

ESAR EASTERN SHORE HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

ESAR Home Sales Report

First Quarter 2023

Eastern Shore Association of REALTORS®

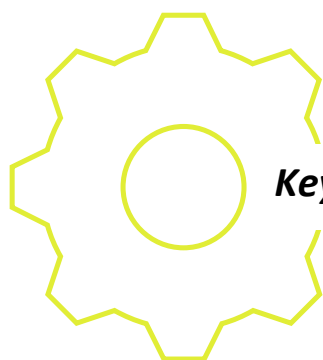
Market Report Key Takeaways

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. On the Eastern Shore, the unemployment rate was 4.4% in February, up from 3.9% 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 ESAR region than the last couple of years. There were 137 homes sold in total across the area in the first quarter of 2023, down 33% from last year.
- The first quarter median sales price in the ESAR market was \$302,500. This is \$40,050 higher than it was a year ago, a 15% price jump.
- The supply of active listings continues to shrink in the ESAR footprint. There were 287 active listings on the market at the end of the first quarter, 250 fewer listings than a year ago, a 47% decrease.



Key Trends Dashboard, ESAR

Economy



4.4%

Is the Feb-2023 **unemployment rate** in the ESAR footprint, which is up 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



-69

Fewer **home sales** in the ESAR footprint in Q1-2023 compared to last year



15%

Percent change in **median sales price** in the ESAR region in Q1-2023 compared to a year ago



-\$21

Million dollars less in total **sold volume** in the ESAR footprint in Q1-2023 compared to last year.



-47%

Percent change in **active listings** at the end of Q1-2023 in the ESAR market compared to a year ago



4.5

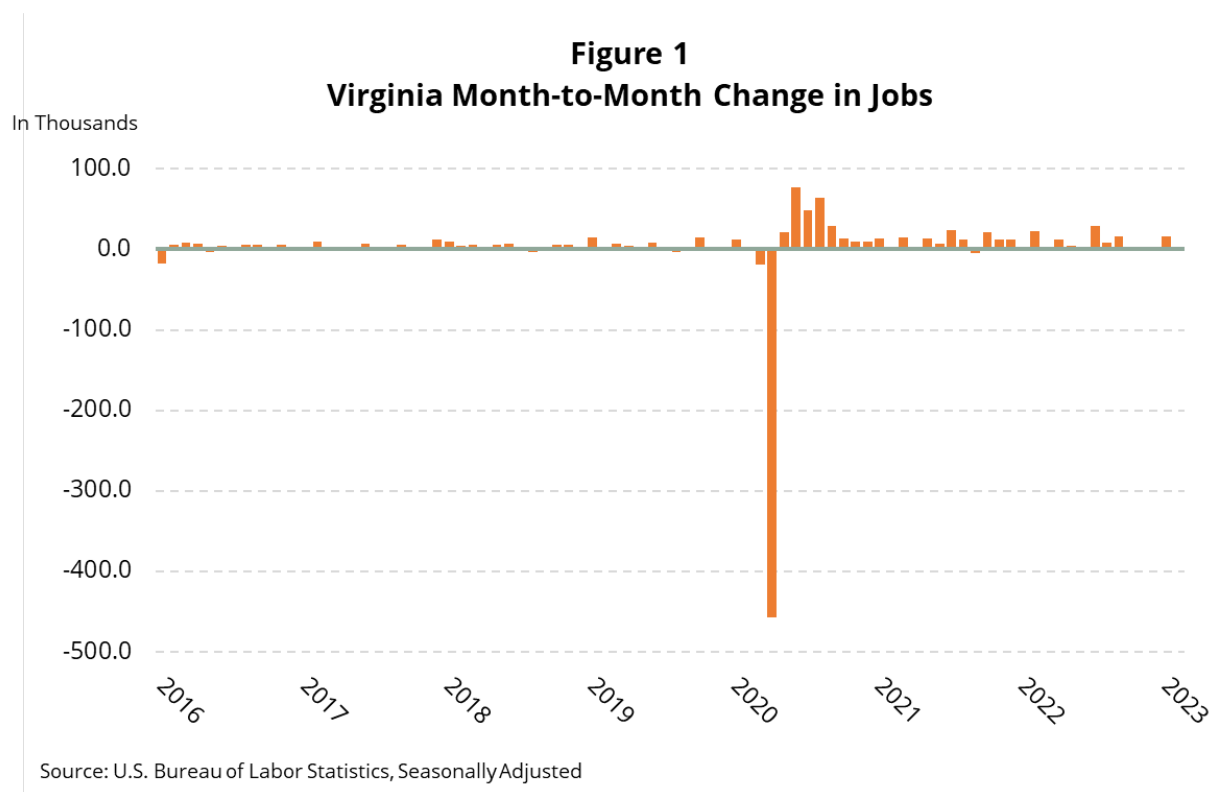
Months of supply in the ESAR footprint in Q1-2023, which is down from a year ago

