

# August 2023 Market Report Washington, D.C. Metro

## Washington, D.C. Market Key Findings

**Home prices slid over the summer but remain high**  
**Competition remains strong in the Washington, D.C. area housing market**

In August, the median home price in the Washington, D.C. metro area was \$585,000 which is down from the peak of \$600,000 in June. However, prices are still rising year-over-year, with the August median home price up 5.4% compared to last year at this time.

Compared to a year ago, prices are rising fastest for townhomes and condominiums, which tend to be more affordable than single-family detached homes in the Washington area. But more buyers are being priced out of the market. New pending sales are significantly lower than they would be in a more typical housing market, and showings are also down.

Even with fewer buyers in the market, low inventory continues to be a constraint. Active listings at the end of August were down 18.1% compared to a year ago. Available inventory is just half of what it was prior to the pandemic, with the supply of detached homes most constrained at only a third of pre-pandemic levels.

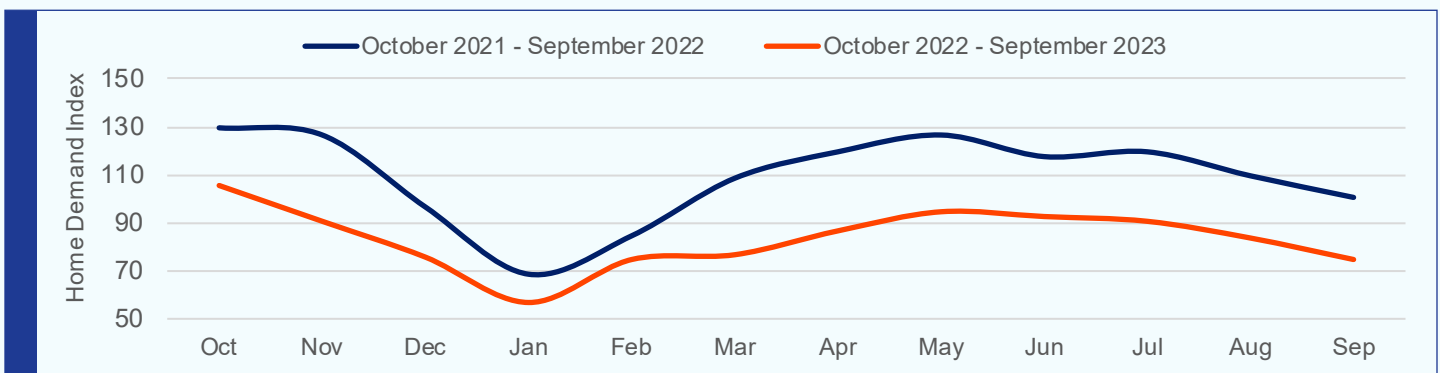
	August 2023		vs. August 2022
Closed sales	4,583	▼	-13.9%
Median sales price	\$585,000	▲	+5.4%
Median days on market	8	▼	-4 days
New pending sales	4,137	▼	-19.0%
New listings	4,649	▼	-21.3%
Active listings	5,965	▼	-18.1%
Months of supply	1.40	▲	+14.8%
Showings	87,579	▼	-18.2%

### Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), demand in the Washington, D.C. metro dropped from August to September. Although both months had Slow market conditions, there was a 9-point drop to 75.

The HDI in Washington, D.C. was 101 last September which classified market conditions as Steady.

