

# ESAR EASTERN SHORE HOME SALES REPORT

CUSTOM REPORT PREPARED BY  
**VIRGINIA REALTORS®**

# ESAR Home Sales Report

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## Third Quarter 2022

Eastern Shore Association of REALTORS®

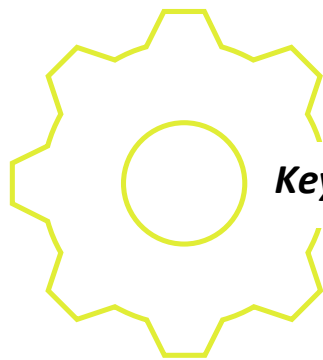
### Market Report Key Takeaways

#### Economic Conditions

- Virginia's job market continues to expand. The state added 16,700 jobs between July and August and is now only about 5,300 jobs short of pre-pandemic levels. Most of the growth continues to be in the Leisure and Hospitality sector.
- The unemployment rate remains very low. In August, the unemployment rate was 3.2% in Virginia and was 3.3% on the Eastern Shore. Both are down from a year ago.
- Mortgage rates climbed rapidly over the past month. In the second week of October, the average rate on a 30-year fixed mortgage rose to 6.92%, up from 6.02% a month ago.

#### Housing Market Conditions

- There were 210 home sales in the Eastern Shore housing market during the third quarter of 2022. This is 59 fewer sales than this time last year, which is a 22% drop. The market has been slowing down in the area for five straight quarters.
- Home prices continue to climb in the region. The third quarter median sales price in the ESAR market was \$254,659, rising 6% from a year ago, which is a surge of about \$14,000.
- The supply in the Eastern Shore market is less than half the level it was a year ago. There were 304 active listings on the market at the end of the third quarter, 342 fewer listings than a year ago (-53%).



## Key Trends Dashboard, ESAR

### Economy



**3.3%**

Is the Aug-2022 **unemployment rate** in the ESAR footprint, which is down from Aug-2021



**6.92%**

Is the **30-year fixed-rate mortgage rate** during the second week of October 2022, which is up 3.87 percentage points from a year ago

### Housing Market



**-59**

Fewer **home sales** in the ESAR footprint in Q3-2022 compared to last year



**6%**

Percent change in **median sales price** in the ESAR region in Q3-2022 compared to a year ago



**-\$7**

Million dollars less in total **sold volume** in the ESAR footprint in Q3-2022 compared to last year



**-53%**

Percent change in **active listings** at the end of Q3-2022 in the ESAR market compared to a year ago



**4.2**

**Months of supply** in the ESAR footprint in Q3-2022, which is down from a year ago

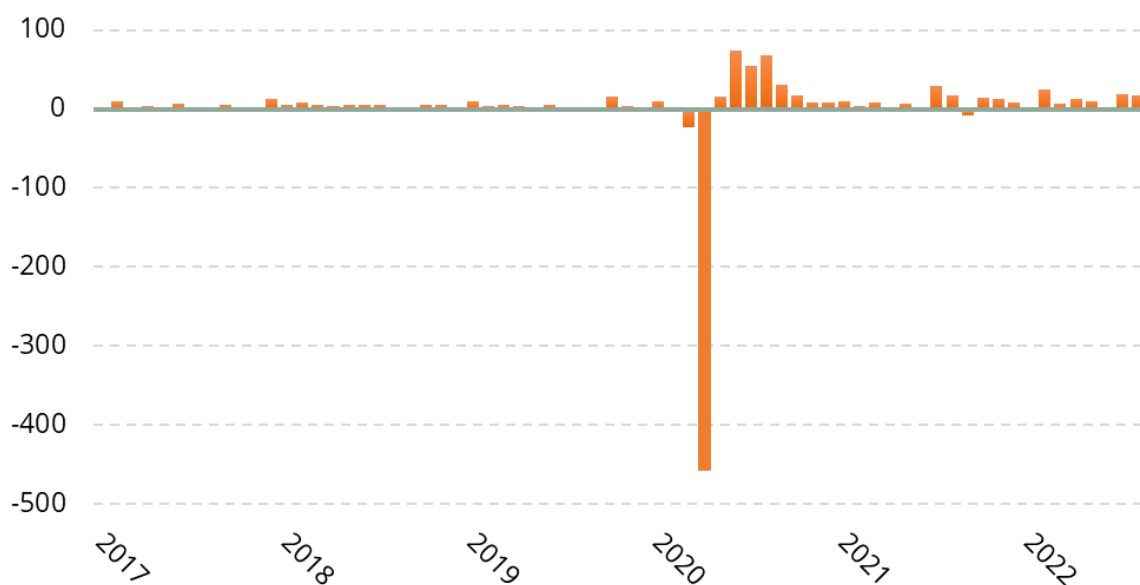
# Economic Overview

Economic conditions are worsening as high inflation continues to be a significant factor. The labor market remains relatively strong in Virginia as there are more jobs in the economy and unemployment continues to be very low. Mortgage rates are climbing, which is cooling housing markets across the Commonwealth.

