

June 2023 Market Report

Washington, D.C. Metro

Washington, D.C. Market Key Findings

Area Housing Market Strong Heading into Summer Low inventory continues to suppress sales

In June, overall sales in the Washington, D.C. region were 18.5% lower than a year ago. However, the year-to-year gap in sales activity is narrowing and sales would be stronger if there was more inventory available.

The number of active listings has declined for three consecutive months. With just 5,954 listings on the market at the end of June, inventory is down 20.3% from a year ago and is more than 50% lower than 2019 levels. There is just 1.35 months of supply regionwide, making it a very competitive market for buyers.

There does not appear to be any relief for buyers in the form of fresh listings. New listing activity in June is off by nearly 40% compared to a year ago, hitting record low levels. Homeowners are still “locked in” to super low mortgage rates, giving them little incentive to list their home for sale.

Buyers in the market need to act quickly. The median days on market was 7, reflecting a market that is moving as quickly as it was during the height of the pandemic market.

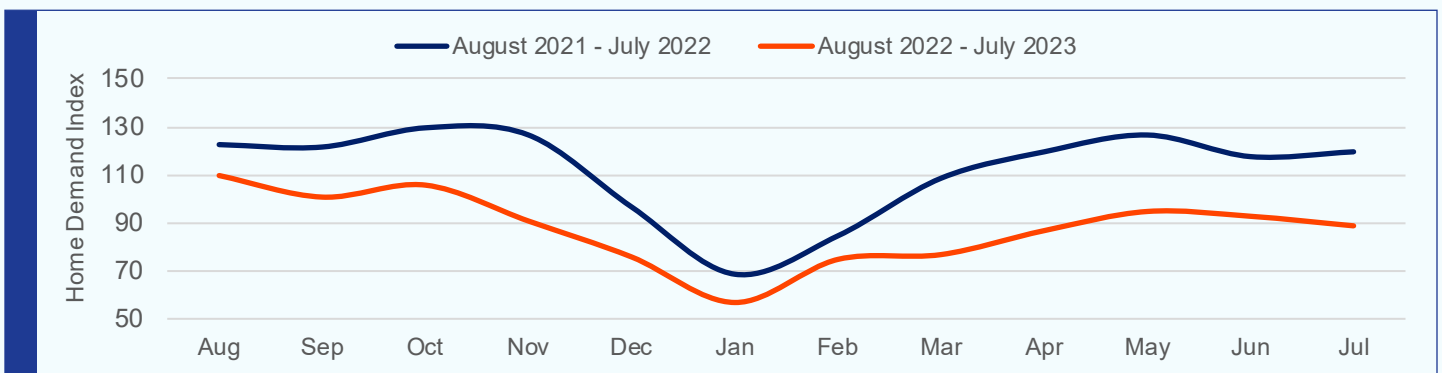
	June 2023		vs. June 2022
Closed sales	5,419	▼	-18.5%
Median sales price	\$600,000	▲	+0.3%
Median days on market	7	=	+0 days
New pending sales	4,910	▼	-18.3%
New listings	5,452	▼	-39.5%
Active listings	5,954	▼	-20.3%
Months of supply	1.35	▲	+13.4%
Showings	112,027	▼	-10.4%

Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), market activity in the Washington, D.C. metro area dipped into Slow demand, at 89 for July 2023. The index for the Washington, D.C. metro had moved into Steady for the last two months.

The index for the Washington, D.C. metro is down from 120, Moderate demand, a year ago.

