



WEST AUSTIN

PROPERTIES

July 2014

Austin Real Estate Market Report

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

Volume 7, Issue VI

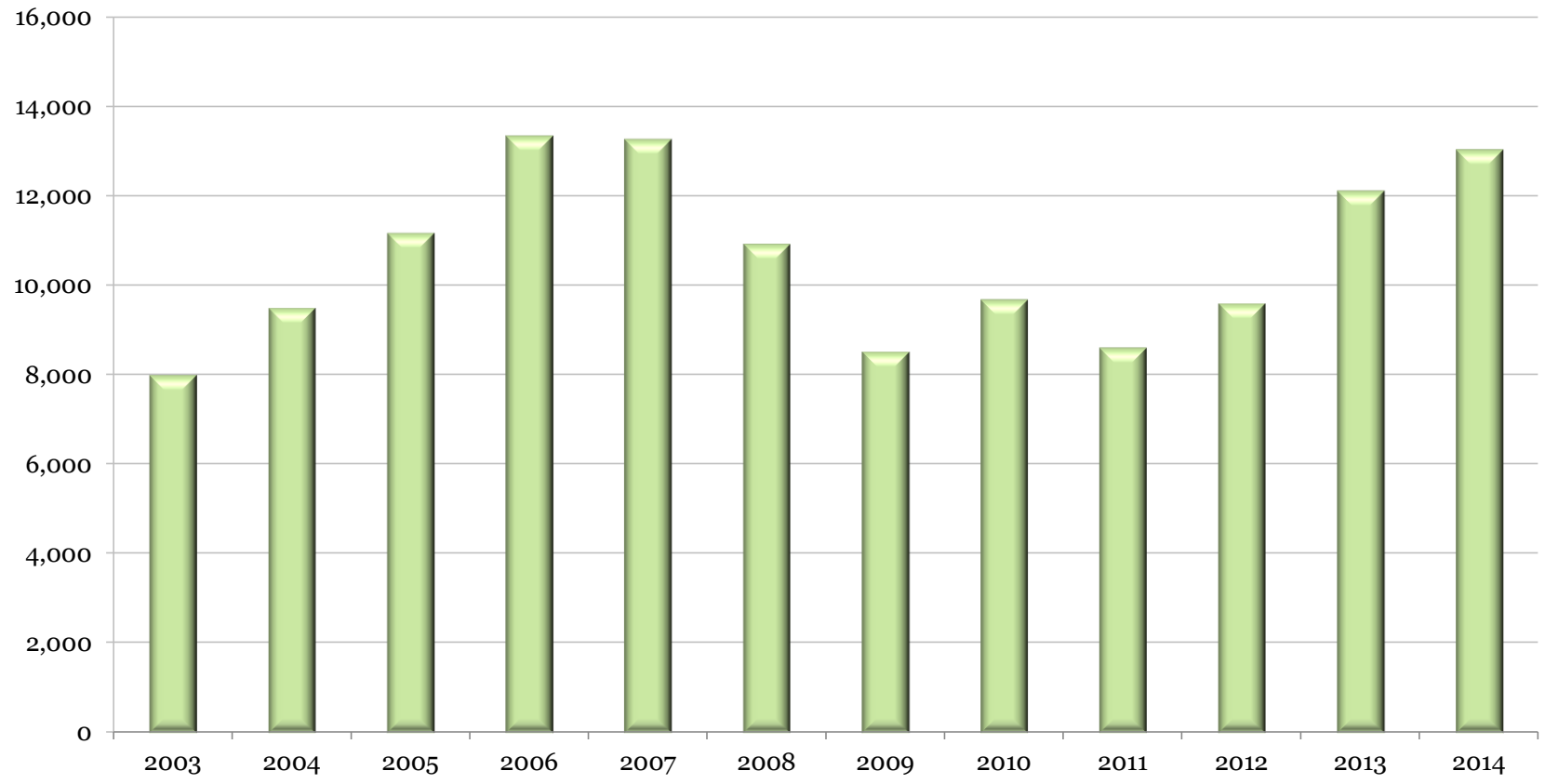


