

VIRGINIA PENINSULA HOME SALES REPORT



CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

Virginia Peninsula Home Sales Report

Fourth Quarter 2023

Virginia Peninsula REALTORS®

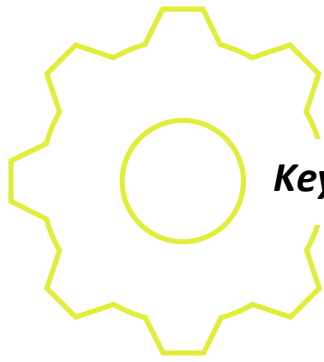
Market Report Key Takeaways

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 Virginia Peninsula region, the unemployment rate was 3.3% in November, which is down from 3.8% 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 Virginia Peninsula region. There were 1,252 sales in the Virginia Peninsula housing market during the fourth quarter, 277 fewer sales than last year, which is an 18% decline.
- Upward pressure on home prices continues to be a key factor in the Virginia Peninsula area. The median sales price in the Virginia Peninsula footprint during the fourth quarter was \$295,388, jumping up 9% from this time last year.
- The inventory of active listings in the Virginia Peninsula region inched up slightly this quarter. There were 1,005 active listings on the market across the footprint, a 2% gain.



Key Trends Dashboard, Virginia Peninsula

Economy



3.3%

Is the Nov-2023 **unemployment rate** in the Virginia Peninsula footprint, which is down 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



-277

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



9%

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



-\$47.2

Less **sold volume** in the Virginia Peninsula footprint in Q4-2023 compared to last year



2.2%

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



2

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

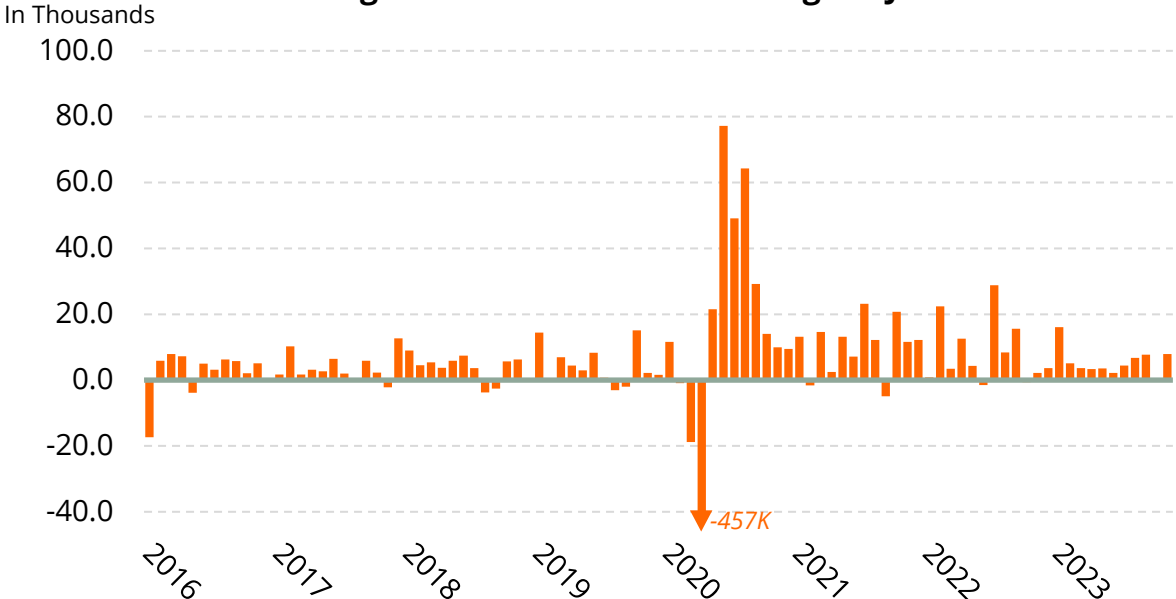
Economic Overview

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

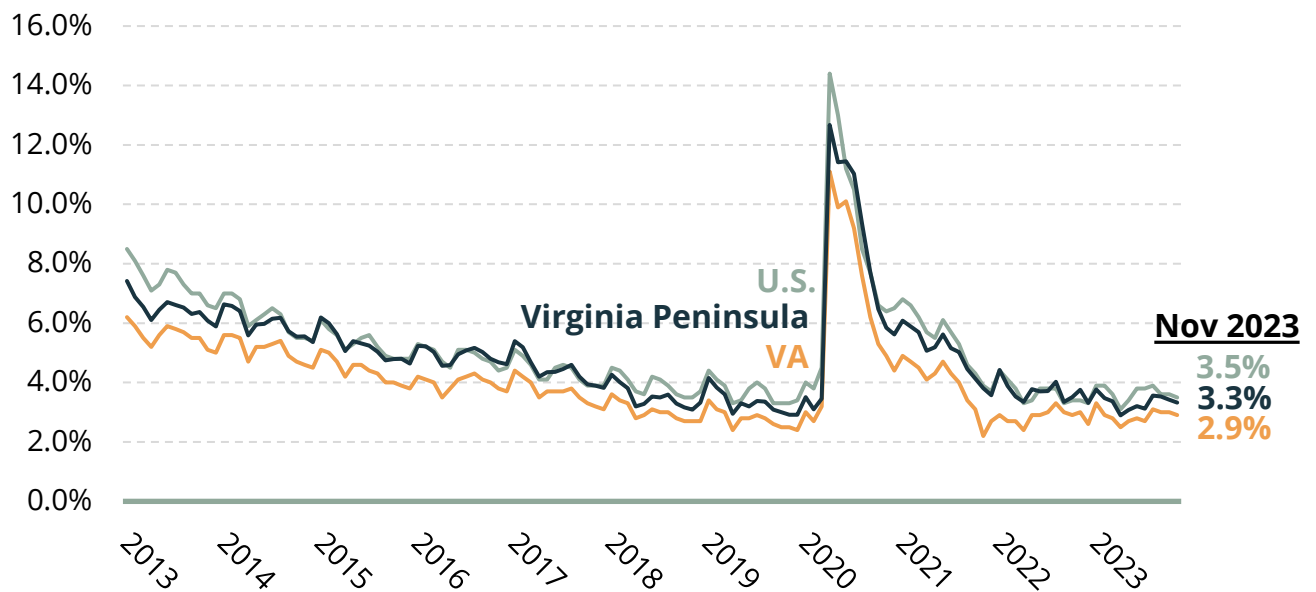


Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

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 Virginia Peninsula footprint the November unemployment rate was 3.3%, which is down from 3.8% a year ago.

