

# Residential Real Estate Market Snapshot Report

November 2024

National Association of REALTORS®  
Research Group



# Overview

## The Housing Market in October 2024

October marked the beginning of the last quarter of 2024 with no changes in the Effective Federal Funds Rate and a slight increase in inflation and mortgage rates. However, gradual rate cuts are set to continue in November, which will help mortgage rates stabilize in the coming year. Inventory increased in October, further contributing to the consistent growth in housing supply since the start of the year. Despite the modest rise in mortgage rates, continuous job additions and growing housing supply are bringing more buyers to the market.

The increase in housing demand was evident in the leading indicators. The Pending Home Sales Index, a leading indicator of home sales activity, rose for the third consecutive month. Additionally, existing-home sales increased across all four major U.S. regions, suggesting that the worst of the downturn in home sales could be over. Despite a decrease in the Mortgage Bankers Association Purchase Index, which tracks home-loan applications and predicts activity four to six weeks in advance, contract-signing activity suggests that home sales will continue to rise through the end of the year.

The rise in building permits for single-family homes and added jobs in the construction industry present an optimistic outlook for future home buyers. If the labor market continues to add jobs and both inflation and mortgage rates decline, the housing market may soon see an increase in the number of first-time home buyers.

# Economic Activity

## Gross Domestic Product



Percent Change, Annualized Rate  
Source: U.S. Bureau of Economic Analysis

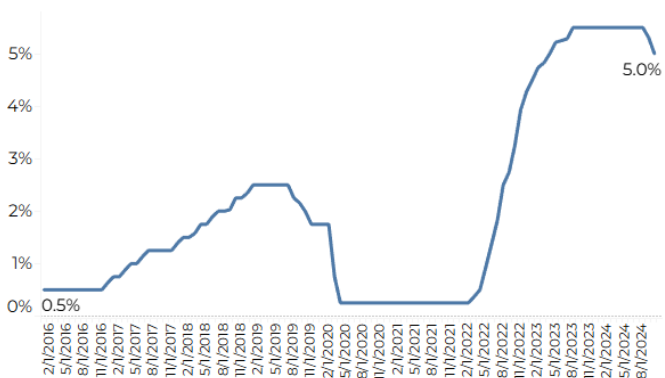
Q3 2024: **2.8%**

Q2 2024: **3.0%**

Q3 2023: **4.4%**

The economy grew at a slower rate in the third quarter of the year. According to the “second” estimate from the Bureau of Economic Analysis (BEA), the real gross domestic product (GDP) increased 2.8% in Q3 2024.

## Interest Rates



Effective Federal Funds Rate, Upper Limit  
Source: Federal Reserve Board

October 2024: **5.0%**

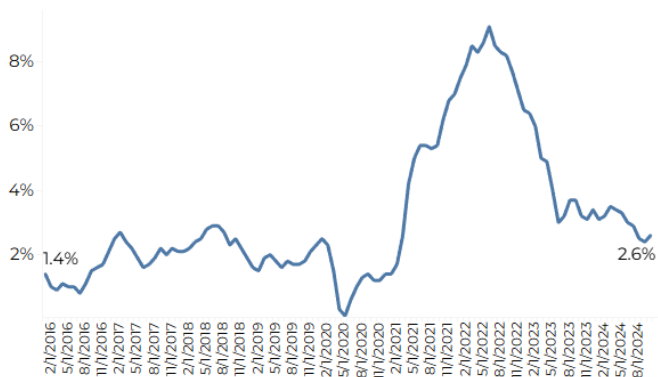
September 2024: **5.0%**

October 2023: **5.5%**

In October 2024, the upper limit of the Federal Funds Rate was set at 5.0%, following a half-point rate cut in September 2024. The Fed is expected to continue reducing the rate in the following months.

