

# ESAR EASTERN SHORE HOME SALES REPORT

CUSTOM REPORT PREPARED BY  
**VIRGINIA REALTORS®**

# ESAR Home Sales Report

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## Second Quarter 2023

Eastern Shore Association of REALTORS®

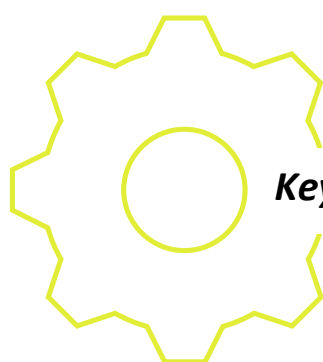
### Market Report Key Takeaways

#### 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. On the Eastern Shore, the unemployment rate was 3.1% in May, down from 3.3% 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 Eastern Shore housing market. There were 196 homes sold across the region in the second quarter, down 7% from last year.
- Home prices are climbing even as there are fewer sales. The median sales price in the Eastern Shore housing market during the second quarter was \$317,083, up 7% from last year, a gain of \$22,000.
- There were 332 active listings on the market on the Eastern Shore at the end of the second quarter, 27 more listings than a year ago, which is a 9% increase. This is the first time the inventory has expanded in the region in four years.



## Key Trends Dashboard, ESAR

### Economy



**3.1%**

Is the May-2023 **unemployment rate** in the ESAR 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



**-14**

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



**7%**

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



**-\$4.9**

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



**9%**

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



**5.4**

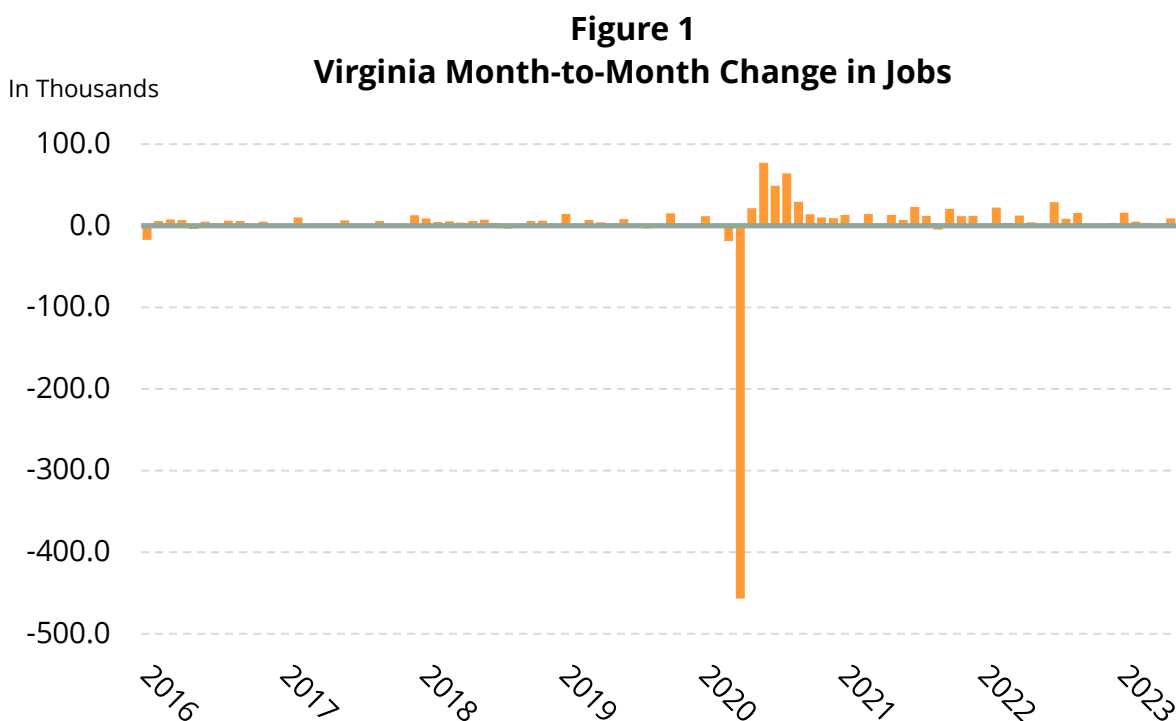
**Months of supply** in the ESAR footprint in Q2-2023, which is up from a year ago

# Economic Overview

Inflation continues to march downward but is still hovering above target levels. The Federal Reserve hiked rates again at their July 2023 meeting to continue combating inflation. 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.

