

March 15, 2015

Representative Cathy Muñoz Alaska House of Representatives State Capitol, Room 501 Juneau, AK 99801

Dear Representative Muñoz:

On behalf of the members of the Alaska State Home Building Association, I would like to express our support for HB146 regarding newly subdivided properties.

Our state association is made up of six local homebuilder associations that include Kenai Peninsula, Interior Alaska, Matsu, Anchorage, Northern Southeast and Southern Southeast.

Building affordable housing in Alaska is our most formidable challenge with the few building materials available locally, high costs of land development, increasing regulatory codes and the cost of extending infrastructure like roads and utilities.

Alaska is the 4<sup>th</sup> most expensive state to live in; mostly due to housing costs. The median list price of homes in the state is \$252,000. Homes cost more in Juneau (where the median is around \$315,000) than in Kenai (where the median sits at around \$200,000).

This legislation could provide some relief for the tremendous risk and cost of land development and will directly impact the end cost of a development lot, and the final cost of a new home.

Thank you for introducing this legislation and for your dedicated service to Alaskan citizens.

Sincerely,

Chuck Homan. President

Alaska State Home Building Association

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