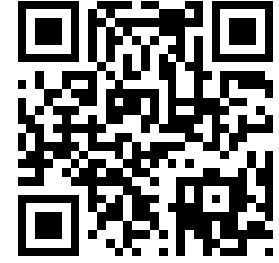


Real Estate Market Report May 2011



Volume III, Issue V



May Flowers

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

www.WestAustinMarketplace.com

May, 2011

Dear Clients, Friends, Colleagues and Peers,

The Austin market is a significantly different market than the rest of the country, and is constantly changing.

Most of the rest of the country, as nearly every national headlines indicates, are experiencing home values that are still not stable, with many areas experiencing continuing, however slower, declines in values.

The Austin market continues to differentiate itself:

- In Austin, **April had the lowest inventory of homes in four years!**
- In Austin, **April sales exceeded the 2009 levels, showing increase demand.**

With less supply and more buyers entering the market, prices for 97% of the Austin market have stabilized.

Currently, Austin can be described as three different markets depending on the price of home for sale. There is also a variance between buying and selling in each of these three markets.

Below \$400,000 : First, for homes priced below \$400,000 there is a 3 to 6 months inventory. This level of inventory is called a "Normal Sellers Market," which means there is moderate appreciation in values. However, prices are starting to slowly rise! Houses sold below \$400,000 represent 87% of buyers in April.

\$400,000 and \$700,000 : Second, for homes priced between \$400,000 and \$700,000 there is a 6 to 9 month inventory. This is called a "Balanced Market," which means values are stable with no depreciation. However, there is not much market force to increase home values. Home prices are stable, and in time will start to increase, but very slowly. These homes represents 9% of the Austin buyers in April.

Over \$700,000: Third, for homes priced over \$700,000, there is over 12 months of inventory. This is called an "Extreme Buyers Market," which means homes prices are still declining in some areas, although in Austin they are declining at a much slower rate than several months ago, and some areas are not declining at all. These homes represent 4% of the Austin market.


Have a great summer,

Laura Duggan, Katy Duggan and Gail Boston





Summary of the Austin Market

Quick stats if you do not have time for pictures... get your Austin real estate update in less than 1 minute.

1 Home Sales in April
1,567 Homes Sold
-26.71% from last year 

3 straight months of slower sales.

2 Homes for Sale 
9,551 Homes FOR SALE
-11.15% decrease from last year


3 Pending Home Sales
3,040 Homes Under Contract
53.78% from last year 


Month's of Inventory
6.06 Month's of Inventory


This is considered a **Balanced Market.**

13% increase over last year.

4 Market Inventories in different Price Ranges

Below \$400K = Normal Sellers Market 


\$400K-\$4700K = Balanced Market 

\$700K & Up = Extreme Buyer's Market 


Top selling **Regions** = Southwest Austin and Northwest Austin

Top selling **Zip Codes** = 78749 and 78750

5 Average Price

\$272,097 average price of homes.
12.61% increase over last year. 


Median Price

\$197,000 median price of homes.
3.2% increase over last year. 

6 Days on Market

82 Days—Average Days on Market 

15.85 % increase from last year.

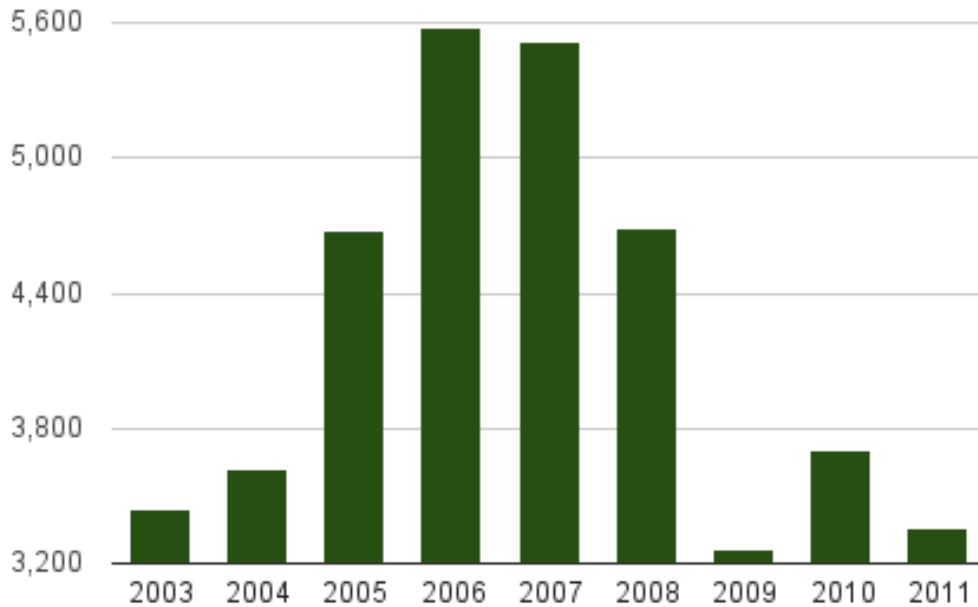
Austin foreclosure sales have fallen  **32%** from last year and now represent only **11%** of total homes sales in first quarter. The national average was **27.3%**.