Year to Date Sales – July 2014



1

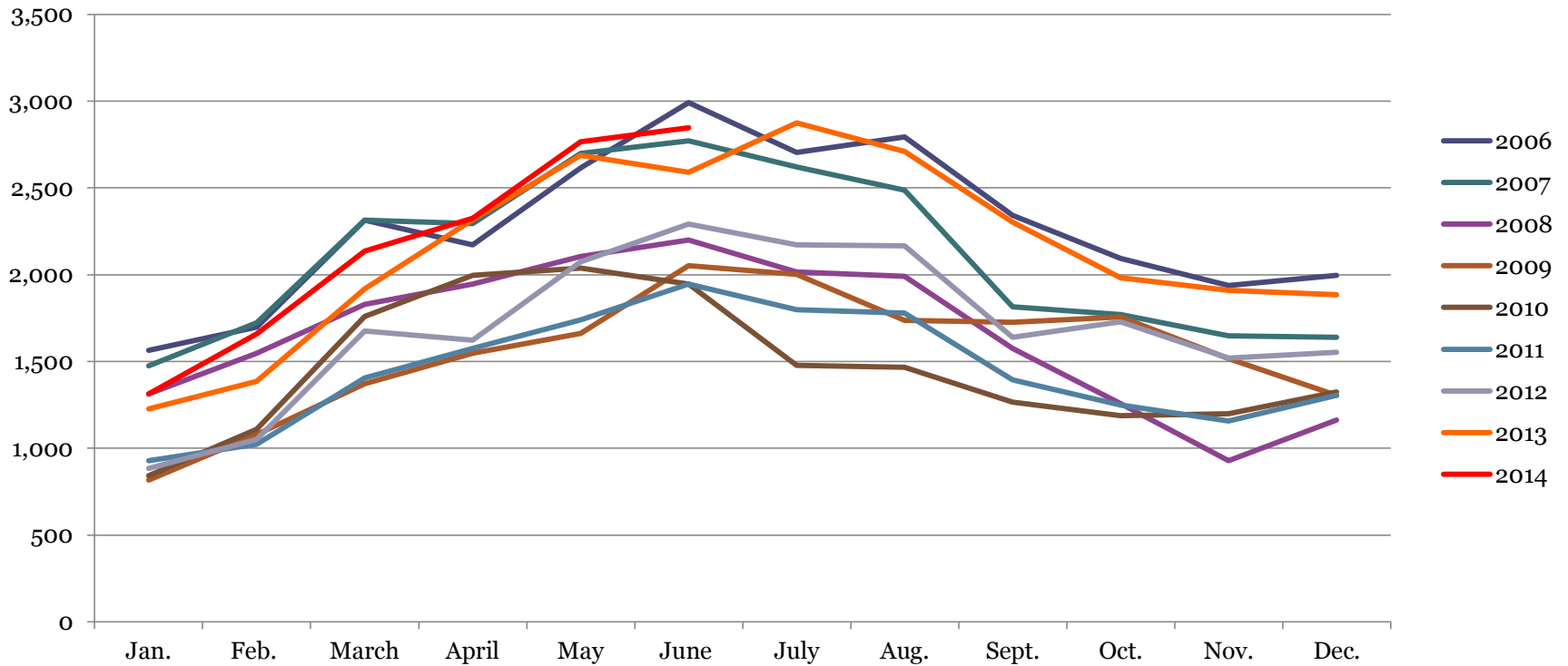
Year-to-date sales in Austin are higher than in the prior 6 years, showing increasing demand and an improving market.



