



STATE OF OREGON

Housing Supply and Affordability in Oregon

February 7th, 2017

Prepared for:

House Human Services and Housing Committee

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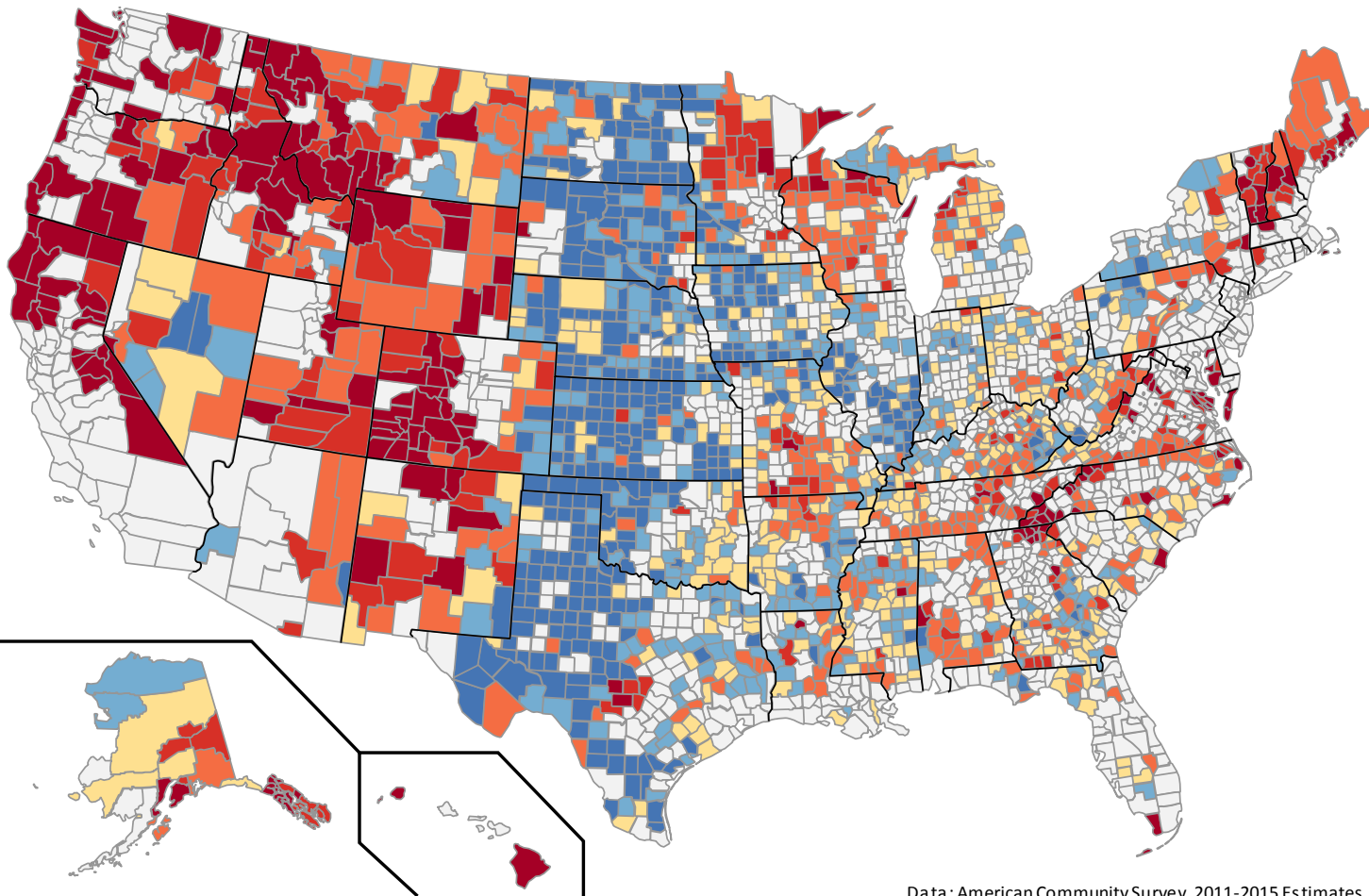
State Economist



