



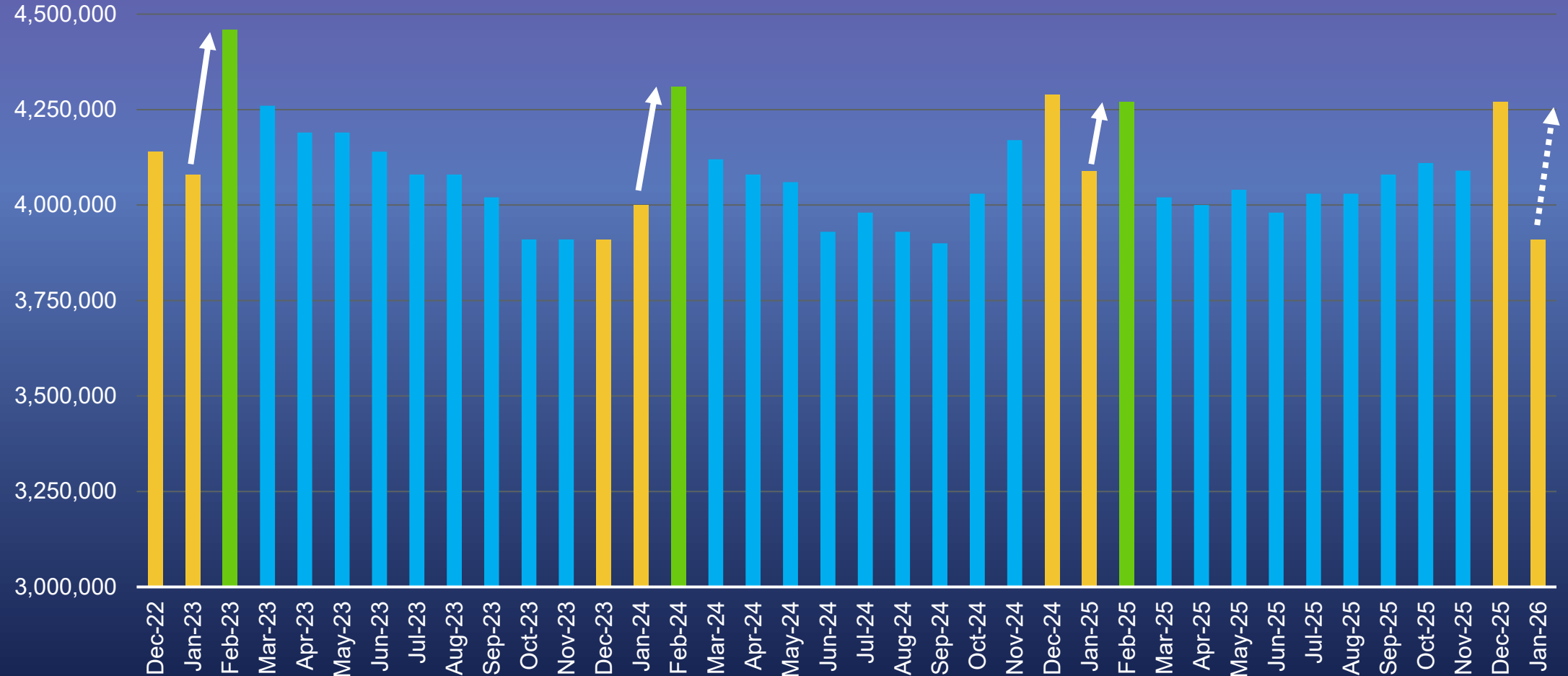
**Don't Let Winter Weather Fool  
You, Spring Momentum Is Coming**



Winter storm Fern, which dumped snow and ice across large swaths of the country, likely disrupted some closings, weighing on the data and making it difficult to pick out the housing market momentum trend from the weather noise.

