DATA AS OF August 6, 2023

July 2023 Market Report
Southern Maryland

Southern Maryland Market Key Findings

Prices Slip Slightly While Inventory Tightens
The gap in transactions has narrowed

The median sale price in Southern Maryland declined 1.2% year-over-year in July; however, the dip in prices was driven by a 4.3% decline in single-family home prices. The price trend in Southern Maryland has been up and down and 2023, likely a result of the mix of homes being sold and the push and pull of supply and demand.

Buyers increasingly face affordability challenges as home prices have risen by more than 30% since 2019. Low inventory will keep the Southern Maryland market competitive. Active listings are down for the 2nd month in a row, down 17.0% in July. New listings have consistently tracked below their 2022 levels and are not enough to add to supply.

As the year has progressed, new pending sales are getting closer than what they were in 2022 as now mortgage rates are more similar. In July, the difference between new pending sales in 2023 and 2022 was 10.8%.

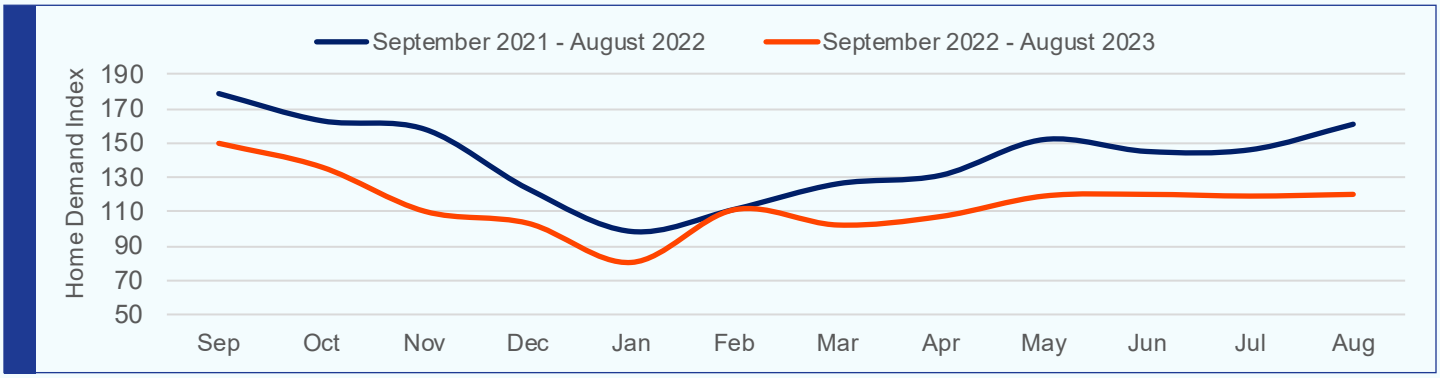
	July 2023		vs. July 2022
Closed sales	403	▼	-26.3%
Median sales price	$420,000	▼	-1.2%
Median days on market	11	▲	+2 days
New pending sales	513	▼	-10.8%
New listings	542	▼	-32.3%
Active listings	682	▼	-17.0%
Months of supply	1.58	▲	+21.5%
Showings	9,223	▼	-17.9%

Bright MLS T3 Home Demand Index

Southern Maryland market activity is still Moderate according to the Bright MLS T3 Home Demand Index (HDI). Market activity has been stable the past four months at either 119 or 120. Demand in this area continues to be warmer than almost all metros in the Mid-Atlantic.

Though demand is higher than other areas, the index for Southern Maryland has declined from 161 a year ago.

