DATA AS OF October 6, 2022

September 2022 Market Report
Mid-Atlantic

Mid-Atlantic Market Key Findings

Higher Mortgage Rates Cut Buyers' Purchasing Power

Buyer traffic was slow in the Mid-Atlantic as home buyers face higher mortgage rates and uncertain economic conditions. The number of new pending sales fell 28.0% compared to a year ago, the lowest September pending sales since 2018. New pending sales were also down 14.2% from August, which is a larger-than-typical seasonal decline.

Homes are remaining on the market longer with the median days on market reaching 13 in September, the highest level since June 2020. Buyers than remain in the market are taking their time, looking at multiple properties, and using their increased leverage to ask for seller concessions, such as inspection and home sale contingencies.

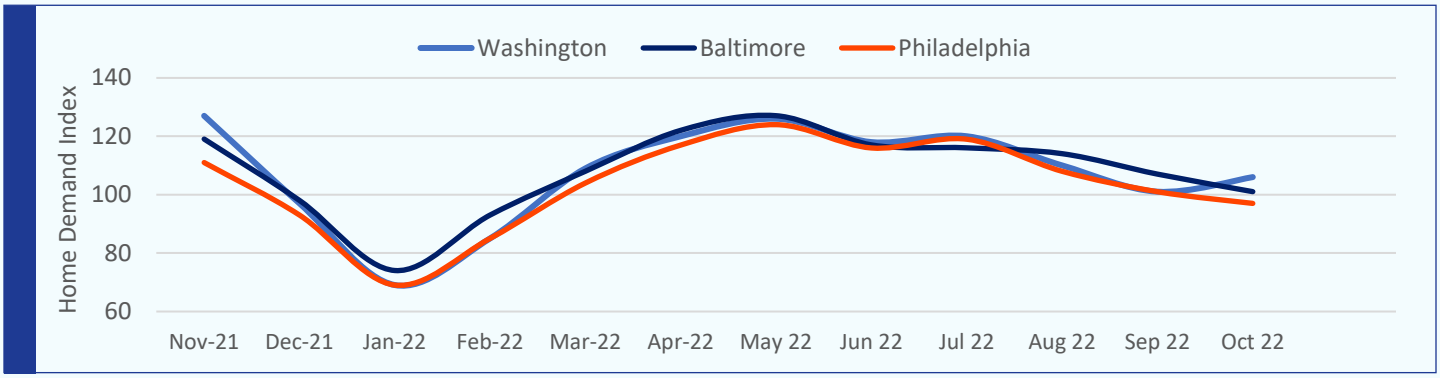
Home prices are still rising but the pace of price growth has declined sharply. In September, the median home price in the Mid-Atlantic was $369,900, which was up 5.7% compared to a year ago. However, the median price fell by 2.7% compared to August, which is the third consecutive month-to-month decline.

	September 2022	vs. September 2021
Closed sales	21,702 ▼	-22.6%
Median sales price	$369,900 ▲	+5.7%
Median days on market	13 ▲	+4
New pending sales	20,658 ▼	-28.0%
New listings	27,656 ▼	-18.4%
Active listings	36,834 ▲	+4.2%
Months of supply	1.49 ▲	+17.3%
Showings	425,055 ▼	-25.1%

Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), buyer demand continues to track lower than a year ago, reflecting slower buyer traffic and fewer home views. The index ticked up in the Washington region but fell seasonally from last month in both the Baltimore and Philadelphia metro area.

