

# Will Home Prices Rise or Fall?

Key Insights from the VeroFORECAST Q1 2025

Veros' VeroFORECAST Predicts An Average Nationwide Home Price Growth Of

## THE OVERALL METRO MARKET TREND

MAR. 1, 2025 - MAR. 1, 2026

# 2.4%

Over the Next 12 Months in 100 of the Most Populated Metro Areas

<b>323</b>	<b>978</b>	<b>82%</b>
<b>MARKETS COVERED</b>	<b>COUNTIES COVERED</b>	<b>POPULATION COVERED</b>

**Key Takeaway:**

While inventory has risen since last year, demand remains sluggish. High mortgage rates and ongoing price increases are still making homeownership unaffordable for many.

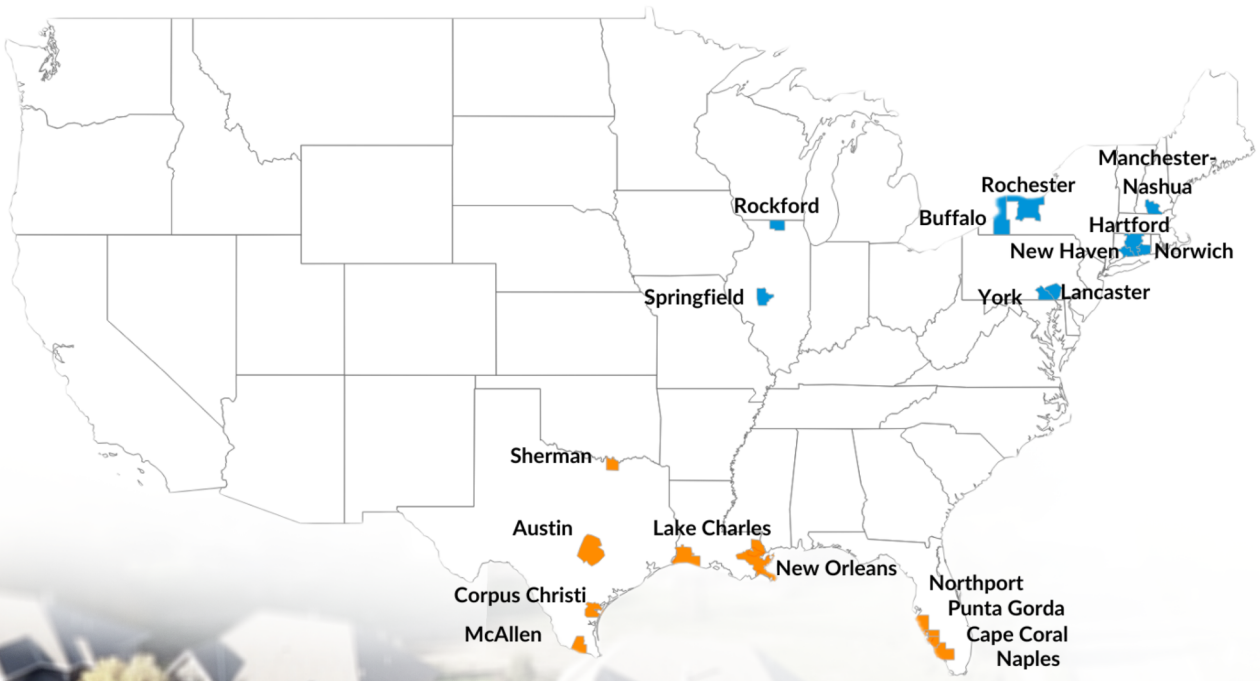
“The increase in available homes provides buyers with more negotiating leverage, suggesting that average home prices across the U.S. will increase only modestly, as indicated by the VeroFORECAST.”

- **Reena Agrawal**  
Research Economist

## TOP 10 METRO MARKETS

The Northeast and Midwest continue to experience the largest price increases, primarily due to limited inventory. In contrast, Sunbelt metros have seen higher inventory levels, driven by elevated prices and substantial new construction, which is likely moderating price growth in those areas.

- |   |  |
|---|--|
| 1. ROCKFORD, IL ..... +6.4%                             | 6. MANCHESTER-NASHUA, NH ..... +5.4%             |
| 2. HARTFORD-WEST HARTFORD-EAST HARTFORD, CT ..... +5.9% | 7. YORK-HANOVER, PA ..... +5.4%                  |
| 3. LANCASTER, PA ..... +5.6%                            | 8. BUFFALO-CHEEKTOWAGA, NY ..... +5.4%           |
| 4. SPRINGFIELD, IL ..... +5.5%                          | 9. NEW HAVEN, CT ..... +5.2%                     |
| 5. ROCHESTER, NY ..... +5.4%                            | 10. NORWICH-NEW LONDON-WILLIMANTIC, CT ... +5.1% |



## BOTTOM 10 METRO MARKETS

Florida and Texas, home to four of the ten weakest housing markets each, are seeing rising inventory due to new construction. A slowdown in domestic migration, higher home availability, cooling pandemic-era moves, and escalating insurance costs from natural disaster risks are driving this downturn.

- |  |   |
|--|---|
| 1. PUNTA GORDA, FL ..... -3.5%                 | 6. MCALLEN-EDINBURG-MISSION, TX ..... -1.4%     |
| 2. LAKE CHARLES, LA ..... -2.7%                | 7. SHERMAN-DENISON, TX ..... -0.7%              |
| 3. CAPE CORAL-FORT MYERS, FL ..... -2.7%       | 8. CORPUS CHRISTI, TX ..... -0.7%               |
| 4. NAPLES-MARCO ISLAND, FL ..... -2.7%         | 9. AUSTIN-ROUND ROCK-SAN MARCOS, TX ..... -0.7% |
| 5. NORTH PORT-BRADENTON-SARASOTA, FL ... -1.5% | 10. NEW ORLEANS-METAIRIE, LA ..... -0.4%        |