

AUGUST 2023

AUSTIN REAL ESTATE MARKET UPDATE

THE AUSTIN-ROUND ROCK HOUSING MARKET SHOWS RESILIENCE IN THE FACE OF HIGH INTEREST RATES.

The Austin - Round Rock Housing Market:

New Home Sales - John Burns Real Estate Consulting Group reported that sales of new single-family housing increased 2.0% year-over-year to 20,206 closings in June 2023 as new home market sales continue to grow in the Austin MSA.

New Home Sales Price - The median sales price of new houses sold in June 2023 was \$439,500, showing an increase of 1.1% year-over-year.

Existing Single-Family Home Sales - The Austin Board of Realtors (ABOR) reports that existing single-family home sales volume increased 0.6% year-over-year to 2,815 home sales across the Austin MSA in July 2023.

Existing Single-Family Home Price - In July 2023, the median sales price for existing single family homes declined 10.3% to \$462,000. On average, existing single-family homes spent 59 days on the market in July 2023, 37 more days when compared to July 2022.

The Austin MSA ended July 2023 with 3.7 months of housing inventory, up by 1.0 months year-over-year.

In the ABoR July 2023 update, ABoR Housing Economist Dr. Clare Losey stated: "With a rise in pending sales and closed sales remaining consistent, this further indicates that buyers are becoming more accustomed to the higher interest rate environment and understand that elevated mortgage rates may continue. We are seeing a year-over-year decline in median sales prices, as buyers cannot afford the same price points with these higher rates. Looking ahead, the odds of Central Texas experiencing a recession continue to decline with each passing month. **Despite mortgage rates rising, Austin's economy which is fueled by a strong labor market-continues to outperform national expectations.**"

The Texas Economy:

In July 2023 the unemployment rate in the Austin-Round Rock MSA was 3.8%, an increase year-over-year by 0.8%.

According to the Texas Workforce Commission, Austin's non-farm payroll job total as of July 2023 was 1,321,500, a 3.1% increase from July 2022. In July 2023, the Leisure and Hospitality sector led the way with a 7.0% increase year-over-year, followed by Mining, Logging, and Construction with a 4.8% increase.

SAN ANTONIO REAL ESTATE MARKET UPDATE

THE SAN ANTONIO MSA NEW HOME MARKETPLACE SEES INVENTORY AND SALES INCREASES HEADING INTO THE FALL.

The San Antonio Housing Market:

New Home Sales - John Burns Real Estate Consulting Group (JBREC) reported that sales of new single-family housing increased 5.0% year-over-year to 17,659 sales in June 2023.

New Home Sales Price - The median sales price of new houses sold in June 2023 was \$337,200, a decrease of 0.1% year-over-year.

Existing Single-Family Home Sales - The San Antonio Board of Realtors (SABoR) reports that existing single-family home sales in the San Antonio MSA totaled 3,105 homes in July 2023, a decrease of 6.0% year-over-year.

Existing Single-Family Home Price - The average price for existing single-family homes in the San Antonio MSA saw no change year-over-year at \$387,501, while the median price declined 2.0% to \$323,000 in July 2023. July inventory came in at 3.8 months.

Sara Briseño Gerrish, SABOR's 2023 Chair of the Board, states "The steadfast commitment of both buyers and sellers to real estate value is highlighted by the fact that properties sold for an average of 95.3% of their original listing price. New listings entering the market totaled 4,258, reflecting a prudent 17% year-over-year decrease, while active listings surged by 25% to reach 10,964, indicating a robust supply of housing options."

The Texas Economy:

The unemployment rate in the San Antonio MSA increased 0.4% year-over-year to 4.2% in July 2023. According to the Texas Workforce Commission (TWC), San Antonio's non-farm payroll jobs totaled 1,157,300 in July 2023.

The Texas Workforce Commission reported that sectors posting the highest year-over-year gains in July 2023 were Financial Services with a 4.4% increase, followed by Government with a 4.3% increase.

DALLAS - FORT WORTH REAL ESTATE MARKET UPDATE

THE SECOND HALF OF 2023 SHOWS PROMISE FOR THE DFW MSA NEW HOME MARKET, AS INVENTORY INCREASES AND PRICING LEVELS.

The DFW-Arlington Housing Market:

New Home Sales - John Burns Real Estate Consulting Group (JBREC) reported that sales of new single-family housing decreased 2.0% year-over-year to be 33,136 in June 2023.

New Home Sales Price - The median sales price of new houses sold in June 2023 was \$445,300, an increase of 6.2% year-over-year. The Texas A&M Texas Real Estate Research Center reported that Dallas and Houston continue to account for more than half of the state's construction activity in single family starts. Dallas' share of the Texas market rose to 27.5 percent, coming close to Houston's share of 28 percent.

Existing Single-Family Home Sales - The Texas A&M Texas Real Estate Research Center reports that existing single-family home sales volume decreased 6.3% year-over-year from 8,194 to 7,677 transactions in July 2023. Dollar volume decreased from \$4.18 billion to \$3.96 billion.

Existing Single-Family Home Price - The average price of an existing single-family home in the DFW MSA increased 1.1% year-over-year from \$510,525 to \$516,096 in July 2023. The average price per square foot instead declined from \$214.12 to \$211.56.

The median price for existing single-family homes decreased 1.2% year-over-year from \$420,000 to \$415,000 in July 2023. The median price per square foot also decreased from \$204.13 to \$198.31. Inventory of single-family homes rose from 2.2 to 2.6 months supply, and days to sell rose from 53 to 73 in July 2023.

The DFW-Arlington Economy:

According to the latest figures published by the Texas Workforce Commission, the total number of non-farm jobs for the Dallas - Fort Worth - Arlington MSA was 4,276,600 in July 2023. This marks a 4.4% year-over-year increase compared to July 2022.

The unemployment rate in the DFW MSA increased 0.4% in July 2023 to be 4.1%.

The Other Services sector saw the largest year-over-year gain at 10.1%, and the Mining, Logging, and Construction sector came in second with a 9.5% increase.

	AUSTIN	SAN ANTONIO	DFW
NEW HOME TOTAL SALES (JUNE 2023)	20,206 (2.0% > 2022)	17,659 (5.0% > 2022)	33,136 (2.0% < 2022)
NEW HOME MEDIAN SALES PRICE (JUNE 2023)	\$439,500 (1.1% > 2022)	\$337,200 (0.1% < 2022)	\$445,300 (6.2% > 2022)
EXISTING HOME TOTAL SALES (JULY 2023)	2,815 (0.6% > 2022)	3,105 (6.0% < 2022)	7,677 (6.3% < 2022)
EXISTING HOME SINGLE-FAMILY MEDIAN SALES PRICE (JULY 2023)	\$462,000 (10.3% < 2022)	\$323,000 (2.0% < 2022)	\$415,000 (1.2% < 2022)
EXISTING HOME SINGLE-FAMILY MONTHS INVENTORY (JULY 2023)	3.7 MONTHS	3.8 MONTHS	2.6 MONTHS