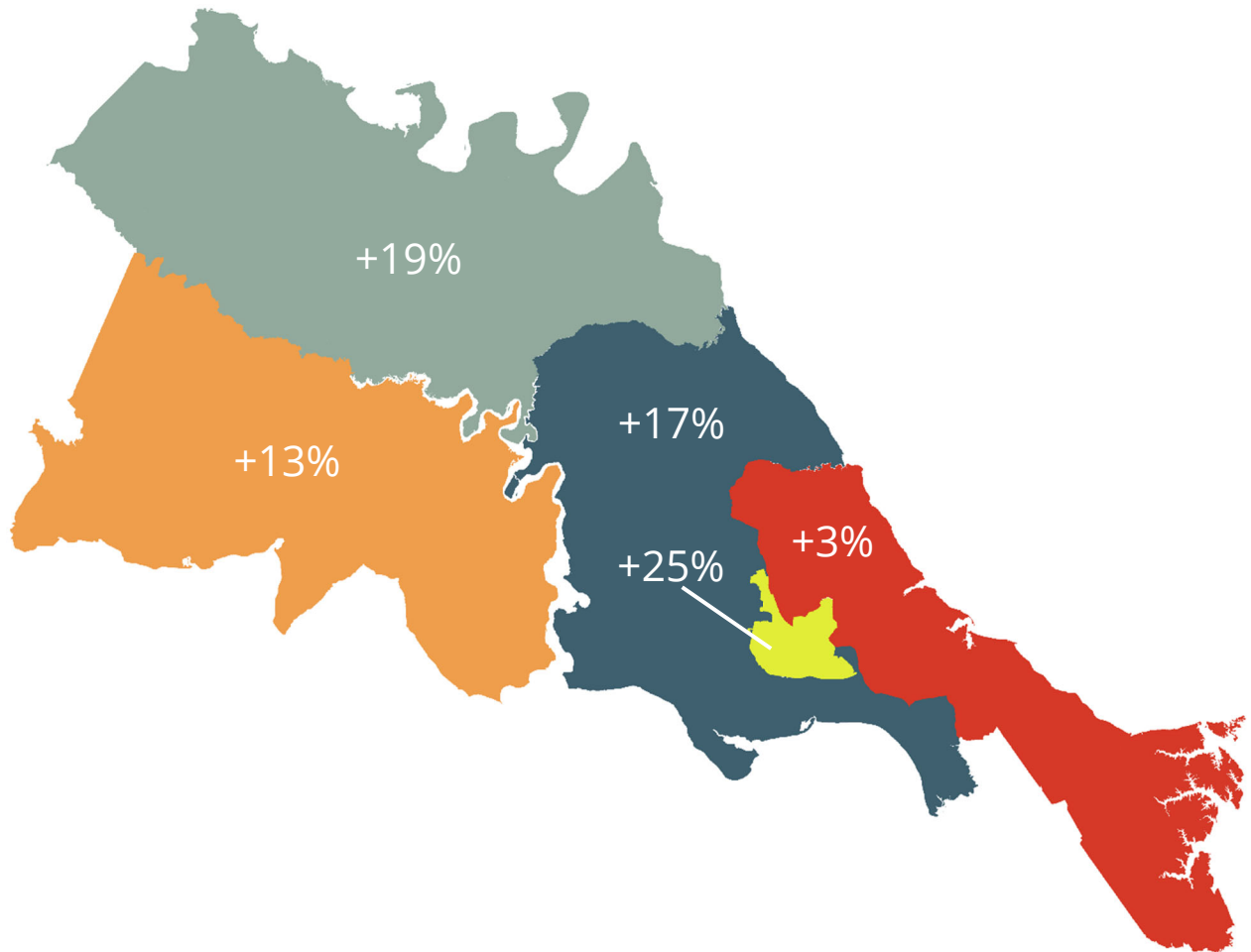
New Kent County: In New Kent County, the median sales price in the first quarter was \$370,000. The median price was up by 19% compared to a year ago, an increase of more than \$59,000. Home prices have been rising at double-digit rates for much of the past two years.