Bright MLS T3 Home Demand Index



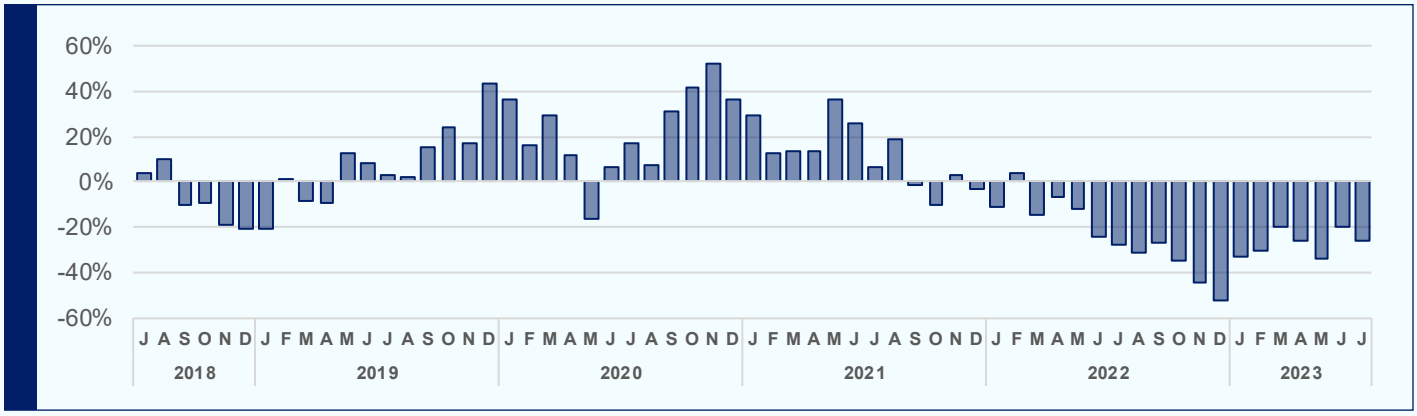
Market Outlook

The upcoming fall market in Southern Maryland will likely have low inventory and stable prices. Some buyers will also be grappling with affordability challenges. Mortgage rates may ease from near 7% but will likely remain around 6.5%. This change would not be much motivation for sellers who hold much lower rates.

Sellers who do list and price their house for the market should expect quick timing. Buyers and sellers can also look into alternative financing to make their bottom lines work. Assumable loans, available for some FHA loans or those backed by the VA and USDA, could allow households to sell and buy while keeping a lower rate than what they would get on a new mortgage.

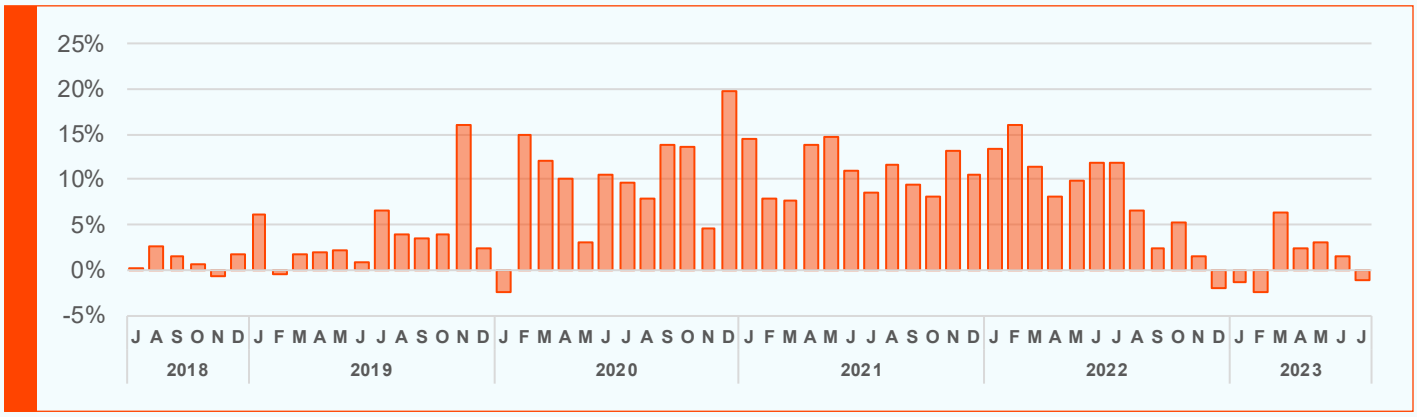
Closed Sales Year-Over-Year Change

There were 403 closed sales in July in Southern MD, a 26% decrease from last year, due to a combination of low supply and high mortgage rates. There was a sharp decrease (-18.8%) in sales between June and July, which is a common trend between these two months.