Bright MLS T3 Home Demand Index



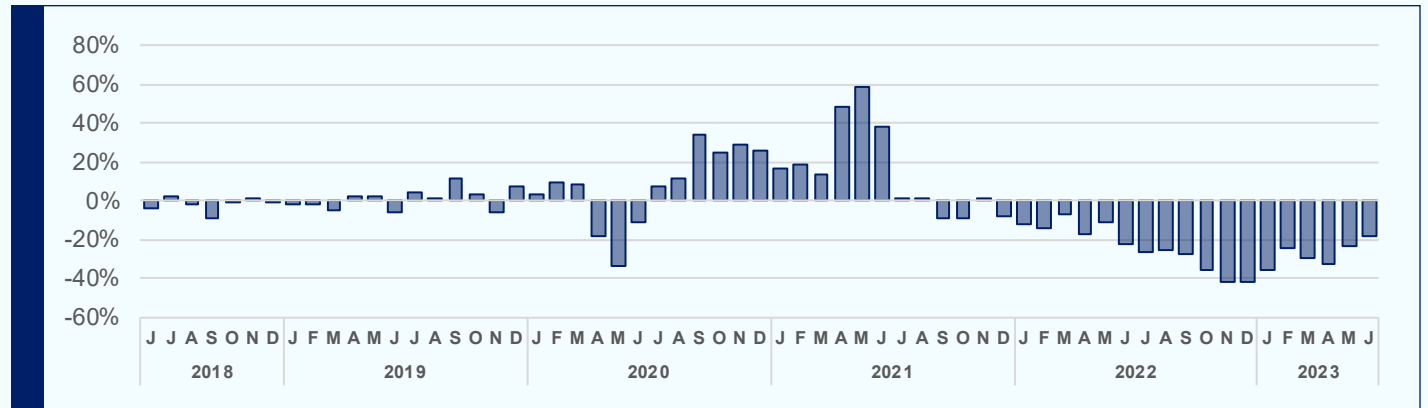
Market Outlook

Prices have been holding firm in the Washington metro area, despite elevated mortgage rates and affordability challenges. The primary reason the market remains so competitive is very low supply coupled with surprisingly resilient demand.

Inventory is going to remain low throughout the rest of 2023. However, as interest rates edge down over the next 6 months, we should see more new listings from homeowners who have felt “locked in” to a very low mortgage but are living in a home that does not work for them or their family. An increase in supply—particularly single-family detached homes in suburban markets—will be welcome. However, buyers expecting a significant increase in the number of homes on the market will be disappointed.

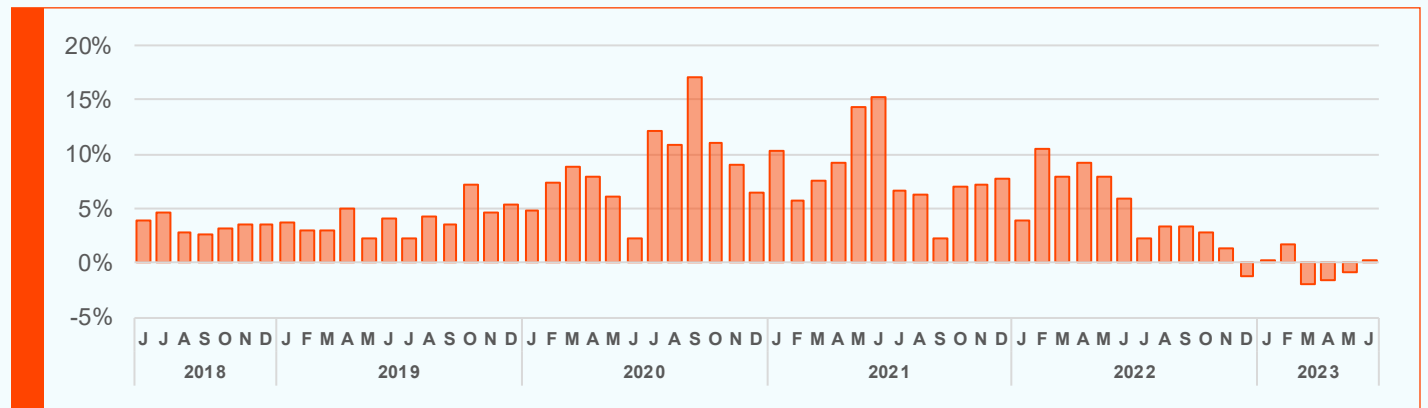
Closed Sales Year-Over-Year Change

With closed sales at 5,419 in June, market activity in the Washington metro area continues to track behind June 2022 levels by 18.5%. Sales in the region increased between May and June, with condos having the biggest monthly uptick.



