

# The Economics Behind the Market

**Dr. Jessica Lautz**  
Deputy Chief Economist & VP of Research  
National Association of REALTORS®



# Nationwide Housing Forecast

	2025	2026
<b>Existing-Home Sales</b>	<b>+0%</b>	<b>+14%</b>
<b>New Home Sales</b>	<b>-2%</b>	<b>+5%</b>
<b>Median Home Price</b>	<b>+3%</b>	<b>+4%</b>
<b>Mortgage Rate</b>	<b>6.7%</b>	<b>6.0%</b>

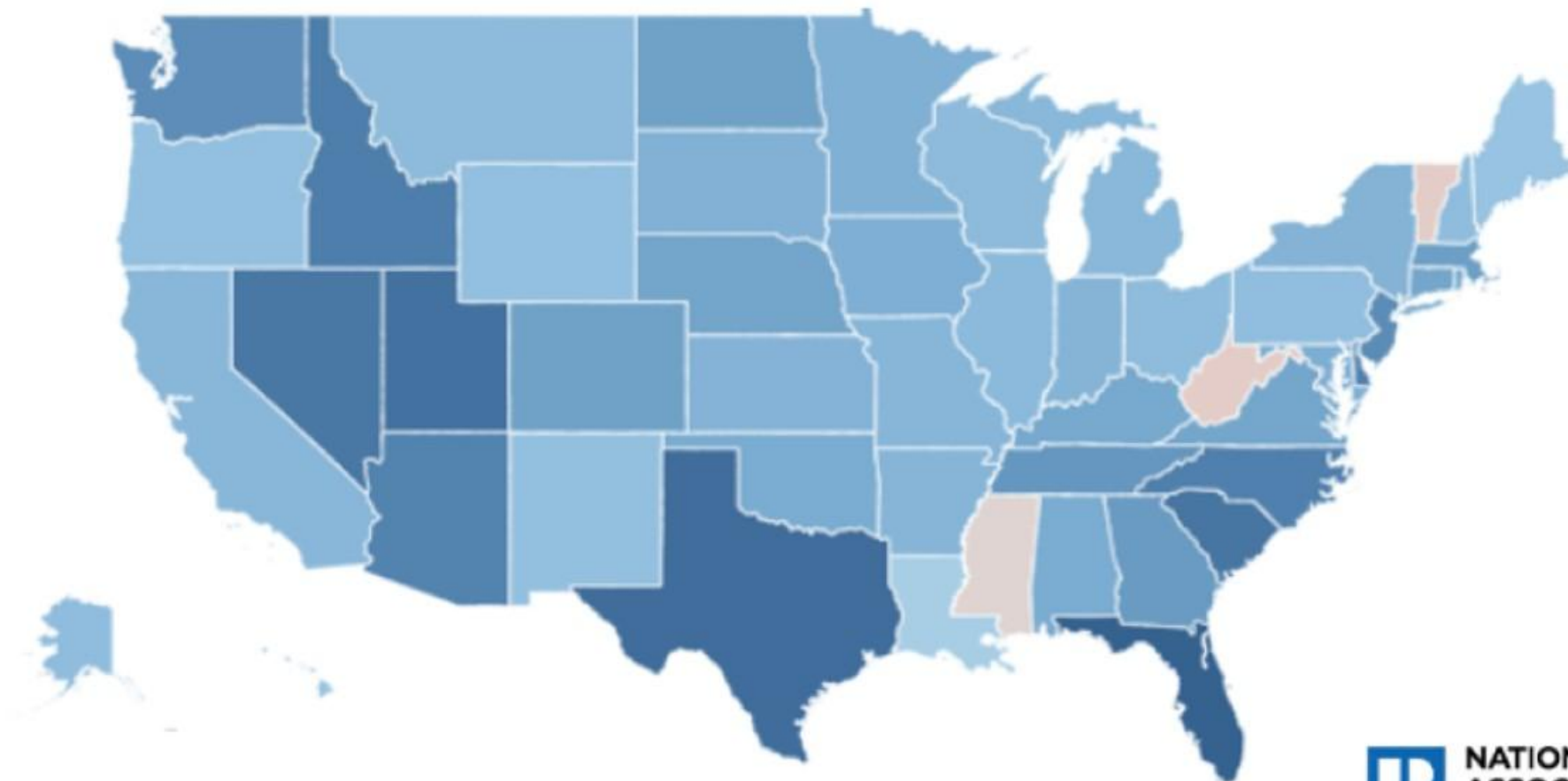


# TOP HOT SPOTS 2026



# Sunbelt and Mountain States Lead Population Growth

**Washington Gained 101k and 1.3% Population in 2024**



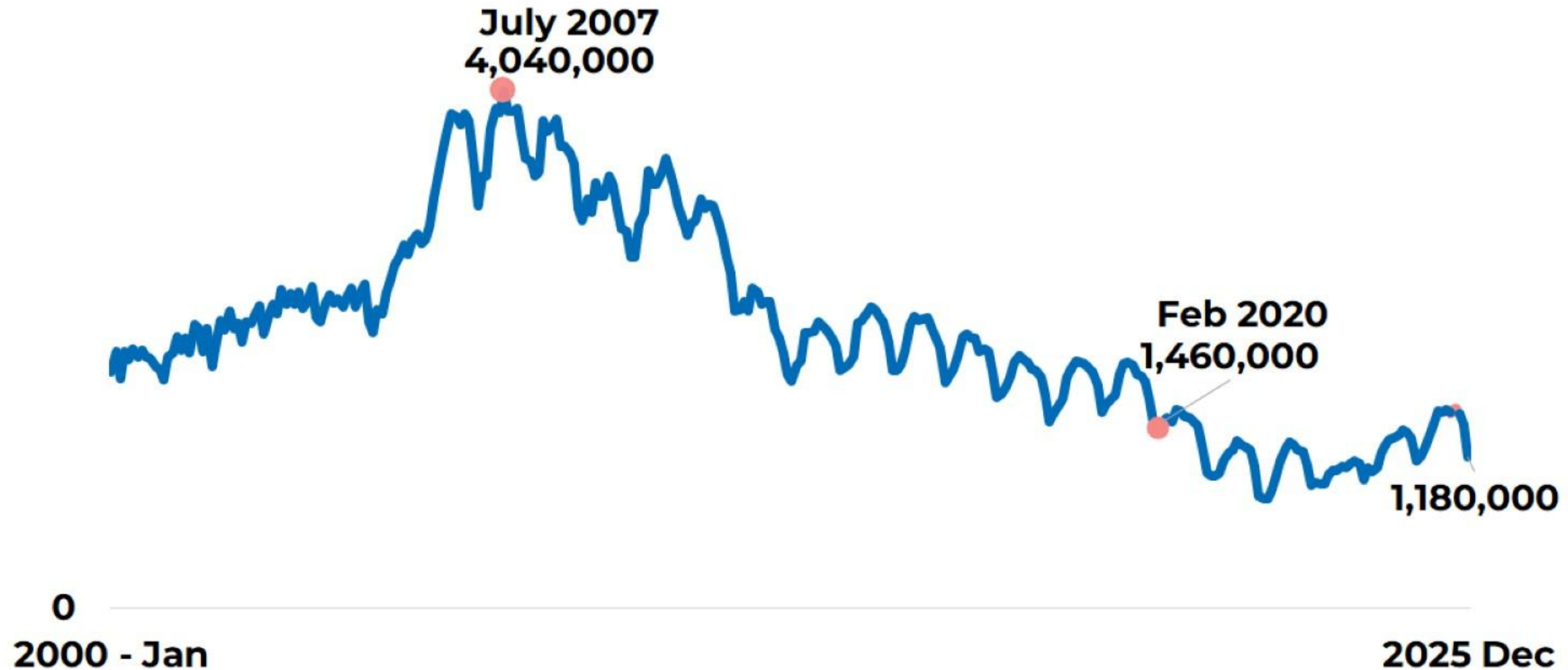
Source: U.S. Census Bureau, Vintage 2024 Population Estimates

