

JUNE 2023

HOUSTON REAL ESTATE MARKET UPDATE

THE HOUSTON MSA CONTINUES TO FIND BALANCE AMIDST A FLUCTUATING MARKET, AS INVENTORY INCREASES AND PRICING LEVELS.

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 15.0% year-over-year in April 2023 from 42,501 sales to 35,966 sales.

JBREC also reports the April 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 \$290,300 down 5.3% year-over-year as inventory steadily grows.

Existing Home Sales - According to the June report from the [Houston Association of REALTORS®](#) (HAR), existing single-family home sales in May 2023 decreased 10.4% to 8,637 sales from 9,641 sales in May 2022.

The average price of an existing single-family home decreased 1.6% to \$431,378 in May 2023, and the median price dropped 3.1% to \$340,095.

The total active listings of single-family homes in the Houston area increased 45.4% to 33,919 active listings in May 2023. Single-family home inventory increased from 1.5 months of supply in May 2022 to 2.8 months in May 2023, as inventory steadily grows.

Pending single-family home sales decreased 2.3% year-over-year to 9,146 pending sales in May 2023.

"Houston housing has been in negative territory for 14 months, however this latest report showed a notable easing in declines and may be a bellwether of improving market conditions ahead," said HAR Chair Cathy Treviño with Side, Inc.

The Houston and Texas Economy:

According to the [Texas Workforce Commission](#), Texas reached 13,918,700 total non-farm jobs in May 2023, adding 51,000 positions over the month. May 2023 marks the 27th consecutive month of total non-farm employment growth.

"With a record-breaking 15 million Texans in the civilian labor force, the Lone Star State is a great place for employers and job seekers alike," said TWC Chairman Bryan Daniel. "And the 687,000 job openings reported by Texas employers represent even greater opportunity for Texans and the Texas economy."

NEW HOME SALES	APRIL 2022	APRIL 2023	CHANGE
NEW HOME SALES (TTM)	42,501	35,966	-15.0%
NEW HOME MEDIAN SALES PRICE	\$306,700	\$290,300	-5.3%
EXISTING HOME SALES	MAY 2022	MAY 2023	CHANGE
TOTAL ACTIVE LISTINGS	23,334	33,919	45.4%
SINGLE-FAMILY HOME SALES	9,641	8,637	-10.4%
SINGLE-FAMILY AVG. SALES PRICE	\$438,350	\$431,378	-1.6%
SINGLE-FAMILY MEDIAN SALES PRICE	\$350,900	\$340,095	-3.1%
SINGLE-FAMILY MONTHS INVENTORY*	1.5 months	2.8 months	1.3 months
SINGLE-FAMILY PENDING SALES	9,360	9,146	-2.3%

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