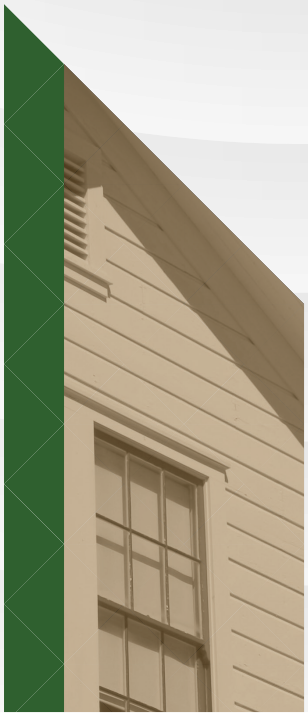

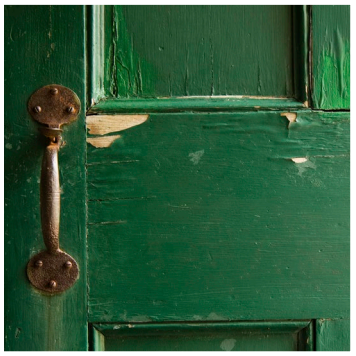

WORST CASE HOUSING NEEDS

2023 REPORT TO CONGRESS

U.S. Department of Housing and Urban Development | Office of Policy Development and Research

WORST CASE HOUSING NEEDS

2023 REPORT TO CONGRESS

Prepared for
U.S. Department of Housing and Urban Development
Office of Policy Development and Research

Prepared by
Thyria A. Alvarez
Barry L. Steffen

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Acknowledgments

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Foreword

The U.S. Department of Housing and Urban Department (HUD) presents to the U.S. Congress its 19th biennial report on Worst Case Housing Needs. The 2023 report on Worst Case Housing Needs provides national data and analyzes the critical problems facing low-income renting families. The report primarily draws on data from the 2021 American Housing Survey (AHS) sponsored by HUD and conducted by the U.S. Census Bureau. AHS is a comprehensive national longitudinal housing survey conducted since 1973.

Households with worst case housing needs are very low-income renters—households with incomes at or below 50 percent of area median income—who do not receive government housing assistance and who pay more than one-half of their income toward rent, live in severely inadequate conditions, or both. The 2023 report finds that in 2021, during the COVID-19 pandemic, 8.53 million households had worst case housing needs. This is an increase in worst case needs from the record high of 8.48 million in 2011 and 70 percent greater than the 5.01 million households with worst case housing needs in 2001.

The increase in renters with worst case housing needs since the last biennial report was published (using data from 2019, when 7.77 million renters had worst case housing needs) reflected the declining supply of units affordable and available to very low-income renters at a time when demand was rising. There is an urgent need to expand the supply of both homes affordable for very low-income renters and for-sale homes for renters locked out of the sales market.

The 2021 AHS captured housing needs in mid-2021, about a year and a half after the onset of the COVID-19 pandemic and its economic fallout. The financial shock to the labor market and household incomes contributed to the substantial increases in worst case needs. The major federal legislative response to the pandemic, including enhanced unemployment benefits, stimulus payments, and the Emergency Rental Assistance program, reduced the economic hardship experienced by renter households in 2021 and beyond. The 2021 AHS did not count one-time Federal stimulus payments, such as those that were part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, in its measurement of household income, so such payments were not considered for the estimates of worst case housing needs.[1] Although the AHS data collection does not capture the effect of the one-time stimulus payments or the Emergency Rental Assistance program, government relief measures provided over the pandemic have helped to offset the dire needs of many families with worst case needs.

[1] It would be difficult to capture emergency payments in the AHS, as the survey instrument must be tested and finalized in advance and the survey fieldwork occurs over an extended period. Additionally, changes in the number and content of income questions can depress response rates and disrupt the year-to-year comparability of income reporting without necessarily capturing temporary income sources accurately.

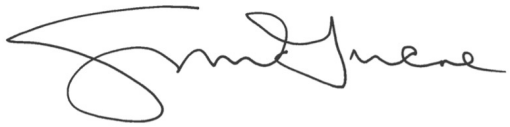
Demographic and pandemic-related economic factors greatly increased the number of very low-income renters needing affordable housing units, increasing competition and driving up rents in a housing market that has long acted only partially and slowly to meet the housing needs of this very low-income renter population, which accounts for about 15 percent of U.S. households.

No group of very low-income renters was immune from worst case needs if they lacked access both to housing assistance and to sufficient affordable units to ease market pressure on rents. Among the various demographic subgroups, geographic regions, and urban-suburban-rural categories examined in this report, the rate of worst case needs among very low-income renters ranged from 23.4 to 58.2 percent. Two geographic variables explain much of this variation: first, places with more adequate supply than others have a greater share of unsubsidized very low-income renters who are free of severe cost burdens, and second, places with higher rates of housing assistance have less pressure on the most affordable housing units in the local housing supply.

This variation also provides the key to ending worst case housing needs—increasing affordable housing through both more supply and more rental assistance. This report finds that in 2021, only 57 affordable units (including those with rental assistance) were available for every 100 very low-income renter households. Only 36 affordable units were available for every 100 extremely low-income renter households. HUD is committed to ending worst case housing needs and homelessness in America by increasing affordable housing access.

The serious scarcity of housing units affordable to the most vulnerable households and hard-working families makes it essential to prioritize production of affordable units, reducing regulatory barriers to affordable housing production and providing technical assistance to local governments to assist in removing barriers that drive up housing costs. Providing income supports to very low-income renters can also help address worst case needs. As these longer-term strategies take effect and as the nation emerges from the pandemic, increasing access to rental assistance may be essential to sustain affordable housing and prevent homelessness.

Although the pandemic has likely played a role in increasing worst case housing needs, this report and its predecessors provide clear, consistent evidence of the persistent, underlying structural gap in the affordable housing market. Ideally, a policy response that begins to bridge this affordable housing gap will also seek to address geographic disparities in resource allocation that contribute to inequities and pockets of distress.



Solomon Greene
Principal Deputy Assistant Secretary for Policy Development and Research
U.S. Department of Housing and Urban Development

Contents

Executive Summary

Worst case need is a long-standing measure of the extent of unmet needs for affordable rental housing of adequate quality. Housing affordability is made possible through housing offered in the private market at affordable rents, through public rental assistance, or a combination of the two. Renter households are defined as having worst case needs for such housing if they have very low incomes—household incomes at or below 50 percent of the area median income (AMI), do not receive government housing assistance, and either pay more than one-half of their income for rent, or live in severely inadequate conditions, or both.

Worst Case Housing Needs: 2023 Report to Congress examines trends in and causes of worst case needs using the most recent data from the 2021 American Housing Survey (AHS).[2] This report finds that since 2019, worst case housing needs have increased across demographic groups, household types, and regions throughout the United States. The unmet need for decent, safe, and affordable rental housing continues to outpace income growth and the ability of federal, state, and local governments to supply housing assistance and facilitate affordable housing production. As a result, the number of families with worst case housing needs in 2021 sets a historic record since the Great Recession of 2007–2009.

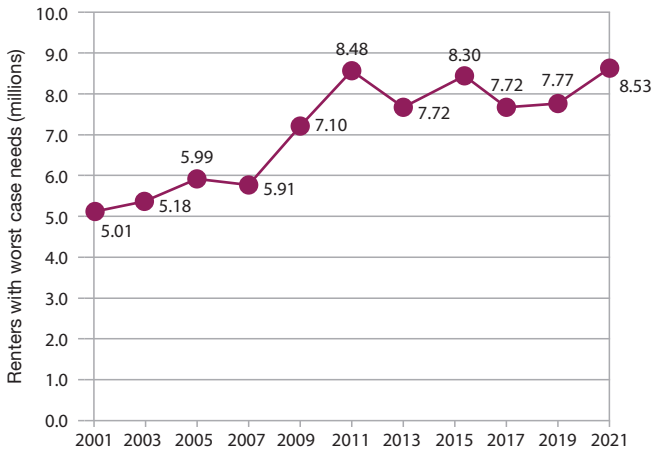
This report captures housing needs in mid-2021, about a year and a half after the onset of the COVID-19 pandemic and the associated brief recession early in 2020. The financial shock to the labor market and household incomes contributed to substantial increases in worst case needs as measured by the 2021 AHS.

Worst Case Needs Reached a New High in 2021

There were 8.53 million renter households with worst case needs in 2021, an increase of 760,000 cases compared with 7.77 million in 2019 (exhibit ES-1). The 2021 count of households with worst case needs is the highest ever recorded, slightly higher than the previous record high of 8.48 million in 2011. The number of very low-income renters with worst case housing needs has averaged 8 million in the past decade, a major increase from the years preceding the 2007–2009 recession when there was greater availability of affordable housing stock.

[2] Unless otherwise cited, estimates presented in this report are the findings of HUD's analysis of worst case needs and related factors using the AHS.

Exhibit ES-1. Change in Worst Case Housing Needs, 2001–2021



Source: HUD-PD&R tabulations of American Housing Survey data

Alongside the growth in the number of households with worst case needs, the rate at which very low-income (VLI) renters experience worst case needs also has increased in recent years. The percentage of VLI renters experiencing worst case needs (the "prevalence" of worst case needs) was 44.1 percent in 2021, an increase of 1.9 points from 42.2 percent in 2019, surpassing the record prevalence of 44.0 percent observed in 2011. Further, between 2019 and 2021, the number of households with worst case needs grew significantly more (9.8 percent) than the overall number of VLI renters (5.2 percent). The most recent biennial change in total worst case needs is attributable to three factors: (1) the ongoing formation of new households; (2) a modest increase in the number of renters with very low incomes; and (3) increased competition for affordable units, which made them less available to VLI renters.

VLI renter households comprise two income groups: households with extremely low incomes (ELIs) and households with incomes between 30 and 50 percent of AMI. ELI renter households account for the majority of worst case needs cases: 71.0 percent in 2021, down from 74.4 percent in 2019. The prevalence of worst case needs did not change among ELI renters between 2019 and 2021 but increased among renters with incomes between 30 and 50 percent of AMI.

Prevalence of Worst Case Needs Worsened Across Demographic Groups and Household Types

The percentage of very low-income renters experiencing worst case needs varied among demographic groups. In 2021, the prevalence of worst case needs was 52.6 percent among Asian households, 47.4 percent among Hispanic households, 44.1 percent among non-Hispanic White households, 41.6 percent among Native Hawaiian or Other Pacific Islander households, 39.3 percent among non-Hispanic Black households, and 36.4 percent among American Indian or Alaska Native households. Between 2019 and 2021, the prevalence of VLI renters with severe problems increased by 3.2 percentage points for non-Hispanic Blacks, by 2.3 points for Hispanics, by 0.4 points for non-Hispanic Whites, and by 12.2 points for other races or other ethnicities. The prevalence of worst case needs remained the same for Asian households. Despite the increased prevalence of worst case needs, the percentage of VLI renters receiving rental assistance decreased for non-Hispanic Blacks but remained the same for non-Hispanic Whites and Hispanic households between 2019 and 2021.

More than 8.5 million renter households had worst case needs in 2021, of whom 3.17 million lived in the South, 2.25 million lived in the West, 1.62 million lived in the Northeast, and 1.48 million lived in the Midwest. In the Midwest, Northeast, and South, the prevalence of worst case needs among VLI renters increased by about 2 percentage points between 2019 and 2021. The West, however, saw a prevalence decrease of almost 1 percentage point during the same period. The prevalence of worst case needs decreased in central cities between 2019 and 2021 but not in suburbs and nonmetropolitan areas. The greatest increase was observed in urban suburbs.

For very low-income renters, worst case needs remained a serious and prevalent problem among all household types in 2021: 44.4 percent among families with children, 40.1 percent among households headed by older adults without children, 50.0 percent among "other family" households (including multiple family members without children), and 46.0 percent among "other nonfamily" households (mostly single individuals). Between 2019 and 2021, the prevalence of worst case needs increased by 4.2 points among families with children and 6.3 points among the other families group, remained the same among nonfamily households, and slightly decreased among households headed by older adults.

In absolute terms, worst case needs increased among all household types since 2019. In 2021, households with worst case needs included 2.63 million families with children, 2.63 million "other nonfamily" households, 2.35 million older adult households, compared with 0.92 million "other family" households. About one in seven renter households with worst case needs—14.7 percent or 1.26 million—included people younger than 62 who have disabilities.

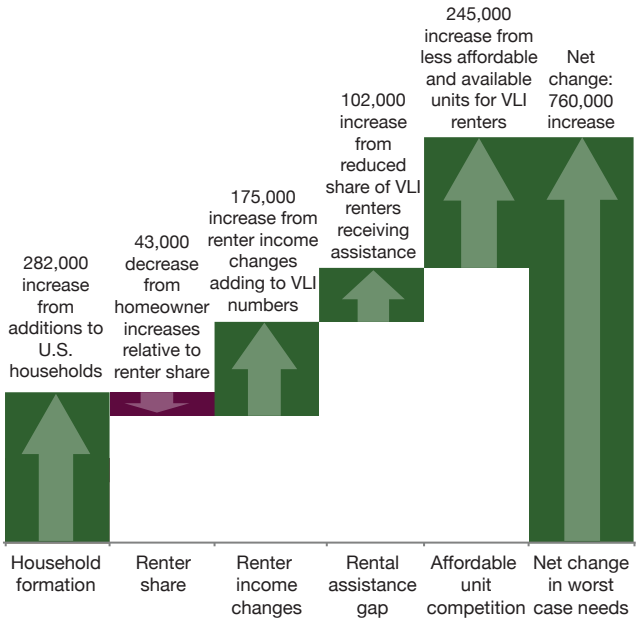
This report includes a new analysis of the intersection between worst case needs and the related but less prevalent problem of housing overcrowding. Overcrowding is defined as the condition of having more than one person per room in a residence, considering only whole rooms such as bedrooms, living rooms, dining rooms, kitchens, recreation rooms, lodger's rooms, and other finished rooms. In 2021, about 948,000 very low-income renter households, or 4.9 percent, were overcrowded. Of these, 390,000 households also experienced worst case needs.[3] About two-fifths of households experiencing overcrowding also experienced worst case needs. The large majority—75.8 percent—of VLI households with overcrowding had moderate or severe rent burden. Most VLI households with overcrowding—92.5 percent—were families with children. More than one-half of overcrowded households in 2021—54.4 percent—were Hispanic, 17.9 percent were non-Hispanic White, 16.1 percent were non-Hispanic Black, 7.1 percent were Asian, and 4.4 percent were of other races and ethnicities. The majority of overcrowded households in 2021—70.6 percent—had from five to seven household members.

Demographic and Market Factors Shape the Persistent Shortage of Affordable and Available Rental Housing

For most households, worst case needs are caused by severe rent burdens—that is, paying more than one-half of the household's income for rent. Inadequate market supply, competition for affordable units, and a shortage of rental assistance continued to pose a substantial challenge for VLI renter households in 2021. Inadequate housing quality caused only 2.8 percent of worst case needs.

The net increase in worst case needs by 760,000 cases between 2019 and 2021 is attributable to a combination of the demographic changes affecting the number of unassisted VLI renter households and the housing market's response to affordable housing demand. Exhibit ES-2 shows how these factors worked together to result in the increase in worst case needs. An attribution analysis estimated the independent contribution of each of four increasingly focused demographic factors to assess its effect on the number of unassisted VLI renters and thereby on the number of worst case needs. The positive or negative effects attributed to the four demographic factors are represented by the first four bars of exhibit ES-2: household formation increased worst case needs because there was a net increase in new households from population changes; tenure shift reduced worst case needs because the growth in renters between 2019 and 2021 lagged the growth in homeowners; renter household income shifts increased worst case needs because there was a net increase of renter households with income below 50 percent of AMI; and the rental assistance gap increased worst case needs because there was a net increase in VLI renters lacking rent subsidies from the federal, state, or local government.

Exhibit ES-2. Worst Case Needs Markedly Increased as a Result of Household Formation, Changes in Income, the Rental Assistance Gap, and Greater Competition for Affordable Units from 2019 to 2021



VLI = very low-income.
Note: The columns of ES-2 are cascading in the sense that each column begins where the previous one ends, while the final column displays the net effect on worst case needs.
Source: HUD-PD&R analysis of American Housing Survey data

Contributing most to the increase in worst case needs were household formation—individuals creating new single-person or multi-person households in a separate housing

[3] HUD categorizes overcrowding as a moderate housing problem rather than a severe problem, so households that experience overcrowding but do not experience severe rent burden or severely inadequate conditions are not included in the count of households with worst case needs.

unit—and the increased competition for affordable units that reduced their availability to households with very low incomes. Changes in income among VLI renters[4] and the widening of the already large gap between the number of households eligible to receive housing assistance and the number who receive it were also major factors contributing to raising worst case needs to a level never before seen. The only demographic factor that helped improve the worst case needs picture between 2019 and 2021 was the modest increase in homeownership rates (by definition, only renters can have worst case needs).

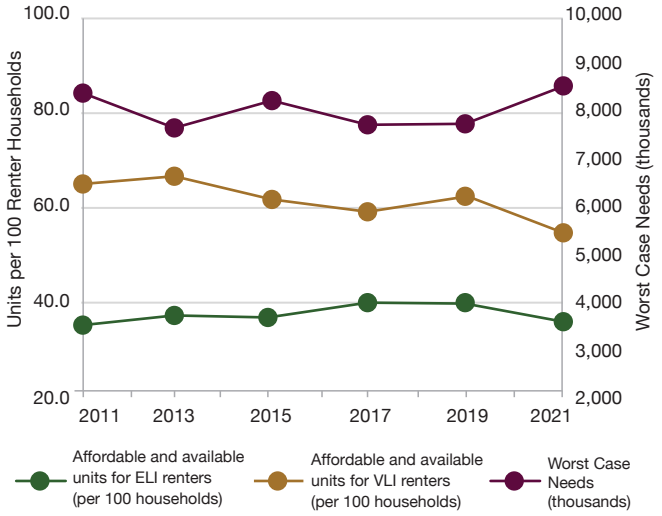
The four demographic factors together created the environment for a substantial net increase in worst case needs between 2019 and 2021 by increasing the size of the unassisted VLI renter population. The market's increase of competition among renters for affordable units aggravated worst case needs through 2021. The net increase attributed to demographic changes was exacerbated 32.2 percent more as the modest pace of additions to the rental stock relative to increases in renter households reduced the availability of affordable VLI units, as indicated by the fifth bar of the exhibit. If the supply of affordable rental units fails to increase at the same rate as the renter population, greater demand would be expected to increase competition for affordable units, drive up rents, and increase the prevalence of worst case needs. Competition may include higher-income households choosing to occupy units that would be affordable to households with significantly lower incomes, making those units unavailable to those with greater needs.

By 2021, the VLI renter population increased by 950,000 households while the rental units affordable and available to them decreased by 463,000. ELI renters increased by 571,000 households while the supply of affordable and available units for these renters decreased by 252,000. Added rental units, including converted owner-occupied units, increased the rental unit supply by only 1.5 percent between 2019 and 2021.

With tighter supply, rents increased at a much higher rate than renter incomes between 2019 and 2021. Median renter housing costs[5] increased by 10.6 percent, substantially more than the 2.5 percent increase in the median renter income (see exhibit 3-2). For VLI renters as a group, mean rent increases of 13.8 percent between 2019 and 2021 nearly doubled their mean income increases of 7.6 percent (exhibit A-14), explaining why the prevalence of severe rent burdens increased.

Access of VLI renter households to a sufficient supply of naturally affordable rental units or assisted units is critical to the extent of the worst case needs problem. Exhibit ES-3 presents how the availability of rental units affordable to VLI households has responded to demand trends over the past 10 years.

Exhibit ES-3. Trends in Housing Supply Mismatch and Worst Case Needs, 2011–2021



ELI = extremely low income. VLI = very low income.
Source: HUD-PD&R tabulations of American Housing Survey data

Although the supply of rental units slightly expanded in 2021, rental housing production has significantly lagged household formation since 2010. At the same time, the number of households receiving rental assistance has risen only modestly and has not kept pace with the increase in the number of VLI households. Rental units added to the stock have tended to be in higher-rent properties. As a result, the ratio of affordable and available units to VLI renters followed a downward path from 2009 to 2017. After a modest improvement from 2017 to 2019, the ratio again worsened from 62 units per 100 renter households in 2019 to 57 units per 100 renter households in 2021. For ELI households, the ratio decreased from 40 to only 36 affordable and available units per 100 households in 2021. Increasing the affordable housing supply by providing rental and sustainable homeownership options for households across the income spectrum—including by expanding rental assistance, particularly for poorer households—is critical for reducing worst case needs.

[4] The 2021 AHS did not count one-time Federal stimulus payments, such as those that were part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, in its measurement of household income, so such payments were not considered for the estimates of worst case housing needs. AHS captures the total money income in the 12 months before the interview for household members ages 16 and older, where "money income" is defined as income received on a regular basis (exclusive of certain money receipts such as capital gains and lump-sum payments). See definition of income at https://www2.census.gov/programs-surveys/ahs/2021/2021%20AHS%20Definitions.pdf.

[5] Those housing costs include rent, utilities, property insurance, land rent, and association fees but exclude any separate security deposit or parking fees.

Availability ratios are as important as worst case needs measurement for understanding affordable housing problems. Availability ratios demonstrate the critical role of rental assistance in expanding affordable housing options for VLI renters: among VLI renters with access to affordable housing, a large share have such access by virtue of the rental assistance they receive. Availability ratios, when compared with affordability ratios, also make clear the intense competition for the most affordable housing. For each affordability bracket, renters with incomes above the bracket levels occupy large shares of units affordable to households within the bracket. Such crowding-out affects 40 percent of the units affordable to ELI renters, 40 percent of the units affordable at incomes of 30 to 50 percent of AMI, and 35 percent of the units affordable at incomes of 50 to 80 percent of AMI. When higher-income renters defer home purchases, they continue to compete for affordable units and sustain rental demand, limiting the availability of affordable rental units for lower-income renters by nearly two-fifths. In short, the effect of weak growth in the rental housing supply, a shortage of rental assistance, and strong competition for available rental units from higher-income renters seem to be having the most detrimental effect on the availability of units affordable to renters with incomes at and below 30 percent of AMI. Improving the availability of affordable rental units for ELI renters will be crucial to reducing worst case needs.

Conclusion

Worst case housing needs increased markedly between 2019 and 2021 due to household formation (new households formed as a result of population increase), the widening of the rental assistance gap for eligible very low-income households, and the continuing shortage of affordable rental housing. Reductions in worst case needs generally result when economic growth improves household incomes, when the production of affordable housing is sufficient to reduce market rents, or, alternatively, when the availability of rental assistance increases.

The worsening between 2019 and 2021 of severe housing problems among the nation's VLI renter households is attributable to demographic factors, beginning with substantial household formation, that increased the number of VLI renters needing affordable units and increased competition for such units, combined with an inadequate response of the housing market to quantitative changes in demand. The weak supply response of the housing market exacerbated the increase in worst case needs cases resulting from demographic and economic factors—especially household formation, income loss, and the widening gap between renter households eligible to receive housing assistance and those receiving it. More than three in five ELI renter households and three in seven VLI renter households continued to lack access to affordable and available housing units as of 2021. Rental housing assistance—such as that offered by HUD programs, other federal programs, states, or localities—help many vulnerable renter households who have such limited incomes. Among VLI renters in 2021, 26.6 percent of households were able to avoid worst case needs because they had rental assistance. Rental assistance is in short supply: because of inadequate funding, only about one in four eligible households received rental assistance. Another 29.3 percent of VLI renters were able to avoid severe housing problems in the unassisted private rental market by finding affordable units of adequate quality. The remaining 44.1 percent, however, were left with worst case needs and almost five in seven of those were ELI households. Worst case needs weigh upon families of all types; in all regions of the country; and in rural, suburban, and urban areas. Non-Hispanic White households experienced worst case needs as well as households of color and worst case needs were found among families with children, older adults, people with disabilities, and people living on their own.

A broad strategy at the federal, state, and local levels has long been needed to continue to grow the economy, support market production and access to affordable homes, and provide rental assistance to the most vulnerable households. With the impact of the COVID-19 pandemic and associated economic difficulties in 2020 and 2021, worst case housing needs have increased substantially, reaching a new record high and highlighting more than ever the need for a comprehensive approach to addressing the affordable housing crisis.

Section 1

Extent and Nature of Worst Case Needs

HUD is the largest federal provider of affordable rental housing. In response to a request by Congress in 1991, HUD's Office of Policy Development and Research (PD&R) periodically reports on the severity of worst case needs for affordable rental housing, using data collected in the biennial American Housing Survey (AHS). This report is the 19th in the series of core reports.[6] This report measures worst case housing needs as of mid-2021, about a year and a half after the onset of the COVID-19 pandemic and associated economic recession early in 2020. The financial shock to the labor market and household incomes contributed to substantial increases in worst case needs as measured by the 2021 AHS.

WHICH HOUSEHOLDS CAN HAVE WORST CASE NEEDS?

By definition, households that can have worst case needs are households that—

- Are renters.
- Have *very low incomes*—that is, incomes of no more than 50 percent of the area median income (as adjusted for family size).
- Do not receive housing assistance.

SEVERE PROBLEMS TRIGGER WORST CASE NEEDS

Two types of severe problems determine whether households have worst case needs:

1. *Severe rent burden,* which means that a renter household is paying more than one-half of its income for gross rent (rent and utilities).
2. *Severely inadequate housing,* which refers to units having one or more serious physical problems related to heating, plumbing, and electrical systems or maintenance (problems are listed in appendix E).

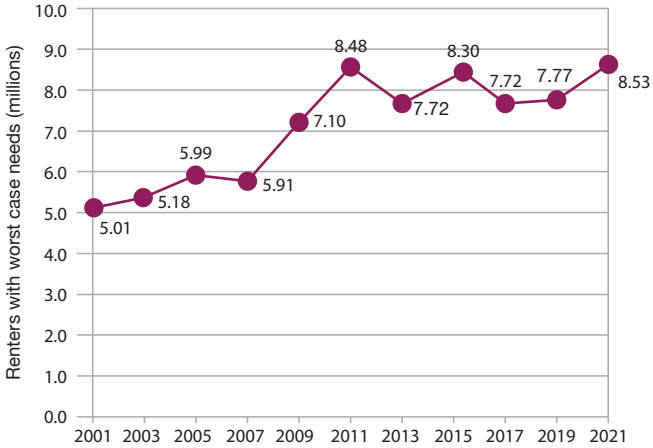
[6] PD&R supplements the core reports on worst case needs with periodic topical reports. For a list of previous titles, see appendix D.

Extent of Worst Case Needs in 2021

HUD analysts examined the 2021 AHS data to understand the evolving dimensions of the large and growing shortage of decent and affordable rental housing for lower-income households. The basic facts presented and examined in the following pages are—

- In 2021, 8.53 million renter households had worst case needs (see exhibit 1-1). These are renters that have very low incomes,[7] lack housing assistance, and have either severe rent burdens or severely inadequate housing (or both).

Exhibit 1-1. Growth in Worst Case Housing Needs, 2001–2021



Source: HUD-PD&R tabulations of American Housing Survey data

- Between 2019 and 2021, the number of very low-income renters with worst case needs increased by 9.8 percent. The new estimate of 8.53 million households with worst case needs is the highest estimate observed in the past 20 years. The number of households experiencing worst case needs has increased 70.0 percent since 2001, when the number of worst case needs was 5.01 million households. The number of renters with worst case needs has averaged 8.08 million households since the Great Recession of 2007–2009.

- The 760,000 additional cases of worst case needs since 2019 comprise 489,000 new cases among renters with incomes between 30 and 50 percent of AMI and 271,000 new cases among renters with extremely low incomes.

- Consistent with long-term trends, the primary problem for worst case needs renters in 2021 was severe rent burden resulting from insufficient income relative to rent. Severely inadequate housing accounted for only 2.8 percent of worst case needs.

- Negative demographic and economic forces prevented worst case needs from subsiding between 2019 and 2021. Competition for affordable units slightly increased, and not many households moved toward homeownership, erasing reductions in worst case needs since 2011.

- In 2021, there were 19.34 million VLI renter households, a 5.2-percent increase from 2019 levels, reversing the slight decreases seen in previous periods.[8] In 2021, 44.1 percent of VLI renter households and 49.1 percent of ELI renter households had worst case needs.

- Housing assistance prevents millions of renters from experiencing worst case needs. The shortfall of housing assistance relative to need worsened between 2019 and 2021. Although the number of assisted, VLI renters increased by 1.8 percent between 2019 and 2021, rental assistance programs did not keep pace, causing the share of VLI renter households receiving housing assistance to decrease by 0.9 points. As of 2021, 26.6 percent of VLI renter households receive housing assistance.

- An important dimension of the affordable housing supply gap is that affordable units are not necessarily available to the renters who need them most; higher-income renters occupy substantial shares of units that would be affordable to the lowest-income renters. In 2021, only 36.4 percent of units were affordable and available[9] to households with extremely low incomes, and 56.7 percent of units were affordable and available to renters with very low incomes.

With these key facts in mind, this section explores the current extent and the demographic characteristics of worst case needs—which households have such needs and what their situations are.

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[7] *Very low income* and *extremely low income* refer throughout this report to the income levels of renters. Very low incomes (VLIs) are those incomes of no more than 50 percent of the area median income (AMI), and extremely low incomes (ELIs) are those incomes of no more than 30 percent of AMI. Worst case needs estimates, like HUD programs, use AMI based on local family incomes with adjustments for household size, precisely known as HUD area median family income, or HAMFI (see the discussion of income categories in appendix E). In 2021, the median renter was classified with respect to a family-size-adjusted VLI limit of $34,150 and ELI limit of $21,960 (see exhibit 3-2). ELI and VLI families may have substantially lower incomes if they have fewer than four members or live in areas with lower median family incomes, or substantially greater incomes if they live in the highest-cost metropolitan areas.

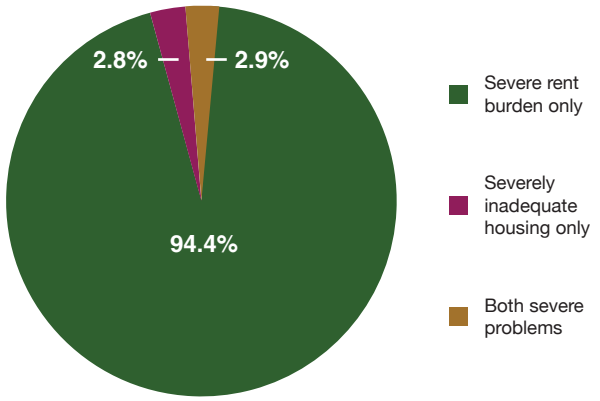
[8] Data collection for the 2021 AHS continued standard practice of excluding one-time payments such as federal stimulus payments but including recurring payments such as unemployment income, which might have been temporarily boosted during the pandemic. See definition of income at https://www2.census.gov/programs-surveys/ahs/2021/2021%20AHS%20Definitions.pdf.

[9] The definition of *affordability* and *availability* is in the Mismatch of Supply and Demand for Affordable Rental Housing section in Appendix E. Data and Methodology.

