



WEST AUSTIN
PROPERTIES

December 2014 Austin Real Estate Market Report

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

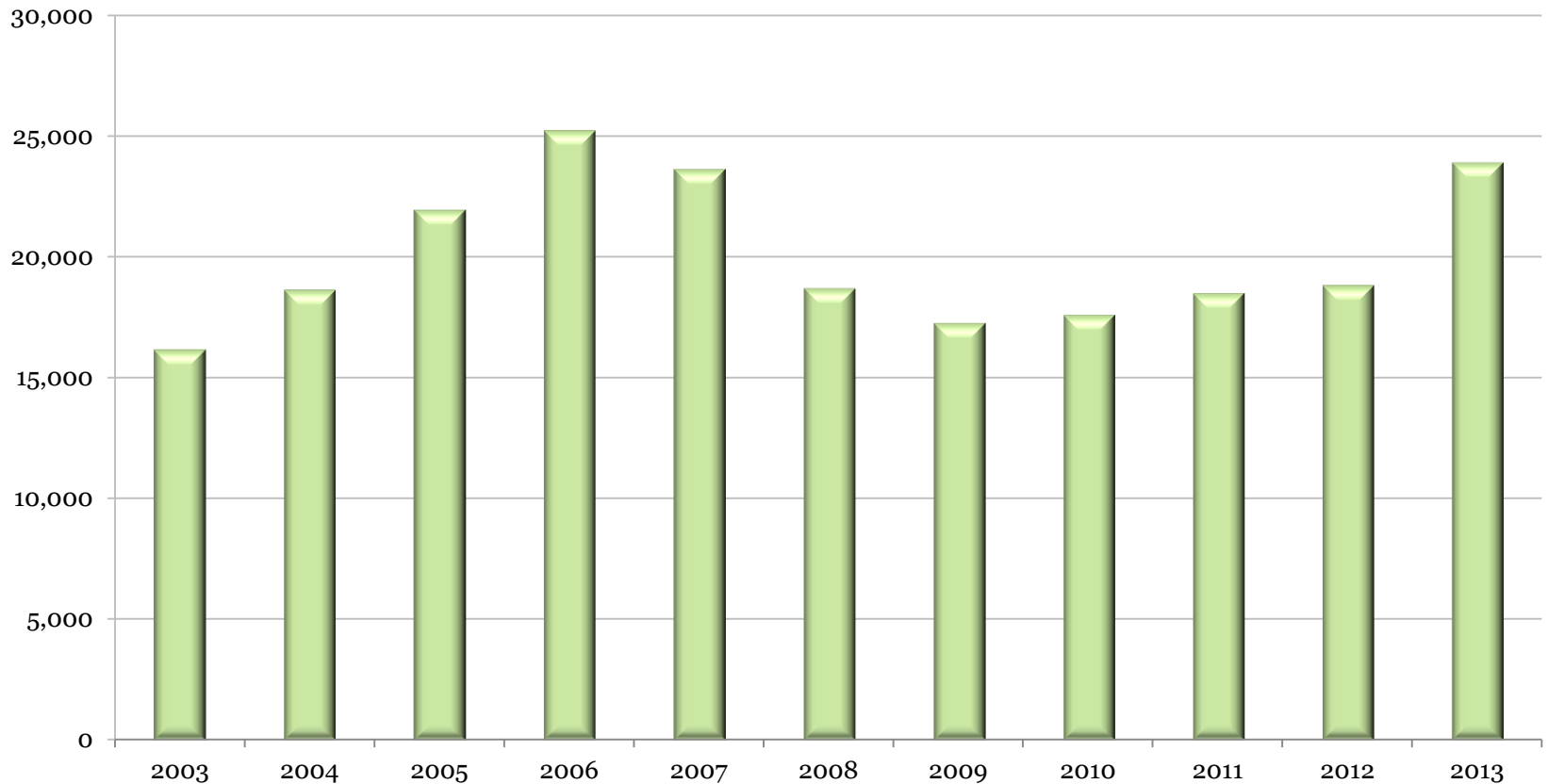
Volume 9, Issue XII



