DATA AS OF August 6, 2023

July 2023 Market Report
Mid-Atlantic

Mid-Atlantic Market Key Findings

Home Prices in the Mid-Atlantic Up 3.9% in July
Buyers and sellers looking for creative financing options

While home prices have fallen in some U.S. markets, prices have been consistently rising throughout the Bright MLS footprint. With the exception of this past April, when prices were flat, home prices have risen for 89 consecutive months in the region.

Prices continue to rise despite elevated mortgage rates as a result of strong demand and extremely low inventory. Affordability is a growing concern, but so far there have been enough first-time and repeat buyers in the market to drive a resilient Mid-Atlantic market.

Sales activity continues to track below last year but the gap is narrowing. Low inventory and volatile mortgage rates have extended the spring housing market into the summer. Showing activity is relatively strong with the number of showings in July down just 12.0% compared to last July. Typical seasonality in the housing market remains elusive as prospective buyers still must act quickly and opportunistically in the fast-paced market.

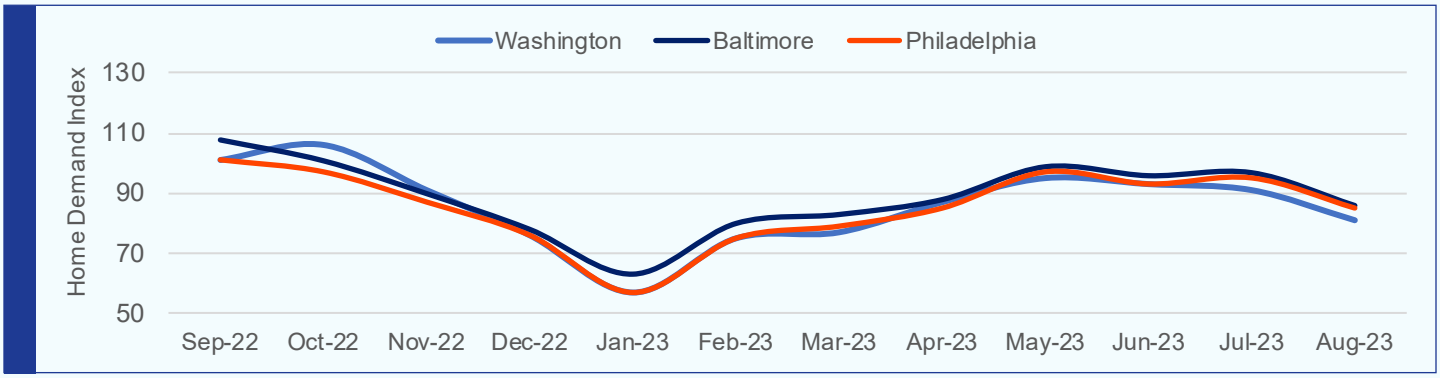
	July 2023		vs. July 2022
Closed sales	18,933	▼	-20.0%
Median sales price	$400,000	▲	+3.9%
Median days on market	8	=	+0 days
New pending sales	20,829	▼	-13.6%
New listings	21,872	▼	-29.6%
Active listings	29,197	▼	-19.1%
Months of supply	1.52	▲	+8.6%
Showings	425,351	▼	-12.0%

Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), market activity has moved to Slow conditions for the three major metros in the Mid-Atlantic, reflecting limited inventory. The August 2023 index was 85 for Philadelphia, 86 for Baltimore, and 81 for Washington, D.C..

The HDI reveals that a year ago the market demand in these areas was Steady or High.