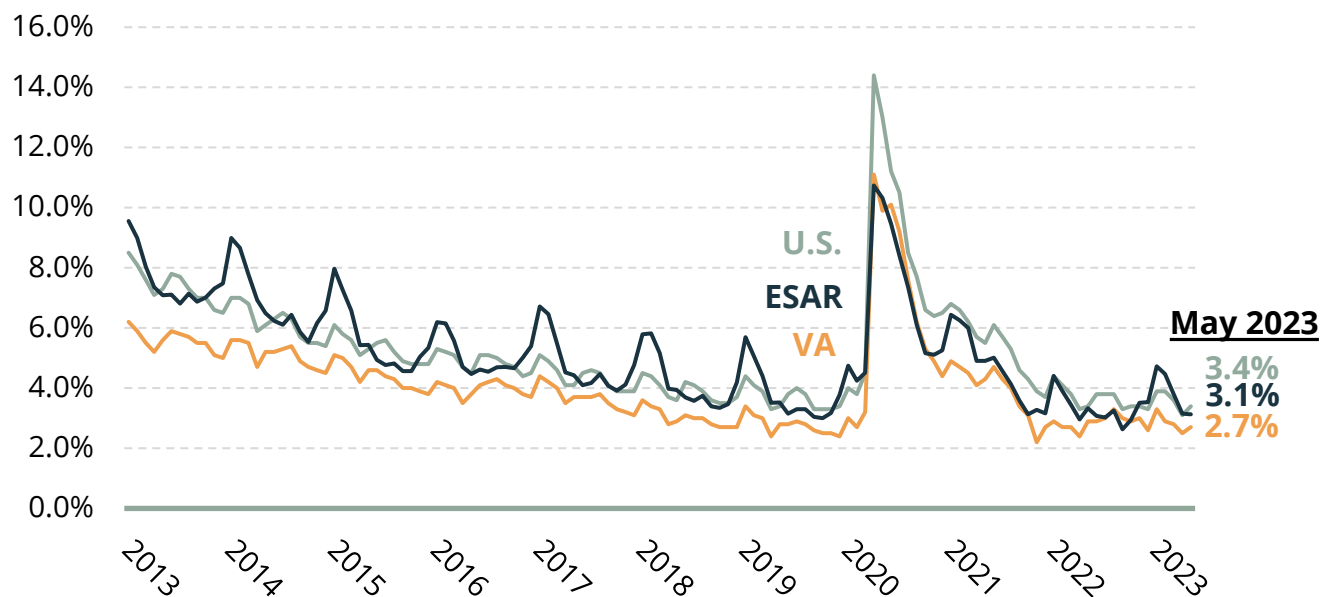


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

## 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 Eastern Shore region, the May unemployment rate was 2.1%, which is down from 3.3% a year ago.

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



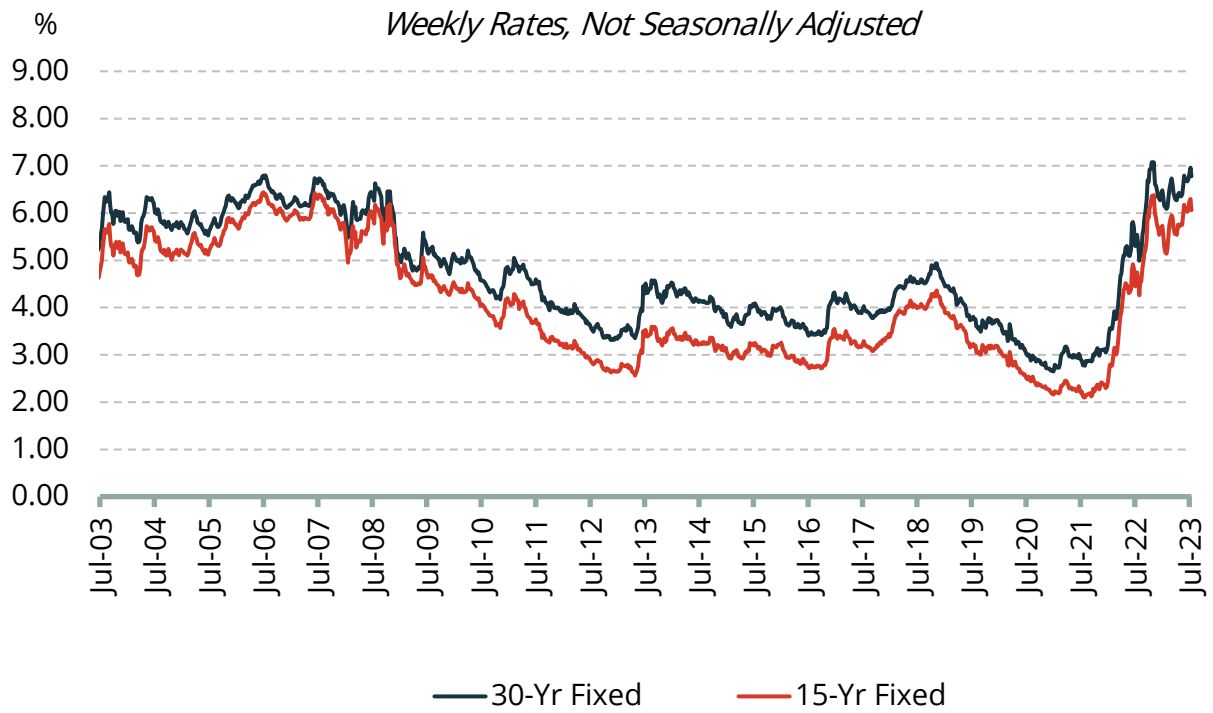
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

