

# WAAR WILLIAMSBURG HOME SALES REPORT

CUSTOM REPORT PREPARED BY  
**VIRGINIA REALTORS®**

# WAAR Home Sales Report

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## Second Quarter 2023

Williamsburg Area Association of REALTORS®

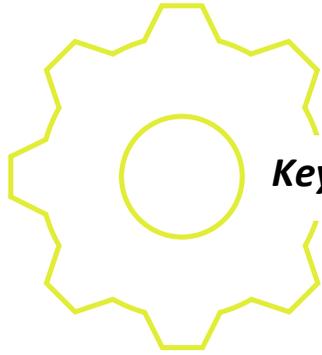
### Market Report Key Takeaways

#### Economic Conditions

- Virginia's job base continues to expand, which generates demand for housing. There were approximately 6,900 jobs added to Virginia's economy between April and May 2023.
- The statewide unemployment rate in Virginia was 2.7% in May 2023 (not seasonally adjusted), which is down from 2.9% a year ago. In the WAAR region, the unemployment rate was also 2.7% in May, down from 3% a year ago.
- Mortgage rates continue to fluctuate widely. In the third week of July 2023, the average rate on a 30-year fixed mortgage was 6.78%, which is down from 6.96% the week prior.

#### Housing Market Conditions

- Sales activity continues to trend slower than last year in the WAAR housing market. There were 992 homes sold across the region in the second quarter, down 19% from last year.
- Home prices are climbing even as there are fewer sales. The median sales price in the WAAR housing market during the second quarter was \$422,000, up 6% from last year, a gain of \$22,000.
- There were 544 active listings on the market in the WAAR region at the end of the second quarter, 46 fewer listings than a year ago, which is an 8% drop. This is the first time active listings have declined in the region since the spring of last year.



## Key Trends Dashboard, WAAR

### Economy



**2.7%**

Is the May-2023 **unemployment rate** in the WAAR footprint, which is down from May-2022



**6.78%**

Is the **30-year fixed-rate mortgage rate** during the third week of July 2023, which is up from 5.54% a year ago

### Housing Market



**-234**

Fewer **home sales** in the WAAR footprint in Q2-2023 compared to last year



**6%**

Percent change in **median sales price** in the WAAR region in Q2-2023 compared to a year ago



**-\$84.7**

Million dollars less in total **sold volume** in the WAAR footprint in Q2-2023 compared to last year



**-8%**

Percent change in **active listings** at the end of Q2-2023 in the WAAR market compared to a year ago



**1.8**

**Months of supply** in the WAAR footprint in Q2-2023, which is up from a year ago

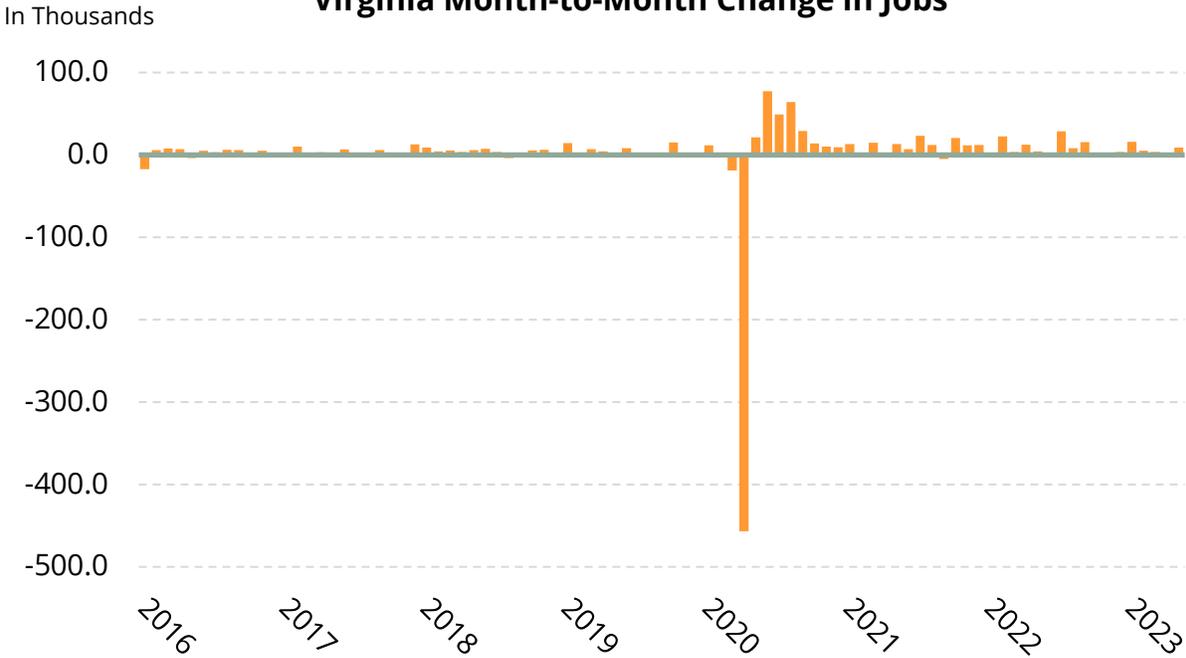
# Economic Overview

Inflation continues to march downward but is still hovering above target levels, which leaves the potential for an additional rate hike on the table for the Federal Reserve. This could slow the economy further and soften what has been a very resilient job market.

## Jobs

In May 2023, there were approximately 4.15 million jobs in Virginia, which is about 6,900 more jobs than the revised April 2023 total. The job market in Virginia and in many parts of the country has been resilient even as economic headwinds mount. Virginia’s job base has been expanding steadily over the last few years, faster than some of our neighbors to the north (MD, DC) and west (WV), but slower than places to the south (NC, TN). Most of the jobs added between April and May 2023 in Virginia were Professional and Technical Services jobs (+3,300), Construction jobs (+2,600), and Health Care and Social Assistance jobs (+1,600). The Other Services sector shed the most jobs over the past month (-1,700). This sector includes a wide range of service-related jobs such as personal care services, pet care services, and housekeeping, among others.

