



**WEST AUSTIN**  

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**P R O P E R T I E S**

# **February 2014 Austin Real Estate Market Report**

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

Volume 6, Issue II

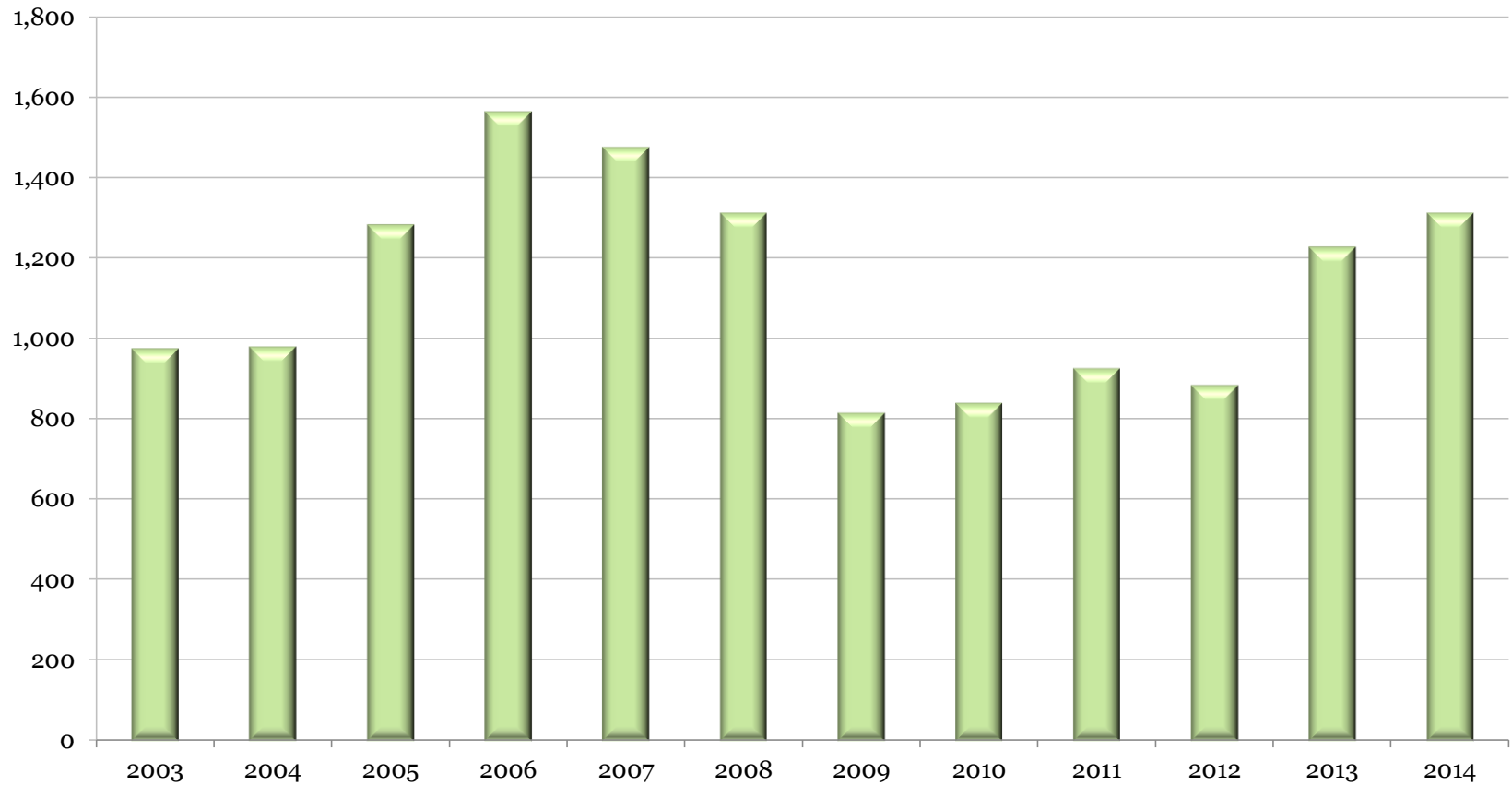


# Year to Date Sales – February 2014



1

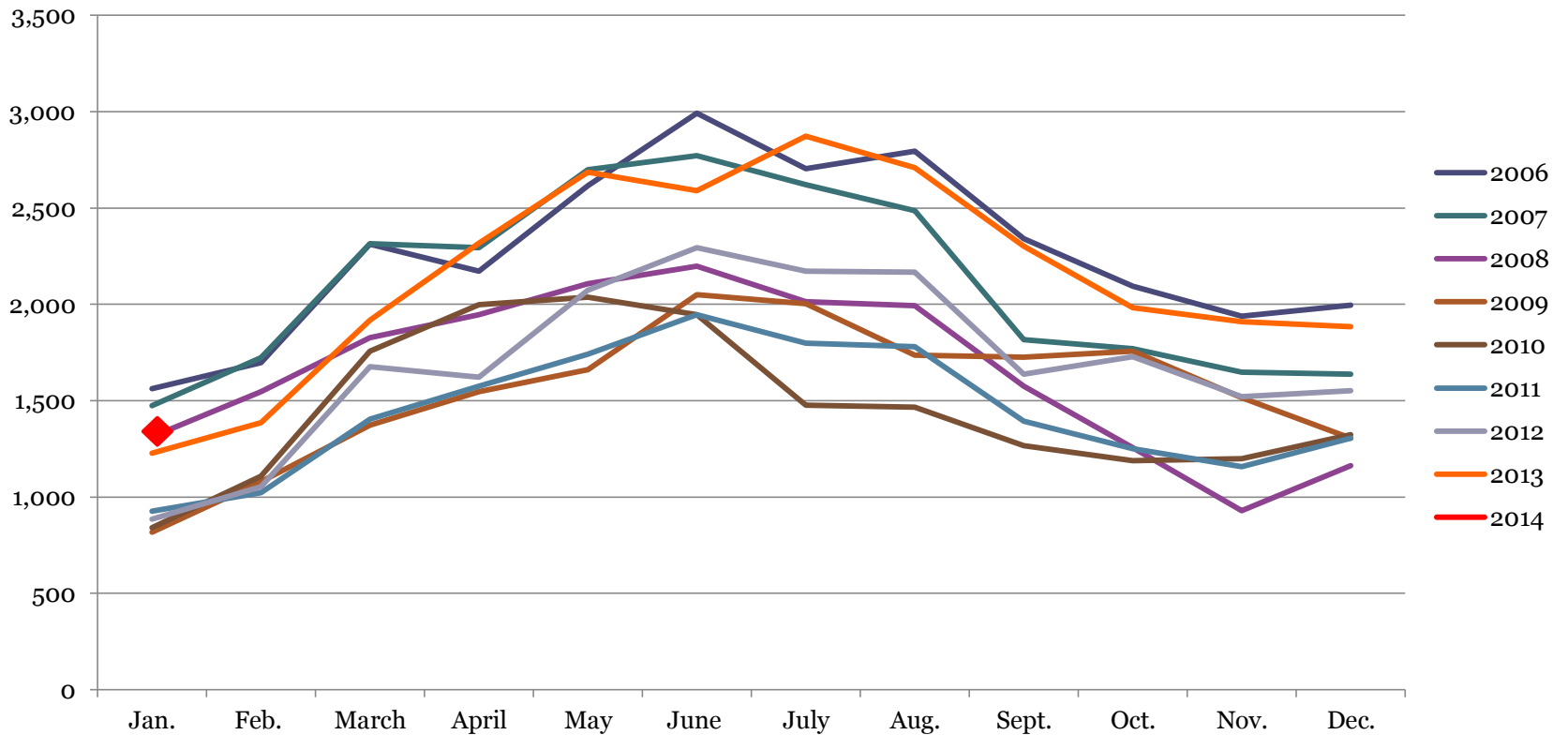
Year-to-date sales in Austin are higher than in the prior 6 years, showing increasing demand and an improving market.