Source: Behind the Numbers: Top 15 States for Population and Migration Trends in 2024

<https://www.nar.realtor/blogs/economists-outlook/behind-the-numbers-top-15-states-for-population-and-migration-trends-in-2024>

# Inventory of Existing Homes

5,000,000



0

2000 - Jan

2025 Dec

Source: NAR Existing-Home Sales  
[www.nar.realtor/research-and-statistics/housing-statistics/existing-home-sales](http://www.nar.realtor/research-and-statistics/housing-statistics/existing-home-sales)



# 30-Year Fixed Mortgage Interest Rate

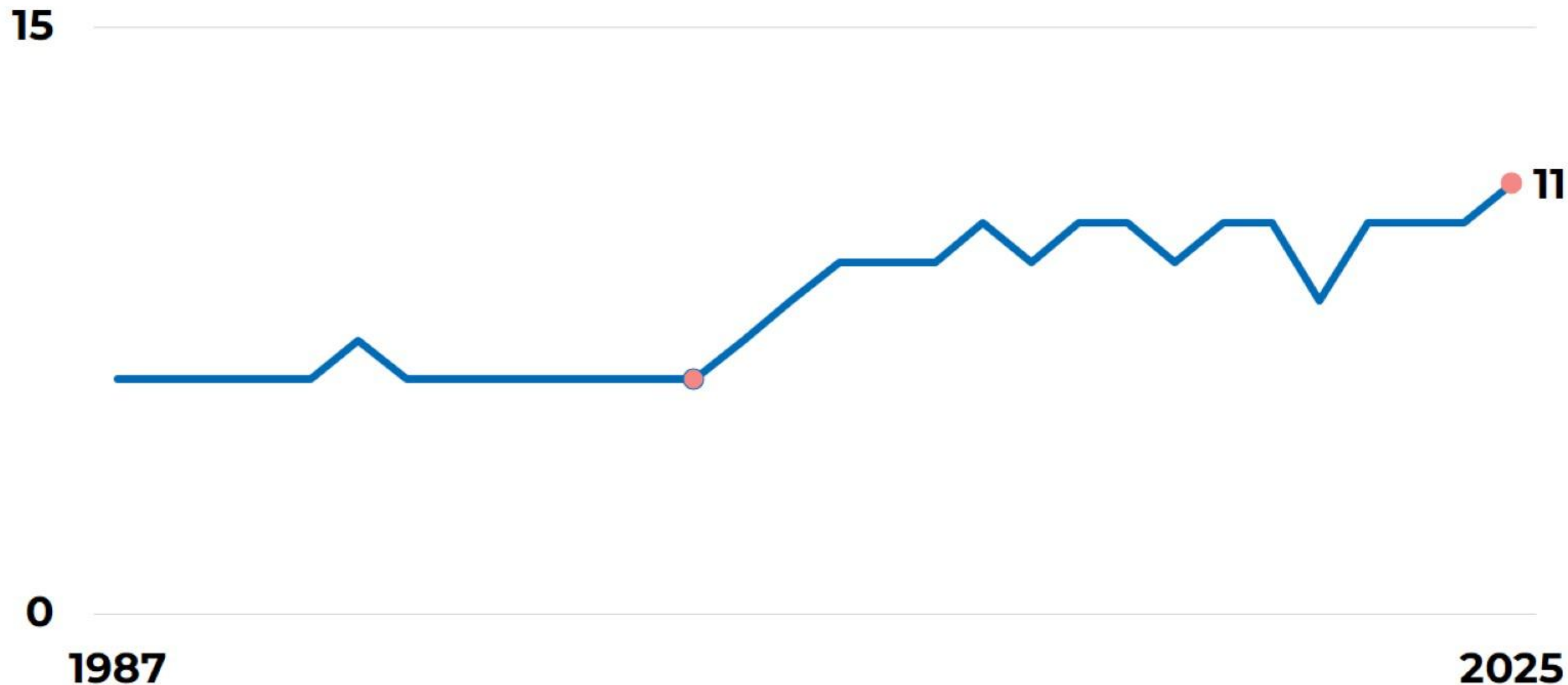
(historical norm in red)



Difference 6.5%-3.5%:  
\$400k: **\$586/month**

If rates fell from  
**7% → 6% = 6,738** new  
home buyers estimated  
in **Seattle-Tacoma-  
Bellevue**

# Median Length of Ownership Tenure in Home Sold



Source: Profile of Home Buyers and Sellers

[www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers](https://www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers)

# Median Existing-Home Price On Par With New Home Price

\$500,000

\$250,000

\$0

2010 - Jan

—Existing—New

Seattle-Tacoma-Bellevue \$804k +0.2% Y-O-Y  
Spokane-Spokane Valley \$447k +2.5% Y-O-Y

