

# CENTRAL TEXAS HOUSING MARKET REPORT

## *February 2017*

Provided by Austin Board of REALTORS®

## FEBRUARY 2017 EXECUTIVE SUMMARY

The Central Texas housing market experienced a slowdown in single-family home sales growth throughout the Austin-Round Rock Metropolitan Statistical Area (MSA) in February 2017, indicating that the regional housing market is beginning to normalize to more stable market conditions.

Single-family home sales increased 0.9 percent year-over-year to 1,829 home sales in the Austin-Round Rock MSA and declined year-over-year in many cities surrounding Austin. Notable exceptions were Buda (up 30 percent year-over-year to 26 home sales), Cedar Park (up 20.7 percent to 70 home sales), Leander (up 8.8 percent year-over-year to 62 home sales) and Austin (up 6.4 percent year-over-year to 617 home sales).

The median price for single-family homes in the five-county MSA rose 6.5 percent to \$287,000 in February 2017, while monthly housing inventory for single-family homes in the Austin-Rock MSA increased 0.1 months to 2.1 months. This is well below the Real Estate Center at Texas A&M University's estimation of 6.0-6.5 months of inventory as a balanced housing market.

Mark Sprague, State Director of Information Capital for Independence Title, attributed the slowing home sales growth to low inventory levels, high home prices and slowing job growth across the region, but also affirmed that the ongoing normalization of the market in 2017 will yield a strong, more stable housing market that's in alignment with historical home sales trends.

This new and expanded Central Texas Housing Market Report has been created by the Austin Board of REALTORS® to further explore these evolving housing market conditions and regional housing affordability challenges on a more hyper-local level. Additional information can be found at [www.ABoR.com/StatsFeb17](http://www.ABoR.com/StatsFeb17).

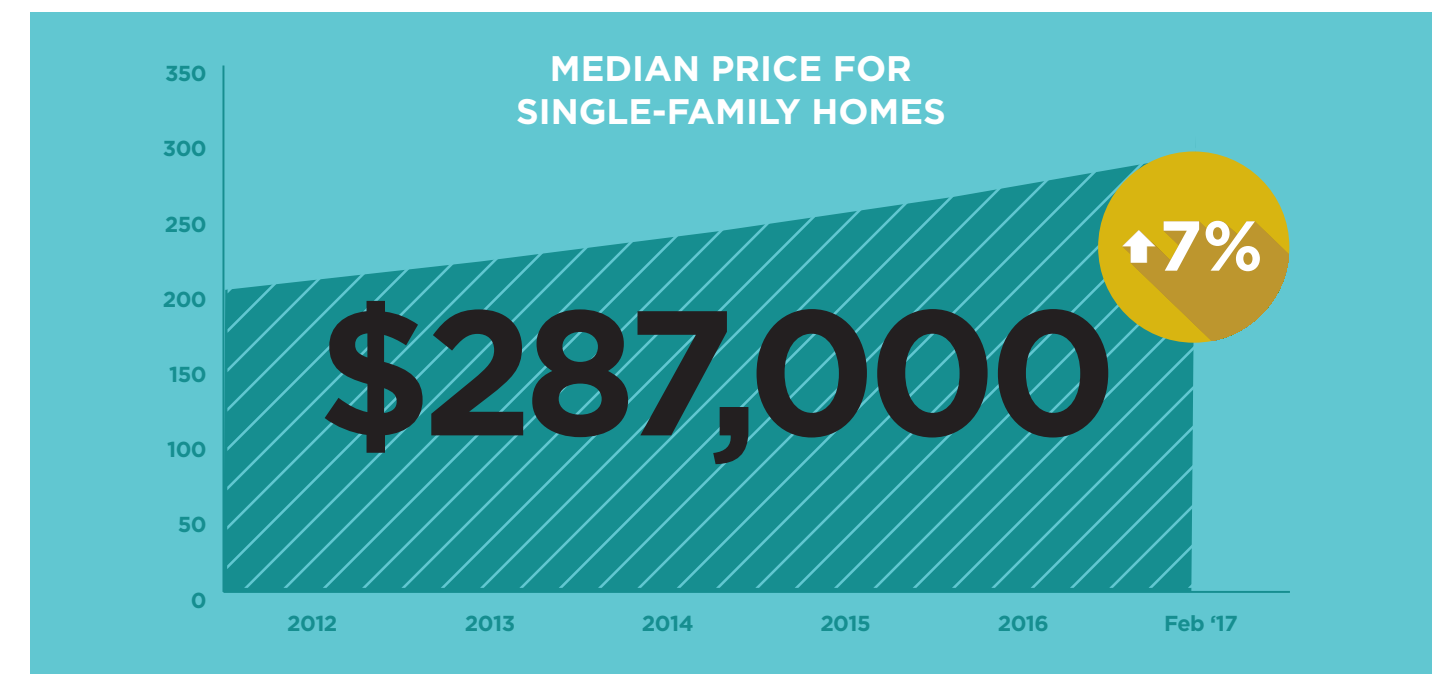
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Single-family home sales growth declined across the Austin-Round Rock MSA in February 2017. Home sales volume across the five-county MSA remained largely on pace with February 2016 levels, while several local market areas experienced annual declines in single-family home sales.



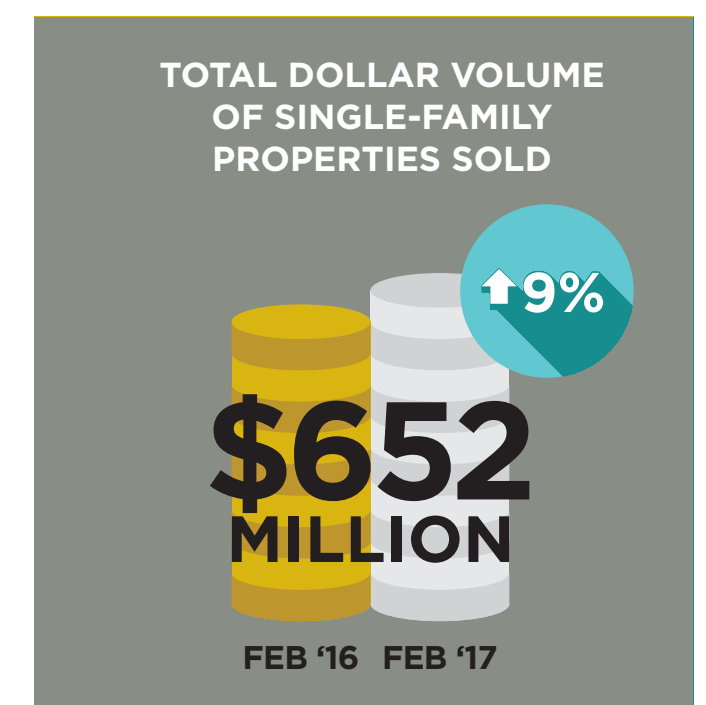
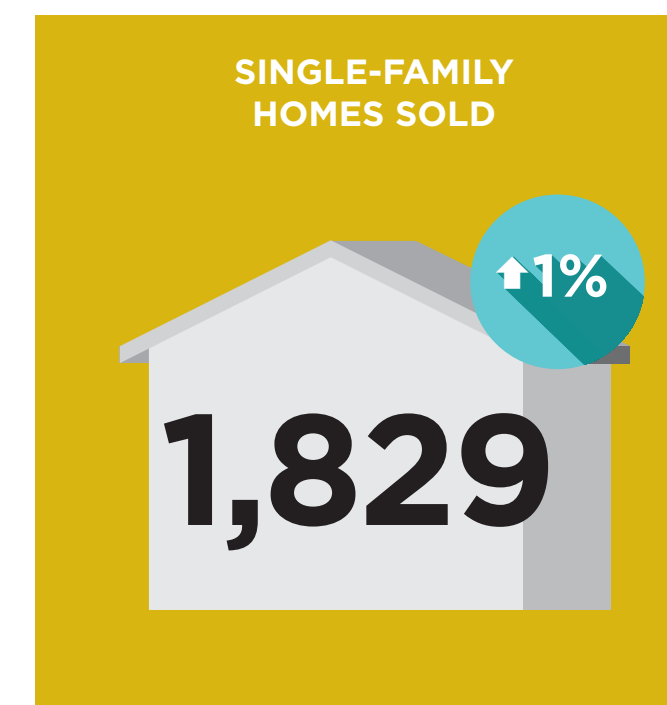
### Single-Family Home Sales

