DATA AS OF August 6, 2023

July 2023 Market Report
Del/Mar Coastal

Del/Mar Coastal Market Key Findings

Inventory Remains Above 2022, Unlike Rest of Mid-Atlantic
Still inventory low and price pressure continues

In some ways, the Del/Mar Coastal region matches the overall Mid-Atlantic housing market trends—prices continued to climb year-over-year, new listings have been added much more slowly than last year, and the difference between pending sales in 2023 and 2022 has narrowed.

Yet, the Del/Mar Coastal region has more inventory than was available to buyers last year. By contrast, the overall Mid-Atlantic saw inventory decline in July. The year-over-year inventory gains in Del/Mar Coastal are shrinking but supply was still up 9.0% compared to a year ago.

The relative "extra" inventory in Del/Mar has not impacted price trends. While May's median price declined 0.5% year-over-year, June's was up 7.9% and the July median price rose 5.1% compared to a year ago.

Across the Mid-Atlantic, median days on market was 7 in July. Median days on market is more relaxed in Del/Mar Coastal, with a median days on market of 16.

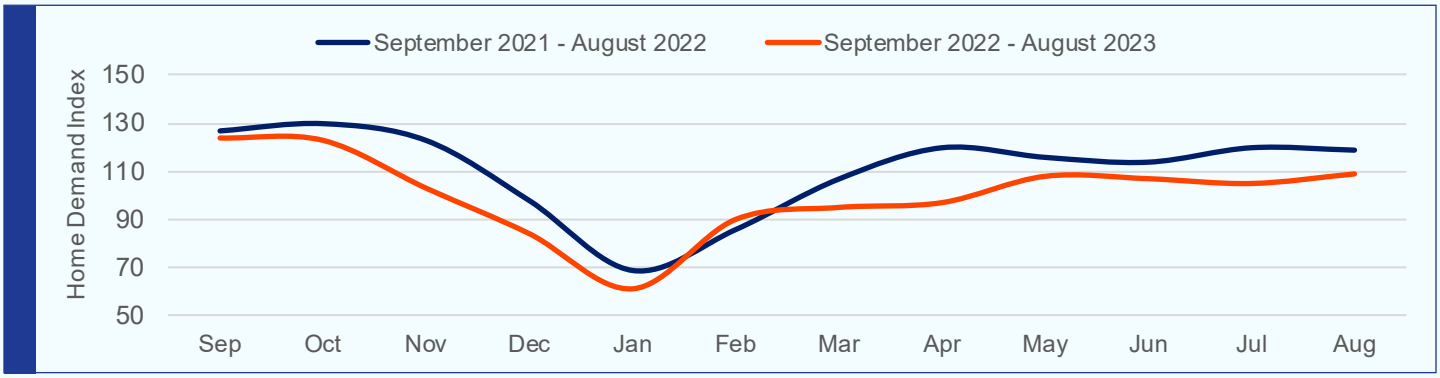
	July 2023		vs. July 2022
Closed sales	645	▼	-15.5%
Median sales price	$389,000	▲	+5.1%
Median days on market	16	▲	+6 days
New pending sales	828	▼	-4.9%
New listings	879	▼	-17.2%
Active listings	1,868	▲	+9.0%
Months of supply	2.55	▲	+42.5%
Showings	11,921	▼	-2.1%

Bright MLS T3 Home Demand Index

The Home Demand Index (HDI) in August 2023 was 109, showing higher demand than the first few months of the year. Market activity in Del/Mar Coastal has continued to be Steady for seven consecutive months according to its HDI.

The index for Del/Mar Coastal is down from 119 a year ago.

