

30-Year Fixed Mortgage Rates



6.61%

December 2023



6.69%

January 2024

Source: Macrotrends.net

TALKING POINTS

- At their January 2024 meeting, the Federal Reserve held interest rates steady at 5.25%-5.5%. A strong economy, low unemployment, and inflation near 2%, have some experts predicting a rate decrease of around 1% at the March 20th meeting.

WHY IS THIS IMPORTANT?

Early spring markets may still have slim pickings when it comes to existing homes for sale, and your buyers may want to delay putting in offers while they wait on a rate drop.

Be prepared to advise your buyers that if the perfect home comes on the market now, they may want to grab it. Lower rates will create more buyer competition which typically drives up prices.



TALKING POINTS

- Existing-home sales fell slightly in December, slumping 6.2% from the previous year.
- The median sales price is \$382,600 – the sixth consecutive month of YOY price increases.

WHY IS THIS IMPORTANT?

With existing-home prices still increasing, you may suggest your buyers consider new construction. New home builds are staying on the market several months longer than existing homes.

When you work with sellers, nationally, days on market have been increasing from 25 days in November to 29 days in December. Know the days on market for your local area and advise your sellers that every showing is important for a quick sale.



TALKING POINTS

- The monthly absorption rate of new construction homes decreased by one month to 8.2 months of inventory in December.

WHY IS THIS IMPORTANT?

With new construction homes lingering on the market longer than existing homes and single-family housing construction starts predicted to increase in 2024, this could be a good year for your buyers looking to buy new construction.