# Economic Activity

## Inflation

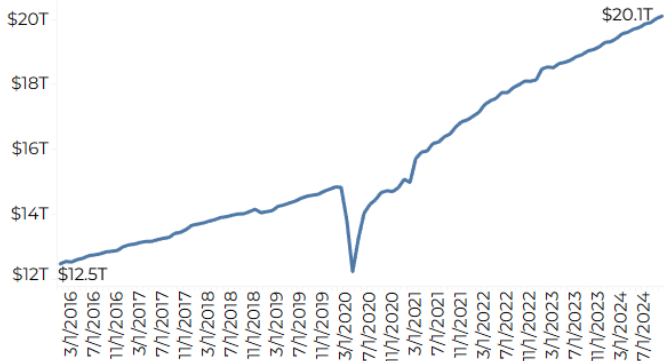


CPI Year/Year Percent Change, Seasonally Adjusted  
Source: U.S. Bureau of Labor Statistics

October 2024: **2.6%**  
September 2024: **2.4%**  
October 2023: **3.2%**

Consumer prices rose by 2.6% in October. Despite the slight increase from the previous month, prices are expected to stabilize in the coming months. In October, shelter had the largest impact on the measurement, with an increase of 4.9%.

## Consumer Spending



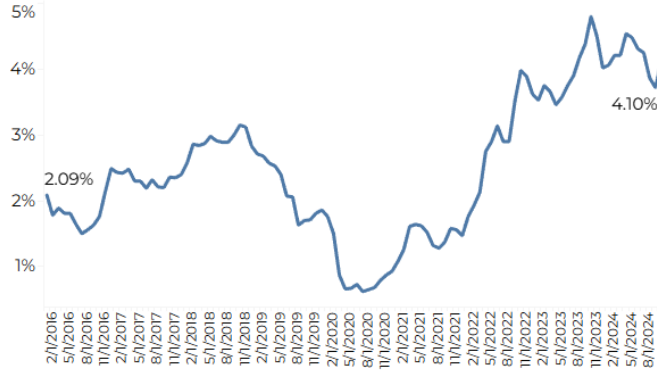
Personal Consumption Expenditures, Seasonally Adjusted  
Source: U.S. Bureau of Economic Analysis

October 2024: **\$20.1 trillion**  
September 2024: **\$20.0 trillion**  
October 2023: **\$19.1 trillion**

Personal consumption expenditures increased in October by 0.4%. The \$72.3 billion increase in current-dollar spending reflected an increase of \$74.7 billion in spending for services and a decrease of \$2.3 billion in spending for goods.

# Economic Activity

## 10-Year Treasury Yield



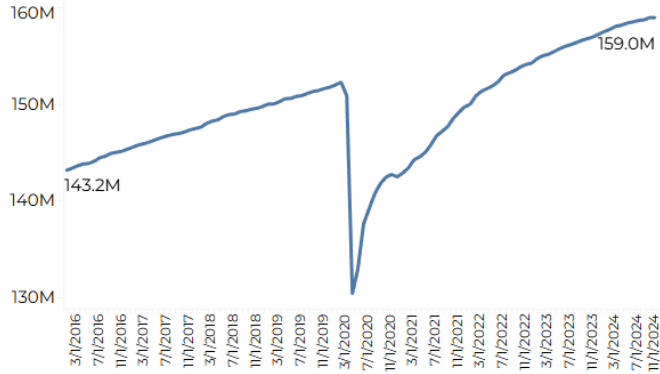
Percent  
Source: U.S. Treasury

October 2024: **4.10%**  
September 2024: **3.72%**  
October 2023: **4.80%**

The 10-year Treasury rate experienced a slight increase from the previous month, hovering around 4.10%. Following the Federal Funds Rate cut in September and in anticipation of additional cuts, NAR predicts that the yield will decrease to stay below 4.0% for the remainder of the year.