**Figure 1**  
**Virginia Month-to-Month Change in Jobs**

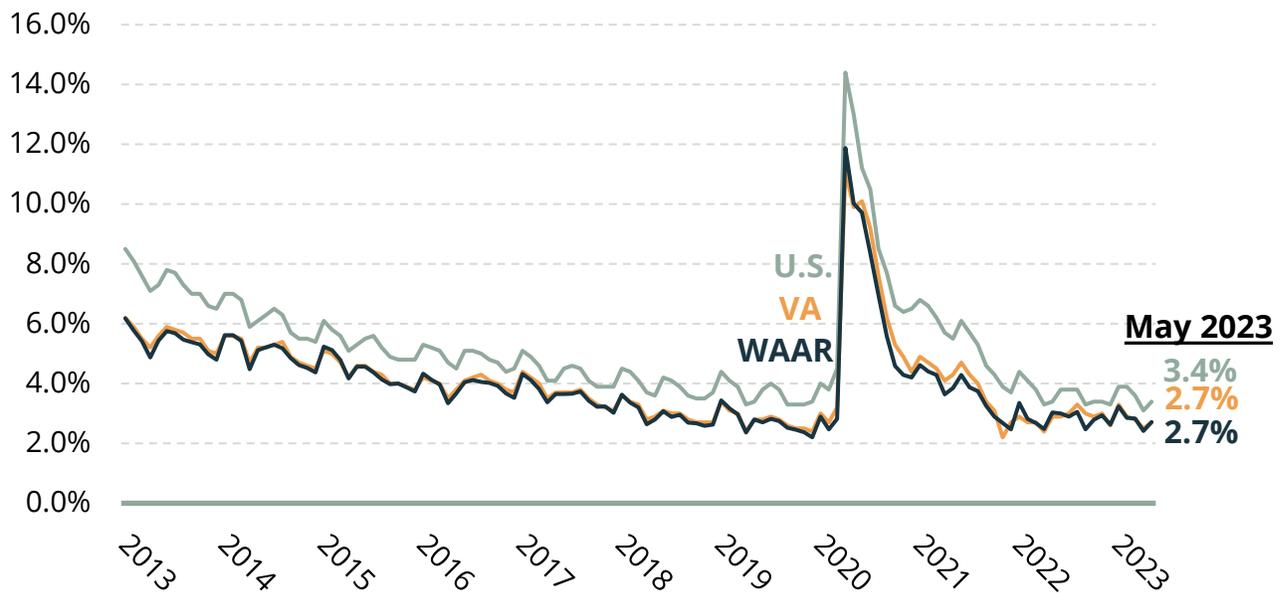


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

## Unemployment

The labor market in Virginia continues to be tight as unemployment lingers below 3%. The May unemployment rate in Virginia was 2.7% (not seasonally adjusted), which is down from 2.9% in May of last year. In the WAAR region, the May unemployment rate was also 2.7%, which is down from 3% a year ago.

**Figure 2**  
**Unemployment Rate**



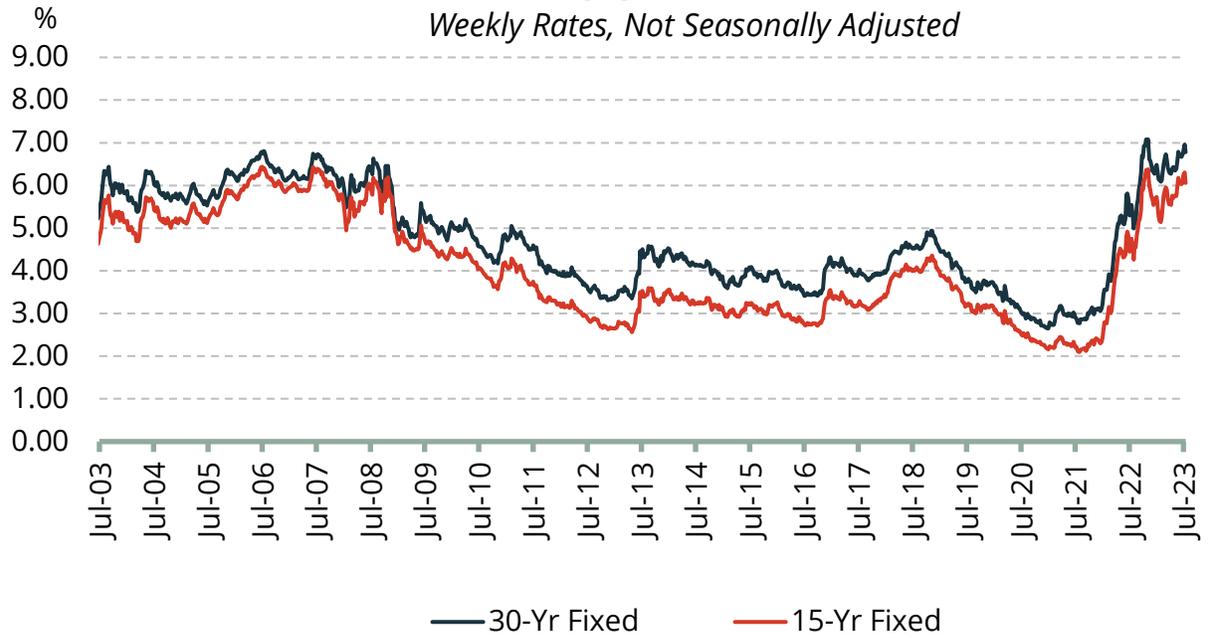
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

## Mortgage Rates

Mortgage rates continue to be volatile. The average rate for a 30-year fixed mortgage in the United States as of July 20 was 6.78%. This is down from 6.96% the previous week but is up from 6.67% this time last month. The rate volatility will likely remain a factor in the coming months, though many expect rates will trend downward over time.

**Figure 3**  
**Mortgage Interest Rates**

*Weekly Rates, Not Seasonally Adjusted*



Source: Freddie Mac

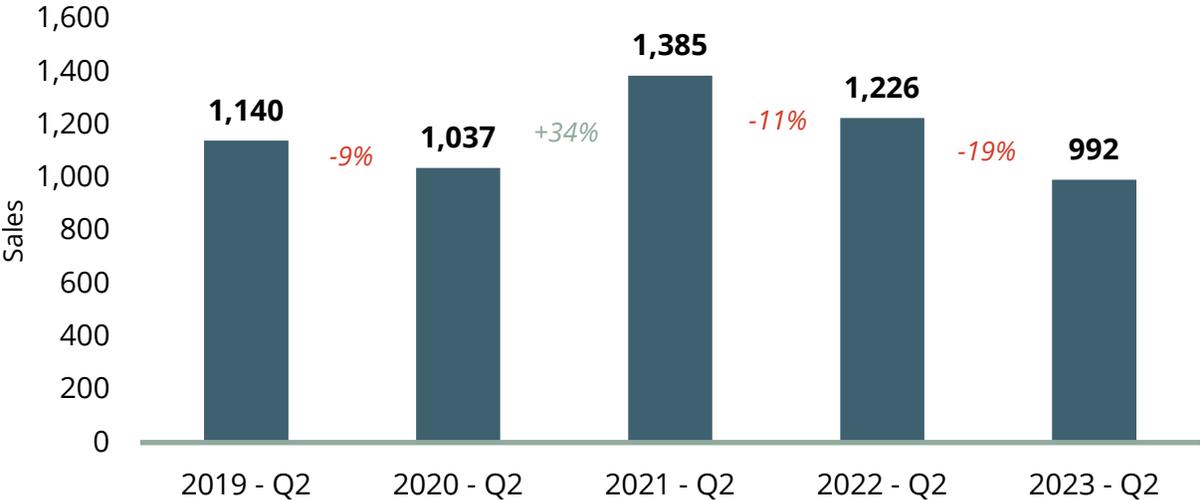
# Housing Market Overview

The WAAR housing market continues to be slower than last year but still just as competitive. Sales activity was down, as was sold volume. However, home prices are still rising in most local markets as supply conditions remain tight, which is putting upward pressure on price levels. A summary of housing market trends for the larger region is available in the appendix at the end of this report.

