



The Myth About Mortgage Rates

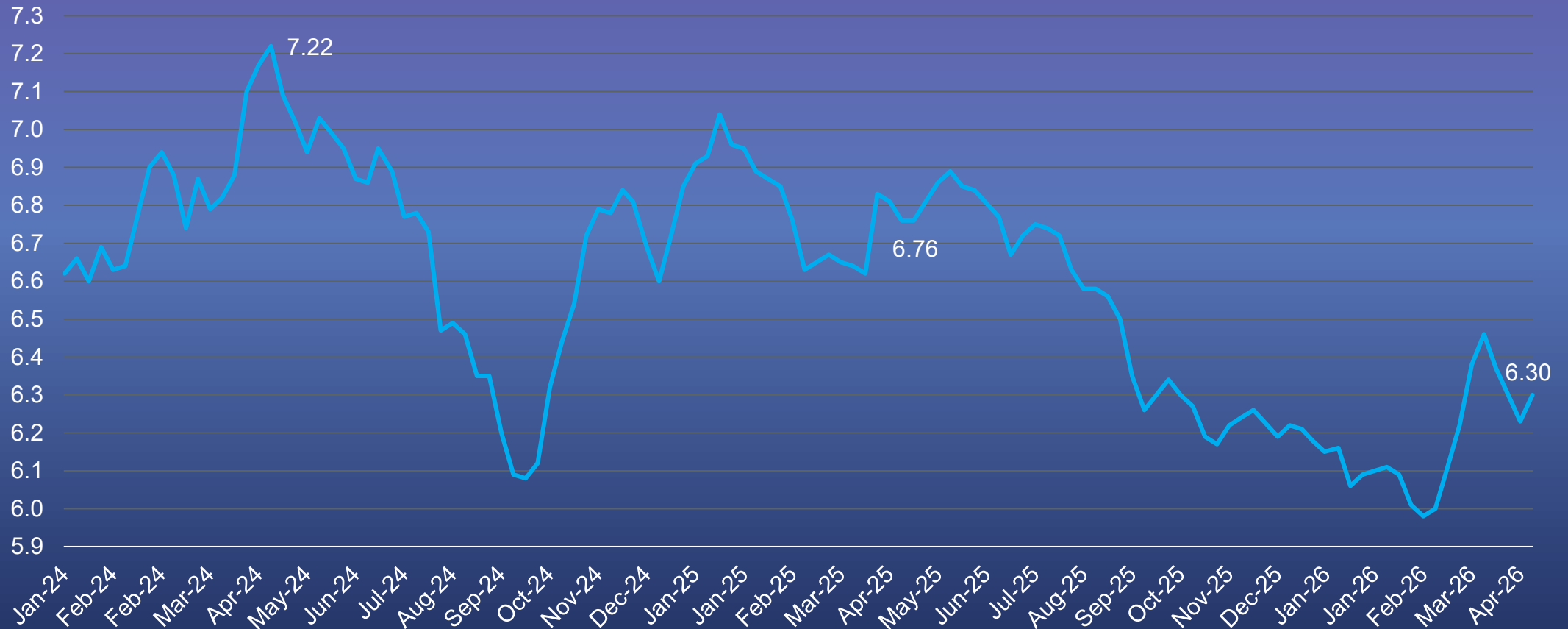


Rates currently stand at their lowest level in the last three spring homebuying seasons. This improvement, coupled with a pickup in purchase applications and refinance activity, as well as an increase in monthly pending home sales, underscores signs of improving momentum in the market.

Sam Khater
Chief Economist, Freddie Mac

Rates Currently Stand at Their Lowest Level in the Last 3 Spring Homebuying Seasons

30-Year Fixed-Rate Mortgage



In Just One Year, Rates Are Down

Here's What That Saves You

Fixed Mortgage Rate	Home Loan Amount	Monthly Mortgage P&I*	Savings Per Month
January 13, 2025: 7.26%	\$400K	\$2,731	–
May 4, 2026: 6.52%	\$400K	\$2,534	\$197
5.99%	\$400K	\$2,396	\$335
Difference at a 5.99% Rate			\$138/month

*Principal and Interest Payment. Total monthly payment may vary based on loan specifications such as property taxes, insurance, HOA dues, and other fees. Consult your licensed mortgage advisor for current rates.



