

ESAR EASTERN SHORE HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

ESAR Home Sales Report

Fourth Quarter 2023

Eastern Shore Association of REALTORS®

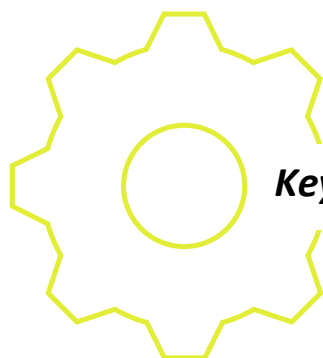
Market Report Key Takeaways

Economic Conditions

- Virginia's job market continues to be resilient. There was an influx of 7,900 jobs in the Commonwealth between October and November 2023.
- The statewide unemployment rate in Virginia was 2.9% in November 2023 (not seasonally adjusted), which is down from 3% a year ago. In the ESAR region, the unemployment rate was 3.5% in November, unchanged from a year ago.
- After approaching 8% at the end of October 2023, mortgage rates have been trending down 10 of the last 12 weeks. In the third week of January 2024, the average rate on a 30-year fixed mortgage was 6.6%, which is down from 6.66% the week prior, but up from 6.15% a year ago.

Housing Market Conditions

- Sales activity was relatively flat this quarter in the ESAR housing market. There were 192 sales regionwide during the fourth quarter, two fewer sales than last year, inching down 1%.
- Upward pressure on home prices continues to be a key factor in some parts of the Eastern Shore market. The median sales price in the ESAR footprint during the fourth quarter was \$316,000, climbing 22% from this time last year.
- The supply of active listings in the ESAR region continues to build up. There were 361 active listings on the market at the end of the fourth quarter regionwide, up 37% from a year ago.



Key Trends Dashboard, ESAR

Economy

-

3.5%

Is the Nov-2023 **unemployment rate** in the ESAR footprint, which is unchanged from Nov-2022



6.6%

Is the **30-year fixed-rate mortgage rate** during the third week of January 2024, which is up from 6.15% a year ago

Housing Market



-2

Fewer **home sales** in the ESAR footprint in Q4-2023 compared to last year



22%

Percent change in **median sales price** in the ESAR region in Q4-2023 compared to a year ago



\$10.8

Million dollars more in total **sold volume** in the ESAR footprint in Q4-2023 compared to last year



37%

Percent change in **active listings** at the end of Q4-2023 in the ESAR market compared to a year ago



5.7

Months of supply in the ESAR footprint in Q4-2023, which is up from a year ago

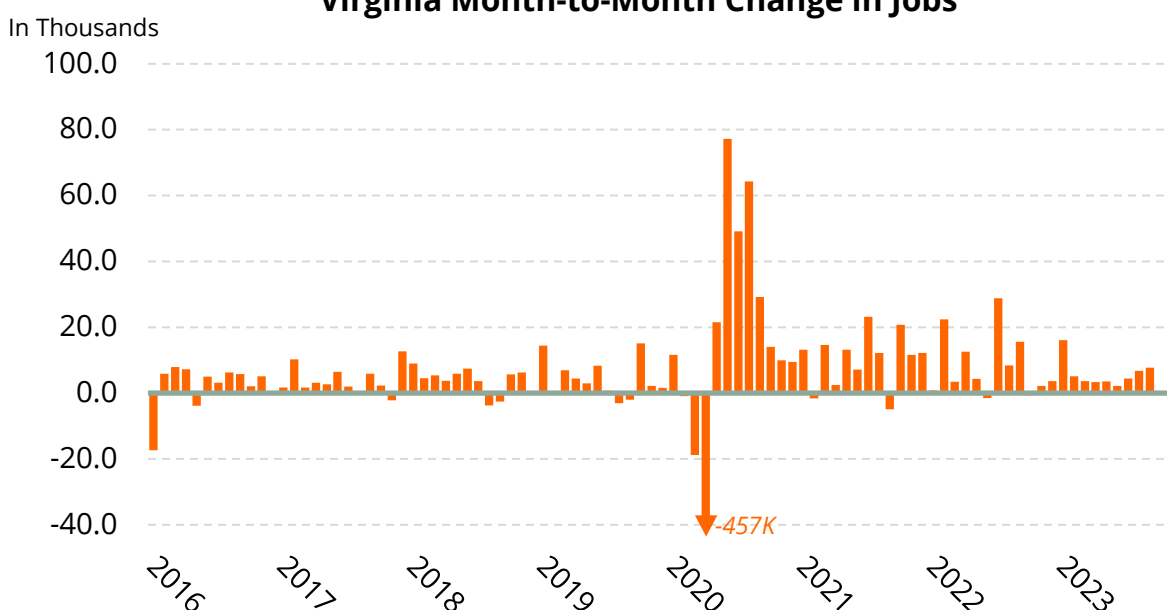
Economic Overview

Job growth exceeded expectations recently, and the labor market continues to be tight, but unemployment has edged upward in Virginia for several months. Mortgage rates have been falling since October, and inflation continues to retreat. The prospects of a “soft-landing” for the U.S. economy are improving, though there is still uncertainty about how much and when the full effects of the Fed’s rate hikes will be felt, as the economy slows down heading into 2024.