## Jobs

There were 4.09 million jobs throughout Virginia in August 2022, an increase of about 16,700 jobs from July 2022. Virginia's economy is nearly back to pre-pandemic job levels, just 5,300 jobs shy of the January 2020 totals. The state's job recovery has been robust. More than 472,000 jobs have been added back since April 2020. Most of the job growth in Virginia continues to be in the Leisure & Hospitality sector and the Health & Social Assistance sector. Despite the strong gains this year in Leisure & Hospitality, this sector is still down compared to pre-pandemic levels. The sharpest decrease in jobs this month was in the Finance & Insurance sector.

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

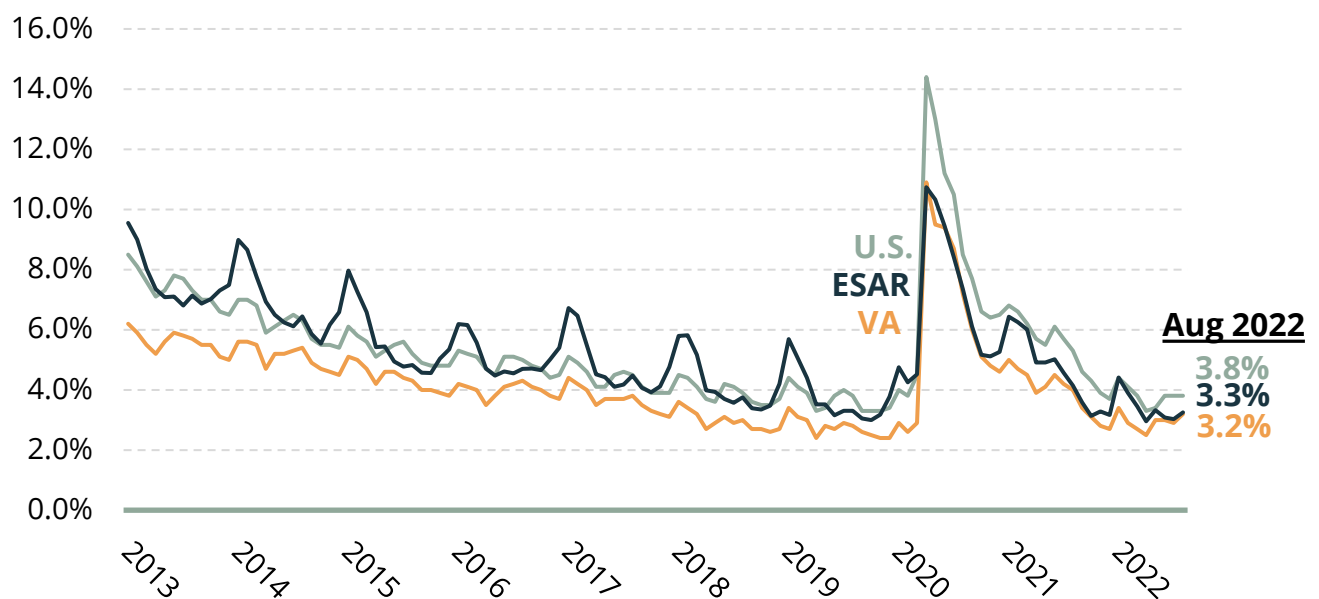


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

## Unemployment

The unemployment rate in Virginia continues to be very low. The statewide unemployment rate was 3.2% in August 2022 (not seasonally adjusted), down from 4% from last August. On the Eastern Shore, the August unemployment rate was 3.3%, down from 4.1% a year ago.

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



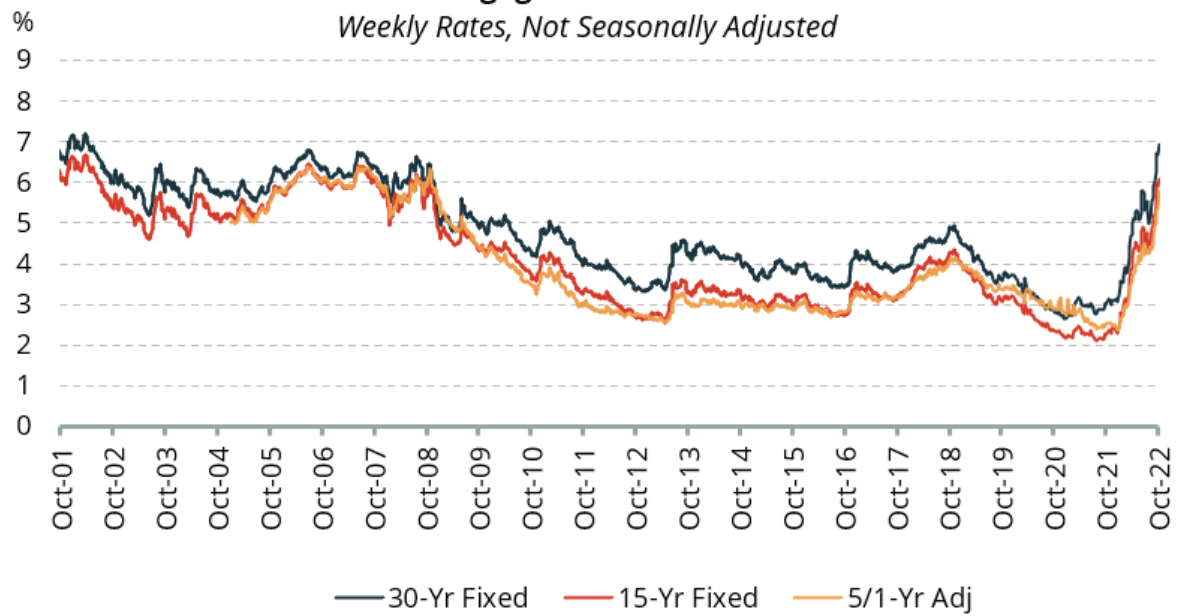
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

