



WEST AUSTIN
PROPERTIES

January 2014 Austin Real Estate Market Report

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

Volume 6, Issue I

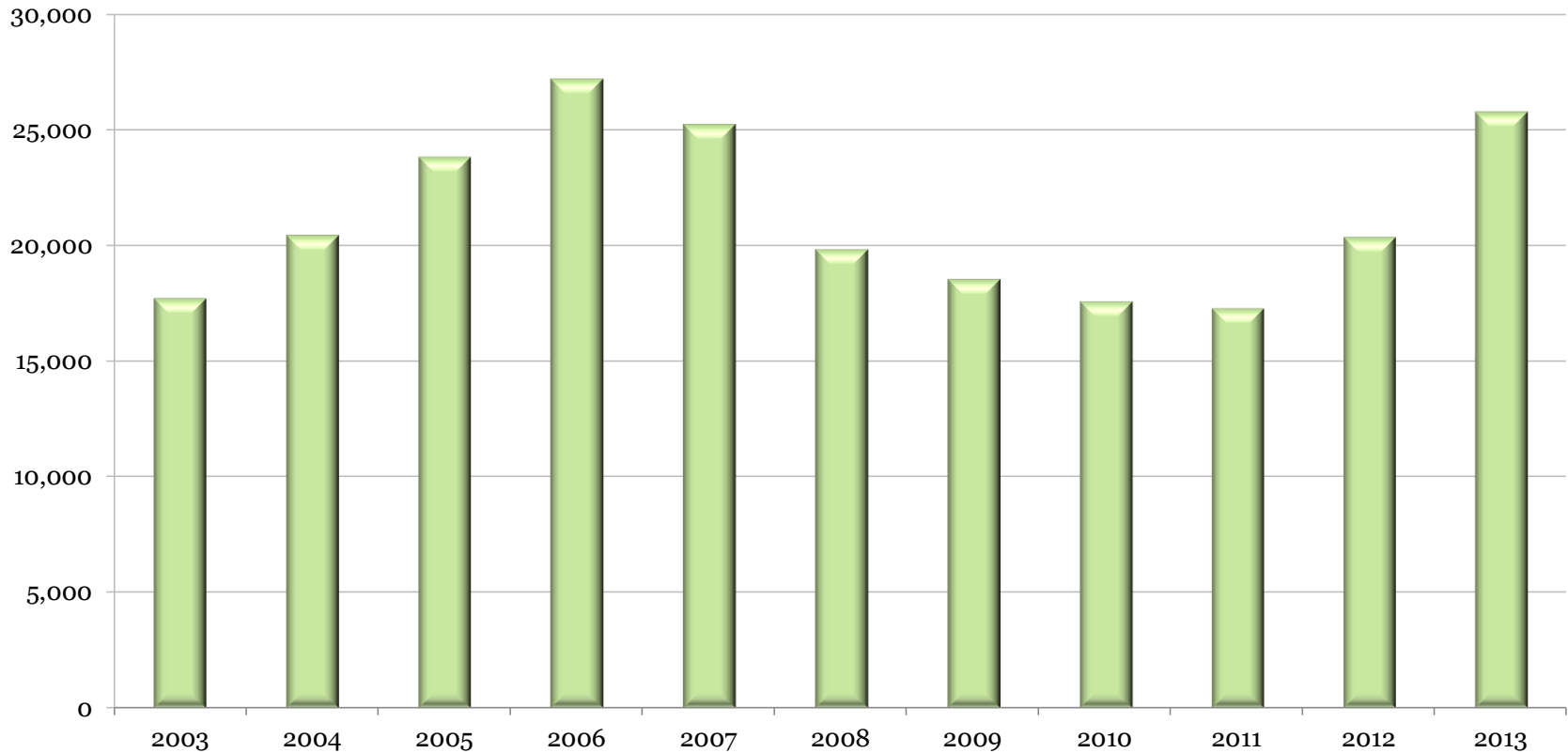


