bright MLS

DATA AS OF May 6, 2023

April 2023 Market Report
Philadelphia Metro

Philadelphia Market Key Findings

Cooler-Than-Normal Spring Market in the Philadelphia Metro
Home prices still rising but just barely

In a typical housing market, April is one of the busiest months of the year. This year, however, elevated mortgage rates and economic uncertainty have led to a cooling spring market in the Philadelphia metro area.

Closed sales continue to track below last year's pace, and the number of sales declined between March and April. Usually, there is a notable bump in closed sales month-to-month, but this year is far from typical.

For the past few years, home prices have been rising rapidly in the Philadelphia metro area. In April, the median sales price rose by just 1.2% year-over-year. 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 the increase in inventory was modest in April , with active listings up by just 2.7%. There is just 1.42 months of supply across the region.

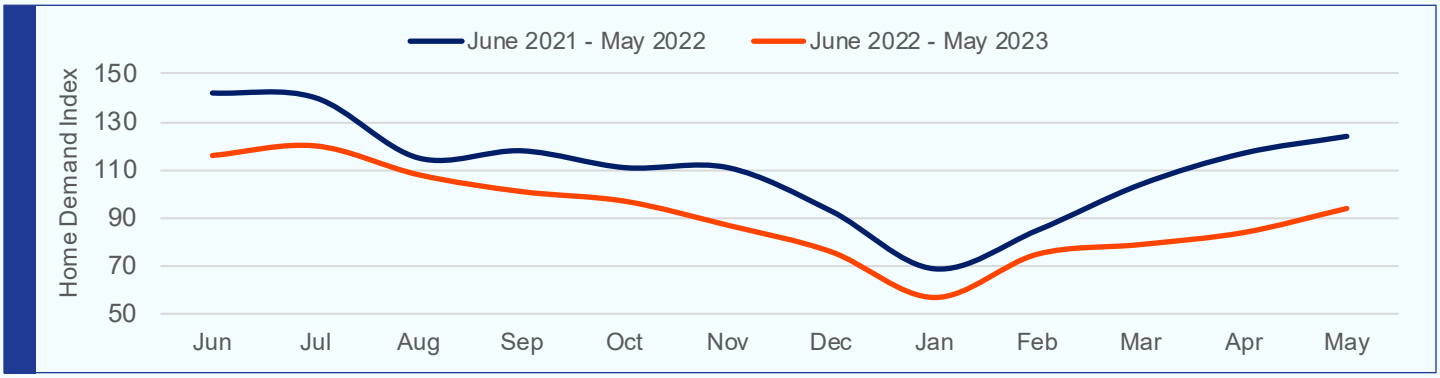
	April 2023		vs. April 2022
Closed sales	4,918	▼	-26.5%
Median sales price	$329,000	▲	+1.2%
Median days on market	11	▲	+3 days
New pending sales	6,551	▼	-20.1%
New listings	6,805	▼	-33.1%
Active listings	8,679	▲	+2.7%
Months of supply	1.42	▲	+32.7%
Showings	181,481	▼	-23.3%

Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), market activity improved in May. The index for the Philadelphia metro area was 94, moving into Steady market conditions.

The index for the Philadelphia metro is down from 124 a year ago.

