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Condo Prices Dropped 2% in May—the Second Largest Decline on Record

Redfin reports condo prices fell amid increasing HOA fees and insurance costs, while single-family home prices rose 0.5%

SEATTLE — July 1, 2025 — (NASDAQ: RDFN) —The median U.S. condo sale price fell 2.2% year over year to \$354,100 in May—the second largest drop in records dating back to 2012. That’s according to a new [report](#) from Redfin ([redfin.com](https://www.redfin.com)), the technology-powered real estate brokerage.

The only time condo prices posted a larger year-over-year decline was in April 2023 (-2.9%), and that was largely because roughly one year prior, prices peaked (this was true across all property types).

Today, condo prices are falling because there are [roughly 80%](#) more condo sellers than buyers in the market. Many condo owners are trying to offload their properties because [HOA](#) fees and [insurance](#) costs have been soaring, and some homeowners’ associations are doling out hefty special assessments. Many house hunters are hesitant to purchase a condo for the same reasons.

“It’s a slow housing market across the board, but condos have been hit particularly hard,” said [Aditi Jain](#), a [Redfin Premier](#) real estate agent in the [Boston](#) area. “A lot of condo associations don’t allow buyers with FHA loans, which is limiting sales. Two of my clients who want to buy a condo have had to back out of a purchase because they couldn’t get financing.”

The U.S. single-family home market is cooling, but not as rapidly as the condo market; the median sale price of single-family homes rose 0.5% year over year in May to \$462,206. That’s the slowest growth in nearly two years—but it’s still growth.

Condo Sales Drop 12% as Many Properties Linger on the Market

Sales of condos fell 11.9% year over year in May. That’s the largest decline since June 2024 and is over three times larger than the drop in single-family-home sales (-3.7%). Sales of both property types fell to the lowest May level since 2020. For condos, that means sales were at the second lowest level on record for the month of May.

Condos, often thought of as the affordable route to homeownership, are now viewed as an increasingly risky investment in many parts of the country. As a result, they take longer to sell than they did in the past. The typical condo that went under contract in May did so in 46 days—the longest for any May since 2015 and up seven days from a year earlier. By comparison, the typical single-family home went under contract in 38 days—the longest for any May since 2020 and up six days from a year earlier.

Because condos are sitting on the market, listings are piling up. The total supply of U.S. condos for sale (active listings) hit the highest level in a decade last month, while the supply of single-family homes for sale was at the highest level since 2019.

With prices falling and listings lingering on the market, condo buyers in many cities may be able to find sellers who are willing to give concessions and/or sell for less than their asking price.

Condo Prices and Sales Are Falling Fastest in Florida and Texas

In [Deltona, FL](#), the median condo sale price dropped 32.2% year over year in May—the largest decline among the metros in this analysis. Redfin analyzed the 66 U.S. metropolitan areas that had sufficient data and at least 100 condo sales in both May 2025 and May 2024. Next came [Crestview, FL](#) (-32%), [Houston](#) (-23%), [Oakland, CA](#) (-20.3%), [Tampa, FL](#) (-19%). Of the 10 metros with the largest price declines, seven are in Florida and two are in Texas.

There was a similar trend for sales. Condo sales fell fastest in [Dallas](#) (-33.3%), [Palm Bay, FL](#) (-32.8%), [Phoenix](#) (-32.7%), [Port St. Lucie, FL](#) (-31.5%) and [Orlando, FL](#) (-31%). Florida is home to seven of the 10 metros with the largest sales declines.

Florida and Texas have seen their housing markets slow in recent years due to an influx of supply ushered in by the pandemic homebuilding boom. Rising HOA dues and insurance costs have exacerbated the slowdown for condos. In [Florida](#), natural disasters and heightened building regulations also contributed. The 2021 collapse of a condo building in [Surfside, FL](#), which killed nearly 100 people, led to a new law that requires condo buildings to undergo structural inspections and shore up reserves. Many HOAs have been hiking fees and doling out hefty special assessments to comply with the new rules, reducing demand for condos.

Condo Prices Are Holding Up Best in the East

[New Brunswick, NJ](#) saw condo prices rise 14.9% year over year in May—the largest jump among the metros Redfin analyzed. It was followed by [Montgomery County, PA](#) (14.1%), [Pittsburgh](#) (14.1%), [San Francisco](#) (8.8%) and [Ocean City, NJ](#) (8.2%). Many markets out east are still grappling with a supply crunch, which may be buoying prices.

Condo sales are holding up best in [Indianapolis](#), which posted a 27.3% year-over-year increase. Next came [Portland, ME](#) (19.2%), [Charleston, SC](#) (11.5%), Montgomery County (10.8%) and Ocean City (8.4%).

To view the full report, please visit:

<https://www.redfin.com/news/condo-prices-may-2025>

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