

# Redfin Reports Pending Home Sales Fall 35%, Largest Drop in at Least Seven Years

*Fewer homes are pending sale than in any October since at least 2015. Six metro areas are now experiencing year-over-year price decline.*

SEATTLE--(BUSINESS WIRE)-- (NASDAQ: RDFN) —U.S. pending home sales fell 35% year over year during the four weeks ending October 23, according to a new [report](#) from Redfin ([redfin.com](#)), the technology-powered real estate brokerage. That represents the largest annual decline and the fewest homes under contract in any October since at least 2015, when Redfin's weekly housing market records began.

"Until this month, the pullback in the housing market could be described as something of a return to pre-pandemic conditions before sub-3% mortgage rates ignited a homebuying frenzy in 2020 and 2021," said Redfin Deputy Chief Economist Taylor Marr. "But now both mortgage purchase applications and pending sales are below 2018 levels. A four-year setback is a serious correction. With mortgage rates still elevated, we are in for further sales declines, but those should eventually bring price relief to those who need to move this winter."

"Every set of market conditions comes with its own tradeoffs," said Sacramento Redfin real estate agent Michael Cendejas. "In the spring, buyers had to race and wager over homes that flew off the market within a week. Today, many homes are staying on the market for a month or two. While mortgage rates are much higher now, buyers have the opportunity to negotiate. We've gotten sellers to agree to a lower price and to provide a credit, which enables the buyer to buy down their mortgage rate to below 6%."

## Leading indicators of homebuying activity:

- For the week ending October 27, 30-year mortgage rates rose to 7.08%.
- Fewer people searched for “homes for sale” on Google. Searches during the week ending October 22 were down 28% from a year earlier.
- The seasonally adjusted Redfin Homebuyer Demand Index—a measure of requests for home tours and other home-buying services from Redfin agents—declined 11% in the past four weeks to its lowest point since May 2020. The index was down 35% year over year.
- Touring activity as of October 23 was down 27% from the start of the year, compared to a 7% increase at the same time last year, according to home tour technology company ShowingTime.
- Mortgage purchase applications during the week ending October 21 were down 2% week over week, seasonally adjusted, to the lowest level since 2014. Purchase applications were down 42% from a year earlier.

## Key housing market takeaways for 400+ U.S. metro areas:

Unless otherwise noted, this data covers the **four-week period ending October 23**. Redfin's weekly housing market data goes back through 2015.

- The median home sale price was \$365,725, up 5% year over year, but down 7% from a record high of \$392,250 in June.
- Home-sale prices fell from a year earlier in six U.S. metro areas: Prices declined 5% year over year in San Francisco, 3% in Lake County, IL, 2% in Oakland, CA and less than 1% in San Jose, CA, Philadelphia and Frederick, MD.
- Among metro areas with at least 500 pending sales during the period, pending sales fell the most from a year ago in Los Angeles (-59%), Las Vegas (-56%), Miami (-50%), Seattle (-50%), Jacksonville, FL (-48%) and Portland, OR (-46%).
- The median asking price of newly listed homes was 8% higher than a year ago at \$377,225, but down 7% from a record high of \$399,975 in May.
- The monthly mortgage payment on the median-asking-price home climbed to a record \$2,542 at the current 7.08% mortgage rate, up 48% from \$1,712 a year earlier, when mortgage rates were 3.14% and up from a recent low of \$2,187 during the four-week period ending August 14.
- Pending home sales were down 35% year over year, the largest decline since at least January 2015, as far back as this data goes.
- New listings of homes for sale were down 21% from a year earlier, the largest decline since May 2020.
- Active listings (the number of homes listed for sale at any point during the period) were 4% above a year earlier but fell 1% from the prior four-week period.
- Months of supply—a measure of the balance between supply and demand, calculated by dividing the number of active listings by closed sales—increased to 3.1 months, the highest level since June 2020.
- 34% of homes that went under contract had an accepted offer within the first two weeks on the market, little changed from the prior four-week period but down from 40% a year earlier.
- 23% of homes that went under contract had an accepted offer within one week of hitting the market, little changed from the prior four-week period but down from 28% a year earlier.
- Homes that sold were on the market for a median of 34 days, up a full week from 27 days a year earlier and the record low of 17 days set in May and early June.
- 29% of homes sold above list price, down from 44% a year earlier and the lowest level since February 2021.
- On average, a record 7.9% of homes for sale each week had a price drop, up from 3.8% a year earlier.
- The average sale-to-list price ratio, which measures how close homes are selling to their final asking prices, fell to 98.9% from 100.5% a year earlier. This was the lowest level since August 2020.

To view the full report, including charts, please visit: <https://www.redfin.com/news/housing-market-update-pending-home-sales-record-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, instant home-buying (iBuying), rentals, lending, title

insurance, and renovations services. We sell homes for more money and charge half the fee. We also run the country's #1 real-estate brokerage site. 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 take an instant cash offer from Redfin or have our renovations crew fix up their home 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 billion in commissions. We serve more than 100 markets across the U.S. and Canada and employ over 6,000 people.

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