Inadequate Income and Inadequate Housing

Of the two types of severe problems that make up worst case needs, severe rent burden is, by far, the more frequent problem. As exhibit 1-2 illustrates, 97.2 percent of all worst case needs renters, or 8.29 million households, had severe rent burdens in 2021. Paying one-half (or more) of a limited total income for rent leaves very little income for other essentials, such as food, medical care, transportation expenses, education, and childcare.[10]

Exhibit 1-2. Severe Rent Burdens Drove Worst Case Needs in 2021



N = 8.526 million renters with worst case needs.
Source: HUD-PD&R tabulations of American Housing Survey data

Severely inadequate housing alone caused only 2.8 percent of worst case needs in 2021, although 5.6 percent of renter households with worst case needs had severely inadequate housing, either alone or in combination with severe rent burdens. The number and share of worst case needs households experiencing severe housing quality problems remained almost unchanged between 2019 and 2021, increasing by 107,000 households and 0.8 percentage points.

That severely inadequate housing causes such a small fraction of worst case needs is the result of a decades-long trend of improvements to the nation's housing stock. More stringent building codes prevent the construction of units without complete plumbing or heating systems, and obsolete units are demolished each year.[11] In addition, some of the severe physical inadequacies reported in the AHS result from maintenance or upgrade activity that affects the operation of key systems such as plumbing, heat, or structural integrity while units remain occupied. Among all renter households, 3.4 percent of those with very low incomes and 1.4 percent of those with higher incomes[12] had severely inadequate housing in 2021. Nevertheless, the housing stock is continually aging, and thousands of renters continue to live in severely inadequate units. The costs associated with repairing severe quality deficiencies present another formidable barrier to the ability of lower-income households to improve their housing conditions. Landlords offering lower-priced units for rent may similarly delay or avoid high maintenance and repair expenses as units age.[13]

PROGRESS IN REDUCING HOMELESSNESS

Individuals and families experiencing homelessness clearly have the greatest need for affordable or assisted housing. People experiencing homelessness, however, are not included in official estimates of worst case needs because the AHS covers only housing units and the households that live in them, and people experiencing homelessness, by definition, do not live in a housing unit and are not surveyed by the American Housing Survey (AHS).[a]

In its 2022 *Annual Homeless Assessment Report to Congress*, HUD estimates that 582,500 people were experiencing homelessness on a given night in 2022. Most of these, 60 percent, were staying in sheltered locations such as emergency shelters and transitional housing programs. The remaining 40 percent were staying in unsheltered locations such as parks, abandoned buildings, and cars (HUD-CPD, 2022b). Over the course of a year, between October 1, 2019, and September 30, 2020, almost 1.3 million people accessed an emergency shelter, safe haven, or transitional housing program (HUD-CPD, 2022a).

Since 2007, total homelessness on a given night has declined by 10 percent. However, total homelessness has been on the rise since 2016, with

[10] Joint Center for Housing Studies (JCHS) of Harvard University. 2021. *The State of the Nation's Housing: 2021.* Cambridge, MA: JCHS of Harvard University. https://www.jchs.harvard.edu/state-nations-housing-2021.

[11] Changes in the overall housing stock are primarily driven by new construction and losses due to demolition and natural disasters (Eggers and Moumen, 2016).

[12] Homeowners reported severely inadequate housing at even lower rates than renters: 2.0 percent of VLI homeowners and 0.5 percent of homeowners with higher incomes had severely inadequate housing. See exhibit A-1B.

[13] Divringi et al. (2019) estimated repair costs associated with quality deficiencies identified in the 2017 AHS and found that units occupied by renters with incomes at or below the poverty line accounted for $25.5 billion, or 56.7 percent, of the aggregate estimated repair costs associated with rental units in the United States. Older single-family and multifamily units occupied by poor renters had higher median repair cost estimates—$2,096 and $1,355, respectively—than newer units. Similarly, Wallace, Divringi, and Wardrip (2019) found that repair costs increase with the degree of housing inadequacy as measured by the AHS, with median costs for repairing moderately and severely inadequate units estimated at $2,440 and $3,346, respectively.

increases in the numbers of people experiencing unsheltered homelessness only partially offset by decreases in the sheltered homeless population. Between 2020 and 2022, the period spanning the 2021 AHS data collection, the number of people experiencing either sheltered or unsheltered homelessness on a given night slightly increased nationwide, by 1,996 people (HUD-CPD, 2022b).

[a] The AHS samples both occupied and vacant residential housing units but excludes places such as group quarters or motels where homeless persons may be sheltered (Census-HUD, 2017: 3–5).

Prevalence of Worst Case Needs by Income

Because most cases of worst case needs are triggered by severe rent burdens, the adequacy of household incomes relative to rents of available units is crucial. Among the 19.34 million VLI renter households in 2021, nearly one-half or 44.1 percent had worst case needs (exhibit 1-3). The VLI category includes ELI renters, who had an even greater prevalence of worst case needs at 49.1 percent. That is, one in two ELI households had a severe housing cost burden or lived in a severely inadequate unit, or both. ELI renter households constituted a large share (63.7 percent) of VLI renter households in 2021, yet their 4.9 percent increase between 2019 and 2021 was slightly lower than the 5.7 percent increase of the 30–50 percent of AMI population. With their greater numbers and greater prevalence of severe problems, ELI renter households account for the majority—71.0 percent—of worst case needs in 2021, slightly down from 74.4 percent in 2019.[14]

Exhibit 1-3. Extremely Low-Income Renters Were Most Vulnerable to Worst Case Needs in 2021

	0–30% AMI	>30–50% AMI	Total VLI
Number of renters (thousands)	12,319	7,019	19,338
Number that are worst case needs renters (thousands)	6,051	2,475	8,526
Percentage that are worst case needs renters	49.1	35.3	44.1

AMI = area median income (HUD adjusted). VLI = very low income.
Source: HUD-PD&R tabulations of American Housing Survey data

Worst Case Needs Prevalence Among U.S. Households

The estimated number of households with worst case needs increased by 760,000 cases (or 9.8 percent) from 2019 to 2021. Over the 10-year span from 2011 to 2021, the number of households with worst case needs had risen by less than 1 percent, or 51,000 households (exhibit 1-4), with the 2021 count surpassing the highest estimate of worst case needs recorded in the aftermath of the Great Recession, in 2011.[15] Worst case needs also increased as a proportion of U.S. households during the most recent 2-year period, from 6.3 percent in 2019 to 6.6 percent in 2021.

Exhibit 1-4. Growth in Worst Case Needs Among All U.S. Households from 2011 to 2021

	2011	2013	2015	2017	2019	2021
All households (millions)	115.08	116.03	118.29	121.56	124.14	128.51
Renters with worst case needs (millions)	8.48	7.72	8.30	7.72	7.77	8.53
Worst case needs as percentage of all households	7.36	6.65	7.02	6.35	6.26	6.63

Source: HUD-PD&R tabulations of American Housing Survey data

Because the problem of worst case needs is primarily one of a scarcity of units with affordable rents relative to the number of renters with very low incomes, the balance of section 1 examines the demographics of the renters who have those problems. Section 2 explores the dimensions of the inadequate supply of affordable rental units, and section 3 summarizes and integrates supply and demand issues to shed light on the root causes and shifting dimensions of this persistent national problem.

Demographics of Worst Case Needs

Worst case needs are an economic reality for many of the nation's VLI renter households. The severe housing problems that trigger worst case needs are widespread for such households, yet notable variations exist among subgroups of the population.

[14] Of the 6.3 million ELI renter households without worst case needs, 4.1 million (or 65.2 percent) received rental assistance subsidized by HUD or other federal, state, or local programs. In other words, only 2.2 million of the 12.3 million ELI renter households nationally (or 17.7 percent) avoided severe housing problems in the unassisted private market in 2021. See exhibit A-1A.

[15] Previous Worst Case Needs reports have documented much more rapid growth during the preceding 10 years. During 2001 to 2011, the number of worst case needs increased from 5.01 million to 8.48 million, an increase of 69 percent.

Worst Case Needs by Race and Ethnicity

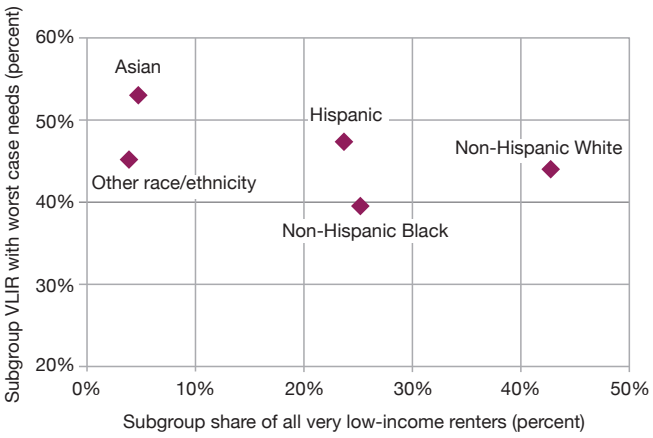
Worst case needs were found across all types of communities, racial groups, and ethnic lines. Both similarities and differences emerged when examining the four largest racial and ethnic groups: non-Hispanic White, non-Hispanic Black, Hispanic, and Asian. This section also examines detailed subgroups within the "other races and ethnicities" group[16] to the extent supported by the AHS sample size (see exhibit 1-7).

In 2021, non-Hispanic White renters accounted for the largest number of households with worst case needs (3.65 million) by race and ethnicity. Non-Hispanic Whites accounted for 42.8 percent of worst case needs, followed by Hispanics, with 25.4 percent; non-Hispanic Blacks, with 22.5 percent; Asians, with 5.5 percent; and renters of all other races and ethnicities, with 3.8 percent. Together, the four largest race and ethnicity groups accounted for 96.2 percent of worst case needs in 2021, and households headed by people of color accounted for more than one-half—57.2 percent—of worst case needs.[17]

As suggested by exhibit 1-5, very low-income renters do not experience worst case needs at a uniform rate. In 2021, worst case needs affected 52.6 percent of VLI renters among Asians, a higher prevalence than 47.4 percent among Hispanics, 45.0 percent among the other race and ethnicity group, and 44.1 percent among non-Hispanic Whites. Prevalence was lower among non-Hispanic Black VLI households, with 39.3 percent having worst case needs. The lower prevalence of worst case needs among Black households reflects greater likelihood that Black VLI households receive housing assistance.[18] Among non-Hispanic Black renters with very low incomes, 36.1 percent report housing assistance, compared with only 23.9 percent for non-Hispanic Whites, 21.7 percent for Hispanics, 20.9 percent for Asians, and 31.8 percent for all other races and ethnicities (see exhibits A-9 and A-1A). Among other factors contributing to this disparity, the geographic distribution of housing assistance plays a prominent role, as discussed in section 2.

Variation in rates of housing assistance among VLI renter households contributed to variation in the prevalence of worst case needs and the likelihood that households avoided severe housing problems unassisted in the private market.[19] Non-Hispanic White and Hispanic VLI renter households had the best odds of avoiding severe housing problems in the private market in 2021—32.1 percent of non-Hispanic White VLI renters and 30.9 percent of Hispanic VLI renters avoided severe problems without housing assistance. Only about one-fourth of Asians, non-Hispanic Black, and other VLI renter households—26.5, 24.6, and 23.3 percent, respectively—avoided severe problems in the private market without housing assistance.

Exhibit 1-5. Very Low-Income Renters from All Racial and Ethnic Groups Experienced Worst Case Needs in 2021



VLIR = very low-income renters.
Source: HUD-PD&R tabulations of American Housing Survey data

The position of the markers in exhibit 1-5 reflects each racial/ethnic group's share of VLI renter households and the rate at which they experience worst case needs. The vertical axis is the percentage of VLI renters for each group that experienced worst case needs in 2021. The horizontal axis is the share of all VLI renters that each group represents. Groups account for a greater share of worst case needs as their markers move toward the upper-right quadrant.

[16] In this section, race and ethnicity of households is based on the race and ethnicity of the householder as reported in the AHS data. People of color or households of color refers to households that are not non-Hispanic White. "Other" is used in several ways. In the finest analysis that is consistently feasible with the AHS data, "other races and ethnicities" is the fifth of five main categories, comprising households of color in subgroups not otherwise listed or in a combination of subgroups. In the more detailed breakout of exhibit 1-7, "Other race or ethnicity" has the same meaning but refers to a smaller residual category of households because the exhibit provides additional categories by breaking down the AHS data to the full extent feasible. Finally, some portions of the narrative use "other" in its plain sense of "ones not specified in the present context," for example when groups of color are being compared to another group of color.

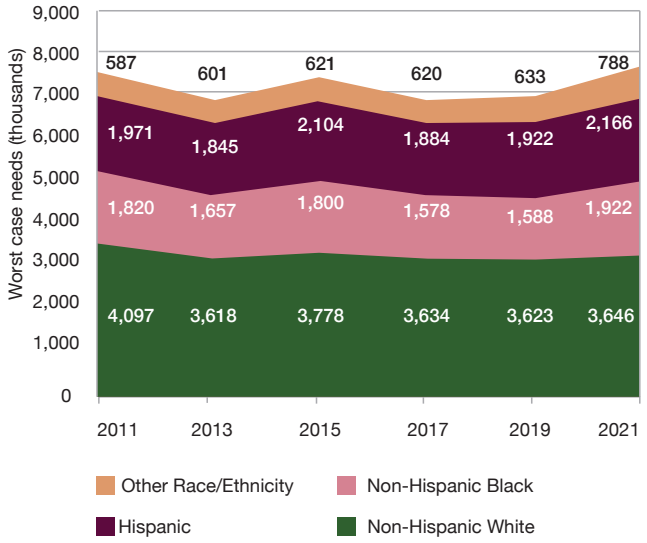
[17] Similarly, the four largest race and ethnicity groups accounted for 96.3 percent of all VLI renter households nationally, and households of color accounted for 57.2 percent of VLI renter households. During the 2019-to-2021 period, both the share of minority households with very low incomes (57.22 percent) and the share of households of color with worst case needs (57.24 percent), coincidentally, constitute 57.2 percent of all households.

[18] Although the prevalence of worst case needs among VLI renters is lower for non-Hispanic Black households than for other race and ethnicity groups, households with worst case needs represent a larger share of the overall non-Hispanic Black population than for other groups. Approximately 11.3 percent of all non-Hispanic Black households experience worst case needs, compared to 4.4 percent of all non-Hispanic White households, 11.8 percent of all Hispanic households, and 6.7 percent of all Asian households.

[19] See exhibit A-9.

As a share of VLI renter households, the subgroups based on race and ethnicity spanned a range of 39.1 percentage points, but the prevalence of worst case needs varied by only 13.3 percentage points. Asians, the other races/ethnicities group, and Hispanic households are particularly more likely to have worst case needs than other subgroups, relative to their share of the VLI renter population. Other race and ethnicity groups, not included in the four main race and ethnicity categories (non-Hispanic White, non-Hispanic Black, Hispanic, and Asian), represent a small proportion of VLI households (3.7 percent), thus appearing in the upper-left quadrant of the exhibit. About 45.0 percent of these households, however, experienced worst case housing needs. Non-Hispanic White households accounted for a relatively large share of the VLI renter household population (42.8 percent) and had a relatively large prevalence of worst case needs (44.1 percent), thus appearing in the upper-right quadrant of the exhibit. Except for non-Hispanic Black households, all subgroups had equal or larger share of their VLI renter household population afflicted with worst case needs than the national average of 44.1 percent.

Exhibit 1-6. Growth in Worst Case Needs Among All Racial and Ethnic Groups, 2011–2021



Source: HUD PD&R tabulations of American Housing Survey data

Note: The Worst Case Needs Report began desegregating Asian Households from the other race and ethnicity group in 2017. For the purposes of this chart, Asian households are included in the other race/ethnicity group.

Exhibit 1-6 shows an increase in the number of households with worst case needs among both households of color and among non-Hispanic Whites between 2019 and 2021. Non-Hispanic Black households had the greatest incidence of worst case needs between 2019 and 2021, with 334,000 additional cases, followed by an increase of 246,000 additional cases among Hispanic renters, about 110,000 additional cases among households of other races and ethnicities, and about 47,000 additional cases among Asians, compared to 23,000 additional cases among non-Hispanic Whites. The proportion of VLI renters receiving housing assistance mostly remained unchanged overall between 2019 and 2021. Non-Hispanic Black VLI renters was the only group to experience a decrease in the housing assistance rate, a reduction from 40.1 percent in 2019 to 36.1 percent in 2021: the number of assisted renters remained the same while the number of non-Hispanic Black VLI renters increased by 11.2 percent.

Alongside the absolute changes in numbers, changes in the prevalence of worst case needs among VLI renters also differed among racial and ethnic groups. Between 2019 to 2021, the rate of worst case needs modestly worsened for VLI renters of color, except for Asians, whose high rate remained unchanged at 52.6 percent. The prevalence of worst case needs increased by 3.2 points (to 39.3 percent) for non-Hispanic Blacks, by 2.3 points (to 47.4 percent) for Hispanics, and by 12.2 points (to 45.0 percent) among the "all other races and ethnicities" group. The rate of worst case needs among non-Hispanic Whites minimally increased 0.4 points—from 43.7 to 44.1 percent—during this period.

Exhibit 1-6 also illustrates differences in the long-term growth of worst case needs. Between 2011 (the previous high point for worst case needs) and 2021, worst case needs minimally increased 0.06 percent overall. However, worst case needs expanded much more rapidly during these 10 years among people of color, with increases of 10.0 percent among Hispanics, 5.6 percent among non-Hispanic Blacks, and 34.2 percent among renters of all other races and ethnicities (including Asians).[20] The largest subgroup of VLI renter households, non-Hispanic Whites, was the only group to experience a decline in worst case needs since 2011, a reduction of 11.0 percent. In the most recent biennial period, the population of non-Hispanic White VLI renter households nominally decreased by 0.2 percent, while VLI renters of color grew more rapidly. The change among minorities varied among subgroups; non-Hispanic Blacks and Asians increased by 11.2 and 11.1 percent, respectively, all other races and ethnicities increased by 10.6 percent, and Hispanic VLI renter households increased by 7.4 percent. Any reductions in VLI renter populations and worst case needs rates experienced in previous periods were effaced during the most recent period.

Although VLI renters of color who are not Hispanic, non-Hispanic Black, or Asian make up a small share (3.8 percent) of households with worst case needs, the American Housing

[20] The Worst Case Needs Report began desegregating Asian households from the other race and ethnicity group in 2017. For the purposes of exhibit 1-6, Asian households are included in the other race/ethnicity group.

Survey sample is large enough to provide detailed national estimates for some subgroups within this category. Beginning with the 2017 AHS, HUD has reported estimates of worst case needs for American Indian or Alaska Native and Native Hawaiian or other Pacific Islander households. This detail provides additional insight into the composition of the small but growing group of "other race or ethnicity" renters (exhibit 1-7).

Exhibit 1-7. Worst Case Needs Among Detailed Race and Ethnicity Subgroups in 2021

	Non-Hispanic White	Non-Hispanic Black	Hispanic	Asian	American Indian or Alaska Native	Native Hawaiian or Other Pacific Islander	Other Race/ Ethnicity
0–30% AMI renter households (thousands)	5,020	3,313	2,896	578	185	64	262
Worst case needs (thousands)	2,518	1,388	1,563	322	(D)	(D)	142
Percent with worst case needs	50.2	41.9	54.0	55.7	(D)	(D)	54.2
>30%–50% AMI renter households (thousands)	3,253	1,575	1,677	310	65	25	114
Worst case needs (thousands)	1,128	535	605	145	(D)	(D)	51
Percent with worst case needs	34.7	34.0	36.1	46.8	(D)	(D)	44.7
Total very low-income renter households (thousands)	**8,273**	**4,888**	**4,573**	**888**	**250**	**89**	**376**
Worst case needs (thousands)	3,646	1,923	2,168	467	91	37	193
Percent with worst case needs	44.1	39.3	47.4	52.6	36.4	41.6	51.3

AMI = area median income. Other race / ethnicity = racial or ethnic group not listed individually or consisting of multiple races or ethnicities. (D) = values suppressed to prevent disclosure.
Source: HUD-PD&R tabulations of American Housing Survey data

Exhibit 1-7 shows that together, American Indian or Alaska Native, Native Hawaiian or other Pacific Islander, and other race and ethnicity households accounted for 3.8 percent of all cases of worst case needs in 2021. Although those estimates provide one indication of the prevalence of severe housing affordability and quality problems among those populations, HUD's Native American Housing Needs Study also found that overcrowding and doubling up were far more common among Native American households compared with other households in the United States.[21] Thus, estimates of worst case housing needs should be viewed as one component of a larger body of evidence on housing problems among American Indian or Alaska Native and Native Hawaiian or other Pacific Islander households in tribal and urban areas.

Worst Case Needs by Household Type

The composition of different households reflects variations in their stage of life, income and resources, and housing needs. Families with children and other nonfamily households (single adults, unmarried couples, and roommates) constituted the largest shares of households experiencing worst case needs in 2021, accounting for 30.8 percent of households with worst case needs each. Older adult households without children (hereafter, older adult households) accounted for 27.6 percent of households with worst case needs, and other family households accounted for 10.8 percent (exhibit 1-8).[22]

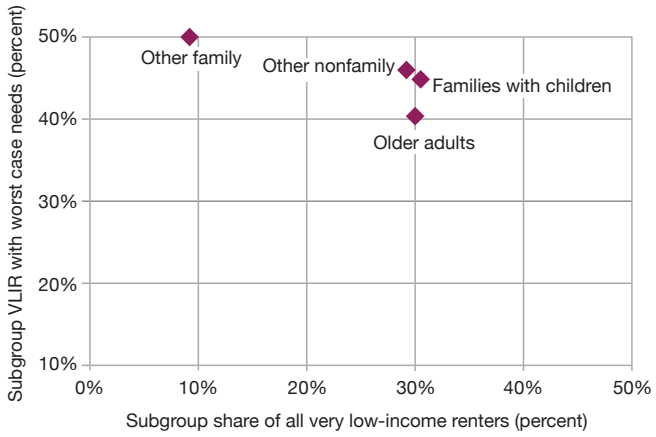
As a share of VLI renter households, the subgroups based on household type span a range of 21.1 percentage points, but the prevalence of worst case needs varied by only 9.9 percentage points. Exhibit 1-8 shows that VLI renter households comprise similar proportions of families with children (30.6 percent), older adult families (30.3 percent), and other nonfamily households (29.6 percent), while only 9.5 percent of VLI renter households are other family households. "Other" nonfamily households and "other" family households are somewhat more likely to have worst case needs than the other households types. Compared with the national prevalence of 44.1 percent, 50.0 percent of other family households, 46.0 percent of other nonfamily households, 44.4 percent of families with children, and 40.1 percent of older adult households have worst case needs. The variations in the prevalence of worst case needs among

[21] The series of reports produced by the Native American Housing Needs Study are available at https://www.huduser.gov/portal/pdredge/pdr-edge-research-022117.html.

[22] See appendix E for more on the composition of household types. Families with children may include a parent with child and unmarried partner. Either family or nonfamily households may include same-sex partners. The Household Demographics table for AHS 2021 in the AHS Table Creator is illustrative: https://www.census.gov/programs-surveys/ahs/data/interactive/ahstablecreator.html.

these household types, although limited, may reflect the result of housing programs prioritizing families with children, older adults, and veterans.

Exhibit 1-8. Very Low-Income Renters from All Household Types Experienced Worst Case Needs in 2021



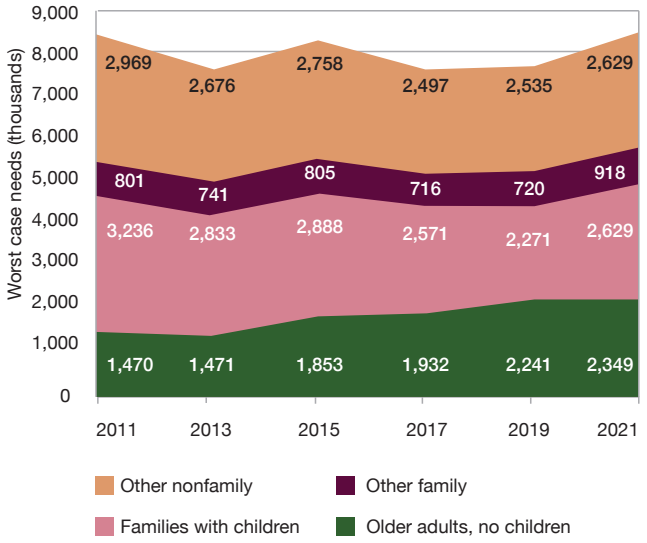
VLIR = very low-income renters.
Source: HUD-PD&R tabulations of American Housing Survey data

Families with Children. Families with children are the most common household type among VLI renter households. The number of families with children with worst case needs increased by 358,000 between 2019 and 2021 (exhibit 1-9). Despite this increase, worst case needs among families with children remained 607,000 cases below the peak rate observed in 2011, yet above prerecession levels.

The share of VLI renter households with children experiencing worst case needs increased by 4.2 percentage points from the 2019 level to 44.4 percent in 2021, and the percentage reporting housing assistance declined from 25.6 to 23.8 percent.

Without housing assistance, substantially more cases of worst case needs would occur. Among the 5.92 million VLI renter households with children, 1.41 million reported having rental assistance in 2021 and, by definition, could not have worst case needs. Only about one in four VLI renter households with children received housing assistance, which helps account for the fact that the greatest share of worst case needs occurred in such families.[23]

Exhibit 1-9. Growth in Worst Case Needs Among All Household Types, 2011–2021



Source: HUD PD&R tabulations of American Housing Survey data

Older Adult Households. The second largest household type among VLI renters, older adults without children, was the only group that saw a marginal decrease in the proportion of worst case needs cases between 2019 and 2021. However, the number of older adult households experiencing severe housing problems has steadily climbed over the past decade with 879,000 additional cases since 2011.[24] In 2021, 2.35 million older adult renters had worst case needs, an increase of 108,000 since 2019, even as 145,000 more of these households reported receiving rental assistance in 2021. The increase is largely attributable to the growing population of older adult VLI renter households. The proportion of older adult VLI renter households with worst case needs was 40.1 percent in 2021, representing a 0.2-point decline since 2019. Although nearly 4 in 10 older adult VLI households received housing assistance in 2021—a 0.7-point increase since 2019—aging baby boomers are likely to continue to be a key demographic facing housing problems in the years to come.[25]

[23] Estimates of the number of rental households that reported receiving rental housing assistance are presented for various subgroups in the exhibits of appendix A. AHS estimates of assisted VLI renters in this report rely on self-reported data, which primarily include HUD-assisted households and may also include households assisted through other federal, state, or local programs, such as U.S. Department of Agriculture rental housing subsidies. As expected, HUD administrative data matching procedures suggest that excluding households assisted by non-HUD programs reduces the number of households classified as receiving housing assistance. For the purposes of this report, however, households receiving assistance from a non-HUD program are not classified as having worst case housing needs. Because administrative data matching across several federal, state, and local agencies is not feasible, AHS self-reported assistance is the preferred measure of housing assistance for this report. The aggregate numbers of households served by HUD's primary rental assistance programs, based on administrative records, are outlined in appendix C. Federal stimulus payments such as payments that were part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act were not included when calculating income in census surveys.

[24] HUD defines *older adult households* as those having a household head or spouse who is at least age 62 and including no children younger than age 18.

[25] Harvard's Joint Center for Housing Studies projects that aging baby boomers will swell the nation's population aged 65 or older by 11.1 million over the next decade, fueling both the housing remodeling market and demand for smaller, accessible homes (JCHS, 2019). The number of households headed by people ages 75 and over is projected to double from 14 million to 28 million (JCHS, 2021).

Other Family Households. After considering families with children and older adult households, other households can be divided into those that include multiple members of a given family (other family households) and those that do not (other nonfamily households). Other family households include households such as married couples who are childless, one or more parents with adult children at home, adult or minor siblings sharing an apartment, and householders boarding an older adult parent.[26]

Other family households constitute the smallest category in exhibit 1-9, contributing 918,000 worst case households in 2021. The rate of worst case needs among VLI renter households in this group was 50.0 percent, exceeding the prevalence for either families with children or older adult households. The high rate of worst case needs among this group grew by 6.3 percentage points between 2019 and 2021, more than for any other household type. An increase of 188,000 VLI households in this subgroup contributed to the increment, although complex dynamics within this small, diverse group are likely driving change.

Other Nonfamily Households. About 5.72 million VLI renter households in 2021 were other nonfamily households, making this category the third largest after families with children and older adults. Like most household types, the number of VLI other nonfamily households increased between 2019 and 2021.

Worst case needs affected 2.63 million other nonfamily households in 2021, an increase of 94,000 since 2019 and more than the number found among any other household type. The large number of VLI renters of this group continued to experience the highest prevalence of worst case needs, which marginally increased from 45.9 percent in 2019 to 46.0 in 2021. Most other nonfamily households are single individuals, and the rest are unrelated people sharing a housing unit.[27] One-person VLI households may be less well-equipped to handle rent increases than those who share housing costs with a roommate or, in family households, with a family member. Income shocks may also affect one-person households more severely than households in which two or more people contribute resources to the household.[28]

Households Including People with Disabilities. Having worst case needs can be especially difficult for renter households that include people with disabilities. Individuals with disabilities may have fewer employment options and may have additional difficulties in finding suitable housing at reasonable cost because of a lack of accessible housing and workplaces; features such as elevators that are luxury amenities for some households may be necessities for people with disabilities. Additionally, Supplemental Security Income (SSI) benefits are inadequate to cover housing costs in many markets.[29]

DISABILITY AND ACCESSIBILITY IN THE AMERICAN HOUSING SURVEY

Since 2009, the American Housing Survey (AHS) has collected information about the following types of disabilities:

- Deafness or serious difficulty hearing.
- Blindness or difficulty seeing, even when wearing glasses.
- Serious difficulty concentrating, remembering, or making decisions because of a physical, mental, or emotional condition.
- Serious difficulty walking or climbing stairs.
- Serious difficulty dressing or bathing.
- Difficulty doing errands alone because of a physical, mental, or emotional condition.

The 2015 AHS introduced questions related to the wheelchair accessibility of housing units and whether home modifications were made to accommodate individuals with physical disabilities. The 2019 AHS included a topical module of questions related to housing accessibility features.

For further information, see the demographics and accessibility sections of the *AHS Codebook* interactive tool (Census-HUD, 2021b).

Beginning with the 2009 AHS, respondents have been asked directly whether household members have any of six types of disabilities, including four basic functional limitations—visual, hearing, cognitive, and ambulatory—and two types of difficulties with activities of daily living—self-care and independent living. The most frequently reported disabilities among VLI renter households in which a person under age 62 has a disability were cognitive limitations

[26] Among "other family" VLI renter households, 41.6 percent include a married couple, 59.0 percent have a female householder, 66.5 percent have a householder of color, and the mean household size is 2.5 persons. See exhibit A-6A.

[27] Among nonfamily VLI renter households, 85.2 percent were one-person households in 2021. See exhibit A-6A. The AHS does not include college students living in institutional housing, but it may include students sharing off-campus housing and other households in which individuals double up to share housing expenses.

[28] In a similar vein, single adults, unaccompanied youth, or multiple-adult households are more prevalent within the population experiencing homelessness than are families with children (HUD-CPD, 2022a). Likewise, a recent study of community-level predictors of homelessness found that higher population rates of one-person households were associated with higher homelessness rates (Nisar et al., 2019).