Bright MLS T3 Home Demand Index

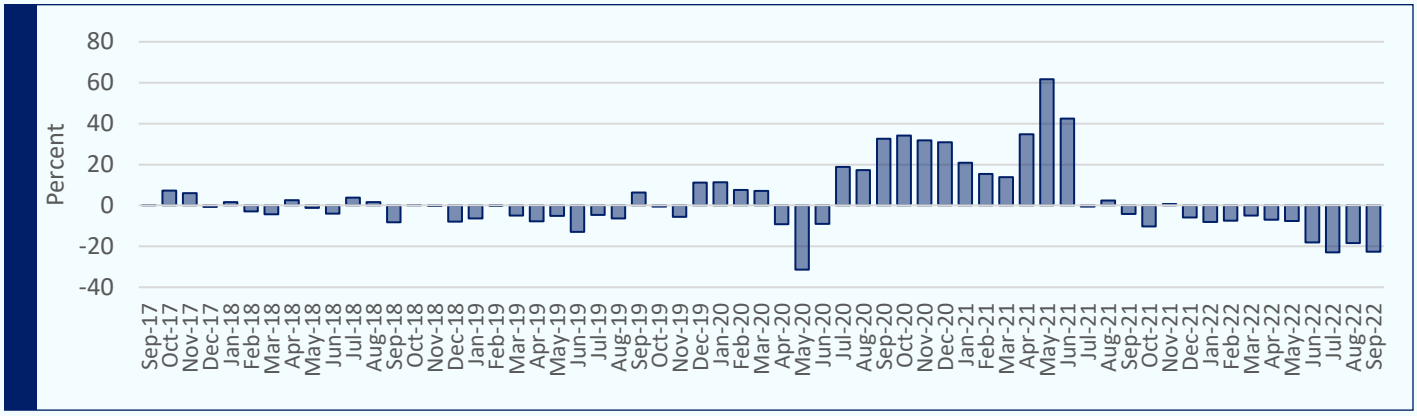


Market Outlook

Higher mortgage rates and uncertain economic conditions will continue to drive slower housing market activity in the Mid-Atlantic throughout the fall. Buyers who remain in the market will find more choices and will have more leverage on prices, as more sellers are adjusting their list prices downward. Homes will remain on the market longer, which will push inventory higher. However, despite the increase in active listings, overall inventory will remain very tight, with less than three months of supply across the Mid-Atlantic. Home prices will likely fall from their peaks in many local markets in the Mid-Atlantic, but median prices will remain significantly higher than what they were three years ago.

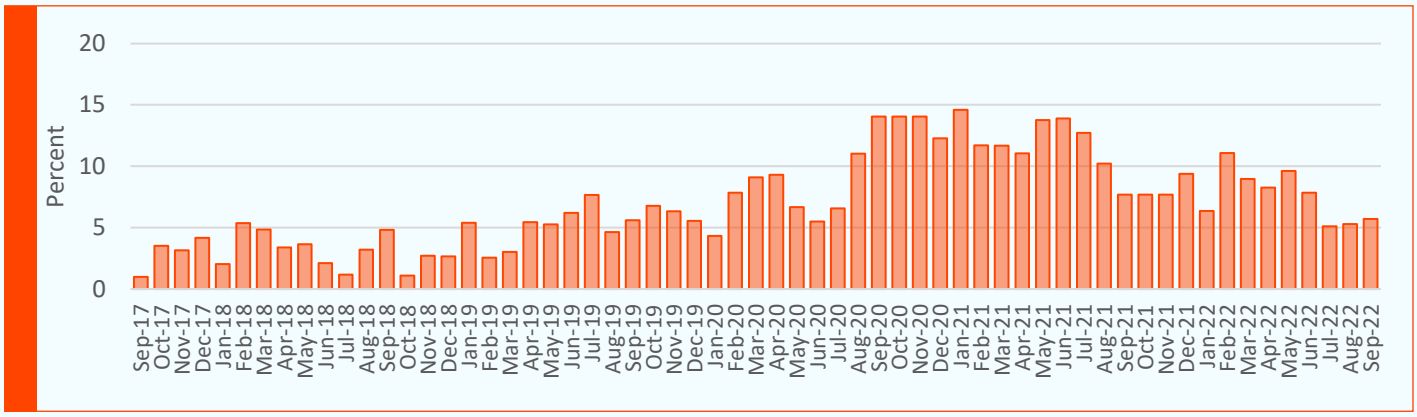
Closed Sales Year-Over-Year Change

In September, there was a total of 21,702 sales across the Mid-Atlantic region, a 22.6% decline compared to a year ago. The number of sales fell 12.8% between August and September, which is a typical seasonal pattern. Home sales are down for all product types and across all local markets in the Mid-Atlantic region.



