



WEST AUSTIN

PROPERTIES

September 2013 Austin Real Estate Market Report

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

Volume V, Issue IX

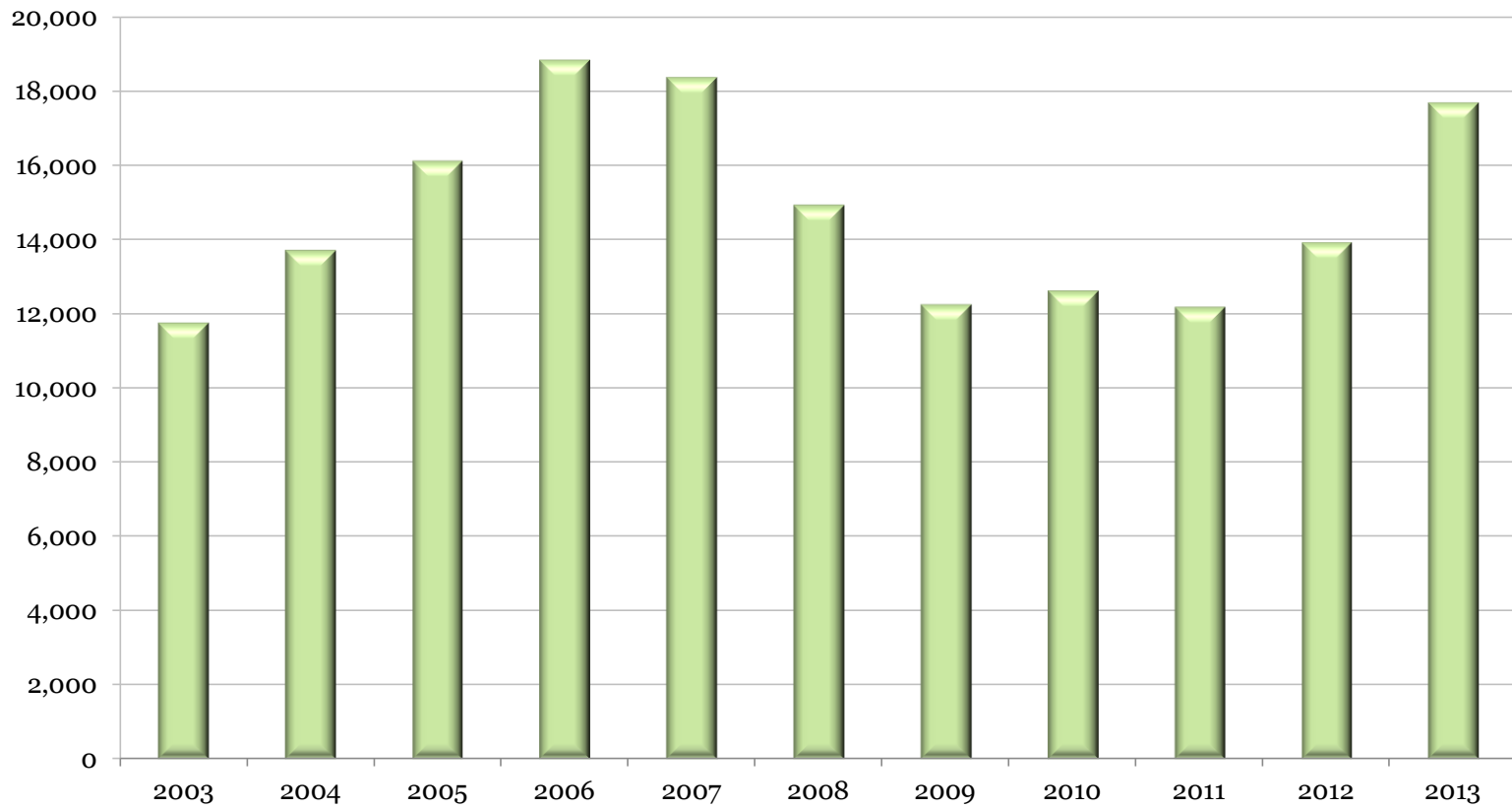


