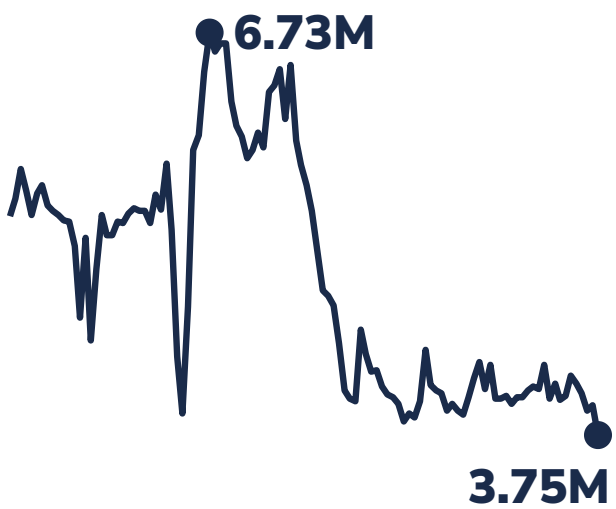
US housing: the cracks widen

Home sales fell to a 16-year low. Mortgage rates rose again this week to 7.28%, and almost all Fed officials expect more rate rises. That would add to the strain.

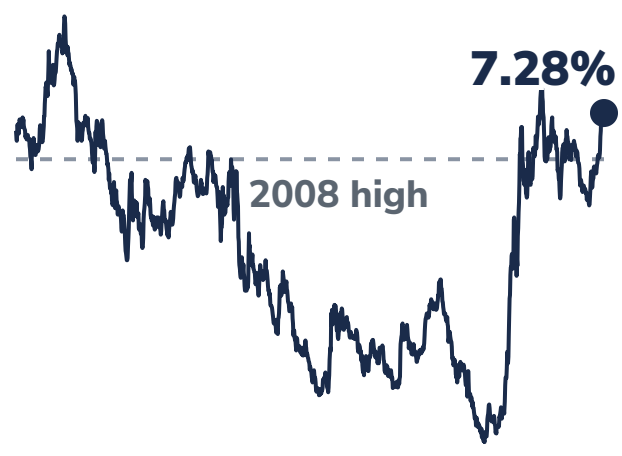
Existing home sales

Millions a year **Lowest since 2010**



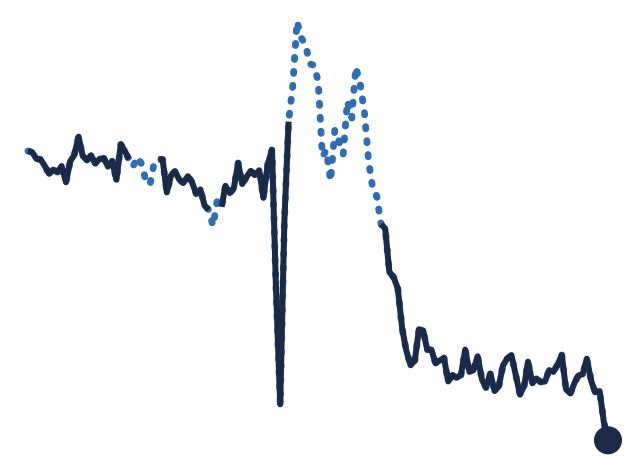
Mortgage rate

30-year, % **Above 2008's 6.63%**



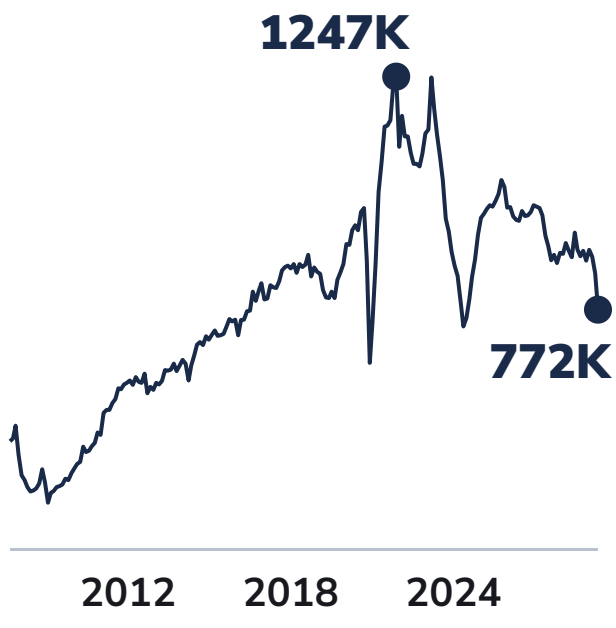
Pending home sales

Index **Record low**



Single-family permits

K a year **Lowest since 2023**



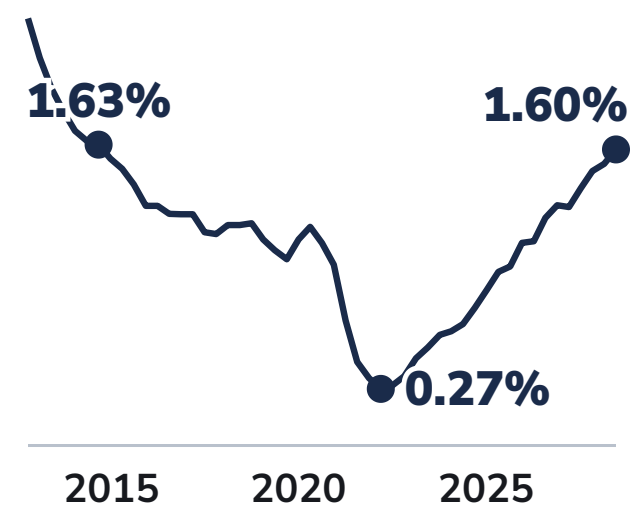
New homes for sale

K **Back near early 2008**



90+ day flow rate

%, a year **Highest since 2015**



Amar Harolikar, ACA · Decision Sciences & Applied AI

20 November 2026 **tigzig.com**

Nine of 11 housing measures are weak. Only resale prices are holding up

- Existing home sales are at 3.75 million, the lowest since August 2010 (NAR). Pending home sales are the lowest since NAR's index began in 2001, and builders are the gloomiest since 2012.
- Mortgage rates rose to 7.28% this week. Resale prices are still rising, and the 90+ day flow rate is the highest since 2015.

MEASURE	LATEST	STATUS	LAST 3 MONTHS
Mortgage rate, 30-year	**7.28%** Nov 19	Weak	✗
Pending home sales, YoY	**–16.7%** Oct	Weak	✗
Existing homes sold, a year	**3.75M** Oct	Weak	✗
Builder sentiment (NAHB)	**25** Nov	Weak	✗
Single-family permits	**772K** Oct	Weak	✗
Single-family starts	**864K** Oct	Weak	↔
New homes sold, a year	**676K** Sep	Mixed	↔
Unsold new homes, months	**8.4** Sep	Weak	↔
Resale prices, YoY	**+2.1%** Aug	Holding	✓
Mortgages 90+ days late	**1.13%** Q3	Weak	✗
90+ day flow rate, a year	**1.60%** Q3	Weak	✗

Status the latest reading against the 2018-19 average and a year ago: Weak worse than both, Mixed worse than one.