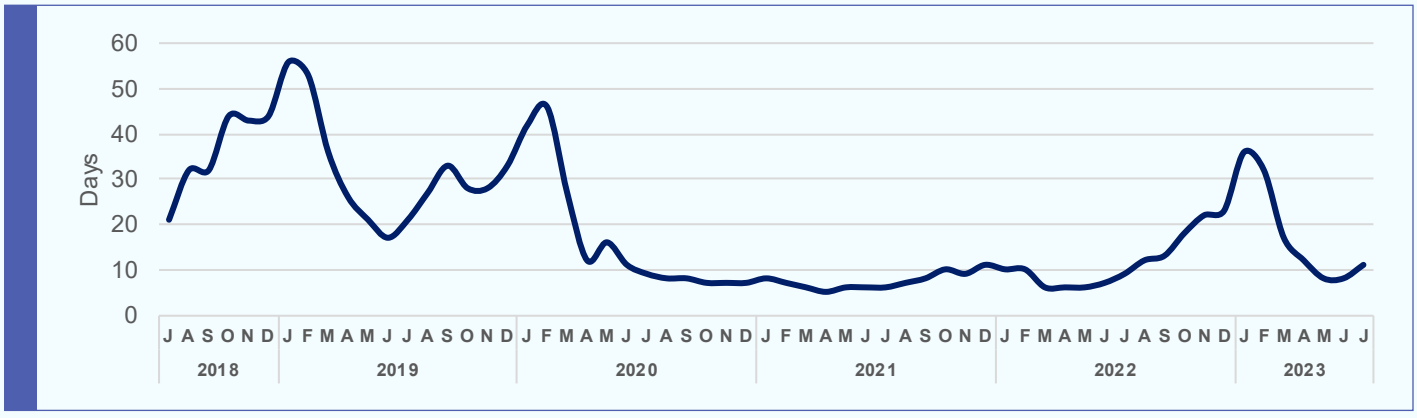
Median Sales Price Year-Over-Year Change

The median sales price for July landed at $420,000 overall, which is a slight 1.2% decrease from last year. The year-over-year changes in median sales price has been very slight throughout 2023 but is still 31.5% higher than July 2019, a more regular year. Supply shortages are one of the main factors making an effect on sales prices in Southern MD.



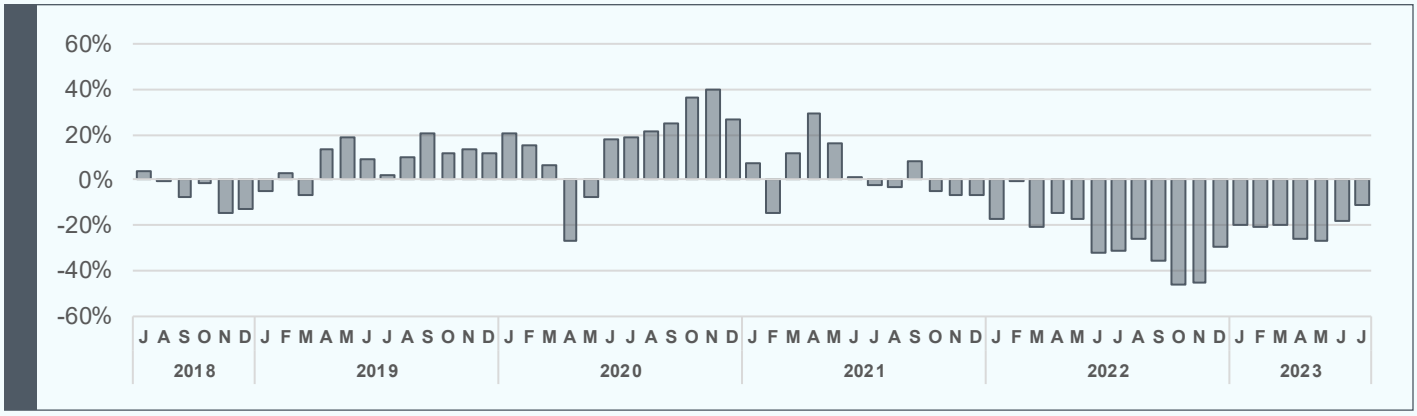
Median Days on Market

Southern MD had another slight increase in median days on market by 2 days overall. While detached and attached homes hold a median of 11 and 10 days, respectively, condos sit a little bit higher at 17 days. Condos increase 10 days from last month but are more likely to swing in either direction due to sales amounts being far lower than other home types. Buyers can expect continued steep competition.