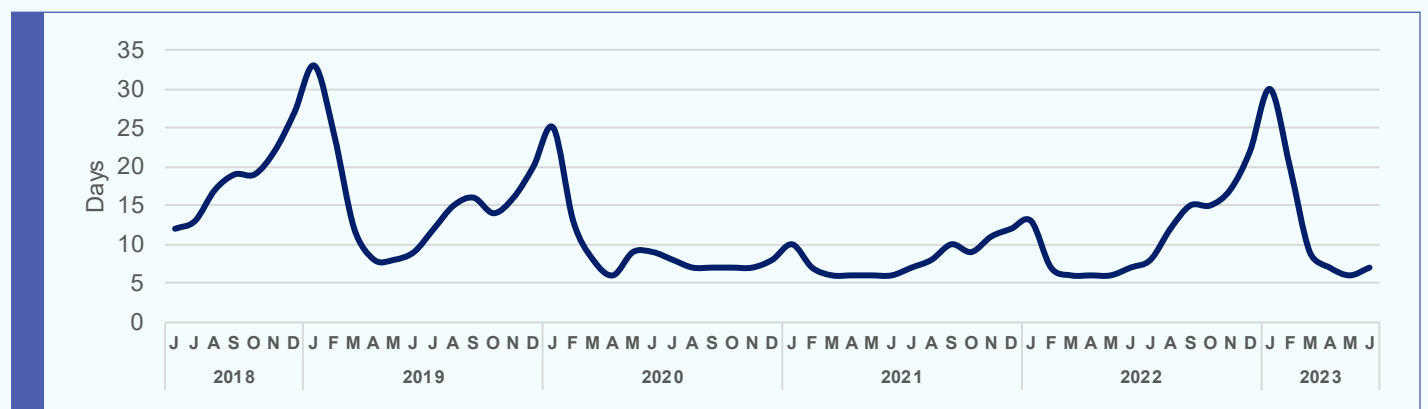
Median Sales Price Year-Over-Year Change

After three consecutive months of price declines, the median price in the Washington metro area was up 0.3% in June, to \$600,000. Condo prices rose the most this month, up 2.7% year-over-year. Between May and June, the overall median price in the region was unchanged, but prices of attached homes and condos fell.



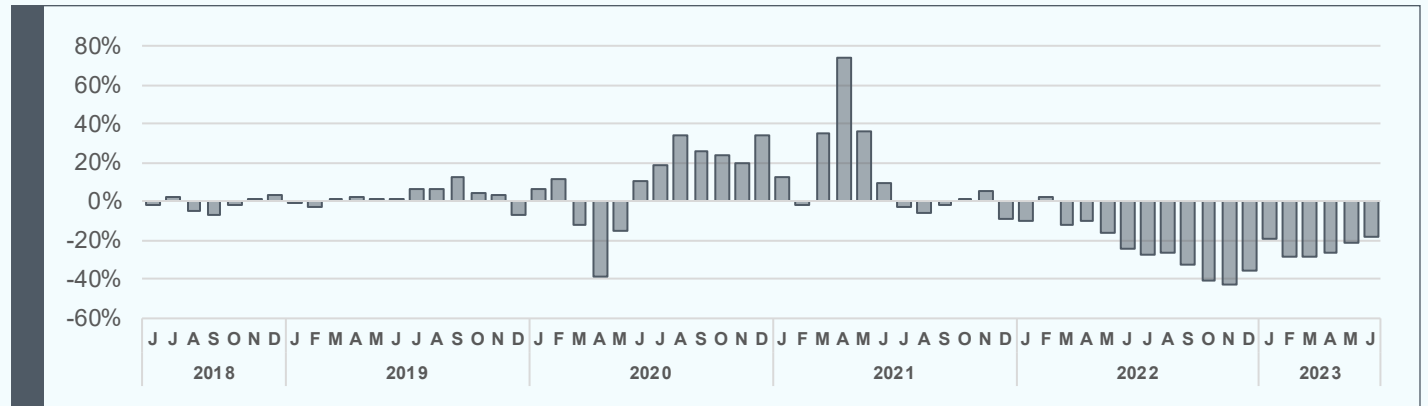
Median Days on Market

In June, the median days on market was 7, which was unchanged from a year ago. Homes are selling as fast as they were at the height of the pandemic market. Demand remains strong into the summer. The typical home took just 1 additional day to sell in June compared to May.



