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

AFFORDABILITY CHALLENGES AND OPPORTUNITIES

Four out of five American households believe the nation is suffering a housing affordability crisis. They see varying degrees of merit in some of the proposed solutions.

Americans have different views on the extent of the affordability problem and the potential solutions.

Percent of Americans who say housing affordability is a problem in the United States:

<table>
<thead>
<tr>
<th></th>
<th>Major problem</th>
<th>Minor problem</th>
<th>Not a problem</th>
<th>Don't know / Not sure</th>
</tr>
</thead>
<tbody>
<tr>
<td>The United States</td>
<td>57%</td>
<td>23%</td>
<td>6%</td>
<td>14%</td>
</tr>
<tr>
<td>Their state</td>
<td>47%</td>
<td>31%</td>
<td>9%</td>
<td>13%</td>
</tr>
<tr>
<td>Their city</td>
<td>43%</td>
<td>32%</td>
<td>14%</td>
<td>11%</td>
</tr>
</tbody>
</table>

Percent of Americans who say that one of the following major political parties, if either, is more likely to take action to reduce the cost of housing in the U.S.:

- Democratic Party: 36%
- Republican Party: 21%
- Neither party: 24%
Percent of Americans who say they support or oppose increasing estate taxes on the richest Americans to pay for construction and rehabilitation of more rental housing that is affordable to lower income families:

- Strongly support: 33%
- Somewhat support: 24%
- Somewhat oppose: 13%
- Strongly oppose: 16%
- Don’t know / No opinion: 14%

Percent of Americans who say they support or oppose reducing regulations, such as restrictive zoning and permitting procedures, that increase the costs of constructing new homes:

- Strongly support: 21%
- Somewhat support: 31%
- Somewhat oppose: 17%
- Strongly oppose: 10%
- Don’t know / No opinion: 21%

Percent of Americans who say they support or oppose providing grants to families in areas historically affected by housing discrimination to assist with down payment on a home:

- Strongly support: 30%
- Somewhat support: 32%
- Somewhat oppose: 12%
- Strongly oppose: 10%
- Don’t know / No opinion: 16%

Percent of Americans who say they support or oppose expanding government programs to increase the supply of affordable rental housing:

- Strongly support: 33%
- Somewhat support: 31%
- Somewhat oppose: 12%
- Strongly oppose: 10%
- Don’t know / No opinion: 13%

Do you support or oppose laws that prohibit local governments from requiring non-essential features, such as brick instead of vinyl siding, or a two-car garage, on the construction of new homes?

- Strongly support: 18%
- Somewhat support: 24%
- Somewhat oppose: 19%
- Strongly oppose: 14%
- Don’t know / No opinion: 25%
### 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

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median family income</td>
<td>$71,062</td>
</tr>
<tr>
<td>Home ownership rate</td>
<td>63%</td>
</tr>
<tr>
<td>Number of housing units</td>
<td>135,702,775</td>
</tr>
<tr>
<td>Minority (Hispanic or Non-White) home ownership rate</td>
<td>45%</td>
</tr>
<tr>
<td>Median value of owner-occupied homes</td>
<td>$205,000</td>
</tr>
<tr>
<td>U.S. residents working in residential construction</td>
<td>3,844,264</td>
</tr>
<tr>
<td>Percentage of all U.S. homes:</td>
<td></td>
</tr>
<tr>
<td>- Single-family detached</td>
<td>61%</td>
</tr>
<tr>
<td>- Single-family attached</td>
<td>6%</td>
</tr>
<tr>
<td>- Multifamily</td>
<td>26%</td>
</tr>
<tr>
<td>- Other types of housing units</td>
<td>6%</td>
</tr>
</tbody>
</table>
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
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.
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 4**
  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.