bright MLS

DATA AS OF September 6, 2023

August 2023 Market Report
Philadelphia Metro

Philadelphia Market Key Findings

	August 2023		vs. August 2022
Closed sales	6,150	▼	-19.9%
Median sales price	$370,000	▲	+5.7%
Median days on market	9	▼	-1 day
New pending sales	5,861	▼	-19.8%
New listings	6,846	▼	-16.7%
Active listings	9,460	▼	-14.9%
Months of supply	1.70	▲	+14.1%
Showings	134,399	▼	-14.4%

Home Prices Up Again in August
High mortgage rates have not slowed price growth in the Philadelphia area market

In August, the median sales price in the Philadelphia metro was $370,000, matching the region's record high and up 5.7% from a year ago. Prices have risen faster in the Philadelphia area than in many other parts of the country, fueled by strong demand and relative affordability.

Inventory is also incredibly low in the region. At the end of August, there were just 9,460 active listings across the metro area, which is down 14.9% below last August. The tightest inventory in the region is in the suburbs where there is less than 1.5 months of supply.

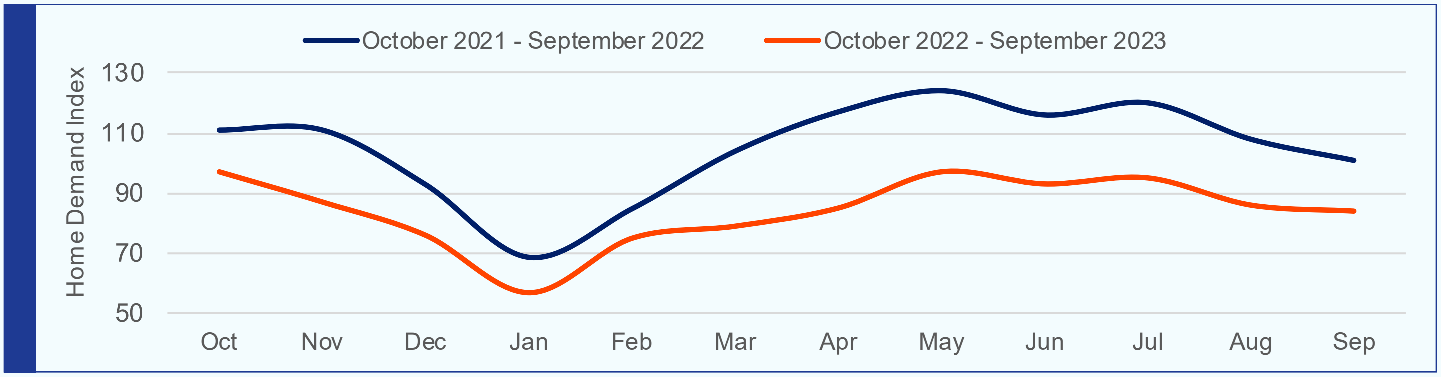
The market heated up in August with a median days on market of just nine, one day faster than a year earlier. This is the first year-over-year decline in median days on market since March 2022. The market is competitive with multiple offers and offers over list still common.

Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), market activity has eased as it typically does in the fall. Philadelphia's HDI in September was 84 and marks the second month in a row of Slow market conditions.

Last year the HDI for Philadelphia showed Steady demand, at 101.

