

JUNE 2025

HOUSTON REAL ESTATE MARKET UPDATE

THE HOUSTON MSA HOUSING MARKET SEES A RISE IN TOTAL ACTIVE LISTINGS AND HOME INVENTORY AS SUMMER SETTLES IN.

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 8.0% year-over-year in April 2025 from 42,338 sales to 38,870 sales.

As the Houston MSA continues its strong growth in population, the city is accommodating its ongoing housing needs by building more homes than any other U.S. city, a new report has found. According to a new [ConsumerAffairs housing report](#), Houston has the No. 1 highest rate of new home construction in the nation for 2025. Houston dominates all other housing markets with the highest growth rate in new building permits, totaling more than 11,000 permits during the first two months of the year. The city also leads with the highest rate of new construction homes sold during the same time period, with more than 1,300 sales.

JBREC also noted the April 2025 median price for new single-family homes was \$337,400, an increase of 13.1% year-over-year.

Existing Home Sales – [The Houston Association of Realtors \(HAR\)](#) reports that existing single-family home sales in May 2025 increased 6.8% to 9,058 sales from 8,483 sales in May 2024.

The average price of an existing single-family home decreased 0.7% to \$438,230 in May 2025, and the median price saw a decrease of 1.2% to be \$339,425.

Pending single-family home sales increased 19.8% year-over-year to 9,435 pending sales in May 2025. Overall property sales were 4.6% above last year's volume, snapping a three-month streak of declining sales. This growth was accompanied by a 5.6% increase in total dollar volume, which reached \$4.5 billion.

HAR Chair Shae Cottar with LPT Realty weighed in on the market saying, "With more homes to choose from and prices becoming a bit more favorable, people are definitely feeling more confident and getting back out there." He went on to say that, "This shift signals to sellers that motivated buyers are engaged and eager to take advantage of the current market conditions. We anticipate this momentum will carry us into the summer months."

Total active listings of single-family homes in the Houston area increased 29.4% to 58,005 active listings in May 2025.

Single-family home inventory increased by 1.3 months from 3.9 months of supply in May 2024 to 5.2 months in May 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](#) June press release, Texas' seasonally adjusted civilian labor force achieved a new high of 15,839,400.

The press release goes on to state that Texas added 213,300 nonfarm positions from May 2024 to May 2025. This reflected a 1.5% annual growth rate, which outpaced the nation by 0.4%.

"With more than 28,000 jobs added across nearly all major industries over the month, Texas exhibits a skilled workforce," said TWC Chairman Bryan Daniel. "Texas continues to be a top state for growth and economic success with thousands of jobs added by employers in May."

NEW HOME SALES	APRIL 2024	APRIL 2025	CHANGE
NEW HOME SALES (TTM)	42,338	38,870	-8.0%
NEW HOME MEDIAN SALES PRICE	\$298,400	\$337,400	13.1%
EXISTING HOME SALES	MAY 2024	MAY 2025	CHANGE
TOTAL ACTIVE LISTINGS	44,813	58,005	29.4%
SINGLE-FAMILY HOME SALES	8,483	9,058	6.8%
SINGLE-FAMILY AVG. SALES PRICE	\$441,142	\$438,230	-0.7%
SINGLE-FAMILY MEDIAN SALES PRICE	\$343,500	\$339,425	-1.2%
SINGLE-FAMILY MONTHS INVENTORY*	3.9 months	5.2 months	1.3 months
SINGLE-FAMILY PENDING SALES	7,873	9,435	19.8%

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