

30-Year Fixed Mortgage Rates



6.69%

January 2024



6.94%

February 2024

Source: Macrotrends.net

TALKING POINTS

- The 30-year fixed rate increased slightly from 6.69% to 6.94% at the end of February.
- One reason may be the large gap between the Consumer Price Index (which measures what we pay for food items, autos, and rent for example) vs. the Personal Consumption Expenditures (which measures what we pay for goods and services).

WHY IS THIS IMPORTANT?

As mortgage rates rise, the effect on real estate investing can be positive. If you're working with clients looking to buy investment properties, now is a good time to buy because rental demand may increase as more people opt to rent while waiting for interest rate to fall.



TALKING POINTS

- Existing-home sales increased 3.1% in January.
- The median sales price fell slightly to \$379,100 month-over-month, but is strong when compared year-over-year where it is up 5.1%.
- The national absorption rate is trending slightly down at 3 months versus 3.2 months in December..

WHY IS THIS IMPORTANT?

Even with the 30-year fixed rate slightly increasing, home sale prices have remained steady nationally. It is still a great time to sell in most areas of the US. Buyers should be aware that mid-priced homes are still receiving multiple offers and be prepared to offer highest and best.



Monthly Supply of New Houses

8.3
January 2024

U.S. Census Bureau and U.S. Department of Housing and Urban Development, Monthly Supply of New Houses in the United States [MSACSR], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/MSACSR>.

TALKING POINTS

- The monthly absorption rate of new construction homes increased slightly to 8.3 months of inventory in January.

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 this year, this could be a good year for your buyers looking to buy new construction.