Turner College of Business & Technology
Columbus State University

The Butler Center for Research and Economic Development

THE COLUMBUS HOUSING MARKET

Prices, Affordability, and Market Trends

Q2 - 2026

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EXECUTIVE SUMMARY

The Columbus, GA-AL housing market showed signs of moderation during the second quarter of 2026. The All-Transactions House Price Index increased by 1.4% year over year, while the median listing price per square foot rose by 4.8%. However, the median size of homes listed for sale declined by 5.4% year over year. Consequently, the estimated implied listing price remained relatively stable, decreasing by approximately 0.8%, from $277,400 in Q2 2025 to $275,000 in Q2 2026.

The contrast between rising listing prices per square foot and modest growth in home values may indicate a gap between seller expectations and buyer affordability. This interpretation is supported by other market indicators. The average number of listings with price reductions increased by 9.9% year over year from the second quarter of 2025, while median days on market increased from approximately 45 to 50 days. These changes suggest softer demand, greater buyer selectivity, and growing pressure on sellers to adjust their asking prices.

Columbus remained less expensive than the United States overall, with local median listing prices averaging approximately 65.4% of the national median during the quarter. Nevertheless, housing remained unaffordable for the typical local household. By May 2026, estimated homeownership costs represented 39.3% of median household income in Columbus, compared with 43.4% nationally. Although Columbus retained a relative affordability advantage, both figures remained well above the 30% affordability threshold.

Mortgage rates declined modestly from one year earlier but continued to constrain purchasing power. The average 30-year fixed mortgage rate fell from approximately 6.79% in Q2 2025 to 6.41% in Q2 2026. However, rates began moving higher again during the third quarter, suggesting that buyers may receive little additional affordability relief in the near term.

Overall, the findings indicate that the Columbus housing market is adjusting gradually rather than experiencing a sharp downturn. Home values remained above their year-earlier level, but growth was modest; homes took longer to sell; and price reductions became more common. Buyers appear increasingly selective and constrained by affordability, while sellers face growing pressure to align their price expectations with current financing conditions.

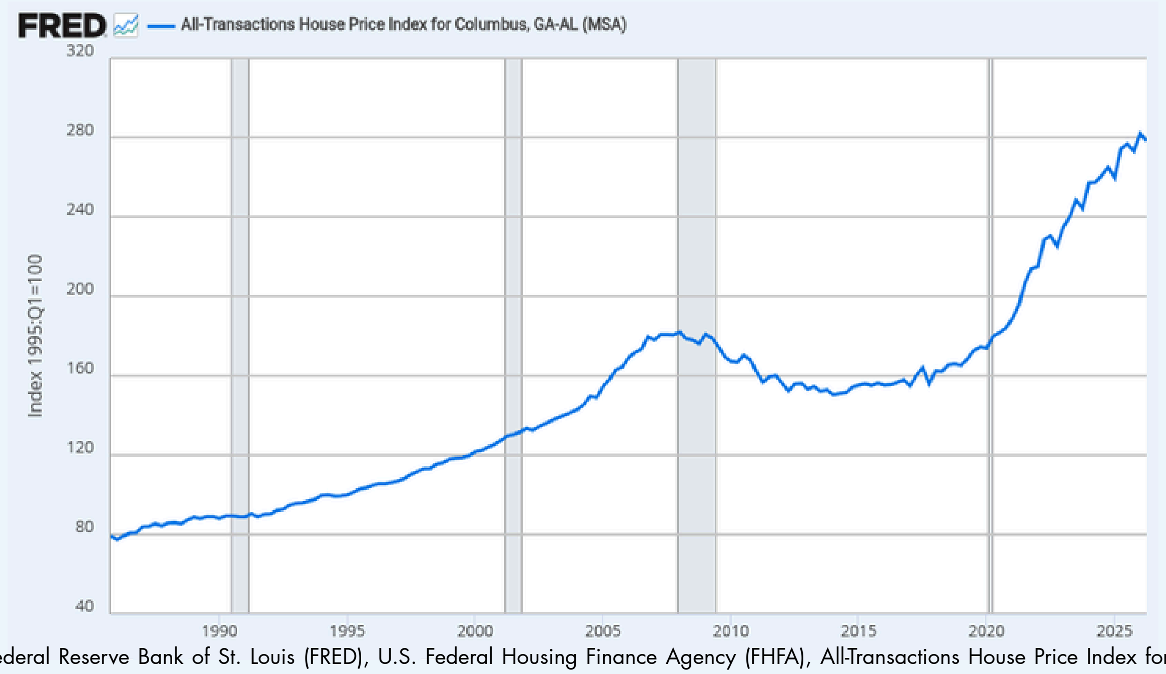
Sincerely, Fady Mansour

Transaction-Price Growth Moderates While Listing Price Remain Elevated

The All-Transactions House Price Index for the Columbus, GA-AL MSA stood at 278.32 in the second quarter of 2026. This represented a 1.3% decline from 282.04 in the first quarter but a 1.4% increase from 274.39 in the second quarter of 2025. Although transaction-price growth slowed during the quarter, the index remained approximately 59.4% above its fourth-quarter 2019 level, indicating that most of the increase recorded since the pandemic has been sustained.