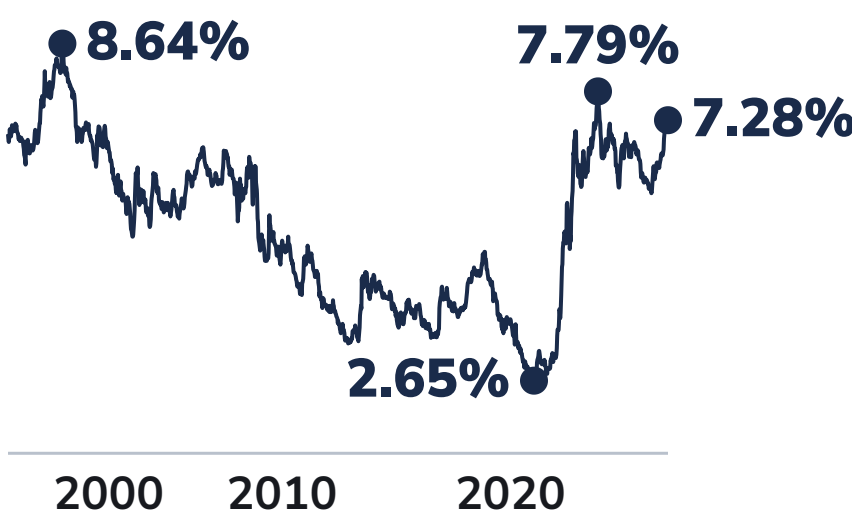
Last 3 months ✗ worse ↔ little change ✓ better. Holding: resale prices still rising. Pending sales are compared with a year ago only.

SOURCES FRED (Census, Freddie Mac, S&P Cotality Case-Shiller, NAR). NAR pending sales, 18 Nov. NAR existing-home sales, 12 Nov. NAHB/Wells Fargo HMI. NY Fed household debt.

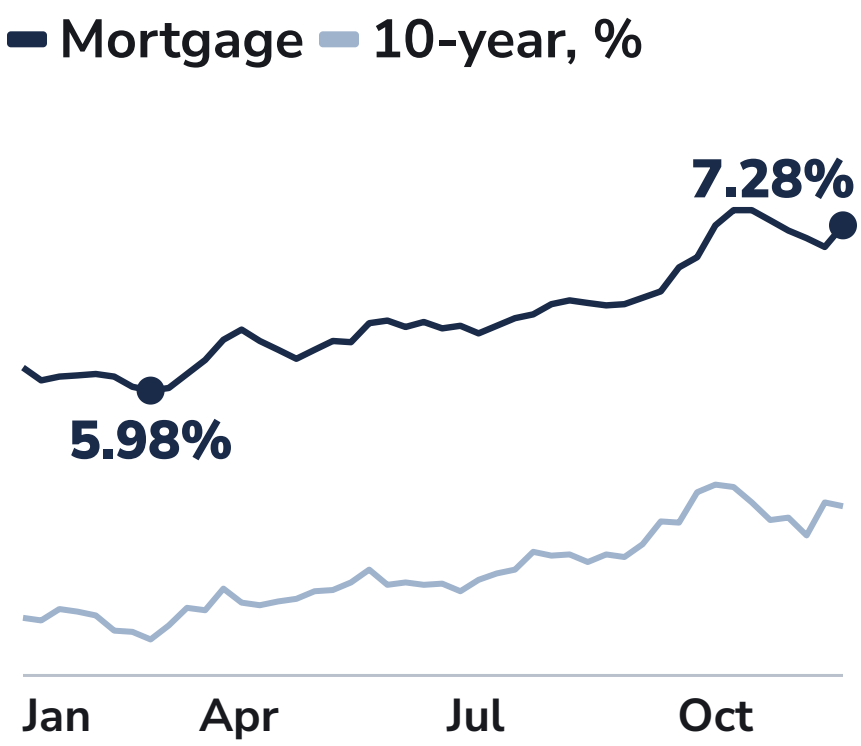
Mortgage rates are 7.28%, and the Fed expects more rate rises