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

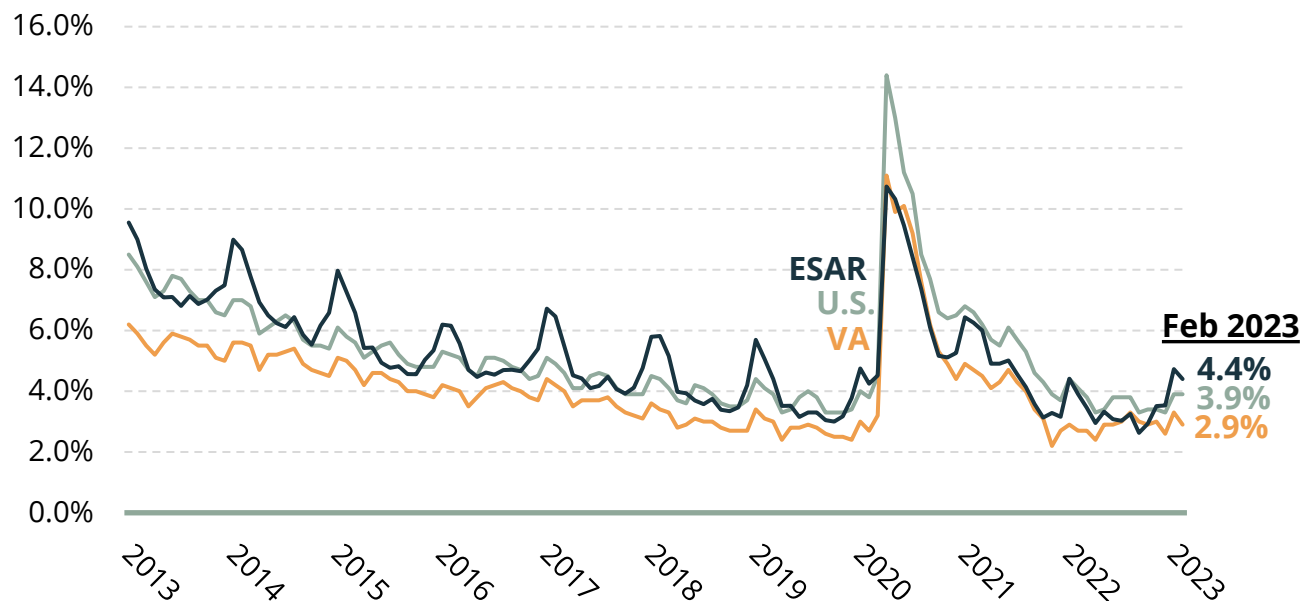
Virginia's job base continues to expand, but the pace has slowed from recent months. There were about 4.31 million jobs across the state in February 2023, which is an influx of 3,200 jobs from January 2023. Virginia has fully recovered job losses incurred in the spring of 2020, and the job base has grown 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).



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 on the Eastern Shore was 4.4% in February 2023, up from 3.9% a year ago.

Figure 2
Unemployment Rate



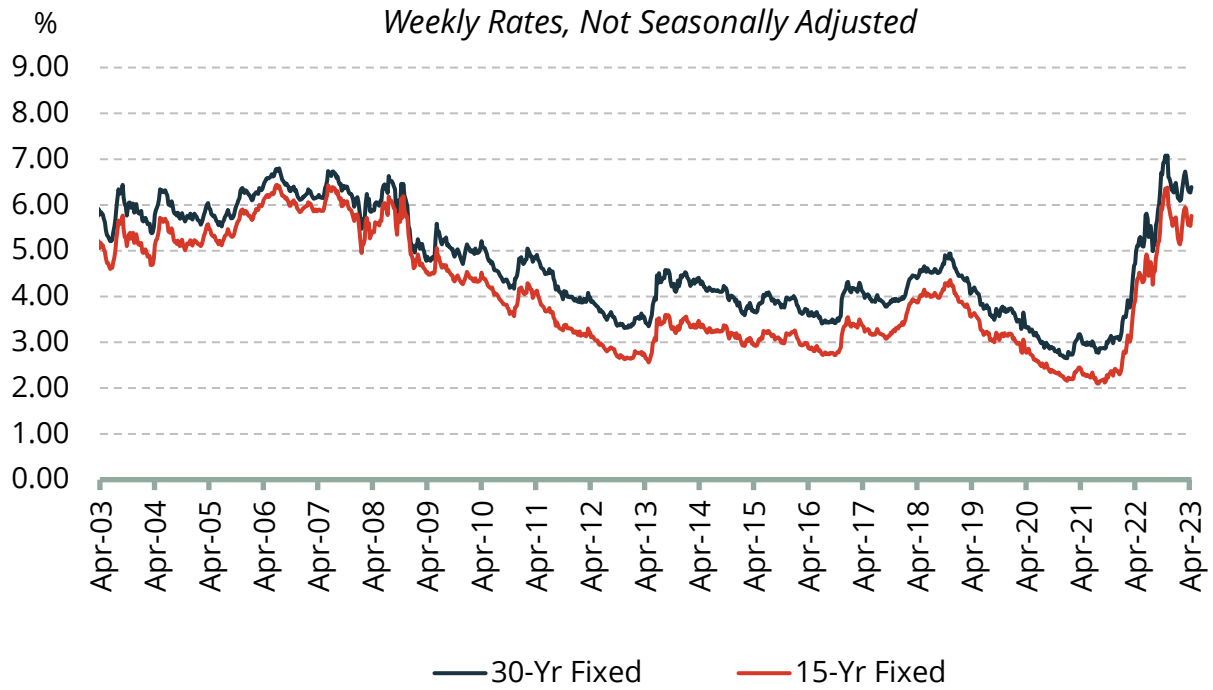
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