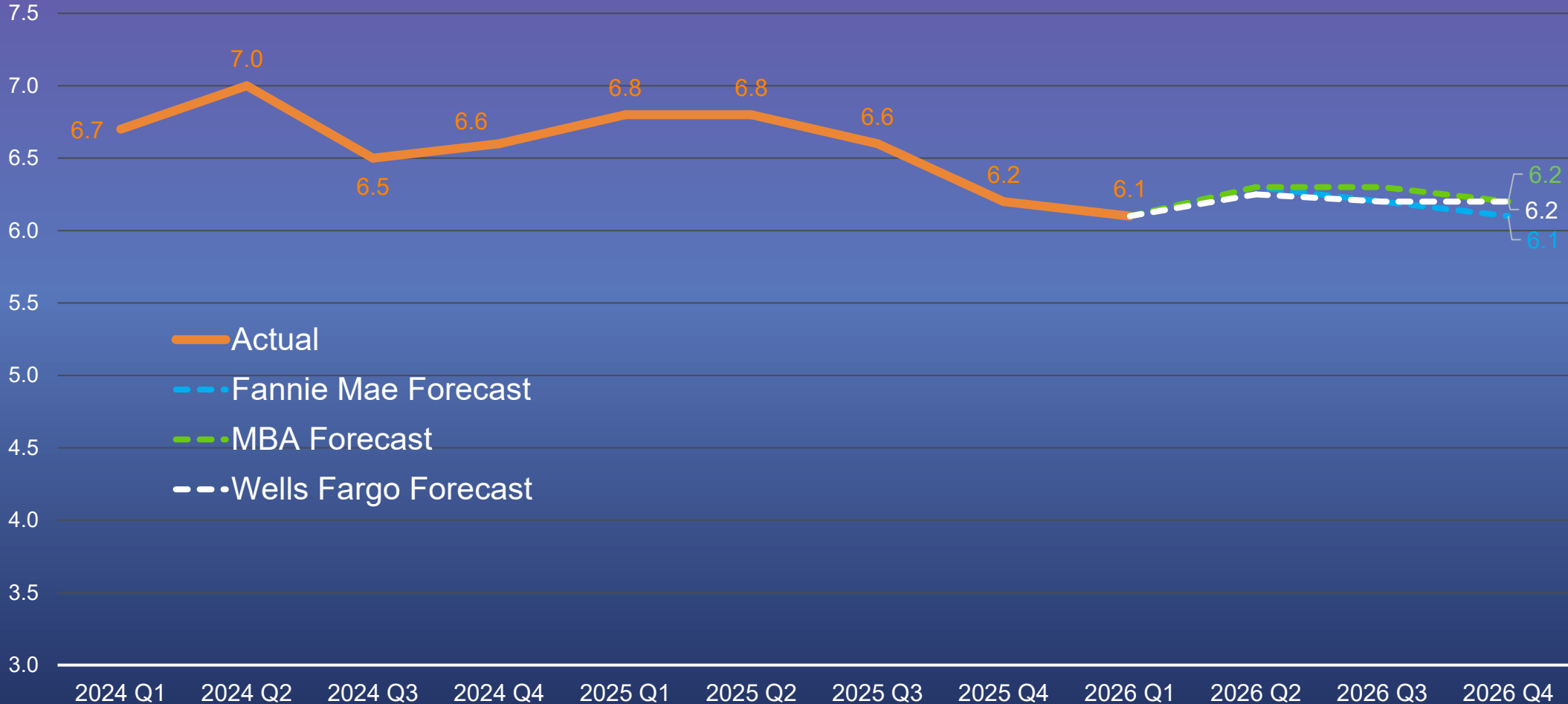
Mortgage Rates Projections

30-Year Fixed Mortgage Rate Projections, as of 5/4/2026

Quarter	Fannie Mae	MBA	Wells Fargo	Average of All 3
Q2 2026	6.30%	6.30%	6.25%	6.28%
Q3 2026	6.20%	6.30%	6.20%	6.23%
Q4 2026	6.10%	6.20%	6.20%	6.17%
Q1 2027	6.10%	6.20%	6.20%	6.17%
Q2 2027	6.10%	6.20%	6.20%	6.17%

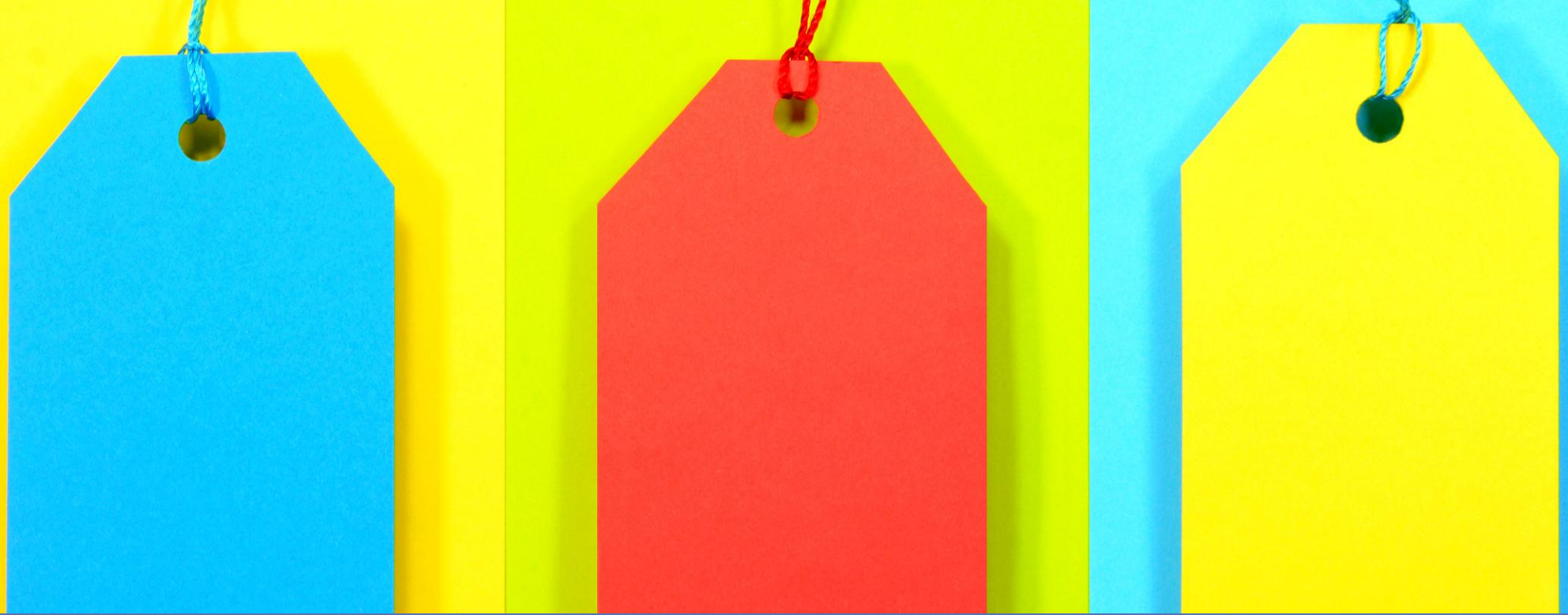
Mortgage Rates Projections

30-Year Fixed Rate + Projections, as of 5/4/2026





Mortgage rates aren't expected to change much over the next several quarters, which has implications for prospective homebuyers and sellers.



