

ESAR EASTERN SHORE HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

ESAR Home Sales Report

Third Quarter 2023

Eastern Shore Association of REALTORS®

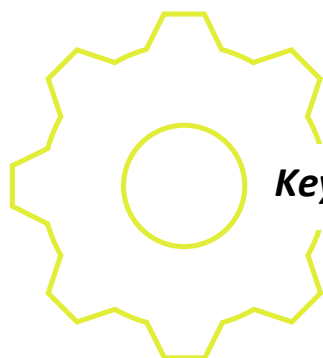
Market Report Key Takeaways

Economic Conditions

- Job growth continues in Virginia. There were approximately 6,700 jobs added in Virginia between July and August 2023.
- The statewide unemployment rate in Virginia was 3.1% in August 2023 (not seasonally adjusted), which is down from 3.3% a year ago. In the ESAR region, the unemployment rate was 3.3% in August, unchanged from a year ago.
- Mortgage rates continue to climb, reaching their highest level since 2000. In the third week of October 2023, the average rate on a 30-year fixed mortgage was 7.63%, which is up from 7.57% the week prior, and up from 6.94% a year ago.

Housing Market Conditions

- Sales activity was up this quarter in the ESAR footprint. There were 226 homes sold regionwide, an 8% increase from last year.
- The median sales price in the ESAR market was \$302,500 in the third quarter. This is nearly \$48,000 higher than the median price a year ago, reflecting a 19% price jump.
- Inventory levels continue to build up in the area. There were 343 active listings on the market on the Eastern Shore at the end of the third quarter, 39 more listings than a year ago, which is a 13% increase.



Key Trends Dashboard, ESAR

Economy

-

3.3%

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



7.63%

Is the **30-year fixed-rate mortgage rate** during the third week of October 2023, which is up from 6.94% a year ago

Housing Market



16

More **home sales** in the ESAR footprint in Q3-2023 compared to last year



19%

Percent change in **median sales price** in the ESAR region in Q3-2023 compared to a year ago



\$10.3

Million dollars more in total **sold volume** in the ESAR footprint in Q3-2023 compared to last year



13%

Percent change in **active listings** at the end of Q3-2023 in the ESAR market compared to a year ago



5.4

Months of supply in the ESAR footprint in Q3-2023, which is up from a year ago

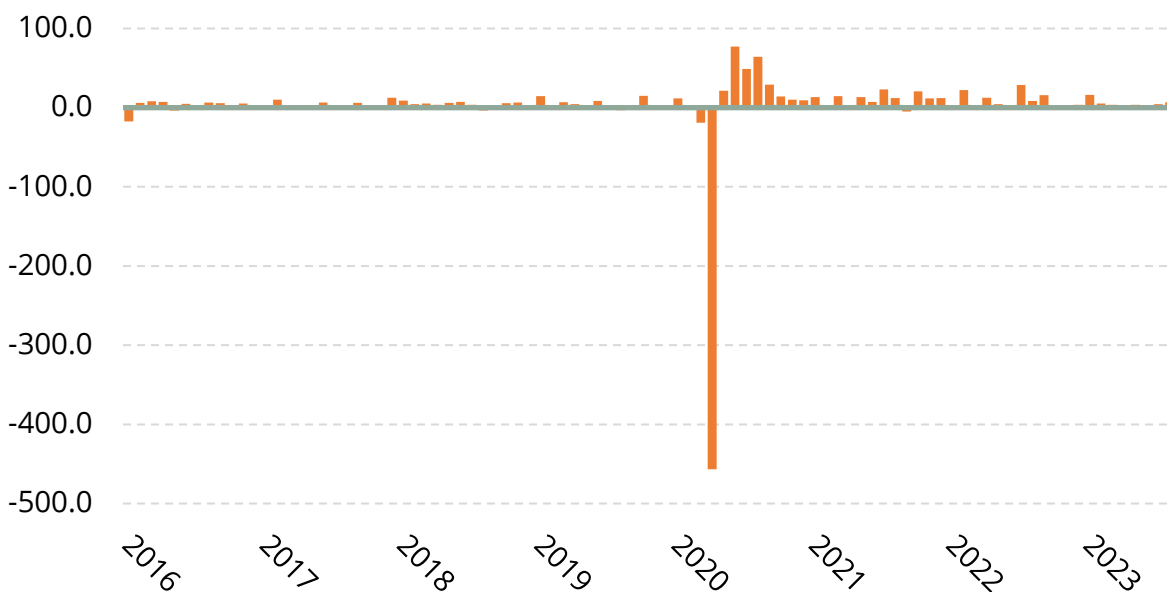
Economic Overview

The job market continues to grow but the pace has moderated. The Federal Reserve held rates steady at their September meeting, but have left one more rate hike on the table for this year, though it's still too early to gauge if they will implement it or not. Unemployment in Virginia remains very low, and mortgage rates continue their ascent, reaching the highest average level for a 30-year fixed loan since 2000.