Homes Sold per Month – June 2014

2

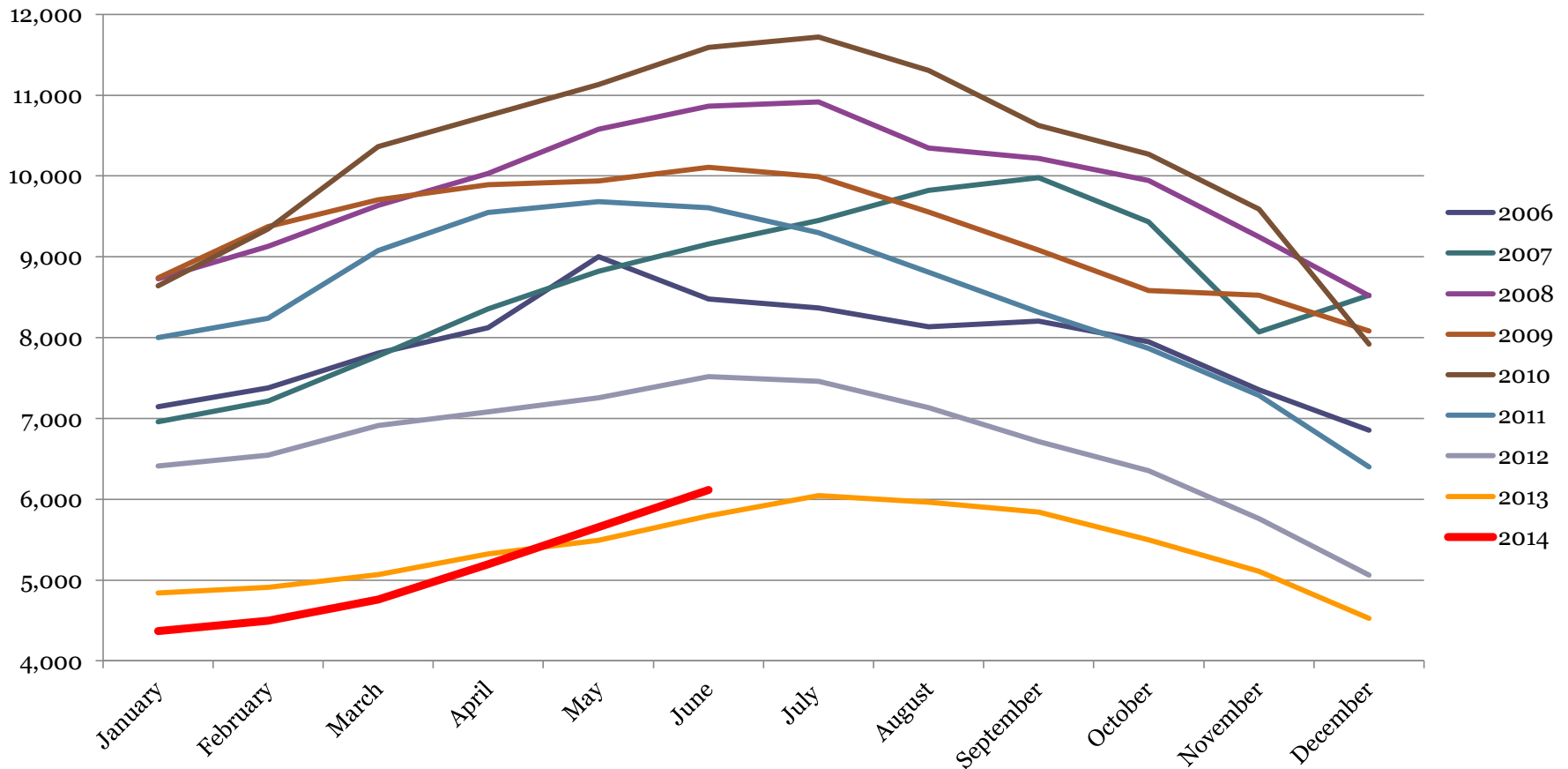
The chart below follows the trends of numbers of homes sold during any given month. Last month there were 2,847 homes sold in Austin, Texas. More homes sold in June than in the prior 7 years during that month!



