THE PHALANX TEAM

CENTRAL INDIANA · CENTRAL FLORIDA · GEORGIA

THE PHALANX REPORT

Strength in Formation.

November 17, 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 an 18-minute read.

Stay informed. Move with strategy.

1. Today's Mortgage Rates

Latest Freddie Mac weekly averages, released November 12, 2026, compared with the prior week. The next survey lands Thursday, November 19.

LOAN TYPE	RATE	TREND
30-Year Fixed	**7.11%**	▼from 7.18%
15-Year Fixed	**6.45%**	▼from 6.57%

Rates are national averages for informational purposes only and are not a loan offer. Actual rates vary. Read the table, then read the next sentence, because the table is already out of date. Freddie Mac's survey printed a fourth straight weekly decline — 7.11% on the 30-year, the lowest in seven weeks, and 6.45% on the 15-year. A year ago the two were 6.24% and 5.49%. Sam Khater, Freddie Mac's chief economist: "Mortgage rates dropped to their lowest level in seven weeks, a welcome development that gives borrowers greater flexibility as they navigate the current housing market." The trouble is that Freddie's survey averages quotes from Thursday through Wednesday, and the week turned on Tuesday. The October inflation report came in hot at 8:30 that morning, and by the close Mortgage News Daily's 30-year index had jumped from 7.18% to 7.30%, its biggest one-day move in more than a month. Thursday added another 0.12 to 7.42%. Friday added 0.08 to 7.50%. MND's Matthew Graham: "In 3 short days, the average top tier 30yr fixed mortgage rate has risen 0.32% to 7.50%." His Friday headline said the rest: "Mortgage Rates Have Given Back Almost All of October's Gains." Friday's other MND readings: 15-year 7.03%, FHA 7.05%, VA 7.07%, jumbo 7.50%, and the 7/6 ARM at 7.13% — up 0.63 in a week, the biggest move of any product. Bankrate's national average was 7.28% Monday morning, up 0.06, with the 15-year at 6.65%, FHA 6.93%, and VA 6.94%. Forbes Advisor's 30-year APR was 7.31% Friday, up 0.22 on the week. HousingWire's ticker showed 7.55%. What drove it was the bond market. The 10-year Treasury went from 4.86% on Friday, November 6 to 5.15% on Friday, November 13 — a 29-basis-point rise, the largest weekly jump of the year — on the inflation report, a weak $42 billion 10-year auction that stopped at 5.02%, a soft 30-year auction at 5.44%, and a parade of Fed officials talking about hiking. Mohtashami's summary: "Pretty much everything

you needed for rates to go lower went the other way." The one piece of good news is under the hood. The spread between mortgage rates and the 10-year narrowed to 2.13% from 2.27%, so lenders absorbed part of the move. On a $350,000 loan, Friday's 7.50% is about $2,447 a month in principal and interest, $79 more than a week ago and $26 less than the October 7 high of 7.61%. The buyer who locked last Monday at 7.18% is the one who had a good week. Everyone else is reading the next section with a pen.

View Freddie Mac Rate Data →

2. Market Updates

October existing-home sales fell to 3.75 million, the slowest pace since August 2010. Supply hit 5.1 months. NAR's October report, released Thursday: sales ran at a seasonally adjusted annual rate of 3.75 million, down 5.5% from September and 8.8% from a year ago. The median price was $416,700, up 0.4% on the year — the fortieth straight annual gain, and the smallest in that run. Inventory was 1.59 million homes, up 4.6% from last year, which at this sales pace is 5.1 months of supply, the most since November 2015. Homes took a median of 35 days to sell. First-time buyers were 29% of sales, down from 31%; cash buyers were 29%; distressed sales were 2%. NAR's affordability index fell to 100.7 from 107.3 a year ago, which means the median family can just barely qualify for the median home. Chief economist Lawrence Yun: "Home buying is difficult when mortgage rates have climbed to their highest levels since 2000, aside from a single month in 2023. As a result, home sales fell to their lowest level since August 2010." He added the hopeful half: "Based on the current underwhelming home sales pace at a time of consistent job growth, there could be sizable pent-up demand if mortgage rates decline." The regions that matter to us: the Midwest sold 900,000 homes annualized, down 3.2% for the month and 8.2% for the year, with a median price of $324,300, up 1.5%. The South sold 1.73 million, down 6.5% and 8.0%, with a median of $360,900 — down 0.4%, the only region where prices fell. Redfin's own October tally said the same thing a few days earlier: the first annual decline in U.S. sale prices in three years, a record 36% of listings with at least one price cut, and 14.9% of pending deals falling out of contract. Redfin's Chen Zhao: "It's a buyer's market, but not many people can afford to buy." Cotality's Selma Hepp: "Housing affordability remains a major constraint." October pending home sales come out tomorrow at 10 a.m.