[29] For 2021, the SSI monthly federal benefit rate for an individual living alone is $794 (SSA, 2021).

(serious difficulties concentrating, remembering, or making decisions), affecting 48.5 percent; ambulatory limitations (walking or climbing stairs), 43.5 percent; and independent living limitations, 29.2 percent. These households often have the added burden of worst case needs, which affected 50.5 percent of those with cognitive limitations, 42.6 percent of those with ambulatory limitations, and 39.2 percent of those with independent living limitations.[30]

People with disabilities are found among all four household types discussed previously. As exhibit 1-10 shows, 3.36 million VLI renter households (17.4 percent of VLI renter households) had people younger than 62 reporting at least one of the six measures of disability.[31] In 2021, 1.26 million (37.4 percent) of these households experienced worst case needs, a modest increase from 1.05 million (36.1 percent) in 2019. Between 2019 and 2021, both the number of VLI renter households with people younger than 62 who have disabilities and the number of such households with worst case needs increased.

Exhibit 1-10 shows that the prevalence of worst case needs among VLI renter households with people younger than 62 who have disabilities varied somewhat by household type. Prevalence ranged from 34.4 percent for other nonfamily households to 48.1 percent for older adult households. Notwithstanding these differences in prevalence, the largest household categories accounted for most cases of worst case needs affecting people with disabilities. Of the 1.26 million households (with people younger than 62 who have disabilities) with worst case needs, 44.6 percent are other nonfamilies, 30.9 percent are families with children, and 18.4 percent are other family households.

Exhibit 1-10. Worst Case Needs Were Common Among People Younger Than 62 Who Had Disabilities in 2021

	Families With Children	Older Adult Households	Other Family Households	Other Nonfamily Households	Total
Very low-income renter households (thousands)	**5,923**	**5,858**	**1,837**	**5,719**	**19,337**
Worst case needs (thousands)	2,629	2,349	918	2,629	8,526
Percentage with worst case needs	44.4	40.1	50.0	46.0	44.1
Percentage having people younger than 62 who have disabilities	17.8	2.7	28.0	28.5	17.4
Very low-income renter households having people younger than 62 who have disabilities (thousands)	**1,056**	**160**	**514**	**1,629**	**3,359**
Worst case needs (thousands)	389	77	231	560	1,257
Percentage with worst case needs	36.8	48.1	44.9	34.4	37.4

Source: HUD PD&R tabulations of American Housing Survey data

Overcrowding and Worst Case Needs

Overcrowding is defined as the condition of having more than one person per room in a residence, considering only whole rooms such as bedrooms, living rooms, dining rooms,[32] kitchens, recreation rooms, lodger's rooms, and other finished rooms. HUD categorizes overcrowding as a moderate housing problem rather than a severe problem that in itself may trigger a worst case needs designation. A household's decision to rent an undersized unit, however, might be a way to avoid taking on the severe cost burdens or severe physical inadequacies associated with appropriately sized units. Further, overcrowding can be harmful to health and educational outcomes and family dynamics (Solari and Mare, 2012). For such reasons, it is useful to examine in detail the extent of rental unit overcrowding and its overlap with worst case needs.

In 2021, about 948,000 very low-income renter households, or 4.9 percent, were overcrowded (exhibit 1-11). Households with worst case needs accounted for 390,000 (41.1 percent) of the overcrowded VLI renter households.[33] Cost burdens, however, were common among both overcrowded and uncrowded VLI renter households. Among overcrowded households, 32.5 percent had moderate cost burdens and 43.3 percent had severe cost burdens. Among uncrowded households, only 25.5 percent had moderate cost burdens, but severe cost burdens were more prevalent, at 53.6

[30] The data about types of limitations are summarized in appendix A, exhibit A-15. Also see HUD-PD&R (2008).

[31] The analysis is limited to people younger than 62 who have disabilities, because many older adults suffer from impairments and activity limitations in consequence of aging. Note, however, that people younger than 62 who have disabilities may be found in older adult households, as exhibit 1-10 demonstrates. Households headed by an older adult with disabilities are not excluded if they also include people younger than 62 who have disabilities.

[32] A dining room, to be counted, must be a separate room.

[33] Overcrowding is considered a moderate problem rather than a severe problem that constitutes a potential worst case need.

percent. This pattern suggests that some households with worst case needs may accept severe cost burdens as the price of avoiding overcrowding.

Exhibit 1-11. Overcrowding Problems and Other Housing Problems Among Very Low-Income Renters, 2021

Households (thousands)	Overcrowded	Not Overcrowded	Total	Percent Overcrowded
Worst Case Needs Status				
Worst Case Needs	390	8,136	8,526	4.6%
Not Worst Case Needs	557	10,250	10,807	5.2%
Total	**948**	**18,390**	**19,340**	**4.9%**
Housing Cost Burden				
NA (no income)	42	1,053	1,095	3.8%
No burden (costs 0–30% income)	187	2,801	2,988	6.3%
Moderate burden (costs 30–50% income)	308	4,682	4,990	6.2%
Severe burden (costs 50% or more of income)	410	9,854	10,264	4.0%
Total	**947**	**18,390**	**19,337**	**4.9%**

N = 19,340 million VLI renters. NA = not applicable.
Note: Totals across breakout groups do not equal total VLI renters or crowded households because of the difference in the weights of each variable used in this table.
Source: HUD PD&R tabulations of American Housing Survey data

In 2021, families with children were the most common household type among VLI renters to experience overcrowding, with 877,000 cases accounting for 92.5 percent of overcrowded households (exhibit 1-12). This preponderance reflects the substantially greater prevalence of overcrowding among families with children, 14.8 percent, than among other household types. Other nonfamily households, which might include large households of unrelated individuals, only rarely experienced crowding at 0.6 percent.

Exhibit 1-12. Overcrowding Problems and Demographics of Very Low-Income Renters, 2021

Households (thousands)	Overcrowded	Not Overcrowded	Total	Percent Overcrowded
Household Type				
Older Adults without Children	24	5,834	5,858	0.4%
Families with Children	877	5,046	5,923	14.8%
Other Family Households	41	1,796	1,837	2.2%
Other Nonfamily Households	6	5,714	5,720	0.1%
Total	**948**	**18,390**	**19,338**	**4.9%**
Household Size				
1	0	9,290	9,290	0.0%
2–4	162	8,061	8,223	2.0%
5–7	669	1,017	1,686	39.7%
8+	117	22	139	84.2%
Total	**948**	**18,390**	**19,338**	**4.9%**
Race and Ethnicity				
Non-Hispanic White	170	8,103	8,273	2.1%
Non-Hispanic Black	153	4,734	4,887	3.1%
Hispanic	516	4,058	4,574	11.3%
Asian	67	821	888	7.5%
Other	42	674	716	5.9%
Total	**948**	**18,390**	**19,338**	**4.9%**

N = 19,338 million VLI renters.
Source: HUD PD&R tabulations of American Housing Survey data

Overcrowded households predictably tend to be those with more members. Among VLI renters, 669,000 or 70.6 percent of overcrowded households had from five to seven members, and another 117,000 or 12.3 percent had eight or more members. In the latter group, 84.2 percent of households were overcrowded, compared with 39.7 percent of five-to-seven member households and only 2.0 percent of two-to-four member households.

More than one-half of overcrowded VLI renter households in 2021, 516,000 or 54.4 percent, were Hispanic (exhibit 1-12). Non-Hispanic Whites accounted for 17.9 percent of overcrowded VLI renter households, non-Hispanic Blacks for 16.1 percent, Asians for 7.1 percent, and other races and ethnicities for 4.4 percent. Higher prevalence was an important factor in the number of crowded Hispanic households, as their overcrowding rate of 11.3 percent substantially exceeded the rates of 7.5 percent among Asians, 5.9 percent among other races and ethnicities, 3.1 percent among non-Hispanic Blacks and 2.1 percent among non-Hispanic Whites. Considering the frequency of crowding among families with children, it is worth noting that among VLI renters (like other households), mean family sizes among families with children did not vary greatly by race and ethnicity: the mean number of children ranged only from 1.8 among Asian households to 2.1 among Hispanic households.

Overcrowded households were those renting units with insufficient rooms to house all members of their household. Having more than two people per bedroom could be a violation of the lease and cause for eviction. Across overcrowded VLI-occupied rental units in 2021, units with four or more rooms accounted for more than three-quarters of crowded units (77.2 percent). Three-room units housed 15.8 percent of crowded households, two-room units 3.1 percent, and one-room units 3.9 percent (exhibit 1-13).

Exhibit 1-13. Very Low-Income Renters with Overcrowding by Household Size and Number of Rooms, 2021

Households (thousands)	1 room	2 rooms	3 rooms	4+ rooms	Crowded Total
Household Size					
2–4	37	25	99	0	161
5–7	0	4	51	614	669
8+	0	0	0	117	117
Total	**37**	**29**	**150**	**731**	**947**
Share of crowded units	3.9%	3.1%	15.8%	77.2%	

N = 948,000 overcrowded VLI renters.
Note: Totals across breakout groups do not equal total crowded households because of rounding.
Source: HUD PD&R tabulations of American Housing Survey data

Summary

Worst case needs for affordable rental housing were a serious national problem in 2019 and increased substantially in 2021. Of the 19.34 million VLI renter households susceptible to severe rent burdens and severely inadequate housing in 2021, 8.53 million—44.1 percent—faced one or both problems without housing assistance. Between 2019 and 2021, the number of households with worst case needs increased by 9.8 percent. In 2021, the number of worst case needs cases was the highest ever observed. The data are a reminder of the enduring impact of the financial crisis and recession that, a decade later, continue to affect personal finances, credit histories, and affordable housing opportunities.

Severely inadequate housing continues to be a relatively minor cause of worst case needs. In 2021, severely inadequate housing alone produced a mere 2.8 percent of worst case needs, whereas 97.2 percent of households with worst case needs had severe rent burdens, including 2.9 percent that had both types of housing problems. Reflecting the importance of severe rent burdens as a cause of worst case needs, 7 out of 10 households with worst case needs (71.0 percent) had extremely low incomes during 2021.

Although all racial and ethnic groups experienced an increase in worst case needs between 2019 and 2021, renter households of color experienced more rapid increases than non-Hispanic White households. Worst case needs increased by 334,000 among non-Hispanic Black households, by 246,000 among Hispanics, by 47,000 among Asians, and by 110,000 among households of color who are not Hispanic, non-Hispanic Black, or Asian (that is, "other"). Race and ethnicity subgroup analysis suggests that the small group of "other" race and ethnicities group had the highest rates of worst case needs, followed by Native Hawaiian-Pacific Islanders. Non-Hispanic White households accounted for 42.8 percent of all worst case needs in 2021; these households experienced the slowest increase in worst case needs with 23,000 more cases.

Among VLI renter households, worst case needs affected 44.4 percent of families with children, 40.1 percent of older adult households, 50.0 percent of other family households, and 46.0 percent of other nonfamily households (typically one-person households). The number of worst case needs between 2019 and 2021 increased by 108,000 cases among older adults with no children, by 358,000 cases among families with children, by 198,000 cases among other family households and by 94,000 cases among other nonfamily households. In 2021, families with children and other nonfamily households accounted for the greatest share of worst case needs—30.8 percent each—followed by older adult households (27.6 percent).

Worst case needs were common among households with younger people with disabilities. For example, 37.4 percent of VLI renter households with people younger than 62 with disabilities experienced worst case needs in 2021, moderately less than the 44.1-percent prevalence among VLI renter households overall. Households having people younger than 62 who have disabilities accounted for 14.7 percent of worst case needs.

Approximately 948,000 VLI renters were underhoused or lived in overcrowded units in 2021. About 41.1 percent of these households had worst case needs (meaning they also had a severe housing cost burden or lived in severely inadequate housing, or both). Most overcrowded households (92.5 percent) are families with children. More than one-half (54.4 percent) of overcrowded households were Hispanic, 17.9 percent were non-Hispanic White, and 16.1 percent were non-Hispanic Black. About 70.6 percent of overcrowded households have five to seven members, and 17.1 percent have from two to four members. Overcrowded households with two to four members live in units with one to three rooms, with 61.5 percent renting three-room units. Overcrowded households with five to seven members live in units with two or more rooms, with 91.8 percent renting units with four or more rooms. Overcrowded households of eight or more members live in units with four or more rooms.

Section 2 examines how the broad problem of worst case needs is caused by shortages of affordable housing and is mitigated by assisted housing on a national basis and within regional markets.

Section 2

Shortage of Affordable Housing

The United States faces a widespread shortage of rental units that are affordable to very low-income (VLI) renter households. The supply of affordable units is especially insufficient to meet the needs of extremely low-income (ELI) households. In 2021, only 61 affordable units (including assisted units) existed for every 100 ELI renter households nationwide. The presence of higher-income renters in units that are affordable to ELI renter households exacerbates this shortage. In 2021, only 36 of the 61 units affordable to ELI households were available for occupancy by ELI households. A final factor is that a small but significant portion of the affordable and available stock continues to be physically inadequate and may pose threats to occupants. In 2021, only one-half of the affordable units (32 of 61 affordable units) were both physically adequate and available for occupancy for every 100 ELI renter households. The geography of worst case needs and housing assistance sets a foundation for understanding the competition for affordable rental housing and its shortages.

Geography of Worst Case Needs

Housing markets are localized and often contain distinct submarkets. VLI and ELI renter households are more likely than higher-income renters to find their choice of housing units limited to communities and neighborhoods where poverty is more common. Such market segmentation and supply restrictions can manifest differently across market types in terms of renters' likelihood of experiencing worst case needs.

As a national survey of modest scale, the American Housing Survey (AHS) does not support biennial estimates of worst case needs for most individual metropolitan areas or for highly localized submarkets.[34] It does, however, support select estimates of worst case needs for certain large metropolitan areas included in the survey sample.[35] It also supports a national examination of four types of metropolitan locations—central cities, urban suburbs of central

[34] HUD and the Census Bureau have traditionally conducted periodic AHS metropolitan surveys to supplement the national AHS. In 2015, the AHS was redesigned with a new national and metropolitan area longitudinal sample to account for changes in geography and attrition of housing units over time. In 2021, as in 2017, a supplemental sample of housing units in select metropolitan areas was combined with the national sample to produce metropolitan-level estimates. Stand-alone surveys were also conducted in some additional metropolitan areas.

[35] The redesigned AHS includes a longitudinal sample of the 15 largest metropolitan areas every 2 years and an additional 10 metropolitan areas surveyed on a rotating basis every 4 years. Select estimates for the metropolitan areas sampled in 2021 are presented in exhibit 2-4 and exhibit A-11B. For more information on the 2015 AHS redesign, see appendix E.

cities, rural suburbs of central cities, and nonmetropolitan areas[36]—and of four geographic regions—the Northeast, Midwest, South, and West. Analysis of AHS data by region and metropolitan status adds considerable depth to the national picture of worst case needs.

Worst Case Needs and Housing Assistance by Region and Metropolitan Location

A key aspect of the definition of worst case needs is that it can be understood as an indicator of the need for affordable housing. Because income-based rental assistance and other deep public subsidies generally make housing affordable, the definition of worst case needs excludes renters with housing assistance. Examining the spatial distribution of housing assistance and of worst case needs together provides information about the extent to which rental assistance mitigates severe housing problems.[37]

Exhibit 2-1 shows the distribution of the nation's 19.34 million VLI renter households across the four census regions and four metropolitan categories in 2021. On a regional basis, more than one-third of VLI renter households—6.73 million—lived in the South, 4.67 million lived in the West, 3.99 million lived in the Northeast, and 3.95 million lived in the Midwest. Central cities were home to most (9.38 million) VLI renter households, followed by suburbs (7.69 million)[38] and nonmetropolitan areas (2.27 million).[39] These geographic patterns did not change substantially between 2019 and 2021.

Exhibit 2-1. Very Low-Income Renters Experienced Worst Case Needs Across Every Region and Metropolitan Location in 2021

Region	Metropolitan Location				
	Central Cities	Suburbs, Urban	Suburbs, Rural	Nonmetro-politan Areas	Total
Northeast (thousands)	**2,134**	**1,462**	**167**	**231**	**3,994**
Percentage with worst case needs	40.2	43.2	23.4	39.8	40.6
Percentage with housing assistance	36.3	30.8	33.4	39.6	34.4
Midwest (thousands)	**1,741**	**1,239**	**293**	**674**	**3,947**
Percentage with worst case needs	37.5	41.7	36.4	30.8	37.6
Percentage with housing assistance	29.8	21.4	20.5	31.7	26.8
South (thousands)	**2,930**	**2,006**	**802**	**988**	**6,727**
Percentage with worst case needs	46.0	58.2	42.0	32.0	47.1
Percentage with housing assistance	26.4	16.2	20.5	32.2	23.5
West (thousands)	**2,569**	**1,479**	**242**	**379**	**4,670**
Percentage with worst case needs	47.3	50.4	43.0	49.7	48.3
Percentage with housing assistance	25.7	21.9	21.2	24.9	24.2
Total (thousands)	**9,375**	**6,187**	**1,504**	**2,273**	**19,338**
Percentage with worst case needs	43.5	49.5	39.0	35.4	44.1
Percentage with housing assistance	29.1	22.1	22.0	31.6	26.6

Source: HUD PD&R tabulations of American Housing Survey data

Like VLI renter households, worst case needs were common in every region and metropolitan category across the nation. As a national average, 44.1 percent of VLI renter households had worst case needs in 2021. The prevalence of worst case needs among VLI renter households was greater than the national average in the South and West and

[36] Both central cities and suburbs are located within metropolitan areas. A central city consists of the largest city within a metropolitan area. Suburbs are within etropolitan counties but outside central cities. For the purposes of this report, suburban areas are further distinguished as urban or rural based on their population density. Nonmetropolitan areas fall outside metropolitan counties and tend to be more rural in nature.

[37] AHS questions about receipt of rental assistance are designed to focus on federal housing assistance programs. These data result in an estimate of 5.14 million self-reported VLI renter households with housing assistance, which is somewhat more than HUD's program total. Other potential sources of housing assistance include the U.S. Department of Agriculture's Rural Housing Service, other federal agencies, or other state or local programs. Also affecting this comparison, a small fraction of HUD-assisted renters may have incomes above the VLI threshold because they were admitted to programs under local policy preferences or their incomes increased after program admission. See the discussion of HUD's rental assistance programs in appendix C and housing assistance status in appendix E.

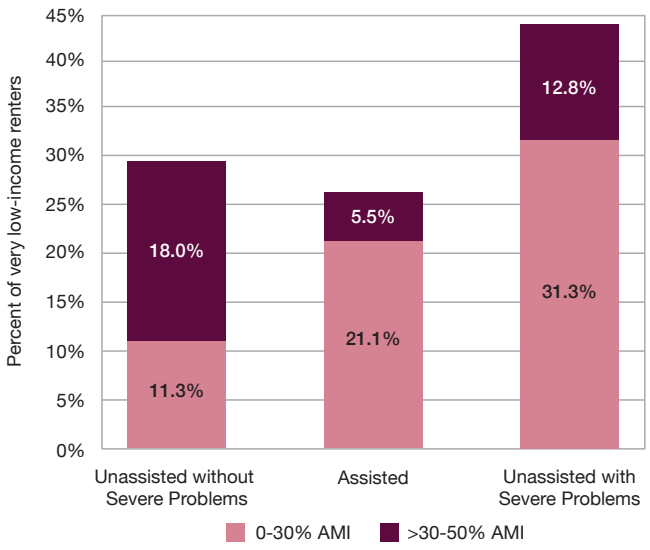
[38] Among suburban VLI renter households, most (80.4 percent) were concentrated in densely populated urban suburbs.

[39] Changes in annual estimates of VLI renter households in nonmetropolitan areas should be viewed with caution because HUD assigns average income limits to less populated areas to accommodate AHS data suppression. See the discussion of income cutoffs in association with AHS geography in appendix E.

in urban suburbs. The Midwest, Northeast, central cities, rural suburbs, and nonmetropolitan areas had smaller-than-average shares of VLI renter households with worst case needs. The national total of 8.53 million worst case needs in 2021 consisted of 3.17 million households in the South, 2.25 million in the West, 1.62 million in the Northeast, and 1.48 million in the Midwest. (See appendix exhibit A-10 for additional regional data.)

The data presented in exhibit 2-1 demonstrate the important role that housing assistance plays in reducing worst case needs. Nationwide, 5.14 million VLI renter households reported receiving housing assistance in 2021, compared with the 8.53 million having worst case needs. Thus, 1.7 VLI renter households had worst case needs for every 1 that received assistance, a slightly higher ratio than 1.5 to 1 in 2019. Put differently, among VLI renter households, 26.6 percent of households had rental assistance, and an additional 44.1 percent had worst case needs for rental assistance or other affordable housing in 2021 (exhibit 2-2). The remaining residual (29.3 percent) rented in the private market without housing assistance and avoided severe housing problems. These data suggest that in 2021, the private rental market was working adequately for fewer than one in three VLI renter households (exhibit 2-2).

Exhibit 2-2. Housing Problem Status of Very Low-Income Renter Households by Relative Income in 2021



AMI = area median income.

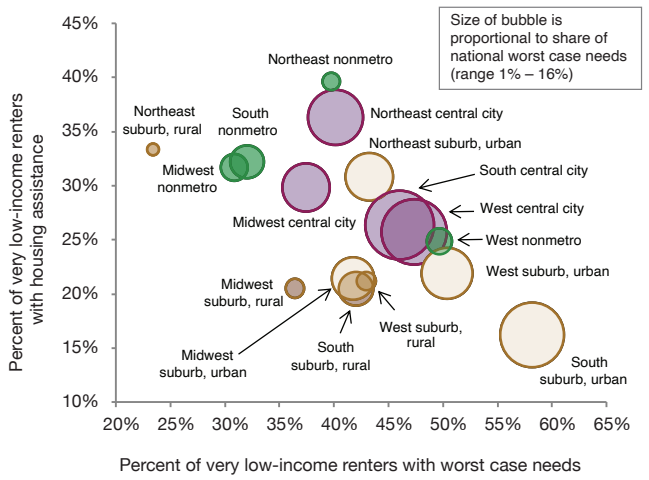
Source: HUD-PD&R tabulations of American Housing Survey data

Nationally, housing assistance is relatively less common in the suburbs, where less than 25 percent of VLI renter households in 2021 were assisted. Rapidly expanding central cities and suburbs in the South and West had particularly low rates of assistance. These regional disparities in the prevalence of housing assistance for VLI renter households were also evident nationally, ranging from 23.5 percent assisted in the South to 34.4 percent assisted in the Northeast. Another region with a low rate of housing assistance, the West, has had the highest rate of worst case needs for decades. Nearly one-half—48.3 percent—of VLI renter households in the West experienced worst case needs in 2021. Areas that developed during an earlier period continue to draw benefits from an established but aging stock of public housing.

Exhibit 2-3 illustrates the vital role of housing assistance in preventing households from experiencing worst case needs. In exhibit 2-3, central cities, suburbs, and nonmetropolitan areas are represented by purple, gold, and green bubbles, respectively. Larger bubbles represent a larger national share of worst case needs households. Across regions and metropolitan locations, housing assistance is inversely related to worst case needs. Locations indicated in the upper-left quadrant of the chart fared better than the national average because of higher rates of housing assistance and lower prevalence of worst case needs among VLI renter households. The locations clustered in the middle of the chart approximate average prevalence rates; the locations in the lower-right quadrant fared worse than the national average because of lower rates of housing assistance and higher rates of severe housing problems.

Patterns in the suburbs tended to be worse than those in nonmetropolitan areas nationally, whereas central cities vary. Worst case needs affected a smaller share of very low-income renters in nonmetropolitan areas, where housing assistance was relatively more available. Central cities of the Northeast and Midwest also fared better—with higher rates of housing assistance and lower rates of worst case needs—than their counterparts in the South and West.

Exhibit 2-3. Prevalence of Worst Case Needs Was Inversely Related to Prevalence of Housing Assistance in 2021



Source: HUD-PD&R tabulations of American Housing Survey data

Worst case needs were more prevalent in the West and the South, especially in the suburbs, where housing assistance was scarcer—although high rents in the West also shape this picture.[40] Several areas with a greater relative scarcity of housing assistance and an abundance of worst case needs account for substantial fractions of the national problem, as shown by the size of the bubbles in the lower-right quadrant of exhibit 2-3. The relative size and positioning of the bubbles for central cities and urban suburbs also suggests that denser urban areas contribute the largest shares of severe housing affordability problems. Together, central cities and urban suburbs of the South and West accounted for 53 percent of worst case needs. In recent decades, housing policy has not kept pace with geographic shifts in the national population distribution and housing needs. Policy enhancements to improve geographic allocation of housing resources could reduce such spatial disparities and their impacts on community well-being.

Compared with their urban counterparts, the small populations of very low-income renters living in rural suburbs represented a small share of worst case households. Rural suburbs of the West, however, do have low rates of housing assistance coinciding with high rates of worst case needs. Correspondingly, many Western rural suburbs experienced high rates of homelessness in 2017 (Nisar et al., 2019).

Not shown in exhibit 2-3 are changes in rates of VLI renter households with worst case needs between 2019 and 2021. Increases in rates of worst case needs ranging from 1.4 to 3.5 percentage points were observed in all regions except for the West, where the prevalence rate improved slightly—by less than 1 percentage point (exhibit A-10). During the same period, rates of worst case needs decreased slightly, again by less than 1 percentage point, in central cities, while increasing by 4.6, 2.7, and 0.8 percentage points in urban suburbs, nonmetropolitan areas, and rural suburbs, respectively (exhibit A-11A).

Variation in Worst Case Needs Between Metropolitan Markets

An examination of the number of VLI renters and the prevalence of worst case needs across the largest metropolitan areas offer additional insight into the variation of severe housing problems in central cities and suburbs. With their densely populated urban cores connected to surrounding counties through strong commuting ties, metropolitan areas reflect groupings of central cities and suburbs with a high degree of social and economic integration. The redesigned AHS supports examining the variation in worst case needs across some of the largest metropolitan housing markets. Exhibit 2-4 shows the VLI renter populations and the number and share experiencing worst case needs in the nation's 15 largest metropolitan areas in 2019 and 2021.

Exhibit 2-4. Prevalence of Worst Case Needs Among Very Low-Income Renters Varied Across Metropolitan Markets in 2021

Metropolitan Area	2019	2021	Metropolitan Area	2019	2021
New York-Newark-Jersey City, NY-NJ-PA			**Washington-Arlington-Alexandria, DC-VA-MD-WV**		
Number of very low-income renters (thousands)	1,769	1,825	Number of very low-income renters (thousands)	333	339
Number with worst case needs (thousands)	724	799	Number with worst case needs (thousands)	123	154
Percent with worst case needs	40.9	43.8	Percent with worst case needs	36.9	45.4

(continued)

[40] High rents introduce the question of whether enough rental units are available at Fair Market Rents (FMRs) to make housing vouchers an adequate policy response to affordable housing shortfalls. Appendix B, exhibit B-3 addresses the extent of the supply of below-FMR housing on a regional basis. Also see regional supply discussions later in this section.

Exhibit 2-4. Prevalence of Worst Case Needs Among Very Low-Income Renters Varied Across Metropolitan Markets in 2021 *(continued)*

Metropolitan Area	2019	2021	Metropolitan Area	2019	2021
Los Angeles-Long Beach-Anaheim, CA			**San Francisco-Oakland-Hayward, CA**		
Number of very low-income renters (thousands)	976	1,167	Number of very low-income renters (thousands)	291	311
Number with worst case needs (thousands)	508	599	Number with worst case needs (thousands)	125	129
Percent with worst case needs	52.0	51.3	Percent with worst case needs	43.0	41.5
Chicago-Naperville-Elgin, IL-IN-WI			**Atlanta-Sandy Springs-Roswell, GA**		
Number of very low-income renters (thousands)	476	523	Number of very low-income renters (thousands)	263	304
Number with worst case needs (thousands)	160	219	Number with worst case needs (thousands)	132	159
Percent with worst case needs	33.6	41.9	Percent with worst case needs	50.2	52.3
Houston-The Woodlands-Sugar Land, TX			**Seattle-Tacoma-Bellevue, WA**		
Number of very low-income renters (thousands)	337	410	Number of very low-income renters (thousands)	193	239
Number with worst case needs (thousands)	179	227	Number with worst case needs (thousands)	81	97
Percent with worst case needs	53.1	55.4	Percent with worst case needs	42.0	40.6
Miami-Fort Lauderdale-West Palm Beach, FL			**Detroit-Warren-Dearborn, MI**		
Number of very low-income renters (thousands)	356	381	Number of very low-income renters (thousands)	235	221
Number with worst case needs (thousands)	177	217	Number with worst case needs (thousands)	111	91
Percent with worst case needs	49.7	57.0	Percent with worst case needs	47.2	41.2
Boston-Cambridge-Newton, MA-NH			**Phoenix-Mesa-Scottsdale, AZ**		
Number of very low-income renters (thousands)	347	373	Number of very low-income renters (thousands)	185	190
Number with worst case needs (thousands)	99	139	Number with worst case needs (thousands)	99	107
Percent with worst case needs	28.5	37.3	Percent with worst case needs	53.5	56.3
Dallas-Fort Worth-Arlington, TX			**Riverside-San Bernardino-Ontario, CA**		
Number of very low-income renters (thousands)	364	345	Number of very low-income renters (thousands)	149	167
Number with worst case needs (thousands)	174	171	Number with worst case needs (thousands)	98	103
Percent with worst case needs	47.8	49.6	Percent with worst case needs	65.8	61.7
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD			**National**		
Number of very low-income renters (thousands)	306	345	Number of very low-income renters (thousands)	18,388	19,338
Number with worst case needs (thousands)	125	157	Number with worst case needs (thousands)	7,766	8,526
Percent with worst case needs	40.8	45.5	Percent with worst case needs	42.2	44.1

Notes: Estimates for the 15 largest metropolitan areas (by population ranking) are presented. The redesigned AHS samples these 15 metropolitan areas every 2 years. Estimates for 10 additional metropolitan areas surveyed in 2021 are presented in exhibit A-11B.
Source: HUD PD&R tabulations of American Housing Survey data

Although 44.1 percent of VLI renter households had worst case needs nationally, local markets show a substantial degree of variation beyond the macro-level trends observed across regions and types of metropolitan locations. Worst case needs affected substantial shares of VLI renter households in each of the nation's largest metropolitan areas. Among the 15 metropolitan areas shown in exhibit 2-4, 44.6 percent of VLI renters had worst case needs in 2021, compared with 44.3 percent in 2019, representing an increase of 453,000 cases. Reflecting particularly

severe local conditions, more than one-half of the VLI renter households residing in and around Riverside (CA), Miami, Phoenix, Houston, Atlanta, Los Angeles, and Dallas experienced worst case needs in 2021. The rates of worst case needs decreased in five of the 15 large metropolitan areas between 2019 and 2021, with Detroit and Riverside having the largest decreases of 6.1 and 4.1 points, respectively. Local events, trends, and policies may account for changing rates of housing problems within metropolitan areas.

Factors Limiting Access to Affordable Rental Housing

Even with slightly more than one-fourth of VLI renter households receiving housing assistance, the private market's affordable rental housing supply falls far short of need. Nationally, less than one-third of VLI renter households could avoid severe housing problems in the unassisted private rental market in 2021. An examination of the mismatches between the number of rental units needed by renters of various income categories and the number of affordable units provided by the market to those renters lends considerable insight into private rental market dynamics and the persistence of worst case needs during periods of economic growth.

