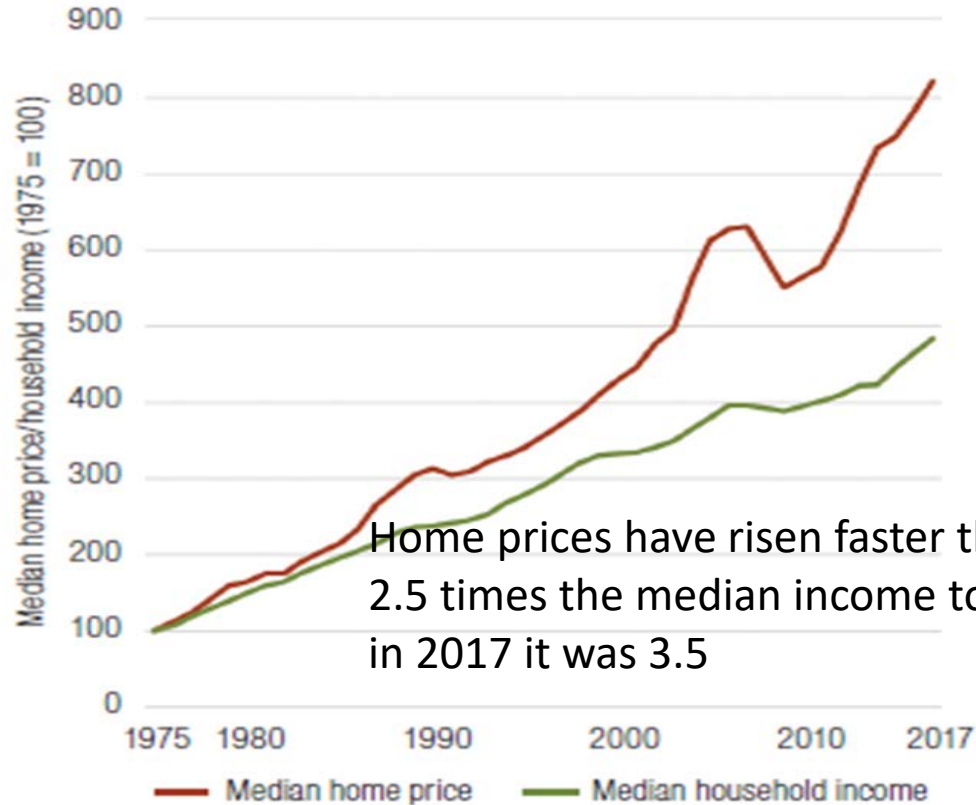


Priest Lake Conference

APA Inland Empire Chapter June 2019

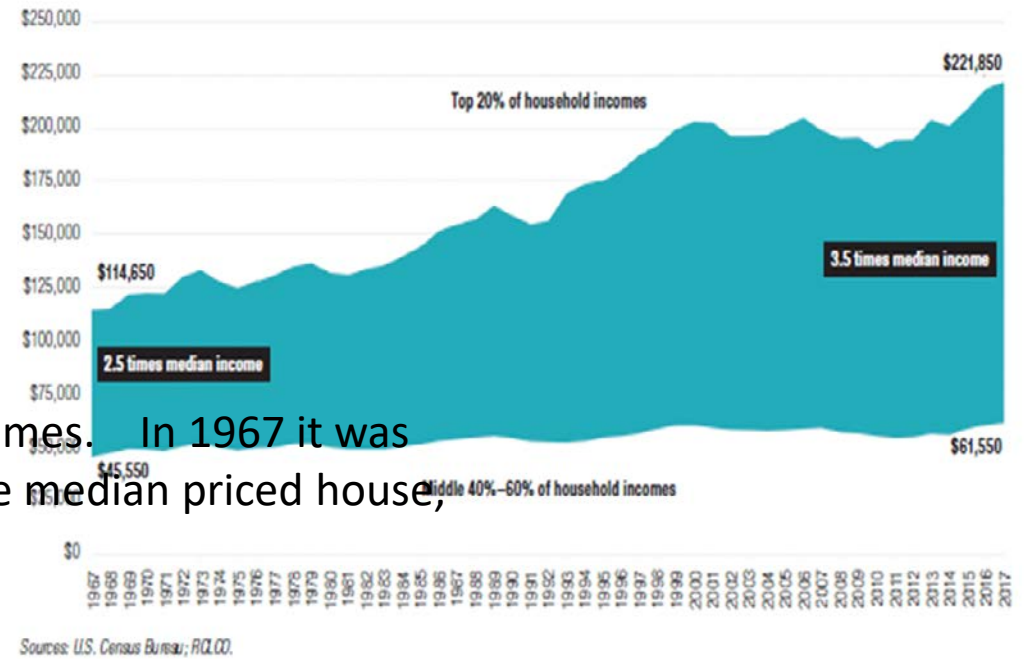
Median Home Price vs. Median Household Income



