

September 2023 Market Report Mid-Atlantic

Mid-Atlantic Market Key Findings

Sales Down, Prices Still Rising in the Mid-Atlantic *Outlook is for a Chillier Fall Market*

While inventory increased from August to September, active listings at the end of September were 11.2% lower than last year. Inventory across the Mid-Atlantic has remained below its 2022 levels for four consecutive months.

As a result, price growth has continued in the Mid-Atlantic. The median price in the region was \$385,500 in September, a 4.2% increase compared to last year.

New listings are not adding to the equation and were down 23.2% in September 2023. Without additional new listings and an increase in supply, the pressure on prices has continued even with mortgage rates elevated.

The median days on market is only gradually growing this fall. In September, the median days on market was nine days, only one day more than August and four days faster than a year ago.

Market activity remains low. New pending sales are down 12.4% and closed sales decreased 20.0% year-over-year. The combination of high mortgage rates, low active listings, and the transition to a fall market will dampen transactions further.

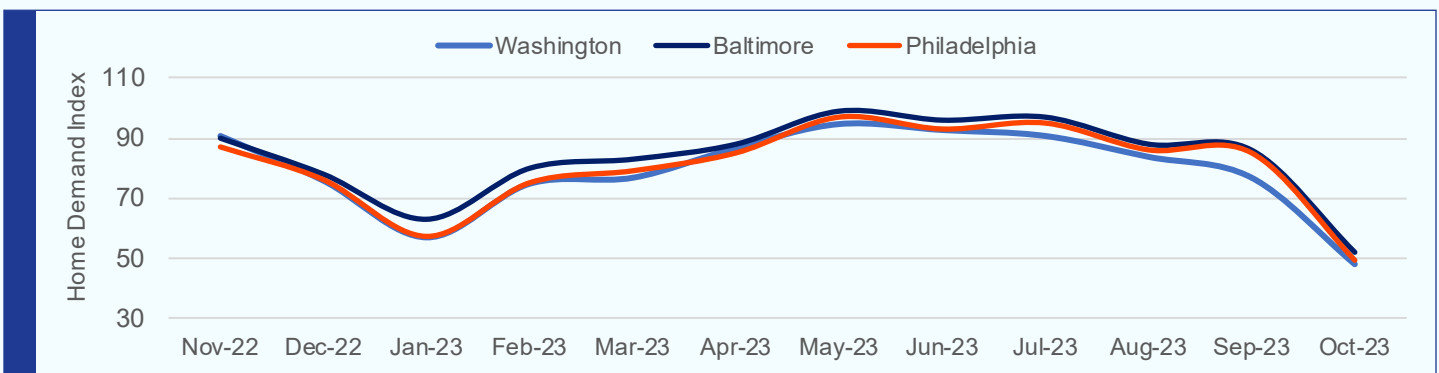
	September 2023		vs. September 2022
Closed sales	17,352	▼	-20.0%
Median sales price	\$385,500	▲	+4.2%
Median days on market	9	▼	-4 days
New pending sales	18,087	▼	-12.4%
New listings	21,245	▼	-23.2%
Active listings	32,708	▼	-11.2%
Months of supply	1.77	▲	+18.8%
Showings	359,177	▼	-15.5%

Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), market conditions across the Mid-Atlantic have changed considerably. Washington, D.C., Baltimore, and Philadelphia all have Limited demand in October 2023. The steep drops in the HDI measures signal a cooling market.

Their readings of 48, 52, and 49, respectively, are different from the Steady market conditions in the areas last year.