# January 2026 Sales Slowed, But Expect a February Rebound

Existing Home Sales, Seasonally Adjusted Annual Rate



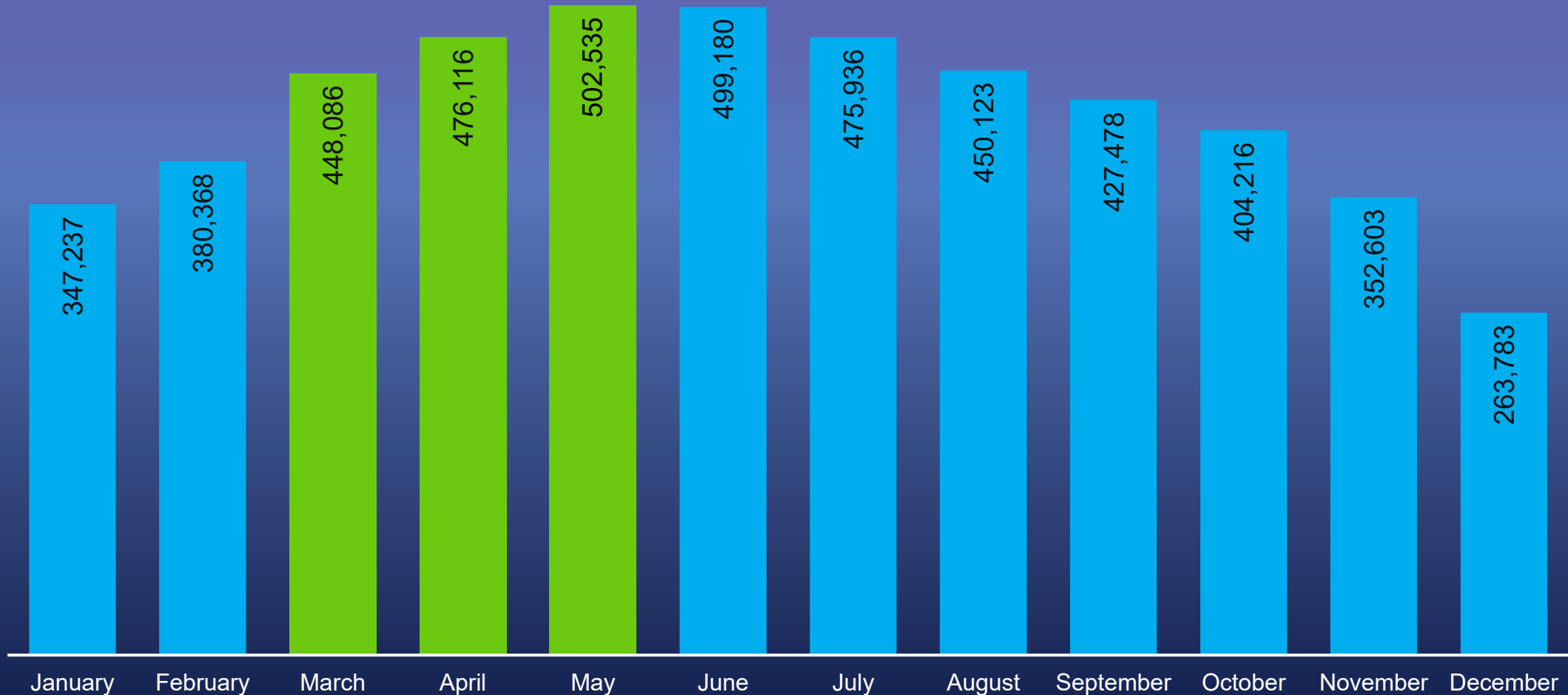


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With mortgage rates near 6%, weekly housing demand rebounded as winter weather effects began fading from the data. The improvement appears tied more to normalization following the late-January snowstorm than to a structural acceleration in market activity.

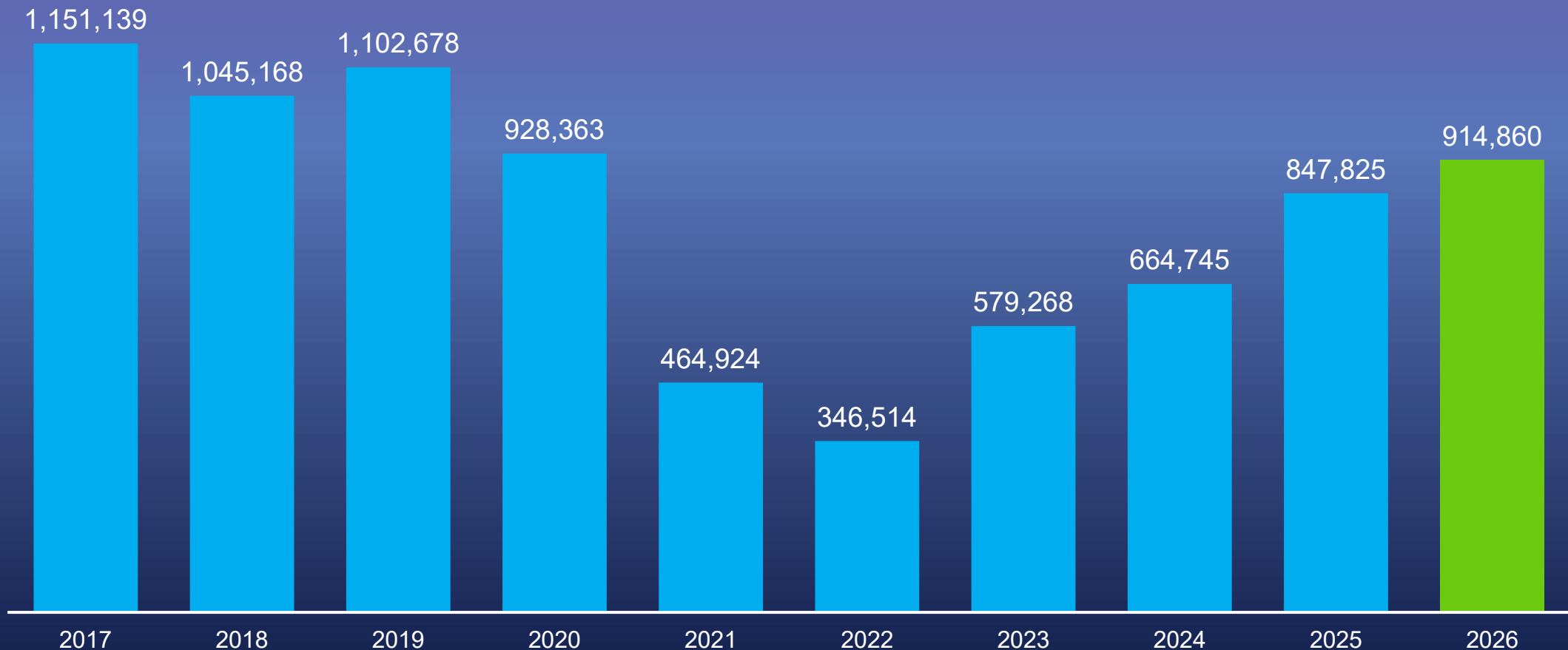
# A Lot of New Inventory Comes on the Market in the Spring