Home prices have risen faster than incomes. In 1967 it was 2.5 times the median income to buy the median priced house, in 2017 it was 3.5

Sources: U.S. Census Bureau; RCLCO.

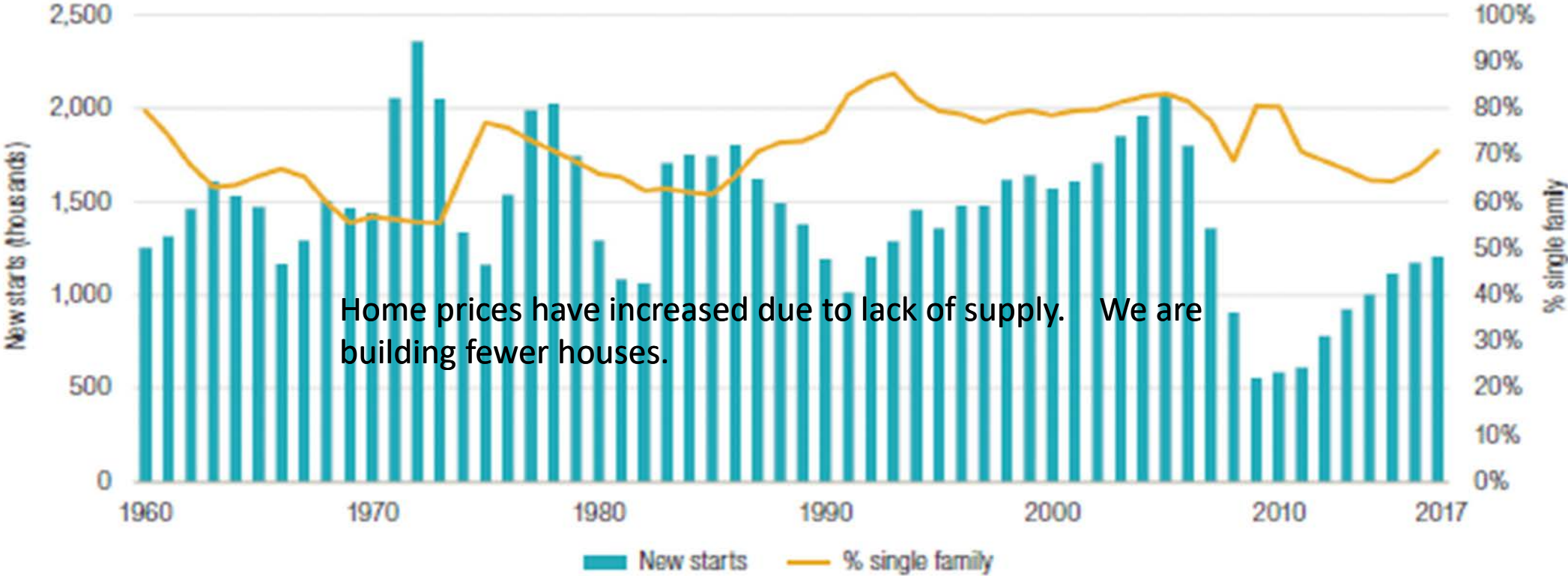
U.S. Median Income, by Quintile



Sources: U.S. Census Bureau; RCLCO.