Bright MLS T3 Home Demand Index



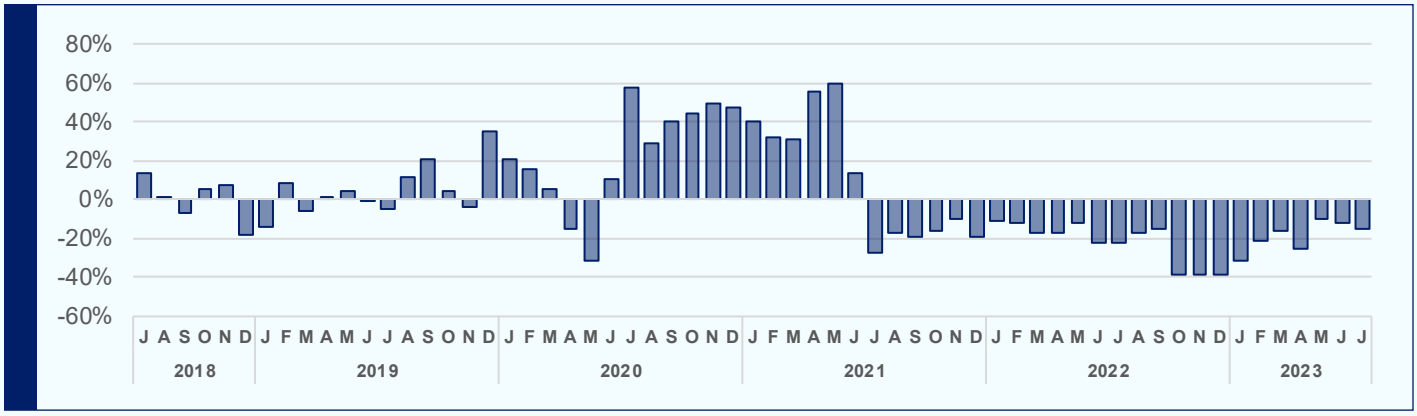
Market Outlook

Despite having more inventory than 2022, the level of inventory in the Del/Mar Coastal region does not signify a large selection for the variety of primary, second home, and investment buyers in the region. Prices are expected to be stable or rising, and affordability will be an obstacle for many buyers. Mortgage rates are likely to moderate this fall but will remain around 6.5%.

New listings from second-home owners and investors listing their homes could be a source of additional homes on the market. Still, the incentive to sell won't shift significantly as mortgage rates stay elevated. Buyers and sellers may find creative financing is necessary in order to make their bottom-line work.

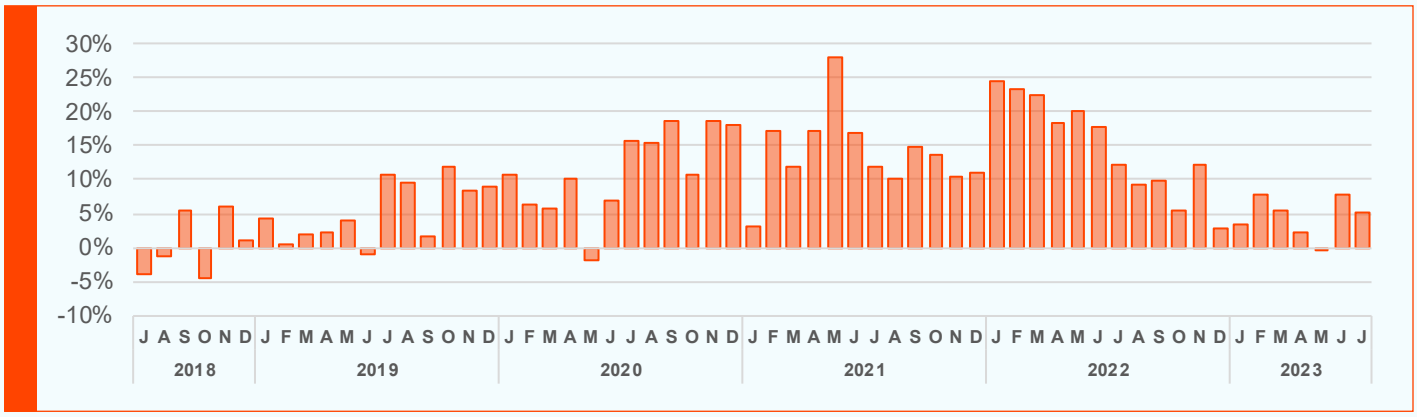
Closed Sales Year-Over-Year Change

There were 645 closed sales in the Del/Mar Coastal region in July 2023. Closed sales declined 17.4% month-over-month, as seasonally expected, and remain 15.5% below July 2022. Condo closed sales had the largest decline, 25.8%. Detached single-family home closed sales declined 13.5% and attached townhome sales were down 13.1%.



