ZILLOW GROUP

NEWS RELEASE

Zillow's August Market Report shows elevated rates dampen home sales

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Zillow expects continued softness in the for-sale market, with newly pending sales and inventory growth both decelerating as affordability challenges push demand toward rentals

- Home sales fell 0.6% year over year in August, a deceleration from July's 6% annual gain, according to Zillow's August Market Report.
- Newly pending listings, a leading indicator of future closings, fell 2.6% year over year in August, extending a rapid deceleration from June's 7.5% annual gain — even as the number of homes for sale continues to climb.
- The rental market shows signs of absorbing sidelined demand, with rents rising 2.5% year over year, nearly double the rate of home value growth.

SEATTLE, Sept. 8, 2026 /PRNewswire/ -- Home sales slipped 0.6% year over year in August and fell sharply from July, according to the Zillow® August Market Report. Mortgage rates holding above 6.5% — their highest level in a year — kept many buyers on the sidelines. Newly pending listings, a forward-looking measure of demand, fell 2.6% from a year ago, a sign that the slowdown could continue through the remainder of the year.

August's closed sales largely reflect contracts signed in July, when elevated rates were already discouraging many would-be buyers. The typical U.S. home value rose 1.3% from a year ago to $369,678, according to the Zillow Home Value Index, and the monthly mortgage payment on the typical home was 2% higher than last year. Rents are climbing, too, up 2.5% year over year to $1,948 nationwide, giving prospective buyers little relief on either side of the rent-versus-own equation. That annual rent growth figure is also reaccelerating, up from 2.3% last month and 2% a year ago, suggesting the rental market is absorbing some of the demand that has shifted away from the for-sale market.

Inventory continues to offer a modest bright spot, with 1.41 million homes for sale nationwide, up 3% from a year ago. But new listings fell 7.9% from July, and the share of listings with a price cut edged up to 26.3% — half a percentage point above last year — a sign that sellers are still having to adjust expectations to meet the market.

"The for-sale housing market took a step back in August, and mortgage rates above 6.5% are the primary culprit," said Mischa Fisher, chief economist at Zillow. "The combination of weak sales and even weaker pending sales points to a **soft close to 2026**. There are more homes for sale than a year ago, which is good news for buyers who are ready to move, but until rates ease, many households will likely stay on the sidelines a little longer as renting is still the more affordable substitute."

Home Values & Mortgage Payments

- The typical U.S. home value is $369,678.
- The Zillow Home Value Index (ZHVI) fell 0.1% month over month in August. Home values are 1.3% higher than a year earlier.
- The monthly mortgage payment on a typical U.S. home is $1,897, assuming a 20% down payment and including estimates for taxes, insurance and maintenance. That is 2% higher than last year.

Inventory

- There were 1.41 million homes for sale nationwide in August.
- Active inventory was 3% higher than a year earlier. Inventory rose 0.2% from July.
- New for-sale listings totaled 356,934 in August, up 2.4% from a year earlier and down 7.9% from July.

Sales

- 339,927 homes were sold in August, according to Zillow's sales count nowcast.
- That is 0.6% lower than a year earlier, and down 10.7% from July.

Competition

- Homes took a median of 27 days to go pending in August. That's the same as last year and two days longer than July.
- The share of listings with a price cut in August was 26.3%. That was up 0.5 percentage points from a year earlier and down 0.8 percentage points from July.
- 29.6% of homes sold above list price in July, the most recent data available. That was 0.8 percentage points higher than a year earlier and 1.1 percentage points lower than June.

Rents

- The typical rent nationwide is $1,948, according to the Zillow Observed Rent Index. That's 2.5% higher than a year earlier and up 0.2% from July.
- 39.2% of rental listings on Zillow offered a concession in August. That's 2.5 percentage points higher than a year earlier and down 0.6 percentage points from July.

Local data can be found on Zillow's market explorer. The Zillow September Market Report is expected to be released October 6.

