

WAAR WILLIAMSBURG HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

WAAR Home Sales Report

First Quarter 2023

Williamsburg Area Association of REALTORS®

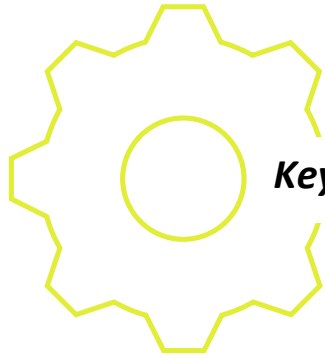
Market Report Key Takeaways

Economic Conditions

- There were about 3,200 jobs added to Virginia's economy between January and February 2023. Most regions around the Commonwealth have now fully recovered net jobs lost in the spring of 2020.
- Virginia's unemployment rate was 2.9% in February 2023 (not seasonally adjusted), which is up from 2.7% a year ago. The unemployment rate continues to be historically low, but has started to inch up, rising three of the last four months. In the WAAR region, the unemployment rate was 2.8% in February, unchanged from a year ago.
- Mortgage rates have been volatile since initially falling in January, then rising for five straight weeks, and then falling again for five straight weeks. In the third week of April 2023, the average rate on a 30-year fixed mortgage was 6.39%.

Housing Market Conditions

- The 2023 housing market is off to a slower start in the WAAR region than the last few years. There were 692 homes sold in total across the area in the first quarter of 2023, down 20% from last year, the lowest first quarter sales total since 2019.
- The first quarter median sales price in the WAAR market was \$393,243. This is more than \$33,000 higher than it was a year ago, a 9% increase.
- The supply of active listings continues to build up in the WAAR footprint. There were 543 active listings on the market at the end of the first quarter, 141 more listings than a year ago, a 35% increase.



Key Trends Dashboard, WAAR

Economy

- **2.8%** Is the Feb-2023 **unemployment rate** in the WAAR footprint, which is unchanged from Feb-2022

▲ **6.39%** Is the **30-year fixed-rate mortgage rate** during the third week of April 2023, which is up from 5.11% a year ago

Housing Market

▼ **-175** Fewer **home sales** in the WAAR footprint in Q1-2023 compared to last year

▲ **9%** Percent change in **median sales price** in the WAAR region in Q1-2023 compared to a year ago

▼ **-\$52.8** Million dollars less in total **sold volume** in the WAAR footprint in Q1-2023 compared to last year

▲ **35%** Percent change in **active listings** at the end of Q1-2023 in the WAAR market compared to a year ago

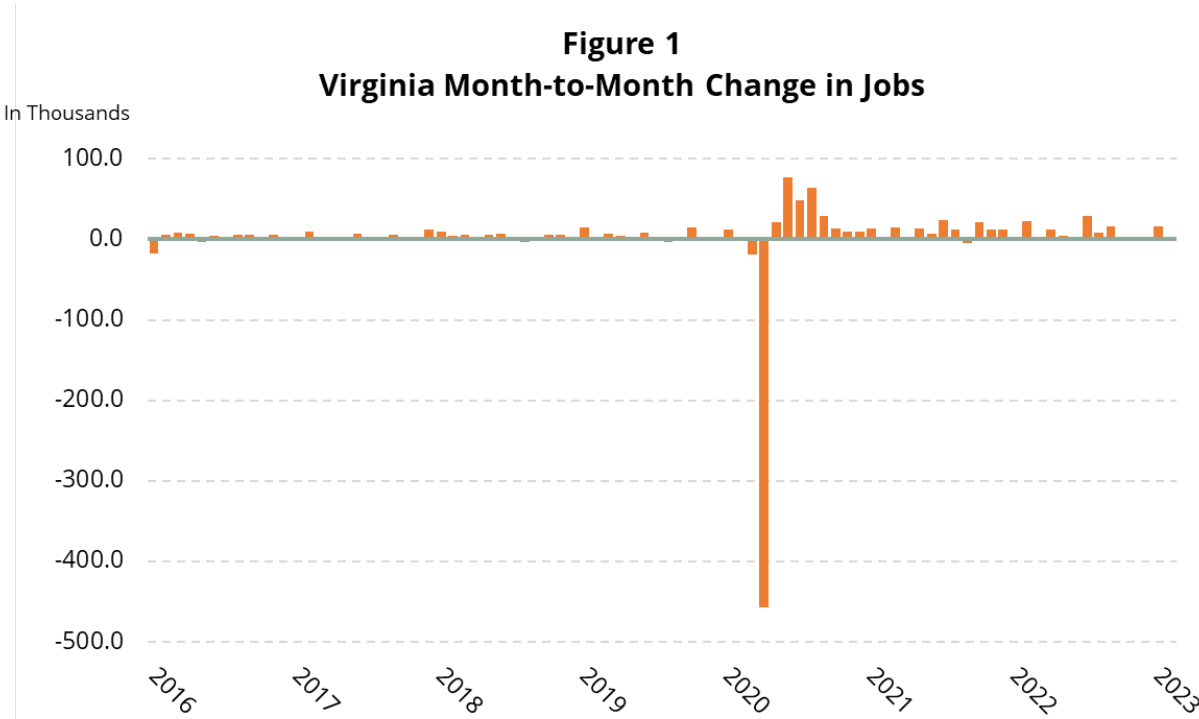
▲ **1.7** **Months of supply** in the WAAR footprint in Q1-2023, which is up from a year ago

Economic Overview

The economy continues to see mixed signals. Inflation is trending down, but remains much higher than the target rate. The job market has been resilient, but the growth has slowed in recent months. Mortgage rates have been inching down in recent weeks, but are still much higher than they were at this time last year.

Jobs

Virginia’s job base continues to expand, but the pace has slowed from recent months. There were about 4.31 million jobs across the state in February 2023, which is an influx of 3,200 jobs from January 2023. Virginia has fully recovered job losses incurred in the spring of 2020, and the job base has grown by approximately 41,600 jobs since pre-pandemic levels. The largest influx of jobs this month occurred in the State Government sector, which had 6,200 more jobs in February compared to January. The Health Care and Social Services sector continues to expand, with about 2,200 more jobs added to Virginia’s economy from the prior month. The largest decrease this month was in the Administrative and Waste Services sector (-2,600 jobs), and Leisure & Hospitality (-1,800 jobs).

