

# May 2022 Market Report

## Washington Metro

### Washington Market Key Findings

#### Despite Fewer Sales, Housing Market Remains Competitive

Compared to last year's frenzied pace, home sales activity in the Washington metro area has decelerated. In May 2022, there were 6,807 home sales regionwide, which is down 11.6% compared to May 2021. A lack of inventory, along with affordability challenges and rising mortgage rates, have created headwinds in the market.

Despite fewer sales, home prices continue to rise briskly across the region. At \$605,000, the median price was up 8.0% compared to a year ago and is now nearly \$160,000 higher than it was five years ago.

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.

Low inventory has been a constraint on the Washington area market. The number of active listings declined compared to last year, however the drop was less than it has been in recent months. Inventory expanded between April and May, which is a typical month-to-month bump for the region.

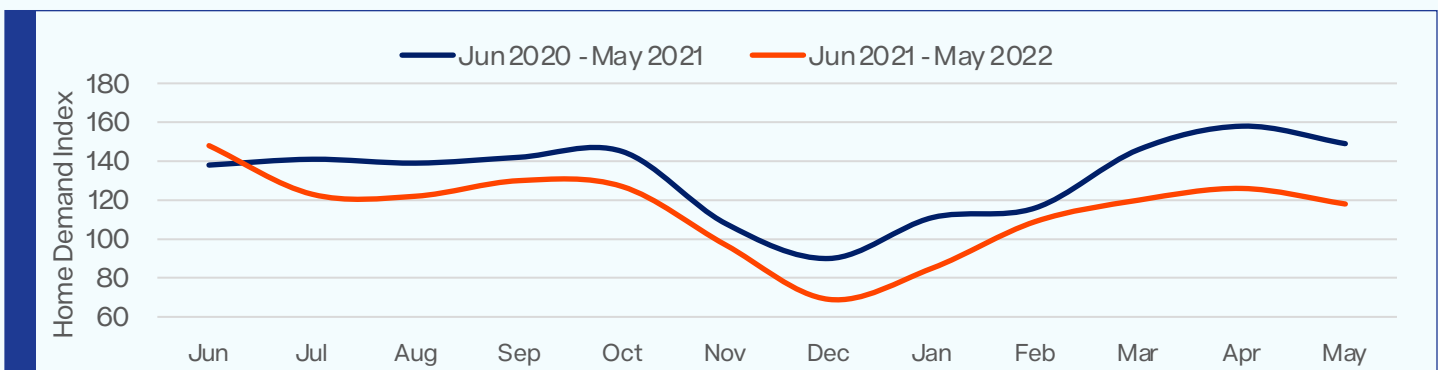
	May 2022	vs. May 2021
Closed sales	6,807	▼ -11.6%
Median sales price	\$605,000	▲ +8.0%
Median days on market	6	-
New pending sales	7,006	▼ -16.2%
New listings	8,734	▼ -10.7%
Active listings	6,108	▼ -14.5%
Months of supply	0.95	▼ -13.0%
Showings	146,097	▼ -30.8%

#### Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), buyer demand has been lower this spring than it was last spring. The HDI fell again in May. The HDI for the Washington metro area was **118 in May (Moderate)**, down from 149 a year ago (High) and off from the April index of 126.

The HDI fell fastest in May for higher-priced single-family homes in the region; however, demand remains Strong for this market segment. The index fell modestly for all other home types.

