DATA AS OF March 6, 2023

February 2023 Market Report
Philadelphia Metro

Philadelphia Market Key Findings

	February 2023	vs. February 2022
Closed sales	3,690	-24.2%
Median sales price	$308,000	+4.4%
Median days on market	22	+9 days
New pending sales	5,285	-21.4%
New listings	5,562	-22.3%
Active listings	8,773	+30.2%
Months of supply	1.37	+61.2%
Showings	140,664	-29.6%

A Slowdown in the Housing Market's Recovery
Despite Fewer Buyers, Home Prices Continue to Rise

Philadelphia's housing market began rebounding in January, but the rally slowed somewhat as mortgage rates rose in February. The number of new pending sales in the Philadelphia metro area has risen for two consecutive months, but the February new pending level was at its lowest level since 2015.

Inventory has been expanding in the Philadelphia region for six months in a row, but despite that expansion, the number of active listings at the end of February was still less than half of what it was three years ago. There was a total of 5,562 new listings coming onto the market in February, the lowest February new listings total in more than two decades.

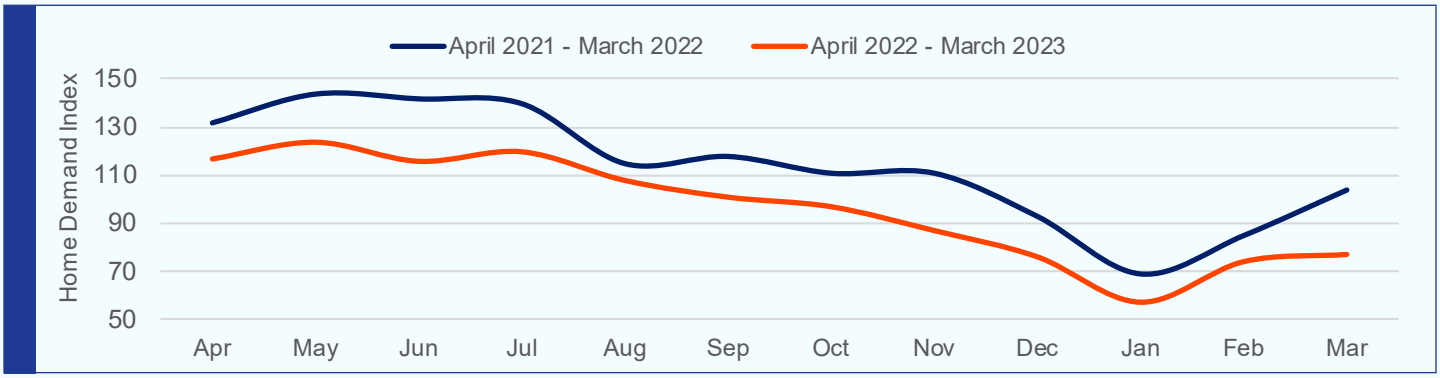
Homes are taking longer to sell across the region. The median days on market was 22 in February, which is the highest it has been since the spring of 2020. Despite the slower buyer activity, prices continue to rise in the Philadelphia metro area, with the median price up 4.4% compared to a year ago. The region's median price is now more than 20% higher than it was three years ago.

Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), market activity increased from a January low of 57. Rising to 74 in February and 77 in March, the index for the Philadelphia metro still indicates Slow market conditions.

The index was 104 last March for the Philadelphia metro area, demonstrating a decline in demand as interest rates rose.

