

June 2023 Market Report Philadelphia Metro

Philadelphia Market Key Findings

Inventory Drops Again, No Relief for Eager Buyers Prices and days on market show competition for limited homes

The supply of homes available for sale in the Philadelphia metro had been increasing last fall and through the early spring. However, over the past two months, inventory in the region has begun to decline again and buyers face a competitive, fast-paced market.

There was just 1.59 months of supply across the Philadelphia metro area and the number of active listings declined by 15.1% compared to a year ago. New listing activity is at a two-decade low as existing homeowners are feeling "locked in" to historically low mortgage rates.

Because inventory is so low and demand remains resilient, home prices have continued to rise in the region. Unlike some other regions, Philadelphia has not seen a dip in home prices. In June, the median sales price was up 4.2% from a year ago, hitting a new high.

The market is just as fast-paced as it was during the height of the pandemic. The median days on market was 8 in June. Buyers must act quickly in this competitive market.

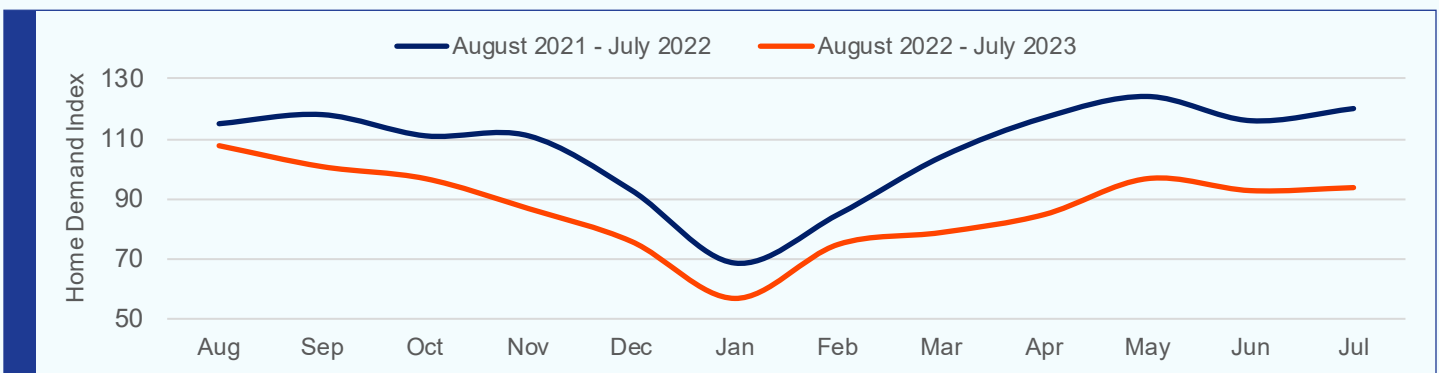
	June 2023		vs. June 2022
Closed sales	6,753	▼	-21.0%
Median sales price	\$370,000	▲	+4.2%
Median days on market	8	=	+0 days
New pending sales	6,480	▼	-18.6%
New listings	7,279	▼	-32.7%
Active listings	9,253	▼	-15.1%
Months of supply	1.59	▲	+12.8%
Showings	155,861	▼	-20.2%

Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), Philadelphia market activity inched up from 93 in June to 94 in July keeping its Steady demand.

The index for the Philadelphia metro is down from Moderate a year ago, when the HDI was 120.

