5 markets where homebuyers can win big with falling prices

With home prices rising for 70 consecutive months, homebuyers are in desperate need of a reprieve. For those unwilling or unable to wait for home prices to cool in their area, a move to another state with dropping home prices and a more affordable cost of living may be the perfect solution.

According to Trulia's latest analysis, buyers may want to begin searching for listings in Hawaii, California, Colorado, Wisconsin, Texas, New Jersey or Florida — the home states to 10 markets where home prices have dropped by as much as 5.4 percent over the past year.

1. San Antonio, Texas

The current median listing price in San Antonio, Texas, is $269,499, a 5.4 percent year-over-year decrease.

Trulia said the key to San Antonio's cooling home price growth may be the city's explosive job growth (4.2 percent) that's nearly four times the national average (1.7 percent).

Median home values have risen by 9.4 percent since March 2017, suggesting that there's more affordable housing available.

2. Austin, Texas

The current median listing price in Austin, Texas, is $336,995, a 3.4 percent decrease from 2017.

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Much like its neighbor to the south, Austin has experienced job growth (6 percent) and unemployment rates (3 percent) that outperform the national average (1.7 percent and 4.4 percent, respectively).

While other markets have struggled to match their historical building averages, the Lone Star State's capital issues 79.5 percent more building permits in 2017 with 40 percent going toward high-density construction (five-plus units).

3. Honolulu, Hawaii

Yes, you've read this right — home prices in Honolulu have actually dropped by 1.4 percent year-over-year to a median listing price of $630,000.

This is still a hefty price tag, but homes are going off the market for $40,000 less than the estimated value.

Lastly, median home values only rose by 7.5 percent over the last year, a good sign that Honolulu's market is stabilizing.

4. Camden, New Jersey

The current median listing price in Camden, New Jersey, is $174,900, the same price as last year.

Although buyers would benefit from rock-bottom prices, there is a price to pay — the city's economy has struggled to rebound as manufacturing jobs have moved elsewhere. The unemployment rate is 4.8 percent and home values have only risen by 1 percent.

5. Milwaukee, Wisconsin

Home price growth in Milwaukee, Wisconsin, has been flat, thus keeping the median listing price at $229,900.

Trulia noted this is the only Midwest market to make the list, and it exemplifies the solid housing and economic standing of many Midwest cities that are "impervious to booms and busts."

Employment is strong in the area: the unemployment rate is only 3.2 percent, and wages are up by

6.7 percent — 3.8 percentage points above the national average.

Other markets

Sacramento, California; Houston, Texas; Dallas, Texas; Sarasota, Florida; and Denver, Colorado, shored up the end of the pack with a one-year listing price growth that's no higher than 0.9 percent (Denver) and median listing prices as low as $299,520 (Houston).

Each of these markets have three things in common — strong jobs and wage growth, low unemployment and strong new residential housing starts (Dallas approved 47,000 permits last year).

Methodology

Median listing price, price per square foot, home value and home value per square foot were pulled for March 2018 and compared with March 2017 for year-over-year comparisons. Local Area Unemployment Statistics (LAUS) data on employment counts and the unemployment rate from the Bureau of Labor Statistics for the month of February 2018 was compared with February 2017 for the year-over-year comparison. Nonfarm payroll data was used for the same months for wages.

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Source: click here