

December 2023 Market Report Philadelphia Metro

Philadelphia Market Key Findings

Fast Home Price Growth to End the Year

Median sale price rose 9.4%, fastest growth since spring 2022

Despite the fact that there were fewer buyers in December, home prices rose quickly in the Philadelphia metro area. The median sale price was \$350,000, which was up 9.4% compared to last December and is the fastest year-over-year price growth since May 2022. Price appreciation was widespread, with prices up for all housing types and in all jurisdictions with the exception of Philadelphia County.

Home sales activity fell seasonally in December. There were 3,754 new pending sales in the Philadelphia metro area, which was 4.0% lower than a year prior. The number of new pending sales fell by 21.4% between November and December. Monthly pending sales were at their lowest level since April 2020 when the pandemic locked down the housing market in Pennsylvania.

There were fewer sales simply because there was not enough inventory. In December, a total of 3,582 new listings came onto the market throughout the Philadelphia metro area. New listing activity is down 8.7% compared to December 2022, and fell 32.1% from November. This is the lowest level of monthly new listings in more than two decades. At the end of 2023, there was a total of 8,722 active listings throughout the metro area, down 5.8% from a year earlier. Inventory is less than half of what it was in 2019.

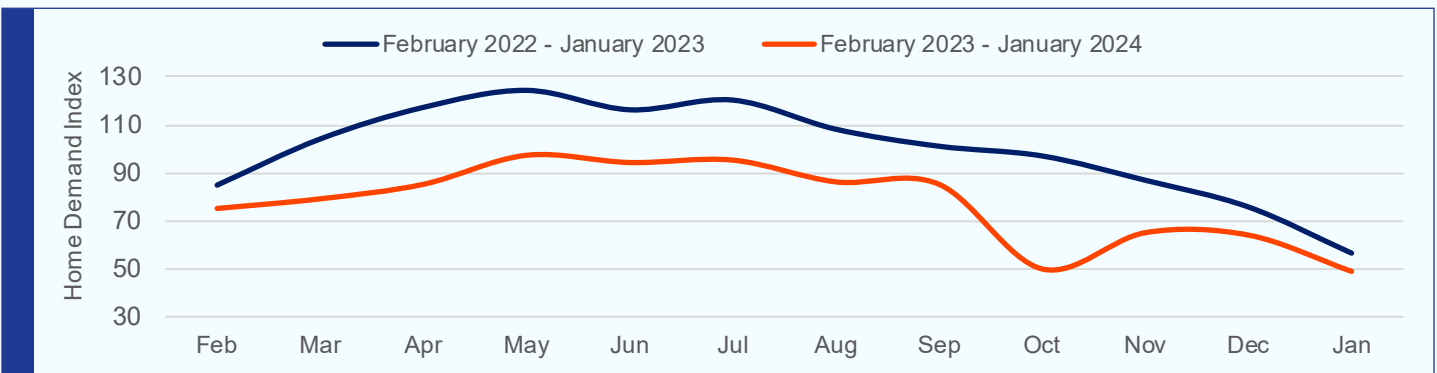
	December 2023		vs. December 2022
Closed sales	4,690	▼	-5.3%
Median sales price	\$350,000	▲	+9.4%
Median days on market	15	▼	-2 days
New pending sales	3,754	▼	-4.0%
New listings	3,582	▼	-8.7%
Active listings	8,722	▼	-5.8%
Months of supply	1.63	▲	+17.3%
Showings	79,329	▼	-5.8%

Bright MLS T3 Home Demand Index

According to the Bright MLS T3 Home Demand Index (HDI), market conditions dropped from last month, moving further into the Limited category. The HDI for the Philadelphia metro slid from 64 to 49 for this month.

Demand remains lower as the holiday season wraps up and prices continue to rise on top of lower inventory. The HDI should improve in the coming months.

