

CBRAR CHESAPEAKE BAY & RIVERS HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

CBRAR Home Sales Report

First Quarter 2023

Chesapeake Bay & Rivers Association of REALTORS®

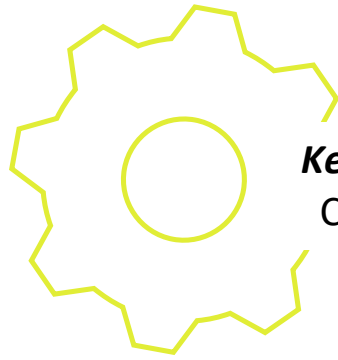
Market Report Key Takeaways

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. In the Chesapeake Bay & Rivers region, the unemployment rate was 2.7% in February, up from 2.6% 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 Chesapeake Bay & Rivers region. There were 222 homes sold in total across the area in the first quarter of 2023, down 28% from last year, the lowest first quarter sales total since 2014.
- The first quarter median sales price in the Chesapeake Bay & Rivers market was \$305,000. This is about \$10,500 higher than it was a year ago, a 4% increase.
- The supply of active listings is shrinking in the Chesapeake Bay & Rivers footprint. There were 221 active listings on the market at the end of the first quarter, 40 fewer listings than a year ago, a 15% decrease.



Key Trends Dashboard Chesapeake Bay & Rivers

Economy



2.7%

Is the Feb-2023 **unemployment rate** in the Chesapeake Bay & Rivers 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



-88

Fewer **home sales** in the Chesapeake Bay & Rivers footprint in Q1-2023 compared to last year



4%

Percent change in **median sales price** in the Chesapeake Bay & Rivers region in Q1-2023 compared to a year ago



-\$31.4

Million dollars less in total **sold volume** in the Chesapeake Bay & Rivers footprint in Q1-2023 compared to last year



-15%

Percent change in **active listings** at the end of Q1-2023 in the Chesapeake Bay & Rivers market compared to a year ago



1.9

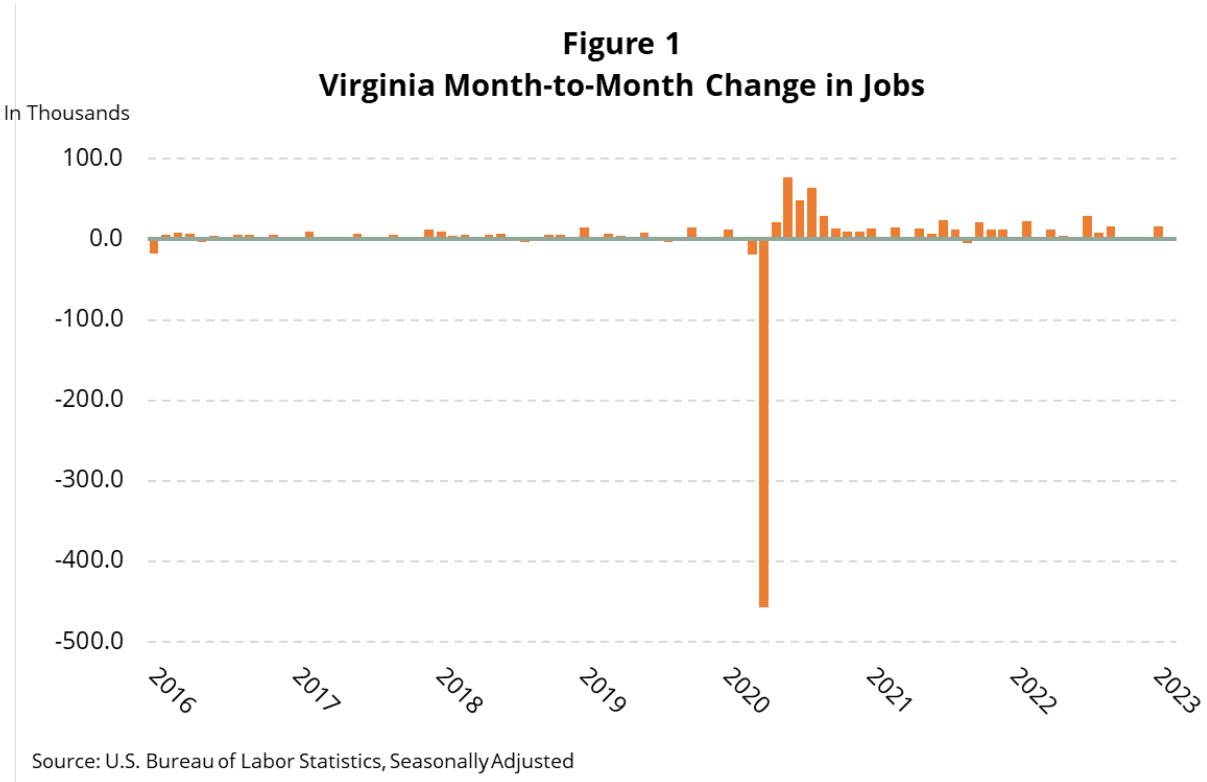
Months of supply in the Chesapeake Bay & Rivers footprint in Q1-2023, which is up from a year ago