Year to Date Sales – December 2014

1

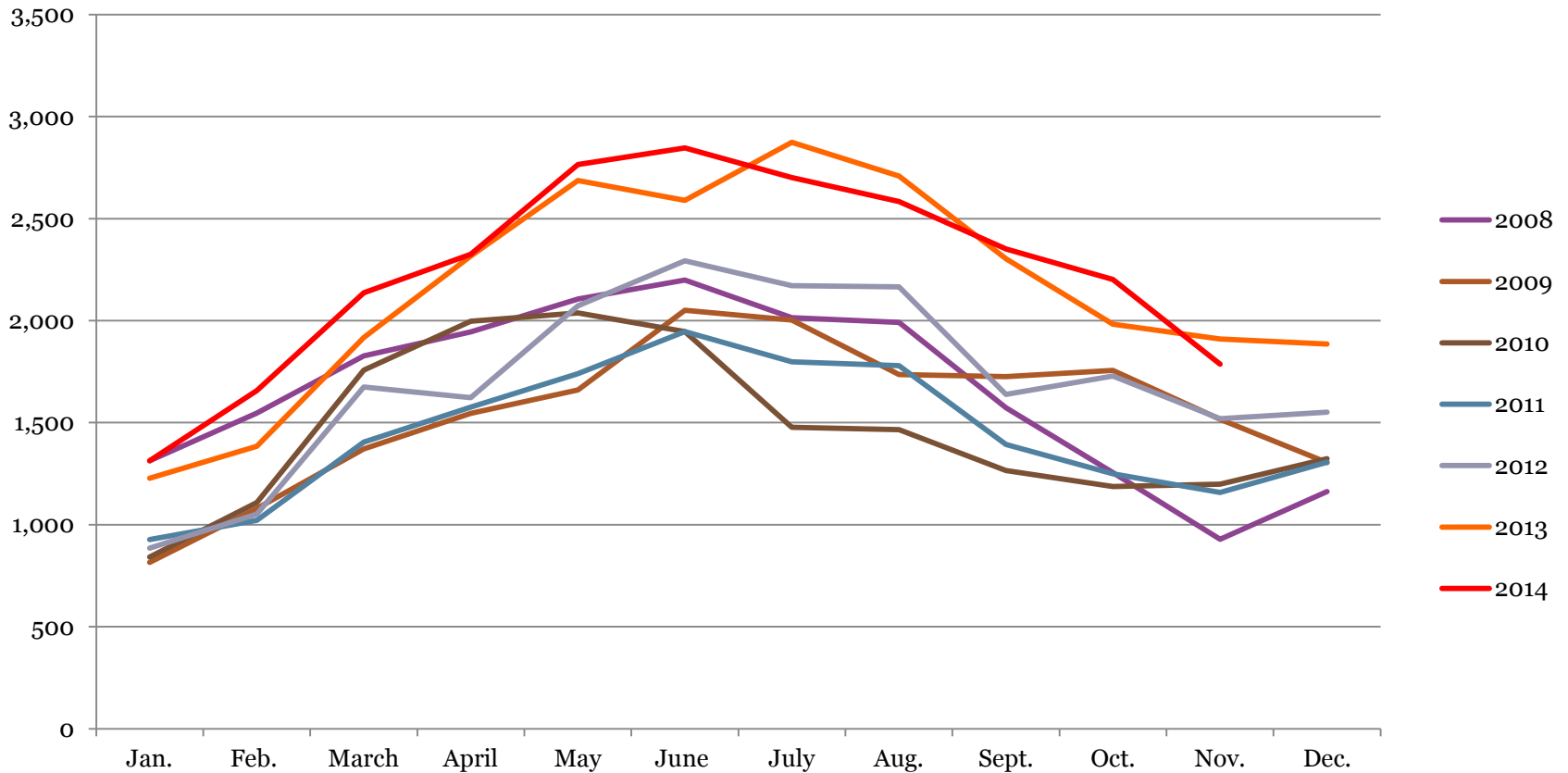
Year-to-date sales in Austin are higher than in the prior 6 years, showing increasing demand and an improving market.



