

# July 2023 Market Report

## Philadelphia Metro

### Philadelphia Market Key Findings

**Home Prices Rise for 6 Consecutive Years**  
*Rising affordability challenges have not slowed buyers yet*

In July, the median price in the Philadelphia metro area was \$369,000, just shy of the \$370,000 record in June. Prices rose in all local markets in the region, including in Philadelphia County, where home prices had dipped earlier this year.

Housing affordability is a growing challenge in the Philadelphia region. The biggest price gains in July were among lower-priced townhomes and condominiums, suggesting that some price-sensitive buyers are compromising on property type.

Compromise may be the only way buyers are able to successfully purchase a home in the competitive Philadelphia area market, where inventory is less than 40% of what it was before the pandemic. New listings are down 27.4% compared to last year.

Despite the challenges, home buyers remain active in the Philadelphia area market. While showing activity was down 13.8% compared to last July, the 2022 to 2023 gap in buyer traffic has been narrowing.

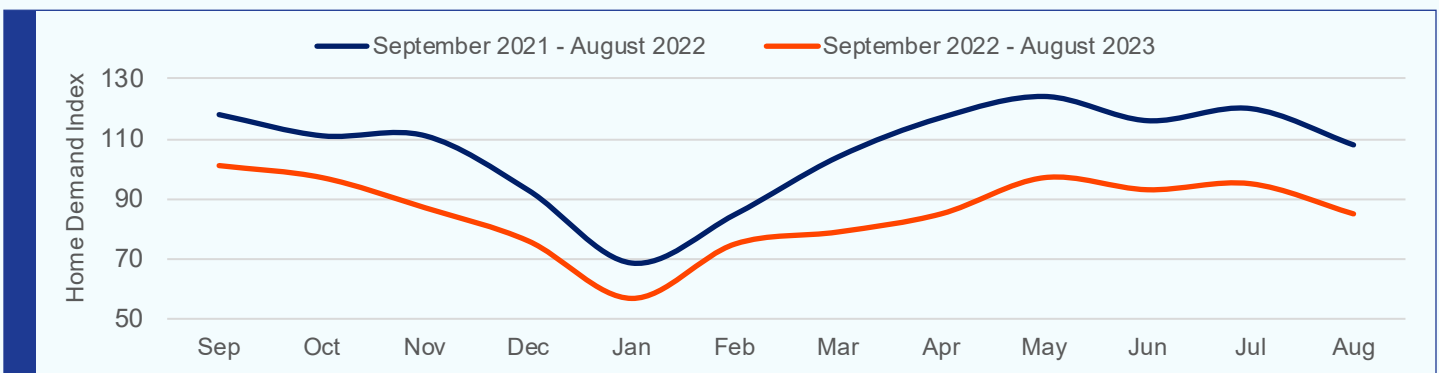
	July 2023		vs. July 2022
Closed sales	5,517	▼	-23.5%
Median sales price	\$369,000	▲	+5.4%
Median days on market	9	=	+0 days
New pending sales	5,905	▼	-18.2%
New listings	6,606	▼	-27.4%
Active listings	9,155	▼	-20.6%
Months of supply	1.61	▲	+5.9%
Showings	143,834	▼	-13.8%

### Bright MLS T3 Home Demand Index

The Bright MLS T3 Home Demand Index (HDI), showed Slow market activity for August 2023 which is being driven by limited supply. The index for the Philadelphia metro was 85, a 10-point drop from 95 and Steady demand in July.

The index for the Philadelphia metro was 108 in August 2022, also indicating Steady demand.