Bright MLS T3 Home Demand Index



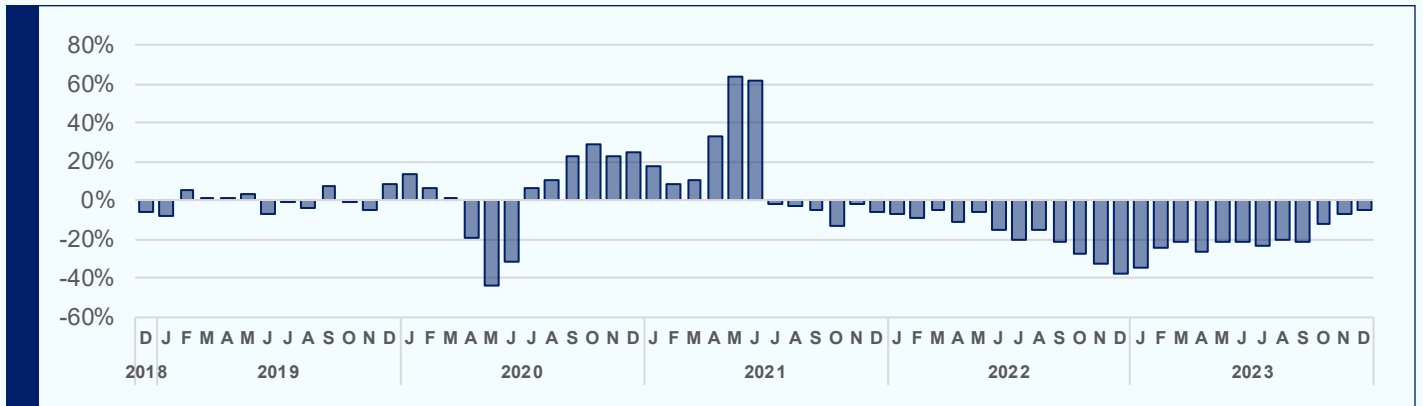
Market Outlook

The Philadelphia metro area housing market has been very competitive throughout 2023, with strong buyer activity and rising home prices. The fast price growth in December reflects the dearth of listings in the market. In 2024, expect continued strength in the housing market, though the prospects for a busier 2024 housing market depends critically on there being more inventory.

Mortgage rates have been declining for several weeks, which will bring more buyers to the market, but should also bring more sellers. While "rate lock" will keep many existing homeowners in their homes, there will be others who find that changes to family or financial circumstances will motivate them to move and bring more listings to the market.

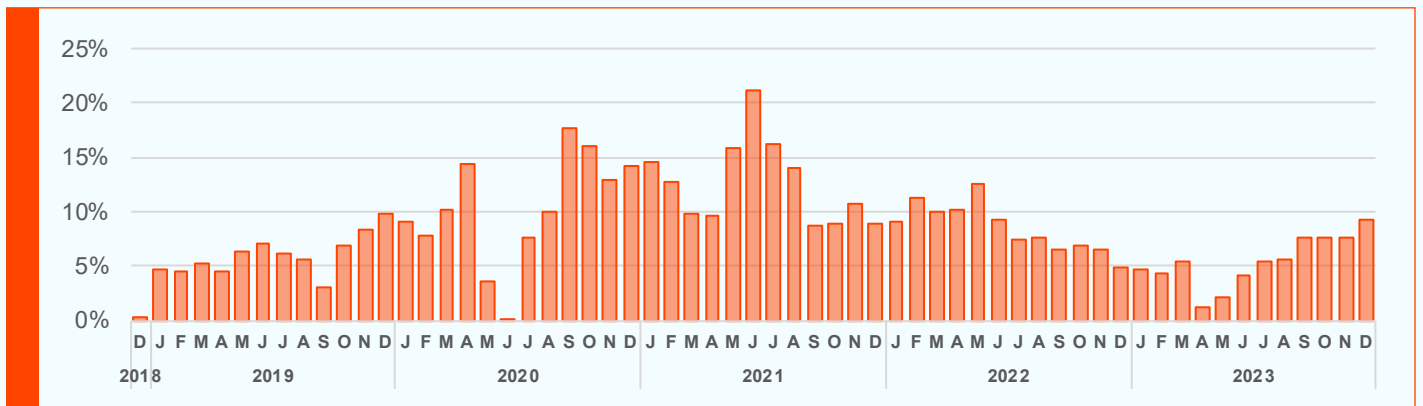
Closed Sales Year-Over-Year Change

There were 4,690 closed sales in the Philadelphia metro area during the month of December 2023. Sales are down from December 2022 by 5.3% overall. Between November and December, the number of closed sales dropped by just 2.6%.



