

CENTRAL TEXAS HOUSING MARKET REPORT

May 2017

Provided by Austin Board of REALTORS®

EXECUTIVE SUMMARY | MAY 2017

The May 2017 Central Texas Housing Market Report showed strong gains across the region for single-family home sales, prices, listing activity and housing inventory. Demonstrating the powerful economic impact of Central Texas real estate, the total sales dollar volume for single-family homes in the Austin-Round Rock Metropolitan Statistical Area (MSA) reached an all-time high, topping \$1.2 billion.

Single-family home sales volume increased 9.0 percent year-over-year to 3,170 home sales in the Austin-Round Rock MSA and rose 9.7 percent year-over-year to 993 home sales in the city of Austin in May. Home sales growth was equally strong at the county level during the same time frame, with single-family home sales volume jumping 14.8 percent in Hays County, increasing 6.3 percent in Travis County and increasing 8.3 percent in Williamson County.

Strong gains in listings activity as well as pending sales activity across the region continued in May 2017, which in turn continues to boost both home sales volume and housing inventory levels. In the Austin-Round Rock MSA, active listings jumped 22.0 percent year-over-year to 6,972 listings; new listings jumped 15 percent year-over-year to 4,369 listings; and pending sales rose 7.7 percent year-over-year to 3,437 pending sales.

Concurrent gains in listing activity and housing inventory for the last few months indicates that housing inventory could continue to increase throughout the busy summer selling season, which would be a reverse of past years' trends. At the same time, however, an analysis of inventory levels by price class shows that inventory levels for homes priced under \$250,000 remain critically low, as rising property values and housing development costs are rapidly shifting the price range of available housing upward.

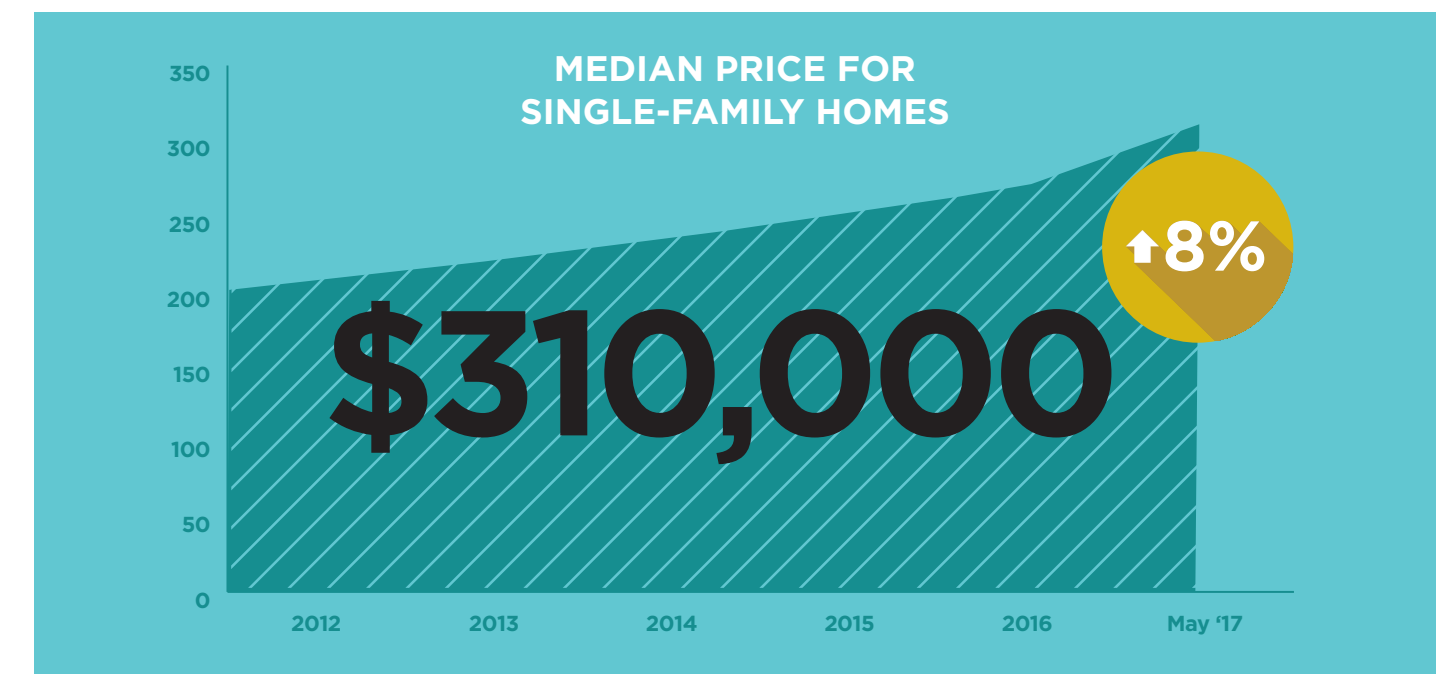
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Single-family home sales volume jumped across the Austin-Round Rock MSA in May 2017. Of single-family homes sold, 30.4 percent were sold for less than \$250,000, 52 percent were sold between \$250,000-\$500,000 and 17.5 percent were sold for \$500,000 or higher



