



**WEST AUSTIN**  

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**PROPERTIES**

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

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

Volume 9, Issue VII

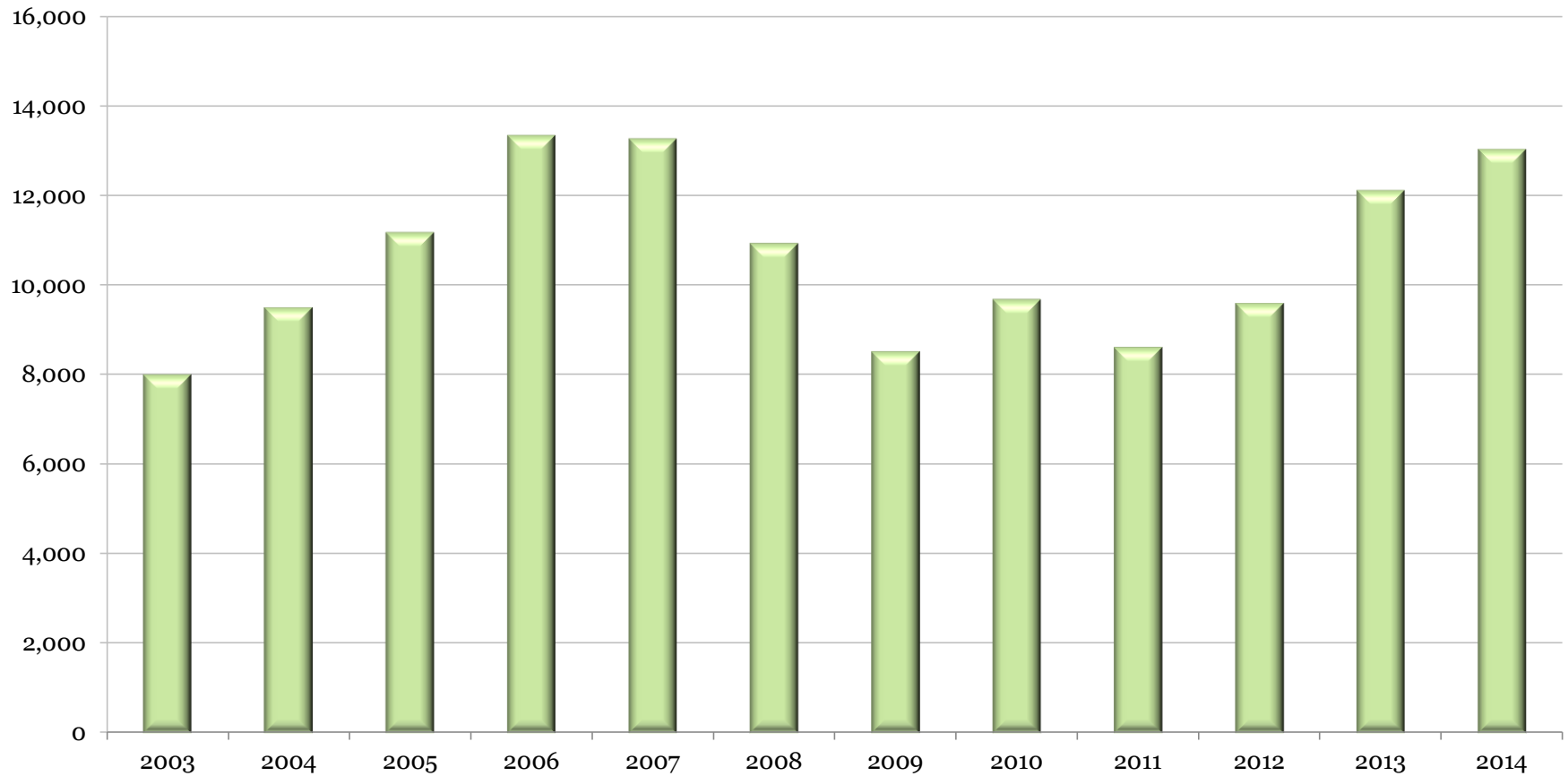


# Year to Date Sales – August 2014



1

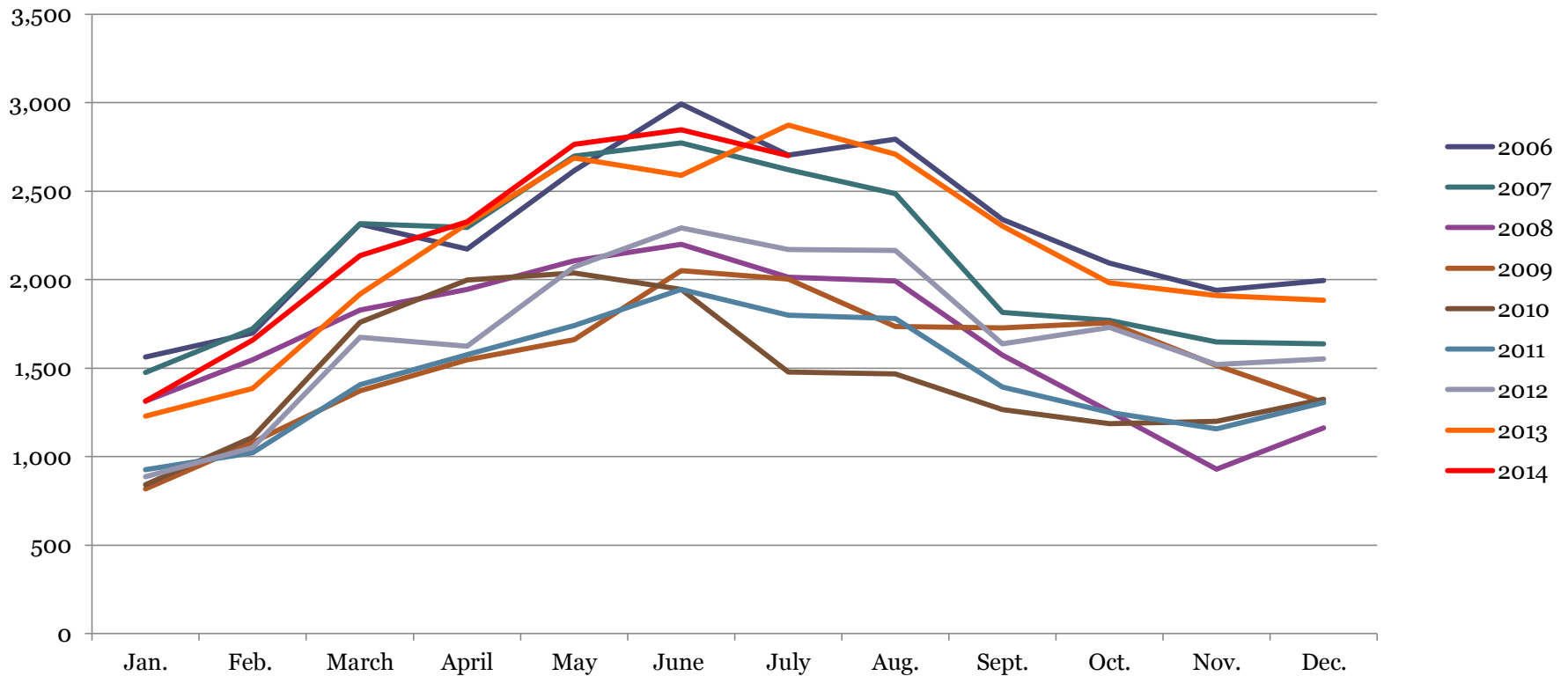
Year-to-date sales in Austin are higher than in the prior 6 years, showing increasing demand and an improving market.



