

Statistical Brief

Housing Changes: 1981 to 1991

In the decade between 1981 and 1991, America witnessed quite a few housing-related changes. This Brief focuses on some of the key ones:

- The jump in housing costs, particularly real estate taxes.
- The “graying” of homeowners.
- The homeownership dip for most groups.
- The growth in metropolitan areas.
- Our less crowded homes.

Data come from the American Housing Survey (AHS), a biennial survey of approximately 45,000 households. The AHS is conducted by the Census Bureau and sponsored by the Department of Housing and Urban Development. Information in this Brief on housing costs and home values are for *specified* owners and renters only. See the note in the graph for who’s included.

Housing costs still consume a big slice of our budget.

As the chart on the back shows, monthly housing costs climbed fairly sharply between 1981 and 1991. Income rose too, but not enough to prevent the housing burden (housing costs as a por-

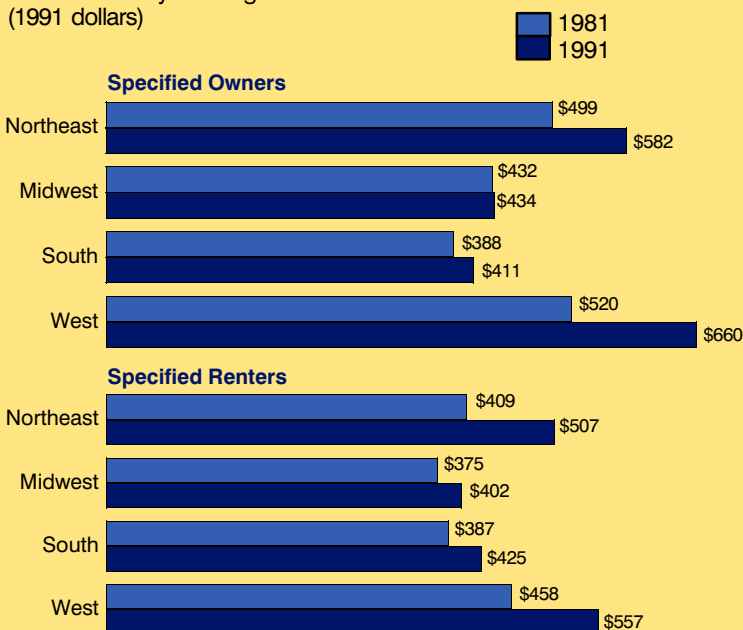


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BUREAU OF THE CENSUS

Housing Cost Increases Largest for Western Homeowners

Median monthly housing costs: 1981 and 1991
(1991 dollars)



Note: Specified owners *include* only those living in single-family structures on less than 10 acres with no business on the property. Specified renters *exclude* those living in one-unit structures on more than 10 acres. These definitions exclude small groups of households whose housing costs may not be typical of the majority of owners and renters.

tion of income) from rising 1 percentage point over the decade for *both* specified owners and renters. In 1991, costs consumed a median of 18 percent of owners’ and 28 percent of renters’ income. For owners, one reason for the climb was a 24-percent rise in their annual real estate taxes.

Homeowners older.

Between 1981 and 1991, the percentage of homeowners aged 65 or older rose from 23 to 26 percent. Why did this rise?

- A larger share of *all* households were elderly: 20

percent in 1981, 22 percent in 1991.

- Homeownership fell among younger households. In 1981, 44 percent of householders under age 35 owned their homes; just 38 percent did 10 years later.

Though the share of renter householders who were elderly fell from 16 to 14 percent, the proportion under 30 years old dropped even more, from 36 to 29 percent. At the same time, the percentage aged 30 to 64 years rose 9 percentage points, as an increasing number of baby boomers moved into this age range.

Homeownership dips for most groups.

Perhaps partly due to immigration, Hispanics saw their homeownership rate drop from 42 to 39 percent. Non-Hispanics suffered a drop also, from 67 to 66 percent.

Why, by the way, is there a continuing wide homeownership gap between Hispanics and non-Hispanics? One reason is Hispanics' relative youth:

- In 1991, 38 percent of Hispanic householders were under 35 years old; for non-Hispanics, the figure was 26 percent.
- Homeownership is least likely for young householders. This is even more true among Hispanics: in 1991, 21 percent under age 35 were homeowners, compared with 40 percent of their non-Hispanic counterparts.

Unlike other groups, Blacks saw their homeownership rate remain stable over the period, at 43 percent. Neither the 1981 nor 1991 rate for Blacks was statistically different from the 1981 Hispanic rate.

Metro living more common.

In 1981, just under 1 in 3 American households lived outside metropolitan areas. By 1991, this figure had dropped to just 22 percent. The suburbs, which accounted for 38 percent of all households in 1981, contained 46 percent in 1991. Even within central cities, there was a gain — from 30 to 32 percent of all households.

Not all of these changes occurred because households moved. Some areas that were not part of metro areas in 1981 either became part of newly designated metro areas or were incorporated into existing ones during the next decade.

Financial Facts

Selected financial medians: 1981 and 1991
(1991 dollars)

	1981	1991	Percent change
Family and primary person income:			
Owners	\$32,664	\$34,801	+6.5
Renters	\$17,081	\$18,681	+9.4
Monthly housing costs:			
Specified owners	\$444	\$485	+9.2
Specified renters	\$405	\$462	+14.1
Value, specified owners	\$82,858	\$86,796	+4.8
Annual real estate taxes, specified owners	\$746	\$922	+23.6

Homes less crowded.

Over the period, large households (5 members or more) dropped from 13 to 10 percent of all households. At the same time, the percentage of households comprised of persons living alone rose from 22 to 24 percent.

And, as households became smaller, homes and apartments became larger:

- In 1981, 23 percent of occupied homes contained at least seven rooms; 10 years later, the figure had risen to 28 percent.
- The proportion of small homes — those with just one or two rooms — dropped from 4 to 2 percent. For renters, this drop was even more noticeable — from 10 to 5 percent.

As a result of these changes, the number of housing units with 1-or-more persons per room dropped from 3.3 million (4 percent) in 1981 to 2.5 million (3 percent) in 1991. Bathrooms, incidentally, are not counted as rooms.

More Information:

American Housing Survey for the United States in 1991, Current Housing Reports, Series H-150/91. Contact Customer Services (301-763-4100) for ordering information.

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