

American Ventures®



**WHY YOU SHOULD
INVEST IN TEXAS
REAL ESTATE IN 2025?**

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Introduction

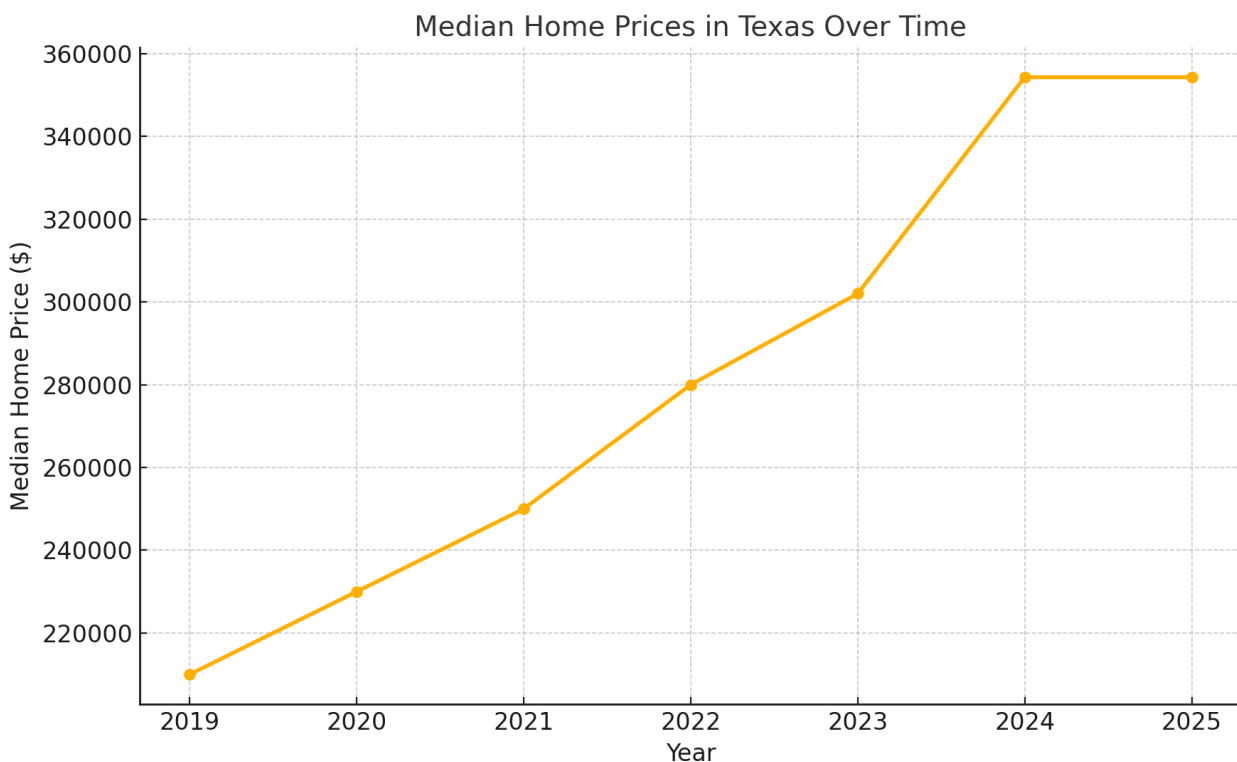
As of January 2025, the Texas real estate market is poised for significant developments. This report provides an overview of the current market conditions, comparisons with previous years, predictions for the future, emerging trends, and the best places to invest.