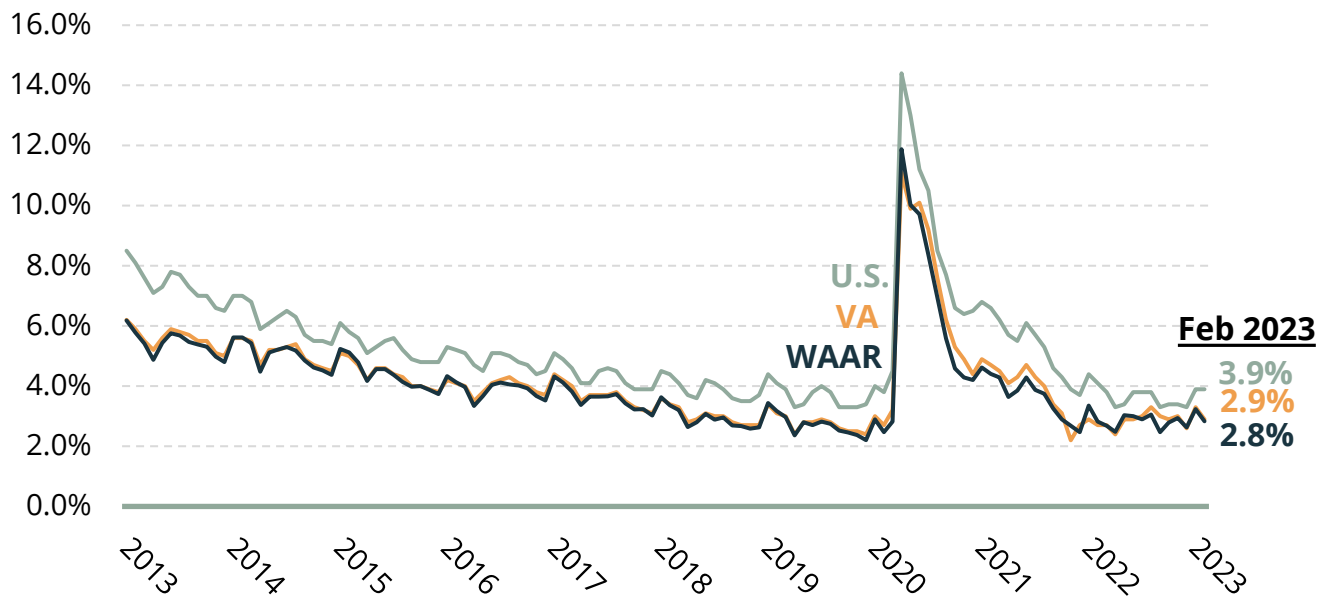


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

Unemployment

The unemployment rate in Virginia remains historically low, but has been rising slowly in recent months. Statewide, the unemployment rate in February 2023 was 2.9% (not seasonally adjusted), up from 2.7% in February of 2022. The unemployment rate in the Williamsburg region was 2.8% in February 2023, unchanged from a year ago

Figure 2
Unemployment Rate



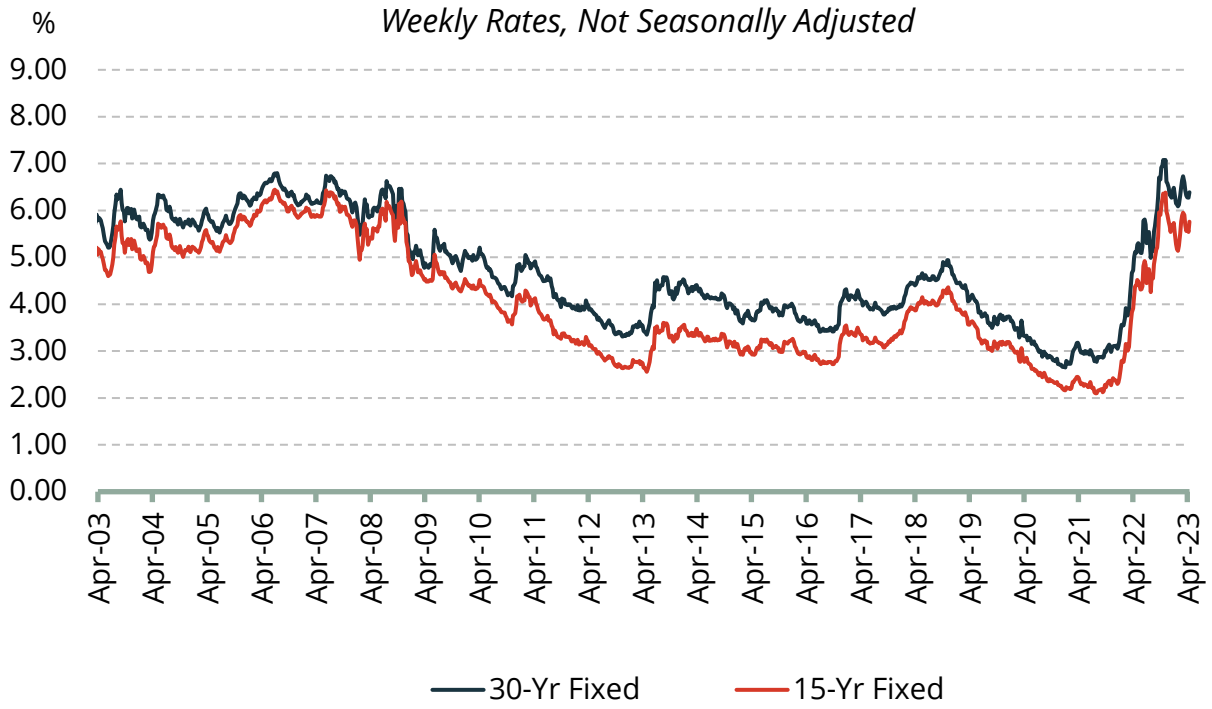
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Mortgage Rates

Mortgage rates have been up and down so far in 2023. In the third week of April, the average rate on a 30-year fixed mortgage was 6.39%, up from 6.27% in the previous week, but down from 6.42% in the previous month. Mortgage rates started off the year trending down for much of January, then rose for February into March, and then back down again March through mid-April. This volatility could continue in the coming months, though the longer-term trajectory is likely to be downward.

