

HOUSING The Portland Observer

Housing Affordability Slips Due To Higher Interest Rates

The purchasing power of the typical home buyer dropped slightly in the first-quarter of 1995 due to elevated mortgage interest rates, according to the National Association of Realtors' Housing Affordability Index released today.

NAR's composite Housing Affordability Index, which measures affordability factors for all home buyers, was 125.5 in the first quarter of 1995, compared to 126.0 posted in the previous quarter. This year's first-quarter was down from 136.7 recorded during the same period a year

ago. When the index measures 100, a family earning the median income has exactly the amount needed to purchase a median-priced resale home, using conventional financing and a 20 percent down payment.

Since the median is the midpoint, the composite index shows that half the families in the nation has at least 125.5 percent of the income needed to qualify for the purchase of a home with a median price of \$107,700. The typical family could afford a home costing \$135,300.

According to NAR's President

Edmund G. Woods, Jr., the decline in affordability conditions during the first quarter was expected. "Rising rates definitely robbed buyers of some purchasing power," Woods said. "The impact is far more noticeable among first-time buyers than those trading up."

NAR's first-time home buyer index, which shows the ability of renters who are prime candidates to qualify for a mortgage on a starter home, also fell in the first-quarter of 1995 compared to the previous quarter. The first-time buyer index was

81.5 in the first quarter, compared to 82.4 posted in the fourth quarter of 1994. The first-quarter index was down compared to 88.5 during the same period a year ago.

When this index equals 100, the typical first-time buyer can afford the typical starter home under existing financial conditions with a 10 percent down payment. The first-time buyer median income represents the typical income of a renter family with wage earners between the ages of 25 and 44.

PDC, Livable City Housing Council (LCHC) Announce LCHC Executive Director

The Livable City Housing Council and Portland Development Commission (PDC) have jointly agreed that Neyle Hunter, Director of Housing at the Portland Development Commission will assume the duties of Director of the Livable City Housing Council (LCHC).

Ron Timpe and Commissioner Charlie Hales, Co-Chairmen of the Livable City Housing Council, received approval from the Housing Council at their meeting today.

"We are delighted to see Neyle move over to the Housing Council. This will allow the Council to focus on identifying the necessary strategies to meet the Livable City goals," said Timpe. "Neyle is exceptionally well qualified for the position and will be able to work effectively with the Portland Development Commission and others to meet Portland's

housing needs."

When the 16-member Livable City Housing Council was established by Mayor Katz and the City Council last December, it was envisioned that a full-time director would be hired. In the interim, staffing has been provided by the Planning Bureau and the Portland Development Commission. PDC has also provided administrative and technical support to the Housing Council and will continue to do so in close cooperation with the Planning Bureau.

"We are pleased to see the Housing Council appoint a full-time Director who can keep the Council's work moving forward," said Vern B. Ryles, chairman of the Portland Development Commission. "Neyle Hunter's appointment will provide a consistency in leadership and continue the strong linkage among PDC, LCHC and the Bureau of Planning."

Northwest Natural Gas Cautions To Call Before You Dig

As the weather warms, thoughts of gardening, remodeling, yard work, and building projects begin to dance in our heads. Before starting any work that requires digging, Northwest Natural Gas is reminding people to notify underground utilities. It is necessary for safety, and it's required by law.

Notification is easy and free of charge by calling a notification service two full working days before excavating. All it takes is one call. The service will alert participating underground utilities to locate and mark their lines.

"Don't plant a tree, build a fence or do anything else requiring digging until you've called and had all the underground utility lines located on your property. It's the law to call before you dig," explained George Pulicella, manager of Customer Equipment Service at Northwest Natural Gas. "If a person doesn't call and damages underground services, they can be held liable for all repair costs for damaged utilities, not to mention the hazard that exists if a gas pipe is ruptured or an electrical cable is broken."

"For instance, the polyethylene

pipe that is widely used for natural gas distribution, while the best material to use when buried in the ground, is susceptible to damage from tools such as shovels and post hole diggers.

These damages are easily avoided by calling before digging," Pulicella said. "Of course we don't want people damaging our services, but most importantly, we want to make sure our customers are safe."

