

July 2023 Market Report

Baltimore Metro

Baltimore Market Key Findings

New Listings at a More than Two Decade Low Buyers increasingly frustrated by lack of supply

In July, a total of 2,852 new listings came onto the market across the Baltimore metro area, which is down 38.7% compared to last July and is at a more than 20-year low. While elevated mortgage rates and growing affordability challenges have not deterred buyers, the persistently low inventory has subdued sales activity across the region.

Closed sales in July were down 18.4% compared to last year, while new pending sales tracked 16.9% lower. Buyer traffic is also down, with the number of showings 14.7% lower than last year at this time. However, fewer buyers in the market is not a result of cool demand but rather a lack of inventory. At the end of July, there were just 3,667 total listings available for sale. Supply had started to increase earlier this year, but inventory is now 21.1% lower than a year ago.

Buyers need to act quickly, particularly in the region's suburban markets where there is only about a month's supply of inventory. The median days on market in the Baltimore region was 7 in July, meaning half of all homes sold in a week or less.

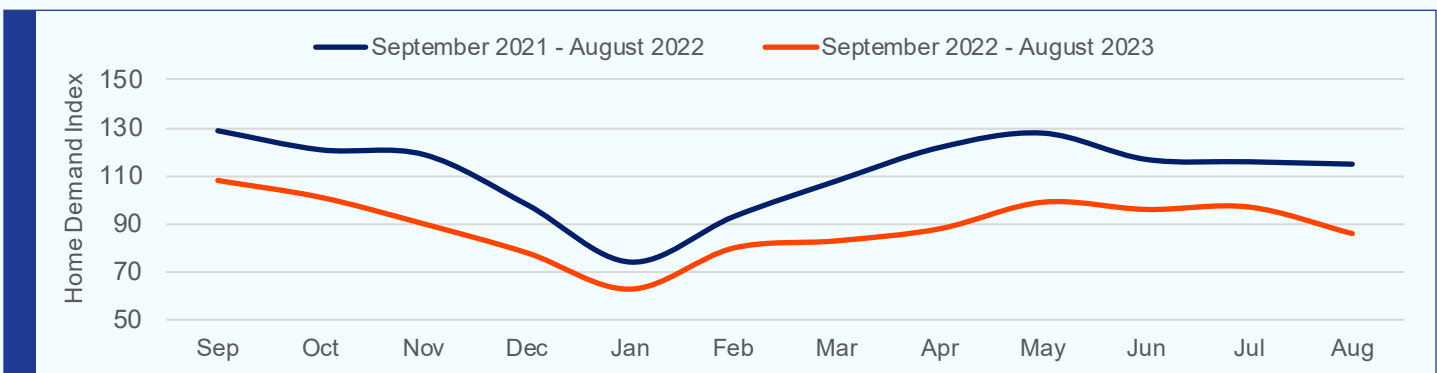
	July 2023		vs. July 2022
Closed sales	2,784	▼	-18.4%
Median sales price	\$380,000	▲	+2.9%
Median days on market	7	=	+0 days
New pending sales	3,038	▼	-16.9%
New listings	2,852	▼	-38.7%
Active listings	3,667	▼	-21.1%
Months of supply	1.32	▲	+9.1%
Showings	61,188	▼	-14.7%

Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), market activity declined in August of 2023, largely due to limited inventory. The index for the Baltimore metro was 86, which indicates Slow market conditions, falling from 97 last month.

The index for the Baltimore metro down from 115 a year ago, meaning Steady demand during that time.

