

Includes the **latest insights and data** from experts.



2024 HOUSING MARKET FORECAST

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Introduction

Every year, we put together this eGuide to help agents get a perspective for the year ahead. We base it on the latest expert insights and data, giving you the projections you need to educate yourself and your sphere.

This year, however, is a little different. Because many of the expert projections you're about to read are probably being updated as we speak. The market is moving quickly, yet again, and it's shaping up to be a very promising year for the agents that are ready to put in the work.

So, with that being said, we challenge you to stay educated, and remember that the difference between a good agent and a great agent is that they don't just know what's happening, they can explain it.

Now, go be great!



**Most agents know
what's happening.**

**Good agents understand
what's happening.**

**Great agents can explain
what's happening.**

Steve Harney,
Founder of Keeping Current Matters

Housing Market Forecast

WHAT WILL HAPPEN WITH HOME PRICES?

As more and more media headlines create confusion about the housing market and our economy, this question is probably top-of-mind for many people right now.

While we can't fully forecast the future, you can do your best to provide a **well-rounded opinion based on data, insights, and expert quotes.**

The past year saw its fair share of twists and turns as the housing market shifted.

When we see changes in housing like this, it can seem impossible to keep up with it, but **here is what you can tell anyone who asks this question:**

It is still a sellers' market.

Why? Because prices are driven by supply and

demand, and we still have a **low supply** of homes on the market.

This means **continued upward pressure on home prices.**

Mike Simonsen, President and Founder of Altos Research summed it up best:

"We're going into 2024 with slight home-price gains, somewhat easing inventory constraints, slightly increasing transaction volume . . . **All in all, things are looking up for the U.S. housing market in 2024.**"

Plus, according to the Home Price Expectation Survey from Fannie Mae, which includes projections from over 100 economists, real estate experts, and investment and market strategists, **home prices are expected to see small but steady increases every year through 2028.**

And while the percent of appreciation may not be as high as it was in recent years, what's important to focus on is that this survey says we'll see prices rise, not fall, for at least the next five years, with **2024 looking at about a 3.2% increase.**

If you were worried home prices are going to fall, this is a big takeaway.

Even though prices vary by local area, experts project they'll continue to rise across the country for years to come at a pace that's more normal for the market.

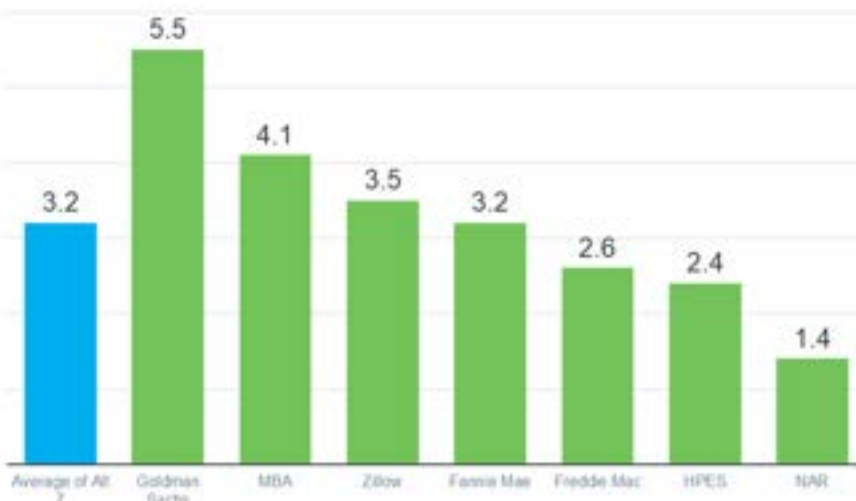
With that in mind, using these **national insights and layering in your local market data is essential when it comes to providing context for your sphere so they know what's actually happening** in today's market, and how that can impact their plans to buy or sell.

For your sellers, pricing their house appropriately so they can catch the eyes of serious buyers is important, especially in this mortgage rate environment.

And for buyers, with supply still tight, they will need to be flexible and willing to meet sellers halfway.

2024 Home Price Forecasts

Percent Appreciation/Depreciation as of 2/26/2024





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All in all, things are looking up for the U.S. housing market in 2024."

– Mike Simonsen
President & Founder, Altos Research

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WHAT WILL HAPPEN WITH MORTGAGE RATES THIS YEAR?

The past few years saw a lot of volatility in mortgage rates. Which leaves many wondering... what will happen with them in 2024?

More than anything else, last year's housing market was defined by high mortgage rates. And they haven't just risen. They more than doubled, reaching a 23-year high.

But we've seen relief in the past few months as they've come off their 8% peak since last fall.

So, will mortgage rates continue to decline in 2024?