Pulicella went on to say that each year damage to approximately 1,500 natural gas facilities can be attributed to excavation. Nearly half

of the damages are due to the failure of the excavator to notify Northwest Natural Gas of their intent to dig. Most of the remaining damages are attributed to excavators who weren't careful when digging around natural gas lines.

"Northwest natural will identify the location of the natural gas pipe with yellow paint.

The law requires that anyone digging in the marked area must hand excavate with a shovel instead of using a backhoe and must take due care not to damage the pipe once it is exposed," Pulicella warned.

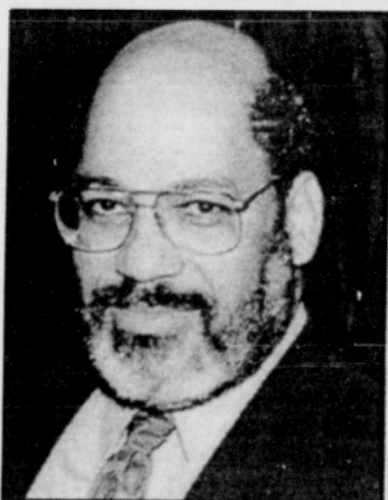
HEALTH

New Coalition Calls For Government Remedial Actions To Cut Cancer Rates Among Minorities

With minorities suffering the highest cancer rates in America, many of the nation's leading health and minorities organizations joined to call for major changes in the government's health and research programs to redress this tragic imbalance.

Meeting in Washington, the new Intercultural Cancer Council (ICC) identified a set of policy changes for the Administration and Congress that are designed to save lives through funding, research, program control, prevention, and survivorship initiatives.

"Though the ICC will stand up for the many minority groups in our culturally diverse county, we will speak with one voice in Washington," said Lovell Jones, Ph.D., founding chairman of the ICC, and profes-



sor at M.D. Anderson Cancer Center.

The ICC includes groups as diverse as Howard University Hospital, National Appalachian Leader-

ship Initiative on Cancer, National Hispanic Leadership Initiative on Cancer, American Cancer Society, Kellogg's and the Susan G. Komen Breast Cancer Foundation.

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Protecting Our Babies

Dr. Henry Foster, nominee for U.S. Surgeon General, joined First Lady Hillary Rodham Clinton and Health and Human Services Secretary Donna E. Shalala on a visit to 9 child care centers in the nation's capital to raise awareness about the importance of children needing at least 11 vaccinations before their second birthday.

Hatfield Works To Restore Research Cuts

Sen. Mark O. Hatfield likened the proposed cuts for the National Institutes of Health, contained in the Senate Budget Resolution, to "elimination by firing squad for the biomedical research enterprise in America."

Hatfield joined with 180 researchers, patients and advocates to oppose the cuts.

"We face a tragedy in the making. While I join with my congressional colleagues in the effort to eliminate the deficit and intend to support the budget resolution, I think we need to be careful what we cut. We cannot balance the budget on the back of the domestic discretionary programs, particularly if it means indiscriminately dismantling our long-term investment programs.

"Only through the promise of medical research will we find the treatments and cures we need to eradicate disease and disability and achieve true cost containment within our health care system. The NIH is the cornerstone of improved quality of life in this Nation," said Hatfield.

The proposed Senate Budget Resolution cuts the National Institutes of Health by 10 percent for 1996 and freezes spending through 2002, for a total cut to the agency of \$8 billion.

In addition, the plan exempts key programs from cuts such as the Centers for Disease Control and the Substance Abuse and Mental Health Services Administration. As a result, the cuts to the remaining institutes programs, including research into Parkinson's and Alzheimer's Disease are between 16-20 percent.

Few federal programs, if any, have the high rate of economic return as the institutes.

For example the discovery of fluoridation in the prevention of tooth decay, saves the country approximately \$4.5 billion each year in preventing dental cavities; psychoactive drugs, which actively reduce hospitalization for mental illness, save over \$7 billion a year and allow patients to return to productive lives; and a \$20 million investment in influenza B vaccine has resulted in a savings of

over \$400 million a year by preventing cases of childhood meningitis.

Hatfield, indicated his intention to pursue an amendment to the budget resolution to restore the cuts.

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