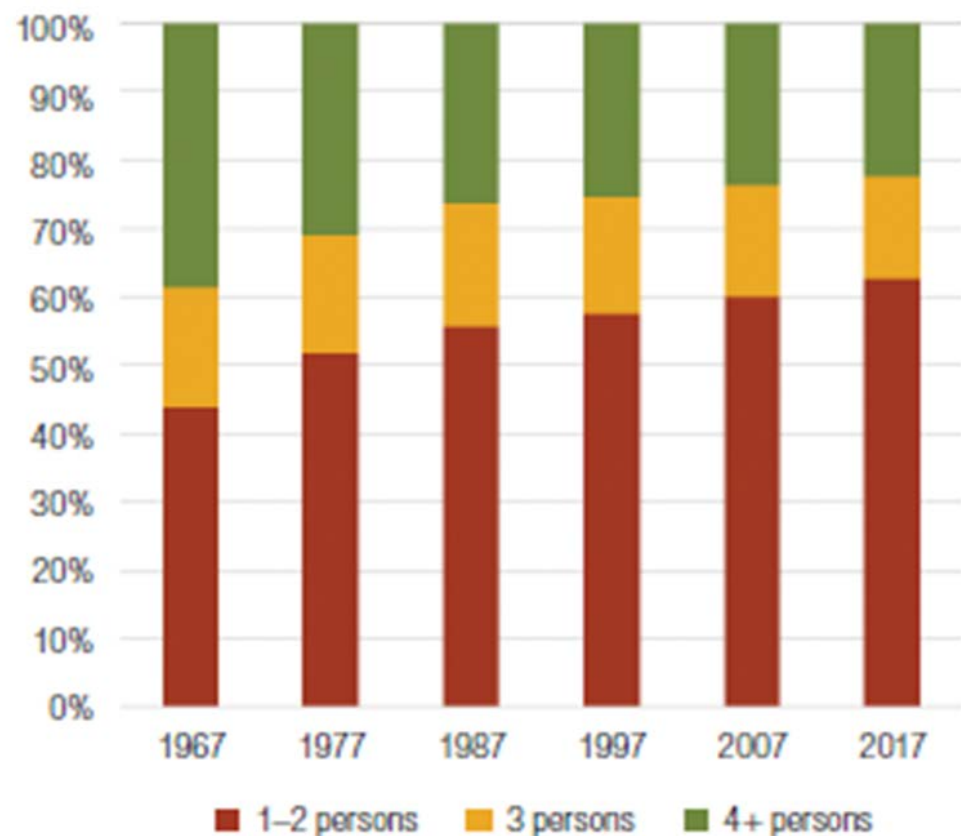
Home prices have risen faster than incomes. In 1967 it was 2.5 times the median income to buy the median priced house, in 2017 it was 3.5

U.S. New Residential Starts, 1960–2017



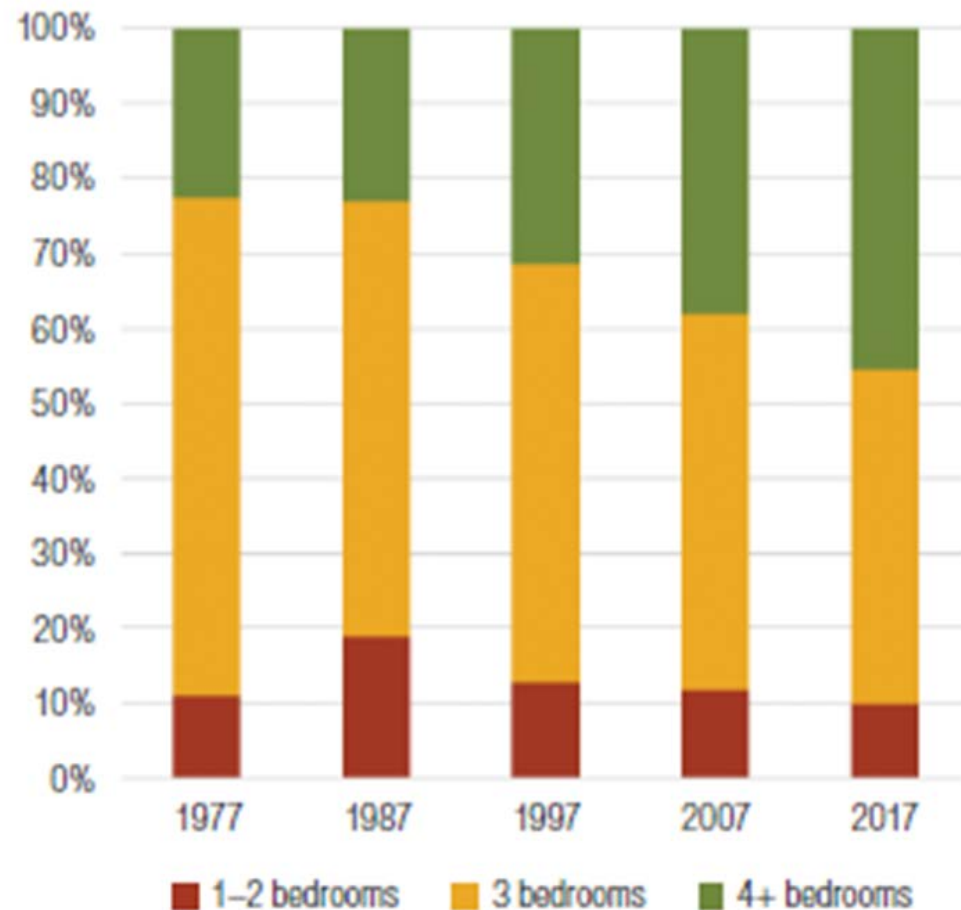
Source: U.S. Census Bureau.

