



**HAC** Housing Assistance Council

# Why Housing Matters

HAC's 2000 Report on the State of  
the Nation's Rural Housing



## ACKNOWLEDGMENTS

The Housing Assistance Council (HAC) appreciates the advice of Cushing Dolbeare, Housing Policy Consultant and HAC board member, Nancy McArdle of the Joint Center for Housing Studies of Harvard University; Jim Mikesell and Daryl Wills of the U.S. Department of Agriculture's Economic Research Service; and Robert Gray and Ndeye Jackson of the U.S. Department of Housing and Urban Development's Office of Policy Development and Research. HAC also wishes to thank the following local and regional housing organizations for their assistance in preparing the report's housing and quality of life vignettes.

Chelan-Douglas Community Action Council, Wenatchee, WA • Coachella Valley Housing Coalition, Indio, CA  
East Central Kansas Economic Opportunity Corporation, Ottawa, KS • Florida Non-Profit Housing, Inc., Sebring, FL  
Housing Oriented Ministries Established for Service, Neon, KY • Mercy Housing Southwest, Denver, CO  
Proyecto Azteca, San Juan, TX • Rutland West Neighborhood Housing Services, West Rutland, VT

\$9.00

December 2000

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ISBN 1-58064-108-3

This report was prepared by Lance George and Christopher Holden of the Housing Assistance Council (HAC). Additional assistance was provided by Adrienne Smith, also from HAC. The work that provided the basis for this publication was supported by funding under Cooperative Agreement H-21204 CA with the U.S. Department of Housing and Urban Development (HUD). Ndeye Jackson served as Government Technical Representative. The substance and funding of that work are dedicated to the public. HAC is solely responsible for the accuracy of the statements and interpretations

contained in this publication and such interpretations do not necessarily reflect the views of the United States Government.

HAC, founded in 1971, is a nonprofit corporation that supports the development of rural low-income housing nationwide. HAC provides technical housing services, loans from a revolving fund, housing program and policy assistance, research and demonstration projects, and training and information services.

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# Executive Summary

As we enter the new millennium, the landscape of rural America has changed dramatically from the beginning of last century. In 1900, more than two-thirds of the nation's population resided in rural areas. In 2000, less than one-quarter do. Rural America's economy and lifestyle have changed as well. Traditional family farms and small town centers have been replaced by large corporate agriculture and strip malls. As the landscape of rural America has changed, so too have rural homes. For the most part these changes have been positive, as more rural residents have access to decent, safe, and more comfortable living environments than ever before. However, as documented in the following report, far too many rural Americans lack decent homes.

Housing matters. It is an important aspect of our lives and our society. As Tremblay and Dillman note in *Beyond the American Housing Dream*. "People spend much of their day in the confines of their homes; the home separates people from others; the home provides a place of retreat and replenishment . . . . It represents socioeconomic status in the eyes of the community, and housing costs demand a large piece of the family budget pie."<sup>1</sup> This year's *State of the Nation's Rural Housing* seeks to draw attention to why housing matters.

Specifically, this report investigates how housing and communities are cornerstones for quality of life and economic well-being. Particular attention is placed on special populations, including low-income families, minorities, seniors, and households with children. In addition, this year's report highlights the stories of several rural families and individuals who live in federally assisted housing and what decent housing means to their quality of life and well-being.

## Rural Housing Conditions and Trends

The state of rural housing in America is one of growth and change. Consistent with national trends, the number of housing units in nonmetropolitan areas has grown by nearly two million in the past ten years. Approximately 22 million, or 22 percent, of all occupied housing units in the United States are in nonmetro areas. Owner-occupied units, which have traditionally

been prevalent in rural areas, continue to comprise the major portion of the nonmetro housing stock. Conversely, rental housing in rural areas has a tendency to be overlooked, and many low-income nonmetro renters, like inner city renters, experience some of the worst housing needs in the nation.

Mobile homes continue to make up one of the fastest growing housing segments in the U.S., and in rural areas in particular. Although mobile homes make up only 15 percent of nonmetro units, their numbers have grown by 38 percent since 1987. The dramatic increase in the number of Hispanic-headed households is a significant demographic trend in rural America. While a majority of Hispanic households live in metropolitan areas, their growth is proportionally greater in nonmetro areas. Another important demographic shift affecting housing in rural America is the impending progression of the baby boom generation into old age. Elderly households are already more prevalent in nonmetro areas than metro areas, and it remains to be seen if rural areas can meet the housing challenges that accompany the aging of so many households into senior status.

Housing costs and quality issues continue to be problematic for low-income nonmetro households. Housing inadequacy is slightly more common among nonmetro units than among all U.S. housing units. Approximately 1.8 million or 8.2 percent of nonmetro units are considered either moderately or severely inadequate.

Approximately 21 percent of nonmetro households pay more than 30 percent of their monthly income for housing costs and are considered cost-burdened. A disproportionate number of these cost-burdened households are renters.

## Housing and Quality of Life

A safe, secure, and affordable living environment serves as a catalyst for many factors that contribute to a high quality of life. In general, nonmetro residents tend to express higher satisfaction with their housing and neighborhoods than do their metropolitan counterparts.

These satisfaction levels decrease for nonmetro households experiencing quality or cost problems, but increase for low-income households with government housing assistance.

Housing and neighborhood quality also have significant consequences for the health and well-being of children. Over 7.7 million nonmetro units have children present, and 35 percent of these have problems with cost, crowding, or adequacy. Approximately 8 percent of nonmetro housing units with children present are either moderately or severely inadequate. Government housing assistance seems to have a significant impact on improving housing quality and satisfaction for nonmetro households: an overwhelming portion of assisted renters and owners indicate that their subsidized housing is better than their previous dwelling.

## Housing and Economic Well-Being

A home is the most valuable asset many Americans, and in particular low- and moderate-income households, will ever own. While more rural than urban households own their homes, the equity accumulated by a nonmetro homeowner is likely to be less than that accumulated by a metropolitan homeowner, because nonmetro

homes are less valuable. Nevertheless, the purchase of a home is still a significant economic factor for many rural residents. However, several barriers to quality and affordable mortgage access are more problematic in rural areas than in metropolitan areas. One factor in particular is higher interest rates. While 63 percent of all U.S. households with a mortgage have interest rates at or below the national median of 8.0 percent, only 54 percent of nonmetro mortgage holders have interest rates at or below the national median. Furthermore, 17 percent of all nonmetro owners with a mortgage, which is nearly double the metro proportion, have an interest rate of 10 percent or more. Interest rates are even higher among low-income borrowers.

These higher mortgage rates in nonmetro areas are in part attributable to the larger number of financed mobile homes, which often have shorter loan periods and higher rates. Subprime lending is also on the rise. Nationally the number of home purchase loans from subprime lenders increased by 762 percent between 1993 and 1998. Anecdotal evidence suggests that subprime lenders are becoming increasingly active in rural areas. While there are problems with affordable and quality credit availability in rural areas, homeownership remains one of the best methods of asset accumulation for low-income rural households.

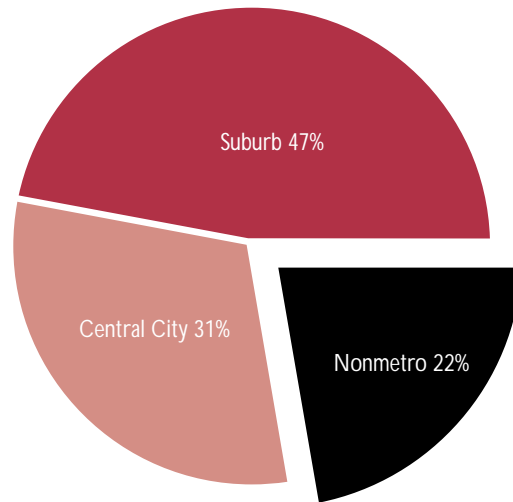
*Housing matters. It is an important aspect of our lives and our society.*

# The State of Rural Housing, 2000

## General Housing Characteristics

As of 1997 there were approximately 99.5 million occupied housing units in the United States. Of these, roughly 22 million, or 22 percent of all homes, are located in nonmetropolitan areas (Figure 1). Nearly half, or 47 percent, of the nation's occupied housing units are located in the ever growing suburban areas. The remaining 31 percent of homes are in central cities of metropolitan areas. While the number of nonmetropolitan housing units has increased by nearly 2 million in the past ten years, the percentage of homes in non-metro areas has remained relatively consistent at 22 percent of the nation's housing stock.

**Figure 1. Occupied Households**  
By Residence



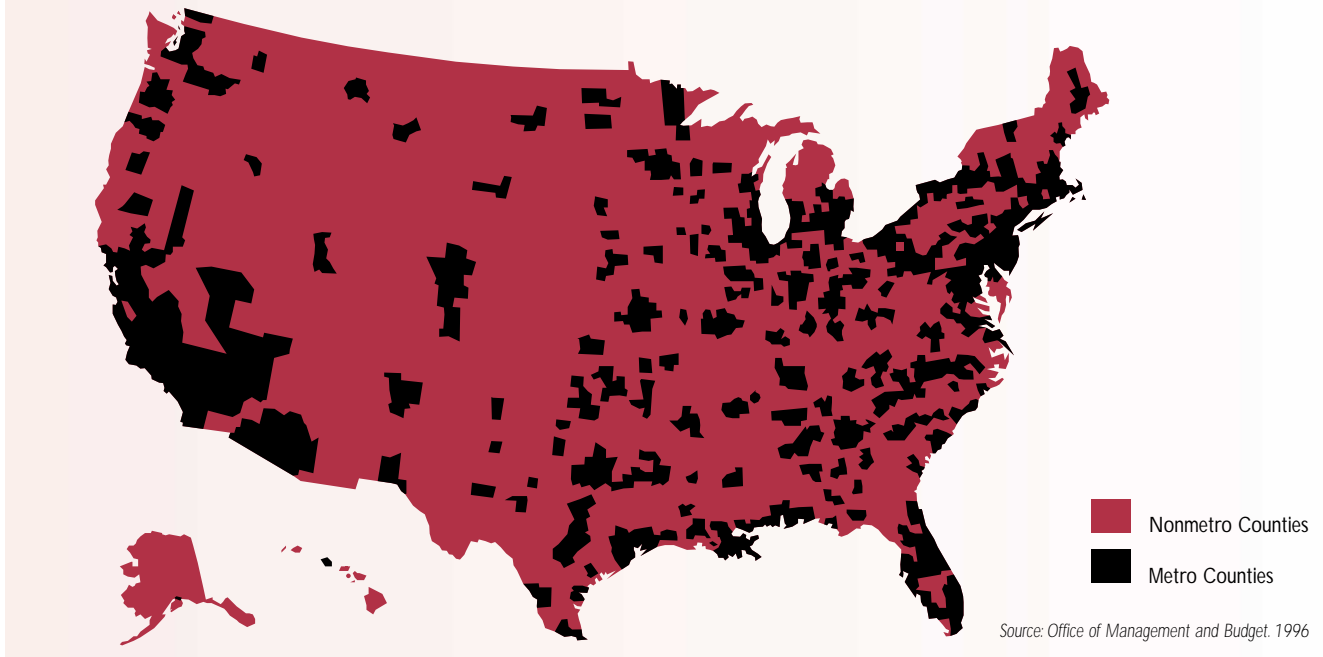
Source: 1997 American Housing Survey

## About the Data

Much of the data for this report derives from the American Housing Survey (AHS), a biennial random survey conducted jointly by the U.S. Bureau of the Census and the U.S. Department of Housing and Urban Development (HUD). Unless otherwise noted, all information presented in this report came from the 1997 American Housing Survey.

Prior *State of the Nation's Rural Housing* (SNRH) reports used a definition of rural areas that included non-urbanized areas of metropolitan counties. However, due to a geographic conversion problem with the 1997 AHS, analysis with this level of detail is not possible. As a result, the *2000 State of the Nation's Rural Housing* uses the nonmetropolitan designation as a proxy for rural. Unless otherwise noted, the term "rural" throughout this report refers to designated nonmetropolitan areas of the United States. Nonmetropolitan areas are those counties that lie outside of a metropolitan statistical areas. Metropolitan areas (MAs) consist of counties with central cities of at least 50,000 residents and a total MA population of at least 100,000 (75,000 in New England). An MA may also comprise surrounding contiguous counties that are metropolitan in character. Although analysis of nonmetropolitan data captures much housing information for rural places, it is not directly comparable to data for rural areas presented in previous SNRH reports. For more information on various definitions of rural, please consult Appendix A.

**Figure 2. Metropolitan Status By County**

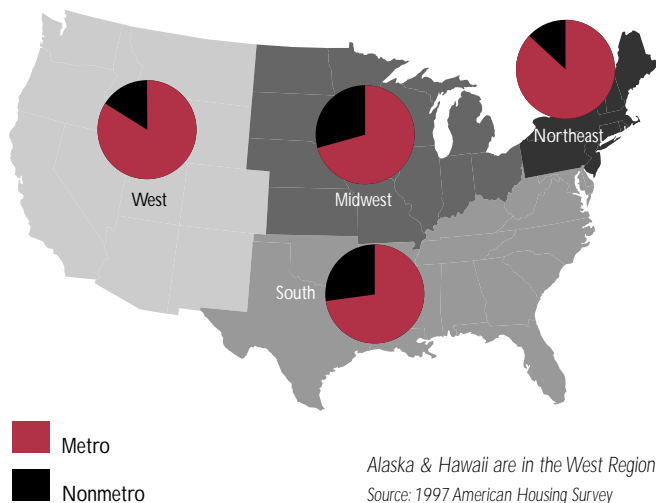


### Distribution of Nonmetropolitan Households

Fewer than one-quarter of U.S. households live in nonmetropolitan areas, and their concentrations vary somewhat by region. Overall there are more nonmetro households in the South, where 42 percent of all nonmetro households are located, than any other region.

The Midwest has the highest proportion of nonmetro units, which make up approximately 29 percent of all midwestern units (Figure 3). The Northeast has the smallest proportion (13 percent) and fewest number of nonmetropolitan households. The West's level of nonmetro units is slightly higher at 16 percent.

**Figure 3. Nonmetropolitan Households By Region**



### Tenure

Homeownership is at an all-time high in the United States as two-thirds of the nation's households now own their homes. Homeownership in rural areas, where three out of four units are owner-occupied, has traditionally been even more popular. While homeownership is the most preferred and prevalent form of housing tenure in many nonmetro areas, over 5.6 million, or 25 percent, of nonmetropolitan homes are renter occupied (Figure 4). The predominance of homeownership in many rural areas has overshadowed the importance of the rental housing stock and the needs of nonmetro renters. As a result, rural rental households, which also tend to have lower incomes, experience some of the most significant housing problems in the United States.<sup>2</sup>



Housing options in rural areas, particularly for low-income renters, are not only inadequate but are diminishing as well. In this strong economy, many private landlords are increasing rents and pricing out many low-income renters. Furthermore, much of the subsidized rental housing stock is at risk. This problem is exemplified by the prepayment issue facing the Section 515 subsidized rural rental housing program administered by the U.S. Department of Agriculture (USDA). Project owners

*The predominance of homeownership in many rural areas has overshadowed the importance of rental housing and the needs of rural renters.*

that received loans from USDA to develop affordable rental housing prior to 1989 can opt out of the program by prepaying loans and converting the subsidized units to market rates. Currently there are 290,440

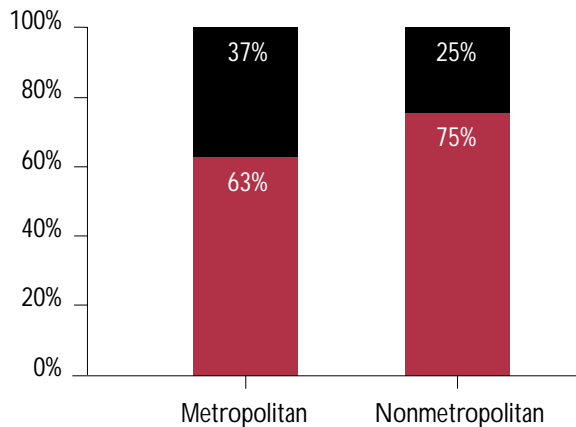
households, and a greater gentrification of rural communities, the need for adequate and affordable rental housing in rural areas will only become greater. If the loss of affordable rental units continues, the current rental housing crisis in rural areas will become even worse.

## Structure Type

As is the case in the nation as a whole, single unit, detached homes are the predominant type of housing in rural areas, comprising 72.4 percent of nonmetro units (Figure 5). With the small number of rental units in rural areas, attached and multi-unit structures comprise only 13 percent of nonmetro units. However, they make up 41 percent of all nonmetro rental units.

