Real Estate Trends

For Realtors, Homeowners and Professionals



November 2026

Is The Economy Strong?

Typically, we can answer this question beyond a shadow of a doubt. This year seems to be an exception. Overall economic growth is measured by the Gross Domestic Product (GDP) and the economy averaged a 2.35% growth rate for the first half of the year. This amounts to a solid growth rate. Not too hot and certainly not too cold. But if you look at the individual parts of the economy, another picture emerges. For example, job growth has averaged 68,000 per month thus far this year. And in ordinary times, this rate of job growth would be considered very sluggish. But as we have pointed out previously, our present stagnant population growth makes these times anything but ordinary.

Going to another important sector of the economy, real estate is painting a picture of languid growth. Earlier in the year, the real estate market was growing, albeit slowly, as mortgage rates headed toward 6.0%. However, in the past few months, interest rates have increased markedly, and the real estate market has turned quite stagnant as a result. It should also be pointed out that higher interest rates are likely to affect other sectors of the economy as well, from automobile purchases to general consumer spending. Along with interest rates, higher energy prices can affect leisure and business travel as inflation definitely affects this sector of the economy.

One area which seems to be doing quite well is consumer spending. Consumer spending is a significant part of the overall economy. Some of the higher spending is as a result of inflation – consumers spending more to purchase the same products such as gasoline. Tax refunds resulting from last year's tax bill have also provided a boost in consumer spending. Generally, as long as consumers are spending, the economy is growing. However, if higher interest rates and higher inflation rates persist, eventually consumer spending will run out of steam. Thus far, the economy has not reached this crossroad. The overall picture? An economy that is growing, but there are some lights flashing yellow...





Housing Outpaces Inflation

A dollar buys less of everything than it used to, but its purchasing power has especially declined in the housing market. Since 1984, home prices have grown 441% compared with just 210% for inflation. Clever Real Estate compared four decades of federal home price data with the Consumer Price Index, then ran the same comparison across the 50 most populous U.S. metros over the past 15 years.

Home prices in all 50 of the largest U.S. metros have outpaced inflation since 2011, with prices *at least* tripling in 13 of them. Over the past year, however, the tide has started to turn, with home prices trailing inflation in 27 of the 50 metros. The median U.S. home sold for $78,200 in 1984 and sells for $423,100 now, an increase of 441%. Inflation over those same four decades rose just 210%. If home prices matched inflation's 210% increase, the median home would cost $242,309, which is $180,791 less than today's actual price. In 1990, the median home cost $123,900. Home prices have since increased 241.5% compared with 146.3% for inflation. If home prices increased only as much as inflation, the median home now would cost $305,193, a gap of $117,907 from today's actual median price. In 2000, the median home price was $165,300 and has since increased 156% compared with 87% for inflation.

The median home now would cost $309,043 if it kept pace with inflation, a $114,057 gap from today's actual median. Nationally, inflation rose 47.7% between January 2011 and January 2026. Home prices rose faster than that in all 50 of the largest metros, ranging from 65.5% in Baltimore to 344% in Miami, with a median increase of 151%...

Source: Clever Real Estate

Selected Interest Rates

October 22, 2026

30 Year Mortgages———7.32%
2025 High (Jan 16)———7.04%
2025 Low (Dec 31)———6.15%
15 Year Mortgages———6.68%
10 Year Treasuries———4.96%

Sources—Fed Reserve, Freddie Mac
Note: Average rates do not include fees and points. Information is provided for indicating trends only and should not be used for comparison purposes.

New Construction Insights

AI is making it easier to create picture perfect listings, from replacing skies and removing objects to adding in virtual furniture. As writer Melissa Dittmann Tracey reports, new global research from Coraly, a property portal tech company, found that one in nine primary listing photos on leading U.S. property portals show signs of being altered, and more than 90% of those images carried no visible disclosure on the image or immediately adjacent listing context.

As altered listing photos face greater scrutiny from states, real estate organizations and buyers, several companies part of NAR's REACH program are developing tools to increase transparency around digitally altered property images. Coraly and Restb.ai, for example, have tools that can detect altered or potentially noncompliant images and help MLSs and portals maintain a record of changes and disclosures.

"My rule is simple: Improve the photograph, not the property," says Fouad Bekkar, founder of Coraly. AI tools can be useful presenting a home in its best light, Bekkar says, but "the line is crossed when an edit changes a reasonable buyer's understanding of the property's condition, dimensions, contents, structure, surroundings or view." ...

Source: National Association of Realtors

Did You Know...

In 2005, there were about 1.5 million owner-occupied homes in the United States valued at least $1 million. They represented only 2% of all owner-occupied homes. By 2024, that number had increased to about 6.9 million homes, accounting for 8%.

Economists at Fannie Mae are now predicting much higher mortgage rates through the end of 2026 and into 2027. It now puts the average rate on the 30-year fixed at 7.4% for the fourth quarter of this year and 7.5% through all of 2027.

Compliments of
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