How significant is the affordability problem for homeowners in my locality and is it getting better or worse?

This guidance identifies key data points that can be displayed ("visualized") and woven into a narrative that presents basic facts regarding the extent of the affordability challenge facing homeowners and how it has changed over time.

Key data points
To analyze the homeownership affordability problem facing your jurisdiction, we identify the following key data points that are relatively easy to gather from generally available data sources.

- How many households own their homes?
- How have home prices changed compared to changes in median household income?
- What share of homeowners are housing cost burdened and has the share increased over time?

Weave together the relevant data points
The data points can be woven together into a single narrative to show the extent of the affordability problem facing homeowners in your locality. The narrative can be illustrated by converting/ translating the data points in figures, tables, maps, or other visualizations that show how housing needs have changed over time or how they compare to other jurisdictions (e.g., the nation as a whole, the rest of the region, or other near-by jurisdictions) or even how needs vary across neighborhoods within your jurisdiction.

Prototypical presentation: a New York City example
The following example shows how data points can be displayed and woven together to show the extent of the affordability problems facing homeowners in New York City.

You can learn how to replicate these same visualizations using data for your locality by clicking on the relevant visualization or by using the navigation column on the left to go the Visualization landing page where you will find a directory for all of the visualizations.
The Challenge of Achieving and Sustaining Homeownership in New York City

The affordability of homeownership is clearly a challenge in New York City given that not even a third of its households own their own homes compared to a national homeownership rate nearly twice as large. New York City has followed the recent national pattern with the homeownership rate falling by 4.2 percent between 2006 and 2016.

Homeowner Share of Households in New York City and U.S.

Since 2012, median home sale prices in 2016 dollars have been rising more rapidly than median household income but by 2016 were still two percent below their 2006 level. Meanwhile, median household income increased by about six percent.

Index of Real Median Home Prices and Real Median Income in New York City (Index = 100 in 2006)

Sources: American Community Survey (accessed via American Fact Finder), Zillow
Housing cost burdens remain high for homeowners with a mortgage compared to the nation as a whole. In 2016, 22.2 percent of homeowners in New York City with a mortgage were severely cost burdened (spent over half of household income on housing costs), twice the national rate of 11.1 percent. An additional 20.7 percent of owner households with a mortgage spent between 30 and 50 percent of their income on housing costs in 2016, compared to 23.1 percent of owner households with a mortgage nationally.

**Moderately and Severely Homeowners with Mortgages in New York City**

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York City</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Severely Cost Burdened</td>
<td>40%</td>
<td>30%</td>
</tr>
<tr>
<td>Moderately Cost Burdened</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>United States</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Severely Cost Burdened</td>
<td>30%</td>
<td>20%</td>
</tr>
<tr>
<td>Moderately Cost Burdened</td>
<td>10%</td>
<td>5%</td>
</tr>
</tbody>
</table>

*Source: American Community Survey (accessed via American Fact Finder)*