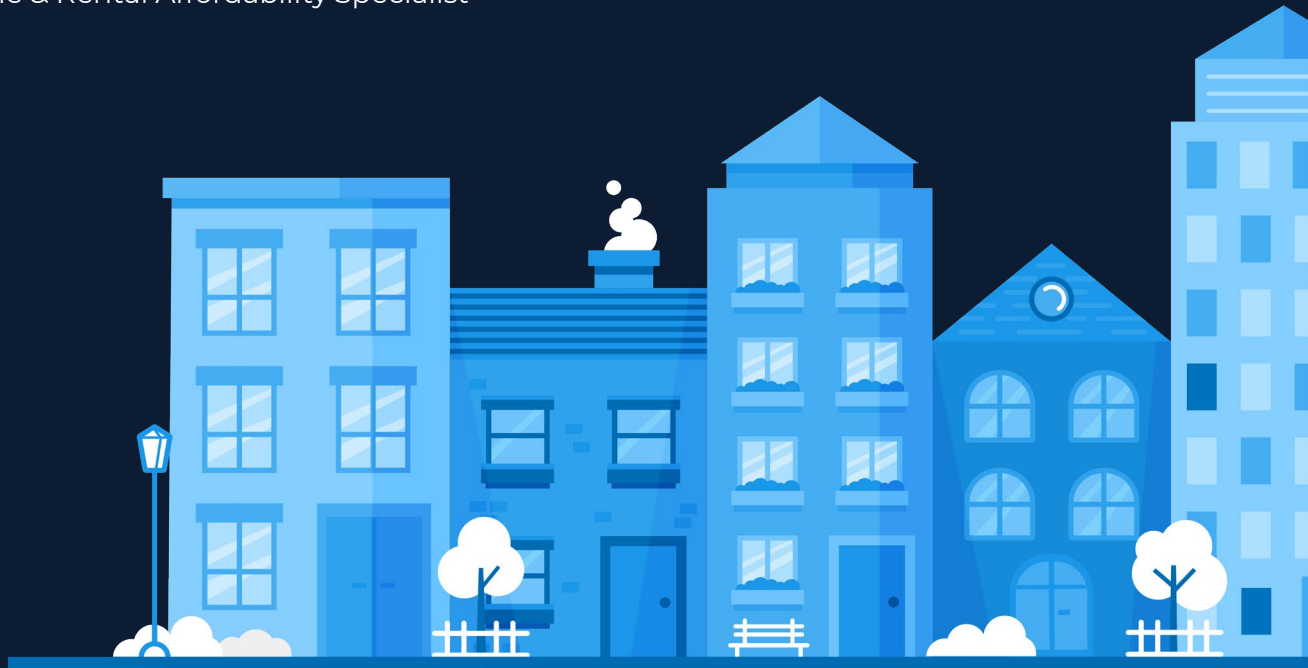
NEW CASTLE COUNTY HOUSING: MARKET, AFFORDABILITY & SOLUTIONS

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Delaware Association of REALTORS®



TODAY'S DISCUSSION



RESALE MARKET SNAPSHOT

2025 vs. 2026 YTD sales, inventory, and median price trends.



AFFORDABILITY ANALYSIS

Income ratios, mortgage stacks, and renter cost burden.



ACTIONABLE SOLUTIONS

6 grassroots initiatives to expand NCC housing stock.

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2026 YTD MARKET SNAPSHOT: 3,612 UNITS SOLD AT $390,000 MEDIAN PRICE

Jan 1 – Aug 31, 2026

UNITS LISTED

4,966

New Castle County

UNITS SOLD

3,612

Closed Resale Transactions

ACTIVE LISTINGS

1,228

Current Market Inventory

DAYS ON MARKET (DOM)

29 / 43

Median DOM / Cumulative DOM

INVENTORY SUPPLY

2.2 Mos.

Accumulation Pace

MEDIAN HOME PRICE

$390,000

+4.5% vs. 2025 Benchmark

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2025 YTD BASELINE SNAPSHOT: 3,751 UNITS SOLD AT $372,500 MEDIAN PRICE

Jan 1 – Aug 31, 2025

UNITS LISTED

4,723

New Castle County

UNITS SOLD

3,751

Closed Resale Transactions

ACTIVE LISTINGS

1,069

Active Inventory Baseline

DAYS ON MARKET (DOM)

27 / 41

Median DOM / Cumulative DOM

INVENTORY SUPPLY

2.1 Mos.

Accumulation Pace

MEDIAN HOME PRICE

$372,500

2025 Benchmark Median

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YEAR-OVER-YEAR SHIFT: ACTIVE INVENTORY SURGES 15% AS MARKET MODERATES