Figure 2
Unemployment Rate

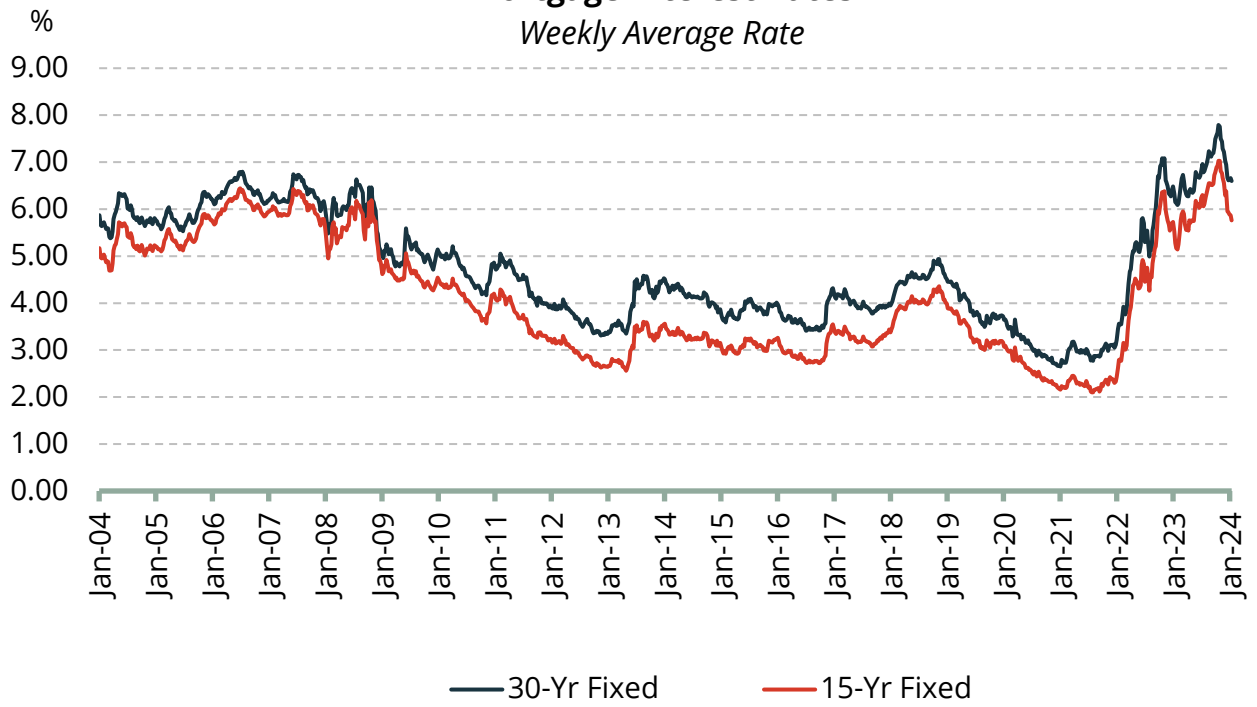


Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

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

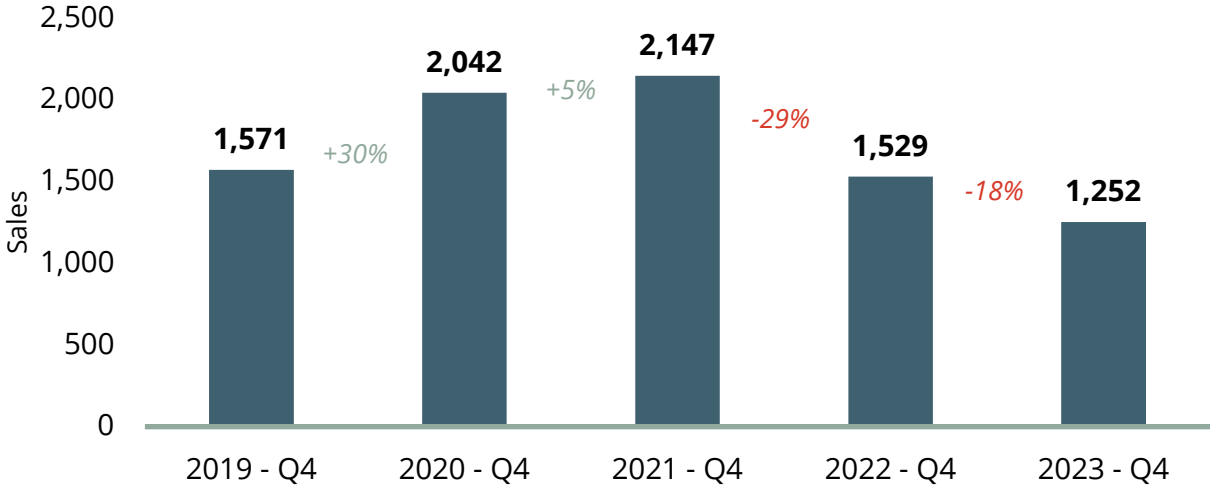
Housing Market Overview

The Virginia Peninsula housing market ended 2023 similarly to how it began, with cooling sales activity and rising home prices. These dynamics are largely being driven by three factors — the low supply of homes for sale, the pent-up demand in the market, and the volatility of mortgage rates this year. A summary of housing market trends for the larger region is available in the appendix at the end of this report.

Sales

It was a slow fourth quarter in the Virginia Peninsula regional housing market. There were 1,252 sales throughout the footprint in the fourth quarter of 2023. This is 277 fewer sales than the fourth quarter a year ago, an 18% decline. The last time the region had a fourth quarter that was this sluggish was back in 2015. Mortgage rates hit a more than two-decade high in October 2023, which likely deterred some market activity this quarter. Within the quarter, which covers October, November, and December, sales activity cooled all three months. Statewide, sales activity declined 10% in the fourth quarter of 2023 compared to last year.

Figure 4
Fourth Quarter Home Sales, Virginia Peninsula
2019-2023



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



Local Snapshot – *Total Home Sales*

Hampton: Hampton had 405 sales in the fourth quarter, 109 fewer compared to last year, which is a 21% decline. Sales activity has declined for over a year in the city's housing market.

