

## THE RECAP

DECEMBER 2024

## The RECAP is SitusAMC's monthly Real Estate Commentary, Analytics

and Perspectives on the residential real estate market.

Our team of experts aggregates the latest trends and perspectives across residential real estate finance to help you stay up to date on market developments and make more informed decisions. Here are the key developments in December 2024.

## WHAT YOU NEED TO KNOW

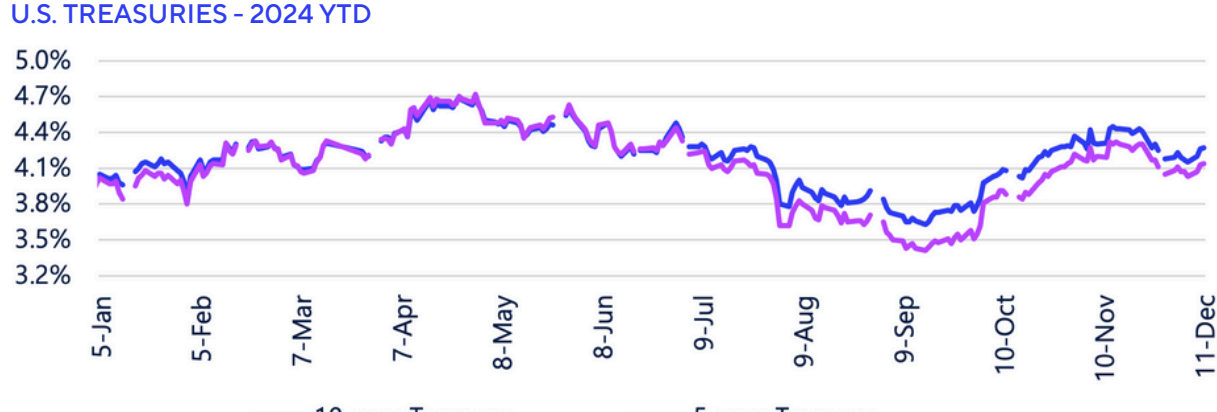
Treasuries continue to waver after election on uncertainty. Stress on consumer finances is growing. Mortgage rates declined, but new home sales fell 17% in October. The Southwest continues to lead in population growth.

## OUR ANALYSIS

SitusAMC's analysis in THE RECAP leverages current data, our bespoke research and exclusive surveys of leading institutional and regional residential real estate executives.

## TREASURIES CONTINUE TO WAVER AFTER ELECTION ON UNCERTAINTY

## U.S. TREASURIES - 2024 YTD



The 10-year Treasury yield continues to waver amid mixed economic and political data. Rates dipped briefly after the tepid November jobs report before rising again. The volatility is largely driven by concerns that Trump administration policies could stoke inflationary pressures. But the uncertainty surrounding them is leaving lots of room for interpretation of the potential impact. As of December 12, the 10-year Treasury yield stood at 4.3%, compared to 4.26% on November 15.

Treasuries continues to waver amid mixed economic and political data.

