DATA AS OF September 6, 2023

August 2023 Market Report
Mid-Atlantic

Mid-Atlantic Market Key Findings

Home Prices Up Strongly in the Mid-Atlantic
Despite record high mortgage rates, low inventory continues to drive prices higher

The median home price in the Mid-Atlantic region was $401,000 in August, up 5.5% compared to a year ago and only slightly below the all-time high recorded in June. Higher mortgage rates have added nearly $500 to the typical monthly payment over the past year, which has knocked some prospective homebuyers out of the market. For those who remain, a lack of supply continues to be the biggest constraint, leading to higher prices. Home prices in the Mid-Atlantic are up more than 40% over the past five years.

The number of homes available for sale at the end of August is down 11.4% compared to last August and is down more than 60% compared to the inventory available five years ago. Fresh listings are still hard to come by, with the number of new listings in August down 17.3% from a year ago.

The median days on market has been declining steadily since the beginning of the year and homes continue to sell very quickly, often with multiple offers and offers above list price.

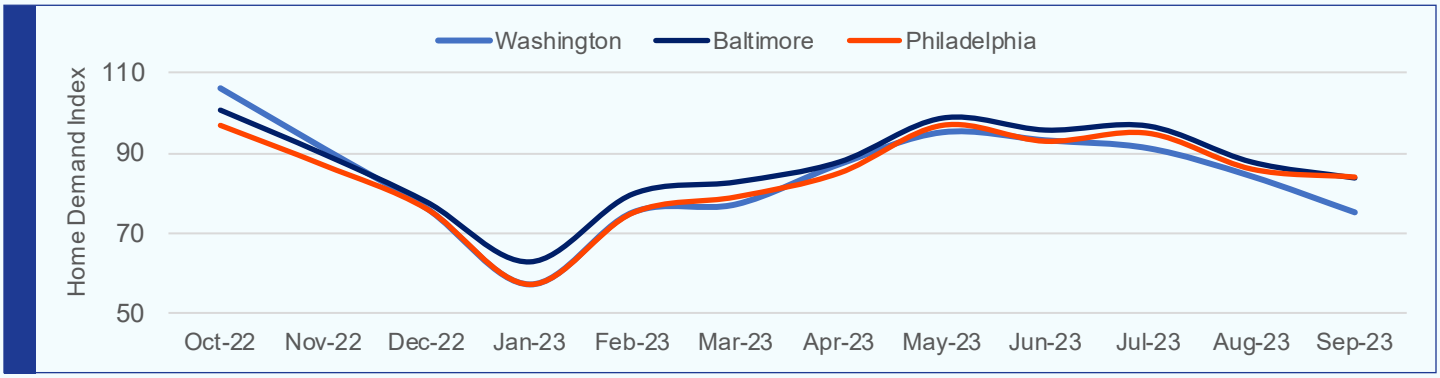
	August 2023		vs. August 2022
Closed sales	20,600	▼	-17.2%
Median sales price	$401,000	▲	+5.5%
Median days on market	8	▼	-2 days
New pending sales	19,898	▼	-17.3%
New listings	22,671	▼	-17.3%
Active listings	30,748	▼	-11.4%
Months of supply	1.63	▲	+19.0%
Showings	384,238	▼	-16.3%

Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), all three major metro areas in the Mid-Atlantic had Slow market conditions. The HDI for both Baltimore and Philadelphia was 84 while Washington, D.C. showed further slowness at 75.

Last year, each metro had an HDI value indicating Steady demand.