No one can say for certain, but here's what we know based on historical trends.

There's a long-standing relationship between mortgage rates and inflation. Basically, when inflation is high, mortgage rates tend to follow suit.



Affordability is the issue we are trying to solve for right now. And there are a lot of different tools that we can use in our toolbox to do that.

– Lori Richardson
Mortgage Lender

Over the past year, inflation was up, so mortgage rates were as well. But inflation is easing now. And this is why the Federal Reserve has recently paused their federal



... mortgage rates will continue to ease in 2024 as inflation improves and Fed rate cuts get closer. ... a key factor in starting to provide affordability relief to homebuyers.

Danielle Hale
Chief Economist, Realtor.com



funds rate hikes and signaled for federal funds rate cuts later this year, which means many experts believe mortgage rates will come down in 2024.

We've already started to see this decline in recent months.

While the downward trend of both inflation and mortgage rates is promising,

what you will have to brace for is that volatility is likely to continue going in 2024.

Some ongoing variation is to be expected, but the anticipation is we'll continue to see a downward trend this year.

This is where you can help your clients most - make sure you're partnered with lenders that are able to

communicate all their options. That partnership may be one of the most important pieces of your business this next year as affordability still remains a challenge for many buyers and sellers.

Want to learn more? [Watch the episode](#) of the "How's the Market?" podcast with mortgage lenders Lori Richardson and Matthew Hibler below for more expert insights.



Stress less. Share more.

Automate your KCM content so you can save time while knowing that you're still consistently sharing quality insights and information with your sphere.

[Register](#) for one of our **weekly live training sessions to help get you set up for success with your KCM Membership!**



WILL WE SEE MORE HOUSING INVENTORY THIS YEAR?

Last year saw the lowest amount of homes sold in a decade. So, will we see activity pick up or are we in for another slower year?

The **strains on inventory** due to rising homes prices as well as mortgage rates were felt nationwide this past year.

Terms like “**rate lock**” and “**affordability crisis**” were prominent in headlines and articles about reasons why people had put their buying or selling plans on hold.

You’ve probably felt that in the past year, and if you’ve only been in the business for the last five to 10 years, you haven’t seen a year like this before.

So, **are the days of tight housing supply behind us?**

The short answer is no.

And in this specific part of the market, **context is extra important**. While you may see headlines saying inventory is up, data also shows there are still significantly fewer homes for sale than there would usually be in a more normal market.

However, what we’re seeing most is that this has become very **hyper-local**.

And while some states are seeing inventory declines, many states are seeing the opposite: steady growth (see the graph to the right).

The market was no doubt thrown a lot of curveballs this year - namely high mortgage rates impacted by a wide variety of factors.

However, as we start to see inflation cool and mortgage rates come down, it’s possible that the **current projection of roughly 5 million homes sold adjusts** throughout the year.

Plus, it’s really **not a matter of if, but when** we start to see that buyer and seller activity kick back up.

So, the question becomes, **what’s going to make an impact on those projections?**

It all goes back to - you guessed it - **mortgage rates**.

And although mortgage rates may remain volatile, what experts are saying **indicates they could be on a downward trend in 2024**.

That would **improve affordability for buyers and make it easier for sellers to move** since they won’t feel as locked-in to their current low mortgage rate.

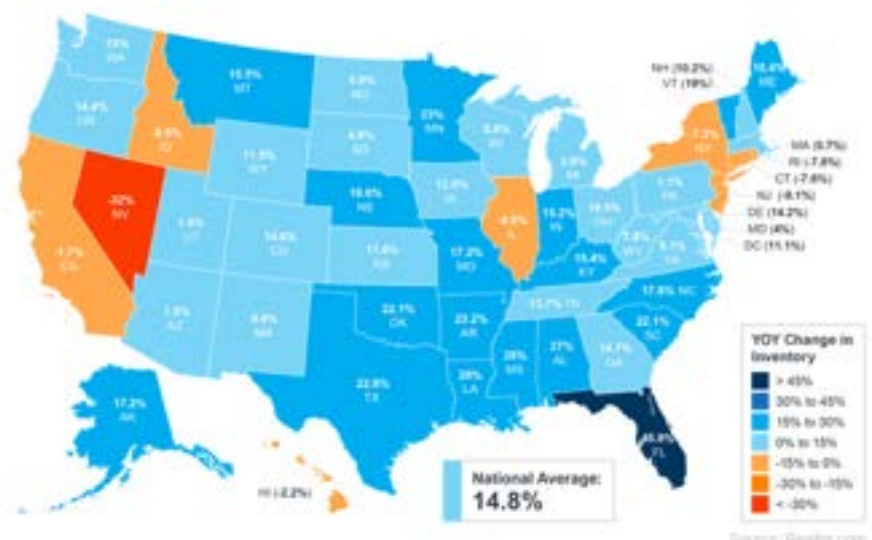


It’s really not a matter of if, but when we start to see that buyer and seller activity pick back up.

