CENTRAL INDIANA · CENTRAL FLORIDA · GEORGIA

THE PHALANX REPORT

Strength in Formation.

October 27, 2026

Happy Tuesday!

Welcome to this week's Phalanx Report — mortgage, real estate, industry, and general news for buyers, sellers, investors, and referral partners. Today's newsletter is about a 13-minute read.

Stay informed. Move with strategy.

1. Today's Mortgage Rates

Latest Freddie Mac weekly averages, released October 22, 2026, compared with the prior week. The next survey lands Thursday, October 29, the day after the Fed decision.

LOAN TYPE	RATE	TREND
30-Year Fixed	**7.32%**	▼from 7.40%
15-Year Fixed	**6.68%**	▼from 6.71%

Rates are national averages for informational purposes only and are not a loan offer. Actual rates vary. First weekly decline since August, and the biggest one-week drop since July. Freddie Mac's 30-year fell eight basis points to 7.32% and the 15-year slipped three to 6.68%. A year ago the 30-year was 6.19% and the 15-year was 5.44%. Sam Khater, Freddie Mac's chief economist: "The average 30-year fixed-rate mortgage declined this week, offering some relief to prospective homebuyers." The daily surveys got there first. Mortgage News Daily's 30-year index hit its lowest level since September 23 on Thursday, then closed Friday, October 23 at 7.33%, up 0.03 on the day and down 0.04 from the prior Friday. Friday's other readings: 15-year 6.98%, FHA 6.98%, VA 6.99%, jumbo 7.60%, and the 7/6 ARM at 6.75%. Bankrate's national average opened Monday at 7.36%, down 0.11 in a week, with the 15-year at 6.77%, FHA at 7.19%, and VA at 7.16%. The MBA's survey rate fell to 7.41% from 7.50%, its first decline in more than two months. The 10-year Treasury closed Friday at 4.99% — its first close under 5% in about a month — after repeatedly testing 5.35% and failing. Every bit of that improvement came from the bond market, not from the Fed or from inflation. Wednesday's Fed meeting is the first real test of whether it holds.

View Freddie Mac Rate Data →

2. Market Updates

Pending home sales fell 7.3% in September to the lowest reading on record. NAR's Pending Home Sales Index, released October 20, dropped to 66.0 — down 7.3% from August and 11.3% from a year ago, the lowest level since the index began in 2001. Every region fell. The Midwest was down 6.5% for the month and 8.7% for the year; the South was down 8.2% and 12.0%; the West led the decline at 9.2% and 15.0%. This is the first national number that fully reflects contracts written at 7%-plus rates, and it tells you what the October and November closing reports will look like before they arrive. NAR chief

economist Lawrence Yun: "Market conditions weakened in September due to fast-rising mortgage rates." His read on where rates go next: "Given that mortgage rates have already risen much more than the Federal Reserve's short-term interest rate hikes, mortgage rates could be topping out. However, increasing energy prices and the resulting inflationary pressure are highly uncertain." And on prices: "Despite the difficulty of obtaining a mortgage, the limited number of distressed properties is ensuring steady home prices. Buyers and sellers may simply be holding back until mortgage rates move favorably." That last sentence is the whole fall market in one line.

NAR: Pending Home Sales Decreased 7.3% in September →

Builders: starts fell 5.2%, confidence hit a 14-year low, and 43% are cutting prices. Census and HUD reported September housing starts at a 1.221 million annual pace on October 20, down 5.2% from August and 7.4% from a year ago. Single-family starts were 859,000, down 4.6% for the month but still 2.6% above last September; apartment starts (5+ units) were 349,000, down 25.9% from a year ago. Permits held at 1.40 million. Completions were 1.192 million, 14% below a year ago — the pipeline of new homes delivering is shrinking. The South, which includes Florida and Georgia, ran against the grain: total starts rose 6.1% for the month and 11.0% for the year to 714,000, though single-family starts there slipped 3.3%. The builder mood is worse than the starts number. NAHB's October Housing Market Index fell three points to 29, the lowest since June 2012. Buyer traffic fell to 18, the weakest reading since April 2012 outside of April 2020. Forty-three percent of builders cut prices in October, up from 38% in September and 35% in August, and 65% are offering incentives — the 19th straight month at 60% or above. The Midwest index is 40, the best of any region and the one NAHB calls the strongest spot for single-family building right now; the South is 30. NAHB chief economist Robert Dietz blamed "higher mortgage rates, elevated construction costs and weaker consumer confidence." For a buyer, the practical read: a builder with standing inventory in Central Indiana or Central Florida is more negotiable this month than at any point since 2012. Ask for the rate buydown and the price cut, not one or the other. New home sales for September come out Tuesday at 10 a.m.