How the Market Allocates Affordable Housing on a National Basis

The competition for good-quality, affordable housing remains vigorous. Competition affects whether the neediest households can live in the most affordable units, the vacancy rate at different rent levels, and how quickly new units are occupied. Exhibit 2-5 shows the distribution of rental units and their occupancy by their rents' affordability relative to the area median income (AMI).[41] For this analysis, a unit is considered affordable for a renter if the gross rent (rent plus utilities) does not exceed 30 percent of the maximum income of their income category. However, any given renter may live in a unit renting for less than, the same as, or more than that threshold.[42]

Exhibit 2-5. Higher-Income Renters Occupied Many Affordable Units in 2021

Rental Units by Income Needed To Makethe Rent Affordable (thousands)					
Occupancy Status	**0–30% of AMI**	**>30–50% of AMI**	**>50–80% of AMI**	**>80% of AMI**	**Total**
Higher-income occupants	3,019	3,785	7,107	NA	13,911
Same-income or lower-income occupants	4,205	4,866	11,535	11,477	32,083
Vacant	275	707	1,511	1,591	4,084
Total	**7,499**	**9,358**	**20,153**	**13,068**	**50,078**

AMI = area median income. NA = not applicable.
Source: HUD PD&R tabulations of American Housing Survey data

The extent of competition for the most affordable housing portrayed is striking. As shown in exhibit 2-5, higher-income renters occupied 3.02 million, or 40.3 percent, of the units affordable to ELI renter households. Similarly, higher-income renters occupied 40.4 percent of units affordable at incomes of 30 to 50 percent of AMI and 35.3 percent of units affordable at incomes of 50 to 80 percent of AMI, which is the largest category of units. Rental units that are more affordable were both rarer and more likely to be occupied by higher-income renters.

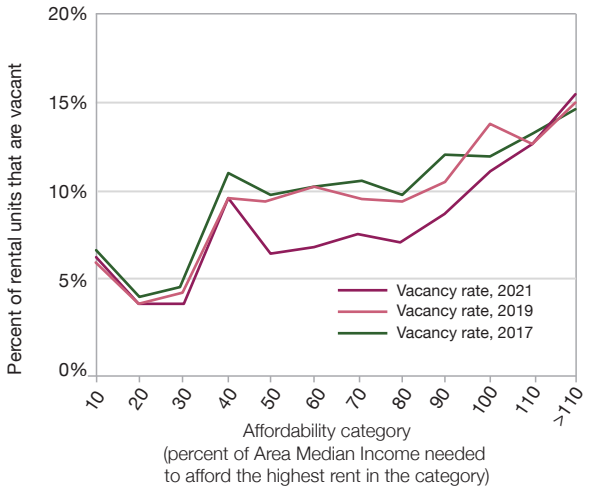
Variations in vacancy rates across the affordability categories further demonstrate the competition for affordable units. The most affordable units are least likely to be vacant (exhibit 2-6). Among the least costly units—those with rents affordable at incomes of 0 to 30 percent of AMI—only 3.7 percent were vacant in 2021. Vacancy rates were much greater at higher rent levels: 7.6 percent among units affordable at incomes of 30 to 50 percent of AMI, 7.5 percent at 50 to 80 percent of AMI, and 12.2 percent among the highest rent units. Overall, rental vacancy rates fell between 2017 and 2021—9.9 percent in 2017, 9.5 percent in 2019, and 8.2 percent in 2021—reflecting steady absorption of unoccupied rental housing stock.[43]

[41] The method of assigning units to cost categories was modified in 2017 to also account for limited HUD administrative exceptions to program income limits. Slight unit affordability adjustments were applied to outliner cases where AMI-determined affordability differed from administratively determined affordability categories.

[42] Note that renters whose incomes place them at the bottom of an income range would not be able to afford rents at the top of their range. More detailed presentations of these data appear in appendixes A and B, where exhibit A-12 and exhibit B-2 show unit affordability and occupancy status using 10-point income breaks.

[43] Comparable estimates of the rental vacancy rate based on the Current Population Survey are slightly lower in recent years: 8.3 percent in 2013, 7.1 percent in 2015, 7.2 percent in 2017, 6.8 percent in 2019, and 6.1 percent in 2021. See U.S. Housing Market Conditions charting data, https://www.huduser.gov/portal/ushmc/hi_RentVac.html.

Exhibit 2-6. Vacancies Were Lowest Among the Most Affordable Rental Units, 2017 to 2021



Source: HUD PD&R tabulations of American Housing Survey data

Despite tightening markets, the gradient in national vacancy rates seen in exhibit 2-6 remained relatively flat among units affordable to low-income renters earning between 50 and 80 percent of AMI. Nevertheless, the market for units affordable at ELI levels remained very tight. The somewhat higher vacancy rate for the units affordable at only 10 percent of AMI is often ascribed to units with physical or locational challenges and that may soon be removed from the housing stock. Higher vacancy rates continue to be found at the highest rent levels, including numerous vacation homes,[44] and may reflect developer preferences to construct higher-end rental units in recent years. Regulatory barriers that make affordable homebuilding difficult have exacerbated labor shortages that constrain mid-range rental housing production needed to cope with large tenure shifts and household formation. In many areas, the production of housing for ELI renters is not profitable.

Compared with the market for the most affordable units, the availability of vacant units at higher rent levels shows that in many markets, rental assistance in the form of vouchers could reduce worst case needs to the extent that rents fall within program limits and landlords are willing to participate. The appendix exhibit B-3, which examines the availability of units within HUD program rent limits (including all HUD-assisted housing), shows that in 2021, about 78 affordable and physically adequate rental units were available for every 100 households nationally.[45] Increasing landlord participation in HUD's voucher program could improve access to those units among very low-income households while also improving voucher utilization rates in places where vouchers are available but difficult to lease up.

From 2019 to 2021, the rental stock grew by 743,000 units, or 1.5 percent, yet the number of vacant units decreased by 591,000, or 12.6 percent. Expansions of the overall rental stock in preceding years were accompanied by small increases in vacant units, yet strong rental demand nationwide kept vacancy rates fairly constrained for renters with median or lower incomes. The rental stock affordable to VLI renters decreased by 792,000 units, or 4.5 percent, between 2019 and 2021, whereas the number of affordable vacant units declined much more sharply, by 18.6 percent.[46]

Although vacancy rates provide a valuable indication of the balance between supply and demand, they do not directly compare the number of affordable units with the number of renters. The remainder of section 2 makes such comparisons, employing three increasingly rigorous concepts to assess the sufficiency of the rental housing stock relative to need.

Affordability, Availability, and Adequacy of the National Rental Stock

The scarcity of affordable units is typically greatest for the poorest renters, but because of the rapid increase in renter households and greater competition since the Great Recession, scarcity has reached higher up the income scale. Although the renter population expansion slowed somewhat in 2021 and more renter households had very low incomes, rental units largely remained out of reach for households remaining at the lower end of local income distributions. Exhibit 2-7 displays the rental housing stock in 2021. These aggregate data portray how well the overall stock could meet the need for affordable housing if location did not matter.[47]

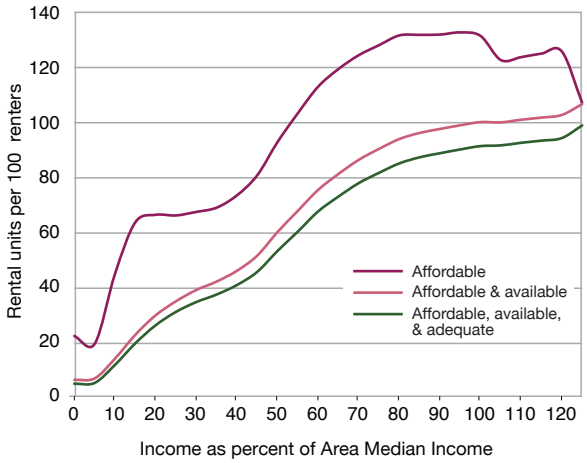
[44] According to 2021 American Community Survey 1-Year Estimates, Table B25004, about one-third of vacant housing units in the United States are for seasonal, recreational, or occasional use.

[45] Regional variation in the availability of units within FMR limits is further addressed in the "Rental Stock by Region" discussion later in this section.

[46] See exhibits A-12 and A-13.

[47] Measures of affordability, availability, and adequacy compare the entire housing stock with the entire renter population, and they do not reflect small-scale geographic detail or the complexities of local housing markets.

Exhibit 2-7. The Supply of Affordable, Available, and Adequate Rental Housing Stock Was Insufficient in 2021



Source: HUD PD&R tabulations of American Housing Survey data

The top (magenta) line in exhibit 2-7 represents all affordable units in 2021, regardless of whether higher-income households occupied them or whether they were adequate. The cumulative number of affordable units equaled the cumulative number of renters (that is, 100 units per 100 renters) only for incomes exceeding 57 percent of AMI. Beyond that threshold, more than 100 affordable units existed per 100 renters—enough, with perfect allocation, to provide affordable housing to every renter with a higher income. The 2021 threshold was 5 percentage points higher than the 2019 level and 12 points higher than the 2007 level, indicating that many households recovering from the recession remained renters for longer periods as the economy recovered.

The ratio of affordable units per renter peaked at 130 units per 100 renters at the income level of 95 percent of AMI. There was a substantial surplus of units affordable at higher levels of household income on a cumulative basis. As income increased, renters were increasingly likely to spend less than 30 percent of their incomes on housing.[48]

The situation was completely different at the low end of the income scale. Enough affordable units—both naturally affordable and assisted—existed to house only 61 percent of ELI renters in 2021, assuming those units somehow could have been perfectly allocated. That shortage was substantial and critical, worsening from the ratio of 70 percent observed in 2019.

The second (pink) line in exhibit 2-7 represents all affordable ***and available*** rental units in 2021, meaning that it considers whether higher-income renters currently occupy affordable units.[49] Availability poses an important additional constraint on renters seeking affordable units. The exhibit shows that, at best, only 36 percent of ELI renters could find an affordable and available unit, even if location were not a factor.

The paucity of affordable and available units is worsened by the occupancy of a considerable proportion of the most affordable housing stock by renters who could afford to spend more but do not choose to do so (as shown previously in exhibit 2-5). Such renters may be cautious about their finances because of income instability, a desire to reduce debt burdens, or saving for a downpayment to buy a house. In 2021, the affordable stock was nominally sufficient to house every renter with an income greater than 57 percent of AMI, yet the affordable and available stock did not match the number of renters until household incomes reached about 97 percent of AMI.

The third (green) line in exhibit 2-7 adds a third criterion—that units should be physically adequate—which further reduces the supply of the rental housing stock. Even for renters with low incomes (up to 80 percent of AMI), only 83 adequate units were available for every 100 renters. The physically adequate stock did not fully match the need until it included units affordable only to renters with incomes exceeding 125 percent of AMI, similar to 2019 levels.

MEASURING WHETHER AFFORDABLE HOUSING STOCK IS SUFFICIENT FOR NEED

- *Affordability* measures the extent to which enough rental housing units of different costs can provide each renter household with a unit it can afford (based on the 30-percent-of-income standard). Affordability, which is the broadest measure of the relative supply of the housing stock, addresses whether sufficient housing units would exist if allocated solely on the basis of cost. The affordable stock includes both vacant and occupied units.
- *Availability* measures the extent to which affordable rental housing units are available to renters within a particular income range. Availability is a more restrictive concept because units that meet the definition must be available and affordable. Some renters choose to spend

[48] Only 14.0 percent of renters with incomes above 80 percent of AMI had either moderate or severe rent burdens, compared with 69.5 percent of renters with lower incomes. See exhibit A-1A.

[49] The availability measure also removes units from consideration if they have artificially low rents because they are occupied as a benefit of employment (for example, units provided for caretakers) or because relatives or friends of the occupants own the units. In 2021, 1.93 million renter households (4.2 percent) occupied their units while paying no rent. The AHS does not provide estimates of the number of households paying a positive but less-than-market rent because of employment or other reasons.

less than 30 percent of their incomes on rent, occupying housing that is affordable to renters of lower incomes. Those units thus are not available to lower-income renters. A unit is available at a given level of income if (1) it is affordable at that level, and (2) it is occupied by a renter either at that income level or at a lower level or is vacant.

- *Adequacy* extends the concept of availability by considering whether sufficient rental units are physically adequate (based on unit characteristics described in appendix E), affordable, and available. Adequacy thus is the most restrictive of the three measures.

Rental Stock by Income

Thus far, the analysis has shown that relatively few rental units were affordable in 2021, and—because of occupancy by higher-income renters and limited vacancies—even fewer were available to renters with the lowest incomes. Exhibit 2-8 summarizes the availability of rental units for the standard income groups used in this report.

A severe mismatch existed between the number of ELI renter households and the number of affordable units available. For every 100 ELI renter households, only 61 affordable units existed. Only 36 of those units were affordable and available, and only 32 were affordable, available, and physically adequate.[50] About 13 percent of affordable and available units for ELI renters had severe quality deficiencies.

Exhibit 2-8. Rental Housing Stock Was Scarcest for Extremely Low-Income Renters in 2021

Income Category	Affordable Rental Units per 100 Renter Households	Affordable and Available Rental Units per 100 Renter Households	Affordable, Available, and Adequate Rental Units per 100 Renter Households
Extremely low-income renter households (0–30% AMI)	60.9	36.4	31.7
Very low-income renter households (0–50% AMI)	87.2	56.7	49.7
Low-income renter households (0–80% AMI)	127.8	93.2	83.0

AMI = area median income.
Source: HUD-PD&R tabulations of American Housing Survey data

Renters with very low incomes found 87 affordable units, 57 affordable and available units, and only 50 affordable, available, and physically adequate units per 100 renters. About 12 percent of the affordable and available units for this larger group had severe quality deficiencies. Renters with low incomes found that the affordable and available rental stock was nearly sufficient to house them all, although about 11 percent of such units had severe quality deficiencies.

Overall, affordable housing supply worsened for extremely low-income renters between 2019 and 2021, a decrease of 757,000 units. Exhibit 2-9 shows that the supply of affordable housing stock for ELI renters decreased by 9 units per 100 households, from 70 in 2019 to 61 in 2021. The ratio of affordable and available units decreased 4 units from 40 units per 100 ELI renter households in 2019 to only 36 units in 2021.

Exhibit 2-9. Fewer Affordable Units Were Available to Very Low-Income Renters in 2021

Income Category	2017 Rental Units per 100 Renters	2019 Rental Units per 100 Renters	2021 Rental Units per 100 Renters	2017 to 2019 Change	2019 to 2021 Change
Extremely low-income renter households (0–30% AMI)					
Affordable	69.1	70.3	60.9	1.1	-9.4
Affordable and available	39.8	40.3	36.4	0.5	-3.9
Very low-income renter households (0–50% AMI)					
Affordable	90.7	96.0	87.2	5.3	-8.8
Affordable and available	59.0	62.2	56.7	3.2	-5.5

AMI = area median income
Source: HUD-PD&R tabulations of American Housing Survey data

[50] Previous research based on the Residential Finance Survey indicated that 12 percent of units with gross rents of $400 or less produced negative net operating income, suggesting they were headed for demolition or conversion to nonresidential use (JCHS, 2006). More recent research based on the Housing Vacancy Survey suggests that more than 10 percent of vacant units held off-market are in need of repair, abandoned, condemned, or to be demolished (JCHS, 2016).

For very low-income renters, the housing supply decreased substantially between 2019 and 2021. The supply of affordable units for VLI households decreased by less than nine units per 100 renters, and the supply of affordable and available units decreased by less than six units per 100 renters.

Geography of Supply

The preceding discussion shows that worst case needs in 2021 were dispersed across the nation, although their concentration varied across geography. It further shows that spatial variation in worst case needs was affected in part by the availability and utilization of housing assistance.

Affordable rental housing includes both units that receive public rent assistance and units that for-profit and nonprofit housing providers offer at modest rents. The examination of affordable housing supply on a national basis revealed that the supply of rental units that are affordable to very low-income and poorer households remained deeply insufficient in 2021 and that this shortage was worsened by the preference of higher-income renters for more affordable units and by the physical inadequacy of some of the stock.

The following discussion sharpens that picture by showing how shortages vary by geography.

Rental Stock by Region

Rental markets are constrained for ELI renters across the four census regions despite substantial variation in the availability of affordable rental units.[51] Exhibit 2-10 illustrates that the Midwest had the best availability in 2021, with 72 units per 100 VLI renter households. The West was worst off, with 43 units per 100 VLI renter households, compared with 55 units for the South and 61 for the Northeast. For ELI renters, the availability of affordable units was far from sufficient in any region. Even low-income renters with incomes up to 80 percent of AMI found that not enough affordable units were available in the West, South, and Northeast.

Exhibit 2-10. Rental Housing Stock Was Insufficient for Extremely Low-Income Renters Across All Regions in 2021

Region and Renter Income Category	Affordable Housing Units per 100 Renters	Affordable and Available Housing Units per 100 Renters	Affordable, Available, and Adequate Housing Units per 100 Renters
Northeast			
Extremely low-income (0–30% AMI)	62.7	41.0	35.4
Very low-income (0–50% AMI)	87.6	60.9	53.0
Low-income (0–80% AMI)	122.0	92.2	81.0
Midwest			
Extremely low-income (0–30% AMI)	68.4	41.0	37.2
Very low-income (0–50% AMI)	116.0	71.9	64.1
Low-income (0–80% AMI)	144.9	102.9	93.3
South			
Extremely low-income (0–30% AMI)	59.3	35.7	30.9
Very low-income (0–50% AMI)	82.8	54.7	47.5
Low-income (0–80% AMI)	131.5	95.2	83.8
West			
Extremely low-income (0–30% AMI)	55.6	29.6	25.3
Very low-income (0–50% AMI)	68.7	43.3	37.9
Low-income (0–80% AMI)	113.3	83.2	75.1

AMI = area median income.
Source: HUD-PD&R tabulations of American Housing Survey data

On a regional basis, adding the adequacy test restricted the estimated supply for VLI renters less in the West, eliminating five units, than in the other regions, which lost seven to eight units per 100 VLI renter households. Even so, the West retains its regional disadvantage for such renters across all three measures of sufficiency.

[51] For renters who could afford rents no greater than the FMR, appendix B, exhibit B-3 reveals that although enough affordable units existed in each region, the number of available units in each region was sufficient to house only 76 to 82 percent of those renters. For renters who attempt to find a unit with a housing choice voucher, the housing quality standards of that program imply that their success will depend on the prevalence of physically adequate units in their area—not merely affordable and available units. Across regions, there were only enough physically adequate, affordable, and available units to house 70 to 73 percent of renters who could not afford rents higher than FMR.

The primary point in exhibit 2-10 is that ELI renter households continued to face severely constrained markets across all four regions. The Northeast, Midwest, and South had affordable units available for only two in five ELI renter households, and the West for fewer than one in three.

Rental Stock by Metropolitan Location

Similar analysis of affordable housing supply based on metropolitan status showed market variation in 2021. Exhibit 2-11 demonstrates the primacy of urban areas in terms of severe shortages of affordable units for VLI renter households. As shown in exhibit 2-11, measures of affordability, availability, and adequacy for each income group in central cities and urban suburbs were generally lower than the national summary values presented in exhibit 2-8.

Exhibit 2-11. Rental Housing Stock Was Insufficient for Extremely Low-Income Renters Across All Metropolitan Locations in 2021

Metropolitan Location and Income Category	Affordable Housing Units per 100 Renter Households	Affordable and Available Housing Units per 100 Renter Households	Affordable, Available, and Adequate Housing Units per 100 Renter Households
Central cities			
Extremely low-income renters (0–30% AMI)	50.4	34.6	30.1
Very low-income renters (0–50% AMI)	77.4	55.2	47.7
Low-income renters (0–80% AMI)	124.4	94.0	82.6
Suburbs, urban			
Extremely low-income renters (0–30% AMI)	51.5	30.2	27.5
Very low-income renters (0–50% AMI)	74.6	47.2	43.0
Low-income renters (0–80% AMI)	123.1	86.9	79.8
Suburbs, rural			
Extremely low-income renters (0–30% AMI)	88.0	42.5	37.7
Very low-income renters (0–50% AMI)	120.9	71.5	64.0
Low-income renters (0–80% AMI)	142.6	99.8	88.6
Nonmetropolitan areas			
Extremely low-income renters (0–30% AMI)	107.5	53.9	44.2
Very low-income renters (0–50% AMI)	139.3	78.9	66.5
Low-income renters (0–80% AMI)	144.6	102.7	89.4

AMI = area median income.
Source: HUD-PD&R tabulations of American Housing Survey data

Stock in rural suburbs and nonmetropolitan areas was not as constrained as the stock for the nation as a whole. Exhibit 2-11 also highlights severe deficiencies in the availability and adequacy of affordable units in rural areas. Among affordable units to VLI renter households in urban areas, 29 to 37 percent were occupied by higher-income renters.[52] In rural areas, that figure ranged from 41 to 43 percent, suggesting that higher-income renters consumed a larger share of the affordable housing stock in rural areas than those who live closer to city centers. This evidence disrupts the notion that the affordable housing crisis could be resolved simply by lower-income renters moving away from cities; the lack of affordable housing presents a mobility barrier for people who want to move for job opportunities or other reasons. Likewise, a greater share of units had severe quality deficiencies in rural areas, where 11 to 16 percent of affordable units available to very low-income renters were inadequate.[53] These problems are less prevalent in urban areas—affecting 9 to 14 percent of units affordable and available to very low-income renters.

[52] That is, 22 of the 77 units affordable for every 100 VLI renter households in central cities are not available; the same is true for 27 of 75 affordable units in urban suburbs.

[53] Likewise, Divringi et al. (2019) found that aggregate repair costs were particularly high among single-family rental units, especially older units occupied by renters with incomes at or below the poverty line. Repair needs among those units accounted for about 20 percent of the aggregate estimated repair costs of all renter households in 2018. Those units are disproportionately clustered in nonmetropolitan areas.

Summary

Worst case needs are commonplace in every region and metropolitan category across the United States. The national total of 8.53 million worst case needs in 2021 was distributed on a regional basis, with 3.17 million households in the South, followed by 2.25 million in the West, 1.62 million in the Northeast, and 1.48 million in the Midwest. Nationwide, 44.1 percent of very low-income renters had worst case needs in 2021, a rate higher than in 2019. Prevalence increased in all regions, with increases above 10 percent in both the South and Midwest regions since 2019. Both the South and West maintained greater-than-average rates of worst case needs in 2021. Urban areas (urban suburbs and central cities) also had higher prevalence rates and were home to about 84 percent of worst case needs households.

Housing assistance, including HUD-provided assistance, is an important preventer of worst case needs among very low-income renters. Nationwide, 26.6 percent of very low-income renters, or 5.14 million households, reported receiving housing assistance. For every VLI renter household assisted, another 1.7 renter households had worst case needs that could have been mitigated with such assistance.

Steady absorption of unoccupied rental housing stock has reduced overall vacancy rates to consistently less than 10 percent since 2011. With 87 rental units affordable for every 100 VLI renter households nationally, not all such households could find an affordable unit in 2021, even if allocations were perfect among households across the nation (that is, if the lowest rent units were allocated to the lowest income households first). Many fewer affordable units were actually available to renters with the lowest incomes because vacancy rates were lowest for the lowest rent units, and many affordable units were rented to higher-income families. In 2021, the vacancy rate was only 3.7 percent for units affordable at extremely low incomes, compared with 12.2 percent for units affordable at more than 80 percent of AMI. The slight expansion of rental stock to meet rental demand between 2019 and 2021 mostly benefited higher-income households, with fewer new units affordable to VLI renter households.

Because of competition for affordable units, when a simple ratio of affordable units per 100 VLI renter households was made more stringent by adding availability as a constraint, the ratio decreased from 87 affordable units to only 57 affordable and available units per 100 VLI renter households, and it decreased from 61 to 36 per 100 ELI renter households. Higher-income families occupied 40.3 percent of units affordable to ELI renter households.

In addition, a substantial proportion of available units are not in adequate physical condition. The number of affordable, available, and adequate units in 2021 was 50 per 100 VLI renter households and only 32 per 100 ELI renter households.

Given the scarcity of affordable, available, and adequate units for the renters with the lowest incomes, the efficacy of housing assistance in preventing worst case needs, and the surplus of units available at higher rent levels, housing vouchers continue to offer an important policy option for addressing the growing problem of worst case needs using the existing housing stock. Provided that physically adequate units with rents within program limits are available on the market, vouchers could reduce worst case needs to the extent that landlords are willing to participate in HUD's voucher program. Increasing landlord participation could improve access to those units among VLI households while also improving voucher utilization rates in places where vouchers are available but difficult to lease up. HUD continues to reach out to landlords and conduct program demonstrations to test incentives for greater landlord participation in HUD's primary rent subsidy program with the aim of making voucher-eligible units more accessible, especially in higher-opportunity neighborhoods.[54]

[54] See https://www.huduser.gov/portal/periodicals/em/winter19/highlight1.html.

Section 3

Understanding the Trend in Worst Case Needs

Section 2 demonstrated that worst case needs were prevalent across the nation because of the limited availability of adequate, affordable rental units relative to the number of very low-income (VLI) renter households who needed them. Section 3 elaborates on how the changes in the number of rental units, the number of renter households, and rental costs during the 2019-to-2021 period contributed to the prevalence of worst case needs.

In 2021, worst case needs had increased by an estimated 760,000 cases from 2019 levels. The analysis in this section attributes the increase in worst case needs to the ongoing formation of new households and increase in number of VLI renters that was exacerbated by increasing competition for affordable units that made them less available to VLI renters.

Drivers of Affordable Housing Demand

The previous sections of this report have shown that the increase in the number of households with worst case needs reflects both changes in the population vulnerable to worst case needs—unassisted VLI renter households—and changes in the share of those renters experiencing the severe problems that trigger worst case needs. As this section will show, the population of vulnerable renters is primarily affected by demographic factors (including their incomes and, to a small extent, HUD's categorization of their incomes). This population, in turn, substantially determines the demand for affordable housing. The current rate of worst case needs among these vulnerable renters, by contrast, reflects the economic response of the housing market to these demographic changes.

The following analysis sorts out the factors driving the most recent change in worst case needs. The analysis first distinguishes between the effects of population change and the prevalence of worst case needs to estimate their relative importance and then identifies how much various demographic factors affected the population change.[55]

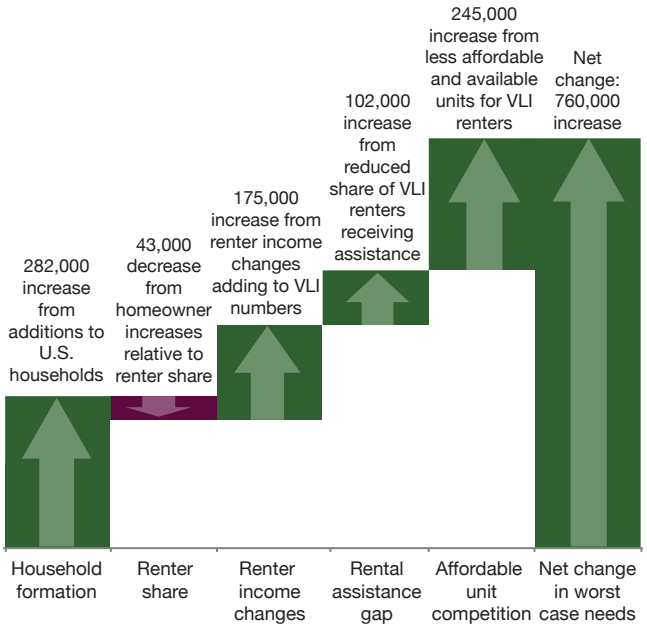
[55] Any analysis of survey data faces limitations from both sampling error and nonsampling error. Such errors are compounded when multiple survey years are compared. This analysis takes the American Housing Survey (AHS) estimates at face value, but the reader should recognize that multiple sources of potential error exist.

The population of unassisted VLI renters increased by 6.4 percent or 858,000 households between 2019 and 2021, from 13.34 million to 14.19 million. The rate of worst case needs among this unassisted population increased by 1.8 points from 58.2 to 60.1 percent during this same period.

Based solely on the demographic increase of unassisted VLI renters, one might expect to have recorded a net increase of 515,000 cases of worst case needs. Because of the tight rental market, however, an additional 245,000 unassisted VLI renters were unable to find affordable and available units, increasing the prevalence rate of worst case needs and bringing the total net increase in worst case needs to 760,000 between 2019 and 2021.[56]

The 515,000 increase in worst case needs resulting from demographic shifts can be further broken down into four components, illustrated by the first four columns of exhibit 3-1 and discussed below. The columns of this chart are cascading in the sense that each column begins where the previous one ends.[57]

Exhibit 3-1. Worst Case Needs Markedly Increased as a Result of Household Formation, Changes in Income, the Rental Assistance Gap, and Greater Competition for Affordable Units from 2019 to 2021



Source: HUD PD&R tabulations of America Housing Survey data

Household formation. The nation added 4.37 million households between 2019 and 2021, explaining a proportional increase of 282,000 cases of worst case needs. The number of households increased by 3.5 percent during this 2-year period, exceeding biennial increases averaging 2.1 percent observed in the 2011 to 2019 AHS.

Renter share of households. A decline in renters' share of households accounts for a small reduction of worst case needs by 43,000 cases, as the 3.0 percent increase in renters fell behind the 3.5 percent increase in households overall. Correspondingly, the homeownership rate was 64.2 percent in 2021, marginally greater than the 64.0 percent rate in 2019. The 3.0 percent increase in renters is below biennial increases averaging 4.8 percent reported since 2011.

Renter income changes. Income losses and shifts in the income distribution affecting the very low-income category account for a 175,000-case increase in worst case needs.[58] The number of renters with incomes below the very low-income threshold increased by 950,000, or 5.2 percent, during the 2019-to-2021 period, which included the COVID-19 pandemic and its economic disruption. The increase exceeds biennial changes averaging 1.6 percent since 2011—which includes two periods with significant decreases in VLI renters (see exhibit A-13).

Rental assistance gap. Rental assistance did not increase in proportion to very low-income renters from 2019 to 2021, so a worsening rental assistance gap accounts for 102,000 added cases of worst case needs. The 2-year increase of 6.4 percent in unassisted VLI renters exceeded the 5.2 percent growth in VLI renters overall. By comparison, biennial increases of unassisted VLI renters have averaged only 1.1 percent since 2011.

The demographic factors summarized above generated a net increase in the population of unassisted, very low-income renters sufficient to increase worst case needs by 515,000 between 2019 and 2021 in the absence of other factors. The housing market's limited capacity to change the supply of VLI-affordable units, however, has an additional impact on severe housing problems. The fifth column of exhibit 3-1, labeled "Affordable unit competition," represents the extent to which the market responded to quantitative changes in demand for VLI-affordable rental units. The addition of more than 800,000 renter households with low incomes of 50 to 80 percent of AMI (see exhibit A-13) increased demand

[56] The demographic effect equals the new prevalence rate times the numerical increase (or decrease) in renters, and the prevalence effect is the increase (or decrease) in the prevalence rate times the baseline number of renters.

