

Ask an agent: What will 2012 bring to the real estate market

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<http://www.statesman.com/business/ask-an-agent-what-will-2012-bring-to-2053402.html>

Every year is slightly different in the real estate market. Wondering if 2012 is the year to put your home on the market or to buy a new home? We asked four local real estate agents how they see the market in the coming year.

Here's what they shared:

Allison Olson, Diane Dopson Properties:

Our Austin real estate market is looking healthy and stable for 2012, and it is an ideal time to sell as well as buy. Interest rates are still at historic lows, currently in the 4-percent range. It is looking as if this trend will continue for 2012, making it still appealing for first-time and seasoned homeowners to buy or refinance. Increased consumer spending during the 2011 holiday season is encouraging, showing that consumer confidence is starting to rebound.

We typically do not see major fluctuations in pricing or in the number of sales in an election year. However, I think we might buck this trend for 2012, as our pending and sold numbers have increased in the second half of 2011, compared with the same time in 2010.

Our current listing inventory is about 15 percent-20 percent lower than the same time last year. This means there are fewer options for buyers. The homes that are selling are realistically priced for the home's condition and location. I expect to see a decent increase in listings this spring; homeowners who have been sitting on the sidelines are now looking to finally make their desired move.

Remember our hot rental market last summer? We had an influx of educated professionals who were relocated to the Austin area, and many rented here while waiting for their own homes to sell in other cities. I have a feeling that these new residents will now be buying in 2012. I also am seeing more investors who are choosing to invest in Austin real estate rather than the less-predictable and often volatile stock market. The Austin sold numbers for most neighborhoods have settled to a more sensible range when compared with our stronger 2006-2007 market, and I agree with leading Texas real estate economists who stated in mid-2011 that we have indeed seen "the bottom." All of these factors are influential in promoting a healthy market for Austin for 2012.

Byron "Buddy" Schilling, president J.B. Goodwin Realtors:

The good news is we are in Austin, Texas. And the good news for 2012 is we will still be in Austin, Texas. That really says it all. And I think it says all we need to know for not just 2012, but for the next decade.

Forbes picked Austin the No. 1 city for the next decade. I could not agree more. People are moving to Austin for jobs and quality of life. I do not see that slowing down anytime in the foreseeable future. We escaped the tremendous burst of the real estate bubble by not having wildly exaggerated appreciation like some markets.

Austin has been a steady and safe real estate market. Supply is down 19 percent comparing current inventory with last year. The last time months of inventory was this low was January 2008. Demand is up 6 percent year to date over 2010. Our price is up 1 percent. What you see is basically what you will see again in 2012. And that is good.

Kathleen Bucher, Keller Williams Realty:

The market year to date from 2010 to 2011 in Austin is stronger. Closed home sales are up 5.2 percent, Pending sales are up 8.6 percent, and inventory of homes available is down 12.6 percent, which means fewer homes and more buyers. My closed sales transactions are up 50 percent from last year.

All of these numbers are indicators that the real estate market here in Austin has been improving. If you look at these numbers for the past year along with the low inventory of homes currently on the market and compare it to the number of new jobs being created and anticipated in Austin along with the projected number of people moving to Austin, then the market should continue to see improvements for next year.

These numbers do not mean that it isn't still a challenging market. There are still struggles regarding financing for buyers, and the overall national and international financial markets still are very volatile. All of this does affect our local Austin market.

The good news is that Austin really didn't see the major downturn as many other cities did and it is still one of the best real estate markets in the country and I see that trend continuing next year and for years to come.

I am very optimistic for 2012 and see the market as a stable one with increased sales and more buyers entering the market place.

Brian Talley, Regent Property Group:

The year-to-date Austin housing market has shown improvement over 2010 with a 7.5 percent increase in the number of homes sold and a 1.2 percent increase in sales price.

The first half of 2011 was worse than 2010 but the second half of 2011 made up for the comparable losses brought on by the tax credit boost to the housing market from the spring of 2010. During 2011, we have seen inventory plummet with 25 percent fewer homes for sale in the city limits of Austin as of Dec. 2, 2011, compared with Dec. 7, 2010.

With fewer options to choose from for home buyers, the more desirable homes are getting purchased quickly while the less desirable homes are sitting on the market for extended periods of time.

With the continuation of extremely low interest rates averaging 4 percent nationally, according to www.freddiemac.com, and with continued low inventory for homes for sale and lease, the housing market should continue on a slow but steady trend of improvement during 2012.

Courtesy of JB Goodwin