RISMedia: NAHB Reports Lowest Builder Confidence in 14 Years →

Indiana: weekly contracts down 15%, inventory up 32 straight weeks, and sellers are giving back more at the table. No new monthly release from Indiana REALTORS® or MIBOR this week; October reports post after November 6 and mid-November respectively. The Indiana REALTORS® Housing Hub's weekly tracker is the freshest read. For the week of October 12, pending contracts statewide were 15% below the same week last year — 213 fewer homes under contract — against a 4% decline in the comparable week a year earlier. Average daily available listings stood at 7,393, up for 32 consecutive weeks. The sale-to-original-list ratio was 94.8% in the latest week against a 95.0% three-week average, and it has been slipping. For reference, September closed at 7,203 sales statewide, down 4%, at a $278,000 median, up 3%, and MIBOR's September numbers for Central Indiana were 2,549 closings at a $320,000 median with 2.9 months of supply and 27 median days on market. The 15% weekly contract decline is worse than September's 10% monthly decline. The trend is still going the wrong direction for sellers, and the Midwest's 6.5% pending drop in NAR's report says the same thing.

Indiana REALTORS® Housing Hub →

Florida: Isaias insured losses look like $500 million to $1 billion, and the insurance market is holding. No new Florida Realtors or Orlando release this week; the September numbers (single-family sales down 3.5%, $415,000 median up 1.2%, 7.7 months of condo supply) were covered here last week. The news is insurance. Cotality estimates Hurricane Isaias insured losses at $500 million to $1 billion, concentrated in the Panhandle and south Alabama — a fraction of Milton's $17 billion to $28 billion. Florida's Office of Insurance Regulation says the market is "the strongest it has been in more than a decade." As of October 6, the OIR had 136 rate-decrease filings from 48 companies and 126 zero-increase filings from 53 companies, and the office does not expect Isaias to change the downward trend. Citizens, the state-run insurer of last resort, is down to roughly 255,000 to 300,000 policies from 1.4 million in late 2023 — market share from 15% to about 2%. Average premiums fell in 51 of 67 counties in the first half of 2026. The counterweight: Florida's average annual premium is still $8,471, up 75% from 2021 to 2025, and Insurify projects a 2% increase by year-end. Cotality's Howard Botts called Isaias "a moderate test" and said the market is "in much better shape than in 2022." For a relocating buyer, the question to ask on any Central Florida listing is the same as before the storm: get the insurance quote before the inspection period ends, and ask the carrier's name — a newer, smaller carrier with Panhandle exposure is where the pressure would show up if a second storm hit. The tropics are quiet; see General News.

Newsweek: Florida's Home Insurance Market Faces a Major Test →

Georgia: no new release, and the September numbers still stand. Georgia MLS's next Atlanta report comes in mid-November. September's figures — 4,072 closings down 13.7%, pending sales down 24.8% for the ninth straight monthly decline, $399,900 median essentially flat, 23,006 active listings up 5.3% — remain the latest, and NAR's South region pending index, down 8.2% for the month and 12.0% for the year, is consistent with them. The Treasury Department's proposed investor-purchase rule, out this week, matters more for Atlanta than for our other two markets because Atlanta has the heaviest institutional single-family rental ownership of the three. Details in Industry News.

Georgia MLS: Atlanta MSA Statistics →

Nationally, the weekly slide in contracts stopped. Nobody is calling it a turn. HousingWire's tracker for the week ending October 23: 52,490 pending sales, a slight gain from the prior week's 51,947 and the first week-over-week increase after weeks of declines, though still well below the 67,752 in the same week last year. Inventory rose to 911,956 from 905,166, 5.7% above a year ago. New listings were 60,151 against 64,191 last year. Price cuts are on 43% of listings versus 42% a year ago. The mortgage spread widened again, to 2.23% from 2.21%. Logan Mohtashami: "I wouldn't make too much of the improvement this week," and "rates above 7% have always created softer data in the last 3 years and 10 months." Redfin's read for the same week: new listings down 2.7% from a year ago, total inventory up 2.1%. Realtor.com's Anthony Smith, on the rate drop: "The damage to the fall housing market is already done," though "buyers may be gaining power at the negotiating table as the pace of sales slows." Compass's Mike Simonsen says pending-sale prices are running 1.2% below last year while closed prices are roughly flat — and "homeowners are really hesitant to sell at a loss if they don't have to." That is why inventory is up 5.7% and not 25%.

