



# Residential Property Market Overview

Tax Year 2025



# Houston Residential Home Market

During 2024, the Houston housing market maintained steady growth with moderate price appreciation, making Houston one of the best places to invest in real estate in the country.

Despite broader economic uncertainties, the market remains robust and is doing well and is stable.

[Houston Housing Market Analysis & Forecast \(2024 - 2025\) | The Luxury Playbook](#)

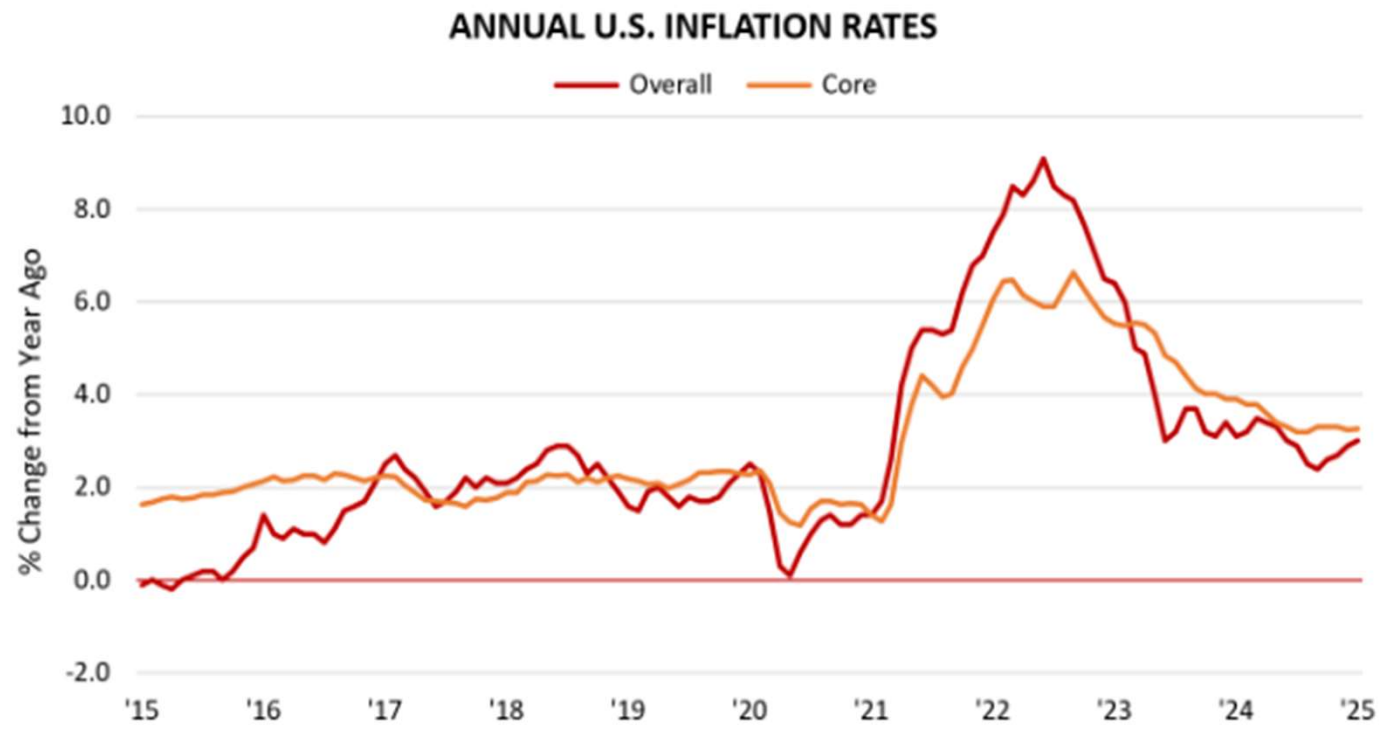


# Leading Indicators

Key metrics used to predict or explain market behavior:

- Inflation, interest rates, and mortgage rates
- Inventory levels & new starts
- Sales prices and sales volume

