DATA AS OF August 6, 2023

July 2023 Market Report
Central Pennsylvania

Central Pennsylvania Market Key Findings

	July 2023		vs. July 2022
Closed sales	2,235	▼	-19.0%
Median sales price	$275,000	▲	+7.8%
Median days on market	7	=	+0 days
New pending sales	2,534	▼	-12.5%
New listings	2,606	▼	-21.7%
Active listings	2,886	▼	-7.8%
Months of supply	1.26	▲	+12.5%
Showings	41,699	▼	-12.0%

Price Growth in Central Pennsylvania Pacing Faster
Inventory declines for the 2nd month

The price trajectory in Central Pennsylvania continued upward in July. While median price growth moderated in February through April, the past few months have seen bigger price gains. The median price in July 2023 was $275,000, which was 7.8% higher than last year and only $2,000 less than the record high from June.

Buyers are interested in the relative affordability of Central Pennsylvania. However, price pressure will likely remain as the inventory situation in Central Pennsylvania is bleak. Year-to-date new listings in 2023 have been roughly 20% lower than 2022.

The lack of new listings has started eating into the inventory gains from earlier this year. Active listings decreased 7.8% year-over-year in July.

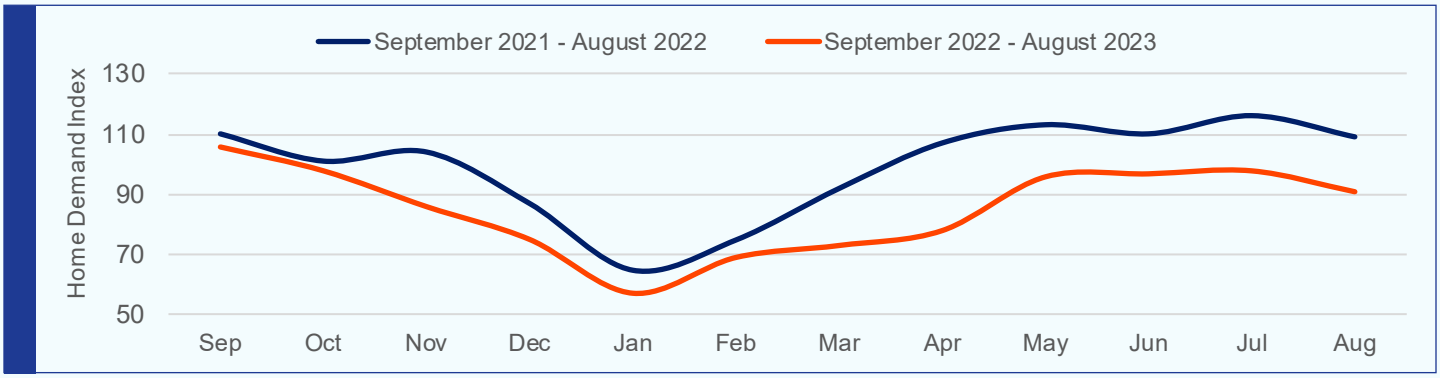
Sellers in Central Pennsylvania have the upper hand with months of supply being just 1.26 in July, and that is unlikely to change until more inventory hits the market.

Bright MLS T3 Home Demand Index

The Bright MLS T3 Home Demand Index (HDI) for Central Pennsylvania dropped from last month but remained in Steady demand at 90 for August 2023. The market activity is unsurprisingly lower than a year ago when the index was 109.

Central Pennsylvania generally has slower demand in the latter half of the year and may have a Slow HDI reading in future months.