30-year mortgage rate

%, weekly, since 1998. 2023 peak 7.79%



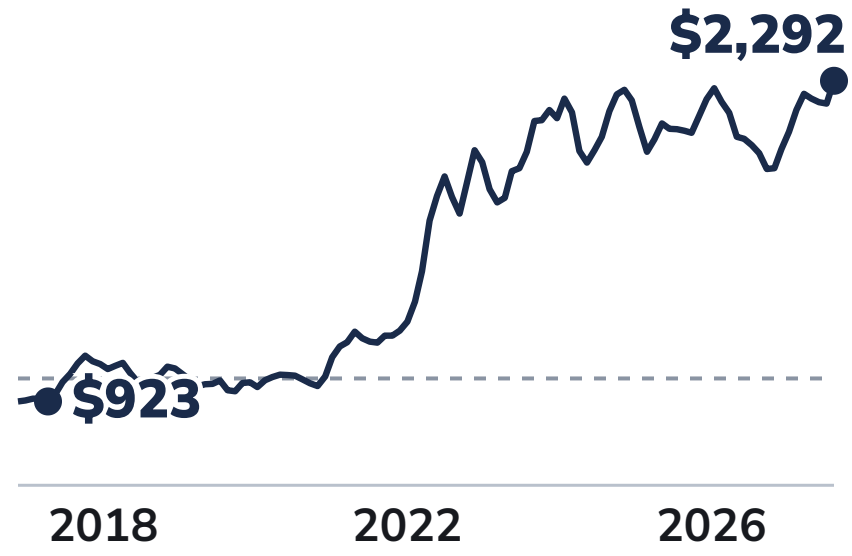
2026, week by week



A typical home's monthly payment is $2,292, more than double 2019

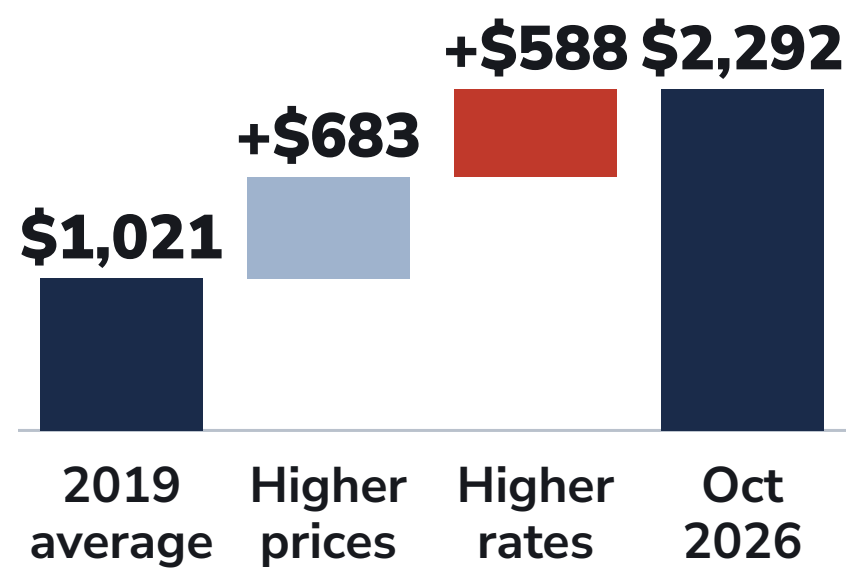
Monthly payment

$ a month, median home. Dashed: 2019 average



What raised the payment

$ a month. Price +54%, rate 3.9% to 7.3%

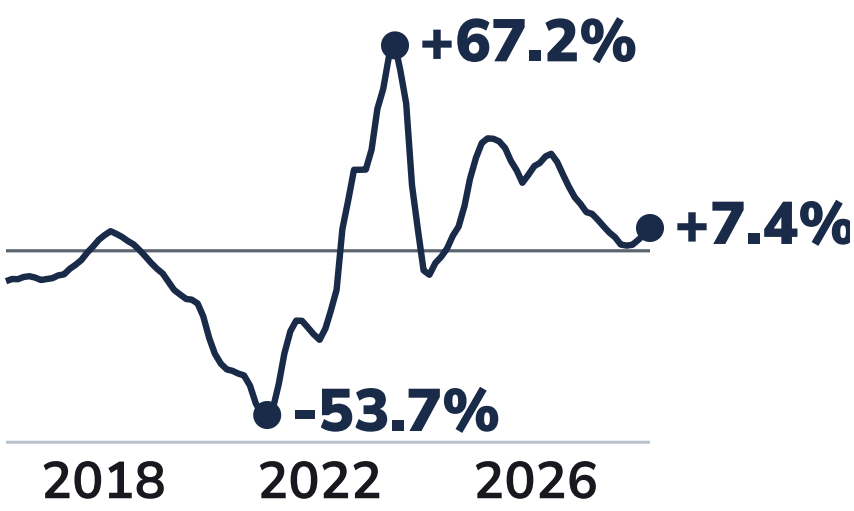


SOURCES Freddie Mac PMMS and Treasury via FRED (MORTGAGE30US, DGS10). Payment is my calculation: NAR median price, the month's average rate, 20% down, 30 years, principal and interest. Each effect is averaged over both orders.

Pending home sales fell to 63.0 in October, a record low for NAR's index

1. Listed Homes for sale

Realtor.com listings, YoY %.
1.18M in Oct



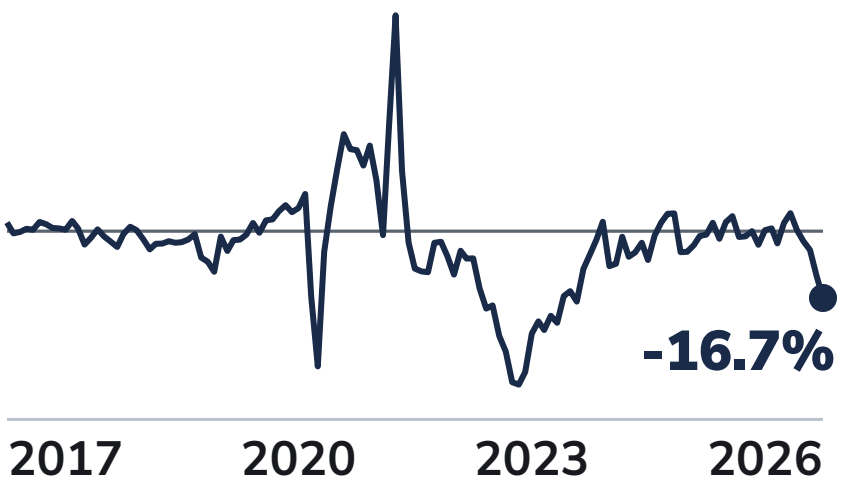
2. Contract Pending sales

Index level, adjusted. — NAR tables ··· NAR releases



Pending sales, YoY

% change on the same month a year ago, same index



3. Closed Home sales

NAR existing homes, YoY %.
3.75M a year in Oct



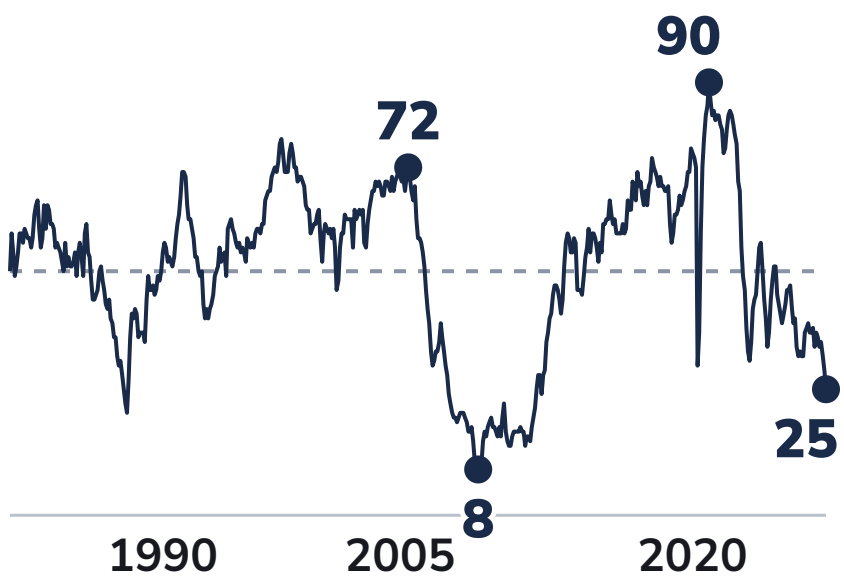
- Pending sales fell in every region, the West most (20.3%). Over 95% of borrowers have a rate below today's (CNBC), so few sell. **The other side:** NAR says distressed sales are only 2%.

SOURCES NAR existing-home sales, 12 Nov. NAR Pending Home Sales Index (Oct 2026; history compiled from NAR reports). Realtor.com via FRED (ACTLISCOUUS).

Builders are the gloomiest since 2012. Single-family permits are the lowest since January 2023

