Fewer would-be buyers can afford an entry-level home in most places across the state. But the percentages are still far from what's common in California and other coastal areas.

From the Austin Business Journal:

Study: Most Austinites can't afford entry-level home
More people getting cut out of homeownership — but nowhere near California levels

Jul 30, 2019, 7:32am CDT

The majority of Austinites can't afford an entry-level home, according to a new study.

John Burns Real Estate Consulting LLC concludes that 49% of Austinites have the ability to break into homeownership. That's down from a historical level of 59%, the firm reports.

The average percentage of households that can afford an entry-level home of the 130 major markets the firm analyzed nationwide was 54%. The Texas average was 55%.

For purposes of the study, an entry-level home was defined as one priced at 20% below the median home price in their area. The study also assumes a 5% down payment.

The median price of a single-family home in the region increased 3.2% in the past year to $387,100, according to the latest numbers from the Austin Board of Realtors. In June, the median single-family home price in Austin was $420,000, up 11% year-over-year.

Elsewhere in Texas

Fifty percent of households in Dallas can afford an entry-level existing home with a 5% down payment, the study concludes. On the Fort Worth side of the metroplex, 57% of households can participate in the popular American dream.

The Dallas number is below the market's historical median of 61% and Fort Worth's is below its median of 67%.

Looking at other Texas markets, 58% of households in Houston and 56% in San Antonio can afford an entry-level home with a 5% down payment. Those compare to historical medians of 65% in the Bayou City and 64% in the Alamo City.

McAllen was the only Texas city surveyed in which affordability has improved, with 58% able to afford an entry-level home compared to a 54% historical norm.

The Burns Consulting study also found the recent drop in mortgage rates to 3.7% from 4.9% in November added 3% to the affordability factor nationwide.

While Austin and most places in Texas are losing ground on the affordability front, the region and state are still more affordable than most places.

In California, for example, 34% can afford a home, with San Francisco and San Jose least affordable, at 11% and 18%, respectively.

The most affordable market is Allentown, Pennsylvania-New Jersey, where 77% of residents are able to purchase a home using Burns' criteria.

Other region and state affordability levels were:

Midwest, 76%
Southeast, 66%
Southwest, 56%
Northeast, 52%
Florida, 51%
Northwest, 49%

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