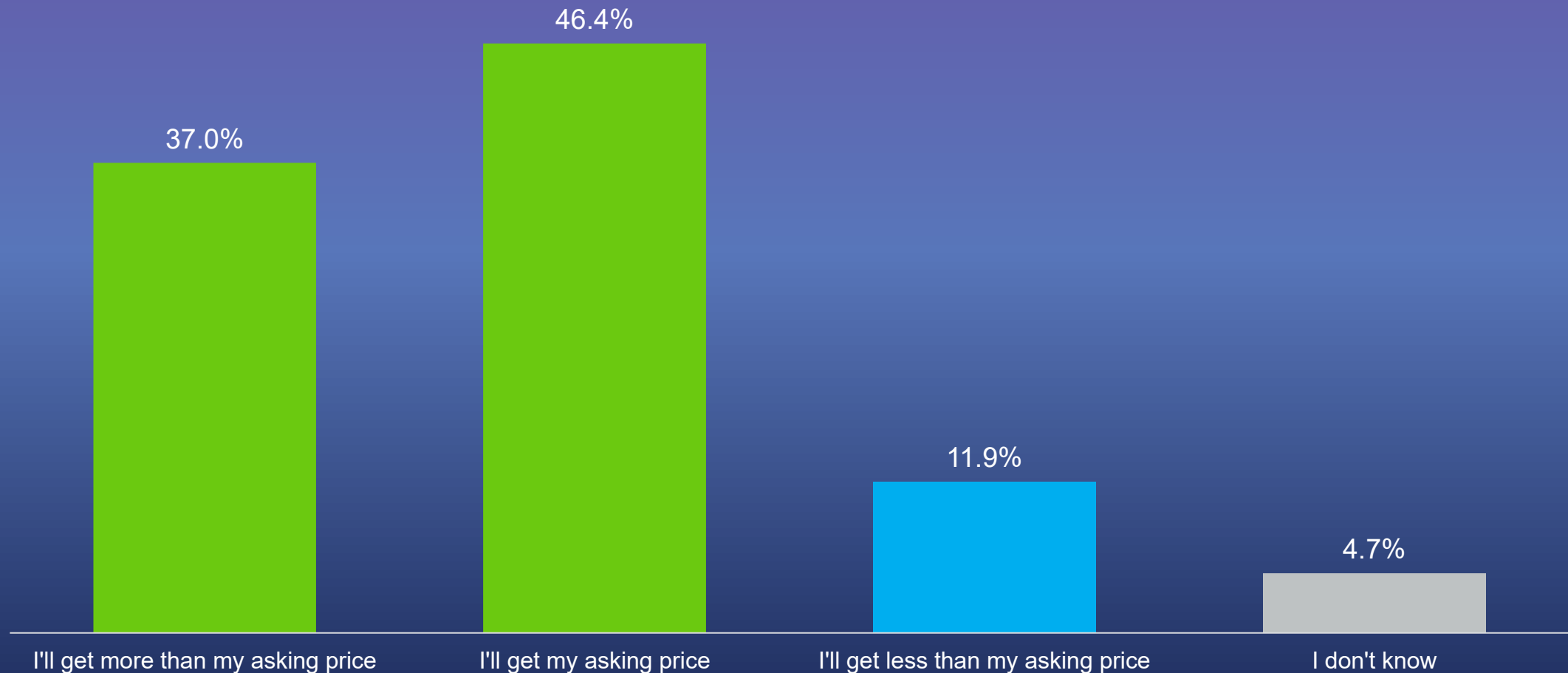
**In This Market, Price It Right...
or Be Ready To Adjust**



Despite the economic headwinds whipped up by the ongoing Iran conflict and cooling consumer sentiment, **most home sellers are brimming with optimism this spring and expect their properties to fetch top dollar.**

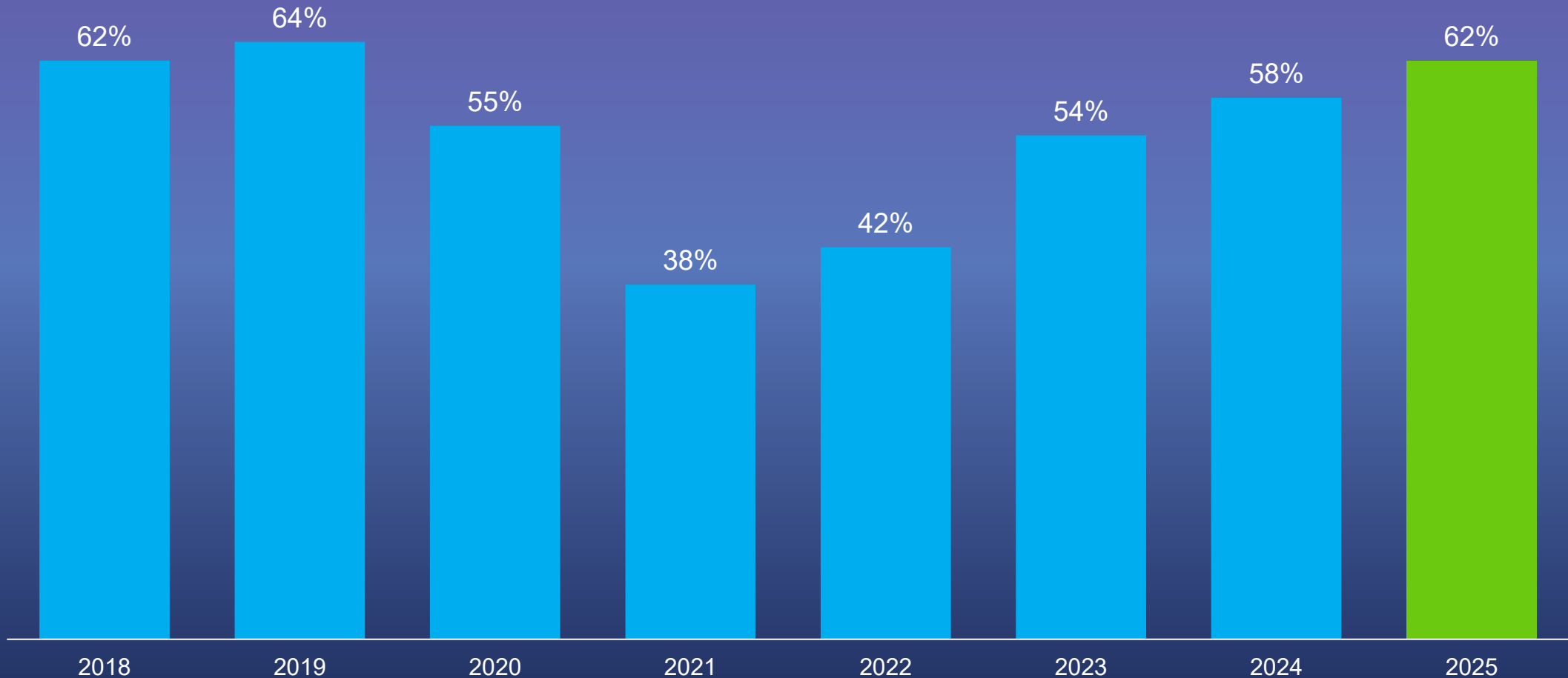
80% of Sellers Think They'll Get Their Asking Price or More

Which of the following price scenarios do you expect to happen when selling your home?