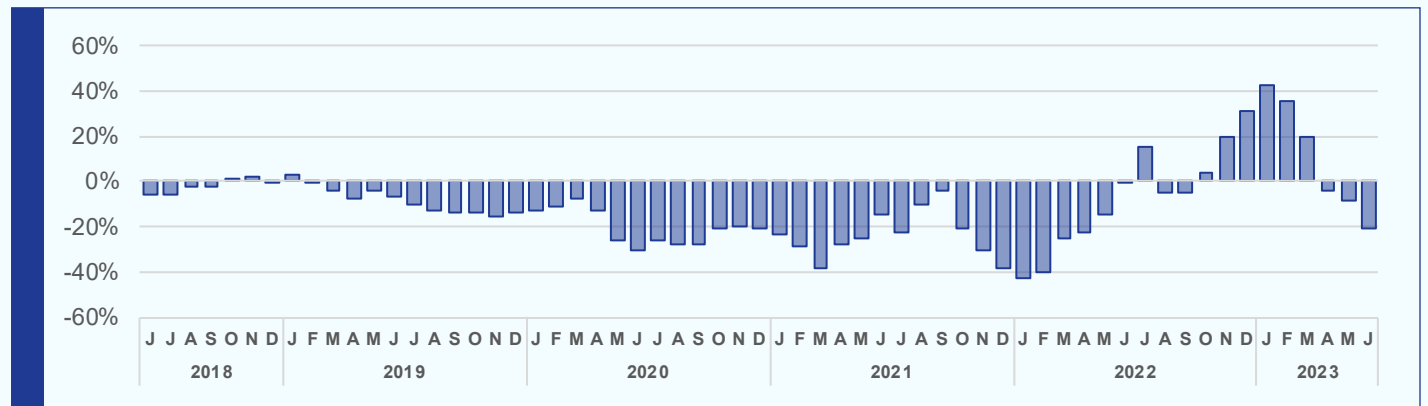
New Pending Sales Year-Over-Year Change

There were 4,910 new pending sales in June, which is 18.3% lower than June 2022 and is off by 25.4% compared to 2019. Between May and June, new pending sales experienced a typical seasonal decline of 11.2% overall, with the greatest drop in sales activity among single-family detached homes (-13.0%).



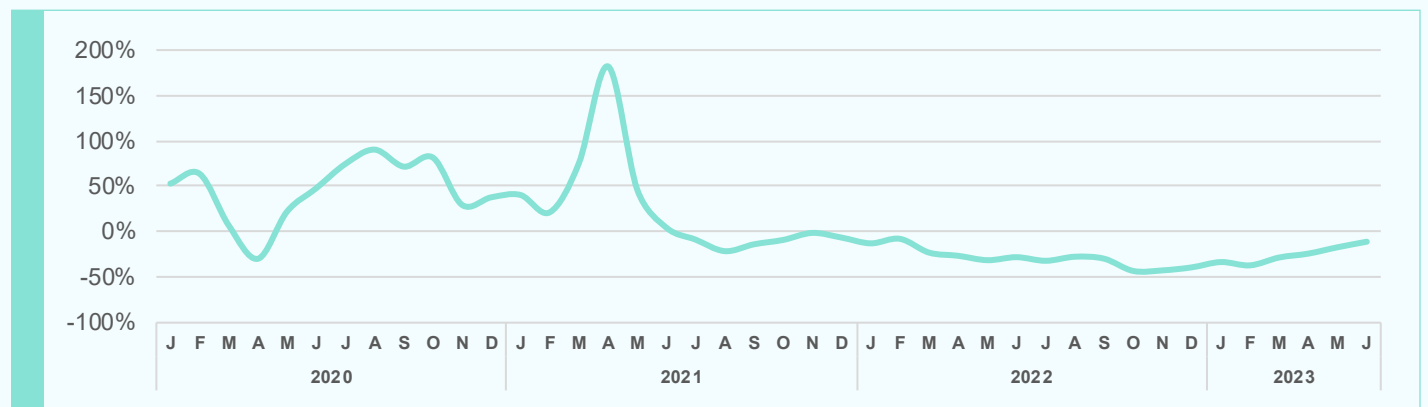
Active Listings Year-Over-Year Change

Supply continues to be a major constraint in the Washington metro area. There were 5,954 total active listings at the end of June, which is 20.3% fewer listings than last year. Condo listings are down 25.7% from a year ago. Inventory expanded by 6.9% between May and June., with the biggest monthly gain in the listings of attached homes.



Showings

Monthly showing activity has been steadily increasing since the beginning of the year. In June, there were 112,027 showings in the Washington metro area. While this is 10.4% lower than a year ago, the yearly gap in showing activity has been narrowing. Showings fell 8.1% between May and June, reflecting typical seasonality.



Local Markets

Once again, low inventory is the primary constraint on the Washington metro area housing market. Supply was lower in June than it was a year ago. Several local markets saw greater than 30% declines year-over-year in active listings, including Arlington and Fairfax counties in Virginia and Montgomery County, Maryland. Both Montgomery County and Frederick County, Maryland have less than 1 month of supply.

Prices across the region were a mixed bag in June, largely driven by the types of homes sold this month. Prices rose the most in Alexandria City, VA (+15.5%). The median price in Washington, DC; Arlington County, VA; and Frederick County, MD declined while prices were basically flat in Loudoun County, VA.

Homes are selling very quickly. The fastest-paced market was Fairfax County, VA where the median days on market was 5 in June.



