



**WEST AUSTIN**  
**PROPERTIES**

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

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

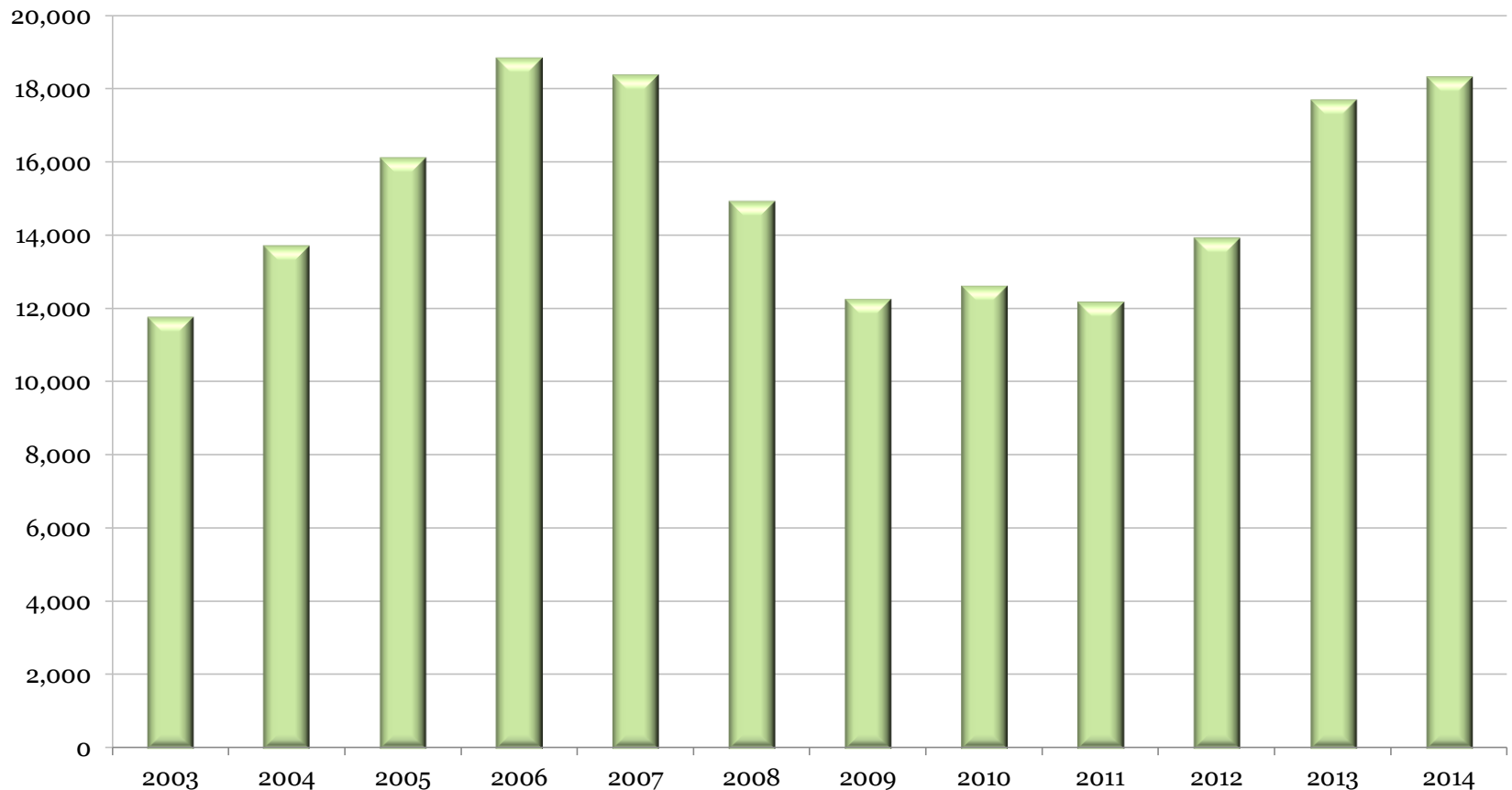
Volume 9, Issue IX



