ZILLOW GROUP

NEWS RELEASE

Buyers are seeing more options as housing market hits its late-summer slowdown

2023-09-12

The drought of new listings abated slightly in August, despite high mortgage rates

- New listings rose 4% in August, giving buyers more new choices.
- Appreciation eased off the gas, rising just 0.2% from July to August after stronger earlier showings.
- Competition for homes remains stiff, but sales declined as is typical at this time of year.

SEATTLE, Sept. 12, 2023 /PRNewswire/ -- An expected end-of-summer slowdown in the housing market came with a pleasant surprise for home shoppers in August. The latest market report[1] from Zillow® shows an uptick of new listings. Although sellers are still listing fewer houses than pre-pandemic norms, the monthly increase gave buyers a bit of relief in the midst of a long-standing drought of inventory.

"Those still shopping for homes late in summer were offered a bit of relief, and not all from expected sources. Competition for houses tends to ease up at this time of year, giving buyers more time to decide and a better chance to negotiate on price," said Jeff Tucker, Zillow senior economist. "What we didn't expect — especially considering 7-plus-percent mortgage rates — was more new listings. The inventory crunch is still far from resolved, but this was a small step in the right direction."

Sellers listed nearly 350,000 homes for sale across the U.S. in August, about 4% more than in July. Although the number of new listings are more than 20% below pre-pandemic norms, the uptick gave shoppers a few fresh choices at a time of year when the flow of inventory is typically drying up; new listings have contracted every August in Zillow data going back to 2018. The slight upward bump helped to halve an annual deficit in new listings, from -26% year over year in July to -13% in August.

Homeowners who bought or refinanced to ultra-low mortgage rates in 2020 or 2021 have been loath to sell, which

has kept new listings at seasonal record lows (with the exception of April 2020) for 14 straight months. Total inventory also ticked up in August, rising 2.2% from July. However, inventory levels are still about 42% below that of August 2019.

Heading into fall, shoppers can generally expect more modest price growth and less competition compared to the peak seasons of spring and early summer — and that's what Zillow data is showing.

The typical U.S. home value climbed 0.2% from July to August — a marked cooldown after red-hot monthly appreciation in the spring and early summer. The nation's typical home value has reached another all-time high at $351,423, and stands 1.3% higher than last August.

Home values climbed month over month in 32 of the 50 largest metro areas in August, led by Hartford, Buffalo, San Diego, Cleveland and Providence. Values fell from July to August in 12 major metro areas, most notably in New Orleans, Austin, San Antonio, Denver and Dallas.

As is usually the case at this time of year, price cuts on listings are becoming more and more common by the month, and buyers are getting a bit more time to decide on a house. Listings in August took a median of 13 days to go pending — one day longer than in July.

Sales activity decreased as well: There were 19% fewer newly pending listings in August than last year, compared to a roughly 15% year-over-year dip in July.

Mortgage rates are still volatile as financial markets respond to new economic data and comments from the Federal Reserve. Regardless of rate movements, home shoppers on Zillow can make sure their results stay within their budget by using an affordability calculator and searching by a range of monthly payments that work for them.

Metropolitan Area*	August Zillow Home Value Index (ZHVI) (Raw)	ZHVI Change, Month over Month (MoM)	ZHVI Change, Year over Year (YoY)	Median Days to Pending	New For-Sale Listings Change, MoM	New For-Sale Listings Change, YoY	Total Inventory Change, YoY
United States	$351,423	0.2 %	1.3 %	13	4.0 %	-12.7 %	-13.9 %
New York, NY	$626,255	0.4 %	2.1 %	26	-1.2 %	-23.0 %	-29.5 %
Los Angeles, CA	$910,541	0.5 %	1.6 %	14	-3.4 %	-18.8 %	-29.6 %
Chicago, IL	$308,293	0.5 %	4.1 %	8	3.6 %	-10.7 %	-25.9 %
Dallas, TX	$373,840	-0.2 %	-2.4 %	18	-5.1 %	-8.2 %	1.5 %
Houston, TX	$306,607	0.0 %	-1.3 %	20	-6.7 %	-10.8 %	-2.2 %
Washington, DC	$545,966	0.0 %	2.2 %	7	-7.1 %	-17.0 %	-33.2 %
Philadelphia, PA	$349,292	0.6 %	5.5 %	9	1.1 %	-13.4 %	-22.1 %
Miami, FL	$469,757	0.5 %	5.0 %	21	11.5 %	-15.1 %	-5.5 %