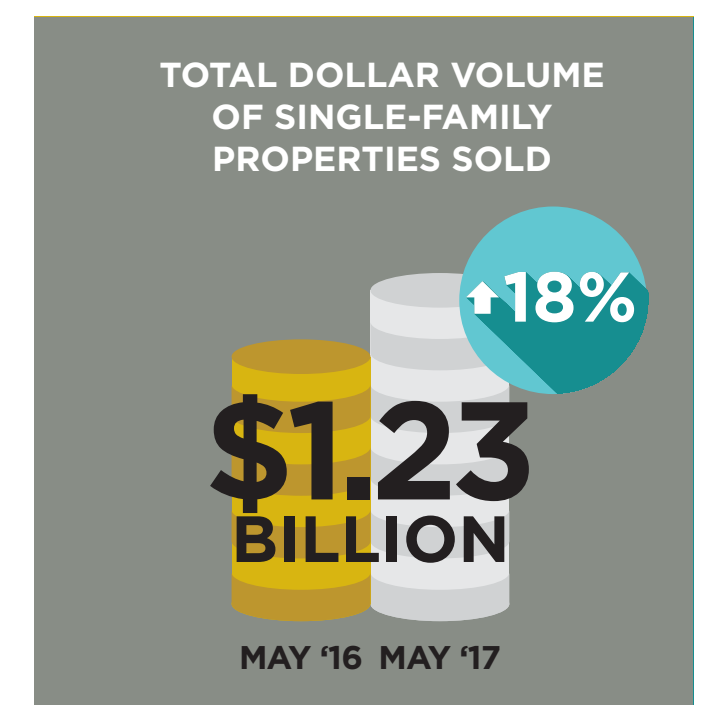
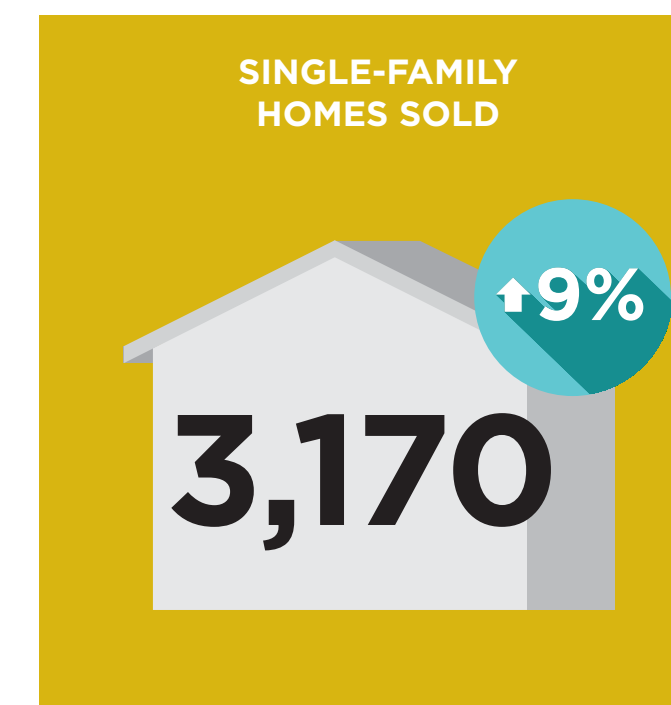
Single-Family Home Sales

Single-family home sales in the Austin-Round Rock MSA increased 9 percent year-over-year in May 2017 to 3,170 home sales. For the first time this year, the sales dollar volume of single-family homes sold in the five-county area topped \$1 billion in a single month, demonstrating the powerful economic impact of Central Texas real estate.



Median Price

The median price for single-family homes in the Austin-Round Rock MSA rose 8 percent year-over-year to \$310,000 in May 2017. The sales dollar volume of single-family homes sold in the five-county area in May 2017 was \$1,234,617,317, an 18.4 percent gain from May 2016.



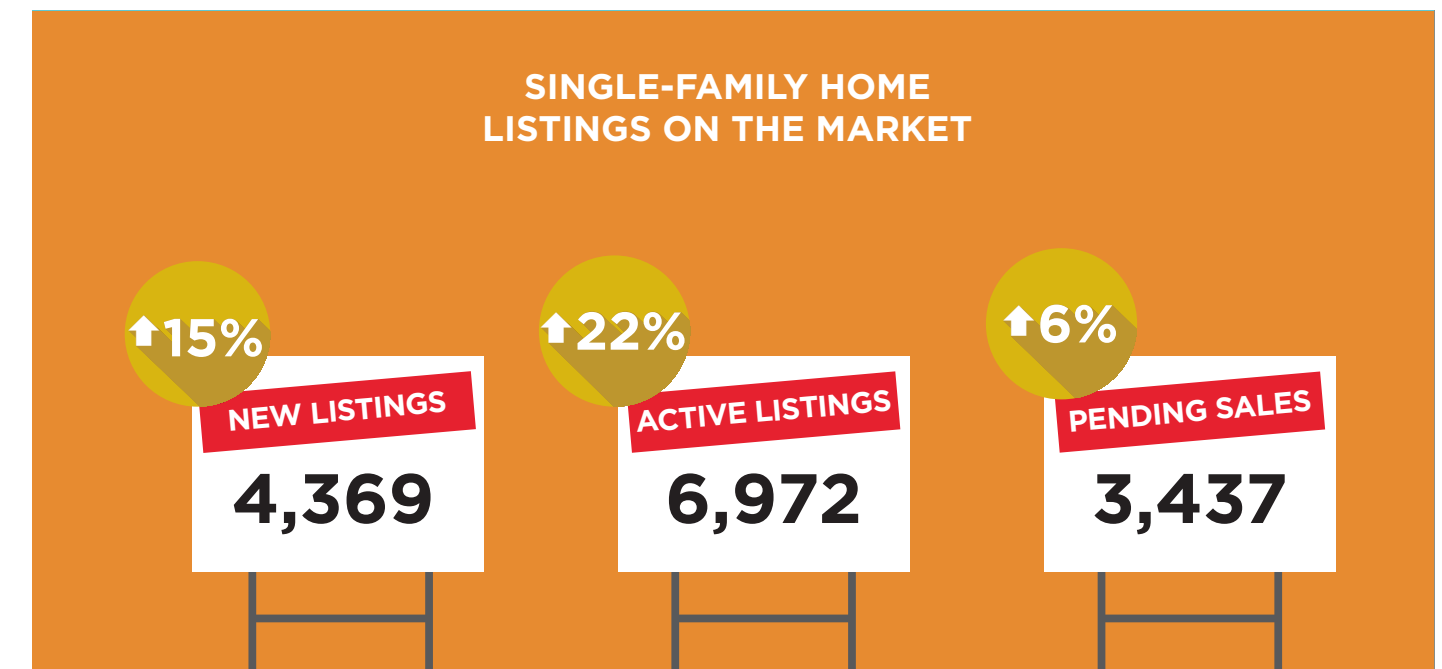
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The five-county housing market experienced significant single-family home sales and price growth in May 2017. This, combined with double-digit gains in listings activity, indicate that the momentum from the summer selling season's strong start could continue into 2017-Q3.



Monthly Housing Inventory

Housing inventory of single-family homes in the Austin-Round Rock MSA increased 0.4 months from May 2016 to 2.8 months of inventory. This remains 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.



Listing Activity

In May 2017, single-family homes in the Austin-Round Rock MSA spent an average of 43 days on the market, one day less from May 2016. During the same time frame, active listings jumped 22 percent to 6,972 listings, new listings increased 15 percent to 4,369 listings, and pending sales rose 7.7 percent to 3,437 pending sales.



