



WEST AUSTIN
PROPERTIES

June 2012

Austin Real Estate Market Report

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

Volume IV, Issue VI



Market Overview



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The Austin Market is Hot: demand is high and inventory is low

The June headline in the Austin American Statesman declared what West Austin Properties has been reporting for three months: "The Austin Real Estate Market is a Seller's Market."

A Seller's Market is defined as a number of homes for sale with high demand that result in slowing rising prices. Good and well priced houses in this seller's market usually receive an offer in a few days. That is Austin.

Regular readers of this Market Report know that while you can speak on the Market generally, it is following the trends over time that provide the actionable data for buyers and sellers.

Demand is high and inventory is low.

- 28% more homes sold last month than the previous month. However the number of homes for sale has only increased 3%. More buyers and fewer homes is why the average days on market for homes sold is only 59 days. This is 6% fewer days than last month and 35% less days than one year ago.

- Homes Pending, under contract but not yet closed, are at their highest levels in the last 7 years, and since we only started recording pending data in 2006, it might be the highest ever!

- The average and medium prices of sold homes is rising due to the higher overall demand. These averages are increasing while sales of the highest end homes, over \$1M, are stagnant.

- Mortgage interest rates are at their lowest levels in history.

- Demand is expected to continue as population growth is projected to be three times the national average. (See May Market Report Summary.)

- There is more available Jumbo funding, over \$417,000, as lending requirements loosen slightly.

However the Austin Market is not uniform by home price.

- Homes priced under \$200,000 are the highest in demand and in an "Extreme Sellers Market" usually with high appreciation of home values

- Homes priced from \$200,000 to \$700,000 are in a "Normal Sellers Market" with slight increases in home values.

- Homes priced from \$700,000 to \$1M are "Balanced" with prices stagnate.

- Homes prices over \$1M still are in an "Extreme Buyers Market" with prices continuing to decline.

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.

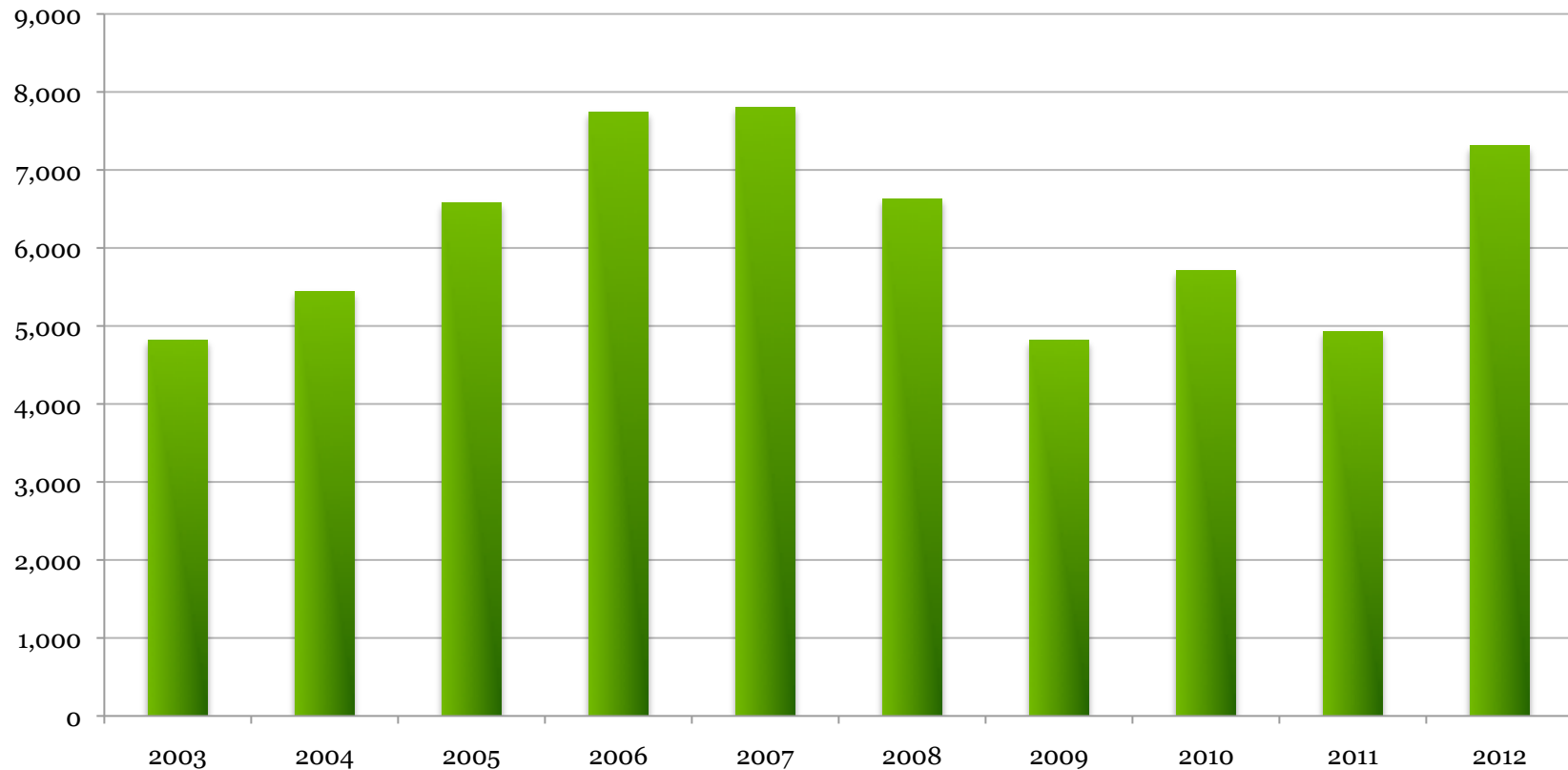
Laura Duggan, Gail Boston and Katy Duggan

