

The 2026 HOUSING MARKET

WHAT HAS CHANGED — AND WHAT HASN'T

Over the past year, the housing market has shifted — particularly for homes priced **\$400,000 and above**. While headlines often focus on interest rates, the reality is more nuanced. Homes are still selling, but **the margin for error has narrowed**.

Understanding the current market environment is the first step to positioning a home correctly.

INTEREST RATES

Most national housing economists expect mortgage rates to remain in the **low-to-mid 6% range** throughout 2026. While this is an improvement from recent highs, rates are not returning to the historic lows of prior years.

What this means for sellers:

Buyers are still active, but they are more payment-conscious and deliberate. Homes that are accurately priced continue to attract attention; homes that are not tend to be overlooked.

HOME VALUES & APPRECIATION

National forecasts project **flat to modest price growth (approximately 0–3%)**. The rapid appreciation seen in earlier years has cooled, and buyers are no longer willing to “stretch” based on future value.

What this means for sellers:

Today's buyers base decisions on **current market value**, not past peak pricing or future speculation.

INVENTORY LEVELS

Housing inventory is gradually increasing, giving buyers more choices and leverage. While supply remains market-specific, buyers now compare homes more critically — especially in higher price ranges.

What this means for sellers:

Competition has increased. Accurate pricing and strong positioning are no longer optional — they are essential.

BUYER DEMAND

Demand has stabilized and is expected to improve modestly as affordability adjusts. However, this is not a surge market. Buyers move forward when a home clearly aligns with value.

What this means for sellers:

Homes that meet the market sell. Homes that chase the market wait.

THE BOTTOM LINE

This market is not defined by timing alone.

It is defined by **pricing accuracy, positioning, and buyer perception**.

Understanding how the market is behaving today allows sellers to make informed decisions — and avoid repeating strategies that no longer work.