



May 2012 – Advanced Austin Real Estate Market Report

A comprehensive report on the
Austin and Central Texas real estate market.

Volume IV, Issue V





The Austin market is changing. Is it starting to stagnate or just taking a breather?

During the Spring and early Summer, it's normal to see the number of homes for sale, homes under contract and homes sold increase each month. This trend usually continues until mid summer. This year the trend continues with some very specific differences.

- Number of homes for sale are at seven year lows. This month there are 28% fewer homes for sale than last year and 34% fewer than 2010 - a big drop in inventory.
- Demand for homes was stagnate during April, the first month of slow demand this year. Demand, number of homes sold compared to February, had increased in April for each of the last four years. Other data indicates this is not a long term trend.
- Months of Inventory is 4.36, defined as a "Normal Sellers Market" where there is normally "moderate appreciation." This is an average for the Austin market as a whole. Price bands, Zip Codes and Areas all have different market dynamics.
- The homes that did sell in April sold faster than the prior 4 years, with a average time on the market of only 67 days
- The strongest Austin market segments are homes prices below \$600K. For homes valued over \$1M, there is an oversupply of houses and few buyers and this upper price range is in an "Extreme Buyers Market."

"Our view is that 2012 will be the best year for housing in the past four or five years. However the gains will be moderate rather than rapid since the firming of both national and local economic recoveries will be gradual rather than rapid. That said, Austin remains near the top of the list in being well-positioned to see housing grow. Population growth rate remains three times the national average, company relocations are continuing, especially in IT and especially from California....and employment is growing steadily." Ed Friedman, director in Moody's Analytics office in West Chester, Penn. who follows the Texas economy and local housing market. (April 20, 2012)

Buying and selling in this market requires a deep understanding of the history and pressures in each area of town and price range.

We hope the West Austin Properties Advance Market report with detailed information by price range, zip code and area help you make the best decision for you and your family. It is our pleasure to deliver it to you so together we can spot trends.

Please call us if we can provide you any additional information.

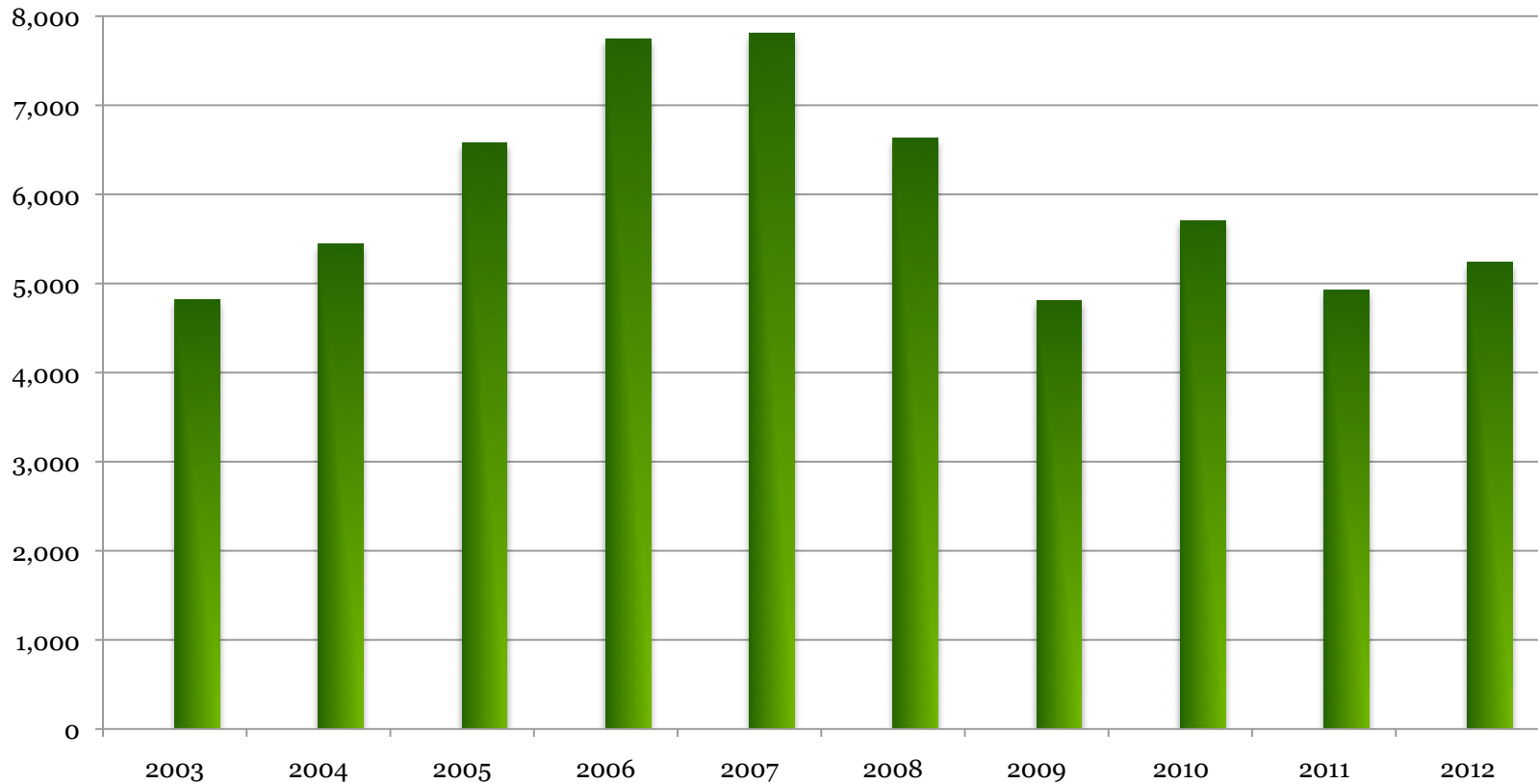
Laura Duggan, Gail Boston and Katy Duggan