HousingWire: Slightly lower mortgage rates finally pause slide in housing demand →

3. Industry News

The President signed a housing-cost executive order Thursday. Here is what is in it, and what is not. The order, signed October 22, directs four things. First, FHFA must set up a pilot in which Fannie Mae and Freddie Mac use automated valuations to find borrowers whose equity now qualifies them to drop private mortgage insurance, and cancel it proactively. The catch: the signed version limits the pilot to "mortgages made after the establishment of the pilot program." An earlier draft covered all GSE loans, which industry estimates said could have reached roughly 40% of borrowers already below 80% loan-to-value. Existing borrowers are not in it. Second, FHFA must make the title-insurance waiver pilot permanent, expand it to loans above 80% LTV, and drop the geographic limits — for refinances only. Third, for certain limited cash-out refinances that lower the monthly payment, the order waives the appraisal and income reverification and reduces or eliminates loan-level price adjustments and other fees. Fourth, the USDA and VA must cut rates on the direct loans their departments make themselves — a small program, and not the same thing as a VA-guaranteed loan from a lender. There is also a manufactured-housing task force. No deadlines, no savings estimates, no effective dates. Reactions split on predictable lines. The Broker Action Coalition's Brendan McKay says the refinance pieces "could cut refinancing costs by nearly $2,400 on an illustrative $500,000 loan." KBW called the order "fairly benign for both mortgage and title insurers," noting refinances are about 7% of title premiums. ALTA's Chris Morton warned about seller-impersonation fraud and said "efforts to lower housing costs" should "not shift significant financial risks" onto families. SimplyPMG's Jason Madiedo called most of it "a long play" and said borrowers will see the MI benefit "years from now." What a current borrower can actually use today is the earlier FHFA move from October 2: Fannie Mae adopted Freddie Mac's rule letting servicers contact borrowers who already qualify to cancel PMI. If a client bought in 2021 or 2022 with less than 20% down and the home has appreciated, they do not need to wait for a pilot. They need a servicer phone call and possibly a $500 to $700 appraisal.

HousingWire: Trump housing order receives mixed industry reaction →

Treasury's institutional-investor ban rule is out: 350 homes, effective January 7, with a build-to-rent carve-out. Treasury published the proposed rule Thursday, October 22, implementing the 21st Century ROAD to Housing Act. Investors that own 350 or more homes and buy mainly for financial gain would generally be barred from purchasing single-family homes starting January 7, 2027. Exceptions cover build-to-rent, renovate-to-rent, and homeownership programs — but the MBA notes the build-to-rent exception only covers properties bought within 18 months of the certificate of occupancy, so older build-to-rent product would fall under the ban unless it qualifies some other way. Treasury Secretary Scott Bessent: "Treasury is working to ensure American families and workers have a fair shot at purchasing homes in their communities." Lenders are not expecting much. Lower CEO Dan Snyder: "Institutional investors are the easy villain here," and the rule "only addresses future purchases." MBA's Jamie Woodwell says limiting investment in existing properties could reduce the quantity and quality of build-to-rent housing. For the investors we work with: a 350-home threshold does not touch a one-to-ten-door portfolio. What it may do, in Atlanta especially, is thin out the largest cash competitor on entry-level resale listings starting in January. Watch for the comment period and the final rule.

National Mortgage News: Investor ban rules issued →

Applications fell 5.3% in the week rates finally dropped. Purchase is 18% below last year. The MBA's survey for the week ending October 16: total applications down 5.3%, purchase applications down 7% for the week and 18% below a year ago, refinances down 2% for the week and 59% below a year ago. The 30-year conforming rate fell to 7.41% from 7.50%, jumbo to 7.33% from 7.49%, the 15-year to 6.73% from 6.87%, and the 5/1 ARM to 6.46% from 6.54%. The ARM share held at 10.5%. VA loans were 11.5% of applications, FHA 16.3%. MBA's Joel Kan: "Mortgage rates decreased for the first time in over two months," but "lower rates were not enough to boost application activity." And: "Purchase applications fell 18 percent behind last year's pace, as higher rates are pricing buyers out of the market." His summary: "It is very clear that the higher mortgage rate environment has cooled the housing market this fall." The next survey, Wednesday morning, covers the week the 10-year broke below 5%. If purchase applications do not improve in that week, the problem is not the rate. It is the buyer.