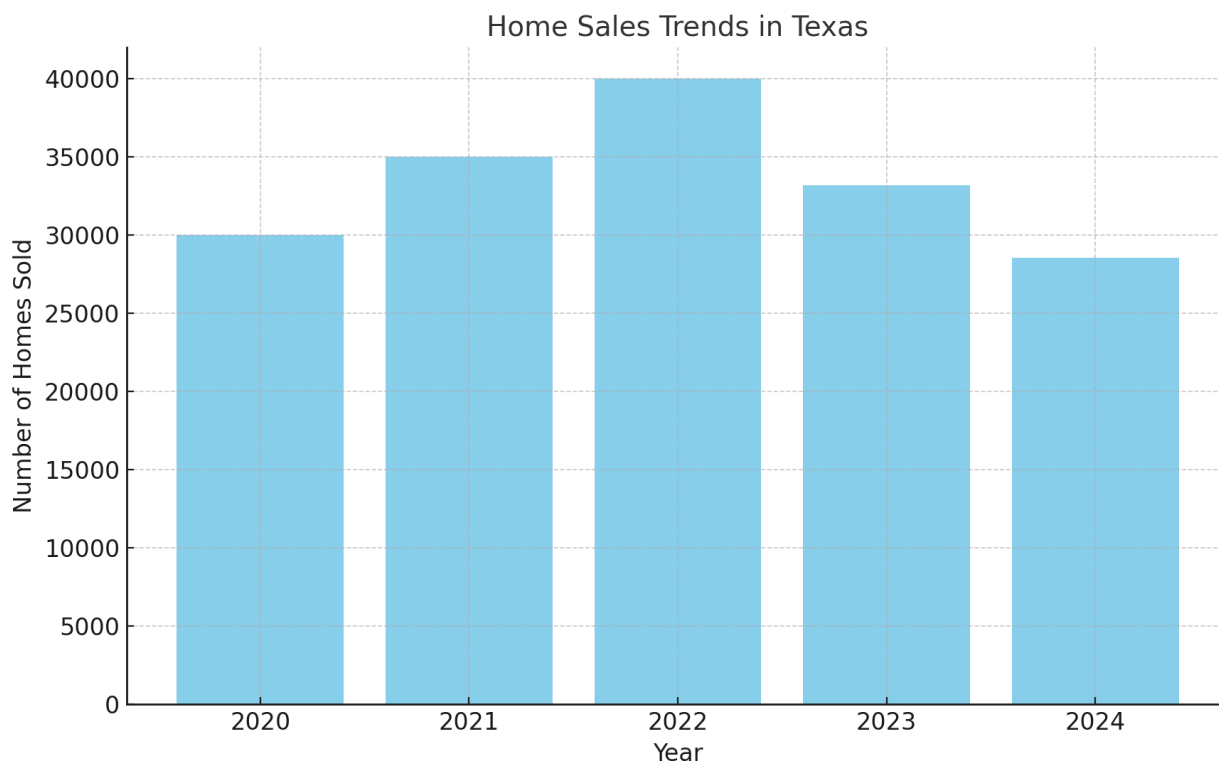
Market Overview

01 Current Market Conditions

- **Median Home Price:** As of early 2025, the median home price in Texas is approximately \$354,300, reflecting a slight decline of 1.1% year-over-year (YoY) from 2024.



- **Home Sales Activity:** The number of homes sold in Texas has decreased significantly, with 28,542 homes sold in June 2024, down from 33,182 in the previous year. However, there has been a 23.3% increase in home sales YoY as of June 2024, indicating a recovery in buyer interest.



- **Days on Market:** Homes are currently sitting on the market for an average of 42 days, suggesting a less competitive environment compared to previous years.



Comparison with Previous Year

In 2024, the Texas real estate market saw unprecedented price growth and intense buyer competition. However, by 2025:

- **Home Price Growth:** Price growth has moderated, with predictions indicating flat or modest increases across various regions.
- **Inventory Levels:** The inventory of homes available for sale has increased markedly, providing buyers with more options and reducing competition.