2025 Dec



NATIONAL  
ASSOCIATION OF  
REALTORS®

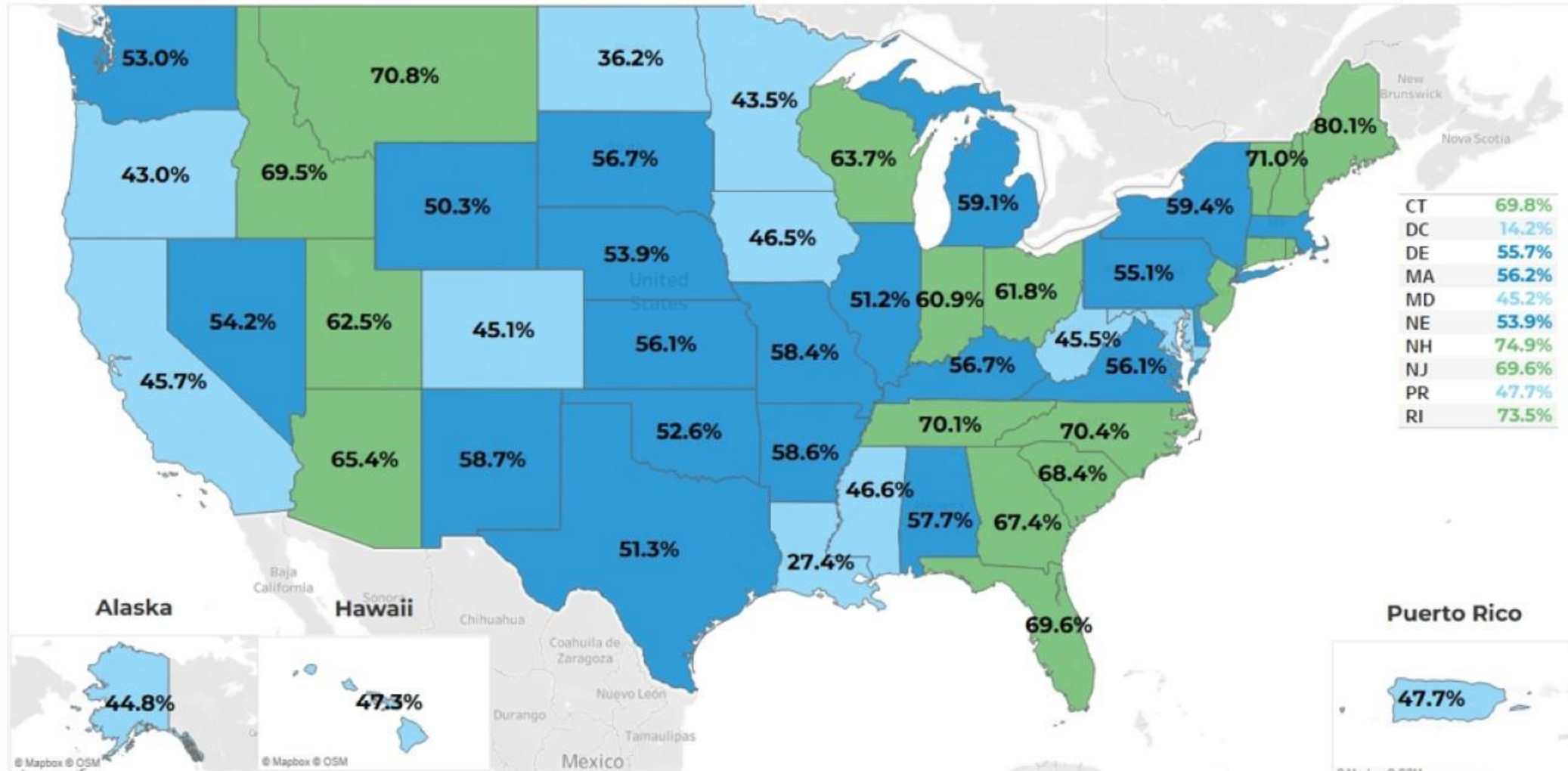
Source: NAR Existing-Home Sales <https://www.nar.realtor/research-and-statistics/housing-statistics/existing-home-sales>  
Census/HUD <https://www.census.gov/construction/nrs/current/index.html>



# State Home Price Appreciation

## % change from 2020 Q1 to 2025 Q2

**Seattle-Tacoma-Bellevue \$312k & Spokane-Spokane Valley \$177k Gained 5 Years**



Source: NAR Analysis of FHFA data

# Qualifying Income Needed for Median-Priced Home With 20% Down (Not Inflation Adjusted)

\$125,000

\$98,688

\$32,112

(Inflation adjusted=\$65,957)