## Mortgage Rates

In the second week in October, the average rate on a 30-year fixed mortgage rose to 6.92%. This is the highest the rate has been in more than two decades (since August 2001). Interest rates have soared in 2022. As a result, the housing market has slowed down significantly. The 30-year fixed mortgage rate has more than doubled since the start of the year.

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

*Weekly Rates, Not Seasonally Adjusted*



Source: Federal Reserve Bank of St. Louis

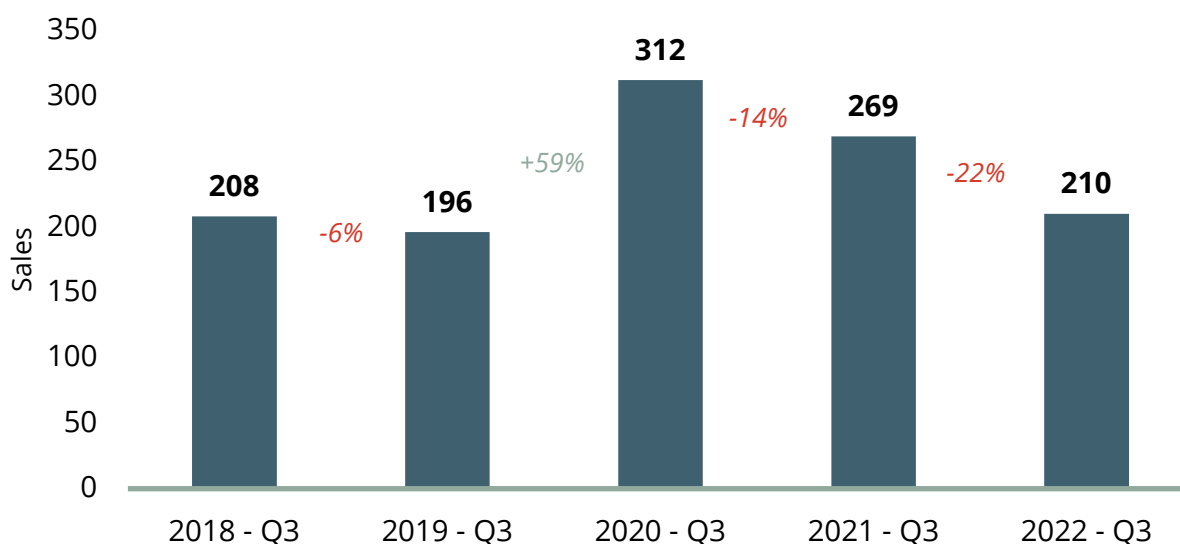
# Housing Market Overview

The Eastern Shore housing market continues to moderate. Sales were well below last year's third quarter level, and sold volume dropped again. Despite the cooling market, home prices continue to trend up and homes are selling faster on average. The supply of active listings in the Eastern Shore market continues to shrink rapidly.

## Sales

For the fifth consecutive quarter, sales activity in the ESAR housing market cooled from the busy pace a year ago. There were 210 homes sold across the region in the third quarter, 59 fewer sales than the same period last year, representing a 22% decrease. Sales activity has been slowing down for a year, but the pace has accelerated in recent quarters as the market adjusts to rising interest rates. Within the third quarter (which covers July through September), sales dropped sharply in July and September and increased in August compared to a year ago. Statewide, total home sales were down 23% from the third quarter a year ago.

**Figure 4**  
**Third Quarter Home Sales, ESAR**  
*2018-2022*



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



## Local Snapshot – Total Home Sales

**Accomack County:** In Accomack County, sales continued to fall for the fifth consecutive quarter. There were 155 sales in the third quarter, 57 fewer sales than a year ago, which is a 27% drop off.

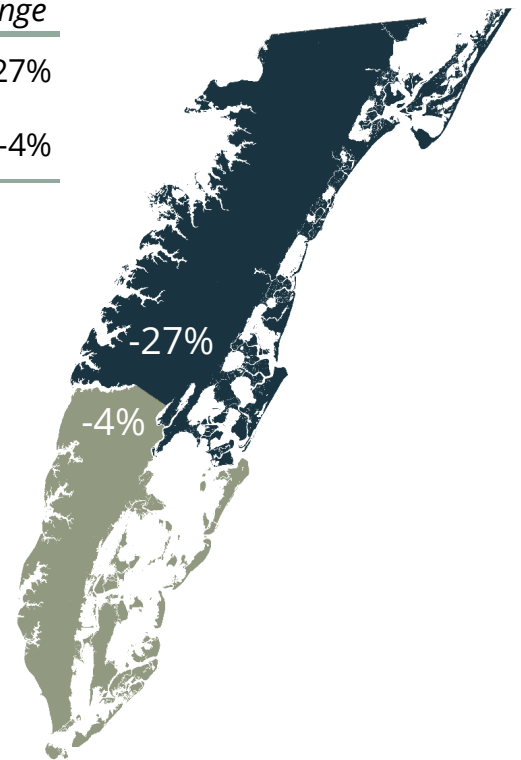
**Northampton County:** The number of sales in Northampton County, dropped slightly this quarter. In the third quarter, there were 55 sales in the county, a decrease of 4% or two fewer sales than the previous year.