# Homes Sold per Month – January 2014

2

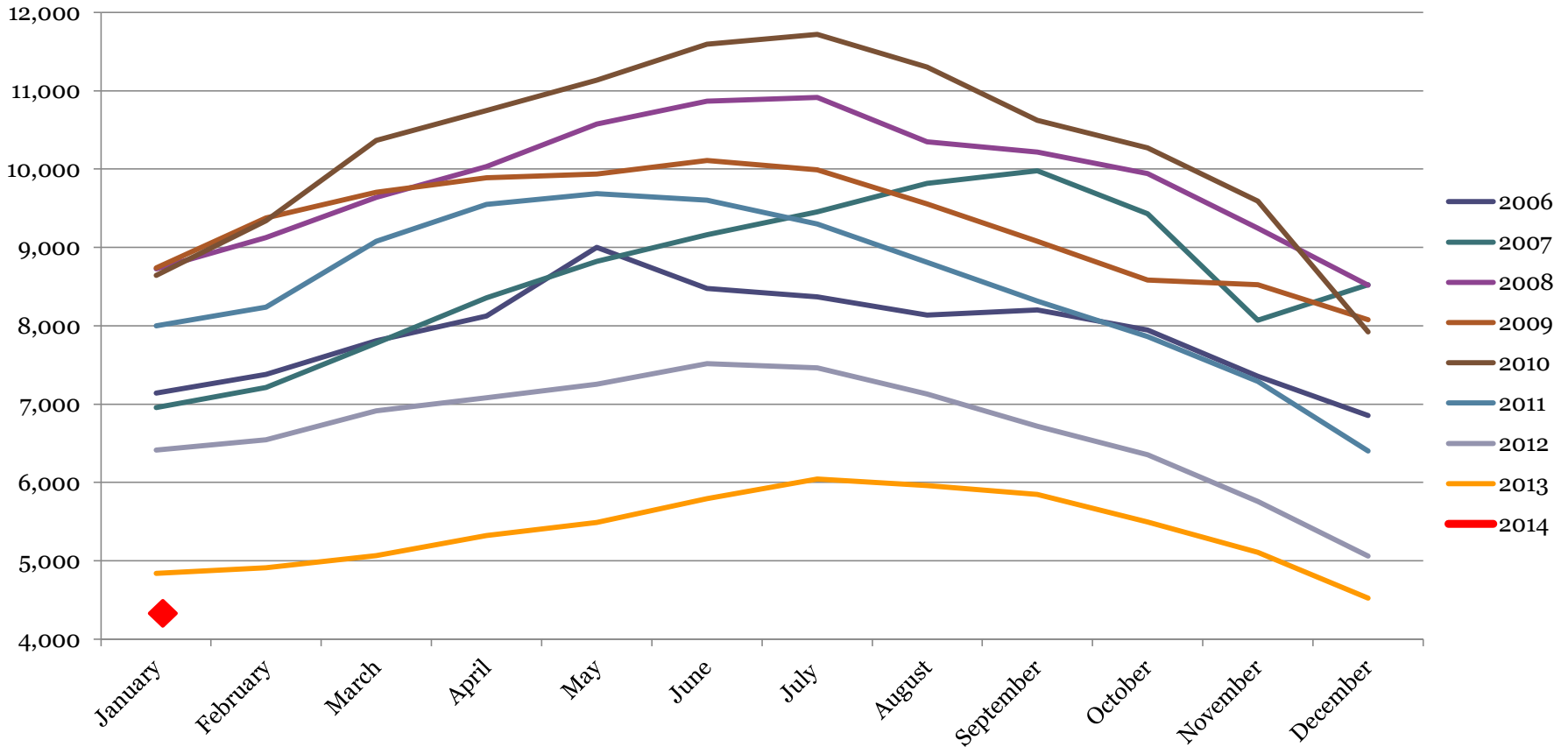
The chart below follows the trends of numbers of homes sold during any given month. Last month there were 1,313 homes sold in Austin, Texas. More homes sold in January than in the prior 6 years during that month!