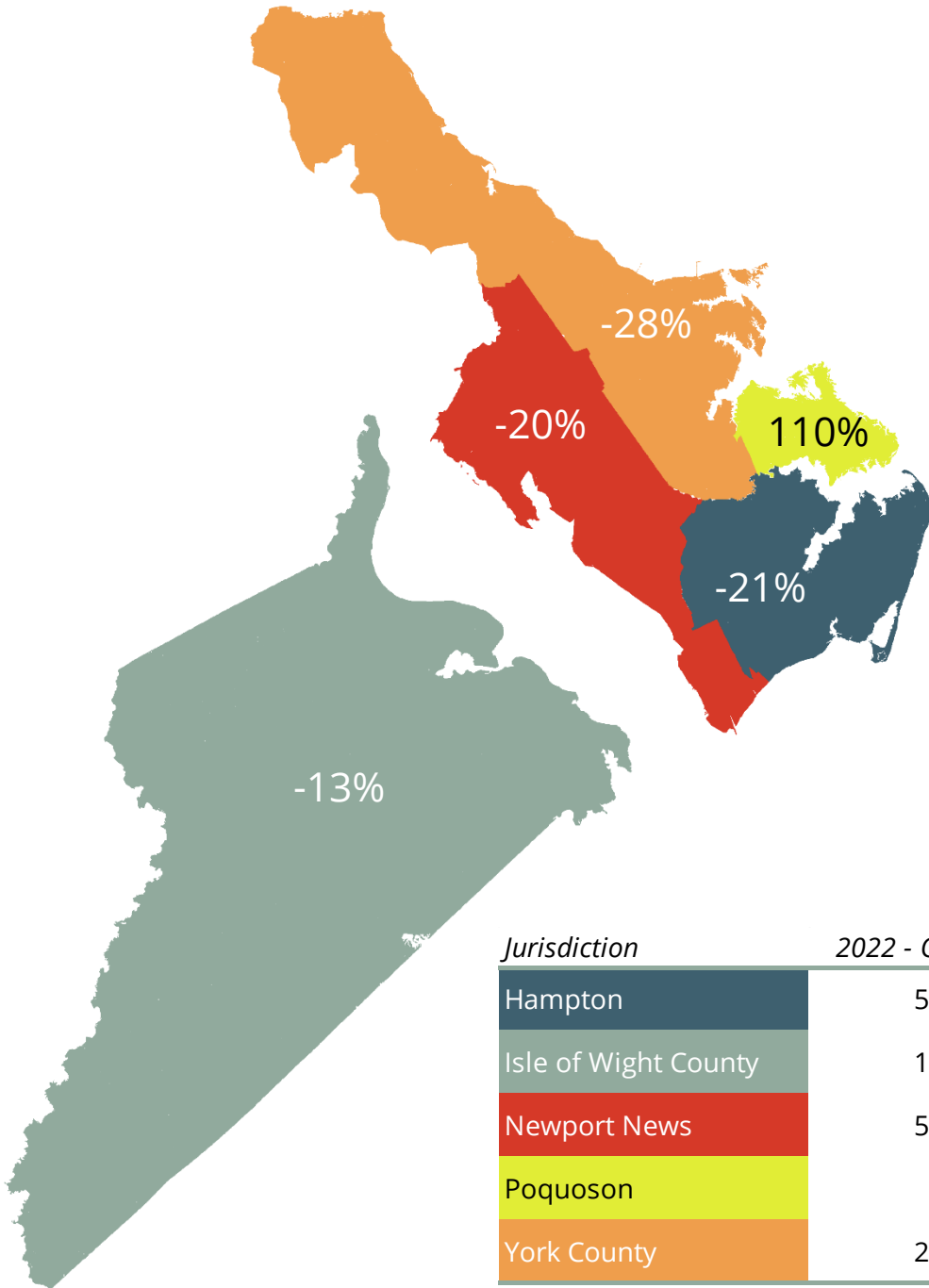
Isle of Wight County: At 145, the number of sales in Isle of Wight County in the fourth quarter declined 13% from a year ago (-22 sales).

Newport News: There were 478 home sales in Newport News during the fourth quarter, 117 fewer than last year, a 20% decline.

Poquoson: In Poquoson, there were 63 home sales in the fourth quarter, 33 more than the previous year, a 110% rise. This is the second consecutive quarter sales activity has increased in the city.

York County: In the fourth quarter, there were 161 closed sales in York County, 62 fewer compared to last year, marking a 28% drop.

Figure 5
Change in Sales by Jurisdiction
Virginia Peninsula
Fourth Quarter 2022 to Fourth Quarter 2023