## 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

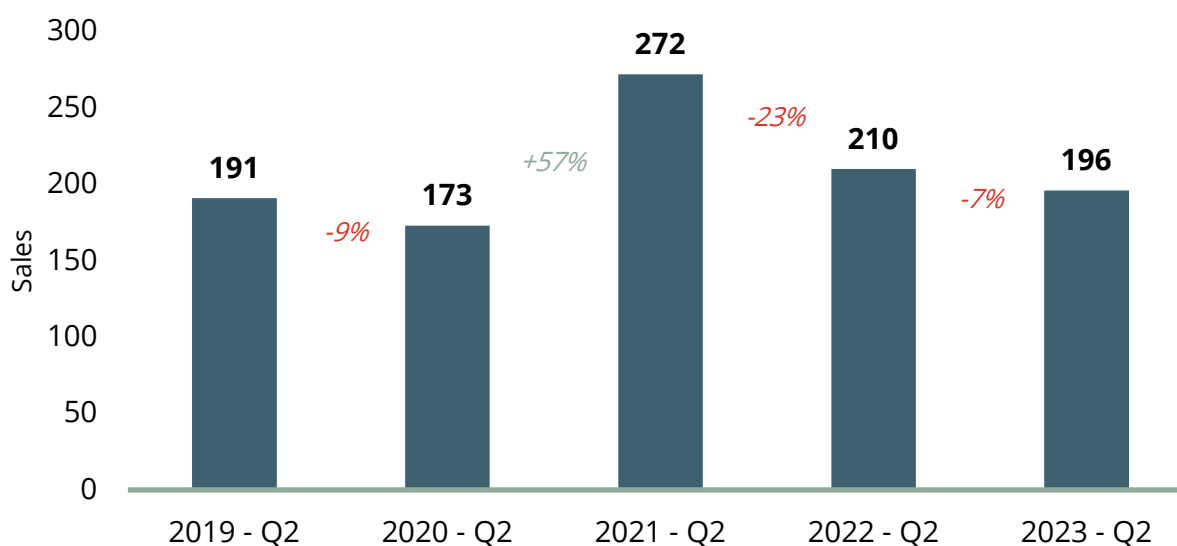
# Housing Market Overview

Midway through 2023, the ESAR housing market continues to be slower than last year. Sales activity was down, as was sold volume. However, home prices are still rising in some areas. It's taking slightly longer to sell homes on average, and the supply of active listings expanded this quarter for the first time in years.

## Sales

During the second quarter of 2023 there were 196 homes sold across the ESAR footprint. This is 14 fewer sales than a year ago, representing a 7% decline in sales activity. The Eastern Shore housing market has been slowing now for two years. The slowdown in market activity on the Eastern Shore is being driven by a combination of factors including softening demand in the second home market 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, ESAR**  
*2019-2023*



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



## Local Snapshot – *Total Home Sales*

**Accomack County:** In the second quarter, there were 150 sales in Accomack County, down 5% from the year prior, which is eight fewer sales.

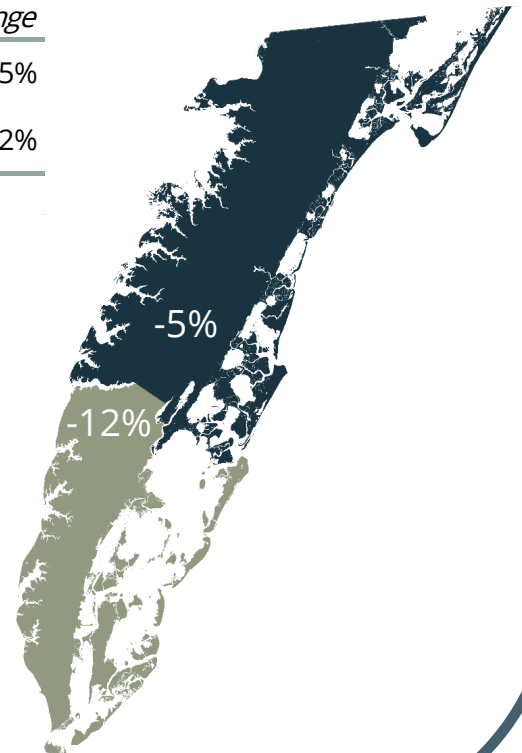
**Northampton County:** Sales activity slowed in Northampton County this quarter. There were 46 sales in the county during the second quarter, six fewer sales than last year, a 12% decrease.