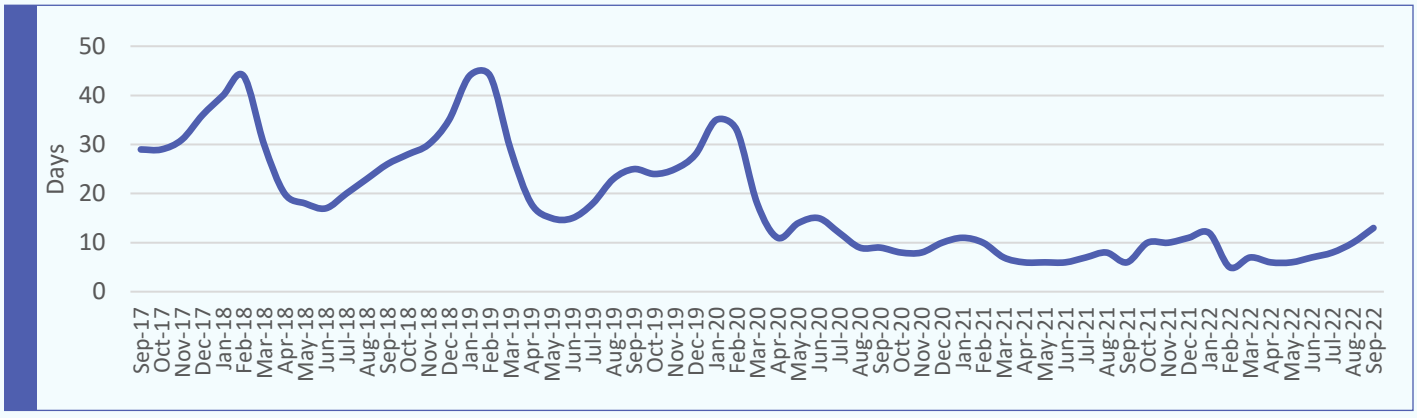
Median Sales Price Year-Over-Year Change

The median sales price was $369,900 in September, which is 5.7% higher compared to a year ago. Home prices are still rising in most local markets across the Mid-Atlantic. However, for the third straight month, prices fell compared to the previous month. The median price fell 2.7% between August and September.



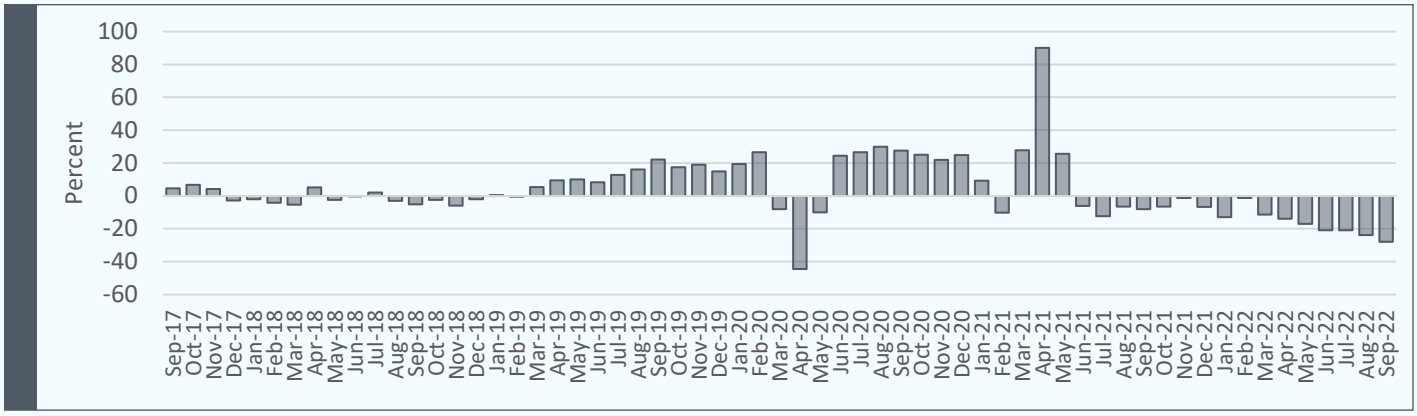
Median Days on Market

Homes are still selling quickly but the median days on market continues to increase, rising to 13 in September. The median days on market in the Mid-Atlantic region is at the highest point since June of 2020.



