AN UNWAVERING PATH FORWARD TO HOUSING JUSTICE
NATIONAL LOW INCOME HOUSING COALITION

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NLIHC's HoUSed Campaign for Long-Term Housing Solutions

February 12, 2024

Agenda

AN UNWAVERING PATH FORWARD TO HOUSING JUSTICE
NATIONAL LOW INCOME HOUSING COALITION

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- Whitney Airgood-Obrycki, Harvard JCHS

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Policy Update

- Kim Johnson, NLIHC

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Welcome & Updates

AN UNWAVERING PATH FORWARD TO HOUSING JUSTICE
NATIONAL LOW INCOME HOUSING COALITION

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Report on Rental Housing in 2024

AN UNWAVERING PATH FORWARD TO HOUSING JUSTICE
NATIONAL LOW INCOME HOUSING COALITION

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America's Rental Housing 2024

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JCHS
JOINT CENTER FOR HOUSING STUDIES
OF HARVARD UNIVERSITY

Key Themes

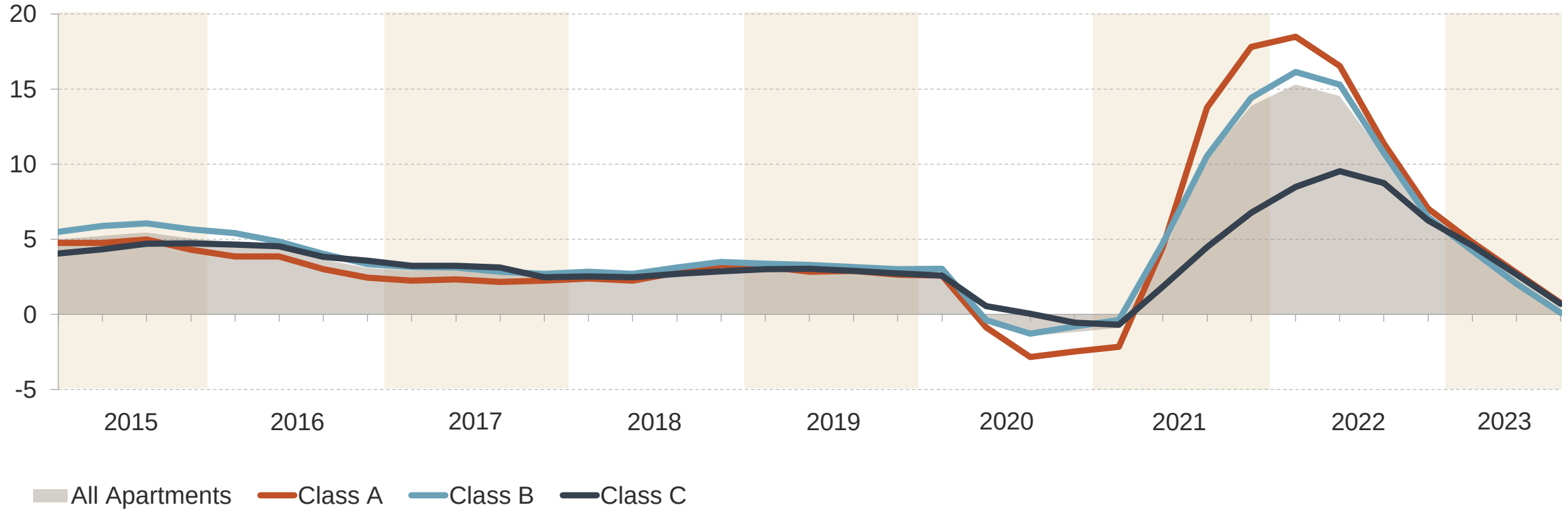
- Rental markets are softening
- Affordability is worse than ever before
- Housing instability is rising
- Rental assistance increasingly falls short
- The rental stock has significant investment needs
- High interest rates are cooling rental market activity



Rental Markets Are Softening

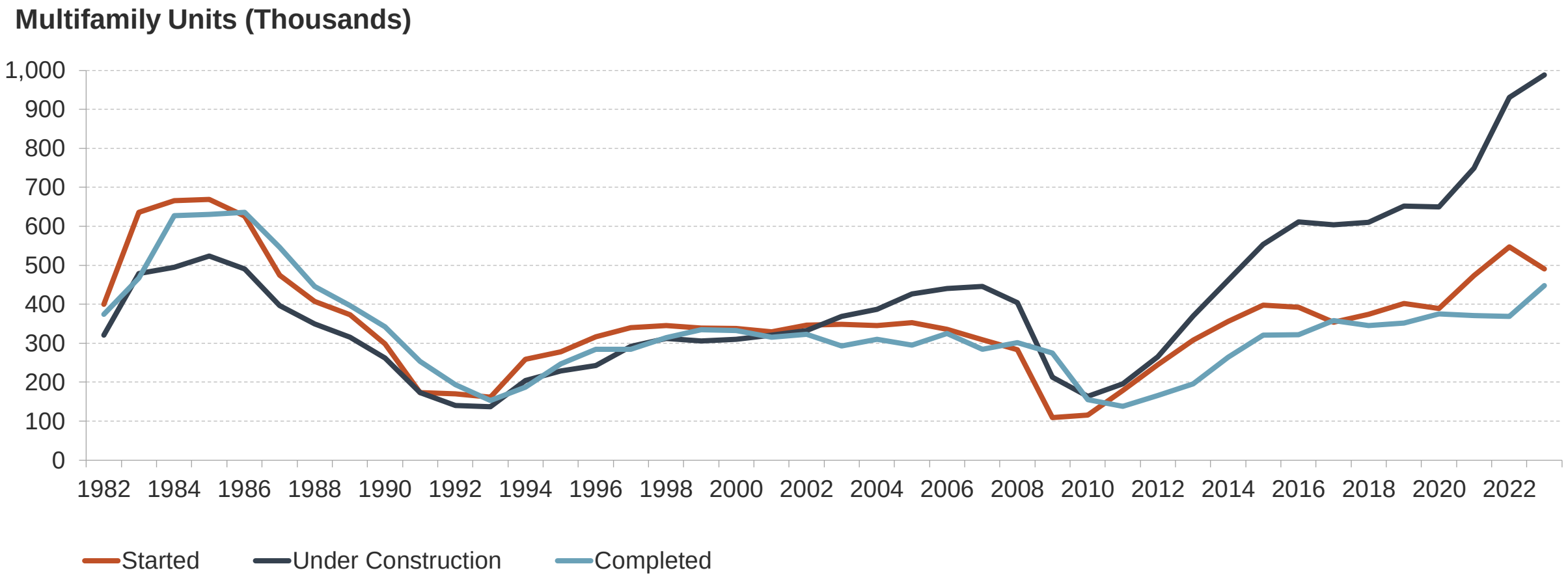
Figure 1: Apartment Rent Growth Has Stalled