Single-family home sales in the Austin-Round Rock MSA remained largely flat in February 2017, increasing 0.9 percent year-over-year to 1,829 home sales in February 2017. Across the MSA, the only price classes to experience annual gains in single-family home sales in February 2017 were homes priced between \$200,000 - \$500,000 and \$1 million and higher.



### Median Price

The median price for single-family homes in the Austin-Round Rock MSA rose 6.5 percent year-over-year to \$287,000 in February 2017. The sales dollar volume of single-family homes sold in the five-county area in February 2017 was \$651,983,566, a 9.0 percent gain from February 2016.



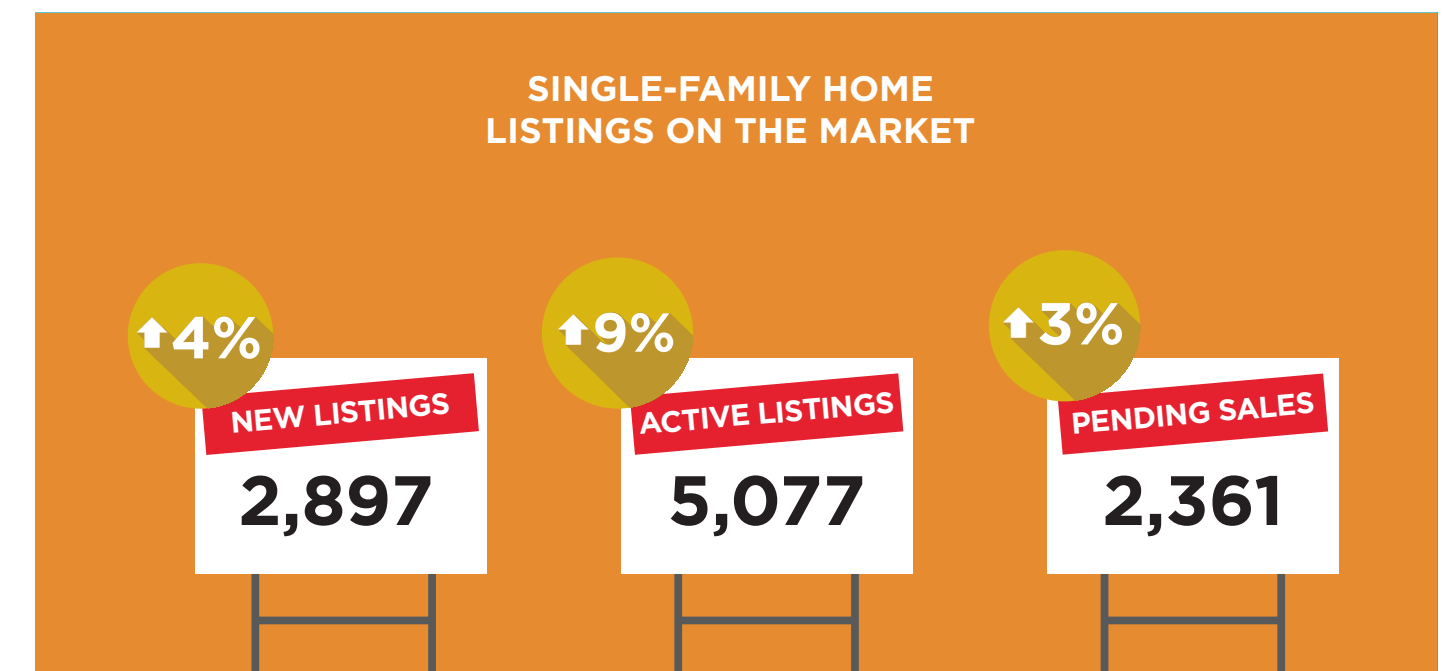
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Over the last year, housing inventory levels across the Central Texas region have dropped below 3.0 months and, in some local markets less than 1.0 months of inventory. Strong housing demand continues to offset ongoing housing development throughout the region .



### Monthly Housing Inventory

Housing inventory in the Austin-Round Rock MSA increased 0.1 months from February 2016 to 2.1 months of inventory, well below the Real Estate Center at Texas A&M University's estimation of 6.0-6.5 months of inventory as a balanced housing market. Round Rock, Hutto and Elgin each had less than one month of housing inventory in February 2017.



### Listing Activity

In February 2017, single-family homes in the Austin-Round Rock MSA spent an average of 61 days on the market, four days less than February 2016. During the same time frame, active listings increased 8.7 percent to 5,077 listings, new listings increased 3.5 percent to 2,897 listings, and pending sales rose 3.0 percent to 2,361 pending sales.