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

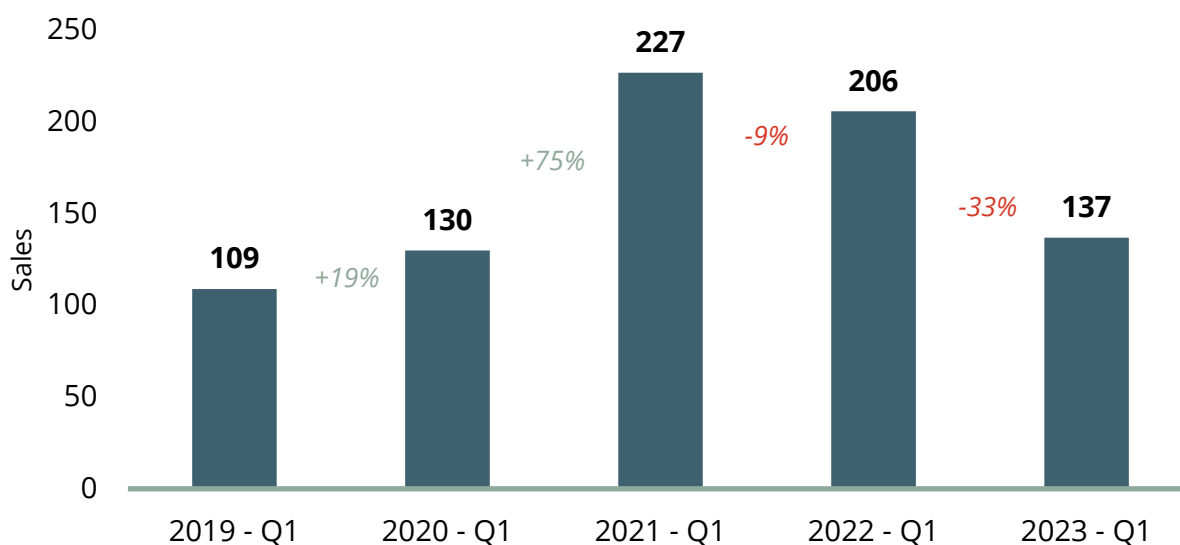
Housing Market Overview

The ESAR housing market is off to a slower start in 2023. Sales activity in the first quarter is back to 2020 levels and sold volume levels are way down as a result. Home prices declined in some places and rose in others. Homes continue to sell faster on average, and the supply of active listings is shrinking rapidly across the region.

Sales

There were 137 sales in the ESAR housing market in the first quarter of 2023, which is 69 fewer sales than this time last year, a 33% drop. This is the slowest first quarter the ESAR market has had in three years, as rising interest rates 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, ESAR
2019-2023



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



Local Snapshot – Total Home Sales

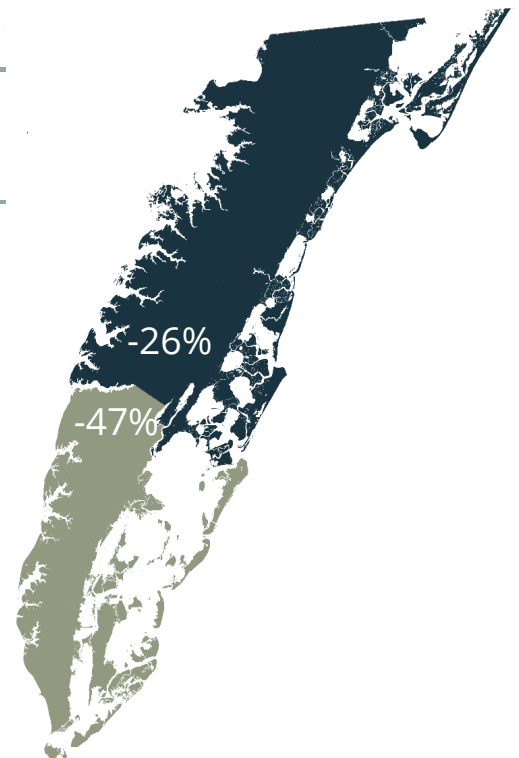
Accomack County: In Accomack County, there were 100 sales in the first quarter, down 26% from last year, which is 36 fewer sales. This is the seventh consecutive quarter in which sales have fallen in the county.

