

# Brigitte's Newsletter p.1

July 2011

## Austin Rental costs & Occupancy on the rise!

Apartment rents are on the rise in Central Texas. Occupancy jumped 3.6%, one of the largest increases in the country up to 93.5%. According to market tracker MPF Research it is expected local occupancy to grow by another 2.2% in 2011 and effective rents to rise 6.8%.

The average rent per square foot has risen from 87 cents in June 2006 to a record 98 cents in December 2010. More increase are expected as Austin's population continues to grow and job growth speeds up.

"Significant further improvement in Austin's apartment occupancy rate looks like a sure thing" said MPF's Vice president of research Greg Willett. The economy is already expanding at a pace fast enough to spur sizable apartment demand, and 2011's completion volume will plunge to just a handful of units. Conditions are setting the stage for a spike in rent.

Now is the best time to buy. Interest rates will go up and inventory is going down.

Remember you are already paying a mortgage:

**Somebody else's!  
Invest in your own future!  
OWN A PIECE OF TEXAS**

## Sign of the times

Texas became the USA's second-largest economy during the past decade - displacing New York and perhaps heading one day toward challenging California - in one of the biggest economic shifts in the past half-century "We're growing faster than everyone else, and this trend should last a good while," says economic forecaster Raymond Berryhill of Waco, Texas. His state enjoyed "good fortune and good planning" from having natural resources, immigration and successful technology businesses while avoiding the real estate bubble, he says.

## Waiting for the bottom of the Austin Housing Market? Sorry you missed it!

## Numbers to know

Total lease inventory for the first quarter of 2011	<b>Down 23%</b>
Rental Home Inventory:	<b>Down 4%</b>
New Homes currently available:	<b>3,000, the lowest inventory since the early 1990s</b>
<b>Demand is up 1%</b>	Demand is driven by new jobs in the Austin Area.
<b>2011 = 8,200 new jobs,</b>	<b>Forecast 2012 = 18,800 new jobs</b>
Demand is driven by population growth in the Austin Area	
<b>2011 = 55,000 growth</b>	<b>Forecast 2012 = 60,000</b>

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# Brigitte's Newsletter p.2

2010 marked a turnaround for the apartment market in the Austin area; rent and leasing activity rose to their highest level on record. Real estate experts say 2011 will be another strong year but scant new apartment construction pushes rents higher this year and next .

That is not so great news for tenants who are facing hefty rent increases.

## **This will boggle your mind, the year is 1910**

- The average life expectancy for men was 47 years
- Fuel for cars was sold in drug stores only
- Only 14% of the homes had a bathtub
- Only 8% of the homes had telephone
- Maximum speed limit in most cities was 10mph
- 375 cars were registered in Travis County
- Tallest structure in the world was the Eiffel Tower
- The avg. US wage was 22 cents/hour
- The avg. US worker made between \$200-400/year
- More than 95% of all births took place at home
- 90% of all doctors had no college education. Instead they attended so-called medical schools
- Sugar cost four cents/pound. Eggs were 14 cents a dozen, coffee was 15 cents/pound
- Most women only washed their hair once a month, and used borax or egg yolks for shampoo
- The five leading causes of death were:
  - 1) Stroke,
  - 2) Heart disease,
  - 3) Diarrhea
  - 4) Pneumonia and influenza,
  - 5) Tuberculosis
- Marijuana, heroin and morphine were all available over the counter at the local corner drugstores. Back then pharmacists said, "Heroin clears the complexion, gives buoyancy to the mind, regulates the stomach and is a perfect guardian of health"
- The population of Las Vegas, Nevada was only 30 (without the tourists)
- There were about 230 reported murders in the **ENTIRE US!**

**What a difference a 100 years make.**

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