

FOR RELEASE MAY 21, 2026 5:30 A.M. PACIFIC TIME

Redfin Reports Home Purchase Cancellations Are No Longer on the Rise As Demand Ticks Up

Contract cancellations declined slightly in April as homebuyers and sellers gained a clearer sense of the housing market after years of volatility, and as demand picked up

SEATTLE — May 21, 2026 — Just over 47,000 U.S. home-sale agreements fell through in April, equal to 13.4% of homes that went under contract that month. That's down incrementally (-0.1 percentage points) from a month earlier, according to a new [report](#) from [Redfin](#), the real estate brokerage powered by Rocket.

It's also tied with January for the lowest level of contract cancellations since September 2024, though the level has varied by less than half a percentage point over the last year and a half.

This is based on a Redfin analysis of MLS pending-sales data. The data is seasonal, which is why this April is compared to past Aprils.

Contract cancellations inched down this spring as homebuyers and sellers gain a clearer sense of housing market conditions after several years of volatility. More sellers have come to terms with the fact that it's a [buyer's market](#) in most of the country, and they're increasingly willing to [lower](#) prices and/or provide concessions to keep deals together. Buyers, for their part, have grown more accustomed to high housing payments, with [pending home sales rising](#), and may be less likely to back out due to sticker shock when they see their final monthly payments.

Additionally, the average 30-year fixed mortgage rate declined for three straight weeks in April, giving some buyers confidence in locking in a rate. Note that mortgage rates bounced back up in May.

Still, home-purchase agreements are falling apart at a higher rate than they were in late 2020, 2021 and early 2022, when it was a hot seller's market. That's because there are [more](#) home sellers than buyers in the market, giving buyers the option to back out during the inspection period if they find a house they like better. Some buyers are also changing their minds because of widespread economic uncertainty, including concerns about job security and the [Iran war](#).

“We're seeing some buyers cancel purchase agreements, but no more than usual, and when buyers do back out it's typically because of post-inspection repair costs and appraisals,” said [Timothy Hourigan](#), a Redfin [Premier](#) agent in Syracuse, NY. “Buyers are generally committed because supply is tight enough that they're excited to find a home they love in their price range. In places like Syracuse, where homes are affordable compared to nearby big cities, bidding wars are more common than backing out.”

Contract Cancellations Are Most Common in Atlanta and Other Sun Belt Markets

In Atlanta, nearly one in five (19.3%) home-purchase agreements were canceled in April, the highest share among the 50 most populous U.S. metros. It's followed by four other Sun Belt metros: San Antonio (18.9%), Fort Worth, TX (17.6%), Tampa, FL (17.4%) and Phoenix (17%).

Buyers are more likely to back out of homebuying deals in Texas, Florida and other Sun Belt metros than other parts of the U.S. largely because they're [major buyer's markets](#). In Atlanta, for example, there are nearly 70% more home sellers than buyers, giving buyers the upper hand and allowing them to back out of deals with peace of mind that there are other homes to choose from.

Contract cancellations are least common in San Francisco, where just 2.8% of deals fell through in April. San Francisco's housing market is [booming](#), thanks largely to its status as the epicenter of AI. Next comes Nassau County, NY (3.3%), San Jose, CA (6.8%), Montgomery County, PA (7.5%) and New York (7.5%). San Francisco, Nassau County and Montgomery County are three of just seven sellers markets in the U.S. Buyers in those places are rarely backing out because if they do, it may be tough to find another house to purchase.

Cancellations Are Falling Fastest in Orlando

Contract cancellations fell month over month on a seasonally adjusted basis in roughly half of the 50 most populous U.S. metros. The biggest decline was in Orlando, where 16.8% of home-purchase agreements were called off in April, down from 18.5% a month earlier.

Next come New Brunswick, NJ, where cancellations fell to 8.8% from 10.3%, and San Francisco (2.8%, down from 4.3%).

Contract cancellations rose most in Detroit, where they increased 2.8 percentage points (from 14.1% to 16.9%) from a month earlier on a seasonally adjusted basis. Next come Nashville (14.2%, up from 12.6%) and Houston (15.9%, up from 14.8%).

To view the full report, including a chart and additional metro data, please visit:

<https://www.redfin.com/news/contract-cancellations-april-2026>

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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