

October 2023 Market Report Washington, D.C. Metro

Washington, D.C. Market Key Findings

Housing Market Activity Slows Seasonally *But prices still on the rise as inventory remains low*

The housing market tends to slow in the late fall. As mortgage rates approached 8%, transactions and listings remained low in October in the Washington D.C., metro area. However, even though activity is constrained, prices are still rising and homes are still selling quickly. There were 3,752 new pending sales in the D.C. metro area, which is 136 fewer pendings than there were in September. Pending sales activity is 9.2% lower than a year ago. However, the gap between 2022 and 2023 monthly pending sales is at its lowest level of the year.

New listings remain limited. There were 4,460 new listings coming onto the market in October, down 20.3% compared to last year. New listing activity was also down from September.

Low supply has kept pressure on home prices in the region. The median price in October was \$568,000. The median price is 3.3% higher than a year ago, and is also up 3.3% compared to a month ago. Home prices peaked during the summer, which is a typical seasonal pattern. However, prices have been up year-over-year for five consecutive months.

Homes are still selling very quickly. The median days on market in October was nine, which is nearly a week faster than last October.

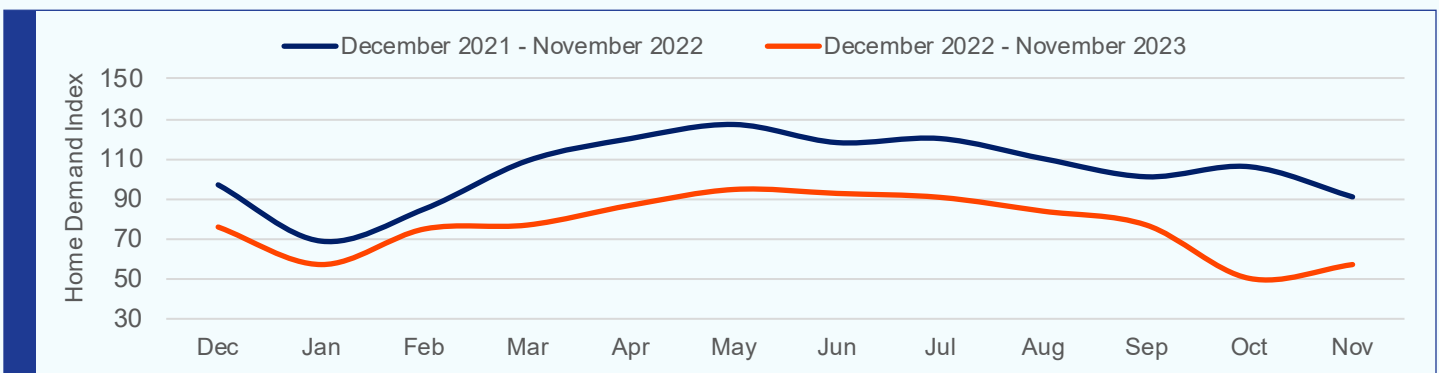
	October 2023		vs. October 2022
Closed sales	3,559	▼	-12.5%
Median sales price	\$568,000	▲	+3.3%
Median days on market	9	▼	-6 days
New pending sales	3,752	▼	-9.2%
New listings	4,460	▼	-20.3%
Active listings	6,885	▼	-13.7%
Months of supply	1.66	▲	+16.9%
Showings	78,840	▼	-14.1%

Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), market conditions in the Washington, D.C., metro improved slightly from last month, though at 57, the HDI indicates Limited demand.

Demand is lackluster compared to last November when HDI (91) pointed to Steady conditions.

