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Big City Comeback: Homebuyer Competition Is Rising Fastest in the Bay Area, New York

Redfin reports 57% of homes in San Francisco sold above their list price in February, up from 50% a year earlier—the biggest jump among the top 50 metros.

SEATTLE--(BUSINESS WIRE)-- (NASDAQ: RDFN) — Eight of the 50 most populous U.S. metropolitan areas saw an increase in the share of homes selling for above their original list price in February, and half of those metros are in the Bay Area or New York. That's according to a new [report](#) from Redfin (www.redfin.com), the technology-powered real estate brokerage.

In [San Francisco](#), 57.2% of homes that sold went for more than their original list price, up 7.5 percentage points from a year earlier. That's the biggest jump among the top 50 metros. Next came [Nassau County, NY](#) (+4.4 pts), [San Jose, CA](#) (+3.5 pts), [Milwaukee](#) (+2.7 pts), [San Antonio](#) (+2.4 pts), [New York](#) (+2.2 pts), [Portland, OR](#) (+1.4 pts) and [Philadelphia](#) (+0.8 pts).

Homebuyer demand in the Bay Area and New York slowed considerably during the pandemic as people fled major urban areas, but has been [bouncing back](#) in [recent](#) years.

"The Bay Area has an unending population of people with enormous swaths of money," said [Josh Felder](#), a [Redfin Premier](#) real estate agent in the Bay Area. "A decade or so ago, we all thought the growth in home prices was unsustainable, but they just keep going up and up. That's partly because there aren't enough homes for sale, and partly because tech continues to boom despite ups and downs in the stock market and geopolitical uncertainty."

Felder said the housing market heated up in February due to pent-up demand, but has lost some momentum in March as buyers hold out for more inventory. The market still feels less active than it did before the pandemic, he added.

"I submitted an offer on a house in a really desirable San Jose neighborhood recently and there were 22 offers. It ended up going for around 10% over the asking price, which is commonplace," Felder said. "But back in 2017 or 2018, it was common for homes in desirable neighborhoods to sell for 15% or more over asking, indicating that today's market is actually somewhat restrained."

It's worth noting that inventory has started to improve in the Bay Area; active listings of homes for sale in San Francisco rose 5.8% year over year in February, and climbed a respective 27% and 38.7% in San Jose and [Oakland](#).

Nationwide, 1 in 5 Homes Sell for More Than Their Original List Price

Nationwide, 20.5% of homes sold for above their original list price in February, down from 22.8% a year earlier. Nearly two-thirds (64.2%) sold for less than their original list price, compared with 60.9% a year earlier. And 15.4% sold for exactly their original list price, compared with 16.3% a year earlier and the lowest February share since 2019.

Many home sellers shoot for the moon when pricing their homes and end up getting less money than they hoped for. That's increasingly the case today because 2025 is shaping up to be a [buyer's market](#) due to elevated mortgage rates and [rising](#) inventory. There was a brief period during the pandemic homebuying frenzy when the share of homes selling above list price skyrocketed and was comparable with the share of homes selling below list price: around 40%. But these figures have now reverted to pre-pandemic norms. Redfin agents in most areas recommend that sellers today price their homes fairly if they want to find a buyer quickly.

Southern California Saw the Biggest Jump in Homes Selling Below List Price

In [San Diego](#), 51.2% of homes that sold in February went for less than the seller originally asked for, up 8.9 percentage points year over year—the largest increase among the top 50 metros. Next came [Anaheim, CA](#) (+8.7 ppts), [Charlotte, NC](#) (+7.3 ppts), [Atlanta](#) (+7.3 ppts) and [Sacramento, CA](#) (+6.8 ppts).

An increase in inventory may be partially responsible for the uptick; on average, active listings of homes for sale rose 23.9% year over year across those five metros. That's nearly triple the 8.4% average gain across the five metros with the biggest increases in homes selling above asking price. Homebuyers are more likely to try to negotiate a lower price when they have more options to choose from.

“When sellers have a polished home that's priced appropriately, it will sell really, really quickly,” said [Charles Wheeler](#), a [Redfin Premier](#) real estate agent in San Diego. “It's the sellers that really want to push the value that get into trouble. Even overpricing by \$20,000 can scare buyers off and cause a home to sit on the market.”

Sellers in the Bay Area Are Most Likely to Fetch Above Their Asking Price

In San Jose, roughly two-thirds (67.1%) of homes that sold in February went for more than their original asking price—the highest share among the metros Redfin analyzed. It's followed by Oakland (57.7%), San Francisco (57.2%) and [Newark, NJ](#) (53.5%). Those are the only major metros where a majority of home sellers fetch more than their original asking price. Nassau County rounds out the top five, at 47.1%.

The Bay Area almost always has the highest share of homes selling above list price because many buyers there underprice homes to fuel bidding wars. That's why this analysis leads with year-over-year changes—to demonstrate that the Bay Area not only has the highest share of homes selling above asking price, but is also seeing this trend increase faster than anywhere else.

Sellers in Florida and Texas Are Most Likely to Fetch Below Their Asking Price

In [West Palm Beach, FL](#), 88.2% of homes sold below their original list price in February—the highest share among the metros Redfin analyzed. Next come two other Florida metros: [Fort](#)

[Lauderdale](#) (85.7%) and [Miami](#) (83.7%). Rounding out the top five are two Texas metros: [San Antonio](#) (81.2%) and [Austin](#) (80.2%).

Florida and Texas likely top the list in part because the supply of homes for sale isn't as constrained as it is in other metros. They have been building more housing than other states, and stale inventory has been [piling up](#), giving buyers bargaining power. Florida has also been grappling with intensifying natural disasters, skyrocketing [HOA](#) fees and surging [insurance](#) costs, giving some buyers pause.

Home Sellers in Seattle Are Most Likely to Fetch Their Exact Asking Price

In [Seattle](#), 26.7% of homes that sold in February went for exactly their original listing price—the highest share among the metros Redfin analyzed. Next came [Virginia Beach, VA](#) (25.7%), [Nashville](#) (24%), [Washington, D.C.](#) (19.5%) and [Columbus, OH](#) (18.4%).

To view the full report, including a chart, methodology and metro-level data, please visit: <https://www.redfin.com/news/homes-sold-above-list-price-2025>

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