Bright MLS T3 Home Demand Index



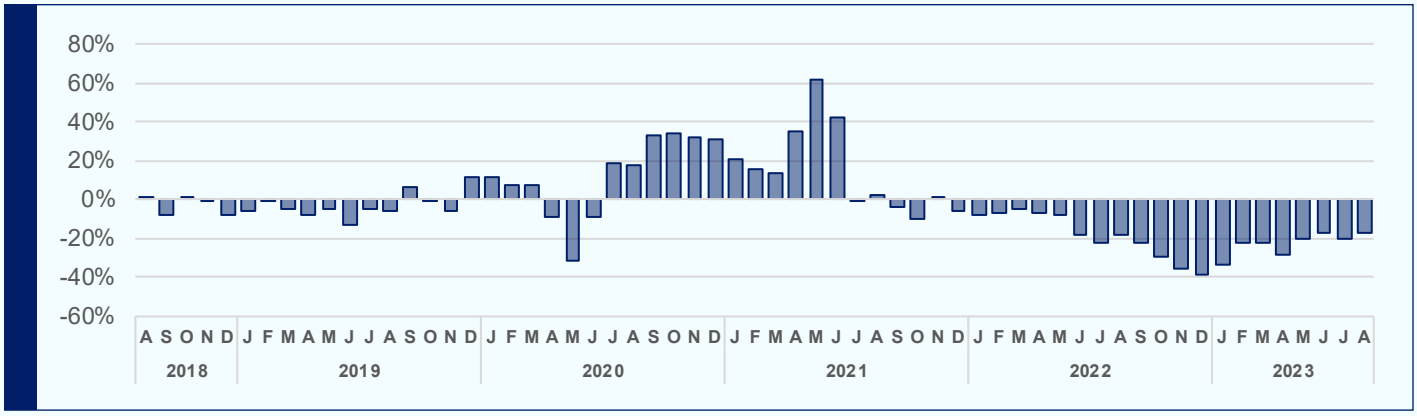
Market Outlook

Low inventory is the primary reason home prices continue to rise in the Mid-Atlantic despite higher mortgage rates. But there are signs that more choices will be available to buyers in some markets in the Mid-Atlantic, particularly those where owners of second homes and investment properties are deciding to list their home for sale at the same time buyer demand is weakening.

In the region's major metro areas, expect new listing activity to remain very low throughout the rest of the year. There will be small gains in month-end active listings as sales activity contracts. Overall, though, the Mid-Atlantic housing market will still be unbalanced, with more buyers than sellers, which will continue to support stable prices in most local markets.

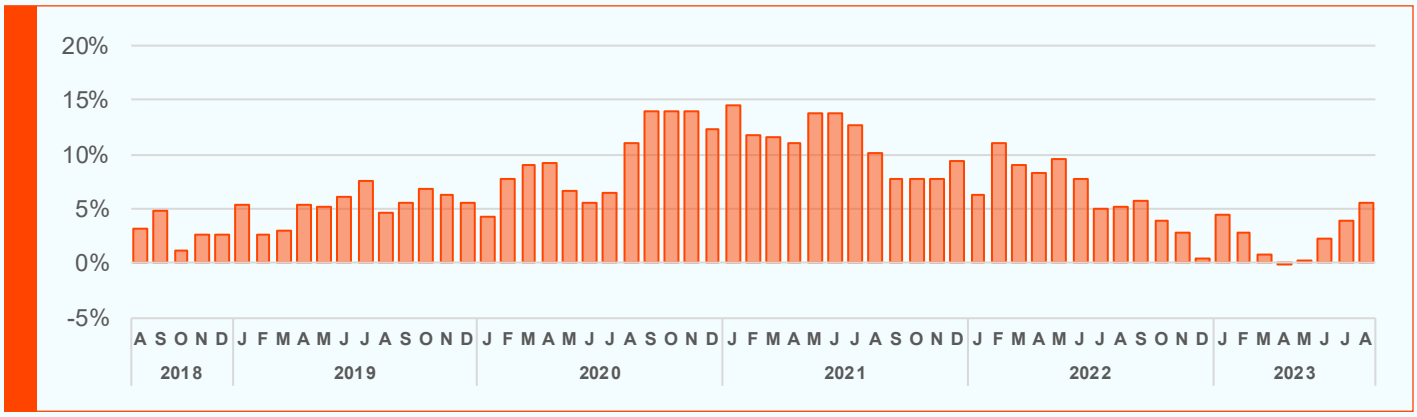
Closed Sales Year-Over-Year Change

There were 20,600 closed sales in August 2023 in the Mid-Atlantic. While sales are still down significantly from last year by 17.2% overall, the negative gap is narrowing. Sales will likely remain at lower levels as scarcity of supply persists.