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

*Third Quarter 2021 to Third Quarter 2022*

<i>Jurisdiction</i>	<i>2021 - Q3</i>	<i>2022 - Q3</i>	<i>% Change</i>
Accomack County	212	155	-27%
Northampton County	57	55	-4%

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

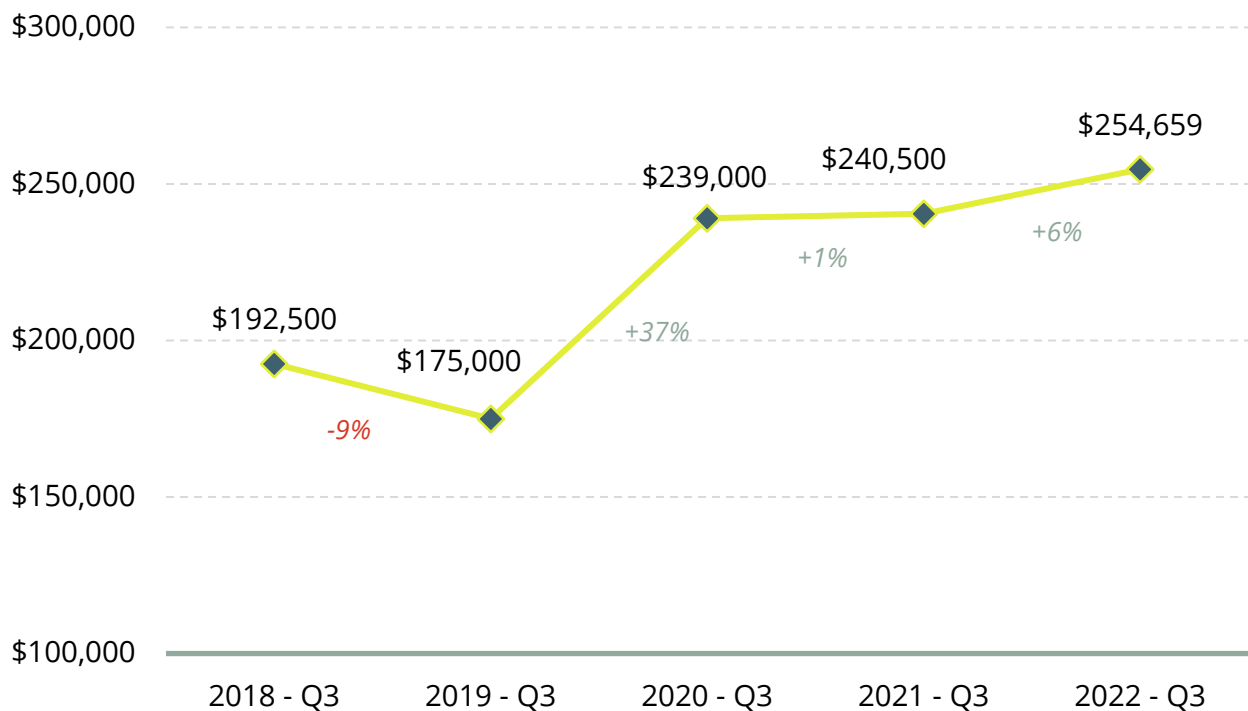




## Sales Prices

As market activity moderates, home prices continue to trend higher on the Eastern Shore. At \$254,659, the third quarter median sales price in the region rose 6% from a year ago, a gain of about \$14,000. The median price in the region is nearly \$80,00 higher than it was in the third quarter three years ago. The statewide median sales price in the third quarter was \$375,000, up 5.6% from a year ago.