1

Year to date sales in Austin are down 13% from last year. However, last year was impacted by the first time homebuyer tax incentive. Sales for the year are 3% higher than two years ago.

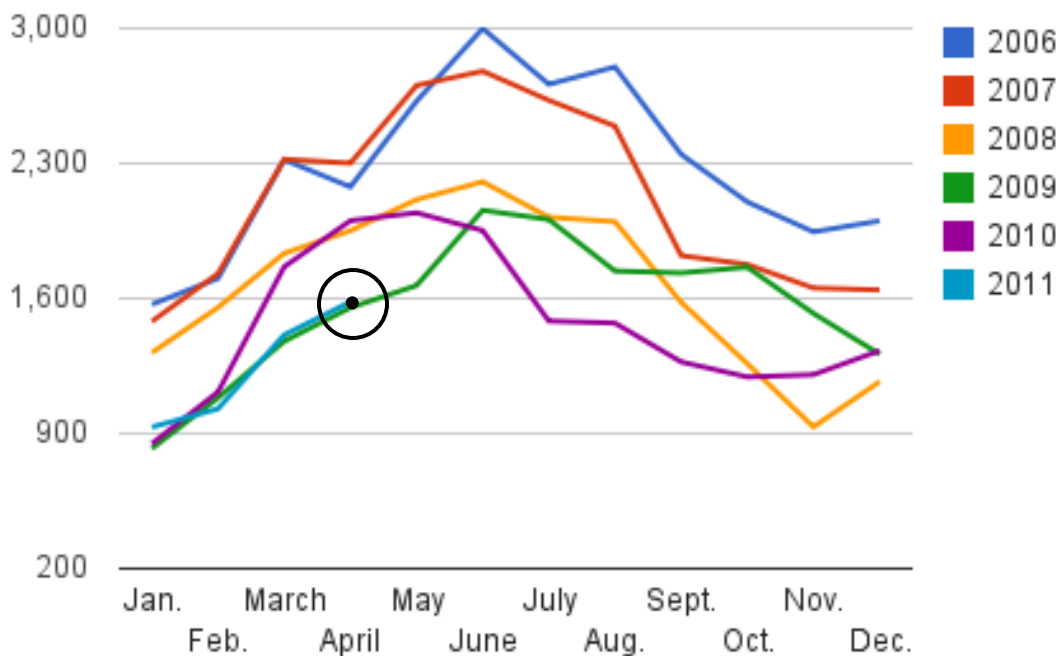
Year to Date Sales - April 2011



2

The below chart follows the trends of number of sold homes during any given month. **April sales are down by 21% from April of last year** (B/c of the tax credit). The good news is they are 2% higher than 2009. The market is starting to experience increase sales.