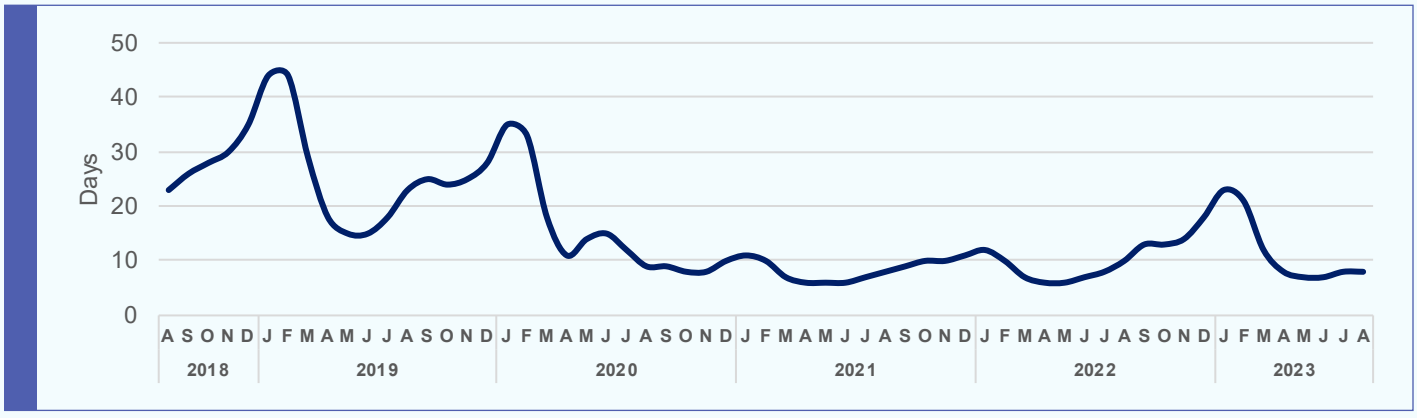
Median Sale Price Year-Over-Year Change

The median sale price was $401,000 in August. Condos had a larger year-over-year price increase than other home types at 9.7% while price growth for detached and attached homes settled at 4.7% and 7.6%, respectively.