Zillow August Market Report

Metro Area*	Typical Home Value (ZHVI)	Home Value Change: MoM	Home Value Change: YoY	Inventory Change: YoY	Sales Count Nowcast Change: YoY	Typical Rent (ZORI)	Rent Change: MoM	Rent Change: YoY
United States	$369,678	-0.1 %	1.3 %	0.2 %	-0.6 %	$1,948	0.2 %	2.5 %
New York, NY	$739,324	0.4 %	5.2 %	-3.5 %	-2.3 %	$3,615	0.2 %	4.2 %
Los Angeles, CA	$957,612	-0.3 %	1.4 %	0.5 %	-2.0 %	$2,941	0.2 %	1.6 %
Chicago, IL	$359,782	0.3 %	5.1 %	-0.4 %	4.9 %	$2,210	-0.1 %	4.9 %
Dallas, TX	$361,463	-0.3 %	-1.9 %	-1.3 %	-2.1 %	$1,659	0.1 %	0.4 %
Houston, TX	$305,386	-0.3 %	-1.8 %	-1.1 %	-4.0 %	$1,643	0.0 %	0.0 %
Washington, DC	$575,362	-0.5 %	0.3 %	-2.6 %	-3.5 %	$2,433	0.2 %	0.8 %
Philadelphia, PA	$390,935	-0.1 %	2.5 %	-0.2 %	-2.7 %	$1,911	0.4 %	3.6 %
Miami, FL	$477,919	0.2 %	0.5 %	-2.6 %	-1.0 %	$2,666	0.2 %	1.6 %
Atlanta, GA	$377,813	-0.4 %	-1.5 %	0.6 %	-0.8 %	$1,853	0.3 %	2.0 %
Boston, MA	$737,482	-0.2 %	2.3 %	-4.2 %	0.1 %	$3,074	-0.7 %	2.4 %
Phoenix, AZ	$442,171	-0.4 %	-1.0 %	-0.9 %	-1.4 %	$1,722	0.1 %	0.7 %
San Francisco, CA	$1,134,525	-0.3 %	3.3 %	-1.1 %	2.5 %	$3,409	1.7 %	10.8 %
Riverside, CA	$583,081	-0.1 %	0.4 %	-0.9 %	-0.7 %	$2,541	0.3 %	2.8 %
Detroit, MI	$267,999	-0.1 %	1.8 %	5.0 %	-1.6 %	$1,524	0.4 %	3.8 %
Seattle, WA	$730,623	-0.8 %	-1.6 %	0.0 %	-6.5 %	$2,278	0.2 %	1.7 %
Minneapolis, MN	$390,396	-0.2 %	1.7 %	1.4 %	4.4 %	$1,719	0.1 %	3.5 %
San Diego, CA	$934,936	-0.4 %	1.0 %	-2.0 %	-6.3 %	$2,994	0.3 %	2.0 %
Tampa, FL	$359,285	-0.1 %	-0.6 %	-1.4 %	2.7 %	$2,001	0.1 %	-0.1 %
Denver, CO	$562,732	-0.5 %	-1.5 %	0.0 %	-1.6 %	$1,922	-0.1 %	-0.6 %
Baltimore, MD	$400,583	-0.4 %	0.4 %	0.2 %	3.7 %	$1,948	0.3 %	2.6 %
St. Louis, MO	$277,084	-0.1 %	3.3 %	-0.5 %	-5.3 %	$1,443	0.2 %	3.9 %
Orlando, FL	$383,656	-0.2 %	-1.4 %	-1.0 %	5.8 %	$1,942	0.0 %	0.7 %
Charlotte, NC	$384,369	-0.4 %	-0.7 %	-1.5 %	-2.4 %	$1,749	0.2 %	1.0 %
San Antonio, TX	$276,834	-0.3 %	-1.8 %	-0.5 %	5.7 %	$1,422	0.2 %	-1.3 %
Portland, OR	$545,374	-0.3 %	0.1 %	-0.4 %	1.4 %	$1,818	0.3 %	0.6 %
Sacramento, CA	$576,967	-0.3 %	0.2 %	-1.3 %	3.5 %	$2,282	0.3 %	1.7 %
Pittsburgh, PA	$232,967	0.1 %	0.3 %	-0.3 %	-6.5 %	$1,469	0.0 %	3.4 %
Cincinnati, OH	$309,495	-0.2 %	2.3 %	-1.8 %	3.7 %	$1,522	0.2 %	2.6 %