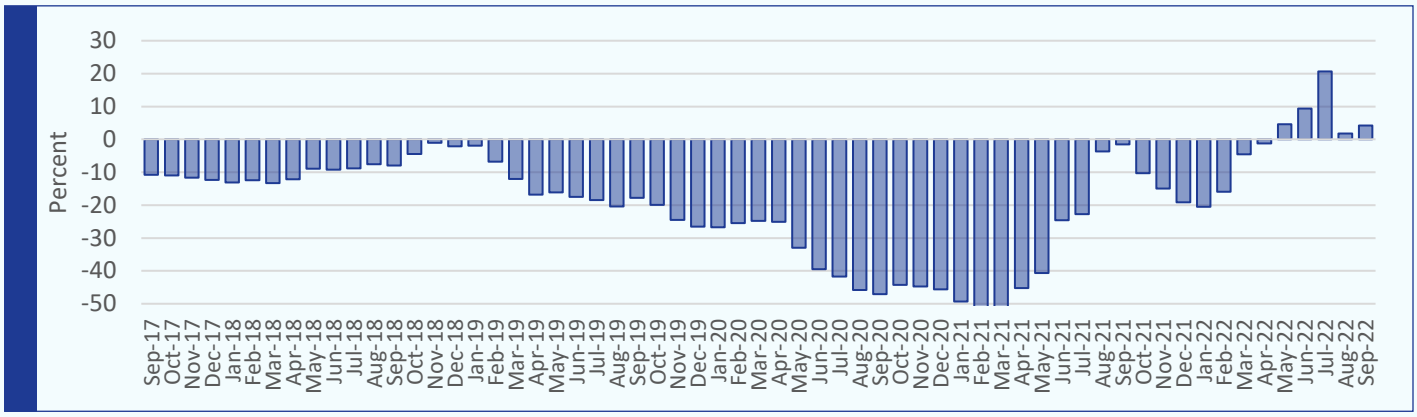
New Pending Sales Year-Over-Year Change

There were 20,658 new pending sales in September, which is 28.0% fewer pending sales compared to a year ago. This was the fewest new pending sales since January of 2022 and the lowest September total since 2018.



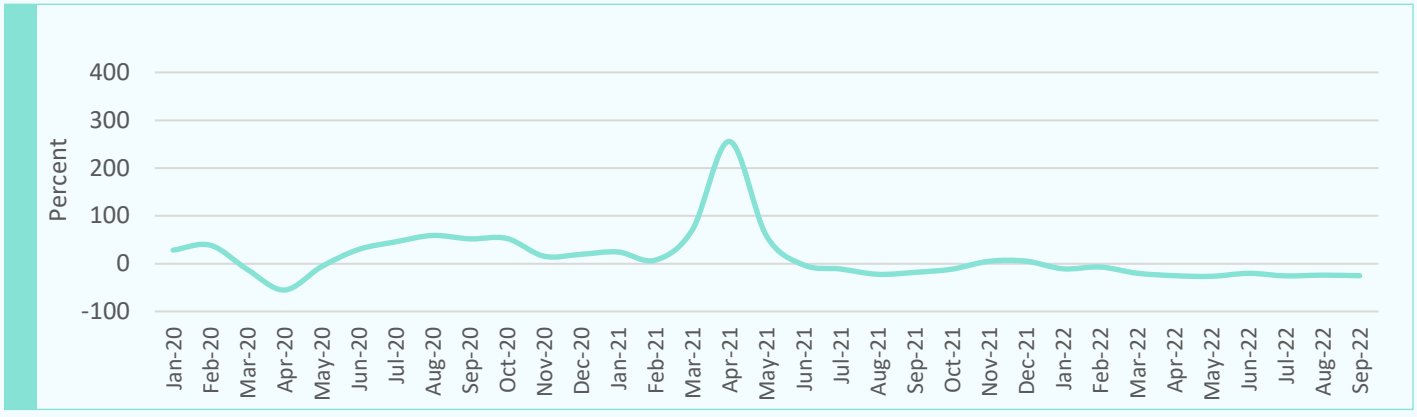
Active Listings Year-Over-Year Change

For the 5th month in a row, the number of active listings in the Mid-Atlantic region rose. At the end of September, there was a total of 36,834 active listings, which is up 4.2% from a year ago and 6.1% from August.

