



January 25, 2023

Chair Kuderer, Vice Chair Frame, Ranking Member Fortunato, and Members of the Senate Housing Committee:

On behalf of Zillow, I am writing to express our support for [SB 5190](#), which would authorize “missing middle” housing types in communities throughout our state. We applaud the legislature for considering the important issues of housing access and affordability and appreciate the opportunity to comment. Zillow is firmly committed to reducing barriers to housing, and we are pleased to support this important legislation to address the critical housing shortage in Washington state.

Zillow is reimagining real estate to make it easier for consumers to unlock life’s next chapter. Zillow economists are uniquely positioned to study and examine housing market data and economic trends, and we share this [industry-leading research](#) to help inform policymakers as they work to address urgent housing issues facing our communities.

Housing affordability challenges in our state persisted throughout 2022, exacerbated by rapidly increasing interest rates and low housing inventory which further eroded affordability. The typical monthly mortgage payment in Washington increased by 48% compared to 2021, and home values have appreciated by nearly 60% in the past five years. This has made homeownership increasingly unattainable. [Research](#) shows that the Seattle metro has one of the biggest shortfalls of new home construction relative to population growth in the country, further limiting the supply of housing for homebuyers.

The housing inventory shortage also impacts renters; as homeownership becomes increasingly unaffordable, more and more families turn to the rental market. [Although rent growth cooled toward the end of 2022](#), Seattle renters saw average rent increases hit a high of 17.1% in February 2022 when compared to the same month a year earlier. Typical rent in the Seattle metro area now stands at \$2,220 a month—well above the national average. A renter in Spokane on average will pay \$1,545 a month in rent, which is \$300 more monthly than what they would have paid just two years ago. Our research has found that rising rents mean that the [typical Seattle renter needs to work as many as 57 hours](#) in a month just to make rent.

Access to homeownership—and the wealth opportunities it provides—remains especially out of reach for people of color and families in historically marginalized communities. Zillow is a network partner of the [Black Home Initiative](#), which aims to create new homeownership opportunities for Black households in the greater Seattle region. Zillow’s research has shed light on these barriers, showing that housing [accounts for nearly 40%](#) of the \$3 trillion wealth gap between Black and white households in the U.S. In Washington, the [Black homeownership rate](#) is just 36%, compared to 67.7% for white households.

Further, in each of the nation's 50 largest metro areas, including Seattle, blocks that are at least 90% single-family, detached houses are [more white on average](#) than the metro as a whole, which demonstrates the need for a more equitable approach to land use that encourages more housing types in more neighborhoods across communities.

Measures to create more housing are already popular with the public. In a [survey of homeowners and renters](#) in the Seattle and Spokane metro areas conducted last year, we found high levels of support for modest densification in residential neighborhoods. Both homeowners and renters strongly agreed that adding missing middle housing types would have a positive impact on affordability in their communities and encourage alternate uses of transportation.

The creation of new, middle housing options in communities throughout our state offers opportunities to ease these challenges and unlock homeownership for more Washingtonians. Even modest densification can meaningfully create much-needed supply. [Our research finds](#) that if one in 10 single-family lots in the Seattle metro area held two units instead of one, an estimated 126,359 homes could be built. If one in five lots held duplexes, that number would double.

SB 5190 is an impactful step toward restoring much-needed housing supply in Washington. New housing supply, and especially the middle housing options considered by this legislation, are crucial solutions to address housing access and affordability across the housing ecosystem.

We thank you for your consideration and urge your support for this proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Boone". The signature is fluid and cursive, with the first letter being a large capital 'A'.

Anna Boone  
Government Relations and Public Affairs Manager  
Zillow Group