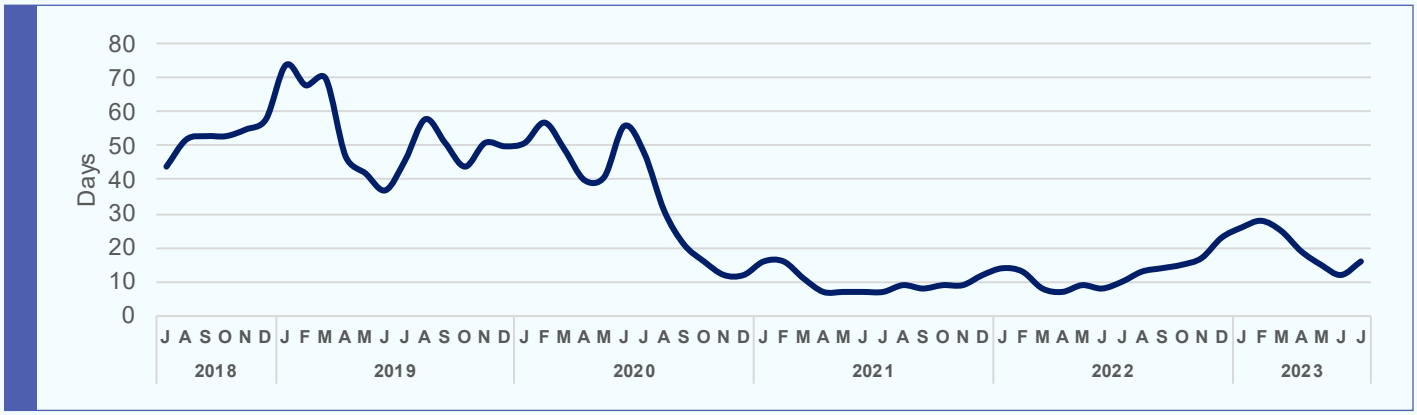
Median Sales Price Year-Over-Year Change

The median sale price fell a touch from its high last month to $389,000 in July 2023. Besides the slight decrease in May (-0.5%), the median price keeps rising in Del/Mar Coastal compared to last year. In July, the median sale price was 5.1% higher than a year ago. The median price for detached single-family homes was flat while both attached townhomes and condos had median price gains.



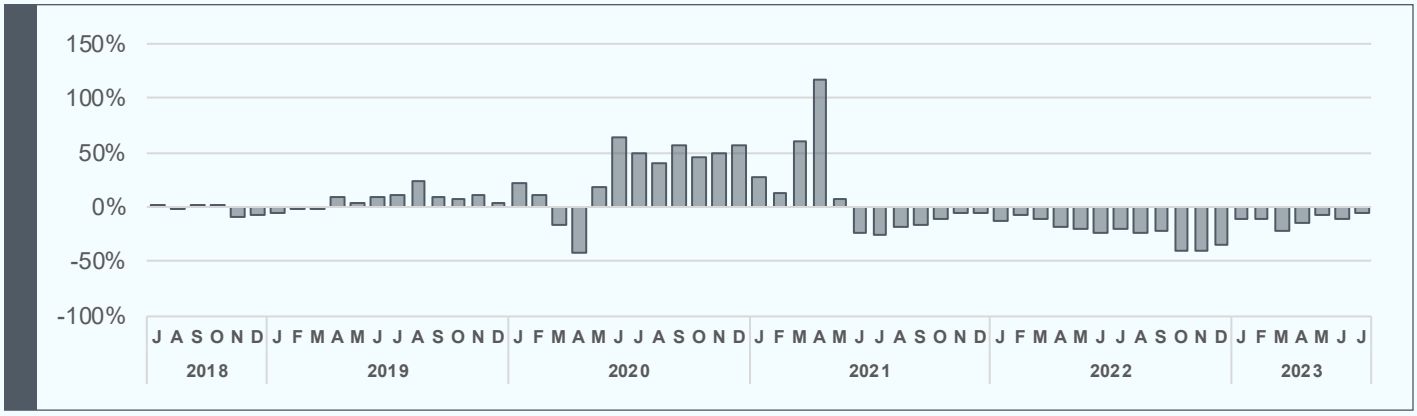
Median Days on Market

Median days on market is starting to ease in Del/Mar Coastal. At 16 days, the region has the longest median time on market of the submarkets within the Mid-Atlantic region. Still, 16 days is not a lot of time. In 2019, for example, homes typically took 46 days (about a month and a half) to sell.



