

WAAR WILLIAMSBURG HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

WAAR Home Sales Report

Fourth Quarter 2022

Williamsburg Area Association of REALTORS®

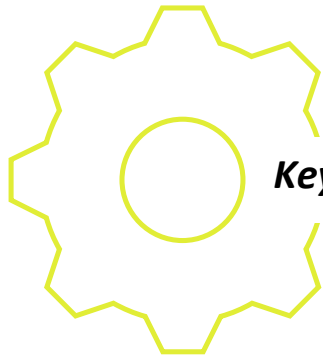
Market Report Key Takeaways

Economic Conditions

- Virginia's job market slowed down recently. The state had about 2,200 fewer jobs in November, compared to October. Despite this dip, the overall job base in the state is now about 4,500 jobs above pre-pandemic levels, reflecting a robust job recovery over the last couple years.
- The unemployment rate remains very low but inched up for the first time in nearly two years. In November, the unemployment rate was 3% in both Virginia and the Williamsburg region. Both are up from a year ago.
- Mortgage rates have started to stabilize and trend downward. In the third week of January 2023, the average rate on a 30-year fixed mortgage was 6.15%, which is down from around 7% a few months ago.

Housing Market Conditions

- There were 808 homes sold in the WAAR market in the fourth quarter of 2022, which is a 31% reduction in sales from this time last year, or 365 fewer sales. The market has been slowing down in the WAAR footprint for the entirety of 2022.
- Home prices continue to rise through much of the area. At \$382,065, the fourth quarter median sales price in the WAAR market climbed 8% from the fourth quarter last year, a gain of about \$27,000.
- The supply of active listings is growing in the WAAR footprint. There were 527 active listings on the market at the end of the fourth quarter, 96 more listings than a year ago, a 22% supply jump.



Key Trends Dashboard, WAAR

Economy



3%

Is the Nov-2022 **unemployment rate** in the WAAR footprint, which is up from Nov-2021



6.15%

Is the **30-year fixed-rate mortgage rate** during the third week of January 2023, which is up 2.59 percentage points from a year ago

Housing Market



-365

Fewer **home sales** in the WAAR footprint in Q4-2022 compared to last year



8%

Percent change in **median sales price** in the WAAR region in Q4-2022 compared to a year ago



-\$115.2

Million dollars less in total **sold volume** in the WAAR footprint in Q4-2022 compared to last year



22%

Percent change in **active listings** at the end of Q4-2022 in the WAAR market compared to a year ago



1.6

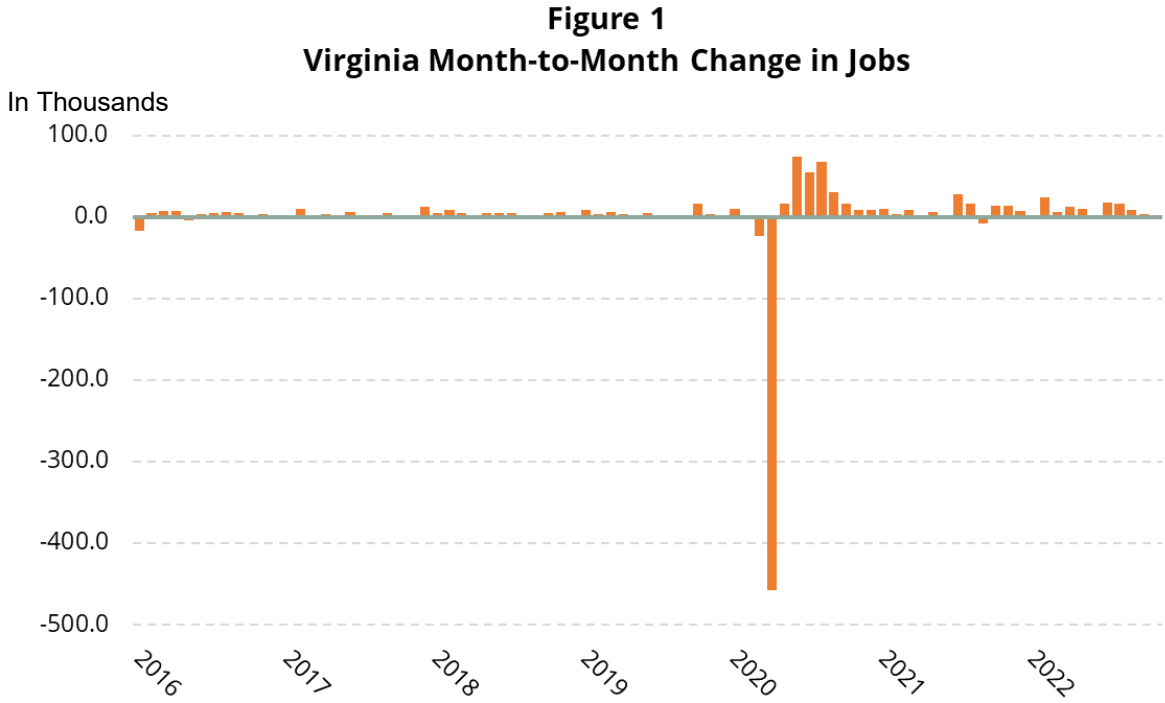
Months of supply in the WAAR footprint in Q4-2022, which is up from a year ago

Economic Overview

Inflation remains elevated but appears to be easing, trending down for several months. Despite the economic headwinds, the job base is growing and unemployment remains very low across Virginia. Mortgage rates have been relatively stable and trending downward over the last couple of months.

Jobs

There were 4.10 million jobs throughout Virginia in November 2022, a decrease of about 2,200 jobs from October 2022. Virginia’s economy is now back to pre-pandemic jobs levels; there are now about 4,500 more jobs statewide than there were in January 2020. The strongest growth sector continues to be Leisure & Hospitality. There were about 28,400 additional Leisure & Hospitality jobs than November of last year. Most of these additional hospitality jobs were in Accommodation & Food Services (+19,000 jobs). There were 24,500 more Health & Social Assistance jobs compared to a year ago, and about 8,800 more education jobs in the state’s economy. The only sectors that lost jobs this month compared to November of last year were Finance & Insurance (-4,500 jobs), Retail Trade (-1,700 jobs), and Real Estate (-200 jobs).