Bright MLS T3 Home Demand Index



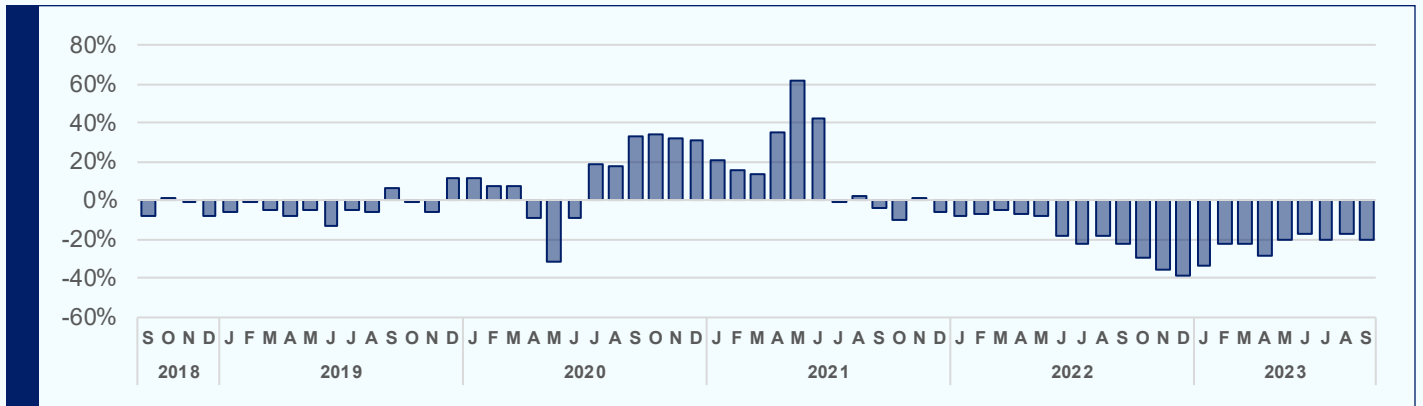
Market Outlook

Looking ahead, it seems more likely that mortgage rates may reach 8% rather than return to 6% in 2023. Elevated mortgage rates will limit future new listings as potential sellers cling to their homes and locked-in rates that are half of what we are seeing today.

Demand will be held back as well since fewer buyers may qualify or willingly adjust their budget to a smaller or lower-priced home. Additionally, the decreases in rental rates may persuade buyers to pause their pursuit of homeownership—at least temporarily. Yet the tug of war between supply and demand should hold prices firm. When rates start to drop, the pressure on prices will only grow as buyers return to the market.

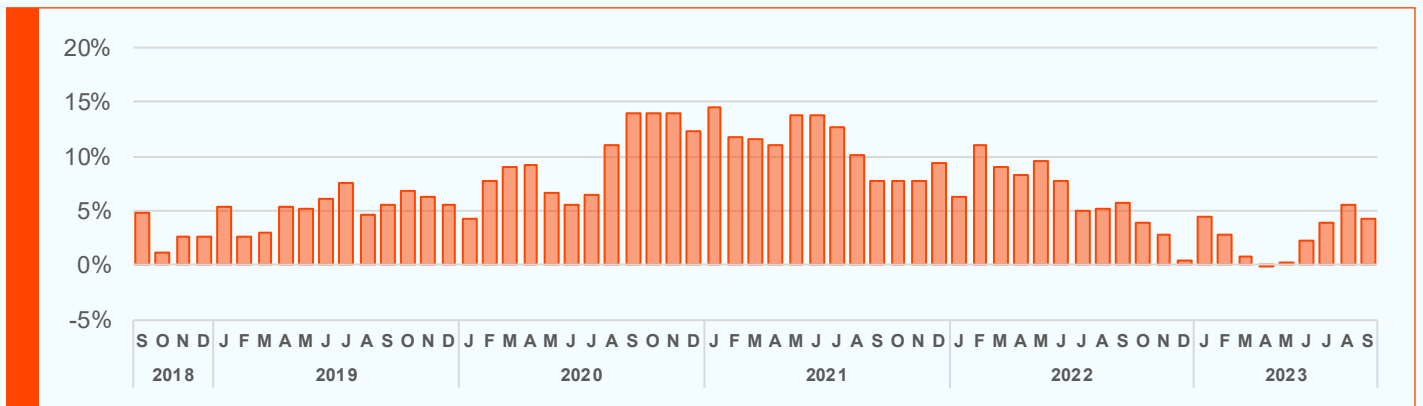
Closed Sales Year-Over-Year Change

There were 17,352 closed sales in the Mid-Atlantic in September 2023. Overall sales remain down from last year by 20.0% and are also lagging from last month by 15.8%. Condo sales shrunk by less than other home types, but they are still down 16.5% year-over-year.



