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Majority of Washington residents say housing affordability is top concern

OLYMPIA - As Washington welcomes nearly a million more people by 2010, a new survey says there is a growing concern among state residents about whether there will be a sufficient supply of houses for that growth. The Washington Realtors today released the findings of the survey, the Association's seventh in six years.

"Nearly 20 percent of the people in our survey said that accommodating growth was a top concern in their community," noted Dennis Rose, Washington Realtors' Vice President of Government Affairs. "That's up from just 7 percent last year. People want their elected leaders to plan for the homes, schools, roads, parks, and neighborhoods for the growth we all know is coming."

People also are concerned about their own ability to maintain their quality of life in a growing community. Seventy percent are concerned about their ability to buy a home. Nearly 50 percent attributed the high price of homes to a low supply. And another 64 percent said government should make it a priority to make affordable homes available.

Housing affordability has plummeted in the past few years. Low inventory and rising demand will continue to push prices sky high unless city, county, and state governments better plan to accommodate growth with improved housing opportunities. The median price for single-family homes in Washington has shot up to \$254,900, nearly *13 percent higher* now than it was last year. In some areas of the state the increase is as much as 33 percent. It will rise by double digits again next year unless we plan now for the growth we know is coming.

"The economics are simple: when supply is low and demand is high, prices shoot up. Add low interest rates and it's a recipe for the dramatic increase in home prices we've had just in the last two years," said Rose, who said the survey would help inform the decisions of planners and elected officials. "We can't do anything about population growth, but we can work on growing the

supply of homes by more effectively using the land that is available. We need to work to maximize the land capacity.”

Washington’s Growth Management Act requires cities and counties to identify enough buildable land to accommodate “expected growth for the succeeding 20 years.” But local government may not fully understand what “buildable” means. Often the property earmarked for homes isn’t truly “buildable” because it’s located near a wetland or a steep slope. The land may not have the roads and water infrastructure needed for development, or the owner of the property may not wish to sell it.

Fifty-seven percent of those surveyed said they support growth. They cited increased opportunities for careers (69 percent), for entertainment (69 percent), and for the availability of goods and services (74 percent). People also recognized that increased population would expand the tax base of local government, growing resources for investment in the community.

“People know that well planned growth is a good thing. It’s what built our state and produced some of the most robust eras of prosperity in our history,” said Rose. “But everyone knows the headaches that come when we try to ignore growth instead of planning for it. No one likes overcrowded streets, schools, and parks. But we can avoid those pitfalls if we use what we know to prepare for inevitable increases in Washington’s population.”

Washington Realtors also polled residents on their views about property rights. Nearly 60 percent of those polled said people should be able to do what they want with their property as long as it doesn’t hurt others. Almost 80 percent said local government should compensate property owners when it decreases the value of citizens’ property.

“Clearly, people are very sensitive to public infringement on personal investment,” said Rose. “Let’s be honest. The purchase of a home and a piece of land is the biggest investment most people will ever make. It’s no wonder they want to protect the security they’ve worked hard to earn.”

In August, the nationally recognized polling firm, Public Opinion Strategies, polled 400 registered voters in Washington state about growth. The survey is part of the Association’s “Quality of Life” project, which is intended to enrich growth management policy development by benchmarking public growth preferences and researching the best growth strategies. The Association is sharing its research and working with state and local policymakers to help create prosperous and diverse communities where people want to live.

Washington Realtors represent approximately 170,000 homebuyers each year, and the interests of more than 2 million homeowners throughout the state. Realtors live where they work and, like their neighbors, are concerned about the quality of life in their communities. Realtors are in the business of selling communities that have a strong economy, attractive housing choices, great schools and parks, safe neighborhoods, and good transportation choices.

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