

Mid-Atlantic Luxury Housing Report

A high-end market overview



photo courtesy Daniel Heider TTR Sotheby's International Realty

Luxury Market Shines Brightly in the First Quarter of 2024

Higher mortgage rates have not slowed luxury home sales in the Bright MLS service area.

The luxury housing market in the Mid-Atlantic is outperforming the overall housing market. Luxury home shoppers, less sensitive to elevated interest rates and more confident in their financial situations, drove strong sales in the first quarter of 2024.

Like the overall housing market, the luxury inventory has been tight over the past few years, but there are signs that supply may be increasing. Even though more listings will be available this spring and summer, expect luxury prices to continue to be firm as buyers outnumber sellers.

Luxury homes are in demand. Sales activity in the luxury market continues to be brisk. In the first quarter of 2024, there were 2,648 luxury home sales across the Bright MLS service area. While luxury sales are down 16% from the fourth quarter of 2023, sales are tracking 12% higher than a year ago. By contrast, during the first quarter of 2024, overall home sales are 5% lower than they were last year.



photo courtesy Daniel Heider, TTR Sotheby's International Realty

Luxury Market Benchmark

For this report, the luxury benchmark price varies across different markets. Luxury homes are those with prices in the top 5% of the local market. The ultra-luxury market comprises homes in the top 1% of the market.

What is the luxury home benchmark in each region? Q1 2024

Philadelphia Metro	\$800,000
Baltimore Metro	\$801,000
Washington Metro	\$1.455M
Del/Mar Coastal	\$1.025M
Maryland Eastern Shore	\$872,500
Southern Maryland	\$704,990
North Central Virginia	\$820,000
Central Pennsylvania	\$537,000
MD-WV Panhandle	\$599,900

Q1 2024 Takeaways



Sales

The Mid-Atlantic luxury market has outperformed the overall housing market. Luxury buyers tend to be less sensitive to interest rates, which has fueled the strong market.



Prices

Cash sales are still a relatively large share of the luxury market. Non-cash buyers face elevated mortgage rates in 2024. Prices in the luxury market are expected to remain firm throughout the year.



Inventory

The luxury home inventory has been constrained, but new listing activity increased in Q1 2024. Luxury buyers should expect to see more luxury options in 2024.

