

March 9, 2022



Redfin Reports a Record 8% of U.S. Homes Are Worth at Least \$1 Million

That's nearly double the pre-pandemic share. The biggest jump was in Anaheim, where 55% of homes were worth \$1 million or more in February, up from 27% two years earlier.

SEATTLE--(BUSINESS WIRE)-- (NASDAQ: RDFN) — Nationwide, a record 8.2% of U.S. homes (6 million) were valued at \$1 million or more in February, according to a [new report](#) from Redfin (www.redfin.com), the technology-powered real estate brokerage. That's up from 4.8% (3.5 million) two years earlier, just before the coronavirus was declared a pandemic.

The Bay Area led the way, with nearly nine out of 10 properties in both San Francisco and San Jose falling into the \$1 million-plus category. Meanwhile, the biggest increase was in Anaheim, CA, where the share of homes worth at least \$1 million nearly doubled to 55%.

Home values go up over time, so it makes sense that million-dollar homes would take up an increasingly large chunk of the housing stock. But their slice of the pie has grown especially rapidly during the pandemic amid a surge in home prices and buyer competition. Prices have skyrocketed because housing demand has far outpaced supply as scores of Americans have moved to take advantage of record-low mortgage rates and remote work.

During the four weeks ending Feb. 27, the number of homes for sale plummeted 50% from two years earlier to an all-time low of 456,000. That helped fuel a 33% rise in the median U.S. home-sale price, which hit a record high of \$363,975.

“The surge in housing values has turned many homeowners into millionaires, but has pushed homeownership out of reach for a lot of other Americans,” said Redfin Deputy Chief Economist Taylor Marr. “Incomes have increased, but not as fast as home prices, which means many people are stuck renting or have to move somewhere more affordable if they want to buy a home.”

7 of the Top 10 Metros for \$1 Million-Plus Homes Are In California

In San Francisco, 88.7% of homes were worth at least \$1 million in February—the highest share among the 100 most populous U.S. metropolitan areas. Next came five more California metros: San Jose (85.9%), Anaheim (55.3%), Oakland (55.1%), San Diego (40.4%) and Los Angeles (38.5%). Rounding out the top 10 were Honolulu, HI (37.1%), Seattle, WA (36.5%), New York, NY (32.1%) and Oxnard, CA (31.2%).

The Bay Area has long been the most expensive place to buy a home in the U.S., and has become even less affordable during the pandemic. The median sale price in both San Francisco and San Jose was \$1.4 million as of January, up 5% and 13% year over year,

respectively. While prices in San Francisco have climbed at a slower clip than the country as a whole, it's notable that the area continues to see price gains despite an exodus of residents.

\$1 Million Is Still Considered Ultra-Luxury in Elgin, IL and El Paso, TX

In Elgin, IL, just 0.1% of homes were worth \$1 million or more in February, a lower share than any other metro Redfin analyzed. Next came El Paso, TX, Columbia, SC, McAllen, TX, Dayton, OH and Buffalo, NY—all at 0.2%. The other metros where less than 0.5% of homes were valued at \$1 million or more were Akron, OH, Gary, IN, Springfield, MA, Rochester, NY, Wilmington, DE, Detroit, MI and Allentown, PA. These are all places with relatively low home prices.

Anaheim Has Seen the Biggest Jump in the Share \$1 Million-Plus Homes

In Anaheim, CA, 55.3% of homes were worth at least \$1 million in February, up from 27.2% two years earlier. That 28-percentage-point increase represents a bigger jump than any other metro Redfin analyzed. Next came San Diego, CA (+22.8 pts), Seattle, WA (+21 pts), Oakland, CA (+20.7 pts) and San Jose, CA (+18 pts).

Anaheim has grappled with an especially severe housing shortage, which has contributed to the surge in prices. The number of homes for sale in the metro plummeted 42.5% year over year in January—a larger drop than all but one metro Redfin analyzed. It was also the third most competitive metro based on the share of homes selling above their list price (62.6%).

“House hunters in Anaheim are regularly competing with dozens of other people. In the past month, I helped one buyer compete against 42 bidders and another compete against 26. Low mortgage rates and a lack of inventory are the main factors driving the surge in bidding wars and prices,” said local Redfin real estate agent Linda Tessitore. “This week, one of my buyers offered \$1.57 million for a Costa Mesa home listed at \$1.5 million. The seller came back and said they’d need to offer at least \$1.75 million to compete. My client opted to look elsewhere because they couldn’t afford to go \$200,000 over their budget for an 1,100 square-foot home. I’m starting to see buyers widen their searches to cities like Corona, Temecula and Riverside.”

To read the full report, including charts, most popular metro breakouts, and methodology, please visit: <https://www.redfin.com/news/million-dollar-homes-february-2022>

About Redfin

Redfin (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.

For more information or to contact a local Redfin real estate agent, visit www.redfin.com. To learn about housing market trends and download data, visit the [Redfin Data Center](#). To be added to Redfin's press release distribution list, email press@redfin.com. To view Redfin's press center, [click here](#).

View source version on businesswire.com:

<https://www.businesswire.com/news/home/20220309005357/en/>

Contact Redfin

Redfin Journalist Services:

Ally Braun, 206-588-6863

press@redfin.com

Source: Redfin