

**THE
MARKET
UPDATE**





NATIONAL NEWS

Housing Market Forecasts for the 2nd Half of the Year



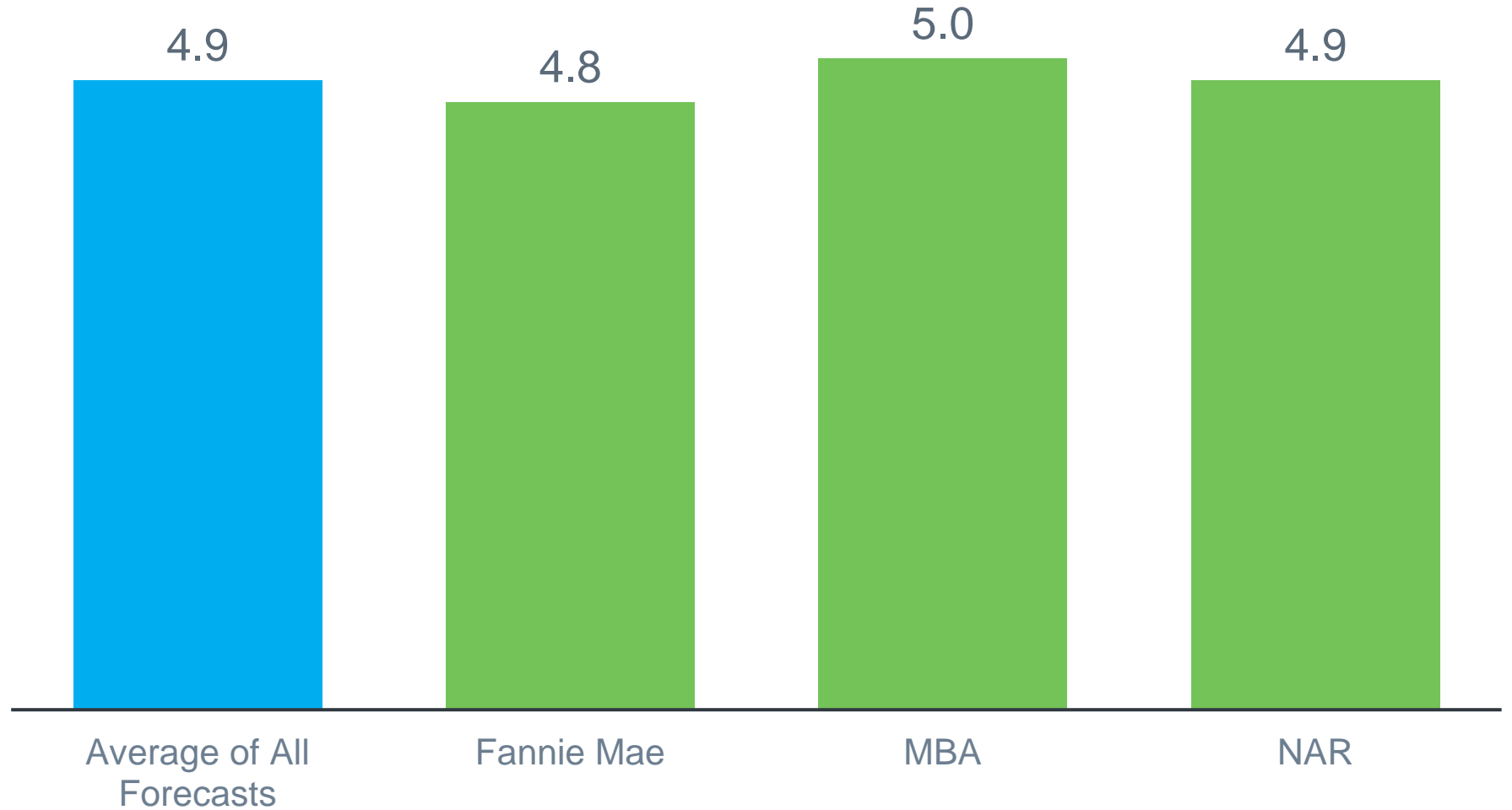


Home sales have lingered at 30-year lows, and since 70 million more Americans live in the country now compared to three decades ago, it's inevitable that sales will rise in coming years. Inventory will grow steadily from more home construction, and various life-changing events will require people to trade up, trade down or move to another location.

- **Lawrence Yun**, Chief Economist, NAR

2024 Total Home Sales Forecasts

In Millions



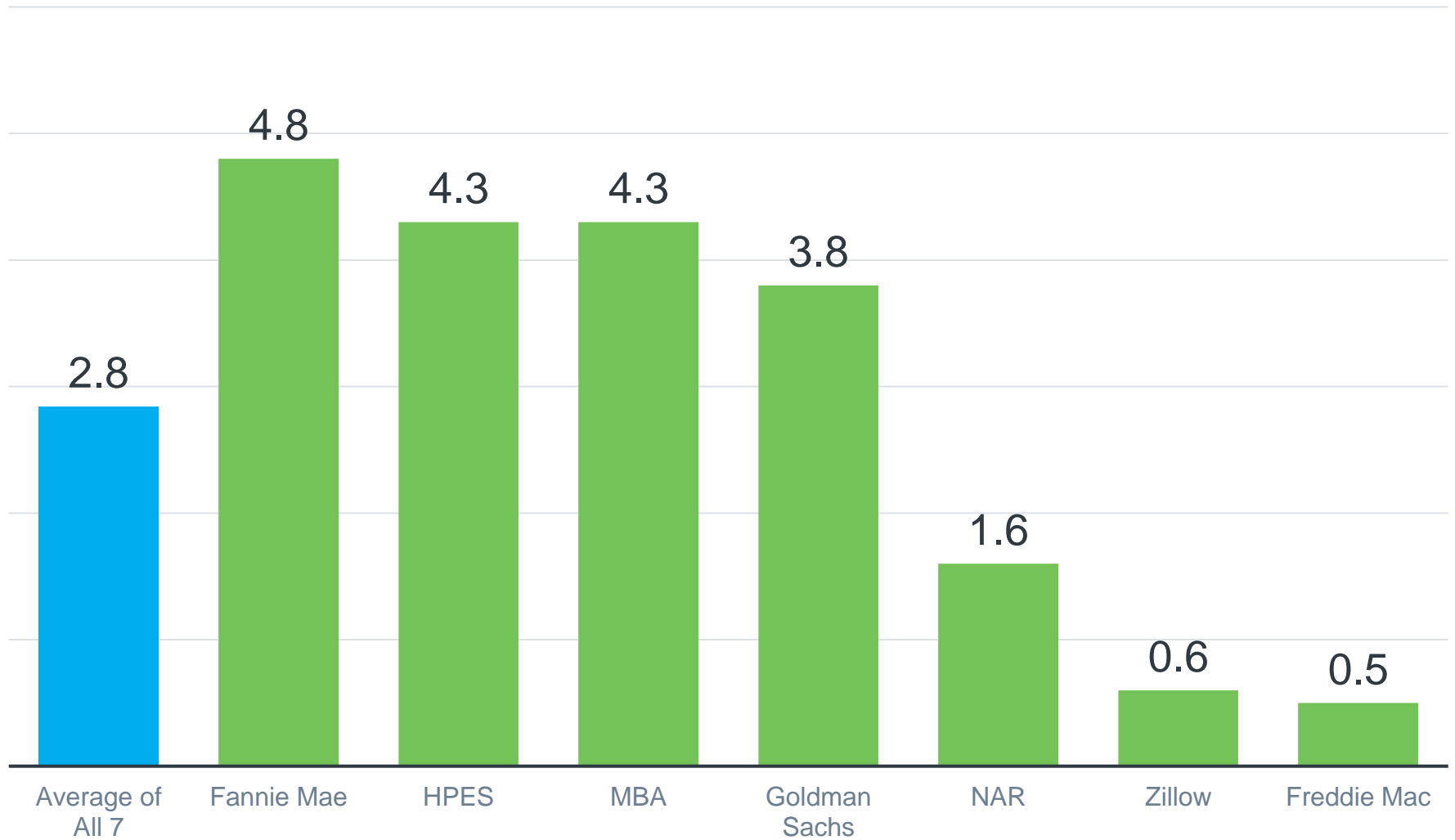


The market is at an interesting point with rising inventory and lower demand. Supply and demand movements suggest easing home price appreciation in upcoming months. Inevitably, more inventory in a job-creating economy will lead to greater home buying, especially when mortgage rates descend.

