Palmdale Housing Market:

Buyers Have More Choices, but Prices Remain Resilient

SEPTEMBER 2026 | MARKET BRIEF

Palmdale's housing market is not moving at the same pace across every price range. While home values remain relatively stable, the balance between available inventory and buyer demand changes considerably depending on where a property is positioned.

For sellers, understanding **where buyers are most active** can help shape pricing, timing and marketing decisions. For buyers, knowing where inventory is outpacing demand can reveal areas of greater choice and potential negotiating leverage.

Here's what the latest Palmdale market data tells us.

Selling a Home Is About More Than Price

Understanding what your home may be worth is only part of the decision. Sellers should also understand how much buyer demand currently exists within the price range where their home will compete.

Team Reyes examines recent sales, current inventory, days on market, estimated proceeds and **Absorption Pressure** to help sellers understand not only *what their home may be worth*, but also *how the market is behaving around that value.*

A seller who needs to move quickly may make a different pricing decision than a seller whose priority is maximizing price and who has greater flexibility with timing. Understanding where buyer demand is strongest can help make that decision with considerably more context.

PALMDALE SINGLE-FAMILY MARKET SNAPSHOT

CRMLS|SEPTEMBER 06, 2026

Price Segment	Active*	Under Contract	Closed	Avg. Active Price	Median Active Price	Avg. Active CDOM
Entry Level < $400K	**31**	**22**	**8**	$373,825	$389,999	127
Mid-Range Family $400K–$599,999	**81**	**74**	**61**	$482,242	$459,000	104
Upper Level $600K–$999,999	**110**	**26**	**22**	$722,673	$699,450	87
Luxury / Estate $1M+	**12**	**2**	**1**	$1,457,958	$1,162,750	95
TOTAL	**234**	**124**	**92**			

How much buyer demand exists in the price range where my home will compete?

A properly positioned mid-range home may be entering one of Palmdale's more active portions of the market, while an upper-level seller faces substantially more available competition relative to current contract activity.

That difference matters when deciding how to position a home. A seller who needs to move quickly may make a different decision than one who has greater flexibility and wants to test the upper end of the market.

Your home does not have to be the least expensive property in its price range. **It needs to be one of the most compelling choices available to the buyers shopping that range.**

What This Means for Buyers.

A buyer shopping in the highly active $400,000–$599,999 range should expect stronger competition for attractive, correctly priced homes. Waiting for the entire Palmdale market to weaken may not produce the opportunity they expect.

Buyers shopping from $600,000–$999,999 encounter a different environment. With substantially more active inventory relative to properties under contract, buyers may find **more choices and potentially greater negotiating leverage**, particularly among homes with longer market times or several competing alternatives.

Negotiating leverage doesn't have to exist across the entire housing market. It can appear within a particular price range, neighborhood or even an individual property.

Under Contract-to-Active Absorption Pressure Ratio

Inventory tells us how many choices buyers have. Absorption Pressure helps us understand how much current contract activity exists relative to those choices.

Our Team Reyes market indicator comparing the number of homes currently under contract with the number of homes actively available within the same price segment. The ratio helps illustrate the relative level of current buyer demand against available inventory. A higher ratio suggests stronger demand relative to available supply, while a lower ratio suggests buyers have more inventory from which to choose.

UNDER CONTRACT-ACTIVE ABSORPTION PRESSURE RATIO

Segment	Active	Under Contract	UC / Active
Entry Level	31	22	**71%**
Mid-Range Family	81	74	**91%**
Upper Level	110	26	**24%**
Luxury / Estate	12	2	**17%**

WHAT CHANGED?

Several Market Forces Are Converging at the Same Time

Palmdale's housing market is being shaped by more than home prices alone. Higher borrowing costs, tighter lending conditions and household incomes that have not kept pace with the increase in financing costs have changed the affordability equation for today's buyer.

For years, buyers seeking affordability could expand their search farther from Los Angeles. Today, geography alone does not necessarily overcome the impact of a higher monthly payment. Buyers are responding by becoming more selective, comparing more properties and paying closer attention to how long homes remain available.