## Bright MLS T3 Home Demand Index



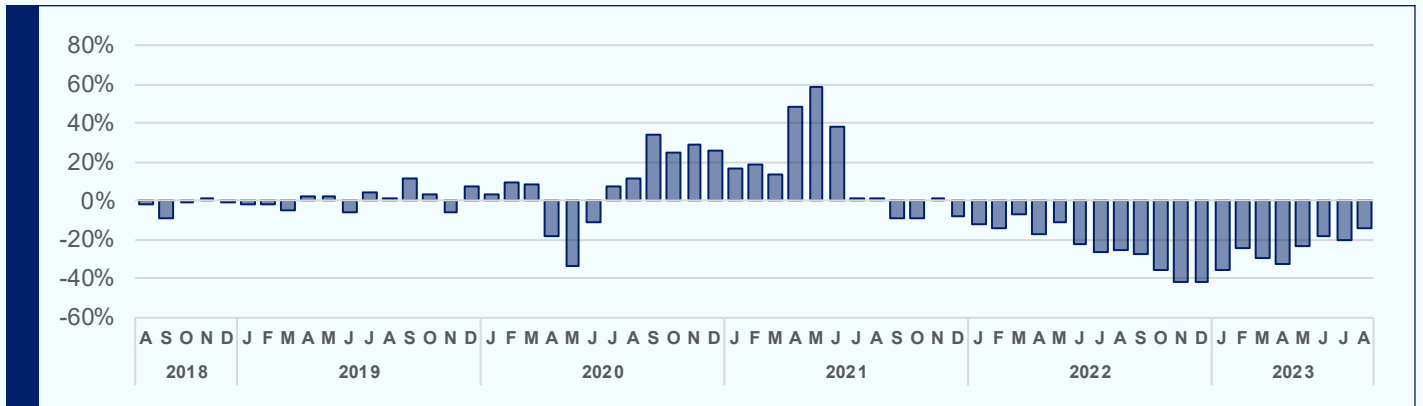
## Market Outlook

Despite high prices and elevated mortgage rates, prices are rising again this summer because of the serious lack of supply in the Washington, D.C. metro area. Affordability is a growing concern, particularly for first-time homebuyers in the region. There are signs that more choices will be available to buyers who may be looking to move into the city or purchase a condominium, as new listing activity has expanded somewhat in more urban submarkets.

Overall, however, expect new listing activity to remain very low throughout the rest of the year. There will be small gains in month-end active listings in the Washington, D.C. metro area as sales activity contracts. Supply will still be an obstacle to a balanced housing market, and home prices should remain stable in the region this year.

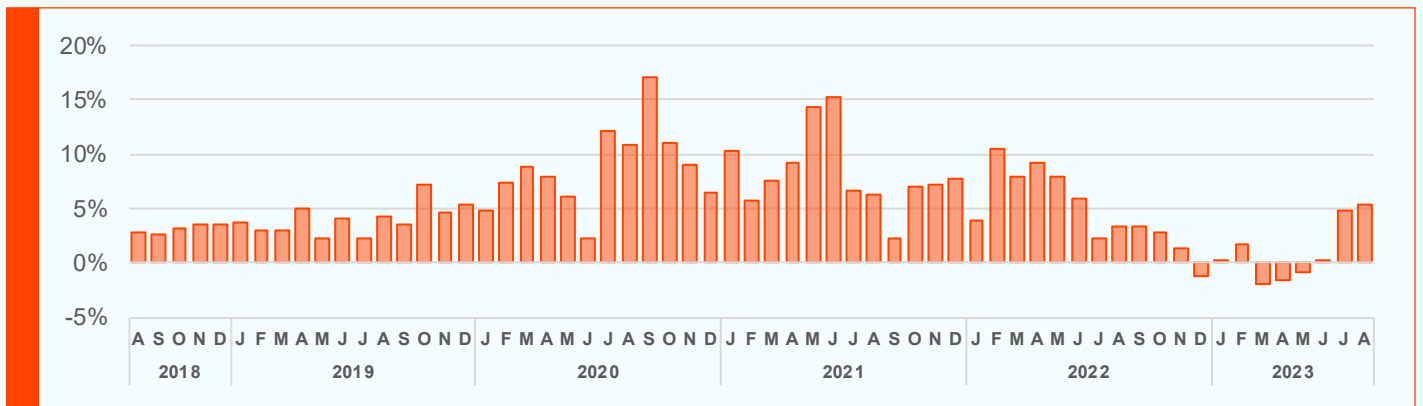
## Closed Sales Year-Over-Year Change

The Washington, D.C. metro had 4,583 closed sales in August 2023. This is down 13.9% overall from last year with detached homes seeing the largest year-over-year decrease in sales by 17.3%. Sales are down 27.7% from what they were at this time in 2019, a more regular year.



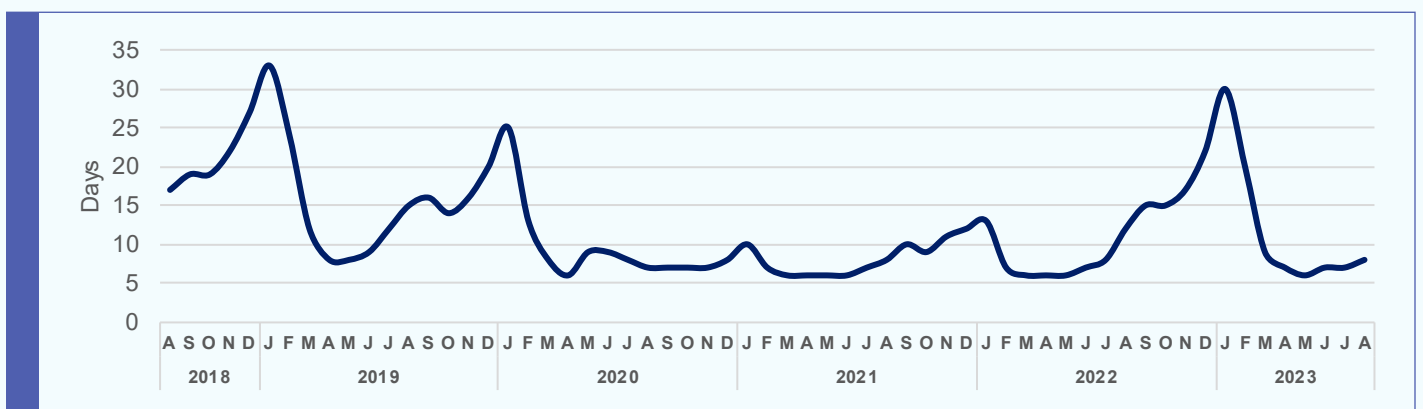
## Median Sale Price Year-Over-Year Change