[57] Because of rounding, the demographic components shown in the chart sum to 516,000 rather than 515,000 and all components sum to 761,000 rather than 760,000.

[58] Stimulus payments and other forms of one-time income that were part of the federal response to the COVID-19 pandemic are not counted by the AHS and may have lifted some households out of the very low-income category. An additional potential methodological factor is summarized in the sidebar, "Changes in Income Limits and Worst Case Needs."

for both VLI-affordable and higher rent housing stock. As the increased demand for VLI-affordable units was not matched by increased supply, competition for affordable units increased, the number of affordable and available units per 100 renters decreased, and the prevalence rate of worst case needs among unassisted VLI renters increased. In sum, market factors account for another 245,000 worst case needs beyond the 515,000 cases explained by demographic factors alone.

An adequate market response to growing quantitative demand for affordable units would require increased construction of affordably priced units and reductions in rents (known as filtering down) of surplus or aging higher-rent units. The next section further explores such market factors.

Other Factors Affecting Affordable Housing Supply and Demand

As previously shown (exhibit 2-9), the availability of affordable rental units for VLI renters worsened by 5.5 units per 100 renters between 2019 and 2021, and extremely low-income (ELI) renters experienced the loss of 3.9 available units per 100 renters from an already severely constrained market. Such affordability metrics are affected by multiple demographic and market factors. Exhibit 3-2 examines the factors responsible for the change in the availability of affordable units. AHS data show that a total of 739,000 rental units (1.5 percent) were added between 2019 and 2021 (exhibit A-13). Other complementary data show that more than 580,000 unfurnished rental apartments were completed in 2019 and 2020, a substantially more robust pace than seen during most of the past two decades.[59] Even so, older units continue to be removed from the stock, and renter households continue to increase faster—by 1.33 million between 2019 and 2021—than new rental units. Further, added renter units tended not to be affordable and available for the numerous new ELI and VLI households: the median monthly rent of the newly completed units in 2021 was $1,748, as totals of affordable and available units decreased by 5.3 percent for ELI renters and 4.1 percent for VLI renters (exhibit 3-2).

In 2021, as in most years, both supply and demand factors were influential in shaping the extent of worst case needs. Some of those trends are promising, and others reflect ongoing challenges. Median renter incomes increased by a modest 2.5 percent between 2019 and 2021, reflecting strength in hiring despite the brief 2020 recession associated with the pandemic. This was far exceeded, however, by the median 10.6 percent increase in rents (exhibit 3-2). Further, a comparison of income groups shows that rents increased by an average of 11.7 percent for ELI households and 15.8 percent for those with incomes 30–50 percent of AMI, exceeding the mean rent increase of 8.9 percent for all renters (exhibit A-14).

Exhibit 3-2. Changes in Affordable Rental Housing Availability Driven by Income Gains Among Renters That Outpaced Rising Costs, 2019 to 2021

	Extremely Low-Income (0–30% AMI)	Very Low-Income (0–50% AMI)	Low-Income (0–80% AMI)	Total[a]
Cumulative affordable & available rental units (thousands)				
2019	4,732	11,432	26,441	49,335
2021	4,480	10,969	26,989	50,074
Percent change	-5.3	-4.1	+2.1	+1.5
Cumulative households (thousands)				
2019	11,748	18,388	27,174	44,660
2021	12,319	19,338	28,969	45,991
Percent change	+4.9	+5.2	+6.6	+3.0
Income limit (median, current dollars)				
2019	21,330	32,250	51,600	—
2021	21,960	34,150	54,600	—
Percent change	+3.0	+5.9	+5.8	—

(continued)

[59] See U.S. Housing Market Conditions, "Unfurnished Rental Apartments–Completed." https://www.huduser.gov/portal/ushmc/hd_mul_fam.html.

Exhibit 3-2. Changes in Affordable Rental Housing Availability Driven by Income Gains Among Renters That Outpaced Rising Costs, 2019 to 2021 *(continued)*

	Extremely Low-Income (0–30% AMI)	Very Low-Income (0–50% AMI)	Low-Income (0–80% AMI)	Total[a]
Median household income (all renters, current dollars)				
2019	—	—	—	40,000
2021	—	—	—	41,000
Percent change	—	—	—	+2.5
Median monthly housing cost (all renters, current dollars)				
2019	—	—	—	1,071
2021	—	—	—	1,184
Percent change	—	—	—	+10.6

AMI = area median income.
[a] Total represents all units or renters, not the sum of the cumulative income categories.
Source: HUD-PD&R tabulations of American Housing Survey data

For VLI renters as a group, mean rent increases of 13.8 percent between 2019 and 2021 nearly doubled their mean income increases of 7.6 percent (exhibit A-14).[60] Indeed, because U.S. households experienced 6.8 percent inflation from September 2019 to September 2021,[61] their real purchasing power decreased.[62] Increased housing cost burdens reflect the worsening availability of affordable units and explain why the prevalence of worst case needs increased markedly even as the size of the VLI renter population increased. The increase in prevalence occurred even though the subset of VLI renters with extremely low incomes expanded slightly less, 4.9 percent, than the subset with incomes of 30–50 percent of AMI, 5.7 percent.

CHANGES IN INCOME LIMITS AND WORST CASE NEEDS

A portion of the population change in renters with extremely low and very low incomes between 2019 and 2021, who are susceptible to worst case needs, may be explained by a shift in income limits. HUD calculates income limits on the basis of area median family incomes, which include both owners and renters, and then uses the income limits to define the boundaries of the extremely low-, very low-, and low-income categories.

Exhibit 3-2 shows that, across the nation, the income limits defining each income category increased roughly in proportion to increases in AMI between 2019 and 2021. The greatest income qualifying as extremely low income for a four-person household increased by $10,050, to $54,800, in the San Francisco metropolitan area. The greatest income qualifying as very low income for a four-person household increased by $10,750, to $91,350. Such changes in high-cost areas substantially exceed the median changes in income limits shown in exhibit 3-2. As a result of the higher thresholds, additional households were captured within the extremely low-income and very low-income categories in 2021. The latter would have the effect of increasing the estimate of worst case needs.

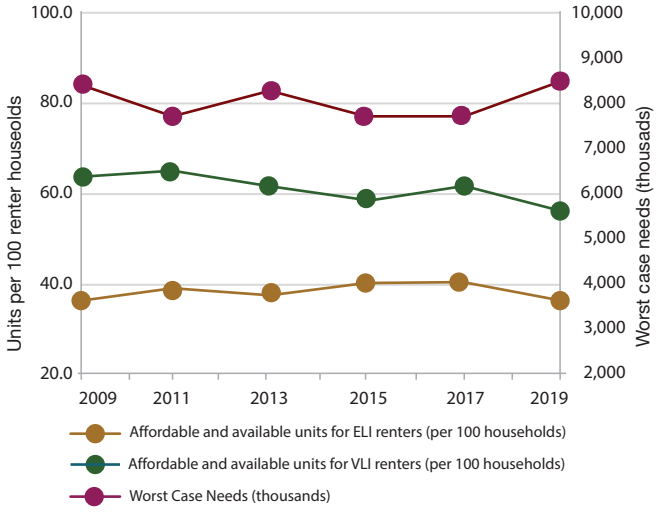
In addition to increasing incomes, another critical element to reducing worst case needs over time is improving the access VLI renter households have to an adequate supply of affordable rental units. Exhibit 3-3 presents how the market for rental units affordable to VLI households has responded to demand trends over the past 10 years.

[60] Those housing costs include rent, utilities, property insurance, land rent, and association fees but exclude any separate security deposit or parking fees.

[61] The September dates correspond with the end of AHS data collection in those years. The Consumer Price Index for All Urban Consumers (CPI-U) began recording consistent price increases of 0.5 percent per month or more in February 2021. See Bureau of Labor Statistics, https://data.bls.gov/timeseries/CUUR0000SA0.

[62] Real purchasing power decreased even beyond the inflation of housing costs. For the average urban consumer (including homeowners), shelter, energy services, and utility services together accounted for 37 percent of the CPI-U market basket in 2021.

Exhibit 3-3. Trends in Housing Supply Mismatch and Worst Case Needs, 2011-2021



ELI = extremely low income. VLI = very low income.
Source: HUD PD&R tabulations of American Housing Survey data

Most years in which worst case needs increase are years in which the availability of affordable rental units for VLI renters decreases; yet the experiences of the large and more vulnerable subset of ELI renters may be sufficient to drive overall changes. Between 2017 and 2019, increases in affordable and available units for VLI renters were not matched by greater availability for the ELI renters who faced greater challenges, so worst case needs changed little. Between 2019 and 2021, in contrast, both ELI and VLI renters experienced tighter rental markets and reduced availability, so worst case needs increased sharply.

The effects of weak growth in the rental supply and of strong competition for available rental units from higher-income renters continue to have greatest impact on the availability of units affordable to renters with incomes at and below 30 percent of AMI. Although higher-income renters may be unlikely to compete for the units with the very cheapest rents because of quality deficiencies typical of such units, the competition for marginally higher tiers of units both reduces availability directly and causes rents to increase. Therefore, supplying a range of rental and homeownership options to households with both lower and higher incomes is important for reducing the level of worst case needs.

Concluding Summary

In 2021, the number of worst case needs increased significantly, adding 760,000 cases to the 2019 number to reach 8.53 million. An analysis decomposing demographic and market factors indicates that the demographic factors affecting the number of unassisted VLI renter households were sufficient to exacerbate worst case needs by 515,000 cases, and the inability of the tight rental market to meet the added demand explains another 245,000 cases.

Of the four demographic factors, the national household formation would have been expected to increase worst case needs by 282,000 cases. A shift from renting to homeownership diminished that effect by an estimated 43,000 cases. Deterioration in renter incomes accounted for 175,000 additional cases, and the widening of the rental assistance gap added 102,000 cases. It should be noted that including this latter factor—the adequacy of public rental assistance—among demographic factors reflects its direct impact on the number of unassisted VLI renters subject to worst case needs. It reflects, as much as demographics, a policy choice of whether to increase resources for rental assistance in response to increases of VLI renter households.

The inadequate market response to those demand-inducing demographic trends between 2019 and 2021 further contributed to the demographic pressure on worst case needs. The 740,000 rental units added between 2019 and 2021 fell far short of the 1.33 million renter households added during the same period (exhibit A-13). Accordingly, the number of rental units affordable and available decreased by 5.3 percent for ELI renters and 4.1 percent for VLI renters, causing the affordable and available ratios to decrease for both groups. Such metrics characterizing the housing market do not convey their impact on families' well-being. For example, as median renter incomes increased by a modest 2.5 percent, median rents increased by 10.6 percent, while inflation reduced the value of their dollars by 6.8 percent.

Worst case housing needs are a national problem with variations in severity across both demographic and geographic dimensions. The extent of severe housing problems affecting very low-income renters in 2021 reflects the complicated influence of the COVID-19 pandemic, including losses of earnings as well as public interventions through income supports and housing stability protections (eviction moratoria) that may not be fully captured by national surveys. The 8.53 million cases of worst case needs in 2021 surpassed the post-Great Recession peak of 8.48 million observed in 2011. The nation's modest production of affordable rental units ensures that even with public rental assistance, more than 6 of 10 ELI renter households and 4 of 10 VLI renter households do not have access to affordable and available housing units. In 2021, the number of VLI renter households with worst case needs increased to 1.7 for every VLI renter with rental assistance.

In the context of continuing inflation and other macroeconomic obstacles, comprehensive policy support for housing production, access to affordable homes, and rental assistance for the most vulnerable families is urgently needed to address the continuing challenge of worst case housing needs.

Appendix A

Detailed Data on Housing Problems and Supply of Affordable Housing

Contents

Exhibit A-9. Prevalence of Housing Problems Among Very Low-Income Renters by Race and Ethnicity, 2019 and 2021—Number and Percentage

Exhibit A-10. Prevalence of Housing Problems Among Very Low-Income Renters by Region, 2019 and 2021—Number and Percentage

Exhibit A-11A. Prevalence of Housing Problems Among Very Low-Income Renters by Metropolitan Location, 2019 and 2021—Number and Percentage

Exhibit A-11B. Housing Conditions of Renter Households by Relative Income, Sampled Metropolitan Areas, 2019 and 2021

Exhibit A-12. Households Occupying Rental Units by Affordability of Rent and Income of Occupants, 2019 and 2021

Exhibit A-13. Renters and Rental Units Affordable and Available to Them by Relative Income, 2001–2021

Exhibit A-14. Average Income and Average Gross Rent of Renter Households by Relative Income, 2019 and 2021

Exhibit A-15. Housing Conditions of Households Having People Younger Than 62 Who Have Disabilities by Disability Type, 2019 and 2021

The U.S. Census Bureau reviewed this data product for unauthorized disclosure of confidential information and approved the disclosure avoidance practices applied to this release.
CBDRBFY230069.

Exhibit A-1A. Housing Conditions of Renter Households by Relative Income, 2019 and 2021

	Household Income as Percentage of HUD Area Median Family Income					
2021	**0–30%**	**>30–50%**	**>50–80%**	**>80–120%**	**>120%**	**All Incomes**
Total households (thousands)	**12,319**	**7,019**	**9,631**	**7,775**	**9,247**	**45,991**
Unassisted with severe problems	6,051	2,475	1,105	324	266	10,221
Unassisted with nonsevere problems only	1,031	2,711	4,386	1,890	931	10,949
Unassisted with no problems	1,148	778	3,534	5,173	7,813	18,446
Assisted	4,089	1,055	606	388	236	6,374
Any with severe problems	**7,920**	**2,669**	**1,160**	**348**	**273**	**12,370**
Rent burden >50% of income	7,708	2,547	975	256	142	11,628
Severely inadequate housing	493	173	213	102	132	1,113
Any with nonsevere problems only	**2,140**	**3,200**	**4,611**	**1,963**	**970**	**12,884**
Rent burden >30–50% of income	1,808	3,028	4,058	1,464	515	10,873
Moderately inadequate housing	392	311	480	418	355	1,956
Crowded housing	281	213	372	152	133	1,151
Any with no problems	**2,260**	**1,150**	**3,860**	**5,464**	**8,004**	**20,738**
2019	**0–30%**	**>30–50%**	**>50–80%**	**>80–120%**	**>120%**	**All Incomes**
Total households (thousands)	**11,748**	**6,640**	**8,786**	**7,583**	**9,902**	**44,659**
Unassisted with severe problems	5,780	1,986	1,013	372	200	9,351
Unassisted with nonsevere problems only	955	2,642	3,805	1,737	1,086	10,225
Unassisted with no problems	1,064	909	3,378	5,206	8,363	18,920
Assisted	3,950	1,103	590	268	253	6,164
Any with severe problems	**7,537**	**2,157**	**1,041**	**380**	**206**	**11,321**
Rent burden >50% of income	7,372	2,064	880	289	133	10,738
Severely inadequate housing	353	131	169	90	73	816
Any with nonsevere problems only	**2,087**	**3,153**	**4,029**	**1,787**	**1,118**	**12,174**
Rent burden >30–50% of income	1,791	3,016	3,510	1,358	616	10,291
Moderately inadequate housing	336	274	479	289	351	1,729
Crowded housing	247	196	314	168	181	1,106
Any with no problems	**2,124**	**1,329**	**3,715**	**5,417**	**8,578**	**21,163**

Source: HUD PD&R tabulations of the American Housing Survey data

Exhibit A-1B. Housing Conditions of Owner Households by Relative Income, 2019 and 2021

	Household Income as Percentage of HUD Area Median Family Income					
2021	**0–30%**	**>30–50%**	**>50–80%**	**>80–120%**	**>120%**	**All Incomes**
Total households (thousands)	**8,997**	**6,777**	**12,575**	**14,982**	**39,183**	**82,514**
Unassisted with severe problems	5,720	1,882	1,583	768	679	10,632
Unassisted with nonsevere problems only	1,602	2,260	3,661	3,170	2,901	13,594
Unassisted with no problems	1,674	2,636	7,331	11,043	35,603	58,287
Any with severe problems	**5,720**	**1,882**	**1,583**	**768**	**679**	**10,632**
Cost burden >50% of income	5,592	1,841	1,464	660	518	10,075
Severely inadequate housing	254	58	135	109	164	720
Any with nonsevere problems only	**1,602**	**2,260**	**3,661**	**3,170**	**2,901**	**13,594**
Cost burden >30–50% of income	1,429	2,102	3,240	2,758	2,024	11,553
Moderately inadequate housing	191	188	310	338	717	1,744
Crowded housing	116	49	234	168	235	802
Any with no problems	**1,674**	**2,636**	**7,331**	**11,043**	**35,603**	**58,287**
2019	**0–30%**	**>30–50%**	**>50–80%**	**>80–120%**	**>120%**	**All Incomes**
Total households (thousands)	**8,265**	**6,355**	**11,741**	**14,516**	**38,599**	**79,476**
Unassisted with severe problems	5,082	1,772	1,410	764	598	9,626
Unassisted with nonsevere problems only	1,439	2,124	3,581	3,016	3,209	13,369
Unassisted with no problems	1,744	2,459	6,750	10,736	34,793	56,482
Any with severe problems	**5,082**	**1,772**	**1,410**	**764**	**598**	**9,626**
Cost burden >50% of income	4,974	1,722	1,322	626	467	9,111
Severely inadequate housing	215	58	98	138	133	642
Any with nonsevere problems only	**1,439**	**2,124**	**3,581**	**3,016**	**3,209**	**13,369**
Cost burden >30–50% of income	1,260	1,949	3,155	2,586	2,435	11,385
Moderately inadequate housing	196	188	372	353	610	1,719
Crowded housing	88	78	201	148	219	734
Any with no problems	**1,744**	**2,459**	**6,750**	**10,736**	**34,793**	**56,482**

Source: HUD-PD&R tabulations of the American Housing Survey

Exhibit A-2A. Housing Conditions of Renters and Owners, 2001–2021—Number of Households

	2001	2003	2005	2007	2009	2011	2013	2015	2017	2019	2021
Total households (thousands)	**105,435**	**105,868**	**108,901**	**110,719**	**111,861**	**115,076**	**116,032**	**118,290**	**121,560**	**124,135**	**128,504**
Unassisted with severe problems	13,494	13,398	16,142	16,944	19,259	20,717	18,553	18,000	18,594	18,978	20,854
Unassisted with nonsevere problems only	19,217	19,790	20,849	22,752	23,225	24,079	22,153	21,672	23,633	23,593	24,543
Unassisted with no problems	66,445	66,468	65,362	65,862	64,506	64,983	69,796	73,059	72,945	75,400	76,732
Assisted	6,279	6,211	6,547	5,161	4,871	5,298	5,530	5,559	6,388	6,164	6,374
Cost burden >50% of income	13,330	13,188	16,433	17,140	19,458	20,781	18,810	18,799	19,724	19,849	21,702
Cost burden >30–50% of income	16,923	17,856	19,403	21,153	21,818	22,369	20,884	19,252	21,606	21,676	22,425
Severely inadequate housing	2,108	1,971	2,023	1,805	1,866	2,126	1,942	1,500	1,343	1,458	1,833
Moderately inadequate housing	4,504	4,311	4,177	3,954	3,884	3,133	3,946	3,907	3,568	3,449	3,701
Crowded housing	2,631	2,559	2,621	2,529	2,509	1,923	2,509	1,803	1,951	1,840	1,952
Renter households (thousands)	**33,727**	**33,614**	**33,951**	**35,054**	**35,396**	**38,867**	**40,273**	**43,930**	**43,993**	**44,660**	**45,991**
Unassisted with severe problems	5,758	5,887	6,860	6,993	8,085	9,548	8,874	9,651	9,198	9,352	10,222
Unassisted with nonsevere problems only	7,283	7,557	7,303	8,445	8,229	9,194	9,233	10,455	10,181	10,225	10,949
Unassisted with no problems	14,407	13,958	13,240	14,455	14,211	14,828	16,636	18,265	18,226	18,919	18,445
Assisted	6,279	6,211	6,547	5,161	4,871	5,298	5,530	5,559	6,388	6,164	6,374
Cost burden >50% of income	6,412	6,477	7,891	7,793	9,000	10,391	9,744	10,988	10,757	10,738	11,627
Cost burden >30–50% of income	6,916	7,468	7,502	8,340	8,240	9,124	9,292	10,118	10,215	10,291	10,873
Severely inadequate housing	1,168	1,038	1,100	1,073	998	1,204	1,155	828	826	816	1,112
Moderately inadequate housing	2,508	2,525	2,542	2,400	2,264	1,830	2,508	2,027	1,708	1,730	1,956
Crowded housing	1,658	1,615	1,635	1,511	1,499	1,072	1,652	1,120	1,245	1,106	1,151

(continued)

Exhibit A-2A. Housing Conditions of Renters and Owners, 2001–2021—Number of Households *(continued)*

	2001	2003	2005	2007	2009	2011	2013	2015	2017	2019	2021
Owner households (thousands)	**71,708**	**72,254**	**74,950**	**75,665**	**76,465**	**76,209**	**75,759**	**74,360**	**77,567**	**79,475**	**82,513**
Unassisted with severe problems	7,736	7,511	9,282	9,951	11,174	11,169	9,679	8,349	9,396	9,626	10,632
Unassisted with nonsevere problems only	11,934	12,233	13,546	14,307	14,996	14,885	12,920	11,217	13,452	13,368	13,594
Unassisted with no problems	52,038	52,510	52,122	51,407	50,295	50,155	53,160	54,794	54,719	56,481	58,287
Cost burden >50% of income	6,918	6,711	8,542	9,347	10,458	10,390	9,066	7,811	8,967	9,111	10,075
Cost burden >30–50% of income	10,007	10,388	11,901	12,813	13,578	13,245	11,592	9,135	11,391	11,385	11,552
Severely inadequate housing	940	933	923	732	868	922	787	673	517	642	721
Moderately inadequate housing	1,996	1,786	1,635	1,554	1,620	1,303	1,438	1,881	1,860	1,719	1,745
Crowded housing	973	944	986	1,018	1,010	851	857	683	706	734	801

Source: HUD-PD&R tabulations of the American Housing Survey

Exhibit A-2B. Housing Conditions of Renters and Owners, 2001–2021—Percentage of Households

	2001	2003	2005	2007	2009	2011	2013	2015	2017	2019	2021
Total households	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Unassisted with severe problems	12.8	12.7	14.8	15.3	17.2	18.0	16.0	15.2	15.3	15.3	16.2
Unassisted with nonsevere problems only	18.2	18.7	19.1	20.5	20.8	20.9	19.1	18.3	19.4	19.0	19.1
Unassisted with no problems	63.0	62.8	60.0	59.5	57.7	56.5	60.2	61.8	60.0	60.7	59.7
Assisted	6.0	5.9	6.0	4.7	4.4	4.6	4.8	4.7	5.3	5.0	5.0
Cost burden >50% of income	12.6	12.5	15.1	15.5	17.4	18.1	16.2	15.9	16.2	16.0	16.9
Cost burden >30–50% of income	16.1	16.9	17.8	19.1	19.5	19.4	18.0	16.3	17.8	17.5	17.5
Severely inadequate housing	2.0	1.9	1.9	1.6	1.7	1.8	1.7	1.3	1.1	1.2	1.4
Moderately inadequate housing	4.3	4.1	3.8	3.6	3.5	2.7	3.4	3.3	2.9	2.8	2.9
Crowded housing	2.5	2.4	2.4	2.3	2.2	1.7	2.2	1.5	1.6	1.5	1.5
Renter households	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Unassisted with severe problems	17.1	17.5	20.2	19.9	22.8	24.6	22.0	22.0	20.9	20.9	22.2
Unassisted with nonsevere problems only	21.6	22.5	21.5	24.1	23.2	23.7	22.9	23.8	23.1	22.9	23.8
Unassisted with no problems	42.7	41.5	39.0	41.2	40.1	38.2	41.3	41.6	41.4	42.4	40.1
Assisted	18.6	18.5	19.3	14.7	13.8	13.6	13.7	12.7	14.5	13.8	13.9
Cost burden >50% of income	19.0	19.3	23.2	22.2	25.4	26.7	24.2	25.0	24.5	24.0	25.3
Cost burden >30–50% of income	20.5	22.2	22.1	23.8	23.3	23.5	23.1	23.0	23.2	23.0	23.6
Severely inadequate housing	3.5	3.1	3.2	3.1	2.8	3.1	2.9	1.9	1.9	1.8	2.4
Moderately inadequate housing	7.4	7.5	7.5	6.8	6.4	4.7	6.2	4.6	3.9	3.9	4.3
Crowded housing	4.9	4.8	4.8	4.3	4.2	2.8	4.1	2.6	2.8	2.5	2.5
Owner households	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Unassisted with severe problems	10.8	10.4	12.4	13.2	14.6	14.7	12.8	11.2	12.1	12.1	12.9
Unassisted with nonsevere problems only	16.6	16.9	18.1	18.9	19.6	19.5	17.1	15.1	17.3	16.8	16.5
Unassisted with no problems	72.6	72.7	69.5	67.9	65.8	65.8	70.2	73.7	70.5	71.1	70.6
Cost burden >50% of income	9.6	9.3	11.4	12.4	13.7	13.6	12.0	10.5	11.6	11.5	12.2
Cost burden >30–50% of income	14.0	14.4	15.9	16.9	17.8	17.4	15.3	12.3	14.7	14.3	14.0
Severely inadequate housing	1.3	1.3	1.2	1.0	1.1	1.2	1.0	0.9	0.7	0.8	0.9
Moderately inadequate housing	2.8	2.5	2.2	2.1	2.1	1.7	1.9	2.5	2.4	2.2	2.1
Crowded housing	1.4	1.3	1.3	1.3	1.3	1.1	1.1	0.9	0.9	0.9	1.0

Source: HUD-PD&R tabulations of the American Housing Survey

Exhibit A-3. Housing Conditions of Unassisted Renter Households by Relative Income, 2019 and 2021

	Household Income as Percentage of HUD Area Median Family Income					
2021	**0–30%**	**>30–50%**	**>50–80%**	**>80–120%**	**>120%**	**All Incomes**
Total unassisted households (thousands)	**8,230**	**5,964**	**9,025**	**7,387**	**9,010**	**39,616**
Any with severe problems	**6,051**	**2,475**	**1,105**	**324**	**266**	**10,221**
Rent burden >50% of income	5,915	2,373	938	239	141	9,606
[Rent above FMR]	2,099	1,432	761	228	141	4,661
Severely inadequate housing	331	150	189	95	125	890
Any with nonsevere problems only	**1,031**	**2,711**	**4,386**	**1,890**	**931**	**10,949**
Rent burden >30–50% of income	844	2,590	3,886	1,416	499	9,235
Moderately inadequate housing	232	247	452	402	341	1,674
Crowded housing	195	196	333	140	122	986
Any with no problems	**1,148**	**778**	**3,534**	**5,173**	**7,813**	**18,446**
2019	**0–30%**	**>30–50%**	**>50–80%**	**>80–120%**	**>120%**	**All Incomes**
Total unassisted households (thousands)	**7,799**	**5,537**	**8,196**	**7,315**	**9,650**	**38,497**
Any with severe problems	**5,780**	**1,986**	**1,013**	**372**	**200**	**9,351**
Rent burden >50% of income	5,672	1,896	863	283	128	8,842
[Rent above FMR]	2,065	1,047	658	280	128	4,178
Severely inadequate housing	247	127	157	89	72	692
Any with nonsevere problems only	**955**	**2,642**	**3,805**	**1,737**	**1,086**	**10,225**
Rent burden >30–50% of income	764	2,541	3,327	1,322	610	8,564
Moderately inadequate housing	213	216	427	278	335	1,469
Crowded housing	175	178	306	165	172	996
Any with no problems	**1,064**	**909**	**3,378**	**5,206**	**8,363**	**18,920**

FMR = Fair Market Rent.
Source: HUD-PD&R tabulations of the American Housing Survey

Exhibit A-4. Prevalence of Housing Problems Among Renters by Relative Income, 2019 and 2021

	Number	Number	Percentage	Percentage
	2019	2021	2019	2021
Renter households (thousands)	**44,659**	**45,991**	**100.0**	**100.0**
Unassisted with severe problems	9,351	10,221	20.9	22.2
Unassisted with nonsevere problems only	10,225	10,949	22.9	23.8
Unassisted with no problems	18,920	18,446	42.4	40.1
Assisted	6,164	6,374	13.8	13.9
Any with severe problems	**11,321**	**12,370**	25.3	**26.9**
Rent burden >50% of income	10,738	11,628	24.0	25.3
Severely inadequate housing	816	1,113	1.8	2.4
[Rent burden only]	9,743	10,455	21.8	22.7
Any with nonsevere problems only	**12,174**	**12,884**	27.3	**28.0**
Rent burden >30–50% of income	10,291	10,873	23.0	23.6
Moderately inadequate housing	1,729	1,956	3.9	4.3
Crowded housing	1,106	1,151	2.5	2.5
[Rent burden only]	9,402	9,867	21.1	21.5
Any with no problems	**21,163**	**20,738**	47.4	**45.1**
Income 0–30% HAMFI (thousands)	**11,748**	**12,319**	**100.0**	**100.0**
Unassisted with severe problems	5,780	6,051	49.2	49.1
Unassisted with nonsevere problems only	955	1,031	8.1	8.4
Unassisted with no problems	1,064	1,148	9.1	9.3
Assisted	3,950	4,089	33.6	33.2
Any with severe problems	**7,537**	**7,920**	64.2	**64.3**
Rent burden >50% of income	7,372	7,708	62.8	62.6
Severely inadequate housing	353	493	3.0	4.0
[Rent burden only]	6,601	6,834	56.2	55.5
Any with nonsevere problems only	**2,087**	**2,140**	17.8	**17.4**
Rent burden >30–50% of income	1,791	1,808	15.2	14.7
Moderately inadequate housing	336	392	2.9	3.2
Crowded housing	247	281	2.1	2.3
[Rent burden only]	1,523	1,499	13.0	12.2
Any with no problems	**2,124**	**2,260**	18.1	**18.3**
Income >30–50% HAMFI (thousands)	**6,640**	**7,019**	**100.0**	**100.0**
Unassisted with severe problems	1,986	2,475	29.9	35.3
Unassisted with nonsevere problems only	2,642	2,711	39.8	38.6
Unassisted with no problems	909	778	13.7	11.1
Assisted	1,103	1,055	16.6	15.0
Any with severe problems	**2,157**	**2,669**	**32.5**	**38.0**
Rent burden >50% of income	2,064	2,547	31.1	36.3
Severely inadequate housing	131	173	2.0	2.5
[Rent burden only]	1,900	2,370	28.6	33.8

(continued)

Exhibit A-4. Prevalence of Housing Problems Among Renters by Relative Income, 2019 and 2021 *(continued)*

