DATA AS OF September 6, 2023

August 2023 Market Report
Del/Mar Coastal

Del/Mar Coastal Market Key Findings

	August 2023		vs. August 2022
Closed sales	785	▼	-8.5%
Median sales price	$400,000	▲	+11.0%
Median days on market	16	▲	+3 days
New pending sales	844	▼	-8.9%
New listings	976	▼	-8.7%
Active listings	1,958	▲	+9.8%
Months of supply	2.69	▲	+42.3%
Showings	11,580	▼	-14.2%

Demand Persists Leading to Price Growth
Inventory continues to make slow and steady gains

Whether for a primary residence or a vacation home, the Del/Mar Coastal area continues to attract buyers. According to the HDI, market conditions were Moderate in August and looking forward in September.

Yet mortgage rates, which have now breached 7%, along with limited active listings will continue to impact buyers. Active listings in August 2023 in Del/Mar Coastal were 9.8% higher than last year. However, inventory is nearly 60% lower than it was at the end of August 2019 meaning finding the right home for some, especially those looking for more affordable options, is akin to finding a needle in a haystack.

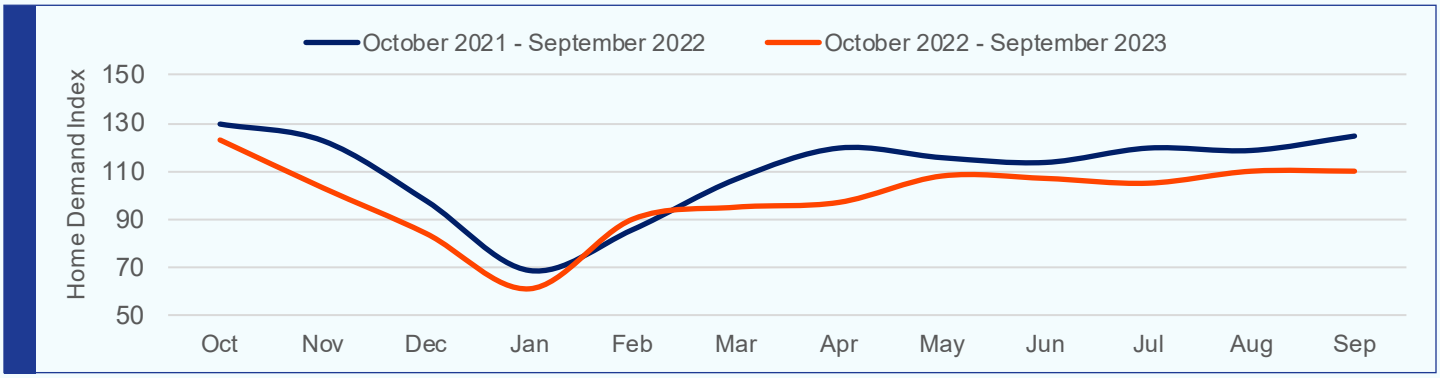
Still, many buyers are undeterred and are competing for the relatively few homes on the market. Multiple offers and homes selling above list price continue to be common. Half of homes in Del/Mar Coastal sold in roughly two weeks (16 days) in August. While this is the longest days on market in the Mid-Atlantic, it would not be classified as a leisurely pace for buyers making such a significant decision.

Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), the Del/Mar Coastal area activity has rebounded strongly following a low point in January. Starting in February, there were six months in Steady demand (90-109) followed by Moderate market conditions with an HDI of 110 in August and September.

Last year, Del/Mar Coastal's HDI was 120, also Moderate.