**Figure 6**  
**Third Quarter Median Sales Price, ESAR**  
2018-2022



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



## Local Snapshot – Median Sales Price

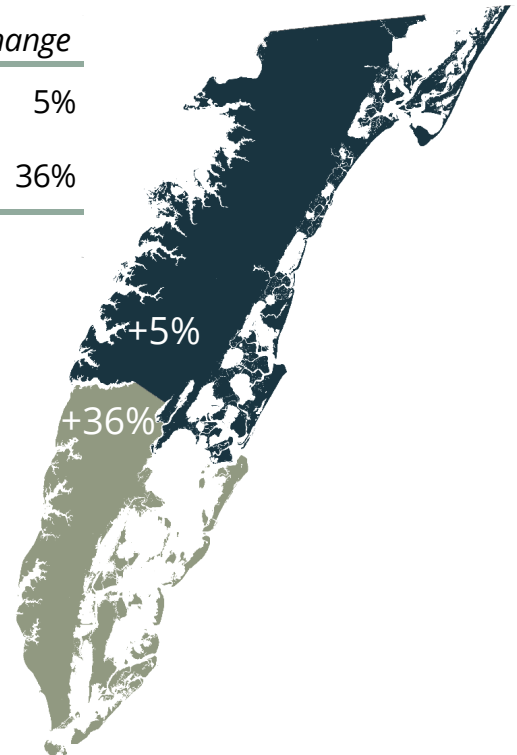
**Accomack County:** The median sales price in Accomack County continued to grow. The sales price was \$235,000 in the third quarter, up 5% from a year ago, a \$12,000 increase. Home prices are now \$70,300 more than they were three years ago at this time.

**Northampton County:** Home prices in Northampton County increased by double digits this quarter. The median price was \$490,690 in the county in the third quarter, jumping by 36%, a gain of \$130,690.

**Figure 7**  
**Change in Median Sales Price by Jurisdiction**  
**ESAR**  
*Third Quarter 2021 to Third Quarter 2022*

<i>Jurisdiction</i>	<i>2021 - Q3</i>	<i>2022 - Q3</i>	<i>% Change</i>
Accomack County	\$223,000	\$235,000	5%
Northampton County	\$360,000	\$490,690	36%

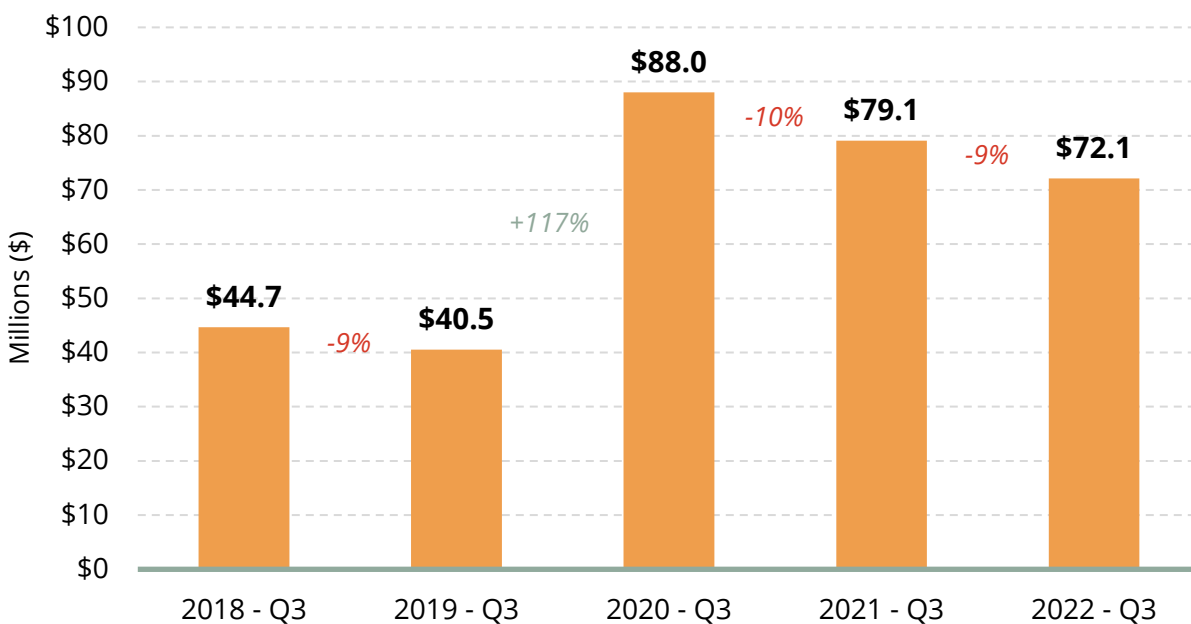
Source: Virginia REALTORS®, data accessed October 15, 2022



## Sold Volume

While prices continue to trend up, the drop in sales activity brought down the total sold dollar volume this quarter in the ESAR market. There was approximately \$72.1 million of sold volume across the Eastern Shore during the third quarter. This is about \$7 million less sold volume than the third quarter of 2021, a 9% decrease. The sold volume has decreased two straight quarters in the region as sales have cooled.

