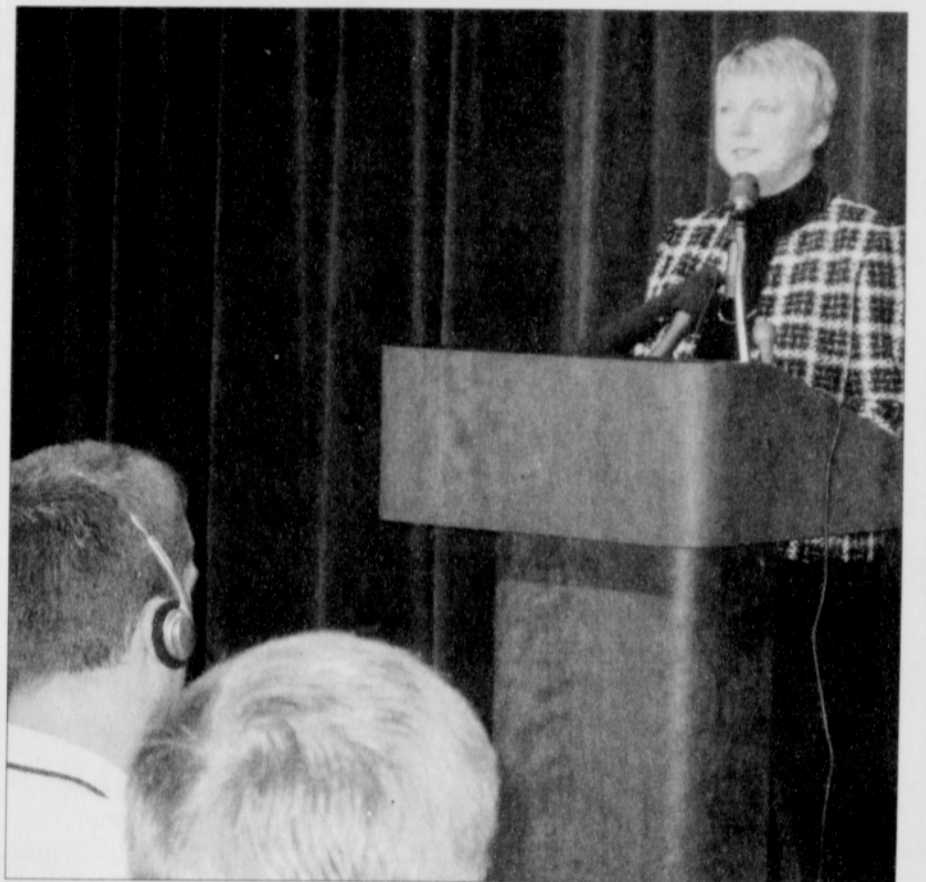


HOUSING



HOST Development celebrate its 300th homeowners, Darryl and Alisha Kelley, at a housewarming ceremony at the young couple's new home.



Linda Wright, president of community relations at US Bank, helps kick off a HOST Development's campaign to create 1,000 new homeowners in Portland and maintain support of Portland Public Schools with a growing population of children.

Keeping Local Neighborhoods Affordable

HOST to create 1,000 new homeowners

BY TED GILBERT
FOR THE PORTLAND OBSERVER

At a time when homeownership rates are the highest in the country's history, Portland significantly lags behind the national average of homeownership. The gap widens fur-

ther for minority populations.

As housing prices have skyrocketed in Portland, working class incomes have not kept pace, and many families have had to move out of the city to places where home prices are more affordable.

As a result of family flight, Portland Public School enrollment has dropped, which has exacerbated the school district's funding problems and raised the contentious issues of school closures and surplus property sales.

In this market where fewer and

fewer working class families can afford to buy a home, HOST Development is committed to providing affordable housing for Portlanders earning 70 percent to 100 percent of the median family income.

The largest nonprofit champion of homeownership in Oregon, HOST recently announced its new Building Blocks campaign. The effort will create 1,000 new homeowners in Portland by 2017 and will capture and preserve 2,000 children for Portland Public Schools.

HOST uses a private sector model to acquire and develop land. It keeps prices low by securing pro-bono or at-cost work from real estate and construction professionals, and partnering with banks, foundations and trade organizations. Private sector partnerships have allowed HOST to build and sell 300 homes.

HOST's Building Blocks campaign will double the organization's development output from 50 homes per year to an average of 100, making HOST one of the region's largest

homebuilders.

Adding 100 homes per year to Portland's real estate market that are not only green but also affordable will let families stay in the city and improve their quality of life.

Ted Gilbert is lifelong Portlander. In 1989 he and three other real estate professionals recognized the need to provide affordable workforce housing; together they founded HOST (Home Ownership a Street at a Time) Development and recently celebrated their 300th homeowner.

New Homes Offer Mixed Picture



Construction in the housing market rose last month, but permits for future building are down.

The pace of U.S. home construction rose a sharp 9 percent in February but permits for future building slid, according to new data that shed little light on whether the housing market was stabilizing.

The unexpectedly large boost in home construction reversed a sharp decline a month earlier -- a swing that some attributed to an unusually warm December and

cold January.

"It's a surprise that the (cold) weather didn't kill off starts," said Kurt Karl, chief economist at Swiss RE in New York.

While the national home starts figure was up, he said the picture was mixed across the country.

"The gains in the South and West made up for the drops in the Northeast and Midwest," said Karl.

The Commerce Department said housing starts set an annual pace of 1.525 million units in February compared with a 1.399 million unit pace in January. That was the sharpest month-over-month increase since a 13.1 percent rise in January 2006.

Building permits, which signal future construction plans, fell 2.5 percent in January.

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