Average New Listing Count, 2017 - Present



# Inventory Is Making a Comeback

Active Listings, February of Each Year





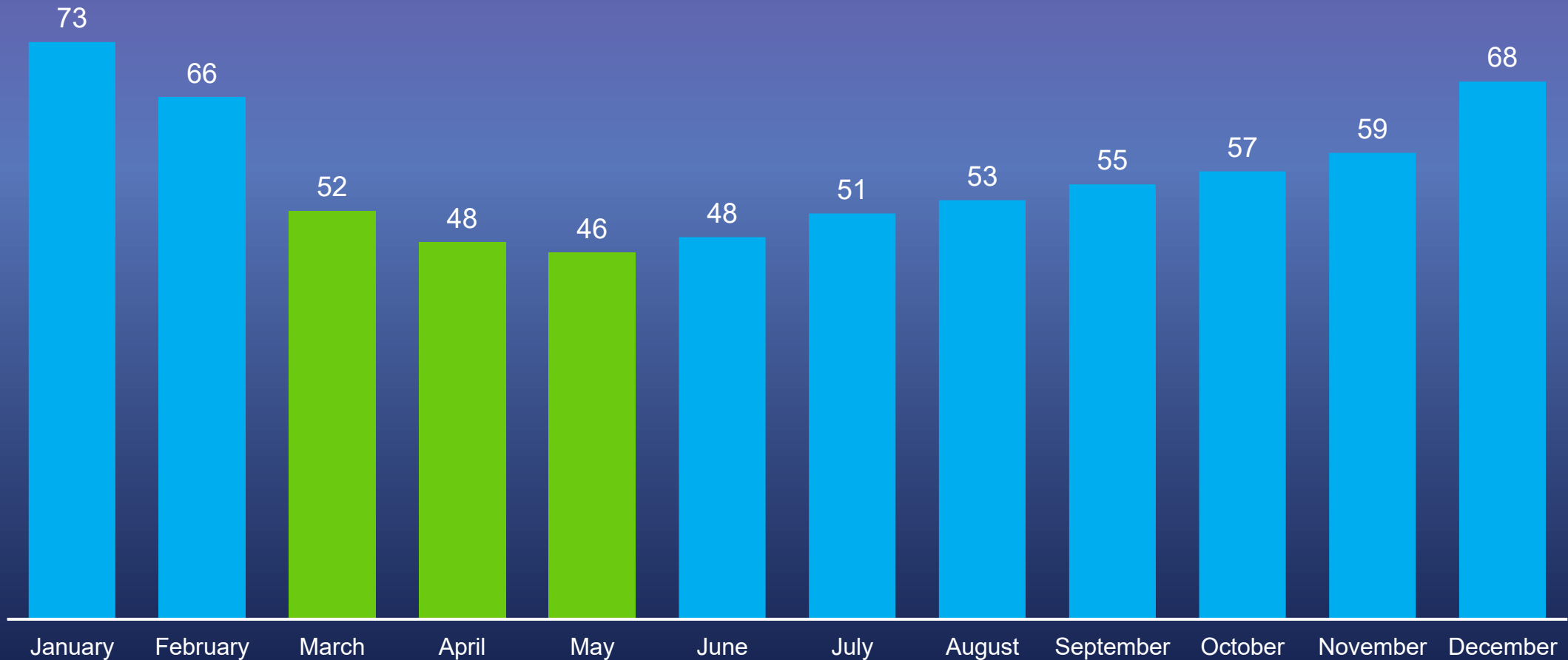
Inventory is higher in spring and early summer, but that is when there are also more buyers in the marketplace.

**The days on market shortens and multiple offers become more prevalent.**

Lawrence Yun,  
Chief Economist, NAR

# Homeowners Typically Sell Fast in the Spring

Average Median Days on the Market, 2023 - Present





**During warmer months, buyers are more easily able to get out and about to see homes.** Home exteriors are easier to see with no snow, and interiors look more inviting when there's plenty of sunshine coming in.

**Bankrate**





**Yes, the Economy Feels Uncertain  
– But the Data Isn't as Scary**

POLITICO

## Is Trump's economy headed for recession? Market meltdown stirs fears.

ECONOMY | CONSUMERS

### Consumers and Businesses Send Distress Signal as Economic Fear Sets In

Canceled trips, fewer dinner parties and falling sales: 'We are cutting back on virtually everything'

### *Voters See a Middle-Class Lifestyle as Drifting Out of Reach, Poll Finds*

Concerns about the affordability of education, housing, health care, having a family and retirement are driving economic anxieties, a New York Times/Siena poll found.