Bright MLS T3 Home Demand Index



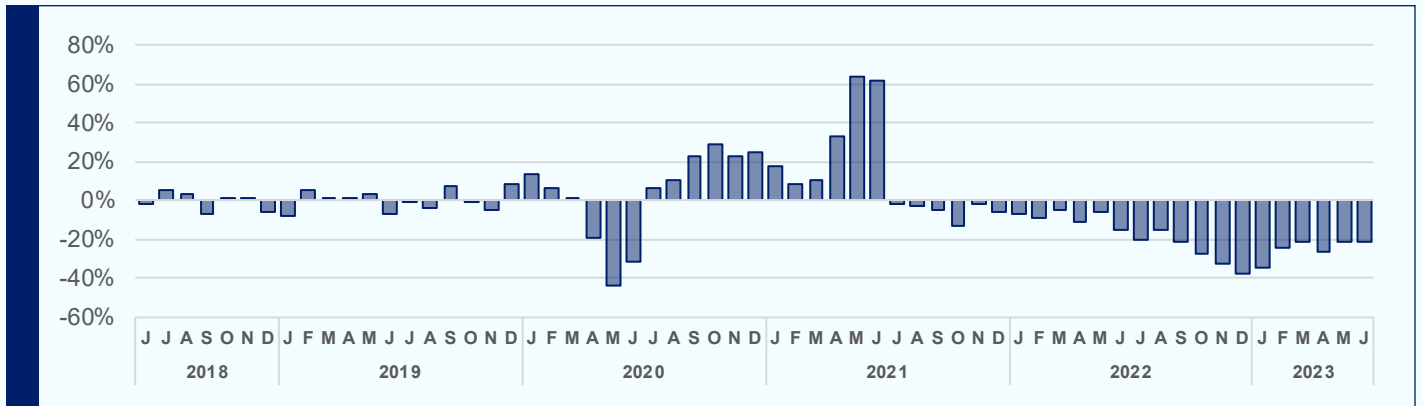
Market Outlook

Buyer demand is still strong in the Philadelphia metro area, with no end in sight to rising home prices in the region. The primary driver of the competitive market is low supply, with inventory just about a third of what it was prior to the pandemic.

As interest rates edge down over the next 6 months, we should see more new listings from homeowners who have felt "locked in" to a very low mortgage but are living in a home that does not work for them or their family. An increase in supply—particularly single-family detached homes in suburban markets—will be welcome. However, buyers expecting a significant increase in the number of homes on the market will be disappointed.

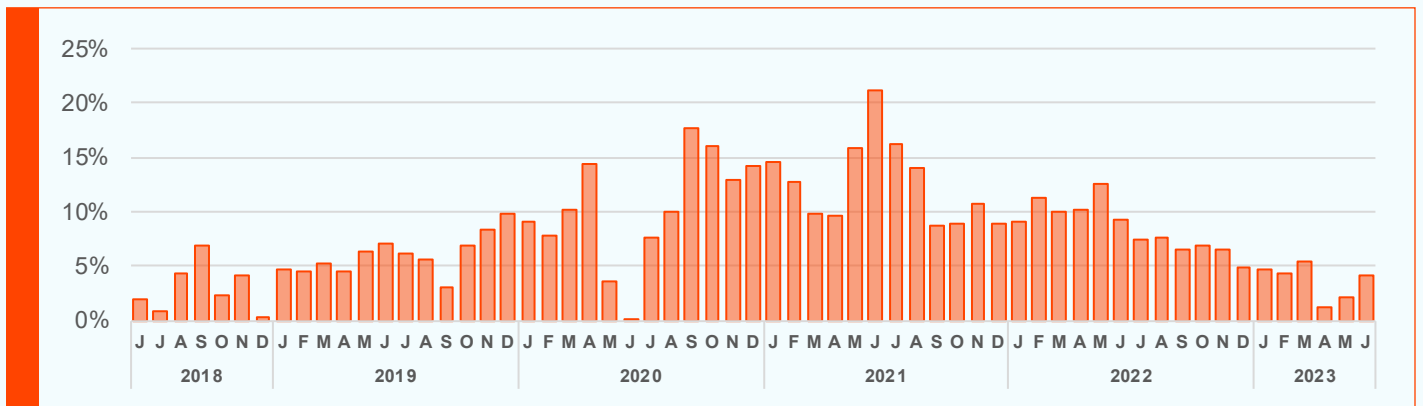
Closed Sales Year-Over-Year Change

There were 6,753 closed sales in the Philadelphia Metro Area. Sales were down (-21.0%) compared to 2022 due to a combination of low inventory and higher interest rates. Closed sales in Philadelphia rose by 16.5% between May and June, led by an uptick in the sale of single-family detached homes.



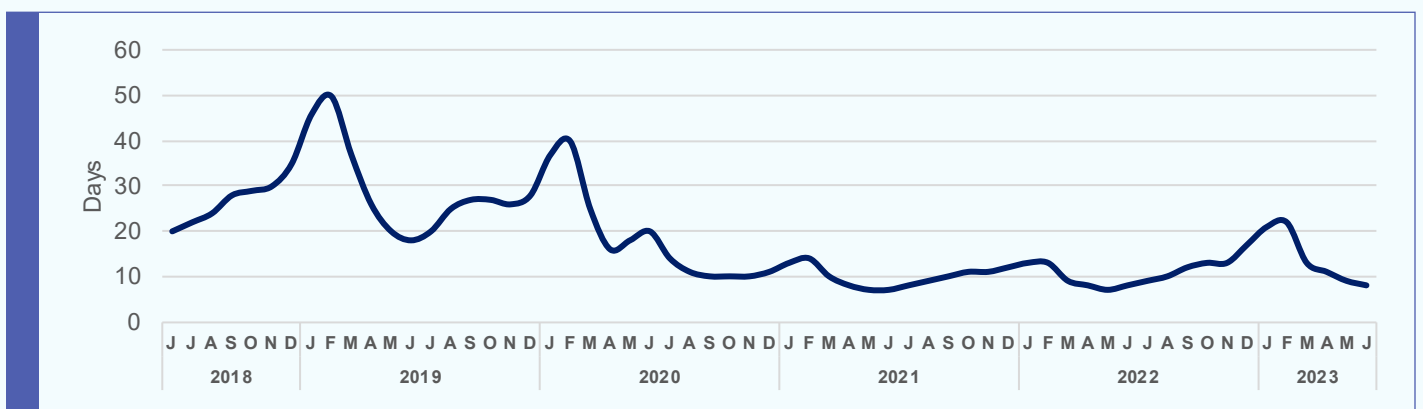
Median Sales Price Year-Over-Year Change

