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REAL ESTATE UPDATES



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JANUARY 2025

## 2025 MARKET PREDICTIONS

### WHAT'S AHEAD FOR THE REAL ESTATE MARKET IN 2025? TOP AGENTS SHARE THEIR PREDICTIONS

As we prepare to welcome 2025, curiosity about the real estate market is at an all-time high. To provide a comprehensive outlook, we reached out to some of our top agents for their insights. Here's what they had to say about home prices, inventory, interest rates, and the opportunities and challenges ahead.

BOLST'S  
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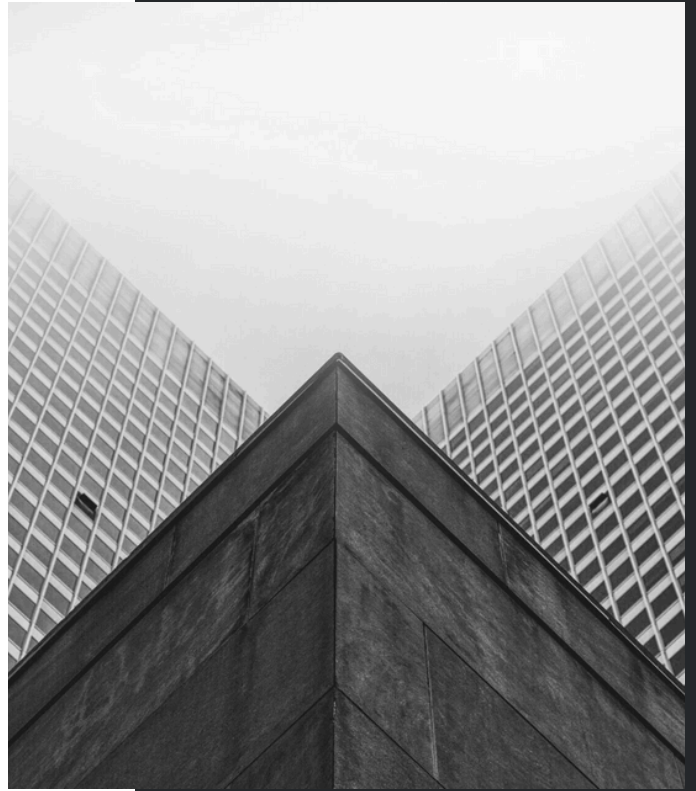
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# MARKET ACTIVITY AND HOME PRICES

Mark Daker highlights “Home sales have nearly mirrored interest rates for over two years. When rates fall, sales increase, and vice versa. While this wasn’t historically the case, today’s educated consumers, coupled with easy access to real-time rate updates, have made real estate more sensitive to rate changes.”

Looking ahead to 2025, Daker predicts that rates may stabilize further: “If rates remain where they are, we could see pent-up demand release as buyers adjust to this new normal. Historically, current mortgage rates are still quite favorable, and real estate remains a strong asset.”



## THE CEO'S MESSAGE

Justin Landis echoed these sentiments, predicting steady but moderate price increases:

“DEMAND REMAINS STRONG FOR GREAT HOUSES, AND MOST SELLERS AREN'T IN A POSITION WHERE THEY NEED TO TAKE DISCOUNTS. THE MARKET SHOULD STAY BALANCED, WITH PRICES REFLECTING THAT STABILITY.”

# THE ROLE OF INTEREST RATES

Interest rates remain a defining factor for the market. Mark Daker provided a detailed analysis of their impact: “We’ve ended this year with mortgage rates largely unchanged from the start, but the journey has been complex. The Federal Reserve began cutting rates in the second half of the year, yet mortgage rates have often increased in response to how markets interpreted Fed commentary. This disconnect has created uncertainty about the timeline for lower rates.”

Mark believes that rate fluctuations will continue to influence market activity in 2025, stating: “Real estate sales have closely tracked rate changes. When rates drop, we see increased activity. While many factors, from government policy to inflation and employment statistics, could influence rates, predicting the exact timeline for significant changes remains speculative.”

Avery Harrison pointed to the “market gridlock” caused by many homeowners holding onto sub-3.25% interest rates, limiting their willingness to sell. Meanwhile, Justin Landis emphasized that affordability remains a challenge, explaining, “If rates drop, demand will rise, but if they increase, affordability will worsen.”



# INVENTORY & EMERGING TRENDS

Mark Daker highlighted an important trend: “Inventory is at a near four-year high, and total real estate activity is at a 20-year low. However, this situation has created pent-up demand, and as buyers acclimate to current rates, we may see a gradual return to more typical activity levels.”

Ellen Thomas added her perspective, noting seasonal shifts: “We’ve seen higher inventory and longer days on market this fall and winter, but I have a hunch that the spring market will still be strong. Buyers are likely to return with renewed interest as the weather warms up.”

## ADVICE FOR BUYERS AND SELLERS

Our agents agree: preparation and perspective are key to navigating the 2025 market.

Mark Daker offered a reassuring reminder to buyers: “While interest rates remain a critical factor, current rates are still historically favorable. The performance of real estate as an asset continues to make buying a home a smart decision, even if rates don’t fall significantly.”

Justin Landis encouraged clients to focus on personal timing rather than market timing: “It’s impossible to predict the perfect moment. Start early and make decisions that align with your situation.”

Leigh Lynch advises buyers “to get in the market early and have your loan process under control before you start looking. Great homes will move quickly and if buyers want a shot at them they need to be ready.” And for sellers, Leigh recommends “make your home look spiffy to generate a lot of interest. Your home doesn’t need to be perfect but crisp, clean, and decluttered. It’s always helpful to spend a little on curb appeal. Positive first impressions are game changers.”



## LOOKING AHEAD

As Avery Harrison pointed out, “We are leaving a 35-year transaction low.” While challenges like interest rates and inventory remain, agents like Mark Daker believe the market is finding its footing: “If buyers and sellers adjust to the new normal, we’ll see more activity and less hesitation. Real estate has proven its resilience time and again.”

Whether you’re buying, selling, or just planning, 2025 offers opportunities to make thoughtful, informed decisions. And with the right guidance, those opportunities can lead to success in any market.

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