DATA AS OF June 6, 2023

May 2023 Market Report
Mid-Atlantic

Mid-Atlantic Market Key Findings

Home Prices May Have Bottomed Out
With limited inventory, Mid-Atlantic market remains competitive

After two and a half years of robust price growth, home prices in the Mid-Atlantic have been relatively flat for the past three months. Elevated mortgage rates have subdued buying activity and led to fewer homes sales. However, the fast pace of transactions and the lack of new listings suggests that prices in the region may have bottomed out and could be set to rebound.

Both closed sales and new pending sales were below last year's levels, but the number of new listings coming on to the market were down even more. Inventory has risen slightly in the Mid-Atlantic region, but the number of active listings is still only about 40% of the level in May 2019.

Low inventory has meant that homes are selling quickly. The median days on market was 7 in May, which is the lowest level since last June. Without a significant increase in supply, the market will remain competitive, and prices will hold firm or increase in the months ahead.

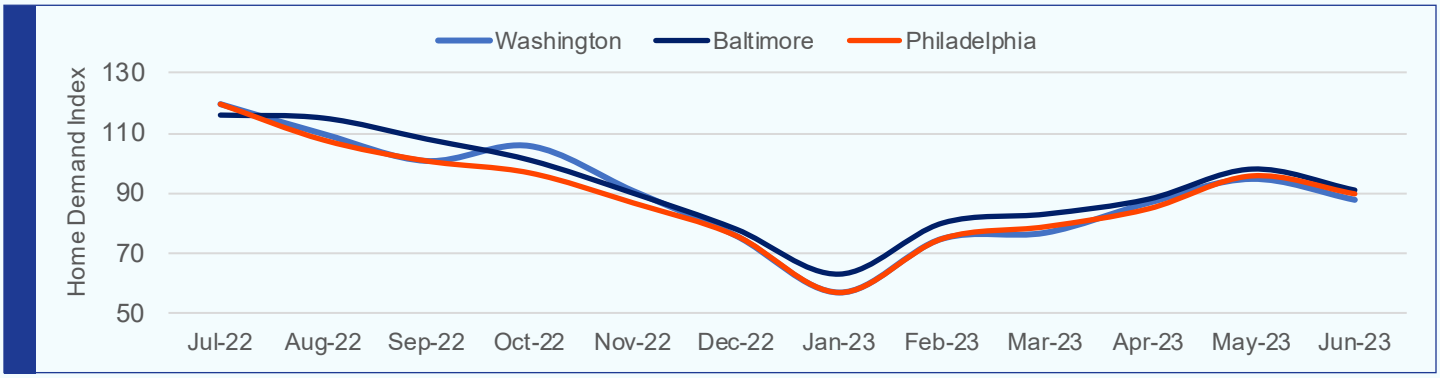
	May 2023		vs. May 2022
Closed sales	21,012	▼	-20.2%
Median sales price	$400,000	▲	+0.3%
Median days on market	7	▲	+1 day
New pending sales	23,548	▼	-19.3%
New listings	24,706	▼	-29.1%
Active listings	28,476	▲	+1.5%
Months of supply	1.42	▲	+36.5%
Showings	478,723	▼	-21.8%

Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), market activity across the Mid-Atlantic slowed from May to June as spring interest cooled. The dip put Washington, D.C. in Slow conditions while Baltimore and Philadelphia demand remained Steady.

The indices for the three regions declined from a year ago when demand was labeled as Moderate.

