



TEXAS A&M UNIVERSITY

Texas Real Estate Research Center



TEXAS HOUSING INSIGHT

JOSHUA ROBERSON
LEAD DATA ANALYST

RHUTU KALLUR
RESEARCH INTERN

WESLEY MILLER
SENIOR RESEARCH ASSISTANT

2120

MAY 2024 DATA

TECHNICAL REPORT

About This Report	2
May 2024 Summary	3
Supply	7
Texas Single-Family Housing Permits	7
Single-Family Housing Construction Permits.....	7
Single-Family Housing Construction Permit Values	8
Top New Home Markets.....	8
Regional Housing Starts	9
Metro Housing Starts.....	9
Inventory by Price Cohort.....	10
Texas New and Existing Inventory	10
Demand	11
Residential Home Sales.....	11
Texas Sales by Price Cohort	11
Metro Home Sales	12
Homeownership Rate	12
New and Existing Home Sales.....	13
Metro Median Days on Market	13
Metro Median Sale to List Price Ratio	14
Interest Rates.....	14
Prices	15
Median Existing Single-Family Home Prices.....	15
Texas New and Existing Median Home Price	15
Texas Major Metro Median Home Prices.....	16
Texas Major Metro Median Single-Family Monthly Rent	16
Major Metro Home Price Index.....	17
Major Metro Single-Family Rent Index.....	17



ABOUT THIS REPORT

Texas Real Estate Research Center economists continuously monitor many facets of the global, national, and Texas economies. *Texas Housing Insight* is a summary of important economic indicators that help discern trends in the Texas housing markets. All measurements are calculated using seasonally adjusted data, and percentage changes are calculated month-over-month, unless stated otherwise.

This monthly publication provides data and insights on the Texas housing markets. We hope you find them useful. Your feedback is always appreciated. Send comments and suggestions to info@recenter.tamu.edu.

Joshua Roberson, Rhutu Kallur, and Wesley Miller

Data current as of June 22, 2024

© 2024 Texas Real Estate Research Center. All rights reserved.



MAY 2024 SUMMARY

TOTAL HOME SALES

▼ 4.2% MOM

MEDIAN HOME PRICE

▬ 340,000

DAYS ON MARKET

▬ 57 days

SINGLE FAMILY STARTS

▼ 3.1% MOM

Housing activity for both new and existing homes decreased in May. Despite a rise in active listings, home prices remained the same at \$340,000 for the second month in a row.

Slow Home Sales for May

Texas witnessed a 4.2 percent decrease in total seasonally adjusted home sales month over month (MOM), resulting in 27,845 homes sold (Table 1). Austin and Dallas experienced decreases of 4.5 percent (2,731) and 2.4 percent (7,920), respectively. However, San Antonio and Houston experienced slight increases of 1.7 percent (3,049) and 1 percent (7,623). Overall, there has been a significant downward trend for sales compared with the past few years.

New listings have been steadily increasing, although there is a slight drop of 2.9 percent (45,878) in May. Among the Big Four, San Antonio experienced the only increase at 6.4 percent. Austin saw the largest decline at 13.3 percent while Dallas dropped 6.6 percent. Houston's new listings were relatively unchanged.

The state's average days on the market (DOM) remained unchanged at 57. Austin and San Antonio each fell by two days while Dallas has remained at 50 days for two months. San Antonio continues to have the highest days on market among the Big Four with 71 days followed by Austin at 65 and Houston and Dallas have continued to average 50.

The number of active listings went up from 111,053 to 116,404 (4.8 percent). The level of active listings increased across three of the Big four with Dallas (7.3 percent) and Austin (6.3 percent) leading the way with 26,758 and 11,604 listings, respectively.

Pending listings during May have been on a decline of 7.5 percent. All the Big Four except Houston experienced a substantial decline during this month. San Antonio pending listings fell the most dropping 10.6 percent followed by DFW and Austin dropping 8.4 and 7.8 percent, respectively. Houston was the only major city that experienced an increase in pending listings of less than 1 percent. The slowdown in sales and pending listings have contributed to the higher-than-normal active listing count.

Interest Rates Dip Slightly

Treasury and mortgage rates remain below their peak 2023 levels but have been increasing since the start of the year. The average **ten-year U.S. Treasury Bond yield** fell six basis points to 4.48 percent. The **Federal Home Loan Mortgage Corporation's 30-year fixed-rate** fell by two basis points to 7.52 percent.

Single-Family Starts and Permits Declining

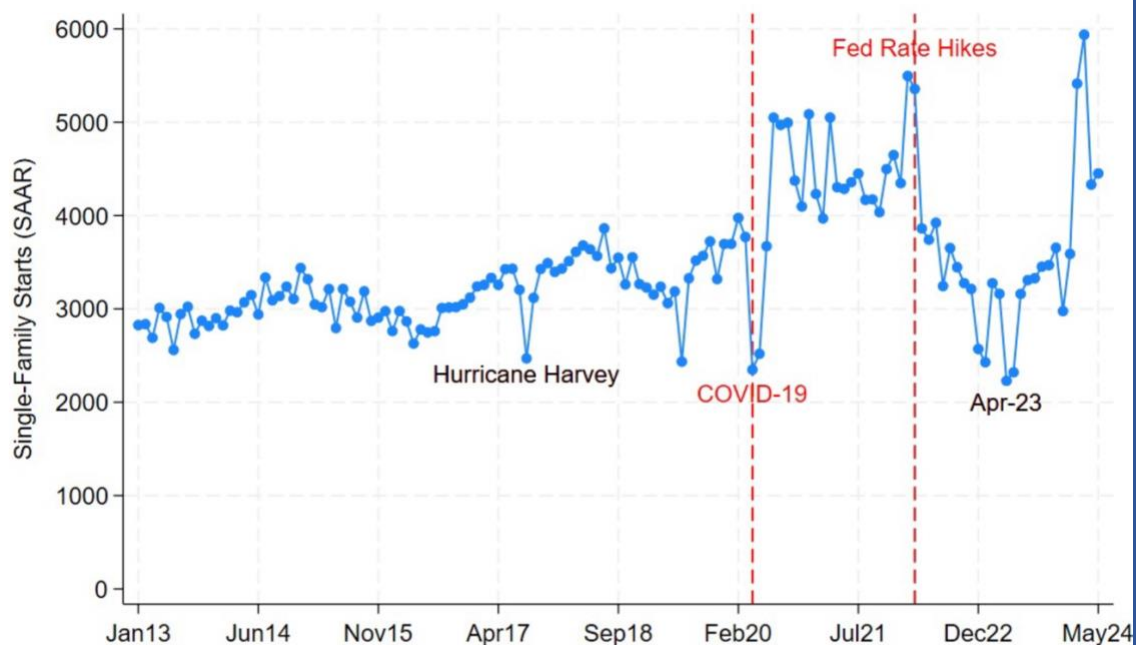
Texas' number of single-family construction permits decreased by 2 percent MOM, reaching 13,539 issuances. San Antonio had the biggest monthly increase adding 1,048 permits or 9.7 percent. Houston had a slower month for permits with a decline of 15 (4,098) percent, following a big increase in April. Dallas decreased by a negligible 0.4 percent (4,207). Austin experienced a modest increase of 1.7 percent (1,409).

