

March 2025

Monthly Research Update

National Association of REALTORS®
Research Group



NATIONAL
ASSOCIATION OF
REALTORS®

Recording: FREE Real Estate Forecast Summit



On **March 21, 2025, from 2:00 – 3:00 p.m.** ET, NAR held a virtual economic and real estate summit focusing on residential and commercial markets.

A recording of the event is available to REALTORS® as a value-added resource to discuss and strategize the market with clients.

[**Watch Here**](#)

Data

Existing-Home Sales – Existing-home sales ascended in February. For both monthly and year-over-year sales, two major U.S. regions experienced growth; one region remained stable, and the other registered a decline. Total existing-home sales progressed 4.2% from January to a seasonally adjusted annual rate of 4.26 million in February. Year-over-year, sales slid 1.2% (down from 4.31 million in February 2024).

Pending Home Sales – Pending home sales improved 2.0% in February. The Northeast and West experienced month-over-month losses in transactions – with a larger decrease in the West – while the Midwest and South saw gains, which were greatest in the South. Year-over-year, contract signings dropped in all four U.S. regions, with the Midwest undergoing the greatest reduction. The Pending Home Sales Index (PHSI) grew 2.0% to 72.0 in February. Year-over-year, pending transactions declined 3.6%. An index of 100 is equal to the level of contract activity in 2001.

Housing Affordability Index – The housing affordability index decreased slightly to 100.7 in January from 100.9 in December. An index above 100 means that a family with a median income has more than the income required to afford a median-priced home.

REALTORS® Confidence Index – 50% of respondents reported that properties sold in less than one month. This is up slightly from a month ago (47%) and down from 56% one year ago. 32% of buyers had all-cash sales, up from 29% one month ago and down slightly from 33% one year ago. First-time buyers represented 31% of buyers, up from 28% last month and 26% one year ago.

Metro Market Statistics – Use the data visualization to get your local area's most recent housing, demographic, economic, and affordability statistics.



Reports

[Snapshot of Race and Home Buying in America](#)

Despite ongoing affordability challenges, homeownership among Americans has continued to be higher compared to a decade ago. As of 2023, there are approximately 11.8 million more homeowners than in 2013. Specifically, the homeownership rate in 2023 reached 65.2%, up from 63.5% in 2013. More importantly, the previously negative year-over-year homeownership rate trend of 2022 shifted to positive gains in 2023, even as mortgage rates remained elevated and housing markets were at the lowest point of the last almost 30 years. Strong demographic shifts and wage growth contributed to sustained demand and increased homeownership.

[March 2025 Real Estate and Economic Outlook](#)

Presented by NAR Chief Economist Lawrence Yun at the NAR Real Estate Forecast Summit: Residential and Commercial Update on March 21, 2025.

[March 2025 NAR Real Estate Forecast Summit: Commercial Update](#)

Presented by NAR Senior Economist and Director of Real Estate Research Nadia Evangelou at the 2025 Real Estate Forecast Summit: Residential and Commercial Update.

[Residential Real Estate Market Snapshot](#)

The year 2025 started with notable changes in the U.S. economy. Inflation rose faster than expected to 3.0%, prompting a halt to further cuts to the federal funds rate following the last reduction in December 2024. Despite the multiple rate cuts, which began in September 2024, mortgage rates didn't decline as hoped. This is because mortgage rates are more closely tied to the 10-year Treasury yield, which is expected to decrease below 4% in the coming months. If mortgage rates decline and the labor market continues to add jobs, housing market activity is likely to increase.

Articles on the Economy

[Home Sweet Home: The 2024 Scoop on Single Female Home Buyers](#)

Observing some interesting trends among single female home buyers, including ethnicity, age, neighborhood, and the types of homes purchased.

[Pending Home Sales and Seasonality](#)

Seasonality is marked by changes in demand, supply, and overall market dynamics based on weather, holidays, and school schedules.

[Instant Reaction: Mortgage Rates, March 13, 2025](#)

The average 30-year fixed mortgage rate from Freddie Mac remained flat at 6.65%, compared to 6.63% last week.

[Understanding the Impact of the National Flood Insurance Program on Home Buyers, Sellers, and the Economy](#)

In this analysis, we explore how the NFIP supports and influences home sales and economic activity at both the national and local levels.

[Instant Reaction: Jobs, March 7, 2025](#)

Home sales will likely rise if mortgage rates decrease further due to a weakening in the job market.

[Instant Reaction: Mortgage Rates, March 6, 2025](#)

Home buyers are in a favorable position as they encounter more inventory and improved rates ahead of a Spring rush.

[Existing-Home Sales Fall 4.9% in January 2025 After Three Months of Gains](#)

Housing market activity in August 2024 declined 2.5% from July 2024, and home sales reached a 3.86 million seasonally adjusted annual rate.