

April 21, 2025



44% of Home Sellers Are Giving Concessions to Buyers—Just Shy of the Highest Level on Record

Redfin reports more sellers are offering concessions as rising housing costs and economic uncertainty make buyers nervous, and housing supply hits a five-year high

SEATTLE--(BUSINESS WIRE)-- (NASDAQ: RDFN) — Home sellers gave concessions to buyers in 44.4% of U.S. home-sale transactions in the first quarter, according to a new [report](#) from Redfin (www.redfin.com), the technology-powered real estate brokerage. That's up from 39.3% a year earlier, and is just shy of the 45.1% record high at the start of 2023.

This is based on an analysis of data submitted by Redfin buyers' agents across the country, covering rolling three-month periods from 2019 to present. A concession is recorded when an agent reports a seller provided something that helped reduce the buyer's total cost of purchasing the home. That could include money toward repairs, closing costs and/or mortgage-rate [buydowns](#). It does not include situations in which the seller lowered the list price of their home or lowered the price due to a negotiation with a buyer.

Sellers are increasingly handing out concessions because the housing market has [tilted](#) in favor of buyers. Homebuyer demand is [sluggish](#) due to high home prices, elevated mortgage rates and economic uncertainty. At the same time, sellers are facing more competition from each other, with listings now at a five-year [high](#). When buyers have more options to choose from, it typically means they have more negotiating power. Plus, Redfin agents report that many homes are overpriced, which often means they linger on the market, forcing sellers to offer concessions to find a buyer.

[Chaley McVay](#), a [Redfin Premier](#) real estate agent in [Portland, OR](#), said a majority of offers she is writing for buyers request concessions from the seller—especially if the buyer is purchasing a home for the first time.

"Buyers used to ask for concessions to cover little things like repairs. Now they're negotiating concessions so they can afford to buy a home," McVay said. "A lot of sellers are offering money for mortgage-rate buydowns, and I recently had one seller cover seven months of HOA fees for the buyer."

McVay continued: "Sellers are feeling nervous because a lot of them bought at the top of the market in 2021 and 2022, and will now be re-buying at a higher mortgage rate. They're worried about net proceeds. That's why I recommend my buyers ask for concessions instead of a lower sale price—it can be a win-win because then the buyer is catching a break and the seller doesn't have to go below the price they had in their head."

Concessions Are Rising Most in Seattle and Portland

Seattle home sellers gave concessions to buyers in 71.3% of home-sale transactions during the first quarter—the highest share among the 24 major U.S. metropolitan areas Redfin analyzed. That’s roughly double the 36.4% share of a year earlier, representing the largest increase among the metros Redfin analyzed.

“It’s super common to see seller concessions for condos and new-construction townhomes, but less so for single-family homes—unless the single-family home has been sitting on the market for a while,” said [Stephanie Kastner](#), a [Redfin Premier](#) real estate agent in [Seattle](#). “Condos have become a tougher sell because of skyrocketing HOA fees and insurance. And builders are offering concessions because it’s in their best interest to keep sale prices high; they’re willing to pay buyers’ closing costs and maybe provide a free washer-dryer if it means they don’t have to drop the listing price.”

[Portland, OR](#) saw the next biggest increase, up 14.2 percentage points to 63.9%, which was the second highest rate. Next came [Los Angeles](#) (+11 ppts to 56.1%), [San Jose, CA](#) (+10.6 ppts to 16.7%) and [Houston](#) (+6.2 ppts to 46%).

After Seattle and Portland, the highest concession rates are in [Atlanta](#), [San Diego](#) and [Denver](#).

[New York](#) saw the biggest drop in concessions. Home sellers there gave concessions to buyers in just 5.5% of home-sale transactions, down 15.7 percentage points from a year earlier and the lowest share among the metros Redfin analyzed. The next biggest declines were in [Miami](#) (-13.1 ppts to 33.8%), [San Antonio](#) (-10.9 ppts to 44.4%), [Tampa, FL](#) (-9.2 ppts to 33.9%) and [Phoenix](#) (-3.5 ppts to 51.2%).

Housing markets across Florida and Texas have been cooling for a while, and prices are now [falling](#) in many parts of those states. Sellers in Florida and Texas have had more time to get used to a slow market, and have started pricing their homes lower from the get-go, meaning they often don’t need to offer concessions.

After New York, the lowest concession rates are in San Francisco, San Jose, Boston and Chicago.

Some Sellers Are Lowering Their Prices in Addition to Offering Concessions

Some sellers are giving out concessions *and* getting less money than they hoped for their homes, which can occur when a seller cuts their asking price once the home is on the market, accepts an offer below their asking price, or both.

Roughly one in five homes (21.5%) that sold during the first quarter had a final sale price below the asking price in addition to a concession, up from 18.5% a year earlier. Roughly one in six (16.2%) had a *price cut* and a concession, up from 13% a year earlier. And about 1 in 10 (9.9%) had all three—a concession, a price cut and a final sale price below the original list price. That’s up from 8% a year earlier.

13% of Pending Home Sales Were Canceled Last Month

With economic jitters on the rise, many home purchases are also falling through at the eleventh hour.

Roughly 52,000 U.S. home-purchase agreements were canceled in March, equal to 13.4% of homes that went under contract that month—up slightly from a year earlier. That's the third highest March level in records dating back to 2017; the highest was in 2020, when the pandemic brought the housing market to a halt.

Please note that purchase cancellation data cover single-month periods, not rolling three-month periods, and homes that fell out of contract during a given month didn't necessarily go under contract that same month.

To view the full report, including metro-level data and charts, please visit:

<https://www.redfin.com/news/home-seller-concessions-march-2025/>

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, and title insurance services. We run the country's #1 real estate brokerage site. Our customers can save thousands in fees while working with a top agent. Our home-buying customers see homes first with on-demand tours, and our lending and title services help them close quickly. Our rentals business empowers millions nationwide to find apartments and houses for rent. Since launching in 2006, we've saved customers more than \$1.8 billion in commissions. We serve approximately 100 markets across the U.S. and Canada and employ over 4,000 people.

Redfin's subsidiaries and affiliated brands include: Bay Equity Home Loans®, Rent.™, Apartment Guide®, Title Forward® and WalkScore®.

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/20250421561765/en/>

Contact Redfin

Redfin Journalist Services:

Isabelle Novak

press@redfin.com

Source: Redfin