

# August 2025 Monthly Research Update



**NATIONAL  
ASSOCIATION OF  
REALTORS®**

REALTORS® are members of the National Association of REALTORS®.

## Data

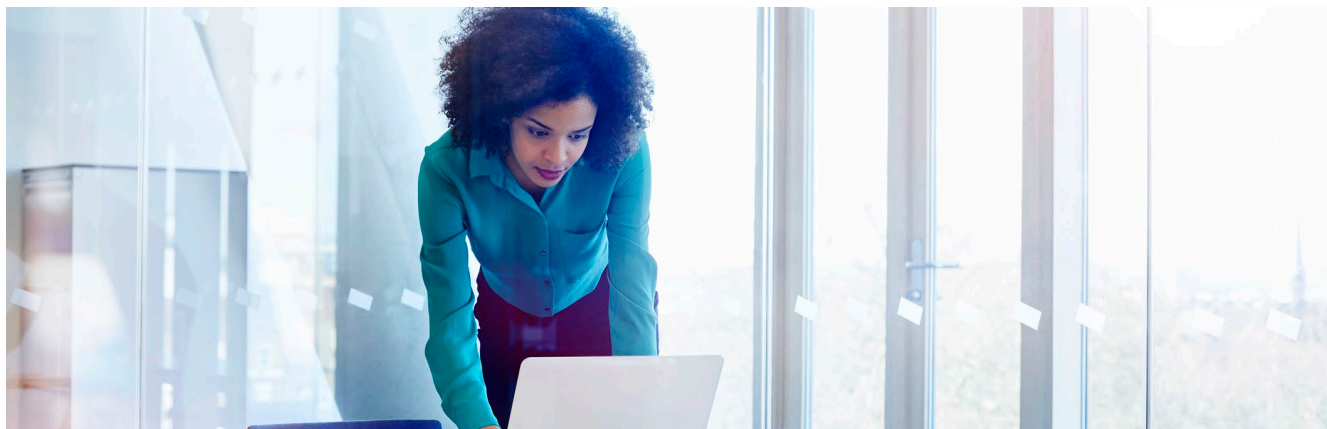
**Existing-Home Sales** – Existing-home sales increased by 2.0% in July. Month-over-month sales increased in the Northeast, South, and West, and fell in the Midwest. Year-over-year, sales rose in the South, Northeast, and Midwest, and fell in the West.

**Pending Home Sales** – Pending home sales decreased by 0.4% in July from the prior month and rose 0.7% year-over-year. Pending sales declined month-over-month in the Northeast and Midwest, held essentially flat in the South, and rose in the West. Year-over-year, sales decreased in the Northeast and West but increased in the Midwest and South.

**Housing Affordability Index** – The housing affordability index slid to 94.4 in June from 97.0 in May. 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** – First-time buyers represented 28% of buyers, down slightly from 30% last month and 29% a year ago. 58% of respondents reported that properties sold in less than one month. This is relatively unchanged from a month ago (59%) and down from 62% one year ago. 31% of buyers had all-cash sales, up slightly from 29% one month ago and from 27% one year ago.

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



### How REALTORS® Can Use This:

REALTORS® can use existing-home sales and pending home sales data to gauge current demand trends and anticipate market shifts. They can also utilize the affordability and quarterly data to identify pricing patterns and assess buyer capacity across different regions to adapt strategies for their clients.

## Ask The Economist

### **Ask the Economist: Will an Increase in Unqualified Buyers Making Larger Down Payments Drive Up Home Prices as We Saw in 1995 to 2005?**

NAR Chief Economist Lawrence Yun answers a question from Mike Tracy about the effect of larger down payments on home prices.

### **Ask the Economist: Given Their Low Fees, Will Home Buying Services Capture the Business of Marketing Properties to Consumers?**

Deputy Chief Economist Jessica Lautz answers a question from Mary Grace Burton Bennett about home buying services marketing properties to consumers.