The All-Transactions House Price Index measures changes in house prices over time and should not be interpreted as an average home price in dollars. An index reading of 278.32 means that house prices were approximately 178% above the index's 1995 first-quarter base—not that the average house price was approximately $278,000.

Figure 1. All-Transactions House Price Index — Columbus, GA-AL MSA

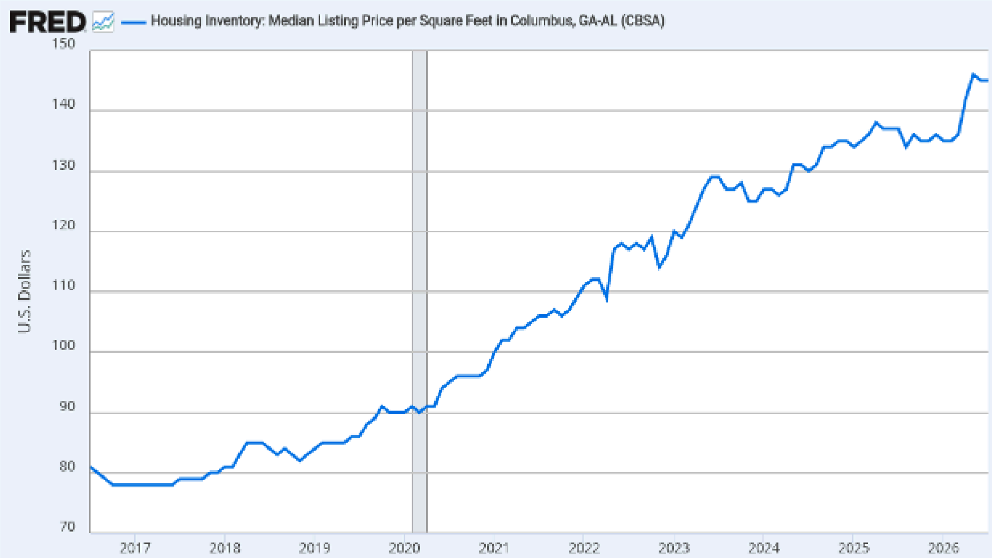


Source: Federal Reserve Bank of St. Louis (FRED), U.S. Federal Housing Finance Agency (FHFA), All-Transactions House Price Index for Columbus, GA-AL MSA.

Listing-price data showed greater strength than the transaction-price index. The median listing price per square foot averaged approximately $144.33 during the second quarter of 2026, compared with $137.67 during the second quarter of 2025—an increase of 4.8% year over year. In June 2026, the median listing price reached $145 per square foot, up 5.1% year over year from $138 in June 2025.

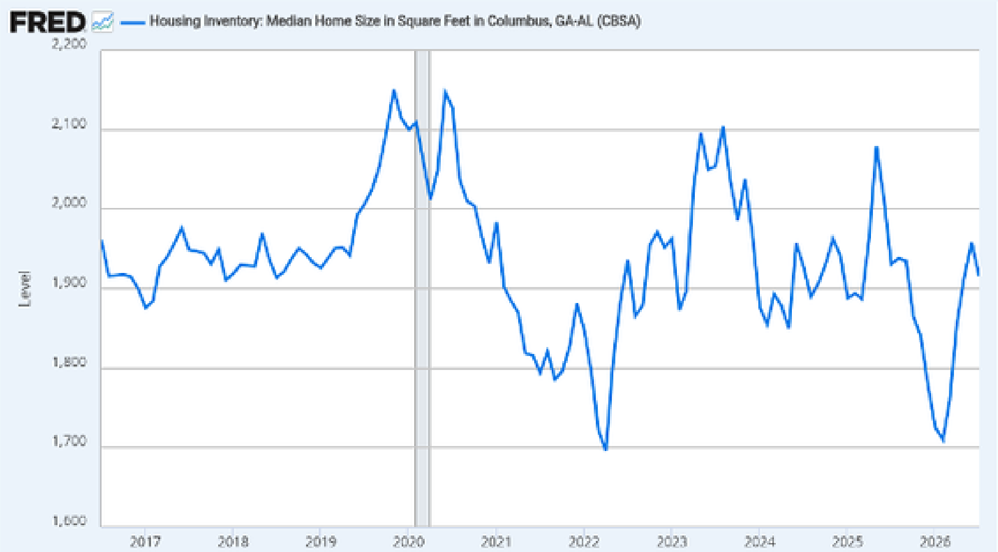
The difference between the modest increase in the transaction-price index and the stronger increase in listing price per square foot may indicate that seller price expectations remained elevated even as completed-sale price growth moderated. However, the two series measure different aspects of the market and should be interpreted together rather than viewed as directly comparable price measures.