Atlanta, GA	$375,569	0.2 %	0.6 %	16	1.5 %	-19.2 %	-19.3 %
Boston, MA	$664,528	0.6 %	4.5 %	8	4.7 %	-15.6 %	-28.3 %
Phoenix, AZ	$451,461	0.4 %	-6.4 %	20	14.3 %	-29.0 %	-41.2 %
San Francisco, CA	$1,137,604	0.0 %	-4.2 %	14	0.6 %	-14.2 %	-30.5 %
Riverside, CA	$560,707	0.5 %	-0.5 %	15	-0.5 %	-22.7 %	-29.5 %
Detroit, MI	$245,320	0.5 %	3.0 %	8	2.4 %	-14.1 %	-22.8 %
Seattle, WA	$713,666	0.0 %	-2.4 %	8	-2.3 %	-17.8 %	-35.2 %
Minneapolis, MN	$374,292	-0.2 %	0.6 %	17	4.2 %	-8.6 %	-17.1 %
San Diego, CA	$901,053	0.9 %	2.2 %	10	1.5 %	-16.2 %	-38.0 %
Tampa, FL	$377,531	0.3 %	-1.4 %	14	1.8 %	-15.6 %	-12.8 %
Denver, CO	$581,036	-0.2 %	-2.6 %	12	5.2 %	0.5 %	-8.4 %
Baltimore, MD	$375,911	0.1 %	3.6 %	7	0.9 %	-16.2 %	-24.9 %
St. Louis, MO	$244,952	0.1 %	4.6 %	6	5.0 %	-3.1 %	-7.3 %
Orlando, FL	$390,465	0.3 %	1.0 %	15	3.1 %	-16.5 %	-13.6 %
Charlotte, NC	$373,859	0.4 %	-0.3 %	9	6.6 %	-24.3 %	-14.5 %
San Antonio, TX	$292,361	-0.4 %	-2.6 %	27	-2.6 %	-17.7 %	9.5 %
Portland, OR	$545,102	-0.2 %	-1.6 %	13	-5.4 %	-18.4 %	-18.6 %
Sacramento, CA	$570,026	0.2 %	-3.8 %	11	5.2 %	-18.8 %	-37.2 %
Pittsburgh, PA	$210,006	0.6 %	2.6 %	9	8.5 %	-10.4 %	-16.3 %
Cincinnati, OH	$275,763	0.2 %	5.0 %	6	-8.6 %	-28.5 %	-28.7 %
Austin, TX	$474,853	-1.0 %	-11.4 %	42	-3.3 %	-16.1 %	-6.2 %
Las Vegas, NV	$407,693	0.6 %	-6.4 %	13	7.2 %	-36.4 %	-46.3 %
Kansas City, MO	$295,364	0.0 %	4.3 %	6	-6.9 %	-14.4 %	-15.9 %
Columbus, OH	$306,001	0.4 %	3.9 %	5	2.4 %	-13.8 %	-16.9 %
Indianapolis, IN	$273,482	0.2 %	1.6 %	8	9.7 %	-13.7 %	-11.9 %
Cleveland, OH	$220,483	0.7 %	4.6 %	6	2.8 %	-12.0 %	-20.0 %
San Jose, CA	$1,477,936	0.3 %	-0.4 %	9	18.6 %	-2.5 %	-34.4 %
Nashville, TN	$434,988	-0.1 %	-2.7 %	17	-2.9 %	-23.9 %	-13.5 %
Virginia Beach, VA	$337,884	0.3 %	5.7 %	19	-1.2 %	-11.2 %	-18.1 %
Providence, RI	$457,388	0.7 %	5.3 %	9	16.9 %	-10.5 %	-26.3 %
Jacksonville, FL	$356,648	0.2 %	-2.2 %	28	4.6 %	-17.6 %	-6.3 %
Milwaukee, WI	$334,446	0.4 %	8.1 %	13	20.8 %	8.5 %	-19.3 %
Oklahoma City, OK	$229,221	-0.1 %	3.7 %	11	6.0 %	-5.8 %	1.3 %
Raleigh, NC	$436,971	0.0 %	-2.1 %	9	11.2 %	-22.7 %	-28.8 %
Memphis, TN	$237,546	0.3 %	-0.6 %	25	4.3 %	-4.7 %	7.0 %
Richmond, VA	$353,554	-0.1 %	4.4 %	6	2.6 %	-16.4 %	-26.2 %
Louisville, KY	$250,278	0.2 %	3.8 %	7	1.2 %	-15.5 %	-18.7 %
New Orleans, LA	$243,473	-1.4 %	-8.7 %	29	3.3 %	-16.9 %	11.6 %
Salt Lake City, UT	$535,636	-0.1 %	-3.2 %	14	12.2 %	-18.1 %	-19.7 %
Hartford, CT	$343,034	1.3 %	9.9 %	6	0.4 %	-13.9 %	-25.1 %
Buffalo, NY	$254,060	1.0 %	4.1 %	10	-3.7 %	-16.9 %	-19.4 %
Birmingham, AL	$252,509	-0.1 %	0.4 %	13	-4.0 %	-13.0 %	-6.9 %
*Table ordered by market size							

[1] The Zillow Real Estate Market Report is a monthly overview of the national and local real estate markets. The reports are compiled by Zillow Research. For more information, visit www.zillow.com/research.

About Zillow Group:

Zillow Group, Inc. (NASDAQ: Z and ZG) is reimagining real estate to make home a reality for more and more people. As the most visited real estate website in the United States, Zillow and its affiliates help people find and get the

home they want by connecting them with digital solutions, great partners, and easier buying, selling, financing and renting experiences.

Zillow Group's affiliates, subsidiaries and brands include Zillow®; Zillow Premier Agent®; Zillow Home Loans℠; Zillow Closing Services℠; Trulia®; Out East®; StreetEasy®; HotPads®; and ShowingTime+℠, which includes ShowingTime®, Bridge Interactive®, and dotloop®.

All marks herein are owned by MFTB Holdco, Inc., a Zillow affiliate. Zillow Home Loans, LLC is an Equal Housing Lender, NMLS #10287 (www.nmlsconsumeraccess.org). © 2023 MFTB Holdco, Inc., a Zillow affiliate.

(ZFIN)

View original content to download multimedia:https://www.prnewswire.com/news-releases/buyers-are-seeing-more-options-as-housing-market-hits-its-late-summer-slowdown-301924492.html

SOURCE Zillow