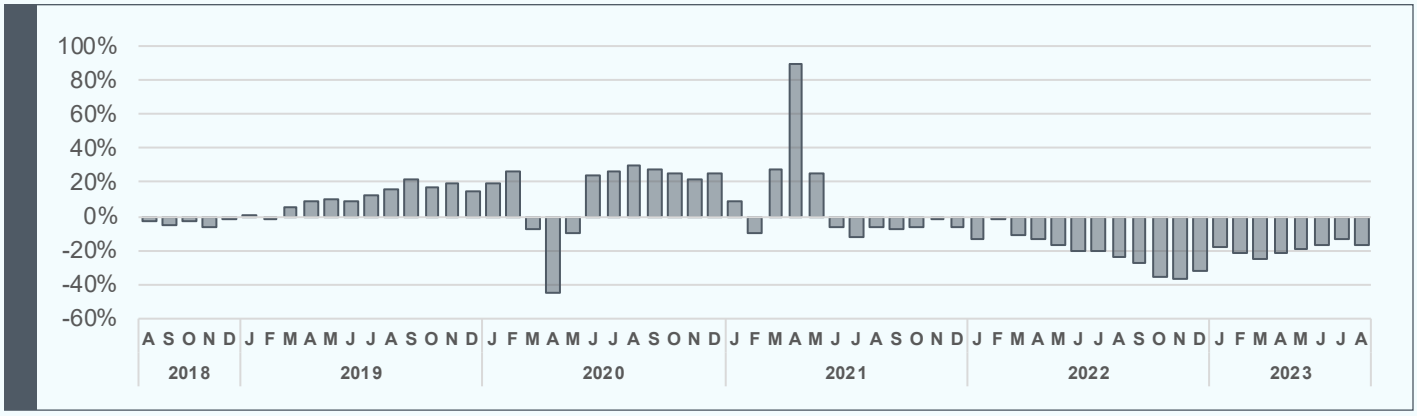
Median Days on Market

The median days on market was eight in August, which is unchanged from the previous month. This is a 2-day decrease from last year at this time and the first year-over-year decrease in median days on market since August 2021. August 2023 is down 15 days from 2019, when homes sold at a more typical pace.



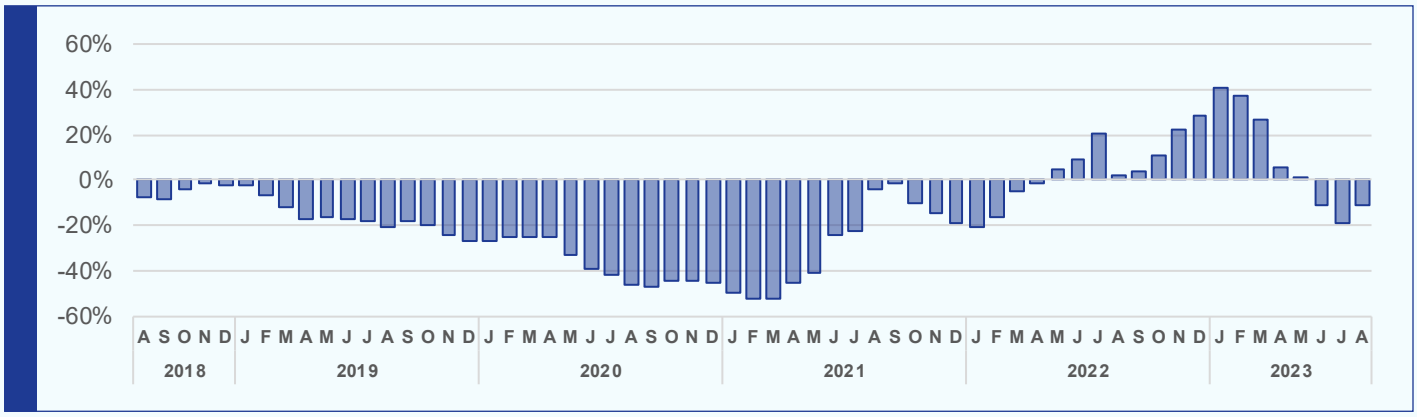
New Pending Sales Year-Over-Year Change

There were 19,898 pending sales in August, which is down 17.3% from this time last year. The downward year-over-year trend has been consistent for now over 2 years as buyers struggle to find homes with low supply. From last month, all home types are down 4.5% overall.