Year to Date Sales – May 2012



1

Year-to-date sales in Austin are higher than in the last 4 years, showing increasing demand and improving market. More homes have sold in 2012 than any other years except 2006 and 2007, the “boom,” years.

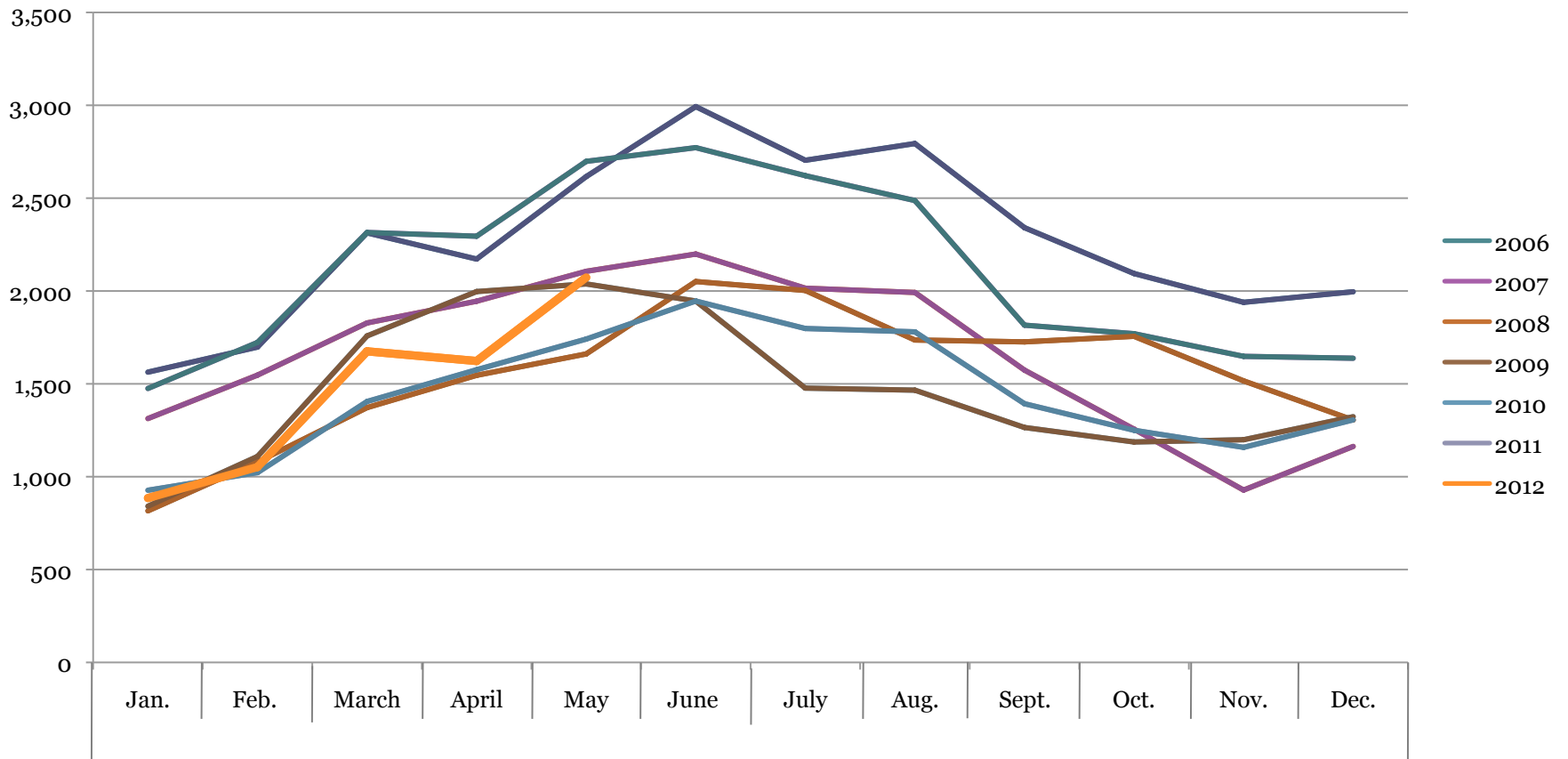


Homes Sold per Month– May 2012



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 More homes sold in the last month than sold in May of 2009, 2010 and 2011