Homes For Sale – July 2014

3

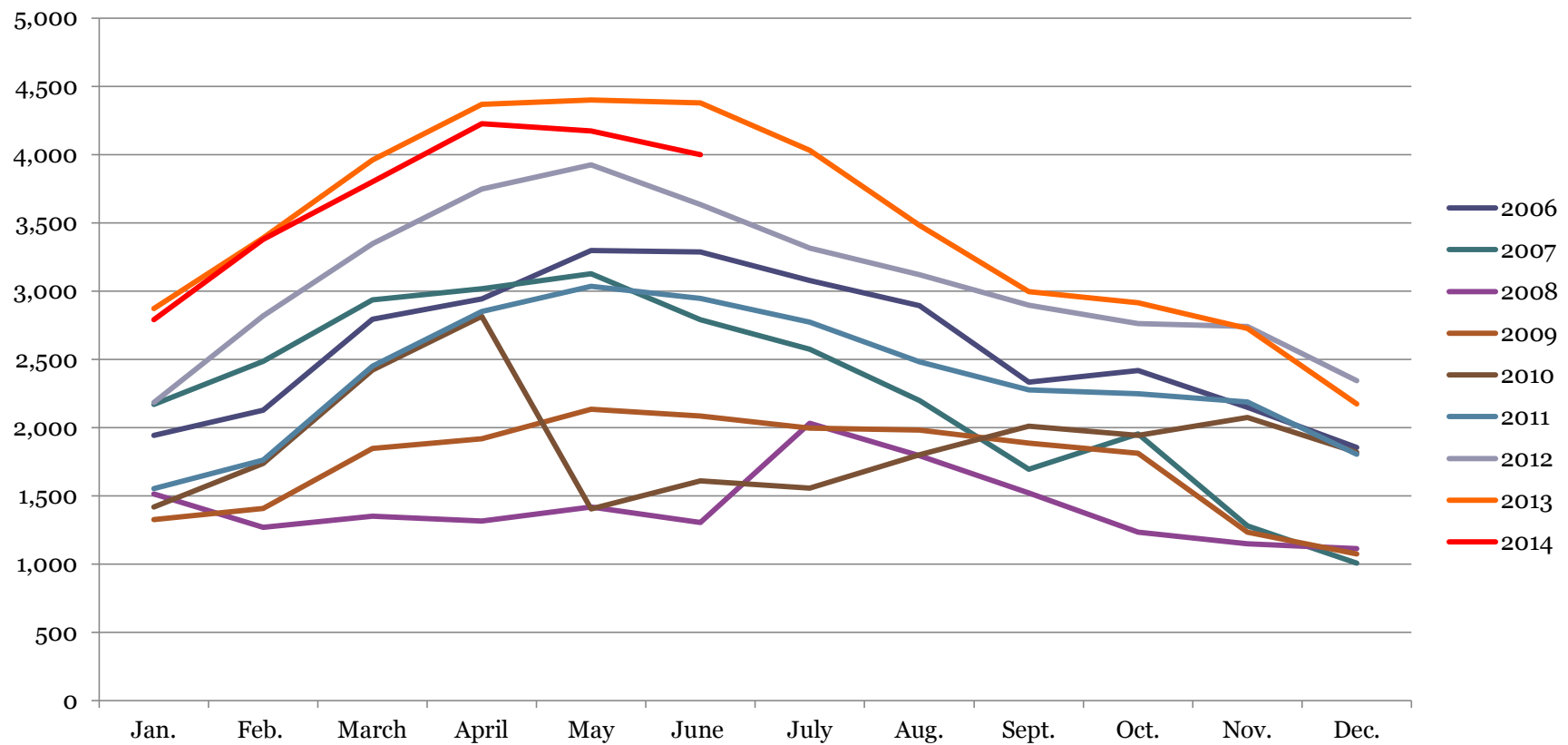
The chart below follows the trends of the number of homes for sale during any given month. At the beginning of May, there were 6,117 homes for sale in Austin, Texas. **There are 5.28% more homes for sale than last year at this time.**



Pending Sales per Month– July 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 3,998 homes Pending in Austin, Texas. **This is the second highest number of June 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- June 2014

5

Overall we are in an Extreme Normal Seller's Market with 2.15 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	65	143	2.20	Extreme Sellers Market
\$100-\$200k	848	960	1.13	Extreme Sellers Market
\$200-\$300k	835	1451	1.74	Extreme Sellers Market
\$300-\$400k	485	1062	2.19	Extreme Sellers Market
\$400k-\$500k	251	725	2.89	Extreme Sellers Market
\$500-\$600k	129	461	3.57	Normal Seller's Market
\$600-\$700k	76	321	4.22	Normal Seller's Market
\$700-\$800k	39	197	5.05	Normal Seller's Market
\$800-\$900k	31	136	4.39	Normal Seller's Market
\$900-\$1M	18	114	6.33	Balanced Market
\$1-\$2M	56	344	6.14	Balanced Market
\$2-\$3M	10	116	11.60	Normal Buyer's Market
\$3M<	3	87	60.00	Extreme Buyer's Market
Overall MKT	2846	6117	2.15	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- June 2014