Affordability: Not Just an Urban Issue

Rural Housing Affordability (Price to Income Ratio)

	90th+ Percentile
	80-90th Percentile
	60-80th Percentile
	40-60th Percentile
	20-40th Percentile
	< 20th Percentile
	Urban County



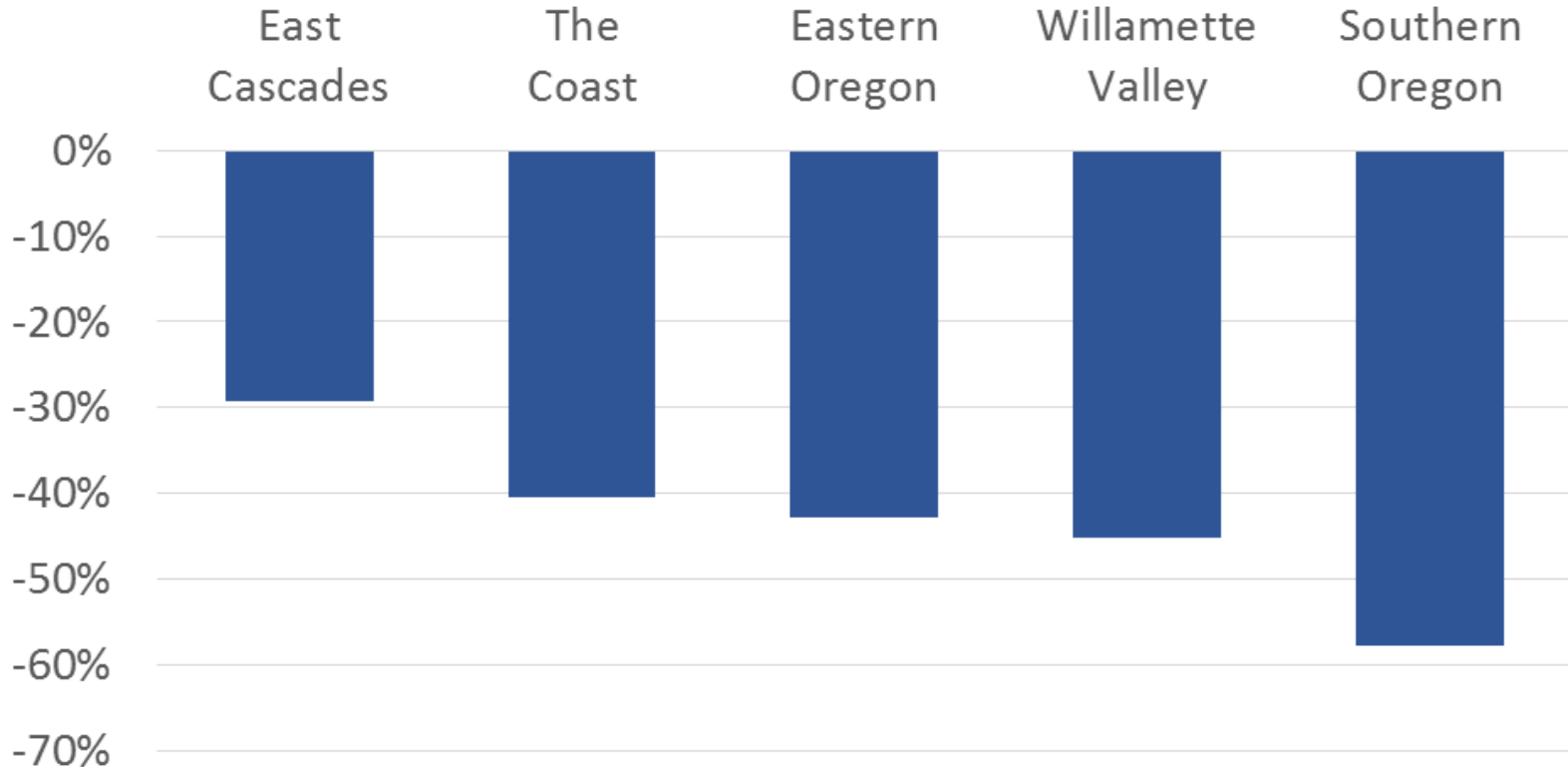
Data: American Community Survey, 2011-2015 Estimates
Source: Census, Oregon Office of Economic Analysis
Map Template: www.clearlyandsimply.com