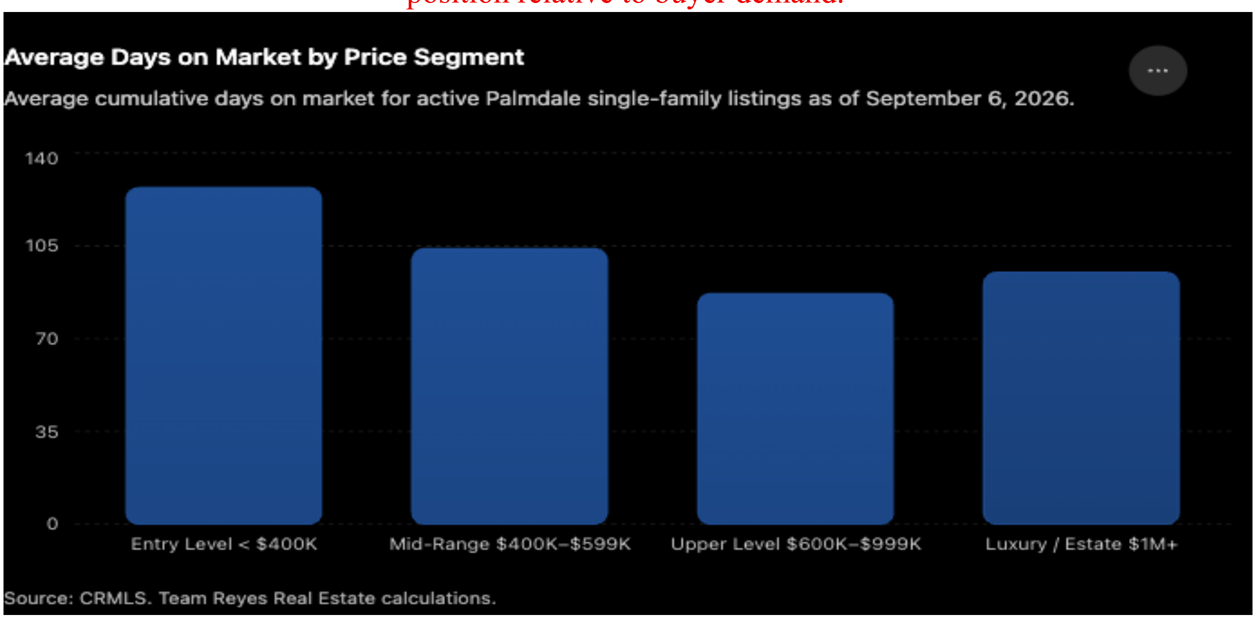
Time on Market Is Becoming Information

Today's buyer has access to more real-time housing information than ever before. Listing history, competing inventory, price adjustments and days on market can all influence how a buyer approaches an individual property.

As a home accumulates market time, buyers may perceive a greater opportunity to negotiate. That does not necessarily mean the property is overpriced or that the seller must reduce the asking price. **It means the circumstances surrounding the negotiation may be changing.**

This creates an environment where buyers and sellers can engage based on the conditions surrounding a particular property rather than relying solely on broad headlines about the housing market.

The longer a property remains available, the more information the market produces about its position relative to buyer demand.



What We're Watching

The housing market rarely changes because of a single number. We are watching how **inventory, buyer demand, market time, financing conditions and pricing behavior interact** over the coming weeks.

Inventory and Buyer Demand

More homes for sale can create additional choices for buyers, but inventory alone does not tell us whether demand is weakening. We will be watching **Under Contract-to-Active Absorption Pressure** within each price segment to see whether buyers continue absorbing available inventory or whether the gap between supply and contract activity begins to widen.

This distinction matters because Palmdale may not move as one market. Conditions below $600,000 can behave very differently from those above $600,000.

Days on Market and Seller Competition

We are also watching where market time is accumulating.

A rising number of days on market does not automatically mean prices are falling. It can, however, indicate that buyers have more time to compare properties and that sellers are competing longer for buyer attention.

Of particular interest will be whether longer market times begin producing **more price adjustments, seller concessions or successful negotiations below asking price.**

Prices Versus Market Velocity

Home prices can remain relatively resilient even while the market underneath them changes.

That is why we are watching both **price and velocity**. If homes continue taking longer to sell while inventory rises and Absorption Pressure declines, the market may be changing before a substantial movement becomes visible in median sale prices.

Conversely, if contract activity strengthens while inventory remains stable, sellers in certain price ranges may retain considerably more leverage than broad market headlines suggest.

Financing and Affordability

Mortgage rates and lending conditions remain an important part of the equation because buyers ultimately purchase based not only on price, but on **the monthly payment they can comfortably carry.**

We will continue watching whether changes in financing costs materially increase or decrease purchasing power and whether those changes begin appearing in contract activity, market time and the price ranges where buyers are most active.

None of these indicators should be interpreted independently. We look at how they interact to understand whether negotiating leverage is moving toward buyers or sellers.

Your Property Is Its Own Market

Market statistics provide context, but your decision ultimately comes down to a particular property, price range and set of circumstances.

If you're considering selling, knowing an estimated market value is only the beginning. You may also want to understand:

- where your property would compete,
- how much buyer demand currently exists in that price range,
- how long comparable properties are taking to sell,
- what competing homes buyers will see alongside yours, and
- approximately how much you could walk away with after the sale.

You can explore the real estate market before making any decision.

Explore Your Options

At **TeamReyesRE.com**, you can explore tools and market information designed to help answer the questions that come **before** deciding whether to sell.

Estimate Your Home's Value
Get an initial indication of where your property may fit in today's market.

Estimate Your Net Proceeds
Selling price isn't the same as the amount you take home. Explore how selling costs, existing loan balances and other expenses may affect your estimated proceeds.

Understand Your Market Position
A property's value is only one part of the equation. Team Reyes can help you examine the inventory, buyer demand and competition surrounding your particular property and price range.

Explore Team Reyes Real Estate

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