DATA AS OF February 6, 2023

January 2023 Market Report
Mid-Atlantic

Mid-Atlantic Market Key Findings

Mid-Atlantic Housing Market Has Bottomed Out
Still a Risk of More Price Drops in Some Local Markets

The housing market appears to have bottomed out at the end of 2022, as buyer activity increased in January. Across the Mid-Atlantic, pending sales and showing activity both increased in January compared to December.

Buyers who had been on the sidelines were eager to return to the market as rates dropped in January to their lowest levels since September.

Sellers are returning in some markets, as well. Overall, new listings in the Mid-Atlantic jumped in January compared to December, but regionwide the number of January new listings is still lower than it has been since 2005, and there is still not enough inventory to meet demand in most markets.

There is significant variation in housing markets across the region. Inventory is expanding faster in smaller markets, such as the Maryland-West Virginia Panhandle and Southern Maryland regions. Some of these smaller regional markets are also seeing prices decline year-over-year, which reflects still-cool demand and growing inventory.

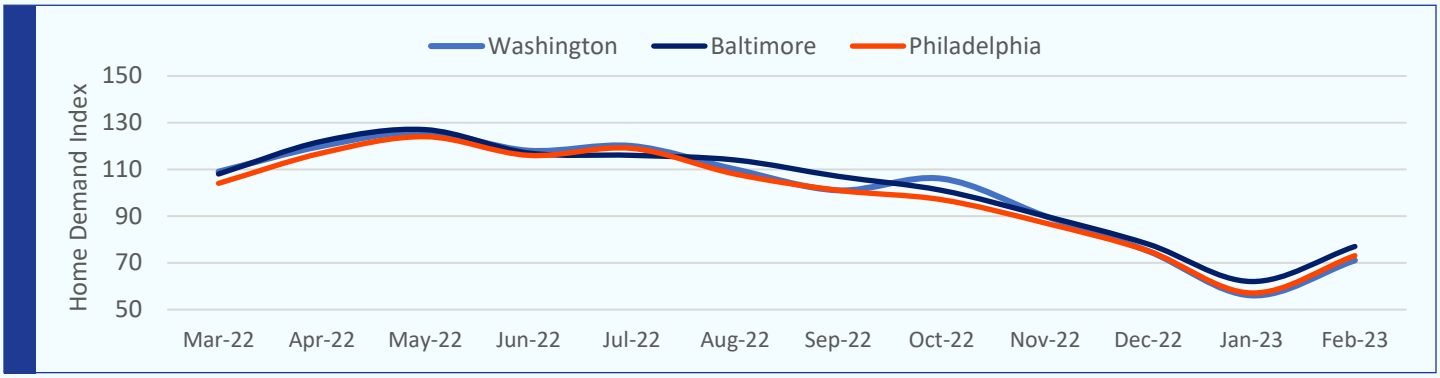
	January 2023		vs. January 2022
Closed sales	12,019	▼	-33.4%
Median sales price	$350,000	▲	+4.5%
Median days on market	22	▲	+10 days
New pending sales	16,725	▼	-18.7%
New listings	19,076	▼	-6.5%
Active listings	27,429	▲	+40.6%
Months of supply	1.25	▲	+76.1%
Showings	380,073	▼	-31.0%

Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), market activity rose from a month ago, indicating an uptick in buyer activity across the region. The January-to-February uptick suggests a return to seasonality in the housing market.

Despite the increase this month, the HDI is still down compared to a year ago in all major markets in the Mid-Atlantic.

