

Housing Affordability through an Economic Lens

Housing Cost / Household Income

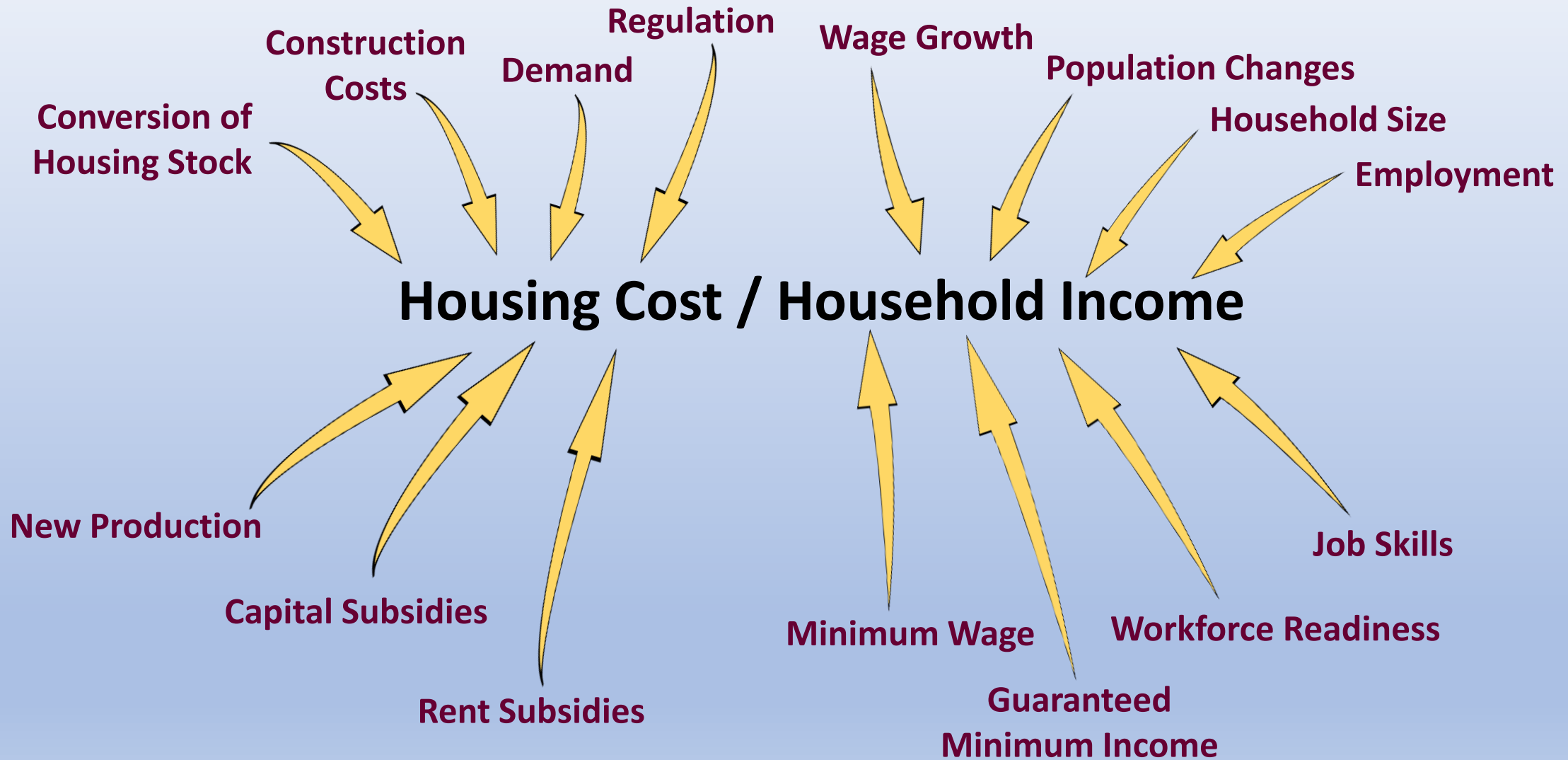
- Families who pay more than **30 percent** of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care.
- An estimated **12 million** renter and homeowner households now pay more than **50 percent** of their annual incomes for housing.
- A family with one full-time worker earning the minimum wage cannot afford the local fair-market rent for a two-bedroom apartment anywhere in the United States.

