DATA AS OF JULY 7, 2022

# June 2022 Market Report
## Washington Metro

## Washington Market Key Findings

### Cooling Market with Slower Price Growth Anticipated

The Washington area housing market is slowing compared to the frenzied pace of the last two years. Rising prices and higher mortgage rates have eased demand, leading to a drop in home sales activity and slower price growth. In June, both closed sales and new pending contracts were down more sharply than at any time since the COVID-19 pandemic hit in the spring of 2020.

Home prices across most of the region rose in June; however, the pace of price growth has slowed. At nearly $600,000, the median regionwide sales price was up 5.8%, the slowest year-over-year price gain since January.

Buyers that are in the market still face a competitive environment. Homes continued to sell very quickly in May, with half of all homes selling in 6 days or less.

Inventory has bottomed out in the region, with big increases in the availability of both single-family detached homes and townhomes in many local markets.

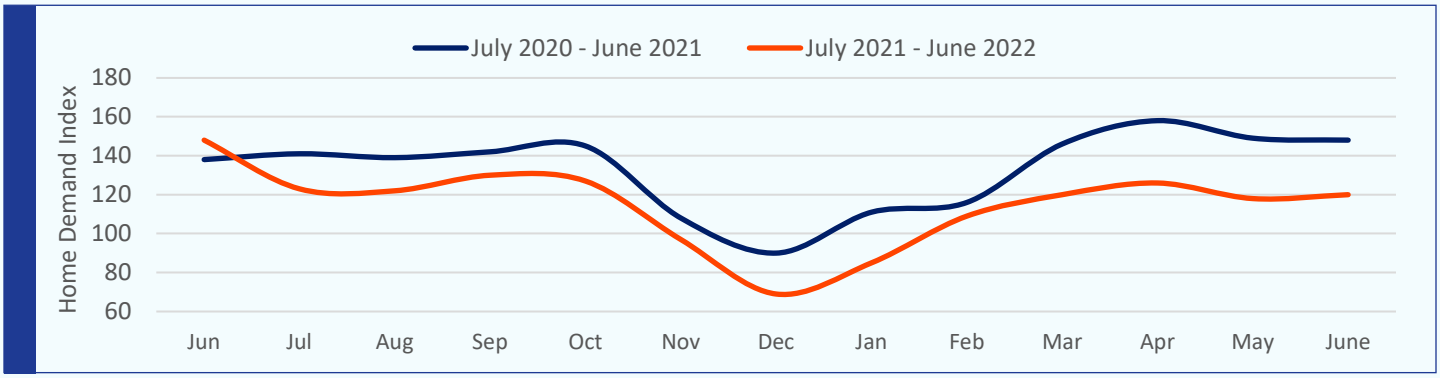
| | June 2022 | vs. June 2021 |
|---|---|---|
| Closed sales | 6,653 | ▼ -22.9% |
| Median sales price | $598,032 | ▲ +5.8% |
| Median days on market | 7 | ▲ +1 |
| New pending sales | 6,011 | ▼ -24.3% |
| New listings | 9,018 | ▼ -13.8% |
| Active listings | 7,473 | ▼ -0.5% |
| Months of supply | 0.95 | ▼ -13.0% |
| Showings | 125,094 | ▼ -27.5% |

### Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), buyer demand has been significantly lower this spring than it was last spring. The HDI for the Washington metro area was **120 in June (Moderate)**, down from 148 a year ago (High) and up slightly from May (118).

Demand for higher-priced homes is beginning to ease. In June, the HDI fell for higher-priced single-family homes and condos. Buyer demand increased in June for townhomes in the Washington area though activity remained Moderate.