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

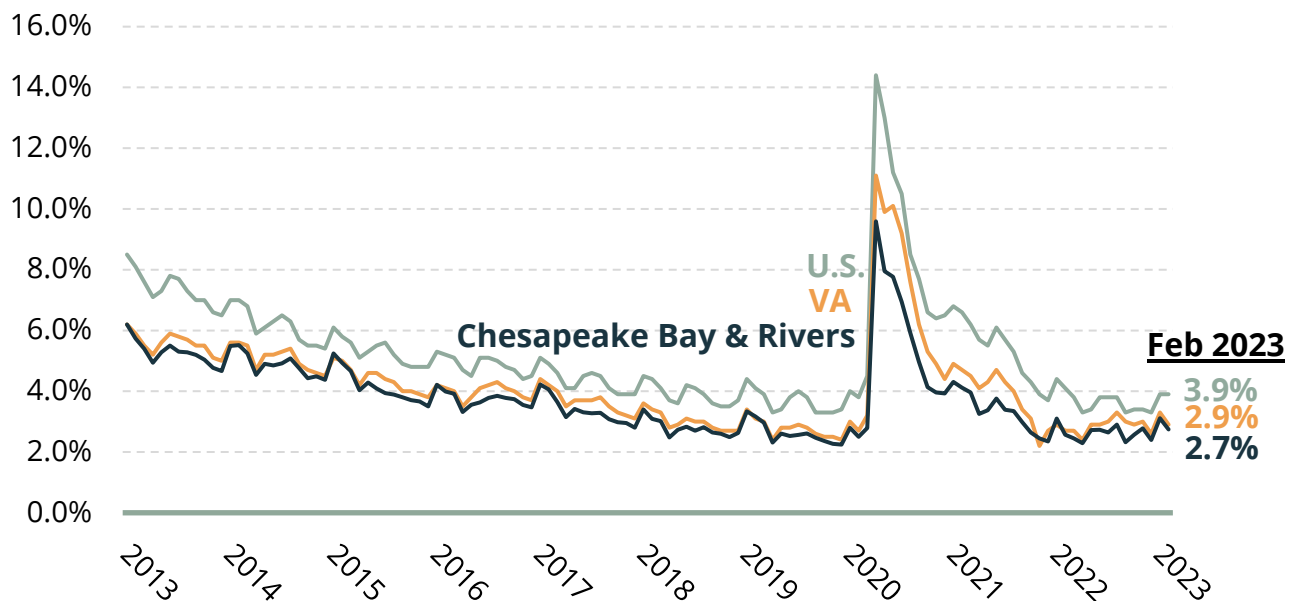
Virginia’s job base continues to expand, but the pace has slowed from recent months. There were about 4.31 million jobs across the state in February 2023, which is an influx of 3,200 jobs from January 2023. Virginia has fully recovered job losses incurred in the spring of 2020, and the job base has grown 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 in the Chesapeake Bay & Rivers region was 2.7% in February 2023, up from 2.6% a year ago.

Figure 2
Unemployment Rate



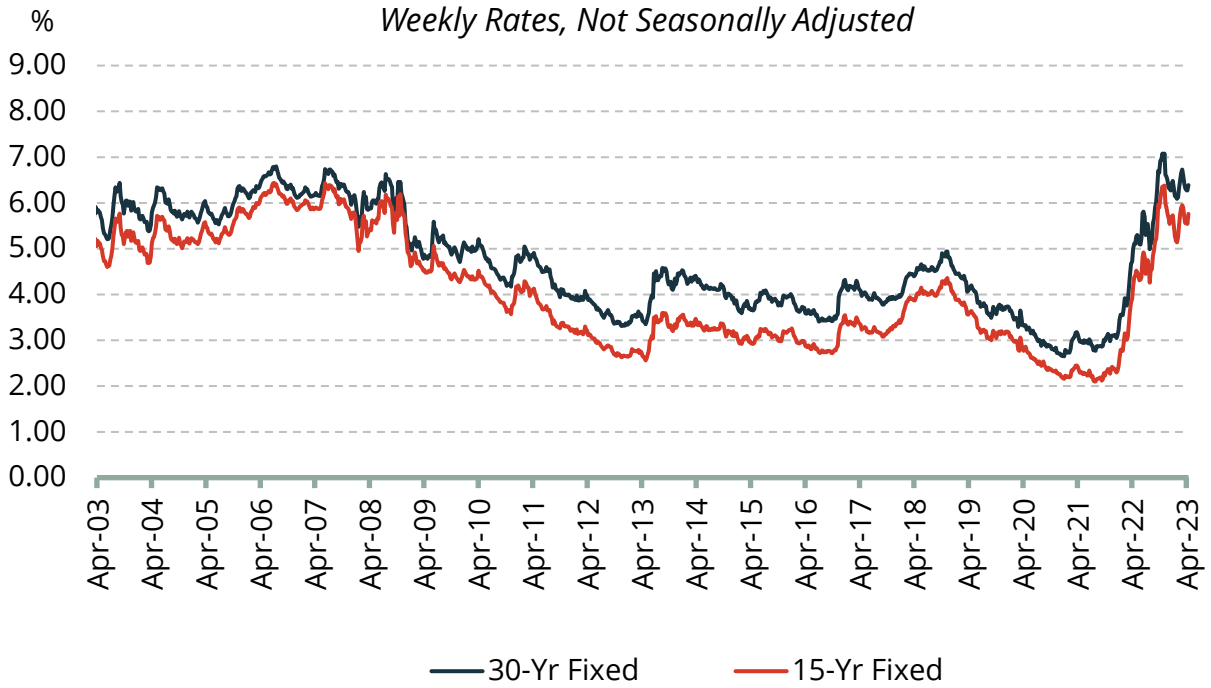
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

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

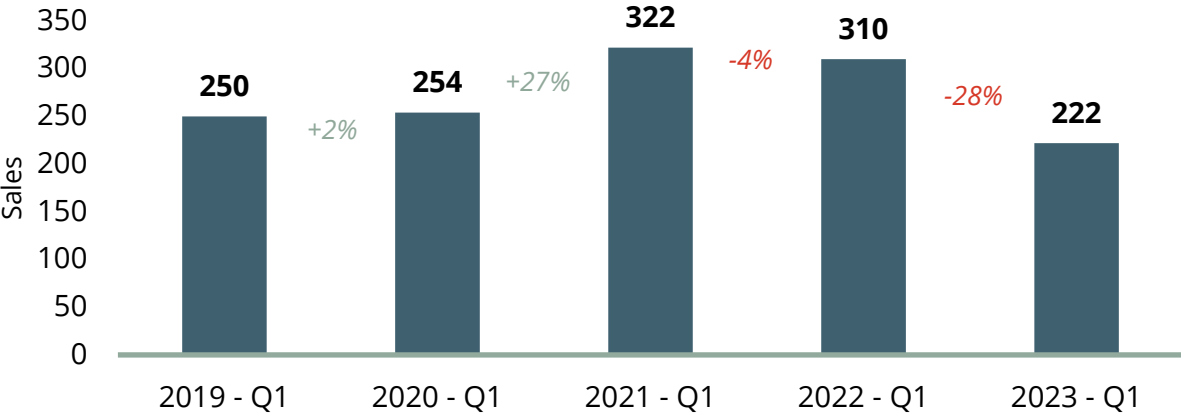
Housing Market Overview

The Chesapeake Bay & Rivers housing market is off to a slow start in 2023. Sales activity in the first quarter is back to 2014 levels, and homes are staying on the market longer on average. Sold volume levels continue to be below last year as a result of fewer sales. Despite the slowdown, prices continue to climb in some local markets due to the tight inventory conditions. The number of active listings continues to shrink in the region.

