

# Redfin Reports Falling Mortgage Rates Have Yet to Improve Home Sales, With Buyers Uncertain About NAR Settlement, Election

*Pending home sales posted their biggest decline in nearly a year, despite the median U.S. housing payment dropping to its lowest level in five months*

SEATTLE--(BUSINESS WIRE)-- (NASDAQ: RDFN) — Pending home sales fell 6.9% during the four weeks ending August 25, the biggest annual decline in nearly a year according to a new [report](#) from Redfin ([redfin.com](#)), the technology-powered real estate brokerage. That's despite the median monthly U.S. housing payment falling to its lowest level since February as weekly average mortgage rates drop to their lowest level in 15 months.

Sales aren't yet improving because many would-be homebuyers are playing the waiting game. Redfin agents report that house hunters are touring homes, but some of them are hesitant to buy right now. **Would-be buyers are waiting for one or all of the following:**

- **Clarity on the NAR settlement.** The new rules for how agents, buyers and sellers negotiate agent fees went into effect on August 17. Some would-be buyers and sellers are waiting to see how these rules play out before getting into the market. "Some buyers have likely been scared off by agents falsely claiming that the new NAR rules require an exclusive buyer representation agreement just to tour a home," said Jason Aleem, Redfin's chief of real estate services. "At Redfin, we make sure buyers understand our fees before they tour, but we would never lock you into working with us before we've had a chance to win your business."
- **Lower home prices.** Even though monthly payments are declining, home-sale prices are just a few thousand dollars shy of early July's record high. That's partly because inventory is losing momentum; the total number of homes for sale posted its smallest year-over-year increase in five months.
- **Lower mortgage rates.** Some homebuyers are hoping mortgage rates will decline more than they already have after the [Fed cuts interest rates](#) in September. (It's worth noting that if mortgage rates do drop significantly, it could lead to more competition and higher home prices.)
- **The outcome of the presidential election.** Some house hunters are hesitant to make a big purchase amid this year's political uncertainty, and believe the outcome of the presidential election could change the course of economic, housing and other policies that affect their decision to move.

"I expect more buyers and sellers to jump into the market in a few months, once everyone has a better understanding of how the new NAR rules will play out in actual real-estate deals," said [Fernanda Kriese](#), a [Redfin Premier](#) agent in Las Vegas. "The election and the

drop in mortgage rates are also delaying buyers; a lot of them are waiting on the sidelines until November, hoping to get a lower rate and maybe more homes to choose from.”

Mortgage-purchase applications are up 1% week over week on a seasonally adjusted basis, suggesting that at least some buyers are coming off the sidelines, but applications are still down 9% from a year ago.

For 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	6.37% (Aug. 28)	Near lowest level since spring 2023	Down from 7.29%	Mortgage News Daily
Weekly average 30-year fixed mortgage rate	6.46% (week ending Aug. 22)	Lowest level since May 2023	Down from 7.23%	Freddie Mac
Mortgage-purchase applications (seasonally adjusted)		Increased 1% from a week earlier (as of week ending Aug. 23)	Down 9%	Mortgage Bankers Association
Touring activity		Up 6% from the start of the year (as of Aug. 19)	At this time last year, it was up 2% from the start of 2023	ShowingTime, a home touring technology company
Google searches for “home for sale”		Up 10% from a month earlier (as of Aug. 26)	Down 3%	Google Trends

*We excluded Redfin’s Homebuyer Demand Index this week to ensure the accuracy of our data. It will be back next week.*

## Key housing-market data

U.S. highlights: Four weeks ending August 25, 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 25, 2024	Year-over-year change	Notes
Median sale price	\$389,975	3.6%	Up about \$1,000 from a week earlier, but \$6,000 below all-time high set during the 4 weeks ending July 7
Median asking price	\$395,500	5.5%	
Median monthly mortgage payment	\$2,568 at a 6.46% mortgage rate	-0.4%	Lowest level since Feb.; \$258 below all-time high set during the 4 weeks ending April 28
Pending sales	79,279	-6.9%	Biggest decline since Oct. 2023
New listings	89,241	3%	
Active listings	990,630	16.7%	Smallest increase since April
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	35.8%	Down from 41%	
Median days on market	35	+5 days	
Share of homes sold above list price	28.6%	Down from 34%	
Share of homes with a price drop	6.8%	+1.4 pts.	Highest level on record
Average sale-to-list price ratio	99.1%	-0.6 pts.	

**Metro-level highlights: Four weeks ending August 25, 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 (15.1%) Milwaukee (10.8%) Anaheim, CA (10.1%) Nassau County, NY (9.7%) Providence, RI (8.5%)	Austin, TX (-2.8%) Fort Worth, TX (-1.5%) Tampa, FL (-0.6%) San Francisco, CA (-0.5%) San Diego, CA (-0.3%) San Antonio (-0.3%) Nashville, TN (-0.1%)	Declined in 7 metros
<b>Pending sales</b>	San Francisco (9.1%) Boston (8.2%) San Jose, CA (7.1%) Los Angeles (7%) Riverside, CA (5.4%)	West Palm Beach, FL (-16.3%) Atlanta (-15.8%) Miami (-15.3%) Fort Lauderdale, FL (-15%) Tampa, FL (-14.5%)	Increased in 11 metros
<b>New listings</b>	San Diego (15.2%) Los Angeles (13.7%) San Jose, CA (12.7%) Phoenix (11.1%) Montgomery County, PA (10.9%)	Atlanta (-16.7%) Austin, TX (-8.9%) San Antonio (-8.2%) Newark, NJ (-7.2%) Tampa, FL (-6.7%)	Declined in 14 metros

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

<https://www.redfin.com/news/housing-market-update-pending-sales-housing-payments-fall>

## 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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