

CBRAR CHESAPEAKE BAY & RIVERS HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

CBRAR Home Sales Report

Fourth Quarter 2023

Chesapeake Bay & Rivers Association of REALTORS®

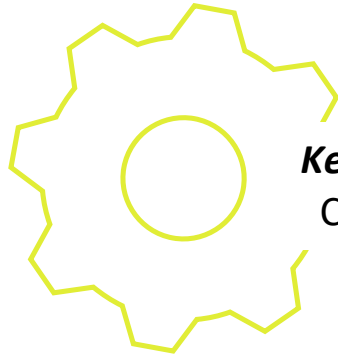
Market Report Key Takeaways

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 Chesapeake Bay & Rivers region, the unemployment rate was 2.8% 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 continues to cool in the Chesapeake Bay & Rivers region. There were 253 sales regionwide during the fourth quarter, 40 fewer sales than last year, which is a 14% decline.
- Home prices fell in some local markets and rose in others. The regionwide median sales price in the Chesapeake Bay & Rivers footprint in the fourth quarter was \$328,000, dipping 3% from this time last year.
- The supply of active listings in the Chesapeake Bay & Rivers region continues to build up. There were 309 active listings on the market at the end of the fourth quarter regionwide, up 27% from a year ago.



Key Trends Dashboard Chesapeake Bay & Rivers

Economy

- **2.8%** Is the Nov-2023 **unemployment rate** in the Chesapeake Bay & Rivers 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

▼ **-40** Fewer **home sales** in the Chesapeake Bay & Rivers footprint in Q4-2023 compared to last year

▼ **-3%** Percent change in **median sales price** in the Chesapeake Bay & Rivers region in Q4-2023 compared to a year ago

▼ **-\$14.5** Million dollars less in total **sold volume** in the Chesapeake Bay & Rivers footprint in Q4-2023 compared to last year

▲ **27%** Percent change in **active listings** at the end of Q4-2023 in the Chesapeake Bay & Rivers market compared to a year ago

▲ **3.4** **Months of supply** in the Chesapeake Bay & Rivers footprint in Q4-2023, which is up from a year ago