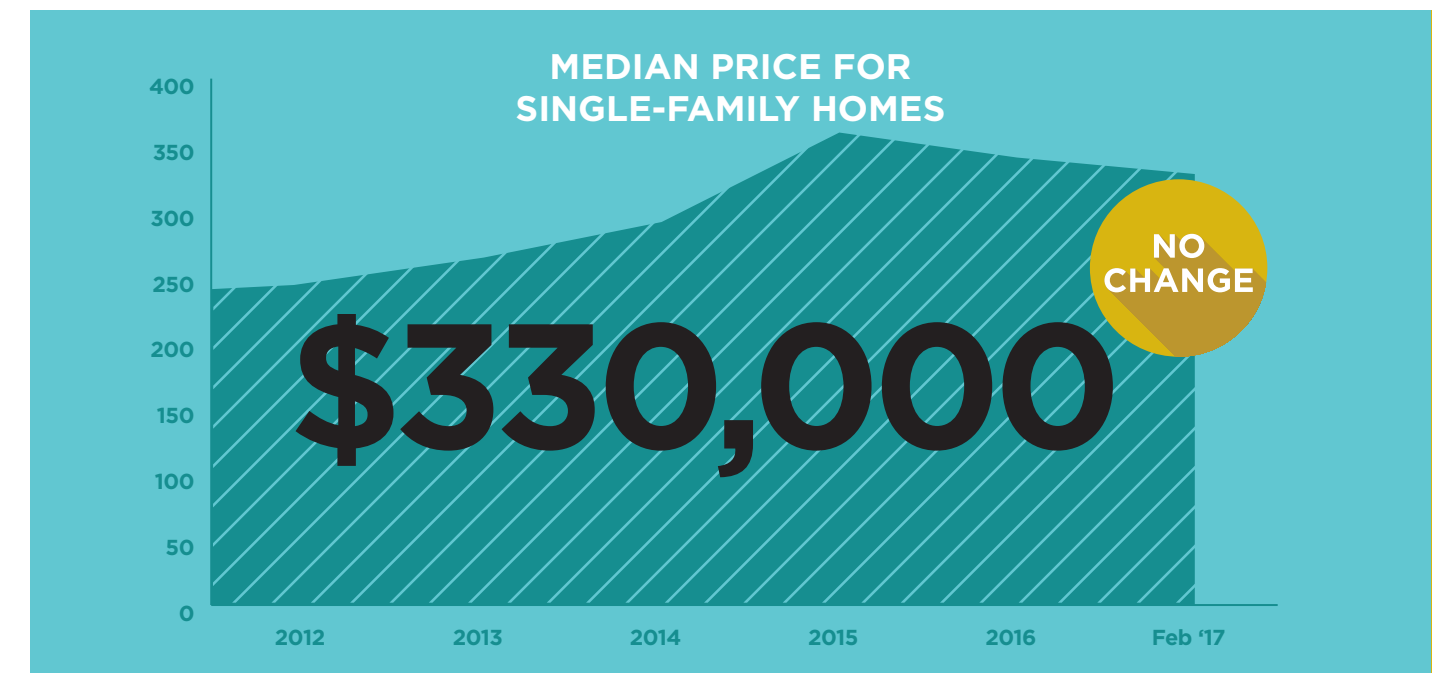
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Single-family home sales in the city of Austin continue to experience steady annual gains despite having one of the lowest housing inventories and highest home prices in the region.



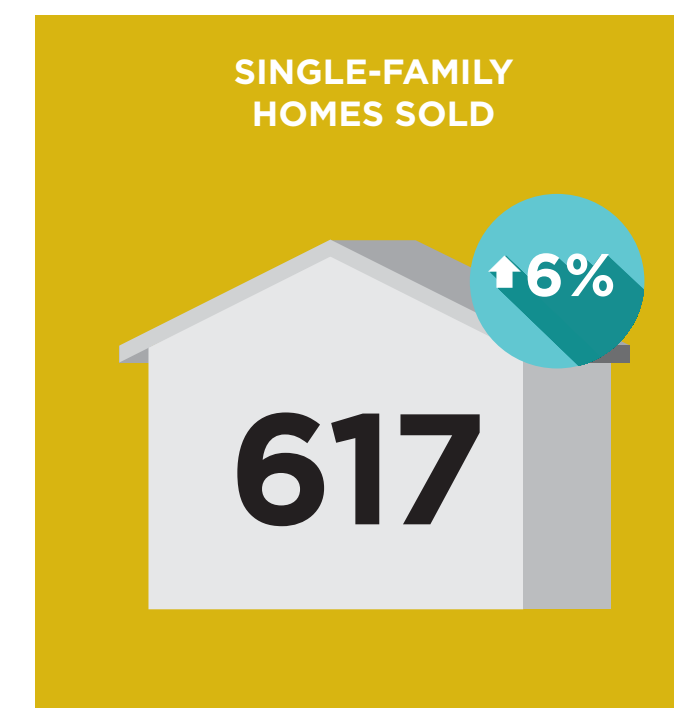
### Single-Family Home Sales

Single-family home sales in the city of Austin rose 6.4 percent year-over-year to 617 home sales in February 2017. Sales of single-family homes priced between \$250,000-\$400,000 jumped 32 percent from February 2017, while luxury home sales (homes priced \$1 million and higher) experienced significant annual gains as well.



### Median Home Price

In February 2017, the median price for single-family homes in the city of Austin remained unchanged from the year prior at \$330,000. The sales dollar volume of single-family homes sold in Austin city limits in February 2017 was \$263,180,422, a 14.9 percent increase from February 2016.



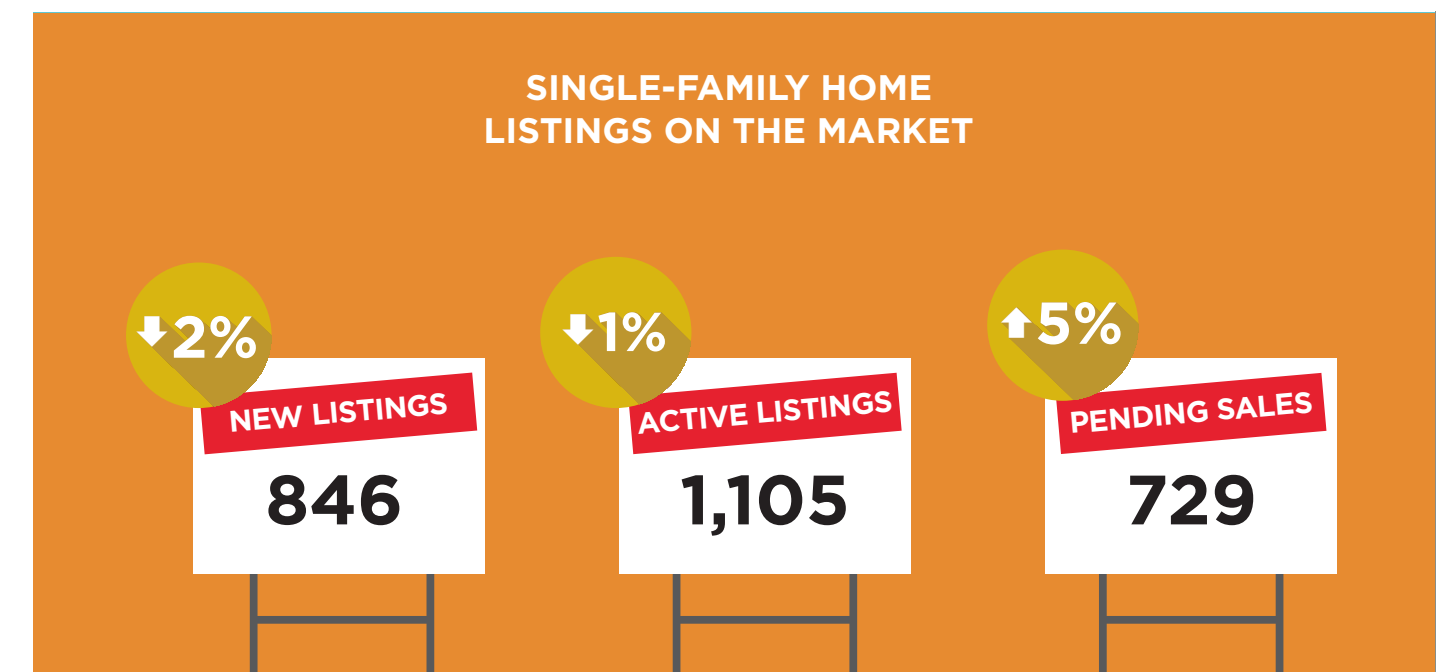
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Housing inventory levels within Austin city limits continue to remain critically low, while single-family homes are spending increasingly more time on the market compared to previous years.