Year to Date Sales – December 2013



1

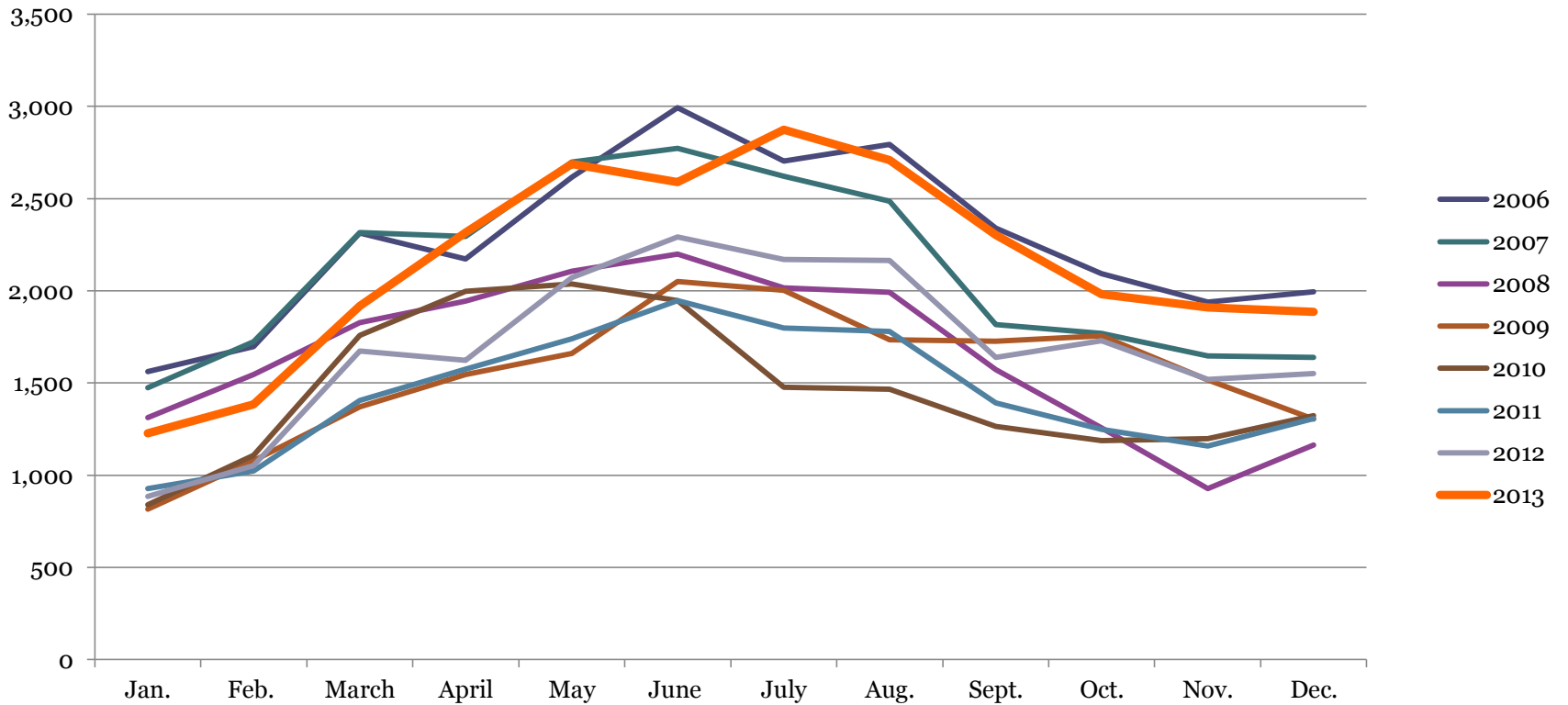
Year-to-date sales in Austin are higher than in the prior 6 years, showing increasing demand and an improving market.