Lack of Building Across the State

Low Levels of New Construction

2015 Permits Relative to 2000-2004 Average

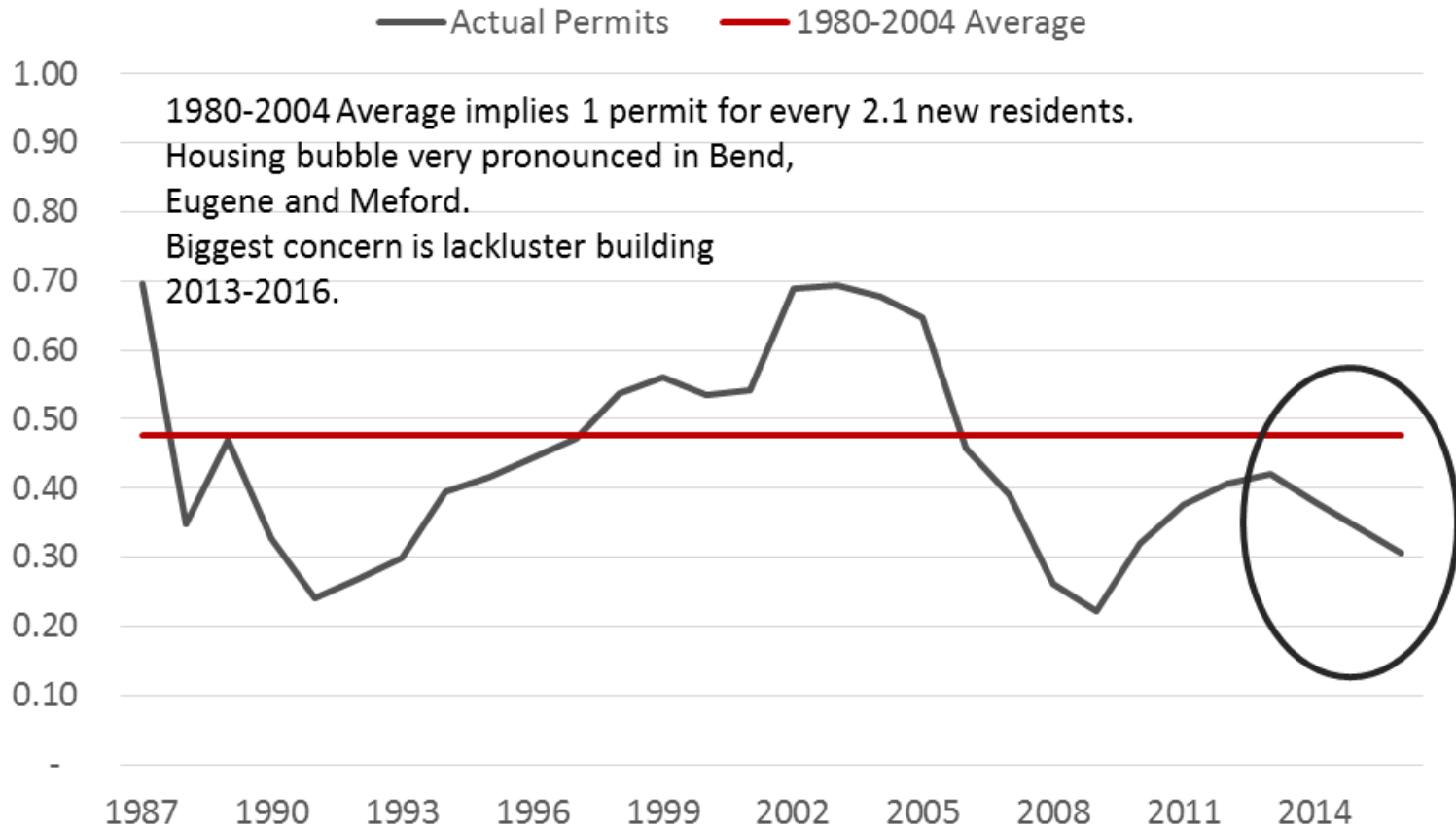


Source: HUD, Oregon Office of Economic Analysis