NAR: Existing-Home Sales Decreased 5.5% in October →

Weekly data: sale prices down 0.9%, payments at a six-week low, and sellers outnumber buyers in every one of our metros. Redfin's report for the four weeks ending November 8 put the median U.S. sale price at $388,613, down 0.9% from a year ago — the fourth straight weekly decline and a wider drop than last week's 0.4%. The median asking price is $400,636, up 0.9%, the smallest premium over sale prices in months. Pending sales were 275,980, down 15.5% from a year ago and still the lowest in Redfin's records; they fell in every one of the 50 largest metros. New listings were down 4.7%. Active listings are up 3.3%, months of supply is 4.7 against 4.0 a year ago, the median home takes 51 days to sell, and 21% of listings have a price drop. The median monthly payment eased to $2,755, a six-week low, on the strength of the rate dip that has since reversed. Redfin's separate October count of buyers and sellers is the one to show a seller. Nationally there were 1.53 million sellers against 896,000 buyers — 71% more sellers, the widest gap since the data began in 2013, and only three of the 50 largest metros are seller's markets, all in the Northeast. In ours: Orlando has 131% more sellers than buyers, Atlanta 121%, Tampa 111%, and Indianapolis 47%. Redfin's October metro prices: Indianapolis $308,914, down 0.4%; Atlanta $383,651, down 0.4%; Orlando $398,598, down 2.8%; Tampa $373,686, up 1.0%. Pending sales fell 11.8% in Indianapolis, 13.6% in Orlando, and 11.2% in Tampa, and Tampa's median time on market is 21 days longer than a year ago. HousingWire's tracker, published Saturday: weekly pending sales were 50,623 against 60,722 in the same week of 2025, down 16.6%. Active

inventory fell to 895,988 and is 7.1% above last year; 43% of listings have cut price. Purchase applications rose 8% for the week — the week rates were falling. Logan Mohtashami: "Even with volatility in mortgage rates last week, the seasonal decline in inventory is in full force." And the line that should be on every agent's whiteboard: "Housing demand typically grows when rates get below 6.64% and fades when rates are above 7%."

Redfin: Just 3 Major U.S. Metros Are Seller's Markets →

Central Indiana: October closings down 14%, the median at $310,000, inventory up 16%, and pending sales that actually rose for the month. MIBOR's October report for the 17-county region is out. Closed sales were 2,324, down 14.1% from a year ago and 10% from September; only five of 17 counties were up. Pending sales were 2,364, down 4.6% from last year but up 5.3% from September, with eight counties up, including Marion. New listings fell 5.9% on the year. The median sale price was $310,000, down 1.6% from last October and 4% from September; seven counties posted year-over-year gains, including Madison and Morgan, and ten of 17 are up year to date. Sellers received 97.8% of list price, better than a year ago. Median days on market rose to 29 from 22. Active inventory reached 7,684, up 15.7%, and months of supply is 3.3 against 2.5 last October. Condos were weaker: closings down 32.7%, the median at $226,000, and 4.6 months of supply. MIBOR CEO Shelley Specchio: "As mortgage rates rose from the mid-6% range in August to over 7% by late September, we saw the impact in October… with closed sales down 14% compared to last year. But homes that are priced right from the start are still selling." F.C. Tucker's Dan Brown told WISH-TV: "We're seeing the most balanced market conditions we've had in about 10 years." The statewide picture matches. Indiana REALTORS®' weekly indicators: pending contracts are running 15% below last year on a three-week average, sellers are receiving 94.2% of original asking price in the latest week, and — a turn worth noting — the Hub reports that inventory momentum "just flipped downward" after 34 weeks of gains, the seasonal pullback arriving on schedule. October statewide remains 6,855 closings, a $270,000 median, and inventory up 11%. At the Statehouse, today is Organization Day. Rep. Ben Smaltz of Auburn is expected to be elected Speaker and Sen. Chris Garten of Charlestown takes over the Senate, and leaders have set the latest session start in more than a decade: the House returns January 11 and the Senate January 19, for a budget session that must end by April 29. Smaltz's stated priority is "lowering cost of living," and his own accounting of this year's property-tax law is that it saves homeowners $1.3 billion over three years and, by 2031, taxes a homestead on only one-third of its assessed value. What that means for the house you are pricing: in a market with 16% more homes for sale and 29 days to a contract, the seller who prices to the comps from this fall, not the spring, is the one receiving 97.8%.

