



September 2011 - Advanced Austin Real Estate Market Report

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

Volume III, Issue IX





Steady Austin..... Still one of the TEN strongest markets in the country

The Austin Real Estate market continues to perform strongly compared to most other markets in the country. The latest indication was an analysis of total sales and average sales prices by Inman News, a national real estate publication, that places the Austin area in the seventh position of the top ten markets in the country. **According to the report, more homes are selling and prices are stronger than a year ago compared to all other major metropolitan markets.** Readers of this Market Report also understand that there is wide variation within the Austin market that affect selling and buying decisions.

Our analysis is that the Austin market is defined as a "**Normal Sellers Market**" with slightly less than 5 months of inventory for sale. Austin overall has been a "Normal Seller's Market" for the last 5 months! At the end of August, pending sales or houses under contract, were at the **highest levels in any August since 2006.** Pending sales have been at their highest levels since 2006 for 4 months!

Historically, starting in July, the number of homes for sale decreases compared to the month before. The same is true for number of pending sales and sales per month (see charts 2, 3, and 4). This is also true this year. However 5.2% fewer homes for sale combined with only 1.0% fewer buyers means the demand for homes in Austin was greater, stronger, in August than in July!

This is a rare occurrence for the Austin market and shows the effect of two major issues:

- In-migration and people needing to live somewhere
- The high rents coupled with low interest rates making buying a better option than renting for some renters.

The Austin market remains a "**Normal Sellers's Market**" below \$400,000; is a "**Balanced Market**" between \$400,000 and \$800,000; and an "**Extreme Buyers Market**" above \$800,000.

Buying and selling in this market requires a deep understanding of the history and pressures in each area of town and each price band. We hope this West Austin Properties Advanced Market Report with detailed information by price range, zip code and area help you make the best real estate decisions for you and your family.

It is our pleasure to deliver it to you so you can spot the trends as we see them.

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

Laura Duggan, Gail Boston and Katy Duggan

Summary of the Austin Market



Quick stats if you do not have time for pictures... get your Austin real estate update in less than 1 minute.

1	2	Home Sales in August 1,780 Homes Sold Higher than August 2009 and 2010 <i>About equal to sales in previous month</i>	
	3	Homes for Sale 8,812 Homes FOR SALE Lowest level in 5 years	
4		Pending Home Sales 2,482 Homes Under Contract Highest in five years Month's of Inventory 4.95 Months of Inventory This is considered a Normal Seller's Market .	
5		Market Inventories in different Price Ranges Below \$400K = Normal Sellers Market \$400K-\$700K = Balanced Market \$700K & Up = Extreme Buyer's Market	

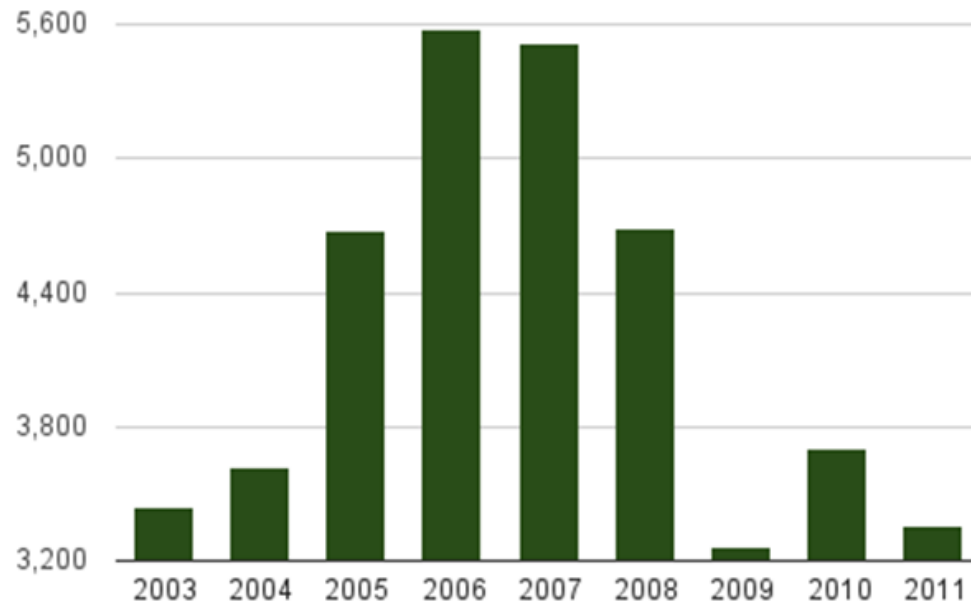
6	Top selling Regions Southwest, Southeast and Northwest Austin.	
7	Top selling Zip Codes 78739, 78749, 78750, 78759	
8	Average Price \$264, 069 average price of homes. 3.3% <u>decrease</u> over last year. Median Price \$202, 000 median price of homes. 1.5% <u>decrease</u> over last year.	
9	Days on Market 75 Days—Average Days on Market 6% increase from last year.	