### Bright MLS T3 Home Demand Index

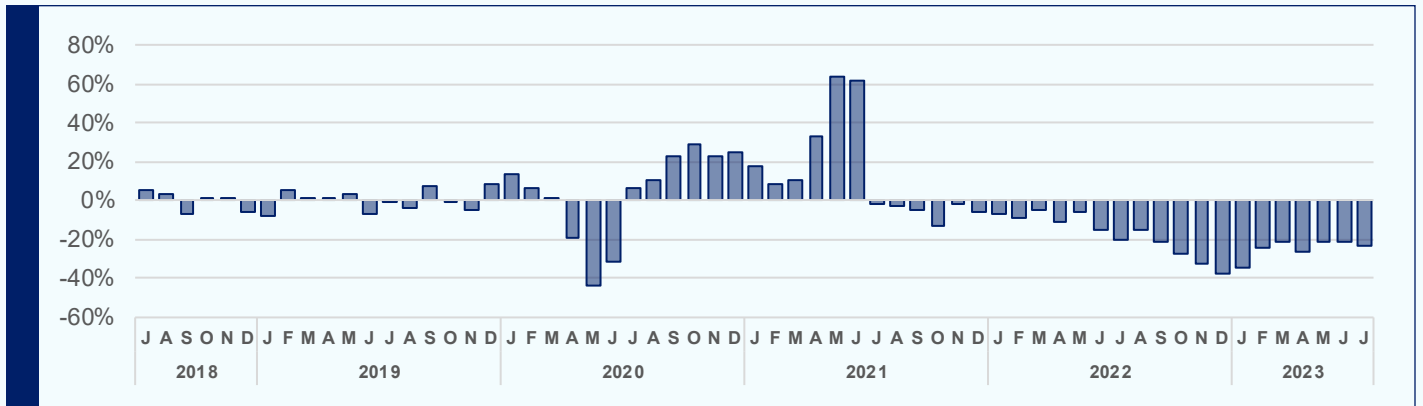


### Market Outlook

The fall market in the Philadelphia metro area 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. With the market remaining competitive and affordability a bigger concern, prospective home buyers likely will have to compromise on home or neighborhood characteristics, or both, in order to be successful. Sellers will still have the upper hand in the market, but many homeowners are still locked in the “golden handcuffs” of a low mortgage rate that complicates plans for selling.

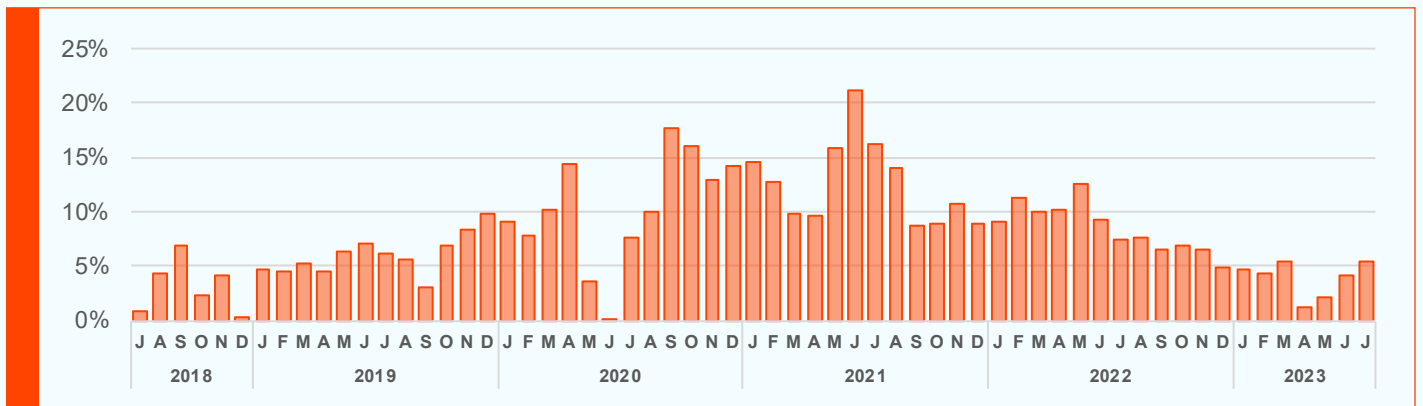
## Closed Sales Year-Over-Year Change

There were 5,517 closed sales in the Philadelphia metro area in July. Closed sales are down 23.5% year-over-year, marking 24 consecutive months of year-over-year declines. Sales are also down 18.3% overall from June, which is common to see a drop from June to July.



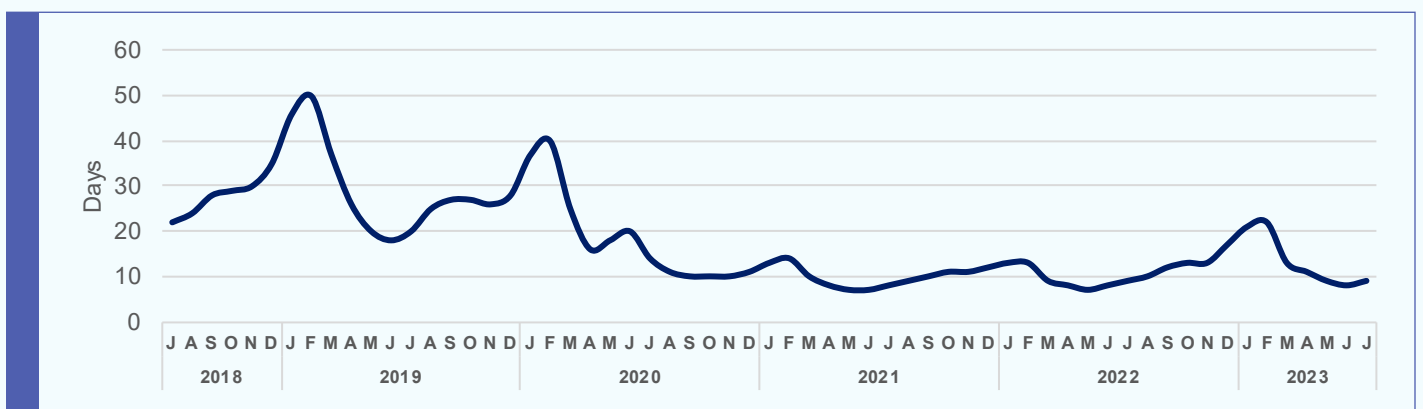
## Median Sales Price Year-Over-Year Change