Figure 3
Mortgage Interest Rates

Weekly Rates, Not Seasonally Adjusted



Source: Freddie Mac

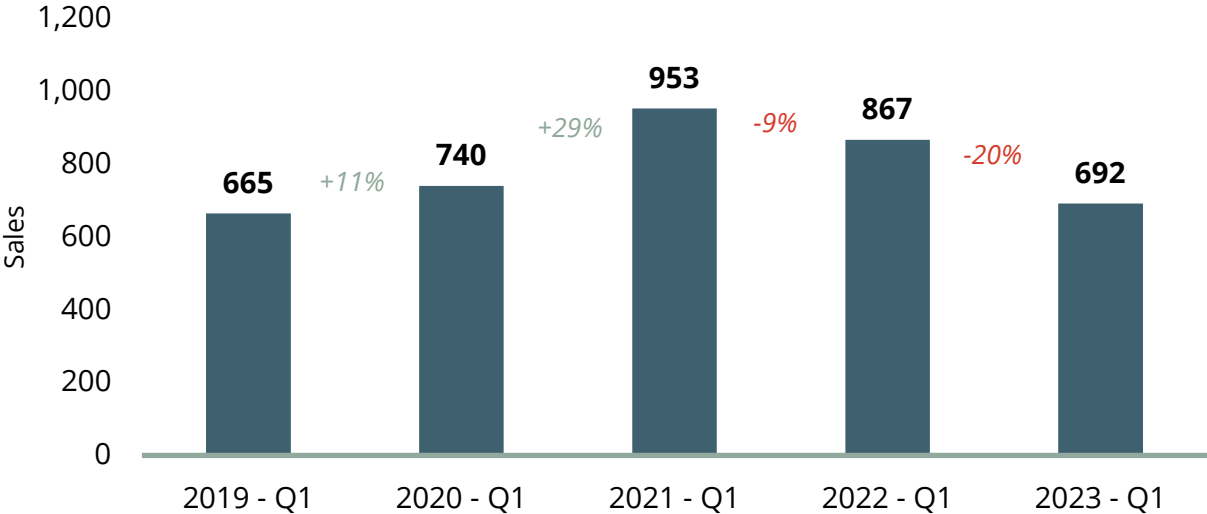
Housing Market Overview

The WAAR housing market is off to a slower start in 2023. Sales activity in the first quarter is back to 2019 levels, and homes are staying on the market about a week and a half longer on average. Sold volume levels continue to be well below last year as a result of fewer sales. Prices are climbing in some local markets while staying relatively flat in others, and the inventory of active listings is building up as the market cools. A summary of housing market trends for the larger region is available in the appendix at the end of this report.

Sales

There were 692 sales in the WAAR housing market in the first quarter of 2023, which is 175 fewer sales than this time last year, a 20% drop. This is the slowest first quarter the WAAR market has had since 2019, as rising interest rates and lack of inventory have cooled the market. Sales activity in the region moderated in all three months of the quarter, which covers January through March. Statewide, total home sales were down 25% from the first quarter a year ago.

Figure 4
First Quarter Home Sales, WAAR
2019-2023



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



Local Snapshot – *Total Home Sales*

Charles City County: Home sales fell at the beginning of 2023 in Charles City. There were five closed home sales in Charles City during the first quarter, nine fewer than a year ago, a 64% decline. This is the fewest quarterly sales in the Charles City market since 2017.

James City County: Sales activity in James City has dropped for six consecutive quarters. In the first quarter of 2023, there were 282 home sales, 96 fewer sales than last year, reflecting a 25.4% drop.

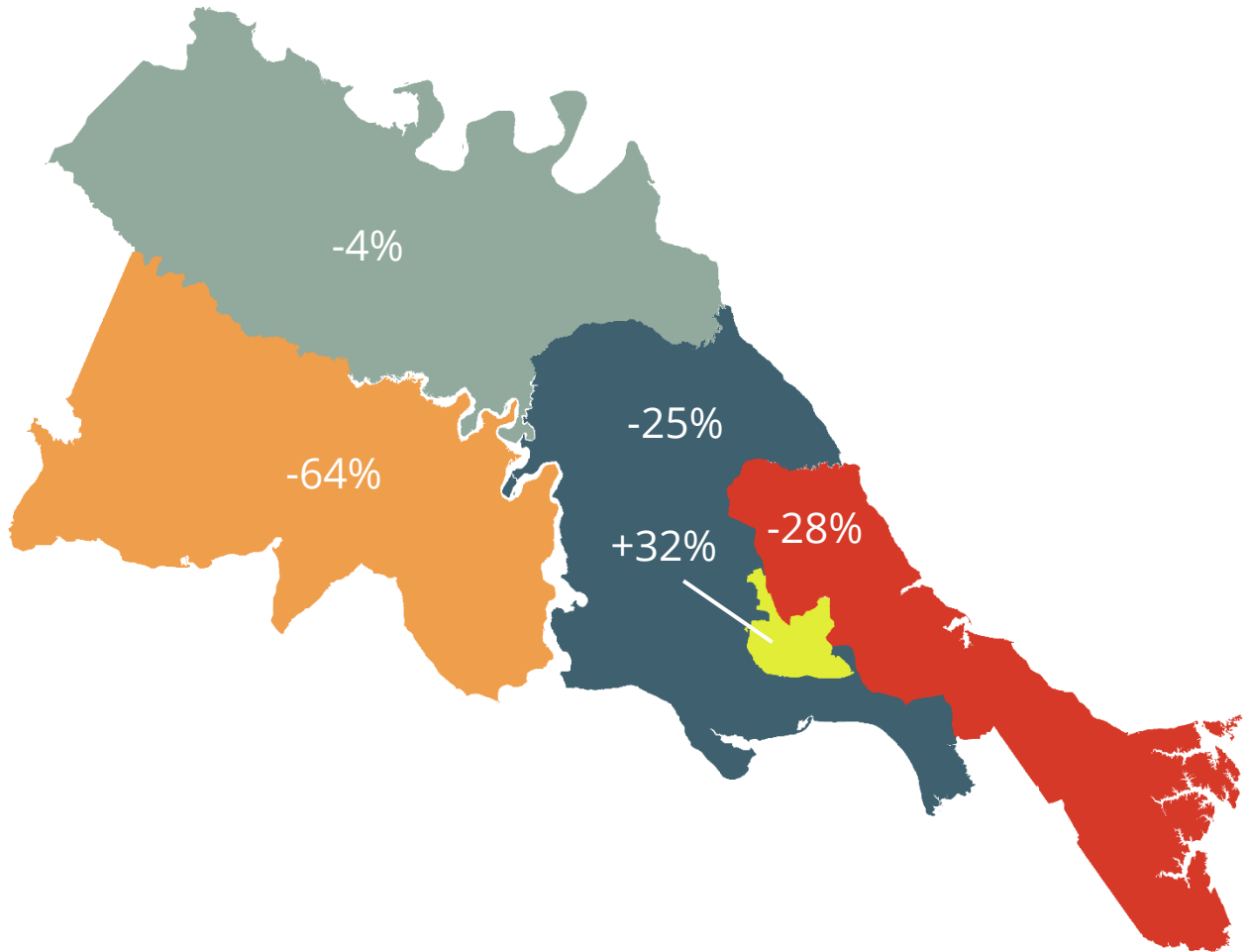
New Kent County: In New Kent County, there were 136 closed sales during the first quarter, a 4% decline compared to last year, which is six fewer sales.

Williamsburg: Home sales picked back up at the beginning of 2023 in Williamsburg. There were 66 sales throughout Williamsburg in the first quarter this year, 16 more than a year ago, a 32% increase.

York County: In York County, there were 203 sales in the first quarter this year, a 28% decrease compared to 2022, which is 80 fewer sales. Sales activity has declined for six consecutive quarters in the county.