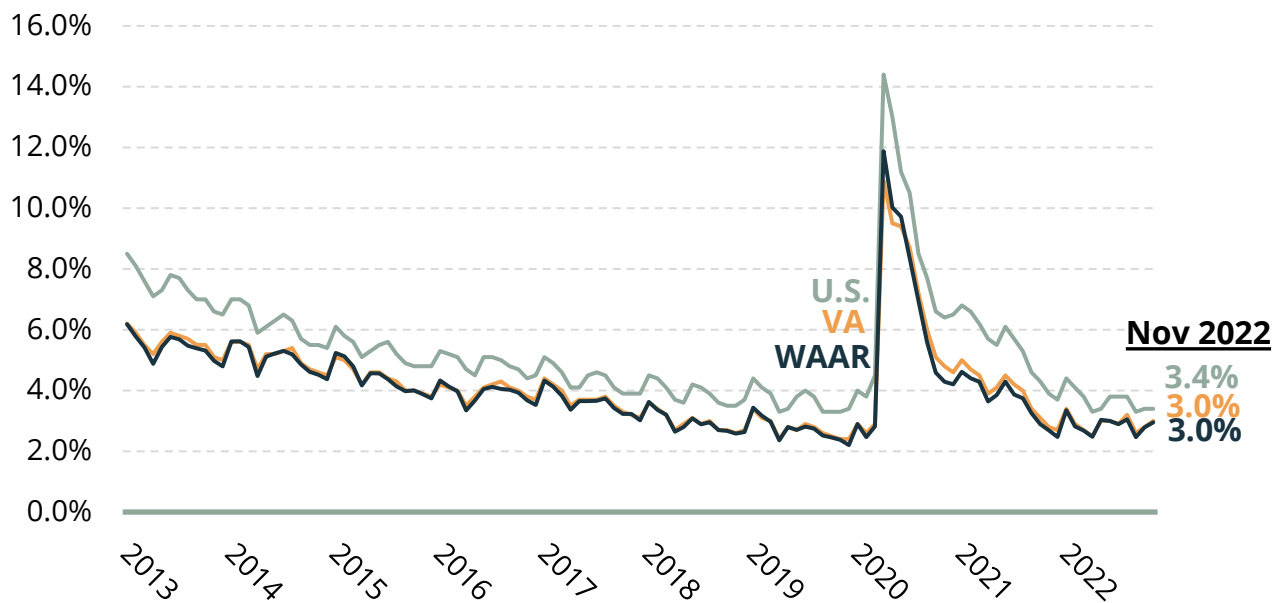


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

Unemployment

The unemployment rate in Virginia remains very low, but edged up. Statewide, the unemployment rate in November was 3% (not seasonally adjusted), up from 2.8% in November of last year. The unemployment rate in Williamsburg is following a similar trajectory as the state, rising from 2.7% in November 2021, to 3% in November 2022.

Figure 2
Unemployment Rate



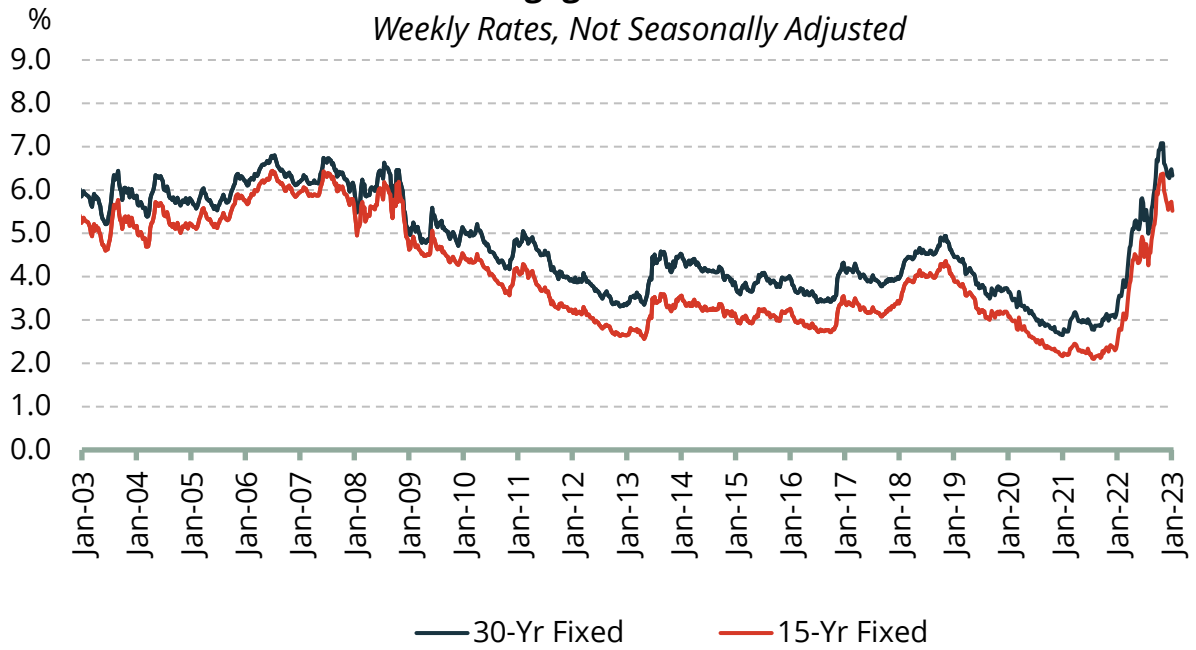
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Mortgage Rates

In the third week of January, the average rate on a 30-year fixed mortgage fell to 6.15%, down from 6.33% in the previous week, and down from above 7% three months ago. Mortgage rates have been trending downward over the last couple months which has provided some relief and stability in what has otherwise been a volatile year for interest rates.

Figure 3
Mortgage Interest Rates

Weekly Rates, Not Seasonally Adjusted



Source: Federal Reserve Bank of St. Louis

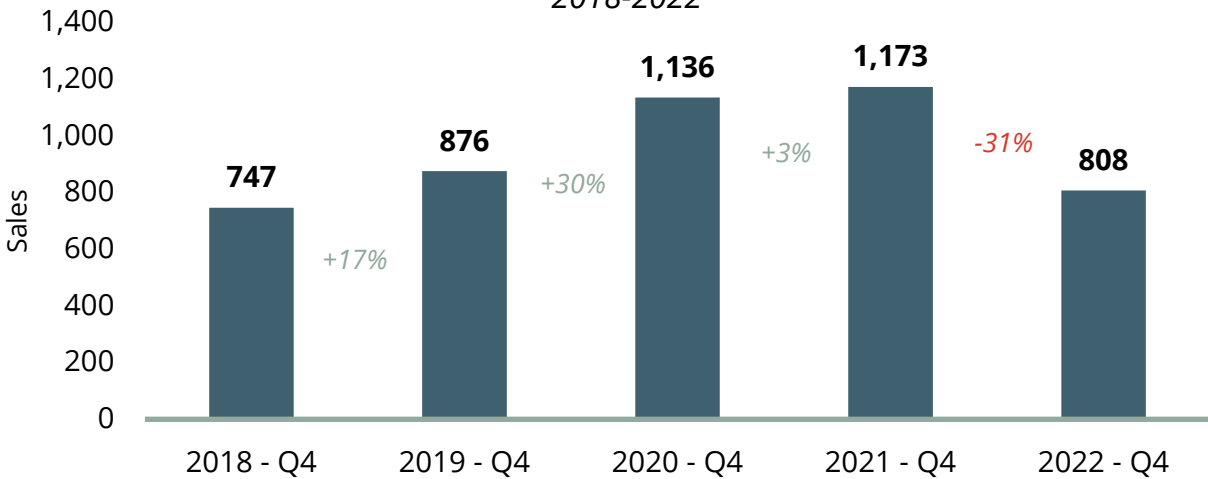
Housing Market Overview

Conditions in the WAAR regional housing market continued to be sluggish as 2022 came to a close. Sales levels are way down from last year, which has led to a big drop in sold dollar volume regionwide. As the market has cooled, it's also taking longer to sell homes on average. The slowdown has largely coincided with climbing interest rates, both of which accelerated in the second half of 2022. Even with fewer sales, home prices in the region continue to climb, evidence of how tight the supply in the market remains. There has been some evidence that the inventory is growing, as the supply of active listings is above last year's level in most local markets. A summary of housing market trends for the larger region are available in the appendix at the end of this report.