Jobs

Virginia's job market continues to be resilient. There were about 4.2 million jobs throughout the Commonwealth in August, which is 6,700 more jobs than the revised July total. The job base in Virginia has expanded every month in 2023 so far through August. Most of the additional jobs this month were in the Local Government sector (+2,700 jobs) and the Transportation & Warehousing sector (+2,600 jobs). The largest decrease in jobs between July and August was in the Administrative & Waste Management sector (-1,700 jobs) and the Construction sector (-1,400 jobs).

Figure 1
Virginia Month-to-Month Change in Jobs

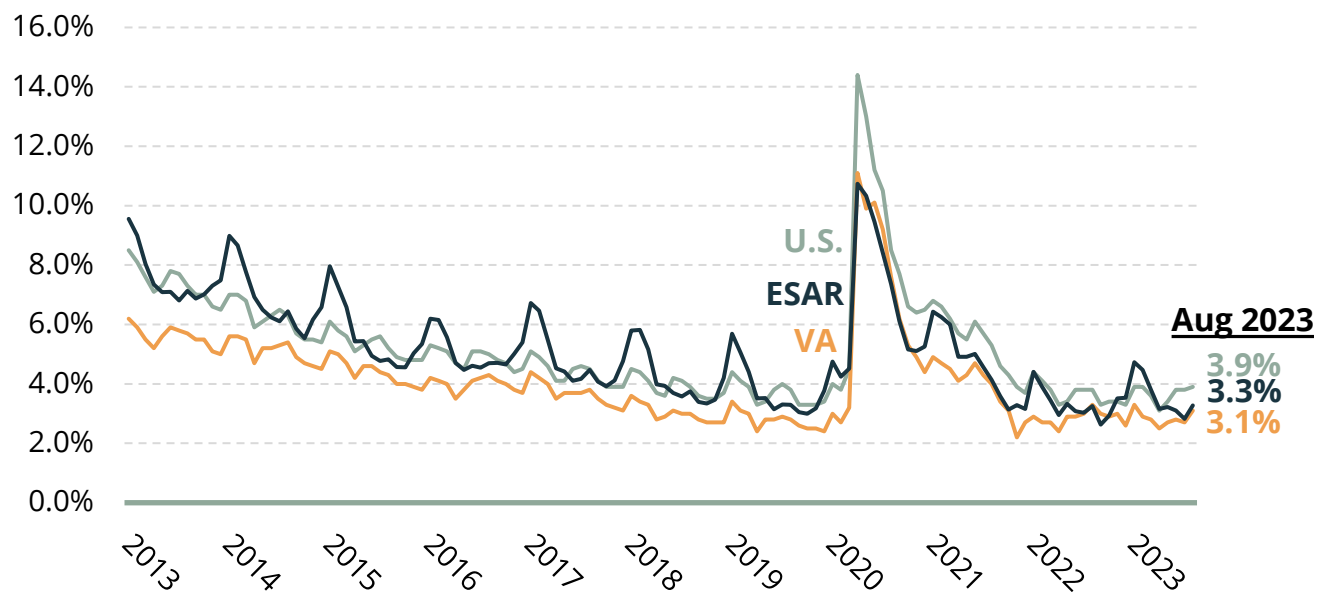


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

Unemployment

The unemployment rate is lingering very low as labor market conditions remain tight and job growth continues. In Virginia, the unemployment rate in August 2023 was 3.1% (not seasonally adjusted), which is down from 3.3% a year ago. In the ESAR footprint, the August unemployment rate was 3.3%, which is unchanged from a year ago.

Figure 2
Unemployment Rate



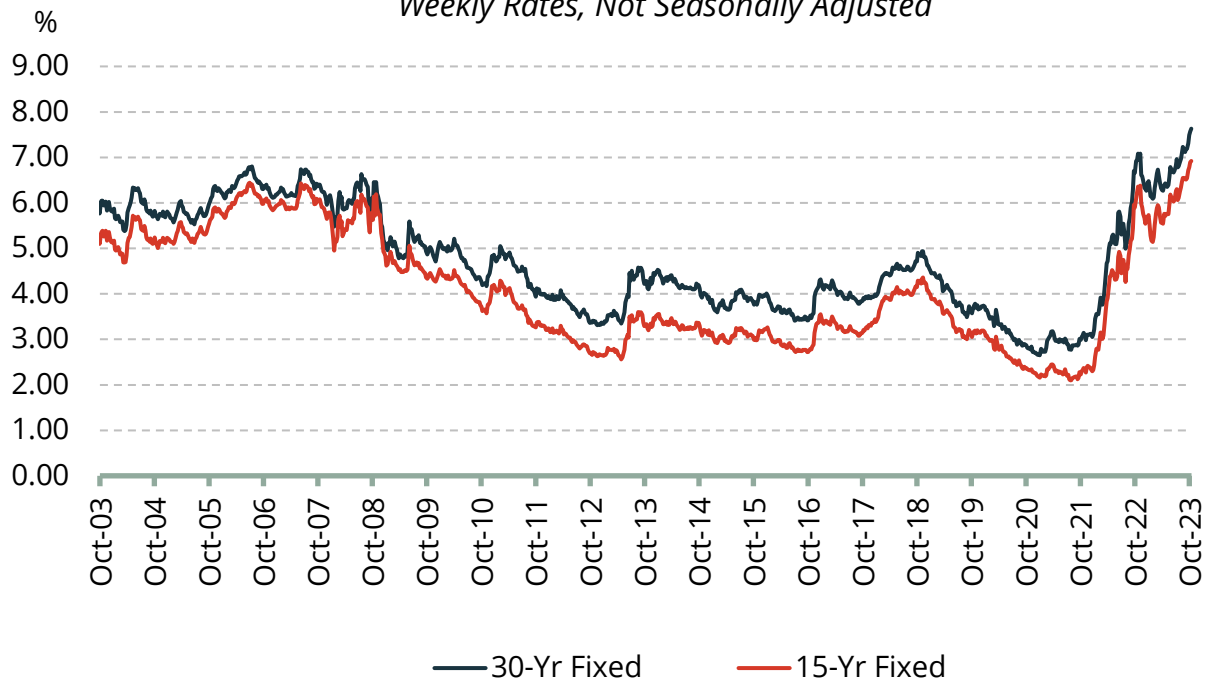
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Mortgage Rates