## Sales

It was a sluggish spring in the WAAR area housing market. There were 992 homes sold across the footprint during the second quarter of 2023. This is 234 fewer sales than a year ago, representing a 19% drop, and the slowest spring market the region has had since 2016. Within the second quarter, which includes April through June, sales activity slowed down all three months compared to the same time last year. Statewide, sales activity fell 23% in the second quarter of 2023 compared to a year ago. The sharp slowdown in market activity is being driven by a combination of factors including tight inventory conditions and climbing mortgage rates. The dramatic rise in mortgage rates over the last year and a half has also created a "lock-in effect" in which would-be sellers have little incentive to sell their homes and lose the ultra-low mortgage rates that many homeowners locked into during the 2020 and 2021 refinance boom.

**Figure 4**  
**Second Quarter Home Sales, WAAR**  
2019-2023



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



## Local Snapshot – *Total Home Sales*

**Charles City County:** There were 12 home sales in Charles City County in the second quarter, unchanged from this time last year.

**James City County:** There were 426 home sales in James City County in the second quarter, 150 fewer than a year ago, reflecting a 26% decline. Sales activity has fallen for seven consecutive quarters in the county.

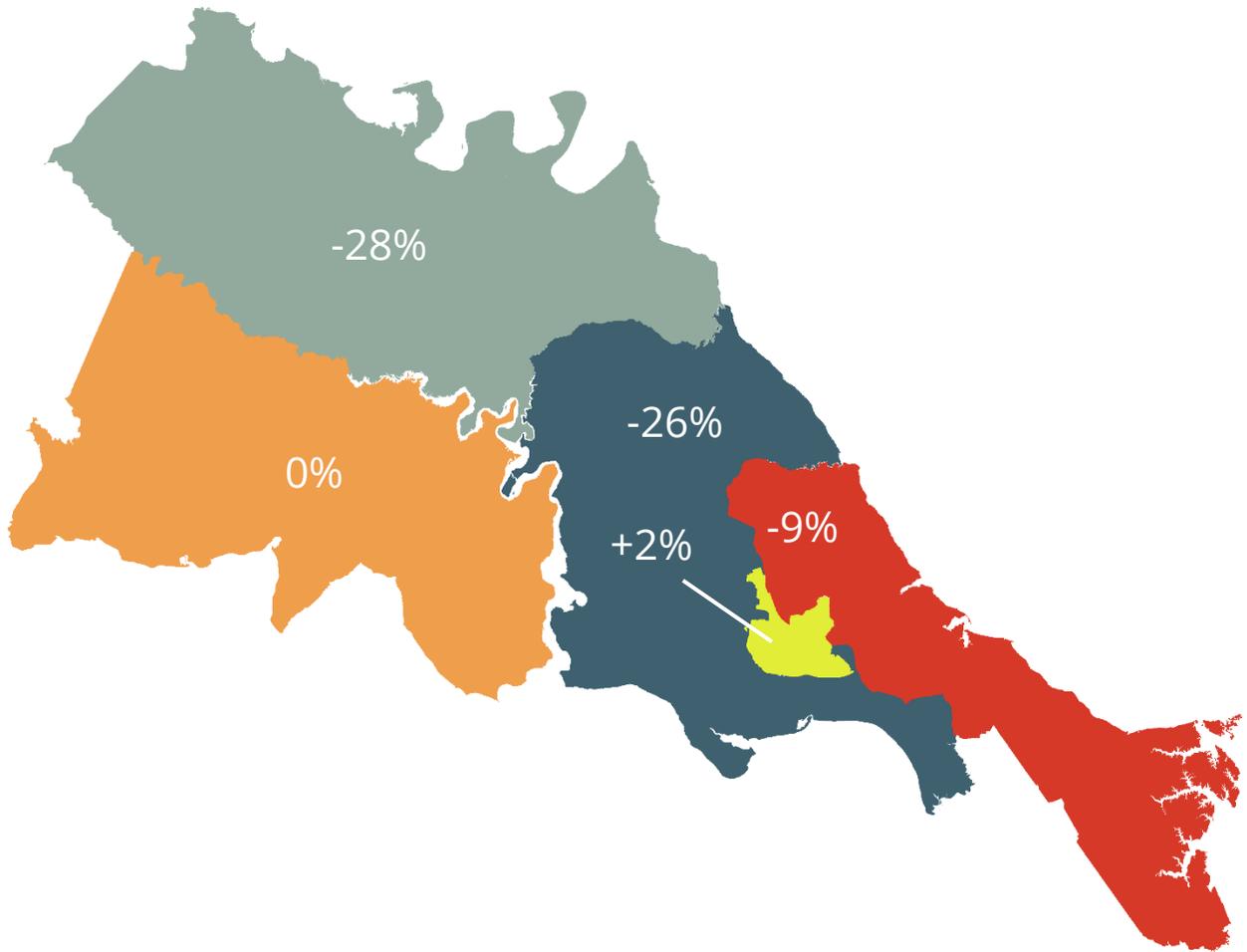
**New Kent County:** In New Kent County, there were 134 closed sales in the second quarter, a 28% decline compared to last year, which is 53 fewer sales. Year-over-year sales activity has declined for three consecutive quarters.

**Williamsburg:** Sales activity increased for a second consecutive quarter in the Williamsburg market. There were 89 home sales in the second quarter throughout the Williamsburg area, two more than last year, a 2% rise.

**York County:** In York County, there were 331 home sales in the second quarter, 33 fewer than last year, a 9% decline. Sales activity has declined for seven consecutive quarters in York County.

