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Redfin Reports Housing Market Stays Surprisingly Active As Election Looms and Mortgage Rates Hit 7%

Even with the impending presidential election and mortgage rates surpassing 7% for the first time since July, pending home sales posted their biggest increase in three years. But Redfin agents report some would-be homebuyers are pressing pause on starting their house hunt until the election passes

SEATTLE--(BUSINESS WIRE)-- (NASDAQ: RDFN) — Mortgage rates rose to 7% for the first time since early July this week, erasing their late-summer decline into the low-6% range. That's according to a new [report](#) from Redfin ([redfin.com](#)), the technology-powered real estate brokerage. Rising rates, combined with economic uncertainty and anxiety brought on by the impending presidential election, are causing some prospective homebuyers and sellers to press pause. But the effect is smaller than expected.

On the buying side, pending U.S. home sales rose 4.5% year over year during the four weeks ending October 27, the biggest increase in more than three years. On the selling side, new listings of homes for sale rose 3.4%, in line with the increases we've seen over the last several months.

But those numbers don't tell the whole story. First, they measure a four-week period ending just before mortgage rates hit 7%; some people may see 7% as the threshold beyond which they won't buy or sell. Second, we're comparing to a period in October 2023 when weekly average mortgage rates hit a two-decade high of 7.79%, dramatically slowing housing-market activity. Finally, there are signs that house hunters are backing off at earlier stages of the homebuying journey. Mortgage-purchase applications are down 8% from a month ago. And Redfin agents report that many buyers and sellers are sitting on the sidelines until after the election, aligning with a [recent Redfin survey](#) finding that nearly one-quarter of prospective first-time buyers are holding off until post-election.

Even with those caveats, pending home sales and listings are holding up surprisingly well. Rising mortgage rates, combined with stubbornly high home prices, have brought the typical U.S. homebuyer's monthly mortgage payment to \$2,593, near its highest level since July, and [cut into](#) buyers' purchasing power. Redfin Economic Research Lead [Chen Zhao](#) said she would expect a bigger dropoff in home buying and selling activity with the jump in mortgage rates, especially given that the country is a week away from a highly consequential and uncertain presidential election.

"While it's not unusual for mortgage rates to rise heading into an election as investors' expectations change, mortgage rates surging to 7% after the Fed's interest-rate cut is surprising, as is the fact that pending sales have remained resilient," Zhao said. "There was a possibility that mortgage rates would rise after the September rate cut, but we didn't

expect them to rise this much. There was a window of 6% mortgage rates early this fall, but that window was shorter than expected. It's possible 7% rates will also have a short window; rates could decline depending on the outcome of the election, if the worries driving bond-market investors to demand higher rates dissipate.”

Redfin agents say some house hunters and would-be sellers are taking a breather in the lead-up to the election.

“The last week or so has been quieter than usual because we’re getting so close to the election, and people are wary about making a huge purchase just before a major event. New buyers aren’t jumping into their house hunt this week, and sellers probably aren’t going to choose the Friday before a presidential election to list their home. But buyers and sellers who are already under contract are moving forward, and I expect activity to pick up again in a few weeks.” – [Nicole Stewart](#), Redfin [Premier](#) agent in Boise, ID

“Buyers are more cautious; they know they have some time to wait on the sidelines because listings are sitting on the market longer than usual. The election is playing a larger role in the slowdown than I’ve seen in the past. I think it’s partly because of the overwhelming stress of this election, and partly because the country feels more divided than ever before, and nobody knows what impact the election will have on the economy or interest rates.” – [Blakely Minton](#), Redfin Premier agent in Philadelphia

"October has been a busy month overall, but this week election anxiety is kicking in. Some buyers and sellers have backed off, saying they're waiting to see what happens with the election before they make a move. But mortgage rates aren't stopping anyone; buyers are used to high rates." – [Heather Mahmood-Corley](#), Redfin Premier agent in Phoenix

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	7.02% (Oct. 30)	Highest level since July (except Oct. 29, when it was 7.08%)	Down from 7.98%	Mortgage News Daily
Weekly average 30-year fixed mortgage rate	6.54% (week ending Oct. 24)	Up from 2-year low of 6.08% a month earlier	Down from two-decade high of 7.79%	Freddie Mac
Mortgage-purchase applications (seasonally adjusted)		Up 5% from a week earlier (as of week ending Oct. 25)	Up 10%	Mortgage Bankers Association
Redfin Homebuyer Demand Index (seasonally adjusted)		Unchanged from a month earlier (as of week ending Oct. 27)	Up 7%	Redfin Homebuyer Demand Index a measure of tours and other homebuying services from Redfin agents
Touring activity		Unchanged from the start of the year (as of Oct. 28)	At this time last year, it was down 16% from the start of 2023	ShowingTime, a home touring technology company
Google searches for “home for sale”		Up 2% from a month earlier (as of Oct. 28)	Down 6%	Google Trends

Key housing-market data

U.S. highlights: Four weeks ending Oct. 27, 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 Oct. 27, 2024	Year-over-year change	Notes
Median sale price	\$387,000	5.5%	Biggest increase since Feb.
Median asking price	\$396,653	5.9%	Biggest increase in 2 years
Median monthly mortgage payment	\$2,593 at a 6.54% mortgage rate	-3.8%	Up from \$2,480 6 weeks earlier; near highest level since July
Pending sales	74,091	4.5%	Biggest increase in nearly 3 years
New listings	83,295	3.4%	
Active listings	1,031,588	14.8%	Smallest increase since March
Months of supply	4.1	+0.5 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	32.8%	Down from 38%	
Median days on market	40	+7 days	
Share of homes sold above list price	25.8%	Down from 30%	
Average sale-to-list price ratio	98.7%	-0.3 pts.	

Metro-level highlights: Four weeks ending Oct. 27, 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	Fort Lauderdale, FL (15.3%) Milwaukee (14.5%) Anaheim, CA (10%) Providence, RI (9.9%) Warren, MI (9.5%)	San Antonio (-3.1%) Austin, TX (-2.7%)	Declined in 2 metros
Pending sales	San Francisco (25%) Portland, OR (21.6%) San Jose, CA (20%) Virginia Beach, VA (18%) Dallas (17.3%)	Tampa, FL (-29.5%) West Palm Beach, FL (-17.5%) Fort Lauderdale, FL (-15.6%) Miami (-14.5%) Orlando, FL (-14.1%)	Increased in 35 metros
New listings	San Jose, CA (21.5%) Seattle (18%) Washington, D.C. (15.9%) Anaheim, CA (15.6%) Phoenix (15%)	Tampa, FL (-32.8%) West Palm Beach, FL (-13.7%) Atlanta (-12.6%) Fort Lauderdale, FL (-10.3%) Orlando, FL (-9.3%)	Declined in 11 metros

To view the full report, including charts, please visit: <https://www.redfin.com/news/housing-market-update-housing-market-active-election-high-mortgage-rates>

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.

Redfin's subsidiaries and affiliated brands include: Bay Equity Home Loans®, Rent.™,

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