Year to Date Sales – August 2013



1

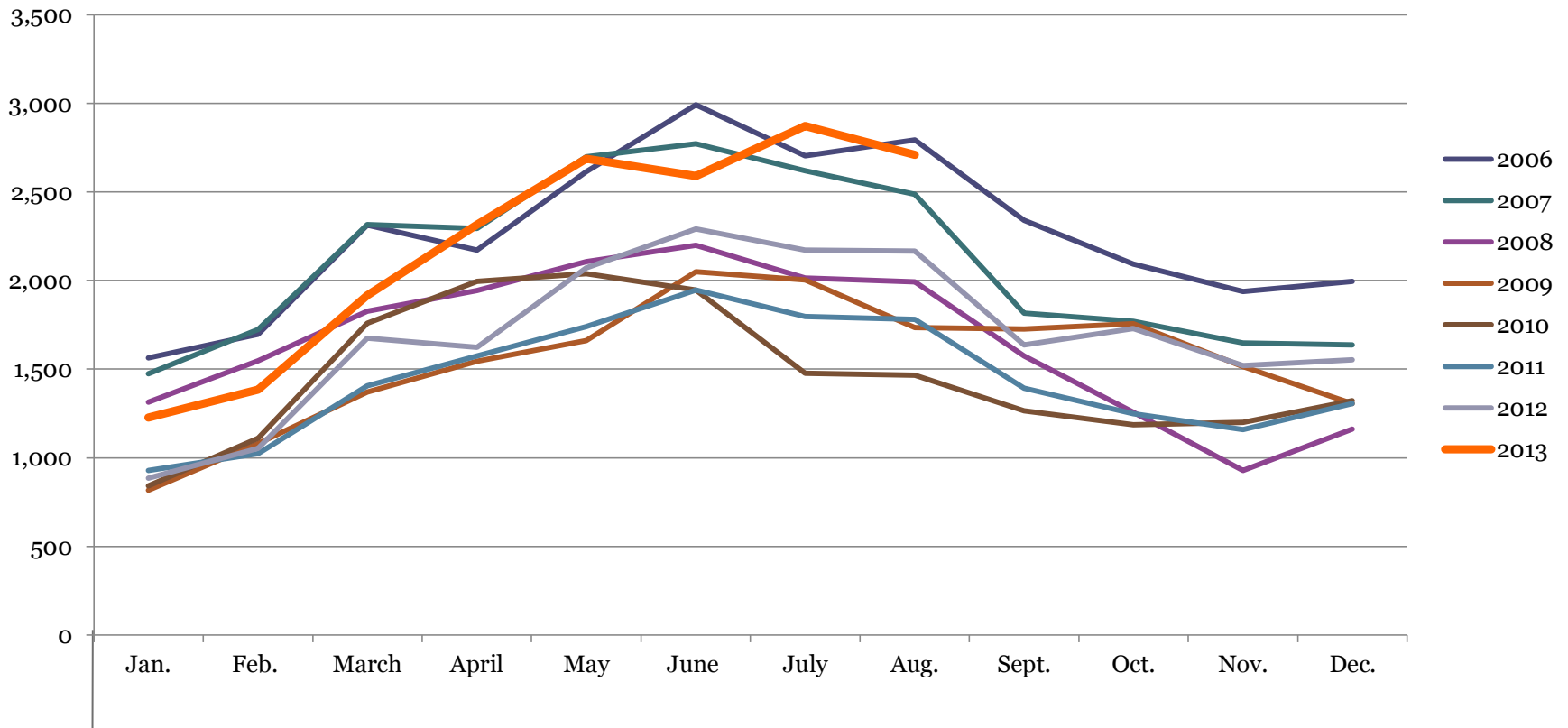
Year-to-date sales in Austin are higher than in the prior 5 years, showing increasing demand and an improving market.