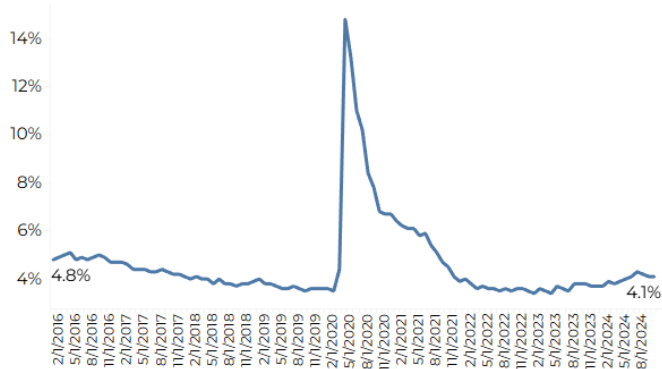
# Employment Situation

## Employment



Payroll Employment, Seasonally Adjusted  
Source: U.S. Bureau of Labor Statistics

## Unemployment



Unemployment Rate, Seasonally Adjusted  
Source: U.S. Bureau of Labor Statistics

October 2024: **159.0 million**  
September 2024: **159.0 million**  
October 2023: **157.0 million**

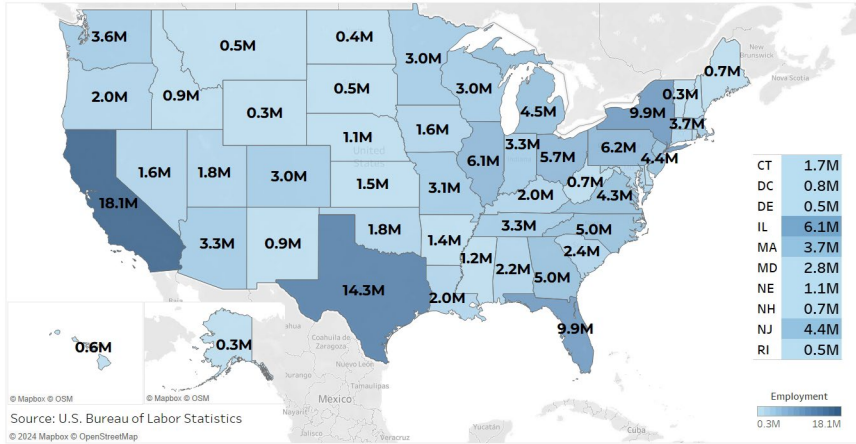
The U.S. labor market was essentially unchanged in October, rising by 12,000, following an average monthly gain of 194,000 over the prior 12 months. In October, employment in construction added 8,000 workers, below the average monthly gain of 20,000 over the prior 12 months.

October 2024: **4.1%**  
September 2024: **4.1%**  
October 2023: **3.8%**

The October unemployment rate was unchanged at 4.1%, and the number of unemployed people was 7.0 million. These measures are higher than a year earlier when the jobless rate was 3.8%, and the number of unemployed people was 6.4 million.

# Employment Situation

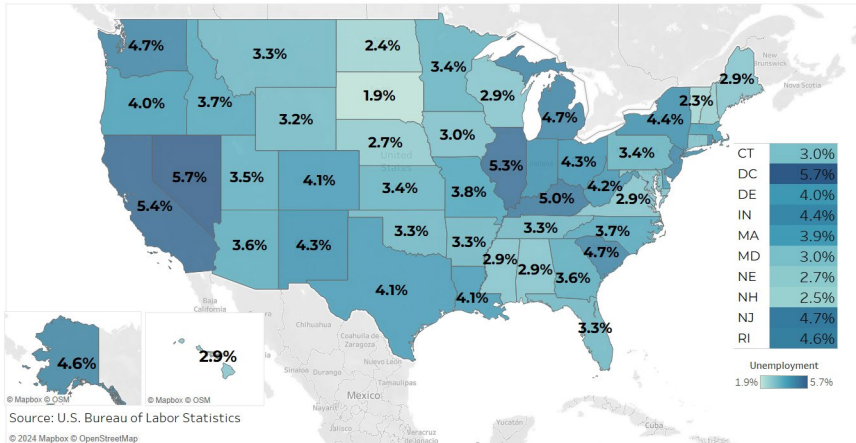
State Employment October 2024



In October, nonfarm employment remained unchanged in forty-eight states and the District of Columbia but decreased in Florida (-38,000) and Washington (-35,900) compared to September.