Median Sale Price Year-Over-Year Change

The median sale price in the Philadelphia metro area was \$350,000, which was a 9.4% increase from December 2022 and the fastest year-over-year price growth since May 2022. Compared to November, the median sale price dropped by 1.4%, which is a typical seasonal drop.



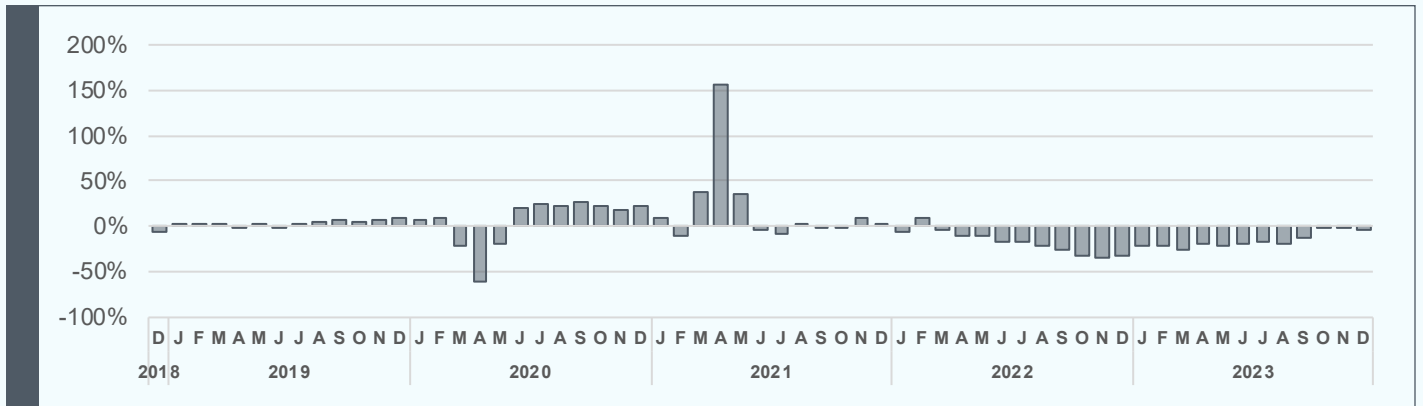
Median Days on Market

The median days on market in the Philadelphia metro was 15 for the month of December, meaning half of all homes sold in just over two weeks. This is the fifth month in a row that the median days on market was faster than the same month a year earlier. Compared to November, the median days on market slowed by three days as the market cooled for the holidays.



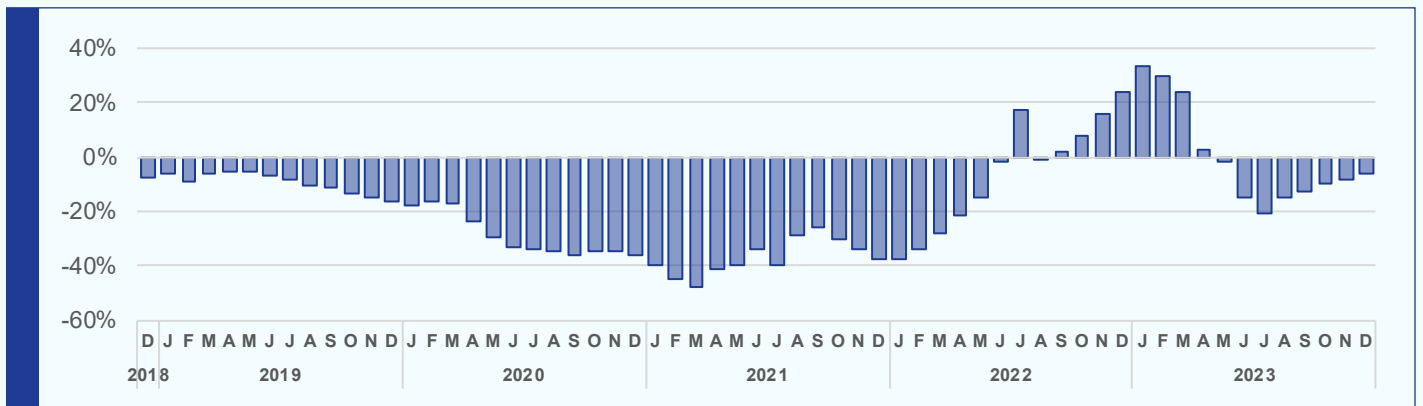
New Pending Sales Year-Over-Year Change

There were 3,754 pending sales at the end of December in the Philadelphia metro area, which is a 4.0% downturn from last December overall. Detached homes (-4.0%) had the largest decrease over attached (-2.7%) and condos (+3.1%). Compared to November, there were 21.4% fewer new pending sales as the market cooled for the holidays.