Jobs

There was a jump in the jobs data in Virginia in November after falling flat in October. There were approximately 4.17 million jobs statewide in November, which is 7,900 more than the revised October total. This is the strongest month-to-month increase since the start of 2023. The job sectors with the strongest gains in November were the Professional & Technical Services sector (+5,000 jobs), the Transportation & Warehousing sector (+4,900 jobs), and Wholesale Trade (+2,000 jobs). The Administrative & Waste Management Services sector shed about 5,500 jobs, and there were 1,000 fewer retail jobs in Virginia in November compared to October.

Figure 1
Virginia Month-to-Month Change in Jobs

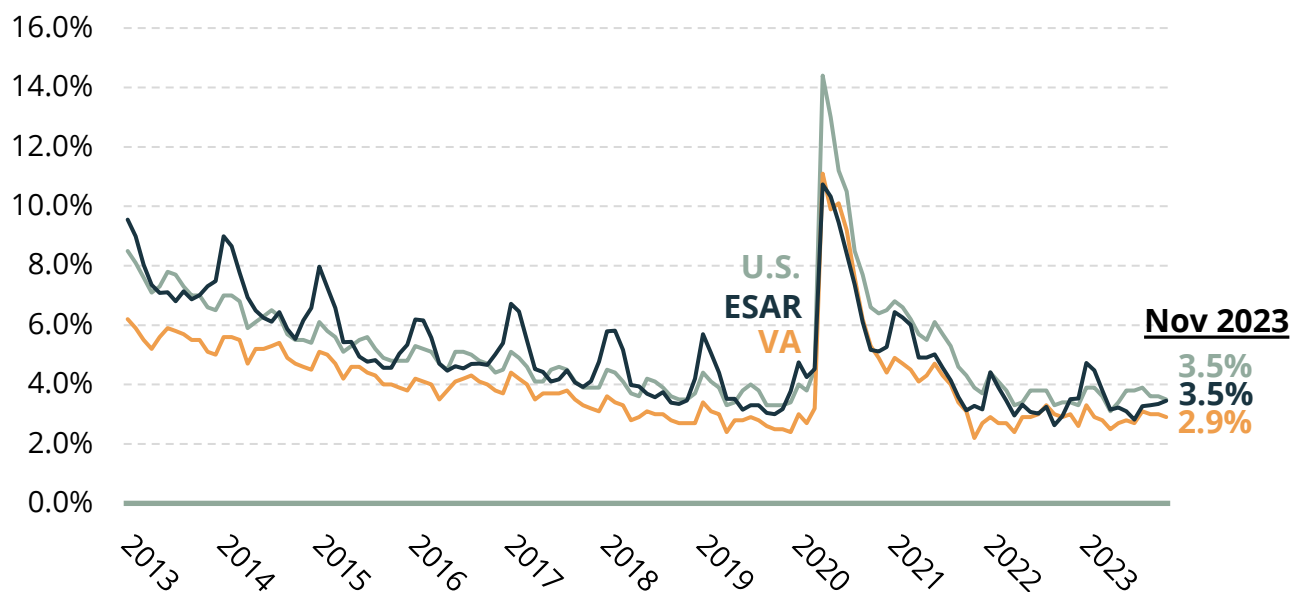


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

Unemployment

The statewide unemployment rate in Virginia dipped to 2.9% in November 2023, down from 3% in November 2022 (not seasonally adjusted). In the U.S., the unemployment rate rose to 3.5% in November, up from 3.4% a year ago. The nationwide unemployment rate has been inching up for four consecutive months but remains very low compared to historical averages. In the ESAR footprint the November unemployment rate was 3.5%, which is the same as last year.

