

Austin-Round Rock-San Marcos, TX — #3 of 10: Construction Establishments

Construction Establishments:
5,890

Source: ALEX Intelligence · Published October 30, 2026

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THE DATA

5,890

Construction Establishments (2022)

Austin-Round Rock-San Marcos, TX leads the state in construction activity among Texas metros.

With 5,890 construction establishments, the Austin metro ranks third among all 26 Texas metropolitan areas. This reflects sustained demand for new housing, commercial development, and infrastructure expansion. The figure is derived from the U.S. Census Bureau's 2022 County Business Patterns, NAICS 23 (Construction), and underscores the region's ongoing physical transformation.

Source: U.S. Census Bureau, County Business Patterns 2022, NAICS 23 (Construction) · ALEX Intelligence computation

<https://alex-companies.com/data/2026-10-30-austin-msa-istand-23-msa>

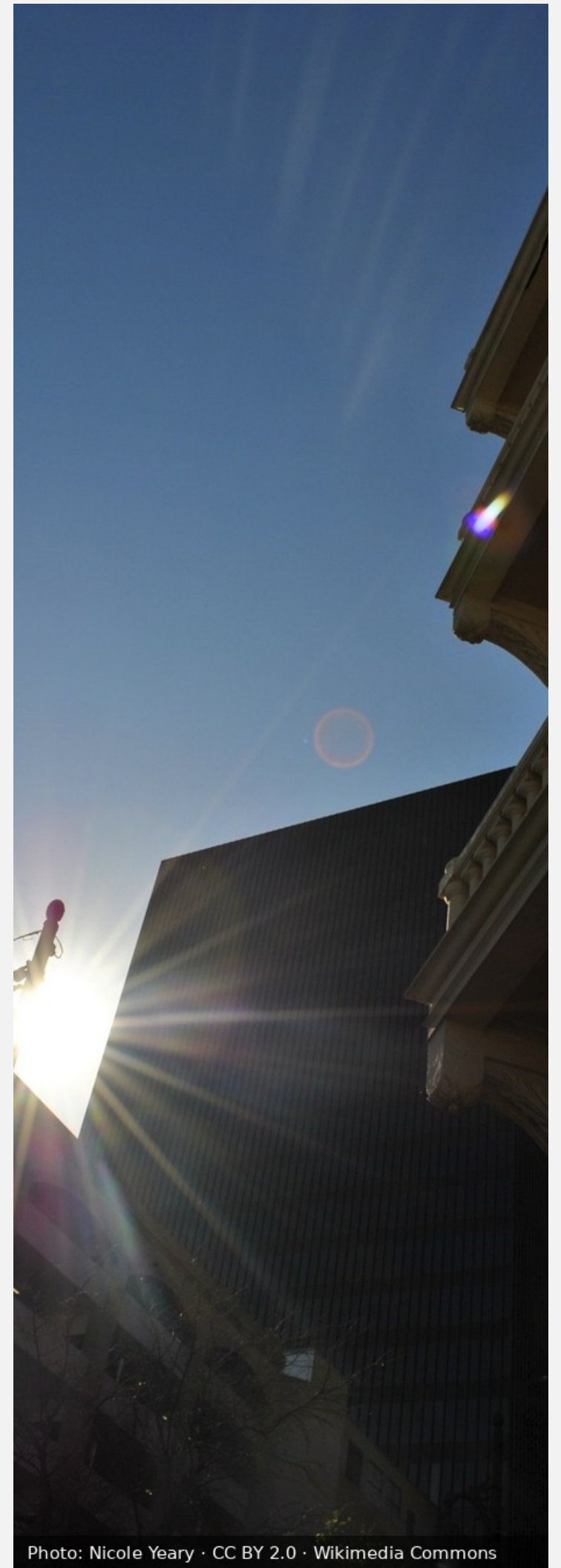


Photo: Nicole Yearly · CC BY 2.0 · Wikimedia Commons

The background image shows a city street scene. On the right, a tall, multi-story brick building with many windows rises into a clear blue sky. In the foreground and middle ground, there are green trees and a street with parked bicycles and a car. The entire image is overlaid with a semi-transparent dark red layer, which serves as a background for the text.

01

Construction momentum drives supply resilience

The high number of construction establishments signals a deep, decentralized foundation of building capacity. Unlike markets reliant on a few large developers, Austin's strength lies in a broad base of small and mid-sized firms, which improves supply chain flexibility and reduces bottlenecks during labor or material shortages. This distributed model helps sustain housing starts even amid macroeconomic uncertainty.

02

Capacity outpaces demand — a structural imbalance?

While construction activity remains strong, it may be outpacing actual housing demand. The concentration of construction firms does not guarantee faster absorption of new units. Without corresponding increases in household formation or migration, this excess capacity could lead to prolonged inventory growth, downward pressure on rents, and reduced profitability for smaller builders in the near term.



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