Household Types, 1967–2017



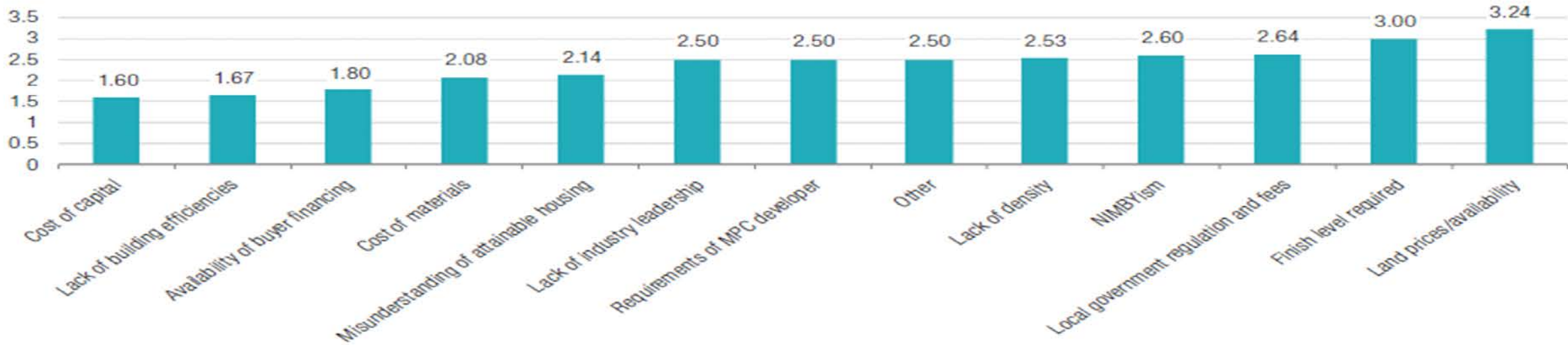
Sources: U.S. Census Bureau; RCLCO.

New Construction by Bedroom Count, 1977–2017



Sources: U.S. Census Bureau; RCLCO.

Challenges to Delivering Attainable Housing



Source: ULI Attainable Housing survey.

Note: 1 = most important; 4 = least important. MPC = master-planned community.

The lower the number, the higher the importance. Density, NIMBYs are tied, local government regulation even later.

Housing is considered “**Affordable**” if the household is paying no more than 30% of their income for housing costs (rent or mortgage plus utilities).

A household is “**Cost Burdened**” if they are paying more than 30% of their income on housing costs.