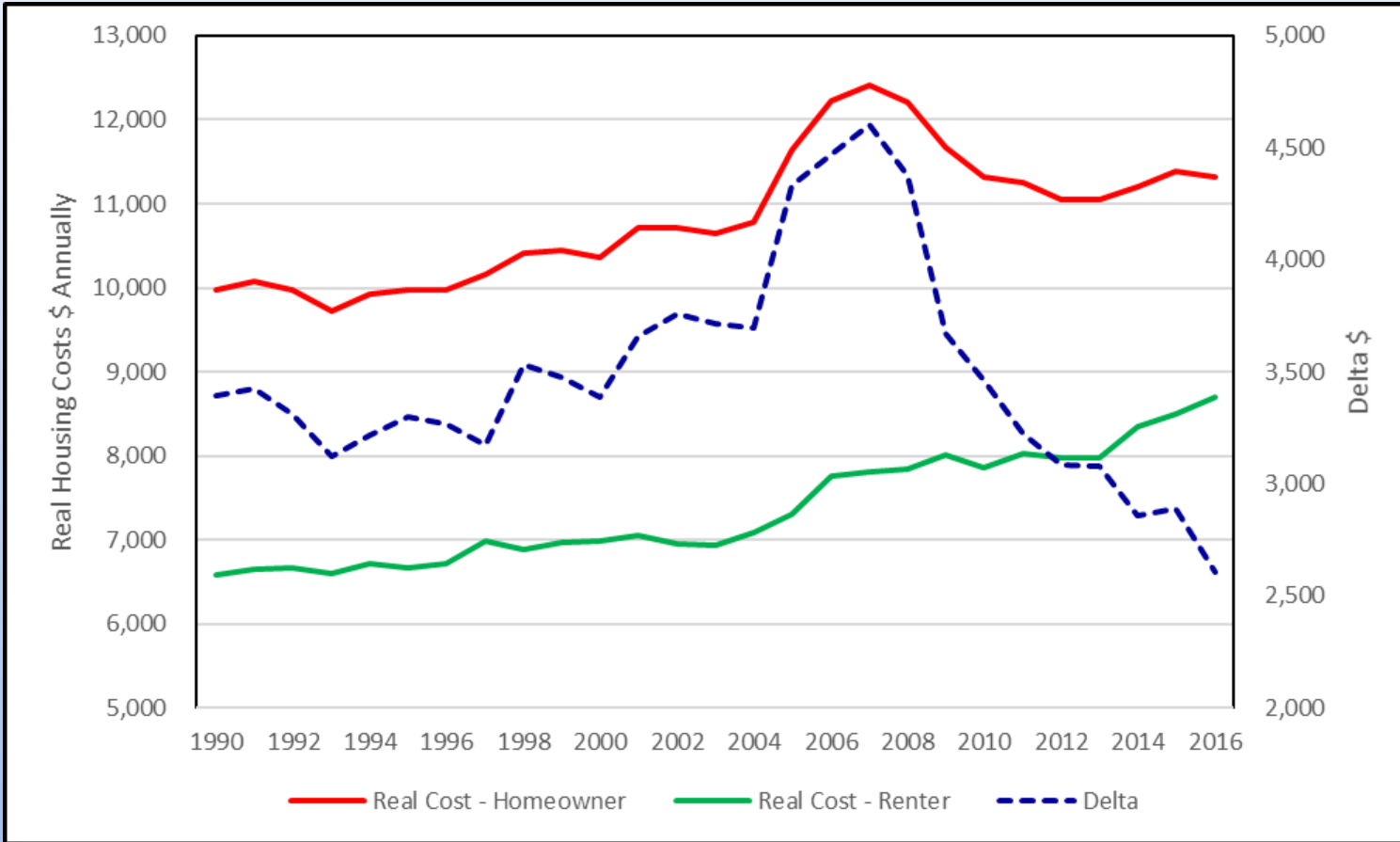
U.S. Department of Housing and Urban Development, 2014

- Statistics highlighting that only **one in four eligible families** currently receive assistance are made more impactful by the knowledge that those numbers include “**60%** of the elderly without children, **53%** of disabled without children, **77%** of families with children and **91%** of other households”

