

Chart of the Week – December 21, 2018

Number of Owner and Renter Households, by Real Income and Level of Housing Cost Burden, Selected Years (millions)



Source: MBA and Harvard’s Joint Center for Housing Studies

Each year, Harvard’s Joint Center for Housing Studies releases its [State of the Nation’s Housing](#) report, of which MBA’s [Research Institute for Housing America](#) (RIHA) is a sponsor. One of the key statistics is the number of households facing moderate (more than 30% of income goes to housing) and severe (more than 50% goes to housing) burdens. The numbers tell an important story about affordability, and also about how households and the housing market interacted before, during and after the Great Recession.

A few areas of note: 1) before the recession, a shift from renting to owning among households earning \$45,000 and more. 2) during the recession, growth in the number of households earning less than \$30,000 (a large share of whom were renters facing severe burdens), and a decline in households earning more than \$75,000 (a large share of whom were owners and had previously faced no burden), 4) After the recession, a slow decline in the number of households earning less than \$30,000; a rapid increase in the number earning \$75,000 or more (both renters and owners); and a shift from owning to renting among households earning between \$30,000 and \$75,000.

Recent data from the Census Bureau’s [Housing Vacancy Survey](#) shows the home-ownership rate has grown over the past year with the addition of 1.5 million owner households. We look forward to the next *State of Nation’s Housing* report to see where the story goes from here.

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