Year to Date Sales - May 2011



1

Year to date sales in Austin are down 13% from last year. However, last year was impacted by the first time homebuyer tax incentive. Sales for the year are 3% higher than two years ago.

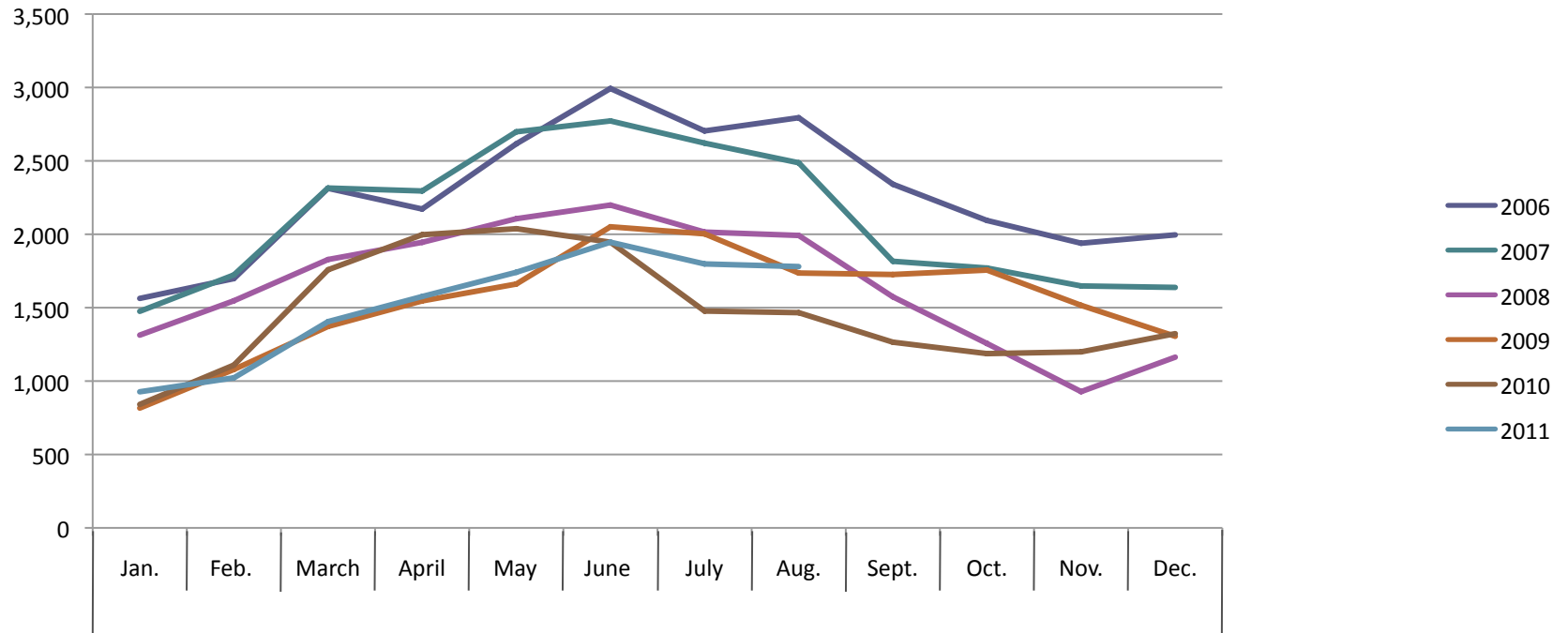


Homes Sold per Month



2

The chart below follows the trends of number of sold homes during any given month. Last month there were 1,780 homes for sale in Austin, Texas.