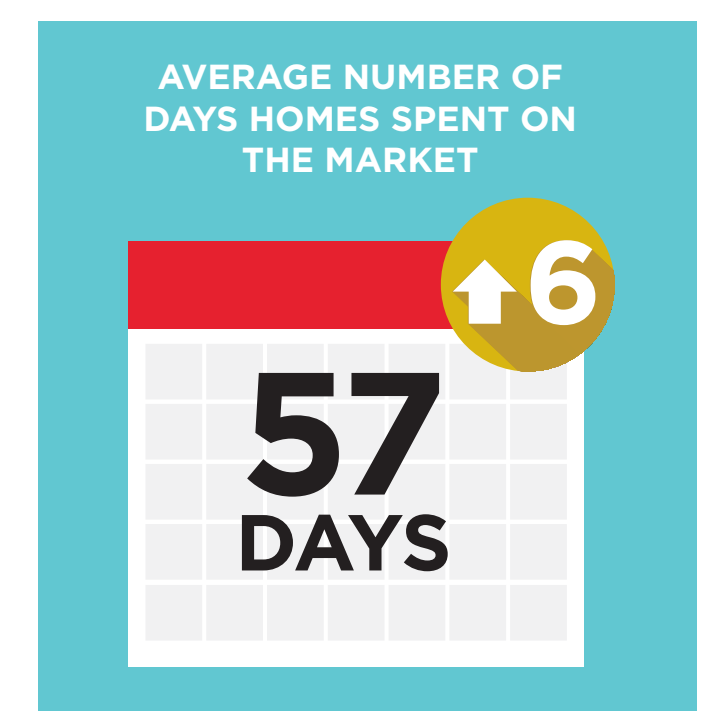
### Monthly Housing Inventory

Housing inventory in the City of Austin remained unchanged from February 2016 at 1.5 months of inventory, well below the Real Estate Center at Texas A&M University's estimation of 6.0-6.5 months of inventory as a balanced housing market. In February 2017, homes priced under \$300,000 in the city of Austin had less than one month of inventory.



### Listing Activity

In February 2017, single-family homes in the city of Austin spent an average of 57 days on the market, six days more than in February 2016. During the same time frame, active listings decreased 1.0 percent to 1,105 listings, new listings declined 2.3 percent to 846 listings, and pending sales increased 5.0 percent to 729 pending sales.

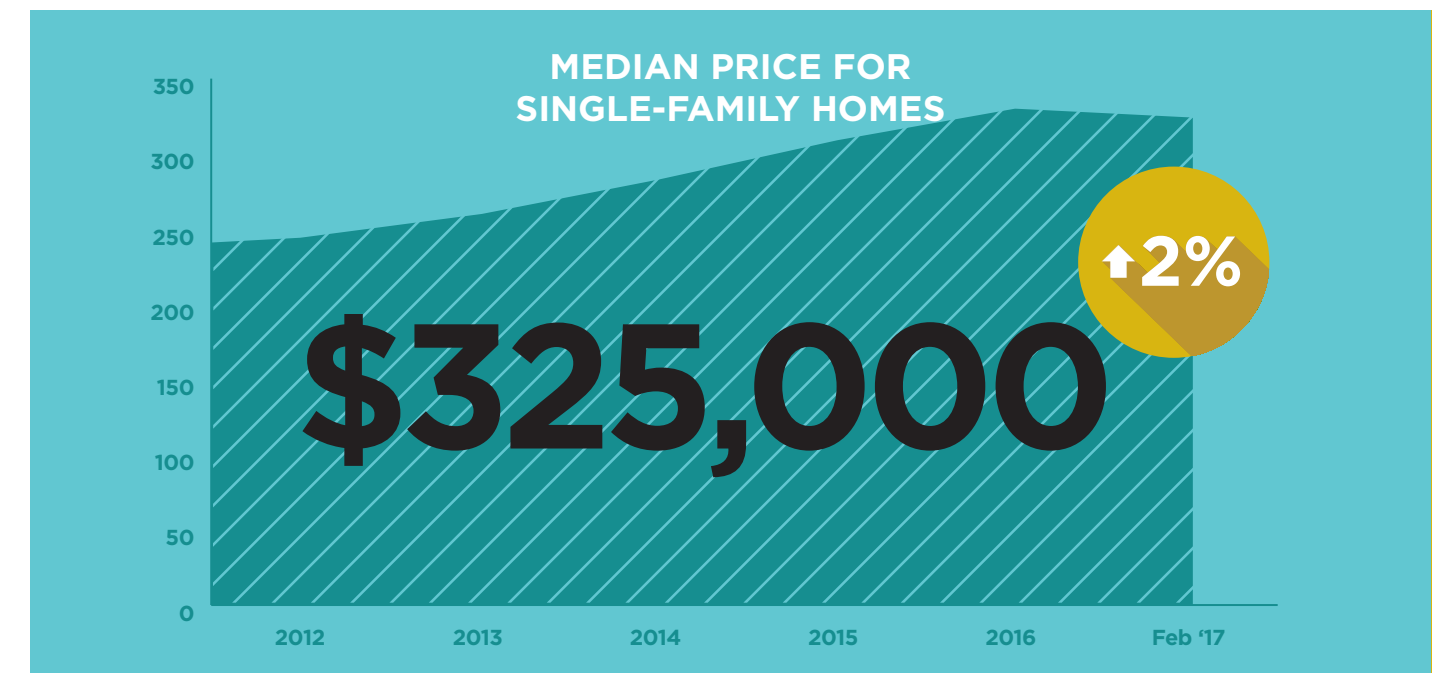


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Single-family home sales in Travis County continue to be buoyed by steady home sales growth in the city of Austin. Travis County posted modest gains in home prices in February 2017, with home prices in the city of Austin remaining unchanged year-over-year for the first time in five years.