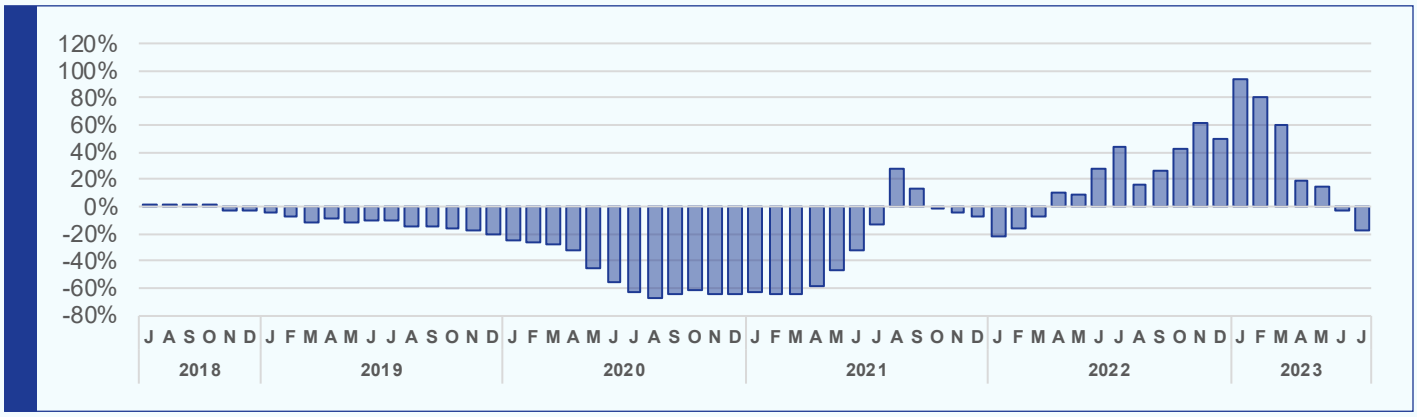
New Pending Sales Year-Over-Year Change

There were 513 new pending sales in Southern MD in July 2023. This is 10.8% less than last year and 29.1% less than 2019, a more regular year. There were year-over-year declines in detached (-12.0%) and attached (-9.0%) homes; however, there was in increase in both home types from last month by 7.1% and 11.1%, respectively.



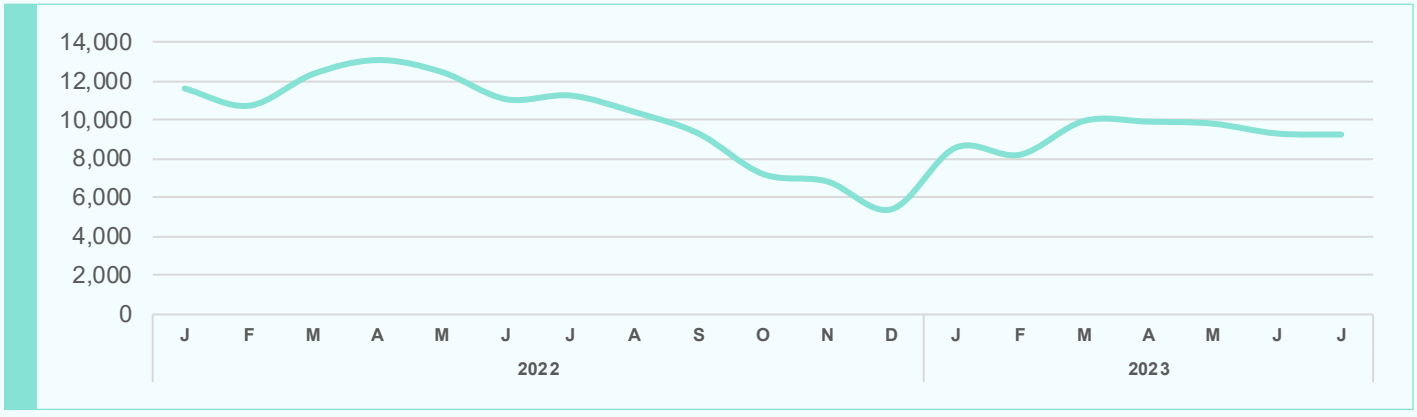
Active Listings Year-Over-Year Change

There were 682 active listings in July in Southern MD. Seeing a decrease of 17.0%, this was the first month to see a year-over-year decrease overall since March 2022. Listings are only 38% of what they were in July 2019, a more regular year. Supply will continue to put a strain on buyers searching for a home in their price range as competition for homes are fierce.



Showings

Southern MD had 9,223 showings in July 2023. This is 17.9% less showings than last year, and we can expect showings to track below 2022 levels for the remainder of the year as supply is still low in quantity.



Local Markets

Though the median price declined year-over-year in Southern Maryland, prices rose 2.0% in Charles County. Both Calvert County (-12.0%) and Saint Mary's County (-1.2%) drove the overall regional price drop.

Charles County also had more new pending sales (+2.4%) in July 2023 than last year. There's strong demand in the county according to the Home Demand Index, which was 155, and has shown High market conditions for four months.

All counties are seeing tough competition for buyers. Calvert and Saint Mary's counties have a median time to contract of only 9 days. The median time to contract in Charles County is 11 days.