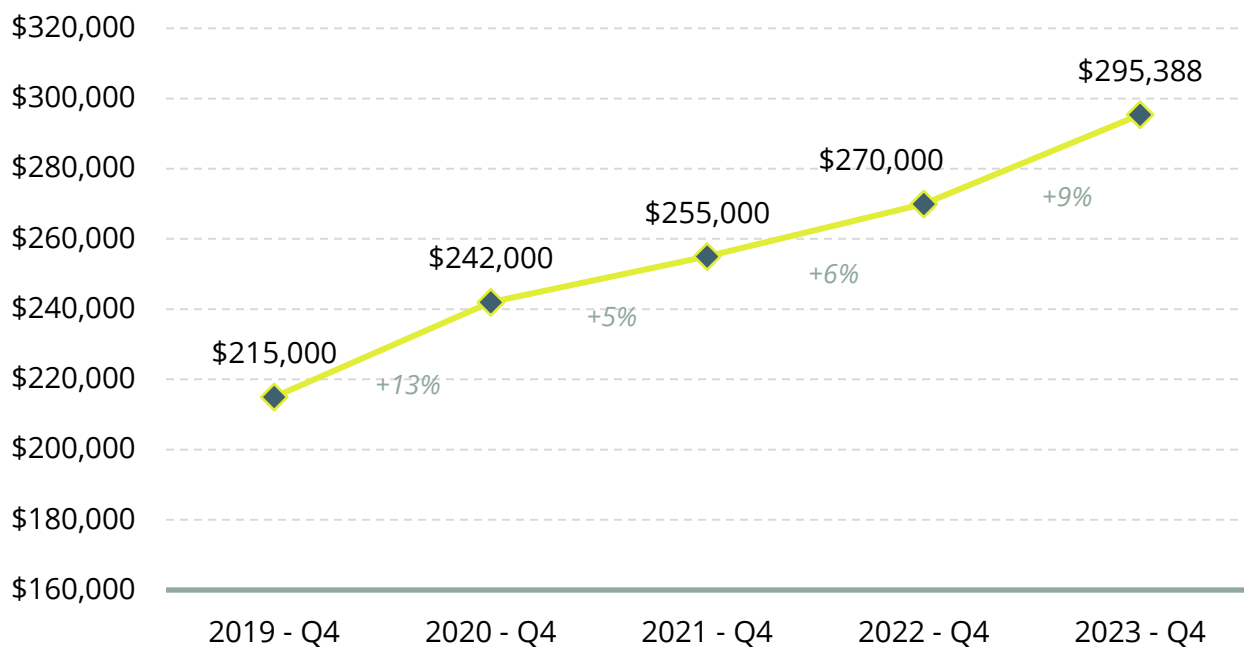


Source: Virginia REALTORS®, data accessed January 15, 2024

Sales Prices

Home prices are climbing throughout the Virginia Peninsula region as the tight inventory continues to put upward pressure on home prices. The fourth quarter regionwide median sales price was \$295,388, which is more than \$25,000 higher than it was a year ago, a 9% price jump. All local markets in the Virginia Peninsula footprint had higher median sales prices to close out 2023. 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, Virginia Peninsula
2019-2023



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



Local Snapshot – *Median Sales Price*

Hampton: In Hampton, the median sales price was \$263,000 in the fourth quarter, a \$15,500 price jump from last year, reflecting a 6% increase.

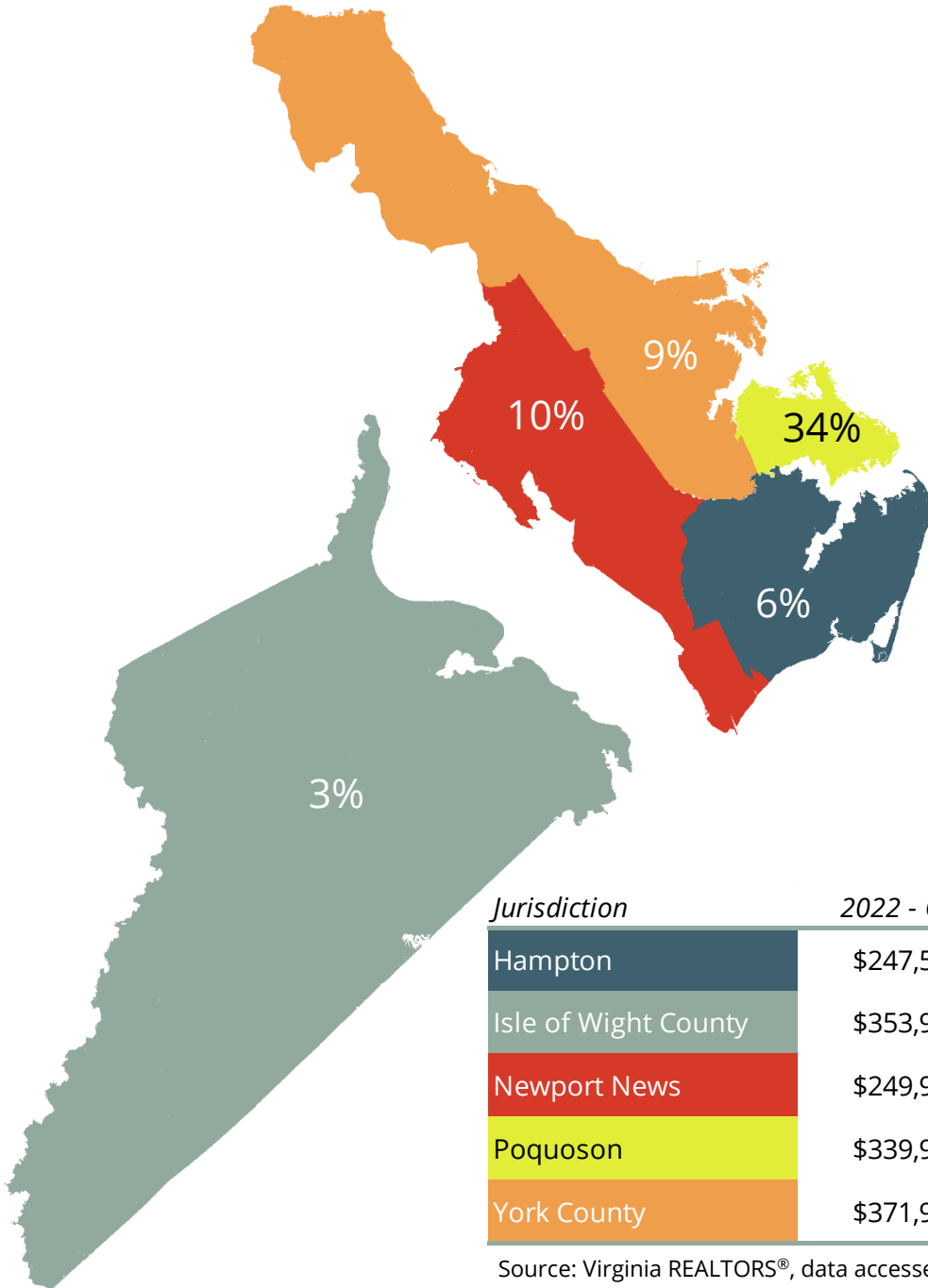
Isle of Wight County: Isle of Wight County's median sales price was \$363,180 in the fourth quarter, 3% higher than last year, a \$9,183 increase.

Newport News: The median sales price in Newport News was \$274,450 in the fourth quarter, a 10% rise from the previous year, which is an additional \$24,550.

Poquoson: At \$454,930, the median sales price in Poquoson was \$114,980 higher in the fourth quarter than last year, a 34% price jump.

York County: In the fourth quarter, the median sales price in York County was \$405,193, a 9% climb from a year ago, reflecting a \$33,223 gain.

