

HOUSTON REAL ESTATE MARKET UPDATE

THE HOUSTON MSA SHOWED MARKET RESILIENCY IN APRIL, AS INVENTORY STEADILY GREW DESPITE MORTGAGE RATE VOLATILITY.

The Houston Housing Market:

New Home Sales - John Burns Real Estate Consulting (JBREC) reported that sales of new single-family housing (measured in a trailing 12 months) in the Houston area decreased 11.0% year-over-year in March 2023 from 42,722 sales to 38,110 sales.

JBREC also reports the March 2023 median price - the figure at which half of the homes sold for more and half sold for less - for new single-family homes was \$310,800, down 3.0% year-over-year as inventory steadily grows and prices continue leveling.

Existing Home Sales - According to the May report from the [Houston Association of REALTORS®](#) (HAR), existing single-family home sales in April 2023 decreased 18.4% to 7,310 sales from 8,955 sales in April 2022.

The average price of an existing single-family home decreased 1.3% to \$419,929 in April 2023, and the median price dropped 3.6% to \$331,000.

The total active listings of single-family homes in the Houston area increased 56.2% to 33,203 active listings in April 2023. Single-family home inventory increased from 1.2 months of supply in April 2022 to 2.7 months in April 2023, as inventory steadily grows.

Pending single-family home sales decreased 2.8% year-over-year to 8,988 pending sales in April 2023.

"The housing market turnaround was never going to happen overnight, especially with interest rates still fluctuating, uncertainty about inflation and speculation about a recession," said HAR Chair Cathy Treviño with Side, Inc. "Anecdotally, we have many Realtors reporting that their sub-markets are performing well, which underscores the fact that real estate is local. We are still hopeful that the Houston housing market as a whole will strengthen later this year."

The Houston and Texas Economy:

According to the [Texas Workforce Commission](#), Texas reached 13,871,100 total non-farm jobs in April 2023, adding 33,300 positions over the month. April 2023 marks the 26th consecutive month of total non-farm employment growth.

"The fact that every single industry in Texas has sustained positive growth over the year is a testament to the strength of Texas employers, large and small, and the health of our economy," said TWC Commissioner Representing Employers Aaron Demerson. "Texas is leading the way and on the forefront of technology and many other high-demand sectors, and TWC is here to provide resources for training to employers so they can ensure their workforce meets their business needs."

NEW HOME SALES	MARCH 2022	MARCH 2023	CHANGE
NEW HOME SALES (TTM)	42,722	38,110	-11.0%
NEW HOME MEDIAN SALES PRICE	\$320,400	\$310,800	-3.0%
EXISTING HOME SALES	APRIL 2022	APRIL 2023	CHANGE
TOTAL ACTIVE LISTINGS	21,262	33,203	56.2%
SINGLE-FAMILY HOME SALES	8,955	7,310	-18.4%
SINGLE-FAMILY AVG. SALES PRICE	\$425,273	\$419,929	-1.3%
SINGLE-FAMILY MEDIAN SALES PRICE	\$343,490	\$331,000	-3.6%
SINGLE-FAMILY MONTHS INVENTORY*	1.3 months	2.7 months	1.4 months
SINGLE-FAMILY PENDING SALES	9,248	8,988	-2.8%

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