Bright MLS T3 Home Demand Index



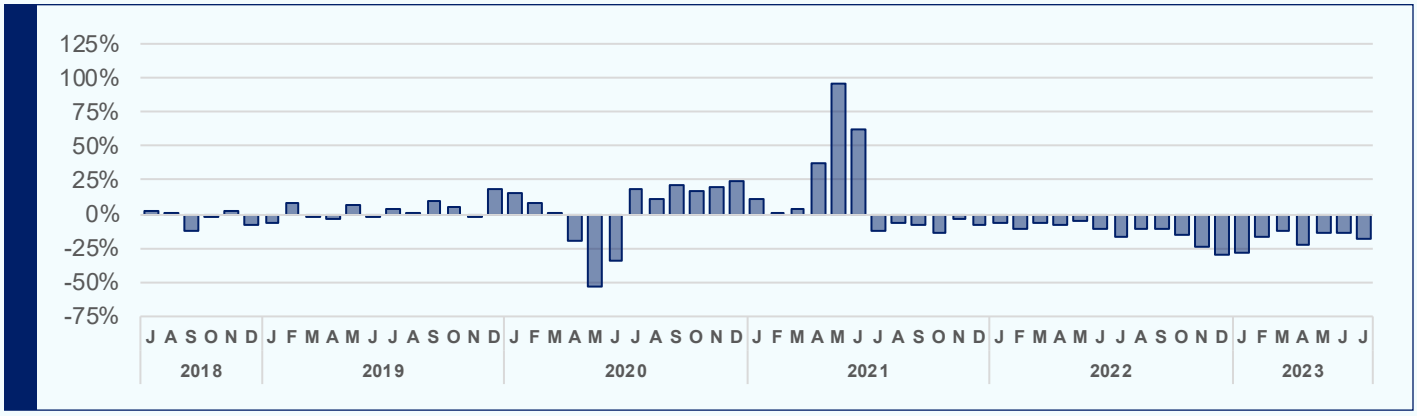
Market Outlook

The Central Pennsylvania market tends to slow in the fall. And while there is expectation that mortgage rates will ease somewhat, buyers should anticipate rates around 6.5%. Elevated mortgage rates will encourage sellers to cling to their current properties and keep inventory low in the region. Those who qualify for assumable mortgages are more likely to consider a move and there will always be sellers moving out of necessity (e.g., marriage, divorce, children, career).

Whether the seasonal pattern of easing days on market will occur this fall is unknown as depleted inventory makes Central Pennsylvania a competitive market. Low inventory will keep prices growing or firm through the rest of the year.

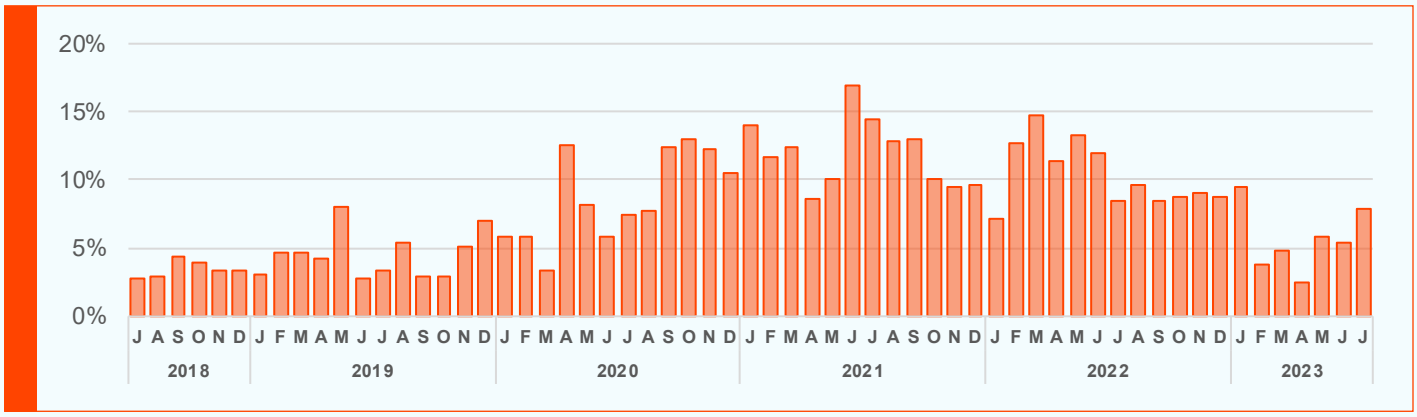
Closed Sales Year-Over-Year Change

Central Pennsylvania had 2,235 closed sales in July 2023, which was a 19.0% decline from a year ago. Condos saw the biggest drop, down 28.4% while detached single-family homes decreased 20.7% and attached townhome sales declined 13.1%. Closed sales also decreased from June to July, which matches past seasonality.



