US RESIDENTIAL REAL ESTATE MARKET REPORT

– September 2025

Homebuyers Are Getting the Biggest Autumn Discounts Since 2019

The typical home that sold last month went for 1.4% less than its final list price — marking the biggest September discount in six years. A slower housing market has given buyers more leverage to negotiate.

Homes also spent a median of 50 days on the market, the slowest September pace in nearly a decade.

While total home sales rose to an eight-month high, pending sales — a more current indicator of buyer demand — fell from both a month and a year earlier. Meanwhile, sellers have started to pull back, with active listings dipping by roughly 1%.

Competition in the Housing Market Cools

Several key indicators show that housing competition is the lowest it's been for a September since 2019:

- **Share of homes selling above list price:** 25.3%, down from 28.5% a year ago.
- **Average sale-to-list price ratio:** 98.6%, down from 99.1% last year — meaning homes typically sold for 1.4% below asking.
- **Share of homes selling within two weeks:** 32.8%, down from 34.9% a year earlier.
- **Median days on market:** 50, the slowest September pace since 2016.

Homes Sit Longer — and Often Sell Below Asking

The housing market remains sluggish due to **high mortgage rates, rising insurance costs, and economic uncertainty.** While more inventory means buyers have greater choice, sellers are facing tougher conditions:

There are now roughly **37% more homes for sale than active buyers**, giving shoppers more negotiating power and time to decide.

Real estate experts note that many sellers are having to price competitively from the start to attract attention, since overpriced homes can sit unsold for months.

Home Prices Post the Biggest Increase in Six Months

Despite slower sales, **home prices are still inching up.** The median home sale price in September was **$435,545**, up **1.7% year over year** — the highest for any September on record.

Price growth had slowed earlier in 2025 as inventory rose, but recent pullbacks in listings have nudged prices higher again. Still, many sellers are accepting offers below list price, as buyers remain cautious.

Supply Dips as Sellers Pull Back

Active listings fell **0.6% month over month** to about **1.96 million homes**, the lowest level since February but still 8% higher year over year. Many homeowners are choosing to rent out their properties instead of selling if they don't get the offers they want.

Home Sales Rise as Mortgage Rates Decline

Existing-home sales rose **0.4% month over month** and **4.5% year over year** to a seasonally adjusted annual rate of **4.25 million** — the highest level since January.

Overall home sales climbed **3.4% year over year,** likely helped by falling mortgage rates. The average 30-year fixed rate slipped to **6.35% in September,** the lowest in a year.

However, pending home sales — a leading indicator of future activity — declined **1% month over month** and **2.4% year over year**, showing that many buyers are still waiting for further rate drops before committing.

U.S. Housing Market Highlights — September 2025

Metric	August 2025	MoM Change	YoY Change
Median sale price	$435,545	-0.9%	+1.7%
Existing-home sales (SAAR)	4.25M	+0.4%	+4.5%
Pending home sales	480,459	-1.0%	-2.4%
Homes sold	435,635	+0.7%	+3.4%
New listings	539,306	+0.7%	-0.3%
Active listings	1,958,187	-0.6%	+8.0%
Months of supply	3.4	+0.1	0
Median days on market	50	+4	+8
Share sold above list	25.3%	-1.7 ppts	-3.3 ppts
Sale-to-list ratio	98.6%	-0.2 ppts	-0.4 ppts
Contracts canceled	15.0%	+0.5 ppts	+1.5 ppts
Avg. 30-year mortgage rate	6.35%	-0.24 ppts	+0.17 ppts

Regional Trends

Midwest

- Metros saw the fastest price growth, led by Milwaukee (+9.1%), Detroit (+7.9%), and Cleveland (+7.4%).

Texas

- Markets experienced price declines, including Dallas (-2.7%), Austin (-2.3%), and Houston (-1.5%).

Pending sales

- Rose sharply in San Francisco (+17.1%), Riverside, CA (+11.6%), and West Palm Beach, FL (+11%), but fell most in Houston (-11.7%) and Denver (-8.4%).

Active listings

- Climbed most in Washington, D.C. (+21.1%) and Las Vegas (+20.7%).

Fastest-selling markets

- Kansas City, San Francisco, and Chicago all saw homes go under contract faster than last year.

Slowest-selling markets

- Fort Lauderdale (97 days), Miami (+23 days), and Las Vegas (+19 days) had the biggest jumps in days on market.