



Existing home sales lag, but some statistics point to upturn in Central Texas

AMERICAN-STATESMAN STAFF

Monday, June 20, 2011

Existing home sales in Central Texas were down 8 percent in May from a year earlier, the Austin Board of Realtors reported Monday.

A total of 1,891 homes sold last month, with a median price of \$198,100, which was up 4 percent from the previous month.

Board Chairman Judith Bundschuh said the drop was not a surprise; last May was the peak month for sales tied to the federal buyer tax credit, which was worth up to \$8,000.

That month, a total of 2,059 homes were sold — the highest number for the entire year — as buyers rushed to conclude deals before the tax credit deadline.

But the market may be turning: the 2,156 sales in the pipeline last month to close were up 53 percent from a year earlier, and the highest number since 2,813 pending sales in April 2010.

Last month's pending sales gain was the first year-over-year increase so far this year.

The tax credit distorted the typical seasonal pattern, with home sales strongest in the summer months. Bundschuh said the market may now be returning to its normal pattern.

For the first five months of the year, the 7,182 sales were down 8 percent compared with the same period of 2010.

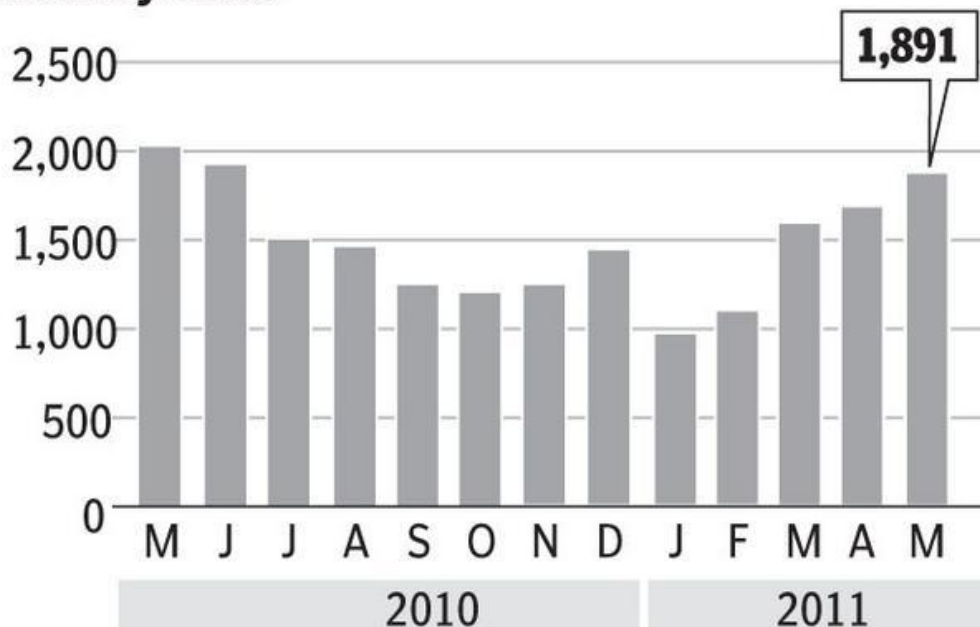
However, the median price was down only 2 percent, to \$192,000, reflecting a higher concentration of sales at higher price ranges.

Courtesy of JB Goodwin

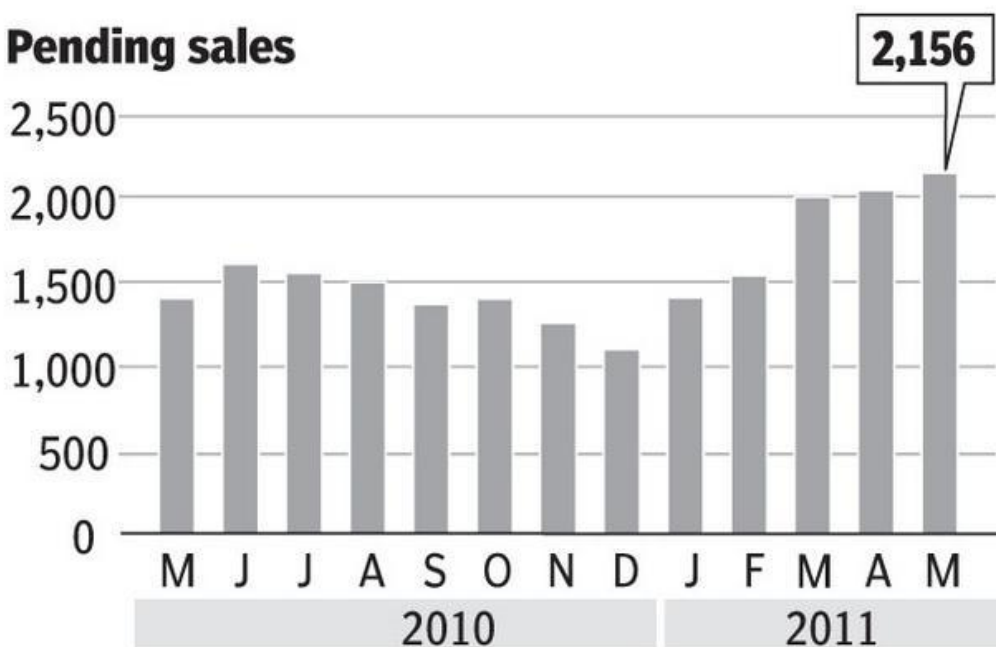
Austin-area existing home sales

Area home sales remain below 2010 levels, but a jump in pending sales could signal a rebound.

Monthly sales



Pending sales



Source: Austin Board of Realtors

AMERICAN-STATESMAN