Bright MLS T3 Home Demand Index



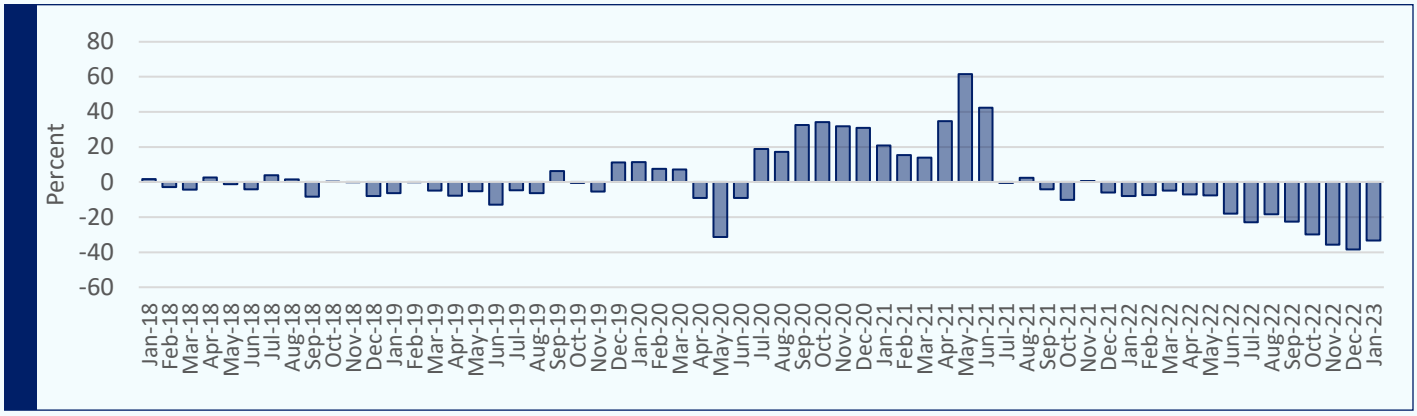
Market Outlook

Overall, the Mid-Atlantic housing market is poised for a rebound as we head into the spring market. Many buyers who had been sidelined during the fall are ready to begin their home search again. Many listings that had been taken off the market in November and December came back on in January.

The housing market rebound comes as both buyers and sellers adjust to the “new normal,” which will include mortgage rates around 6%, longer transaction times, and more negotiations between buyers and sellers. However, there will be a lot of variation across local markets. Second home and vacation markets could see prices fall further. Suburban markets in the region’s major metro areas are well positioned for a strong recovery.

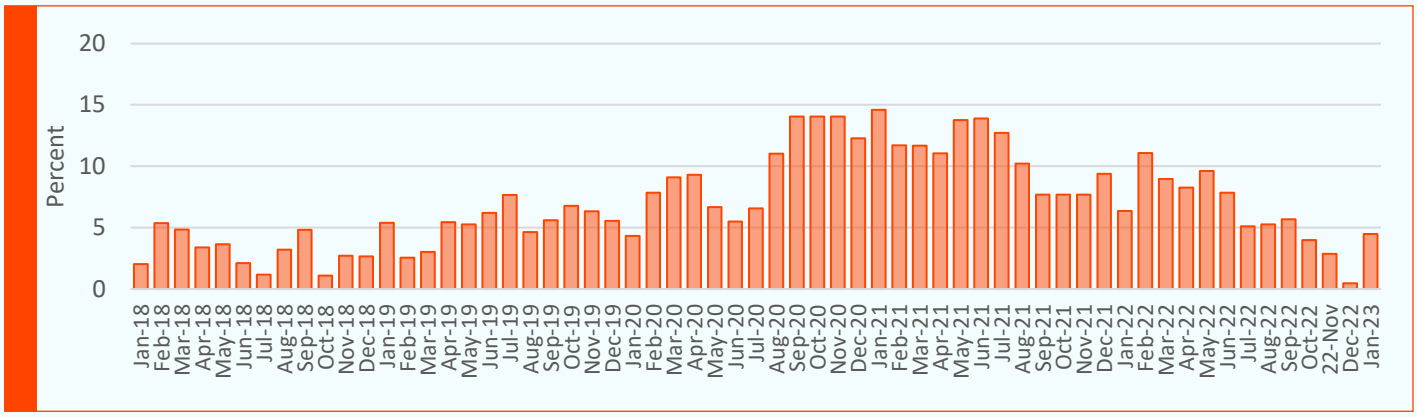
Closed Sales Year-Over-Year Change

Closed sales were down to slow to start the year. There was a total of 12,019 sales across the Mid-Atlantic region, down 33.4% compared to last year. Sales fell 26.3% between December and January, with sales of all property types down 30%+ compared to last January.