Fischer & Sard, 2017

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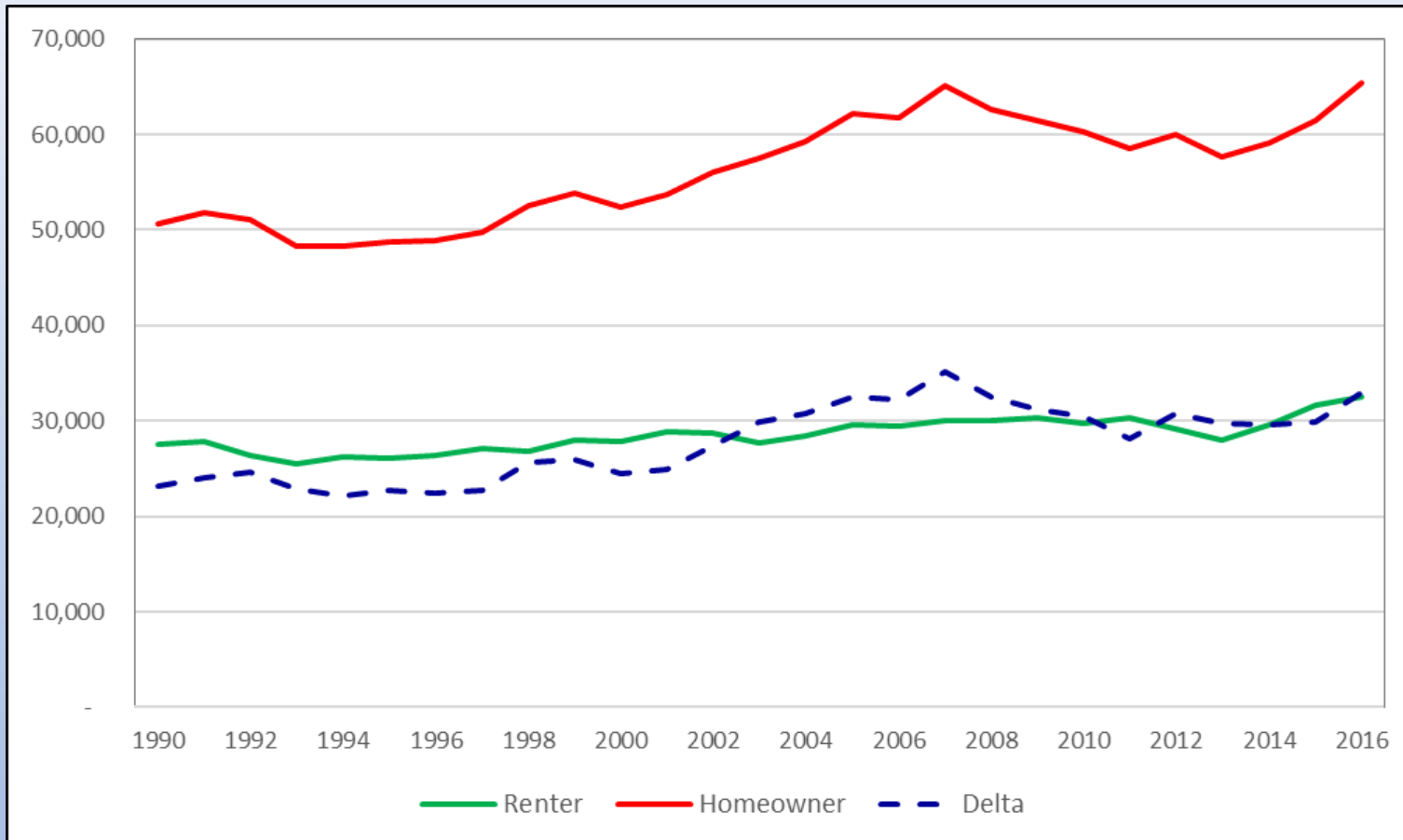
Housing Cost of Homeowners versus Renters

Real housing costs of renters compared with homeowners 1990 through 2016
(BLS, 2017)

Income of Homeowners versus Renters

Real median pre-tax income of U.S. homeowners compared with real median pre-tax income of U.S. renters 1990 through 2016

(BLS, 2017)