Year-over-year, jobs increased in twenty-seven states and decreased in twenty-three states and the District of Columbia. The largest job gains were seen in Texas (274,600), California (212,100), and New York (133,600).

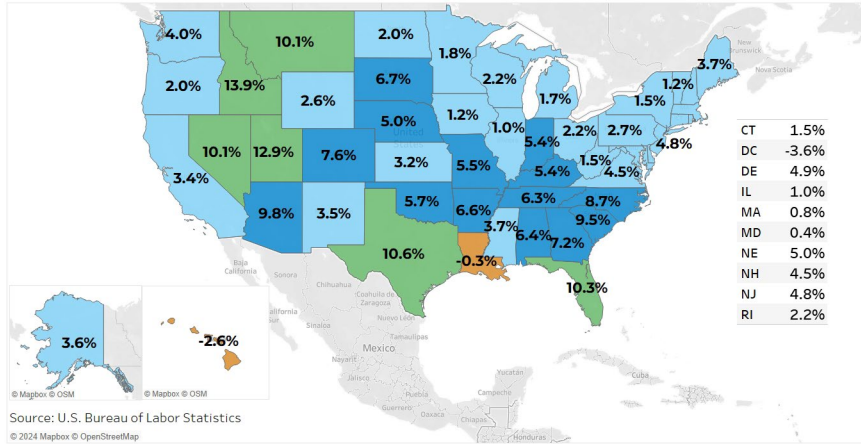
Unemployment as of October 2024



Twenty-four states had unemployment rates lower than the national rate of 4.1%. The highest unemployment rates were recorded in the District of Columbia (5.7%) and Nevada (5.7%), while the lowest jobless rate was in South Dakota (1.9%).

# Employment Situation

Employment % Change from pre-COVID-19 to October 2024

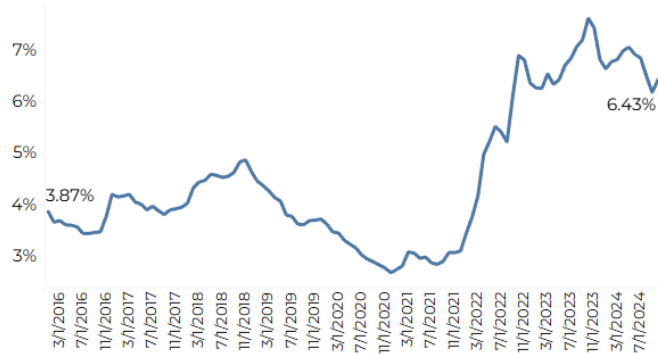


The employment situation has undergone significant changes and challenges since the onset of the pandemic. Between March 2020 and October 2024, Idaho (13.9%), Utah (12.9%), Nevada (10.1%), and Montana (10.1%) saw the largest gains in employment. Concurrently, the smallest gains were seen in Maryland (0.4%), Maine (0.8%), and Illinois (1.0%). However, the District of Columbia (-3.6%), Hawaii (-2.6%), and Louisiana (-0.3%) have yet to recover the jobs they lost during the pandemic, with employment levels still below March 2020.



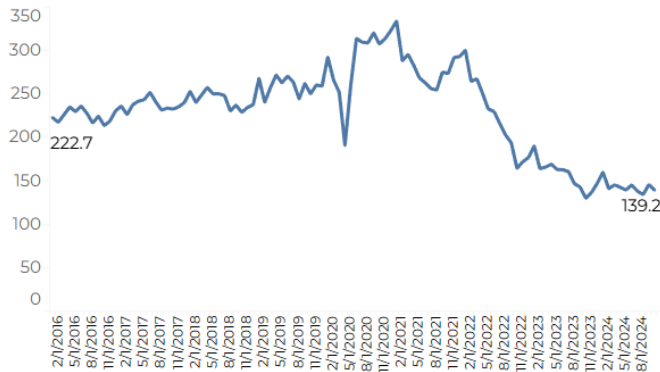
# Housing Market

## Mortgage Rates



30-Year Fixed Mortgage Rate, Monthly Averages  
Source: Federal Home Loan Mortgage Corporation

