

## The Need for Affordable Housing

In Lincoln and across the nation, high housing costs have made homeownership an impossible dream for many hard-working people. Since 1999, the average home price for a Neighborhoods, Inc. first time homebuyer has jumped 44%, while average income has risen only 4%. These startling figures mirror a nationwide trend that has made homeownership increasingly difficult for working people.

Individuals, families, neighborhoods, and communities all suffer when homeownership becomes less affordable. Owning a home stabilizes families and helps build assets, strengthening both social relationships and economic futures.



There are also community benefits. Studies have also shown a correlation between high rates of homeownership and lowered crime rates. And research indicates that people who own their homes are more committed to the community and more invested in their neighborhoods.

The community also reaps economic benefits from homeownership. One study by the Neighborhood Reinvestment Corporation estimated that for every 100 renter families that become homeowners, \$5.9 million dollars and 67 jobs are generated for the local economy over a ten-year period.

Those of us who consider Lincoln "The Community of Opportunity," must come to value the role that affordable homeownership plays in that vision. It's not only good social policy, it is a critical part of any sustainable, successful community economic development strategy.

*In 1999, the average price of a Lincoln home purchased by a Neighborhoods, Inc. first-time homebuyer was \$72,522 and the average payment was \$563. In 2004, the average home price was \$104,655 and the payment was \$715. In sharp contrast, the average income of a homebuyer in 1999 was \$26,487, rising only to \$27,950 in 2004.*

