

Supporting Affordable Homeownership

Dear Legislators:

We, the undersigned, believe that homeownership should remain a viable option for individuals and families across the income spectrum in Washington State, but the data is clear that for households earning less than 80% of the area median income (AMI) – whether they live in Richland or in Tacoma – market rate homeownership is almost totally out of reach. We must seek tools to support homeownership for low-income households, so that they are able to access the well-being that comes with the stability, affordability, and long-term benefits that homeownership provides.

The lack of access to homeownership for low-income households is harmful to those current and future residents, and communities across our state. The underproduction of new homes is a primary barrier to accessing affordable/attainable homeownership, and market-based homeownership development is not able to produce homes that are affordable to low-income buyers earning less than 80% AMI.

In response we support legislative action by the 2024 Legislative Session in the four following areas:

Expanding the flexibility of sales tax based affordable housing funding sources¹ to serve households earning up to 80% AMI, and up to 100% AMI in rural areas, to encourage diverse housing production to provide opportunities for more people to access homeownership.

Extending the real estate excise tax exemption² to buyers of income-restricted homes of all ownership models.

Building more homes through public investments by exempting non-profit homeownership developments from sales tax on construction materials.

Continuing State Housing Trust Fund support to fund affordable homeownership unit development.

The 2023 Legislative Session demonstrated the commitment of members of the Legislature to meeting the magnitude of the housing crisis, and we ask that the Legislature continue to advance and build upon its support for providing more opportunities for safe, secure, and affordable housing. We strongly encourage your collaboration and action.

Sincerely,

¹ [RCW 82.14.540: Affordable and supportive housing—Sales and use tax. \(wa.gov\)](https://leg.wa.gov/RCW/default.aspx?cite=82.45.010)

² <https://app.leg.wa.gov/RCW/default.aspx?cite=82.45.010>

Habitat for Humanity of Washington State
South Sound Housing Affordability Partners
Housing Development Consortium
Parkview Services
Washington State Community Action Partnership
Homeownership Center Northwest
Habitat for Humanity Seattle-King & Kittitas County
EcoTHRIVE Housing
Housing Resources Bainbridge
San Juan Community Home Trust
Lopez Community Land Trust
OPAL Community Land Trust
Home Trust of Skagit
Skagit Habitat for Humanity
Washington Homeownership Resource Center
Upper Valley MEND
Vashon Household
Olympic Housing Trust
LISC Puget Sound

Homestead Community Land Trust
Homes and Hope Community Land Trust
Black Home Initiative
Nehemiah Initiative Seattle
Sightline
Community Frameworks
Proud Ground
Tacoma/Pierce County Habitat for Humanity
Kulshan Community Land Trust
Habitat for Humanity of Island County
Cowlitz County Habitat for Humanity
Wallingford Indivisible
Habitat for Humanity of Kitsap County
Washington Bankers Association
HomeSight
Common Roots Housing Trust
United Way of King County
Tacoma Housing Authority
Methow Housing Trust