

HOUSTON REAL ESTATE MARKET UPDATE

THE HOUSTON MSA EASES INTO FALL WITH BOTH NEW AND EXISTING HOME SECTORS POSTING SALES INCREASES.

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 7.0% year-over-year in August 2024 from 36,378 sales to 39,039 sales.

JBREC also noted the August 2024 median price for new single-family homes was \$330,300, an increase of 0.1% year-over-year.

Existing Home Sales - [The Houston Association of Realtors \(HAR\)](#) reports that existing single-family home sales in September 2024 increased 1.7% to 6,973 sales from 6,858 sales in September 2023.

The average price of an existing single-family home increased 0.3% to \$415,435 in September 2024, and the median price increased 1.1% to \$335,000.

Pending single-family home sales increased 23.3% year-over-year to 7,489 pending sales in September 2024.

"The Houston housing market is demonstrating a healthy balance," said HAR Chair Thomas Mouton with Century 21 Exclusive Properties. "The rise in sales, expansion of inventory and stable prices indicate a market that is adapting to changing economic conditions. The positive performance in the \$250,000 to \$500,000 price range and steady inventory levels further support a sustainable market outlook."

The total active listings of single-family homes in the Houston area increased 25.0% to 48,749 active listings in September 2024. Single-family home inventory increased from 3.4 months of supply in September 2023 to 4.4 months in September 2024.

According to the National Association of Realtors, a balanced market falls between 4.0 - 6.0 months of inventory.

"The housing market remains structurally underbuilt, and homeowners with locked-in low mortgage rates are keeping existing-home inventory limited," First American Deputy Chief Economist Odeta Kushi said. "More groundbreaking is needed to bridge the gap between supply and demand."

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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 September, marking the ninth consecutive month of growth. Texas' seasonally adjusted civilian labor force achieved a new high of 15,398,400 in September 2024.

The press release goes on to state that Texas' nonfarm job count grew by 327,400 positions since September 2023. This reflected a 2.3% annual growth rate, which outpaced the nation by 0.7%.

"Texas continues to outpace the nation in over-the-year nonfarm growth rate with more than 327,000 jobs added since September 2023," said TWC Chairman Bryan Daniel. "TWC supports this continued growth by helping build and shape a skilled workforce that meets the needs of Texas industries."

NEW HOME SALES	AUGUST 2023	AUGUST 2024	CHANGE
NEW HOME SALES (TTM)	36,378	39,039	7.0%
NEW HOME MEDIAN SALES PRICE	\$330,100	\$330,300	0.1%
EXISTING HOME SALES	SEPTEMBER 2023	SEPTEMBER 2024	CHANGE
TOTAL ACTIVE LISTINGS	39,006	48,749	25.0%
SINGLE-FAMILY HOME SALES	6,858	6,973	1.7%
SINGLE-FAMILY AVG. SALES PRICE	\$414,078	\$415,435	0.3%
SINGLE-FAMILY MEDIAN SALES PRICE	\$331,365	\$335,000	1.1%
SINGLE-FAMILY MONTHS INVENTORY*	3.4 months	4.4 months	1.0 month
SINGLE-FAMILY PENDING SALES	6,073	7,489	23.3%

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