



Source: MBA Tabulations of 2019 American Housing Survey (AHS) Data

The American Housing Survey (AHS) is a national longitudinal survey that provides information on the size, quality, composition, and cost of housing. It is sponsored by the U.S. Department of Housing and Urban Development (HUD) and conducted every odd-numbered year by the U.S. Census Bureau. Data for 2019 were released in September 2020.

This week’s MBA Chart of the Week uses AHS data to show the distribution of total monthly housing costs as a percentage of income. The black line, that traces the cumulative distribution for all U.S. households in 2019, shows that 64% of households paid less than 30% of their income for housing, while 82% paid less than 50%. In other words, 36% of households in the U.S. were considered “cost burdened” – in that their total housing costs were at least 30% of their income. 18% were severely-burdened (in that they spent over half of their income on housing).

The gray line, the distribution for 2011, lies below the black line. That is, across most of the distribution, households spent a *higher* percentage of their incomes on housing costs in 2011 (despite national house price indexes increasing every year since). For example, 58% of households spent less than 30% (vs. 64% in 2019) and 78% spent less than 50% (vs. 82% in 2019).

It is also marked that renters in 2019 spent a larger proportion of their incomes on housing than homeowners (red vs. green lines). Indeed, over one-half of renters were burdened in 2019 and over a quarter were severely-burdened.

It is also important to size the gap between the distributions for Black and White households. These are shown in the orange and blue lines. While 34% of White households were burdened in 2019, 46% of Black households were, and while 16% of White households were severely-burdened, over 25% of Black households were. These gaps are even more concerning when we consider that the average total housing costs for White households in the 2019 AHS was \$219 higher than for Black households (\$1,438 vs. \$1,219).