

Greater Inventory Brings Home Buyers Back

From the REALTOR® Magazine,
by Melissa Dittmann Tracey

As the spring thaw sets in, new housing momentum is “flashing encouraging signs” for the market, says NAR Chief Economist Lawrence Yun.

A notable uptick in housing inventory nationwide may be pulling the real estate market out of a long winter hibernation.

Total existing-home sales, which account for completed transactions for single-family homes, townhomes, condos and co-ops, rose 4.2% month over month in February, the National Association of REALTORS® reported Thursday.

“Home buyers are slowly entering the market,” even as mortgage rates and home prices appear frozen at elevated levels,



Perry Homes and Britton Homes set up a grand opening presentation.

says NAR Chief Economist Lawrence Yun. “More inventory and choices are releasing pent-up housing demand.”

Existing-home inventory climbed 5.1% month over month in February and is up 17% from a year ago, NAR reports. Also adding to the housing supply, single-family construction rose 11.4% last month, reaching the highest pace in a year, the Commerce Department reports.

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Parkstone Mortgage loan originators Cris Vento and Amy Stinson attended the grand opening of The Terraces in Rockwall recently! With a great turnout and a fun casino-themed game, it was an exciting event enjoyed by all.

CUSTOMER COMMENTS

“Julie is very knowledgeable and always responded promptly to any of our questions. She was patient and always actively listened to our questions and concerns along the way. We’d be happy to work with Julie in the future and would also recommend her.” – **Niranjana J.**

JULIE DAVIS AND KELLIE ARMSTRONG

“Drew was very responsive and clear. He made the entire process smooth and easy.” – **Gary S.**

DREW RUSSO AND WALTER POHLMAYER

“The team was professional and easy to work with. They helped make the process very easy. Most importantly, we were in a time crunch to close and they made sure we closed by our required date! For that, we are truly grateful.” – **Adrian T.**

NICK RUSSO AND WALTER POHLMAYER

“Hands down the most exceptional mortgage experience I’ve ever had! Ms. Amy went above and beyond to explain every step of the process, answered all my questions, and ensured a smooth transaction. Amy’s professionalism, expertise, and communication skills are top-notch. She truly cared about my concerns and worked tirelessly to find the best solutions. I’d highly recommend her to anyone seeking a stress-free and efficient mortgage loan process.” – **Valencia B.**

AMY RIVERA AND THAISA DA SILVERIA

“Great experience working with Mike!” – **Alysia B.**

MIKE SMALLING AND VANESSA PEREZ

“Great communication and execution in a tight timeline.” – **Andrew V.**

PAUL LACY AND THAISA DA SILVEIRA

Rate Watch

Freddie Mac

Primary Mortgage Market Survey®

U.S. weekly average mortgage rates as of 03/20/2025



It was a frigid winter for the U.S., which helped soften foot traffic among home buyers. But as the spring thaw begins, "the momentum for home sales is flashing encouraging signs," Yun adds.

Home Prices Remain Strong

The median price for an existing home increased 3.8% to \$398,400 in February, NAR data shows. All four major regions of the U.S. recorded price gains last month, led by a 10.4% annual increase in the Northeast.

"Each one percentage point gain in home price translates into an approximately \$350 billion increase in housing equity for American property owners," Yun says. "That means a gain of nearly

\$1.3 trillion in home value appreciation at a time when the stock market is undergoing a correction."

He adds that the recent uptick in inventory shouldn't dampen home prices. "The ongoing housing shortage, coupled with historically low mortgage default rates, implies a solid foundation for home values," Yun says.

Some home sellers may be leveraging their equity in the next home purchase. Cash sales comprised about a third of home sales in February, continuing to command a historically high share of the market. Individual investors and second-home buyers comprise a sizable portion of cash sales, purchasing 16% of homes in February, which is down from 21% a year ago, NAR reports.



The grand opening of The Terraces in Rockwall was a big event with a very large and fun-filled turn-out, sponsored by Parkstone Mortgage.

PARKSTONE COMMUNITY HIGHLIGHTS



The San Antonio Division 1 team at Perry Homes gathered for a lunch meeting, welcoming new Sales Counselor Emily Barentine. Emily, who previously worked with David Weekley alongside Savannah Zipp, brings valuable experience to the team. DP Philip Weynand shared updates on ramping up inventory builds in Castroville at Alsatian Oaks and the team's plan for an anticipated busy spring and summer. The event brought together a great group of realtors and industry professionals, including Anne Yarborough, Perry Divisional Marketing Manager, seen in the photo at the table wearing a purple shirt. It was a fantastic opportunity to connect, collaborate, and strengthen relationships in the real estate community!



Kat Kothmann took a road trip from San Antonio to Austin recently on a Saturday afternoon with her husband as chauffeur. They clocked 8 hours/246 miles on the road and visited 6 subdivisions to deliver little St. Paddy's Day "treats" to 13 sales counselors. It was a beautiful day of great conversation and visits with all!

Housing Affordability Headwinds Continue

With high home prices and mortgage rates in the mid-6% range, home buyers may need to dig deeper in their pockets to complete a home purchase. Despite affordability challenges, first-time home buyers comprised 31% of existing-home sales in February, up from 24% a year earlier, according to NAR. As housing inventory rises, so is the share of first-time home buyers.

Overall, buyer demand remains strong despite cost pressure. Twenty-one percent of homes sold above list price last month, according to the REALTORS® Confidence Index, which is based on NAR members' most recent transactions. The average home on the market received 2.3 offers in February, and about 50% of agents say

their listings sold in less than a month. For buyers facing budget concerns, home builders are offering incentives to compete: Nearly 60% of builders in March used sales incentives, such as covering closing costs, design credits or mortgage-rate buydowns, the National Association of Home Builders reports. Also, 29% of builders cut their prices in March, with an average 5% price reduction.

Regional Snapshot of Sales

Existing-home sales jumped the most in the West while faltering in the Northeast, even as home prices there soared. Here's a closer look at how existing-home sales fared across the country in February:

Northeast: Sales decreased 2% month over month, reaching an annual rate of 500,000. Existing-home sales are up

4.2% from a year earlier. Median price: \$464,300, up 10.4% from one year earlier.

Midwest: Sales were unchanged from January at an annual rate of 1 million. Sales are up 1% from the prior year. Median price: \$295,500, up 5.8% from a year ago.

South: Sales climbed 4.4% month over month to an annual rate of 1.91 million but were down 4% from a year before. The median price was \$358,800, up 1.9% from last year.

West: Sales jumped 13.3% to an annual rate of 850,000, which is identical to a year ago. Median price: \$614,600, up 3.6% from last year.

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PARKSTONE COMMUNITY HIGHLIGHTS



Another image from the grand opening of The Terraces in Rockwall. Cris Vento and Amy Stinson attended the event sponsored by Parkstone.