

# The Hottest and Coldest Housing Markets in America

SPRING 2024



## INTRODUCTION

For Spring 2024, the national housing market is showing signs of a resurgence. Interest rates have leveled off, employment numbers continue to climb, and the score of labor disputes that occurred last year are in the rearview mirror. This has led to single-family home prices resuming their upward climb in most of the country.<sup>1,2,3</sup> Similarly, apartment rents have continued to go up nationally.

While that has been the story nationally, a number of Metros that were red hot during the COVID-era continue to experience some rather large price corrections in their single-family housing market — and even their apartment rental markets.<sup>4</sup> Austin is one such example as remote work opportunities continue to decline and higher than expected property taxes and utility costs make it less attractive for those looking to move from the costlier coastal metros.<sup>5</sup>

Most experts believe that the overall national trends will continue as housing remains undersupplied in the areas with the greatest demand for housing. Additionally, the Federal Reserve is unlikely to lower interest rates anytime soon — as that could bring back high inflation. Thus, affordability will continue to be a challenge.<sup>6</sup>

Using data from Zillow, the remainder of this piece will rank the fastest and slowest growing single-family housing and (mostly apartment) rental markets nationwide over the past year. Additionally, we will rank the most expensive and cheapest housing markets. Please note that we limited the markets to the 100 biggest, according to Zillow.

1. <https://apnews.com/article/federal-reserve-inflation-prices-interest-rates-cuts-348e4db8a6c91f108268713d181d6a17>

2. <https://fred.stlouisfed.org/series/PAYEMS>

3. <https://www.washingtonpost.com/business/2024/02/21/strikes-2023-workers-labor-department/>

4. <https://www.redfin.com/news/housing-market-tracker-april-2023/>

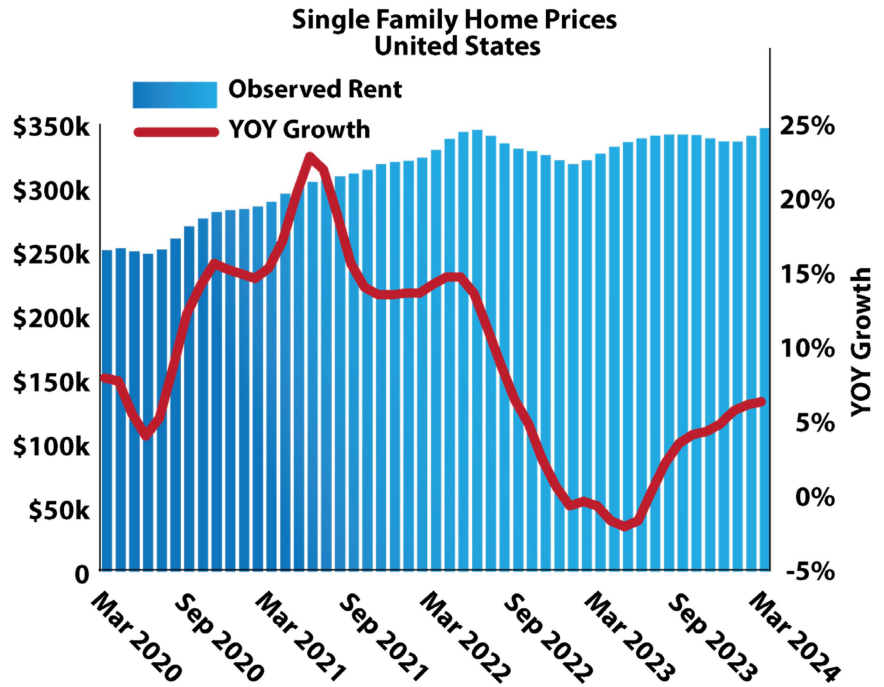
5. <https://www.businessinsider.com/californians-moved-texas-property-tax-gave-sticker-shock-2023-11>

6. <https://www.reuters.com/markets/rates-bonds/feds-bowman-expects-it-be-appropriate-raise-rates-further-2023-10-02/>

# SINGLE-FAMILY HOUSING MARKET

## National

The national median sales price for a single-family home stood at \$346,316 in March 2024. This represented a year-over-year increase of 6.1%, significantly higher than the 0.9% decline during the previous annual time period (March 2022 to March 2023).



Source: Zillow, Analysis by Hilgard Analytics

## Metros with the Greatest Increase in Prices

The five metropolitan areas that experienced the greatest year-over-year gains in median sales price were the Wichita (18.4%), Cincinnati (13.8%), New Haven (13.5%), Washington, DC (12.9%) and the Syracuse (12.8%) MSAs. With the exception of Washington, DC, these MSAs have been known to be among the cheaper areas to buy a home.

