



HAWAI'I HOUSING FINANCE AND DEVELOPMENT CORPORATION

NEIL ABERCROMBIE
GOVERNOR

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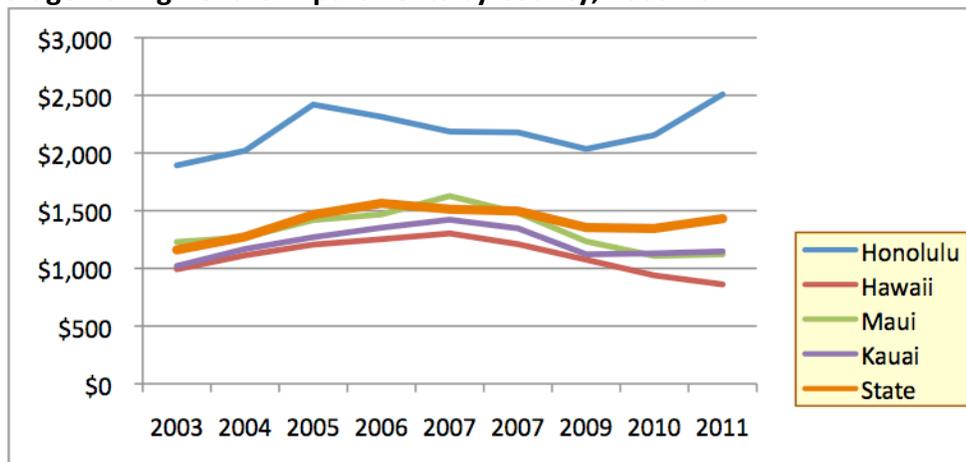
HOUSING PLANNING STUDY FINDS RESIDENTS PAYING MORE FOR SHELTER

HONOLULU – More Hawai'i residents are paying a larger share of their income for housing, according to the 2011 Hawai'i Housing Planning Study.

The report, commissioned by a consortium of state and county housing agencies, indicates that nearly 28 percent of households across the state are paying more than 40 percent of their monthly income for homes. Statewide, homeowners made mortgage payments ranging from \$1,049 to \$2,157 depending on the number of years in their home; the average monthly mortgage payment was \$1,355.

Renter households paid an average of \$1,421 per month for housing in 2011. Advertised or asking rents are on the rise for the state and each county except Hawai'i County after falling from 2007 to 2009.

Average Asking Rent for Apartments by County, 2003-2011



Source: HHPS 2011 from Hawai'i Information Service; data through June 30, 2011

Housing studies conducted since 1992 showed a downward trend in household crowding and doubling up. The 2011 study shows a sharp reversal where over 1 in 5 households, statewide, are crowded (i.e., more than 1.01 person per room) and doubled up (i.e., have more than one family group in a single housing unit). Similarly, the average household size for the state increased to 2.99 in 2010 from 2.93 in 2006.

According to the study, within the next five years (2012-2016), an additional 19,200 rental units will be needed to meet projected demand by lower income families. During the same five-year period, about 4,800 affordable for-sale units will be needed to meet the housing requirements of homebuyers earning from 80 to 140 percent of the area median income.

“Over the past 5 years, the state has been able to assist in the development or preservation of over 2,700 rental units,” said Karen Seddon, HHFDC executive director. “We’re providing favorable financing from the state’s Rental Housing Trust Fund and Dwelling Unit Revolving Fund, as well as low-income housing tax credits and land, to assist our private and public sector partners to help renter households.

“The study shows that a major barrier to homeownership is having enough money saved for a down payment. While nearly 60 percent of potential homebuyers earn enough money to cover the monthly payments, only 28 percent have an adequate down payment. The state’s next Hula Mae mortgage program will feature down payment assistance to help first-time homebuyers get over this hurdle.”

The 2011 Hawai'i Housing Planning Study consortium includes the Hawai'i Housing Finance and Development Corporation (HHFDC), the Department of Hawaiian Home Lands, County Housing Agencies, and the Department of Human Services, Homeless Programs Office. The 2011 housing study prepared by SMS Research, which updates previous studies conducted in 1992, 1997, 2003 and 2006, and consists of four major components:

1. A housing survey to measure housing demand in the short-run and long-run and obtain demographic and economic characteristics of Hawaii's households;
2. An updated inventory of housing;
3. Historic and current information on rental housing availability and rates statewide; and
4. Estimates of housing need.

Additional information includes:

5. Housing data for the Department of Hawaiian Home Lands;
6. An assessment of willingness to purchase a home with resale or other restrictions as an affordable means to obtain homeownership including smaller house lots (Kaua'i) and sustainable leases;
7. Estimates of housing demand from special needs groups including the elderly, frail elderly, and persons with disabilities;
8. Data on at risk and hidden homeless; and
9. A measure of transportation costs (i.e., commute time to work or school and monthly cost), and interest in moving to higher density housing closer to transit stops.

A copy of the 2011 Hawai'i Housing Planning Study is available online at:

<http://hawaii.gov/dbedt/hhfdc>

The State of Hawai'i HHFDC was created by Act 196 of 2005, as amended by Act 180 of 2006 to separate the housing finance and development functions from the Housing and Community Development Corporation of Hawaii when the Legislature found that "the burden of administering the public housing projects in the State has overshadowed the ability of the corporation to pay sufficient attention to the financing and development of affordable housing." The corporation has a production plan in place to deliver over 5,000 workforce/affordable units over the next five years.

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