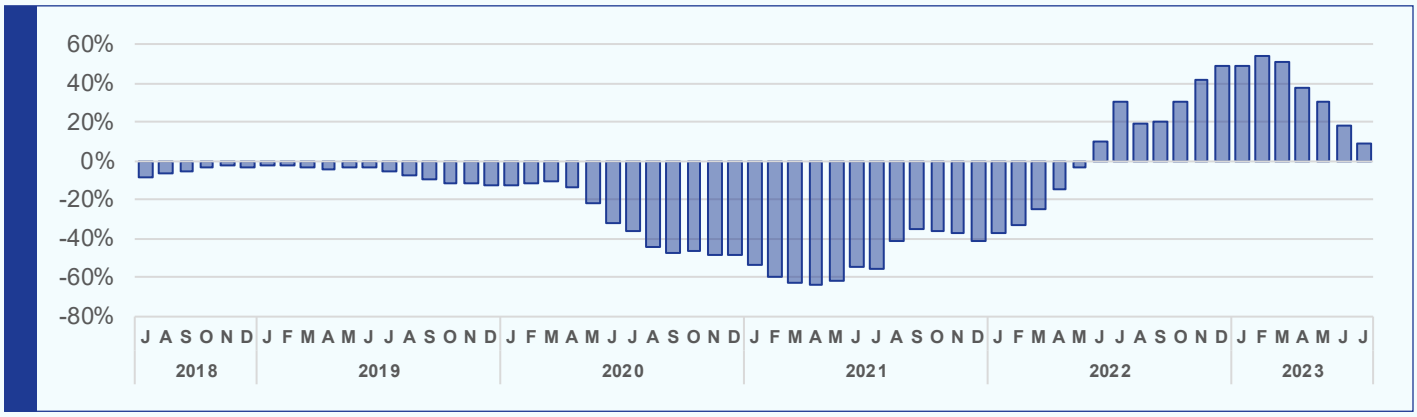
New Pending Sales Year-Over-Year Change

New pending sales in the Del/Mar Coastal region are getting much closer to what they were a year ago. In July, there were 828 new pending sales, a difference of only 4.9%. Pending sale trends are distinct among property types with slight decreases in detached single-family homes (-1.3%) and attached townhomes (-2.4%), while condo pending sales declined 23.0% year-over-year.



Active Listings Year-Over-Year Change

Unlike other parts of the Mid-Atlantic, Del/Mar Coastal has had inventory gains for 14 consecutive months. But similar to the rest of the Mid-Atlantic, the high point of inventory gains happened several months ago, and the supply increases have been shrinking. Active listings at the end of July are 9.0% higher than July 2022, yet remain just 40% of 2019 levels.



Showings

Showing activity bumped up from June to 11,921 in July in the Del/Mar Coastal region. The number of showings was 2.1% lower than July 2022. Typically, activity in Del/Mar Coastal will slow in the fall and the next few months will reveal if the trend holds in 2023.



Local Markets

Closed sales and price trends were fairly consistent across counties in the Del/Mar Coastal area. Each county saw a decline in closed sales, with sales flat in Somerset County. Median prices grew year-over-year in all counties.

Wicomico County, MD had a decline in its active listings, down for the 2nd month in a row. This trend matches the Mid-Atlantic more so than the rest of the Del/Mar Coastal region, which overall still had rising inventory.

Despite fewer listings, Wicomico County had more showings in July than last year, though this is the first month where there was an increase in showings.

The market is still very competitive. The median days on market ranges from a low of 12 days in Worcester County, MD to a high of 20 days for Sussex County, DE.