MIBOR Monthly Market Report — October →

Florida: the October report is due today, a disaster declaration is pending, and more rain is coming this week. Florida Realtors' October statewide numbers were scheduled for release Monday, November 16 and had not posted when this went to print; ORRA's Orlando report typically follows. September remains the latest official read — statewide single-family closings down 3.5%, a $415,000 median up 1.2%, and Orlando at 2,325 sales with a $399,610 median. Redfin's October metro figures, above, have Orlando's median at $398,598, down 2.8%, with pending sales down 13.6% and active listings up 6.6%; Tampa is at $373,686, up 1.0%, with pendings down 11.2% and listings up 5.4%. The water story is not over. Brevard County reported more than 2,000 homes damaged by the November 2 deluge, and the St. Johns River is still carrying that water north; the Cocoa gauge sat at the edge of major flood stage on November 9, with Lake Monroe and DeLand near flood stage. Governor DeSantis submitted a request for a major disaster declaration on November 9 and asked on November 12 for an expedited federal emergency declaration covering nine counties, including Brevard and Indian River. Senator Ashley Moody: "We must act quickly to get help to those who need it most." Neither had been approved as of Monday morning. Now the forecast: a slow front is expected to bring 2 to 4 inches

of rain to east and south Florida Tuesday through Friday, with 4 to 8 inches in spots and isolated totals above 12 inches per AccuWeather, on ground that has not dried out. If you have a closing in Brevard, Volusia, Seminole, or Lake this week, call your insurance agent and lender Monday, not Friday. Elsewhere: the Legislature holds its organizational session this week, DeSantis has promised a special session on Amendment 3 within two months but has not set a date, and Rep. Ryan Chamberlin has begun laying out implementation priorities. The December 31 residency deadline we covered last week has not moved. Citizens Property Insurance is down to about 217,000 policies, a record low and less than a sixth of its 2023 peak, which is the best insurance news Florida has had in years. And AccuWeather has called hurricane season over three weeks early: ten named storms, one hurricane, and nothing on the map. The season officially ends November 30.

Florida Realtors Market Data →

Georgia: Atlanta closings down 19.5%, contracts down 27%, the median up 1.3% — and a Legislature that just changed hands. Georgia MLS's October report for the 12-county Atlanta core: closed sales 3,735, down 19.5% from a year ago; pending sales 3,332, down 26.8%, the tenth straight annual decline; new listings 7,788, down 8.8%; active listings 21,919, up 1.4%; and a median price of $395,000, up 1.3%. GAMLS's John Ryan: "This is a market where value has replaced urgency." He added that "buyers haven't necessarily left the market; they're simply taking longer to make a decision." The 29-county metro counted 4,704 sales, down 18.7%, at a $383,991 median. County detail: Fulton 796 sales, down 17.5%, with a $443,888 median up 4.8%; Gwinnett 590 sales, down 21.4%, with active listings up 10% and pendings down 26.6%; Forsyth 175 sales, down 24.6%, at a flat $585,000; Cherokee 260 sales, down 12.2%, at $473,500. Atlanta's list-to-sale gap is the tell: prices are holding because sellers are holding, not because buyers are bidding. Zillow's typical metro value is $373,053, down 1.7%, and Redfin counts 121% more sellers than buyers. Politics: with the count nearly final, Democrats hold 92 House seats to Republicans' 87 — the first Democratic House majority in roughly a quarter century — and have nominated Rep. Carolyn Hugley of Columbus for Speaker; a December 1 runoff will set the final margin. Republicans hold the Senate 29–27, a bare majority, with Lt. Governor-elect Josh McLaurin presiding. Certification is November 20; inauguration and the session open January 11. Governor-elect Bottoms spent Veterans Day touring a veterans' transitional-housing center and said her goal is to make Georgia "the best state in the country for veterans and military families," with proposals for license reciprocity, faster state hiring, and "targeted tax relief" for veterans and military retirees. On data centers, she said "all things related to data centers will be on the table," and the Public Service Commission now has a Democratic majority that favors a moratorium. On investors: the comment period on Treasury's rule implementing the ban on purchases by owners of 350 or more single-family homes closes Monday, November 23 — a day later than we reported — and the ban takes effect January 7. For a first-time buyer in Gwinnett or Henry, that is seven weeks.

