

## **HOUSTON REAL ESTATE MARKET UPDATE**

### **HOUSTON MSA SALES COOL WHILE INVENTORY RISES AND PRICES STABILIZE.**

#### **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 increased 4.0% year-over-year in July 2024 from 37,182 sales to 38,709 sales.

JBREC also noted the July 2024 median price for new single-family homes was \$319,900, an increase of 7.7% year-over-year.

**Existing Home Sales** – HAR reports that existing single-family home sales in August 2024 decreased 8.3% to 7,340 sales from 8,006 sales in August 2023.

The average price of an existing single-family home increased 0.9% to \$421,912 in August 2024, and the median price decreased 0.3% to \$336,940.

“Although sales have slowed, the Houston housing market is still in good shape,” said HAR Chair Thomas Mouton with Century 21 Exclusive Properties. “Expanding inventory and easing mortgage rates are offering buyers more opportunities. A potential Fed rate cut later this month could further boost consumer confidence and home sales.”

The total active listings of single-family homes in the Houston area increased 29.3% to 48,774 active listings in August 2024. Single-family home inventory increased from 3.2 months of supply in August 2023 to 4.5 months in August 2024. According to the National Association of Realtors, a balanced market falls between 4.0 - 6.0 months of inventory.

Pending single-family home sales increased 12.7% year-over-year to 8,092 pending sales in August 2024.

#### **The Houston and Texas Economy:**

According to the Texas Workforce Commission's September press release, the Texas labor market achieved a new record-high level for jobs and the civilian labor force in August, marking the eighth consecutive month of growth. Texas' seasonally adjusted civilian labor force achieved a new high of 15,398,400 in August 2024.

The press release goes on to state that Texas' nonfarm job count grew by 302,400 positions since August 2023. This reflected a 2.2% annual growth rate, which outpaced the nation by 0.7%.

“With the addition of 78,000 new jobs last month, the Texas workforce continues its positive annual growth,” said TWC Chairman Bryan Daniel. “The Texas workforce offers many opportunities for a meaningful career.”

<b>NEW HOME SALES</b>	<b>JULY 2023</b>	<b>JULY 2024</b>	<b>CHANGE</b>
NEW HOME SALES (TTM)	37,182	38,709	4.0%
NEW HOME MEDIAN SALES PRICE	\$297,000	\$319,900	7.7%
<b>EXISTING HOME SALES</b>	<b>AUGUST 2023</b>	<b>AUGUST 2024</b>	<b>CHANGE</b>
TOTAL ACTIVE LISTINGS	37,735	48,774	29.3%
SINGLE-FAMILY HOME SALES	8,006	7,340	-8.3%
SINGLE-FAMILY AVG. SALES PRICE	\$418,064	\$421,912	0.9%
SINGLE-FAMILY MEDIAN SALES PRICE	\$338,000	\$336,940	-0.3%
SINGLE-FAMILY MONTHS INVENTORY*	3.2 months	4.5 months	1.3 months
SINGLE-FAMILY PENDING SALES	7,183	8,092	12.7%

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