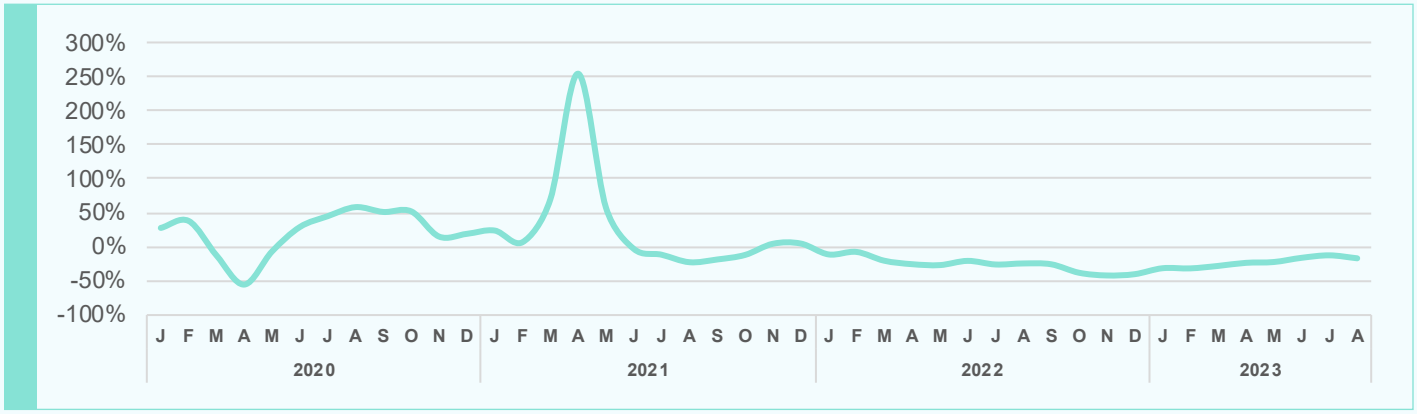
Active Listings Year-Over-Year Change

There were 30,748 active listings in August 2023. All home types are down 11.4% from last year, which is the 3rd month in a row with a decrease year-over-year. From last month, listings are up slightly overall at 5.3%, but this is only 47% of listings in August 2019, a more normal year.



Showings

In August, showings across the Mid-Atlantic are down 16.3% from last year at this time, landing at 384,238. Showings levels were trending upwards toward a flat year-over-year change, but that trend has broken this month.



Bright MLS Mid-Atlantic Markets



Local Markets

Across the Mid-Atlantic region, home prices rose in August, defying expectations that high mortgage rates would ease price pressures. There was double-digit price growth in several markets, including the MD Eastern Shore (+22.0%), Del/Mar Coastal (+11.0%), and MD/WV Panhandle (10.1%) regions. Some of this strong year-over-year price growth is due to the mix of homes sold in August but rising prices also indicate strong demand in these markets.

Home prices rose in August even in higher-cost markets, including the Washington DC and North Central Virginia markets.

A lack of supply is driving price growth, with the number of new listings down across the Mid-Atlantic. The tightest markets are the Washington DC metro, Baltimore metro, and Central Pennsylvania regions where this is less than 1.5 months of supply.



CLOSED SALES

	August 2023	vs. August 2022
Philadelphia Metro	6,150	-19.9%
Baltimore Metro	2,903	-22.1%
Washington Metro	4,583	-13.9%
Central Pennsylvania	2,518	-16.3%
MD/WV Panhandle	696	-8.8%
MD Eastern Shore	339	-20.2%
Del/Mar Coastal	785	-8.5%
Southern Maryland	499	-11.2%
North Central Virginia	1,490	-21.7%
Mid-Atlantic	**20,600**	**-17.2%**

MEDIAN SALES PRICE

	August 2023	vs. August 2022
Philadelphia Metro	$370,000	+5.7%
Baltimore Metro	$385,000	+4.6%
Washington Metro	$585,000	+5.4%
Central Pennsylvania	$280,000	+7.7%
MD/WV Panhandle	$291,887	+10.1%
MD Eastern Shore	$384,450	+22.0%
Del/Mar Coastal	$400,000	+11.0%
Southern Maryland	$430,000	+4.9%
North Central Virginia	$470,000	+5.6%
Mid-Atlantic	**$401,000**	**+5.5%**

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
Philadelphia Metro	5,861	-19.8%	6,846	-16.7%	9	-1 day
Baltimore Metro	2,863	-21.0%	3,094	-24.5%	7	-2 days
Washington Metro	4,137	-19.0%	4,649	-21.3%	8	-4 days
Central Pennsylvania	2,502	-13.7%	2,853	-8.1%	7	+0 days
MD/WV Panhandle	701	-8.8%	861	-7.7%	11	-1 day
MD Eastern Shore	328	-20.6%	355	-11.7%	11	-4 days
Del/Mar Coastal	844	-8.9%	976	-8.7%	16	+3 days
Southern Maryland	549	-8.5%	558	-22.6%	10	-2 days
North Central Virginia	1,433	-18.5%	1,646	-23.5%	8	-4 days
Mid-Atlantic	**19,898**	**-17.3%**	**22,671**	**-17.3%**	**8**	**-2 days**