**Figure 8**  
**Third Quarter Sold Dollar Volume (Millions), ESAR**  
*2018-2022*



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

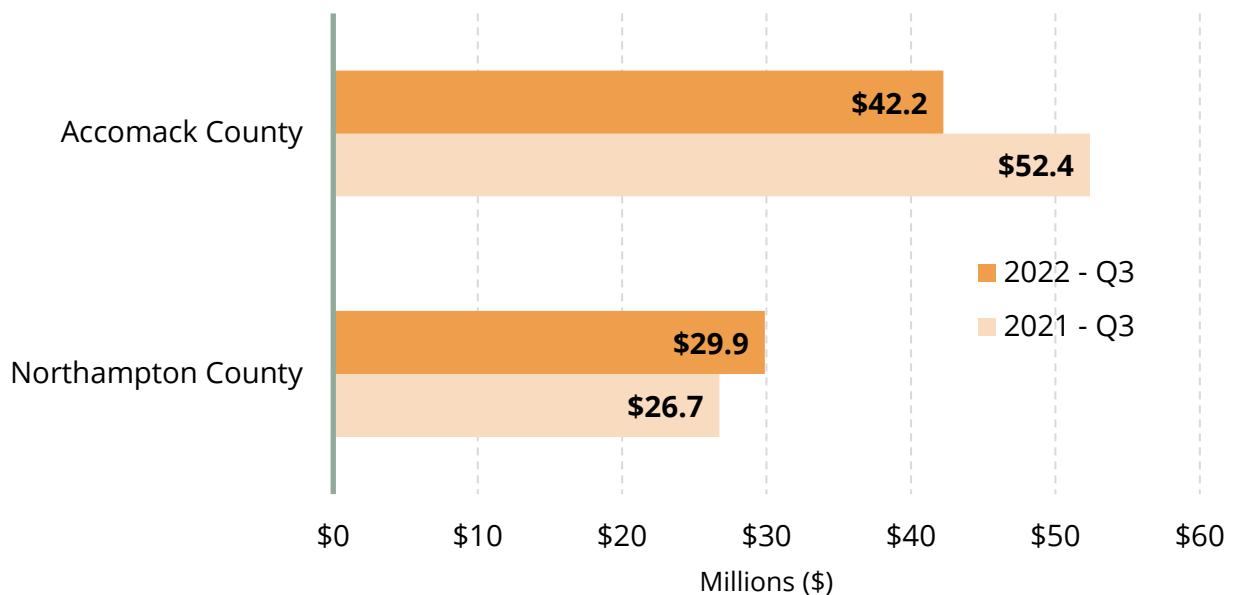


### Local Snapshot – *Sold Dollar Volume*

**Accomack County:** While sales price went up in Accomack County, the decrease in sales activity led to a decline in sold dollar volume. There was approximately \$42.2 million of sold volume in the county during the third quarter, down 19% from the previous year, a loss of \$10.1 million.

**Northampton County:** In Northampton County, the sold dollar volume rose this quarter. There was about \$29.8 million of sold volume in the third quarter, an influx of \$3.1 million, which is an increase of 12%. The growth in sold dollar volume this quarter was driven by a rise in sales price this quarter.

**Figure 9**  
**Third Quarter Sold Dollar Volume, ESAR Jurisdictions**  
*2021 and 2022*

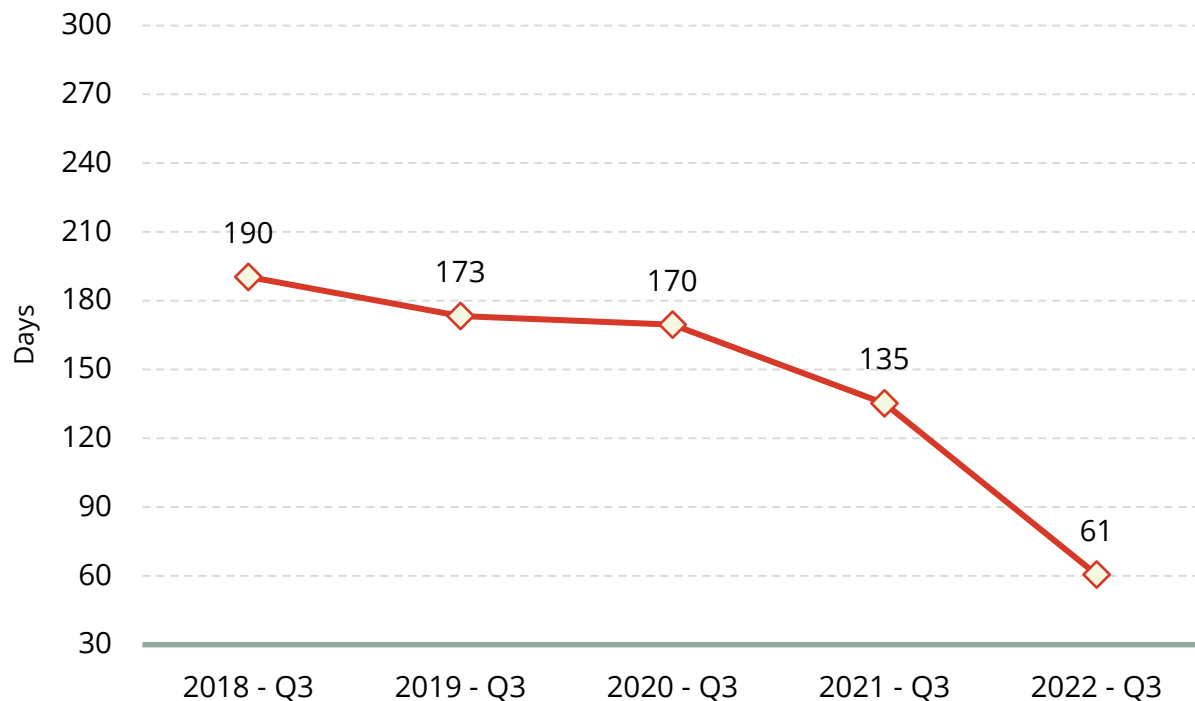


Source: Virginia REALTORS®, data accessed October 15, 2022

## Days on Market

Even with cooling demand, homes continue to sell faster on average in the ESAR market. The average days on market in the third quarter across the Eastern Shore was 61 days, which is 74 days faster than this time last year. Statewide, the average days on market in the third quarter was 23 days, up from 21 days this time last year.