Figure 2
Unemployment Rate

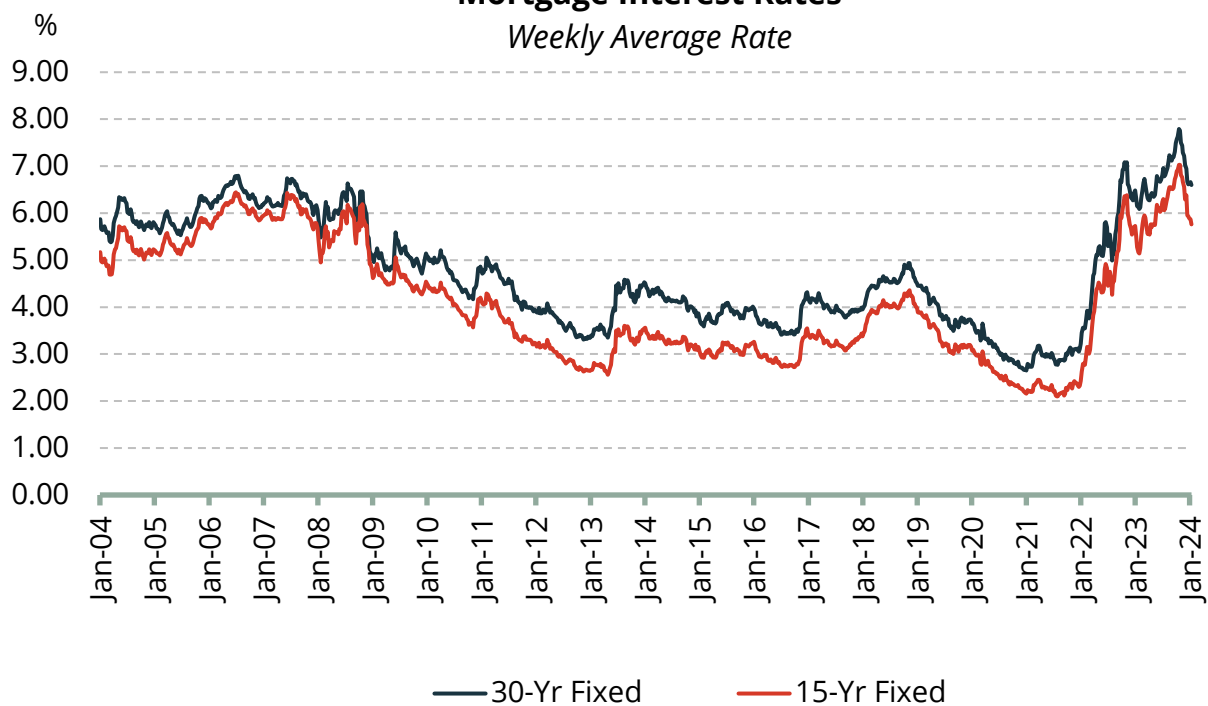


Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Mortgage Rates

After peaking near 8% in October 2023, the average interest rate for a 30-year fixed mortgage is now 6.6% as of January 18, 2024. Rates have been trending down steadily 10 of the last 12 weeks, which has ushered in renewed optimism from both buyers and sellers alike. The Federal Reserve has indicated that it plans to implement a series of fed funds rate cuts in 2024, which will continue to put downward pressure on interest rates. This will boost activity in the housing market and loosen up the “lock-in effect” for some homeowners that have pent-up demand to buy another house.

Figure 3
Mortgage Interest Rates
Weekly Average Rate



Source: Freddie Mac

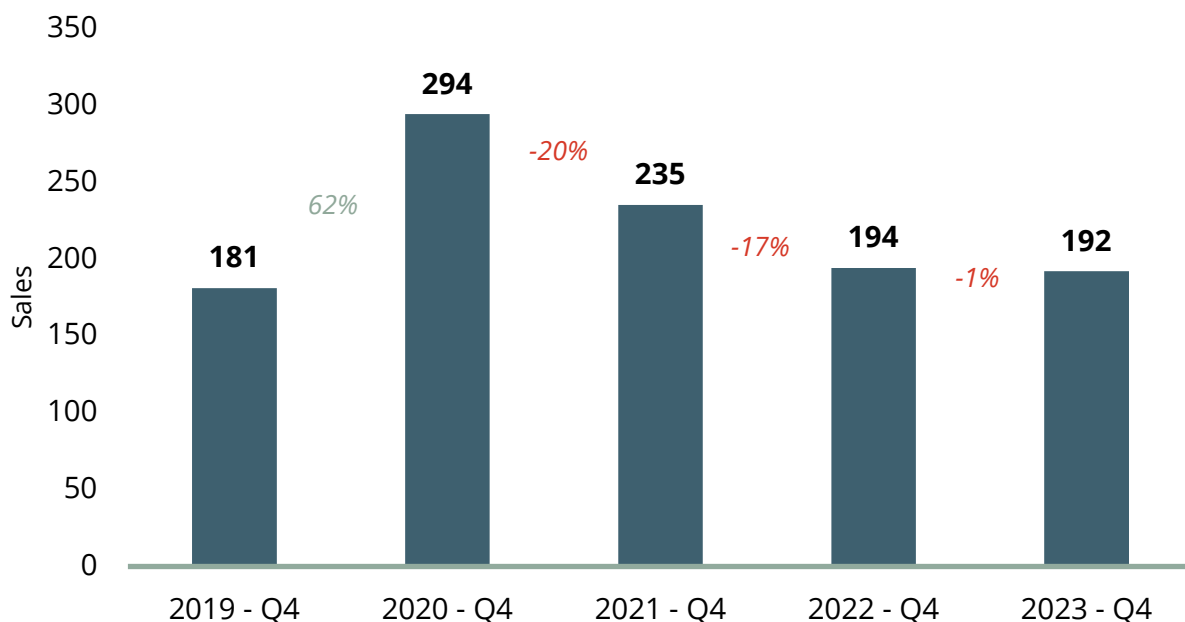
Housing Market Overview

The Eastern Shore housing market was busier this quarter than much of the past two years. Sales activity increased and home prices were up this quarter, which led to a large jump in sold dollar volume in the region. Homes are taking longer to sell on average, and the inventory in the market expanded again.