Bright MLS T3 Home Demand Index



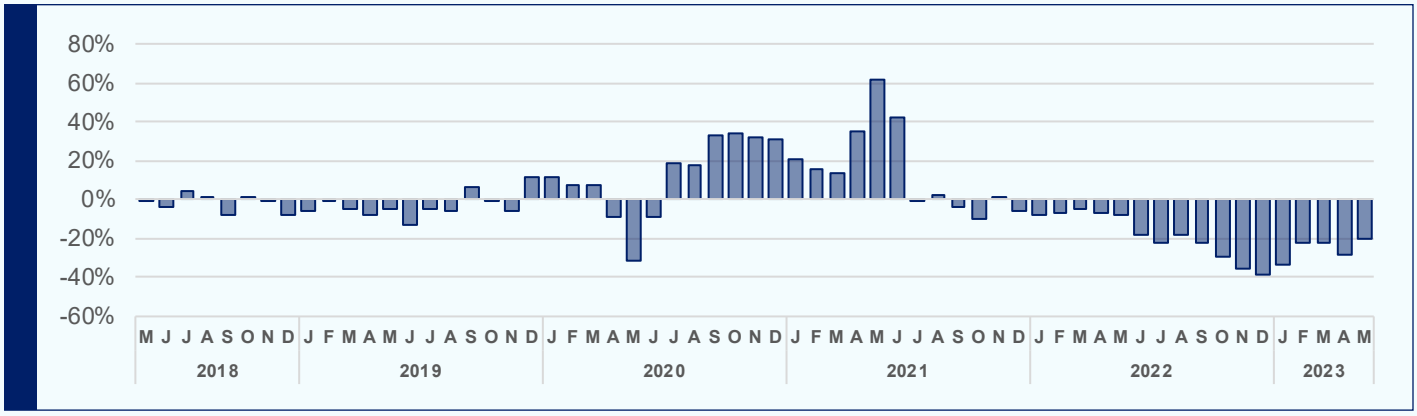
Market Outlook

Typically, the housing market slows slightly in the summer months, as many buyers and sellers are more focused on pool time and vacations. This summer could be different, however. There is potentially a group of "shadow" buyers who are waiting in the wings, watching for mortgage rates to come down. We are not going to see rates back down to pandemic levels, but they should come down some this summer. When rates do fall, these opportunistic buyers are not going to wait if they find a home they love.

Lower mortgage rates this summer could also entice some homeowners to sell, which would bring much needed inventory to the market. However, it is likely going to continue to be a seller's market throughout the rest of 2023, with prices remaining firm and buyers facing competition.

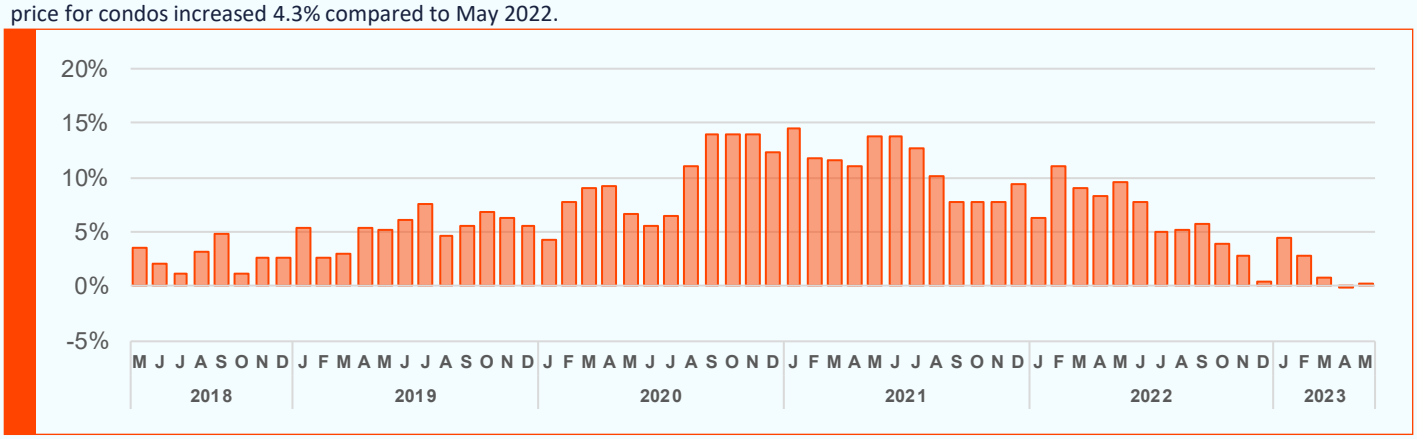
Closed Sales Year-Over-Year Change

Closed sales rose as the weather and housing market heated up in the Mid-Atlantic. The unusual month-over-month decline in home sales in April reversed in May with 21,012 sales, up 21.2% compared to last month. Closed sales had monthly gains across all property types. Despite the monthly uptick, closed sales for all property types continue to be lower than a year ago.



