



.....

Housing Fuels the Economy in **America**



HOMES ARE MUCH MORE THAN MERE SHELTER

They are at once critical to every community and an engine of economic growth.

Building 100 single-family homes generates:



297

jobs



\$28 M

in wages and business income



\$11 M

in taxes and revenue for state, local, and federal government

Source: NAHB analysis of government data

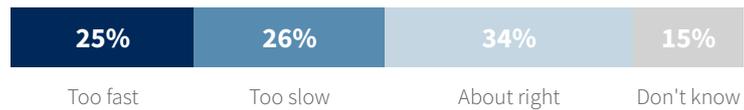
National Polling

PERCEPTIONS OF GROWTH IN AMERICA

There are both advantages and drawbacks to growth in a community, which can make it a divisive issue among Americans. Even members of the same community can perceive growth in different ways.

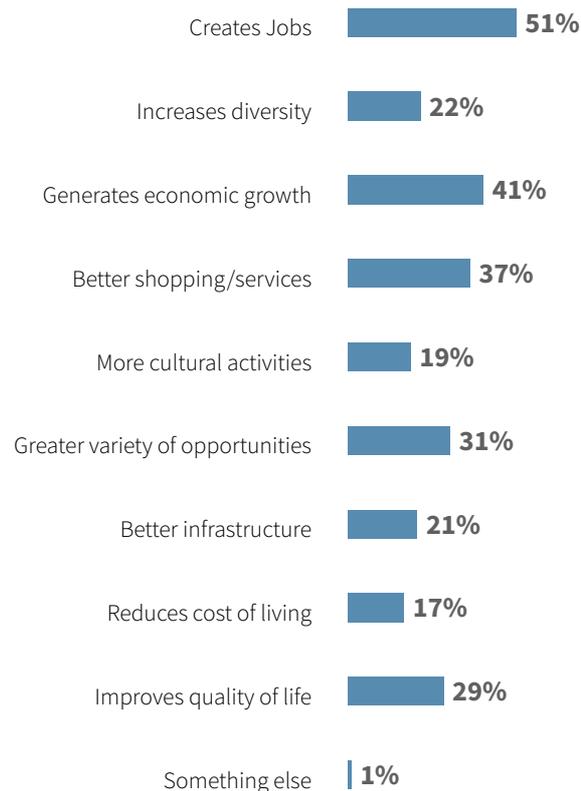
Americans see the speed of growth differently.

Percent of Americans who say growth in their community has been...



Americans see that growth brings many positive improvements.

Percent of Americans that see the following aspects of growth as positive:

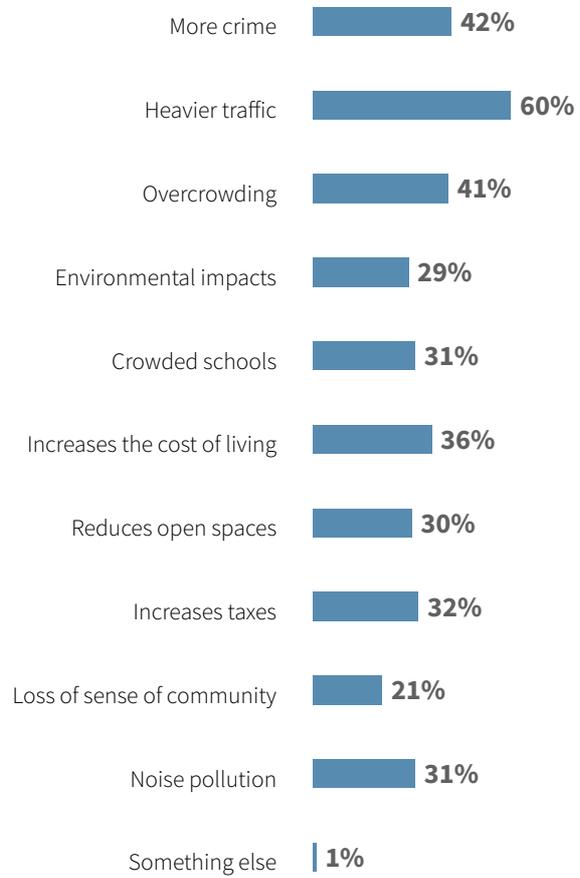


PERCEPTIONS OF GROWTH IN AMERICA

There are both advantages and drawbacks to growth in a community, which can make it a divisive issue among Americans. Even members of the same community can perceive growth in different ways.

Growth can produce some growing pains for Americans.