Homes Sold per Month – November 2014

2

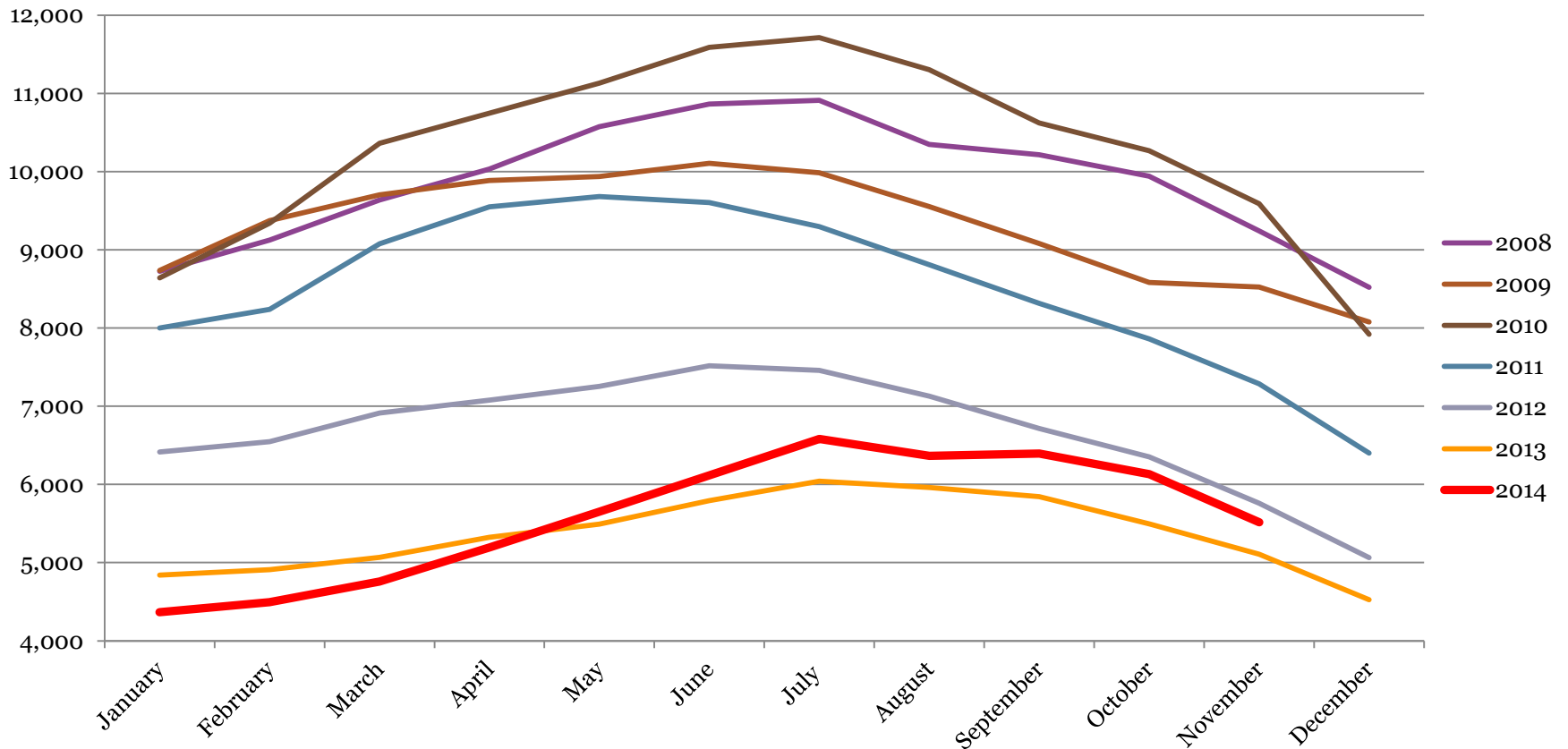
The chart below follows the trends of numbers of homes sold during any given month. Last month there were 1,787 homes sold in Austin, Texas. More homes sold in November than in six of the prior 6 years during that month!



Homes For Sale – December 2014

3

The chart below follows the trends of the number of homes for sale during any given month. At the beginning of November, there were 5,517 homes for sale in Austin, Texas. **There are 7.4% more homes for sale than last year at this time.**

