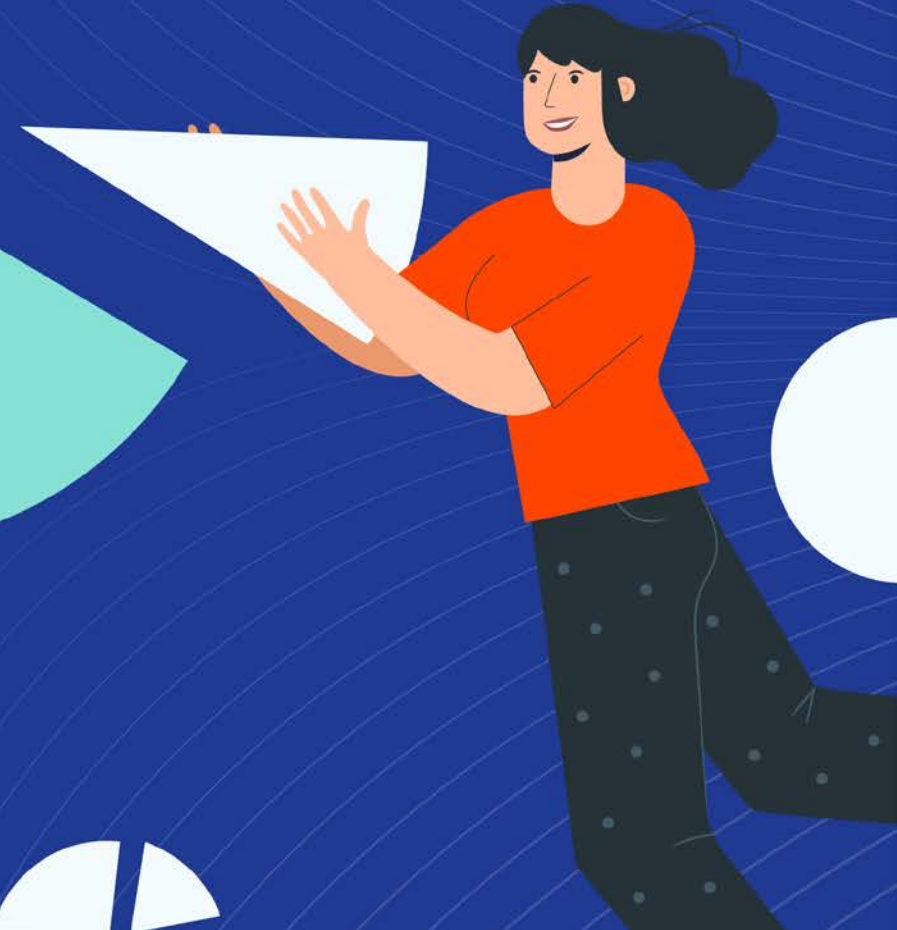




Market Update: Where is the Housing Market Headed?

NEXUS Association of REALTORS®
CORE Association of REALTORS®
June 21, 2023



Lisa Sturtevant, PhD
Chief Economist

How's the Housing Market?

Year-to-Date Housing Market Activity Jan-May 2023 compared to Jan-May 2022

	Burlington County	Camden County	Ocean County*	Mid-Atlantic
Sales				84,099 -25.1%
Median Price				\$375,000 +1.9%
Median Days on Market				11 days +4 days
Active Listings (end of month)				28,476 +1.5%
Sold-to-List Price Ratio				100.0% -2.1%

*Sales and active listings through April
Source: Bright MLS, New Jersey REALTORS®

How's the Housing Market?

Year-to-Date Housing Market Activity

Jan-May 2023 compared to Jan-May 2022

	Burlington County		Camden County		Ocean County*		Mid-Atlantic	
Sales	2,089	-24.2%	2,011	-25.1%	2,744	-19.5%	84,099	-25.1%
Median Price	\$325,000	+3.2%	\$275,000	+3.8%	\$430,000	+4.9%	\$375,000	+1.9%
Median Days on Market	17	+5 days	15	+3 days	32	+14 days	11 days	+4 days
Active Listings (end of month)	487	-19.2%	453	-25.6%	1,579	+5.1%	28,476	+1.5%
Sold-to-List Price Ratio	101.4%	-3.1%	102.4%	-2.8%	98.0%	-3.8%	100.0%	-2.1%

*Sales and active listings through April

Source: Bright MLS, New Jersey REALTORS®

How's the Housing Market?

Year-to-Date Housing Market Activity

Jan-May 2023 compared to Jan-May 2022

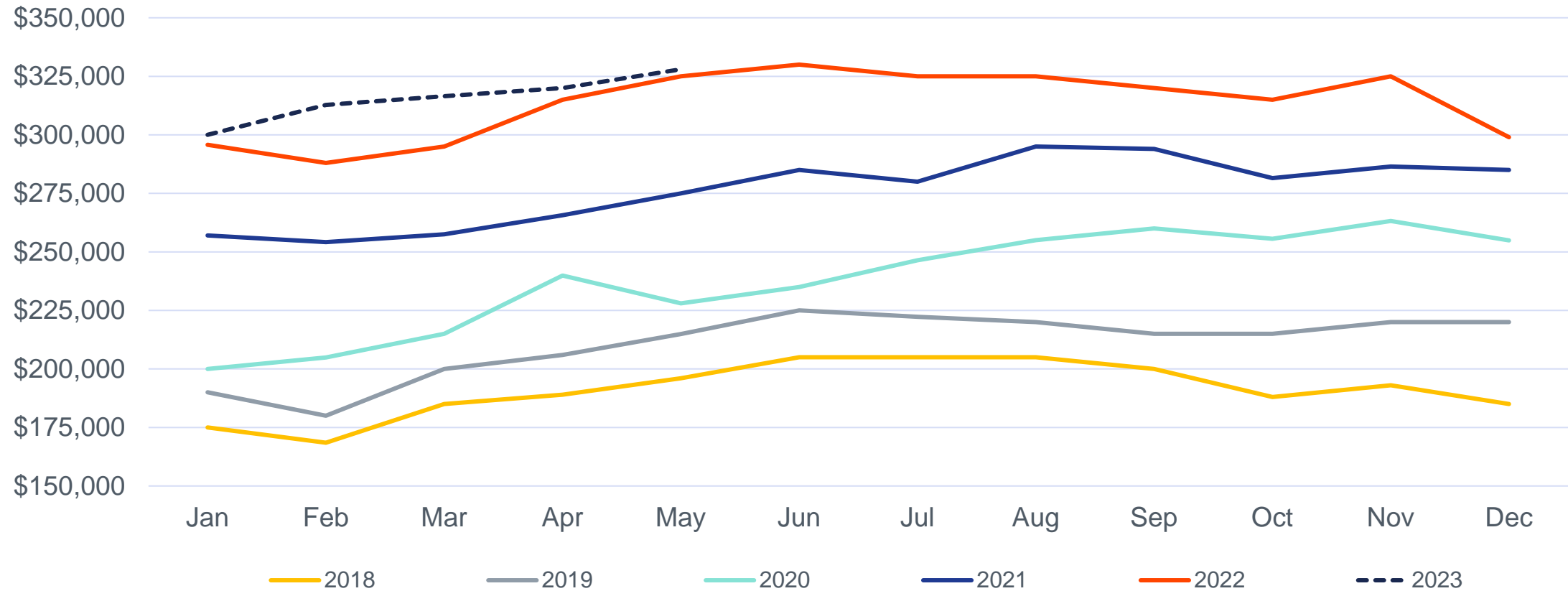
	Somerset County*		Hunterdon County*		Mercer County		Mid-Atlantic	
Sales	780	-28.6%	368	-31.2%	1,091	-29.0%	84,099	-25.1%
Median Price	\$673,560	-0.7%	\$550,000	+5.8%	\$345,000	+4.6%	\$375,000	+1.9%
Median Days on Market	13	+1 day	25	No change	15	+3 days	11 days	+4 days
Active Listings (end of month)	451	-32.1%	224	-39.3%	352	-28.2%	28,476	+1.5%
Sold-to-List Price Ratio	100.7%	-2.7%	98.8%	-1.7%	99.5%	02.4%	100.0%	-2.1%

*Sales and active listings through April

Source: Bright MLS, New Jersey REALTORS®

Prices are Still Rising Even As Price Growth Slows in Other Markets

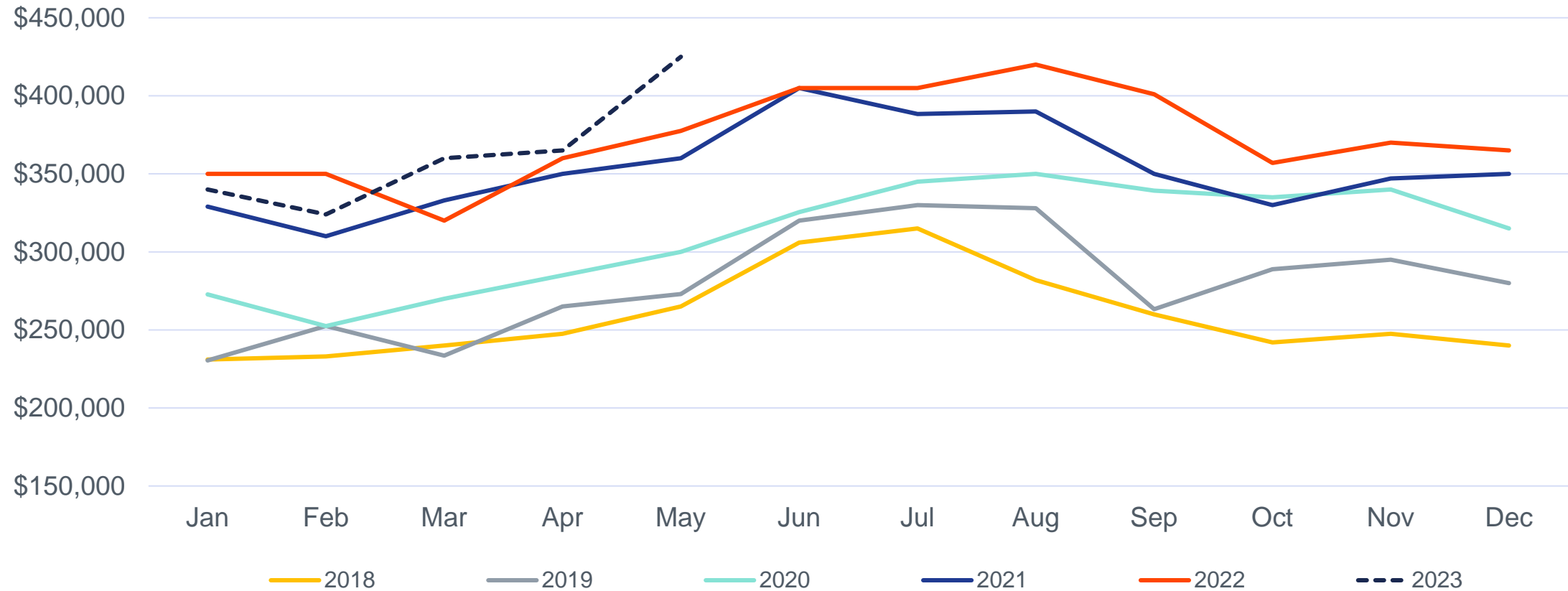
Monthly Median Sold Price, NEXUS Association of REALTORS®