# Year to Date Sales – September 2014

1

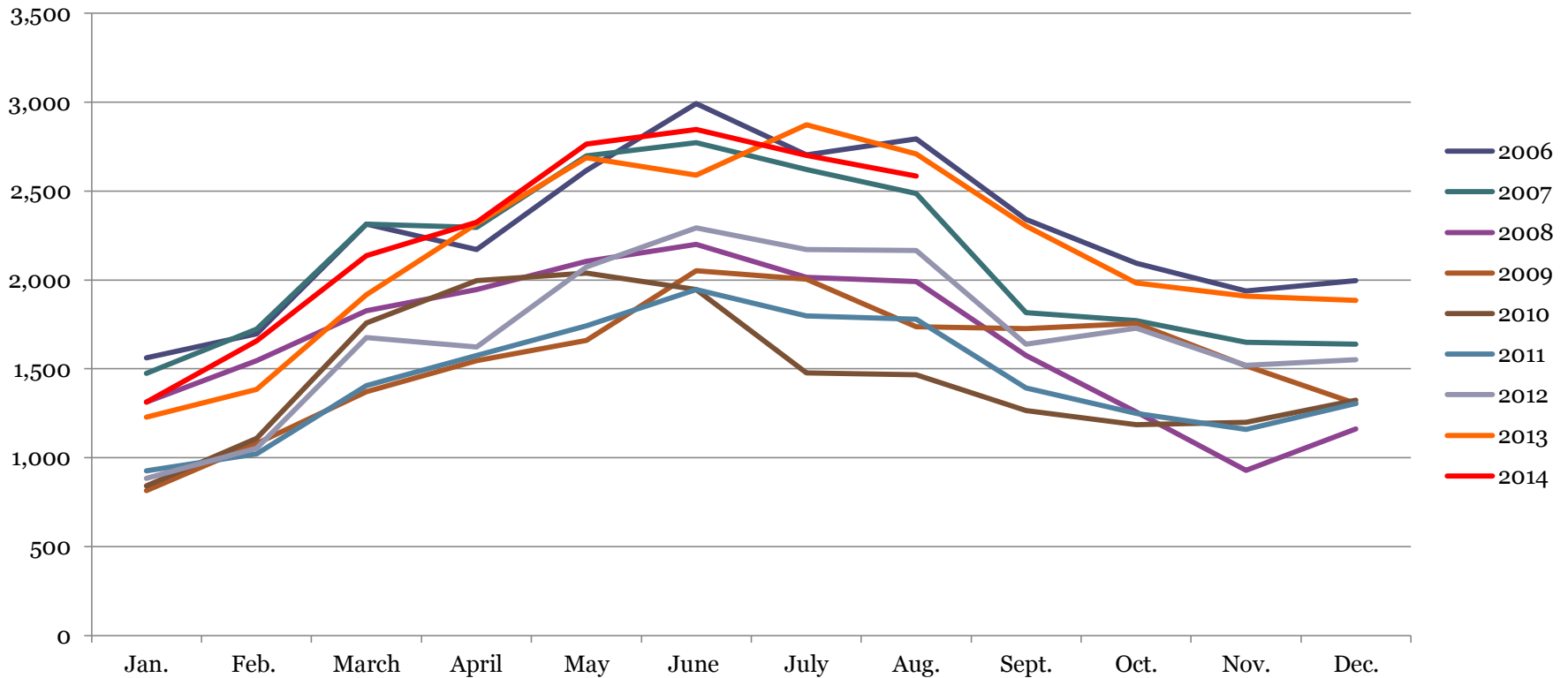
Year-to-date sales in Austin are higher than in the prior 6 years, showing increasing demand and an improving market.



