

CBRAR CHESAPEAKE BAY & RIVERS HOME SALES REPORT

CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

CBRAR Home Sales Report

First Quarter 2022

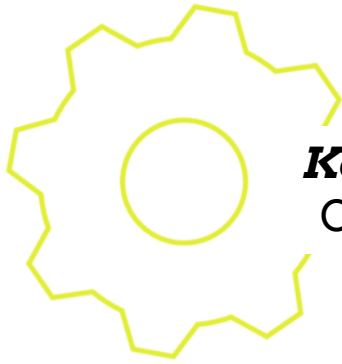
Chesapeake Bay & Rivers Association of REALTORS® Market Report Key Takeaways

Economic Conditions

- Virginia's economy continued to improve in early 2022, despite rising inflation and the escalating conflict overseas. Economic conditions are solid in the Chesapeake Bay & Rivers region, with a steady decline in the local unemployment rate.
- Even as the economy improves, consumer confidence is shaky. In March 2022, the measure of expectations of future economic conditions fell to its lowest level since 2013.
- Mortgage rates are on the rise. In the second week of April, the average 30-year rate hit 5%, the first time it has been at this level in 11 years.

Housing Market Conditions

- In the first quarter, there were 310 sales in the Chesapeake Bay & Rivers footprint, 12 fewer sales than last year, a 4% decline. This is the third quarter in a row of a decline in sales in the CBRAR region.
- The first quarter median sales price in the Chesapeake Bay & Rivers region was \$294,534, an 11% increase from last year, which is a gain of more than \$29,500.
- For the first time in years, supply increased in the Chesapeake Bay & Rivers market. There were 261 active listings in the region at the end of the first quarter. This is a gain of nine listings compared to a year ago, a 4% gain.



Key Trends Dashboard Chesapeake Bay & Rivers

Economy



2.6%

Is the Feb-2022 **unemployment rate** in the Chesapeake Bay & Rivers footprint, which is down from Jan-2022



5%

Is the **30-year fixed-rate mortgage rate** during the second week of April 2022, which is up 1.96 percentage points from a year ago

Housing Market



-12

Fewer **home sales** in the Chesapeake Bay & Rivers footprint in Q1-2022 compared to last year



11%

Percent change in **median sales price** in the Chesapeake Bay & Rivers region in Q1-2022 compared to a year ago



\$0.6

Million dollars more in total **sold volume** in the Chesapeake Bay & Rivers footprint in Q1-2022 compared to last year



4%

Percent change in **active listings** at the end of Q1-2022 in the Chesapeake Bay & Rivers market compared to a year ago



1.8

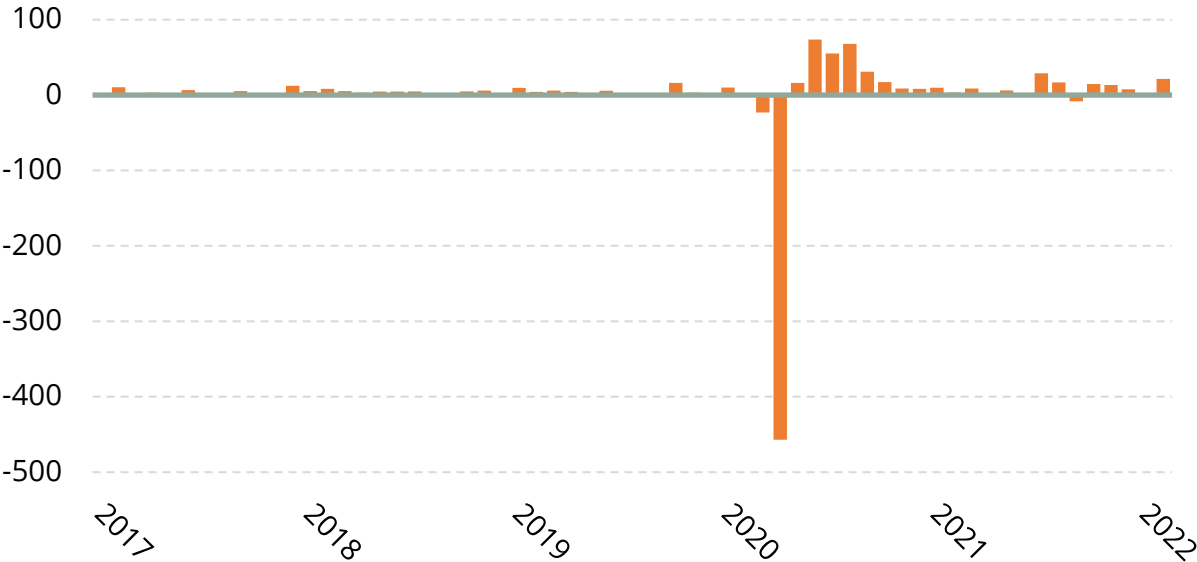
Months of supply in the Chesapeake Bay & Rivers footprint in Q1-2022, which is unchanged from a year ago

Economic Overview

Despite ongoing uncertainties, the economy in Virginia continues to improve. In February 2022, total employment in Virginia surpassed four million jobs, the first time that milestone has been reached since March 2020. About 111,900 jobs have been added over the past 12 months. The total number of jobs in the state is now just 2% below where it was prior to the pandemic.

The job recovery in Virginia continues across most sectors, with the fastest growth in some of the sectors that were hardest hit by the pandemic. The Professional/Technical Services, Transportation/Warehousing, Administrative Services, and Federal Government sectors have all been back to pre-pandemic levels for several months. However, in February, for the first time, the number of jobs in both the Retail Trade and Construction sectors surpassed pre-pandemic levels.

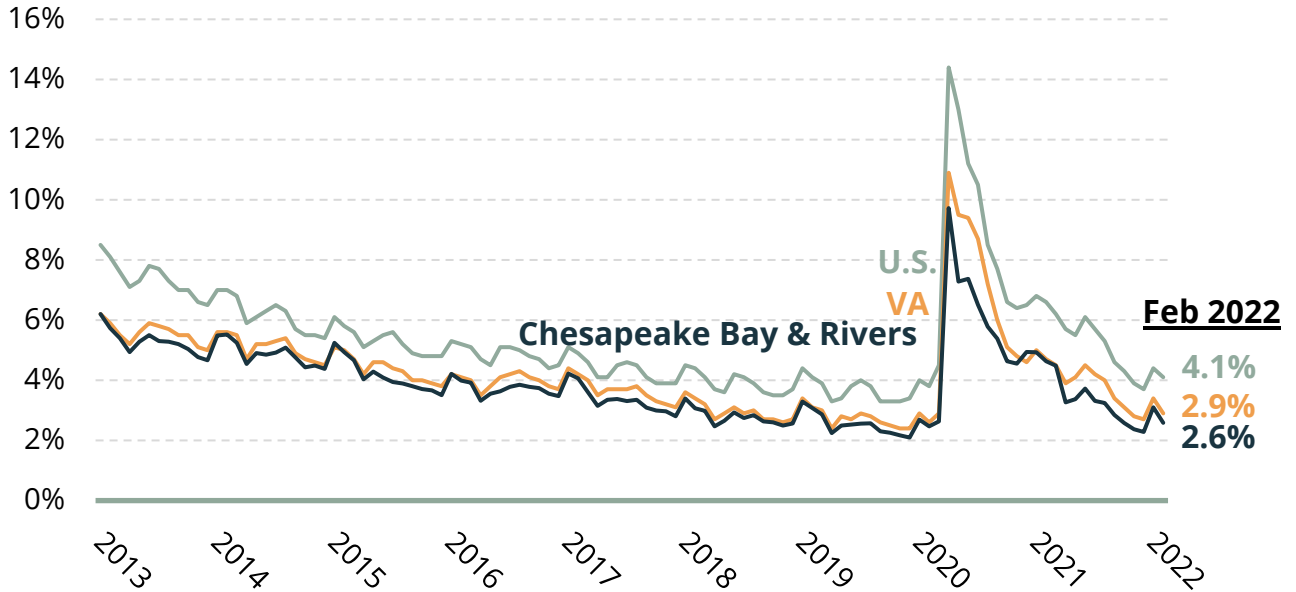
Figure 1
Virginia Month-to-Month Change in Jobs



