



November 4, 2024

In early July, Freddie Mac reported a national average mortgage rate of 6.89%, down from a high of 7.8% in October of the previous year. Although the Fed's decision to cut rates was anticipated, further declines in mortgage rates are uncertain due to rising rates after the strong September jobs report.

FMLS reports show that September closings increased by 5.2% compared to last year, marking the first rise in some time. The rolling 4-week average for October also reflected a 5.2% increase.

New listings were up 7.2% in September and an additional 5.2% in October, while 'coming soon' rose by 15.3% in September and 8.4% in October 2024. The average sale price in the FMLS market area is \$524,064, representing a 10.7% annual increase.

The increase in new listings suggests more sellers are motivated to list their homes compared to last year. Buyers, facing less urgency due to increased inventory and expectations of lower mortgage rates, are contributing to a market stalemate. A constrained market is anticipated until rates drop below 6% and approach 5.5%.

Local market performance appears stronger than the National Association of REALTORS® report, which indicated a 3.5% year-over-year decline in sales.

Long-term fundamentals for sales growth remain intact: increased inventory, lower mortgage rates, and job growth. Georgia and the southern region continue to attract new residents due to a robust job market and affordable housing options.

In summary, this indicates a stabilizing and strengthening market despite recent uncertainties in mortgage rates. Future growth is likely supported by the current fundamentals, making the market outlook positive for buyers and sellers alike.