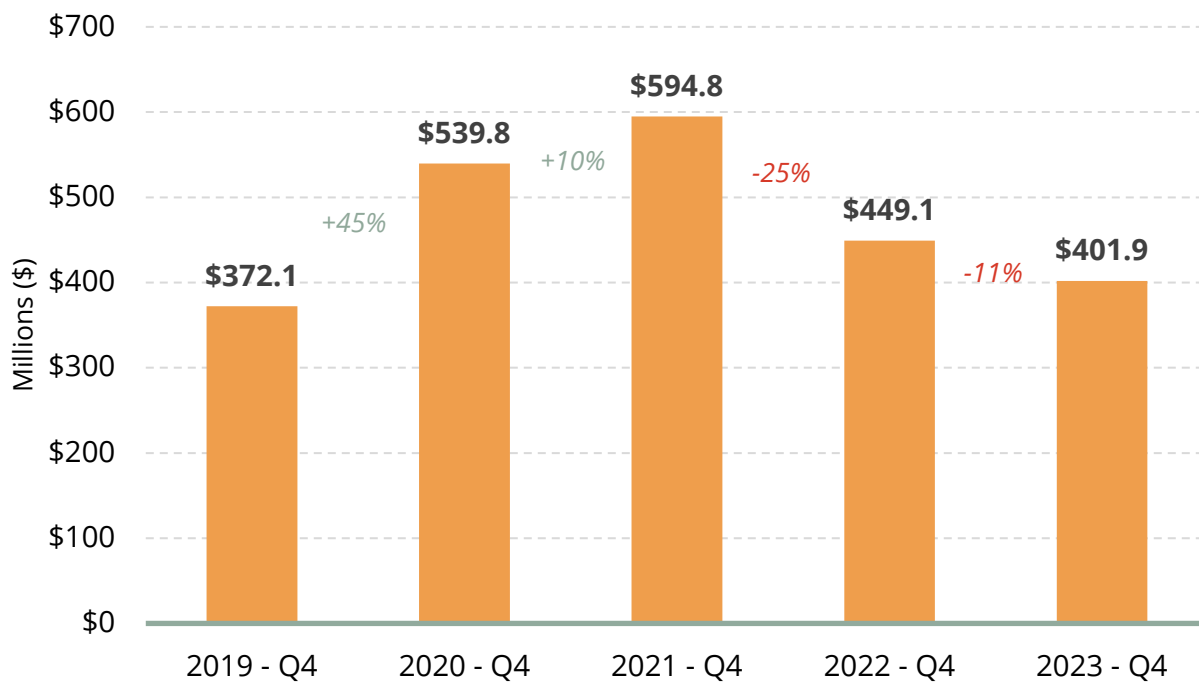
Figure 7
Change in Median Sales Price by Jurisdiction
Virginia Peninsula
Fourth Quarter 2022 to Fourth Quarter 2023



Sold Volume

While prices are rising across the region, the slowdown in sales activity is pulling down the total sold dollar volume in the Virginia Peninsula market. There was approximately \$401.9 million of sold volume in the area in the fourth quarter. This is \$47.2 million less volume than this time last year, an 11% drop. The sold volume has been trending down for the last year and a half in the region as the market has slowed.

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



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



Local Snapshot – *Sold Dollar Volume*

Hampton: Sold volume levels in Hampton continue to drop year-over-year despite rising home prices. In the fourth quarter, there was about \$112 million in sold volume in Hampton, 13% lower than a year ago, a \$17.4 million difference.

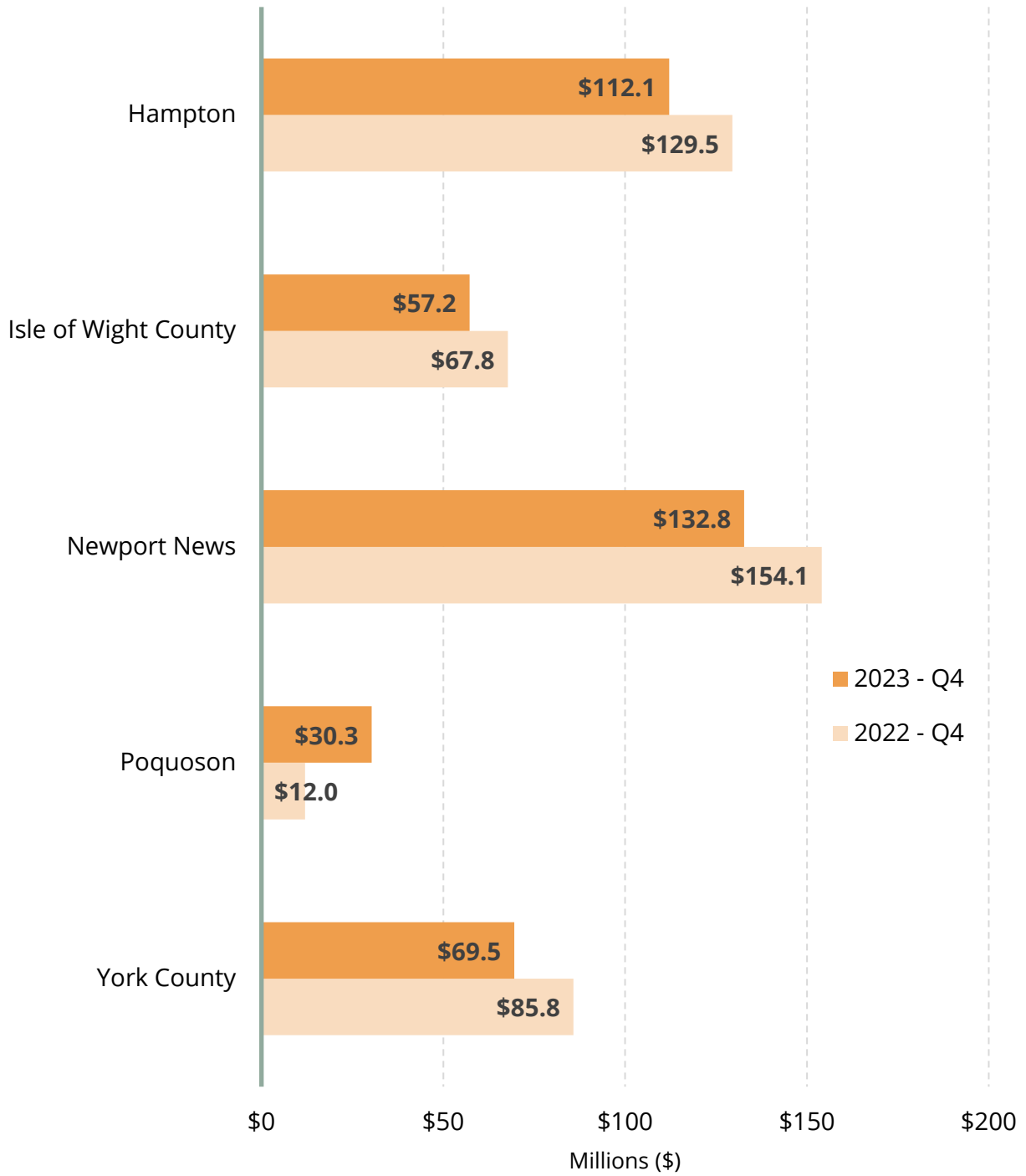
Isle of Wight County: There was \$57.2 million of sold volume in Isle of Wight County during the fourth quarter, roughly \$10.6 million lower than a year earlier, marking a 16% drop. Lower closed sales have driven down the sold volume in the county for over two years.

