

# More Affordable to Buy than Rent in Spokane



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2017 President

Spokane Association of REALTORS®



## OPINION

Let's start this new year with an old question: Is it more affordable to buy or rent a home? In Spokane, right now, it is, in fact, more affordable for most people to buy.

If you plan to be here for a year or two, it probably makes more sense for you to rent. If, however, you expect to live in Spokane for five-plus years, you should definitely consider a purchase.

If you're in this second group, it's my pleasure to help unpack the reasons why this is true. When you consider your personal situation, buying a home may be more affordable than you think.

It is presently more affordable to buy than rent in 66% of the United States – this includes Spokane. That information is included in a new report just out from ATTOM Data Solutions.

Here's a link to the report for you to explore the numbers on your own, including an interactive map for many cities across the country: <http://www.realtytrac.com/news/home-prices-and-sales/2017-rental-affordability-report/>

Click on the dot for Spokane, and you get these numbers:

The median home price in Spokane is about \$190,000; the median rent is \$1,250. It takes 34.1% of average Spokane wages (about \$43,000/year) to buy that home; it takes 34.6% of average wages to rent that home. Advantage: buy.

By contrast, the median home price in Seattle is \$454,000, the median rent is \$2,427. It takes 47.7% of average Seattle wages (about \$72,000/year) to buy that home; it takes 40.2% of

average wages to rent that home. Advantage: rent.

The report compares monthly rents of three-bedroom apartments to monthly payments – including mortgage, property taxes, and insurance – on median-priced abodes in 540 counties that had 900 home sales or more in 2016. ATTOM assessed affordability by looking at 2017 rent estimates from the U.S. Department of Housing and Urban Development, wage data from the U.S. Bureau of Labor Statistics, and public record sales deed data.

"While buying continues to be more affordable than renting in the majority of U.S. markets, that equation could change quickly if mortgage rates keep rising in 2017," says Daren Blomquist, senior vice president with ATTOM Data Solutions. "In that scenario, renters who have not yet made the leap to homeownership will find it even more difficult to make that leap this year. Additionally, renting may end up being the lesser of two housing affordability evils in a growing number of high-priced markets."

Interest rates are expected to go up this year, so it may be smarter for you to buy sooner rather than later. Your real estate needs and goals are unique, and it is important to review them with your trusted real estate advisor who can take all the data, apply it to your situation, and counsel you on your options.

A local Spokane REALTOR® will be a great resource and ally as you explore the current inventory, and make the best decision for you. Call a Spokane REALTOR® today!



Bankrate.com MORTGAGE GUIDE										Spokane Spokesman-Review		
Institution	30 yr APR	30 yr Fixed	Product	Rate	Points	Fees	% Down	APR	Phone / Website	NMLS # / License #		
<b>4.040%</b>	Rate: 4.000 Points: 0.000 Sammamish Mortgage	15 yr fixed 10 yr fixed 20 yr fixed % Down: 20%	15 yr fixed 10 yr fixed 20 yr fixed BBB A+ Rating-Local since 1992 - CL #118653	3.250 0.000 3.250 0.000 3.875 0.000 3.625 0.541	0.000 0.000 0.000 \$795	\$795 \$795 \$795 \$795	20% 20% 20% 20%	3.320 3.352 3.930 3.809	800-304-6803 www.SammamishMortgage.com www.bankofamerica.com	NMLS# 118653		
<b>4.253%</b>	Rate: 4.125 Points: 0.805 Bank of America	15 yr fixed 5/1 ARM 30 yr jumbo % Down: 20%	15 yr fixed 5/1 ARM 30 yr jumbo BBB A+ Rating-Local since 1992 - CL #118653	3.625 0.541 3.000 0.771 4.125 0.764	0.805 \$1171 \$1271	\$1171 \$1171 \$1271	20% 20% 20%	3.809 3.735 4.254				

