



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."



Jennifer Yoinco
Realtor, Walzel Properties

www.houstonsuburb.com

M: (832) 286-8636

Jenyoingco7@gmail.com

15420 Ridge Park Dr
Houston TX 77095
648293



Heather Woods

Branch Manager- Broker-
Loan Originator, Woods
Lending Solutions -
Powered By My Community
Mortgage

www.truluxecapital.com

M: (210) 392-8299

heatherwoods@mychomeloans.com

Humble TX 77346
833399



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.