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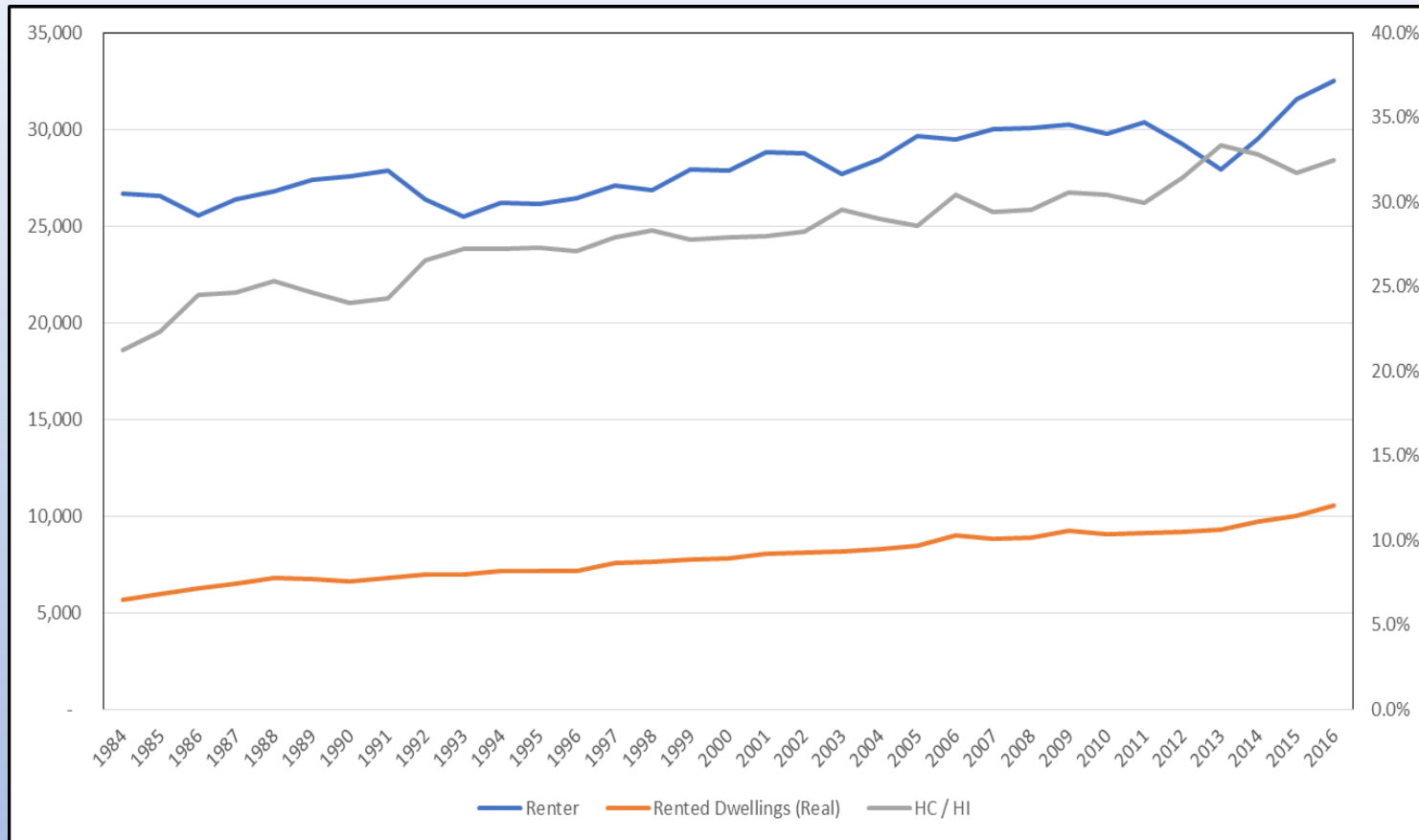
The median monthly cost of renting a home in 2015 dollars has risen from \$677 in the first quarter of 2001 to \$796 in the second quarter of 2016 — an increase of 18 percent.

In contrast, the real median income of households that lease their home has declined from \$37,938 in the first quarter of 2001 to a low of \$33,055 in the second quarter of 2011 and improved only modestly to \$38,389 by the second quarter of 2016 — an increase of 1.2 percent over the same period.

U.S. Department of Housing and Urban Development "HUD's New RAI," n.d.