Bright MLS T3 Home Demand Index



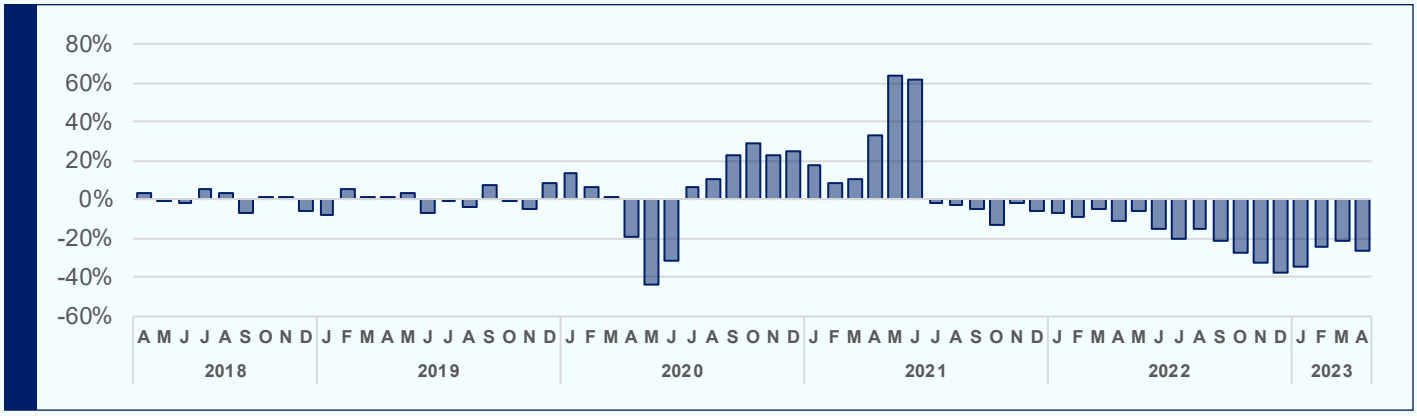
Market Outlook

Philadelphia's spring market is slower than typical, with elevated mortgage rates finally leading to a slow down in 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.

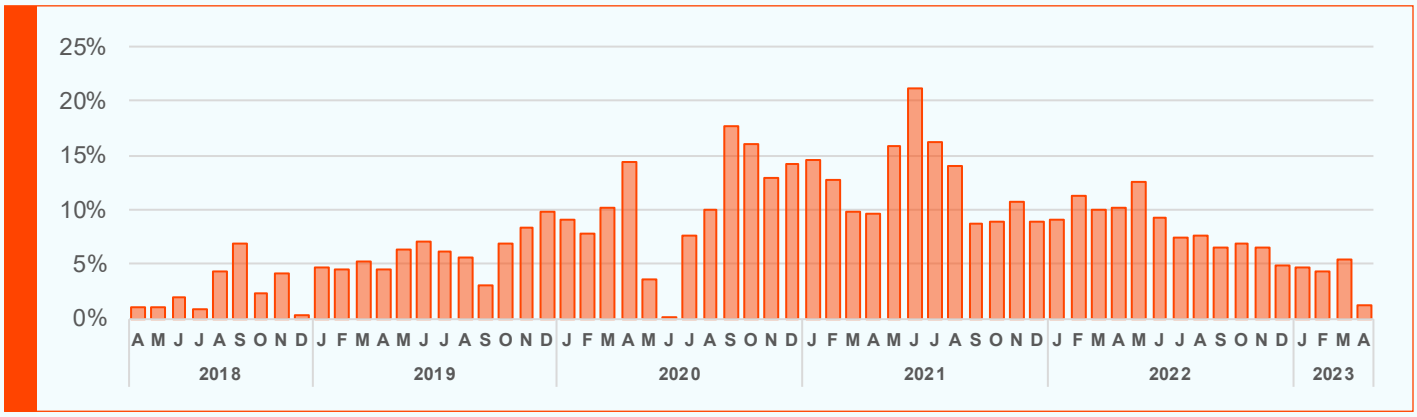
Closed Sales Year-Over-Year Change

Closed sales in the Philadelphia metro fell from March to April 2023, with 4,918 sales during the month. There is typically an uptick in sales activity between March and April, but this year the market is much more subdued. Compared to April 2022, closed sales are 26.5% lower in the Philadelphia metro area.



