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Houston home sales remained strong in February as area realtors sold 6,375 total properties, up 3.1 percent from the same month last year, according to the Houston Association of Realtors (HAR). The single-family home median price increased 1.4 percent to \$226,200, the highest ever for a February. Strong sales of upper-priced homes – those priced between \$500,000 and \$750,000 – pushed the average sales price up 0.4 percent to \$281,945, which was a sharp jump from January’s average of \$270,303. Housing inventory tightened slightly from the prior year, decreasing from 3.4 months supply in February ‘17 to 3.2 months supply in February ‘18. The housing market is considered balanced at 6.0 months supply.



Source: Houston Association of Realtors

“February was a positive month overall for Houston real estate, but we really need growth in inventory to ensure that there is a plentiful supply of homes as we enter the spring buying season,” said HAR Chair Kenya Burrell-VanWormer with JP Morgan Chase.

The strongest sales performance occurred in the segment of homes priced between \$500,000 and \$749,999, increasing 18.8 percent since February '17. Sales in luxury homes, those priced \$750,000 and higher, were unchanged from last year, ending a three-month trend of year-over-year declines. Constrained housing supplies have limited sales of lower-priced homes. Sales of homes priced between \$100,000 and \$149,999 fell 11.8 percent from last year.

Broken out by segment, February sales performed as follows:

- \$1 - \$99,999: decreased 2.8 percent
- \$100,000 - \$149,999: decreased 11.8 percent
- \$150,000 - \$249,999: increased 10.9 percent
- \$250,000 - \$499,999: increased 10.2 percent
- \$500,000 - \$749,999: increased 18.8 percent
- \$750,000 and above: unchanged

Rental demand is down considerably from last year, though prices have held firm. Year-over-year, single-family home leases and townhome/condominium leases fell 11.5 percent. The average rent for single-family homes increased 4.1 percent to \$1,720 and the average rent for townhomes/condominiums grew 2.2 percent to \$1,515.

Houston Housing Market Summary			
	February 2017	February 2018	% Change
Total property sales	6,181	6,375	3.1%
Total dollar volume	\$1,639,814,909	\$1,713,566,903	4.5%
Total active listings	34,707	33,939	-2.2%
Single-family home sales	4,997	5,260	5.3%
Single-family average sales price	\$280,813	\$281,945	0.4%
Single-family median sales price	\$223,000	\$226,200	1.4%
Single-family months inventory*	3.4	3.2	- 0.2 months
Source: Houston Association of REALTORS®			

*Months inventory estimates the number of months it will take to deplete current active inventory for the single-family homes market based on the prior 12 months sales activity.

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