Growing Housing Cost Burden of Renters

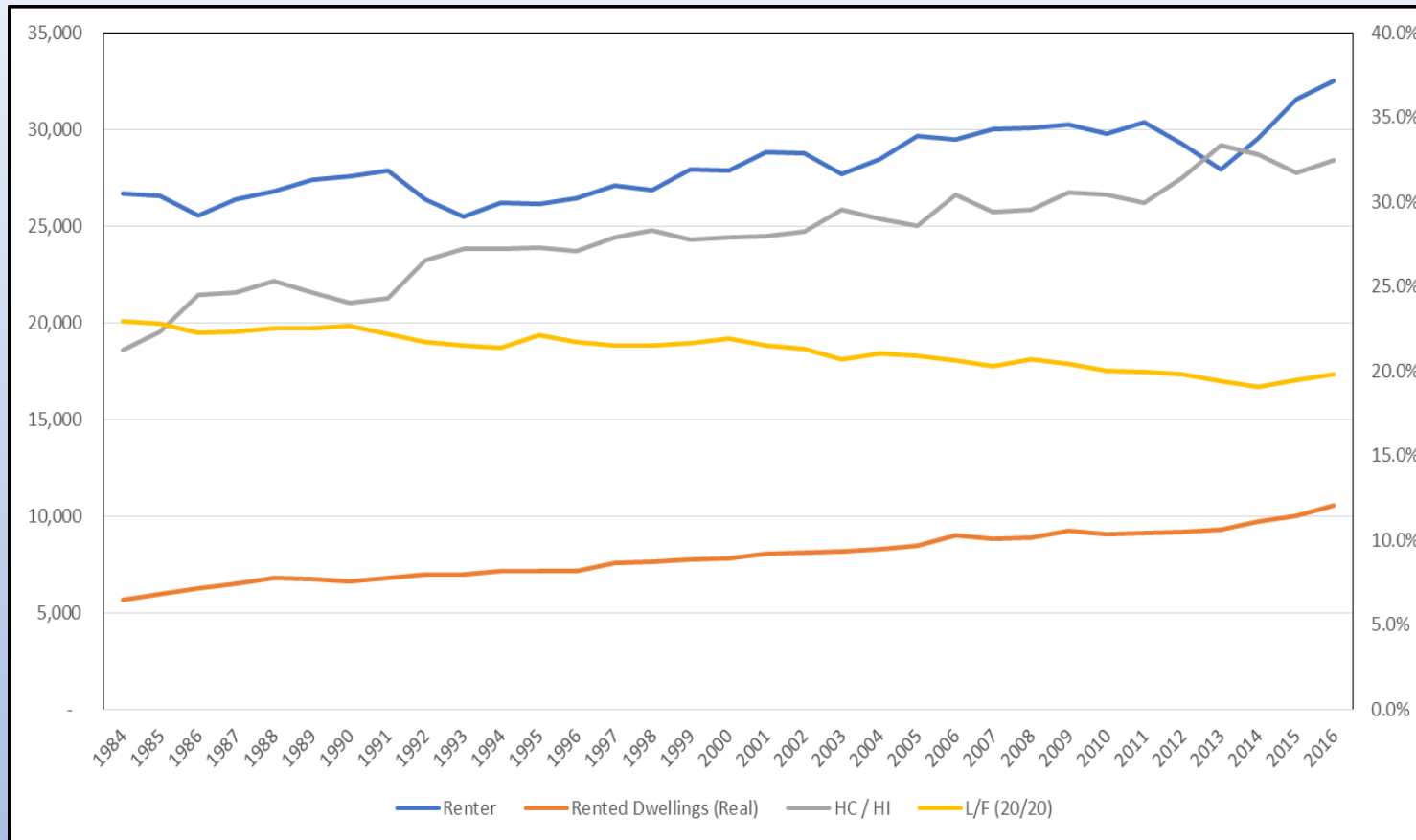
Real housing costs of renters as a percentage of real median household income of renters.
(BLS, 2017)



Growing Housing Cost Burden of Renters

Real housing costs of renters as a percentage of real median household income of renters. *(BLS, 2017)*

Income inequality measured by the Kuznets Curve UL bottom quartile / LL upper quartile. *(USCB, 2017)*



