



October 2012 Austin Real Estate Market Report

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

Volume IV, Issue X



Market Overview- Seller's Market below \$700k



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Normally the Austin market begins to slow, fewer sales, into the fall. This year that is not occurring and the market is remaining strong.

Total home sales for the first 9 months of 2012 exceeded the number of homes sold during the first eight months of the previous three years. Monthly home sales in September increased 20%, the sixth month of year to year increases. In terms of total sales volume, this has been the strongest September the Austin market has seen since 2007.

"This increased sales pace can be attributed to a number of factors including the regions strong job and population growth, as well as the continuation of extremely low mortgage interest rates, which expands the pool of eligible home buyers." Metrostudy (A housing research and consulting firm.) (Sept. 2012)

This continuous population growth at the time of a major US recession combined with less than normal new construction has made Austin a "Sellers Market" for homes below \$600,000. A Seller's Market is defined as one with high buyer demand that results in slowly rising prices. Good and well priced homes in this seller's market usually receive an offer in a few days.

Regular readers of this Market Report know that while you can speak on the Market generally, it is following trends over time that provide the actionable data for buyers and sellers, and we are starting to see some early indications that the market is changing.

Currently, demand is high and inventory is low across most Zip Codes and Areas!

The Austin Market is not uniform by home price.

- Home prices under \$500,000 are the highest in demand and in a "Normal Sellers Market" usually with moderate appreciation of home values.
- Homes priced from \$500,000 to \$700,000 are "Balanced" with prices on average stagnate or slightly declining.
- Homes prices over \$700,000 are in a "Buyers Market" with prices on average continuing to decline.

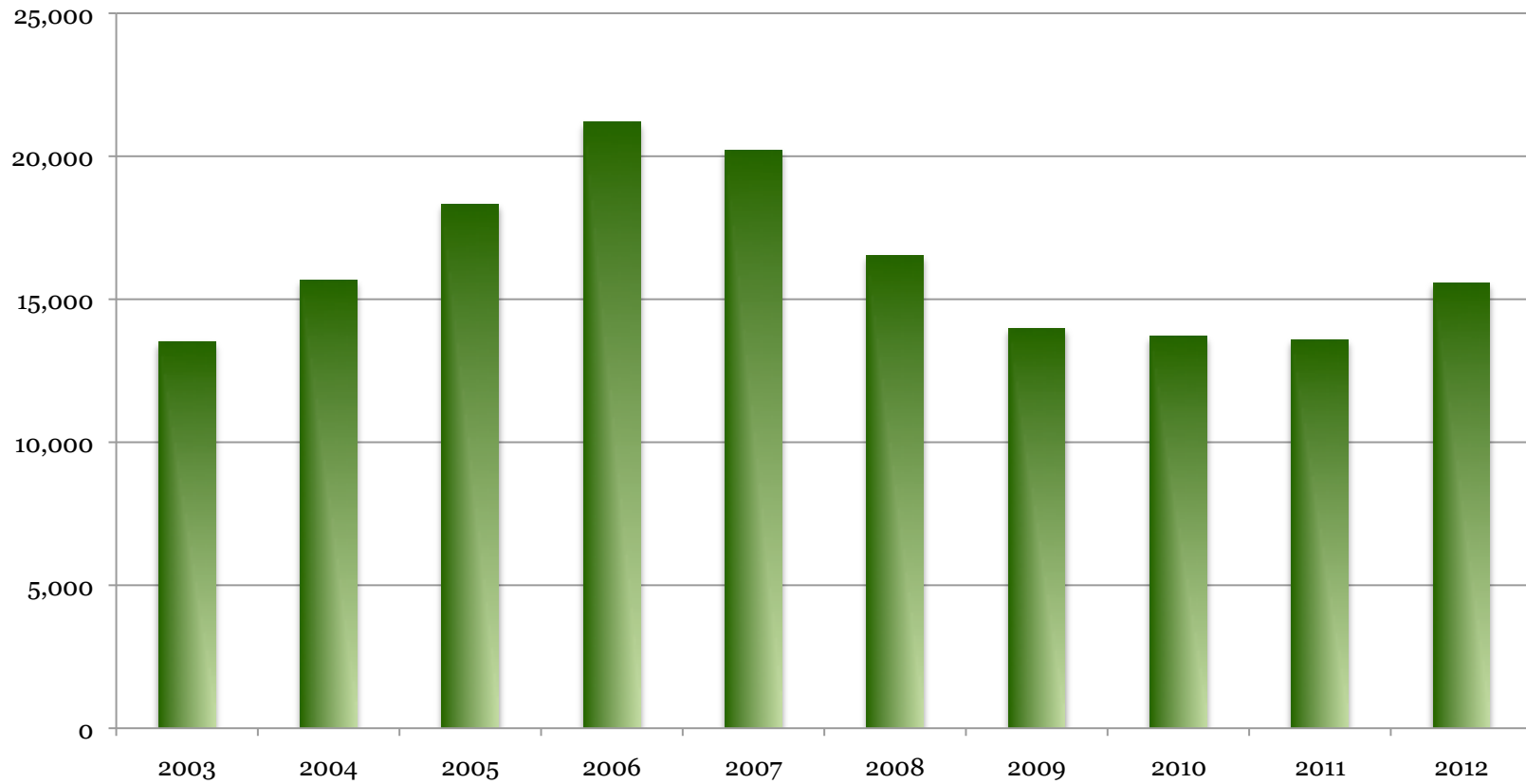
Buying and selling in this market requires a deep understanding of the history and pressures in each area of town and price range.