Homes Sold per Month

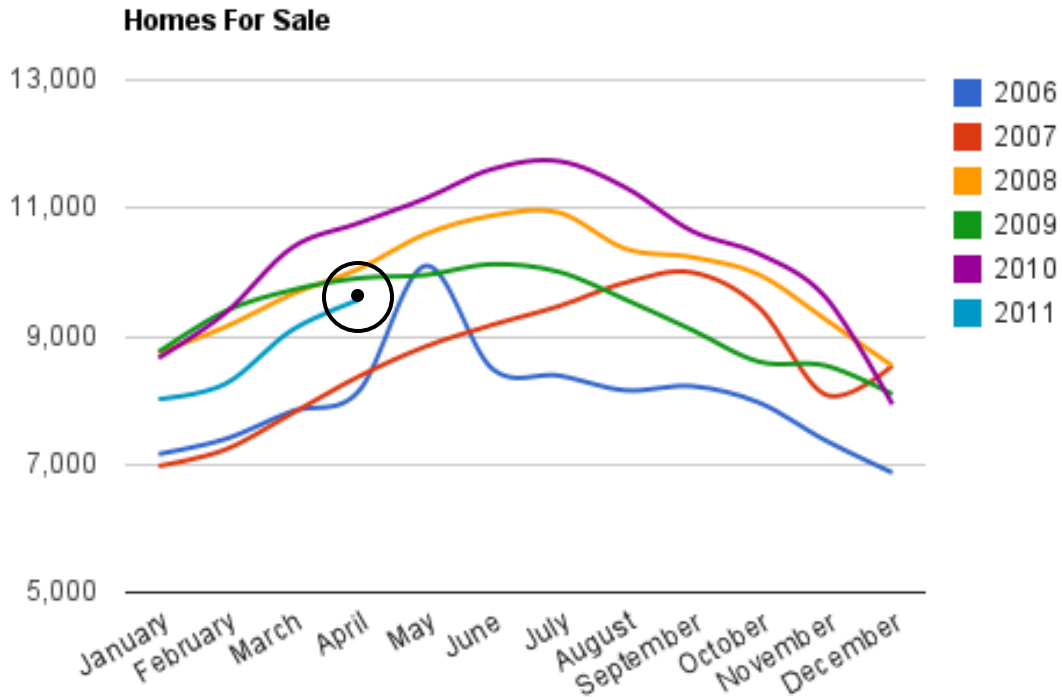


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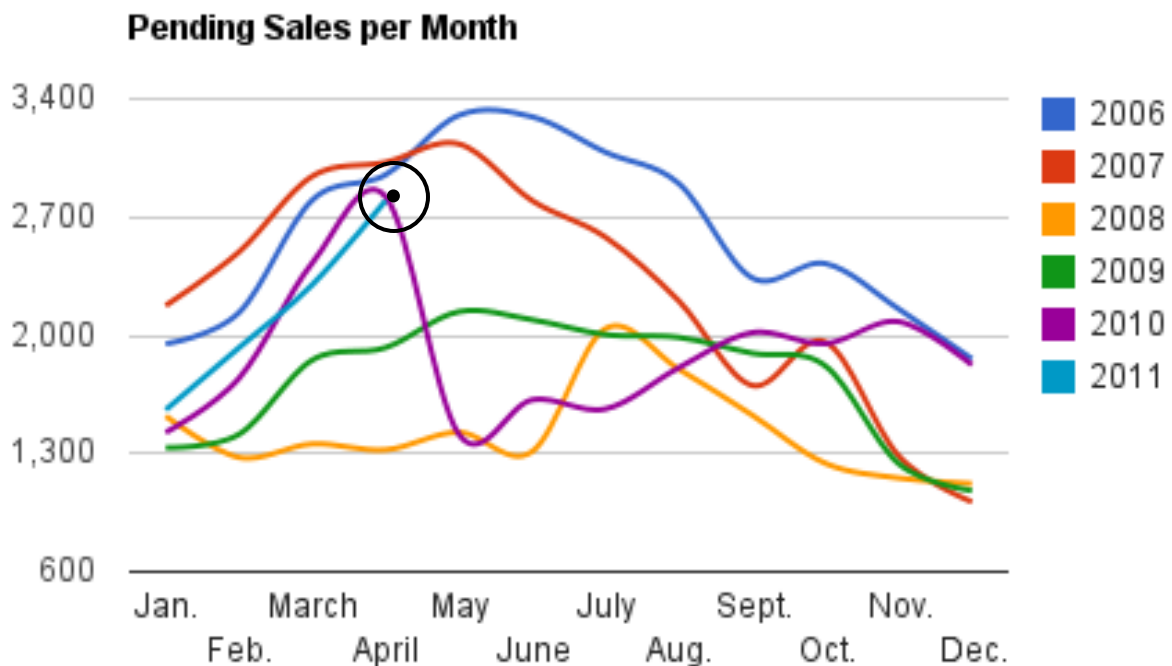
WEST AUSTIN PROPERTIES

The below chart follows the trends of number of homes for sale during any given month. Last month there were **9,551** homes for sale Austin, Texas. This is **11.14% less** homes on the market than this month last year.