Figure 2. Median Listing Price per Square Foot — Columbus, GA-AL CBSA



Source: Federal Reserve Bank of St. Louis (FRED), Realtor.com Data, Housing Inventory: Median Listing Price per Square Foot in Columbus, GA-AL CBSA.

Figure 3. Median Listed Home Size — Columbus, GA-AL CBSA



Source: Federal Reserve Bank of St. Louis (FRED), Realtor.com Data, Housing Inventory: Median Home Size in Square Feet in Columbus, GA-AL CBSA.

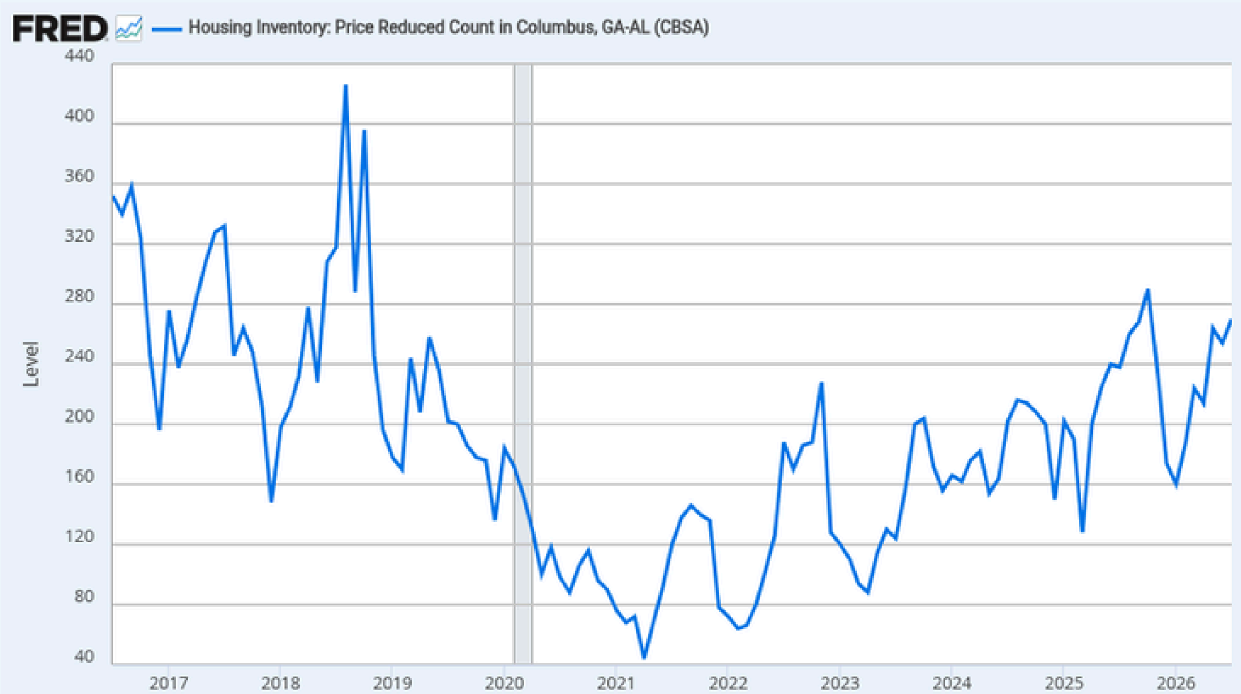
The median size of homes listed for sale declined by 5.4% year over year in Q2 2026. This compositional shift is important when interpreting the 4.8% increase in the median listing price per square foot, as a higher price per square foot does not necessarily translate into a higher total asking price when listed homes are smaller. Combining the two measures suggests that the estimated implied listing price declined by approximately 0.8% year over year, from $277,400 in Q2 2025 to $275,000 in Q2 2026. These results indicate that the listing market adjusted partly through a shift toward smaller homes rather than through a broad reduction in asking prices per square foot.

More Price Reductions And Longer Selling Times Signal Buyer Resistance

Market conditions softened during the second quarter as more sellers reduced their asking prices. The number of Columbus-area listings with price reductions averaged 244 during Q2 2026, up 9.9% from 222 listings during Q2 2025. The monthly count increased from 214 in April to 264 in May before declining slightly to 254 in June. The June figure remained 5.8% above the 240 listings with price reductions recorded in June 2025.