Austin, TX	$419,900	-0.5 %	-4.2 %	-3.2 %	2.0 %	$1,622	0.1 %	0.0 %
Las Vegas, NV	$423,354	-0.5 %	-2.8 %	1.8 %	2.1 %	$1,742	-0.3 %	0.1 %
Kansas City, MO	$329,538	0.0 %	3.8 %	-0.5 %	1.7 %	$1,529	0.3 %	3.6 %
Columbus, OH	$331,866	-0.1 %	1.3 %	-0.5 %	6.3 %	$1,521	0.5 %	2.6 %
Indianapolis, IN	$294,343	-0.1 %	1.0 %	2.9 %	-2.7 %	$1,552	0.3 %	3.3 %
Cleveland, OH	$255,245	0.3 %	4.0 %	1.6 %	1.4 %	$1,454	0.3 %	4.5 %
San Jose, CA	$1,544,638	-1.0 %	0.3 %	0.2 %	-5.7 %	$3,815	1.0 %	7.6 %
Nashville, TN	$453,322	-0.2 %	-0.3 %	0.7 %	1.0 %	$1,813	0.2 %	0.8 %
Virginia Beach, VA	$374,765	0.0 %	2.9 %	0.6 %	3.4 %	$1,891	1.0 %	6.6 %
Providence, RI	$528,018	0.1 %	3.7 %	2.3 %	-1.5 %	$2,167	0.1 %	4.3 %
Jacksonville, FL	$351,487	-0.1 %	0.0 %	-2.2 %	-1.0 %	$1,696	0.2 %	1.8 %
Milwaukee, WI	$391,398	0.1 %	5.5 %	-1.4 %	-2.9 %	$1,563	0.3 %	5.0 %
Oklahoma City, OK	$246,105	0.0 %	1.1 %	2.4 %	-4.9 %	$1,388	0.2 %	2.3 %
Raleigh, NC	$431,407	-0.4 %	-1.6 %	-1.4 %	4.7 %	$1,675	0.3 %	0.8 %
Memphis, TN	$244,845	-0.2 %	0.1 %	-0.5 %	0.8 %	$1,400	-0.1 %	1.0 %
Richmond, VA	$396,305	-0.1 %	2.7 %	3.5 %	-3.6 %	$1,729	-0.2 %	2.5 %
Louisville, KY	$280,808	-0.3 %	1.6 %	1.7 %	-0.2 %	$1,348	0.0 %	1.6 %
New Orleans, LA	$261,012	-0.3 %	1.6 %	-0.8 %	-2.7 %	$1,598	0.0 %	1.4 %
Salt Lake City, UT	$562,551	-0.2 %	1.0 %	6.2 %	0.1 %	$1,641	0.1 %	0.5 %
Hartford, CT	$404,670	0.2 %	5.2 %	1.0 %	1.2 %	$2,034	0.3 %	3.2 %

Buffalo, NY	$292,435	0.3 %	3.7 %	5.2 %	-3.8 %	$1,449	0.5 %	3.5 %
Birmingham, AL	$263,461	0.0 %	2.5 %	0.4 %	1.0 %	$1,433	0.8 %	2.0 %

*Table ordered by market size

Forward-looking statements

This press release includes forward-looking statements about future housing market conditions, mortgage rates, rental trends and other economic factors. These statements are based on current expectations and assumptions, which are subject to change. Actual outcomes may differ materially due to changes in economic and market conditions. Forward-looking statements speak only as of the date of this release, and Zillow Group undertakes no obligation to update them.

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Zillow's ecosystem spans the entire home journey — from dreaming and shopping to renting, buying, selling and financing.

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