MBA: Mortgage Applications Decrease in Latest Weekly Survey →

The Fed decides Wednesday. The market says hold now, hike in December. The FOMC statement comes at 2 p.m. ET Wednesday, October 28, with Chair Kevin Warsh's press conference at 2:30. CME FedWatch has a hold at roughly 85% to 95%, depending on the day you check, up from about 29% a month ago, and a December 9 hike near 75%. The fed funds range is 3.75%–4.00% after September's quarter-point hike, the first in more than three years. There is a case for Wednesday: BofA's Aditya Bhave says "the inflation picture has gotten worse on net since the September meeting." There are no new projections at this meeting, which means the press conference and any dissents carry the weight. Three officials dissented for a hike in July and a hike followed in September; watch whether anyone dissents for one now. Forbes' Simon Moore notes fixed-income markets are pricing consecutive hikes starting early 2027, with short rates possibly reaching 5%. Thursday brings the first read on third-quarter GDP (consensus 3.1%) and September PCE inflation (core consensus 0.2%). A hold with hawkish language on Wednesday followed by a hot PCE on Thursday is the scenario that gives back last week's rate improvement. A hold with a calm press conference and an in-line PCE is the scenario that keeps the 10-year under 5%. Nobody gets to know until Thursday at 8:31.

Forbes: What To Look For From The Fed's October Meeting →

4. General News

The week ahead: new home sales Tuesday, the Fed Wednesday, GDP and PCE Thursday. Tuesday: September durable goods at 8:30 a.m. ET, Case-Shiller home prices for August at 9, consumer confidence and September new home sales at 10. Wednesday: the MBA application survey in the morning, the FOMC statement at 2 p.m., Warsh at 2:30. Thursday: jobless claims, third-quarter GDP, and September PCE all at 8:30, then Freddie Mac's weekly survey at noon. Friday: the employment cost index at 8:30 and Fed speakers Mary Daly and Alberto Musalem at midday. No jobs report this week; October payrolls come November 6. Overseas, Israel votes Tuesday, and oil opens the week near $105 after Houthi claims of attacks on Saudi oil sites, including the East-West pipeline, over the weekend. Oil is the variable the Fed cannot control and the one that put inflation at 3.7% in September. For anyone floating a rate into Wednesday: last week's gains came from a bond rally tied to tech-stock selling, and Friday showed how fast it reverses when stocks steady. If the number works, lock it before 2 p.m. Wednesday.

Kiplinger: This Week's Economic Calendar →

Amendment 3: one week out, the newest poll says 50%. It needs 60%. The University of North Florida's poll of 1,471 likely voters, fielded October 12–19 and released October 21, has Florida's homestead amendment at 50% yes with 14% undecided. St. Pete Polls had it at 42% in early October; an NBC 6 / Mason-Dixon poll had it at 55%. Even if every undecided voter breaks yes, the UNF number lands short of 60%. The amendment would raise the non-school homestead exemption to $150,000 in 2027 and $250,000 in 2028, indexed to inflation after that, and cut the annual assessment cap on non-homestead property — rentals and commercial — from 10% to 5%. Florida Realtors supports it and has put $10 million behind it. Senate President Ben Albritton, who voted to put it on the ballot, now opposes it, alongside the Florida Sheriffs Association, the fire chiefs, Florida TaxWatch, and the Florida Policy Institute, which estimates more than $460 million in local public-safety funding at risk over two years. The same UNF poll has the governor's race at Donalds 49%, Jolly 47%, and the Senate race at Moody 49%, Nixon 45%. We are not telling anyone how to vote. If it passes and you are relocating, Florida primary residence has to be established by December 31, 2026 to get the full exemption right away; anyone who becomes a resident after that starts at the smaller exemption and reaches the larger one in the fifth year. Confirm with the county property appraiser. Election Day is Tuesday, November 3.

WUWF: Ballot Explainer — Amendment 3 →

Isaias recovery: Realtors' relief fund open until April, bridge loans until November 25, and the tropics are empty. Florida Realtors' Disaster Relief Fund is taking applications through April 9, 2027 from Realtors, their employees, and local association staff whose primary homes or offices took storm damage. FloridaCommerce's $10 million Emergency Bridge Loan Program — zero-interest, up to $100,000, for small businesses including sole proprietors — closes November 25 or when the money runs out; apply at floridajobs.org/DisasterRecovery/EBL or 833-832-4494. The state's insurance consumer helpline is 877-693-5236. The National Hurricane Center's Sunday evening outlook lists no disturbances anywhere in the Atlantic, Caribbean, or Gulf, and no tropical cyclone formation is expected in the next seven days. Hurricane season runs through November 30.