# Inflation

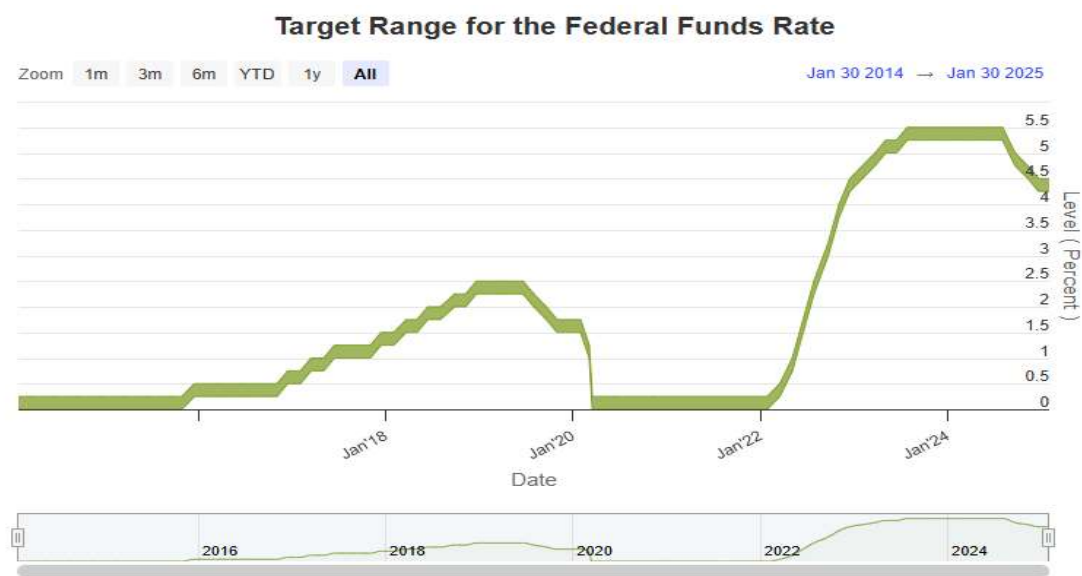


Source: U.S. Bureau of Labor Statistics

[Monthly Update: Inflation](#)

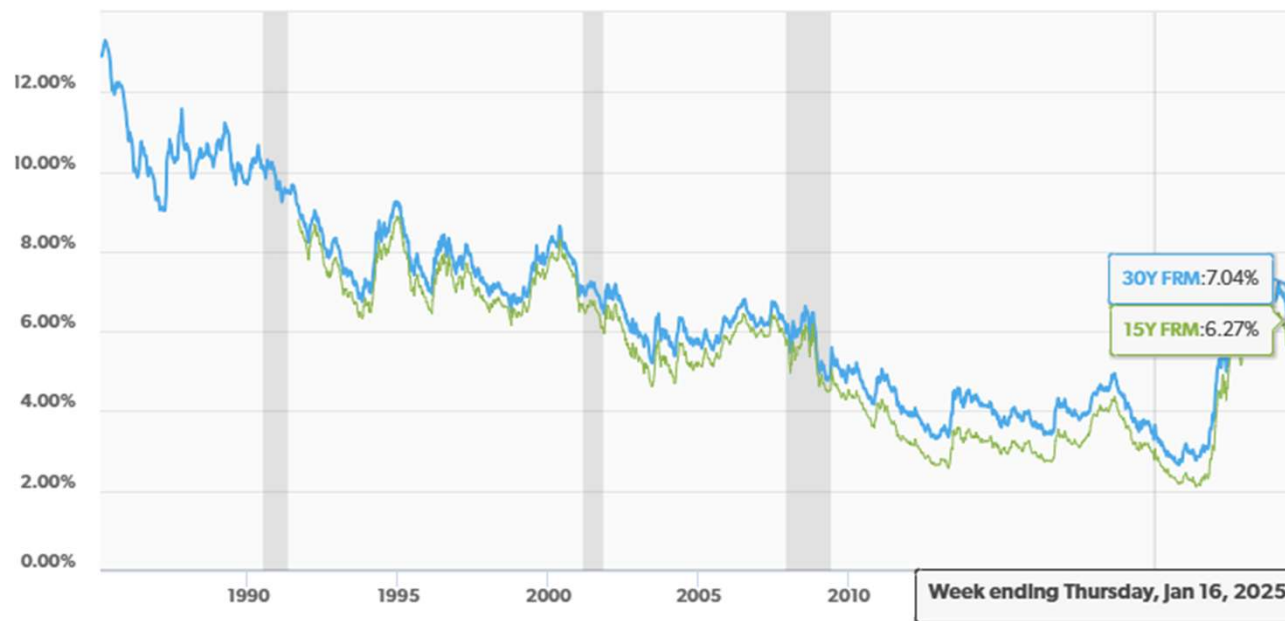
# Interest Rates

After seeing the Fed Funds Rate increase 11 times between 2/22 – 7/23 we finally started to see the rate reduced in the middle of 2024. As of January 30, 2025, the target rate range was between 4.25% to 4.50%.