## Mortgage Purchase Index



MBA Purchase Index, Monthly Averages  
Source: Mortgage Bankers Association of America, Haver Analytics

October 2024: **6.4%**  
September 2024: **6.2%**  
October 2023: **7.6%**

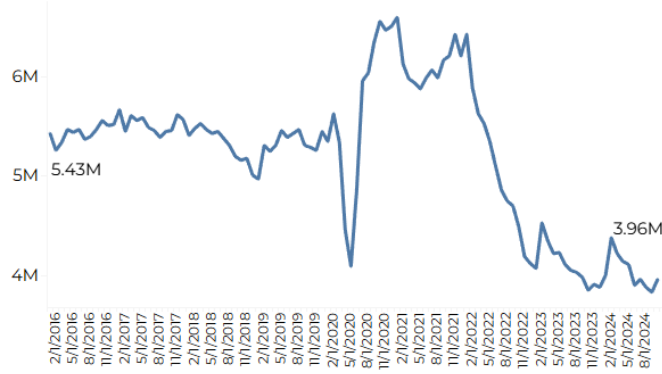
Mortgage rates slightly increased to 6.4% in October but remained significantly below the historical average of 7.7% since 1971. With additional Federal Funds Rate cuts expected in the coming months, mortgage rates are likely to remain in the 6% range.

October 2024: **139.2**  
September 2024: **145.6**  
October 2023: **129.8**

The Purchase Index, which measures mortgage applications for single-family home purchases and leads home sales by four to six weeks, decreased to an average of 139.2 in October. Although this is lower than the previous month, it still indicates relatively strong housing demand in the coming weeks. From 1990 to 2024, the Index averaged 247.6 points.

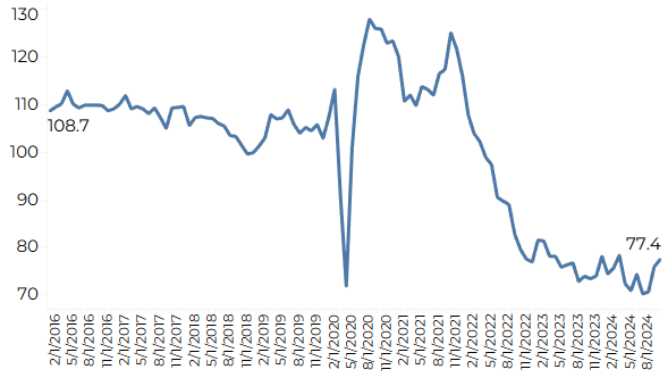
# Housing Market

## Existing Home Sales



Annualized  
Source: National Association of REALTORS®

## Pending Home Sales



PHS Index, Seasonally Adjusted  
Source: National Association of REALTORS®

October 2024: **3.96 million**  
September 2024: **3.84 million**  
October 2023: **3.85 million**

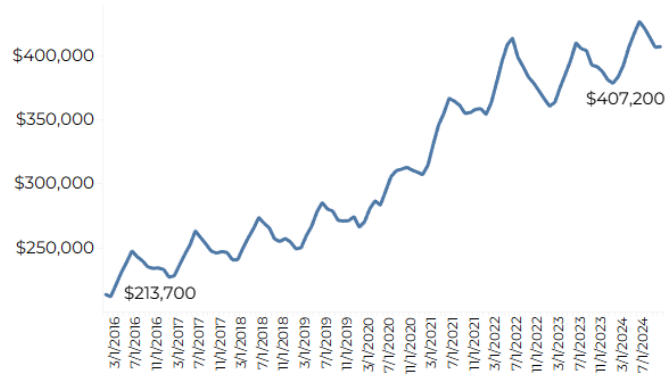
October existing-home sales reached a 3.96 million seasonally adjusted rate, a 3.4% increase from the previous month and a 2.9% increase from one year ago. Year-over-year, sales rose in the Midwest, South, and West and were unchanged in the Northeast.