Northampton County: There were 37 sales in Northampton County during the first quarter, 33 fewer sales than the previous year, a 47% drop off.

Figure 5
Change in Sales by Jurisdiction
ESAR
First Quarter 2022 to First Quarter 2023

<i>Jurisdiction</i>	<i>2022 - Q1</i>	<i>2023 - Q1</i>	<i>% Change</i>
Accomack County	136	100	-26%
Northampton County	70	37	-47%

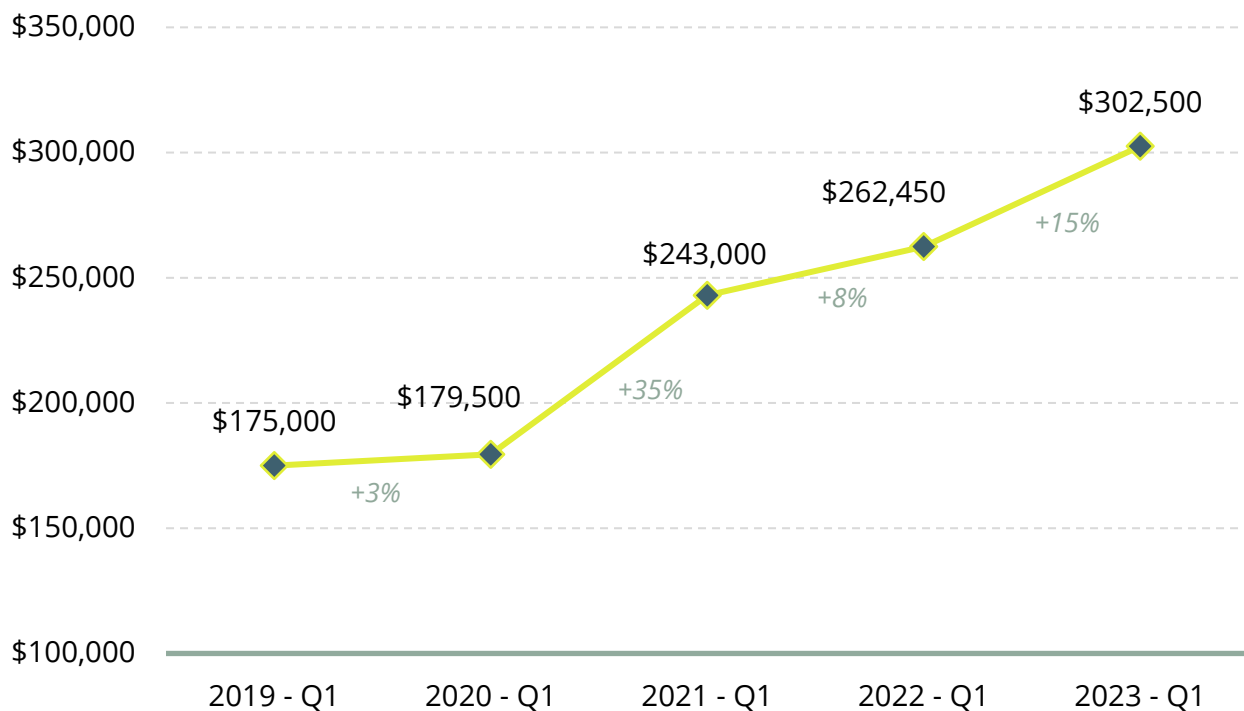
Source: Virginia REALTORS[®], data accessed April 15, 2023



Sales Prices

Home prices rose overall, but this growth was driven by the Accomack housing market. The median price in Northampton County decreased this quarter. The regionwide median sales price in the ESAR market was \$302,500, rising \$40,050 from the first quarter last year, representing a 15% increase. The median home price in the region is now \$142,500 higher than it was in the first quarter five years ago. 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, ESAR
2019-2023



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



Local Snapshot – *Median Sales Price*

Accomack County: The price of a home in Accomack County increased this quarter. In the county, the median sales price was \$299,250 in the first quarter, up 28% compared to the same time a year ago, a gain of \$66,250.