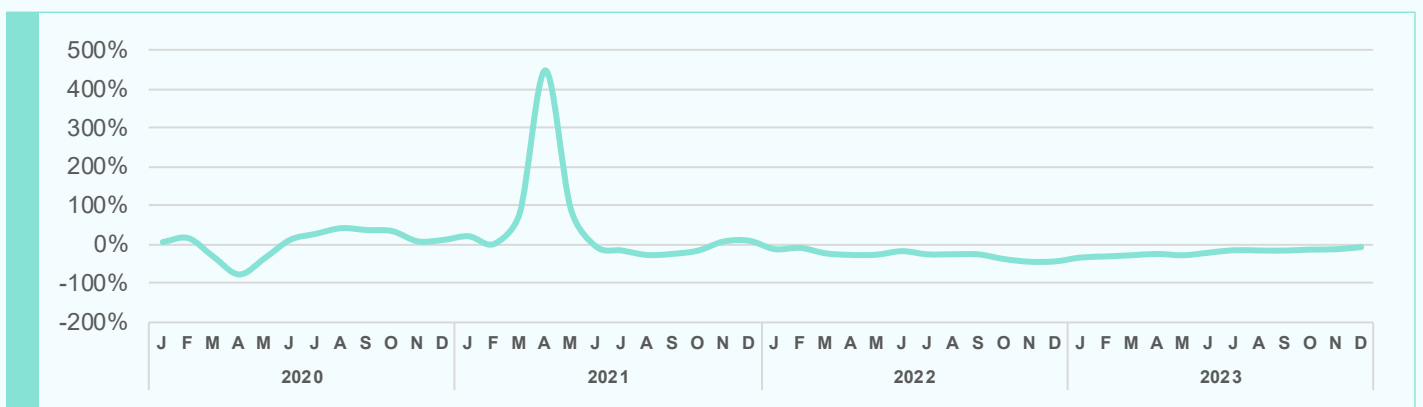
Active Listings Year-Over-Year Change

At the end of December, there were 8,722 active listings, which is 5.8% lower than December 2022. While this is the eighth month in a row of year-over-year decrease, the gap is slowly closing from last year.



Showings

There were 79,329 showings through the Philadelphia metro area in December, which is 5.8% below the same month last year. Showings have been consistently down year-over-year since December 2021, but the gap from last year has moved into the single digits for the first time since February 2022.



Local Markets

Philadelphia County was the only local jurisdiction where prices fell, down for the third month in a row. The New Jersey suburbs had some of the fastest price appreciation—Mercer County (+21.7%), Burlington County (+20.1%), and Gloucester County (+13.2%).

New pending sales were lower in December 2023 than they were in December 2022 in most markets. However, in Bucks County, PA, pending sales were up 6.1% and in Philadelphia County, pending sales were 3.1% higher than a year earlier.

Low inventory drives price growth through the region. Compared to the end of 2022, the number of active listings is lower in most local markets, with the biggest year-over-year supply drops in Burlington County (-25.5%) and Mercer County (-22.8%). Inventory increased in the Delaware markets and in Montgomery County, PA (+5.8%). However, there is still around just one month of supply in most jurisdictions in the Philadelphia metro area, with the exceptions of Philadelphia County (3.22 months of supply) and Kent County, DE (2.19 months of supply).



CLOSED SALES

	December 2023	vs. December 2022
Bucks County, PA	470	+5.6%
Burlington County, NJ	417	-12.8%
Camden County, NJ	397	-5.3%
Chester County, PA	344	-12.2%
Delaware County, PA	428	-0.9%
Gloucester County, NJ	215	-15.7%
Kent County, DE	157	-3.1%
Mercer County, NJ	261	+0.4%
Montgomery County, PA	584	-16.8%
New Castle County, DE	415	-7.8%
Philadelphia County, PA	1,002	+4.4%
Philadelphia Metro	4,690	-5.3%

