

2025 Housing Market Forecast

- Mortgage Rates
- Total Home Sales
- Home Prices



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We expect the economy to land softly and housing inventory to continue to recover. This should put downward pressure on mortgage rates this fall and winter and will set the stage for a much better season for homebuyers in 2025.

Ralph McLaughlin
Senior Economist, Realtor.com



Fed interest rate cuts in general will bring about lower [mortgage] rates, which is a definite boost to the housing market, but it won't happen overnight.

Greg McBride
Chief Financial Analyst, Bankrate

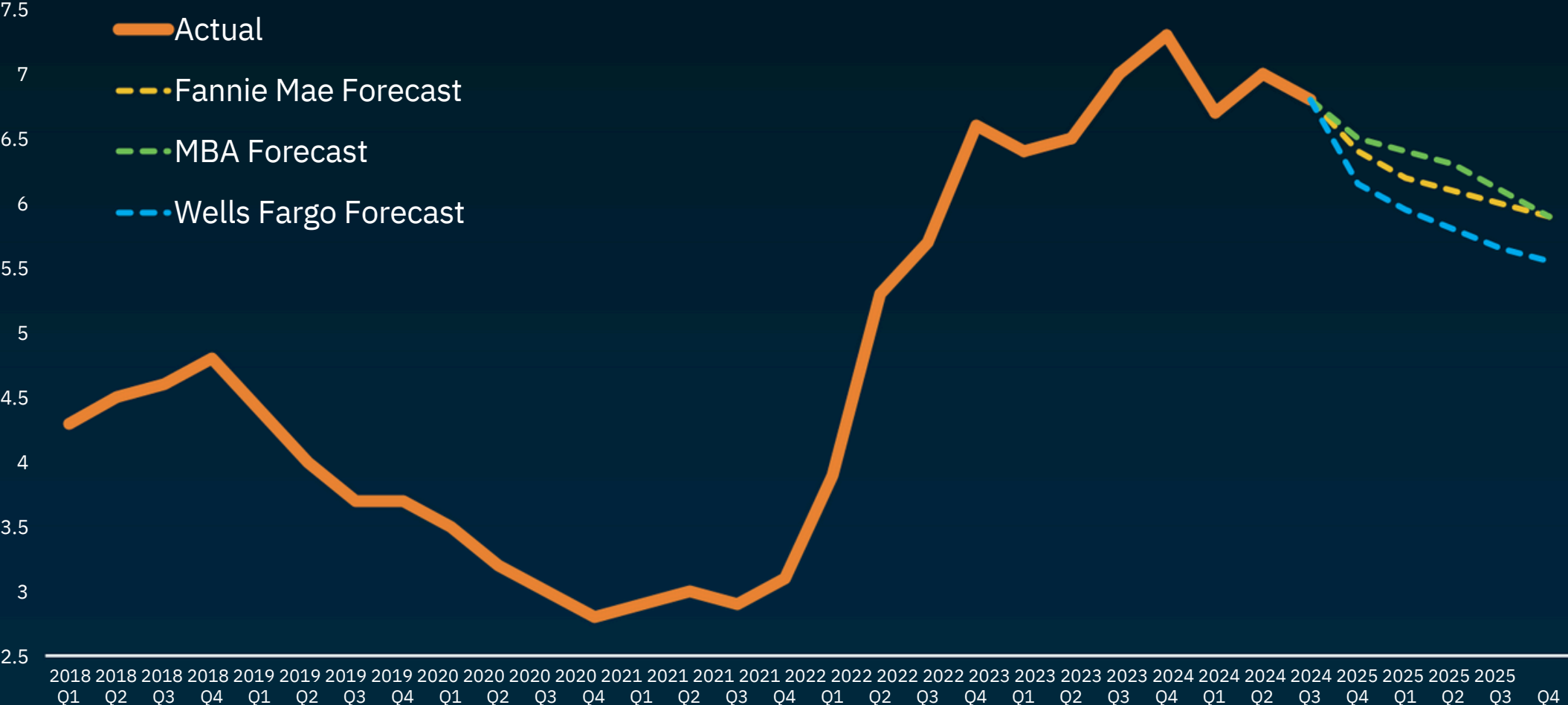