# Homes Sold per Month – July 2014

2

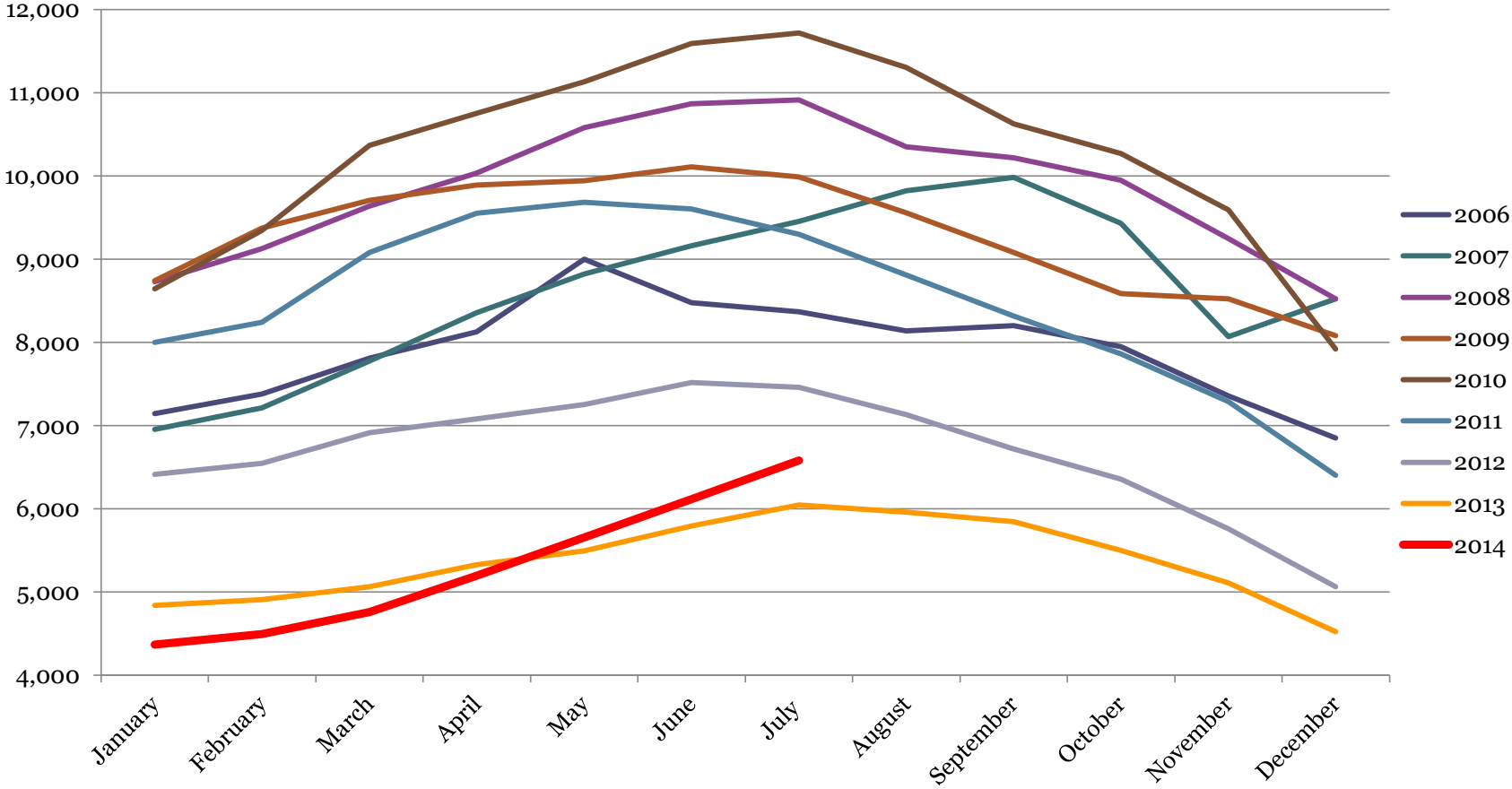
The chart below follows the trends of numbers of homes sold during any given month. Last month there were 2,701 homes sold in Austin, Texas. More homes sold in July than in six of the prior 7 years during that month!



