



FOR IMMEDIATE RELEASE – Nov. 29, 2006

Realtors' ad campaign draws attention to shortage of homes for middle income families

OLYMPIA – The Washington Association of REALTORS®, the state's largest professional organization, today launched a \$1.3 million advertising campaign designed to draw the attention of the public and of policymakers to the shortage of homes for middle-income families. Over the last five years, the shortage has caused the median price of homes to increase by 64 percent, while wages have improved only by an estimated 15 percent statewide.

"Everyone knows what happens when demand outpaces supply: Prices shoot up. And it doesn't matter if you're talking about apples or automobiles," said Steve Francks, Washington Realtors Chief Executive Officer. "Government is used to thinking only about low-income housing, but the home crisis is a middle-class crisis and the Legislature can and must do something about it."

This week the ad campaign's first phase will air primarily on cable television and 29 radio stations in counties around the state and in Portland. Newspaper ads also will run in *The Olympian*, the daily newspaper of Olympia, where Washington legislative committees will meet periodically throughout the next three weeks. Two more phases of ads will take place in early 2007 as part of the overall campaign.

A web site, www.ItsaPriority.com, will help explain housing issues, research, and legislative solutions. The web site also provides an "action center" the public may use to contact state legislators and ask them to make expanding the supply of mid-priced homes a priority. Francks said the campaign is designed to help policymakers see the big-picture impact of the home shortage on other issues, such as traffic and education.

"The public needs to know that the shortage of mid-priced homes is pushing families away from the work place and into a commuter rat-race – and that's making terrible traffic worse," said Francks, who said the home shortage is also creating problems for education. "The lack of mid-priced homes is pushing families with children out of urban areas, causing metropolitan school boards like Tacoma and Seattle to consider school closures."

Francks added that the absence of good schools, limited housing choices, and the lack of a family-friendly culture is a deterrent for some industries considering locating in Washington. Said Francks, "The availability of homes that middle-income families can afford has everything to do with the attractiveness of our state to new business, to the civic and economic health of local communities, to the culture of urban areas, and to the efficiency of our transportation system."

In the 2007 session of the state Legislature, Washington Realtors will propose four strategies that will expand the supply of mid-priced homes:

1. Require cities and counties to reserve enough land to match the supply of homes with the number of jobs – and families -- the economy will add.
2. Establish performance measures to determine whether communities are realistically preparing to accommodate growth, ensure economic vitality, provide housing opportunities, and relieve traffic congestion.
3. Ensure cities and counties get accurate predictions of how many people will need homes.
4. Establish a "Growth Management Infrastructure Account" to help cities and counties meet the cost for streets, sewers and other infrastructure needed before a home can be built.

The Puget Sound region will add jobs at a rate double the national average for at least the next few years. Francks said that, unless the Legislature acts, the crisis will be worse next year.

Statewide, the median sale price of a home was \$300,900 at the end of October, an increase of 14.9 percent from the median recorded at the same time last year. Not surprisingly, the state's "affordability index" fell to a record low for the sixth quarter in a row. The index measures the ability of a middle-income family to buy a median price home. A ranking of 100 means a family has exactly enough money for a median-priced home.

County	Median Home Price, Oct. 2006*	Price % increase 2001-06	MFI % increase 2001-06**	Affordability Index for first-time buyers*
Clark	\$275,300	78	4	57
King	\$432,600	62	16	38.8
Pierce	\$279,500	75	14	54.3
Snohomish	\$357,300	66	13	49.1
Spokane	\$191,600	69	15	64.7
Thurston	\$257,000	73	4	62
Yakima	\$139,100	27	13	83.4
Statewide	\$300,900	64	15	49.7

* According to the WSU Center for Real Estate Research

**Based on OFM actual 2001 MFI + projected 2006 MFI, as of Oct. 2006.

Washington Realtors represents about 170,000 homebuyers each year, and the interests of more than 2 million homeowners throughout the state. The Washington Realtors' membership numbers about 25,000 statewide, making it the largest professional organization in the state. The organization's top public policy priority is building communities that have a strong economy, attractive housing choices, excellent schools and parks, safe neighborhoods, and efficient transportation choices.

###

For more information, contact Barbara Lally, Government Affairs Communications Manager, 360-943-3100, ext. 122.

"REALTOR® is a federally registered collective membership mark which identifies a real estate professional who is a Member of the NATIONAL ASSOCIATION OF REALTORS® and subscribes to its strict Code of Ethics"