Homes Sold per Month – August 2013

2

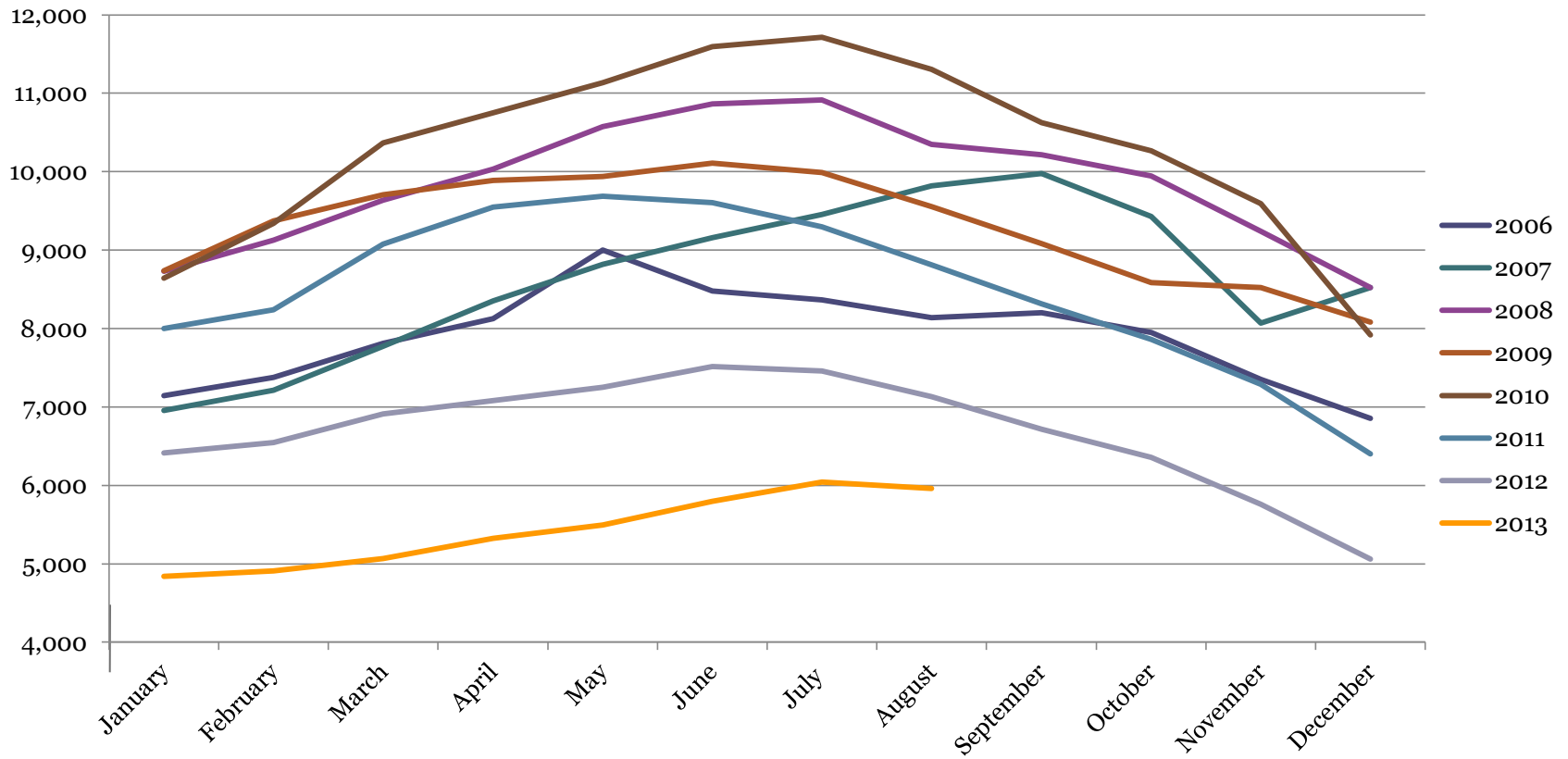
The chart below follows the trends of numbers of homes sold during any given month. Last month there were 2,709 homes sold in Austin, Texas. More homes sold in August than in the prior 6 years during that month!