The increase in price reductions suggests that a growing number of sellers initially listed their homes above the prices buyers were willing or able to pay. This is consistent with elevated listing prices per square foot occurring alongside much slower growth in the transaction-price index.

Figure 4. Listings with Price Reductions — Columbus, GA-AL CBSA



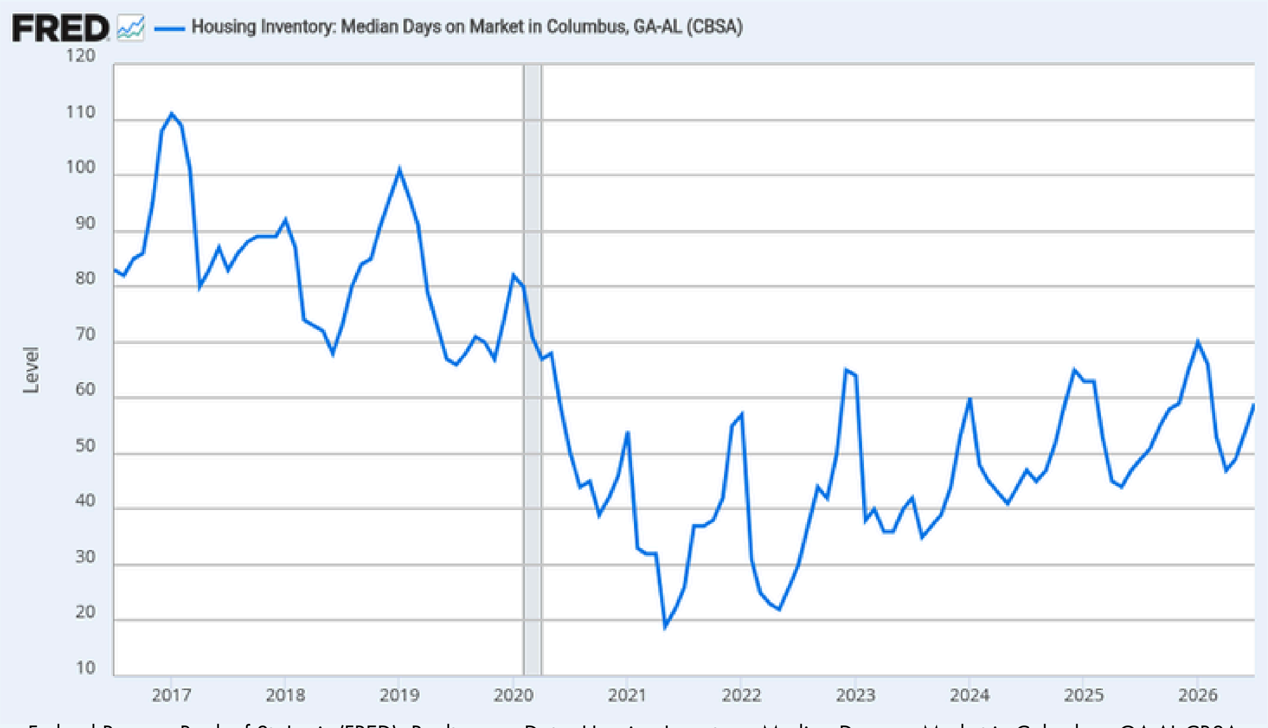
Source: Federal Reserve Bank of St. Louis (FRED), Realtor.com Data, Housing Inventory: Price Reduced Count in Columbus, GA-AL CBSA.

Homes also took longer to sell. Median days on market averaged 50 days during the second quarter of 2026, compared with approximately 45 days during the second quarter of 2025—an increase of 11.1%. Median time on market rose throughout the quarter, from 47 days in April to 49 days in May and 54 days in June. The June reading was approximately 14.9% above the 47 days recorded in June 2025.

The simultaneous increases in selling times and price reductions provide stronger evidence of buyer resistance than either indicator would provide independently. Elevated mortgage rates and homeownership costs appear to be limiting buyers' affordability, causing some homes to remain listed longer and requiring more sellers to adjust their asking prices.

These conditions do not necessarily indicate a broad collapse in housing demand. Transaction prices remained above their year-earlier level, and listing prices per square foot continued to increase. Instead, the data suggest a gradual shift toward a more balanced market in which buyers have become more selective and sellers must respond more carefully to affordability constraints.