**Figure 4. Tenure**

Households by Residence



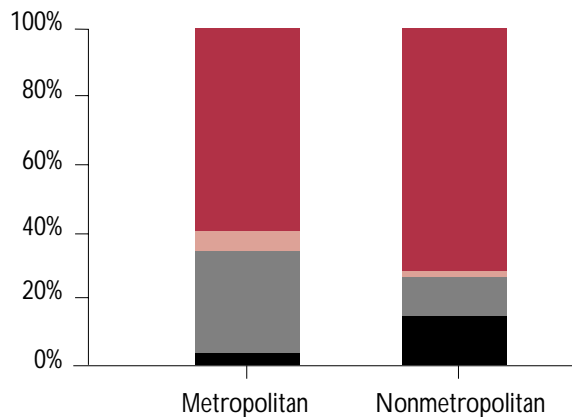
■ Renter-Occupied ■ Owner-Occupied

Source: 1997 American Housing Survey

Section 515 units at risk of prepayment and conversion to market rents.<sup>3</sup> Likewise, HUD’s Section 8 tenant based rental assistance program is experiencing similar problems with landlords opting out of the program in search of higher rents and fewer government regulations.<sup>4</sup> With looming demographic shifts like the booming elderly population, a growth in single-person

**Figure 5. Structure Type**

Households by Residence



■ Single Family Detached ■ Single Family Attached  
 ■ Two or More Apartments ■ Mobile Home

Source: 1997 American Housing Survey

Mobile homes\* continue to be one of the nation’s fastest growing housing segments. Mobile homes comprise one-quarter of all new housing starts in the United States,<sup>5</sup> but in some remote rural areas like Appalachia and the South, mobile homes often make up half and sometimes three-quarters of the new housing starts.<sup>6</sup> Nationwide, there are 6.5 million occupied mobile

\*The AHS uses the term “mobile home” when referring to a housing unit that was originally constructed to be towed on its own chassis. HUD and the industry that produces these homes prefer the term “manufactured housing.” To remain consistent with the primary data source, this study uses the term mobile home when referring to this type of housing.

homes, comprising approximately 7 percent of all occupied structures. In rural areas the proportion of mobile homes is double the national percentage, comprising nearly 15 percent of nonmetro housing units. While nonmetro areas contain less than one-quarter of the nation's housing units, more than one-half of mobile homes are located there. Mobile homes are still a small portion of the overall nonmetro housing stock, but their number has increased by 38 percent since 1987 (Figure 6).

Mobile homes' greatest attraction is their low cost. With a median purchase price of approximately \$20,000,

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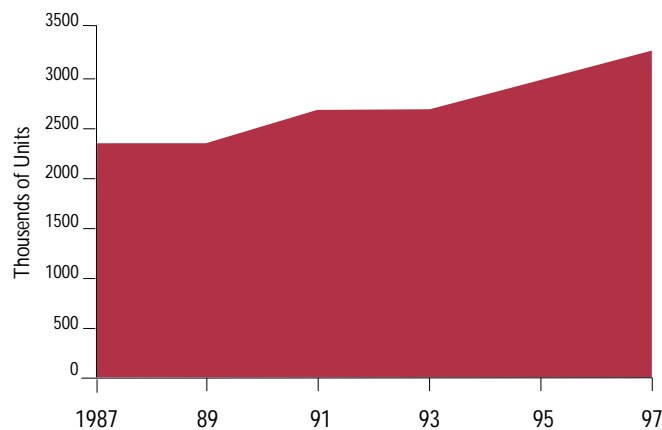
mobile homes cost half as much as non-mobile units in nonmetro areas. This affordability appeals to many young and first time homebuyers. Mobile home occupants

tend to be younger, have less income and less education, and are more often white than those living in single family homes.<sup>7</sup>

Mobile homes have been controversial since their inception, and the controversy continues regarding their role in the affordable housing market. It is unquestioned

### Figure 6. Mobile Home Growth

Nonmetro Units, 1987 to 1997



■ Mobile Home

Source: 1997 American Housing Survey 1987-1997

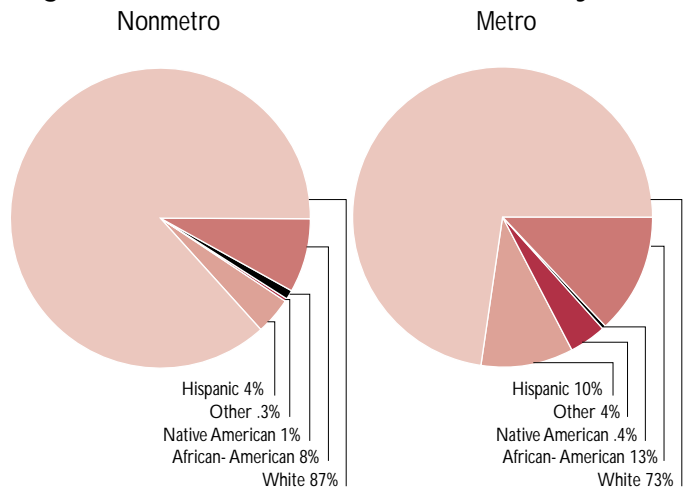
that mobile homes are an important and growing housing option for many rural families. However, concerns about quality and investment value of this type of housing still persist.<sup>8</sup> Congress is currently undertaking major legislation to revamp requirements that regulate the production and placement of mobile homes.

### Household Characteristics

Households in nonmetro areas tend to be less racially diverse than in the United States as a whole.\*

Nation-wide about 76 percent of all households are white (Figure 7). In nonmetro areas 87 percent of households are white. In contrast, African-Americans make up only 8 percent of nonmetro households com-

### Figure 7. Household Race & Ethnicity



Source: 1997 American Housing Survey

pared to 12 percent nationally. Furthermore, nine out of 10 nonmetro African-American households live in the South. Native Americans and Asians combined comprise less than 2 percent of nonmetro households. A little over half the nation's Native American population resides in nonmetro areas as opposed to just 2 percent of the nation's 2.7 million Asian households.

\*Race and ethnicity of households reflects the race of the householder. The householder is the first household member listed on the AHS questionnaire who is an owner or renter of the sample unit and is age 18 years or older.

One of the more significant trends in nonmetro areas is the explosive growth in the number of Hispanic\* households. Overall, nine out of ten Hispanic-headed households live in metropolitan areas. Yet, proportionally

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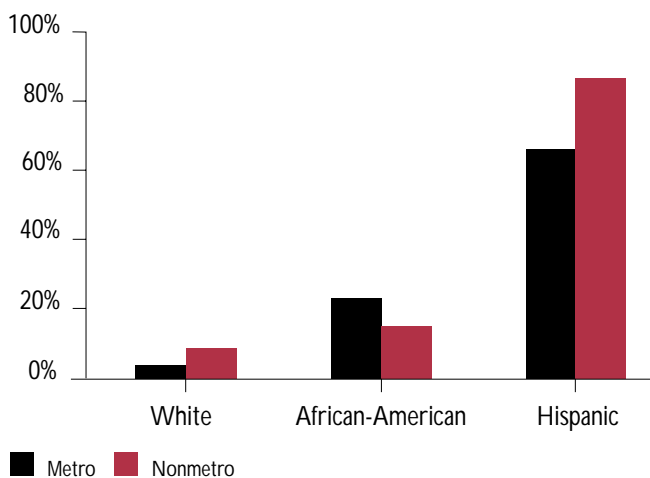
their increase has been more significant in nonmetro areas. The number of nonmetro Hispanic households increased 86 percent between 1985 and 1997 (Figure 8). This dramatic growth can be primarily attributed to immigration

into the United States from Mexico and other Latin American countries. Much of this immigration has been fueled by our nation's booming economy, which has created an increasing demand for low-wage labor—particularly in agricultural, production and service industries.

Several housing challenges arise with Hispanic-headed households. Most notable are low incomes and poor quality housing. Nonmetro Hispanic-headed households experience inadequate housing at twice the rate for all nonmetro households.

### Figure 8. Race & Ethnicity Changes

Increases in the Number of Households by Race, 1985-1997



Source: 1997 American Housing Survey 1985-1997

\*Hispanics may be of any race.

\*\*Elderly households are those in which the householder is over the age of 65.

Much attention has recently been placed on how our nation is aging, particularly with the impending retirement of the baby-boom generation. The signs of an aging society are even more distinct in rural areas. Elderly\*\* households are more common in nonmetro areas, where they make up 26 percent of all households, compared to just 20 percent in metropolitan areas (Figure 9). Furthermore, 1.5 percent of nonmetro households that are not headed by an elderly person contain one or more persons over the age of 65. A disproportionate number of nonmetro seniors are single women. The median age of householders in the U.S. is 46; however, in nonmetro areas the median age is 48.

### Figure 9. Age of Householder

By Residence (Numbers in thousands)

	Metro		NonMetro		U.S. Total	
	#	%	#	%	#	%
Under 25	4,059	5.7	1,249	5.7	5,308	5.3
25 to 44	34,018	43.9	8,046	36.5	42,065	42.3
45 to 64	24,140	31.2	7,069	32.0	31,208	31.4
Over 65	15,200	19.6	5,706	25.9	20,906	21.0
Total	77,417	100.0	22,070	100.0	99,487	100.0
Median	46	N/A	48	N/A	46	N/A

Source: 1997 American Housing Survey

Approximately 43 percent of nonmetro senior-headed households have investments or savings over \$25,000. However, these levels are significantly lower for women and minority seniors in nonmetro areas. Approximately 60 percent of elderly householders in nonmetro areas are either poor or near poor, with 25 percent below the poverty line and 35 percent earning between 100 and 200 percent of poverty income. Furthermore, nonmetro seniors are more likely to live in either moderately or severely inadequate units than seniors in the nation as a whole.

As the population over 65 increases, its housing needs change as well. Most seniors over the age of 65 live in single-family homes that they own and prefer this housing arrangement. Bolstered by an attachment to home and community, these housing preferences are often stronger in rural areas.<sup>9</sup> However, seniors' enduring social, economic, and psychological attachments to their homes are often jeopardized by the aging process. Many older adults remain in their homes, or "age in place," long after they can physically, mentally, or financially manage a home. This situation is worsened in rural areas by the fact that many elders live in older homes, which are more likely to have structural and physical inadequacies. Yet, even seniors living in physically substandard housing tend to express satisfaction and a desire to remain where they are.<sup>10</sup> This strong attachment, even in the face of inadequate housing, is often a factor of income, differing personal definitions of quality, and fear of losing one's independence. In fact, the resistance to move is so strong that it often takes a major life disruption, such as serious illness, accident, or loss of a spouse, to provoke a housing move. When housing adjustments are made, seniors typically "move down" from ownership to rental housing units with less space and lower costs.<sup>11</sup> Given the shortage of rental homes in many rural areas, meeting the housing needs that accompany the progression of so many households into older age will be a challenge.

The location of seniors is changing as well. In the past few decades many nonmetropolitan communities have witnessed a migration of retirees. Seeking attractive scenery, a relaxed pace of life, and lower housing costs, retirees find rural areas highly desirable places. Some nonmetro communities have experienced an economic boom from elderly immigration. However, other rural communities have grappled with changes that often accompany a high concentration of seniors. In some cases affluent retirees with more expendable income drive up market and housing costs, adversely impacting

## My Home Means So Much to Me

Deep in the Appalachian mountains of eastern Kentucky lives Phoebe Fields, an 81-year-old widow and great grandmother who has resided in her home for over 50 years. When she and her husband originally purchased the dwelling for just \$400 in 1946, it had only two rooms. Over the years, they built on and added amenities as they raised their 17 children. However, in recent years Phoebe has lived alone and her home fell into disrepair.

With help from her family, Phoebe sought out assistance from Housing Oriented Ministries Established for Service Inc. or HOMES, a longstanding nonprofit housing development corporation serving eastern Kentucky. Initially, HOMES suggested razing the old mountain home and building a new one. But Phoebe "would hear none of that." She maintained she was too old to take on the debt of a new house, and wanted to stay in the home where she and her husband had raised their family. So HOMES drew up rehabilitation plans and assisted Phoebe in obtaining



a USDA Rural Housing Service Section 504 home rehabilitation grant to make her home safe, sanitary, and decent.

Using primarily volunteer labor from visiting church groups, HOMES significantly rehabilitated Phoebe's home including shoring up structural inadequacies and installing a new electrical service. Phoebe and her family, including 79 grandchildren, are delighted about the improvements. Now she will be able to spend the rest of her life in a home that is full of memories.

low-income and indigenous elderly households. More commonly, however, rural seniors are likely to live in an area that has experienced an outmigration of young adults seeking employment. This trend is more prevalent in the Midwest and remote rural areas such as Appalachia and the Mississippi Delta where the ratio of seniors to working age adults is far above the national average.<sup>13</sup> Sparsely settled rural areas often suffer from little or no public transportation and limited social service infrastructure. Family members are the principal providers of care for elderly family members in rural areas. While these strong informal networks are valuable

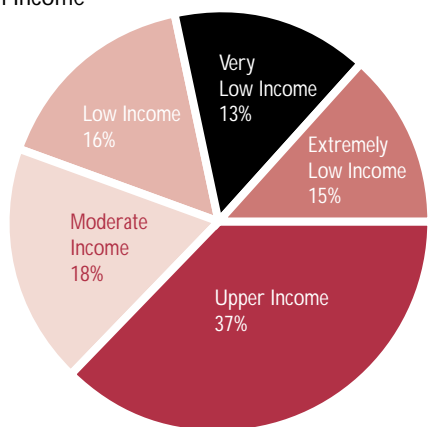
to seniors, they often don't fully supply the level of assistance that is needed to preserve quality of life and allow seniors to remain in their homes and communities.

## Income

Traditionally incomes have been lower in nonmetro areas than for the rest of the country. The median household income in the United States is \$34,500.\* The median income among nonmetro households is somewhat lower at \$27,200, which is up slightly from the 1995 level of \$25,998. Approximately 9.7 million nonmetro households (45 percent of nonmetro households) have incomes at or below 80 percent of the area median income and are considered low income (Figure 10).

**Figure 10. Income Levels**

Nonmetro Household Income as a percent of the Area Median Income



Source: 1997 American Housing Survey

Furthermore, 2.9 million of these households below the low-income threshold actually have incomes between 31 percent and 50 percent of the median. Another 3.4 million or 15 percent of nonmetro households have incomes at or below 30 percent of the area median and are extremely low income.

\*Caution should be exercised when referring to income and poverty data in this report. Poverty data in the AHS are not an official count of households in poverty; rather, they are intended to show housing characteristics of low-income households. The Census Bureau notes that, historically, the AHS underreports income and overreports poverty when compared to the Current Population Survey. For additional information on area median income (AMI) and poverty calculations please consult Appendix A.

\*\*For additional information on poverty calculations please consult appendix A.

Approximately 19 percent of nonmetro households have incomes below the poverty level, compared to 16 percent nationwide.\*\* Certain subpopulations of nonmetro households experience even greater levels of poverty, namely Native American households at 41 percent, African American households at 38 percent, and female-headed households at 35 percent.

The Census Bureau's most recent reports on poverty and income corroborate the AHS finding that poverty continues to be a problem in nonmetro areas. In fact, while the poverty rates for the U.S. as a whole and for metro areas (both inside and outside central cities) declined between 1998 and 1999, there was no significant decline in the nonmetro poverty rate. Central city poverty went down 2.1 percent, while the reported 0.1 percent drop in nonmetro poverty was not statistically significant.<sup>14</sup>

*While the poverty rates for the U.S. as a whole and for metro areas declined... there was no significant decline in the nonmetro poverty rate.*

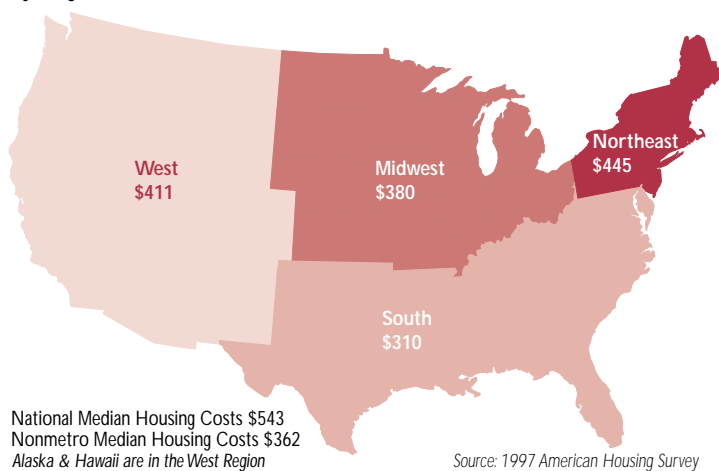
Furthermore, real median income in central cities rose by 5 percent between 1998 and 1999, but real income levels for nonmetro and suburban households remained statistically unchanged.<sup>15</sup>

Most nonmetro households report having wage or salary income as part of their total household income, with 63 percent having a majority of their household income comprised of earned income. Due to the growing elderly population in rural areas an increasing number of nonmetro households have Social Security or pension income. Currently one-third of all nonmetro households report Social Security or pension income. Less than 6 percent of nonmetro households report receiving some type of public welfare assistance, and approximately 14 percent report receiving food stamps.