According to Lisa Sturtevant, Chief Economist at Bright MLS, supply will loosen in 2024.

She also said, “Even home-owners who have been characterized as being ‘locked in’ to low rates will increasingly find that **changing family and financial circumstances will lead to more moves and more new listings** over the course of the year, particularly as rates move closer to 6.5%.”

Change in Inventory
Year-Over-Year, February 2024



How to Turn These Insights Into Action

YOUR MOST IMPORTANT JOB AS AN AGENT GOING INTO THIS YEAR

There's a new market reality, and the way you react to it will determine if you survive or not in today's market.

The real estate business is always shifting, and with this **new reality**, all agents need to know:

- The real estate business has changed forever.
- What worked in the past to make you a successful agent won't work today (or tomorrow.)
- You need skills for this new market reality.

What the consumer expects of real estate professionals today is very different than what they expected of them only ten years ago.

The agents who don't evolve into what today's consumer demands will not survive.

What clients really want is someone who can...

- Analyze all the available information.
- Connect the dots and let them know if now is a good time to buy or the right time to sell.
- Take the time to explain their options—simply and effectively.

It's a big change...and it's one you need to embrace to move forward.

To help put the change and the need for evolution in perspective, think of real estate as a NASCAR® race, and you—the agent—are the racecar driver. Right now, you're driving in that race, and the track is taking a sharp turn.

To some agents this might be scary. But this is actually a tremendous opportunity. Why?

Because **successful agents, like great racecar drivers, don't get paid to navigate the straightaways.**

It's an opportunity for you to stand out from the competition.

The turn we're facing in the real estate industry right now is a great opportunity for those who navigate it properly.

Think about it ... if anyone got into a racecar, hit the gas, and kept the wheel steady on a straight, empty road, they could drive very fast without a problem.

Navigating the straightaways is easy. But approaching a turn at 180 mph without either slamming the brakes or crashing into the wall requires **true skill**.

When things change dramatically, some agents - (like novice racecar drivers), will hit the brakes. Yes, some even stop the car, pull over, and get out.

On the other hand, some agents keep going full throttle and crash. We don't need to explain why this is not a great strategy.

But **the great agents** - (like the great drivers), **see the opportunity in this turn.** It's an opportunity for you to stand out from the competition. Most of all, it's an opportunity to **define your brand as a trusted advisor - one that will outlast any housing market.**

The turn we're facing in this industry doesn't have to be a stop sign. It can be a great opportunity for those who navigate it properly.

In order to know whether you have a deep enough understanding of the market to handle these new expectations, **ask yourself the following three questions:**

- Do I know **what is truly happening** in the market?
- Do I know **why it's happening?**
- Can I **simply and effectively explain this** to a consumer?

Knowing what's happening and why it's happening, as well as how to communicate those two things, are **what make you an expert and trusted advisor**. It's what enables a buyer or seller to say, "I am going to have the courage to move forward. I'm no longer afraid of making a decision."

Seth Godin, one of the greatest marketers of our time, put it best. He said: ***"People don't believe what you tell them, but they always believe what they tell themselves."***

When you're sitting with someone and explaining their options, **you have to educate** them. Remember that they won't believe what you tell them.

That's why **you have to bring them to the point that they understand** what you do. When you get them to that point, you're no longer telling them it's okay to buy or sell. Now **they know it's okay based on their own understanding** of what's happening.





The Bottom Line

Now that you know what's ahead for the market, here's how you use that knowledge to fuel your business in 2024.

If you really want to succeed in today's housing market, there's one big piece you may be missing in your strategy: **branding yourself as the market expert.**

Time and time again, many agents focus on branding themselves as a utility rather than a knowledge broker. But in times of uncertainty, **your clients need more.**

They need **answers** that cut through the confusion and **bring clarity to what's really happening** in real estate. Your brand should reflect this.

You can do the paperwork while also being a reliable source as someone who knows what's happening in the market. You are **trustworthy. Dependable. Highly recommended.**

Why? Because that's exactly **the kind of professional buyers and sellers need** right now.

So, how exactly do you do this? We're glad you asked.

Great Content = Market Expert

In this section, we'll walk you through several **examples**, giving you specific topics you could cover and ways you can **use insight-powered content** in different areas of your marketing efforts.

As you go through the examples, remember that **the overall goal of content marketing** is to answer your prospects' and clients' questions with **useful information.**

The biggest questions they need answered right now are:

- What's going to happen to the real estate market?
- What will happen with mortgage rates?
- Is now a good time to buy?

