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Redfin Reports Home Purchases Are Getting Canceled at a Record Rate

15% of home purchases fell through last month—the highest July rate on record—as high homebuying costs made buyers skittish. Cancellations were most common in Texas and Florida.

SEATTLE — August 21, 2025 — Roughly 58,000 U.S. home-purchase agreements were canceled in July, equal to 15.3% of homes that went under contract last month, according to a new [report](#) from [Redfin](#), the real estate brokerage powered by Rocket. That's up from 14.5% a year earlier and marks the highest July rate in records dating back to 2017.

This is based on a Redfin analysis of MLS pending-sales data. The data are seasonal, which is why Redfin compares this July to past Julys. Please note that homes that fell out of contract during a given month didn't necessarily go under contract the same month.

Home purchases are falling through more than usual because high prices, high mortgage rates and economic uncertainty are making buyers uneasy. Buyers also have more homes to choose from than in the past, which means they [hold](#) the negotiating power in many markets and often aren't in a rush. They may back out during the inspection period if a better home comes up for sale or they discover an issue they don't want to fix.

Cleveland [Redfin Premier](#) real estate agent [Bonnie Phillips](#) said the most common reasons buyers back out of deals are cold feet, high standards and issues with inspections, and she noted that cancellations are particularly common among buyers who use [FHA and VA](#) loans. But some would-be buyers have other reasons for backing out:

"I recently had an older first-time buyer get cold feet the week before the deal was supposed to close," Phillips said. "It was a beautiful house, we got it for the price she wanted and there were no issues in the inspection, but her neighbors convinced her that owning is too much of a hassle and she should rent instead."

It's worth noting that the housing-market tides are starting to shift slightly. Mortgage rates have been coming down, which could bring some sidelined buyers back to the market, and supply is also ticking down, which could increase buyer urgency.

Home Purchases Are Most Likely to Fall Through in Texas and Florida

In [San Antonio](#), 730 home-purchase agreements were canceled in July, equal to 22.7% of homes that went under contract last month—the highest percentage among the metros Redfin analyzed. Next came [Fort Lauderdale, FL](#) (21.3%), [Jacksonville, FL](#) (19.9%), Atlanta (19.7%) and [Tampa, FL](#) (19.5%). Redfin analyzed the 50 most populous metro areas, and included the 44 with sufficient data.

Florida and Texas have been building more homes than anywhere else in the country, prompting some buyers to back out of deals because they're confident they will be able to find a different

home that works better for them. Some buyers in the Sunshine State are also getting cold feet due to increasing natural disasters and soaring [insurance](#) and [HOA](#) fees.

Home purchases were least likely to fall through in [Nassau County, NY](#) (5.1%), [Montgomery County, PA](#) (8.2%), [Milwaukee](#) (8.3%), [New York](#) (9.5%) and [Seattle](#) (10.2%).

Virginia Beach, Newark See Biggest Upticks in Cancellations

In [Virginia Beach, VA](#), nearly 500 home-purchase agreements were canceled in July, equal to 16.1% of homes that went under contract last month. That's up 3.6 percentage points from 12.5% a year earlier—the largest increase among the metros in Redfin's analysis. Rounding out the top five are [Newark, NJ](#) (+3.3 pts), [Baltimore](#) (+3 pts), [San Antonio](#) (2.8 pts) and [Houston](#) (2.8 pts).

Virginia Beach has a higher share of homeowners with VA loans than any other major metro, according to a separate Redfin [analysis](#), with Baltimore also near the top of the list.

Cancellations fell from a year earlier in 11 metros, with the biggest drops in [Phoenix](#) (-2.4 pts), [Orlando, FL](#) (-1.4 pts), [Tampa](#) (-1.3 pts), [Sacramento, CA](#) (-1.3 pts) and [Philadelphia](#) (-1.2 pts).

To view the full report, including a chart and additional metro-level data, please visit: <https://www.redfin.com/news/home-purchase-cancellations-july-2025>

About Redfin

Redfin is a technology-driven real estate company with the country's most-visited real estate brokerage website. As part of Rocket Companies (NYSE: RKT), Redfin is creating an integrated homeownership platform from search to close to make the dream of homeownership more affordable and accessible for everyone. Redfin's clients can see homes first with on-demand tours, easily apply for a home loan with Rocket Mortgage, and save thousands in fees while working with a top local agent.

You can find more information about Redfin and get the latest housing market data and research at [Redfin.com/news](https://www.redfin.com/news). For more information about Rocket Companies, visit [RocketCompanies.com](https://www.RocketCompanies.com).

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