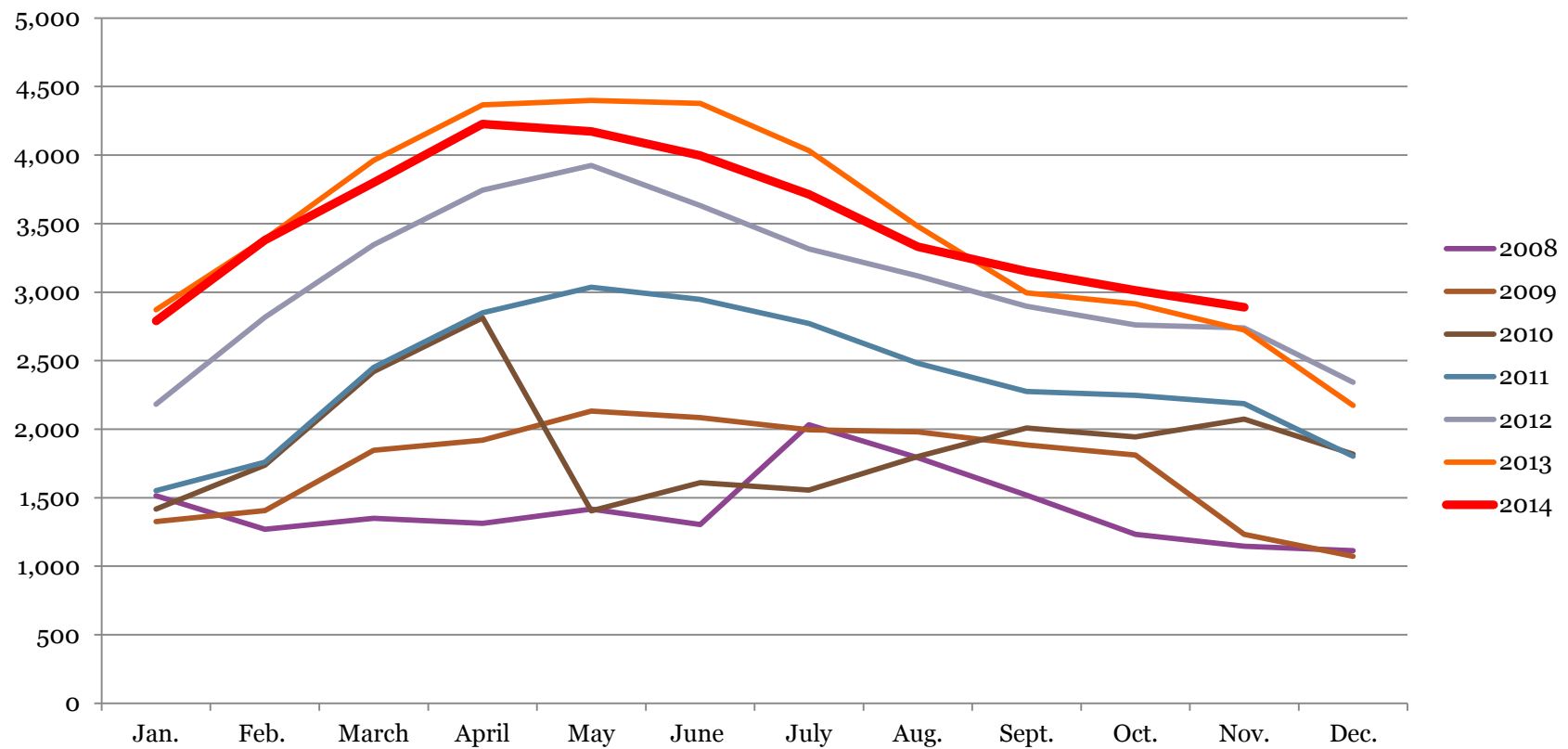


Pending Sales per Month– November 2014



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 2,289 homes Pending in Austin, Texas. **This is the highest number of November pendings in the last 6 years.** Because of qualifying, mortgage and approval rates it is taking longer to go from contract to close.



Home Sales by Price Band- November 2014

5

Overall we are in a Normal Seller's Market with 3.39 months of inventory. On average, home prices are showing High Appreciation for the year. However, the Market is different based on demand and the number of homes for sale in each price range. Homes valued under \$500,000 are in a Normal or Extreme Seller's Market.