Construction starts declined according to data from Dodge Construction Network. Seasonally adjusted **single-family starts** decreased by 3.09 percent MOM to 13,290 units. After a massive drop in April of 27 percent, there was a slight upward swing in single-family starts for Houston of 2.8 percent (4,452). Dallas dropped by 17.8 percent (3,451) while San Antonio and Austin reported modest increases of 3.2 percent (892) and 1.6 percent (1,420), respectively.

Housing Highlight

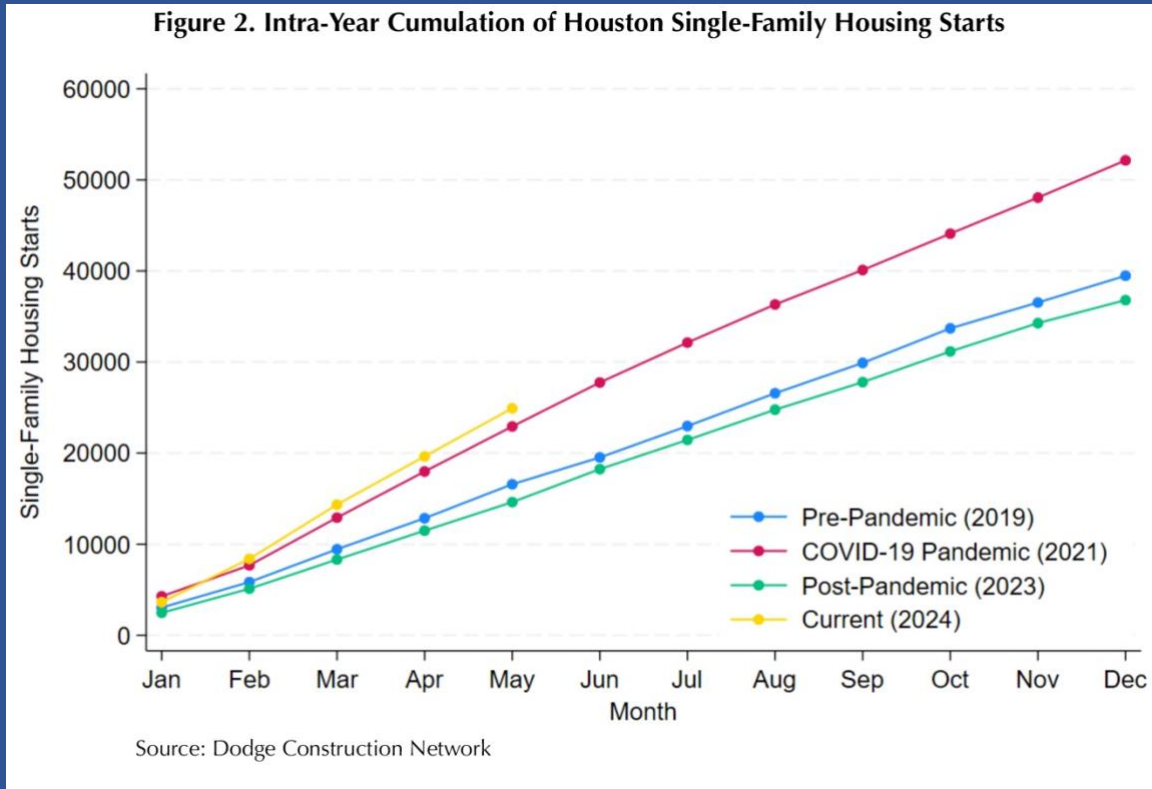
Outside of Hurricane Harvey (and a data anomaly in June 2019), Houston's single-family housing starts were relatively stable month to month during the 2010s, exhibiting a slight downturn during the 2015 oil bust followed by a steady upward trend in the latter half of the decade. Figure 1 illustrates the trend breaks and increased volatility that characterized the COVID-19 pandemic and post-pandemic eras. Historically, low interest rates and a shift in preferences toward more living space (for both health concerns and work-from-home accommodations) fueled demand for single-family housing. Homebuilders, who also leveraged lower costs of financing, responded with a surge in single-family housing starts to levels not seen since the onset of the Great Recession.

Figure 1. Houston Single-Family Housing Starts, 2013-24



Source: Dodge Construction Network

The Federal Reserve’s interest-rate hike in March 2022 marks a transition in the post-pandemic period, when housing starts descended and bottomed out at decade-level lows. In the second half of 2023, however, Houston housing starts trended near pre-pandemic levels, and activity surged to a record-high in March 2024. Despite correcting downward from the spring-time surge, the volume of starts remained above pre-pandemic levels. Figure 2 plots the intra-year progression of single-family start totals, highlighting the current trajectory in context of pre-pandemic, COVID-19 pandemic, and post-pandemic economic conditions. Houston is on a record-setting pace for single-family housing starts in 2024, but economic disruptions from Hurricane Beryl and projections of a hyper-active hurricane season present headwinds and short-run uncertainty.



The state’s total **value of single-family starts** climbed from \$11.8 billion in May 2023 to \$16.65 billion in May 2024. Houston accounted for 36.4 percent of the state’s total starts value followed by Dallas with 26.4 percent.

Home Prices Unchanged

Texas’ median home price has remained stable at approximately \$340,000 for four months (Table 2). The prices have remained stable this month with San Antonio and Houston increasing by 0.4 percent and 0.2 percent, respectively. Austin and Dallas both have declined by 0.4 percent. Despite there being an increase in new listings and active listings, housing prices have remained resilient.

The **Texas Repeat Sales Home Price Index** (Jan 2005=100) grew 0.4 percent MOM and 2.2 percent year over year (YOY). Austin’s annual appreciation remains below the state’s average, falling by 1.5 percent YOY.

Table 1. Home Sales Volume

	April	May	MoM Change
San Antonio-New Braunfels	2,997	3,049	1.7%
Houston-Pasadena-The Woodlands	7,550	7,623	1.0%
Dallas-Fort Worth-Arlington	8,113	7,920	-2.4%
Texas	29,077	27,845	-4.2%
Austin-Round Rock-San Marcos	2,859	2,731	-4.5%

Source: Data Relevance Project and Texas Real Estate Research Center at Texas A&M University
 Note: Data are seasonally adjusted