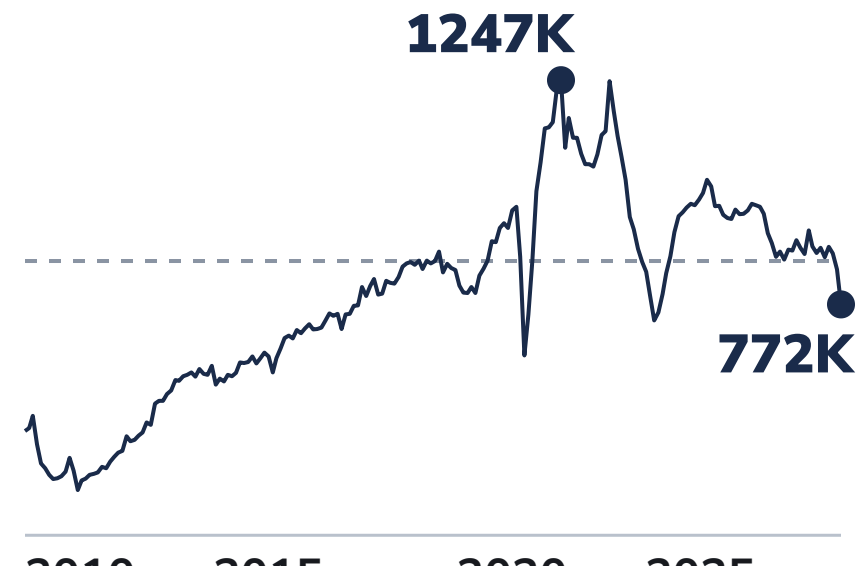
Builder sentiment

NAHB index, 0 to 100, since 1985. Dashed: 50



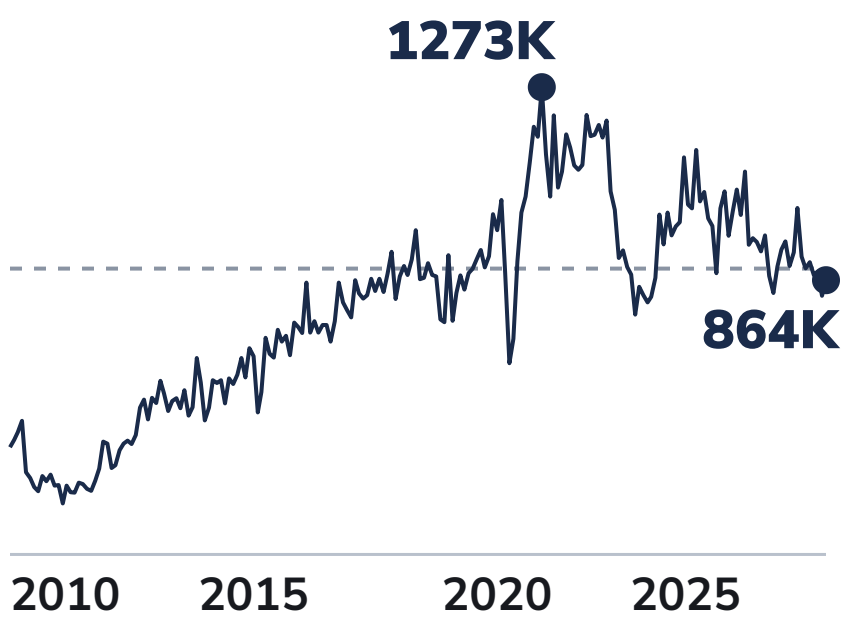
Single-family permits

K a year, since 2010. Dashed: 2019 avg. 2005 peak 1,798K



Single-family starts

K a year, since 2010. Dashed: 2019 avg 889K



- Permits are down 38% from the January 2021 peak and 12.9% year on year. Starts are down 3.2%. Many builders are still trying to sell, says Nationwide.
- 46% of builders cut prices in November, a post-Covid high, by 6% on average. 68% used incentives.

SOURCES NAHB/Wells Fargo HMI. Census new residential construction, 18 Nov. Census via FRED (PERMIT1, HOUST1F).

Unsold new homes are still at 2008 levels

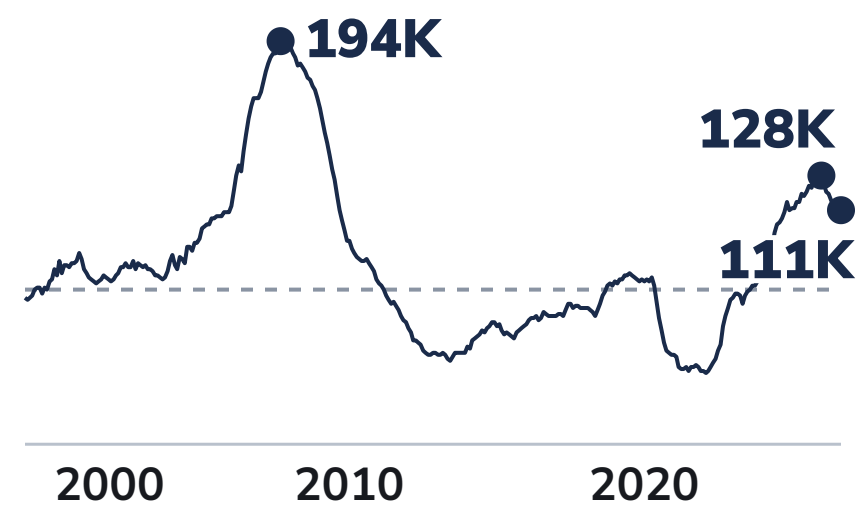
Months' supply, new homes

Months to sell them at today's pace. Dashed: 2018-19 avg 6.0



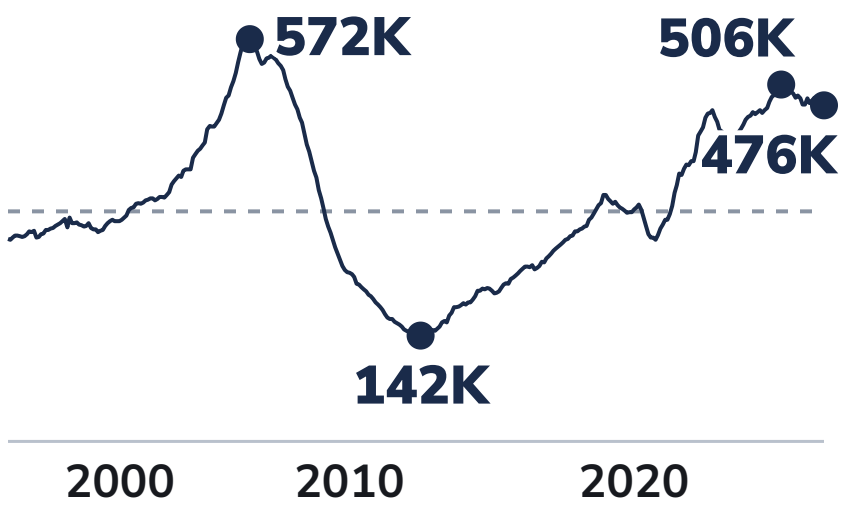
Finished new homes for sale

Inventory, K, since 1999. Dashed: 2018-19 avg 72K



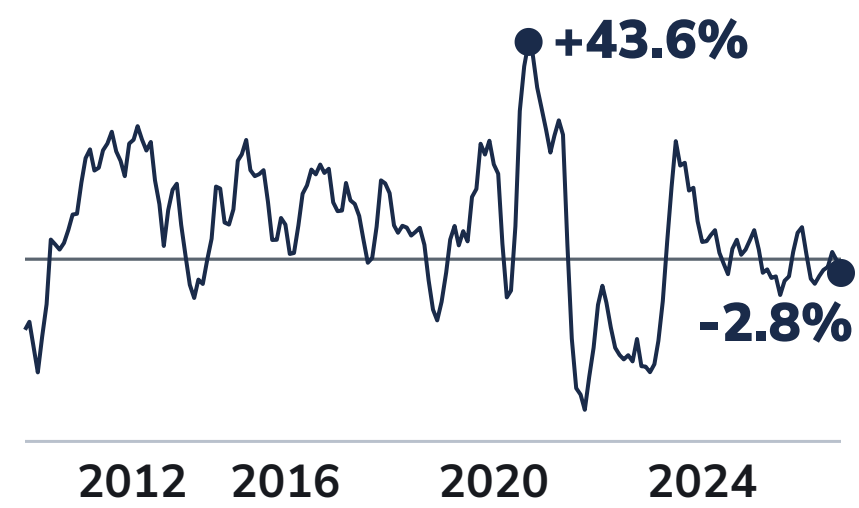
All new homes for sale

Inventory, K, since 1998. Dashed: 2018-19 avg 322K



New homes sold, YoY

Census, 3-month average, % change. 676K a year in Sep



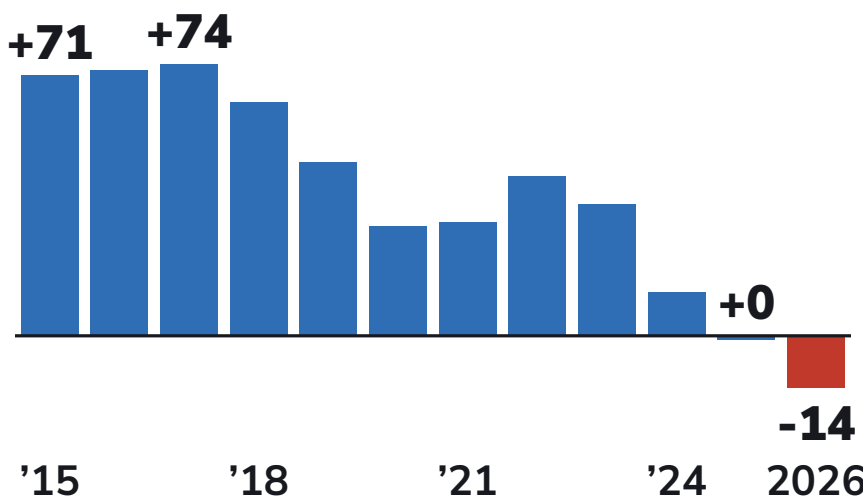
- 476K new homes are for sale, the level of February 2008, down from 506K in Mar 2025. Builders are cutting prices.

