



# Hibbs Brief

*Hibbs Institute for Business & Economic Research*

## The Evolution of Tyler’s Housing Market: A Decade of Transformation

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In this edition of the [Hibbs Brief](#), we examine the evolution of Tyler’s housing market, focusing on three specific periods: the pre-pandemic era (2011–2019), the post-pandemic phase (2020–2024), and the current market conditions and 2025 outlook.

Buying a home can be exciting and overwhelming, balancing financial considerations like prices, fees and mortgage rates with the desire for a comfortable, secure place to live. While emotions play a key role, ensuring a worthwhile investment is crucial.

Understanding housing market fundamentals and key trends is essential, especially as national shifts — such as the pandemic and fluctuating mortgage rates — continue to impact local markets. Across the country, regional housing trends have been shaped by economic growth, demographic changes and local dynamics.

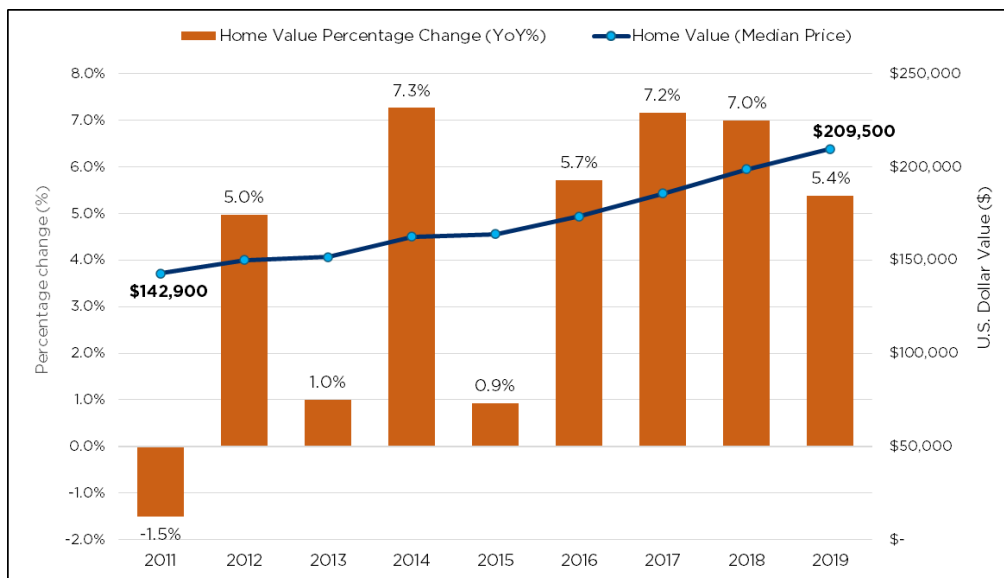
Over the past 15 years, the Tyler housing market has drastically changed, from pre- and post-pandemic eras to the current market and future expectations.

### Pre-Pandemic Era (2011-2019)

Tyler’s housing market experienced steady growth during the 2010s. Between 2011 and 2019, the median home price rose from \$142,900 to \$209,500 (46.6%). The state of Texas saw a more pronounced increase from \$147,500 to \$241,358 (63.6%) with the Dallas-Fort Worth metroplex at the top of the list, increasing from \$150,000 to \$275,000 (83.3%), in the same period. While prices trended upward, growth rates fluctuated, reflecting shifts in market conditions.<sup>1</sup>

**Figure 1** illustrates the evolution of Tyler’s housing market from 2011 to 2019, showing a steady rise in median home prices (blue line) and year-over-year percentage changes (orange bars). While prices trended upward, growth rates fluctuated, reflecting shifts in market conditions.

**Figure 1. Trends in Median Home Prices and Annual Price Changes in Tyler, TX (2011-2019)**



Source: The Hibbs Institute Estimates using Housing Activity Data from Texas Real Estate Research Center.

After a 1.5% decline in 2011, prices increased consistently during the following eight years. While some years presented a mild increase of about 1% (2013 and 2015), others experienced a considerable increase of 7% or more (2014, 2017 and 2018). Overall, Tyler’s housing market faced a gradual and consistent price appreciation during the decade; however, as the market entered 2020, external shocks — such as the pandemic — introduced new challenges and price volatility.