Figure 5
Change in Sales by Jurisdiction
WAAR

First Quarter 2022 to First Quarter 2023



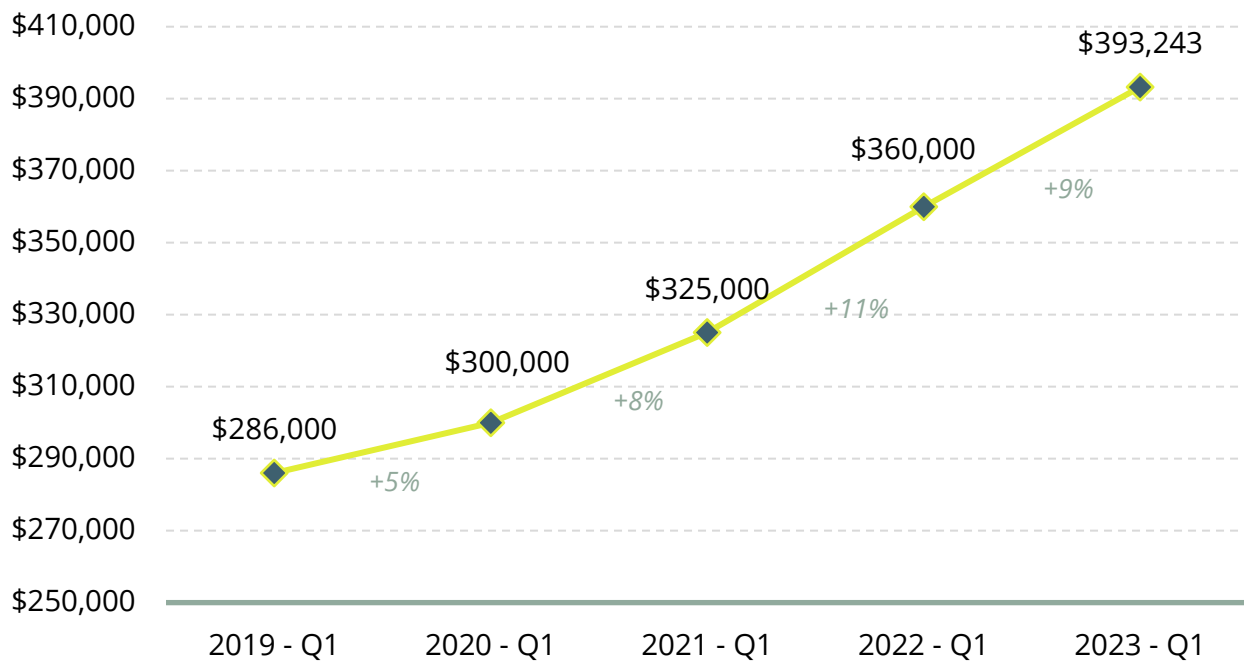
<i>Jurisdiction</i>	<i>2022 - Q1</i>	<i>2023 - Q1</i>	<i>% Change</i>
Charles City County	14	5	-64%
James City County	378	282	-25%
New Kent County	142	136	-4%
Williamsburg	50	66	32%
York County	283	203	-28%

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

Sales Prices

Home prices rose overall but were flat in some local markets this quarter. The regionwide median sales price in the WAAR market was \$393,243, rising \$33,243 from the first quarter last year, representing a 9% increase. The tight inventory continues to insulate prices even though market activity has slowed. The price growth this quarter was strongest in the Williamsburg and York County markets, while prices were relatively flat in James City County and New Kent County. Statewide, the first quarter median sales price was \$365,000, climbing 3% from the first quarter last year.

Figure 6
First Quarter Median Sales Price, WAAR
2019-2023



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



Local Snapshot – *Median Sales Price*

Charles City County: The median sales price in Charles City has declined for three consecutive quarters. At \$270,000, the median sold price in the local market declined by 5% in the first quarter compared to last year, a \$13,000 price drop.

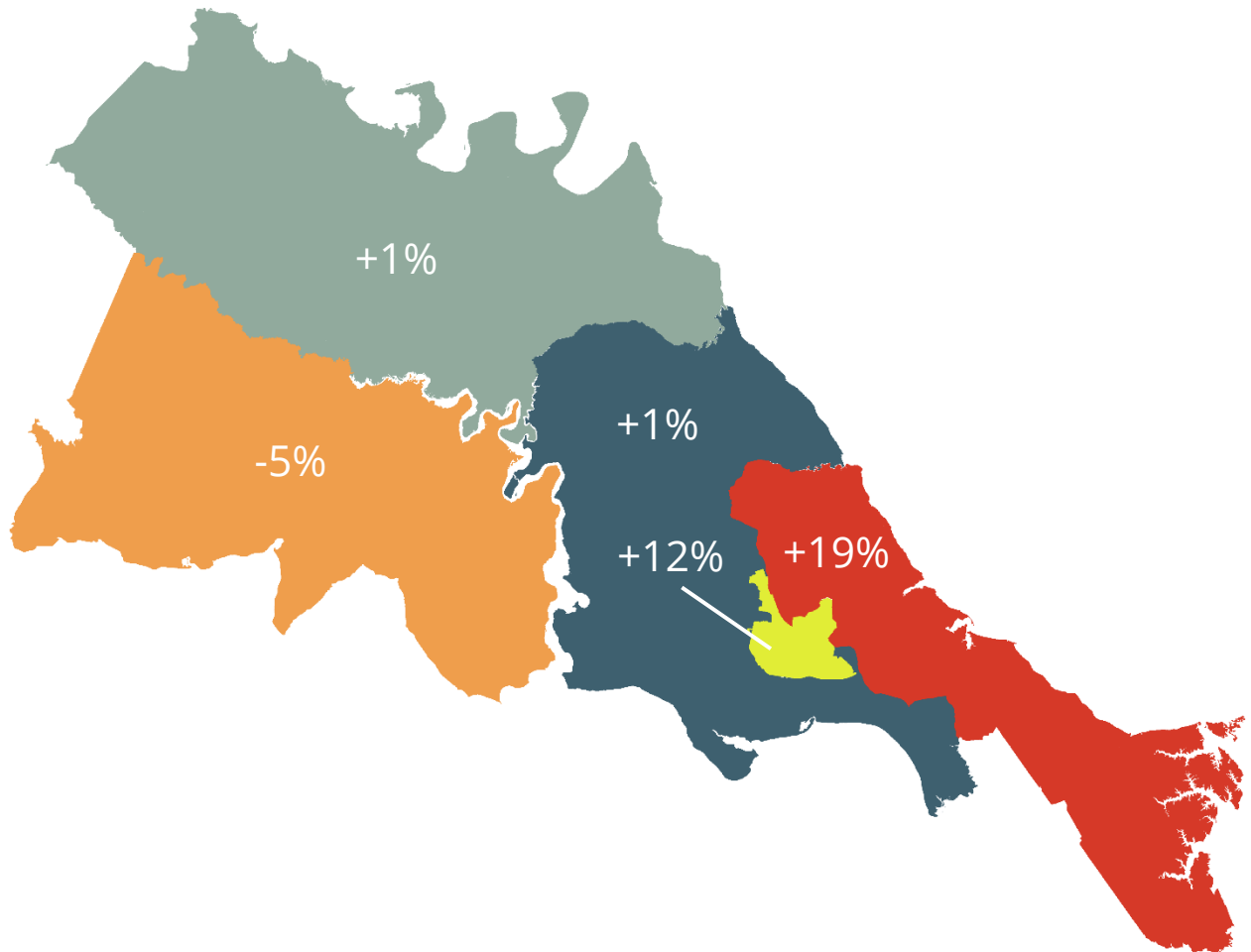
James City County: The median sales price in James City was \$402,450 during the first quarter, a 1% increase from last year, an increase of \$4,900.

