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Record 27% of Homebuyers Look to Relocate as Pandemic Accelerates Trend Toward Affordable, Less Dense Areas

A growing share of Redfin users look to leave the Bay Area, Washington, DC and Seattle for places like Sacramento, Las Vegas and Nashville

By Redfin

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SEATTLE, June 25, 2020 /PRNewswire/ -- (NASDAQ: RDFN) -- A record 27.0% of home searchers looked to move to another metro area in April and May 2020, according to a [new report](#) from Redfin (www.redfin.com), the technology-powered real estate brokerage. This marks a new high in the share of [Redfin.com](#) users searching for homes outside their area, up from 25.2% in the second quarter of 2019 and 26.0% in the first quarter of this year.

The latest migration analysis is based on a sample of more than 1 million [Redfin.com](#) users who searched for homes across 87 metro areas in April and May, excluding searches unlikely to precede an actual relocation or home purchase. To be included in this dataset, a [Redfin.com](#) user must have viewed at least 10 homes in a particular metro area, and homes in that area must make up at least 80% of the user's searches.

The increase in [Redfin.com](#) users searching for out-of-town homes may be partly due to the coronavirus pandemic, as more people consider moving to suburbs and smaller towns with less crowding and more room to work from home. Overall, searches for homes in small towns are surging on the [Redfin.com](#) website: Pageviews of homes in towns with fewer than 50,000 residents were up 87% year over year in May, more than triple the 22% year-over-year increase in pageviews of homes in cities with more than 1 million residents.

"While there has been a huge increase in the number of people looking online at homes in small towns, the long-term impact of the pandemic on people actually moving from one part of the country to another remains to be seen," said Redfin economist Taylor Marr.

"People are starting to take the plunge and move away from big, expensive cities, though most of them were probably already considering a lifestyle change. The pandemic and the work-from-home opportunities that come with it is accelerating migration patterns that

were already in place toward relatively affordable parts of the country. But for many people, the lure of large homes in wide open spaces will be a passing dream fueled by coronavirus-induced isolation. "

Home searchers are looking to leave New York, San Francisco and Los Angeles

The places home searchers are looking to leave and those they're looking to move into remain largely the same as before the pandemic took hold: **Redfin.com** users want to leave expensive coastal metros for affordable inland areas.

New York, San Francisco and Los Angeles had the biggest net outflow of **Redfin.com** users in April and May. A net outflow means more people are looking to leave than move in, while a net inflow means more people are looking to move in than leave.

San Francisco, Washington, DC, Chicago, Seattle, Denver and Boston have all seen small (less than 2 percentage points) increases in the share of people looking to move away since last year.

"People have always left the Bay Area for less expensive places. And Las Vegas and Lake Tahoe have always been popular destinations because home prices are lower and there's no state income tax in Nevada," Marr said. "As more companies follow in the footsteps of Facebook, Twitter and Slack in announcing permanent remote work policies, some tech workers are moving to different parts of the country—but most of them have other reasons to stay put, like friends, family and culture."

Top 10 Metros by Net Outflow of Users and Their Top Destinations

Rank	Metro *	Net Outflow†	Net Outflow LY	Portion of Local Users Searching Elsewhere (April & May 2020)	Portion of Local Users Searching Elsewhere (April & May 2020)	Top Destination	Top Out-of-State Destination	Median Home-Sale Price, May 2020 (Origin Metro)
1	New York, NY	25,099	28,513	35.7%	39.1%	Atlanta, GA	Atlanta, GA	\$520,000
2	San Francisco, CA	24,235	23,201	22.2%	20.8%	Sacramento, CA	Seattle, WA	\$1,500,000
3	Los Angeles, CA	12,834	12,817	15.7%	16.1%	San Diego, CA	Phoenix, AZ	\$635,000
4	Washington, DC	7,847	6,336	12.3%	11.2%	Salisbury, MD	Salisbury, MD	\$440,000
5	Chicago, IL	5,988	4,360	11.5%	10.2%	Phoenix, AZ	Phoenix, AZ	\$265,000
6	Seattle, WA	3,869	749	13.1%	11.3%	Los Angeles, CA	Los Angeles, CA	\$581,800
7	Denver, CO	3,639	3,468	24.3%	23.9%	Seattle, WA	Seattle, WA	\$435,000
8	Boston, MA	2,635	-2,449	11.8%	10.2%	Portland, ME	Portland, ME	\$530,000
9	Milwaukee, WI	1,020	958	36.3%	37.5%	Chicago, IL	Chicago, IL	\$240,000

10	Bellingham, WA	757	-300	54.9%	40.4%	Seattle, WA	Phoenix, AZ	\$423,000
*Combined statistical areas with at least 500 users in Q2 2020								
†Among the one million users sampled for this analysis only								

Redfin.com users are searching for homes in affordable inland areas

Phoenix, Sacramento and Las Vegas, all relatively inexpensive metros, had the highest net inflow of **Redfin.com** users in April and May.