2025 Mortgage Rate Projections

As of September 2024

| Quarter | Fannie Mae | MBA | Wells Fargo | Average of All 3 |
|---------|------------|-------|-------------|------------------|
| 2024 Q4 | 6.20% | 6.20% | 6.15% | 6.18% |
| 2025 Q1 | 6.00% | 6.00% | 5.95% | 5.98% |
| 2025 Q2 | 5.90% | 5.90% | 5.80% | 5.87% |
| 2025 Q3 | 5.80% | 5.90% | 5.65% | 5.78% |
| 2025 Q4 | 5.70% | 5.80% | 5.55% | 5.68% |

Mortgage Rates & Projections

30-Year Fixed Rate, As of September 2024



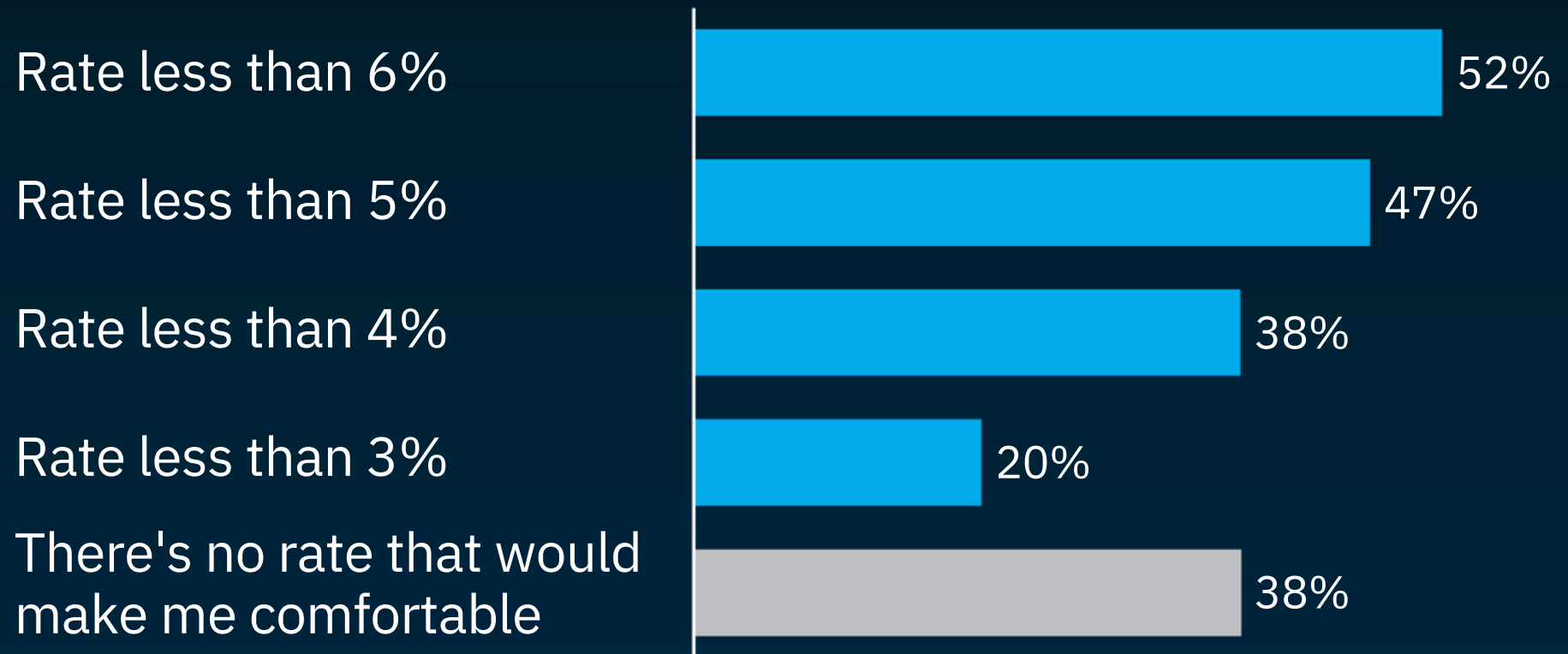


Lower financing costs will likely boost demand by pulling affordability-crunched buyers off of the sidelines.