October 2024: **77.4**  
September 2023: **75.8**  
October 2023: **73.4**

In October, pending home sales rose 2.0% from last month and increased 5.4% from a year ago. Month-over-month, contract signings rose in all four major U.S. regions, led by the Northeast. According to NAR's Pending Home Sales Index (PHSI), an index of 100 is equal to the average level of contract activity in 2001, the first year to be analyzed.

# Housing Market

## Median Sales Price

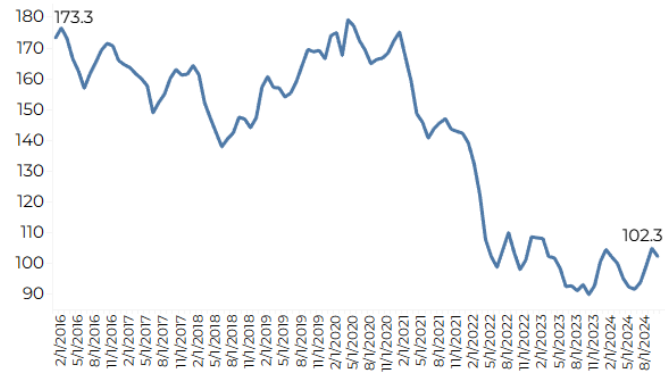


Existing Single-Family Homes  
Source: National Association of REALTORS®

October 2024: **\$407,200**  
September 2024: **\$406,700**  
October 2023: **\$391,600**

The median existing-home sales price for all housing types reached \$407,200 in October, up 4.0% from one year ago, making it the 16th consecutive month of year-over-year price gains. Regionally, all four U.S. regions showed price increases from a year ago.

## Housing Affordability



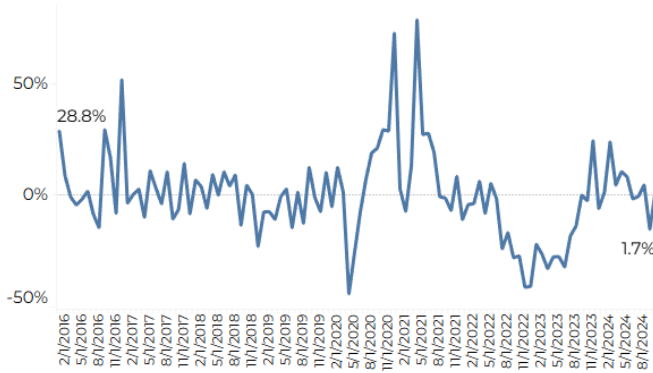
HAI Index, Seasonally Adjusted  
Source: National Association of REALTORS®

October 2024: **102.3**  
September 2024: **104.9**  
October 2023: **89.9**

In October, affordability fell to 102.3 as mortgage rates increased. However, the index remains above 100. This indicates that the typical family earns 2.3% more than the income needed to qualify for a median-priced home purchase across the country.

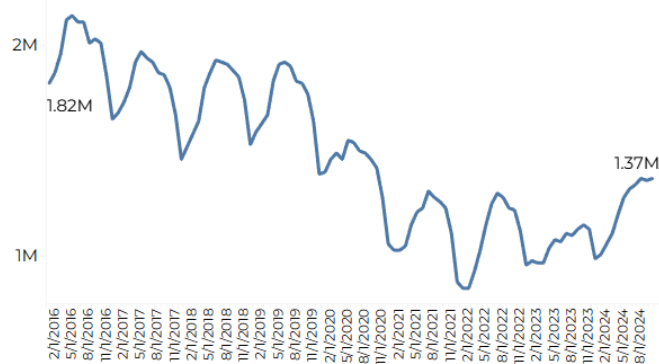
# Housing Market

## New Listings



Year/Year Percent Change in New Listings  
Source: National Association of REALTORS®