Year to Date Sales – April 2012



1

Year-to-date sales in Austin are higher than in 2011 and 2009, showing increasing demand and improving market for this year as opposed to last year. Year to date sales would have exceeded 2010, had it not been for the tax credit. YTD sales have exceeded 2003 and all prior years.

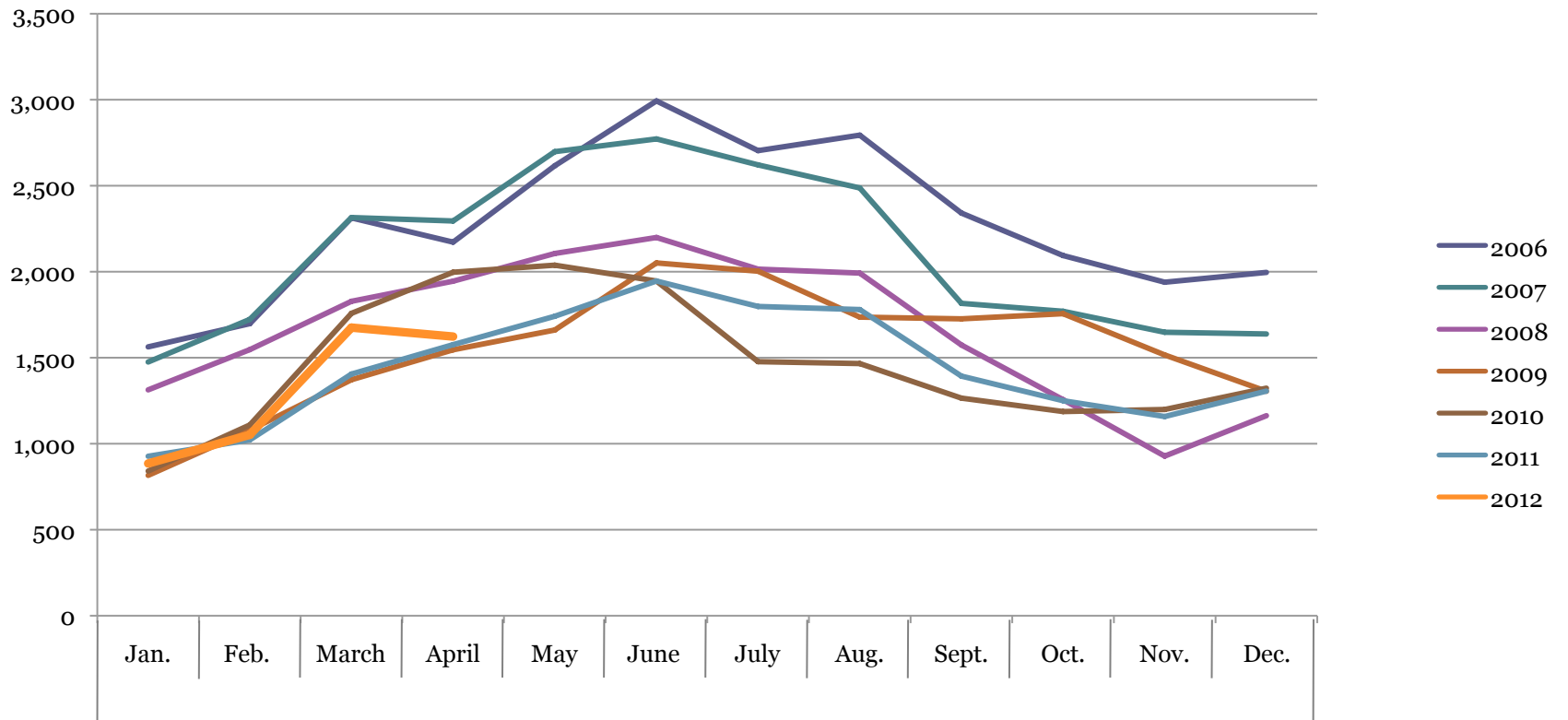


Homes Sold per Month– April 2012



2

The chart below follows the trends of number of sold homes during any given month. Last month there were 1623 homes sold in Austin, Texas. This is the second month this year that more homes sold in 2012 than sold in 2009 and 2011. The year 2010 was impacted by the federal tax credit that expired in May of that year.