New Kent County: Home prices continue to climb in the New Kent County market. The median sold price in New Kent County was \$374,900 in the first quarter this year, a \$4,900 price jump from a year ago, a 1% increase.

Williamsburg: Prices increased strongly in Williamsburg during the first quarter. In the Williamsburg market, the median sold price was 363,000, a 12% rise compared to last year, which is a \$38,250 price increase.

York County: The median sales price in York County was \$398,760 in the first quarter, \$63,760 more than a year ago, a 19% rise. This is the highest that quarterly prices have been in York County.

Figure 7
Change in Median Sales Price by Jurisdiction
WAAR
First Quarter 2022 to First Quarter 2023



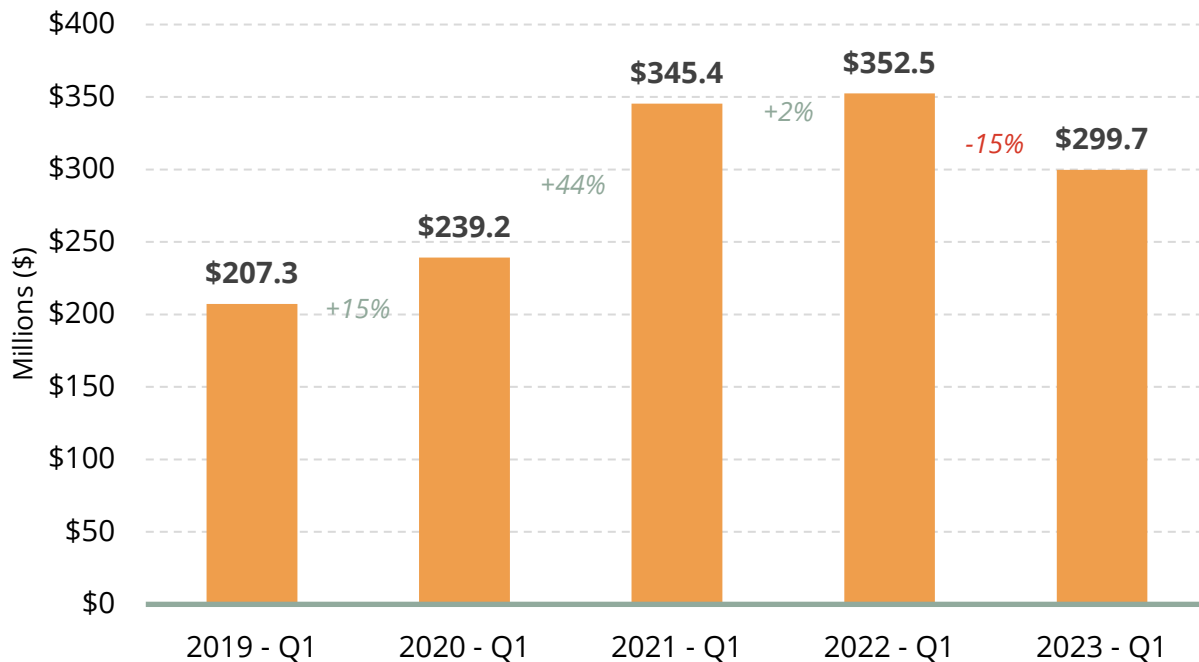
<i>Jurisdiction</i>	<i>2022 - Q1</i>	<i>2023 - Q1</i>	<i>% Change</i>
Charles City County	\$283,000	\$270,000	-5%
James City County	\$397,250	\$402,450	1%
New Kent County	\$370,000	\$374,900	1%
Williamsburg	\$324,750	\$363,000	12%
York County	\$335,000	\$398,760	19%

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

Sold Volume

The sold dollar volume continues to trend down in the WAAR housing market as there are fewer sales overall. There was approximately \$299.7 million of sold volume in the WAAR footprint during the first quarter. This is \$52.8 million less volume than the first quarter last year, a 15% drop. Most local markets had a sharp decrease in volume this quarter, a trend that has been consistent for much of the past year.

Figure 8
First Quarter Sold Dollar Volume (Millions), WAAR
2019-2023



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



Local Snapshot – *Sold Dollar Volume*

Charles City County: As prices declined for three consecutive quarters in Charles City, so has the sold dollar volume. In the first quarter, there was about \$1.5 million in sold volume in Charles City, a 66% loss from last year, which is a loss of approximately \$2.9 million.

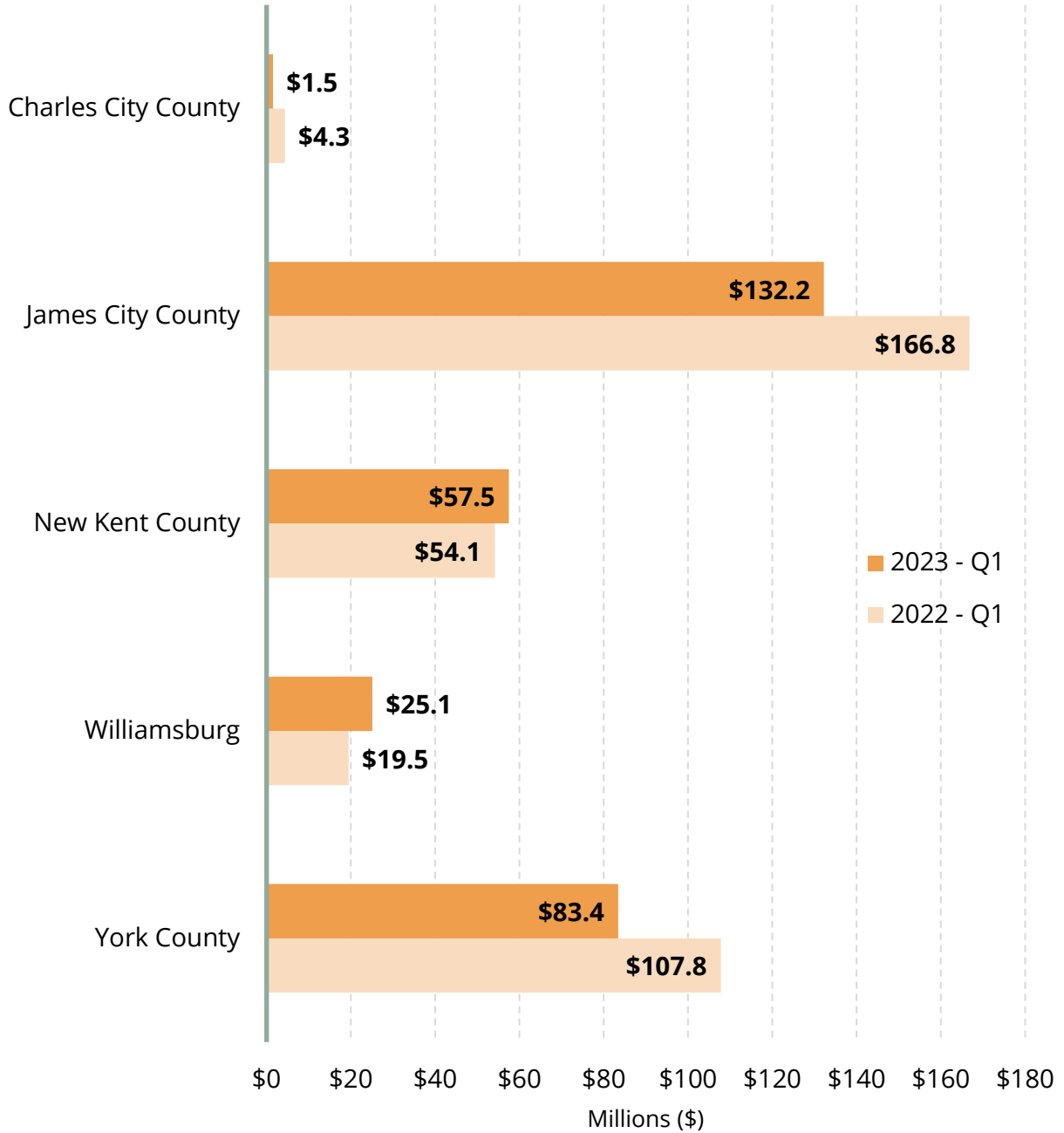
James City County: Sold volume in James City continues to fall short as sales sharply decline. In the first quarter, there was approximately \$132.2 million sold volume in James City, a 21% decline from a year ago, a loss of roughly \$34.6 million.