Median Sale Price Year-Over-Year Change

The median sales price for September was \$385,500. Prices are up from last year overall by 4.2% but have seen the first significant decrease month-over-month (-3.9%) since April, as the market shifts from summer to fall.



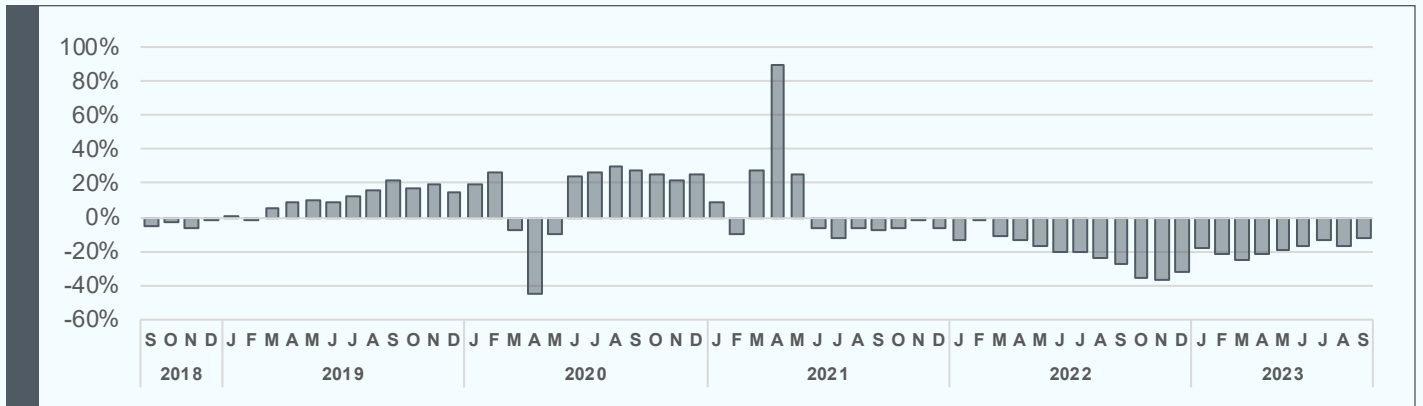
Median Days on Market

The median days on market is down four days from last year, now at nine days across all property types. For the last three months, the days on market has been inching upwards as the market begins the seasonal fall cooling. From last month, median days on market is up one day overall.



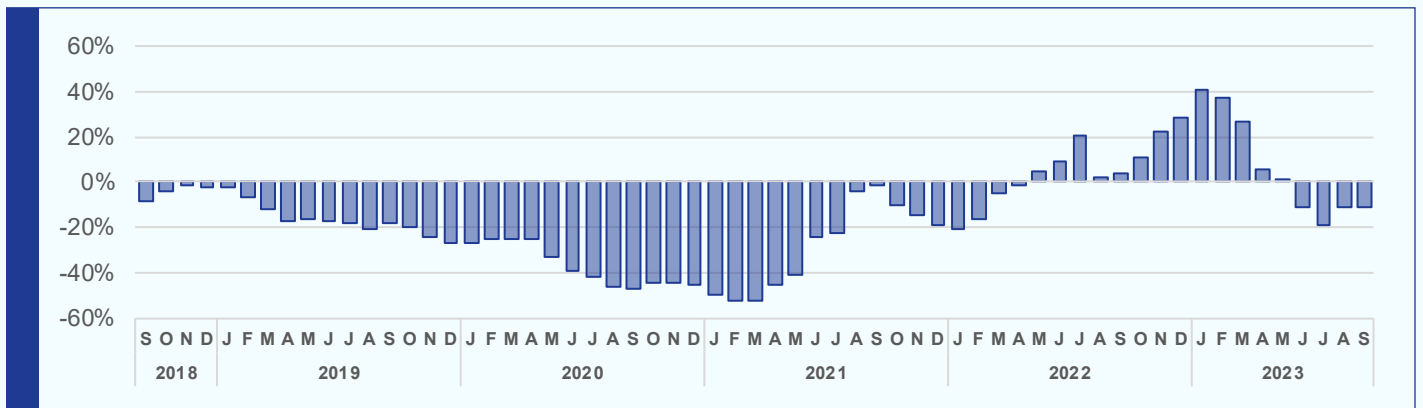
New Pending Sales Year-Over-Year Change

There were 18,087 pending sales for the month of September. New pending sales are down 12.4% from last year and decreased 9.1% overall from last month, the fourth month in a row of declines. Detached homes are seeing the greatest decrease of all home types both year-over-year (-13.0%) and month-over-month (-10.5%).