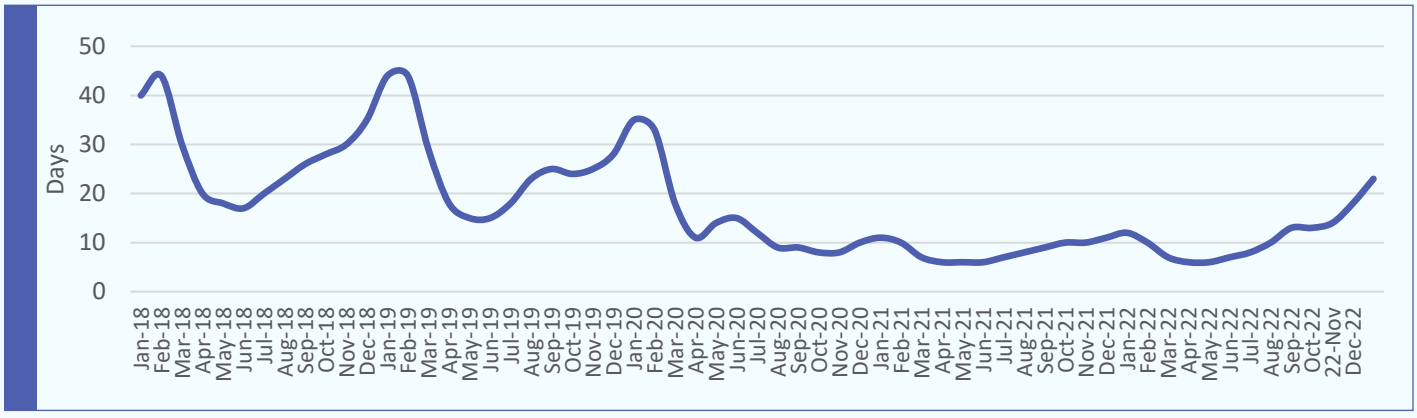
Median Sales Price Year-Over-Year Change

Home prices increased in January. In the Mid-Atlantic, the median sales price was $350,000 in January, a 4.5% increase over a year ago. However, prices continue to decline on a month-over-month basis, falling 0.5% from December.



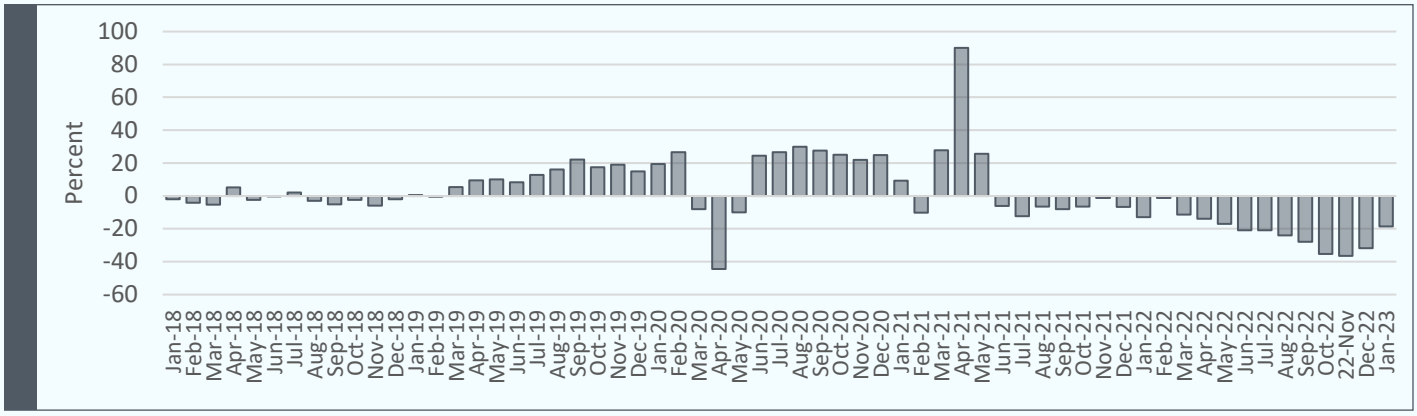
Median Days on Market

The median days on market in the Mid-Atlantic region was 22 in January, which was 10 days longer than last January and was an increase of four days from last month. The median days on market in January hit its highest level in three years.