4

The below chart 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 **2,790** homes Pending in Austin, Texas. This is about even from this month last year, but higher than 2009 and more than twice as high as 2008. **It is still a very good sign that sales are picking up.**





5

April 2011 Homes Sales by Price Band				
Price Range	# of Solds	Active Listings	Month's of Inventory	Market
\$0-\$100K	169	576	3.41	Normal Sellers Market
\$100-\$200K	619	3,355	5.42	Normal Sellers Market
\$200-\$300K	359	2,101	5.85	Normal Sellers Market
\$300-\$400K	190	1,140	6.00	Normal Sellers Market
\$400-\$500K	93	688	7.40	Balanced Market
\$500-\$600K	46	424	9.22	Normal Buyer's Market
\$600-\$700K	28	244	8.71	Balanced Market
\$700-\$800K	15	197	13.13	Extreme Buyer's Market
\$800-\$900K	15	126	8.40	Balanced Market
\$900-\$1M	9	112	12.44	Extreme Buyers Market
\$1-\$2M	21	409	19.48	Extreme Buyer's Market
\$2-\$3M	6	86	14.33	Extreme Buyer's Market
\$3M<	6	93	15.50	Extreme Buyer's Market
Overall MKT	1,576	9,551	6.06	Balanced Market
12+ months of inventory	Extreme Buyer's Market		High depreciation	
9-12 month of inventory	Normal Buyer's Market		Moderation depretiation	
6-9 months of inventory	Balanced Market		Flat or moderate depreciation	
3-6 months of inventory	Normal Seller's Market		Moderate to high appreciation	
0-3 months of inventory	Extreme Seller's Market		High appreciation	

Austin has seen a surge of sales in the lower price ranges in April. That, combined with a low number of homes for sale, has created an overall **Balanced Market** once again.

The under \$400K price range is a **Normal Seller's Market**, while the \$400K to \$700K price range is a **Balanced Market**. The over \$700K price range is an **Extreme Buyer's Market**.