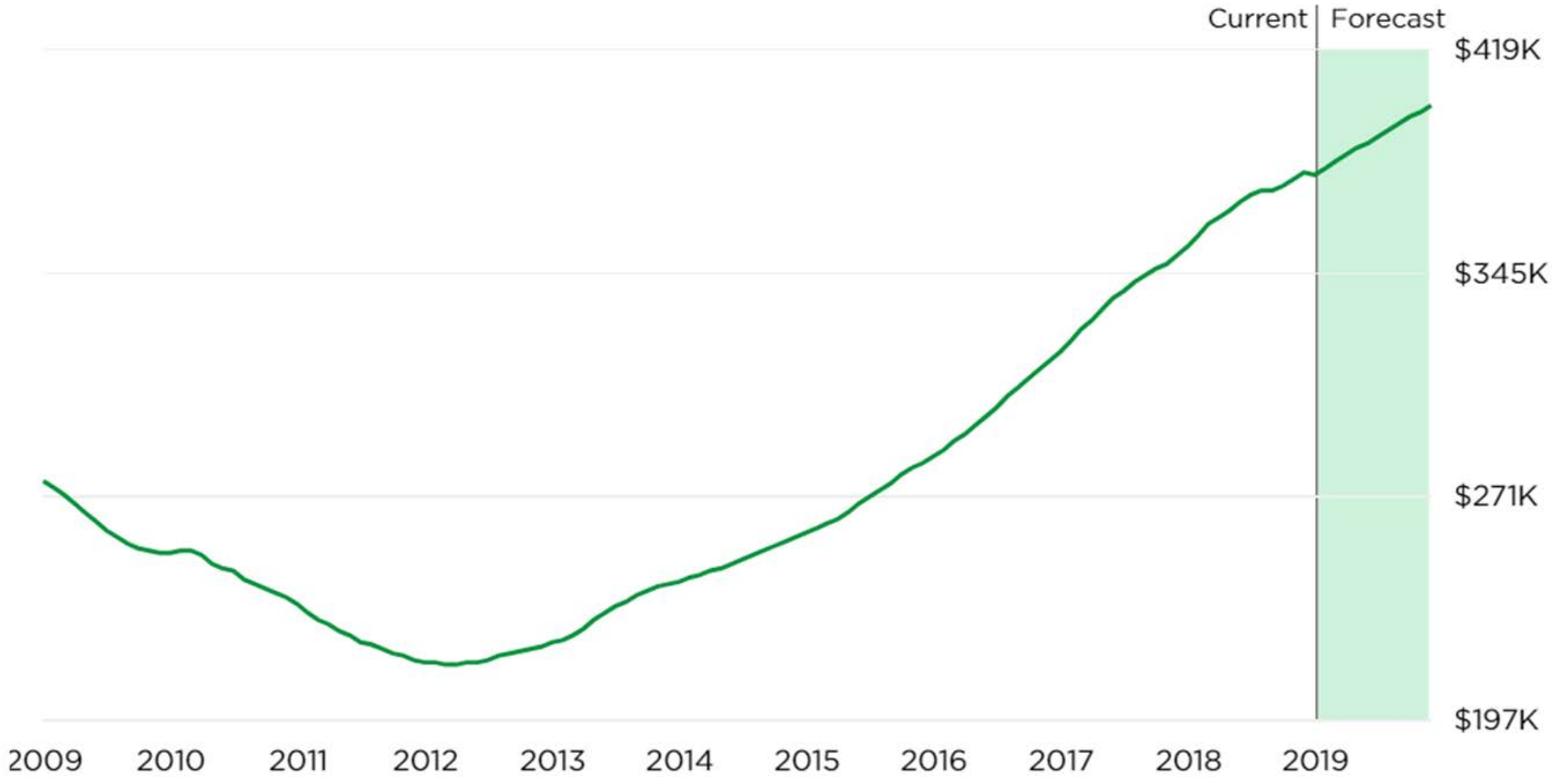
Area Median Income is the middle of the income range. 50% of people earn above, and 50% below. Provided by the US Department of Housing and Urban Development (HUD) at the county and metro level, adjusted by household size.

Subsidized Housing is made affordable to occupants through direct government financial support. It is typically targeted to low and extremely low-income households, formerly homeless households and those with special needs.