**Figure 5**  
**Change in Sales by Jurisdiction**  
**WAAR**

*Second Quarter 2022 to Second Quarter 2023*



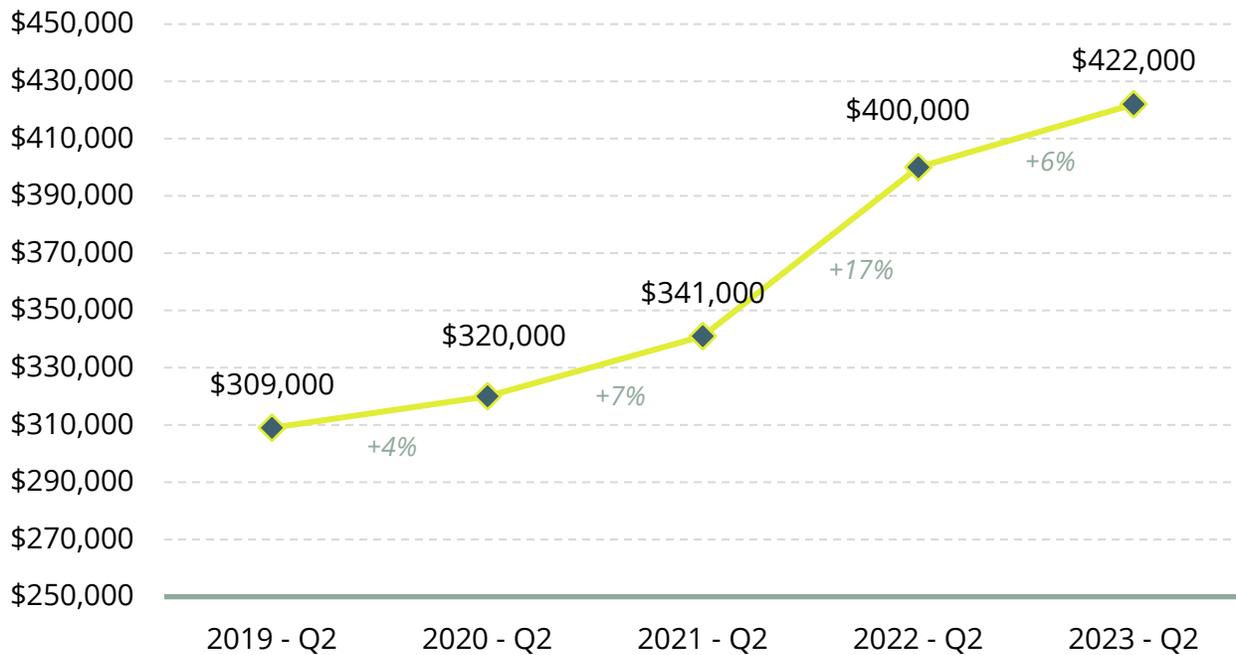
<i>Jurisdiction</i>	<i>2022 - Q2</i>	<i>2023 - Q2</i>	<i>% Change</i>
Charles City County	12	12	0%
James City County	576	426	-26%
New Kent County	187	134	-28%
Williamsburg	87	89	2%
York County	364	331	-9%

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

## Sales Prices

While market activity remains sluggish, it has not put a damper on home prices, which continue to climb in most local markets in the Williamsburg region. At \$422,000, the regionwide median sales price in the second quarter jumped up by \$22,000 from this time last year, a 6% increase. The chronically low inventory coupled with a robust pipeline of buyers has continued to put upward pressure on home prices despite the slowdown. Statewide, median sales price in the second quarter of 2023 was \$388,825, which is up 2% from a year ago.

**Figure 6**  
**Second Quarter Median Sales Price, WAAR**  
*2019-2023*



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



## Local Snapshot – *Median Sales Price*

**Charles City County:** Home prices continue to decline in Charles City County. In the second quarter, the median sales price was \$200,000 in the Charles City market, \$161,250 less than a year ago, marking a 45% decrease.

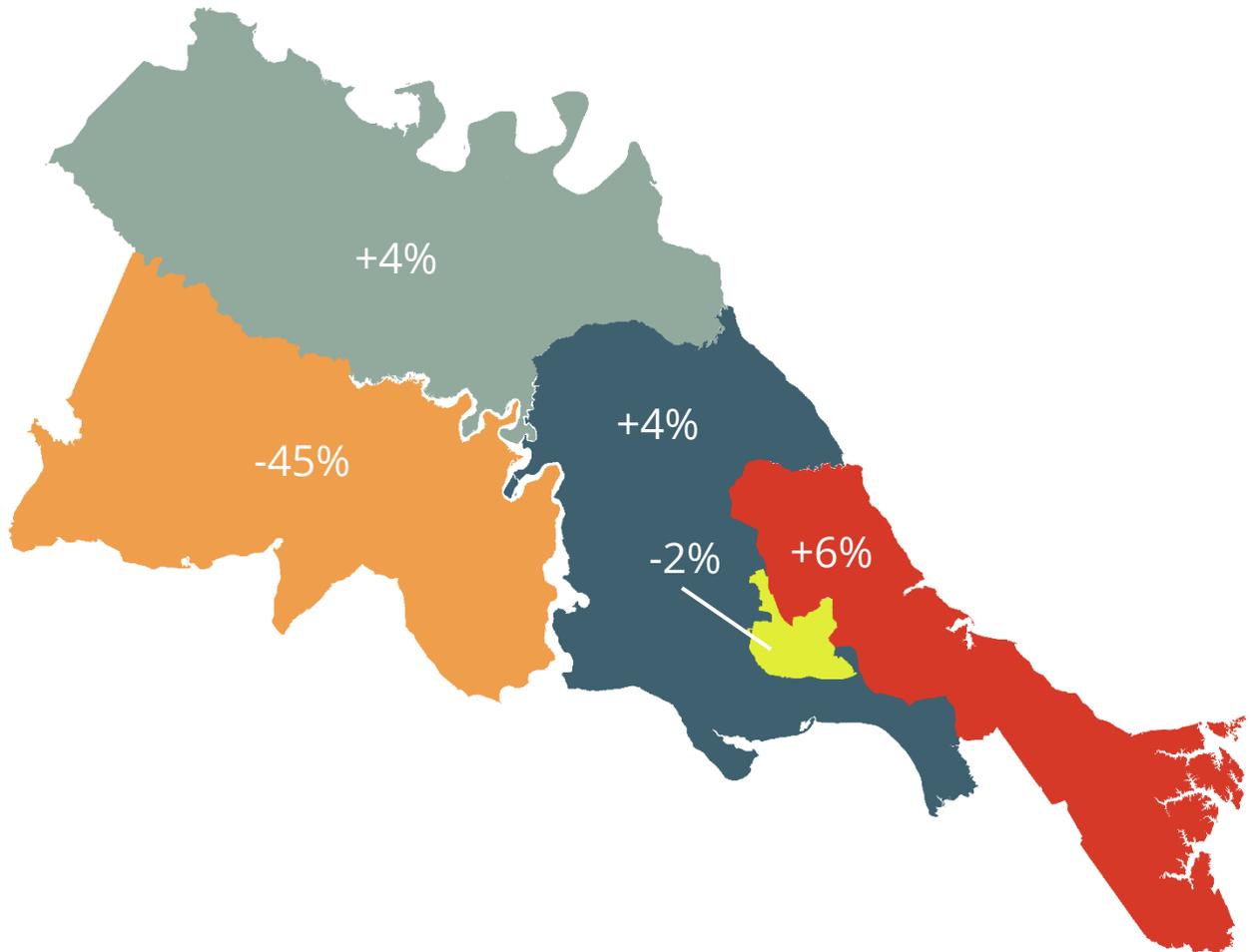
**James City County:** In James City County, the median sales price was \$459,000 in the second quarter, 4% higher than a year ago, reflecting a \$19,000 price jump. This is the highest the median sales price has been in the local market for over two years.