# Homes For Sale– February 2014

3

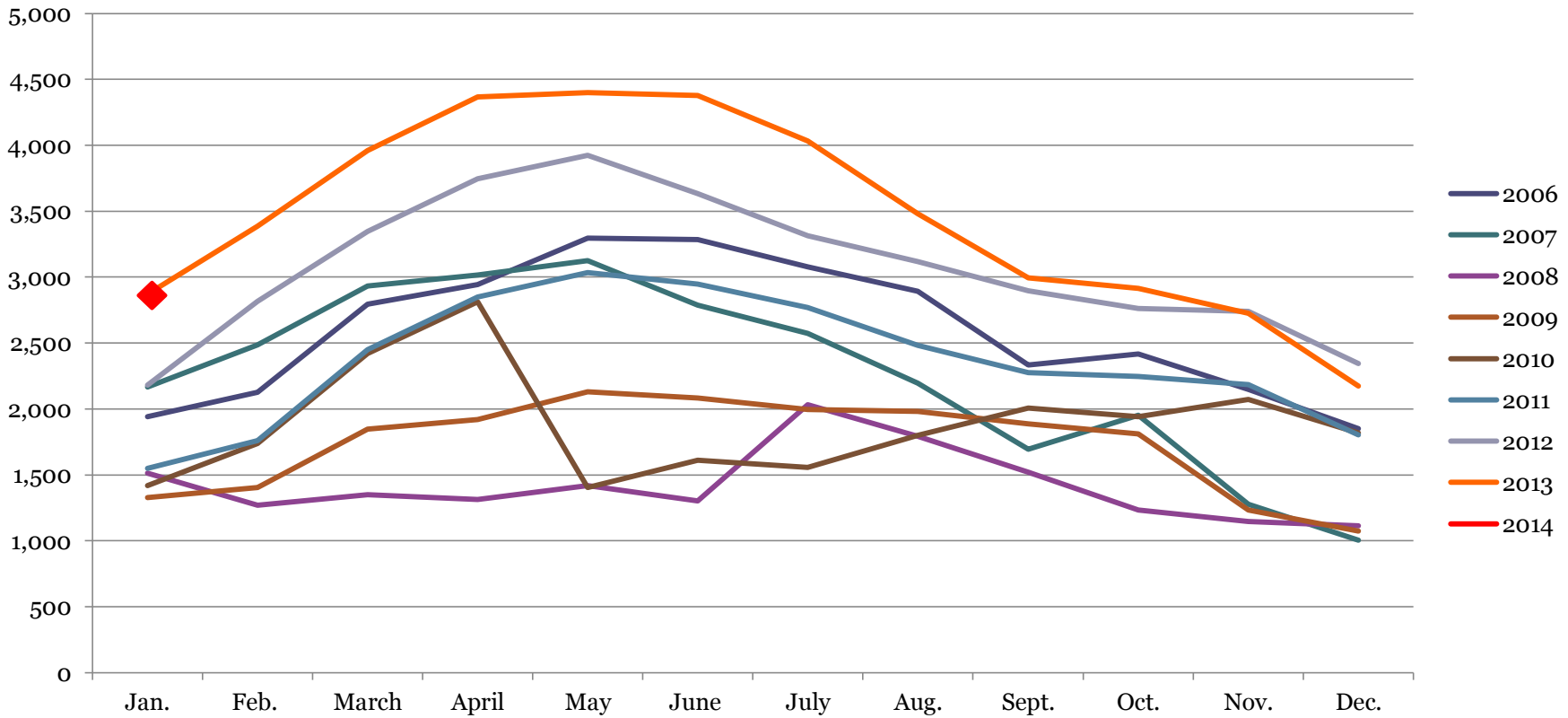
The chart below follows the trends of the number of homes for sale during any given month. At the beginning of January, there were 4,368 homes for sale in Austin, Texas. There are fewer homes for sale at this time than in the last 8 years. **There are 10.83% fewer homes for sale than last year at this 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- January 2014



5 Overall we are in an Normal Seller's Market with 3.3 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 \$400,000 are in a Normal or Extreme Seller's Market.

Price Range	# of Solds	Active Listings	Months of Inventory	Market
\$0-\$100k	65	192	2.95	Extreme Sellers Market
\$100-\$200k	530	833	1.57	Extreme Sellers Market
\$200-\$300k	344	997	2.90	Extreme Sellers Market
\$300-\$400k	164	699	4.26	Normal Seller's Market
\$400k-\$500k	80	489	6.11	Balanced Market
\$500-\$600k	48	285	5.94	Normal Seller's Market
\$600-\$700k	24	193	8.04	Balanced Market
\$700-\$800k	22	151	6.86	Balanced Market
\$800-\$900k	5	78	15.60	Extreme Buyer's Market
\$900-\$1M	11	80	7.27	Balanced Market
\$1-\$2M	16	236	14.75	Extreme Buyer's Market
\$2-\$3M	1	65	65.00	Extreme Buyer's Market
\$3M<	0	60	60.00	Extreme Buyer's Market
Overall MKT	1310	4358	3.33	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/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- January 2014