Annual Change in Asking Rents (Percent)



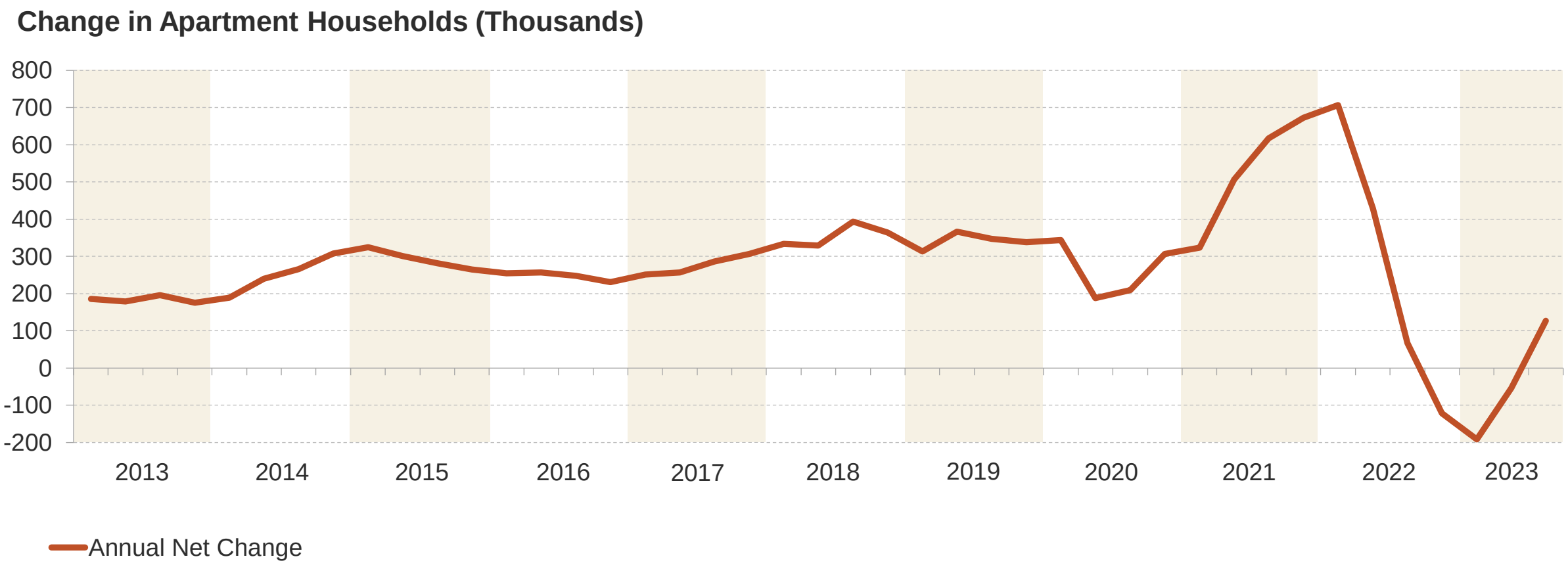
Notes: Asking rents are for professionally managed apartments in buildings with five or more units. Class A (Class C) apartments are relatively higher (lower) quality.
Source: RealPage.

Figure 19: Completions Remain High and a Record Number of Units Are Under Construction



Note: Data for 2023 represent the seasonally adjusted year-to-date average through October.
Source: JCHS tabulations of US Census Bureau, New Residential Construction data.