Sales

There were 222 sales in the Chesapeake Bay & Rivers housing market in the first quarter of 2023, which is 88 fewer sales than this time last year, a 28% drop. This is the slowest first quarter the region has had since 2014, as rising interest rates and lack of inventory 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
Chesapeake Bay & Rivers
2019-2023



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



Local Snapshot – *Total Home Sales*

Gloucester County: Sales continued to moderate in Gloucester County. In the first quarter, there were 110 sales in the county, down 24% from the year before, which is 35 fewer sales.

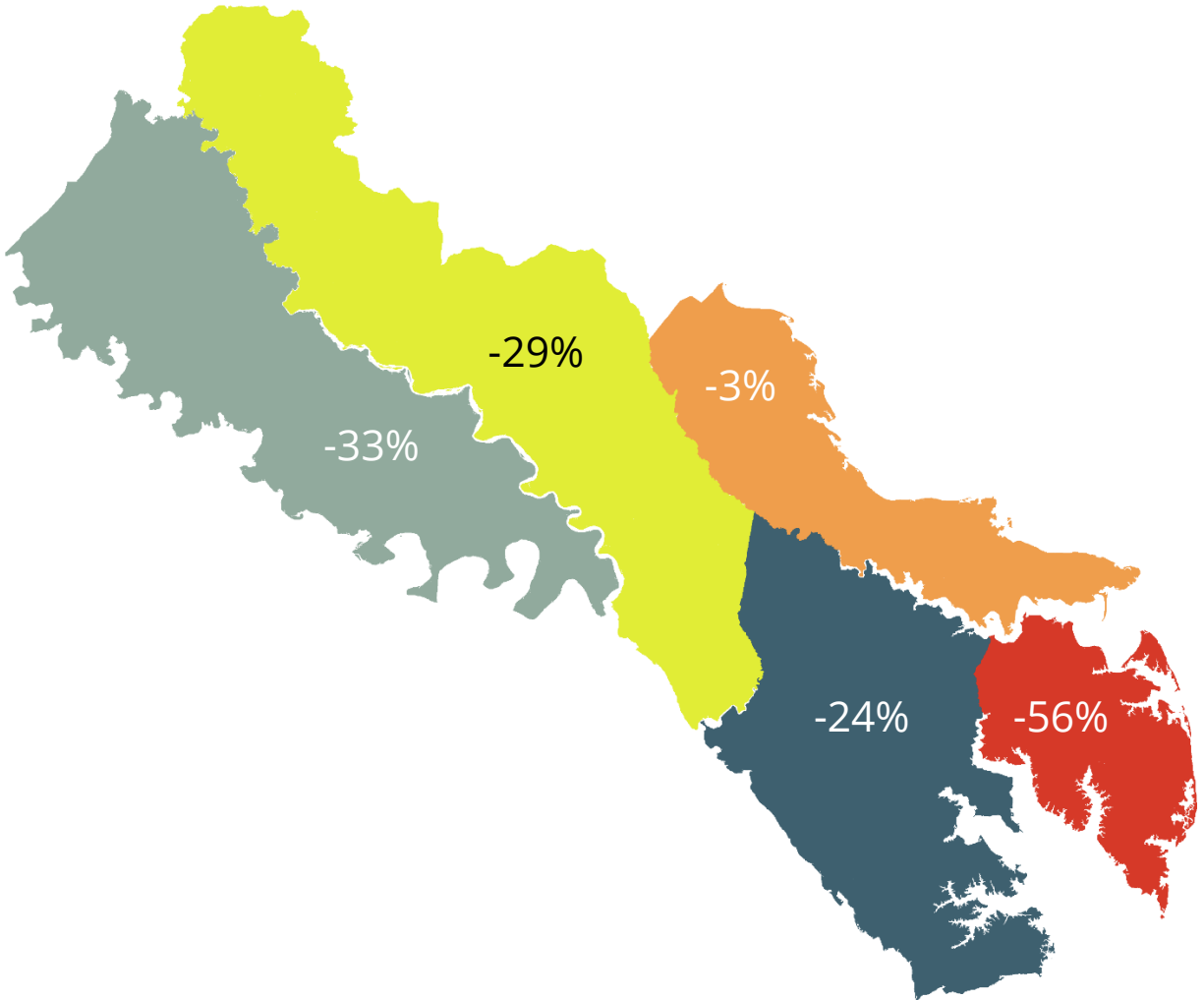
King and Queen County: In King and Queen County, there were 10 sales during the first quarter, four fewer sales than a year earlier, a 29% decrease.

King William County: There were 46 sales in King William County in the first quarter, 23 fewer sales than the previous year, dropping by 33%.

Mathews County: Sales activity continued to slow down in Mathews County. There were 20 sales in the first quarter, 25 fewer sales or 56% less than last year.

Middlesex County: In Middlesex County, there were 36 sales in the first quarter, a 3% dip compared to a year ago, which is one fewer sale. This represents the seventh straight quarter in which sales have fallen in the county.

Figure 5
Change in Sales by Jurisdiction
Chesapeake Bay & Rivers
First Quarter 2022 to First Quarter 2023