# Homes Sold per Month – August 2014

2

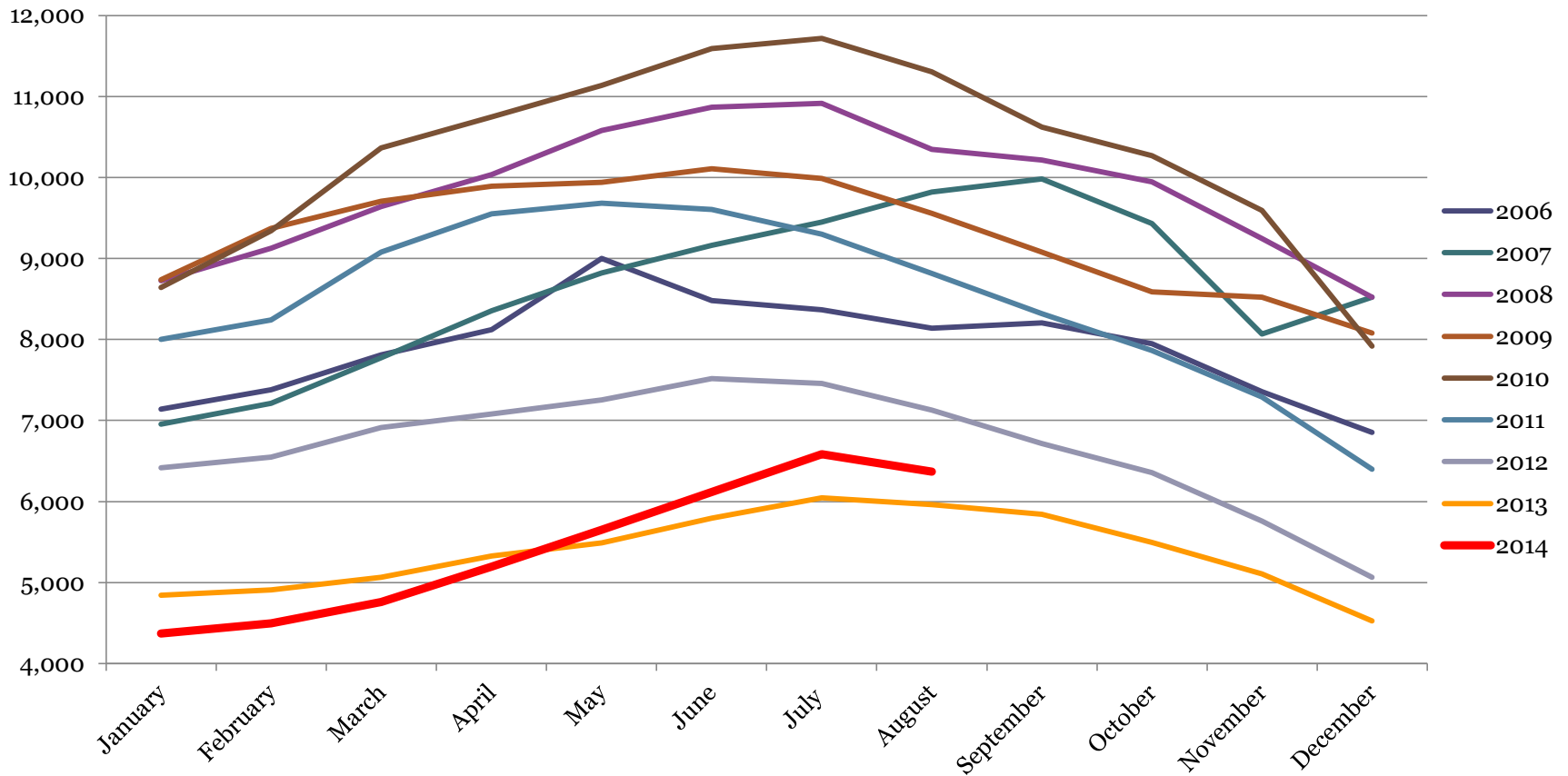
The chart below follows the trends of numbers of homes sold during any given month. Last month there were 2,584 homes sold in Austin, Texas. More homes sold in July than in six of the prior 7 years during that month!



# Homes For Sale – September 2014

3

The chart below follows the trends of the number of homes for sale during any given month. At the beginning of September, there were 6,367 homes for sale in Austin, Texas. **There are 6.36% more homes for sale than last year at this time.**