- *In 1984, the median housing cost of renters equaled 21.2% of the median income of renters.*
- *Through 2016, median rents grew to 32.5% of median income, representing an increase of 11.3 percentage points in the housing cost burden of renters.*
- *The Gini Index of the United States rose from 41.5% to 48.1% over the 33-year period from 1984 to 2016, an increase of 15.9%.*
- *Analysis suggests that 8.75 percentage points of the 11.3 percentage point increase in renter housing cost burden (77.4%) is explained by increases in income inequality, with a confidence level greater than 99%.*

Rental Housing Cost Burden: A Study on the Relationship with Income Inequality in the United States, Kelley, 2018

Growing Housing Cost Burden of Renters

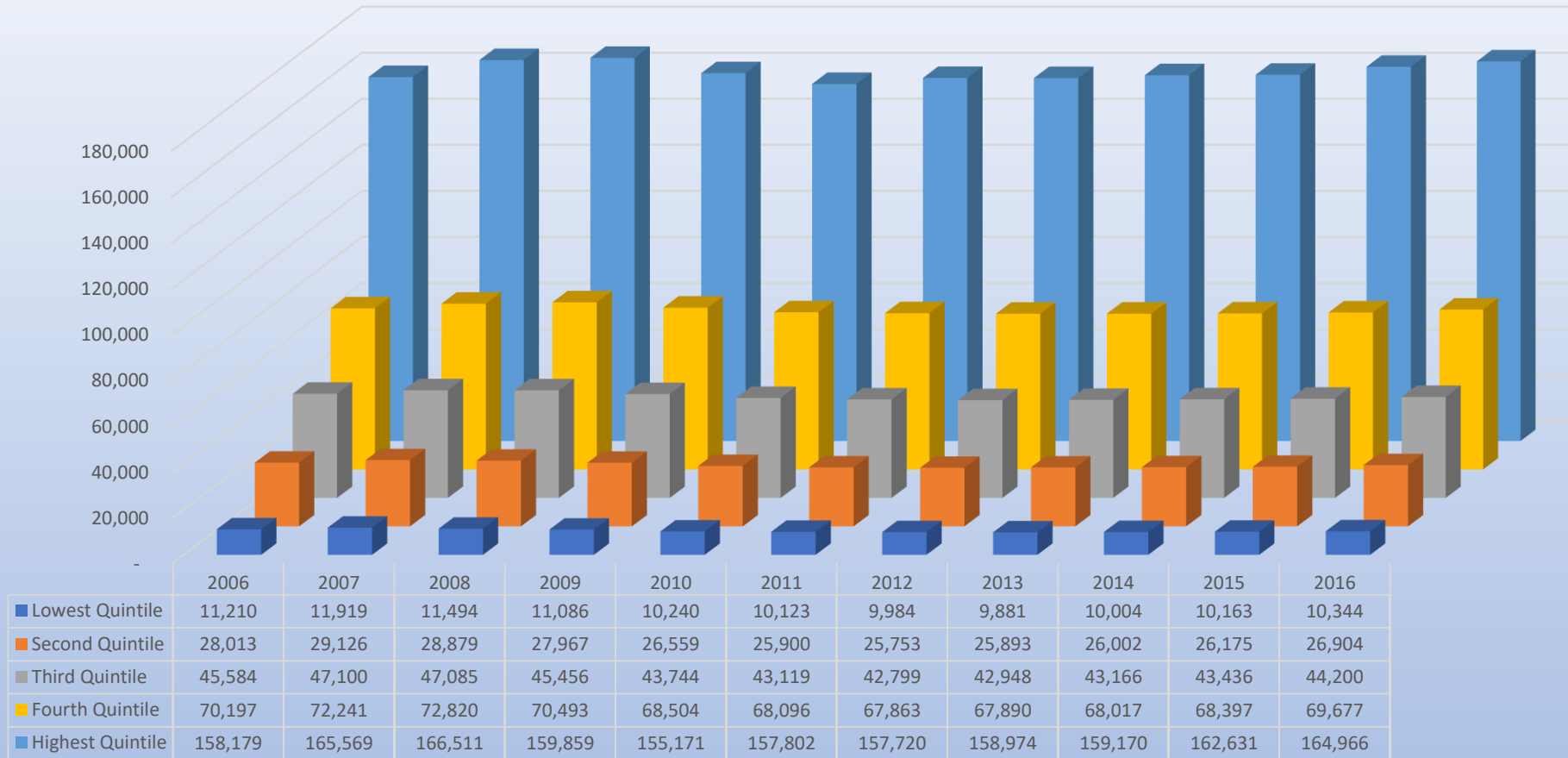
Real housing costs of renters as a percentage of real median household income of renters.