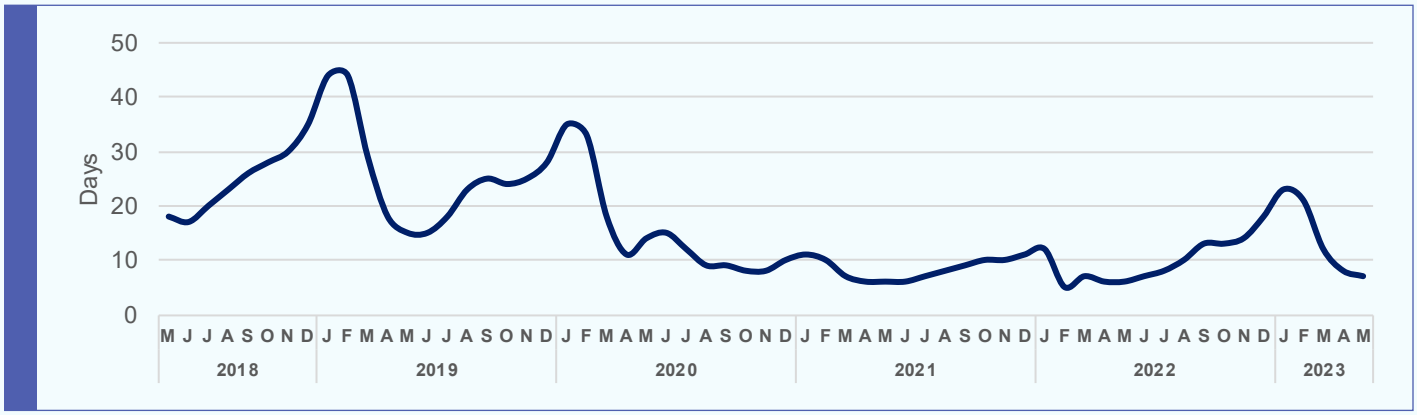
Median Sales Price Year-Over-Year Change

The median sale price in the Mid-Atlantic region was $400,000 in May 2023. While some metrics have deviated from seasonal market trends, price growth in the spring is holding true for the Bright MLS footprint. Overall prices were relatively flat compared to a year ago. By property type, the median price of attached homes declined year-over-year, while the median single-family detached price is up 1.1% and the median price for condos increased 4.3% compared to May 2022.