- **Lawrence Yun**, Chief Economist, NAR

2024 Home Price Forecasts

Percent Appreciation/Depreciation

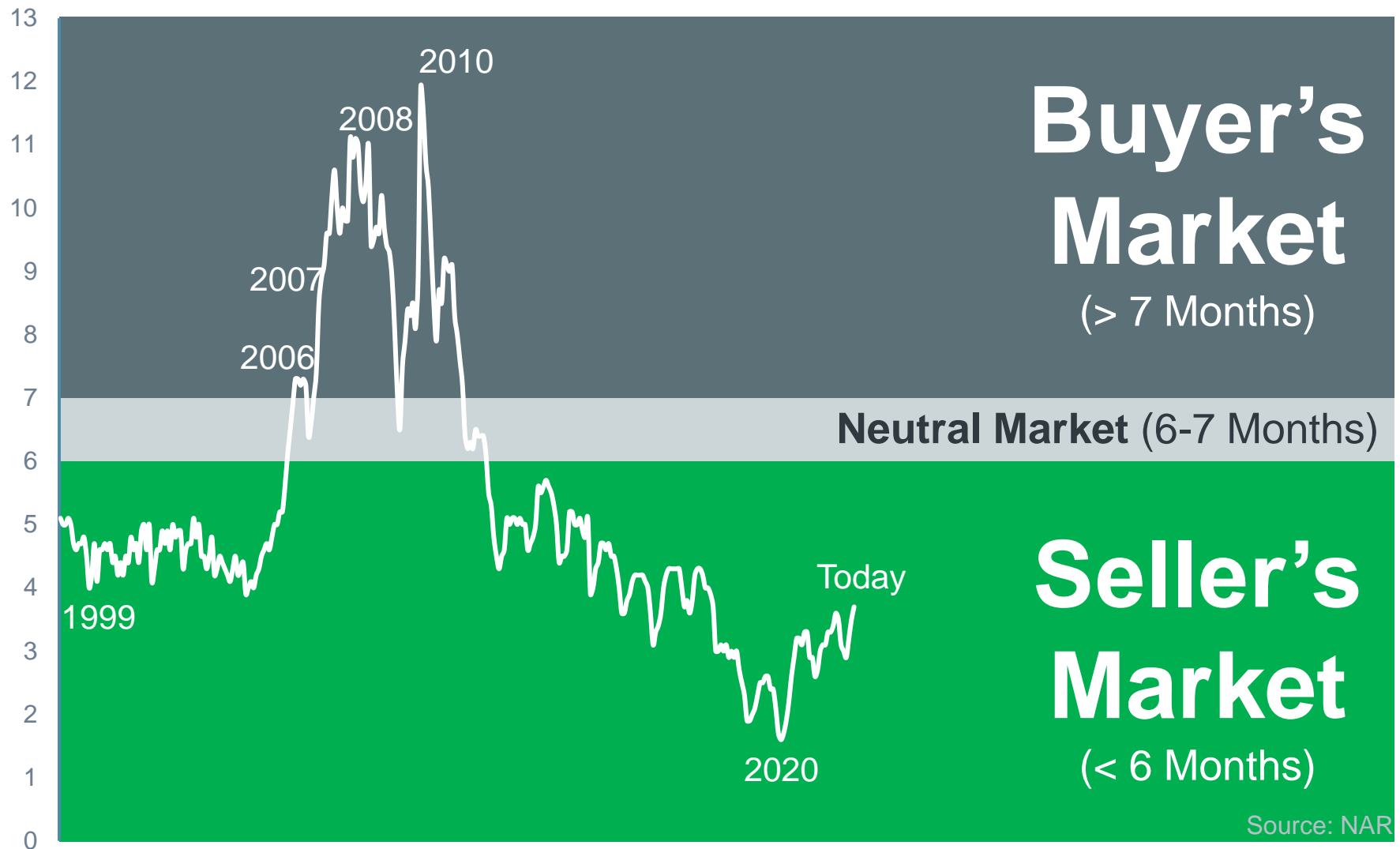




One thing that seems to be pretty solid is that home prices are going to continue to go up, and the reason is that we don't have housing inventory.

- **Jessica Lautz**, Deputy Chief Economist, NAR

Months' Inventory of Homes for Sale



Mortgage Rate Projections

June 2024

Quarter	Fannie Mae	MBA	NAR	Average of All Three
2024 Q3	6.80%	6.80%	6.90%	6.83%
2024 Q4	6.70%	6.60%	6.70%	6.67%
2025 Q1	6.60%	6.40%	6.50%	6.50%
2025 Q2	6.50%	6.30%	6.40%	6.40%

When Will the Federal Reserve Cut the Fed Funds Rate?

	First Cut
MUFG	July
Barclays	September ←
Citigroup	September ←
Evercore ISI	September ←
Fannie Mae	September ←
Goldman Sachs	September ←
HSBC	September ←
Kalshi	September ←
MBA	September ←
Morgan Stanley	September ←
Nomura	September ←
Oxford Economics	September ←

	First Cut
TD Securities	September ←
UBS	September ←
Wells Fargo	September ←
JP Morgan	November
Bank of America	December
BNPP	December
Deutsche Bank	December
LH Meyer	December
RBC	December
Jefferies	2025
Mizuho	2025
Societe Generale	2025



How Will the 2024 Election Affect the Real Estate Market?



Presidential election years affect the national housing market and mortgage rates through three interrelated channels: uncertainty, policy expectations, and consumer confidence . . .

This is because consumers may choose to postpone major purchases or sales until they gain greater confidence in the country's direction.

- **Al Lord**, Founder and CEO, Lexerd Capital Management

Recent Elections and Economic Uncertainty

Global financial crisis and recession

2008



Fiscal cliff, major health care expansion review by the Supreme Court, and a European debt crisis

2012



The Brexit referendum

2016



Global pandemic

2020



High inflation and war

2024
















Usually, home sales are unchanged compared to a non-election year with the exception being November. In an election year, November is slower than normal.

- **Ali Wolf**, Chief Economist, Zonda

Home Sales Went Up After 9 of the Last 11 Presidential Elections

U.S. Annual Existing Home Sales

Election Year	Year After	
1980: 2,973,000	1981: 2,419,000	
1984: 2,868,000	1985: 3,214,000	
1988: 3,594,000	1989: 3,290,000	
1992: 3,431,000	1993: 3,737,000	
1996: 4,167,000	1997: 4,374,000	
2000: 5,173,000	2001: 5,335,000	
2004: 6,778,000	2005: 7,080,000	
2008: 4,110,000	2009: 4,340,000	
2012: 4,660,000	2013: 5,090,000	
2016: 5,450,000	2017: 5,510,000	
2020: 5,640,000	2021: 6,120,000	

Source: HUD, NAR

Existing Home Prices Went Up After 7 of the Last 8 Presidential Elections

U.S. Annual Median Sales Price of Existing Single-Family Houses Sold

Election Year	Year After	
1992: \$105,500	1993: \$109,100	↑
1996: \$122,600	1997: \$129,000	↑
2000: \$147,300	2001: \$156,600	↑
2004: \$195,200	2005: \$219,000	↑
2008: \$196,600	2009: \$172,100	↓
2012: \$177,200	2013: \$197,400	↑
2016: \$235,500	2017: \$248,800	↑
2020: \$296,700	2021: \$350,700	↑

Source: NAR

New Home Prices Went Up After 10 of the Last 11 Presidential Elections

U.S. Annual Median Sales Price of New Single-Family Houses Sold

Election Year	Year After	
1980: \$64,600	1981: \$68,900	↑
1984: \$79,900	1985: \$84,300	↑
1988: \$112,500	1989: \$120,000	↑
1992: \$121,500	1993: \$126,500	↑
1996: \$140,000	1997: \$146,000	↑
2000: \$169,000	2001: \$175,200	↑
2004: \$221,000	2005: \$240,900	↑
2008: \$232,100	2009: \$216,700	↓
2012: \$245,200	2013: \$268,900	↑
2016: \$307,800	2017: \$323,100	↑
2020: \$336,900	2021: \$397,100	↑

Source: Census



In December [following an election], and in the following year, the sales that are lost during November are recovered. It isn't that consumers say, 'I'm nervous, and I never want to buy.' They say, 'I'm nervous. Let's just wait to see how things play out.'

