

Zillow's September Market Report shows an early winter in the housing market as newly pending sales fall 8.5%

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The rental market continues to show strength, with the biggest annual rent gain since April 2025

- In September, existing home sales fell 2.5% from last year according to Zillow's nowcast. Newly pending sales, a forward-looking indicator of future closed sales, fell by 8.5% as mortgage rates reached their highest level since November 2023.
- A monthly mortgage payment on a typical home is 6.7% higher than a year ago, assuming a 20% down payment and excluding taxes and insurance. That's despite home values rising just 1% over the past year, according to the Zillow Home Value Index.
- The typical U.S. rent rose 2.7% from a year earlier to \$1,932, the biggest annual gain since April 2025 according to the Zillow Observed Rent Index.

SEATTLE, Oct. 6, 2026 /PRNewswire/ -- Sky-high mortgage rates and the usual fall slowdown teamed up to chill housing activity, according to the [Zillow® September Market Report](#). Closed sales of existing homes fell 2.5% from a year earlier, according to Zillow's preliminary nowcast. Newly pending sales, a leading indicator of future closings, fell 8.5% year over year.

Mortgage rates ended the month at 7.28%, the highest reading since November 2023 according to [Freddie Mac](#). Home values remain little changed, up just 1% over the past year according to the [Zillow Home Value Index](#). But higher rates have pushed the typical mortgage payment to be 6.7% higher than a year ago, assuming a 20% down payment and excluding taxes and insurance.

Despite more inventory, sales remain muted as buyers grapple with rising costs. There were 0.4% more new listings

than last September, though that is 11.9% below the pre-pandemic baseline. Total for-sale inventory was 2.5% higher than a year ago, marking the 34th consecutive month of annual gains.

The for-sale market's retreat may be translating to rising costs in the rental market. The typical U.S. rent rose 2.7% year over year in September, the biggest annual gain since April 2025 according to the Zillow Observed Rent Index. Annual rent growth has accelerated every month since April and is widespread, rising for both multifamily and single-family homes.

"The for-sale market's slowdown was predictable given where mortgage rates currently stand, but the continued strength in the rental market is more surprising. Buyers on the margins are finding the monthly savings for renting too good to pass up, even if their long-run goal is still to purchase a home," said Mischa Fisher, chief economist at Zillow. "We expect sales to remain lower than last year through the fourth quarter. However, it's not out of the question that rates will decline as rapidly as they rose, which would bring both buyers and sellers back to the market. At this point in the calendar, the question is whether they would sit out until next spring."

More data, including [dashboards with local market data](#), can be found on the [refreshed Zillow Research website](#). The Zillow October Market Report is expected to be released [November 5](#).

Home Values & Mortgage Payments

- The typical U.S. home value is \$366,913.
- The Zillow Home Value Index (ZHVI) fell 0.5% month over month in September. Home values are 1% higher than a year earlier.
- The monthly mortgage payment on a typical U.S. home is \$1,922, assuming a 20% down payment and excluding taxes and insurance. That is 6.7% higher than last year.

Inventory

- There were 1.39 million homes for sale nationwide in September.
- Active inventory was 2.5% higher than a year earlier. Inventory fell 1.5% from August.
- New for-sale listings totaled 343,311 in September, up 0.4% from a year earlier and down 3.9% from August.

Sales

- 319,346 homes were sold in September, according to the preliminary Zillow sales count nowcast. That is 2.5% lower than a year earlier and down 5.6% from August. These figures will be revised mid-month.
- Newly pending sales, which measures listings that changed from for-sale to pending status rather than closed sales, shows an 8.5% decrease from a year earlier and a 11.2% decrease over August.

Affordability

- A household earning the median income would need to spend 34.3% of its income on the typical monthly mortgage payment (assuming a typically valued home and a 20% down payment, and including estimates for taxes, maintenance and insurance). That is up from 33.7% a year earlier and 33.9% in August.
- A household earning the median income would need to spend 26.3% of its income on the typical rent in September. That is down from 26.4% a year earlier and flat from August.