The average rate for a 30-year fixed mortgage in the United States was 7.63% as of October 19, which rose from 7.57% the prior week, and is up from 6.94% a year ago. This is the highest that mortgage rates have been since December of 2000. Climbing rates have cooled down the housing market significantly. As the rate for fixed mortgages lingers in the mid-7% range, it has prompted renewed interest in adjustable-rate mortgage options (ARM) for some buyers. The Mortgage Bankers Association estimates the average rate for a 5/1 ARM was 6.52% in the third week of October.

Figure 3
Mortgage Interest Rates

Weekly Rates, Not Seasonally Adjusted



Source: Freddie Mac

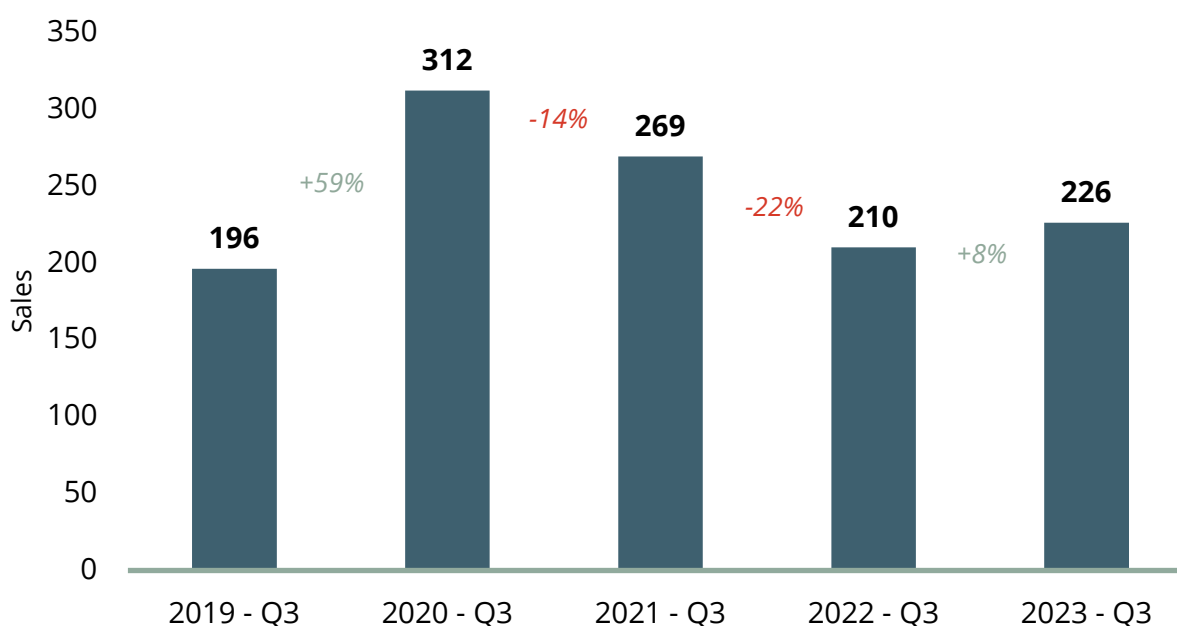
Housing Market Overview

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

For the first time in more than two years, the ESAR regional housing market had more quarterly sales than the previous year. There were 226 homes sold in the third quarter across the region, 16 more sales than a year ago, reflecting an 8% increase. The influx of sales occurred in the Northampton County market. Within the third quarter, which includes July through September, sales activity increased in July and September, but declined in August compared to the prior year. Statewide, sales activity declined 20% in the third quarter of 2023 compared to last year.

Figure 4
Third Quarter Home Sales, ESAR
2019-2023



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



Local Snapshot – Total Home Sales

Accomack County: In Accomack County, there were 149 sales in the third quarter, six fewer sales compared to last year, a 4% decrease.

