bright MLS

DATA AS OF May 6, 2023

April 2023 Market Report

Central Pennsylvania

Central Pennsylvania Market Key Findings

Central Pennsylvania Outperforms Other Mid-Atlantic Markets
Prices continue to rise, inventory very low

The housing market is typically very busy in April. This year, there was an uptick in market activity between March and April in the Central Pennsylvania; however, elevated mortgage rates and economic uncertainty continue to keep activity far below last year's pace.

The number of new pending sales did increase between March and April, but the increase was more subdued than during a more typical spring market.

For the past few years, home prices have been rising rapidly in the Central Pennsylvania region. In April, the median sales price rose by 2.4%, the smallest year-over-year price gain in the region since 2017. Prices have come down from peak levels, but the median price is still 40% higher than it was before the pandemic.

The number of active listings had been increasing significantly compared to a year earlier, but inventory gains slowed in April, with active listings increasing 7.7% over a year ago.

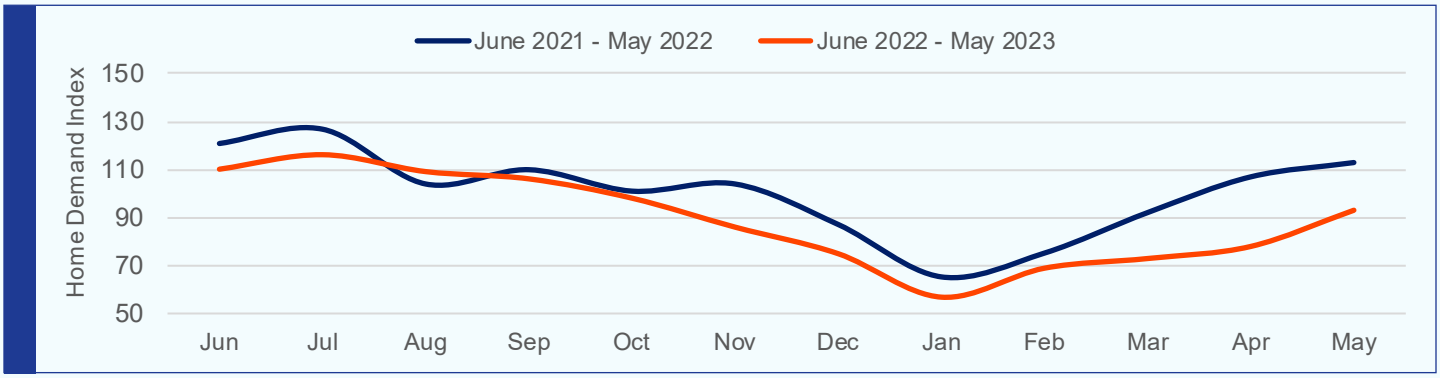
	April 2023	vs. April 2022
Closed sales	1,923	-23.0%
Median sales price	$251,000	+2.4%
Median days on market	7	+1 day
New pending sales	2,522	-14.8%
New listings	2,539	-23.7%
Active listings	2,504	+7.7%
Months of supply	1.04	+28.1%
Showings	47,150	-22.7%

Bright MLS T3 Home Demand Index

Market conditions improved in May according to the Bright MLS T3 Home Demand Index (HDI) for Central Pennsylvania. The index for the Central Pennsylvania area was 93, which indicates Steady market conditions, compared to the earlier months which fell into the Slow category.

The index declined from 113 (Moderate conditions) last year.