Bright MLS T3 Home Demand Index



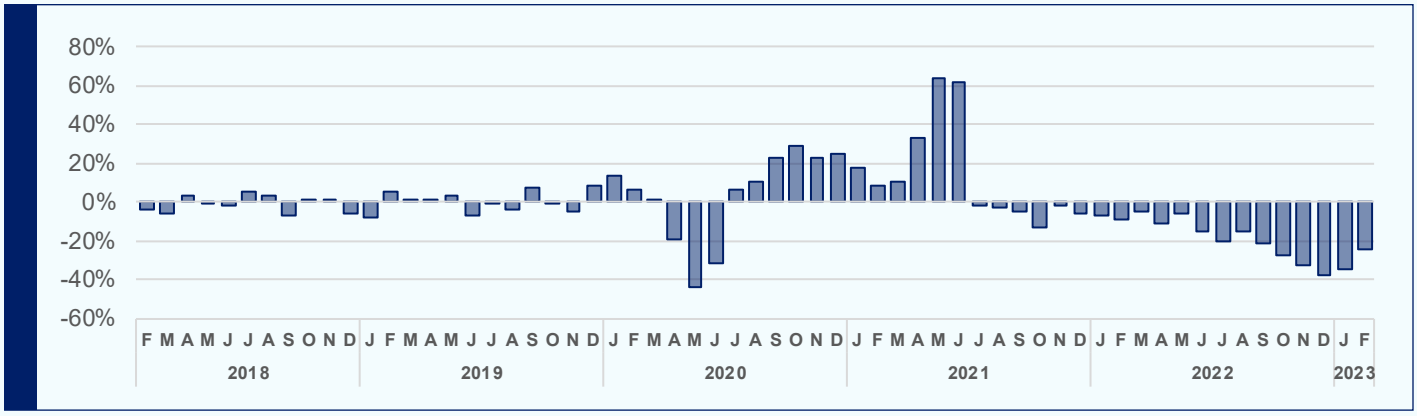
Market Outlook

The Philadelphia metro area housing market is gearing up to the spring housing market more slowly than usual. While there is significant pent-up demand in the market, economic uncertainty casts a shadow over the spring market. Mortgage rates had begun to fall at the beginning of the year, but rates moved upward in February and economic data suggests they may move higher in the weeks ahead.

Expect housing market activity to pick up in March and April in the Philadelphia region. There will be fewer buyers in the market, but sellers will be in short supply, which means home prices likely will continue to rise throughout the spring.

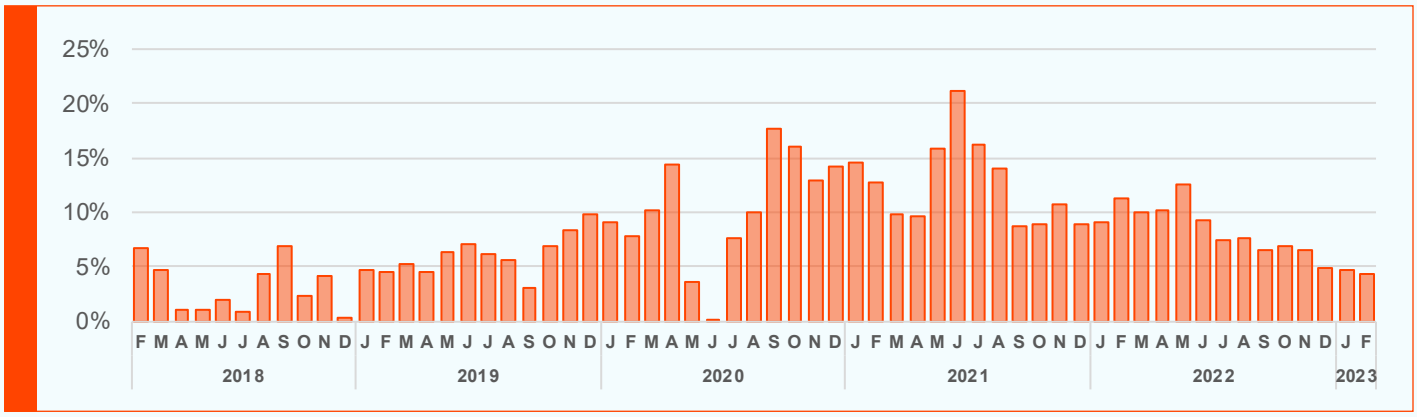
Closed Sales Year-Over-Year Change

Closed sales continue to be sluggish when compared to 2022. Closed sales in February 2023 for the Philadelphia metro were 3,690. Detached single-family home and condo sales were down compared to January, which is a typical month-to-month trend. Attached properties had 4.4% more sales in February than January.