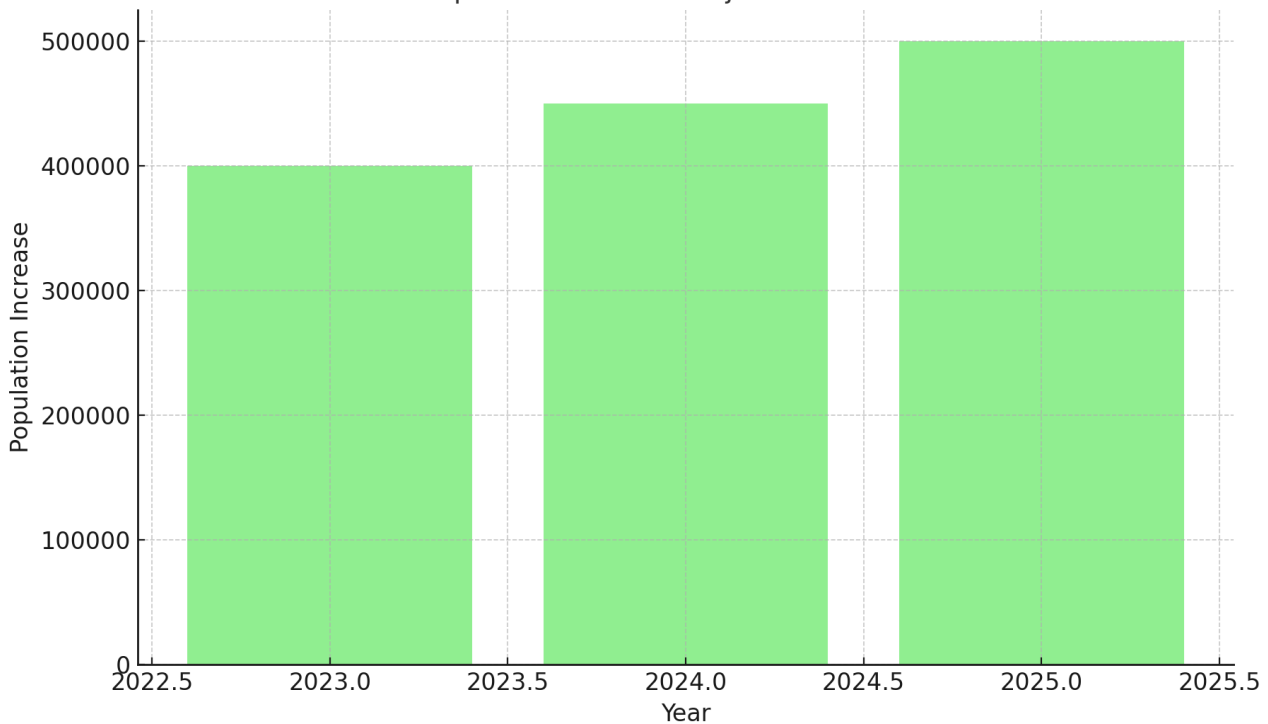


Significant Factors Driving Growth

01 Population Growth:

- Texas is projected to gain nearly 500,000 new residents in 2025, driven by job creation and corporate relocations.

Population Growth Projections in Texas



02 Job Market Resilience:

- Strong job growth across tech, healthcare, energy, and logistics sectors is bolstering demand for housing.

03 Infrastructure Development:

- Projects like the I-35 Corridor expansion and high-speed rail developments are increasing the desirability of key regions.

04 Tax Advantages:

- With no state income tax, Texas remains a magnet for businesses and individuals

Investing in Texas Real Estate Combines Resilience with Rapid Growth

Texas real estate offers a unique blend of affordability and high growth potential. Key sectors to watch include:

- **Build-to-Rent Communities:** Ideal for young professionals and families seeking affordability.
- **Multifamily Housing:** Strong demand with consistent rental yields.
- **Emerging Suburban Markets:** Cities like Frisco and McKinney are leading the suburban growth trend.



Predictions for 2025

01 Stabilization of Home Prices:

Experts predict that home prices will stabilize after several years of rapid increases. The market is expected to favor buyers more than sellers due to increased inventory and moderating price growth.

02 Continued Population Growth:

Texas is projected to gain nearly 500,000 new residents in 2025, driven by job creation and corporate relocations. This influx will sustain demand for housing across the state.

03 Build-to-Rent Communities:

There will be a rise in build-to-rent developments as demand for affordable housing increases. These communities are particularly appealing to young professionals and families.

04 Interest Rates Impacting Buyer Activity:

Assuming interest rates stabilize or decrease slightly in 2025, a resurgence in buyer activity is expected, especially among first-time homebuyers.

Emerging Trends

01 Shift Towards Suburban Living:

Many buyers are moving to suburban areas seeking affordability and quality schools. Cities like Frisco and McKinney are leading this trend.

02 Urban Revitalization:

Major urban centers such as Dallas and Fort Worth are undergoing revitalization efforts that attract younger buyers looking for modern living spaces.

03 Increased Negotiating Power for Buyers:

With more homes on the market and fewer bidding wars, buyers are gaining negotiating leverage that was absent in previous years.

04 Interest Rates Impacting Buyer Activity:

Assuming interest rates stabilize or decrease slightly in 2025, a resurgence in buyer activity is expected, especially among first-time homebuyers.

Best Places to Invest in Texas

Top Investment Locations

01 Dallas-Fort Worth (DFW):

- Continues to be a powerhouse with robust job growth across various sectors.
- Suburbs like Frisco and McKinney remain attractive due to high-quality amenities and schools.



02 Austin:

- While facing some price declines (-2.7% projected), Austin's tech-driven economy continues to attract new residents and investors.



03 Waco:

- Known for its revitalized downtown and lower cost of living, Waco is becoming increasingly desirable for both residents and investors.



04 Weatherford:

- Offers affordable land prices and rural charm while being close to Fort Worth, making it ideal for new housing developments.



05 Waxahachie:

- A growing market with potential for appreciation due to its affordability and proximity to major urban centers.



Conclusion

The Texas real estate market in 2025 presents unique opportunities for investors amid stabilizing prices and increasing inventory levels. With continuous population growth and evolving buyer preferences toward suburban living and affordable housing options like build-to-rent communities, Texas remains a prime location for real estate investment. Investors should focus on emerging markets such as Waco and Weatherford while keeping an eye on established areas like DFW and Austin for potential appreciation and rental income opportunities.



About American Ventures

American Ventures is passionate about empowering individuals with the knowledge and skills they need to build a strong financial future. Whether you are just starting out or are well along in your financial journey, we believe that everyone should have access to the resources they need to build and preserve wealth over time.

Our team has a combined 80+ years of real estate experience, managed over 15,000 units, and acquired 4,300 units since 2013. We focus on New Development and Value-add Multifamily & Commercial Real Estate Investments.



Shravan Parsi
CEO & Founder



William Little
Director Of Development



John S. Kaschak
Director Of Acquisition &
Development



Brandon Jenkins
Director of Investor Relations