Bright MLS T3 Home Demand Index



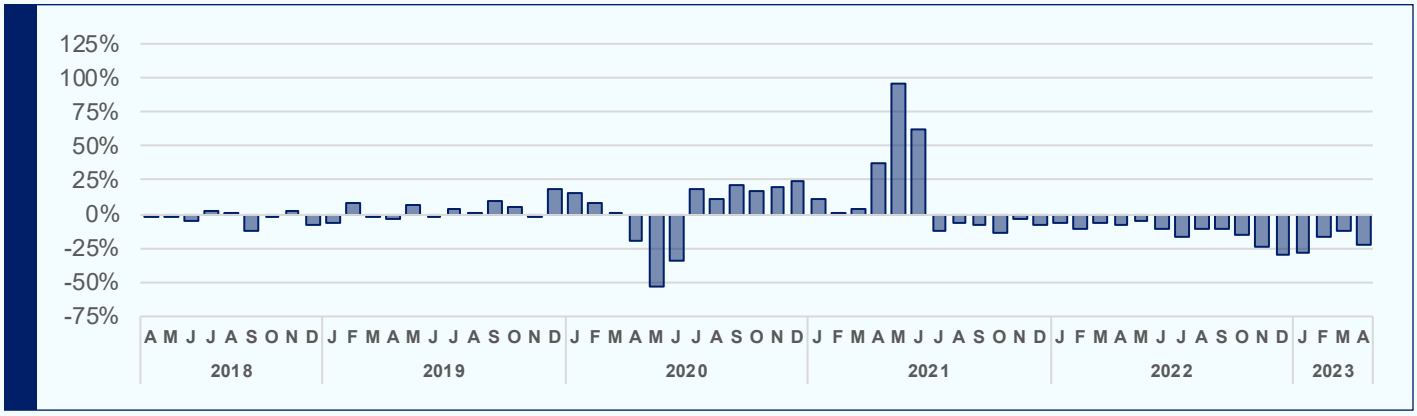
Market Outlook

The Central Pennsylvania spring market is slower than typical, with elevated mortgage rates leading to fewer buyers and slower price growth. Several factors will drive housing market conditions for the rest of 2023. Mortgage rates will likely remain in the 6 to 6.5% range. Home prices will continue to fall from peak levels, but prices will not come down significantly from a year ago. As a result, housing affordability will still be a challenge this year, particularly for first-time homebuyers.

Many discretionary sellers have been sitting on the sidelines as many homeowners have locked in extremely low mortgage rates and they are not enticed to move and take on a higher rate. Inventory could shake out a bit in the second half of the year, as more homeowners are compelled to move, but inventory is still going to be constrained.

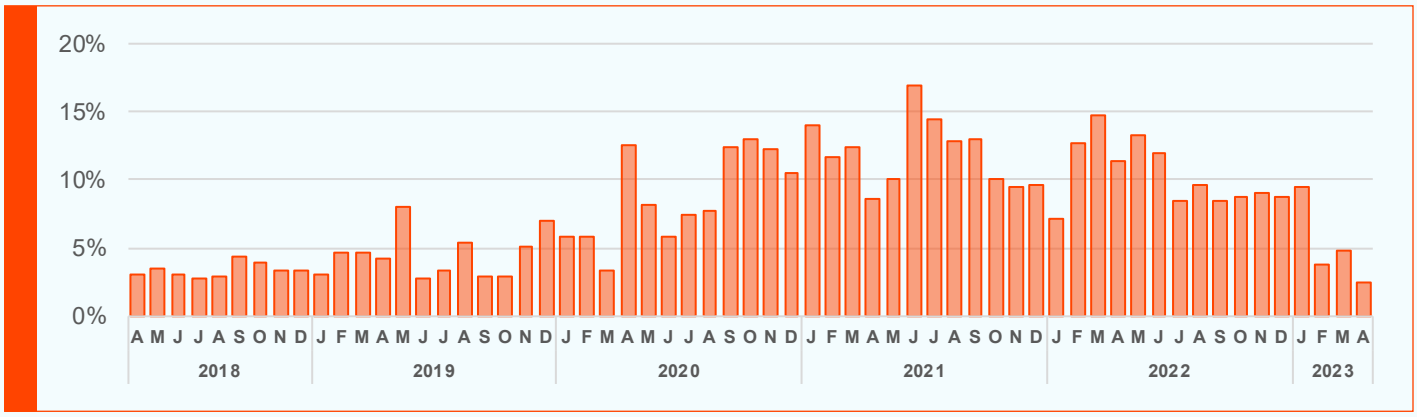
Closed Sales Year-Over-Year Change

It was expected that in April 2023 closed sales were down 23.0% from a year ago. Yet unexpectedly, closed sales are not seeing their typical spring uptick in Central Pennsylvania. New pending sales had monthly gains in the first quarter of 2023, yet this is not translating into closed sales, at least yet.