7 The chart below provides details on how well each Zip Code is currently selling and the impact on home values. 10 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	12	48	4.00	\$371,350	57
78702	15	59	3.93	\$319,800	27
78703	11	34	3.09	\$533,000	37
78704	19	30	1.58	\$512,500	48
78705	2	21	10.50	\$682,000	126
78717	23	35	1.52	\$285,675	49
78722	2	3	1.50	\$342,500	70
78727	9	8	0.89	\$175,000	19
78730	12	31	2.58	\$637,450	181
78731	17	44	2.59	\$420,000	66
78732	14	72	5.14	\$520,000	72
78733	4	24	6.00	\$662,500	43
78734	20	181	9.05	\$425,000	102
78735	6	39	6.50	\$682,500	84
78739	19	19	1.00	\$360,000	30
78746	21	71	3.38	\$952,000	94
78749	23	12	0.52	\$260,000	95
78750	11	20	1.82	\$318,000	34
78759	14	16	1.14	\$455,500	29
<b>12+ Months of Inventory</b>		<b>Extreme Buyer's Market</b>		<b>High Depreciation</b>	
<b>9-12 Months of Inventory</b>		<b>Normal Buyer's Market</b>		<b>Moderate Depreciation</b>	
<b>6-9 Months of Inventory</b>		<b>Balanced Market</b>		<b>Flat/Moderate Depreciation</b>	
<b>3-6 Months of Inventory</b>		<b>Normal Seller's Market</b>		<b>Moderate Appreciation</b>	
<b>0-3 Months of Inventory</b>		<b>Extreme Sellers Market</b>		<b>High Appreciation</b>	

