

# What to expect from the housing market in the second half of 2024, according to real estate expert

## KEY POINTS

- *While experts are forecasting more homes will be available, they said the boost in supply is not enough to solve affordability issues for buyers.*
- *Interest rates are expected to come down, but not by enough to counteract high prices.*
- *"It's a very strange market, and it's kind of hard to predict," said Jeff Ostrowski, a housing analyst at Bankrate.com.*

**Experts are torn about where exactly the housing market is headed in the latter half of the year.**

"Mostly, we think the housing market is going to improve over the next half of the year," Glenn Kelman, chief executive of Redfin, a real estate brokerage site, said on a May 22 appearance on CNBC's "Money Movers."

"We've hit rock bottom in the first quarter of 2024 and I would expect the housing market to do a little bit better," Kelman said.

Other experts are less sure about the market's prospects for improvement.

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Here are some of what Ostrowski, Kelman and other real estate experts say could shape the real estate market in the second half of 2024:

The mortgage rate lock-in effect seems to be wearing off, said Orphe Divounguy, senior economist at Zillow.

The mortgage rate lock-in effect, or the golden handcuff effect, kept any homeowners with extremely low mortgage rates from listing their homes last year as they didn't want to finance a new home at a much higher interest rate.

During the week ended June 1, newly listed homes grew 2.1% from a year ago, according to a weekly housing trends report by Realtor.com. In the same period, available inventory of homes for sale grew 35.5% compared with last year, Realtor.com found.

In his CNBC appearance, Kelman also pointed out that demand for homeownership remains high, especially among buyers who have been putting off the home purchase for a long time.

While the market is seeing more listings, the boost in supply is not enough to attract buyers, according to Doug Duncan, senior vice president and chief economist at Fannie Mae.

"Listings have trended generally upward of late, suggesting to us that a rising number of current homeowners can no longer put off moving," said Duncan in a release earlier this month. "However, we believe the ongoing affordability challenges are likely to weigh on how quickly these new listings convert to actual sales."

<https://www.cnbc.com/2024/06/10/heres-what-to-expect-from-the-housing-market-in-the-second-half-of-2024.html>



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