Homes Sold per Month – December 2013

2

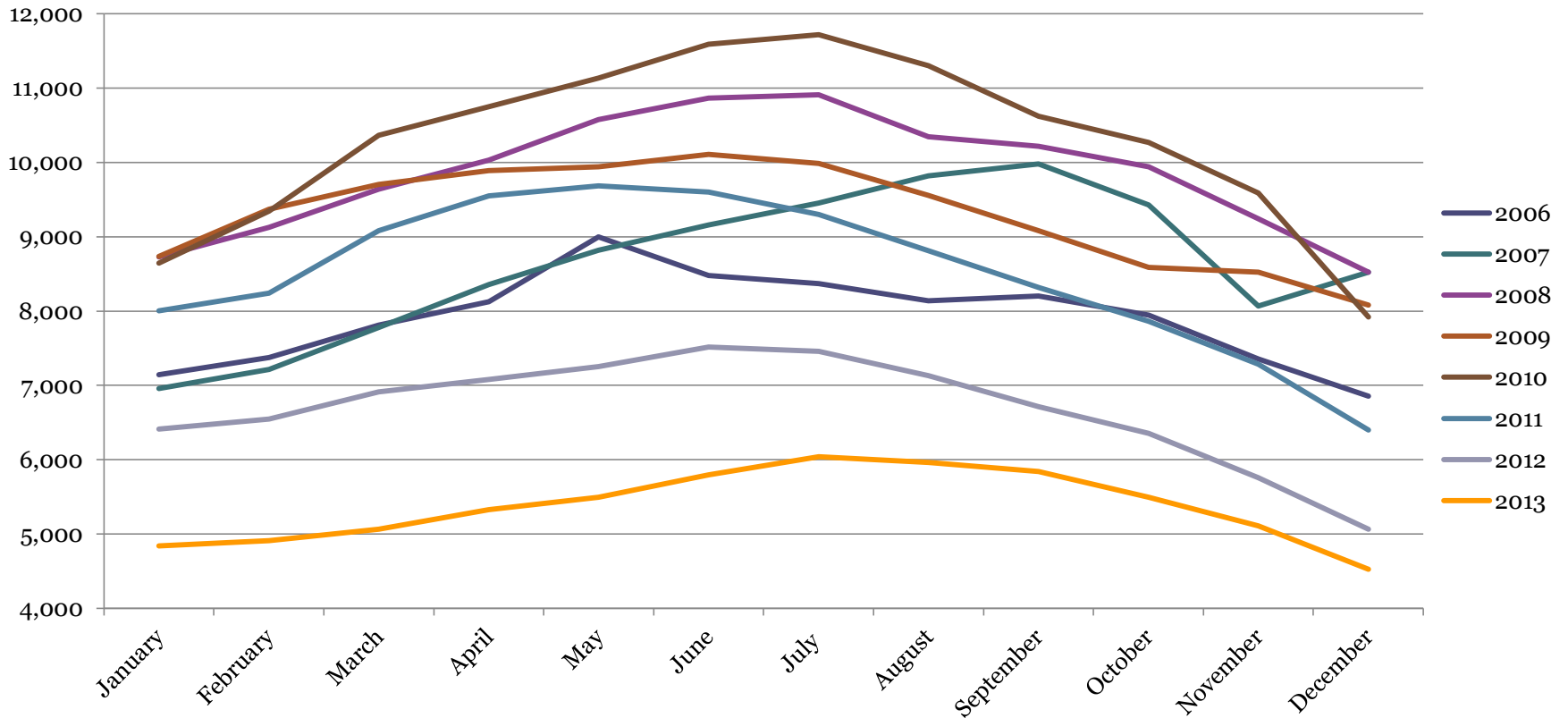
The chart below follows the trends of numbers of homes sold during any given month. Last month there were 1,885 homes sold in Austin, Texas. More homes sold in December than in the prior 6 years during that month!



