

December 14, 2023



Redfin Reports Mortgage Rates and Housing Payments Drop to Lowest Level Since Spring

In additional good news for the housing market, new listings are rising and mortgage-purchase applications are up nearly 20% from their November low point

SEATTLE--(BUSINESS WIRE)-- (NASDAQ: RDFN) —Daily average mortgage rates have fallen to 6.82% and housing payments have dropped to their lowest level since April. That's according to a new [report](#) from Redfin ([redfin.com](https://www.redfin.com)), the technology-powered real estate brokerage. This marks the first time daily rates have dipped below 7% since July.

Rates dropped after the Fed brought good news to homebuyers at its December 13 meeting, indicating they're on a path toward lowering interest rates more and sooner than expected. That's another piece of evidence that mortgage rates are likely to drop into the mid-6% range in 2024, consistent with [Redfin's housing-market predictions](#).

Mortgage payments are at their lowest level in eight months. Even before the Fed meeting, mortgage rates had declined substantially from their peak, bringing homebuyers some relief. The median U.S. housing payment is \$2,503 as of the four weeks ending December 10, down \$233 from October's record high and its lowest level since April.

Declining costs are bringing homebuyers off the sidelines. Mortgage-purchase applications are up 19% from the three-decade low they dropped to at the start of November. And Redfin's Homebuyer Demand Index—measure of requests for tours and other homebuying services from Redfin agents—is up 3% from a month ago.

Prices and new listings rise. The median U.S. home-sale price is up 4.5% year over year, the biggest increase since October 2022. Prices are rising because demand is outpacing supply. Even though new listings are up 8% year over year—the biggest increase since July 2021—the total number of homes for sale is still down 5%.

Leading indicators

Indicators of homebuying demand and activity				
	Value (if applicable)	Recent change	Year-over-year change	Source
Daily average 30-year fixed mortgage rate	6.82% (Dec. 13)	Lowest level since May	Up from 6.39%	Mortgage News Daily
Weekly average 30-year fixed mortgage rate	7.03% (week ending Dec. 7)	Sixth straight weekly decline. Down from two-decade high of 7.79% seven weeks earlier	Up from 6.33%	Freddie Mac
Mortgage-purchase applications (seasonally adjusted)		Up 4% from a week earlier (as of week ending Dec. 8)	Down 18%	Mortgage Bankers Association
Redfin Homebuyer Demand Index (seasonally adjusted)		Up 3% from a month earlier (as of the week ending Dec. 10)	Down 7%	Redfin Homebuyer Demand Index, a measure of requests for tours and other homebuying services from Redfin agents
Google searches for "home for sale"		Down 9% from a month earlier (as of Dec. 9)	Essentially unchanged	Google Trends
Touring activity		Down 36% from the start of the year (as of Dec. 12)	At this time last year, it was down 43% from the start of 2022	ShowingTime, a home touring technology company

Key housing-market data

U.S. highlights: Four weeks ending December 10, 2023 <i>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.</i>			
	Four weeks ending December 10, 2023	Year-over-year change	Notes
Median sale price	\$364,535	4.5%	Biggest increase since Oct. 2022. Prices are up partly because rapidly rising mortgage rates were hampering prices during this time last year.
Median asking price	\$368,247	5.7%	
Median monthly mortgage payment	\$2,503 at a 7.03% mortgage rate	12%	Down \$233 (-9%) from all-time high set during the four weeks ending Oct. 22. Lowest level since April.
Pending sales	58,532	-7.8%	
New listings	57,866	7.6%	Biggest uptick since July 2021. The increase is partly because new listings were falling at this time last year.
Active listings	844,170	-5.4%	Smallest decline since June
Months of supply	4 months	+0.2 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	29.7%	Up from 28%	
Median days on market	36	-3 days	
Share of homes sold above list price	26.2%	Up from 24%	
Share of homes with a price drop	5.3%	+0.4 pts.	
Average sale-to-list price ratio	98.7%	+0.5 pts.	

Metro-level highlights: Four weeks ending December 10, 2023			
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	Anaheim, CA (19.2%) Fort Lauderdale, FL (14.9%) Newark, NJ (14.6%) New Brunswick, NJ (11.5%) Miami (11.2%)	Austin, TX (-5.3%) San Antonio, TX (-3.3%) Houston (-1.7%)	Declined in 3 metros
Pending sales	Milwaukee (3.3%) Fort Worth, TX (1%) Chicago (0.3%)	Cincinnati, OH (-22.2%) Providence, RI (-15%) New York (-13.8%) Sacramento, CA (-13.6%) New Brunswick, NJ (-13.5%)	Increased in 3 metros
New listings	Phoenix (24.4%) Orlando, FL (21.1%) Miami (18.6%) Fort Worth, TX (13.6%) Las Vegas (13.1%)	San Francisco (-23.7%) Atlanta (-14.5%) Oakland, CA (-7.4%) Seattle (-5.7%) Indianapolis, IN (-4%)	Declined in 15 metros

To view the full report, including charts, please visit:

<https://www.redfin.com/news/housing-market-update-mortgage-rates-fall-below-7>

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 also run the country's #1 real estate brokerage site. Our home-buying customers see homes first with same day tours, and our lending and title services help them close quickly. Customers selling a home in certain markets can 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. Customers who buy and sell with Redfin pay a 1% listing fee, subject to minimums, less than half of what brokerages commonly charge. Since launching in 2006, we've saved customers more than \$1.5 billion in commissions. We serve more than 100 markets across the U.S. and Canada and employ over 4,000 people.

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