



PRESS RELEASE

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REPORT FINDS SEATTLE POLICIES CONTINUE TO LIMIT MIDDLE HOUSING CHOICES, WORSEN HOUSING SHORTAGE

*Local fees and outsized requirements lead to a
sharp decline in Seattle townhomes*

SEATTLE, Wash., August 4, 2025-- A new report published by the Master Builders Association of King and Snohomish Counties (MBAKS) details the continuing negative impacts of Mandatory Housing Affordability (MHA) fees on townhomes in Seattle. Townhomes are an important middle housing choice, providing a lower-cost, family-sized homeownership option.

The goal of MHA when it was adopted in 2019 was to create thousands of affordable housing units. However, fees imposed by this program have led to a simultaneous sharp decline in permits and an increase in costs for new townhomes in the city, preventing home production that could have supported an estimated 13,765 Seattleites.

"Local taxes on new housing have severely reduced townhome availability in Seattle, diminishing public revenue for city services and middle housing choices for residents. The decline is concerning and offers a cautionary tale for any jurisdiction considering similar taxes," said Jerry Hall, executive director of the Master Builders Association of King and Snohomish Counties. "These findings underscore the urgent need for a smarter strategy—one that expands access to housing of all types for current residents, newcomers, and future generations because everyone deserves a place to call home."

The report shares several key findings:

- Permit intake for new townhomes fell by approximately 87% from before MHA adoption to 2024.
- MHA fees are particularly onerous for small, local builders who often lack the capital to absorb the much greater predevelopment costs caused by MHA fees. Seattle's smallest builders pay an average of 291% more per home in MHA fees than their large, multi-family counterparts.
- Without corrective action, Seattle stands to lose \$775 million in construction-related tax revenue due to thousands of townhomes not being built over the next 20 years.

[View the report](#)

ABOUT MBAKS

The Master Builders Association of King and Snohomish Counties (MBAKS) is the nation's oldest and largest local homebuilders association, helping to make home happen since 1909.

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