## Housing Costs

The cost of living tends to be lower in nonmetro areas than in metro areas, and housing is generally not an exception.<sup>16</sup> The median monthly cost of nonmetro housing of \$362 is significantly lower than the national median of \$543. The median monthly mortgage payment for nonmetro homeowners is \$450 while the median contract rent for nonmetro renters is \$325. Although nationally housing costs are significantly lower in nonmetro areas, this varies somewhat by location. Nonmetro housing costs tend to be lowest in the southern United States with a median monthly housing cost of \$310 and highest in the Northeast with a median cost of \$445 (Figure 11).

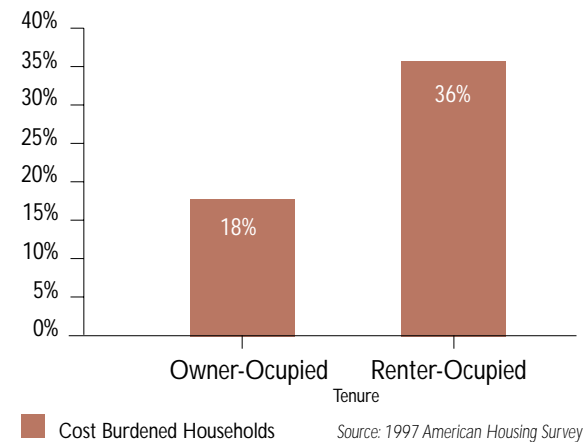
**Figure 11. Nonmetro Median Housing Costs**  
By Region



Despite the fact that housing costs are lower in nonmetro areas, many households, and in particular renters, find it difficult to meet their housing costs. Approximately 4.7 million nonmetro households (21 percent) pay more than 30 percent of their monthly income for housing costs and are considered cost-burdened. Of these nonmetro cost-burdened households, more than 2.1 million pay more than half of their incomes toward housing costs. Most cost-burdened households have low incomes, and a disproportionate number are renters. The cost burden rate among non-

**Figure 12. Cost Burdened Households**

Percent of Nonmetro Households by Tenure



metro renters is twice that of their owner counterparts, with renters making up 40 percent of nonmetro cost-burdened incidences while they comprise just one-quarter of all nonmetro households (Figure 12). Recent studies such as the National Low Income Housing Coalition's *Out of Reach 2000* report, maintain that nowhere in the United States can a household afford a two-bedroom apartment at the fair market rent while having income at the federal minimum wage.<sup>17</sup>

*Approximately 4.7 million nonmetro households (21 percent) are cost-burdened.*

## Housing Quality

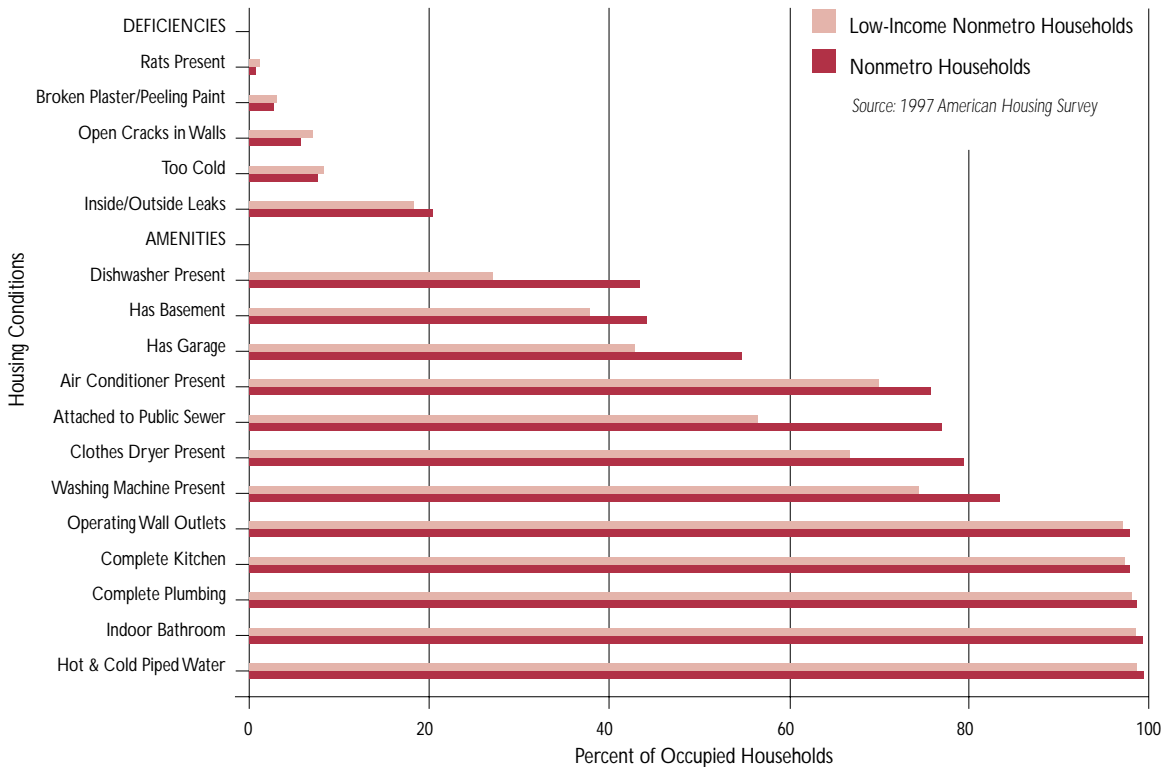
In the past half century, the quality of housing in rural areas has improved dramatically. A 1934 Department of Agriculture survey revealed that only 44 percent of farm households had indoor water, and less than one-third had electricity or kitchen sinks. Furthermore, the survey also showed that only about half of the nation's farm dwellings were in good structural condition.<sup>18</sup> In 1997, only 2 percent of nonmetro households experienced severe instances of housing inadequacy.\*

\*The 1934 U.S. Department of Agriculture (USDA) study of farm-owned housing and the 1997 AHS are not completely comparable when looking at housing conditions and demographics. However, the 1934 USDA study provides a good general framework on which to base this historical comparison of rural housing conditions.

Despite gains in the quality of rural housing, housing quality problems still persist in the United States and tend to be most common in rural areas and central cities. The instances of housing inadequacy among nonmetro units are slightly higher than for all housing units. Approximately 1.8 million, or 8.2 percent, of nonmetro

units are considered either moderately or severely inadequate. For low-income households in nonmetro areas, the level of inadequate housing is 11 percent, and once again poor housing conditions are disproportionately higher among renters and minority households than among owners and whites (Figure 13).

**Figure 13. Housing Quality**  
Selected Nonmetro Housing Quality Characteristics



## A Safe Environment That Provides Tranquility

In 1998, Maria Avalos and her family were employed as farmworkers in California's Coachella Valley. They lived in an overcrowded and dilapidated mobile home. Due to the lack of affordable and safe housing for farmworkers in the area, Maria feared that it would be impossible for her family to find better housing, until she found Desert Gardens Apartments in 1999. This 88-unit complex for retired farmworkers and farmworker families in the City of Indio is owned and operated by the Coachella Valley Housing Coalition (CVHC), a nonprofit affordable housing provider and community development corporation.



Desert Gardens is the first federally funded project in the nation with units reserved for retired farmworkers. The development received funding from the U.S. Department of Agriculture's Rural Housing Service Farm Labor Housing program, Rural Community Assistance Corporation, Riverside County Economic Development Agency and Department of Community Action, and the California Department of Housing and Community Development.

Maria and her family are thrilled with their new apartment at Desert Gardens. Not only are they happy to live in a high quality apartment, but they also enjoy the project's community garden, English as a Second Language classes, childcare, and the social events held at the complex, like the annual Cinco de Mayo celebration. Most important to Maria is that Desert Gardens has provided a "safe environment that provides tranquility" to her family.

# Housing and Communities as Cornerstones for Quality of Life

A safe, secure, and comfortable living environment serves as a catalyst for many factors that contribute to a high quality of life. This section attempts to highlight factors that are directly related to housing and neighborhood quality, which are evaluated primarily through housing and neighborhood satisfaction. Special attention is placed on the quality of housing and neighborhoods in relation to children's well-being, and the effects of government housing assistance on housing and neighborhood satisfaction.

## Housing Satisfaction

In general, nonmetro residents tend to express levels of satisfaction with their homes comparable to or slightly higher than those of the nation as a whole.\* Overall, 71 percent of nonmetro households express a high level of satisfaction with their current housing as compared to 69 percent for households nationally.

While housing satisfaction is high overall for nonmetro areas, certain subpopulations express varying degrees of housing satisfaction (Figure 14). One of the largest disparities between housing satisfaction of nonmetro households is that between owners and renters. While over three-quarters of nonmetro owners express high satisfaction with their homes, this is true of only a little more than half of nonmetro renters. Satisfaction levels are higher among all races in nonmetro areas than nationally. White nonmetro households express the greatest satisfaction, with 72 percent rating their housing satisfaction as high. In contrast nonmetro Native American households express the lowest level of satisfaction, with 60 percent expressing high satisfaction, which is closely followed by 61 percent among nonmetro Hispanic households.

\*Housing and neighborhood satisfaction for this report was operationalized through the following method. The AHS asks households to rate their current housing unit and neighborhood as a place to live on a scale from 1 to 10, with one being the lowest rating and 10 being the highest. For the purposes of this study the scale was collapsed into three categories, low (a rating of 4 or lower), moderate (a rating of 5 to 7) and high (a rating of 8 to 10).

## Freedom to Pursue His Career

After a diving accident left him without the use of his legs, Matt Feeney encountered many life challenges, not the least of which was finding housing that was both affordable and handicapped-accessible in the Winter Park, Colorado area. Matt moved to Winter Park in 1991, and since 1993 has been a ski instructor. In response to increased tourism in this ski mecca, property values and rental rates have been increasing steadily since the early 1990s. When his landlord doubled his rent in 1997, Matt had to find somewhere else to live.



Matt found an affordable apartment at Wapiti Meadow in nearby Fraser, Colorado. Wapiti Meadow is owned and managed by Mercy Housing SouthWest, and it provides safe, decent and affordable housing for 50 families in the Fraser Valley. In addition, it is one of the few properties in the

area providing apartments that are accessible to persons with physical disabilities. The project was developed with a wide variety of funding sources, including funding from the Colorado Division of Housing, private lenders, Fannie Mae, the Federal Home Loan Bank of Topeka, and the Mercy Loan Fund.

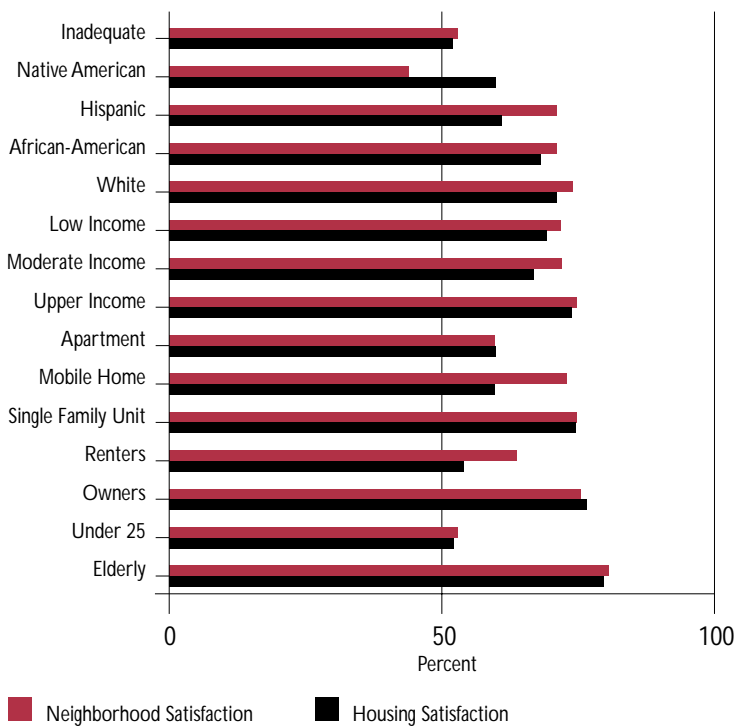
Matt now coordinates the Sit-Ski program at the National Sports Center for the Disabled in Winter Park and is the only disabled instructor in the program. Finding an affordable and accessible apartment at Wapiti Meadow allowed Matt the freedom to pursue his career and help others with disabilities improve the quality of their lives through outdoor recreation.



Single unit structures are the predominant rural housing type, and for the most part nonmetro households seem to be satisfied with them, as almost three-quarters of nonmetro single-family housing inhabitants express high housing satisfaction. Structures comprised of two or more units have the lowest level of housing satisfaction, which is not surprising considering they are mainly occupied by renters who are less satisfied with their housing than are homeowners. A little over 71 percent of nonmetro mobile home occupants, significantly higher than the portion of metro mobile home owners, express high satisfaction with their homes.

### Figure 14. Housing and Neighborhood Satisfaction

Percent of Nonmetro Households with High Housing & Neighborhood Satisfaction



Source: 1997 American Housing Survey

As age increases so does housing satisfaction. Among nonmetro householders under the age of 25, only 50 percent describe their housing satisfaction as high. In contrast, 81 percent of nonmetro householders over age 65 express high housing satisfaction. This high level of

housing satisfaction among seniors, which is greater than the level of satisfaction for any other age group, may be in part a factor of achievement and expectation. By this stage in their life cycle, many seniors have achieved a high level of satisfaction, and those who have not often have limited recourse in improving their quality of housing and therefore may have limited expectations for quality of housing.

Housing satisfaction among all income levels in nonmetro areas is relatively high. Particularly surprising is the relatively high housing satisfaction of low-income households. Approximately 68 percent of low-income nonmetro households express high satisfaction with their housing. Furthermore, moderate-income households in nonmetro areas express high housing satisfaction at a rate of 67 percent, which is slightly less than the housing satisfaction rate of nonmetro low- and very low-income households. These findings run counter to the nation as a whole in which housing satisfaction levels increase with higher income levels.

### Neighborhood Satisfaction

Neighborhood satisfaction levels in nonmetro areas are relatively similar to housing satisfaction levels. However, nonmetro residents tend to express higher satisfaction for their neighborhoods than for their housing units, the opposite of national figures.

Neighborhood satisfaction is slightly higher among nonmetro owners and renters than at the national level. Yet, as in the case of housing satisfaction, a rather large gap exists between the neighborhood rating of nonmetro renters and owners, with 76 percent of owners expressing high satisfaction compared to just 64

percent of renters. Generally, nonmetro residents of all races express higher satisfaction with their neighborhoods than their metro counterparts.

One exception is nonmetro Native American households who overwhelmingly express the lowest levels of satisfaction with their neighborhoods among households of all races. Only 44 percent of nonmetro Native American households report high neighborhood satisfaction.

Similarly, neighborhood satisfaction is very high among all income levels in nonmetro areas. Approximately 72 percent of nonmetro low-income households express high satisfaction with their neighborhoods. This is significantly higher than in metropolitan areas where 60 percent of low-income households express high neighborhood satisfaction.

Nonmetro residents' high satisfaction with their neighborhoods is exemplified by their reports of specific neighborhood characteristics (Figure 15).

Nonmetro households generally report lower incidences of neighborhood problems such as litter, noise, or blighted properties than do metro households.

However, the presence of undesirable odors are reported as a problem more often in nonmetro neighborhoods.

Nonmetro residents are also slightly more satisfied with public services and the quality of schools than metro residents, although satisfaction with services is high among residents in both metro and nonmetro communities.

Neighborhood crime characteristics reveal some of the largest differences in neighborhood satisfaction between metro and nonmetro communities. Approximately 19 percent of metro residents indicate that crime is prevalent in their neighborhood compared to just 9 percent for nonmetro households. However, even though nonmetro households indicate less crime in their neighborhoods, they are more concerned about inadequate police protection. While 12 percent of nonmetro residents express dissatisfaction in police protection, just 8 percent of metro households do.