SOURCES Census via FRED (MSACSR, HNFSEPUSSA, NHFSEPCS, HSN1F). CNBC 20 Oct.

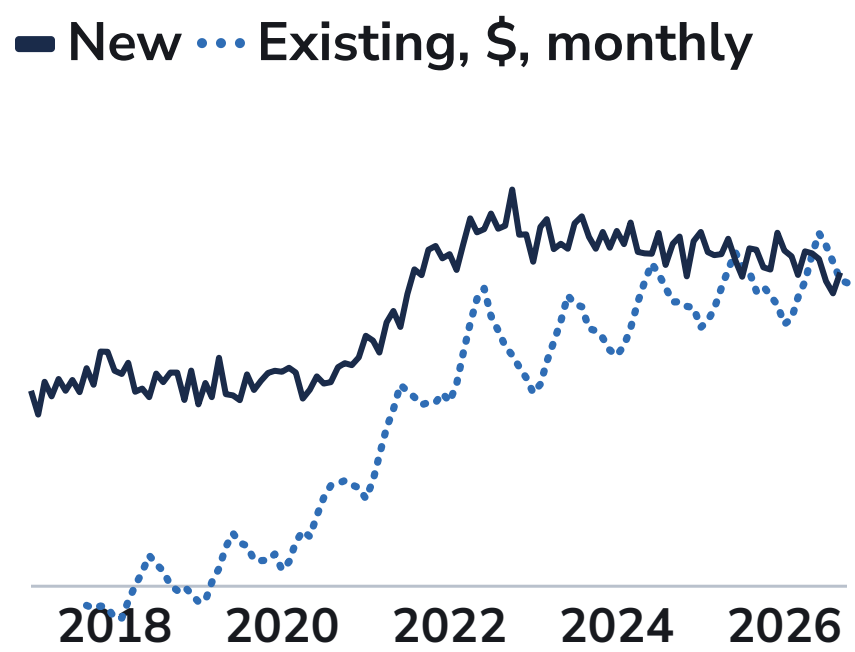
The national median new-home price is now below the existing one