(BLS, 2017)

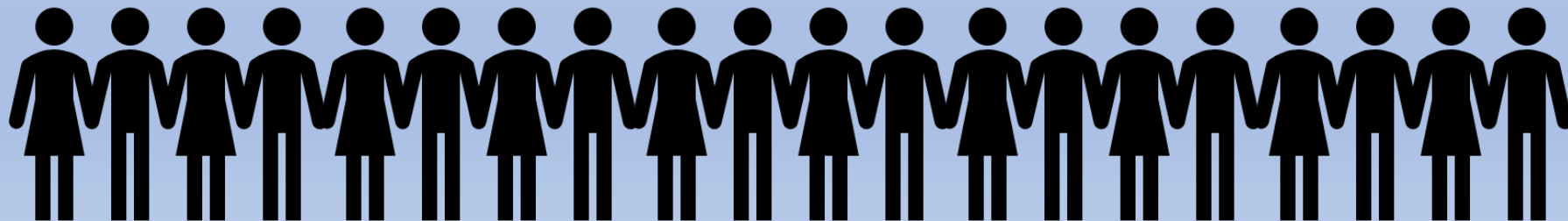
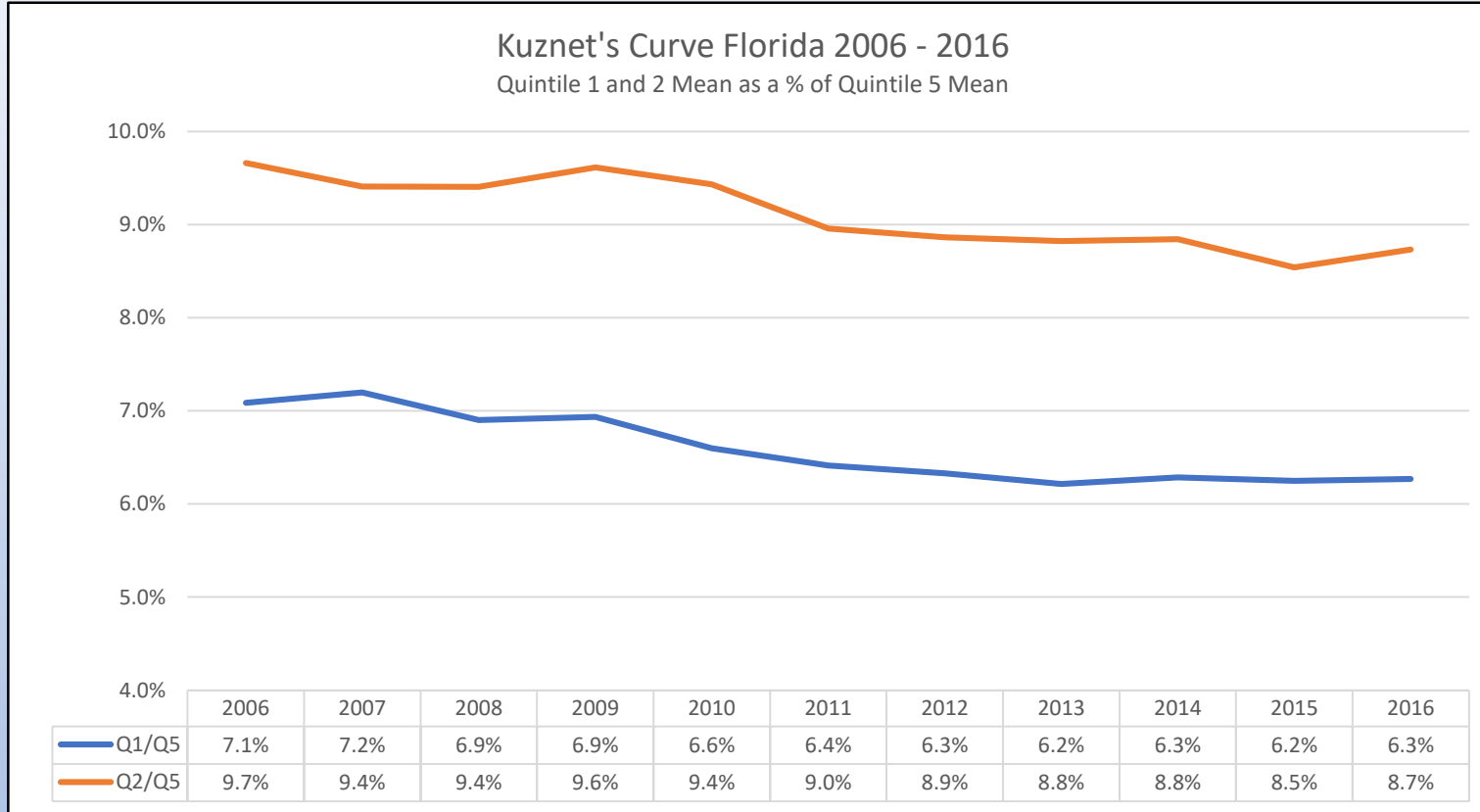
Income inequality measured by the Gini Coefficient.