Bright MLS T3 Home Demand Index



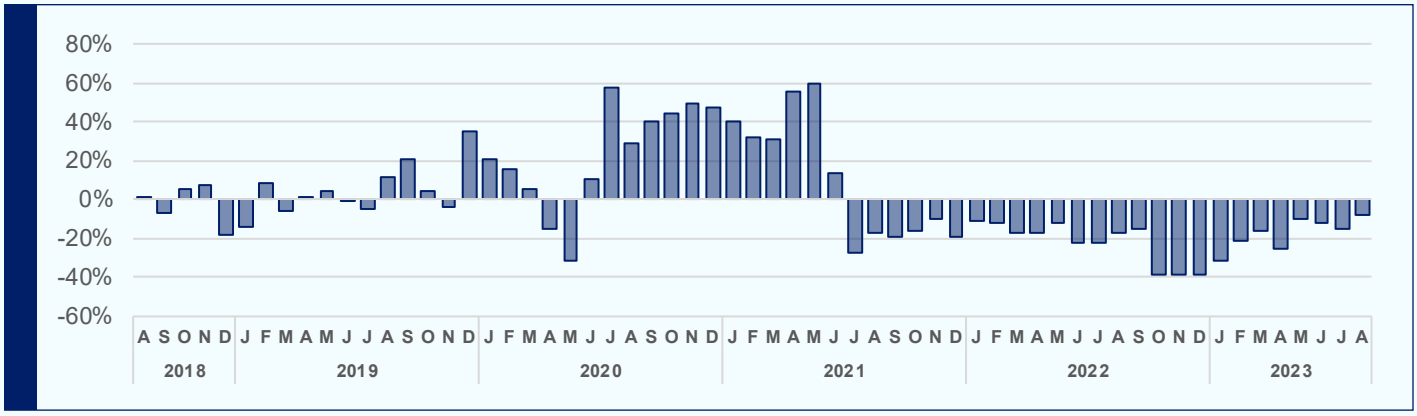
Market Outlook

Investment, rental, and vacation homeowners may be more willing to list their homes than traditional sellers who must also find a new home to purchase and accept a higher interest rate. Though Del/Mar Coastal has had continually growing inventory throughout 2023 unlike other parts of the Mid-Atlantic, there is still a deficit compared to more typical times.

The swing of mortgage rates and whether they remain above 7% will influence whether some buyers participate or move to the sidelines. Additionally, 7% rates will not entice sellers to jump into the market and new listings will remain depressed compared to last year. Tight inventory will support stable or rising prices even as buyer demand weakens.

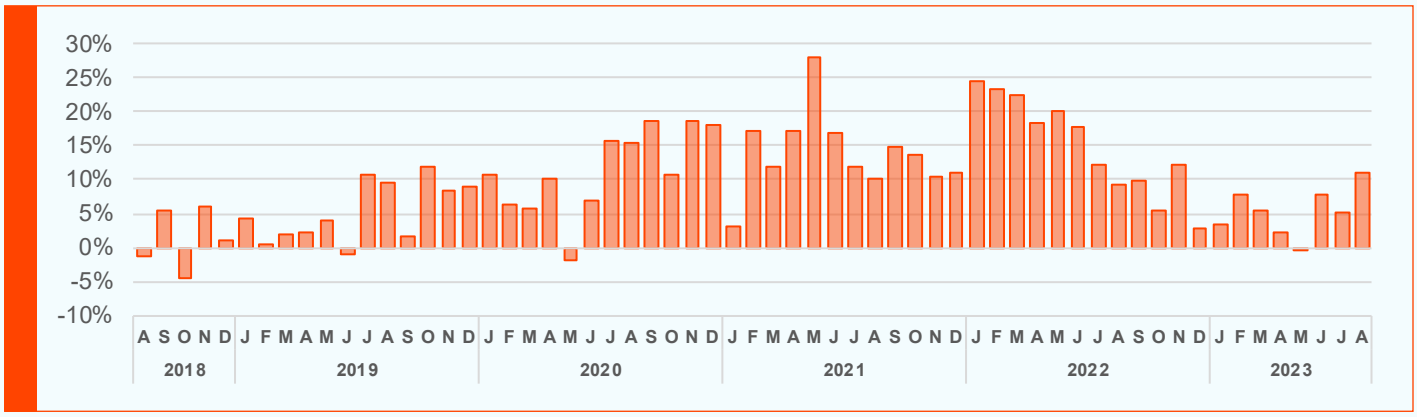
Closed Sales Year-Over-Year Change

There were 785 closed sales in the Del/Mar Coastal region in August 2023. Like many areas in the Mid-Atlantic, closed sales bumped up over last month but remain below last year's pace. Overall closed sales declined 8.5% year-over-year, but each property type had variability. Detached single-family sales were down only 3.6%, while townhome sales decreased 8.1%, and condo sales declined 26.3%.