- **Ali Wolf** (2020)

Mortgage Rates Decreased Leading Up to 8 of the Last 11 Presidential Elections

Change from July to November of Recent Election Years

Election Year	Change	Difference
1980	12.19% to 14.21%	+2.02%
1984	14.67% to 13.64%	-1.03%
1988	10.43% to 10.27%	-0.16%
1992	8.13% to 8.31%	+0.18%
1996	8.25% to 7.62%	-0.63%
2000	8.15% to 7.75%	-0.40%
2004	6.06% to 5.73%	-0.33%
2008	6.43% to 6.09%	-0.34%
2012	3.55% to 3.35%	-0.20%
2016	3.44% to 3.77%	+0.33%
2020	3.02% to 2.77%	-0.25%

Source: Freddie Mac

The NAR Settlement: Get Your Mindset Right

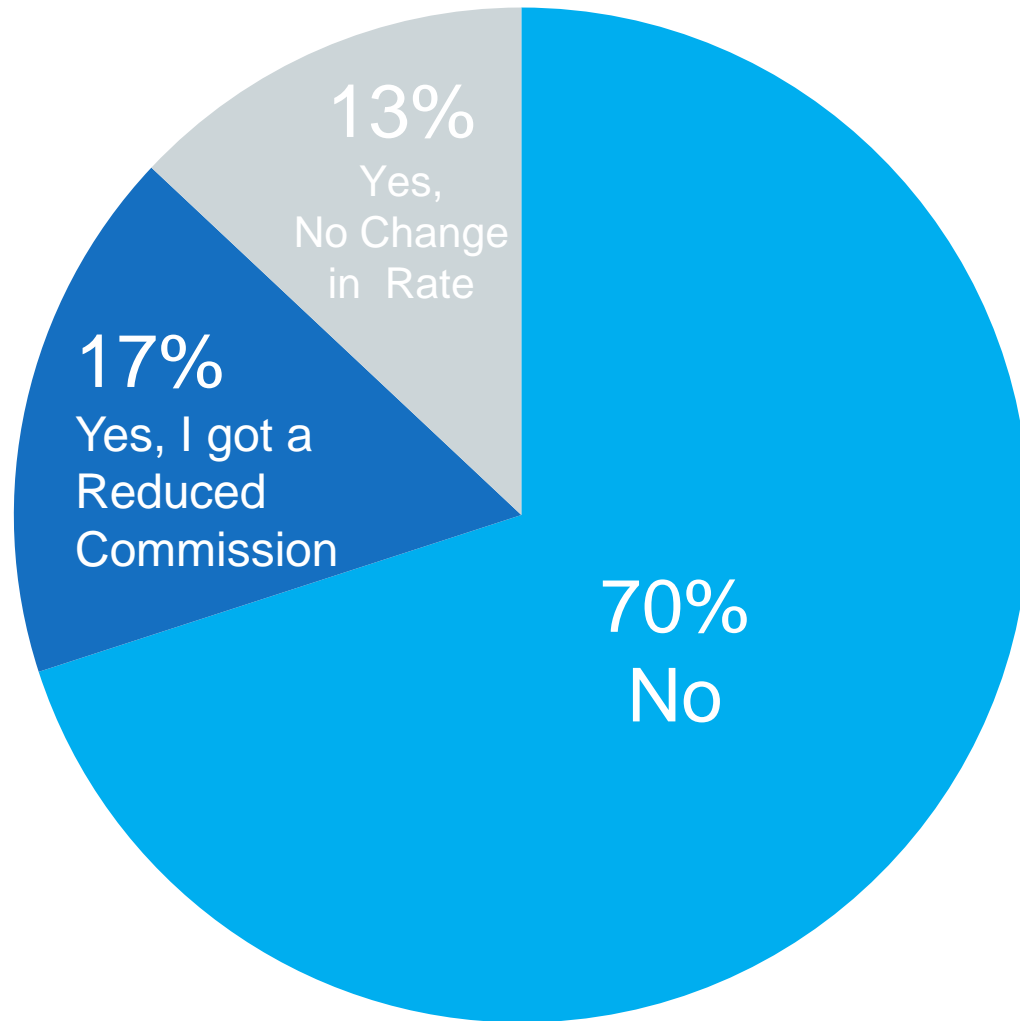




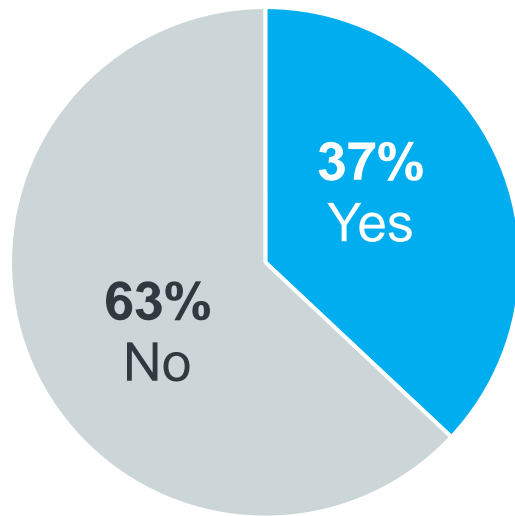
I'm three decades into this business. This is a once-in-a-lifetime opportunity! No different than when you look back over the history of all great businesses, most of them started during recessions, depressions or moments of change. This is not a recession or depression, but it is a moment of change.

- **Tom Ferry**, Real Estate Coach and Speaker

Have You Ever Negotiated the Commission Rate with a Real Estate Agent?



Awareness of the NAR Settlement Is Relatively Low



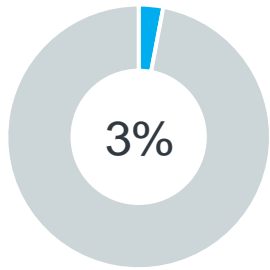
Only 37% of respondents had heard of the settlement and the proposed changes to industry practices.

This is after three weeks of heavy media coverage and social media activity, and nearly five months of elevated coverage of the industry in the wake of the Sitzer verdict.

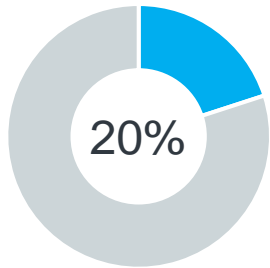
“Remember that our respondents here have both bought and sold in the past five years. They are experienced, vested real estate consumers with a stake in the game. **That 63% of them had not even heard of the settlement news is remarkable.**”

- 1000Watt

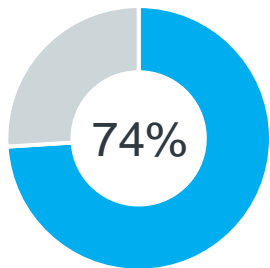
Which Statement Best Represents Your Opinion About the Issue in The Trial and The Trial Outcome?



Real estate agents are being attacked wrongly, and this trial verdict was wrong



The Nation Association of Realtors and big real estate companies are finally facing consequences for ripping off home buyers and sellers with excessive commissions/fees.



Real estate agents who work with buyers will now have to negotiate how they are compensated directly with those buyer clients, and this makes sense to me.

Source: 1000Watt

Which of These Statements Do You Agree with More?