**Figure 10**  
**Third Quarter Average Days on Market, ESAR**  
*2018-2022*



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

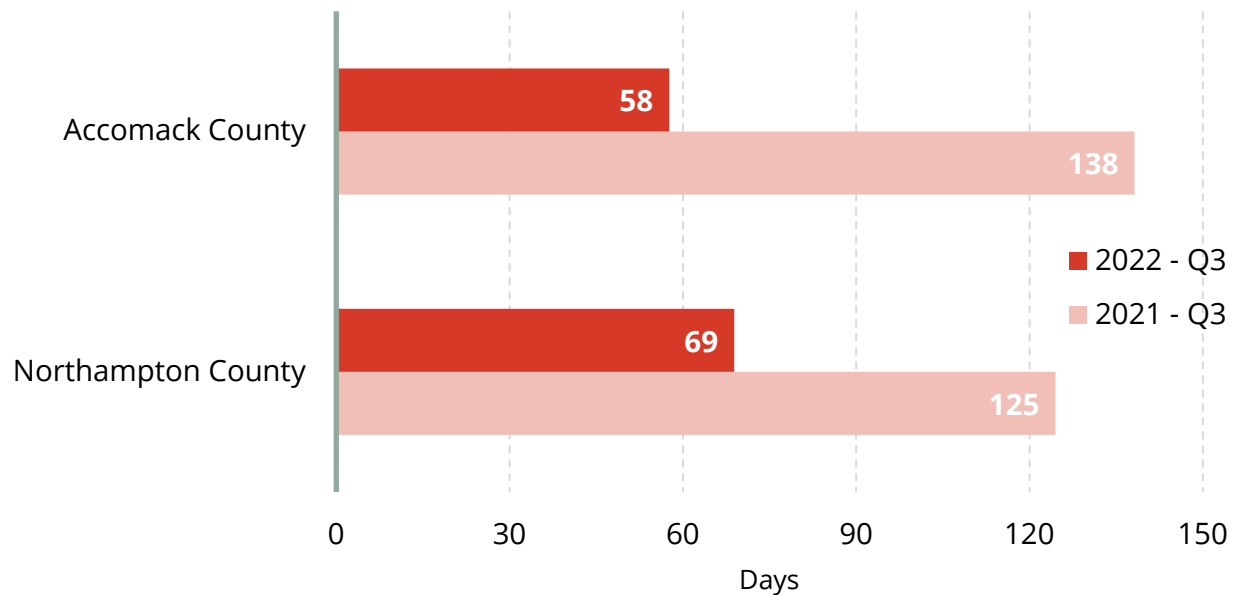


## Local Snapshot – Average Days on Market

**Accomack County:** The average days on market in Accomack County in the third quarter was 58 days, which is 81 days faster than a year ago.

**Northampton County:** Homes sold faster this quarter in Northampton County. The average days on market was 69 days in the county in the third quarter, selling 56 days faster than the previous year.