# Mortgage Rates

Mortgage rates have fallen consistently over the last 40 years. However, this has changed since 2022.



[Mortgage Rates - Freddie Mac](#)

# Mortgage Rates

As of 1/1/25, the 30-year mortgage rate was 6.91-7.5%.



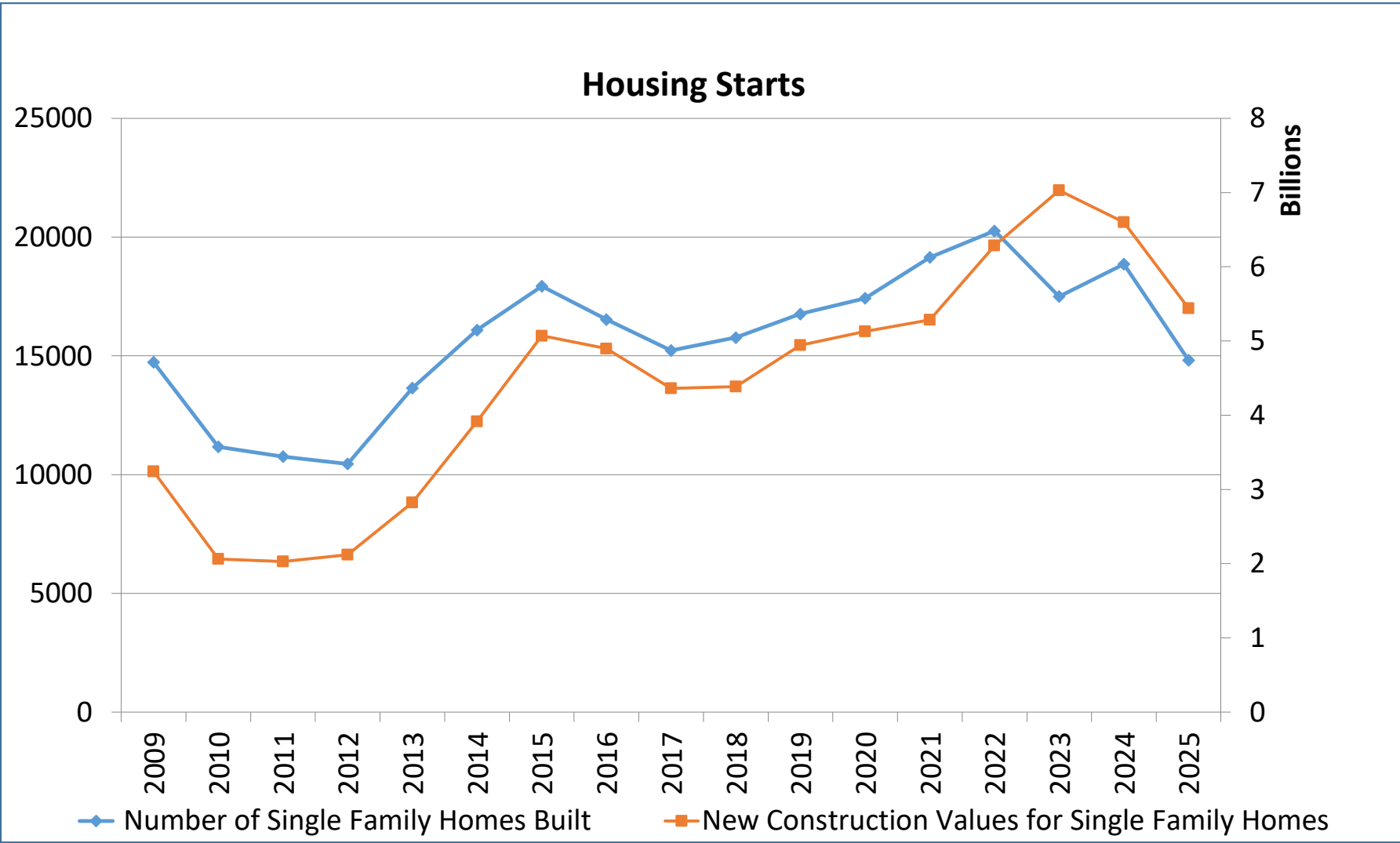


# Home Inventory

- According to the Houston Association of Realtors (HAR), the inventory of available homes has increased from 3.2 months in January 2024 to 4.0 months of supply in December 2024.
- An inventory supply of 4.0 to 6.0 is traditionally considered a “balanced market”.
