

TRANSUNION REAL ESTATE
PERSPECTIVES REPORT

Meet the Mortgage-Ready Millions: Finding the Next Generation of Sellers in a Dynamic Economy



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TransUnion (NYSE: TRU)

Evolving housing market trends

The current US housing market faces an evolving landscape marked by rapid economic shifts, an unpredictable interest rate environment, and waning consumer sentiment.¹ Rather than relying on intuition, real estate agents today are more likely to find success with a data-backed understanding of who their buyers are, how they make decisions, and what they can *actually* afford.

While many agents have their fingers on the pulse of housing trends in their markets, what may be hard to discern is how many potential clients actually qualify to purchase. This is especially the case in today's dynamic economy. Some economic indicators are positive — retirement balances are up and wages have increased. On the other hand, inflation is once again on the rise and homes feel less affordable. These factors lead to a consumer base that lacks confidence in making what is arguably the biggest purchase of an individual's lifetime.



To give agents a more nuanced picture of potential buyers (based on existing debt and credit profiles), we used a definition of mortgage-ready renters to include people who meet the following conditions (per FreddieMac guidelines):

- The lowest credit score in the household is greater than or equal to 661 (at time of data pull)
- No one in the household has a trade greater than or equal to 120 days past due in the past 12 months
- No one in household has bankruptcies or foreclosures
- The total household debt to total household income ratio is greater than or equal to 25% (monthly debt payments to monthly household income)

We then extended this definition further with an affordability lens, calculating the maximum monthly mortgage payment a mortgage-ready renter could qualify for based on a 30-year fixed rate mortgage — testing for both a 28% front-end ratio on the mortgage and a 36% back-end ratio considering other debt obligations.²

Sizing the mortgage-ready renter population nationally revealed an estimated 30 million people fit the criteria — making them promising candidates for a home purchase given current market conditions.

Interest rate changes are afoot

Still, we wanted to take things a step further since assessing homebuying affordability based on credit history, home price and income is just one piece of the puzzle. Interest rates are another large driver and US consumers are currently in an unpredictable environment as speculation swirls about when, or even if the Fed will decide to raise or cut interest rates in 2026. Homebuyers so far have been reluctant to take the plunge; the housing market remained sluggish in early Q1 2026³ and some buyers may have been wary of “catching a falling knife” — applying for a mortgage when rates may fall further.

Given this uncertainty, TransUnion wanted to understand how the population of mortgage-ready renters changes under specific interest rate scenarios across average home price bands.

Using a baseline scenario where we'll assume mortgage rates to be 6%, we wanted to understand potential future scenarios where the rate falls or increases by 25 bps. The net result provides real estate agents with an estimated market size of Mortgage-Ready Renters who represent promising first-time homebuyers — but specifically for houses at price points ranging from \$300K to \$800K.

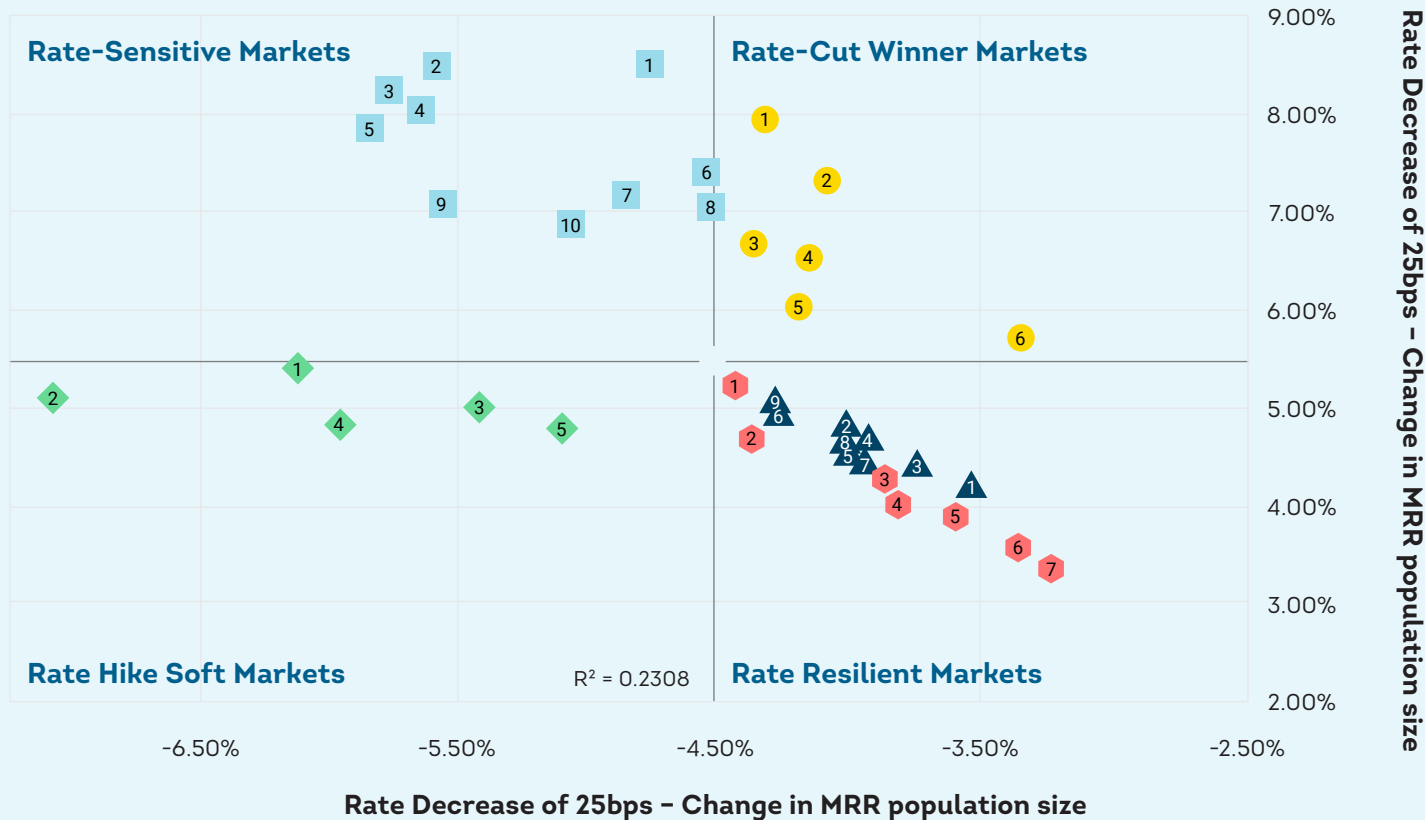
Nationally, a 25-basis point cut in interest rates would grow the number of Mortgage-Ready Renters by anywhere from 4.9% to 11.9%, depending on the list price. In the opposite scenario, where interest rates increase by 25-basis points, the US may see between 4.2% - 10.4% fewer Mortgage-Ready-Renters across home prices bands.