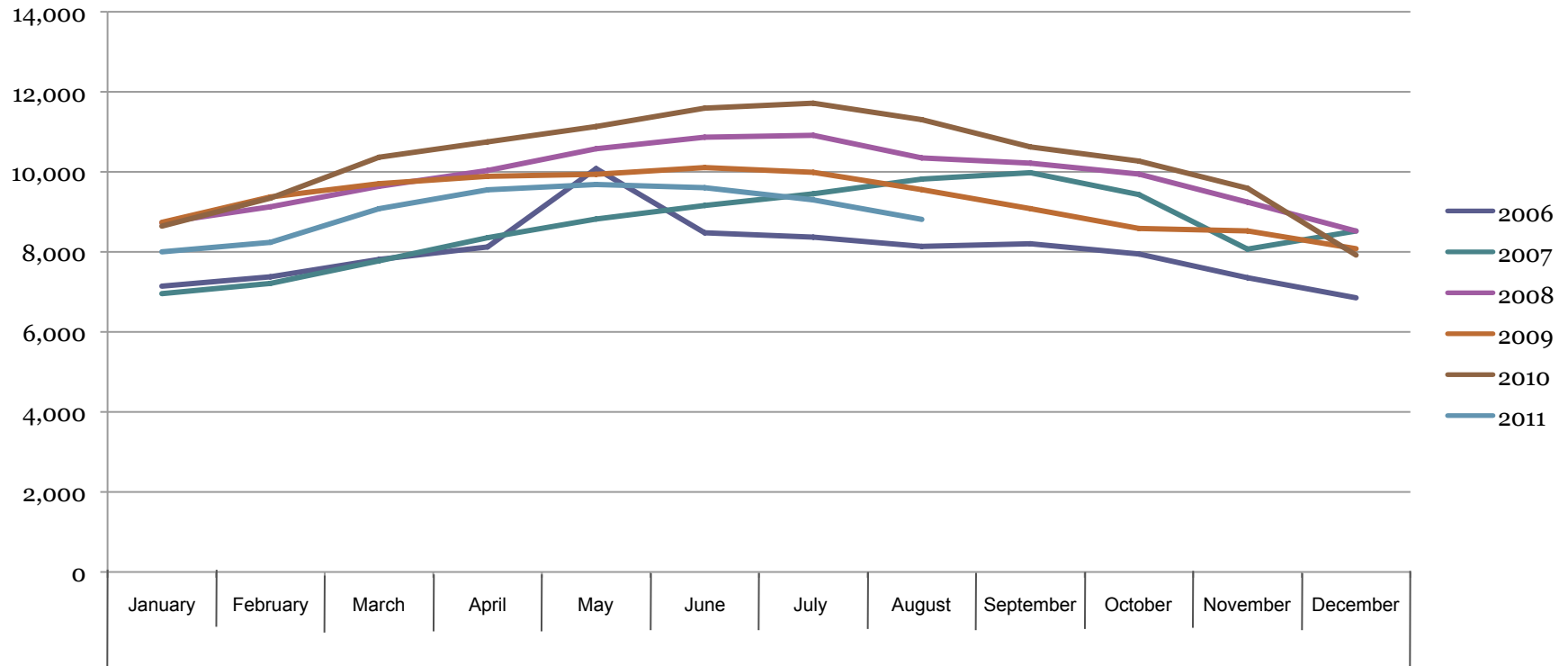


Homes For Sale



3

The chart below follows the trends of number of homes for sale during any given month. Last month there were **8,812** homes for sale Austin, Texas. This is **13%** fewer homes on the market than this month last year.

