

Zillow Predicts These 10 Places Will Have the Hottest Housing Markets in 2025



Zillow released an analysis this week predicting the nation's hottest housing markets of 2025, where sellers have the greatest advantage.

The heat ranking takes local home value growth into account as well as how quickly homes are selling and job growth per new home.

Buffalo, New York was at the top of the list, for the second year in a row. Zillow forecasts that the area will be the hottest housing market this year because of its lower-than-average home prices and strong home value growth.

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Buffalo also has the greatest number of new jobs per new homes permitted, which means it has the greatest expected demand for housing. New jobs translate to new residents who move into an area, increasing competition and home prices until builders can construct enough houses to meet demand.

“Construction that keeps pace with an area’s growth remains a crucial piece of keeping homes available and accessible,” Zillow’s chief economist Skylar Olsen stated in a press release. “In chilly Buffalo, competition among buyers will remain hot, with employment growing far faster than builders are adding homes.”

Zillow forecasted last year that Buffalo would be a hot market in 2024 and was correct. The area was a strong seller’s market last year, according to Zillow’s own market heat index.

Related: A New Hampshire City Was Named the Hottest Housing Market in the U.S. This Year. Here’s the Top 10 for 2024.

Second on the list is Indianapolis, Indiana. With a typical home value of \$275,639 in 2024, Indianapolis stands out in terms of affordability, which Zillow predicts will attract prospective home buyers this year.

Third, fourth, and fifth on the list are Providence, Rhode Island; Hartford, Connecticut; and Philadelphia, Pennsylvania. Zillow says these areas stand out as prime housing markets because of their relative affordability compared to the more expensive Northeastern areas they border, like New York and Boston.

Here’s a list of Zillow’s predictions for the top 10 hottest housing markets in the U.S. in 2025, along with Zillow’s estimates of the typical home value in 2024 and home value growth forecast for 2025 in those areas.

1. Buffalo, NY

Zillow Home Value Index 2024: \$260,537

2025 Home Value Growth Forecast: 2.8%

2. Indianapolis, IN

Zillow Home Value Index 2024: \$275,639

2025 Home Value Growth Forecast: 3.4%

3. Providence, RI

Zillow Home Value Index 2024: \$484,019

2025 Home Value Growth Forecast: 3.7%

4. Hartford, CT

Zillow Home Value Index 2024: \$363,298

2025 Home Value Growth Forecast: 4.2%

5. Philadelphia, PA

Zillow Home Value Index 2024: \$362,744

2025 Home Value Growth Forecast: 2.6%

6. St. Louis, MO

Zillow Home Value Index 2024: \$250,141

2025 Home Value Growth Forecast: 1.9%

7. Charlotte, NC

Zillow Home Value Index 2024: \$377,450

2025 Home Value Growth Forecast: 3.2%

8. Kansas City, MO

Zillow Home Value Index 2024: \$299,118

2025 Home Value Growth Forecast: 2.7%

9. Richmond, VA

Zillow Home Value Index 2024: \$368,957

2025 Home Value Growth Forecast: 2.9%

10. Salt Lake City, UT

Zillow Home Value Index 2024: \$543,324

2025 Home Value Growth Forecast: 2.3%

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