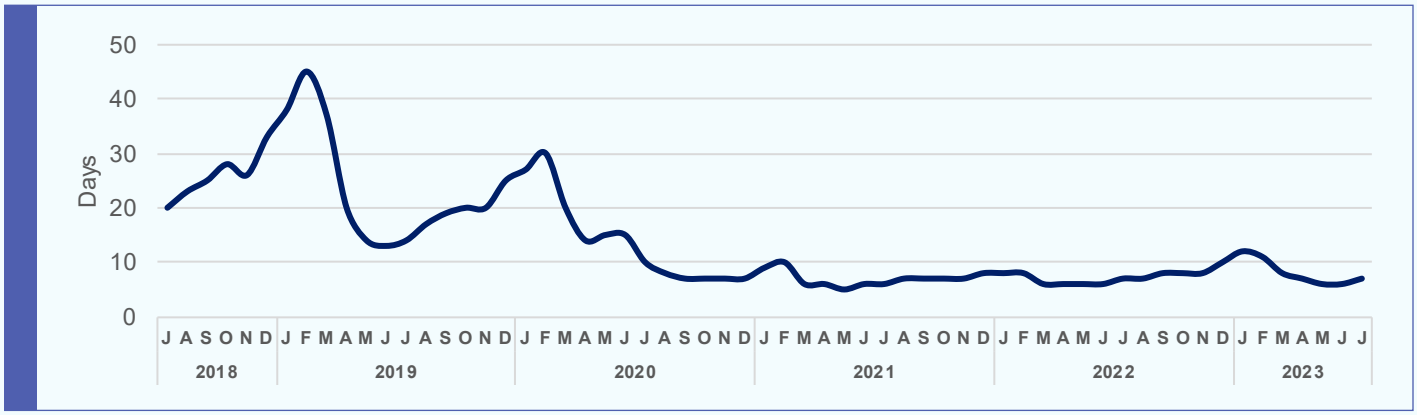
Median Sales Price Year-Over-Year Change

The median price in the region was $275,000 in July 2023 and only $2,000 less than the record high last month. Attached homes even reached a new record in July of $208,000. The median price increased year-over-year for all property types and overall grew 7.8% compared to July 2022.



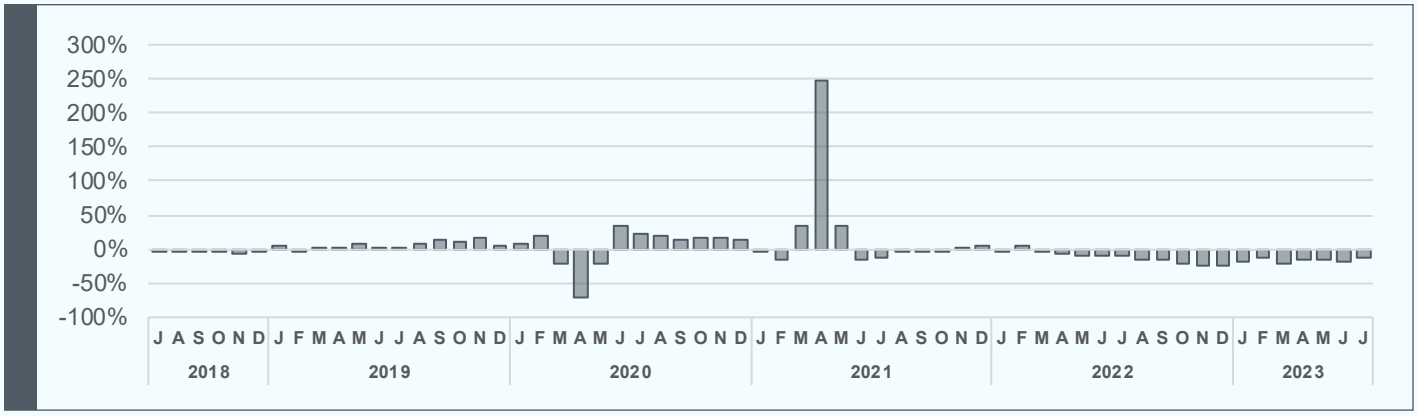
Median Days on Market

Low inventory and competition has kept the pace of the Central Pennsylvania market tight. In July, the median days on market was 7. Across the Mid-Atlantic submarkets, the lowest median days on market in July was in Central Pennsylvania as well as Baltimore, Washington, D.C., and North Central Virginia. Location matters, so some local areas will see quicker or slower market times.