Figure 2: Apartment Demand Has Started to Rebound

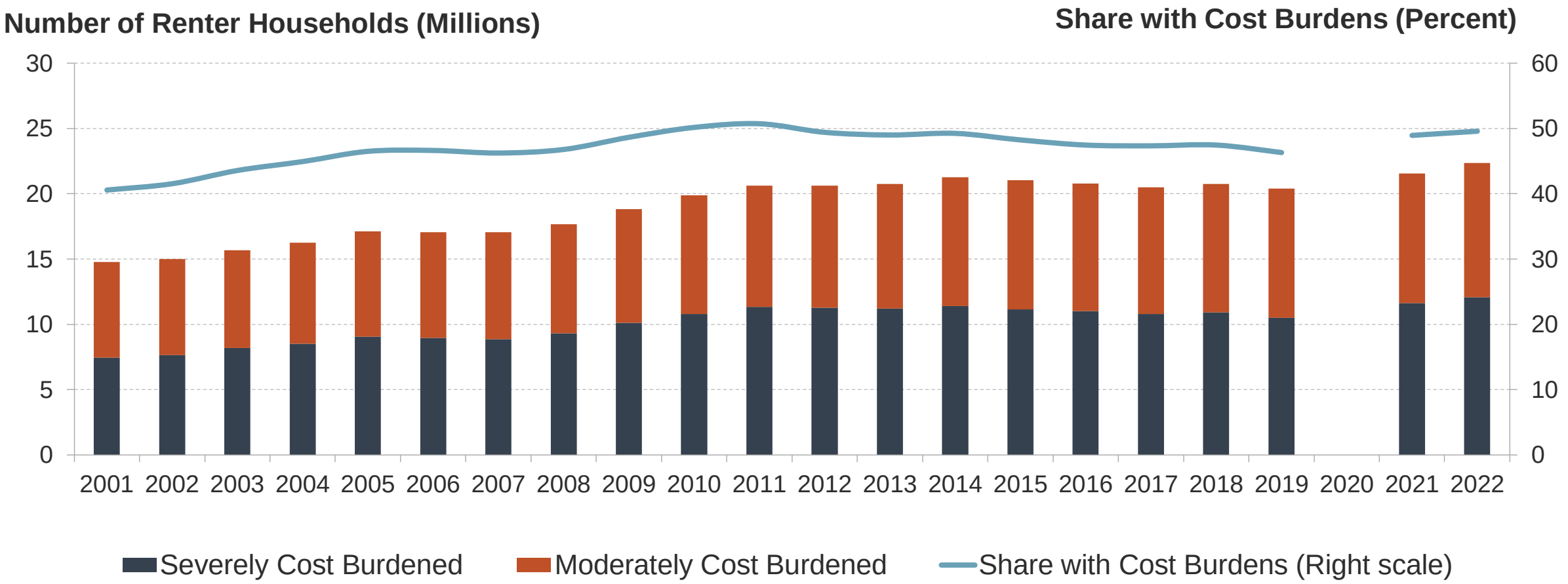


Note: Annual net change is the four-quarter rolling total for professionally managed apartment buildings with five or more units.
Source: RealPage.