Bright MLS T3 Home Demand Index

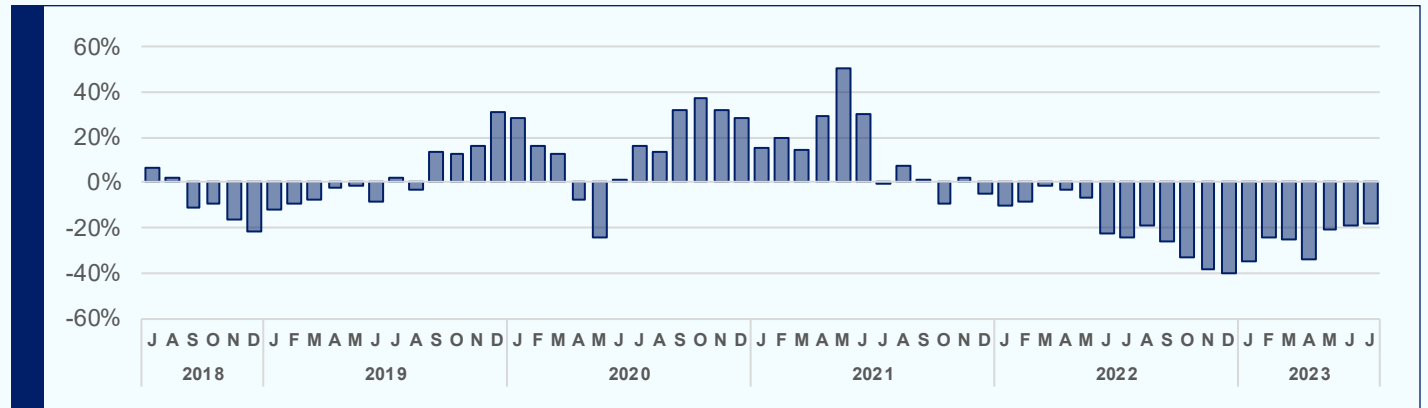


Market Outlook

In the Baltimore metro area, the fall market 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% into the fall. The housing market will remain competitive. With prices high, prospective homebuyers likely will have to compromise on home or neighborhood characteristics, or both, in order to be successful. It will still be a seller's market. New listing activity will remain low as many homeowners are still locked in the "golden handcuffs" of a low mortgage rate that inhibits any plans for selling.

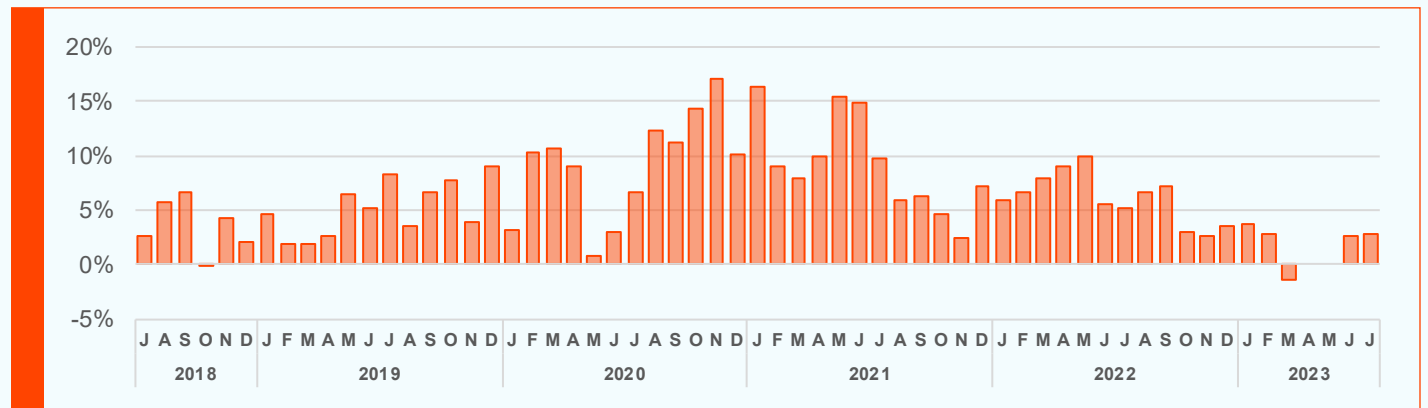
Closed Sales Year-Over-Year Change

There were 2,784 close sales in July. Sales are down 18.4% from last year and down 28.8% from 2019, a more normal year in the market. There is usually a drop in closed sales between June and July, but sales are particularly low this year due to limited supply and high mortgage rates.