New minus existing price

My calculation, median $K by year. 2026: Jan to Sep

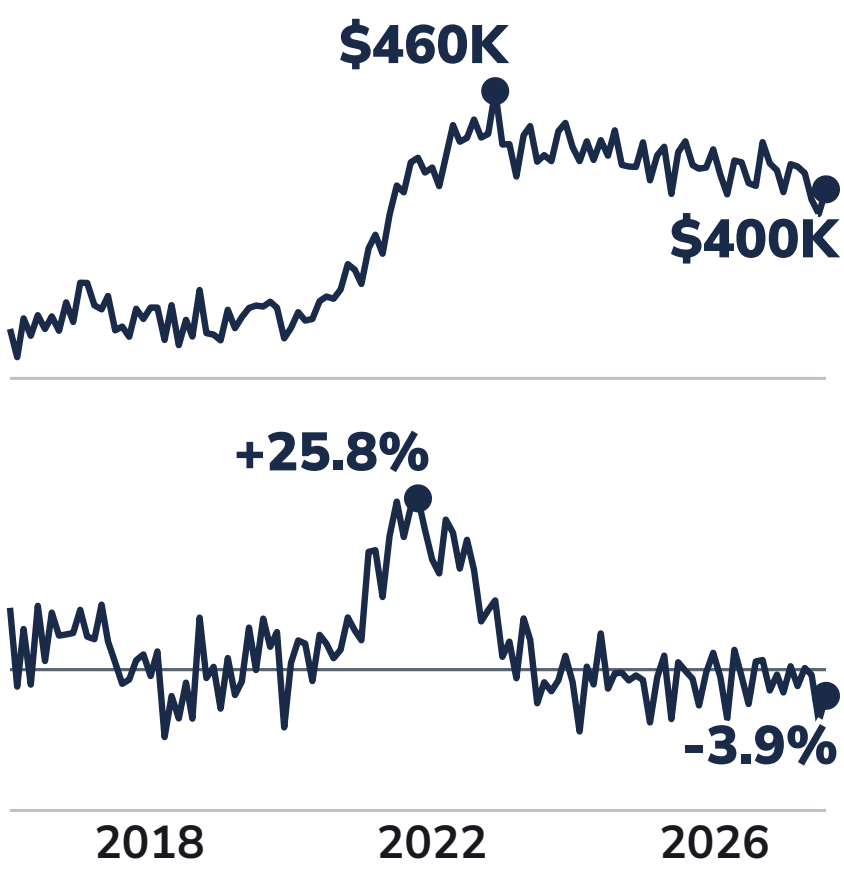


New vs existing price



Median new home price

$ and YoY %, since 2017



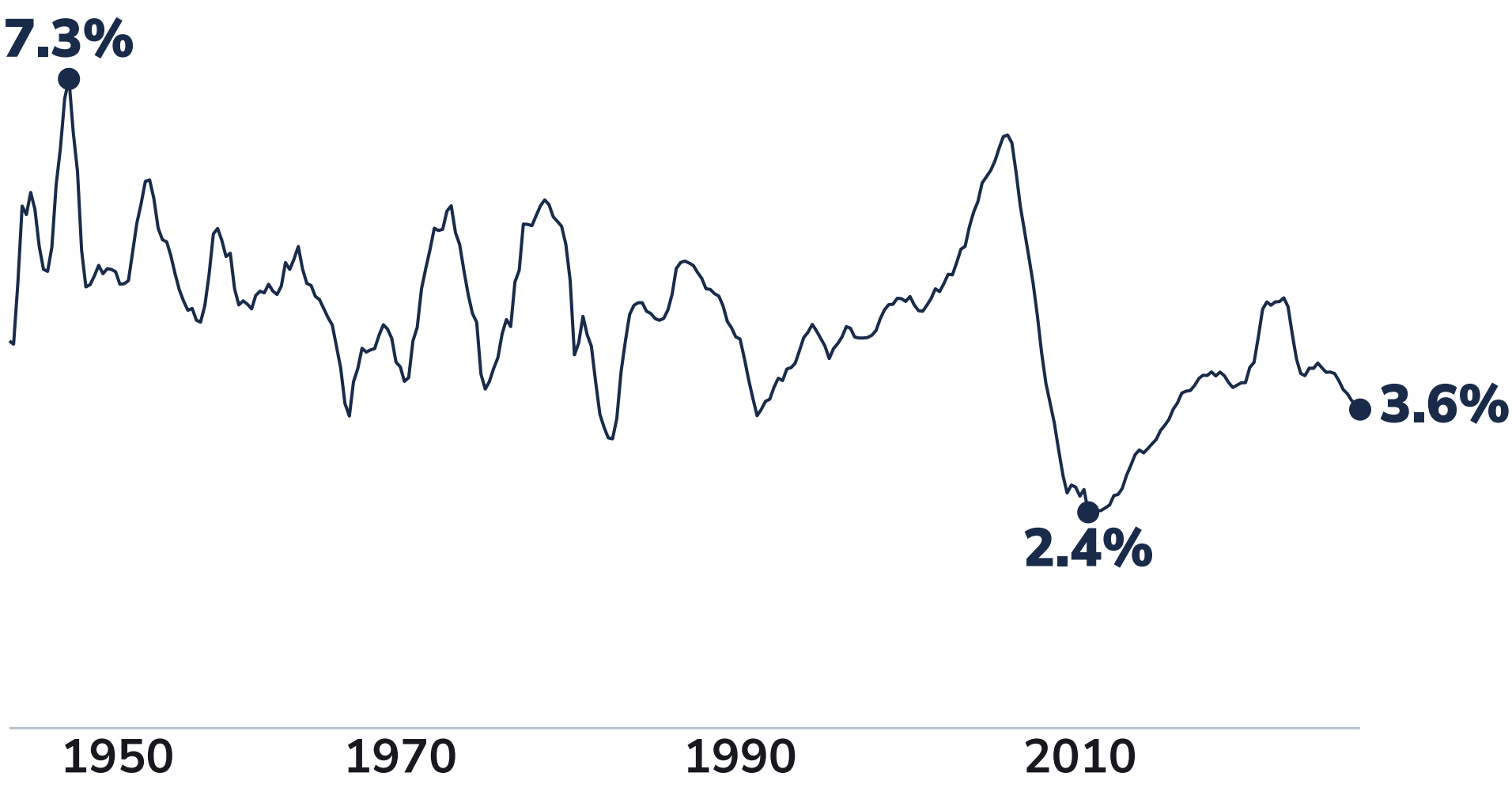
- The premium fell from $74K in 2017 to about zero in 2025. New has cost less for 7 months in a row.
- Not like for like: 61% of new homes sold in September were in the South, where the existing median was $361K ($418K nationally). Census puts the -3.9% YoY fall within its margin of error (±8.9%).

SOURCES Census via FRED (MSPNHSUS). NAR existing-home sales (Oct 2026). Medians not seasonally adjusted.

Residential investment is 3.6% of the economy, the smallest share since 2015. Goldman sees it falling for three quarters

Residential investment, share of GDP

%, quarterly since 1947



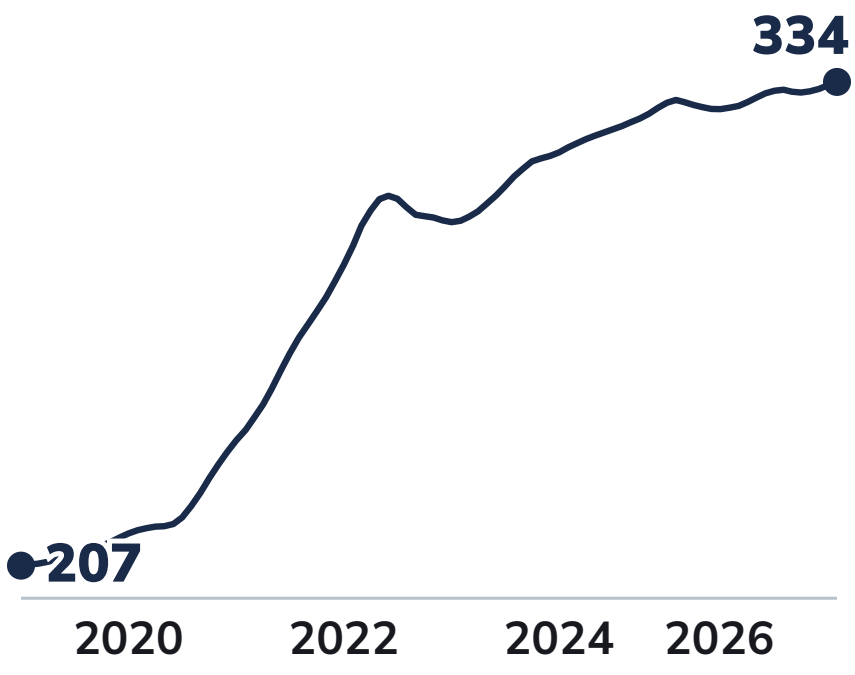
- Goldman Sachs forecasts residential investment to fall 2.5%, 4% and 1% over the next three quarters.
- In dollars it is flat: down 0.5% year on year while GDP grew 5.9%, so its share shrinks as the economy grows.
- Fed minutes (18 Nov): several officials noted housing is weak and AI building strong. Almost all expect more rate rises.

SOURCES BEA via FRED (PRFI, GDP). CNBC 20 Oct (Goldman). Fed minutes, 18 Nov.

