



Pending Home Sales Data Scores Some Points, But Not Enough to Change The Game

The National Association of Realtors' Pending Home Sales Index (PHSI)—which tracks contract signings on existing homes—has remained rangebound for more than two years, constrained by affordability pressures and elevated mortgage rates. This week's update showed a modest improvement, but the broader story hasn't changed.

Pending home sales rose by **1.8%** in May, marking the first increase since February. The index is now **1.1% higher than a year ago**, but still well below pre-2022 norms.

Zooming out, contract activity remains stuck in a narrow band. The index hasn't been above 80 since the summer of 2022 and continues to reflect a sluggish, rate-constrained housing market.

Pending Home Sales Index



“Consistent job gains and rising wages are modestly helping the housing market,” said NAR Chief Economist Lawrence Yun. “Hourly wages are increasing faster than home prices. However, mortgage rate fluctuations are the primary driver of homebuying decisions and impact housing affordability more than wage gains.”



Ashley Gendreau

Buyer & Listing Expert,
LAER Realty Partners

www.AshleyGendreau.com

P: (603) 685-4495

M: (603) 361-0561

agendreau@laerrealty.com

173 Chelmsford Street
Chelmsford MA 01824

MA License #9579621

NH License #074016



Jeffrey Chalmers

Senior Loan Officer,
Movement Mortgage
Licensed: CA, FL, MA, ME,
NH, VT

ClicknFinance.com

M: (774) 291-6527

99 Rosewood Dr, Suite 270
Danvers MA 01923

NMLS #76803

NMLS #39179



Here's how the month-over-month change broke down by region:

- **Northeast:** +2.1%
- **Midwest:** +0.3%
- **South:** +1.0%
- **West:** +6.0%

And the year-over-year change in contract activity:

- **Northeast:** -0.5%
- **Midwest:** +2.6%
- **South:** +2.0%
- **West:** -1.2%

All four regions posted monthly gains, with the West leading the way at +6.0%. Year-over-year, only the Midwest and South improved. While this week's data avoids the kind of sharp declines seen earlier this year, the market continues to drift sideways. Without meaningful relief in mortgage rates, buyers and sellers are likely to remain cautious.