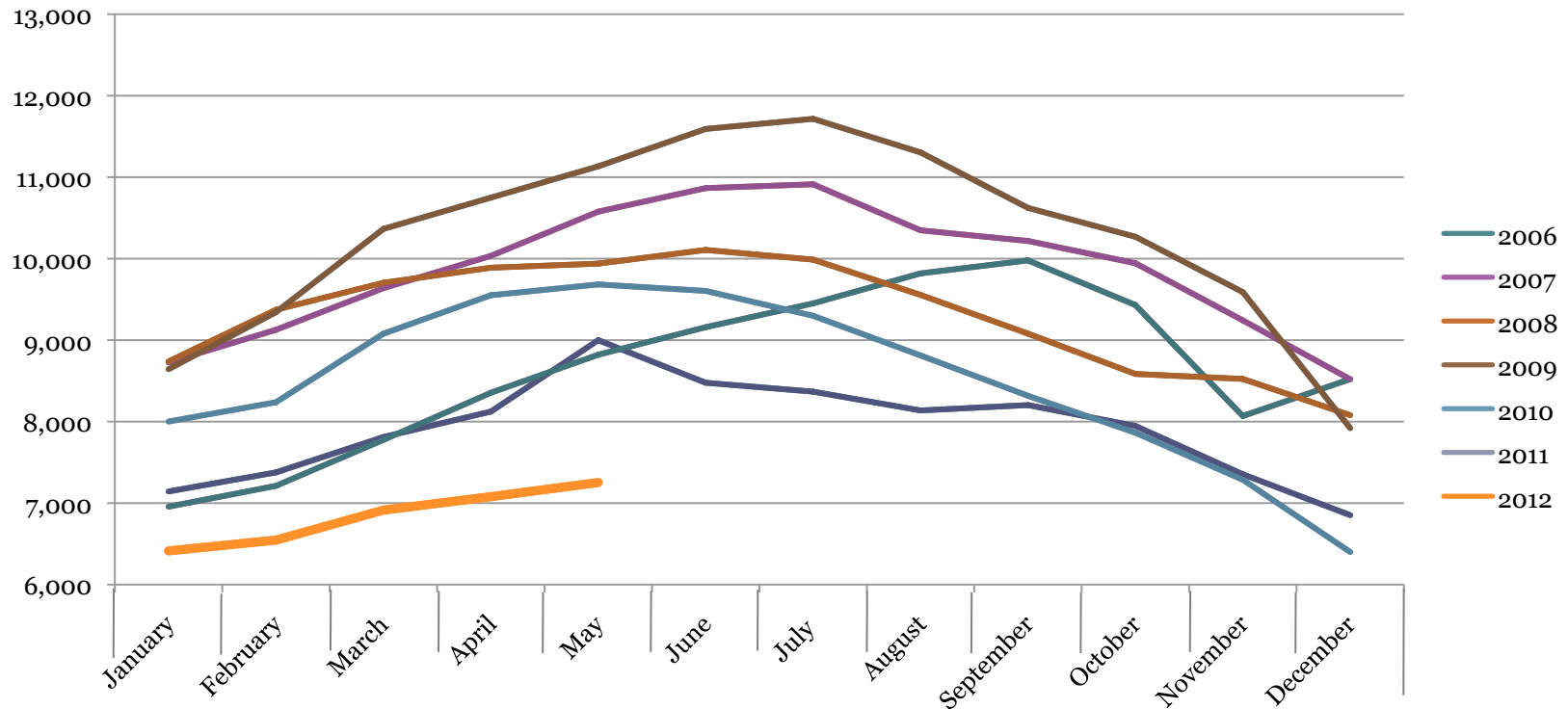


Homes For Sale– May 2012



3

The chart below follows the trends of number of homes for sale during any given month. At the beginning of June, there were 7,253 homes for sale in Austin, Texas. There are fewer homes for sale at this time than in the last 6 years. **There are 26% fewer homes for sale than last year at this time.**