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ECONOMY

### The U.S. economy shrinks as Trump's tariffs spark recession fears

Bloomberg.com

### Markets Rocked as Wall Street Frets Over Trump's Economic Impact

**A key market data point is signaling fear about America's economy**



Our model simulations of 10% and 30% sustained increases in oil prices do not come close to generating a U.S. recession or markedly changing the trajectory for core inflation.

**Wells Fargo**

## Signals the Economy Is Stabilizing

1. Economic growth is expected to rebound.
2. Mortgage rates have decreased as inflation has stabilized.
3. Economists don't foresee a recession.



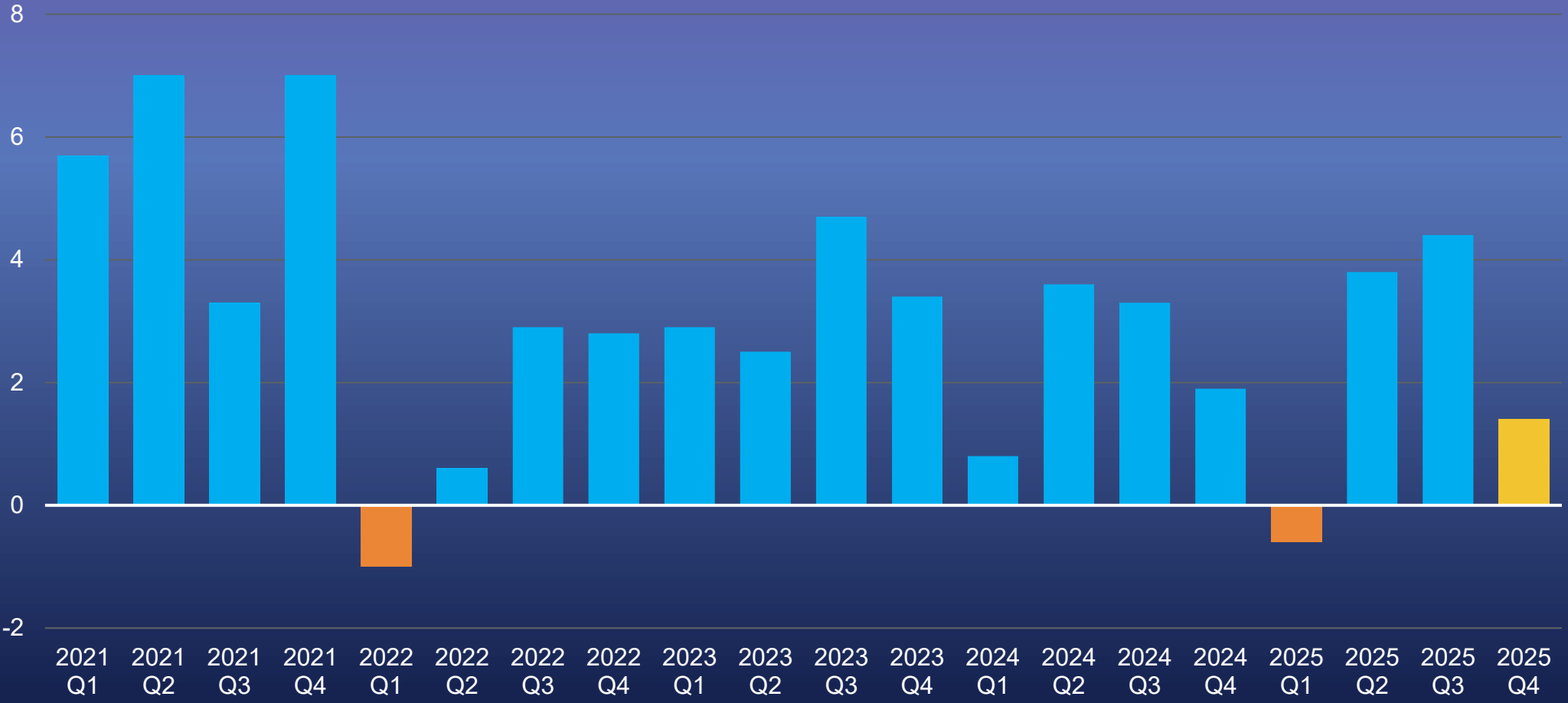


The Federal government shutdown clearly sent the economy careening off its strong growth path in the fourth quarter **which is a one-off that won't be repeated in early 2026.**