The median sale price in Philadelphia reached a new high in June 2023, up to \$370,000. The median price was 4.2% higher than last year. Each property type (detached, attached, and condo) hit a record high price in June. Steady demand and low inventory in the Philadelphia metro area mean continued pressure on prices.



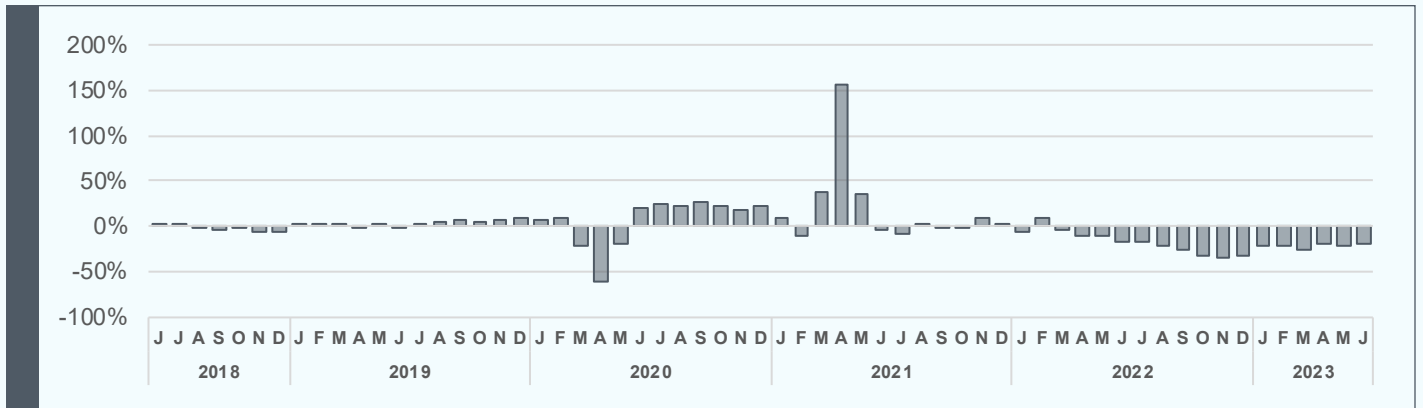
Median Days on Market

Philadelphia had another decline in its median days on market in June 2023, now at 8 days. Each property type reported similar median days to last, at 8 for detached homes, 9 for condos, and 11 for attached townhomes. No matter the property type a buyer is searching for, they will likely face tough competition and quick transactions.



