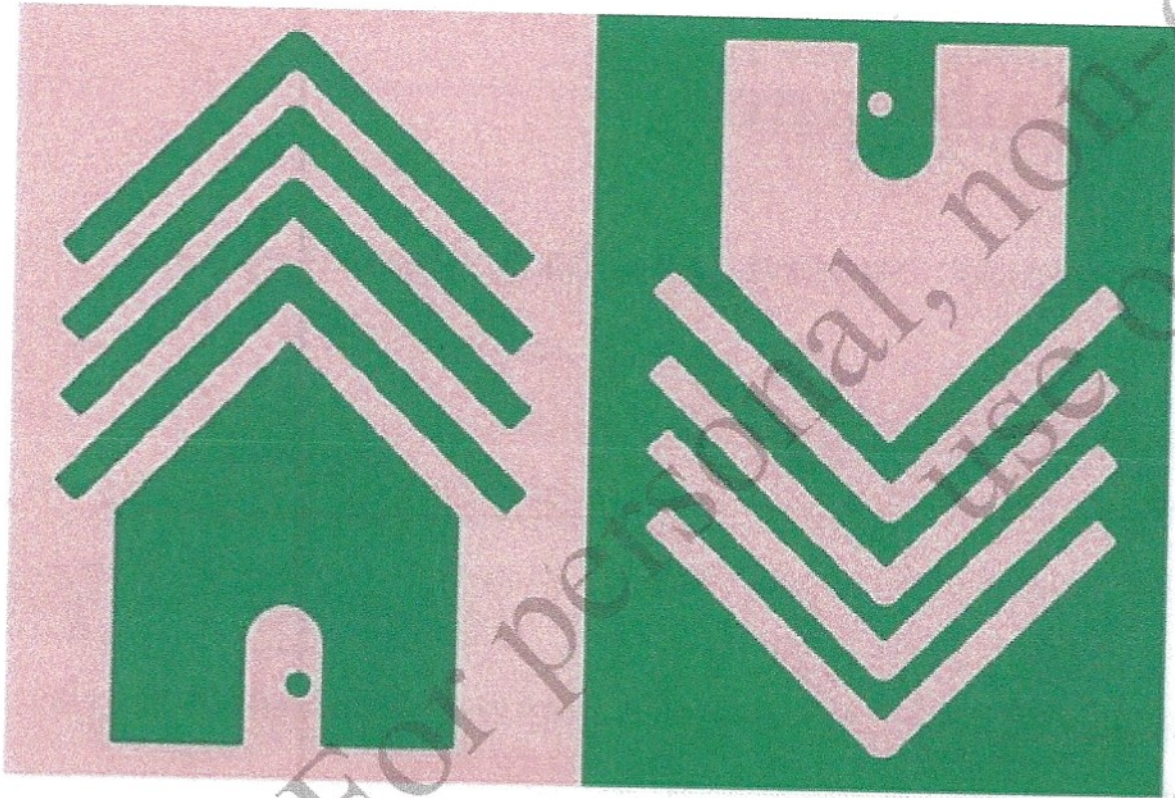


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Many of the markets that rose the fastest are cooling the most.

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CLOCKWISE FROM TOP: ELENA SCOTTI/ WSJ; ZILLOW; GREG DAVIS PHOTOGRAPHY



The number of offers increasingly varies by location. This Northern New Jersey home went under contract in just over a week.

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Miami homes such as this one are sitting on the market longer than they did during the pandemic, said a real-estate agent with eXp Realty.

Two Houses Show Market Imbalance

The Northeast has tons of demand and low supply; Sunbelt areas have flood of options

BY VERONICA DAGHER

Two houses went on the market for similar prices at about the same time earlier this year. One got 25 offers. The other got none.

There are many variables that determine demand, from the condition of the house to the price set by the seller. But one factor is having a major impact right now: geography.