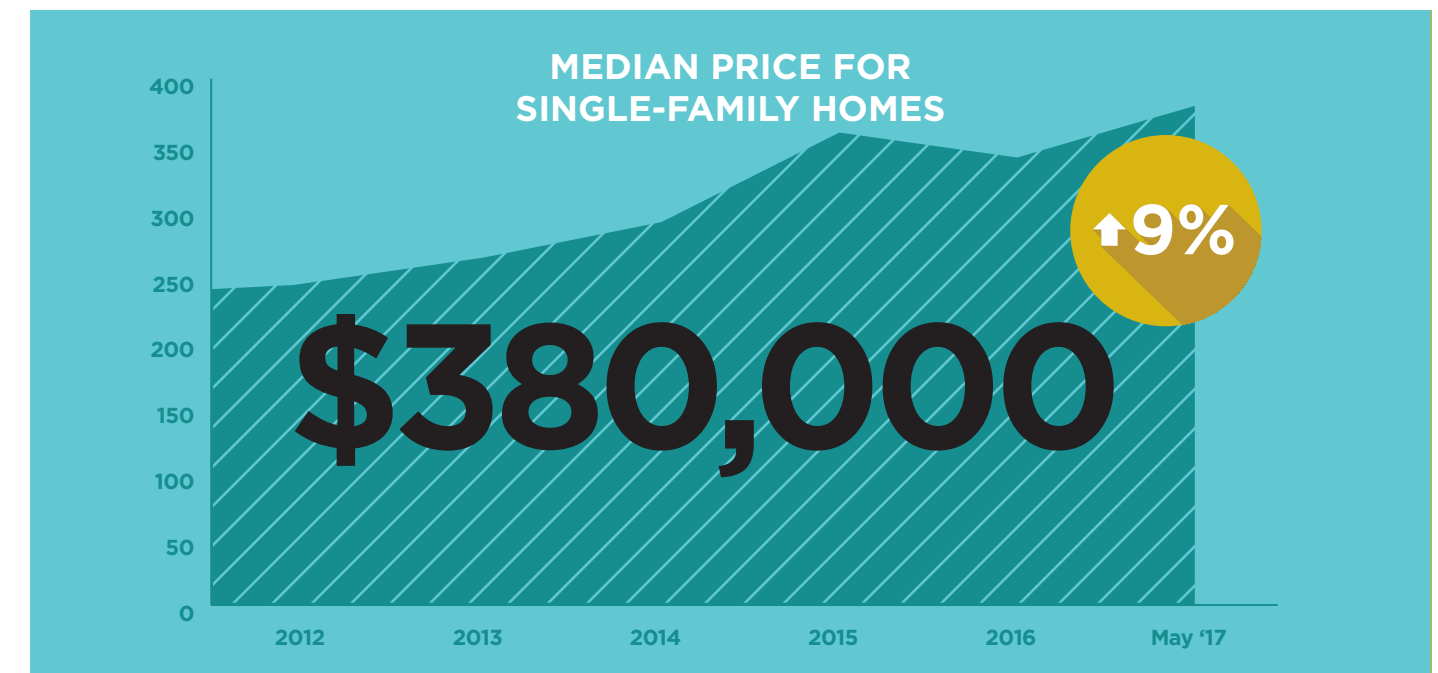
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Single-family home sales volume increased within the city of Austin in May 2017. Of single-family homes sold, 14.5 percent were sold for less than \$250,000, 55.3 percent were sold between \$250,000-\$500,000 and 30.2 percent were sold for \$500,000 or higher.



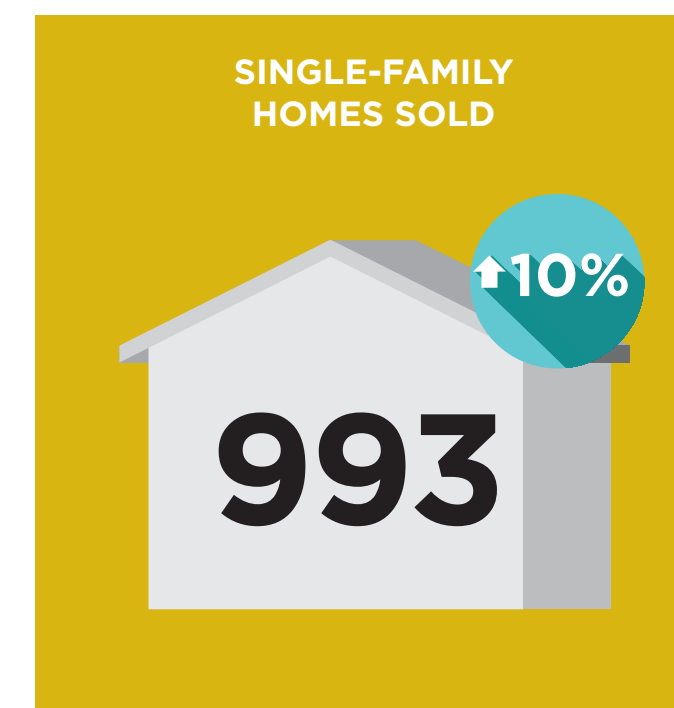
Single-Family Home Sales

Single-family home sales volume in the city of Austin increased 9.7 percent year-over-year to 993 home sales in May 2017. Despite this growth, sales volume of single-family homes priced under \$300,000 continues to decline by double digits year-over-year, signifying worsening housing affordability as Austin's price range for single-family homes shifts upward.



Median Home Price

In May 2017, the median price for single-family homes in the city of Austin rose 8.6 percent to \$380,000. The sales dollar volume of single-family homes sold in Austin city limits in May 2017 was \$470,706,284, an increase of 22.4 percent from May 2016.