Williamsburg: In Williamsburg, the median sales price in the first quarter was \$324,750, a 25% jump from a year ago, which is a gain of nearly \$65,000. The median price in the city is nearly \$60,000 higher than it was two years ago before the onset of the pandemic.

York County: The median sales price in York County was \$335,000 in the first quarter, which is up 3% compared to a year ago, an increase of \$10,000. Home price growth has been steady in York County, although the pace of home price appreciation has not been as strong as it has been in other parts of the region.

Figure 8
Change in Median Sales Price by Jurisdiction
WAAR

First Quarter 2021 to First Quarter 2022



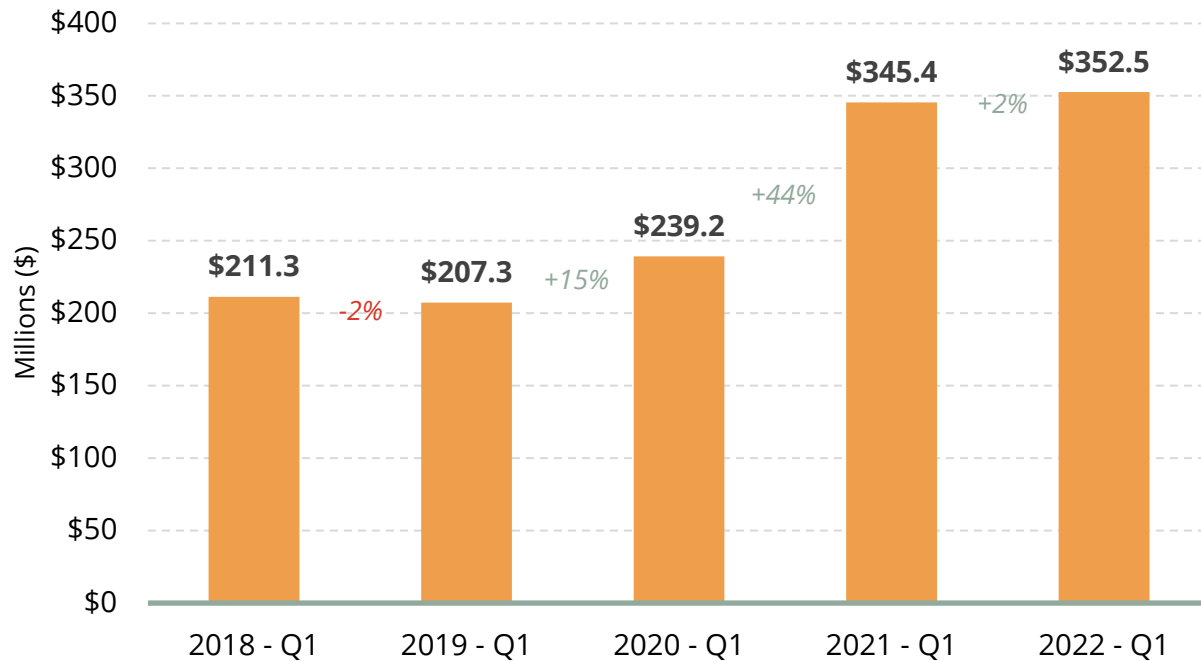
<i>Jurisdiction</i>	<i>2021 - Q1</i>	<i>2022 - Q1</i>	<i>% Change</i>
Charles City County	\$249,500	\$283,000	13%
James City County	\$340,668	\$397,250	17%
New Kent County	\$310,983	\$370,000	19%
Williamsburg	\$260,000	\$324,750	25%
York County	\$325,000	\$335,000	3%

Source: Virginia REALTORS®, data accessed April 15, 2022

Sold Volume

Despite fewer sales, the rapid rise in prices led to an increase in total sold dollar volume in the WAAR region. In the first quarter, there was approximately \$352.5 million of sold volume in the WAAR housing market, which is about \$7.1 million more than last year, a 2% gain.