\$0

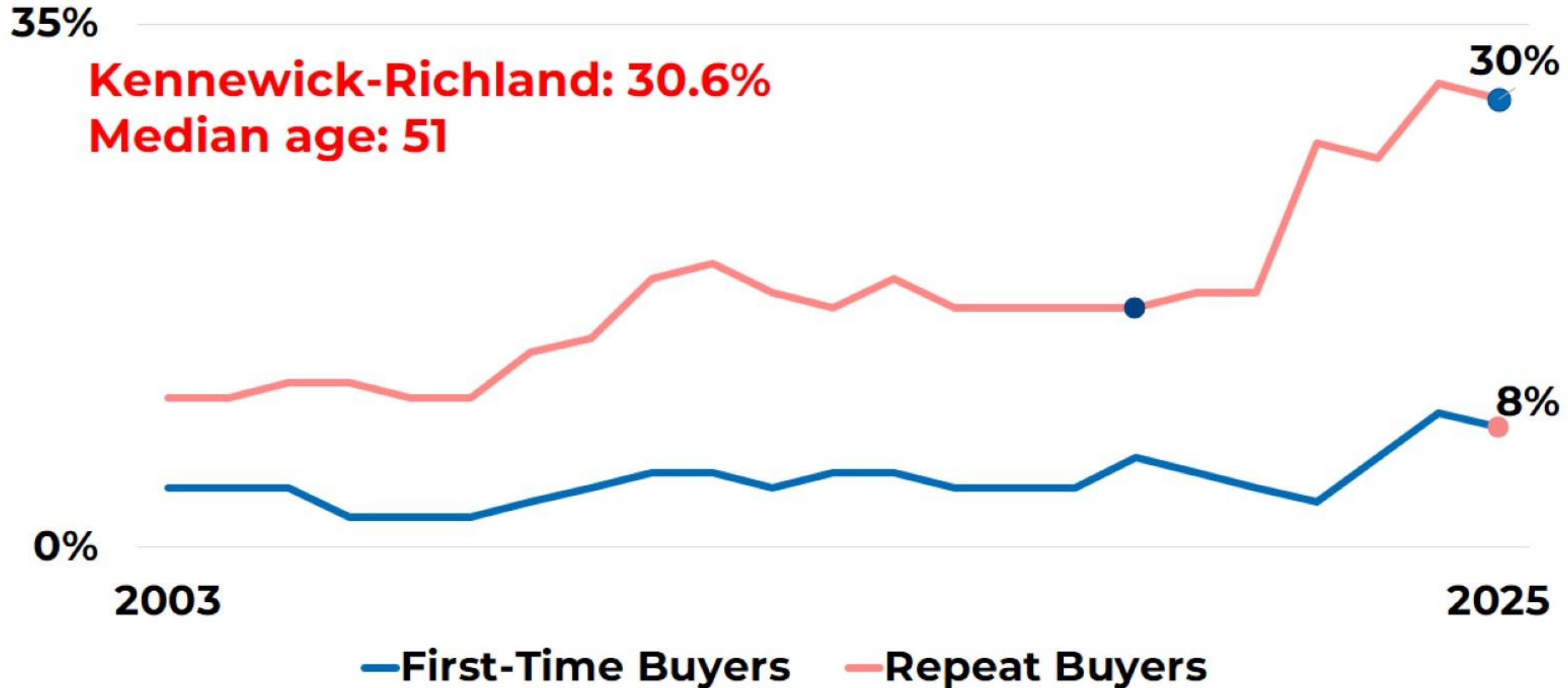
1995 - Nov

Seattle-Tacoma-Bellevue: \$187k  
Spokane-Spokane Valley: \$102k

2025 Nov



# All-Cash Buyers



Source: Profile of Home Buyers and Sellers

[www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers](https://www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers)

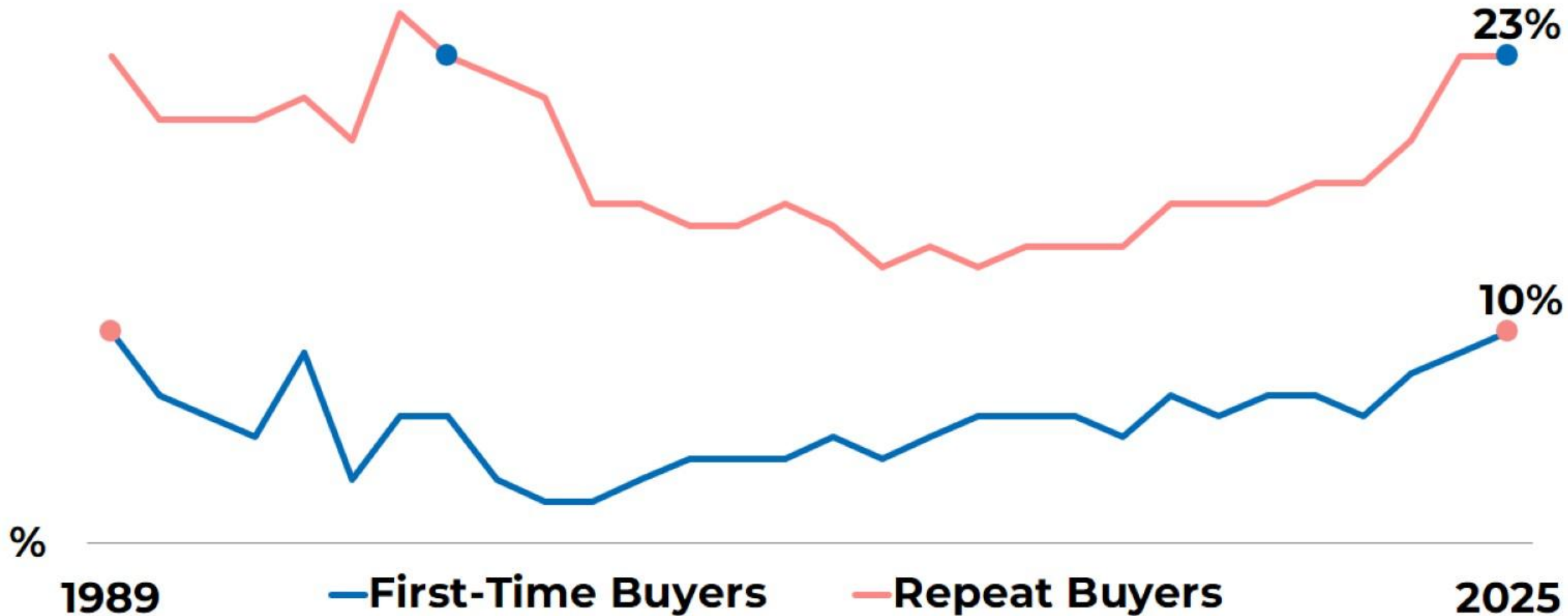
Where Are Buyers Paying Cash for Homes?

<https://www.nar.realtor/blogs/economists-outlook/where-are-buyers-paying-cash-for-homes>