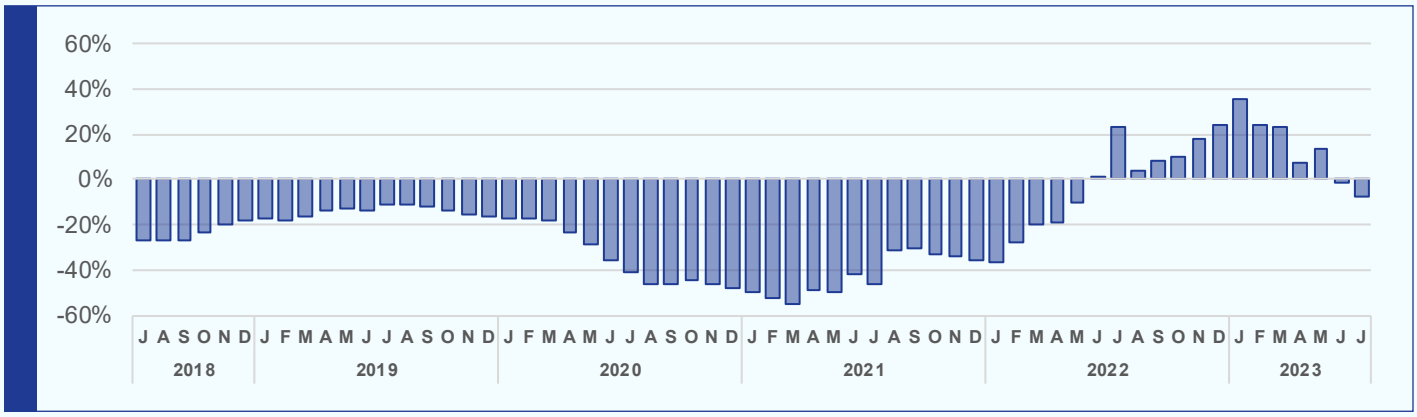
New Pending Sales Year-Over-Year Change

There were 2,534 pending sales in Central Pennsylvania in July 2023. Pending sales increased 0.4% between June and July but continue to trend below 2022. In July, new pending sales declined 12.5% compared to last year. Condos had the largest decrease, 37.1%, due to the smaller number of pending sales relative to the other property types and the active listings available.