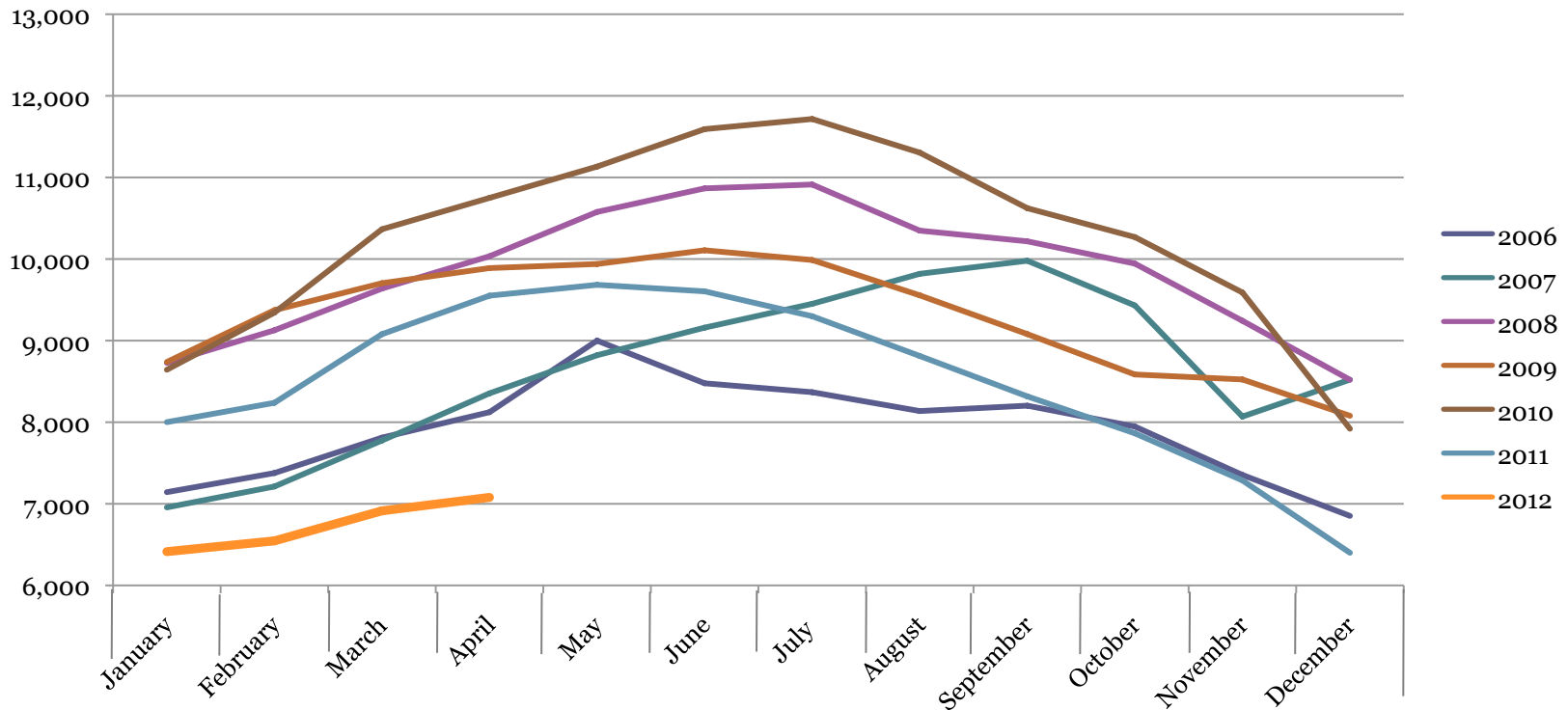


Homes For Sale– May 2012



3

The chart below follows the trends of number of homes for sale during any given month. At the beginning of April, there were **7,079** homes for sale in Austin, Texas. There are fewer homes for sale at this time than in the last 6 years. There are **28% fewer** homes for sale than last year at this time.