	Number	Number	Percentage	Percentage
	2019	2021	2019	2021
Any with nonsevere problems only	**3,153**	**3,200**	**47.5**	**45.6**
Rent burden >30–50% of income	3,016	3,028	45.4	43.1
Moderately inadequate housing	274	311	4.1	4.4
Crowded housing	196	213	3.0	3.0
[Rent burden only]	2,692	2,690	40.5	38.3
Any with no problems	**1,329**	**1,150**	**20.0**	**16.4**
Income >50–80% HAMFI (thousands)	**8,786**	**9,631**	**100.0**	**100.0**
Unassisted with severe problems	1,013	1,105	11.5	11.5
Unassisted with nonsevere problems only	3,805	4,386	43.3	45.5
Unassisted with no problems	3,378	3,534	38.4	36.7
Assisted	590	606	6.7	6.3
Any with severe problems	**1,041**	**1,160**	**11.8**	**12.0**
Rent burden >50% of income	880	975	10.0	10.1
Severely inadequate housing	169	213	1.9	2.2
[Rent burden only]	837	882	9.5	9.2
Any with nonsevere problems only	**4,029**	**4,611**	**45.9**	**47.9**
Rent burden >30–50% of income	3,510	4,058	39.9	42.1
Moderately inadequate housing	479	480	5.5	5.0
Crowded housing	314	372	3.6	3.9
[Rent burden only]	3,248	3,785	37.0	39.3
Any with no problems	**3,715**	**3,860**	**42.3**	**40.1**
Income >80–120% HAMFI (thousands)	**7,583**	**7,775**	**100.0**	**100.0**
Unassisted with severe problems	372	324	4.9	4.2
Unassisted with nonsevere problems only	1,737	1,890	22.9	24.3
Unassisted with no problems	5,206	5,173	68.7	66.5
Assisted	268	388	3.5	5.0
Any with severe problems	**380**	**348**	**5.0**	**4.5**
Rent burden >50% of income	289	256	3.8	3.3
Severely inadequate housing	90	102	1.2	1.3
[Rent burden only]	274	244	3.6	3.1
Any with nonsevere problems only	**1,787**	**1,963**	**23.6**	**25.2**
Rent burden >30–50% of income	1,358	1,464	17.9	18.8
Moderately inadequate housing	289	418	3.8	5.4
Crowded housing	168	152	2.2	2.0
[Rent burden only]	1,335	1,405	17.6	18.1
Any with no problems	**5,417**	**5,464**	**71.4**	**70.3**
Income >120% HAMFI (thousands)	**9,902**	**9,247**	**100.0**	**100.0**
Unassisted with severe problems	200	266	2.0	2.9
Unassisted with nonsevere problems only	1,086	931	11.0	10.1
Unassisted with no problems	8,363	7,813	84.5	84.5
Assisted	253	236	2.6	2.6

(continued)

Exhibit A-4. Prevalence of Housing Problems Among Renters by Relative Income, 2019 and 2021 *(continued)*

	Number	Number	Percentage	Percentage
	2019	2021	2019	2021
Any with severe problems	**206**	**273**	**2.1**	**3.0**
Rent burden >50% of income	133	142	1.3	1.5
Severely inadequate housing	73	132	0.7	1.4
[Rent burden only]	131	125	1.3	1.4
Any with nonsevere problems only	**1,118**	**970**	**11.3**	**10.5**
Rent burden >30–50% of income	616	515	6.2	5.6
Moderately inadequate housing	351	355	3.5	3.8
Crowded housing	181	133	1.8	1.4
[Rent burden only]	604	488	6.1	5.3
Any with no problems	**8,578**	**8,004**	**86.6**	**86.6**

HAMFI = HUD area median family income.
Source: HUD-PD&R tabulations of the American Housing Survey

Exhibit A-5A. Prevalence of Housing Problems Among Very Low-Income Renters by Household Type, 2019 and 2021

	Number	Number	Percentage	Percentage
Household type	2019	2021	2019	2021
All household types (thousands)	**18,388**	**19,337**	**100.0**	**100.0**
Older adults without children (thousands)	**5,567**	**5,858**	**100.0**	**100.0**
Unassisted with severe problems	2,241	2,349	40.3	40.1
Unassisted with nonsevere problems only	743	805	13.3	13.7
Unassisted with no problems	590	566	10.6	9.7
Assisted	1,993	2,138	35.8	36.5
Any with severe problems	**3,002**	**3,131**	**53.9**	**53.4**
Rent burden >50% of income	2,930	3,066	52.6	52.3
Severely inadequate housing	131	145	2.4	2.5
[Rent burden only]	2,636	2,757	47.4	47.1
Any with nonsevere problems only	**1,394**	**1,472**	**25.0**	**25.1**
Rent burden >30–50% of income	1,320	1,399	23.7	23.9
Moderately inadequate housing	142	162	2.6	2.8
Crowded housing	(D)	(D)	(D)	(D)
[Rent burden only]	1,252	1,302	22.5	22.2
Any with no problems	**1,172**	**1,255**	**21.1**	**21.4**
Families with children (thousands)	**5,654**	**5,923**	**100.0**	**100.0**
Unassisted with severe problems	2,271	2,629	40.2	44.4
Unassisted with nonsevere problems only	1,463	1,417	25.9	23.9
Unassisted with no problems	470	465	8.3	7.9
Assisted	1,450	1,412	25.6	23.8
Any with severe problems	**2,865**	**3,250**	**50.7**	**54.9**
Rent burden >50% of income	2,797	3,118	49.5	52.6
Severely inadequate housing	131	251	2.3	4.2
[Rent burden only]	2,509	2,772	44.4	46.8

(continued)

Exhibit A-5A. Prevalence of Housing Problems Among Very Low-Income Renters by Household Type, 2019 and 2021 *(continued)*

	Number	Number	Percentage	Percentage
Household type	2019	2021	2019	2021
Any with nonsevere problems only	**1,975**	**1,868**	**34.9**	**31.5**
Rent burden >30–50% of income	1,760	1,607	31.1	27.1
Moderately inadequate housing	194	246	3.4	4.2
Crowded housing	420	462	7.4	7.8
[Rent burden only]	1,383	1,200	24.5	20.3
Any with no problems	**813**	**805**	**14.4**	**13.6**
Other family households (thousands)	**1,649**	**1,837**	**100.0**	**100.0**
Unassisted with severe problems	720	918	43.7	50.0
Unassisted with nonsevere problems only	432	398	26.2	21.7
Unassisted with no problems	196	208	11.9	11.3
Assisted	301	313	18.3	17.0
Any with severe problems	**821**	**1,065**	**49.8**	**58.0**
Rent burden >50% of income	795	1,034	48.2	56.3
Severely inadequate housing	45	74	2.7	4.0
[Rent burden only]	719	920	43.6	50.1
Any with nonsevere problems only	**520**	**492**	**31.5**	**26.8**
Rent burden >30–50% of income	489	455	29.7	24.8
Moderately inadequate housing	70	69	4.2	3.8
Crowded housing	15	21	0.9	1.1
[Rent burden only]	436	406	26.4	22.1
Any with no problems	**308**	**280**	**18.7**	**15.2**
Other nonfamily households (thousands)	**5,518**	**5,719**	**100.0**	**100.0**
Unassisted with severe problems	2,535	2,629	45.9	46.0
Unassisted with nonsevere problems only	958	1,120	17.4	19.6
Unassisted with no problems	716	688	13.0	12.0
Assisted	1,309	1,282	23.7	22.4
Any with severe problems	**3,006**	**3,142**	**54.5**	**54.9**
Rent burden >50% of income	2,913	3,038	52.8	53.1
Severely inadequate housing	177	195	3.2	3.4
[Rent burden only]	2,636	2,754	47.8	48.2
Any with nonsevere problems only	**1,351**	**1,508**	**24.5**	**26.4**
Rent burden >30–50% of income	1,238	1,375	22.4	24.0
Moderately inadequate housing	206	226	3.7	4.0
Crowded housing	(D)	(D)	(D)	(D)
[Rent burden only]	1,145	1,281	20.8	22.4
Any with no problems	**1,161**	**1,069**	**21.0**	**18.7**

(D) = value suppressed in accord with Census Bureau disclosure prevention requirements.|
Source: HUD-PD&R tabulations of the American Housing Survey

Exhibit A-5B. Prevalence of Housing Problems Among Very Low-Income Renter Households Containing People with Disabilities* by Household Type, 2019 and 2021

	Number	Number	Percentage	Percentage
Household type	2019	2021	2019	2021
All household types (thousands)	**2,895**	**3,359**	**100.0**	**100.0**
Older adults without children (thousands)	**105**	**160**	**100.0**	**100.0**
Unassisted with severe problems	42	77	40.0	48.1
Unassisted with nonsevere problems only	20	34	19.0	21.3
Unassisted with no problems	8	15	7.6	9.4
Assisted	36	34	34.3	21.3
Any with severe problems	**57**	**87**	**54.3**	**54.4**
Rent burden >50% of income	49	86	46.7	53.8
Severely inadequate housing	10	15	9.5	9.4
[Rent burden only]	41	66	39.0	41.3
Any with nonsevere problems only	**33**	**50**	**31.4**	**31.3**
Rent burden >30–50% of income	32	49	30.5	30.6
Moderately inadequate housing	3	12	2.9	7.5
Crowded housing	(D)	(D)	(D)	(D)
[Rent burden only]	30	37	28.6	23.1
Any with no problems	**15**	**23**	**14.3**	**14.4**
Families with children (thousands)	**892**	**1,056**	**100.0**	**100.0**
Unassisted with severe problems	336	389	37.7	36.8
Unassisted with nonsevere problems only	228	206	25.6	19.5
Unassisted with no problems	33	78	3.7	7.4
Assisted	295	383	33.1	36.3
Any with severe problems	**437**	**555**	**49.0**	**52.6**
Rent burden >50% of income	416	527	46.6	49.9
Severely inadequate housing	45	58	5.0	5.5
[Rent burden only]	346	429	38.8	40.6
Any with nonsevere problems only	**340**	**330**	**38.1**	**31.3**
Rent burden >30–50% of income	298	273	33.4	25.9
Moderately inadequate housing	71	68	8.0	6.4
Crowded housing	51	83	5.7	7.9
[Rent burden only]	219	196	24.6	18.6
Any with no problems	**116**	**170**	**13.0**	**16.1**

(continued)

Exhibit A-5B. Prevalence of Housing Problems Among Very Low-Income Renter Households Containing People with Disabilities* by Household Type, 2019 and 2021 *(continued)*

	Number	Number	Percentage	Percentage
Household type	2019	2021	2019	2021
Other family households (thousands)	**403**	**514**	**100.0**	**100.0**
Unassisted with severe problems	164	231	40.7	44.9
Unassisted with nonsevere problems only	80	86	19.9	16.7
Unassisted with no problems	46	55	11.4	10.7
Assisted	114	142	28.3	27.6
Any with severe problems	**204**	**294**	**50.6**	**57.2**
Rent burden >50% of income	195	284	48.4	55.3
Severely inadequate housing	13	36	3.2	7.0
[Rent burden only]	166	238	41.2	46.3
Any with nonsevere problems only	**113**	**120**	**28.0**	**23.3**
Rent burden >30–50% of income	95	112	23.6	21.8
Moderately inadequate housing	32	21	7.9	4.1
Crowded housing	(D)	10	(D)	1.9
[Rent burden only]	80	93	19.9	18.1
Any with no problems	**86**	**100**	**21.3**	**19.5**
Other nonfamily households (thousands)	**1,495**	**1,629**	**100.0**	**100.0**
Unassisted with severe problems	503	560	33.6	34.4
Unassisted with nonsevere problems only	238	254	15.9	15.6
Unassisted with no problems	110	81	7.4	5.0
Assisted	644	735	43.1	45.1
Any with severe problems	**730**	**831**	**48.8**	**51.0**
Rent burden >50% of income	703	783	47.0	48.1
Severely inadequate housing	64	93	4.3	5.7
[Rent burden only]	577	673	38.6	41.3
Any with nonsevere problems only	**439**	**491**	**29.4**	**30.1**
Rent burden >30–50% of income	391	428	26.2	26.3
Moderately inadequate housing	102	90	6.8	5.5
Crowded housing	(D)	(D)	(D)	(D)
[Rent burden only]	337	401	22.5	24.6
Any with no problems	**326**	**307**	**21.8**	**18.8**

(D) = value suppressed in accord with Census Bureau disclosure prevention requirements.
* Older adults with disabilities were excluded.
Source: HUD-PD&R tabulations of the American Housing Survey

Exhibit A-6A. Housing Problems and Characteristics of Very Low-Income Renters by Household Type, 2021

	Total	Older Adults, No Children	Families with Children	Other Families	Other Nonfamily Households
Renter households (thousands)	**19,337**	**5,858**	**5,923**	**1,837**	**5,719**
Number of children	12,192	NA	12,192	NA	NA
Number of persons	42,135	7,600	23,188	4,583	6,764
Children/household	2.06	NA	2.06	NA	NA
Persons/household	2.18	1.30	3.91	2.49	1.18
Unassisted with severe problems	8,525	2,349	2,629	918	2,629
Unassisted with nonsevere problems only	3,740	805	1,417	398	1,120
Unassisted with no problems	1,927	566	465	208	688
Assisted	5,145	2,138	1,412	313	1,282
Any with severe problems	**10,588**	**3,131**	**3,250**	**1,065**	**3,142**
Rent burden >50% of income	10,256	3,066	3,118	1,034	3,038
Severely inadequate housing	665	145	251	74	195
[Rent burden only]	9,203	2,757	2,772	920	2,754
Any with nonsevere problems only	**5,340**	**1,472**	**1,868**	**492**	**1,508**
Rent burden >30–50% of income	4,836	1,399	1,607	455	1,375
Moderately inadequate housing	703	162	246	69	226
Crowded housing	494	(D)	462	21	(D)
[Rent burden only]	4,189	1,302	1,200	406	1,281
Any with no problems	**3,409**	**1,255**	**805**	**280**	**1,069**

(continued)

Exhibit A-6A. Housing Problems and Characteristics of Very Low-Income Renters by Household Type, 2021 *(continued)*

	Total	Older Adults, No Children	Families with Children	Other Families	Other Nonfamily Households
Other characteristics	**19,337**	**5,858**	**5,923**	**1,837**	**5,719**
One person in household	9,289	4,419	NA	NA	4,870
Two-spouse household	3,638	807	2,066	765	NA
Female householder	11,967	3,727	4,147	1,083	3,010
Householder of color	11,065	2,584	4,254	1,221	3,006
Welfare/SSI income	3,573	1,234	1,121	292	926
Social Security income	5,391	4,262	410	197	522
Income below 50% poverty	4,512	1,237	1,496	336	1,443
Income below poverty	9,939	2,818	3,556	800	2,765
Income below 150% of poverty	14,710	4,329	5,082	1,305	3,994
High school graduate	14,715	4,287	4,195	1,419	4,814
2+ years post-high school	4,446	1,296	1,058	426	1,666
Earnings at minimum wage: At least half time	7,968	576	3,753	1,075	2,564
Earnings at minimum wage: At least full time	6,410	402	3,104	901	2,003
Earnings main source of income	8,425	562	3,848	1,144	2,871
Housing rated poor	1,166	271	467	125	303
Housing rated good+	14,460	4,716	4,260	1,283	4,201
Neighborhood rated poor	1,279	287	472	141	379
Neighborhood rated good+	14,371	4,697	4,302	1,286	4,086
In central cities	9,375	2,685	2,755	972	2,963
Suburbs, urban	6,188	1,931	1,997	550	1,710
Suburbs, rural	1,504	474	504	168	358
Nonmetropolitan	2,274	769	668	148	689
Northeast	3,994	1,340	1,131	407	1,116
Midwest	3,947	1,255	1,030	280	1,382
South	6,726	1,876	2,205	627	2,018
West	4,670	1,387	1,558	523	1,202

NA = not applicable. (D) = value suppressed in accord with Census Bureau disclosure prevention requirements.
SSI = Supplemental Security Income.
Source: HUD-PD&R tabulations of the American Housing Survey

(continued)

Exhibit A-6B. Housing Problems and Characteristics of Extremely Low-Income Renters by Household Type, 2021

	Total	Older Adults, No Children	Families with Children	Other Families	Other Nonfamily Households
Renter households (thousands)	**12,319**	**3,907**	**3,980**	**1,028**	**3,404**
Number of children	8,643	NA	8,643	NA	NA
Number of persons	27,371	4,937	15,885	2,553	3,996
Children/household	2.17	NA	2.17	NA	NA
Persons/household	2.22	1.26	3.99	2.48	1.17
Unassisted with severe problems	6,051	1,662	2,062	612	1,715
Unassisted with nonsevere problems only	1,030	233	526	76	195
Unassisted with no problems	1,148	315	247	107	479
Assisted	4,090	1,697	1,145	233	1,015
Any with severe problems	**7,921**	**2,373**	**2,630**	**745**	**2,173**
Rent burden >50% of income	7,707	2,328	2,552	725	2,102
Severely inadequate housing	492	114	174	53	151
[Rent burden only]	6,835	2,072	2,260	627	1,876
Any with nonsevere problems only	**2,140**	**687**	**854**	**128**	**471**
Rent burden >30–50% of income	1,808	627	703	114	364
Moderately inadequate housing	393	108	121	23	141
Crowded housing	281	(D)	266	8	(D)
[Rent burden only]	1,499	575	496	98	330
Any with no problems	**2,259**	**847**	**496**	**155**	**761**

(continued)

Exhibit A-6B. Housing Problems and Characteristics of Extremely Low-Income Renters by Household Type, 2021 *(continued)*

	Total	Older Adults, No Children	Families with Children	Other Families	Other Nonfamily Households
Other characteristics	**12,319**	**3,907**	**3,980**	**1,028**	**3,404**
One person in household	5,995	3,058	NA	NA	2,937
Two-spouse household	2,113	460	1,242	411	NA
Female householder	7,859	2,532	2,844	620	1,863
Householder of color	7,299	1,913	2,876	692	1,818
Welfare/SSI income	2,875	1,047	859	203	766
Social Security income	3,511	2,700	299	117	395
Income below 50% poverty	4,512	1,237	1,496	336	1,443
Income below poverty	9,901	2,817	3,533	799	2,752
Income below 150% of poverty	11,901	3,698	3,951	985	3,267
High school graduate	8,955	2,728	2,648	806	2,773
2+ years post-high school	2,557	804	638	243	872
Earnings at minimum wage: At least half time	3,414	192	2,038	403	781
Earnings at minimum wage: At least full time	2,190	103	1,475	263	349
Earnings main source of income	4,189	243	2,249	506	1,191
Housing rated poor	846	211	345	81	209
Housing rated good+	9,036	3,118	2,779	699	2,440
Neighborhood rated poor	928	207	344	96	281
Neighborhood rated good+	8,995	3,098	2,830	739	2,328
In central cities	6,120	1,896	1,873	559	1,792
Suburbs, urban	3,695	1,234	1,235	269	957
Suburbs, rural	934	291	350	107	186
Nonmetropolitan	1,568	486	521	92	469
Northeast	2,567	957	742	212	656
Midwest	2,365	739	669	140	817
South	4,461	1,297	1,606	364	1,194
West	2,928	915	963	312	738

NA = not applicable. SSI = Supplemental Security Income. (D) = value suppressed in accord with Census Bureau disclosure prevention requirements.
Source: HUD-PD&R tabulations of the American Housing Survey

Exhibit A-7. Housing Problems and Characteristics of Very Low-Income Worst Case Renters by Household Type, 2021

	Total	Older Adults, No Children	Families with Children	Other Families	Other Nonfamily Households
Renter households (thousands)	**8,525**	**2,349**	**2,629**	**918**	**2,629**
Number of children	5,168	0	5,168	NA	NA
Number of persons	19,062	3,195	10,310	2,326	3,231
Children/household	1.97	NA	1.97	NA	NA
Persons/household	2.24	1.36	3.92	2.53	1.23
Unassisted with severe problems	8,525	2,349	2,629	918	2,629
Unassisted with nonsevere problems only	—	—	—	—	—
Unassisted with no problems	—	—	—	—	—
Assisted	—	—	—	—	—
Any with severe problems	**8,525**	**2,349**	**2,629**	**918**	**2,629**
Rent burden >50% of income	8,289	2,313	2,528	896	2,552
Severely inadequate housing	481	92	191	49	149
[Rent burden only]	7,458	2,068	2,259	806	2,325
Any with nonsevere problems only	**—**	**—**	**—**	**—**	**—**
Rent burden >30–50% of income	—	—	—	—	—
Moderately inadequate housing	—	—	—	—	—
Crowded housing	—	—	—	—	—
[Rent burden only]	—	—	—	—	—
Any with no problems	**—**	**—**	**—**	**—**	**—**

(continued)

Exhibit A-7. Housing Problems and Characteristics of Very Low-Income Worst Case Renters by Household Type, 2021 *(continued)*

	Total	Older Adults, No Children	Families with Children	Other Families	Other Nonfamily Households
Other characteristics	**8,525**	**2,349**	**2,629**	**918**	**2,629**
One person in household	3,825	1,649	NA	NA	2,176
Two-spouse household	1,812	391	1,018	403	NA
Female householder	5,094	1,428	1,776	500	1,390
Householder of color	4,879	942	1,897	627	1,413
Welfare/SSI income	1,263	366	423	132	342
Social Security income	2,193	1,744	192	89	168
Income below 50% poverty	2,185	629	735	175	646
Income below poverty	4,811	1,210	1,805	480	1,316
Income below 150% of poverty	6,912	1,787	2,414	733	1,978
High school graduate	6,627	1,809	1,755	764	2,299
2+ years post-high school	2,221	610	515	256	840
Earnings at minimum wage: At least half time	3,611	246	1,571	525	1,269
Earnings at minimum wage: At least full time	2,630	185	1,155	421	869
Earnings main source of income	4,108	271	1,670	602	1,565
Housing rated poor	445	102	204	29	110
Housing rated good+	6,490	1,891	1,956	669	1,974
Neighborhood rated poor	457	100	161	47	149
Neighborhood rated good+	6,509	1,904	2,006	682	1,917
In central cities	4,073	1,026	1,144	500	1,403
Suburbs, urban	3,062	870	1,043	294	855
Suburbs, rural	586	183	198	75	130
Nonmetropolitan	805	271	244	49	241
Northeast	1,620	479	487	173	481
Midwest	1,484	460	360	105	559
South	3,168	800	1,030	341	997
West	2,255	611	752	299	593

NA = not applicable. SSI = Supplemental Security Income.
Source: HUD-PD&R tabulations of the American Housing Survey

Exhibit A-8. Housing Problems and Characteristics of Extremely Low-Income Worst Case Renters by Household Type, 2021

	Total	Older Adults, No Children	Families with Children	Other Families	Other Nonfamily Households
Renter households (thousands)	**6,051**	**1,662**	**2,062**	**612**	**1,715**
Number of children	4,220	NA	4,220	NA	NA
Number of persons	14,147	2,283	8,203	1,544	2,117
Children/household	2.05	NA	2.05	NA	NA
Persons/household	2.34	1.37	3.98	2.52	1.23
Unassisted with severe problems	6,051	1,662	2,062	612	1,715
Unassisted with nonsevere problems only	—	—	—	—	—
Unassisted with no problems	—	—	—	—	—
Assisted	—	—	—	—	—
Any with severe problems	**6,051**	**1,662**	**2,062**	**612**	**1,715**
Rent burden >50% of income	5,915	1,643	2,004	600	1,668
Severely inadequate housing	331	66	125	30	110
[Rent burden only]	5,246	1,442	1,788	522	1,494
Any with nonsevere problems only	**—**	**—**	**—**	**—**	**—**
Rent burden >30–50% of income	—	—	—	—	—
Moderately inadequate housing	—	—	—	—	—
Crowded housing	—	—	—	—	—
[Rent burden only]	—	—	—	—	—
Any with no problems	**—**	**—**	**—**	**—**	**—**

(continued)

Exhibit A-8. Housing Problems and Characteristics of Extremely Low-Income Worst Case Renters by Household Type, 2021 *(continued)*

	Total	Older Adults, No Children	Families with Children	Other Families	Other Nonfamily Households
Other characteristics	**6,051**	**1,662**	**2,062**	**612**	**1,715**
One person in household	2,571	1,152	NA	NA	1,419
Two-spouse household	1,318	274	777	267	NA
Female householder	3,690	1,014	1,411	345	920
Householder of color	3,532	724	1,508	406	894
Welfare/SSI income	1,085	318	362	109	296
Social Security income	1,547	1,197	151	62	137
Income below 50% poverty	2,185	629	735	175	646
Income below poverty	4,801	1,210	1,795	480	1,316
Income below 150% of poverty	5,833	1,574	2,046	589	1,624
High school graduate	4,541	1,234	1,312	517	1,478
2+ years post-high school	1,432	378	378	169	507
Earnings at minimum wage: At least half time	2,065	124	1,098	274	569
Earnings at minimum wage: At least full time	1,209	80	729	183	217
Earnings main source of income	2,680	159	1,252	365	904
Housing rated poor	361	91	164	24	82
Housing rated good+	4,522	1,315	1,512	438	1,257
Neighborhood rated poor	353	78	130	39	106
Neighborhood rated good+	4,521	1,331	1,530	457	1,203
In central cities	2,909	758	922	338	891
Suburbs, urban	2,077	584	788	165	540
Suburbs, rural	428	133	146	69	80
Nonmetropolitan	637	187	206	39	205
Northeast	1,134	357	376	107	294
Midwest	1,102	290	307	79	426
South	2,253	600	825	234	594
West	1,561	415	553	191	402

NA = not applicable. SSI = Supplemental Security Income.
Source: HUD-PD&R tabulations of the American Housing Survey

Exhibit A-9. Prevalence of Housing Problems Among Very Low-Income Renters by Race and Ethnicity, 2019 and 2021—Number and Percentage

	Number	Number	Percentage	Percentage
	2019	2021	2019	2021
Non-Hispanic White (thousands)	**8,290**	**8,273**	**100.0**	**100.0**
Unassisted with severe problems	3,623	3,646	43.7	44.1
Unassisted with nonsevere problems only	1,628	1,672	19.6	20.2
Unassisted with no problems	1,063	982	12.8	11.9
Assisted	1,977	1,974	23.8	23.9
Any with severe problems	**4,263**	**4,386**	**51.4**	**53.0**
Rent burden >50% of income	4,158	4,284	50.2	51.8
Severely inadequate housing	161	206	1.9	2.5
[Rent burden only]	3,752	3,876	45.3	46.9
Any with nonsevere problems only	**2,346**	**2,304**	**28.3**	**27.8**
Rent burden >30–50% of income	2,170	2,140	26.2	25.9
Moderately inadequate housing	285	277	3.4	3.3
Crowded housing	127	102	1.5	1.2
[Rent burden only]	1,940	1,931	23.4	23.3
Any with no problems	**1,682**	**1,583**	**20.3**	**19.1**
Non-Hispanic Black (thousands)	**4,393**	**4,887**	**100.0**	**100.0**
Unassisted with severe problems	1,588	1,922	36.1	39.3
Unassisted with nonsevere problems only	671	846	15.3	17.3
Unassisted with no problems	373	356	8.5	7.3
Assisted	1,761	1,762	40.1	36.1
Any with severe problems	**2,341**	**2,669**	**53.3**	**54.6**
Rent burden >50% of income	2,279	2,592	51.9	53.0
Severely inadequate housing	134	185	3.1	3.8
[Rent burden only]	2,046	2,309	46.6	47.2
Any with nonsevere problems only	**1,182**	**1,362**	**26.9**	**27.9**
Rent burden >30–50% of income	1,054	1,245	24.0	25.5
Moderately inadequate housing	174	195	4.0	4.0
Crowded housing	76	98	1.7	2.0
[Rent burden only]	942	1,075	21.4	22.0
Any with no problems	**870**	**856**	**19.8**	**17.5**

(continued)

Exhibit A-9. Prevalence of Housing Problems Among Very Low-Income Renters by Race and Ethnicity, 2019 and 2021—Number and Percentage *(continued)*

	Number	Number	Percentage	Percentage
	2019	2021	2019	2021
Hispanic (thousands)	**4,258**	**4,573**	**100.0**	**100.0**
Unassisted with severe problems	1,922	2,168	45.1	47.4
Unassisted with nonsevere problems only	1,029	984	24.2	21.5
Unassisted with no problems	382	427	9.0	9.3
Assisted	924	994	21.7	21.7
Any with severe problems	**2,333**	**2,578**	**54.8**	**56.4**
Rent burden >50% of income	2,275	2,477	53.4	54.2
Severely inadequate housing	133	192	3.1	4.2
[Rent burden only]	2,061	2,228	48.4	48.7
Any with nonsevere problems only	**1,314**	**1,300**	**30.9**	**28.4**
Rent burden >30–50% of income	1,208	1,128	28.4	24.7
Moderately inadequate housing	103	180	2.4	3.9
Crowded housing	212	253	5.0	5.5
[Rent burden only]	1,008	902	23.7	19.7
Any with no problems	**611**	**695**	**14.3**	**15.2**
Asian (thousands)		**888**		**100.0**
Unassisted with severe problems	—	467	—	52.6
Unassisted with nonsevere problems only	—	133	—	15.0
Unassisted with no problems	—	102	—	11.5
Assisted	—	186	—	20.9
Any with severe problems	**—**	**547**	**—**	**61.6**
Rent burden >50% of income	—	538	—	60.6
Severely inadequate housing	—	19	—	2.1
[Rent burden only]	—	511	—	57.5
Any with nonsevere problems only	**—**	**191**	**—**	**21.5**
Rent burden >30–50% of income	—	167	—	18.8
Moderately inadequate housing	—	14	—	1.6
Crowded housing	—	32	—	3.6
[Rent burden only]	—	145	—	16.3
Any with no problems	**—**	**150**	**—**	**16.9**

Source: HUD-PD&R tabulations of the American Housing Survey

Exhibit A-10. Prevalence of Housing Problems Among Very Low-Income Renters by Region, 2019 and 2021—Number and Percentage

	Number	Number	Percentage	Percentage
	2019	2021	2019	2021
Northeast (thousands)	**3,950**	**3,994**	**100.0**	**100.0**
Unassisted with severe problems	1,507	1,620	38.2	40.6
Unassisted with nonsevere problems only	720	667	18.2	16.7
Unassisted with no problems	416	335	10.5	8.4
Assisted	1,307	1,373	33.1	34.4
Any with severe problems	**2,029**	**2,172**	**51.4**	**54.4**
Rent burden >50% of income	1,958	2,082	49.6	52.1
Severely inadequate housing	166	189	4.2	4.7
[Rent burden only]	1,726	1,828	43.7	45.8
Any with nonsevere problems only	**1,141**	**1,067**	**28.9**	**26.7**
Rent burden >30–50% of income	1,080	975	27.3	24.4
Moderately inadequate housing	112	165	2.8	4.1
Crowded housing	75	81	1.9	2.0
[Rent burden only]	969	831	24.5	20.8
Any with no problems	**779**	**755**	**19.7**	**18.9**
Midwest (thousands)	**3,715**	**3,947**	**100.0**	**100.0**
Unassisted with severe problems	1,346	1,484	36.2	37.6
Unassisted with nonsevere problems only	877	954	23.6	24.2
Unassisted with no problems	387	450	10.4	11.4
Assisted	1,106	1,059	29.8	26.8
Any with severe problems	**1,690**	**1,860**	**45.5**	**47.1**
Rent burden >50% of income	1,656	1,804	44.6	45.7
Severely inadequate housing	66	94	1.8	2.4
[Rent burden only]	1,521	1,656	40.9	42.0
Any with nonsevere problems only	**1,239**	**1,306**	**33.4**	**33.1**
Rent burden >30–50% of income	1,145	1,187	30.8	30.1
Moderately inadequate housing	124	168	3.3	4.3
Crowded housing	81	97	2.2	2.5
[Rent burden only]	1,042	1,048	28.0	26.6
Any with no problems	**786**	**781**	**21.2**	**19.8**

