

May 2025

# Monthly Research Update

**National Association of REALTORS®**  
**Research Group**



**NATIONAL  
ASSOCIATION OF  
REALTORS®**

## Data

**Existing-Home Sales** – Existing-home sales slowed in April. Sales declined in the Northeast and West, increased in the Midwest, and remained unchanged in the South. Year-over-year, sales declined in three regions, while remaining steady in the Northeast. Total existing-home sales slipped 0.5% from March to a seasonally adjusted annual rate of 4.00 million in April. Year-over-year, sales declined 2.0% (down from 4.08 million in April 2024).

**Pending Home Sales** – Pending home sales decreased 6.3% in April. All four U.S. regions experienced month-over-month losses in transactions. Year-over-year, contract signings increased in the Midwest but decreased in the Northeast, South, and West, with the West experiencing the largest decline. The Pending Home Sales Index (PHSI) dove 6.3% to 71.3 in April. Year-over-year, pending transactions declined by 2.5%. An index of 100 is equal to the level of contract activity in 2001.

**Housing Affordability Index** – The housing affordability index increased to 103.2 in March from 102.6 in February. 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** – 60% of respondents reported that properties sold in less than one month. This is up from a month ago (57%) and down from 68% one year ago. First-time buyers represented 32% of buyers, up slightly from 31% last month and unchanged from 32% one year ago. 25% of buyers had all-cash sales, down slightly from 26% one month ago and from 28% 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

### **Housing Affordability and Supply**

Although the total number of homes for sale has improved since the low point in 2021, many new listings are simply out of reach for a large share of American households. That's why home sales in the lower and middle price tiers remain sluggish and more volatile than the high-end market — high prices, elevated mortgage rates, and a lack of affordable options still squeeze buyers at these levels. So, the big question we face today is this: How many homes are we still missing from the market that people across the income spectrum can actually afford?

### **Profile of Home Staging**

60% of buyers' agents cited that home staging affected most buyers' view of the home most of the time, while 26% said that home staging affected most buyers, but not always. 83% of buyers' agents said staging a home made it easier for a buyer to visualize the property as a future home. Staging the living room was found to be most important for buyers (37%), followed by staging the primary bedroom (34%) and staging the kitchen (23%).

### **Home Buyer and Seller Generational Trends**

Since 2013, the National Association of REALTORS® has produced the Home Buyers and Sellers Generational Trends Report. This report provides insights into differences and similarities across generations of home buyers and sellers. The home buyer and seller data are taken from the annual Profile of Home Buyers and Sellers. This year, the share of Gen Z buyers and sellers aged 18 to 25 made up just 3% of buyers and 2% of sellers. Younger millennial buyers (26 to 34 years) and older millennial buyers (35 to 44 years) make up 29% of recent home buyers; older millennials at 17%, and younger millennials at 12% of the share of home buyers.

### **Marijuana and Real Estate: A Budding Issue**

The legalization of marijuana continues to impact the real estate industry. If marijuana is legal within a state, the product is grown, harvested, stored, and sold within state lines. As such, commercial practitioners are finding increased demand for warehouses, land, and storefronts for marijuana. Residential practitioners are navigating an environment of marijuana being used and/or grown within rental properties; homeowner associations creating rules about consumption and growth; and title questions when selling a home where the product has been grown and consumed. This report dives into these themes using a survey among members of the National Association of REALTORS®.

# Articles on the Economy

## **One Big Happy Household: How Families and the Data Are Shaping Multigenerational Living**

Multigenerational homes are defined as households that with more than one generation, such as adult siblings, adult children, and/or grandparents.

## **Tracking Unemployment Insurance Claims**

Since the onset of mass layoffs in the federal government this year, NAR has been tracking two key economic indicators.

## **Instant Reaction: CPI, May 13, 2025**

We are one step closer to a rate cut by the Federal Reserve as consumer price inflation continues to calm down.

## **Existing-Home Sales in March 2025 Fell 5.9%**

March 2025 sales of existing homes fell 2.4% from March 2024, and the national median existing-home price for all housing types reached \$403,700.

## **Instant Reaction: Jobs, May 2, 2025**

In April, a total of 177,000 payroll jobs were added to the economy, with average weekly earnings of \$1237.

## **February 2025's Housing Affordability Conditions Improve Modestly**

In February 2025, affordability stayed above 100 for the third consecutive month, standing at 102.2.

## **Instant Reaction: Mortgage Rates, May 1, 2025**

The average 30-year fixed mortgage rate from Freddie Mac decreased to 6.76%, down from 6.81% last week.