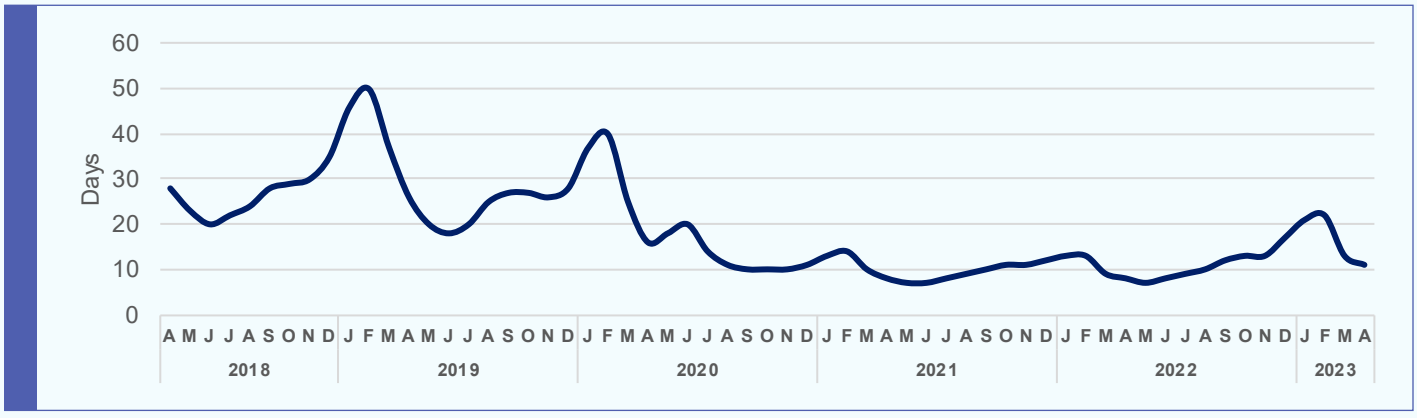
Median Sales Price Year-Over-Year Change

The median sale price in April 2023 for the Philadelphia metro was $329,000. The double-digit price growth following the pandemic is a thing of the past and April's median was just 1.2% above April 2022. Single-family detached home prices were unchanged from a year ago, while condo prices rose 6.2%.



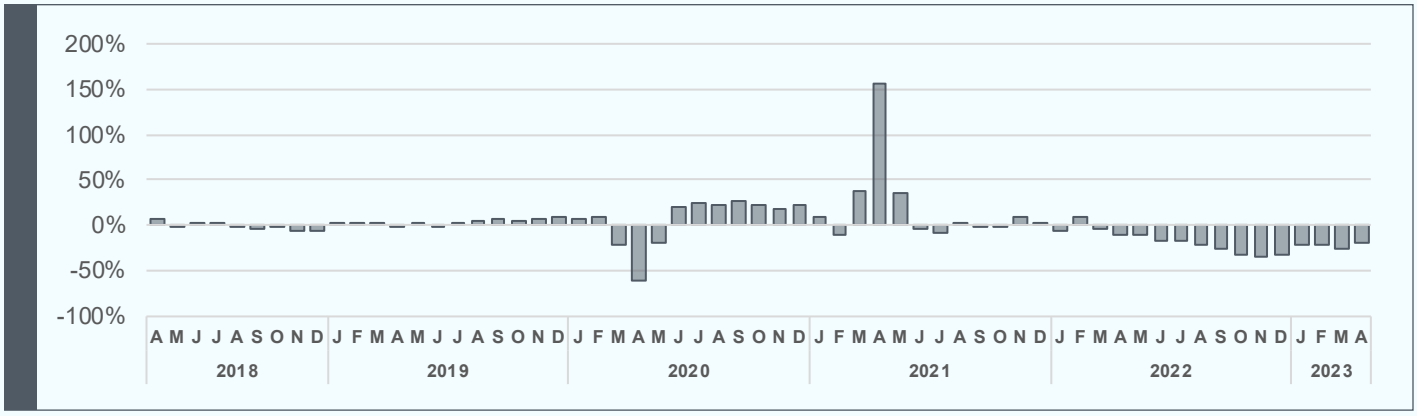
Median Days on Market

The median days on market dropped 2 more days, down to 11 days for April 2023 in the Philadelphia metro. There is some divergence among property types with single-family detached homes and condos selling in 9 days while attached townhomes are at 13 days. By any of these measures, however, homes are still selling very quickly.



