

HOUSTON REAL ESTATE MARKET UPDATE

HOUSTON MSA HOME SALES GAIN MOMENTUM IN FEBRUARY, WITH EXISTING SINGLE-FAMILY HOMES RISING IN SALES AND PRICING.

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 8.0% year-over-year in January 2024 from 40,691 sales to 37,440 sales.

JBREC also reports the January 2024 median price for new single-family homes was \$315,100, increasing 15.5% year-over-year. Builders continue to moderate median pricing by adjusting house floor plans and finishes.

Per the Texas A&M Real Estate Research Center's Texas Housing Insight Report, "Texas' total single-family starts value climbed from \$2 billion in January 2023 to \$2.7 billion in January 2024. Houston accounted for a third of the state's total starts value." This exemplifies the strength and demand of the Houston new home market heading into the Spring.

Existing Home Sales - According to the March report from the [Houston Association of REALTORS®](#) (HAR), existing single-family home sales in February 2024 increased 7.6% to 6,221 sales from 5,781 sales in February 2023.

The average price of an existing single-family home increased 4.1% to \$400,252 in February 2024, and the median price increased 3.0% to \$329,686.

The total active listings of single-family homes in the Houston area increased 22.0% to 39,757 active listings in February 2024. Single-family home inventory increased from 2.5 months of supply in February 2023 to 3.4 months in February 2024.

Pending single-family home sales increased 12.9% year-over-year to 7,763 pending sales in February 2024.

The Houston and Texas Economy:

According to the Texas Workforce Commission's March Press Release, Texas' seasonally adjusted job count reached 14,103,700, posting an increase of 49,800 positions over the month of February.

The release goes on to say that "Texas' total nonfarm employment grew by 291,400 jobs from February 2023 to February 2024, amounting to a 2.1 percent annual growth rate and outpacing the U.S. growth rate by 0.3 percentage points. In addition, Texas led the nation in seasonally adjusted over-the-month and over-the-year increases in total nonfarm employment."

"The Texas workforce continues to show comprehensive growth, with jobs added across almost all major industries over the month," said TWC Chairman Bryan Daniel.

NEW HOME SALES	JANUARY 2023	JANUARY 2024	CHANGE
NEW HOME SALES (TTM)	40,691	37,440	-8.0%
NEW HOME MEDIAN SALES PRICE	\$272,800	\$315,100	15.5%
EXISTING HOME SALES	FEBRUARY 2023	FEBRUARY 2024	CHANGE
TOTAL ACTIVE LISTINGS	32,600	39,757	22.0%
SINGLE-FAMILY HOME SALES	5,781	6,221	7.6%
SINGLE-FAMILY AVG. SALES PRICE	\$384,330	\$400,252	4.1%
SINGLE-FAMILY MEDIAN SALES PRICE	\$320,000	\$329,686	3.0%
SINGLE-FAMILY MONTHS INVENTORY*	2.5 months	3.4 months	0.9 months
SINGLE-FAMILY PENDING SALES	6,876	7,763	12.9%

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