76%

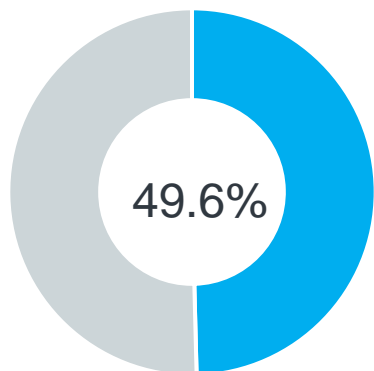
It is worth paying a real estate agent to help you buy a home because it is a big, complex purchase requiring the expert guidance of a professional



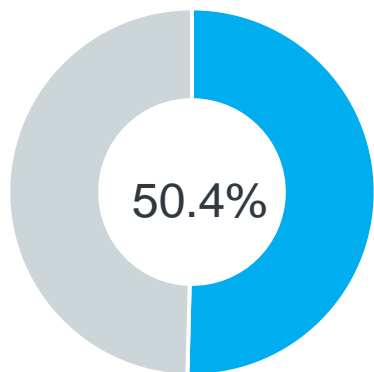
24%

It really isn't necessary to hire a real estate agent to help you buy a home because all homes for sale are online and you can just work with the agent who is selling the home (the "listing" agent).

If You Were **Selling Your House** Right Now, Which of the Following Statements Would Make More Sense to You?



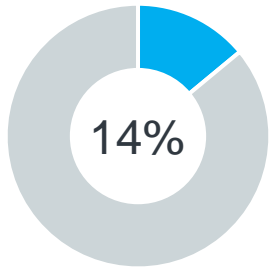
You do not have to compensate the agent who represents a buyer, but you many want to because it motivates more agents to find a qualified buyer, and also reduces the cash a buyer needs to purchase your home, which may mean they are more likely to offer the price you want.



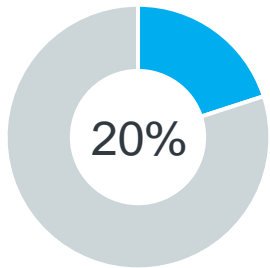
You should not offer to compensate the agent who represents a buyer because that agent should get paid directly by their own client. This will reduce the total commission you pay but may make it harder for some buyers to afford your home.

Source: 1000Watt

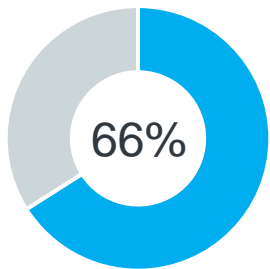
If You Were Hiring a Real Estate Agent To **Help You Buy** a Home Right Now, Which of the Following Payment Options Would You Be Most Likely To Choose:



Pay the agent **an hourly rate of \$100 per hour** to complete just the tasks I need them to perform.



Pay the agent **a flat fee of \$10,000** to provide any services needed during my home buying process.

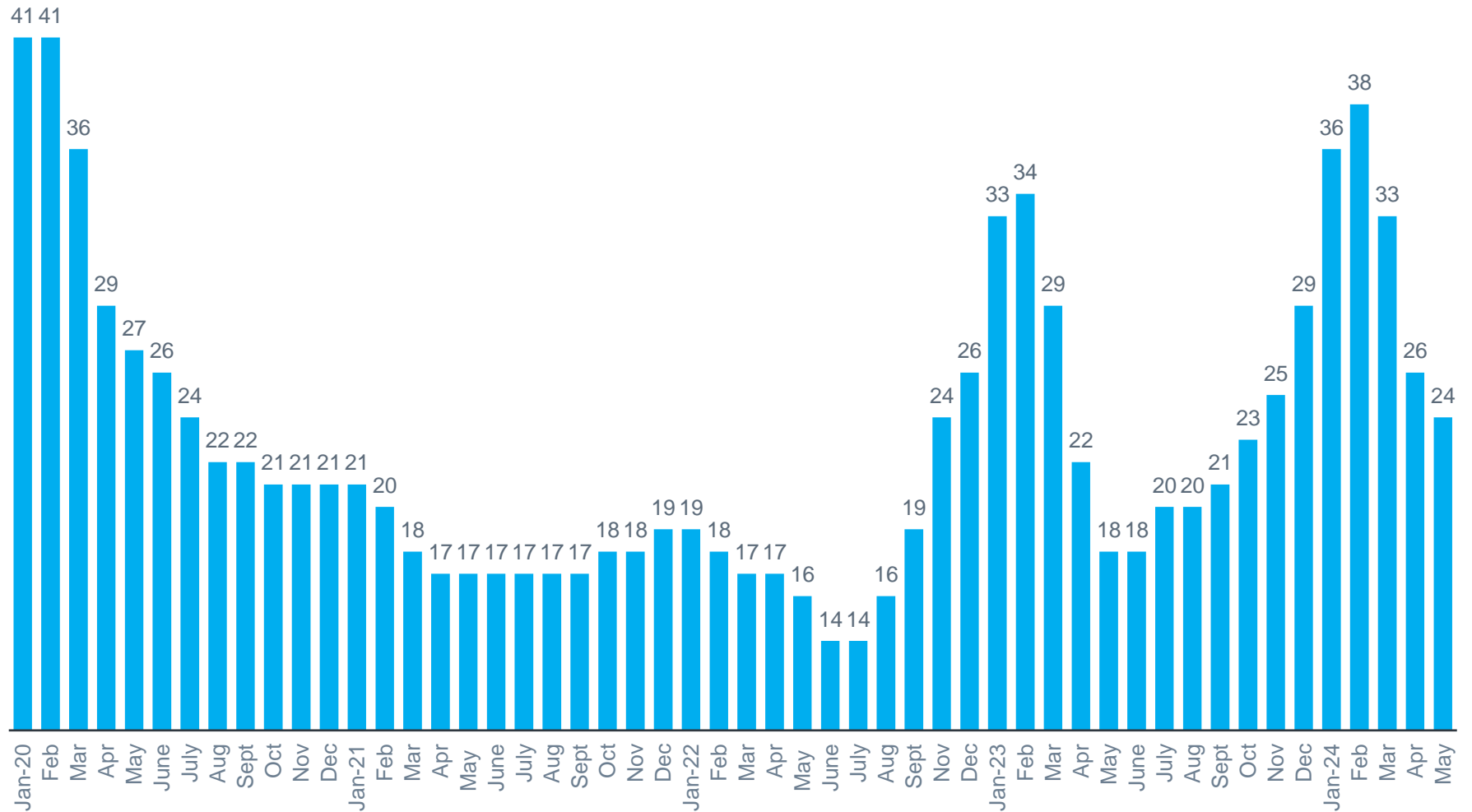


Pay the agent **a fee equal to 2.5% of the purchase of the home I purchase**, with no fee payable if I eventually decide not to buy.