Lack of Building Across the State

New Housing Permits per New Resident Oregon Total



Source: HUD, Portland State, Oregon Office of Economic Analysis

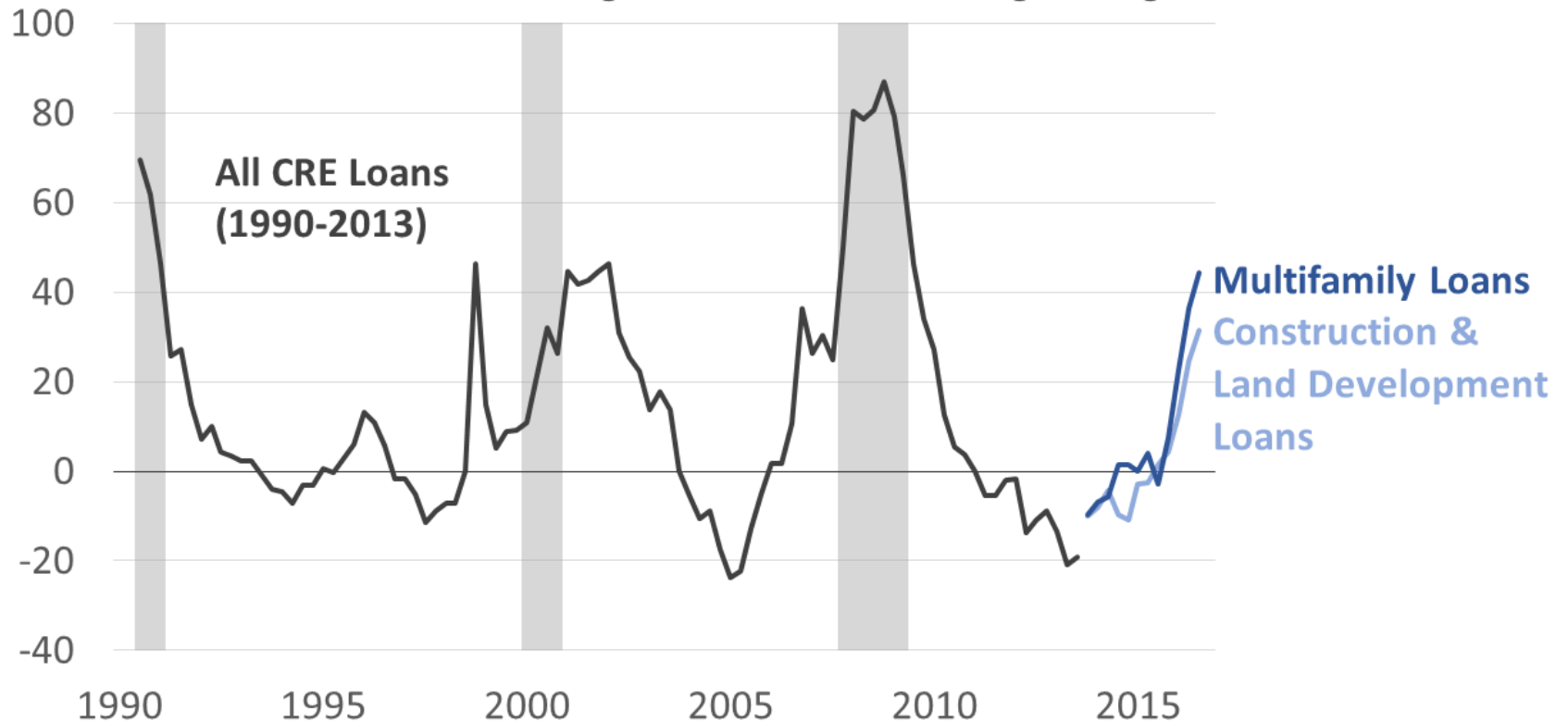




What Is Broken?