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

A key indicator of the improving economy is the unemployment rate. In February, the unemployment rate in Virginia was 2.9% (not seasonally adjusted), which is down from 3.4% in January and is at the lowest level since March 2020. In the Chesapeake Bay & Rivers region, the February unemployment rate was 2.6%, down from 3.1% in January.

Figure 2
Unemployment Rate



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

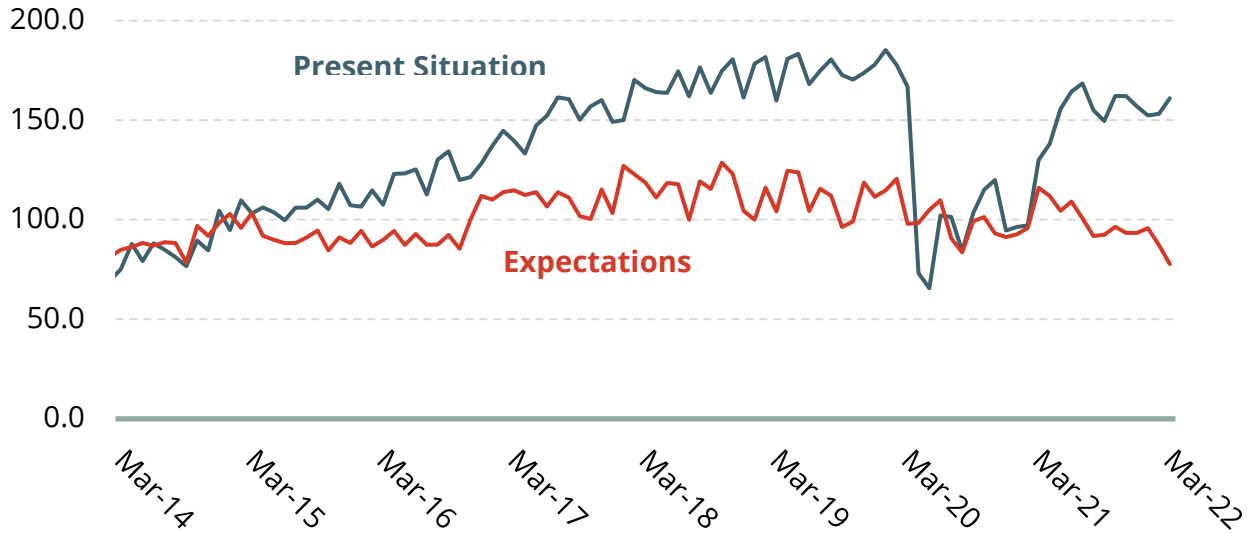
Consumer Confidence

Consumers' outlook for the economy dipped this spring in response to high inflation and ongoing conflict overseas. In March 2022, the measure of how confident consumers feel about the future economy fell to 77.7, down from 87.2 in February, and the lowest level since 2013. Between February and March 2022, consumers' confidence in the present economic situation ticked up from 153.1 to 161. (A consumer confidence index above 100 indicates people are feeling more optimistic about economic conditions.)

Mortgage Rates

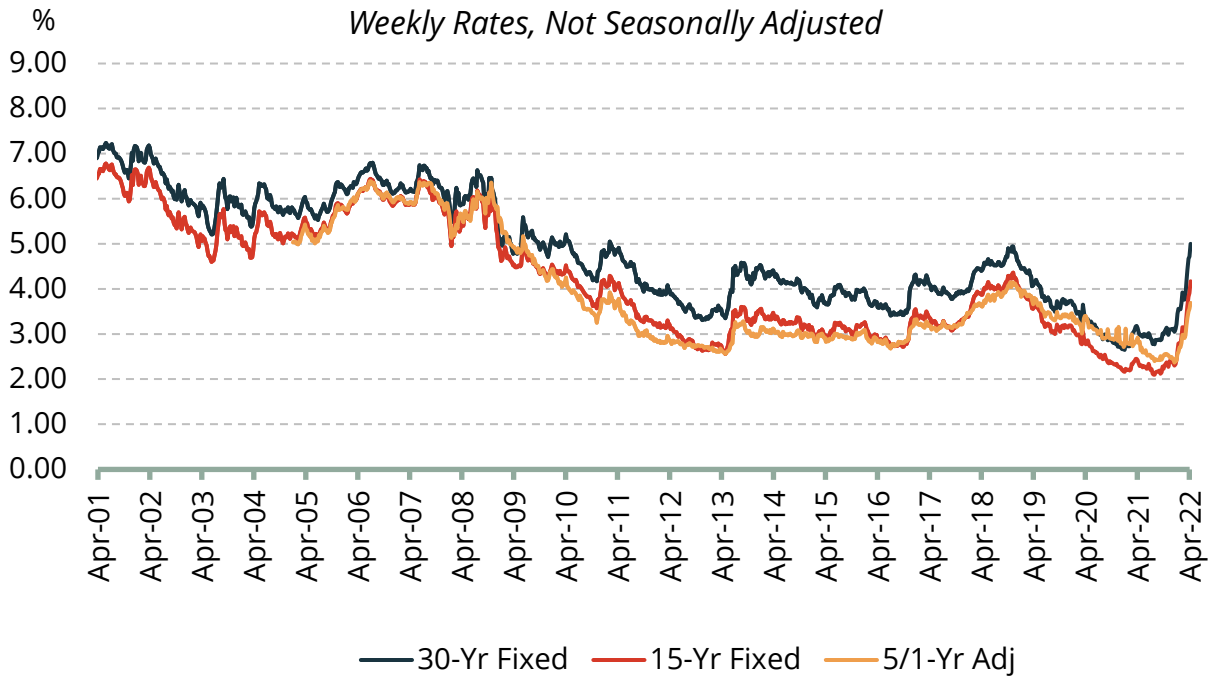
Over the past few weeks, mortgage rates have risen faster than they have in nearly 30 years. In the second week of April, the average rate on a 30-year fixed-rate mortgage hit 5% for the first time in 11 years. Rates are rising in response to actions taken by the Federal Reserve, including a boost in short-term interest rates and a pullback in the purchase of bonds and mortgage-backed securities. The Fed has telegraphed several more short-term rate increases during 2022, which indicates that mortgage rates will likely rise further during the year. Even as rates continue to climb, they are still at historically low levels.

