



FOR IMMEDIATE RELEASE – Dec. 14, 2007

Washington Realtors praise Congressional action to expand access to home loans

OLYMPIA, Wash. — More low-income families will be able to buy homes under new legislation approved by the U.S. Senate today. The bill lowers the down-payment requirement for a Federal Housing Administration mortgage from 3 to 1.5 percent, and increases the mortgage limit from \$362,000 to \$417,000. The bill now moves to a conference committee where the House and Senate will iron out differences in their versions of the measure.

"This exciting legislation comes at a time when rising home prices have pushed home ownership out of the reach of too many middle-income families," said Yakima Realtor Dennis Rose, the 2007 president of the Washington Realtors. "We appreciate the work Sen. Patty Murray has invested in this important policy because we understand what a huge impact it will have on working families."

Sen. Murray chairs the Senate Subcommittee on Transportation and Housing and Urban Development & Related Agencies. In April Sen. Murray brought together representatives of the Washington Realtors, the State Labor Council, Cascade Land Conservancy, Washington Mutual, Puget Sound Educational Services District, Sound Transit and others to discuss the effects of rising housing costs in the region. The senator since has worked for the passage of legislation to make secured home loans more accessible to low- and middle-income families.

The Washington Realtors' 2008 president, Jan Ellingson, said that although the legislation is partly intended to address the problem of sub-prime mortgages, in Washington the federal legislation will have a stronger impact in communities that have seen home prices rise in double digits over the last several years.

“Foreclosures in this state are less than one percent of all mortgages – about the same level as ten years ago,” noted Ellingson, a Mt. Vernon Realtor. “But over the last five or six years home prices across the state have risen more than 65 percent, pushing home ownership out of the reach of too many hard-working families. This bill recognizes the reality of home appreciation in strong markets like ours.”

In the third quarter of 2007 home prices were higher than the previous year in 37 out of 39 Washington state counties. Eleven counties experienced double-digit price increases over last year. Over the same period, home price appreciation in Wenatchee led the nation, with similarly hot markets in Seattle and Spokane.

The House passed its version of FHA reform in Sept. The Senate today approved the reform bill 93 to 1.

For more information, please contact Barbara J. Lally, 360-943-3100, ext. 122.

“REALTOR® is a federally registered collective membership mark which identifies a real estate professional who is a member of the NATIONAL ASSOCIATION OF REALTORS® and subscribes to its strict Code of Ethics”