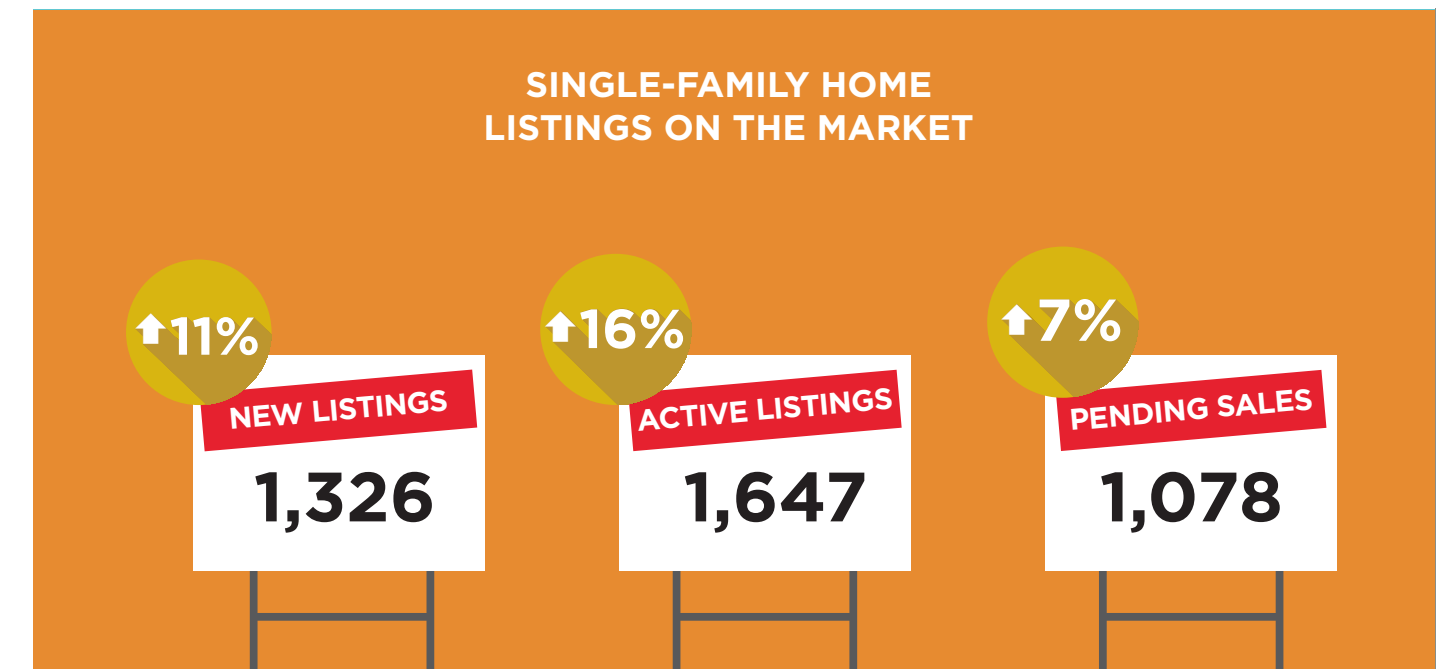
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Housing inventory levels throughout the city of Austin remained critically low in most price classes. While more homes are entering the market, the housing inventory for single-family homes priced under \$250,000 remains virtually nonexistent.



Monthly Housing Inventory

Housing inventory in the city of Austin grew 0.2 months from May 2016 to 2.1 months of inventory, well below the Real Estate Center at Texas A&M University's estimation of a balanced housing market. Single-family homes priced between \$100,000-\$250,000 had less than one month of inventory.



Listing Activity

In May 2017, single-family homes in the city of Austin spent an average of 34 days on the market, four days less than in May 2016. During the same time frame, active listings increased 16.3 percent to 1,647 listings, new listings rose 11.1 percent to 1,326 listings, and pending sales increased 6.8 percent to 1,078 pending sales.



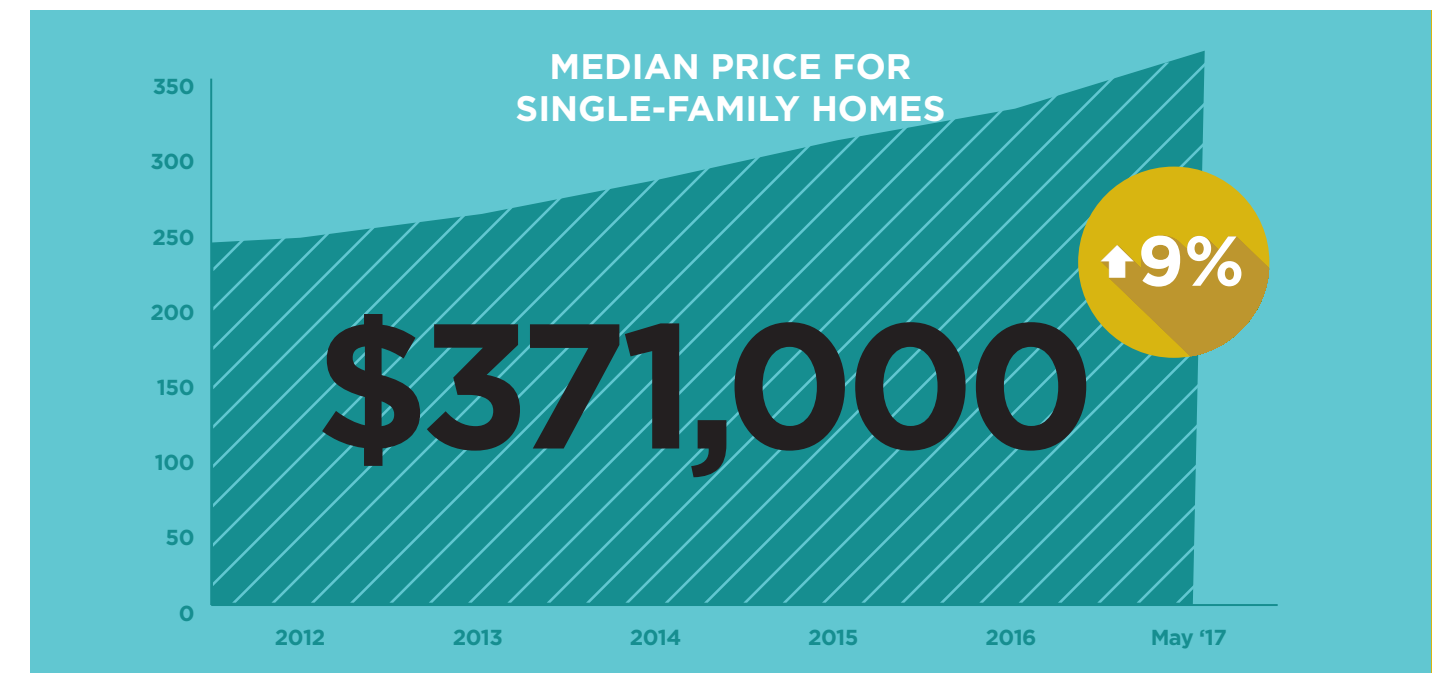
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Single-family home sales volume increased in Travis County in May 2017. Of single-family homes sold, 18.6 percent were sold for less than \$250,000, 52.7 percent were sold between \$250,000-\$500,000 and 28.5 percent were sold for \$500,000 or higher.