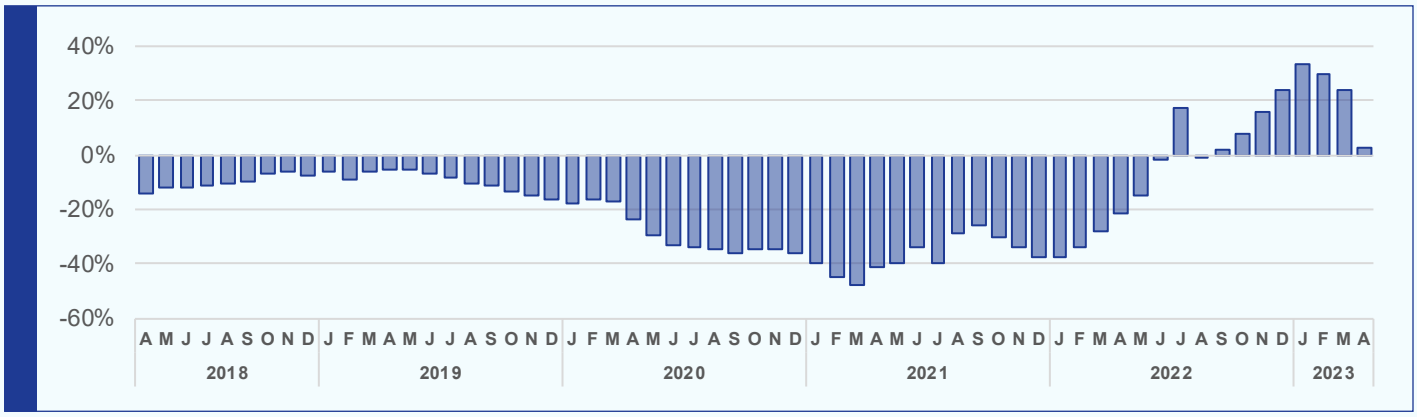
New Pending Sales Year-Over-Year Change

New pending sales continue to have monthly gains, but the March-to-April increase was small than it would be in a typical year. New pending sales are down 20.1% compared to last year, reflecting elevated mortgage rates and greater affordability challenges.



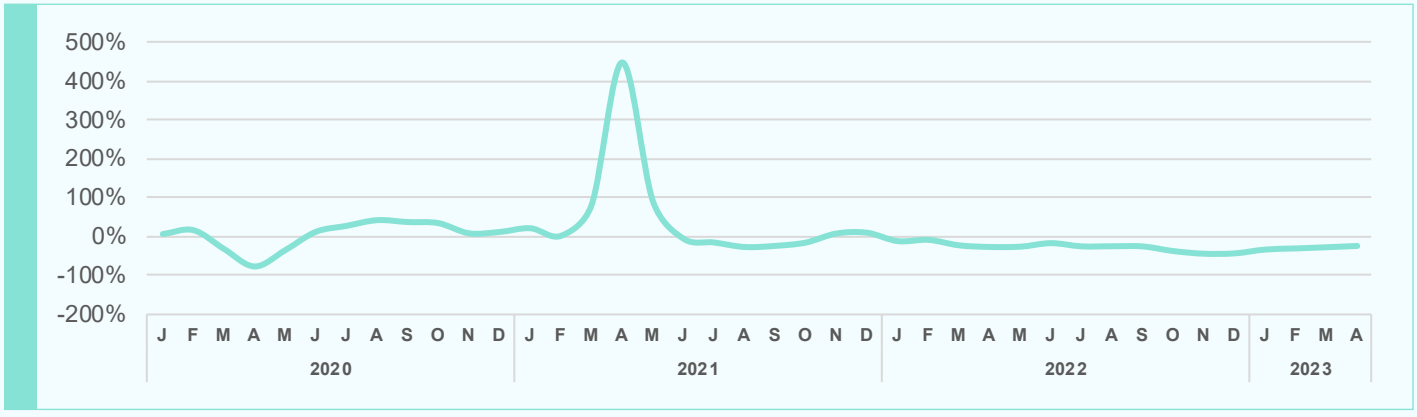
Active Listings Year-Over-Year Change

Inventory across product types was expanding in late 2022 and early 2023 but it was a different story in April. Overall, the number of active listings was 2.7% higher compared to last year, but both single-family detached homes and condos had fewer active listings in April 2023 than the prior year.



