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Redfin Reports Homebuying Demand Sitting Near Highest Level Since Early Spring As Mortgage Rates Fall

SEATTLE--(BUSINESS WIRE)-- (NASDAQ: RDFN) — Home tours, mortgage applications and pending sales are rising as mortgage rates decline from the four-month high they hit in late November, according to a new [report](#) from Redfin ([redfin.com](https://www.redfin.com)), the technology-powered real estate brokerage.

Mortgage rates are declining after last week's [cooler-than-expected](#) jobs report made it clear the Fed will cut interest rates again this month. The average weekly rate is 6.69%, down from a four-month high of 6.84% two weeks earlier. That has pushed the typical U.S. homebuyer's monthly housing payment down to \$2,527, its lowest level in more than two months.

Redfin's Homebuyer Demand Index—a seasonally adjusted measure of tours and other buying services from Redfin agents—is up 8% year over year to just shy of its highest level since April, and mortgage-purchase applications are up nearly 20% from a month ago. Pending home sales rose 4.1% year over year during the four weeks ending December 8, similar to the increases Redfin has seen over the last two months.

Declining mortgage rates are one reason homebuyers are hitting the pavement. But there are two more impactful reasons demand is improving: The financial uncertainty surrounding the presidential election has passed, and buyers have accepted the fact that mortgage rates are likely to remain above 6% for the foreseeable future.

"This week's data shows the increase in signals like home tours and mortgage applications from the last month is continuing. The recent decline in mortgage rates isn't pushing demand to new heights," said Chen Zhao, Redfin's economic research lead. "Rather, demand is settling into its new, post-election normal. In the months leading up to the election, house hunters were hibernating; demand was slower than we would have expected, even with high mortgage rates. Now, early-stage demand has jumped up to where we'd expect it to be."

On the selling side, new listings are up 7.9% year over year, the biggest increase since June (except the 4 weeks ending November 24, when the increase was inflated due to Thanksgiving). Sellers are becoming more active for similar reasons as buyers. Additionally, some sellers are listing in hopes of taking advantage of the increased demand Redfin has seen over the last several weeks.

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

Leading indicators

Indicators of homebuying demand and activity				
	Value (if applicable)	Recent change	Year-over-year change	Source
Daily average 30-year fixed mortgage rate	6.75% (Dec. 11)	Down from 7.08% three weeks earlier	Down from 7.05%	Mortgage News Daily
Weekly average 30-year fixed mortgage rate	6.69% (week ending Dec. 5)	Down from 6.84% three weeks earlier	Down from 7.22%	Freddie Mac
Mortgage-purchase applications (seasonally adjusted)		Down 4% from a week earlier (as of week ending Dec. 6)	Up 4%	Mortgage Bankers Association
Redfin Homebuyer Demand Index (seasonally adjusted)		Up 5% from a month earlier; highest level since April, except the 4 weeks ending Nov. 17 (as of week ending Dec. 8)	Up 8%	Redfin Homebuyer Demand Index a measure of tours and other homebuying services from Redfin agents
Google searches for “home for sale”		Essentially unchanged from a month earlier (as of Dec. 9)	Down 7%	Google Trends

Key housing-market data

U.S. highlights: Four weeks ending Dec. 8, 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 Dec. 8, 2024	Year-over-year change	Notes
Median sale price	\$383,875	6%	
Median asking price	\$381,995	6%	
Median monthly mortgage payment	\$2,527 at a 6.69% mortgage rate	3.8%	Lowest level since September
Pending sales	63,524	4.1%	
New listings	63,168	7.9%	
Active listings	980,776	11.3%	Smallest increase since March
Months of supply	4.1	+0.2 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	27.2%	Down from 29%	
Median days on market	43	+7 days	
Share of homes sold above list price	24.3%	Down from 26%	
Average sale-to-list price ratio	98.5%	-0.1 pt.	

Metro-level highlights: Four weeks ending Dec. 8, 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	Miami (13.3%) Warren, MI (11.5%) Milwaukee (10.4%) Cleveland (10.2%) West Palm Beach, FL (10%)	Tampa, FL (-0.9%)	Declined in 1 metro
Pending sales	San Jose, CA (17.2%) Los Angeles (14.9%) Cincinnati (12.8%) Jacksonville, FL (11.8%) Anaheim, CA (11%)	Houston (-6.2%) Miami (-6%) Detroit (-3.7%) Orlando, FL (-2.7%) West Palm Beach, FL (-2.7%)	Declined in 8 metros
New listings	San Francisco (24%) Columbus, OH (17.6%) Seattle (16.9%) San Jose, CA (15.9%) Washington, D.C. (15.7%)	San Antonio (-10%) Orlando, FL (-5.5%) Newark, NJ (-4.6%) Atlanta (-3.2%) Portland, OR (-3.1%)	Declined in 9 metros

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

<https://www.redfin.com/news/housing-market-update-homebuying-demand-mortgage-rates-fall>

About Redfin

Redfin (www.redfin.com) is a technology-powered real estate company. We help people find a place to live with brokerage, rentals, lending, and title insurance services. We run the country's #1 real estate brokerage site. Our customers can save thousands in fees while working with a top agent. Our home-buying customers see homes first with on-demand tours, and our lending and title services help them close quickly. Our rentals business empowers millions nationwide to find apartments and houses for rent. Since launching in 2006, we've saved customers more than \$1.6 billion in commissions. We serve approximately 100 markets across the U.S. and Canada and employ over 4,000 people.

Redfin's subsidiaries and affiliated brands include: Bay Equity Home Loans®, Rent.™, Apartment Guide®, Title Forward® and WalkScore®.

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