

June Housing Market Update: St. Mary's County

Posted by [Zach Hill](#) On 06/25/2020

ST. MARY'S COUNTY, Md. — Higher prices, record-low inventory, and quick sales are the tale of St. Mary's County's housing market, based on the most recently released data for the area.

Year-over-year data was compiled from last month, and the signs reflect both national trends, and local market quirks.

It isn't a secret that home inventory has been shrinking nationally, however Maryland and St. Mary's County really set that tone. Locally, St. Mary's has seen a 45.38% decline in active listings from this time last year, down from 487 to 266 units. Statewide, that number is down similarly but on a grand scale, from 25,329 active listings in 2019 to now 13,838 in 2020.

Last year at this time, there were an estimated 3.6 months of inventory in Maryland, and now there are only 1.9 months. Additionally, new listings are also down by 30.66%, or 88 new units compared to last year.

This is obviously concerning from an economic standpoint, but it has benefited sellers in the market.

This is most evident in the final sale price to original list price ratio (SP/OLP), which is up both locally and statewide. In St. Mary's, the SP/OLP is up to 98.1%, a significant difference when compared to last year at the same time being 95.9%. This means sellers are getting much closer to the dollar amount they are asking for, and not even to mention the speed at which the sales are being made.

The phrase "here today and gone tomorrow" is an apparent motto of the current housing market, and the numbers don't lie. The average days on the market in the county are down 19.15% from last year, from 47 days to now 38 days.

That is likely the result of so many homes being sold after being on the market for less than 10 days, the most common range of time it is taking for homes to be sold in the county right now. More than half of all listings sold last month had been on the market for 20 days or less.

One struggle that the market is faced with right now as a result of an inventory shortage, is that there is not a shortage of buyers out looking in the county. Living near the PAX River Naval Base forces a lot of movement to constantly bring in buyers and occasionally push out sellers, however with less inventory and a similar number of buyers, someone must ask at what point will the market give any leverage back to the buyer.

Last year during the same timeframe, 159 units had sold, as opposed to the small decline to 151 units sold this year. That decline doesn't match the previously described inventory decline, and the impact has sent its shockwaves throughout the county.

However, it is important to note that it is still a great time to make a purchase or refinance, as interest rates are at a low point as well, ranging as low as 2.75% to 3% on a 30-year fixed loan (depending on the type of loan and borrower's credit).

The moral of the story is it isn't a bad time to buy, however, it is an even better market for sellers. Homes are selling fast, and generally for a higher dollar amount. Sellers are getting very close to what they want for homes in the county, making it a clear seller's market. It's almost as simple as supply and demand.

All statistics for this article were obtained via the Bright Multiple Listing Service.

Contact Zach at zach.hill@thebaynet.com.

Copyright © 2020 thebaynet.com. All rights reserved.