Bright MLS T3 Home Demand Index



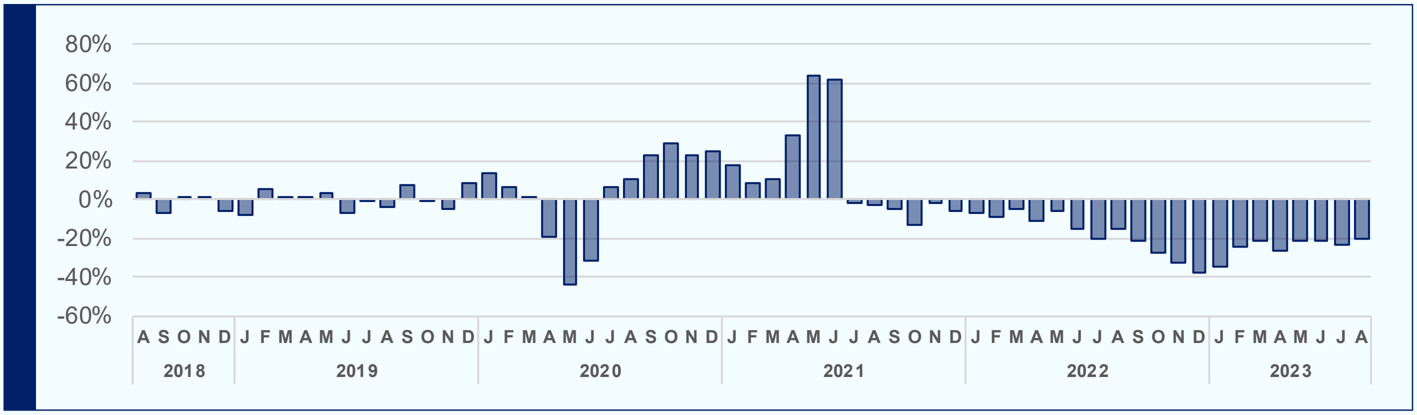
Market Outlook

Prices have escalated in the Philadelphia metro area. The median sales price is now more than 30% higher than it was before the pandemic. Affordability is a growing challenge, but despite higher payments, buyers have remained active in the Philadelphia market. The region's suburban submarkets have remained particularly competitive.

Low inventory has been the primary driver of the sustained price growth in the region. New listing activity is expected to remain very low throughout the rest of the year. While there will be small gains in month-end active listings as pending sales activity contracts, supply is still going to be very low, and prices will likely continue to rise.

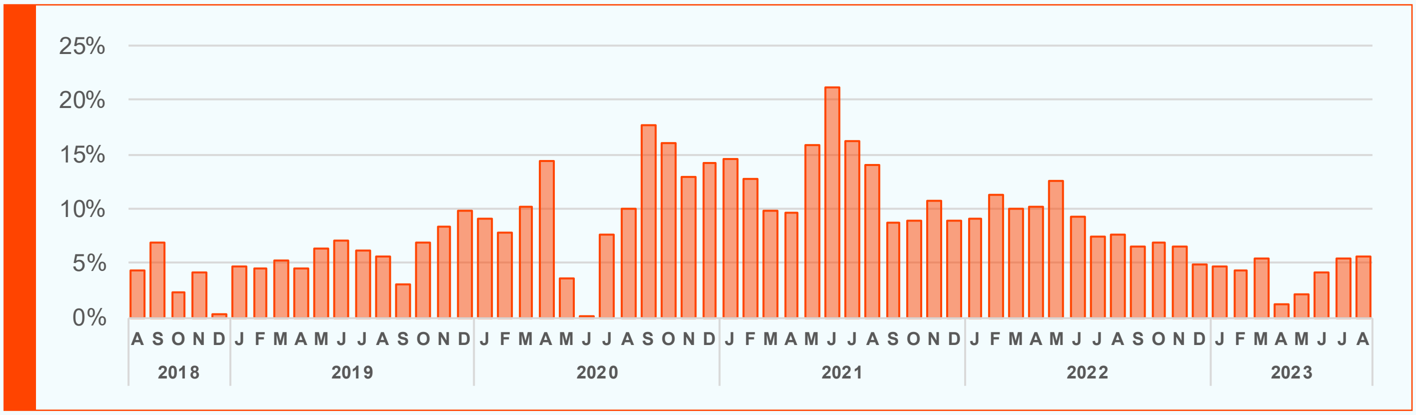
Closed Sales Year-Over-Year Change

There were 6,150 closed sales in the Philadelphia metro in August 2023. Overall, the number of sales is 19.9% lower than this time last year. Detached homes saw the greatest decrease over other home types, with 21% fewer sales year-over-year.



