

The upside down economics of housing in Alaska

Nolan Klouda

Center for Economic Development

September 20, 2023

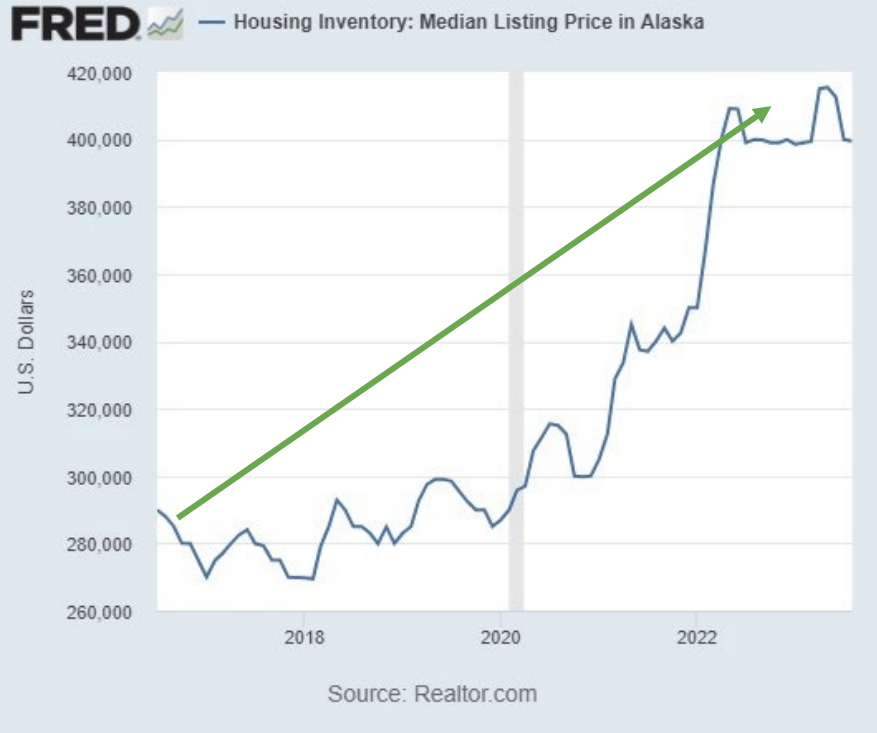


University of Alaska Center for Economic Development

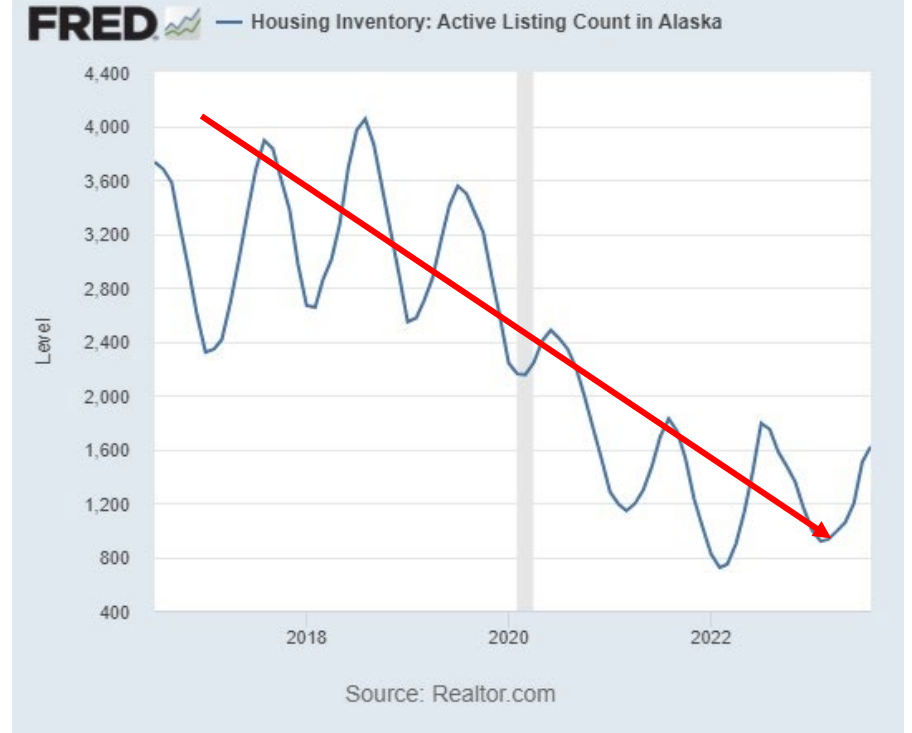
www.ua-ced.org

Demand is high, supply is low

Prices ↑

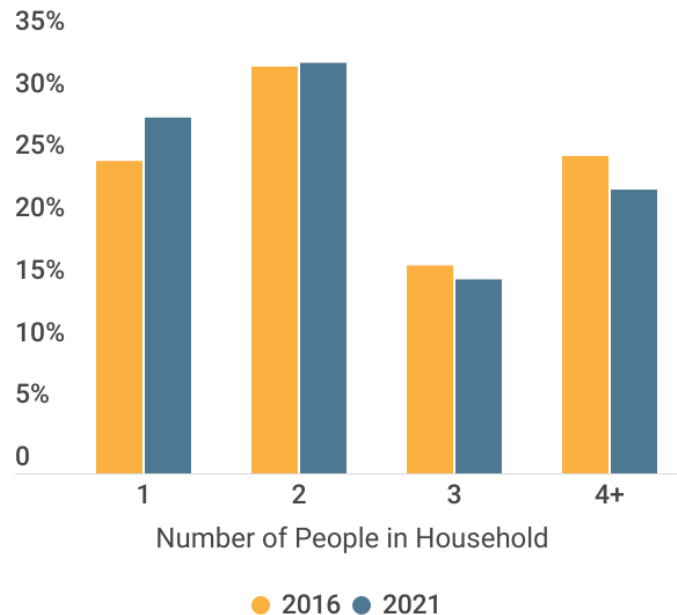


Supply ↓



- State population shrunk by 1% since 2016
- ...but number of households GREW by 9%
- Fewer families with children
- 2.87 people per household in 2016 \implies 2.61 in 2021

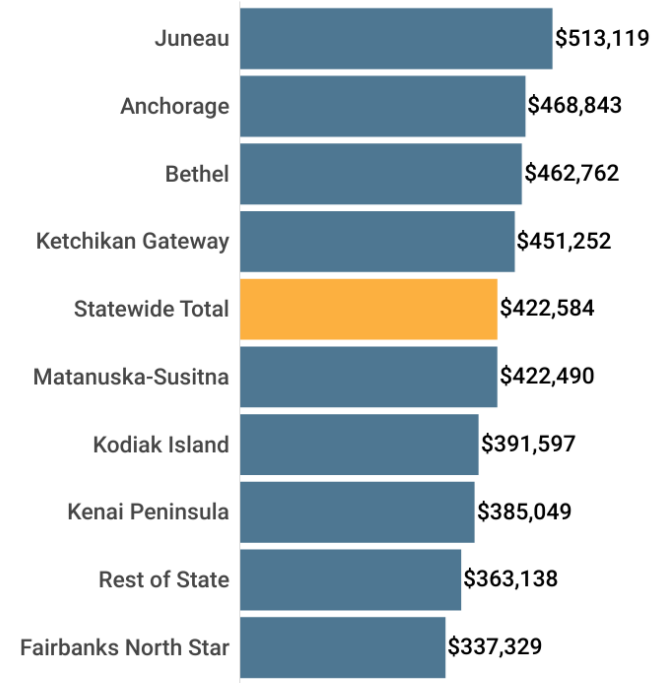
Household size changes in AK



Source: US Census ACS 1-Year