Sales

After an uptick last quarter, sales remained flat in the ESAR regional housing market to close out 2023. There were 192 homes sold throughout the Eastern Shore in the fourth quarter of 2023, two fewer transactions than a year ago. The dip in sales occurred in Accomack County, while Northampton County had a small uptick in activity. Mortgage rates hit a more than two-decade high in October 2023, which likely deterred some market activity this quarter. Statewide, sales activity declined 10% in the fourth quarter of 2023 compared to last year.

Figure 4
Fourth Quarter Home Sales, ESAR
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024



Local Snapshot – *Total Home Sales*

Accomack County: There were 139 homes sold in Accomack County in the fourth quarter, five fewer sales than a year ago, a 3% dip.

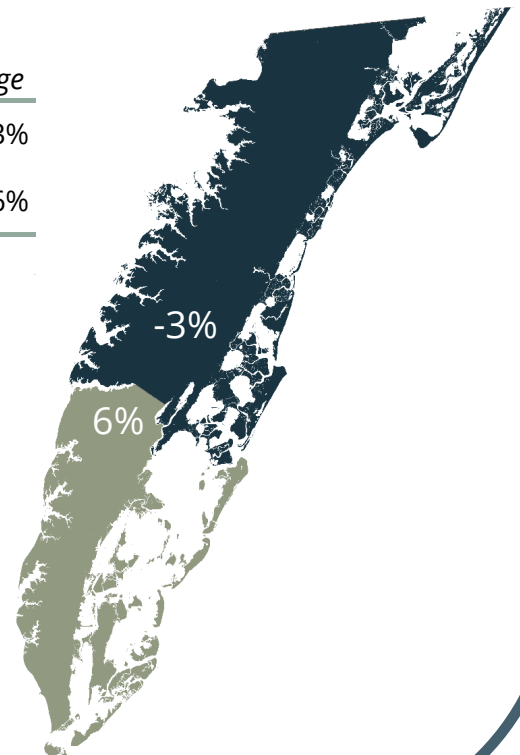
Northampton County: Sales activity was up in the fourth quarter with 53 sales in Northampton County. The number of sales increased by 6% in the county, which is three additional sales.

Figure 5
Change in Sales by Jurisdiction
ESAR

Fourth Quarter 2022 to Fourth Quarter 2023

<i>Jurisdiction</i>	<i>2022 - Q4</i>	<i>2023 - Q4</i>	<i>% Change</i>
Accomack County	144	139	-3%
Northampton County	50	53	6%

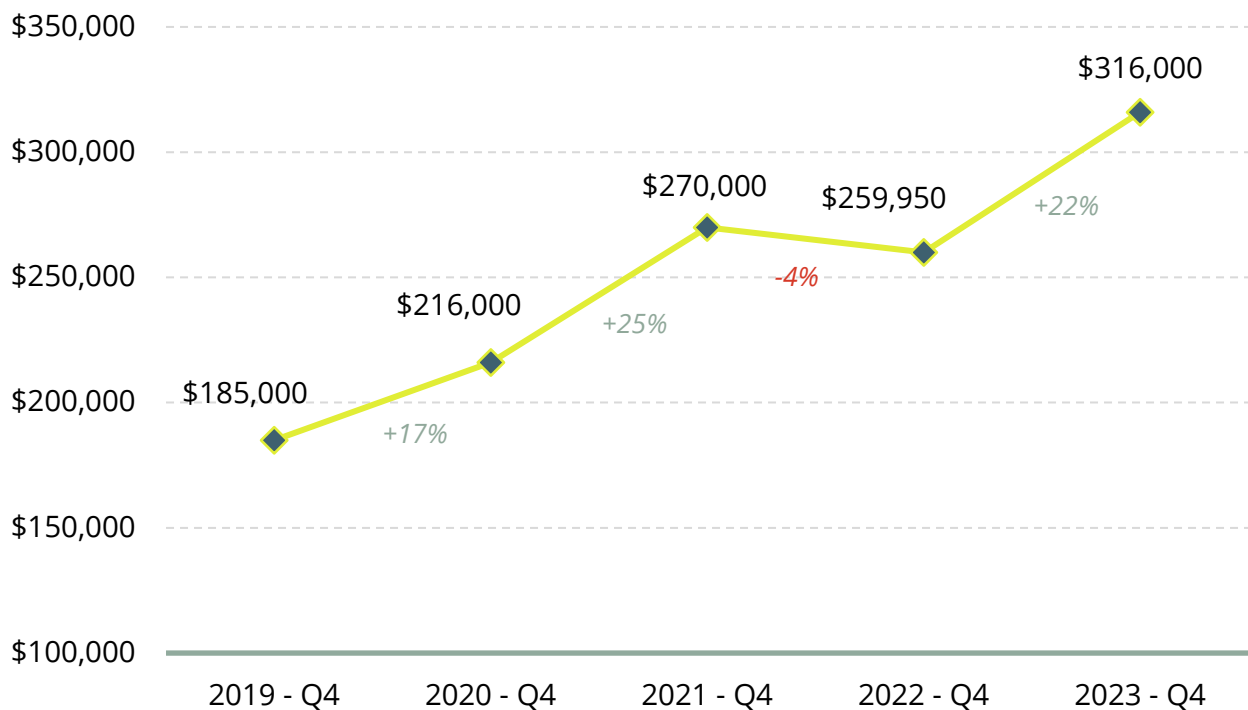
Source: Virginia REALTORS[®], data accessed January 15, 2024



Sales Prices

The fourth quarter median sales price in the Eastern Shore region was \$316,000, climbing 22% from this time last year, which is a \$56,050 gain. As with the previous four quarters, all the price growth occurred in the Accomack County market. The median price in the Northampton County market continues to fall. At the state level, the median sales price in Virginia during the fourth quarter was \$387,000, climbing 7% from last year.