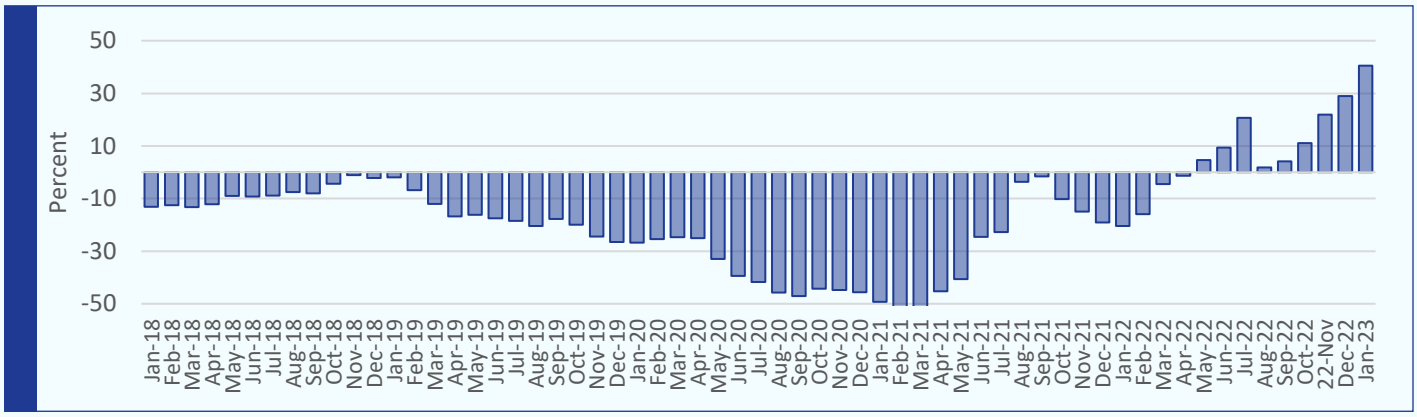
New Pending Sales Year-Over-Year Change

In January, the number of new pending sales was down 18.7% compared to last year, but there was a significant increase between December and January (+28.2%). Pending sales for single-family homes were down 14.6% from last January, while pending sales for townhomes and condos fell by more than 20% year-over-year.