Newport News: As quarterly sales activity in Newport News has declined, so has the sold dollar volume. There was approximately \$132.8 million in sold volume in the fourth quarter in the city, a 14% drop from last year, a \$21.3 million reduction.

Poquoson: The sold volume has increased for two consecutive quarters in Poquoson. In the fourth quarter, there was around \$30.3 million in sold volume in the city, which is 153% higher than a year ago, an \$18.3 million gain. The surge in volume was driven by more sales and higher prices.

York County: Following a large increase in sold volume last quarter, volume levels declined sharply during the fourth quarter in York County. In the county, there was roughly \$69.5 million in sold volume in the fourth quarter, a 19% drop from a year ago, which is a \$16.3 million decrease.

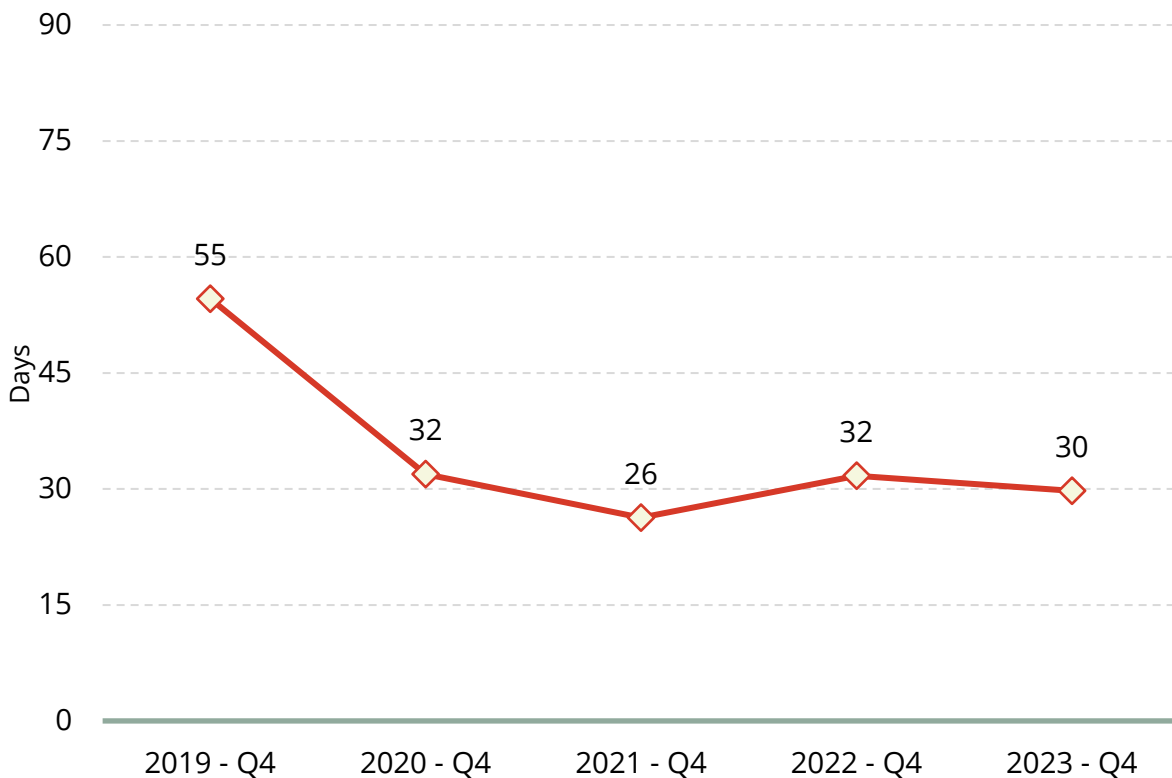
Figure 9
Fourth Quarter Sold Dollar Volume
Virginia Peninsula Jurisdictions
2022 and 2023



Days on Market

It took slightly less time to sell a home in the Virginia Peninsula housing market in the fourth quarter of 2023. The fourth quarter average days on market across the footprint was 30 days, down from 32 days a year ago. Prior to this small decrease, the average days on market has been trending up in the Virginia Peninsula market for five straight 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, Virginia Peninsula
2019-2023



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



Local Snapshot – *Average Days on Market*

Hampton: On average, homes were on the market 28 days in Hampton during the fourth quarter, five days faster than a year ago.