Showings

Showing activity in the Philadelphia metro continues to be lower than a year ago. The 181,481 showings in April 2023 were 23.3% lower than April 2022. Showing activity did increase between March and April, which indicates that there is still buyer interest in the market.



Local Markets

It was a cooler-than-typical April housing market across much of the Philadelphia metro area. New pending sales activity continues to track below last year's pace, with the biggest year-over-year declines in Burlington County, NJ (-31.1%) and Camden County, NJ (-24.1%).

Home prices were up in some markets, notably in Gloucester County, NJ (+9.7%) , Camden County, NJ (+6.3%) and Mercer County, NJ (+6.3%). However, median prices fell in April in Philadelphia County (-5.8%) and Kent County, DE (-7.6%) and were relatively flat in Bucks County, PA (-0.2%).

After increasing for several months, inventory fell in many local markets as new listings slowed considerably. The biggest year-over-year declines in active listings was in Mercer County, NJ (-32.8%). Inventory was up in Philadelphia County, PA (+18.0%) and Chester County, PA (+17.2%).



CLOSED SALES

	April 2023	vs. April 2022
Bucks County, PA	431	-25.9%
Burlington County, NJ	430	-23.5%
Camden County, NJ	428	-19.9%
Chester County, PA	376	-30.0%
Delaware County, PA	418	-24.7%
Gloucester County, NJ	282	-12.4%
Kent County, DE	182	-9.9%
Mercer County, NJ	193	-35.7%
Montgomery County, PA	604	-33.6%
New Castle County, DE	391	-34.4%
Philadelphia County, PA	1,183	-25.6%
Philadelphia Metro	**4,918**	**-26.5%**

MEDIAN SALES PRICE

	April 2023	vs. April 2022
Bucks County, PA	$425,500	-0.2%
Burlington County, NJ	$325,000	+1.7%
Camden County, NJ	$287,000	+6.3%
Chester County, PA	$462,500	+2.8%
Delaware County, PA	$310,000	+4.4%
Gloucester County, NJ	$300,000	+9.7%
Kent County, DE	$305,000	-7.6%
Mercer County, NJ	$364,500	+6.3%
Montgomery County, PA	$404,250	+6.0%
New Castle County, DE	$330,000	+5.1%
Philadelphia County, PA	$260,000	-5.8%
Philadelphia Metro	**$329,000**	**+1.2%**

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
Bucks County, PA	600	-15.5%	579	-32.0%	7	+1 day
Burlington County, NJ	508	-31.1%	485	-43.9%	13	+3 days
Camden County, NJ	524	-24.1%	485	-37.9%	13	+3 days
Chester County, PA	534	-15.8%	533	-30.0%	6	+1 day
Delaware County, PA	580	-15.7%	571	-31.3%	7	0 days
Gloucester County, NJ	315	-17.3%	326	-31.5%	13	+4 days
Kent County, DE	239	-5.9%	231	-24.5%	13	+6 days
Mercer County, NJ	331	-10.5%	292	-43.0%	11	+1 day
Montgomery County, PA	841	-22.6%	829	-37.5%	6	0 days
New Castle County, DE	556	-19.5%	500	-35.6%	6	0 days
Philadelphia County, PA	1,523	-22.3%	1,974	-26.4%	28	+16 days
Philadelphia Metro	**6,551**	**-20.1%**	**6,805**	**-33.1%**	**11**	**+3 days**