Figure 3
Consumer Confidence
South Atlantic Region



Source: The Conference Board

Figure 4
Mortgage Interest Rates
Weekly Rates, Not Seasonally Adjusted



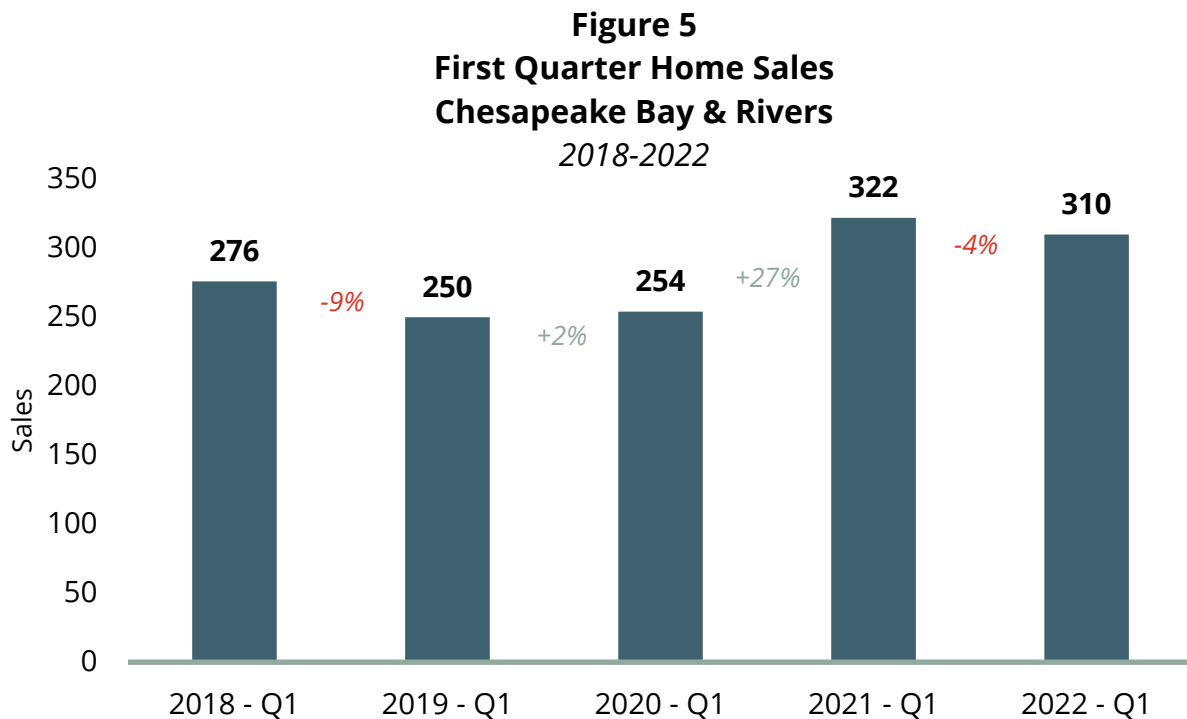
Source: Federal Reserve Bank of St. Louis

Housing Market Overview

The Chesapeake Bay & Rivers housing market is in a period of transition. Compared to a year ago, the number of home sales is down for the third quarter in a row. Despite the slower sales activity, home prices continued to rise in the region, and homes sold faster than last year. Inventory had been falling dramatically in the CBRAR region, but there was an uptick in the first quarter for the first time in years.

Sales

There were 310 sales across the Chesapeake Bay & Rivers region during the first quarter of 2022. There were 12 fewer home sales compared to last year at this time, which is a 4% decline. Sales declined in most local markets in the CBRAR region. This is the third quarter in a row of year-over-year home sales declines. Despite this slowdown, sales are up significantly compared to before the pandemic. The first quarter 2022 sales in the CBRAR region were up 22% compared to the first quarter of 2020. Statewide, the number of home sales in the first quarter was down 8% compared to a year ago and was 9% higher than first quarter 2020 sales totals.



Source: Virginia REALTORS®, data accessed April 15, 2022



Local Snapshot – *Total Home Sales*

Gloucester County: There were 145 sales in Gloucester County in the first quarter. The number of home sales in the first quarter was 7% higher than a year ago, which is nine more sales. Compared to the first quarter of 2020, sales in the county were up 36%.

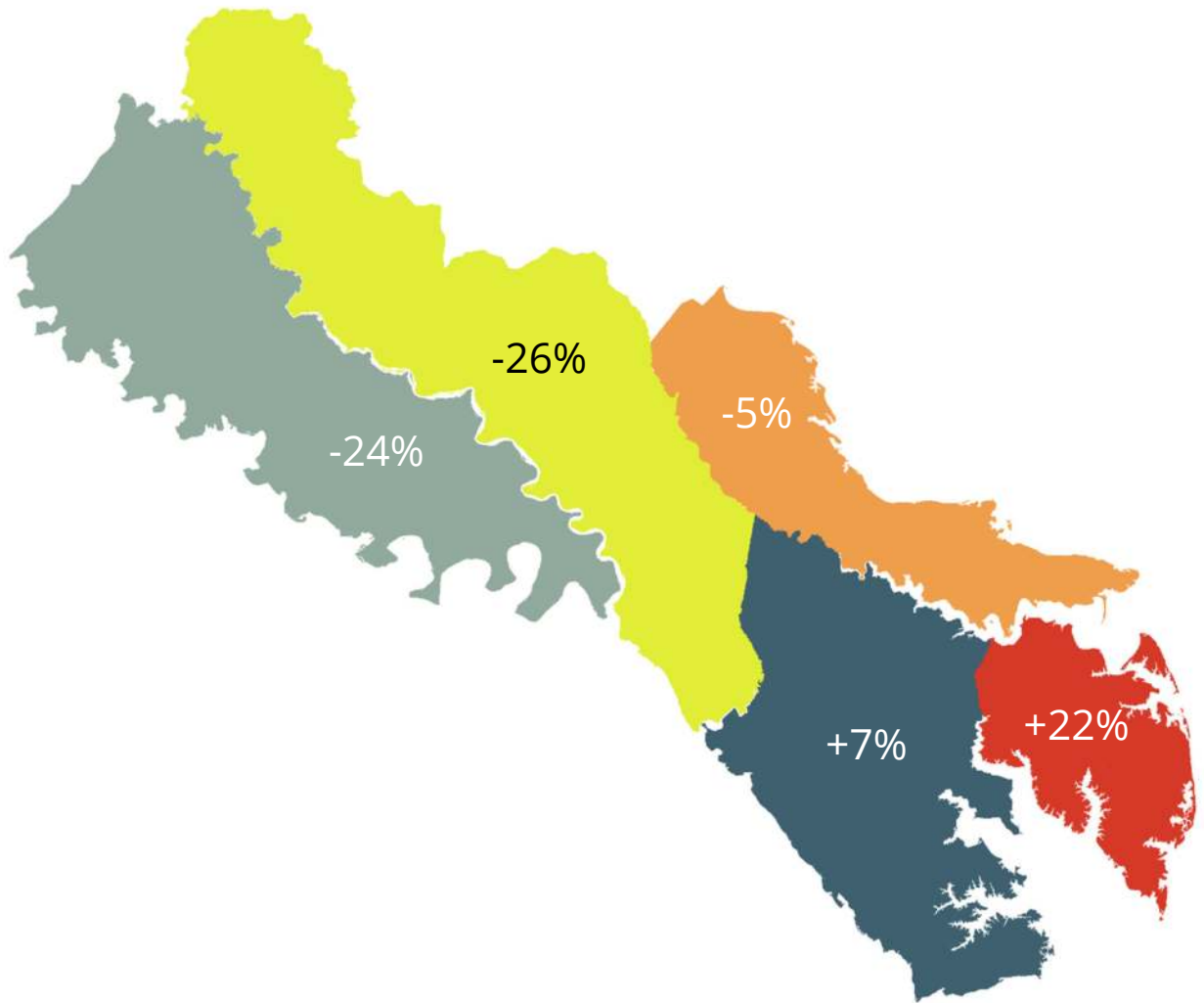
King and Queen County: In King and Queen County, there were just 14 sales during the first quarter. Sales were down 26% compared to a year ago, which is five fewer sales. Despite this dip, the number of sales this quarter was up 27% compared to two years ago.

