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U.S. Home Prices Inched Up 0.1% in December from a Month Earlier

Redfin reports home prices increased 2.2% year over year, down from 2.6% in November and the slowest growth since 2012

SEATTLE — Jan. 20, 2026 — U.S. home prices ticked up 0.1% month over month in December on a seasonally adjusted basis, following a 0.2% gain in November. That’s according to a new [report](#) from [Redfin](#), the real estate brokerage powered by Rocket.

Prices rose 2.2% from a year earlier, down from November’s 2.6% year-over-year increase and in line with the gradual slowdown that began in early 2025, when prices were rising more than 6% annually.

This is according to the Redfin Home Price Index (RHPI), which uses the repeat-sales pricing method to calculate seasonally adjusted changes in prices of single-family homes. The RHPI measures sale prices of homes that sold during a given period and how those prices have changed since the last time those same homes sold.

Home-price growth slowed to close out 2025 because would-be homebuyers continued their monthslong pullback. Relatively high mortgage rates and widespread economic uncertainty—stemming from tariffs, [inflation](#), and a [challenging](#) job market—have discouraged people from buying in recent months. But prices are still rising, not falling, because prospective home sellers have been [pulling back](#), too.

Homebuying affordability is [expected](#) to improve in 2026. Falling mortgage rates have already [substantially](#) strengthened purchasing power for homebuyers, whose typical monthly payment fell to the [lowest](#) level in two years in early January.

“The trend toward stable home price growth took hold in 2025, and it’s staying ‘in’ for 2026,” said [Chen Zhao](#), Redfin’s head of economics research. “While they’re still historically very high, the fact that home prices are reliably growing at a slow and steady pace should make the market a little more welcoming to buyers, who already have the [upper hand](#) in most parts of the country.”

Home prices are falling in 14 metros, up from 12 last month

Home prices fell in 14 major U.S. metros month over month on a seasonally adjusted basis in December—two more than in November but down from 32 in July. Price growth has leveled out from earlier in the year in part because buyers have increasingly outnumbered sellers.

Redfin analyzed the 50 most populous metro areas and included in its analysis the 47 with sufficient data.

The share of metros with falling prices has swung sharply since the low-rate pandemic housing boom, as borrowing costs and buyer demand flipped. Essentially no metros saw declines in 2020 and 2021, but the trend reversed in mid-2022 as rates surged. The market steadied in 2023 and 2024 but fell again partway through 2025, when inventory rose sharply.

The biggest declines were in Houston (-0.9%), Pittsburgh (-0.6%) and Milwaukee (-0.6%). The biggest increases were in San Francisco (2.6%), New York (1.3%) and Philadelphia (1.3%).

The biggest year-over-year price gains were in San Francisco (10.3%), Chicago (10.3%) and New York (9.8%). The biggest declines were in Austin (-4%), Jacksonville (-3.7%) and Fort Lauderdale (-3.1%).

To view the full report, including charts, additional metro-level data and a full methodology, please visit: <https://www.redfin.com/news/home-price-index-december-2025>

About Redfin

Redfin is a technology-driven real estate company with the country's most-visited real estate brokerage website. As part of Rocket Companies (NYSE: RKT), Redfin is creating an integrated homeownership platform from search to close to make the dream of homeownership more affordable and accessible for everyone. Redfin's clients can see homes first with on-demand tours, easily apply for a home loan with Rocket Mortgage, and save thousands in fees while working with a top local agent.

You can find more information about Redfin and get the latest housing market data and research at <https://www.redfin.com/news>. For more information about Rocket Companies, visit <https://www.rocketcompanies.com>.

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