# Typical Downpayment Among Home Buyers

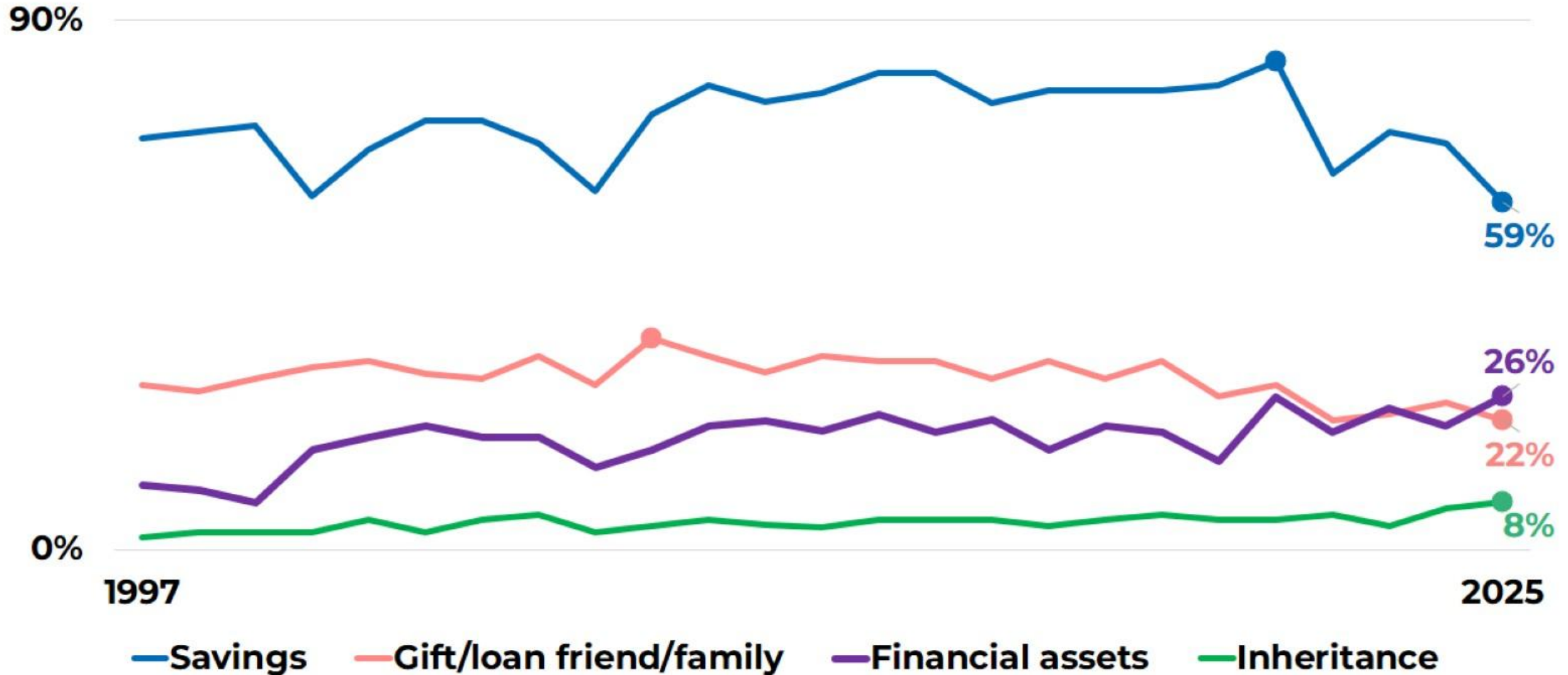
30%



Source: Profile of Home Buyers and Sellers

[www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers](https://www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers)

# First-Time Buyer Source of Downpayment



Source: Profile of Home Buyers and Sellers

[www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers](https://www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers)

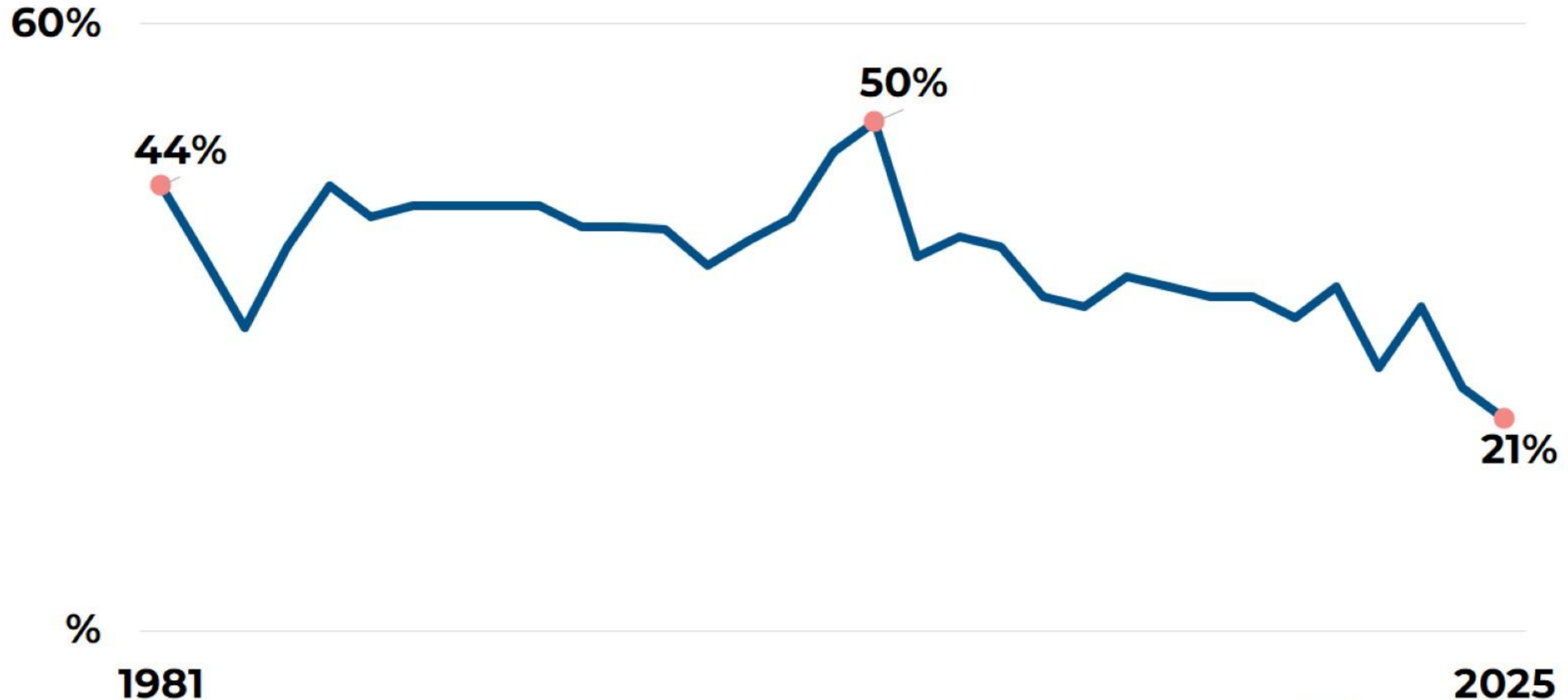


# Generational Warfare





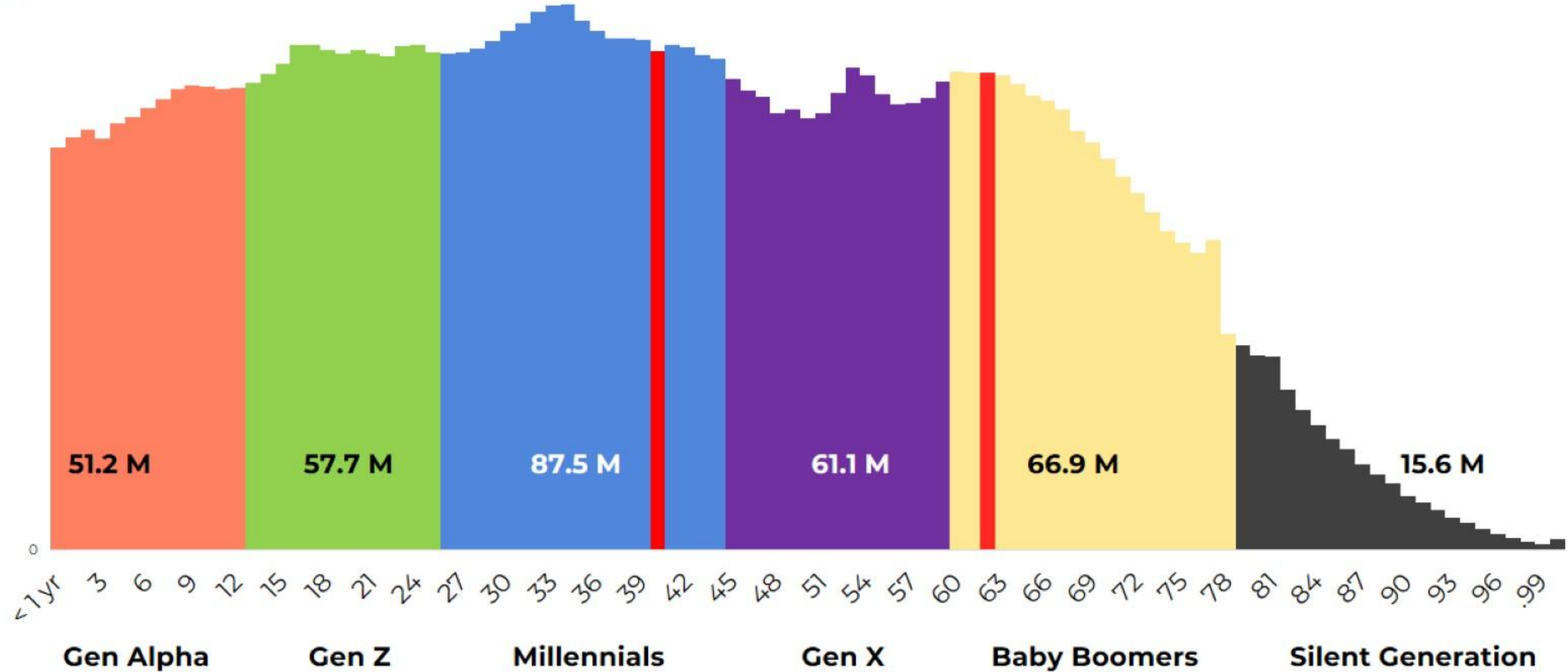
# First-Time Home Buyers Hit All-Time Low