Figure 6
Fourth Quarter Median Sales Price, ESAR
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024



Local Snapshot – *Median Sales Price*

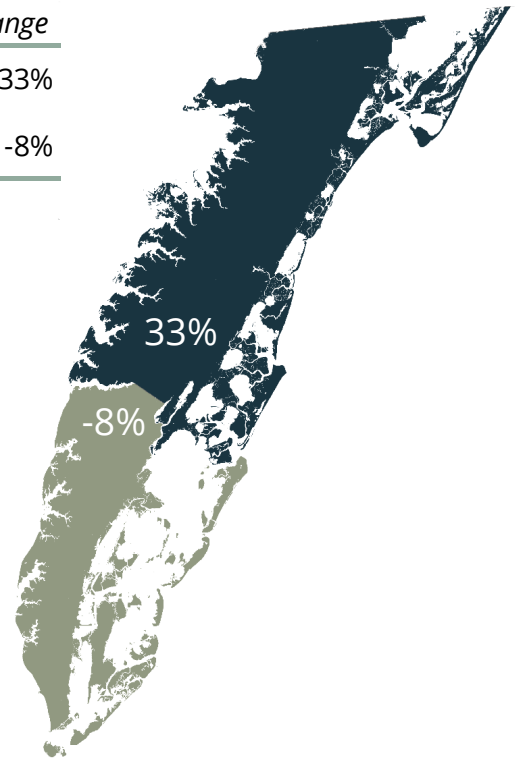
Accomack County: In Accomack County, the median sales price was \$300,000, jumping up 33% from the previous year. Fourth quarter prices rose \$74,500 in the county.

Northampton County: In the fourth quarter, the median home price was \$389,500 in Northampton County, \$36,400 less than the year before, an 8% reduction in price.

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

<i>Jurisdiction</i>	<i>2022 - Q4</i>	<i>2023 - Q4</i>	<i>% Change</i>
Accomack County	\$225,500	\$300,000	33%
Northampton County	\$434,900	\$398,500	-8%

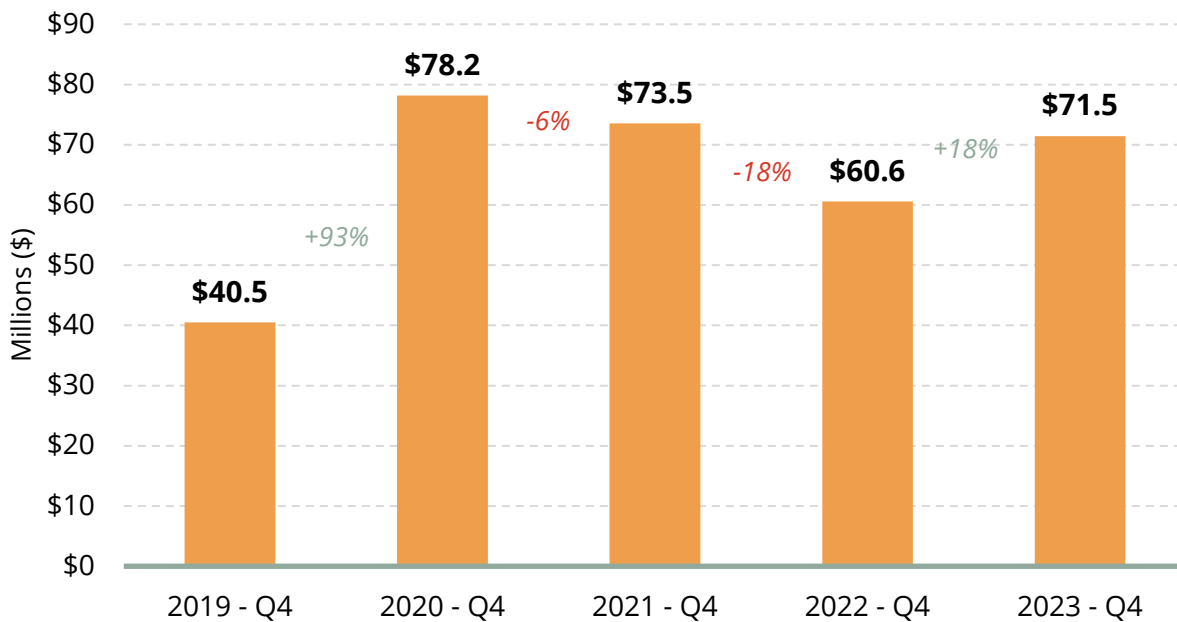
Source: Virginia REALTORS®, data accessed January 15, 2024



Sold Volume

Even though sales activity was flat overall, the higher sales prices in Accomack County led to an increase in total sold dollar volume in the Eastern Shore market to close out 2023. There was approximately \$71.5 million of sold volume in the ESAR footprint in the fourth quarter. This is about \$10.9 million more volume than the fourth quarter last year, reflecting an 18% increase. Sold volume has been trending up in the region for two straight quarters.

