

FOR RELEASE AUGUST 12, 2025 5:00 A.M. PACIFIC TIME

Buyer's Agent Commissions Tick Up to Pre-NAR Settlement Levels

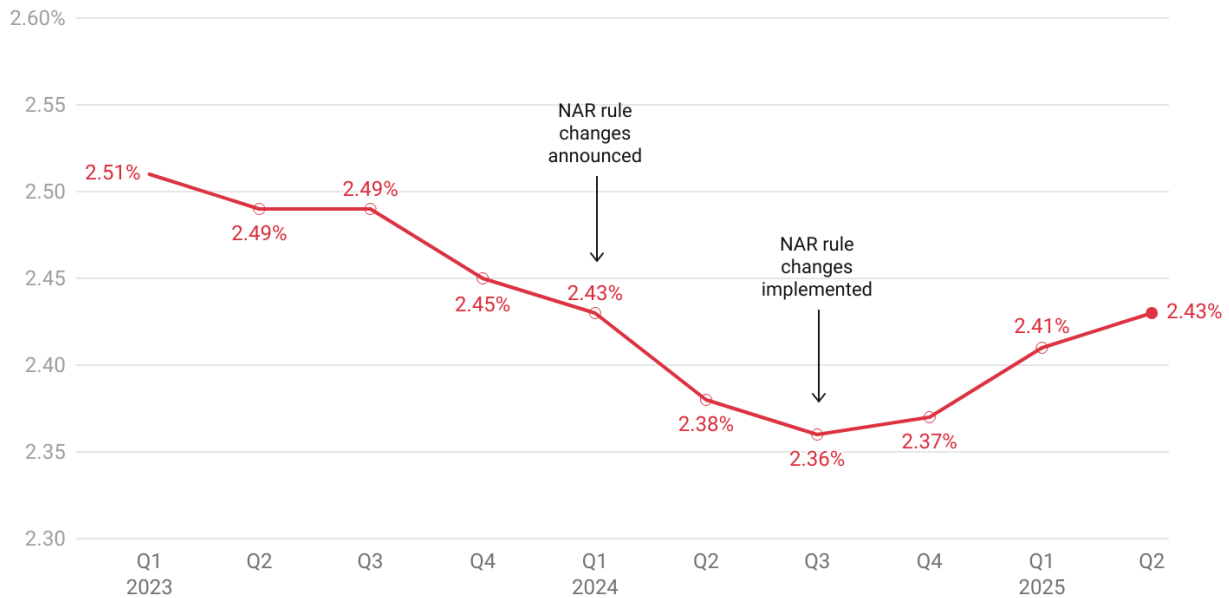
Redfin reports the average U.S. buyer's agent commission rose to 2.43% in the second quarter from 2.38% a year earlier

SEATTLE — August 12, 2025 — The average U.S. buyer's agent commission was 2.43% for homes sold in the second quarter, up from 2.38% a year earlier. That's according to a new [report](#) from [Redfin](#), the real estate brokerage powered by Rocket.

It was the third consecutive quarter that commissions ticked a little higher after new National Association of Realtors (NAR) commissions rules went into effect in August 2024.

Buyer's Agent Commissions Tick Up For Third Consecutive Quarter

Average commission paid to U.S. real estate agents representing buyers



Source: Redfin data • Created with Datawrapper

The report is based on an analysis of Redfin's data on buyer's agent commissions for closed home sales. The analysis reflects national commission rates, using national, aggregated sales data from Redfin agents' listings, deals referred by Redfin.com to partner agents, and deals where buyers used Bay Equity Home Loans.

Commissions return to same level as when new NAR rules were announced

Commissions are now back to the same level they were sitting at in the first quarter of 2024, when NAR first announced a settlement dictating new commission rules in response to a class action lawsuit brought by home sellers.