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 – September 2012

1 Year-to-date sales in Austin are higher than in the last 3 years, showing increasing demand and a slightly improving market.

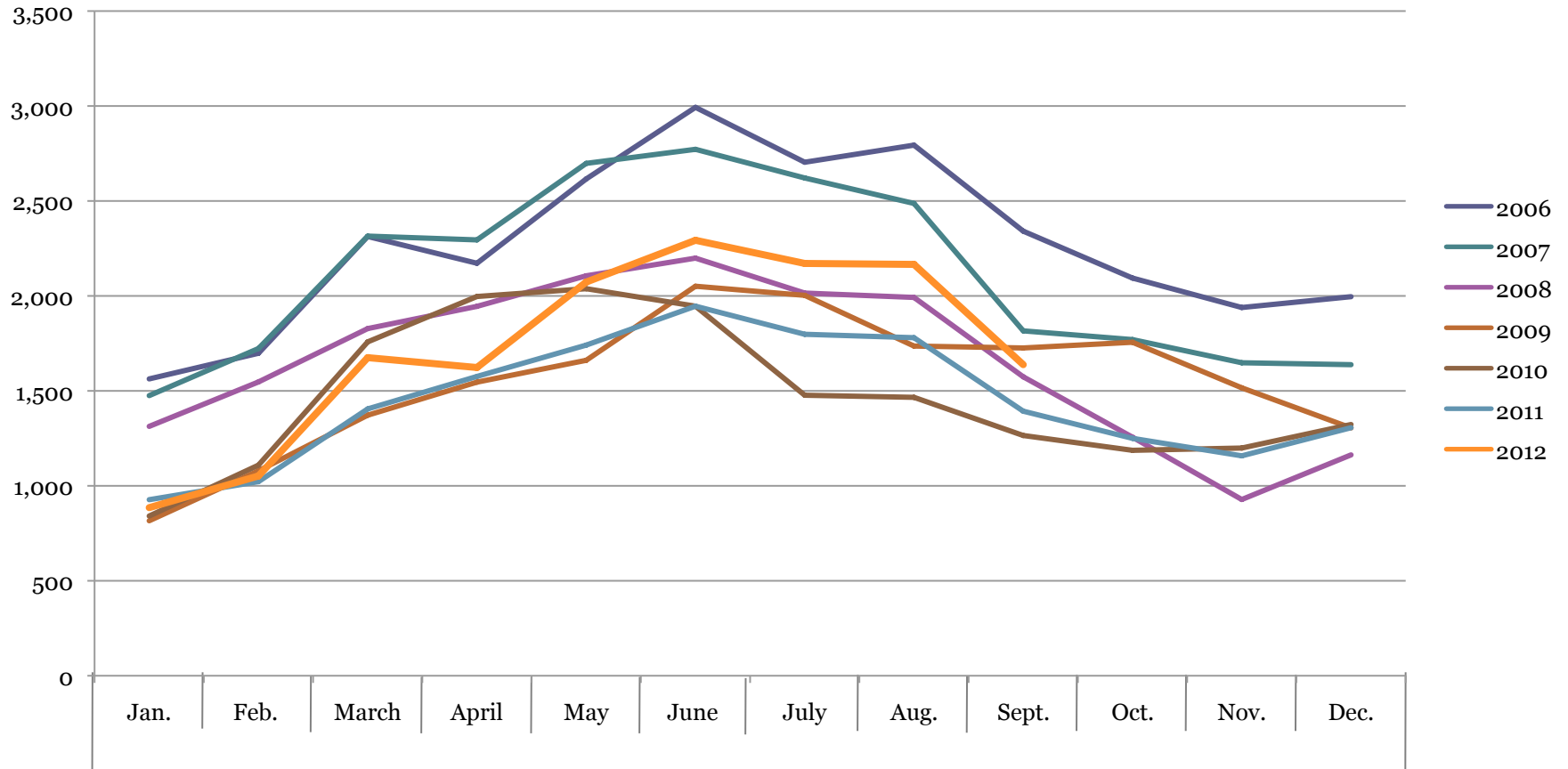


Homes Sold per Month– September 2012



2

The chart below follows the trends of number of sold homes during any given month. Last month there were 1,638 homes sold in Austin, Texas.