Figure 9
First Quarter Sold Dollar Volume (Millions), WAAR
2018-2022



Source: Virginia REALTORS®, data accessed April 15, 2022



Local Snapshot – *Sold Dollar Volume*

Charles City County: As a result of strong sales and price increase, sold volume surged in Charles City County. In the first quarter, there was about \$4.3 million of sold volume in the county, a 75% increase over first quarter of 2021.

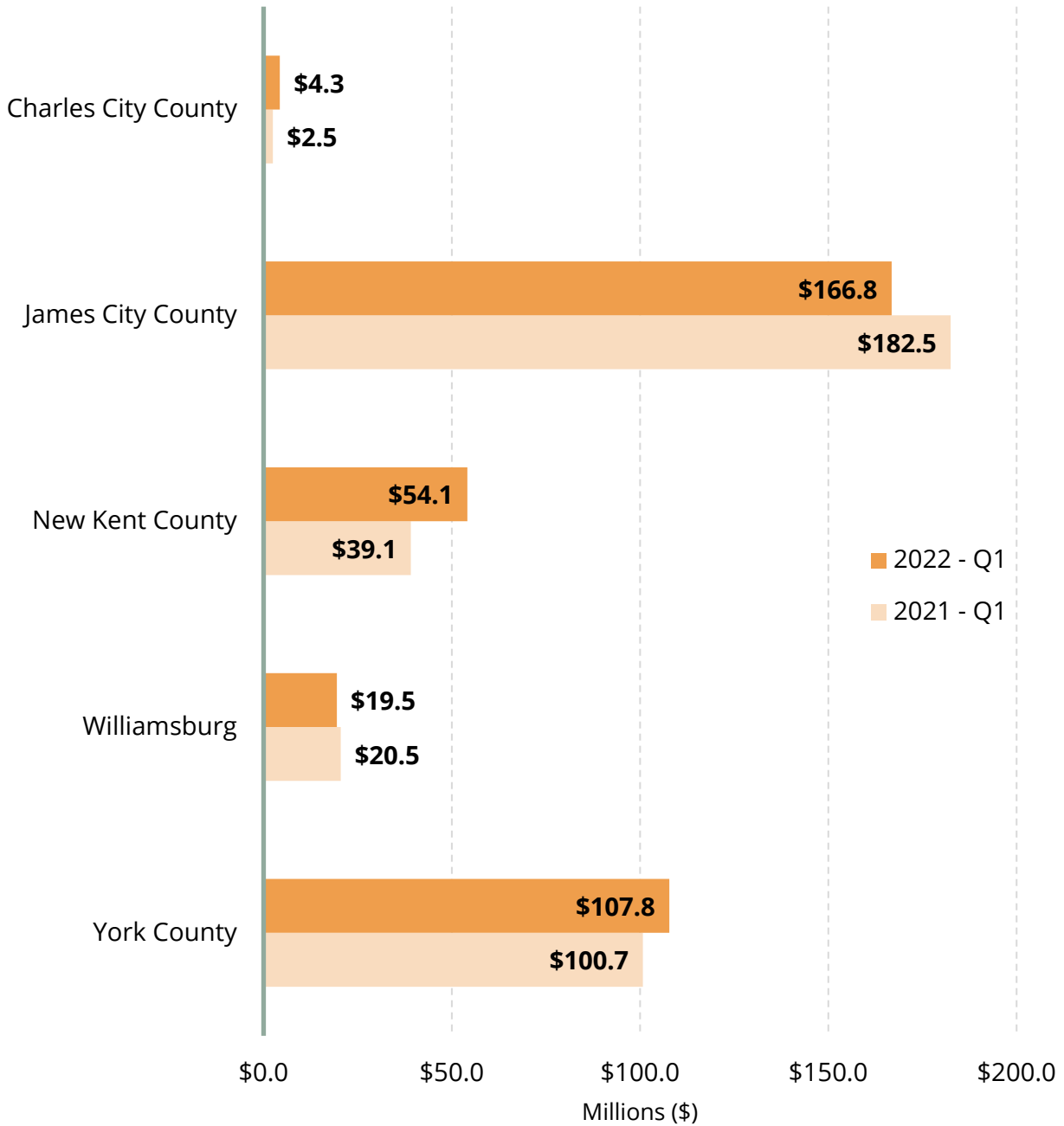
James City County: Fewer sales drove sold volume lower in James City County. There was approximately \$166.8 million of sold volume in James City County in the first quarter, which is down 9% compared to a year ago, a drop of about \$15.7 million.