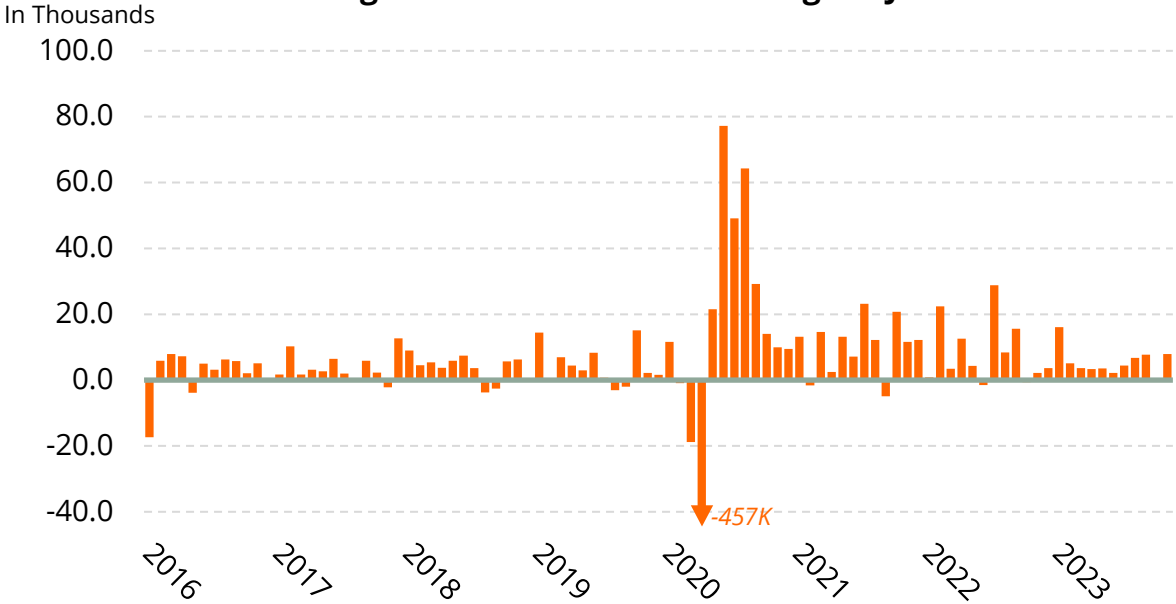
Economic Overview

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

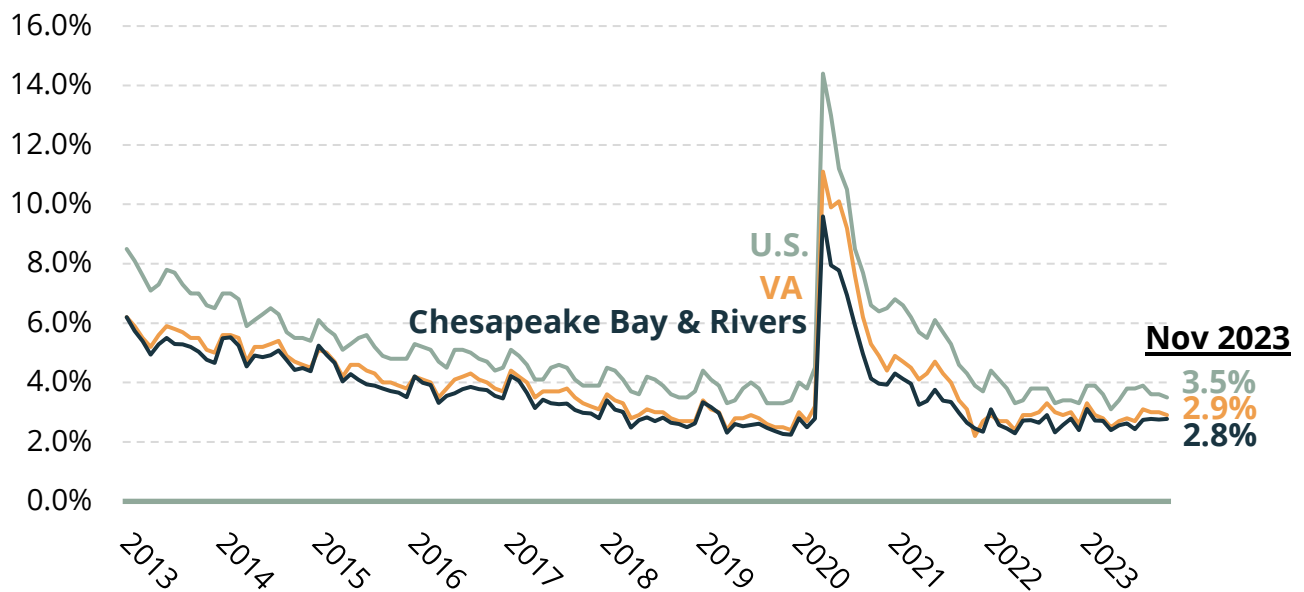


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

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 Chesapeake Bay & Rivers footprint the November unemployment rate was 2.8%, which is the same as last year.

Figure 2
Unemployment Rate

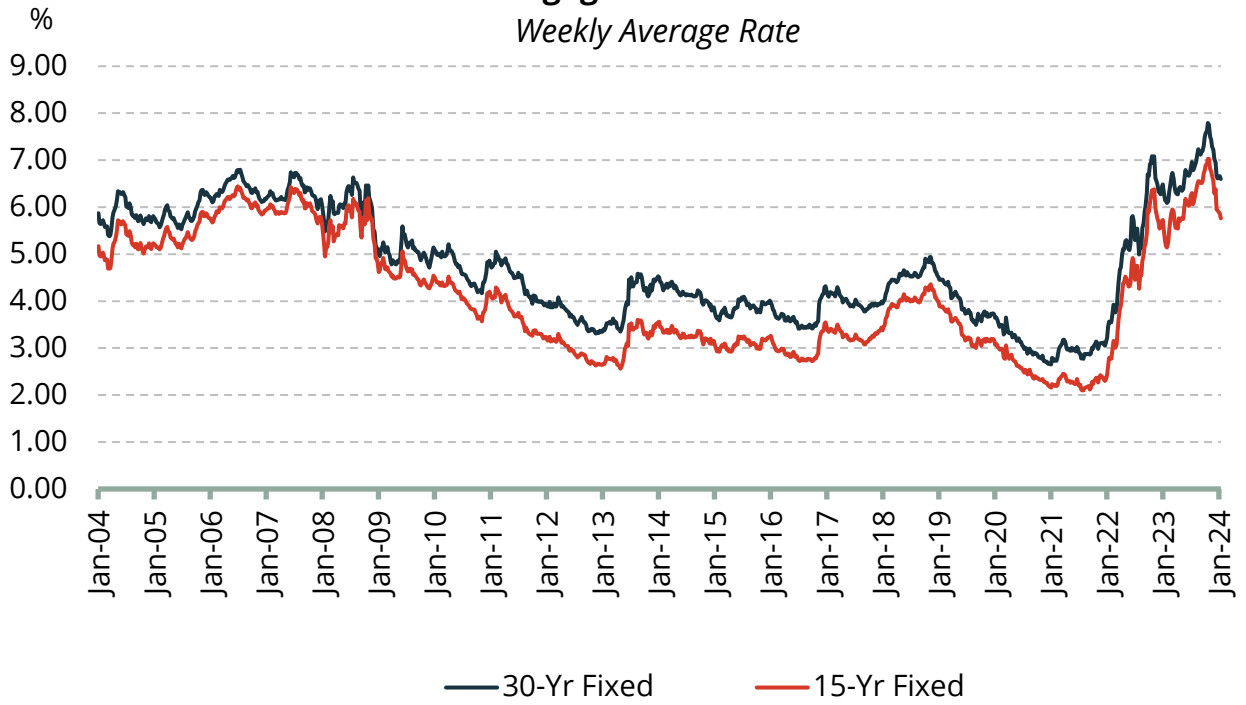


Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

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

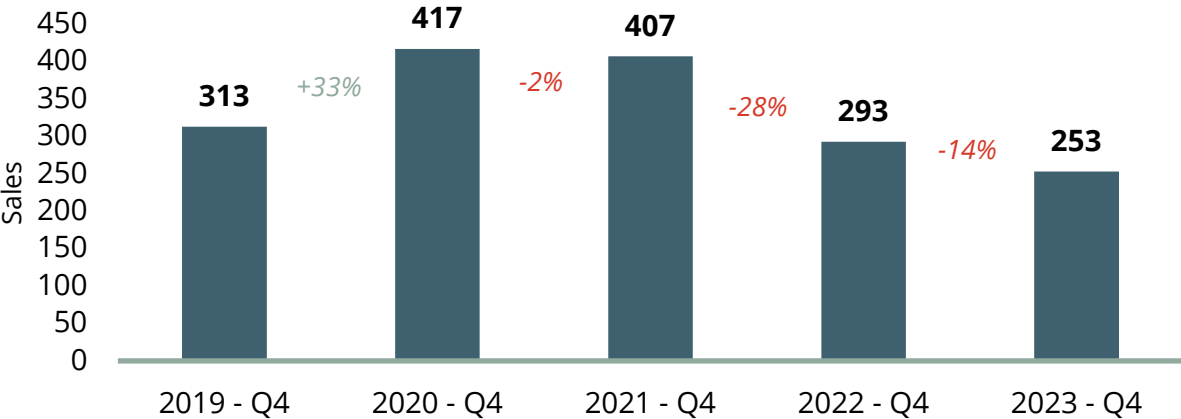
Housing Market Overview

The Chesapeake Bay & Rivers housing market continued to cool as 2023 came to a close. Sales activity was down in most local markets, which led to a drop in sold dollar volume. Home prices are falling in some local markets and rising in others, and homes were on the market longer on average. There was also an influx of active listings on the market this quarter compared to a year ago.

