Boston Trust

July 2025

Economic Recap:

Housing, Rates & Construction Costs
National & Local

Boston Trust
Economic Snapshot

Boston Trust

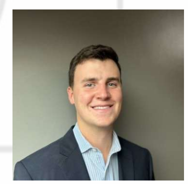
We present the July edition of the Boston Trust Economic Snapshot: Housing, Rates & Construction Costs.

National home sales rose 2% in July, with Massachusetts outperforming at a 3.3% increase, driven by seasonal demand. Mortgage rates ended July around 6.75%, dropping to 6.53% by mid-August—the lowest since October 2024—offering buyers a modest boost in affordability, per Mortgage News Daily.

Rates remain elevated but stable, helping buyers and sellers adjust their strategies. With inventory rising across Massachusetts, buyers now have more choices, while sellers face added pressure to price homes accurately from the start.

Sellers planning a winter listing should consider capturing exterior photos now while conditions are ideal. For buyers, fall offers strong opportunities, with more inventory and better negotiating conditions.

No matter how complex your next project may be, Boston Trust has the experience and knowledge to be your trusted lender.



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Monthly New Residential Sales, July 2025

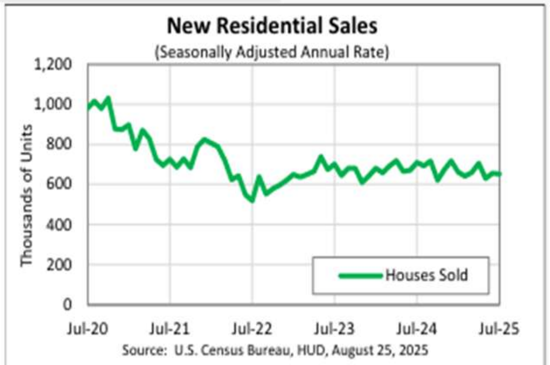
August 25th, 2025 – The U.S. Census Bureau and the U.S. Department of Housing and Urban Development (HUD) jointly announced the following new residential sales statistics for July 2025:

NEW RESIDENTIAL SALES JULY 2025

New Houses Sold[1]:	652,000
New Houses For Sale[2]:	499,000
Median Sales Price:	$403,800

Next Release: September 24, 2025

[1]Seasonally Adjusted Annual Rate (SAAR)
[2]Seasonally Adjusted
Source: U.S. Census Bureau, HUD, August 25, 2025

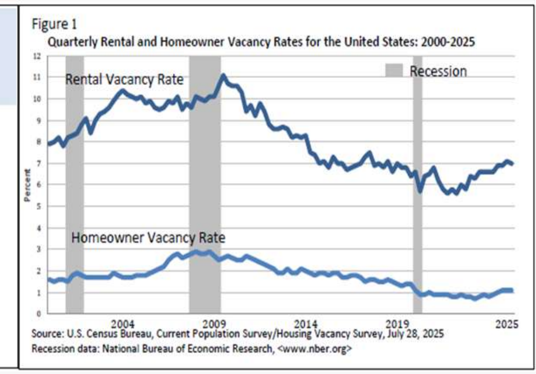


RESIDENTIAL VACANCIES AND HOMEOWNERSHIP SECOND QUARTER 2025

Rental Vacancy Rate	7.0%
Homeowner Vacancy Rate	1.1%
Homeownership Rate	65.0%

Next release: October 28, 2025

Data are not adjusted for seasonality.
Source: U.S. Census Bureau,
Current Population Survey/Housing Vacancy Survey, July 28, 2025



New Home Sales

In July 2025, new single-family home sales reached a seasonally adjusted annual rate of 652,000, according to estimates released by the U.S. Census Bureau and the Department of Housing and Urban Development. This marks a 0.6% decrease from June's revised rate of 656,000 and an 8.2% decline from the July 2024 rate of 710,000.

Sales Price

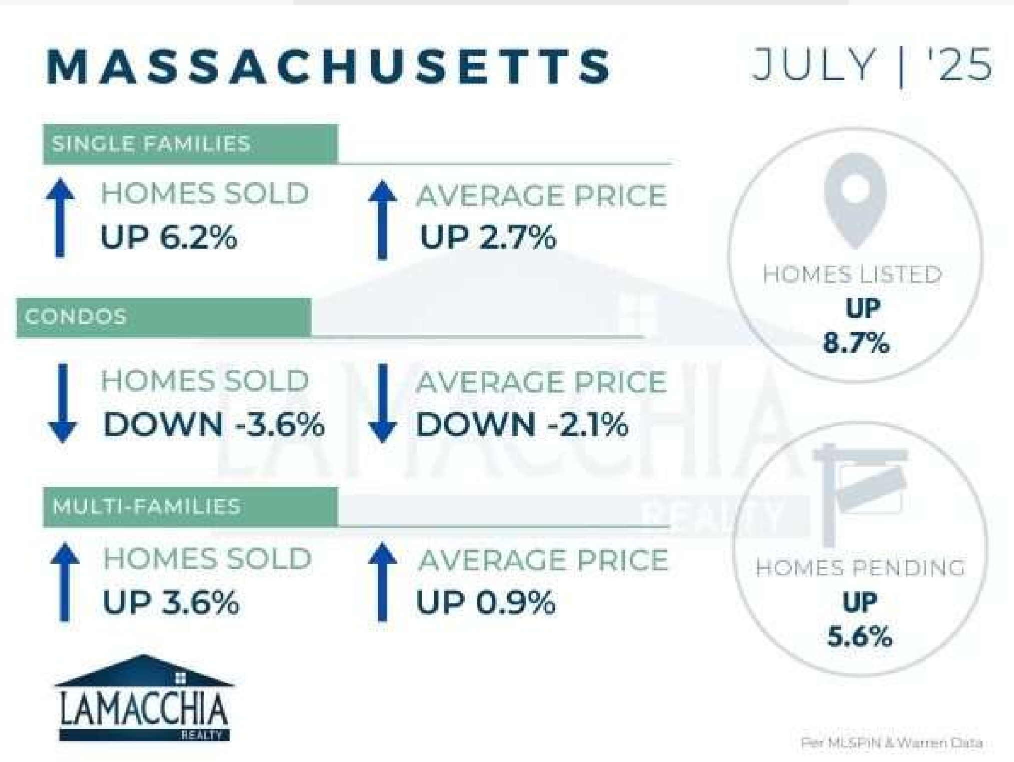
The median sales price of new houses sold in July 2025 was $407,200. The average sales price was $487,300 – which is a decrease of 3.6% from June 2025