New Kent County: The sold volume in New Kent rose in the first quarter, despite a drop in sales. There was roughly \$57.5 million accumulated from sales in the first quarter this year in New Kent County, a 6% increase from last year, which is a gain of about \$3.4 million.

Williamsburg: An increase in closed sales and home prices led to increased sold volume in the Williamsburg market. During the first quarter, there was about \$25.1 million sold volume in Williamsburg, a 29% increase from last year, reflecting a \$5.6 million gain.

York County: There was approximately \$83.4 million in sold volume in York County during the first quarter, \$24.4 million less than a year ago, a 23% decline. This is the third consecutive quarter that the sold volume has declined in the area.

Figure 9
First Quarter Sold Dollar Volume, WAAR Jurisdictions
2022 and 2023

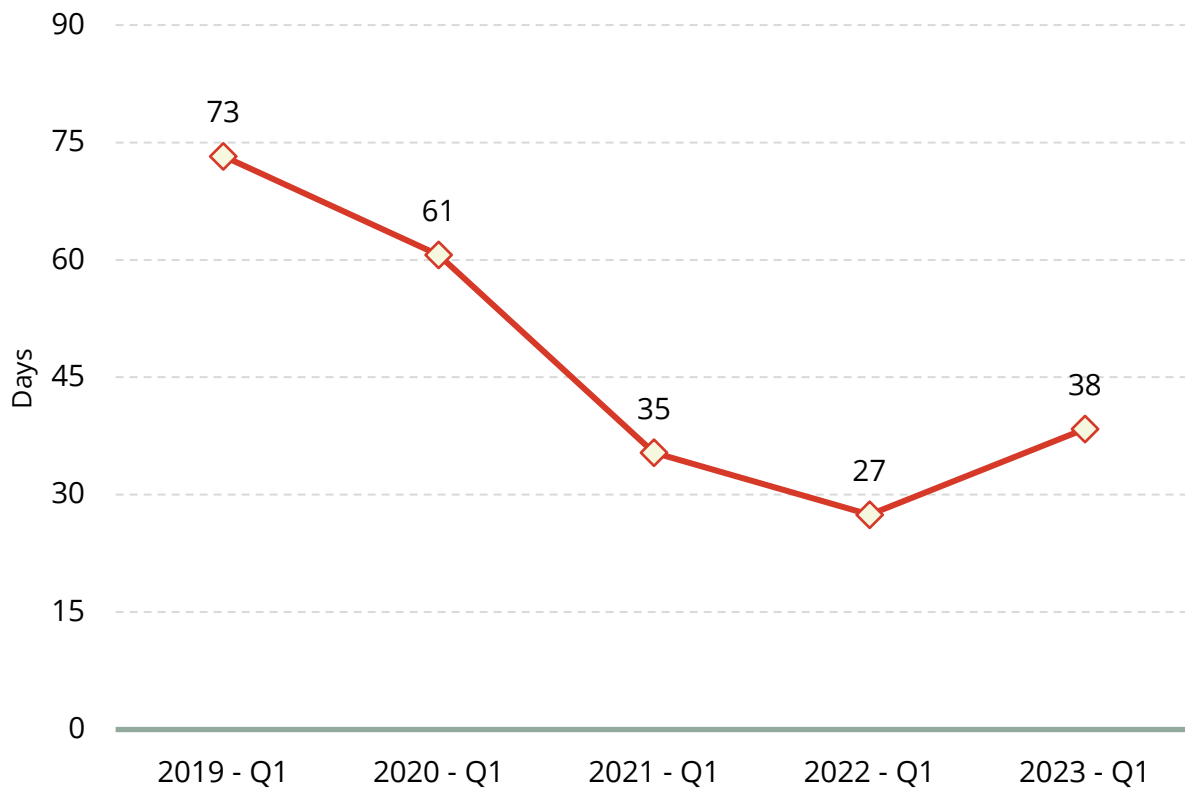


Source: Virginia REALTORS®, data accessed April 15, 2023

Days on Market

It's taking longer to sell homes on average in the WAAR housing market. The average days on market in the region during the first quarter was 38 days, which is 11 days longer than the first quarter of last year. This is the third straight quarter that this metric has risen in the region. A similar slowdown occurred statewide this quarter. Homes sold in 37 days on average in Virginia during the first quarter of 2023, nine days longer than this time last year.

Figure 10
First Quarter Average Days on Market, WAAR
2019-2023



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



Local Snapshot – *Average Days on Market*

Charles City County: The average days on market rose for the first time in two years in Charles City. In the first quarter of 2023, homes were on the market 58 days on average, 40 days longer than last year (+214%).

