

HOME SALES REBOUND WHERE SUPPLY HAS SURGED

Southern markets with plenty of choices lead the U.S. in annual sales growth

- Home sales rose the most over the year in Austin, according to Zillow, where inventory is a nation-leading 52% above pre-pandemic averages.
- Homes are typically selling after 17 days — roughly in line with pre-pandemic norms.
- Inventory has fully recovered in 19 major metros — concentrated in the South and West — where sales growth is strongest.



The spring housing market is warming up fastest in places where buyers finally have options to choose from. The trend could help explain why sales still trail pre-pandemic norms, even as individual listings sell at similar speeds.

Austin leads all major metros in both annual sales growth (20%) and inventory added over pre-pandemic norms (52%). Among the top-10 markets for year-over-year sales growth, six have more inventory than before the pandemic.

After years of low supply, markets with restocked shelves are seeing relatively stronger sales growth. Construction boomed across the Sun Belt, activity slowed in many markets as they went through a transition period. Now those same markets with a wealth of options for buyers are seeing recovering sales, as incomes are more in line with prices. Having more homes on the market is helping the market function again.

Buyers' dollars go further in this housing market than they did last year; at the national level a typical monthly mortgage payment is 3.4% lower than April 2025. Sales are slightly higher nationwide, up 2.3% in April compared to last year.

The rising costs of everything else are one limiting factor, straining budgets and pausing major purchases. Inventory is another. There were 3.7% more active listings in April compared to the year prior, but inventory remains 18.7% below historical norms.

In areas that responded to the surge in demand by building additional housing, inventory has recovered faster. Housing inventory now exceeds pre-pandemic norms in 19 of the 50 most populous U.S. metros, with concentrations in the South and West. Now, those metros with the most restored inventory are generally where sales are trending up.

Higher inventory tends to put downward pressure on prices. And where income growth has outpaced price growth in recent years, housing affordability has also improved most. Compared to a year ago, the typical monthly mortgage payment has fallen 9.8% in Austin, 7.4% in Dallas, 7% in Denver, 6.2% in Raleigh and 6% in San Antonio. The savings are large when compared to the rest of the country.

Nationwide, the pace of home sales at the listing level is very close to pre-pandemic norms — the median age of inventory is one day less and listings that do go pending typically do so one day faster than in 2018-2019. The big differences are sales totals, inventory and new listings, which are down 18%, 19% and 16%, respectively, in April.



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