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	April 2023	vs. April 2022	April 2023	vs. April 2022
Bucks County, PA	495	-2.0%	0.88	+25.7%
Burlington County, NJ	476	-12.3%	0.88	+7.3%
Camden County, NJ	448	-17.2%	0.86	+3.6%
Chester County, PA	531	+17.2%	1.08	+61.2%
Delaware County, PA	478	-4.6%	0.91	+24.7%
Gloucester County, NJ	328	-3.8%	1.03	+25.6%
Kent County, DE	285	-4.7%	1.32	+18.9%
Mercer County, NJ	319	-32.8%	1.05	-11.0%
Montgomery County, PA	707	-9.7%	0.87	+14.5%
New Castle County, DE	442	-7.5%	0.84	+21.7%
Philadelphia County, PA	4,170	+18.0%	3.24	+52.1%
Philadelphia Metro	**8,679**	**+2.7%**	**1.42**	**+32.7%**

Don't Expect Big Price Drops

In the Philadelphia metro area, home price growth has slowed, and prices are down from their summer 2022 peaks. Despite that slowdown, there are no signs that prices will fall significantly in the region.

The key reason prices will remain stable is the very low supply in the market.

Buyers who are in the market are still competing for limited homes for sale. There are enough buyers in the market who have not been shut out by higher interest rates. Until there is more supply, prices will not come down in any meaningful way.

Local Markets Continued

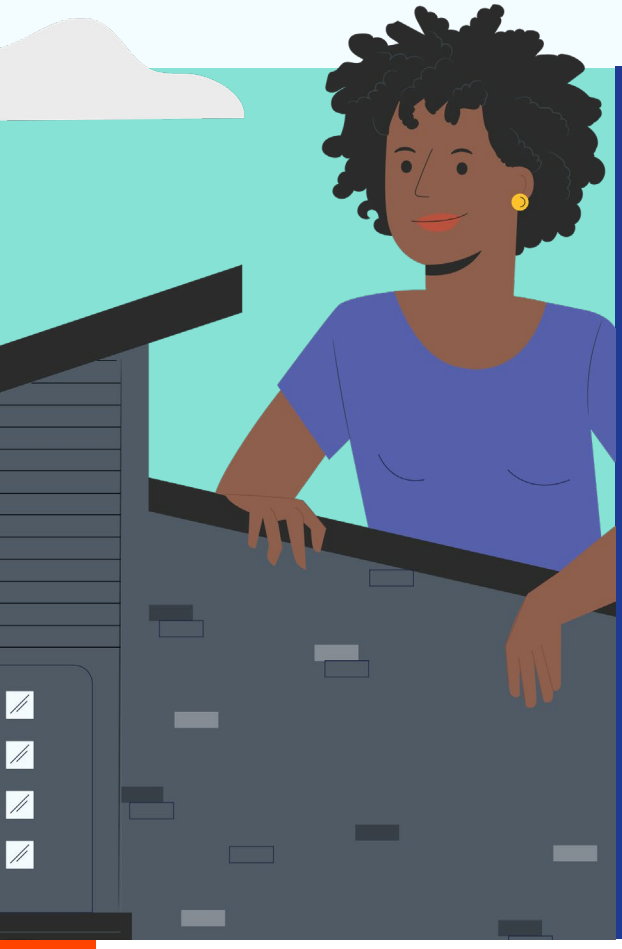
	SHOWINGS		HOME DEMAND INDEX	
	April 2023	vs. April 2022	May 2023	vs. May 2022
Bucks County, PA	15,963	-30.8%	109	-24.8%
Burlington County, NJ	14,802	-26.6%	70	-30.0%
Camden County, NJ	18,756	-18.8%	75	-26.5%
Chester County, PA	12,939	-28.6%	102	-24.4%
Delaware County, PA	17,282	-21.8%	118	-22.4%
Gloucester County, NJ	10,644	-19.2%	67	-22.1%
Kent County, DE	4,132	-18.6%	105	-20.5%
Mercer County, NJ	10,484	-16.4%	65	-27.8%
Montgomery County, PA	25,103	-27.0%	117	-29.5%
New Castle County, DE	14,688	-26.3%	106	-26.4%
Philadelphia County, PA	36,688	-18.2%	102	-16.4%
Philadelphia Metro	**181,481**	**-23.3%**	**94**	**-24.2%**

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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