#### Bright MLS T3 Home Demand Index

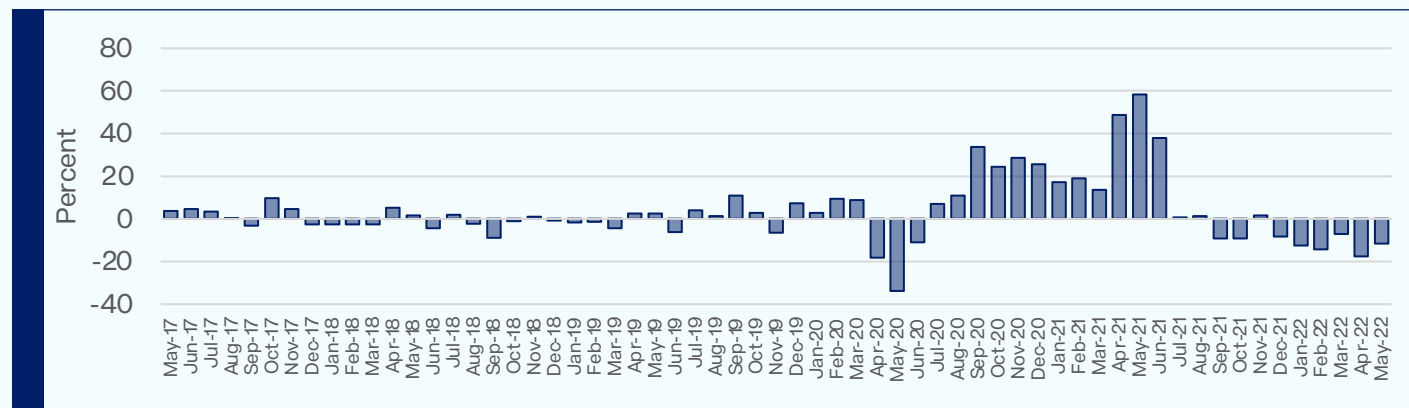


#### Market Outlook

Despite record home prices and rising mortgage rates, the Washington housing market has remained competitive. However, the deceleration in buyer activity suggests that economic headwinds are drawing some prospective buyers out of the market. Inventory is still low, although in some local markets supply may have bottomed out. In the months to come, expect housing market activity to be slower than the frenzied pace of last year. Home prices in the Washington area will continue to rise, but price increases will be lower than they have been over the past two years.

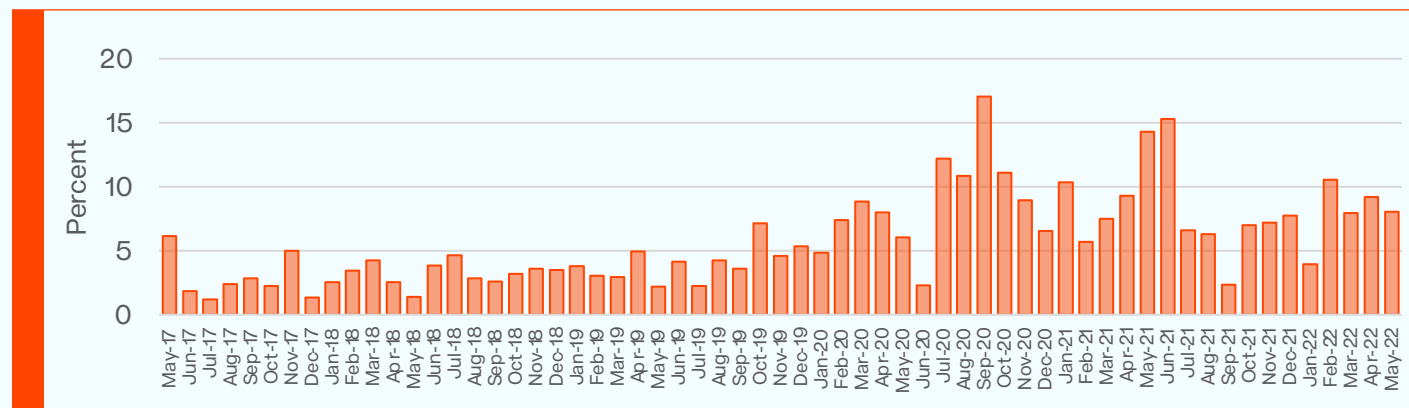
## Closed Sales Year-Over-Year Change

Home sales have been declining year-over-year for 6 consecutive months, which reflects a cooler market than last year's frenzied pace. Home sales were down more for single-family detached homes and townhomes than for condominiums. Between April and May, sales were up 8.5%, which is a lower-than-typical monthly uptick.



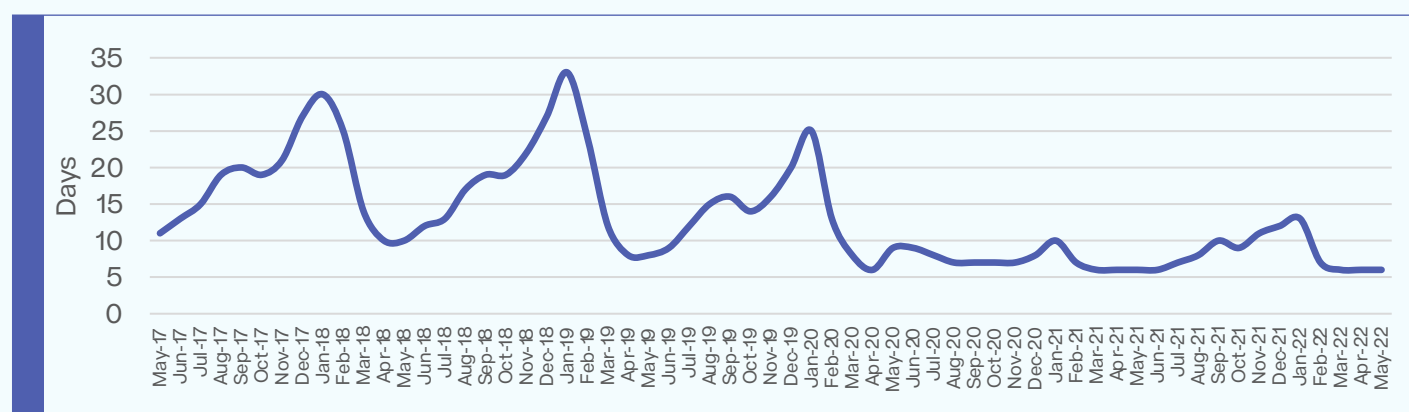
## Median Sales Price Year-Over-Year Change