Source: How NAR Research Collects First-Time Buyer Data and Why It Matters  
<https://www.nar.realtor/blogs/economists-outlook/how-nar-research-collects-first-time-buyer-data-and-why-it-matters>

# U.S. Population by Age (in 2024)

5,000,000



Source: How NAR Research Collects First-Time Buyer Data and Why It Matters

<https://www.nar.realtor/blogs/economists-outlook/how-nar-research-collects-first-time-buyer-data-and-why-it-matters>

# Demographic Changes: DINKS and SINKS and Roomies





# First-Time Buyers: Household Composition

	1985	2025
Married Couples	75%	50%
Single Women	11	25
Unmarried Couples	4	11
Single Men	9	10
Other (roommates)	0	4

Source: Just the Facts, Ma'am: Single Women Home Buyers Since 1981

<https://www.nar.realtor/blogs/economists-outlook/just-the-facts-maam-single-women-home-buyers-since-1981>

# Baby Bust Among Buyers



Source: Profile of Home Buyers and Sellers  
[www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers](http://www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers)

# Fur Babies Are Housing Deciders



71% of households have pets

\$152 Billion spent on pets in 2024

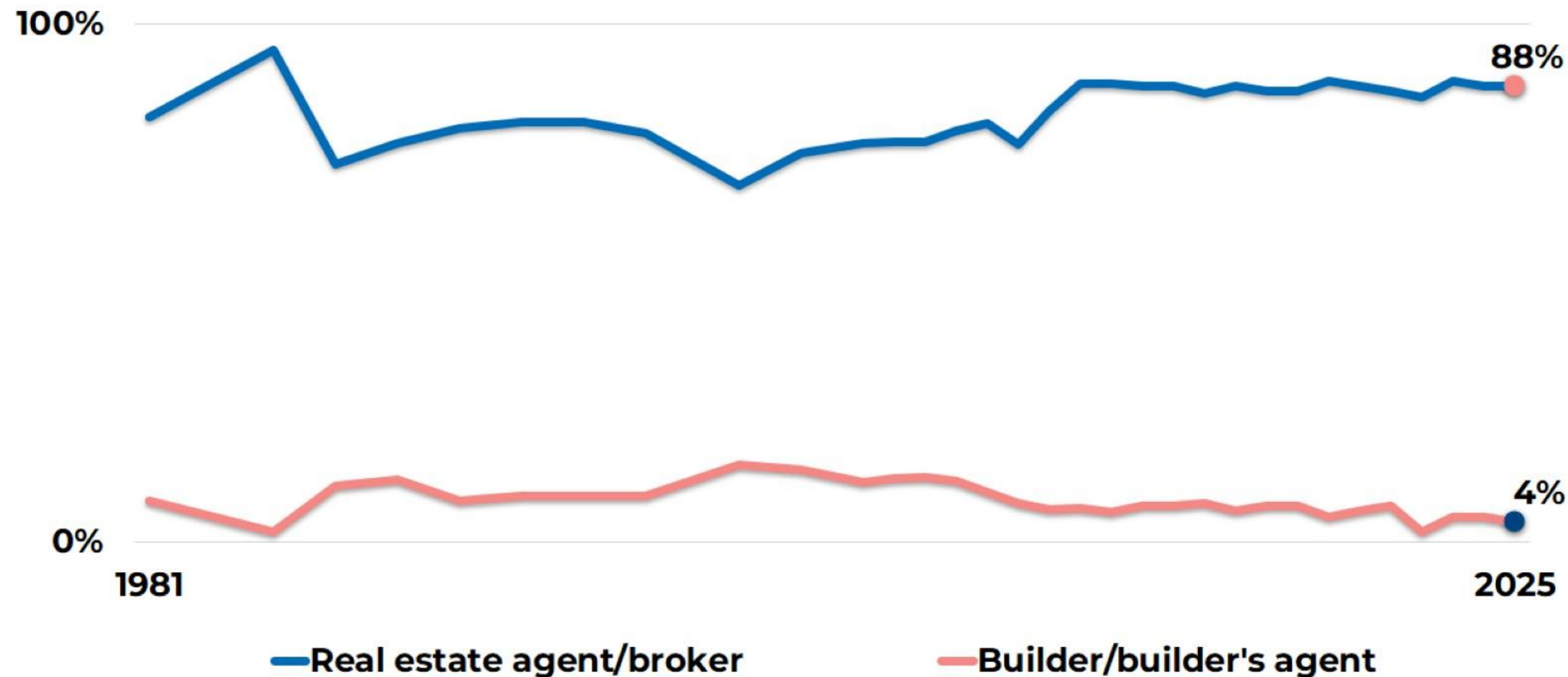
16% of home buyers factored in pets to neighborhood choice