Sales

Sales activity continues to cool down in most parts of the WAAR housing market. There were 808 homes sold in the fourth quarter of 2022. This is 365 fewer sales than the fourth quarter of 2021, representing a 31% decrease in sales. While this is the sharpest drop in sales the region has seen in years, it's important to keep it in context, as last year was an unusually busy year in the WAAR housing market. The current fourth quarter sales totals are now a little above where they were four years ago, in the fourth quarter of 2018. Sales slowed down all three months of the quarter, which covers October through December. Statewide, total home sales were down 35% from the fourth quarter a year ago.

Figure 4
Fourth Quarter Home Sales, WAAR
2018-2022



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



Local Snapshot – *Total Home Sales*

Charles City County: Home sales picked up in the final quarter of 2022 in Charles City County. In the fourth quarter, there were 15 home sales in the local market, five more sales than this time last year, a 50% increase.

James City County: Sales in James City County have been sluggish all year. During the fourth quarter, there were 343 home sales, a 36.5% decline from last year, which is 197 fewer sales. Market activity has been cooling in the county since the fourth quarter of 2021.

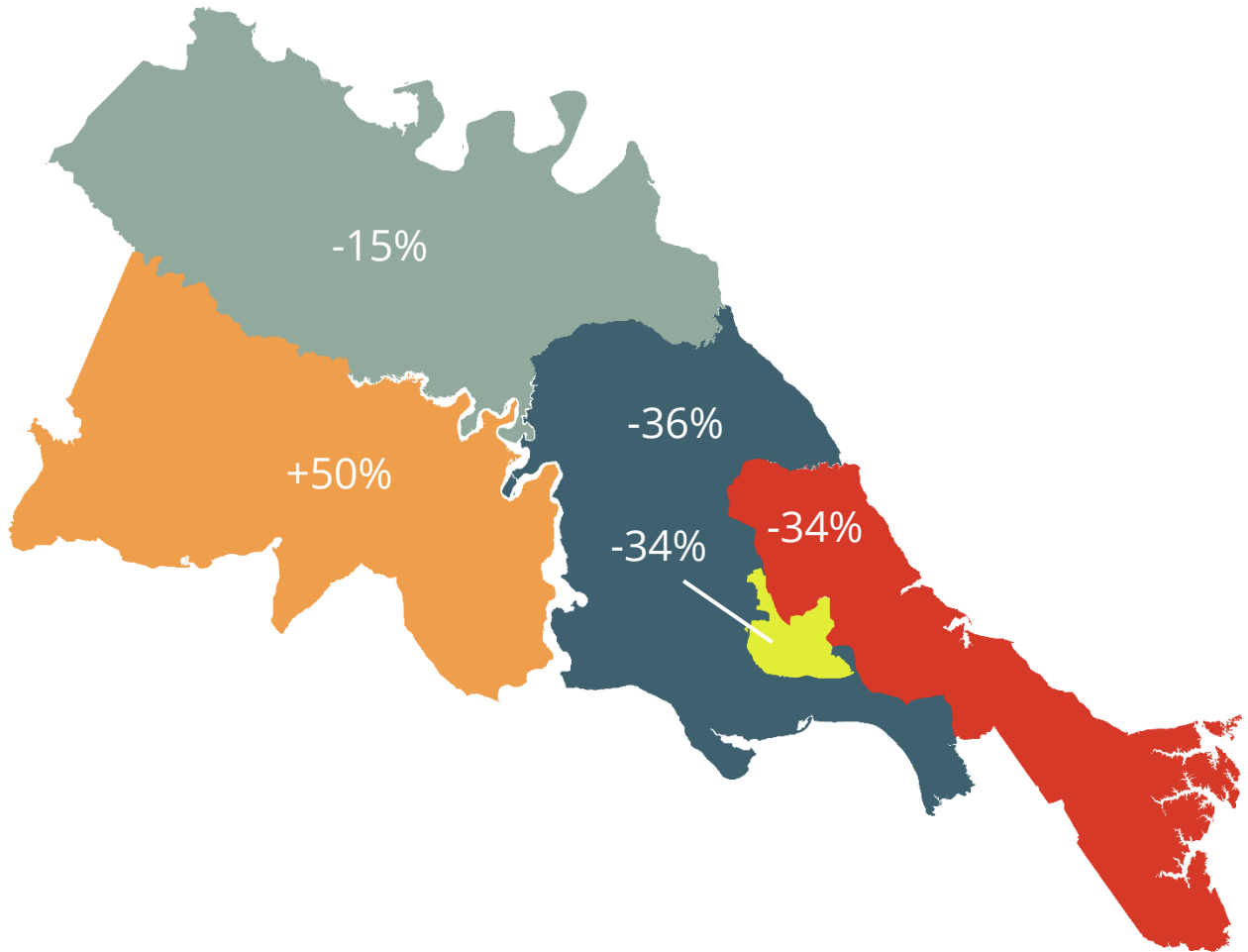
New Kent County: Sales declined towards the end of the year in New Kent County. There were 174 home sales in the fourth quarter, 31 fewer sales than last year, representing a 15% decrease in sales activity.

Williamsburg: Quarterly sales declined for the third time this year in the Williamsburg market. In the fourth quarter, there were 53 homes sold in the city, 27 fewer sales than a year ago, a 34% decline.

York County: Home sales activity slowed throughout 2022 in York County. In the fourth quarter, there were 223 sales in the county, a 34% drop from last year, which is 115 fewer sales.

