FOR RELEASE OCTOBER 12, 2026 5:00 A.M. PACIFIC TIME

U.S. Pending Home Sales Sink Near 12-Year Low

- *U.S. pending home sales haven't been this low since 2014, except the pandemic freeze in 2020. Mortgage rates climbed above 7%, pricing out would-be buyers.*
- *The total supply of homes for sale rose to its highest level since March 2020.*
- *14.5% of homebuying deals fell through in September, the highest share in Redfin's records, as the buyer's market gives house hunters more room to walk away.*

SEATTLE — Oct. 12, 2026 — U.S. pending home sales are down to their lowest level since spring 2014—with the exception of April 2020, when the onset of the pandemic ground the housing market to a halt. This is according to a new report from Redfin, the real estate brokerage powered by Rocket.

Pending home sales declined 4% from a month earlier in September on a seasonally adjusted basis—the biggest monthly drop in more than three years. This is a real-time indicator of what's happening in the housing market; fewer homes went under contract in September largely because mortgage rates rose steadily, surpassing 7% by the end of the month.

All figures in this report are seasonally adjusted, with the exception of median sale price data and mortgage rate data. See a more detailed methodology here and view an interactive dashboard here.

For the first time in three years, pending home sales declined in all 50 of the most populous U.S. metros. The last time that happened was September 2023, which was also the last time mortgage rates surpassed 7% for a sustained period.

The declines were biggest on the West Coast: Seattle posted the biggest drop (-24.4% year over year), followed by Los Angeles (-16%), San Diego (-15.8%) and Anaheim, CA (-15.5%). Those Southern California metros are among the priciest in the U.S., so rising mortgage rates hit them hard, pricing many on-the-fence buyers out. Seattle is also expensive, and a bumpy local job market is curbing demand.

Closed home sales also fell nationwide in September, declining 1.6% month over month to their lowest level since the end of 2023. Most of the deals that closed last month went under contract in July or August, when rates were marching upward and widespread economic uncertainty was pushing many would-be buyers to the sidelines.

The weekly average mortgage rate climbed to 7.28% at the end of September, the highest level in three years.

"It's not surprising that when rates climb above 7%, fewer people buy homes because fewer people can afford them," said Chen Zhao, Redfin's head of economic research. "But dig a little deeper, and there's a silver lining on both sides. For buyers, less competition means more room to negotiate: on price, on closing costs, on repairs, and sometimes sellers even pay for a

mortgage-rate buydown. Slow sales also mean prices may flatten or fall in the not-so-distant future. Sellers should remember that while many house hunters have pulled back, there are some people who need to move and are still buying homes. My best advice for sellers in this environment is to price realistically from the start and lean into any flexibility you can offer; a rate buydown or covering closing costs can go a long way when buyers are stretched thin."

Prices Are Losing Steam

Rising mortgage rates and stubbornly high prices are bound to price a lot of potential buyers out of the market. The median U.S. home-sale price rose 1.3% year over year to $393,895 in September, the smallest increase since February. There are a few other data points showing that prices may be losing a bit of steam:

- The median *asking* price fell 0.5% month over month in September. On a year-over-year basis, asking prices rose 0.6%, the smallest increase since April. Prices losing momentum could help buyers with affordability.
- 60.5% homes that sold in September went for less than their original asking price, continuing an 18-month streak of roughly 3 in 5 homes selling below asking price.
- 1 in 5 (19.8%) U.S. home sellers with active listings dropped their asking price in September. The share of home sellers cutting prices increased in 43 of the 50 most populous U.S. metros.

Supply Hits Highest Level Since 2020

The total number of homes for sale rose 1.2% from a month earlier to its highest level since March 2020.

The pool of supply is widening because sellers are steadily putting their homes on the market while buyers pull back. New listings ticked up 0.3% month over month, similar to the small swings we've seen over the last year.

Sellers aren't pulling back the way buyers are, but new listings certainly aren't jumping. While some homeowners are putting their homes on the market because they need to, some are concerned about market conditions.

"For the last decade, there was almost a certainty that if you listed a home, it would sell–and it would usually sell quickly, with multiple offers," said Brian Connelly, a Redfin Premier agent in Boston. "Now, the calculus has changed. If you're not pricing slightly below nearby comps and prepping your home meticulously, your home may very well linger on the market, leading to price cuts or delistings. If you're selling a home, be aggressive and list it potentially 5-10% below what you think you should list it for. Ensure there's absolutely nothing a buyer would balk at–the landscaping should be perfect and the home should be staged. That can help prevent future potential price drops, and the negative perception of accruing days on market."

A Near-Record Share of Homebuying Deals Are Falling Through

More homebuyers are backing out of deals than ever before. Nationwide, 14.5% of homebuying deals that went under contract in September were canceled—the highest share since the start of the pandemic. Other than March and April 2020, it's the highest share on record.

Contract cancellations are prevalent because buyers are in the driver's seat. It's the strongest buyer's market on record, meaning sellers are typically competing for buyers—not the other way around. When house hunters have lots of options, they're more likely to back out of a deal if the inspection is problematic, their monthly payment doesn't look as they thought it would, or they simply change their mind.

One in five (19.9%) homebuying deals in Jacksonville, FL, was canceled in September—the highest share among the 50 most populous U.S. metros. It's followed by Tampa, FL (18.8%), Las Vegas (18.6%), San Antonio (18.5%) and Phoenix (18.4%), all big buyer's markets.

Deals are least likely to fall through in San Francisco, where just 2.8% of contracts were cancelled in September. Next are Nassau County, NY, San Jose, CA, Montgomery County, PA and New York, all metros where less than 8% of deals were canceled. San Francisco, Nassau County and Montgomery County are three of just five seller's markets in the U.S.; when there are more buyers than sellers in the market, buyers are less likely to back out.

September 2026 Metro-Level Highlights

- **Prices:** Median sale prices rose most from a year earlier in San Francisco (14.6%), Cleveland (7.9%) and St. Louis (6.7%). They fell most in Seattle (-4.4%), San Jose, CA (-3.4%) and Denver (-2.6%).
- **Pending home sales:** Pending sales fell in every major U.S. metro. The declines were biggest in Seattle (-24.4%), Los Angeles (-16%) and San Diego (-15.8%). The *smallest* declines were in Montgomery County, PA (-1.6%), Pittsburgh (-2.1%) and West Palm Beach, FL (-2.2%).
- **Closed home sales:** Closed home sales rose most in Indianapolis (3.2%), Orlando, FL (3%) and Nassau County, NY (2.8%). They fell most in Philadelphia (-13.8%), Denver (-13.7%) and Detroit (-12.4%).
- **New listings**: New listings rose most in Virginia Beach, VA (8.4%), San Jose, CA (7.9%) and Anaheim, CA (7%). They fell most in Detroit (-11.3%), Oakland, CA (-8.4%) and Nassau County (-6%).
- **Active listings:** Active listings rose most in Seattle (22.9%), San Jose, CA (19.4%) and Boston (18.3%). They fell the most in three Florida metros: Fort Lauderdale (-14.6%), Jacksonville (-13.8%) and West Palm Beach (-13.3%).
- **Days on market:** In Fort Lauderdale, FL, the typical home that went under contract did so in 86 days, which was 20 days faster than a year earlier—the biggest decline among the metros analyzed. Next came West Palm Beach, FL (-14 days) and Jacksonville, FL (-9 days). Days on market increased the most in Tampa, FL (+16 days), Orlando, FL (+12 days) and San Antonio (+8 days).

To view the full report, including charts and additional metro-level data, please visit: https://www.redfin.com/news/pending-home-sales-sink-rates/

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.

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