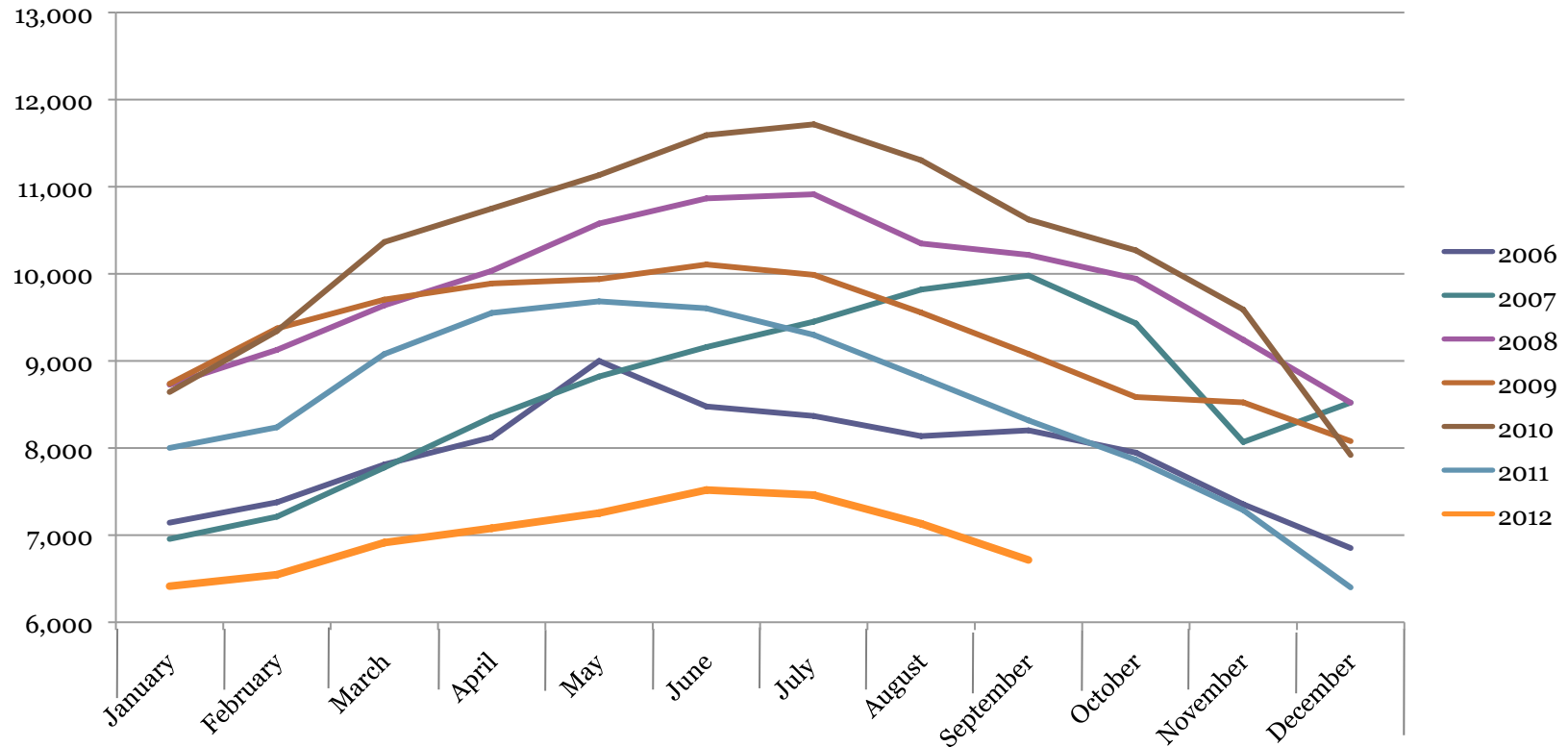


Homes For Sale– September 2012



3

The chart below follows the trends of number of homes for sale during any given month. At the beginning of August, there were 6,715 homes for sale in Austin, Texas. There are fewer homes for sale at this time than in the last 6 years. **There are 19% fewer homes for sale than last year at this time.**

