

#### The 10 hottest housing markets to watch in 2022

The top US housing markets for 2022 are mostly affordable tech hubs with outdoor recreational opportunities that have become attractive alternatives to pricier coastal markets of late

#### BY LILLIAN DICKERSON

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Experts have said that the real estate market is finally showing signs of slowing after a year of <u>surging home prices</u> and intense buyer competition. But desirable markets across the Mountain West and Midwest are primed for a big year in 2022, according to realtor.com's latest analysis of <u>2022's top housing markets</u>, and buyers planning a move to these locations in the new year may want to do so sooner rather than later to avoid upcoming competition and rising prices.

The top housing markets for 2022 in the U.S. are mostly affordable tech hubs with outdoor recreational opportunities that have become attractive alternatives to pricier coastal markets, especially in the wake of the work-from-home movement that's swept the country over the course of the pandemic. Cities that made the list have low unemployment, strong local economies and significant job growth.

"Our top housing markets are attracting remote-minded workers, possibly interested in snagging a big-city salary while still enjoying the quality of life that these generally smaller areas afford," Danielle Hale, realtor.com chief economist, said in the report.

Although these cities are affordable in comparison to some of the nation's priciest markets, the average listing price for these 10 markets is actually higher than the national median home price.

As of November, the average listing price for these hot markets was \$431,000, compared to the national median of \$379,000. That overall higher price point is just another incentive for buyers to get moving before the competition gets heated.

For this forecast, realtor.com analyzed data on the anticipated growth of home sales and home prices in 2022 compared to 2021 in the top 100 largest metro areas.

Read on for the nation's hottest markets coming up in the year ahead.

# 1. Salt Lake City, Utah



Thomas Konings/ Unsplash

Median home price: \$564,062

Anticipated price growth: 8.5 percent

Anticipated sales growth: 15.2 percent

Salt Lake City has become an emerging <u>tech hub</u> in recent years, drawing younger populations and helping it gain the nickname of "the Silicon Slopes." Adobe, Facebook and Electronic Arts all now have hubs in the city, helping create new opportunities for aspiring techies.

In addition to the job opportunities the metro provides, it's also a haven for natural beauty and outdoor recreation. But the allure for people coming in from pricier markets elsewhere has contributed to a significant spike in home prices and local agents expect competition to ramp up again after the holidays and come spring.

"You can expect that competition is only going to go up," Jennifer Langford, a Realtor with UVO Century 21, told realtor.com.

## 2. Boise, Idaho



Click Sluice / Unsplash

Median home price: \$503,959

Anticipated price growth: 7.9 percent

Anticipated sales growth: 12.9 percent

<u>Boise</u> has been on buyers' radars for few years now as a hot market to watch. Like Salt Lake City, the metro area is an up-and-coming tech hub, hosting companies like HP Inc. and Micron Technology.

Boise's outdoor recreational opportunities are also quite robust with options for snow sports, whitewater rafting and hiking. The city also has a vibrant food and arts scene and is becoming a more popular option for retirees relocating from more expensive coastal markets.

# 3. Spokane, Washington



Clayton / Unsplash

Median home price: \$419,803

Anticipated price growth: 7.7 percent

Anticipated sales growth: 12.8 percent

Spokane is another outdoor lovers' delight that made the top of realtor.com's list this year. The area has easy access to hiking, cycling options, lakes and ski resorts. In addition, Gonzaga University helps bring the life of a college town to the metro area.

In particular, Spokane has become a draw for retirees and others looking to leave Washington's pricier Seattle for an affordable inland alternative that still offers access to bodies of water with its lakes.

### 4. Indianapolis, Indiana



Josh Hild / Unsplash

Median home price: \$272,401

Anticipated price growth: 5.5 percent

Anticipated sales growth: 14.8 percent

Another emerging tech hub to make this year's list, Indianapolis is home to big employers like Salesforce, drug manufacturer Eli Lilly and the Indiana University School of Medicine.

Since the cost of living is so low, homeownership is more achievable than in other parts of the country, particularly for first-time buyer millennials who might struggle to break into other markets.

