

JUNE 2022

HOUSTON REAL ESTATE MARKET UPDATE

**THE HOUSTON MARKET REMAINS STABLE IN MAY 2022 AMID HIGH PRICES
AND RISING INTEREST RATES.**

Single-family home inventory reaches its
highest level this year.

The Houston Housing Market:

New Home Sales - John Burns Real Estate Consulting (JBREC) reported that sales of new single-family housing (measured in trailing 12 months) in the Houston area increased by 2.0% year-over-year from 41,605 new home closings to 42,479 in April 2022.

JBREC also reports the April 2022 median price - the figure at which half of the homes sold for more and half sold for less - for new single-family homes was \$307,300, up 10.5% year-over-year.

Existing Home Sales - According to the latest monthly report from the [Houston Association of REALTORS®](#) (HAR), existing single-family home sales for May 2022 decreased 0.9% to 9,627 from 9,714 a year prior.

The average price of a single-family home rose 14.3% to \$440,670 in May 2022 and the median price jumped 16.0% to \$351,000. The first time the average price for a single-family home broke the \$400,000 marker was in March of this year.

The total active listings of single-family homes in the Houston area increased by 14.9% year-over-year to 24,301 active listings in May 2022.

Single-family home inventory increased by 0.3 months supply from 1.3 in May 2021 to 1.6 in May 2022. This is the highest months' supply Houston has seen since October of 2021 when it was 1.7.

Pending single-family home sales rose by 4.0% year-over-year to be 10,353 pending sales in May 2022.

Homes priced between \$500K and \$1M led the way in sales for May 2022, registering a 38.3% year-over-year gain. The luxury housing segment, \$1M+, came

in second place climbing 30.2%. That was followed by the \$250-\$500K market which increased 10.7%.

"New listings increased 9.0% percent in May, helping boost inventory to its highest level of the year, so hopefully we can begin to see signs of normalcy in terms of supply, demand and pricing in the months ahead," noted HAR Chair Jennifer Wauhob with Better Homes and Gardens Real Estate Gary Greene. "

The Houston and Texas Economy:

In May 2022, the seasonally adjusted Texas unemployment rate was 4.2%, a 0.1% decrease from April 2022.

According to the [Texas Workforce Commission](#), Texas added 74,200 total nonagricultural jobs over the month. In May 2022, the state reached another record employment level with nonfarm jobs reaching 13,357,100. Since May 2021, Texas has added a total of 762,400 positions.

"Texas continues to set records for employment growth with more than 250,000 jobs added from the beginning of this year through May," said TWC Chairman Bryan Daniel. "Training and upskilling are crucial to maintain this level of employment growth, and TWC remains committed to offering innovative training programs."

NEW HOME SALES	APRIL 2021	APRIL 2022	CHANGE
NEW HOME SALES (TTM)	41,605	42,479	2.0%
NEW HOME MEDIAN SALES PRICE	\$278,000	\$307,300	10.5%
EXISTING HOME SALES	MAY 2021	MAY 2022	CHANGE
TOTAL ACTIVE LISTINGS	21,151	24,301	14.9%
SINGLE-FAMILY HOME SALES	9,714	9,627	-0.9%
SINGLE-FAMILY AVG. SALES PRICE	\$385,458	\$440,670	14.3%
SINGLE-FAMILY MEDIAN SALES PRICE	\$302,670	\$351,000	16.0%
SINGLE-FAMILY MONTHS INVENTORY*	1.3	1.6	0.3 months
SINGLE-FAMILY PENDING SALES	9,957	10,353	4.0%

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