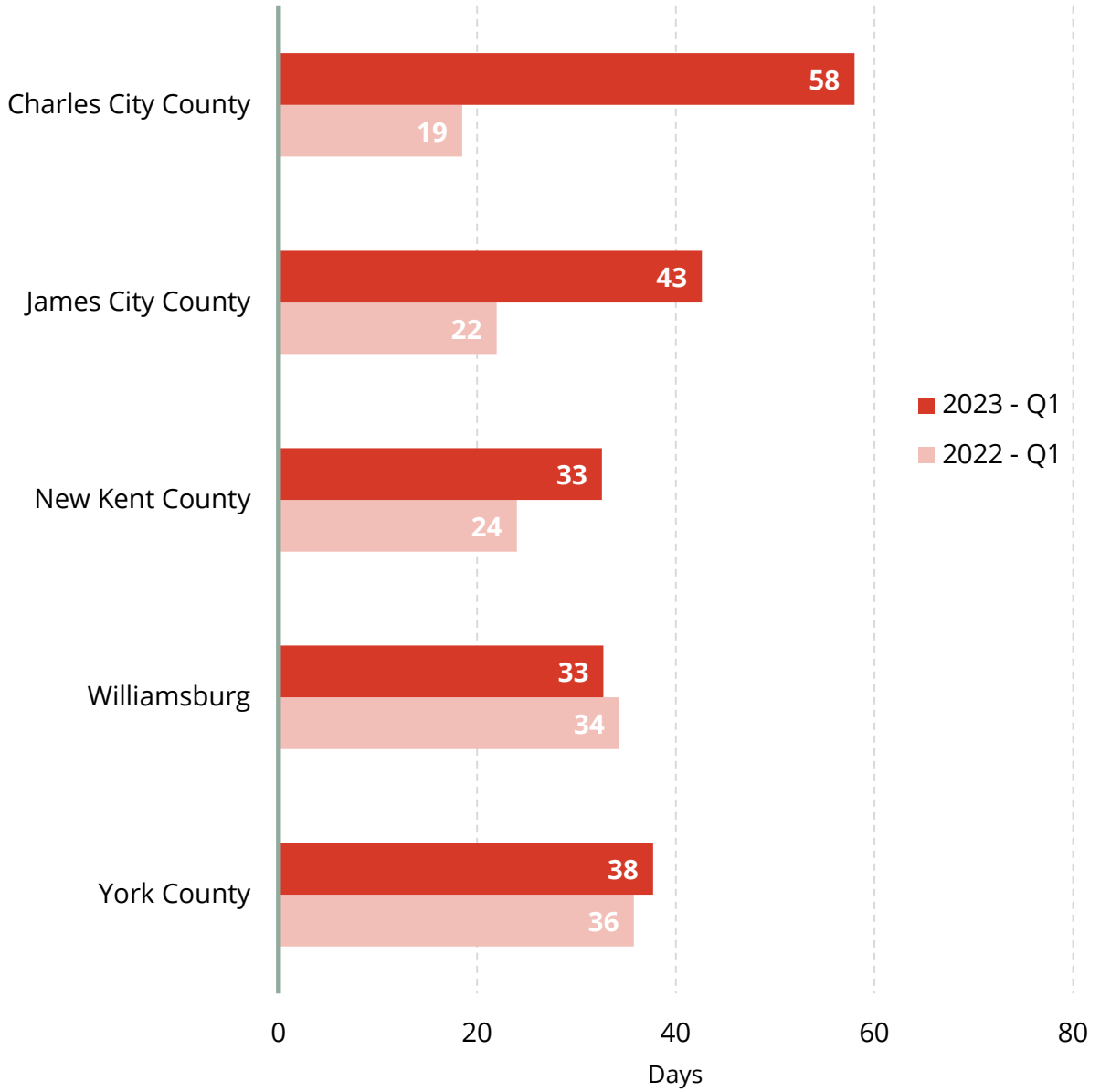
James City County: In the first quarter, homes were on the market in James City for 43 days on average, three weeks longer than a year ago (+ 21 days).

New Kent County: In New Kent County, homes were on the market 33 days on average, nine days longer than last year. This is the third consecutive quarter that the average days on the market have increased in the county.

Williamsburg: At 33 days, homes sold two days faster on average than last year during the first quarter in Williamsburg.

York County: Homes were on the market 38 days on average in York County during the first quarter of this year, which is two days longer than last year.

Figure 11
First Quarter Average Days on Market, WAAR Jurisdictions
2022 and 2023



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

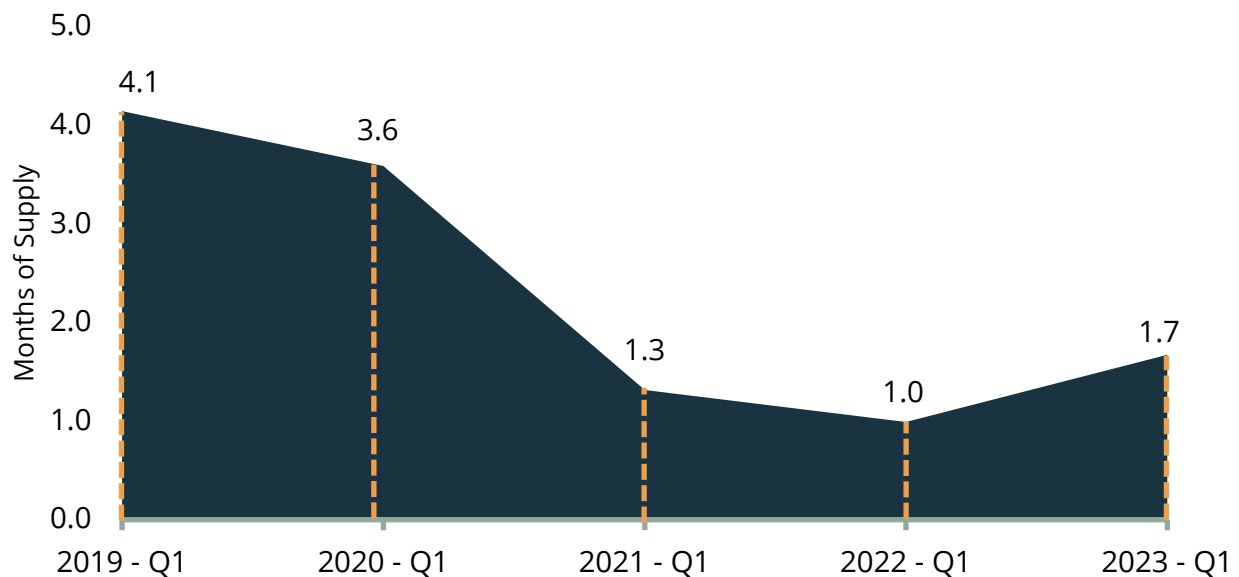
Inventory

The number of active listings in the WAAR region continues to build up. There were 543 active listings on the market at the end of the first quarter of 2023. This is 141 more listings than this time last year, a 35% jump. All local markets had an increase in active listings at the end of this quarter. The increase in listings reflects that homes are staying on the market longer and the inventory is building up over time, not necessarily that a lot of new listings are coming on the market.

Statewide, there were 15,108 active listings at the end of the first quarter, an 11% increase from a year ago, which is nearly 1,500 more listings.

There was 1.7 months of supply at the end of the first 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 first quarter.

Figure 12
End of First Quarter Months Supply, WAAR
2019-2023



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



Local Snapshot – *Active Listings*

Charles City County: At the end of the first quarter, there were seven active listings in Charles City, a 17% rise from last year (+1). This is the third consecutive quarter that active listings have risen. There were about two months of supply in the Charles City housing market in the first quarter.