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

*Second Quarter 2022 to Second Quarter 2023*

<i>Jurisdiction</i>	<i>2022 - Q2</i>	<i>2023 - Q2</i>	<i>% Change</i>
Accomack County	158	150	-5%
Northampton County	52	46	-12%

Source: Virginia REALTORS<sup>®</sup>, data accessed July 15, 2023

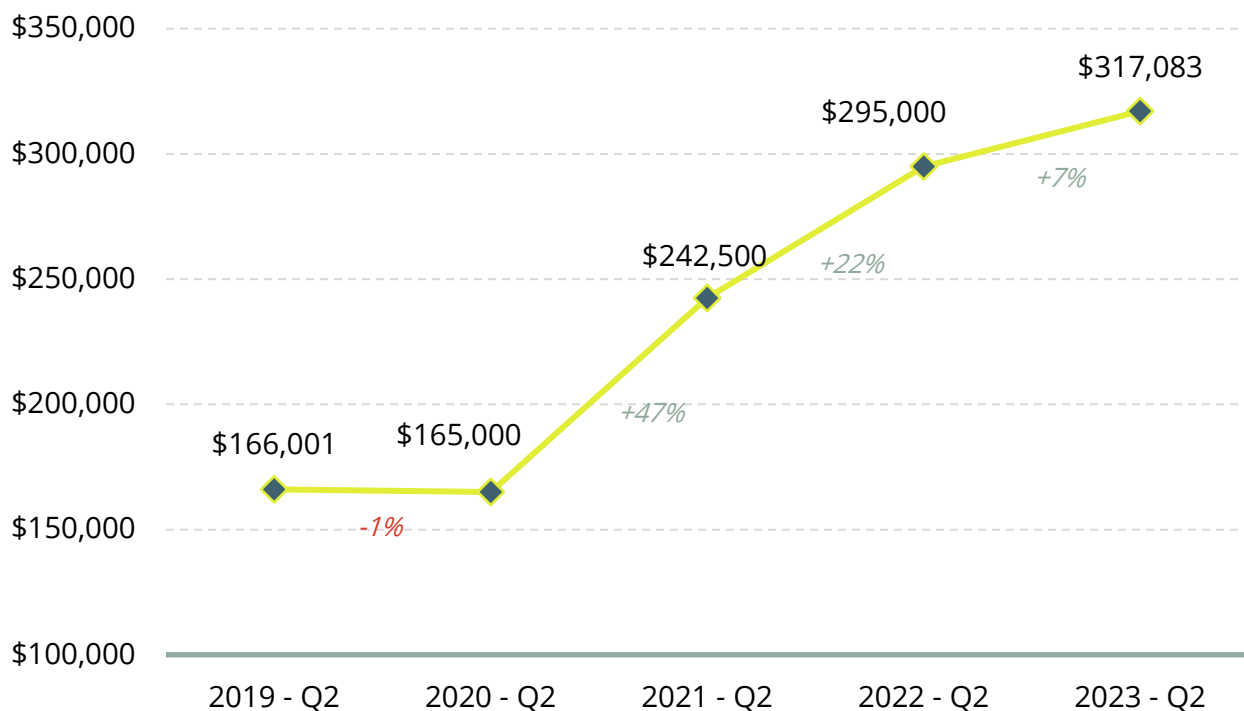




## Sales Prices

The regionwide median sales price in the ESAR market was \$317,083 in the second quarter, climbing 7% from last year, a gain of about \$22,000. All of the price growth continues to occur in the Accomack County market. The median price in the Northampton County market declined for the second consecutive quarter. 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, ESAR**  
*2019-2023*



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



## Local Snapshot – Median Sales Price

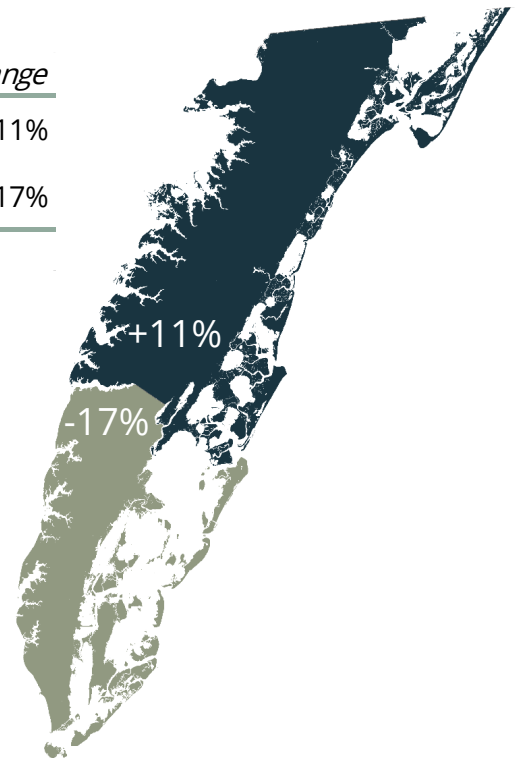
**Accomack County:** Home prices continued to grow in Accomack County. The median sales price was \$292,500 during the second quarter, up 11% from the year prior, a gain of \$29,000.

