



Fixing the Broken Housing Market in Monterey County



The housing market in Monterey County—like other California communities—is broken. Wages are not keeping pace with housing costs, and the variety of affordable home choices is small.

As a result, key contributors to our local economy cannot even afford to rent homes. In 2006, a Monterey County resident needed an income of \$44,400 to afford a two-bedroom apartment—significantly more than bank tellers, receptionists, and family therapists earned on average.

Homeownership is even further out of reach. Median household income in the county is \$62,200. However, a first-time buyer must earn \$176,194 to afford the median-priced home (\$616,680).

Income needed to buy the county median-priced home = \$176,194
Monterey County household median income = \$62,200

The gap between wages and the cost of homes in Monterey County highlights the need for wider variety in the housing market. Today's housing market is the equivalent of a supermarket that sells filet mignon and caviar, but no hamburger or macaroni and cheese. Californians need the market to provide a full range of housing choices for people at all income levels.

One proven solution? State investment that spurs the private market to build that range of affordable homes.



MONTEREY COUNTY RESIDENTS WHO BENEFIT FROM STATE INVESTMENT IN AFFORDABLE HOMES

VERY-LOW-INCOME EARNERS*

Bank tellers	\$27,711
Receptionists	\$23,352
Protective service workers	\$20,749
Child care workers	\$20,532
Home-health aides	\$20,279

*50% of median income

LOW-INCOME EARNERS**

Librarians	\$55,848
High school teachers	\$54,801
Construction managers	\$47,047
Family therapists	\$36,402
Property managers	\$31,600

**80% of median income

