



**Credit score rules for mortgages changing in 2026 may help first-time homebuyers**

### ***KSTP***

Credit score rules for mortgages are changing in 2026, which may help first-time homebuyers. For years, the minimum FICO score to get a loan for most borrowers has been 620. Now, companies that provide capital to the mortgage market have removed that requirement. They're expanding the scope of credit profiles to include utility and rental payment history.

Older FICO scores did not include utilities or rental payments, so the change may give a better profile picture of a person's creditworthiness. Experts say the credit profiles may expand access to credit for first-time homebuyers, young adults and renters.

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### **Homebuilder Lennar cuts prices 10% as buyers face affordability crisis**

**Source: *Realtor.com***

Homebuilder Lennar says it cut the average price of its homes 10 percent last quarter amid weak demand from homebuyers struggling with affordability and worried about the economy. Lennar said the price cuts were primarily due to an increased use of sales incentives offered to homebuyers, which the company used to boost home deliveries by 4 percent year over year despite ongoing weakness in the housing market.

Lennar expects its gross margin on home sales to fall to between 15 percent and 16 percent in the current quarter, also lower than the 16.9 percent forecast that analysts had expected to hear. Realtor.com Senior

Economist Joel Berner said that “the biggest source of pressure on builders, which is also the main things holding back the market, is weak buyer demand. Stubbornly high mortgage rates combined with the rising cost of living and heaps of economic uncertainty are making would-be homebuyers reluctant to purchase and more demanding of bargains.” In addition to a weak housing market, homebuilders are facing rising costs due to tariffs and labor shortages, adding pressure to move inventory off their balance sheets. In response, builders are cutting prices and offering attractive buyer incentives to entice home shoppers to choose them over sellers of existing homes. This is great news for buyers who can find exceptional deals on newly built homes right now.

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## Home prices surge in rural counties, outpacing top urban areas

Source: *Realtor.com*

After decades of young professionals flocking to large metros in search of well-paying jobs and lifestyle amenities, the American heartland is seeing a resurgence, with rural counties posting massive home price increases far outpacing those in urban centers. From November 2019 to November 2025, nonmetro counties, which are synonymous with rural locales, experienced a median listing price increase exceeding 70 percent, while in-metro counties saw home prices rise just over 30 percent, according to a new housing data analysis from Realtor.com.

Most of the outlying regions that saw the biggest gains were in the Midwest and South. On the other side of the spectrum, some of the nation’s largest, priciest and most populous urban counties saw far more modest

price gains from November 2019 to November 2025, including Orange County and Los Angeles County, both in California. Orange County's median home list price increased 55 percent over six years, with the typical home there costing \$1.27 million last month, while prices in Los Angeles rose by just over 34 percent.

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## **U.S. economy grew more than expected as Trump's tariffs took hold**

**Source: AOL**

Federal government data released last week showed that the U.S. economy had expanded more than expected as President Trump's tariffs took hold over recent months. U.S. gross domestic product, or GDP, increased at an annualized rate of 3 percent over three months ending in June. The figure marked a sharp acceleration from an annualized contraction of -0.5 percent over the first three months of 2025.

The reading amounted to sturdy economic growth, suggesting the economy has continued to avert a significant tariff-induced cooldown. A boost in consumer spending helped propel the economic surge, the U.S. Commerce Dept. said. The government's GDP formula subtracts imports in an effort to exclude foreign production from the calculation of total goods and services. Changes in the reading on this account reveal neither underlying economic weakness nor strength. The measure of the GDP fell over the first three months of the year, largely due to a surge of imports as firms stockpiled inventory to avoid far-reaching tariffs. Conversely, the

**drop-off in imports over the second quarter may have inflated the second-quarter GDP figure.**

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### **November home sales struggle as supply stalls**

***Source: CNBC***

**High home prices, stubbornly high mortgage rates and now less supply are all weighing on potential homebuyers. Sales of previously owned homes rose just 0.5 percent in November from October and were 1 percent lower than November 2024, according to the National Association of REALTORS®. Sales came in at an annualized rate of 4.13 million units.**

**This count is based on closings, so it reflects contracts likely signed in September and October, when mortgage rates initially came down slightly but then stayed in a tight range. Supply, which had been gaining for much of this year, fell in November. There were 1.43 million homes for sale at the end of the month, down 5.9 percent from October but up 7.5 percent year over year. At the current sales pace, that represents a 4.2-month supply. A six-month supply is considered balanced between buyer and seller.**

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