

REAL ESTATE

# Nearly half of luxury homes sold this spring purchased all-cash: Redfin

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*Sales in the luxury sector saw a tentative rise of 0.2 percent, making for a third consecutive quarter of growth. Image credit: Redfin*

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By EMILY IRIS DEGN FOR LUXURY DAILY NEWS SERVICE

Real estate brokerage Redfin reveals that in the second quarter of 2024, high-end American properties hit record averages.

Between April and June, the typical luxury home in the United States sold for \$1.2 million the firm defines these addresses as those that are in the top 5 percent of their local metro region based on their market value. Prices increased 8.8 percent year-over-year (y-o-y) during the period, which is the biggest spike in almost two years.

"The luxury market has withstood the havoc wreaked by high mortgage rates this year, thanks to an abundance of all-cash buyers," said Sheharyar Bokhari, senior economist at Redfin, in a statement.

"Now that sales are stabilizing and more homes are being listed for sale, it's unlikely that luxury prices will continue to grow at quite as high a rate."

## Housing up

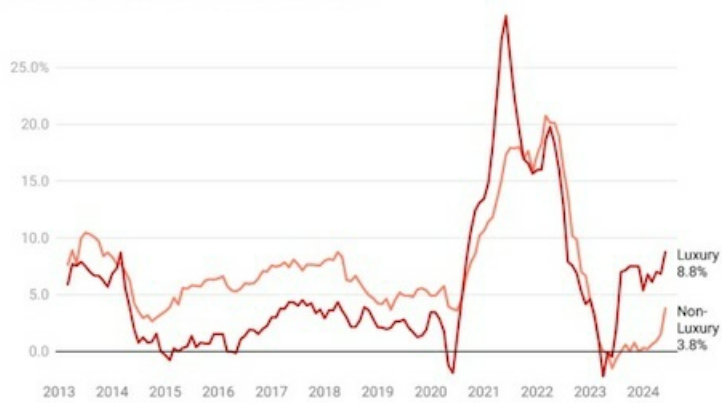
Sales in the luxury sector saw a tentative rise of 0.2 percent, making for a third consecutive quarter of growth.

Meanwhile, those in non-luxury decreased by 3.4 percent, hitting the lowest Q2 figure in a decade. These homes' prices increased by 3.8 percent in Q2.

Though non-luxury housing units, which Redfin defines as those in the 35-65th percentile in their local metro areas based on market value, reached a record-high median of \$342,500, the spike was still less than half of what luxury saw.

## Luxury Prices Rise More Than Twice As Fast As Non-Luxury

Year-over-year change in median home-sale price



Source: Redfin analysis of MLS data • Created with Datawrapper

Prices are rising again in the U.S. luxury real estate market. Image credit: Redfin

Compared to pre-COVID, the market remains subdued. Based on the second quarter of 2019, high-end sales were down 12.8 percent during this latest reporting period non-luxury dropped 20.1 percent.

Inventory is up by 9.7 percent y-o-y for top-dollar properties, bringing the category to its highest level in three years. New listings jumped 11 percent, overshadowing non-luxury's 2.6 percent spike.

Luxury homes are sitting on the market for, on average, 40 days, which is two days longer than last year. Meanwhile, non-luxury sites took 31 days to sell, up 28 days y-o-y.

Regionally, active listings saw the biggest growth in Tampa, Florida. The largest decrease occurred in Newark, New Jersey.

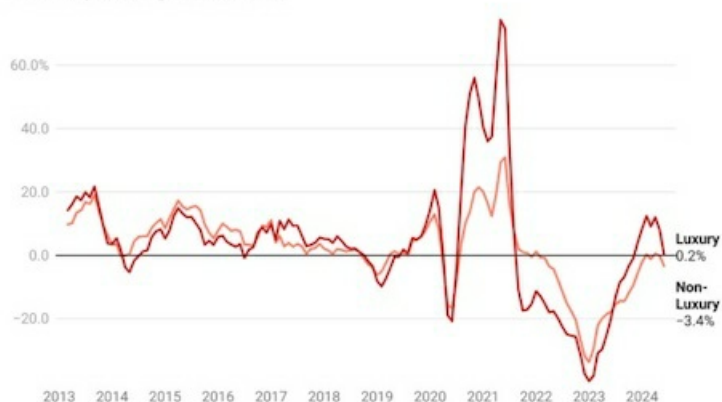
Providence, Rhode Island experienced the biggest leap in luxury homes for sale this is also where the boost in pricing was the highest. Brick City saw the greatest slump in listings, while costs in New York lessened by 3.2 percent, making it just one of two places to see a drop.

Purchases rose the most in Nashville, Tennessee, while Newark once again got the other end of the stick.

The fastest sales went through in Seattle, Washington, where it took a median of six days. Miami was the slowest metropolis, seeing an average of 114.

## Luxury Sales Flat As Non-Luxury Sales Fall

Year-over-year change in home sales



Source: Redfin analysis of MLS data • Created with Datawrapper

Sales are nearly flat this quarter in the luxury sector after 2021's highs. Image credit: Redfin

Half of the top 10 most expensive American home sales during the quarter were in Colorado. Four were in Florida, and one was in California.

Of all high-end home purchases, 43.7 percent were bought in cash. In line with recent reports ([see story](#)), this represents a 43.2 percent uptick y-o-y.

"There is still strong demand for well-priced, high-end properties, especially those which are presented beautifully and move-in

ready,” said Crystal Zschirnt, premier agent at Redfin, in a statement.

“We had a client recently list a property for \$2.4 million that we ended up selling for \$2.6 million,” Ms. Zschirnt said. “We are still seeing multiple offers in situations where a property is priced accurately, visually appealing and doesn’t need any work.”

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