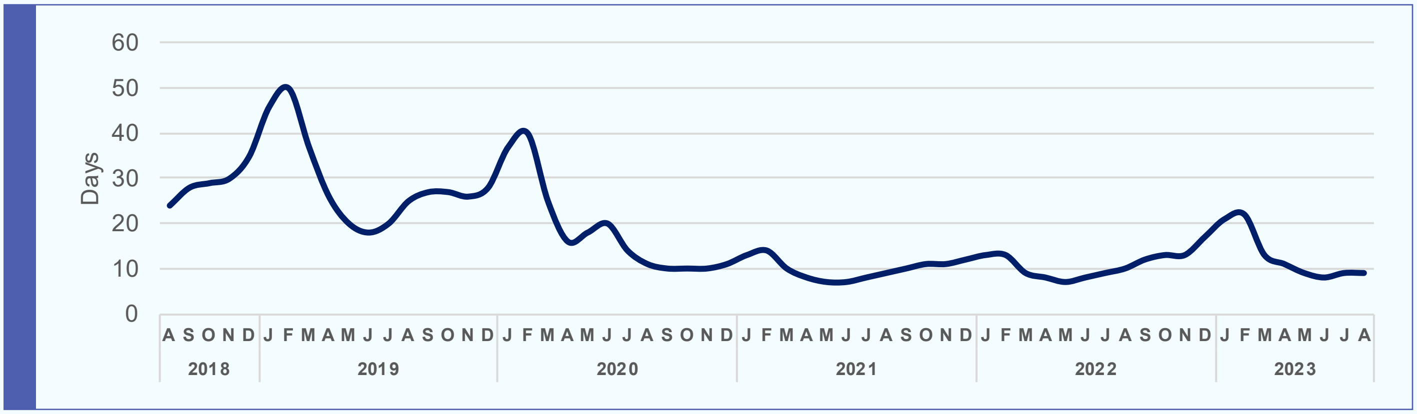
Median Sale Price Year-Over-Year Change

The median sales price landed at $370,000 for August, which is 5.7% higher than it was this time last year. Prices of condos were up the most year-over-year, at 9.6%, and they were also the only home type to see a small month-to-month increase (2.0%).



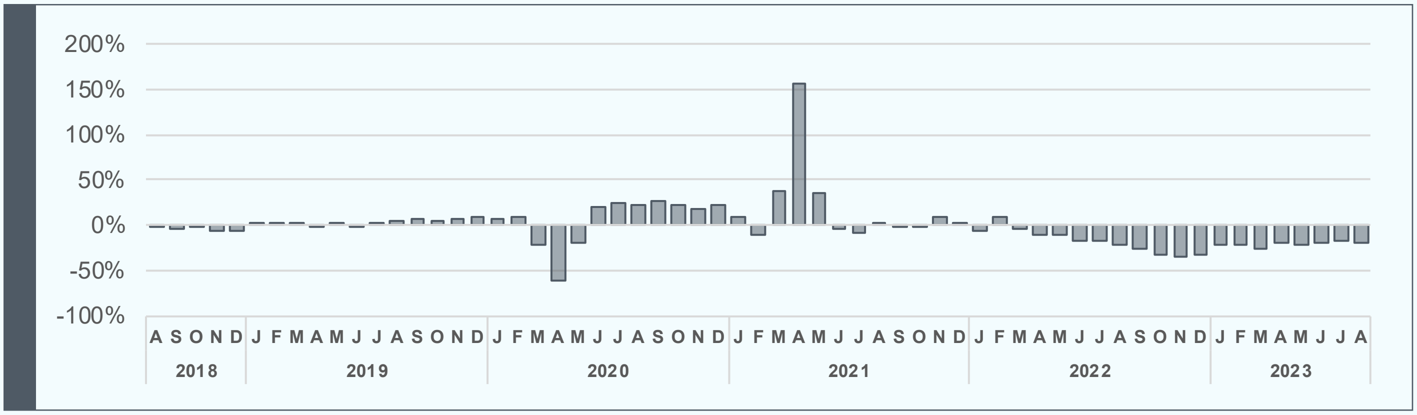
Median Days on Market

The median days on market stayed flat from last month at nine. This is one day less than this time last year, and this is the first decrease in days on market year-over-year since March 2022. Since last month, the time on market for detached homes stayed the same (9), and attached homes and condos were both up one day, to 11 and 9, respectively.