CLOSED SALES

	July 2023	vs. July 2022
Somerset County, MD	26	+0.0%
Sussex County, DE	384	-13.1%
Wicomico County, MD	79	-23.3%
Worcester County, MD	156	-18.8%
Del/Mar Coastal	**645**	**-15.5%**

MEDIAN SALES PRICE

	July 2023	vs. July 2022
Somerset County, MD	$177,400	+18.7%
Sussex County, DE	$443,440	+5.6%
Wicomico County, MD	$265,000	+8.2%
Worcester, MD	$388,000	+7.5%
Del/Mar Coastal	**$389,000**	**+5.1%**

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
Somerset County, MD	36	+16.1%	29	-6.5%	15	+1 day
Sussex County, DE	482	-8.2%	524	-24.3%	20	+9 days
Wicomico County, MD	96	-25.6%	102	-19.7%	14	+4 days
Worcester County, MD	214	+15.1%	224	+5.7%	12	+3 days
Del/Mar Coastal	**828**	**-4.9%**	**879**	**-17.2%**	**16**	**+6 days**

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	July 2023	vs. July 2022	July 2023	vs. July 2022
Somerset County, MD	79	+9.7%	3.76	+56.7%
Sussex County, DE	1,328	+12.3%	2.89	+40.3%
Wicomico County, MD	130	-13.3%	1.40	+14.8%
Worcester, MD	331	+7.1%	2.07	+54.5%
Del/Mar Coastal	**1,868**	**+9.0%**	**2.55**	**+42.5%**

Mind the Pending Sales Gap

In the Mid-Atlantic and Del/Mar Coastal, the gap between pending sales in 2023 and 2022 has shrunk.

Pending sales activity is impacted by demand and supply. Counter to the Mid-Atlantic, Del/Mar active listings are still higher than 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 while 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. As rates move even closer, pending sales may track closer to last year's levels this fall.

Local Markets Continued

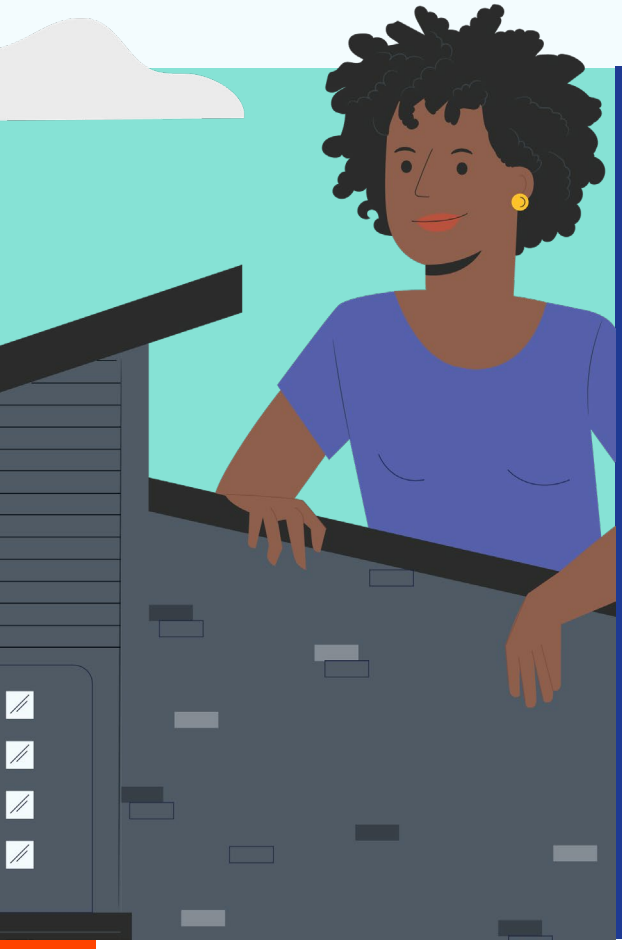
	SHOWINGS		HOME DEMAND INDEX	
	July 2023	vs. July 2022	August 2023	vs. August 2022
Somerset County, MD	303	+16.1%	84	+20.0%
Sussex County, DE	7,236	-3.2%	117	-11.4%
Wicomico County, MD	1,460	+2.8%	109	-3.5%
Worcester County, MD	2,922	-3.5%	96	-5.9%
Del/Mar Coastal	**11,921**	**-2.1%**	**109**	**-8.4%**

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 Bright MLS.com.

Please contact Christy Reap, Media Relations Director with interview or information requests: (202) 309-9362 | christy.reap@brightmls.com

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