Atlanta Agent: GAMLS October Report →

3. Industry News

The House voted to nearly triple the VA streamline-refinance fee — by voice vote, on Veterans Day. This one is for every veteran on this list. On Wednesday, November 11, the House passed H.R. 9237, the "Take Care of America's Veterans Act," without a recorded vote. Most of the bill expands benefits — surviving spouses keep DIC and SBP after remarriage, caregiver CHAMPVA coverage is extended, special monthly compensation rises. The pay-for is where it hits homeowners. Section 104 raises the VA funding fee on an Interest Rate Reduction Refinance Loan from 0.5% to 1.42% and the fee on a VA loan assumption from 0.5% to 1%. On a $400,000 refinance that is $3,680 more, rolled into the loan. Rep. Mark Takano: "The intention

was to sneak this through." VFW Commander Cory Geisler: "Playing political games with veterans' benefits while avoiding public accountability is cowardly and dishonorable." Majority Leader Scalise's office noted the bill passed because no member asked for a recorded vote. NAR is lobbying the Senate to strip the fee increases, and Takano says the bill "goes nowhere" there. National Mortgage News's headline was blunter: "Close veteran refis now." Our read: the Senate is unlikely to take it up before the new Congress is seated January 3, but a veteran sitting on a 7.4% VA loan from October who could IRRRL down should not wait to find out. There was better news the same week. The VA and NAR announced a partnership and a VA Home Loan Toolkit for agents; VA Deputy Secretary Paul Lawrence's advice to every Realtor was to ask one question — "Are you a Veteran?" — and his reminder: "Zero down payment doesn't mean zero responsibility." Senators Angela Alsobrooks and Thom Tillis introduced the bipartisan VA Home Loan Navigator Act to create a free program to help veterans through the mortgage and servicing process. And VA loans were 12.4% of all mortgage applications last week, up from 11.2%, the highest share in months. The VA rate on Friday was 7.07% against a conventional 7.50% — about $102 a month on $350,000.

Military Times: House Passes Veterans Benefits Bill With Polarizing Tactic →

Compass sued 15 MLSs in one day. Stellar MLS, which covers Orlando and Tampa, is already in the fight. On Thursday, Compass filed 15 federal antitrust suits against multiple listing services in eight states, challenging rules that fine agents — up to $15,000, the complaints say — for publicly marketing office-exclusive listings that are not on the MLS. By Inman's count Compass is now litigating with 16 MLSs in 18 federal cases. The earlier round already included Stellar MLS in Florida, along with ARMLS, REcolorado, NorthstarMLS, HAR, OneKey, and CRMLS; seven MLSs sued Compass first in October. OneKey MLS CEO Richard Haggerty: "Should the entire brokerage industry follow only those operational rules that a single, national brokerage wants?" A Compass spokesperson said only "the law and the homeowner" should decide how a home is marketed. Same week, Compass barred its salaried employees from serving in Realtor-association leadership. Meanwhile NAR's board, meeting in New Orleans after NAR NXT, approved a $280 million 2027 budget on an 834–43 vote, installed 2027 president Christine Hansen of Florida, and reported 1,469,127 paid members through September — 1.5% below last year but about 22% above the 1.2 million it had budgeted. The board also adopted four MLS policy changes, the biggest being a revision that lets an MLS claim up to a 50% ownership interest in certain listing content while letting brokers opt out and "independently use and license their own listing content." CEO Nykia Wright: "This was the year that the National Association of Realtors moved from promises to action." On the commission-lawsuit front, the judge in the Tuccori buyer case in Chicago said after a November 2 hearing that she needs more information before approving settlements with NAR, Compass, HomeServices, eXp, Anywhere, and others; no ruling date is set. Our position has not changed, and this week it got cheaper to hold: with 71% more sellers than buyers nationally, the listing the whole market can see is the one that finds the buyer.