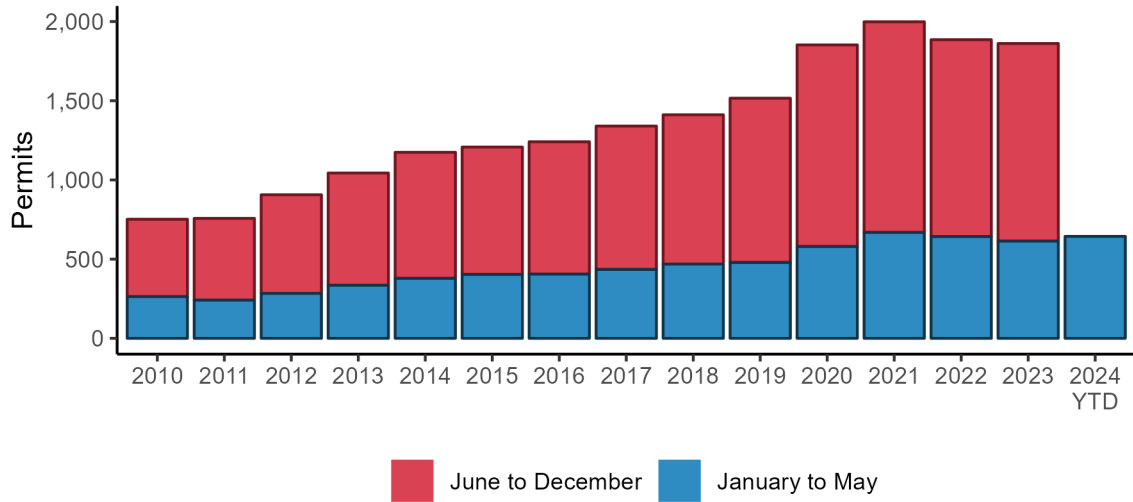
Table 2. Median Housing Prices

	April	May	MoM Change
San Antonio-New Braunfels	\$311,285	\$312,683	0.4%
Texas	\$338,954	\$339,646	0.2%
Houston-Pasadena-The Woodlands	\$336,756	\$337,409	0.2%
Dallas-Fort Worth-Arlington	\$399,679	\$398,050	-0.4%
Austin-Round Rock-San Marcos	\$443,708	\$441,887	-0.4%

Source: Data Relevance Project and Texas Real Estate Research Center at Texas A&M University
 Note: Data are seasonally adjusted

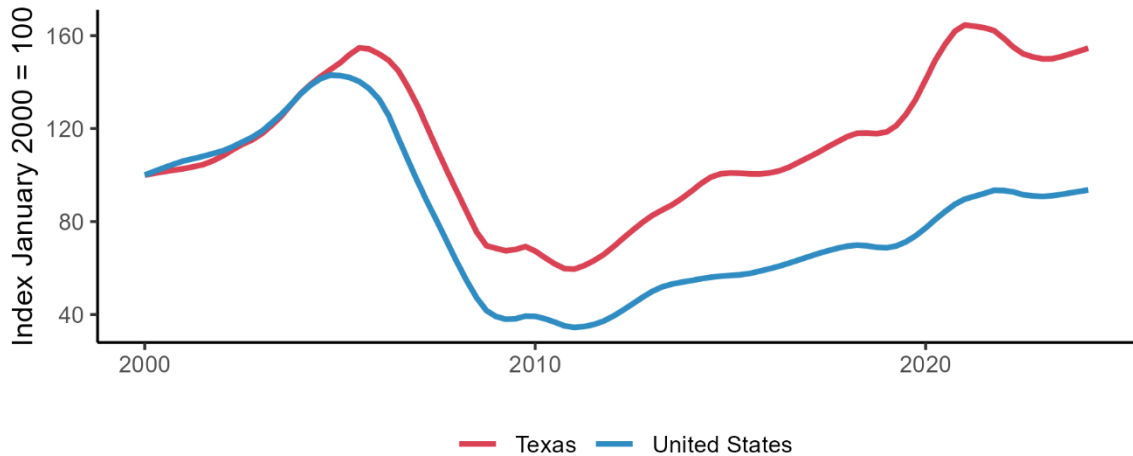


Texas Single-Family Permits

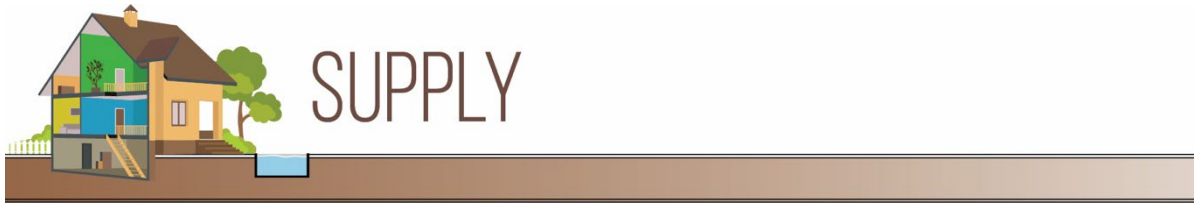


Source: Texas Real Estate Research Center at Texas A&M University

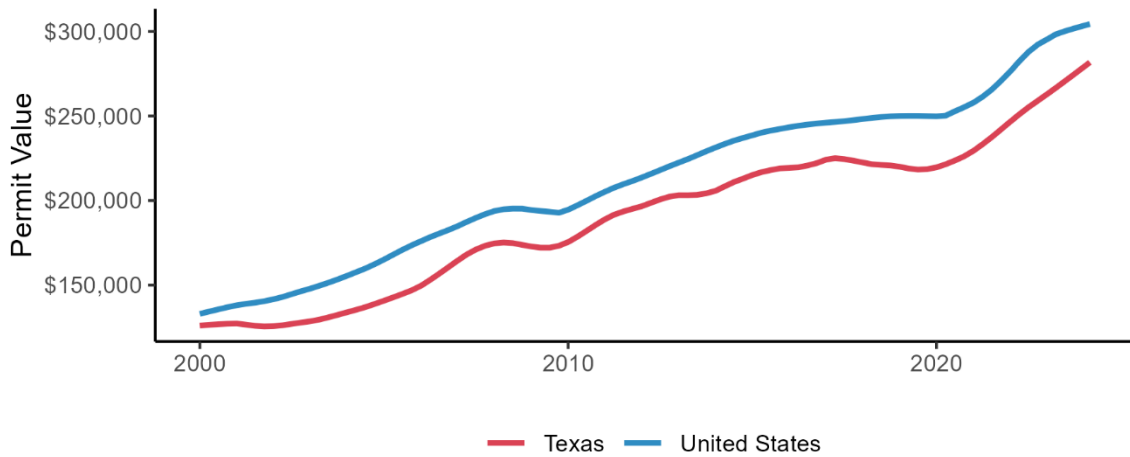
Single-Family Housing Construction Permits Seasonally Adjusted Trend



Source: U.S. Census Bureau - Texas Real Estate Research Center at Texas A&M University

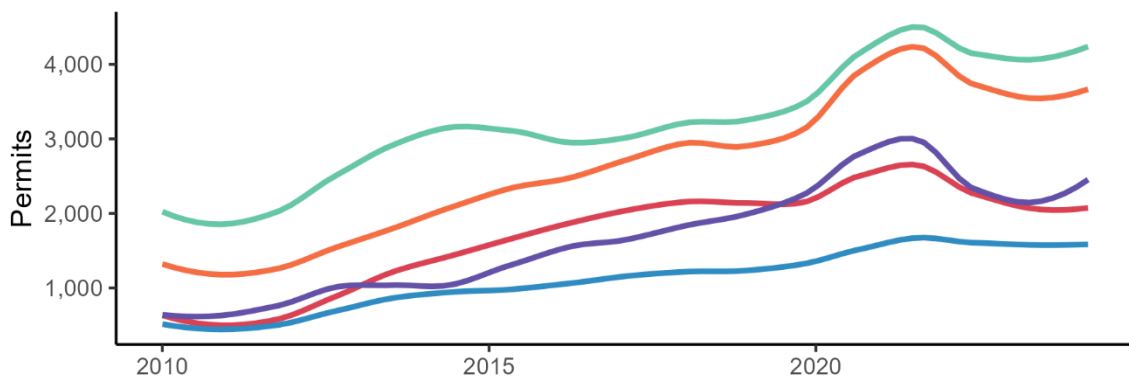


Single-Family Housing Construction Permit Values Seasonally Adjusted Trend



Source: U.S. Census Bureau - Texas Real Estate Research Center at Texas A&M University