The median sales price in the Washington, D.C. metro landed at \$585,000 in August. This is up 5.4% from last year and is the 3<sup>rd</sup> month in a row for year-over-year increases. Compared to last month, the median condo price rose fast, up 1.9% month-to-month.



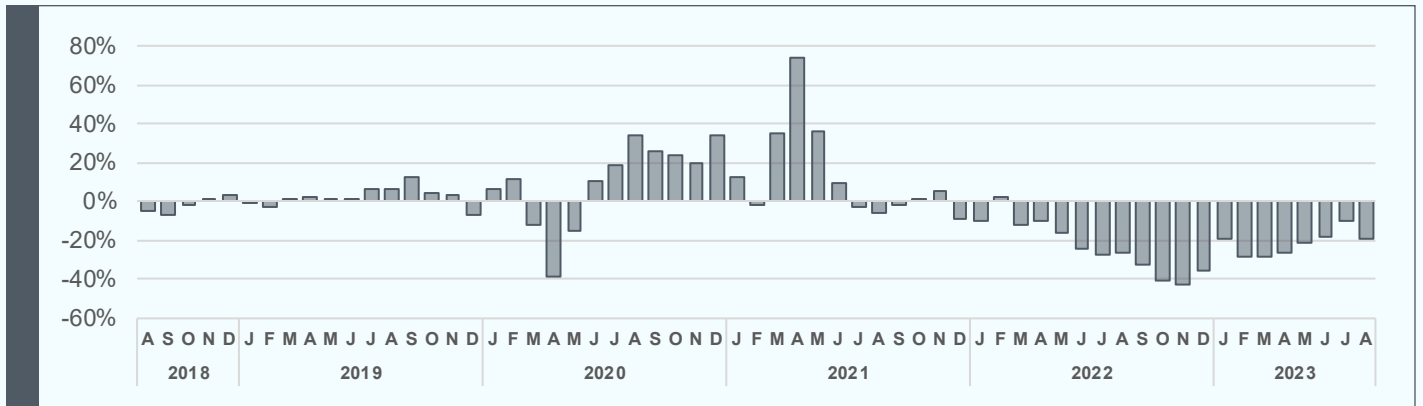
## Median Days on Market

The median days on market is up one day from July to eight. This is a sharp decrease of four days from this time last year, and condos have experienced its 3<sup>rd</sup> decrease in a row year-over-year by five days this month. Median days on market has ticked up a little, however, through the summer months.



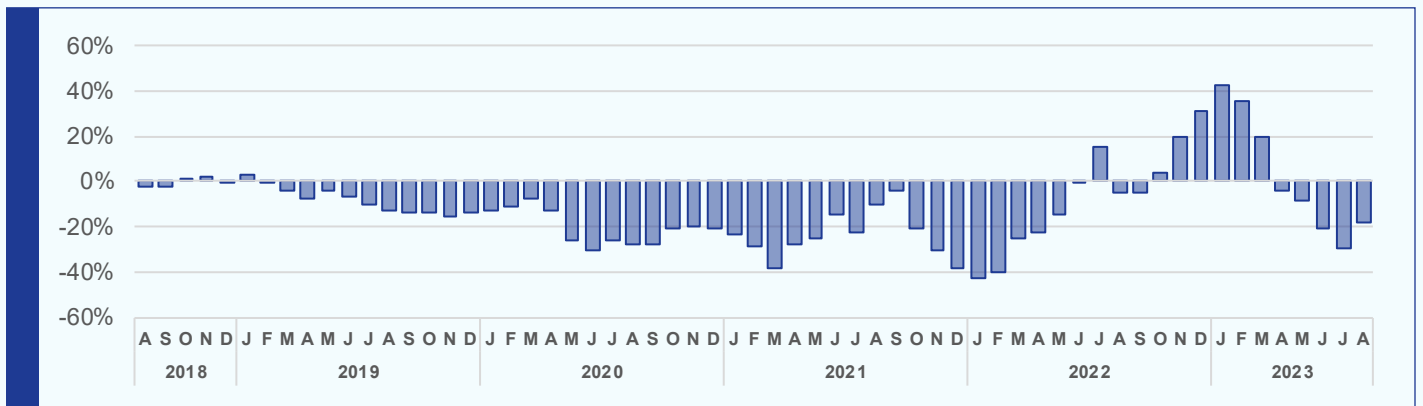
## New Pending Sales Year-Over-Year Change