Prices are at a record, rising slowly

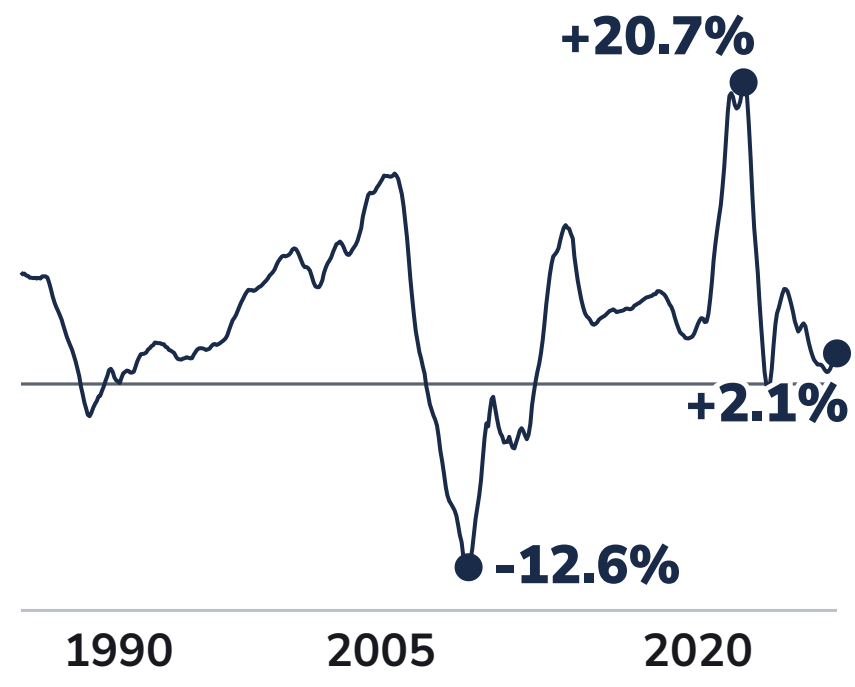
Home prices, the level

Case-Shiller index, since 2019



YoY change

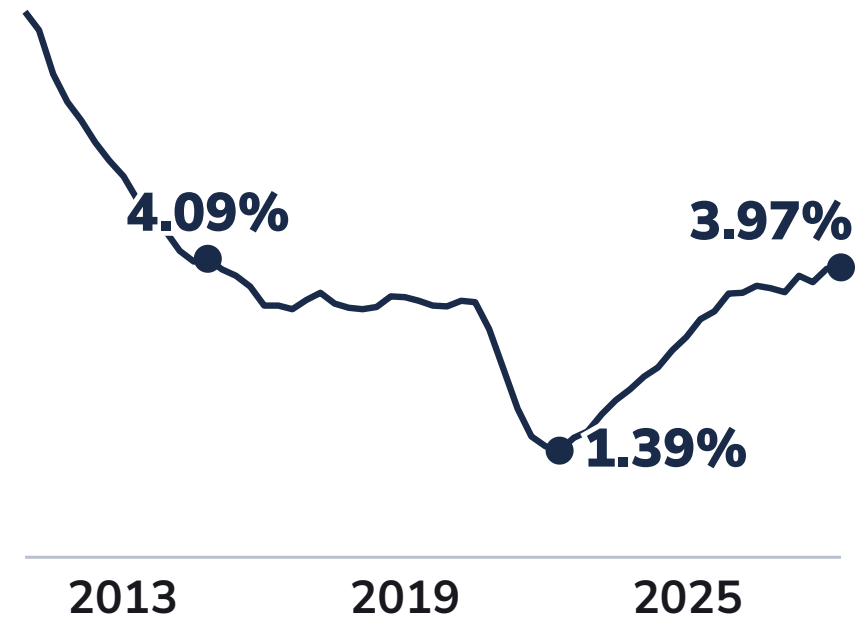
%, since 1988. Above zero: up



More mortgages are falling behind

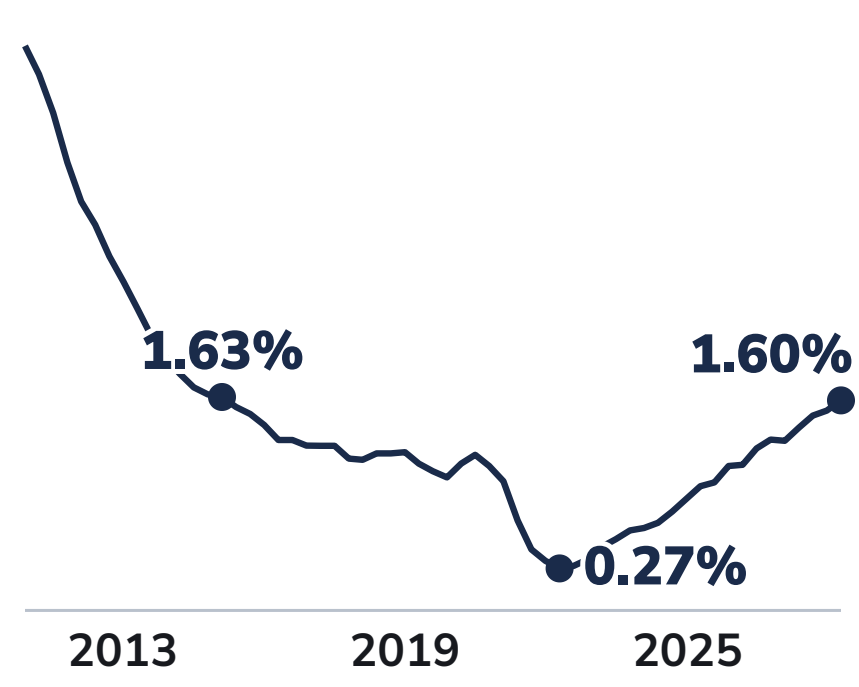
Turning 30+ days late

%, a year. Highest since 2015



90+ day flow rate

%, a year. Highest since 2015



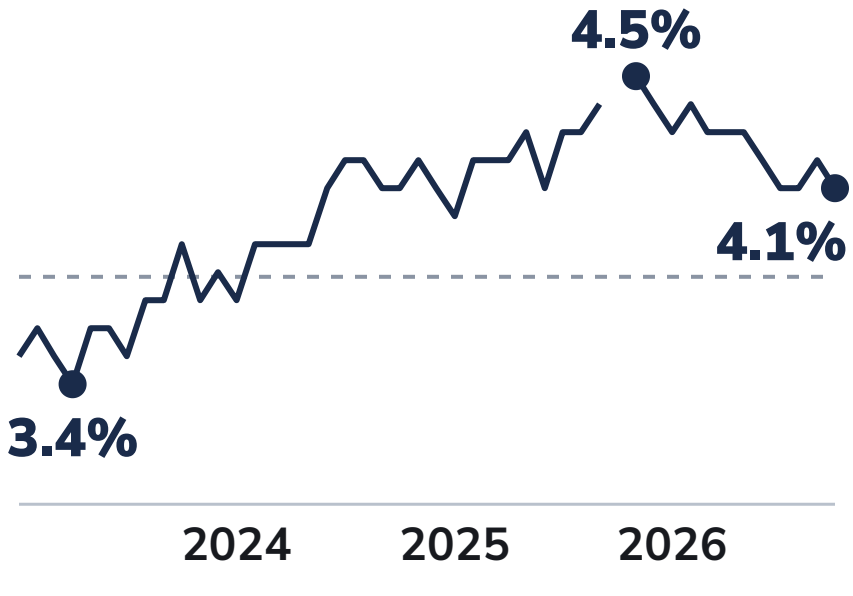
Both flows are far below 2009 (8.4% and 12.4%). Against their 2003-06 averages, the 90+ flow is above (1.4%) and the 30+ flow is below (5.0%).

SOURCES S&P Cotality via FRED (CSUSHPISA). NY Fed household debt, Q3 2026. Flows: % of mortgage balances turning late in the year.