- 7 The chart below provides details on how well each Zip Code is currently selling and the impact on home values. 15 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	17	43	2.53	\$400,000	34
78702	32	60	1.88	\$344,950	32
78703	33	61	1.85	\$909,000	41
78704	33	80	2.42	\$545,000	29
78705	7	5	0.71	\$485,000	48
78717	46	71	1.54	\$303,000	16
78722	9	6	0.67	\$428,000	8
78727	36	17	0.47	\$273,000	13
78730	12	55	4.58	\$809,500	60
78731	30	71	2.37	\$674,000	50
78732	53	127	2.40	\$455,000	59
78733	8	42	5.25	\$552,750	58
78734	64	247	3.86	\$417,000	106
78735	18	70	3.89	\$493,500	24
78739	51	59	1.16	\$419,900	21
78746	45	130	2.89	\$875,000	46
78749	57	46	0.81	\$320,000	7
78750	35	49	1.40	\$416,000	17
78759	36	47	1.31	\$445,450	12
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

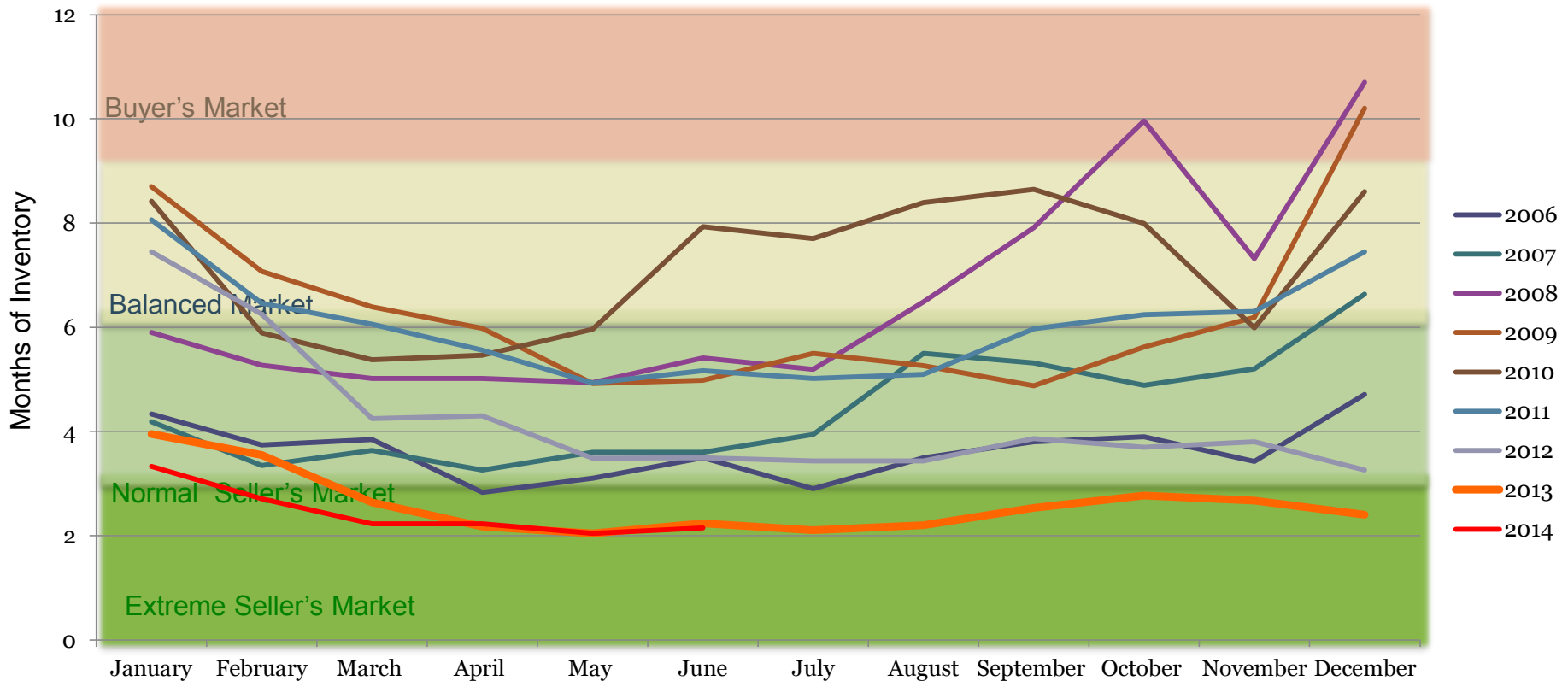
West Austin/Westlake

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)