Figure 5. Median Days on Market — Columbus, GA-AL CBSA



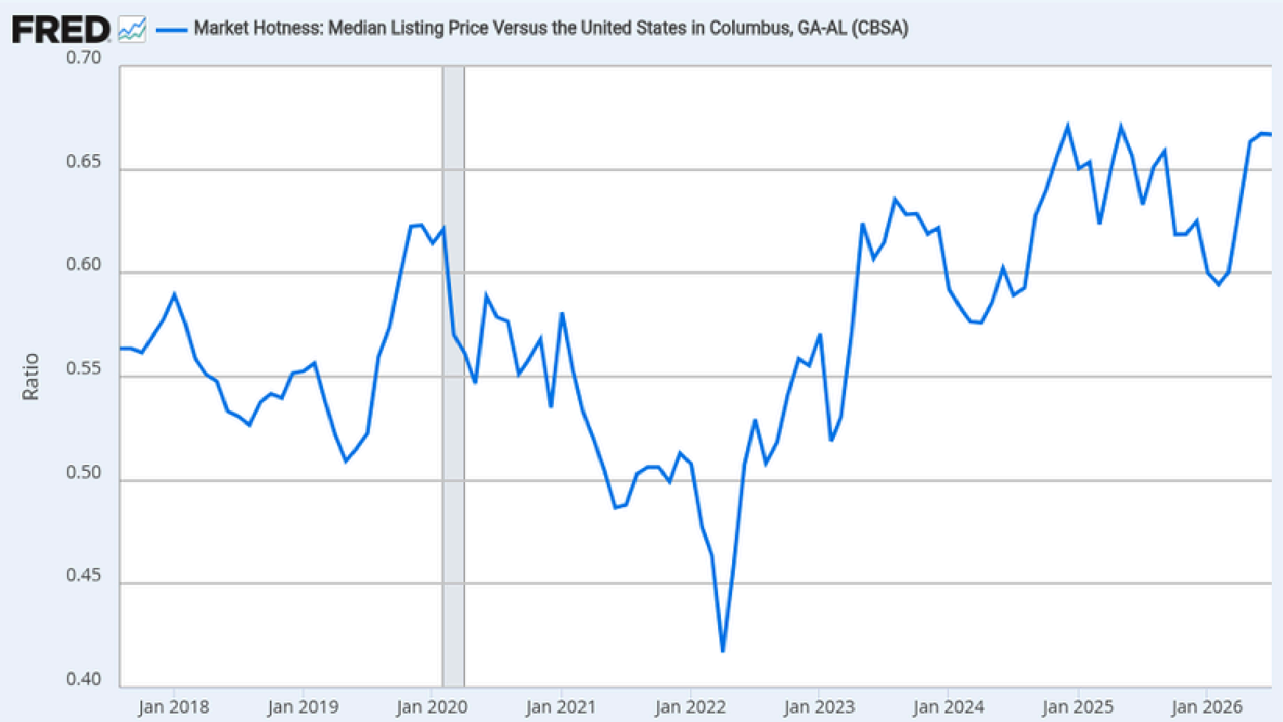
Source: Federal Reserve Bank of St. Louis (FRED), Realtor.com Data, Housing Inventory: Median Days on Market in Columbus, GA-AL CBSA.

Columbus Retains Price Advantage, But Local Affordability Deteriorates

Columbus remained substantially less expensive than the United States overall. During the second quarter of 2026, the Columbus median listing price averaged approximately 65.4% of the national median listing price, little changed from approximately 65.9% during the second quarter of 2025.

The ratio increased within the quarter, however, from 63.2% in April to 66.3% in May and 66.7% in June. This increase indicates that Columbus listing prices moved closer to the national median during the quarter. Nevertheless, local median listing prices remained approximately one-third below the national level.

Figure 6. Median Listing Price Relative to the U.S. — Columbus, GA-AL CBSA



Source: Federal Reserve Bank of St. Louis (FRED), Realtor.com Data, Market Hotness: Median Listing Price Versus the United States in Columbus, GA-AL CBSA.