Homes For Sale– January 2014

3

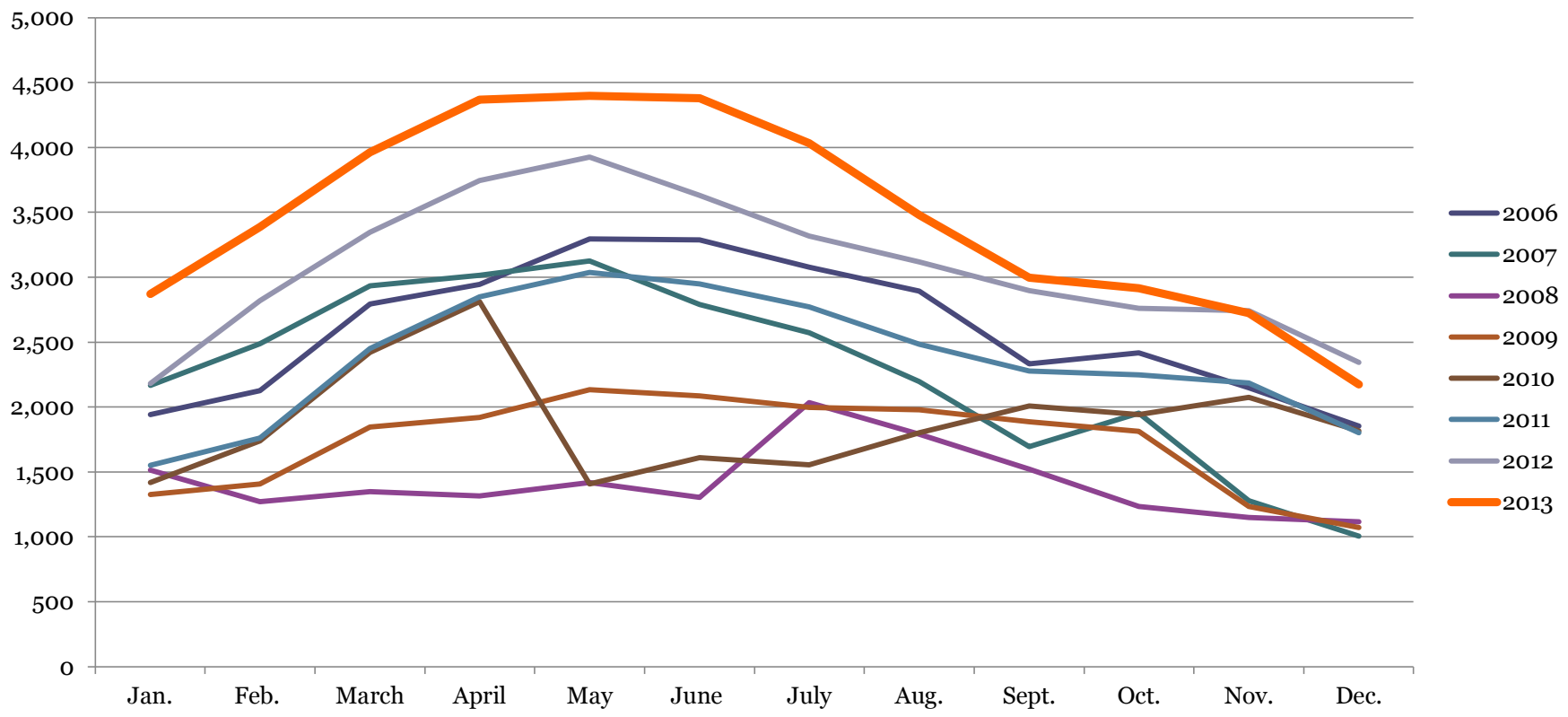
The chart below follows the trends of the number of homes for sale during any given month. At the beginning of January, there were 4,525 homes for sale in Austin, Texas. There are fewer homes for sale at this time than in the last 7 years. **There are 10.63% fewer homes for sale than last year at this time.**



Pending Sales per Month– January 2014

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 2,173 homes Pending in Austin, Texas. **This is the second highest number of January 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- December 2013

5

Overall we are in an Extreme Seller's Market with 2.4 months of inventory. On average, home prices are showing Extreme Appreciation. However, the Market is different based on demand and the number of homes for sale in each price range. Homes valued under \$1 million are in a Normal or Extreme Seller's Market.

Price Range	# of Solds	Active Listings	Months of Inventory	Market
\$0-\$100k	76	181	2.38	Extreme Sellers Market
\$100-\$200k	705	954	1.35	Extreme Sellers Market
\$200-\$300k	525	1074	2.05	Extreme Sellers Market
\$300-\$400k	239	741	3.10	Normal Seller's Market
\$400k-\$500k	150	493	3.29	Normal Seller's Market
\$500-\$600k	76	264	3.47	Normal Seller's Market
\$600-\$700k	19	184	9.68	Normal Buyer's Market
\$700-\$800k	27	145	5.37	Normal Seller's Market
\$800-\$900k	13	68	5.23	Normal Seller's Market
\$900-\$1M	18	72	4.00	Normal Seller's Market
\$1-\$2M	32	225	7.03	Balanced Market
\$2-\$3M	4	61	15.25	Extreme Buyer's Market
\$3M<	1	63	63.00	Extreme Buyer's Market
Overall MKT	1885	4525	2.40	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- December 2013