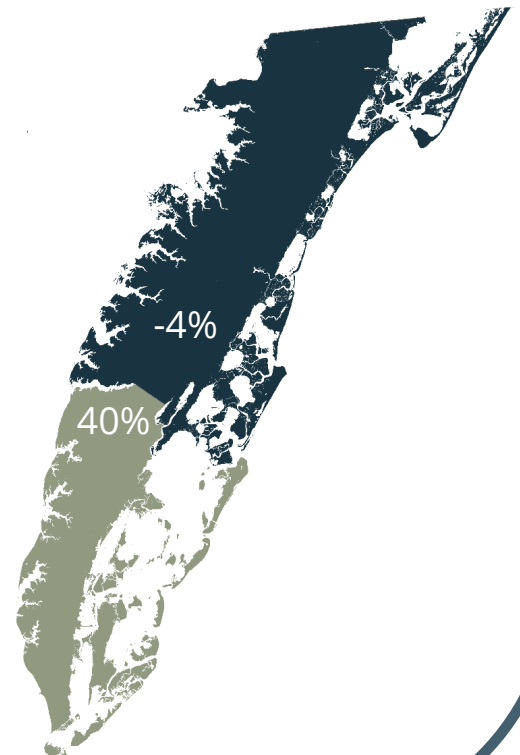
Northampton County: After trending down five straight quarters, sales were up in Northampton County this quarter. In the county, there were 77 home sales during the third quarter, rising 40% from last year, which is 22 additional sales.

Figure 5
Change in Sales by Jurisdiction
ESAR

Third Quarter 2022 to Third Quarter 2023

<i>Jurisdiction</i>	<i>2022 - Q3</i>	<i>2023 - Q3</i>	<i>% Change</i>
Accomack County	155	149	-4%
Northampton County	55	77	40%

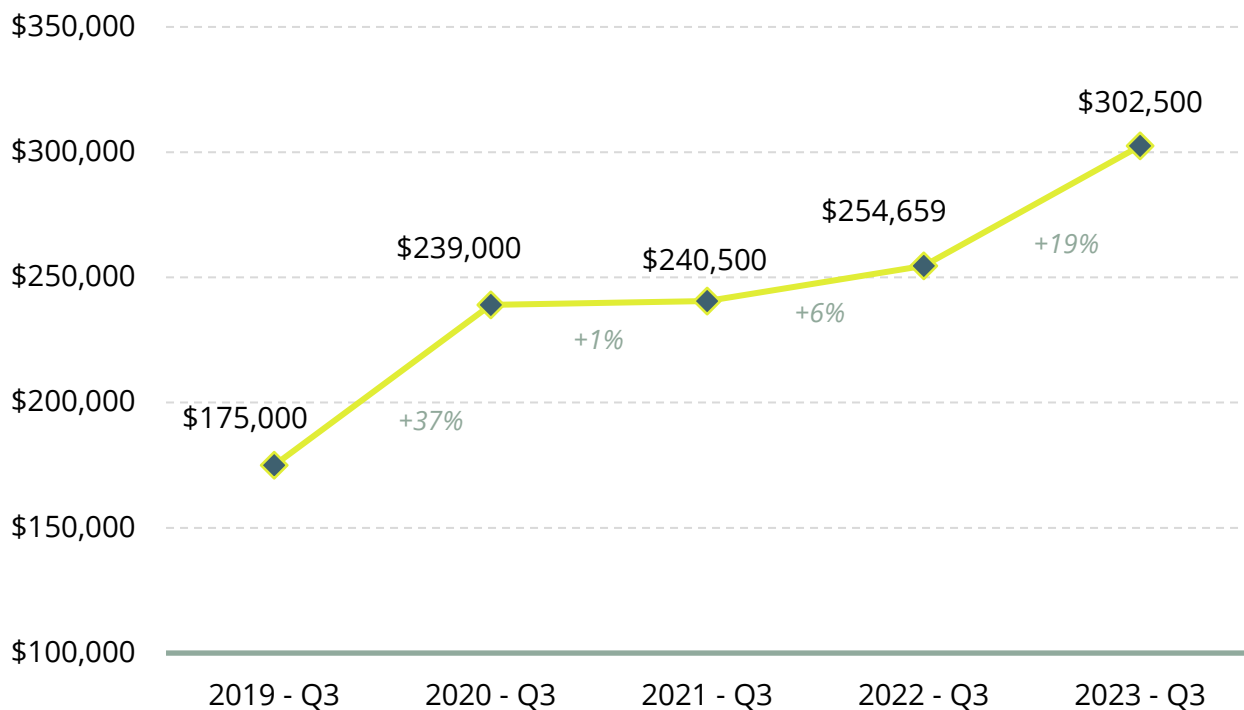
Source: Virginia REALTORS®, data accessed October 15, 2023



Sales Prices

At \$302,500, the median sales price in the Eastern Shore housing market jumped up by \$47,842 in the third quarter, a 19% surge from a year ago. Within the local markets, the median price continues to climb quickly in Accomack County, while the median price in Northampton County has been trending down for three straight quarters. Statewide, the median sales price in the third quarter of 2023 was \$395,000, which rose 5% from a year ago.