King William County: For the first time since the third quarter of 2019, the number of home sales declined in King William County. There were 69 home sales in the county during the first quarter. Sales were down 24% compared to a year ago, 22 fewer sales.

Mathews County: There were 45 sales in Mathews County in the first quarter. The number of sales was up 22% compared to last year at this time, which is eight additional sales. The number of sales in the first quarter of 2022 was more than double two years ago.

Middlesex County: Home sales declined for the third quarter in a row in Middlesex County. There were 37 sales in the county in the first quarter, which is 5% fewer sales than last year, a decrease of two sales.

Figure 6
Change in Sales by Jurisdiction
Chesapeake Bay & Rivers
First Quarter 2021 to First Quarter 2022



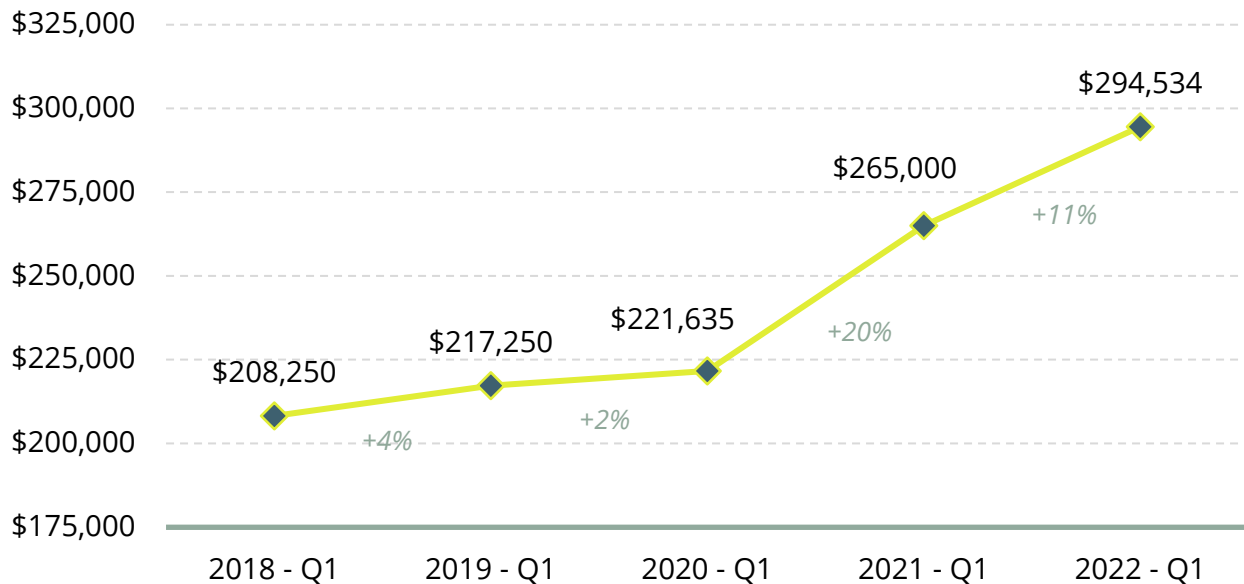
<i>Jurisdiction</i>	<i>2021 - Q1</i>	<i>2022 - Q1</i>	<i>% Change</i>
Gloucester County	136	145	7%
King & Queen County	19	14	-26%
King William County	91	69	-24%
Mathews County	37	45	22%
Middlesex County	39	37	-5%

Source: Virginia REALTORS®, data accessed April 15, 2022

Sales Prices

While the number of home sales was down compared to a year ago, home prices continued to rise in the Chesapeake Bay & Rivers footprint. The first quarter median sales price in the region was \$294,534, which is up 11% compared to a year ago, which was a gain of more than \$29,500. Home prices were up in almost all local markets across the region. Regional home prices have been rising very quickly over the past two years. The median home price in the CBRAR region is now more than \$72,000 higher than it was during the first quarter of 2020. Statewide, the first quarter median sales price was \$375,000, up 12% compared to a year ago.

Figure 7
First Quarter Median Sales Price, Chesapeake Bay & Rivers
2018-2022



Source: Virginia REALTORS®, data accessed April 15, 2022



Local Snapshot – *Median Sales Price*

Gloucester County: In Gloucester County, the first quarter median sales price was \$308,000, which was a 10% gain from last year, a gain of more than \$28,000. The median price in the county is now more than \$68,000 higher than it was two years ago.

