



For Immediate Release

Contact: Dawn Seabaugh, Director of Communications
St. Louis REALTORS®
Phone: 314.576.0033 ext. 317
Email: dseabaugh@stlrealtors.com

St. Louis Housing Market Experiencing Tight Inventory as Interest Rates Increase

by: Jake Niehaus, Communications Specialist

As median sales price and interest rates rise, St. Louis maintains a healthy and affordable market.

St. Louis (July 13, 2018) – The Federal Reserve raised interest rates in June, while signaling the possibility of two additional rate increases later in 2018. Federal Reserve officials expressed confidence the United States economy was strong enough for borrowing costs to rise without choking off economic growth, according to a June 2018 article from the New York Times.

“As little as two years ago, mortgage interest rates were at a historic low – with the average rate at 3.68% for a 30-year-fixed mortgage,” observed St. Louis REALTORS® President Marc Levinson. “In 2018, the average rate has climbed to 4.52%. While the rates may be increasing, homes are still very affordable in St. Louis.” Levinson went on to note the difference between the median sales price on a national level of \$264,800 versus the local median price of \$195,000. “Even as interest rates rise, St. Louisans can still pursue the American dream of homeownership without over-extending themselves” he noted.

According to June 2018 year-over-year statistical data, days on market dropped from 11 days in June 2017 to 9 days in June 2018. Single family homes sold decreased 8% to 2,057 in 2018 from 2,231 in June of 2017. Both active and new listings saw decreasing numbers also with new listings down to 2,796 compared to 2,828 in June 2017 and active listings down 8% at 4,225 compared to 4,593 in June 2017. Months of inventory held steady in comparison to June 2017 at 2.05 months.

“We expect to see continued growth along with excellent housing affordability in St. Louis throughout 2018,” continued Levinson. “However, it’s important to keep in mind – even with our healthy, growing economy – home prices are on the rise, interest rates are increasing and inventory is tightening up, all signaling a strong seller’s market in St. Louis this year. Now, more than ever, is the time to contact a St. Louis REALTOR® to help you find the home that’s right for you.”

About St. Louis REALTORS® Housing Report

St. Louis REALTORS® releases a housing report each month analyzing residential MLS sales data from the previous month with year-over-year comparisons. The data used in these reports is courtesy of MARIS (Mid America Regional Information Systems) Multiple Listing Service.

About St. Louis REALTORS®

St. Louis REALTORS® is the voice of over 8,000 REALTORS® in the Greater St. Louis area. As one of the top 40 of over 1,100 local REALTOR® associations nationwide, St. Louis REALTORS® provides valuable tools to real estate professionals, successfully advocates for private property rights and unites REALTORS® in community projects.