

Economics unit – housing prices from different cities essay

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The cost of housing is commonly the reflection of the value of the land plus the price of the house and the amenities that come with it. This is often affected by what's around the place, the nearest recreation areas or sceneries. This affects how housing is priced, and is also usually affected by the supply and demand of the land. Because of this, there are various considerations when choosing where to have a house, including the total costs and what you'll actually get from it.

Usually, these prices also vary from city to city, as it is known that not all cities are the same regarding what you get from the housing deals, like the nearest public transportation, market, and schools. These all appeals to the needs of the people, and these are usually the ones that affect the pricing. The housing prices are directly affected by the changes in supply and demand of the land. This is because of the developments done in housing, wherein house prices are thoroughly based on the value of the amenities that are directly available in the neighborhood (Nelson). As a number of residents are acquiring homes, the more the managers of the land would try and make sure to provide benefits for these residents.

This includes additional security, recreation areas and shopping areas for the people. They are not only investing on the housing that they are being sold, but also with the things that come with it that would surely benefit the people. This is how the housing value is affected when there is an increase in demand: it is not only because you have to increase the price when a lot of people demand for housing in a specific city or area, it is also because of the

increase in the services that one should provide for these increasing number of residents.

The cost of those additional amenities would then be reflected in the housing price: the more amenities offered, the higher the price (Duca). Comparison of different cities In order to actually see how amenities affect the price of housing, the housing situations in various cities are compared. This is by comparing the price of a 3-bedroom, 2-bath house in several cities like San Francisco, California; Topeka, Kansas; Dallas, Texas; Concord, Massachusetts; and Seattle, Washington. The results for the housing prices in these different cities were varying, and it is because of the added amenities that you can find available upon purchase, plus the neighborhood and the type of house. The most obvious result was between the housing of a 3-bedroom, 2-bath house in San Francisco, California and Dallas, Texas.

The cost of housing in San Francisco, California ranges from \$600, 000 to a million US dollars. Meanwhile, the cost of housing in Dallas, Texas for a 3-bedroom, 2-bath house ranges from \$40, 000 to a hundred thousand US dollars (Realtor. com).

The difference is quite large, and this is roughly because of the amenities that are included upon purchasing these houses. Housing in Dallas, Texas doesn't offer much, wherein it is far from public transportation, and are often in subdivision areas. On the other hand, housing in San Francisco, California has amenities like community exercise and recreation areas, hill/mountain view, Water view, and so much more. Because of those differences, the

prices of these housing deals are comparatively far from each other. Other amenities present (or lacking) in some of the houses in various cities which could have affected their prices includes access to shopping areas/markets, nearby elementary or high schools, parks and recreation areas, and the type and quality of the house itself.

With all these, the price the housing offered in the various cities is greatly varying. References: Duca, J. V. (2005, September/October 2005).

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