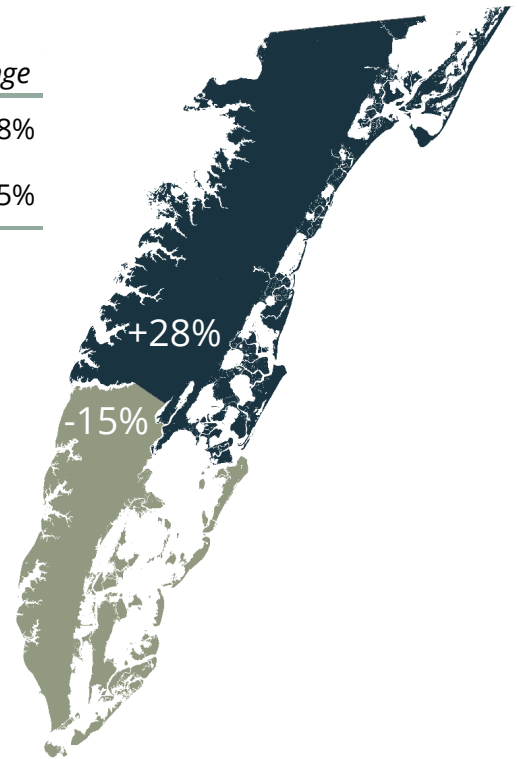
Northampton County: In the first quarter, the median price of a home in Northampton County was \$349,000, down \$59,500 from last year, a decrease of 15%.

Figure 7
Change in Median Sales Price by Jurisdiction
ESAR

First Quarter 2022 to First Quarter 2023

<i>Jurisdiction</i>	<i>2022 - Q1</i>	<i>2023 - Q1</i>	<i>% Change</i>
Accomack County	\$233,000	\$299,250	28%
Northampton County	\$408,500	\$349,000	-15%

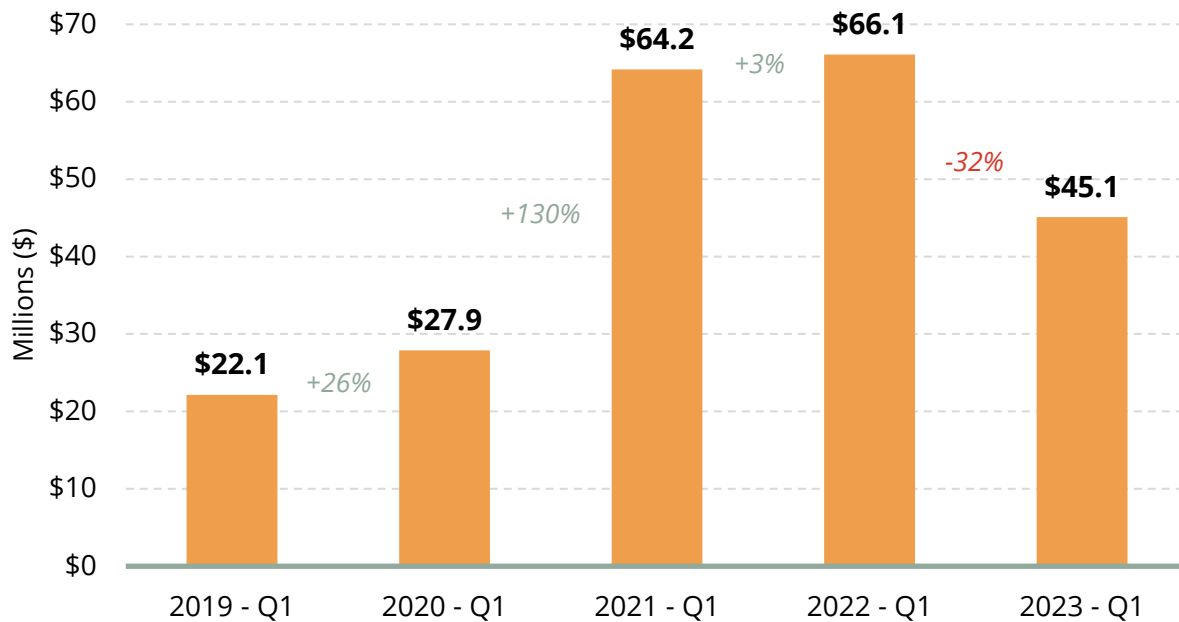
Source: Virginia REALTORS®, data accessed April 15, 2023



Sold Volume

The sold dollar volume continues to trend down in the ESAR housing market as there are fewer sales overall. There was approximately \$45.1 million of sold volume in the ESAR footprint during the first quarter. This is about \$21 million less volume than the first quarter last year, a 32% drop. The sold volume levels have been trending down in the region's housing market for four consecutive quarters as sales activity has cooled. Both local markets had a sharp decrease in volume this quarter compared to the first quarter last year.