Price Range	# of Solds	Active Listings	Months of Inventory	Market
\$0-\$100k	41	139	3.39	Normal Seller's Market
\$100-\$200k	562	785	1.40	Extreme Seller's Market
\$200-\$300k	548	1390	2.54	Extreme Seller's Market
\$300-\$400k	289	980	3.39	Normal Seller's Market
\$400k-\$500k	145	662	4.57	Normal Seller's Market
\$500-\$600k	71	435	6.13	Balanced Market
\$600-\$700k	52	279	5.37	Normal Seller's Market
\$700-\$800k	25	170	6.80	Balanced Market
\$800-\$900k	11	100	9.09	Normal Buyer's Market
\$900-\$1M	12	96	8.00	Balanced Market
\$1-\$2M	19	304	16.00	Extreme Buyer's Market
\$2-\$3M	10	99	9.90	Normal Buyer's Market
\$3M<	1	71	71.00	Extreme Buyer's Market
Overall MKT	41	139	3.39	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 Seller's Market		High Appreciation

Home Sales by Zip Code- November 2014

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	10	53	5.30	\$327,690	66
78702	29	71	2.45	\$386,000	41
78703	17	42	2.47	\$850,000	73
78704	21	71	3.38	\$545,000	38
78705	6	4	0.67	\$487,000	23
78717	29	57	1.97	\$292,000	51
78722	6	15	2.50	\$433,000	17
78727	17	15	0.88	\$234,900	25
78730	4	30	7.50	\$550,750	83
78731	22	44	2.00	\$599,500	107
78732	15	86	5.73	\$374,850	129
78733	9	38	4.22	\$520,000	51
78734	27	180	6.67	\$395,000	74
78735	7	56	8.00	\$460,000	130
78739	19	53	2.79	\$442,000	45
78746	19	100	5.26	\$961,000	88
78749	34	34	1.00	\$304,500	35
78750	22	34	1.55	\$368,250	55
78759	20	55	2.75	\$402,500	31
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 Seller's 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

