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Map shows the 10 US cities with the biggest home price drops

Story by Anna Commandern 2026-9-6

Home prices are pulling back in major housing markets, led by former pandemic-era "boomtowns" that are surrendering some of their historic gains, according to new data from Realtor.com®.

The median listing price per square foot fell year-over-year in 36 of the nation's 50 largest metropolitan areas in August, marking the 10th consecutive month of nationwide decline. Nationally, the price per square foot slipped 1.8 percent compared with the previous year. - Note

Austin, Texas, registered the sharpest decrease, with listing prices per square foot plunging 8.1 percent from a year earlier, according to the data.

Tampa, Florida, followed with a 5.6 percent drop, while Memphis, Tennessee, saw prices fall 4.1 percent.

Rounding out the top 10 metropolitan areas with the largest declines were: San Francisco (3.9 percent); San Antonio (3.6 percent); Denver (3.40 percent); Baltimore (3.2 percent); San Diego (2.7 percent); Orlando, Florida, (2.6 percent); and Portland, Oregon (2.4 percent).

Median listing prices in those markets ranged from about $300,000 in Memphis to more than $900,000 in San Francisco and San Diego, Realtor.com® said.

Jake Krimmel, senior economist at Realtor.com®, said the downward trend largely reflects markets cooling after unsustainable spikes during the COVID-19 pandemic.

One common thread for most markets—including Austin, Tampa, San Antonio, Denver—is 2020–22 boomtowns continuing to give back some of their pandemic-era gains," he said in a statement on Saturday. "These are also, by and large, places with much more inventory now than pre-pandemic norms," In San Francisco, however, Krimmel noted that the dip in price per square foot tells a different story regarding inventory composition rather than a broad loss in property values.

Note

"It's not about San Francisco homes losing value, but rather how expensive the available inventory is this year relative to last," he said. "There are fewer small, pricey homes in the center of the city for sale. They are scarce and selling fast. On the flip side, this year there are relatively more large, less expensive per-square-foot homes coming up for sale in outer suburbs."

Market Pressures and Shifting Dynamics

The localized price corrections emerge as prospective buyers grapple with persistent affordability hurdles, driven by elevated borrowing costs and shifting supply dynamics.

Realtor.com® attributed the broader adjustments to high mortgage rates and shifting local conditions, which are prompting sellers to adopt more realistic asking prices.

Note

Mortgage rates continue to complicate the landscape. According to Freddie Mac, the average U.S. 30-year fixed mortgage rate stood at 6.71 percent this week. These elevated borrowing costs constrain consumer purchasing power, meaning buyers often face steep monthly mortgage obligations even as baseline listing prices retreat.

Realtor.com® notes that the resulting environment offers a mixed bag for participants:

- **For buyers:** Falling prices and rising inventory provide increased negotiating leverage following years of rapid appreciation.
- **For the broader market:** Price drops are not universal. Metropolitan areas such as Providence, Rhode Island; Indianapolis; and Chicago bucked the trend, posting year-over-year gains in price per square foot in August.

Note

Looking ahead, the trajectory of the housing market through the fall will hinge primarily on the path of mortgage rates, regional inventory levels, and buyer confidence amid evolving affordability conditions.

What Has President Trump Said About Interest Rates?

The increase in mortgage rates comes despite President Donald Trump's repeated calls for lower interest rates. The president has made reducing borrowing costs a key part of his economic agenda and has repeatedly pressured the Federal Reserve to cut rates.

"Lower the interest rates because the U.S.A. is a much stronger credit than it was just a short time ago! A STRONG COUNTRY MEANS A LOWER INTEREST RATE – IT'S A BETTER CREDIT...Very simple! We should have the LOWEST RATE of any country in the World, like 'the old days,'" Trump wrote in part on Truth Social on Friday while touting the latest jobs report.

"LOWER THE RATE OR I'LL STOP TRADING WITH COUNTRIES WITH WHICH WE HAVE A DEFICIT," he later added in the post.

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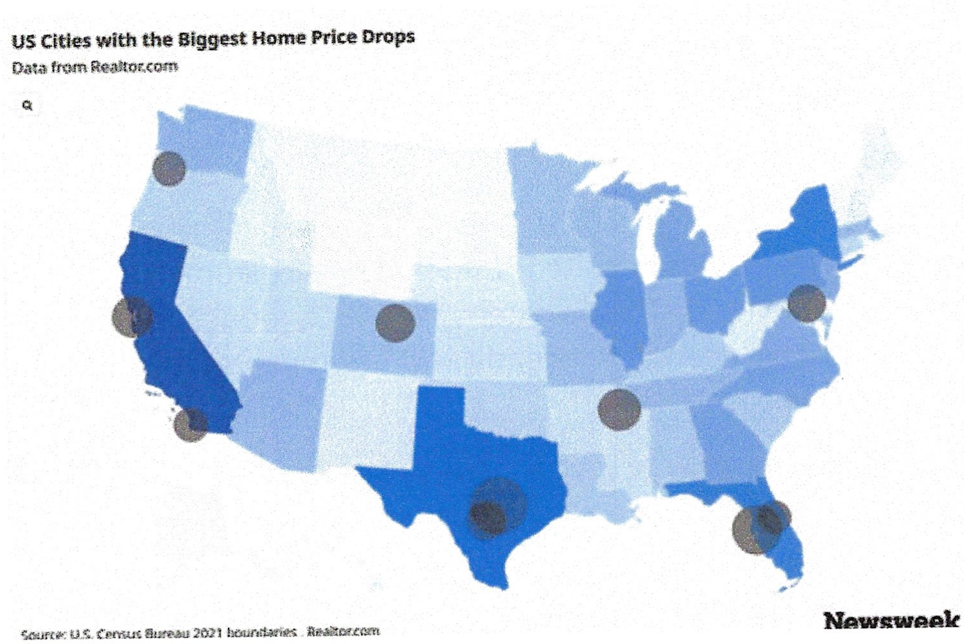

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