Source: Bright MLS

Prices are Still Rising Even As Price Growth Slows in Other Markets

Monthly Median Sold Price, CORE Association of REALTORS®



Source: Bright MLS

Townhome/Condo Prices Up in May Except in Ocean County

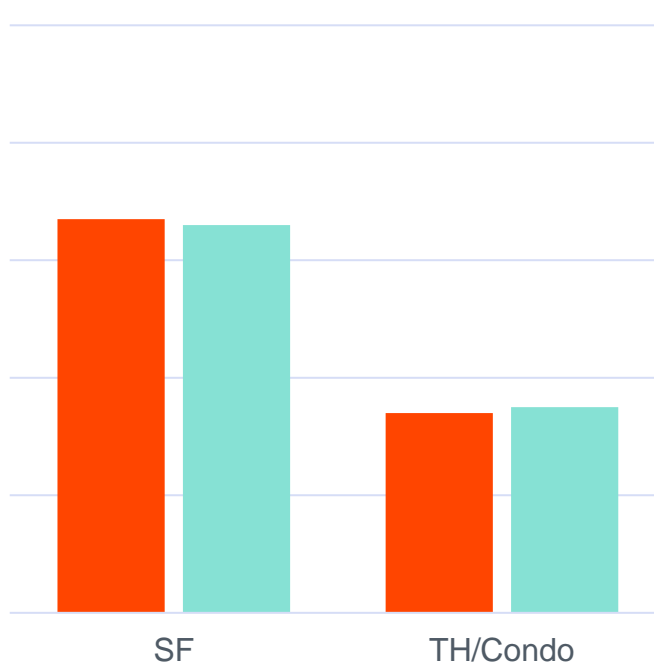
Median Price

■ May 2022 ■ May 2023

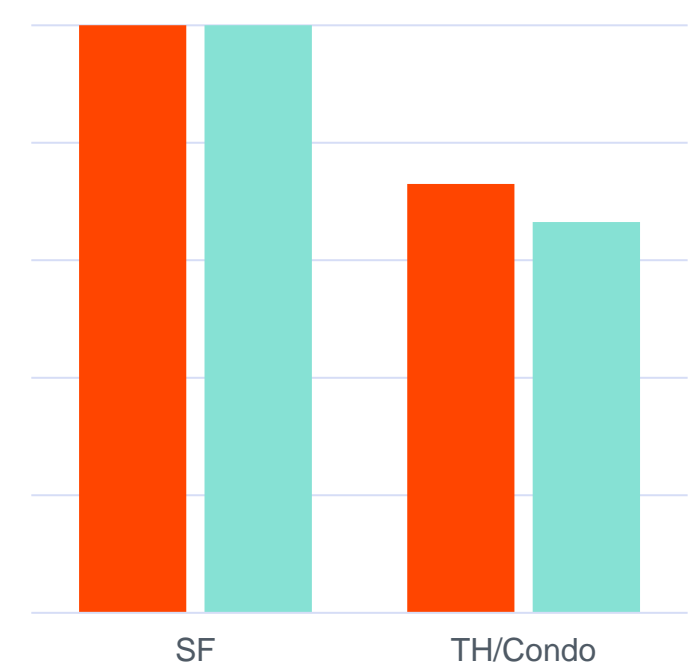
Burlington County



Camden County



Ocean County*

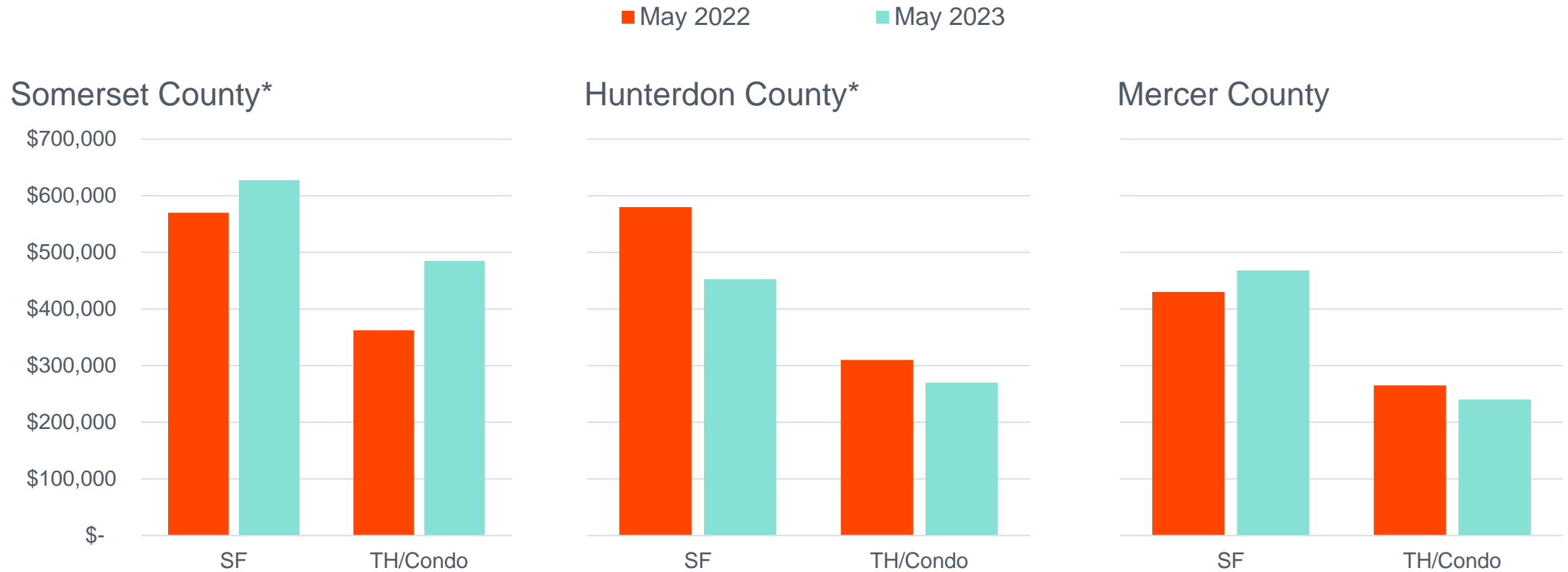


*April

Source: Bright MLS, New Jersey REALTORS®

Prices up in Somerset County, Mixed in Hunterdon and Mercer Counties

Median Price



*April

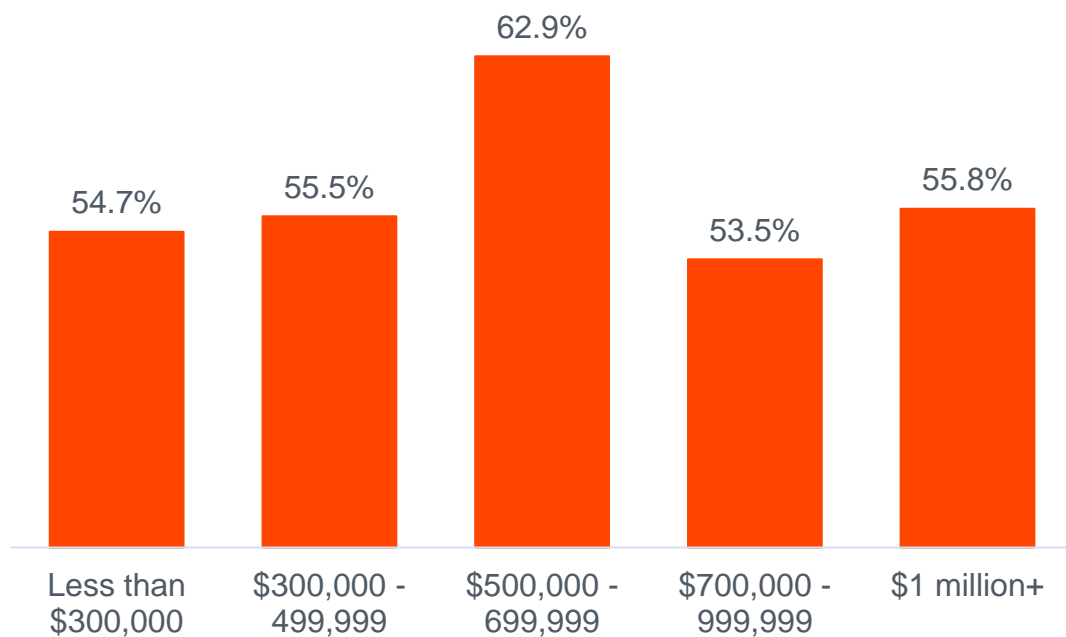
Source: Bright MLS, New Jersey REALTORS®