## Inventory



Total Existing Home Sales Available for Sale, Unadjusted  
Source: National Association of REALTORS®

October 2024: **1.7%**  
September 2024: **-15.3%**  
October 2023: **-2.5%**

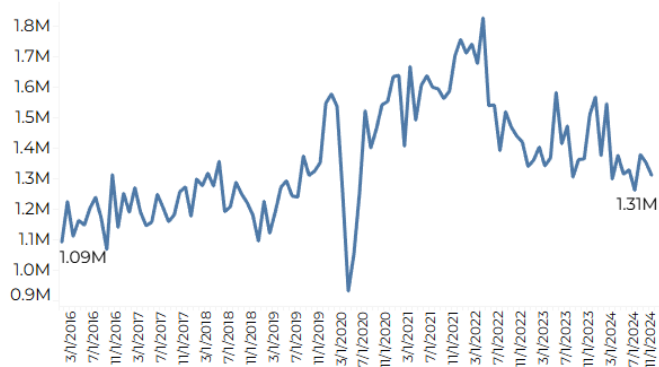
In October, new listings increased year-over-year by 1.7%, compared to a decrease of -15.3% in the previous month and a decrease of 2.5% one year ago.

October 2024: **1.37 million**  
September 2024: **1.36 million**  
October 2023: **1.15 million**

Inventory has been consistently increasing since the beginning of the year. The October inventory of unsold existing homes rose by 0.7% from the previous month to 1.37 million units. The increase is equivalent to 4.2 months' supply at the current monthly sales pace.

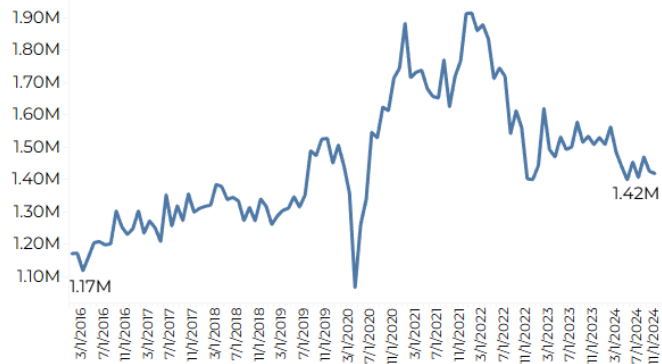
# New Residential Construction

## Housing Starts



Annualized  
Source: U.S. Census Bureau

## Building Permits



Seasonally Adjusted  
Source: U.S. Census Bureau, Haver Analytics

October 2024: **1.31 million**  
September 2024: **1.35 million**  
October 2023: **1.37 million**

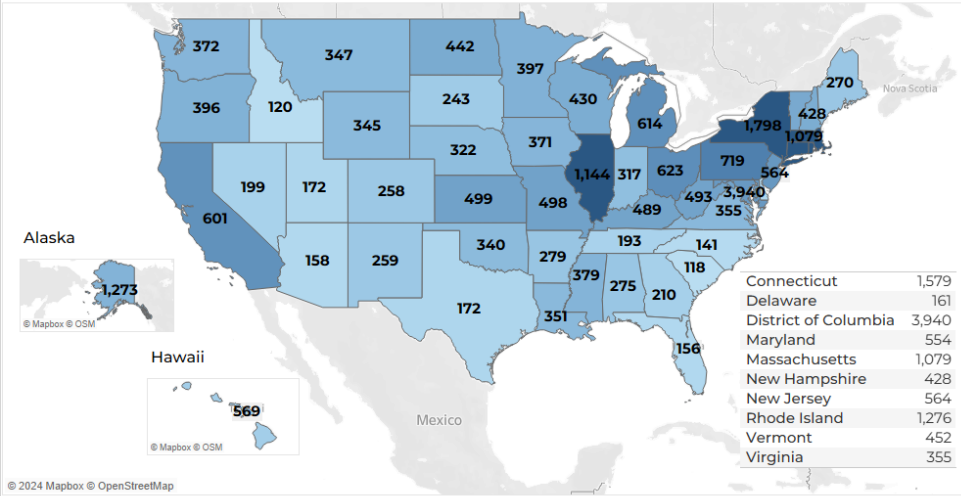
In October, privately-owned housing starts were at a seasonally adjusted rate of 1.31 million. This is 3.1% below the revised September estimate and 4.0% below the October 2023 rate.