Figure 5
Change in Sales by Jurisdiction
WAAR

Fourth Quarter 2021 to Fourth Quarter 2022



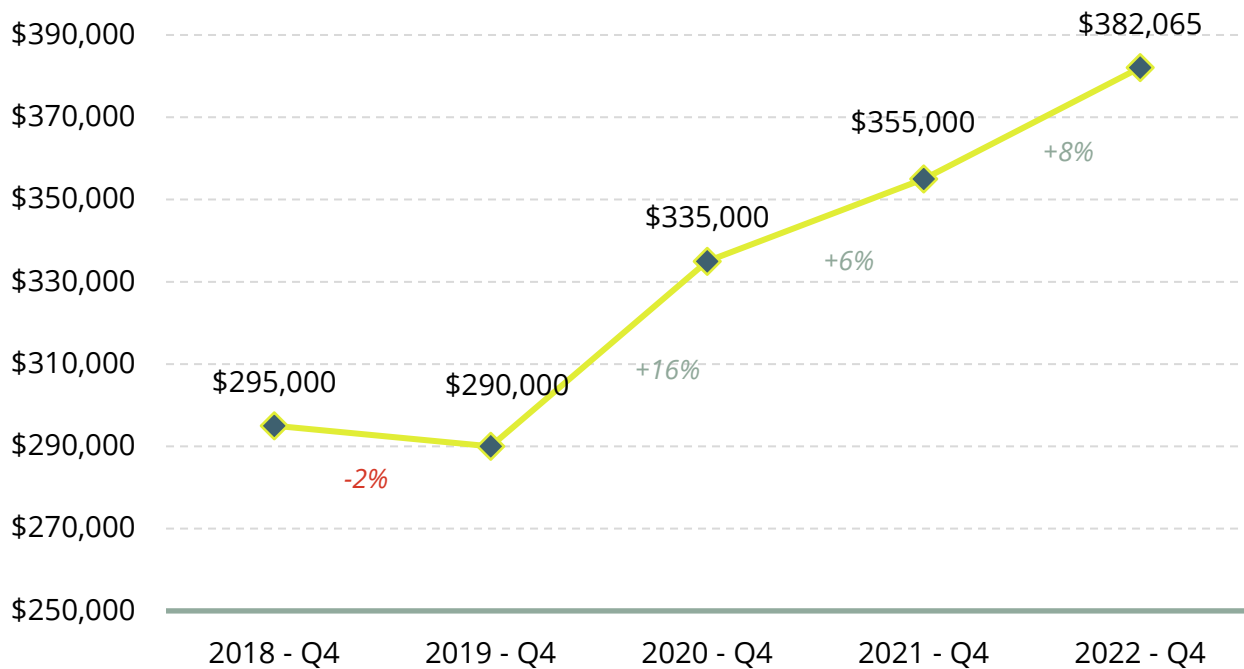
<i>Jurisdiction</i>	<i>2021 - Q4</i>	<i>2022 - Q4</i>	<i>% Change</i>
Charles City County	10	15	50%
James City County	540	343	-36%
New Kent County	205	174	-15%
Williamsburg	80	53	-34%
York County	338	223	-34%

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

Sales Prices

Home prices across the WAAR footprint are trending higher compared to last year despite the fact that far fewer homes have sold this year. This dynamic is being driven by the tight inventory situation in the region. The fourth quarter median sales price in the WAAR market was \$382,065, which rose 8% from this time last year, a gain of about \$27,000. Nearly all local markets in the WAAR area had higher median prices to close out the year than a year ago. Rising home prices in tandem with climbing interest rates through much of 2022 has cooled the market significantly and has deterred many potential buyers from entering the market and left many potential sellers hesitant to list their homes. Statewide, the fourth quarter median sales price was \$362,500, climbing 3.6% from the fourth quarter last year.

Figure 6
Fourth Quarter Median Sales Price, WAAR
2018-2022



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



Local Snapshot – *Median Sales Price*

Charles City County: The median sold price in Charles City County declined for two consecutive quarters. In the fourth quarter, the median sold price was \$260,000 in the county, a 37% decline from last year, which is a \$152,500 price drop. Home prices can fluctuate widely in the county due to the relatively low sales volume in any given quarter.

James City County: Home prices continued to rise in James City County at the end of the year. The median sold price in the county was \$415,500 in the fourth quarter, a 14% increase from last year, which is an additional \$49,500..

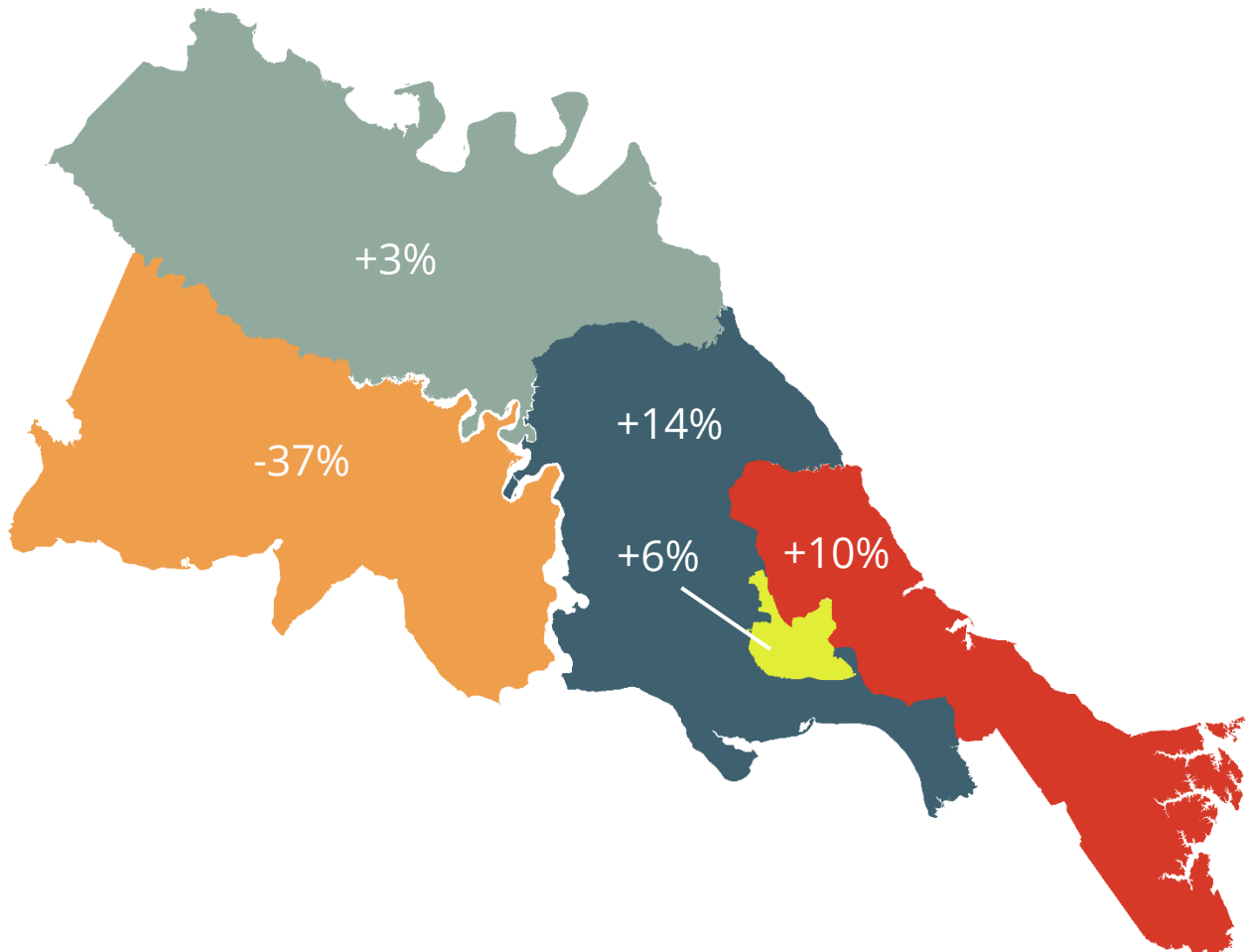
New Kent County: Quarterly home prices in 2022 stayed relatively consistent in New Kent County. In the fourth quarter, the median home price was \$375,768, which is \$9,768 more than this time last year, a 3% increase.

