

Affordability Gap Stretched; Nonprofit Group Prepares Guidebook with Suggestions

**Bill Cunniff, *The Chicago Sun-Times*
June 22, 2007**

In dozens of metro areas, first-time buyers still need to earn at least twice the median income to afford a median-priced home, warns a national housing advocacy group.

For example, in Chicago, the median home price is about \$254,000. The salary needed to afford a median-priced home is \$87,012, based on generally accepted responsible financial planning practices. These dictate home costs should equal no more than 28 percent of gross/net income plus property taxes and insurance. But the average office worker salary is \$31,330.

Today, a record 37.3 million households -- one in three -- are facing moderate to severe housing cost burdens. According to recent public opinion surveys, 64 percent of working families living in high-cost housing markets consider the lack of affordable homes a very big problem, eclipsing even concerns over health care costs.

"Across our country, a growing number of police officers, teachers, office workers and other hardworking citizens cannot afford to live in the communities they support," said Beverly L. Barnes, executive director of Homes for Working Families, based in Washington D.C.

"The affordability gap is keeping safe, good-quality homes out of reach of working families," Barnes said. "We urge local policymakers and employers to close this gap by adopting well-considered, long-term policy solutions."

Solutions do exist to help close the affordability gap, the organization said. Earlier this year, Homes for Working Families released a guidebook, "Increasing the Availability of Affordable Homes: A Handbook of High-Impact State and Local Solutions."

The book identifies 22 solutions that policymakers can implement to expand the availability of affordable homes within their jurisdictions. Electronic copies of the handbook are available on Homes for Working Families' Web site, www.homesforworkingfamilies.org.

Homes for Working Families is a national, nonprofit organization dedicated to advancing policy changes that make safe, good-quality homes affordable for America's working families.