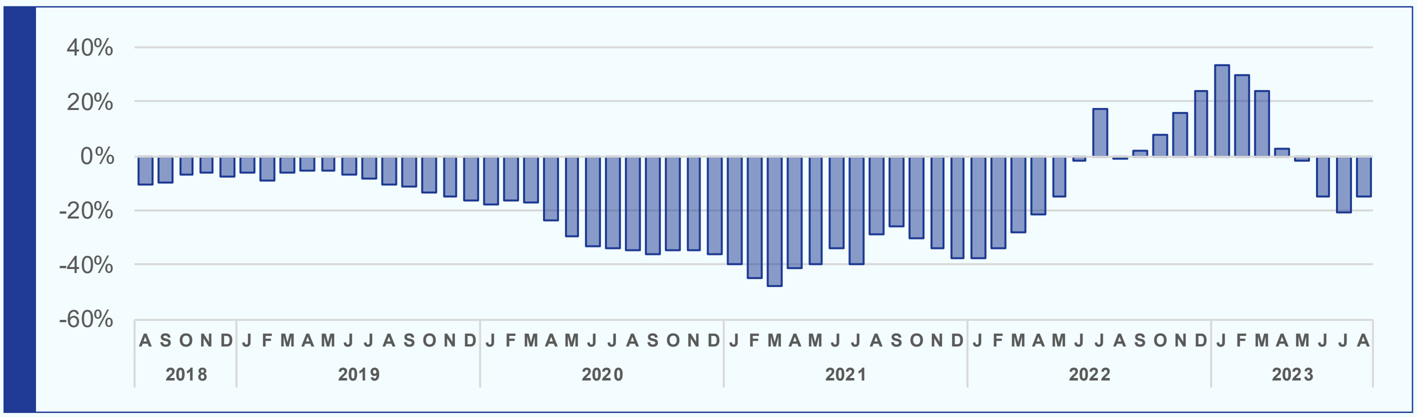
New Pending Sales Year-Over-Year Change

There were 5,861 new pending sales in August in the Philadelphia metro, which is 19.8% lower than the same time last year. Since last month, new pendings have ticked down just slightly at 0.7%.



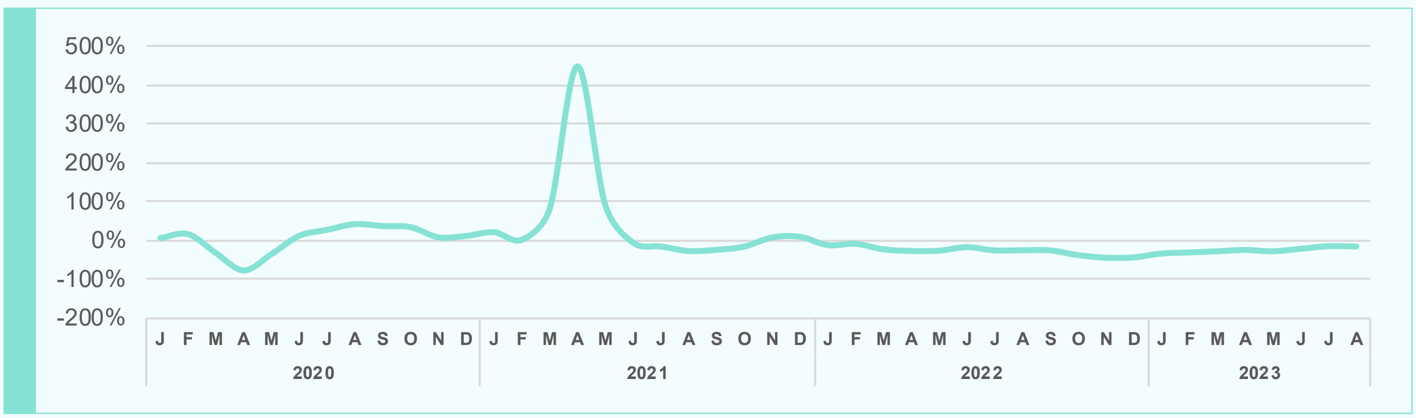
Active Listings Year-Over-Year Change

The Philadelphia metro had 9,460 listings the month of August. This is the 4th month in a row of overall year-over-year decreases, down 14.9% in August 2023 compared to August 2022. Supply is consistently putting a strain on buyers as there are only 40% of the active listings available that there were in August 2019, which was a more regular year.



Showings

In August, showings in the Philadelphia metro area are once again down, with a 14.4% year-over-year decline. At 134,399 showings, this is the 4th month in a row of declines month-to-month.



Local Markets

In August, median sales prices were up in nearly all local markets across the Philadelphia metro area. In several suburban counties, prices were up by more than 10% year-over-year, hitting new record highs. The median price in Philadelphia County fell by 1.9% in August, while there was a similar dip in New Castle County, DE.

Despite those outliers, low supply continues to put upward pressure on home prices throughout the region. Inventory is down compared to last year, but there is a lot of variation. As measured by months of supply, the tightest inventory is in Bucks County, PA and Montgomery County, PA, where there is just over one month of supply.