Williamsburg: Home prices in the Williamsburg market remained strong throughout the year. The median sales price was \$391,000 in the fourth quarter, a \$21,000 price jump compared to last year, which is a 6% increase.

York County: The median sold price in York County was \$371,970 in the fourth quarter, 10% more than it was a year ago, which is a \$34,325 increase. Price growth in the county has been strong for much of 2022.

Figure 7
Change in Median Sales Price by Jurisdiction
WAAR

Fourth Quarter 2021 to Fourth Quarter 2022



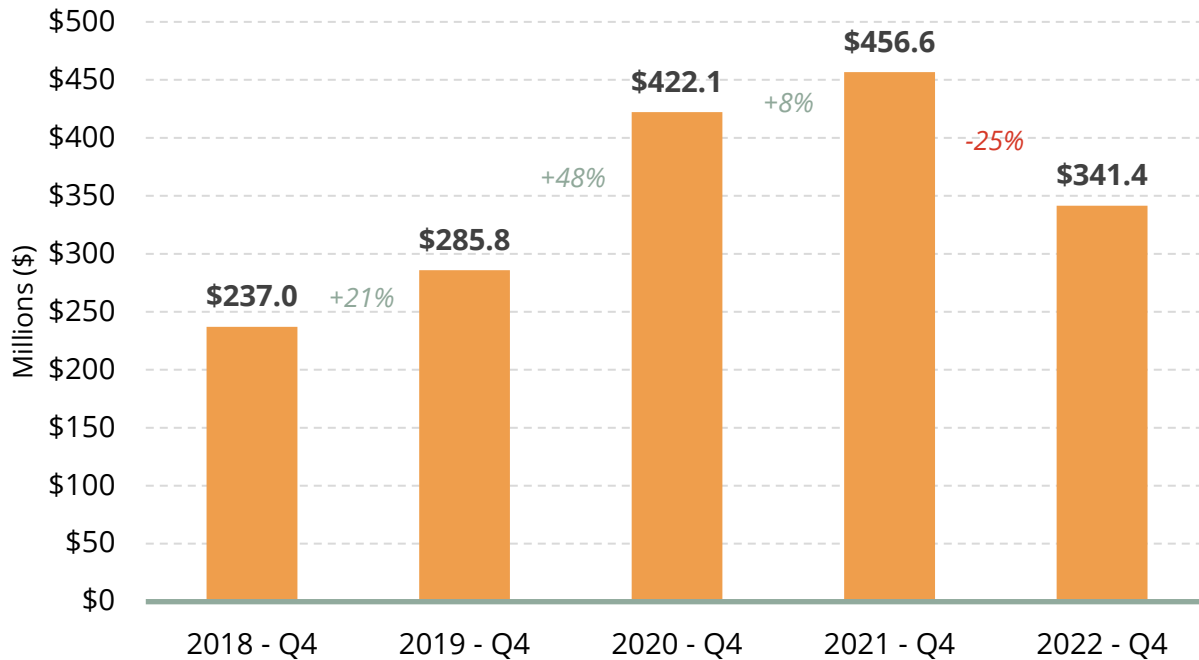
<i>Jurisdiction</i>	<i>2021 - Q4</i>	<i>2022 - Q4</i>	<i>% Change</i>
Charles City County	\$412,500	\$260,000	-37%
James City County	\$365,500	\$415,000	14%
New Kent County	\$366,000	\$375,768	3%
Williamsburg	\$370,000	\$391,000	6%
York County	\$337,645	\$371,970	10%

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

Sold Volume

Even though home prices continue to trend higher in the WAAR region, the dramatic slowdown in sales activity led to a much lower sold dollar volume in the market this quarter. There was about \$341.4 million of sold volume across the WAAR footprint in the fourth quarter of 2022, which is \$115.5 million less volume than there was in the fourth quarter of 2021. This is a 25% reduction in sold dollar volume, the sharpest decline in more than seven years in the region.

Figure 8
Fourth Quarter Sold Dollar Volume (Millions), WAAR
2018-2022



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



Local Snapshot – *Sold Dollar Volume*

Charles City County: A drop in the median sales price led to a decline in sold dollar volume in the county despite a rise in sales during the fourth quarter. There was approximately \$3.8 million in sold volume in Charles City County during the fourth quarter, a 45% decrease from last year, which is a drop of about \$3 million.

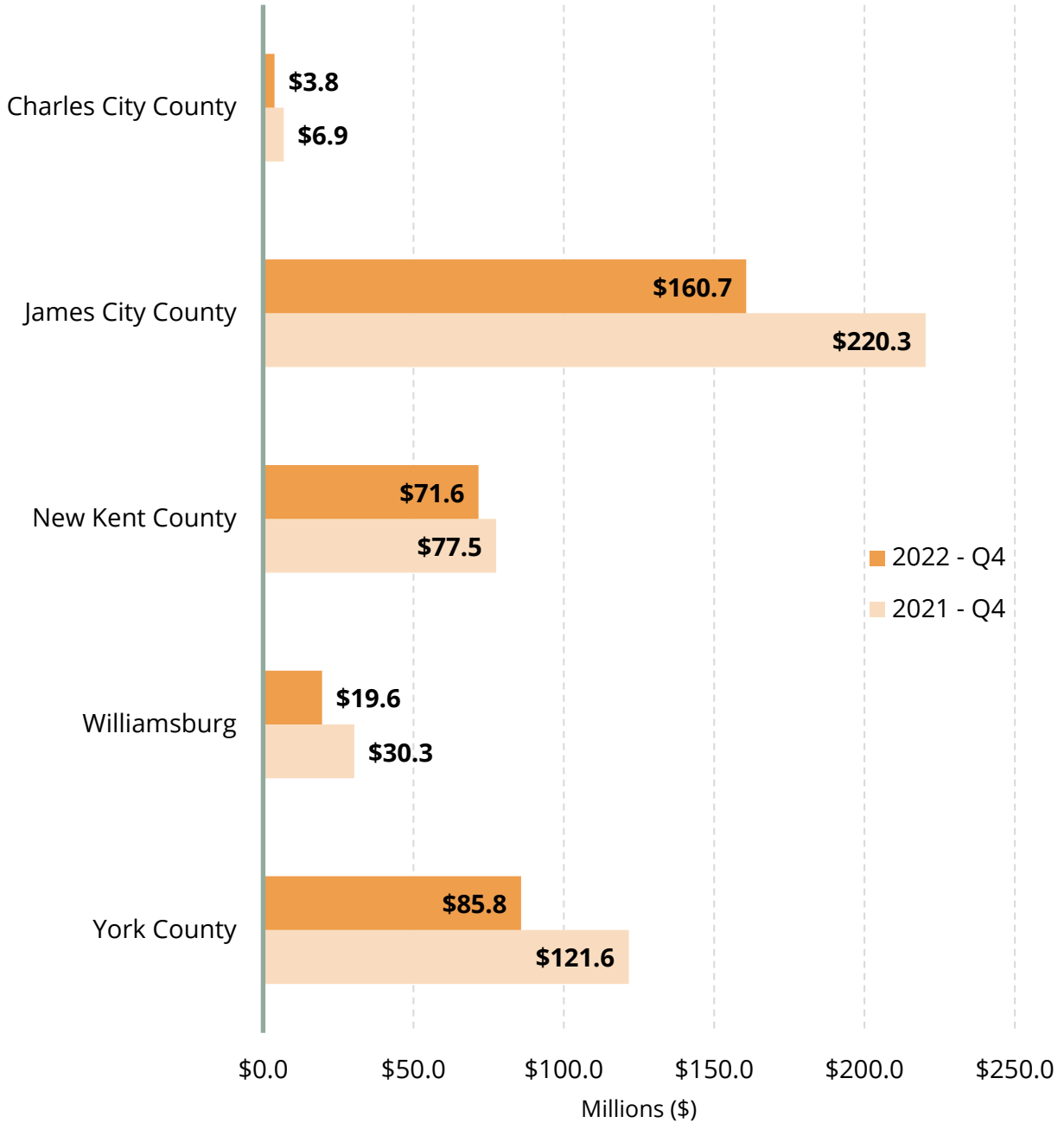
James City County: The sold volume in James City County has declined for five consecutive quarters as sales activity continues to fall. In the fourth quarter, there was about \$160.7 million of sold volume in the county, a decrease of about \$59.6 million compared to last year, a 27% decline.