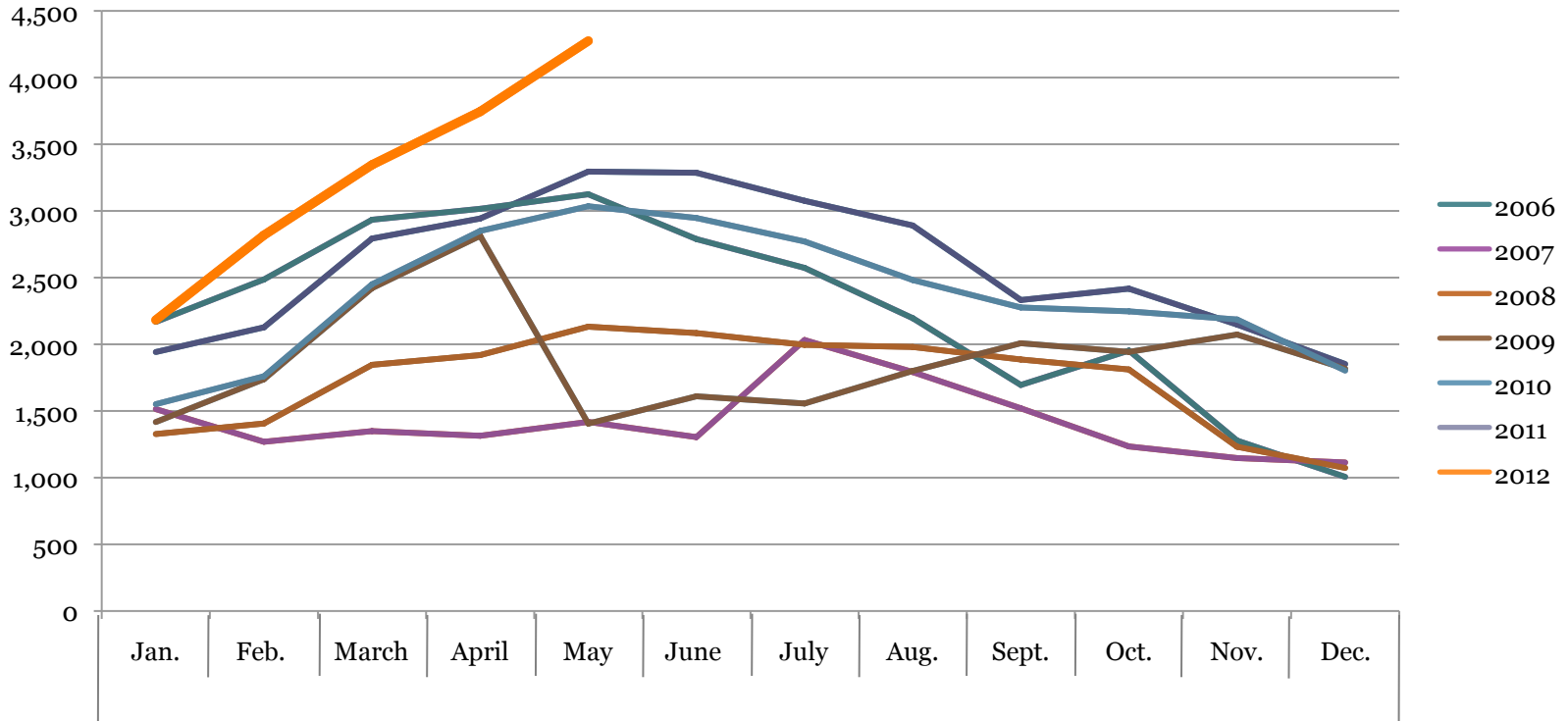


Pending Sales per Month– May 2012



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 4, 275 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- May 2012



5

The under \$700K price range is a **Normal Seller's Market**, while the \$700K 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 3.50 months of inventory, and this inventory compared to sold has decreased 20% since last month, a significant decline.

Price Range	# of Sold	Active Listings	Months of Inventory	Market
\$0-\$100k	133	372	2.80	Extreme Sellers Market
\$100-\$200k	823	2101	2.55	Extreme Sellers Market
\$200-\$300k	484	1593	3.29	Normal Seller's Market
\$300-\$400k	273	934	3.42	Normal Seller's Market
\$400k-\$500k	150	612	4.08	Normal Seller's Market
\$500-\$600k	66	377	5.71	Normal Seller's Market
\$600-\$700k	63	247	3.92	Normal Seller's Market
\$700-\$800k	23	191	8.30	Balanced Market
\$800-\$900k	15	147	9.80	Normal Buyer's Market
\$900-\$1M	9	107	11.89	Normal Buyer's Market
\$1-\$2M	20	375	18.75	Extreme Buyer's Market
\$2-\$3M	4	93	23.25	Extreme Buyer's Market
\$3M<	3	96	32.00	Extreme Buyer's Market
Overall MKT	2073	7253	3.50	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	