Source: 1000Watt

Average Days on the Market

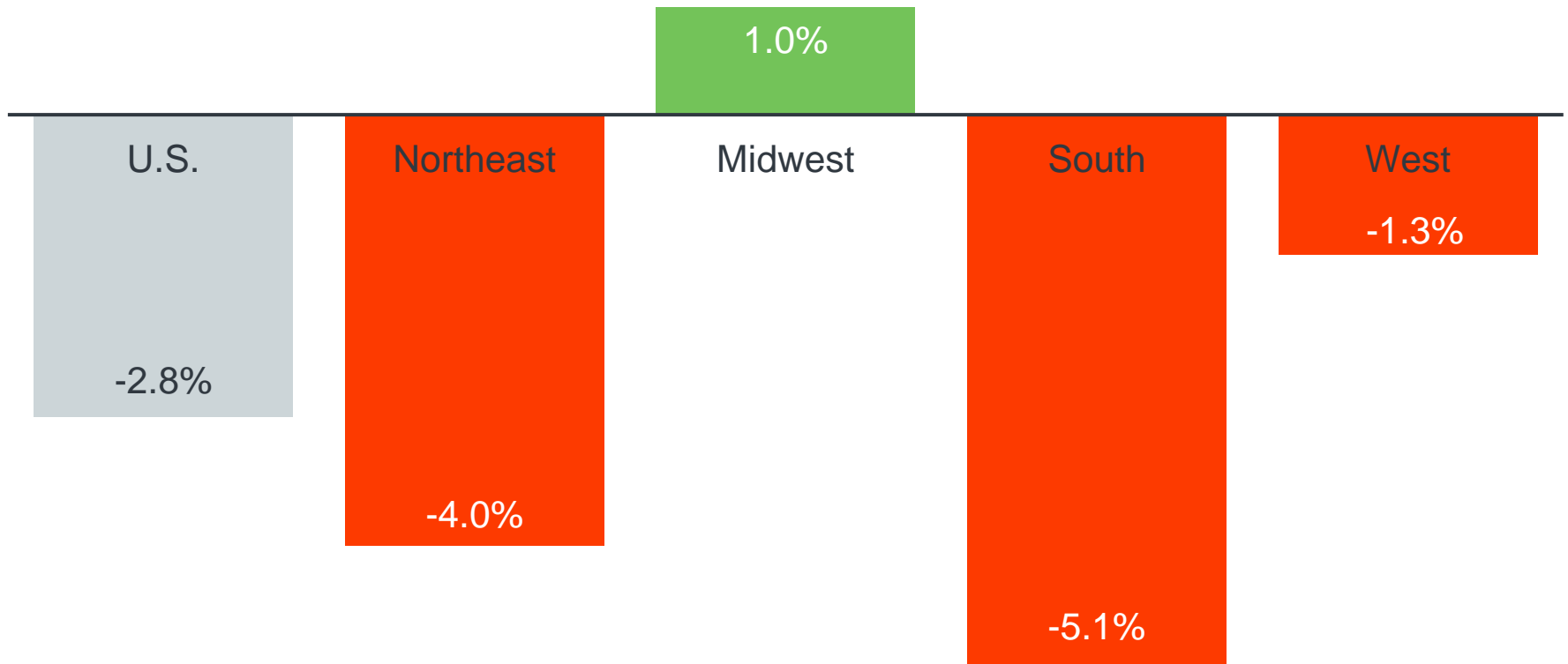
May 2024



Source: NAR

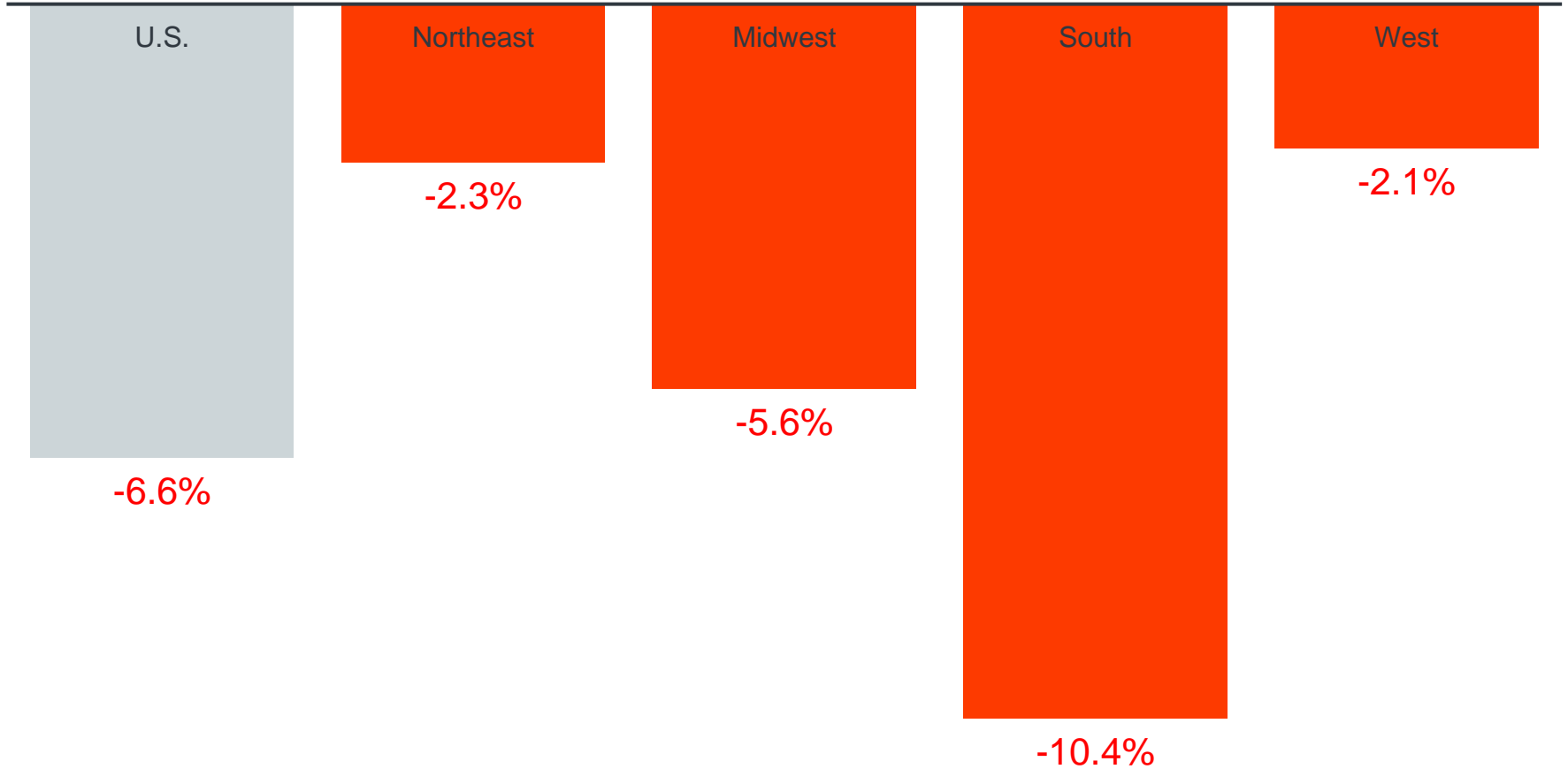
Existing Home Sales

Year-Over-Year, by Region



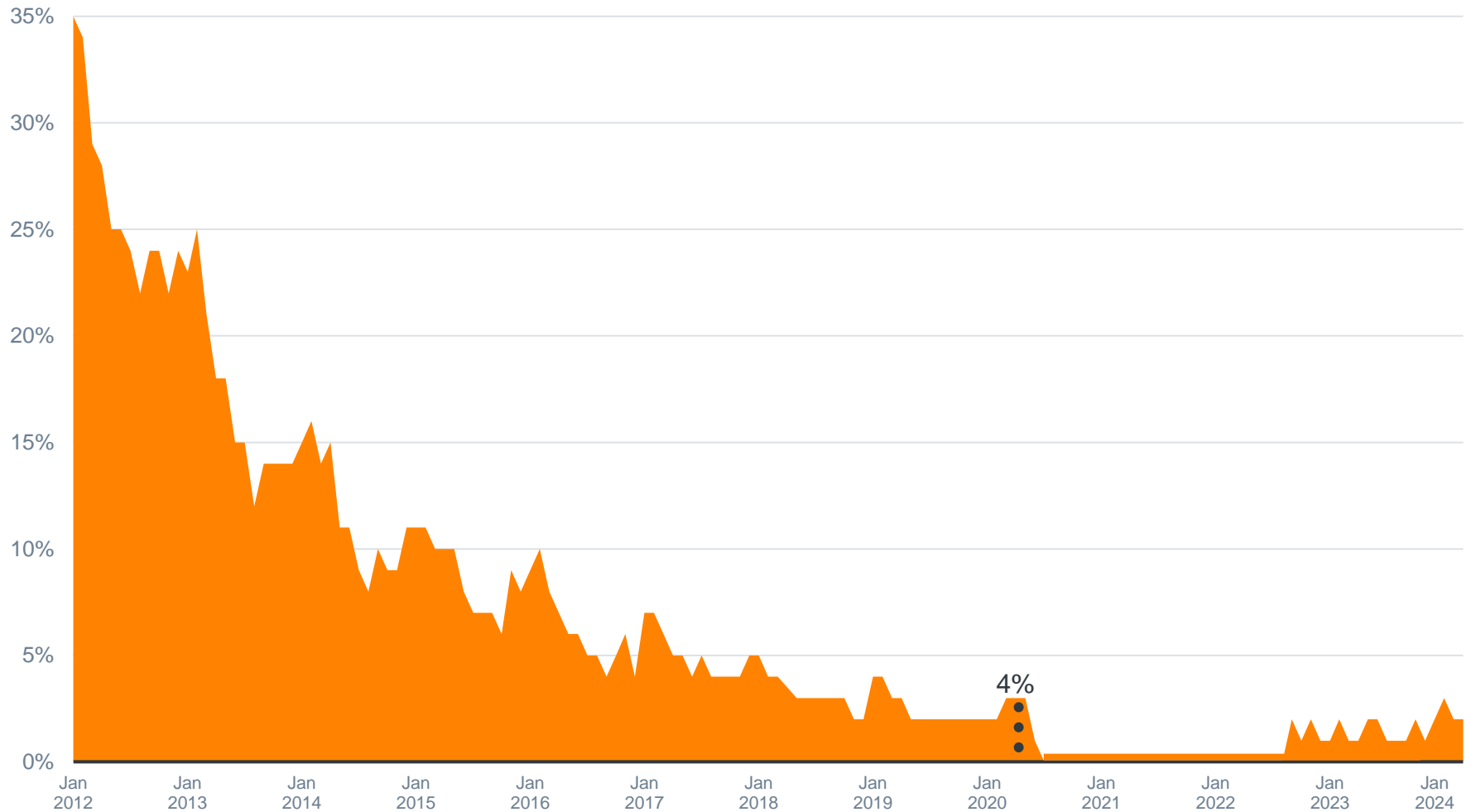
Pending Home Sales

Year-Over-Year by Region



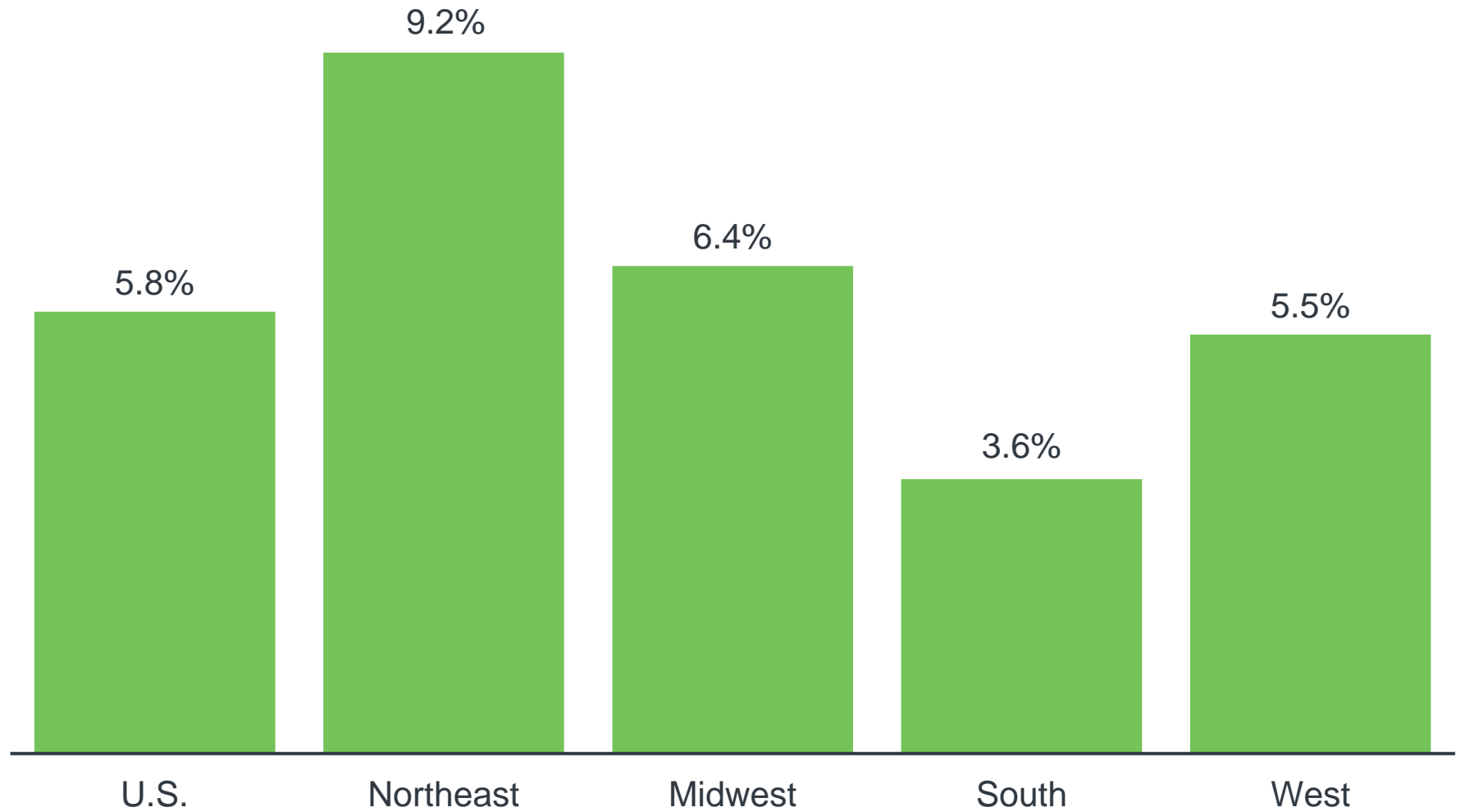
Percentage of Distressed Property Sales

Distressed Sales (Foreclosures and Short Sales) Represented 2% of sales in May



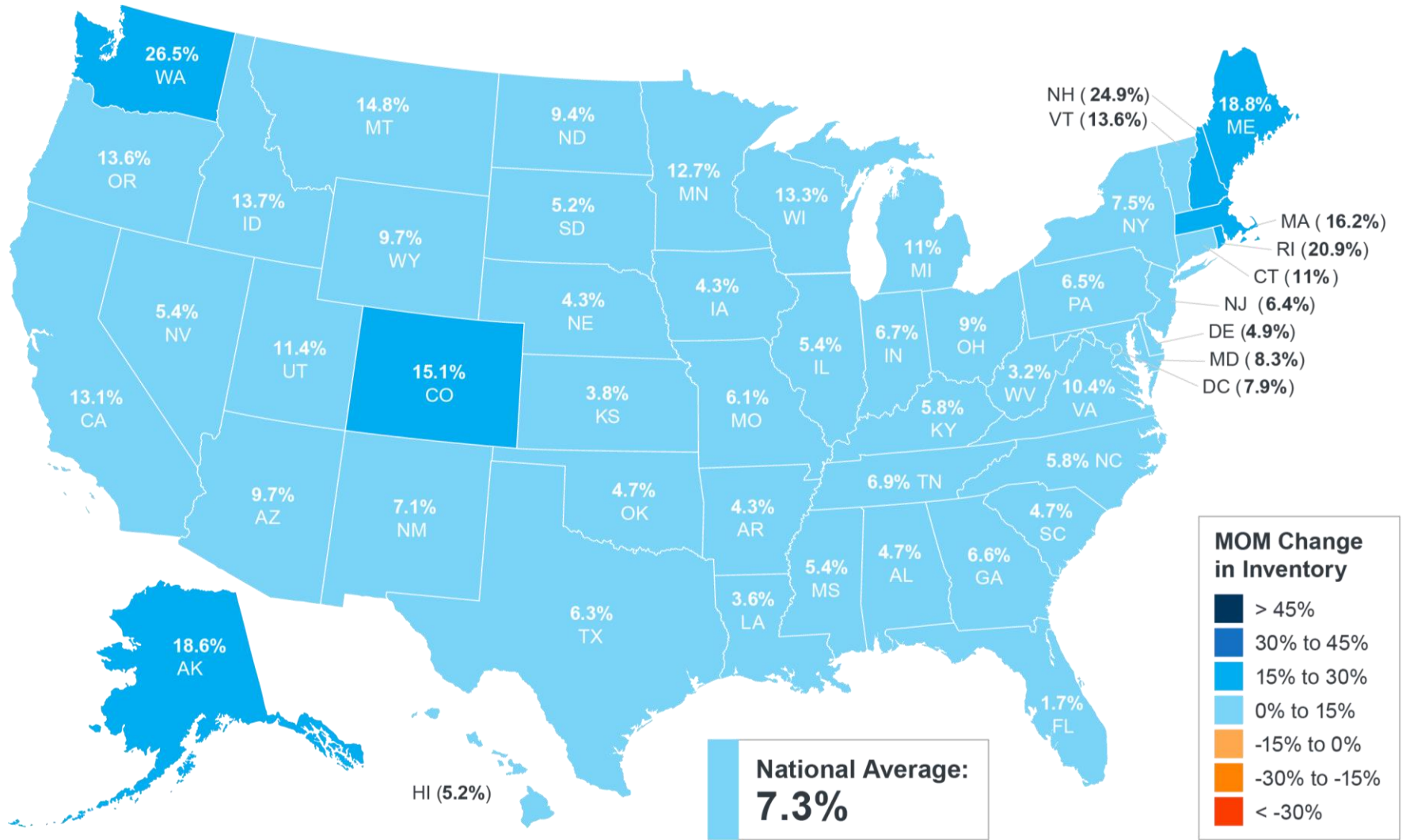
Sales Price of Existing Homes

Year-Over-Year, by Region



Change in Inventory

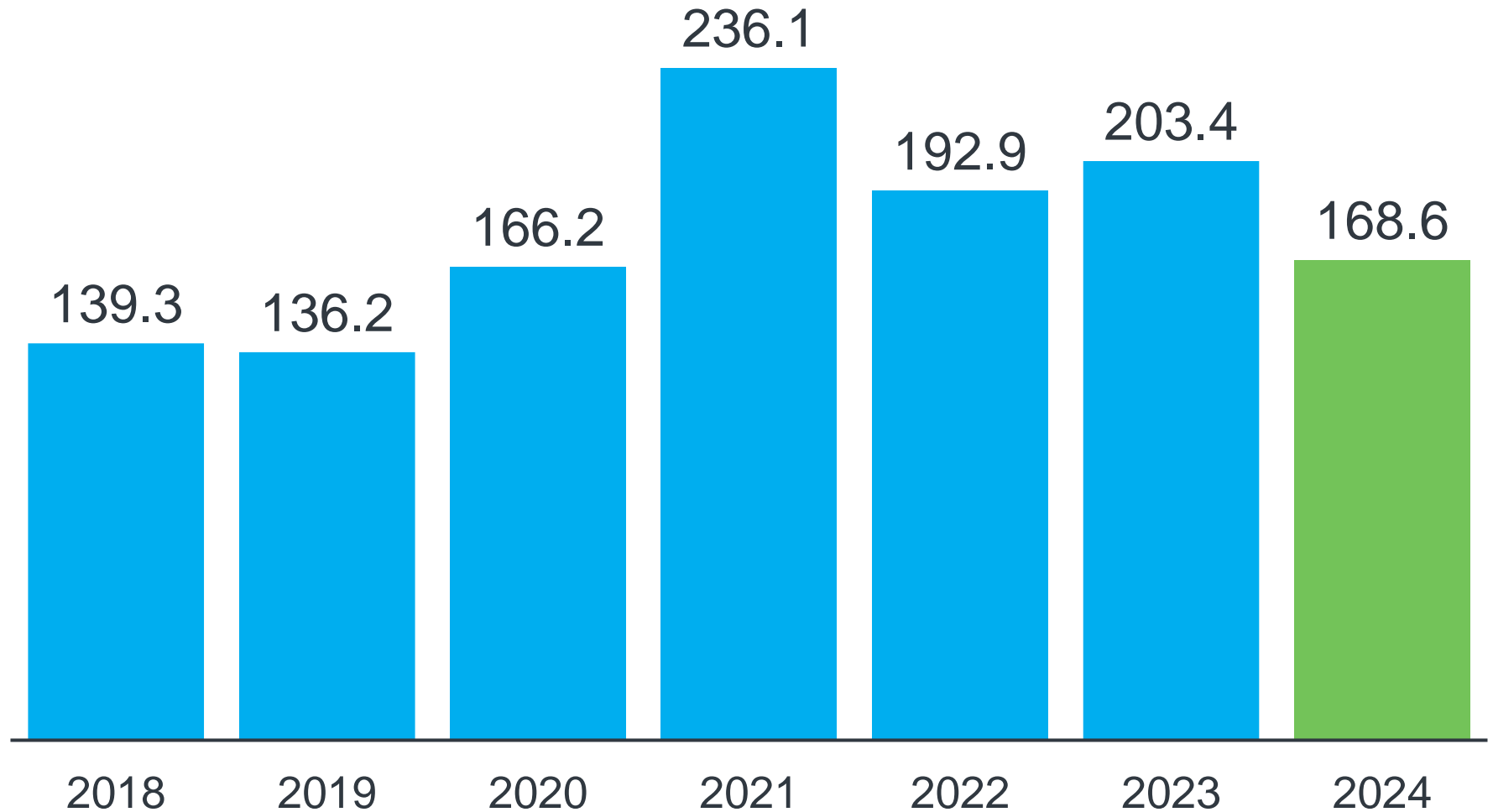
Month-Over-Month, May 2024



Source: Realtor.com

Showing Index Still Remain Above Pre-pandemic Levels