Understanding markets where interest rates have the biggest impact

We were also interested to see which metropolitan statistical areas (MSAs) show the strongest growth or decline in homebuyers with these same interest rate scenarios. To include as many MSAs as possible, we used \$300K as a benchmark home price and assumed a 6.50% APR baseline, then divided nationwide MSAs into four quadrants that demonstrate which markets are the most resilient to interest rates changes and which markets stand to gain or lose the most Mortgage-Ready prospective home buyers. Across the US, an interest rate drop would be expected to grow prospective buyers at the \$300k price point by [4.7%] and a hike reduce the same by [4.3%] – *but there are significant differences across markets*

\$300K Home Price



Rate-Sensitive Markets

MSAs with ABOVE AVERAGE GROWTH in Mortgage-Ready Renters with a rate cut, and ABOVE AVERAGE DECLINES with a rate hike

1. Altoona, PA
2. Cumberland, MD-WV
3. Battle Creek, MI
4. Dubuque, IA
5. Muskegon-Norton Shores, MI
6. Myrtle Beach-Conway-North Myrtle Beach, SC
7. Jefferson City, MO
8. Monroe, LA
9. Alexandria, LA
10. Flint, MI

Rate-Cut Winner Markets

MSAs with ABOVE AVERAGE GROWTH in MRRs with a rate cut, but BELOW AVERAGE DECLINES in MRRs with a rate hike

1. Muncie, IN
2. Decatur, IL
3. Anderson, IN
4. Danville, VA
5. Baton Rouge, LA
6. Kankakee-Bradley, IL

Rate Hike Soft Markets

MSAs with BELOW AVERAGE GROWTH in MRRs with a rate cut, but ABOVE AVERAGE DECLINES with a rate hike.

1. Hinesville-Fort Stewart, GA
2. Springfield, OH
3. Corvallis, OR
4. Warner Robins, GA
5. Santa Fe, NM
6. Bend, OR

Rate Resilient Markets

MSAs with both BELOW AVERAGE GROWTH and BELOW AVERAGE DECLINES with a change in rates

1. Bellingham, WA
2. Ann Arbor, MI
3. Austin-Round Rock, TX
4. Boulder, CO
5. Honolulu, HI
6. San Francisco-Oakland-Fremont, CA
7. San Jose-Sunnyvale-Santa Clara, CA

Major US MSAs

1. New York-N. New Jersey-Long Island, NY
2. Chicago-Naperville-Joliet, IL
3. Los Angeles-Long Beach-Santa Ana, CA
4. Houston-Sugar Land-Baytown, TX
5. Dallas-Ft. Worth, TX
6. Atlanta, GA
7. Washington, DC-Arlington, VA
8. Miami-Ft. Lauderdale, FL
9. Phoenix, AZ

Agents may use this data to understand how affordability changes for their prospective buyer pools — fueling a smarter, data-driven approach to lead generation.