Bright MLS T3 Home Demand Index



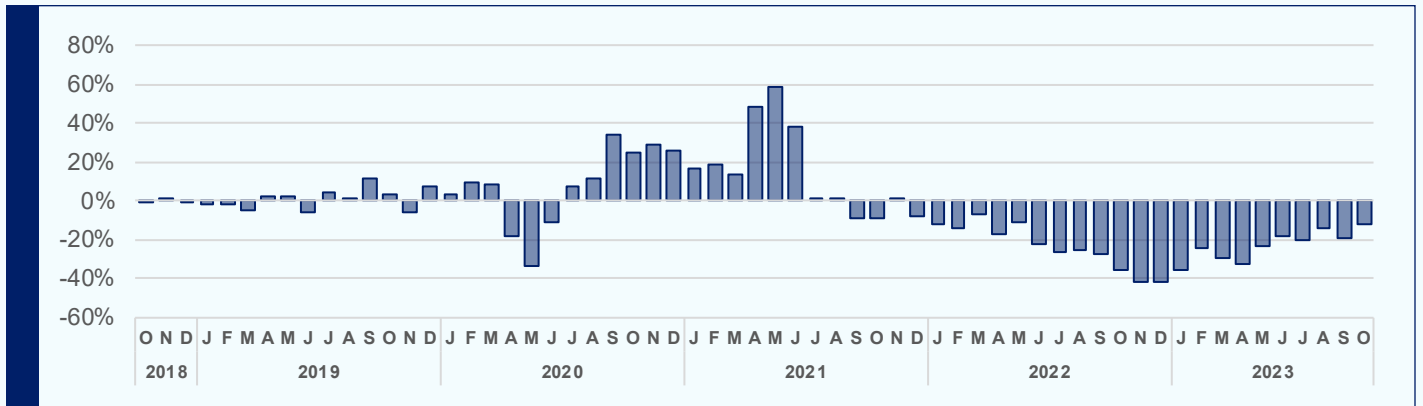
Market Outlook

Despite high home prices and persistently elevated mortgage rates, some buyers will persevere in the final months of 2023. Others will decide to wait until spring, hoping for lower rates and more inventory. Prospective buyers who are in the market this winter should expect some relief, as price appreciation is slowing.

While inventory should increase modestly over the winter, supply will remain low and there are still more buyers than sellers. Attractive, well-priced properties will sell quickly. Expect mortgage rates to begin to come down in early 2024, though they will remain well above 6%. Consumers will reset their expectations, and as rates move lower, there will be both more buyers and more sellers in the market, suggesting an active spring market.

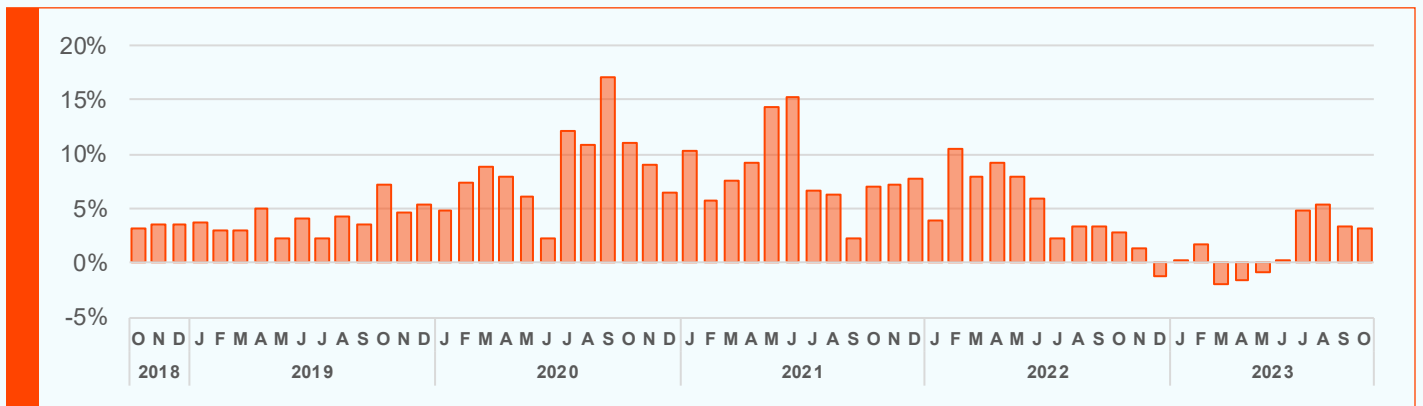
Closed Sales Year-Over-Year Change

There were 3,559 closed sales in the Washington D.C., metro during the month of October. Sales are 12.5% lower than last year; however, the year-over-year difference has been narrowing. Detached homes saw the largest decrease from last year by 15.7%. Sales were down seasonally by 4.4% between September and October.