The median sales price was \$605,000 in May, which is up 8.0%, a gain of \$45,000 compared to a year ago. In the Washington area, prices of townhomes were up more than single-family detached homes. Regionwide, the median condo price fell 1.3% compared to a year ago driven by declines in suburban condo markets.



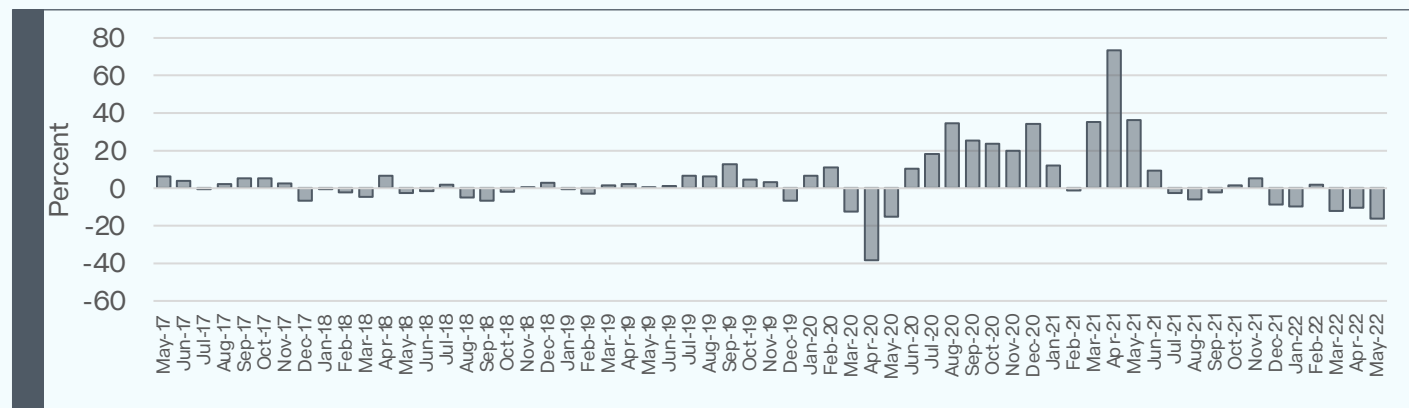
## Median Days on Market

The median days on market was 6 in May, which was unchanged from a year ago and one day faster compared to April. Days on market has been declining steadily across the Washington metro area, and in May was at the lowest level since June 2021.



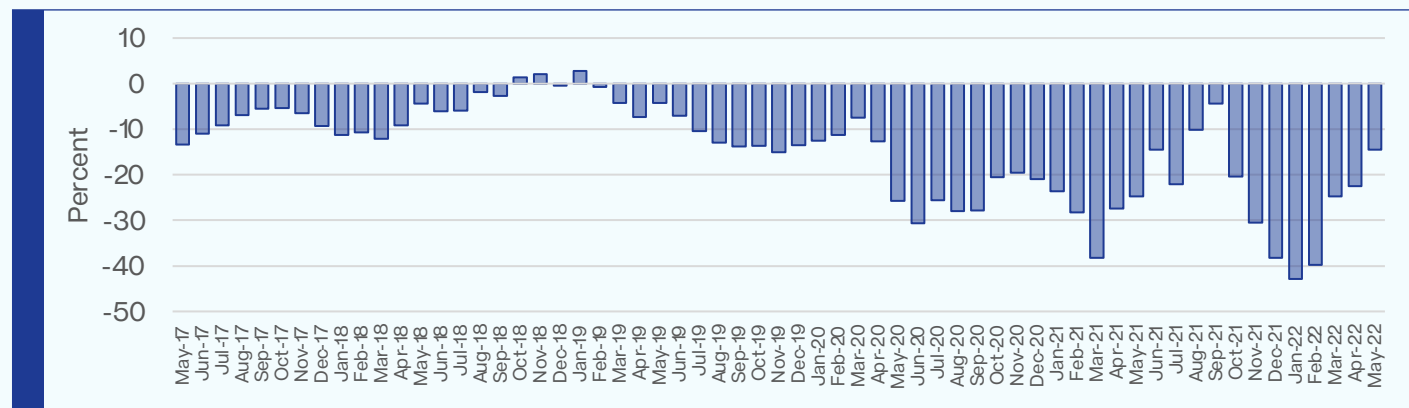
## New Pending Sales Year-Over-Year Change