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



Source: Virginia REALTORS®, data accessed January 15, 2024

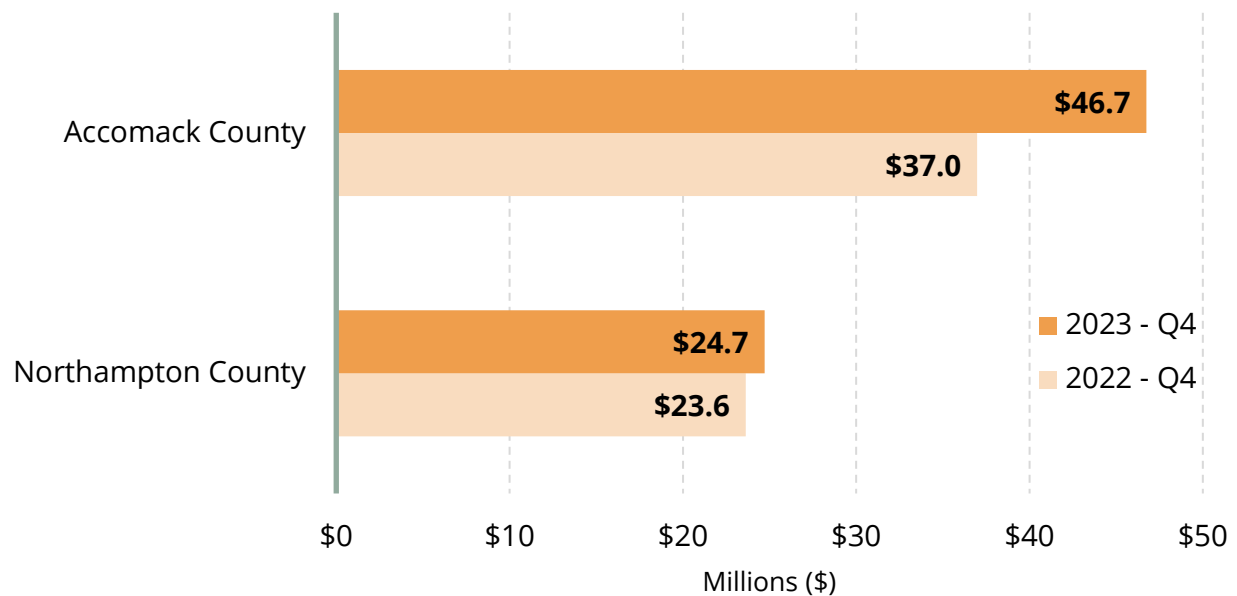


Local Snapshot – *Sold Dollar Volume*

Accomack County: Sold dollar volume in Accomack County was \$46.7 million in the fourth quarter, rising up 26% from last year, a \$9.7 million increase. This is the second straight quarter that sold volume has been trending up in the county.

Northampton County: Increased sales numbers led to \$24.7 million of sold volume in Northampton County during the fourth quarter. This represents a 5% increase, or \$1.1 million influx of sold volume compared to the fourth quarter last year.