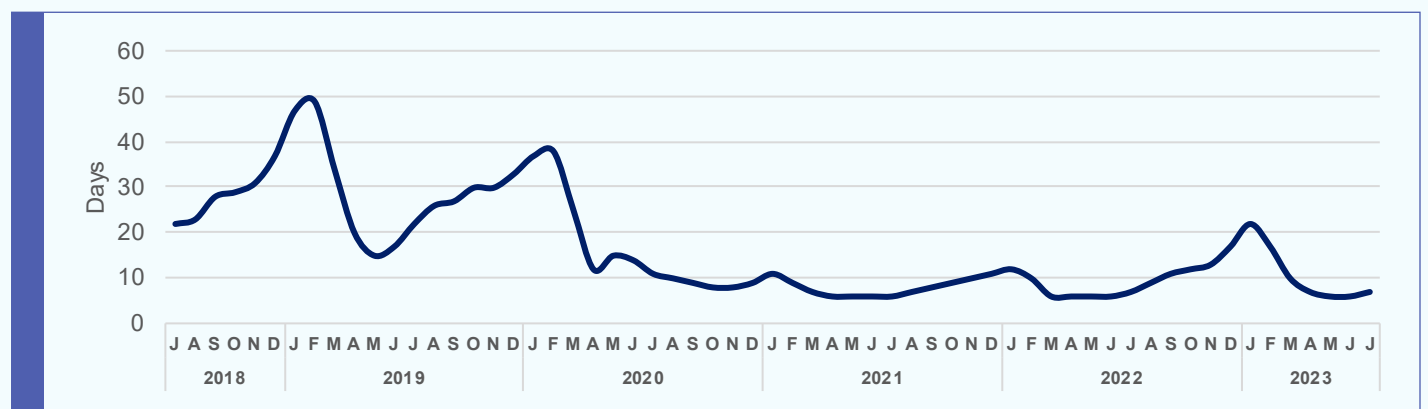
Median Sales Price Year-Over-Year Change

The median sales price increased again in July, up 2.9% from last year. In June, the region's median price reached an all-time high, but in July prices came down slightly to \$380,000. Attached homes in the area are the only home type to come down in price year-over-year, with the median price down 1.7% to \$290,000.



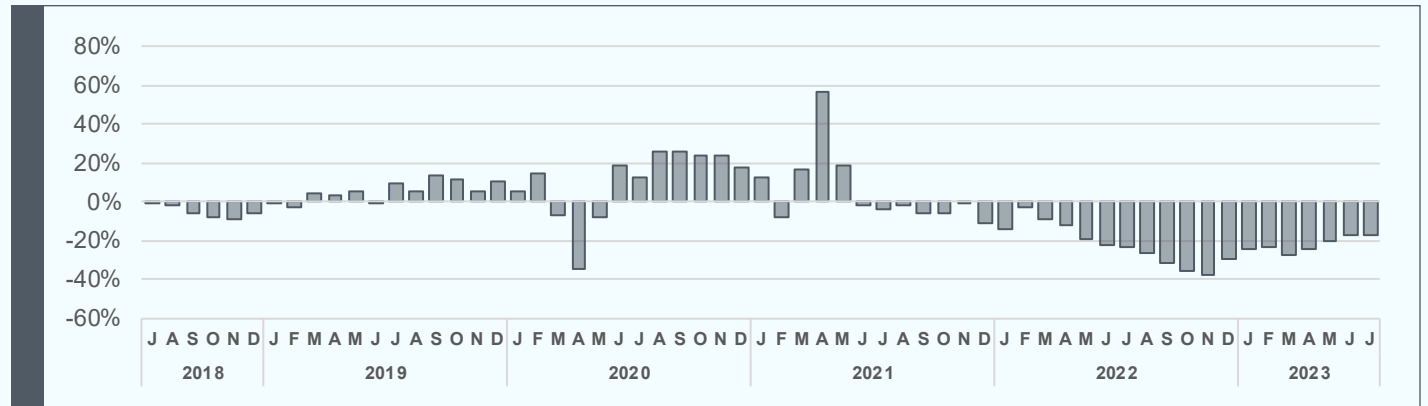
Median Days on Market

For the 2nd month in a row, the median days on market remained unchanged compared to a year ago, at 7 days. Even though the median days on market for all home types are up 1 day from last month, the limited availability of homes means sales are still happening very quickly. Compared to a more typical year, like 2019, homes are selling a little over twice as fast.