## Space to Study

Hope Villas, developed by the Highlands County Housing Authority (HCHA) in central Florida, has made decent, affordable rental housing available to Highlands County farmworkers. Tenant Willie Downs said, "Living at Hope Villas is the best thing that ever happened to my family and me." Downs was disabled from pesticide poisoning. The living conditions at Hope Villas have improved his quality



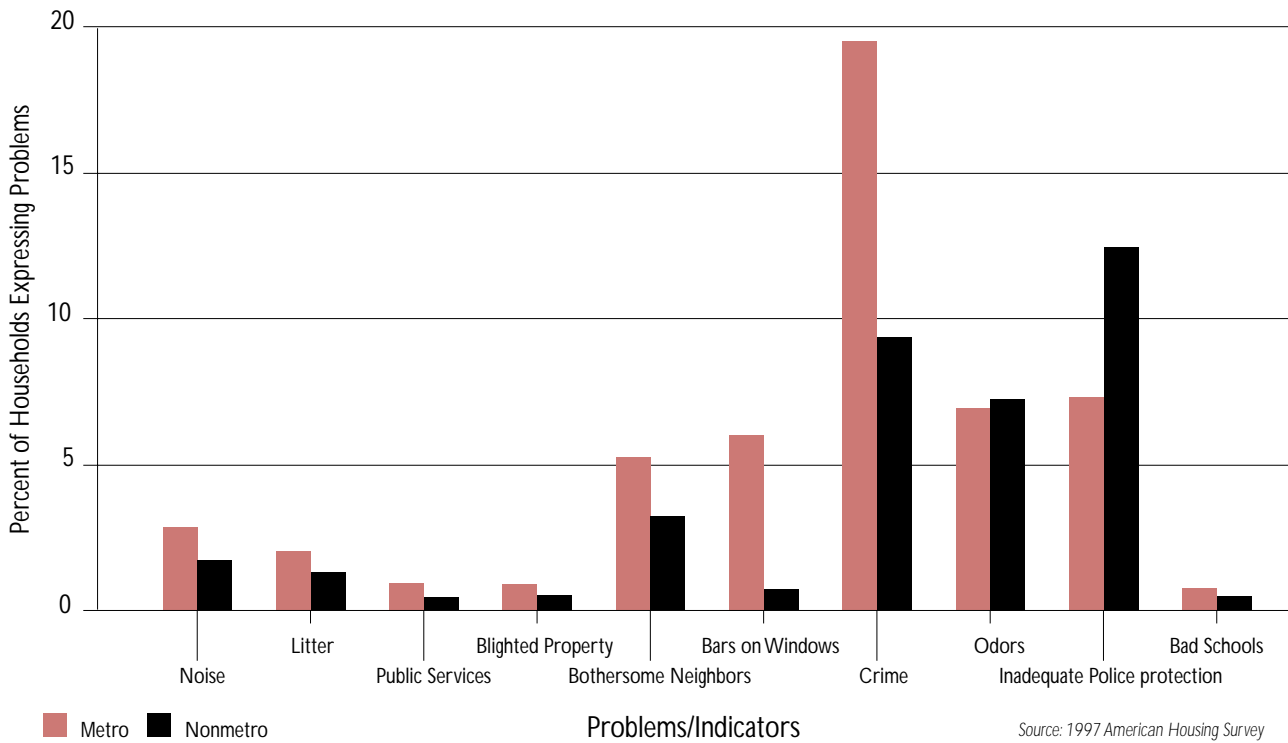
of life, and provided a more stable living environment for his family. "If the seed had not been planted in their minds to provide farmworker housing, I would still be living in overcrowded, substandard housing and paying high rents. My family now has a decent place to live. My daughter now has her own space in which to study. We are all better because of our new, better living conditions." Born on a Georgia Plantation, Mr. Downs has experienced a full range of farmworker housing conditions and recently achieved a position where he can contribute to improved housing for others. In August of 2000, he was appointed a commissioner for the Highlands County Housing Authority.

HCHA developed the Hope Villas farmworker housing project in Sebring, Florida, primarily with funding from

the U.S. Department of Agriculture's Rural Housing Service farm labor housing program. The Housing Assistance Council provided a loan to purchase the site.

## Figure 15. Neighborhood Quality

By Residence



## Quality of Housing and Children's Well-Being



Childhood poverty\* can be an overwhelming detriment to a child's present and future quality of life. Children make up a large share of the poor population (39 percent), even though they only comprise 26 percent of the total population.<sup>19</sup> According to the Census Bureau's most recent national report on poverty, children under the age of six remain particularly vulnerable with an overall poverty rate of 20.6 percent. Children under the age of six who live in a female-headed single-parent household experience a poverty rate of 55 percent, compared to just 10 percent for those with married parents. The poverty rate for all nonmetro children is 19.7 percent.<sup>20</sup>

The quality of housing and neighborhoods has significant impacts on the health and well-being of children. Over 7.7 million nonmetro units have children present, and 35 percent of these have problems with cost, crowding, or adequacy. Approximately 8 percent of nonmetro housing units with children present are either moderately or severely inadequate.<sup>20</sup>

*Continued on page 16*

\*Poverty data presented in this paragraph came from the Census Bureau's Current Population Report on poverty (1998). Poverty data and calculations from that report differ from those of the AHS. For more information on differences in poverty calculations please consult Appendix A.

## Quality of Housing and Children's Well-Being

Continued from page 15

Among the more problematic issues of poor quality housing is its effect on children's health. One of the most notable children's health problems associated with poor quality housing is lead poisoning. Housing conditions are the most frequent cause of childhood lead poisoning, especially from lead based paint in houses that were built before 1978. Research suggests that children under the age of six are more likely to have an



elevated lead level if they live in housing built before 1960, live in a rental unit, live in the Northeast, or live in a low-income household.<sup>21</sup> Over 2.8 million occupied units in nonmetro areas have children present and were built before 1960. However, only 8 percent of these units have been tested for lead. Lead damages many parts of the human body and can cause life threatening ailments. Long-term exposure can damage the blood, brain and reproductive system. It has been estimated that even low lead levels can dramatically decrease IQ and motor function. One study found that children with increased levels of lead are seven times more likely to drop out of high school and five times more likely to have disabilities.<sup>22</sup>

Respiratory problems, in particular asthma, also are often exacerbated by poor housing. Substandard housing triggers asthma attacks by exposing residents to irritating factors such as smoke, cockroaches, dust mites,

mold, and rodents. Among children with allergies, long-term exposure to such elements can cause serious health complications.<sup>23</sup> A 1997 study from the *New England Journal of Medicine* found that children with allergies who are exposed to cockroaches in the home suffer more hospitalization and unscheduled visits to health care clinics and more missed school.<sup>24</sup> Furthermore, poor children are 4.2 times more likely to be exposed to cockroaches at home than nonpoor children.<sup>25</sup>

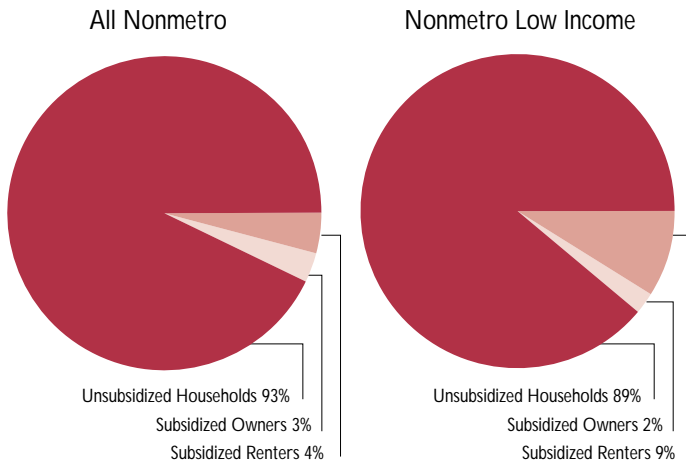
Injuries due to poor housing conditions represent another significant housing-related problem for children. Burns from wood stoves, kerosene heaters, and exposed radiators top the list of serious household accidents for children. In 1993 approximately 1,890 children had to visit emergency rooms to be treated for home burns.<sup>26</sup> Nonmetro households are more likely to use heating sources such as open stoves and furnaces that are more difficult to safeguard against childhood burns. Approximately 1.4 million nonmetro households rely on wood, coal, or kerosene furnaces as their primary source of heat. Over one-third of these nonmetro households with such sources of heat have children present.

Another housing-related problem that seriously reduces children's quality of life is residential instability. Homelessness in rural areas often takes the form of living in extremely substandard housing or doubling up with friends or relatives. Many women with children experience residential instability due to unaffordable housing costs or domestic violence. A recent *New York Times* article maintained that excessive mobility of low-income children due to a lack of affordable housing plays a significant role in decreasing student achievement. The article cited a 1994 General Accounting Office study that found that 30 percent of children from families earning less than \$10,000 a year attended at least three schools by third grade.<sup>27</sup> Other studies have found that residential instability for children puts them at twice the risk of becoming homeless themselves when they become adults.<sup>28</sup>

## Government Housing Assistance and Housing Satisfaction

Approximately 8.8 million, or 9 percent, of all U.S. households receive some type of government housing assistance. Overall, 5.6 million renters receive government rental assistance and 3.3 million homeowners receive some type of lower cost mortgage.\* In nonmetro areas 10 percent of owners with mortgages receive lower cost mortgages from government assistance, and 17 percent of renters obtain reduced rent through federal, state or local programs (Figure 16).

**Figure 16. Subsidized Housing**



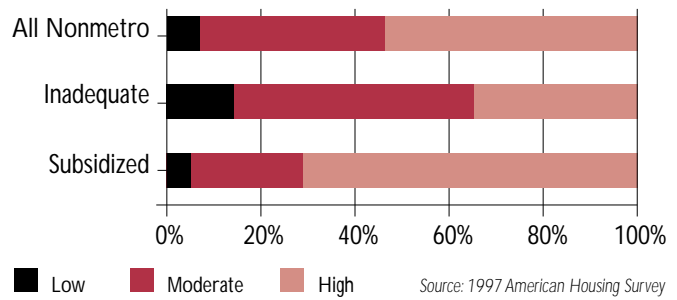
Source: 1997 American Housing Survey

Housing satisfaction levels decrease among low-income households who have problems with their housing. However, nonmetro renter households who receive government rental assistance have a greater level of housing satisfaction, as 69 percent express high satisfaction with their housing (Figure 17).

Nonmetro owners who live in inadequate housing have a high housing satisfaction rate of 64 percent (Figure 18).

**Figure 17. Nonmetro Renter Housing Satisfaction**

Percent of Households

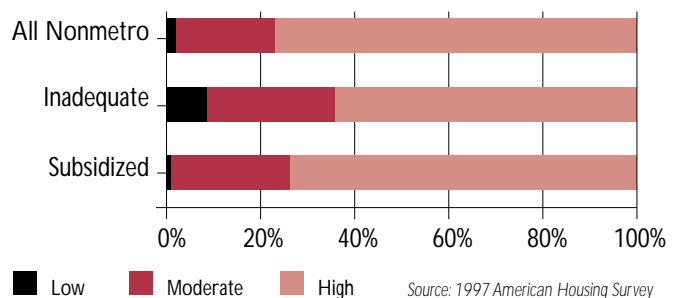


Source: 1997 American Housing Survey

Seventy-one percent of nonmetro households with lower cost government mortgages express high housing satisfaction, a rate comparable to all nonmetro owners as a whole. Less than 1 percent of nonmetro owners receiving government mortgage assistance rate their housing satisfaction as low. This is the lowest level of housing dissatisfaction among all nonmetro homeowners. While households living in inadequate conditions express the lowest housing satisfaction, those who are cost burdened express relatively high housing satisfaction. This may be due to the fact that homeownership is so much preferred in rural areas that owners are willing to pay more for homeownership.

**Figure 18. Nonmetro Owner Housing Satisfaction**

Percent of Households

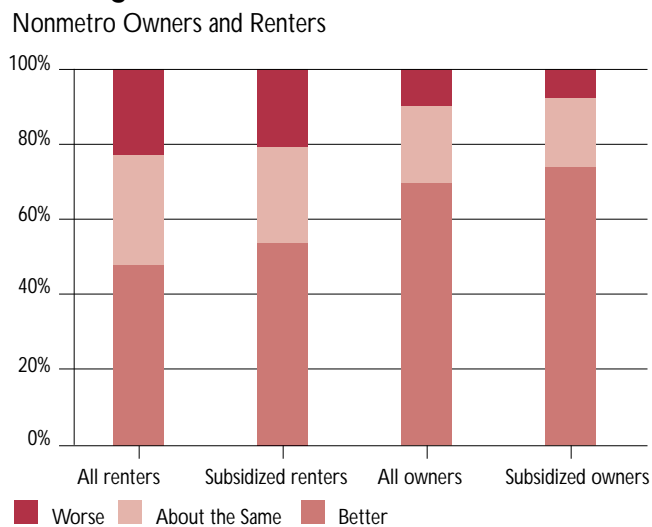


Source: 1997 American Housing Survey

\*The number of rental households receiving assistance was estimated from those households who report their income as part of their rental lease, pay a lower rent because the government is paying part of the cost of the unit, or live in a building owned by a public housing authority. These estimates include federal, state and local government assistance. Data on government subsidized owners in the AHS are limited. The number of homeowners who receive public mortgage assistance is estimated from those households who indicate they obtained a mortgage through a state or local government program that provides lower cost mortgages or have a primary mortgage from the USDA Rural Housing Service. This methodology is assumed to provide an underestimate of the number of subsidized owners. For more information about subsidized households please consult Appendix A.

Government housing assistance seems to have a significant impact on improving housing quality and satisfaction for nonmetro households. Approximately 48 percent of all nonmetro recent movers say their current housing is better than their previous units. However, 54 percent of renters in subsidized nonmetro units rate their current housing as better than their previous dwellings. For nonmetro subsidized homeowners the disparity between previous and current housing satisfaction is more profound. Approximately 74 percent of recent nonmetro movers with subsidized mortgages rank their current housing as better than their previous units (Figure 19). In addition, 70 percent of these subsidized homeowners were previously renters.

**Figure 19. Housing Satisfaction Among Recent Movers**



Source: 1997 American Housing Survey

These findings of high and better housing satisfaction among subsidized nonmetro households are bolstered by a recent study from the USDA's Rural Housing Service, which conducted a survey of its Section 502 Direct Rural Homeownership program borrowers. The Section 502 program is the only federally funded direct homeownership program in the nation and has traditionally been one of the most prolific housing programs in rural areas. Large portions of Section 502 borrowers are highly satisfied with the appearance, construction quality,

and size of their homes. An almost equal portion of 502 borrowers report high levels of satisfaction with neighborhood conditions such as quality of schools and public services, convenience to services, safety and security, and neighborhood appearance. Nearly all borrowers note improvements in the quality of their current homes and neighborhoods over their previous residences and communities.

## Transitioning from Rural Homelessness

Aaron and Alma Barber moved into Crescent Village, an 18-unit apartment complex in Wenatchee, Washington owned by the Chelan-Douglas Community Action Council. All tenants are formerly homeless, and participate in a 24-month self-sufficiency program administered by one of 11 local social service agencies. They pay reduced rents while going through the transitional housing program.

Aaron and Alma were among the first tenants at Crescent Village, which received its primary funding from the state's Department of Community, Trade and Economic Development. When they and their child moved in they were living on welfare. Alma was already going to college, and Aaron was working part-time at an



auto parts store while pursuing his interest in photography. Once they moved into Crescent Village, they completed a detailed self-sufficiency plan and worked with social service agency staff to meet their goals.

Alma graduated from college after living a year at Crescent Village, and was hired as a bilingual secretary at the Education Service District. Aaron left his job at the auto parts store and became the resident manager and maintenance person at Crescent Village, allowing him to work full-time and still pursue his interest in photography. Aaron and Alma purchased their own home in August 1998, another reflection of their success in the Transitional Housing Program.