Charlie Dougherty
Director and Senior Economist, Wells Fargo

More Than Half of Homeowners Would Be Motivated to Buy With Rates Under 6%

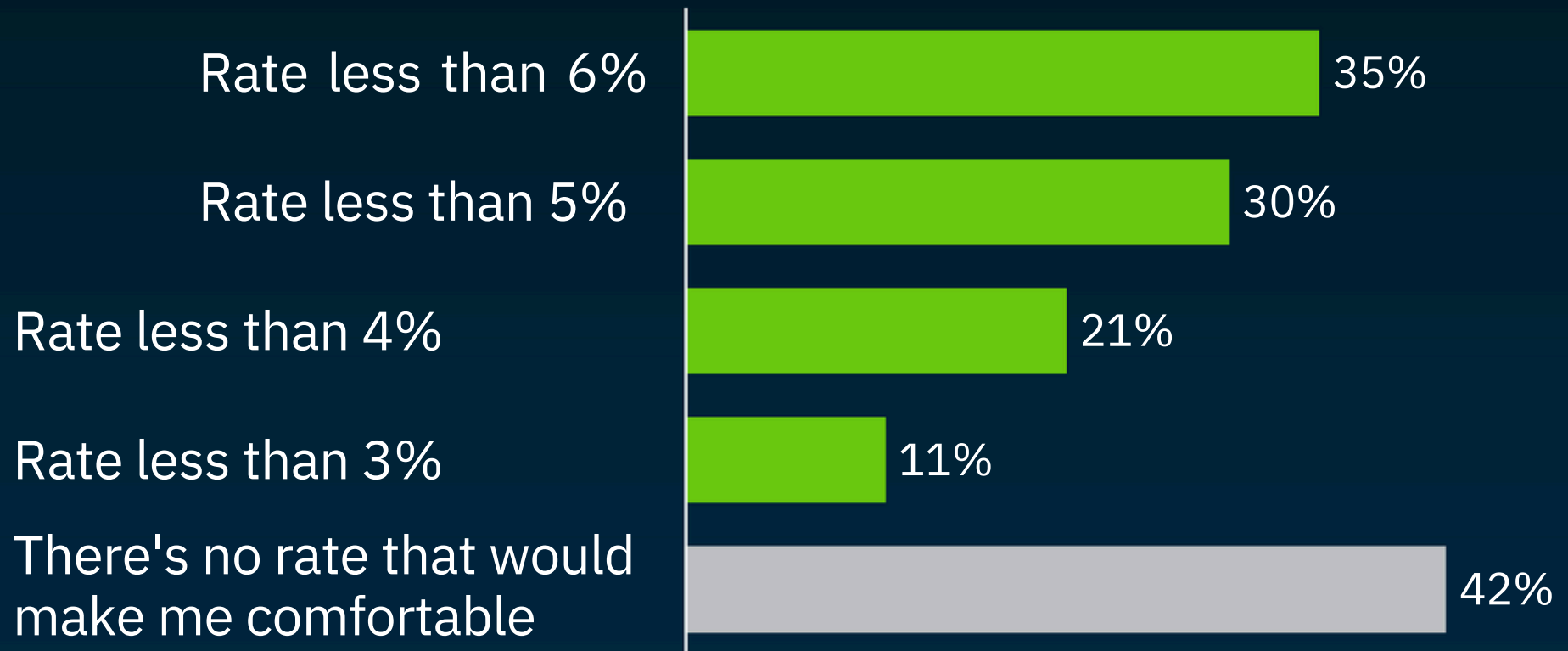
Which Mortgage Rate, if Any, Would You Need To Be Comfortable Buying a Home This Year?



Note: Respondents could select more than one scenario.

Over One Third of Homeowners Would Be Motivated Move With Rates Under 6%

Which Mortgage Rate, if Any, Would You Need To Be Comfortable Selling a Home This Year?