October 2024: **1.42 million**  
September 2024: **1.43 million**  
October 2023: **1.53 million**

Respectively, another measure of housing construction, building permits issued, decreased to 1.42 million in October. The October rate of privately-owned housing units authorized for building was 0.6% below the revised September rate and 7.7% below the October 2023 rate.

# New Residential Construction

Population Per Single-Family Building Permit by State  
October 2024



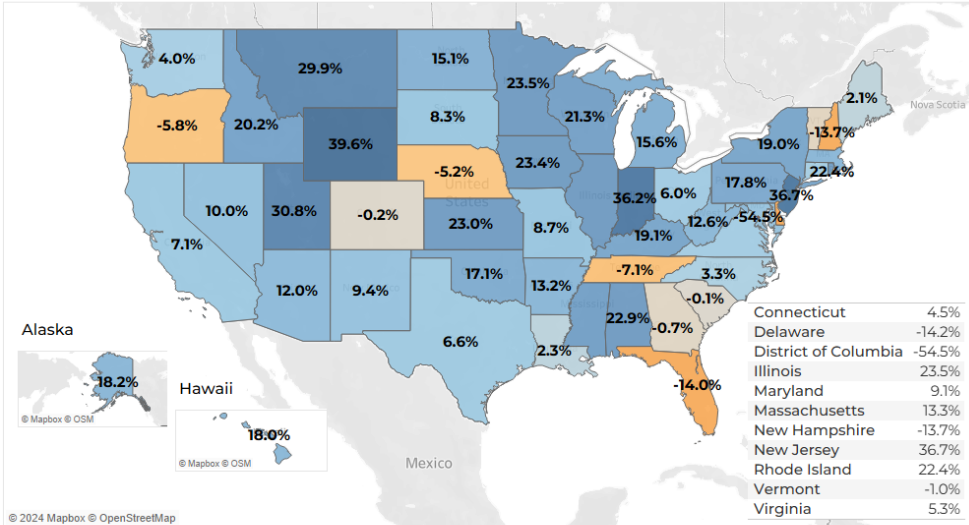
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\* The ratio is calculated by dividing the number of a state's population by the number of single-family building permits issued in the state within one year.  
Source: U.S. Census Bureau, NAR Calculations

In October, the largest number of single-family building permits issued was in South Carolina, where one permit was issued per 118 residents. It was followed by Idaho (120), North Carolina (141), and Florida (156). In contrast, the lowest number of permits issued was in the District of Columbia, where one permit was issued per 3,940 residents. Among the largest states, very little changed from the prior month. California (population 39 million) issued one permit per 601 residents, while Texas (population 30 million) issued one permit per 172 residents. New York, whose population is slightly smaller than Florida's (20 million versus 23 million), had one permit per 1,798 residents. Pennsylvania and Illinois, which are similar in population size, also had a low number of permits issued since October 2023, with one permit issued per 719 and 1,144 residents, respectively.

# New Residential Construction

## State Year-Over-Year Percentage Change of Single-Family Building Permits October 2024



The highest increases in single-family building permits in the month of October were seen in Wyoming (39.6%), New Jersey (36.7%), Indiana (36.2%), and Utah (30.8%). In contrast, the District of Columbia, which issued the lowest number of permits that month, also experienced the largest decrease in newly issued permits, decreasing 54.5% from 11 permits in October 2023 to 5 permits in October 2024. Following the capital were Delaware (-14.2%), Florida (-14.0%), and New Hampshire (-13.7%). Additionally, the large states saw modest increases in single-family permits issued over this period: Illinois (23.5%), New York (19.0%), Pennsylvania (17.8%), California (7.1%), and Texas (6.6%).

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