New Kent County: Sold volume in New Kent County fell for the first time in over a year due to a drop in sales activity this quarter. There was about \$71.6 million in sold volume in the fourth quarter, a drop of about \$5.9 million from a year ago, an 8% decline.

Williamsburg: Sold volume fell for the second time in the Williamsburg market in 2022. During the fourth quarter, there was roughly \$20 million in sold volume, a 35% decline from last year, which is a decrease of about \$11 million.

York County: The sold volume in York County has fallen for three consecutive quarters. In the fourth quarter, there was about \$86 million in sold volume in the county, a \$36 million drop compared to last year, representing a 29% decline.

Figure 9
Fourth Quarter Sold Dollar Volume, WAAR Jurisdictions
2021 and 2022

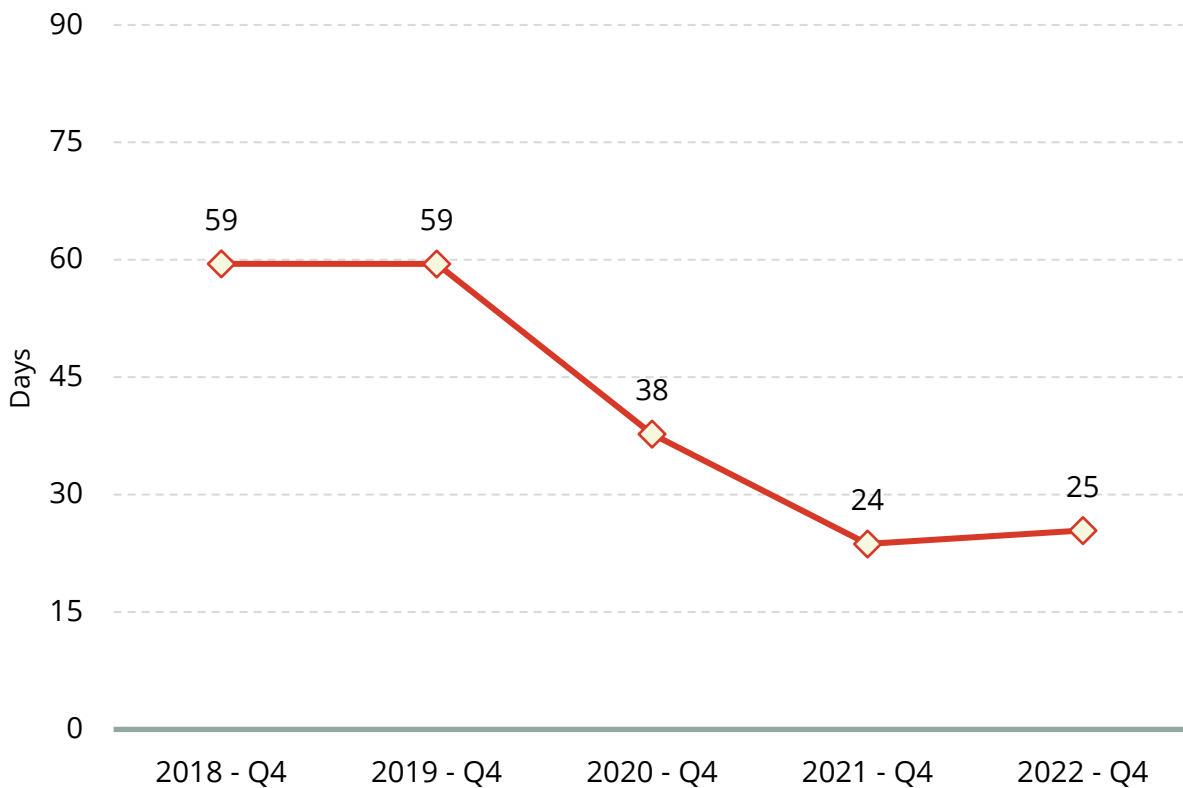


Source: Virginia REALTORS®, data accessed January 15, 2023

Days on Market

As the market has cooled, it's taking slightly longer on average to sell a home in the WAAR region. Homes that sold in the area during the fourth quarter were on the market about 25 days on average, one day longer than this time last year. While it's just a modest uptick, it does reflect the second straight quarter that homes are staying on the market longer than the prior year, the first time this has happened in the region since 2015. Statewide, the average days on market in the fourth quarter was 31 days, up from 27 days this time last year.

Figure 10
Fourth Quarter Average Days on Market, WAAR
2018-2022



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



Local Snapshot – *Average Days on Market*

Charles City County: On average, homes were on the market in Charles City County for about a month and a half (45 days) in the fourth quarter, which is three days faster than last year.

