

## 30-Year Fixed Mortgage Rates



**6.79%**

March 2024



**7.17%**

April 2024

Source: Macrotrends.net

### TALKING POINTS

The 30-year fixed rate increased slightly to 7.17% at the end of April.

### WHY IS THIS IMPORTANT?

Despite expectations that mortgage rates would start declining in 2024 as the Fed implemented rate cuts, rates surged instead. This was partly because of hotter-than-expected inflation readings and a strong labor market.

While higher mortgage rates make homebuying more expensive for consumers, the Fed views raising rates as necessary to cool demand and bring inflation back to its 2% target.



### TALKING POINTS

Existing-home sales declined by 4.3% in March, while the median sales price rose 4.8% year-over-year to \$393,500, marking nine consecutive months of YOY price gains.

### WHY IS THIS IMPORTANT?

Keep your clients up-to-date on the absorption rate in your market. Nationally, the inventory of unsold existing homes grew 4.7% from just one month ago, equaling 3.2 months' supply at the current monthly sales pace.



## Monthly Supply of New Houses

**8.3**  
March 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 again decreased slightly to 8.3 months of inventory in March.

### WHY IS THIS IMPORTANT?

New construction homes appeal to buyers struggling to find an existing home that matches their wants and needs. Many buyers dislike the thought of being in a bidding war, and new construction offers less drama.

When working with sellers, include information about new subdivisions competing for the same buyer pool.