DATA AS OF September 6, 2023

August 2023 Market Report
Southern Maryland

Southern Maryland Market Key Findings

	August 2023		vs. August 2022
Closed sales	499	▼	-11.2%
Median sales price	$430,000	▲	+4.9%
Median days on market	10	▼	-2 days
New pending sales	549	▼	-8.5%
New listings	558	▼	-22.6%
Active listings	691	▼	-16.8%
Months of supply	1.62	▲	+18.2%
Showings	8,287	▼	-20.2%

Lower Inventory Continues to Pressure Buyers
Price just shy of record high and homes continue to sell quickly

While some expectations for 2023 have come to fruition, others have ventured the opposite way. Demand has weakened in 2023, but prices continue to rise and homes continue to sell quickly in Southern Maryland.

The combination of lower demand, along with a dearth of supply, has kept activity below last year's levels. New pending sales in Southern Maryland declined 8.5% year-over-year and closed sales were down 11.2% in August 2023.

Although transaction activity is lower, low inventory pushes up prices and leads to lower days on market. At the end of August, active listings were down 16.8% from a year ago and inventory is just 41% of August 2019 levels. This dearth of inventory has caused competition for the buyers that are persevering in the face of higher mortgage rates.

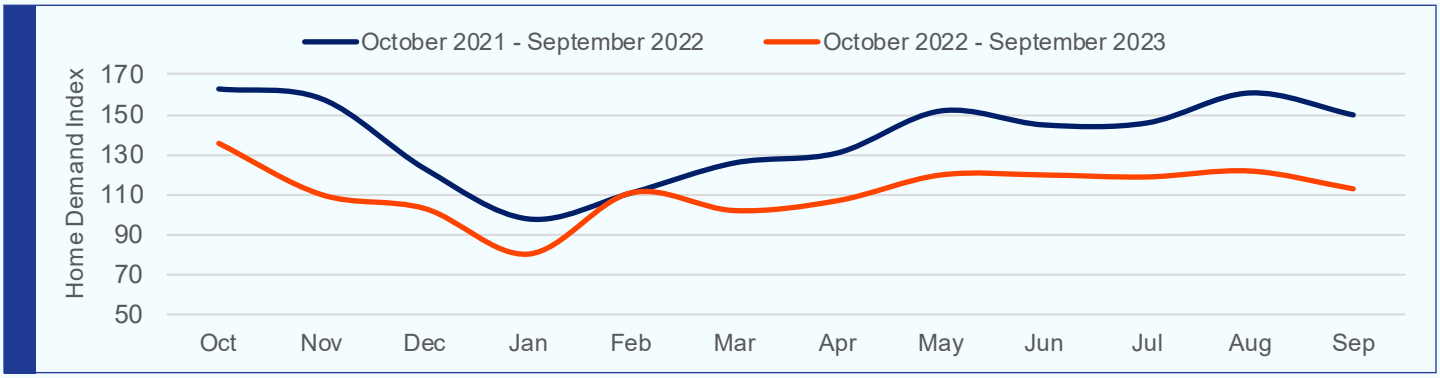
The median sale price was $430,000 in August, just off its record high in June. Additionally, buyers must be quick with the median days on market at just 10.

Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), demand in Southern Maryland, along with the Maryland/West Virginia Panhandle, has the highest level of demand relative to 2019 in the Mid-Atlantic. The September HDI was 113, which falls into Moderate demand.

Unsurprisingly, demand in 2022 was stronger, at 150, indicating High demand.