**Northampton County:** In Northampton County, the median sales price was \$446,000 in the second quarter, \$94,302 less than the year before, a 17% decline.

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

<i>Jurisdiction</i>	<i>2022 - Q2</i>	<i>2023 - Q2</i>	<i>% Change</i>
Accomack County	\$263,500	\$292,500	11%
Northampton County	\$540,302	\$446,000	-17%

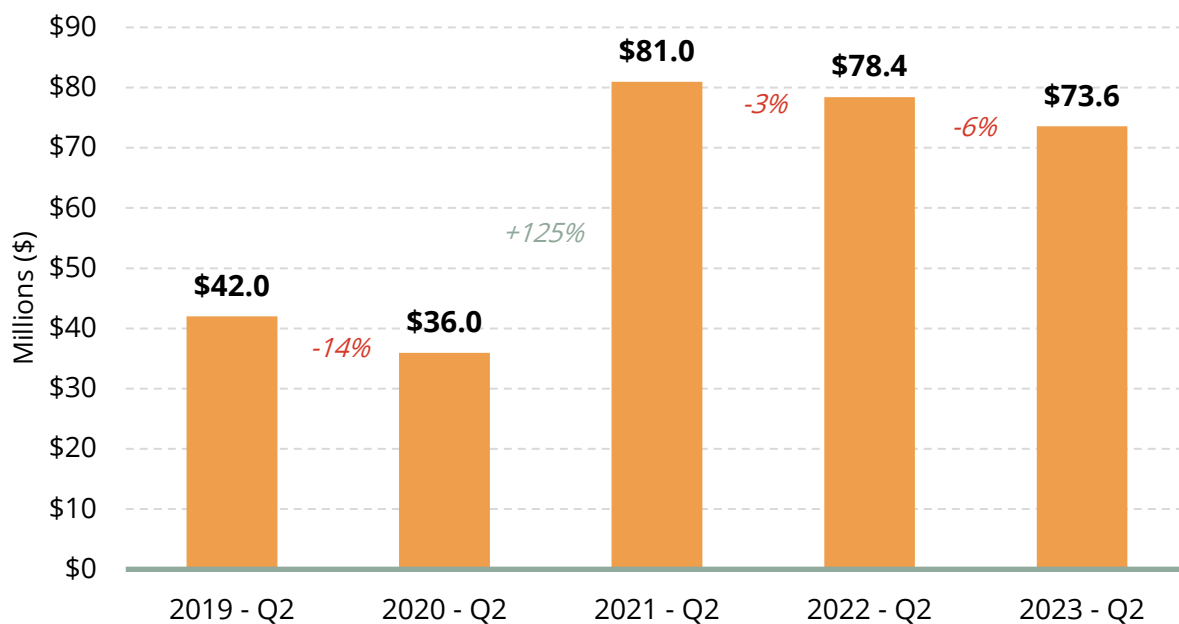
Source: Virginia REALTORS®, data accessed July 15, 2023



## Sold Volume

While price levels rose in some parts of the region, the slowdown in sales activity continues to bring down the sold dollar volume in the ESAR area housing market. There was about \$73.6 million of sold volume across the Eastern Shore in the second quarter, a decrease of \$4.8 million from a year ago. This represents a 6% reduction in sold volume in the ESAR market, the fifth straight quarter of declining volume.