**Chris Rupkey**  
Chief Economist, Fwdbonds

# Economic Growth Ended 2025 Weaker Than Expected

Percent Change in GDP, Quarter-over-Quarter





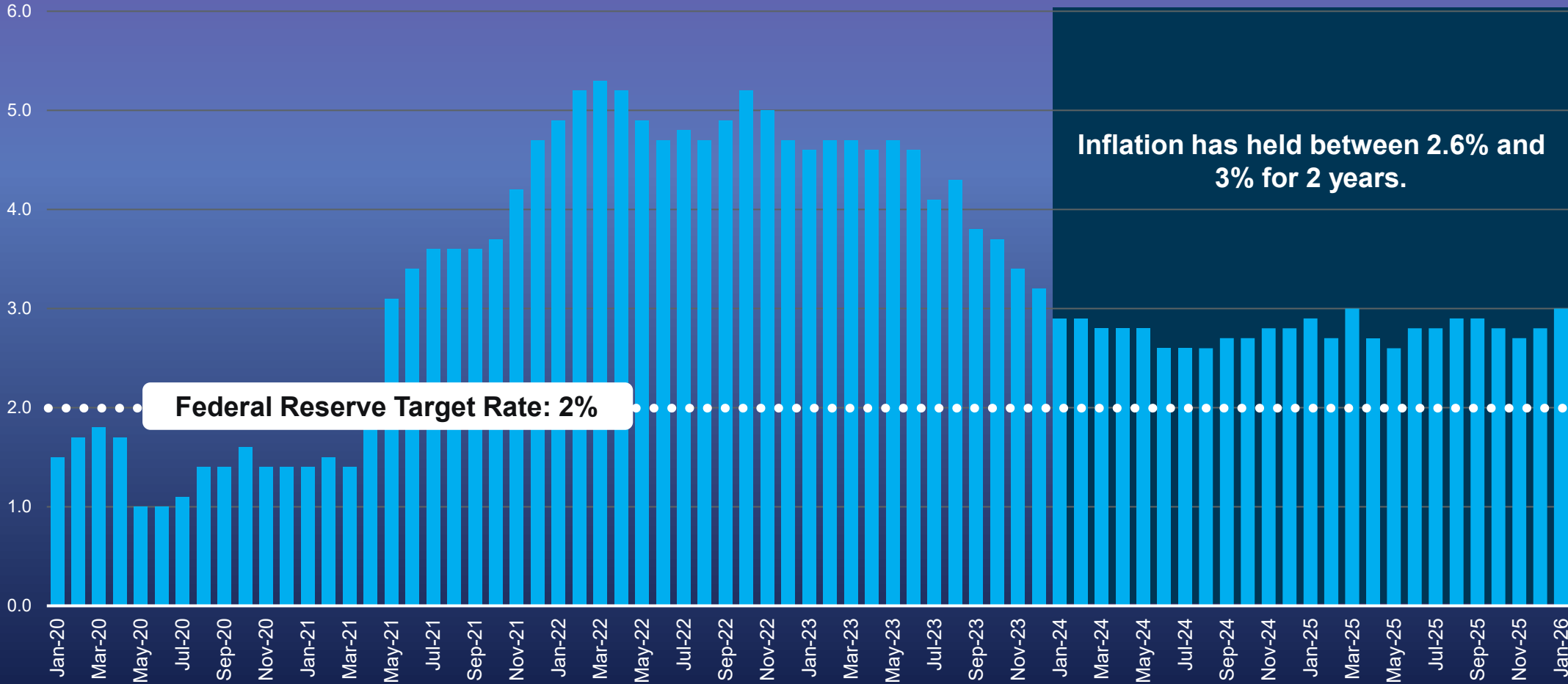
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The government shutdown hurt growth at the end of 2025. **The economy will likely bounce back in early 2026**, but it isn't harmless to do prolonged shutdowns. Overall, the U.S. economy was resilient in 2025 despite many headwinds. Solid consumption and the AI boom kept the economy growing.

**Heather Long**  
Chief Economist, Navy Federal Credit Union

# Inflation Has Stabilized Over the Past 2 Years

Core Personal Consumption Expenditures (PCE) Price Index  
(Percent Change Year-Over-Year, Seasonally Adjusted)