Homes For Sale– August 2013

3

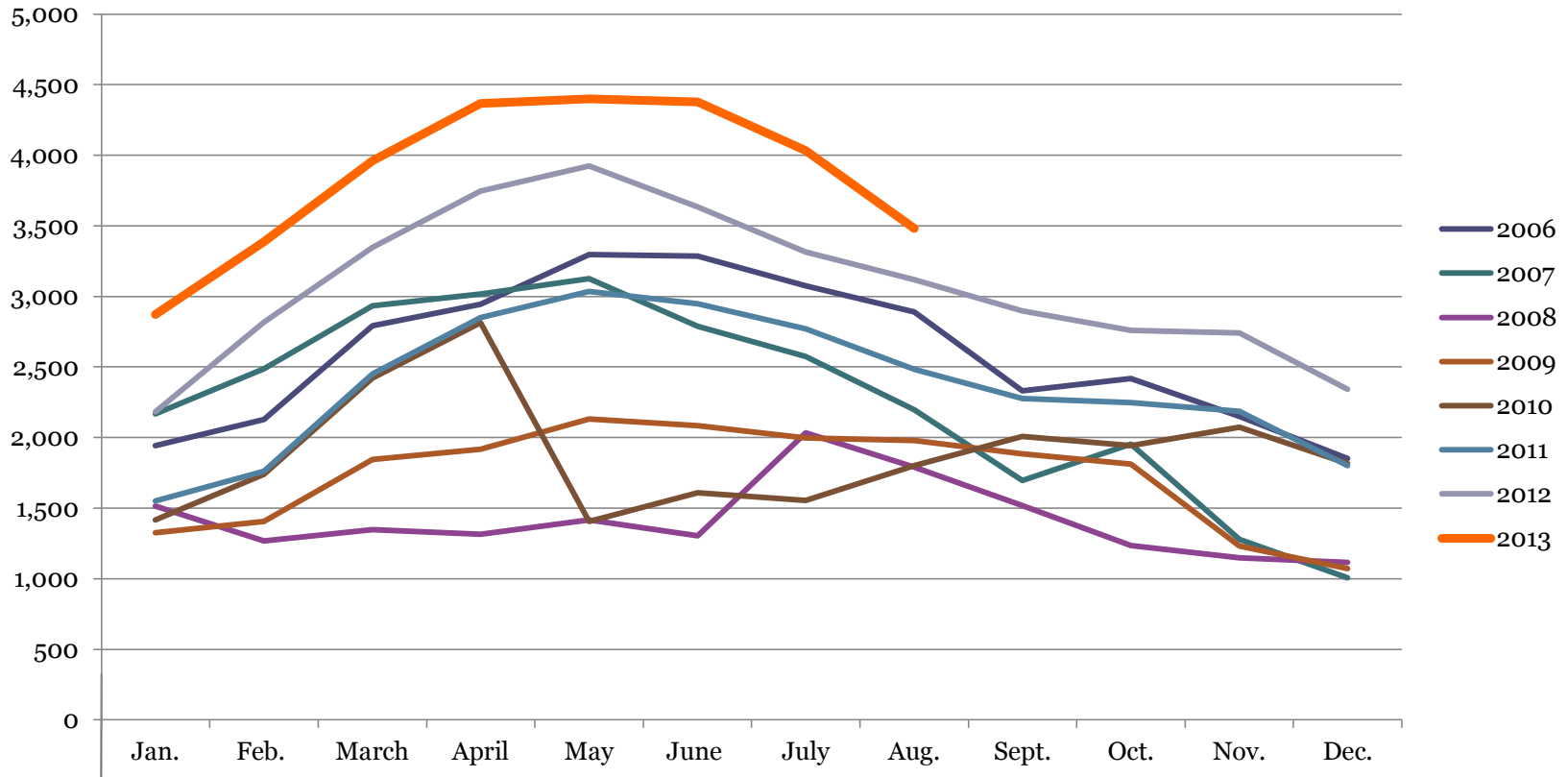
The chart below follows the trends of number of homes for sale during any given month. At the beginning of September, there were 5,962 homes for sale in Austin, Texas. There are fewer homes for sale at this time than in the last 7 years. **There are 16.4% fewer homes for sale than last year at this time.**



Pending Sales per Month– August 2013

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 3,480 homes Pending in Austin, Texas. **This is the highest number of August pendings in the last 7 years.** Because of qualifying, mortgage and approval rates it is taking longer to go from contract to close.