# Agent Role

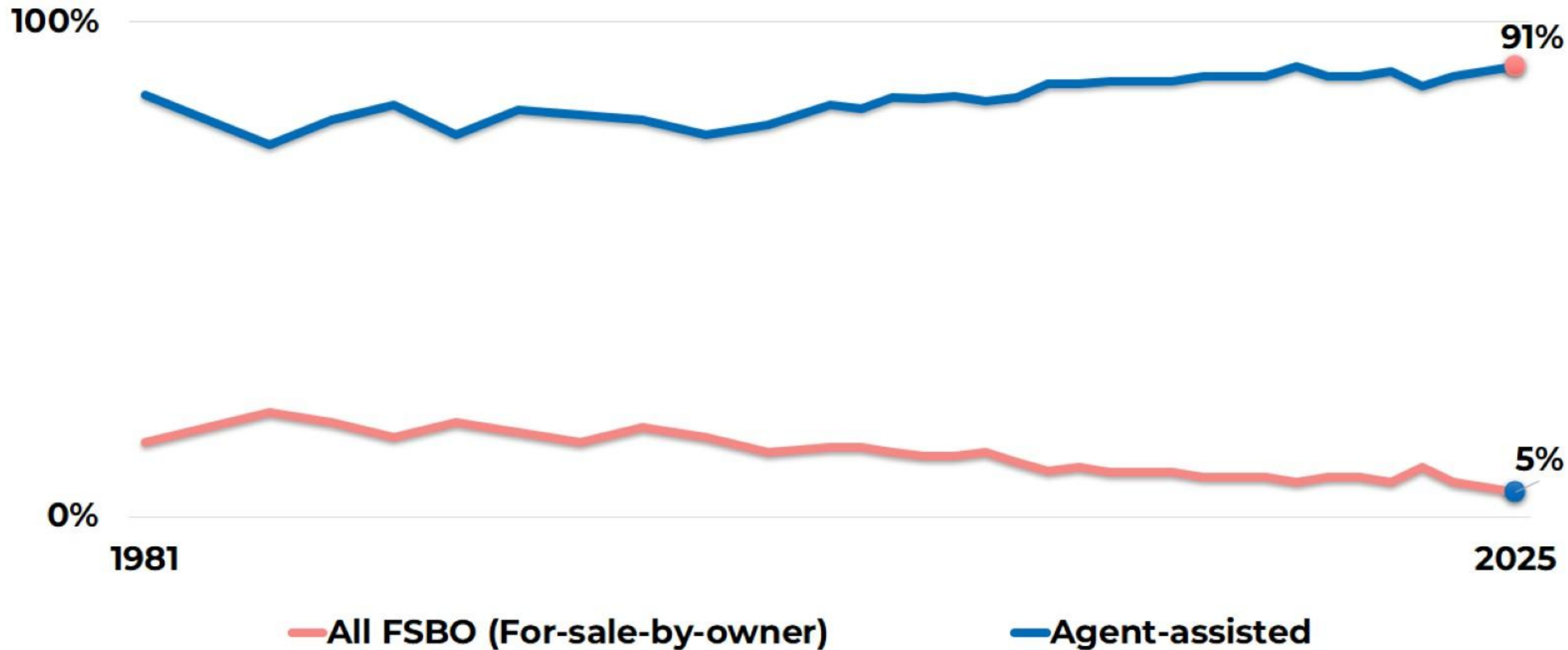
# Buyer Use of Agents



Source: Profile of Home Buyers and Sellers

[www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers](https://www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers)

# Seller's Agent Use High, FSBO All-Time Low

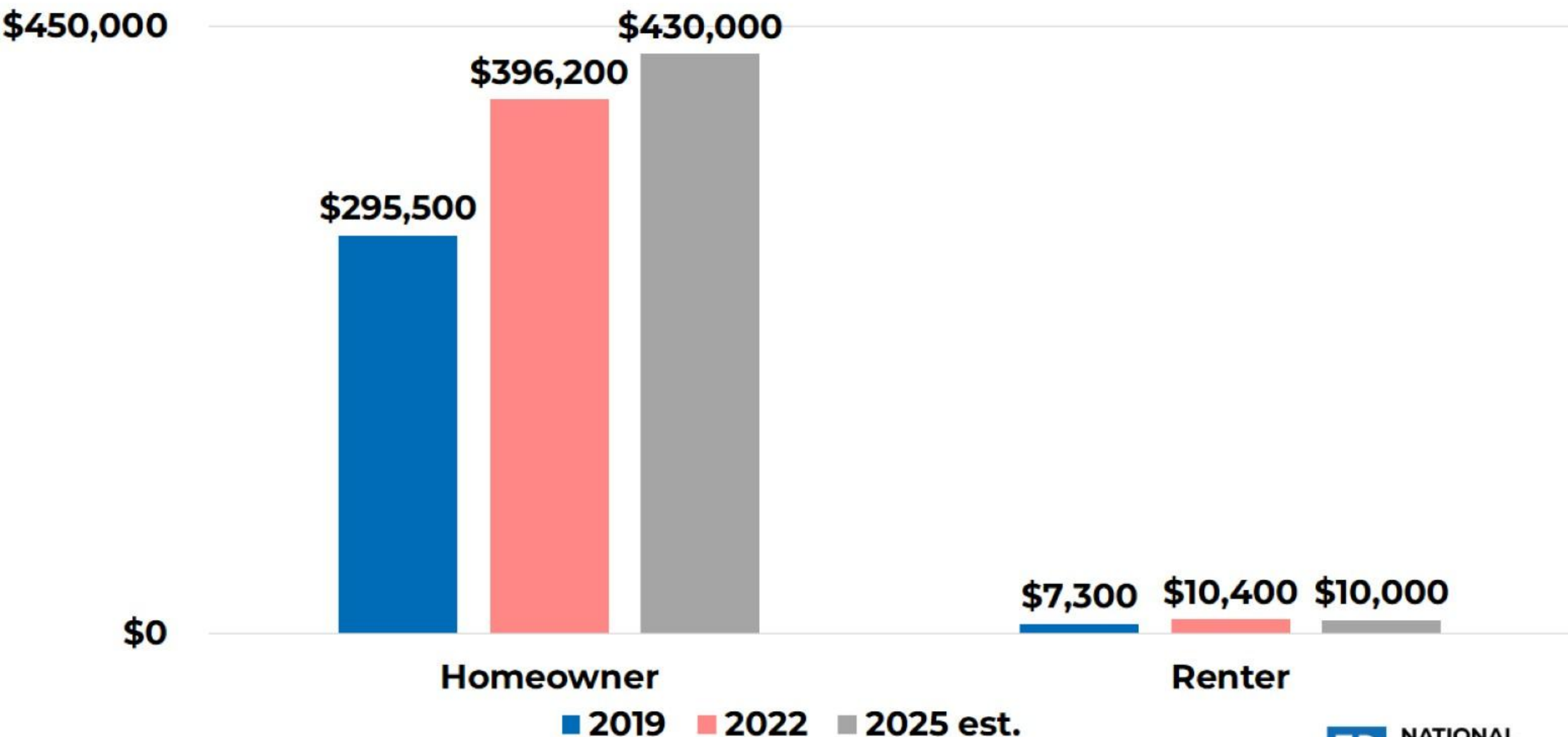




# Net Worth and Impact to GDP



## Median Net Worth



Source: Board of Governors of the Federal Reserve System, The 2022 Survey of Consumer Finances  
<https://www.federalreserve.gov/econres/scfindex.htm>