Bright MLS T3 Home Demand Index

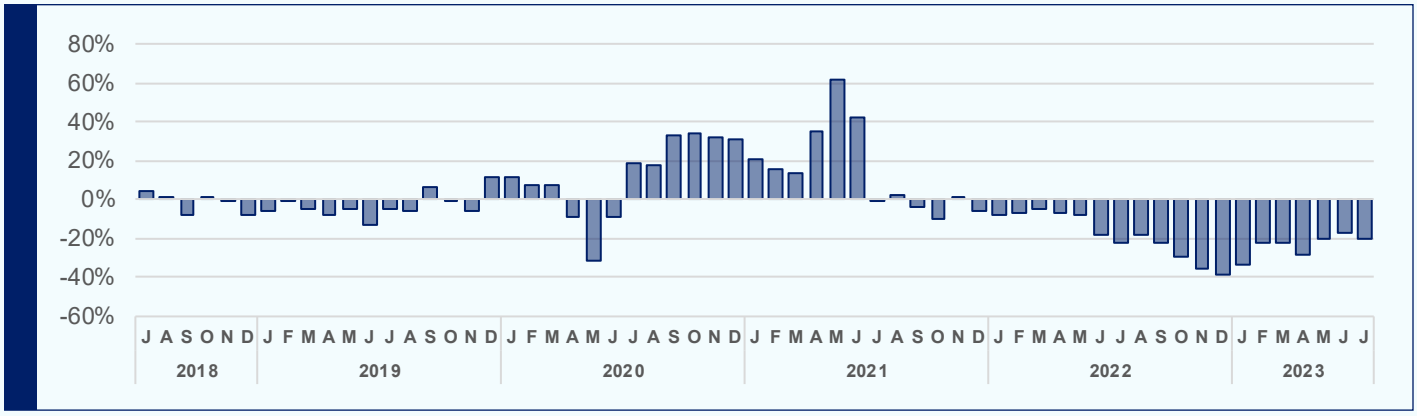


Market Outlook

The fall market in the Mid-Atlantic will be characterized by low inventory, stable or rising home prices, and growing affordability challenges. Mortgage rates will begin to come down but likely will remain around 6.5%. With mortgage rates remaining elevated, homeowners have little incentive to sell if it means they will have to give up their low rate. However, expect listing activity to increase slightly over the next couple of months, as there will be more “movers of necessity”, as well as more transactions with non-standard financing, including assumable mortgages, which are available in some cases for FHA loans or mortgages backed by the VA or USDA, as well as seller financing.

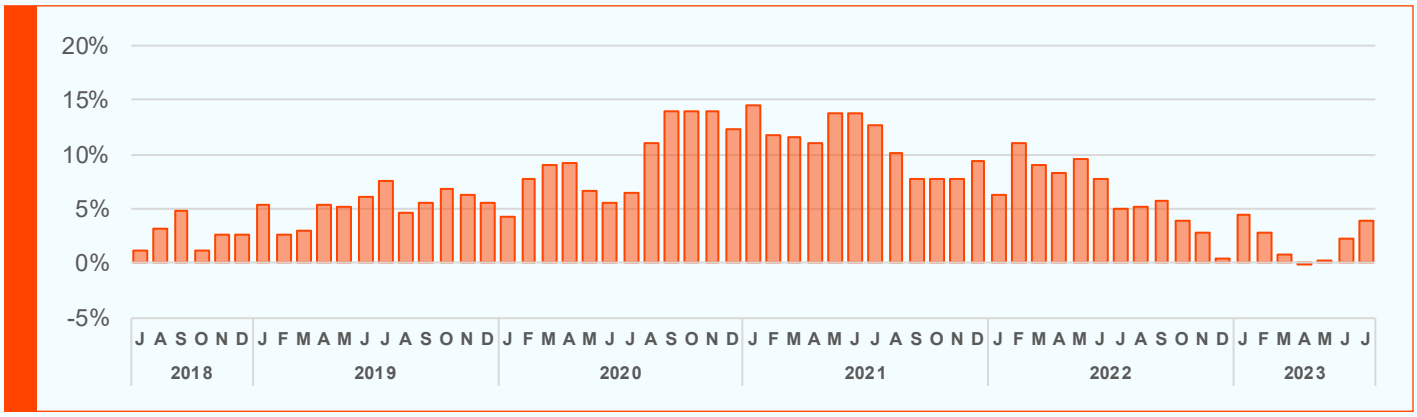
Closed Sales Year-Over-Year Change

Closed sales continue to be dampened by lower supply. There were 18,933 closed sales in the Mid-Atlantic in July 2023, down 20.0% from last year. Single-family home, attached townhome, and condo closed sales were each roughly 20% below July 2022 levels. Additionally, and as seasonally expected, closed sales dropped from June to July.