Top New Home Markets Single-Family Detached Homes



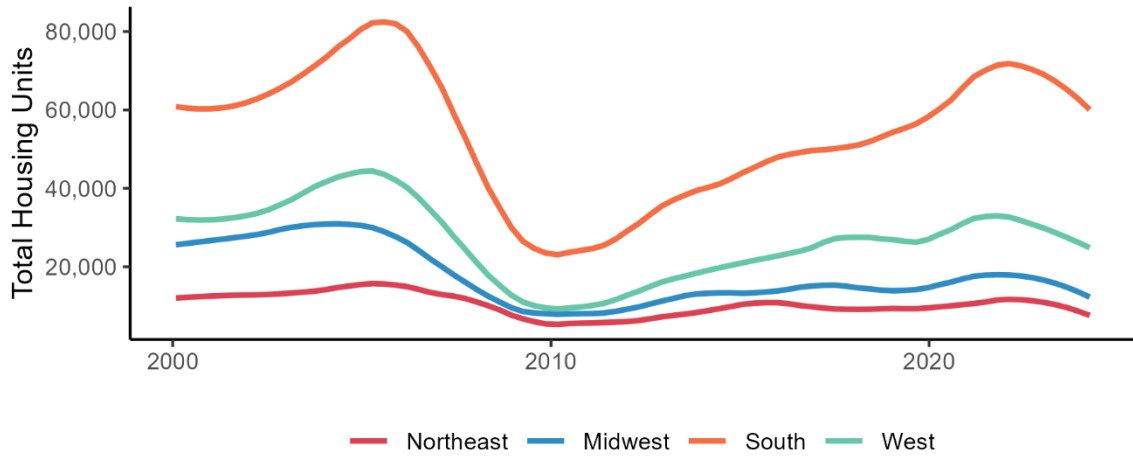
Atlanta-Sandy Springs-Alpharetta, GA Charlotte, NC-SC DFW, TX Houston, TX Phoenix

Source: U.S. Census Bureau - Texas Real Estate Research Center at Texas A&M University



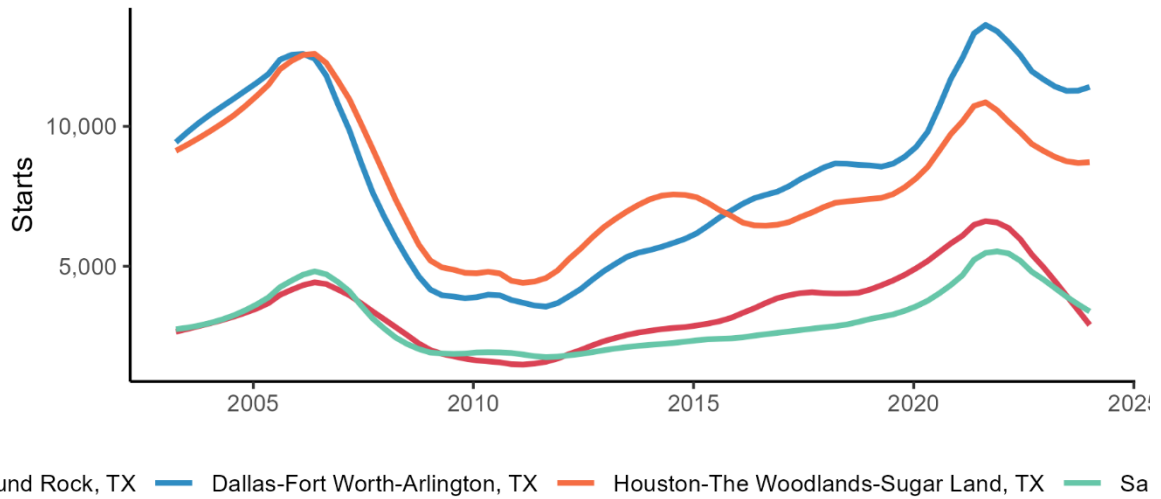
Regional Housing Starts

Total Housing Units



Source: U.S. Census Bureau - Texas Real Estate Research Center at Texas A&M University