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



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

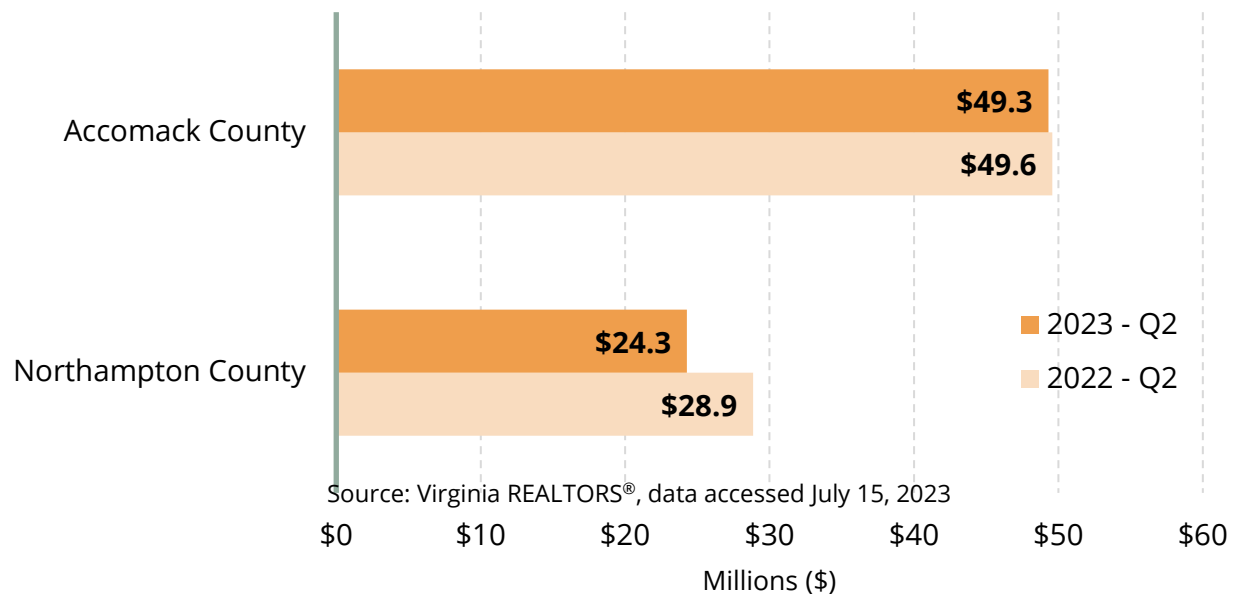


## Local Snapshot – *Sold Dollar Volume*

**Accomack County:** In Accomack County, there was approximately \$49.3 million of sold volume during the second quarter, 1% lower than the previous year, a \$277,233 price decrease.

**Northampton County:** Total sold dollar volume fell again in Northampton County. There was about \$24.3 million of sold volume in the second quarter, \$4.5 million less than a year earlier, a 16% reduction in volume.

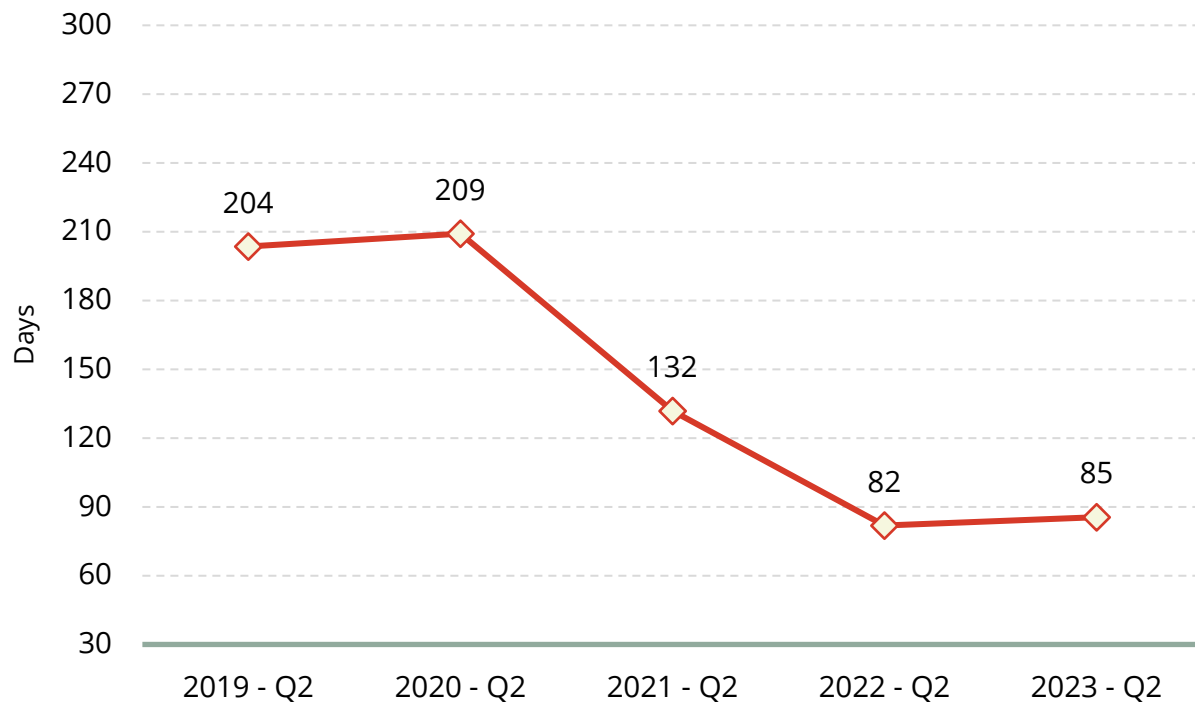
**Figure 9**  
**Second Quarter Sold Dollar Volume, ESAR Jurisdictions**  
*2022 and 2023*