PETER MUOIO, PHD  
Head of SitusAMC Insights

4.30

10-YEAR TREASURY -  
DECEMBER 12

## STRESS GROWS ON CONSUMER FINANCES

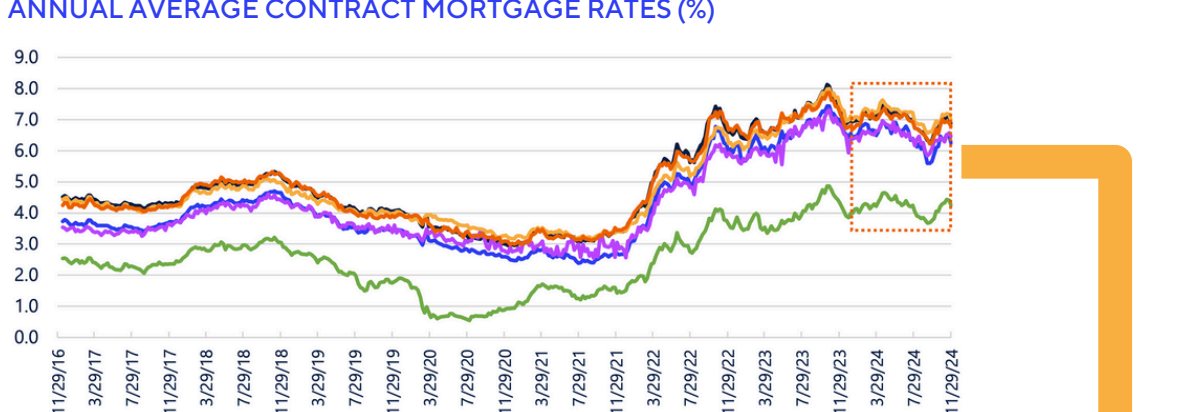
## AVERAGE CREDIT CARD DEBT PER ACCOUNT



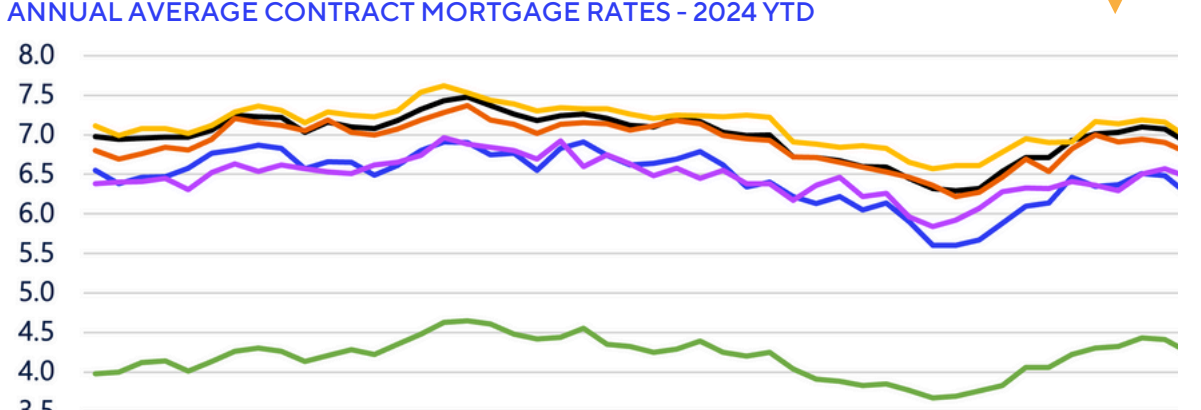
Credit card balances, which now total \$1.17 trillion outstanding, grew by \$24 billion during the third quarter and are about 8% above the level a year ago. The number of credit card accounts grew by 1.4 million to reach \$600.5 million in total, a 2% increase YoY. Average credit card balances reached \$1,942 in the third quarter, up about 6% from a year ago and the highest since second quarter 2010. Seriously delinquent (90+ days) credit card debt rose 20 bps to 11.1% in the third quarter to the highest rate since first quarter 2012.

## MORTGAGE RATES DECLINED

## ANNUAL AVERAGE CONTRACT MORTGAGE RATES (%)



## ANNUAL AVERAGE CONTRACT MORTGAGE RATES - 2024 YTD

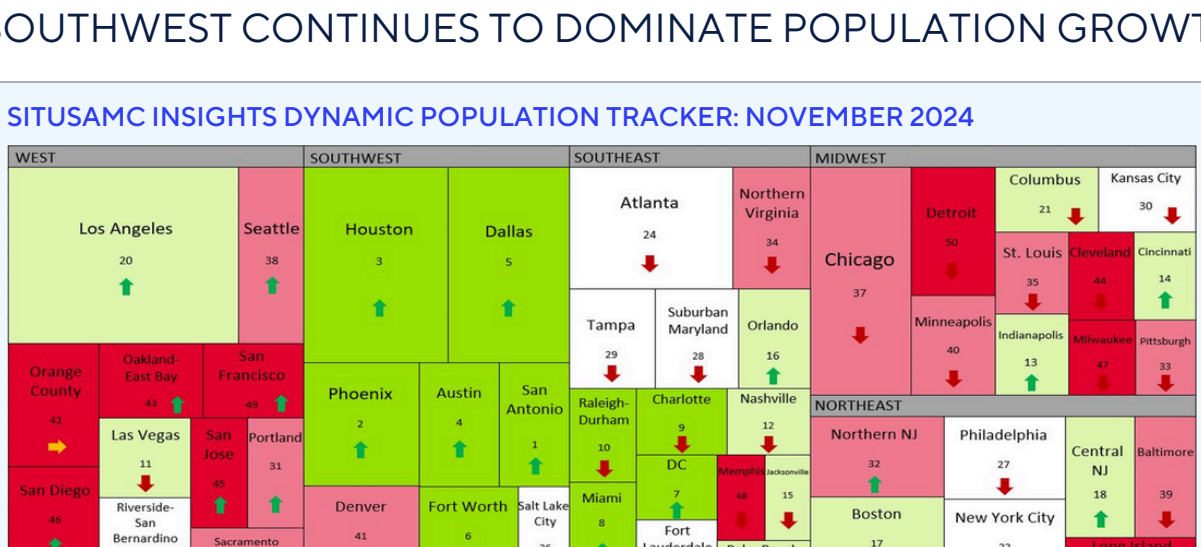


Source: Mortgage Bankers Association (MBA)