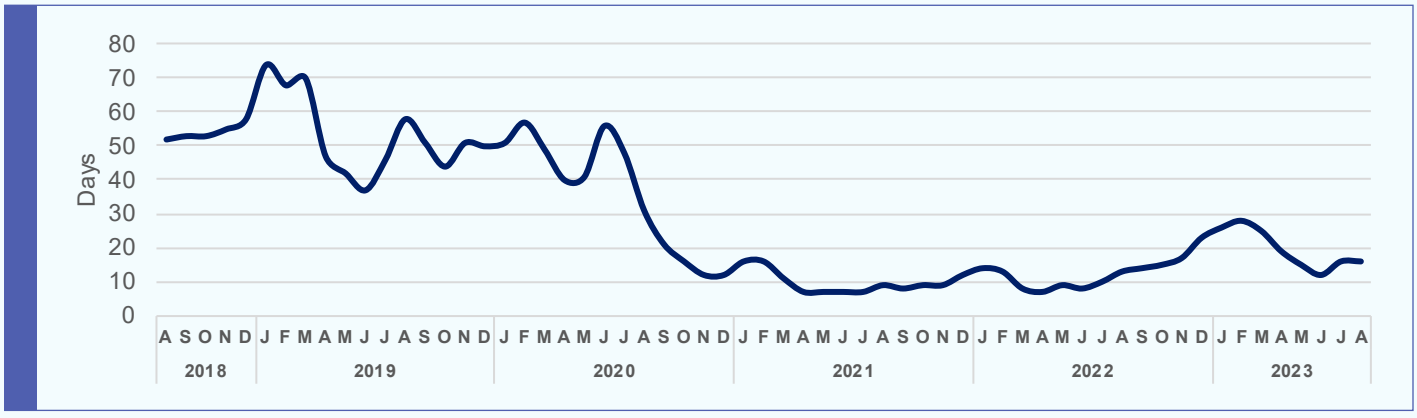
Median Sale Price Year-Over-Year Change

The median sale price in the Del/Mar Coastal region was $400,000 in August 2023. Across all property types, the median price increased 11.0%, with similar increases across property types: detached single-family homes (+11.4%), attached townhomes (+11.0%), and condos (+11.4%).



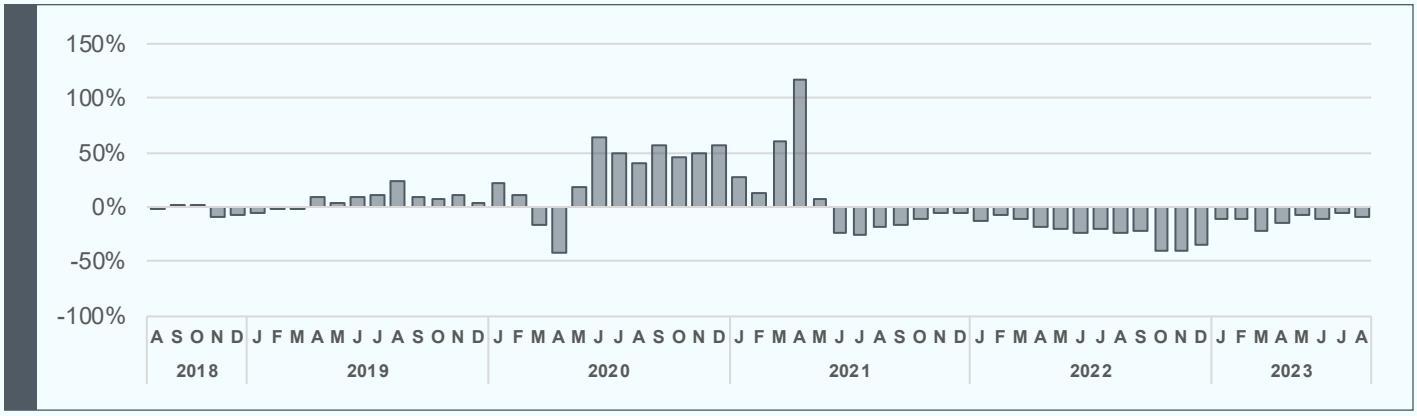
Median Days on Market

August closed sales kept a similar pace as July, with a median days on market of 16 days. While the median days on market increased three days from August 2022, the quickness of transactions is evident compared to 2019.



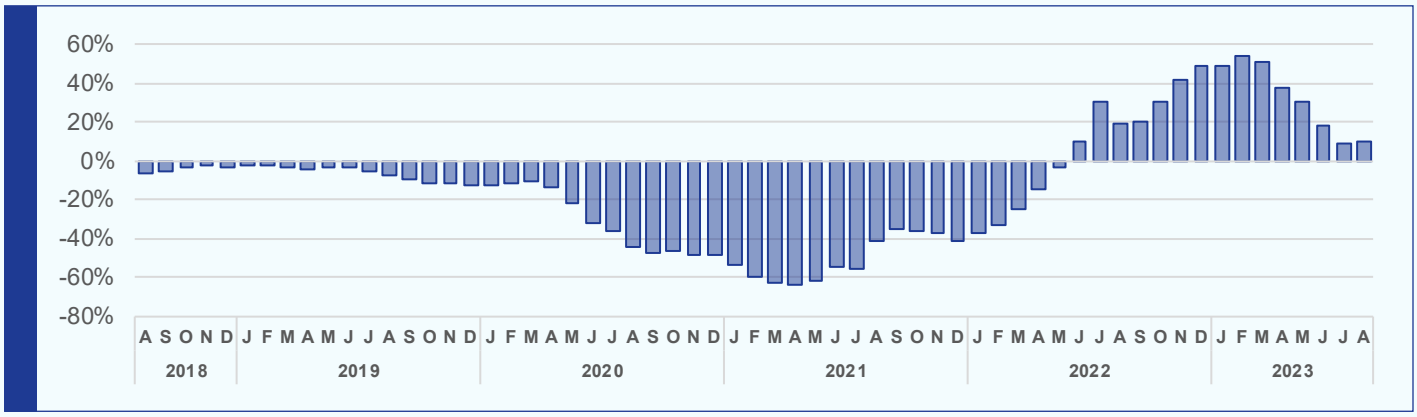
New Pending Sales Year-Over-Year Change

There were 844 new pending sales in the Del/Mar Coastal area in August 2023. The gap between August 2023 and 2022 was 8.9%. By property type, detached single-family home pending sales declined 7.4% year-over-year, attached townhomes were down 6.8%, and condos declined 15.9%.