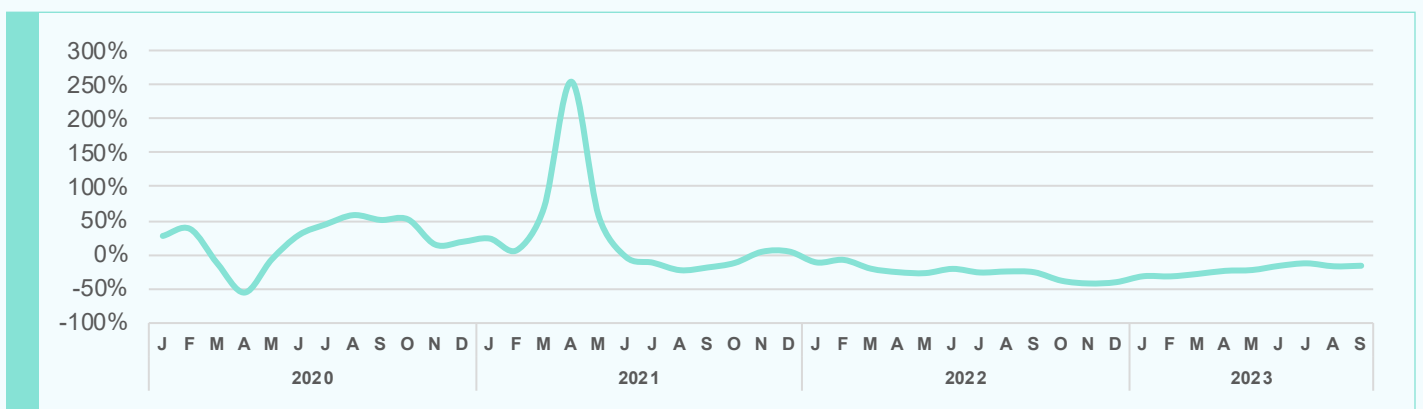
Active Listings Year-Over-Year Change

September had 32,708 active listings at the end of September. This is down 11.2% from last year, but this is the second month in a row of increases across all home types, up 6.4% compared to August. Inventory levels are less than half of what they were in 2019.