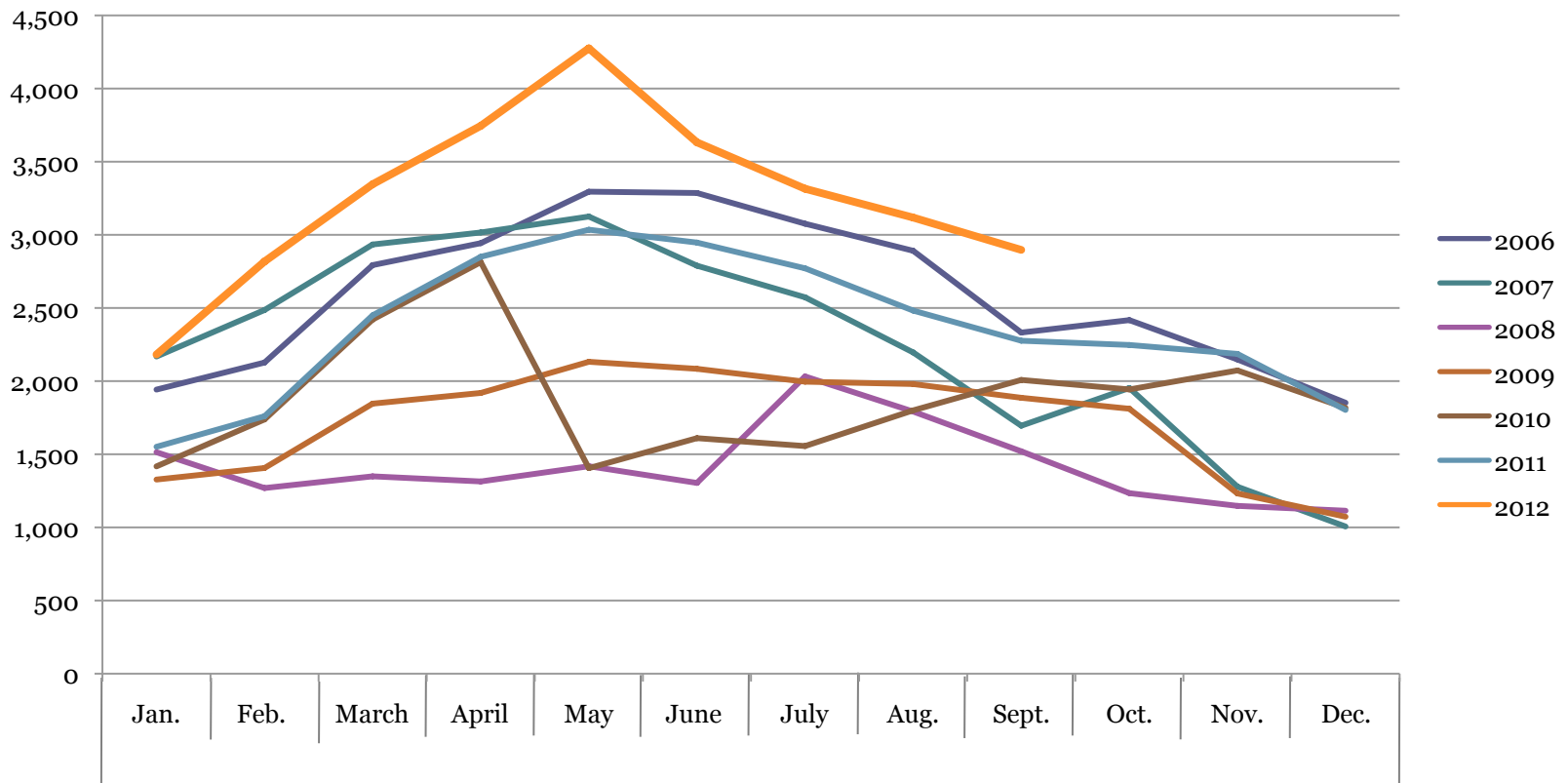


Pending Sales per Month– September 2012



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 2,897 homes Pending in Austin, Texas. **This is the highest number of September pendings in the last 7 years.** Because of new qualifying, mortgage and approval rates combined with buyer caution, it is taking longer to go from contract to close.



Home Sales by Price Band- September 2012



5

The under \$500K price range is a **Seller's Market**, while the \$500K to \$700k price range is a **Balanced Market**. The over \$700k price range is a **Buyer's Market**. Overall the market has 3.86 months of inventory, about the same inventory as the last four months.

Price Range	# of Sold	Active Listings	Months of Inventory	Market
\$0-\$100k	116	352	3.03	Normal Seller's Market
\$100-\$200k	736	1873	2.54	Extreme Seller's Market
\$200-\$300k	423	1456	3.44	Normal Seller's Market
\$300-\$400k	206	937	4.55	Normal Seller's Market
\$400k-\$500k	109	592	5.43	Normal Seller's Market
\$500-\$600k	53	340	6.42	Balanced Market
\$600-\$700k	31	231	7.45	Balanced Market
\$700-\$800k	18	197	10.94	Normal Buyer's Market
\$800-\$900k	13	124	9.54	Normal Buyer's Market
\$900-\$1M	12	93	7.75	Balanced Market
\$1-\$2M	18	348	19.33	Normal Buyer's Market