MSA	Mar 2024	YOY Growth	Previous Year Growth
Wichita, KS	\$257,816	18.4%	11.7%
Cincinnati, OH	\$260,932	13.8%	-0.1%
New Haven, CT	\$361,030	13.5%	1.9%
Washington, DC	\$560,643	12.9%	2.0%
Syracuse, NY	\$202,147	12.8%	4.5%

Source: Zillow, Analysis by Hilgard Analytics

## *Metros with the Biggest Price Declines*

The five metropolitan areas that saw the biggest decline in home prices year-over-year were the Cape Coral (-12.9%), Birmingham (-4.4%), Jackson (-3.7%), Denver (-1.6%), and Memphis (-1.5%) MSAs. With the exception of Denver, all of these metros are in the Southern U.S.

MSA	Mar 2024	YOY Growth	Previous Year Growth
Cape Coral, FL	\$279,892	-12.9%	21.1%
Birmingham, AL	\$219,455	-4.4%	-1.8%
Jackson, MS	\$219,982	-3.7%	-5.1%
Denver, CO	\$580,179	-1.6%	-2.8%
Memphis, TN	\$221,330	-1.5%	1.4%

Source: Zillow, Analysis by Hilgard Analytics

## *The Most Expensive Metros*

All five of the most expensive metros to buy a home were found in notoriously supply-constrained coastal California. The San Jose MSA (\$1.6 million) remained the most expensive area to buy followed by the San Francisco (\$1.2 million), Los Angeles (\$932,833), Honolulu (\$893,179), and the San Diego (\$883,561) MSAs.

MSA	Mar 2024	YOY Growth	Previous Year Growth
San Jose, CA	\$1,597,967	11.7%	-10.2%
San Francisco, CA	\$1,224,879	10.1%	-11.6%
Los Angeles, CA	\$932,833	8.6%	-3.5%
Urban Honolulu, HI	\$893,179	3.0%	-4.3%
San Diego, CA	\$883,561	9.1%	-4.7%

Source: Zillow, Analysis by Hilgard Analytics



## *The Cheapest Metros*

Four out of the five cheapest metro areas to buy a home were in Ohio. The cheapest MSA was Toledo (\$145,761) and they were followed by the Akron (\$174,983), Cleveland (\$188,703), Dayton (\$191,815), and McAllen (\$196,909) MSAs.

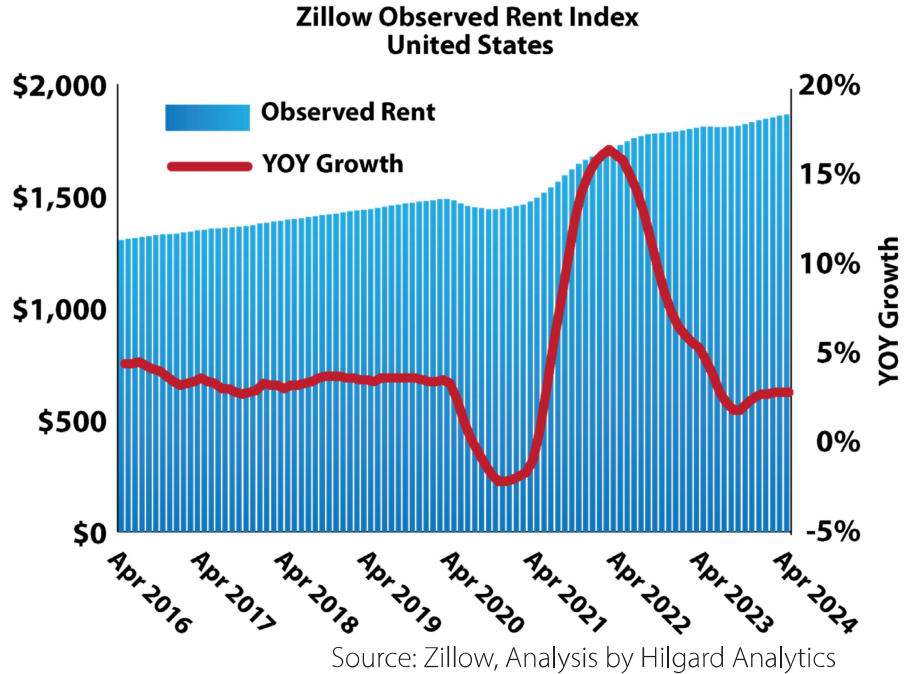
MSA	Mar 2024	YOY Growth	Previous Year Growth
Toledo, OH	\$145,761	10.3%	-1.0%
Akron, OH	\$174,983	5.1%	5.0%
Cleveland, OH	\$188,703	7.1%	0.7%
Dayton, OH	\$191,815	11.7%	6.1%
McAllen, TX	\$196,909	1.1%	-1.0%

Source: Zillow, Analysis by Hilgard Analytics

# RENTAL MARKET

## National

The Zillow Observed Rent Index (a proxy for median asking rent) nationwide stood at \$1,862 per month in April 2024. This represented a year-over-year increase of 2.9%, lower than the 4.7% gain during the previous one-year time period, April 2022 to April 2023.



