

Homes are selling at the fastest rate ever recorded by Zillow

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Daniel Barnes on Unsplash

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Homes are typically selling just 20 days after hitting the market, according to a [weekly market survey published Thursday](#) by [Zillow](#). It's the shortest span ever recorded by the Seattle-based real estate tech company and it's resulting in fewer price cuts and rising home prices.

“As surprising as it might have seemed at the time, sellers who forged ahead with listing their homes this spring were richly rewarded, when buyers buoyed by record-low mortgage rates flooded their listings with offers,” said [Jeff Tucker](#), Zillow economist. “Now, word is getting out that the housing market is on solid

ground, so more listings are belatedly rushing to market, extending the busy spring shopping season well into summer.”

“The huge Millennial first-time home-buying wave is still cresting, pushing demand above what’s still very limited supply, so sellers are likely to find eager buyers for months or even years to come.”

List prices were up 4.3 percent annually as of early July, according to the report, but have only grown 5.8 percent in the past two months, which signals a slowing down in price appreciation.



Jeff Tucker | Photo
credit: Zillow

In May, for example, the median price of all U.S. homes sold was \$263,408, which was a 5.6 percent increase and the second consecutive month where the annual price growth rate decelerated. The slowing down comes after a year of price acceleration around 5.5 percent year-over-year growth.

Zillow’s data also suggests sale price growth is likely to reverse course soon and balloon again with new listings of high-end homes surging and raising the median list price.

Prices increased the most in Indianapolis — 11.8 percent year over year — followed by Salt Lake City and Miami, in May. The smallest increases were in Las Vegas — where prices only increased 0.8 percent — along with San Francisco and Jacksonville.

At the same time, **rent** growth slowed at a time when it typically accelerates, according to the report. Monthly nationwide rent for a typical apartment was \$1,723 in June, up from 1.5 percent a year ago but down from the 2 percent annual growth in May

The typical rent, during the past five years, has grown, on average, \$30 between March and June. This year the typical rent has fallen \$5 over that period, with declines of almost \$60 in high-priced markets like San Jose and New York.