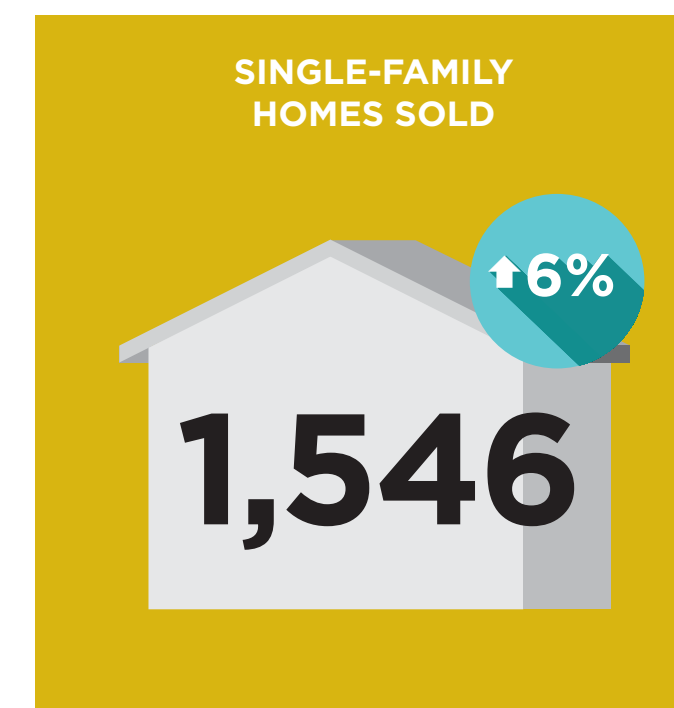
Single-Family Home Sales

In May 2017, single-family home sales in Travis County increased 6.3 percent year-over-year to 1,546 home sales. Single-family home sales increased 7.7 percent in Lago Vista to 28 home sales and rose 9.5 percent to 46 home sales in Lakeway. Conversely, single-family home sales decreased 5.7 percent year-over-year to 100 home sales in Pflugerville.



Median Home Price

The median price for single-family homes in Travis County grew 8.5 percent year-over-year to \$371,000 in May 2017. Outside of the city of Austin, median price rose 5.3 percent to \$253,069 in Pflugerville and jumped 8.3 percent to \$203,500 in Manor. Median price decreased 19.3 percent to \$450,000 in Lakeway and dipped 2.9 percent to \$278,675 in Lago Vista.



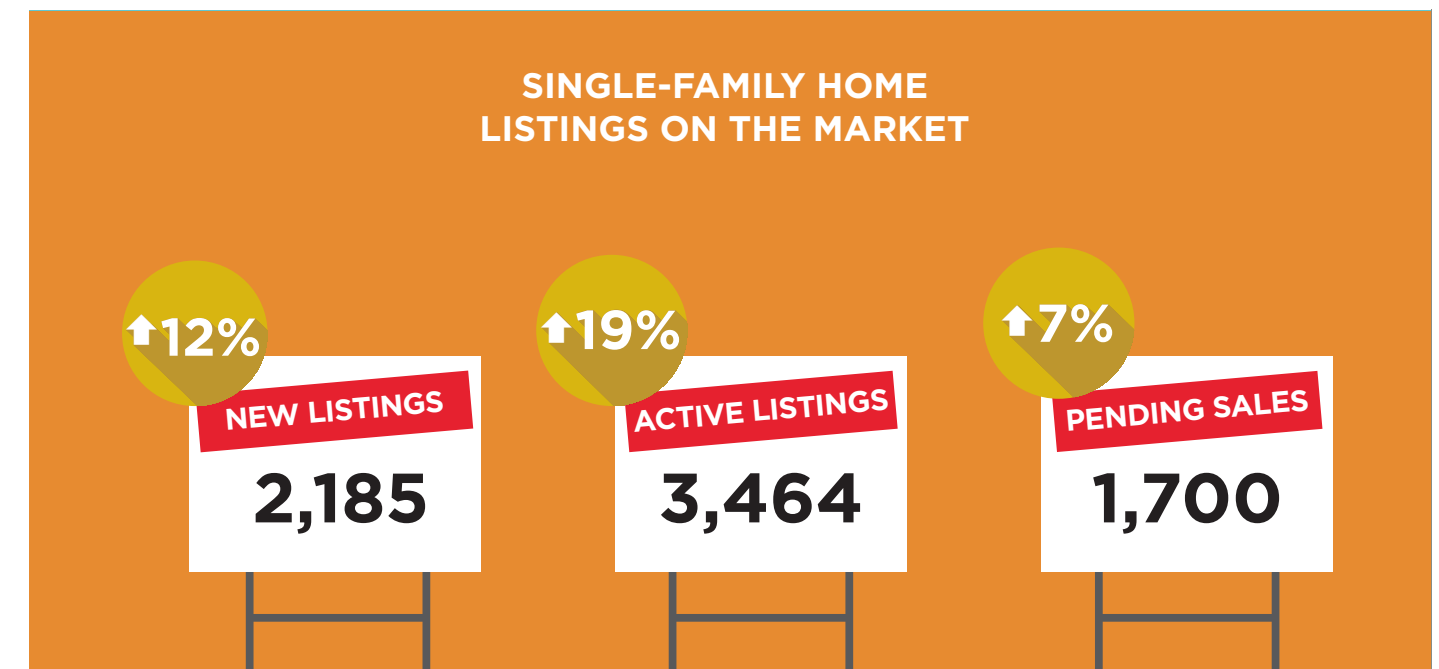
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Steady gains in new and active listings as well as declines in the average amount of time single-family homes spend on the market indicate rising housing demand throughout Travis County. At the same time, housing inventory levels continued to rise in May 2017.



Monthly Housing Inventory

Housing inventory in Travis County grew 0.4 months from May 2016 to 2.8 months of inventory. Housing inventory continued to grow in surrounding markets as well. In May 2017, housing inventory levels were 2.0 months in Pflugerville, 3.0 months in Manor, 5.0 months in Lakeway and 4.1 months in Lago Vista.



Listing Activity

In May 2017, single-family homes in Travis County spent an average of 43 days on the market, two days less than May 2016. During the same time frame, active listings jumped 19 percent to 3,464 listings, new listings increased 11.9 percent to 2,185 listings, and pending sales increased 6.7 percent to 1,700 pending sales in Travis County.

