

# Redfin: All-cash home sales at highest level since 2014



FEB 2023 — **Recent data from Redfin found that all-cash home sales in October 2022 had reached the highest level in over eight years.**

Roughly one-third (31.9 percent) of U.S. home purchases were paid for with all cash in October, up from 29.9 percent a year earlier and the highest share since February 2014.

The share of home purchases using all cash began increasing in early 2021 after reaching a record low of 20.1 percent in April 2020.

“Today’s affluent homebuyers are motivated to pay in cash because the surge in mortgage rates makes them want to avoid loans—and the high monthly interest payments that come with them—altogether. Mortgage rates have declined in recent weeks but are still hovering above 6 percent,” said Redfin Economics Research Lead Chen Zhao in a release. “During the pandemic housing boom, buyers were incentivized to pay in cash because of low rates, which drove up competition and made all-cash offers an effective bargaining chip for those who could afford them.”

All-cash home purchases increased in 29 of the 39 metros in this analysis from October 2021 to October 2022. **They increased most in Riverside, Calif., where they rose to 38 percent of all home sales from 19.2 percent.** It’s followed by Cleveland (47 percent, up from 32 percent), Cincinnati (43.9 percent, up from 29.6 percent), Montgomery County, Pa. (31.2 percent, up from 22.7 percent) and Philadelphia (37.1 percent, up from 29.4 percent).

West Coast metros dominate the list of places with the lowest share of all cash-purchases. **They’re least common in the Bay Area: Just 14.3 percent of home purchases in San Jose, Calif., and 16.5 percent in Oakland, Calif., were made in cash.** Seattle (19 percent), **Los Angeles (19.2 percent)** and Newark, N.J. (20 percent) round out the bottom of the list.

SOURCE: Dodd Frank Update  
<https://bit.ly/3X6YHkb>