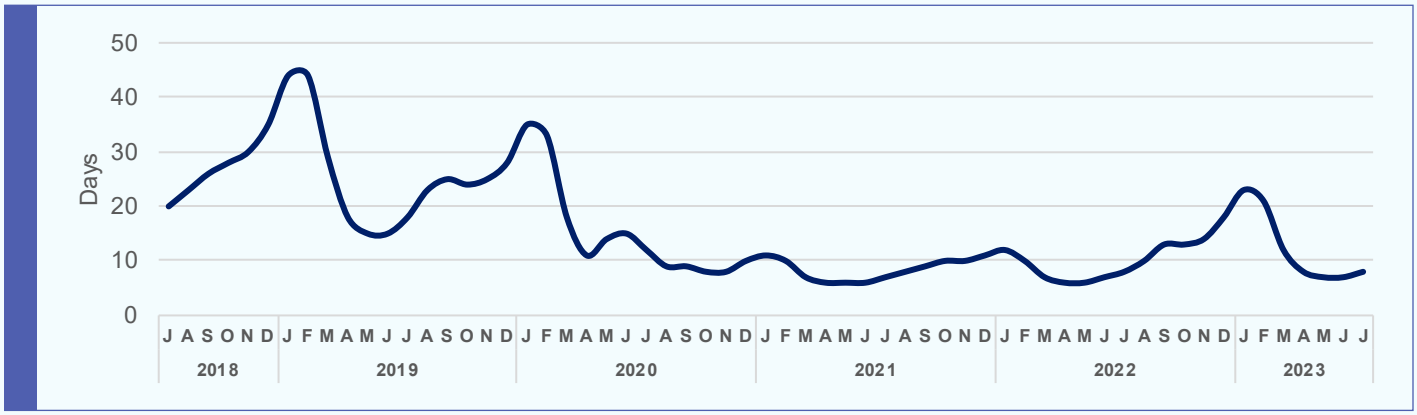
Median Sales Price Year-Over-Year Change

The median sale price across the Mid-Atlantic dipped a bit from the record high seen last month. Still at $400,000, the median price is 3.9% above July 2022. The median price for single-family homes was $455,875, attached townhomes $326,000, and condos $339,850.