\$2-\$3M	2	85	42.50	Extreme Buyer's Market
\$3M<	3	80	26.67	Extreme Buyer's Market
Overall MKT	1740	6708	3.86	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

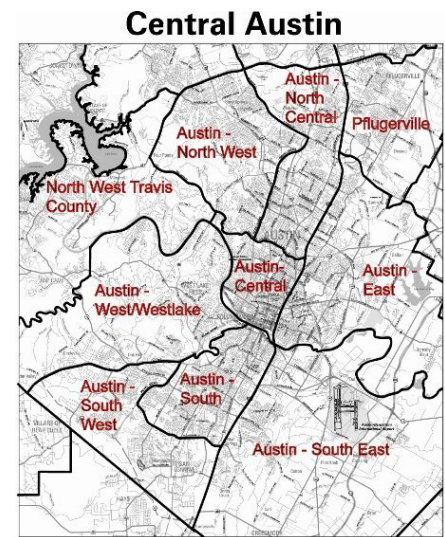
Home Sales by Region- August 2012



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. Thirteen markets have less than 6 month's inventory. **Seven out of 14 had less than 3 months' inventory!**

Region	# of Solds	Active Listings	Months of Inventory	Median Selling Price	Avg DOM
Central Austin	83	188	2.27	\$430,000	59
East Austin	78	244	3.13	\$153,675	42
North Central Austin	73	160	2.19	\$206,000	28
Northwest Austin	98	212	2.16	\$250,000	42
South Austin	109	203	1.86	\$196,000	31
Southeast Austin	45	124	2.76	\$118,000	41
Southwest Austin	109	126	1.16	\$269,000	37
West Austin/Westlake	51	289	5.67	\$430,000	53
Northwest Travis County	133	1009	7.59	\$401,250	103
Cedar Park/Leander	158	592	3.75	\$181,250	55
Georgetown	106	482	4.55	\$193,000	84
Pflugerville	90	288	3.20	\$165,000	53
Round Rock	200	552	2.76	\$205,250	57
Dripping Springs/Wimberly	58	341	5.88	\$323,750	67
12+ Months of Inventory	Extreme Buyer's Market		High Depreciation		
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0-3 Months of Inventory	Extreme Sellers Market		High Appreciation		