Indianapolis is also very accessible from neighboring suburbs that offer a bit more space, like Fishers, which was named the best place to live in America in <u>a 2017 study</u> conducted by Money Magazine and realtor.com.

### 5. Columbus, Ohio



Hans-Jürgen Weinhardt / Unsplash

Median home price: \$298,523

Anticipated price growth: 6.3 percent

Anticipated sales growth: 13.7 percent

Columbus is another affordable slice of America that has a lot to offer residents, including a strong job market, interesting restaurants and small businesses, and affordable housing options. Some of the city's biggest employers include Nationwide Mutual Insurance, JPMorgan Chase and L Brands (parent company to Victoria's Secret and Bath & Body Works).

Notably, the city has a number of neighborhoods near its downtown that are quite walkable and popular with <u>millennials</u>. "It's like small-town living in a big city," Lee Ritchie, an agent with RE/MAX Metro Plus, told realtor.com.

#### 6. Providence, Rhode Island



Michael Denning / Unsplash

Median home price: \$419,813

Anticipated price growth: 9.6 percent

Anticipated sales growth: 8.1 percent

Providence is starting to become a more popular outpost for individuals relocating from Boston and looking for a more affordable place nearby. The college town has a lively music and arts scene and still plenty of big city amenities for a smaller price tag.

Home prices have shot up in the last year, realtor.com noted, but there are still some deals to be found, especially on the east side of town where new construction is in progress.

# 7. Greenville, South Carolina



Emmy Gaddy / Unsplash

Median home price: \$305,078

Anticipated price growth: 5.7 percent

Anticipated sales growth: 11.4 percent

Northeastern and Midwestern <u>retirees</u> ready for a dose of warmer weather and low taxes have been giving Greenville a boost of late. The metro area has all the city amenities one could hope for, including plenty of restaurants, galleries and shops, but at an affordable price.

A number of big employers have also opened up in the area in the last few decades as well, like BMW, Michelin and General Electric, bring even more job opportunities to the city. More housing options are becoming available too, with a construction boom that's expanding the city's reach and providing more affordable housing stock a bit removed from downtown.

## 8. Seattle, Washington



Stephen Plopper / Unsplash

Median home price: \$666,754

Anticipated price growth: 7.5 percent

Anticipated sales growth: 9.6 percent

Even while Seattle transplants are migrating to Spokane, realtor.com noted that residents of some of California's priciest markets are actually moving into Seattle for a price break, relative to places like the San Francisco Bay Area.

Like other cities that made realtor.com's list, Seattle is a hub for major employers like Microsoft, Amazon, Starbucks and Costco, which is a huge draw.

The city's abundance of outdoor recreational activities are also a major attraction, but the natural geography is actually a limitation on constructing new housing stock, with the city being largely surrounded by water.

### 9. Worcester, Massachusetts



Worcester Polytechnic Institute | Cloris Ying / Unsplash

Median home price: \$397,188

Anticipated price growth: 8.2 percent

Anticipated sales growth: 8.4 percent

Like Providence, Worcester is a popular haven for Bostonians seeking a cheaper way of life. With its commuter train to Boston, it's still easy to get to the city, but Worcester has a lot to offer on its own.

The city is home to more than 10 universities, and has a vibrant downtown with plenty of dining and shopping options. It's also a major hub for biotech and medical employers like AbbVie and UMass Medical School.

# 10. Tampa, Florida



Jesse Adair / Unsplash

Median home price: \$335,814

Anticipated price growth: 6.8 percent

Anticipated sales growth: 9.6 percent

With its winning combo of affordability and desirable weather, Tampa has also become a draw for retirees and remote workers of late. According to realtor.com, roughly two-thirds of home shoppers with their eye on the city are from somewhere else, with a good chunk of those buyers located in pricey markets like New York and Miami.

Even with a recent boom in development in the city in recent years, available <u>inventory</u> can't catch up to demand, which has caused prices across both the rental and for-sale markets to creep upward. "[Developers] have all the buyers, but they can't build them fast enough," Mike Grizzell, a Realtor with Compass, told realtor.com.