CONNOR INVESTMENT
REAL ESTATE

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HOUSTON REAL ESTATE MARKET UPDATE

The Houston Housing Market:

New Housing Market – The Texas A&M Texas Real Estate Research Center reported the number of single-family building permits issued in the Houston-Pasadena-The Woodlands MSA in August 2026 measured year-over-year to be 3,117, posting a 18.3% decrease compared to August 2025.

The number of single-family building permits issued year-to-date (YTD) measured 31,257. This marks a 6.9% decrease when compared to 2025.

Existing Housing Market – The Houston Association of Realtors (HAR) reports that existing single-family home sales in September 2026 decreased 5.7% to 7,030 sales from 7,453 sales in September 2025.

The average price of an existing single-family home increased 0.7% to $421,311 in September 2026 compared to September 2025, and the median price saw a decrease of 0.3% to $325,000.

Pending single-family home sales decreased 11.6% year-over-year to 6,789 in September 2026.

"Higher mortgage rates are making buyers look more closely at what they can comfortably afford," said HAR Chair Theresa Hill with Compass RE Texas, LLC - Houston. "People are taking a little more time, weighing their options and focusing on long-term affordability. Stable prices and a broad selection of homes are helping keep opportunities within reach."

Single-family home inventory was 5.5 months in September 2026 and saw an increase of 0.4 months from September 2025. According to the National Association of Realtors, a balanced market falls within 4.0 - 6.0 months of inventory.

The Houston and Texas Economy:

According to the Texas Workforce Commission's October press release, Texas' seasonally adjusted civilian labor force registered at 15,948,400.

The press release goes on to state that Texas added 154,300 positions from September 2025 to September 2026. This reflected a 1.1% annual growth rate, which outpaced the nation by 0.8%.

"The addition of more than 154,000 jobs over the year reflects balanced growth across Texas industries," said TWC Chairman Joe Esparza.

NEW HOUSING MARKET	AUGUST 2025	AUGUST 2026	CHANGE
SINGLE-FAMILY HOME BUILDING PERMITS*	3,815	3,117	-18.3%
SINGLE-FAMILY HOME BUILDING PERMITS (YTD)*	33,588	31,257	-6.9%
EXISTING HOUSING MARKET	**SEPTEMBER 2025**	**SEPTEMBER 2026**	**CHANGE**
TOTAL ACTIVE LISTINGS	37,821	40,192	6.3%
SINGLE-FAMILY HOME SALES	7,453	7,030	-5.7%
SINGLE-FAMILY AVG. SALES PRICE	$418,256	$421,311	0.7%
SINGLE-FAMILY MEDIAN SALES PRICE	$325,990	$325,000	-0.3%
SINGLE FAMILY MONTHS INVENTORY**	5.1 months	5.5 months	0.4 months
SINGLE-FAMILY PENDING SALES	7,676	6,789	-11.6%

*Single-Family Building Permits is a leading indicator of new home construction volume. The values shown reflect the most recent data available

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