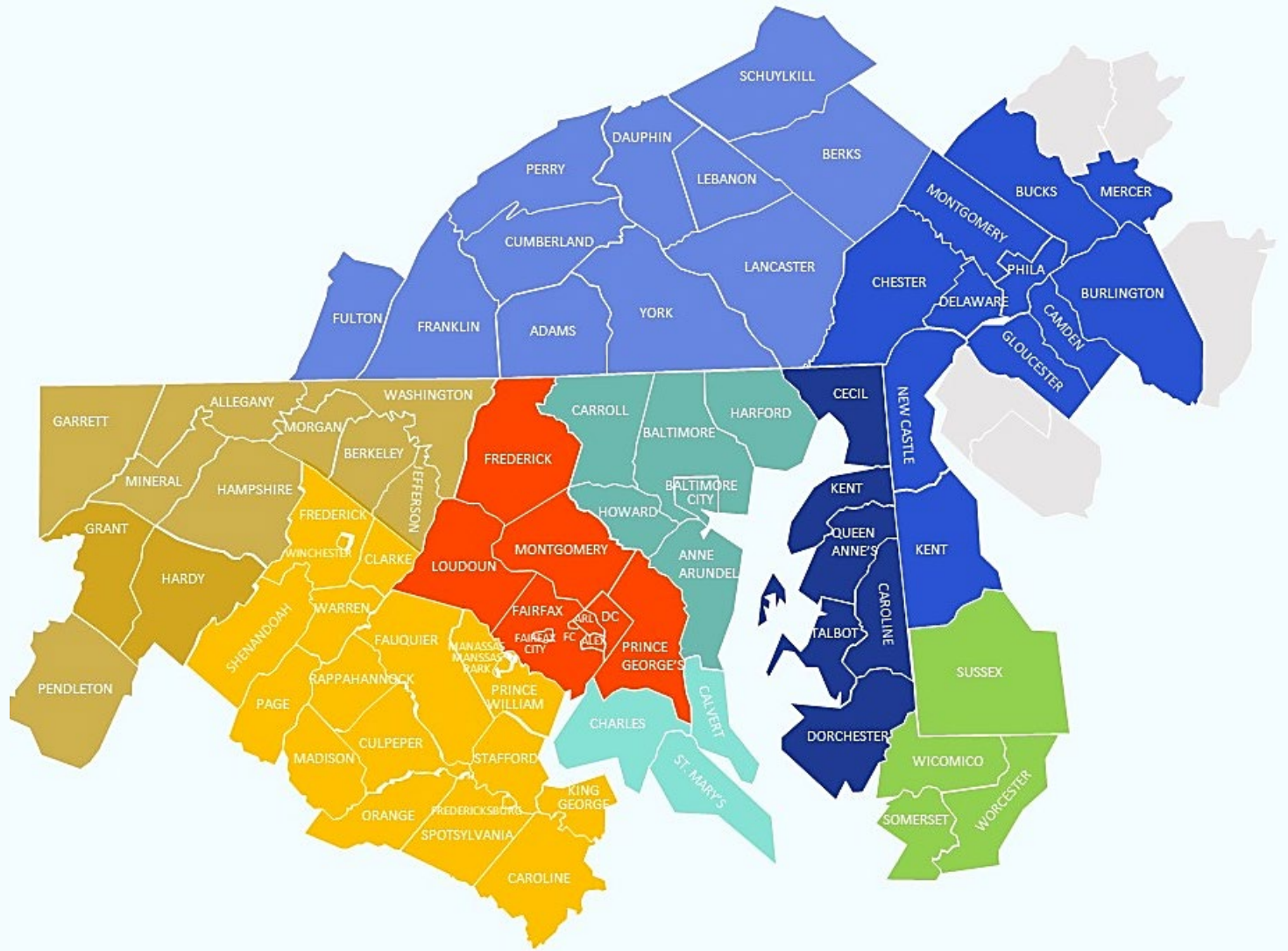


Showings

Showings continue to be stagnant, with only 359,177 the month of September. This is 15.5% less than this time last year and down 6.5% from last month. Showings will likely continue shrinking throughout the rest of the year as market activity cools.



Bright MLS Mid-Atlantic Markets



- Philadelphia Metro
- Baltimore Metro
- Washington Metro
- Central Pennsylvania
- MD/WVA Panhandle
- MD Eastern Shore
- Del/Mar Coastal
- Southern Maryland
- North Central Virginia

Local Markets

Compared to a year ago, prices remain elevated and increasing in all metros within the Mid-Atlantic. Part of the reason prices haven't cooled is the limited supply across the region. However, a few areas have more active listings at the end of September than the did last year: Central Pennsylvania (+1.0%), Maryland Eastern Shore (+7.3%), and Del/Mar Coastal (+10.4%) all posted year-over-year inventory gains.

These increases in active listings aren't due to a surge of homes coming to the market. All regions had fewer new listings than a year ago with the Washington, D.C. metro and North Central Virginia having about a third less in September. Del/Mar Coastal's new listings were the most comparable to last September but were still 7.3% lower.

Buyers must continue to shop the limited supply available and make swift offers. Central Pennsylvania had the quickest pacing, with half of the homes sold in September on the market for seven days or less. On the other end of the spectrum, buyers in Del/Mar Coastal had a median days on market of 20.