Buyers Face Stiff Competition

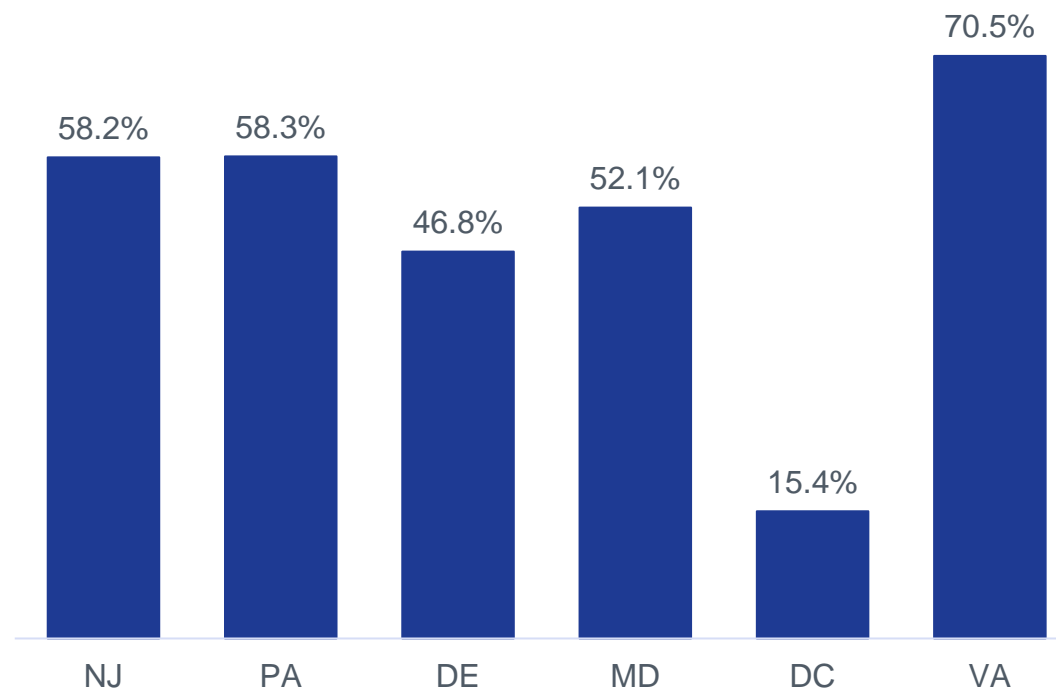
Multiple offers, offers over list common