## Bright MLS T3 Home Demand Index

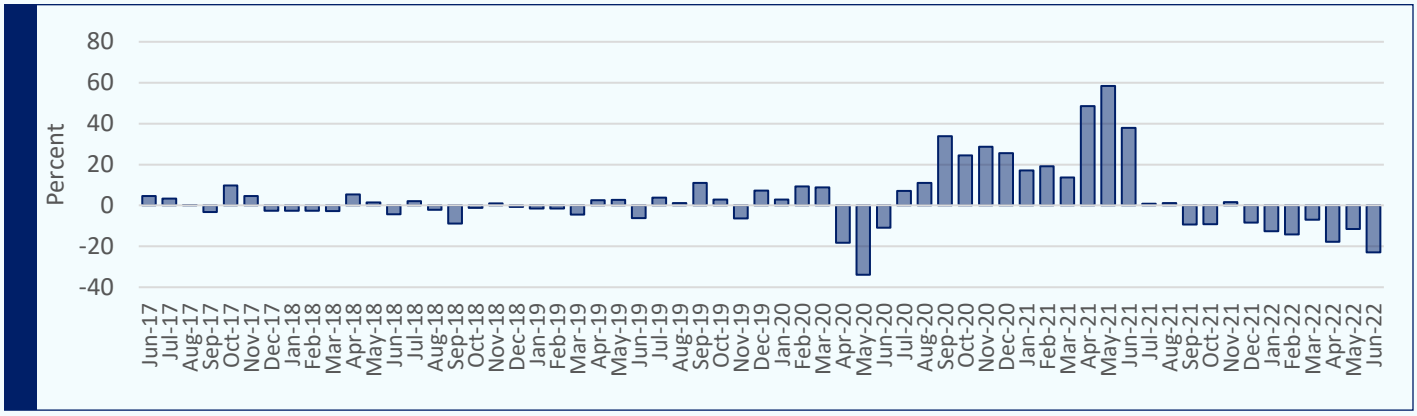



## Market Outlook

Housing market conditions throughout the Washington metro area are cooling as a result of rising mortgage rates and high home prices. Prices of single-family detached homes and townhomes continued to rise strongly in June; however, an influx of inventory this month suggests that price growth will moderate further over the summer. The townhome and condo markets will perform better than the single-family detached market, as prospective buyers will look for values.

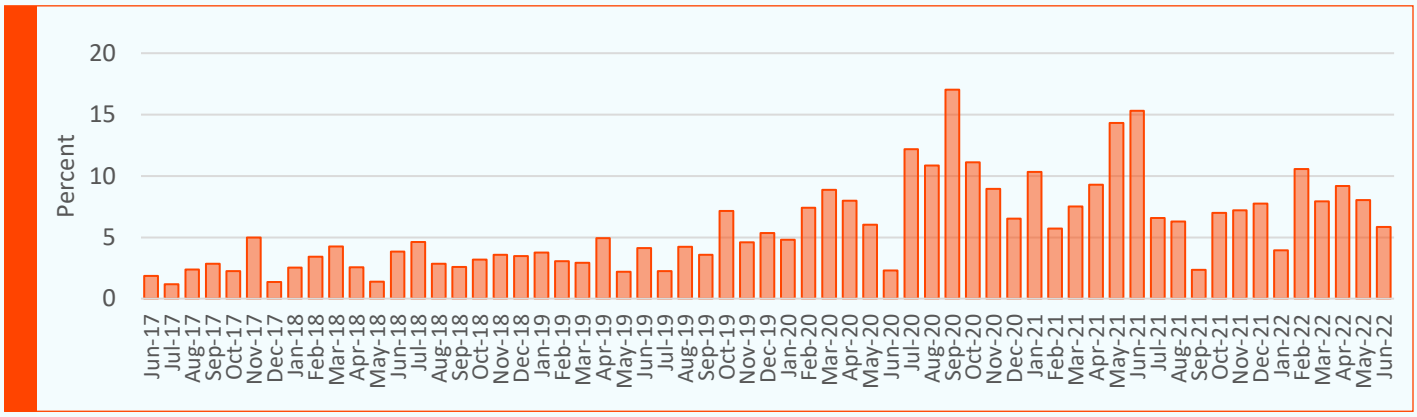
## **Closed Sales** Year-Over-Year Change

There were 6,653 home sales in June in the Washington metro area. Sales were down 22.9% compared to a year ago, which is 785 fewer sales. This is the 7th consecutive month of year-over-year sales declines, but this month's drop is the largest since May of 2020 when the COVID-19 pandemic forced widespread closures. Sales were down across housing types, with sales of single-family detached homes falling the most (-25.2%).



