



GREATER HOUSTON  
**PARTNERSHIP**

UPDATE



HOME SALES

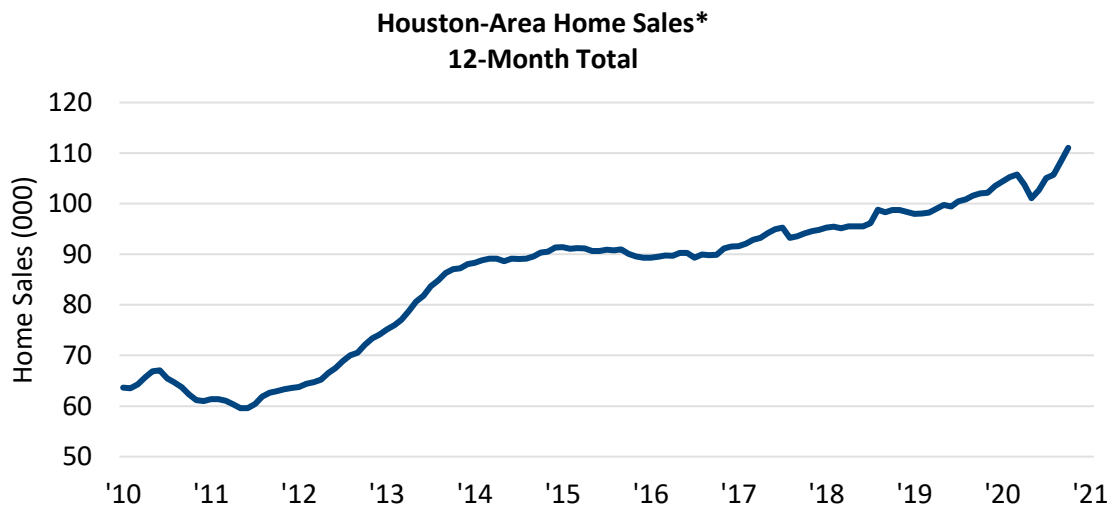
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November 12, 2020

Houston-area realtors sold 9,287 single-family homes in October '20, up 31.5 percent from the same month last year, according to the Houston Association of Realtors (HAR). Year-to-date sales totaled 78,588 single-family homes, up 7.7 percent compared to the first 10 months of '19. Sales of all property types for the 12 months ending in October '20 totaled 111,043 homes, up 8.8 percent over the comparable period in '19.

Workers most likely to purchase homes have so far avoided largescale job losses during the pandemic, and historically low interest rates are driving strong demand as supplies dwindle. Active listings fell to 31,384 homes in October, the fewest since December '15. Inventory is down to 2.4 months<sup>1</sup>, the shallowest supply recorded in the 25 years HAR has tracked that metric. Housing markets are considered balanced at 6.0 months' supply. The average price for a single-family home sold in October was \$334,996, up 12.4 percent from the same month last year.



\* Includes single-family homes, townhomes, duplexes, condos and residential lots.

Source: Houston Association of Realtors

<sup>1</sup> Refers to the number of months it would take for the current active listings of homes on the market to sell given the current sales pace.

“There was no way to anticipate that the Houston housing market would move at such incredible velocity when coronavirus struck, but I believe it is a testament to the importance of meeting consumers’ housing needs during a pandemic and the dedication of hard-working real estate professionals throughout our community,” said HAR Chairman John Nugent with RE/MAX Space Center.

Other than a brief lockdown in March and April, the pandemic has not hindered buying activity. White collar workers have largely avoided the job losses that have severely impacted lower wage workers who are more likely to rent. That disparity is especially evident in the performance of higher priced segments of the market. Year-over-year sales increased by 78.4 percent for homes priced between \$500,000 and \$750,000.

The number of leases signed for single-family homes fell 5.1 percent in October while leases for townhomes and condominiums rose 11.0 percent. The monthly average lease for a single-family home was \$1,907 in October, up 6.2 percent from the year-ago rate. The average townhome/condominium lease was \$1,595, up 3.5 percent.

#### HOUSTON HOUSING MARKET OVERVIEW

|                            | <i>October '20</i> | <i>October '19</i> | <i>% Change</i> |
|----------------------------|--------------------|--------------------|-----------------|
| <i>All Property Types</i>  |                    |                    |                 |
| Sales                      | 11,232             | 8,541              | 31.5            |
| Volume (\$ Billions)       | 3.556              | 2.434              | 46.1            |
| Active Listings            | 31,384             | 42,374             | -25.9           |
| <i>Single-Family Homes</i> |                    |                    |                 |
| Sales                      | 9,287              | 7,187              | 29.2            |
| Average Price (\$)         | 334,996            | 298,158            | 12.4            |
| Median Price (\$)          | 266,685            | 240,000            | 11.1            |
| Pending Sales              | 9,680              | 6,986              | 38.6            |

Source: Houston Association of REALTORS®

By segment, year-over-year October single-family sales performed as follows:

- \$1 - \$99,999: decreased 32.7 percent
- \$100,000 - \$149,999: decreased 27.4 percent
- \$150,000 - \$249,999: increased 12.2 percent
- \$250,000 - \$499,999: increased 52.5 percent
- \$500,000 - \$749,999: increased 78.4 percent
- \$750,000 and above: increased 81.5 percent

Days on Market (DOM), or the number of days it took the average home to sell, decreased from 59 days in October '19 to 47 days in October '20. The housing inventory nationally stands at 2.7-months' supply.

**Prepared by Greater Houston Partnership Research**

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