•Is now a good time to sell?

•Is real estate still a good investment?

Your job is to find the best way to answer those questions. Let's dive in!

SOCIAL MEDIA

Social media is one of the best marketing tools at your disposal, and knowing how to use it effectively to drive your business is pivotal.

One best practice is to **share quick-hitting, visual content** that sparks conversation and helps answer questions consumers have.



The key to success is **consistently posting** this content in order to **keep your clients in the loop** on the latest insights.

Tips & Tricks for Using Content on Social Media:

- Post at least **3-5 days** a week on all platforms
- Stick to **real estate topics**
- Share powerful **visuals**
- Make market update **videos**
- Fill your **captions** with useful information
- Ask questions** to engage your audience in conversation
- Keep tabs** on what people in your area are asking questions about

Top agents attribute social media as one of the biggest and most important assets to their success, and with a little bit of effort and a lot of consistency, it can be yours too!

EMAIL MARKETING

We all know we should **stay in touch with our clients** to keep those relationships strong.

But other than sending out our latest listings or wishing them a happy holiday, **what else should we talk about** in our email marketing?

Email is the perfect place to provide useful information or recent news that your clients will appreciate, making your **KCM blogs** a great asset.

Here are some **tips and tricks to help you use email** to keep your clients informed:

- Make every email **useful and valuable**

- Be a **news source**

•Use a clear subject line

•Segment and target your audience

•Provide a strong call to action

This is the marketing tool that's best suited to let you act as a news source for your clients so they know who to turn to when they're ready to make a move.

VIDEO

Video is one of, if not the, **most useful ways to get important information out** to your sphere fast.

And the truth is, most people prefer to consume information this way today anyway.

If you're not using video in your marketing strategy, you're missing one of the biggest opportunities you have to **educate while also entertaining your audience**.

So, **here's our challenge to you:** Every week, create one market update video that covers some

of the biggest questions you're getting from buyers or sellers.

Here's are a few simple steps to help you with this challenge:

- Find an article** from a trustworthy source that covers a hot housing topic

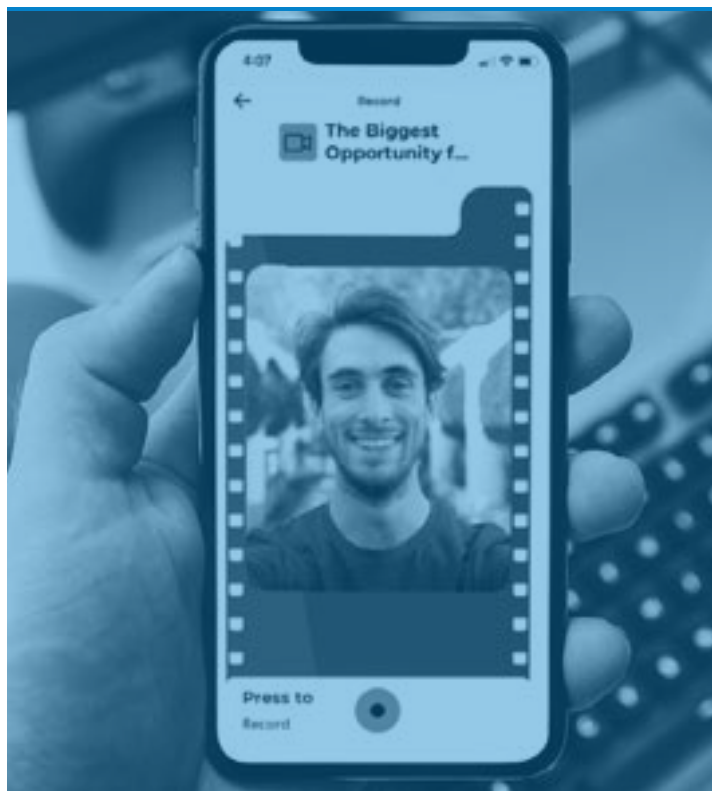
- Piece together a **script** using information from it

- Record yourself** reciting the script

- Share** through email, social media, text, etc.

RealTalk by KCM™, the first all-in-one video creator for agents, makes this extremely easy. Each week, KCM Elite Members get **3 new scripts covering the hottest topics** in the housing market.

With a **built-in teleprompter**, plus ScriptBuilder and our beta **AI-Wizard**, you can also create your own **custom scripts** or use one of our pre-built **local market templates** to easily record and share videos that allow you to **build influence** and **educate your sphere**.



**Be the Educated Agent
That Doesn't Just
Survive but Thrives**



KEEPING CURRENT MATTERS