Summary

Today's housing market remains sluggish, constrained by affordability pressures and buyer hesitation; however, nearly 30 million US renters meet TransUnion LLC's definition of "mortgage-ready." Even a modest reduction in mortgage rates can materially increase the number of renters who are able to purchase homes at specific price points, and these increases often vary by neighborhood, home type and local economic conditions. As a result, entire pockets of inventory may become newly attractive to buyers who had previously been priced out. For agents, brokers and their supporting teams, the opportunity lies in understanding where affordability is improving or deteriorating first and using those signals to anticipate listing activities, shape conversations, and engage buyers and sellers with insight rather than hindsight.



Did You Know?

Housing inventory remains historically tight, with active listings still well below long term averages. As more renters become financially prepared to buy, **many rental properties will enter the market when owners decide to sell instead of re leasing.**

TruLookup® for Real Estate⁶ helps agents identify and connect with owners of rental properties, allowing them to start informed conversations about timing, pricing and potential sale opportunities **before those homes ever hit the MLS.**

In competitive markets, the advantage goes to agents who engage property owners early — not after a listing appears.

Want to find listings before they become listings?
Learn how TransUnion can give you the inside track.



Citations

¹[Surveys of Consumers](#)

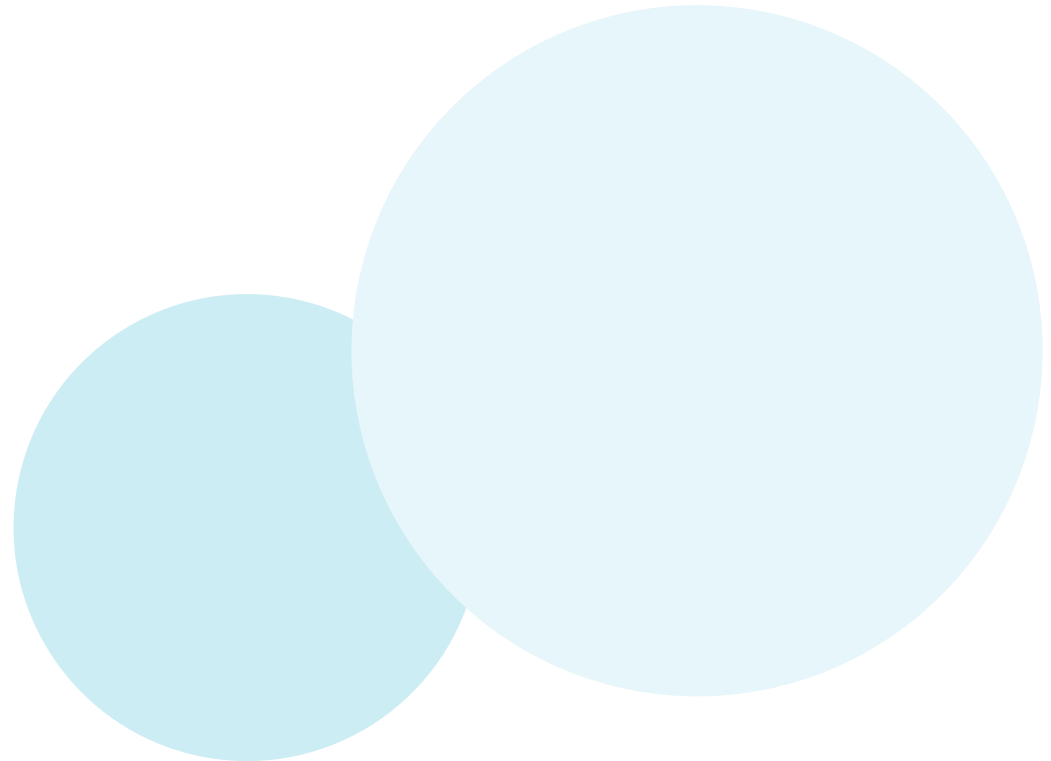
²TransUnion LLC US Consumer Credit Data, as of 3/31/2026

³[2025 home sales stuck at 30-year low with prices high and mortgages onerous | AP News](#)

⁴Baseline Mortgage rate as of 12/31/26: <https://fred.stlouisfed.org/series/MORTGAGE30US>

⁵Data pulled for Q1 2026, TransUnion Credit Data. Chart includes credit-active adults in US MSAs (Metropolitan Statistical Area), excluding Foreign Territories and Military Housing. MSA MRR Analysis includes MSAs with at least 30,000 Mortgage-Ready Renters as a base.

⁶TruLookup for Real Estate is provided by TransUnion Risk and Alternative Data Solutions, Inc. (TRADS), a TransUnion (NYSE:TRU) company.





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TransUnion is a global information and insights company with over 12,000 associates operating in more than 30 countries. We make trust possible by ensuring each person is reliably represented in the marketplace. We do this with a Tru™ picture of each person: an actionable view of consumers, stewarded with care. Through our acquisitions and technology investments we have developed innovative solutions that extend beyond our strong foundation in core credit into areas such as marketing, fraud, risk and advanced analytics. As a result, consumers and businesses can transact with confidence and achieve great things. We call this Information for Good® – and it leads to economic opportunity, great experiences and personal empowerment for millions of people around the world.

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