

COUNTY OF YORK

MEMORANDUM

DATE: March 13, 2025
TO: York County Board of Supervisors
FROM: Mark L. Bellamy, Jr., County Administrator 
SUBJECT: Daily Press Article on Hampton Roads Housing Market

For your information, attached is a *Daily Press* article discussing the current state of the Hampton Roads housing market. It highlights how the region is outperforming national trends despite real estate challenges, with insights from industry experts at a recent market review event.

Schott/3326

Attachment:

- *Daily Press Article – Hampton Roads Housing Market*

Hampton Roads' housing story

Average local home sold for \$391,477 as area's momentum bucks national trend of worst real estate market in 30 years



J. Van Rose Jr. speaks about the state of the residential real estate market during the Hampton Roads Real Estate Market Review and Forecast event at Old Dominion University's Chartway Arena in Norfolk on Tuesday. Billy Schuerman /staff

BY SANDRA J. PENNECKE STAFF WRITER

The Hampton Roads housing market is bucking national trends, but there are more agents than homes for sale, an industry expert said.

“I always say real estate is local,” J. Van Rose Jr., executive board chairman of Berkshire Hathaway HomeServices RW Towne Realty, said Tuesday.

Much of the country is experiencing the worst residential real estate market in 30 years, but that’s not the case for Hampton Roads, Rose said. Thanks to federal contracts, the port, tourism, and expanding medical and health care services throughout the region, the local market maintains a forward momentum, he said.

Rose was one of five presenters at the Hampton Roads Real Estate Market Review and Forecast. The annual event, hosted by Old Dominion University’s E.V. Williams Center for Real Estate, welcomed more than 600 attendees to the Chartway Arena in Norfolk.

Industry experts shared insights and outlooks on the state of real estate regarding the region’s retail, office, multifamily, industrial and residential markets. Simon Stevenson, ODU’s endowed chair in real estate and economic development, said while real estate has gone through many changes over the past three decades, the market review has been a constant in keeping Hampton Roads aware of potential challenges and opportunities.

Rose, who presented at 29 of the past 30 market reviews, reflected back to his first report when the average house cost \$50,000.

“This one’s going to show it’s a lot higher,” Rose said during Tuesday’s presentation. The average home resale price last year was \$391,477, a 6.5% increase from \$367,534 in 2023, Rose said.

“We have so little product out there that nothing has had the opportunity to shrink in price,” Rose said. “So, you all ought to slap each other on the back and squeeze each other because you’re just making money sitting there.”

At the start of 2025, there were 3,946 houses for sale — the best start in five years, Rose said. But the problem is the region’s more than 9,000 real estate agents are scraping by to find a listing in the marketplace.

Resale homes are taking longer to sell, with the average market time increasing from 28 days in 2024 to 59 days this year, he said, noting there was less than two months worth of supply available.

The number of new construction home sales dropped by 26%, or by about 900 units, from 2021 to 2024, according to the report. And the average new home price was under \$500,000 last year. The number of existing home sales in 2024 was on par with 2023 although down 37% since 2021.

The real culprit behind the drop in sales in most of the residential real estate market in the country is the rise in interest rates. From 2021 to 2023, Rose said interest rates went from 2.5% to 8%.

About 80% of U.S. houses with a mortgage have an interest rate below 5%, so it makes sense that people aren't selling when interest rates are over 6%, Rose said.

"It is very hard to motivate those buyers to go out and buy," he said.

The biggest change in the Hampton Roads real estate market last year was the explosion of the luxury market. He said the number of homes selling above \$1 million increased 231% from 2019 to 2024.

"We closed over 550 houses over a million dollars with one of those houses being over \$12 million," Rose said.

Looking ahead to the rest of 2025, Rose said the interest rate is trending down toward 5% and the market demand is sky high.

"I think there's a pretty bright market for Hampton Roads in 2025 and beyond because we've just so undersupplied the market for four or five years," he said.

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