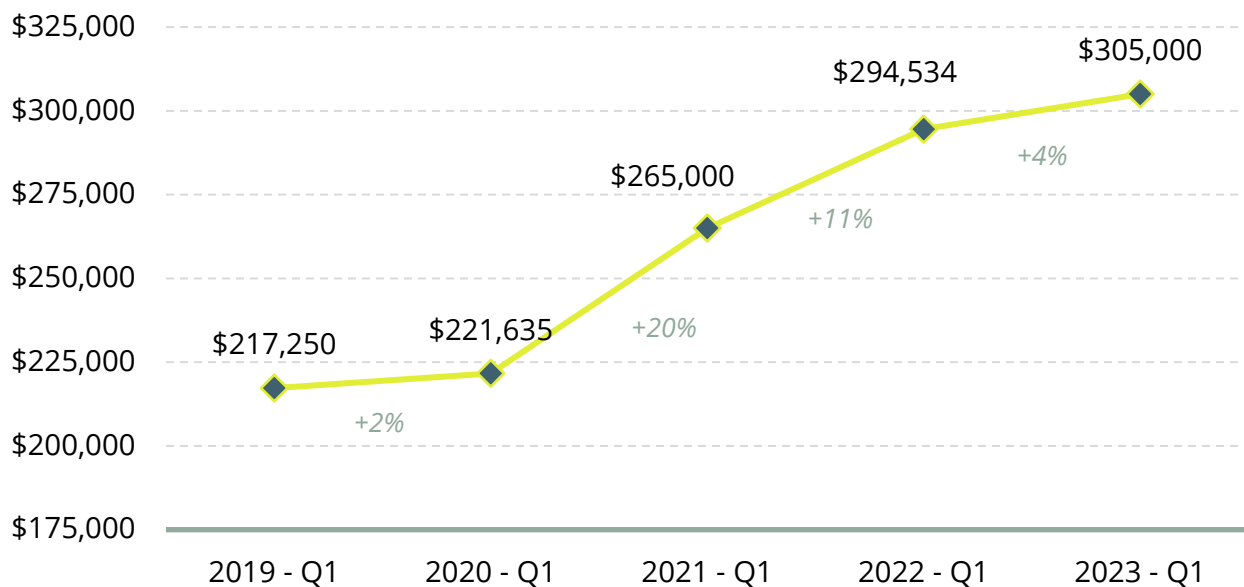
<i>Jurisdiction</i>	<i>2022 - Q1</i>	<i>2023 - Q1</i>	<i>% Change</i>
Gloucester County	145	110	-24%
King & Queen County	14	10	-29%
King William County	69	46	-33%
Mathews County	45	20	-56%
Middlesex County	37	36	-3%

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

Sales Prices

Home prices dipped in several local markets around the Chesapeake Bay & Rivers footprint this quarter, but the overall median price rose. The regionwide median sales price in the first quarter was \$305,000, which is about \$10,500 higher than it was in the first quarter last year, representing a 4% increase. Three of the five local markets in the footprint had a lower median sales price this quarter which reflects cooling demand in the region. 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, Chesapeake Bay & Rivers
2019-2023



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



Local Snapshot – *Median Sales Price*

Gloucester County: At \$306,000, the median sales price during the first quarter in Gloucester County was down just 1% from a year ago, a \$2,000 decrease in price.

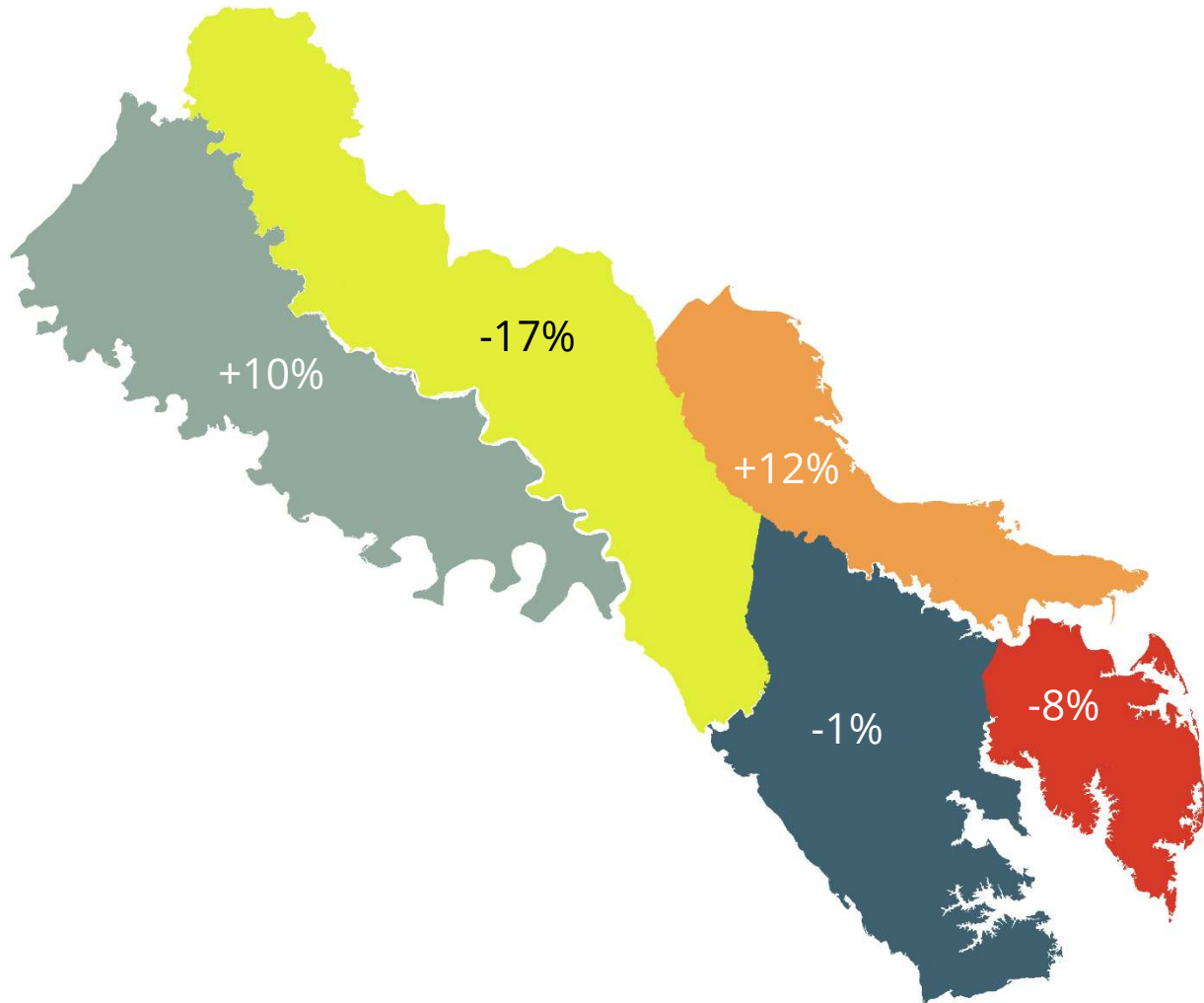
King and Queen County: The median price of a home in King and Queen County was \$237,000 in the first quarter, \$48,000 less than the previous year, a decline of 17%.