The Northeast and Midwest markets have far more prospective buyers than available homes. But parts of the Sunbelt are seeing a flood of houses for sale.

The divergence is playing out in places like Wyckoff, N.J., where a four-bedroom ranch was on the market for just over a week in early February. With dozens of offers, the winning buyers contracted to buy for about \$200,000 above the roughly \$1.1 million asking price.

But in Miami, a six-bedroom with a grand staircase and pool has sat on the market for nearly two months without a firm offer. The sellers cut the price by \$9,000 to \$990,000.

“There are very different realities for sellers depending on location,” said Cara Lavender, research manager at John Burns Research and Consulting.

For the past few years, nearly every market was hot and there were few deals to be found. Now, many of the markets that rose the fastest are the ones cooling the most. If that weakness spreads more broadly across the housing market, it could drag on a U.S. economy that has lately been slowing.

In Southern Florida, builders are dangling significant incentives to sell newly built homes. Investors, second-home owners and retirees are putting homes on the market to escape storm damage and rising insurance rates, Lavender said. Some 78% of real-estate agents say sellers of existing homes outnumber buyers there, according to a John Burns survey conducted in March.

In the Northeast, new construction is constrained by land availability and zoning limitations. Many would-be sellers are putting off sales to hold on to low mortgage rates, Lavender said. The survey found 81% of agents said buyers outnumber sellers there.

While every local housing market is different, there is a widening range of time that homes are sitting on the market around the country, according to a Realtor. com analysis of all states. The state with the fastest-moving market in February was Rhode Island, where the median home sat on the market for 37.5 days. The slowestmoving market was Montana, at 108.25 days on market. That is the widest gap between any two states for any February since 2020.

Home sales ticked up nationwide in February. And overall, prices keep climbing. A measure of prices across 20 cities rose 4.7% from a year earlier in January. New York had the highest annual gain, at 7.7%. Prices in Tampa fell 1.5%. The gap between price growth for the 20 cities is widening compared with a year earlier in January, according to S&P Dow Jones Indices.

Liz Ruckdeschel, an agent at Coldwell Banker Realty, figured 539 Covington Place in Wyckoff, N.J., would be a hot property.

Bidding wars in the Northern New Jersey suburb of New York, known for its good schools, are still common, she said. Ranchstyle homes like the one she is selling are popular with young families and retirees looking to downsize to a single story.

Selling points included the kitchen island featuring a chunky marble countertop, the decor's neutral tones and a custom garden. However, the roof is aging and the front steps could use repair.

Seller Kate Fishbein knew she would find a buyer but was surprised by the high level of demand.

"It was overwhelming," said Fishbein, who expected to get about 10 offers. She and her husband, Jordan Fishbein, bought the home for about \$630,000 around 13 years ago. They remodeled and updated the house over the years.

They are under contract for a larger home in the same neighborhood where their bid was chosen over multiple offers.

Meanwhile, Monica Cardoso, a Miami real-estate agent with eXp Realty, said during the pandemic, houses similar to 15210 SW 15th St. were in high demand. Buyers lined up down the street at open houses, ready to make offers immediately.

But so far, there has only been one informal lowball offer on 15210 SW 15th St. A recent open house attracted a handful of casual lookers.

Cardoso is hoping a buyer will want a home that could accommodate a multigenerational family with a large family room, high ceilings and backyard Jacuzzi and pool.

The house has some drawbacks that might make it a tougher sell if it was in New Jersey, too. It backs up to a busy main road and has decor that needs updating.

Owner Chastity Zaldivar, who bought the home with husband Rogelio Zaldivar for about \$575,000 nearly 20 years ago, is anxious to sell. The couple and their two adult sons want to buy a five-bedroom home about an hour away that is listed for around \$600,000.

They are planning to take some of the proceeds from the sale of this home to bolster their retirement accounts and pay off their sons' student loans. But they can't make an offer on the new place until they sell this one.

With the slower market, they are hopeful the new house will still be available.

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