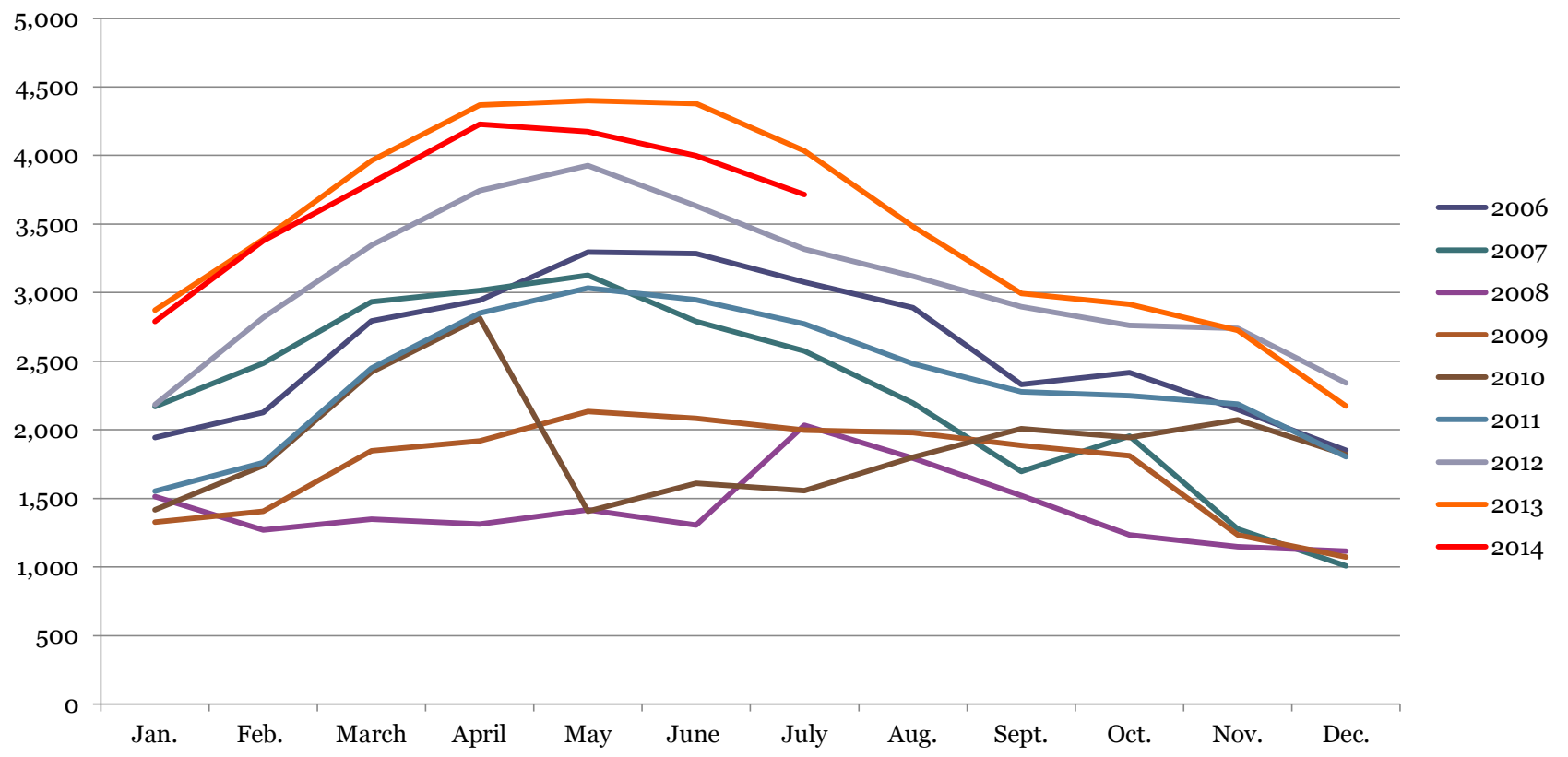


# Pending Sales per Month– September 2014



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 3,332 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- August 2014

Overall we are in an Extreme Normal Seller's Market with 2.57 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 \$700,000 are in a Normal or Extreme Seller's Market.