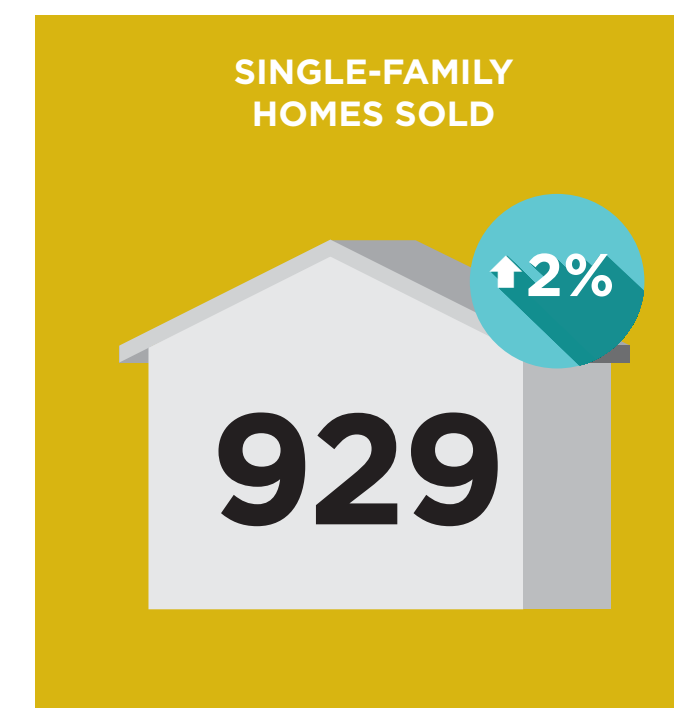
### Single-Family Home Sales

In February 2017, single-family home sales in Travis County rose 2.0 percent year-over-year to 929 home sales. Outside of Austin, single-family home sales increased 10 percent year-over-year in Lago Vista to 11 home sales. Single-family home sales declined 13.6 percent in Lakeway to 19 home sales and decreased 35.4 percent to 51 home sales in Pflugerville.



### Median Home Price

The median price for single-family homes in Travis County rose 1.9 percent year-over-year to \$325,000 in February 2017. In areas outside of Austin, the median price rose 9.4 percent to \$251,500 in Pflugerville, 17.8 percent to \$522,450 in Lakeway and 4.9 percent to \$189,900 in Manor.



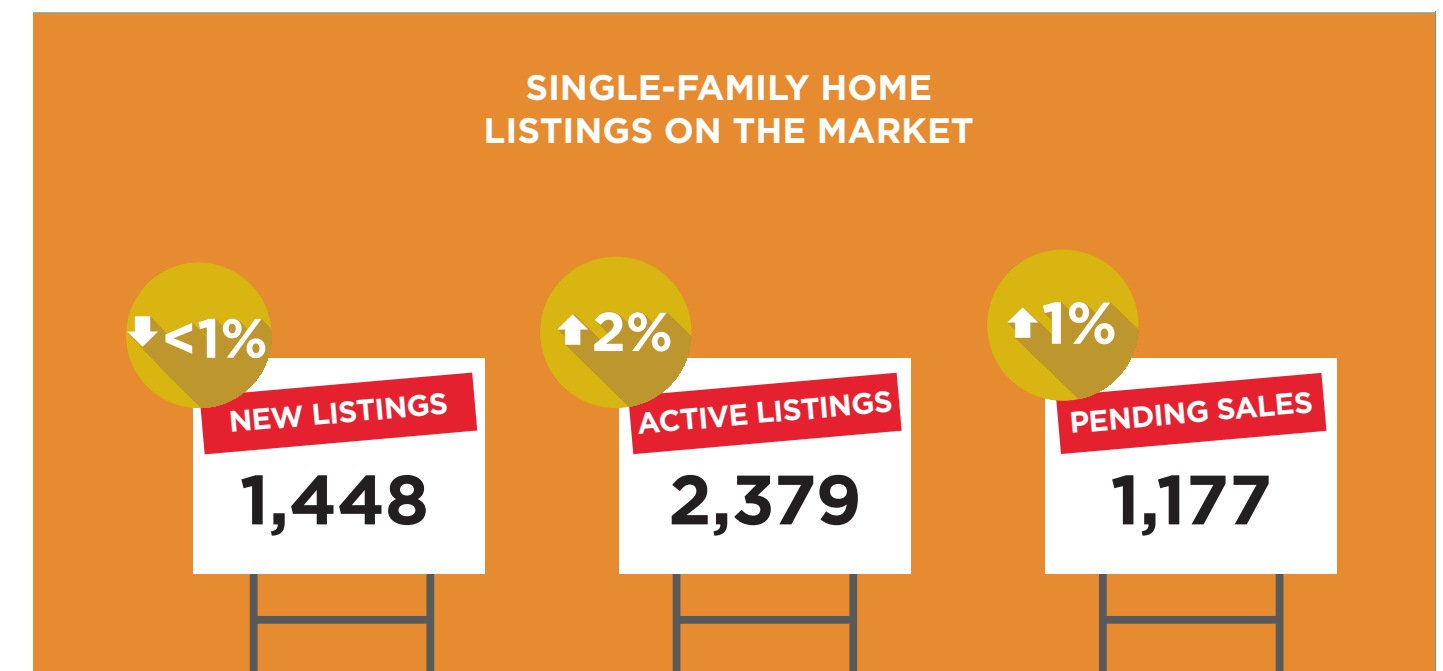
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Outside of Austin, local housing inventory levels are lowest in Travis County markets with the lowest home prices, as Austin residents look further and further outside the city limits for available homes priced under \$250,000.



### Monthly Housing Inventory

Housing inventory in Travis County declined 0.1 months from February 2016 to 1.9 months of inventory. Surrounding Austin, housing inventory levels were 1.6 months in Pflugerville, 1.5 months in Manor, 3.3 months in Lakeway and 4.0 months in Lago Vista.



### Listing Activity

In February 2017, single-family homes in Travis County spent an average of 61 days on the market, one day less than February 2016. During the same time frame, active listings increased 2.2 percent to 2,379 listings, new listings decreased 0.1 percent to 1,448 listings, and pending sales grew 0.8 percent to 1,177 pending sales in Travis County.



