

# 2013 Rental Market Study Shows Growing Need for Affordable Housing



by Anne Ray

Rents are up, homeownership is down, and more than 700,000 low-income Floridians pay more than they can afford for their rent. These are some of the key findings of the *2013 Rental Market Study*, recently released by the Shimberg Center for Housing Studies at the University of Florida.

The *Rental Market Study* describes the housing needs of low-income renters in Florida and the special housing needs of elderly residents, homeless persons, persons with disabilities, farm workers, and fishing workers. The Shimberg Center produces the study every three years on behalf of Florida Housing Finance Corporation (Florida Housing). Florida Housing uses the results to allocate its resources for affordable multifamily housing across the state and among the various target populations.

This year's study finds:

## Florida has more renters, fewer homeowners.

With the economic downturn, the increase in foreclosures, and difficulty obtaining mortgage credit, more Floridians are turning to rental housing. The number of renters in the state increased by 10 percent between 2005 and 2011, a period during which the total number of households barely grew at all.

The homeownership rate is down, particularly for young households and families with children. In 2005, 42 percent of households headed by

someone age 34 or under owned their homes, a rate that fell to 35 percent in 2011. During that same time, homeownership by families with children fell from 66 to 60 percent.

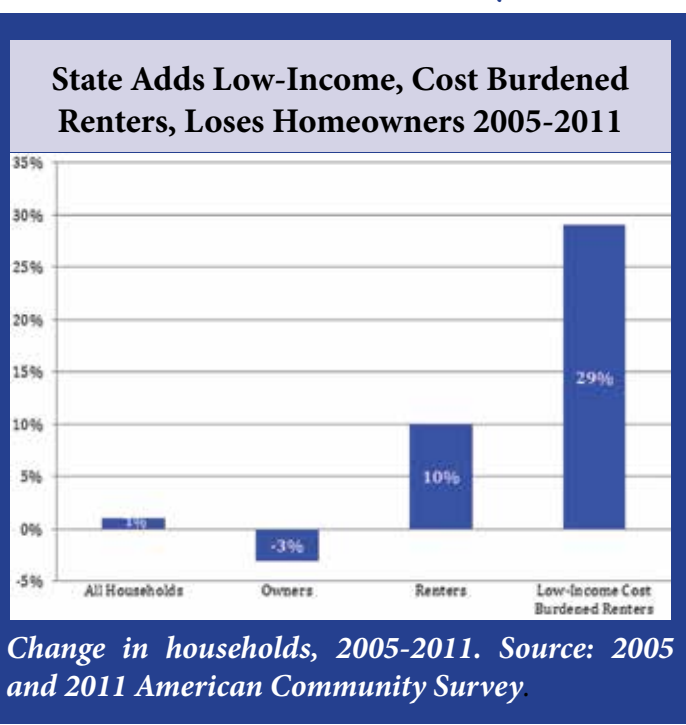
**Rents are up, incomes are down.** The median rent in Florida increased from \$816 to \$950 per month from 2000 to 2011. During the same period, median renter income fell from \$34,000 to \$30,343 (all in 2011 dollars).

## More renters face a housing cost burden.

With incomes down and rents rising, more renters are paying a high share of their income for their rent and utility bills. The number of renter households that are low income ( $\leq 60$  percent of area median income) and cost burdened (paying more than 40 percent of income for rent + utilities) rose from 553,035 in 2005 to 710,790 in 2011, a 29 percent increase. In 2013, an estimated 737,435 renter households are cost burdened.

## Extremely low-income renters have the most

**severe needs.** Renters are considered to be "extremely low-income" (ELI) if their incomes are less than 30 percent of the area median. In Florida, more than 317,000 ELI households are cost burdened; 65 percent of these households pay more than 60 percent of their incomes for rent and utilities. For every 100 ELI households, Florida has only 31 affordable and available rental units (units that cost less than 40 percent of income and are not already rented by higher income households).



**More than one-fourth of low-income, cost burdened renters are elderly.** Of all cost burdened renter households, 20 percent are headed by someone age 55-74, and nine percent are headed by someone age 75 or older.