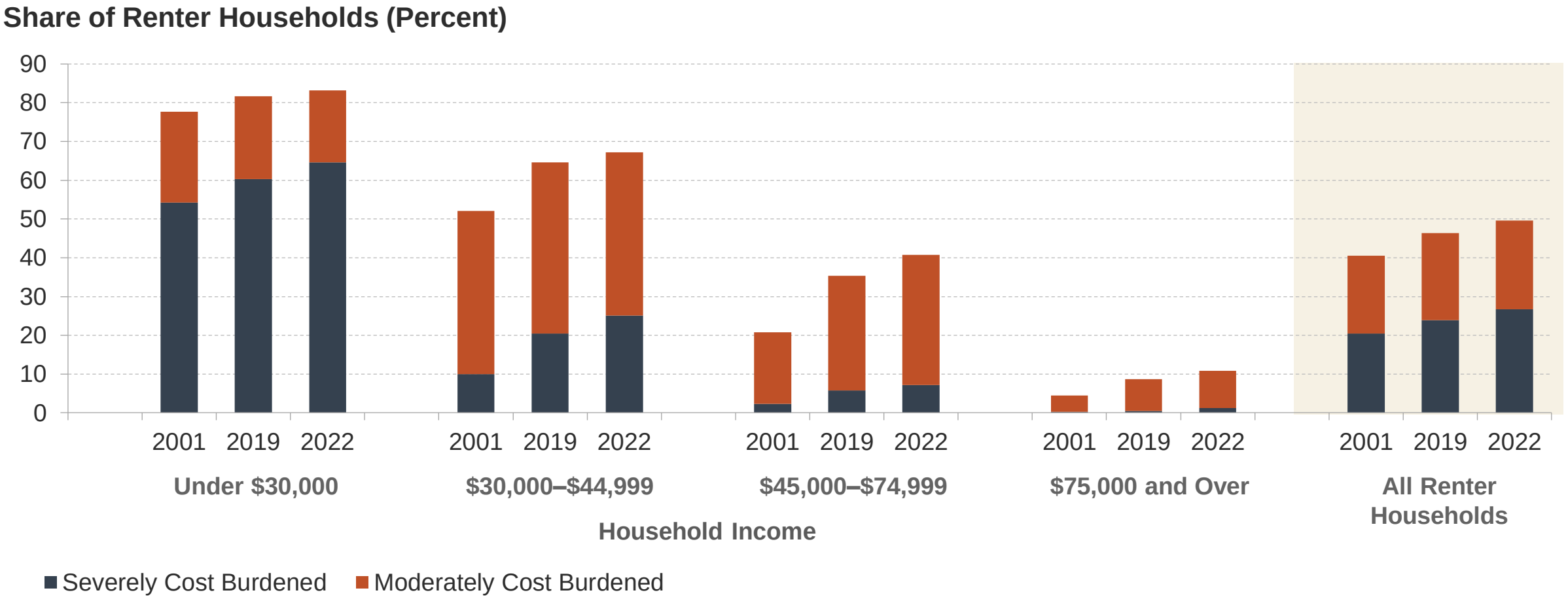
Affordability Is Worse than Ever Before

Figure 3: The Number of Cost Burdened Renters Hit an All-Time High



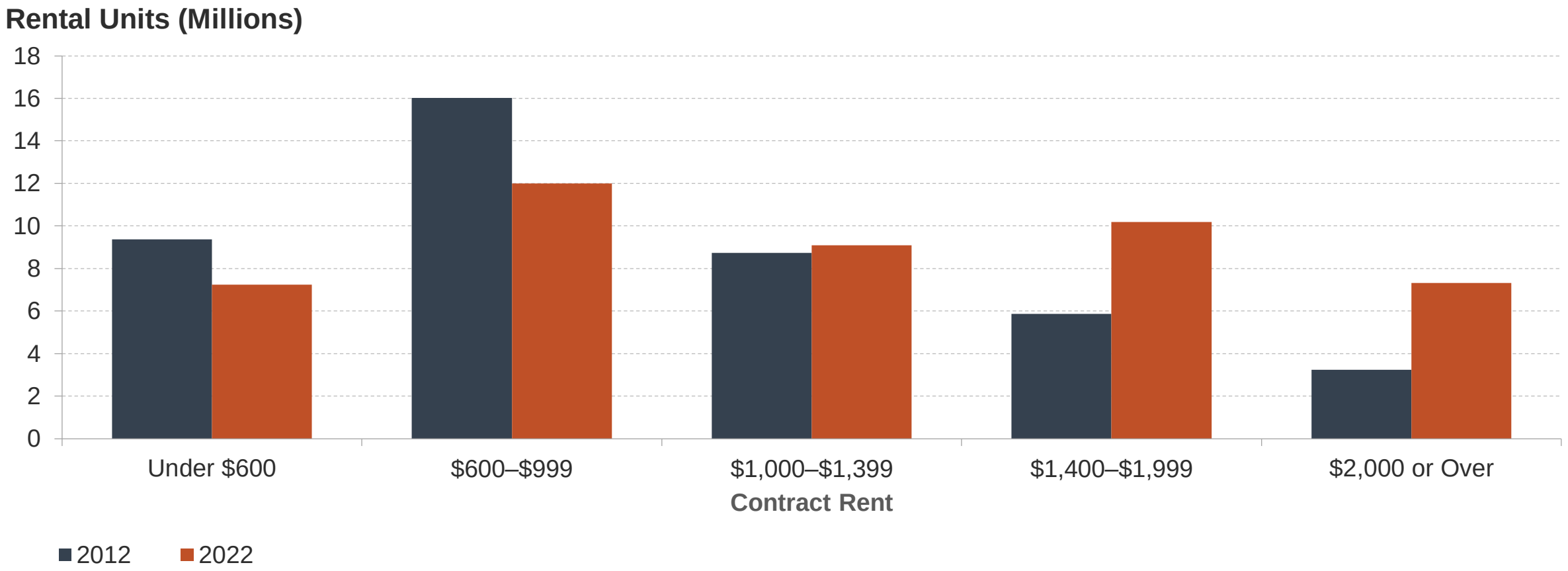
Notes: Moderately (severely) cost-burdened households spend 30–50% (more than 50%) of income on rent and utilities. Households with zero or negative income are assumed to have burdens, and households that are not required to pay rent are assumed to be unburdened. Estimates for 2020 are omitted because of data collection issues experienced during the pandemic.
Source: JCHS tabulations of US Census Bureau, American Community Survey 1-Year Estimates.

Figure 22: Cost Burdens Continued to Increase Across Incomes During the Pandemic



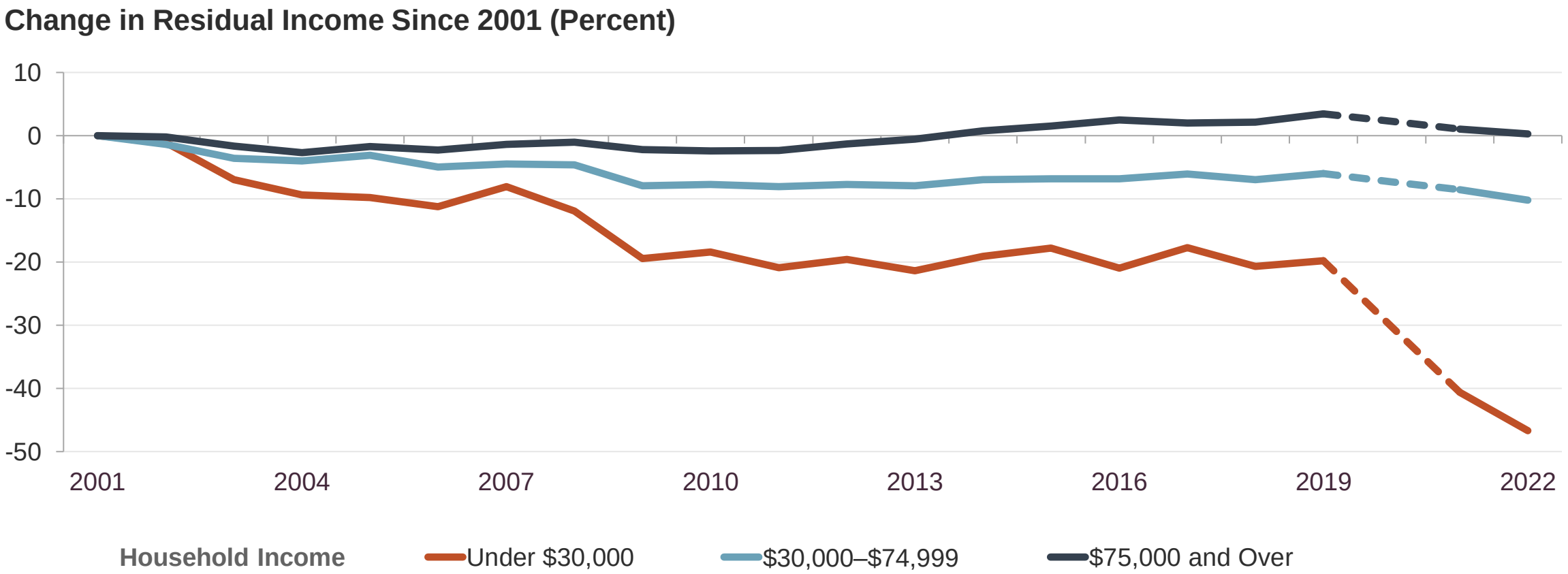
Notes: Household incomes are adjusted for inflation using the CPI-U for All Items. Moderately (severely) cost-burdened households spend 30–50% (more than 50%) of income on rent and utilities. Households with zero or negative income are assumed to have severe burdens, while households that are not required to pay rent are assumed to be unburdened.
Source: JCHS tabulations of US Census Bureau, American Community Survey 1-Year Estimates.

Figure 13:The Stock of Low-Rent Units Is Shrinking



Notes: Rents are adjusted for inflation using the CPI-U Less Shelter. Units that are occupied but do not receive payment are excluded. Contract rents exclude utility costs.
Source: JCHS tabulations of US Census Bureau, American Community Survey 1-Year Estimates.