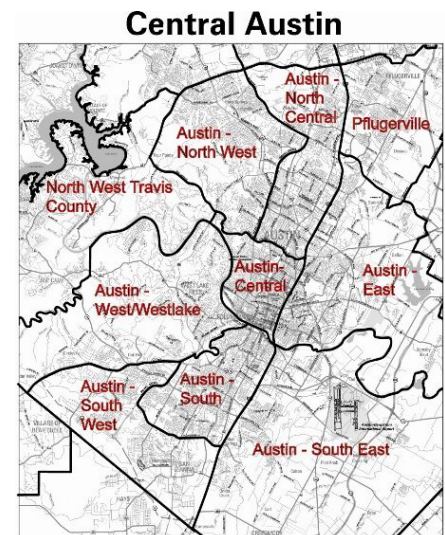
Home Sales by Region- May 2012



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 and East Austin. Twelve out of 14 markets have less than 6 months' inventory. **Eight 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	161	425	2.64	\$385,000	55
East Austin	104	258	2.48	\$169,150	62
North Central Austin	88	152	1.73	\$223,000	46
Northwest Austin	175	249	1.42	\$308,000	37
South Austin	121	202	1.67	\$207,850	35
Southeast Austin	42	141	3.36	\$118,000	52
Southwest Austin	123	182	1.48	\$268,250	37
West Austin/Westlake	93	328	3.53	\$507,000	54
Northwest Travis County	168	1134	6.75	\$378,450	94
Cedar Park/Leander	191	615	3.22	\$174,900	71
Georgetown	136	525	3.86	\$200,000	75
Pflugerville	125	309	2.47	\$148,500	66
Round Rock	224	613	2.74	\$201,250	55
Dripping Springs/Wimberly	70	375	5.36	\$314,950	70
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/Moderat Depreciation		
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- May 2012



7 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. Fifteen zip codes out of 17 have less than 6 months' of inventory. Five zip codes out of 17 have less than 2 months' inventory!