For Sale Inventory and Months' Supply

The seasonally adjusted number of new houses for sale at the end of July 2025 was 499,000, representing a 9.2-month supply at the current sales pace.

https://www.census.gov/economic-indicators/

Massachusetts July 2025



Home sales are up 3.3% year-over-year, with July 2025 at 7,190 compared to 6,962 last July. Sales increased for single-family and multi-family homes, while condominium sales declined.

•**Single families:** 4,443 (2024) | 4,719 (2025)
•**Condominiums:** 1,943 (2024) | 1,874 (2025)
•**Multi-families:** 576 (2024) | 597 (2025)

The average sale price increased 1.7% year-over-year, now at $787,366 compared to $774,331 in July 2024. Single-family and multi-family prices rose, while condominium prices dipped.

•**Single families:** $807,950 (2024) | $829,643 (2025)
•**Condominiums:** $696,219 (2024) | $681,462 (2025)
•**Multi-families:** $778,495 (2024) | $785,613 (2025)

https://www.lamacchiarealty.com/july-2025-massachusetts-housing-report/

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National Mortgage Foreclosure & Delinquency

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Serious Delinquency Mortgage Payments (90 days past due or in foreclosure)

	July 2025	Month-over-month change	Year-over-year change	12-month trend
Total U.S. loan delinquency rate (loans 30 or more days past due, but not in foreclosure):	3.27%	↓ -2.47%	↓ -2.82%	
Total U.S. foreclosure pre-sale inventory rate:	0.38%	↓ -0.62%	↑ 8.10%	
Total U.S. foreclosure starts:	32,000	↑ 4.30%	↑ 7.61%	
Monthly Prepayment Rate (SMM):	0.67%	↑ 2.87%	↑ 12.34%	
Total U.S. foreclosure sales:	6,900	↑ 9.68%	↑ 25.00%	
Number of properties that are 30 or more days past due, but not in foreclosure:	1,794,000	↓ -40,000	↓ -18,000	
Number of properties that are 90 or more days past due, but not in foreclosure:	466,000	↑ 0	↑ 30,000	
Number of properties in foreclosure pre-sale inventory:	207,000	↓ -1,000	↑ 19,000	
Number of properties that are 30 or more days past due or in foreclosure:	2,001,000	↓ -41,000	↑ 2,000	

Legend
Low High

National Delinquency Rate
In July 2025, the national delinquency rate fell by 8 basis points to 3.27%, according to ICE's First Look report. This marks a 9-basis-point improvement year-over-year and places the rate 58 basis points below 2019 levels.

Delinquencies: Serious delinquencies (90+ days past due but not in foreclosure) held steady month-over-month. While still up 30,000 loans compared to July 2024, it is the smallest annual increase since November, as the effects of past wildfires and hurricanes continue to fade. FHA loans remain the leading source of market stress—despite a 5-basis-point improvement in July, FHA delinquency rates are still 15 basis points higher than one year ago and now account for 52% of all serious delinquencies nationwide.

Foreclosures and Prepayments
Foreclosures: Foreclosure inventory rose 10% year-over-year in July. Starts have now increased annually for eight consecutive months, with foreclosure sales also rising for five straight months. Still, the national foreclosure rate remains 35% below pre-pandemic levels.
Prepayments: Prepayment activity inched up to 0.67% in July, supported by a slight improvement in mortgage rates. This marks a 12% year-over-year increase, driven by seasonal activity and enhanced affordability.

https://mortgagetech.ice.com/resources/data-reports/first-look-at-july-2025-mortgage-data

United States Prime Rate

The Current U.S. (Fed) Prime Rate is: 7.50%

July 30, 2025: The FOMC has voted to leave the target range for the fed funds rate at 4.25% - 4.50%. Therefore, the United States Prime Rate remains at 7.50%

The next FOMC meeting and decision on short-term interest rates will be on September 17, 2025.

Primary Mortgage Market Survey®

U.S. weekly averages as of 08/28/2025

30-Yr FRM		
6.56%	1-Wk change	-0.02
	1-Yr change	0.21
	Monthly avg.	6.59%
	52-Wk avg.	6.69%
	52 Week Range	6.08% – 7.04%

15-Yr FRM		
5.69%	1-Wk change	0
	1-Yr change	0.18
	Monthly avg.	5.71%
	52-Wk avg.	5.85%
	52 Week Range	5.15% – 6.27%

Recent Closings

$482,500
Funded

SINGLE FAMILY

MILTON, MA

REFINANCE

12-MONTH TERM

Boston Trust

$800,000
Funded

MIXED USE

BOSTON, MA (NORTH END)

PURCHASE

12-MONTH TERM

Boston Trust

$511,000
Funded

COMMERCIAL

DORCHESTER, MA

PURCHASE

12-MONTH TERM

Boston Trust

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