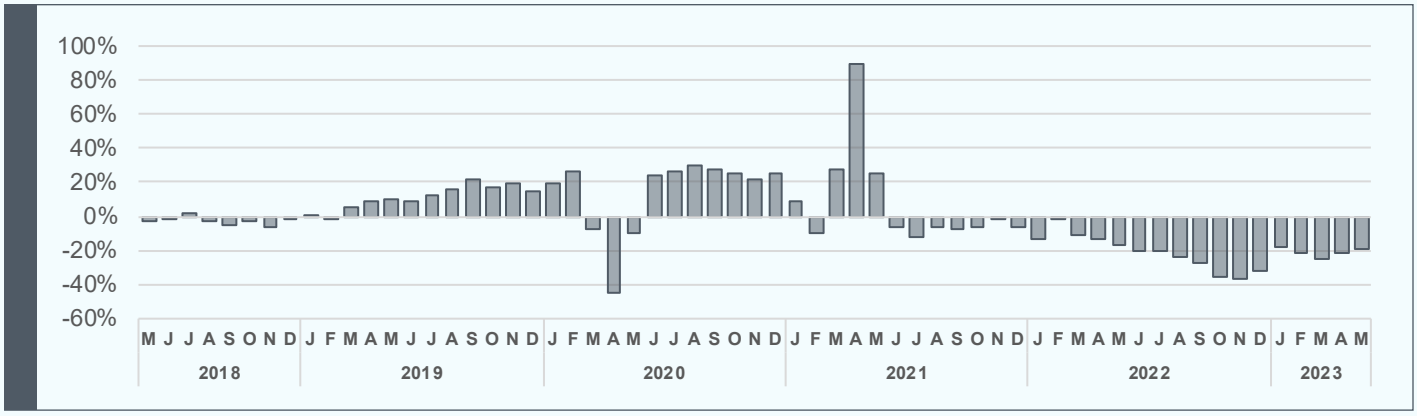
Median Days on Market

The median days on market indicates buyers do not have the luxury of time in their buying decisions. Across the Mid-Atlantic, the median days on market in May 2023 was just 7 days meaning half of homes sold in a week or less. This time of the year tends to be the low point for days on market, and the coming months will reveal if inventory tightness shifts the pace of market activity in 2023.



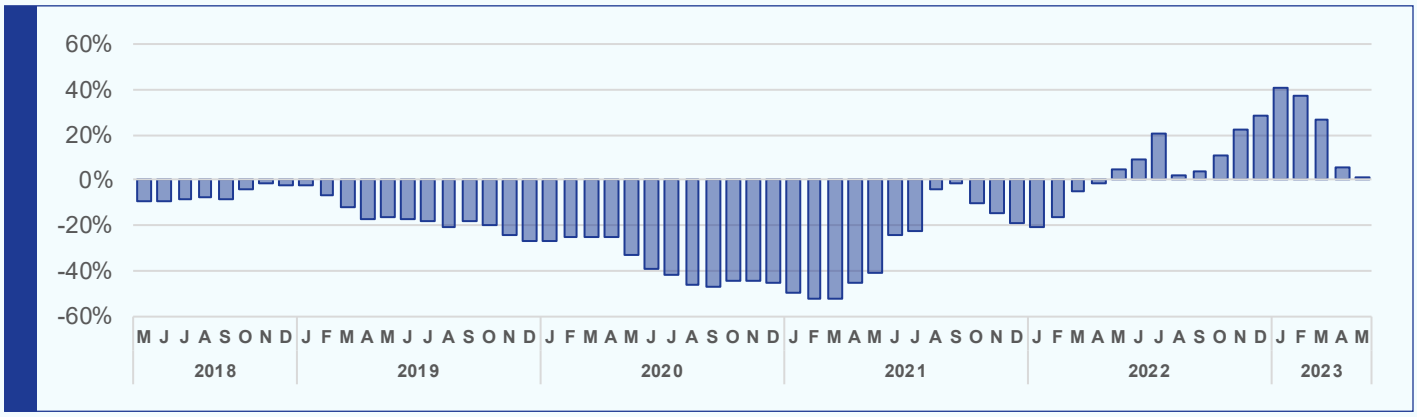
New Pending Sales Year-Over-Year Change

Pending sales grew 5.3% in May 2023 from April, reaching 23,548 for the Mid-Atlantic. All property types had a monthly increase in pending sales which typically lead closed sales by 30-60 days. All market activity, including new contract activity, is slower than last year when interest rates began rising.