**New Kent County:** Home prices reached a new peak in New Kent County in the second quarter. The median sales price was \$395,000 in New Kent during the second quarter, a \$15,895 price increase from this time last year, showing a 4% climb.

**Williamsburg:** Home prices crept down in the Williamsburg market in the second quarter. In Williamsburg, the median sales price was \$369,900 for the second quarter, a 2% decline compared to last year, which is \$8,000 lower.

**York County:** The median sales price continues to grow strongly in York County. In the second quarter, the median sales price was \$410,560 in York County, a \$22,903 price increase from the previous year, a 6% rise.

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



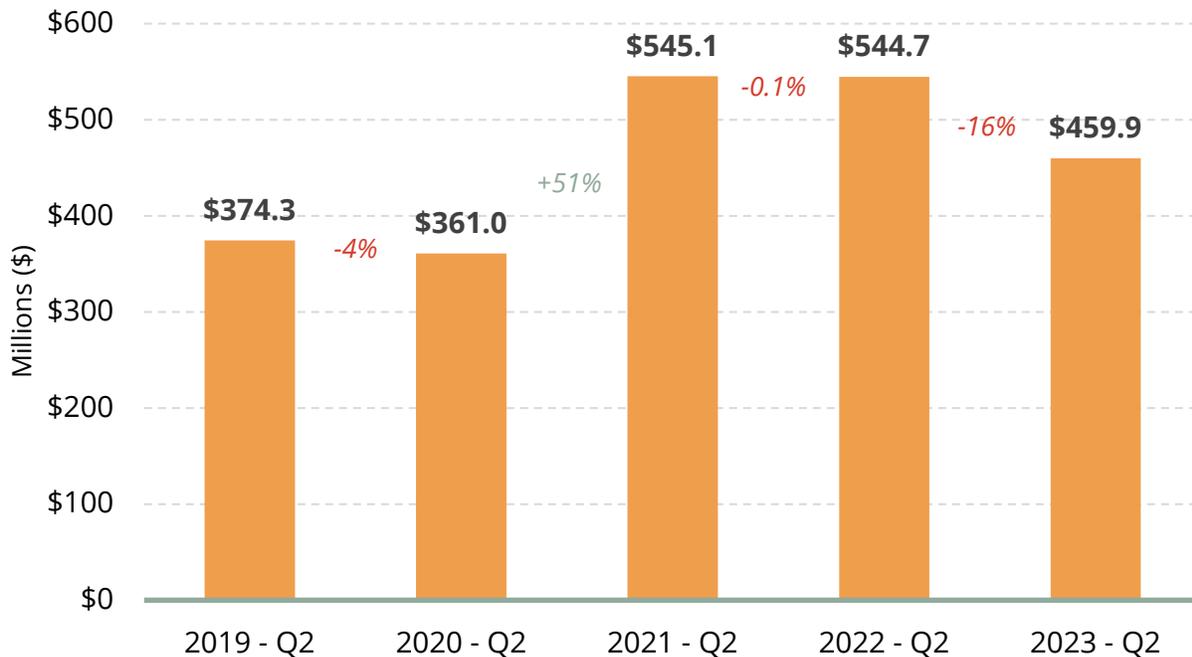
<i>Jurisdiction</i>	<i>2022 - Q2</i>	<i>2023 - Q2</i>	<i>% Change</i>
Charles City County	\$361,250	\$200,000	-45%
James City County	\$440,000	\$459,000	4%
New Kent County	\$379,105	\$395,000	4%
Williamsburg	\$377,900	\$369,900	-2%
York County	\$387,658	\$410,560	6%

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

## Sold Volume

While price levels are rising in many parts of the region, the slowdown in sales activity continues to bring down the sold dollar volume in the WAAR area housing market. There was about \$459.9 million of sold volume across the WAAR region in the second quarter, a decrease of \$84.8 million from a year ago. This represents a 16% reduction in sold volume in the WAAR market, the fourth straight quarter of a double-digit decline in volume.

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



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



## Local Snapshot – *Sold Dollar Volume*

**Charles City County:** Stagnant sales activity and low sales prices led to a decrease in sold volume in Charles City County. There was about \$3.3 million accumulated from closed sales in the second quarter, \$1.5 million lower than a year ago, reflecting a 31% decline.

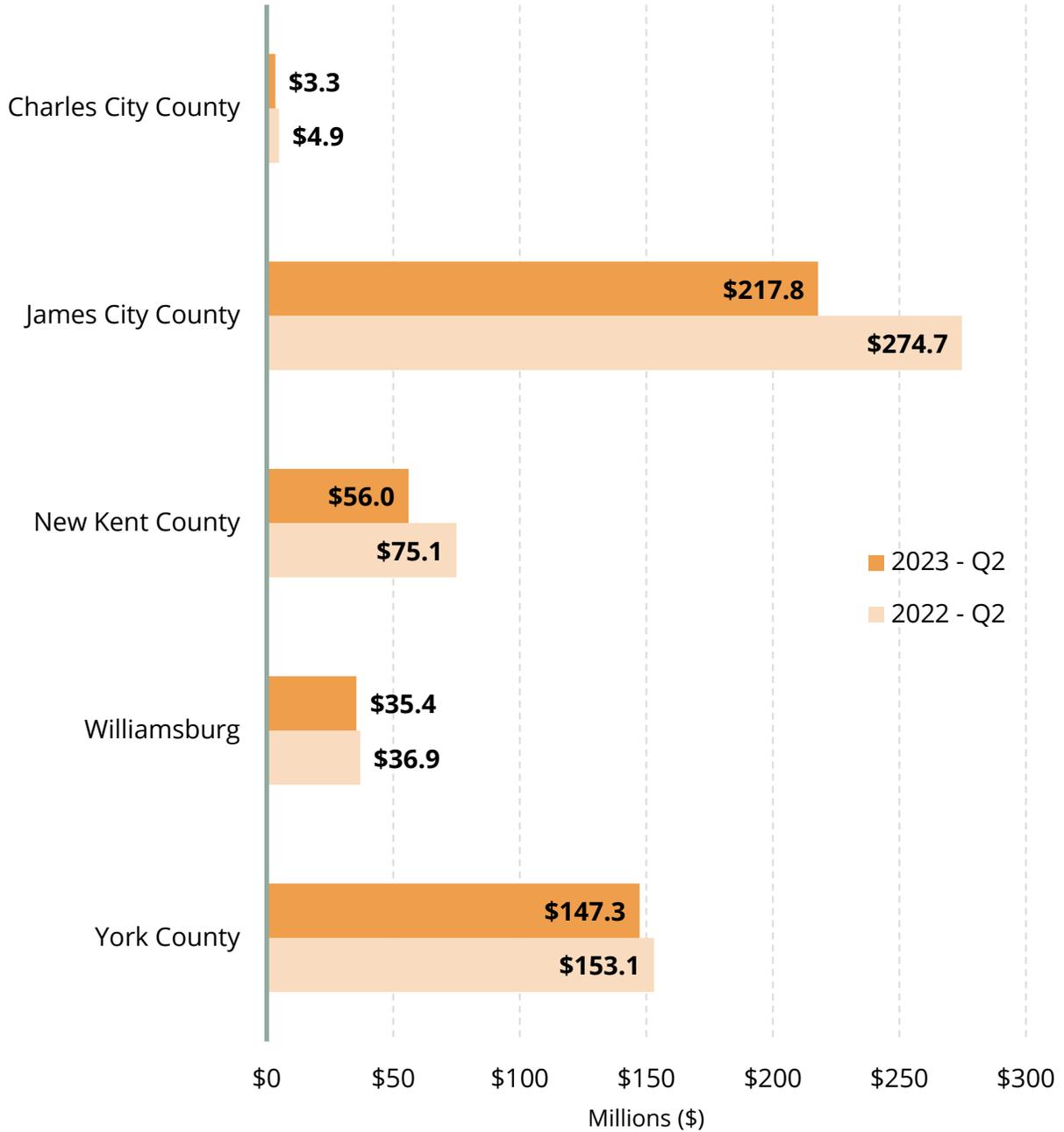
**James City County:** Sold volume has declined for seven consecutive quarters despite strong price growth in the area. In James City County, there was about \$217.8 million in sold volume in the area, a 21% decline from last year, which is about a \$56.9 million decrease.