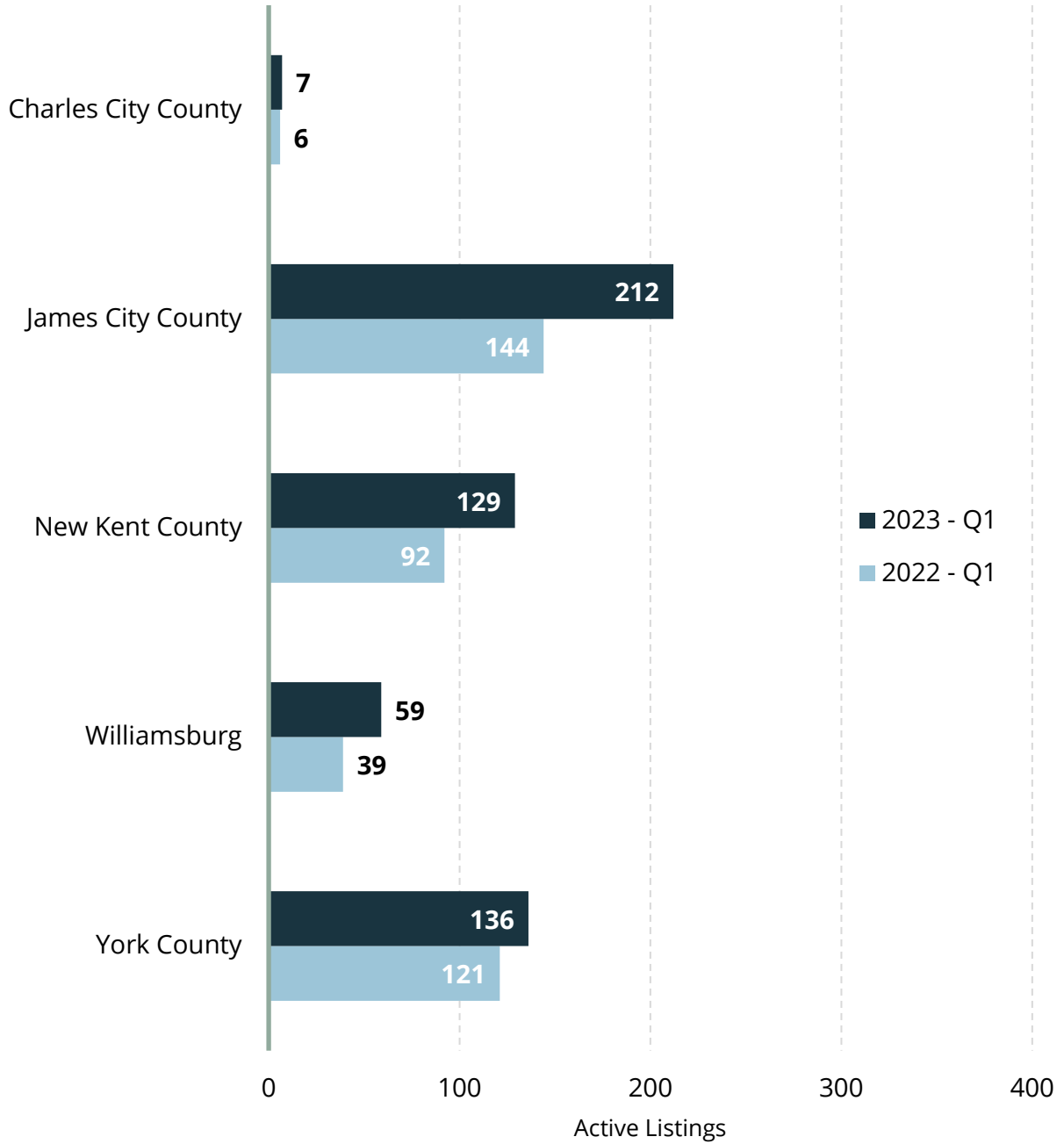
James City County: James City had the most active listings throughout the WAAR market at the end of the first quarter. There were 212 active listings by the end of the first quarter, 68 more than last year, a 47% increase. In the first quarter, there were about 1.5 months of supply in James City.

New Kent County: There were 129 active listings in the New Kent market at the end of the first quarter, 37 more compared to last year, a 40% increase. The number of active listings has risen for five consecutive quarters in the county. There were over 2.2 months of supply in the first quarter.

Williamsburg: At the end of the first quarter, there were 59 active listings in Williamsburg, a 51% increase from last year, which is an additional 20 more active listings. Months' supply in Williamsburg increased by 46% compared to last year, to around two and a half months of supply.

York County: The number of active listings increased for the first time since 2018 in York County. There were 136 active listings at the end of the first quarter in York County, 15 more than last year, which is a 12% increase.

Figure 13
End of First Quarter Active Listings, WAAR Jurisdictions
2022 and 2023



Source: Virginia REALTORS®, data accessed April 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.

Combined WAAR/Virginia Peninsula Region

APPENDIX	Sales			Median Sales Price			Sold Dollar Volume (in millions)			Average DOM			Active Listings (end of quarter)		
	Q1 2022	Q1 2023	Yoy Chg	Q1 2022	Q1 2023	Yoy Chg	Q1 2022	Q1 2023	Yoy Chg	Q1 2022	Q1 2023	Yoy Chg	Q1 2022	Q1 2023	Yoy Chg
Newport News	724	492	-32%	\$235,000	\$255,000	9%	\$176.1	\$129.2	-27%	25	33	31%	247	300	21%
Hampton	665	476	-28%	\$235,500	\$250,000	6%	\$161.7	\$121.7	-25%	29	38	29%	270	279	3%
James City County	378	282	-25%	\$397,250	\$402,450	1%	\$166.8	\$132.2	-21%	22	43	94%	144	212	47%
York County	283	203	-28%	\$335,000	\$398,760	19%	\$107.8	\$83.4	-23%	36	38	5%	121	136	12%
Isle of Wight County	150	140	-7%	\$345,308	\$339,990	-2%	\$55.7	\$51.6	-7%	37	44	20%	103	139	35%
New Kent County	142	136	-4%	\$370,000	\$374,900	1%	\$54.1	\$57.5	6%	24	33	36%	92	129	40%
Williamsburg	50	66	32%	\$324,750	\$363,000	12%	\$19.5	\$25.1	29%	34	33	-5%	39	59	51%
Poquoson	44	26	-41%	\$372,500	\$342,490	-8%	\$17.7	\$10.8	-39%	23	46	101%	24	52	117%
Charles City County	14	5	-64%	\$283,000	\$270,000	-5%	\$4.3	\$1.5	-66%	19	58	214%	6	7	17%
WAAR/Virginia Peninsula (Regional Total)	2,450	1,826	-25%	\$278,000	\$300,000	8%	\$763.7	\$613.0	-20%	28	37	33%	1,046	1,313	26%