# Homes For Sale – August 2014

3

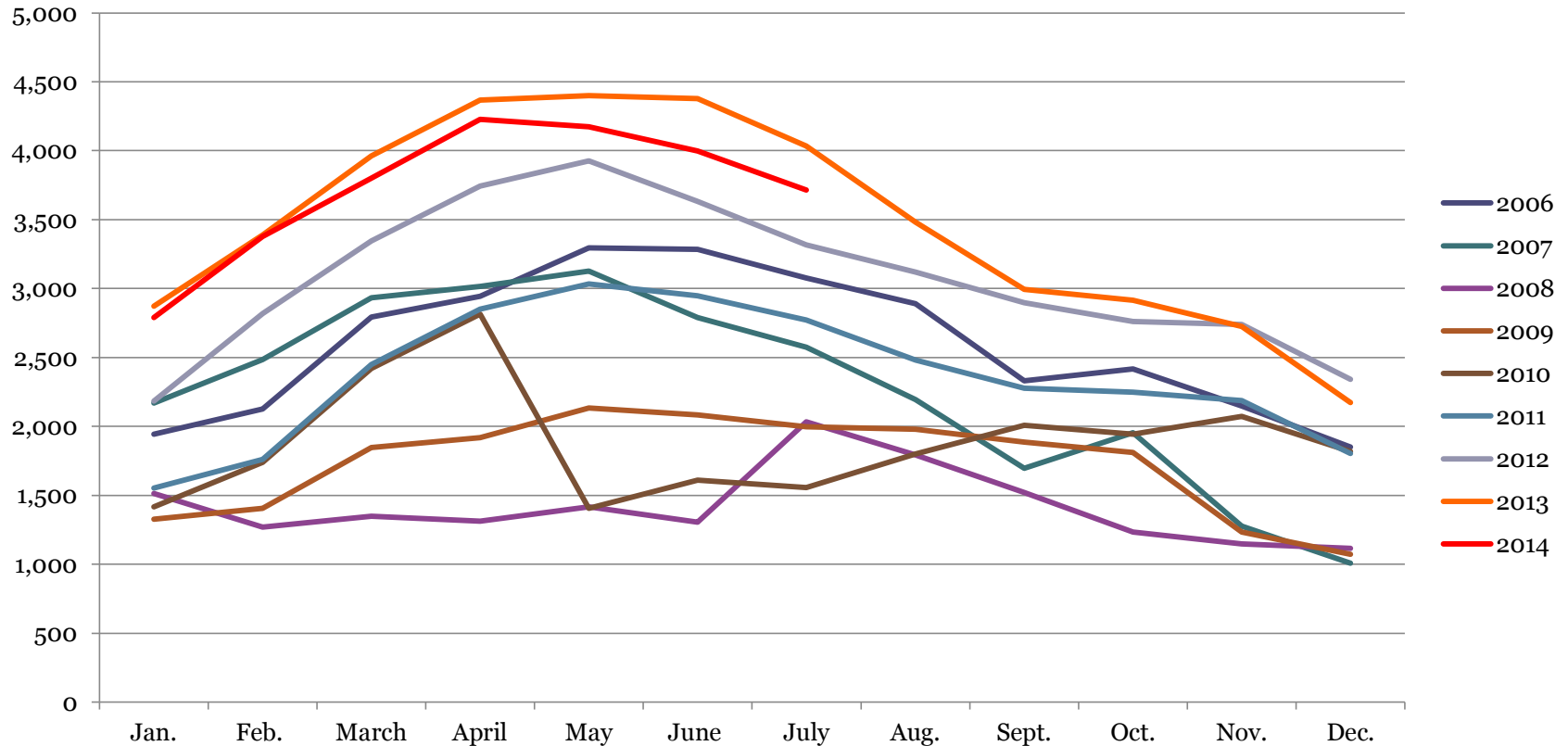
The chart below follows the trends of the number of homes for sale during any given month. At the beginning of August, there were 6,582 homes for sale in Austin, Texas. **There are 8.19% more homes for sale than last year at this time.**



# Pending Sales per Month– August 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 3,714 homes Pending in Austin, Texas. **This is the second 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- July 2014

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Overall we are in an Extreme Normal Seller's Market with 2.40 months of inventory. On average, home prices are showing High Appreciation. However, the Market is different based on demand and the number of homes for sale in each price range. Homes valued under \$900,000 are in a Normal or Extreme Seller's Market.

Price Range	# of Solds	Active Listings	Months of Inventory	Market
\$0-\$100k	45	140	3.11	Normal Seller's Market
\$100-\$200k	827	1125	1.36	Extreme Sellers Market
\$200-\$300k	821	1579	1.92	Extreme Sellers Market
\$300-\$400k	424	1146	2.70	Extreme Sellers Market
\$400k-\$500k	252	771	3.06	Normal Seller's Market
\$500-\$600k	129	480	3.72	Normal Seller's Market
\$600-\$700k	70	336	4.80	Normal Seller's Market
\$700-\$800k	29	100	3.45	Normal Seller's Market
\$800-\$900k	25	146	5.84	Normal Seller's Market
\$900-\$1M	13	111	8.54	Balanced Market
\$1-\$2M	58	342	5.90	Normal Seller's Market
\$2-\$3M	4	120	30.00	Extreme Buyer's Market
\$3M<	2	85	60.00	Extreme Buyer's Market
Overall MKT	2699	6481	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- July 2014