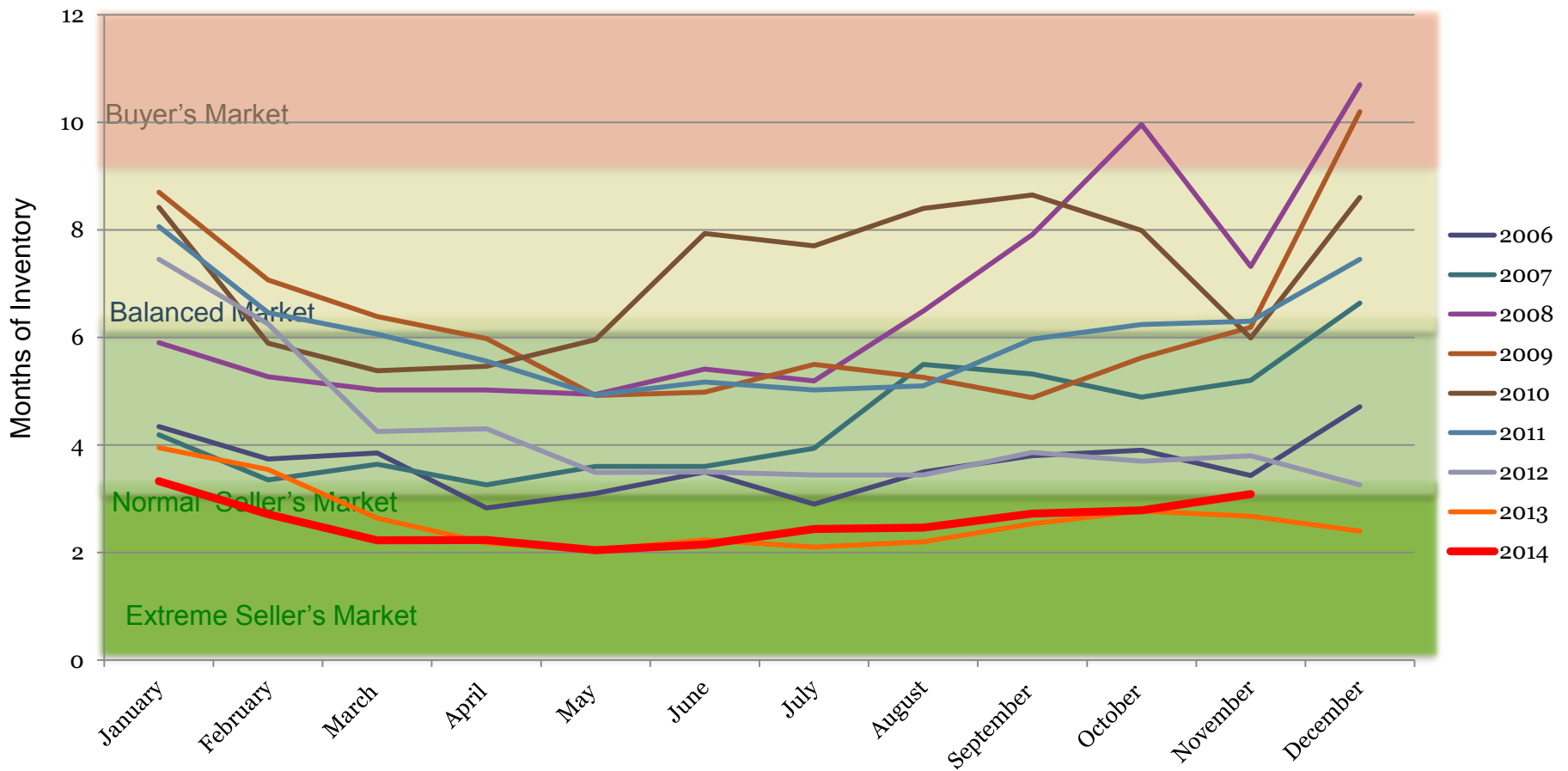
West Austin/Westlake

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)



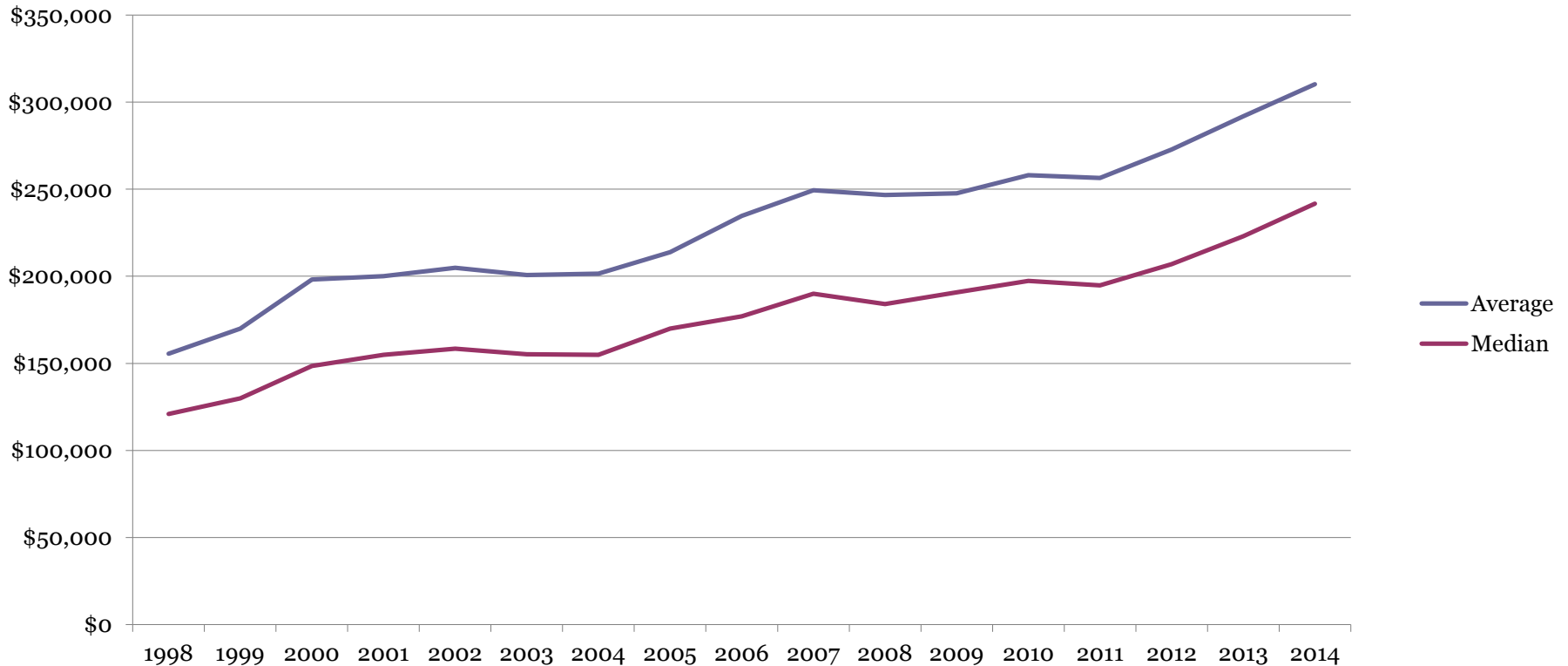
Average and Median Sold 16 Year Summary



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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 \$314,686 The median sold price was \$246,750 last month. The average sales price in October is up 7.9% and the median sales price is up 12.2% from one year ago.