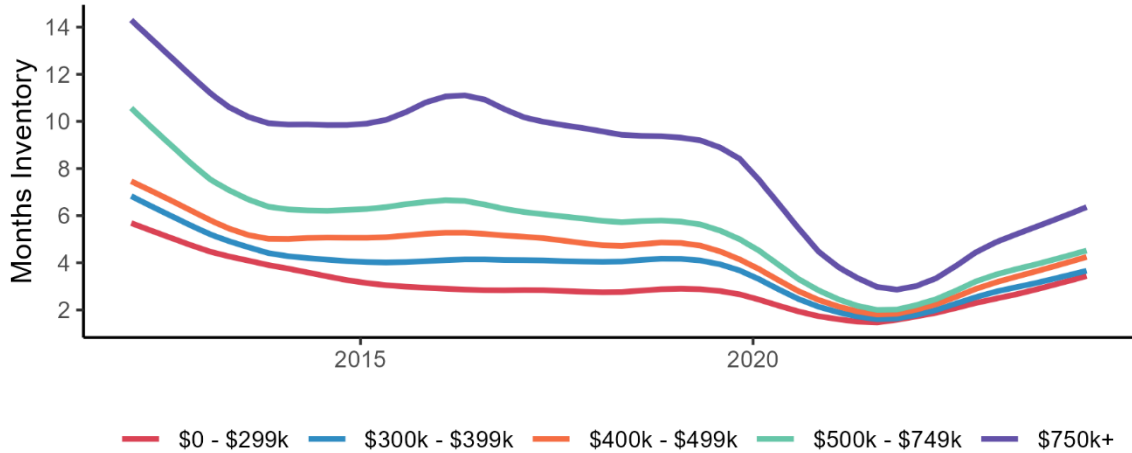
Metro Housing Starts



Source: Zonda - Texas Real Estate Research Center at Texas A&M University

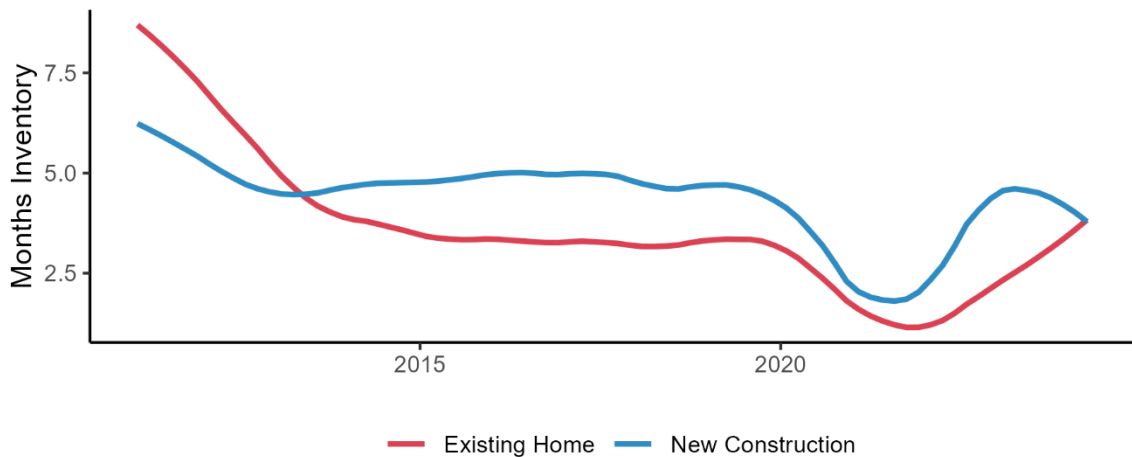


Inventory by Price Cohort
Seasonally Adjusted Trend



Source: Texas Real Estate Research Center at Texas A&M University

Texas New and Existing Inventory
Seasonally Adjusted Annualized Rate

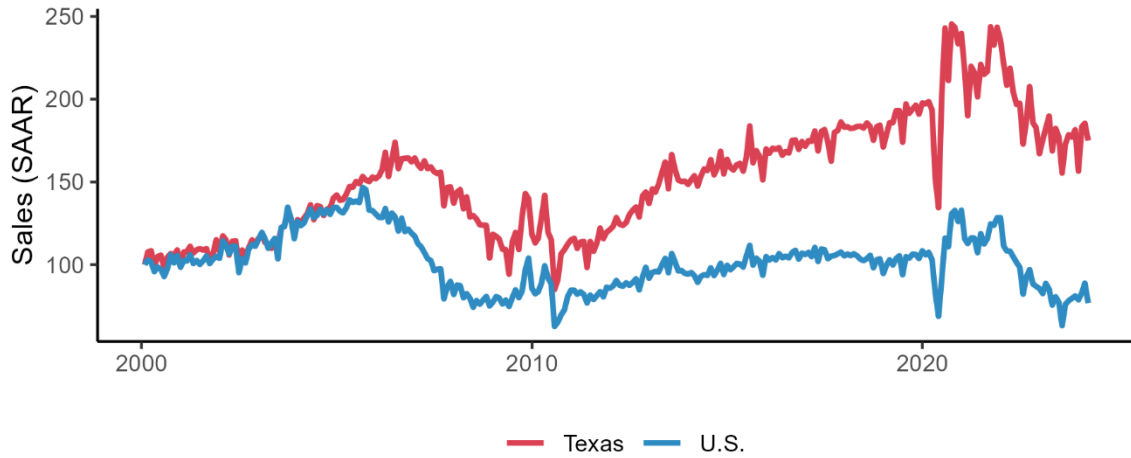


Source: Texas Real Estate Research Center at Texas A&M University



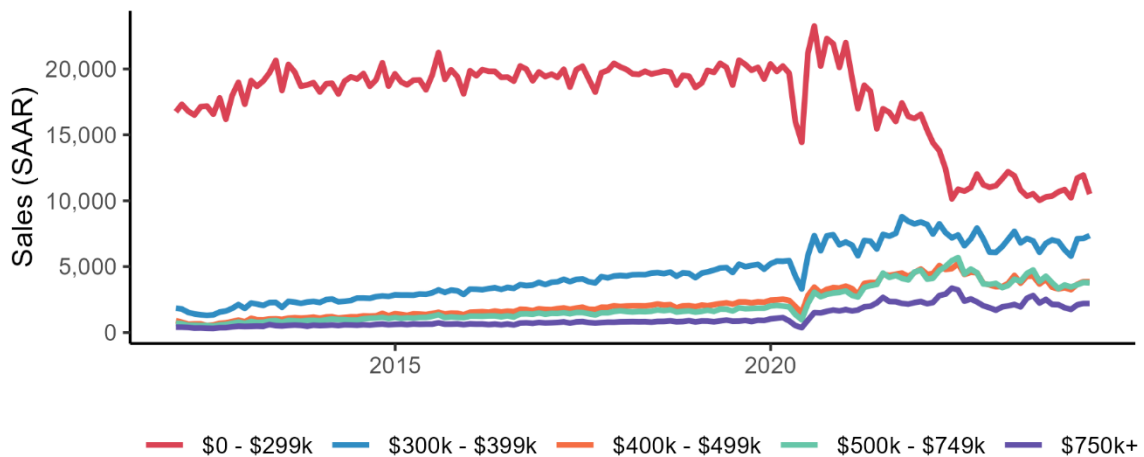
DEMAND

Residential Home Sales Seasonally Adjusted Annualized Rate



Source: National Association of Realtors - Texas Real Estate Research Center at Texas A&M University

Texas Sales by Price Cohort Seasonally Adjusted Annualized Rate



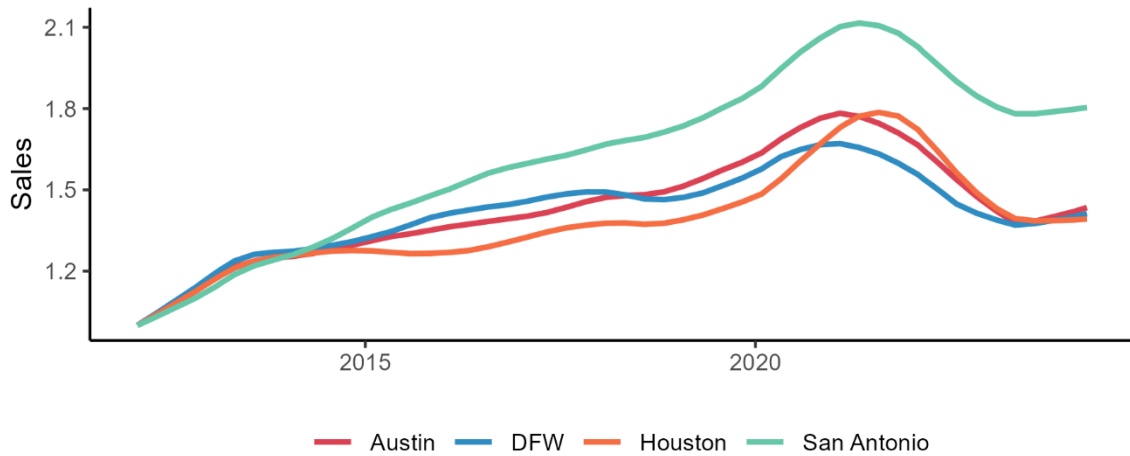
Source: Texas Real Estate Research Center at Texas A&M University