Competition

- Homes took a median of 29 days to go pending in September. That was two days longer than a year earlier and two days longer than August.
- The share of listings with a price cut in September was 27.4%. That was up from 26.2% a year earlier and up from 26.3% in August.
- 27.6% of homes sold above list price in August, the most recent data available. That's compared to 26.9% a year earlier and 29.6% in July.

Rents

- The typical rent nationwide is \$1,932, according to the Zillow Observed Rent Index. That's 2.7% higher than a year earlier and up 0.1% from August.
- 39.6% of rental listings on Zillow offered a concession in September. That's up from 37.4% a year earlier and up from 39.3% in August.

Zillow September 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	\$366,913	-0.5 %	1 %	2.5 %	-2.5 %	\$1,932	0.1 %	2.7 %
New York, NY	\$733,217	-0.2 %	4.8 %	3 %	-2.2 %	\$3,546	-0.1 %	4.2 %
Los Angeles, CA	\$952,830	-0.5 %	1.3 %	0.5 %	-5.2 %	\$2,929	0.2 %	1.8 %
Chicago, IL	\$358,074	-0.2 %	5.1 %	0.1 %	1 %	\$2,163	-0.2 %	4.7 %
Dallas, TX	\$359,178	-0.5 %	-1.9 %	-3.9 %	-2.4 %	\$1,659	0 %	0.7 %
Houston, TX	\$303,039	-0.5 %	-1.8 %	2.4 %	-7.2 %	\$1,638	0 %	0.1 %
Washington, DC	\$570,871	-0.7 %	0.1 %	13.2 %	-8.8 %	\$2,407	0.2 %	1.4 %
Philadelphia, PA	\$387,304	-0.5 %	2.4 %	7.3 %	-7 %	\$1,903	0 %	3.3 %
Miami, FL	\$478,411	0 %	0.9 %	-13.9 %	-3 %	\$2,654	0.2 %	1.8 %
Atlanta, GA	\$376,082	-0.5 %	-1.6 %	1.3 %	-11.2 %	\$1,843	0.2 %	2.1 %
Boston, MA	\$728,324	-0.7 %	1.9 %	15 %	-0.4 %	\$2,987	-0.6 %	2.3 %
Phoenix, AZ	\$440,821	-0.4 %	-1.1 %	4.4 %	-5.1 %	\$1,720	0.1 %	1 %
San Francisco, CA	\$1,131,146	-0.3 %	3.7 %	-12.3 %	-2.6 %	\$3,445	1.2 %	11.8 %
Riverside, CA	\$581,604	-0.3 %	0.5 %	-3.8 %	-2.6 %	\$2,533	0.2 %	2.9 %
Detroit, MI	\$264,838	-0.7 %	1.5 %	6.6 %	-7.7 %	\$1,514	0.4 %	4.2 %

