



Existing Home Sales Dip Below 4 Million as Inventory Builds

Existing-home sales slipped in August, falling below the 4 million annualized pace for the first time since June 2025, while a sharp increase in inventory gave buyers more options and pushed the supply of homes to its highest level in more than a decade. The National Association of REALTORS® reported a **2.0% decline** in sales from July to a seasonally adjusted annual rate of **3.98 million**, while sales were **1.2% lower** than a year earlier.

Existing Home Sales



Adam Fuller

Senior Loan Officer,
Mortgage 1 Inc.

www.m1gr.com/af

P: (616) 552-4663 x2

afuller@mortgageone.com

3243 East Paris Ave. SE
Grand Rapids MI 49512
1317422



“Mortgage rates and home sales move in opposite directions, so it's not surprising to see a mild dip in home buying activity due to high mortgage rates,” said NAR Chief Economist Lawrence Yun. He noted that sales are still **1.6% higher year-to-date** through the first eight months of the year, with wage growth and job creation helping to support demand despite elevated borrowing costs.

Inventory provided a more encouraging development for buyers. Total housing inventory rose to **1.62 million units**, up **3.2%** from July and **5.9%** from a year ago. It was the first time since November 2019 that inventory exceeded 1.6 million units.

The increase in supply pushed the market to a **4.9-month supply**, up from 4.6 months in both July and August 2025. Yun noted that the current level is the highest in more than ten years and should give buyers more room to negotiate.

Despite higher inventory, home prices continued to climb, although the pace of appreciation remained modest. The median existing-home price increased to **\$429,100**, up **1.6%** from August 2025 and marking the **38th consecutive month** of year-over-year price increases.

Affordability also continued to improve on a year-over-year basis. The Housing Affordability Index rose to **104.7**, up from 101.2 a year earlier, with affordability improving across all four regions.

Regional Breakdown (Sales and Prices, August 2026)

Region	Sales (annual rate)	MoM Change	Median Price	YoY Change
Northeast	480k	-4.0%	\$556,900	+4.3%
Midwest	940k	-3.1%	\$340,400	+3.3%
South	1.84m	-1.6%	\$366,500	+0.7%
West	720k	0.0%	\$619,100	-0.2%

National Market Stats

- Total Housing Inventory: 1.62 million units (up 3.2% from July; up 5.9% YoY)
- Unsold Inventory Supply: 4.9 months (up from 4.6 months in July and August 2025)
- Median Existing-Home Price: \$429,100 (up 1.6% YoY; 38th consecutive annual increase)
- Housing Affordability Index: 104.7 (up from 101.2 one year ago)
- Single-Family Sales: 3.62 million (down 1.9% MoM; down 1.1% YoY)
- Single-Family Median Price: \$434,800 (up 1.7% YoY)
- Condo/Co-op Sales: 360k (down 2.7% MoM; down 2.7% YoY)
- Condo/Co-op Median Price: \$371,600 (up 1.5% YoY)