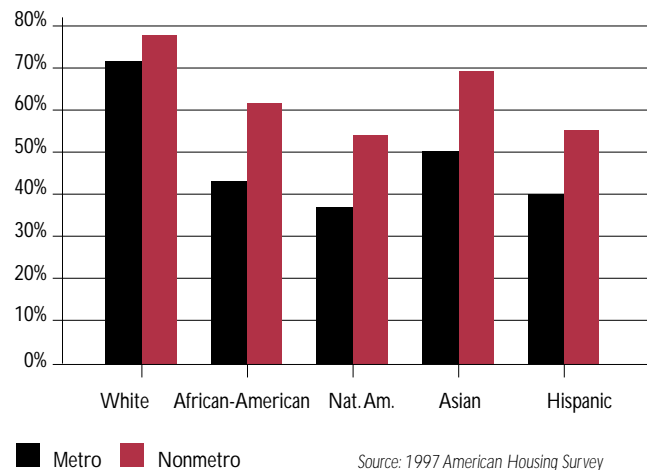
# Housing and Economic Well-Being

Unquestionably, a home is the largest asset most Americans and in particular low- and moderate-income households will ever own. Many studies suggest a strong link between asset holding and economic security and well-being. It has been noted that assets help reduce welfare use among low-income households, and lessen psychological and economic strain during an economic crisis.<sup>30</sup> Asset accumulation is associated with higher levels of social status in the home and community at large for men and women.<sup>31</sup> This increased level of economic security from asset accumulation is also considered to contribute to the strong desire for homeownership in the United States.<sup>32</sup>

The homeownership rate of rural America is significantly higher than that of the nation. While more rural households own their homes, the equity they accumulate is likely to be less than that for homes in metropolitan areas, because rural houses as a whole are less expensive.<sup>33</sup> It is also not clear whether there is a rural/urban difference in the investment potential for housing. Nevertheless, asset accumulation is still a considerable economic factor for many rural residents, and in particular, minority homeowners in nonmetro areas. Nationwide minorities have much lower homeownership rates than whites. However, homeownership rates for minorities are significantly higher in nonmetro areas than nationwide (Figure 20). The same may be said for low-income households in nonmetro areas, whose

homeownership rate is near the national level of 67 percent.

**Figure 20. Homeownership Rate**  
By Race and Residence



## Building a Dream

Cruz and Cayetana Diaz completed construction of their new home in summer 2000 under the supervision of Proyecto Azteca, a nonprofit housing organization providing housing assistance to colonias residents in Hidalgo County, Texas. Colonias are isolated rural subdivisions that often lack even basic necessities such as water, sewer, electricity, paved roads and decent housing.



The Diaz family has lived for 25 years in the South Tower Estates colonia, and for all that time Cayetana has dreamed of a decent home for her family. Using primarily HUD HOME funds from the Hidalgo County Urban County Program and HUD Self-Help Housing Opportunity Program funds from the Housing Assistance Council, Proyecto Azteca was able to provide the Diaz family with a 22-year, zero-interest mortgage. The construction process has been difficult, but 68-year-old Cayetana has contributed substantially to building the home. "The first day I reported to my trainer ... I could already imagine myself falling from a rooftop ... [but] I have not been asked to do anything I am not able to handle."

After over 400 hours of construction work, Cayetana is happy to be a new homeowner. "My home means so much to me, it is something so grand that I thank God for. Now we will be able to live well and we can rest from the struggle because now we have a bathroom inside our home. I hope God gives me the time to enjoy my new home, after He has given me the strength to build it."

## Mortgage Access in Nonmetro Areas

Among nonmetro homeowners, about 7.2 million, or 43 percent, have at least one mortgage. This is significantly less than the national average of 55 percent of owners with a mortgage. The median original mortgage amount for nonmetro owners is \$40,600, approximately \$21,000 less than the national median mortgage amount. However, the median purchase price of homes in nonmetro areas is also almost \$20,000 lower than the national median. Monthly mortgage payments are also lower in nonmetropolitan areas, with a median monthly mortgage payment of \$480 for non-mobile homes, compared to a national median monthly mortgage payment of \$641.

One mortgage factor that is not lower in nonmetro areas is interest rates. While 63 percent of all U.S. households with mortgages have interest rates at or below the national median of 8.0 percent, only 54 percent of nonmetro borrowers have interest rates at or below the national median.\* Furthermore, 17 percent of all nonmetro low-income owners with mortgages have an interest rate of 10 percent or more, nearly double the metro proportion (Figure 21). These higher mortgage rates in nonmetro areas are attributable in part to the larger number of financed mobile homes, which often have shorter loan periods and higher rates. Approximately 1 million or 40 percent of nonmetro owner-occupied mobile homes have mortgages. The median mortgage term for a nonmetro mobile home is 15 years, and the

**Figure 21. Interest Rates**

Owner Occupied Units by Structure Type and Residence  
(Numbers in thousands)

	Non-Mobile Homes		Nonmetro Mobile Homes		Nonmetro Total		Metro	
	#	%	#	%	#	%	#	%
<b>6 percent or Less</b>	232	3.8	22	2.2	<b>255</b>	<b>3.6</b>	1,139	4.0
<b>6.1 to 7.0 Percent</b>	876	14.2	57	5.6	<b>933</b>	<b>13.0</b>	4,962	17.3
<b>7.1 to 8.0 Percent</b>	2,423	39.3	285	28.3	<b>2,708</b>	<b>37.8</b>	11,942	41.6
<b>8.1 to 9.0 Percent</b>	1,526	24.8	213	21.1	<b>1,738</b>	<b>24.3</b>	6,816	23.8
<b>9.1 to 9.9 Percent</b>	309	5.0	34	3.4	<b>343</b>	<b>4.8</b>	1,345	4.7
<b>10 Percent or More</b>	793	12.9	397	39.4	<b>1,189</b>	<b>16.6</b>	2,485	8.7
Total	6,159	100.0	1,007	100.0	<b>7,166</b>	<b>100.0</b>	28,688	100.0
Median	<b>8.0</b>	<b>N/A</b>	<b>9.0</b>	<b>N/A</b>	<b>8.0</b>	<b>N/A</b>	<b>8.0</b>	<b>N/A</b>

Source: 1997 AHS

\*Interest rate refers to the annual percentage rate in effect as of the date of the interview, not the rate when the mortgage was made.

## Giving Back

When Daniela Brothers first approached Rutland West Neighborhood Housing Services she was about to lose her home. Her ex-husband had stopped paying the mortgage and taxes on the duplex where she and her two children lived, and her salary as a cafeteria worker in the Rutland school system was not nearly enough to make the payments. Rutland West is a nonprofit housing organization providing homebuyer/homeowner assistance and community revitalization services in Rutland County, Vermont.



Daniela attended frequent counseling sessions with Rutland West staff on budgeting, homeownership, and property management. When her house was auctioned as part of the foreclosure, Daniela and Rutland West staff attended with her savings and a line of credit from Rutland West in hand. When her bid won back her house, Daniela burst into tears.

Daniela's mortgage and rehabilitation loan from Rutland West was funded from a Vermont National Bank Socially Responsible Banking Fund line of credit and a low interest second mortgage. Rental income from the other duplex unit helps with her mortgage payments. Daniela regularly volunteers at Rutland West, giving back to the organization that helped her keep her home.



median interest rate is 9 percent. Nearly 40 percent of nonmetro households with mortgaged mobile homes have an interest rate of 10 percent or more, opposed to just 10 percent of all mortgaged housing units nationally.

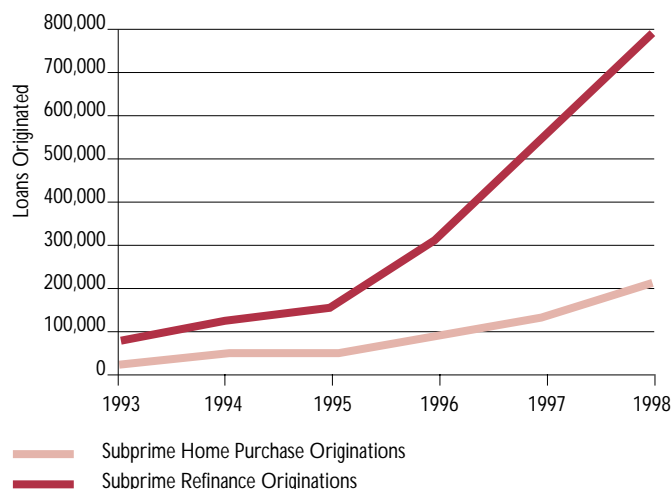
Quality credit and affordable mortgage sources are more difficult to find in many rural areas than in cities or suburbs. The smaller size and remoteness of many rural communities tend to raise lender costs. Lenders in rural areas generally have fewer competitors than urban markets, resulting in increased mortgage prices. It has been estimated that \$300 million annually is paid in additional interest rates due to these rural price increases in mortgage products.<sup>34</sup>

Another recent trend that has greatly influenced rural mortgage markets is the proliferation of subprime lending.\* In 1993 the subprime market in both urban and rural areas comprised less than 1 percent of the national home purchase market with 24,000 originations. In 1998, over 200,000 home purchase loans were originated by subprime lenders, making up 5 percent of the total home purchase market. This accounts for a 762 percent increase in the number of subprime home purchase originations between 1993 and 1998.<sup>35</sup> Subprime activity in the refinance market, where 13 percent of all refinance originations in 1998 were from subprime lenders, is even more profound (Figure 22).

Subprime lenders are more active in low-income and minority communities and, while statistically reliable data are unavailable, there is evidence to suggest that they are increasingly active in rural areas. Subprime loans by definition tend to have higher interest rates and

## Figure 22. Subprime Lending

Nationwide Loan Activity, 1993-1998



Source: Home Mortgage Disclosure Act Data

shorter terms than more conventional “prime” loans because these lenders are assumed to make loans to borrowers that are at a higher risk of default. Additionally, a majority of subprime loans are refinance loans which generally have a higher interest rate as well. However, some subprime lenders have implemented “predatory” lending practices such as charging exorbitantly high interest rates, prepayment penalties, and excessive up-front fees. These predatory practices significantly increase costs and strip equity from borrowers. Such punitive loans are most often targeted to low-income and minority borrowers.

*Another recent trend that has greatly influenced rural mortgage markets is the proliferation of subprime lending.*

Obtaining affordable credit is also more difficult in rural areas. An analysis of 1998 Home Mortgage Disclosure Act (HMDA) data reveals that nonmetropolitan applicants are more than twice as likely as metropolitan applicants to be denied home purchase mortgage loans.\*\* These high nonmetro denial rates may be in

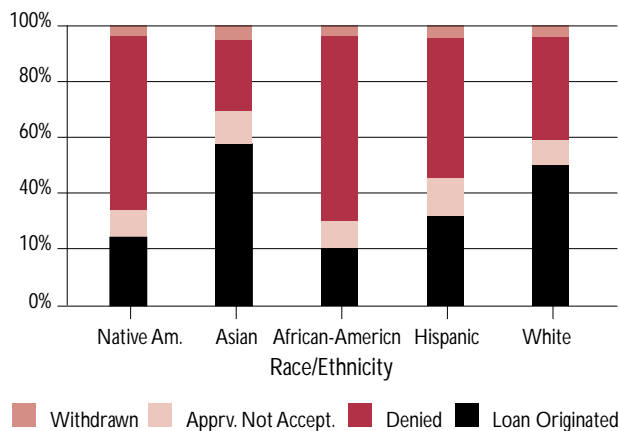
\*There is no general agreement of the definition of subprime loans. The subprime data in this report derives from 1998 Home Mortgage Disclosure Act (HMDA) data. HMDA does not identify subprime loans. The subprime data presented derived from HUD’s “1998 HMDA Highlights Report,” which chronicled loans made from lending institutions that were classified as primary subprime lenders in 1998. HUD estimates that the 200 subprime lenders identified accounted for approximately 50 percent of the subprime market. Please note that subprime and predatory lending are not synonymous. All subprime lenders do not implement predatory lending practices.

\*\*Rural banks that do not originate loans in metropolitan areas are exempt from HMDA reporting requirements, as all are banks with assets of \$29 million or less. Therefore, a portion of rural credit applications are not reported in the HMDA database.

part affected by the prevalence of mobile home applications which experience extremely high denial rates.<sup>36</sup> However, loan denial disparities between metropolitan and nonmetro applicants are probably more impacted by rurality, race, and income. The more rural a county, generally the higher the denial rate is for borrowers in that county. Applicants from the most rural counties are 189 percent more likely to have home purchase mortgage loans denied than are those from large central counties of metropolitan areas.\* Low-income applicants account for only 24 percent of all nonmetro applications. However, they account for 38 percent of all denials. Race also plays a role, as nonmetro applicants of color account for only 17 percent of the nonmetro applicants, but they account for over 27 percent of all nonmetro denials (Figure 23).<sup>37</sup>

### Figure 23. Mortgage Activity by Race/Ethnicity

1998 Nonmetro Home Purchase Loan Actions



Source: 1998 Home Mortgage Disclosure Act Data

Nonmetro applicants of color have higher denial rates than both nonmetro whites and their metropolitan minority counterparts. Over 60 percent of all applications from nonmetro people of color were denied loans in 1998 compared to 35.4 percent of all white applicants. Only 20 percent of all applications from

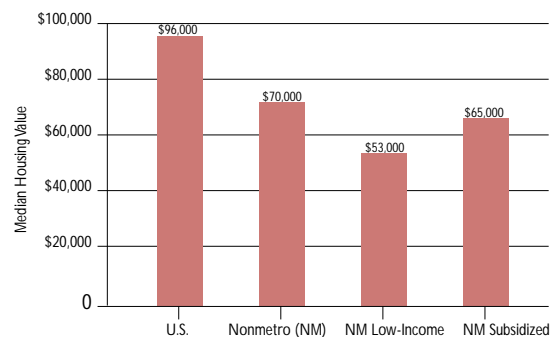
nonmetro African Americans were originated and 66.4 percent were denied, compared to 53.3 percent originated and 29.5 percent denied for metropolitan African American applicants. These patterns are also consistent for Native Americans and Hispanics. Interestingly, nonmetro white applicants also have a denial rate that is double that of metropolitan whites, 35.4 percent and 16.3 percent, respectively.

### Housing as an Asset

While there are problems with affordable and quality credit availability in rural areas, homeownership remains one of the best methods of asset accumulation for low-income rural households. These households are further assisted by access to government mortgage assistance. The impact of homeownership on asset accumulation for nonmetro owners, and in particular those who can obtain affordable interest rates from lower cost government programs, is considerable. Nationwide, the median value of a home is \$96,000 (Figure 24). The median value of a home in nonmetro areas is lower at \$70,000. Although the median home value among low-income homeowners in nonmetro areas is \$53,000, houses with a subsidized mortgage have a median value of \$65,000.

### Figure 24. House Values

Nonmetro Housing Value by Income and Subsidy Status



Source: 1997 American Housing Survey

\*The findings from HAC's analysis of 1998 HMDA data are not controlled for income.

Similar benefits concerning the investment value of homeownership for low-income homeowners can be seen from the USDA's Rural Housing Service study of Section 502 borrowers. While a substantial proportion indicate that their housing costs had increased with the purchase of their home, many also report an increase in income. Generally, these borrowers rely little on income support from other federal low-income assistance programs. Relatively small proportions participate in other federal safety net programs, such as Temporary

Assistance to Needy Families, Supplemental Security Income, and general assistance, although one-fifth received food stamps at some time during the previous year. However, one of the most significant findings from Rural Housing Service's analysis of its rural low-income mortgage program is the finding that 90 percent of borrowers said that without the Section 502 program it would have taken them years to buy a comparable home, if they could ever have done so.<sup>39</sup>

## Progress Towards Self-sufficiency

In 1993, Yvette Sosa was a high school drop-out dependent on food stamps, a medicaid card and the HUD Section 8 rental assistance she received through the East Central Kansas Economic Opportunity Corporation (ECKAN). After participating in the HUD Family Self-Sufficiency (FSS) program for Section 8 recipients, Sosa is today working as a teacher's aide at a local elementary school and attending Emporia State University.



Working with ECKAN's FSS coordinator, Yvette set goals of settling outstanding debts, getting her GED, learning computer skills and enrolling in college. She credits ECKAN staff and other community service providers with supporting her progress towards self-sufficiency. "My self-esteem was kind of low," Yvette said. "They motivated me. They gave me that little push to get my GED . . . . It can be kind of like a baby in a walker that doesn't want to get out and walk on it's own." Upon successful completion of the FSS program, Yvette had accumulated \$13,200 in her FSS required escrow account, the largest amount in the five-year history of the ECKAN program. She intends to use these funds to buy a house. "Even though you make mistakes when you are younger, there are programs to help."

# Summary and Discussion

For most Americans, a decent home that promotes safety, security, and family well-being is taken for granted. However, when a child sleeps in a cold bedroom and his parents pay half their income for rent, or when an elderly person will not take a walk in her neighborhood for fear of crime, housing and neighborhood conditions do not improve well-being. To the contrary, such deficiencies add stress that negatively impacts family well-being and diminishes quality of life.