The median sales price landed at \$369,000 in July, which is yet another climb from last year, up 5.4%. From last month; however, the median price is relatively flat with only a 0.3% decrease. This is the first monthly decrease since February of this year, but prices typically come down slightly in July.



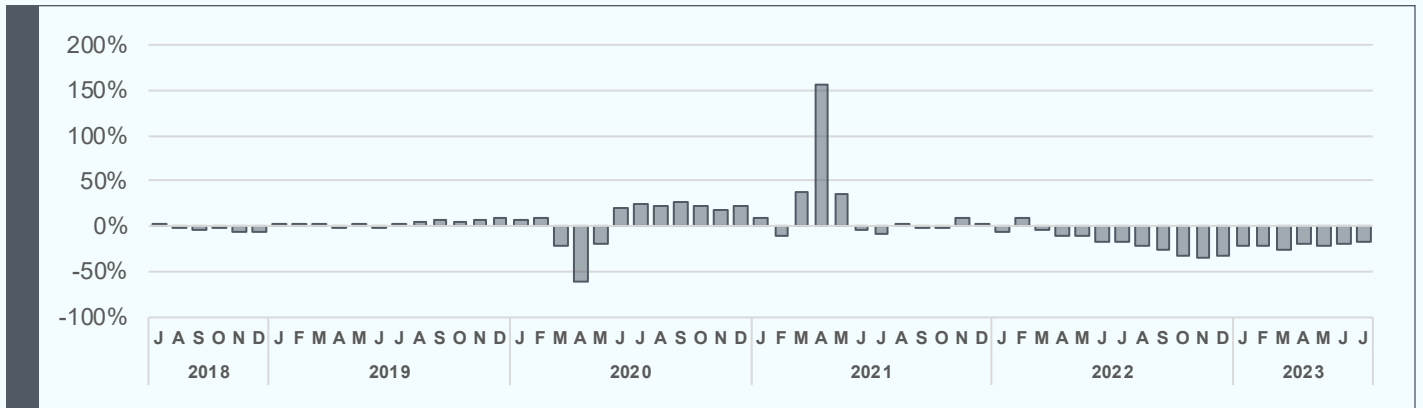
## Median Days on Market

The overall median days on market stayed flat for the 2<sup>nd</sup> month in a row from last year at 9 days. There was a 2-day decrease in days on market among condo sales compared to last year and a 1-day decrease from last month. Overall, the median days on market is back up 1 day from last month, but buyers can still expect high levels of competition with these tight turnarounds.



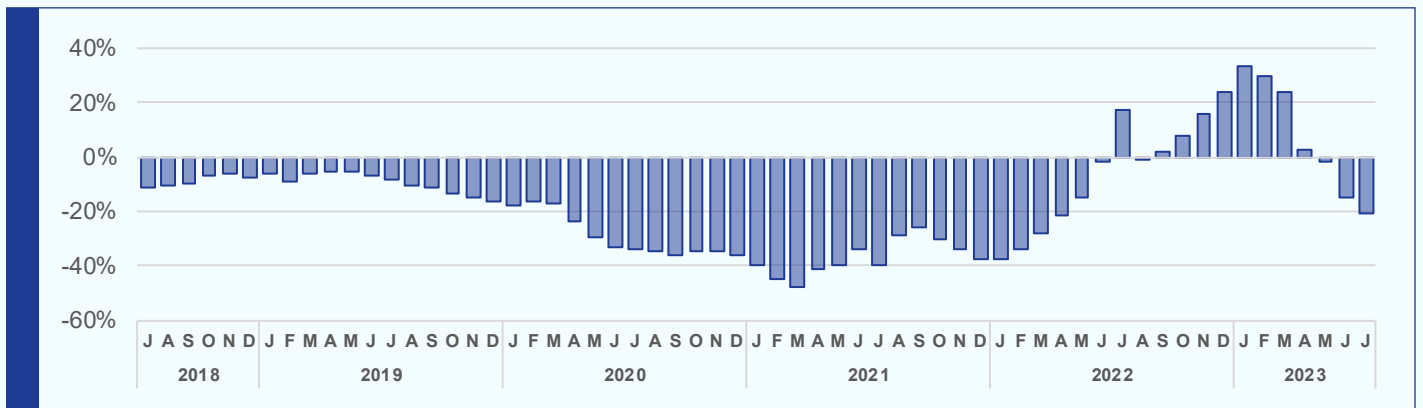
## New Pending Sales Year-Over-Year Change