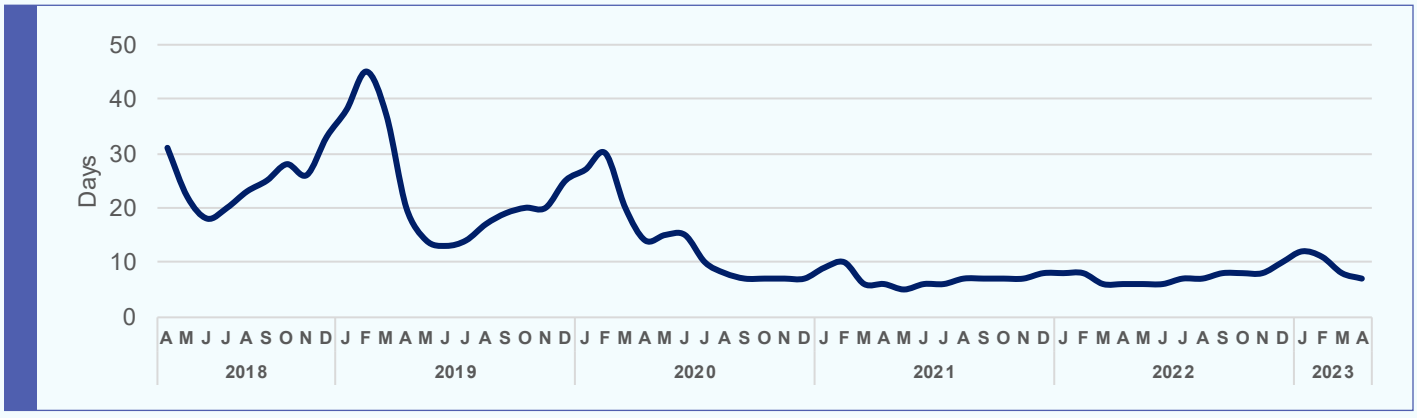
Median Sales Price Year-Over-Year Change

The median sale price rose again in Central Pennsylvania. Compared to last year, April 2023's median price of $251,000 is 2.4% higher. Price growth has slowed significantly from the double-digit increases starting at the end of 2020, reflecting higher mortgage rates. However, pressure from low inventory keeps prices elevated.



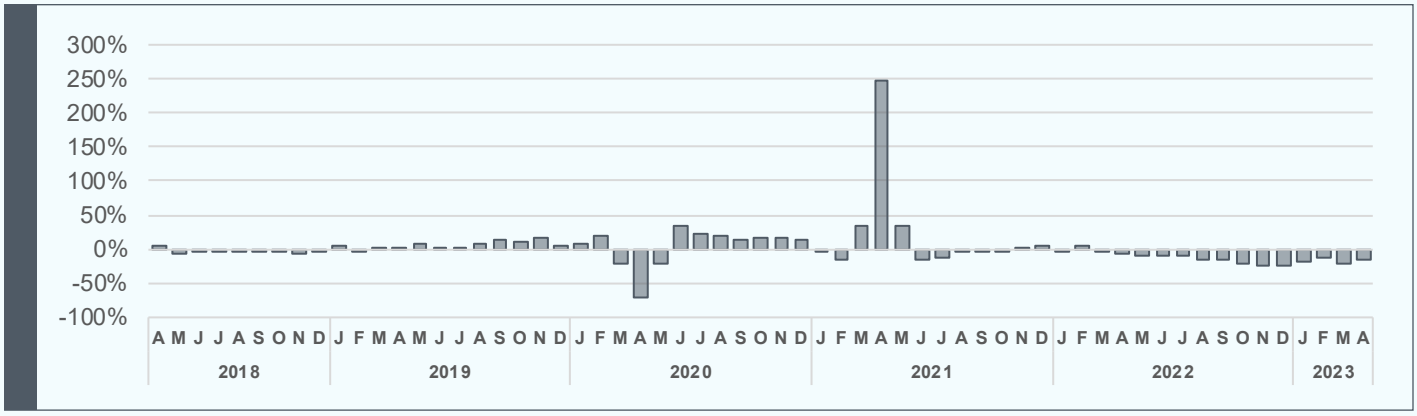
Median Days on Market

The median days on market in Central Pennsylvania dropped another day, now at 7 days. Half of homes selling in a week or less indicates a tough market for many buyers who are competing for limited active listings available.



