

Housing Supply Crisis: A Critical Fair Housing Issue

ALEXIA SMOKLER
NATIONAL ASSOCIATION OF REALTORS®



NARdotRealtor



nar.realtor



Newsroom

Once-In-A-Generation Response Needed to Address Housing Supply Crisis

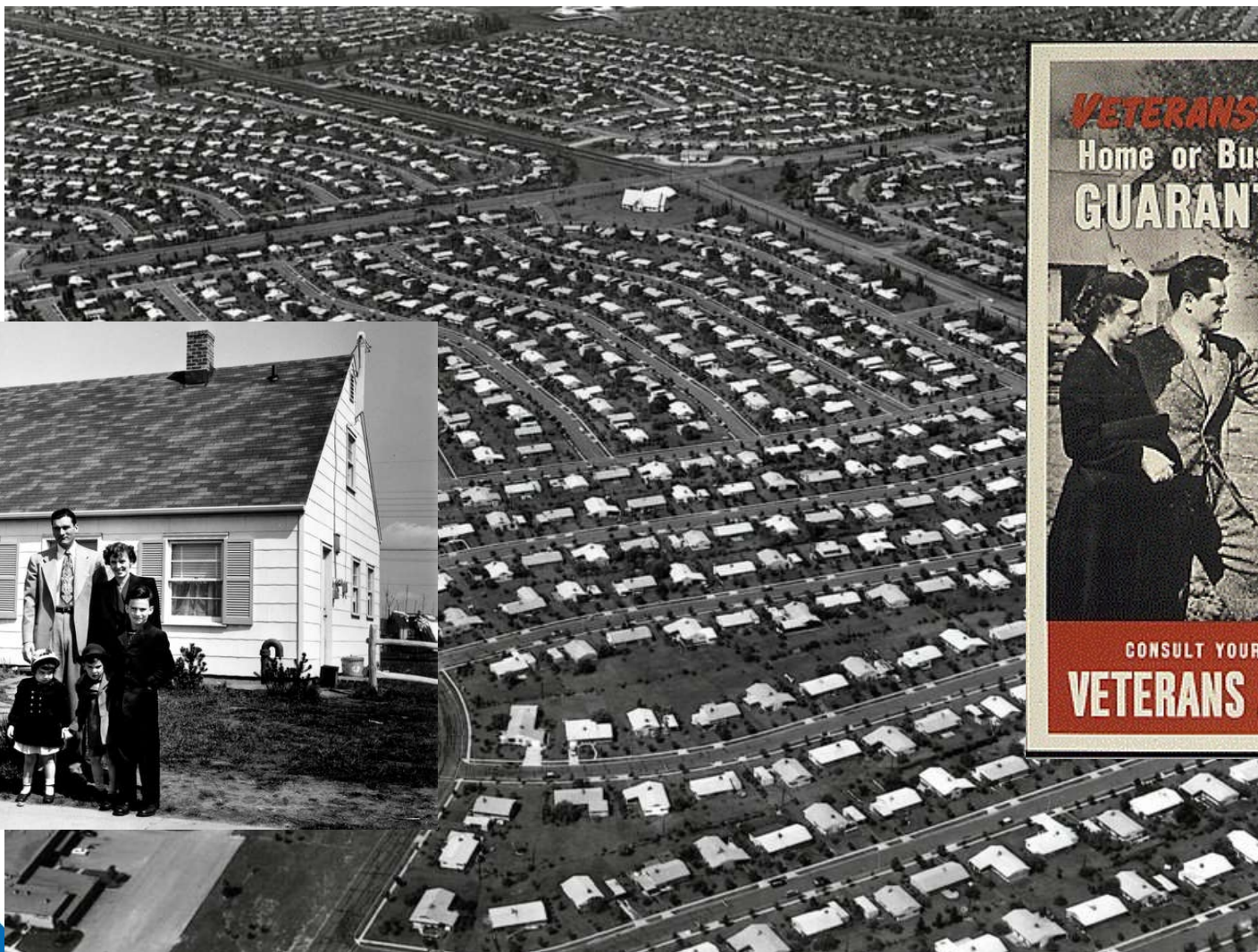
June 16, 2021

Media Contact: Wesley Shaw 202-383-1193

 [Transportation and Infrastructure, Fair Ho](#)

WASHINGTON (JUNE 16, 2021) – Decades of underinvestment and underbuilding have created a [shortage of housing](#) in America that is more dire than previously expected and will require a concerted, long-term nationwide commitment to overcome, according to a new report released today by the National Association of Realtors® and authored by the Rosen Consulting Group. [Housing is Critical Infrastructure: Social and Economic Benefits of Building More Housing](#) outlines causes and offers numerous potential solutions for both federal and local-level policymakers to consider, but warns that immediate action must be taken across all levels of government, no matter the approach.