LENTERS, TO HAVE YOUR RATES APPEAR IN THIS FEATURE

CALL BANKRATE.COM @ 800-509-4636

Legend: The rate and annual percentage rate (APR) are effective as of 1/17/17. © 2017 Bankrate, LLC. <http://www.interest.com>. The APR may increase after consummation and may vary. Payments do not include amounts for taxes and insurance. The fees set forth for each advancement above may be charged to open the plan. (A) Mortgage Broker, (B) Mortgage Broker, (C) Bank, (D) S & L, (E) Credit Union, (F) Licensed Mortgage Banker, (G) Banking Dept., (H) indicates Registered Mortgage Broker, (I) NYS Banking Dept., (J) loans arranged through third parties. "Call for Rates" means actual rates were not available at press time. All rates are quoted on a FICO score of 740. Conventional loans are based on loan amounts of \$165,000. Jumbo loans are based on loan amounts of \$424,101. Points quoted include discount and/or origination. Lock Days: 30-60. Annual percentage rates (APRs) are based on fully indexed rates for adjustable rate mortgages (ARMs). Fees reflect charges relative to the APR. If your down payment is less than 20% of the home's value, you will be subject to private mortgage insurance or, PMI. FHA Mortgages include both UFMIC and MIP fees based on a loan amount of \$151,300. VA Mortgages include a funding fee. VA loans are not subject to private mortgage insurance or, PMI. Bankrate.com does not accept applications for VA loans. If you are seeking a mortgage in excess of \$124,100, recent legislation may enable lenders in certain locations to provide rates that are different from those shown in the table above. Sample Repayment Terms - ex. 360 monthly payments of \$5,29 per \$1,000 borrowed over 180 months. Payments of \$7,56 per \$1,000 borrowed. We recommend that you contact your lender directly to determine what rates may be available to you. TO APPEAR IN THIS TABLE, CALL 800-509-4636. TO REPORT ANY INACCURACIES, CALL 888-509-4636. <http://spokesmanreview.interest.com>



095 HOMES FOR SALE, AREA WIDE



### OPEN HOUSE 12 - 3 FIVE MILE HEIGHTS

North on 5 Mile Rd. to Alberta TR on Kammi. City water and sewer. Large lots, Mead Schools. We can help you build your dream home starting at \$325,000.

### 2025 W. Cascade Way

3 br, 2 ba \$374,900

### 2109 W. Cascade Way

3 br, 2 ba \$338,500

Don Willard, 844-5081

### ROCKY RIDGE

Fantastic Five Mile Prairie location w/panoramic views of the city. Close to shopping. Neighborhood sports court. Inscrp front yards, 3 car garages. Mead Schools. N on Five Mile Road. L on Lincoln Rd. L on Lapis Ln.

### 7816 N. Lapis Ln.

4 bdrm, 4 bth, Rancher \$359,900

### 7810 N. Lapis Ln.

4 bdrm, 3 bth, Rancher \$349,900

Phil Kestell, 991-7445.

### ACROSS FROM SUNDANCE GOLF COURSE

10421 N. Maximilian Ln. in Sundance Meadows on HWY 291. This 55+ gated community offers a beautiful club house with game room, kitchen, and library. The home has gas heat, AC, 3BR, 2BA, trex deck and 1863 sq ft. Price at \$173,500. Call Steve Anderson, 868-4539 or Sue Jessup, 499-6565.

### 5 ACRE WATER & POWER

\$64,900 Rare 5 acre lot close to Suncrest. Ready to build your dream home on. NO WELL to drill, Water and Power ready to hookup at SE corner. Property at end of road/driveway. Lots of level ground to locate your house. Don Willard, 509-844-5081.

### BEAUTIFUL 3 ACRE BUILDING SITES!

Granite Hills Development, wells installed, private drive, amazing territorial & southern views of Spokane, 21 acre common area w/ trails, lots of trees, rock outcrops & rolling terrain! Permit apps submitted! Only 2 sites left!

\$105,000 ea 1400 W. Austin Road. Vic Plese, 217-7889 or Alan Plese 953-7330.

PLESE REALTY, LLC 489-2323 [www.plese.com](http://www.plese.com)

122 REAL ESTATE OUT OF SPOKANE COUNTY

DAVENPORT-40555 N. Miles Creston-Prime Lk Roosevelt farm, cute MH with new snow roof over home, large barn, 22 lovely acres, amazing views! \$249,999. Bev 990-1809

CHENY REALTY, INC. 235-6191

108 HOMES FOR SALE, SOUTHEAST

UPDATED! 4bd, 2Bth, Rec rm, 2 fpc, fncd, spkrtrs, 2 car gar, back deck. 509-960-0727

115 HOMES FOR SALE, SPOKANE VALLEY

NEW YEAR...NEW PRICE!!

4 BD, 2 BATH HOME

ON A CUL-DE-SAC!!

South Valley Split w/ Large Family Room GAS HEAT, Cent. Air, Huge Fenced Yd w/ Sprinklers, 2 Car Garage. Wired & Pad Ready For Hot Tub! All Appliances STAY! Convenient Location. NOW!! \$197,500 Call

Dave Holmes @ 979-2002 Kestell Co.

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