Figure 25: After Paying for Housing, Lower-Income Renters Have Less Left Over Than Ever Before

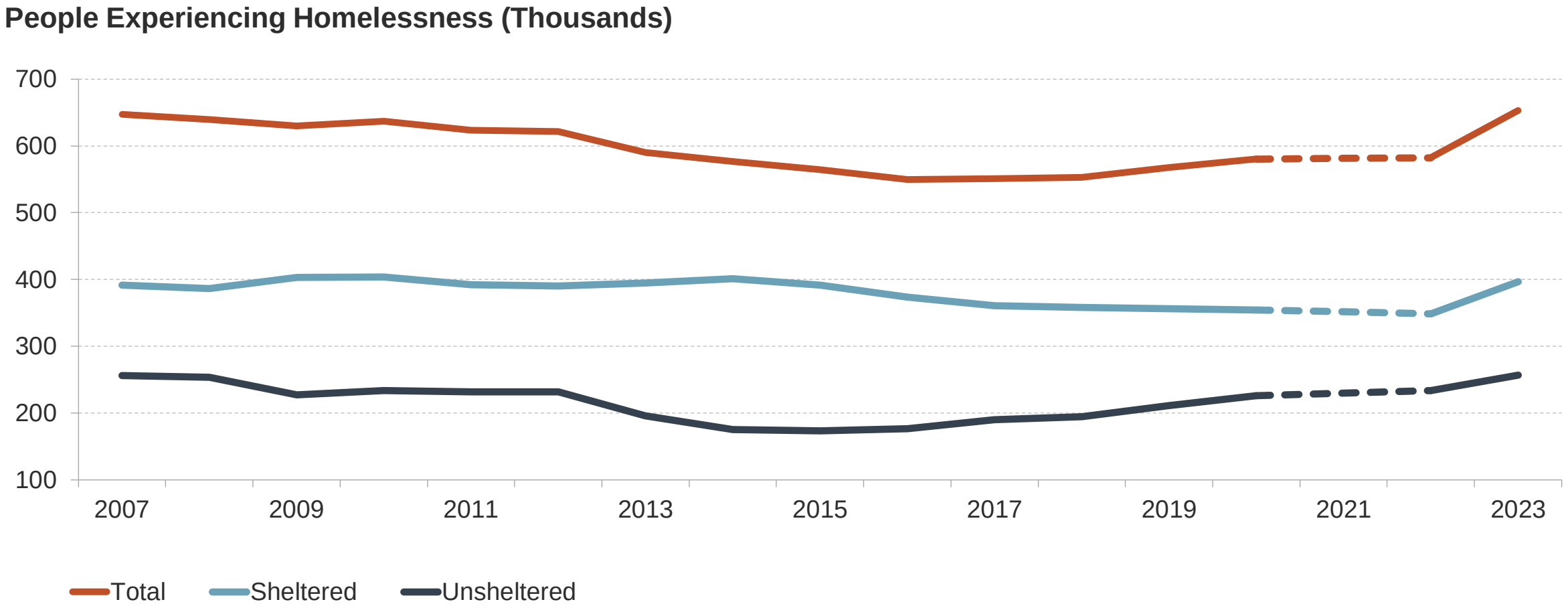


Notes: Household incomes and residual incomes are adjusted for inflation using the CPI-U for All Items. Households that are not required to pay rent are excluded. Data for 2020 are based on 2019 and 2021 values because of pandemic data disruptions.
Source: JCHS tabulations of US Census Bureau, American Community Survey 1-Year Estimates.



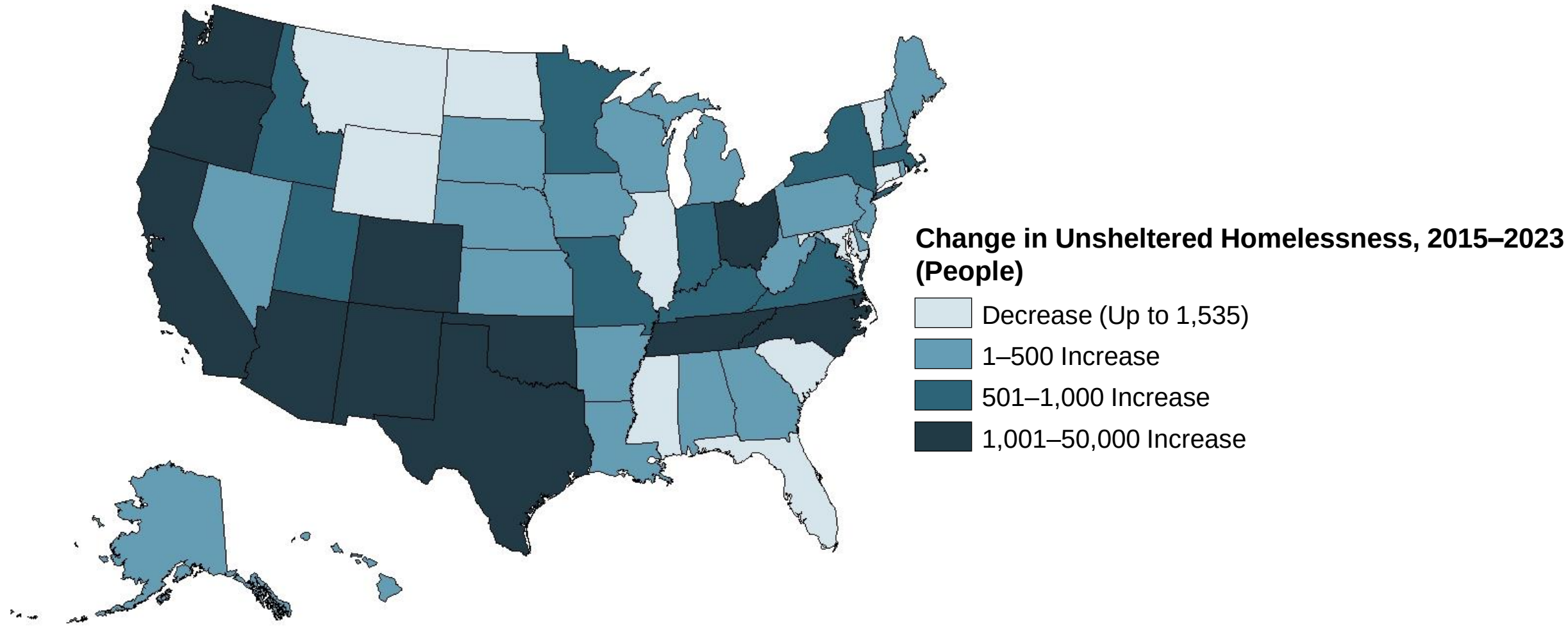
Housing Instability Is Rising

Figure 4: After a Swift Uptick in 2023, a Record Number of People Are Unhoused



Note: Because of the pandemic, complete unsheltered counts were unavailable in January 2021 and sheltered counts were artificially low, likely because of reduced shelter capacity. Data for 2021 are based on 2020 and 2022 values.
Source: JCHS tabulations of US Department of Housing and Urban Development, *Annual Homeless Assessment Report* Point-in-Time Estimates.