5

Price Range	# of Solds	Active Listings	Months of Inventory	Market
\$0-\$100k	48	150	3.13	Normal Seller's Market
\$100-\$200k	831	1110	1.34	Extreme Sellers Market
\$200-\$300k	767	1687	2.20	Extreme Sellers Market
\$300-\$400k	425	1126	2.65	Extreme Sellers Market
\$400k-\$500k	200	756	3.78	Normal Seller's Market
\$500-\$600k	119	507	4.26	Normal Seller's Market
\$600-\$700k	67	308	4.60	Normal Seller's Market
\$700-\$800k	30	193	6.43	Balanced Market
\$800-\$900k	26	133	5.12	Normal Seller's Market
\$900-\$1M	14	108	7.71	Balanced Market
\$1-\$2M	43	335	7.79	Balanced Market
\$2-\$3M	5	115	23.00	Extreme Buyer's Market
\$3M<	3	86	60.00	Extreme Buyer's Market
Overall MKT	2578	6614	2.57	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- August 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	19	48	2.53	\$450,000	27
78702	24	73	3.04	\$297,000	36
78703	16	54	3.38	\$907,500	45
78704	40	87	2.18	\$483,717	33
78705	3	6	2.00	\$422,500	32
78717	39	75	1.92	\$317,000	32
78722	7	14	2.00	\$312,500	33
78727	24	32	1.33	\$272,750	5
78730	12	45	3.75	\$798,500	51
78731	21	66	3.14	\$570,000	31
78732	48	114	2.38	\$454,700	41
78733	13	49	3.77	\$751,000	39
78734	52	236	4.54	\$365,000	63
78735	11	58	5.27	\$412,500	43
78739	26	68	2.62	\$456,925	28
78746	29	137	4.72	\$853,250	42
78749	46	69	1.50	\$313,500	16
78750	31	61	1.97	\$355,000	29
78759	35	54	1.54	\$440,825	15
<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

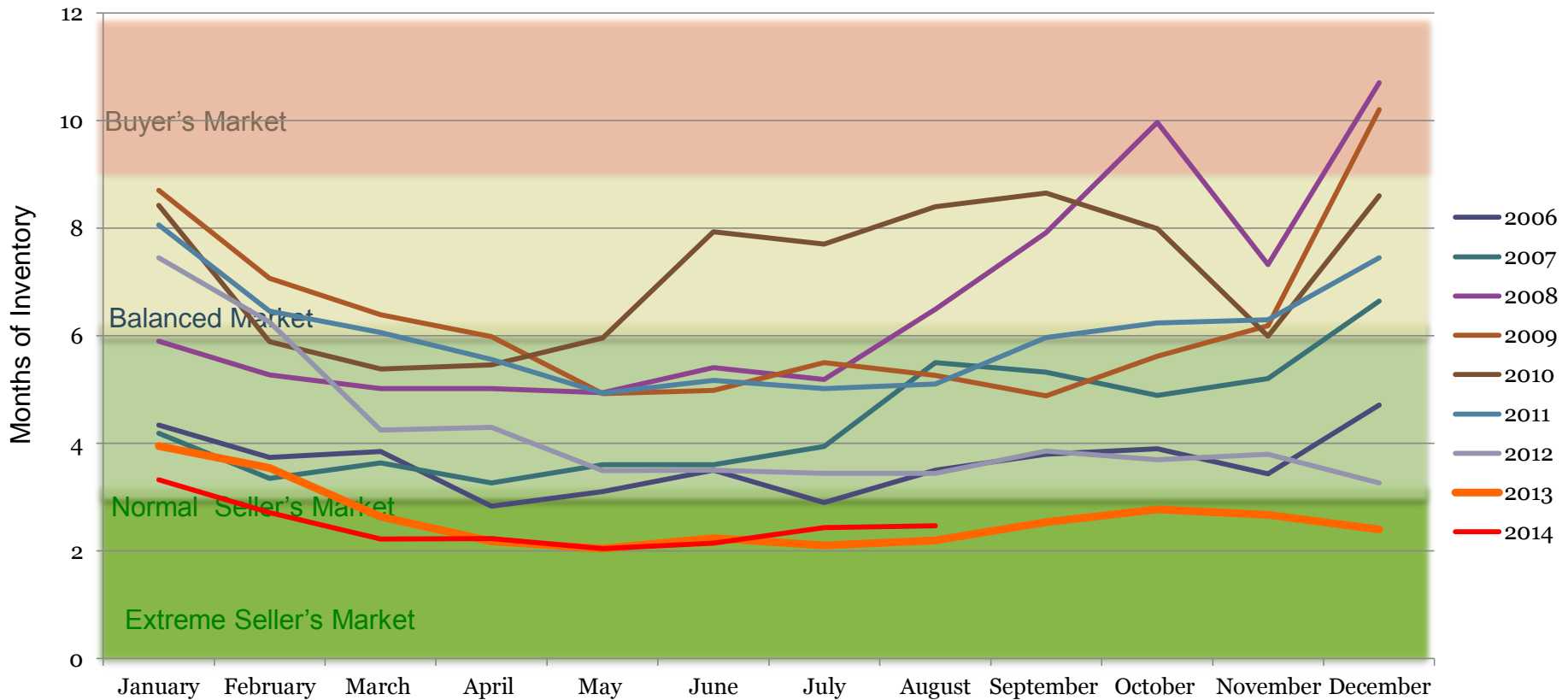
### West Austin/Westlake

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: 4.19%  
Conforming 15 yr: 3.24%