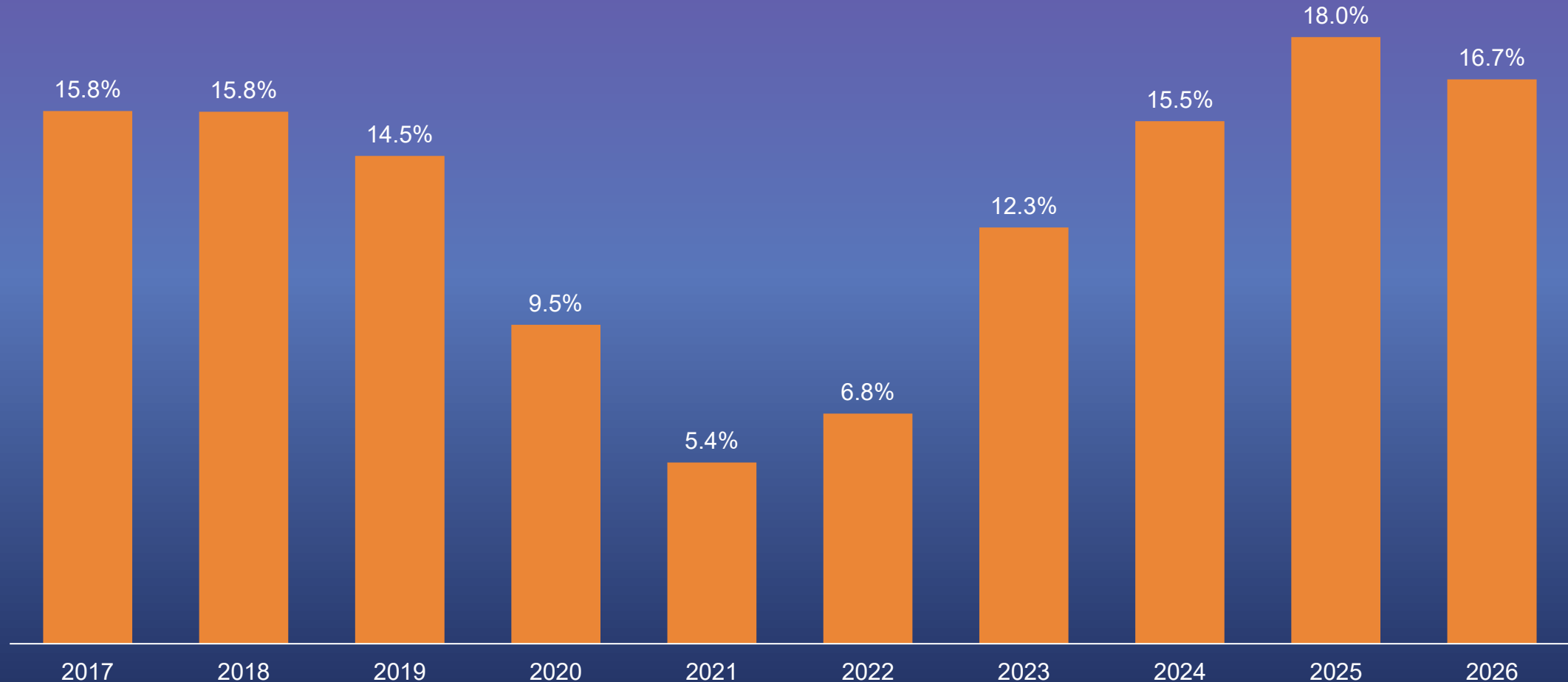
More Homes Are Selling For Less Than the List Price

Percent of Homes That Sell for Less Than Asking



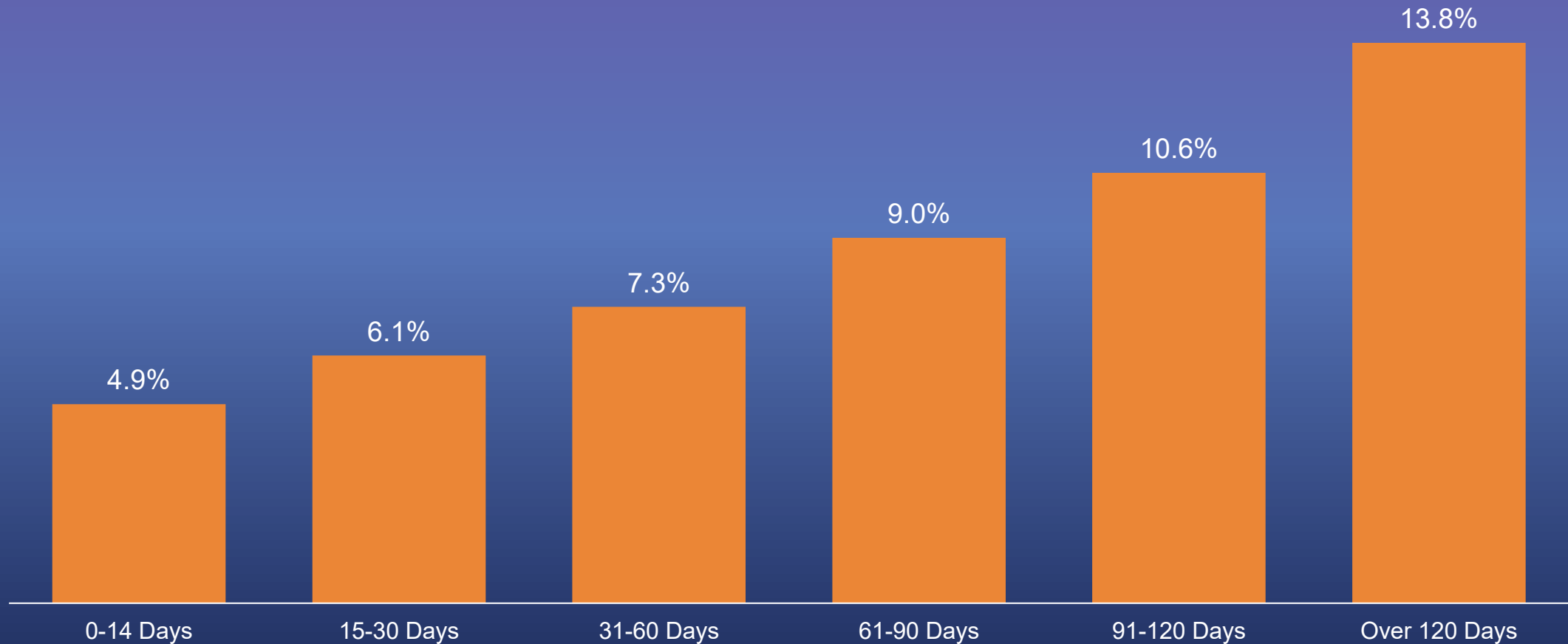
Sellers Who Overprice Are Having to Adjust