Active Listings Year-Over-Year Change

Active listings remained above their 2022 levels in August. At 1,958, Del/Mar Coastal's inventory was 9.8% higher than last year. Despite the uptick in supply, the Del/Mar Coastal market has a long way from what would be considered typical. At the end of August there was roughly 42% of the inventory available in August 2019, leaving buyers with limited choices for a primary or second home.



Showings

Showing activity dipped from July to August, down 2.9%. In August, there were 11,580 showings in Del/Mar Coastal. Compared to August 2023, showing activity was also lower, down 14.2%.



Local Markets

Two counties within the Del/Mar Coastal region had gains in closed sales compared to a year ago, Somerset County, MD (+32.0%) and Worcester County, MD (+4.4%). Neither of these indicate a trend and limited inventory will likely constrain transactions.

While supply remains tight, three of the counties in the area had year-over-year growth in active listings: Somerset County, MD (+6.3%), Sussex County, DE (+9.5%), and Worcester County, MD (+25.2%). On the other hand, Wicomico County, MD had its third month of year-over-year declines, with active listings at of the end of August down 14.0%.

The pace of new listings will play a key role in the Del/Mar Coastal market. New listings in Worcester County, MD increased 6.5% in August compared to the same month last year. Each of the other counties had fewer new listings than a year ago.

Solid demand continues for the region according to the HDI, and if seasonality holds true, will continue next month.



CLOSED SALES

	August 2023	vs. August 2022
Somerset County, MD	33	+32.0%
Sussex County, DE	463	-13.3%
Wicomico County, MD	101	-15.1%
Worcester County, MD	188	+4.4%
Del/Mar Coastal	**785**	**-8.5%**

MEDIAN SALES PRICE

	August 2023	vs. August 2022
Somerset County, MD	$175,000	+14.4%
Sussex County, DE	$440,000	+7.3%
Wicomico County, MD	$244,500	-5.2%
Worcester, MD	$427,337	+14.0%
Del/Mar Coastal	**$400,000**	**+11.0%**

Local Markets Continued

	NEW PENDINGS		NEW LISTINGS		MEDIAN DAYS ON MARKET	
	August 2023	vs. August 2022	August 2023	vs. August 2022	August 2023	vs. August 2022
Somerset County, MD	30	-6.3%	31	-24.4%	50	+31 days
Sussex County, DE	532	-3.4%	619	-8.3%	21	+7 days
Wicomico County, MD	96	-26.7%	97	-29.7%	9	-1 day
Worcester County, MD	186	-12.3%	229	+6.5%	10	-4 days
Del/Mar Coastal	**844**	**-8.9%**	**976**	**-8.7%**	**16**	**+3 days**

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	August 2023	vs. August 2022	August 2023	vs. August 2022
Somerset County, MD	84	+6.3%	4.00	+47.1%
Sussex County, DE	1,355	+9.5%	2.99	+36.5%
Wicomico County, MD	141	-14.0%	1.53	+12.5%
Worcester, MD	378	+25.2%	2.35	+78.0%
Del/Mar Coastal	**1,958**	**+9.8%**	**2.69**	**+42.3%**

Hundreds of Dollars More A Month

In the middle of August, the 30-year fixed mortgage rate surpassed 7% after hovering in the mid-6's for months.

The difference between a 6% and 7% rate means hundreds of dollars to a buyer each month. Using Del/Mar Coastal's median sale price of $400,000, the difference in a monthly payment is $237.

Not only does a mortgage rate at this level impact affordability, but it also creates a mental burden. Mortgage rates have surpassed their high from November 2022 and are the highest in two decades.

While buyers may think enough is enough, sellers are also holding back too, which will keep prices firm.

Local Markets Continued

	SHOWINGS		HOME DEMAND INDEX	
	August 2023	vs. August 2022	September 2023	vs. September 2022
Somerset County, MD	294	-10.9%	82	-2.4%
Sussex County, DE	7,171	-10.1%	120	-12.4%
Wicomico County, MD	1,228	-34.5%	96	-30.4%
Worcester County, MD	2,887	-12.8%	99	-2.9%
Del/Mar Coastal	**11,580**	**-14.2%**	**110**	**-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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