Buyers paying over list price

By Home Price



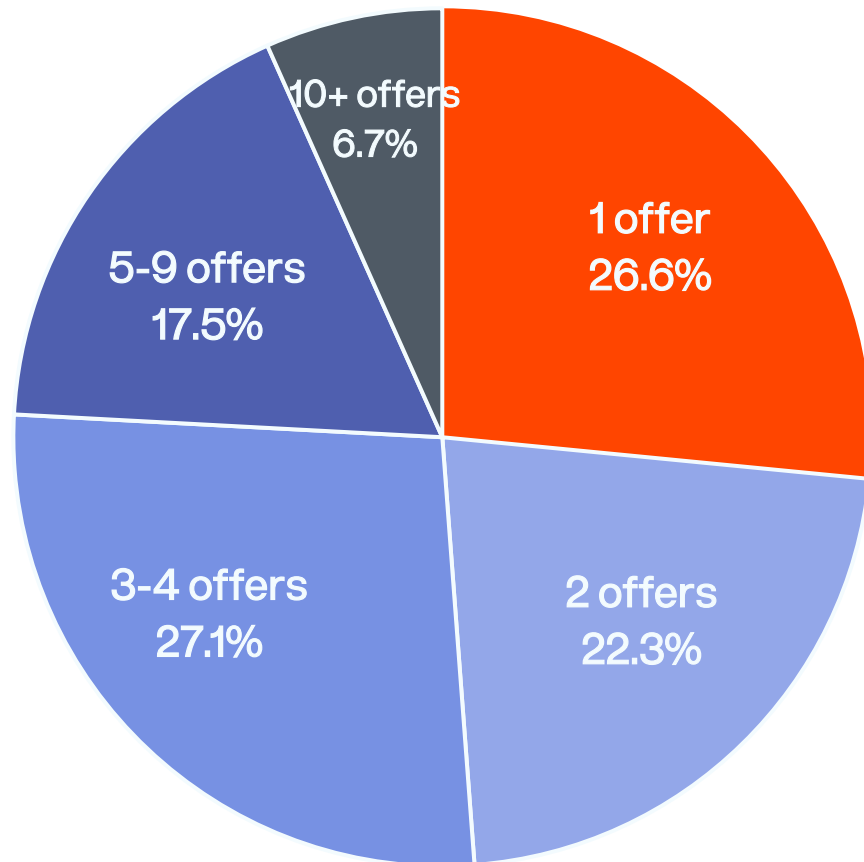
By State



Buyers Face Stiff Competition

Multiple offers, offers over list common

Number of Offers

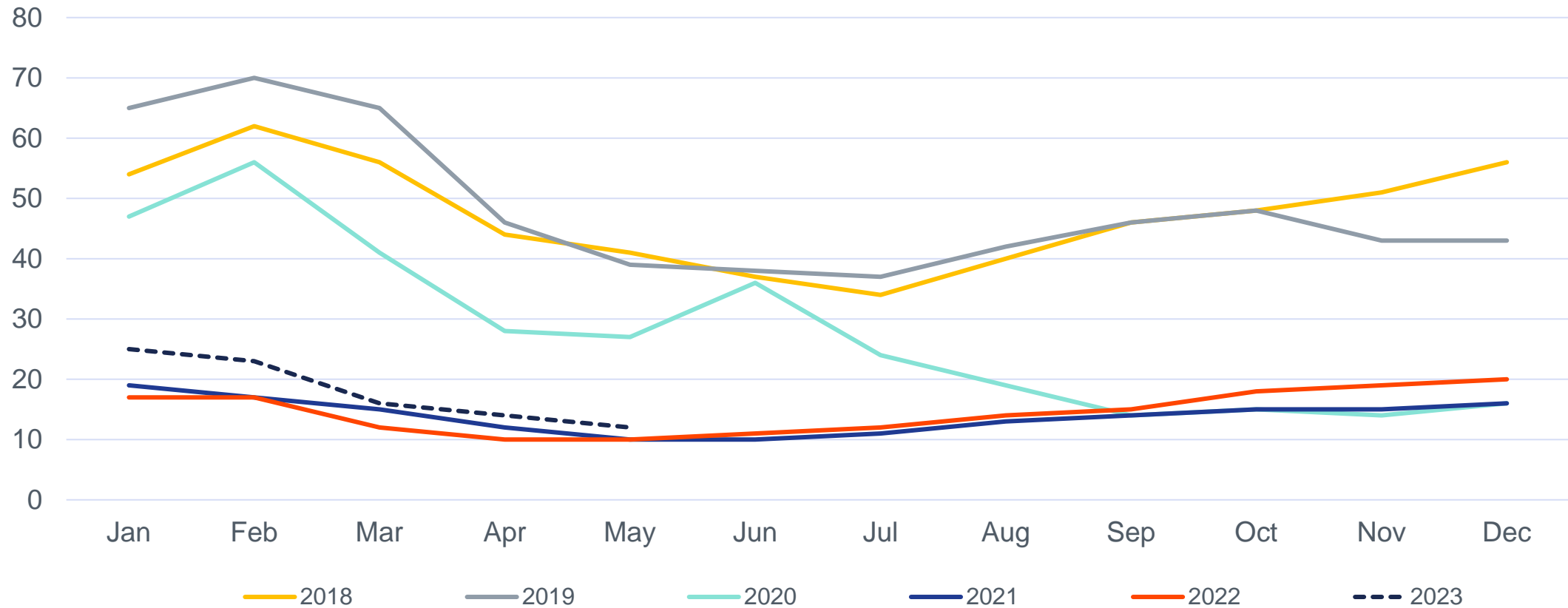


$\frac{3}{4}$ of sellers received multiple offers on homes closing in May

Successful buyers paid 6% above list, on average

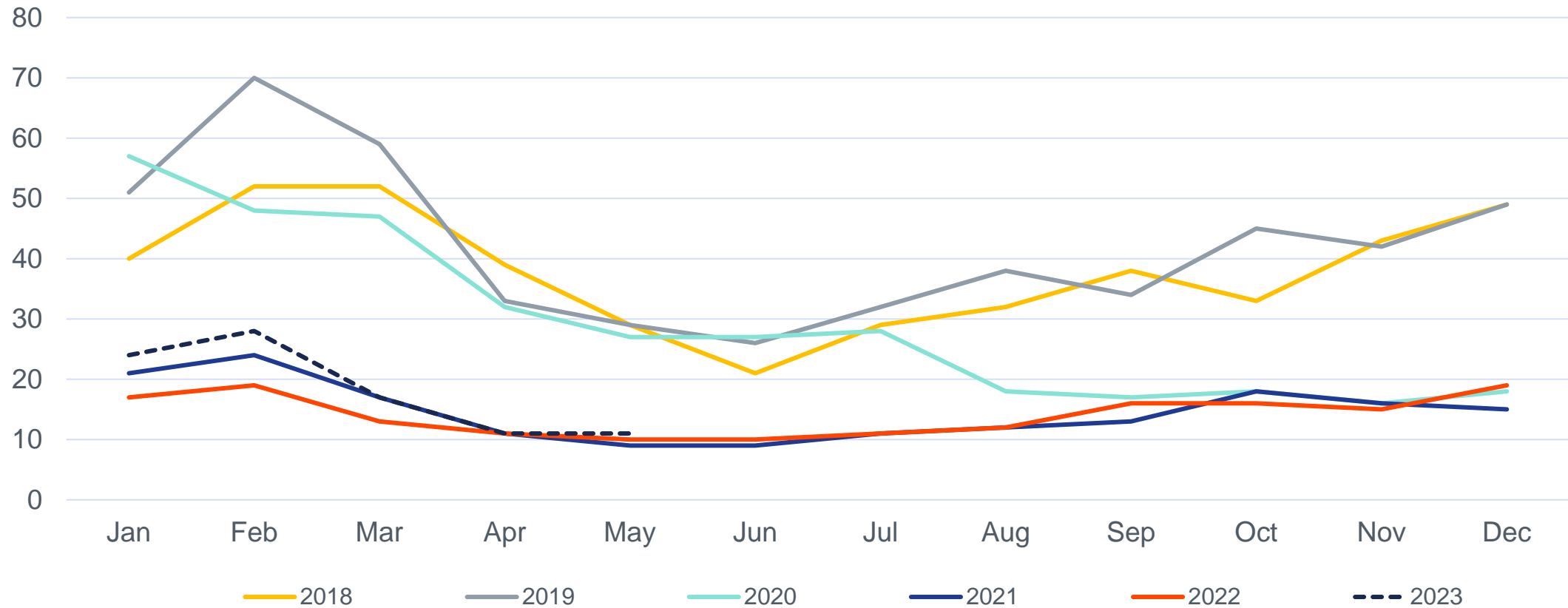
Market Just As Fast-Paced as a Year Ago

Median Days on Market, NEXUS Association of REALTORS®



Market Just As Fast-Paced as a Year Ago

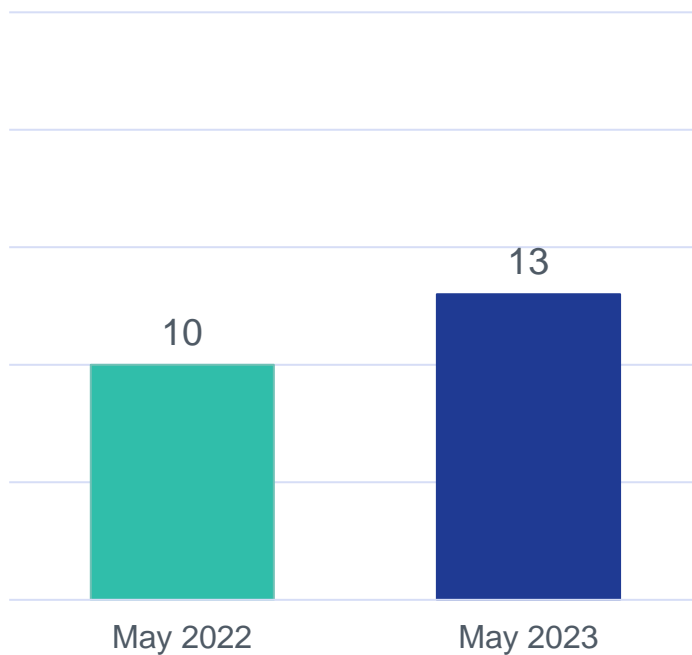
Median Days on Market, CORE Association of REALTORS®



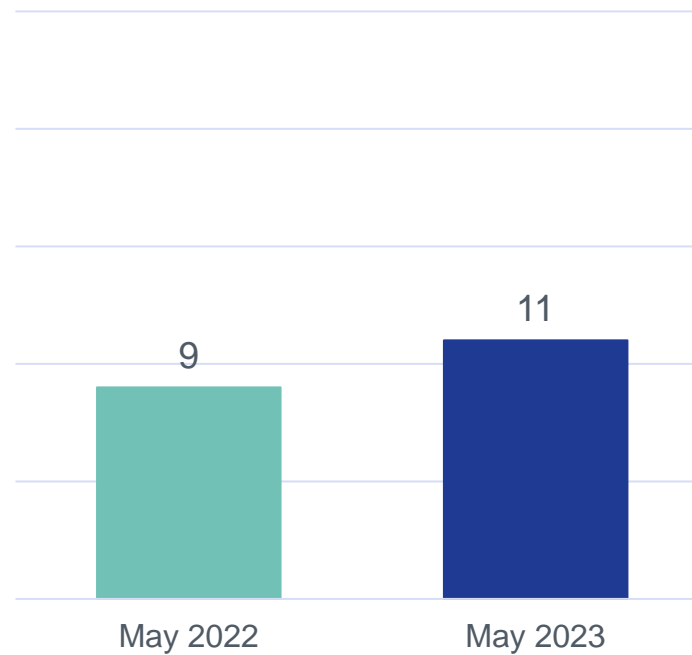
Offers Still Coming in Quickly But time on market doubled in Ocean County

Median Days on Market

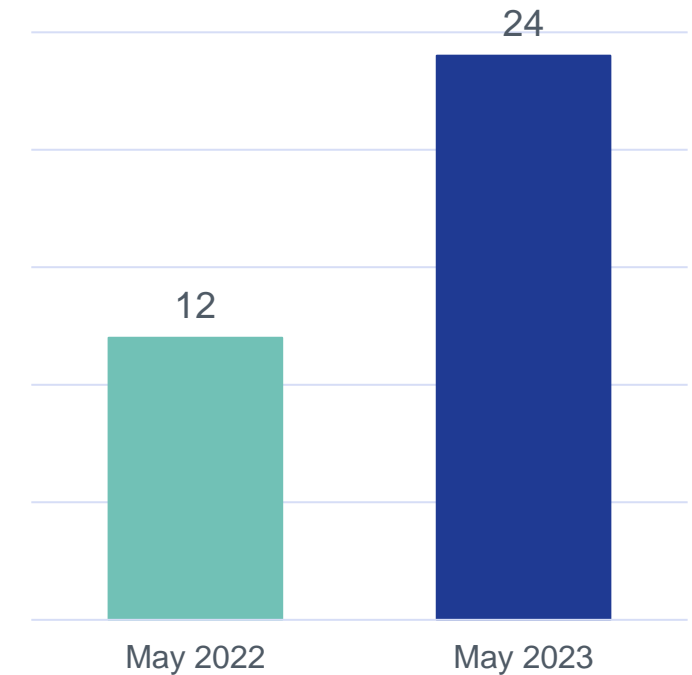
Burlington County



Camden County



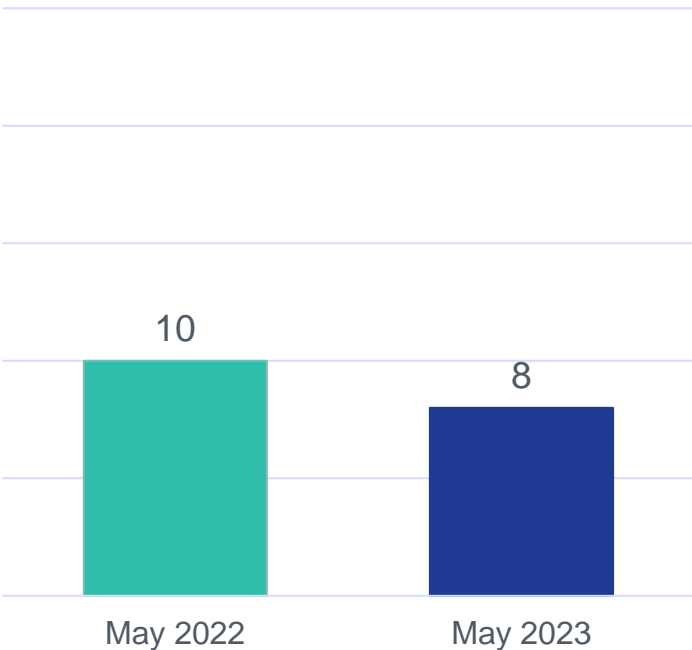
Ocean County



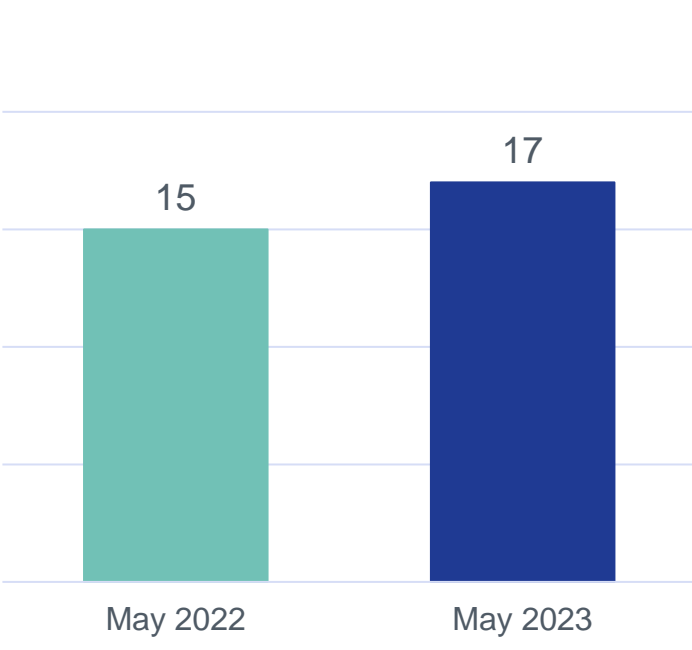
Offers Still Coming in Quickly Across the Region