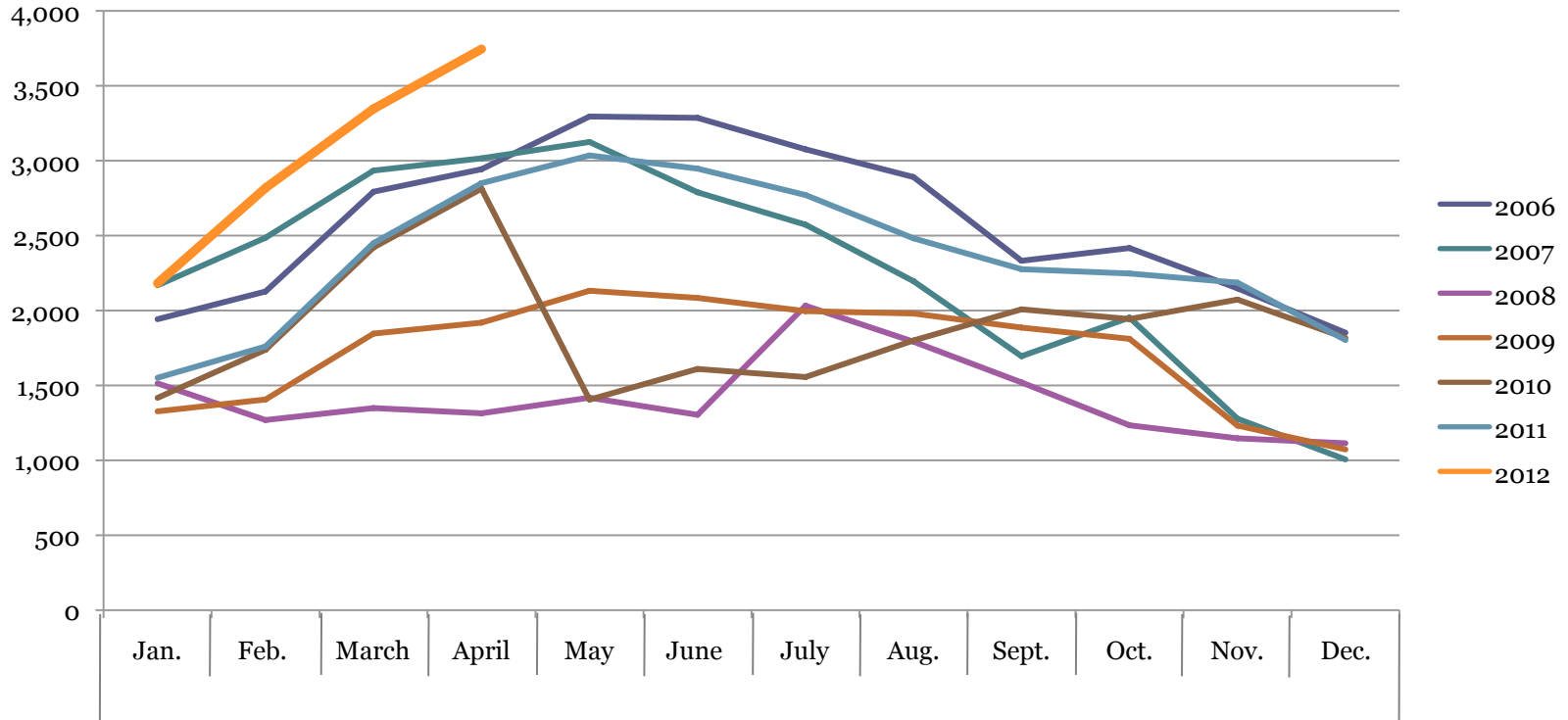


Pending Sales per Month– April 2012



4

The chart below tracks the number of Pending Sales in the market. These are homes that are Under Contract that have yet to close. This month there are **3,745 homes Pending in Austin, Texas**. This is the highest number of pendings in the last 7 years. **It is a sign that demand is strong**. However, because of new qualifying, mortgage and approval rates combined with buyer caution, we are seeing more homes not close that any time in the last several years.



Home Sales by Price Band- April 2012



5

The under \$600K price range is a **Normal Seller's Market**, while the \$600K to \$1M price range is a **Balanced and Normal Buyer's Market**. The over \$1M price range is an **Extreme Buyer's Market**. Overall the market has 4.12 months of inventory, and this inventory compared to sold has increased 6% since last month.

Price Range	# of Sold	Active Listings	Months of Inventory	Market
\$0-\$100k	107	397	3.71	Normal Sellers Market
\$100-\$200k	636	2095	3.29	Normal Sellers Market
\$200-\$300k	407	1531	3.76	Normal Seller's Market
\$300-\$400k	213	922	4.33	Normal Seller's Market
\$400k-\$500k	101	568	5.62	Normal Seller's Market
\$500-\$600k	69	347	5.03	Normal Seller's Market
\$600-\$700k	22	257	11.68	Normal Buyer's Market
\$700-\$800k	19	185	9.74	Normal Buyer's Market
\$800-\$900k	11	144	13.09	Extreme Buyer's Market
\$900-\$1M	12	95	7.92	Balanced Market
\$1-\$2M	17	351	20.65	Extreme Buyer's Market
\$2-\$3M	6	85	14.17	Extreme Buyer's Market
\$3M<	2	94	47.00	Extreme Buyer's Market
Overall MKT	1623	7079	4.36	Normal Seller's Market
12+ Months of Inventory	Extreme Buyer's Market		High Depreciation	
9-12 Months of Inventory	Normal Buyer's Market		Moderate Depreciation	
6-9 Months of Inventory	Balanced Market		Flat/Slight Depreciation	
3-6 Months of Inventory	Normal Seller's Market		Moderate Appreciation	
0-3 Months of Inventory	Extreme Seller's Market		High Appreciation	