## Days on Market

Homes that sold in the Eastern Shore housing market during the second quarter of 2023 were on the market 85 days on average. This is three days longer than the second quarter of 2022, the first time this metric has increased in about three years. 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, ESAR**  
*2019-2023*



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

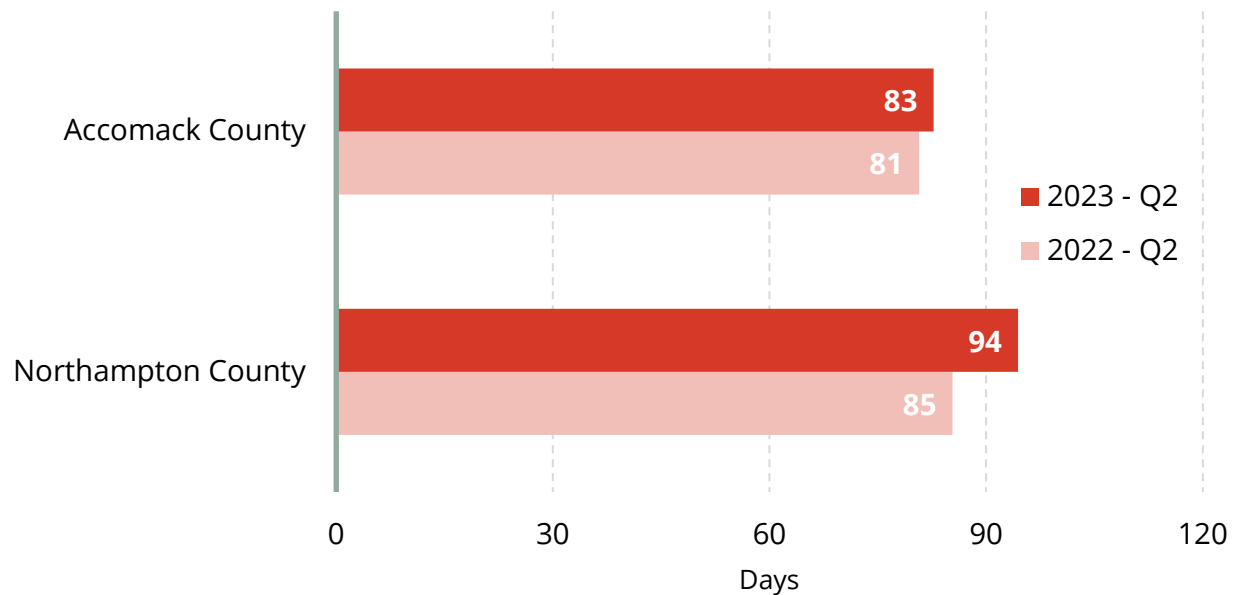


## Local Snapshot – Average Days on Market

**Accomack County:** In Accomack County, the average days on market was 83 days, two days longer than the same time last year.

**Northampton County:** Homes in Northampton were on the market longer this quarter. In the second quarter, the average days on market was 94 days in the county, taking nine days longer to sell than a year ago.

