

# Existing homes sales continue to fall

**June marks 12th consecutive month of slower Central Texas sales.**

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Although home sales typically reach their peak in the summer, buyers were hard to find in Central Texas during June.

**Sales of existing single-family homes fell 20 percent from a year earlier to 2,211. It was the 12th consecutive month that home sales dropped.**

Pending sales — those expected to close in July and August — dropped 53 percent to 1,304.

**Homes also continued to take longer to sell, with an average of 65 days on the market, up 23 percent from the same time last year. There were 10,866 active listings in Central Texas, up 19 percent from a year earlier, according to the latest report by the Austin Board of Realtors.**

**"There's 30 percent more inventory than last year (but) we're in the top three real estate markets in the country," said Robin Curle, an agent with JB Goodwin Realtors. "We're still faring well as a real estate market, and I'm working as hard as I ever have."**

Despite the falling sales numbers, prices continued to hold up. Sellers got an average of 96.4 percent of their asking prices last month, according to the report.

**The median price in June increased 4 percent from the same time last year to \$200,000. The rise in the median price is contrary to national trends. U.S. housing prices have been on the decline for more than a year.**

Homes priced from \$200,000 to \$400,000 had the greatest percentage of sales in June, with Pflugerville, Cedar Park, Leander and Round Rock having the greatest volume of sales.

The slowdown is partly related to tightening lending standards but also follows record years in Central Texas sales of existing homes.

Metrostudy, which tracks the Austin-area housing market, said that weaker job growth and a growing number of foreclosures also were factors.

Last month, the Austin area added jobs at a 1.8 percent rate, down from the 5.3 percent growth rate in the same month last year, according to the Texas Workforce Commission. The unemployment rate in June was 4.2 percent, up from 3.7 percent a year earlier. Foreclosure postings in the four-county Austin metro area were also up 42 percent from a year ago for the July auction, according to the Foreclosure Listing Service.

Slower job creation translates into fewer relocations to the region, which is one of the primary components to the housing demand, said Eldon Rude, the Austin director of Metrostudy.

"All the indicators point to a market that is slowing," Rude said.

Real estate experts forecast that 2008 would be similar to home sales in 2005. However, the last six months of home sales this year may not catch up to 2005 sales of 24,544. For the first six months of the year, sales in Central Texas have dropped 18 percent. Pending sales for the year so far are lagging 51 percent.

**Courtesy of JB Goodwin**