Bright MLS T3 Home Demand Index



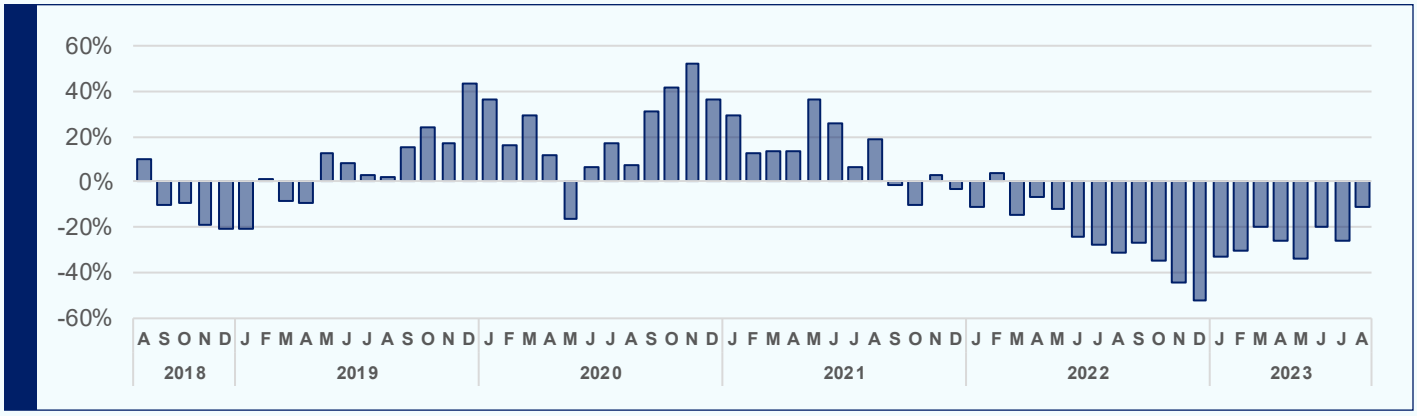
Market Outlook

Southern Maryland experienced its second month of year-over-year declines in active listings. While new pending sales aren't keeping pace with last year, the difference between new listings in 2023 compared to 2022 is even greater. Even if more new listings hit the market this fall, buyers will still have relatively few options.

As buyers continue to compete over few choices, prices may rise further. The latest mortgage rates breaching 7% likely will push more buyers to the sidelines as homes are less affordable. Still, the imbalance between demand and supply won't be solved in the near-term.

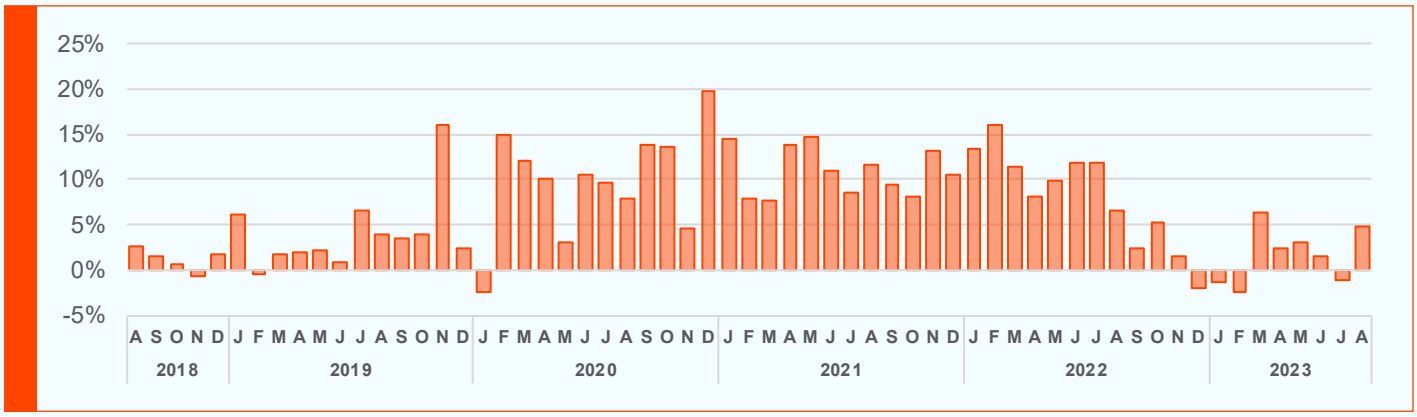
Closed Sales Year-Over-Year Change

Southern Maryland had 499 closed sales in August 2023. This is 11.2% lower overall than this time last year; however, the gap between sales in 2023 versus 2022 is narrowing. Between July and August, sales increased 23.8% overall.



Median Sale Price Year-Over-Year Change

The median sale price was $430,000 in Southern Maryland for the month of August. This is a 4.9% uptick from this time last year and is also 2.4% higher than last month.