### Central Austin

78701  
78702  
78703  
78704  
78705  
78722  
78731

### Northwest Travis Co.

78730  
78732  
78734

### Southwest Austin

78739  
78749

### Northwest Austin

78717  
78727  
78750  
78759

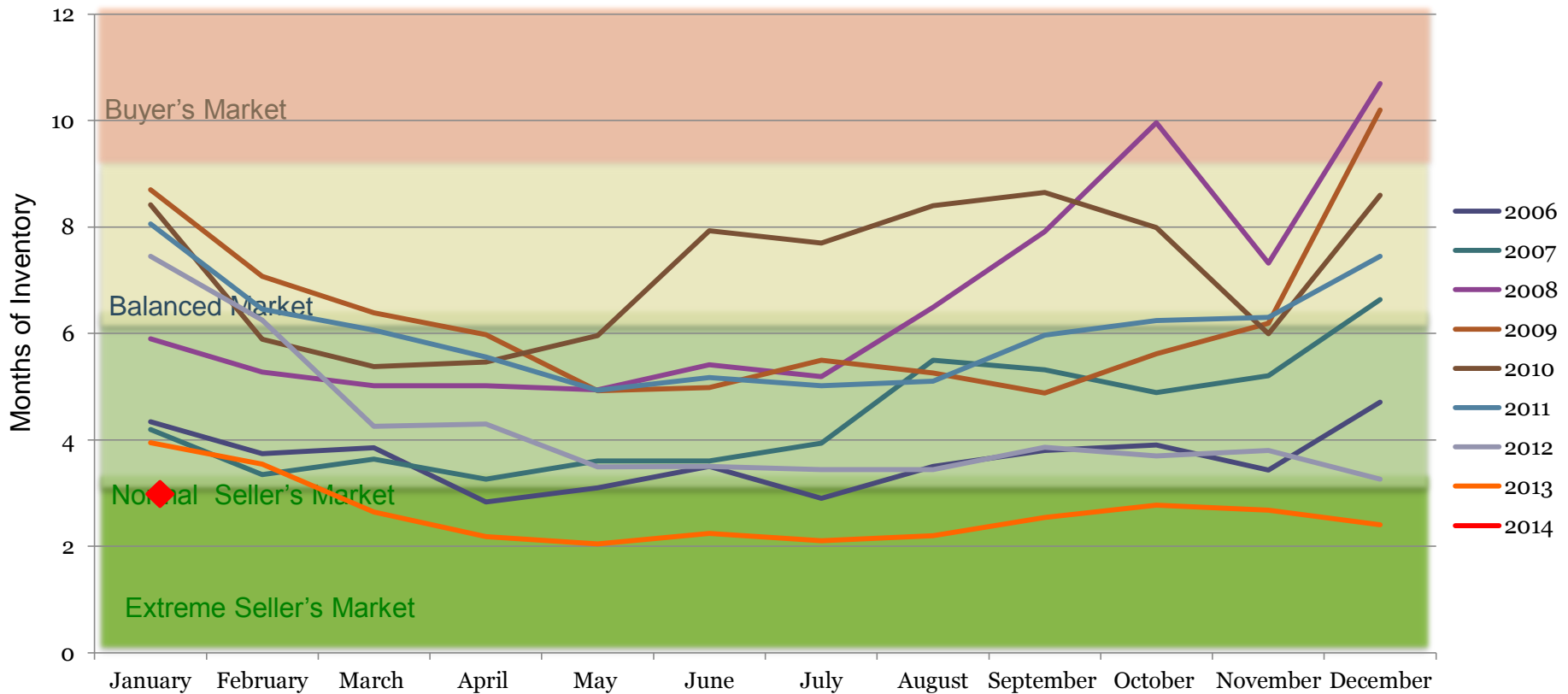
### West Austin/Westlake

78733  
78735  
78746

# Absorption Rate: Months of Inventory in Austin 2006-2014



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

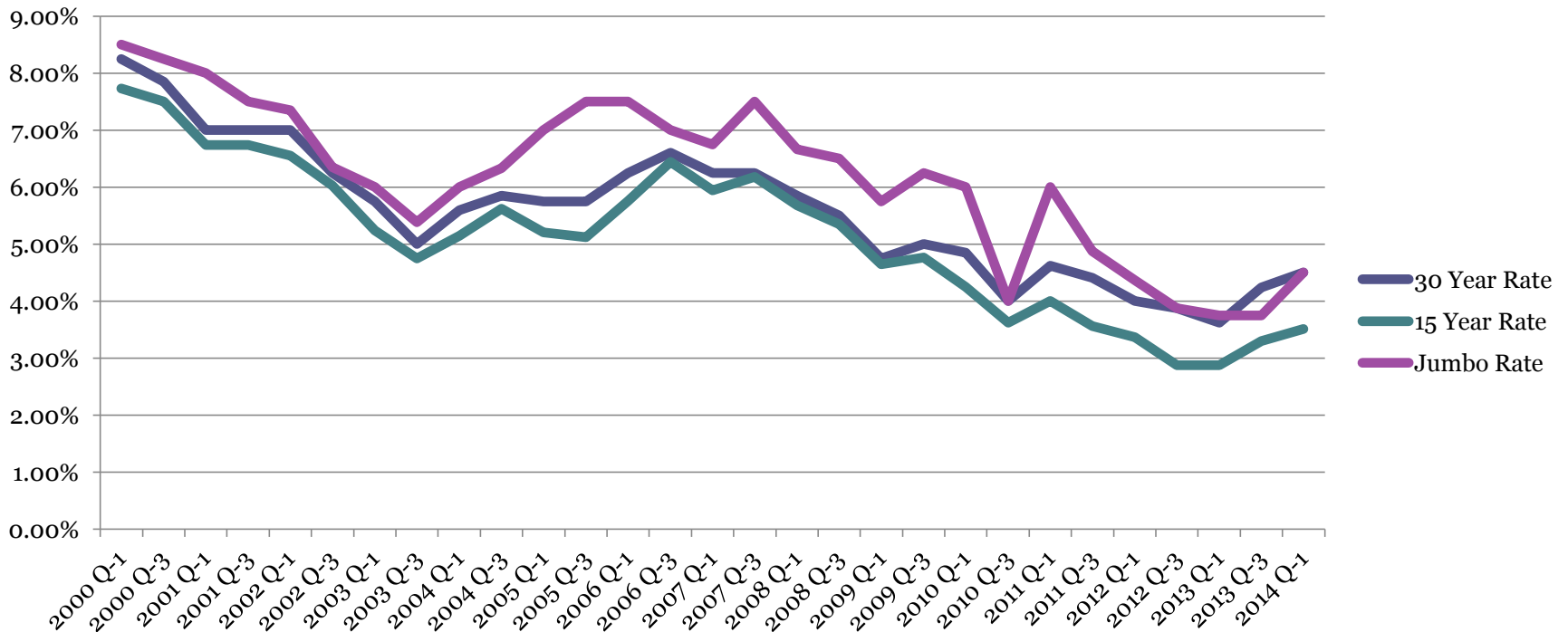


We monitor interest rates because they directly affect buying power. The higher the rate, the more it costs for a buyer to buy. When interest rates rise, it has the same effect as a seller raising his price and fewer homes sell because mortgage payments are higher. Conversely, when rates decrease more buyers qualify to purchase and home sales usually increase. The chart below tracks mortgage rates for the past 14 years. As you can see, mortgage rates are at close to their lowest levels.