For the 3<sup>rd</sup> month in a row, new pending sales declined year-over-year in the Washington metro area. There were 16.2% fewer new pendings in May, which is 1,358 fewer than a year ago. New pending sales were virtually unchanged between April and May. In a typical year there is a monthly bump in new contract activity.



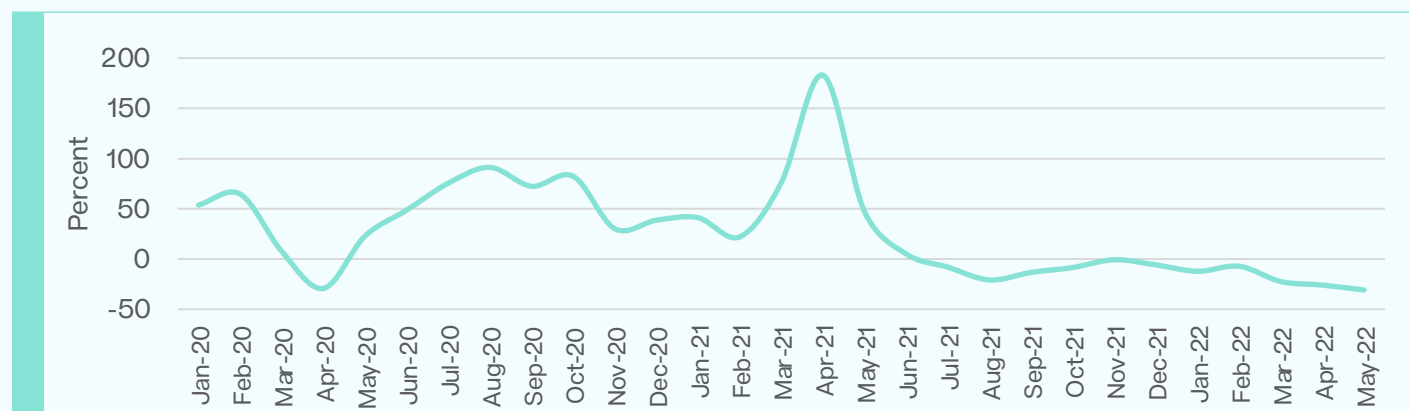
## Active Listings Year-Over-Year Change

There were 6,108 active listings across the region at the end of May, which is down 14.5% compared to a year ago, which is 1,036 fewer listings. Condominium inventory fell faster than single-family inventory in May. Active listings increased 8.6% between April and May, which is a typical monthly increase.



## Showings Year-Over-Year Change

In May, there were 146,097 showings across the Washington metro area, down 30.8% compared to a year ago. This is the 11<sup>th</sup> consecutive month of year-over-year declines in showings. There was also a 15.3% decline in showings between April and May, which is the biggest monthly decline among the three major metros in the mid-Atlantic.



## Local Markets

Home sales have slowed in most markets, though strong competitive remains in some local communities. Regional sales were down 11.6% year-over-year, but home sales were flat and new pending sales increased in May in the city of Falls Church. Buyer activity has remained somewhat stronger in the other close-in suburbs of Alexandria City, Arlington County, and Prince George's County.

Even as the number of sales declined, buyers in the market continue to push prices up. The fastest price growth was in Falls Church City, where the May median home price of \$1.0 million was up 20.9% compared to a year ago. Price growth was also particularly strong in Alexandria City and Loudoun County in VA and Montgomery County, MD.

Inventory is still low but there are signs that supply may have bottomed out in some local markets. Active listings were up year-over-year in Fairfax City and Loudoun County in VA, along with Prince George's County, MD and Washington, DC.