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

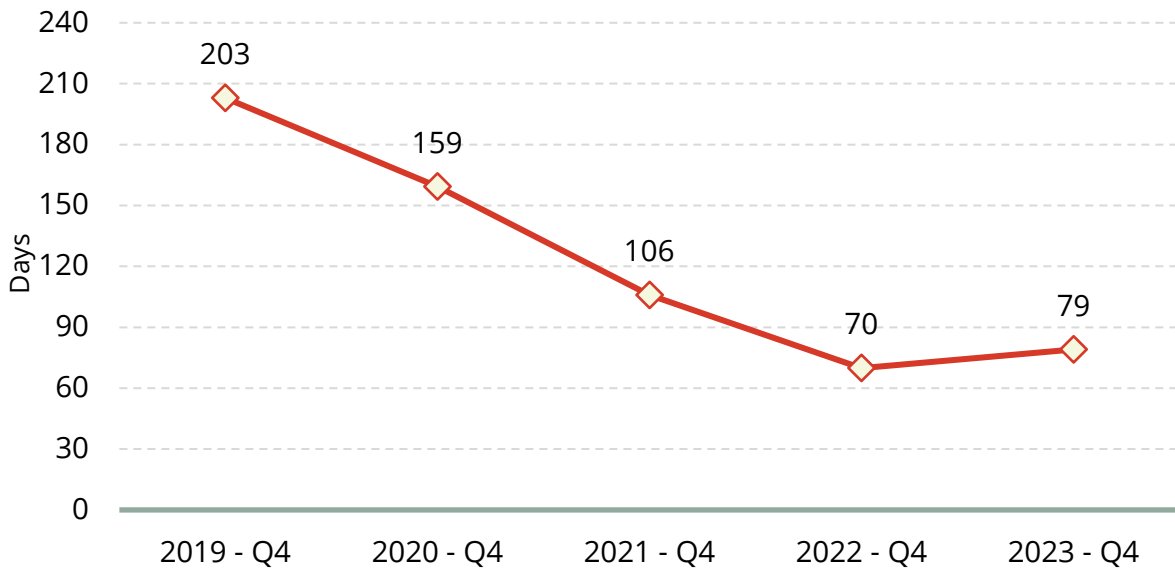


Source: Virginia REALTORS®, data accessed January 15, 2024

Days on Market

It took about a week longer than last year on average to sell a home in the ESAR housing market during the fourth quarter. The fourth quarter average days on market across the footprint was 79 days, up from 70 days a year ago. The average days on market has been trending up in the ESAR market for three consecutive quarters. Statewide, homes were on the market 31 days on average in the fourth quarter, unchanged from last year.

Figure 10
Fourth Quarter Average Days on Market, ESAR
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024

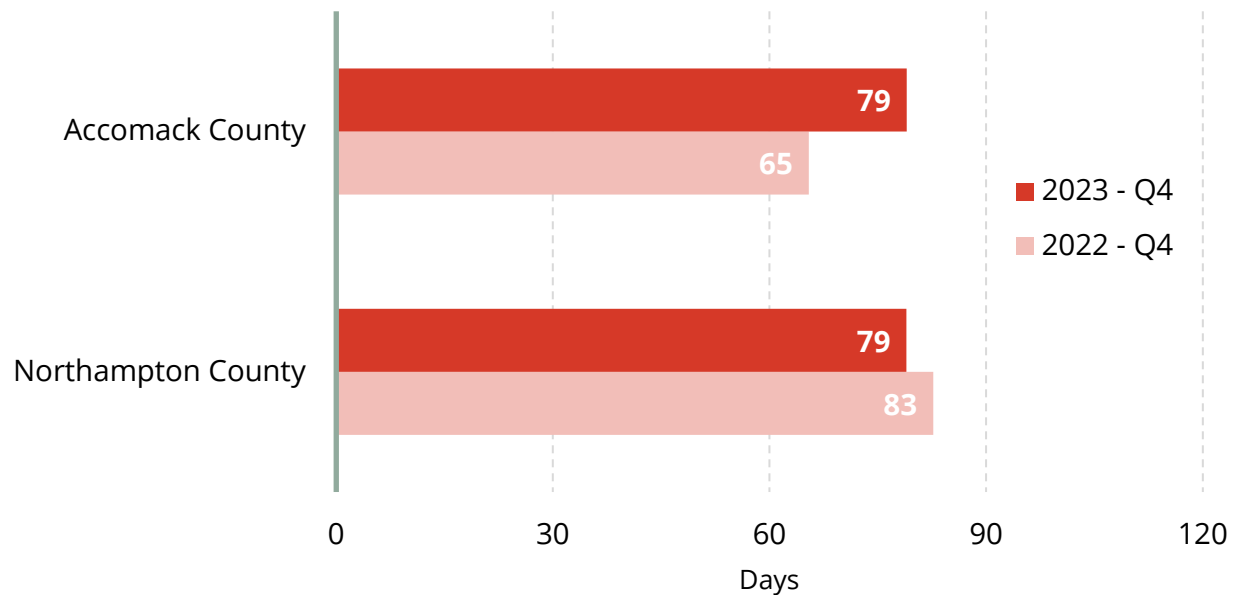


Local Snapshot – Average Days on Market

Accomack County: Homes took 14 days longer to sell in Accomack County in the fourth quarter, bringing the average days on market to 79 days.

Northampton County: The average days on market was 79 days in Northampton County during the fourth quarter, four days faster than a year earlier.