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



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



Local Snapshot – *Median Sales Price*

Accomack County: Prices rose for the third consecutive quarter in Accomack County. In the third quarter, the median sales price was \$281,000 in the county, \$46,000 more than the year before, representing a growth of 20%.

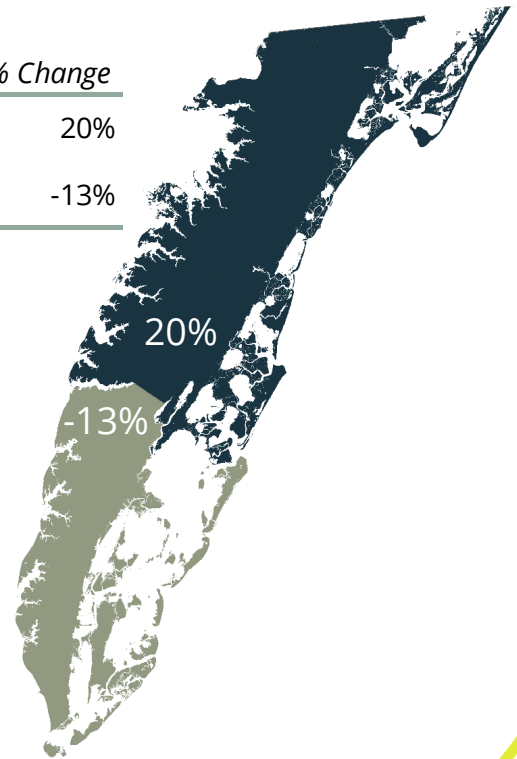
Northampton County: The median home price in Northampton County was \$425,000 in the third quarter, down 13% from the year prior, a \$65,690 price reduction.

Figure 7
Change in Median Sales Price by Jurisdiction
ESAR

Third Quarter 2022 to Third Quarter 2023

<i>Jurisdiction</i>	<i>2022 - Q3</i>	<i>2023 - Q3</i>	<i>% Change</i>
Accomack County	\$235,000	\$281,000	20%
Northampton County	\$490,690	\$425,000	-13%

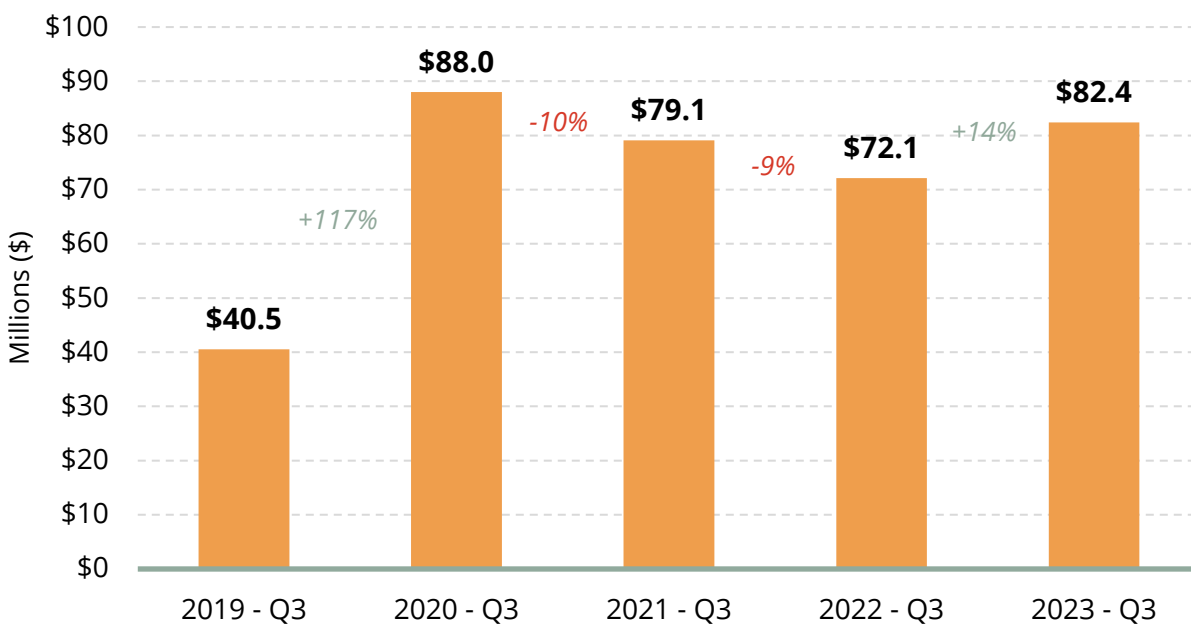
Source: Virginia REALTORS®, data accessed October 15, 2023



Sold Volume

The influx of sales in Northampton County and jump in home prices in Accomack County drove up the total sold dollar volume in the Eastern Shore housing market this quarter. There was about \$82.4 million of sold volume regionwide during the third quarter. This is \$10.3 million more sold volume than the third quarter a year ago, representing a 14% volume gain. This is the first time sold volume in the region has increased since the first quarter of 2022.