Showing Index over Last 7 Mays



LOCAL NEWS

Fairfield and New Haven Counties | Year-to-Date, Year-Over-Year Real Estate Sales in CT
 52 Housing Markets in 32 Towns | 01/01/2024-05/31/2024

		Median Sales Price			# Units Sold		
		2023	2024	Change	2023	2024	Change
Ansonia	SF	\$287,500	\$360,000	25.2%	54	42	-22.2%
Bethel	SF	\$479,000	\$500,000	4.4%	60	62	3.3%
	CN	\$382,500	\$420,750	10.0%	32	20	-37.5%
Bridgeport	SF	\$318,500	\$370,000	16.2%	252	198	-21.4%
	CN	\$165,000	\$185,000	12.1%	157	124	-21.0%
	MU	\$400,000	\$472,500	18.1%	132	134	1.5%
Brookfield	SF	\$508,750	\$653,650	28.5%	64	64	0.0%
	CN	\$315,000	\$377,500	19.8%	27	24	-11.1%
Cheshire	SF	\$486,000	\$500,000	2.9%	101	100	-1.0%
Danbury	SF	\$450,500	\$465,000	3.2%	142	133	-6.3%
	CN	\$334,750	\$325,000	-2.9%	150	131	-12.7%
Darien	SF	\$1,913,000	\$1,951,000	2.0%	108	71	-34.3%
Derby	SF	\$286,500	\$352,395	23.0%	38	24	-36.8%
Easton	SF	\$865,000	\$950,000	9.8%	45	39	-13.3%
Fairfield	SF	\$798,750	\$875,000	9.5%	267	252	-5.6%
	CN	\$490,000	\$690,000	40.8%	51	44	-13.7%
Greenwich	SF	\$2,300,000	\$2,200,000	-4.3%	120	115	-4.2%
Hamden	SF	\$320,000	\$346,500	8.3%	269	258	-4.1%
	CN	\$170,000	\$195,000	14.7%	88	60	-31.8%
Milford	SF	\$445,000	\$492,500	10.7%	218	174	-20.2%
	CN	\$290,000	\$320,000	10.3%	80	61	-23.8%
Monroe	SF	\$580,000	\$582,000	0.3%	61	68	11.5%
	CN	\$316,500	\$385,000	21.6%	30	22	-26.7%
New Canaan	SF	\$2,040,000	\$2,237,500	9.7%	96	96	0.0%