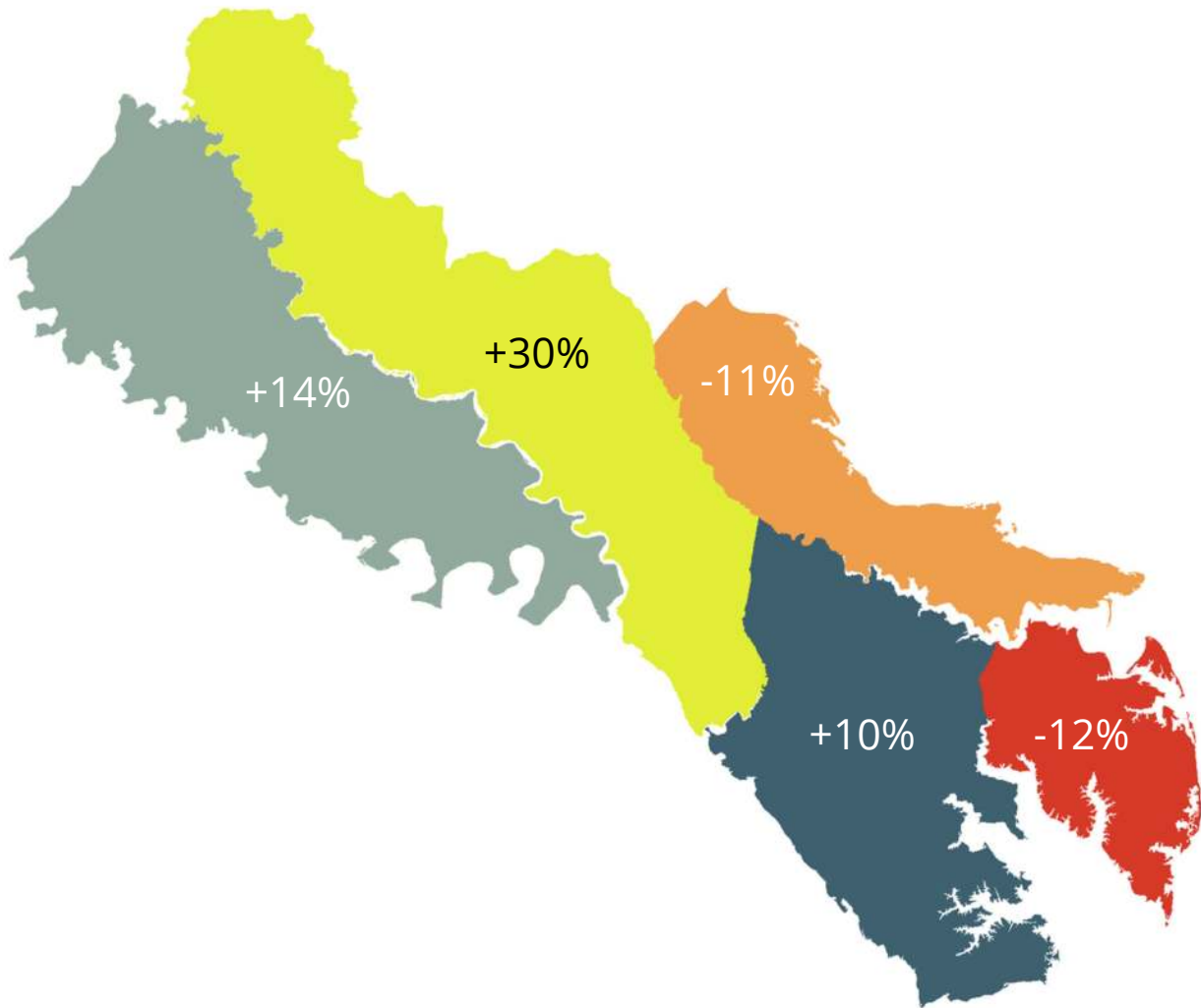
King and Queen County: There was a surge in the median home price in King and Queen County in the first quarter. At \$285,000, the first quarter median sales price in the county was up 30% compared to the first quarter of 2021, which is up more than \$65,000 over the year.

King William County: The median sales price in King William County during the first quarter was \$285,000, which is a 14% gain from a year ago, or \$35,000 higher. The median price in the county is now nearly \$71,000 higher than it was two years ago.

Mathews County: Sales prices dipped for the second quarter in a row in Mathews County. The first quarter median sales price in the county was \$287,500, which is 12% lower than a year ago, a drop of \$38,000. The county's median price is more than \$57,000 higher than it was in the first quarter of 2020.

Middlesex County: The median price in Middlesex County fell by 11% in the first quarter of 2022. At \$312,000, the county's median price was up \$38,000 compared to a year ago. Home prices have risen quickly and the median home price in the county was \$87,000 higher than it was two years ago.

Figure 8
Change in Median Sales Price by Jurisdiction
Chesapeake Bay & Rivers
First Quarter 2021 to First Quarter 2022



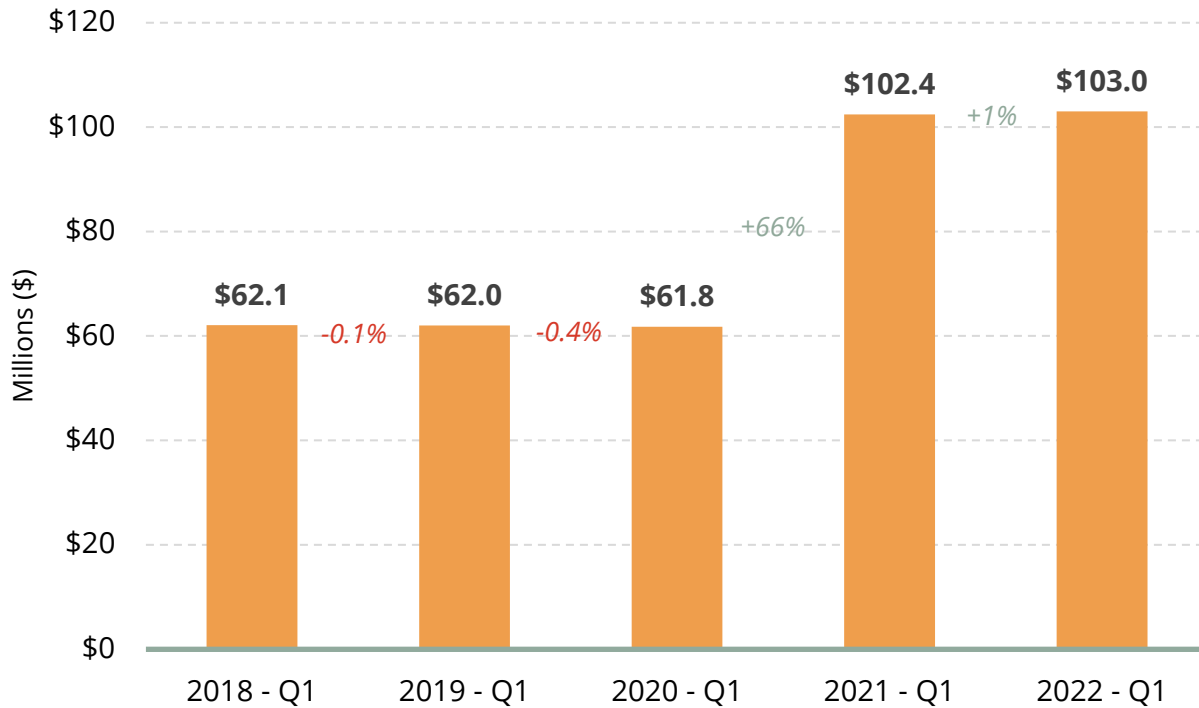
<i>Jurisdiction</i>	<i>2021 - Q1</i>	<i>2022 - Q1</i>	<i>% Change</i>
Gloucester County	\$279,950	\$308,000	10%
King & Queen County	\$219,750	\$285,000	30%
King William County	\$250,000	\$285,000	14%
Mathews County	\$325,000	\$287,500	-12%
Middlesex County	\$350,000	\$312,000	-11%

Source: Virginia REALTORS®, data accessed April 15, 2022

Sold Volume

While the number of home sales was lower than a year ago, higher prices led to a slight uptick in the total sold volume in the Chesapeake Bay & Rivers market. There was about \$103 million of sold volume in the region during the first quarter. Total sold volume is just 1% higher than a year ago, which is about \$600,000 additional sold volume.

Figure 9
First Quarter Sold Dollar Volume (Millions)
Chesapeake Bay & Rivers
2018-2022



Source: Virginia REALTORS®, data accessed April 15, 2022



Local Snapshot – *Sold Dollar Volume*

Gloucester County: Higher sales and prices led to an increase in total sold dollar volume. In Gloucester County, there was approximately \$47.9 million of sold volume in the county in the first quarter, which is up 14% from a year ago, a gain of about \$6 million.