MARKET METRIC	2025 YTD (8/31)	2026 YTD (8/31)	YEAR-OVER-YEAR CHANGE
Units Listed	4,723	4,966	**+5.1% (Increased Supply)**
Units Sold	3,751	3,612	**-3.7% (Slower Pace)**
Active Inventory	1,069	1,228	**+14.9% (Expanding Choice)**
Days on Market (DOM/CDOM)	27 / 41 Days	29 / 43 Days	**+2 Days (Stable)**
Inventory Supply Pace	2.1 Months	2.2 Months	**+0.1 Mos (Stable)**
Median Home Price	$372,500	$390,000	**+4.7% (Continued Growth)**

MARKET TAKEAWAY: It is still a slight seller's market, but some indicators are not as strong

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TOTAL MLS SALES VOLUME ON TRACK TO EXCEED $2.34B BENCHMARK

2025 FULL YEAR SALES VOLUME

$2,346,653,940

Total MLS Residential Volume Reported in 2025

2026 YTD SALES VOLUME (THRU 8/31)

$1,539,852,092

Pacing to match or exceed the $2.34B 2025 record by year-end.

GOVERNMENT REVENUE GENERATION

Drives substantial state & local tax revenues via income tax and gross receipts tax from affiliated industry services.

TRANSFER TAX CONTRIBUTIONS

Generates significant public revenue via 4% total realty transfer tax on purchase prices across all transactions.

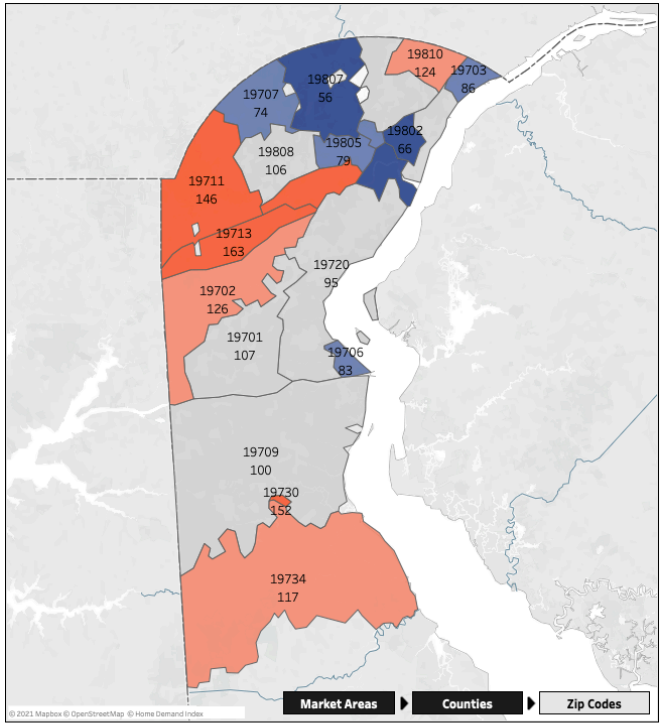
LOCAL COMMERCE & RETAIL STIMULUS

Each home purchase generates tens of thousands of dollars in local spending on paint, supplies, furniture, tech, and trades.

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HOME DEMAND INDEX

New Castle County



ZIP	City, State	Index ..	Index Tier
19713	Newark, DE	163	High
19730	Odessa, DE	152	High
19804	Wilmington, DE	150	High
19711	Newark, DE	146	High
19702	Newark, DE	126	Moderate
19810	Wilmington, DE	124	Moderate
19734	Townsend, DE	117	Moderate
19701	Bear, DE	107	Steady
19808	Wilmington, DE	106	Steady
19803	Wilmington, DE	101	Steady
19709	Middletown, DE	100	Steady
19809	Wilmington, DE	98	Steady
19720	New Castle, DE	95	Steady
19806	Wilmington, DE	87	Slow
19703	Claymont, DE	86	Slow
19706	Delaware City, DE	83	Slow
19805	Wilmington, DE	79	Slow
19707	Hockessin, DE	74	Slow
19801	Wilmington, DE	67	Limited
19802	Wilmington, DE	66	Limited
19807	Wilmington, DE	56	Limited

Search Zip Code *to reset, delete search criteria and press enter

Index Tier
High Moderate Steady Slow Limited Other

This is the filtered zip code view of **New Castle, DE** County. Use the search bar (above) to help narrow your area.