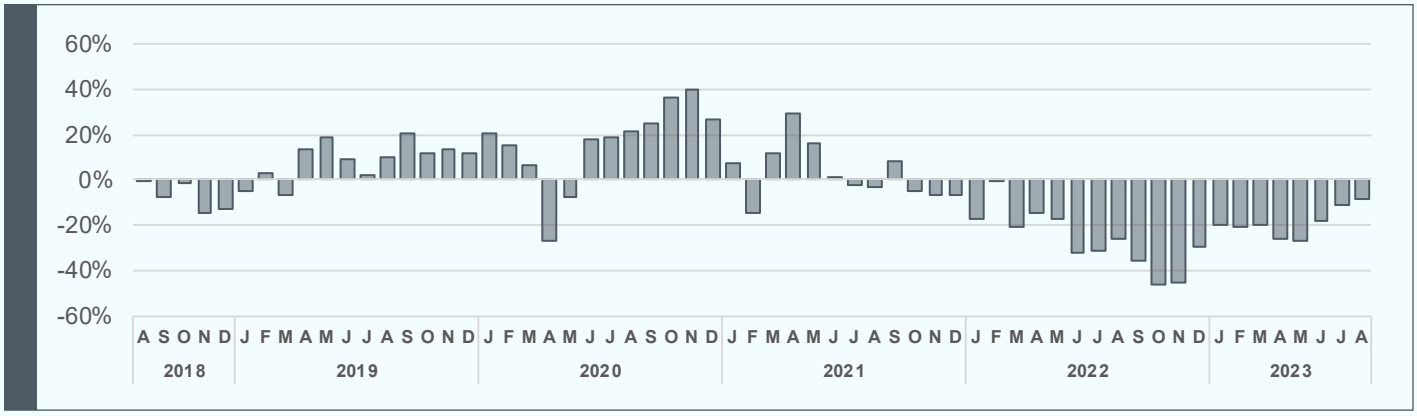
Median Days on Market

The median days on market in Southern Maryland landed at 10 in August. This is two days less than the same time last year and is the first year-over-year decrease since August 2021. Compared to a month ago, the overall median days on market is down one day.



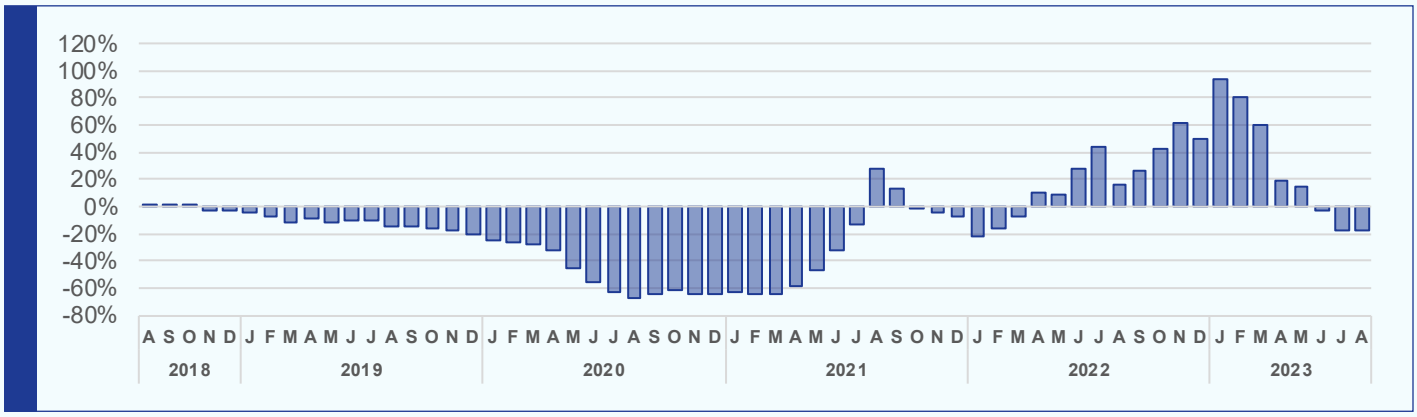
New Pending Sales Year-Over-Year Change

There were 549 pending sales the month of August. While this is 8.5% less overall than the same time last year, it is the second month in a row of month-over-month increases with this month increasing by 7.1%.