Home Sales by Price Band- August 2013

5

Overall we are in an Extreme Seller's Market with 2.20 months of inventory. On average, home prices are showing Moderate Appreciation. However, the Market is different based on demand and the number of homes for sale in each price range. Homes valued under \$700K are in a Normal or Extreme Seller's Market.

| Price Range | # of Solds | Active Listings | Months of Inventory | Market |
|--------------------------|------------|------------------------|---------------------|----------------------------|
| \$0-\$100k | 123 | 232 | 1.89 | Extreme Sellers Market |
| \$100-\$200k | 1045 | 1428 | 1.37 | Extreme Sellers Market |
| \$200-\$300k | 716 | 1312 | 1.83 | Extreme Sellers Market |
| \$300-\$400k | 366 | 854 | 2.33 | Extreme Sellers Market |
| \$400k-\$500k | 186 | 621 | 3.34 | Normal Seller's Market |
| \$500-\$600k | 99 | 353 | 3.57 | Normal Seller's Market |
| \$600-\$700k | 56 | 259 | 4.63 | Normal Seller's Market |
| \$700-\$800k | 29 | 184 | 6.34 | Balanced Market |
| \$800-\$900k | 22 | 118 | 5.36 | Normal Seller's Market |
| \$900-\$1M | 12 | 100 | 8.33 | Balanced Market |
| \$1-\$2M | 48 | 329 | 6.85 | Balanced Market |
| \$2-\$3M | 3 | 93 | 31.00 | Extreme Buyer's Market |
| \$3M< | 4 | 79 | 19.75 | Extreme Buyer's Market |
| Overall MKT | 2709 | 5962 | 2.20 | Extreme Sellers 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/Moderate 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- August 2013



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- 7 The chart below provides details on how well each Zip Code is currently selling and the impact on home values. 11 out of 19 zip codes have less than 3 months of inventory and are defined as in an Extreme Seller's Market.

| Zip Code | # of Solds | Active Listings | Months of Inventory | Median Sales price | Avg DOM |
|--------------------------|------------|------------------------|---------------------|----------------------------|---------|
| 78701 | 27 | 70 | 2.59 | \$399,900 | 13 |
| 78702 | 18 | 58 | 3.22 | \$331,500 | 28 |
| 78703 | 16 | 92 | 5.75 | \$842,500 | 72 |
| 78704 | 36 | 137 | 3.81 | \$443,750 | 26 |
| 78705 | 5 | 34 | 6.80 | \$605,000 | 37 |
| 78717 | 46 | 62 | 1.35 | \$255,000 | 19 |
| 78722 | 10 | 6 | 0.60 | \$398,400 | 16 |
| 78727 | 44 | 32 | 0.73 | \$240,500 | 17 |
| 78730 | 22 | 71 | 3.23 | \$675,000 | 64 |
| 78731 | 37 | 86 | 2.32 | \$557,500 | 45 |
| 78732 | 52 | 101 | 1.94 | \$412,700 | 46 |
| 78733 | 16 | 36 | 2.25 | \$683,500 | 40 |
| 78734 | 49 | 287 | 5.86 | \$409,000 | 56 |
| 78735 | 18 | 61 | 3.39 | \$644,500 | 45 |
| 78739 | 36 | 41 | 1.14 | \$366,450 | 24 |
| 78746 | 35 | 149 | 4.26 | \$815,000 | 69 |
| 78749 | 61 | 34 | 0.56 | \$293,500 | 11 |
| 78750 | 38 | 60 | 1.58 | \$381,250 | 22 |
| 78759 | 52 | 47 | 0.90 | \$332,500 | 20 |
| 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/Moderate Depreciation | |
| 3-6 Months of Inventory | | Normal Seller's Market | | Moderate Appreciation | |
| 0-3 Months of Inventory | | Extreme Sellers Market | | High Appreciation | |

Central Austin

78701
78703
78704
78705
78731

Northwest Travis Co.

