Weekly Mortgage & Housing Market Update

Week of July 27–31, 2026

MARKET INTELLIGENCE JULY 2026

Mortgage Rates Reach a 2026 High

Rates move higher for a **fourth consecutive week**, driven by elevated Treasury yields, inflation uncertainty, and shifting monetary policy expectations.

30-Year Fixed

Rose to **6.66%** from 6.58% — the highest level of 2026.

15-Year Fixed

Rose to **6.04%** from 5.96%, adding monthly-payment pressure.

Presenter Takeaway

Borrowers waiting for rates to fall may need to reconsider their timeline. Negotiate price reductions, seller credits, or rate buydowns.

Federal Reserve Holds Rates Steady

The Fed Remains Cautious

At its July 28–29 meeting, the Fed maintained its federal-funds target range at **3.50%–3.75%**. The decision passed by a **9–3 vote**, signaling increased disagreement among policymakers. The Fed noted economic activity continues expanding at a solid pace while uncertainty remains elevated.

Market Implication

A Fed pause does not guarantee stable mortgage rates. Mortgage pricing is more directly influenced by Treasury yields, inflation expectations, and mortgage-backed securities market conditions. Borrowers should expect continued daily rate volatility.

Mortgage Applications Decline 6.4%

Volume Drop

Total mortgage application volume decreased **6.4%** from the prior week, reversing a modest prior-week increase.

Purchase Activity

Purchase applications remain dependent on local inventory and affordability conditions in each market.

Refinance Demand

Refinance activity remains limited, especially for homeowners holding mortgages well below current market rates.

Buyer Profile

Fewer casual buyers remain. Current applicants are motivated by a specific life event, relocation, family need, or financial objective.

National Housing Market Snapshot

Prices continue rising nationally, but conditions vary widely by region and price segment.

Home Prices (FHFA)

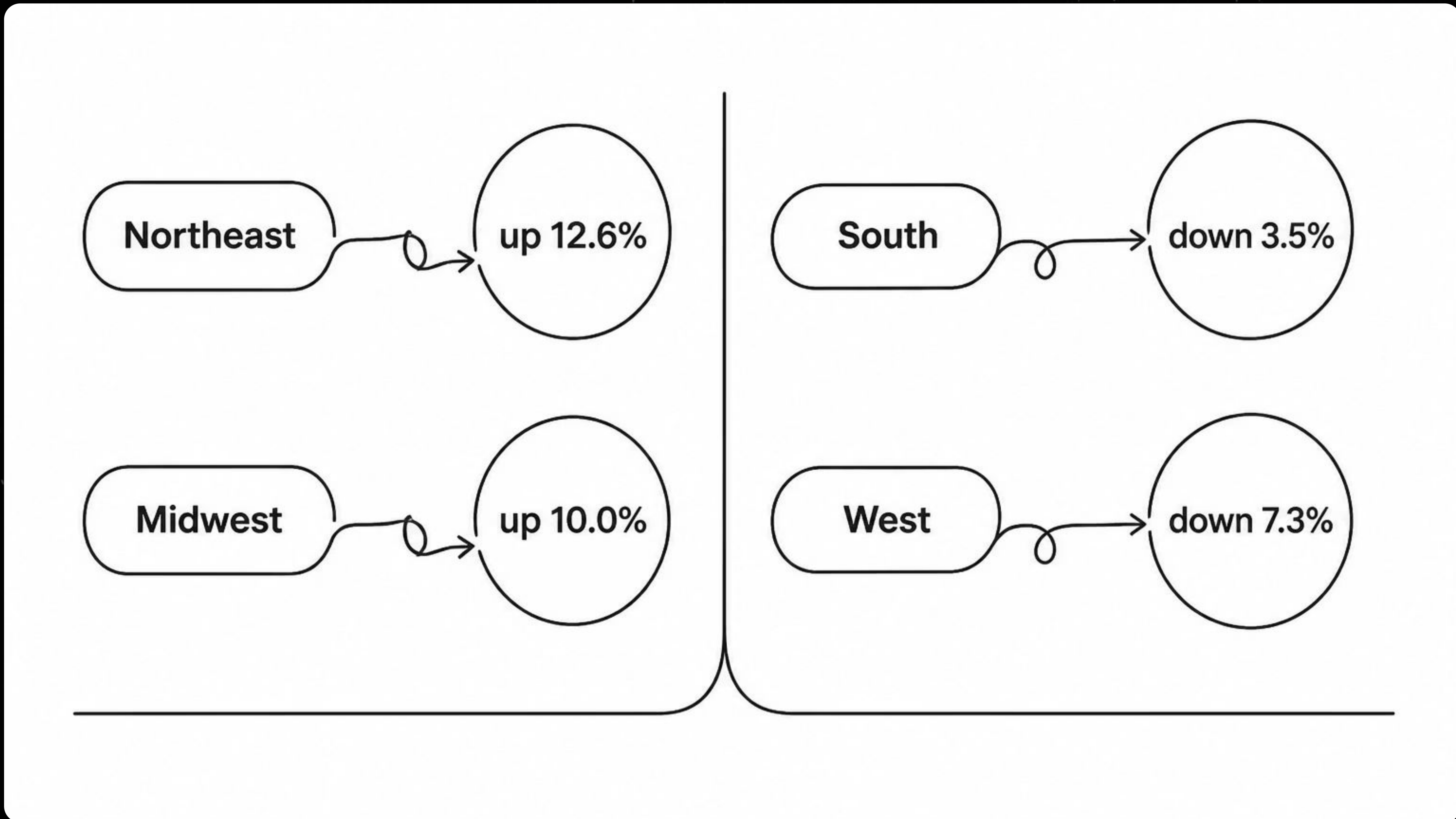
- U.S. single-family prices up **0.3%** in May and **2.2%** year over year
- Strongest appreciation in the Midwest and Northeast
- Pacific region recorded an annual price *decline*
- Limited starter-home inventory supports national prices