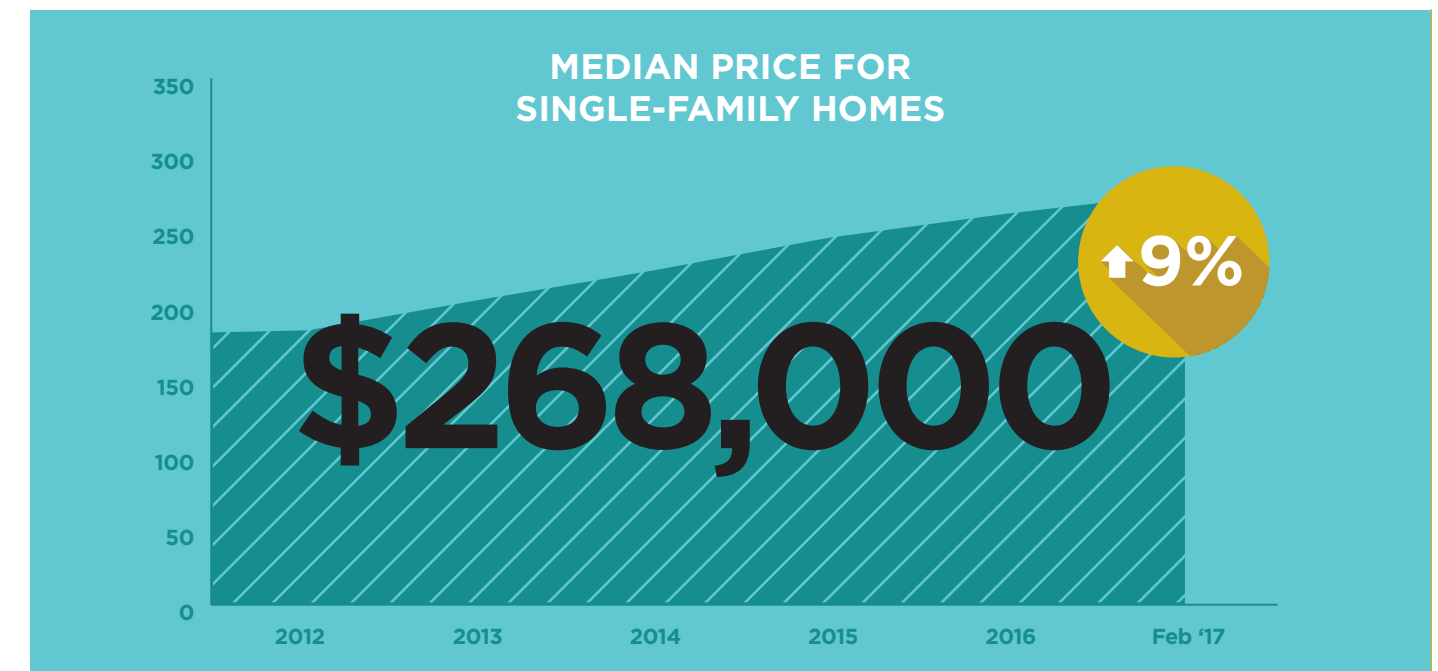


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Williamson County experienced a decline in single-family home sales and steady gains in median price in February 2017. Strong housing demand and low inventory levels have expanded Austin's housing affordability issues into Williamson and Travis counties.

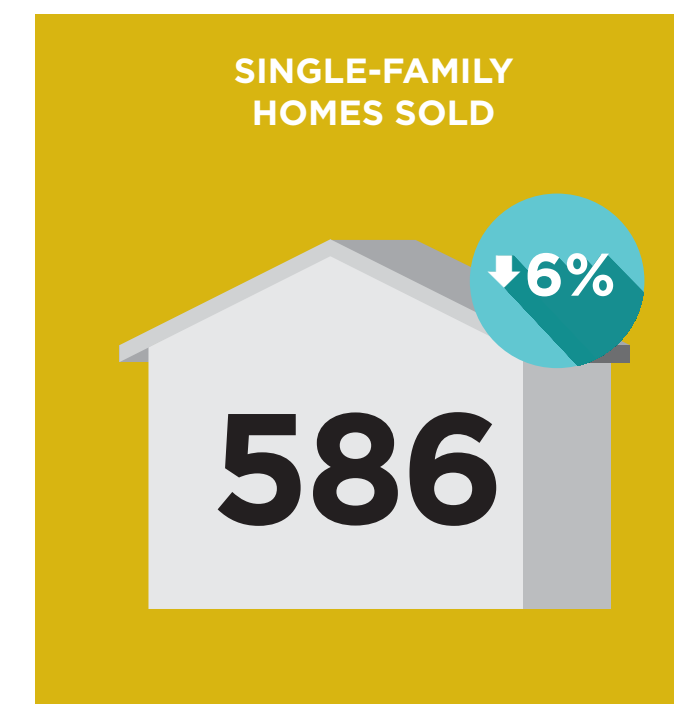
### Single-Family Home Sales

Single-family home sales in Williamson County declined 5.6 percent in February 2017 to 586 home sales. Compared to February 2016, single-family home sales declined 18.9 percent in Round Rock and 38.8 percent in Georgetown. Conversely, single-family home sales rose 20.7 percent in Cedar Park and 8.8 percent in Leander during the same time frame.



### Median Home Price

The median price for single-family homes in Williamson County rose 8.6 percent year-over-year to \$268,000 in February 2017. During the same time frame, median home prices increased 12.2 percent to \$249,000 in Round Rock, 6.3 percent to \$253,750 in Georgetown, 2.8 percent to \$258,000 in Leander and 5.5 percent to \$287,488 in Cedar Park.