78730
78732
78734

Southwest Austin

78739
78749

Northwest Austin

78717
78727
78750
78759

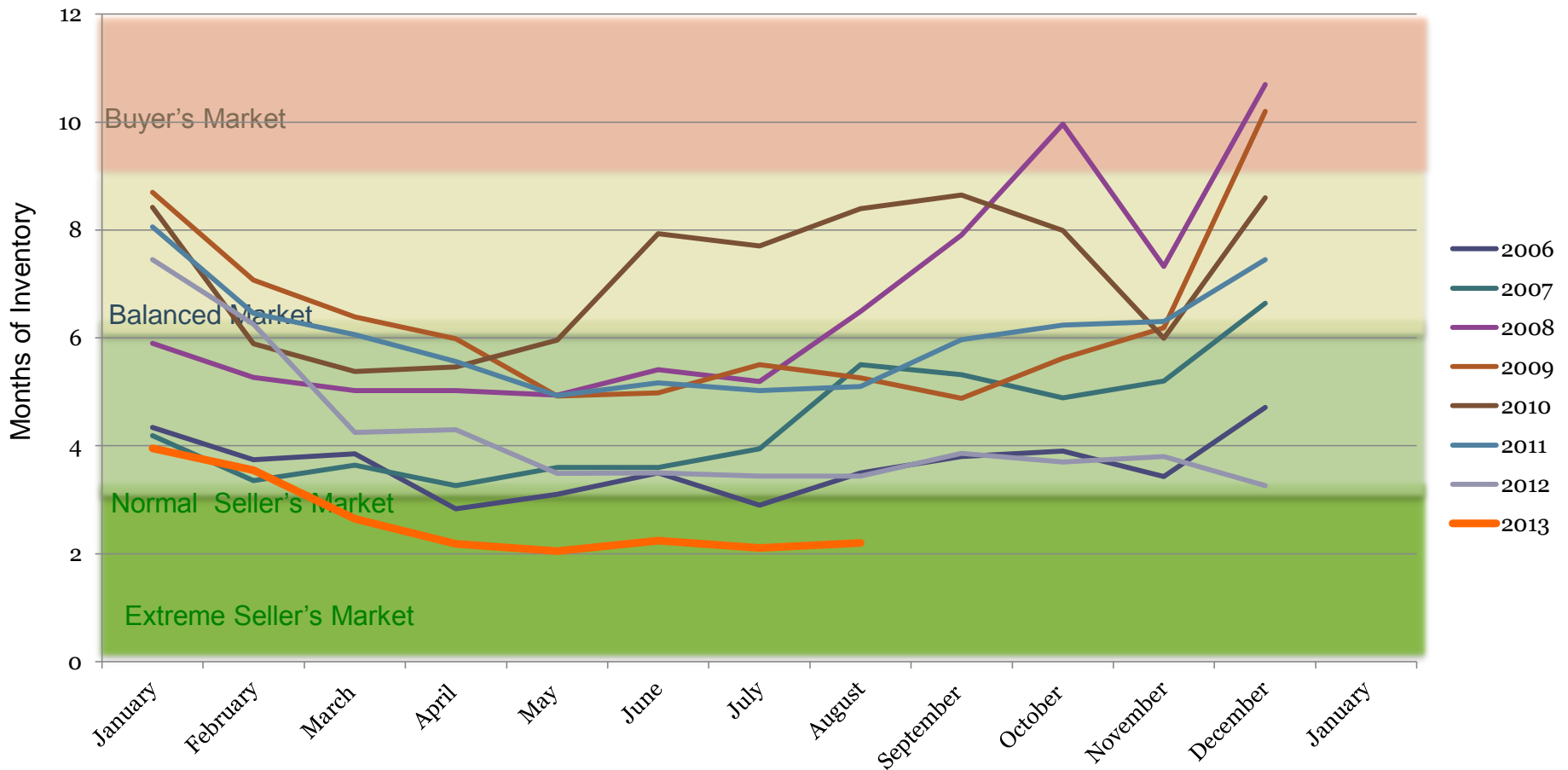
West Austin/Westlake

78733
78735

Absorption Rate: Months of Inventory in Austin 2006-2013



The **Absorption Rate**, also called “Months of Inventory,” is the best indicator of how fast or slow home values are moving up or down. The formula is the number of homes on the market divided by the number of homes sold in the prior month. With 6 to 9 months of inventory, the market is called **Balanced**, and home values remain stable with slight decreases or increases possible. Below 6 months is called a Seller’s Market, as home prices slightly increase due to demand.