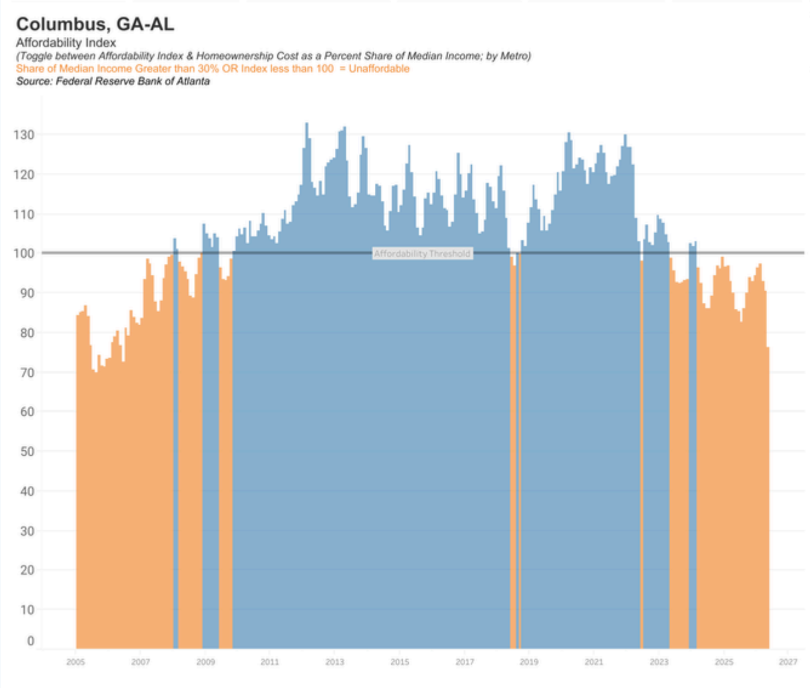
Lower home prices do not necessarily make housing affordable relative to local household income. According to the Federal Reserve Bank of Atlanta's latest available data, estimated homeownership costs represented approximately 39.3% of median household income in Columbus in May 2026. This was substantially above the 30% affordability threshold and higher than the 34.9% recorded one year earlier.

The Columbus affordability index fell to 76.4 in May 2026, compared with 86.0 in May 2025. Under the Atlanta Fed's methodology, an index reading of 100 or higher indicates that a median-income household can afford the estimated costs of owning the median-priced home. The May reading therefore indicates that the income required to afford a median-priced home continued to exceed the income of the typical Columbus household.

Nationally, homeownership costs represented approximately 43.4% of median household income in May 2026, producing an affordability index of 69.1. Columbus consequently remained more affordable than the U.S. overall, but its affordability advantage narrowed considerably. The difference between Columbus and the national homeownership cost shares declined from approximately 9.5 percentage points in February 2026 to approximately 4.1 percentage points in May (43.4% nationally minus 39.3% in Columbus).

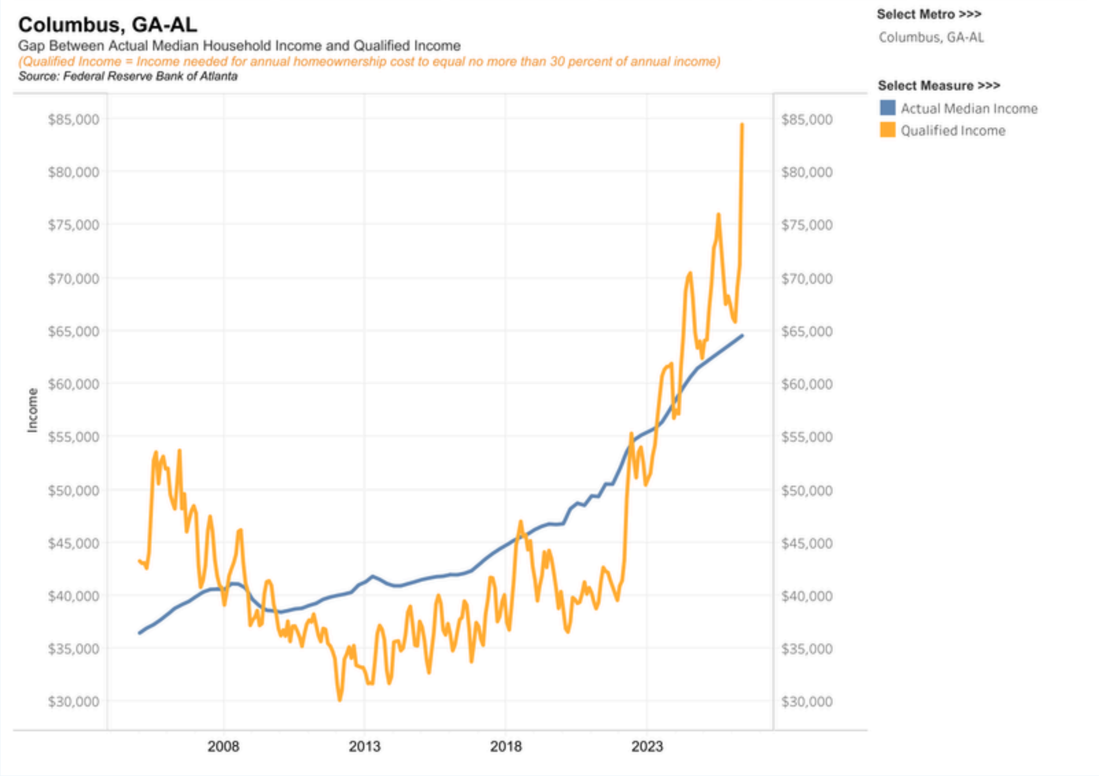
The sharp deterioration between February and May should be interpreted carefully because the Atlanta Fed's measure incorporates monthly changes in home prices, mortgage rates, insurance, taxes, and estimated household income. Nevertheless, the latest results indicate that Columbus's lower home prices are not sufficient to offset the effects of local incomes and elevated ownership costs.