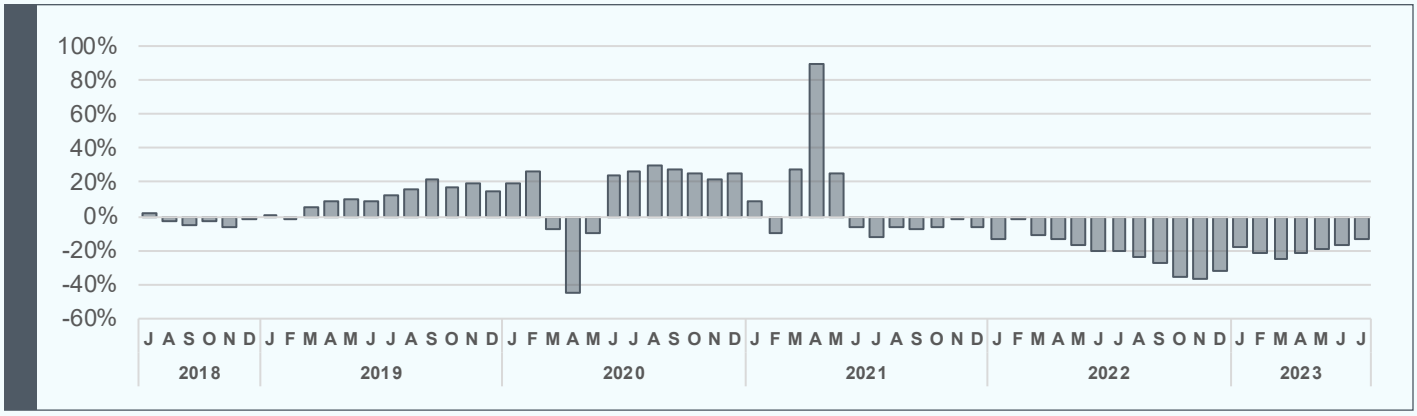
Median Days on Market

The median days on market remains tight, although the pace increased one day from 7 to 8 days from June to July. Typically, the time on market eases for buyers in the fall and winter months. Low inventory may keep median days on market low in 2023 as limited choices continue to spur competition for the homes available.



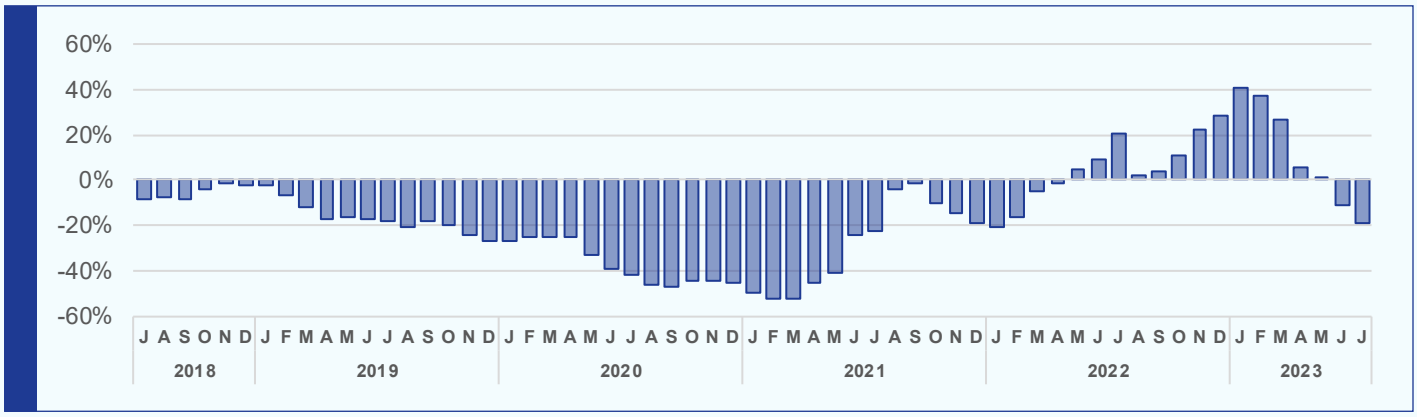
New Pending Sales Year-Over-Year Change

The Mid-Atlantic had 20,829 new pending sales in July 2023. The gap between pending sales in 2022 and 2023 has continued to shrink and the difference was 13.6% in July. Pending sales across all property types had similar drops, with single-family homes down 14.6%, attached townhomes down 11.7%, and condos 13.0% lower than last year.



