



beyond the headlines



Can teacher housing entice educators to work in expensive cities?

Source: *Curbed*

Teaching crises have challenged American education for decades. Increasing enrollment, substandard facilities, and a scramble to find a way to pay for solutions: Today's familiar pressures were making headlines back in 1954. At the time, in another example of "same news, different day," the San Francisco superintendent of schools declared that the city's teacher shortage was "acute."

Making sense of the story:

- While the issue may be the same, today's teaching crises in the Bay Area have taken on dimensions that postwar administrators couldn't have imagined. San Francisco and its surrounding communities offer the most extreme case studies that showcase the challenging math of making it, and making a home, as an urban school teacher.
- According to Apartment List data, fifth-year teachers in the city have to spend nearly 70 percent of their income to rent a one-bedroom, and Trulia noted that the city's teachers can only afford .04 percent of the homes in the entire city.
- Housing has become such a drain on salaries that San Francisco Mayor Ed Lee recently announced the city would build its own rental housing in the Outer Sunset neighborhood specifically for teachers. This is yet another sign, coupled with the prevalence of couchsurfing and long commutes, that its educators are losing the battle against escalating rent.
- Teachers are often lionized for tackling a difficult job without the salaries and support they deserve. Yet increasingly, they also face affordability challenges outside the classroom. Rising rent and housing costs have made teaching jobs in pricy urban districts increasingly difficult for schools to fill. According to research by the Learning Policy Institute (LPI), the United States was short roughly 100,000 teachers last year, with compensation cited as a key reason many have left positions, or the profession altogether.
- For many school districts, especially in California, alleviating the real estate squeeze facing teachers is becoming a more prominent part of efforts to retain talent. For school districts, factoring housing into compensation and pay packages, or even becoming landlords themselves, is becoming a new way to offer more than just a salary bump. Teachers get a better quality of life, are able to afford housing closer to their classrooms, cut down on their commute, and retain a connection with the communities they serve. Without radical increases in education budgets, this is an increasingly popular and creative way to make salaries stretch further.

Full story

<https://www.curbed.com/2017/9/12/16294628/teacher-housing-real-estate-low-income-teachers-village>

In other news...

State lawmakers advance major housing bills

Source: Los Angeles Times

California lawmakers advanced key housing legislation late Thursday, clearing the most substantial hurdle for a package of bills aimed at addressing the state's housing affordability crisis.

Legislators in the Assembly passed Senate Bill 2, a \$75 fee on mortgage refinances and other real estate transactions except for home and commercial property sales. The measure is expected to raise \$250 million a year to help finance new and rehabilitated developments for low-income residents — a key step, lawmakers said, in beginning to get housing costs under control.

The bill required two-thirds support from Assembly members, a threshold that the bill's author, Sen. Toni Atkins (D-San Diego), and legislative leaders had been struggling to meet. Assembly Democrats, who hold exactly a supermajority, have been wary of backing a measure that would increase fees. The lack of a decision on SB 2 had been holding up votes on potentially more than a dozen housing bills in the Legislature.

Full story

<http://www.latimes.com/politics/la-pol-ca-housing-bills-pass-assembly-20170914-story.html>

Consumers continue optimism with home values

Source: Quicken Loans

Appraisals continue to lag homeowners' price expectations, according to the latest Quicken Loans' National Home Price Perception Index, which compares homeowners' initial estimates and appraiser's opinions of home values. Appraised values were 1.35 percent lower than homeowners' expectations in August. That has narrowed from a 1.55 percent difference in July.

Many homeowners are still not understanding their home's current value, according to the analysis. The perceptions can vary quite a bit across the country, too. For example, home values are 3 percent higher than homeowners' estimated values in the West, while they are 3 percent lower than expected in the Midwest and Northeast.

Full story

<http://www.quickenloans.com/press-room/2017/09/12/quicken-loans-study-shows-consumers-continue-to-be-too-optimistic-with-anticipated-home-value/>

High home prices cause house flippers to pull back

Source: CNBC

House flipping has seen a huge run-up in the past few years, as investors take advantage of tight supply in the market and fast-rising home prices. Popular television shows glorifying the process have also turned regular Joes and Joannas into real estate renegades. Those high prices, however, are now taking their toll.

After two straight years of gains, the rate of home flipping, defined as buying and selling a home in the same calendar year, flattened in the second quarter of this year, according to a new report from Attom Data Solutions. Nationwide, 53,638 single-family homes and condos were flipped in the second quarter, which is 5.6 percent of all home sales during the period. That rate was down from 6.9 percent in the previous quarter and unchanged from a year ago.

Full story

<https://www.cnb.com/2017/09/14/high-home-prices-cause-house-flippers-to-pull-back.html>

Student Debt Forces 7-Year Homebuying Delay

Source: Housing Wire

Young adults strapped with student debt are delaying buying a home an average of seven years, according to a joint study by the National Association of REALTORS® and American Student Assistance released Monday. The average student debt load among survey respondents—who are millennials between the ages of 22 and 35—is \$41,200, which is higher than their average annual income of \$38,800, the study shows.

Eighty percent of the more than 2,000 respondents said they do not own a home. The vast majority of that group—83 percent—blame student loan debt for their delay in buying a home. “The tens of thousands of dollars many millennials needed to borrow to earn a college degree have come at a financial and emotional cost that’s influencing millennials’ housing choices and other major life decisions,” says NAR chief economist Lawrence Yun. “Sales to first-time buyers have been underwhelming for several years now, and this survey indicates student debt is a big part of the blame. Even a large majority of older millennials and those with higher incomes say they’re being forced to delay homeownership because they can’t save for a down payment and don’t feel financially secure enough to buy.

Full story

<https://www.housingwire.com/articles/41326-nar-reveals-how-long-student-debt-is-delaying-homeownership>

California voters consider moving due to high housing costs

Source: *Sacramento Bee*

More than half of California voters say the state's housing affordability crisis is so bad that they've considered moving, and 60 percent of the electorate supports rent control, according to a new statewide poll.

The findings from UC Berkeley's Institute of Governmental Studies reflect broad concerns Californians have over the soaring cost of living. Amid an unprecedented housing shortage, rents have skyrocketed and tenants have faced mass evictions, especially in desirable areas.

Of the 56 percent of voters who said they've considered moving, 1 in 4 said they'd relocate out of state if they did.

About half of the state's voters – 48 percent – said they consider the problem of housing affordability “extremely serious.” Concerns are more prevalent in areas seen as ground zero for the crisis, including the Bay Area, where 65 percent of voters described the problem that way.

Full story <http://www.sacbee.com/news/politics-government/capitol-alert/article174026561.html>

What you should know

- Scam artists are out in full force after Equifax's recent data breach. They're calling consumers pretending to be Equifax and asking to verify your account information. Other calls might try to trick you into giving your personal information. Here are some tips from the Federal Trade Commission for recognizing and preventing phone scams and imposter scams:
- Don't give personal information. Don't provide any personal or financial information unless you've initiated the call and it's to a phone number you know is correct.
- Don't trust caller ID. Scammers can spoof their numbers so it looks like they are calling from a particular company, even when they're not.
- If you get a robocall, hang up. Don't press 1 to speak to a live operator or any other key to take your number off the list. If you respond by pressing any number, it will probably just lead to more robocalls.
- If you've already received a call that you think is fake, report it to the FTC.
- If you gave your personal information to an imposter, it's time to change any compromised passwords, account numbers or security questions. And if you're concerned about identity theft, visit IdentityTheft.gov to learn how you can protect yourself.