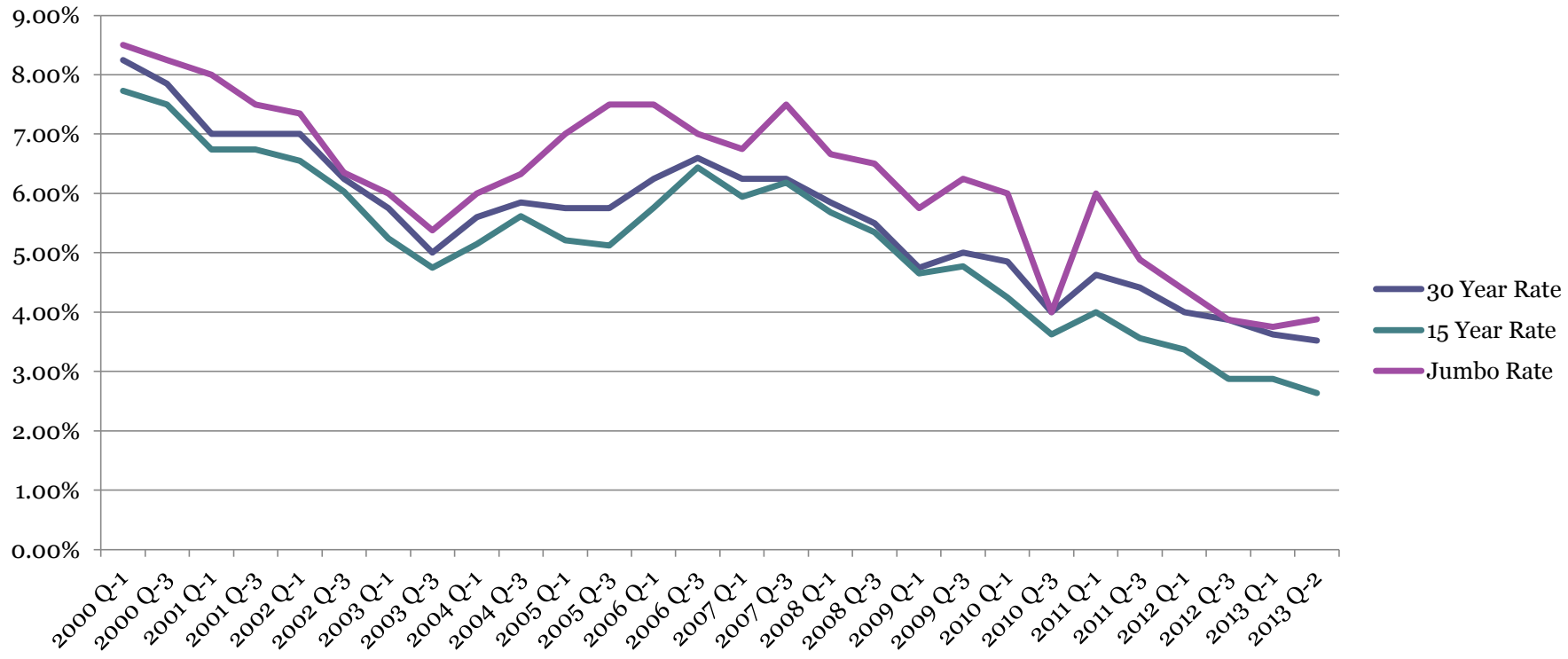
Mortgage Rates - 13 Year Summary

We monitor interest rates because they directly affect buying power. The higher the rate, the more it costs for a buyer to buy. When interest rates rise, it has the same effect as a seller raising his price and fewer homes sell because mortgage payments are higher. Conversely, when rates decrease more buyers qualify to purchase and home sales usually increase. The chart below tracks mortgage rates for the past 12 years. As you can see, mortgage rates are at close to their lowest levels.