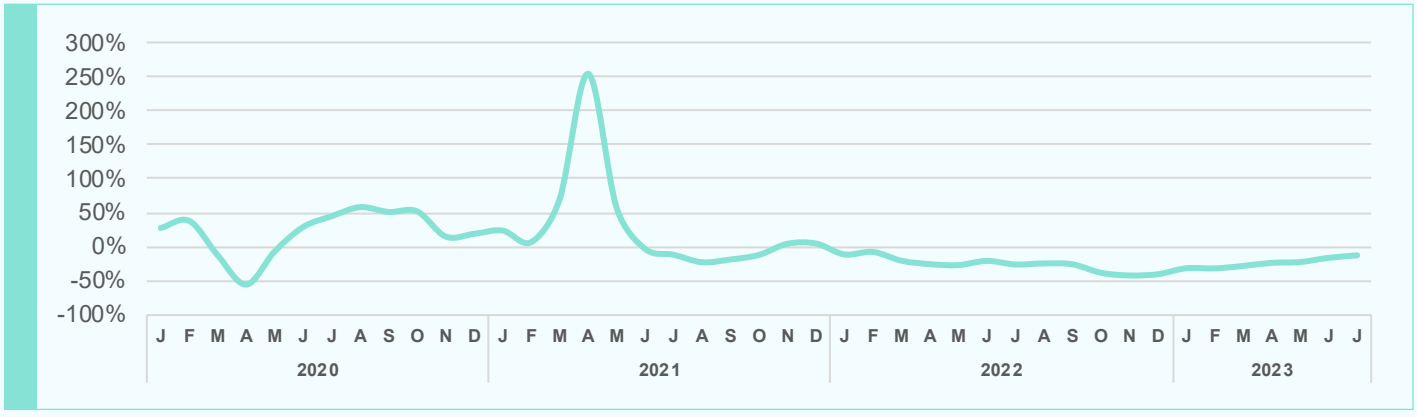
Active Listings Year-Over-Year Change

Active listings had been gaining ground until a reversal in the trend in June. Inventory at the end of July 2023 was also lower than the previous year. Looking at the glass half full, the 29,197 active listings are significantly above the lowest inventory recorded in February 2022 of 19,193. On the other hand, inventory is only 44% of what was on market in July 2019.

