

Housing Affordability and Quality

Summary of Significant Trends:

Housing represents the single largest expenditure for most families and is the single greatest source of wealth for most homeowners. Its importance lies not only in its value for individuals and families who reside there, but also in the community in which it belongs. Housing is both a personal necessity and an indicator of economic and community health. As stated in the Millennial Housing Commission's 2002 report, "Decent, affordable, and accessible housing fosters self-sufficiency, brings stability to families and new vitality to distressed communities and supports overall economic growth."

A number of housing issues affect North Carolina families. Perhaps the most important issue is that of affordability. The majority of North Carolinians are homeowners, 71.3%, compared to the national average of 67.8%. However affordability issues affect both homeowners and renters. The affordability of a home is not limited to a mortgage or rent payment, but includes the ability to maintain a home (utilities, maintenance, etc.). Median monthly mortgage costs and monthly gross rents have seen increases in the last decade. In 1990, the median monthly mortgage cost was \$655; in 2000 the cost was \$985. Median monthly gross rent in 1990 was \$382; in 2000 it was \$548. Twenty four percent of homeowners with mortgages spend more than 30% of their income on housing. Thirty-nine percent of renters spend more than 30% of their

income on monthly gross rent. Foreclosures are on the increase both across the nation and in North Carolina. Costs associated with housing, but that are not a part of the mortgage or monthly rent are also substantial. On average, US homeowners (single family homes) spend almost \$1500 a year on energy costs. In 1999, Americans spent over \$180 billion dollars on home improvement and repair projects.

Housing quality is also an important issue. According to the North Carolina Low Income Housing Coalition, over all, 1 in 5 NC households suffers from one or more housing problems. Aside from excessive cost burdens, these problems include crowding, lack of indoor plumbing, lack of complete plumbing, lack of heat, older housing stock and homes with lead paint. The occurrence of natural disasters such as Hurricane Floyd have left an even greater need for decent, safe quality housing in some areas of our state.

Significance of Data to County Programs:

The Cooperative Extension Service has many opportunities to provide educational support for clientele as they address and overcome their housing challenges. Extension can provide educational programs such as pre-homeowner/ post-homeowner education, tenant/landlord education, and housing maintenance/care education.

In addition Extension addresses special projects such as Individual Development Accounts. These programs enable North Carolinians to increase their knowledge and skills in choosing and maintaining their homes and in enhancing the affordability of homes. In addition to providing education, Extension professionals play an important role in identifying the housing needs in a community as they work with government and community partners. In this role, they provide support for individuals and families in need of decent affordable housing and for the development and stability of the local community.

Sources of Supporting Data:

Millennial Housing Commission www.mhc.gov

2000 Census www.census.gov

North Carolina Low Income Housing Coalition
www.nclihc.org

Joint Center for Housing Studies of Harvard
University www.jchs.harvard.edu/

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2003



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