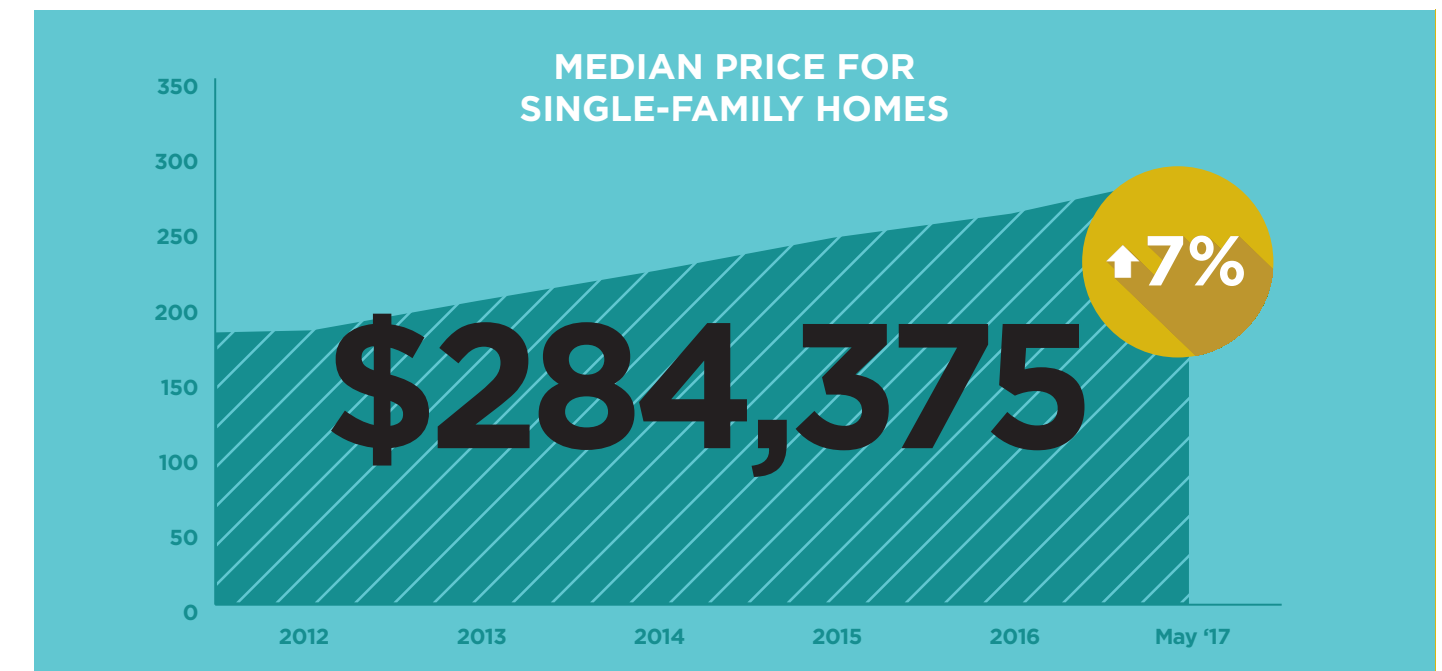


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Single-family home sales volume experienced steady growth in Williamson County in May 2017. Of single-family homes sold, 35.8 percent were sold for less than \$250,000, 58.3 percent were sold between \$250,000-\$500,000 and 5.7 percent were sold for \$500,000 or higher.

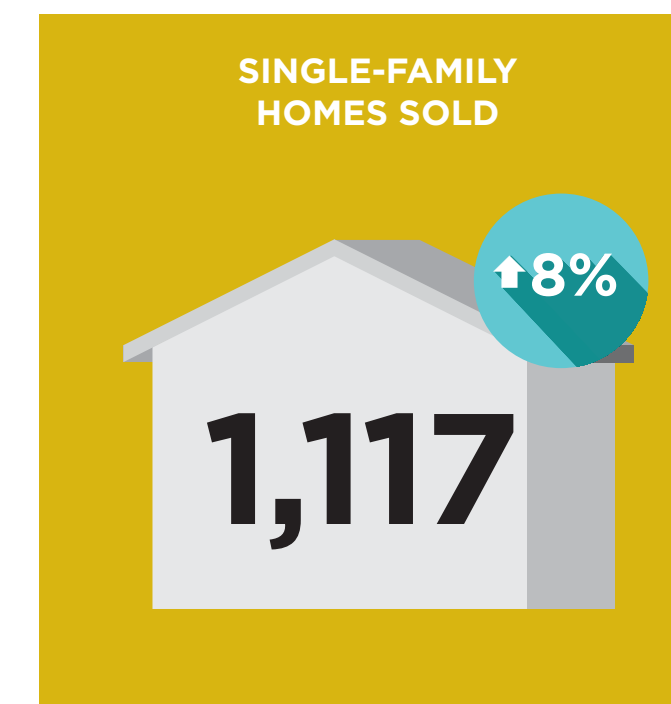
Single-Family Home Sales

Single-family home sales in Williamson County grew 8.3 percent in May 2017 to 1,117 home sales. Compared to May 2016, single-family home sales rose 10.4 percent in Round Rock, rose 4.1 percent in Georgetown and jumped 14.5 percent in Cedar Park. Conversely, single-family home sales declined 13.8 percent in Leander during the same time frame.



Median Home Price

The median price for single-family homes in Williamson County rose 6.5 percent year-over-year to \$284,375 in May 2017. During the same time frame, median home prices increased 3.8 percent to \$259,450 in Georgetown, rose 4.6 percent to \$267,310 in Leander, rose 6.8 percent to \$338,000 in Cedar Park and rose 7.3 percent to \$271,450 in Round Rock.