Home Sales by Zip Code- September 2012



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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. Eight 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	14	79	5.64	335,000	70
78703	15	79	5.27	550000	60
78704	32	78	2.44	391750	40
78705	5	19	3.80	447000	21
78717	21	65	3.10	241000	51
78727	25	28	1.12	221000	31
78730	12	62	5.17	635000	68
78731	17	62	3.65	540000	53
78732	26	132	5.08	473900	83
78733	7	44	6.29	560000	52
78734	30	232	7.73	318000	95
78735	12	62	5.17	355750	43
78739	28	44	1.57	382950	30
78746	21	158	7.52	756000	54
78749	43	43	1.00	256250	24
78750	24	57	2.38	305250	36
78759	20	53	2.65	349600	44
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

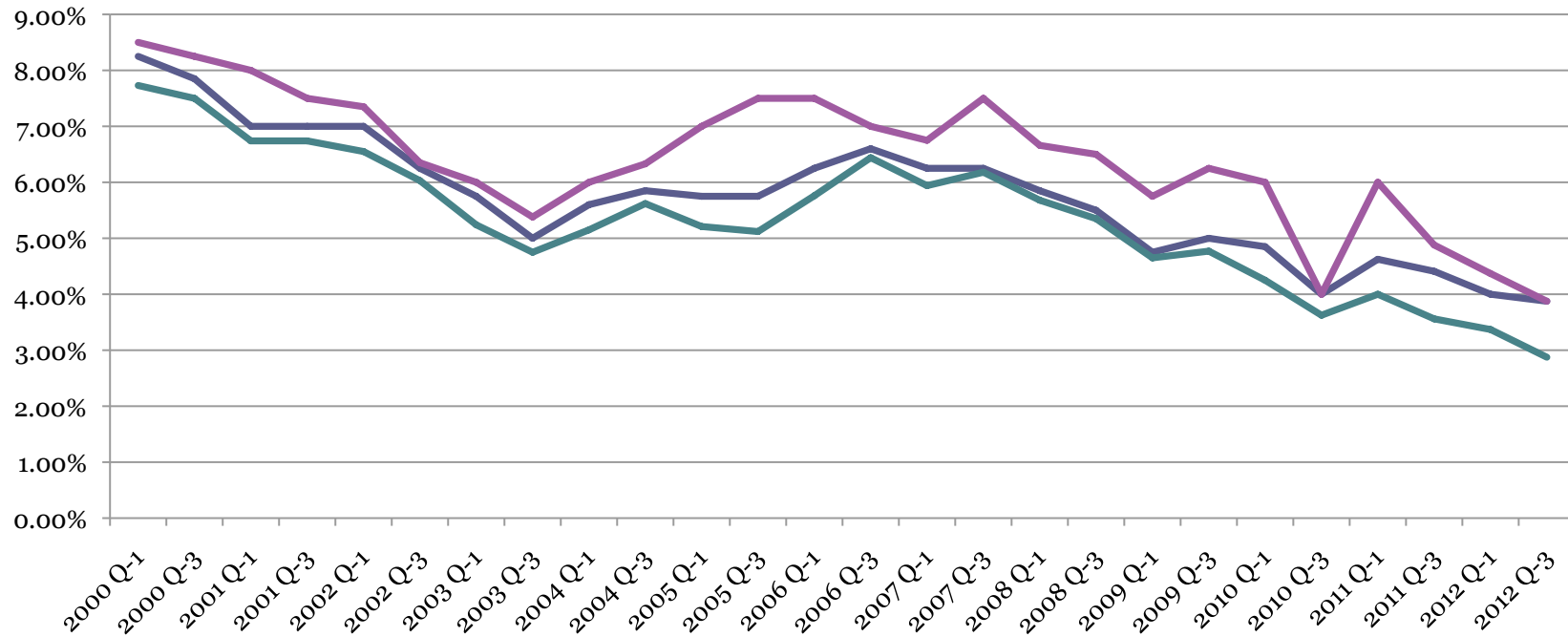
Northwest Travis Co.
78730
78732
78734

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 3.375%

15 Yr Fixed 2.75%

JUMBO (over \$417K loan amount)