Zip Code	# of Solds	Active Listings	Months of Inventory	Median Sales price	Avg DOM
78701	11	86	7.82	\$257,400	65
78703	34	107	3.15	\$593,750	82
78704	39	77	1.97	\$455,000	50
78705	2	18	9.00	\$601,500	14
78717	39	80	2.05	\$266,000	41
78727	24	48	2.00	\$211,775	19
78730	19	88	4.63	\$560,000	48
78731	46	81	1.76	\$501,250	61
78732	40	142	3.55	\$386,250	42
78733	12	56	4.67	\$640,250	33
78734	50	255	5.10	\$366,250	71
78735	21	74	3.52	\$375,000	43
78739	36	54	1.50	\$345,000	32
78746	46	171	3.72	\$631,450	42
78749	52	43	0.83	\$245,000	17
78750	55	60	1.09	\$350,000	41
78759	42	55	1.31	\$290,750	26
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

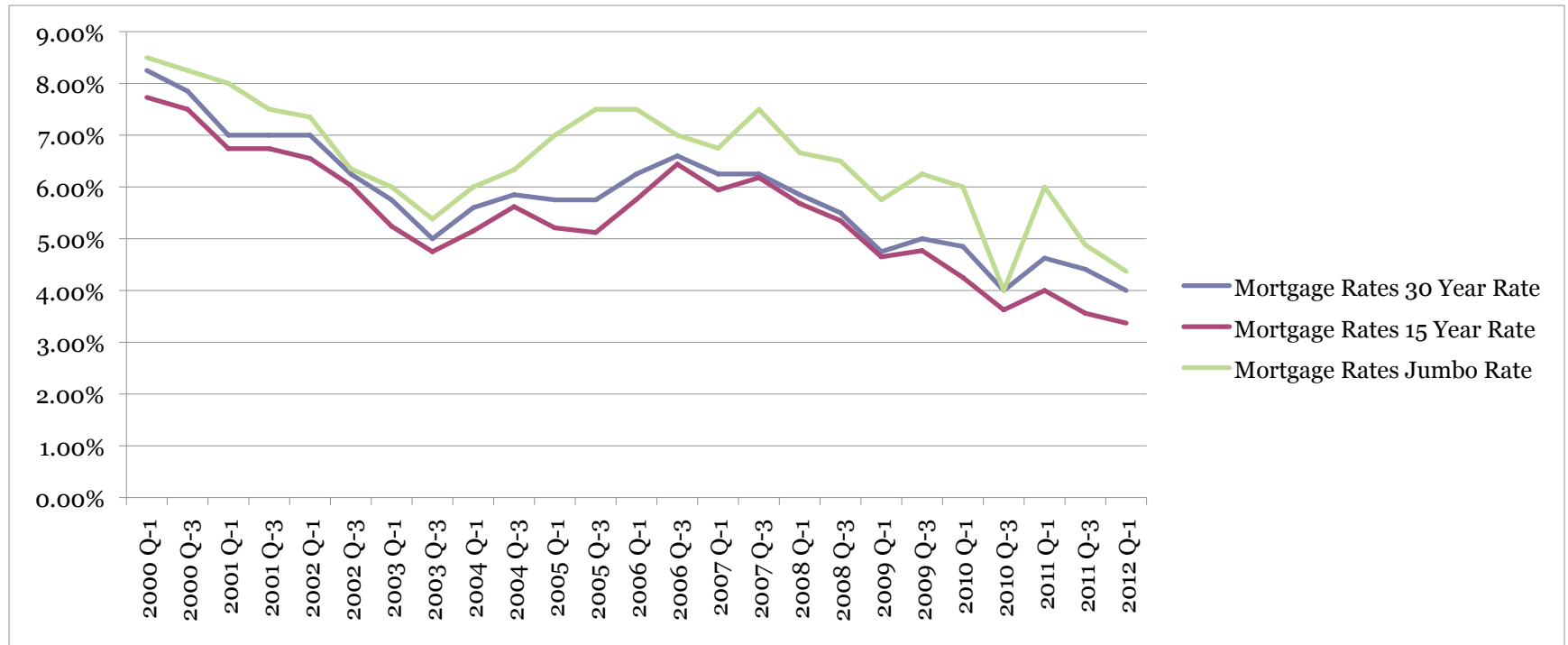
Northwest Austin
78717
78727
78750
78759

West Austin/Westlake
78733
78735

Mortgage Rates - 12 Year Summary



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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 3.67%

15 Yr Fixed 2.94%

JUMBO (over \$417K loan amount)

30 Yr Fixed 4.12%

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 \$280,452. The median sold price was \$216,000 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.