7 The chart below provides details on how well each Zip Code is currently selling and the impact on home values. 17 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	22	42	1.91	\$375,675	79
78702	13	58	4.46	\$316,000	68
78703	18	40	2.22	\$868,500	82
78704	29	48	1.66	\$520,000	41
78705	2	6	3.00	\$568,750	21
78717	34	30	0.88	\$268,000	51
78722	4	3	0.75	\$332,500	16
78727	18	11	0.61	\$210,000	23
78730	17	28	1.65	\$634,500	73
78731	26	43	1.65	\$663,050	49
78732	21	61	2.90	\$415,000	46
78733	12	23	1.92	\$465,693	33
78734	30	170	5.67	\$319,875	72
78735	16	42	2.63	\$424,500	50
78739	20	27	1.35	\$386,000	44
78746	29	75	2.59	\$975,000	107
78749	38	18	0.47	\$272,500	31
78750	23	13	0.57	\$345,000	41
78759	31	31	1.00	\$343,950	36
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
78722
78731
78702

Northwest Travis Co.

78730
78732
78734

Southwest Austin

78739
78749

Northwest Austin

78717
78727
78750
78759

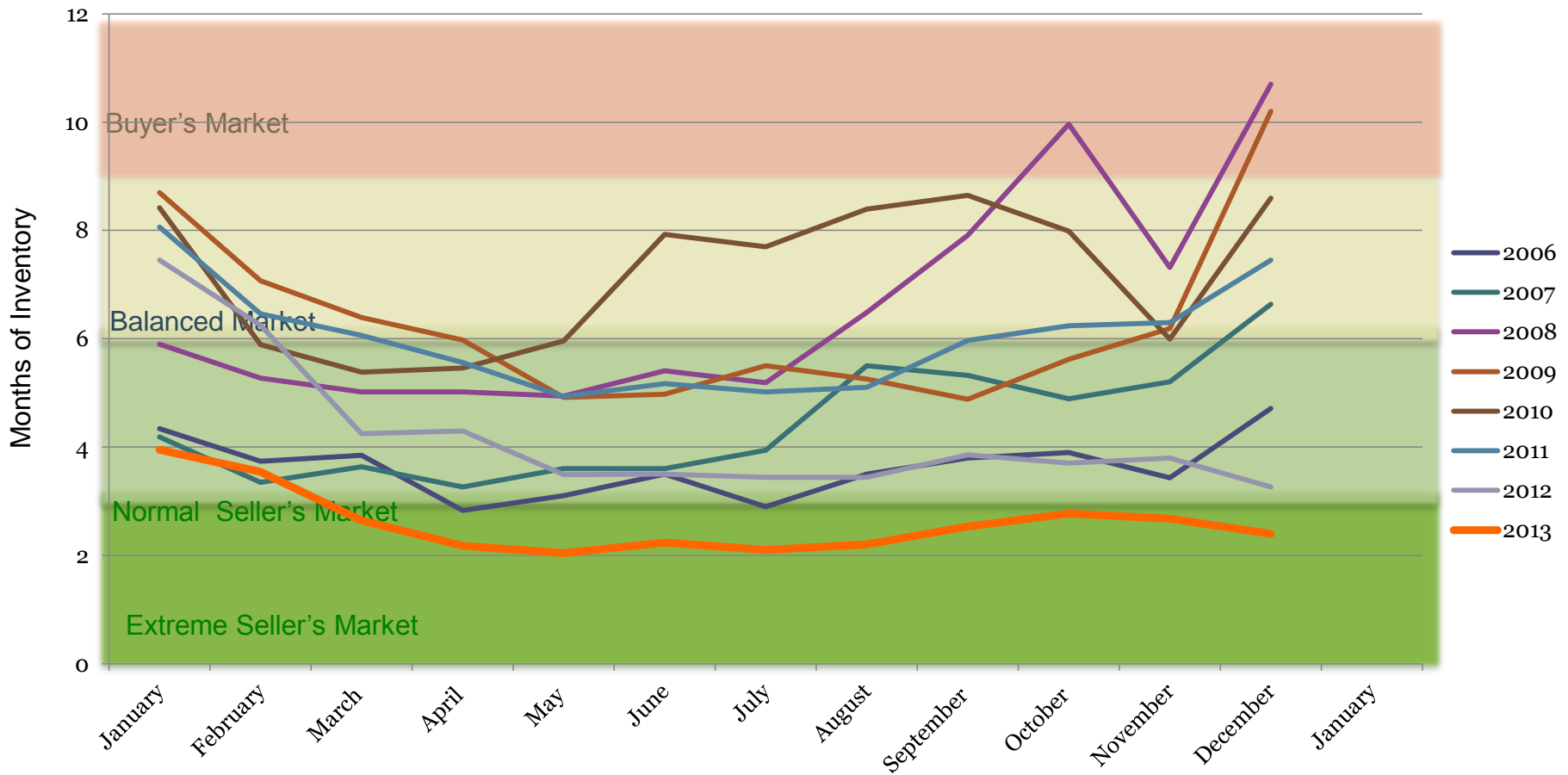
West Austin/Westlake

78733
78735
78746

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 - 14 Year Summary

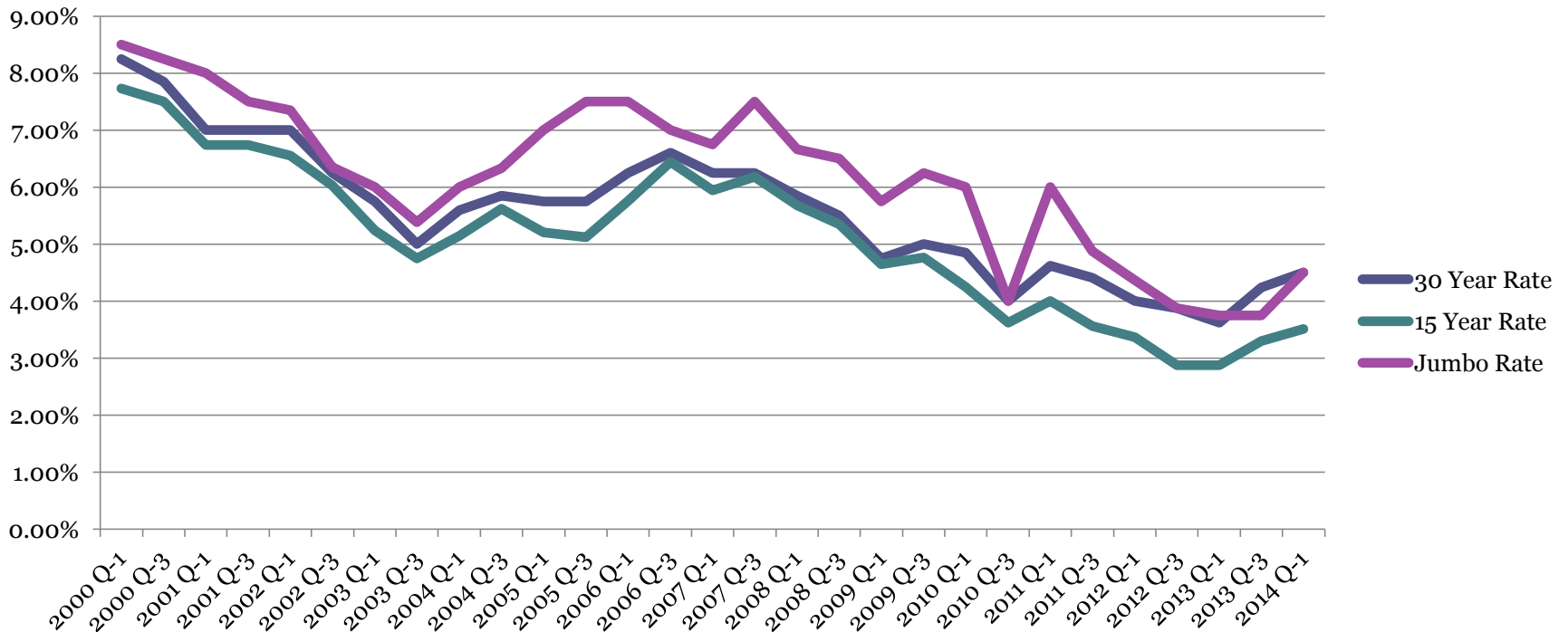


We monitor interest rates because they directly affect buying power. The higher the rate, the more it costs for a buyer to buy. When interest rates rise, it has the same effect as a seller raising his price and fewer homes sell because mortgage payments are higher. Conversely, when rates decrease more 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: 4.50%
Conforming 15 yr: 3.51%

