



Why Buy Today?

Understanding the Value of Home Price Appreciation in the Austin Area

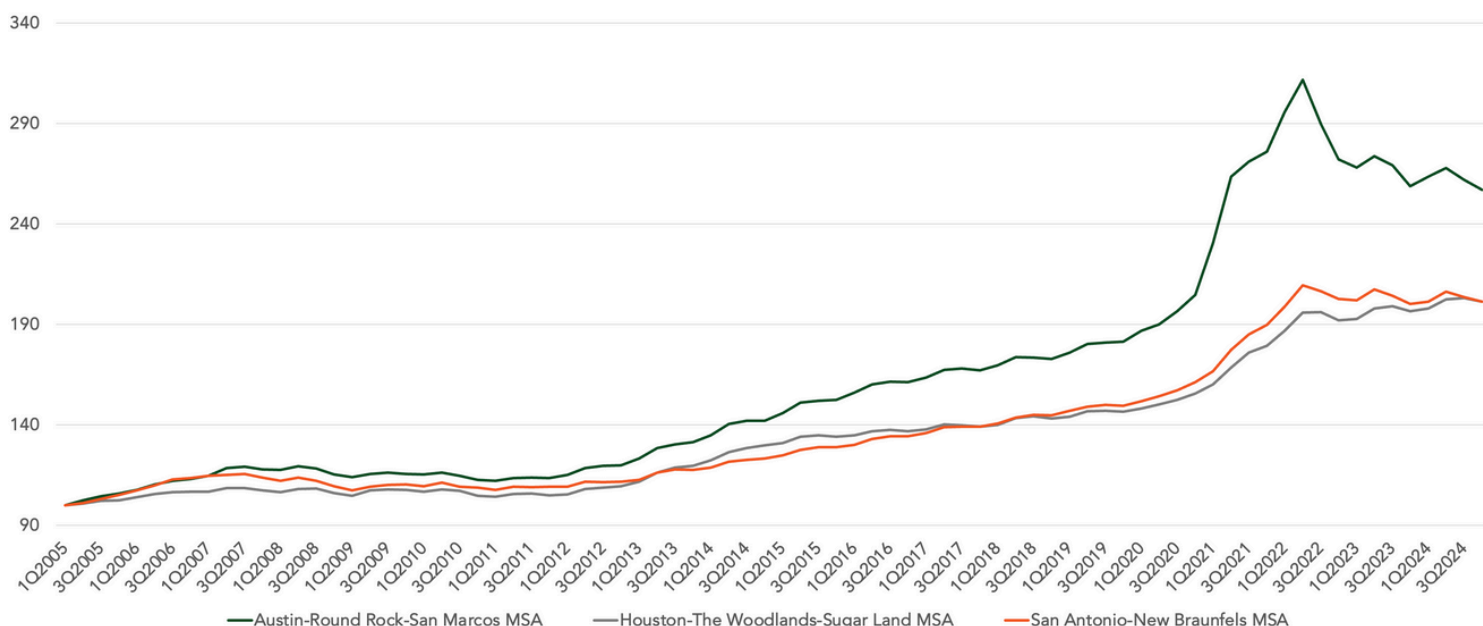
We're all familiar with the adage: "A dollar today is worth more than a dollar tomorrow." But in a housing market characterized by elevated home prices and sustained high mortgage rates, how can real estate professionals convince buyers that now is the right time to invest in a home? With such a consequential financial decision, it's crucial that buyers understand the cost of not purchasing a home in the Austin MSA.

Historically, home price appreciation in the Austin MSA has outpaced that of comparable Texas metros—Houston and San Antonio. From Q1 2005 to Q4 2024, home prices in the Austin MSA appreciated by an average of 5.4% annually, compared to 3.7% in the Houston-The Woodlands-Sugar Land MSA and 3.6% in the San Antonio-New Braunfels MSA. **This means that a seller in the Austin MSA who purchased a home in 2015 and sold in 2024 would have seen appreciation 1.5 times higher than a seller in Houston and 1.3 times higher than a seller in San Antonio.**

Buyers in the Austin MSA are uniquely positioned to benefit from the metro's relatively strong home price growth—and those who delay their purchase risk missing out on the full gains of home price appreciation. For example, an Austin homeowner who purchased in 2015 instead of waiting until 2019 would have gained an additional 16.3% in appreciation. In comparison, a Houston buyer who waited would have missed 8.6% in gains, and a San Antonio buyer, 14.3%. **In markets like Austin, the cost of waiting can be significant.**

Homeownership is one of—if not the most—monumental financial decisions a household will make. The relatively high rate of home price appreciation in the Austin-Round Rock-San Marcos MSA makes homeownership in the capital city especially advantageous compared to other Texas metros.

Home Price Index



1) The average tenure of homeownership in the U.S. is 9-10 years,
<https://www.nar.realtor/sites/default/files/documents/2023-profile-of-home-buyers-and-sellers-highlights-11-13-2023.pdf>).

**Austin-Round Rock-Georgetown MSA**

	YEAR OF HOME PURCHASE				
YEAR OF HOME SALE	2015	2016	2017	2018	2019
2020	29.4%	21.8%	16.8%	12.8%	8.3%
2021	73.1%	62.9%	56.2%	50.9%	44.9%
2022	94.5%	83.0%	75.5%	69.5%	62.8%
2023	77.9%	67.5%	60.6%	55.1%	48.9%
2024	74.7%	64.4%	57.7%	52.3%	46.2%

Houston-The Woodlands-Sugar Land MSA

	YEAR OF HOME PURCHASE				
YEAR OF HOME SALE	2015	2016	2017	2018	2019
2020	13.6%	11.1%	8.9%	6.3%	3.8%
2021	28.0%	25.3%	22.8%	19.8%	17.0%
2022	44.3%	41.2%	38.4%	35.1%	31.9%
2023	47.2%	44.0%	41.1%	37.7%	34.5%
2024	50.6%	47.4%	44.5%	41.0%	37.6%

San Antonio-New Braunfels MSA

	YEAR OF HOME PURCHASE				
YEAR OF HOME SALE	2015	2016	2017	2018	2019
2020	22.4%	17.4%	12.9%	8.8%	4.8%
2021	40.9%	35.2%	30.0%	25.3%	20.7%
2022	60.2%	53.7%	47.8%	42.4%	37.2%
2023	59.5%	53.0%	47.2%	41.8%	36.6%
2024	59.2%	52.7%	46.9%	41.5%	36.4%

**ABOUT
DR. CLARE
KNAPP**

Dr. Clare Knapp unpacks complex data and keeps REALTORS® up to date on the latest trends in the Central Texas housing market and broader economy. She's passionate about providing accurate, timely, and relevant analysis & commentary of all levels of our economy and housing market, empowering REALTORS® to better understand current market conditions and optimize their business practices accordingly. Prior to joining Unlock MLS, Dr. Knapp worked at the Texas Real Estate Research Center at Texas A&M University for seven years as an Assistant Research Economist.

**ABOUT UNLOCK
MLS RESEARCH**

Unlock MLS Research is the economic research and publication arm of the Austin Board of REALTORS®, the largest professional trade association in Central Texas. Led by Unlock MLS Housing Economist, Dr. Clare Knapp, Unlock MLS Research delivers timely market intelligence that helps Central Texas real estate professionals, consumers, and policymakers understand trends and economic factors impacting the region's housing market.

