

WHY MAKING HOMEOWNERSHIP AFFORDABLE BEGINS WITH BUILDING MANY TYPES OF HOMES



In 2018, only 22% of homes built were less than 1,800 square feet

THIS WAS DOWN FROM AN AVERAGE OF 32% DURING 1999-2011



The average price of homes for sale has risen by 47% since 2012



While the average salary has only increased by 16%

IT'S NO WONDER THAT ONLY 31% OF YOUNGER HOMEBUYERS ARE CONFIDENT THEY WOULD FIND A HOME IN THEIR PRICE RANGE



Demand



Supply

Demand for affordable homes continues to go up while the supply continues to drop



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In fact, the number of single-family homes for sale has declined over 30% since 2011

While the nominal price of homes sold has increased by 57%

AND THE HOMES AVAILABLE AREN'T NECESSARILY THE RIGHT KINDS OF HOMES



So how can we reverse this trend?

WE COULD BUILD SMALLER



55% OF BUILDERS SAY THEY BELIEVE THE DEMAND FOR SMALLER HOMES IS EITHER WEAK OR AVERAGE



But research shows 69% of future homebuyers say smaller is okay, as long as it meets their needs



AND MORE ACCESS TO FINANCING CAN HELP BUILDERS TAKE ON MORE PROJECTS



71% of builders say interested buyers are often unable to secure financing

And 72% say financing is their top priority when taking on a project

We need to work together to help bridge the gap between demand and supply, and increase access to financing for more qualified homebuyers, **HELPING TO MAKE HOUSING AFFORDABLE FOR ALL**

SHARE THIS STORY AND HELP SPREAD THE WORD ABOUT HOUSING AFFORDABILITY

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Sources: Fannie Mae, "Future Homebuyers," Single-Family Strategy & Insights unpublished research (November 2019). | Fannie Mae, "Builders," Single-Family Strategy & Insights unpublished research (December 2019). | Hayward, "Affordable Housing Crisis Demands Renewed Focus on Housing Supply," Fannie Mae Perspectives (March 2019). | MetroStudy, "Activating the Millennial New-Home Buyer," (January 2016). | Taylor, "A Growing Problem in Real Estate: Too Many Too Big Houses," The Wall Street Journal (March 21, 2019). | Evangelou, "Wage Versus Home Price Growth," National Association of Realtors (March 2019). | Hickey, "2019 State of the Nation's Housing Report: Lack of Affordable Housing," Habitat For Humanity (2019).