Luxury Sales

Q1 2024

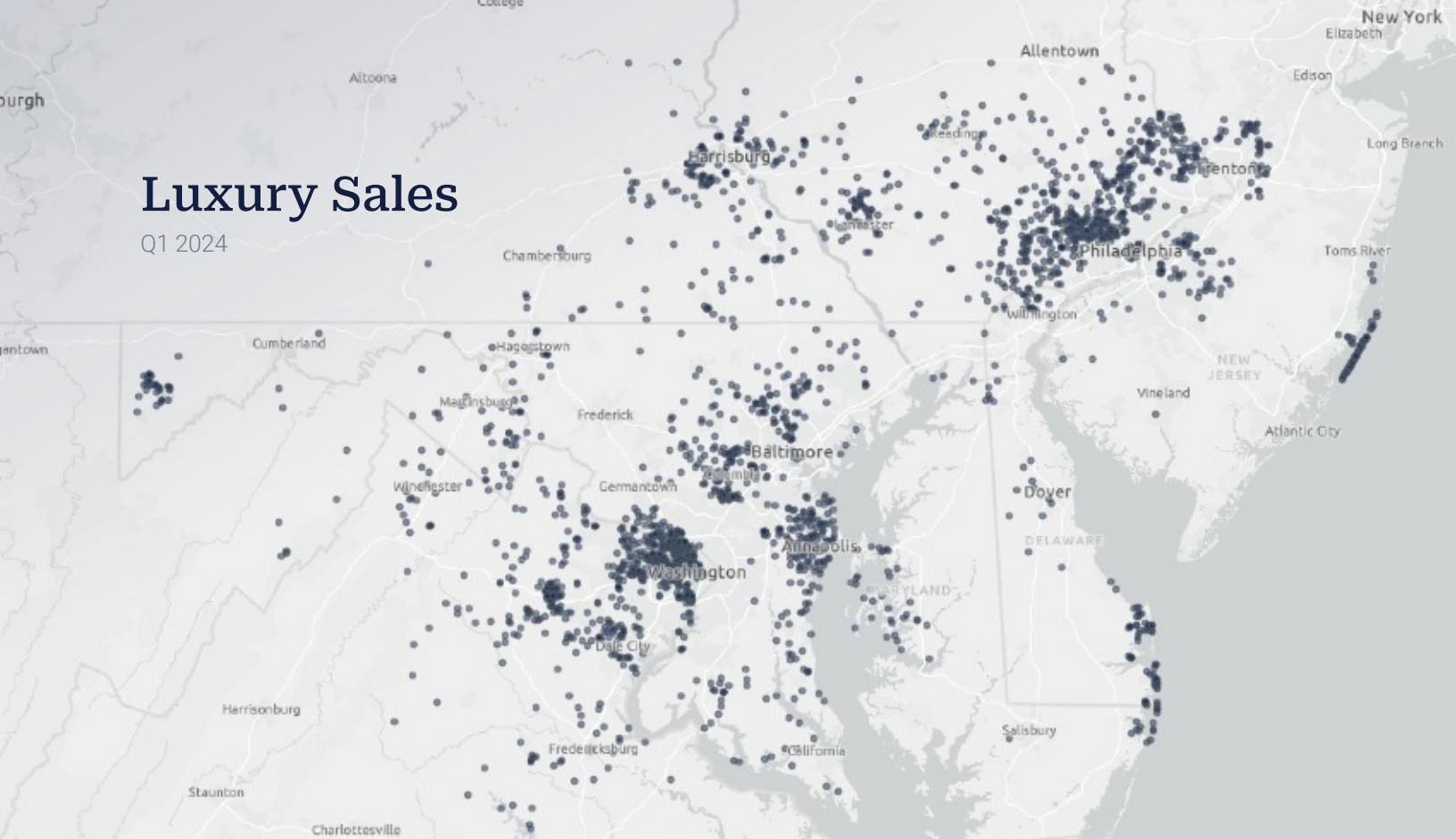


photo courtesy David Getson Compass Real Estate



Buyer interest in luxury properties soared in the first quarter. There were 4,230 new pending contracts in the first quarter of 2024, which is up 57% compared to the fourth quarter of 2024.

The strong sales activity in the luxury market reflects the fact that luxury buyers are less sensitive to elevated mortgage rates. Luxury buyers likely remain in stronger financial situations than the overall pool of buyers, as consumer credit card and other debt rises and savings rates fall. In addition, luxury second home buyers may also be helping to fuel the fast pace of the Q1 2024 market.

Luxury home sales are concentrated in major metros and coastal markets. Luxury homes tend to be clustered within submarkets. In the Philadelphia region, luxury sales are highly clustered in the city and in Philadelphia's Main Line suburbs. In the Baltimore region, the luxury market is more highly concentrated in the southwest suburbs, particularly Howard County. Luxury sales in the Washington D.C. market tend to be more likely in northwest D.C. and the region's western suburbs.

Outside of the three major metro areas, luxury home sales activity is strong in Annapolis, Maryland; and the Maryland and Delaware coast.

More luxury buyers are purchasing with all cash as mortgage rates have risen to near 7%.

Cash is king in the luxury market. In the first quarter of 2024, nearly one-third of luxury sales (30.1%) were all-cash sales. In 2022, roughly one-quarter of luxury homes were purchased with all cash.

Luxury buyers are more likely than other buyers to purchase with all cash, which is a key reason the luxury market has been so resilient amidst elevated mortgage rates.

Second-home luxury markets are particularly attractive to cash buyers. In the first quarter of 2024, more than half of luxury sales in the Del/Mar Coastal region, which includes Maryland and Delaware beach properties, were all-cash sales. More than two out of five luxury sales on the Maryland Eastern Shore, which includes Chesapeake Bay communities, were all cash.



Mid-Atlantic Luxury Market Trends

Q1 2024

	Q1 2024	Change from Q4 2023	Change from Q1 2024
Sold	2,648	-16.0%	+12.1%
Median Days on Market	14	0 days	-2 Days
% Sold Above List	35.0%	+1.7 pp	+2.7 pp
% Cash Sales	30.2%	-1.8% pp	+0.5% pp
End-of-Quarter Actives	4,875	+32.3%	+14.9%
New Listings	6,150	+69.0%	+23.6%
New Pendings	4,230	+57.1%	+27.4%