Figure 30: Unsheltered Homelessness Has Risen in Most States

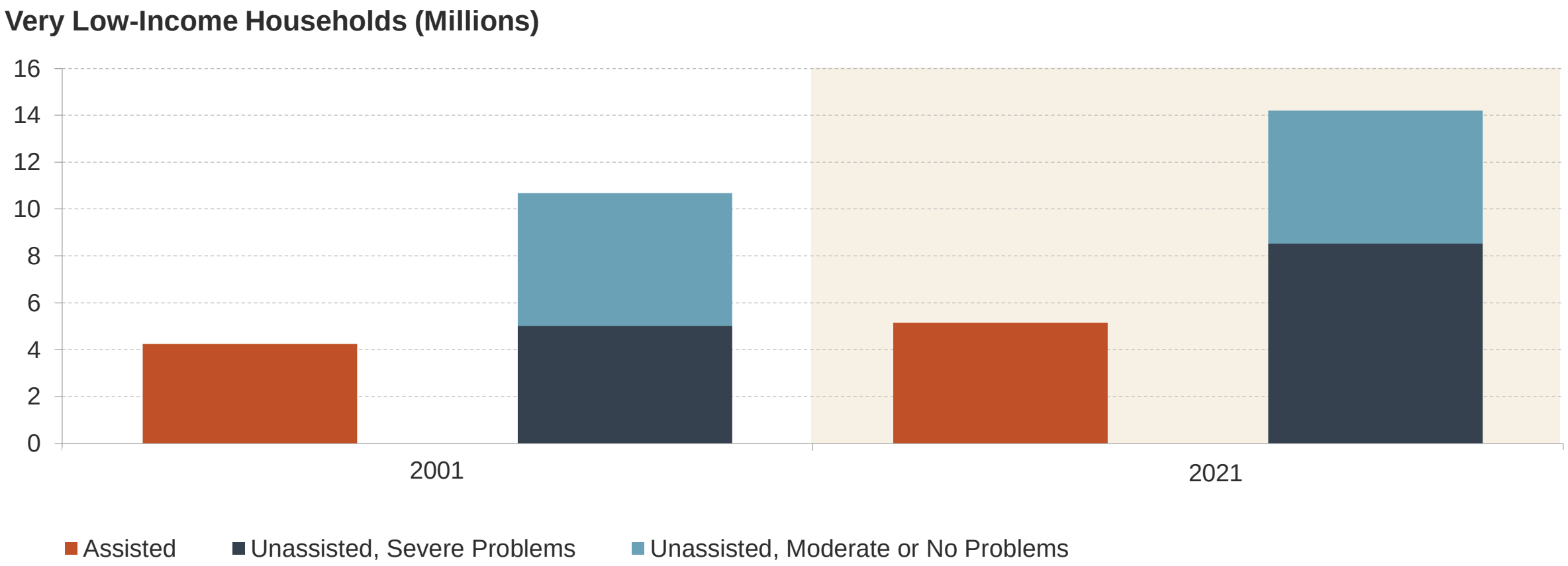


Source: JCHS tabulations of US Department of Housing and Urban Development, *Annual Homeless Assessment Report* Point-In-Time Estimates.