Real Estate News: Compass Escalates Battle With MLSs, Suing 15 in Federal Court →

Agents say rates need a 5 in front of them. Goldman says 2027 sales will be the lowest in decades. Renting is $360 a month cheaper than owning. Real REMAX Group — REAL Broker's parent — published its monthly agent survey: the Agent Optimism Index fell to 45.8 from 54.3; two in three agents say buyers are pausing; 39% say sellers are delaying listings; 65% say rates must fall below 6% to "meaningfully stimulate buyer demand," and about 60% expect prices to fall if rates stay near 7% through 2027. CEO Tamir Poleg: "A sustained recovery in housing activity will depend heavily on meaningful relief in mortgage rates." Goldman Sachs economists Ronnie Walker and David Mericle now forecast 3.9 million existing-home sales in 2027, which would be the lowest in decades, with prices up 0.8%. Zillow's rent-versus-buy math for October: the typical single-family rent is $2,243 a month, and owning the same house with 20% down costs $2,603 — $360

more. The income needed to buy is $104,132 against $89,724 to rent, the widest gap since early 2025, and the break-even horizon is 7.8 years. Zillow's Kara Ng: "For a growing number of households, renting a house is a legitimate financial strategy." Demand for single-family rentals is up 24% from a year ago. Three practical items. First, the MBA's survey for the week ending November 6 — the low-rate week — showed purchase applications up 8% and refinances up 5%; MBA's Joel Kan: "The declining trend in rates helped to spur stronger application activity." Expect Wednesday's report to give some of that back. Second, FHFA has not yet announced 2027 conforming loan limits; the announcement normally comes the Tuesday before Thanksgiving, November 24. The 2026 limit is $832,750. Third, Redfin's fall condo report: condo sellers outnumber buyers by 123% and 37% of condos sold with a price cut. If you own a condo you plan to sell in 2027, this is the quarter to get the HOA financials, reserve study, and insurance declarations in a folder.

Real Estate News: Housing Rebound Will Depend Heavily on Rate Relief, Survey Finds →

4. General News

Inflation ran hot. The Fed will hike December 9; the only question is by how much. The October Consumer Price Index, released November 10: prices rose 0.4% for the month against a 0.3% forecast, and core prices rose 0.3% against 0.2% — the third straight 0.3% core print. Because no October 2025 data was collected during last year's shutdown, BLS published no twelve-month figure for most categories; economists put the implied annual rate near 4%. Gasoline was up 1%, electricity 0.9%, food 0.5%, shelter 0.3%, and auto insurance 0.7%. Navy Federal's Heather Long: "Inflation came in hot in October and it wasn't just gas prices." Capital Economics called it "a shocker." Producer prices on Friday rose 0.3%, a touch under forecast, with the annual rate at 6.5%, a four-year high. The Fed talked all week. Governor Christopher Waller, in London on CPI day: "Hiking only 25 basis points would put our credibility at risk, a risk I am not eager to take," and "I believe a 50 basis point hike in the policy rate should be considered at the December meeting." New York Fed President John Williams: "We still have work to do." Cleveland's Beth Hammack said "we need to move to a restrictive stance of policy" but favors smaller, steady steps. Dallas's Lorie Logan wants at least two more quarter-point hikes; San Francisco's Mary Daly said her "bias is that further tightening will be needed." Futures markets put a December hike at essentially 100%, split roughly 87% to 93% for a quarter point and 7% to 13% for a half, with another move priced for January. Fed Chair Kevin Warsh speaks Monday at noon in San Francisco; his comments were not available when this went to print. Note that the Fed's target rate is 3.75% to 4.00% and the 10-year Treasury is 5.15% — the market has been doing the Fed's hiking for it since September. The week ahead: retail sales and the NAHB builder index today; housing starts, pending home sales, MBA applications, and the minutes of the October Fed meeting Wednesday; Freddie Mac Thursday at noon; and PCE inflation, the Fed's preferred gauge, on November 25.

