

March Existing Home Sales

Bryce Gill – Economist
Brian S. Wesbury – Chief Economist
Robert Stein, CFA – Dep. Chief Economist

- Existing home sales declined 3.6% in March to a 3.980 million annual rate, lagging the consensus expected 4.050 million. Sales are down 1.0% versus a year ago.
- Sales in March fell in all the major regions. The decline in March was due to both single-family homes and condos/co-ops.
- The median price of an existing home increased to \$408,800 in March (not seasonally adjusted) and is up 1.4% versus a year ago.

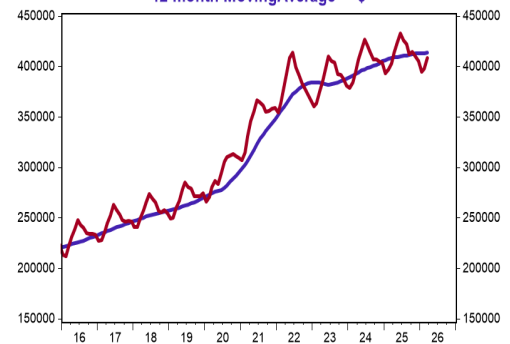
Implications: Existing home sales continued to struggle in March, falling to a nine-month low. Looking at the big picture, sales remain near the low following the Great Financial Crisis and are well below the roughly 5.250 million annual pace pre-COVID (let alone the 6.500 million pace during COVID). The main issue remains affordability which has taken a turn for the worse recently due to the war on Iran raising energy costs and having an upward impact on [inflation](#). The result has been a rapid increase in 30-year mortgage rates, which now sit around 6.5%, the highest rate since last summer. Further rate cuts from the Federal Reserve are also likely off the table as we discussed in today’s [Monday Morning Outlook](#). Buyers also face an ongoing headwind from tight inventories; the months’ supply of homes (how long it would take to sell existing inventory at the current very slow sales pace) was 4.1 in March, below the benchmark of 5.0 that the National Association of Realtors uses to denote a normal market. Many existing homeowners also remain reluctant to sell due to a “mortgage lock-in” phenomenon, after buying or refinancing at much lower rates before 2022. This means potential buyers will have to continue to deal with limited options. Existing home sales also face significant competition from new homes, where in many cases developers are buying down mortgage rates to compete and move inventory. One piece of good news is that the median price of an existing home is up only 1.4% versus a year ago. Aggregate wage growth (hourly earnings plus hours worked) has been consistently outpacing median home price gains over the past year for the first time since 2023, which improves affordability. Considering these cross currents, and the fact that existing home sales have been stuck in low gear since the end of the COVID pandemic, we expect 2026 to likely be more of the same.

NAR Total Existing Home Sales, United States
SAAR, Thous



Source: National Association of Realtors/Haver Analytics

Existing Homes: Median Sales Price
Existing Homes: Median Sales Price
 12-month Moving Average \$



Source: National Association of Realtors/Haver Analytics

Existing Home Sales	Mar-26		Feb-26	Jan-26	3-month	6-month	Yr to Yr
	% Ch.	level	level	level	moving avg.	moving avg.	% Change
<i>Seasonally Adjusted Unless Noted, Levels in Thous.</i>							
Existing Home Sales	-3.6%	3980	4130	4020	4043	4100	-1.0
Northeast	-8.5%	430	470	500	467	483	-12.2
Midwest	-4.2%	920	960	930	937	958	-3.2
South	-3.1%	1860	1920	1860	1880	1897	2.2
West	-1.3%	770	780	730	760	762	1.3
Median Sales Price (\$, NSA)	2.7%	408800	398000	395000	400600	405300	1.4

Source: National Association of Realtors