**Figure 11**  
**Third Quarter Average Days on Market, ESAR Jurisdictions**  
*2021 and 2022*

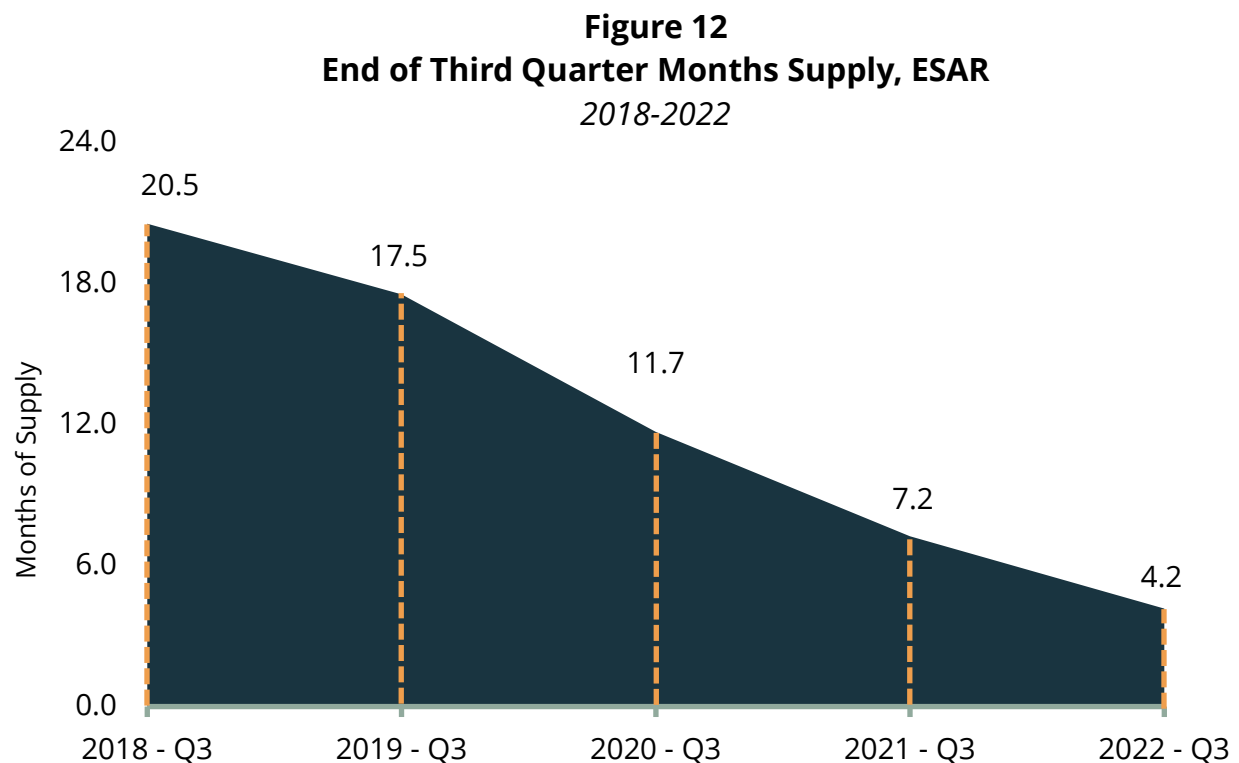


Source: Virginia REALTORS®, data accessed October 15, 2022

There continues to be a dramatic reduction of active listings in the Eastern Shore housing market compared to a year ago. There were 304 active listings on the market at the end of the third quarter, less than half the number of listings last year (-53%), which is 342 fewer listings.

Across Virginia, there were 19,793 active listings at the end of the third quarter, a 2.9% decrease from last year, which is a reduction of 586 listings.

There was about 4.2 months of supply at the end of the third quarter in the ESAR footprint, which is down from 7.2 months at this time last year. 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 1.6 months of supply at the end of the second quarter.



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

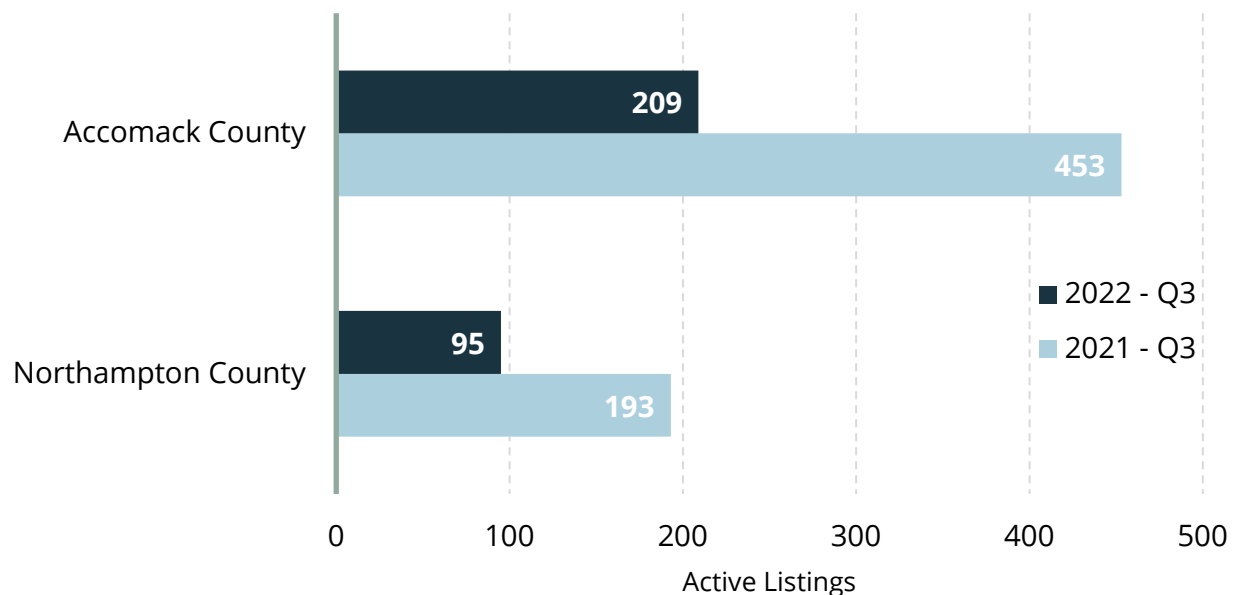


## Local Snapshot – *Active Listings*

**Accomack County:** There were 209 active listings in Accomack County at the end of the third quarter, 244 fewer listings than a year ago, representing a 54% decrease. Supply in the county has dropped by 77% of what it was three years ago.

**Northampton County:** The inventory in Northampton County continued to fall this quarter. There were 95 active listings on the market at the end of the third quarter, 98 fewer listings than last year, a reduction of 51%.

**Figure 13**  
**End of Third Quarter Active Listings, ESAR Jurisdictions**  
*2021 and 2022*



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





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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