- The increase in home inventory was a welcome sight in 2024. We saw growth in the market after experiencing two consecutive years of declining sales.

[Monthly Housing Update - HAR.com](https://www.harriscentralappraisal.com/newsroom/monthly-housing-update)







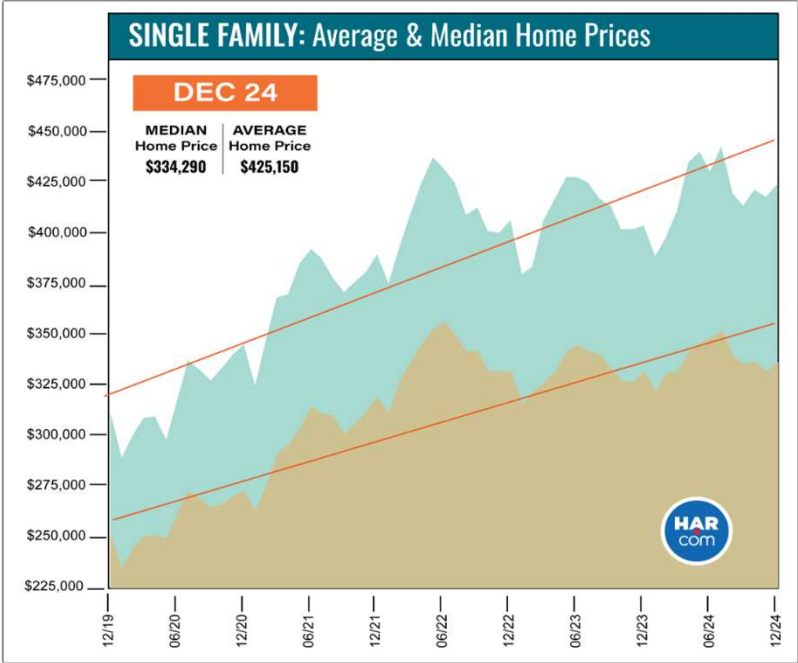
# Single Family Sales Volume

- Full year increase (1.3%)
  - 2023: 83,854
  - 2024: 85,163
- Month-over-month increase (13.6%)
  - December 2023: 7,461 units
  - December 2024: 8,478 units

# Sales Prices

- Average sales price (2.5%):
  - Full year 2023: \$412,161
  - Full year 2024: \$422,590
- Median sales price (1.5%):
  - Full year 2023: \$330,000
  - Full year 2024: \$335,000