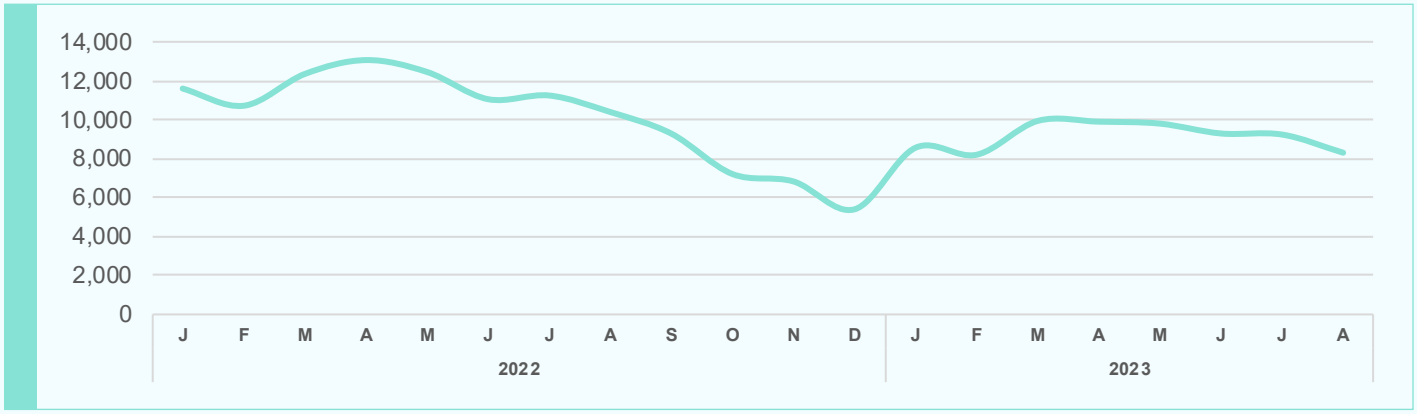
Active Listings Year-Over-Year Change

Active listings are down for the 3rd month in a row year-over-year, with this month decreasing by 16.8%. Inventory is just 41% of what it was in 2019, a more typical year. The continuing trend of low supply is keeping pressure on buyers.



Showings

There were 20.2% fewer showings in Southern Maryland this August than there were last August. In addition, showings declined month-to-month for the 5th month in a row, falling 10.1% between July and August.



Local Markets

While each county has had ups and downs in its median price throughout 2023, all three counties in Southern Maryland had year-over-year price gains in August. Charles County, increased the most, up 5.8%.

Price relief does not look likely as inventory remains low. Each county had fewer active listings at the end of August compared to a year ago. Furthermore, the difference between new listings is greater than the gap between pending sales. In Charles County, there were 5.8% more new pending sales in August, following 2.4% more new pending sales in July compared to the same months in 2022.

Whichever county buyers are considering, or sellers are listing in, they need to be prepared for a quick offer. The median days on market ranged from a low of seven days in Saint Mary's County, to a high of 11 days in Charles County, with Calvert County exactly in between at 9 days.



CLOSED SALES

	August 2023	vs. August 2022
Calvert County, MD	106	-25.4%
Charles County, MD	244	-4.3%
Saint Mary's County, MD	149	-9.7%
Southern MD	**499**	**-11.2%**

MEDIAN SALES PRICE

	August 2023	vs. August 2022
Calvert County, MD	$450,000	+4.7%
Charles County, MD	$439,057	+5.8%
Saint Mary's County, MD	$405,000	+1.5%
Southern MD	**$430,000**	**+4.9%**

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
Calvert County, MD	131	-18.1%	128	-28.9%	9	-6 days
Charles County, MD	272	+5.8%	300	-13.8%	11	+1 day
Saint Mary's County, MD	146	-20.2%	130	-32.6%	7	-5 days
Southern MD	**549**	**-8.5%**	**558**	**-22.6%**	**10**	**-2 days**

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	August 2023	vs. August 2022	August 2023	vs. August 2022
Calvert County, MD	152	-20.4%	1.51	+19.8%
Charles County, MD	368	-11.1%	1.79	+26.1%
Saint Mary's County, MD	171	-24.3%	1.43	+4.4%
Southern MD	**691**	**-16.8%**	**1.62**	**+18.2%**

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 median sale price of $430,000 for Southern Maryland, the difference in a monthly payment is over $250.

The difficulty is two-fold. 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
Calvert County, MD	2,232	-18.1%	97	-28.1%
Charles County, MD	4,268	-18.6%	140	-20.0%
Saint Mary's County, MD	1,787	-26.0%	92	-30.3%
Southern MD	**8,287**	**-20.2%**	**113**	**-24.7%**

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 Bright MLS.com.

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