

MARCH 2025

HOUSTON REAL ESTATE MARKET UPDATE

THE HOUSTON MSA SEES AN INCREASE IN EXISTING HOME INVENTORY AND ACTIVE LISTINGS AS THE SPRING MARKET ARRIVES.

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 2.0% year-over-year in January 2025 from 41,220 sales to 40,247 sales.

JBREC also noted the January 2025 median price for new single-family homes was \$334,200, an increase of 12.6% year-over-year.

Existing Home Sales - [The Houston Association of Realtors \(HAR\)](#) reports that existing single-family home sales in February 2025 decreased 3.0% to 6,050 sales from 6,234 sales in February 2024.

The average price of an existing single-family home increased 2.3% to \$407,538 in February 2025, and the median price decreased 1.2% to \$325,000.

Pending single-family home sales increased 5.8% year-over-year to 7,575 pending sales in February 2025.

“We are seeing a shift to a more balanced market, arguably a buyer’s market, which offers more opportunities for those looking to purchase a home,” said HAR Chair Shae Cottar with LPT Realty. “While economic conditions are influencing buying behaviors and decision-making, the expansion of inventory is providing consumers with a wider selection of homes. Hesitant buyers are turning to rental housing as a practical alternative.”

The total active listings of single-family homes in the Houston area increased 26.7% to 49,442 active listings in February 2025.

Single-family home inventory increased by 1.1 months from 3.2 months of supply in February 2024 to 4.3 months in February 2025. According to the National Association of Realtors, a balanced market falls between 4.0 - 6.0 months of inventory.

The Houston and Texas Economy:

According to the [Texas Workforce Commission's](#) March press release, Texas' seasonally adjusted civilian labor force achieved a new high of 15,770,300.

The press release goes on to state that Texas added 182,300 nonfarm positions from February 2024 to February 2025. This reflected a 1.3% annual growth rate, which outpaced the nation by 0.1%.

“Texas led all states with more than 182,000 jobs added over the year because Texas employers continue to generate new opportunities,” said TWC Commissioner Representing Employers Joe Esparza. “More Texans are working than at any point in the state’s history, and TWC can support employers by providing resources and an upskilled workforce to power their momentum.”

| NEW HOME SALES | JANUARY 2024 | JANUARY 2025 | CHANGE |
|----------------------------------|----------------------|----------------------|---------------|
| NEW HOME SALES (TTM) | 41,220 | 40,247 | -2.0% |
| NEW HOME MEDIAN SALES PRICE | \$296,800 | \$334,200 | 12.6% |
| EXISTING HOME SALES | FEBRUARY 2024 | FEBRUARY 2025 | CHANGE |
| TOTAL ACTIVE LISTINGS | 39,022 | 49,442 | 26.7% |
| SINGLE-FAMILY HOME SALES | 6,234 | 6,050 | -3.0% |
| SINGLE-FAMILY AVG. SALES PRICE | \$398,490 | \$407,538 | 2.3% |
| SINGLE-FAMILY MEDIAN SALES PRICE | \$328,900 | \$325,000 | -1.2% |
| SINGLE-FAMILY MONTHS INVENTORY* | 3.2 months | 4.3 months | 1.1 months |
| SINGLE-FAMILY PENDING SALES | 7,157 | 7,575 | 5.8% |

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