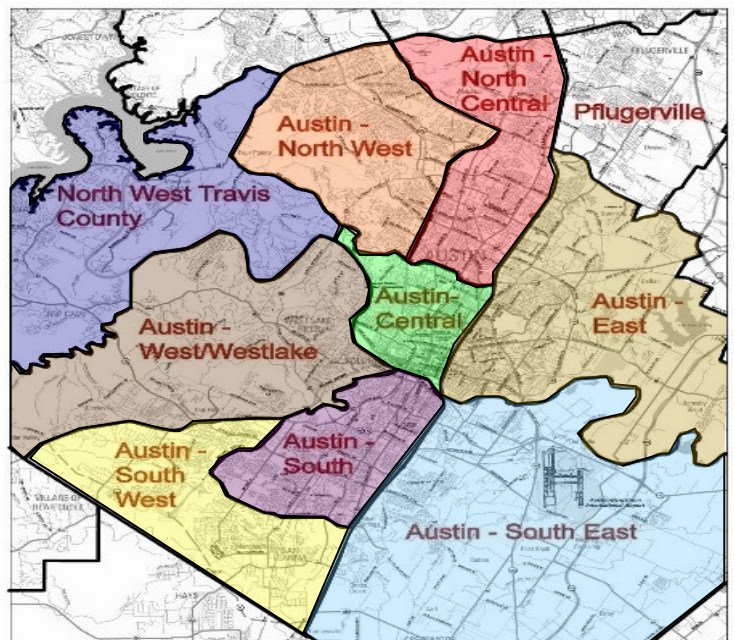
April 2011 Homes Sales by Region

Region	# of Solds	Active Listings	Month's Inventory	Avg. Sell Price	Avg. DOM
Central Austin	66	342	5.18	\$638,499	73
East Austin	66	473	7.17	\$144,032	79
North Central Austin	75	298	3.97	\$222,480	58
Northwest Austin	118	429	3.64	\$315,474	64
South Austin	103	413	4.01	\$237,827	68
Southeast Austin	59	235	3.98	\$132,200	63
Southwest Austin	96	348	3.63	\$262,643	54
West Austin/Westlake	70	419	5.99	\$751,186	91
Northwest Travis Co.	123	1214	9.87	\$525,625	114
Cedar Park/Leander	172	735	4.27	\$208,343	69
Georgetown	79	634	8.03	\$204,552	114
Pflugerville	91	506	5.56	\$155,664	84
Round Rock	180	888	4.93	\$215,259	84
Dripping Springs/ Wimberley	43	418	9.72	\$343,010	120

12+ months of inventory	Extreme Buyer's Market	High depreciation
9-12 month of inventory	Normal Buyer's Market	Moderation depretiation
6-9 months of inventory	Balanced Market	Flat or moderate deprecia-tion
3-6 months of inventory	Normal Seller's Market	Moderate to high apprecia-tion
0-3 months of inventory	Extreme Seller's Market	High appreciation

Sales by Region

The above chart provides detail of how well each region of Austin and the surrounding cities are selling. The **Southwest** and **Northwest** regions continues to outperform the rest of the market. The demand is driven by a great location, schools and low cost of ownership.





February 2011 Homes Sales by Zip Code

Zip Code	# of Solds	Active Listings	Month's of Inventory	Avg. Sell Price	Avg. DOM
78701*	19	100	5.26	\$325,708	115
78703	26	117	4.50	\$612,154	72
78704	30	144	4.80	\$386,633	60
78705	6	35	5.83	\$497,667	41
78717	32	122	3.81	\$259,141	75
78727	23	97	4.22	\$195,519	75
78730	11	84	7.64	\$834,355	159
78731	30	136	4.53	\$756,243	48
78732	18	163	9.06	\$499,717	136
78733	17	86	5.06	\$793,265	114
78734	27	295	10.93	\$452,896	105
78735	16	96	6.00	\$504,875	100
78739	22	91	4.14	\$337,632	35
78746	34	205	6.03	\$888,582	75
78749	53	99	1.87	\$248,165	49
78750	34	94	2.76	\$303,598	56
78759	34	119	3.50	\$324,808	81

** includes condo sales*

Sales by Zip Code

The above chart provides detail of how well each Zip Code of Austin are selling.

There are quite a few zip codes with surging sales numbers. The Northwest Austin and Southwest Austin zip codes are the strongest areas.

Central Austin

- 78701
- 78703
- 78704
- 78705**
- 78731

Northwest Austin

- 78717
- 78727
- 78750**
- 78759

Northwest Travis Co.