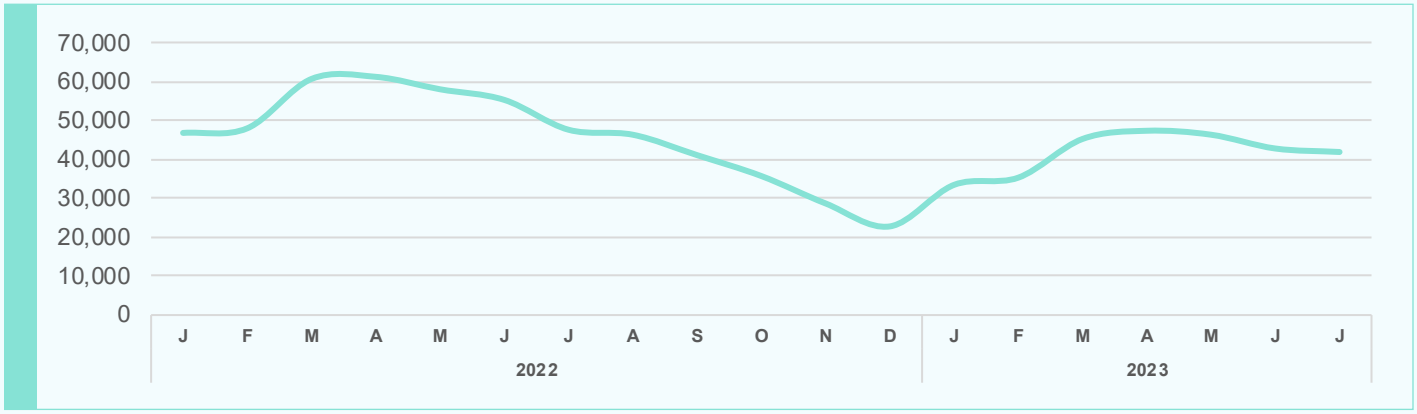
Active Listings Year-Over-Year Change

Compared to July 2022, inventory in Central Pennsylvania was 7.8% lower this year. Inventory levels also fall significantly behind the typical year benchmark of 2019. The supply of detached single-family homes is just 37% of the amount in July 2019 and attached townhomes and condos are depleted to 35% and 21%, of 2019 levels, respectively.



Showings

Showing activity is impacted by both demand, how many buyers are viewing homes, supply, and how many homes are on the market to have showings. In Central Pennsylvania there were 41,669 showings in July 2023, a 12.0% decline from July 2022 and 2.1% lower than last month.



Local Markets

Inventory continues to be an obstacle for the Central Pennsylvania housing market. July marked the 2nd month in a row of year-over-year declines, a direction that means heightened competition for the smaller selection of listings. Yet, three counties within Central Pennsylvania saw increases in active listings: Cumberland (+0.3%), Lebanon (+6.0%), and York (+2.5%).

Both pending and closed sales remain below 2022 levels. A few scattered counties have year-over-year increases, but these likely are one-month anomalies and not trends.

Prices keep pushing higher with only Dauphin County (-2.0%) and Schuykill County (-16.2%) reporting median price declines. Fulton County's sales volume is not significant enough to produce meaningful changes in prices.

Along with price pressure, the market remains tight. Many counties report as low as 6 days on market, with Cumberland at 5.



CLOSED SALES

	July 2023	vs. July 2022
Adams County, PA	111	+2.8%
Berks County, PA	358	-24.6%
Cumberland County, PA	236	-22.1%
Dauphin County, PA	245	-25.8%
Franklin County, PA	146	-8.8%
Fulton County, PA	9	+28.6%
Lancaster County, PA	431	-12.2%
Lebanon County, PA	122	-12.9%
Perry County, PA	30	-21.1%
Schuykill County, PA	97	-22.4%
York County, PA	450	-22.5%
Central PA	**2,235**	**-19.0%**

MEDIAN SALES PRICE

	July 2023	vs. July 2022
Adams County, PA	$285,000	+3.0%
Berks County, PA	$275,000	+21.7%
Cumberland County, PA	$292,000	+0.7%
Dauphin County, PA	$235,000	-2.0%
Franklin County, PA	$270,000	+0.1%
Fulton County, PA	$165,000	-23.3%
Lancaster County, PA	$320,000	+6.5%
Lebanon County, PA	$269,000	+3.5%
Perry County, PA	$267,500	+22.3%
Schuykill County, PA	$134,020	-16.2%
York County, PA	$265,000	+6.0%
Central PA	**$275,000**	**+7.8%**

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
Adams County, PA	115	-5.7%	126	-9.4%	9	+2 days
Berks County, PA	370	-21.1%	375	-29.5%	6	+0 days
Cumberland County, PA	301	-7.7%	301	-19.1%	5	-1 day
Dauphin County, PA	309	-4.6%	297	-17.3%	6	+0 days
Franklin County, PA	162	+0.6%	169	-18.4%	9	+1 day
Fulton County, PA	5	-50.0%	3	-76.9%	26	+13 days
Lancaster County, PA	447	-15.2%	455	-23.3%	6	-1 day
Lebanon County, PA	148	+5.0%	122	-24.7%	6	-1 day
Perry County, PA	24	-27.3%	25	-46.8%	9	+2 days
Schuykill County, PA	116	-19.4%	126	-28.0%	8	-3 days
York County, PA	537	-16.0%	607	-17.0%	7	+0 days
Central PA	**2,534**	**-12.5%**	**2,606**	**-21.7%**	**7**	**+0 days**