New Kent County: Sold volume rose in New Kent County, with both rising sales and prices. In the first quarter, there was about \$54.1 million of sold volume in the county, an increase of 38% or a gain of about \$15 million compared to a year ago.

Williamsburg: Despite rapid price growth, slower sales activity led to a drop in sold volume in Williamsburg. There was approximately \$19.5 million of sold volume during the first quarter, which is about \$1.1 million less than a year ago, a drop of 5%.

York County: In York County, there was a total of about \$107.8 million of sold volume, a 7% increase from a year ago, which is an additional \$7.1 million of volume.

Figure 10
First Quarter Sold Dollar Volume, WAAR Jurisdictions
2021 and 2022

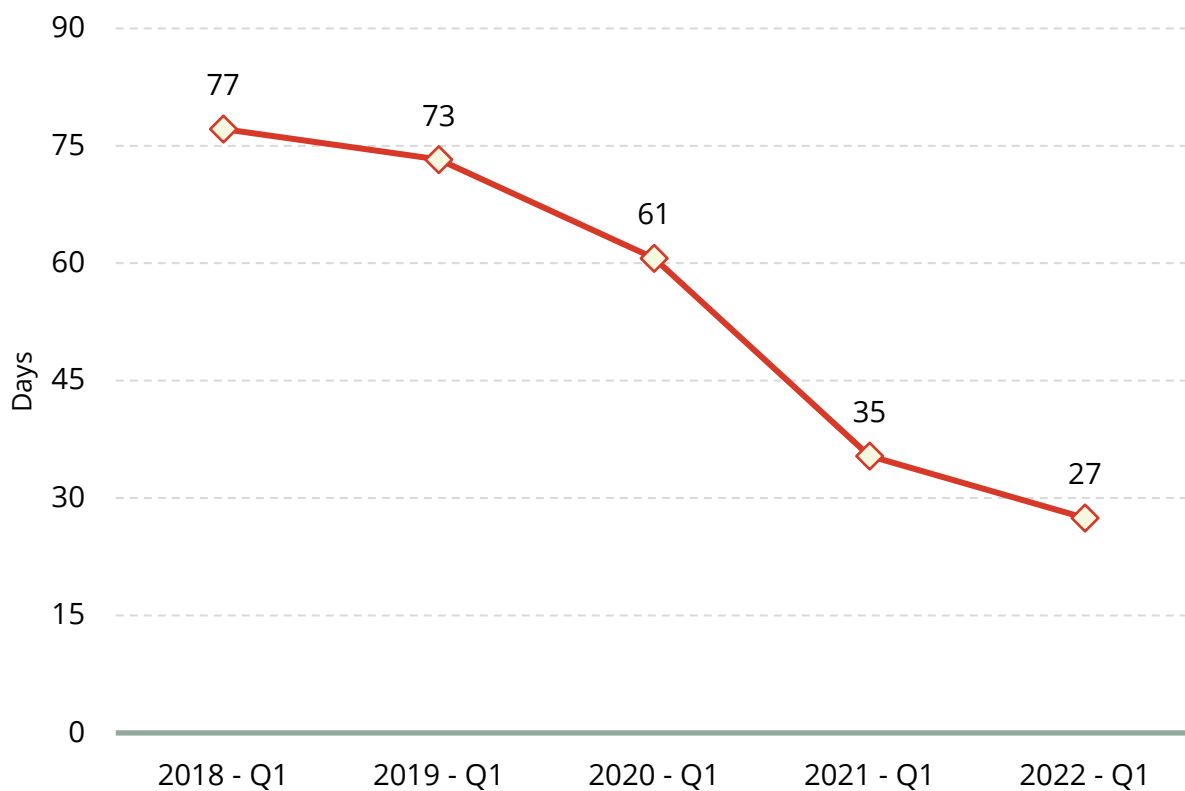


Source: Virginia REALTORS®, data accessed April 15, 2022

Days on Market

The WAAR market remained competitive as homes sold quickly in the first quarter. The average days on market in the region was 27, which is eight days faster than during the first quarter of 2021. Before the pandemic hit, in the first quarter of 2020, it took more than two months (61 days), on average, for a home to sell in the WAAR region. Statewide, homes sold in an average of 24 days in the first quarter, down from 31 days a year ago.

