

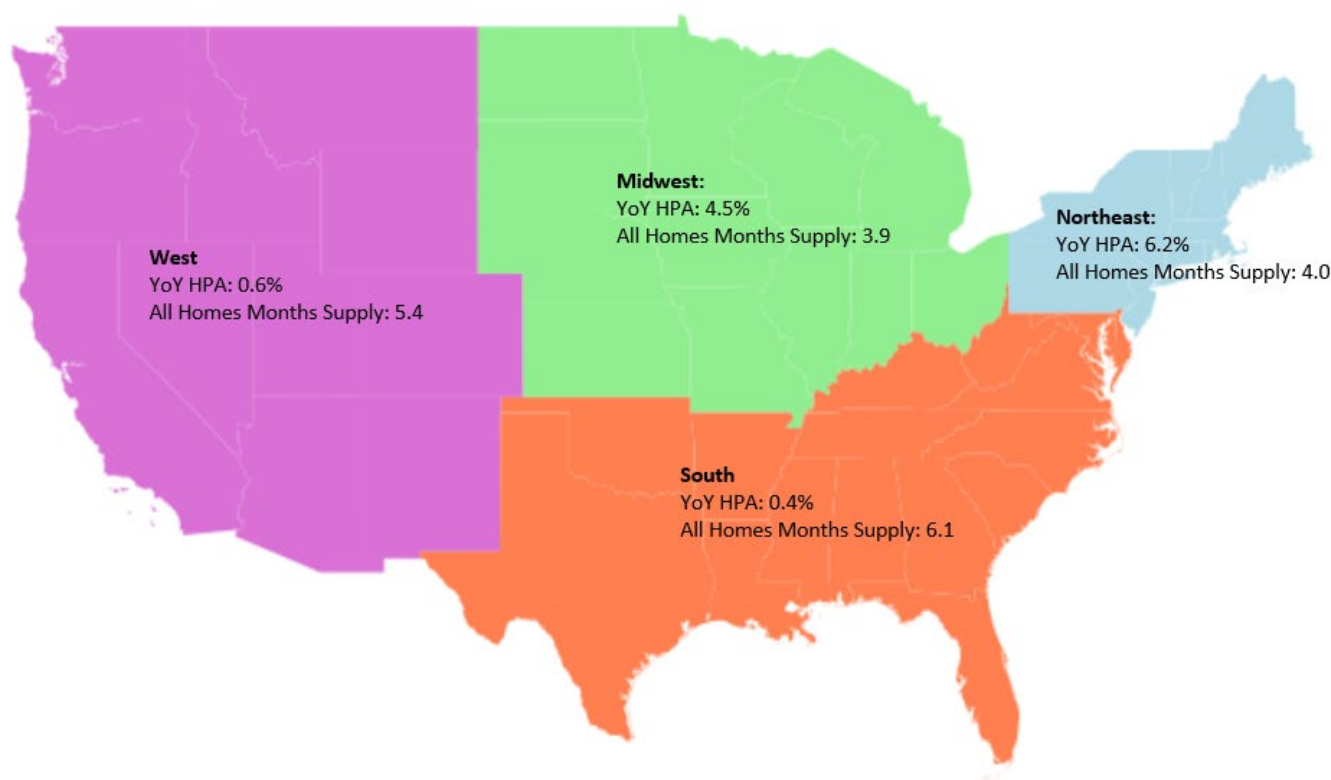
## Institute Daily Insights

# Regional home prices: Supply matters

29 September 2025

**Relatively low months supply of homes in the Northeast and Midwest have resulted in stronger year-over-year (YoY) home price appreciation (HPA) of 6.2% and 4.5%, respectively, compared to the South and West – where supply is higher**

Median home price growth (% YoY) and months supply of new and existing homes for sale



Source: BofA Global Research, Bloomberg, US Census, Haver Analytics

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Housing supply varies by region, with tighter inventory in the Northeast, at about four months of supply, while the South has the most, at just over six months. In turn, the uneven supply is shaping price trends. While home prices are rising everywhere, price growth remains strongest in low supply regions like the Northeast (6.2% year-over-year (YoY)) and Midwest (4.5% YoY), while growth is relatively weak in high supply regions including the West (0.6% YoY) and South (0.4% YoY). Why is this the case? It likely reflects a lagging supply response to pandemic-era migration trends and tighter land constraints in some regions.

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