Sales

It was a slow fourth quarter in the Chesapeake Bay & Rivers regional housing market. There were 253 sales throughout the footprint in the fourth quarter of 2023. This is 40 fewer sales than the fourth quarter a year ago, a 14% decline. This was the slowest fourth quarter the region’s housing market has had in more than a decade. Mortgage rates hit a more than two-decade high in October 2023, which likely deterred some market activity this quarter. Within the quarter, sales activity increased in October, and declined sharply in November and December. Statewide, sales activity declined 10% in the fourth quarter of 2023 compared to last year.

Figure 4
Fourth Quarter Home Sales
Chesapeake Bay & Rivers
2019-2023



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



Local Snapshot – *Total Home Sales*

Gloucester County: Gloucester County had 105 sales in the fourth quarter, 13 fewer sales than the year before, dropping by 11%.

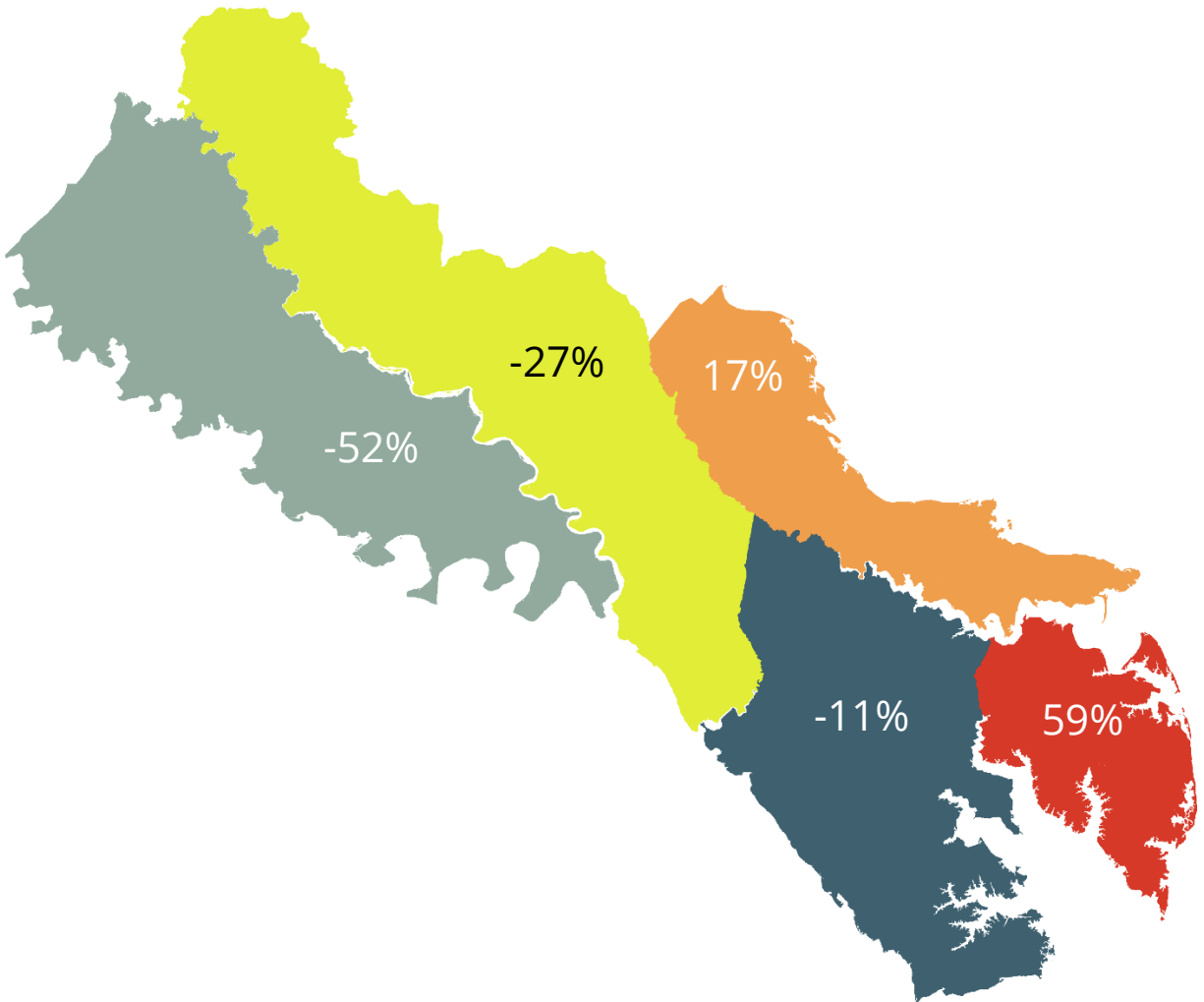
King and Queen County: There were 11 homes sold in King and Queen County, down 27% in the fourth quarter, four fewer sales than last year.

King William County: Sales in King William County fell for the sixth consecutive quarter. The county had 43 sales in the fourth quarter, 47 fewer sales than a year earlier, dropping by 52%.

Mathews County: In Mathews County sales activity jumped 59% in the fourth quarter. The total number of sales was 46 in the county, 17 more sales than a year ago.

Middlesex County: The number of homes sold in Middlesex County came to 48 sales in the fourth quarter, increasing by 17% from the year prior, an additional seven sales.

