From the Silicon Valley Business Journal:
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Residential Real Estate

Here's where home seller profits are defying the odds

National median home sales prices hit a record high of $358,000 in the third quarter of 2024. But profit margins are shifting for sellers.
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Jul 17, 2025

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Story Highlights

- National median profit margin on home sales fell to 50%.
- Florida and California metros saw largest drops in profit margins.
- Homeowners are staying in their homes for longer periods now.

The housing market has showed signs of shifting, and average profits for sellers are declining.

That’s according to data from Attom, a property data-analytics company, which found the national median profit margin on home sales fell to 50% in the first quarter of 2025 – down 3.2 percentage points from the fourth quarter of 2024 and down 4.8 points from the first quarter of 2024. It's also down from 64% in 2022.

According to Attom, the national median profit margin for home sales has been declining almost every summer since 2022, but margins still remain well above pre-pandemic levels.

Florida and California see steepest drops

Compared to the fourth quarter of 2024, profit margins were down in 99 of the 128 metro areas that had at least 1,000 home sales during the first quarter of 2025.

"Sellers may not be enjoying quite the same windfall they were a few years ago, but by historic standards, profits are still strong, both in terms of margins and raw dollar value," said Rob Barber, CEO of Attom. "The first quarter also tends to be the weakest of the year, so don’t be surprised to see profits regain ground during the summer months."

Barber also pointed out that while the dip has affected prices across the nation as well as the price spectrum, some regions in Florida and California saw the largest drops. That, coupled with flattened home sales overall, could be cause for concern in some communities.

Punta Gorda, Florida, fell to 69.2% from 106.3% in a year-over-year analysis. Other Florida metros such as Ocala (down from 99.9% to 66.7%) and Deltona (from 81.6% to 54%) also saw diminished returns. Florida saw tremendous migration during the past five years, which drove up home prices to record levels in some communities. But increasing issues with homeowners insurance, especially since the state plagued by severe weather events, could hamper home sales.

Other cities also have lower profit margins now compared to a year ago. Bakersfield, California, fell from 81.1% to 58.9% and Spartanburg, South Carolina, dropped from 49.4% to 29.6%.

Strongest-performing metro areas

Several Ohio cities saw some of the largest year-over-year gains. Toledo profits grew from 27.8% to 44.7%, Canton returns were up from 43.8% to 53.1%, and Youngstown's gains went from 64.7% to 70%.

Among the nation's metro areas with a population of at least 1 million, Birmingham, Alabama, saw the strongest year-over-year growth, of 10.2 percentage points, while Chicago profit margins grew 3.3 points and Buffalo, New York, gained 3 points.

But other large metros saw their momentum slip. San Jose, California, dropped 16.2 percentage points, followed by Tampa, Florida (14.8), Fresno, California (14.2), and San Francisco (14).

Despite a dip in profits over time, San Jose still had one of the highest first-quarter profit margins, at 88.8%. Other cities with impressive margins included Buffalo (82.2%), Seattle (75.3%) and Providence, Rhode Island (74.1%).

Compared to the same time last year, typical raw profits stayed essentially the same, with a median of $119,000, according to Attom. But of the 128 metro areas tracked by the firm, 58% saw their raw profits drop.

Values still high but owners waiting to sell

National median home sales prices hit a record high of $358,000 in Q3 2024. Since then, that figure has dropped only 0.8% and remains 6% higher than the first quarter of 2024, according to Attom.

Median gains were clustered in the Northeast and Midwest – Syracuse, New York; Toledo and Kansas City, Missouri, all went up 16% or more – while Florida hot spots such as Cape Coral (down 9%), Sarasota (down 6%), Punta Gorda (down 4.5%) and Tampa Bay (down 3.4%) all saw declines.