Seattle, WA	\$721,838	-1.1 %	-2.2 %	20.3 %	-8.7 %	\$2,250	-0.2 %	1.8 %
Minneapolis, MN	\$389,947	-0.3 %	1.7 %	16.8 %	0.4 %	\$1,736	-0.1 %	3.5 %
San Diego, CA	\$929,618	-0.6 %	0.9 %	-4.9 %	-9.3 %	\$2,967	0 %	2.2 %
Tampa, FL	\$357,180	-0.4 %	-0.5 %	-6.2 %	0.5 %	\$1,991	0.2 %	0.4 %
Denver, CO	\$557,532	-0.8 %	-1.7 %	0.4 %	-8.1 %	\$1,900	-0.2 %	0 %
Baltimore, MD	\$397,069	-0.7 %	0.2 %	9.1 %	-2.9 %	\$1,937	0.3 %	2.7 %
St. Louis, MO	\$274,292	-0.5 %	3.1 %	6.8 %	-4.2 %	\$1,427	0.3 %	4.1 %
Orlando, FL	\$383,561	-0.2 %	-1.2 %	-1.8 %	5.9 %	\$1,929	-0.3 %	0.8 %
Charlotte, NC	\$381,219	-0.7 %	-1.2 %	5.7 %	-0.2 %	\$1,735	0.1 %	1.4 %
San Antonio, TX	\$273,869	-0.7 %	-1.9 %	3.3 %	3.3 %	\$1,415	0 %	-0.7 %
Portland, OR	\$541,200	-0.6 %	-0.1 %	4.5 %	-2.8 %	\$1,803	0.3 %	1.1 %
Sacramento, CA	\$574,555	-0.5 %	0.2 %	-1.6 %	-0.3 %	\$2,269	0.1 %	1.8 %
Pittsburgh, PA	\$229,242	-0.6 %	0.4 %	11.7 %	-3.1 %	\$1,467	0.1 %	3.5 %
Cincinnati, OH	\$306,903	-0.5 %	1.9 %	6.3 %	3.2 %	\$1,522	0.2 %	2.8 %
Austin, TX	\$416,134	-0.7 %	-3.9 %	-2.5 %	-0.5 %	\$1,603	0 %	0.7 %
Las Vegas, NV	\$422,534	-0.5 %	-2.7 %	3.7 %	-2.5 %	\$1,732	-0.1 %	0.5 %
Kansas City, MO	\$327,069	-0.4 %	3.5 %	0.7 %	0.2 %	\$1,534	0.1 %	3.8 %
Columbus, OH	\$328,082	-0.6 %	1.1 %	5.5 %	0.1 %	\$1,525	0.2 %	2.9 %
Indianapolis, IN	\$292,332	-0.4 %	0.9 %	10.8 %	0.2 %	\$1,528	0.2 %	3.5 %
Cleveland, OH	\$251,602	-0.4 %	3.8 %	16.6 %	-1.2 %	\$1,440	0.4 %	4.5 %
San Jose, CA	\$1,535,288	-1 %	-0.2 %	10.5 %	2 %	\$3,812	0.7 %	8.3 %
Nashville, TN	\$449,730	-0.5 %	-0.6 %	9.6 %	2.7 %	\$1,803	0.1 %	1.2 %
Virginia Beach, VA	\$372,867	-0.3 %	2.8 %	4.8 %	-1.8 %	\$1,886	0.6 %	7.1 %
Providence, RI	\$524,593	-0.3 %	3.5 %	10.7 %	-9.3 %	\$2,166	-0.2 %	4.2 %
Jacksonville, FL	\$351,310	-0.1 %	0.2 %	-12.4 %	3.5 %	\$1,680	0.3 %	2.2 %
Milwaukee, WI	\$386,695	-0.6 %	4.9 %	4.4 %	2.2 %	\$1,549	0.2 %	5.1 %
Oklahoma City, OK	\$243,587	-0.5 %	0.7 %	5.4 %	7.5 %	\$1,384	0.3 %	2.4 %
Raleigh, NC	\$427,969	-0.7 %	-1.8 %	11.1 %	3.9 %	\$1,669	0.2 %	1.4 %
Memphis, TN	\$241,929	-0.7 %	-0.2 %	8 %	-1.4 %	\$1,393	-0.1 %	1.1 %
Richmond, VA	\$394,095	-0.4 %	2.5 %	8.3 %	2.1 %	\$1,706	-0.3 %	2.5 %
Louisville, KY	\$279,064	-0.5 %	1.3 %	16 %	7.2 %	\$1,339	0.3 %	2 %
New Orleans, LA	\$256,676	-0.9 %	0.8 %	-0.3 %	-2.5 %	\$1,577	-0.1 %	1.7 %
Salt Lake City, UT	\$560,853	-0.4 %	0.5 %	8.9 %	-3.3 %	\$1,644	-0.1 %	0.7 %
Hartford, CT	\$401,131	-0.3 %	5 %	5.6 %	2.9 %	\$1,998	0.1 %	3.5 %
Buffalo, NY	\$287,962	-0.6 %	3.1 %	15.2 %	6.3 %	\$1,451	0.4 %	3.8 %
Birmingham, AL	\$261,464	-0.4 %	2.3 %	1.6 %	4.8 %	\$1,404	0.5 %	2.9 %

*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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