Commercial Real Estate Lending Standards

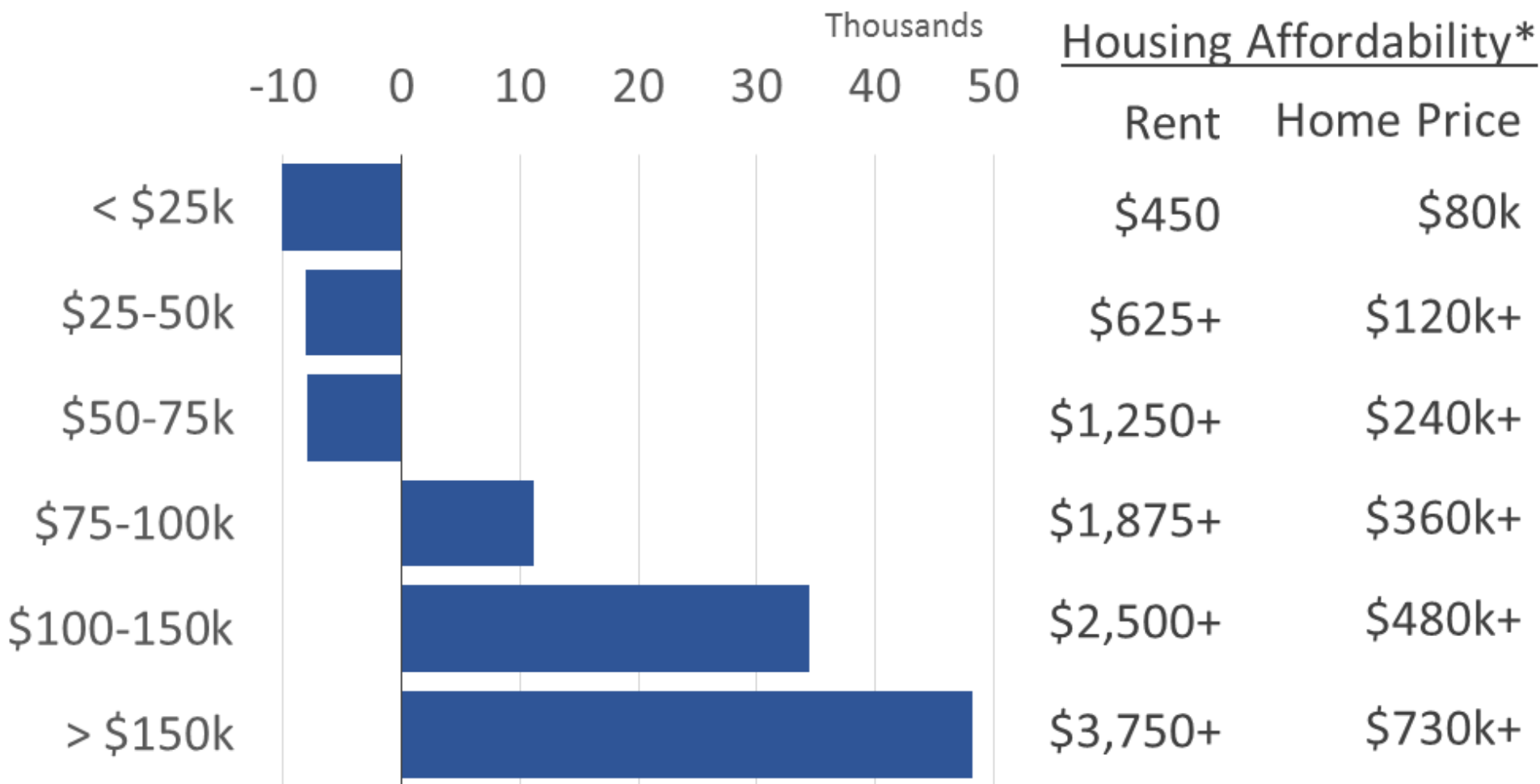
Net Percentage of Domestic Banks Tightening



Latest Data: 2016q3 | Source: Federal Reserve, Oregon Office of Economic Analysis

Portland MSA Households by Income

Change from 2007 to 2015



* Monthly housing costs equal to 30% of income. Home price assumes 20% down payment, 4% 30 year fixed mortgage, average property taxes and homeowners insurance.