Median Days on Market

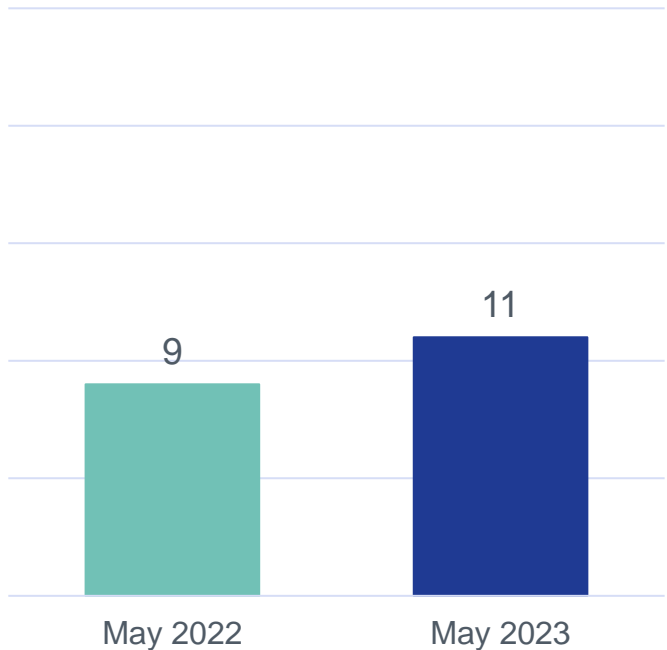
Somerset County



Hunterdon County



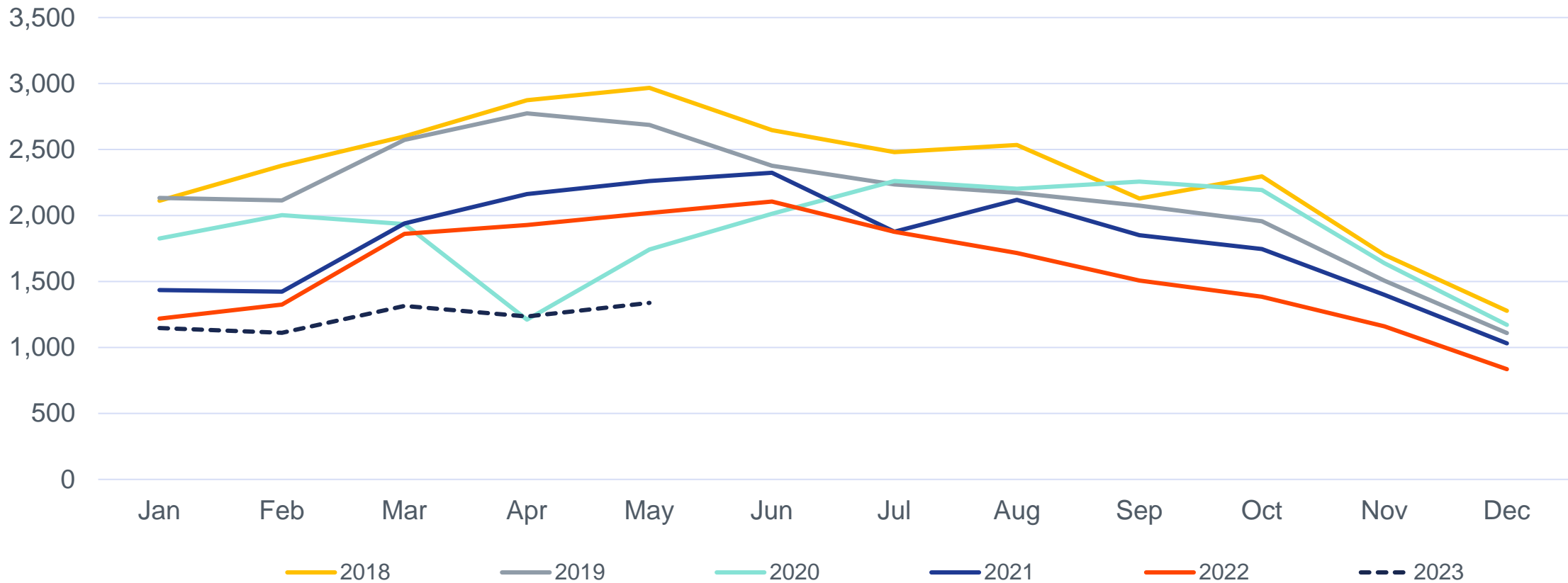
Mercer County



Source: Bright MLS

New Listing Activity is Way Down, About ½ of 2019 Levels

Monthly New Listings, NEXUS Association of REALTORS®

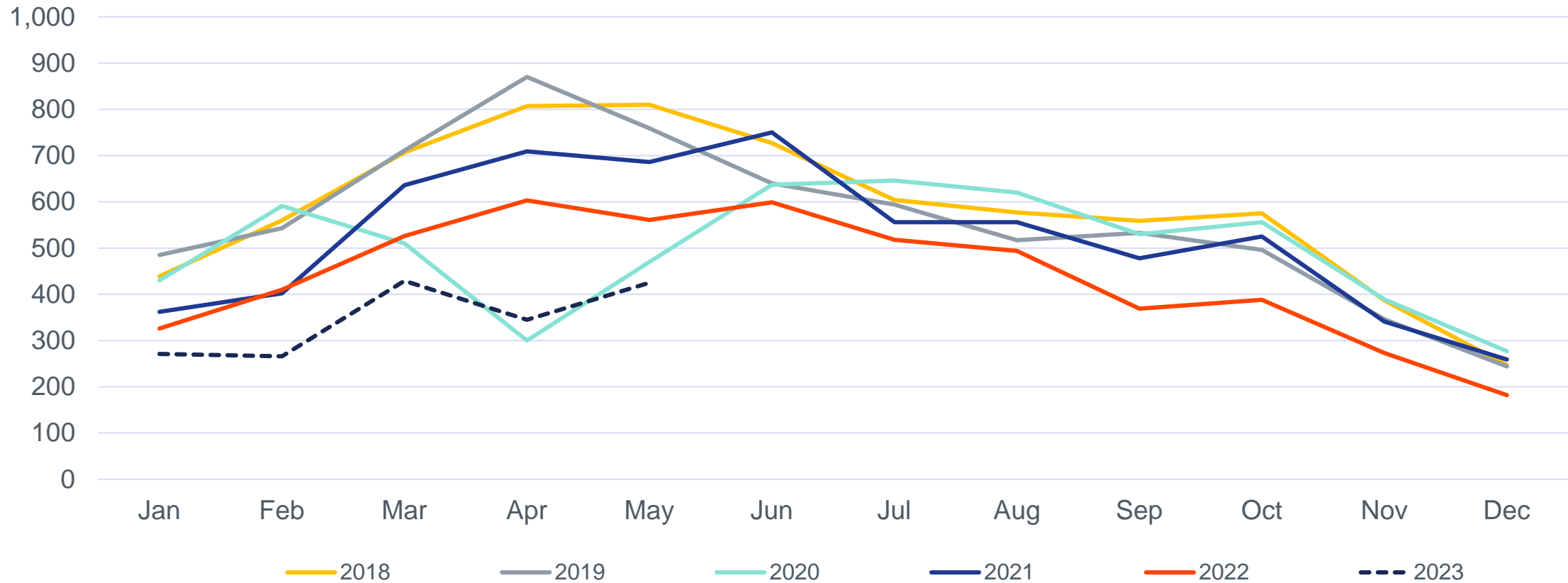


Source: Bright MLS



New Listing Activity is Way Down From Pre-Pandemic Levels

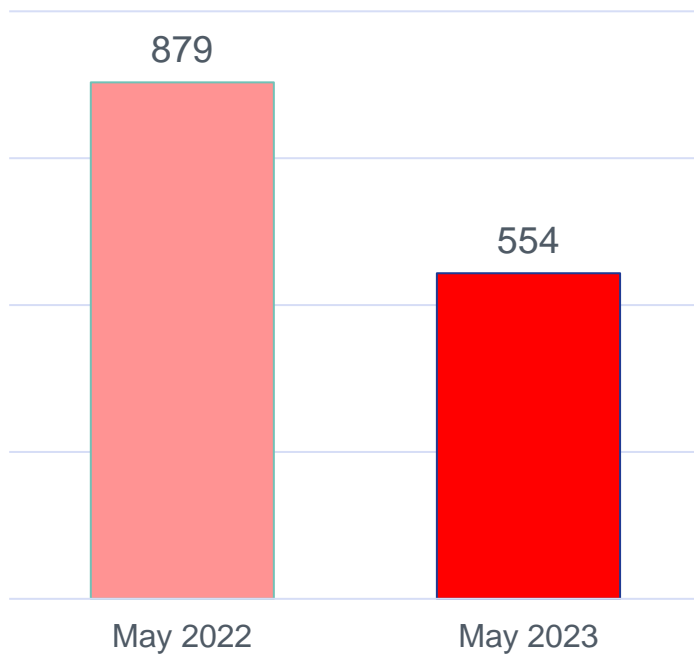
Monthly New Listings, CORE Association of REALTORS®



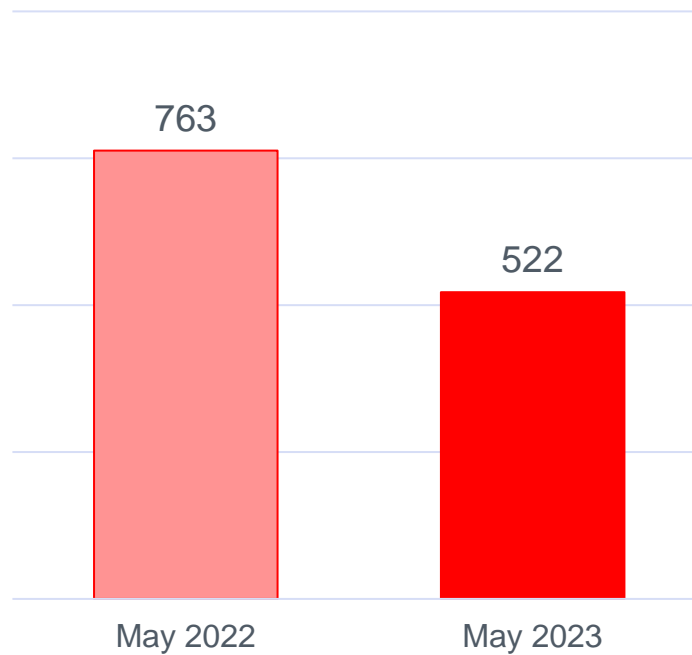
New Listing Activity is Down Across the Region