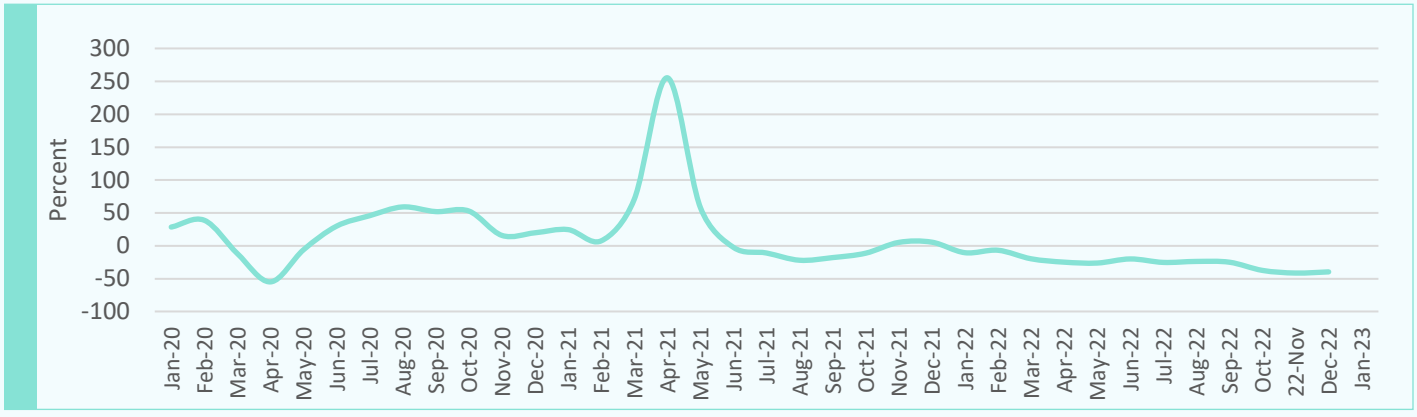
Active Listings Year-Over-Year Change

Inventory continues to rise in the Mid-Atlantic. At the end of January, there was a total of 27,429 active listings across the region, which is 40.6% more than a year ago. Regionwide, inventory of both single-family homes and townhomes rose significantly while condominiums saw only modest gains compared to last year at this time.