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



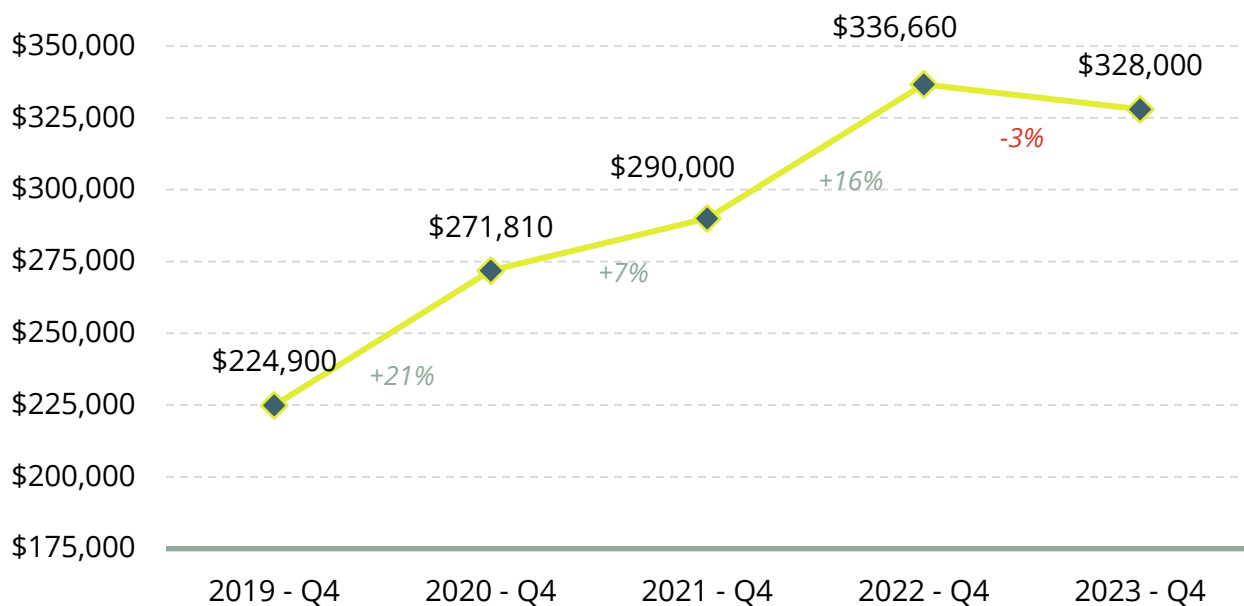
<i>Jurisdiction</i>	<i>2022 - Q4</i>	<i>2023 - Q4</i>	<i>% Change</i>
Gloucester County	118	105	-11%
King & Queen County	15	11	-27%
King William County	90	43	-52%
Mathews County	29	46	59%
Middlesex County	41	48	17%

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

Sales Prices

The regionwide fourth quarter median sales price was \$328,000, which is \$8,660 lower than it was a year ago, a 3% drop. The last time the regionwide median price fell was in the spring of 2020. Within the local markets, home prices rose sharply in King and Queen County in the fourth quarter and dropped sharply in Mathews County this quarter. 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, Chesapeake Bay & Rivers
2019-2023



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



Local Snapshot – *Median Sales Price*

Gloucester County: The median sales price was \$330,000 in Gloucester County, just 1% higher than the year prior, a fourth quarter increase of \$1,665.

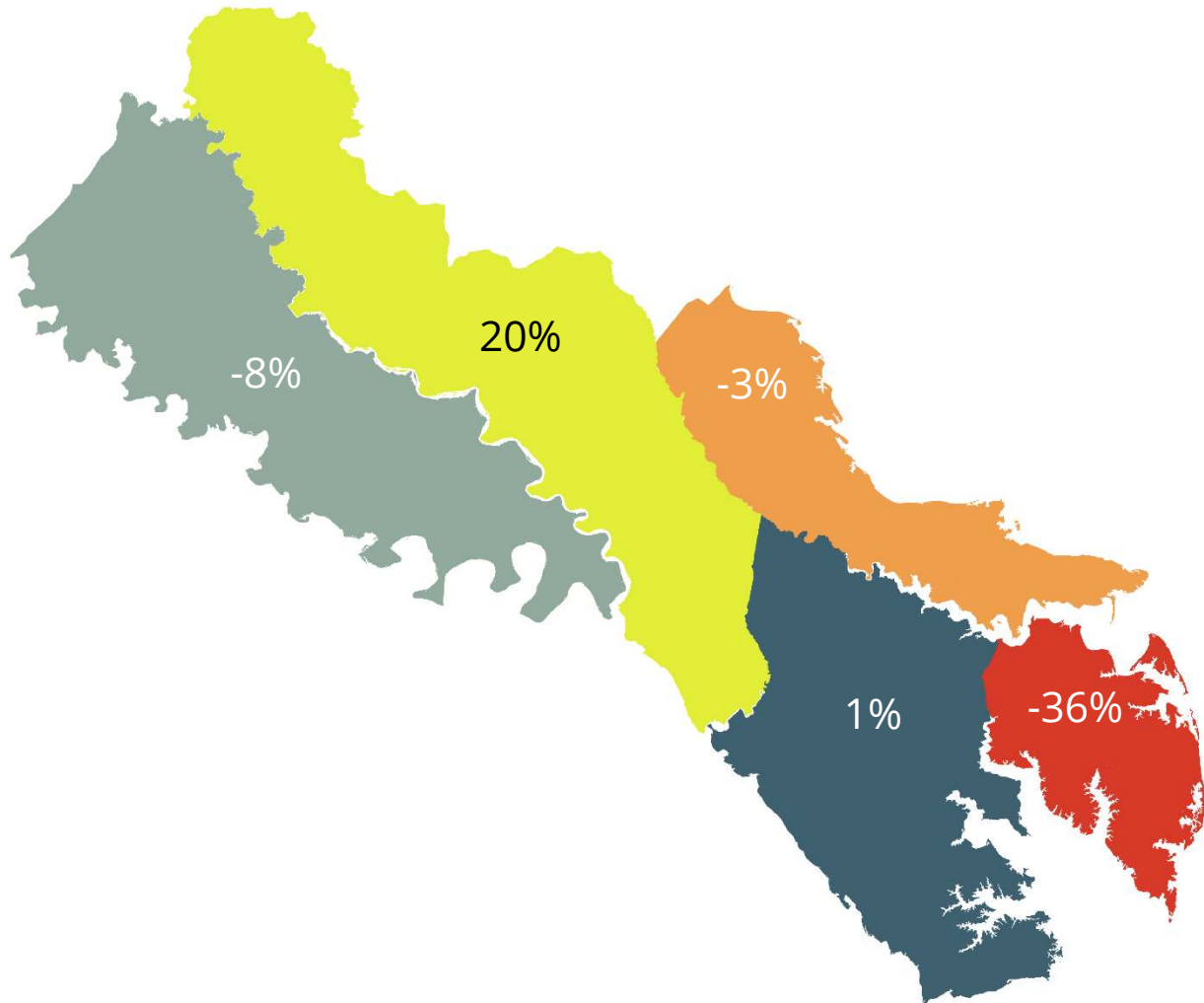
King and Queen County: In King and Queen County, the sales price grew to \$274,950 in the fourth quarter, jumping up 20% or \$45,950 from a year earlier.