New Listings

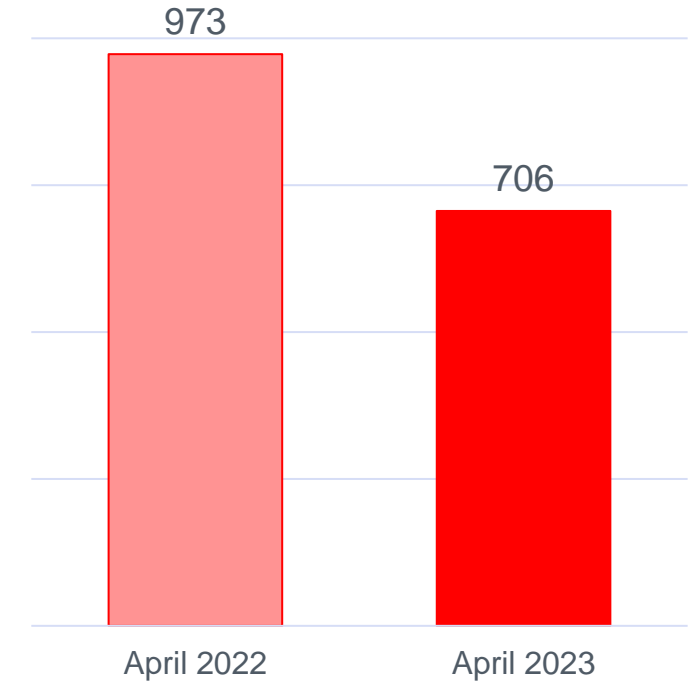
Burlington County



Camden County



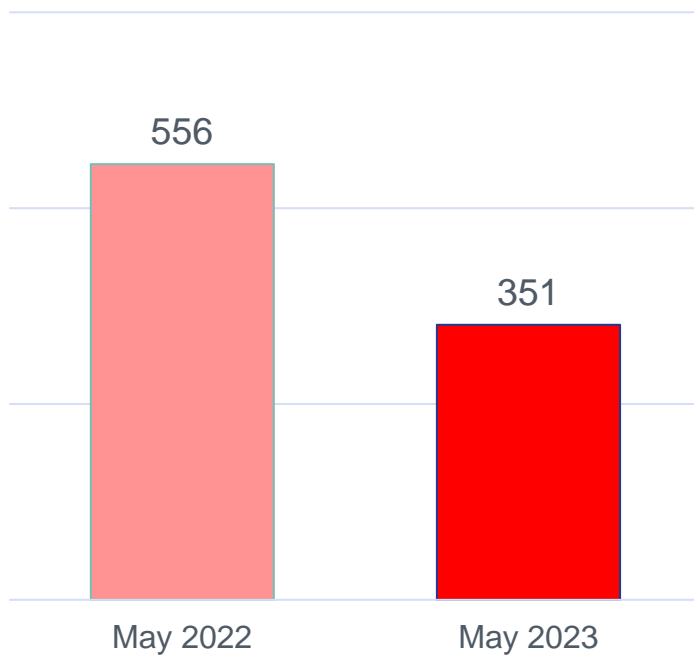
Ocean County



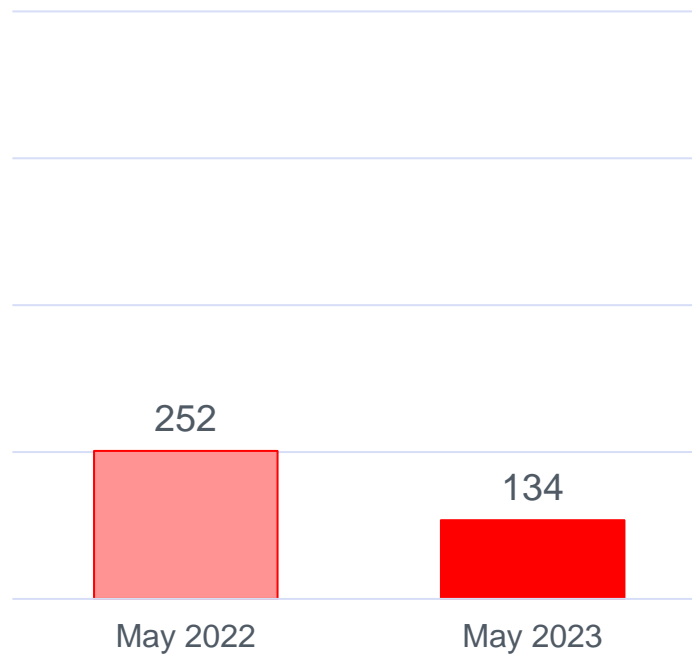
New Listing Activity is Down Across the Region