7 The chart below provides details on how well each Zip Code is currently selling and the impact on home values. 14 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	44	2.00	\$390,500	34
78702	20	64	3.20	\$364,950	37
78703	28	60	2.14	\$942,450	40
78704	36	88	2.44	\$427,500	31
78705	1	3	3.00	\$460,000	4
78717	53	86	1.62	\$320,000	15
78722	5	7	1.40	\$365,000	16
78727	37	19	0.51	\$243,000	13
78730	15	58	3.87	\$619,900	39
78731	32	76	2.38	\$650,000	49
78732	34	130	3.82	\$432,500	39
78733	17	46	2.71	\$635,000	15
78734	44	245	5.57	\$349,500	79
78735	26	74	2.85	\$592,500	78
78739	43	68	1.58	\$440,000	24
78746	37	137	3.70	\$865,000	33
78749	55	58	1.05	\$310,000	11
78750	38	59	1.55	\$457,250	26
78759	38	65	1.71	\$445,000	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  
78702  
78703  
78704  
78705  
78722  
78731

### Northwest Travis Co.

78730  
78732  
78734

### Southwest Austin

78739  
78749

### Northwest Austin

78717  
78727  
78750  
78759

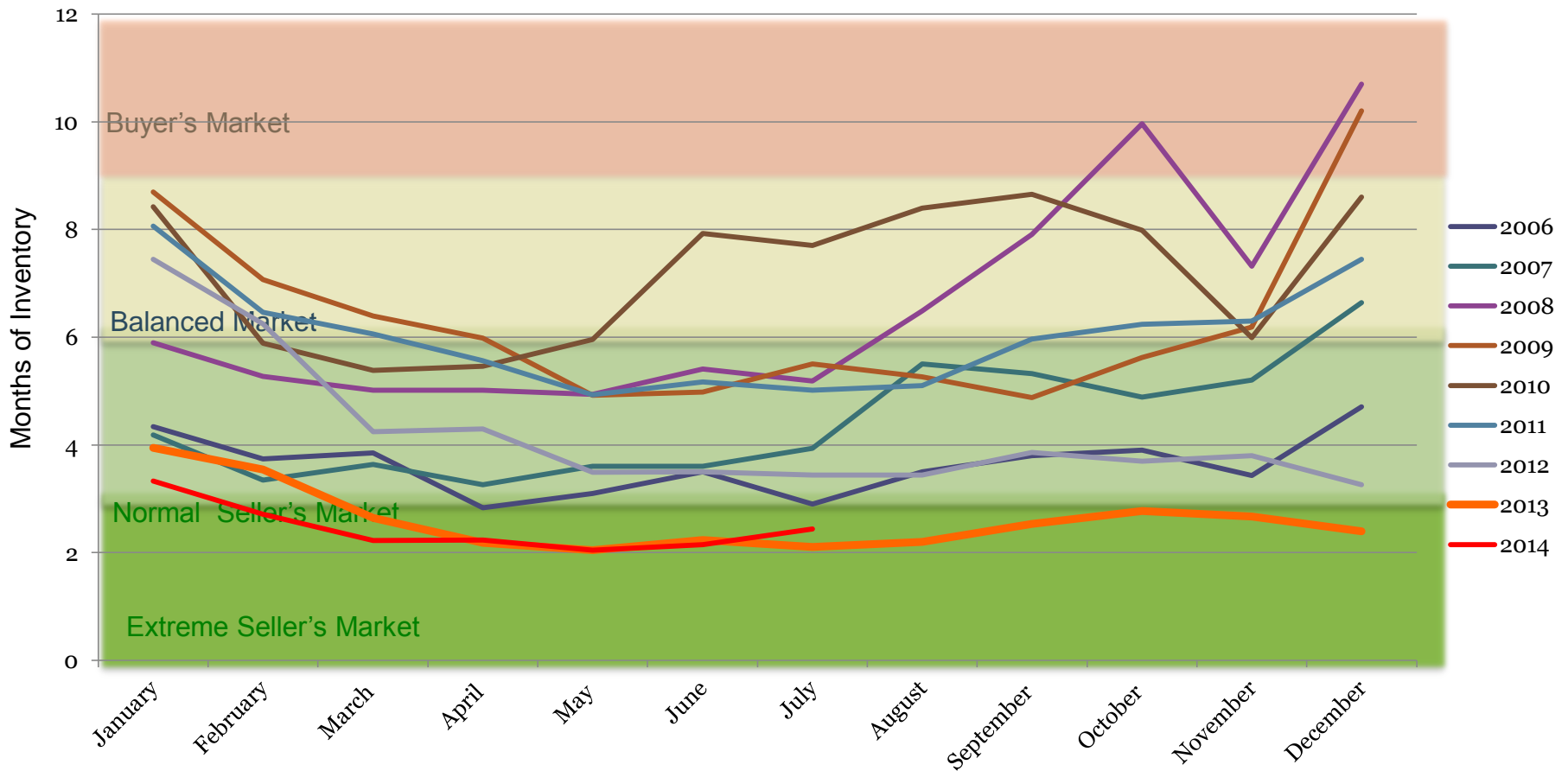
### West Austin/Westlake

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: 4.19%  
Conforming 15 yr: 3.24%

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



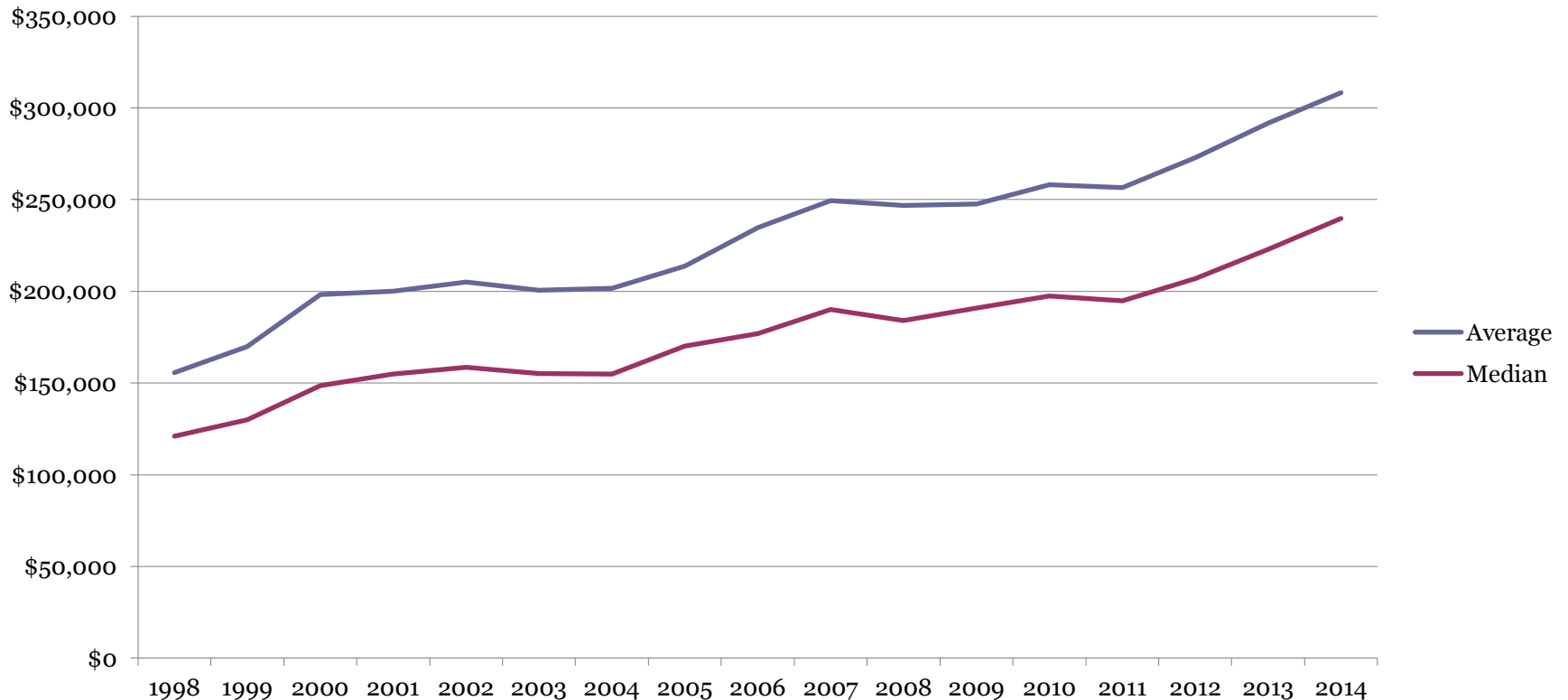
# Average and Median Sold 16 Year Summary



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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 \$321,398 The median sold price was \$250,000 last month. The average sales price in July is up 6.5% and the median sales price is up 8.7% from one year ago.

