

APRIL 2025

HOUSTON REAL ESTATE MARKET UPDATE

THE HOUSTON MSA GAINS MOMENTUM IN MARCH WITH RISING EXISTING HOME SALES AND INVENTORY.

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 6.0% year-over-year in February 2025 from 41,827 sales to 39,432 sales.

JBREC also noted the February 2025 median price for new single-family homes was \$339,400, an increase of 13.8% year-over-year.

Existing Home Sales – [The Houston Association of Realtors \(HAR\)](#) reports that existing single-family home sales in March 2025 increased 2.6% to 7,429 sales from 7,240 sales in March 2024.

The average price of an existing single-family home increased 3.7% to \$427,221 in March 2025, and the median price increased 1.5% to \$335,000.

Pending single-family home sales increased 12.7% year-over-year to 9,165 pending sales in March 2025.

“Lower mortgage rates are giving Houston homebuyers a sense of optimism, but many are still proceeding with caution,” said HAR Chair Shae Cottar with LPT Realty. “It’s important to acknowledge that current economic headwinds, including the impact of new tariffs, are putting downward pressure on interest rates. These lower rates, coupled with growing inventory and moderating home prices, create an opportunity for both buyers and sellers.”

The total active listings of single-family homes in the Houston area increased 29.3% to 51,997 active listings in March 2025.

Single-family home inventory increased by 1.2 months from 3.4 months of supply in March 2024 to 4.6 months in March 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](#) April press release, Texas' seasonally adjusted civilian labor force achieved a new high of 15,778,500.

The press release goes on to state that Texas added 192,100 nonfarm positions from March 2024 to March 2025. This reflected a 1.4% annual growth rate, which outpaced the nation by 0.2%.

“Texas continues to lead the nation and break records for economic growth,” said TWC Chairman Bryan Daniel. “With 26,500 positions added in March, TWC continues to connect job seekers and employers to keep Texas working.”

According to the [Houston Job Market Report](#), “The job market in Houston is poised for continued growth in 2025, driven by several favorable economic factors. The Greater Houston Partnership (GHP) forecasts the creation of 71,200 jobs in 2025, which would bring the total payroll jobs in the region to over 3.5 million, a record for the area. Major industries driving job growth include construction, health care, wholesale trade, professional and business services, and restaurants and bars. These sectors benefit from a strong U.S. economy, expanding global trade, local population growth, and corporate relocations to the region.”

NEW HOME SALES	FEBRUARY 2024	FEBRUARY 2025	CHANGE
NEW HOME SALES (TTM)	41,827	39,432	-6.0%
NEW HOME MEDIAN SALES PRICE	\$298,300	\$339,400	13.8%
EXISTING HOME SALES	MARCH 2024	MARCH 2025	CHANGE
TOTAL ACTIVE LISTINGS	40,210	51,997	29.3%
SINGLE-FAMILY HOME SALES	7,240	7,429	2.6%
SINGLE-FAMILY AVG. SALES PRICE	\$411,857	\$427,221	3.7%
SINGLE-FAMILY MEDIAN SALES PRICE	\$329,998	\$335,000	1.5%
SINGLE-FAMILY MONTHS INVENTORY*	3.4 months	4.6 months	1.2 months
SINGLE-FAMILY PENDING SALES	8,133	9,165	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.