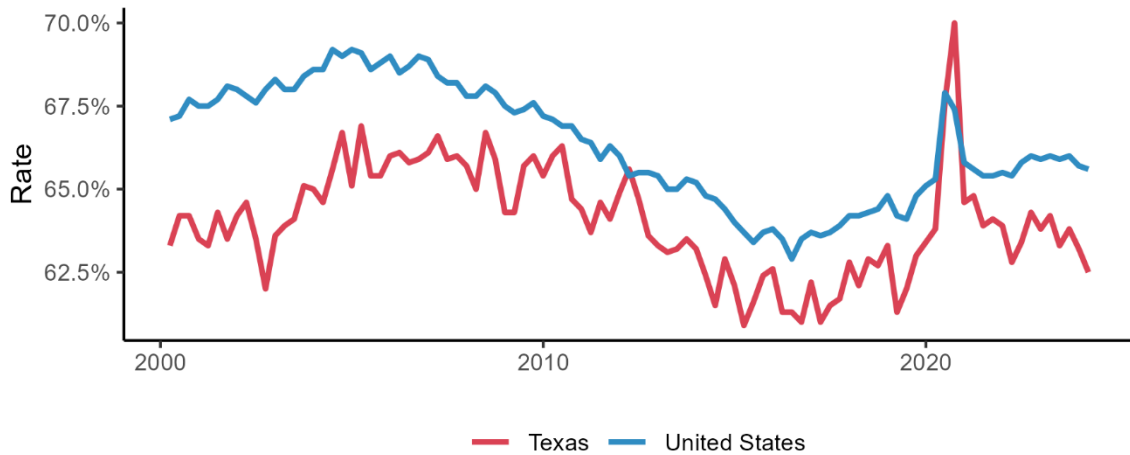
DEMAND

Metro Home Sales Seasonally Adjusted Trend



Source: Texas Real Estate Research Center at Texas A&M University

Homeownership Rate Seasonally Adjusted Trend



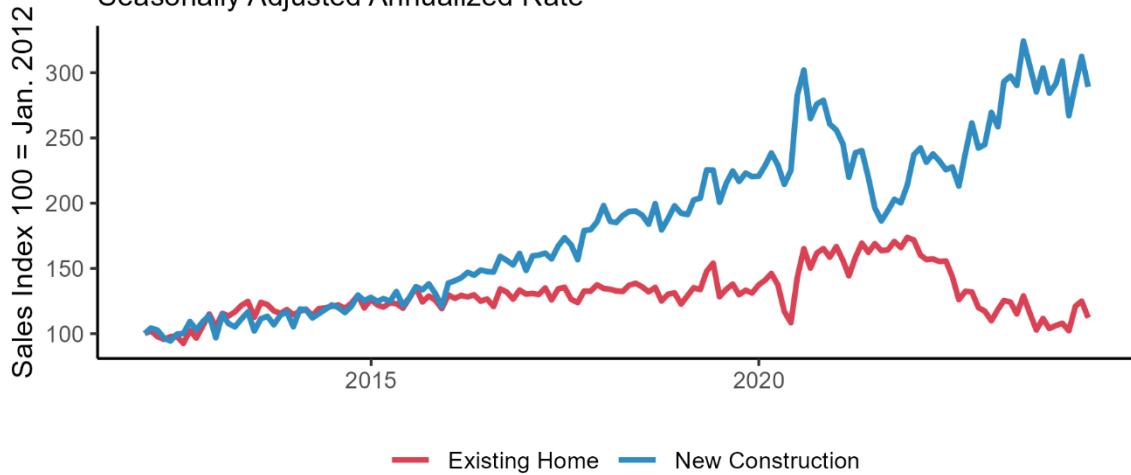
Source: U.S. Census Bureau and Texas Real Estate Research Center at Texas A&M University





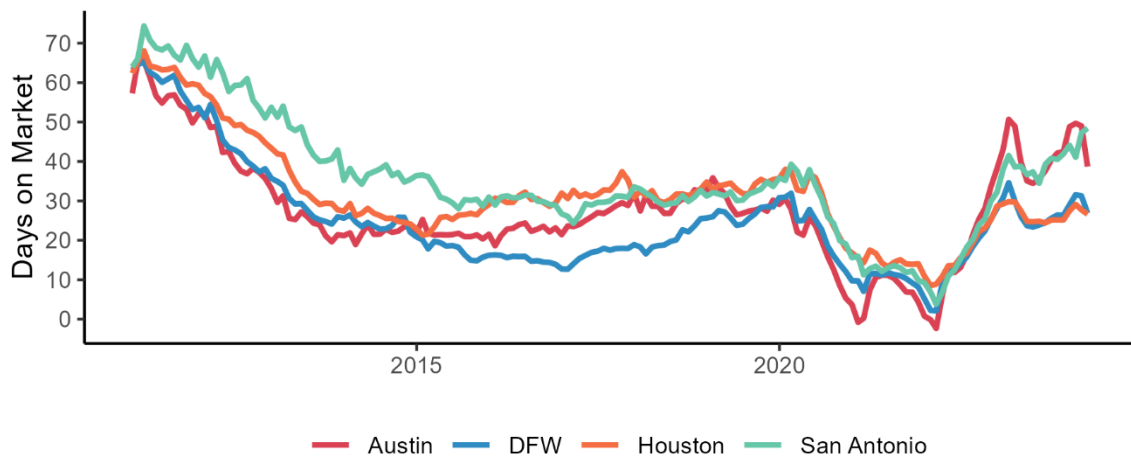
DEMAND

New and Existing Home Sales
Seasonally Adjusted Annualized Rate



Source: Texas Real Estate Research Center at Texas A&M University

Metro Median Days on Market
Seasonally Adjusted Annualized Rate



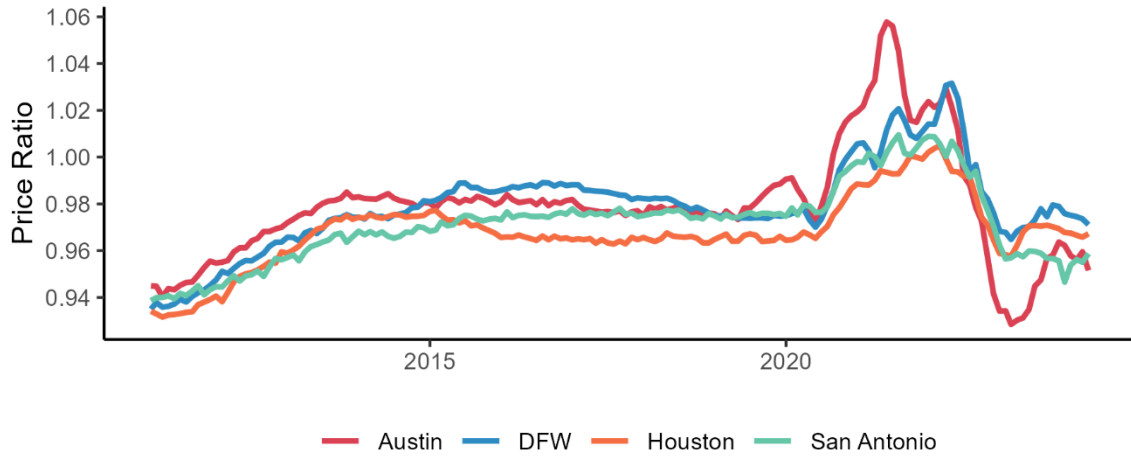
Source: Texas Real Estate Research Center at Texas A&M University