**The Pandemic Aftermath (2020-2024)**

In 2020, the COVID-19 pandemic brought unprecedented shifts to housing markets nationwide, including Tyler. While some supply and demand disruptions stabilized over time, others persisted and may have lasting effects.

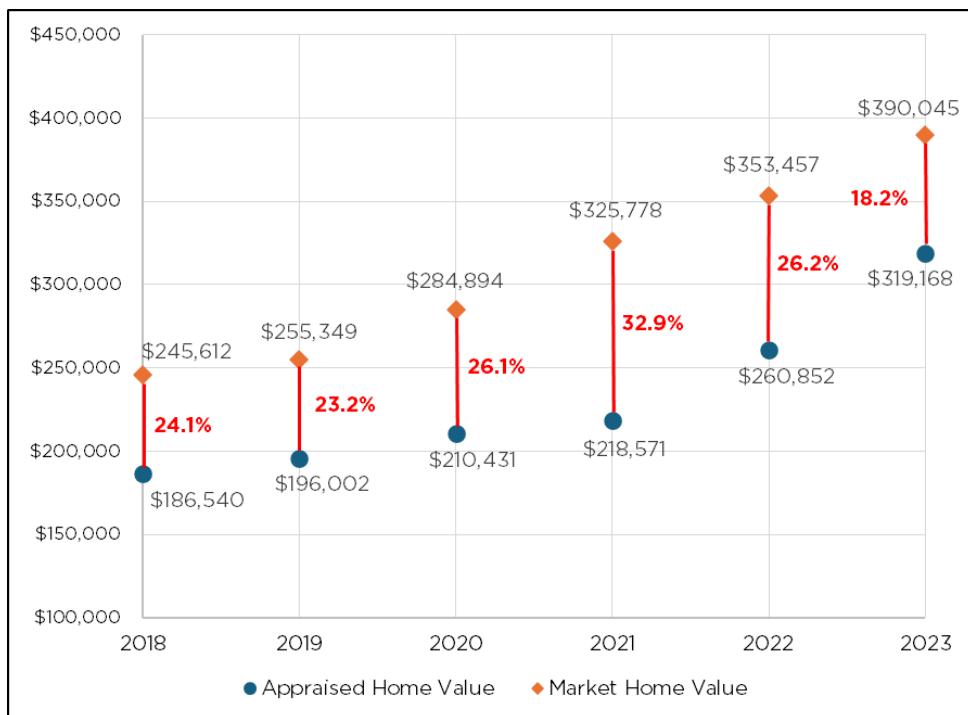
- *Surging Demand:* The pandemic intensified migration trends, with families moving from high-cost, densely populated states like California and New York to more affordable, mid-sized cities like Tyler. Low interest rates further fueled home purchases by buyers and investors.<sup>2</sup>
- *Supply Constraints:* Construction delays, supply chain disruptions, and labor shortages limited new housing availability, tightening supply.<sup>3</sup>

- *Rapid Price Appreciation:* The imbalance between demand and supply drove home prices sharply higher. By December 2024, Tyler’s median home price reached \$330,000 — a 57.5% increase from 2019.<sup>1</sup>

A surge in buyers outpacing sellers drove home prices in Tyler to unprecedented levels, with many willing to pay above-appraised values to secure properties. **Figure 2** highlights this trend from 2018 to 2023, showing that while appraised values (blue dots) rose steadily, market prices (orange diamonds) climbed even faster. The red percentages indicate how much higher market prices were each year.

From 2018 to 2023, market prices consistently outpaced appraised values, peaking in 2021 at 33% before narrowing to 18.2% in 2023. This gap exists because appraisals rely on past data, while market values reflect real-time buyer demand, interest rates and economic conditions. The gap has significant implications — buyers face higher out-of-pocket costs since mortgages are based on appraised values, while sellers benefit from increased property values and strong demand.

