

The Sullivan County Democrat, November 28, 2006

Editorial:

Where is the Affordable Housing?

Some may be heartened; some saddened by the decision of developer Paul Savad to drop plans for a 42-home development in the Town of Cocheton in the face of local opposition.

Savad was figuring on a mix of second-home and county residents to buy up his planned \$250,000 units.

A quarter-million dollars – and that’s considered on the low end of development housing prices.

The publicity we’ve recently received in the New York Times and New York Magazine has made us a popular second-home market. City and suburban residents, flush with cash, can come up here and buy a farmhouse on 10 or 15 acres for half a million or so. Or buy a fancy home in Chapin Estates or any other high end development.

We have no problem with that. Our second home neighbors have a lot to offer. They pay their taxes, enrich our culture and don’t require many services. But second home owners by themselves do not a community make.

It’s our working class and lower-salaried white collar workers that concern us.

Take the \$250,000 house. Assume no money down. A 30-year mortgage at, say, 6 percent, comes out to about \$1,500 per month, exclusive of property and school taxes. Add another \$2,000 a year for taxes and \$750 monthly expenses besides mortgage and taxes.

Plugging those figures into a mortgage calculator gives out an ideal income of close to \$85,000. The Census Bureau informs us that the median household income (as of 2003) in Sullivan County was \$37,489. Even two salary families will fall short.

Obviously, there is a huge disparity there.

There are such places as **Schoolbell Townhouses** in Liberty that offer affordable housing. But there are few of them. And psychologically, a condo or co-op does not quite match the American Dream of owning a home on a plot of land.

According to one website (<http://www.catskill4sale.com>), there were 1,160 single family homes on the market at the beginning of November. The average asking price was \$286,698. In the three months ending October 31, the ration of sales price to asking price still topped 90%, down only slightly from the market peak of 2005.

In other words, it may be a “buyer’s market”, but most buyers here in the county will still be priced out.

We don’t want to see the government come in and build low income or affordable housing.

We want to see developers do it and get a fair profit for their effort.