Share of Listings with Price Reductions, April of Each Year



Price Cuts Get Bigger as Listings Linger

Average Percent a Listing Price Is Reduced Based on Days on Market



Price Cuts Get Bigger as Listings Linger

Average Sale Price of a Home Listed at \$400k Based on Days on Market





Properties that sit on the market and go through multiple price cuts can develop a sense of staleness. Today's buyers are not only aware of that, they are actively tracking it in real time. When a listing lingers or undergoes reductions, buyers begin to question the asset itself, even when the issue is simply initial pricing.

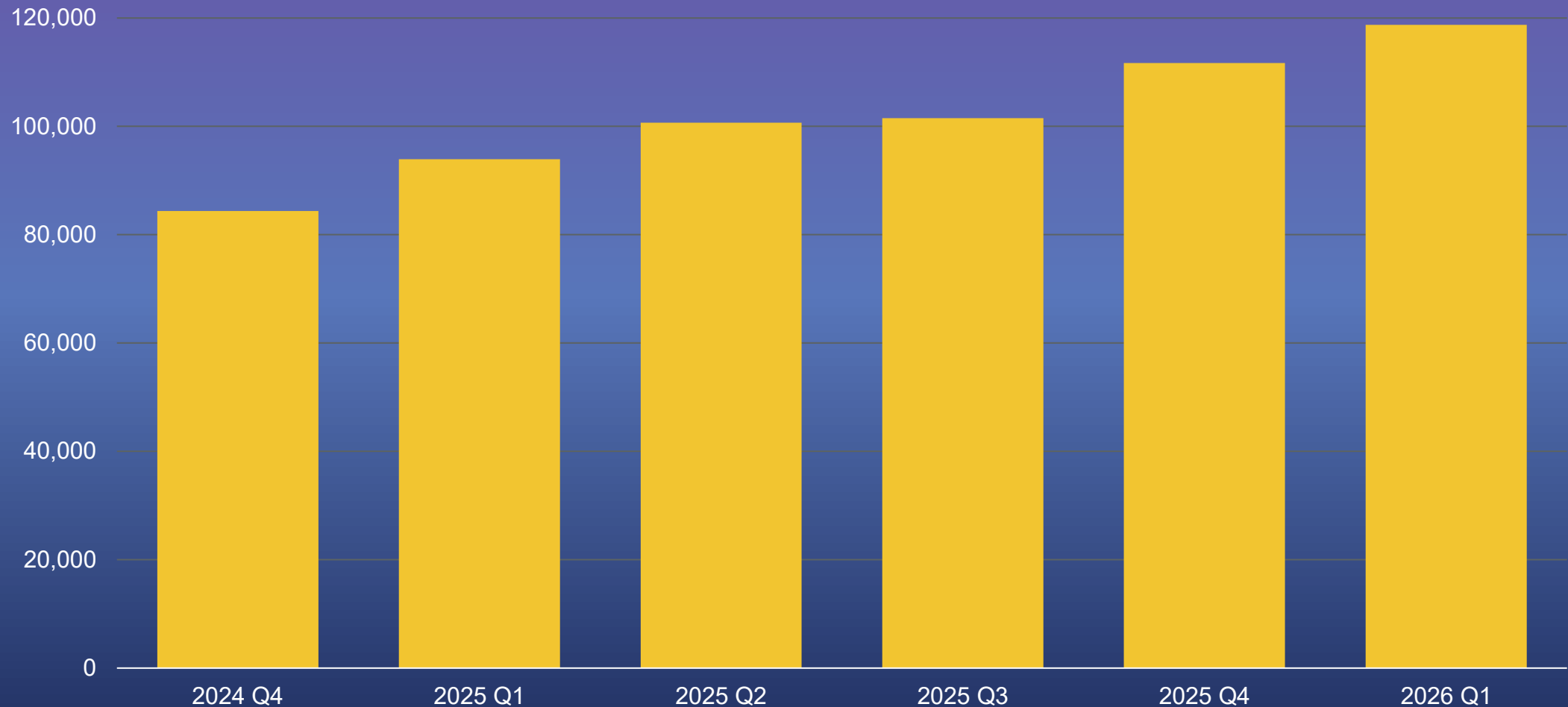
Ana Bozovic
Founder, Analytics Miami



