

RISMEDIA, May 20, 2009-Nationwide housing affordability jumped 10 percentage points during the first quarter of 2009 to its highest level since the series began 18 years ago, according to the National Association of Home Builders/Wells Fargo Housing Opportunity Index (HOI). The HOI showed that 72.5% of all new and existing homes sold in the first quarter of 2009 were affordable to families earning the national median income of \$64,000, up from 62.4% during the previous quarter and up from 53.8% during the first quarter of 2008.

“Underlying the increase in affordability are lower home prices and record low interest rates. Combined with the \$8,000 federal tax credit for first-time home buyers, consumers are beginning to return to the marketplace,” said NAHB Chairman Joe Robson, a home builder from Tulsa, Okla.

Indianapolis was the most affordable major housing market in the country during the first quarter. Almost 95% of all homes sold were affordable to households earning the area’s median family income of \$68,100. Indianapolis has now topped the affordability list 15 consecutive quarters.

Also near the top of the list of the most affordable major metro housing markets were Youngstown-Warren-Boardman, Ohio-Pa.; Akron, Ohio; Grand Rapids-Wyoming, Mich.; and Syracuse, N.Y.

Several smaller housing markets posted even higher affordability scores than Indianapolis, with Sandusky, Ohio outscoring all others. There, almost 98% of homes sold during the first quarter of 2009 were affordable to median-income earners. Other small housing markets ahead of Indianapolis on the affordability scale included Monroe in Michigan and Mansfield, Springfield and Canton-Massillon in Ohio.

New York-White Plains-Wayne, N.Y.-N.J., where just over 21% of all homes sold during the period were affordable to those earning the median income of \$64,800, was once again the nation’s least affordable major housing market in the first quarter. Though affordability jumped 7 percentage points for the quarter, this was the New York metro area’s fourth consecutive appearance at the bottom of the list. Other major metros near the bottom of the chart included San Francisco; Los Angeles-Long Beach-Glendale, Calif.; Nassau-Suffolk, N.Y.; and Honolulu.

Among smaller metro areas, Ocean City, N.J. was the least affordable market, along with San Luis Obispo-Paso Robles, Calif.; Flagstaff, Ariz.; Hanford-Corcoran, Calif.; and Santa Cruz-Watsonville, Calif., respectively.