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

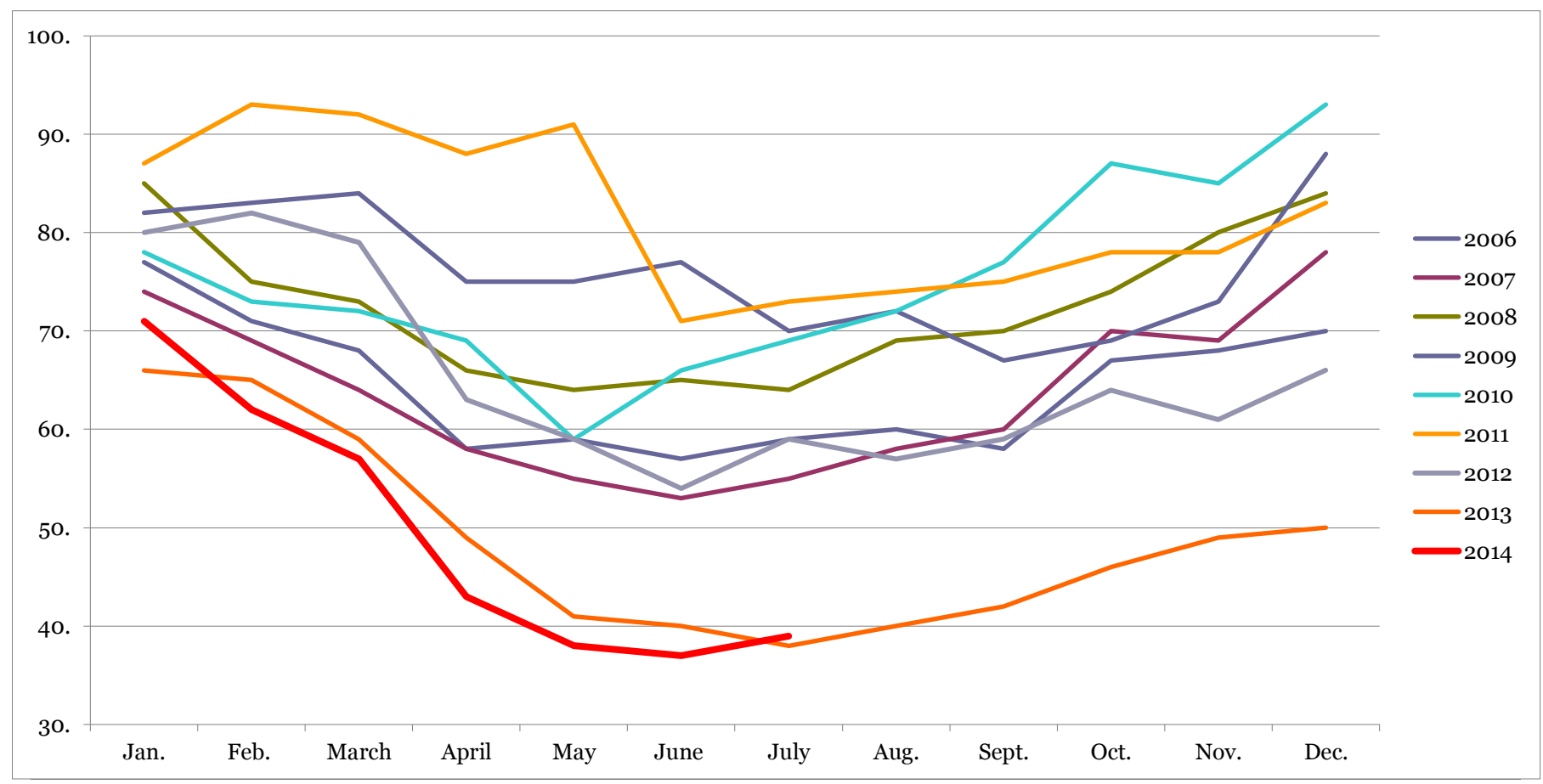


# Average Days on Market 2006-2014



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Of the homes that sold last month, the average amount of days they had been on the market was 39 days. This is 2.63% more days than a year ago.





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- 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.