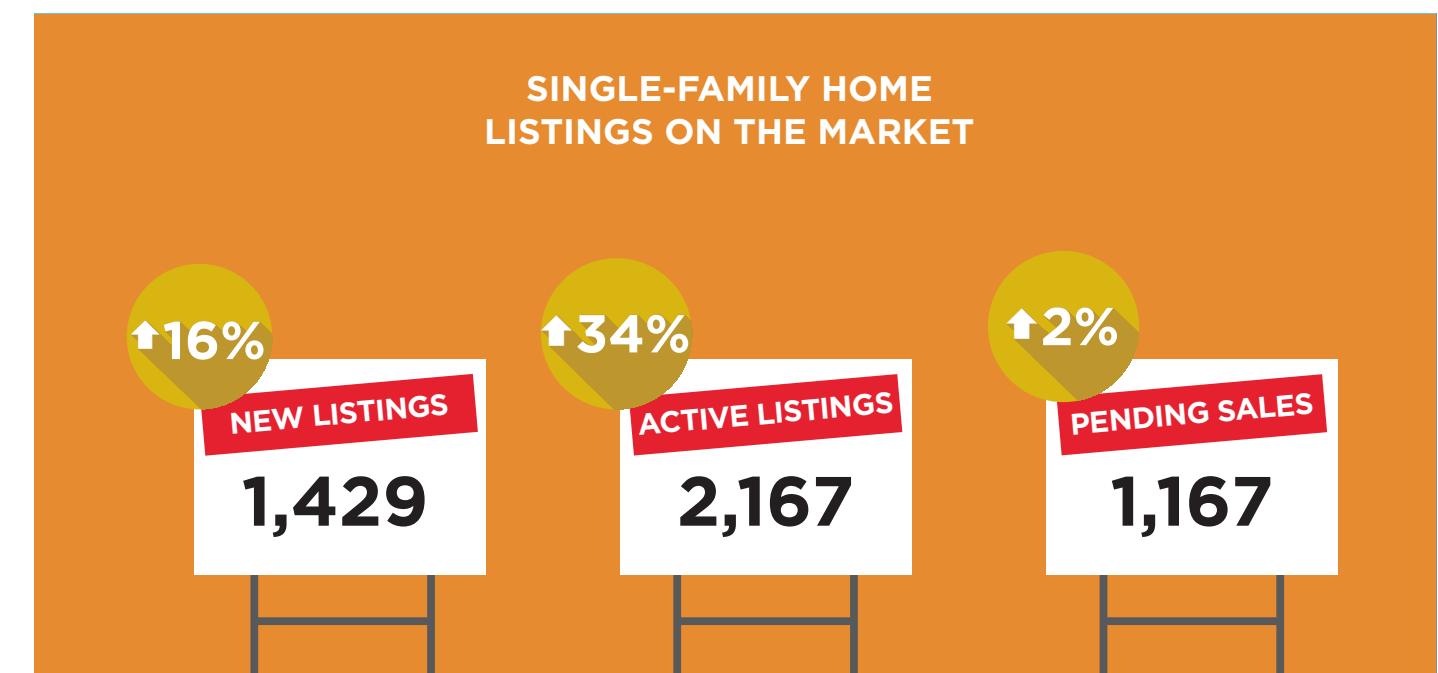


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Strong housing development and listings activity in Williamson County over the last several months is slowly lifting housing inventory levels across the county. However, inventory levels still remain critically low in several local market areas, such as Round Rock and Hutto.

Monthly Housing Inventory

Housing inventory in Williamson County increased 0.6 months from May 2016 to 2.5 months of inventory. Locally, housing inventory levels in May 2017 were 1.6 months in Round Rock, 1.1 months in Hutto, 2.5 months in Georgetown, 2.0 months in Cedar Park and 3.3 months in Leander.



Listing Activity

Single-family homes in Williamson County spent the same amount of time on the market as in May 2016, or an average of 41 days. During the same time frame, active listings jumped 33.8 percent to 2,167 listings, new listings increased 16.3 percent to 1,429 listings and pending sales increased 2 percent to 1,167 pending sales.

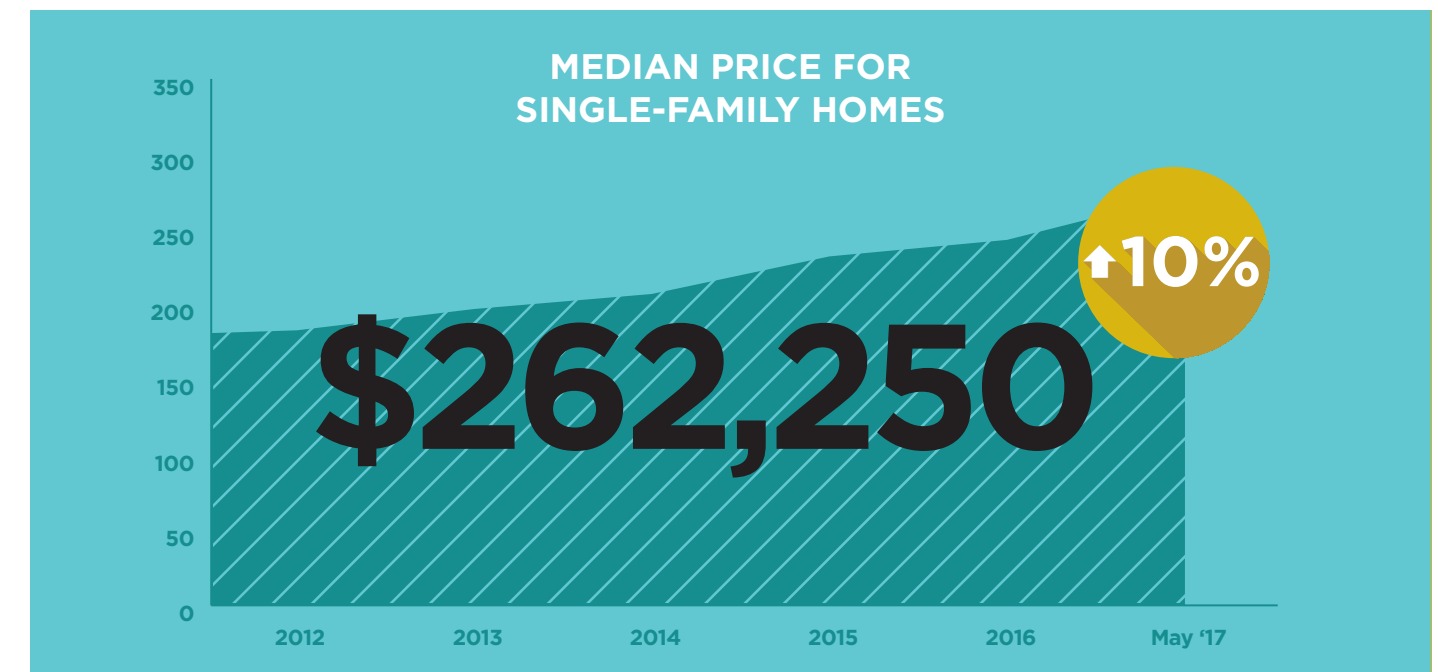


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Single-family home sales volume experienced considerable gains throughout Hays County in May 2017. Of single-family homes sold, 46.9 percent sold for less than \$250,000, 40.1 percent were sold between \$250,000-\$500,000 and 13.1 percent were sold for \$500,000 or higher.