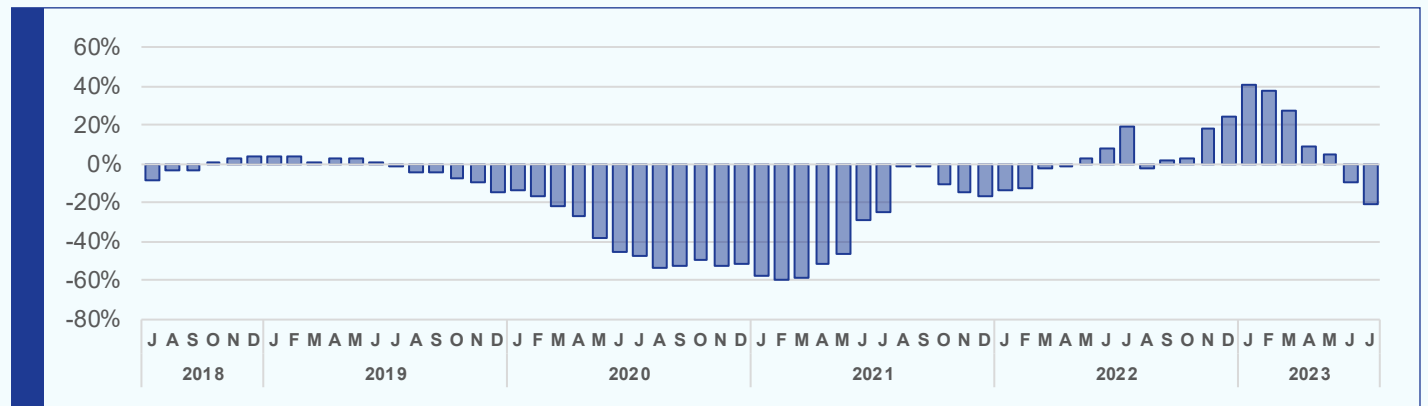
New Pending Sales Year-Over-Year Change

New pending sales are only 69% of what they were in 2019. At 3,083 new pendings in July, sales activity is down 30.9% from last year and down 5.2% from last month. Condos, especially, have taken the hardest hit with new pending sales declining 24.2% year-over-year.



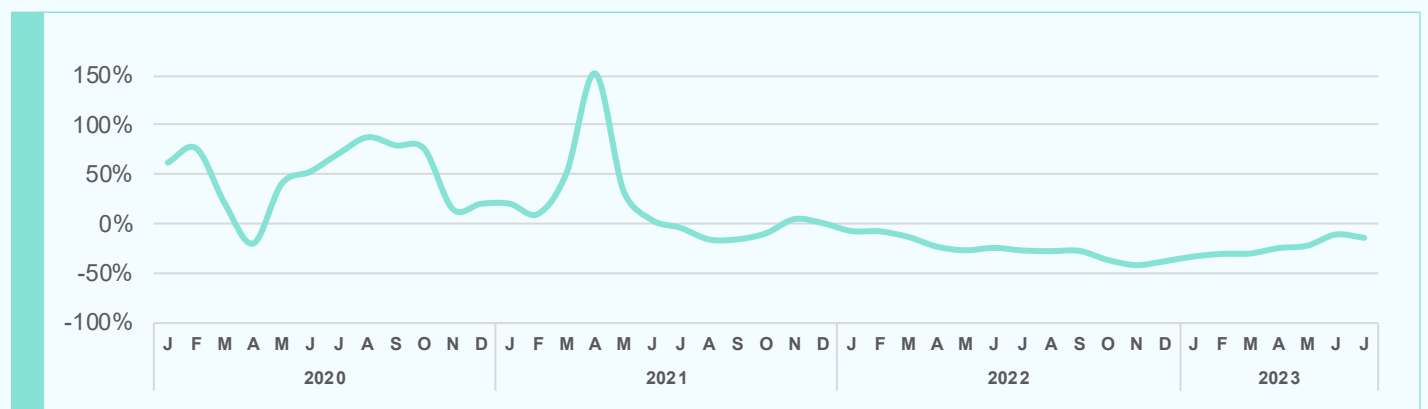
Active Listings Year-Over-Year Change

There were 3,667 listings at the end of July, which is down 21.1% overall from last year. This is the second month in a row with a year-over-year drop in inventory, as supply remains at historically low levels. Active listings are also down from last month; however, there have been 3 months in a row of increases in the number of condo listings available.