DEMAND

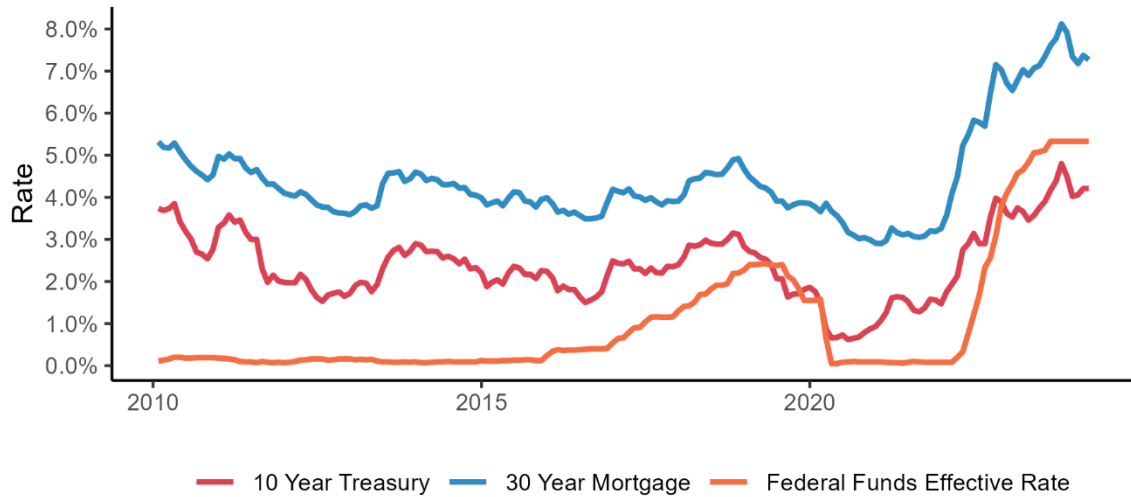
Metro Median Sale to List Price Ratio

Seasonally Adjusted Annualized Rate



Source: Texas Real Estate Research Center at Texas A&M University

Interest Rates

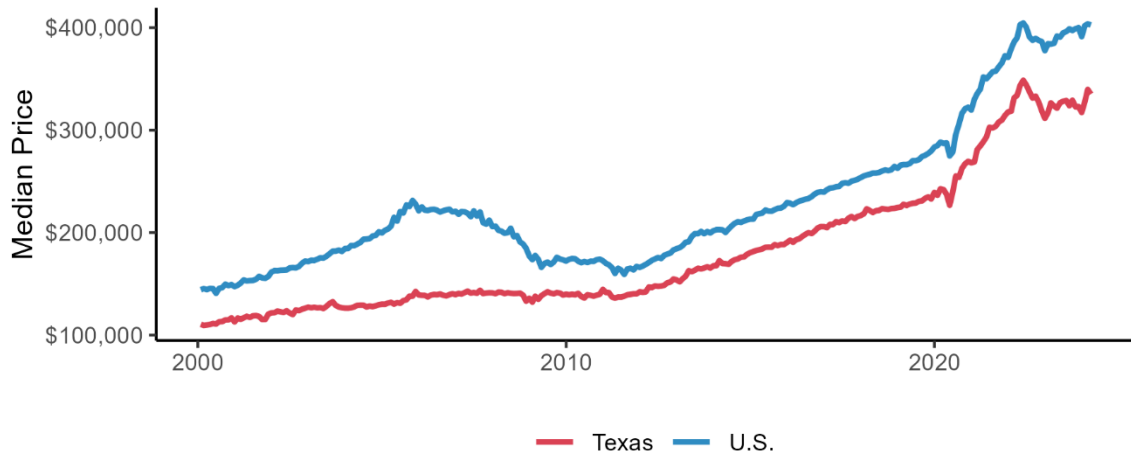


Source: Federal Reserve - Wall Street Journal - Texas Real Estate Research Center at Texas A&M University



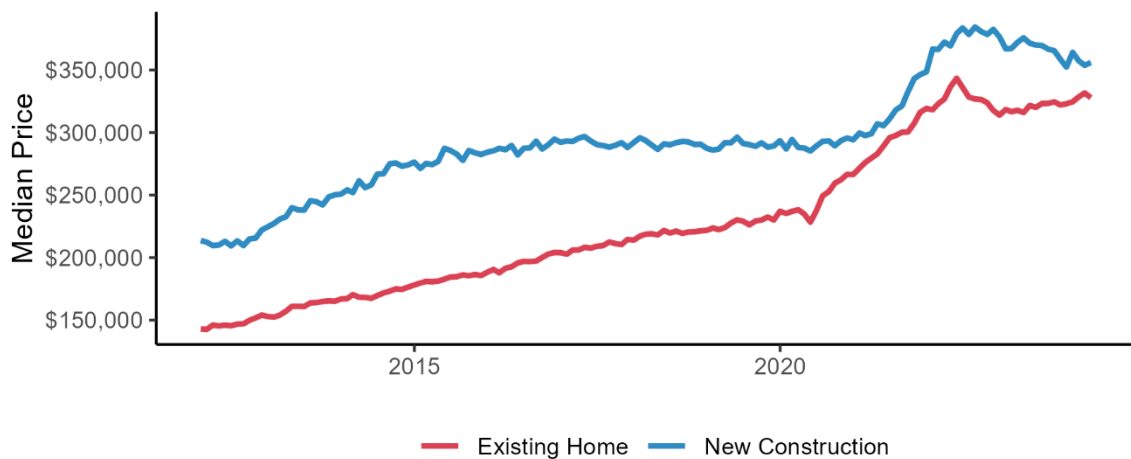
PRICES

Median Existing Single-Family Home Prices Seasonally Adjusted Annualized Rate



Source: National Association of Realtors - Texas Real Estate Research Center at Texas A&M University