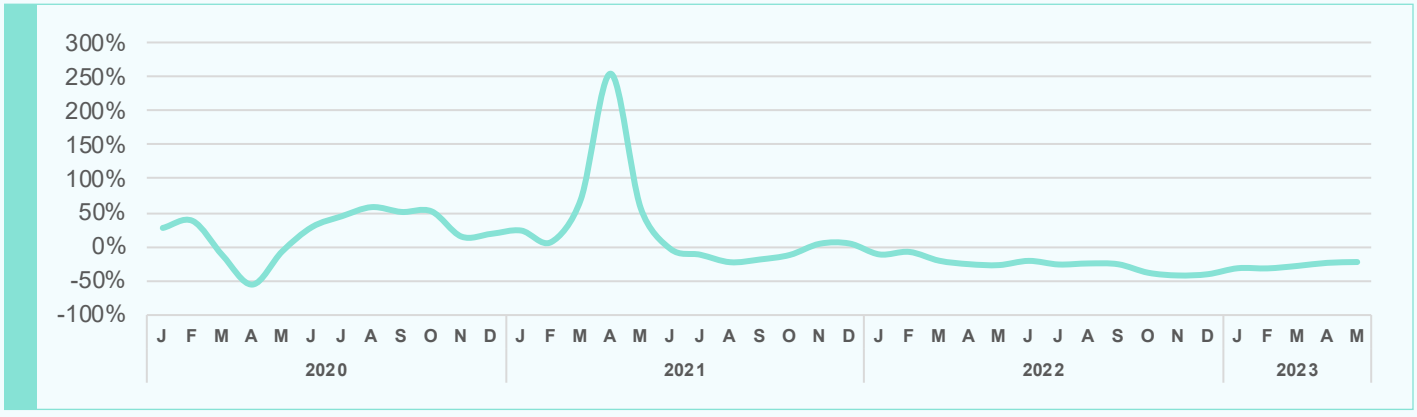
Active Listings Year-Over-Year Change

There was a welcome expansion of inventory in the latter half of 2022. Active listings are still up compared to a year ago, though at the end of May, inventory was only 1.5% above last year's level. Supply is still a major constraint; active listings are less than half of what buyers had to choose from in 2019. Single-family inventory is depleted the most–only 36% of its May 2019 level.