**New Kent County:** Sold volume fell sharply in New Kent County this quarter as sales activity continued to decline. There was approximately \$56 million in sold volume in the second quarter, \$19 million lower than the previous year, reflecting a 25% decrease.

**Williamsburg:** Despite an increase in sales activity, a decrease in the median sold price led to a decline in sold volume in the area. In Williamsburg, there was roughly \$35.4 million in sold volume in the second quarter, a 4% loss from a year ago, which is about a \$1.4 million difference.

**York County:** There was approximately \$147.2 million in sold volume in York County in the second quarter, about a \$5.8 million difference from last year, a 4% decline. This is the fifth consecutive quarter that sold volume has declined in the county.

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

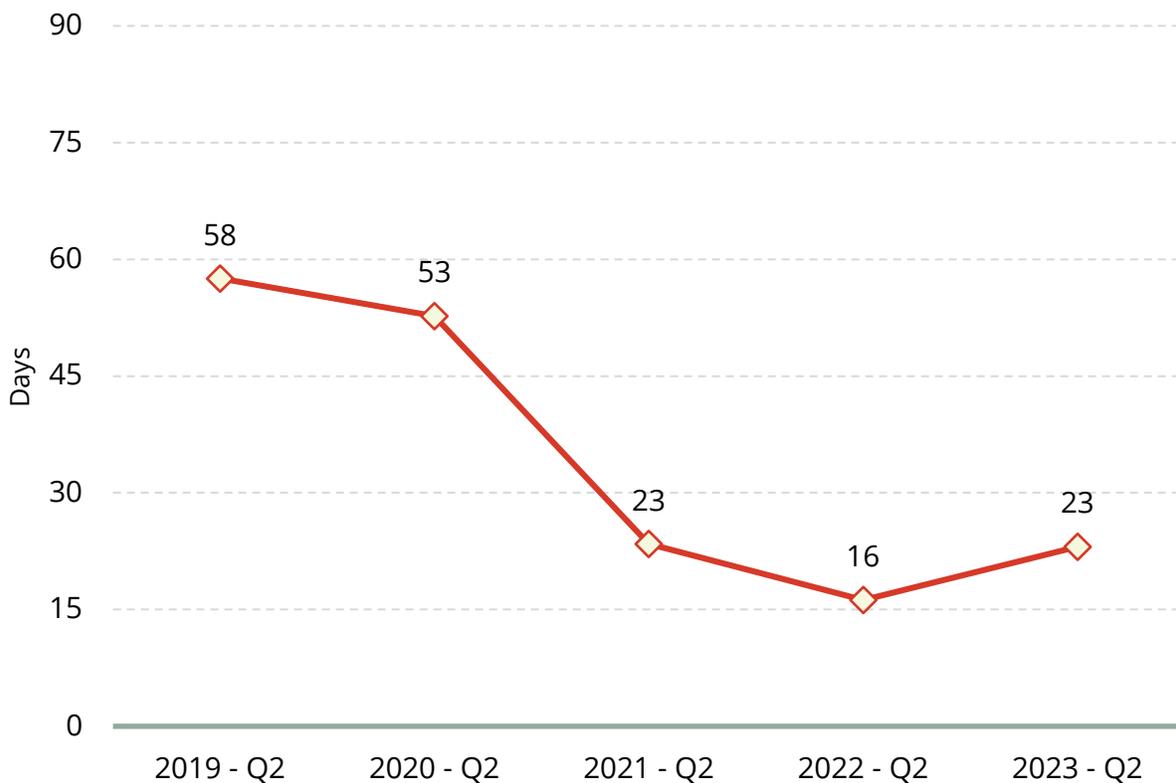


Source: Virginia REALTORS®, data accessed July 15, 2023

## Days on Market

Homes are staying on the market longer than last year but are still selling relatively fast compared to historical averages. Homes that sold in the WAAR region during the second quarter of 2023 were on the market about three weeks on average (23 days), which is a week slower than a year ago (+7 days). While this trend has been consistent for several quarters now, the market remains competitive. For context, the average days on market in the region during the second quarter five years ago (2018) was about two months (59 days). This is more than twice the amount of time it took to sell a home in the second quarter of 2023 even though transaction volume now is much lower than it was in 2018. This dynamic is being driven by the low supply of homes available in the market. At the state level, the average days on market this quarter was 23 days, which is six days longer than the second quarter of 2022.

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



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



## Local Snapshot – *Average Days on Market*

**Charles City County:** Homes were on the market for over two weeks on average (17 days) in Charles City County in the second quarter, one day faster than last year.

