**Cluster Topic: Local Lifestyle, Austin, TX**

**Keyword: Austin real estate**

**Word Count: 600-750 words**

**Description:**

Since the COVID-19 pandemic, over 150 companies announced plans to relocate or expand in Austin, Texas-- including Apple. This article will describe the effect of the relocations/expansions on the Austin real estate market, particularly in NW Austin.

**Headers (Use at least three but as many as you like):**

Austin as an Engineering Hub

Austin's Housing Situation

Tech Companies in Austin, TX

Median Prices of Rentals and Single-Family Homes

**Terms to Include (use as many as naturally possible, don't push it):**

Tim Cook, housing prices, Travis County, Culver City, tech giant, tech companies, san diego, parmer lane, steve adler, austin community college, chill hour requirements, incentive deals, silicon engineering, Texas A&M, bay area, cold periods, moment of recovery

Austin, Texas has grown substantially in the past few years, and the growth is only projected to continue. Since the start of the COVID-19 pandemic, Apple and at least 150 other companies have announced their intentions to relocate or expand in the Austin area. With such rapid growth, residents question the effects this could have on Austin real estate.

Tech Companies in Austin, TX

Tech companies, such as BAE Systems, have operated out of Austin for decades. However, as Austin becomes more known for its silicon engineering industry, tech companies like Samsung, Tesla, and Apple show increased interest in the Travis County area.

Despite the pandemic, which slowed many industries and developments across the nation, these tech giants are drawn by the incentive deals Austin has to offer. Tim Cook, CEO of Apple, writes, “At this moment of recovery and rebuilding, Apple is doubling down on our commitment to US innovation and manufacturing.” Apple plans to build a $1 billion, 3-million-square-foot campus in Northwest Austin that is projected to bring 5,000 new jobs.

Mayor Steve Adler has publicly announced his support of this extension, stating, “I think this is very important for Austin.” He cites the projected increase in jobs for Austin residents and the increase in revenue for the city government, which he states could fund improvements to transportation and city park development.

However, many residents and prospective residents are concerned about the impact more development and more workers could have on the already strained real estate market.

Austin’s Housing Situation

Housing prices in Austin have soared in the last few years. Affordable housing becomes more scarce as the population rapidly increases. As residents compete for a limited amount of housing, both house prices and rent inflate.

Northwest Austin is particularly prone to the housing supply and demand issue. With the arrival of the Apple campus, the real estate market faces a potential explosion of demand all at once. Steve Crorey, the Austin Board of Realtors President, issued a direct warning regarding this issue, stating, “If we don’t get serious about our infrastructure, our traffic, putting product on the ground for everyone, we’re going to lose business like this.”

Although warnings are given and residential developers are trying to catch up with demand, the fact remains that Northwest Austin does not have much more land that could be converted into homes.

Median Prices of Rentals and Single-Family Homes

With the influx of new workers, the median price of rentals is substantially higher than it was five years ago. Single-family rentals can include any kind of apartment, duplex, single-family detached property, etc. Corelogic, a property data analysis firm, estimates that single-family rent prices have increased 15% from January 2021 to September 2021 in Austin. Corelogic states the average single-family median rent price to be $1,863.

The cost to own a home has also drastically increased. According to a report by Texas Realtors, the average cost of an Austin home spiked by 33% in the last year. When factoring in this spike, the median price of a single-family home comes to $465,000.

Many Austin residents have expressed their concerns about these soaring costs, calling them financially unsustainable. With more corporate extension on the horizon, they worry what these prices could eventually reach in the next few years.

Going Forward

The tech giants have their eyes set on Austin, and more development is inevitable. The property tax incentives that the city offers are generous, and the city stands to gain millions in increased revenue. The struggle ahead is to keep Austin’s real estate market stable and sustainable for its current residents and the many incoming residents.