		Median Sales Price			# Units Sold		
		2023	2024	Change	2023	2024	Change
New Haven	SF	\$291,000	\$322,500	10.8%	137	126	-8.0%
	CN	\$210,000	\$264,000	25.7%	105	86	-18.1%
	MU	\$334,000	\$380,000	13.8%	107	143	33.6%
Newtown	SF	\$556,000	\$633,750	14.0%	137	128	-6.6%
	CN	\$420,000	\$524,750	24.9%	11	10	-9.1%
Norwalk	SF	\$620,500	\$726,000	17.0%	256	243	-5.1%
Orange	SF	\$565,000	\$567,500	0.4%	43	42	-2.3%
Oxford	SF	\$465,000	\$540,000	16.1%	38	45	18.4%
	CN	\$550,000	\$600,000	9.1%	21	15	-28.6%
Redding	SF	\$830,250	\$857,000	3.2%	42	43	2.4%
Ridgefield	SF	\$1,085,000	\$985,000	-9.2%	124	95	-23.4%
	CN	\$397,500	\$387,500	-2.5%	24	30	25.0%
Shelton	SF	\$473,500	\$535,000	13.0%	128	117	-8.6%
	CN	\$414,000	\$437,740	5.7%	64	69	7.8%
Southbury	SF	\$577,500	\$600,000	3.9%	62	62	0.0%
Stamford	SF	\$817,000	\$862,500	5.6%	242	242	0.0%
	CN	\$352,000	\$385,000	9.4%	291	237	-18.6%
Stratford	SF	\$379,713	\$435,500	14.7%	200	188	-6.0%
	CN	\$290,000	\$310,000	6.9%	103	87	-15.5%
Trumbull	SF	\$535,000	\$620,000	15.9%	149	143	-4.0%
	CN	\$490,000	\$479,900	-2.1%	33	17	-48.5%
West Haven	SF	\$299,450	\$341,000	13.9%	168	133	-20.8%
	CN	\$170,000	\$220,000	29.4%	47	31	-34.0%
	MU	\$347,500	\$425,500	22.4%	40	24	-40.0%
Weston	SF	\$1,100,000	\$1,337,500	21.6%	67	62	-7.5%
Westport	SF	\$2,093,750	\$2,050,000	-2.1%	148	131	-11.5%
Wilton	SF	\$1,131,000	\$1,197,500	5.9%	87	110	26.4%
Woodbridge	SF	\$637,000	\$652,500	2.4%	39	48	23.1%

Summary by Real Estate Market

	Median Sales Price			# Units Sold		
	Up	Down	Unchanged	Up	Down	Unchanged
SF	29	3	0	6	22	4
CN	14	3	0	2	15	0
MU	3	0	0	2	1	0

Hartford, Middlesex and Tolland Counties | Year-to-Date, Year-Over-Year Real Estate Sales in CT
 52 Housing Markets in 32 Towns | 01/01/2024-05/31/2024

		Median Sales Price			# Units Sold		
		2023	2024	Change	2023	2024	Change
Berlin	SF	\$352,500	\$400,000	13.5%	74	63	-14.9%
	CN	\$302,000	\$340,000	12.6%	17	19	11.8%
	MU	\$319,900	\$380,000	0.0%	2	5	0.0%
Bristol	SF	\$280,000	\$314,950	12.5%	239	224	-6.3%
	CN	\$175,000	\$202,500	15.7%	67	66	-1.5%
	MU	\$282,900	\$320,000	13.1%	37	34	-8.1%
Coventry	SF	\$325,000	\$325,000	0.0%	62	58	-6.5%
	CN	\$246,750	\$240,000	-2.7%	6	3	-50.0%
East Hartford	SF	\$245,000	\$277,500	13.3%	189	156	-17.5%
	CN	\$175,000	\$172,500	-1.4%	25	26	4.0%
	MU	\$287,500	\$340,500	18.4%	34	20	-41.2%
Glastonbury	SF	\$495,000	\$557,500	12.6%	131	128	-2.3%
	CN	\$284,000	\$330,000	16.2%	41	51	24.4%
	MU	\$407,500	\$415,000	0.0%	2	4	0.0%
Hebron	SF	\$390,000	\$435,000	11.5%	41	41	0.0%
	CN	\$270,000	\$180,000	-33.3%	3	3	0.0%
Manchester	SF	\$282,000	\$311,000	10.3%	187	174	-7.0%
	CN	\$172,000	\$200,000	16.3%	45	55	22.2%
	MU	\$316,000	\$376,450	19.1%	23	21	-8.7%

		Median Sales Price			# Units Sold		
		2023	2024	Change	2023	2024	Change
Middletown	SF	\$320,000	\$355,000	10.9%	149	132	-11.4%
	CN	\$165,000	\$209,950	27.2%	65	66	1.5%
	MU	\$282,000	\$350,000	24.1%	27	17	-37.0%
New Britain	SF	\$240,000	\$275,000	14.6%	159	134	-15.7%
	CN	\$148,000	\$182,500	23.3%	33	22	-33.3%
	MU	\$305,550	\$345,000	12.9%	85	77	-9.4%
Newington	SF	\$319,000	\$350,500	9.9%	116	112	-3.4%
	CN	\$227,500	\$235,000	3.3%	54	67	24.1%
Portland	SF	\$290,000	\$350,000	20.7%	29	37	27.6%
	CN	\$231,000	\$250,000	8.2%	8	6	-25.0%
South Windsor	SF	\$375,000	\$429,950	14.7%	102	98	-3.9%
	CN	\$265,000	\$305,000	15.1%	45	45	0.0%
	MU	\$380,000	\$0	0.0%	1	0	0.0%
Southington	SF	\$360,000	\$412,000	14.4%	170	129	-24.1%
	CN	\$265,000	\$288,500	8.9%	55	52	-5.5%
	MU	\$356,500	\$408,250	14.5%	8	10	25.0%
Vernon	SF	\$270,000	\$299,000	10.7%	82	83	1.2%
	CN	\$170,500	\$207,500	21.7%	32	52	62.5%
	MU	\$240,000	\$331,000	37.9%	15	9	-40.0%

Summary by Real Estate Market

	Median Sales Price			# Units Sold		
	Up	Down	Unchanged	Up	Down	Unchanged
SF	13	0	1	2	11	1
CN	11	3	0	7	5	2
MU	7	0	3	1	6	3

Data Compiled from SmartMLS as of 06/30/2024

TOWN STATS

Single Family

Transactions in 46 towns

8 Up

33 Down

5 Unchanged

TOWN STATS

Single Family

Median Sales Price in 46 towns

42 Up

3 Down

1 Unchanged

Local Market Update – June 2024

A Research Tool Provided by SmartMLS

	Fairfield County			New Haven County			Hartford County		
SINGLE FAMILY	January 1 - June 30			January 1 - June 30			January 1 - June 30		
Key Metrics	2023	2024	% Change	2023	2024	% Change	2023	2024	% Change
New Listings	4,112	4,243	↑3.2%	3,513	3,523	↑0.3%	3,650	3,644	↓0.2%
Pending Sales	3,208	3,095	↓3.5%	2,948	2,684	↓9%	3,166	3,016	↓4.7%
Closed Sales	2,868	2,673	↓6.8%	2,769	2,411	↓12.9%	2,914	2,689	↓7.7%
Median Sales Price	\$660,000	\$735,000	↑11.4%	\$338,500	\$380,000	↑12.3%	\$325,000	\$367,000	↑12.9%
Percent of List Price Received	102.5%	103.10%	↑0.6%	101.8%	102.6%	↑0.8%	104.3%	105.7%	↑1.3%

	Fairfield County			New Haven County			Hartford County		
TOWNHOUSE/CONDO	January 1 - June 30			January 1 - June 30			January 1 - June 30		
Key Metrics	2023	2024	% Change	2023	2024	% Change	2023	2024	% Change
New Listings	1,486	1,377	↓7.3%	1,181	1,153	↓2.4%	971	1,110	↑14.3%
Pending Sales	1,299	1,157	↓10.9%	1,044	954	↓8.6%	894	998	↑11.6%
Closed Sales	1,240	1,062	↓14.4%	963	878	↓8.8%	856	919	↑7.4%
Median Sales Price	\$345,000	\$375,500	↑8.8%	\$225,000	\$262,111	↑16.5%	\$231,233	\$260,000	↑12.4%
Percent of List Price Received	101.2%	101.70%	↑0.5%	101.9%	102.3%	↑0.4%	104.9%	104.8%	↓0.1%

TOWN STATS

County	Jan	Feb	March	April	May	June
Fairfield	101.10%	101.30%	101.90%	102.20%	102.80%	103.10%
New Haven	101.30%	101.30%	101.3%	101.30%	102.20%	102.6%
Hartford	102.60%	103.10%	103.8%	104.60%	105.20%	105.7%

***You don't have to be great to start,
but you have to start to be great.***

Joe Sabah

SUCCESS IS A JOURNEY,
NOT A DESTINATION