Figure 11
First Quarter Average Days on Market, WAAR
2018-2022



Source: Virginia REALTORS®, data accessed April 15, 2022



Local Snapshot – *Average Days on Market*

Charles City County: Homes sold very quickly in Charles City County in the first quarter. The average days on market was 19, which is nine days faster compared to a year ago.

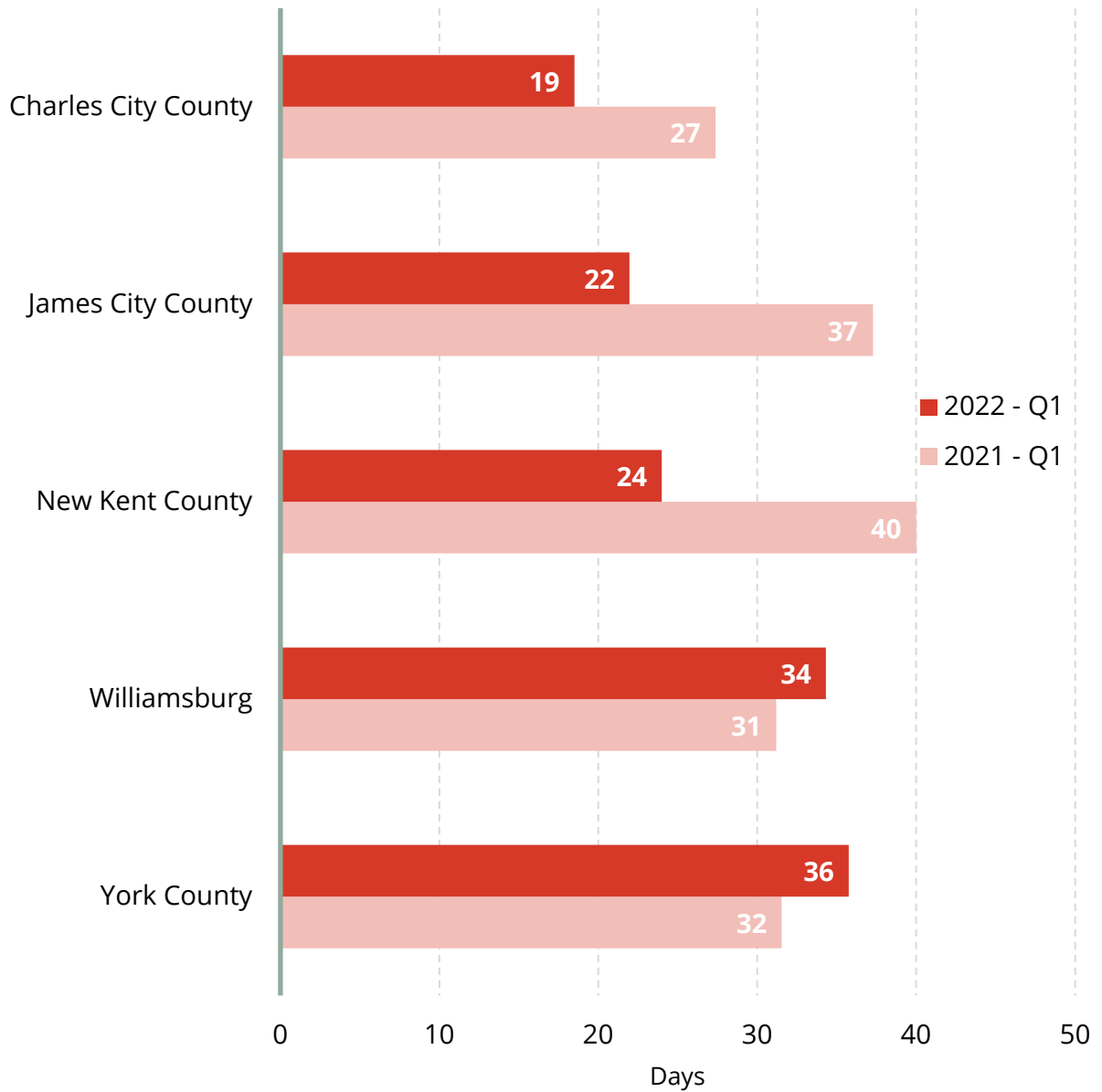
James City County: The average days on market in James City County has been declining steadily since early 2020. In the first quarter, homes sold in an average of 22 days, which is 15 days faster than a year ago.