There were 4,137 new pending sales for the month of August, which is down 19% from last year. Attached homes had the greatest year-over-year decrease in new pending sales at 22.4%. New pending sales are down 24.6% from what they were in 2019, a more regular year.



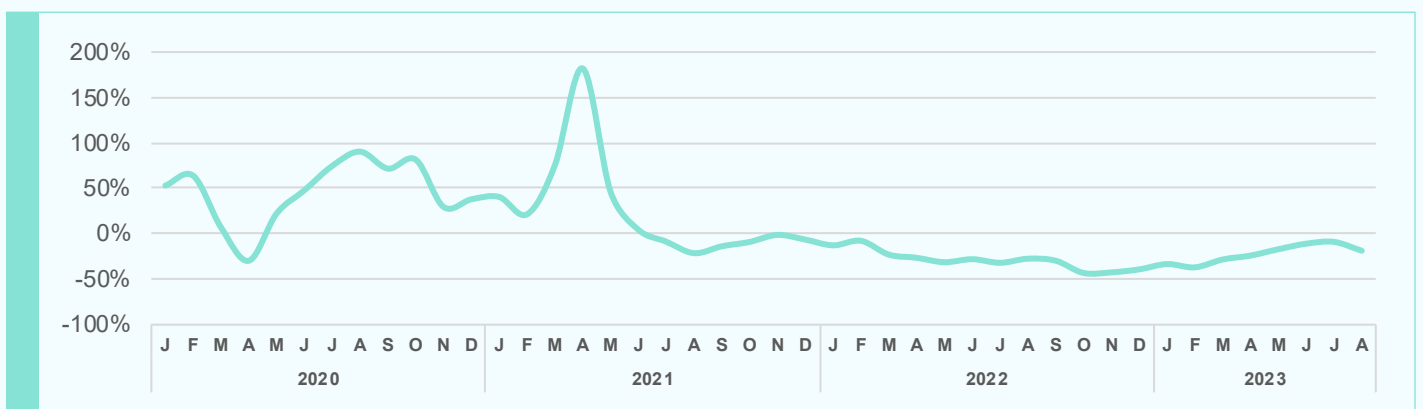
## Active Listings Year-Over-Year Change

There were 5,965 listings in the Washington, D.C. metro for the month of August, which is an 18.1% decrease overall from this time last year. While active listings are up 4.1% overall from last month, inventory is only about half of what it was in 2019 at this time. This short supply will continue to put strain on buyers.



## Showings

Showings are down 18.2% from last year, landing at 87,579 for the month of August. Down 14.5% from last month, this is the first month that showings have dipped below 100,000 since January of this year.



## Local Markets

Median home prices rose sharply in Alexandria City, VA (+14.7%) and Fairfax County, VA (+12.6%), which reflects strong demand and also a shift to higher-end transactions. Prices were up in all jurisdictions, except Washington, DC (-1.6%) and Falls Church City, VA (-9.0%), which is a small market with frequent price volatility.

Supply jumped in DC and Falls Church in August, but the number of active listings was down in all other local markets. Fresh listings are hard to come by, with the number of new listings down by more than 20% in Fairfax County, VA and in the Maryland suburbs of Montgomery, Prince George's, and Frederick counties.

Buyers must act quickly, as the median days on market declined in most jurisdictions. In Alexandria City, VA and in Frederick and Montgomery counties in Maryland, the median days on market in August was just seven, meaning half of all homes sold in a week or less.