CLOSED SALES

	September 2023	vs. September 2022
Philadelphia Metro	5,111	-21.7%
Baltimore Metro	2,534	-19.1%
Washington Metro	3,723	-19.0%
Central Pennsylvania	2,202	-20.5%
MD/WV Panhandle	587	-17.3%
MD Eastern Shore	281	-17.1%
Del/Mar Coastal	707	-19.0%
Southern Maryland	416	-19.2%
North Central Virginia	1,255	-22.4%
Mid-Atlantic	17,352	-20.0%

MEDIAN SALES PRICE

	September 2023	vs. September 2022
Philadelphia Metro	\$355,000	+7.6%
Baltimore Metro	\$379,900	+4.1%
Washington Metro	\$550,000	+3.4%
Central Pennsylvania	\$270,000	+5.9%
MD/WV Panhandle	\$285,000	+5.6%
MD Eastern Shore	\$350,000	+9.4%
Del/Mar Coastal	\$415,000	+8.1%
Southern Maryland	\$422,995	+8.7%
North Central Virginia	\$455,000	+3.4%
Mid-Atlantic	\$385,500	+4.2%

Local Markets Continued

	NEW PENDINGS		NEW LISTINGS		MEDIAN DAYS ON MARKET	
	September 2023	vs. September 2022	September 2023	vs. September 2022	September 2023	vs. September 2022
Philadelphia Metro	5,343	-12.0%	6,660	-15.1%	10	-2 days
Baltimore Metro	2,578	-13.5%	2,747	-30.2%	8	-3 days
Washington Metro	3,888	-13.3%	4,780	-32.9%	9	-6 days
Central Pennsylvania	2,268	-11.4%	2,431	-18.5%	7	-1 day
MD/WV Panhandle	623	-8.0%	703	-15.9%	12	-2 days
MD Eastern Shore	300	-7.1%	351	-19.7%	12	-4 days
Del/Mar Coastal	839	-5.4%	998	-7.3%	20	+6 days
Southern Maryland	390	-23.1%	472	-27.3%	14	+1 day
North Central Virginia	1,251	-20.2%	1,371	-33.3%	10	-5 days
Mid-Atlantic	18,087	-12.4%	21,245	-23.2%	9	-4 days

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	September 2023	vs. September 2022	September 2023	vs. September 2022
Philadelphia Metro	10,212	-12.6%	1.88	+17.5%
Baltimore Metro	4,201	-13.5%	1.57	+18.9%
Washington Metro	6,646	-18.6%	1.59	+13.6%
Central Pennsylvania	3,216	+1.0%	1.47	+25.6%
MD/WV Panhandle	1,286	-10.5%	2.18	+13.0%
MD Eastern Shore	790	+7.3%	2.67	+42.8%
Del/Mar Coastal	2,045	+10.4%	2.86	+43.7%
Southern Maryland	736	-12.4%	1.76	+23.9%
North Central Virginia	2,251	-18.9%	1.64	+13.1%
Mid-Atlantic	32,708	-11.2%	1.77	+18.8%

Where is the Price Ceiling?

Home prices in the Mid-Atlantic region have been rising for more than six years. At \$385,500, the regional median price is more than 35% higher than before the pandemic. At rates of 7.5%, the typical monthly payment has nearly doubled.

Some buyers have been able to use pandemic-era savings and accumulated housing equity to remain active in the market. But now, savings rates have fallen, and affordability is at an all-time low. The market in the Mid-Atlantic may be close to hitting a price ceiling. Don't expect a major price correction, however, as inventory will remain low.

Local Markets Continued

	SHOWINGS		HOME DEMAND INDEX	
	September 2023	vs. September 2022	October 2023	vs. October 2022
Philadelphia Metro	122,795	-14.7%	49	-49.5%
Baltimore Metro	51,999	-13.8%	52	-48.5%
Washington Metro	86,170	-17.9%	48	-54.7%
Central Pennsylvania	34,634	-15.3%	48	-51.0%
MD/WV Panhandle	8,068	-11.2%	72	-42.4%
MD Eastern Shore	4,066	+1.0%	69	-33.7%
Del/Mar Coastal	11,025	-9.0%	77	-37.4%
Southern Maryland	7,155	-22.8%	68	-50.0%
North Central Virginia	21,864	-25.3%	48	-53.8%
Mid-Atlantic	359,177	-15.5%		

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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