Source: Census, Oregon Office of Economic Analysis

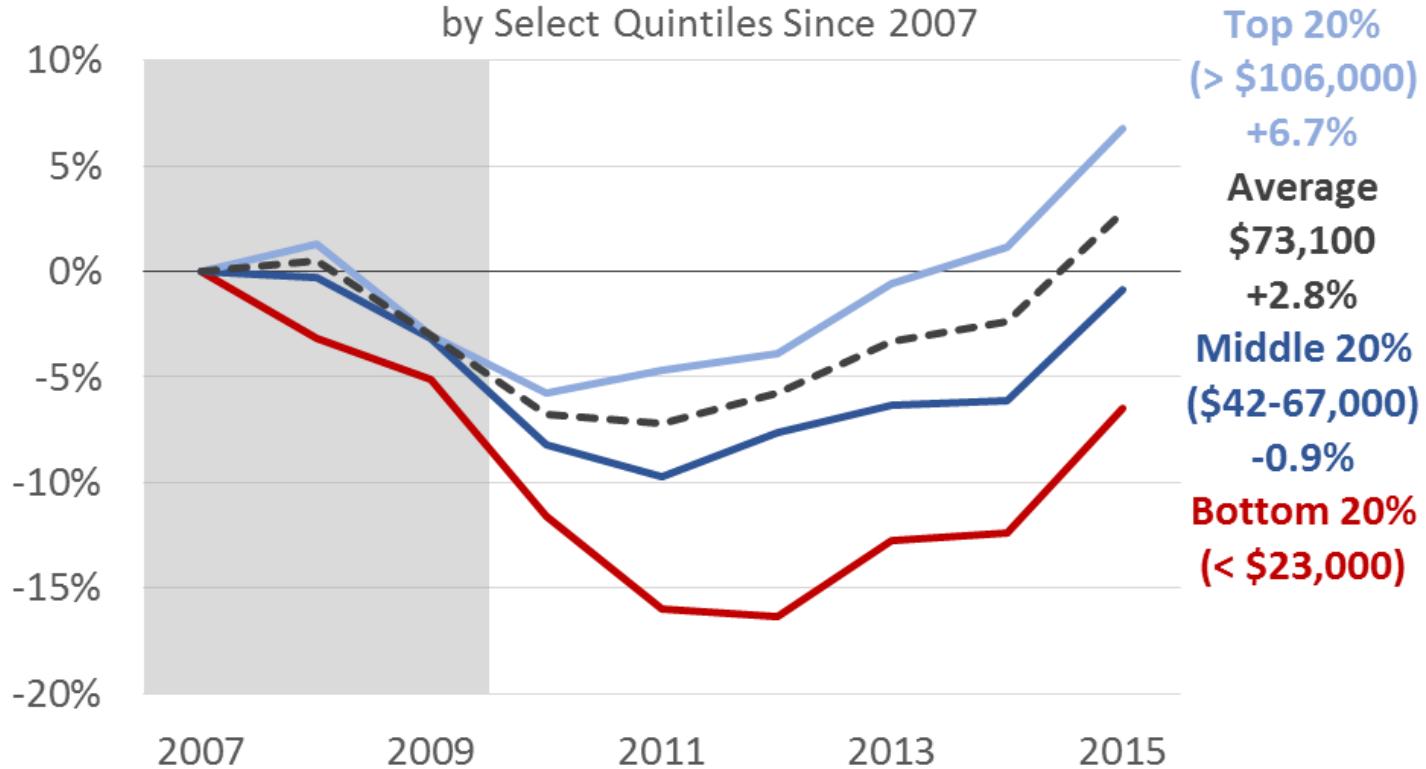




Growth Becomes More Broad Based

Oregon Household Incomes Rising

Inflation-Adjusted Change in Average Household Income
by Select Quintiles Since 2007



Inflation adjusted using PCE deflator. | Source: BEA, Census, Oregon Office of Economic Analysis

