

REAL ESTATE

Redfin data begs the question: will sellers continue dropping their prices?

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Almost 70 percent of homes in Boise, ID saw price drops in July. Image credit: Courtney Smith/Unsplash

By LUXURY DAILY NEWS SERVICE

Real estate brokerage Redfin is ruminating on the fact that the housing market is cooling, as **several** home sellers across the country have slashed their asking prices.

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Four metro areas Boise, Denver, Salt Lake City and Tacoma saw mammoth price drops for their listed homes in July. Boise, Salt Lake City and Tacoma were included in the 10 metro areas with the most prominent drops in price year-over-year.

"Individual home sellers and builders were both quick to drop their prices early this summer, mostly because they had unrealistic expectations of both price and timelines," said Shauna Pendleton, agent at **Redfin**, in a statement.

"They priced too high because their neighbor's home sold for an exorbitant price a few months ago, and expected to receive multiple offers the first weekend because they heard stories about that happening."

Going down

In observing just how many sellers cut their prices in July, the numbers are somewhat staggering.

Almost 70 percent of homes in Boise, ID saw price drops; Denver saw 58 percent of homes drop in price; Salt Lake City recorded 56.4 percent of homes with price drops and Tacoma, WA saw 54.8 percent of homes with price cuts.

Completing the top 10, Tampa, FL saw 52.1 percent of homes cut their prices; Sacramento, CA saw 52 percent; Indianapolis recorded 51.4 percent; Phoenix came in at 50.1 percent; San Diego saw 49.7 percent drop and Portland, OR recorded 48.3 percent of their homes saw price cuts.

"My advice to sellers is to price their home correctly from the start, accept that the market has slowed and understand that it may take longer than 30 days to sell," Ms. Pendleton said.

This is the latest sign that the housing market is continuing to cool down.



The second-home market is looking bleak. Image credit: Redfin

The pandemic-induced surge in vacation home purchases is starting to slow significantly, as buyers are holding off on second homes amid rising mortgage rates and loan fees.

According to real estate brokerage Redfin, demand for vacation homes fell drastically at the beginning of the year, as mortgage rates hit 4.67 percent by the end of March and people began returning to offices ([see story](#)).

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