### Current Rates

Conforming 30 yr: 4.28%  
Conforming 15 yr: 3.31%

Jumbo\* 30 yr: 4.25%  
\*(over \$417K loan amount)



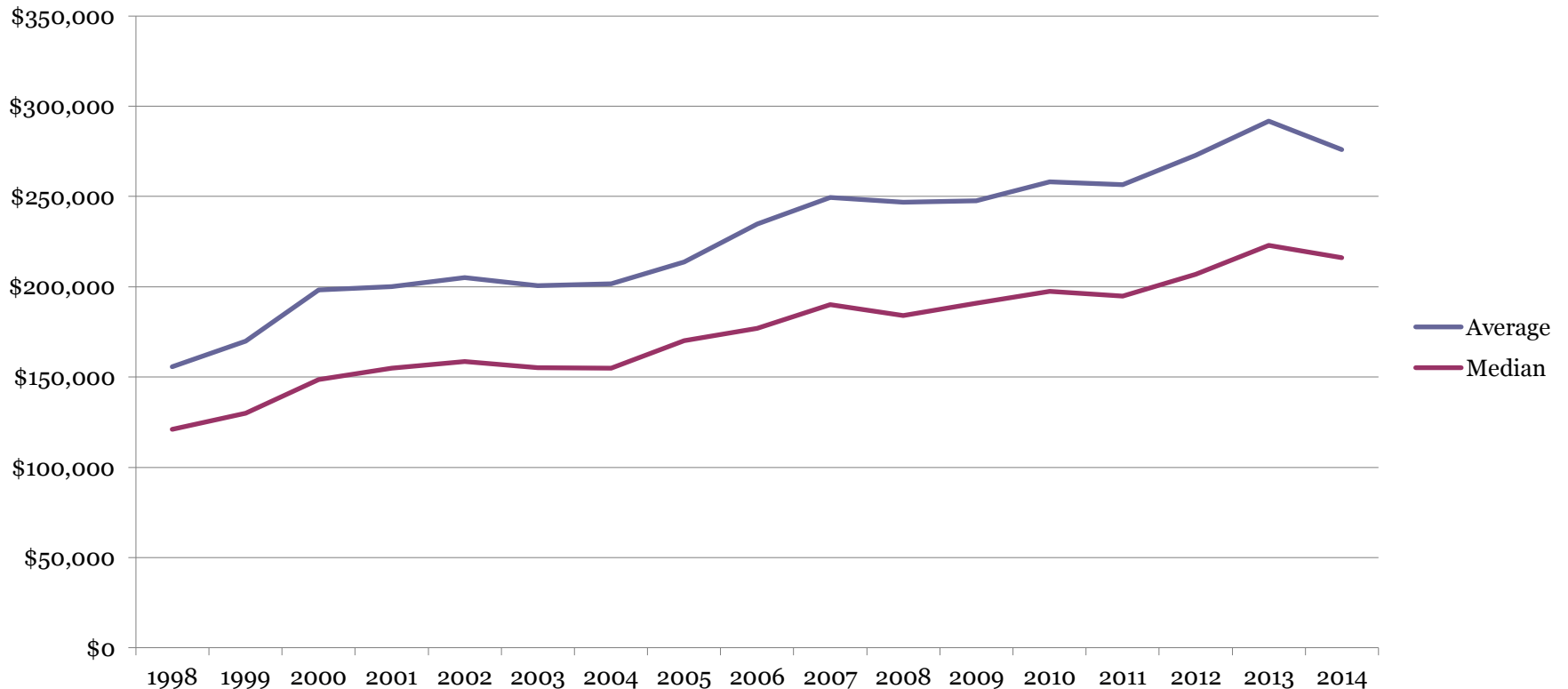
# Average and Median Sold 16 Year Summary



8

The chart above follows the trend of average and median sales price per year. Last month the average sales price was \$276,001 The median sold price was \$216,000 last month. The average sales price in January is up 3.3% and the median sales price is up 6.4% from one year ago.