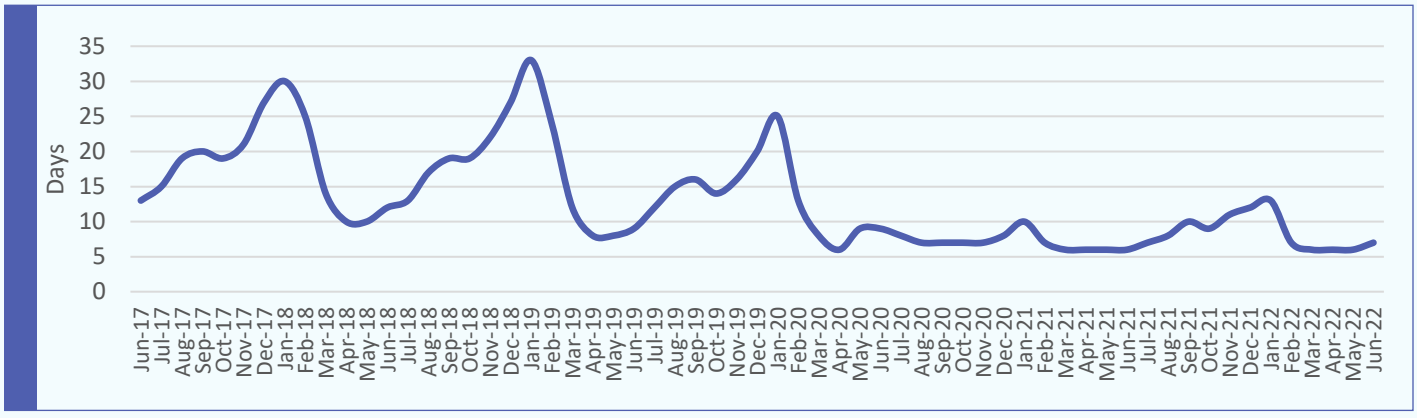

## **Median Sales Price** Year-Over-Year Change

The median sales price was $598,032 in June, which is up 5.8% compared to a year ago. After two years of strong price growth, the region's median price is $108,000 higher than it was in June 2020. Price growth has begun to moderate in the region, with the most notable impact in the condominium market where the median price rose by just 1.1% between June 2021 and June 2022.



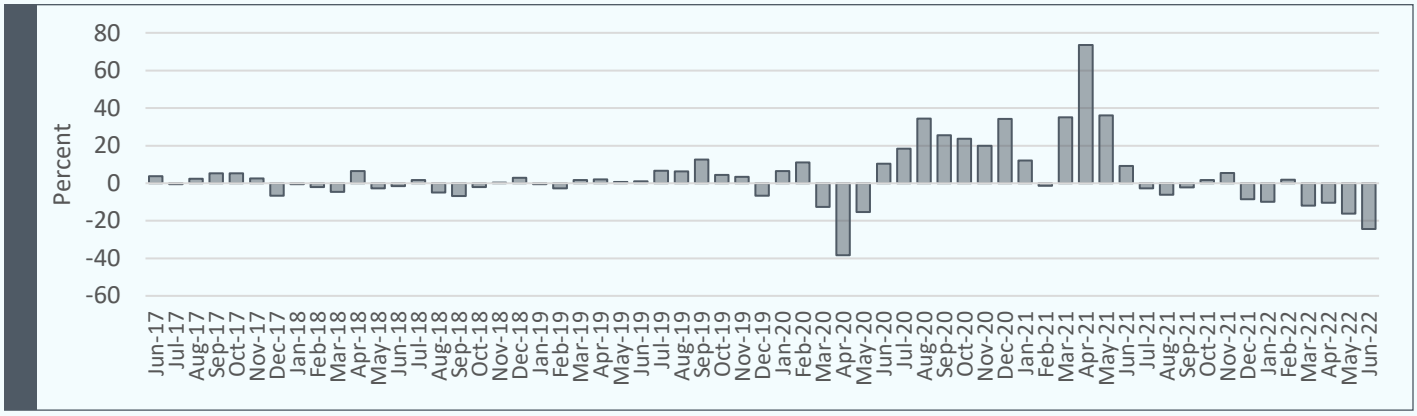

## **Median Days on Market**

While homes are still selling quickly, the median days on market has begun to increase in the region. The median days on market was 7 in June, which is 1 day longer than in both June 2021 and in May 2022. This is the first year-over-year increase in days on market since January 2022.