New Listings

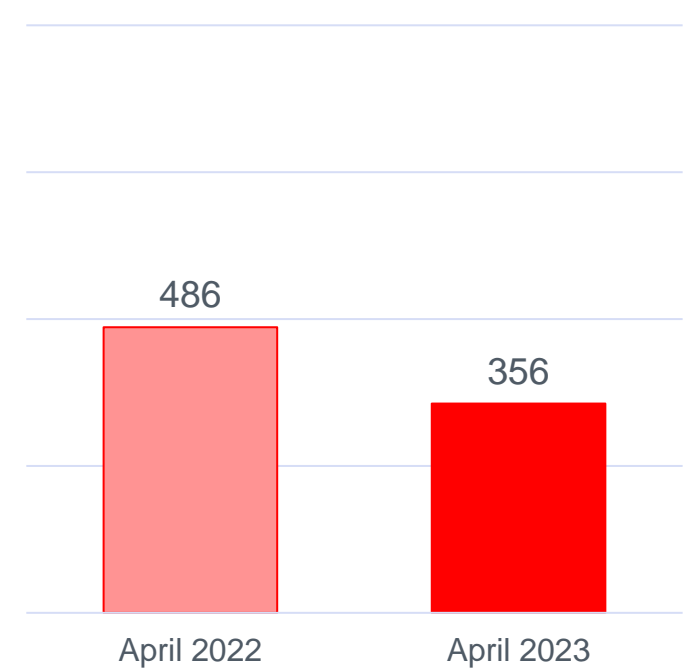
Somerset County



Hunterdon County

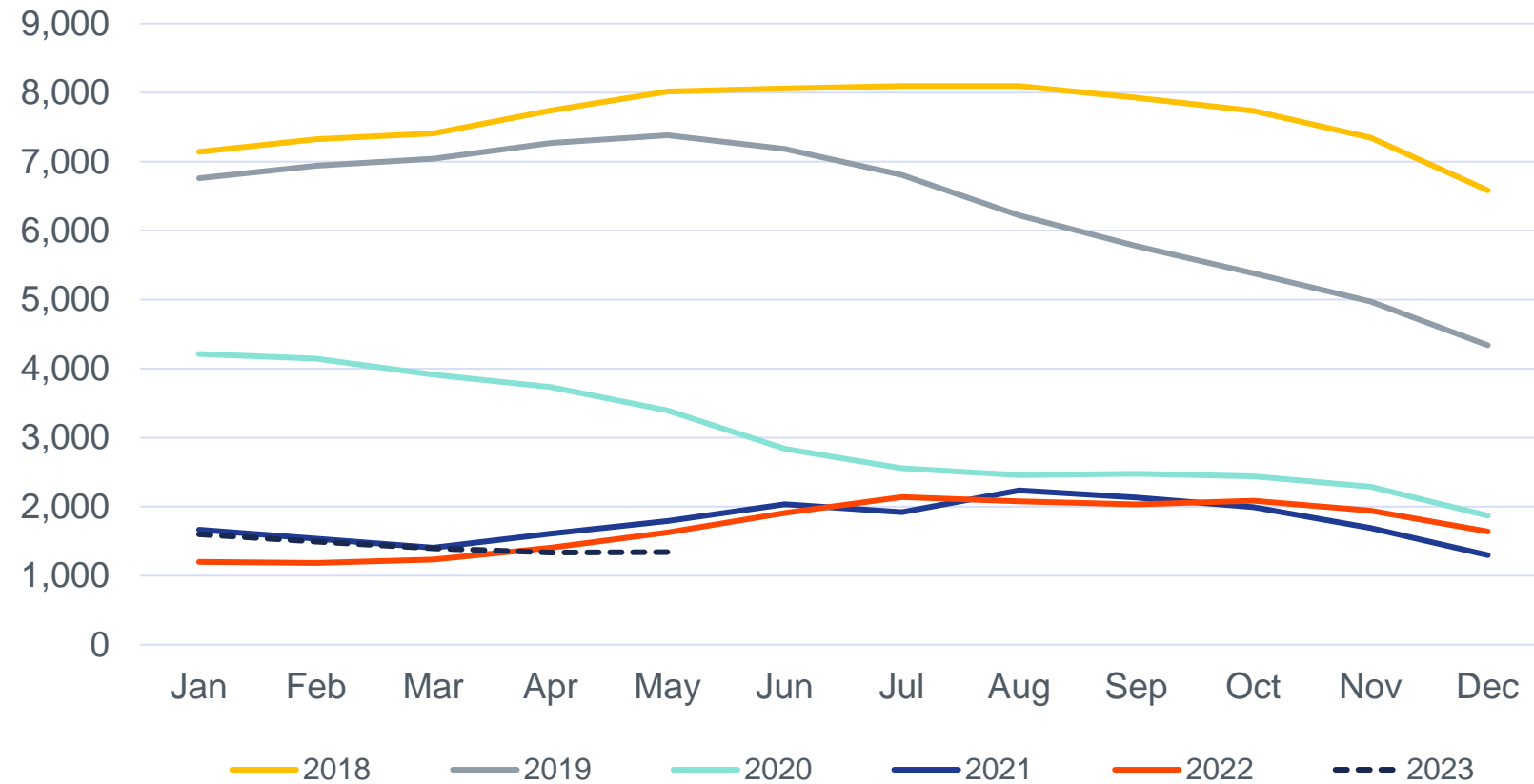


Mercer County

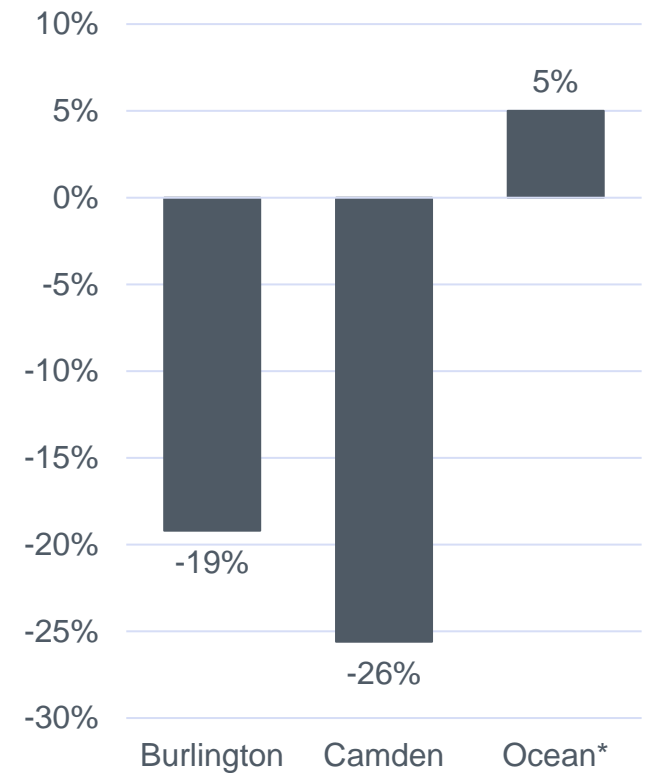


Inventory Falling in 2023 – Below Historically Low Pandemic Levels

Month-End Active Listings, NEXUS Association of REALTORS®



Month-End Inventory
May 2023 vs. May 2022

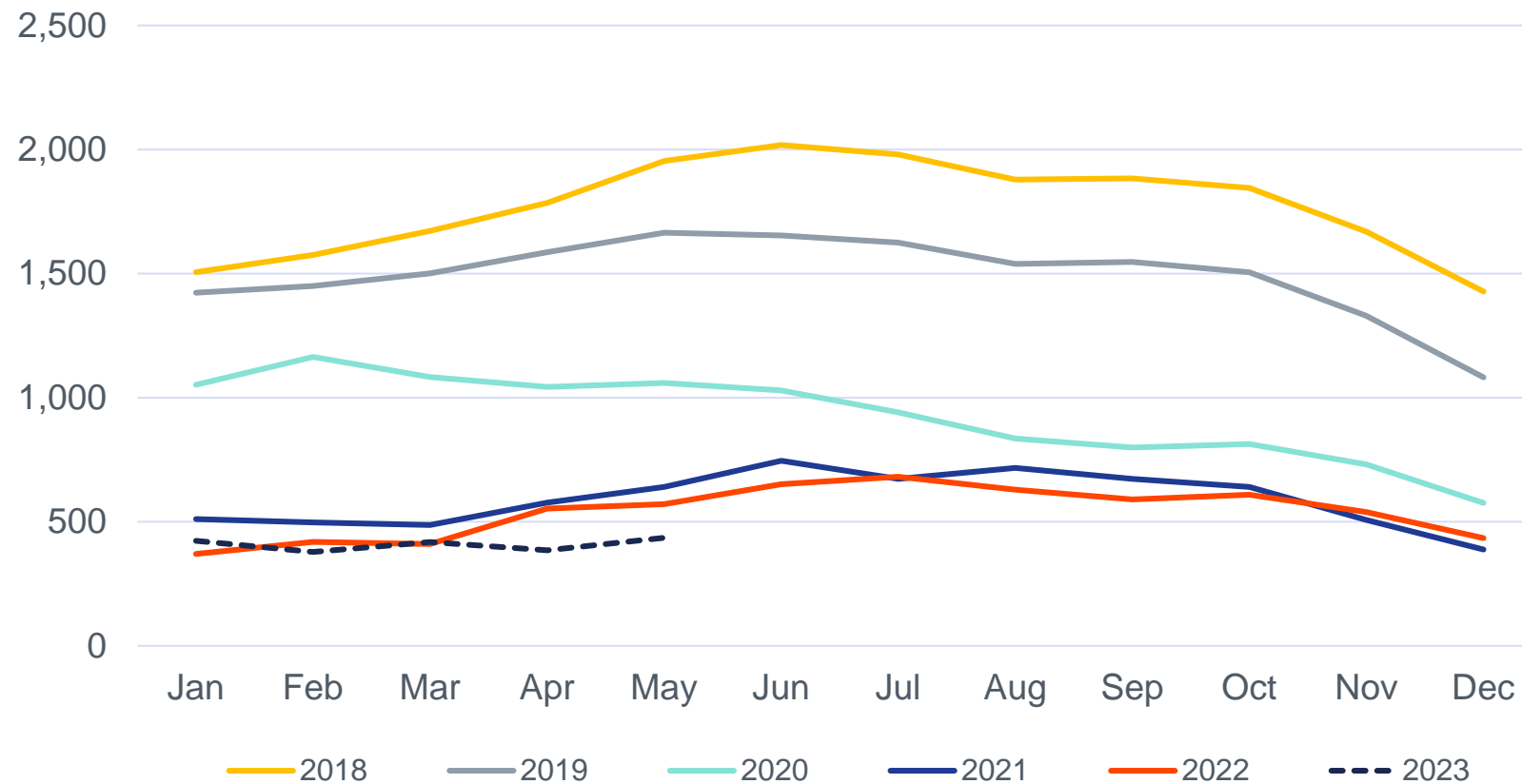


*April

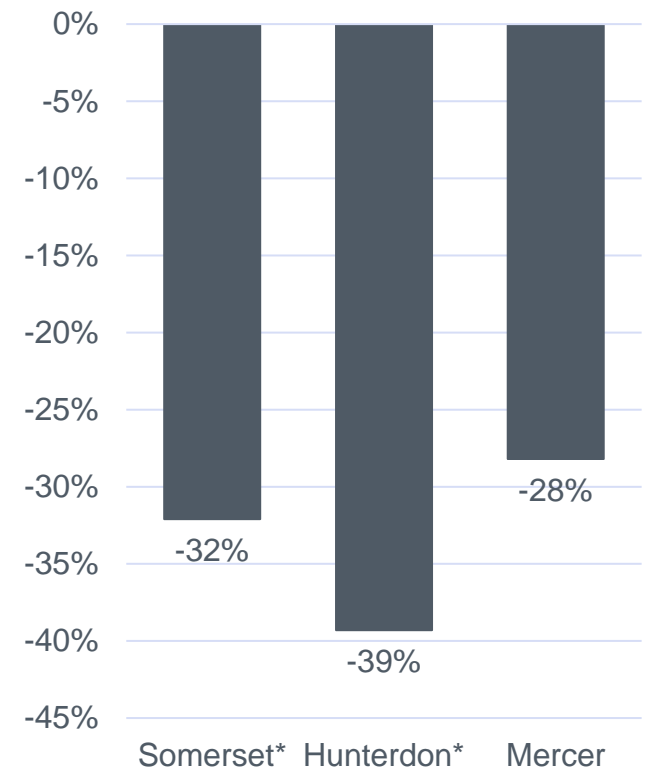


Inventory Falling in 2023 – Below Historically Low Pandemic Levels

Month-End Active Listings, CORE Association of REALTORS®



Month-End Inventory
May 2023 vs. May 2022



*April

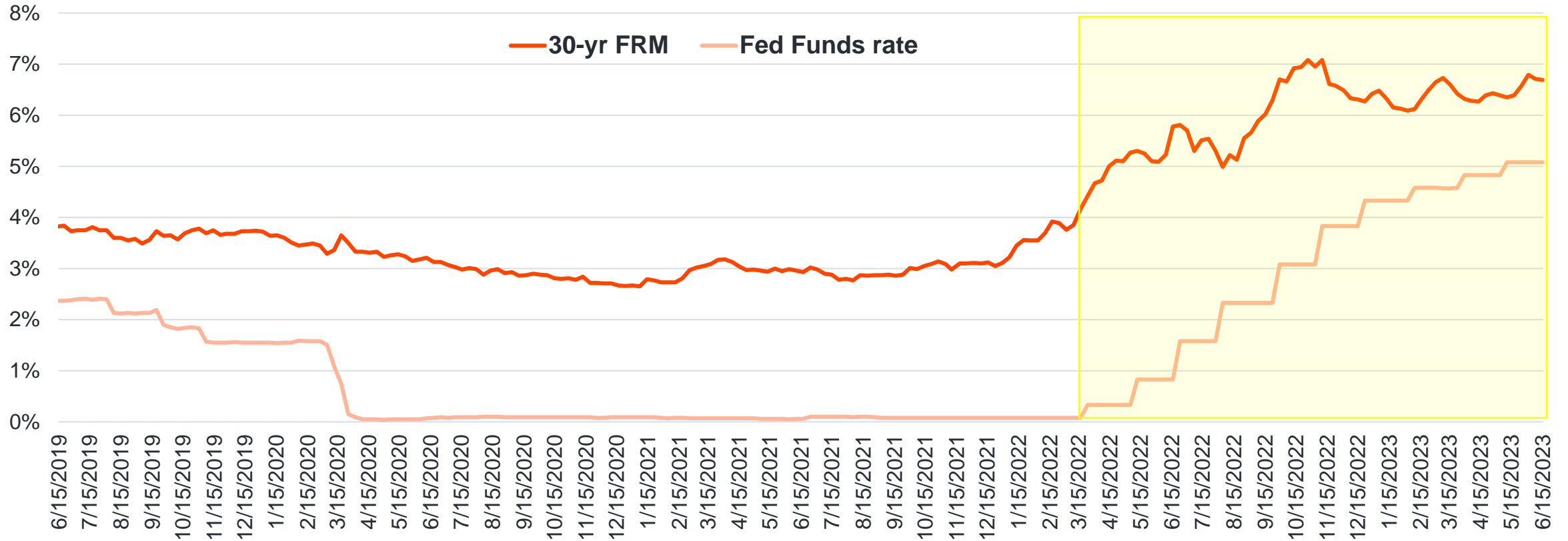
Source: Bright MLS, New Jersey REALTORS®



Housing Market Outlook

Mortgage Rates Rose As the Fed Raised Short-Term Rates

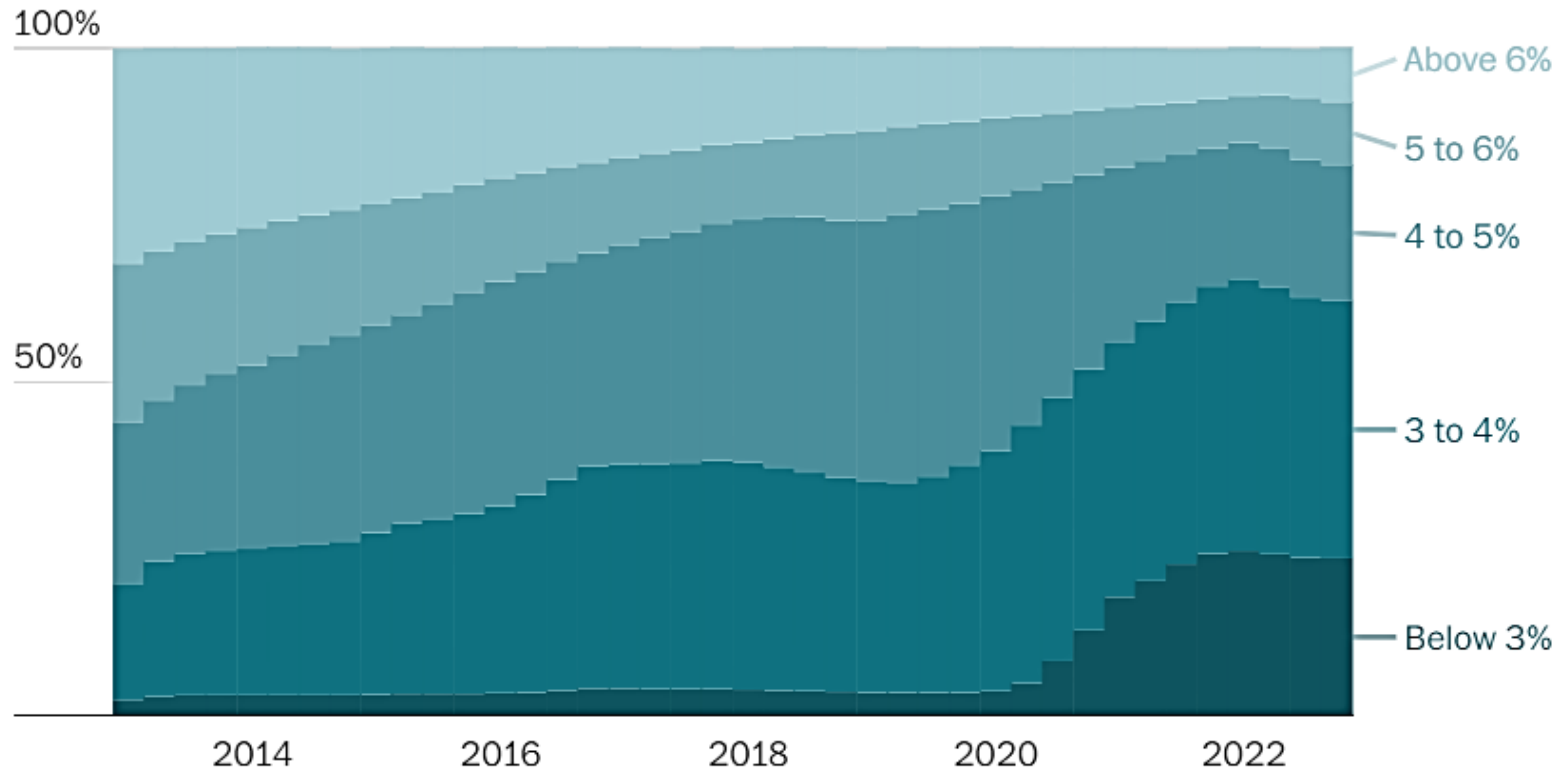
Fed may pause rate hikes, but no clarity on rate cuts in 2023