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	July 2023	vs. July 2022	July 2023	vs. July 2022
Adams County, PA	139	-23.2%	1.53	-8.9%
Berks County, PA	360	-9.8%	1.00	+9.9%
Cumberland County, PA	350	+0.3%	1.39	+23.0%
Dauphin County, PA	302	-17.3%	1.11	+3.7%
Franklin County, PA	227	-7.3%	1.62	+13.3%
Fulton County, PA	8	-46.7%	1.33	-29.3%
Lancaster County, PA	442	-8.5%	1.07	+9.2%
Lebanon County, PA	159	+6.0%	1.28	+25.5%
Perry County, PA	48	-12.7%	1.55	+1.3%
Schuykill County, PA	160	-25.6%	1.42	-18.9%
York County, PA	691	+2.5%	1.45	+30.6%
Central PA	**2,886**	**-7.8%**	**1.26**	**+12.5%**

Mind the Pending Sales Gap

Have you been watching the closing of the gap between pending sales in 2023 and 2022?

Pending sales activity is impacted by demand and supply, both lower 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.

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. Central Pennsylvania's difference was its smallest in 2023 in July, down 12.5%. As rates move even closer, pending sales may track closer to last year's levels this fall.

Local Markets Continued

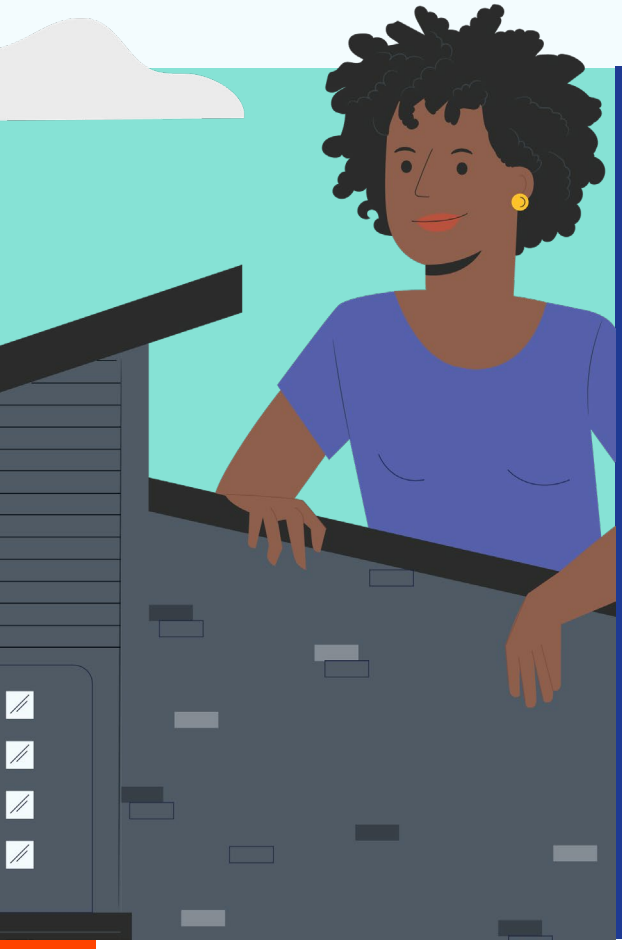
	SHOWINGS		HOME DEMAND INDEX	
	July 2023	vs. July 2022	August 2023	vs. August 2022
Adams County, PA	1,647	-2.3%	60	-15.5%
Berks County, PA	7,428	-11.1%	98	-16.2%
Cumberland County, PA	5,214	-12.1%	104	-17.5%
Dauphin County, PA	5,009	-11.9%	97	-16.4%
Franklin County, PA	1,955	+0.5%	53	-10.2%
Fulton County, PA	41	-16.3%	17	-46.9%
Lancaster County, PA	7,307	-22.5%	129	-20.9%
Lebanon County, PA	1,958	-11.6%	96	-20.7%
Perry County, PA	553	+11.7%	58	-24.7%
Schuykill County, PA	1,358	-24.0%	49	-21.0%
York County, PA	9,229	-6.2%	97	-10.2%
Central PA	**41,699**	**-12.0%**	**91**	**-16.5%**

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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