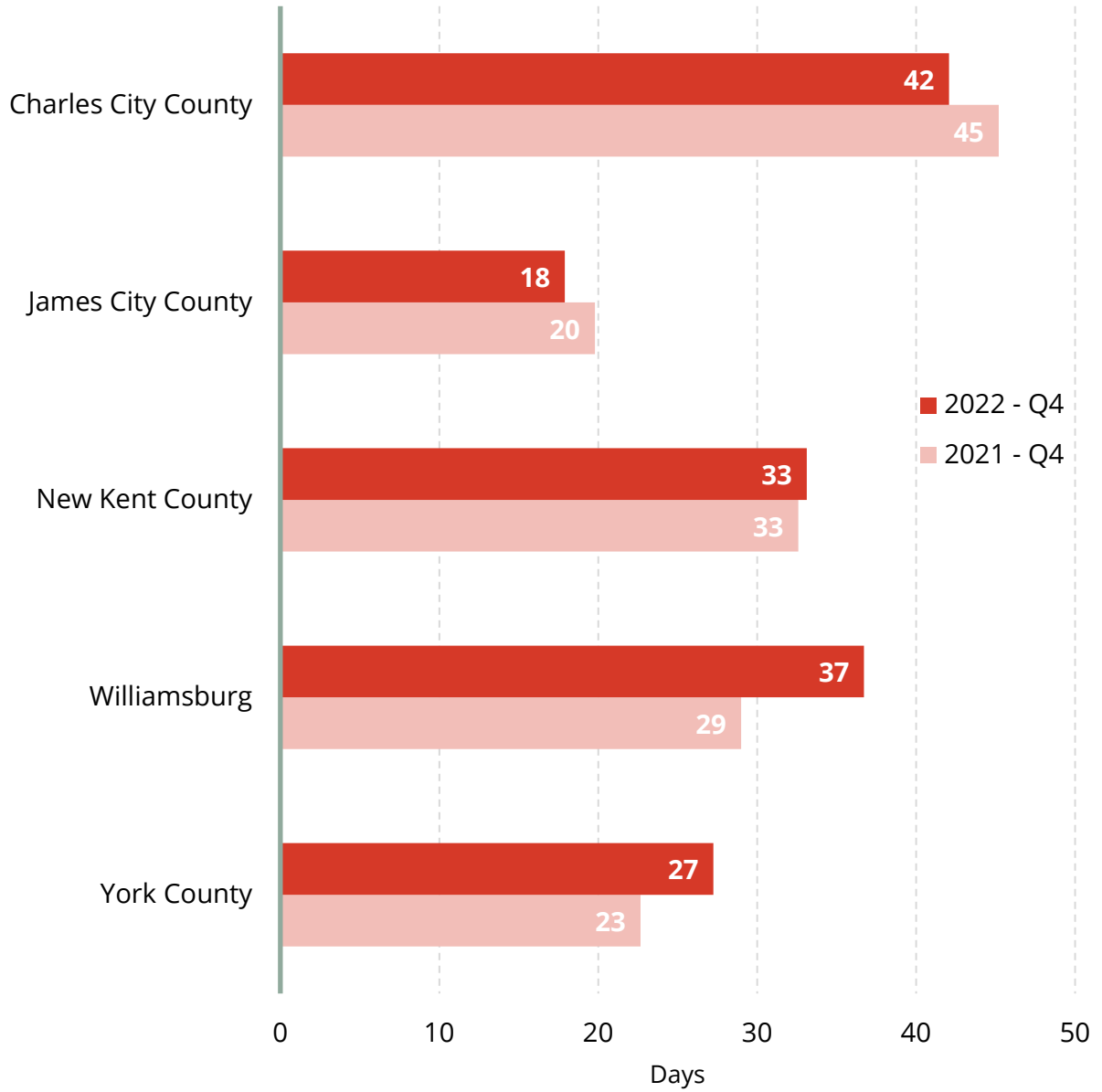
James City County: At 18 days, homes sold slightly faster on average in the fourth quarter of 2022 in James City County compared to last year.

New Kent County: The average days on market increased for two consecutive quarters in the county. In the fourth quarter, homes were on the market for 33 days on average in New Kent County, which is one day longer than last year.

Williamsburg: Homes were on the market for 37 days on average in the Williamsburg market in the fourth quarter, which is eight days longer than last year.

York County: The average days on the market slightly rose in York County during the fourth quarter. On average, homes were on the market for less than a month (27 days) in the county, five days longer than last year.

Figure 11
Fourth Quarter Average Days on Market, WAAR Jurisdictions
2021 and 2022



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

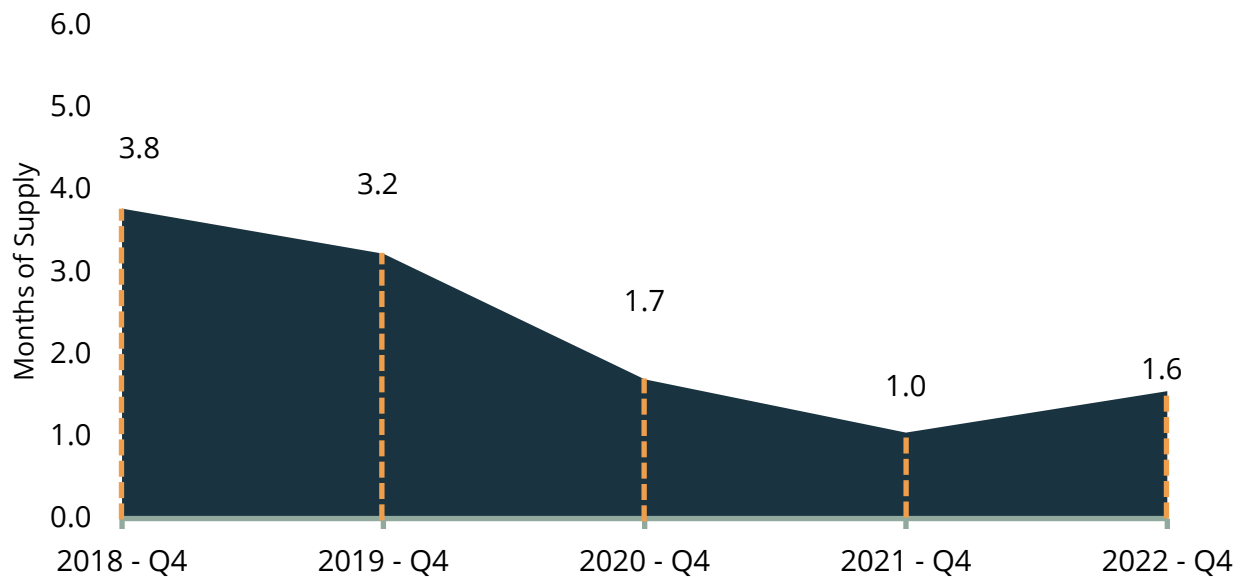
Inventory

The inventory of active listings in the WAAR footprint rose sharply at the end of 2022 compared to the end of 2021. There were 527 active listings on the market at the end of the fourth quarter regionwide, 96 more listings than a year ago, which is a 22% supply increase. Overall inventory levels have been building up for three straight quarters, and this quarter is by far the strongest growth the area has seen in more than seven years. The growth in supply levels do not necessarily reflect that more new listings are coming on the market; rather, as interest rates rose quickly in the summer and fall, sales activity slowed down, which is allowing existing active listings to stay on the market longer, which is building up the inventory.

There were 16,115 active listings throughout the Commonwealth at the end of the fourth quarter, a 19.6% increase from a year ago, which is an additional 2,646 listings.

There was about 1.6 months of supply at the end of the fourth quarter in the WAAR footprint, which is up from 1 month 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 1.5 months of supply at the end of the fourth quarter.

Figure 12
End of Fourth Quarter Months Supply, WAAR
2018-2022



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



Local Snapshot – *Active Listings*

Charles City County: Active listings in Charles City County increased for two consecutive quarters. At the end of the fourth quarter, there were 11 active listings in the county, six more than last year, a 120% increase.