Figure 7. Homeownership Affordability Index — Columbus, GA-AL MSA



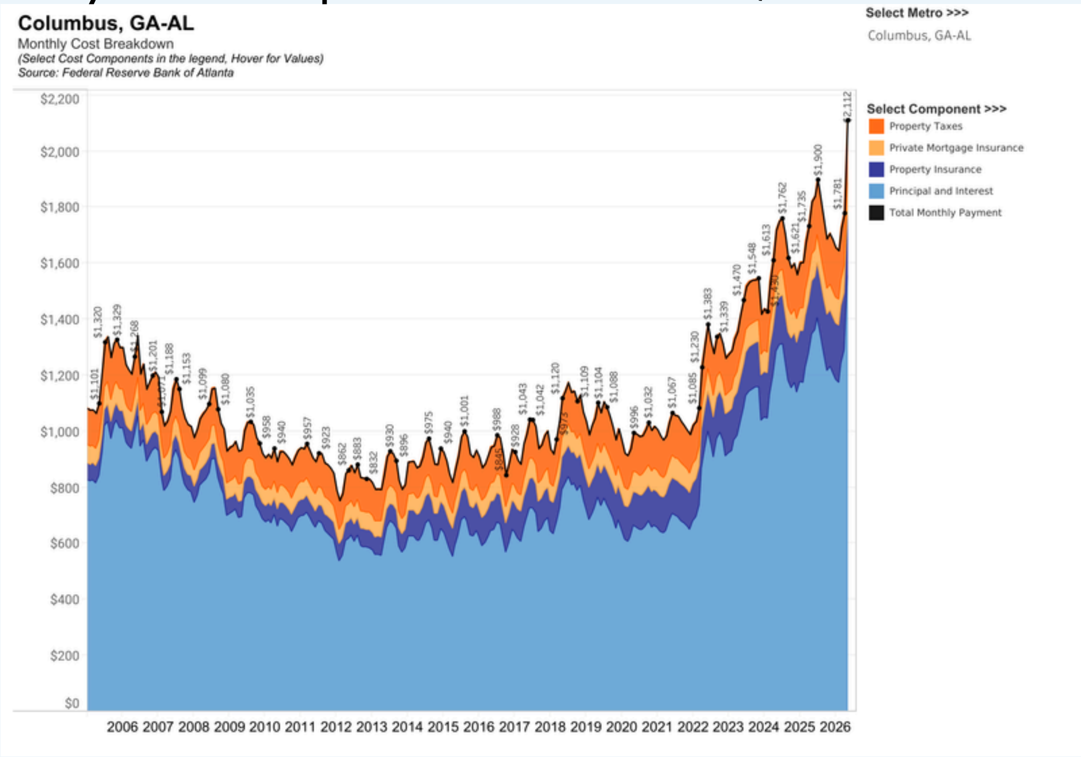
Source: Federal Reserve Bank of Atlanta, Home Ownership Affordability Monitor, Columbus, GA-AL MSA.

Figure 8. Actual Median Household Income and Qualifying Income — Columbus, GA-AL MSA



Source: Federal Reserve Bank of Atlanta, Homeownership Affordability Monitor, Affordability Gap: Actual Median Household Income and Qualified Income, Columbus, GA-AL MSA.

Figure 9. Monthly Homeownership Cost Breakdown — Columbus, GA-AL MSA



Source: Federal Reserve Bank of Atlanta, Homeownership Affordability Monitor, Monthly Cost Breakdown, Columbus, GA-AL MSA.

Lower Mortgage Rates Provide Only Limited Affordability Relief

Mortgage rates declined moderately from the previous year but remained elevated during the second quarter of 2026. The average 30-year fixed mortgage rate was approximately 6.41%, compared with 6.79% during the second quarter of 2025. The rate ended June at 6.49%.

Although the federal funds target-rate upper limit stood at 3.75% at the end of June, longer-term interest rates remained high. The 10-year Treasury yield—which strongly influences mortgage pricing—averaged approximately 4.29% during Q2 2026, slightly above its 4.16% average during Q2 2025. It ended the quarter at 4.44%.

The persistence of long-term Treasury yields helps explain why reductions in the federal funds rate have not produced an equally large decline in mortgage rates. Mortgage rates are influenced more directly by long-term bond-market expectations, including expected inflation, future economic growth, government borrowing, and the risk associated with mortgage-backed securities.