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



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

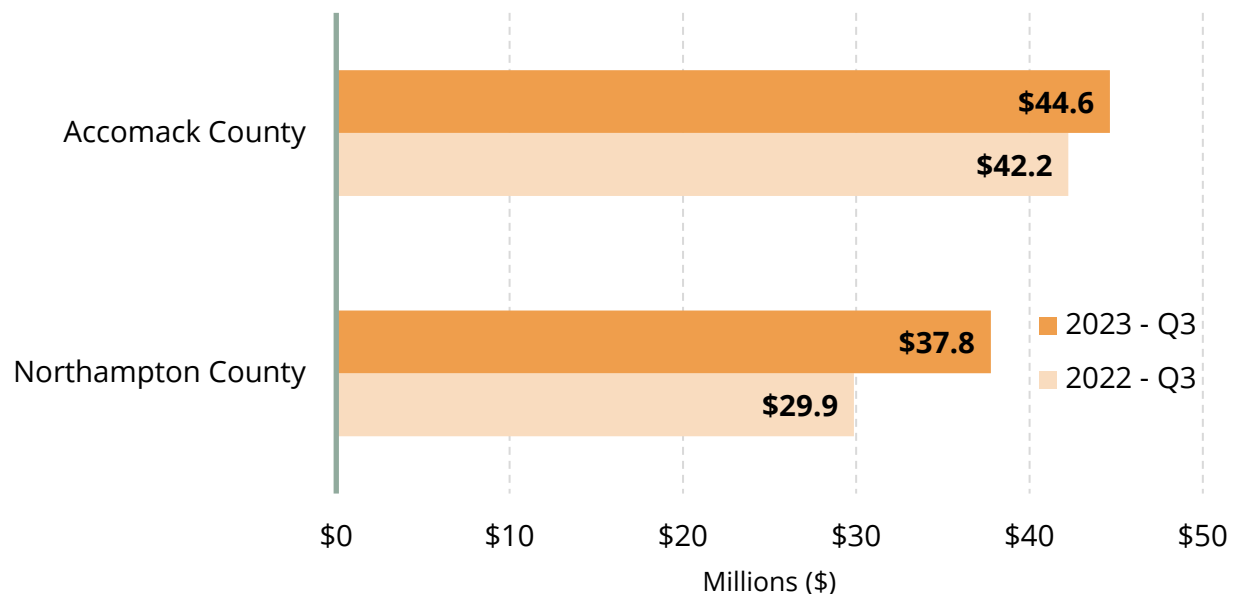


Local Snapshot – *Sold Dollar Volume*

Accomack County: In the third quarter, there was about \$44.6 million of sold volume in Accomack County, \$2.4 million more than the previous year, a 6% increase.

Northampton County: The influx of sales led to a sharp increase in sold volume this quarter in Northampton County. There was \$37.7 million of sold volume during the third quarter in the county, up 26% or \$7.9 million from a year ago.

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

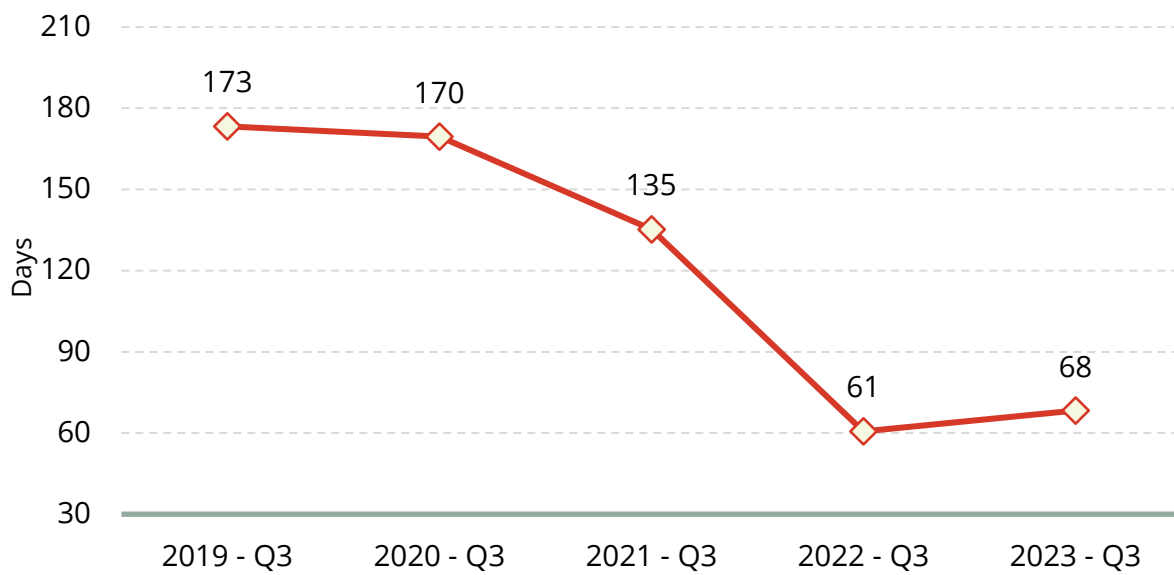


Source: Virginia REALTORS®, data accessed October 15, 2023

Days on Market

Homes continue to take longer to sell on average than last year in the Eastern Shore market. The average days on market in the region was 68 days, which is one week slower than the third quarter last year (+7 days). Homes were on the market longer on average in both local markets this quarter. At the state level, the average days on market in the third quarter was 25 days, which is two days longer than a year ago.