Stretched households: longer searches, hourly pay behind prices, less saved

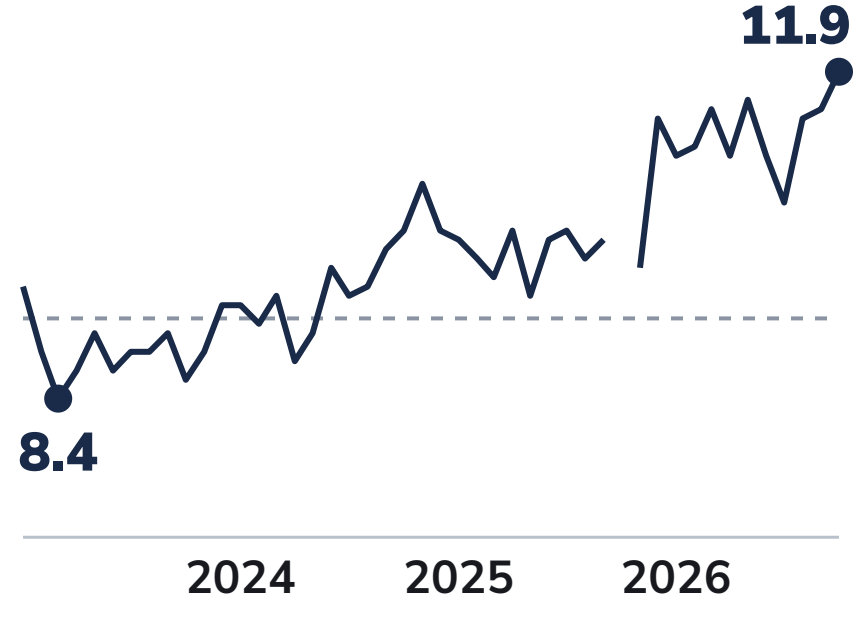
Unemployment rate

%. Eased from 4.5%, above 2023



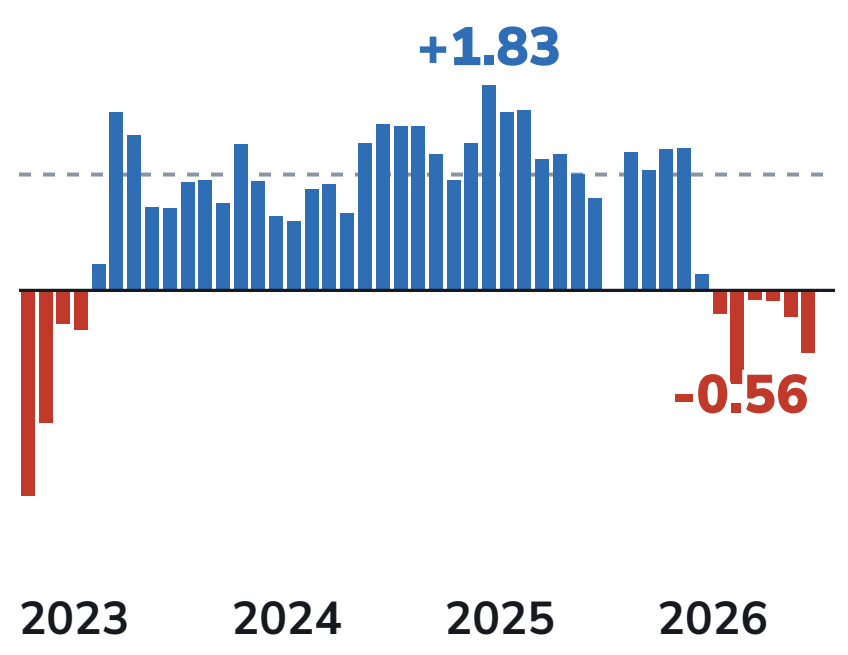
Typical time out of work

Median weeks. Up from 8.4



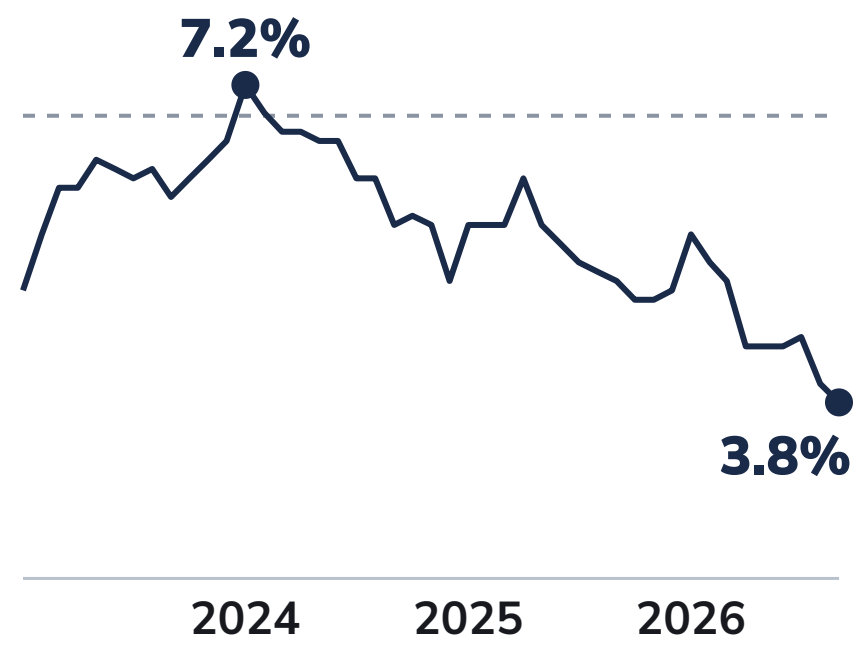
Hourly pay minus prices

YoY points. Behind for 6 months



Saving rate

% of income. Lowest since 2022



Dashed: 2018-19 average. No October year-on-year (no October 2025 prices). Sep 2025 to Oct 2026: hourly pay +3.5%, weekly pay and prices about +4.1%.

SOURCES BLS and BEA via FRED (UNRATE, UEMPMED, CES0500000003, CES0500000011, CPIAUCSL, PSAVERT). No October 2025 data (government shutdown).

Other angles: some positives, and another way to read prices

- Total housing starts rose 9.9% in October to 1.31 million, within Census's margin of error. 433K of that was buildings with five or more units, and single-family starts are down 3.2% year on year.
- New home sales, 676K a year in September, are above their 2018-19 average of 649K.
- The Fed's minutes say activity is expanding at a strong pace, supported by resilient household spending.
- Zillow puts the monthly payment on the typical US home at $2,004 in October, up 12.8% year on year. Its chief economist expects the slowdown to ease after December.
- In real terms, resale prices are falling. Case-Shiller was up 2.1% year on year in August, and consumer prices were up 3.4%.

SOURCES Census new residential construction, 18 Nov. Census new residential sales, 24 Sep. FRED (HOUST, HOUST5F, HSN1F, CSUSHPISA, CPIAUCSL). Fed minutes, 18 Nov. CNBC 9 Nov (Zillow).

What the terms in this deck mean, in simple words

These are plain-language summaries. For the exact definitions see Census release notes, NAR methodology for pending and existing home sales, and the Realtor.com data dictionary.

New homes, built by builders

Permit ▶ **Start** ▶ **Under construction** ▶ **Finished**

Sold can happen at any stage. The Census counts a new home as sold when a deposit is taken or a sales agreement is signed, even before the permit. **Homes for sale** is the builders' inventory: not started, under construction or finished. **Months' supply** is homes for sale divided by the month's sales pace.

Existing homes, resold by owners

Listed for sale ▶ **Contract signed** ▶ **Sale closed**

NAR's **pending home sales** index tracks contracts signed in the month. A sale usually closes one or two months later. **Homes for sale** are listings on the market with no contract yet. Once a contract is signed a home leaves that count and becomes a **pending sale**.

Sources

- **Census:** permits, starts, new home sales, new homes for sale and their prices.
- **NAR** (the realtors' association): existing home sales, pending sales, existing home prices.
- **Realtor.com** (a listings website, via FRED): homes for sale, pending listings.
- **NAHB/Wells Fargo:** a monthly survey of builders. **Freddie Mac:** the weekly 30-year mortgage rate.
- **S&P Cotality Case-Shiller:** prices of the same homes sold again. **NY Fed:** household debt, from Equifax credit records.
- **BEA:** GDP, saving. **BLS:** jobs, pay, prices. **Treasury:** the 10-year yield.

SOURCES Census new residential sales release, September 2026 (27 Oct). NAR pending sales, 18 Nov.

US housing has many angles. Here is my earlier analysis on each

THE FIRST PART

Oct [US Housing, October 2026: Mortgage Rates Above 2007-08]

AI and the economy	Nov	A Bust Is Likely Before AI Pays Off. The Red Flags Keep Piling Up
	Nov	The Warnings on the AI Bubble Keep Getting Stronger
Mortgages and household debt	Nov	US Household Debt Delinquency: Mortgages Are Starting to Crack
US consumer and jobs	Nov	Job gains bounced back. Households are still squeezed.
	Oct	US Consumers: The Pressure Is Building, Not Yet Breaking
The Fed and bonds	Sep	The Fed Is Caught. The Market Has Already Made Most of the Decision for It.
	Sep	Bond Markets Have Been Warning for Months. Now They Have Started Acting.

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