Note: Respondents could select more than one scenario.

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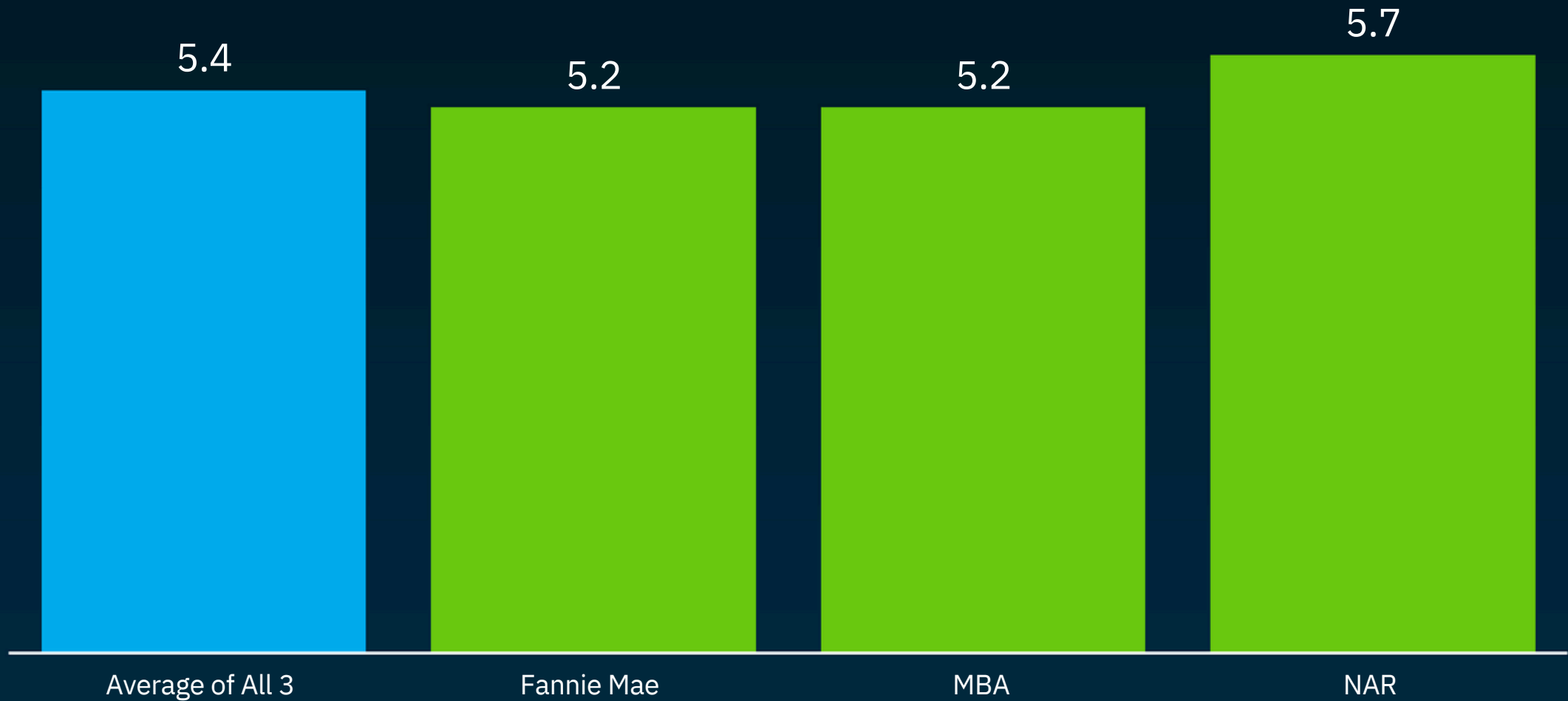
Total Home Sales Forecast To Rise

Total Home Sales In Millions, 2019–2025



2025 Total Home Sales Forecasts

In Millions, As of 9/30/2024





Waiting until next spring or summer should also give you more inventory to choose from, but you'll likely be up against greater competition since it's the peak buying season.