pp = percentage points

Median Days On Market

Luxury Market

Overall Market

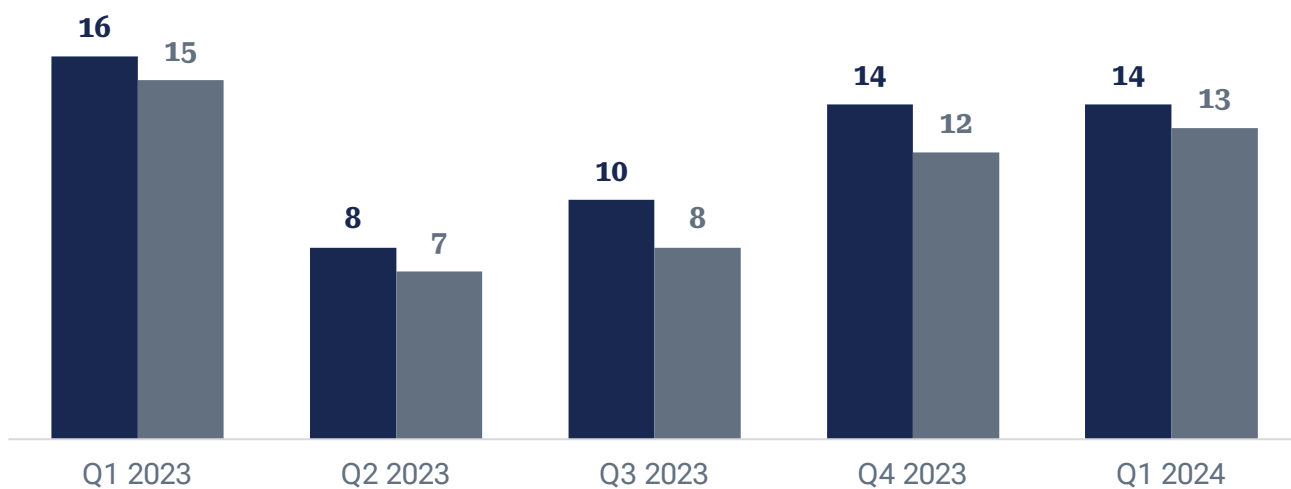


photo courtesy Daniel Heider TTR Sotheby's International Realty



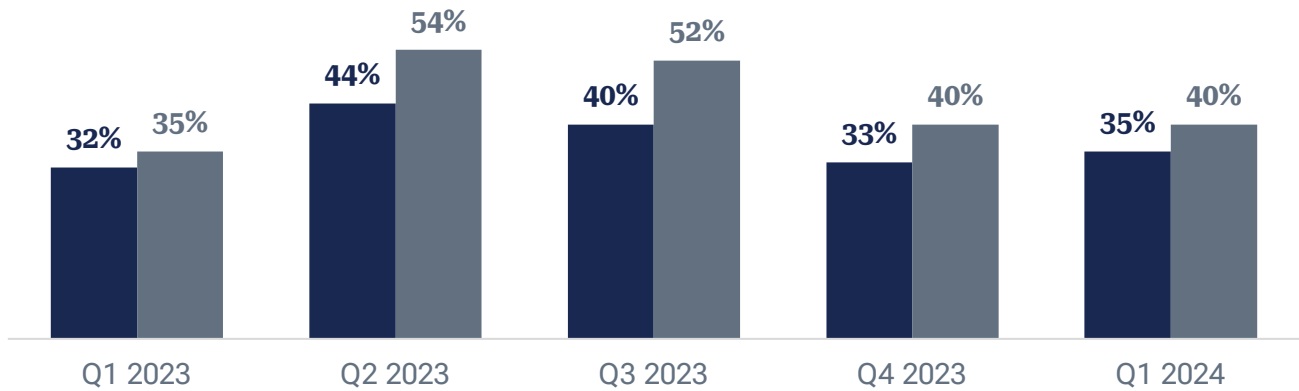


photo courtesy Daniel Heider TTR Sotheby's International Realty

Percent Sold Above List Price

Luxury Market

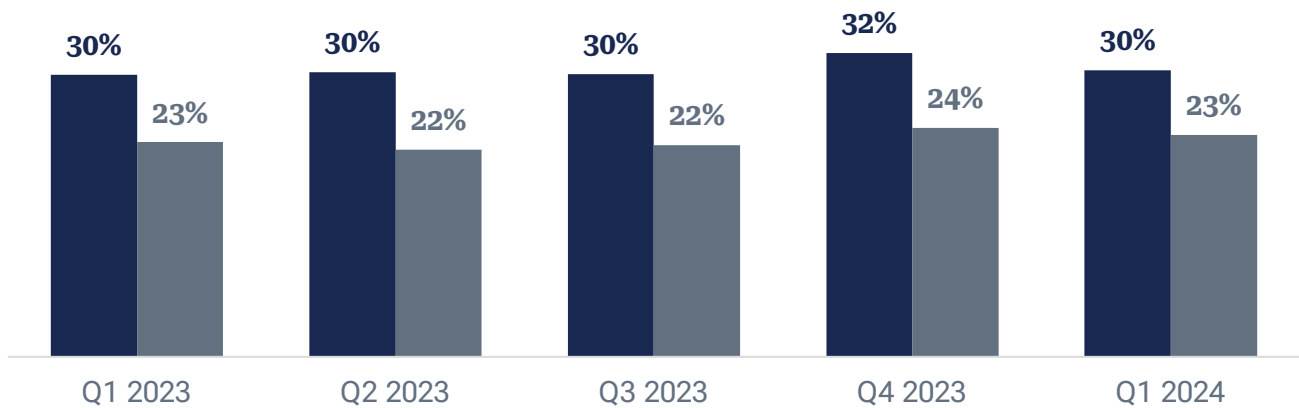
Overall Market



Percent All-Cash Sales

Luxury Market

Overall Market



Luxury properties are selling quickly and often sell above asking price.

Some luxury sellers are still getting over list price.

Prices of luxury homes are still holding firm, but upward price pressure has eased a bit. In the first quarter of 2024, 35% of luxury sales sold above asking price. This share is down from the peak of 54% during the second quarter of 2023, but still represents a competitive luxury marketplace.

Overall, the threshold price that defines the luxury market (i.e., the 95th percentile sold price) is relatively flat compared to what it was a year ago. This pattern could suggest that luxury home price growth may be decelerating from the fast pace of 2022 and 2023.



photo courtesy Daniel Heider TTR Sotheby's International Realty



photo courtesy Daniel Heider TTR Sotheby's International Realty

Luxury homes are snapped up quickly. Because inventory is still low, homes that are priced appropriately sell fast. During the first quarter of 2024, the typical luxury home in the Bright MLS service area sold in just 14 days. The median days on market is unchanged from the fourth quarter of 2023 and is two days faster than the pace of sales activity in the first quarter of 2023.

Traditionally, higher-priced homes take longer to sell than more modestly priced homes, largely because there are fewer qualified buyers in the luxury segment of the market. However, since the onset of the pandemic, luxury homes have been selling just as quickly as lower-priced homes.

