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Economic Report: Insights into Today's Housing Market

FMLS Market Intel Report

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With the 4th of July now in the rear view mirror, it is officially summer — full of distractions, opportunities, and deadlines for buyers and sellers hoping to move before fall. Mid-year is also the perfect time to assess where the market is today and where it's likely headed for the second half of the year.

The latest numbers from FMLS are in, so let's take a look at where things stand for the Greater Atlanta Area. In June, closed sales increased 8.7% over June of 2024, marking the first year-over-year increase since before the pandemic. For the first half of 2025, total closed residential detached sales in GAA were 20,876, a drop of 2.4% compared to the first half of 2024. Needless to say, not the direction projected from the heady post-election days at year-end.

And we can no longer say that the culprit is lack of supply. Inventory has been on an upward trend since the spring of 2023 when rising mortgage rates put a damper on home sales. The GAA had 15,130 homes for sale in June, up 35% from last year and well above the close to 6,000 homes for sale in June 2021, and in many areas we are seeing inventory at pre-pandemic levels.

Months of supply data mirrors these gains. In June, Atlanta had a 4.4-month supply, up from 3.2 months in June 2021 and 1.1 months last year. While the “lock-in effect” of a low mortgage rate may still be holding some sellers back, it's also clear that today, many owners are ready to move. And this is good news for buyers.

What about prices? In June, the median price in the GAA was \$476,410, unchanged from June 2024. This should also be welcome news for buyers, many of whom are grappling with affordability constraints. And let's put this in context: The median price was \$307,000 in June 2020. That's an increase of 55% in five years or an average annual gain of 11%.

What's in store for the second half? There is a great tool at your disposal to gauge market activity in communities throughout the FMLS market area. FMLS reports, in conjunction with Showing Time, "showings per pending," which indicates the number of people who viewed a property that subsequently went into contract. The lower the ratio, the more active the market, with a higher percentage of showings resulting in contracts. This reveals strong buyer commitment and may signal a future increase in pending sales. In addition, changes in this ratio can precede broader shifts in market momentum. In Atlanta, there were an average of 12.8 showings per pending in June 2025. This is down 6% from last year and the lowest number of showings per pending the past 5 years.

My take-away here is that, barring a drop in rates, this is the market we will be dealing with for the foreseeable future. Elevated rates, ample inventory, longer time on market, and stable prices. For buyers, the market has slowed, and there is more inventory to see. For sellers, a more competitive market necessitates being realistic about pricing and showcasing your home in top-notch condition. It would be a mistake to wait on the sidelines for big changes in the second half of 2025 - from where we sit today, that does not seem likely.

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