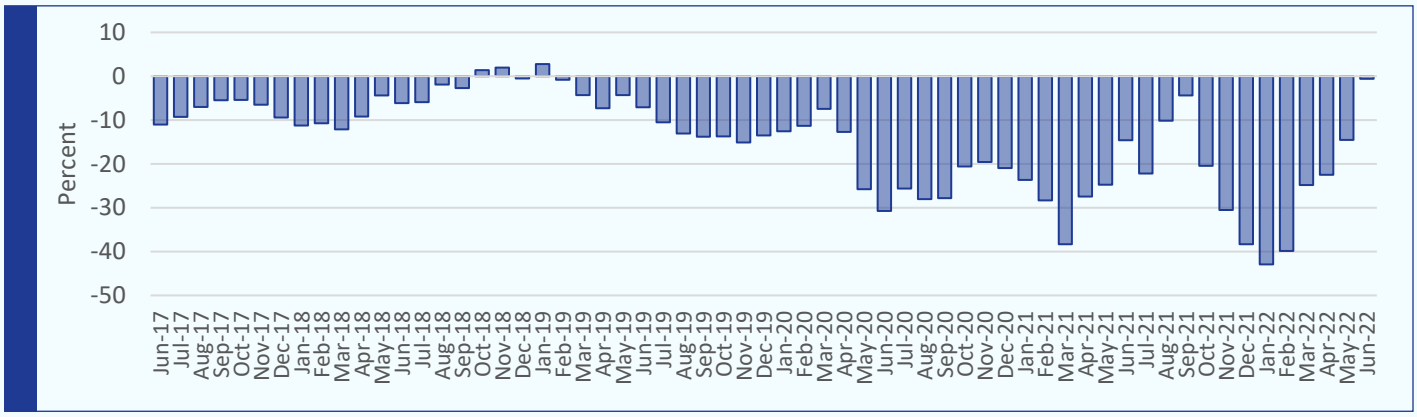
## **New Pending Sales** Year-Over-Year Change

There were 6,011 pending sales in June, which was down sharply, falling by 24.3% compared to a year ago. This is the 4th consecutive month of year-over-year declines and is the lowest June pending sales total in the region since 2014. New contract activity was down among all housing types.



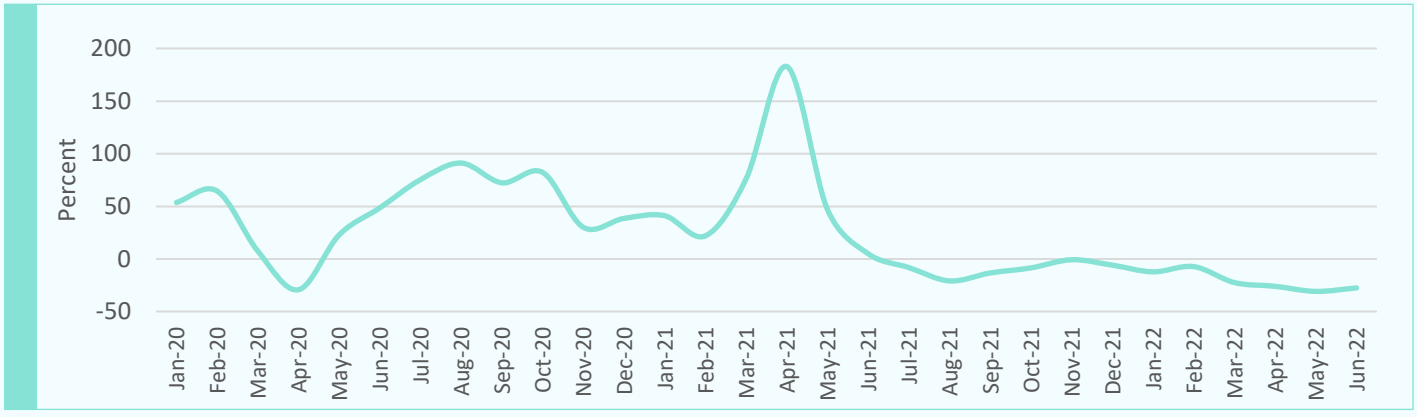

## **Active Listings** Year-Over-Year Change

At the end of June, there were 7,473 active listings across the region, which is down by just 0.5% compared to a year ago. Inventory in the region appears to have bottomed out, with single-family detached inventory increasing by 13.1% and townhome inventory up 21.4% this month. Condo inventory in the region continued to fall in June.




## **Showings** Year-Over-Year Change

There were 125,094 showings across the Washington metro area in June, down 27.5% compared to a year ago. This is the 12th consecutive month of year-over-year declines in showings. The decline in showing activity is greater in the Washington area than it is in the Baltimore and Philadelphia regions.