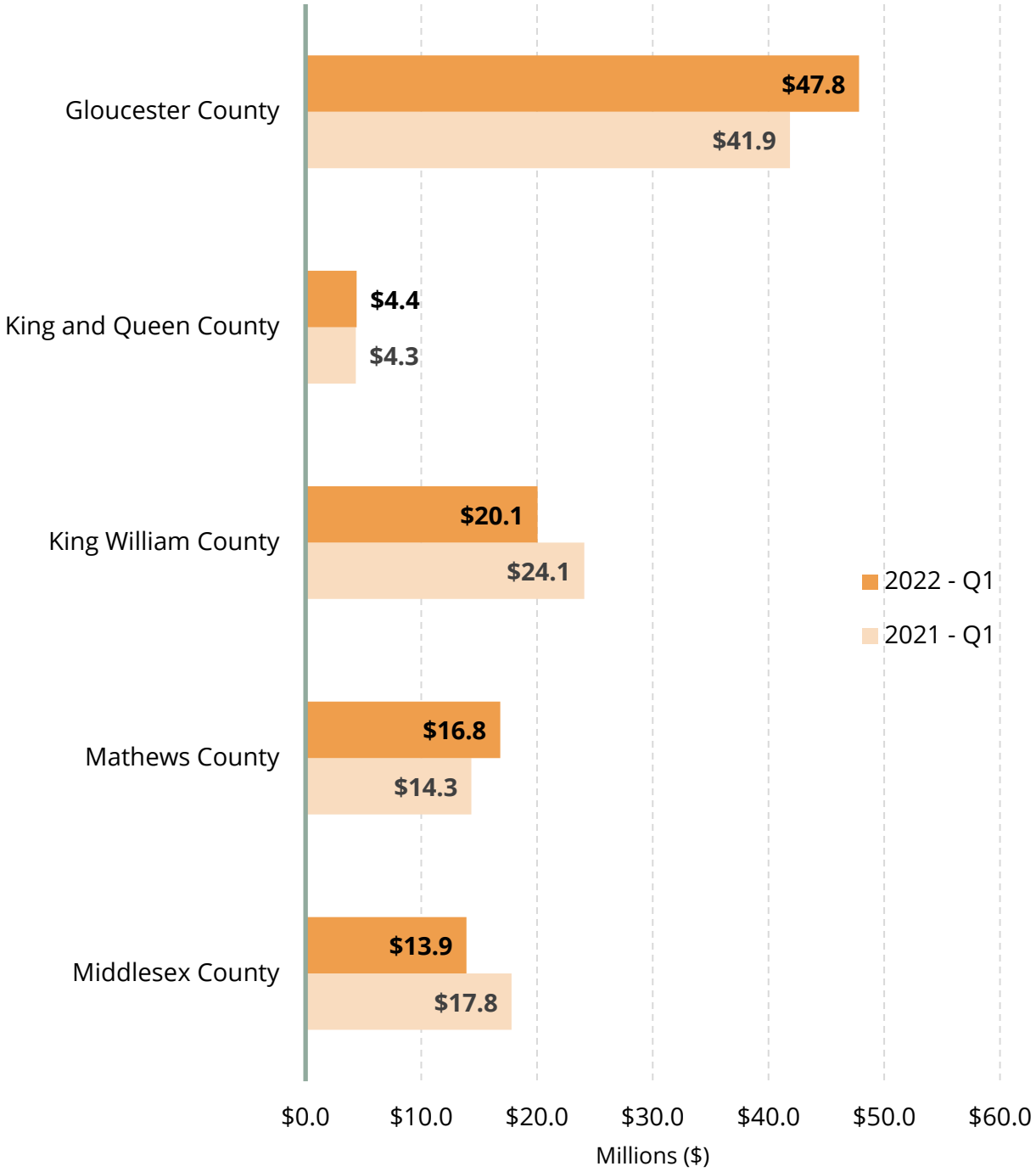
King and Queen County: The number of sales in King and Queen County declined compared to a year ago, but the median price surged, which led to relatively flat sold volume. There was about \$4.4 million of sold volume in the county in the first quarter, which is up 2% compared to a year ago, a gain of about \$70,000.

King William County: Fewer home sales led to lower total sold dollar volume in King William County. There was approximately \$20.1 million of sold volume in the county in the first quarter. Total sold volume was down 17% compared to a year ago, a decline of about \$4 million.

Mathews County: The county's median price fell year over year, but the number of home sales increased. As a result, there was a gain in total sold volume in Mathews County in the first quarter. There was about \$16.8 million of sold volume in the county, about \$2.5 million more than a year ago, a 17% gain.

Middlesex County: Fewer sales and lower prices led to a decline in total sold dollar volume in Middlesex County. There was about \$13.9 million of sold volume in the county in the first quarter of 2022, 22% less volume than the first quarter of 2021, which is a decrease of about \$3.9 million.

Figure 10
First Quarter Sold Dollar Volume
Chesapeake Bay & Rivers Jurisdictions
2021 and 2022

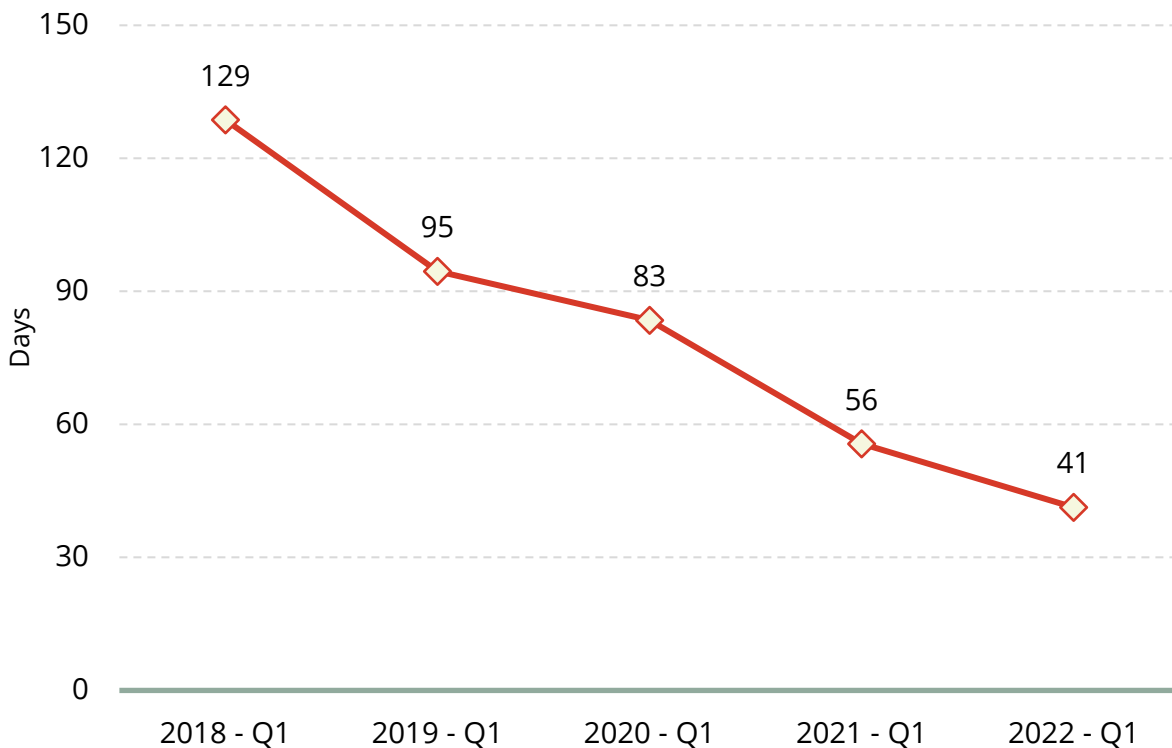


Source: Virginia REALTORS®, data accessed April 15, 2022

Days on Market

While the number of home sales in the Chesapeake Bay & Rivers area fell, homes continued to sell more quickly. Homes that sold in the first quarter were on the market 41 days on average, which is about two weeks faster than a year ago (-14 days). Homes sold in less than half the time that they did two years ago in the region. Statewide, homes sold in an average of 24 days in the first quarter, down from 31 days a year ago.