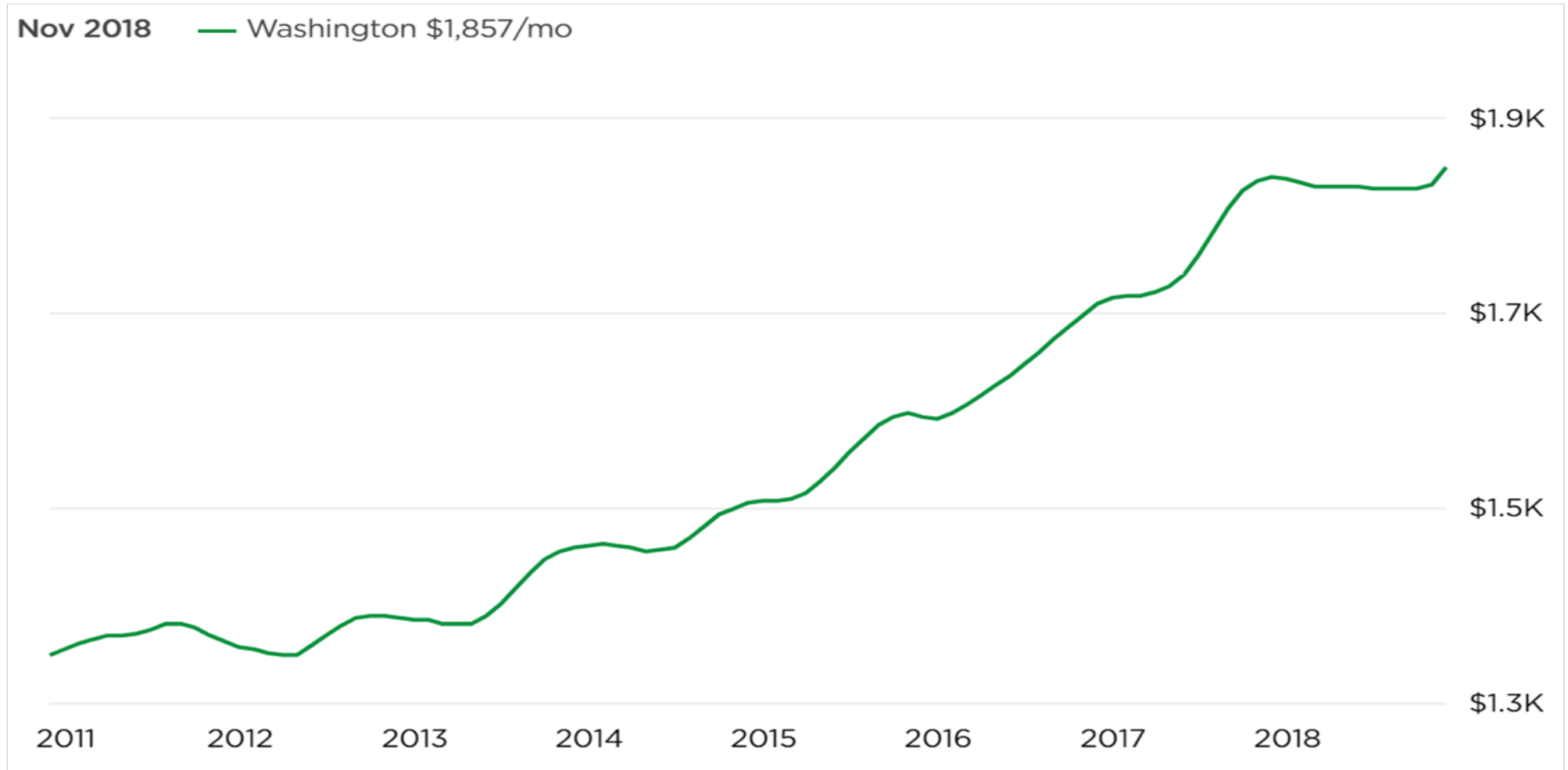
Rent subsidies are payments made directly to a private market landlord (including non-profit housing agencies) on behalf of an income-qualified tenant. Subsidies can be permanent or temporary and funded through a number of different federal and state housing programs.

