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A Record Share of Homebuyers Are Relocating as Skyrocketing Housing Costs Make Affordable Areas Even More Attractive

Nearly one-third (32.3%) of Redfin.com users looked to move away from their hometown in the first quarter, an all-time high

SEATTLE--(BUSINESS WIRE)-- (NASDAQ: RDFN) —A record 32.3% of Redfin.com users nationwide looked to move to a different metro area in the first quarter, according to a new [report](#) from Redfin ([redfin.com](#)), the technology-powered real estate brokerage. That's up from 31.5% a year earlier and up significantly from 26% in 2019, before the pandemic.

Skyrocketing home prices and rising mortgage rates have made relocating to a more affordable area the only viable option for some prospective homebuyers.

The share of homebuyers looking to relocate to other parts of the country picked up in mid-2020 as the pandemic took hold, and it has remained elevated since then. The combination of last year's record-low mortgage rates and remote work encouraged many Americans to relocate.

Continually increasing home prices—along with quickly rising mortgage rates, which make monthly payments even higher—are adding fuel to the fire this year. As more homebuyers move away from pricey coastal areas, including San Francisco, Los Angeles, Seattle and Boston, we're seeing early signs of a housing-market slowdown in those metros.

Homebuyers are leaving Seattle at a much faster rate than before the pandemic

The number of homebuyers leaving the Seattle area has picked up significantly over the last two years, an apt example of how the pandemic is changing where people choose to live. The typical home in Seattle sold for \$750,000 in February (up 15% year over year), making it the eighth-most expensive major metro in the U.S., behind only coastal California. Those soaring home prices, combined with a high concentration of tech jobs—which can typically be done remotely—have encouraged many Seattleites to seek more affordable, sunnier pastures.

At the same time, would-be homebuyers leaving Seattle is one reason why its housing market is showing early signs of cooling, with a slowdown in the number of buyers contacting Redfin agents in 2022 compared to last year and a year-over-year decline in mortgage applications.

Seattle had a net outflow of nearly 24,000 residents in the first quarter, up from about 10,000

a year earlier and about 4,000 two years earlier, before the pandemic began. Net outflow is a measure of how many more Redfin.com users looked to leave an area than move in.

Phoenix is the number-one destination for Redfin.com users leaving Seattle. While Phoenix home prices are up significantly from a year ago, the \$456,000 median is still far lower than Seattle's.

"I've worked with many home sellers recently who are moving to a completely new area," said Seattle Redfin agent Nicole McCormick. "A lot of them are remote workers—or people who feel confident they'll be able to get a new job—leaving for sunnier places where they can get more home for their money, like Phoenix or Sacramento. There's also a pattern of selling and moving to the San Juan Islands, located a few hours away from Seattle. Those people are trading the city for a more rural, outdoorsy lifestyle—but homes are just as expensive."

Seattle had the fifth-biggest outflow of any major U.S. metro in the first quarter, behind four other expensive coastal job centers: the Bay Area, Los Angeles, New York and Washington, D.C.

Top 10 Metros by Net Outflow of Users and Their Top Destinations							
Rank	Metro*	Net Outflow, Q1 2022†	Net Outflow, Q1 2021	Portion of Local Users Searching Elsewhere, Q1 2022	Portion of Local Users Searching Elsewhere, Q1 2021	Top Destination	Top Out-of-State Destination
1	San Francisco, CA	52,964	40,736	23.7%	23.9%	Sacramento, CA	Seattle, WA
2	Los Angeles, CA	37,148	28,208	18.6%	18.5%	San Diego, CA	Phoenix, AZ
3	New York, NY	32,834	48,588	27.7%	35.6%	Miami, FL	Miami, FL
4	Washington, DC	25,409	16,626	16.7%	14.7%	Salisbury, MD	Salisbury, MD
5	Seattle, WA	23,867	9,813	18.6%	16.3%	Phoenix, AZ	Phoenix, AZ
6	Boston, MA	14,173	4,661	18.9%	14.9%	Portland, ME	Portland, ME
7	Chicago, IL	8,945	9,164	14.1%	13.6%	Cape Coral, FL	Cape Coral, FL
8	Denver, CO	5,155	8,448	27.9%	30.6%	Chicago, IL	Chicago, IL
9	Minneapolis, MN	2,967	-619	25.4%	20.8%	Chicago, IL	Chicago, IL
10	Portland, OR	2,864	-682	18.1%	17.6%	Seattle, WA	Seattle, WA
*Combined statistical areas with at least 500 users in Q1 2022							
†Among the two million users sampled for this analysis only							

Nearly six times more homebuyers looked to move to Miami in the first quarter than before the pandemic

Miami was the most popular migration destination in the first quarter, unchanged from the second half of 2021. Popularity is measured by net inflow, or how many more Redfin.com users looked to move into an area than leave. Phoenix, Tampa, Sacramento and Las Vegas round out the top five most popular migration destinations.

Sunny, relatively affordable areas are typically the most popular places for people to move to, a trend that has picked up with the pandemic. Net inflow into all five of the most popular destinations has increased significantly since before the pandemic.

The number of residents flowing into Miami in the first quarter was up nearly sixfold from two years earlier, and it has almost tripled in Tampa and almost doubled in Sacramento.

Top 10 Metros by Net Inflow of Users and Their Top Origins							
Rank	Metro*	Net Inflow, Q1 2022†	Net Inflow, Q1 2021	Portion of Searches from Users Outside the Metro, Q1 2022	Portion of Searches from Users Outside the Metro, Q1 2021	Top Origin	Top Out-of-State Origin
1	Miami, FL	16,480	8,860	34.2%	31.8%	New York, NY	New York, NY
2	Phoenix, AZ	14,009	12,402	37.2%	38.6%	Los Angeles, CA	Los Angeles, CA
3	Tampa, FL	11,147	7,585	49.8%	59.8%	Orlando, FL	New York, NY
4	Sacramento, CA	9,541	8,440	42.1%	47.8%	San Francisco, CA	Seattle, WA
5	Las Vegas, NV	9,333	10,953	43.7%	52.7%	Los Angeles, CA	Los Angeles, CA
6	Cape Coral, FL	7,930	6,852	66.2%	76.3%	Chicago, IL	Chicago, IL
7	North Port, FL	7,402	5,183	66.1%	79.7%	Chicago, IL	Chicago, IL
8	San Antonio, TX	6,334	3,966	43.9%	47.5%	Austin, TX	Los Angeles, CA
9	Dallas, TX	6,115	9,174	25.5%	32.8%	Los Angeles, CA	Los Angeles, CA
10	Atlanta, GA	5,310	8,845	20.1%	26.6%	New York, NY	New York, NY
*Combined statistical areas with at least 500 users in Q1 2022							
†Negative values indicate a net outflow; among the two million users sampled for this analysis only							

To read the full report, including charts and methodology, please visit:

<https://www.redfin.com/news/q1-2022-housing-migration-trends>

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