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



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

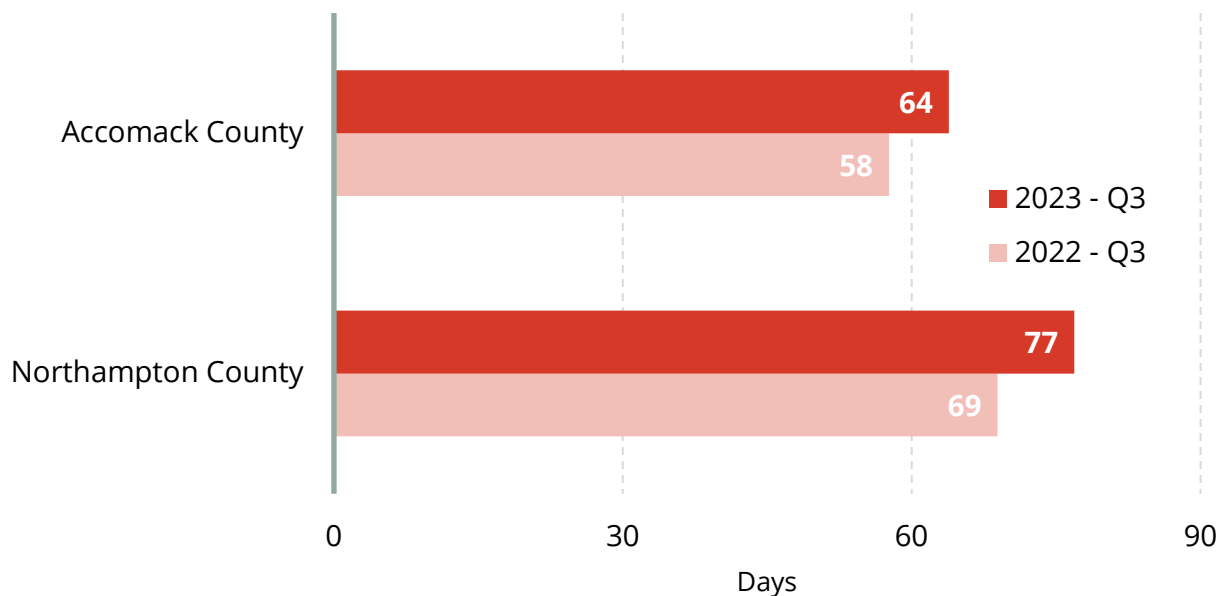


Local Snapshot – Average Days on Market

Accomack County: The average days on market in Accomack County was 64 days during the third quarter, six days longer than the same time a year ago.

Northampton County: In the third quarter, homes in Northampton County were on the market an average of 77 days, taking eight days longer to sell than the year before.

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



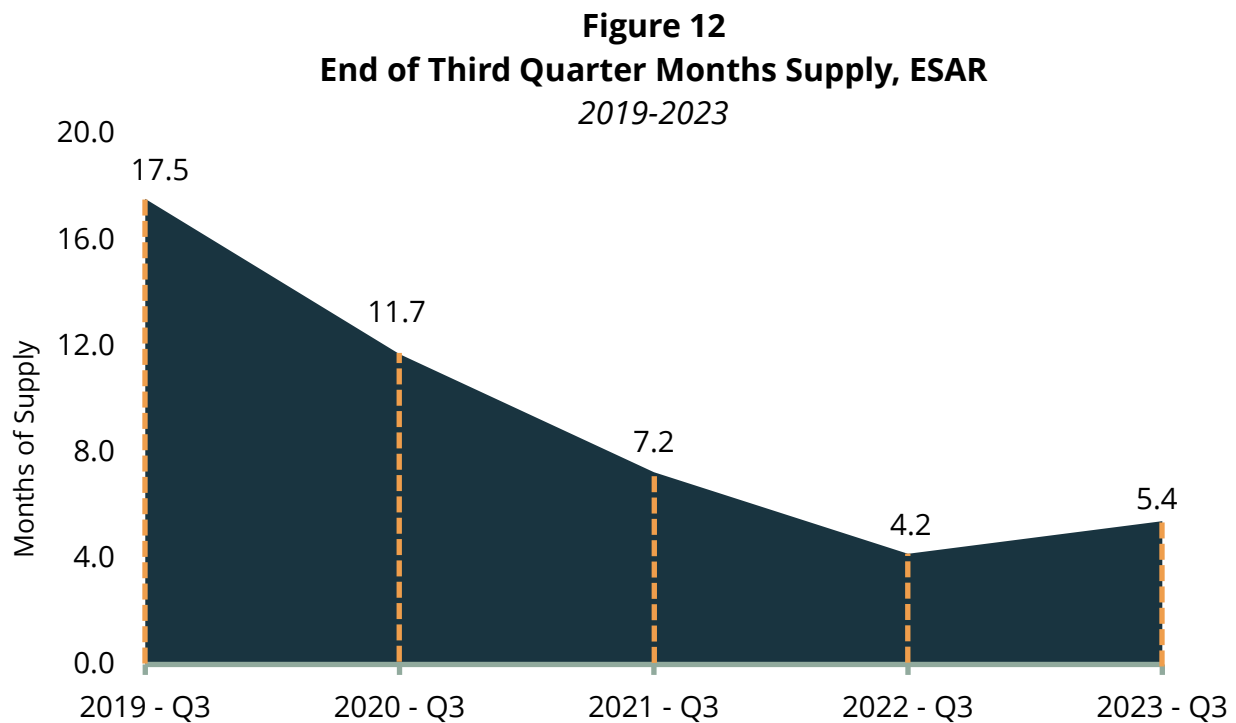
Source: Virginia REALTORS®, data accessed October 15, 2023