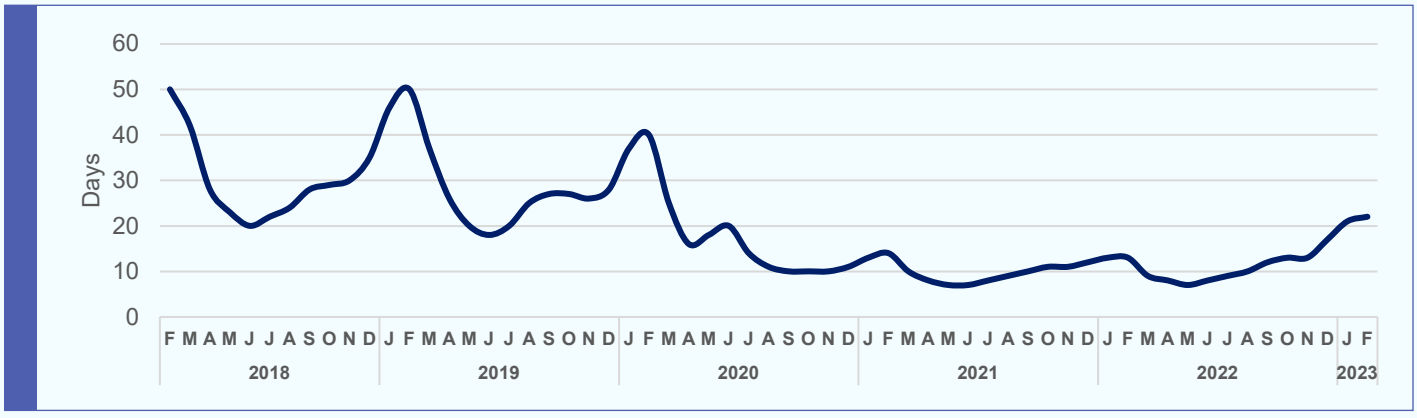
Median Sales Price Year-Over-Year Change

Prices continue to increase year-over-year. The median price in the Philadelphia metro was $308,000 in February, up 4.4% compared to February 2022. This is the second month attached homes in the metro reported a year-over-year decline in price, down 1.2% in January and 3.8% in February.



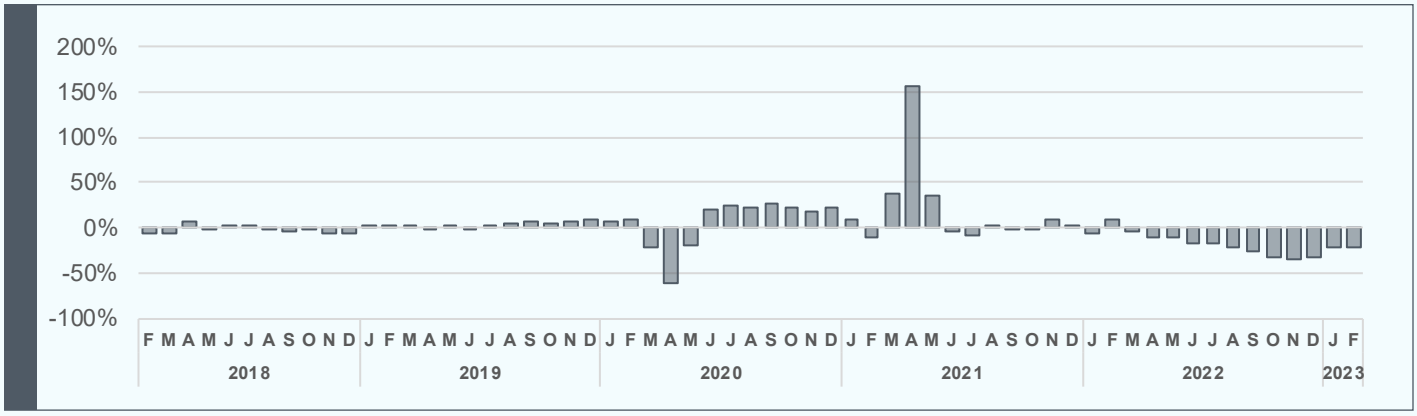
Median Days on Market

Homes in the Philadelphia metro remain on the market longer. At 22 days, the median is one day more than January and nine days higher than February 2022. While this may seem long relative to the hot single-digit days reported in 2021 and 2022, recall the median days on market in February 2020 was 40 and in February 2019 it was 50.