- 78730**
- 78732**
- 78734**

Southwest Austin

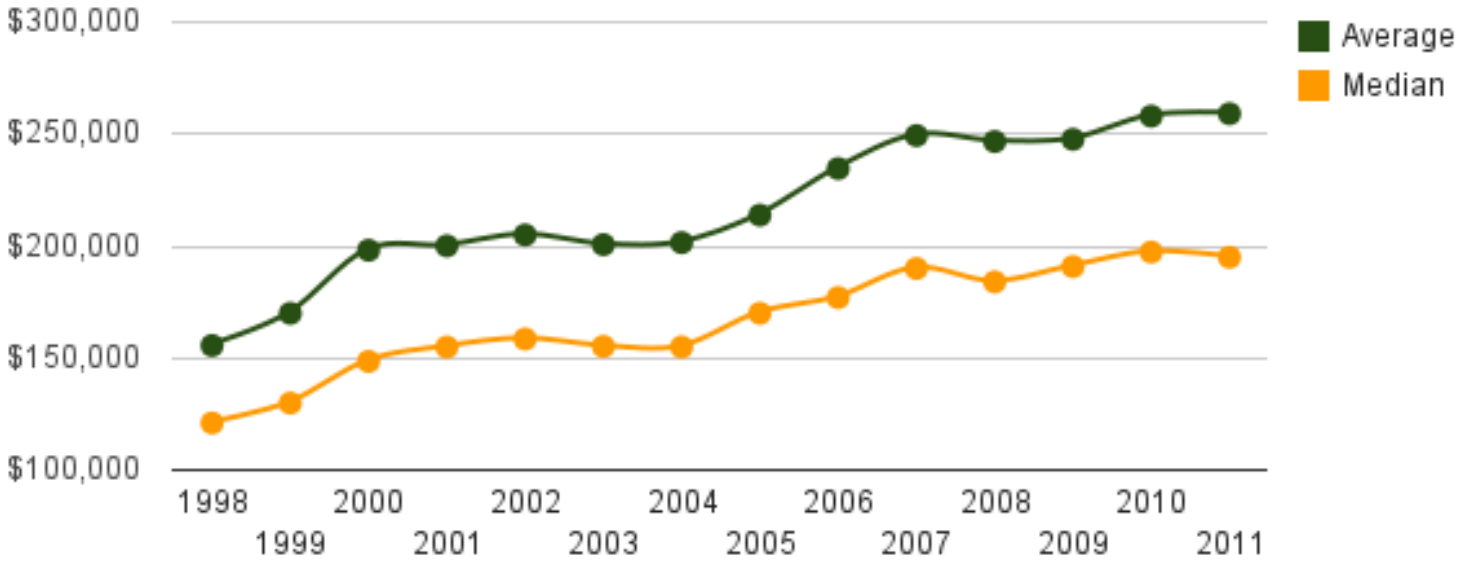
- 78739
- 78749**

West Austin/Westlake

- 78733
- 78735
- 78746



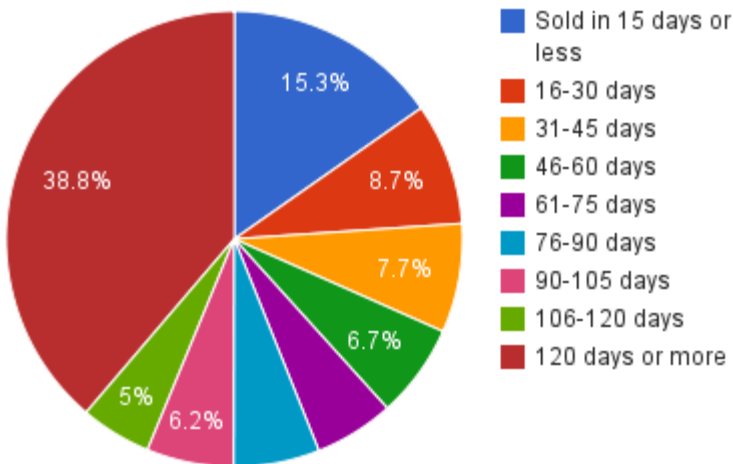
Average and Median Solds 12 Year Summary



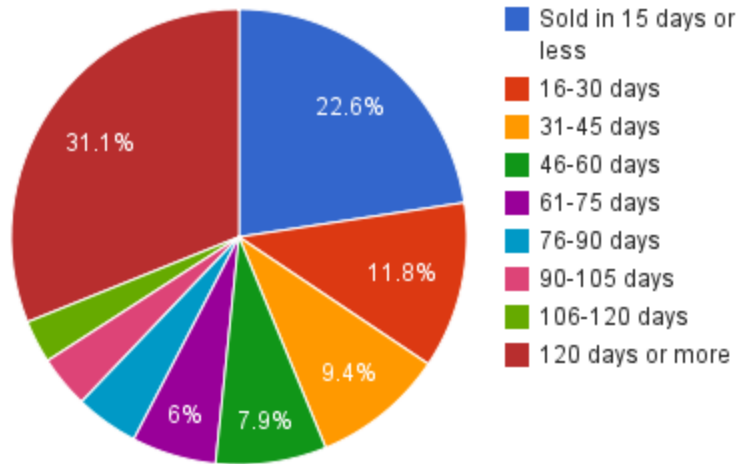
The chart above follows the trend of average and median sales price per year. Last month the average sales price was **\$272,097**. The median sold price was **\$197,000** last month. The average sales price is **up 7.3%** and the median sales price is up **3.7%**.