(USCB, 2017)

Income Disparity in Florida 2006 through 2016

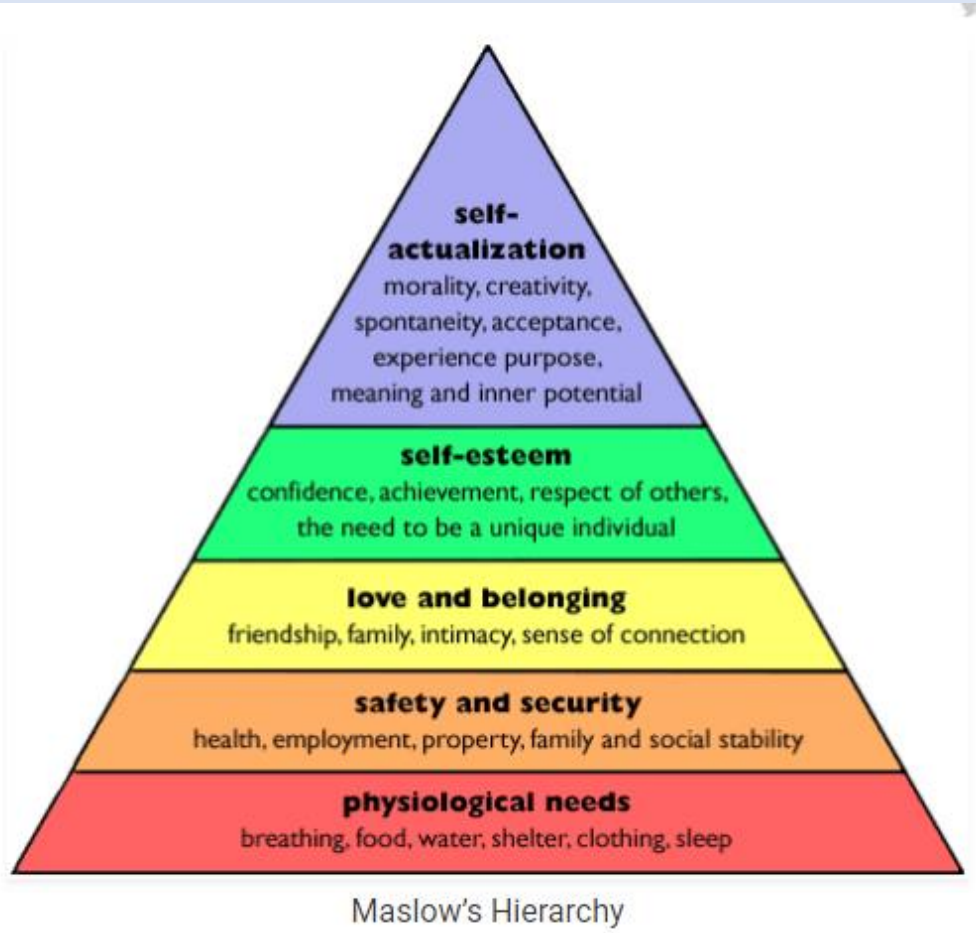


Income Disparity in Florida 2006 through 2016



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Income
Redistribution

Vs.

Income
Distribution