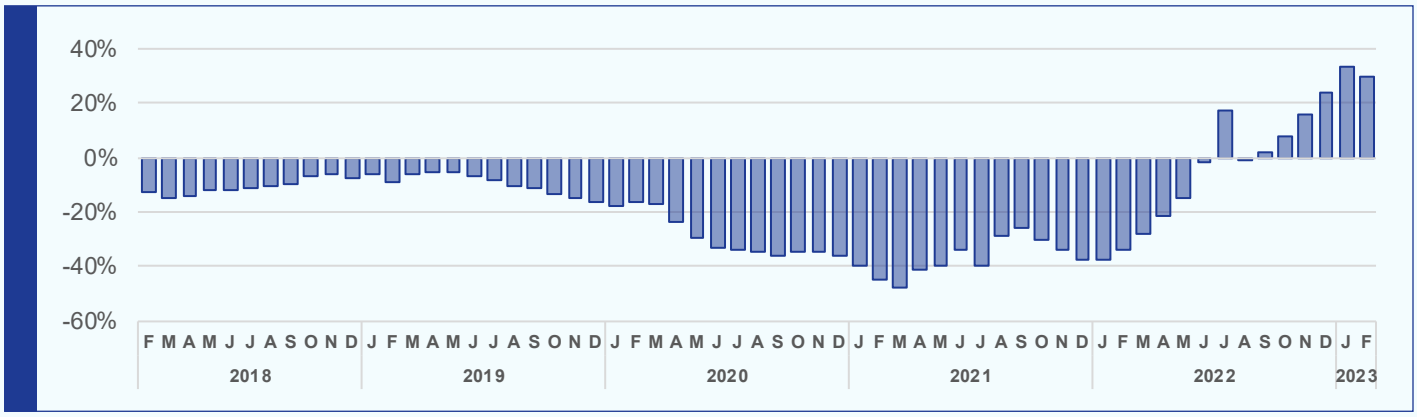
New Pending Sales Year-Over-Year Change

New pending sales have improved two months in a row in the Philadelphia metro. The 5,285 in February 2023 is still 21.4% lower than the pending sales that occurred last February. Based on mortgage interest rates and lower demand levels, it is unlikely that new pending sales will reverse the trend in the spring. All property types saw month-over-month improvement and year-over-year declines.



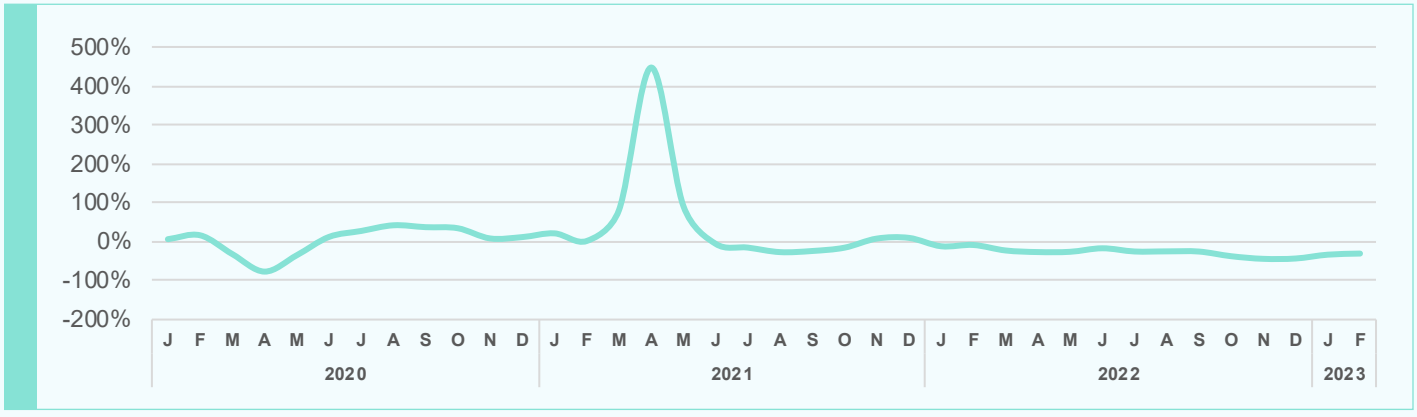
Active Listings Year-Over-Year Change

Inventory in the Philadelphia metro was 8,773 in February 2023. It remains below its peak from October 2022. The year-over-year gains are encouraging, and February has 30.2% more active listings than last year. On the other hand, compared to the pre-pandemic level of 18,529 in February 2020, the metro's inventory is quite constrained.