CLOSED SALES

	June 2023	vs. June 2022
Alexandria City, VA	245	-18.6%
Arlington County, VA	275	-3.8%
Fairfax City, VA	38	-13.6%
Fairfax County, VA	1,312	-17.8%
Falls Church City, VA	17	-5.6%
Frederick County, MD	398	-24.3%
Loudoun County, VA	533	-23.5%
Montgomery County, MD	1,041	-22.8%
Prince George's County, MD	808	-14.4%
Washington, DC	752	-15.8%
Washington DC Metro	5,419	-18.5%

MEDIAN SALES PRICE

	June 2023	vs. June 2022
Alexandria City, VA	\$702,500	+15.5%
Arlington County, VA	\$652,000	-3.4%
Fairfax City, VA	\$670,000	-7.6%
Fairfax County, VA	\$721,900	+5.4%
Falls Church City, VA	\$1,000,000	+11.0%
Frederick County, MD	\$452,875	-6.0%
Loudoun County, VA	\$689,000	-0.1%
Montgomery County, MD	\$630,000	+5.0%
Prince George's County, MD	\$425,000	+2.4%
Washington, DC	\$602,500	-16.9%
Washington DC Metro	\$600,000	+0.3%

Local Markets Continued

	NEW PENDINGS		NEW LISTINGS		MEDIAN DAYS ON MARKET	
	June 2023	vs. June 2022	June 2023	vs. June 2022	June 2023	vs. June 2022
Alexandria City, VA	195	-20.7%	205	-35.3%	6	-2 days
Arlington County, VA	218	-12.1%	236	-44.3%	7	+0 days
Fairfax City, VA	35	+2.9%	34	-42.4%	5	-1 day
Fairfax County, VA	1,116	-16.2%	1,205	-43.1%	5	-1 day
Falls Church City, VA	13	+0.0%	18	-10.0%	5	-1 day
Frederick County, MD	387	-28.9%	405	-43.1%	6	+0 days
Loudoun County, VA	454	-24.6%	518	-45.6%	6	+1 day
Montgomery County, MD	938	-21.7%	916	-45.1%	7	+0 days
Prince George's County, MD	859	-13.4%	913	-30.1%	9	+1 day
Washington, DC	695	-13.3%	1,002	-30.3%	16	+6 days
Washington DC Metro	4,910	-18.3%	5,452	-39.5%	7	+0 days

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	June 2023	vs. June 2022	June 2023	vs. June 2022
Alexandria City, VA	186	-21.8%	1.05	+12.9%
Arlington County, VA	284	-32.7%	1.41	-6.0%
Fairfax City, VA	26	-49.0%	1.00	-31.5%
Fairfax County, VA	1,057	-33.3%	1.04	-2.8%
Falls Church City, VA	14	-6.7%	1.27	+18.7%
Frederick County, MD	312	-24.5%	0.88	+4.8%
Loudoun County, VA	479	-27.2%	1.13	+9.7%
Montgomery County, MD	794	-32.5%	0.94	-2.1%
Prince George's County, MD	938	-9.9%	1.25	+21.4%
Washington, DC	1,864	-0.5%	3.08	+40.0%
Washington DC Metro	5,954	-20.3%	1.35	+13.4%

An Inventory Reversal

Starting in the middle of 2022, the Mid-Atlantic housing market received some welcome news—active listings were finally on the rise! The trend continued in 2023, with the first quarter showing strong gains in active listings.

The Washington, D.C. metro had more of a bump ride with only six consecutive months of growth. Inventory levels started decreasing in April (-4.1%) and continued in May (-8.8%) and June (-20.3%).

Inventory today is roughly half (47%) of the active listings in June 2019. This reversal in active listings will constrain buyer choices even further and keep prices firm.

Local Markets Continued

	SHOWINGS		HOME DEMAND INDEX	
	June 2023	vs. June 2022	July 2023	vs. July 2022
Alexandria City, VA	3,653	-5.2%	141	-19.4%
Arlington County, VA	3,839	-20.3%	139	-33.2%
Fairfax City, VA	797	+15.8%	101	-22.9%
Fairfax County, VA	27,662	-1.3%	100	-28.6%
Falls Church City, VA	205	-26.5%	113	-22.1%
Frederick County, MD	6,271	-27.2%	62	-31.9%
Loudoun County, VA	9,853	-13.7%	87	-38.3%
Montgomery County, MD	23,450	-13.5%	78	-26.4%
Prince George's County, MD	21,655	-11.4%	85	-19.0%
Washington, DC	14,642	-7.5%	92	-17.1%
Washington DC Metro	112,027	-10.4%	89	-25.8%

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 BrightMLS.com.

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