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

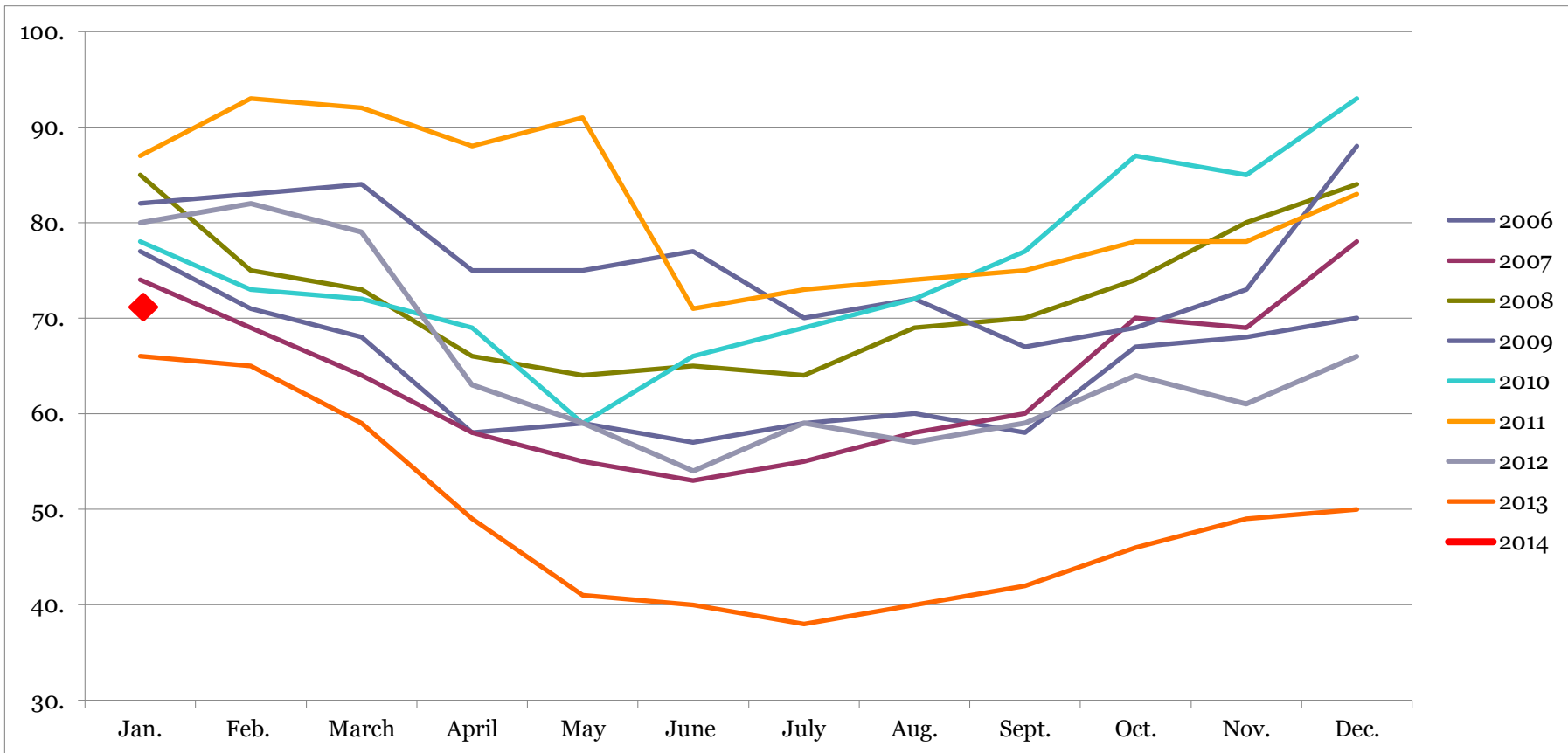


# Average Days on Market 2006-2014



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Of the homes that sold last month, the average amount of days they had been on the market was 71 days. This is 7.58% more days than a year ago.





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- 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.