***New Charts**

Home Sold 1st Quarter 2011 - Days on Market



Home Under Contract April 2011 - Days on Market

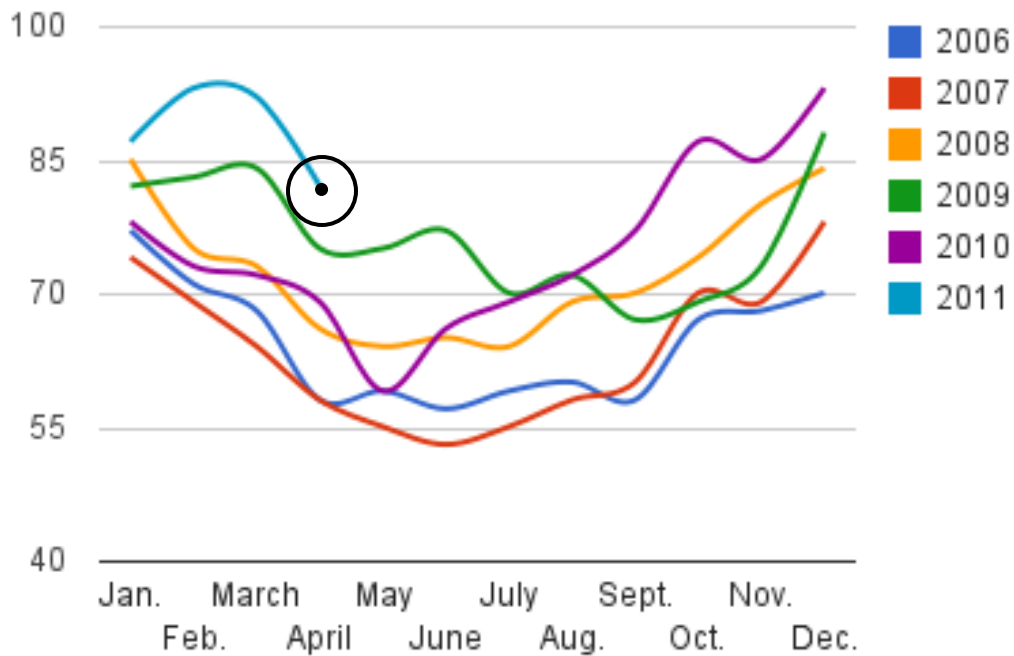


Sales are on the rise. Not only that, homes are selling faster. These charts compare sales for the first three months of the year to homes currently under contract. There was a **7.3% increase** the number of homes that went under contract in 15 days or less. The trend continues through the rest of the home sales as well. This is a **HUGE SHIFT** in the market. Consumer confidence is up, rates are low and the market is responding.



7

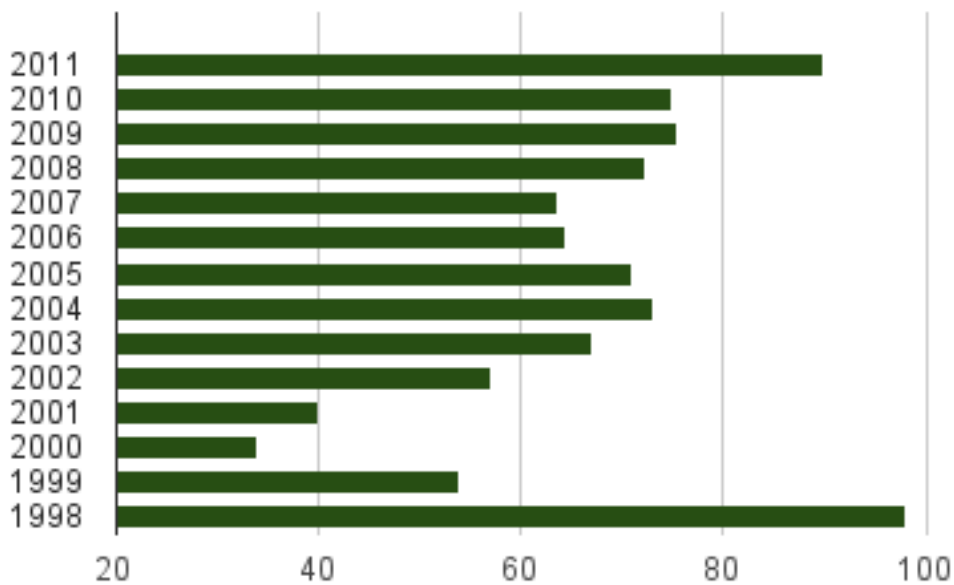
Average Days on Market 2003-2010



These two charts track average amount of days it takes to sell a home in Austin. Last month, it took **82 days** on average to sell. This is a **18.8% longer** than this time last year.

