



# Dropping sales prices leading to more closings, less inventory

**Homesellers were accepting offers below their initial listing price, an indicator that the housing market is “rebalancing.”**

NOV 2022 — Data from the RE/MAX National Housing Report showed that homesellers were accepting offers below their initial listing price, an indicator that the housing market is “rebalancing.”

The report measured 51 metro areas’ average close-to-list price ratio in August which was 99 percent. **This means that homes sold, on average, for one percent less than asking pricing.** That is a decline from 101 percent in July and 104 percent in April. This price decrease helped push August home sales 5.3 percent high than July, while the median sales price declined to \$410,000, a 3.76 percent decrease from its peak of \$426,000 earlier this year.

August also saw a 12.6 percent decrease in new listings from July and an overall decline of 1.8 percent in inventory after several months of double-digit growth. The report indicated the total number of homes for sale was 20 percent higher than August of last year.

**“Patient buyers were rewarded in August, as prices softened from July,” said Nick Bailey, RE/MAX president and CEO.** “Sales increased as buyers ‘bought the dip-,’ which was not the trend many people were expecting. The activity modestly depleted inventory, although the number of homes for sale remains significantly higher than this time a year ago.”

Bailey continued: “The late-summer burst of activity underscores the housing market’s resiliency. **Despite the uptick in interest rates and concerns about the economy, demand remains strong.** We’ll see what happens from here, but the August bump in sales was great news for the industry.”

Of the 51 metro areas surveyed, the market with the biggest year-over-year decrease in new listings was Dover, Del., which saw a 59.4 percent decline from last August. The market with the biggest year-over-year decrease in sales percentage was Bozeman, Mont., with a 44.1 percent decline from last August.