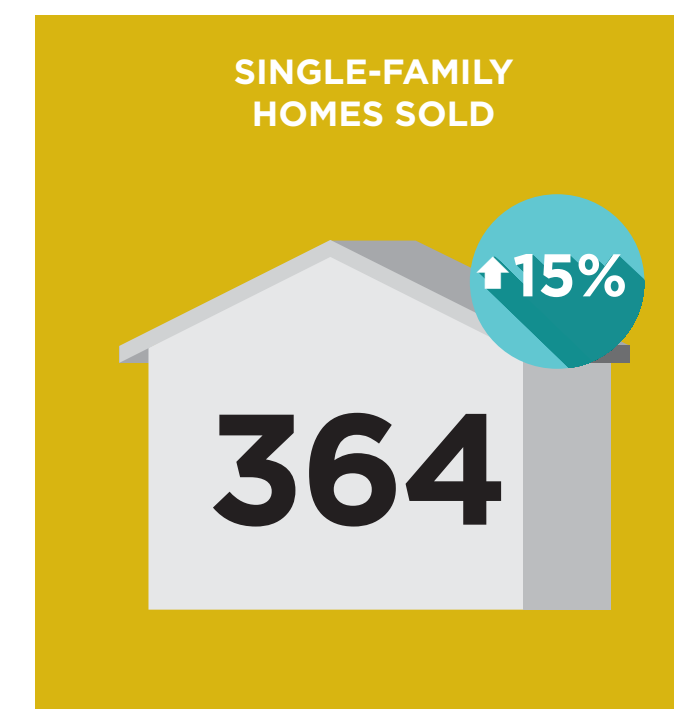
Single-Family Home Sales

Hays County single-family home sales increased 14.8 percent year-over-year to 364 home sales in May 2017. Locally, single-family home sales jumped 64.9 percent in San Marcos and increased 15.8 percent in Buda from May 2016, while single-family homes declined 10.8 percent in Kyle during the same time frame.



Median Home Price

The median price for single-family homes in Hays County grew 10.4 percent annually to \$262,250 in May 2017. Locally, median home prices were \$219,900 in San Marcos, \$205,100 in Kyle and \$260,000 in Buda. The sales dollar volume of single-family homes sold in Hays County was \$120,702,377.

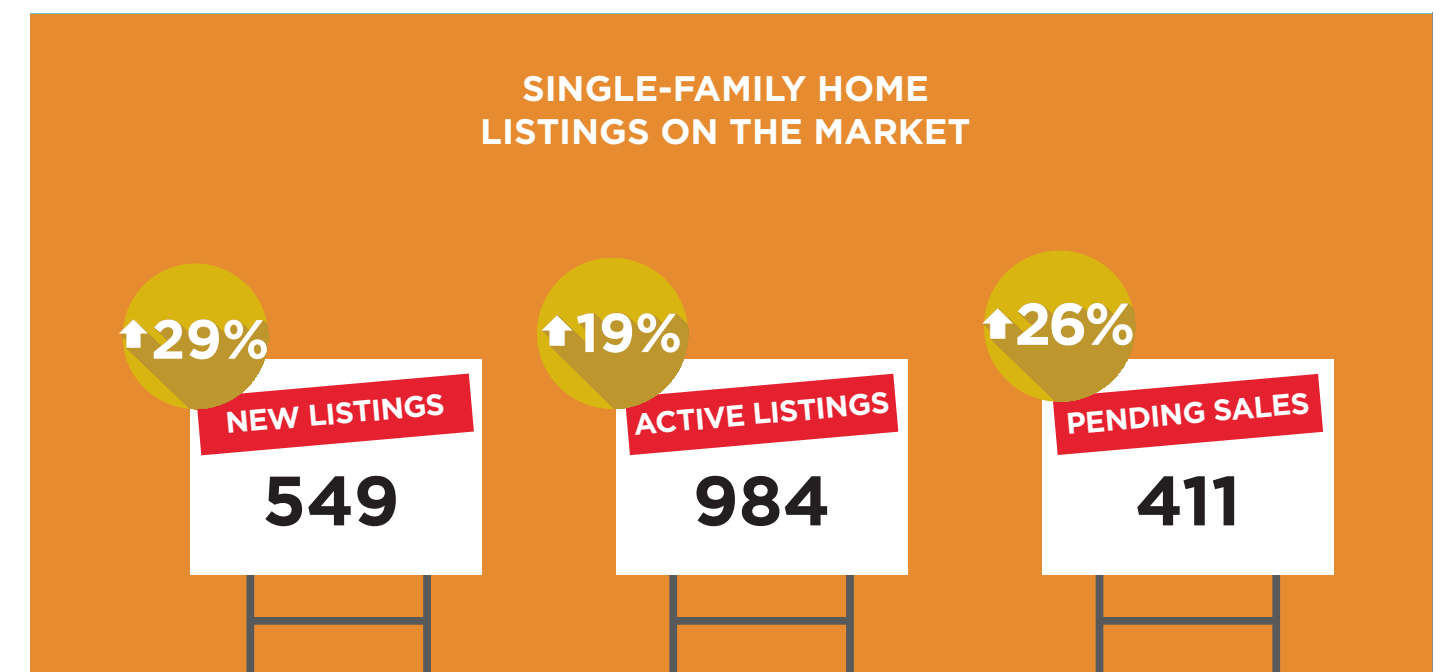


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Extremely strong pending sales and listings activity in Hays County in May 2017 indicates that home sales figures are likely to remain strong in coming months. At the same time, single-family homes are taking longer to sell - approximately one week longer than May 2016.

Monthly Housing Inventory

Housing inventory in Hays County increased 0.3 months from May 2016 to 3.3 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 May 2017 were 1.9 months in Kyle, 2.6 months in Buda, and 4.1 months in San Marcos.



Listing Activity

In May 2017, single-family homes in Hays County spent an average of 51 days on the market, or seven days more than May 2016. During the same time frame, active listings jumped 18.7 percent to 984 listings, new listings increased 28.6 percent to 549 listings and pending sales increased 26.1 percent to 411 pending sales.