Source: Freddie Mac, Federal Reserve

Elevated Mortgage Rates Also Holding Back Sellers

Share of Mortgage Holders With Each Mortgage Rate



At the end of 2022

92% below 6%

82% below 5%

62% below 4.5%

5.5% could be the
“magic number”
for sidelined
buyers and sellers

Source: Redfin

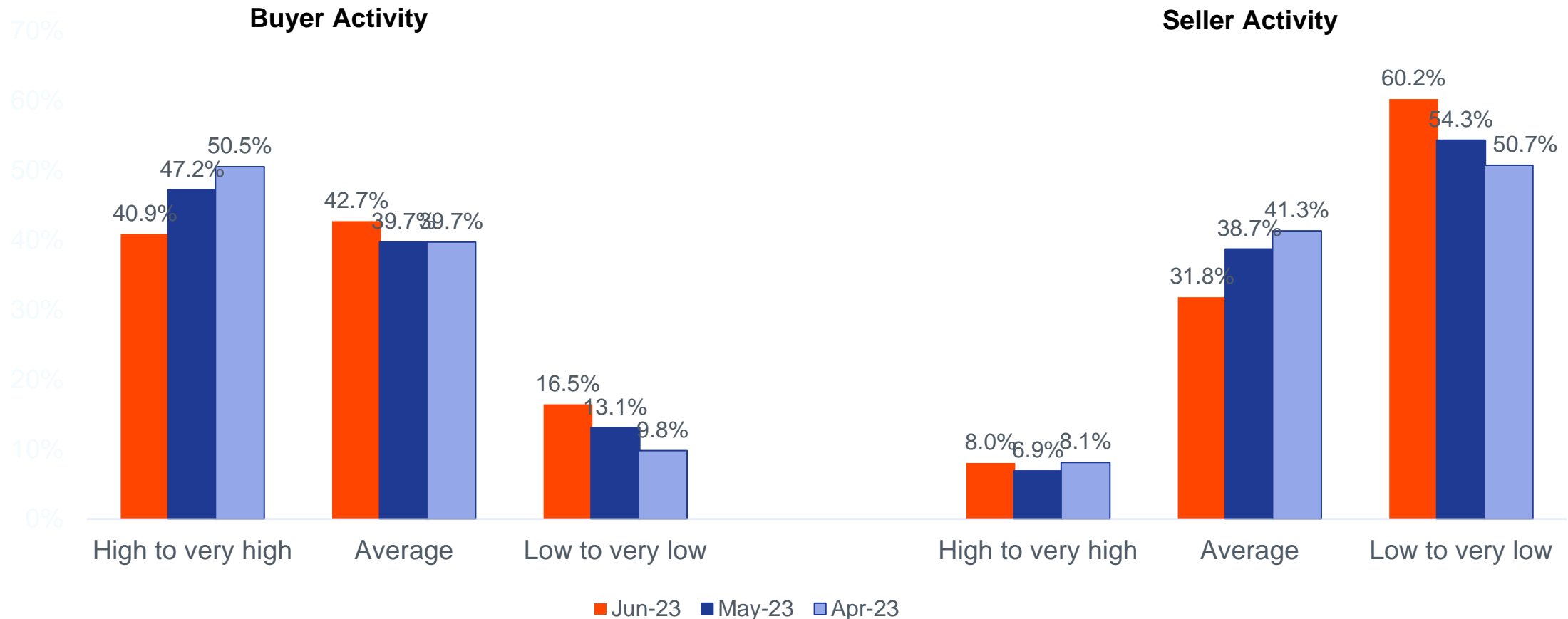
RACHEL SIEGEL / THE WASHINGTON POST

Source: John Burns Consulting

The Outlook from Agents and Brokers

Less optimism about the summer market but buyer activity > seller activity

Outlook for the Housing Market in 3 Months



What will drive the housing market for the rest of 2023



Mortgage Rates Down-Slightly:

Rates will come down to 6% by the end of the year. Look ahead to 5.5% in 2024.



New Listings Up-Slightly:

In the 2nd half of the year, more sellers will enter the market but listing activity will still be very low.



Prices Firm:

Low inventory will mean stable or rising prices this year.



Affordability Still a Challenge:

Many prospective buyers—particularly first-time buyers—are still shut out of the market.



Second Home Market Slower:

Fewer transactions, more inventory



Senior Housing Market Strong:

More demand for age-restricted housing in the years ahead; Florida backlash?

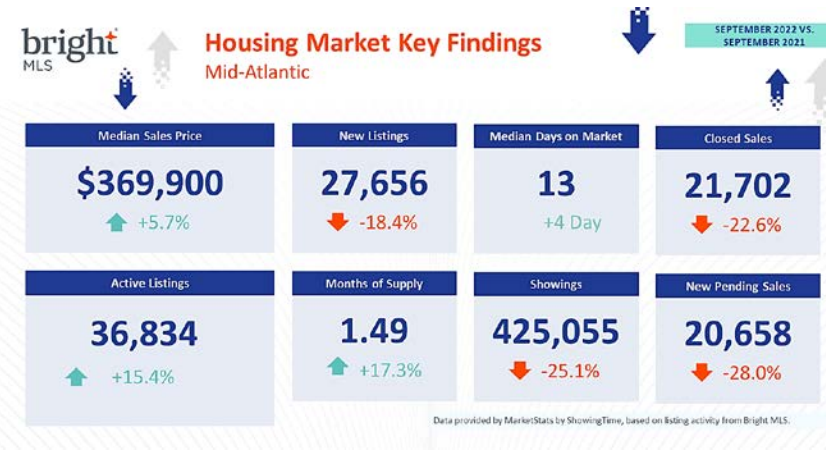
Resources

brightmls.com/research

Weekly Market Reports

	WEEK ENDING October 30, 2022	COMPARED TO A YEAR AGO	COMPARED TO A WEEK AGO
New Closed Sales	5,159	-39.1%	+10.0%
New Purchase Contracts	4,877	-35.9%	-0.4%
Median Days on Market	16	+4 days	+1 days
New Listings	4,949	-18.1%	-6.0%
New Pending Sales To 100 New Listings Ratio	99	-21.4%	+6.5%
Average Daily Inventory	58,108	+21.1%	-0.2%
Showings	63,548	-33.3%	-2.3%

Monthly Market Reports – infographics, video



News & Insights

- Top 10 Markets Blogs
- Economic Commentary
- Migration Patterns
- Market Competitiveness
- Demographic Trends
- On MLS Study

Monthly Webinars (3rd Thursdays)



Bright T3 Home Demand Index

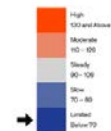
<https://www.homedemandindex.com/>

Washington D.C. | January 2023
Home Demand Index

The Bright MLS | T3 Home Demand Index for the Washington Metro area fell 25.3 percent in December to a level reflecting limited demand for homes. The index was 18.8 percent lower than one year earlier.

The index for all types of homes declined in December. Demand for higher-priced single-family homes fell the most, decreasing 37 percent over the month, followed by a 30 percent decline for higher-priced condos. The index was highest for higher-priced single-family homes and higher-priced condos, although only in the slow range of demand. Buyer interest was limited in all other segments. In December, the months supply of inventory fell among all segments except higher-priced condos. The months supply ranged from two months for mid-priced single-family homes to 5.3 months for higher-priced condos.

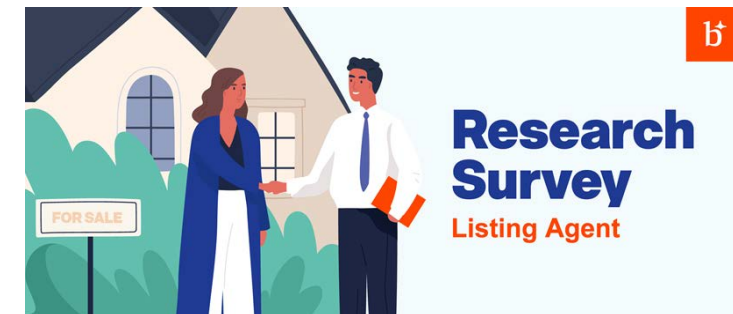
VIEW DETAILS →



Monthly Statistics for January 2023

Home Demand Index 56 (Limited)	Home Demand Index from prior month 75	Home Demand Index from prior year 69	Index change from prior month -25.3%	Index change from same time last year -18.8%
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Monthly Subscriber Survey



Need more information?

Contact us!

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Chief Economist



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Senior Housing Economist



Colby Stout

Research Analyst