**POST-
WWII
HOUSING
BOOM**



VETERANS- if buying a Farm,
Home or Business, learn about
GUARANTEED LOANS

CONSULT YOUR NEAREST OFFICE OF THE
VETERANS ADMINISTRATION

A vintage poster featuring a man in a military uniform in the center, flanked by a woman on the left and a man in a suit on the right. They appear to be in a conversation. The background shows a rural landscape with trees and a fence.

Sources of Down Payment by Race/Ethnicity

	Racial and Ethnic Distribution			
	Black/African-American	Asian/Pacific Islander	Hispanic/Latino	White/Caucasian
Savings	58%	79%	60%	55%
Proceeds from sale of primary residence	21	16	25	38
401k/pension fund including a loan	14	10	12	6
Gift from relative or friend	10	21	11	10
Tax refund	6	6	6	3
Loan from relative or friend	3	4	1	2
Sale of stocks or bonds	3	17	6	8

Source: 2021 Profile of Home Buyers and Sellers



Newsroom

NAR Finds Black Home Buyers More Than Twice as Likely to Have Student Loan Debt, Be Rejected for Mortgage Loans Than White Home Buyers

NAR officials say data reinforces need for implementation of key housing policy initiatives to close persistent minority homeownership gaps

February 17, 2021

Media Contact: Troy Green 202-383-1042

BLACK HOMEOWNERSHIP COLLABORATIVE



INCREMENTAL PROGRESS ON INCREASING ACCESS TO CREDIT ...



- Fannie, Freddie and FHA now accepting positive rental history in credit calculations
- GSEs requiring lenders to use newer credit scoring models; moving to cash flow underwriting
- Updated FHA student loan guidelines reduce DTI hurdles
- Some banks dipping their toe in the water on Special Purpose Credit Programs

Newsroom

Record-High Prices and Record-Low Inventory Make It Increasingly Difficult to Achieve Homeownership, Particularly for Black Americans

NAR and Realtor.com® identify most affordable housing markets for Black households

February 7, 2022

Media Contact: Troy Green 202-383-1042

Key Highlights

- More than 400,000 fewer affordable homes are available for sale for households earning \$75,000 to \$100,000 when compared to the start of the pandemic (245,300 in December 2021 vs. 656,200 in December 2019).

NATIONAL SUPPLY/AFFORDABILITY TRENDS

- 128 months of year-over-year price increases, longest streak on record
- 80% of metro areas seeing double-digit price increases
- Rising interest rates = monthly payment on typical conventional loan is up 50% from one year ago
- Share of first-time homebuyers this year dropped to 26%, the lowest level since NAR began tracking this data

NATIONAL SUPPLY/AFFORDABILITY TRENDS



- About half the homes for sale require a household income of \$100,000 or greater
- Priced Out:
 - 50% of Asian Americans
 - 65% of White Americans
 - 75% of Hispanic Americans
 - 80% of Black Americans

BALTIMORE METRO “DOUBLE TROUBLE” DATA

Household Income	Share of Listings They Can Afford to Buy	
	Oct 2019	Oct 2022
\$50k - \$75k	26%	18%
\$75k - \$100k	46%	32%
\$100k - \$125k	62%	47%

HOUSING SUPPLY POLICY PROPOSALS



- Incentivize land use and zoning reform
- Tax credits for converting commercial to residential
- Tax incentives to defray cost of training/hiring new residential construction workers
- Federal Legislation
 - Neighborhood Homes Investment Act
 - Affordable Housing Credit Improvement Act
 - Choice in Affordable Housing Act

Get in touch ...

Alexia Smokler
asmokler@nar.realtor