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Rising Supply Draws in Some Buyers, Even as Housing Payments Soar 10% to All-Time High

Redfin reports there are more homes for buyers to choose from, with new listings posting their biggest uptick in nearly three years

SEATTLE--(BUSINESS WIRE)-- (NASDAQ: RDFN) —The typical U.S. monthly housing payment hit an all-time high of \$2,721 during the four weeks ending March 24, up 10% from a year earlier, according to a new [report](#) from Redfin ([redfin.com](https://www.redfin.com)), the technology-powered real estate brokerage.

Housing payments are at a record high because of the one-two punch of elevated mortgage rates and rising home prices. Mortgage rates remain elevated near 7%, and the median home-sale price is up 5% year over year to roughly \$375,000, just about \$9,000 shy of June 2023's record high.

Many sellers are trying to take advantage of rising prices by listing their home. New listings are up 15%, the biggest increase in nearly three years, and the total number of homes for sale is up 6%, the biggest increase in nearly one year.

Increased supply is bringing back some demand, which is the main reason price growth remains robust. Mortgage-purchase applications are up 14% from a month ago, and pending home sales are just 1% lower than they were a year ago, the smallest decline since the beginning of the year.

"High mortgage rates aren't deterring buyers as much as they were last year; a lot of people want to get in now before prices go up more," said Miami Redfin agent [Rachel Riva](#). "All of my recent listings have gone under contract in under 10 days, and most of them have received multiple offers. Buyers are lessening the impact of elevated rates in a few ways: Some are making high down payments to lower their monthly payments, and some are willing to take on a high rate now in hopes of refinancing when and if rates come down."

There are a few signs that price growth could soften a bit in the coming months. Nearly 6% of home sellers dropped their asking price this week, on average, the highest share of any March on record. Months of supply hit its highest level of any March since 2020—when the onset of the pandemic ground the housing market to a halt—indicating that the market is becoming more balanced.

Leading indicators

Indicators of homebuying demand and activity				
	Value (if applicable)	Recent change	Year-over-year change	Source
Daily average 30-year fixed mortgage rate	6.91% (March 27)	Down from 7.11% a week earlier	Up from 6.44%	Mortgage News Daily
Weekly average 30-year fixed mortgage rate	6.87% (week ending March 21)	Up from 6.74% a week earlier	Up from 6.42%	Freddie Mac
Mortgage-purchase applications (seasonally adjusted)		Essentially unchanged from a week earlier; up 14% from a month earlier (as of week ending March 22)	Down 16%	Mortgage Bankers Association
Redfin Homebuyer Demand Index (seasonally adjusted)		Up 2% from a month earlier (as of week ending March 24)	Down 8%	Redfin Homebuyer Demand Index, a measure of requests for tours and other homebuying services from Redfin agents
Google searches for "home for sale"		Up 6% from a month earlier (as of March 25)	Down 5%	Google Trends
Touring activity		Up 28% from the start of the year (as of March 25)	At this time last year, it was up 21% from the start of 2023	ShowingTime, a home touring technology company

Key housing-market data

U.S. highlights: Four weeks ending March 24, 2024			
Redfin's national metrics include data from 400+ U.S. metro areas, and is 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 24, 2024	Year-over-year change	Notes
Median sale price	\$374,500	4.6%	
Median asking price	\$405,451	5.1%	
Median monthly mortgage payment	\$2,721 at a 6.87% mortgage rate	9.8%	Record high
Pending sales	85,048	-1.1%	Smallest decline in over 2 months
New listings	92,087	14.8%	Biggest increase since June 2021
Active listings	807,227	6.3%	Biggest increase since May 2023
Months of supply	3.3 months	+0.4 pts.	4 to 5 months of supply is considered balanced, with a lower number indicating seller's market conditions
Share of homes off market in two weeks	42.3%	Essentially unchanged	
Median days on market	40	-2 days	
Share of homes sold above list price	26.8%	Up from 26%	
Share of homes with a price drop	5.8%	+1.6 pts.	
Average sale-to-list price ratio	98.8%	+0.2 pts.	

Metro-level highlights: Four weeks ending March 24, 2024			
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.			
	Metros with biggest year-over-year increases	Metros with biggest year-over-year decreases	Notes
Median sale price	West Palm Beach, FL (20.7%) San Jose, CA (17.6%) Miami (16.1%) Detroit (15%) New Brunswick, NJ (14.5%)	San Antonio, TX (-0.3%)	Declined in just 1 metro
Pending sales	San Jose, CA (25.1%) San Francisco (20.1%) Cincinnati (11.6%) Anaheim, CA (9.9%) Seattle (8.2%)	Atlanta (-15.4%) Houston (-13%) San Antonio, TX (-12.7%) West Palm Beach, FL (-12.5%) Miami (-10.7%)	Increased in roughly half of the metros
New listings	San Jose, CA (41.8%) Sacramento, CA (38%) Phoenix (31.7%) Las Vegas (27.3%) Austin, TX (26%)	Atlanta (-6.6%) Chicago (-2.9%)	Declined in just 2 metros

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

<https://www.redfin.com/news/housing-market-update-housing-costs-inventory-increase>

About Redfin

Redfin (www.redfin.com) is a technology-powered real estate company. We help people find a place to live with brokerage, rentals, lending, title insurance, and renovations services. We run the country's #1 real estate brokerage site. Our customers can save thousands in fees while working with a top agent. Our home-buying customers see homes first with on-demand tours, and our lending and title services help them close quickly. Customers selling a home can have our renovations crew fix it up to sell for top dollar. Our rentals business empowers millions nationwide to find apartments and houses for rent. Since launching in 2006, we've saved customers more than \$1.6 billion in commissions. We serve more than 100 markets across the U.S. and Canada and employ over 4,000 people.

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Redfin Journalist Services:

Kenneth Applewhaite, 206-414-8880

press@redfin.com

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