# Sales Prices



Average Price \$425,150

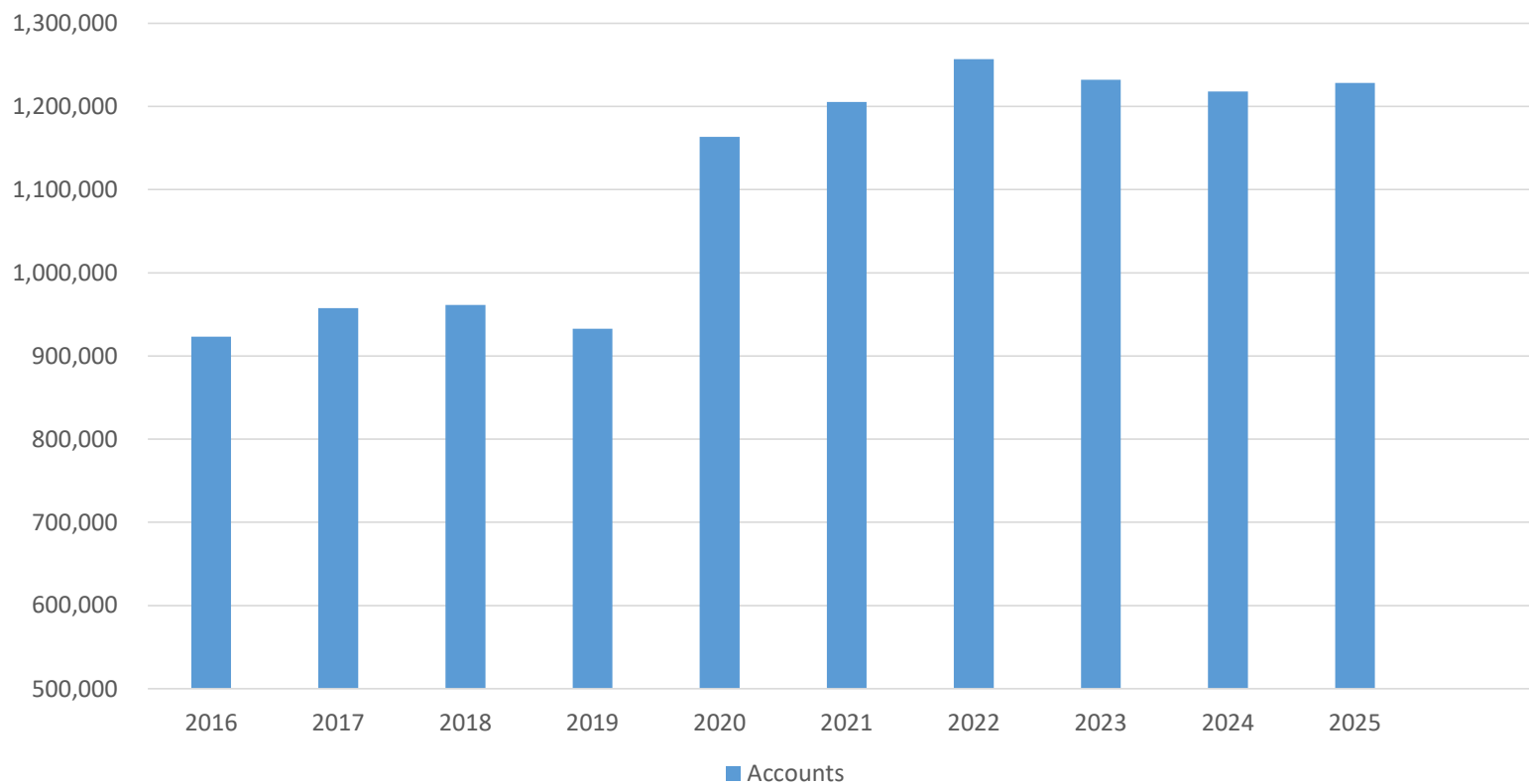
Median Price \$334,290



# 2025 Residential Noticing

- Residential noticing began Friday, March 14<sup>th</sup>
  - Single family homes, including townhomes & condos
  - Real and personal property mobile homes
  - Vacant land
- 1,228,185 accounts noticed as of 3/14/25 (\$423.5b)

# Initial Noticing 2016 - 2025





# 2025 Single-family Increase, Decrease, No Change *(as of March)*

Market Value	Parcels	Percent of Parcels		
		No Change	Increase	Decrease
Under 124,999	51,369	31.1%	36.7%	32.2%
125,000 - 199,999	167,985	20.2%	41.0%	38.8%
200,000 - 299,999	399,808	14.0%	49.0%	37.1%
300,000 - 449,999	283,302	7.5%	61.7%	30.8%
450,000 - 749,999	138,036	4.9%	74.6%	20.5%
750,000 and up	75,499	3.7%	84.3%	12.1%
Total	1,115,999	12.2%	56.0%	31.8%
Tax Year 2024		13.4%	39.2%	47.4%

# 2025 Single-family Percent Change

*(as of March)*

Market Value	Average Percent of Change		Overall Percent of Change
	Reappraisal Only	with New Construction	
Under 124,999	3.06%	3.56%	1.75%
125,000 - 199,999	1.62%	3.40%	1.20%
200,000 - 299,999	2.33%	7.60%	2.24%
300,000 - 449,999	4.22%	15.09%	4.55%
450,000 - 749,999	6.54%	13.92%	6.70%
750,000 and up	10.70%	14.34%	12.22%
<b>Total</b>	<b>3.82%</b>	<b>9.92%</b>	<b>5.95%</b>