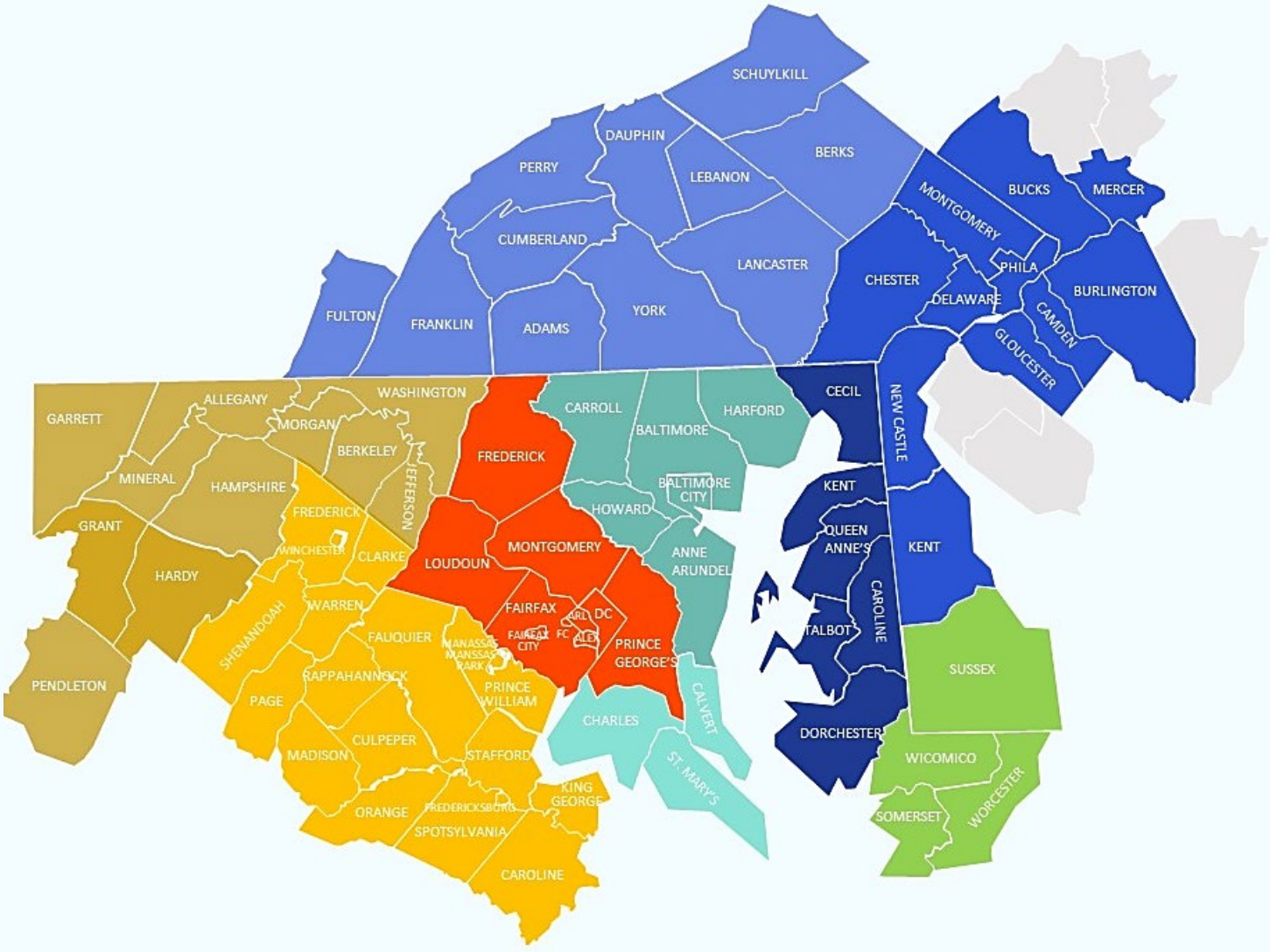


Showings Year-Over-Year Change

Showings continue to track below 2022, and January was no different. Showings were down by 31.0% from last year. However, showing levels did rise from the prior month and reached their highest levels since September of 2022.



Bright MLS Mid-Atlantic Markets



- Philadelphia Metro
- Baltimore Metro
- Washington Metro
- Central Pennsylvania
- MD/WVA Panhandle
- MD Eastern Shore
- Del/Mar Coastal
- Southern Maryland
- North Central Virginia

Local Markets

Housing market activity is rebounding in most local markets across the Mid-Atlantic. However, the balance between buyers and sellers is playing out differently in different markets.

The number of new pending sales in January was still low, but activity increased significantly over December. The major exception in the Mid-Atlantic was the MD/WV Panhandle region, where pending sales were up compared to both December and last January.

New listings increased month-to-month across the Mid-Atlantic. Some of the biggest monthly gains were in the MD/WV Panhandle region and in Southern Maryland, where the numbers of new listings were also up compared to a year ago.

Prices increased in most local markets in the Mid-Atlantic, with the exception of Southern Maryland. Inventory in Southern Maryland is now almost double what it was a year ago, which has fueled softer prices.



CLOSED SALES

	January 2023	vs. January 2022
Philadelphia Metro	3,747	-34.7%
Baltimore Metro	1,701	-34.6%
Washington Metro	2,465	-36.1%
Central Pennsylvania	1,506	-15.2%
MD/WV Panhandle	394	-26.8%
MD Eastern Shore	193	-33.0%
Del/Mar Coastal	490	-27.5%
Southern Maryland	281	-33.3%
North Central Virginia	885	-32.0%
Mid-Atlantic	**12,019**	**-33.4%**

MEDIAN SALES PRICE

	January 2023	vs. January 2022
Philadelphia Metro	$314,000	+4.7%
Baltimore Metro	$329,950	+3.8%
Washington Metro	$500,000	+0.2%
Central Pennsylvania	$241,000	+9.5%
MD/WV Panhandle	$263,750	+5.5%
MD Eastern Shore	$350,000	+6.5%
Del/Mar Coastal	$360,000	+3.4%
Southern Maryland	$375,000	-1.3%
North Central Virginia	$420,000	+2.5%
Mid-Atlantic	**$350,000**	**+4.5%**

Local Markets Continued

	NEW PENDINGS		NEW LISTINGS		MEDIAN DAYS ON MARKET	
	January 2023	vs. January 2022	January 2023	vs. January 2022	January 2023	vs. January 2022
Philadelphia Metro	4,889	-20.6%	5,821	-4.5%	21	+8
Baltimore Metro	2,417	-24.0%	2,134	-11.5%	22	+10
Washington Metro	3,736	-19.2%	4,384	-12.5%	30	+17
Central Pennsylvania	1,866	-18.6%	2,074	-6.2%	12	+4
MD/WV Panhandle	602	+11.9%	635	+11.8%	27	+14
MD Eastern Shore	280	-25.9%	303	-3.5%	21	+6
Del/Mar Coastal	741	-10.6%	777	-3.8%	26	+12
Southern Maryland	414	-19.9%	512	+9.9%	36	+26
North Central Virginia	1,309	-7.0%	1,317	-1.8%	32	+23
Mid-Atlantic	**16,725**	**-18.7%**	**19,076**	**-6.5%**	**22**	**+10**