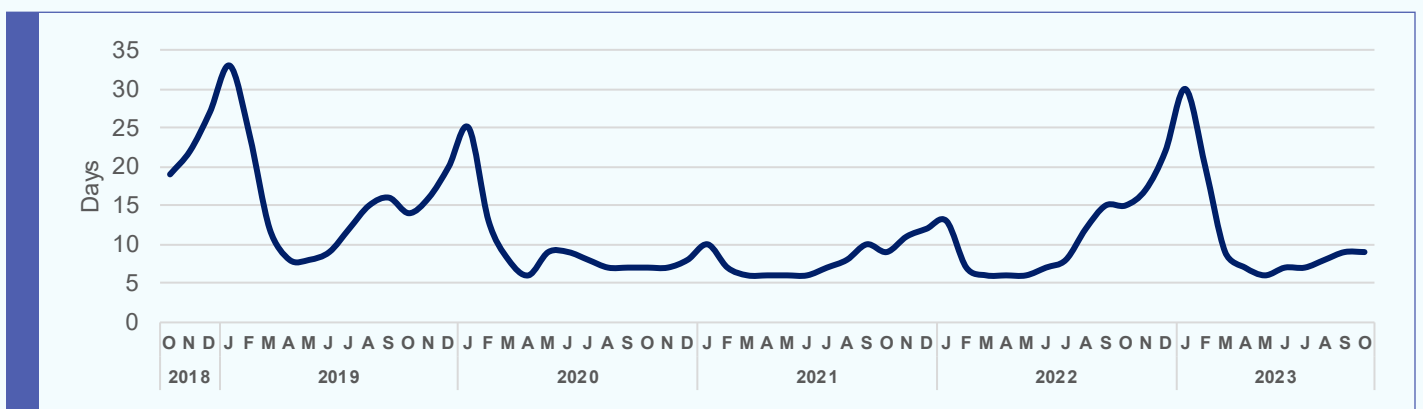
Median Sale Price Year-Over-Year Change

The median sale price in the D.C. metro was \$568,000 in October, up 3.3% from this time last year, which is the fifth consecutive month of year-over-year increases. The median sale price also increased 3.3% between September and October, counter to typical seasonal trends in which prices dip in the fall.



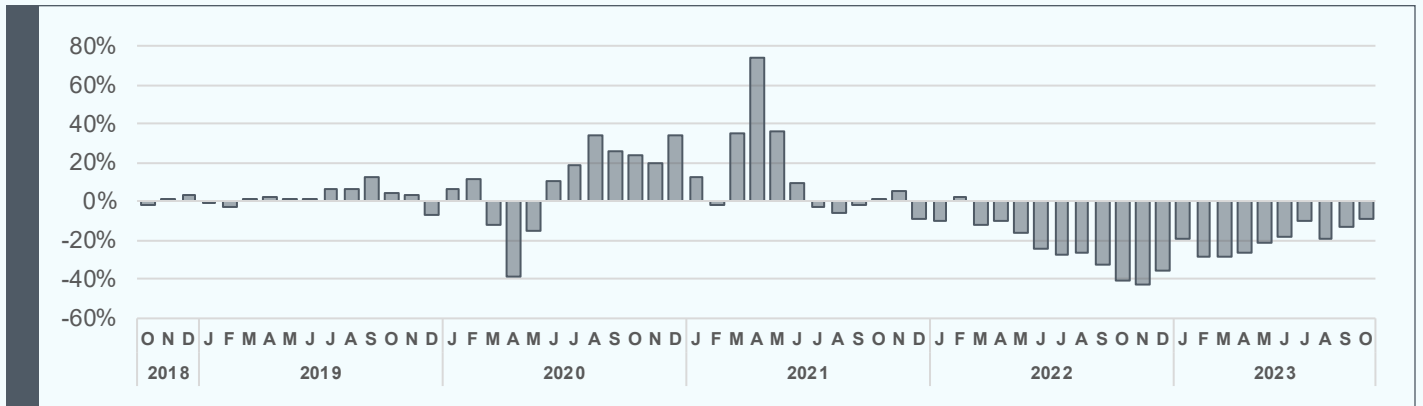
Median Days on Market

The median days on market is down from last year for the third month in a row. The median days on market was nine in October, nearly a week faster than last October. From last month, the median days on market was flat overall, although the median days on market for attached homes increased by two days.