Today's Foreclosure Situation Explained

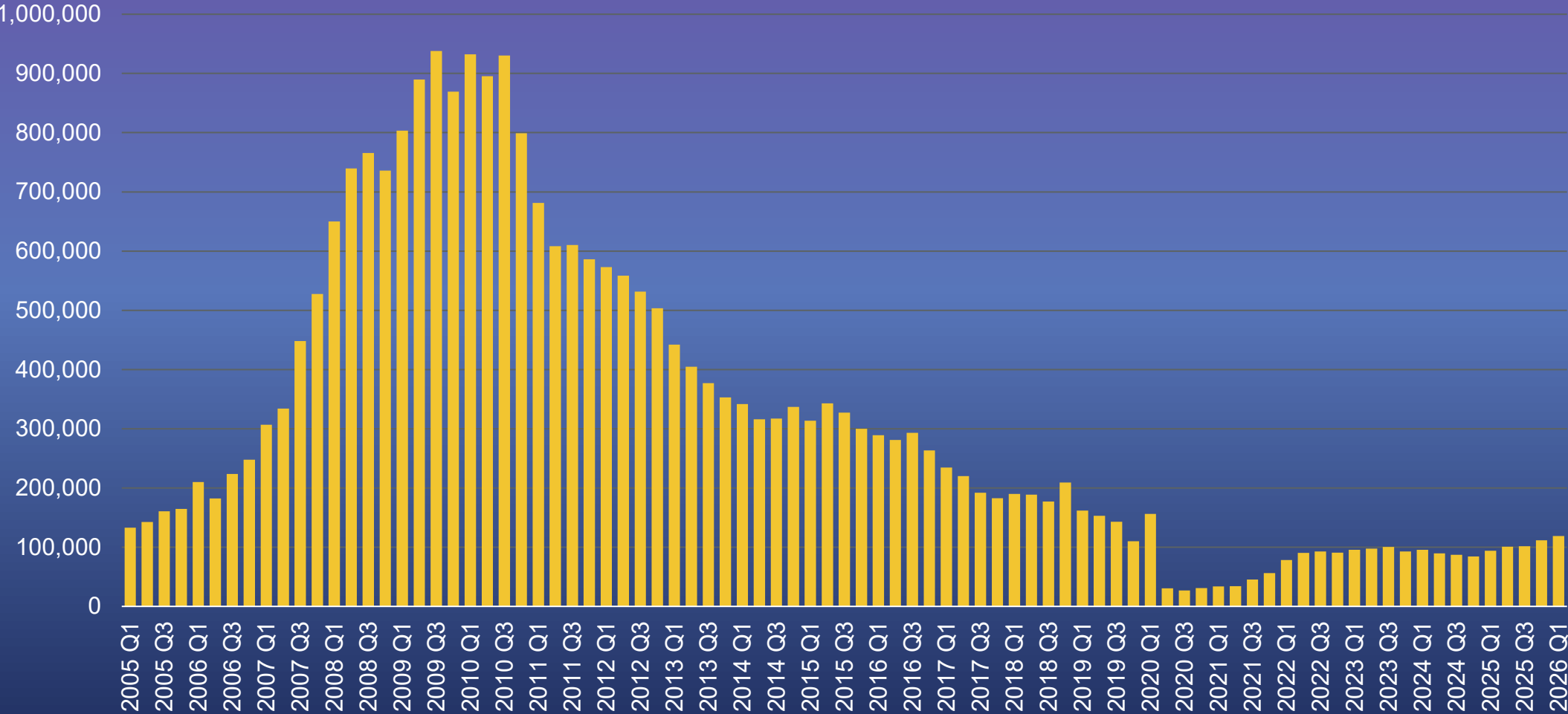
Foreclosure Activity Is Rising

Properties with Foreclosure Filings



Foreclosure Activity Is Rising... as the Market Normalizes

Properties with Foreclosure Filings





While volumes remain below historical peaks, the continued rise, especially in starts and bank repossessions, suggests **financial pressure may be building for some homeowners and could signal shifting housing market dynamics.**

Rob Barber
CEO, ATTOM



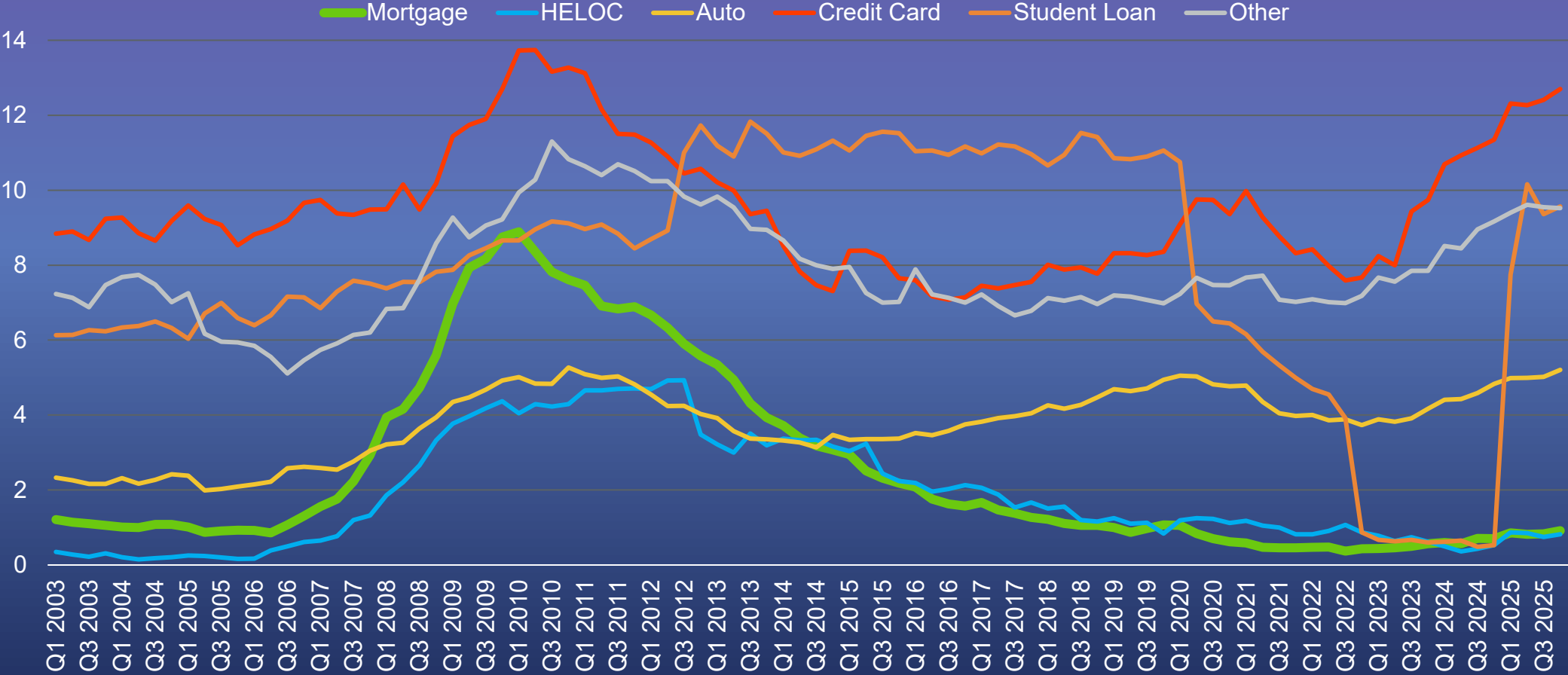
More than 3 in 4 Americans (78%) report that they do not feel financially secure. The top culprit is the rising cost of living (47%), followed by the current state of the economy (42%).