King William County: Prices continued to rise in King William County. In the first quarter, the median sales price was \$312,500, up 10% from the prior year, a gain of \$27,500.

Mathews County: Home prices went down in Mathews County this quarter. In the county, the median price of a home was \$264,950, declining by 8% or \$22,550 less than last year.

Middlesex County: The sales price in Middlesex County has been trending up for four consecutive quarters. In the first quarter, the median sale price was \$348,750, a 12% increase from a year earlier, or \$36,750.

Figure 7
Change in Median Sales Price by Jurisdiction
Chesapeake Bay & Rivers
First Quarter 2022 to First Quarter 2023



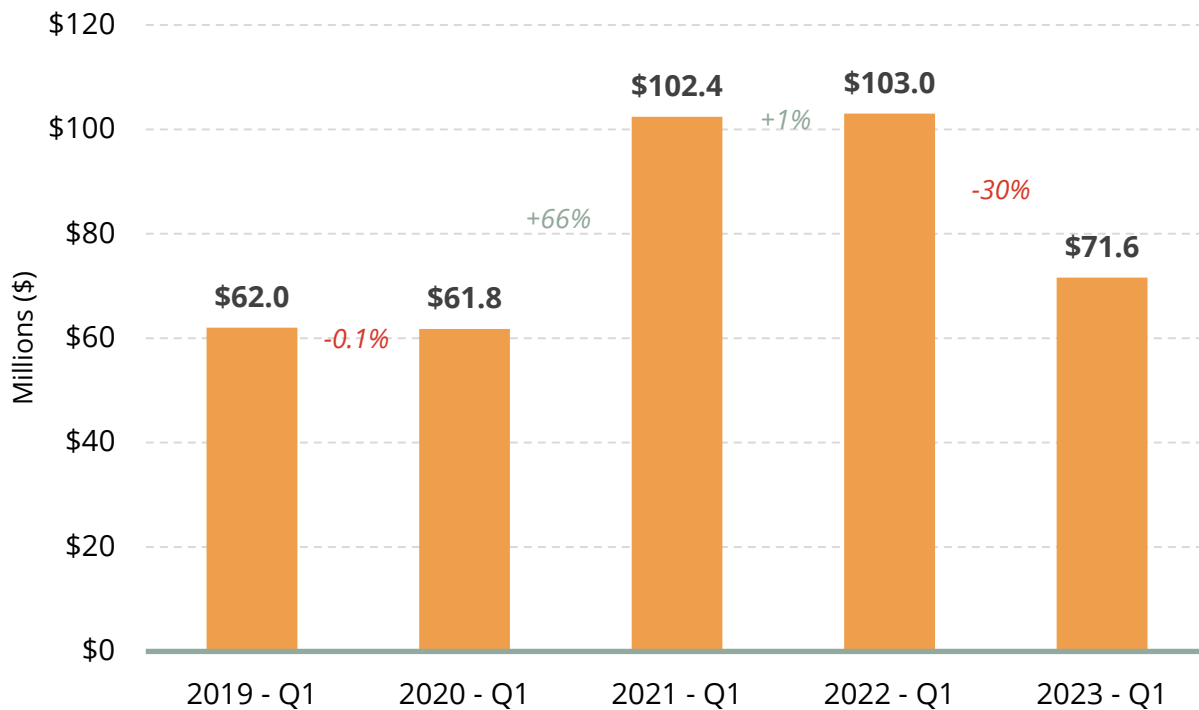
<i>Jurisdiction</i>	<i>2022 - Q1</i>	<i>2023 - Q1</i>	<i>% Change</i>
Gloucester County	\$308,000	\$306,000	-1%
King & Queen County	\$285,000	\$237,000	-17%
King William County	\$285,000	\$312,500	10%
Mathews County	\$287,500	\$264,950	-8%
Middlesex County	\$312,000	\$348,750	12%

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

Sold Volume

The sold dollar volume continues to trend down in the Chesapeake Bay & Rivers housing market as there are fewer sales overall. There was approximately \$71.6 million of sold volume in the Chesapeake Bay & Rivers footprint during the first quarter. This is \$31.4 million less volume than the first quarter last year, a 30% drop. Most local markets had a sharp decrease in volume this quarter, with the exception of Middlesex County, which had an uptick in sold volume.

Figure 8
First Quarter Sold Dollar Volume (Millions)
Chesapeake Bay & Rivers
2019-2023



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



Local Snapshot – *Sold Dollar Volume*

Gloucester County: Lower sales activity and a drop in the median sales price brought down the sold dollar volume in Gloucester County. In the first quarter, there was \$34.8 million of sold volume, 27% less than last year, a \$13 million loss.