Bureau of Labor Statistics: Consumer Price Index, October 2026 →

Washington: a funding deadline, a defense bill, a pay-raise fight, and your 2027 BAH. Congress is back for a five-week lame-duck session. Government funding expires after December 11 and the two sides are, per ABC News, "far from a deal." The FY2027 defense authorization is also unfinished: the House passed its $1.15 trillion version in July, the Senate's stalled, and negotiators expect compromise text in December; the current authorization expires December 31. Inside that bill is the pay raise. The House and White House back a "7-6-5" structure — 7% for E-5 and below, 6% for E-6 through O-3, 5% for O-4 and above — while the Senate's version is a flat 3.6%. If Congress does nothing, 3.6% is the legal default. Housing allowance rates for 2027 have not been announced; last year's came December 11 with an average increase of 4.2%, and rate protection applies if you do not PCS or change grade or dependency status. For a relocating family trying to

decide whether to buy at 7.5%, that December number matters more than anything the Fed does. Markets: the S&P 500 gained 2.5% for the week, its best since August, and closed Friday at 7,561, even as Nvidia lost roughly a tenth of its value Thursday after CEO Jensen Huang resigned and CFO Colette Kress stepped in as interim chief. Brent crude settled at $95.84 Friday, its second straight weekly decline, on reports of a Qatar-brokered interim deal that would reopen the Strait of Hormuz; the President said Thursday, "We don't need a deal with Iran." Three carrier groups are now in the region after the USS Theodore Roosevelt arrived over the weekend, and the Makin Island group with more than 2,000 Marines is following the Tripoli and Boxer groups already deployed. To the Marines and sailors on those ships and the families waiting at Lejeune, Pendleton, and everywhere else: we see you. Gold had its worst week since June, falling 4.7% to $3,899.

Military.com: The Fight Over Your 2027 Military Pay →

Indiana: the Colts won. Yes, really. Indianapolis 24, Miami 22 at Lucas Oil Stadium on Sunday, snapping a five-game losing streak and moving the Colts to 3–7. Seth McGowan ran for 77 yards and a touchdown, Daniel Jones found Laquon Treadwell for a 7-yard score just before the half — Treadwell's first touchdown since 2021 — and to open the third quarter Justin Walley stripped Miami's Kyle McCord and Adetomiwa Adebawore fell on it in the end zone. Miami got within two on a pick-six and a late touchdown, but A.J. Haulcy batted down the two-point try and Jaylahn Tuimoloau knocked down McCord's fourth-and-17 pass to end it. Jonathan Taylor had 83 yards on 16 carries; Miami's kicker missed twice and an extra point, which is how you win while being outgained. Short week: Thursday night at Houston, 8:15 p.m., on Prime Video, then the Giants at home November 29. The Pacers fell 131–124 at Philadelphia and are 5–9. Off the field: Governor Braun held his winter-weather briefing Friday, the Marion County wheel tax for trucks jumps from $40 to $240 at 2027 renewals, and Indiana REALTORS® relief funds for this year's flood damage are being distributed through local associations — if you or a client had storm losses, ask your board.

ESPN: Colts 24, Dolphins 22 →

Florida and Georgia: a quiet tropics, a record gas price, and 81.5 million travelers. The National Hurricane Center shows nothing in the Atlantic and no development expected through the week. Florida's threat this week is rain, not wind — see the Florida market section above for the forecast and the pending disaster declaration. FEMA separately announced more than $2.5 billion for 500-plus Florida recovery projects, some dating to 2017. In Georgia, the Falcons lost 35–13 to Kansas City and are 3–7. For the road: AAA expects 81.5 million Americans to travel for Thanksgiving, flat with last year's record, and the national average for gas was $3.82 on Sunday against $3.08 a year ago, which would be the most expensive Thanksgiving fill-up on record. A cold pattern that put 160 million Americans below normal temperatures over the weekend reached the Gulf Coast Sunday and is expected to hold through next weekend. If you are showing vacant listings this week in Indiana or north Georgia, confirm the heat is on and the exterior spigots are off.

National Hurricane Center: Atlantic Tropical Weather Outlook →

5. Weekly Realtor Tip

Rates moved a third of a point in three trading days. Have the lock conversation before you write the offer, not after. Last week was a lesson in how a rate becomes a payment. A buyer who went under contract Monday, November 9 and locked that afternoon has a 30-year fixed near 7.18%. A buyer who went under contract the same day and floated has 7.50% this morning — $79 more a month on $350,000, every month, or about $28,000 over the life of the loan. Neither buyer did anything wrong. One had a plan. Here is the plan, in order. First, know the lender's lock rules before you have a contract: the lock period they offer at no cost