More inventory, more buyers? A lack of inventory has constrained market activity over the past couple of years. There are signs that inventory is increasing, which could bring more buyers into the market this spring and summer. At the end of the first quarter of 2024, there were 4,875 luxury properties available for sale, which is up from 3,684 listings available on the market at the end of 2023.

More sellers are coming into the market, with a surge of new listing activity in the first quarter. There were 6,150 new luxury listings that came onto the market during the first three months of the year—that's 69% more new listings than during the fourth quarter of 2023 and a 24% increase over last year at this time. Most listings are still seeing offers made quickly, though the time on market could lengthen this spring and summer as buyers have more options.



photo courtesy Daniel Heider TTR Sotheby's International Realty



photo courtesy Daniel Heider TTR Sotheby's International Realty

Top 10 Luxury Neighborhoods

Zip Code	Market	Q1 2024 Luxury Sales
20169	Haymarket, VA	39
22101	Mclean, VA	37
20817	Bethesda, MD	34
18940	Newtown, PA	34
20007	Washington, D.C.	34
21401	Annapolis, MD	31
19380	West Chester, PA	30
08008	Long Beach Township, NJ	29
22314	Alexandria, VA	28
22207	Arlington, VA	27

The zip code with the single largest number of luxury sales in Q1 2024 was in Haymarket, Virginia, located 50 miles outside of D.C. Other zip codes with the most luxury home sales in the first quarter of 2024 include neighborhoods in the Washington D.C. and Philadelphia regions. Zip code 22101 (McLean, Virginia), 20817 (Bethesda, Maryland), 22314 (Alexandria, Virginia) and 22207 (Arlington, Virginia)—all close-in D.C. suburbs—were in the top 10, along with Washington D.C. zip code 20007 (Georgetown).