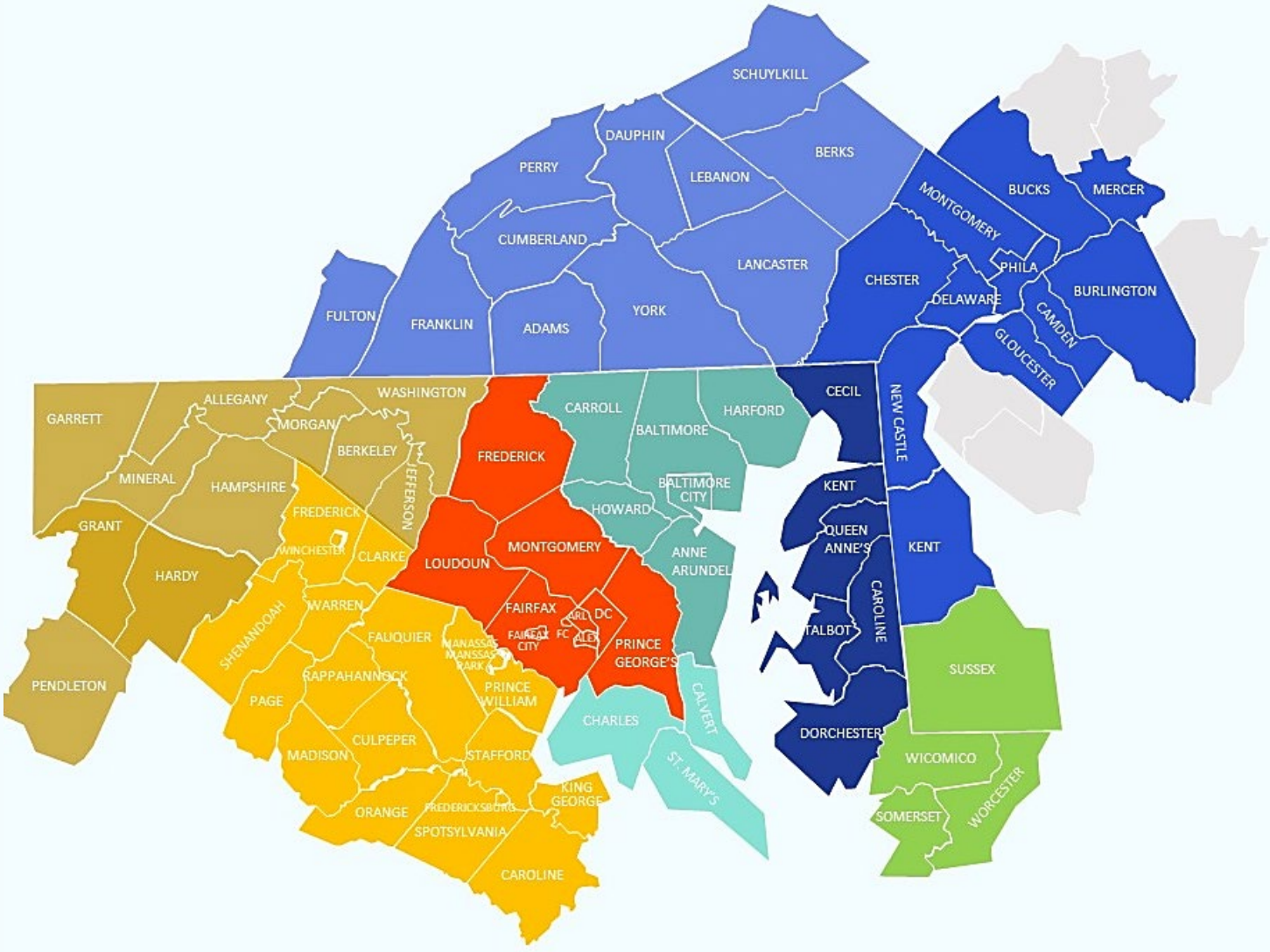


Showings Year-Over-Year Change

There were 425,351 showings in the Mid-Atlantic region in July 2023. Showing traffic is getting closer to 2022 levels despite lower supply. The number of showings was down just 12.0% between July 2022 and July 2023.



Bright MLS Mid-Atlantic Markets



Local Markets

Home prices rose in July in most markets in the Mid-Atlantic, with the strongest price growth in the more affordable markets in the Central Pennsylvania (+7.8%) and MD/WV Panhandle (+6.3%) regions. The exceptions this month are the MD Eastern Shore and Southern Maryland regions where median prices fell slightly from a year ago.

Low inventory continues to drive price growth. Compared to a year ago, active listings are down in every submarket with the exception of the Del/Mar Coastal region, where the number of active listings at the end of July was up 9.0% compared to a year ago.

The pace of the market remains very quick, with competition as fierce as it was during the height of the pandemic. In several regions, the median days on market was just 7, meaning half of all homes sold in a week or less.



CLOSED SALES

	July 2023	vs. July 2022
Philadelphia Metro	5,517	-23.5%
Baltimore Metro	2,784	-18.4%
Washington Metro	4,360	-20.1%
Central Pennsylvania	2,235	-19.0%
MD/WV Panhandle	624	-10.2%
MD Eastern Shore	325	-16.5%
Del/Mar Coastal	645	-15.5%
Southern Maryland	403	-26.3%
North Central Virginia	1,452	-19.9%
Mid-Atlantic	**18,933**	**-20.0%**

MEDIAN SALES PRICE

	July 2023	vs. July 2022
Philadelphia Metro	$369,000	+5.4%
Baltimore Metro	$380,000	+2.9%
Washington Metro	$590,000	+4.8%
Central Pennsylvania	$275,000	+7.8%
MD/WV Panhandle	$295,000	+6.3%
MD Eastern Shore	$342,350	-2.2%
Del/Mar Coastal	$389,000	+5.1%
Southern Maryland	$420,000	-1.2%
North Central Virginia	$469,999	+4.4%
Mid-Atlantic	**$400,000**	**+3.9%**