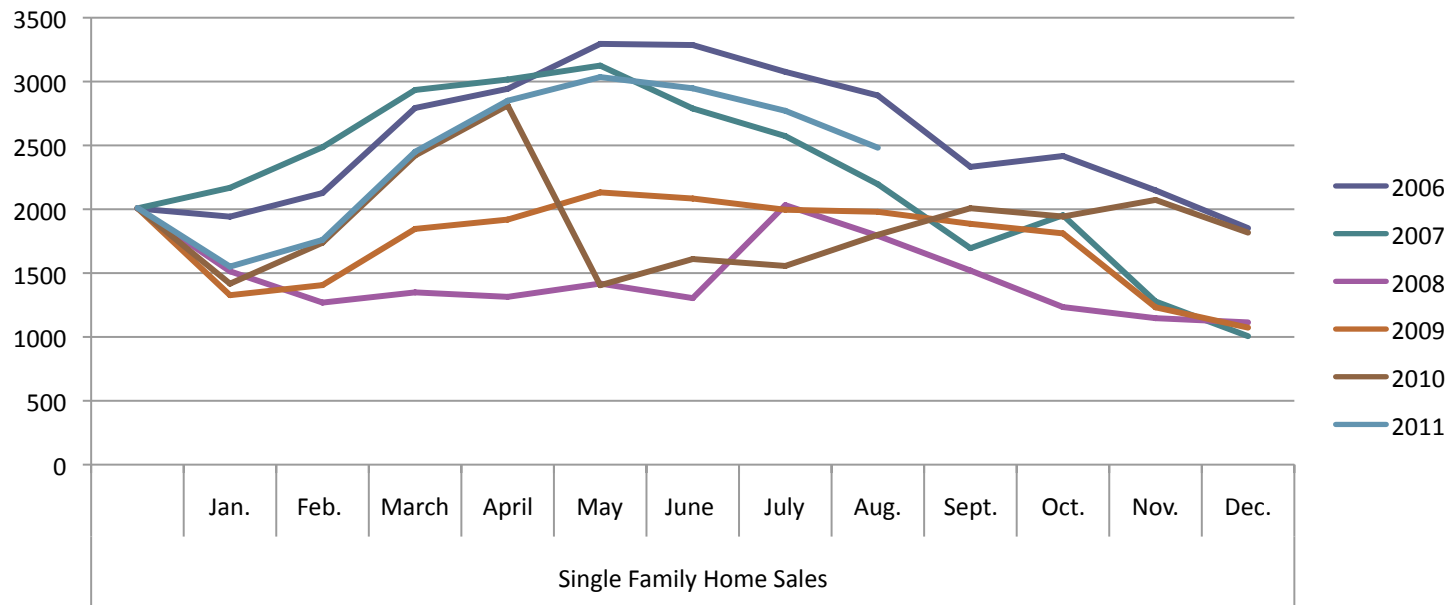


Pending Sales per Month



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 **2,482 homes Pending in Austin, Texas**. This is higher than 2010, 2009, 2008, and 2007. **It is a very good sign that demand is strengthening.**



Home Sales by Price Band



5

Austin has seen a surge of sales in the lower price ranges in July and August. That, combined with a lower number of homes for sale, has created an overall **Normal Seller's Market**.

The under \$400K price range is a **Normal Seller's Market**, while the **\$400K to \$700K** price range is a **Balanced Market**. The over **\$700K** price range is an **Extreme Buyer's Market**.

August 2011 Home Sales by Price Band

Price Range	# of Solds	Active Listings	Months of Inventory	Market
\$0-\$100k	149	547	3.67	Normal Sellers Market
\$100-\$200k	705	3060	4.34	Normal Sellers Market
\$200-\$300k	165	1918	4.12	Normal Sellers Market
\$300-\$400k	210	1056	5.03	Normal Sellers Market
\$400k-\$500k	104	659	6.36	Balanced Market
\$500-\$600k	50	412	6.87	Balanced Market
\$600-\$700k	23	230	7.46	Buyer's Market
\$700-\$800k	20	173	8.65	Balanced Market
\$800-\$900k	15	133	8.86	Extreme Buyer's Market
\$900-\$1M	7	92	13.14	Buyer's Market
\$1-\$2M	27	347	12.85	Extreme Buyer's Market
\$2-\$3M	1	85	85.00	Extreme Buyer's Market
\$3M<	3	92	30.66	Extreme Buyer's Market
Overall MKT	1780	8812	4.95	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/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 Region

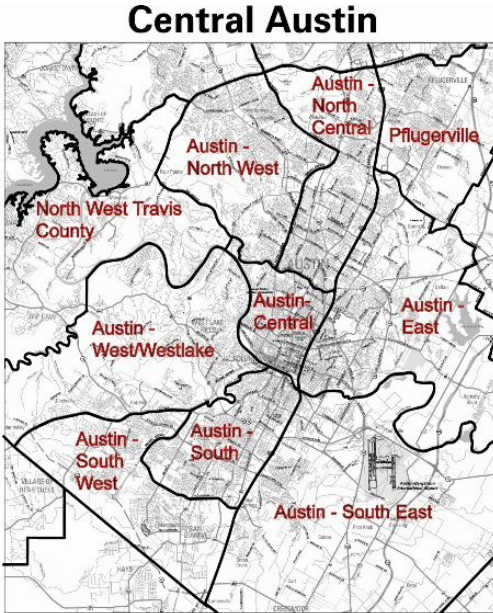


6

The chart below provides detail of how well each region of Austin and the surrounding cities are selling. The **Southwest, Central and Northwest** regions continue to outperform the rest of the market.

