



# SIRVA MORTGAGE: INDUSTRY SNAPSHOT

November 2024

## A Quick Update on the Latest Market Trends

The following update was curated by industry experts at Sirva Mortgage specifically for you and other global mobility professionals. Visit our [industry snapshot web page](#) to view additional updates.

### INTEREST RATES

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The Federal Reserve cut its policy rate by .25% at its recent November meeting. However, this is unlikely to impact mortgage rates in the near term. Rates are likely to remain volatile in the coming weeks as the new administration’s proposed policies are causing a shift in forecasts of where interest rates will be at the end of 2024 and into 2025.



### RENTAL MARKET

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Renter households have formed faster than homeowner households for the past four quarters, according to a Redfin analysis. With home prices and interest rates remaining elevated, the cost of buying a home rose faster than the cost of renting. New multifamily construction over the past few years has allowed rents to remain flat.



### INVENTORY



According to Realtor.com, active home listings increased 29.2% year over year in October to the highest level since December 2019. The median price of homes for sale in October did not change compared to last year, however, the price per square foot did increase by 2.1%, indicating an increase in the number of smaller homes for sale.

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## REAL ESTATE AGENT COMMISSIONS

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According to an analysis by Redfin, commissions paid to buyer's agents have remained essentially unchanged since the new rules regarding commissions went into effect on August 17th. One change noted is that although sellers are still covering the buyer's agent commission in most instances, more sellers are waiting to see what the buyers negotiate rather than proactively offering to pay the buyer's agent commission.



### **DAWN SCHULTZ**

Closing Manager, Sirva Mortgage

"Rates are expected to remain volatile moving into 2025 under the new administration. While this may introduce uncertainty in the mortgage market, we can help ease the process. By maintaining regular communication and utilizing available technology for document preview and signing, we can minimize stress and ensure a smooth closing experience."

## US HOUSING IMPACT ON TRANSFERRING EMPLOYEES

Relocating employees should consider the benefit of purchasing now instead of delaying into next year. While we may see a slight decrease in interest rates in the coming year,

home prices are still on the rise. The new administration's policies could result in increased home costs, especially new construction labor costs and materials.

## INSIDER TIPS

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What is the difference between interest rate and annual percentage rate (APR)? Both are critical in determining the cost of your mortgage, but they serve different purposes. The interest rate is the basic cost of borrowing money, whereas the APR includes the interest rate plus additional costs and fees associated with the loan. APR is useful when comparing loan offers because it provides a fuller picture of costs.

- ✓ Interest rate - directly impacts your monthly mortgage payment and tells you how much you'll pay annually on the loan principal.
- ✓ APR - tells you the loan's total cost, including interest and other fees, on an annual basis.

Understanding the difference between interest rates and APR is crucial when choosing the right mortgage. Please [click here](#) for more information.

Questions? Contact a Sirva Mortgage Director of Client Services.

[Contact Me](#)

Sources:

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