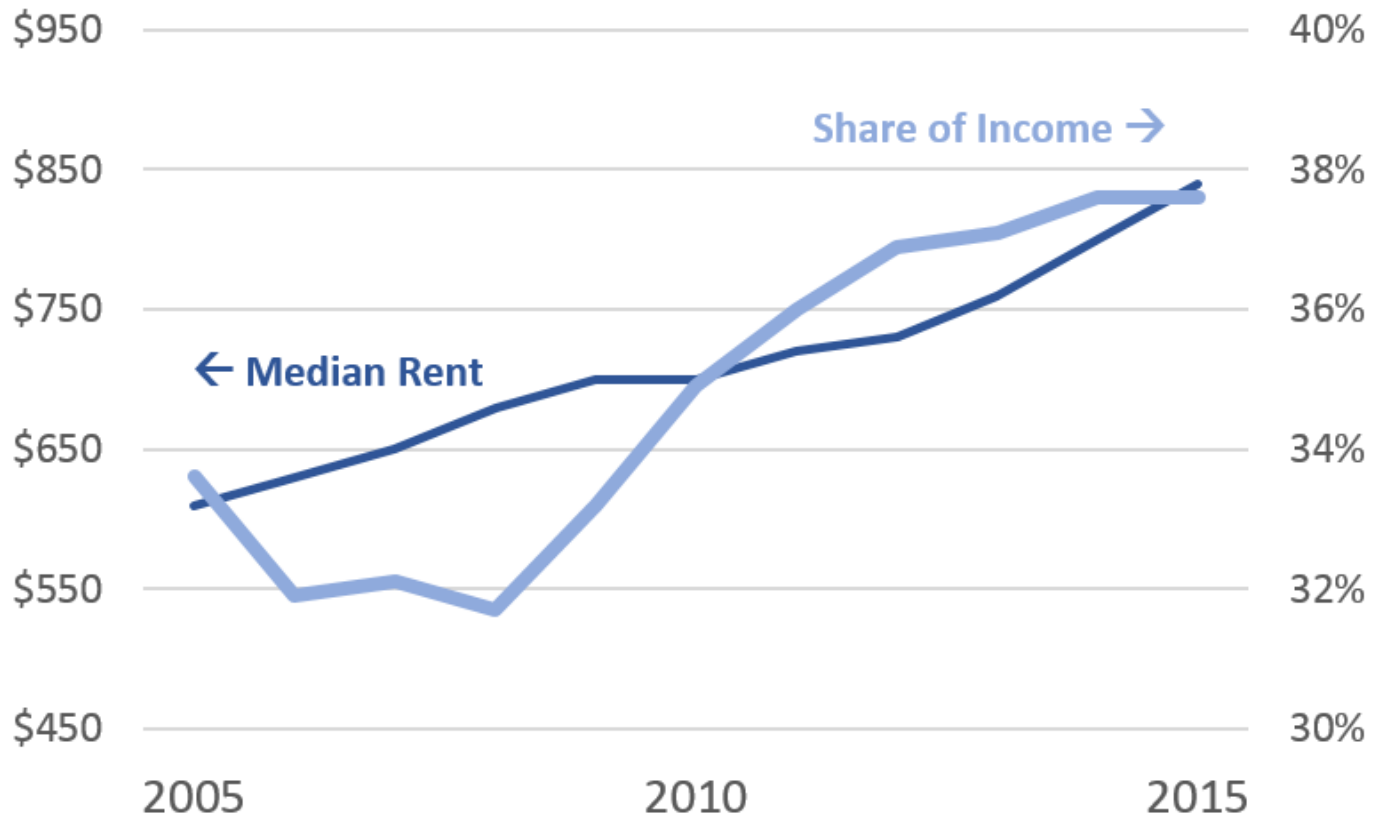




An Inflection Point

Housing Costs for Lower-Income Households

Portland MSA, Rental Households with Income < \$50,000

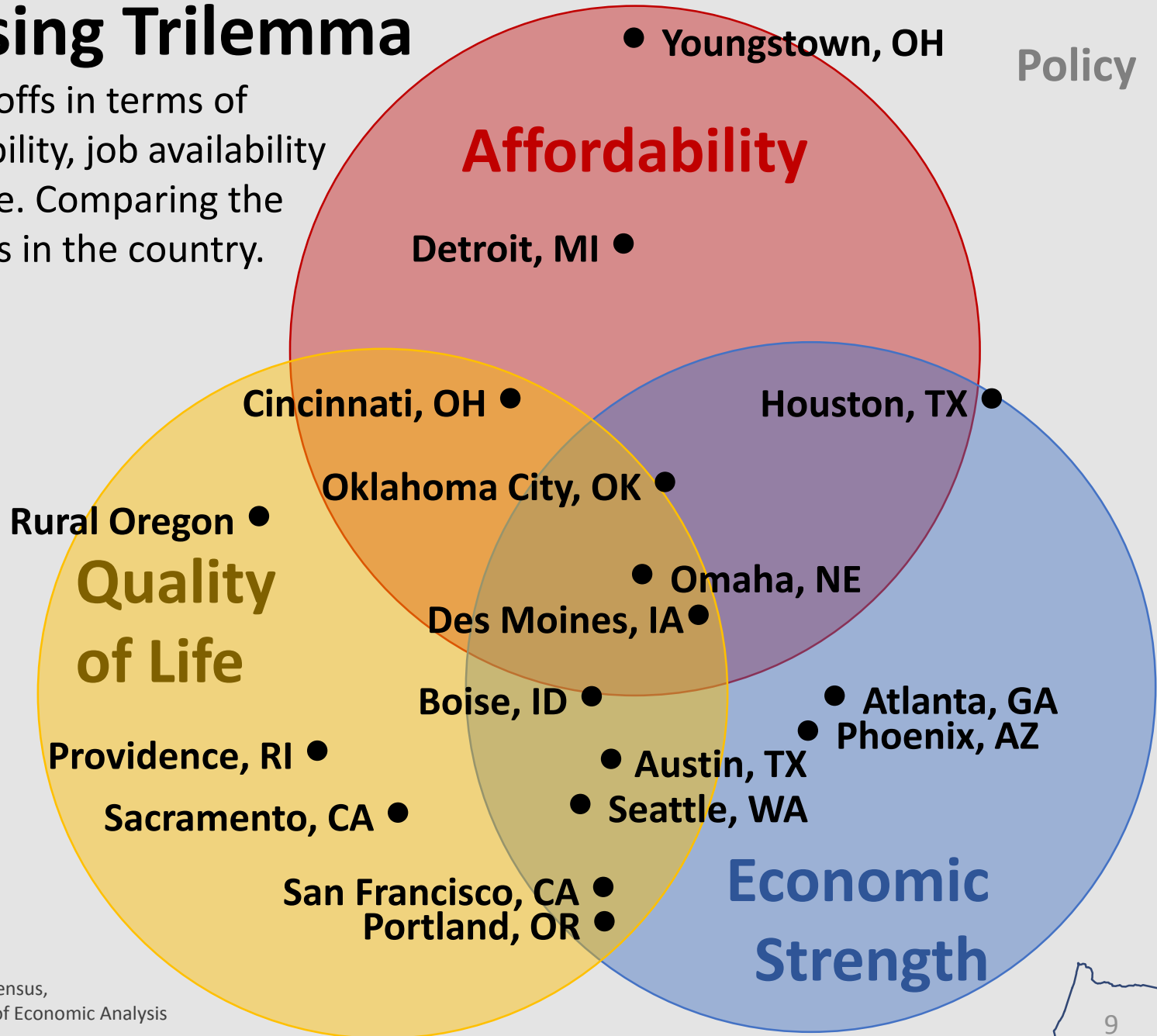


Source: IPUMS-USA, Oregon Office of Economic Analysis

The Housing Trilemma

Cities face tradeoffs in terms of housing affordability, job availability and quality of life. Comparing the 100 largest MSAs in the country.

Policy



Source: David Albouy, BEA, BLS, Census, IHS Global Insight, Oregon Office of Economic Analysis

Oregon Office of Economic Analysis





For More Information

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