



FOR-SALE INVENTORY AT 4-YEAR HIGH BUT BUYERS STILL WON'T BUDGE - THE MORTGAGE NOTE

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For-sale inventory hit its highest level since May 2020 as buyers shy away from the market despite rising affordability.

That's according to the Realtor.com [August Housing Trends Report](#), which found inventory soaring and list prices cooling across the U.S. The number of homes actively for sale grew by 35.8% last month.

The biggest inventory changes were in formerly hot metros like Tampa (+90.1%), San Diego (+80.4%), and Orlando (+76.9%).

As fewer potential buyers venture into the market and more sellers find themselves unable to wait any longer to list, the number of homes for sale is bringing prices down from their record highs.

The median price of homes for sale was \$429,990, a 1.3% dip from the same time last year.

But buyers are rate-minded for now and waiting to see how far they'll sink. As a result, homes spent 53 days on the market last month, making it the slowest August in 5 years.

"The widely anticipated Fed rate cut has already ushered in lower mortgage rates, but it seems that some buyers and sellers are waiting for additional declines," said Danielle Hale, Chief Economist at Realtor.com.

"As the market slows seasonally, fall is one of the best times to buy a house. Falling mortgage rates are likely to bring out additional home shoppers and a busier fall season than usual, but the boost in activity is unlikely to overwhelm the usual seasonal slowdown. Shoppers who are out this fall are likely to face lower competition than is expected in spring 2025 as more shoppers anticipate better mortgage rates."

The FOMC will meet later this month, and Wall Street is positive the Fed will cut rates for the first time since its ramp-up began. The only question is how much.

Analysts are split between a quarter-point or half-point decrease. Further rate movement may be stalled until that decision is made.