

# Bureau of the Census Statistical Brief

## Housing of Lower-Income Households

*Having low income, or even being near low income, often means putting up with sub-standard living conditions — and having a rough time paying for them. So say data collected by the 1991 American Housing Survey.*

*This Brief uses these data to examine various demographic, financial, and housing characteristics of low-income households (those with incomes below the poverty threshold). It also provides some information on “near low-income” households (those with incomes between 100 and 124 percent of the poverty level). In 1991, 14 percent of all households (13 million) were low-income; another 5 percent (5 million) were near low-income.*

### Low-income households are less likely to own their home.

Only 39 percent of low-income households owned the home they lived in. Though the homeownership rate was higher for those just above the poverty line (50 percent), it still lagged behind the rate for all households (64 percent). Nonetheless, owning their home free and clear was more common for both low-income and near low-income owners than it was for all owners (about 67 percent each compared with 41 percent).



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### Lower-income households live in inferior housing.

Low-income households have far less comfortable living conditions than other households. Their homes were likelier to be —

- **Smaller.** Both low- and near low-income owners lived in homes that contained medians of 5.4 rooms and about 1,350 square feet of living space. The corresponding figures for all owners were 6.1 rooms and 1,800 square feet. The differences for renters were smaller (4.1 rooms and 1,100 square feet for low- and near low-income households compared with 4.2 and 1,250 in all renter-occupied units).

- **Crowded.** Households with more than one person per room are considered “crowded.” Four percent of low-income owners and 10 percent of low-income renters lived in crowded homes. By comparison, crowding was a problem for only 1 percent of all owners and 5 per-

cent of all renters. The figures for low-income owners and for all renters were not statistically different.

- **Saddled with physical problems.** Sixteen percent of low-income owners and 18 percent of low-income renters resided in a home that had either moderate or severe physical problems. For all owners, the corresponding figure was 6 percent; for all renters, it was 11 percent.

### Homes of those with low incomes are also older ...

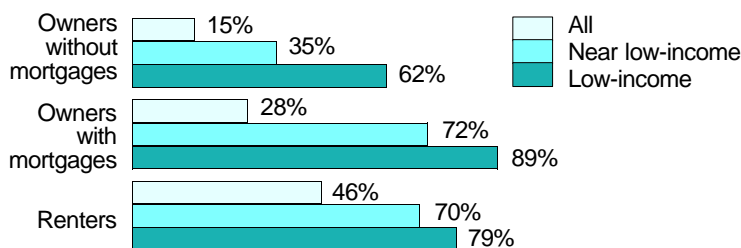
Low-income owners and renters both lived in homes that were a median of about 32 years old. For all households, the corresponding figures were 26 years (if they were owners) and 28 years old (if they were renters), respectively.

### ... and lower-valued.

The median value of homes owned by both low- and near low-income households was about \$47,000;

### Even Without Mortgages, Most Low-Income Households Are Burdened by Housing Costs

Percent of households who spent at least 30 percent of their monthly income on housing costs, by tenure, mortgage status, and low-income status: 1991



Note: Housing costs include real estate taxes, property insurance, homeowners association fees, cooperative or condominium fees, mobile home park fees, land rent, utilities, fuels, and garbage and trash collection.

value was about double for all owners (about \$80,000).

**Most lower-income households have housing cost burdens.**

Households spending at least 30 percent of their current income each month on housing expenses are said to have a housing cost *burden*. Those spending 50 percent or more have *extreme burdens*. Three in every four low-income households had burdens; one in two had extreme burdens. For near low-income households, the corresponding proportions were also fairly high (58 percent had burdens, 25 percent extreme burdens). The graph on the front page shows the percent with burdens, by tenure, mortgage status, and low-income status.

**There isn't enough affordable rental housing to go around.**

Most low-income households rented their home. The vast majority of these renters had a housing cost burden (5.1 million, or 79 percent of those who had an income and paid cash rent). Unfortunately, there were only 1.9 million vacant units for rent that would be affordable for them — in other words, rents low enough so that these households could spend less than 30 percent of their income on housing.

Furthermore, 24 percent of these affordable units lacked complete kitchen facilities, 30 percent had moderate or severe physical problems, and about one-half had less than 900 square feet of living space.

**Low-income households were more prevalent in central cities, outside metro areas, and in the South.**

Nationwide, households in central cities (17 percent) and outside metro areas (18 percent) were about twice as likely to have low income as those in the suburbs (9 percent).

Among the regions, the South had the highest proportion (17 percent), followed by the Midwest (13

**Program Participation**

Percent of households receiving a selected program benefit, by low-income status, tenure, and mortgage status: 1991

Low-income . . . . .	54%
Nonmortgaged owners . . . . .	34%
Mortgaged owners . . . . .	47%
Renters . . . . .	64%
Near low-income . . . . .	38%
All households . . . . .	22%

Note: Selected benefits include food stamps, welfare or Supplemental Security Income payments, rent reductions, and lower-cost government mortgages.

percent), and Northeast and West (11 percent each). But thanks to lower housing costs, low-income households in the South were less likely than those elsewhere to have cost burdens.

**Black, Hispanic, and elderly householders have higher chances of having lower incomes.**

It was about twice as common for Black and Hispanic householders to be either low- or near low-income (38 percent and 32 percent) as it was for White householders (16 percent).

Similarly, 27 percent of elderly householders were either below or slightly above the poverty line. Fewer than 20 percent of householders under age 65, by compari-

son, were low- or near low-income. Among those with low incomes, however, elderly householders were less likely than others to have housing burdens (71 percent versus 77 percent).

**More information:**

*Households at Risk: Their Housing Situation.* Current Housing Reports, Series H121/94-2. Contact Customer Services (301-763-4100) for ordering information.

**Contacts:**

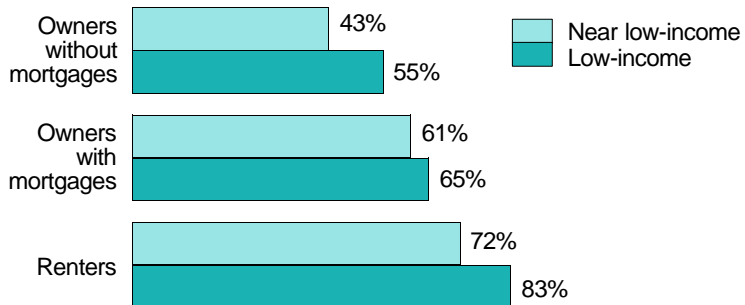
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*This Brief is one of a series that presents information of current policy interest. It may include data from businesses, households, or other sources. All statistics are subject to sampling variability, as well as survey design flaws, respondent classification errors, and data processing mistakes. The Census Bureau has taken steps to minimize errors, and analytical statements have been tested and meet statistical standards. However, because of methodological differences, use caution when comparing these data with data from other sources.*

**Most Lower-Income Households Have No Savings or Investments to Help Offset Housing Costs**

Percent of households without any savings or investments, by tenure, mortgage status, and low-income status: 1991



Note: Households with incomes of \$25,000 or more aren't included.