MEDIAN SALE PRICE

	December 2023	vs. December 2022
Bucks County, PA	\$455,000	+7.1%
Burlington County, NJ	\$360,297	+20.1%
Camden County, NJ	\$295,000	+8.3%
Chester County, PA	\$493,750	+13.5%
Delaware County, PA	\$315,000	+1.8%
Gloucester County, NJ	\$325,000	+13.2%
Kent County, DE	\$305,000	+3.9%
Mercer County, NJ	\$410,000	+21.7%
Montgomery County, PA	\$411,500	+4.0%
New Castle County, DE	\$349,900	+9.7%
Philadelphia County, PA	\$240,000	-3.4%
Philadelphia Metro	\$350,000	+9.4%

Local Markets Continued

	NEW PENDINGS		NEW LISTINGS		MEDIAN DAYS ON MARKET	
	December 2023	vs. December 2022	December 2023	vs. December 2022	December 2023	vs. December 2022
Bucks County, PA	312	+6.1%	259	-4.4%	11	-1 day
Burlington County, NJ	343	-8.8%	292	-12.8%	17	-5 days
Camden County, NJ	334	-13.9%	327	-12.1%	15	-2 days
Chester County, PA	266	-0.7%	188	-23.3%	9	-1 day
Delaware County, PA	302	-1.6%	275	-14.3%	11	+0 days
Gloucester County, NJ	205	-6.0%	186	-16.2%	16	-4 days
Kent County, DE	139	-14.7%	121	-12.9%	20	+2 days
Mercer County, NJ	191	-0.5%	158	-1.3%	17	-2 days
Montgomery County, PA	437	-7.8%	423	+10.7%	9	-1 day
New Castle County, DE	324	-8.7%	321	+3.9%	11	+0 days
Philadelphia County, PA	901	+3.1%	1,032	-11.5%	28	-2 days
Philadelphia Metro	3,754	-4.0%	3,582	-8.7%	15	-2 days

	ACTIVE LISTINGS		MONTHS OF SUPPLY	
	December 2023	vs. December 2022	December 2023	vs. December 2022
Bucks County, PA	476	-12.5%	0.97	+6.6%
Burlington County, NJ	471	-25.5%	1.03	-5.5%
Camden County, NJ	565	+0.5%	1.28	+26.7%
Chester County, PA	476	-0.2%	1.09	+22.5%
Delaware County, PA	512	-3.8%	1.11	+20.7%
Gloucester County, NJ	408	+3.6%	1.45	+23.9%
Kent County, DE	419	+16.4%	2.19	+39.5%
Mercer County, NJ	285	-22.8%	1.08	-1.8%
Montgomery County, PA	764	+5.8%	1.13	+37.8%
New Castle County, DE	561	+8.9%	1.24	+39.3%
Philadelphia County, PA	3,785	-8.8%	3.22	+11.8%
Philadelphia Metro	8,722	-5.8%	1.63	+17.3%

Mortgage Rates

Mortgage rates fell through November and continued trending downward in December. Typically, buyers lock in a rate at least 30 days prior to purchase.

Mortgage rates will play a strong role in the upcoming spring market. Buyers are waiting with bated breath for additional drops to help with affordability. However, the longer they wait, the more competition they could face as other buyers share the same mindset.

Sellers may also be drawn into the market, as lower rates will help to ease the pain—at least a little—of giving up a very low rate.

Local Markets Continued

	SHOWINGS		HOME DEMAND INDEX	
	December 2023	vs. December 2022	January 2023	vs. January 2022
Bucks County, PA	6,233	-3.5%	52	-13.3%
Burlington County, NJ	7,405	-7.5%	39	-18.8%
Camden County, NJ	8,272	-10.9%	43	-17.3%
Chester County, PA	4,977	+0.9%	44	-13.7%
Delaware County, PA	6,231	-16.2%	55	-19.1%
Gloucester County, NJ	4,721	-12.6%	38	-17.4%
Kent County, DE	2,252	+1.6%	69	-4.2%
Mercer County, NJ	3,983	-6.8%	31	-11.4%
Montgomery County, PA	9,352	-2.3%	58	-3.3%
New Castle County, DE	6,421	-17.3%	64	-11.1%
Philadelphia County, PA	19,482	+3.2%	54	-15.6%
Philadelphia Metro	79,329	-5.8%	49	-14.0%

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 homebuyers 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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