In rural areas, where many residents strongly value home and community, kinship ties and reliance on family and community have traditionally been strong. Not surprisingly, nonmetro residents tend to express higher satisfaction with their housing and neighborhoods than do their metropolitan counterparts. It is important to note that satisfaction levels are greater for some nonmetro groups such as homeowners, seniors and whites, and lower for others such as renters, younger households and those experiencing quality or cost problems.

Government housing assistance plays a significant role in the housing and neighborhood satisfaction of low-income nonmetro households and contributes to a higher quality of life. Sixty-four percent of nonmetro renters who receive government housing assistance express high housing satisfaction compared to just 54 percent of all nonmetro renters. Likewise, 71 percent of nonmetro homeowners with low-cost government mortgages express high housing satisfaction, with less than 1 percent rating their housing satisfaction as low.

Furthermore, an overwhelming proportion of assisted renters and owners indicate that their subsidized housing is better than their previous dwellings.

In concert with housing and neighborhood satisfaction, economic well-being is also an important by-product of decent homes and neighborhoods. Although owning a home is not a panacea for rural housing problems, it is the overwhelmingly preferred form of tenure in rural America. In addition to providing greater levels of satis-

faction, homeownership also bestows certain economic advantages upon owners. Homeowners can borrow against their homes to finance college educations, or pay for a modification or addition to their home in order to meet changing family needs. Elderly persons, many of whom own their homes, are increasingly taking advantage of reverse mortgages for much needed financial resources. Despite the lower average value of rural homes, asset accumulation through homeownership is a significant economic factor for many rural residents. However, several barriers to quality and affordable mortgage access, namely high interest rates and predatory lending practices, are more problematic in rural areas.

In conclusion, housing matters. Our homes and our communities are inextricably linked to nearly everything we do and are, as individuals and as a society. The issues, trends, problems and concerns presented in this report only scratch the surface of the state of housing in rural America and its effects on well-being.

*Our homes and our communities are inextricably linked to nearly everything we do and are, as individuals and as a society.*

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## APPENDIX A: About the Data

All data presented in this report are Housing Assistance Council (HAC) calculations using microdata from the 1997 American Housing Survey (AHS), unless otherwise stated.

### *AHS Data and Sampling Error*

The American Housing Survey (AHS) is conducted every two years by the Bureau of the Census for the Department of Housing and Urban Development (HUD). In 1997, interviewers obtained information for a nationwide sample of almost 40,000 housing units occupied year-round. Like any sample, the AHS is subject to errors from sampling and errors from other causes (such as incomplete data and wrong answers). For an extensive discussion of AHS methodology and possible errors, see the appendices to the published American Housing Survey book.<sup>1</sup>

Because of the sampling errors and other possible errors inherent in the AHS, readers are cautioned not to rely on small differences in percentages or numbers presented in this report. The reliability of the data decreases as the sample size decreases.

The AHS is intended to count occupied housing units, and therefore households, so most of the data presented in this report relates to households rather than families. This unit-focused methodology also means that the AHS does not include homeless persons.

AHS data is known to differ from information collected by other surveys. For example, the Census Bureau notes that, historically, the AHS underreports income and overreports poverty when compared with the Current Population Survey, and both surveys underreport income and overreport poverty when compared with tax returns and national income accounts.

### *Geographic Terms*

In previous *State of the Nation's Rural Housing* reports, the Housing Assistance Council's (HAC) definition of rural differed from the HUD/Census definition to additionally incorporate all nonurbanized areas. However, due to a geographic conversion problem in the 1997 AHS Survey, the previous HAC Rural definition could not be used for this study. As a result, the *2000 State of the Nation's Rural Housing* uses the Nonmetropolitan designation as a proxy for rural areas. Rural

and nonmetropolitan are not synonymous. The U.S. Bureau of the Census defines rural areas as either open country or places of less than 2,500 residents. Nonmetropolitan areas are those counties that lie outside of a metropolitan statistical area. Metro areas consist of counties with central cities of at least 50,000 residents and surrounding contiguous counties that are metropolitan in character.

Establishing a universal definition of rural poses many challenges. Nearly everyone can come up with a definition for rural, but seldom will they be in agreement.<sup>2</sup> For some, rural is a state of mind, while others seek to establish a quantitative measure to define rural. Rural areas share the common characteristics of comparatively few people living in the areas, limited access to large cities (and sometimes even to smaller towns), and considerable traveling distances to market areas for either work or everyday-living activities. They exist along a continuum, however, from more rural to less rural and vary extensively based on the following factors.<sup>3</sup>

- 1) Proximity to a central place
- 2) Community size
- 3) Population density
- 4) Total population
- 5) Economic/Socioeconomic factors

Over the years, public agencies and researchers have used combinations of these factors to define rural and designate geographic areas as rural. The General Accounting Office (GAO) discusses the three most common Federal agencies' definitions of rural, the Bureau of the Census, the OMB (Office of Management and Budget) and the USDA (U.S. Department of Agriculture), Economic Research Service (ERS) in the publication, *Rural Development: Profile of Rural Areas* (excerpted below).

"Metro/urban areas can be defined using several criteria. Once this is done, nonmetro/rural is then defined by exclusion — any area that is not metro/urban is nonmetro/rural. Determining the criteria used has a great impact on the resulting classification of areas as metro/nonmetro or urban/rural. The Census Bureau classifies 61.7 million (25 percent) of the total population as rural, OMB classifies 55.9 million (23 percent) of the total population as nonmetro. According to the Census definition, 97.5 percent of the total U.S. land area is rural; according to the OMB definition, 84 percent of the land area is nonmetropolitan. USDA/ERS estimates that, in 1990, 43 percent of the rural population lived in metropolitan counties.

<sup>1</sup> U.S. Department of Commerce, Bureau of the Census and U.S. Department of Housing and Urban Development, *American Housing Survey for the United States in 1997*, Current Housing Reports H150/97 (Washington, DC: U.S. Government Printing Office, September 1999).

<sup>2</sup> James A. Ciarlo et al., *Focusing on "Frontier": Isolated Rural America*. (Frontier Mental Health Services Network, 1996)

<sup>3</sup> Ibid., 2.

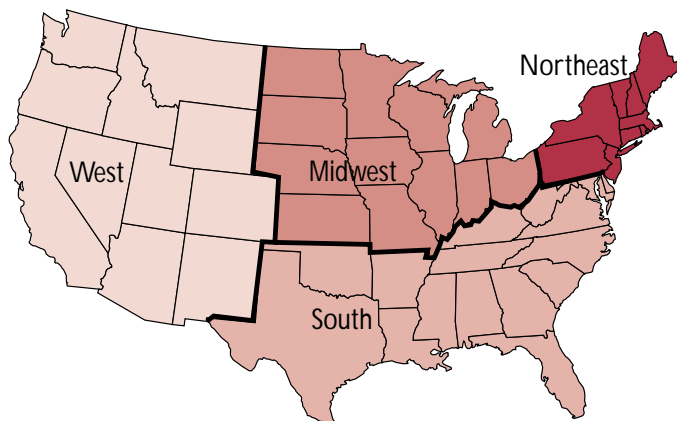
The Bureau of the Census defines an urbanized area (UA) by population density. According to this definition, each UA includes a central city and the surrounding densely settled territory that together have a population of 50,000 or more and a population density generally exceeding 1,000 people per square mile. A “county” is a political distinction and is not incorporated in the Bureau of the Census’ classification scheme, so one UA may cover parts of several counties. Under this definition, all persons living in UAs and in places (cities, towns, villages, etc.) with populations of 2,500 or more outside of UAs are considered the urban population.

Nonmetropolitan areas are assumed to consist generally of rural populations and territory. In fact rural and nonmetropolitan are far from perfectly overlapping concepts. In 1989, although almost 66% of the total nonmetro population occupied rural places, about 34 percent occupied urban places. Likewise, metropolitan areas are generally assumed to consist primarily of urban population and territory. In fact, in 1989 about 16 percent of the total metropolitan area population occupied rural locales.

Within metropolitan areas, the areas outside of central cities often do not conform to the stereotypic view of urban suburbs with low-density, residential neighborhoods or subdivisions. A significant portion of the nation’s suburbs are unequivocally rural, or comprise settlement types more accurately characterized as towns and small cities.

The places that are appropriately grouped within any single settlement category often have strikingly different social and economic characteristics and historic origins. For example, today’s metropolitan suburbs simultaneously encompass older post-World War II bedroom communities and post-1980 “edge cities” or suburban microcities, which are physically, socially and economically distinctive.<sup>4</sup>

### Geographic Regions



The AHS delineates data geographically among four distinct census defined regions. The four census regions are the Northeast, Midwest, South and West. States contained in each region are as follows.

*Northeast.* Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, Pennsylvania and New Jersey.

*Midwest.* Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, Kansas, Nebraska, North Dakota, and South Dakota.

*South.* Delaware, Maryland, District of Columbia, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Tennessee, Kentucky, Arkansas, Louisiana, Oklahoma, and Texas.

*West.* Montana, Wyoming, Colorado, New Mexico, Arizona, Utah, Idaho, Alaska, Washington, Oregon, Nevada, California, and Hawaii.

### Household & Housing Characteristics

#### Household

The AHS defines a household as the group of individuals occupying a housing unit. A family consists of a householder and all other persons living in the same household who are related to the householder by blood, marriage, or adoption. A household may consist of a family, no family (i.e., one or more single unrelated individuals), or more than one family. The “householder” (sometimes called the head of household) is the household member 18 years old or over who is the owner or renter of the sampled housing unit.

#### Cost Burden

Housing cost burdens are generally measured as a percentage of income, on what has become a slowly sliding scale. In the early days of the public housing program, housing costs above 20 percent of income were considered burdensome. During the late 1960s and early 1970s, 25 percent of income became the threshold for cost burden. In the early 1980s, the cost burden threshold was raised to 30 percent of income. Since then, the Department of Housing and Urban Development (HUD) has defined moderate cost burdens as those between 30 percent and 50 percent of income, and severe cost burdens as those above 50 percent of income. Percent of income paid for housing is, at best, a rough measure of affordability, but its

<sup>4</sup>Stephen Golant and Anthony La Grecia, “City-Suburban, Metro-Nonmetro, and Regional Differences in the Housing Quality of U.S. Elderly Households,” *Rural Sociology*, (Vol. 16 September, 1994).



use has become widespread for several reasons. First, it is relatively simple to grasp and to calculate. Second, 30 percent of income has become the norm that housing subsidy programs require households to pay when living in subsidized housing.

### *Percent of Area Median Income*

For this report the percent of area median income was calculated by dividing the average area median income for a household location by total household income. The average area median income is assumed to apply to a household of four, therefore the area median levels are further adjusted by household size: one person, 70 percent of base, two persons 80 percent, three persons 90 percent, five persons 108, six persons 116, seven persons 124, eight persons 133, etc.

*Very Low Income* - Households that reported household income not in excess of 50 percent of the area median income are very low income. In 1997, approximately 28 percent of U.S. households reported income at or below the very low income cutoffs.

*Low Income* - Households that reported household income between 51 percent and 80 percent of the area median income are low income. Approximately 16 percent of U.S. households fell into this income category.

According to the 1997 AHS, a total of 44 percent of U.S. households reported income that fell below 80 percent of the area median.

*Moderate Income* - Households that reported household income between 81 and 120 percent of the area median income are moderate income. In 1997, approximately 16 percent of U.S. households reported income in this category.

*Upper Income* - Households that reported household income in excess of 120 percent of the area median income are upper income. Approximately 40 percent of all U.S. households were in the upper income category. There may be significant differences in the income data between the AHS and other surveys and censuses. For example, the time period for income data in the AHS is the 12 months prior to the interview, while other income data generally refer to the calendar year prior to the date of the interview. Additional differences in the income data may be attributed to the ways income questions are asked, levels of missing data (usually high on questions about income), ways missing data are estimated or ignored, sampling variability and nonsampling errors.<sup>5</sup>

### *Housing Problems*

The AHS defines physical housing problems as severe or moderate. A unit has severe physical problems (is severely inadequate) if it has any of the following five problems.

*Plumbing*. Lacking hot or cold piped water or a flush toilet, or lacking both bathtub and shower, all inside the structure for the exclusive use of the unit.

*Heating*. Having been uncomfortably cold last winter for 24 hours or more because the heating equipment broke down, and it broke down at least three times last winter for at least 6 hours each time.

*Electric*. Having no electricity, or all of the following three electric problems: exposed wiring; a room with no working wall outlet; and three blown fuses or tripped circuit breakers in the last 90 days.

*Upkeep*. Having any five of the following six maintenance problems: water leaks from the outside, such as from the roof, basement, windows, or doors; leaks from inside structure such as pipes or plumbing fixtures; holes in the floors; holes or open cracks in the walls or ceilings; more than 8 inches by 11 inches of peeling paint or broken plaster; or signs of rats or mice in the last 90 days.

*Hallways*. Having all of the following four problems in public areas: no working light fixtures; loose or missing steps; loose or missing railings; and no elevator.

A unit has moderate physical problems (is moderately inadequate) if it has any of the following five problems, but none of the severe problems.

*Plumbing*. On at least three occasions during the last 3 months or while the household was living in the unit if less than 3 months, all the flush toilets were broken at the same time for 6 hours or more.

*Heating*. Having unvented gas, oil or kerosene heaters as the primary heating equipment.

*Upkeep*. Having any three or four of the overall list of six upkeep problems mentioned above under severe physical problems.

*Hallways*. Having any three of the four hallway problems mentioned above under severe physical problems.

<sup>5</sup> U.S. Department of Commerce, Bureau of the Census, and U.S. Department of Housing and Urban Development, *American Housing Survey for the United States in 1997*, Current Housing Reports H150/97 (Washington, DC: U.S. Government Printing Office, September 1999).

*Kitchen.* Lacking a kitchen sink, refrigerator, or burners inside the structure for the exclusive use of the unit.<sup>6</sup>

### ***Households with Problems***

In this report households with problems are those with one or more characteristics: moderately or severely inadequate, cost burdened, or crowded.

### ***Crowding***

A crowded unit is one where there is more than one person per room.

### ***Housing Assistance***

The determination of households receiving government or public housing assistance differs by tenure status. The number of rental households receiving assistance was estimated by those households who responded affirmatively to one or more of the questions: "As a part of your rental agreement, do you need to answer questions about your income whenever your lease is up for renewal? (If so) to whom do you report your income? Do you pay a lower rent because the government is paying part of the cost of the unit? Is the building owned by a public housing authority?" These estimates include state and local government assistance.

For the published 1997 AHS volume, the Census Bureau tabulated 5.3 million occupied units with affirmative responses to these questions in three categories: owned by a public housing

authority, Government subsidy, and other income verification. Using part of the coding recommended by the Bureau, this report used the methodology incorporated in HUD's 1999 Worst Case Needs Report and counted 5.6 million households as assisted. This disparity between 5.3 and 5.6 million arises from different treatment of households asked questions about rent control or rent reductions by owner.

Data on government subsidized owners in the AHS is limited. The number of home-owners who receive public mortgage assistance is estimated from those households who indicate they obtained a mortgage through a state or local government program that provides lower cost mortgages or have a primary mortgage from the USDA Rural Housing Service. This methodology probably provides an underestimate of the number of subsidized owners.

### ***Housing and Neighborhood Satisfaction***

The housing and neighborhood satisfaction index in this report was based on how households responded to the question, How do you rate your housing, and how do you rate your neighborhood? Respondents replied on a ten point semantic scale with ten being the highest and one being the lowest. For this study, the scale was compressed into three categories: 8-10 high, 5-7 moderate, and 1-4 low.

<sup>6</sup> American Housing Survey in 1997, A-13 to A-14.

