

August 15, 2024



## The Typical U.S. Housing Payment Has Fallen to Lowest Level in 6 Months. That Has Led to More Buyer Interest, But Not More Sales.

*The median U.S. housing payment has dropped to nearly \$250 below its springtime peak as mortgage rates decline. While Redfin agents are reporting a modest uptick in touring, pending home sales fell 5% year over year.*

SEATTLE--(BUSINESS WIRE)-- (NASDAQ: RDFN) — The typical buyer’s housing payment was \$2,588 during the four weeks ending August 11, nearly \$250 below April’s all-time high and up just 1% year over year—the smallest increase in five years. That’s according to a new [report](#) from Redfin ([redfin.com](#)), the technology-powered real estate brokerage.

There are also a few other encouraging signs for today’s buyers: The total number of homes for sale is up nearly 20% year over year, and a growing share of inventory is [growing stale](#), allowing some buyers the chance to negotiate. Additionally, less than 30% of homes are selling above list price, down from 35% a year ago.

Despite declining costs and improving inventory, pending home sales have yet to improve: Pending sales are down 5.1% year over year, the biggest decline since November (except the prior 4-week period, when there was a 6.2% decline). There are several reasons buyers aren’t jumping at the chance to take advantage of falling mortgage rates. Although home prices have come down from their July peak, they’re still near record highs. Additionally, some prospective buyers are sitting on the sidelines because of economic and political uncertainty around the presidential election, whether mortgage rates will fall more and whether the U.S. is going to enter an official recession.

There are a few signs that more house hunters are starting the homebuying process. Mortgage-purchase applications are up 3% week over week on a seasonally adjusted basis. And Redfin’s Homebuyer Demand Index—a measure of requests for tours and other buying services from Redfin agents—is down 10% year over year, but that’s the smallest decline since April.

“I was hoping more buyers would emerge when mortgage rates started declining. And while house hunting has picked up a bit, the increase isn’t all that significant,” said [Brynn Rea](#), a [Redfin Premier](#) agent in Spokane, WA. “Budgets are typically the most important factor for buyers, and homes are still really expensive for a lot of people. A lot of buyers are waiting to see if mortgage rates fall more if and when the Fed cuts interest rates, and to see what happens with the economy and the election later in the year.”

This week’s CPI report shows that inflation continues to soften, reinforcing the expectation

the Fed will start cutting interest rates in September, though it's unclear by how much. Markets have priced in expectations of aggressive rate cuts. If the Fed doesn't match those expectations, rates could rise a bit, but if they cut as quickly as markets are hoping—or even faster—mortgage rates have more room to fall. And if falling rates drive up demand, that could push up home prices.

For more on Redfin economists' takes on the housing market, please visit Redfin's [From Our Economists](#) page.

Indicators of homebuying demand and activity				
	Value (if applicable)	Recent change	Year-over-year change	Source
Daily average 30-year fixed mortgage rate	6.49% (Aug. 14)	Near lowest level since spring 2023, but up from low of 6.34% about a week earlier	Down from 7.24%	Mortgage News Daily
Weekly average 30-year fixed mortgage rate	6.47% (week ending Aug. 8)	Lowest level in over a year; down from 7.22% in early May	Down from 6.96%	Freddie Mac
Mortgage-purchase applications (seasonally adjusted)		Increased 2% from a week earlier (as of week ending Aug. 9)	Down 8%	Mortgage Bankers Association
Redfin Homebuyer Demand Index (seasonally adjusted)		Essentially unchanged from a month earlier (as of week ending Aug. 11)	Down 10%	Redfin Homebuyer Demand Index, a measure of requests for tours and other homebuying services from Redfin agents
Touring activity		Up 10% from the start of the year (as of Aug. 11)	At this time last year, it was up 7% from the start of 2023	ShowingTime, a home touring technology company
Google searches for "home for sale"		Up 11% from a month earlier (as of Aug. 12)	Down 3%	Google Trends

## Key housing-market data

U.S. highlights: Four weeks ending August 11, 2024			
<i>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.</i>			
	Four weeks ending August 11, 2024	Year-over-year change	Notes
Median sale price	\$389,250	3.4%	Up slightly from a week earlier, but \$6,750 below all-time high set during the 4 weeks ending July 7
Median asking price	\$398,248	5.9%	Biggest increase since Oct. 2022
Median monthly mortgage payment	\$2,588 at a 6.47% mortgage rate	0.7%	Lowest level since Feb.; \$244 below all-time high set during the 4 weeks ending April 28
Pending sales	82,160	-5.1%	Biggest decline since Nov. 2023, except the prior 4-week period, when there was a 6.2% decline
New listings	92,476	4.5%	
Active listings	1,005,700	18.9%	
Months of supply	3.6	+0.7 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	37.1%	Down from 43%	
Median days on market	35	+6 days	
Share of homes sold above list price	29.6%	Down from 35%	
Share of homes with a price drop	7%	+1.8 pts.	Near highest level on record
Average sale-to-list price ratio	99.3%	-0.5 pts.	

**Metro-level highlights: Four weeks ending August 11, 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.

	<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>	Philadelphia (12.5%) Detroit (12.4%) Anaheim, CA (11.2%) Newark, NJ (10.3%) New Brunswick, NJ (10.1%)	Austin, TX (-3%) Tampa, FL (-1.3%) San Antonio, TX (-1.3%)	Declined in 3 metros
<b>Pending sales</b>	Cincinnati (10.4%) Sacramento, CA (10.2%) Los Angeles (7.5%) San Jose, CA (6.8%) Montgomery County, PA (5.3%)	Houston (-20.6%) Atlanta (-17.1%) Tampa, FL (-15.7%) Minneapolis (-12.9%) West Palm Beach, FL (-12.5%)	Increased in 9 metros
<b>New listings</b>	Cincinnati (20.7%) San Jose, CA (19%) Sacramento, CA (18.2%) Baltimore (17.2%) San Diego (17.1%)	Atlanta (-16%) Austin, TX (-5.4%) Chicago (-3.9%) Portland, OR (-3.8%) Nassau County, NY (-3.1%)	Declined in 11 metros

To view the full report, including charts, please visit: <https://www.redfin.com/news/housing-market-update-housing-payments-pending-sales-decline>

## About Redfin

Redfin ([www.redfin.com](http://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.

Redfin's subsidiaries and affiliated brands include: Bay Equity Home Loans®, Rent.™, Apartment Guide®, Title Forward® and WalkScore®.

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