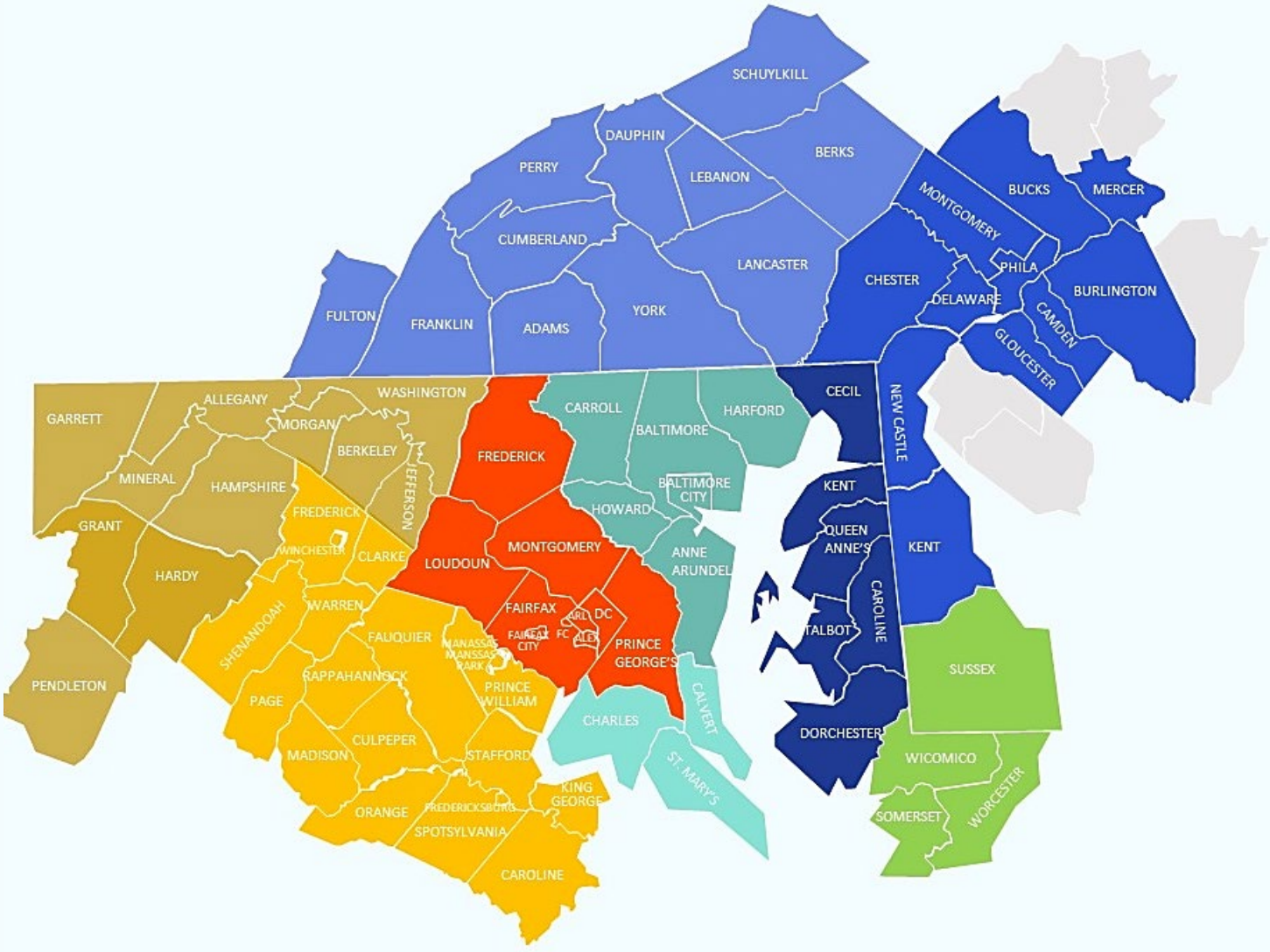


Showings Year-Over-Year Change

In September, there were 425,055 showings across the Mid-Atlantic region. The number of showings was 25.1% lower than a year ago, reflecting the ongoing cooldown in buyer activity in the market.



Bright MLS Mid-Atlantic Markets



Local Markets

Higher mortgage rates and economic uncertainty has significantly dampened buyer demand in the Mid-Atlantic. The number of new pending sales was down sharply in all local markets across the region, with the steepest year-over-year declines in Southern Maryland (-35.7%).

Across the region, homes are taking longer to sell. Homes are lingering longest in some of the region's outlying and coastal markets. In the Maryland Eastern Shore market, for example, the median days on market was 16 in September, which is seven days longer than last year at this time. The median days on market is also seven days higher compared to a year ago in North Central Virginia.

Home prices are still rising but the pace of price growth has decelerated, particularly in the Maryland Eastern Shore (+1.6%) and Southern Maryland (+2.4%) markets. Despite slower price growth, home prices are still more than 30% higher than they were prior to pandemic in most Mid-Atlantic markets.