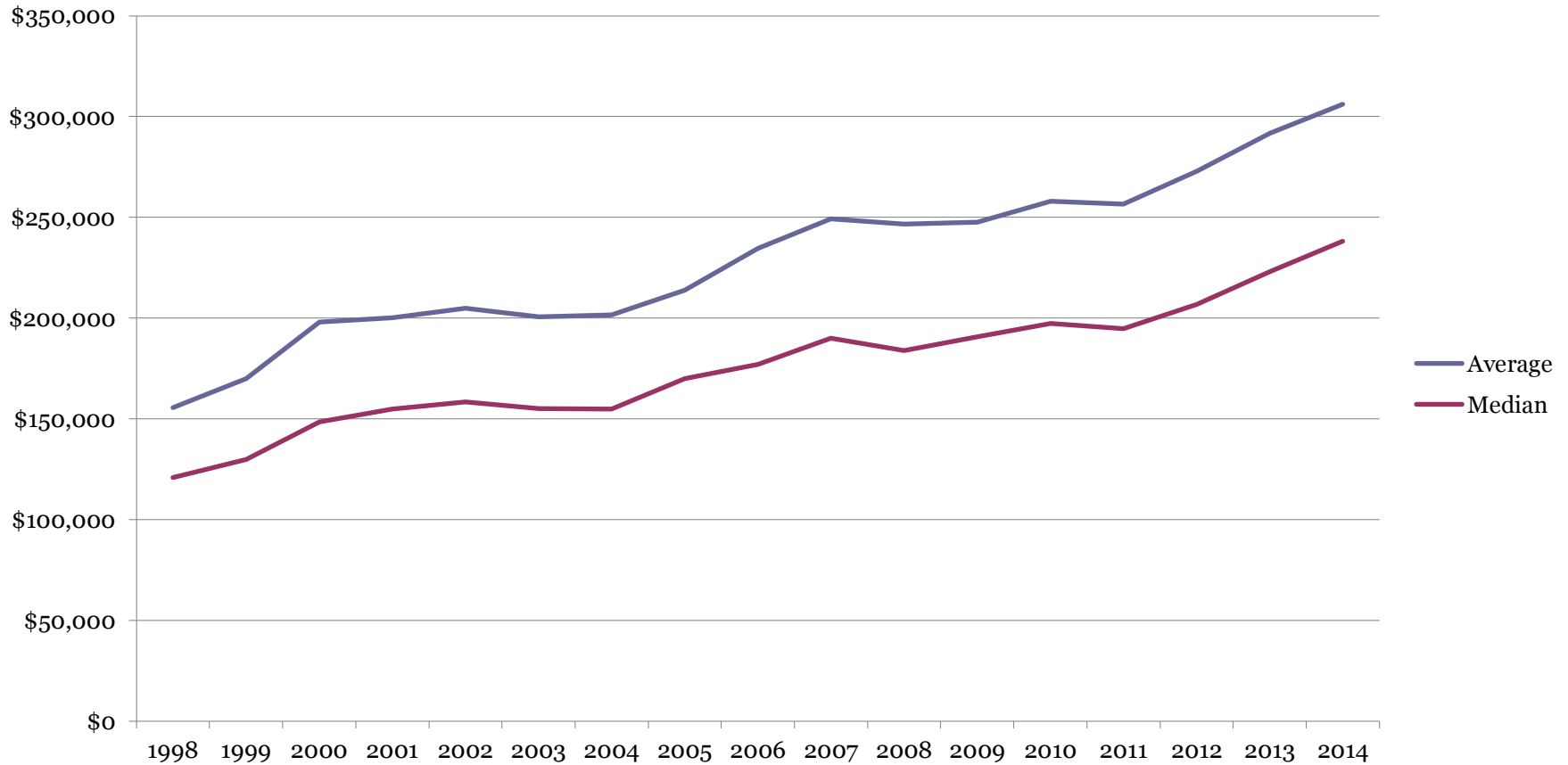


Average and Median Sold 16 Year Summary



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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 \$329,546 The median sold price was \$255,900 last month. The average sales price in June is up 6.0% and the median sales price is up 7.8% from one year ago.