Local Markets Continued

	NEW PENDINGS		NEW LISTINGS		MEDIAN DAYS ON MARKET	
	July 2023	vs. July 2022	July 2023	vs. July 2022	July 2023	vs. July 2022
Philadelphia Metro	5,905	-18.2%	6,606	-27.4%	9	+0 days
Baltimore Metro	3,038	-16.9%	2,852	-38.7%	7	+0 days
Washington Metro	4,630	-10.3%	4,881	-34.4%	7	-1 day
Central Pennsylvania	2,534	-12.5%	2,606	-21.7%	7	+0 days
MD/WV Panhandle	740	-8.8%	741	-24.5%	11	+2 days
MD Eastern Shore	362	-12.3%	367	-24.3%	8	-4 days
Del/Mar Coastal	828	-4.9%	879	-17.2%	16	+6 days
Southern Maryland	513	-10.8%	542	-32.3%	11	+2 days
North Central Virginia	1,604	-14.1%	1,649	-32.1%	7	-1 day
Mid-Atlantic	**20,829**	**-13.6%**	**21,872**	**-29.6%**	**8**	**+0 days**

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	July 2023	vs. July 2022	July 2023	vs. July 2022
Philadelphia Metro	9,155	-20.6%	1.61	+5.9%
Baltimore Metro	3,667	-21.1%	1.32	+9.1%
Washington Metro	5,731	-29.3%	1.33	+0.8%
Central Pennsylvania	2,886	-7.8%	1.26	+12.5%
MD/WV Panhandle	1,209	-11.3%	1.99	+11.2%
MD Eastern Shore	704	-6.8%	2.27	+22.7%
Del/Mar Coastal	1,868	+9.0%	2.55	+42.5%
Southern Maryland	682	-17.0%	1.58	+21.5%
North Central Virginia	2,085	-22.8%	1.45	+8.2%
Mid-Atlantic	**29,197**	**-19.1%**	**1.52**	**+8.6%**

Mind the Pending Sales Gap

In the Mid-Atlantic, watch the closing of the gap between pending sales in 2023 and 2022.

Pending sales activity is impacted by demand and supply, both lower than 2022.

Mortgage rates play a large part in the affordability of a home. Buyers in July faced rates at least a percentage or more higher than a year ago.

Recall that in January, rates were more than double what they had been in January 2022. As mortgage rates have converged, so has the movement in pending sales. As this year's rates approach last year's, pending sales may track closer to 2022 levels this fall.

Local Markets Continued

	SHOWINGS		HOME DEMAND INDEX	
	July 2023	vs. July 2022	August 2023	vs. August 2022
Philadelphia Metro	143,834	-13.8%	85	-21.3%
Baltimore Metro	61,188	-14.7%	86	-25.2%
Washington Metro	102,411	-8.4%	81	-26.4%
Central Pennsylvania	41,699	-12.0%	91	-16.5%
MD/WV Panhandle	9,841	-4.7%	122	-12.9%
MD Eastern Shore	4,340	-19.2%	100	-18.7%
Del/Mar Coastal	11,921	-2.1%	109	-8.4%
Southern Maryland	9,223	-17.9%	120	-25.5%
North Central Virginia	26,825	-17.6%	80	-29.2%
Mid-Atlantic	**425,351**	**-12.0%**		

Bright MLS T3 Home Demand Index

The Home Demand Index (HDI) captures buyer signals including showing requests, listing views and more to let you know what buyers are doing right now, before they buy. The HDI is forward-looking, providing a picture of what market activity will be this month.

The Home Demand Index was created as part of our strategy to create a nimbler and more innovative MLS platform that drives your business forward.

Read More about the HDI homedemandindex.com



About **Bright MLS**

Bright is proud to be the source of truth for comprehensive real estate data in the Mid-Atlantic, with market intelligence currently covering six states (Delaware, Maryland, New Jersey, Pennsylvania, Virginia, West Virginia) and the District of Columbia. Bright MLS's innovative tool library—both created and curated—provides services and award-winning support to well over 100k real estate professionals, enabling their delivery on the promise of home to over half a million home buyers and sellers monthly. In 2022, Bright subscribers facilitated $121B in real estate transactions through the company's platform. Learn more at Bright MLS.com.

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