Immediately after the settlement was announced, commissions declined, dropping to a low of 2.36% in the third quarter of 2024. They fell at that time partly because the settlement shed light on sellers' ability to negotiate commissions down.

Over the past year, buyer's agent commissions have slowly but steadily increased back to pre-settlement levels. That's because in much of the country, buyers have [negotiating power](#) over sellers, and that includes the ability to negotiate higher paydays for their agents.

As part of the settlement announcement in early 2024, NAR agreed to create new rules about the way commissions offered to buyer's agents are communicated. Here's how NAR describes the new rules:

"Buyers and their agents will need to reach an agreement regarding how the agent will be compensated for their services and put it in writing prior to touring a home. ... Offers of compensation (when a seller or a seller's agent shares compensation with a buyer's agent) can no longer be shared on Multiple Listing Services (MLS). ... Offers of compensation are still an option but must be communicated off-MLS if a seller chooses to make an offer available."

Agents report differences in commission negotiations, depending on the market

As noted, the housing market has shifted in [favor](#) of buyers. There were 500,000-plus more sellers than buyers in the U.S. housing market in [June](#), the biggest disparity since Redfin started keeping track in 2013.

With so few buyers in the market, sellers are more likely to pay a higher commission to close a deal. But the power buyers have over sellers varies from market to market.

[Andrew Vallejo](#), a Redfin Premier real estate agent in Austin, TX, said most buyer's agents now request a commission of 3%, up from 2.5%-2.75% prior to the NAR settlement.

"Austin's market is slow, so buyers have a lot more power," he said. "Buyers can walk away if the seller does not pay the buyer's agent commission, and they'll likely be able to find another home they like with a seller who *is* willing to pay what the buyer is asking for to offload their home. Since the NAR settlement, there has been a lot more discussion about commissions with clients, and more sellers are trying to counter with a lower commission rate, but in most cases, in today's market, the buyer can stay firm."

In Kansas City, MO, many sellers are still paying the commission rate requested by buyers, according to local Redfin Premier agent [Jo Chavez](#).

“I’ve had more sellers ask about offering no commission, or a low commission, since the new rules went into effect. But very few have opted to counter below what a buyer’s agent asks for,” she said. “There may be a little more negotiation now, but the end result is still typically the same—a seller paying 3%, or close to 3%, to the buyer’s agent.”

In Minneapolis, agents say some buyers are willing to be more flexible with commission requests for their agents.

“Most buyers in our market have been coming in with an expectation of a 2.7% commission to their agent,” said local Redfin Premier agent [Emily Olson](#). “That said, I’ve been seeing some flexibility lately, and I’ve had success negotiating it down to 2.5% in a number of cases.”

Commissions for homes under \$500,000 rise to highest level since 2023

Commissions rose slightly across all price tiers in the second quarter.

- For homes that sold for **less than \$500,000**, the average buyer’s agent commission was **2.52%**—up from 2.50% in the prior quarter and 2.45% a year earlier. It was the highest average commission for the price tier since the third quarter of 2023.
- For homes that sold for **\$500,000 to \$999,999**, the average buyer’s agent commission was **2.34%**—up from 2.31% in the prior quarter and 2.31% a year earlier.
- For homes that sold for **\$1 million or more** in the first quarter, the average buyer’s agent commission was **2.21%**—up from an all-time low of 2.19% the previous quarter, but still down three basis points from 2.24% a year earlier.

“At the entry-level price point under \$500,000, buyers are struggling to just purchase the house, so it is rare that a commission is negotiated,” said Andrew Vallejo, the Austin Redfin agent. “Builders are mostly paying 3% or more, so if there are any new homes in competition with our listings, we have to cover the buyer agent commission to stay competitive.”

Redfin’s study reflects national commission rates. The company’s lower fee structure has saved customers over a billion dollars, and the company remains focused on keeping costs down for consumers.

To view the full report, including additional charts and methodology, please visit: <https://www.redfin.com/news/commissions-q2-2025>

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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