

MAY 2022

HOUSTON REAL ESTATE MARKET UPDATE

HOUSTON HOME SALES ECHO SOARING HOME PRICES AS THE MARKET HEATS UP IN APRIL 2022.

Houston's real estate market continues to remain strong despite rising interest rates and low home inventory.

The Houston Housing Market:

New Home Sales – John Burns Real Estate Consulting (JBREC) reported that sales of new single-family housing (measured in trailing 12 months) in the Houston area increased by 5.0% year-over-year from 40,645 new home closings to 42,695 in March 2022.

JBREC also reports the March 2022 median price – the figure at which half of the homes sold for more and half sold for less – for new single-family homes was \$320,500 in March 2022, up 18.0% year-over-year.

Existing Home Sales – According to the latest monthly report from the [Houston Association of REALTORS®](#) (HAR), existing single-family home sales for April 2022 decreased 0.2% to 9,079 from 9,100 a year prior.

The average price of a single-family home rose 14.9% to \$426,061 in April 2022 and the median price jumped 16.6% to \$343,990. These prices are record highs, and also only the second time that average pricing for a single-family home in Houston has surpassed \$400,000.

The total active listings of single-family homes in the Houston area increased by 5.2% year-over-year to 22,475 active listings in April 2022.

Single-family home inventory increased by 0.1 months supply from 1.3 in April 2021 to 1.4 in April 2022. Houston's lowest inventory of all time was 1.2 months, and this was recorded in February and March of 2022.

When looking at single-family home pending sales, this number dropped by 1.2% year-over-year to be 10,201 pending sales in April 2022.

Homes priced between \$500K and \$1M led the way in sales for the month, registering a 45.1% year-over-year gain. The luxury housing segment, \$1M+, came in second place climbing 24.9%. That was followed by the \$250-\$500K market which increased 13.5%.

“Contrary to what some people think, we do actually have new listings hitting the market, but they are selling exceptionally quickly and at some of the highest prices of all time as buyers and investors make cash offers well above asking price to beat back their competition,” said HAR Chair Jennifer Wauhob with Better Homes and Gardens Real Estate Gary Greene.

The Houston and Texas Economy:

In April 2022, the seasonally adjusted Texas unemployment rate was 4.3%, a 0.1% decrease from March 2022.

According to the [Texas Workforce Commission](#), Texas added 62,800 total nonagricultural jobs over the month. In April 2022, the state reached another record employment level with nonfarm jobs reaching 13,284,500. Since April 2021, Texas has added a total of 742,000 positions.

“The Texas economy has added more than a hundred thousand jobs in the last two months,” said TWC Chairman Bryan Daniel. “The Texas economy continues to shift from recovery to expansion with positive job growth for more than a year and many industries exceeding full recovery of jobs lost during the pandemic.”

NEW HOME SALES	MARCH 2021	MARCH 2022	CHANGE
NEW HOME SALES (TTM)	40,645	42,695	5.0%
NEW HOME MEDIAN SALES PRICE	\$271,600	\$320,500	18.0%
EXISTING HOME SALES	APRIL 2021	APRIL 2022	CHANGE
TOTAL ACTIVE LISTINGS	21,354	22,475	5.2%
SINGLE-FAMILY HOME SALES	9,100	9,079	-0.2%
SINGLE-FAMILY AVG. SALES PRICE	\$370,735	\$426,061	14.9%
SINGLE-FAMILY MEDIAN SALES PRICE	\$295,000	\$343,990	16.6%
SINGLE-FAMILY MONTHS INVENTORY*	1.3	1.4	0.1 months
SINGLE-FAMILY PENDING SALES	10,325	10,201	-1.2%

*Months inventory estimates the number of months it will take to deplete current active inventory based on the prior 12 months sales activity.