CLOSED SALES

	September 2022	vs. September 2021
Philadelphia Metro	6,529	-15.0%
Baltimore Metro	3,132	-26.4%
Washington Metro	4,596	-27.6%
Central Pennsylvania	2,770	-10.4%
MD/WV Panhandle	710	-16.6%
MD Eastern Shore	339	-23.5%
Del/Mar Coastal	873	-21.3%
Southern Maryland	515	-27.2%
North Central Virginia	1,617	-28.2%
Mid-Atlantic	**21,702**	**-22.6%**

MEDIAN SALES PRICE

	September 2022	vs. September 2021
Philadelphia Metro	$330,000	+6.5%
Baltimore Metro	$364,900	+7.3%
Washington Metro	$532,000	+3.3%
Central Pennsylvania	$255,000	+8.5%
MD/WV Panhandle	$269,950	+8.0%
MD Eastern Shore	$320,000	+1.6%
Del/Mar Coastal	$ 383,945	+9.7%
Southern Maryland	$389,000	+2.4%
North Central Virginia	$ 439,969	+10.0%
Mid-Atlantic	**$369,900**	**+5.7%**

Local Markets Continued

	NEW PENDINGS		NEW LISTINGS		MEDIAN DAYS ON MARKET	
	September 2022	vs. September 2021	September 2022	vs. September 2021	September 2022	vs. September 2021
Philadelphia Metro	6,071	-26.8%	7,842	-18.5%	12	+2
Baltimore Metro	2,981	-31.9%	3,934	-21.8%	11	+3
Washington Metro	4,487	-32.7%	7,129	-22.5%	15	+5
Central Pennsylvania	2,561	-16.5%	2,984	-7.1%	8	+1
MD/WV Panhandle	677	-23.2%	836	-6.9%	14	+5
MD Eastern Shore	323	-27.1%	437	-8.0%	16	+7
Del/Mar Coastal	887	-22.1%	1,077	-13.4%	14	+6
Southern Maryland	507	-35.7%	649	-20.3%	13	+5
North Central Virginia	1,568	-31.5%	2,057	-20.6%	15	+7
Mid-Atlantic	**20,658**	**-28.0%**	**27,656**	**-18.4%**	**13**	**+4**

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	September 2022	vs. September 2021	September 2022	vs. September 2021
Philadelphia Metro	11,687	+1.8%	1.60	+12.2%
Baltimore Metro	4,857	+1.8%	1.32	+15.4%
Washington Metro	8,164	-4.6%	1.40	+10.3%
Central Pennsylvania	3,184	+8.6%	1.17	+17.5%
MD/WV Panhandle	1,437	+39.2%	1.93	+48.5%
MD Eastern Shore	736	-0.7%	1.87	+18.1%
Del/Mar Coastal	1,852	+19.8%	1.99	+38.9%
Southern Maryland	840	+27.1%	1.42	+49.5%
North Central Virginia	2,775	+20.0%	1.45	+40.7%
Mid-Atlantic	**36,834**	**+4.2%**	**1.49**	**+17.3%**

Will Home Prices Fall?

Across the Mid-Atlantic, home prices are still rising, but the rate of price growth has slowed considerably. More and more sellers are dropping their list price, adjusting to the new market conditions.

In many markets, home prices could fall from their peaks. Higher mortgage rates have significantly impacted buyers' purchasing power, taking many buyers out of the market altogether.

Even if home prices do fall, median prices will remain higher than they were prior to the pandemic.

Local Markets Continued

	SHOWINGS		HOME DEMAND INDEX	
	September 2022	**vs. September 2021**	**October 2022**	**vs. October 2021**
Philadelphia Metro	143,874	-24.5%	97	-12.6%
Baltimore Metro	60,292	-28.0%	101	-16.5%
Washington Metro	104,907	-29.2%	106	-18.5%
Central Pennsylvania	40,896	-14.2%	99	-2.0%
MD/WV Panhandle	9,055	-14.9%	125	-4.6%
MD Eastern Shore	4,026	-21.5%	103	-10.4%
Del/Mar Coastal	12,121	-16.8%	122	-6.2%
Southern Maryland	9,272	-29.9%	136	-16.6%
North Central Virginia	27,855	-29.0%	104	-11.9%
Mid-Atlantic	**425,055**	**-25.1%**		

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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