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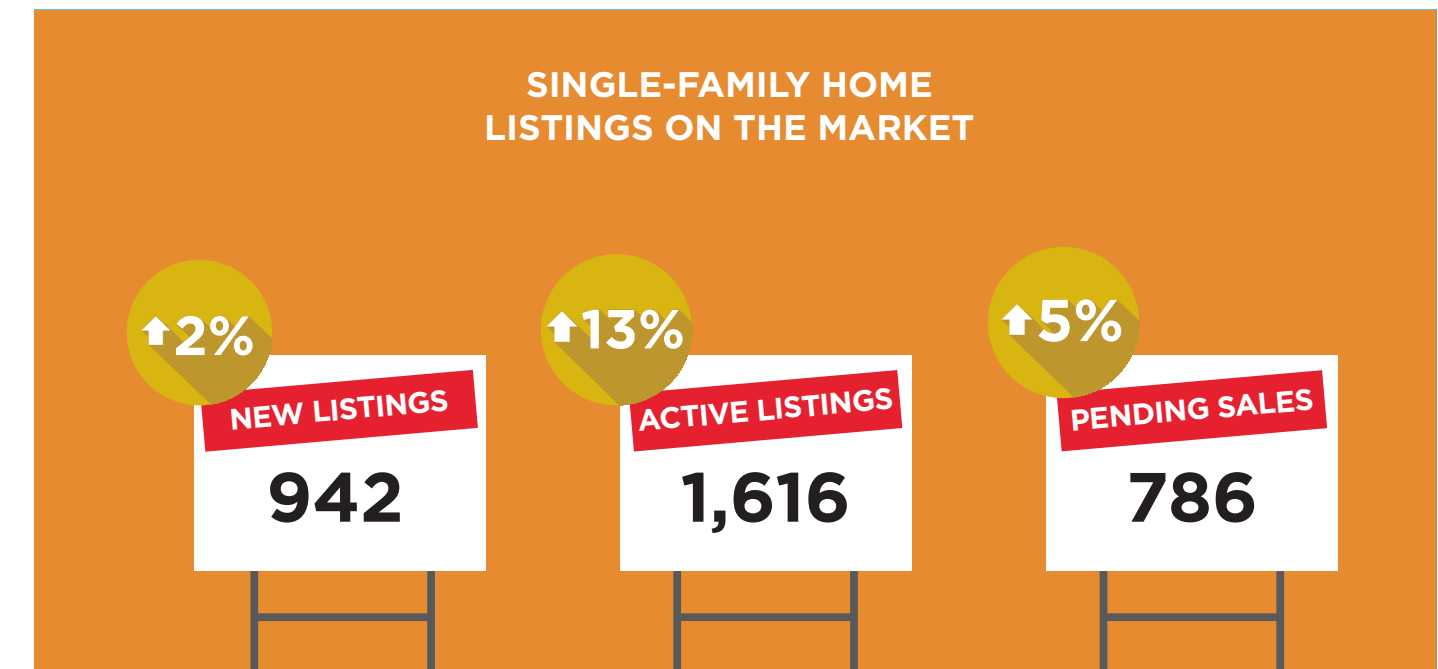
Housing inventory levels throughout Williamson County are among the lowest in the Central Texas region, with rapidly growing cities such as Round Rock and Hutto having less than one month of single-family housing inventory.

### Monthly Housing Inventory

Housing inventory in Williamson County increased 0.2 months from February 2016 to 1.9 months of inventory. Locally, housing inventory levels in February 2017 were 0.9 months in Round Rock, 0.8 months in Hutto, 1.9 months in Georgetown, 1.3 months in Cedar Park and 2.4 months in Leander.

### Listing Activity

In February 2017, single-family homes in Williamson County spent an average of 57 days on the market, seven days less than February 2016. During the same time frame, active listings jumped 13.2 percent to 1,616 listings, new listings increased 2.4 percent to 942 listings, and pending sales increased 4.5 percent to 786 pending sales.

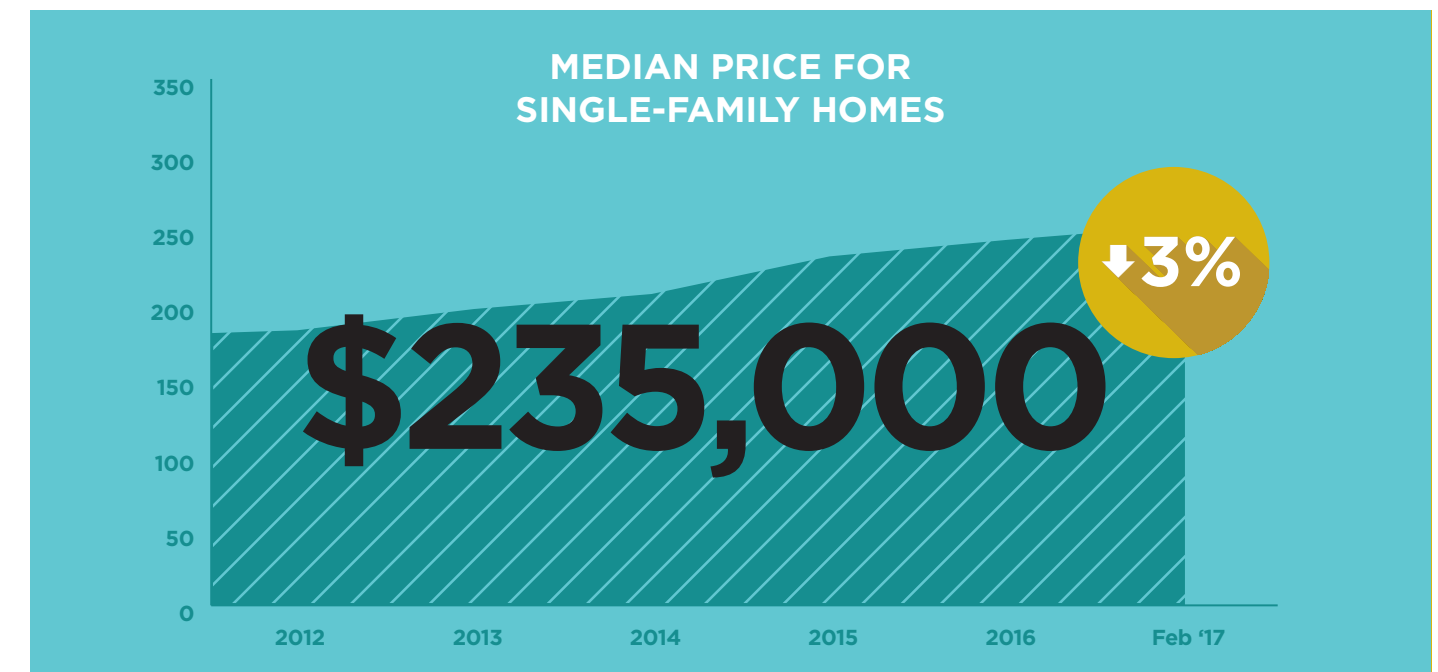


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Although Hays County's home sales volume is significantly smaller than Travis and Williamson counties, Hays County continues to lead the region in home sales growth. Comparatively lower home prices make Hays County a popular destination among entry-level homebuyers.