Mortgage rates declined through the end of November, in step with 10-year Treasuries. The 30-year FRM decreased 12 bps and, at 6.89% as of November 29, was the lowest rate in over one month. Bottom line, given the performance of the 10-Year Treasury, mortgage rates look to remain range-bound in December. The dip below 7% spurred purchase applications, which were up 17% MoM. Still, purchase applications remain well below long-term averages. Refinance applications were down about 20% over the month as the bulk of existing mortgages have a rate of less than 6%. Given the Treasury movement of late, we would not expect a breakout from these levels in near term.

## SOUTHWEST CONTINUES TO DOMINATE POPULATION GROWTH

## SITUSAMC INSIGHTS DYNAMIC POPULATION TRACKER: NOVEMBER 2024



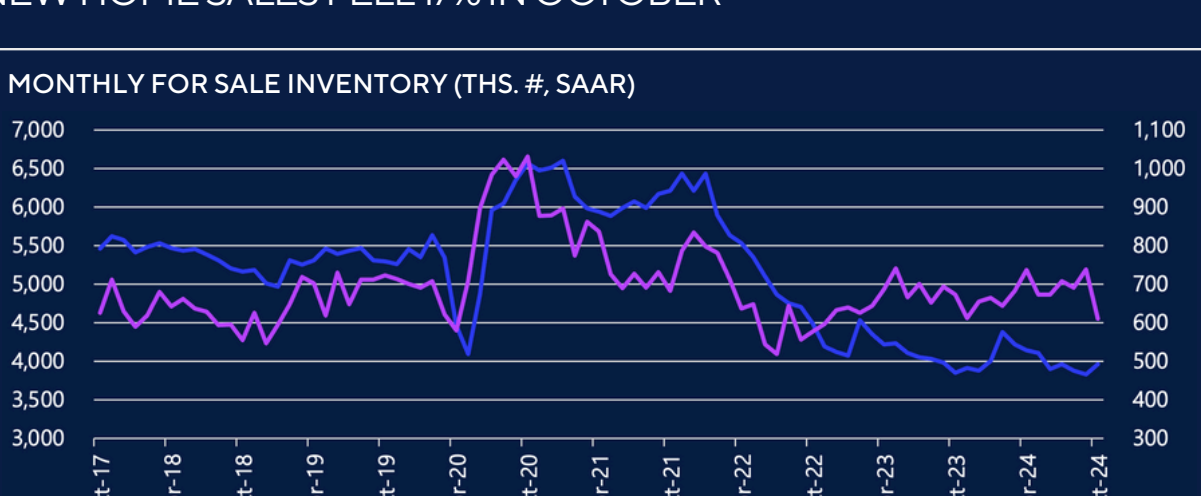
Numerals within each box represent each metro's rank among the Top 51 metros, with 1 = Highest Growth. Colors represent the strength of growth, with Dark Green = Ranks 1-10 and Dark Red = Ranks 42-51.

Sources: USPS, BLS, Census Bureau, US Energy Information Administration, Atlas, United Van Lines, Uhaul, SitusAMC Insights.

Our proprietary Dynamic Population Tracker shows the November rankings of the 51 markets and change over a six-month period. The Southwest population continues to grow; Texas metros and Phoenix experienced growth over the last six months and are the highest ranked in our population tracker. West population growth has improved over the last six months, but still remains weak, especially in California. Population growth slowed in Florida metros with rankings in the middle of our analysis. NJ and NYC saw an increase in population, now hovering near the middle of our rankings. The Midwest is a mixed bucket but most metros are seeing slowing population growth.

## NEW HOME SALES FELL 17% IN OCTOBER

## MONTHLY FOR SALE INVENTORY (THS. #, SAAR)



Sources: National Association of Realtors, U.S. Census Bureau, Moody's Analytics

Following a sharp increase in September, new home sales fell by about 17% in October due to a rise in mortgage rates and disruption in the South from hurricanes. It was the most sluggish month for new home sales in almost two years. Existing home sales ticked up in October returning to levels seen over the summer but still at a very low level. Both new and existing home sales are well below their long-term average. Sales prices bumped up slightly for new and existing homes.

## ABOUT SITUSAMC

SitusAMC is the leading independent provider of innovative, trusted solutions powering the lifecycle of residential real estate finance. THE RECAP is our monthly snapshot that aggregates the latest trends and perspectives across residential real estate finance in an easy to digest format.

[situsamc.com/RRErecap](https://situsamc.com/RRErecap)