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



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

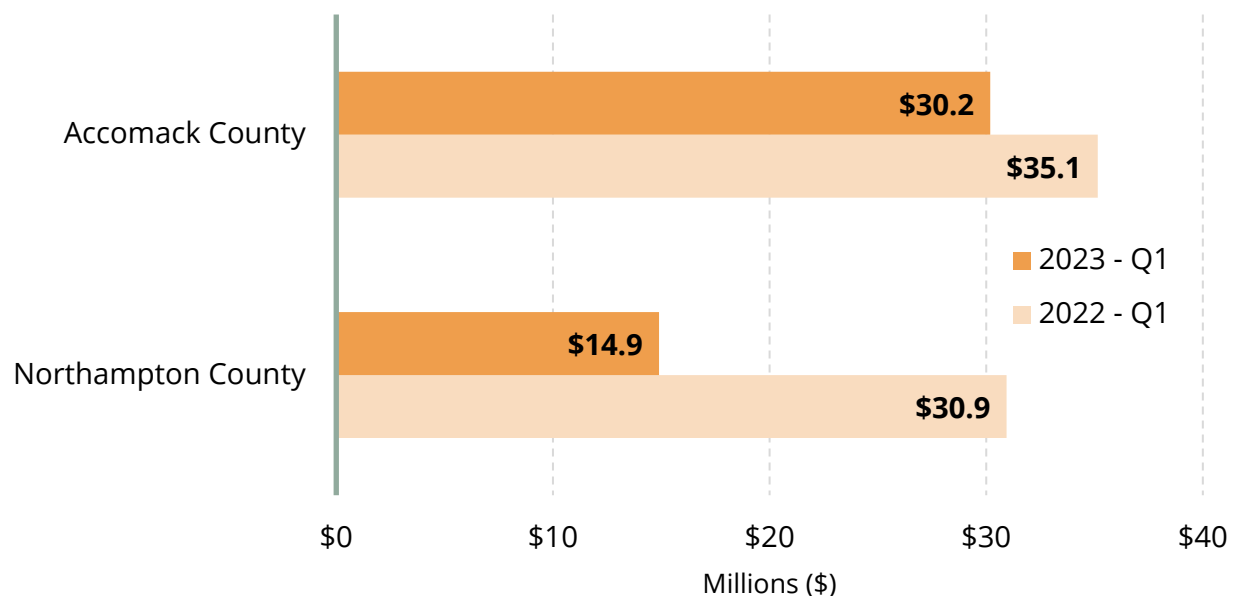


Local Snapshot – *Sold Dollar Volume*

Accomack County: There was about \$30.2 million of sold dollar volume in Accomack County during the first quarter. This represents a 14% decrease from a year earlier, a loss of \$4.96 million in sold volume.

Northampton County: The decrease in sales and home prices led to less sold dollar volume in Northampton County this quarter. There was approximately \$14.9 million of sold volume in the county in the first quarter, \$16 million less than the year before, falling by 52%.

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

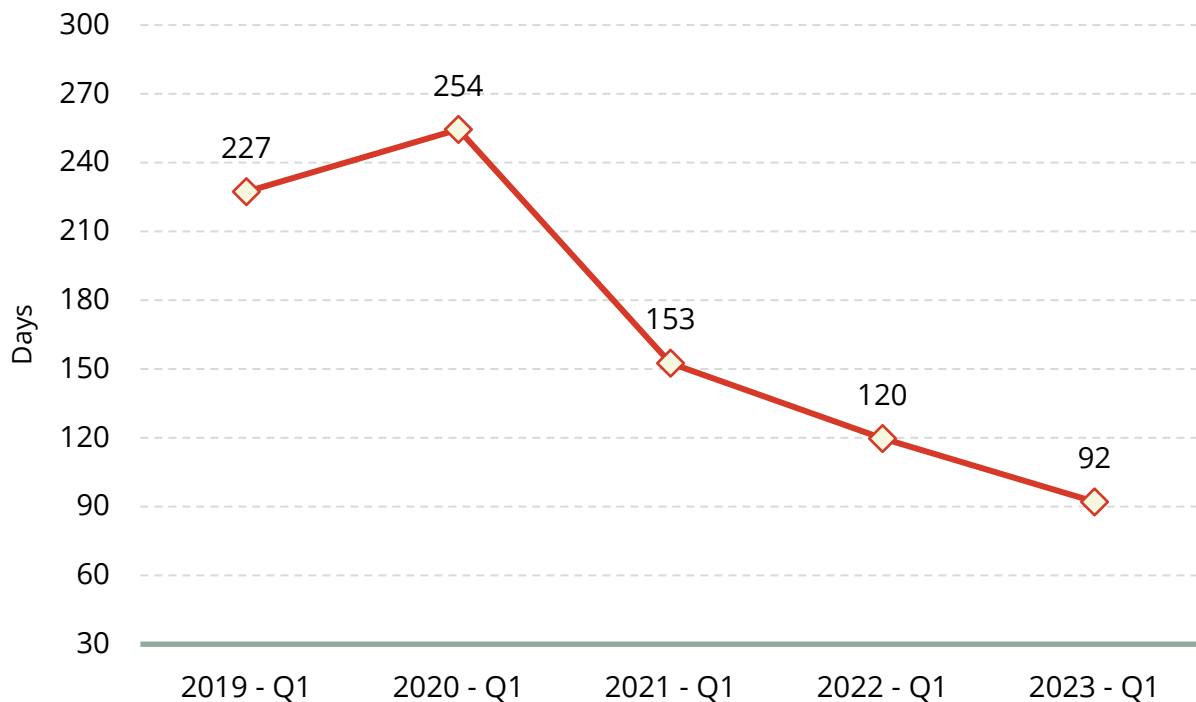


Source: Virginia REALTORS®, data accessed April 15, 2023

Days on Market

Even though sales activity has moderated, homes are selling faster on average. The average days on market in the ESAR region during the first quarter was 92 days, which is nearly a month faster than the first quarter last year (-28 days). Homes have been selling faster on average each quarter in the region since the summer of 2020. 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, ESAR
2019-2023