## APPENDIX B: Data Tables

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**TABLE 1. GENERAL HOUSING CHARACTERISTICS, BY RESIDENCE AND INCOME LEVEL, 1997**

Numbers in Thousands

	All Occupied Housing Units								Nonmetro Units Only									
	Residence								Income level									
	City		Suburb		Nonmetro		Total		Very Low		Low		Moderate		Upper		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
<b>Occupied Housing Units</b>	30,533	31%	46,884	47%	22,070	22%	99,487	100%	6,164	28%	3,618	16%	4,006	18%	8,283	38%	22,070	100%
<b>Tenure</b>																		
Owner-Occupied	14,938	49%	34,061	73%	16,489	75%	65,487	66%	3,707	60%	2,557	71%	2,995	75%	7,230	87%	16,489	75%
Renter-Occupied	15,595	51%	12,823	27%	5,582	25%	34,000	34%	2,457	40%	1,061	29%	1,011	25%	1,053	13%	5,582	25%
Total	30,533	100%	46,884	100%	22,071	100%	99,487	100%	6,164	100%	3,618	100%	4,006	100%	8,283	100%	22,070	100%
<b>Region</b>																		
Northeast	6,319	21%	10,672	23%	2,493	11%	19,484	20%	702	11%	452	13%	422	11%	916	11%	2,493	11%
Midwest	6,699	22%	10,308	22%	6,945	31%	23,951	24%	1,815	29%	1,127	31%	1,435	36%	2,569	31%	6,945	32%
South	9,849	32%	15,660	33%	9,299	42%	34,808	35%	2,692	44%	1,527	42%	1,555	39%	3,525	43%	9,299	42%
West	7,666	25%	10,244	22%	3,334	15%	21,245	21%	955	16%	512	14%	595	15%	1,272	15%	3,334	15%
Total	30,533	100%	46,884	100%	22,071	100%	99,488	100%	6,164	100%	3,618	100%	4,007	100%	8,282	100%	22,071	100%
<b>Structural Type</b>																		
One Unit-Detached	14,405	47%	31,737	68%	15,969	72%	62,111	62%	3,668	60%	2,384	66%	2,910	73%	7,007	85%	15,969	72%
One Unit-Attached	2,434	8%	2,962	6%	444	2%	5,840	6%	178	3%	59	2%	85	2%	121	2%	444	2%
Two or More Units	13,353	44%	9,195	20%	2,443	11%	24,992	25%	1,237	20%	456	13%	384	10%	367	4%	2,443	11%
Mobile Home	341	1%	2,989	6%	3,214	15%	6,543	7%	1,081	18%	718	20%	627	16%	787	10%	3,214	15%
Total	30,533	100%	46,883	100%	22,070	100%	99,486	100%	6,164	100%	3,617	100%	4,006	100%	8,282	100%	22,070	100%
<b>Year Built</b>																		
Before 1940	8,582	28%	5,702	12%	5,157	23%	19,440	20%	1,629	26%	903	26%	1,050	26%	1,575	19%	5,157	23%
1940 to 1959	7,430	24%	8,697	19%	3,670	17%	19,797	20%	1,130	18%	688	17%	685	17%	1,167	14%	3,669	17%
1960 to 1979	9,404	31%	17,791	38%	7,689	35%	34,884	35%	2,064	34%	1,281	33%	1,310	33%	3,033	37%	7,689	35%
1980 or After	5,117	17%	14,693	31%	5,556	25%	25,366	26%	1,341	22%	746	24%	962	24%	2,507	30%	5,556	25%
Total	30,533	100%	46,883	100%	22,072	100%	99,487	100%	6,164	100%	3,618	100%	4,007	100%	8,282	100%	22,071	100%
<b>Stories</b>																		
One	9,695	32%	18,277	39%	11,778	53%	39,749	40%	3,642	59%	2,167	60%	2,070	52%	3,899	47%	11,778	53%
Two	9,655	32%	16,055	34%	6,486	29%	32,196	32%	1,679	27%	875	24%	1,194	30%	2,738	33%	6,486	29%
Three	6,829	22%	10,388	22%	3,398	15%	20,616	21%	694	11%	524	15%	675	17%	1,505	18%	3,398	15%
Four or More	4,353	14%	2,164	5%	408	2%	6,926	7%	150	3%	51	1%	67	2%	141	2%	409	2%
Total	30,532	100%	46,884	100%	22,070	100%	99,487	100%	6,165	100%	3,617	100%	4,006	100%	8,283	100%	22,071	100%
<b>Square Feet</b>																		
Less than 500	453	3%	366	1%	371	2%	1,190	2%	183	4%	61	2%	87	3%	41	1%	371	2%
500 to 999	1,939	14%	3,563	11%	3,132	18%	8,634	13%	1,227	28%	708	25%	547	17%	650	9%	3,132	18%
1,000 to 1,499	3,670	26%	7,321	22%	4,940	28%	15,931	25%	1,307	30%	924	32%	971	31%	1,738	24%	4,940	28%
1,500 to 1,999	3,276	23%	7,435	23%	3,532	20%	14,244	22%	725	17%	531	19%	639	20%	1,637	23%	3,532	20%
2,000 to 2,999	3,232	23%	8,981	28%	3,725	21%	15,934	25%	611	14%	453	16%	651	21%	2,011	28%	3,725	21%
Greater than 3,000	1,537	11%	4,957	15%	1,787	10%	8,281	13%	276	7%	175	6%	285	9%	1,051	15%	1,787	10%
Total	14,107	100%	32,623	100%	17,487	100%	64,214	100%	4,329	100%	2,852	100%	3,180	100%	7,128	100%	17,487	100%

Note: Percentages and numbers may not add due to rounding.  
 Source: HAC tabulations of the 1997 American Housing Survey

**TABLE 2. GENERAL HOUSEHOLD CHARACTERISTICS, BY RESIDENCE AND INCOME LEVEL, 1997**

Numbers in Thousands

**All Occupied Housing Units**

**Nonmetro Units Only**

	Residence								Income level									
	City		Suburb		Nonmetro		Total		Very Low		Low		Moderate		Upper		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
<b>Race</b>																		
White	18,093	59%	38,172	81%	19,127	88%	75,392	76%	4,886	79%	3,052	84%	3,550	89%	7,638	92%	19,127	87%
African-American	6,643	22%	3,510	8%	1,694	8%	11,847	12%	744	12%	352	10%	206	5%	392	5%	1,694	8%
Native American	140	1%	137	0%	294	1%	571	1%	163	3%	44	1%	43	1%	45	1%	294	1%
Asian	1,254	4%	1,441	3%	54	0%	2,749	3%	11	0%	4	0%	19	1%	21	0%	55	0%
Other	187	1%	200	0%	27	0%	414	0%	11	0%	2	0%	8	0%	6	0%	27	0%
*Hispanic	4,216	14%	3,423	7%	873	4%	8,513	9%	350	6%	164	5%	180	5%	180	2%	873	4%
Total	30,533	100%	46,883	100%	22,069	100%	99,486	100%	6,165	100%	3,618	100%	4,006	100%	8,282	100%	22,070	100%
<b>Sex of Householder</b>																		
Male	17,114	56%	30,400	65%	14,205	64%	61,720	62%	2,708	44%	2,163	60%	2,845	71%	6,490	78%	14,205	64%
Female	13,419	44%	16,483	35%	7,865	36%	37,767	38%	3,456	56%	1,455	40%	1,161	29%	1,793	22%	7,865	36%
Total	30,533	100%	46,883	100%	22,070	100%	99,487	100%	6,164	100%	3,618	100%	4,006	100%	8,283	100%	22,070	100%
<b>Age of Householder</b>																		
Under 25	2,259	7%	1,799	4%	1,249	6%	5,308	5%	559	9%	260	7%	232	6%	198	2%	1,249	6%
25 to 34	6,615	22%	8,764	19%	3,416	16%	18,795	19%	729	12%	652	18%	801	20%	1,233	15%	3,416	16%
35 to 44	7,187	24%	11,453	24%	4,630	21%	23,270	23%	844	14%	598	17%	940	24%	2,248	27%	4,630	21%
45 to 54	5,235	17%	9,484	20%	4,058	18%	18,777	19%	672	11%	420	12%	610	15%	2,357	29%	4,058	18%
55 to 64	3,414	11%	6,007	12%	3,010	14%	12,431	13%	760	12%	462	13%	511	13%	1,278	15%	3,010	14%
Over 65	5,824	19%	9,376	20%	5,706	26%	20,906	21%	2,599	42%	1,225	34%	912	23%	969	12%	5,706	26%
Total	30,534	100%	46,883	100%	22,069	100%	99,487	100%	6,163	100%	3,617	100%	4,006	100%	8,283	100%	22,069	100%
Median Age	43	N/A	46	N/A	48	N/A	46	N/A	58	N/A	51	N/A	45	N/A	46	N/A	48	N/A
<b>Marital Status</b>																		
Married	13,080	43%	28,190	60%	12,636	57%	53,907	54%	2,046	33%	1,864	52%	2,488	62%	6,239	75%	12,636	57%
Single	17,453	57%	18,694	40%	9,434	43%	45,580	46%	4,118	67%	1,754	49%	1,518	38%	2,044	25%	9,434	43%
Total	30,533	100%	46,884	100%	22,070	100%	99,487	100%	6,164	100%	3,618	100%	4,006	100%	8,283	100%	22,070	100%
<b>Educational Attainment</b>																		
Below 9th Grade	2,553	8%	2,569	6%	2,221	10%	7,343	7%	1,182	19%	480	13%	310	8%	249	3%	2,221	10%
Some H.S., No Dipl.	3,745	12%	4,445	10%	3,054	14%	11,244	11%	1,311	21%	625	17%	507	13%	611	7%	3,054	14%
H.S. Diploma	7,976	26%	13,945	30%	8,068	37%	29,990	30%	2,073	34%	1,308	36%	1,682	42%	3,005	36%	8,068	37%
Some College	8,380	27%	12,778	27%	5,321	24%	26,480	27%	1,172	19%	873	24%	1,041	26%	2,236	27%	5,322	24%
Bachelors Degree	5,147	17%	8,461	18%	2,179	10%	15,788	16%	292	5%	230	6%	312	8%	1,345	16%	2,180	10%
Grad./Prof. Degree	2,731	9%	4,686	10%	1,227	6%	8,643	9%	133	2%	102	3%	154	4%	837	10%	1,226	6%
Total	30,532	100%	46,884	100%	22,070	100%	99,488	100%	6,163	100%	3,618	100%	4,006	100%	8,283	100%	22,071	100%
<b>Persons in Household</b>																		
One	9,426	31%	10,297	22%	5,540	25%	25,263	25%	2,664	43%	1,003	28%	815	20%	1,059	13%	5,540	25%
Two	9,083	30%	15,478	33%	7,912	36%	32,473	33%	1,918	31%	1,294	36%	1,413	35%	3,286	40%	7,912	36%
Three	4,936	16%	8,057	17%	3,514	16%	16,507	17%	691	11%	520	14%	679	17%	1,624	20%	3,514	16%
Four	4,005	13%	7,749	17%	3,135	14%	14,889	15%	520	8%	422	12%	639	16%	1,554	19%	3,135	14%
Five or more	3,082	10%	5,304	11%	1,970	9%	10,356	10%	370	6%	379	11%	460	12%	760	10%	1,970	9%
Total	30,532	100%	46,885	100%	22,071	100%	99,488	100%	6,163	100%	3,618	100%	4,006	100%	8,283	100%	22,071	100%

Note: Percentages and numbers may not add due to rounding.

\*Hispanic households may be of any race.

Source: HAC tabulations of the 1997 American Housing Survey

**TABLE 3. SELECTED INCOME CHARACTERISTICS, BY RESIDENCE AND INCOME LEVEL, 1997**

Numbers in Thousands

**All Occupied Housing Units**
**Nonmetro Units Only**

	Residence								Income level									
	City		Suburb		Nonmetro		Total		Very Low		Low		Moderate		Upper		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
<b>Household Income</b>																		
Zero or Negative	897	3%	760	2%	515	2%	2,171	2%	515	8%	-	-	-	-	-	-	515	2%
\$1 to \$9,999	4,605	15%	4,074	9%	3,554	16%	12,233	12%	3,551	58%	2	0%	-	-	-	-	3,554	16%
\$10,000 to \$19,999	5,159	17%	5,902	13%	4,159	19%	15,220	15%	2,078	34%	1,979	55%	102	3%	-	-	4,159	19%
\$20,000 to \$29,999	4,642	15%	5,821	12%	3,382	15%	13,845	14%	20	0%	1,493	41%	1,797	45%	72	1%	3,382	15%
\$30,000 to \$39,999	3,751	12%	5,716	12%	2,738	12%	12,206	12%	-	-	143	4%	1,642	41%	953	12%	2,738	13%
\$40,000 to \$49,999	2,900	10%	4,888	10%	2,251	10%	10,040	10%	-	-	-	-	421	11%	1,830	22%	2,251	10%
\$50,000 to \$59,999	2,176	7%	4,235	9%	1,600	7%	8,011	8%	-	-	-	-	44	1%	1,556	19%	1,600	7%
Over \$60,000	6,402	21%	15,487	33%	3,872	18%	25,762	26%	-	-	-	-	-	-	3,872	47%	3,872	18%
Total	30,532	100%	46,883	100%	22,071	100%	99,488	100%	6,164	100%	3,617	100%	4,006	100%	8,283	100%	22,071	100%
Median	30	N/A	41	N/A	27	N/A	35	N/A	8	N/A	19	N/A	30	N/A	57	N/A	27	N/A
<b>Household Income as a Percentage of Area Median Income</b>																		
At or Below 50%	10,697	35%	10,914	23%	6,164	28%	27,774	28%	-	-	-	-	-	-	-	-	-	-
51 to 80%	5,391	18%	7,564	16%	3,618	16%	16,573	17%	-	-	-	-	-	-	-	-	-	-
81 to 120%	5,429	18%	9,216	20%	4,005	18%	18,651	19%	-	-	-	-	-	-	-	-	-	-
Above 120%	9,016	27%	19,190	41%	8,283	38%	36,489	37%	-	-	-	-	-	-	-	-	-	-
Total	30,533	100%	46,884	100%	22,070	100%	99,487	100%	-	-	-	-	-	-	-	-	-	-
<b>Poverty</b>																		
Below Poverty	6,069	20%	5,117	11%	4,206	20%	15,391	16%	4,166	67%	40	1%	-	-	-	-	4,206	19%
100% to 199% of Pov.	6,167	20%	7,488	16%	5,210	24%	18,865	19%	1,998	33%	2,686	74%	516	13%	11	0%	5,210	24%
200% or More of Pov	18,297	60%	34,279	73%	12,655	57%	65,230	66%	-	-	892	25%	3,491	87%	8,272	100%	12,655	57%
Total	30,533	100%	46,884	100%	22,071	100%	99,486	100%	6,164	100%	3,618	100%	4,007	100%	8,283	100%	22,070	100%
<b>*Income Sources</b>																		
Alimony	1,211	4%	2,027	4%	979	4%	4,217	4%	334	5%	183	5%	219	6%	242	3%	978	40%
Farm/Business	2,212	7%	5,115	11%	3,304	15%	10,632	11%	525	9%	332	9%	525	13%	1,922	23%	3,304	15%
Food Stamps	2,489	18%	1,641	11%	1,460	14%	5,591	14%	1,277	21%	153	5%	26	2%	4	3%	1,460	14%
Savings Interest	9,127	30%	19,130	41%	7,499	34%	35,756	36%	1,417	23%	1,057	29%	1,396	35%	3,630	44%	7,499	34%
Stocks	4,286	14%	9,877	21%	3,240	15%	17,402	18%	410	7%	329	9%	559	14%	1,942	23%	3,240	15%
Unemployment	1,490	5%	2,501	5%	1,246	6%	5,236	5%	349	6%	224	6%	288	7%	386	5%	1,246	6%
Rental Income	1,751	6%	3,027	7%	1,596	7%	6,374	6%	266	4%	198	6%	279	7%	852	10%	1,595	7%
Social Security/Pension	7,439	24%	12,429	26%	7,399	34%	27,267	27%	3,076	50%	1,583	44%	1,220	31%	1,520	18%	7,399	34%
Welfare	2,554	8%	1,812	4%	1,202	5%	5,568	6%	869	14%	177	5%	81	2%	75	1%	1,202	5%
Workmans Comp	844	3%	1,615	3%	729	3%	3,188	3%	219	4%	133	4%	116	3%	261	3%	729	3%
<b>Household Savings of \$25,000 or More</b>																		
Yes	1,460	29%	3,304	40%	1,467	32%	6,231	35%	537	30%	311	27%	256	34%	256	42%	1,467	32%
No	3,551	71%	4,901	60%	3,059	68%	11,511	65%	1,228	70%	845	73%	495	66%	495	58%	3,059	68%
Total	5,011	100%	8,205	100%	4,526	100%	17,742	100%	1,765	100%	1,156	100%	751	100%	751	100%	4,526	100%

\*No totals, more than one category may apply to unit.

