

**FOR RELEASE MARCH 5, 2026 5:00 A.M. PACIFIC TIME**

## **House Hunters Stayed on Sidelines As Rates Dipped Below 6%, Iran War Adds to Market Uncertainty**

*Redfin reports high prices and economic uncertainty kept demand muted; now, rates are already rising again and global tensions could add to homebuyer hesitation*

SEATTLE — March. 5, 2026 — The median monthly housing payment was \$2,591 during the four weeks ending March 1, down 2.8% year over year, according to a new [report](#) from [Redfin](#), the real estate brokerage powered by Rocket.

Payments are falling largely thanks to the weekly average mortgage rate dropping to 5.98% last week, down from 6.76% a year earlier and the first time it has dipped below 6% in three and a half years. (The daily average mortgage has risen from 5.99% last week to 6.07% on March 4.) On the other side of the housing payment equation, the median home-sale price rose 1% year over year to \$381,750.

Prices are rising because despite slow homebuying demand, inventory is declining. Pending home sales fell 2.8% year over year. Meanwhile, new listings declined 1.2% and the total number of homes for sale dropped 1.9%, the biggest decline in over two years. While there are [more home sellers](#) than buyers in the market, there are still a limited number of desirable homes for sale, which creates competition for those desirable homes and modestly pushes up prices.

“Neighborhoods that have always been popular are just as popular with homebuyers,” said [Mike DeMello](#), a Redfin [Premier](#) agent in [Oahu, HI](#). “Move-in ready, single-family homes in those popular areas are attracting multiple offers, just like they always have. But neighborhoods that are typically slow are extra slow, and average neighborhoods are slower than usual. My advice for sellers in those places that aren’t red-hot: Don’t overprice, because if your home sits on the market for longer than a few weeks, it’ll probably sit on the market for months and eventually sell for a lower price.”

Overall, homebuying demand in much of the country is tepid because even though housing payments have declined, they’re still historically high; mortgage rates are still double pandemic-era lows. Some would-be buyers are also hesitant due to economic uncertainty, with many feeling jittery about stock-market volatility and the back-and-forth on tariffs.

### **Redfin Economists, Agents Say Impact of Iran War Likely to Be Small**

The evolving conflict in Iran may also affect homebuying sentiment, though it’s too soon to tell how much.

“Last week, Americans were hit with headlines about mortgage rates dropping below 6%, which provided some hope. But over the weekend, those headlines were replaced with ones about the war in the Middle East,” said [Chen Zhao](#), Redfin’s head of economics research. “The war could make some would-be buyers think twice, much in the same way economic and global uncertainty

have been turning off buyers for the last year, and it's likely to [cause short-term volatility](#) in mortgage rates. But the war's impact on the economy will mostly be felt in oil markets, which are unlikely to have a big impact on mortgage rates or demand unless the conflict goes on much longer than expected."

A Washington, D.C. Redfin agent reports one buyer is putting purchasing plans on hold due to uneasiness about tensions in Iran. But Redfin agents in several other places with large military populations, including San Diego and San Antonio, haven't yet heard homebuyers or sellers bring up the Iran conflict.

There are a few bright spots this week when it comes to demand. Mortgage-purchase applications are up 6% week over week. And many Redfin agents, including DeMello in Oahu, expect this spring's homebuying season to be stronger than last year's.

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
<b>Daily average 30-year fixed mortgage rate</b>	6.07% (March 4)	Up from 4-year low of 5.99% a week earlier	Down from 6.74%	Mortgage News Daily
<b>Weekly average 30-year fixed mortgage rate</b>	5.98% (week ending Feb. 26)	Lowest level in 3.5 years	Down from 6.76%	Freddie Mac
<b>Mortgage-purchase applications (seasonally adjusted)</b>		Up 6% from a week earlier (as of week ending Feb. 27)	Up 10%	Mortgage Bankers Association
<b>Redfin Homebuyer Demand Index (seasonally adjusted)</b>		Up about 3% from a month earlier (as of week ending March 1)	Down 14%	A measure of tours and other homebuying services from Redfin agents
<b>Google searches of "homes for sale"</b>		Highest level since July (as of March 2)	Up 26%	Google Trends
<b>Touring activity</b>		Up 15% from the start of the year (as of March 2)	At this time last year, it was up 25% from the start of 2025	ShowingTime

## Key housing-market data

### U.S. highlights: Four weeks ending March 1, 2025

Redfin's national metrics include data from 400+ U.S. metro areas and are based on homes listed and/or sold during the period. Weekly housing-market data goes back through 2015. Subject to revision.

	Four weeks ending March 1, 2025	Year-over-year change	Notes
Median sale price	\$381,750	1%	
Median asking price	\$414,875	2.5%	
Median monthly mortgage payment	\$2,591 at a 5.98% mortgage rate	-2.8%	
Pending sales	75,684	-2.8%	
New listings	84,841	-1.2%	
Active listings	1,014,149	-1.9%	Biggest decline since Dec. 2023
Months of supply	4.8	+0.1 pts.	4 to 5 <a href="#">months of supply</a> is considered balanced, with a lower number indicating seller's market conditions
Share of homes off market in two weeks	31.8%	Essentially unchanged	
Median days on market	66	+8 days	
Share of homes sold above list price	20.5%	Down from 22%	
Average sale-to-list price ratio	98%	Down from 98.2%	

**Metro-level highlights: Four weeks ending March 1, 2025**

*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.*

	<b>Metros with biggest year-over-year increases</b>	<b>Metros with biggest year-over-year decreases</b>	<b>Notes</b>
<b>Median sale price</b>	Newark, NJ (7.6%) Philadelphia (5.7%) San Francisco (4.6%) Baltimore (4%) Chicago (4%)	Oakland, CA (-6.2%) Dallas (-3.7%) Boston (-3.5%) Denver (-3.3%) San Jose, CA (-2.6%)	Declined in 18 metros
<b>Pending sales</b>	Milwaukee (12%) Portland, OR (7.4%) West Palm Beach, FL (6.9%) San Francisco (6.4%) Austin, TX (4.7%)	Nassau County, NY (-22.%) Oakland, CA (-19.5%) Houston (-15.4%) New Brunswick, NJ (-13.9%) Providence, RI (-12.8%)	
<b>New listings</b>	Milwaukee (21.9%) Portland, OR (15.1%) Seattle (14.9%) Washington, D.C. (7.9%) Austin, TX (6.3%)	Nassau County, NY (-27%) Providence, RI (-22%) New York (-17.7%) New Brunswick, NJ (-15.8%) Newark, NJ (-13.9%)	

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

<https://www.redfin.com/news/housing-market-update-homebuyers-mortgage-rates-unease>

**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 <https://www.redfin.com/news>. For more information about Rocket Companies, visit <https://www.rocketcompanies.com>.

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