

Portland matches Seattle in 'severely unaffordable' housing ranking, makes Top 10 behind California cities

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Portland has surged toward the top of another national list. For anyone in the city looking to buy a house, this is not a good thing.

Demographia's 2017 International Housing Affordability Survey concluded that Portland falls into the "severely unaffordable" category. The St. Louis-based public-policy consulting firm uses its "median multiple" measurement to determine how affordable a housing market is. This measurement, writes New Zealand Initiative executive director Oliver Hartwich, has "firmly established a benchmark for housing affordability by linking median house prices to median household incomes."

Below are the 13 most unaffordable housing markets in the U.S., according to Demographia.



1. San Jose

9.8 median multiple. The Silicon Valley city is the most unaffordable housing market in the U.S., Demographia's latest survey concluded.

The median multiple is determined by dividing the median house price by gross annual median household income. This measurement, reports CNN, is "recommended by the World Bank and the United Nations."



2. Honolulu

9.4 median multiple.

High housing prices are typically viewed as a result of success: a metro area is desirable and generating abundant high-paying jobs. But Hartwich, who wrote the introduction to Demographia's 2017 report, sees it differently. "We should not accept extreme price levels in our housing markets," he wrote. "High house prices are not a sign of city's success but a sign of failure to deliver the housing that its citizens need."



3. Los Angeles

9.3 median multiple.

"Demographia's reports and countless other surveys and studies do not leave the slightest doubt that unaffordable housing is almost everywhere and every time caused by the same factor: housing supply restrictions," Hartwich wrote. "The more restrictive the market, the more prices will increase over time."



4. San Francisco

9.2 median multiple.

In San Francisco's revved-up housing market, even top earners sometimes have trouble finding houses they can afford. Real-estate site [Trulia concluded](#) recently that only 41.6 percent of houses in San Francisco are within reach of medical doctors in the city.



5. San Diego

8.6 median multiple.

Only 26 percent of San Diego residents are "able to comfortably purchase [a] median-priced house," [according to a recent report](#) by the California Association of Realtors.



6. Miami

6.1 median multiple.

A [recent study concluded](#) that by 2030, Miami "will need an additional 185,000 new apartments," in part because residents will increasingly need to rent because they won't be able to afford to buy.



7. New York City

5.7 median multiple.

"Rent-stabilized apartments [in New York City]" [wrote the New York Review of Books](#) recently, "are disappearing at an alarming rate: since 2007, at least 172,000 apartments have been deregulated. To give an example of how quickly affordable housing can vanish, between 2007 and 2014, 25 percent of the rent-stabilized apartments on the Upper West Side of Manhattan were deregulated."



8. Riverside-San Bernardino

5.6 median multiple.

"There are direct and immediate consequences of [the San Bernardino area's housing] supply shortage," [says Ben Metcalf](#), director of the California Department of Housing and Community Development. "And they translate very painfully all the way up and down the economic spectrum and all the way across west, east, north and south of the state. But where we see this hurting the most is in our lower-income working families."



9. (tie) Portland

5.5 median multiple. The City of Roses has seen its median multiple skyrocket from 3.2 in 2000.



9. (tie) Seattle
5.5 median multiple



11. (tie) Denver
5.4 median multiple



11. (tie) Boston
5.4 median multiple



13. Sacramento
5.1 median multiple



More:

Demographia rates “middle-income affordability” in 406 metro markets in nine countries based on data from the third quarter of 2016.

For the entire report: <http://www.demographia.com/dhi.pdf>