



The 10 Hottest Housing Markets for 2025

Top 10 Hottest Housing Markets of 2025 (No. 2 - Indianapolis, IN)

This year's list features a shift away from previously dominant markets in Florida and Ohio, with only four metros returning from last year.

Indianapolis, Indiana Overview:

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Indianapolis is projected to be one of the hottest housing markets in 2025, ranking second on Zillow's list.

Home Price Trends

Zillow forecasts a 3.4% increase in home prices for the Indianapolis metro area in 2025, up from a 2.8% rise in 2024.

As of now, the average home value in Indianapolis is \$222,349, reflecting a 3.2% increase over the past year.

Market Competitiveness

Homes in Indianapolis typically go pending in around 24 days, indicating a competitive market.

The National Association of Realtors also recognizes the Indianapolis metro area as one of the top 10 housing hot spots for 2025, citing strong job growth and relative affordability.

Rental Market

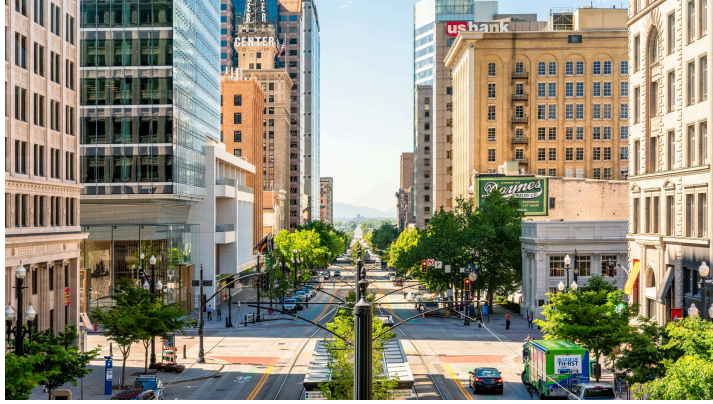
The rental market in Indianapolis is experiencing growth, with rents projected to increase by 3-4% in 2025. Currently, average rents range from \$1,133 for studios to \$1,444 for two-bedroom apartments, with higher prices in popular neighborhoods like Downtown Indianapolis and Broad Ripple.

Factors Driving Growth

Indianapolis's housing market is bolstered by a diverse economy, affordable cost of living, and high quality of life. The city's growth is fueled by a diverse economy, affordable cost of living, and high quality of life.

10. Salt Lake City, UT

A hub for outdoor enthusiasts, Salt Lake City offers access to 10 ski resorts within an hour's drive. Its diverse and growing population has fueled real estate demand, with home values projected to rise 2.3% to \$555,858. Homes sell in about 19 days.



9. Richmond, VA

Richmond, one of the nation's oldest cities, blends history with a vibrant arts scene. The market remains competitive, with home values expected to grow 2.9%. Buyers should act quickly—homes go pending in just 9 days.



8. Kansas City, MO

Famous for its barbecue and jazz, Kansas City continues to attract buyers. Home values are forecast to increase by 2.7% to \$307,334. Properties here sell fast, averaging just 9 days on the market.



7. Charlotte, NC

Known as the “Queen City,” Charlotte boasts a strong sports culture and a mild climate. Home values are set to appreciate by 3.2%, reaching \$389,383 by year’s end. Buyers must move swiftly, as homes sell within 20 days.



6. St. Louis, MO

Voted Zillow’s top market for first-time buyers in 2024, St. Louis remains affordable with projected home values at \$254,847—a 1.9% increase. Demand is strong, with homes selling in just 8 days.



5. Philadelphia, PA

The City of Brotherly Love offers walkability and rich history. While growth is slowing to 2.6%, homes still move fast, going under contract in just 11 days.



4. Hartford, CT

Hartford leads in home value appreciation at 4.2%, with homes reaching \$378,693. While slower than 2024's 7.4% surge, demand remains high, with properties selling in just 7 days.



3. Providence, RI

A charming waterfront city, Providence combines quaint aesthetics with cultural sophistication. Home values are set to rise by 3.7%, with homes selling in just 12 days.



2. Indianapolis, IN

Indianapolis, home to the famed Indianapolis Motor Speedway, remains a strong market. The city's affordability attracts buyers, with home values expected to reach \$285,086. Homes go pending in about 14 days.



1. Buffalo, NY

For the second year in a row, Buffalo tops the list. Known for its proximity to Niagara Falls, Buffalo saw home values rise 5.8% in 2024. While 2025's growth is expected to slow to 2.8%, homes still sell in just 12 days.

Buffalo's continued dominance underscores the demand for affordable housing in growing metro areas. Whether you're a buyer or investor, these markets present strong opportunities in 2025.