## Metros with the Greatest Increase in Rents

The five metropolitan areas that experienced the greatest year-over-year gains in rents were the New Haven (10.5%), Springfield (10.5%), Providence (8.9%), Dayton (7.4%), and Tulsa (6.9%) MSAs. Three out of five of these MSAs are located in New England.

MSA	Apr 2024	YOY Growth	Previous Year Growth
New Haven, CT	\$2,014	10.5%	8.1%
Springfield, MA	\$1,687	10.5%	8.2%
Providence, RI	\$1,952	8.9%	8.1%
Dayton, OH	\$1,187	7.4%	5.4%
Tulsa, OK	\$1,108	6.9%	-1.1%

Source: Zillow, Analysis by Hilgard Analytics

## Metros with the Greatest Decline in Rents

The five metropolitan areas that saw the greatest decline in rents year-over-year were the Cape Coral (-6.1%), Austin (-4.5%), Deltona (-2.9%), North Port (-2.6%), and Atlanta (-0.1%) MSAs. Three out of five of these MSAs were unsurprisingly in Florida, which is coming back to earth after attracting a lot of new residents during the COVID Pandemic era.

MSA	Apr 2024	YOY Growth	Previous Year Growth
Cape Coral, FL	\$1,901	-6.1%	9.0%
Austin, TX	\$1,595	-4.5%	0.5%
Deltona, FL	\$1,602	-2.9%	7.5%
North Port, FL	\$2,023	-2.6%	3.9%
Atlanta, GA	\$1,737	-2.0%	-1.4%

Source: Zillow, Analysis by Hilgard Analytics

## Most Expensive Metros to Rent

As many would expect, the five most expensive metro areas to rent an apartment remained along the coasts. New York (\$3,232) has remained on top and they were closely followed by the San Jose (\$3,125), Boston (\$3,056), San Francisco (\$2,836), and San Diego (\$2,720) MSAs. As long as the big coastal cities continue to make it difficult to easily add more housing, these markets will likely continue to be America's most expensive.

MSA	Apr 2024	YOY Growth	Previous Year Growth
New York, NY	\$3,232	4.5%	6.7%
San Jose, CA	\$3,125	1.7%	3.2%
Boston, MA	\$3,056	6.0%	8.6%
San Francisco, CA	\$2,836	0.1%	1.3%
San Diego, CA	\$2,720	1.8%	6.1%

Source: Zillow, Analysis by Hilgard Analytics

## Cheapest Metros to Rent

The cheapest metro to rent an apartment in April 2024 was the Wichita (\$867) MSA and they were followed by the McAllen (\$958), Little Rock (\$983), El Paso (\$1,039), and Akron (\$1,071) MSAs. This list largely mirrors the cheapest metros to buy a single-family home and that's likely not a coincidence as these areas are not known to have a high level of higher paying jobs and it is easier to move into homeownership than the expensive coastal markets.

MSA	Apr 2024	YOY Growth	Previous Year Growth
Wichita, KS	\$867	6.6%	6.8%
McAllen, TX	\$958	0.9%	5.0%
Little Rock, AR	\$983	5.6%	2.4%
El Paso, TX	\$1,039	6.0%	7.9%
Akron, OH	\$1,071	6.2%	7.0%

Source: Zillow, Analysis by Hilgard Analytics



## **ABOUT HILGARD ANALYTICS**

Hilgard Analytics is a socially conscious real estate and economic development research firm that specializes in the use of data to guide individuals and organizations through their present challenges and navigate towards a strategically charted future.

In the heart of our organization resides a team of experts skilled in urban planning, economic research, and community engagement. Our proficiencies span across a multitude of sectors encompassing government bodies, private developers, non-profit entities, and community groups.

## **ABOUT THE AUTHOR**

Joshua “Josh” Baum is a Southern California-based urban planner, economic researcher, and community engagement professional. He currently is the Founder & CEO of Hilgard Analytics, a socially conscious real estate and economic development research firm.

They previously served as the Research Analyst at the Southwest Mountain States Regional Council of Carpenters, where they performed a multitude of complex planning and economic research tasks to inform contract negotiations, legislative initiatives, and other activities across the organization and helped expand the union to cover almost the entirety of the Western United States.

Prior, he completed countless housing, demographic and sectoral employment studies at Beacon Economics, founded and served as the first President of the Westside Young Democrats, and was one of the leading organizers for Westwood Forward, the successful campaign that created a new neighborhood council to better represent the UCLA community in municipal affairs.

Josh is a proud Double Bruin and holds degrees in Political Science (BA) and Urban and Regional Planning (MURP) from UCLA. During graduate school, he held internships and research positions with the Southern California Association of Governments, City of Los Angeles (Council District 4), and the Lewis Center for Regional Policy Studies.