# Economic Impact of a Home Sale:

## Washington: \$203,400

Income generated from  
real estate industries



+

Expenditures related  
to home purchase



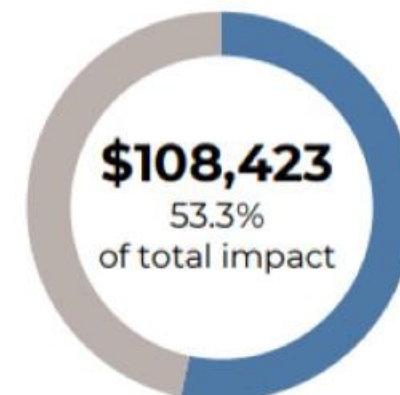
+

Multiplier of housing  
related expenditures



+

New home  
construction



## Real estate industry accounted for:

### \$140.6 billion or 17.0% in Utah



# **Additional NAR Research Offerings**



<https://www.nar.realtor/research-and-statistics/research-reports/research-update>

# Monthly Research Update

Updated Monthly with All New Research:

- Existing-Home Sales Data
- Pending Home Sales Data
- Housing Affordability Index
- REALTORS® Confidence Index
- New reports such as: Profile of Home Buyers and Sellers, the Member Profile, Commercial Reports
- All blog posts on topical content such as Migration Trends, Housing Shortage Tracker, Single Women Home Buyers
- New commentary from the Chief Economist and Deputy Chief Economist

# Residential Real Estate Market Snapshot Report

January 2025

National Association of REALTORS®  
Research Group



<https://www.nar.realtor/research-and-statistics/research-reports/residential-real-estate-market-snapshot>

## Residential Real Estate Market Snapshot

Updated Monthly:

- Existing-Home Sales
- Pending Home Sales
- Interest Rates
- Inventory & Affordability
- New Construction
- GDP
- Inflation
- Consumer Spending
- Employment and Unemployment



# Metro Market Statistics

**NOW LIVE**

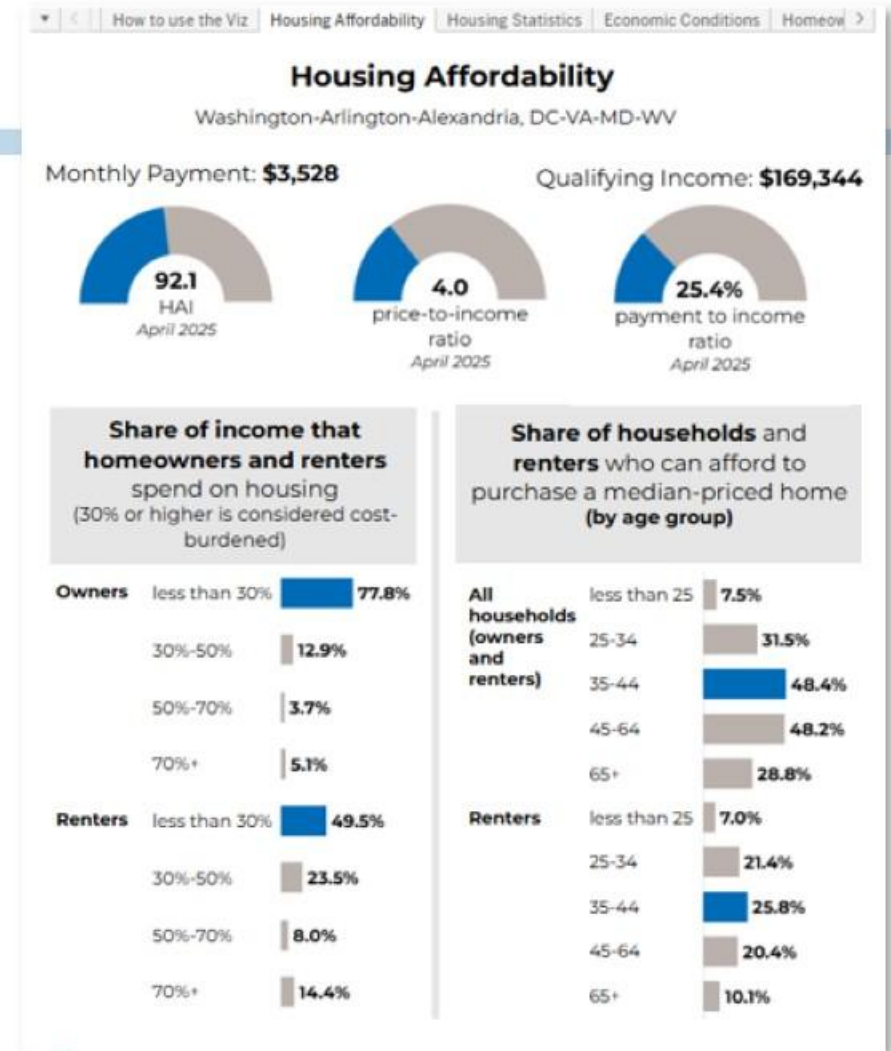
NAR Market Statistics Dashboard  
gives REALTORS® exclusive  
access to **monthly local data** on

- ✓ impact analysis of lower rates
- ✓ housing affordability
- ✓ price, sales, & listing trends
- ✓ economic conditions
- ✓ buyer profile
- ✓ and more

*with breakdowns by age,  
race/ethnicity, and income.*

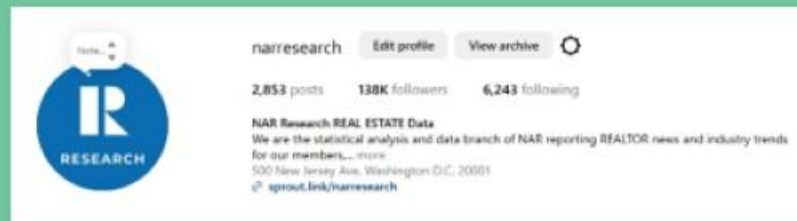


REALTORS® are members of the National Association of REALTORS®.



<https://www.nar.realtor/research-and-statistics/housing-statistics/metro-market-statistics>





<https://linktr.ee/narresearch>

# NAR Research Social Media

- Four Channels (and counting):
  - X (formerly Twitter)
  - Facebook
  - LinkedIn
  - Instagram
  - Blue Sky
- Daily updates
- Latest reports, data, and analyses