Current Rates

Conforming 30 yr: 4.61%
Conforming 15 yr: 3.61%

Jumbo* 30 yr: 4.87%
*(over \$417K loan amount)

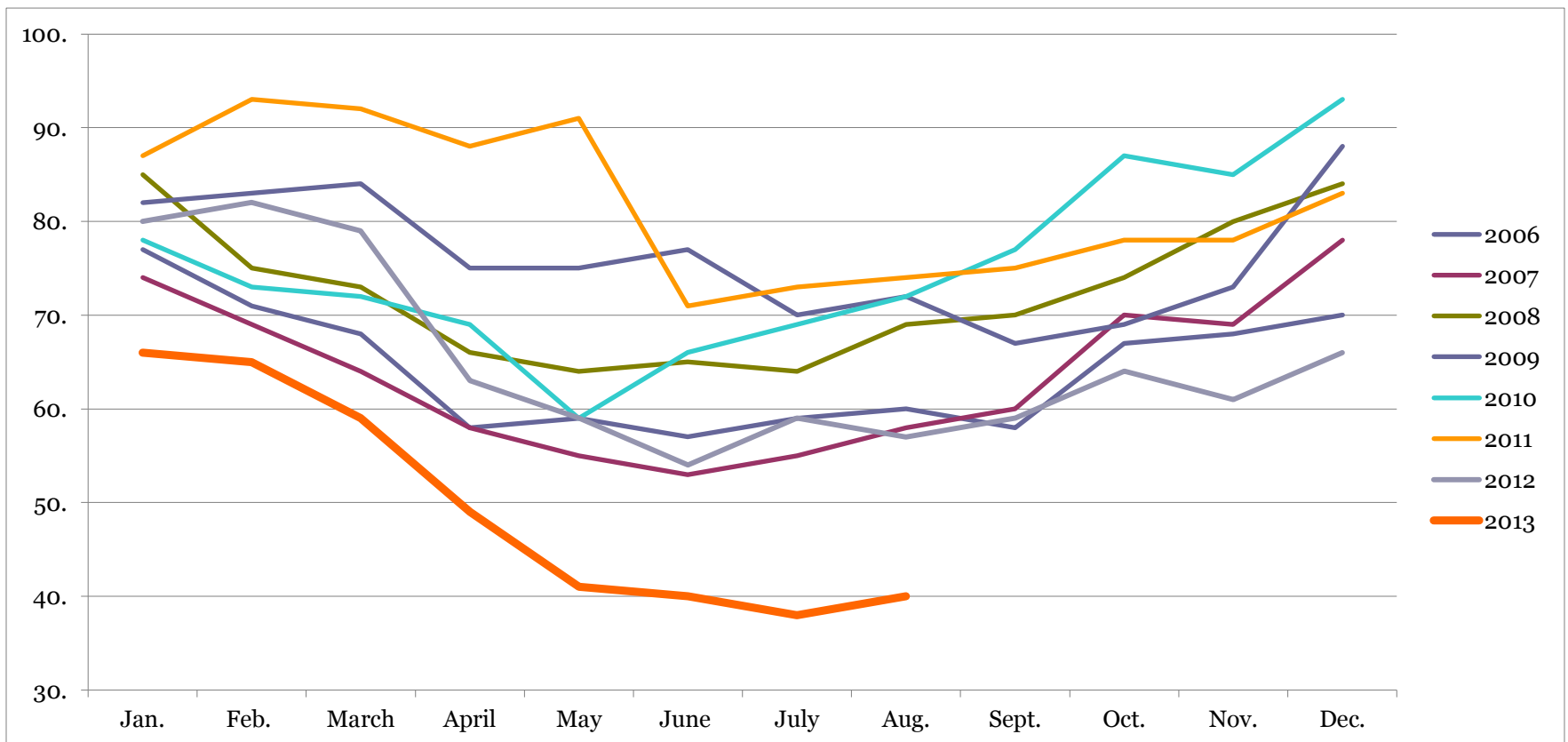


Average Days on Market 2006-2013



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Of the homes that sold last month, the average amount of days they had been on the market was 40 days. This is 29.8% 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.