

Pittsburgh Market Update

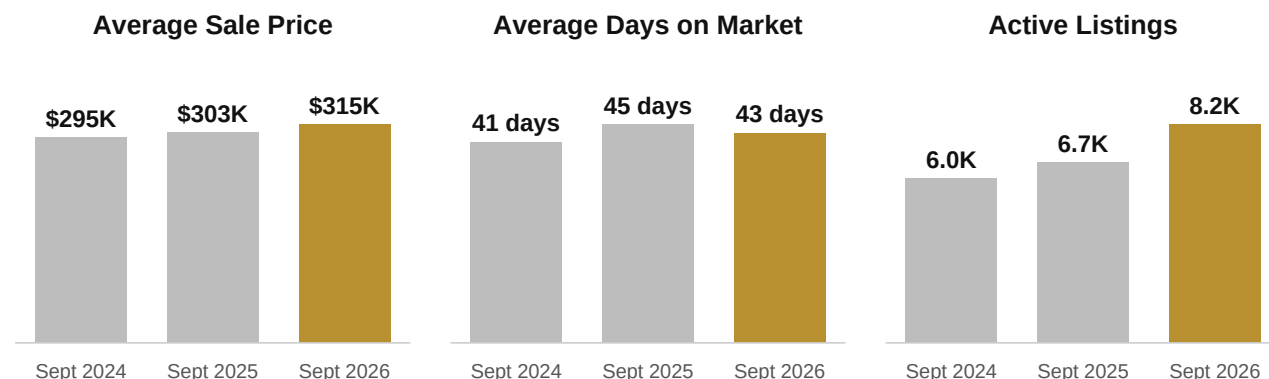
October 2026 | September's numbers, and what 7.4% mortgage rates mean

\$315K Avg sale price +4.2% vs last Sept	43 days Avg days on market down from 45	+23% Active listings vs last Sept	4.2 mo Months of supply (6 = balanced)
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The short version

Pittsburgh closed out September about where it was a year ago: roughly the same number of sales, prices a bit higher, and homes selling slightly faster. The big change is still inventory. Active listings are up 23% from last September, and months of supply has climbed to 4.2, the highest reading in more than a year. Meanwhile mortgage rates have jumped to 7.4%, their highest level since late 2023. Put together, this is a market tilting toward buyers: more to choose from, sellers accepting a little less than asking, and fewer competing offers as higher rates thin out the buyer pool.

What the numbers say



Prices. The average sale price was \$295K in September 2024, \$303K in September 2025, and \$315K this September. That is +2.6% last year and +4.2% this year, about 6.9% over two years. The median held steady at \$255K (vs. \$254K), so the gain in the average is coming mostly from the upper end. September is down from the June peak (about \$360K), the same seasonal pattern as last year, when prices topped out around \$333K in summer and settled to \$303K by September. Summer is when larger family homes trade; fall and winter are when investors buy. Buyers paid 98.7% of list price on average, down from 100% in May through July, so the room to negotiate has opened back up since summer.

Days on market. Homes averaged 43 days on market in September, down from 45 last September but up slightly from 41 in 2024. Days on market peaked around 71 in February, which is normal winter seasonality, fell every month through June, and has held in the low 40s since. Expect it to start stretching again as we head into winter.

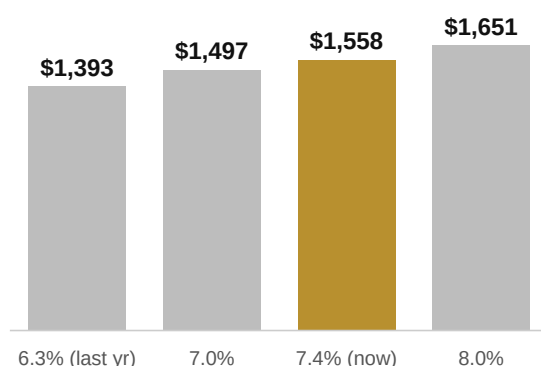
Inventory. This is still the story. Active listings rose to about 8,200, up 23% from 6,700 last September and 37% from 6,000 two years ago, and they have climbed every month since February. New listings were up 2.7%, while closed sales were flat at 1,971 (vs. 1,981), so supply is building faster than buyers are absorbing it. Months of supply is now 4.2, up from 3.4 a year ago. Sellers still have a slight edge on paper (six months is balanced), but the gap is closing quickly.