30 Yr Fixed 3.875%

30 Yr FHA 3.25%

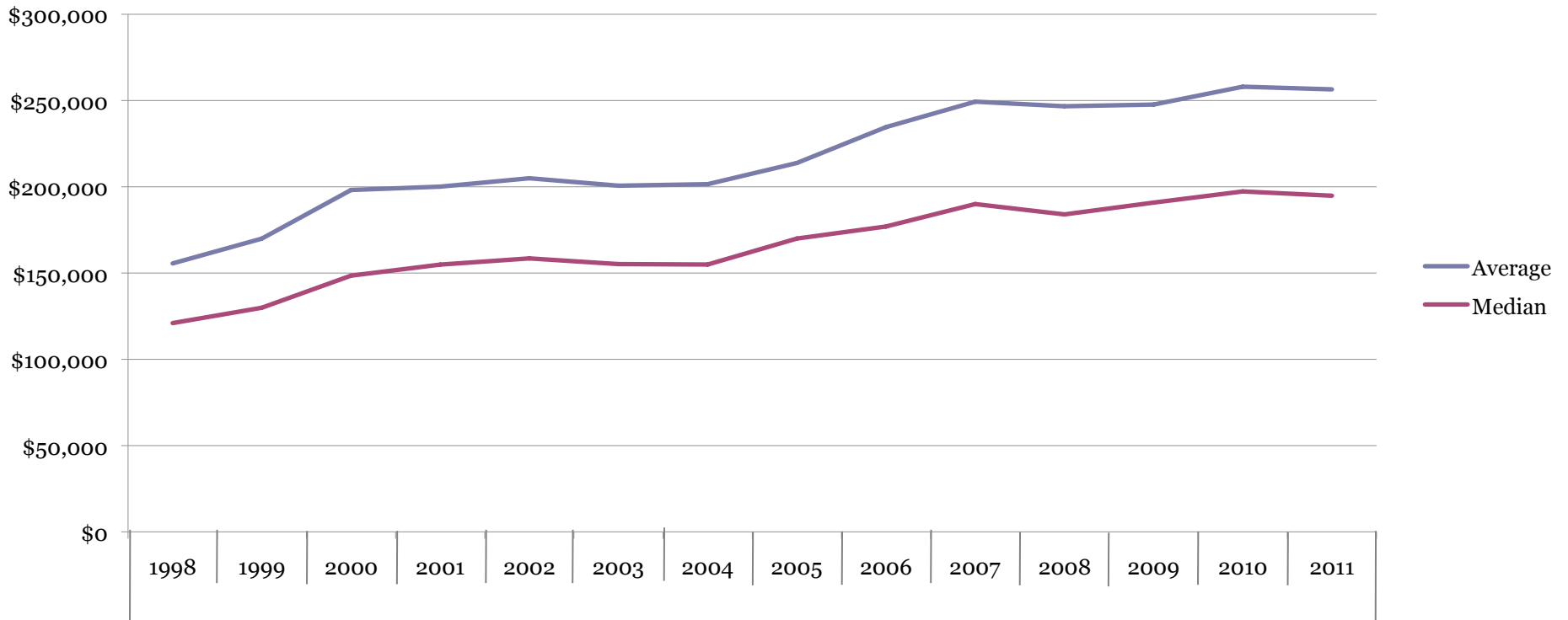
Average and Median Sold 14 Year Summary



8

The chart above follows the trend of average and median sales price per year. Last month the average sales price was \$266,303. The median sold price was \$202,750 last month. The average sales price in August is up 6% and the median sales price is up 7.8% from one year ago.