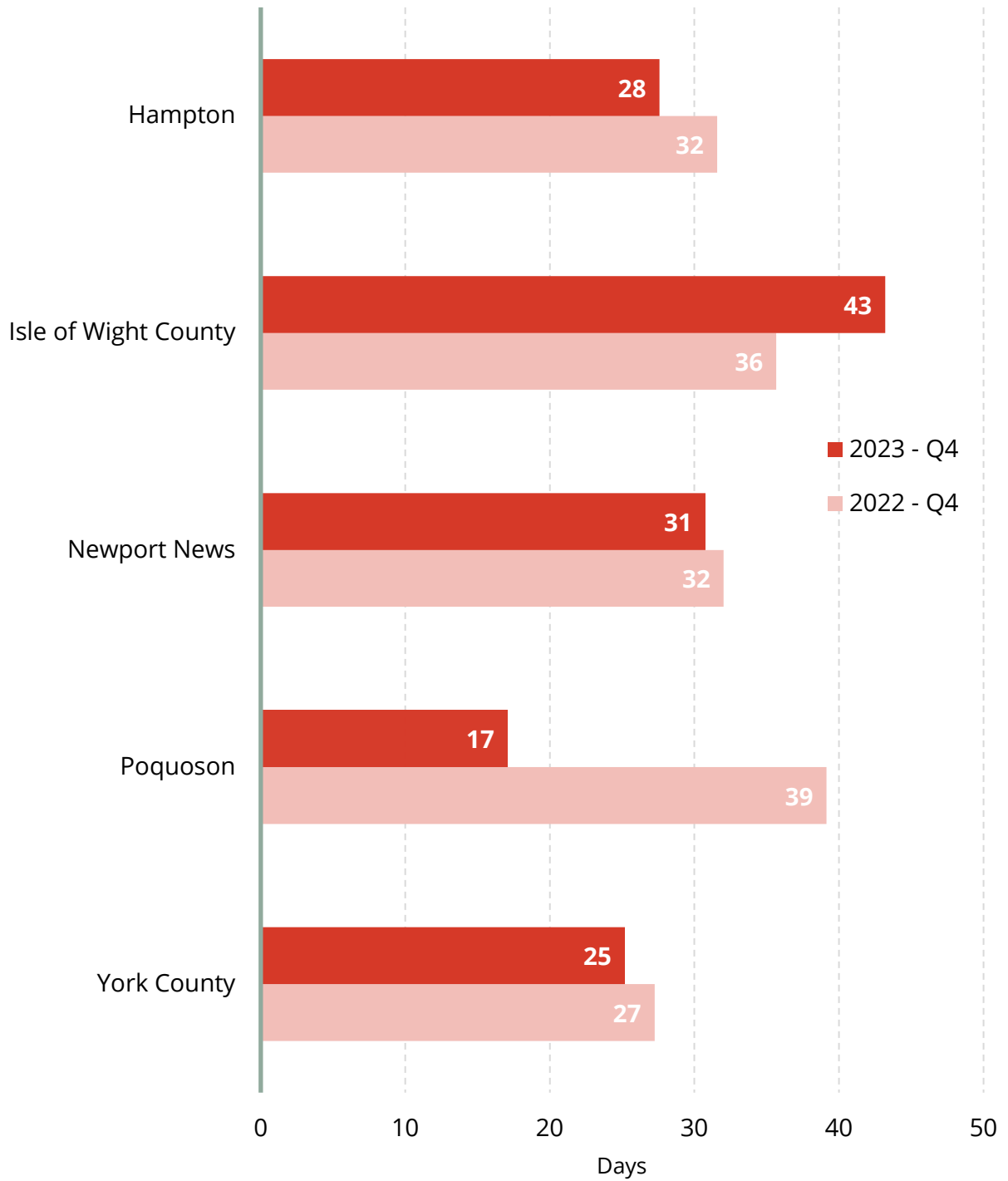
Isle of Wight County: Homes in Isle of Wight County were on the market for 43 days on average in the fourth quarter, about a week longer compared to last year (+7 days).

Newport News: In Newport News, it took homes a month on average (31 days) to sell in the fourth quarter, one day faster than a year ago.

Poquoson: At 17, the average number of days it took for homes to sell in Poquoson in the fourth quarter was 22 days quicker than a year ago.

York County: It took homes in York County 25 days on average to sell in the fourth quarter, two days faster than a year ago.

Figure 11
Fourth Quarter Average Days on Market
Virginia Peninsula Jurisdictions
2022 and 2023



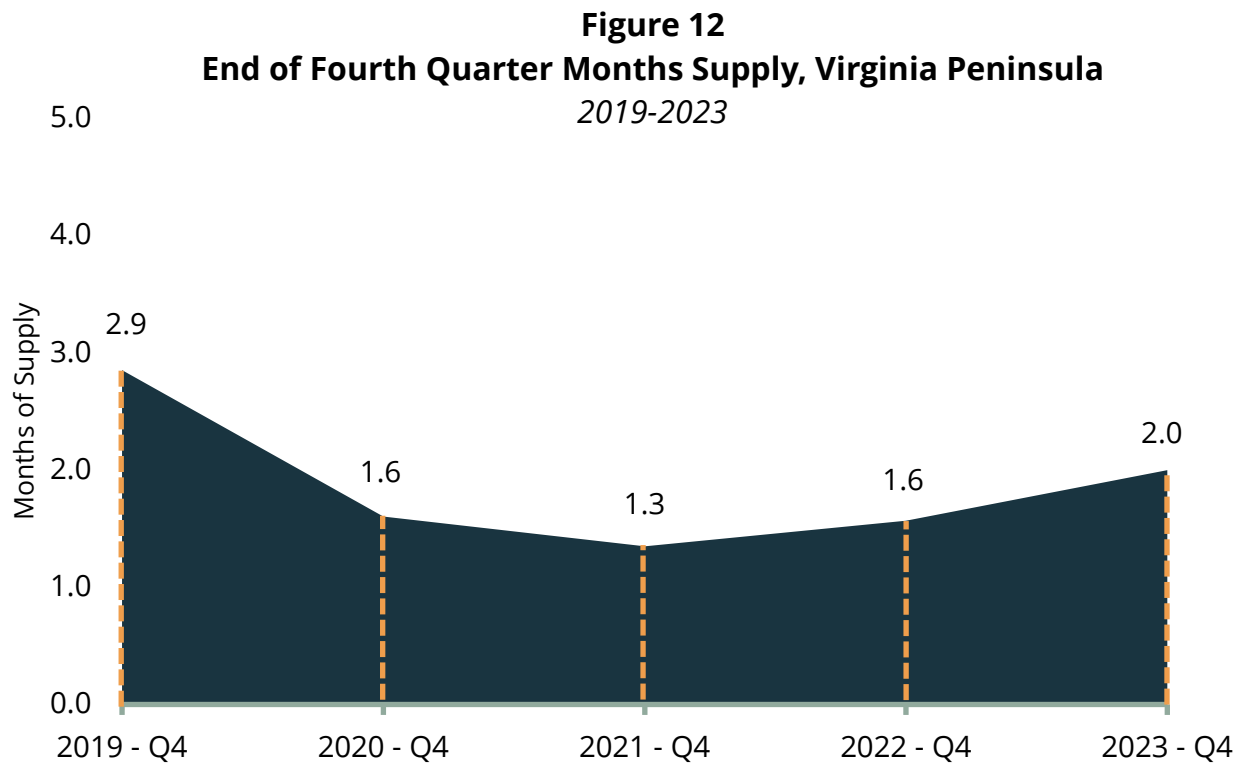
Source: Virginia REALTORS®, data accessed January 15, 2024

Inventory

The supply of active listings in the Virginia Peninsula region remains low but slightly more active listings are coming on the market, providing more options for buyers. At the end of the fourth quarter there were 1,005 active listings throughout the area, 22 more listings than the fourth quarter last year, which is a 2% increase.

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 two months of supply at the end of the fourth quarter in the Virginia Peninsula footprint, which is up from 1.6 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.



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



Local Snapshot – *Active Listings*

Hampton: There were 333 active listings at the end of the fourth quarter in the Hampton market, 10 more than last year, a 3% increase.