Florida Realtors: Hurricane Isaias Recovery Resources →

Indiana flood aid closed Sunday. The Colts are 2–5. FEMA's Individual Assistance application deadline for the August storms passed Sunday, October 25. Anyone who applied can still upload documents and appeal at DisasterAssistance.gov. The REALTORS® Relief Foundation grants through MIBOR and Indiana REALTORS® — up to $1,000 per household toward mortgage, rent, or hotel costs tied to a damaged primary residence — run through November 11 while the $500,000 allocation lasts. On the field: the Vikings beat the Colts 16–10 in Minneapolis on Sunday. Indianapolis led 10–6 through three quarters on Jonathan Taylor's 38-yard first-quarter touchdown run and a Spencer Shrader field goal, then gave it away. Kyler Murray's 35-yard scramble set up a five-yard touchdown pass to T.J. Hockenson for the lead, Shrader missed from 56 and 48 — his first two misses of the season — and Daniel Jones threw it to Harrison Smith with 1:39 left to end it. Grover Stewart blocked a 59-yard field goal attempt for the defense. The Colts are 2–5 and play at Jacksonville on Sunday, November 1 at 1 p.m. on CBS.

MIBOR 2026 Storm Relief →

5. Weekly Realtor Tip

Your Guard and Reserve clients have a 6% mortgage rate waiting, and most of them do not know it. The Servicemembers Civil Relief Act caps interest on any debt taken on before military service — including a mortgage — at 6% for the duration of active duty, from the date of the orders. The servicer has to drop the rate and reduce the payment by the forgiven interest, not just defer it. The Justice Department reminded the industry on October 19 why this matters: Village Capital & Investment agreed to pay more than $500,000, including at least $425,000 to borrowers, for failing to apply the cap on at least 41 pre-service mortgages, telling some borrowers their rates were already under 6% when they were not, and reporting others as delinquent after they asked. Assistant Attorney General Harmeet Dhillon: "We will continue to enforce the law to ensure servicemembers receive the protections they have earned." Who this helps right now: a National Guard or Reserve member who bought at 7%-plus this year and gets activated. A Guard member with a $350,000 loan at 7.32% pays about $2,404 a month in principal and interest. At the 6% cap, it is $2,098 — about $306 a month, back-dated to the orders date, for as long as the orders run. It also applies to a service member's spouse's pre-service joint debt, to car loans, and to credit cards. It does not apply to a loan taken out after service began, which is why it is not a tool for an active-duty buyer shopping today — their lever is the VA rate, which closed Friday at 6.99% against 7.33% conventional. How to claim it: send the servicer a written request with a copy of the orders. No form is required by law, though many servicers have one. Keep a copy. If the servicer says no or does not act within a billing cycle or two, the installation legal assistance office handles SCRA complaints for free, and the DOJ's Servicemembers and Veterans Initiative takes referrals. Script for the Guard and Reserve clients in your database: "If you get activated, your mortgage rate legally drops to 6% from the day of your orders — on the loan you already have. Send your servicer the orders in writing. If they push back, call me and we'll get legal assistance on it." That is a text that gets a reply.

National Mortgage News: DOJ targets servicers who skip 6% military loan rate cap →

6. The Phalanx Take

The rate relief is real. The data it is supposed to fix has not arrived yet. Freddie Mac fell to 7.32%, the 10-year closed under 5%, and the daily surveys hit a one-month low on Thursday. On a $350,000 loan, the move from the October 7 high of 7.61% to Friday's 7.33% is about $67 a month. That is worth a text to every buyer who stepped out in September. But look at what September's rates already did: the lowest pending home sales index on record, builder confidence at a 2012 low, Indiana contracts down 15% in the latest week, Atlanta contracts down 25%, and purchase applications 18% below a year ago in the week rates first dropped. The fall market was priced at 7.5% and the contracts are not coming back because the number has a 7.3 in front of it instead. Washington spent the week on plumbing — a PMI-cancellation pilot for future loans, cheaper refinance title and fees, an investor ban that starts in January at 350 homes — none of which changes a payment this quarter. What does change a payment is a Guard activation (see the tip), a VA rate 34 basis points under conventional, a builder cutting price on standing inventory, or a seller in Atlanta or the Florida condo market who has been sitting for 66 days. Wednesday decides whether last week's bond rally was a floor or a bounce. For sellers, this is still an October market, not a September one: price it to the 43% of listings with a cut, not the 57% without. For buyers who can write, the three days before the Fed are the cheapest money since September 23. Dates

to keep: October 27 for new home sales, October 28 for the Fed, October 29 for GDP, PCE, and Freddie Mac, November 1 for the Colts at Jacksonville, November 3 for Amendment 3, November 6 for the jobs report, November 11 for REALTORS® Relief, November 25 for Florida bridge loans, December 9 for the Fed again, December 31 for Florida residency, and January 7 for the investor ban.

Rates set the cost. Inventory sets the leverage. Strategy has to be local.

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