



AUSTIN REAL ESTATE MARKET UPDATE

AUSTIN AREA HOUSING MARKET CONTINUED TO SET NEW RECORDS IN '2019

The Austin - Round Rock Housing Market:

1. 2019 marked the ninth year in a row in which sales volume and the median price topped prior years totals.
2. Sales volume for single-family housing experienced record-breaking totals with a **7.2%** increase over 2018 and over 33,084 homes sold and **\$13 Billion** in sales volume. In December alone, sales increased by 9.2% to 2,608 sales.
3. The median price of single-family homes also rose to new heights to \$318,000, a **2.6%** year-over-year increase. "Austin's unprecedented population growth during the past decade has heavily impacted the real estate market," Romeo Manzanilla, the board's president, said in a written statement. "Compared to 2010, home sales in 2019 increased by **84%**. That type of exponential growth has put enormous pressure on the market, raising the median home price from \$193,520 in 2010 to \$318,000 in 2019. As we look forward to this year, the market is not showing signs of slowing down anytime soon."
4. Eldon Rude, principal of 360° Real Estate Analytics, an Austin-based consulting firm, forecasts that the region will continue to see strong housing demand due to robust job growth. Rude's forecast comes as Metrostudy released its

latest report for new home starts. Metrostudy said home starts in the Central Texas region rose to their second-highest level on record in 2018, with builders having started construction on 16,385 houses, a 1.5% increase over calendar year 2017.

5. Monthly housing inventory for single-family homes within the Austin-Round Rock MSA **declined** 0.5 months year-over-year to 1.7 months' supply in December. The inventory within the City of Austin decreased 0.5 months year over year to only **0.9 months' supply** in December.

The Austin Economy:

1. The unemployment rate in the Austin-Round Rock MSA declined to **2.4%** in December 2019 from **2.7%** in December 2018.
2. According to the latest figures Published by the Texas Workforce Commission, the Austin-Round Rock MSA saw jobs increase from 1,090,300 to 1,119,800. This marks a **2.71%** year-over-year increase compared with December 2018 and a net increase of 29,500 new jobs.
3. Over the past five years, the job growth rate has increased at an average annual rate of **3.25%**.



SAN ANTONIO REAL ESTATE MARKET UPDATE

SAN ANTONIO GROWTH NOT EXPECTED TO SLOW DOWN ANYTIME SOON

The San Antonio Housing Market:

1. Total homes sold reached 34,430 closed listings in 2019 and dollar volume rose from \$610 million to **\$761 million**.
2. The average sales price for single-family homes in 2019 rose **4%** year-over-year from \$259,449 to \$270,275 while the median price also rose **4%** year-over-year to \$233,800.
3. "Our numbers have continually maintained a steady rise throughout 2019 so seeing another record-breaking year of sales for our city is no surprise," said Kim Bragman, SABOR's 2020 Chairman. "San Antonio continues to be a top destination for both buyers and sellers, and it's exciting to see such tremendous growth in people achieving their dreams of homeownership." "We hope that the trend will continue. Given there are so many businesses moving into town and so many people moving into town, we don't see that stopping."
4. Monthly inventory for single-family homes fell to its **lowest** all year to 3.3 months in December 2019. Months of Inventory remained **below four months all year**.
5. Homes priced between \$200,000 and \$500,000 made up 59.5% of the sales in 2019, a 7% increase from last year. Meanwhile homes priced under \$200,000 accounted for 34.2% of the year's market and homes priced over \$500,000 accounted for 6.3% of the year's sales.
6. Texas and San Antonio are adding jobs and residents, Jim Gaines, chief economist at the Texas A&M Real Estate Center, said at SABOR's

housing forecast event. He expects local home sales to increase about **6.6%** in 2020, while Jack Inselmann, regional director at Metrostudy expects that builders could start work on more than 15,000 single-family homes this year, up from 13,740 in 2019 and 11,680 in 2018.