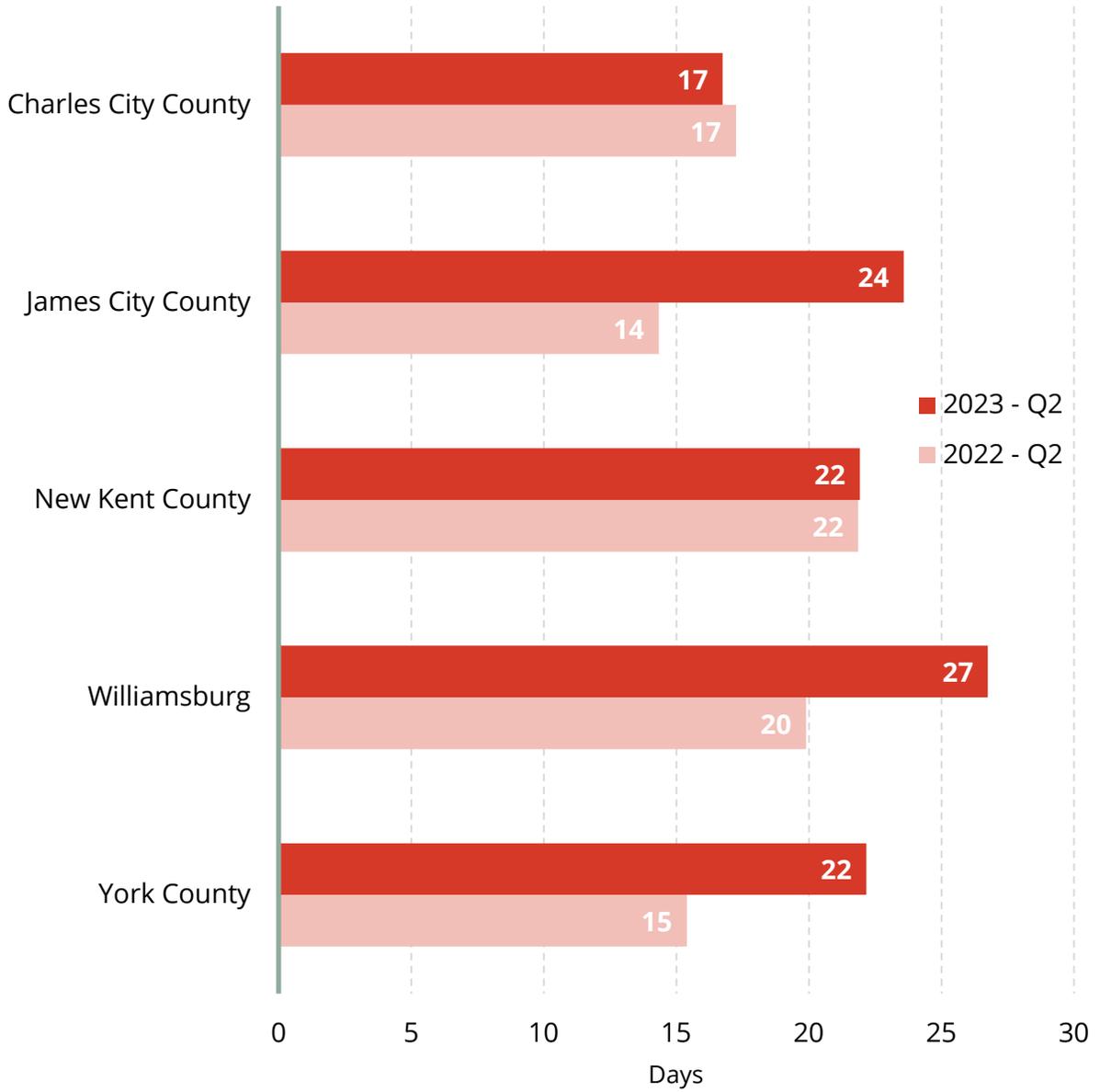
**James City County:** At 24 days, homes sold nine days longer in the second quarter than a year ago in James City County.

**New Kent County:** It took homes 22 days on average in New Kent County to sell during the second quarter, unchanged from the previous year.

**Williamsburg:** In Williamsburg, homes were on the market 27 days on average, a week (+7 days) longer compared to last year.

**York County:** Homes were on the market 22 days on average in York County during the second quarter of this year, which is seven days longer than a year ago.

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



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

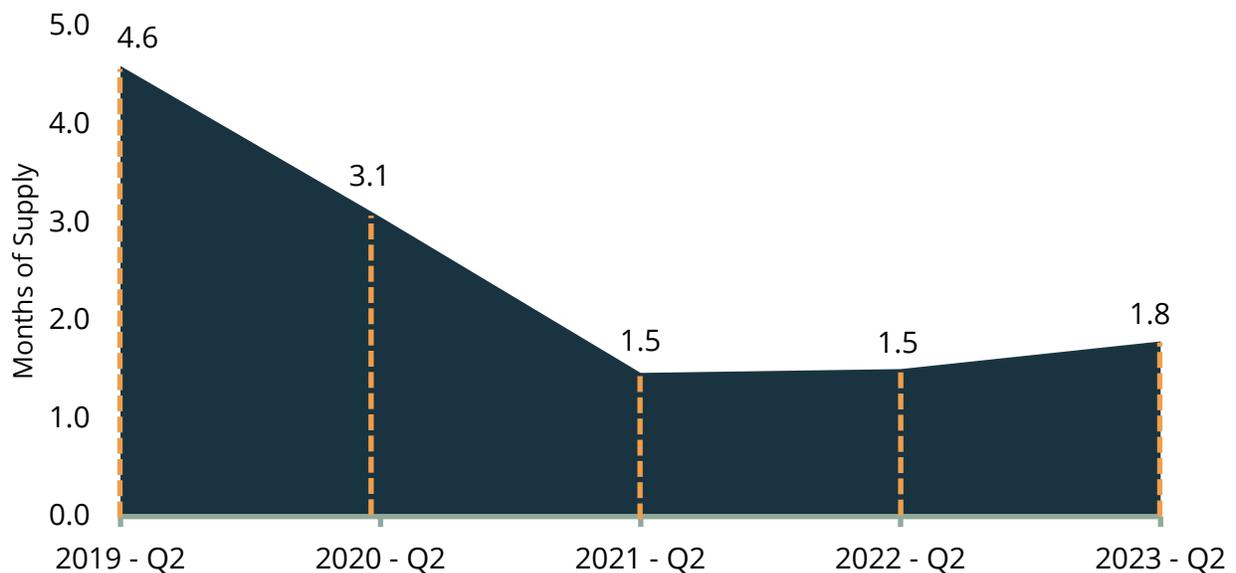
## Inventory

After building up for several quarters, the inventory of active listings dipped this quarter in the WAAR market. There were 544 active listings on the market at the end of the second quarter across the WAAR footprint, down 8% from a year ago, which is a reduction of 46 listings. The tightening supply reflects lower seller activity amid higher interest rates, and fewer options to move into.

There were just 16,246 active listings across Virginia at the end of the second quarter. This is 3,129 fewer listings than a year ago, representing a 16.1% decrease.

There was about 1.8 months of supply at the end of the second quarter in the WAAR footprint, which is up from 1.5 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 also about 1.8 months of supply at the end of the second quarter.

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



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



## Local Snapshot – *Active Listings*

**Charles City County:** At the end of the second quarter, there were six active listings in Charles City County, three fewer than last year, a 33% decline.