## Local Markets

Housing market activity has peaked across most local markets in the Washington metro area. New pending sales activity declined dramatically year-over-year in most counties and cities, with the biggest declines in the Northern Virginia suburbs—Falls Church City (-40.9%), Arlington County (-33.2%), Fairfax County (-32.6%), and Loudoun County (-31.0%).

The biggest market transition has been in Loudoun County, VA, where sales activity is down and inventory increased by 61.7% between June 2021 and June 2022. Active listings also rose in Prince George's County, MD (+28.8%), Frederick County, MD (+11.6%), and Washington, DC (+8.6%). Inventory declined in other Washington area jurisdictions.

Home prices continued to climb in most markets, but the pace of price growth is moderating. Declines in median prices in Alexandria City and Arlington County, VA reflect a shift to more condo sales this month. The fastest price growth in June was in Frederick County, MD (+17.0%) and Fairfax City, VA.



**CLOSED SALES**

| | June 2022 | vs. June 2021 |
|---|---|---|
| Alexandria City, VA | 301 | -1.6% |
| Arlington County, VA | 286 | -22.5% |
| Fairfax City, VA | 44 | -18.5% |
| Fairfax County, VA | 1,596 | -28.7% |
| Falls Church City, VA | 18 | -28.0% |
| Frederick County, MD | 526 | -13.8% |
| Loudoun County, VA | 697 | -26.2% |
| Montgomery County, MD | 1,348 | -21.0% |
| Prince George's County, MD | 944 | -17.0% |
| Washington, DC | 893 | -20.6% |
| **Washington Metro** | **6,653** | **-22.9%** |

**MEDIAN SALES PRICE**

| | June 2022 | vs. June 2021 |
|---|---|---|
| Alexandria City, VA | $598,032 | -11.2% |
| Arlington County, VA | $675,000 | -6.1% |
| Fairfax City, VA | $725,500 | 14.6% |
| Fairfax County, VA | $685,000 | 5.4% |
| Falls Church City, VA | $901,250 | -8.0% |
| Frederick County, MD | $482,000 | 17.0% |
| Loudoun County, VA | $690,000 | 5.0% |
| Montgomery County, MD | $600,000 | 8.1% |
| Prince George's County, MD | $415,000 | 7.5% |
| Washington, DC | $725,000 | 3.6% |
| **Washington Metro** | **$598,032** | **5.8%** |

## **Local Markets** Continued

| | NEW PENDINGS | | NEW LISTINGS | | MEDIAN DAYS ON MARKET | |
|---|---|---|---|---|---|---|
| | June 2022 | vs. June 2021 | June 2022 | vs. June 2021 | June 2022 | vs. June 2021 |
| Alexandria City, VA | 246 | -19.3% | 317 | -25.8% | 8 | 1 |
| Arlington County, VA | 248 | -33.2% | 424 | -16.0% | 7 | -1 |
| Fairfax City, VA | 34 | -17.1% | 59 | 1.7% | 6 | 0 |
| Fairfax County, VA | 1,332 | -32.6% | 2,118 | -18.0% | 6 | 0 |
| Falls Church City, VA | 13 | -40.9% | 20 | -44.4% | 6 | 0 |
| Frederick County, MD | 544 | -9.8% | 712 | -0.3% | 6 | 1 |
| Loudoun County, VA | 602 | -31.0% | 953 | -11.2% | 5 | 0 |
| Montgomery County, MD | 1,198 | -26.0% | 1,670 | -16.6% | 7 | 1 |
| Prince George's County, MD | 992 | -17.7% | 1,307 | -8.8% | 8 | 1 |
| Washington, DC | 802 | -23.8% | 1,438 | -11.6% | 10 | 2 |
| **Washington Metro** | **6,011** | **-24.3%** | **9,018** | **-13.8%** | **7** | **1** |

| | ACTIVE LISTINGS | | MONTHS OF SUPPLY | |
|---|---|---|---|---|
| | June 2022 | vs. June 2021 | June 2022 | vs. June 2021 |
| Alexandria City, VA | 238 | -29.4% | 0.93 | -25.8% |
| Arlington County, VA | 422 | -19.8% | 1.50 | -19.6% |
| Fairfax City, VA | 51 | 64.5% | 1.46 | 64.8% |
| Fairfax County, VA | 1,584 | -1.7% | 1.07 | 6.9% |
| Falls Church City, VA | 15 | -44.4% | 1.07 | -32.6% |
| Frederick County, MD | 413 | 11.6% | 0.84 | 17.6% |
| Loudoun County, VA | 658 | 61.7% | 1.03 | 86.3% |
| Montgomery County, MD | 1,177 | -3.4% | 0.96 | 1.4% |
| Prince George's County, MD | 1,041 | 28.8% | 1.03 | 32.2% |
| Washington, DC | 1,041 | 8.6% | 2.20 | 19.0% |
| **Washington Metro** | **7.473** | **-0.5%** | **1.19** | **6.7%** |