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



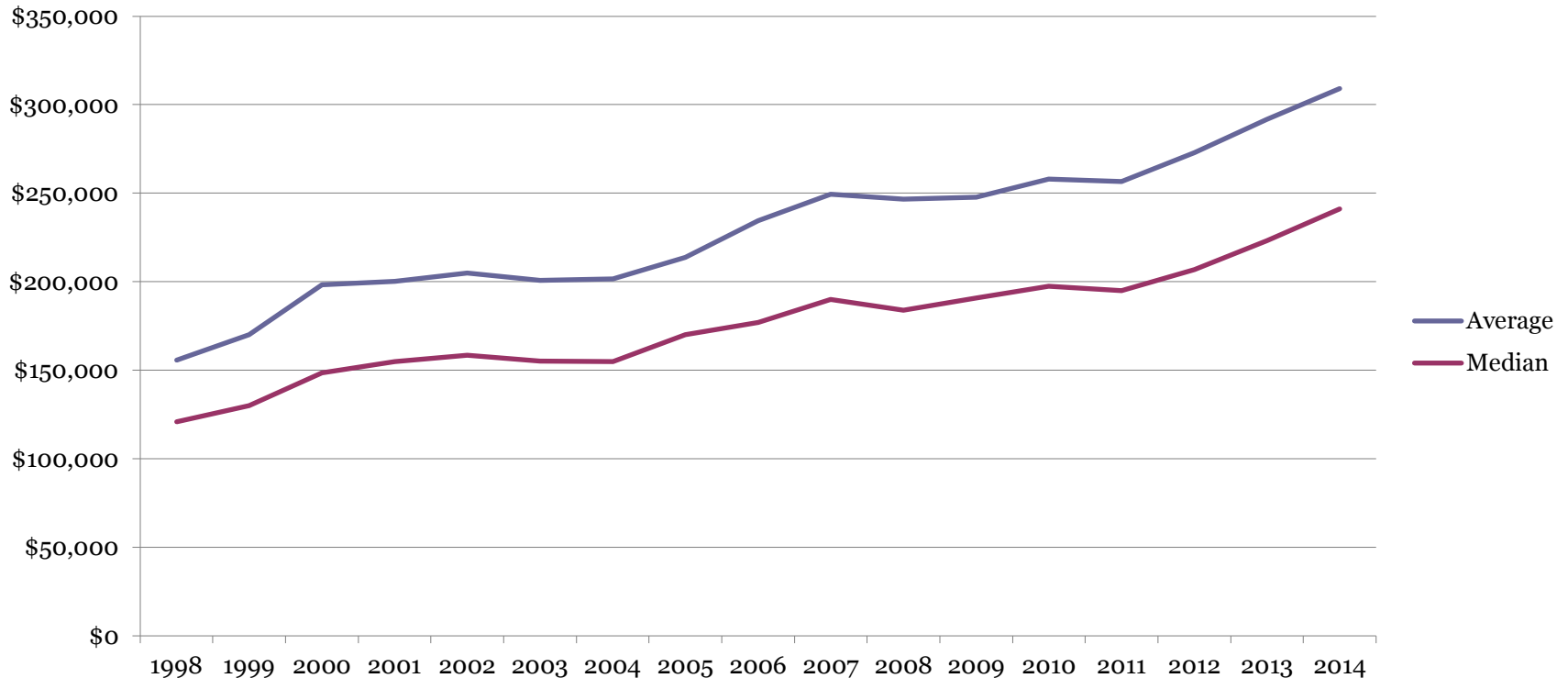
# Average and Median Sold 16 Year Summary



8

The chart above follows the trend of average and median sales price per year. Last month the average sales price was \$315,473 The median sold price was \$250,000 last month. The average sales price in July is up 9.7% and the median sales price is up 11.1% from one year ago.