The San Antonio Economy:

1. According to the latest figures Published by the Texas Workforce Commission, the San Antonio-New Braunfels MSA saw jobs increase from 1,065,000 to 1,104,600. This marks a **3.72%** year-over-year increase compared with December 2018 and a net increase of 39,600 new jobs. Over the past five years, the job growth rate has increased at an average annual rate of **2.80%**. The unemployment rate in the San Antonio-New Braunfels MSA decreased to **2.8%** in December 2019, down from 3.20% a year prior.
2. "From an economic standpoint, we're looking for good, solid job growth. We're looking for income growth, too," said Dr. Jim Gaines, chief economist with the Texas A&M Real Estate Center. Gaines said economists project 2.5% job growth for San Antonio, a continuation from last year. "The last several years have been exceptionally good, and right now, we're not seeing any reason to suspect differently," he said.
3. Bexar County's population, now nearly 2 million, is expected to hit 3.4 million by **2050**, growing **96%** in the 40-year run-up, as highlighted at the **San Antonio** Board of Realtors housing summit last week.



DALLAS-FORT WORTH REAL ESTATE MARKET UPDATE

DALLAS-FORT WORTH CLOSES THE YEAR WITH INCREASED SALES AND HOME STARTS

The DFW-Arlington Housing Market:

1. Sales volume for single-family homes increased by **12.66%** year-over-year from 7,088 to 7,985 transactions. Year-to-date single family home sales reached a total of 97,024 closed listings. Sales dollar volume rose from \$2.29 billion to \$2.74 billion in December.
2. The average sales price for single-family homes rose **6.42%** year-over-year from \$322,607 to \$343,329 while the average price per square foot also increased from \$133.37 to \$139.84.
3. The median price rose **4.67%** year-over-year for single family homes from \$267,500 to \$280,000 in December. The median price per square foot subsequently rose from \$126.56 to \$131.98.
4. Monthly supply of inventory for single-family homes declined from 2.4 to 2.2 months in December 2019. Days to sell rose from 88 to 91.
5. Dallas-Fort Worth homebuilders escalated the number of starts in late 2019 with much of the activity at the more affordable end of the price spectrum, according to a new report. Builders started construction on 8,888 new homes in the fourth quarter of 2019, a **20.7%** increase over the 7,365 starts the year prior,

according to Dallas-based housing analyst Residential Strategies Inc. The ramped-up activity pushed the annual start rate to 35,884 units for 2019, representing a 1.8% increase over the 35,235 starts in 2018.

The DFW-Arlington Economy:

1. The unemployment rate in the DFW-Arlington MSA decreased to **2.9%** in December 2019, down from 3.30% a year prior.
2. Job growth in DFW continues at an unprecedented pace. After the economic downturn from 2008-2010, job growth resumed in January 2010. At that time, total employment in DFW was 2,867,300 workers. According to the latest figures Published by the Texas Workforce Commission, the DFW-Arlington MSA has created more than 1 million net new jobs in just under a 10-year span with December employment totaling 3,886,800 workers. This marks a **2.74%** year-over-year increase compared with December 2018 and a net increase of 103,600 new jobs.
3. Over the past five years, the job growth rate has increased at an average annual rate of **3.00%**.

DECEMBER 2019	AUSTIN	SAN ANTONIO	DFW
TOTAL HOME SALES	2,608 (9.21% > 2018)	2,732 (16.70% > 2018)	7,985 (12.66% > 2018)
SINGLE-FAMILY MEDIAN SALES PRICE	\$323,000 (7.14% > 2018)	\$237,499 (4.63% > 2018)	\$280,000 (4.67% > 2018)
SINGLE-FAMILY MONTHS INVENTORY	1.7 MONTHS	3.2 MONTHS	2.3 MONTHS
UNEMPLOYMENT RATE	2.4% (0.3 < 2018)	2.8% (0.4 < 2018)	2.9% (0.4 < 2018)

Source: Real Estate Center Texas A&M University <https://www.recenter.tamu.edu>