King William County: The fourth quarter median home price was \$314,950 in King William County, \$27,525 less than a year ago, a price reduction of 8%.

Mathews County: Homes in Mathews County had a median sales price of \$301,450 in the fourth quarter, declining by 36% from the previous year, a \$168,550 price drop.

Middlesex County: For the second straight quarter prices dipped in Middlesex County with a sales price of \$389,000. Median prices were down \$12,000 in the county, decreasing by 3% compared to last year.

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



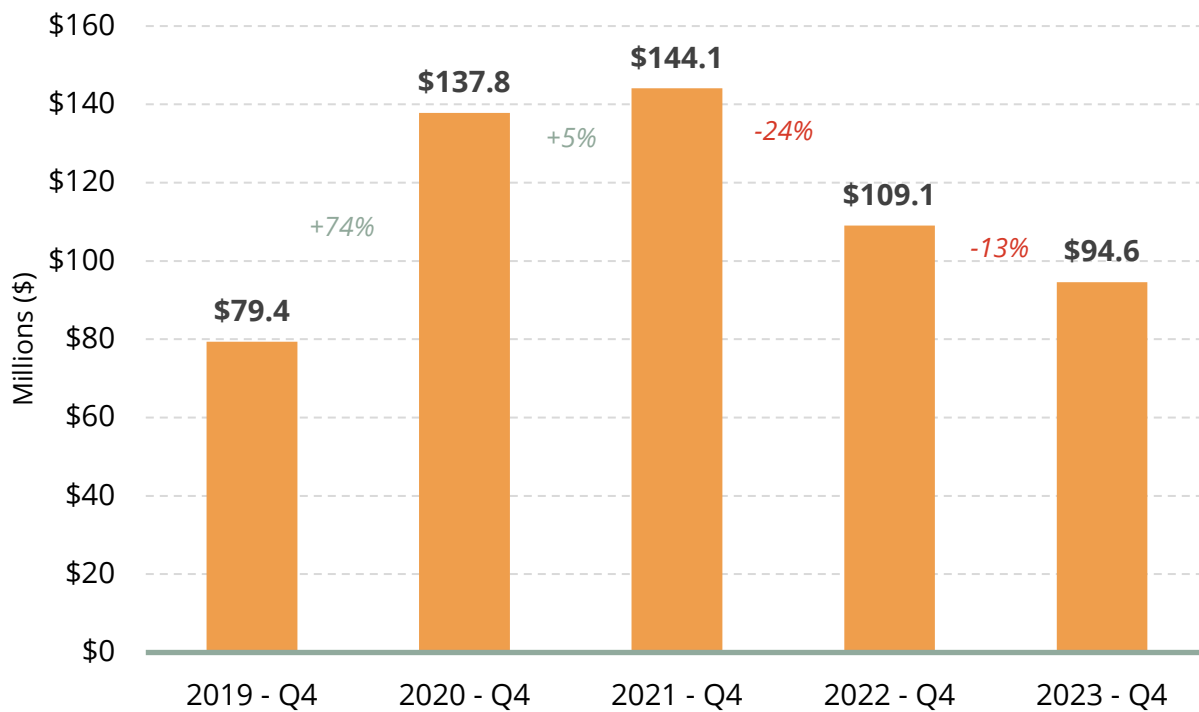
<i>Jurisdiction</i>	<i>2022 - Q4</i>	<i>2023 - Q4</i>	<i>% Change</i>
Gloucester County	\$328,335	\$330,000	1%
King & Queen County	\$229,000	\$274,950	20%
King William County	\$342,475	\$314,950	-8%
Mathews County	\$470,000	\$301,450	-36%
Middlesex County	\$401,000	\$389,000	-3%

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

Sold Volume

The dip in prices and the slowdown in sales activity in the region brought down the total sold dollar volume in the Chesapeake Bay & Rivers market this quarter. There was about \$94.6 million of sold volume in the area in the fourth quarter. This is approximately \$14.5 million less volume than this time last year, a 13% drop. The sold volume has been trending down each quarter for nearly two years in the region as the market has slowed.

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



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



Local Snapshot – *Sold Dollar Volume*

Gloucester County: There was \$38.7 million of sold volume in Gloucester County, 6% less than a year earlier, a fourth quarter drop of \$2.59 million.