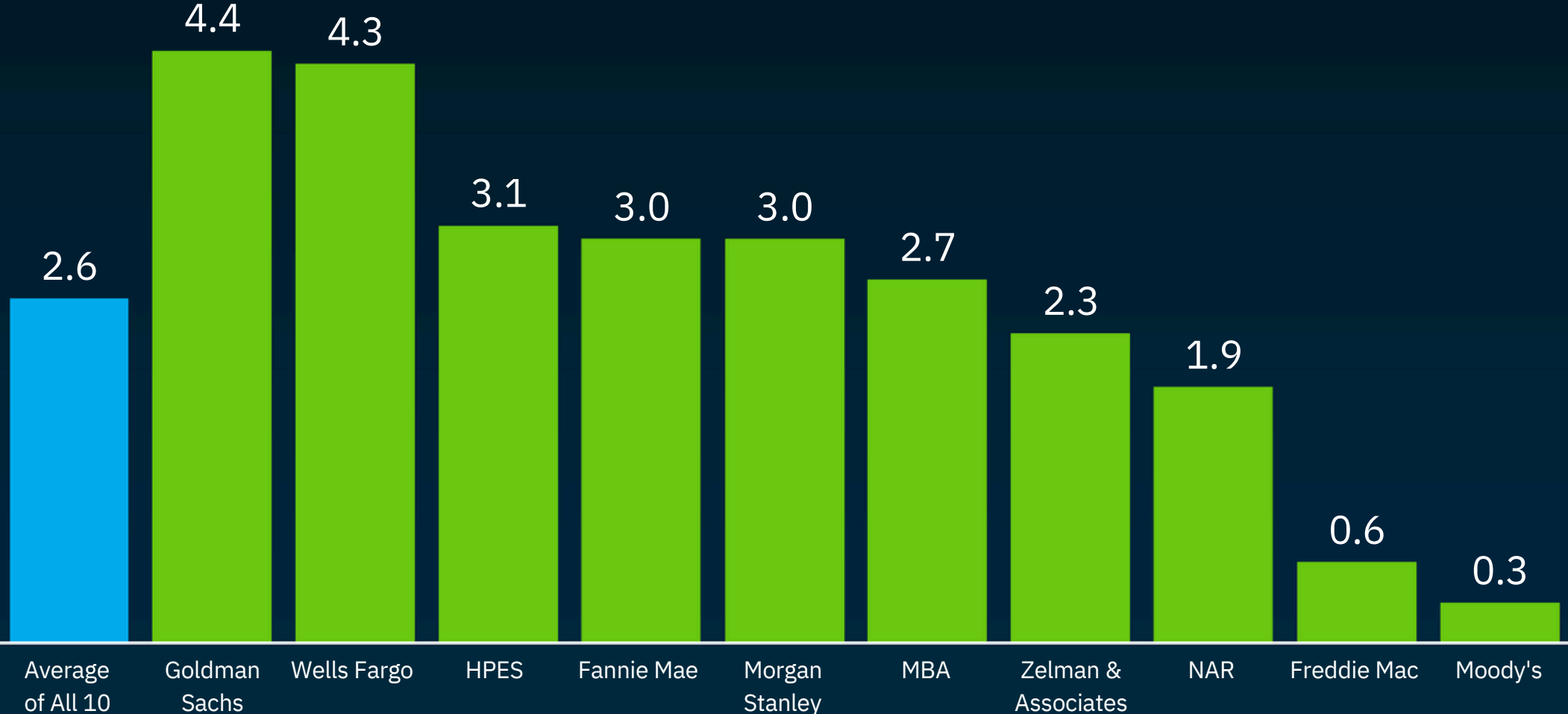
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2025 Home Price Forecasts

Percent Appreciation as of 9/30/2024





Even if the average national home price forecast for 2025 is correct, it's possible that some regional housing markets could see mild home price declines, while some markets could still see elevated appreciation. That has been, after all, the case this year.

Lance Lambert
Co-Founder, ResiClub



Currently, economic projections for 2025 are also positive, which points to a positive outlook for the housing market.

Selma Hepp
Chief Economist, CoreLogic