Credit Karma



Struggling Homeowners Are Prioritizing Their Mortgage Payments

Percent of Loans That Are 90+ Days Delinquent, by Loan Type



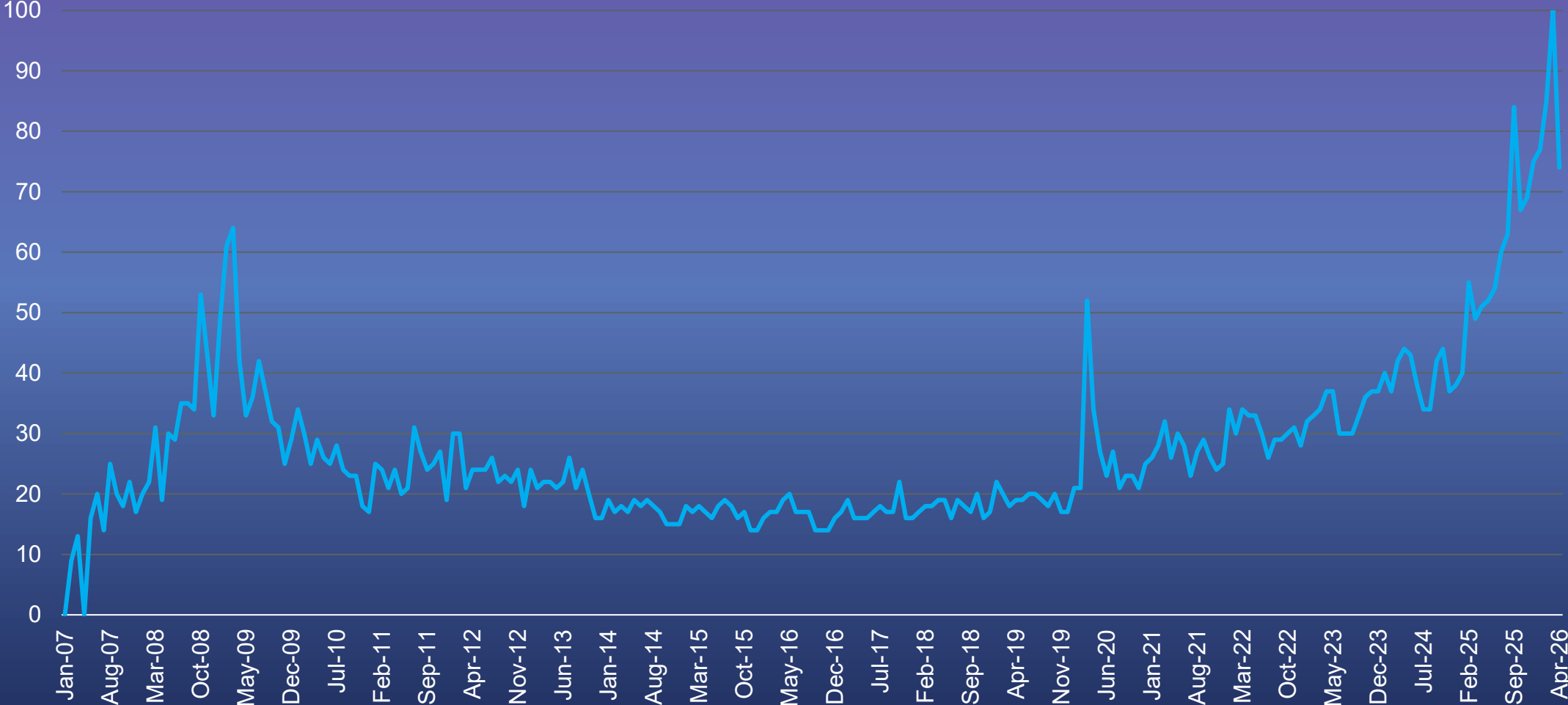
Source: Federal Reserve Bank of New York



Properties foreclosed in Q1 2026 had been in the foreclosure process for an average of 577 days. **This was down 3% from the previous quarter and 14% from the same time last year, marking six consecutive quarters of decline.**