- Juneau and Anchorage are most expensive
- Highway-connected areas outside of Anchorage have the cheapest homes in the state

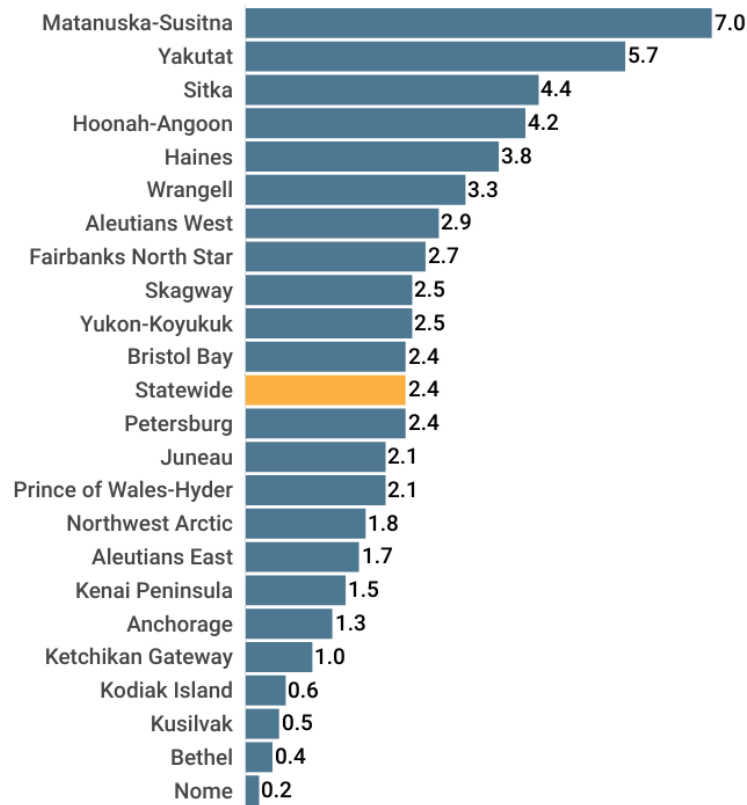
Home prices vary across the state



Source: AK DOL&WD and AHFC, 2022 data

- Mat-Su Valley built over 40% of housing in state (14% of state population)
- All areas outside of Railbelt and Southeast saw only 8.4% of housing units built.

New homes per 1,000 residents



- Make more land available
- Build access/site infrastructure
- Offer tax abatement programs
- Consider permitting/code barriers
- What to do about short-term rentals?





Thank You!



UNIVERSITY
of ALASKA
Many Traditions One Alaska