How interest rates affect this market

Where rates stand. The 30-year fixed averaged 7.40% in Freddie Mac's October 8 survey, up from 7.28% the week before and 6.30% a year ago. That is seven straight weekly increases and the highest level since November 2023. The 10-year Treasury, which mortgage rates actually track, has pushed past 5.2%, its highest since 2002, on inflation worries, a broad bond selloff, and rising deficits. The Fed raised its benchmark a quarter point to 3.75% to 4.00% on September 16, and most policymakers expect at least one more hike this year. The next meeting is October 27 to 28. In plain terms: underwrite at today's rate and do not count on relief this winter.

Why rates rose even though the Fed only moved once. Mortgage rates follow the bond market, not the Fed's overnight rate. When investors expect inflation to stick around and the government to keep borrowing heavily, they demand higher yields on long-term bonds, and mortgage rates move with them. That is what has happened over the past month.

Monthly P&I on a \$300K purchase, 25% down



What the rate move is worth. On a \$300K purchase with 25% down (\$225K loan), the jump from 6.3% a year ago to 7.4% today adds about \$165 a month in principal and interest, or roughly \$2,000 a year. Each half point is still worth about \$75 a month. That is real money, but on a rental it is a line item, not the whole deal. Buying \$10K to \$15K under asking, or getting \$3,000 in seller-paid closing costs, offsets a good share of it, and in a 4-month-supply market those concessions are increasingly on the table. Buy the right property at the right price and the rate is something you can refinance later.

Why Pittsburgh handles high rates better than most markets.

- **Lower price points, smaller dollar impact.** A half point on a \$300K house is about \$75 a month. On a \$700K house in a coastal market it is roughly \$175.

- **It is a cash-flow market, not an appreciation bet.** Pittsburgh never ran up 40% in 2021, so it has little to give back. Investors here buy on rent versus payment, and markets that depended on cheap money and fast price growth are the ones under the most pressure.
- **Sellers are adjusting.** Rising inventory and a sale-to-list ratio that has slipped from 100% to under 99% since summer are the market doing exactly that. Higher rates push sellers to negotiate on price, credits, and rate buydowns.
- **Fewer competing buyers.** Mortgage applications fell 4.2% in the first week of October. Every uptick in rates knocks some buyers out, and in a 4.2-month-supply market that turns bidding wars into normal negotiations.

What to do with this

- **Buy the deal, not the rate.** Investment loans typically price above the 7.4% headline rate, so underwrite at 8% or a little higher. If the numbers work there, a future refinance is upside, not a rescue.
- **Use the leverage while it is here.** Ask for seller-paid closing costs, temporary rate buydowns (a 2-1 buydown can cut year-one payments by \$200 or more a month), and price reductions on anything past 45 days on market.
- **Fall and winter are the buying season for investors.** Summer buyers are gone, days on market stretch, and sellers who need to move before year end negotiate. Historically this is when my clients get the best terms.
- **Have a rate plan, not a rate prediction.** Lock when the payment works for you. If rates fall a full point, refinance. If they do not, you own a property that already penciled at the higher number.

Bottom line. Prices are holding, homes are still selling in about six weeks, and there is more to choose from than at any point in the past year. Rates are high and rising, which keeps some buyers on the sidelines and gives the ones who are ready more room to negotiate. If you want to look at specific deals against these numbers, I run every property through the same rent-versus-payment screen before it goes to a client.

Sources: West Penn Multi-List market statistics, residential, September 2024 to September 2026, Greater Pittsburgh area (Allegheny, Armstrong, Beaver, Butler, Fayette, Washington and Westmoreland counties). Note: last month's update used MLS-wide figures, so the numbers above are not directly comparable to it. Freddie Mac PMMS, October 8, 2026; Federal Reserve FOMC statement, September 16, 2026, and 2026 meeting calendar; Treasury yield and mortgage application data as reported week of October 5, 2026. Payment figures are principal and interest only on a 30-year fixed loan and exclude taxes and insurance. Peak figures are approximate. This is a market overview, not a guarantee of future performance or a substitute for property-specific analysis.