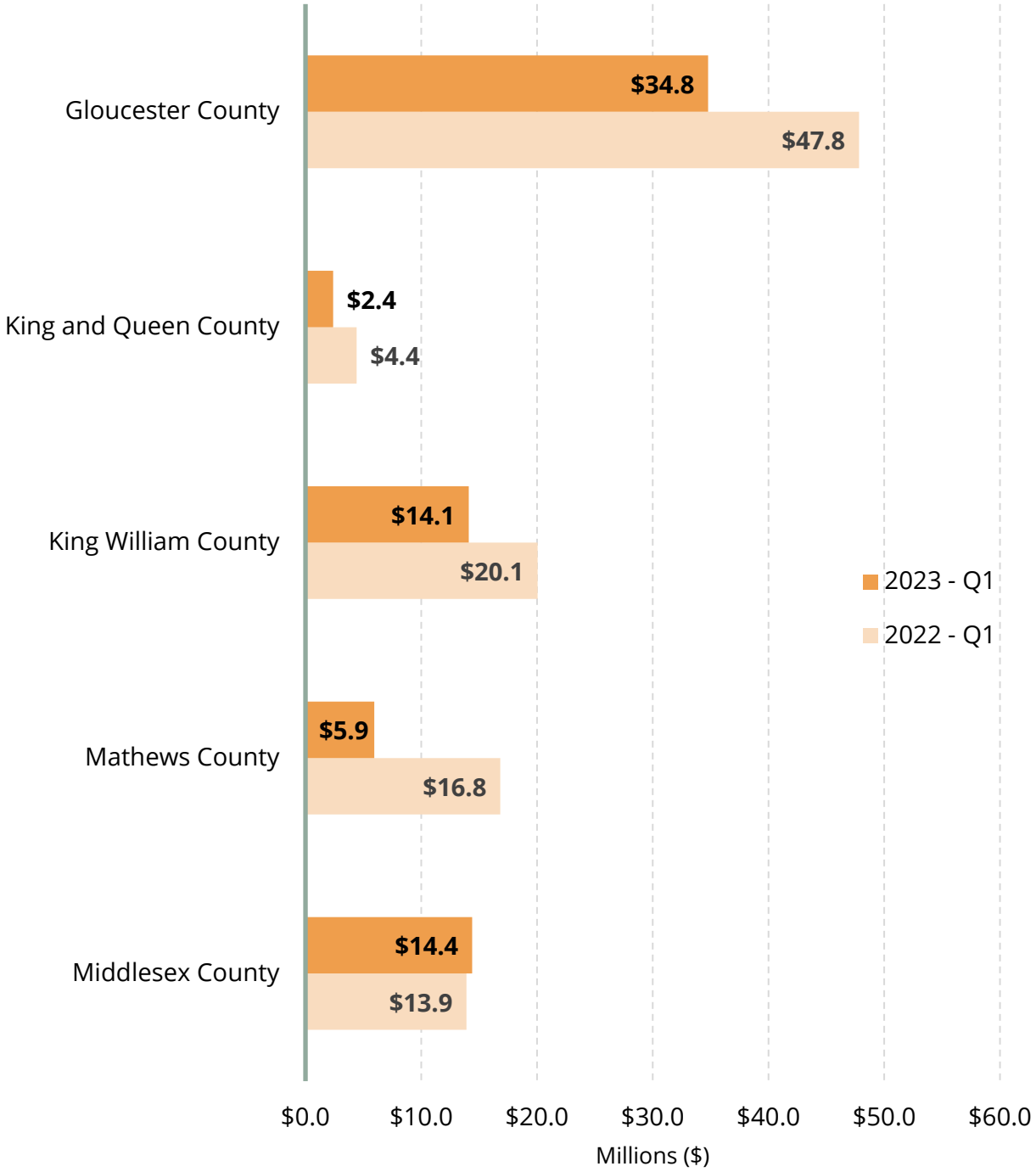
King and Queen County: There was about \$2.4 million of sold dollar volume in King and Queen County during the first quarter, a 46% decline or \$2.02 million less than a year ago.

King William County: Total sold dollar volume in King William County was approximately \$14.1 million in the first quarter, \$6 million less than the previous year, a 30% drop in volume.

Mathews County: Sold dollar volume fell for the third straight quarter in Mathews County. There was roughly \$6 million of sold volume during the first quarter, dropping by 65% compared to the year before, a \$10.9 million decrease.

Middlesex County: After declining five quarters in a row, the sold dollar volume went up in Middlesex County. There was \$14.4 million of sold volume in the first quarter, increasing by 4% from the same time last year, a gain of \$491,145.

Figure 9
First Quarter Sold Dollar Volume
Chesapeake Bay & Rivers Jurisdictions
2022 and 2023

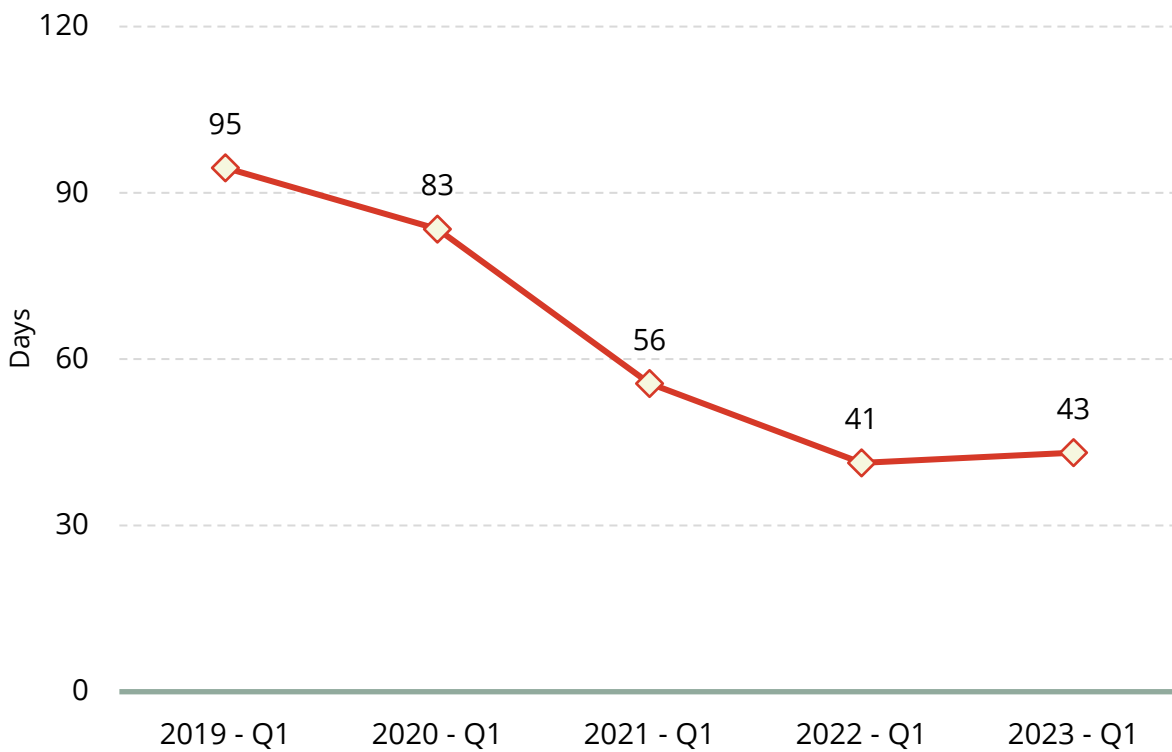


Source: Virginia REALTORS®, data accessed April 15, 2023

Days on Market

It's taking slightly longer to sell homes on average in the Chesapeake Bay & Rivers housing market. The average days on market in the region during the first quarter was 43 days, which is two days longer than the first quarter of last year. This is the second straight time in the last three quarters this metric has increased in the region. A slowdown also occurred statewide this quarter. 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
Chesapeake Bay & Rivers
2019-2023



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



Local Snapshot – *Average Days on Market*

Gloucester County: In the first quarter, the average days on market for a home in Gloucester County was 43 days, 13 days longer than the previous year.