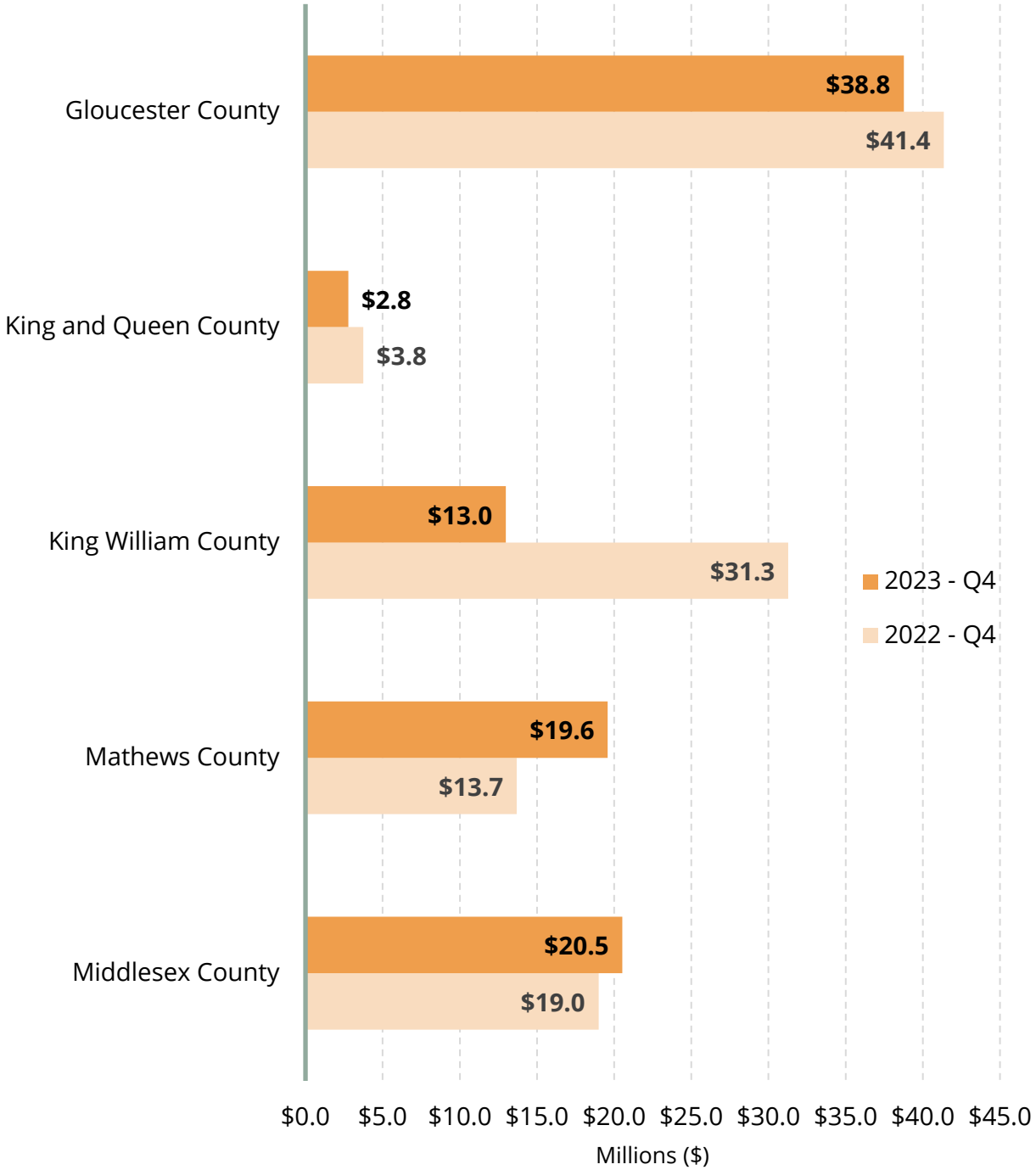
King and Queen County: The decrease in sales activity led to \$2.77 million of total sold dollar volume in King and Queen County. Volume fell by 26% in the county, which is \$978,240 less than last year.

King William County: Sold dollar volume in King William County was \$12.9 million in the fourth quarter, \$18.3 million less than the year before, a large 59% decline in volume.

Mathews County: Mathews County had \$19.6 million of sold volume, a fourth quarter increase of \$5.89 million, jumping up 43% from the year prior.

Middlesex County: In the fourth quarter, the sold volume in Middlesex County totaled \$20.5 million. The rise in sales brought the volume up by 8%, which is \$1.53 million more than a year ago.

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

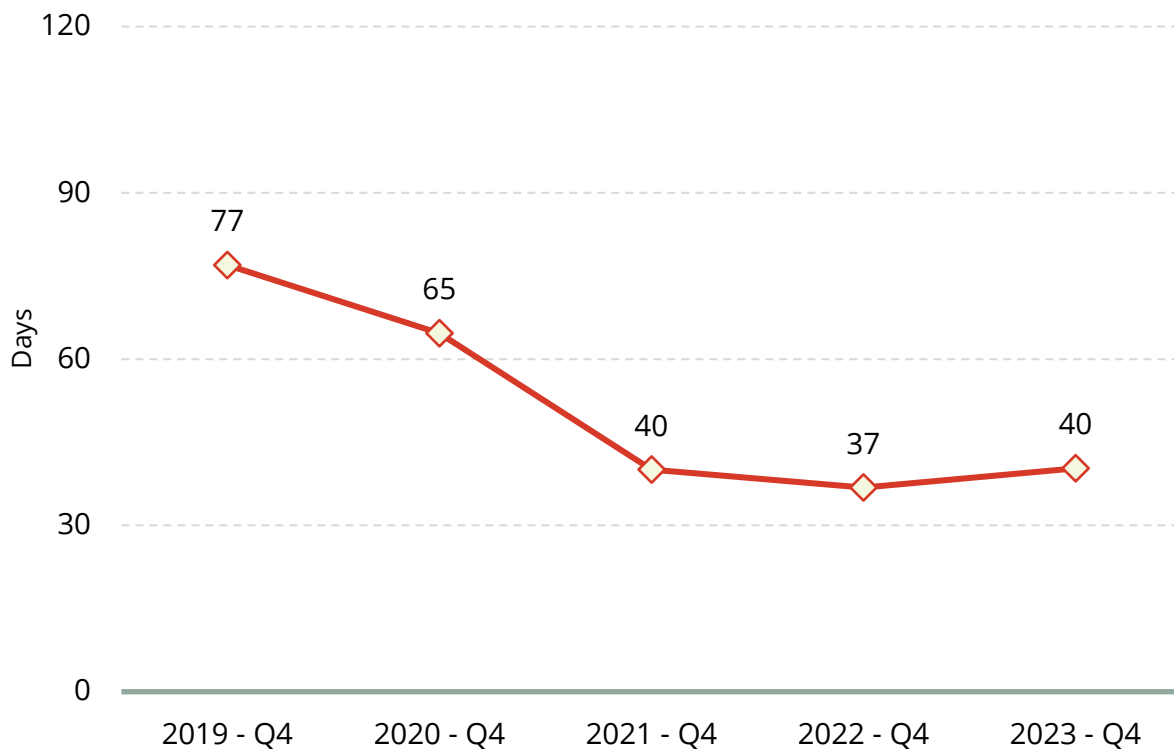


Source: Virginia REALTORS®, data accessed January 15, 2024

Days on Market

It took a few days longer than last year on average to sell a home in the Chesapeake Bay & Rivers housing market during the fourth quarter. The fourth quarter average days on market across the footprint was 40 days, up from 37 days a year ago. The average days on market has been trending up in the Chesapeake Bay & Rivers market for four 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
Chesapeake Bay & Rivers
2019-2023



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



Local Snapshot – *Average Days on Market*

Gloucester County: The days on market continued to rise in Gloucester County with an average of 33 days in the fourth quarter, eight days slower than a year earlier.