Figure 11
First Quarter Average Days on Market
Chesapeake Bay & Rivers
2018-2022



Source: Virginia REALTORS®, data accessed April 15, 2022



Local Snapshot – *Average Days on Market*

Gloucester County: In Gloucester County, home sold in an average of 30 days during the first quarter of 2022. The average days on market was eight days faster than a year ago.

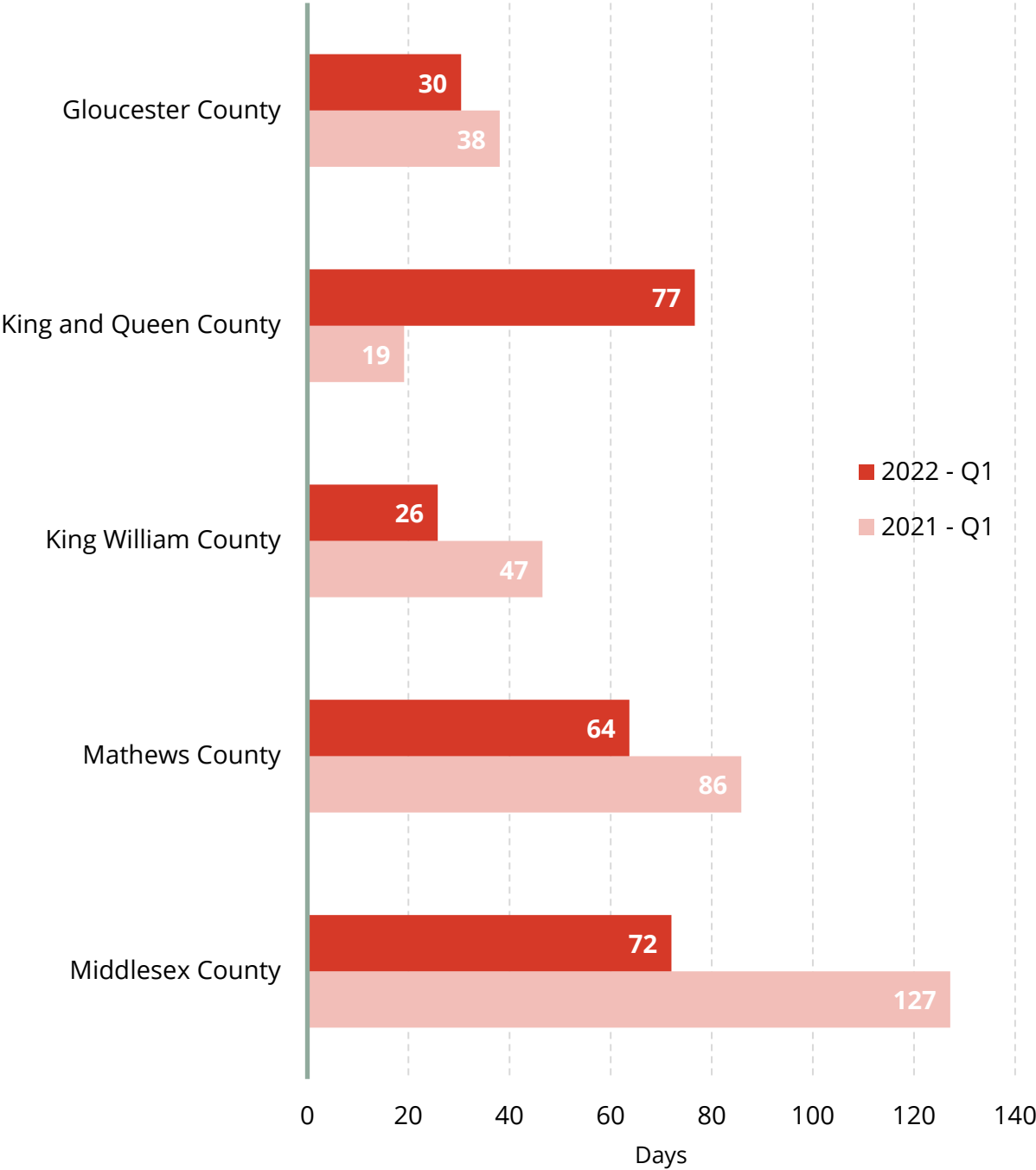
King and Queen County: The average days on market in King and Queen County in the first quarter was 77, which is a significant increase from a year ago (+57 days), but is about a month faster than two years ago.

King William County: Homes that sold during the first quarter in King William County were on the market an average of 26 days, which is three weeks faster than last year at this time (-21 days).

Mathews County: At 64 days, the average days on market in Mathews County in the first quarter fell by about three weeks (-22 days) compared to last year.

Middlesex County: It took 72 days, on average, for a home to sell in Middlesex County during the first quarter. The average days on market fell by 55 days compared to last year at this time.

Figure 12
First Quarter Average Days on Market
Chesapeake Bay & Rivers Jurisdictions
2021 and 2022



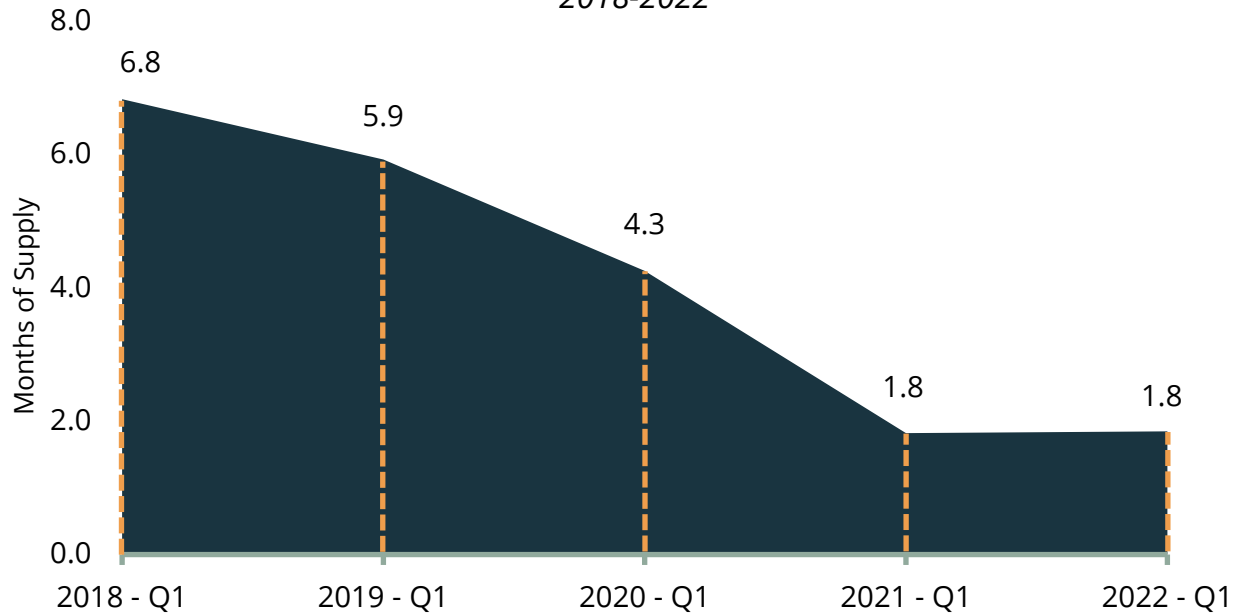
Source: Virginia REALTORS®, data accessed April 15, 2022