### High Prices Limit Buyers

At nearly $600,000, the Washington area is the highest-priced metro area market in the mid-Atlantic region. High and fast-rising prices, coupled with rising interest rates, is pushing some would-be buyers out of the market.

The Washington area is also a relatively high-income region. As a result, higher-priced local markets could be more resilient in the near term as higher-income households are less sensitive to rising prices and rates.

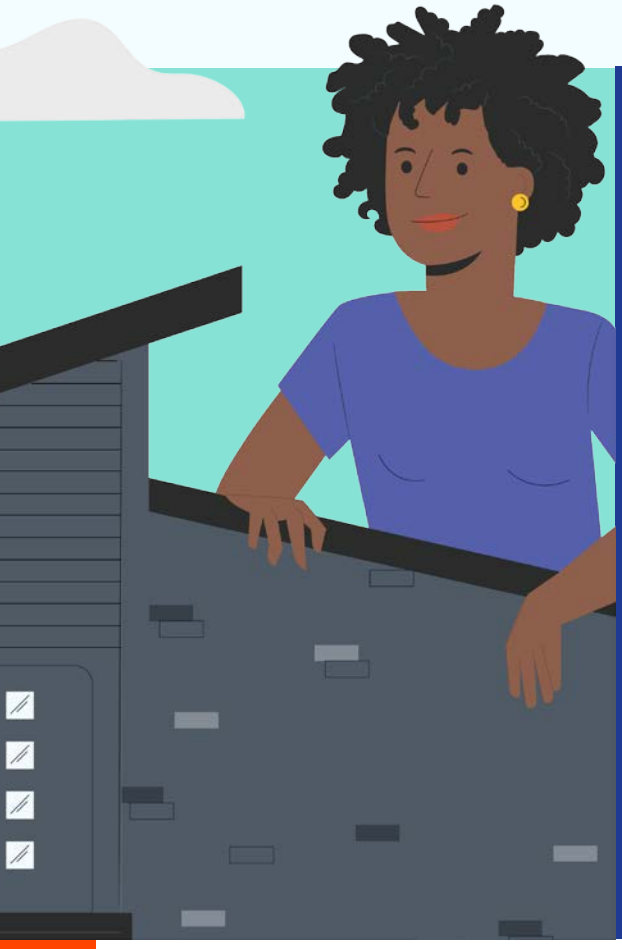
## **Local Markets** Continued

| | SHOWINGS | | HOME DEMAND INDEX | |
|---|---|---|---|---|
| | June 2022 | vs. June 2021 | June 2022 | vs. June 2021 |
| Alexandria City, VA | 3,855 | **-25.5%** | 174 | -26.6% |
| Arlington County, VA | 4,819 | **-21.6%** | 208 | -23.5% |
| Fairfax City, VA | 688 | **11.0%** | 131 | 10.1% |
| Fairfax County, VA | 28,024 | **-29.8%** | 140 | -20.9% |
| Falls Church City, VA | 279 | **-17.9%** | 145 | -33.5% |
| Frederick County, MD | 8,609 | **-25.3%** | 91 | -16.5% |
| Loudoun County, VA | 11,418 | **-33.6%** | 141 | -12.4% |
| Montgomery County, MD | 27,122 | **-27.0%** | 106 | -23.2% |
| Prince George's County, MD | 24,448 | **-30.6%** | 104 | -18.8% |
| Washington, DC | 15,832 | **-17.9%** | 111 | -13.3% |
| **Washington DC Metro** | **125,094** | **-27.5%** | **120** | **-18.9%** |

### Bright MLS T3 Home Demand Index

The Home Demand Index captures buyer signals including showing requests, listing views and more to let you know what buyers are doing right now, before they buy. 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 2021, Bright subscribers facilitated $141B 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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