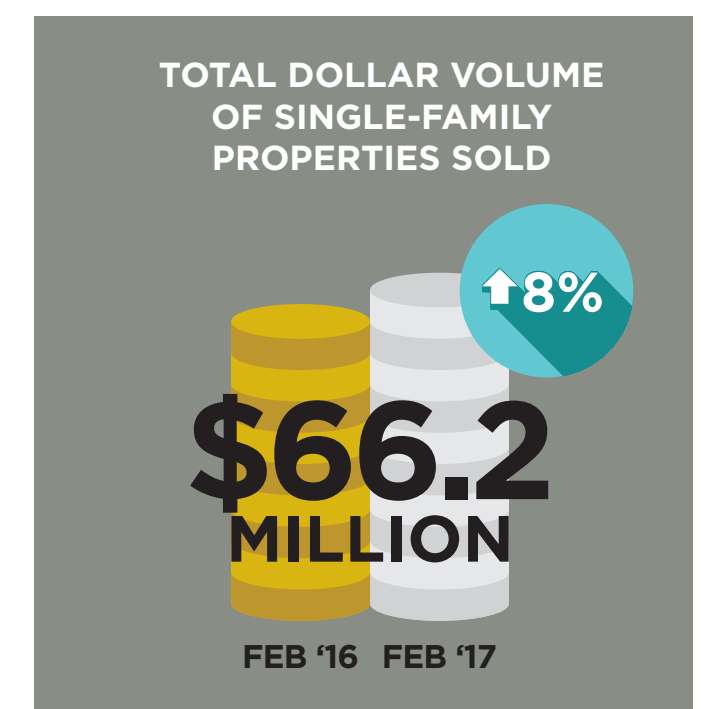
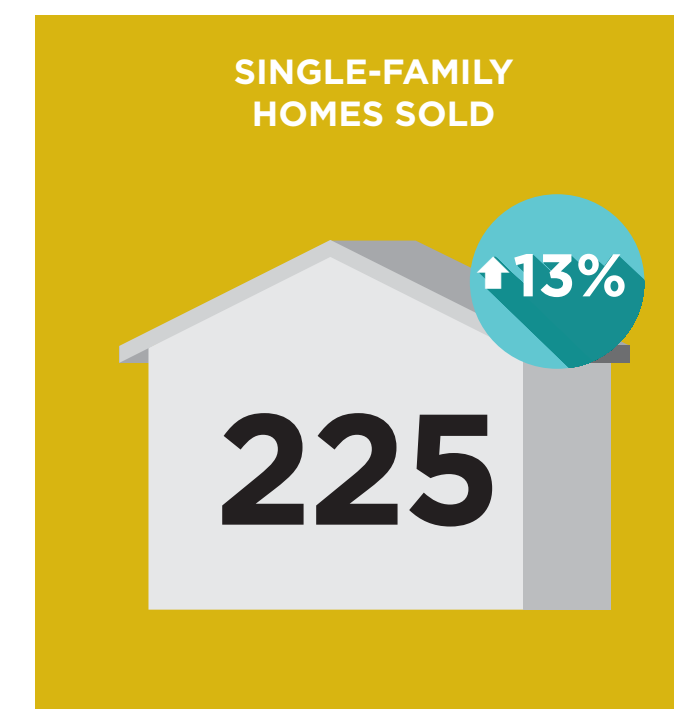
### Single-Family Home Sales

Hays County single-family home sales increased 13.1 percent year-over-year to 225 home sales in February 2017. Locally, single-family home sales jumped 30 percent in Buda, 32.3 percent in San Marcos and 13.7 percent in Kyle. New home development continues to be strong throughout Hays County.



### Median Home Price

The median price for single-family homes in Hays County fell 3.3 percent year-over-year to \$235,000 in February 2017. Median home prices increased 20.4 percent to \$284,000 in Buda and 4.2 percent to \$207,250 in Kyle. Median price fell 4.9 percent to \$199,500 in San Marcos. The sales dollar volume of single-family homes sold in Hays County was \$66,212,905.

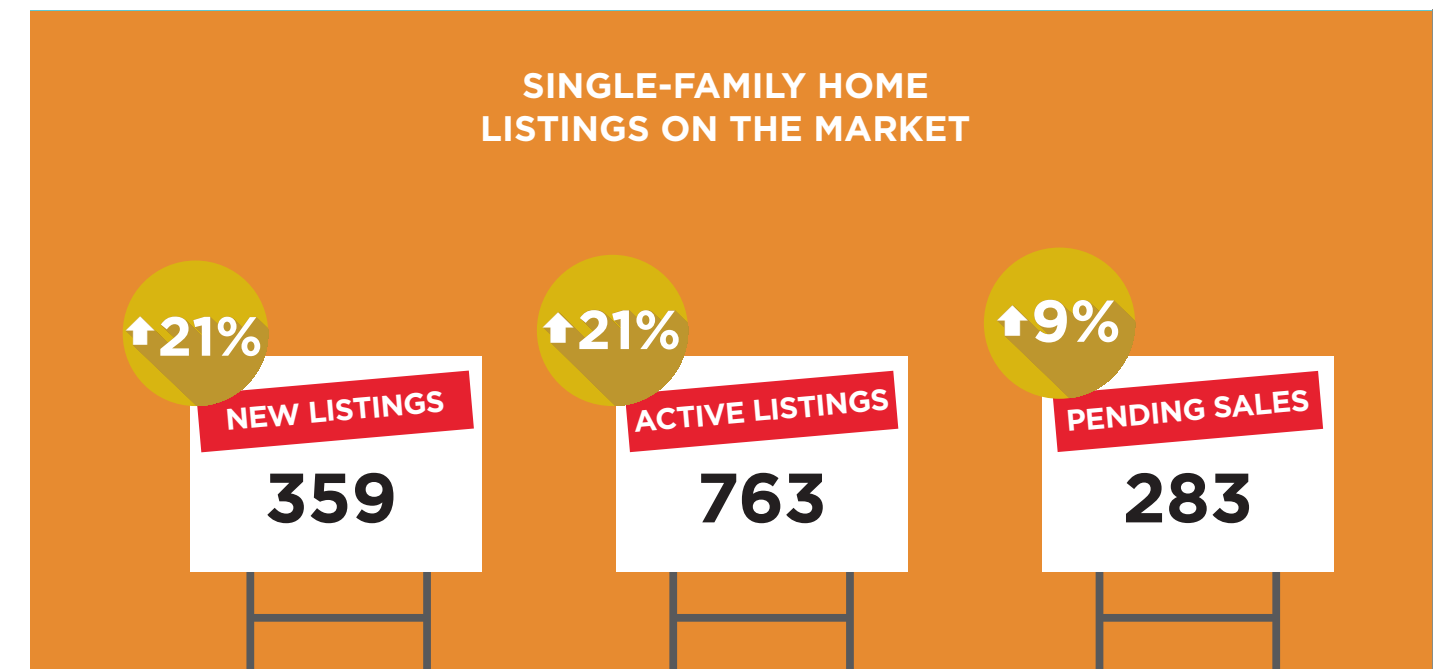


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Hays County has one of the highest housing inventory levels in the five-county MSA. Both listings activity and pending sales posted strong gains in February 2017, indicating a busy spring selling season could be ahead.

### Monthly Housing Inventory

Housing inventory in Hays County increased 0.2 months from February 2016 to 2.6 months of inventory, well below the Real Estate Center at Texas A&M University's estimation of 6.0-6.5 months of inventory as a balanced housing market. Locally, housing inventory levels in February 2017 were 1.3 months in Kyle, 2.4 months in Buda, and 3.7 months in San Marcos.



### Listing Activity

In February 2017, single-family homes in Hays County spent an average of 66 days on the market, or 15 days less than February 2016. During the same time frame, active listings jumped 20.5 percent to 763 listings, new listings increased 20.9 percent to 359 listings and pending sales increased 9.3 percent to 283 pending sales.

