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October Marks the First Month in 3 Years With a Decline in U.S. Home-Sale Prices, According to Redfin

- *The median U.S. home-sale price fell in October for the first time in over 3 years*
- *Prices are still rising rapidly in some metros with hot markets, including San Francisco, where they rose 16.8% year over year, and the greater New York City area*
- *Home sales fell as mortgage rates surpassed 7%—but flattening prices could bring relief to buyers*
- *Would-be sellers are starting to pull back as demand declines, but the total number of homes for sale climbed to its highest level since 2020*

SEATTLE — Nov. 10, 2026 — U.S. home-sale prices declined in October, ending a three-year streak of monthly year-over-year gains that held even as mortgage rates climbed and would-be buyers pulled back. This is according to a new report from Redfin, the real estate brokerage powered by Rocket.

The median home-sale price declined 0.4% year over year to $388,634 in October. That's the first decline since May 2023 and a sharp slowdown from the 2.5% gain just two months earlier. With Americans' wages growing about 4% year over year, even a slight dip in prices can improve affordability. Sale prices have risen nearly every single month for the last 13 years; the only exception was a handful of months in 2023.

With the total number of homes for sale at its highest level since early 2020 and demand cooling, homebuyers' negotiating power keeps increasing—and that's finally showing up in sale prices.

All figures in the report are seasonally adjusted, with the exception of median sale price data and mortgage rate data.

Home Prices Are Still Rising Fast in Hot Markets, Led By San Francisco

Home-sale prices fell nationwide, but they rose in more than half of the 50 most populous U.S. metro areas. San Francisco led the nation by a wide margin, with the median sale price rising 16.8% year over year. That's the biggest increase since 2018. Next comes New Brunswick, NJ, with a 7.7% gain. Two other NYC-area metros also had price increases ranking in the top six; the median sale price rose 4.4% in both New York City and Nassau County.

In San Francisco, AI wealth is fueling competition for scarce inventory; active listings were down 7% from a year earlier. In the New York City area, years of limited homebuilding have left buyers competing for relatively few homes in a region with a strong job market.

Home-sale prices fell most in Austin, TX, where they declined 6.5% year over year. It's followed by Seattle (-5.1%) and Nashville, TN (-4.9%). Austin and Nashville are among the biggest buyer's markets in the U.S., and Seattle's shaky tech job market is curbing demand.

U.S. Pending Home Sales Drop to Lowest Level Since the Pandemic

National sale prices are losing steam because fewer Americans can afford to buy a home. U.S. pending home sales fell 3.6% from a month earlier in October on a seasonally adjusted basis to their lowest level since 2013, with the exception of April 2020. This is a real-time indicator of the state of the housing market; fewer homes went under contract in October largely because mortgage rates averaged 7.33%, a three-year high and up from 6.86% the month before.

"It's a buyer's market, but not many people can afford to buy," said Chen Zhao, Redfin's head of economics. "That could start to shift a bit, now that sale prices are closer to reflecting the shape of the market. House hunters in most of the country should know that the price they see on a listing may very well be a starting point; they should try offering below the asking price, and negotiating for closing costs, repairs and maybe even mortgage-rate buydowns. If you can't get the price or monthly payment you want on one house, move on to the next one—with a big pool of inventory sitting on the market, buyers can afford to be picky."

Pending home sales declined in all of the most populous U.S. metros. That's the second month in a row that has happened; before September, the last time was three years earlier.

The biggest declines were in Seattle and San Diego, both places where pending sales fell more than 20% year over year. Those West Coast metros are some of the priciest in the U.S., so 7%-plus mortgages hit house hunters' monthly payments there hard. In Seattle, an uncertain local job market is also curbing demand.

Closed home sales fell to their lowest level in nearly 3 years. They declined 2.1% month over month in October to their lowest level since December 2023; before that, the last time sales dropped that low was 2014. Many of the deals that closed last month went under contract in August and September, when rates were already climbing and economic uncertainty was deterring a lot of house hunters.

Housing Supply Builds to Highest Level Since 2020

With homebuying demand falling, supply is building. The total number of homes for sale rose 0.9% from September to its highest level since early 2020; that's the biggest monthly gain since May 2025.

More supply gives buyers more homes to choose from and more leverage:

- Three in five homes are selling under asking price. 61% of homes that sold in October went for less than their original list price.
- More sellers are cutting their prices. 36% of homes that sold in October had at least one price drop—the highest share in Redfin's records.
- Roughly 15% of pending sales fell out of contract. That's the highest share on record other than the pandemic spike in March and April 2020. Buyers with more choices can walk away over inspection issues or a monthly payment that is higher than expected.

“Buyers are nervous about rates, the economy, and everything they’re seeing in the news—so they need the house and the price to line up perfectly before they’ll make an offer,” said Callie Kimmel, a Redfin Premier agent in Philadelphia. “I’m advising sellers to price just below current market value from day one—and not comps from six months ago, but homes that are listed right now. Otherwise, the home is likely to end up sitting on the market for a bit and selling for less than they hoped. There are a few exceptions: Move-in ready homes in the most desirable neighborhoods are still competitive; in those cases, sellers have the upper hand.”

Even as Overall Supply Climbs, New Listings Fall

While total housing supply is growing, fewer sellers are adding new inventory to the pool. New listings of homes for sale fell 1% month over month to the lowest level in more than two years. Would-be sellers are pulling back as homebuying demand slows and sale prices lose steam.

October 2026 Metro-Level Highlights

- **Prices:** Median sale prices fell most from a year earlier in Austin, TX (-6.5%), Seattle (-5.1%) and Nashville, TN (-4.9%). They rose most in San Francisco (16.8%), New Brunswick, NJ (7.7%) and Pittsburgh (6.5%).
- **Pending home sales:** Pending sales fell in every major U.S. metro. The declines were biggest in Seattle (-28.7%), San Diego (-26.6%) and Denver (-24.2%). The smallest declines were in Newark, NJ (-4%), Pittsburgh (-5%) and West Palm Beach, FL (-5.8%).
- **Closed home sales:** Closed home sales fell in all but one metro. They fell most in Detroit (-17.9%), Seattle and Dallas (both -15.4%). The only increase was in Montgomery County, PA (3.9%).
- **New listings:** New listings rose most in San Jose, CA (15.4%), Providence, RI (9.1%) and Montgomery County, PA (8.9%). They fell most in San Antonio (-17.6%), Dallas (-9%) and Portland, OR (-8.6%).
- **Active listings:** Active listings rose most in San Jose, CA (22.5%), Seattle (22.3%) and Boston (20.3%). They fell the most in three Florida metros: Fort Lauderdale (-13.5%), West Palm Beach (-12.4%) and Jacksonville (-11.9%).
- **Days on market:** In Fort Lauderdale, FL, the typical home that went under contract did so in 90 days, which was 18 days faster than a year earlier, the biggest decline among the metros analyzed. Next came West Palm Beach, FL (-15 days) and Jacksonville, FL (-14 days). Days on market increased the most in Tampa, FL (+21 days), Orlando, FL (+9 days) and Indianapolis (+7 days).

To view the full report, including charts and additional metro-level data, please visit: https://www.redfin.com/news/home-prices-decline-october-2026

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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