Jumbo* 30 yr: 4.50%
*(over \$417K loan amount)



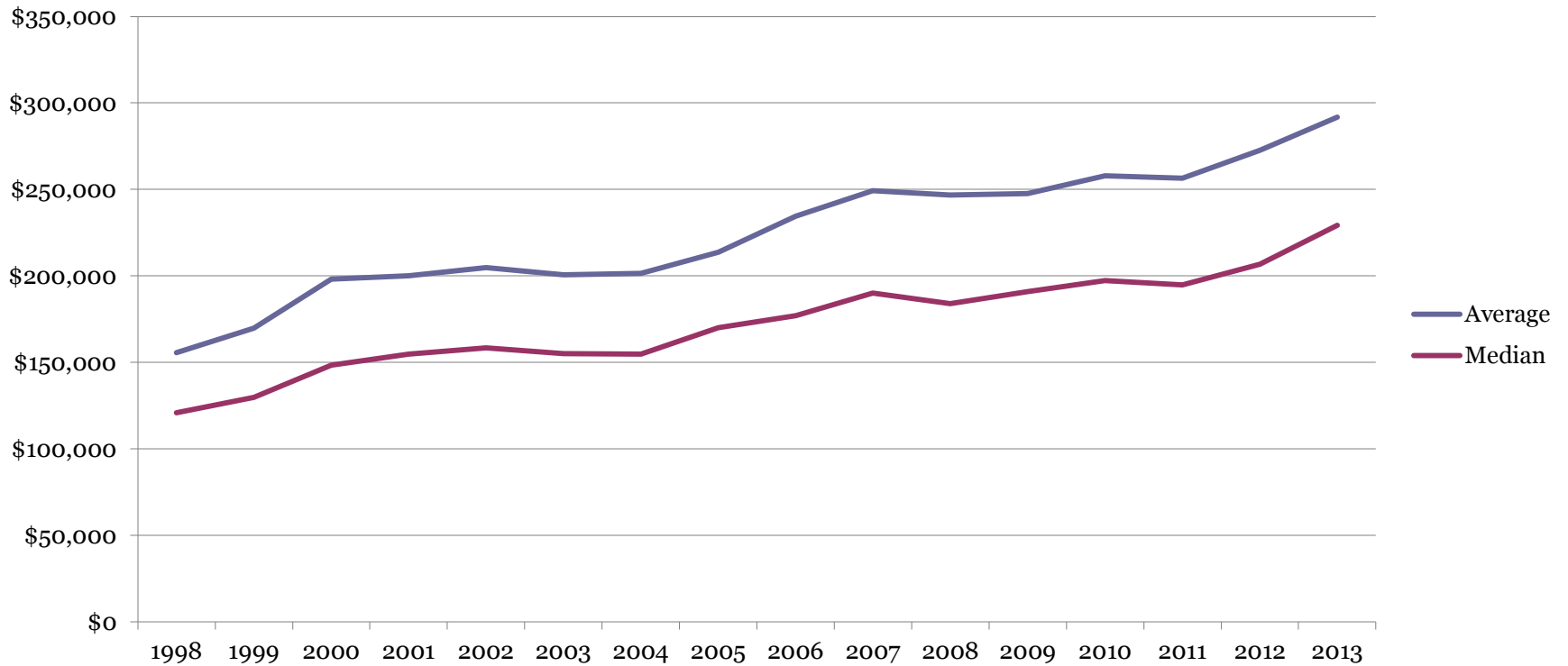
Average and Median Sold 15 Year Summary



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The chart above follows the trend of average and median sales price per year. Last month the average sales price was \$294,000 The median sold price was \$240,000 last month. The average sales price in December is up 3.6% and the median sales price is up 13.1% from one year ago.