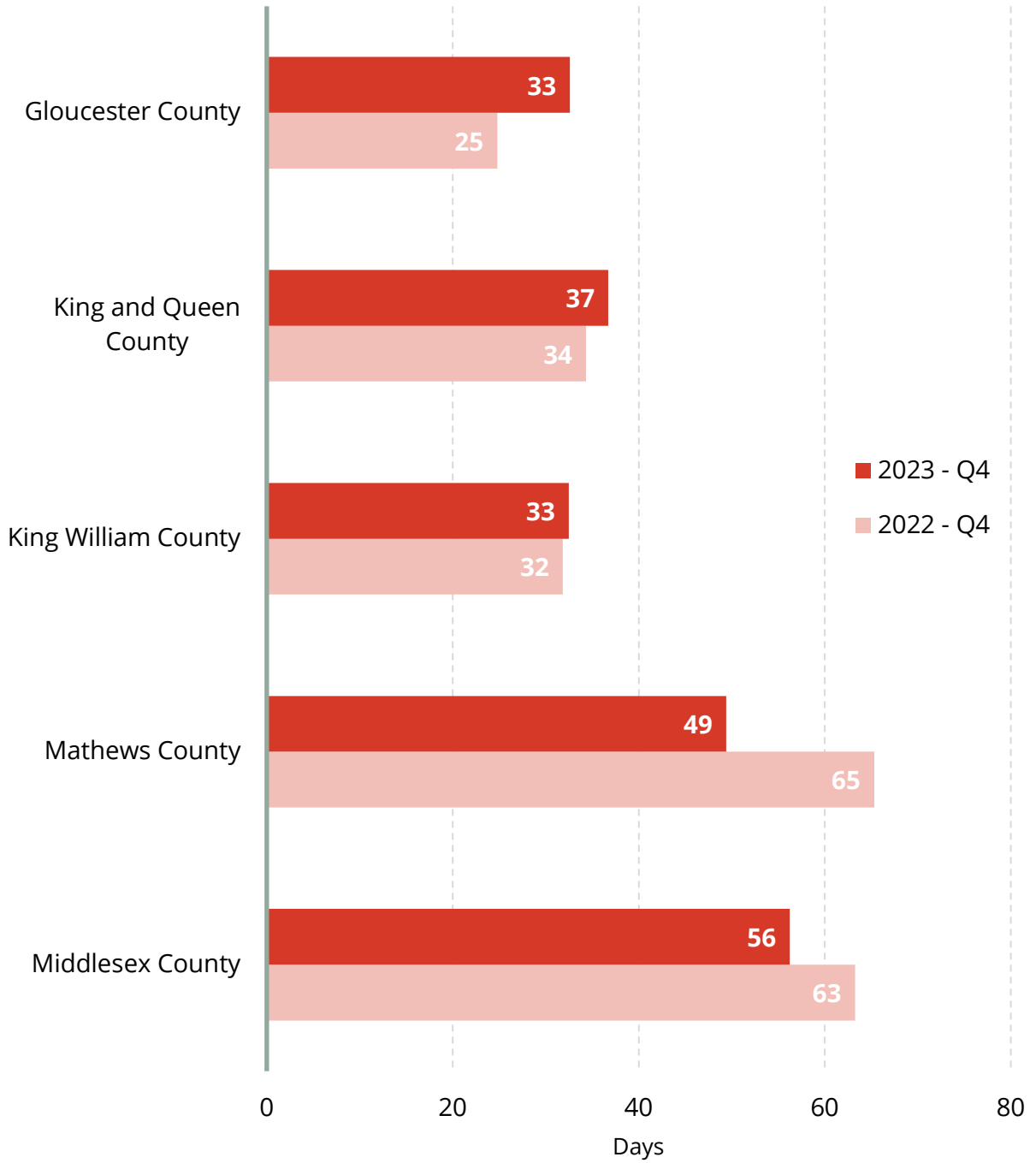
King and Queen County: In King and Queen County, homes were on the market three days longer in the fourth quarter compared to a year ago, with an average of 37 days on the market.

King William County: At 33 days, the days on market was just one day longer in King William County during the fourth quarter compared to this time last year.

Mathews County: In Mathews County, the average days on market was 49 days in the fourth quarter, selling 16 days faster than the previous year.

Middlesex County: The fourth quarter days on market averaged 56 days in Middlesex County, seven days less than the year prior.