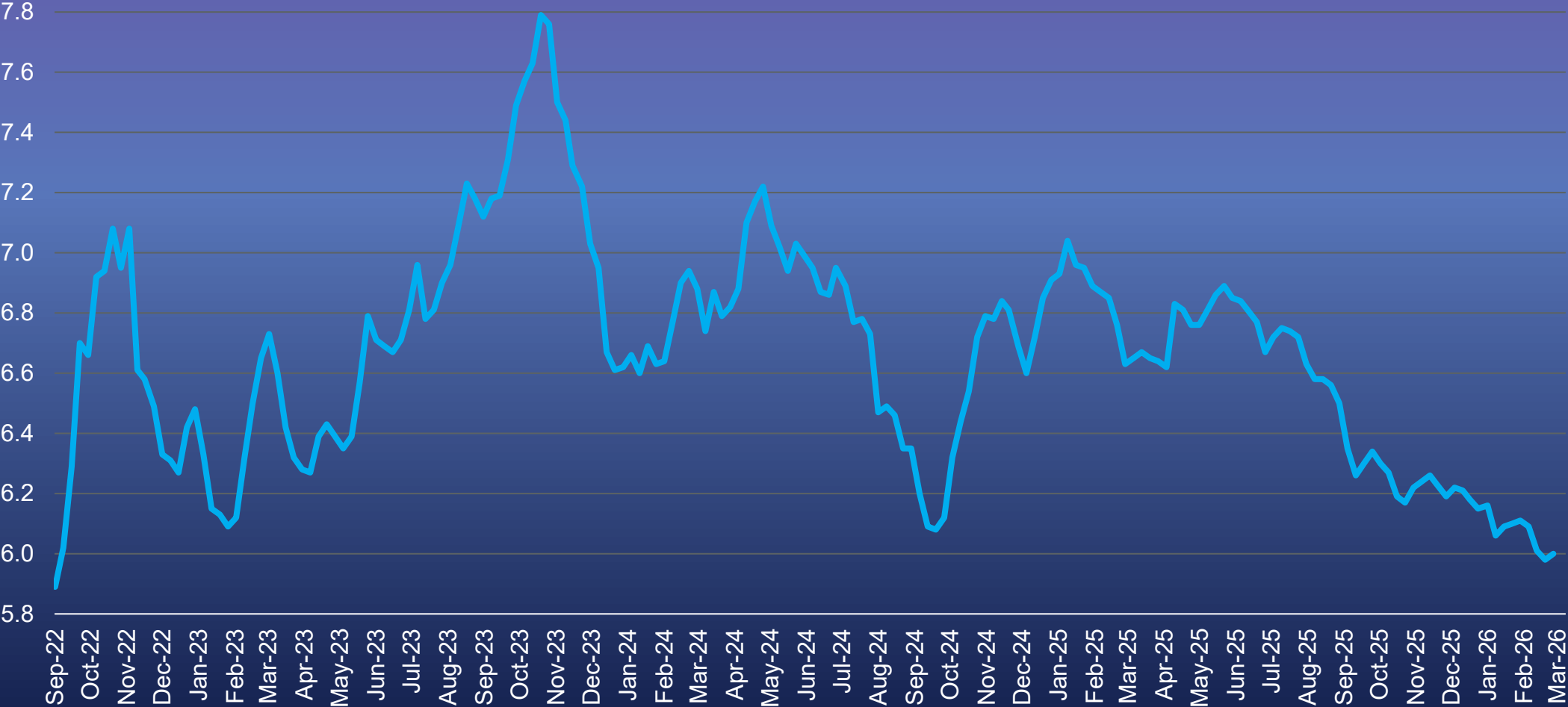


Inflation has held between 2.6% and 3% for 2 years.

Federal Reserve Target Rate: 2%

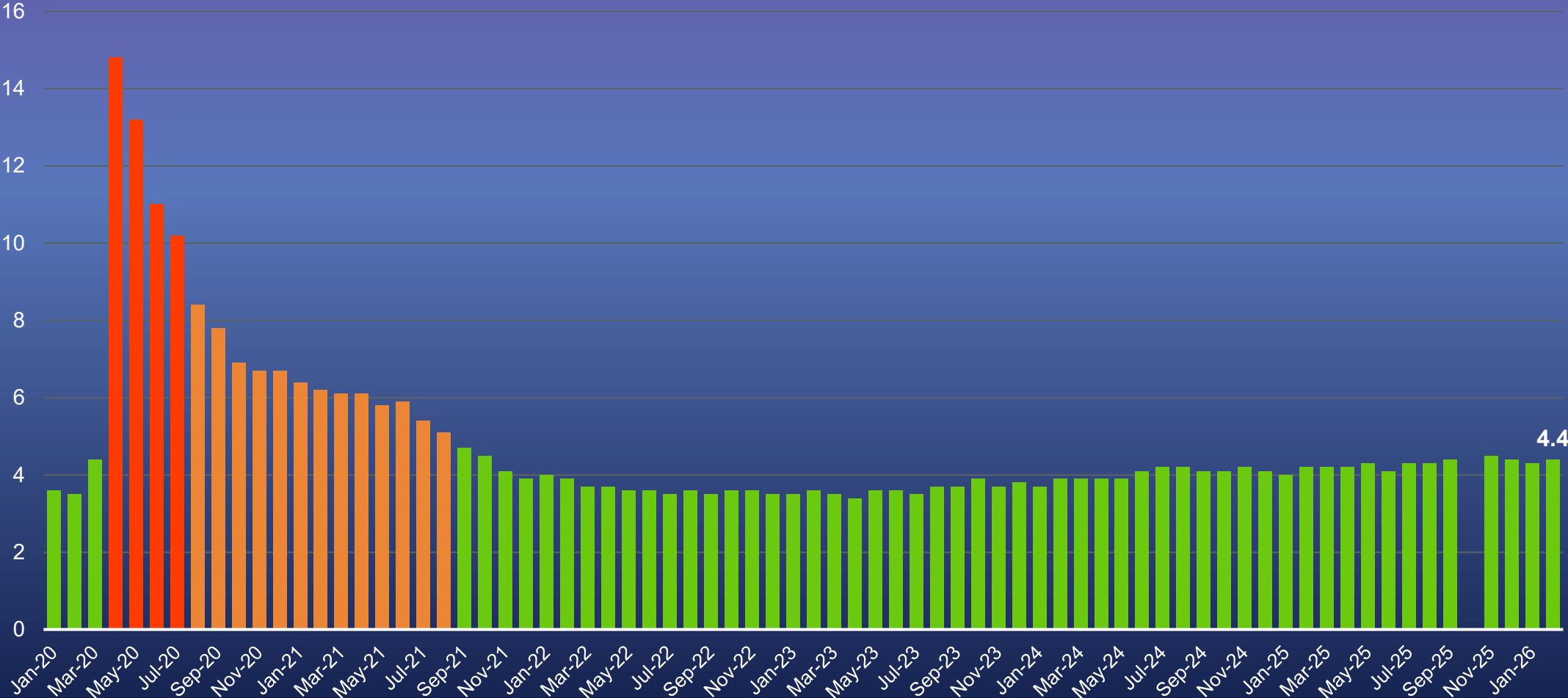
# Mortgage Rates at Lowest Level in 3.5 Years