Showings

Typically, showing activity improves from December to January and then again from January to February. Across the Philadelphia metro, showings were up 8.7% month-over-month to 140,664. The number of showings are 70% of the activity that happened in February 2022.



Local Markets

There is a lot of variability in market performance across local communities in the Philadelphia metropolitan area. While market activity slowed across the region, in general, suburban communities had stronger price growth and tighter inventory than Philadelphia County.

The fastest price appreciation was in Burlington County, NJ, where the median sales price in February was 11.1% higher than a year ago. Prices were also up strongly in Montgomery County, PA (+9.1%), Camden County, NJ (+8.0%), and New Castle County, DE (+7.0%). Median prices fell year-over-year in several counties, with the largest decline in Philadelphia County, PA (-6.0%).

Homes are taking longer to sell across the Philadelphia metro area. In both Philadelphia County, PA, and Kent County, DE, the median days on market is about three weeks longer than a year ago. In some markets, however, homes are selling very quickly. For example, the median days on market was less than 10 in Chester County and Montgomery County, PA.



CLOSED SALES

	February 2023	vs. February 2022
Bucks County, PA	334	-11.4%
Burlington County, NJ	320	-25.2%
Camden County, NJ	316	-22.9%
Chester County, PA	243	-31.5%
Delaware County, PA	304	-28.8%
Gloucester County, NJ	195	-13.7%
Kent County, DE	139	-31.5%
Mercer County, NJ	169	-32.4%
Montgomery County, PA	431	-25.8%
New Castle County, DE	366	-18.8%
Philadelphia County, PA	873	-24.9%
Philadelphia Metro	**3,690**	**-24.2%**

MEDIAN SALES PRICE

	February 2023	vs. February 2022
Bucks County, PA	$388,000	-3.0%
Burlington County, NJ	$329,900	+11.1%
Camden County, NJ	$270,000	+8.0%
Chester County, PA	$445,000	-0.2%
Delaware County, PA	$250,000	-3.8%
Gloucester County, NJ	$280,000	+5.7%
Kent County, DE	$298,450	+3.8%
Mercer County, NJ	$316,000	-4.2%
Montgomery County, PA	$383,495	+9.1%
New Castle County, DE	$305,000	+7.0%
Philadelphia County, PA	$235,000	-6.0%
Philadelphia Metro	**$308,000**	**+4.4%**

Local Markets Continued

	NEW PENDINGS		NEW LISTINGS		MEDIAN DAYS ON MARKET	
	February 2023	vs. February 2022	February 2023	vs. February 2022	February 2023	vs. February 2022
Bucks County, PA	480	-8.2%	461	-12.2%	18	+10 days
Burlington County, NJ	499	-3.3%	447	-18.3%	28	+12 days
Camden County, NJ	461	-18.4%	438	-22.1%	18	+4 days
Chester County, PA	401	-20.9%	422	-19.9%	7	0 days
Delaware County, PA	425	-26.0%	419	-28.4%	15	+3 days
Gloucester County, NJ	319	+0.6%	304	-7.0%	22	+6 days
Kent County, DE	204	-19.0%	193	-21.9%	32	+21 days
Mercer County, NJ	259	-23.1%	242	-34.1%	28	+10 days
Montgomery County, PA	572	-29.0%	594	-31.9%	9	+1 day
New Castle County, DE	430	-30.3%	431	-24.3%	13	+6 days
Philadelphia County, PA	1,235	-27.7%	1,611	-20.7%	53	+24 days
Philadelphia Metro	**5,285**	**-21.4%**	**5,562**	**-22.3%**	**22**	**+9 days**