Homes continue to sell as quickly as they were during the height of the pandemic housing market. Barring Philadelphia County, the median days on market was down one day in August compared to a year ago.

CLOSED SALES

	August 2023	vs. August 2022
Bucks County, PA	623	-23.8%
Burlington County, NJ	510	-19.0%
Camden County, NJ	498	-23.7%
Chester County, PA	595	-12.6%
Delaware County, PA	546	-22.2%
Gloucester County, NJ	315	-24.3%
Kent County, DE	249	+1.2%
Mercer County, NJ	343	-22.2%
Montgomery County, PA	794	-24.0%
New Castle County, DE	502	-22.9%
Philadelphia County, PA	1,175	-15.9%
Philadelphia Metro	**6,150**	**-19.9%**

MEDIAN SALES PRICE

	August 2023	vs. August 2022
Bucks County, PA	$475,000	+4.9%
Burlington County, NJ	$365,000	+12.3%
Camden County, NJ	$320,000	+6.7%
Chester County, PA	$533,000	+13.2%
Delaware County, PA	$334,500	+2.0%
Gloucester County, NJ	$325,000	+8.3%
Kent County, DE	$326,000	+1.9%
Mercer County, NJ	$425,000	+10.4%
Montgomery County, PA	$460,000	+10.8%
New Castle County, DE	$345,000	-1.4%
Philadelphia County, PA	$265,000	-1.9%
Philadelphia Metro	**$370,000**	**+5.7%**

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**
Bucks County, PA	520	-27.3%	537	-24.7%	7	-1 day
Burlington County, NJ	543	-17.6%	534	-22.6%	13	-1 day
Camden County, NJ	498	-23.9%	599	-18.4%	12	-1 day
Chester County, PA	465	-16.7%	551	-6.0%	6	-1 day
Delaware County, PA	510	-13.4%	554	-9.5%	7	-1 day
Gloucester County, NJ	333	-23.1%	357	-21.9%	12	-1 day
Kent County, DE	210	-25.8%	233	-19.4%	12	-1 day
Mercer County, NJ	338	-20.5%	371	-15.7%	11	-1 day
Montgomery County, PA	722	-22.0%	755	-17.3%	6	-1 day
New Castle County, DE	502	-26.0%	527	-18.4%	6	-1 day
Philadelphia County, PA	1,220	-12.2%	1,828	-14.4%	22	+3 days
Philadelphia Metro	**5,861**	**-19.8%**	**6,846**	**-16.7%**	**9**	**-1 day**

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	August 2023	**vs. August 2022**	**August 2023**	**vs. August 2022**
Bucks County, PA	558	-18.7%	1.08	+5.9%
Burlington County, NJ	569	-28.2%	1.17	-5.6%
Camden County, NJ	582	-26.9%	1.25	-3.1%
Chester County, PA	583	+2.1%	1.29	+40.2%
Delaware County, PA	567	-7.8%	1.18	+24.2%
Gloucester County, NJ	389	-18.8%	1.33	+5.6%
Kent County, DE	371	-0.3%	1.84	+28.7%
Mercer County, NJ	378	-28.3%	1.35	-3.6%
Montgomery County, PA	795	-17.9%	1.11	+12.1%
New Castle County, DE	557	-9.3%	1.18	+28.3%
Philadelphia County, PA	4,111	-12.4%	3.47	+18.0%
Philadelphia Metro	**9,460**	**-14.9%**	**1.70**	**+14.1%**

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 to a buyer each month. Using the Philadelphia's median sale price of $370,000, the difference in a monthly payment is $219.

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
Bucks County, PA	11,675	-15.9%	99	-20.8%
Burlington County, NJ	12,635	-15.0%	66	-20.5%
Camden County, NJ	14,444	-17.9%	71	-19.3%
Chester County, PA	9,269	-20.4%	94	-12.1%
Delaware County, PA	11,205	-18.6%	100	-14.5%
Gloucester County, NJ	8,535	-24.8%	63	-21.3%
Kent County, DE	3,657	-20.8%	106	-20.3%
Mercer County, NJ	8,201	-6.7%	61	-15.3%
Montgomery County, PA	16,897	-13.6%	100	-17.4%
New Castle County, DE	11,459	-15.0%	98	-19.0%
Philadelphia County, PA	26,422	-4.1%	83	-13.5%
Philadelphia Metro	**134,399**	**-14.4%**	**84**	**-16.8%**

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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