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## Rising Home-Purchase Cancellations Suggest Shifting Power to Buyers

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Home-sale cancellations are on the rise across the United States, at nearly 15% for 2025, the latest study from real estate brokerage firm Redfin shows. Multiple Listing Service (MLS) information from the Seattle-based company suggests growing hesitation among buyers as market dynamics shift.

Sun Belt cities saw the highest rates of canceled contracts. Jacksonville, Florida, led the nation with a cancellation rate of 21.4%, followed closely by Las Vegas, Nevada at 19.7% and Atlanta, Georgia at 19.6%. Other high-cancellation metros included San Antonio,

Tampa, Orlando, Riverside, Phoenix, Fort Worth, and Miami, all located in the southern or southwestern United States.

In contrast, some areas showed far greater stability in pending home sales. Nassau County, New York, recorded the lowest cancellation rate at 5.4%, followed by Montgomery County, Pennsylvania at 6.8%, and Milwaukee, Wisconsin at 8.2%.

## Buyer Advantage

Redfin agents say the rise in cancellations is largely due to shifting market conditions that favor buyers. With more homes available than buyers willing to commit, many use inspections or competing listings to exit deals. “Buyers have leverage,” Crystal Zschirnt, a Redfin agent in Dallas, told in an interview with *Fox News*. “Some buyers are canceling deals because another home pops up in the same price range that they like better, or because they discover a flaw and get nervous it’ll cost too much to fix.”

Zschirnt also noted that buyers are becoming more cautious, with some pulling out in the hope that home prices or mortgage rates might drop even though that outcome remains uncertain.

The supply-demand imbalance is fueling this trend. As of April 2025, Redfin reported around 500,000 more people selling homes than buying them. That gap hasn’t been this wide since the early months of the COVID-19 pandemic, and before that, not since 2013.

Redfin attributes much of the recent volatility in pending sales to this widening gap between supply and demand. “There are hundreds of thousands more U.S. home sellers than buyers, giving buyers more options to choose from and more negotiating power,” the company stated. “Buyers have room to be picky; they may back out during the inspection period if a better home comes up for sale or they discover an issue they don’t want to fix.”

This changing landscape is prompting sellers to become more flexible in their negotiations. In many cases, they are making concessions they wouldn’t have considered in the past. “Sellers are willing to make deals because in today’s buyer’s market, they don’t want to lose out on a sale once they have a buyer under contract,” said Van Welborn, a Redfin agent based in Phoenix, in a separate interview, also with *Fox News*. “A few years ago, when the market was more competitive, sellers were able to tell buyers to move on rather than pay for repairs found during the inspection period. Now, sellers are they’re doing whatever they can

to close the deal. I have one buyer who discovered a septic issue on an ultra-luxury home and was able to talk the seller into reducing the price by \$1 million.”

Looking ahead, experts expect home prices to begin a modest decline. Redfin forecasts a 1% year-over-year drop in home prices by the end of 2025. Mortgage rates, which have hovered around 6.8%, are also expected to remain steady.

Redfin Chief Economist Daryl Fairweather told *FOX Business* that prices remain too high for many prospective buyers, especially given additional burdens like taxes, insurance, and mortgage costs. “All these homes are listed for really high prices, which is why they are on the market. But buyers can’t afford at these high prices, which is why they’re backing off of the market,” she said.