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	January 2023	vs. January 2022	January 2023	vs. January 2022
Philadelphia Metro	9,105	+33.4%	1.40	+62.8%
Baltimore Metro	3,582	+40.9%	1.11	+79.0%
Washington Metro	5,177	+42.4%	1.02	+88.9%
Central Pennsylvania	2,615	+35.6%	1.04	+56.2%
MD/WV Panhandle	1,125	+43.9%	1.67	+67.9%
MD Eastern Shore	600	+23.2%	1.71	+56.6%
Del/Mar Coastal	1,683	+48.5%	2.08	+90.7%
Southern Maryland	638	+94.5%	1.26	+163.9%
North Central Virginia	1,819	+75.4%	1.08	+131.1%
Mid-Atlantic	**27,429**	**+40.6%**	**1.25**	**+76.1%**

Suburban Strong?

Buyers have been enticed back into the market by falling mortgage rates. However, not all local markets are seeing rebounding demand.

The biggest increases in buyer traffic have been in suburban markets in the Mid-Atlantic's three major metro areas. Buyers in these markets likely include a lot of repeat or move-up buyers who are able to bring equity to the home purchase.

In the Mid-Atlantic, markets where demand is weaker include central cities, as well as second home and vacation markets.

Local Markets Continued

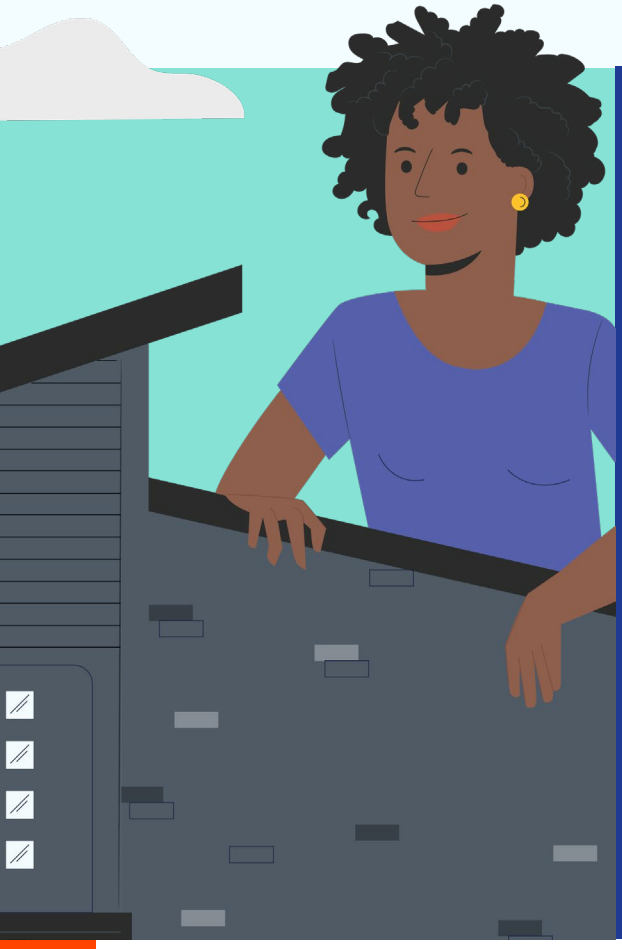
	SHOWINGS		HOME DEMAND INDEX	
	January 2023	vs. January 2022	February 2023	vs. February 2022
Philadelphia Metro	129,431	-32.5%	73	-14.1%
Baltimore Metro	55,105	-33.7%	77	-16.5%
Washington Metro	97,497	-32.9%	71	-17.2%
Central Pennsylvania	33,267	-28.6%	67	-10.7%
MD/WV Panhandle	7,989	-14.3%	92	-4.2%
MD Eastern Shore	3,770	-15.6%	77	-6.1%
Del/Mar Coastal	9,892	-13.6%	87	+1.2%
Southern Maryland	8,546	-26.3%	106	-4.5%
North Central Virginia	23,021	-31.0%	66	-4.3%
Mid-Atlantic	**380,073**	**-31.0%**		

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 2021, Bright subscribers facilitated $141B in real estate transactions through the company's platform. Learn more at Bright MLS.com.

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