August 2011 Home Sales by Region

Region	# of Solds	Active Listings	Months of Inventory	Median Selling Price	Avg DOM
Central Austin	129	548	4.25	\$315,000	71
East Austin	81	416	5.14	\$143,060	53
North Central Austin	84	263	3.13	\$194,500	58
Northwest Austin	124	357	2.88	\$276,778	50
South Austin	105	352	3.35	\$183,000	57
Southeast Austin	44	180	4.09	\$91,500	90
Southwest Austin	100	275	2.75	\$247,044	55
West Austin/Westlake	80	353	4.41	\$531,250	77
Northwest Travis County	156	1134	7.27	\$256,000	98
Cedar Park/Leander	194	700	3.61	\$172,000	56
Georgetown	115	618	5.73	\$199,000	98
Pflugerville	93	426	4.88	\$150,000	75
Round Rock	239	743	3.11	\$220,000	75
Dripping Springs/Wimberly	57	417	7.32	\$315,000	117
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



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The chart below provides detail of how well each Zip Code of Austin are selling.

There are quite a few zip codes with surging sales numbers. The Northwest and Southwest Austin zip codes are the strongest areas.

August 2011 Home Sales by Zip Code

Zip Code	# of Solds	Active Listings	Months of Inventory	Median Sales price	Avg DOM
78701	19	95	5.00	281500	67
78703	23	109	4.74	539850	53
78704	26	122	4.69	289500	53
78705	7	20	2.86	431800	64
78717	38	110	2.89	246875	63
78727	23	67	2.91	187000	50
78730	8	92	11.5	474500	21
78731	25	116	4.64	430000	53
78732	40	150	3.75	341000	78
78733	11	74	6.72	408900	48
78734	40	255	6.37	289750	118
78735	25	69	2.76	412000	82
78739	26	60	2.31	317500	64
78746	33	174	5.27	741000	77
78749	52	90	1.73	237000	40
78750	33	86	2.61	240000	70
78759	38	105	2.76	321000	41
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	
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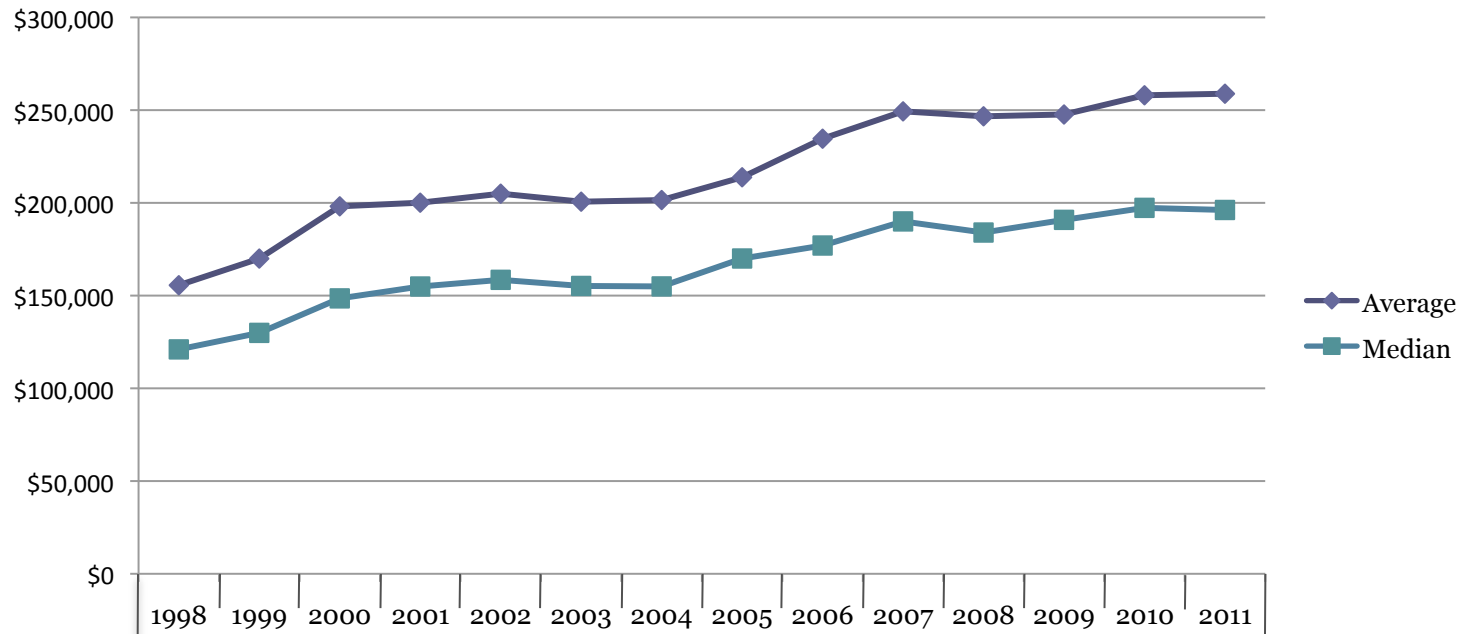
Central Austin	Northwest Travis Co.
78701	78730
78703	78732
78704	78734
78705	
78731	
	Southwest Austin
	78739
	78749
Northwest Austin	
78717	
78727	
78750	
78759	
	West Austin/Westlake
	78733
	78735

