

## Fighting the big real estate crash with tiny houses

BY DOUG PIBEL  
CONTRIBUTING COLUMNIST

Recently, the story broke that foreclosures were at the lowest level since 2007. That sounds like great news — we're finally cleaning up the mess from the real estate bubble. Except for one thing: RealtyTrac.com, a marketer of information on foreclosed real estate, noted in April that the number of short sales (where a bank allows an owner to sell for less than is owed on the mortgage) were up by 33 percent from last year. In other words, there's still plenty of distressed real estate; the banks are just using a different method to get rid of them.

The fallout from the bubble and the associated financial meltdown continues to cause pain for a lot of people. The standard question among economists is what can we do to get things back to the way they were? But it's not clear why we'd want to do that. There's no point in trying to return to inflated prices that have everything to do with speculation and nothing to do with real value. There's nothing to be gained by recreating a market where everyone buys the biggest house they can afford and maybe a bit more.

Why not ask, instead, what we can do to create a different model for housing, one that embraces the best of tradition and the best of new thinking. Since 1950 the average size of a new house in the United States has more than doubled, even as average household size has decreased by nearly a quarter. The average American now has living space just shy of 1,000 square feet, nearly the size of the average house in 1950. Have our needs really changed that much in six decades? Or have we been sold something we don't really need?

While not a scientific survey, here's an interesting data point: One of the perennially popular articles on the "YES! Magazine" website is the story of Dee

Williams' tiny house. Williams moved from a 1,500-square-foot house to an 84-square-foot house she built herself for \$9,000. That's extreme, for sure, and no one expects the majority of Americans to go that far. But the continued interest in the concept says that people are realizing that smaller is better.

A return to smaller houses has many advantages. They're less expensive to build, so you don't have to get the biggest mortgage you can afford to own one — and your chances of ending up as a foreclosure statistic are lower. They're easier to heat and cool, saving both dollars and resources.

Not everyone is going to build a new house, and there's a huge stock of existing larger houses. But those, too, offer the opportunity for living smaller. An increasing number of people are doubling up, living with friends or family — whether out of economic necessity or the desire to downsize both living space and expenses. The nearly 18 percent of existing housing stock that's larger than 3,000 square feet could be divided into multiple dwelling units.

The Census Bureau estimates that more than 18 million houses stood empty during 2011, even as hundreds of thousands of people were homeless. Millions more are insecure in their housing because they're burdened with underwater mortgages or because they're renting.

The real solution to the wrecked state of U.S. real estate is not to try to get things back to where they were. It's to find creative ways to match supply with demand, to change the way we finance housing and to recognize that owning the biggest house on the block could be the American nightmare rather than the American dream.

*Doug Pibel works as managing editor at YES! Magazine. This editorial was made available by American Forum, a nonprofit media organization.*

### Most likely to?

By Cassidy Morse

For the panhandlers to hate me

Is what I aspire  
For those who want to work  
But who would not hire

Cardboard chasing them  
In their dreams

Signs all full of lies  
Nothing is as it seems

Sad looks on their faces  
When one leaves there's  
Another to take his place

Some of them call Portland home  
And some of them like to roam  
There are ones who are free range

But no matter what  
They're always there begging  
For your damn change



**NEW SEASONS**  
MARKET

**Home Grown**  
shop local  
eat fresh

*The friendliest store in town.*

EASY & FUN TO SHOP • LOCALLY OWNED & OPERATED  
[www.newseasonsmarket.com](http://www.newseasonsmarket.com)



homeforward

hope. access. potential.

### Two Public Housing Priorities That May Allow You to Apply Even When Waiting Lists Are Closed

Home Forward is pleased to announce a new Public Housing priority for households that require accessible features that accommodate a wheelchair. Families and individuals who qualify for this priority can apply at any time, even when waitlists are closed. This priority does not apply to the Section 8 program.

Households must verify their need for this priority by having a physician or other licensed professional complete a Priority Verification Requiring Unit with Accessible Features form from Home Forward.

The second priority is for households that have a member who has been diagnosed with a terminal illness with a life expectancy of 12 months or less. This priority can be used to apply for Public Housing and Section 8, even when waitlists are closed. Households must verify their need for this priority by having a physician complete a Priority Verification Due to Health form.

To request the Priority Verification form for either of these priorities for Public Housing please call 503-802-8405. To request the Priority Verification Due to Health form only for Section 8 please call 503-802-8333, option 7.

Applications will be accepted for both of these priorities indefinitely or until further notice from Home Forward. Waiting lists currently remain closed to households that don't qualify for these priorities.



**MIRADOR**  
COMMUNITY STORE

**Natural Kitchen & Home**  
2106 SE Division  
503-231-5175  
[miradorcommunitystore.com](http://miradorcommunitystore.com)  
Mon-Sat 10-6 • Sun 11-5

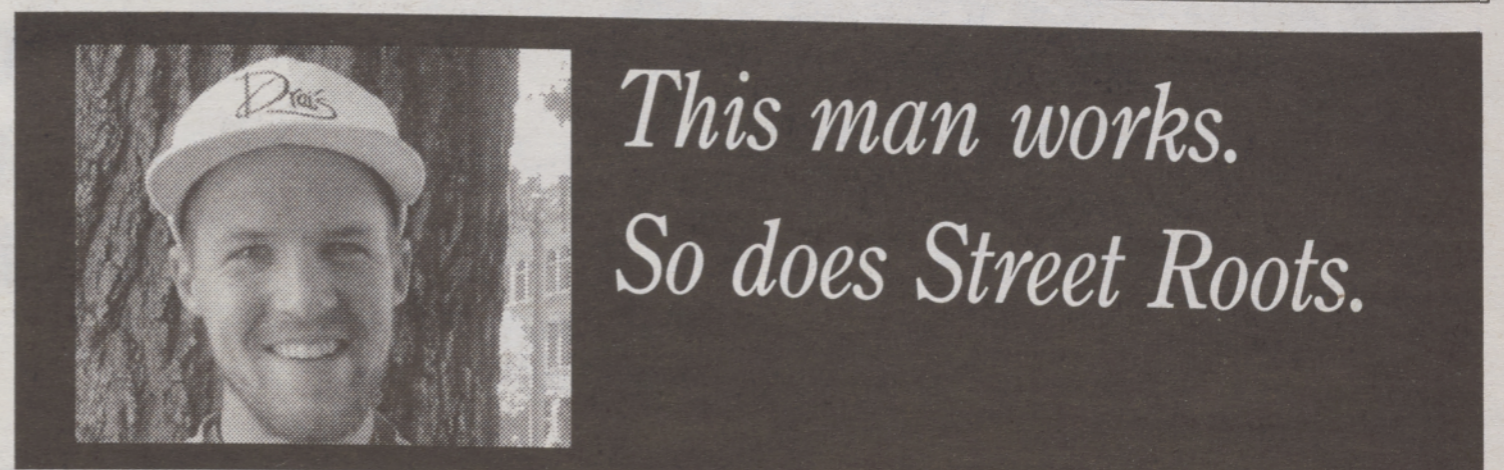
**Canning jars & equipment, cookware, kitchen tools & appliances**

**Organic cotton sheets, towels, & blankets**

**Food dryers**

**Juicers**

**Books on meat-free cooking, gardening & sustainability**



*This man works.  
So does Street Roots.*