



March home sales surge; prices remain stable

By [Shonda Novak](#) | Tuesday, April 20, 2010, 10:52 AM

Home sales in Central Texas surged 27 percent in March compared to the previous March, pumped up by buyers seeking to take advantage of a federal home-buyer tax credit that expires April 30, the Austin Board of Realtors reported today.

Real estate agents sold 1,784 homes in March compared with 1,404 a year ago. The median price remained stable, at \$180,000, the board said.

"Though we've seen increases in year-over-year sales volume consistently in recent months, it's likely this substantial increase in volume is related to the impending expiration of the homebuyer tax credits on April 30," said John Horton, chairman of the Austin Board of Realtors. "What's most encouraging, however, is that in the midst of this increase in sales volume, our real estate values have remained steady, which bodes well for the long-term value of real estate in Austin."

The tax credit — \$8,000 for first-time buyers and \$6,500 for repeat buyers — has been credited with spurring tens of thousands of sales across the country in recent months. Some housing experts have expressed concern that sales could slow when the credit ends.

From January through March, home sales in Central Texas were up 12 percent.

Sales of condos and townhouses were particularly strong in March 2010, with the 215 sales representing a 129 percent jump compared to March 2009. The surge follows sustained increases in demand for condos and townhomes since September 2009, and a year-to-date increase of 86 percent.

"A softer condo market at the beginning of 2010 provided a good opportunity for buyers, and we are now seeing the results with an increase in activity," Horton said. "Condos can be attractive properties for first-time home buyers, so it's possible this increased demand is also related to both the first-time homebuyer tax credit, as well as an increased supply of condos in Austin in recent years."

Horton said March 2010 also marked the second consecutive month of substantially decreased "days on market" — the average time homes remain active in the board's multiple listing service.

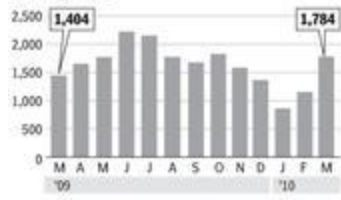
In March, homes were on the market an average of 73 days, 16 percent fewer days than in March 2009. During that same time, pending sales increased 31 percent to 2,421; new listings were up by 29 percent to 4,170; and active listings rose by six percent to 10,300.

"These statistics indicate that demand is continuing to outpace supply, which is encouraging," said Horton. "However, no one really knows the full impact of the homebuyer tax credits yet, so we'll look ahead to this summer to determine the sustainability of these conditions."

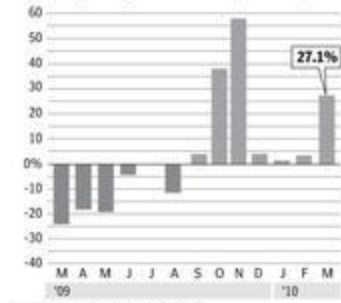
Courtesy of JB Goodwin

Area home sales report

Monthly sales



Percentage change in sales from previous year



Source: Austin Board of Realtors

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