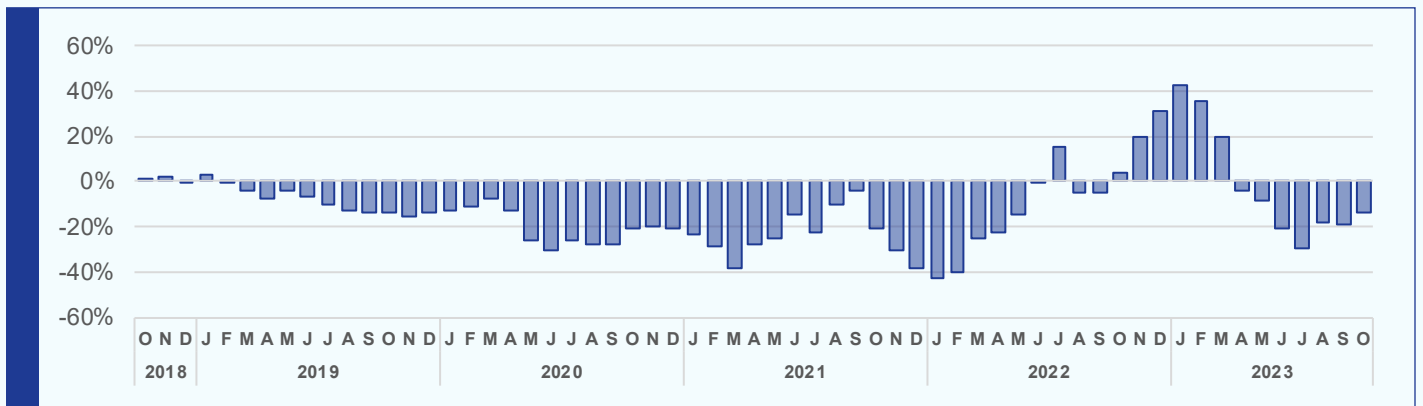
New Pending Sales Year-Over-Year Change

There were 3,752 new pending sales in the D.C. metro in October. Pending sales are down 9.2% from last year, but this is the first month that year-over-year decreases have been in the single digits since February 2022. The number of new pendings dipped slightly between September and October, typical of a seasonal market cooling.



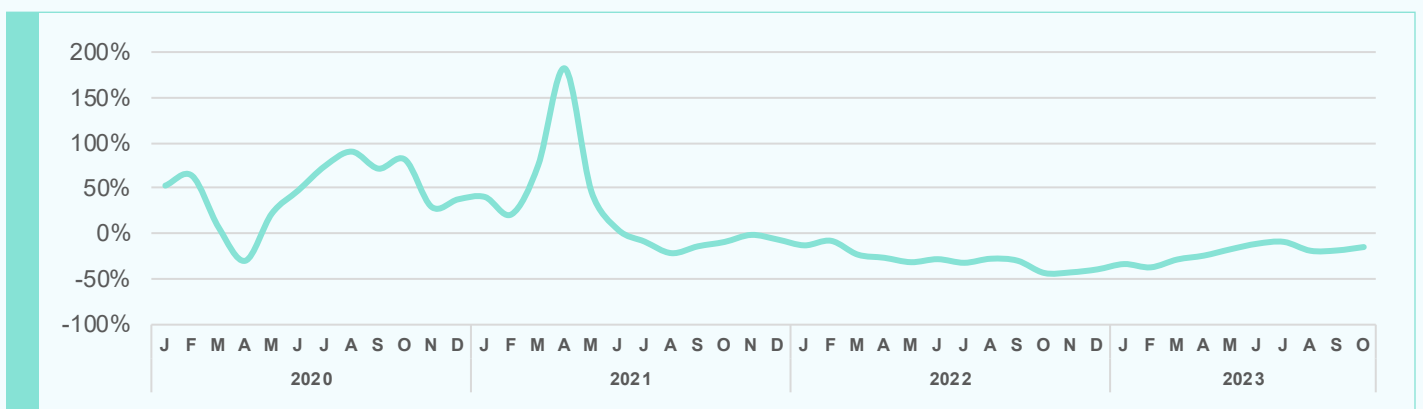
Active Listings Year-Over-Year Change

There were 6,885 active listings at the end of October, which is down 13.7% from last year. Inventory declined across all housing types, but condos saw the smallest decrease (-7.6%). Inventory expanded between September and October, up 3.6% from month-to-month.



Showings

Showings in the D.C. region are down from last year by 14.1%, with 78,840 total showings. From last month, showings are down by 8.5% overall, and they will likely trail off due to seasonal cooling of the market.



Local Markets

For the second month in a row, Alexandria City, VA, had more closed sales than the same month a year ago (+5.8%). However, pending sales in October were lower, down 2.0%. And while closed sales in the other counties (excluding Fairfax City with 26 sales, +52.9%) decreased, the overall gap between 2023 and 2022 is the smallest it has been this year.

All jurisdictions in the Washington, D.C., metro had higher median prices in October 2023. Low inventory is keeping home prices rising. No large local jurisdiction had more new listings in October 2023 than in October 2022. New listings are essential to improve the inventory situation. Currently only Falls Church City, VA, with 17 active listings at the end of October had an increase.

Limited inventory is keeping the market fast-paced this fall. Half the homes in Loudoun County, VA, were on the market for seven days or less. Alexandria City, VA, Fairfax County, VA, and Montgomery County, MD, all had median days on market of eight days in October.