Rental Assistance Increasingly Falls Short

Figure 5: The Rental Assistance Shortage Continues to Worsen

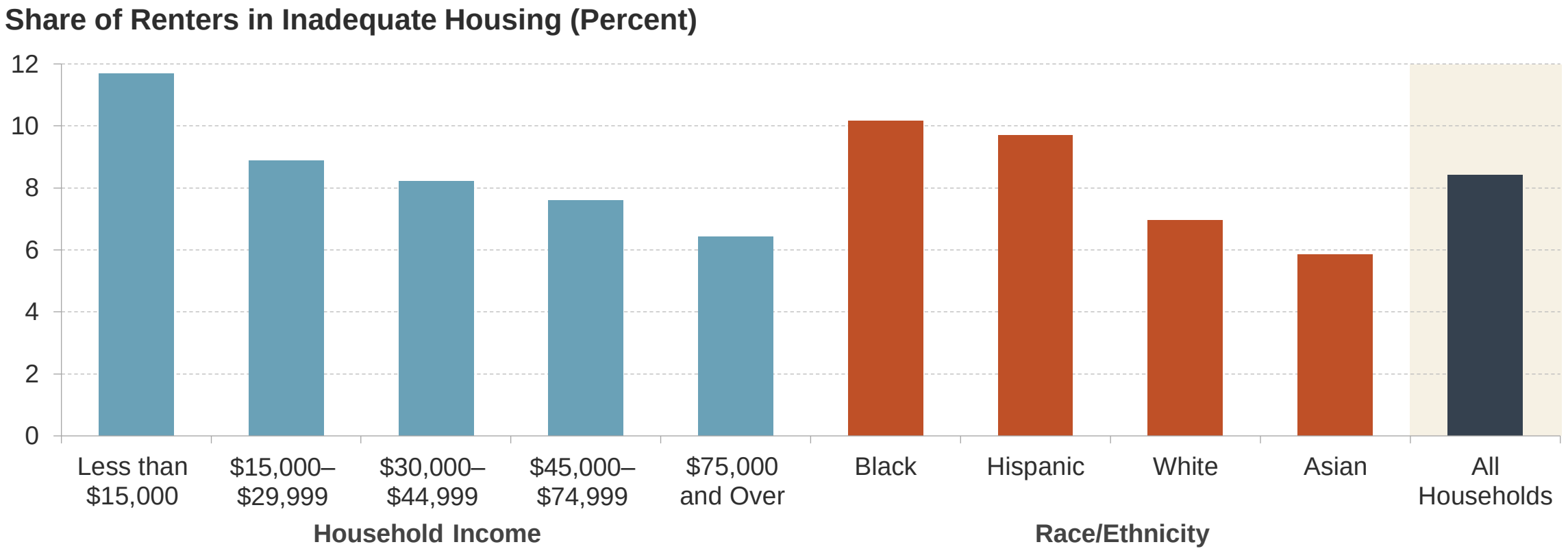


Notes: Severe problems include spending more than 50% of income on rent and utilities or living in severely inadequate housing. Moderate problems include spending 30–50% of income on rent and utilities or living in moderately inadequate housing.
Source: JCHS tabulations of US Department of Housing and Urban Development, Worst Case Housing Needs Reports to Congress.



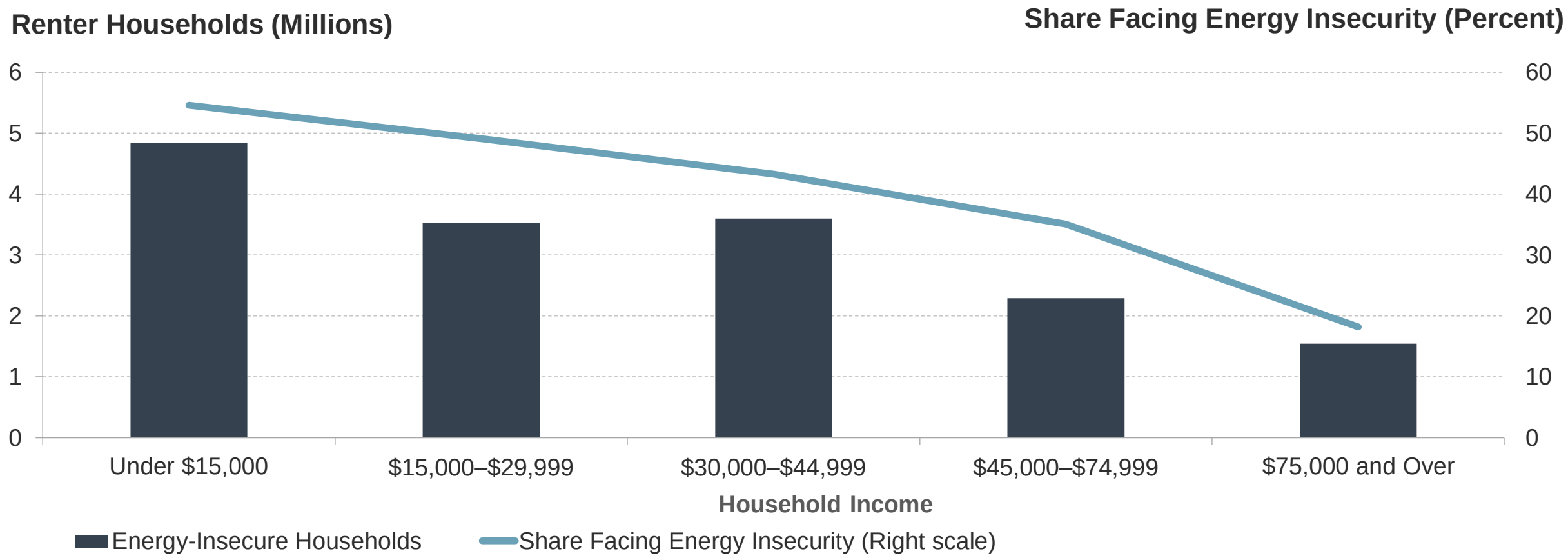
The Rental Stock Has Significant Investment Needs

Figure 15: Renters with Lower Incomes and Those of Color Disproportionately Live in Inadequate Housing



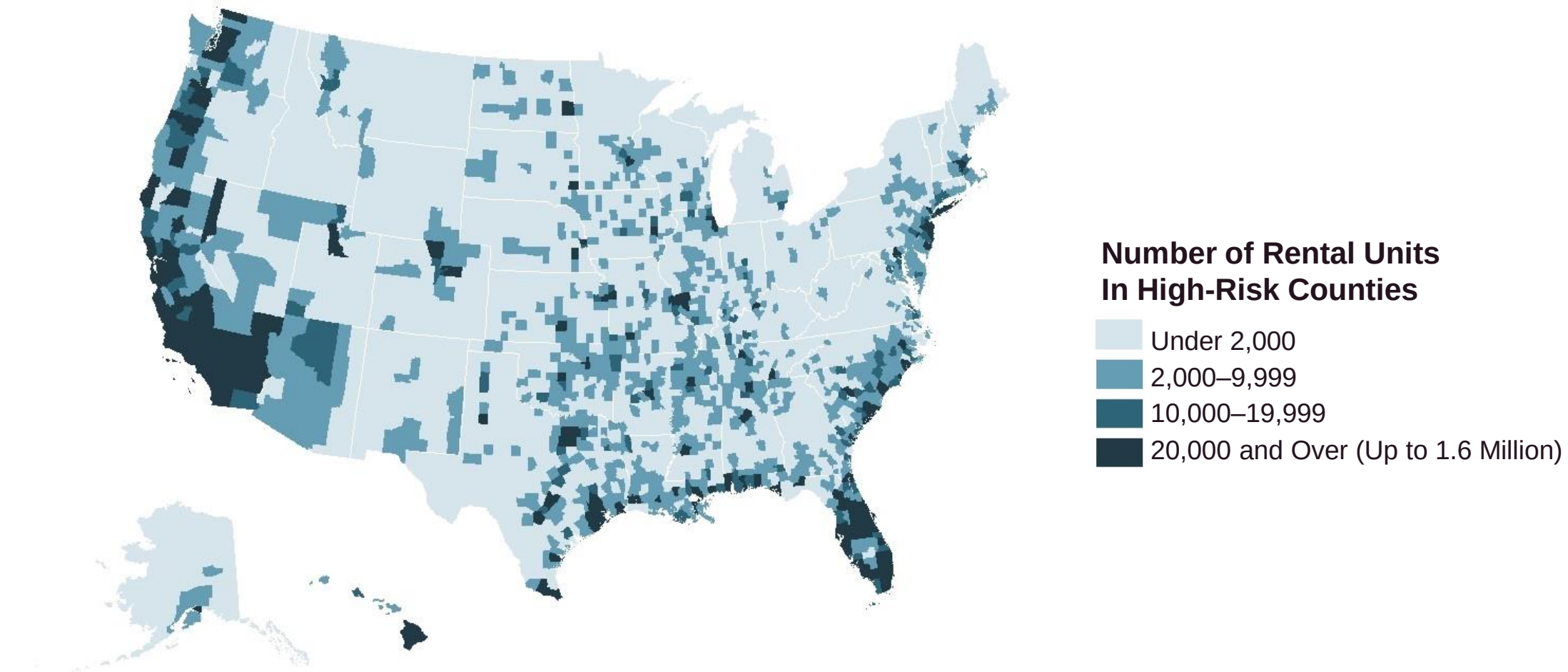
Notes: Housing inadequacy refers to a variety of structural deficiencies, such as large holes and leaks or the absence of basic features including plumbing, electricity, water, or heat. HUD classifies units as moderately or severely inadequate depending on the type and number of these physical problems. Black, white, and Asian householders are non-Hispanic. Hispanic householders may be of any race.
Source: JCHS tabulations of US Department of Housing and Urban Development, 2021 American Housing Survey.