New Kent County: Homes that sold in New Kent County in the first quarter were on the market an average of 24 days, which is more than two weeks (16 days) faster than a year ago.

Williamsburg: Homes that sold in Williamsburg during the first quarter were on the market an average of 34 days. The average days on market increased by three days compared to the first quarter of 2021. This is the first year-over-year increase in average days on market since the third quarter of 2020.

York County: In York County, homes that sold in the first quarter sold in an average of 36 days. The average days on market in the county increased by four days compared to last year at this time, which is the first increase in the county since the third quarter of 2019.

Figure 12
First Quarter Average Days on Market, WAAR Jurisdictions
2021 and 2022



Source: Virginia REALTORS®, data accessed April 15, 2022

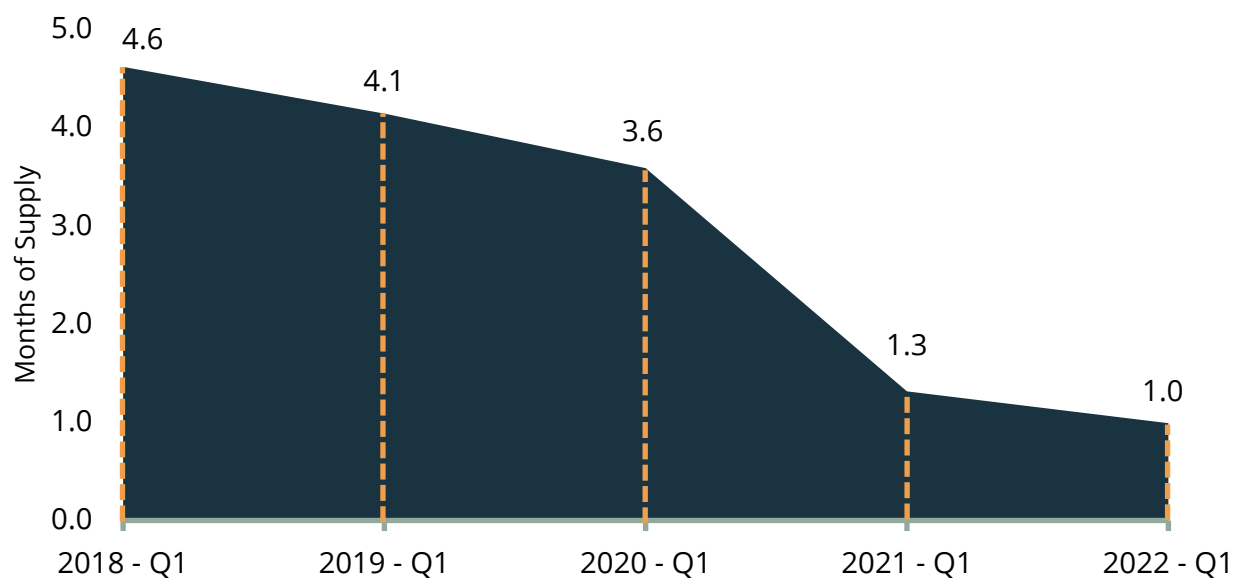
Inventory

Inventory continued to shrink in most local markets in the WAAR region. Across the WAAR footprint, there were 402 active listings at the end of the first quarter, which is 17% fewer listings than were available at the end of the first quarter of 2021, or 82 fewer listings. Inventory has been declining rapidly in the region during the pandemic. The number of active listings is just about a third of what it was during the first quarter of 2020.