Nov 2019

— Washington \$401K

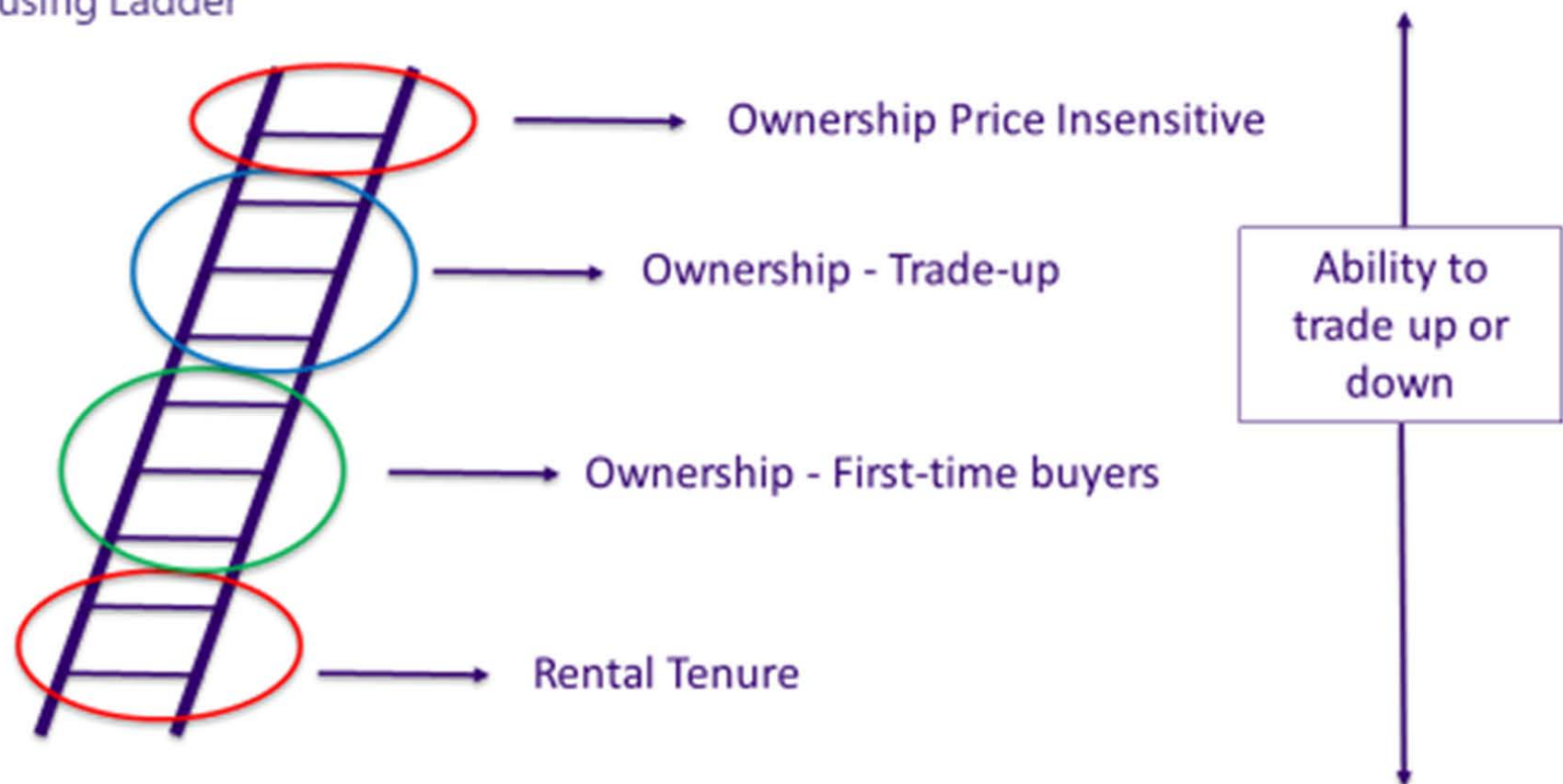


Rents in Washington



Source: <http://www.zillow.com/home-values/>

> Housing Ladder



You should also see movement between different housing types and tenures

Basics of urban housing markets

> Housing Ladder

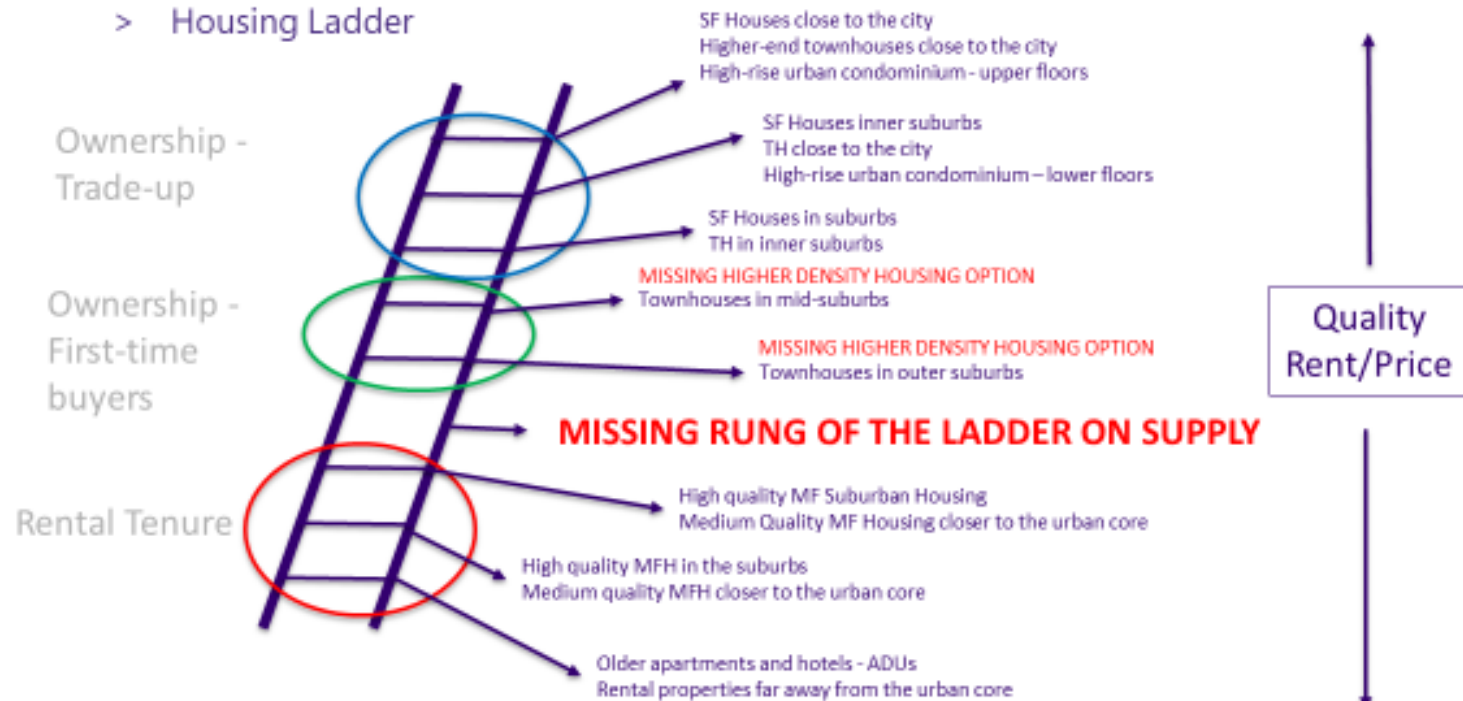


Each rung on the ladder represents a particular submarket



Current Supply Dynamics

> Housing Ladder



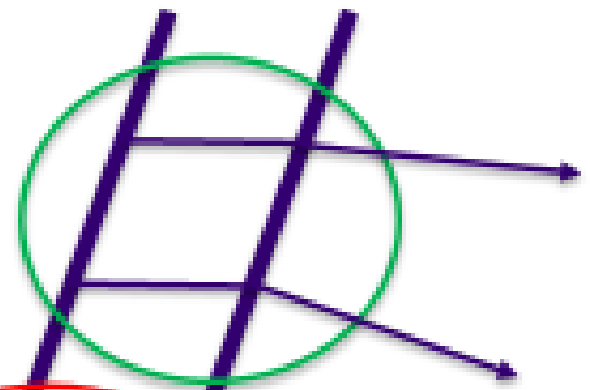
Vacuum between rental tenures and first time buyers
This is called the MISSING MIDDLE



Basics of urban housing markets

> Lower end of the housing ladder

Ownership
First-time
Buyers



- Mid-rise Lower density condominiums closer suburbs
- Small SF Houses / Townhouses in outer suburbs

- Mid-rise higher density condominiums in outer suburbs

High quality MF Suburban Housing
Medium Quality MF Housing closer to the urban core

High quality MFH in the suburbs
Medium quality MFH closer to the urban core

Older apartments and hotels - ADUs

Rental properties for users from the

Rental Tenure