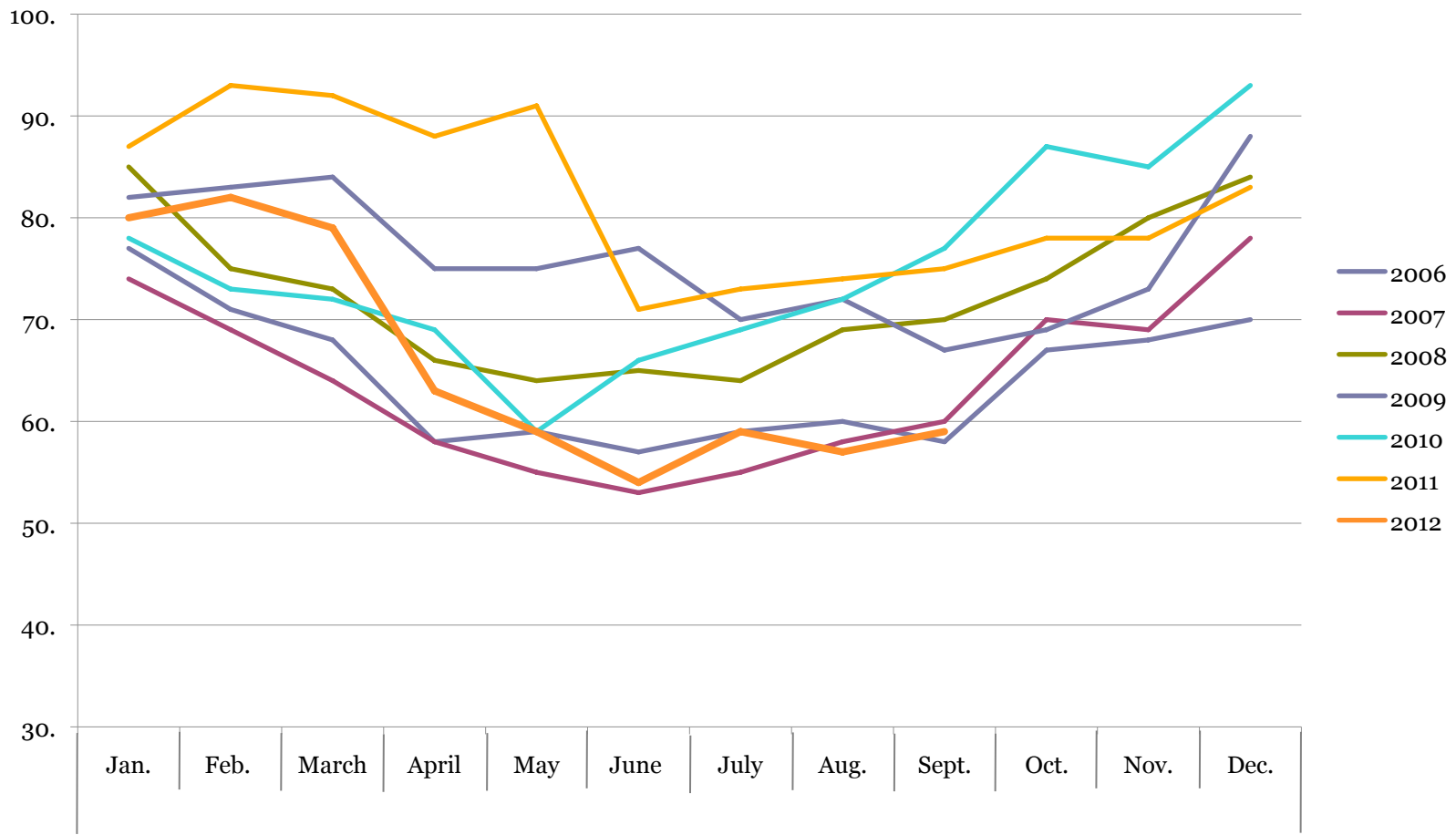
The chart below shows the annual average and median Austin home sold.



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 23% fewer days than a year ago.





Laura Duggan,

Broker/Owner

REALTOR® CIAS, CIPS,
CLHMS, CDPE, CRB, CRS

Direct: (512) 750-2425

Email: laura@westaustin.com



Gail Boston,

Partner

REALTOR®

Direct: (512) 626-5348

Email: gail@westaustin.com



Katy Duggan,

REALTOR® CIAS, CDPE

Direct: (512) 826-4316

Email: katy@westaustin.com

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.