2026 CENTRAL TEXAS HOMEOWNER AFFORDABILITY INDEX

JULY 2026

unlock MLS RESEARCH

Unlock MLS & the Austin Board of REALTORS® have long believed that better data leads to better policy. For years, our research has documented how the affordability crisis has created barriers for prospective homebuyers. This report turns the lens around – to the families who are already here, already own homes, and are quietly being priced out of staying. This summary distills the report's key findings, the Homeowner Affordability Index, and targeted policy recommendations for local officials. To download the full report, visit **unlockmls.com/research**.

Homeowner Affordability Index

The index quantifies the financial strain each additional dollar of monthly carrying cost places on Central Texas families – and gives policymakers a practical tool to weigh the household impact of tax, fee, bond, and utility decisions before they are made.

COUNTY	BASELINE MONTHLY COST	HH PUSHED INTO COST BURDEN PER +$100/MO	SHARE OF OWNERS
Travis	$2,516	4,500	1.50%
Williamson	$2,156	3,000	1.80%
Hays	$2,117	1,400	2.30%
Bastrop	$1,723	600	2.30%
Caldwell	$1,524	300	2.80%

Note: Cost burden = spending >30% of gross household income on housing costs (mortgage, taxes, insurance, utilities). See full report for methodology.

~9,800

Every additional $100/month in housing carrying costs pushes approximately 9,800 Central Texas households – about 1.7% of all homeowners – across the HUD 30% cost-burden threshold. The four biggest monthly housing carrying costs – property taxes, insurance, utilities, and mortgage payments – have each grown faster than median household income every year since 2019.

Public Servants & the Cost of Staying

The squeeze does not fall evenly. For teachers, first responders, and essential workers, the gap between what they earn and what it costs to stay in the communities they serve is particularly acute.

TWO-EARNER HOUSEHOLD	ANNUAL HOUSEHOLD INCOME	BASELINE ($2,516/mo)	+$100/mo	+$200/mo	+$300/mo	+$400/mo
Austin-Travis County EMS Field Medics (2)	$113,437	26.6%	27.6%	28.7%	29.8%	30.9%
AISD Teachers (2)	$116,138	26.0%	27.0%	28.1%	29.1%	30.1%
Austin Firefighters (2)	$132,038	22.9%	23.8%	24.7%	25.6%	26.5%

Note: Red highlighted cells (30% and above) exceed the HUD 30% cost-burden threshold. Table assumes two full-time earners.

44.6%

of U.S. mortgaged homes are "equity-rich, cash-poor" – but paper wealth doesn't pay a tax, insurance, or utility bill.

~60%

of U.S. homeowners delay needed housing repairs due to cost.

What's Driving the Squeeze

- **Property Taxes:** Statewide levies rose ~22% from 2021–2025.
- **Home Insurance:** Up 60% in Texas since 2019, twice the national rate.
- **Utilities:** Several utility providers, like Austin Energy, Austin Water, and Texas Gas, are mid-stream in multi-year rate increases.

What Existing Owners Leaving Means

- **Population Change:** Travis County recorded its first net domestic out-migration since 2002. Most movement has stayed in Central Texas but 13–14% of new DFW and Houston arrivals now come from Austin.
- **School Enrollment:** Austin ISD experienced a 14.5% decline in enrollment and faces a projected $181M FY26–27 deficit.
- **Workforce Commutes:** 22.1% of Austin metro workers commute 50+ miles – the highest among major Texas metros.
- **Economic Competitiveness:** Texas captured ~114 corporate HQs from California (2018–2021), partly on affordability. The share of Texas-metro homes affordable to a median-income household fell from ~60% pre-pandemic to 32% by Q4 2023.

KEY TAKEAWAY

Growing the local tax base is more important than ever. It is the most direct path to easing pressure on existing property owners and sustaining the fiscal health of the region without pricing out the residents and businesses that drive it.

Levers Within Local Control

Austin and its regional partners have done meaningful work to grow the tax base, ease pressure on existing households, and expand the supply of attainable housing. However, the work is not finished. See below for our additional recommendations.

1. Weigh the cumulative household impact of taxes, fees, bonds, and utility rates. Households experience these as a single monthly bill. Local jurisdictions should assess the collective impact before adopting increases – particularly how bond authorizations layer additional debt service onto the same property tax bill. They should also commit to disciplined budgeting that uses taxpayer dollars effectively.

2. Advance streamlined permitting, subdivision, and missing-middle zoning reforms. These are the most efficient mechanisms to grow the tax base without raising rates. Pair supply reforms with incentives for preservation – preserving an affordable home is faster and cheaper than building a new one.

3. Expand voluntary weatherization and resource-efficiency programs. Durable bill reductions for homeowners and lower peak load for utilities strengthen resiliency, defer long-run system costs, and directly address one of the fastest-growing components of monthly carrying costs.

4. Align local strategic housing plans with economic development plans. Workforce attraction and housing absorption belong in one document with reconciled targets and timelines – not in separate plans operating independently.

5. Continue multi-jurisdictional coordination for workforce housing. Regional leakage cannot be solved unilaterally. Partnerships allow cities and counties throughout Central Texas to share land and public services across jurisdictional boundaries rather than duplicating them. One concrete step would be expanding the City of Austin's Affordable Housing Online Search Tool into a true regional clearinghouse available to families and housing navigators across Travis County.

6. Use publicly controlled land and assets for community-wide goals. Land and assets held by a single municipal or county department – like utilities, watershed authorities, and transit entities – should be evaluated against broader community priorities: workforce housing, affordability, and economic development.

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