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	February 2023	vs. February 2022	February 2023	vs. February 2022
Bucks County, PA	486	+34.6%	0.84	+68.0%
Burlington County, NJ	549	+27.7%	0.99	+54.7%
Camden County, NJ	522	+12.5%	0.97	+36.6%
Chester County, PA	473	+32.1%	0.91	+75.0%
Delaware County, PA	502	+27.1%	0.91	+56.9%
Gloucester County, NJ	370	+47.4%	1.13	+91.5%
Kent County, DE	341	+38.6%	1.54	+67.4%
Mercer County, NJ	334	-9.0%	1.04	+15.6%
Montgomery County, PA	720	+29.5%	0.84	+55.6%
New Castle County, DE	473	+18.5%	0.84	+47.4%
Philadelphia County, PA	4,003	+37.6%	2.93	+68.4%
Philadelphia Metro	**8,773**	**+30.2%**	**1.37**	**+61.2%**

Where Aren't Prices Falling More?

Median home prices are down year-over-year in some local markets in the Philadelphia region, but price growth is still robust across many suburban counties. Buyer traffic slowed in February, but inventory is still very low. As a result, there is still upward pressure on home prices. Rising mortgage rates have made it more difficult for some buyers, but many are bringing significant equity—or cash—to the transaction, which has propped prices up in many markets.

Local Markets Continued

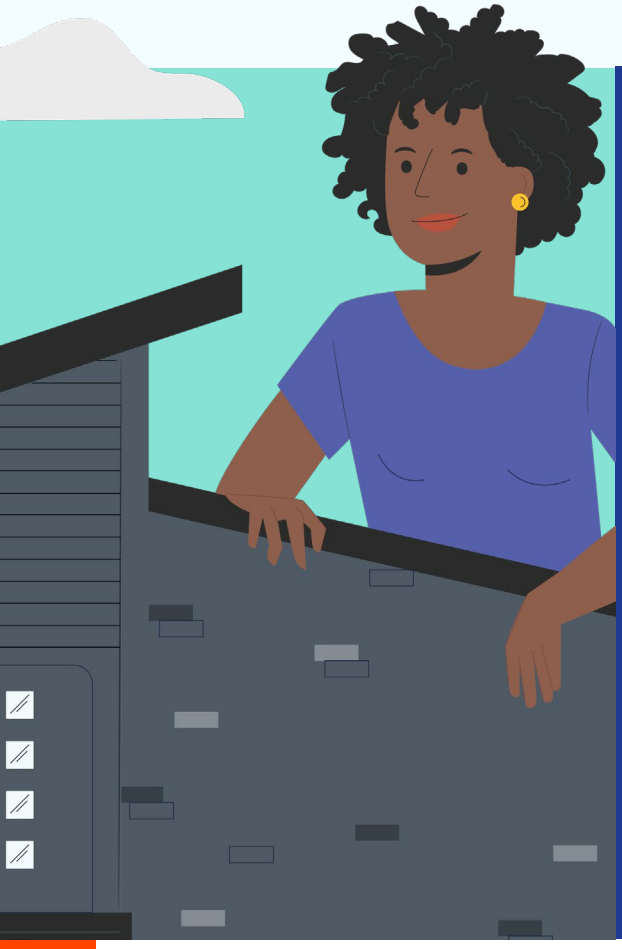
	SHOWINGS		HOME DEMAND INDEX	
	February 2023	vs. February 2022	March 2023	vs. March 2022
Bucks County, PA	11,842	-26.6%	87	-17.9%
Burlington County, NJ	13,191	-16.3%	64	-15.8%
Camden County, NJ	16,244	-17.3%	66	-25.8%
Chester County, PA	9,573	-39.3%	72	-34.5%
Delaware County, PA	12,132	-34.6%	89	-31.5%
Gloucester County, NJ	9,095	-26.5%	61	-17.6%
Kent County, DE	3,981	-23.1%	97	-17.1%
Mercer County, NJ	7,357	-32.5%	51	-33.8%
Montgomery County, PA	16,235	-42.1%	83	-37.1%
New Castle County, DE	11,504	-38.1%	87	-32.6%
Philadelphia County, PA	29,510	-24.2%	86	-19.6%
Philadelphia Metro	**140,664**	**-29.6%**	**77**	**-26.0%**

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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