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

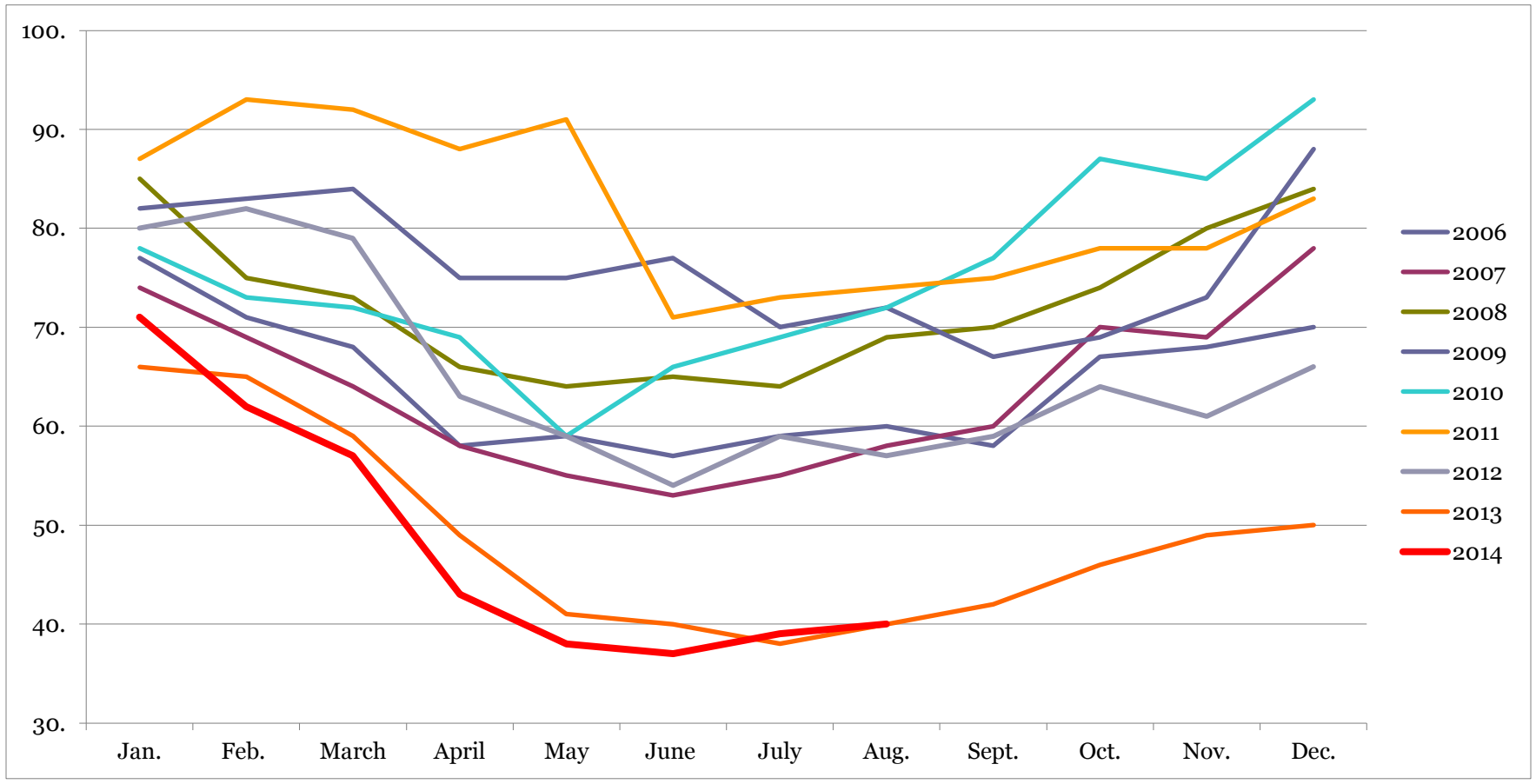


# Average Days on Market 2006-2014



9

Of the homes that sold last month, the average amount of days they had been on the market was 40 days. This is the same as 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](mailto: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](mailto:gail@westaustin.com)



### Katy Duggan-Freshour,

REALTOR® CIAS, CDPE  
 AUSTIN NATIVE

*Direct:* (512) 826-4316

*Email:* [katy@westaustin.com](mailto: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.