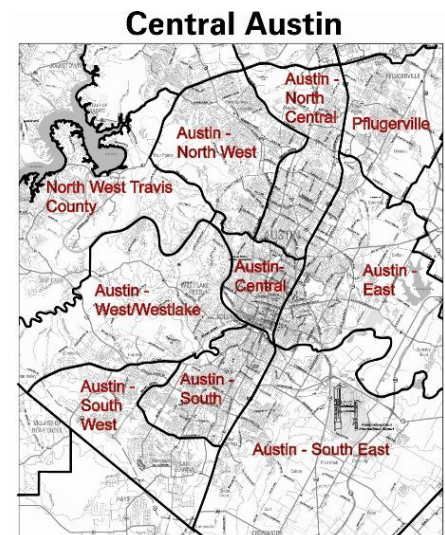
Home Sales by Region- April 2012



6

The chart below provides detail of how well each region of Austin and the surrounding cities are selling. The **South, North Central and Southwest** regions continue to outperform the rest of the market. Several markets showed significant increases in sales compared to the month prior: South, Southwest, West Austin/Westlake and Northwest Travis County. Twelve out of 14 markets have less than 6 months' inventory. **Seven out of 14 markets had less than 3 months' inventory!**

Region	# of Solds	Active Listings	Months of Inventory	Median Selling Price	Avg DOM
Central Austin	98	448	4.57	\$385,000	55
East Austin	72	264	3.67	\$169,150	62
North Central Austin	88	160	1.82	\$223,000	46
Northwest Austin	120	237	1.98	\$308,000	37
South Austin	98	211	2.15	\$207,850	35
Southeast Austin	50	142	2.84	\$118,000	52
Southwest Austin	82	194	2.37	\$268,250	37
West Austin/Westlake	79	280	3.54	\$507,000	54
Northwest Travis County	138	1089	7.89	\$378,450	94
Cedar Park/Leander	183	549	3.00	\$174,900	71
Georgetown	102	562	5.51	\$200,000	75
Pflugerville	101	295	2.92	\$148,500	66
Round Rock	216	555	2.57	\$201,250	55
Dripping Springs/Wimberly	52	381	7.33	\$314,950	70
12+ Months of Inventory	Extreme Buyer's Market		High Depreciation		
9-12 Months of Inventory	Normal Buyer's Market		Moderate Depreciation		
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3-6 Months of Inventory	Normal Seller's Market		Moderate Appreciation		
0-3 Months of Inventory	Extreme Sellers Market		High Appreciation		



Home Sales by Zip Code- April 2012



The chart below provides detail of how well each Zip Code of Austin is selling. The Northwest and Southwest Austin zip codes are the strongest areas. Twelve zip codes out of 17 have less than 6 months' of inventory.

7

Nine zip codes out of 17 have less than 3 months' inventory!

Zip Code	# of Solds	Active Listings	Months of Inventory	Median Sales price	Avg DOM
78701	12	85	7.08	\$320,950	57
78703	20	100	5.00	\$597,500	63
78704	32	84	2.63	\$429,950	44
78705	1	12	12.00	\$355,000	2
78717	34	71	2.09	\$248,500	37
78727	23	50	2.17	\$209,000	31
78730	12	90	7.50	\$416,500	77
78731	40	83	2.08	\$440,000	42
78732	32	149	4.66	\$376,950	66
78733	16	53	3.31	\$503,950	49
78734	27	238	8.81	\$354,000	72
78735	31	59	1.90	\$402,000	52
78739	21	53	2.52	\$342,000	33
78746	24	153	6.38	\$744,000	66
78749	43	51	1.19	\$250,000	31
78750	27	46	1.70	\$324,000	35
78759	34	61	1.79	\$332,450	38
12+ Months of Inventory	Extreme Buyer's Market		High Depreciation		
9-12 Months of Inventory	Normal Buyer's Market		Moderate Depreciation		
6-9 Months of Inventory	Balanced Market		Flat/Slight Depreciation		
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Central Austin
 78701
 78703
 78704
 78705
 78731