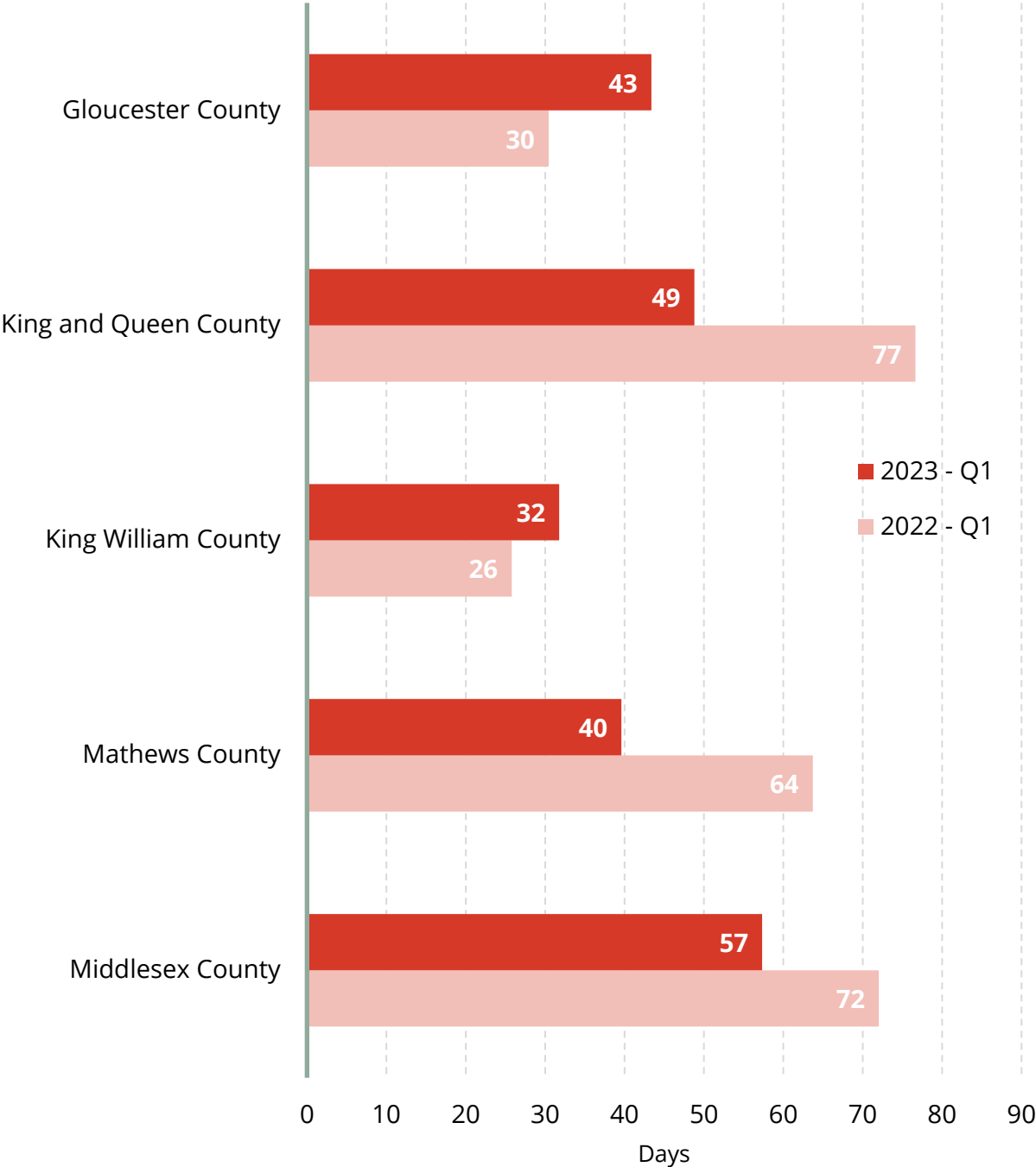
King and Queen County: Homes spent less time on the market this quarter in King and Queen County. The average days on market was 49 days during the first quarter, selling 28 days faster than a year ago.

King William County: In King William County, the average days on market was 32 days in the first quarter, six days longer than last year.

Mathews County: At 40 days, the average days on market for homes sold in Mathews County during the first quarter was 24 days less than the year before.

Middlesex County: The average days on market in Middlesex County was 57 days in the first quarter, 15 days faster than last year at this time.

Figure 11
First Quarter Average Days on Market
Chesapeake Bay & Rivers Jurisdictions
2022 and 2023