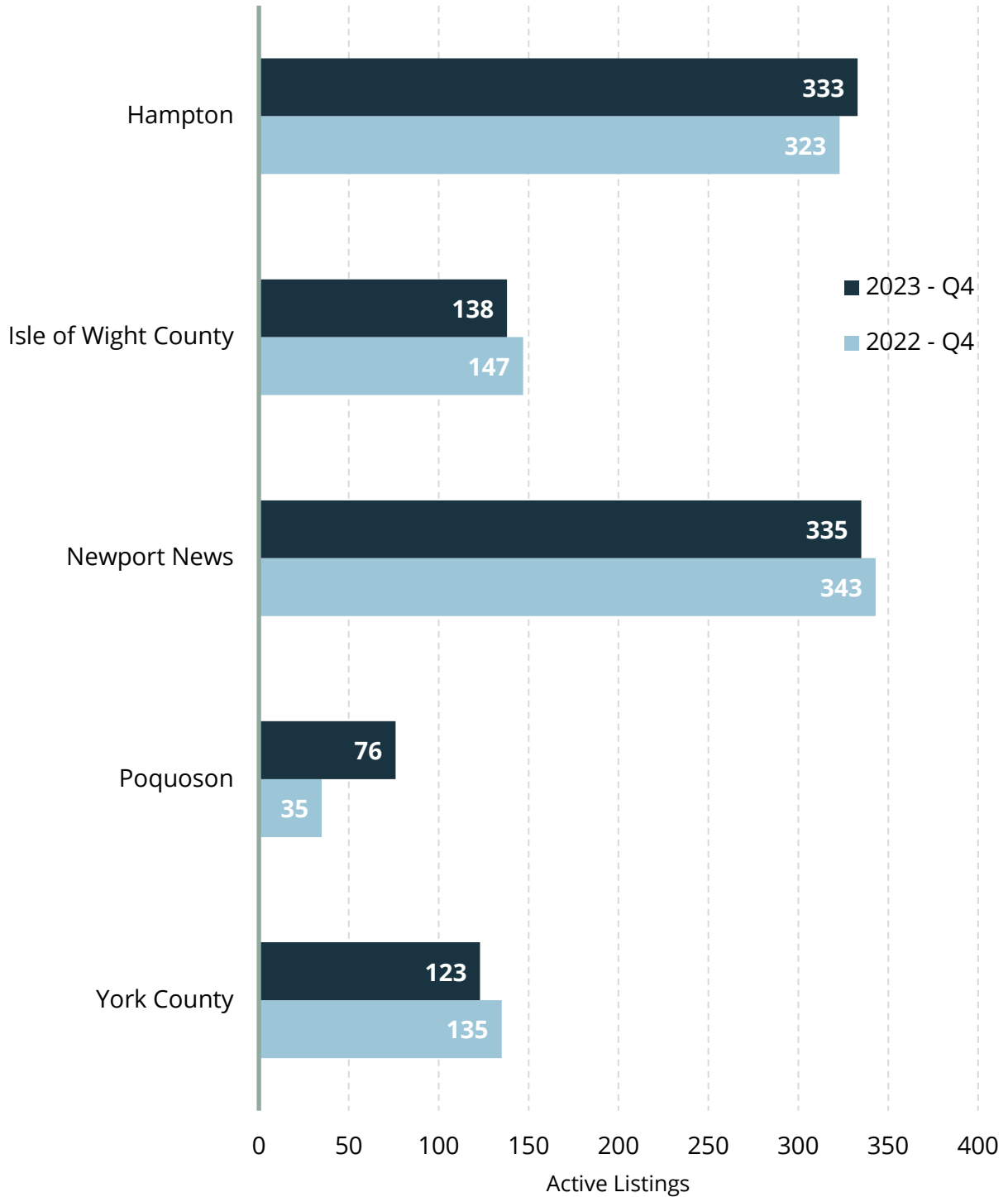
Isle of Wight County: At the end of the fourth quarter, there were 138 active listings in Isle of Wight County, nine fewer than last year, a 6% decline. The number of active listings has declined for two consecutive quarters in the county.

Newport News: Newport News had 335 active listings at the end of the fourth quarter, eight fewer than the previous year, a 2% decline.

Poquoson: The number of active listings in Poquoson has increased for over a year. There were 76 active listings at the end of the fourth quarter, 41 more than last year, a 117% increase.

York County: Active listings have declined for three consecutive quarters in the York County housing market. In the county, there were 123 active listings at the end of the fourth quarter, 12 fewer than last year, a 9% decline.

Figure 13
End of Fourth Quarter Active Listings
Virginia Peninsula 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.

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.

Combined WAAR/Virginia Peninsula Region

APPENDIX	Sales			Median Sales Price			Sold Dollar Volume (in millions)			Average DOM			Active Listings (end of quarter)		
	Q4 2022	Q4 2023	Yoy Chg	Q4 2022	Q4 2023	Yoy Chg	Q4 2022	Q4 2023	Yoy Chg	Q4 2022	Q4 2023	Yoy Chg	Q4 2022	Q4 2023	Yoy Chg
Newport News	595	478	-20%	\$249,900	\$274,450	10%	\$154.1	\$132.8	-14%	32	31	-4%	343	335	-2%
Hampton	514	405	-21%	\$247,500	\$263,000	6%	\$129.5	\$112.1	-13%	32	28	-13%	323	333	3%
James City County	343	352	3%	\$415,000	\$432,100	4%	\$160.7	\$167.4	4%	18	35	96%	190	177	-7%
York County	223	161	-28%	\$371,970	\$405,193	9%	\$85.8	\$69.5	-19%	27	25	-8%	135	123	-9%
Isle of Wight County	167	145	-13%	\$353,998	\$363,180	3%	\$67.8	\$57.2	-16%	36	43	21%	147	138	-6%
New Kent County	174	143	-18%	\$375,768	\$384,900	2%	\$71.6	\$60.0	-16%	33	29	-14%	106	117	10%
Williamsburg	53	78	47%	\$391,000	\$403,410	3%	\$19.6	\$32.5	66%	37	44	19%	85	24	-72%
Poquoson	30	63	110%	\$339,950	\$454,930	34%	\$12.0	\$30.3	153%	39	17	-56%	35	76	117%
Charles City County	15	7	-53%	\$260,000	\$281,000	8%	\$3.8	\$1.7	-54%	42	23	-46%	11	11	0%
WAAR/Virginia Peninsula (Regional Total)	2,114	1,832	-13%	\$291,000	\$329,675	13%	\$704.7	\$663.6	-6%	30	31	5%	1,375	1,334	-3%