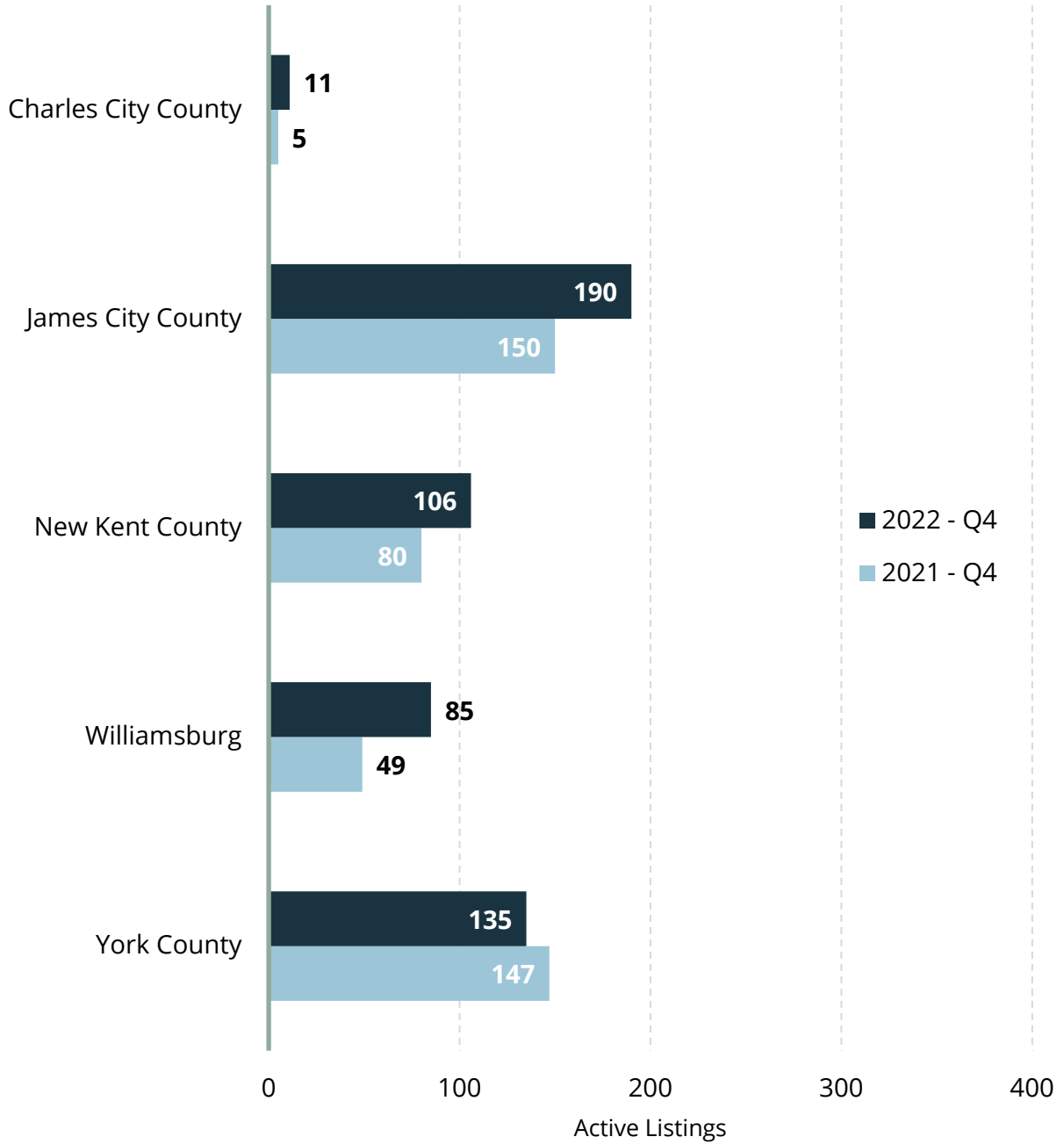
James City County: At the end of the fourth quarter, there were 190 active listings in James City County, 40 more than a year ago, representing a 27% increase. Active listings have increased for two consecutive quarters in the county.

New Kent County: Active listings in New Kent County have been increasing substantially for four consecutive quarters. At the end of the fourth quarter, there were 106 active listings in the county, 16 more active listings than this time last year, a 33% increase.

Williamsburg: The supply of active listings has been growing in the Williamsburg market for over a year. At the end of the fourth quarter, there were 85 active listings, a 73% increase compared to last year, which is an additional 36 active listings.

York County: There were 135 active listings at the end of the fourth quarter in the county, 12 fewer than last year, an 8% decline. Active listings have declined for over a year in York County. Inventory has not yet started to build up in the county like it has in other local markets in the region.

Figure 13
End of Fourth Quarter Active Listings, WAAR Jurisdictions
2021 and 2022



Source: Virginia REALTORS®, data accessed January 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.

All inquiries regarding this report may be directed to:

Robin Spensieri
Virginia REALTORS® Vice President of Communications and Media Relations
rspensieri@virginiarealtors.org
804-622-7954

Data and analysis provided by the Virginia REALTORS® Research Team:

Ryan Price
Virginia REALTORS® Chief Economist
rprice@virginiarealtors.org

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	Sales			Median Sales Price			Sold Dollar Volume (in millions)			Average DOM			Active Listings (end of quarter)		
	Q4 2021	Q4 2022	Yoy Chg	Q4 2021	Q4 2022	Yoy Chg	Q4 2021	Q4 2022	Yoy Chg	Q4 2021	Q4 2022	Yoy Chg	Q4 2021	Q4 2022	Yoy Chg
Newport News	825	595	-28%	\$236,950	\$249,900	5%	\$201.2	\$154.1	-23%	27	32	17%	347	343	-1%
Hampton	748	514	-31%	\$233,000	\$247,500	6%	\$180.8	\$129.5	-28%	25	32	25%	347	323	-7%
James City County	540	343	-36%	\$365,500	\$415,000	14%	\$220.3	\$160.7	-27%	20	18	-10%	150	190	27%
York County	338	223	-34%	\$337,645	\$371,970	10%	\$121.6	\$85.8	-29%	23	27	20%	147	135	-8%
Isle of Wight County	194	167	-14%	\$333,500	\$353,998	6%	\$72.5	\$67.8	-7%	33	36	7%	131	147	12%
New Kent County	205	174	-15%	\$366,000	\$375,768	3%	\$77.5	\$71.6	-8%	33	33	2%	80	106	33%
Williamsburg	80	53	-34%	\$370,000	\$391,000	6%	\$30.3	\$19.6	-35%	29	37	27%	49	85	73%
Poquoson	42	30	-29%	\$361,000	\$339,950	-6%	\$18.7	\$12.0	-36%	23	39	71%	31	35	13%
Charles City County	10	15	50%	\$412,500	\$260,000	-37%	\$6.9	\$3.8	-45%	45	42	-7%	5	11	120%
WAAR/Virginia Peninsula (Regional Total)	2,982	2,114	-29%	\$278,000	\$291,500	5%	\$929.8	\$704.7	-24%	26	30	15%	1,287	1,375	7%