Texas New and Existing Median Home Price Seasonally Adjusted Annualized Rate

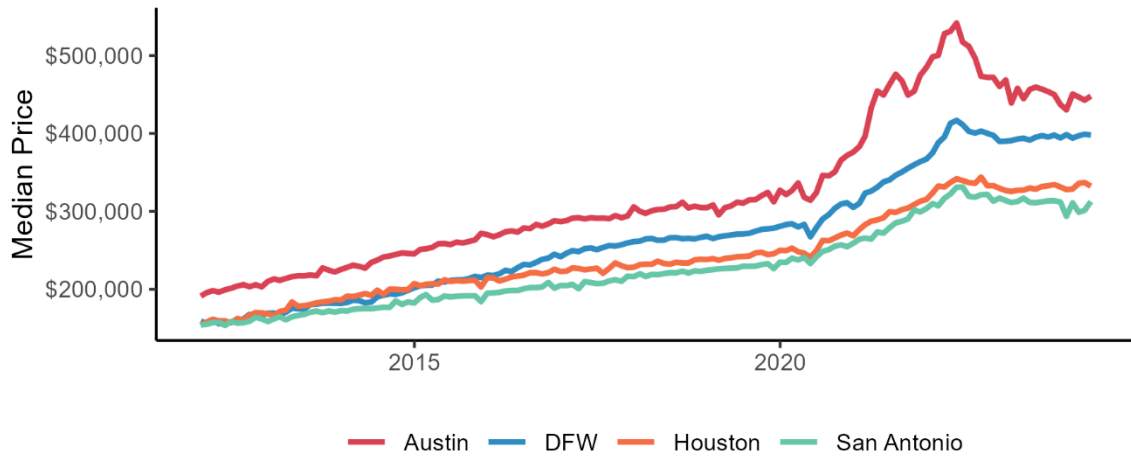


Source: Texas Real Estate Research Center at Texas A&M University



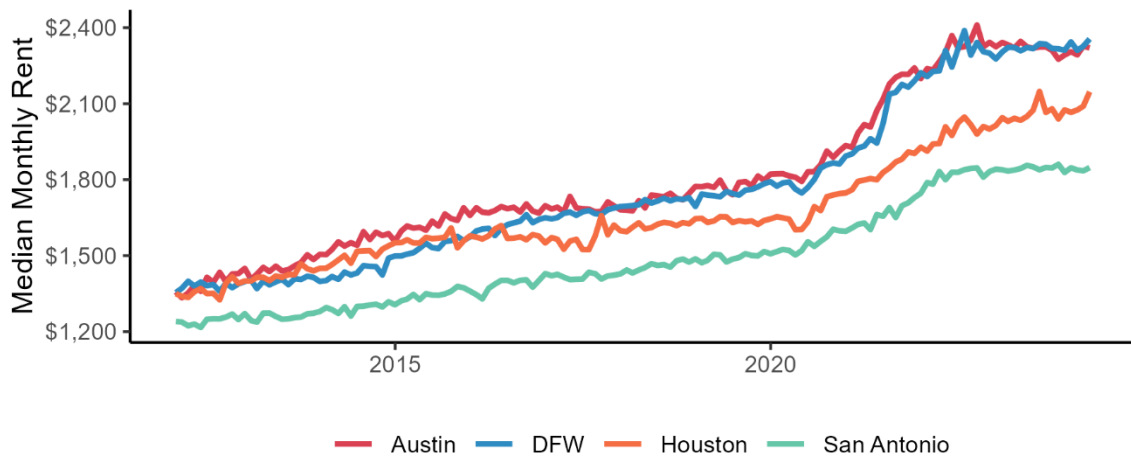
PRICES

Texas Major Metro Median Home Prices Seasonally Adjusted Annualized Rate



Source: Texas Real Estate Research Center at Texas A&M University

Texas Major Metro Median Single-Family Monthly Rent Seasonally Adjusted Annualized Rate

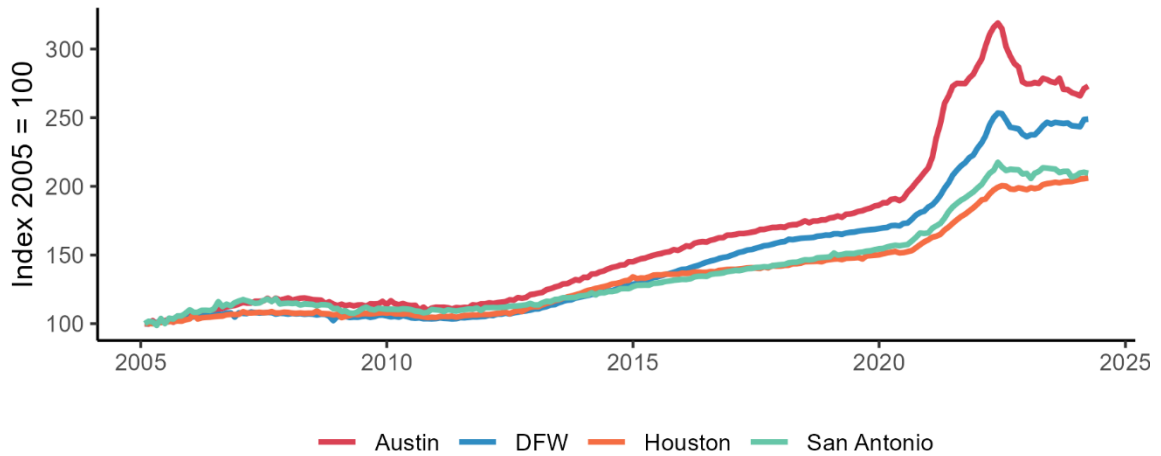


Source: Texas Real Estate Research Center at Texas A&M University



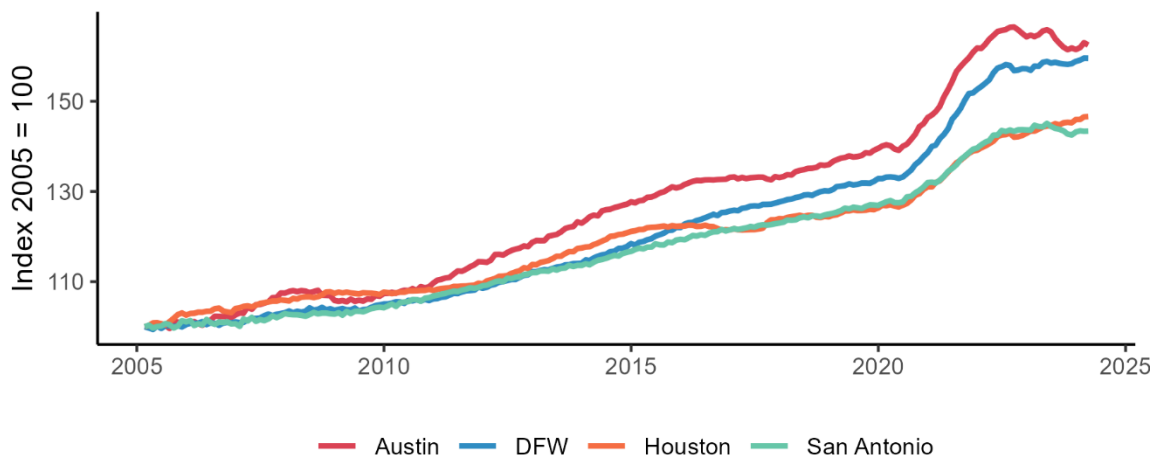
PRICES

Major Metro Home Price Index Seasonally Adjusted Annualized Rate



Source: Texas Real Estate Research Center at Texas A&M University

Major Metro Single-Family Rent Index Seasonally Adjusted Annualized Rate



Source: Texas Real Estate Research Center at Texas A&M University





TEXAS A&M UNIVERSITY

Texas Real Estate Research Center

DIVISION OF RESEARCH

Texas A&M University
2115 TAMU
College Station, TX 77843-2115

<https://trerc.tamu.edu/>
979-845-2031

EXECUTIVE DIRECTOR

PAMELA CANON

ADVISORY COMMITTEE

DOUG FOSTER, PRESIDING OFFICER Lockhart	BESA MARTIN, ASSISTANT PRESIDING OFFICER Boerne
TROY ALLEY, JR. DeSoto	PATRICK GEDDES Dallas
KRISTI DAVIS Carrollton	DOUG JENNINGS Fort Worth
VICKI FULLERTON The Woodlands	BECKY VAJDAK Temple
HARRY GIBBS Georgetown	BARBARA RUSSELL, EX-OFFICIO Denton



LinkedIn
[linkedin.com/company/recentertx](https://www.linkedin.com/company/recentertx)



Instagram
[instagram.com/recentertx](https://www.instagram.com/recentertx)



YouTube
[youtube.com/@recentertx](https://www.youtube.com/@recentertx)



Facebook
[facebook.com/recentertx](https://www.facebook.com/recentertx)



Twitter
[twitter.com/recentertx](https://www.twitter.com/recentertx)