Average days on market is at a 12 year high. Buyers are taking longer and longer to come to a buying decision and seller's are taking longer and longer to get their home priced right in the market.

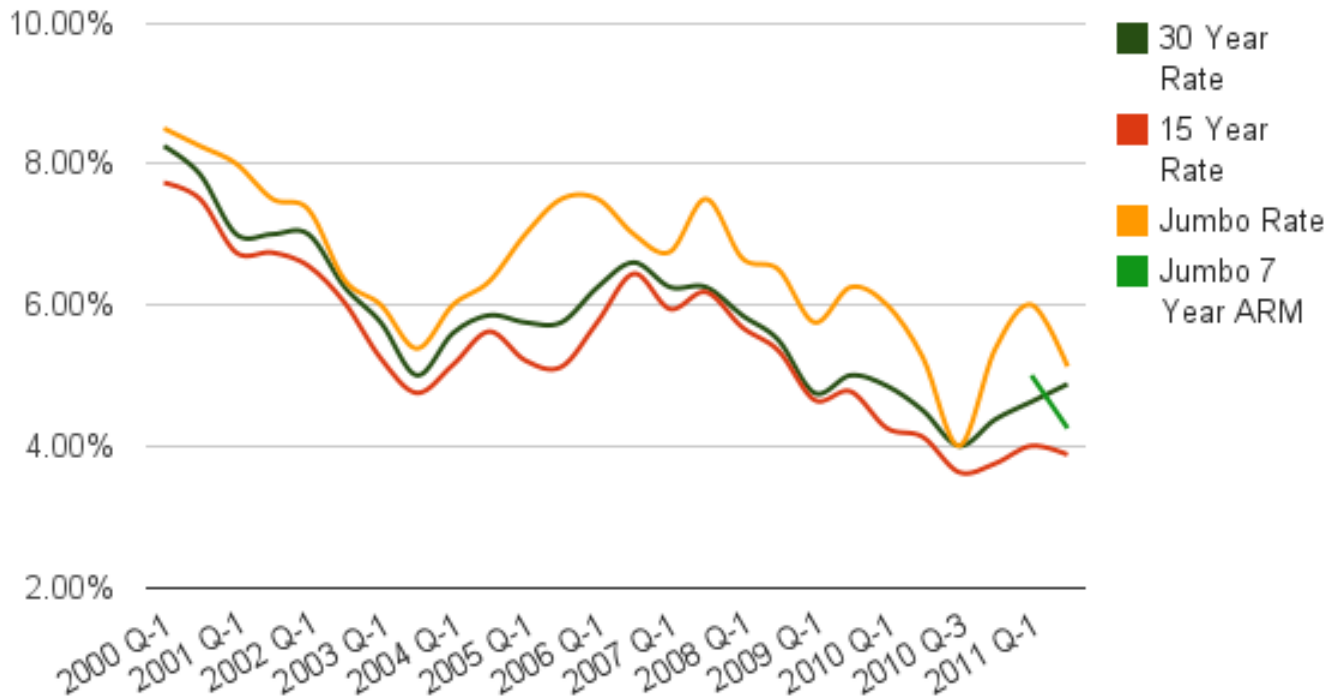
Average Days on Market 13 Year Summary





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Mortgage Rates - 11 Year Summary



The above chart tracks mortgage rates for the past 11 years. As you can see, mortgage rates are ticking back up a little.

CONFORMING
 30 Yr Fixed 4.75%, 1/2 pt.
 15 Yr Fixed 3.875%, 1 pt.

JUMBO (over \$417K loan amount)
 30 Yr Fixed 5.125, 1 pt.
 7 Yr ARM 4.25%, 1 pt.

West Austin Properties can provide you with a more specific analysis for either your home or your buying price range. Please contact us for more information.



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