Inventory

Inventory levels are building up across the Eastern Shore housing market. There were 343 active listings on the market regionwide at the end of the third quarter, which is 39 more listings than were on the market at this time a year ago, reflecting a 13% increase. The number of active listings has been expanding for two straight quarters in the area, the first time this has happened since 2017.

There were 18,188 active listings statewide in Virginia at the end of the third quarter. This is 1,605 fewer listings than last year, which is an 8.1% drop.

There was about 5.4 months of supply at the end of the third quarter in the ESAR footprint, which is up from 4.2 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 2.1 months of supply at the end of the third quarter.



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

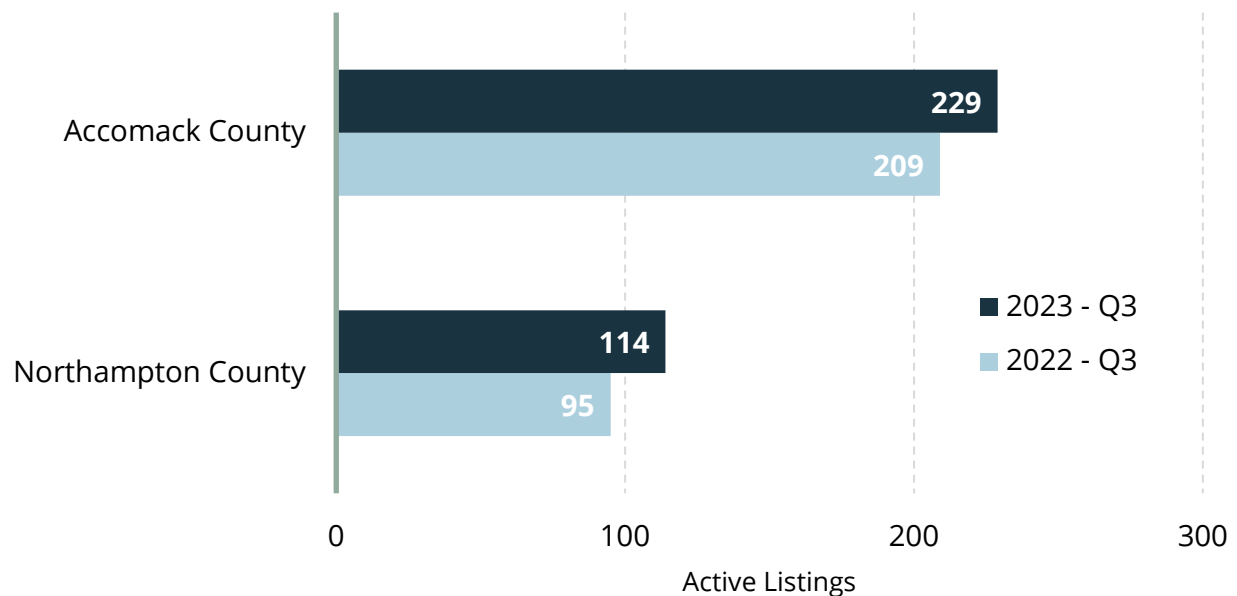


Local Snapshot – *Active Listings*

Accomack County: The number of active listings grew as inventory continued to expand in Accomack County. At the end of the third quarter, there were 229 active listings on the market, 20 more listings than last year, a 10% increase.

Northampton County: In Northampton County, there were 114 listings at the end of the third quarter, jumping 20% from a year earlier, an additional 19 listings.

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



Source: Virginia REALTORS®, data accessed October 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.

All inquiries regarding this report may be directed to:

Robin Spensieri
Virginia REALTORS® Vice President of Communications and Media Relations
rspensieri@virginiarealtors.org
804-622-7954

Data and analysis provided by the Virginia REALTORS® Research Team:

Ryan Price
Virginia REALTORS® Chief Economist
rprice@virginiarealtors.org

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.