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



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

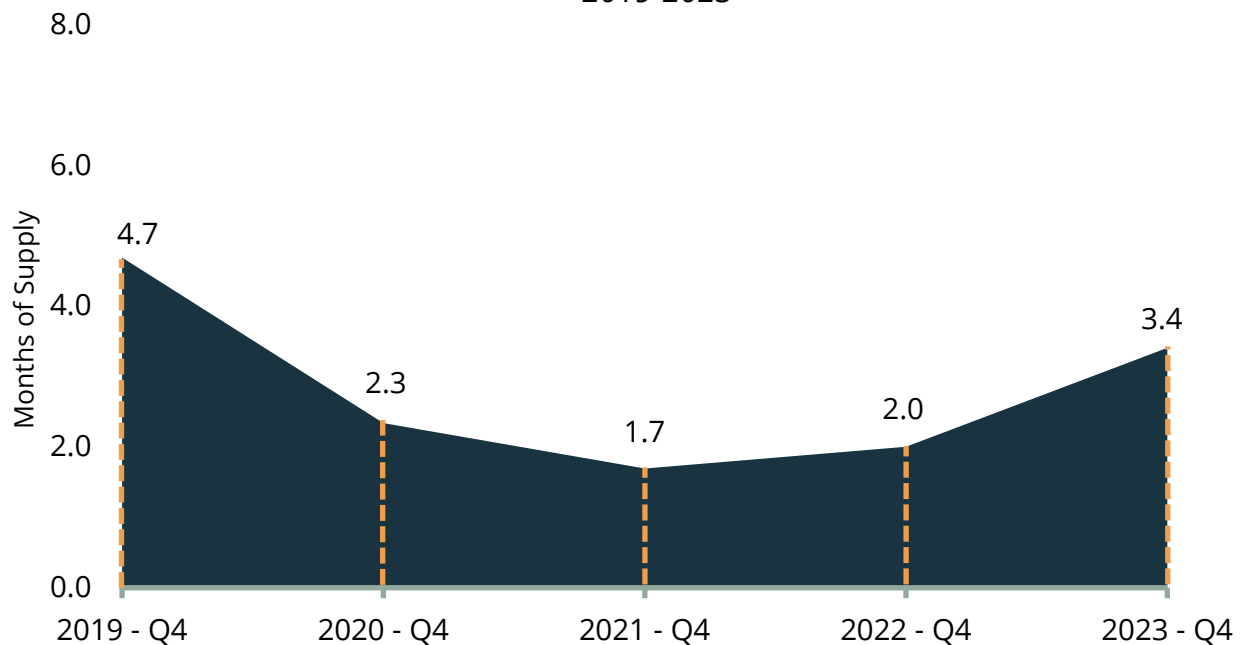
Inventory

The inventory of active listings in Chesapeake Bay & Rivers housing market increased this quarter. At the end of the fourth quarter there were 309 active listings throughout the area, 66 more listings than the fourth quarter last year, increasing 27%. At the local level, most of the additional listings were in the King William County and Gloucester markets.

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 about 3.4 months of supply at the end of the fourth quarter in the Chesapeake Bay & Rivers footprint, which is up from two 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
Chesapeake Bay & Rivers
2019-2023



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



Local Snapshot – *Active Listings*

Gloucester County: Supply rose as listings went up in Gloucester County. There were 108 listings at the end of the fourth quarter in the county, increasing by 20% from a year earlier, an additional 18 listings.

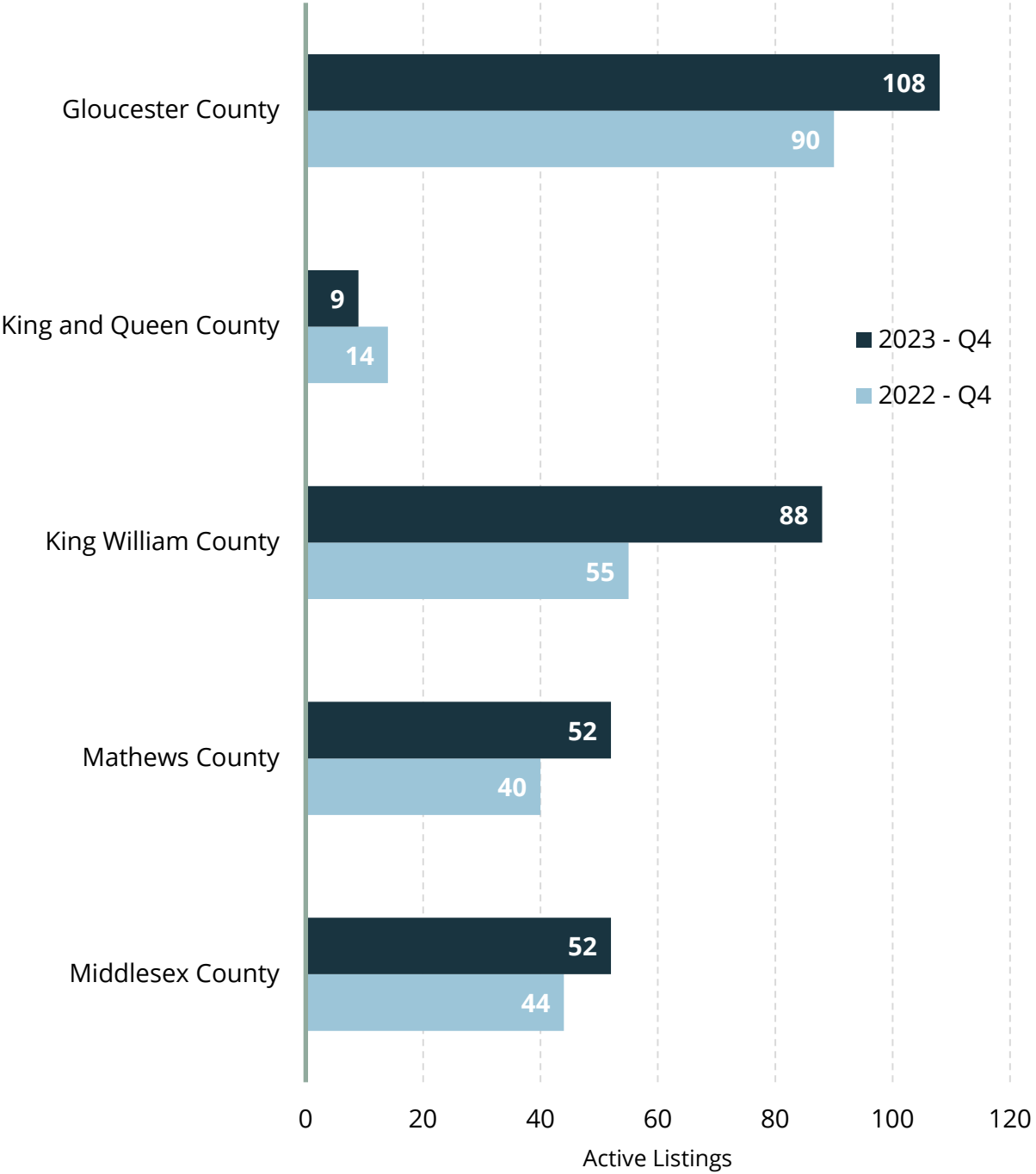
King and Queen County: At the end of the fourth quarter, King and Queen County had nine listings on the market. The county had five fewer listings than the previous year, a 36% decline.

King William County: There were 88 listings at the end of the fourth quarter in King William County, 33 more listings than a year earlier, a 60% influx of active listings.

Mathews County: Listings jumped up by 30% in Mathews County, bringing the total number of active listings to 52 at the end of the fourth quarter, 12 more listings than last year.

Middlesex County: Active listings rose for the second consecutive quarter in Middlesex County. The end of the fourth quarter had 52 listings on the market in the county, 18% more than the previous year, an additional eight listings.

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