Pending sales are only 77% (5,905) of what they were in 2019, a more normal year, and they are down 18.2% overall from last year with all property types having similar declines. Compared to June, new pending sales were down 8.9%, with the smallest monthly decline among condos (-1.1%). The limited supply has continued to subdue pending sales activity.



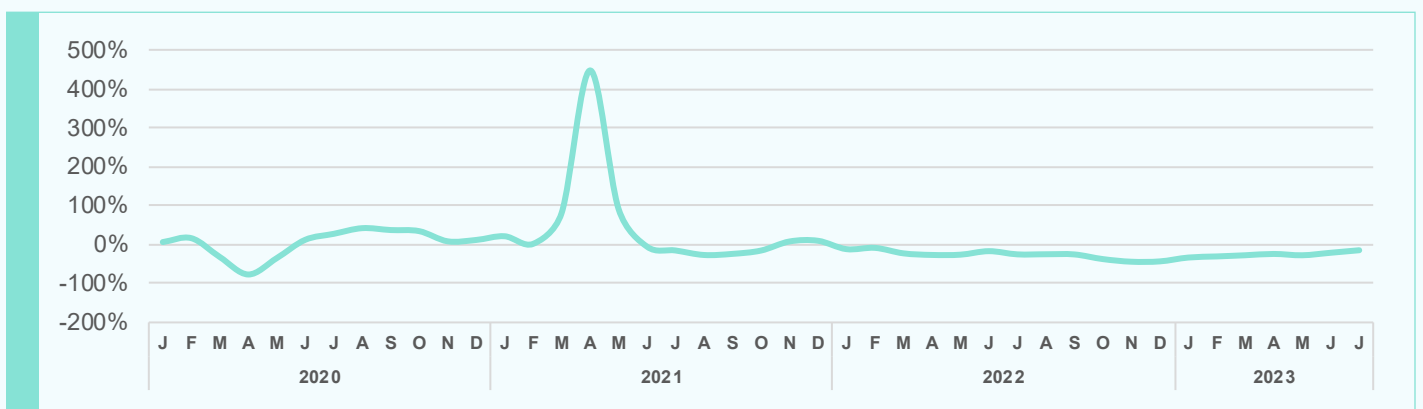
## Active Listings Year-Over-Year Change

There were 9,155 active listings at the end of July, just 37% of the levels seen in 2019, which was a more typical year. Compared to 2022, active listings are down 20.6%, the 2<sup>nd</sup> month in a row with a steep decline. Detached homes had a more significant year-over-year drop (-24.2%) than other home types.



## Showings Year-Over-Year Change

There were 143,834 showings in July, which is down 13.4% from last year. Showing activity tends to slow between June and July, and this year showings fell 7.7% month-to-month. Very low supply continues to keep the number of showings down in 2023.



## Local Markets

The Philadelphia area housing market remains competitive this summer, particularly in the New Jersey suburbs. Home prices rose in July across the Philadelphia metro area, with the fastest price growth in Mercer County, NJ (+13.5%) and Camden County, NJ (+12.4%). Prices ticked up in Philadelphia County where the market had been much cooler than in the suburbs throughout much of the first half of the year.

Sellers are still very much on the sidelines. New listing activity is down significantly compared to a year ago. In Kent County, DE, the number of new listings in July was off by 40.6% compared to last year, and new listings were down by more than 30% in Burlington County, NJ (-36.5%) and Camden County, NJ (-31.2%).

In July, homes sold fastest in Chester County, PA, where the median days on market was 5, but the typical home sold in less than a week in several other local markets, including Bucks County, PA; Montgomery County, PA; and New Castle County, DE.