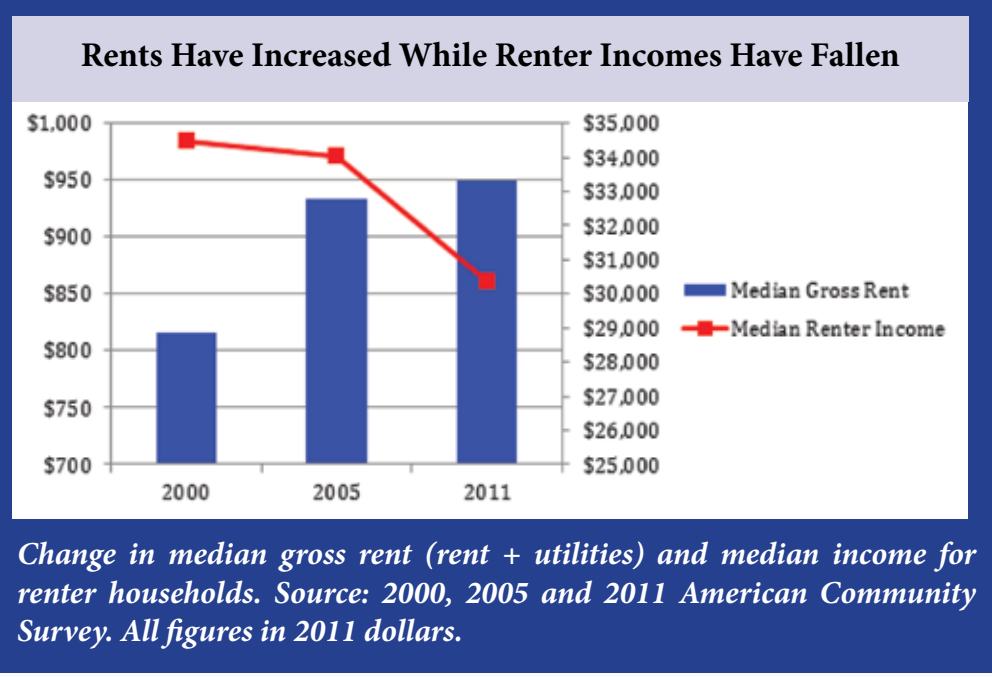
**Homelessness continues to be a serious problem.**

The report finds 42,476 homeless individuals in Florida, including single adults, married adults without children, and unaccompanied youth. There are also 31,148 homeless families made up of adults and their children. This includes families in shelters, unsheltered locations, hotels and motels, and those who are doubled up with other family members or friends. Assuming an average family size of 2.9 (based on national statistics from HUD), that means that *over 130,000 Floridians are experiencing homelessness.*

The *Rental Market Study* uses a combination of data from two sources to estimate homelessness: 1) HUD's compilation of local point-in-time counts of homeless persons in shelters and unsheltered locations, and 2) Florida Department of Education's counts of students whose families are living in hotels or motels or doubled up with others.

For the first time this year, the *Rental Market Study* also includes a report on the affordable rental housing needs of special needs households. Under Section 420.0004 (13), Florida Statute, a person with special needs is defined as:

*An adult person requiring independent living services in order to maintain housing or develop independent living skills and who has a disabling condition; a young adult formerly in foster care who is eligible for services under s. 409.1451(5); a survivor of domestic violence as defined in s. 741.28; or a person receiving benefits under the Social Security Disability Insurance (SSDI) program or the Supplemental Security Income (SSI) program or from veterans' disability benefits.*



*Change in median gross rent (rent + utilities) and median income for renter households. Source: 2000, 2005 and 2011 American Community Survey. All figures in 2011 dollars.*

The report estimates 93,438 low-income, cost burdened renter households include a person with disabilities and receive SSDI, SSI or veterans' disability benefits. Another 8,419 households are using domestic violence emergency shelters and 5,052 young people age 18-22 have aged out of foster care; these households also are likely to need safe, affordable housing.

The Shimberg Center for Housing Studies prepared a *2013 Housing Needs of Homeless Families and Individuals in Florida* April 7, 2013, along with *The Rental Market Study* reports, which are available online at: <http://www.shimberg.ufl.edu/publications3.html>.

For more information about the *Rental Market Study*, contact Anne Ray at 352-273-1195.

The Shimberg Center will present a workshop on the *Rental Market Study* at the Coalition's Annual Statewide Conference on September 10th. **HNN**

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**ANNE RAY** is a Researcher with the Shimberg Center, where she works on the development of the Florida Housing Data Clearinghouse and has performed research on preservation of assisted rental housing, public housing, the housing needs of persons with disabilities, farmworker housing, and states' implementation of the Low-Income Housing Tax Credit.