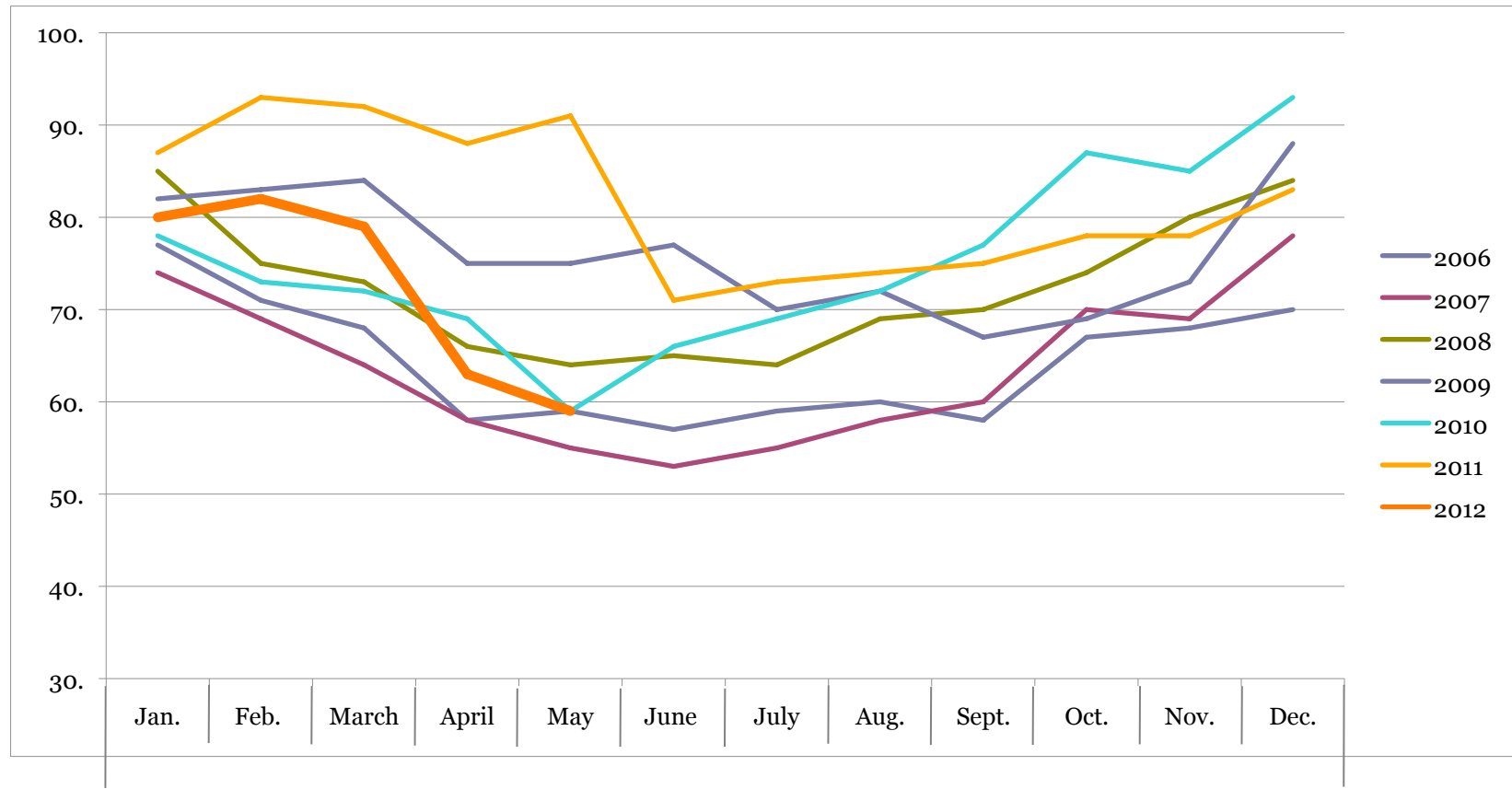


Average Days on Market 2006-2012



9

Of the homes that sold last month, the average amount of days they had been on the market was 59 days. This is 35% 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.