### CLOSED SALES

	May 2022	vs. May 2021
Alexandria City, VA	293	-3.9%
Arlington County, VA	313	-1.9%
Fairfax City, VA	48	26.3%
Fairfax County, VA	1,754	-11.3%
Falls Church City, VA	16	0.0%
Frederick County, MD	489	-13.5%
Loudoun County, VA	705	-15.1%
Montgomery County, MD	1,312	-9.8%
Prince George's County, MD	961	-4.7%
Washington, DC	916	-11.0%
<b>Washington Metro</b>	<b>6,807</b>	<b>-11.6%</b>

### MEDIAN SALES PRICE

	May 2022	vs. May 2021
Alexandria City, VA	\$660,000	13.8%
Arlington County, VA	\$676,200	-6.7%
Fairfax City, VA	\$732,500	2.8%
Fairfax County, VA	\$715,500	9.7%
Falls Church City, VA	\$1,042,500	20.9%
Frederick County, MD	\$459,190	9.3%
Loudoun County, VA	\$698,910	10.9%
Montgomery County, MD	\$620,000	12.7%
Prince George's County, MD	\$415,000	9.2%
Washington, DC	\$650,000	-5.3%
<b>Washington Metro</b>	<b>\$605,000</b>	<b>8.0%</b>

## Local Markets Continued

	NEW PENDINGS		NEW LISTINGS		MEDIAN DAYS ON MARKET	
	May 2022	vs. May 2021	May 2022	vs. May 2021	May 2022	vs. May 2021
Alexandria City, VA	316	-0.9%	355	-0.6%	5	-2
Arlington County, VA	300	-14.8%	396	-20.6%	6	-1
Fairfax City, VA	45	-11.8%	61	-1.6%	6	1
Fairfax County, VA	1,729	-21.1%	2,089	-16.8%	5	0
Falls Church City, VA	19	11.8%	24	4.3%	5	1
Frederick County, MD	517	-13.5%	642	-3.3%	5	0
Loudoun County, VA	715	-24.3%	905	-10.4%	5	1
Montgomery County, MD	1,384	-18.4%	1,575	-15.1%	6	0
Prince George's County, MD	1,082	-17.1%	1,266	-5.9%	7	0
Washington, DC	899	-19.4%	1,421	-2.8%	10	2
<b>Washington Metro</b>	<b>7,006</b>	<b>-16.2%</b>	<b>8,734</b>	<b>-10.7%</b>	<b>6</b>	<b>0</b>

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	May 2022	vs. May 2021	May 2022	vs. May 2021
Alexandria City, VA	223	-18.3%	0.86	-17.1%
Arlington County, VA	354	-32.6%	1.23	-36.7%
Fairfax City, VA	38	100.0%	1.06	89.7%
Fairfax County, VA	1,138	-15.8%	0.74	-15.2%
Falls Church City, VA	11	-38.9%	0.73	-39.2%
Frederick County, MD	344	3.6%	0.69	5.4%
Loudoun County, VA	480	51.9%	0.73	65.6%
Montgomery County, MD	917	-12.7%	0.73	-13.9%
Prince George's County, MD	844	33.8%	0.82	32.6%
Washington, DC	1,759	8.3%	2.02	12.7%
<b>Washington Metro</b>	<b>6,108</b>	<b>-14.5%</b>	<b>0.95</b>	<b>-13.0%</b>

### Markets Still Competitive For Now

While there are headwinds in the housing market, including rising mortgage rates and affordability challenges, the Washington market has been very strong. Homes are still selling faster than ever, particularly in higher-priced local markets.

## Local Markets Continued

	SHOWINGS		HOME DEMAND INDEX	
	May 2022	vs. May 2021	May 2022	vs. May 2021
Alexandria City, VA	4,689	-11.0%	193	-9.4%
Arlington County, VA	5,583	-15.3%	205	-21.2%
Fairfax City, VA	900	-23.5%	136	-18.6%
Fairfax County, VA	33,487	-32.0%	136	-23.2%
Falls Church City, VA	291	-13.9%	132	-24.1%
Frederick County, MD	9,769	-24.6%	91	-11.7%
Loudoun County, VA	13,756	-39.1%	132	-18.0%
Montgomery County, MD	32,700	-30.8%	108	-23.9%
Prince George's County, MD	27,506	-37.3%	102	-24.4%
Washington, DC	17,416	-20.9%	109	-12.1%
<b>Washington DC Metro</b>	<b>146,097</b>	<b>-30.8%</b>	<b>118</b>	<b>-20.8%</b>

### 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](https://www.brightmls.com/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 BrightMLS.com.

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