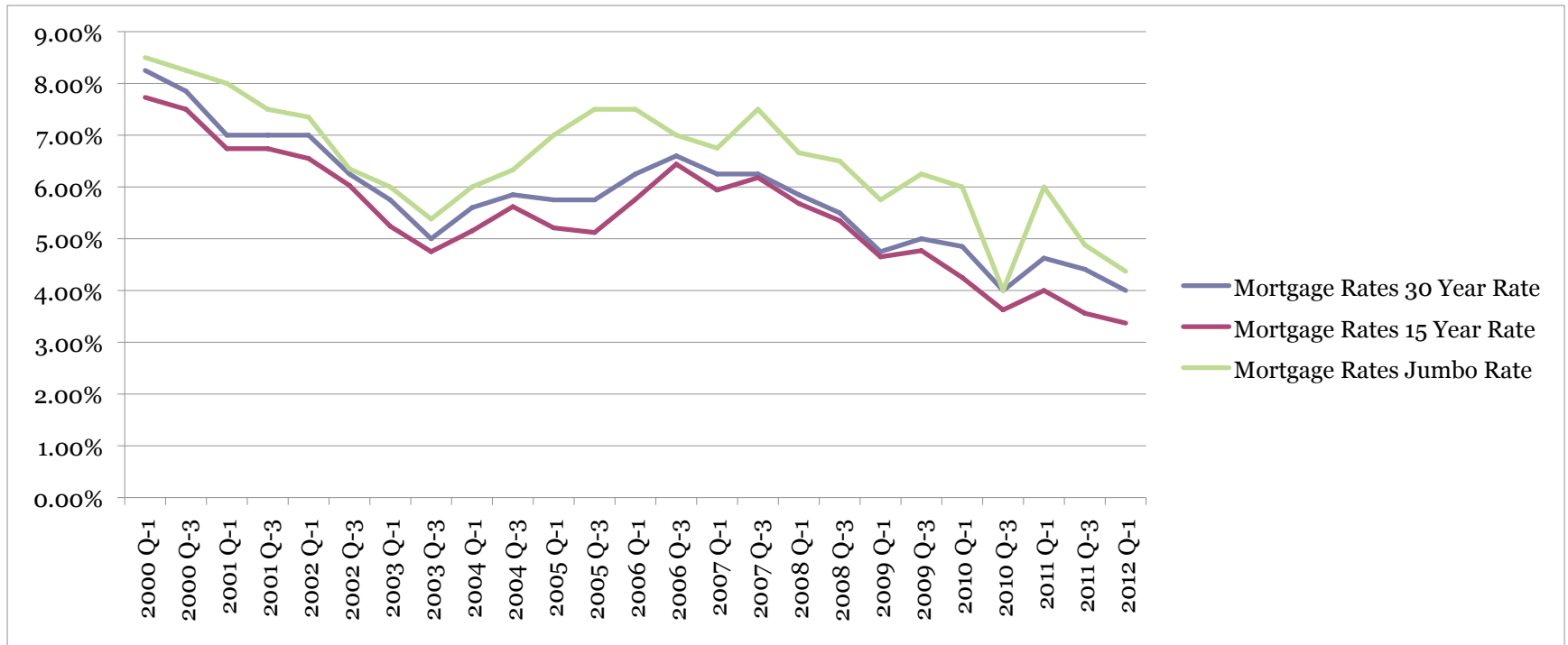
Northwest Travis Co.
 78730
 78732
 78734

Southwest Austin
 78739
 78749

Northwest Austin
 78717
 78727
 78750
 78759

West Austin/Westlake
 78733
 78735

Mortgage Rates - 12 Year Summary



The above chart tracks mortgage rates for the past 12 years. As you can see, mortgage rates are at close to their lowest levels.

CONFORMING

30 Yr Fixed 3.87%

15 Yr Fixed 3.00%

JUMBO (over \$417K loan amount)

30 Yr Fixed 4.25%

30 Yr FHA 3.75%

Average and Median Sold 14 Year Summary



8

The chart above follows the trend of average and median sales price per year. Last month the average sales price was \$278,439. The median sold price was \$215,000 last month. The average sales price in March is up 2.3% and the median sales price is up 9% from one year ago.