Figure 31: Millions of Renters Are Energy Insecure



Note: Households that are energy insecure have either forgone basic necessities, maintained an unhealthy temperature inside their home, or received a disconnection notice.
Source: US Energy Information Administration, 2020 Residential Energy Consumption Survey.

More Than 18 Million Rental Units Are Under Threat from Environmental Hazards

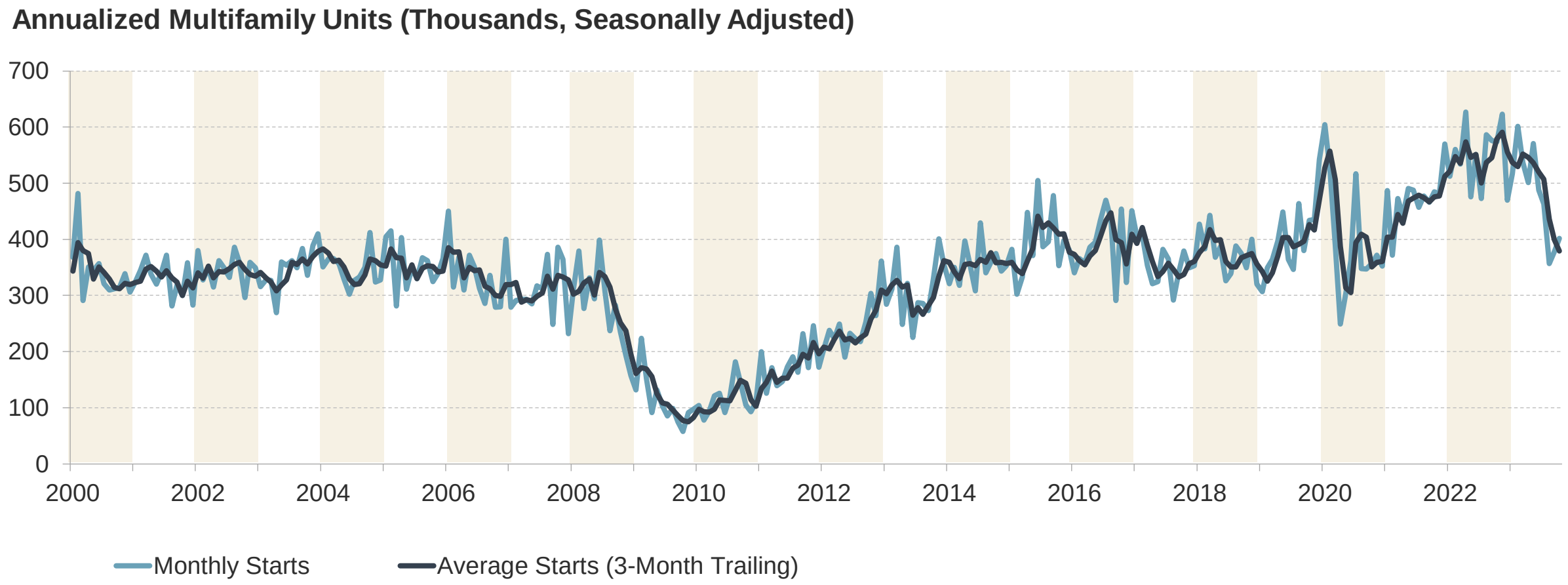


Notes: High-risk areas have a relatively moderate, relatively high, or very high expected annual loss (EAL) score. EAL represents the average economic loss in dollars resulting from natural hazards each year. The number of units in high-risk counties is aggregated from the tract level.
Source: JCHS tabulations of Federal Emergency Management Agency, July 2023 National Risk Index EAL data, and US Census Bureau, 2021 American Community Survey 5-Year Estimates.



High Interest Rates Are Cooling Rental Market Activity

Figure 6: New Multifamily Construction Has Quickly Declined



Note: Data are for buildings with at least two units and are through October 2023.
Source: JCHS tabulations of US Census Bureau, New Residential Construction data.

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Data, and interactives available at:
jchs.harvard.edu



Field Update

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Policy Updates

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Next Steps & Resources

NLIHC's HoUSed Campaign (nlihc.org/housed): Campaign Updates