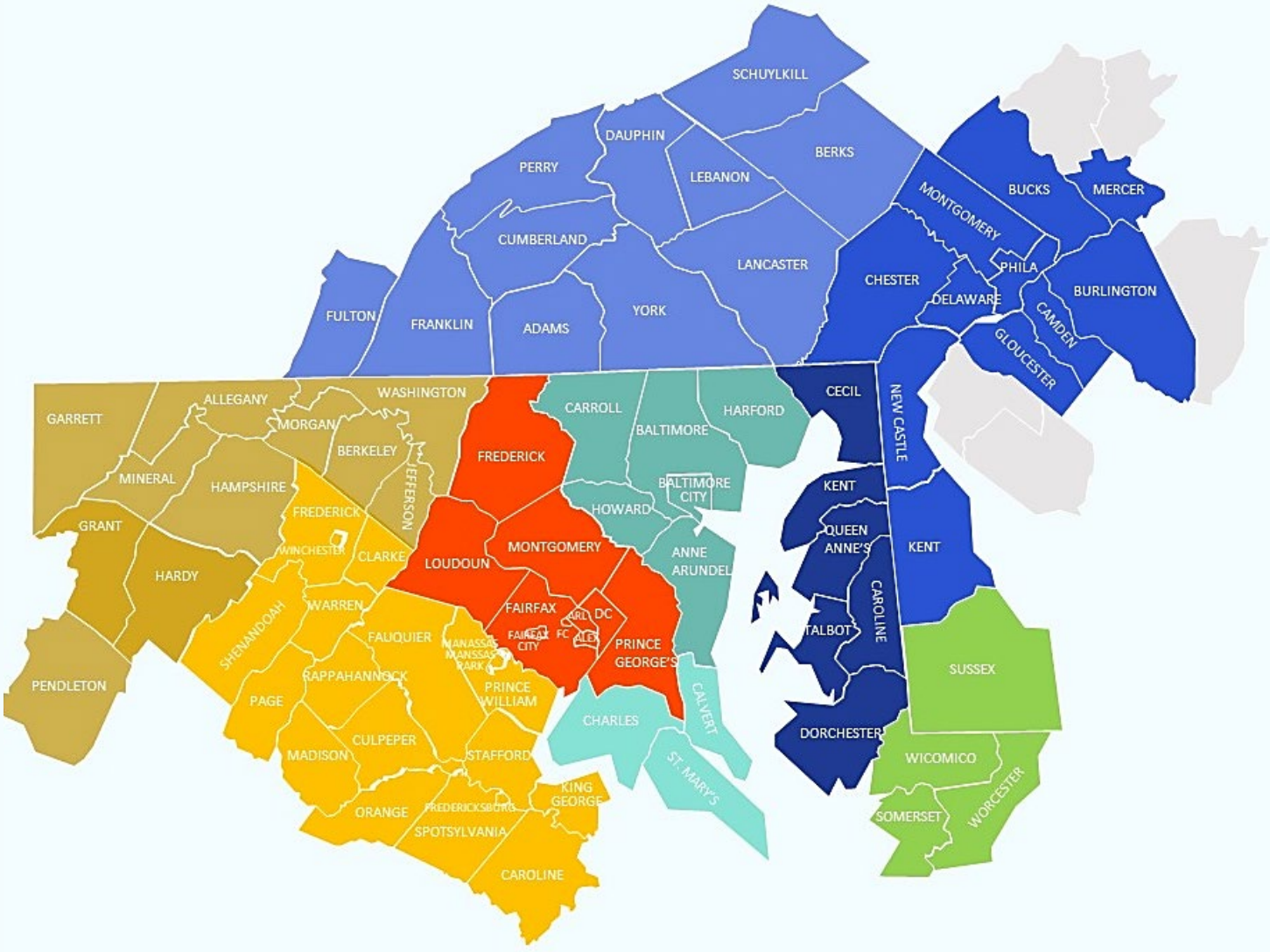


Showings

Showing interest in the Mid-Atlantic cooled in May compared to April. The 478,723 showings in May were 8.3% lower than the previous month and were down 21.8% compared to a year ago. Like new pending sales, the difference between this year's and last year's activity has diminished.



Bright MLS Mid-Atlantic Markets



- Philadelphia Metro
- Baltimore Metro
- Washington Metro
- Central Pennsylvania
- MD/WVA Panhandle
- MD Eastern Shore
- Del/Mar Coastal
- Southern Maryland
- North Central Virginia

Local Markets

Overall, home price growth has stalled in the Mid-Atlantic though there is a lot of variation across the region. In May, price growth was strongest in areas outside the major metro areas, especially in the Maryland Eastern Shore (+7.1%) and Central Pennsylvania (+5.9%) regions. Buyers seeking more affordable options are driving continued price growth in these regions.

Across all markets, inventory is still very low. However, in May, there as a significant expansion in supply in the Del/Mar Coastal region, where vacation home sellers likely drove much of the increase.

Inventory continues to contract in many other regions, with new listing activity at a two-decade low. There is less than three months of supply in every market across the Mid-Atlantic, indicating that despite the slowdown in buyer activity, it remains a seller's market in the Mid-Atlantic.



CLOSED SALES

	May 2023	vs. May 2022
Philadelphia Metro	5,797	-21.4%
Baltimore Metro	3,178	-21.0%
Washington Metro	5,238	-23.0%
Central Pennsylvania	2,280	-14.1%
MD/WV Panhandle	604	-17.9%
MD Eastern Shore	323	-13.6%
Del/Mar Coastal	839	-5.5%
Southern Maryland	413	-33.8%
North Central Virginia	1,678	-24.3%
Mid-Atlantic	**21,012**	**-20.2%**

MEDIAN SALES PRICE

	May 2023	vs. May 2022
Philadelphia Metro	$345,000	+2.1%
Baltimore Metro	$375,000	+0.0%
Washington Metro	$600,000	-0.8%
Central Pennsylvania	$270,000	+5.9%
MD/WV Panhandle	$290,850	+2.1%
MD Eastern Shore	$375,000	+7.1%
Del/Mar Coastal	$387,945	-0.5%
Southern Maryland	$425,000	+3.1%
North Central Virginia	$475,000	+4.4%
Mid-Atlantic	**$400,000**	**+0.3%**

Local Markets Continued

	NEW PENDINGS		NEW LISTINGS		MEDIAN DAYS ON MARKET	
	May 2023	vs. May 2022	May 2023	vs. May 2022	May 2023	vs. May 2022
Philadelphia Metro	6,806	-21.1%	7,387	-26.5%	9	+2 days
Baltimore Metro	3,427	-20.6%	3,353	-32.8%	6	0 days
Washington Metro	5,530	-21.1%	5,563	-36.3%	6	0 days
Central Pennsylvania	2,642	-14.7%	2,890	-17.0%	6	0 days
MD/WV Panhandle	774	-15.2%	912	-19.6%	10	+3 days
MD Eastern Shore	377	-23.7%	400	-35.2%	12	+5 days
Del/Mar Coastal	871	-7.4%	1,013	-12.2%	15	+6 days
Southern Maryland	526	-26.8%	525	-36.9%	8	+2 days
North Central Virginia	1,831	-22.0%	1,831	-37.3%	6	+1 day
Mid-Atlantic	**23,548**	**-19.3%**	**24,706**	**-29.1%**	**7**	**+1 day**