(continued)

Exhibit A-10. Prevalence of Housing Problems Among Very Low-Income Renters by Region, 2019 and 2021—Number and Percentage *(continued)*

	Number	Number	Percentage	Percentage
	2019	2021	2019	2021
South (thousands)	**6,413**	**6,727**	**100.0**	**100.0**
Unassisted with severe problems	2,796	3,168	43.6	47.1
Unassisted with nonsevere problems only	1,246	1,312	19.4	19.5
Unassisted with no problems	780	664	12.2	9.9
Assisted	1,592	1,582	24.8	23.5
Any with severe problems	**3,428**	**3,811**	**53.5**	**56.7**
Rent burden >50% of income	3,331	3,703	51.9	55.0
Severely inadequate housing	152	244	2.4	3.6
[Rent burden only]	2,978	3,274	46.4	48.7
Any with nonsevere problems only	**1,727**	**1,803**	**26.9**	**26.8**
Rent burden >30–50% of income	1,549	1,652	24.2	24.6
Moderately inadequate housing	270	224	4.2	3.3
Crowded housing	150	121	2.3	1.8
[Rent burden only]	1,310	1,471	20.4	21.9
Any with no problems	**1,258**	**1,112**	**19.6**	**16.5**
West (thousands)	**4,310**	**4,670**	**100.0**	**100.0**
Unassisted with severe problems	2,118	2,254	49.1	48.3
Unassisted with nonsevere problems only	754	808	17.5	17.3
Unassisted with no problems	390	477	9.0	10.2
Assisted	1,048	1,130	24.3	24.2
Any with severe problems	**2,548**	**2,745**	**59.1**	**58.8**
Rent burden >50% of income	2,491	2,666	57.8	57.1
Severely inadequate housing	100	140	2.3	3.0
[Rent burden only]	2,275	2,445	52.8	52.4
Any with nonsevere problems only	**1,133**	**1,163**	**26.3**	**24.9**
Rent burden >30–50% of income	1,033	1,022	24.0	21.9
Moderately inadequate housing	105	146	2.4	3.1
Crowded housing	137	195	3.2	4.2
[Rent burden only]	894	839	20.7	18.0
Any with no problems	**630**	**761**	**14.6**	**16.3**

Source: HUD-PD&R tabulations of the American Housing Survey

(continued)

Exhibit A-11A. Prevalence of Housing Problems Among Very Low-Income Renters by Metropolitan Location, 2019 and 2021—Number and Percentage

	Number	Number	Percentage	Percentage
	2019	2021	2019	2021
Central cities (thousands)	**8,936**	**9,375**	**100.0**	**100.0**
Unassisted with severe problems	3,904	4,073	43.7	43.4
Unassisted with nonsevere problems only	1,629	1,767	18.2	18.8
Unassisted with no problems	850	806	9.5	8.6
Assisted	2,553	2,729	28.6	29.1
Any with severe problems	**4,996**	**5,209**	**55.9**	**55.6**
Rent burden >50% of income	4,867	5,037	54.5	53.7
Severely inadequate housing	273	376	3.1	4.0
[Rent burden only]	4,347	4,491	48.6	47.9
Any with nonsevere problems only	**2,386**	**2,609**	**26.7**	**27.8**
Rent burden >30–50% of income	2,172	2,329	24.3	24.8
Moderately inadequate housing	296	370	3.3	3.9
Crowded housing	240	249	2.7	2.7
[Rent burden only]	1,873	2,014	21.0	21.5
Any with no problems	**1,554**	**1,557**	**17.4**	**16.6**
Suburbs, urban (thousands)	**5,625**	**6,187**	**100.0**	**100.0**
Unassisted with severe problems	2,524	3,062	44.9	49.5
Unassisted with nonsevere problems only	1,213	1,195	21.6	19.3
Unassisted with no problems	511	564	9.1	9.1
Assisted	1,377	1,366	24.5	22.1
Any with severe problems	**3,048**	**3,603**	**54.2**	**58.2**
Rent burden >50% of income	3,023	3,536	53.7	57.2
Severely inadequate housing	77	116	1.4	1.9
[Rent burden only]	2,768	3,251	49.2	52.5
Any with nonsevere problems only	**1,684**	**1,616**	**29.9**	**26.1**
Rent burden >30–50% of income	1,565	1,509	27.8	24.4
Moderately inadequate housing	163	162	2.9	2.6
Crowded housing	123	169	2.2	2.7
[Rent burden only]	1,403	1,306	24.9	21.1
Any with no problems	**893**	**967**	**15.9**	**15.6**

(continued)

Exhibit A-11A. Prevalence of Housing Problems Among Very Low-Income Renters by Metropolitan Location, 2019 and 2021—Number and Percentage *(continued)*

	Number	Number	Percentage	Percentage
	2019	2021	2019	2021
Suburbs, rural (thousands)	**1,552**	**1,504**	**100.0**	**100.0**
Unassisted with severe problems	594	587	38.3	39.0
Unassisted with nonsevere problems only	327	346	21.1	23.0
Unassisted with no problems	288	239	18.6	15.9
Assisted	343	331	22.1	22.0
Any with severe problems	**716**	**701**	**46.1**	**46.6**
Rent burden >50% of income	675	663	43.5	44.1
Severely inadequate housing	51	68	3.3	4.5
[Rent burden only]	615	583	39.6	38.8
Any with nonsevere problems only	**452**	**461**	**29.1**	**30.7**
Rent burden >30–50% of income	416	430	26.8	28.6
Moderately inadequate housing	44	49	2.8	3.3
Crowded housing	33	53	2.1	3.5
[Rent burden only]	375	360	24.2	23.9
Any with no problems	**384**	**342**	**24.7**	**22.7**
Nonmetropolitan (thousands)	**2,276**	**2,273**	**100.0**	**100.0**
Unassisted with severe problems	744	805	32.7	35.4
Unassisted with nonsevere problems only	427	433	18.8	19.0
Unassisted with no problems	324	317	14.2	13.9
Assisted	781	718	34.3	31.6
Any with severe problems	**935**	**1,076**	**41.1**	**47.3**
Rent burden >50% of income	870	1,019	38.2	44.8
Severely inadequate housing	82	105	3.6	4.6
[Rent burden only]	770	879	33.8	38.7
Any with nonsevere problems only	**718**	**653**	**31.5**	**28.7**
Rent burden >30–50% of income	654	569	28.7	25.0
Moderately inadequate housing	107	122	4.7	5.4
Crowded housing	47	23	2.1	1.0
[Rent burden only]	564	508	24.8	22.3
Any with no problems	**623**	**544**	**27.4**	**23.9**

(continued)

Exhibit A-11A. Prevalence of Housing Problems Among Very Low-Income Renters by Metropolitan Location, 2019 and 2021—Number and Percentage *(continued)*

	Number	Number	Percentage	Percentage
	2019	2021	2019	2021
U.S. Total (thousands)	**18,388**	**19,338**	**100.0**	**100.0**
Unassisted with severe problems	7,767	8,526	42.2	44.1
Unassisted with nonsevere problems only	3,596	3,742	19.6	19.4
Unassisted with no problems	1,972	1,926	10.7	10.0
Assisted	5,053	5,144	27.5	26.6
Any with severe problems	**9,694**	**10,589**	**52.7**	**54.8**
Rent burden >50% of income	9,435	10,255	51.3	53.0
Severely inadequate housing	484	666	2.6	3.4
[Rent burden only]	8,500	9,204	46.2	47.6
Any with nonsevere problems only	**5,240**	**5,340**	**28.5**	**27.6**
Rent burden >30–50% of income	4,807	4,836	26.1	25.0
Moderately inadequate housing	612	703	3.3	3.6
Crowded housing	444	494	2.4	2.6
[Rent burden only]	4,216	4,189	22.9	21.7
Any with no problems	**3,454**	**3,410**	**18.8**	**17.6**

Source: HUD-PD&R tabulations of the American Housing Survey

Exhibit A-11B. Housing Conditions of Renter Households by Relative Income, Sampled Metropolitan Areas, 2019 and 2021

	Household Income as Percentage of HUD Area Median Family Income			
	2019		2021	
	0–50% HAMFI	All Incomes	0–50% HAMFI	All Incomes
Atlanta-Sandy Springs-Roswell, GA				
Total households (thousands)	**263**	**795**	**304**	**822**
Unassisted with severe problems	132		159	
Unassisted with nonsevere problems only	56		51	
Unassisted with no problems	25		32	
Assisted	50		61	
Boston-Cambridge-Newton, MA-NH				
Total households (thousands)	**347**	**754**	**373**	**791**
Unassisted with severe problems	99		139	
Unassisted with nonsevere problems only	53		52	
Unassisted with no problems	42		26	
Assisted	153		156	
Chicago-Naperville-Elgin, IL-IN-WI				
Total households (thousands)	**476**	**1,237**	**523**	**1,262**
Unassisted with severe problems	160		219	
Unassisted with nonsevere problems only	118		119	
Unassisted with no problems	62		65	
Assisted	136		119	
Dallas-Fort Worth-Arlington, TX				
Total households (thousands)	**364**	**1,076**	**345**	**1,158**
Unassisted with severe problems	174		171	
Unassisted with nonsevere problems only	79		88	
Unassisted with no problems	54		33	
Assisted	56		53	
Detroit-Warren-Dearborn, MI				
Total households (thousands)	**235**	**494**	**221**	**514**
Unassisted with severe problems	111		91	
Unassisted with nonsevere problems only	38		47	
Unassisted with no problems	26		18	
Assisted	60		66	
Houston-The Woodlands-Sugar Land, TX				
Total households (thousands)	**337**	**898**	**410**	**1,046**
Unassisted with severe problems	179		227	
Unassisted with nonsevere problems only	85		86	
Unassisted with no problems	29		29	
Assisted	44		68	

(continued)

Exhibit A-11B. Housing Conditions of Renter Households by Relative Income, Sampled Metropolitan Areas, 2019 and 2021 *(continued)*

	Household Income as Percentage of HUD Area Median Family Income			
	2019		2021	
	0–50% HAMFI	All Incomes	0–50% HAMFI	All Incomes
Los Angeles-Long Beach-Anaheim, CA				
Total households (thousands)	**976**	**2,310**	**1,167**	**2,474**
Unassisted with severe problems	508		599	
Unassisted with nonsevere problems only	200		232	
Unassisted with no problems	88		125	
Assisted	180		211	
Miami-Fort Lauderdale-West Palm Beach, FL				
Total households (thousands)	**356**	**874**	**381**	**856**
Unassisted with severe problems	177		217	
Unassisted with nonsevere problems only	60		41	
Unassisted with no problems	36		40	
Assisted	82		83	
New York-Newark-Jersey City, NY-NJ-PA				
Total households (thousands)	**1,769**	**3,732**	**1,825**	**3,745**
Unassisted with severe problems	724		799	
Unassisted with nonsevere problems only	261		264	
Unassisted with no problems	215		145	
Assisted	569		618	
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD				
Total households (thousands)	**306**	**718**	**345**	**805**
Unassisted with severe problems	125		157	
Unassisted with nonsevere problems only	53		71	
Unassisted with no problems	42		28	
Assisted	86		89	
Phoenix-Mesa-Scottsdale, AZ				
Total households (thousands)	**185**	**607**	**190**	**631**
Unassisted with severe problems	99		107	
Unassisted with nonsevere problems only	26		29	
Unassisted with no problems	20		20	
Assisted	40		33	
Riverside-San Bernardino-Ontario, CA				
Total households (thousands)	**149**	**478**	**167**	**488**
Unassisted with severe problems	98		103	
Unassisted with nonsevere problems only	10		15	
Unassisted with no problems	12		15	
Assisted	29		34	

(continued)

Exhibit A-11B. Housing Conditions of Renter Households by Relative Income, Sampled Metropolitan Areas, 2019 and 2021 *(continued)*

	Household Income as Percentage of HUD Area Median Family Income			
	2019		2021	
	0–50% HAMFI	All Incomes	0–50% HAMFI	All Incomes
San Francisco-Oakland-Hayward, CA				
Total households (thousands)	**291**	**778**	**311**	**793**
Unassisted with severe problems	125		129	
Unassisted with nonsevere problems only	43		53	
Unassisted with no problems	36		34	
Assisted	87		96	
Seattle-Tacoma-Bellevue, WA				
Total households (thousands)	**193**	**596**	**239**	**658**
Unassisted with severe problems	81		97	
Unassisted with nonsevere problems only	24		41	
Unassisted with no problems	21		30	
Assisted	68		71	
Washington-Arlington-Alexandria, DC-VA-MD-WV				
Total households (thousands)	**333**	**853**	**339**	**909**
Unassisted with severe problems	123		154	
Unassisted with nonsevere problems only	78		63	
Unassisted with no problems	40		35	
Assisted	92		87	
Baltimore-Columbia-Towson, MD				
Total households (thousands)	**—**	**—**	**304**	**674**
Unassisted with severe problems	—		157	
Unassisted with nonsevere problems only	—		39	
Unassisted with no problems	—		28	
Assisted	—		81	
Birmingham-Hoover, AL				
Total households (thousands)	**—**	**—**	**145**	**274**
Unassisted with severe problems	—		58	
Unassisted with nonsevere problems only	—		31	
Unassisted with no problems	—		10	
Assisted	—		47	
Cincinnati, OH-KY-IN				
Total households (thousands)	**200**	**491**	**—**	**—**
Unassisted with severe problems	51		—	
Unassisted with nonsevere problems only	79		—	
Unassisted with no problems	17		—	
Assisted	54		—	

(continued)

Exhibit A-11B. Housing Conditions of Renter Households by Relative Income, Sampled Metropolitan Areas, 2019 and 2021 *(continued)*

	Household Income as Percentage of HUD Area Median Family Income			
	2019		2021	
	0–50% HAMFI	All Incomes	0–50% HAMFI	All Incomes
Cleveland-Elyria, OH				
Total households (thousands)	**341**	**724**	**—**	**—**
Unassisted with severe problems	157		—	
Unassisted with nonsevere problems only	51		—	
Unassisted with no problems	20		—	
Assisted	114		—	
Denver-Aurora-Lakewood, CO				
Total households (thousands)	**249**	**748**	**—**	**—**
Unassisted with severe problems	115		—	
Unassisted with nonsevere problems only	65		—	
Unassisted with no problems	18		—	
Assisted	50		—	
Kansas City, MO-KS				
Total households (thousands)	**268**	**638**	**—**	**—**
Unassisted with severe problems	100		—	
Unassisted with nonsevere problems only	70		—	
Unassisted with no problems	24		—	
Assisted	73		—	
Las Vegas-Henderson-Paradise, NV				
Total households (thousands)	**—**	**—**	**286**	**860**
Unassisted with severe problems	—		182	
Unassisted with nonsevere problems only	—		46	
Unassisted with no problems	—		27	
Assisted	—		30	
Memphis, TN-MS-AR				
Total households (thousands)	**185**	**437**	**—**	**—**
Unassisted with severe problems	72		—	
Unassisted with nonsevere problems only	35		—	
Unassisted with no problems	33		—	
Assisted	45		—	
Milwaukee-Waukesha-West Allis, WI				
Total households (thousands)	**194**	**483**	**—**	**—**
Unassisted with severe problems	78		—	
Unassisted with nonsevere problems only	51		—	
Unassisted with no problems	17		—	
Assisted	47		—	

(continued)

Exhibit A-11B. Housing Conditions of Renter Households by Relative Income, Sampled Metropolitan Areas, 2019 and 2021 *(continued)*

	Household Income as Percentage of HUD Area Median Family Income			
	2019		2021	
	0–50% HAMFI	All Incomes	0–50% HAMFI	All Incomes
Minneapolis-St. Paul-Bloomington, MN-WI				
Total households (thousands)	**—**	**—**	**413**	**898**
Unassisted with severe problems	—		133	
Unassisted with nonsevere problems only	—		108	
Unassisted with no problems	—		33	
Assisted	—		139	
New Orleans-Metairie, LA				
Total households (thousands)	**138**	**327**	**—**	**—**
Unassisted with severe problems	49		—	
Unassisted with nonsevere problems only	26		—	
Unassisted with no problems	15		—	
Assisted	48		—	
Oklahoma City, OK				
Total households (thousands)	**—**	**—**	**190**	**406**
Unassisted with severe problems	—		119	
Unassisted with nonsevere problems only	—		35	
Unassisted with no problems	—		6	
Assisted	—		29	
Pittsburgh, PA				
Total households (thousands)	**290**	**590**	**—**	**—**
Unassisted with severe problems	94		—	
Unassisted with nonsevere problems only	79		—	
Unassisted with no problems	37		—	
Assisted	79		—	
Portland-Vancouver-Hillsboro, OR-WA				
Total households (thousands)	**249**	**657**	**—**	**—**
Unassisted with severe problems	128		—	
Unassisted with nonsevere problems only	43		—	
Unassisted with no problems	9		—	
Assisted	69		—	
Raleigh, NC				
Total households (thousands)	**125**	**411**	**—**	**—**
Unassisted with severe problems	63		—	
Unassisted with nonsevere problems only	26		—	
Unassisted with no problems	9		—	
Assisted	28		—	

(continued)

Exhibit A-11B. Housing Conditions of Renter Households by Relative Income, Sampled Metropolitan Areas, 2019 and 2021 *(continued)*

	Household Income as Percentage of HUD Area Median Family Income			
	2019		2021	
	0–50% HAMFI	All Incomes	0–50% HAMFI	All Incomes
Richmond, VA				
Total households (thousands)	**—**	**—**	**127**	**330**
Unassisted with severe problems	—		57	
Unassisted with nonsevere problems only	—		30	
Unassisted with no problems	—		15	
Assisted	—		25	
Rochester, NY				
Total households (thousands)	**—**	**—**	**177**	**344**
Unassisted with severe problems	—		65	
Unassisted with nonsevere problems only	—		27	
Unassisted with no problems	—		32	
Assisted	—		53	
San Antonio-New Braunfels, TX				
Total households (thousands)	**—**	**—**	**259**	**723**
Unassisted with severe problems	—		116	
Unassisted with nonsevere problems only	—		69	
Unassisted with no problems	—		26	
Assisted	—		47	
San Jose-Sunnyvale-Santa Clara, CA				
Total households (thousands)	**—**	**—**	**217**	**686**
Unassisted with severe problems	—		99	
Unassisted with nonsevere problems only	—		37	
Unassisted with no problems	—		16	
Assisted	—		65	
Tampa-St. Petersburg-Clearwater, FL				
Total households (thousands)	**—**	**—**	**261**	**876**
Unassisted with severe problems	—		137	
Unassisted with nonsevere problems only	—		49	
Unassisted with no problems	—		23	
Assisted	—		51	

Note: Each of the 15 largest metropolitan areas, listed first, are part of the American Housing Survey longitudinal panel surveyed every 2 years. The remaining 10 metropolitan areas represent a subset of the 16th to 50th largest metropolitan areas surveyed on a rotating basis every 4 years.
Source: HUD-PD&R tabulations of the American Housing Survey

Exhibit A-12. Households Occupying Rental Units by Affordability of Rent and Income of Occupants, 2019 and 2021

Relative Income of Households	Occupied and Vacant Rental Units (thousands) by Unit Affordability Category (percent of HAMFI needed to afford the highest rent in the category)												
2021	**10***	**20**	**30**	**40**	**50**	**60**	**70**	**80**	**90**	**100**	**110**	**>110**	**Total**
Extremely low income (<30% HAMFI)	797	2,096	1,847	853	1,127	326	232	247	554	1,664	1,744	834	12,321
Very low income (30–50%)	193	1,338	1,456	768	829	269	221	216	407	235	488	598	7,018
Low income (50–80%)	200	1,516	1,712	1,259	1,684	642	363	345	652	287	433	538	9,631
Middle income or higher (>80%)	257	1,355	2,200	2,072	2,835	2,025	1,177	1,548	2,253	425	501	376	17,024
Vacant units for rent	102	453	552	441	518	304	260	332	695	75	98	254	4,084
Total units vacant and occupied	1,549	6,758	7,767	5,393	6,993	3,566	2,253	2,688	4,561	2,686	3,264	2,600	50,078
2019	**10***	**20**	**30**	**40**	**50**	**60**	**70**	**80**	**90**	**100**	**110**	**120+**	**Total**
Extremely low income (<30% HAMFI)	735	1,647	2,024	922	1,810	1,654	818	904	342	144	231	517	11,748
Very low income (30–50%)	185	369	542	521	1,471	1,288	657	776	212	105	196	317	6,639
Low income (50–80%)	192	331	485	499	1,479	1,578	1,195	1,322	507	291	395	512	8,786
Middle income or higher (>80%)	299	475	646	388	1,422	2,325	2,030	2,736	1,775	1,308	1,724	2,359	17,487
Vacant units for rent	91	81	154	246	635	757	490	583	325	294	372	647	4,675
Total units vacant and occupied	1,502	2,903	3,851	2,576	6,817	7,602	5,190	6,321	3,161	2,142	2,918	4,352	49,335

HAMFI = HUD area median family income.
* The 10-percent-of-HAMFI category includes units occupied with no cash rent.
Notes: The method of assigning units to cost categories was modified in 2017 to account for limited HUD administrative exceptions to program income limits. Slight unit affordability adjustments were applied to outlier cases for which area median income-determined affordability differed from administratively determined affordability categories.
Source: HUD-PD&R tabulations of the American Housing Survey

Exhibit A-13. Renters and Rental Units Affordable and Available to Them by Relative Income, 2001–2021

	2001	2003	2005	2007	2009	2011	2013	2015	2017	2019	2021
Renter households (thousands)	**34,042**	**33,614**	**33,951**	**35,054**	**35,396**	**38,867**	**40,294**	**43,930**	**43,993**	**44,660**	**45,991**
Extremely low-income (<30% HAMFI)	8,739	9,077	9,729	9,243	9,961	11,774	11,163	11,290	11,548	11,748	12,319
Very low-income (30–50%)	6,315	6,581	6,342	6,697	7,157	7,492	7,375	7,945	6,519	6,640	7,019
Low-income (50–80%)	7,251	7,460	7,488	7,650	7,168	7,750	7,795	8,696	8,637	8,786	9,631
Middle-income or higher (>80%)	11,737	10,496	10,392	11,464	11,110	11,850	13,961	15,999	17,289	17,486	17,022
Affordable units	**37,197**	**37,577**	**37,924**	**39,330**	**39,744**	**43,075**	**43,992**	**48,670**	**48,820**	**49,335**	**50,075**
Extremely low-income (<30% HAMFI)	6,870	7,098	6,747	7,280	6,265	6,854	7,294	7,117	7,982	8,256	7,498
Very low-income (30–50%)	12,366	12,863	12,368	11,071	10,938	10,947	10,727	9,643	8,404	9,393	9,358
Low-income (50–80%)	13,634	13,518	14,044	15,063	16,228	17,995	17,904	19,326	19,674	19,112	20,153
Middle-income or higher (>80%)	4,328	4,099	4,765	5,916	6,313	7,279	8,067	12,584	12,760	12,574	13,066
Affordable and available units	**37,197**	**37,577**	**37,924**	**39,330**	**39,744**	**43,075**	**43,992**	**48,670**	**48,820**	**49,335**	**50,074**
Extremely low-income (<30% HAMFI)	3,803	3,996	3,982	4,224	3,665	4,220	4,354	4,278	4,595	4,732	4,480
Very low-income (30–50%)	8,132	8,744	8,549	7,786	8,045	8,225	7,734	7,576	6,066	6,700	6,489
Low-income (50–80%)	11,665	12,396	12,865	13,196	14,004	15,361	14,529	15,862	15,353	15,009	16,020
Middle-income or higher (>80%)	13,597	12,441	12,528	14,123	14,029	15,270	17,375	20,955	22,806	22,894	23,085

HAMFI = HUD area median family income.
Notes: Income categories in this exhibit do not overlap and therefore differ from the standard definitions. The method of assigning units to cost categories was modified in 2017 to account for limited HUD administrative exceptions to program income limits. Slight unit affordability adjustments were applied to outlier cases for which area median income-determined affordability differed from administratively determined affordability categories.
Source: HUD-PD&R tabulations of the American Housing Survey

Exhibit A-14. Average Income and Average Gross Rent of Renter Households by Relative Income, 2019 and 2021

	Household Income as Percentage of HUD-Adjusted Area Median Family Income					
2021	**0–30%**	**>30–50%**	**>50–80%**	**>80–120%**	**>120%**	**All Incomes**
Total households (thousands)	**12,319**	**7,019**	**9,631**	**7,775**	**9,247**	**45,991**
Unassisted with severe problems	6,051	2,475	1,105	324	266	10,222
Unassisted with nonsevere problems only	1,031	2,711	4,386	1,890	931	10,949
Unassisted with no problems	1,148	778	3,534	5,173	7,813	18,445
Assisted	4,089	1,055	606	388	236	6,374
Average monthly income	**$972**	**$2,490**	**$3,949**	**$5,519**	**$12,130**	**$4,839**
Unassisted with severe problems	$1,022	$2,378	$3,780	$4,395	$9,478	$1,976
Unassisted with nonsevere problems only	$1,513	$2,656	$3,984	$5,528	$9,885	$4,191
Unassisted with no problems	$521	$2,494	$3,970	$5,611	$12,530	$7,780
Assisted	$888	$2,323	$3,880	$5,197	$10,500	$2,028
Average gross rent	**$992**	**$1,248**	**$1,330**	**$1,479**	**$1,897**	**$1,366**
Unassisted with severe problems	$1,342	$1,881	$2,691	$4,399	$5,643	$1,827
Unassisted with nonsevere problems only	$728	$1,034	$1,406	$1,808	$2,338	$1,399
Unassisted with no problems	$631	$487	$854	$1,172	$1,730	$1,285
Assisted	$641	$876	$1,068	$1,537	$1,474	$806
2019	**0–30%**	**>30–50%**	**>50–80%**	**>80–120%**	**>120%**	**All Incomes**
Total households (thousands)	**11,748**	**6,640**	**8,786**	**7,583**	**9,902**	**44,660**
Unassisted with severe problems	5,780	1,986	1,013	372	200	9,352
Unassisted with nonsevere problems only	955	2,642	3,805	1,737	1,086	10,225
Unassisted with no problems	1,064	909	3,378	5,206	8,363	18,919
Assisted	3,950	1,103	590	268	253	6,164
Average monthly income	**$887**	**$2,359**	**$3,636**	**$5,235**	**$12,100**	**$4,871**
Unassisted with severe problems	$904	$2,275	$3,502	$4,527	$10,500	$1,826
Unassisted with nonsevere problems only	$1,414	$2,508	$3,674	$5,184	$10,520	$4,146
Unassisted with no problems	$557	$2,397	$3,651	$5,334	$12,380	$7,739
Assisted	$823	$2,118	$3,536	$4,625	$10,860	$1,891
Average gross rent	**$887**	**$1,078**	**$1,218**	**$1,393**	**$1,731**	**$1,254**
Unassisted with severe problems	$1,216	$1,669	$2,611	$4,071	$5,558	$1,670
Unassisted with nonsevere problems only	$648	$981	$1,299	$1,695	$2,293	$1,329
Unassisted with no problems	$536	$462	$766	$1,103	$1,578	$1,190
Assisted	$559	$755	$898	$1,347	$1,355	$693

Source: HUD-PD&R tabulations of the American Housing Survey

Exhibit A-15. Housing Conditions of Households Having People Younger than 62 Who Have Disabilities by Disability Type, 2019 and 2021

		Functional Limitations				ADL/IADL Limitations	
2021	Any Limitation	Hearing	Visual	Cognitive	Ambulatory	Self-Care	Independent Living
Households (thousands)	**13,135**	**3,410**	**2,927**	**5,593**	**4,970**	**1,667**	**3,519**
Renter households	7,051	2,068	1,501	2,743	2,481	864	1,801
Owner households	6,084	1,342	1,426	2,849	2,489	802	1,718
Renters (thousands)	**6,084**	**1,342**	**1,426**	**2,849**	**2,489**	**802**	**1,718**
Unassisted with severe problems	1,420	276	377	690	631	260	455
Unassisted with nonsevere problems only	1,406	339	329	605	538	136	331
Unassisted with no problems	1,741	446	427	694	545	125	365
Assisted	1,517	281	293	860	775	282	567
Very low-income renters (thousands)	**1,382**	**273**	**291**	**670**	**601**	**173**	**403**
Unassisted with severe problems	291	57	60	147	124	52	114
Unassisted with nonsevere problems only	632	120	130	310	289	69	163
Unassisted with no problems	175	35	54	66	69	17	39
Assisted	284	61	48	146	120	34	88
Any with severe problems	**339**	**66**	**71**	**172**	**146**	**59**	**127**
Rent burden >50% of income	287	57	45	140	120	41	109
Severely inadequate housing	57	11	29	34	30	21	21
[Rent burden only]	268	47	37	129	114	38	101
Any with nonsevere problems only	**745**	**150**	**154**	**380**	**327**	**82**	**193**
Rent burden >30–50% of income	675	126	132	339	288	74	170
Moderately inadequate housing	113	29	16	75	50	11	50
Crowded housing	51	19	29	22	12	5	6
[Rent burden only]	586	102	109	287	265	65	137
Any with no problems	**298**	**57**	**67**	**118**	**128**	**32**	**84**

(continued)

Exhibit A-15. Housing Conditions of Households Having People Younger than 62 Who Have Disabilities by Disability Type, 2019 and 2021 *(continued)*

		Functional Limitations				ADL/IADL Limitations	
2019	Any Limitation	Hearing	Visual	Cognitive	Ambulatory	Self-Care	Independent Living
Households (thousands)	**10,947**	**2,927**	**2,238**	**4,533**	**4,709**	**1,570**	**3,029**
Renter households	5,092	1,133	1,130	2,337	2,377	733	1,562
Owner households	5,855	1,794	1,108	2,196	2,332	836	1,466
Renters (thousands)	**5,092**	**1,133**	**1,130**	**2,337**	**2,377**	**733**	**1,562**
Unassisted with severe problems	1,145	243	241	527	549	202	353
Unassisted with nonsevere problems only	1,208	288	331	539	504	147	320
Unassisted with no problems	1,501	365	314	590	601	145	342
Assisted	1,237	237	245	681	723	239	547
Very low-income renters (thousands)	**1,100**	**207**	**252**	**538**	**475**	**156**	**305**
Unassisted with severe problems	212	40	40	93	89	34	56
Unassisted with nonsevere problems only	483	89	136	231	202	68	118
Unassisted with no problems	174	38	36	77	74	20	39
Assisted	231	40	40	136	110	33	93
Any with severe problems	**247**	**45**	**49**	**115**	**111**	**43**	**73**
Rent burden >50% of income	221	38	46	106	102	43	73
Severely inadequate housing	29	10	(D)	9	9	(D)	(D)
[Rent burden only, adequate housing]	206	33	44	104	94	37	66
Any with nonsevere problems only	**580**	**109**	**153**	**285**	**248**	**84**	**154**
Rent burden >30–50% of income	523	89	135	248	228	75	147
Moderately inadequate housing	97	28	25	52	43	10	23
Crowded housing	39	(D)	17	30	(D)	(D)	(D)
[Rent burden only]	446	78	112	204	200	66	126
Any with no problems	**273**	**53**	**49**	**138**	**116**	**29**	**77**