CLOSED SALES

	October 2023	vs. October 2022
Alexandria City, VA	165	+5.8%
Arlington County, VA	149	-18.1%
Fairfax City, VA	26	+52.9%
Fairfax County, VA	855	-5.7%
Falls Church City, VA	9	-30.8%
Frederick County, MD	269	-13.8%
Loudoun County, VA	339	-16.5%
Montgomery County, MD	636	-22.4%
Prince George's County, MD	649	-5.1%
Washington, DC	462	-19.2%
Washington DC Metro	3,559	-12.5%

MEDIAN SALE PRICE

	October 2023	vs. October 2022
Alexandria City, VA	\$700,000	+0.1%
Arlington County, VA	\$730,000	+12.3%
Fairfax City, VA	\$694,250	+2.9%
Fairfax County, VA	\$660,000	+3.1%
Falls Church City, VA	\$1,081,748	+16.9%
Frederick County, MD	\$476,185	+5.8%
Loudoun County, VA	\$665,000	+1.7%
Montgomery County, MD	\$570,000	+6.5%
Prince George's County, MD	\$425,000	+6.3%
Washington, DC	\$678,500	+4.4%
Washington DC Metro	\$568,000	+3.3%

Local Markets Continued

	NEW PENDINGS		NEW LISTINGS		MEDIAN DAYS ON MARKET	
	October 2023	vs. October 2022	October 2023	vs. October 2022	October 2023	vs. October 2022
Alexandria City, VA	144	-2.0%	156	-15.7%	8	-4 days
Arlington County, VA	171	-5.0%	224	-1.3%	9	-10 days
Fairfax City, VA	19	+90.0%	21	-22.2%	6	-3 days
Fairfax County, VA	843	-4.4%	846	-24.5%	8	-7 days
Falls Church City, VA	10	-9.1%	7	-12.5%	9	+2 days
Frederick County, MD	265	-19.0%	301	-35.4%	8	-5 days
Loudoun County, VA	336	-2.9%	404	-12.2%	7	-8 days
Montgomery County, MD	703	-20.1%	778	-18.8%	8	-4 days
Prince George's County, MD	724	-4.7%	832	-17.4%	13	-3 days
Washington, DC	537	-8.7%	891	-21.6%	14	-1 day
Washington DC Metro	3,752	-9.2%	4,460	-20.3%	9	-6 days

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	October 2023	vs. October 2022	October 2023	vs. October 2022
Alexandria City, VA	208	-18.8%	1.21	+11.0%
Arlington County, VA	358	-11.2%	1.91	+22.4%
Fairfax City, VA	31	-13.9%	1.24	+6.9%
Fairfax County, VA	1,042	-30.3%	1.09	-4.4%
Falls Church City, VA	17	+70.0%	1.55	+101.3%
Frederick County, MD	381	-17.5%	1.19	+13.3%
Loudoun County, VA	527	-15.3%	1.35	+18.4%
Montgomery County, MD	983	-13.1%	1.25	+20.2%
Prince George's County, MD	1,231	-12.6%	1.72	+11.0%
Washington, DC	2,107	-2.1%	3.67	+33.5%
Washington DC Metro	6,885	-13.7%	1.66	+16.9%

Will There Be More Listings This Winter?

Throughout 2023, new listing activity in the D.C. metro area has been down between 30% and 40% compared to 2022.

In October, the gap had narrowed to 20.3%. The pace of new listings coming onto the market is still slow by historic standards.

Washington, D.C., metro area buyers have been persistent in the face of rising prices and elevated mortgage rates. More listings would make it easier for buyers who remain in the market this winter. However, supply may not increase meaningfully until sometime after the first of the year.

Local Markets Continued

	SHOWINGS		HOME DEMAND INDEX	
	October 2023	vs. October 2022	November 2023	vs. November 2022
Alexandria City, VA	2,588	-7.2%	83	-34.6%
Arlington County, VA	3,194	-16.8%	104	-33.3%
Fairfax City, VA	482	+54.5%	59	-10.6%
Fairfax County, VA	16,977	-18.0%	56	-42.9%
Falls Church City, VA	145	-13.7%	64	-24.7%
Frederick County, MD	4,319	-15.0%	43	-33.8%
Loudoun County, VA	5,631	-18.3%	50	-41.2%
Montgomery County, MD	16,899	-13.9%	51	-35.4%
Prince George's County, MD	16,438	-14.3%	60	-35.5%
Washington, DC	12,167	-7.9%	62	-34.7%
Washington DC Metro	78,840	-14.1%	57	-37.4%

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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