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

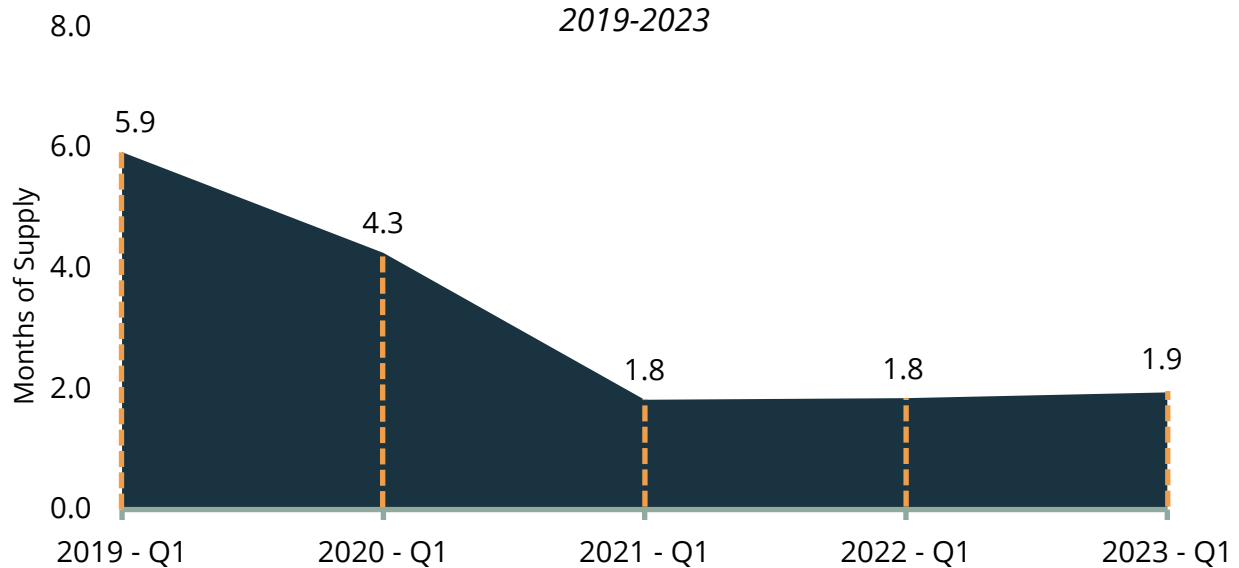
Inventory

The number of active listings in the Chesapeake Bay & Rivers housing market continues to shrink. There were 221 active listings on the market at the end of the first quarter of 2023. This is 40 fewer listings than last year, a 15% decrease. All but one local market had a decrease in active listings this quarter compared to a year ago.

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 1.9 months of supply at the end of the first quarter in the Chesapeake Bay & Rivers footprint, which is up from 1.8 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.

Figure 12
End of First Quarter Months Supply
Chesapeake Bay & Rivers
2019-2023



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



Local Snapshot – *Active Listings*

Gloucester County: At the end of the first quarter, there were 68 active listings on the market in Gloucester County, 15 fewer listings than a year earlier, representing an 18% decline.

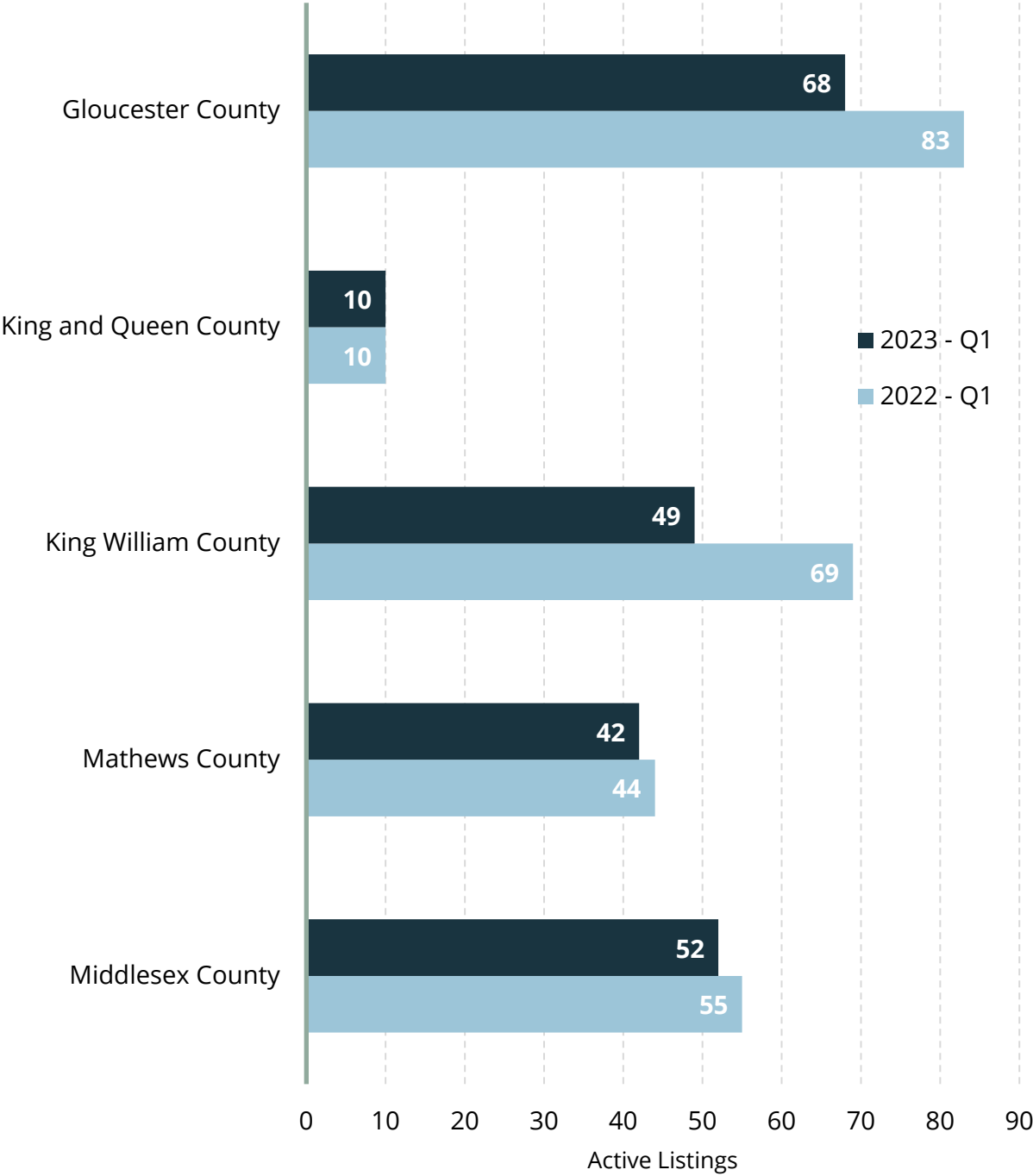
King and Queen County: In King and Queen County, there were 10 listings at the end of the first quarter, remaining unchanged from last year.

King William County: Supply was down this quarter in King William County. There were 49 listings at the end of the first quarter in the county, down 29% compared to the same time a year ago, which is 20 fewer listings.

Mathews County: Despite inventory rising this quarter, the number of active listings dipped. At the end of the first quarter, there were 42 listings in Mathews County, two fewer listings than the previous year, a 5% drop.

Middlesex County: There were 52 active listings at the end of the first quarter in Middlesex County, falling by 5% or three fewer listings than the year before.

Figure 13
End of First Quarter Active Listings
Chesapeake Bay & Rivers 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.