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AFFORDABILITY GAP: TYPICAL PAYMENT CONSUMES 38% OF GROSS INCOME

BUYER BENCHMARK PROFILE

- **Median Household Income:** $90,000 / yr ($7,500 / month)
  Context: [US Census]
- **Median Home Purchase Price:** $390,000
  Context: 2026 YTD Median
- **Mortgage Amount:** $372,000
  Context: 5% Down Payment ($18,000)
- **Interest Rate:** 6.75%
  Context: Current Prevailing Rate

MONTHLY HOUSING PAYMENT BREAKDOWN

$2,867 / month

Principal & Interest (6.75%): $2,412 / mo (84.1% of total payment)

Private Mortgage Insurance (PMI): $180 / mo (6.3% of total payment)

Property Taxes (Estimated): $175 / mo (6.1% of total payment)

Homeowners Insurance (Est.): $100 / mo (3.5% of total payment)

AFFORDABILITY RATIO: 38% OF GROSS MONTHLY INCOME

Exceeds the standard 30% affordability benchmark by 8 percentage points.

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COST BURDEN DISPARITY: 50% OF RENTERS VS. 20% OF HOMEOWNERS

TENANT COST BURDEN

50%

1 in 2 Tenants Spending ≥30% of Income on Housing

According to DSHA Needs Assessment, half of all renters in NCC face heavy financial strain, limiting their ability to accumulate down payment savings.

HOMEOWNER COST BURDEN

20%

1 in 5 Homeowners Spending ≥30% of Income on Housing

Existing homeowners benefit from locked-in low fixed interest rates secured in prior years, insulating them from current rate spikes.

MARKET DYNAMIC: THE INTEREST RATE 'LOCK-IN' EFFECT

Existing homeowners with 3–4% mortgage rates are reluctant to list their homes and purchase at 6.75%, severely constraining resale inventory replenishment.

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INTEREST RATE SENSITIVITY: RATE DROPS ALONE WILL DRIVE PRICE INFLATION

BENCHMARK INTEREST RATE THRESHOLD

Interest Rates Must Drop to ~5.0% for 30% Affordability

To reduce the $2,867 monthly payment on a $390,000 median home down to $2,250 (30% of $7,500 gross monthly income), mortgage rates would need to decline from 6.75% to approximately 5.0%.

THE RATE CUT FEEDBACK LOOP (SUPPLY CONSTRAINED MARKET)

1

MORTGAGE RATE DROPS

Interest rates drop toward 5.0% benchmark.

2

BUYER DEMAND SURGES

Thousands of sidelined buyers flood back into the market.

3

UNMET SUPPLY DEFICIT

Active listings remain critically inadequate.

4

PRICE ESCALATION

Bidding wars drive up median prices, eroding rate savings.

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THE CORE CRISIS: THOUSANDS OF UNITS SHORT ACROSS RESALE & RENTAL STOCK

STRUCTURAL UNIT SHORTAGE

DEFICIT OF THOUSANDS OF UNITS

New Castle County faces a chronic deficit of thousands of residential units for sale and rent. Current construction and resale flow cannot keep pace with organic demographic demand.

INSUFFICIENT INDICATOR SHIFTS

SMALL MARKET ADJUSTMENTS

Recent indicators (inventory +15%, DOM +2 days) represent minor fluctuations that are far too small to resolve the underlying structural inventory deficit.

RATE FIX INADEQUACY

DEMAND IS NOT THE ROOT CAUSE

Lower interest rates by themselves cannot solve the crisis. Without aggressive inventory creation, monetary easing simply inflates asset values without expanding housing access.

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ACTIONABLE SOLUTIONS FRAMEW ORK: 7 SMALL INITIATIVES DRIVING LARGE IMP ACT

1 ACCESSORY DWELLING UNITS (ADUS)

Support municipal promotion and specialized financing for ADUs to create gentle density in existing residential neighborhoods.

2 VACANT PROPERTY TAX INCENTIVES

Tax-incentivize investors to rehabilitate vacant or distressed housing stock into affordable sale and rental inventory.

3 OPPORTUNITY ZONES REALIGNMENT

Promote recently realigned Opportunity Zones specifically targeted at residential housing redevelopment.

4 MANUFACTURED & LAND-LEASE HOMES

Incentivize manufactured housing and land-lease community models to provide low-cost homeownership pathways.

5 HIGH-PAYING TRADE WORKFORCE

Create and support vocational training for high-demand trade jobs to build local construction capacity.

6 REDEVELOPMENT

Continue to revise the Unified Development Code to bring smart choices to housing size and density as well as efficiently redeveloping greyfields (malls, office parks, etc.) and brownfields.

7 FINANCIAL LITERACY EDUCATION

Promote comprehensive financial literacy programs to empower buyers and renters with long-term housing capability.

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