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## Redfin Report: For-Sale Home Supply Surges In Hot West Coast Markets

### Slowing sales activity is the primary driver of the inventory buildup

SEATTLE, Oct. 5, 2018 /PRNewswire/ -- (NASDAQ: RDFN) — After more than six years of tight supply and surging home prices, the third quarter of 2018 has been a turning point for the housing market in many major West Coast metro areas. In these areas, the number of homes for sale has increased dramatically from a year ago, according to an [analysis](#) from Redfin ([www.redfin.com](http://www.redfin.com)), the next-generation real estate brokerage.



San Jose, California experienced the largest year-over-year supply increase across 170 U.S. metros for the four-week period ending September 30. In San Jose, the number of homes for sale was up 86.7 percent compared to a year earlier when just over 1,200 homes were on the market. Five other West Coast metro areas were at the top of the list of the biggest increases in the number of homes on the market: Seattle (53.9%), Oakland (28.9%), Portland (27.5%), San Diego (26.8%), and San Francisco (22.5%). Meanwhile, inventory was virtually flat nationwide.

Just a year earlier, inventory in all of these markets was rapidly declining, with double-digit year-over-year decreases in every market but Portland, where the number of homes for sale fell by just 4.7 percent.

Big gains in the number of homes for sale would seem to be a sign that more people are finally listing their homes, which is what homebuyers have long been hoping for. But that's not exactly what's happening in most of these markets. Instead, the biggest reason for the buildup of inventory in these markets is that fewer homes are being sold.

A year ago there were more homes selling each month than there were homes being listed for sale, which caused the number of homes on the market to dip dramatically. This year fewer homes are selling, so sales are no longer outnumbering new listings every month. This is allowing inventory to finally begin to build again in several markets, which is good for home buyers and should lead to a more balanced market.

San Jose and San Francisco are exceptions to the trend. Unlike in other metros, San Jose and San Francisco experienced double-digit increases in the number of people listing their homes for sale in addition to a drop in the number of homes sold.

"We are seeing sellers who recently purchased their home putting it back on the market, sometimes without ever moving in," observed Tina Mancebo, a Redfin agent who works with sellers in San Jose. Despite the growing number of homes for sale, Mancebo says that sellers "have not changed their expectations and want similar pricing and competitive offer terms that their neighbors achieved earlier in the year. Still, if a home for sale checks all the boxes (condition, location, etc.) it sells quickly."

Despite these shifts, the housing market today still favors home sellers, but these changes are encouraging for buyers who have been frustrated by the lack of selection and bidding wars. A more balanced market means more choices for buyers and more time to make decisions.

To read the full report, complete with additional charts please visit:

<https://www.redfin.com/blog/2018/10/for-sale-home-supply-surges-in-hot-west-coast-markets.html>

### **About Redfin**

Redfin ([www.redfin.com](http://www.redfin.com)) is the next-generation real estate brokerage, combining its own full-service agents with modern technology to redefine real estate in the consumer's favor. Founded by software engineers, Redfin has the country's #1 brokerage website and offers a host of online tools to consumers, including the [Redfin Estimate](#), the automated home-value estimate with the industry's lowest published error rate for listed homes. Homebuyers and sellers enjoy a full-service, technology-powered experience from Redfin real estate agents, while saving thousands in commissions. Redfin serves more than 80 major metro areas across the U.S. The company has closed more than \$60 billion in home sales.

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