Weekly 30-Year Fixed Mortgage Rate



# Unemployment Is Still Holding Steady

Unemployment Rate Increased to 4.4% in February (Seasonally Adjusted)





# **Contract Cancellations Are on the Rise – Here's How To Avoid Them**

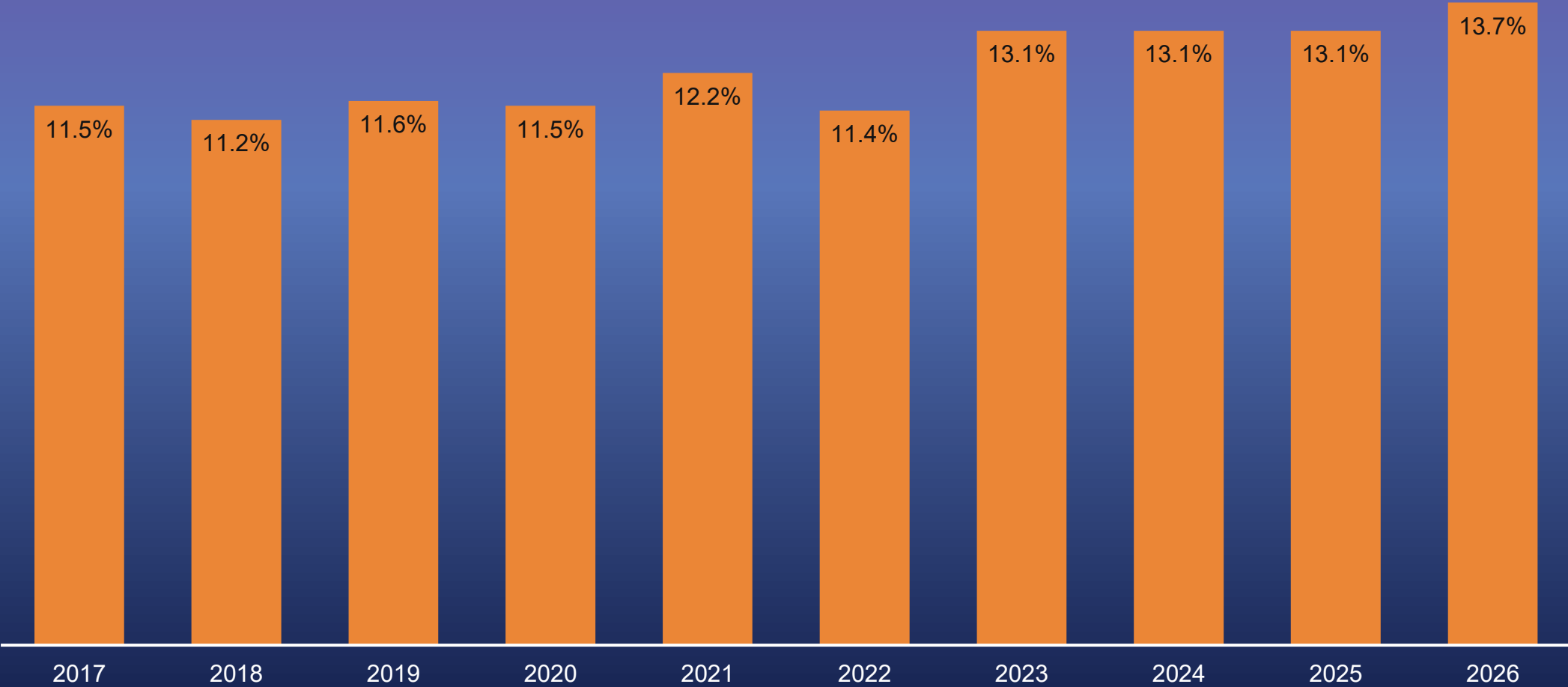


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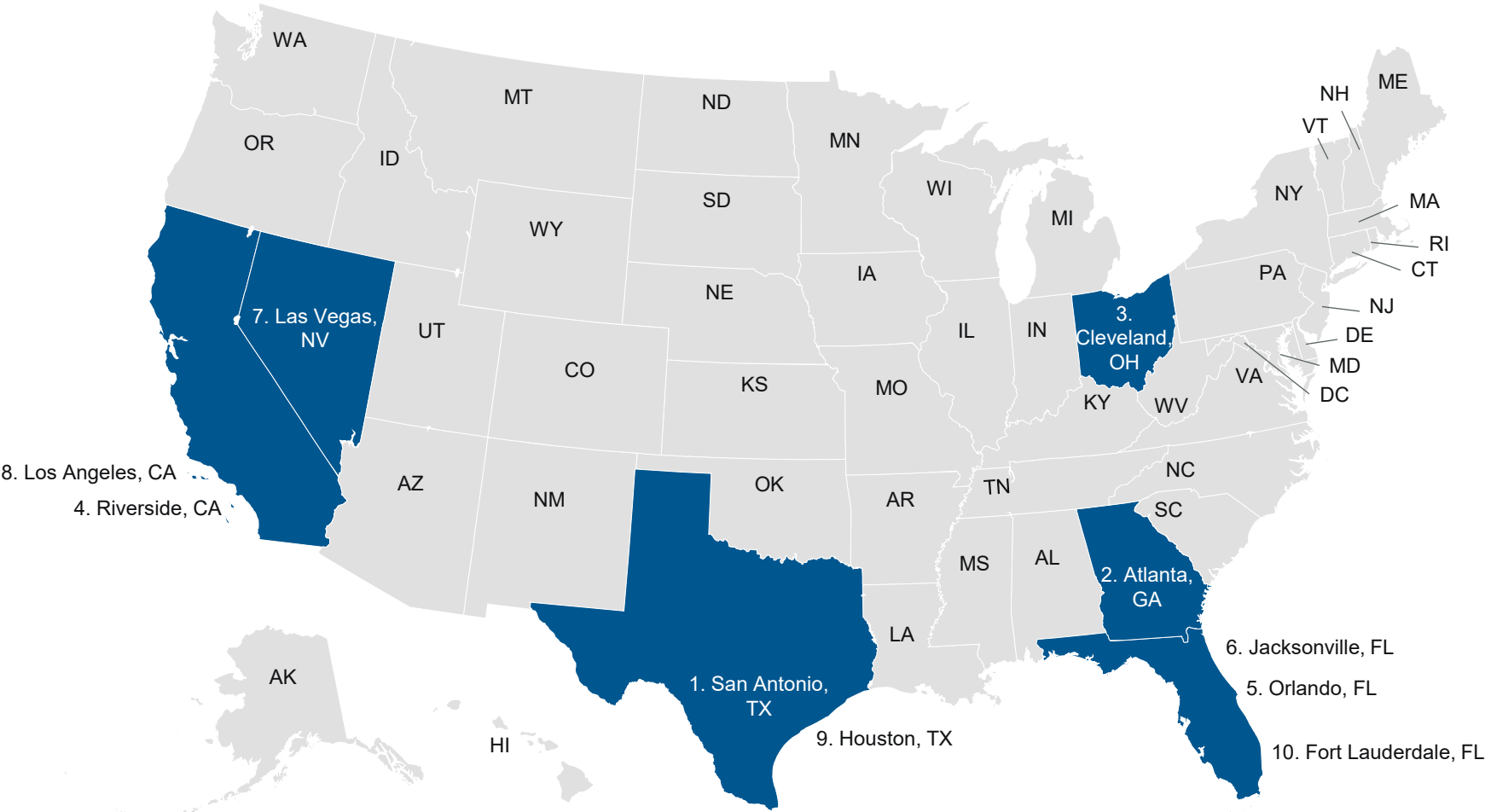
Nearly 40,000 home-sale agreements nationwide were canceled in January, equal to 13.7% of homes that went under contract that month. **That's up from 13.1% a year earlier, and the highest January share in records dating back to 2017.**

# Home Purchase Cancellations Are at a Record High

Pending Sales That Fell Out of Contract, as a Percent of Overall Pending Sales (Januarys Only)



# Metros With the Highest Rate of Cancelled Home Sales





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High housing costs and rising inventory have made homebuyers more selective. Home sellers outnumber buyers by a record margin, meaning the **buyers who are in the market have options and may walk away if they believe they can find a better or more affordable home.**

**Chen Zhao**  
Head of Economics Research, Redfin

# Tips for Sellers

- 1. Monitor the market and act quickly.** Agents track local supply, demand and pending sales to guide their sellers on competitive initial pricing. If demand slips in their market, some agents say they suggest a strategic 2-5% price adjustment to generate renewed interest.
- 2. Be ready to negotiate.** Closing cost assistance, repair credits or minor concessions may be necessary to attract buyers. Agents who anticipate negotiation scenarios are preparing their clients ahead of time for the give-and-take conversations that could help prevent a deal from collapsing and get the home sold.



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**Buyers frequently back out of deals using the inspection contingency;** they may cancel their purchase because a structural issue came up during the inspection, even if their primary reason for canceling is that they realized the mortgage payments are too expensive.

## The Top 9 Things That Might Fail a Home Inspection

1. Structural or foundation repairs
2. Aging or damaged roof
3. Outdated or failing plumbing
4. Old electrical systems
5. Old or failing heating, ventilation and air conditioning (HVAC)
6. Water damage and mold
7. Drainage and grading
8. Pest and insect damage
9. Safety and code violations

Source: Redfin

