



## **Experts discuss challenges, strengths of housing market**

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Northern Virginia realtors should take heart, thanks to a growing population, a strong state economy, “buyer traffic” figures that show house-hunters are interested and hiring gains in the long-depressed manufacturing sector.

More troubling factors weighing down the local housing market include crushing college-loan debt; the inability to able to save money toward a down payment; fewer community banks providing loans; and regulatory reforms that need another look and possible repeal, according to two speakers who recently addressed area realtors, local government officials and business people.

George Ratiu, director of research for the National Association of Realtors, shared the stage April 16 with Mark Calabria, chief economist for Vice President Mike Pence, at the Housing for All Summit at the Highland Center for the Arts in Warrenton.

It was a return trip for Calabria. He graduated from Fauquier High School, and, as he noted, C.M. Bradley Elementary School in Warrenton.

Since then, he earned a doctorate degree from George Mason University and worked on a U.S. Senate committee, at the Department of Housing and Urban Development and for the Cato Institute.

“Housing markets are job markets. You won’t have a strong housing market without a strong job market,” Calabria said.

The economist said lower-skilled workers fill one out of four jobs created under the 15-month-old Trump administration. He said gains have been made in two sectors long in need of recovery – manufacturing and construction. There are 300,000 new manufacturing jobs and 340,000 new construction jobs under the Trump administration, Calabria said.

But more skilled laborers are needed. Half of the nation’s construction workers lost their jobs during the Great Recession, representing some of the 40 percent of real-estate-related jobs that were lost, he said.

The Trump administration wants to expand apprenticeship programs to fill the need for skilled workers, Calabria said.

The economist said banking reforms were needed after the Great Recession, but also argued it's time to rethink the regulations imposed by the Dodd-Frank Bill "to bring the balance back."

Lawyers and compliance officers have benefited from Dodd-Frank, the costs of originating a loan have skyrocketed, foreclosures are more difficult to secure and there are 2,000 fewer banks in the country to give loans and provide other services, Calabria said.

"These banks know their neighbors," he said of smaller, community banks.

Both men called for "one-stop shops" at the local government level for builders seeking permits, filing plans and seeking information. Calabria added that putting as much as possible online "saves everybody a lot of time."

Ratiu said the supply of available housing is tight, leading to a 40-percent rise in prices over the past five years. Most of the housing growth is in the suburbs and outlying areas, he said.