-means zero or rounds to zero or not applicable

Source: HAC tabulations of the 1997 American Housing Survey

**TABLE 4. SELECTED HOUSING COST CHARACTERISTICS, BY RESIDENCE AND INCOME LEVEL, 1997**

Numbers in Thousands																		
All Occupied Housing Units										Nonmetro Units Only								
Residence										Income level								
City		Suburb		Nonmetro		Total		Very Low		Low		Moderate		Upper		Total		
Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	
<b>Monthly Housing Costs</b>																		
Under \$250	4,463	15%	5,907	13%	7,129	32%	17,499	18%	3,064	50%	1,472	41%	1,142	29%	1,451	18%	7,129	32%
\$250 to \$499	8,922	29%	11,321	24%	7,440	34%	27,684	28%	2,177	35%	1,299	36%	1,459	36%	2,505	30%	7,440	34%
\$500 to \$749	8,263	27%	10,328	22%	4,007	18%	22,597	23%	618	10%	604	17%	888	22%	1,897	23%	4,007	18%
Over \$750	8,885	29%	19,329	41%	3,495	16%	31,708	32%	305	5%	243	7%	518	13%	2,430	29%	3,495	16%
Total	30,533	100%	46,885	100%	22,071	100%	99,488	100%	6,164	100%	3,618	100%	4,007	100%	8,283	100%	22,071	100%
Median	545	N/A	645	N/A	362	N/A	543	N/A	251	N/A	308	N/A	385	N/A	522	N/A	362	N/A
<b>Housing Cost as a Percentage of Household Income</b>																		
Less than 15%	7,796	28%	14,666	33%	8,744	43%	31,205	34%	516	10%	1,108	32%	1,729	45%	5,392	68%	8,744	43%
15% to 30%	10,960	39%	17,805	41%	7,153	35%	35,919	39%	1,624	30%	1,543	45%	1,712	45%	2,274	29%	7,154	35%
31% to 50%	4,811	17%	6,421	15%	2,531	12%	13,762	15%	1,403	26%	615	18%	305	8%	207	3%	2,531	12%
51% to 70%	1,529	5%	1,937	4%	808	4%	4,274	5%	611	11%	121	4%	56	2%	19	0%	808	4%
Over 70%	3,023	11%	3,032	7%	1,333	7%	7,388	8%	1,283	24%	34	100%	15	0%	-	-	1,333	7%
Total	28,119	100%	43,861	100%	20,569	100%	92,548	100%	5,437	100%	3,421	100%	3,817	100%	7,892	100%	20,570	100%
<b>Monthly Mortgage Payment</b>																		
Under \$250	847	10%	1,784	9%	1,257	18%	3,887	11%	330	38%	301	33%	193	15%	434	11%	1,257	18%
\$250 to \$499	2,178	25%	3,656	18%	2,796	39%	8,629	24%	344	39%	421	46%	651	50%	1,380	34%	2,796	39%
\$500 to \$749	2,208	26%	4,717	24%	1,825	26%	8,750	24%	107	12%	160	18%	314	24%	1,244	31%	1,825	26%
Over \$750	3,343	39%	9,958	50%	1,288	18%	14,589	41%	94	11%	28	3%	151	12%	1,016	25%	1,288	18%
Total	8,576	100%	20,115	100%	7,166	100%	35,855	100%	875	100%	910	100%	1,309	100%	4,074	100%	7,166	100%
Median	624	N/A	830	N/A	450	N/A	641	N/A	308	N/A	320	N/A	417	NA	523	N/A	450	N/A
<b>Monthly Rental Payment</b>																		
Under \$250	1,631	11%	983	8%	1,424	30%	4,039	13%	832	40%	267	30%	172	20%	153	17%	1,424	30%
\$250 to \$499	6,013	40%	3,776	31%	2,423	51%	12,212	38%	992	48%	479	54%	500	57%	452	49%	2,423	51%
\$500 to \$749	5,013	33%	4,809	40%	757	16%	10,580	33%	185	9%	128	14%	180	20%	264	29%	757	16%
Over \$750	2,508	17%	2,573	21%	171	4%	5,251	16%	66	3%	19	2%	29	3%	57	6%	171	4%
Total	15,165	100%	12,141	100%	4,775	100%	32,082	100%	2,075	100%	893	100%	881	100%	926	100%	4,775	100%
Median	495	N/A	550	N/A	325	N/A	495	N/A	280	N/A	325	N/A	360	N/A	400	N/A	325	N/A
<b>•Mortgage Assistance</b>																		
USDA-RHS	33	0%	187	1%	142	2%	364	1%	24	3%	17	2%	31	3%	71	2%	142	2%
St. Low Cst. Mtg.	974	12%	1,504	8%	681	10%	3,160	9%	143	19%	115	14%	127	10%	297	8%	681	10%
<b>Rental Assistance</b>																		
Unsubsidized	12,712	82%	11,061	86%	4,629	83%	28,408	84%	1,734	71%	936	88%	937	92%	1,023	97%	4,630	83%
Subsidized	2,883	18%	1,771	14%	953	17%	5,608	16%	723	29%	125	12%	74	8%	30	3%	953	17%
Total	15,595	100%	12,832	100%	5,582	100%	34,016	100%	2,457	100%	1,061	100%	1,011	100%	1,053	100%	5,583	100%

Note: Percentages and numbers may not add due to rounding.

- means zero, or rounds to zero

•No totals, more than one category may apply to unit.

Source: HAC tabulations of the 1997 American Housing Survey

**TABLE 5. SELECTED HOUSING QUALITY CHARACTERISTICS, BY RESIDENCE AND INCOME LEVEL, 1997**

Numbers in Thousands

**All Occupied Housing Units**

**Nonmetro Units Only**

	Residence								Income level									
	City		Suburb		Nonmetro		Total		Very Low		Low		Moderate		Upper		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
<b>*Equipment Present</b>																		
Cooking Stove	30,060	99%	46,424	99%	21,834	99%	98,318	99%	6,048	98%	3,583	99%	3,980	99%	8,223	99%	21,834	99%
Dishwasher	13,462	44%	30,084	64%	9,570	43%	53,116	53%	1,440	23%	1,210	34%	1,733	43%	5,186	63%	9,570	43%
Clothes Dryer	17,146	56%	37,041	79%	17,482	79%	71,669	72%	3,703	60%	2,809	78%	3,358	84%	7,612	92%	17,482	79%
Microwave Oven	179	45%	1,763	52%	99	53%	454	49%	37	43%	20	61%	13	58%	28	65%	99	53%
Refrigerator	30,326	99%	46,724	100%	21,966	100%	99,017	100%	6,108	99%	3,600	100%	4,002	100%	8,257	100%	21,966	100%
Washing Machine	19,006	62%	38,411	82%	18,484	84%	75,901	76%	4,271	69%	2,981	82%	3,488	87%	7,745	94%	18,484	84%
Room Air Conditioner	9,332	31%	11,737	25%	7,407	34%	28,476	29%	2,205	36%	1,418	39%	1,426	36%	2,358	29%	7,407	34%
Central Air Conditioner	13,813	45%	26,816	57%	9,267	42%	49,896	50%	1,915	31%	1,297	36%	1,631	41%	4,424	53%	9,267	42%
Garbage Disposal	13,235	44%	23,390	50%	5,360	24%	41,984	43%	1,061	17%	696	19%	846	21%	2,757	33%	5,360	24%
<b>*Unit Characteristics</b>																		
Garage	15,108	50%	30,847	66%	12,072	55%	58,027	58%	2,426	39%	1,775	49%	2,211	55%	5,660	68%	12,072	55%
Public Sewer	30,003	98%	35,160	75%	11,370	52%	76,532	77%	3,548	58%	1,986	55%	2,043	51%	3,792	46%	11,370	52%
Complete Kitchen	29,471	97%	46,058	98%	21,670	8%	97,198	98%	5,945	97%	3,558	98%	3,952	99%	8,214	99%	21,670	98%
Complete Plumbing	29,825	98%	46,130	98%	21,736	99%	97,690	98%	5,976	97%	3,576	99%	3,964	99%	8,220	99%	21,736	99%
Indoor Bathroom	30,195	99%	46,667	100%	21,874	99%	98,737	99%	6,045	98%	3,592	99%	3,979	99%	8,257	100%	21,874	99%
Running Water	30,398	100%	46,796	100%	21,908	99%	99,102	100%	6,038	98%	3,598	99%	4,000	100%	8,272	100%	21,908	99%
Adequate Heating	28,007	99%	43,535	100%	20,466	100%	92,008	100%	5,724	100%	3,306	100%	3,726	100%	7,710	100%	20,466	100%
<b>*Selected Deficiencies</b>																		
Holes in Floors	467	2%	372	1%	329	2%	1,168	1%	150	2%	82	2%	34	1%	63	1%	329	2%
Cracks in Walls	2,421	8%	2,082	4%	1,245	6%	5,748	6%	412	7%	268	7%	215	5%	350	4%	1,245	6%
Exposed Wiring	245	1%	355	1%	188	1%	788	1%	63	1%	46	1%	24	1%	55	1%	188	1%
Holes/Sags in Roof	2,067	7%	2,520	6%	1,617	8%	6,203	7%	559	9%	291	8%	351	9%	415	5%	1,617	8%
Leaks from Outside	4,017	13%	6,113	13%	3,000	14%	13,130	13%	802	13%	433	12%	643	16%	1,110	14%	3,000	14%
Peeling Paint	1,439	5%	897	2%	602	3%	2,939	3%	176	3%	127	4%	146	4%	153	2%	602	3%
<b>Crowded</b>																		
Not Crowded	29,224	96%	45,852	98%	21,604	98%	96,681	97%	5,996	97%	3,486	96%	3,909	98%	8,214	99%	21,604	98%
Crowded	1,309	4%	1,031	2%	466	2%	2,806	3%	167	3%	132	4%	97	2%	69	1%	465	2%
Total	30,533	100%	46,884	100%	22,070	100%	99,487	100%	6,164	100%	3,618	100%	4,006	100%	8,283	100%	22,070	100%
<b>Adequacy of Housing</b>																		
Adequate	27,593	90%	44,653	95%	20,254	92%	92,499	93%	5,379	87%	3,278	91%	3,710	93%	7,887	95%	20,254	92%
Moderately Inadq.	2,155	7%	1,604	3%	1,433	7%	5,191	5%	571	9%	282	8%	244	6%	337	4%	1,433	7%
Severely Inadq.	785	3%	627	1%	384	2%	1,796	2%	214	4%	58	1%	52	1%	60	1%	384	2%
Total	30,533	100%	46,884	100%	22,070	100%	99,487	100%	6,164	100%	3,618	100%	4,006	100%	8,283	100%	22,070	100%

Note: Percentages and numbers may not add due to rounding.

\*No totals, more than one category may apply to unit.

Source: HAC tabulations of the 1997 American Housing Survey



**TABLE 6. NONMETRO HOUSING SATISFACTION, 1997**

Numbers in Thousands

	Nonmetro Occupied Housing Units Housing Satisfaction						Total	
	Low		Moderate		High		Number	%
	Number	%	Number	%	Number	%	Number	%
<b>Tenure</b>								
Owner-Occupied	331	2%	3,362	21%	12,298	77%	15,991	100%
Renter-Occupied	359	7%	2,169	40%	2,928	54%	5,455	100%
Total	690	3%	5,531	26%	15,226	71%	21,446	100%
<b>Race</b>								
White	549	3%	4,683	25%	13,358	72%	18,590	100%
African-American	82	5%	439	27%	1,125	68%	1,646	100%
Native American	15	5%	99	34%	174	60%	289	100%
Asian	3	5%	17	31%	35	64%	55	100%
Other	2	10%	8	33%	14	58%	25	100%
*Hispanic	38	5%	285	34%	519	62%	842	100%
Total	689	3%	5,531	26%	15,225	71%	21,447	100%
<b>Structural Type</b>								
One Unit-Detached	360	2%	3,628	23%	11,521	74%	15,509	100%
One Unit-Attached	34	8%	130	30%	275	63%	440	100%
Two or More Units	117	5%	845	35%	1,446	60%	2,407	100%
Mobile Home	179	6%	928	30%	1,984	64%	3,091	100%
Total	690	3%	5,531	26%	15,226	71%	21,447	100%
<b>Age of Householder</b>								
Under 25	70	6%	533	44%	610	50%	1,213	100%
25 to 34	202	6%	1,155	35%	1,973	59%	3,331	100%
35 to 44	173	4%	1,320	29%	3,033	67%	4,525	100%
45 to 54	97	3%	933	24%	2,891	74%	3,922	100%
55 to 64	60	2%	620	21%	2,238	77%	2,919	100%
65 or over	88	2%	970	18%	4,480	81%	5,538	100%
Total	690	3%	5,531	26%	15,225	71%	21,448	100%
<b>Income Level</b>								
At or Below 50%	228	4%	1,698	29%	4,038	68%	5,964	100%
51% to 80%	164	5%	918	26%	2,457	69%	3,538	100%
81% to 120%	143	4%	1,151	29%	2,618	67%	3,912	100%
Above 120%	155	2%	1,764	22%	6,113	76%	8,033	100%
Total	690	3%	5,531	26%	15,226	71%	21,447	100%
<b>Poverty</b>								
Below Poverty	155	4%	1,202	30%	2,688	67%	4,045	100%
100% to 199% of Pov.	248	5%	1,437	28%	3,411	67%	5,096	100%
200% or More of Pov.	287	2%	2,892	24%	9,127	74%	12,306	100%
Total	690	3%	5,531	26%	15,226	71%	21,447	100%

Note: The housing satisfaction index in this report was based on how households responded to the question, "How do you rate your housing?" Respondents replied on a ten point semantic scale with ten being the highest and one being the lowest. For this study, the scale was compressed into three categories: 8-10 high, 5-7 moderate, and 1-4 low.

Note: Percentages and numbers may not add due to rounding.

\*Hispanics may be of any race.

Source: HAC tabulations of the 1997 American Housing Survey

**TABLE 7. NONMETRO NEIGHBORHOOD SATISFACTION, 1997**

Numbers in Thousands

	Nonmetro Occupied Housing Units Neighborhood Satisfaction							
	Low		Moderate		High		Total	
	Number	%	Number	%	Number	%	Number	%
<b>Tenure</b>								
Owner-Occupied	589	4%	3,199	20%	12,207	76%	15,996	100%
Renter-Occupied	374	7%	1,589	29%	3,476	64%	5,438	100%
Total	963	5%	4,788	22%	15,683	73%	21,434	100%
<b>Race</b>								
White	783	4%	4,061	22%	13,749	74%	18,593	100%
African-American	96	6%	375	23%	1,165	71%	1,636	100%
Native American	35	12%	129	45%	126	44%	289	100%
Asian	3	5%	13	23%	39	72%	55	100%
Other	4	17%	13	52%	8	31%	25	100%
*Hispanic	42	5%	198	24%	597	71%	836	100%
Total	963	5%	4,789	22%	15,684	73%	21,434	100%
<b>Structural Type</b>								
One Unit-Detached	601	4%	3,207	21%	11,697	75%	15,505	100%
One Unit-Attached	36	8%	107	23%	296	67%	440	100%
Two or More Units	146	6%	805	34%	1,452	60%	2,402	100%
Mobile Home	181	6%	669	22%	2,238	73%	3,087	100%
Total	964	5%	4,788	22%	15,683	73%	21,434	100%
<b>Age of Householder</b>								
Under 25	87	7%	398	33%	725	60%	1,210	100%
25 to 34	235	7%	956	29%	2,143	64%	3,333	100%
35 to 44	229	5%	1,181	26%	3,112	69%	4,522	100%
45 to 54	148	4%	815	21%	2,958	75%	3,922	100%
55 to 64	105	4%	553	19%	2,257	77%	2,915	100%
65 or over	159	3%	885	16%	4,488	81%	5,532	100%
Total	963	5%	4,788	22%	15,683	73%	21,434	100%
<b>Income Level</b>								
At or Below 50%	329	6%	1,398	24%	4,214	71%	5,942	100%
51% to 80%	190	5%	738	21%	2,616	74%	3,543	100%
81% to 120%	160	4%	938	24%	2,817	72%	3,914	100%
Above 120%	285	4%	1,714	21%	6,036	75%	8,035	100%
Total	964	5%	4,788	22%	15,683	73%	21,434	100%
<b>Poverty</b>								
Below Poverty	231	6%	1,032	26%	2,769	69%	4,032	100%
100% to 199% of Pov.	271	5%	1,066	21%	3,753	74%	5,089	100%
200% or More of Pov.	461	4%	2,690	22%	9,161	74%	12,312	100%
Total	963	5%	4,788	22%	15,683	73%	21,433	100%

Note: The neighborhood satisfaction index in this report was based on how households responded to the question, "How do you rate your neighborhood?" Respondents replied on a ten point semantic scale with ten being the highest and one being the lowest. For this study, the scale was compressed into three categories: 8-10 high, 5-7 moderate, and 1-4 low.

Note: Percentages and numbers may not add due to rounding.

\*Hispanics may be of any race.

Source: HAC tabulations of the 1997 American Housing Survey





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