Mid-Atlantic Ultra-Luxury Market*

TOP 5 SOLD LISTINGS, Q1 2024

A property in Greenville, Delaware topped the list of the most expensive sales in the Bright MLS service area in the first quarter of 2024. With multiple structures on 152 acres, the property sold for \$18 million.

\$18.0M 1201 Snuff Mill Road, Greenville, DE 19807
Patterson-Schwartz - Greenville

\$14.8M 9351 Cornwell Farm Drive, Great Falls, VA 22066
TTR Sotheby's International Realty

\$10.1M 6538 Sothoron Road, McLean, VA 22101
Carlton Equities, LTD

\$9.3M 8801 Fernwood Road, Bethesda, MD 20817
TTR Sotheby's International Realty

\$9.0M 27189 Island Creek Road, Trappe, MD 21673
TTR Sotheby's International Realty



* The ultra-luxury market is defined as the top 1% of homes sold across the Bright MLS service area.



photos courtesy Steve Crifasi Patterson-Schwartz Real Estate



ABOUT BRIGHT

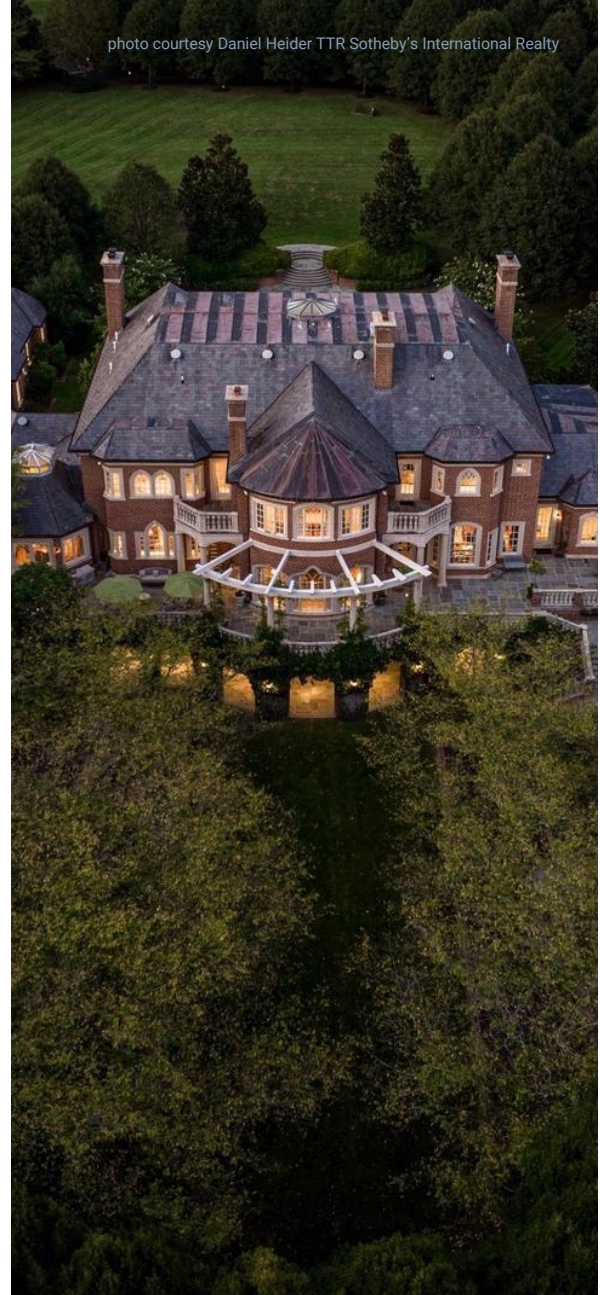
Bright MLS was founded in 2016 as a collaboration between 43 visionary associations and two of the nation's most prominent MLSs to transform what an MLS is and what it does, so real estate pros and the people they serve can thrive today and into our data-driven future through an open, clear, and competitive housing market for all. 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 homebuyers and sellers monthly.

Learn more at BrightMLS.com.

ABOUT BRIGHT RESEARCH

Bright Research provides customized research and analysis for the real estate industry. Beyond simply presenting data, Bright Research focuses on explaining what the numbers mean for real estate professionals and consumers.

Get more at BrightMLS.com/Research.



PR CONTACT

Please contact Christy Reap,
Media Relations Director, with
interview or information requests:

- (202) 309-9362
- christy.reap@brightmls.com