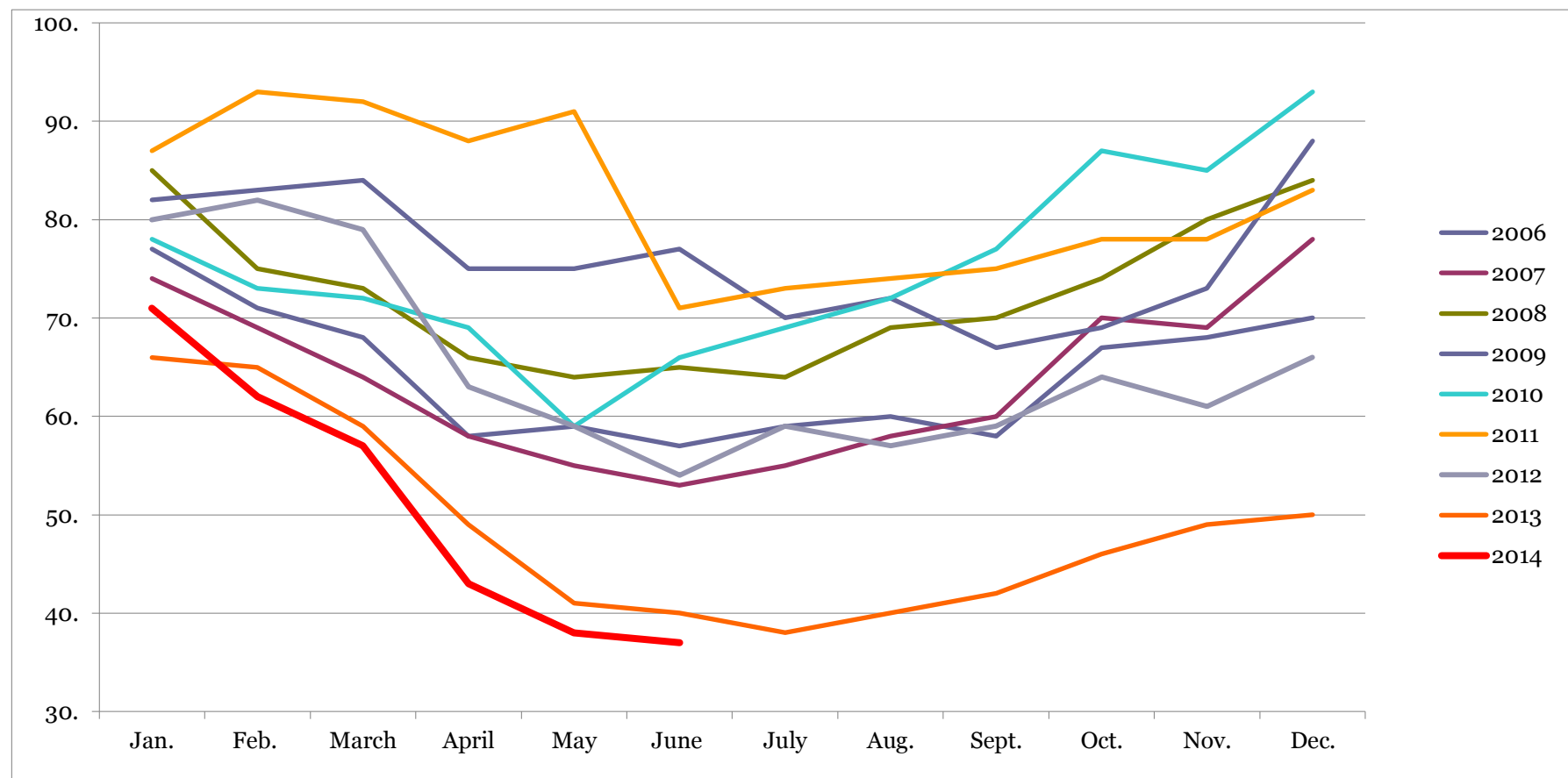


Average Days on Market 2006-2014



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Of the homes that sold last month, the average amount of days they had been on the market was 37 days. This is 7.5% less days than a year ago.





Laura Duggan,

Broker/Owner

REALTOR® CIAS, CIPS,
 CLHMS, CDPE, CRB, CRS
 MILLION DOLLAR GUILD
 AUSTIN NATIVE

Direct: (512) 750-2425

Email: laura@westaustin.com



Gail Boston,

Partner

REALTOR® ABR, E-Pro
 CLHMS, ABR, E-PRO
 MILLION DOLLAR GUILD
 AUSTIN NATIVE

Direct: (512) 626-5348

Email: gail@westaustin.com



Katy Duggan- Freshour,

REALTOR® CIAS, CDPE
 AUSTIN NATIVE

Direct: (512) 826-4316

Email: katy@westaustin.com

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.