### CLOSED SALES

	July 2023	vs. July 2022
Bucks County, PA	558	-14.9%
Burlington County, NJ	487	-25.8%
Camden County, NJ	435	-23.8%
Chester County, PA	491	-24.0%
Delaware County, PA	455	-27.7%
Gloucester County, NJ	271	-28.5%
Kent County, DE	168	-37.8%
Mercer County, NJ	288	-21.1%
Montgomery County, PA	751	-23.8%
New Castle County, DE	460	-29.1%
Philadelphia County, PA	1,153	-18.2%
<b>Philadelphia Metro</b>	<b>5,517</b>	<b>-23.5%</b>

### MEDIAN SALES PRICE

	July 2023	vs. July 2022
Bucks County, PA	\$478,450	+2.9%
Burlington County, NJ	\$360,000	+7.5%
Camden County, NJ	\$319,995	+12.3%
Chester County, PA	\$523,250	+5.1%
Delaware County, PA	\$330,000	+4.6%
Gloucester County, NJ	\$327,000	+3.8%
Kent County, DE	\$330,000	+8.2%
Mercer County, NJ	\$431,250	+13.5%
Montgomery County, PA	\$449,900	+5.7%
New Castle County, DE	\$355,000	+2.7%
Philadelphia County, PA	\$280,000	+1.8%
<b>Philadelphia Metro</b>	<b>\$369,000</b>	<b>+5.4%</b>

## 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
Bucks County, PA	588	-12.4%	566	-27.9%	6	-1 day
Burlington County, NJ	503	-20.8%	501	-36.5%	11	-1 day
Camden County, NJ	492	-24.9%	535	-31.2%	11	-1 day
Chester County, PA	512	-13.1%	491	-26.2%	5	-1 day
Delaware County, PA	529	-18.4%	542	-24.8%	7	+1 day
Gloucester County, NJ	330	-18.9%	383	-19.4%	12	+1 day
Kent County, DE	224	-22.5%	199	-40.6%	10	+2 days
Mercer County, NJ	303	-22.9%	313	-29.8%	10	-1 day
Montgomery County, PA	729	-28.8%	826	-27.3%	6	-1 day
New Castle County, DE	527	-15.8%	513	-28.1%	6	-1 day
Philadelphia County, PA	1,168	-8.6%	1,737	-22.9%	18	+4 days
<b>Philadelphia Metro</b>	<b>5,905</b>	<b>-18.2%</b>	<b>6,606</b>	<b>-27.4%</b>	<b>9</b>	<b>+0 days</b>

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	July 2023	vs. July 2022	July 2023	vs. July 2022
Bucks County, PA	557	-27.6%	1.05	-7.1%
Burlington County, NJ	559	-32.7%	1.12	-12.5%
Camden County, NJ	515	-36.4%	1.08	-16.9%
Chester County, PA	536	-10.5%	1.16	+23.4%
Delaware County, PA	504	-21.1%	1.02	+4.1%
Gloucester County, NJ	384	-20.0%	1.27	+2.4%
Kent County, DE	348	-7.0%	1.72	+21.1%
Mercer County, NJ	361	-36.2%	1.26	-15.4%
Montgomery County, PA	785	-27.5%	1.07	-0.9%
New Castle County, DE	522	-22.2%	1.07	+8.1%
Philadelphia County, PA	4,084	-13.4%	3.40	+16.8%
<b>Philadelphia Metro</b>	<b>9,155</b>	<b>-20.6%</b>	<b>1.61</b>	<b>+5.9%</b>

### Mind the Pending Sales Gap

While there is still a 18.2% difference in July, the gap between pending sales in 2023 and 2022 in the Philadelphia metro has been narrowing.

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
Bucks County, PA	13,171	-13.2%	109	-18.0%
Burlington County, NJ	12,863	-16.3%	65	-25.3%
Camden County, NJ	16,398	-14.2%	72	-24.2%
Chester County, PA	9,899	-21.6%	89	-26.4%
Delaware County, PA	12,647	-16.7%	103	-20.8%
Gloucester County, NJ	8,697	-11.7%	62	-20.5%
Kent County, DE	4,048	-15.1%	107	-17.7%
Mercer County, NJ	7,897	-17.0%	57	-27.8%
Montgomery County, PA	17,514	-21.1%	101	-26.3%
New Castle County, DE	12,230	-16.8%	101	-21.7%
Philadelphia County, PA	28,470	+0.5%	85	-13.3%
<b>Philadelphia Metro</b>	<b>143,834</b>	<b>-13.8%</b>	<b>85</b>	<b>-21.3%</b>

### 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](https://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](https://BrightMLS.com).

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