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	May 2023	vs. May 2022	May 2023	vs. May 2022
Philadelphia Metro	9,001	-1.4%	1.51	+30.2%
Baltimore Metro	3,640	+5.0%	1.25	+45.3%
Washington Metro	5,569	-8.8%	1.23	+29.5%
Central Pennsylvania	2,798	+13.6%	1.18	+37.0%
MD/WV Panhandle	1,203	+11.0%	1.94	+40.5%
MD Eastern Shore	679	-4.5%	2.08	+24.0%
Del/Mar Coastal	1,843	+30.4%	2.44	+72.5%
Southern Maryland	618	+14.7%	1.36	+68.5%
North Central Virginia	1,958	-4.5%	1.30	+36.7%
Mid-Atlantic	**28,476**	**+1.5%**	**1.42**	**+36.5%**

Why Are Homes Still Selling So Fast?

Half of all homes sold in the Mid-Atlantic sold in a week or less. By comparison, back in 2019, the typical home took nearly a month to sell.

Homes are selling so quickly simply because there are just so few listings for buyers to choose from. Buyers need to act quickly, but even when they do, they often face competition.

Local Markets Continued

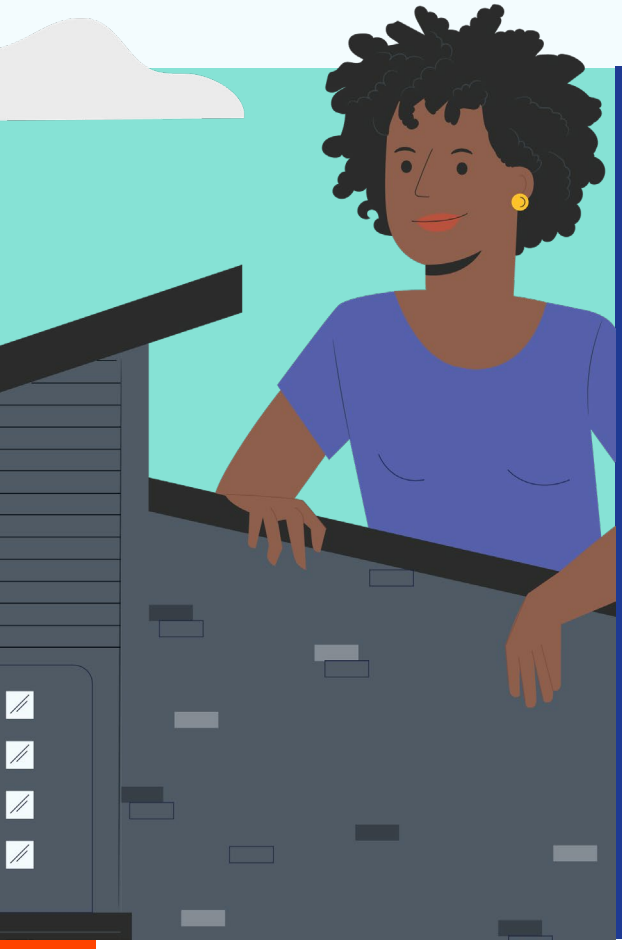
	SHOWINGS		HOME DEMAND INDEX	
	May 2023	vs. May 2022	June 2023	vs. June 2022
Philadelphia Metro	161,777	-26.6%	90	-22.4%
Baltimore Metro	69,648	-22.8%	91	-22.2%
Washington Metro	121,897	-16.6%	88	-25.4%
Central Pennsylvania	46,135	-20.2%	94	-14.5%
MD/WV Panhandle	10,123	-14.3%	121	-16.6%
MD Eastern Shore	4,708	-25.9%	100	-27.5%
Del/Mar Coastal	10,858	-21.4%	104	-8.8%
Southern Maryland	9,787	-21.4%	115	-20.7%
North Central Virginia	29,415	-23.1%	80	-31.0%
Mid-Atlantic	**478,723**	**-21.8%**		

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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