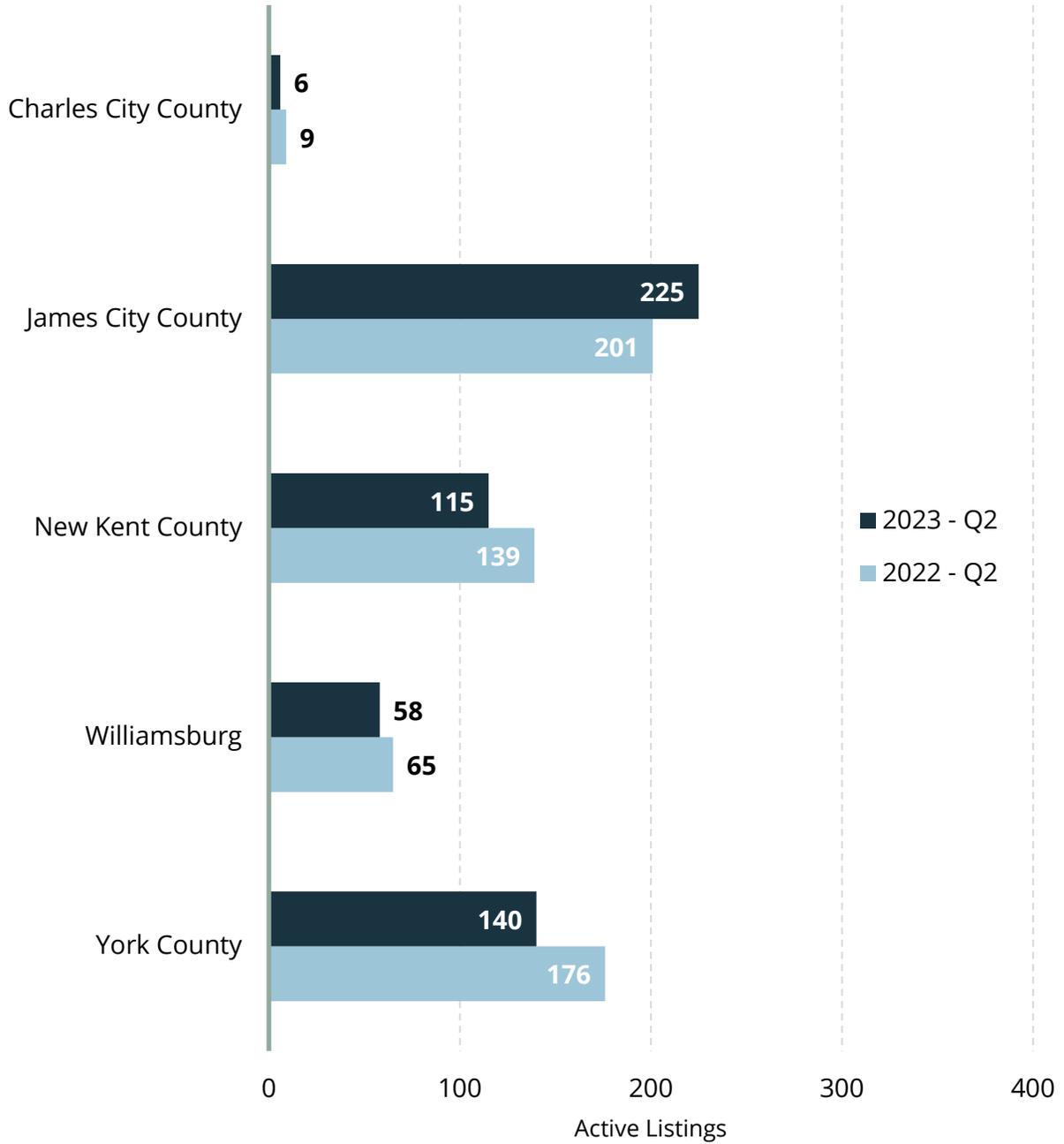
**James City County:** The number of active listings continues to grow strongly in the James City County market. There were 225 active listings at the end of the second quarter, 24 more than last year, a 12% increase.

**New Kent County:** Inventory fell for the first time in over a year in New Kent County. There were 115 active listings at the end of the second quarter, 24 fewer than last year, a 17% decline.

**Williamsburg:** There were 58 active listings at the end of the second quarter, seven fewer than this time last year, an 11% decline. This is the first decline in active listings in six quarters.

**York County:** By the end of the second quarter, there were 140 active listings at the end of the second quarter, a 20% decline compared to last year, which is 36 fewer listings.

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



Source: Virginia REALTORS®, data accessed July 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)		
	Q2 2022	Q2 2023	Yoy Chg	Q2 2022	Q2 2023	Yoy Chg	Q2 2022	Q2 2023	Yoy Chg	Q2 2022	Q2 2023	Yoy Chg	Q2 2022	Q2 2023	Yoy Chg
Geography															
Newport News	692	<b>596</b>	-14%	\$260,250	<b>\$268,750</b>	3%	\$184.7	<b>\$154.1</b>	-17%	21	<b>24</b>	13%	408	<b>354</b>	-13%
Hampton	639	<b>591</b>	-8%	\$250,000	<b>\$259,200</b>	4%	\$166.1	<b>\$129.5</b>	-22%	24	<b>24</b>	-2%	370	<b>248</b>	-33%
James City County	576	<b>426</b>	-26%	\$440,000	<b>\$459,000</b>	4%	\$274.7	<b>\$217.8</b>	-21%	14	<b>24</b>	64%	201	<b>225</b>	12%
York County	364	<b>331</b>	-9%	\$387,658	<b>\$410,560</b>	6%	\$153.1	<b>\$147.3</b>	-4%	15	<b>22</b>	44%	176	<b>140</b>	-20%
Isle of Wight County	173	<b>169</b>	-2%	\$400,000	<b>\$362,000</b>	-10%	\$75.1	<b>\$67.8</b>	-10%	28	<b>33</b>	19%	166	<b>159</b>	-4%
New Kent County	187	<b>134</b>	-28%	\$379,105	<b>\$395,000</b>	4%	\$75.1	<b>\$56.0</b>	-25%	22	<b>22</b>	0%	139	<b>115</b>	-17%
Williamsburg	87	<b>89</b>	2%	\$377,900	<b>\$369,900</b>	-2%	\$36.9	<b>\$35.4</b>	-4%	20	<b>27</b>	34%	65	<b>58</b>	-11%
Poquoson	52	<b>61</b>	17%	\$403,250	<b>\$400,000</b>	-1%	\$22.6	<b>\$12.0</b>	-47%	28	<b>32</b>	15%	37	<b>73</b>	97%
Charles City County	12	<b>12</b>	0%	\$361,250	<b>\$200,000</b>	-45%	\$4.9	<b>\$3.3</b>	-31%	17	<b>17</b>	-3%	9	<b>6</b>	-33%
<b>WAAR/Virginia Peninsula (Regional Total)</b>	2,782	<b>2,409</b>	-13%	\$310,750	<b>\$325,000</b>	5%	\$993.1	<b>\$823.2</b>	-17%	19	<b>24</b>	26%	1,571	<b>1,378</b>	-12%