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

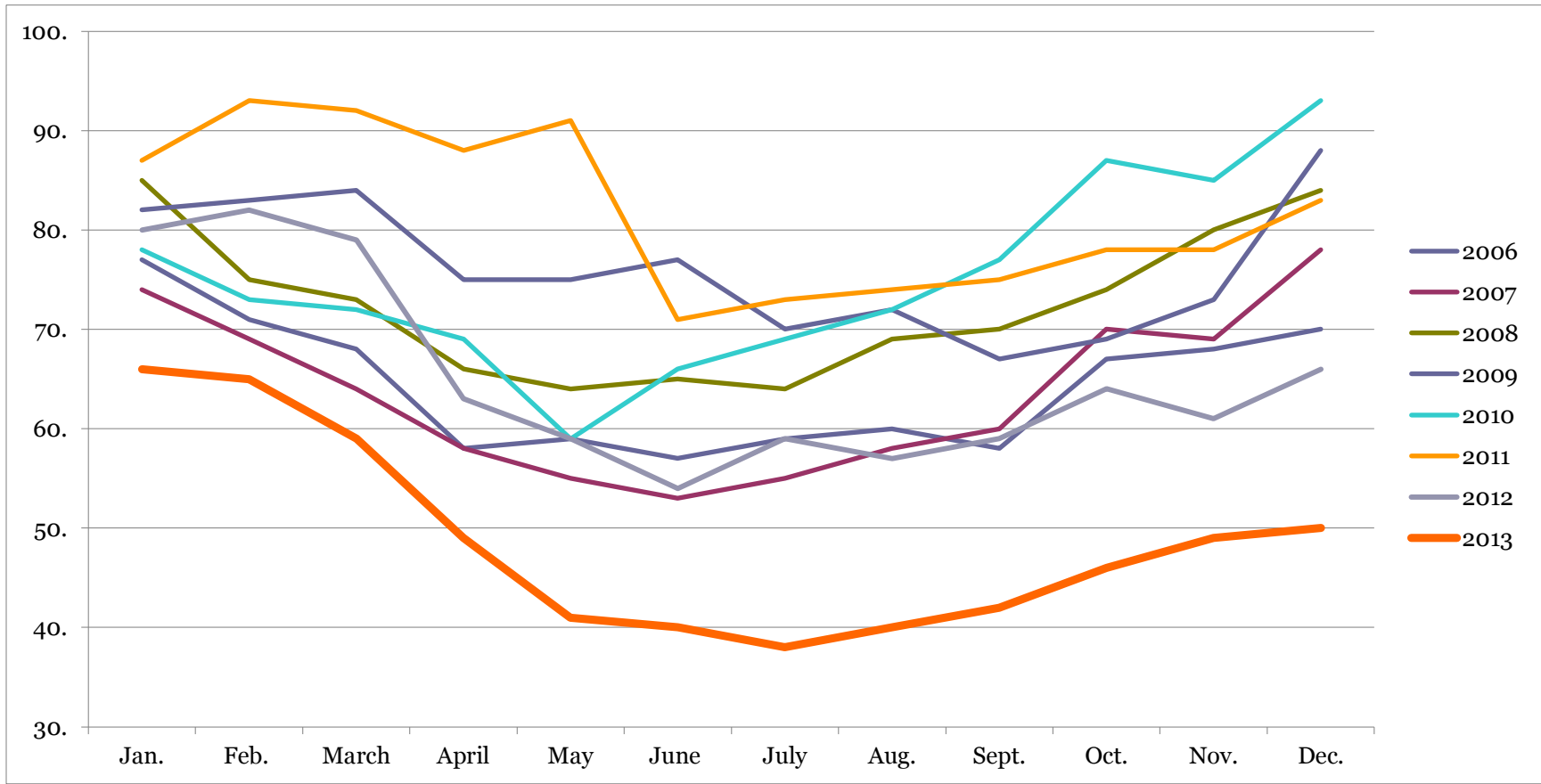


Average Days on Market 2006-2013



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Of the homes that sold last month, the average amount of days they had been on the market was 50 days. This is 24.24% 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.