Consequently, the decline in mortgage rates provided only limited relief to Columbus homebuyers. Financing costs remained high relative to the low-rate period preceding the Federal Reserve's tightening cycle, continuing to limit purchasing power and contributing to longer selling times and more price reductions.

Figure 10. 30-Year Fixed Mortgage Rate — United States

Source: Freddie Mac, Primary Mortgage Market Survey, via FRED. Interest-rate data: Board of Governors of the Federal Reserve System via FRED (10-year Treasury yield).

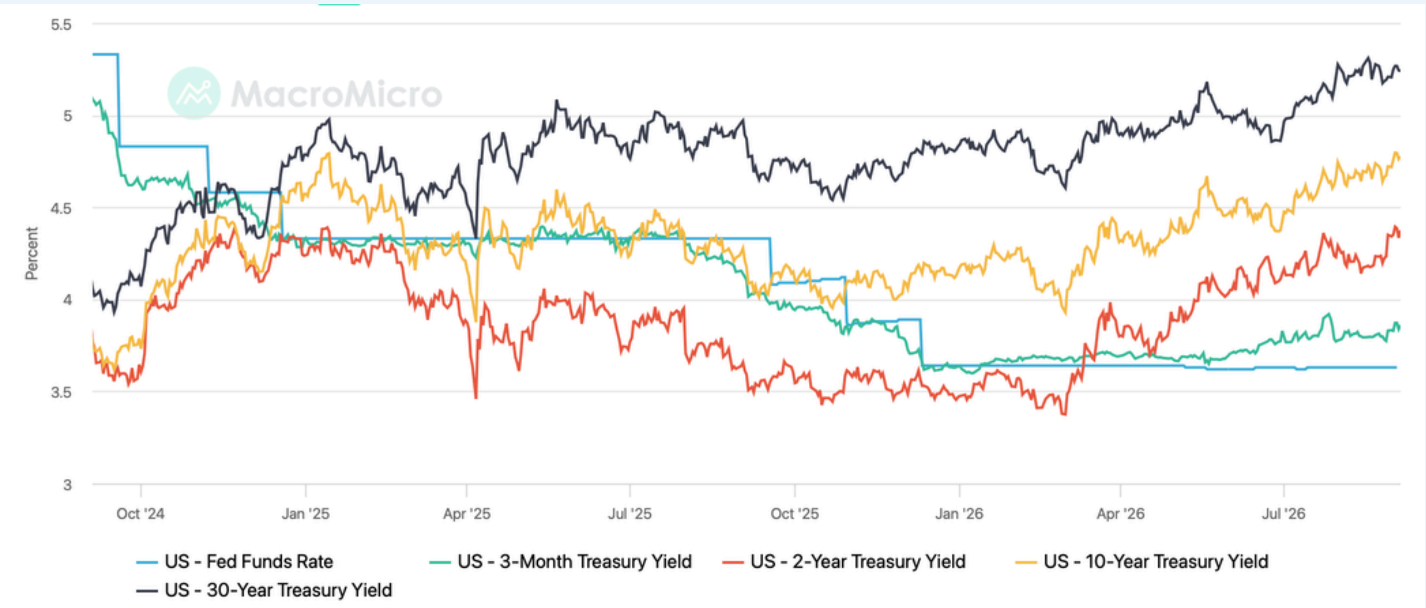
Rising Q3 Rates May Delay Further Affordability Relief

Interest-rate movements during the third quarter suggest that financing conditions may become somewhat more restrictive than they were in the second quarter. Through August 27, the 30-year fixed mortgage rate averaged approximately 6.60% during Q3, compared with 6.41% during Q2. The rate reached 6.66% in the latest available reading, up from 6.49% at the end of June.

Long-term Treasury yields also moved higher. The 10-year Treasury yield averaged approximately 4.54% during Q3 through September 1, compared with 4.29% during Q2, and reached 4.79% in its latest available reading. Meanwhile, the upper limit of the federal funds target range remained unchanged at 3.75%. This divergence reinforces the importance of long-term bond-market conditions, rather than the federal funds rate alone, in determining mortgage costs.

If mortgage rates remain near their current levels, Columbus homebuyers may receive little additional affordability relief during the third quarter. Higher financing costs could limit purchasing power and reinforce the patterns observed in Q2, including longer selling times, greater buyer selectivity, and more listing-price reductions. However, these implications should be treated as an outlook rather than confirmed Q3 housing results because the quarter is not yet complete and housing-market data are released with a lag.

Figure 11. U.S. Treasury Yields and Federal Funds Rate



Source: MacroMicro, U.S. Treasury Yields vs. Fed Funds Rate.

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