(30, 45, 60 days), what a longer lock costs, whether they offer a float-down if rates fall after locking and what it costs, and whether a lock can be extended if the appraisal or title runs long. Get the answers in writing, in the pre-approval. Second, lock when the contract is signed unless the buyer can articulate a reason not to. "I think rates will come down" is a reason to buy a float-down, not to float. Third, if the rate has already moved against you mid-contract, you have four levers, and the seller is holding two of them. The buyer can pay points — about 1% of the loan for roughly a quarter point of rate, which at today's levels pays back in about five years. The buyer can switch products: the VA rate is 7.07% against 7.50% conventional, FHA is 7.05%, and the 7/6 ARM is 7.13%, though note the ARM's advantage shrank from $156 a month to $88 in a single week, so run it fresh. The seller can pay a lender credit toward points — concessions are allowed up to 4% on VA, 6% on FHA, and 3% to 9% on conventional depending on down payment — and in a market with 71% more sellers than buyers, a seller who will not give a 2% credit to save a deal has not been shown the alternative. Or the seller can fund a 2-1 buydown, which cuts the buyer's rate by two points in year one and one point in year two; on $350,000 at 7.50%, the first-year payment drops by about $460 a month, and the cost to the seller is roughly 2.4% of the loan. Fourth, veterans with an existing VA loan at 7.25% or higher: the IRRRL fee increase in H.R. 9237 is not law and may never be, but the current 0.5% fee is a certainty and the rate you can IRRRL into is not. Call your lender this week and ask what the break-even looks like. Script for a buyer who wants to wait for the Fed: "The Fed is going to raise rates on December 9, and mortgage rates have already priced that in — they went up a third of a point last week waiting for it. What we can control is locking a rate on a house you like and asking the seller to buy it down. Let's write the offer with a 2% lender-credit ask and see what they say." Script for a seller whose buyer's rate just jumped: "Your buyer's payment went up $80 a month last week through no fault of theirs. If we offer a $7,000 credit toward their rate, we keep a deal that took us 45 days to find, and the next buyer is going to ask for the same thing anyway."

Mortgage News Daily: Mortgage Rates Have Given Back Almost All of October's Gains →

6. The Phalanx Take

The slowest market since 2010 just met the fastest rate reversal of the year. Be the agent with a plan for both. Here is the week in one breath: existing-home sales fell to a 16-year low, supply reached 5.1 months, prices went flat nationally and negative in the South, and then — before anyone could enjoy a 7.11% Freddie Mac print — inflation came in hot and the 30-year went from 7.17% to 7.50% in three days. The Fed will hike on December 9. The 10-year is at 5.15%. Nobody's forecast from January survives contact with this year. What does survive is the arithmetic of leverage. In every one of our four metros, sellers outnumber buyers — by 47% in Indianapolis, 111% in Tampa, 121% in Atlanta, 131% in Orlando. Central Indiana closings are down 14%, Atlanta's down 19.5%, Atlanta contracts down 27%. MIBOR's days on market went from 22 to 29 in a year; Tampa's are up three weeks. And yet: pending sales in Central Indiana rose 5% from September to October, purchase applications rose 8% the one week rates dipped, and 97.8% of list is still the going rate for a Central Indiana house priced correctly. The buyers have not left. They are waiting at the door for a reason to walk in, and every time the rate ticks down, they do. For sellers, that means two things. Price to this fall's comps, and treat a rate credit as part of the price — the seller who gives $7,000 toward a buydown and holds $395,000 nets more than the one who holds the line and sits through December. For buyers, it means the lock conversation is the first conversation, the seller concession is a normal ask, and the VA loan is a third of a point cheaper than conventional this morning. For veterans, two clocks: the IRRRL fee fight in Congress, and the BAH announcement in December. For Florida buyers, the December 31 residency deadline for the full Amendment 3 exemption has not moved, the disaster declaration has not been approved, and four more days of rain start today. Dates to keep: November 17 for retail sales, the builder index, and Indiana's Organization Day; November 18 for housing starts, pending home sales, and the Fed minutes; November 19 for Freddie

Mac and Colts at Texans; November 20 for Georgia's certification; November 23 for comments on the investor rule; November 24 for conforming loan limits; November 25 for PCE inflation; November 26 for Thanksgiving; November 30 for the end of hurricane season; December 1 for Georgia's runoff; December 9 for the Fed; December 11 for government funding; December 31 for Florida residency and Indiana homestead; January 7 for the investor ban; and January 11 for the Indiana and Georgia sessions.

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

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