Existing-Home Sales (June)

- Sales declined **2.4%** month over month, but up **2.8%** year over year
- National median price reached **$440,600**, a 1.8% annual increase
- Pending sales fell **5.4%** month over month, signaling potential late-summer softness

The Two-Speed Housing Market

National asking prices declined **2.5% year over year** in June. Since the national peak in June 2022, regional performance has diverged sharply.



Pending sales and new listings both improved annually in June. Regional and local data matter far more than national averages — some markets offer buyers substantial leverage, while others continue producing multiple offers and rising prices.

REGIONAL MARKETS

Texas & Arizona

Texas — Favorable to Buyers

- Statewide prices **0.6% below** year-earlier levels
- Austin prices down approximately **2.9%** annually
- San Antonio continues facing weaker pricing conditions
- Sellers offering price reductions, closing-cost assistance, and concessions

Arizona — Stabilizing

- Phoenix-area June sales approximately **8% above** year-earlier levels
- Inventory improved significantly from pandemic-era lows
- Elevated rates limiting how quickly buyers absorb inventory
- Transitioning toward a traditional market where pricing and condition matter again

REGIONAL MARKETS

Illinois — Rising Prices, Limited Supply

14,374

June Home Sales

Up **2.4%** year over year statewide

-7.4%

Inventory Change

Statewide decline keeping competition elevated

$407K

Chicago Metro Median

Up **4.6%**; metro sales +3.9%, inventory -14.4%

Illinois remains much tighter than many Sun Belt markets. Buyers may face limited inventory and continued price growth even as national demand slows.

REGIONAL MARKETS

Wisconsin & Ohio

Wisconsin — Strong Appreciation

- June home sales up **5.9%** year over year
- Statewide median price up **5.9%** to **$360,000**
- H1 2026: sales +3.7%, median price +6.3% to $340,000
- Affordability supports demand, but inventory remains limited

Ohio — Affordability Advantage

- June sales: **13,078**, up **5.6%** annually
- Statewide median price up **3.6%** to **$285,000**
- Sales, prices, and active listings all increased year over year
- Columbus, Cleveland, and Cincinnati attracting first-time buyers seeking lower-cost housing

Wisconsin is experiencing stronger price pressure, while Ohio offers one of the most attractive combinations of affordability and improving inventory.

REGIONAL MARKETS

New England — Hottest Markets in the Nation

Ranked #1

Hartford–West Hartford–East Hartford ranked as the nation's **hottest housing market** again in June.

Northeast Dominance

16 of the 20 hottest U.S. markets were located in the Northeast, driven by limited new construction.

Online Demand

Listings in the hottest markets received nearly **3× the national average** number of online views.

New England continues to favor sellers. Buyers should expect limited inventory and fast decision timelines.

REGIONAL MARKETS

Southeast — More Inventory, Greater Buyer Selectivity

Market Conditions

- Southern asking prices **2.5% lower** year over year in June
- Prices remain ~**3.5% below** June 2022 peak
- Increased new construction and resale inventory giving buyers more leverage
- Population growth and business relocation support long-term demand

Rising Cost Considerations

- Insurance premiums, property taxes, HOA fees, and condo reserve requirements are increasingly important affordability factors — especially in **Florida**
- Conditions vary considerably across Florida, Georgia, Tennessee, and the Carolinas

Key Takeaways

Mortgage Rates

30-year fixed at **6.66%** — 2026 high. Applications down 6.4%. Near-term relief remains uncertain.

Federal Reserve

Benchmark rate held at **3.50%–3.75%**. 9–3 vote signals growing policy disagreement.

National Prices

Median existing-home price **$440,600**. Pending sales down 5.4%, signaling late-summer softness.

Region	Current Condition
Texas	Inventory rising; buyers gaining leverage
Arizona	Stabilizing with modest sales growth
Illinois	Limited inventory and rising prices
Wisconsin / Ohio	Strong sales; Ohio offers top affordability
New England	Highly competitive and supply-constrained
Southeast	More inventory and softer pricing

Closing Message

> The market is increasingly divided by geography. In higher-inventory markets, buyers can negotiate price, credits, and financing incentives. In supply-constrained markets, preparation and speed remain essential.

Sources

[Freddie Mac PMMS] · [Federal Reserve FOMC Statement] · [MBA Weekly Applications Survey] · [NAR Existing-Home Sales] · [FHFA House Price Index] · [Realtor.com June 2026 Report] · [Texas Real Estate Research Center] · [Arizona Regional MLS] · [Illinois REALTORS®] · [Wisconsin REALTORS®] · [Ohio REALTORS®] · [Realtor.com Hottest Markets] · [Florida REALTORS®]