Average and Median Sold 12 Year Summary



8

The chart above follows the trend of average and median sales price per year. Last month the average sales price was **\$264,069**. The median sold price was **\$251,867** last month. The average sales price is **down 3%** and the median sales price is down **1.5%** from one year ago.

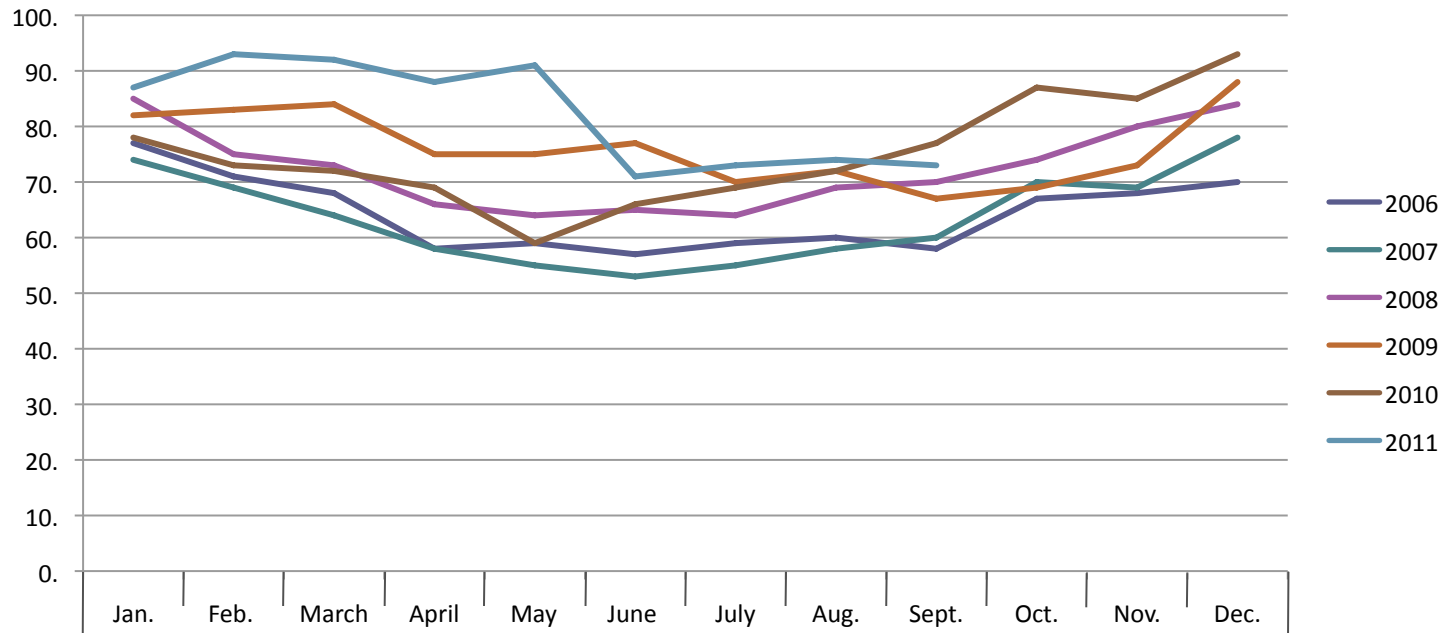


Average Days on Market 2003-2010

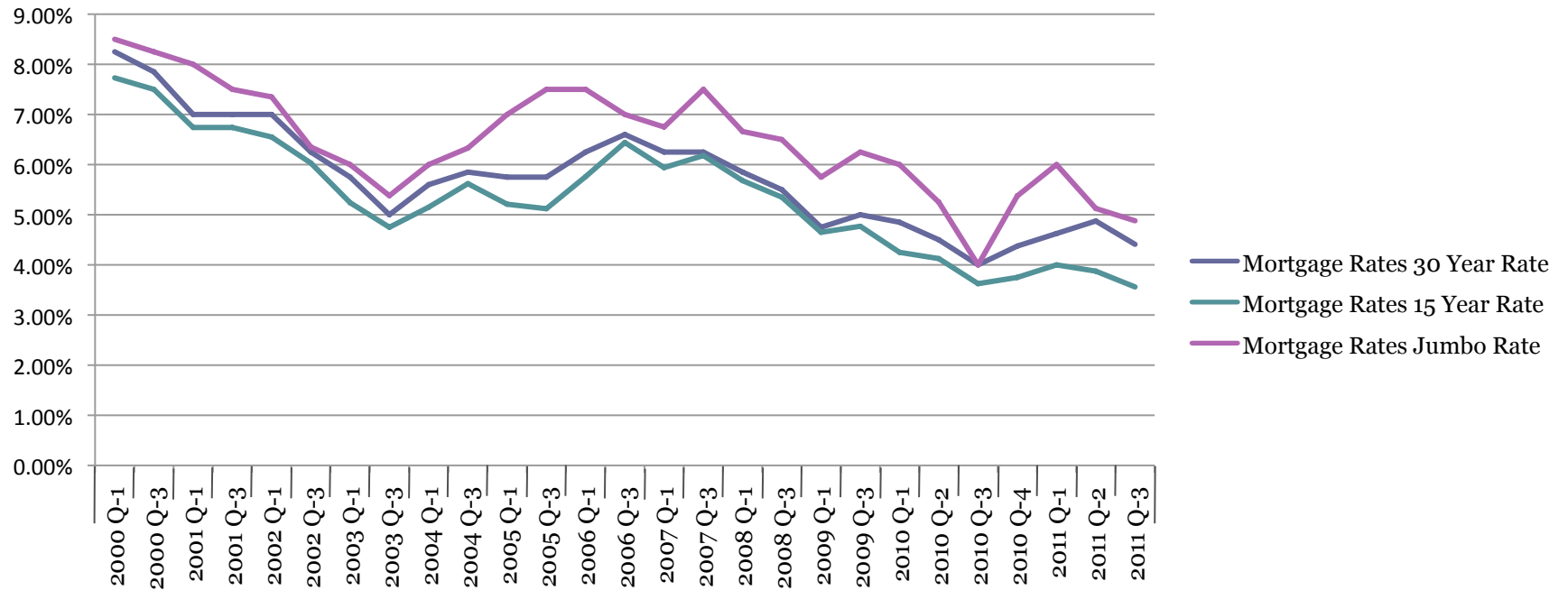


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Homes in June, July and August sold faster than anytime in the last 12 months, usually an indication that buyers are active in the market and sellers have become more realistic about the value of their homes.



Mortgage Rates - 11 Year Summary



The above chart tracks mortgage rates for the past 11 years. As you can see, mortgage rates are at close to their lowest levels.

CONFORMING

30 Yr Fixed 4.41%, 1/2 pt.
 15 Yr Fixed 3.56%, 1 pt.

JUMBO (over \$417K loan amount)

30 Yr Fixed 4.875% , 1 pt.



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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.