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Redfin Reports Pending Home Sales Post Biggest Increase Since 2021

Home sales are rising in most major U.S. metros as housing payments sit near their lowest level since January, but they're falling in coastal Florida as hurricanes hit the southeastern U.S. Mortgage rates rebounded over the weekend; that could soon begin to impact homebuyer demand.

SEATTLE--(BUSINESS WIRE)-- (NASDAQ: RDFN) — Pending U.S. home sales rose 2% from a year earlier during the four weeks ending October 6, the biggest increase in three years, according to a new [report](#) from Redfin, the technology-powered real estate brokerage.

Demand picked up at earlier stages of the homebuying process, too. Redfin's Homebuyer Demand Index—a measure of tours and other buying services from Redfin agents—sat near its highest level since May last week, and mortgage-purchase applications are up 8% month over month. New listings are also rising, with a 5.7% year-over-year uptick. But unlike the increase in pending sales, that's a continuation of a trend; new listings have been increasing for nearly a year.

Pending sales improved because buyers came out of the woodwork in late September after the [Fed's interest-rate cut](#), even though mortgage rates had already been declining for several weeks in anticipation of the cut. Falling mortgage rates have pushed the typical homebuyer's housing payment down to \$2,526, near its lowest level since January and down 5.8% year over year. It's worth noting that this compares to a period last year when sales waned as mortgage rates surged to 7.5%.

Mortgage rates jumped over the weekend, which could deter some buyers in the coming weeks

The improvement in sales may slow in the coming weeks, as mortgage rates started rising last Friday after a [surprisingly strong jobs report](#). Daily average mortgage rates jumped to 6.62% on Monday from 6.26% last Thursday. Some buyers may back off due to rising rates, but not all of them: Mortgage rates are still significantly lower than they were a year ago—and lower than earlier this year—and the Fed is on track to continue cutting interest rates.

"House hunters are monitoring mortgage rates closely, but so far, the increase in rates isn't slowing buyers down. The home I listed on Thursday got a lot of traffic over the weekend and received 10 offers," said [Shoshana Godwin](#), a Redfin [Premier](#) agent in Seattle. "I'm advising buyers to make an offer if they love a home; don't try to time the market. Rates have swung down and then up over the last few weeks, and we don't know exactly what will happen in the next few weeks. A buyer may lock in a slightly higher rate now than they would have two weeks ago, but if they wait, it's possible rates will increase more. It's also possible rates drop more significantly, which could heat up competition."

Sales are falling in coastal Florida, partly due to Hurricane Helene

Pending home sales are rising in most major metros, but they're falling in some places, most notably Florida. In West Palm Beach, pending sales fell 17.6%, the biggest decline of the 50 most populous U.S. metros, followed closely by Tampa (-15.5%) and Miami (-14.8%). That's due partly to Hurricane Helene, but coastal Florida's housing market has been slowing over the last several months as insurance and HOA costs surge due to the increasing prevalence of climate disasters.

Hurricane Helene—and Hurricane Milton, which hit just days later—may have a bigger impact on future home sales; a recent [Redfin survey](#) found that nearly one-third of young adults are reconsidering where they want to move after seeing or hearing about damage caused by the hurricane.

For Redfin economists' takes on the housing market, please visit Redfin's "[From Our Economists](#)" page.

Indicators of homebuying demand and activity				
	Value (if applicable)	Recent change	Year-over-year change	Source
Daily average 30-year fixed mortgage rate	6.61% (Oct. 9)	Up from 6.11% 3 weeks earlier	Down from 7.7%	Mortgage News Daily
Weekly average 30-year fixed mortgage rate	6.12% (week ending Oct. 3)	Up from 2-year low of 6.08% a week earlier	Down from 7.49%	Freddie Mac
Mortgage-purchase applications (seasonally adjusted)		Essentially unchanged from a week earlier (as of week ending Oct. 4)	Up 8%	Mortgage Bankers Association
Redfin Homebuyer Demand Index (seasonally adjusted)		Near highest level since May; up 5% from a month earlier (as of week ending Oct. 6)	Up 2% Biggest increase in about a year	Redfin Homebuyer Demand Index a measure of tours and other homebuying services from Redfin agents
Touring activity		Down 8% from the start of the year (as of Oct. 6)	At this time last year, it was down 9% from the start of 2023	ShowingTime, a home touring technology company
Google searches for "home for sale"		Down 2% from a month earlier (as of Oct. 6)	Down 11%	Google Trends

Key housing-market data

U.S. highlights: Four weeks ending Oct. 6, 2024 <i>Redfin's national metrics include data from 400+ U.S. metro areas, and is based on homes listed and/or sold during the period. Weekly housing-market data goes back through 2015. Subject to revision.</i>			
	Four weeks ending Oct. 6, 2024	Year-over-year change	Notes
Median sale price	\$383,225	4%	
Median asking price	\$399,925	5.7%	Biggest increase in 2 years
Median monthly mortgage payment	\$2,526 at a 6.12% mortgage rate	-5.8%	Near lowest level since January Nearly \$300 below April's all-time high
Pending sales	77,951	2%	Biggest increase in nearly 3 years
New listings	89,388	5.7%	
Active listings	1,041,247	18%	Smallest increase since April
Months of supply	3.9	+0.7 pts.	4 to 5 months of supply is considered balanced, with a lower number indicating seller's market conditions.
Share of homes off market in two weeks	34.2%	Down from 40%	
Median days on market	39	+7 days	
Share of homes sold above list price	26.1%	Down from 31%	
Average sale-to-list price ratio	98.8%	-0.4 pts.	

Metro-level highlights: Four weeks ending Oct. 6, 2024 <i>Redfin's metro-level data includes the 50 most populous U.S. metros. Select metros may be excluded from time to time to ensure data accuracy.</i>			
	Metros with biggest year-over-year increases	Metros with biggest year-over-year decreases	Notes
Median sale price	Newark, NJ (11.4%) Nassau County, NY (11.1%) Milwaukee (10%) Chicago (9.7%) Cleveland (9.7%)	Austin, TX (-4.8%) Tampa, FL (-2.1%) San Antonio (-2%) Oakland, CA (-1.9%) Fort Worth, TX (-0.6%)	Declined in 5 metros
Pending sales	Phoenix (14.1%) Seattle (12.3%) San Jose, CA (11.6%) San Antonio (11.6%) Virginia Beach, VA (11.2%)	West Palm Beach, FL (-17.6%) Tampa, FL (-15.5%) Miami (-14.8%) Fort Lauderdale, FL (-12.8%) Atlanta (-12.5%)	Increased in 32 metros
New listings	San Jose, CA (24.8%) Phoenix (21.6%) New Brunswick, NJ (19.9%) Seattle (18.5%) Baltimore, MD (17.2%)	Atlanta (-18.1%) Tampa, FL (-16.7%) San Antonio (-12.9%) West Palm Beach, FL (-8.2%) Austin, TX (-5.6%)	Declined in 9 metros

To view the full report, including charts, please visit:

<https://www.redfin.com/news/housing-market-update-pending-home-sales-increase>

About Redfin

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