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

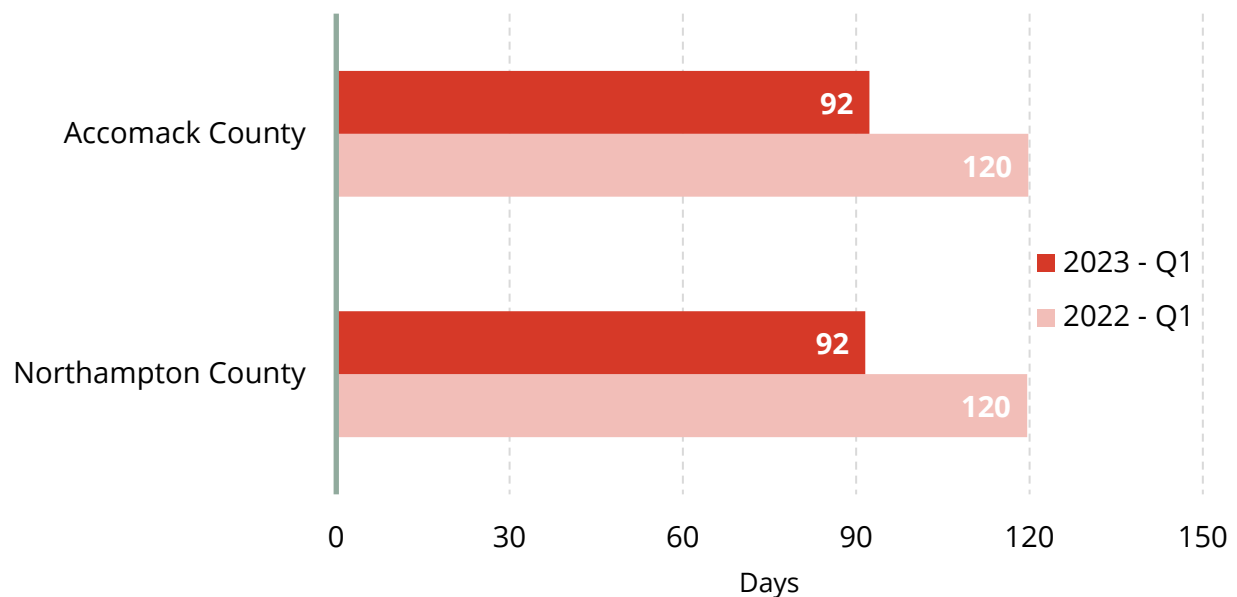


Local Snapshot – *Average Days on Market*

Accomack County: The average days on market for a home selling in Accomack County was 92 days during the first quarter, selling 28 days faster than a year ago.

Northampton County: At 92 days, the average days on market in Northampton County in the first quarter was 28 days less than the same time last year.

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



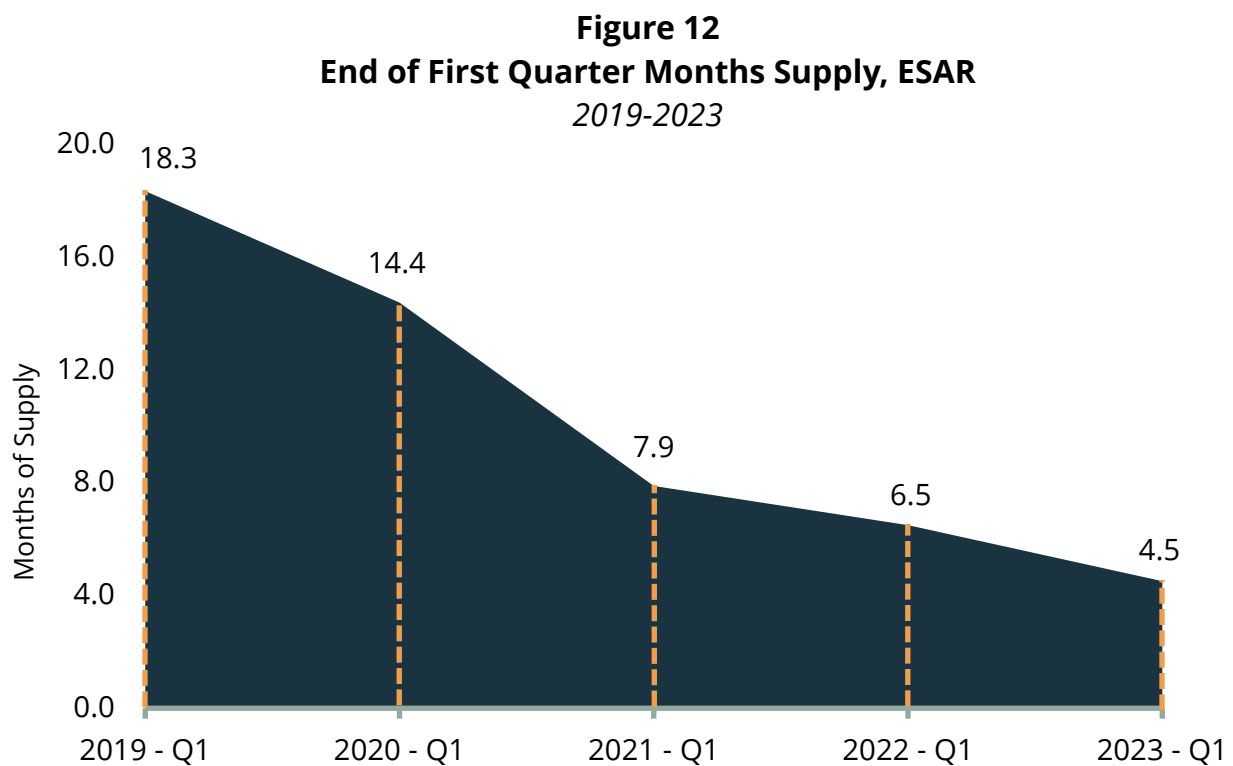
Source: Virginia REALTORS®, data accessed April 15, 2023

