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Redfin Reports Economic Jitters, High Costs Stifle Spring Home Sales

New listings are still rising, allowing some buyers to get deals

SEATTLE--(BUSINESS WIRE)-- (NASDAQ: RDFN) — Pending U.S. home sales fell 3.4% year over year during the four weeks ending May 11 to their lowest level on record for this time of year aside from 2020, according to a new [report](#) from Redfin ([redfin.com](https://www.redfin.com)), the technology-powered real estate brokerage.

Would-be homebuyers are backing off for two main reasons. One, rising home-sale prices and elevated mortgage rates pushed this week's median monthly housing payment to \$2,860, just \$6 shy of the record high set the week before. Two, Redfin agents in many parts of the country, including Oregon, North Carolina, Texas and Ohio, report that some buyers are backing off because they're nervous about the future of the U.S. economy. There's also a holiday effect; Easter fell into this year's four-week period, but not the comparable period in 2024.

"There's a lot of doubt and hesitation among house hunters," said [Meme Loggins](#), a Redfin [Premier](#) agent in Portland, OR. "People are starting their home search, then backing out because they either talked to their lender and realized how high their monthly payments would be, or they're feeling jittery about tariffs, a potential recession, and/or the possibility of getting laid off. One smart strategy I'm seeing among the people who are buying right now: They're looking for condos or small houses to lower their monthly payments and simplify their lives. And a smart strategy for sellers is offering mortgage-rate buydowns to pique buyers' interest."

[Chen Zhao](#), Redfin's head of economics research, said that while this week's news about the U.S. slashing tariffs on China is boosting the stock market and reducing the risk of a recession, it's also pushing mortgage rates up.

"It's a catch-22 for homebuyers," Zhao said. "Mortgage rates are [unlikely to fall](#) unless all of the new tariffs are eliminated, or if the country falls into a fairly severe recession—which would cut housing budgets for many Americans."

On the selling side, new listings are up 5.1% year over year, and the total number of homes for sale is up 14.3%. Redfin agents say there's more housing supply than usual at this time of year because many listings are sitting on the market. For buyers, the bright side of rising supply and limited demand is that nearly half of home sellers are [giving concessions](#). Agents advise buyers to try to negotiate sale prices down or ask for money for repairs or closing costs.

For Redfin economists' takes on the housing market, please visit Redfin's "[From Our Economists](#)" page.

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	6.95% (May 14)	Down from 7.07% one month earlier	Down from 7.12%	Mortgage News Daily
Weekly average 30-year fixed mortgage rate	6.76% (week ending May 8)	Flat from one week earlier	Down from 7.09%	Freddie Mac
Mortgage-purchase applications (seasonally adjusted)		Up 2% from a week earlier (as of week ending May 9)	Up 18%	Mortgage Bankers Association
Touring activity		Up 41% from the start of the year (as of May 12)	At this time last year, it was up 32% from the start of 2024	ShowingTime, a home touring technology company
Google searches for "home for sale"		Up 13% from a month earlier (as of May 12)	Up 4%	Google Trends
The Redfin Homebuyer Demand Index has been excluded this week to ensure data accuracy.				

Key housing-market data

U.S. highlights: Four weeks ending May 11, 2025 <i>Redfin's national metrics include data from 400+ U.S. metro areas, and are 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 May 11, 2025	Year-over-year change	Notes
Median sale price	\$390,998	1.8%	
Median asking price	\$429,850	6.5%	
Median monthly mortgage payment	\$2,860 at a 6.76% mortgage rate	4.3%	\$6 shy of record high
Pending sales	89,132	-3.4%	
New listings	107,015	5.1%	
Active listings	1,093,341	14.3%	Smallest increase in over a year
Months of supply	3.9	+0.6 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	40%	Down from 44%	
Median days on market	37	+3 days	
Share of homes sold above list price	27.9%	Down from 31%	
Average sale-to-list price ratio	99%	Down from 99.4%	

Metro-level highlights: Four weeks ending May 11, 2025 <i>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.</i>			
	Metros with biggest year-over-year increases	Metros with biggest year-over-year decreases	Notes
Median sale price	Newark, NJ (12%) Philadelphia (11.1%) Detroit (10.1%) Pittsburgh (9.8%) Miami (9.2%)	Oakland, CA (-4.3%) Dallas (-2.6%) Austin, TX (-2.5%) Phoenix (-2.3%) Tampa, FL (-1.8%)	Declined in 11 metros
Pending sales	Virginia Beach, VA (7%) Detroit (5.1%) Warren, MI (3.1%) Indianapolis (3.1%) San Francisco (2.7%)	Miami (-19%) Fort Lauderdale, FL (-18.4%) New Brunswick, NJ (-14.1%) West Palm Beach, FL (-13.8%) Las Vegas (-13.6%)	
New listings	Washington, D.C. (17%) Baltimore (13.2%) Las Vegas (12.7%) Dallas (12.5%) Houston (11.5%)	San Jose, CA (-7.6%) Orlando (-7.1%) West Palm Beach, FL (-6.3%) Fort Lauderdale, FL (-6.1%) Tampa, FL (-5%)	

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

<https://www.redfin.com/news/housing-market-update-pending-sales-drop-economic-uncertainty>

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.

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