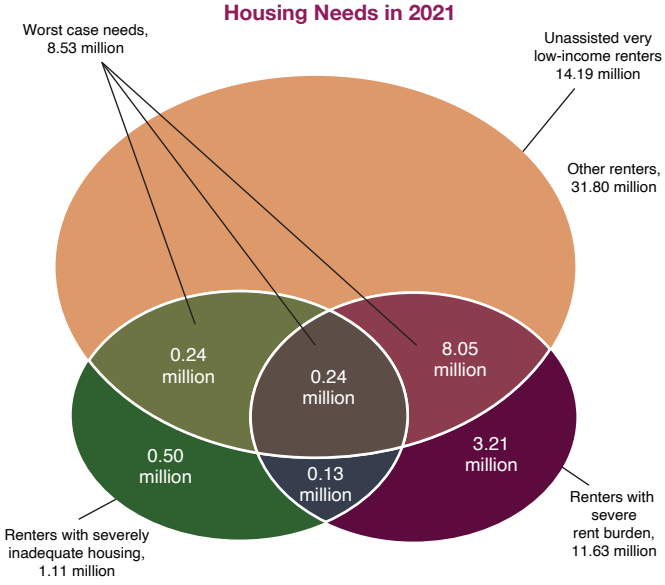
ADL = Activities of Daily Living. IADL = Instrumental Activities of Daily Living.
(D) = value suppressed in accord with Census Bureau disclosure prevention requirements.
Source: HUD-PD&R tabulations of the American Housing Survey

Appendix

B

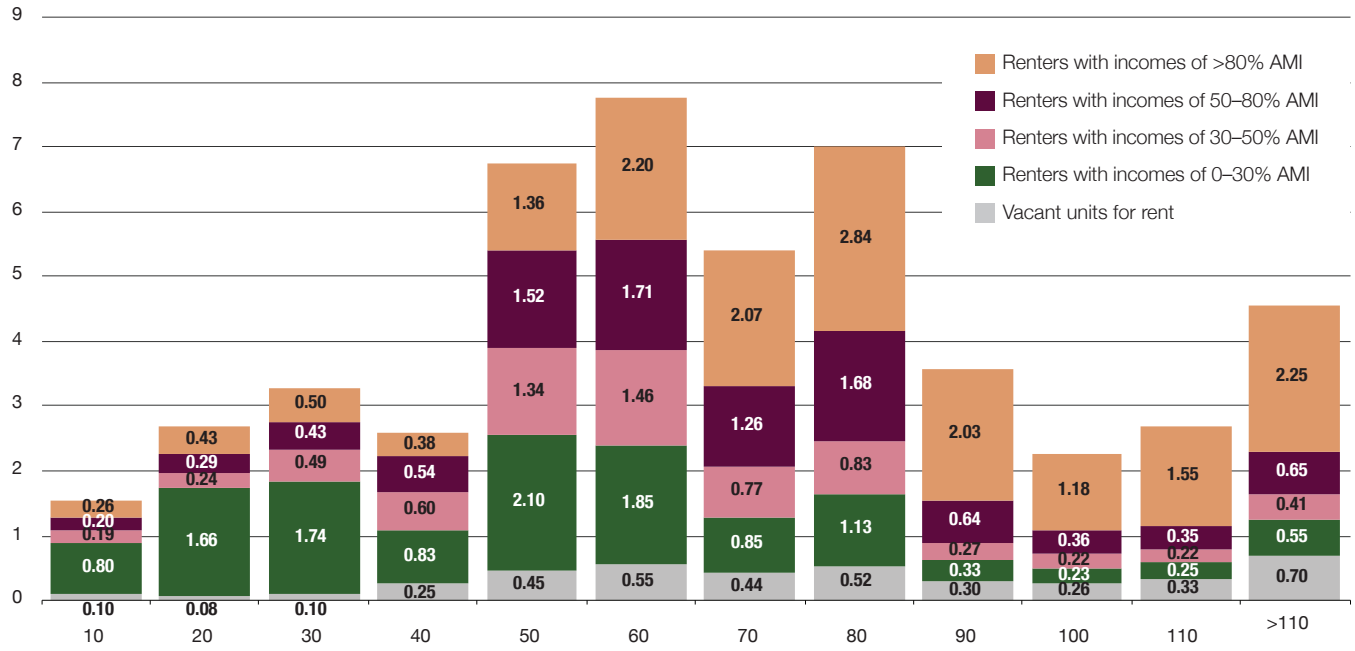
Supplemental Exhibits

Exhibit B-1. Bird's-Eye View of Worst Case Housing Needs in 2021



Note: Not to scale.
Source: HUD-PD&R tabulations of American Housing Survey data

Exhibit B-2. Affordable Rental Units Occupied by Higher-Income Renters, 2021



Unit affordability: percent of Area Median Income needed to afford the highest rent in the category

Source: HUD-PD&R tabulations of American Housing Survey data

Exhibit B-3. Rental Stock of Below-Fair Market Rent Units by Region and Metropolitan Location, 2021

	Households (thousands)	Affordable Housing Units (thousands)	Affordable and Available Housing Units (thousands)	Affordable, Available, and Adequate Housing Units (thousands)	Affordable Housing Units per 100 Households	Affordable and Available Housing Units per 100 Households	Affordable, Available, and Adequate Housing Units per 100 Households
All	27,967	29,979	21,921	19,947	107.2	78.4	71.3
Northeast	5,668	5,929	4,620	4,128	104.6	81.5	72.8
Midwest	4,754	5,367	3,603	3,320	112.9	75.8	69.8
South	10,013	10,620	7,756	7,021	106.1	77.5	70.1
West	7,533	8,064	5,941	5,478	107.0	78.9	72.7
Central cities	13,451	13,852	10,606	9,517	103.0	78.8	70.8
Suburbs, urban	9,538	9,806	7,050	6,597	102.8	73.9	69.2
Suburbs, rural	2,049	2,603	1,780	1,657	127.0	86.9	80.9
Nonmetropolitan areas	2,929	3,719	2,485	2,175	127.0	84.8	74.3

Source: HUD PD&R tabulations of American Housing Survey data

Appendix C

Federal Housing Assistance and Affordable Housing Programs

HUD provides rental housing assistance through three key programs.[63]

1. **Public housing.** This program provides assisted housing to approximately 800,000 households through units owned or managed by local public housing agencies. Families are generally required to pay 30 percent of their incomes for rent.

2. **Project-based assisted housing.** Various assisted multifamily housing programs provide assisted housing to approximately 1.2 million households living in privately owned rental housing. The assistance is attached to the units reserved for low-income families who are generally required to pay 30 percent of their incomes for rent.

3. **Tenant-based rental assistance.** The Housing Choice Voucher program supplements the rent payments of 2.4 million households in the private rental market. The program is administered through public housing agencies. Families are generally required to pay 30 percent of their incomes for rent. They may choose to pay larger percentages, however, to obtain units with higher rents.

Several other federal housing programs produce affordable housing, typically with shallower subsidies. Although these units are often more affordable than market-rate units, without additional rent subsidies (such as vouchers), extremely low-income families would often have to pay much more than 30 percent of their incomes under these programs.

[63] The number of households assisted by key programs based on HUD administrative records are available through the *Picture of Subsidized Households* query tool at https://www.huduser.gov/portal/datasets/assthsg.html. The data presented here are from the 2022 Picture tool, "number reported" field, which reflects the number of households assisted.

Low-Income Housing Tax Credit (LIHTC) program. Tax credits offered to investors by the U.S. Department of the Treasury subsidize the capital costs of units that have rents affordable to households with incomes not exceeding 60 percent of area median income (AMI).

HOME Investment Partnerships Program. This program provides annual formula grants to state and local governments that can be used to assist homeowners, first-time homebuyers, or renters. Qualifying rents must be affordable to households with incomes not exceeding 65 percent of AMI or must be less than the local Fair Market Rent (FMR), whichever is less.

Housing Opportunities for Persons with AIDS (HOPWA). HOPWA provides annual formula and competitive grants available to state and local governments and nonprofits for rental assistance targeted to a special-needs population.

Older rental subsidy programs. Programs named for sections of the National Housing Act, primarily the Section 221(d)(3) Below Market Interest Rate Program and the Section 236 mortgage assistance program, were active from the early 1960s through the early 1970s. They were designed to produce affordable housing for families with incomes higher than the public housing income limits.

For further detail on HUD program requirements, see HUD (2023).

Appendix D

Previous Reports to Congress on Worst Case Needs

- *Priority Problems and "Worst Case" Needs in 1989* (June 1991, HUD-1314-PDR).
- *The Location of Worst Case Needs in the Late 1980s* (December 1992, HUD-1387-PDR).
- *Worst Case Needs for Housing Assistance in the United States in 1990 and 1991* (June 1994, HUD-1481-PDR).
- *Rental Housing Assistance at a Crossroads: A Report to Congress on Worst Case Housing Needs* (March 1996).
- *Rental Housing Assistance—The Crisis Continues* (April 1998).
- *Rental Housing Assistance—The Worsening Crisis: A Report to Congress on Worst Case Housing Needs* (March 2000).
- *A Report on Worst Case Housing Needs in 1999: New Opportunity Amid Continuing Challenges, Executive Summary* (January 2001).
- *Trends in Worst Case Needs for Housing, 1978–1999* (December 2003).
- *Affordable Housing Needs: A Report to Congress on the Significant Need for Housing* (December 2005).
- *Affordable Housing Needs 2005: Report to Congress* (May 2007).
- *Housing Needs of Persons With Disabilities: Supplemental Findings to the* Affordable Housing Needs 2005 *Report* (February 2008).
- *Worst Case Housing Needs 2007: A Report to Congress* (May 2010).
- *Worst Case Housing Needs 2009: Report to Congress* (February 2011).
- *Worst Case Housing Needs 2011: Report to Congress* (August 2013).
- *Worst Case Housing Needs: 2015 Report to Congress* (April 2015).

- *Worst Case Housing Needs: 2017 Report to Congress* (August 2017).
- *Worst Case Housing Needs: 2019 Report to Congress* (June 2020).
- *Worst Case Housing Needs: 2021 Report to Congress* (July 2021).
- These publications are available online at https://www.huduser.gov/portal/home.html.

Appendix E

Data and Methodology

A report such as this one requires researchers to use a number of specialized concepts, definitions, and assumptions when analyzing and presenting the data. This appendix documents such elements for those who wish to understand the results more fully or replicate and extend the results in their own research.

Using the American Housing Survey Data

This report uses data from the most recently available American Housing Survey (AHS), conducted in 2021. The AHS, which is the only detailed periodic national housing survey in the United States, is sponsored by HUD and conducted by the Census Bureau. It provides nationally representative data on a wide range of housing subjects, including apartments, single-family homes, mobile homes, vacant homes, family composition, income, housing and neighborhood quality, housing costs, equipment, fuel type, size of housing units, and recent moves.[64]

The AHS collects national data every 2 years, originally from a sample of about 84,400 housing units (Census-HUD, 2013) and currently from a new, redesigned sample of about 85,400 housing units begun in 2015 (Census-HUD, 2017). The survey, which started in 1973, sampled the same housing units between 1985 and 2013—with occasional adjustments and supplements—plus samples of newly constructed units to ensure the data's continuity and timeliness. To address many challenges in maintaining the AHS longitudinal sample for nearly 30 years, including attrition of housing units, response burden, changes in geography, and disclosure avoidance and mitigation, HUD and the Census Bureau undertook a major redesign for the 2015 AHS. The redesign included a selection of a new national and metropolitan area longitudinal sample, changes to weighting methodologies and imputation processes, and a reevaluation of variables. Information from the worst case needs reports has helped inform public policy decisions, including decisions on targeting existing resources, determining the need for additional resources, and choosing the form that housing assistance should take.

To accurately estimate worst case needs for federal rental assistance from AHS data, it is essential to determine whether household incomes fall below HUD's official very low-income limits (50 percent of HUD area median family income [HAMFI], also termed area median income [AMI]), whether a household already receives housing assistance, and whether an unassisted income-eligible household has one or more of the priority problems that formerly conferred preference in tenant selection for assistance (rent burdens exceeding 50 percent of income, substandard housing, or being involuntarily displaced).

[64] An online codebook that documents all variables available in all American Housing Survey years is available at https://www.census.gov/data-tools/demo/codebook/ahs/ahsdict.html.

HUD and the Census Bureau provide a Table Creator for the 2011 to 2021 AHS surveys. The Table Creator enables users to create customized tabulations of AHS data without the difficulties and special skills needed to analyze microdata Public Use Files. Content includes variables similar to those provided in this report.[65] A national data source that is a reasonable alternative to the AHS for measuring housing needs is the American Community Survey (ACS). The ACS has the advantage of a larger sample size that supports estimates for small geographic areas. Disadvantages of the ACS include addressing housing assistance status less comprehensively and providing much less information about housing unit characteristics. For example, the ACS no longer ascertains whether units contain complete plumbing systems. HUD also sponsors special tabulations of ACS data that have HUD income limits information and can be used by the public to estimate housing needs similar to those in this report for various small geographies.[66]

Weighting. Because the AHS is based on a sample of housing units rather than a census of all housing units, estimates based on the data must be "weighted up" so that totals for each year match independent estimates of the total housing stock and better represent the full housing stock. The Census Bureau weights up responses to account for undercoverage of households and household nonresponse (about 15 percent). The weights for 2001-through-2009 AHS data used in this report are based on the 2000 Census of Housing, with adjustments for estimated change since then. Since 2011, AHS data have been weighted to 2010 census benchmarks. AHS datasets for recent years are provided with multiple "replicate" weights for each observation that can be used to estimate standard errors and evaluate statistical significance without knowledge of stratification and cluster sampling parameters of complex sample designs. See Statistical Significance below.

Exclusions. Households reporting incomes that are zero or negative are excluded from estimates of worst case needs. However, they are included in counts of total households. If such households pay rents greater than the Fair Market Rent and report zero or negative incomes, then their income situation is presumably temporary, and so they are included and higher incomes are imputed to them.

Disclosure Review. The local income limits and HAMFI values that are required to estimate worst case needs are linked to local geographies and therefore pose a risk of disclosing AHS respondents. Accordingly, the analysis relies on restricted access Internal Use files maintained at the Census Bureau's Research Data Center. Tabulations are reviewed, and values are suppressed as necessary, to comply with Census disclosure prevention requirements under the authority of the Data Review Board. The U.S. Census Bureau reviewed this data product for unauthorized disclosure of confidential information and approved the disclosure avoidance practices applied to this release: CBDRB FY23 0069.

Statistical Significance. Assessments of statistical significance in this report are made regarding 95-percent confidence intervals. Standard errors associated with estimates are estimated using the AHS replicate weights and Fay "Balanced Repeated Replication" method in the SAS SurveyMeans statistical procedure. Changes between survey years are judged to be statistically significant if the difference between estimated values exceeds a critical value based on the square root of the sum of squared variances. A limitation of this method is that it is not robust to nonindependent samples inherent to the AHS panel design.

Household and Family Types

In this report, the terms ***family*** and ***household*** are not interchangeable because not all households are families. The term ***families*** refers only to a subset of households that have one or more people in the household related to the ***householder*** (the first household member aged 18 years or older who is listed as an owner or renter of the housing unit) by birth, marriage, or adoption.

Families with children. Households with a child younger than age 18 present are presumed to meet the definition of family through relation by birth or adoption (including grandparents as parents).

Older adult households without children. Households in which the householder or spouse is age 62 or older and no children are present. Older adult households may be either family or nonfamily households.

Other family households. Households with people younger than 62 as a householder and no children, in which either (1) one or more people are related to the householder by birth, marriage, or adoption; or (2) one or more subfamilies reside there who have members related to each other by birth, marriage, or adoption.

Other nonfamily households. Households with single people, younger than 62, living alone or with only nonrelatives. Most of these households consist of a single person living alone rather than unrelated people sharing housing.

[65] The AHS Table Creator tool is found at https://www.census.gov/data/data-tools/ahs-table-creator.html.

[66] The Comprehensive Housing Affordability Strategy (CHAS) datasets can be downloaded from https://www.huduser.gov/portal/datasets/cp.html.

Households with people with disabilities. Before 2009, no questions in the AHS were designed to directly ascertain whether individuals had disabilities. Worst case needs reports for 2007 and earlier identified households containing people with disabilities using various forms of income-based proxies. Households with disabilities (1) were not families with children, (2) were not older adult households, and (3) received some form of income or government assistance that is very likely to indicate that an adult with disabilities is present in the household. The 2009 AHS and subsequent surveys ask direct questions about impairments and difficulties with activities of daily living for each household member, including children older than 5 years old. This report, therefore, addresses disability based on people reported with these problems, except that older adults who have disabilities do not increase the number of households counted with disabilities because so many disabilities are associated with aging.

Housing Assistance Status

In 1997, the AHS questions intended to identify households receiving rental assistance were changed in both content and order from those used previously. After careful review, HUD and the Census Bureau adopted the following procedure to identify assisted households in a way that produces results that are more comparable with pre-1997 data. Those questions were further refined in 2007 as a result of additional cognitive research. In this report, therefore, receipt of rental assistance is based on respondent reports designed to determine the following:

- Whether the household must recertify to determine the rent it pays.
- Whether the rent is less because of a federal, state, or local government housing program.
- Whether the household has a housing voucher and, if so, whether it can be used to move to another location.
- Whether the housing authority is the household's landlord.

An alternative approach of identifying HUD-assisted households using an administrative data match is not used to determine housing assistance status for the purposes of this report because such an approach excludes assistance received from other federal, state, or local agencies.

Housing Problems

Rent or cost burden. A ratio of housing costs (including utilities) to household income that exceeds 30 percent, which is a conventional standard for housing affordability. To the extent that respondents underreport total income, the AHS estimates may overcount the number of households with a cost burden. A ***severe*** cost burden exceeds 50 percent of reported income. A ***moderate*** cost burden exceeds 30 percent but is less than or equal to 50 percent of reported income. Cost burdens only qualify as potential worst case needs if they are severe. Households reporting zero or negative income are defined as having no cost burden.

Inadequate housing. Housing with severe or moderate physical problems, as defined in the AHS since 1984 and modified from time to time to reflect changes in the survey. Severe inadequacies constitute potential worst case needs, but moderate inadequacies do not. The 2007 AHS eliminated the questions about hallways (common stairways and light fixtures) in multiunit structures in the section on selected physical problems, which affects the classification of units having severe or moderate physical problems. Briefly, a unit is defined as having severe physical inadequacies if it has any one of the following four problems.

1. **Plumbing.** Lacking piped hot water or a flush toilet or lacking both bathtub and shower, all for the exclusive use of the unit.
2. **Heating.** Having been uncomfortably cold during the past winter for 24 hours or more, or three times for at least 6 hours each, because of broken-down heating equipment.
3. **Electrical.** Having no electricity or having all of the following three electrical problems: exposed wiring, a room with no working wall outlet, and three or more blown fuses or tripped circuit breakers in the past 90 days.
4. **Upkeep.** Having any five of the following six maintenance problems: leaks from outdoors, leaks from indoors, holes in the floor, holes or open cracks in the walls or ceilings, more than 1 square foot of peeling paint or plaster, and rats in the past 90 days.

A housing unit has moderate physical inadequacies if it has any of the following four problems but none of the severe problems listed previously.

1. **Plumbing.** Having all toilets break down simultaneously at least three times in the past 3 months for at least 3 hours each time.
2. **Heating.** Having unvented gas, oil, or kerosene heaters as the main source of heat (because those heaters may produce unsafe fumes and unhealthy levels of moisture).

3. **Upkeep.** Having any three of the six upkeep problems associated with severe inadequacies.

4. **Kitchen.** Lacking a sink, range, or refrigerator for the exclusive use of the unit.

Overcrowding. The condition of having more than one person per room in a residence. Overcrowding is counted as a moderate problem rather than a severe problem that constitutes a potential worst case need.

Crowding is measured as the ratio of persons to total rooms. Total rooms is defined as the sum of whole rooms, including bedrooms, kitchens, dining rooms (if separate), and other finished rooms including living rooms, family rooms, great rooms, TV rooms, recreation rooms, dens, and libraries. Spaces that are not counted in total rooms include full baths, half baths, laundries, utility rooms, garages, hallways, closets, and porches.

"Priority" problems. Problems qualifying for federal preference in admission to assisted housing programs between 1988 and 1996, including paying more than one-half of income for rent (severe rent burden), living in severely substandard housing (including being homeless or in a homeless shelter), or being involuntarily displaced. These problems informed the original definition of worst case needs. Because the AHS sample tracks housing units and thus cannot count people experiencing homelessness, AHS estimates of priority problems are limited to the two severe problems described previously: (1) rent burdens greater than 50 percent of income or (2) severe physical problems. In accordance with the intention to estimate the number of unassisted very low-income renters with priority problems, the exhibits in appendix A classify households with a combination of moderate problems and severe problems as having severe problems.

Income Measurement

Income sources. *Income* means gross income reported by AHS respondents for the 12 months preceding the interview. For each person in the household, the AHS questionnaire collects the amounts of several different types of income. Income includes amounts reported for wage and salary income, net self-employment income, Social Security or railroad retirement income, public assistance or welfare payments, and all other money income before deductions for taxes or any other purpose. Imputed income from equity is not included as income in this report. Following HUD rules for determining income eligibility for HUD programs, the earnings of teenagers aged 17 and younger are not counted as income for this report.

Household income. Reported income from all sources for all household members aged 18 and older.

Income Categories

HAMFI and official income limits. HUD is required by law to set income limits each year that determine the eligibility of applicants for assisted housing programs. In 1974, Congress defined ***low income*** and ***very low income*** for HUD rental programs as incomes not exceeding 80 and 50 percent, respectively, of HAMFI. HAMFI is more commonly referred to as AMI, although the latter term may be subject to misinterpretation. Note that income limits are based on median family income (MFI), not on median household income. HUD determines base income limits for a household of four and adjusts them further by household size: one person, 70 percent of base; two people, 80 percent; three people, 90 percent; five people, 108 percent; six people, 116 percent; and so on. Each household is assigned to an income category using the HUD-determined income limit for its geographic area and number of household members.[67] The Quality Housing and Work Responsibility Act of 1998 (Pub. Law 105–276) first applied an ***extremely low income*** standard based on 30 percent of HAMFI for admissions targeting in public housing and the tenant-based Section 8 program. (See extremely low income below.)

Income cutoffs in association with AHS geography. The Census Bureau matches AHS survey addresses with HUD income limit geography and assigns the appropriate income limits to each case, making the appropriate adjustments for household size.

Because developing estimates of official income limits for the geography identified in the AHS microdata was time consuming, before the 2003 AHS release, HUD prepared income limits to use with AHS geography for only 3 years: 1978, 1986, and 1995. Income cutoffs for the 2003 AHS release and each subsequent dataset have been based on HUD's current income limits for those years, weighted by AHS weights. The Census Bureau included those cutoffs in the AHS public use file through 2013. To protect respondent confidentiality, income limit variables were restricted to the AHS internal use file (IUF) in 2015. Additional detail about income limits can be found in the housing costs-affordability section of the ***AHS Codebook*** interactive tool (Census-HUD, 2021b).

Categorizing households by income. For this report, when households are categorized using the extremely low-, very low-, and low-income cutoffs, the cutoffs are adjusted for household size using the same adjustment factors that HUD programs use. (See additional considerations under extremely low income below.)

[67] For details about how HUD sets income limits, see http://www.huduser.org/portal/datasets/il.html.

In addition, households reporting negative income are attributed incomes of slightly more than AMI if their monthly housing costs exceed the Fair Market Rent (FMR) and they lived in adequate and uncrowded housing. The justification for imputing higher incomes is that many households in this situation live in housing with amenities such as dining rooms, balconies, and off-street parking and thus may be reporting temporary accounting losses.

- **Extremely low income (ELI).** Income not in excess of 30 percent of HAMFI, as determined by the extremely low-income cutoff used for Section 8 programs. In 2014, Congress required HUD to begin setting ELI cutoffs for each area to the greater of 30 percent of HAMFI or the federal poverty guidelines, but necessarily capped by the very low-income (VLI) cutoff.[68] Because of this requirement, 78 percent of geographic areas had four-person ELI cutoffs set above 30 percent of HAMFI in 2019. The average increase in the cutoff among such areas was 32 percent, and for 3 percent of areas that were capped by the VLI cutoff, the increase was 67 percent. Because federal poverty guidelines use larger household size adjustments than HUD income limits, increases in the ELI cutoffs were both more likely and more substantial for large households than for small households.

- **Very low income.** Income not in excess of 50 percent of HAMFI, as determined by the very low-income cutoff. Very low income thus includes extremely low income, although the term sometimes is used loosely in specific contexts, such as mismatch analysis, to mean incomes of between 30 and 50 percent of HAMFI.

- **Low income.** Reported income not in excess of 80 percent of HAMFI, as determined by the low-income cutoff.

- **Middle income.** For this report, income exceeding 80 percent and less than 120 percent of HAMFI.

- **Upper income.** For this report, income exceeding 120 percent of HAMFI.

  HUD allows some jurisdictions exceptions in the definition of the ELI and VLI cutoffs. Those exceptions are intended to prevent loss of benefits to assisted households caused by improvement in local economic conditions. Thus, the official income limits for ELI and VLI are, in some cases, set above 30 or 50 percent of HAMFI, respectively. The AHS (and thus this report) uses those official income limits in all its measures.

- **Poverty.** Household income of less than the U.S. national poverty guidelines for that household size. As discussed in appendix A of the Census Bureau's AHS publications, AHS poverty estimates differ from official poverty estimates made from the Current Population Survey (Census-HUD, 2021a). AHS poverty estimates are based on the income of households rather than the income of families or individuals, and AHS income questions are much less detailed and refer to income during the past 12 months rather than during a fixed period. The poverty guidelines for a family of four approximate 33 percent of HAMFI. Comparisons of income limits with poverty thresholds are presented in exhibits A-6A, A-6B, A-7, and A-8.

- **Earnings at minimum wage.** Households with incomes from salary or wages totaling at least as much as one could earn working full-time (40 hours per week for 50 weeks per year) at the federal minimum wage of $7.25 per hour are defined as having at least full-time earnings at minimum wage. Thus, the sum of salary and wage income earned by all persons in the household totals at least $14,500 annually. Households with incomes from salary or wages totaling at least one-half that amount ($7,250 annually) are defined as having at least half-time earnings at minimum wage. Comparisons of household earnings characteristics are presented in exhibits A-6A, A-6B, A-7, and A-8.

Location

Metropolitan Statistical Area (MSA). From 1973 to 1983, the definitions of metropolitan locations in AHS data corresponded to the 243 Standard MSAs used in the 1970 census. From 1984 to 2013, a metropolitan location in the AHS has referred to the MSAs defined in 1983, based on the 1980 census. The 2015 AHS redesign that selected a new national and metropolitan area longitudinal sample for the first time since 1985 brought metropolitan area definitions up to date with the most current Office of Management and Budget (OMB) delineations based on the 2010 census, which, at the time the 2015 AHS sample design took place, was February 2013.

Region. The four census regions are the Northeast, Midwest, South, and West.

[68] See Frequently Asked Question 4, https://www.huduser.gov/portal/datasets/il.html#2015_faq.

Mismatch of Supply and Demand for Affordable Rental Housing

Mismatch. HUD assesses the state of the housing market by examining the extent of mismatch between the supply of the rental housing stock and the number of renters whose household incomes fall below specified thresholds. Three summary measures are used to characterize the extent of mismatch at selected income levels:

1. *Affordable* units per 100 renters.
2. Affordable and ***available*** units per 100 renters.
3. Affordable, available, and ***adequate*** units per 100 renters.

These mismatch measures can be understood as measuring the sufficiency of the quantity of housing supplied relative to the quantity of housing demanded. The italicized terms are defined and discussed below.

Affordability. Several federal rental programs define *affordable* rents as those requiring not more than 30 percent of an income cutoff defined concerning HAMFI. Under the Low-Income Housing Tax Credit (LIHTC) program, for example, housing units with rents up to 30 percent of 60 percent of HAMFI qualify as affordable and eligible for the credit.

This report generalizes the approach developed to define LIHTC maximum rents for units of different sizes to define three categories of affordability (ELI, VLI, and low income) based on incomes that are sufficient for the rents: at or less than 30 percent of HAMFI, more than 30 percent and not more than 50 percent of HAMFI, and more than 50 percent of HAMFI. Units are assigned to affordability categories by comparing their gross rent, including payments for utilities, with affordability thresholds calculated as 30 percent of the income cutoffs for the corresponding income group. Units with gross rents above those thresholds are not affordable because they would cause moderate or severe cost burdens even for the highest income renters of the income group. Thus, unit affordability depends on the percent of HAMFI needed to afford the highest rent in each income category (ELI, VLI, and so on). For example, to be affordable to ELI renters, a unit's gross rent would have to be 30 percent or less (affordability threshold) of 30 percent of HAMFI (ELI threshold). The method of assigning units to cost categories was modified in 2017 to account for limited HUD administrative exceptions to program income limits.

The income limits used to define rent affordability are adjusted for the number of bedrooms using the formula codified at 26 U.S.C. 42(g)(2)(C): no bedrooms, 70 percent of base; one bedroom, 75 percent; two bedrooms, 90 percent; three bedrooms, 104 percent; four bedrooms, 116 percent; and plus, 12 percent of base for every additional bedroom. This formula assumes that an efficiency unit houses one person, a one-bedroom unit houses 1.5 people, and each additional bedroom houses another 1.5 people.

Availability. For mismatch analysis, housing units that are affordable at a specified income level are further assessed for whether they are currently available to households at that income level. A unit is available if it is either already occupied by a household of that income level or currently vacant and available for rent. Units that are occupied by households of higher income groups are not "available."

Adequacy. For mismatch analysis, housing units that are found to be both affordable and available at a specified income level are further assessed for whether they are free of severe physical inadequacies, as discussed under the Housing Problems heading.

Categorization of rental units and households for mismatch analysis. To analyze the mismatch between affordability and income, HUD compares household incomes and housing unit rents with the current income limits (for income and rent categories up to and including 80 percent of HAMFI) and to a ratio of HAMFI (for categories exceeding 80 percent of HAMFI). As in the analysis of household income, households reporting negative income are redefined as having incomes slightly greater than MFI if their monthly housing costs were more than the FMR and they lived in adequate and uncrowded housing. Units reported as having "no cash rent" are categorized solely on the basis of utility costs. Utility costs are allocated to vacant units through hot-deck imputation based on units that are comparable based on cost, number of units in the structure, region, and tenure.

Race and Ethnicity

In 2003, the AHS began using revised Census Bureau categories of race and ethnicity that are not directly comparable with the categories used in the AHS from 2001 and earlier. Survey respondents may now select more than one racial group, causing slight but meaningful decreases in the size of previously monolithic categories.

The 2017 AHS supports producing estimates of worst case housing needs for more detailed race and ethnicity categories than were included in previous reports. In addition to non-Hispanic White, non-Hispanic Black, and Hispanic renters, households experiencing worst case housing needs previously enumerated in an "other" race category are now reported for Asian, American Indian or Alaska Native, and Native Hawaiian or other Pacific Islander renters in exhibit 1-7.

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U.S. Department of Housing and Urban Development
Office of Policy Development and Research
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