VeroFORECAST℠
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Moderate House Price Increases Expected
as Market Adjusts to High Rates

THE **OVERALL** METRO MARKET **TREND**

MAR. 1, 2024 - MAR. 1, 2025

2.9%

Average Home Price Appreciation Over the Next 12 Months in 100 of the Most Populated Metro Areas.

312	963	16,413	82%
MARKETS COVERED	COUNTIES COVERED	ZIP CODES COVERED	POPULATION COVERED

> The prediction of a 2.9% increase in home prices over the next year comes amid a backdrop of low housing inventory and resilient demand despite elevated mortgage rates.

> Rates are expected to hover above 6.5% throughout 2024 due to inflation exceeding the Federal Reserve's 2% target and a strong labor market, although displaying some signs of softening.

- Reena Agrawal
Research Economist

TOP 10 METRO MARKETS

The 10 strongest performing markets, poised for appreciation between 6%-7.5% over the next 12 months, predominantly hail from the Northeast and Midwest, boasting proximity to major metros and burgeoning opportunities catalyzed by the work-from-home trend.

1. LANCASTER, PA .... +7.5%
2. ROCHESTER, NY .... +7.0%
3. MANCHESTER-NASHUA, NH .... +6.9%
4. READING, PA .... +6.7%
5. HARTFORD-EAST HARTFORD-MIDDLETOWN, CT ... +6.6%
6. ROCKFORD, IL .... +6.5%
7. GRAND RAPIDS-KENTWOOD, MI .... +6.2%
8. TOPEKA, KS .... +6.1%
9. INDIANAPOLIS-CARMEL-ANDERSON, IN ... +6.1%
10. HARRISBURG-CARLISLE, PA .... +6.0%
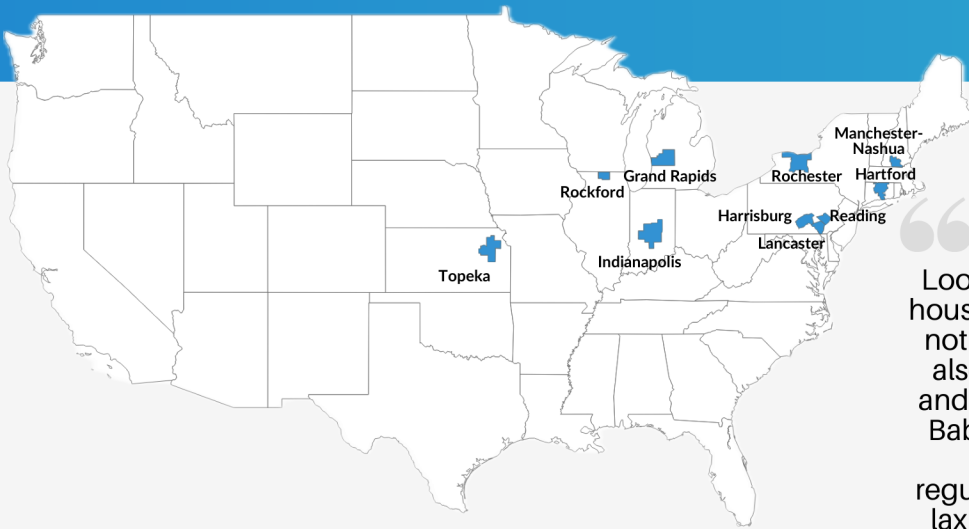
> Looking ahead, the constrained housing supply will be influenced not only by financial factors but also by personal ties to homes and demographic shifts, such as Baby Boomers opting to age in place. Stringent lending regulations, a departure from the lax practices of the 2008 crisis, mitigate the risk of widespread defaults, ensuring market stability.
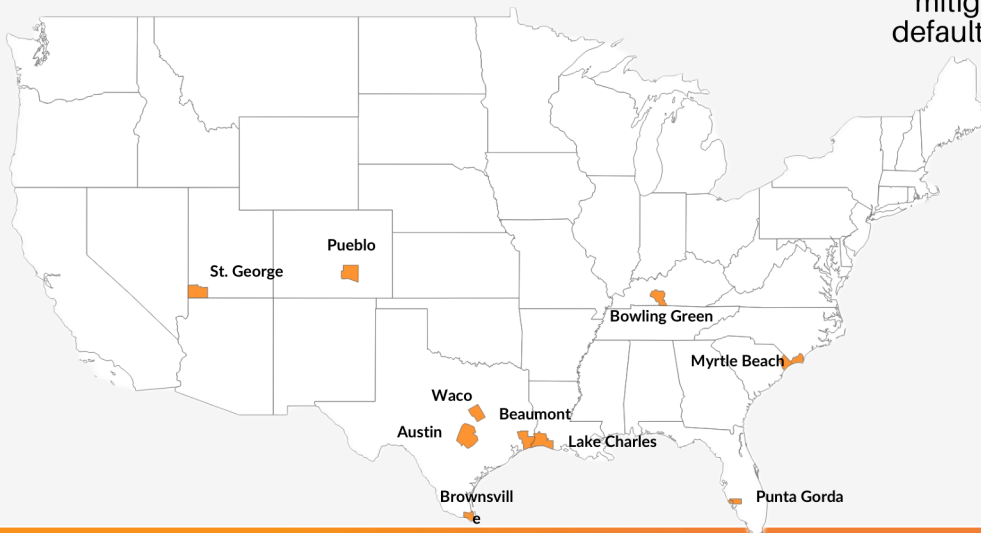
BOTTOM 10 METRO MARKETS

The ten weakest markets anticipate a mild depreciation over the next 12 months, ranging from -1% to -3%, with several metros, such as some of those in Texas, Louisiana, and Kentucky, grappling with elevated unemployment rates and failing to attract new residents.

1. BROWNSVILLE-HARLINGEN, TX .... - 3.2%
2. LAKE CHARLES, LA .... - 2.5%
3. AUSTIN-ROUND ROCK-GEORGETOWN, TX ... - 2.4%
4. ST. GEORGE, UT .... - 2.1%
5. PUEBLO, CO .... - 2.0%
6. WACO, TX .... - 1.7%
7. PUNTA GORDA, FL .... - 1.7%
8. BOWLING GREEN, KY .... - 1.6%
9. BEAUMONT-PORT ARTHUR, TX .... - 1.6%
10. MYRTLE BEACH-CONWAY-NORTH MYRTLE BEACH, SC-NC .... - 1.4%

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