Inventory

For the first time in years, inventory in the Chesapeake Bay & Rivers region increased year-over-year. There were 261 active listings across the CBRAR footprint at the end of the first quarter. Supply was up 4% compared to a year ago, which is nine more listings. The increase in inventory across the region was driven by gains in King William and Mathews counties. Despite the slight increase in supply, inventory in the CBRAR market is just 42% of the level two years ago. Statewide, there was a total of 13,610 active listings at the end of the first quarter, which is about 2,000 fewer active listings than a year ago, a 13% drop.

There was about 1.8 months of supply at the end of the first quarter in the Chesapeake Bay & Rivers footprint, which is unchanged from a year ago, but up slightly from the fourth quarter of 2021. The months of supply is calculated by taking the average monthly sales over the preceding 12-month period and dividing it by the inventory of active listings.

Figure 13
End of First Quarter Months Supply
Chesapeake Bay & Rivers
2018-2022



Source: Virginia REALTORS®, data accessed April 15, 2022



Local Snapshot – *Active Listings*

Gloucester County: Inventory was relatively unchanged from a year ago in Gloucester County. There were 83 listings in the county at the end of the first quarter. Supply was down just 1% compared to a year ago, which is one fewer listing.

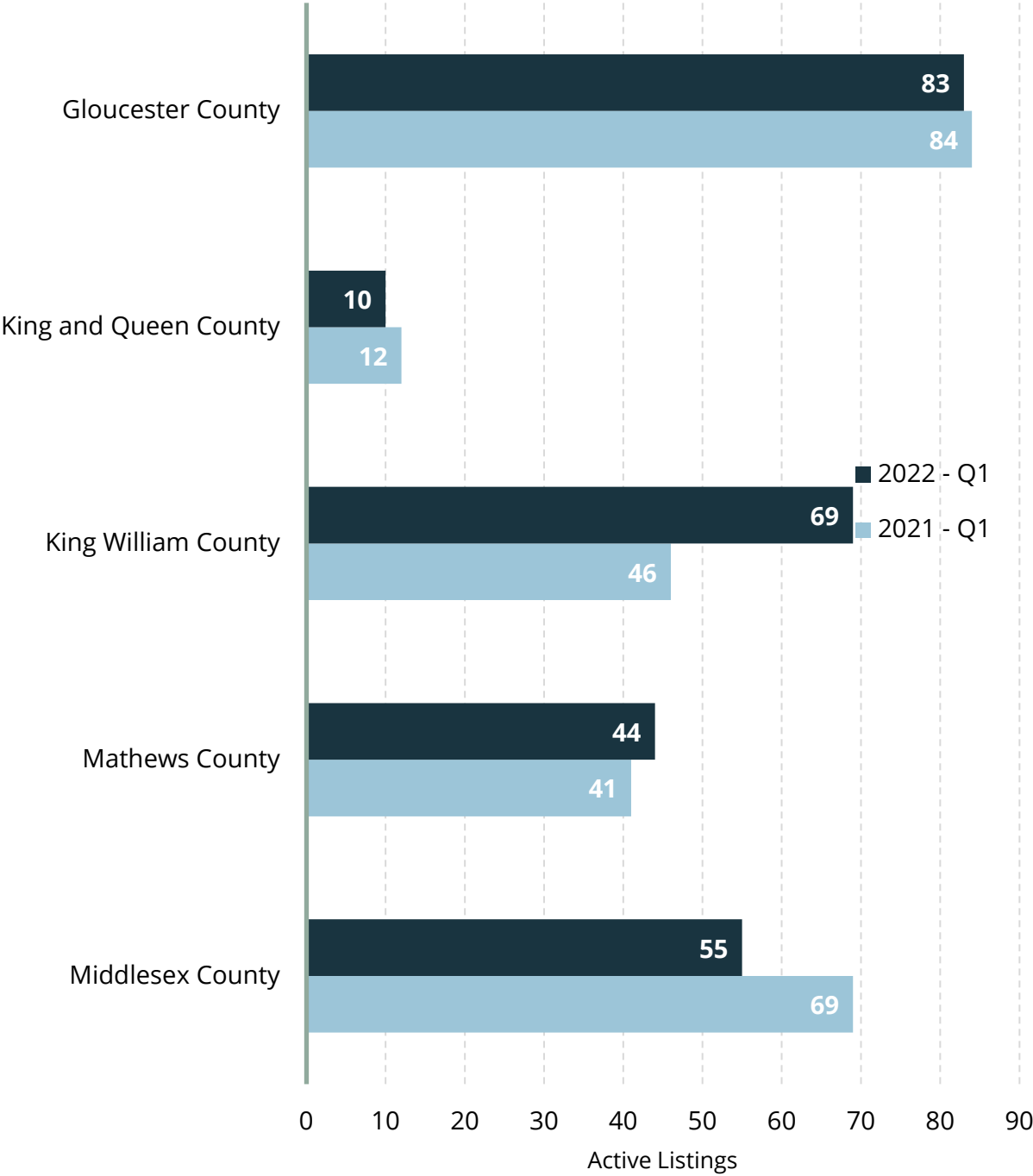
King and Queen County: There were only 10 active listings on the market in King and Queen County at the end of the first quarter. Inventory is 17% lower than a year ago, which is two fewer listings.

King William County: Inventory in King William County increased for the first time since the first quarter of 2020. At the end of the first quarter of 2020, there were 69 active listings on the market in the county, which is a 50% gain from a year ago, or 23 additional listings.

Mathews County: There were 44 active listings in Mathews County at the end of the first quarter. Inventory dropped by 7% compared to a year ago, which is three fewer listings. Inventory in Mathews County is less than a third of what it was two years ago.

Middlesex County: The inventory in the Middlesex County housing market continued to decline. There were 55 active listings on the market in the county at the end of the first quarter, 14 fewer listings than last year, which is a 20% drop.

Figure 14
End of First Quarter Active Listings
Chesapeake Bay & Rivers Jurisdictions
2021 and 2022



Source: Virginia REALTORS®, data accessed April 15, 2022



The Virginia REALTORS® association is one of the largest professional trade associations 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:

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Data and analysis provided by Virginia REALTORS® Chief Economist, Lisa Sturtevant, PhD.

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.