Migration out of expensive coastal parts of California is driving interest in Phoenix, Sacramento, Las Vegas, Austin and Dallas. The biggest share of out-of-town searchers looking in Phoenix, Las Vegas and Dallas were from Los Angeles, with Angelenos making up 22.7%, 35.2% and 14.1% of people looking in those areas, respectively. And Bay Area residents make up the largest portion of migrants looking to Sacramento and Austin, with 72.4% and 17.3% of respective out-of-town searches in those places originating in the San Francisco area.

"Most of the homebuyers I meet are moving into town from other places because Sacramento gives them the best bang for their buck," said local Redfin agent Kellee Davis, who moved from the San Francisco area to Sacramento in 2003. "In the Bay Area, the size, quality and land that comes with properties don't come close to what they can get for moving just an hour and a half away. While I haven't noticed an uptick in telecommuters from the Bay Area looking to move in, I have seen a lot of folks moving in because of job opportunities in Sacramento and nearby Davis, particularly in healthcare at Kaiser and UC Davis. Though some of my clients are concerned about the uncertainty of the market in the near future, they're still willing to take the risk because they realize low mortgage rates make this a great time to buy rather than rent."

Nashville has seen the biggest jump in the share of people looking to move in since last year.

Thirty-five percent of home searches in Nashville during April and May were from **Redfin.com** users outside the metro, compared with 29.1% a year ago.

"More and more people are moving into Nashville from out of state, especially California, Chicago and the Northeast," said local Redfin agent Mike Estes. "A lot of the recent movement is driven by jobs. Now that more people are able to work from home due to COVID, some people are deciding to work virtually from Nashville because they love all the area has to offer. Amazon is now a major employer here, along with the music industry and various healthcare systems. And low taxes have always been a huge reason for out-of-state people to move into Nashville, as Tennessee has no income tax and low state property taxes."

Nashville is followed by Dallas, which has experienced a 3.4 percentage-point increase since last year. The top three migration destinations—Phoenix, Sacramento and Las Vegas—have all seen year-over-year bumps of less than 3 percentage points.

The list of the 10 most popular destinations features the same places as the first quarter of 2020, though the order varies slightly.

Top 10 Metros by Net Inflow of Users and Their Top Origins								
Rank	Metro *	Net Inflow†	Net Inflow LY	Portion of Searches from Users Outside the Metro (April & May 2020)	Portion of Searches from Users Outside the Metro (April & May 2020)	Top Origin	Top Out-of-State Origin	Median Home-Sale Price, May 2020 (Destination Metro)
1	Phoenix, AZ	7,576	6,918	35.2%	34.6%	Los Angeles, CA	Los Angeles, CA	\$299,900

2	Sacramento, CA	6,419	5,687	45.3%	42.7%	San Francisco, CA	Seattle, WA	\$425,100
3	Las Vegas, NV	5,718	4,507	46.3%	44.9%	Los Angeles, CA	Los Angeles, CA	\$300,000
4	Atlanta, GA	5,356	5,095	26.5%	27.1%	New York, NY	New York, NY	\$260,000
5	Austin, TX	5,196	4,365	34.6%	32.9%	San Francisco, CA	San Francisco, CA	\$330,000
6	Dallas, TX	4,298	3,317	27.4%	24.0%	Los Angeles, CA	Los Angeles, CA	\$300,000
7	Tampa, FL	3,745	3,359	57.7%	57.0%	Orlando, FL	Washington, DC	\$255,000
8	Miami, FL	3,257	3,263	27.2%	26.2%	New York, NY	New York, NY	\$330,000
9	Nashville, TN	2,766	1,832	35.0%	29.1%	New York, NY	New York, NY	\$316,500
10	Charlotte, NC	2,468	2,336	39.1%	40.4%	New York, NY	New York, NY	\$275,000

*Combined statistical areas with at least 500 users in Q2 2020

†Negative values indicate a net outflow; among the one million users sampled for this analysis only

To read the full report, please visit: <https://www.redfin.com/blog/april-may-2020-housing-migration-report>.

About Redfin

Redfin (www.redfin.com) is a technology-powered residential real estate company, including brokerage, iBuying, mortgage, and title services. Founded by software engineers, we run the country's #1 most-visited brokerage website and offer a host of online tools to consumers, including the [Redfin Estimate](#). We represent people buying and selling homes in over 90 markets in the United States and Canada. In a commission-driven industry, our mission is to redefine real estate in the consumer's favor.. We do this by pairing our own agents with our own technology to create a service that is faster, better, and costs less. Since our launch in 2006, we have helped customers buy or sell more than 235,000 homes worth more than \$115 billion.

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