### CLOSED SALES

	August 2023	vs. August 2022
Alexandria City, VA	196	-6.7%
Arlington County, VA	192	-18.6%
Fairfax City, VA	33	+0.0%
Fairfax County, VA	1,100	-12.8%
Falls Church City, VA	14	+27.3%
Frederick County, MD	340	-24.9%
Loudoun County, VA	462	-13.3%
Montgomery County, MD	902	-15.1%
Prince George's County, MD	729	-12.0%
Washington, DC	615	-11.4%
<b>Washington DC Metro</b>	<b>4,583</b>	<b>-13.9%</b>

### MEDIAN SALES PRICE

	August 2023	vs. August 2022
Alexandria City, VA	\$623,500	+14.7%
Arlington County, VA	\$685,000	+7.1%
Fairfax City, VA	\$750,000	+25.0%
Fairfax County, VA	\$715,000	+12.6%
Falls Church City, VA	\$832,500	-9.0%
Frederick County, MD	\$465,100	+3.4%
Loudoun County, VA	\$686,000	+3.9%
Montgomery County, MD	\$575,000	+1.6%
Prince George's County, MD	\$425,000	+6.3%
Washington, DC	\$639,000	-1.6%
<b>Washington DC Metro</b>	<b>\$585,000</b>	<b>+5.4%</b>

## Local Markets Continued

	NEW PENDINGS		NEW LISTINGS		MEDIAN DAYS ON MARKET	
	August 2023	vs. August 2022	August 2023	vs. August 2022	August 2023	vs. August 2022
Alexandria City, VA	165	-10.8%	165	-15.4%	7	-6 days
Arlington County, VA	177	-19.5%	217	-7.3%	11	-5 days
Fairfax City, VA	20	-16.7%	34	+9.7%	7	-8 days
Fairfax County, VA	928	-17.4%	976	-24.9%	6	-6 days
Falls Church City, VA	14	+0.0%	18	+5.9%	10	+4 days
Frederick County, MD	311	-28.2%	345	-28.6%	7	-2 days
Loudoun County, VA	389	-23.7%	445	-23.1%	6	-6 days
Montgomery County, MD	787	-26.3%	818	-23.3%	7	-2 days
Prince George's County, MD	872	-7.0%	866	-22.3%	9	-2 days
Washington, DC	474	-20.1%	765	-13.6%	21	+1 day
<b>Washington DC Metro</b>	<b>4,137</b>	<b>-19.0%</b>	<b>4,649</b>	<b>-21.3%</b>	<b>8</b>	<b>-4 days</b>

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	August 2023	vs. August 2022	August 2023	vs. August 2022
Alexandria City, VA	177	-12.8%	1.04	+26.8%
Arlington County, VA	285	-23.6%	1.47	+5.8%
Fairfax City, VA	35	-12.5%	1.40	+15.7%
Fairfax County, VA	979	-35.9%	1.00	-8.3%
Falls Church City, VA	16	+45.5%	1.45	+83.5%
Frederick County, MD	322	-24.2%	0.96	+6.7%
Loudoun County, VA	467	-27.6%	1.15	+4.5%
Montgomery County, MD	845	-24.1%	1.04	+8.3%
Prince George's County, MD	1,038	-18.1%	1.43	+9.2%
Washington, DC	1,801	+7.3%	3.05	+47.3%
<b>Washington DC Metro</b>	<b>5,965</b>	<b>-18.1%</b>	<b>1.40</b>	<b>+14.8%</b>

### Hundreds of Dollars More A Month

In the middle of August, the 30-year fixed mortgage rate surpassed 7% after hovering in the mid-6's for months.

The difference between a 6% and 7% rate means hundreds of dollars each month, especially in higher-cost areas like Washington, D.C.. Using the metro's median sale price of \$585,000, the difference in a monthly payment is nearly \$350.

Not only does a mortgage rate at this level impact affordability, but it also creates a mental burden. Mortgage rates have surpassed their high from November 2022 and are the highest in two decades.

While buyers may think enough is enough, sellers are also holding back too, which will keep prices firm.

## Local Markets Continued

	SHOWINGS		HOME DEMAND INDEX	
	August 2023	vs. August 2022	September 2023	vs. September 2022
Alexandria City, VA	2,590	-20.5%	104	-23.5%
Arlington County, VA	3,596	-12.7%	126	-25.0%
Fairfax City, VA	471	+24.9%	70	-12.5%
Fairfax County, VA	19,779	-20.8%	79	-33.1%
Falls Church City, VA	187	-17.6%	117	+0.0%
Frederick County, MD	5,166	-23.8%	55	-28.6%
Loudoun County, VA	7,637	-20.7%	72	-36.3%
Montgomery County, MD	18,014	-22.9%	65	-27.8%
Prince George's County, MD	19,627	-9.6%	83	-17.8%
Washington, DC	10,512	-17.0%	71	-15.5%
<b>Washington DC Metro</b>	<b>87,579</b>	<b>-18.2%</b>	<b>75</b>	<b>-25.7%</b>

## 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](https://www.brightmls.com/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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