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	August 2023	vs. August 2022	August 2023	vs. August 2022
Philadelphia Metro	9,460	-14.9%	1.70	+14.1%
Baltimore Metro	4,035	-10.3%	1.48	+24.4%
Washington Metro	5,965	-18.1%	1.40	+14.8%
Central Pennsylvania	3,126	+1.7%	1.39	+25.2%
MD/WV Panhandle	1,271	-11.1%	2.11	+11.6%
MD Eastern Shore	745	+6.6%	2.47	+42.8%
Del/Mar Coastal	1,958	+9.8%	2.69	+42.3%
Southern Maryland	691	-16.8%	1.62	+18.2%
North Central Virginia	2,218	-17.6%	1.58	+16.2%
Mid-Atlantic	**30,748**	**-11.4%**	**1.63**	**+19.0%**

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 the Mid-Atlantic's median sale price of $401,000, 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

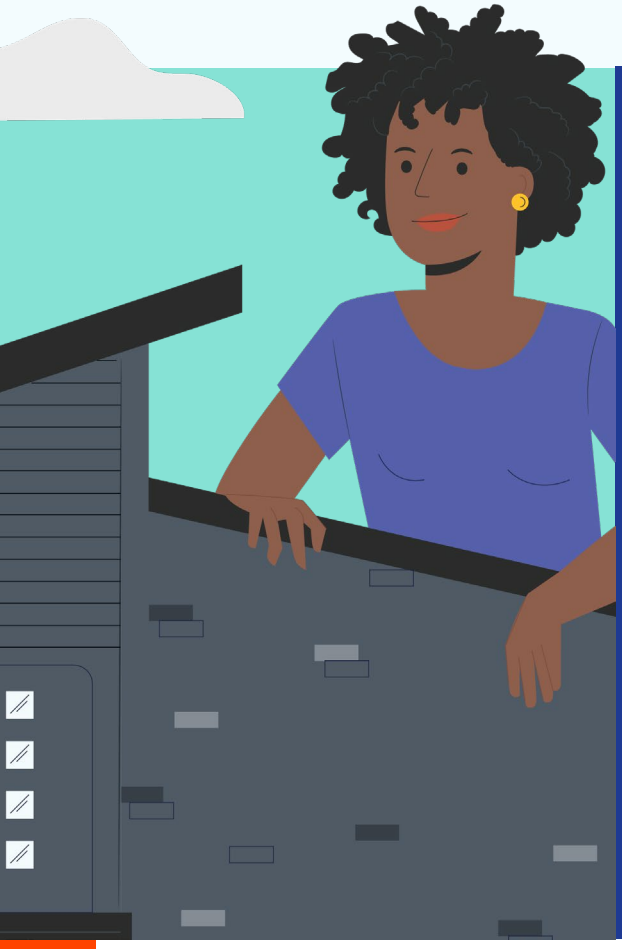
	SHOWINGS		HOME DEMAND INDEX	
	August 2023	vs. August 2022	September 2023	vs. September 2022
Philadelphia Metro	134,399	-14.4%	84	-16.8%
Baltimore Metro	54,851	-17.1%	84	-22.2%
Washington Metro	87,579	-18.2%	75	-25.7%
Central Pennsylvania	38,929	-15.6%	92	-13.2%
MD/WV Panhandle	8,437	-16.1%	113	-18.1%
MD Eastern Shore	3,638	-23.8%	90	-16.7%
Del/Mar Coastal	11,580	-14.2%	110	-12.0%
Southern Maryland	8,287	-20.2%	113	-24.7%
North Central Virginia	23,548	-24.3%	75	-30.6%
Mid-Atlantic	**384,238**	**-16.3%**		

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.

Please contact Christy Reap, Media Relations Director with interview or information requests: (202) 309-9362 | christy.reap@brightmls.com

Visit SmartCharts
For more data
getsmartcharts.com

Visit Bright News
For more analysis
brightmls.com/news