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

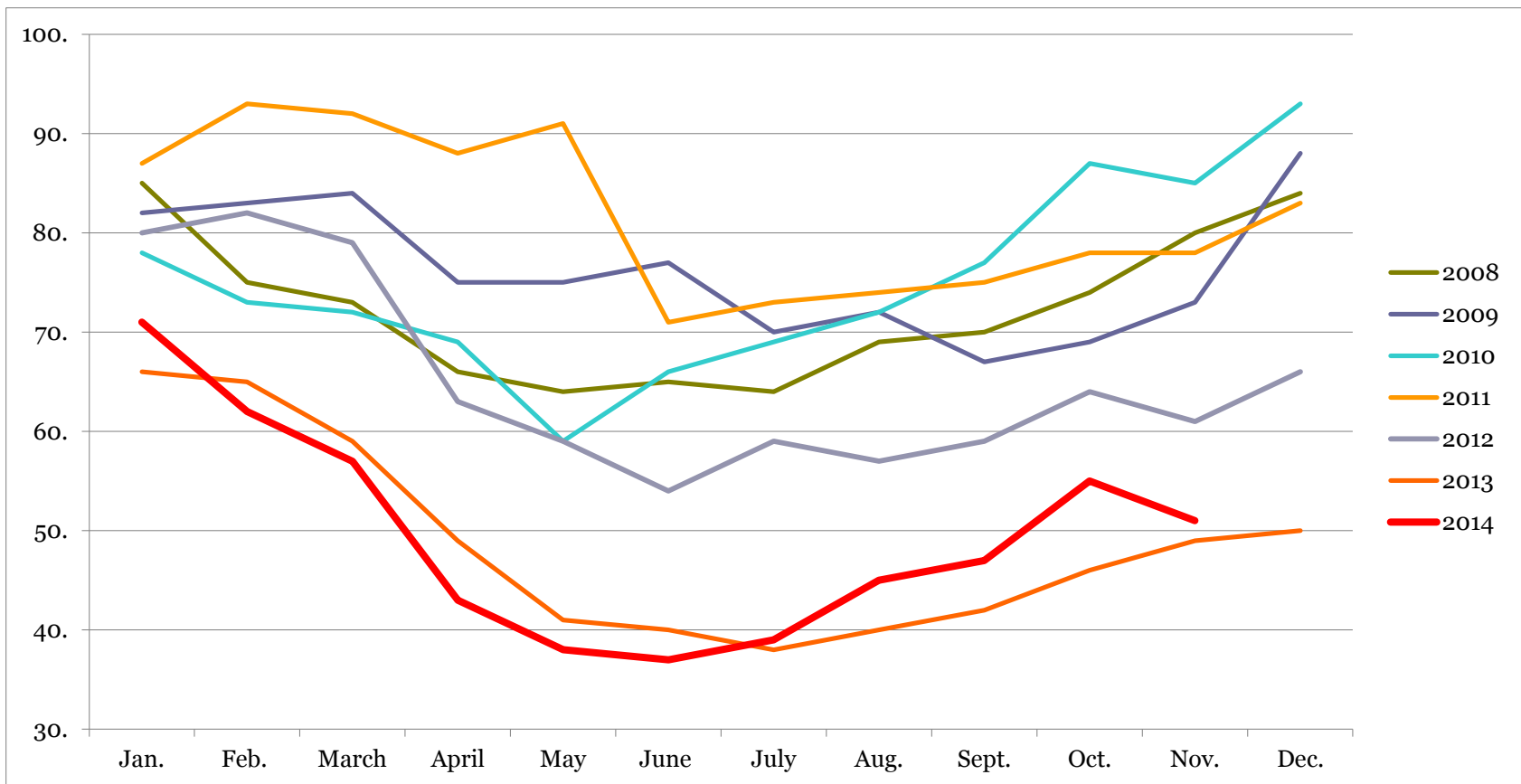


Average Days on Market 2006-2014



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Of the homes that sold last month, the average amount of days they had been on the market was 51 days. This is 4.1% more 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.