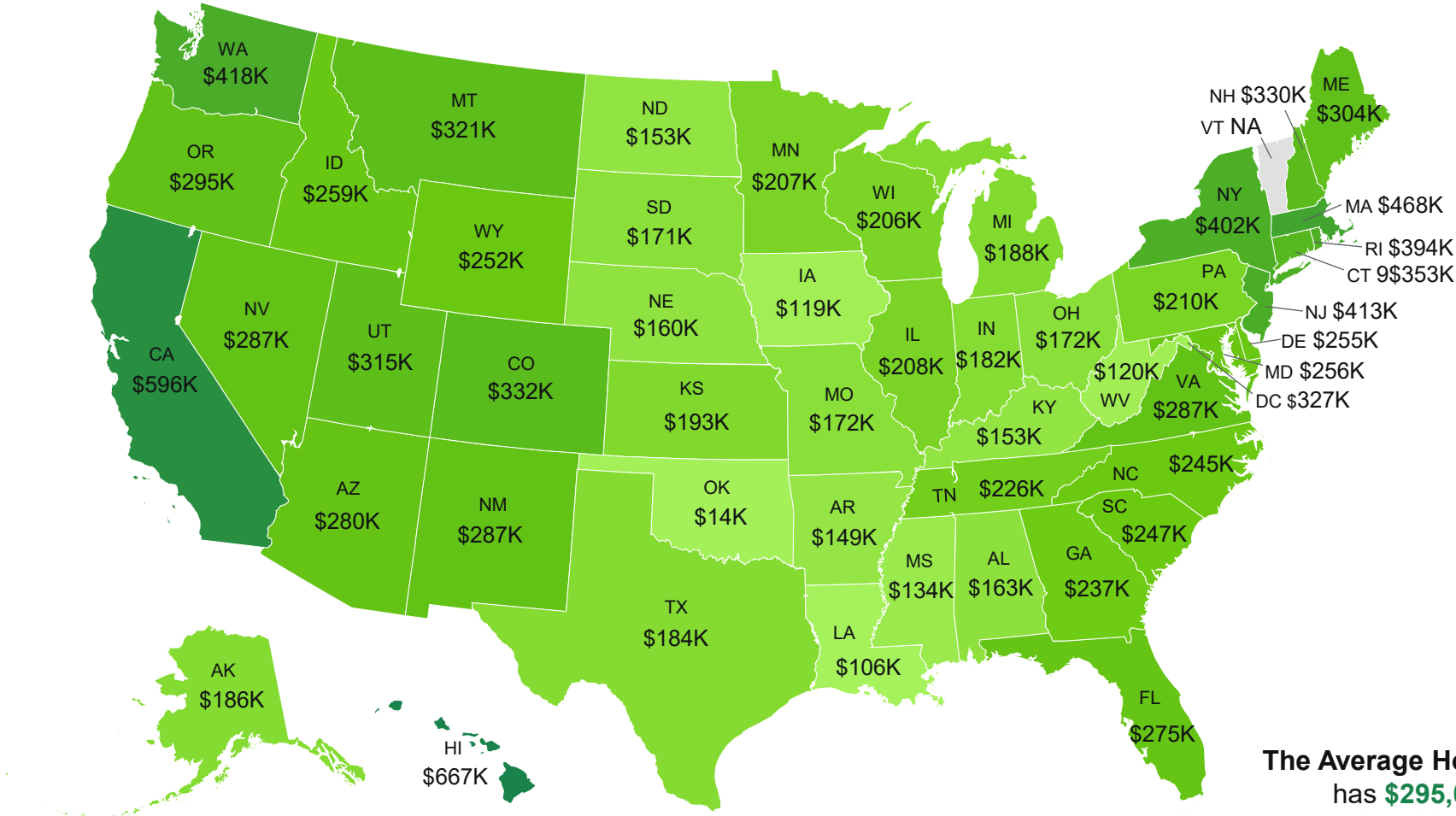
Demand for Mortgage Assistance Is Rising Sharply

Index of People Searching for "Help With Mortgage"



Homeowner Equity Remains Historically High

Average Equity per Homeowner, Q4 2025

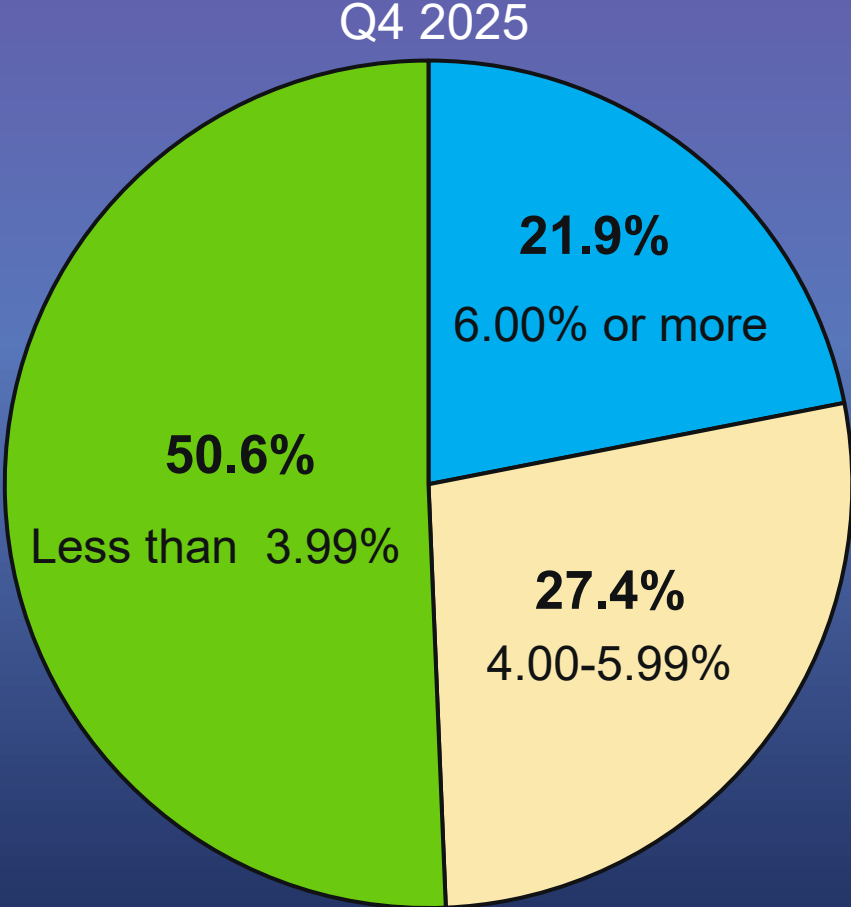


The Average Homeowner has **\$295,000** in accumulated home equity.

Source: Cotality

Buyers Are Adjusting to Higher Mortgage Rates

Percent of All Mortgages By Interest Rate



Americans Are Sitting on Tremendous Equity Today

2/3 Have
Paid off
Their Mortgage
or Have at Least
50% Equity

