

Increase your earning power with the
Accredited Buyer's Representative
(ABR®) designation.



Demand for second homes slowing

Source: Redfin

Rising home prices and interest rate increases are pricing out potential home buyers and slowing demand for second homes after a pandemic-driven boom for that housing type.

Prices for second homes and mortgage rates have surged, increasing

the cost of borrowing for second-home buyers. With the 30-year fixed rate now averaging 5.3%, the typical monthly mortgage payment has increased by about \$520 since the first week of January, when rates averaged 3.2%. On top of that, the federal government increased loan fees for second homes on April 1. For a typical buyer, that added about \$13,500 to the cost of purchasing a \$400,000 home.

[READ MORE](#)

NEED NEW MARKETING CONTENT?

Start using the [CONSUMER AD CAMPAIGN](#) today!

Rainy days may be best for home showings

Source: Apartment Therapy

Many buyers may be tempted to cancel a home tour if the weather is inclement, but real estate experts say rainy days are actually the best circumstances to view homes.

Rainy days offer the potential to spot any water-related issues outside a home by watching how the water moves around a house or see how a gutter that has been clogged by rocks could be preventing water from draining away from the house. Buyers can also spot any potential water-related issues inside the house such as leaks in a

ceiling, moisture in a basement, and mildew smells that can often be missed when the weather is dry.

[READ MORE](#)

CA home sales moderate in April; median price sets another peak

Source: CALIFORNIA ASSN. OF REALTORS®

California home sales retreated in April as rising interest rates and higher home prices depressed housing demand even as the statewide median home price set another record for the second straight month, primarily due to strong sales at the top end of the market, the CALIFORNIA ASSN. OF REALTORS® said.

“As rates remain on the rise, the sense of urgency to buy is keeping the market highly competitive, especially since housing inventory continues to stay well below pre-pandemic levels,” said C.A.R. President Otto Catrina, a Bay Area real estate broker and REALTOR®. “While we will likely see more listings come on to the market as we move further into the home-buying season, the housing shortage issue will likely persist throughout the rest of the year in major metropolitan areas, such as the Bay Area and the Southern California region.”

[READ MORE](#)

Home value growth in suburbs outpace urban areas

Source: Zillow

For the first time since the Great Recession, buyers may have an easier time buying a home in the city than in nearby suburbs this home shopping season. That's because homes in the suburbs recently have been appreciating faster than urban homes, according to a new Zillow® analysis shows, indicating stronger demand and fiercer competition.

Some urban areas remain attractive to buyers more so than their suburbs. Among them are San Jose and Austin, Tex., places that have seen among the biggest gains in home prices during the pandemic.

[READ MORE](#)

Homebuilder confidence drops

Source: National Assn. of Homebuilders

Builder confidence dropped significantly in May as affordability challenges dimmed expectations. The National Assn. of Home Builders/Wells Fargo Housing Market Index, which measures builder sentiment, fell in May for the fifth consecutive month and dropped to its lowest reading since June 2020.

Growing affordability challenges as interest rates rapidly rise and double-digit price increases for material costs and ongoing home

price appreciation are taking most of the blame. Additionally, building material costs are up 19% compared to a year ago.

[READ MORE](#)

Higher interest rates take toll on mortgage demand

Source: CNBC

Mortgage rates actually fell slightly last week, but both refinance and purchase loan demand dropped, pulling total mortgage application volume down 11% for the week, according to the Mortgage Bankers Association's seasonally adjusted index.

The average contract interest rate for 30-year fixed-rate mortgages with conforming loan balances decreased to 5.49% from 5.53%, with points increasing to 0.74 from 0.73 for loans with a 20% down payment.

[READ MORE](#)