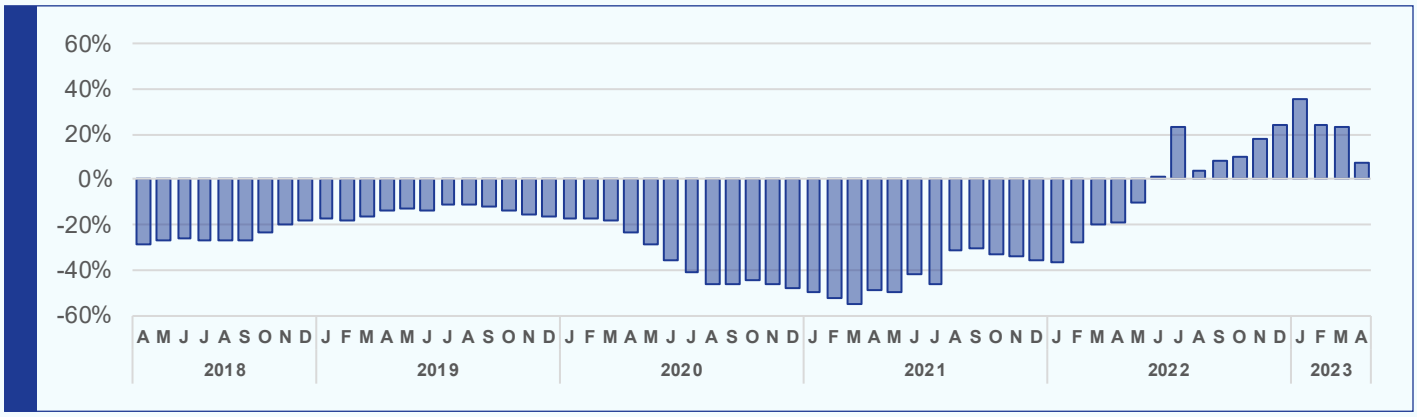
New Pending Sales Year-Over-Year Change

There were 2,522 new pending sales in Central Pennsylvania in April 2023, down 14.8% compared to a year ago. There was an uptick in new pending sales between March and April, but the seasonal uptick was more subdued than in past years.



Active Listings Year-Over-Year Change

At the end of April 2023, there were 2,504 active listings in Central Pennsylvania, which is up 7.7% compared to a year ago. However, supply pales in comparison to the number of active listings on the market in April 2019. For comparison, inventory is roughly one-third of the amount available on the market in April 2019.



Showings

Demand increases as the spring buying season begins. April had more showings than March, up to 47,150 showings in Central Pennsylvania for the month. However, showings continue to be depressed compared to last year.



Local Markets

While prices are falling in some regions in the Mid-Atlantic, the median price rose in Central Pennsylvania in April 2023. Yet within Central Pennsylvania, there are diverging price trends. Of the 11 counties in the area, 7 reported year-over-year price gains while 4 experienced median price drops.

Another distinction between counties in Central Pennsylvania is clear through active listings. Adams (-13.1%), Dauphin (-4.3%), and Schuykill (-17.5%) counties reported lower inventory in April 2023 compared to last year. While active listings in the other counties are above their 2022 levels, supply is still significantly below the 2019 active listing count.

Months of supply captures that regardless of shifts in active listings, buyers have very limited choices. All counties in the Central Pennsylvania region have less than 1.5 months of supply , far from a balanced market.



CLOSED SALES

	April 2023	vs. April 2022
Adams County, PA	78	-22.8%
Berks County, PA	312	-21.8%
Cumberland County, PA	193	-28.0%
Dauphin County, PA	233	-25.8%
Franklin County, PA	105	-31.8%
Fulton County, PA	3	-66.7%
Lancaster County, PA	320	-29.7%
Lebanon County, PA	117	-0.8%
Perry County, PA	19	-47.2%
Schuykill County, PA	95	-18.8%
York County, PA	448	-14.7%
Central PA	**1,923**	**-23.0%**

MEDIAN SALES PRICE

	April 2023	vs. April 2022
Adams County, PA	$262,500	-6.3%
Berks County, PA	$250,000	+7.3%
Cumberland County, PA	$285,000	-2.0%
Dauphin County, PA	$213,900	-7.0%
Franklin County, PA	$259,900	+13.0%
Fulton County, PA	$217,000	-14.0%
Lancaster County, PA	$300,000	+7.1%
Lebanon County, PA	$243,000	+1.3%
Perry County, PA	$219,000	+4.8%
Schuykill County, PA	$145,000	+16.0%
York County, PA	$250,000	+11.1%
Central PA	**$251,000**	**+2.4%**

Local Markets Continued

	NEW PENDINGS		NEW LISTINGS		MEDIAN DAYS ON MARKET	
	April 2023	vs. April 2022	April 2023	vs. April 2022	April 2023	vs. April 2022
Adams County, PA	94	-22.3%	108	-24.5%	7	+1 day
Berks County, PA	422	-13.5%	408	-22.1%	6	0 days
Cumberland County, PA	274	-17.0%	299	-25.8%	5	0 days
Dauphin County, PA	285	-17.4%	271	-33.3%	7	+2 days
Franklin County, PA	149	-14.4%	182	-11.2%	14	+7 days
Fulton County, PA	11	-31.3%	7	-46.2%	35	+28 days
Lancaster County, PA	462	-9.1%	432	-25.6%	6	0 days
Lebanon County, PA	115	-20.7%	138	-14.3%	6	0 days
Perry County, PA	43	-14.0%	32	-30.4%	10	+4 days
Schuykill County, PA	132	+1.5%	117	-17.0%	15	+5 days
York County, PA	535	-17.9%	545	-22.7%	6	+1 day
Central PA	**2,522**	**-14.8%**	**2,539**	**-23.7%**	**7**	**+1 day**