Percent of Americans that see the following aspects of growth as negative:



HOUSING AVAILABILITY AND POLICY IN AMERICA

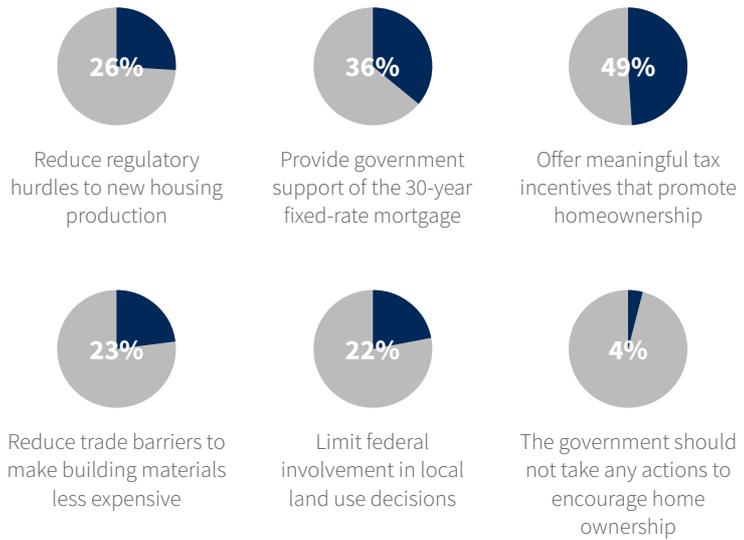
The ability to find a home in your area is a factor many of us take for granted. Not all have this luxury, and there are specific ways Americans would like to see the government act to remedy this.

Percent of Americans saying there is a housing shortage in their community:



Americans Agree on Housing Policies To Help The Middle Class

Percent of Americans who agree with each of the following policies:



 **48%**

of Americans say it matters some or matters a lot what a candidate's positions are on housing policies that affect housing prices and availability

HOMEOWNERSHIP IN AMERICA

Homeownership is a key piece of the American Dream, and one that millions of Americans participate in each year. But for some, there are obstacles in the way to reaping the wonderful benefits associated with homeownership.

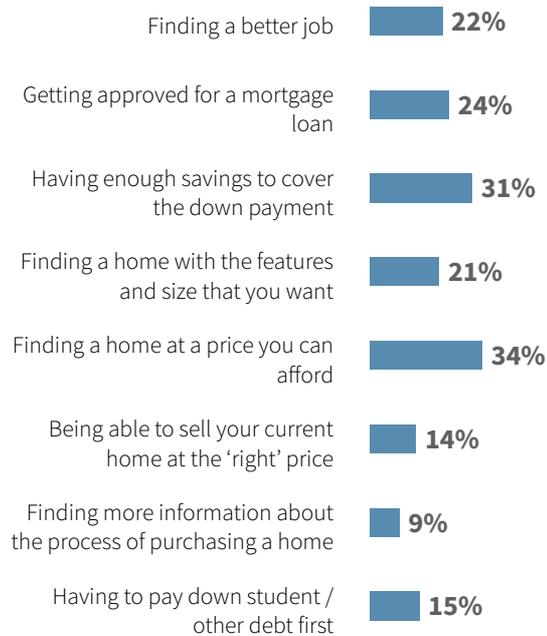
Intent to Purchase Housing



of Americans plan to purchase a home in the next year

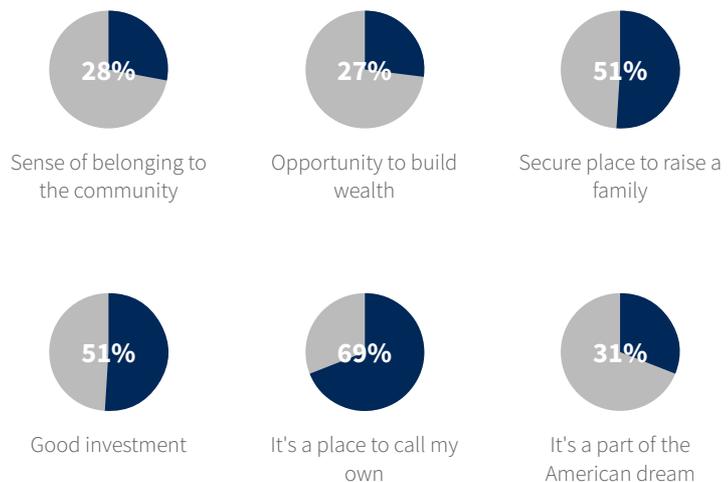
Obstacles to Purchasing a Home

Percent of Americans that say each of the following is an obstacle to purchasing a new home:



Homeownership presents great benefits

Percent of Americans saying each of the following are benefits of homeownership:



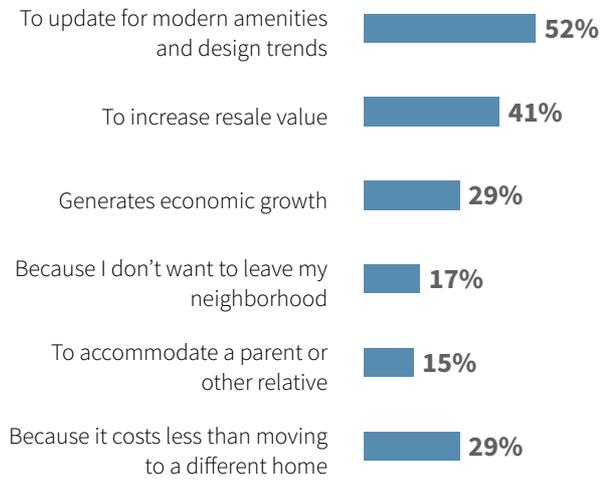
REMODELING IN AMERICA

Millions of Americans remodel their homes each year, for many different reasons. This brief exploration of those remodeling their homes gives insight into the scale, and the reasons, for trying to improve our homes.

 39%

of Americans say they definitely will, or maybe will, undertake a major remodeling project on their home over the next three years

Among those planning to remodel, Americans plan to remodel for the following reasons:



U.S. Economic Data

THE DATA TELLS A STORY

Housing starts, new home sales and other housing benchmarks can be valuable tools in analyzing housing market dynamics and consumer behaviors, and making reliable market projections.

NAHB's proprietary analysis tools, including the Housing Market Index and the Housing Opportunity Index, are among the industry's most important market benchmarks.

The State of Housing



\$71,062

Median family income



63%

Home ownership rate



135,702,775

Number of housing units



45%

Minority (Hispanic or Non-White) home ownership rate



\$205,000

Median value of owner-occupied homes



3,844,264

U.S. residents working in residential construction



61%

of all U.S. homes are single-family detached



6%

of all U.S. homes are single-family attached



26%

of all U.S. homes are multifamily



6%

of all U.S. homes are other types of housing units

The State of Rental Housing



6%

Rental vacancy rate



\$981

Median gross rent



50%

Gross rent is less than
30% of household income



25%

Gross rent is 30% to 50%
of household income



25%

Gross rent is 50%+ of
household income

THE RISING COST OF HOUSING IS HURTING AMERICAN FAMILIES

Housing affordability is an increasingly serious problem in communities across America.

Nearly a third of America's 119 million households are cost burdened and pay more than 30 percent of their income for housing, according to NAHB analysis of data from the Census Bureau's 2017 American Community Survey. That number includes almost half of the nation's renter households and a quarter of the owner

households.

A mix of regulatory barriers, ill-considered public policy and challenging market conditions is driving up costs and making it increasingly difficult for builders to produce homes that are affordable to low- and moderate-income families.

Regulatory requirements alone account for about 25 percent of the cost of constructing a single-family home and roughly 30

percent of the cost of a multifamily unit. And every day, builders grapple with increasing construction material costs, a shortage of skilled workers and a dwindling supply of developed lots. Restrictive policies that limit or even prohibit various types of homes and make large areas off-limits to new construction contribute significantly to the problem.

How affordable is housing in America?



57.1%

Roughly 57.1% of homes in America are affordable to a family earning the national median income, as of the second quarter 2018.



20 Million

More than 20 million renter households in the U.S. are housing cost burdened, meaning they spend more than 30% of income for housing.



\$217,000

The median value of owner-occupied homes in the U.S. is \$217,600.



\$12,600

The median value of owner-occupied homes increased from \$205,000 in 2016 to \$217,600 in 2017. That's an increase of \$12,600 – roughly 6% – in one year.



50%

Roughly 50% of renter households in the U.S. spend more than 30% of their income for housing.

Perceptions of Housing Affordability

A majority of Americans see housing affordability as an increasingly serious problem across the country. More than half say they would support proposals to build affordable housing in their neighborhood.

Percent of Americans that think each of the following proposals would be very effective or somewhat effective to improve the lack of affordable housing.



55%

Lower the development and construction fees builders must pay so that more affordable units can be built



53%

Increase government subsidies to builders to produce affordable units



51%

Increase government subsidies to households to pay for housing



3 in 4

Americans think a lack of affordable housing is a problem in the U.S.



3 in 5

Americans think they would have trouble finding a home they could afford in their city or county (58%).



Almost 3 in 5

adults (57%) say they would support proposals to build housing in their neighborhood that is more affordable than average for their neighborhood.

Percent of Americans who say the following would contribute, either a great deal or a little bit, to their trouble finding an affordable home.*



81%

Home prices have risen too much and priced me out of the market



80%

There are no (or very few) homes on the market I can afford



79%

Individual personal reasons (such as lack of down payment, too much debt, loss of income)



70%

There is too much demand competing for the homes I can afford



68%

Mortgage interest rates have risen too much and priced me out of the market

**Only shown to those who said they think they would have trouble finding an affordable home in their city or county.*