Showings Year-Over-Year Change

At 61,188, showings are down 14.7% from last year and are down for the 19th month in a row year-over-year. After a brief increase in showings during the first part of the year into spring, the summer months, once again, began to show declines. In July, showings are down 8.1% from June.



Local Markets

Home prices rose strongly in many suburban markets in the Baltimore region, with the fastest price appreciation in July in Howard County (+15.4%). Prices have been weaker in Baltimore City where the median price has fallen in 6 of the past 7 months. Despite these declines, the city's median price is still nearly 30% higher than it was before the pandemic.

New listings are down more dramatically in the Baltimore region than in most other parts of the Mid-Atlantic. In Howard County and Carroll County, the number of new listings coming onto the market in July was down more than 40% compared to a year ago. Inventory is tightest in Howard County where there is just 0.84 months of supply.

Homes continue to sell very quickly in the region. Even in Baltimore City, where the market is less frenzied, the typical home sold in just 11 days in July.

CLOSED SALES

	July 2023	vs. July 2022
Anne Arundel County, MD	599	-30.6%
Baltimore City, MD	686	-10.4%
Baltimore County, MD	725	-16.0%
Carroll County, MD	171	-19.3%
Harford County, MD	278	-16.5%
Howard County, MD	325	-13.1%
Baltimore Metro	2,784	-18.4%

MEDIAN SALES PRICE

	July 2023	vs. July 2022
Anne Arundel County, MD	\$475,000	+5.6%
Baltimore City, MD	\$225,000	-8.2%
Baltimore County, MD	\$341,950	+5.2%
Carroll County, MD	\$430,000	-3.9%
Harford County, MD	\$383,995	+7.0%
Howard County, MD	\$621,922	+15.4%
Baltimore Metro	\$380,000	+2.9%



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
Anne Arundel County, MD	668	-26.2%	638	-37.5%	6	-1 day
Baltimore City, MD	757	-5.4%	762	-38.6%	11	-1 day
Baltimore County, MD	828	-15.9%	751	-38.3%	6	-1 day
Carroll County, MD	174	-19.1%	149	-42.5%	6	+0 days
Harford County, MD	270	-24.6%	266	-35.9%	5	+0 days
Howard County, MD	341	-13.0%	286	-42.9%	6	+0 days
Baltimore Metro	3,038	-16.9%	2,852	-38.7%	7	+0 days

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	July 2023	vs. July 2022	July 2023	vs. July 2022
Anne Arundel County, MD	670	-25.4%	1.08	+8.0%
Baltimore City, MD	1,508	-18.1%	2.13	+8.7%
Baltimore County, MD	795	-23.9%	1.06	+1.9%
Carroll County, MD	161	-24.8%	1.01	+5.2%
Harford County, MD	282	-1.7%	1.12	+38.3%
Howard County, MD	251	-30.9%	0.84	-4.5%
Baltimore Metro	3,667	-21.1%	1.32	+9.1%

Mind the Pending Sales Gap

In the Baltimore metro, the gap between pending sales in 2023 and 2022 was at its lowest difference in July, just 16.9%.

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 were in January 2022. As mortgage rates have converged, so has the movement in pending sales. As rates move even closer, pending sales may track closer to last year's levels this fall.

Local Markets Continued

	SHOWINGS		HOME DEMAND INDEX	
	July 2023	vs. July 2022	August 2023	vs. August 2022
Anne Arundel County, MD	13,744	-20.6%	91	-27.8%
Baltimore City, MD	14,004	-2.4%	66	-18.5%
Baltimore County, MD	16,455	-15.7%	97	-25.4%
Carroll County, MD	3,014	-22.8%	77	-33.0%
Harford County, MD	4,914	-20.9%	90	-28.0%
Howard County, MD	9,057	-13.4%	119	-25.2%
Baltimore Metro	61,188	-14.7%	86	-25.2%

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 BrightMLS.com.

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