Inventory

The number of active listings in the ESAR housing market continues to shrink. There were 287 active listings on the market at the end of the first quarter of 2023. This is about half the number of listings there were a year ago, 250 fewer listings (-47%). Both local markets had about half as many active listings at the end of the first quarter. The inventory of active listings in the region has been getting smaller each quarter for the last five years.

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 were 4.5 months of supply at the end of the first quarter in the ESAR footprint, which is down from 6.5 months of supply 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.



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

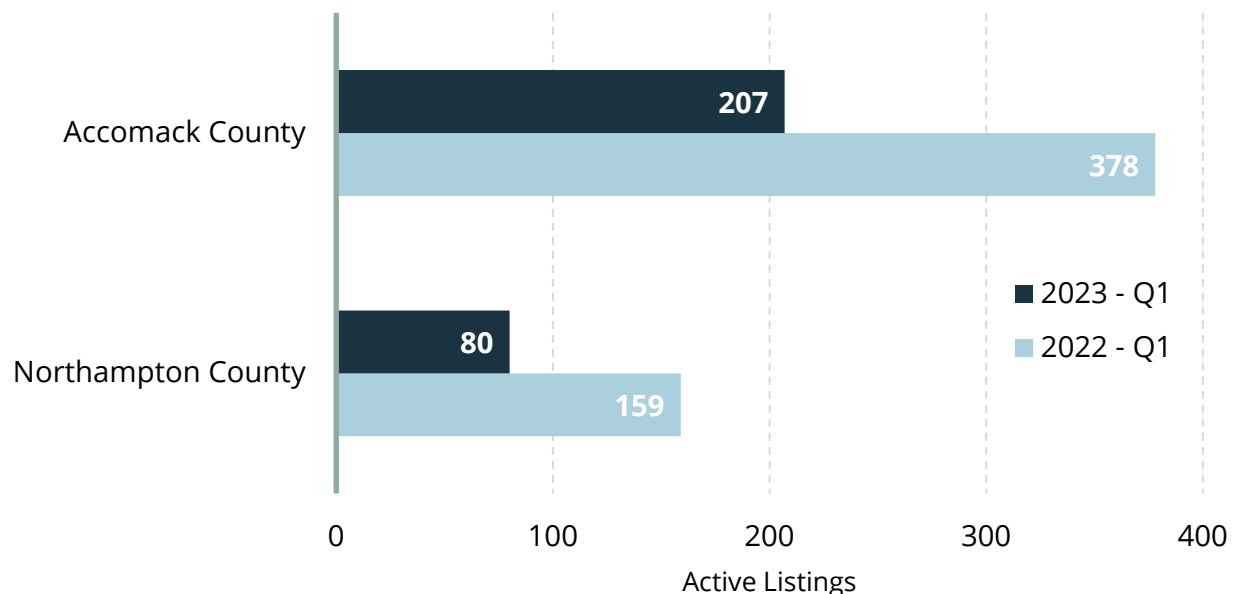


Local Snapshot – *Active Listings*

Accomack County: At the end of the first quarter, there were 207 active listings on the market in Accomack County, 171 fewer listings than last year, representing a 45% decline.

Northampton County: The number of active listings continued to trend down in Northampton County. There were 80 listings at the end of the first quarter in the county, down 50% from the previous year, which is 79 fewer listings.

Figure 13
End of First Quarter Active Listings, ESAR 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.