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	April 2023	vs. April 2022	April 2023	vs. April 2022
Adams County, PA	133	-13.1%	1.41	-1.4%
Berks County, PA	327	+24.8%	0.87	+51.4%
Cumberland County, PA	281	+1.1%	1.03	+17.1%
Dauphin County, PA	270	-4.3%	0.94	+17.0%
Franklin County, PA	206	+15.7%	1.40	+40.8%
Fulton County, PA	10	+0.0%	1.43	+28.7%
Lancaster County, PA	400	+10.5%	0.93	+31.5%
Lebanon County, PA	164	+54.7%	1.30	+86.4%
Perry County, PA	44	+37.5%	1.38	+59.6%
Schuykill County, PA	118	-17.5%	1.01	-13.8%
York County, PA	551	+6.0%	1.08	+28.8%
Central PA	**2,504**	**+7.7%**	**1.04**	**+28.1%**

Price Stabilization in 2023

Overall, Central Pennsylvania saw the median sale price rise by 2.4% in April 2023. Yet there are signs of softening with some counties showing negative year-over-year changes.

While there's no doubt the market is shifting, there are no signs that prices will fall significantly like they did in 2008.

One reason for price stability is the number of active listings. Supply is only one-third of the inventory available in April 2019. Lower demand with lower supply will counter each other, meaning the remaining buyers in the market are still facing competition.

Local Markets Continued

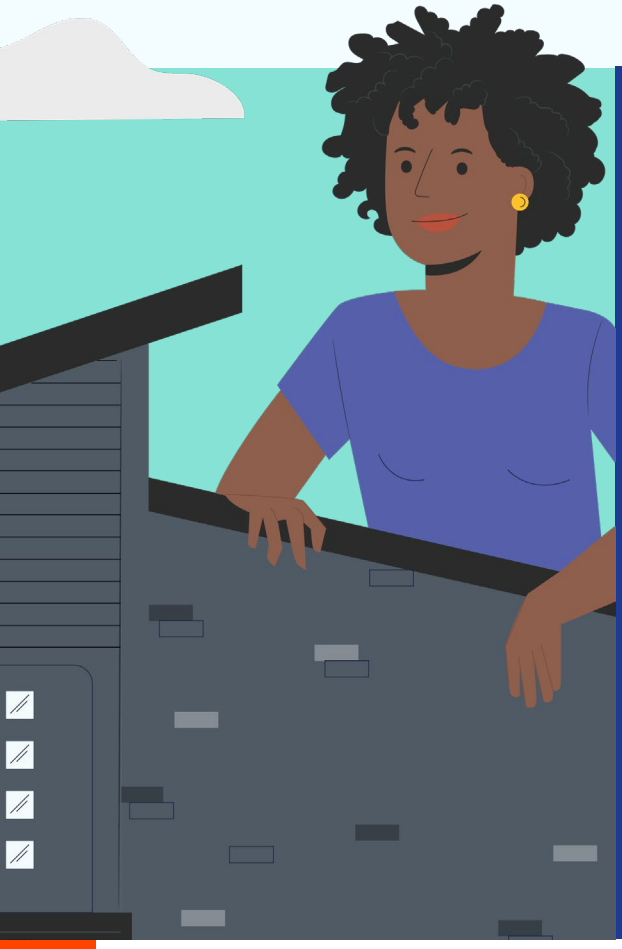
	SHOWINGS		HOME DEMAND INDEX	
	April 2023	vs. April 2022	May 2023	vs. May 2022
Adams County, PA	1,605	-11.7%	60	-15.5%
Berks County, PA	8,672	-20.6%	106	-13.1%
Cumberland County, PA	5,915	-27.8%	110	-25.2%
Dauphin County, PA	6,139	-23.3%	104	-16.8%
Franklin County, PA	2,138	-9.4%	53	-10.2%
Fulton County, PA	84	-40.8%	29	-32.6%
Lancaster County, PA	8,520	-29.2%	133	-20.8%
Lebanon County, PA	2,252	-13.3%	91	-11.7%
Perry County, PA	529	+3.3%	73	+2.8%
Schuykill County, PA	1,672	-5.0%	48	-11.1%
York County, PA	9,624	-23.9%	89	-19.8%
Central PA	**47,150**	**-22.7%**	**93**	**-17.7%**

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.

Please contact Christy Reap, Media Relations Director with interview or information requests: (202) 309-9362 | christy.reap@brightmls.com

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