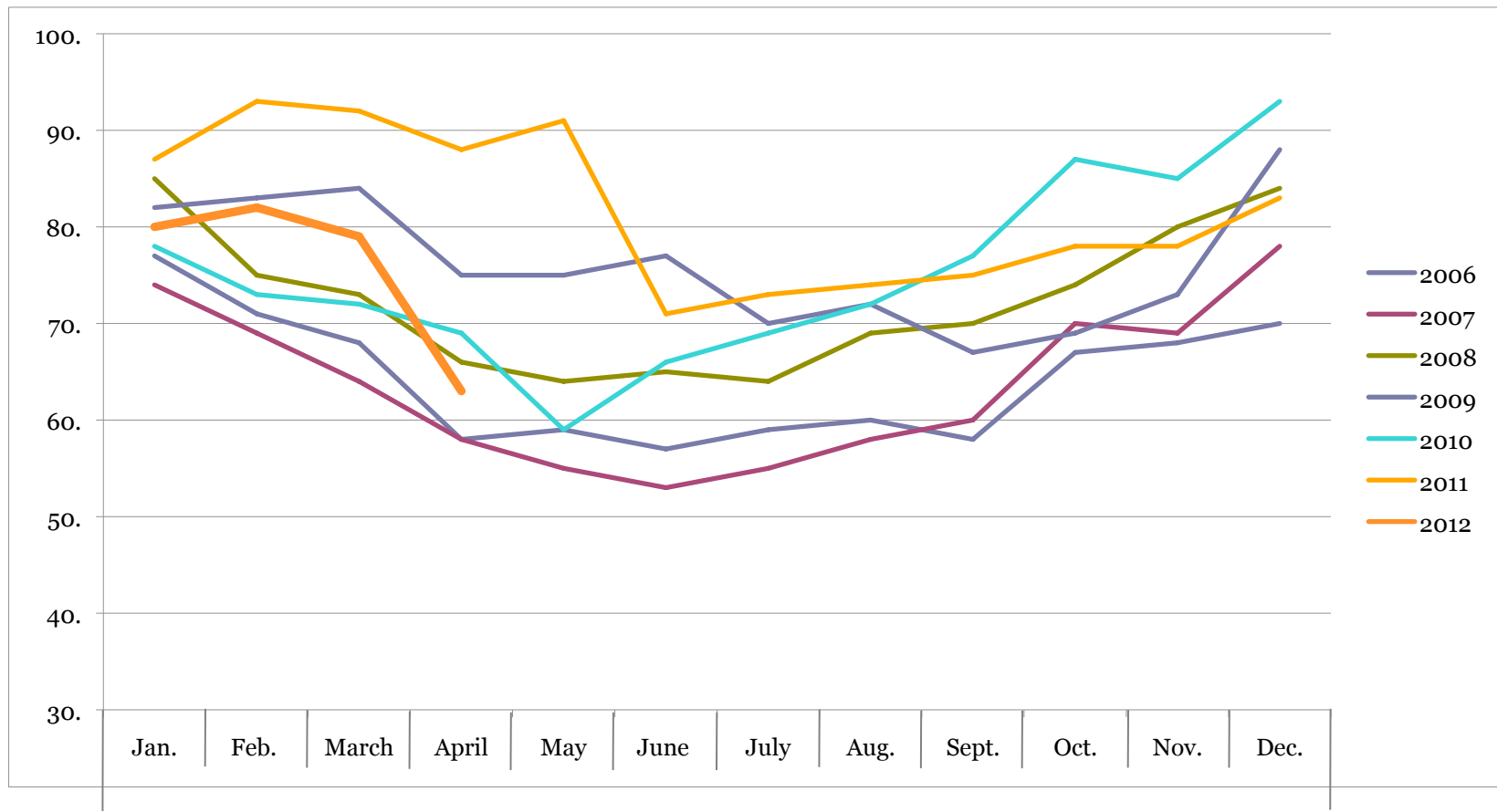
The chart below shows the annual average and median Austin home sold.



Average Days on Market 2006-2012

9

Of the homes that sold last month, the average amount of days they had been on the market was 63 days. This is 28% fewer days than a year ago.





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For five decades and three generations, West Austin Properties has been passionately committed to the core values that guide it.

- Highest integrity in every relationship.
- Unsurpassed knowledge of Austin and the ever changing real estate market.
- Educating and empowering our clients so that they can make decisions that best meet their unique needs.
- Focus on the people and not the real estate; the quality of our service not the volume of our business.
- Build on the strengths and talents of our team's generational blend.
- Improving our community through service and mentorship.