While the pace may ease in the fall, the pressure of competition will continue to be tight from the lack of inventory in the market. In July 2023, all three counties had fewer active listings than they did last year.



CLOSED SALES

	July 2023	vs. July 2022
Calvert County, MD	104	-28.8%
Charles County, MD	196	-16.9%
Saint Mary's County, MD	103	-37.6%
Southern MD	**403**	**-26.3%**

MEDIAN SALES PRICE

	July 2023	vs. July 2022
Calvert County, MD	$416,000	-12.0%
Charles County, MD	$430,945	+2.0%
Saint Mary's County, MD	$400,000	-1.2%
Southern MD	**$420,000**	**-1.2%**

Local Markets Continued

	NEW PENDINGS		NEW LISTINGS		MEDIAN DAYS ON MARKET	
	July 2023	vs. July 2022	July 2023	vs. July 2022	July 2023	vs. July 2022
Calvert County, MD	102	-33.8%	120	-33.7%	9	-1 day
Charles County, MD	260	+2.4%	288	-28.9%	11	+2 days
Saint Mary's County, MD	151	-9.6%	134	-37.7%	9	-1 day
Southern MD	**513**	**-10.8%**	**542**	**-32.3%**	**11**	**+2 days**

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	July 2023	vs. July 2022	July 2023	vs. July 2022
Calvert County, MD	155	-20.1%	1.49	+22.1%
Charles County, MD	352	-11.1%	1.71	+30.5%
Saint Mary's County, MD	175	-24.6%	1.46	+6.6%
Southern MD	**682**	**-17.0%**	**1.58**	**+21.5%**

Mind the Pending Sales Gap

Pending sales activity is impacted by demand and supply, both lower in Southern Maryland than in 2022.

Mortgage rates play a large part in the affordability of a home. Buyers in July faced rates at least a percentage or more higher than a year ago.

Recall that in January, rates were more than double what they were in January 2022. As mortgage rates have converged, so has the movement in pending sales.

In July, Southern Maryland had the smallest difference in pending sales between the two years, down just 10.8%. As rates move even closer, pending sales may track closer to last year's levels this fall.

Local Markets Continued

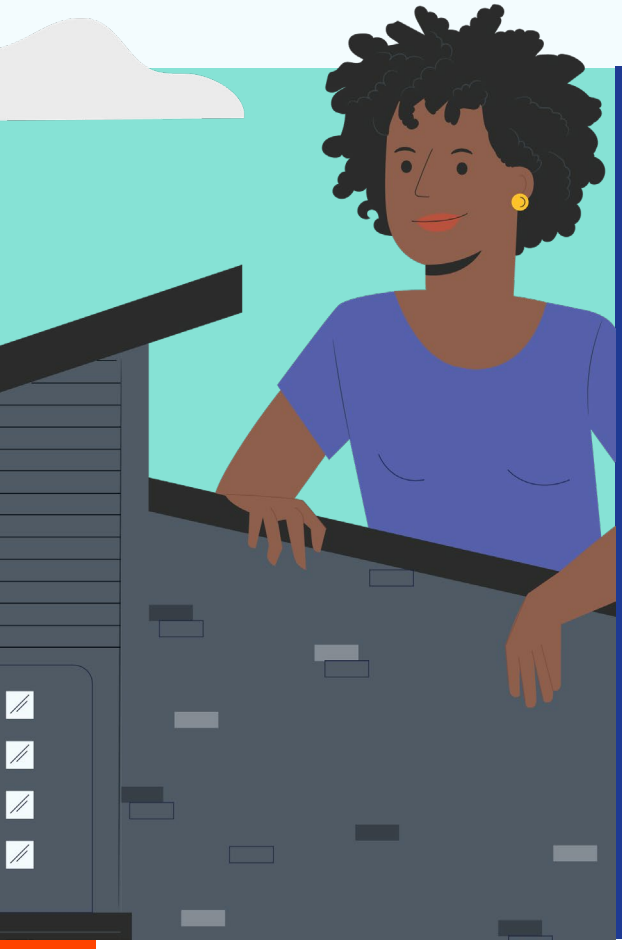
	SHOWINGS		HOME DEMAND INDEX	
	July 2023	vs. July 2022	August 2023	vs. August 2022
Calvert County, MD	2,129	-29.3%	89	-37.8%
Charles County, MD	5,014	-14.0%	155	-19.7%
Saint Mary's County, MD	2,080	-13.2%	103	-23.7%
Southern MD	**9,223**	**-17.9%**	**120**	**-25.5%**

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 Bright MLS.com.

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