

REAL ESTATE

## Redfin reports rise in all-cash offers from affluent

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A \$949,000 Colorado home listing from Redfin. Image credit: Redfin

By LUXURY DAILY NEWS SERVICE

Affluent U.S. homebuyers are using all cash offers as their acquisition method of choice when paying for new homes.

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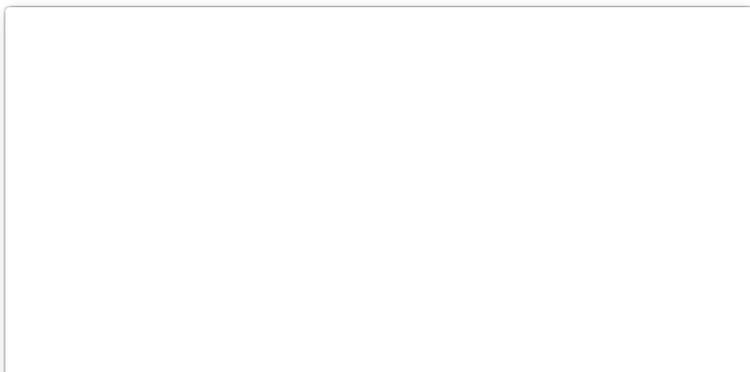
Nearly 33 percent of US homes sold in July were all-cash deals, with Long Island and West Palm Beach topping the list, according to a report from full-service real estate brokerage Redfin. Cash offers have become increasingly standard during the pandemic housing frenzy, which has been characterized by bidding wars for the finite stock of available homes.

"The spike in interest rates is pricing some buyers out of the market, but it's also helping some buyers get into the market because there's less competition," said Eric Auciello, agent at [Redfin](#), in a statement.

According to Redfin, the data in its report is from an analysis of county records across 41 of the most populous U.S. metropolitan areas, dating back to 2011.

### Green bidding wars

The draw of all-cash home purchases for wealthy homebuyers is the ability to circumvent mortgage rates, which have doubled y-o-y.



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A post shared by Redfin (@redfinrealestate)

### *A \$5.65 million home listing from Redfin*

Long Island, home to the Hamptons, has the highest share of cash buyers in the country, with 66.5 percent of home buyers paying in full. Three of the five U.S. metro areas with the highest share of all-cash home purchases were in Florida: 56 percent of homes in West Palm Beach were bought with cash in July 2022, while Jacksonville all-cash purchases landed at 46 percent and Fort Lauderdale at 43 percent.

Cities with the lowest share of all-cash purchases due, at least in part, to high listing prices were Pittsburgh, Washington D.C. and Seattle, where these deals accounted for 17.8 percent, 17.5 percent and 16.7 percent of all sales, respectively.

Redfin's findings align with overarching industry reports. Luxury broker Christie's International Real Estate recently released its 2022 Mid-Year Luxury Trends Report, which forecasted that high-net-worth consumers will likely continue driving record-high sales, irrespective of dreary future economic outlooks ([see story](#)).

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