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Home sellers face harsh new reality as listings hit record \$698B value

Story by Daniella Genovese • 4h • 3 min read 6-9-2025

U.S. home listing prices hit an all-time high, signaling a potential shift toward a buyers' market, according to industry experts.

In total, the value of homes in the U.S. rose 20.3% from a year ago, reaching a record \$698 billion, according to a recent report from the real estate firm Redfin. The increase was driven by a combination of growing inventory, slowing demand and rising home-sale prices.

Note

With the number of sellers outpacing buyers, Redfin chief economist Daryl Fairweather told FOX Business that the market is poised to shift over the next couple of months.

THESE CITIES ARE PRIME AREAS TO RENT FOR RECENT COLLEGE GRADUATES

"All these homes are listed for really high prices, which is why they are sitting on the market. But buyers can't afford at these high prices, which is why they're backing off of the market," Fairweather said, adding that mortgage rates, insurance costs and property taxes are high. "Buyers just aren't biting at these prices."

The value of homes in the U.S. rose 20.3% from a year ago, reaching a record \$698 billion, according to a recent report from the real estate firm Redfin. Getty Images© Justin Sullivan/Getty Images)

Fairweather noted that there are better options in the rental market too.

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As a result, homes sitting on the market will need to be marked down in price, and any new homes that are listed are going to need to be priced more conservatively in order to get an offer, Fairweather said. Otherwise, sellers will have to delist or keep their homes on the sidelines.

"It's been a while since these people bought homes. A lot has changed. The economy is changing. So I think more homeowners are going to have to bite the bullet and lower their prices," she said.

Noel Roberts, founder of real estate firm Pending, which specializes in off-market transactions, told FOX Business that the "game is changing" for sellers as inventory continues to get more robust.

LOOKING TO PURCHASE A HOME AND LIVE IN THESE AREAS? THEY REQUIRE THE HIGHEST INCOME

The number of homes on the market nationwide rose 16.7% year over year in April, reaching its highest level in five years, in large part because the mortgage rate lock-in effect has been easing

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and homeowners are trying to cash out amid the economic uncertainty, according to Redfin. Homes are also sitting on the market nearly a week longer than a year ago. There's also a growing share of inventory that's been on the market for more than two months, according to the real estate firm.

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"Sellers can no longer rely on scarcity to do the heavy lifting. As inventory builds, sellers will need to run smarter, more strategic playbooks," Roberts said. This includes pricing realistically as well as upgrading presentation and targeting the right buyers early.

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Meanwhile, it provides an opportunity for buyers who have more room to negotiate, according to Roberts.

Note
"In some submarkets, this may be the first real opportunity in years to secure a home with favorable terms. You're no longer chasing homes in bidding wars – you're evaluating inventory with leverage," he said.

He likened the current environment to being "less about doom and more about discipline," noting that sellers who adapt to the environment will sell homes and buyers who stay active are more likely to find good value. *- Note*

The reason there is a disconnect between what sellers are expecting and what buyers are willing to pay is because some homeowners are locked into relatively cheap mortgages. As a result, many don't feel like it's worth it to sell unless they can get a significant price that would justify giving up the low rate, Fairweather said. As of February, 82.8% of homeowners with mortgages had an interest rate below 6%. The average rate on a 30-year fixed mortgage is currently 6.85%, according to Freddie Mac.

However, the lock-in effect has started to ease as Americans are becoming accustomed to elevated rates and many need to move, Redfin reported.

Sellers will still get a decent value for their homes too, given that the market isn't collapsing, according to Fairweather. She projects many sellers who need to move are going to feel pressured to lower their price to get the sale done.

Original article source: [Home sellers face harsh new reality as listings hit record \\$698B value](#)