Statewide, there was a total of 13,610 active listings at the end of the first quarter, which is about 2,000 fewer active listings than a year ago, a 13% drop.

There was just a month of supply at the end of the first quarter in the WAAR footprint, down from 1.3 months 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 1.1 months of supply at the end of the first quarter.

Figure 13
End of First Quarter Months Supply, WAAR
2018-2022



Source: Virginia REALTORS®, data accessed April 15, 2022



Local Snapshot – *Active Listings*

Charles City County: In Charles City County, there were just six active listings at the end of the first quarter, four fewer listings than a year ago, representing a 40% decrease. Inventory is less than half of what it was at the end of the first quarter of 2020.

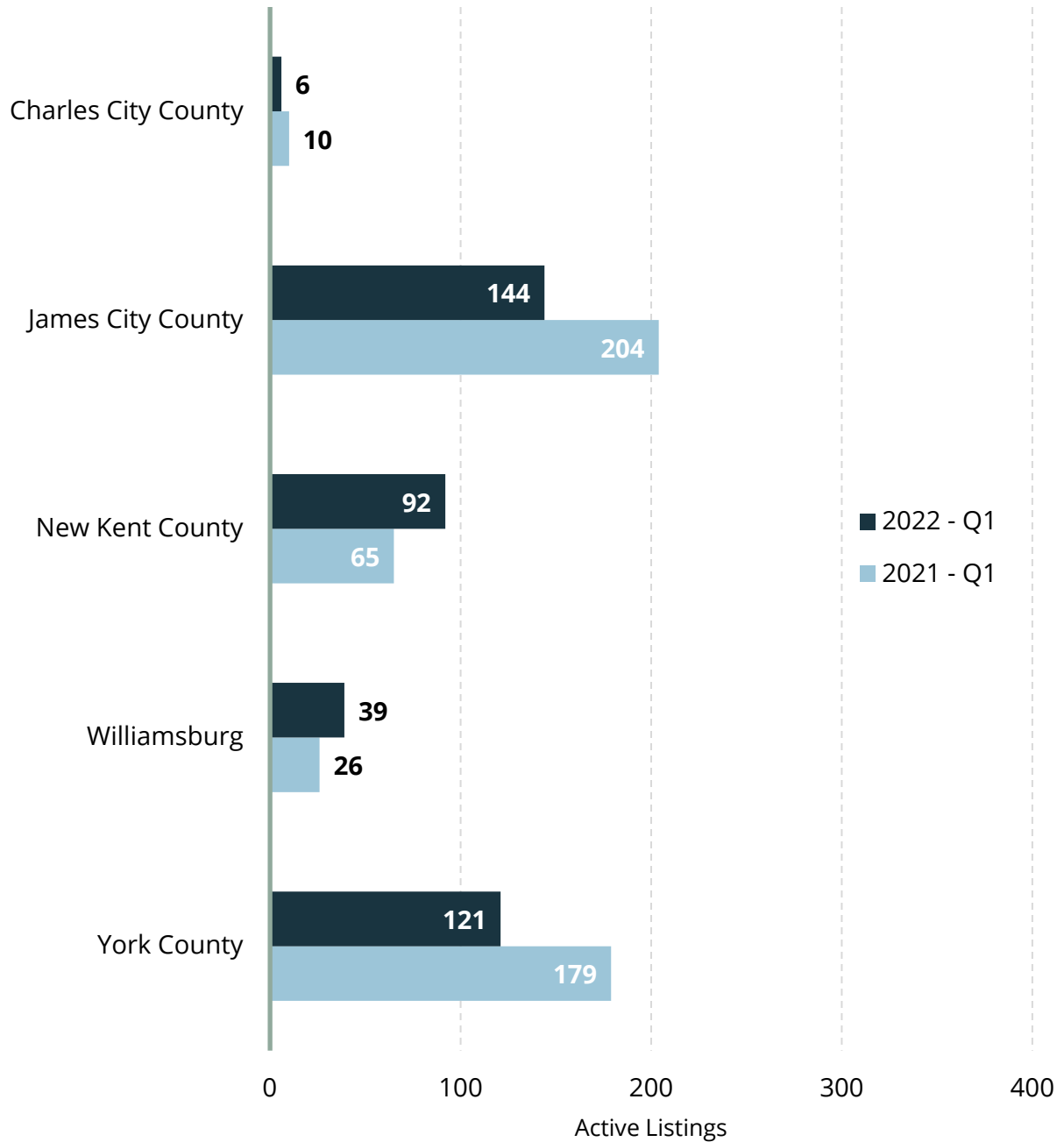
James City County: Supply has been drawn down quickly in James City County. At the end of the first quarter, there were 144 active listings on the market in the county, which is 60 fewer listings than a year ago, a decline of 29%. The number of active listings is only 25% of what it was two years ago in the first quarter of 2020.