**Figure 2. The Price Gap Between Average Appraised and Market Home Values in Tyler, TX (2018-2023)**



Source: The Hibbs Institute Estimates using Housing Activity Data from Texas Real Estate Research Center and the Smith County Appraisal District data.

## Current Market Conditions and Expectations for 2025

Currently, Tyler's housing market is stabilizing, moving away from the rapid price surges of recent years. Rising inventory, slower price growth, and a more balanced sales pace indicate a shift toward market equilibrium.

- *Inventory Expansion:* Homes for sale increased to 1,244 in January 2025, a 13.1% rise year-over-year, easing supply constraints.<sup>4</sup>
- *Moderate Price Growth:* The median home value reached \$295,000, reflecting a modest 1% increase over the past year — marking a shift from past rapid price hikes toward a more sustainable market.<sup>4</sup>
- *Market Competitiveness:* Homes now sell in about 61 days, slightly longer than the previous year's 56-day average, signaling a return to typical market conditions.<sup>4</sup>

Although the housing market in Tyler looks more balanced during the first quarter of the year, we must pay special attention to some key factors that may influence market changes in the following months.

- *Population Growth:* Since 2019, Tyler's population has increased by 5.27% and is expected to continue rising due to Tyler's affordability, job opportunities and quality of life.<sup>5</sup>
- *Economic Drivers:* A strong economy led by healthcare, education, manufacturing and retail fuels job creation and housing demand. Expanding medical facilities, such as UT Health East Texas and CHRISTUS Trinity Mother Frances, will continue attracting professionals, while a strong small business sector fuels job creation and demand for housing.<sup>6</sup>
- *Housing Affordability:* Despite the recent stabilization of prices, housing affordability remains a pressing issue. With the price of houses remaining high, the required income to buy a house is hard for many individuals to reach.
- *Infrastructure and Development Growth:* Investments in infrastructure, commercial projects (e.g., the Amazon Delivery Station, Dave & Buster's and Bass Pro Shop), and residential developments will boost economic activity and sustain housing demands.<sup>7</sup>

- *Mortgage Interest Rates:* High interest rates have made buyers more cautious, slowing the pace of home purchases.
- *Speculation:* Economic sentiment driven by media and social networks could cause sudden shifts in housing demand based on expectations regarding inflation, stock markets, and broader economic conditions.

Tyler's housing market is stabilizing, with slower price growth and rising inventory creating more opportunities for buyers while requiring sellers to adjust expectations. Despite cooling trends, population growth, economic expansion and infrastructure development will sustain demand, making it essential for buyers, sellers and policymakers to adapt to evolving market dynamics.

This information was also featured in the April/May 2025 issue of TYLER TODAY Magazine. Visit [bluetoad.com/publication/?i=843570&p=106&view=issueViewer](http://bluetoad.com/publication/?i=843570&p=106&view=issueViewer) to read the article for free.

## End Notes

- <sup>1</sup>The Hibbs Institute estimate using Housing Activity data from Texas Real Estate Research Center. <https://trerc.tamu.edu/data/housing-activity/?data-MSA=Tyler>
- <sup>2</sup>Lucky Larry (January 2024). Tyler is Growing, But Where Are The People Moving From? <https://mix931fm.com/moving-to-tyler-texas-from/>
- <sup>3</sup>Aaron Baker (March 2022). Construction supply shortage: How it's impacting builders in East Texas. <https://www.cbs19.tv/article/news/local/construction-supply-shortage-how-its-impacting-builders-east-texas/501-dc82508a-d4ea-4bbe-8fb8-32a0e32a3a51>
- <sup>4</sup>GTAR MLS Residential Sales Data - Smith County (January 2025).
- <sup>5</sup>The U.S. Census Bureau (2019-2023).
- <sup>6</sup>Christus Health (June 2024). <https://www.christushealth.org/connect/news/ut-tyler-partnership>
- <sup>7</sup>Wellerman, Z. & Hale, S. (November 2024). <https://www.cbs19.tv/article/news/local/new-amazon-delivery-station-coming-tyler/501-55f921e8-8c01-417d-930e-e6e2be49474c>

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