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

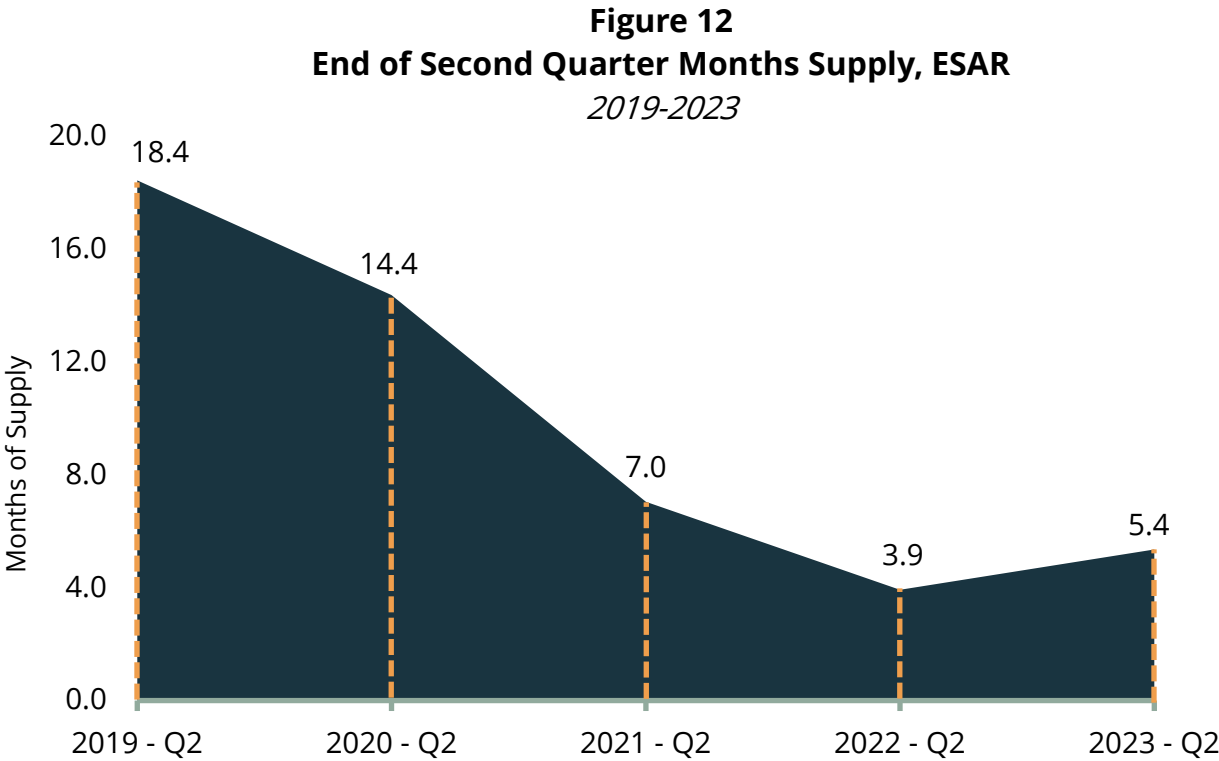


Source: Virginia REALTORS®, data accessed July 15, 2023

The inventory of homes for sale on the Eastern Shore grew this quarter compared to a year ago. This is the first time in five years that active listings increased from the prior year. There were 332 homes on the market in the ESAR footprint at the end of the second quarter, 27 more listings than this time last year, which is a 9% increase.

There were 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 5.4 months of supply at the end of the second quarter in the ESAR footprint, which is up from 3.9 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 1.8 months of supply at the end of the second quarter.



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

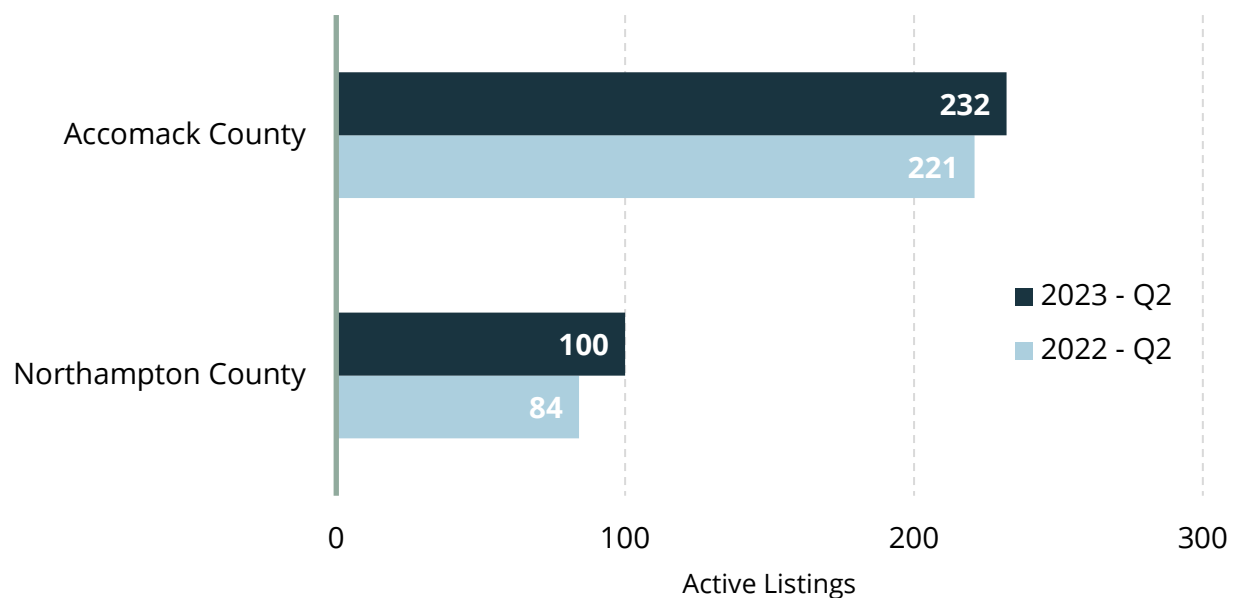


## Local Snapshot – Active Listings

**Accomack County:** There were 232 active listings on the market in Accomack County at the end of the second quarter, 11 more listings than last year, a 5% increase.

**Northampton County:** Listings were up by double digits in Northampton County this quarter. At the end of the second quarter, there were 100 active listings in the county, growing by 19% compared to a year ago, an additional 16 listings.

**Figure 13**  
**End of Second Quarter Active Listings, ESAR 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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