New Kent County: Inventory in New Kent County increased in the first quarter. There were 92 active listings at the end of the quarter, which is 27 more listings than a year ago, or a 42% increase. This is the first year-over-year increase in inventory in the county since the third quarter of 2019.

Williamsburg: Inventory expanded in Williamsburg for the second consecutive quarter. There were 39 active listings on the market in Williamsburg at the end of the first quarter, a 50% increase, or an additional 13 listings.

York County: Inventory fell significantly in York County. At the end of the first quarter, there were 121 active listings, 58 fewer listings than last year at this time, which is a 32% drop. Inventory is just about a third of what it was two years ago in York County.

Figure 14
End of First Quarter Active Listings, WAAR Jurisdictions
2021 and 2022



Source: Virginia REALTORS®, data accessed April 15, 2022



The Virginia REALTORS® association is one of the largest professional trade associations 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.

All inquiries regarding this report may be directed to:

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Data and analysis provided by Virginia REALTORS® Chief Economist, Lisa Sturtevant, PhD.

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.

Combined WAAR/Virginia Peninsula Region

APPENDIX

APPENDIX	Sales			Median Sales Price			Sold Dollar Volume (in millions)			Average DOM			Active Listings (end of quarter)		
	Q1 2021	Q1 2022	Yoy Chg	Q1 2021	Q1 2022	Yoy Chg	Q1 2021	Q1 2022	Yoy Chg	Q1 2021	Q1 2022	Yoy Chg	Q1 2021	Q1 2022	Yoy Chg
Newport News	666	724	9%	\$225,000	\$235,000	4%	\$153.0	\$176.1	15%	30	25	-16%	306	247	-19%
Hampton	601	665	11%	\$213,900	\$235,500	10%	\$132.6	\$161.7	22%	33	29	-10%	246	270	10%
James City County	472	378	-20%	\$340,668	\$397,250	17%	\$182.5	\$166.8	-9%	37	22	-41%	204	144	-29%
York County	289	283	-2%	\$325,000	\$335,000	3%	\$100.7	\$107.8	7%	32	36	13%	179	121	-32%
Isle of Wight County	195	150	-23%	\$325,145	\$345,308	6%	\$65.9	\$55.7	-15%	28	37	31%	117	103	-12%
New Kent County	119	142	19%	\$310,983	\$370,000	19%	\$39.1	\$54.1	38%	40	24	-40%	65	92	42%
Williamsburg	65	50	-23%	\$260,000	\$324,750	25%	\$20.5	\$19.5	-5%	31	34	10%	26	39	50%
Poquoson	52	44	-15%	\$375,500	\$372,500	-1%	\$20.4	\$17.7	-14%	48	23	-52%	42	24	-43%
Charles City County	8	14	75%	\$249,500	\$283,000	13%	\$2.5	\$4.3	75%	27	19	-32%	10	6	-40%
WAAR/Virginia Peninsula (Regional Total)	2,467	2,450	-1%	\$256,075	\$279,000	9%	\$717.3	\$763.7	6%	33	28	-15%	1,195	1,046	-12%