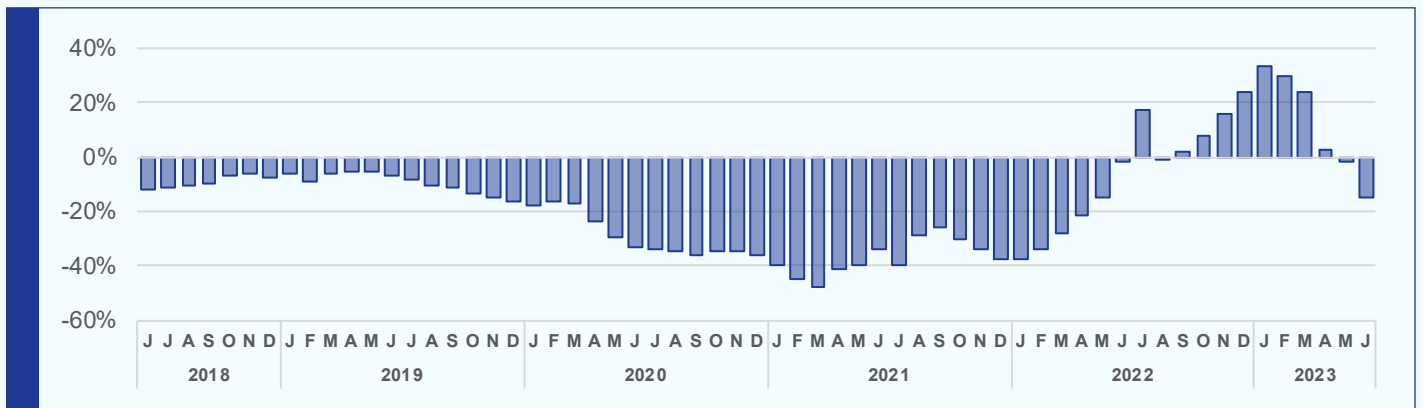
New Pending Sales Year-Over-Year Change

There were 6,480 new pending sales in the Philadelphia metro in June 2023. Pending sales decreased 18.6% year-over-year with the declines similar across property types. Detached home pending sales were down 20.9%, attached townhomes declined 15.4%, and condos fell 7.3%. June pending sales also decreased from last month.



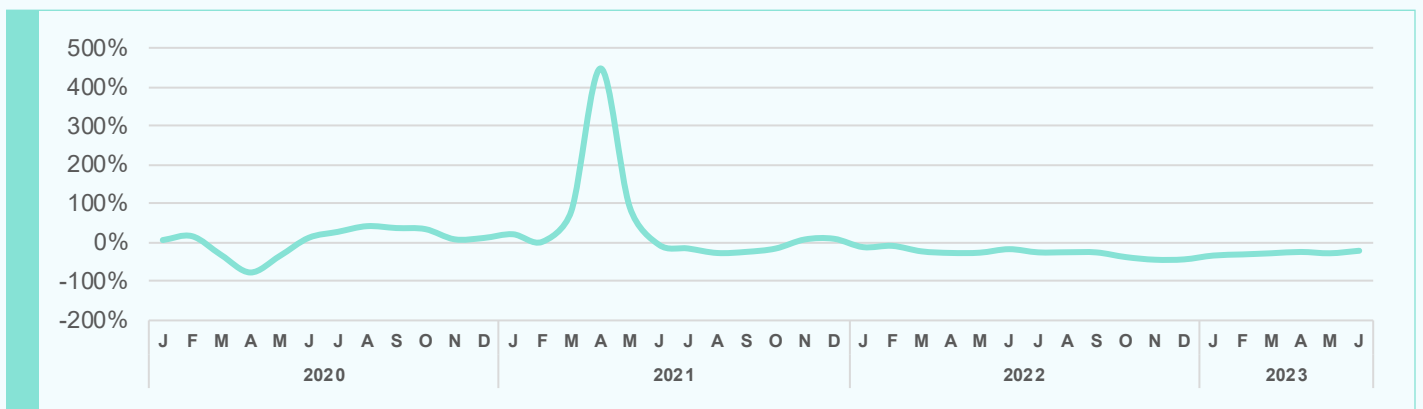
Active Listings Year-Over-Year Change

After a modest drop in May (-1.4%), active listings declined further in June 2023 compared to a year ago, down 15.1%. Active listings decreased across all property types. The number of detached homes on the market is roughly one-quarter (26%) of the number in June 2019. Condos are at 39% and attached properties are faring the best but are still only 56% of 2019 inventory.



Showings

The Philadelphia metro area had 155,861 showings in June 2023. Showing activity was lower than June 2022 by 20.2%. With active listings now lower than the prior year, the expectation is that showing activity will continue to track below 2022. Showings were lower in June than May, which tends to happen seasonally.



Local Markets

Market conditions remain competitive in most local markets in the Philadelphia metro area, though the hottest markets in June were in the New Jersey suburbs. The median sales price was up at double-digit rates in both Mercer County (+10.8%) and Burlington County (+12.5%).

Shrinking inventory explains a lot of the significant price appreciation. Supply fell in all local markets with the exception of Kent County, Delaware. In both Mercer County and Camden County, NJ, as well as Montgomery County, PA, the number of active listings on the market at the end of June 2023 was down by more than 30% compared to a year ago.

The median days on market stayed flat or inched up slightly from last year except in Camden County, NJ, where the typical home was on the market 1 day less than a year ago.



