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**FOR IMMEDIATE RELEASE**  
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**PRESS RELEASE**

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**Impending Mortgage Rates – What to do?**

Florence, KY – July 20, 2022 – The Northern Kentucky Association of REALTORS® (NKAR) and the Northern Kentucky Multiple Listing Service, Inc. (NKMLS) reported today that home sales in June 2022 were lower in the number of units sold compared to June of 2021 by 81 – a 10.86% deficit. Average sale prices continue to ascend, a 4.18% increase in June 2022 over June 2021 (\$291,848-\$280,143). In NKY, listings are remaining on the market slightly longer in June 2022 at 19 days on market then they were in June 2021 at 12 days on market. In a year-to-date comparison, 2022 is on track to cross one billion dollars in sales volume next month.

	<u>June 2021</u>	<u>June 2022</u>	<u>%</u>
Residential Sold	746	665	-10.86%
Average Price	280,143	291,848	4.18%
Median Price	252,500	259,500	2.77%
Total \$ Volume	208,986,930	194,079,543	-7.13%
Avg. DOM	12	19	
	<u>YTD 2021</u>	<u>YTD 2022</u>	<u>%</u>
Residential Sold	3,701	3,381	-8.65%
Average Price	254,967	287,291	12.68%
Median Price	224,900	246,500	9.60%
Total \$ Volume	943,636,508	971,332,455	2.94%
Avg. DOM	23	20	

Over the past few weeks there has been a quick rise in mortgage rates, but according to Freddie Mac on June 30<sup>th</sup>, 2022, these rates came to a screeching halt. The 30-year fixed-rate mortgage averaged 5.7% that week, dropping from the previous week's 5.81%. These higher rates have made buyer's hesitant and unsure of their ability to a buy a home.

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Freddie Mac's chief economist, Sam Khater stated that "The rapid rise in mortgage rates has finally paused, largely due to the countervailing forces of high inflation and in increasing possibility of an economic recession". This pause in rising mortgage rates allowed a breather, there is still the question of whether inflation rates will affect the current mortgage rates.

Home buyers are facing rising costs across the spectrum. Spikes in grocery costs, record-high gas prices, and escalating rents. With the potential of a more aggressive rate increase from the Federal Reserve at the end of the month, mortgage rates will likely rise even further. Keep in mind that even though 5.51% seems daunting, we are still historically low compared to an average of 8% and a striking 18.45% in 1981. When COVID-19 hit the United States the average 30-year fixed mortgage rate was below 3%. These numbers are all part of a cycle, a cycle of economic incline and decline.

While it may seem overwhelming and potentially barring, don't let this deter you from buying a home as homeownership provides you with a stable investment that also doubles as a place to live. Maybe it's your first time owning a home or your 6<sup>th</sup> time purchasing a home, a REALTOR® is always there to help. Whether you are on the buying or selling side of the real estate transactional equation, REALTORS® provide a keen eye on what your specific interests and needs are at any given moment. They are your rock during emotional moments, providing fair and ethical treatment ending in a successful transaction.

Life is a constant cycle, a game of ups and downs, these curveballs are what REALTORS® know best. When you work with a REALTOR®, you can expect nothing less than their utmost honesty and respect.

Don't tread the waters alone. Contact a local REALTOR® today!

The 1312 members of the Northern Kentucky Association of REALTORS® and the 1849 users of the Northern Kentucky MLS (NKMLS), Northern Kentucky's leader in the real estate information and services business, operates with a professional staff from 7660 Turfway Road, Suite 100 in Florence, KY. Both NKAR and the NKMLS work to protect the public's right to transfer real property and promote better public understanding of the profession and the real estate transaction process.

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