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



Source: Virginia REALTORS®, data accessed January 15, 2024

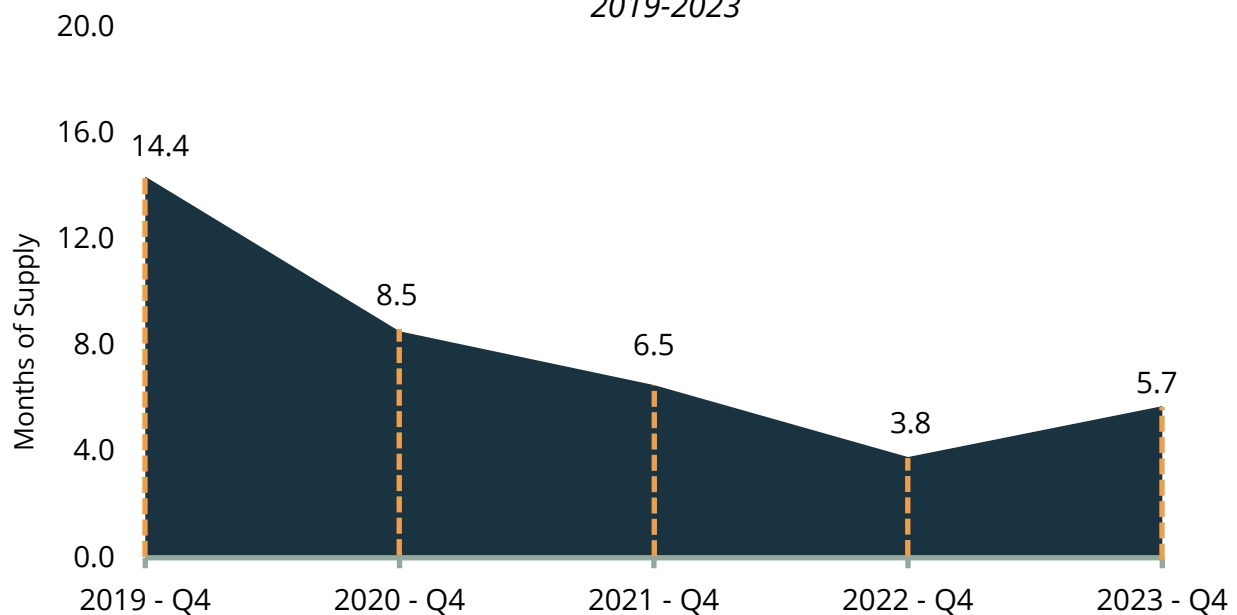
Inventory

The supply of active listings in the ESAR region continues to grow, providing more options for buyers. At the end of the fourth quarter there were 361 active listings throughout the area, 97 more listings than the fourth quarter last year, which is a 37% increase. Inventory has been expanding in the region now for three straight quarters.

Statewide, there were 16,244 active listings on the market at the end of the fourth quarter, 129 more than there were a year ago, inching up 1%.

There was approximately 5.7 months of supply at the end of the fourth quarter in the ESAR footprint, which is up from 3.8 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 about two months of supply at the end of the fourth quarter.

Figure 12
End of Fourth Quarter Months Supply, ESAR
2019-2023



Source: Virginia REALTORS®, data accessed January 15, 2024

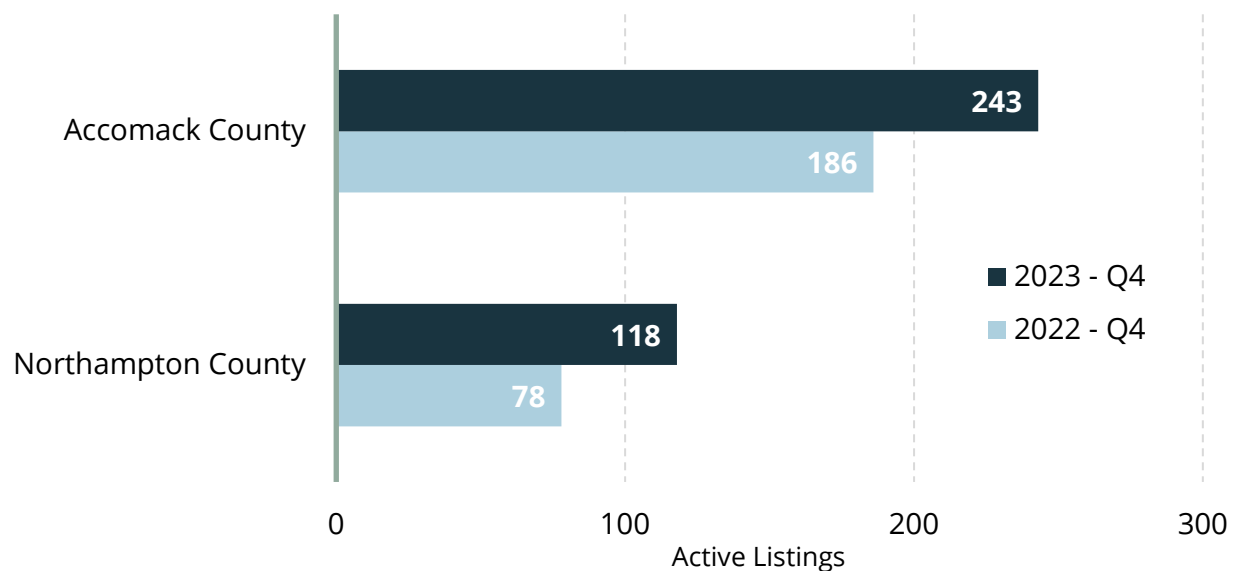


Local Snapshot – Active Listings

Accomack County: Active listings increased at the end of the fourth quarter, with 243 listings on the market in Accomack County. The number of listings grew by 31% compared to the year prior, which is 57 additional listings.

Northampton County: Northampton County had 118 active listings on the market at the end of the fourth quarter, increasing by 51% or 40 listings from last year.

Figure 13
End of Fourth Quarter Active Listings , ESAR Jurisdictions
2022 and 2023



Source: Virginia REALTORS®, data accessed January 15, 2024



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.