### **Ask the Economist: Given the Current Stock Market Volatility, How Many Buyers Are Using Their Portfolios for Higher Down Payments?**

Lawrence Yun answers a question from David Stark, Bay East Association of REALTORS®, about buyers' use of portfolios for higher down payments.



### **How REALTORS® Can Use This:**

“Ask the Economist” is a new video series that gives REALTORS® a quick, easy-to-digest update straight from NAR’s Research Team on new economic trends and market activity. REALTORS® can use this in listing appointments to show buyers/sellers they’re up-to-date on interest rates, housing inventory, etc.; buyer consultations to explain why now might be a good time to act or wait based on real data; email follow-ups: “Here’s what NAR’s latest economist update says about local trends.”

## Reports

### [Metro Market Statistics Dashboard](#)

NAR has created an interactive dashboard that allows you to access the most recent housing, demographic, economic, and affordability statistics for your local area—**login required**.

### [July 2025 Commercial Real Estate Market Insights](#)

In the second quarter of the year, the economy showed signs of renewed momentum, even as monetary policy remained the same. This resilience was driven mostly by solid consumer spending and a decline in imports. Inflation edged higher to 2.7%, while the labor market continued to add jobs. In this economic environment, commercial real estate trends saw little major change. The office sector continued to weaken, and retail and industrial activity cooled further. Multifamily remained the bright spot, though signs indicate the sector may have peaked as net absorption has begun to slow. The hospitality industry remained stable.

### [Highlights from the NAR Member Profile](#)

Each year, NAR surveys a random sampling of its members, asking about their business characteristics, business activity, income and expenses, office and firm affiliation, use of technology for work, and demographic characteristics—**login required**.

### [Residential Real Estate Market Snapshot](#)

Throughout the second quarter of the year, fluctuations in net exports driven by tariffs continued to impact economic data. The latest GDP indicator suggests that economic activity remained robust. This growth in national products primarily reflected a decrease in imports (which are subtracted in GDP calculations), and an increase in consumer spending. However, both investments and exports fell, offsetting some of this growth. Inflation remained elevated, moving further away from the Federal Reserve's target of 2%. As a result, the Federal Funds Rate remained unchanged for seven consecutive months.



### How REALTORS® Can Use This:

REALTORS® can leverage NAR reports to provide clients with data-driven insights on specific market conditions and equip themselves with important knowledge about the market. This empowers members to assist buyers and sellers in making informed decisions regarding timing, pricing, and location.

## Articles on the Economy

### **Tracking Unemployment Insurance Claims, Week of August 9, 2025**

In the week ending August 2, continued claims increased 4.8% compared to the same week last year, while initial claims decreased 3.0% year over year.

### **June's Housing Affordability Improves Despite Rising Home Prices**

Housing affordability increased in June 2025, as strong wage growth and lower mortgage rates offset home price increases from a year earlier.

### **Instant Reaction: Mortgage Rates, August 7, 2025**

Last week's lower mortgage interest rates increased mortgage applications, bringing some buyers off the sidelines.

### **Housing Shortage Tracker: Notable Improvements in Major Markets in Q2 2025**

In June 2025, nearly 90% of the market areas that NAR tracks narrowed the housing supply-demand gap by issuing more single-family building permits.

### **What Is the Truth Behind Terminated Contracts and Distressed Sales Numbers?**

In June 2025, 3% of REALTORS®' sales were distressed, unchanged from one month ago (3%) and only modestly more so than a year ago (2%).



### **How REALTORS® Can Use This:**

REALTORS® can use the Economists' Outlook blog to stay updated on experts' commentary, economic forecasts, housing market outlooks, and regional trends, and then use these insights to help clients on timing purchases or sales based on anticipated market movement. By sharing analysis of the housing market and translating it into consumer-friendly guidance, agents can build credibility and empower their clients to navigate the housing market with confidence.



The National Association of REALTORS® is America's largest trade association, representing more than 1.4 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate.

The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics.

Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property.

**NATIONAL ASSOCIATION OF REALTORS®  
Research Group**

The Mission of the National Association of REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

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