CLOSED SALES

	June 2023	vs. June 2022
Bucks County, PA	624	-18.1%
Burlington County, NJ	569	-21.6%
Camden County, NJ	545	-21.8%
Chester County, PA	623	-15.2%
Delaware County, PA	583	-20.8%
Gloucester County, NJ	350	-13.8%
Kent County, DE	234	-11.4%
Mercer County, NJ	349	-15.7%
Montgomery County, PA	928	-28.8%
New Castle County, DE	550	-17.7%
Philadelphia County, PA	1,398	-24.0%
Philadelphia Metro	6,753	-21.0%

MEDIAN SALES PRICE

	June 2023	vs. June 2022
Bucks County, PA	\$485,000	+5.4%
Burlington County, NJ	\$370,790	+12.4%
Camden County, NJ	\$310,000	+5.5%
Chester County, PA	\$530,000	+8.4%
Delaware County, PA	\$360,000	+5.9%
Gloucester County, NJ	\$315,000	+7.7%
Kent County, DE	\$311,086	-6.6%
Mercer County, NJ	\$410,000	+10.8%
Montgomery County, PA	\$450,000	+5.9%
New Castle County, DE	\$345,000	+4.1%
Philadelphia County, PA	\$275,000	-6.4%
Philadelphia Metro	\$370,000	+4.2%

Local Markets Continued

	NEW PENDINGS		NEW LISTINGS		MEDIAN DAYS ON MARKET	
	June 2023	vs. June 2022	June 2023	vs. June 2022	June 2023	vs. June 2022
Bucks County, PA	589	-20.6%	677	-29.2%	6	+0 days
Burlington County, NJ	536	-25.7%	594	-32.0%	12	+2 days
Camden County, NJ	543	-20.5%	558	-35.6%	10	-1 day
Chester County, PA	569	-14.0%	616	-27.0%	5	+0 days
Delaware County, PA	557	-21.0%	596	-34.6%	6	+0 days
Gloucester County, NJ	316	-30.1%	337	-37.8%	11	+2 days
Kent County, DE	237	-19.1%	278	-14.5%	11	+4 days
Mercer County, NJ	366	-11.8%	360	-28.7%	11	+1 day
Montgomery County, PA	878	-16.2%	834	-41.6%	6	+0 days
New Castle County, DE	524	-24.3%	588	-31.6%	6	+0 days
Philadelphia County, PA	1,365	-11.7%	1,841	-32.1%	17	+5 days
Philadelphia Metro	6,480	-18.6%	7,279	-32.7%	8	+0 days

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	June 2023	vs. June 2022	June 2023	vs. June 2022
Bucks County, PA	609	-16.5%	1.13	+8.7%
Burlington County, NJ	558	-23.0%	1.09	-0.9%
Camden County, NJ	493	-31.6%	1.01	-10.6%
Chester County, PA	589	-0.8%	1.24	+36.3%
Delaware County, PA	542	-16.5%	1.07	+10.3%
Gloucester County, NJ	343	-20.4%	1.10	+0.9%
Kent County, DE	378	+9.6%	1.80	+39.5%
Mercer County, NJ	352	-35.8%	1.20	-14.3%
Montgomery County, PA	755	-32.2%	1.00	-8.3%
New Castle County, DE	524	-16.6%	1.04	+13.0%
Philadelphia County, PA	4,110	-6.9%	3.36	+25.4%
Philadelphia Metro	9,253	-15.1%	1.59	+12.8%

An Inventory Reversal

Starting in the middle of 2022, the housing market received some welcome news—active listings were finally on the rise! The trend continued in 2023, with the first quarter showing strong gains in active listings.

Then the gains slowed in the next two months until they switched direction in June. Philadelphia was ahead of the curve, with active listings down 1.5% in May and dropping 15.1% in June.

Inventory today is roughly 37% of the active listings in June 2019. This reversal in active listings will constrain buyer choices even further and keep prices firm.

Local Markets Continued

	SHOWINGS		HOME DEMAND INDEX	
	June 2023	vs. June 2022	July 2023	vs. July 2022
Bucks County, PA	14,969	-20.2%	120	-22.6%
Burlington County, NJ	13,972	-18.2%	74	-19.6%
Camden County, NJ	16,324	-20.7%	76	-22.4%
Chester County, PA	11,713	-22.4%	109	-20.4%
Delaware County, PA	14,103	-28.1%	117	-23.0%
Gloucester County, NJ	7,888	-36.1%	58	-34.1%
Kent County, DE	3,571	-30.0%	110	-19.7%
Mercer County, NJ	9,353	-5.2%	66	-17.5%
Montgomery County, PA	20,579	-21.2%	115	-25.8%
New Castle County, DE	13,437	-23.6%	109	-25.3%
Philadelphia County, PA	29,952	-9.9%	93	-14.7%
Philadelphia Metro	155,861	-20.2%	94	-21.7%

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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