**Index of real median gross rent and real median renter income, New York City**

Index of real median gross rent and real median renter income, New York City (Index=100 in 2006)

[Graph showing changes in median gross rent and median renter household income index from 2006 to 2016.]

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

**Interpretation of New York City example**

Rental affordability in New York City has worsened since 2006 as the median rent grew faster than renter median income over the past decade. In this example, we index median rent and median renter income to 100 in 2006; the index allows us to compare the relative changes of the two variables from that date to the most recent year for which data is available. Between 2009 and 2016, the change in real median rent grew more than the change in median renter income (median renter income is up 7 percent while rents increased by 12 percent). Between 2014 and 2016, however, incomes increased more than rents (10 percent and 5 percent, respectively), suggesting renter affordability may have improved somewhat for households. The closing of the gap, however, could also reflect a change in the composition of the renter population as wealthier households become renters.

**How to construct**

The data is downloaded from [American Fact Finder](https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml). Specifically, data is obtained for New York City from **TABLE B25064 MEDIAN GROSS RENT (DOLLARS)** and **TABLE B25118 TENURE BY HOUSEHOLD INCOME IN THE PAST 12 MONTHS (IN 2016 INFLATION-ADJUSTED DOLLARS)** for the one-year ACS estimates for 2005 through 2016. We compare median gross rent to the median household income of renter households and not to the income for all households. This is because in general, owner-
occupied households earn more than renter-households and their inclusion would skew a measure of the affordability of renting. Additionally, all dollar values must be adjusted for inflation in order to compare changes in dollar amounts over time. In this case, we adjust all dollar values to the most recent year of the data, 2016. To do this, we use the Consumer Price Index Inflation Calculator provided by the Bureau of Labor Statistics to adjust incomes and rents.

**Figure note**
Data are shown for a single geography (New York City in this example). This data is displayed as a line graph which plots each year on the x-axis and the indexed median rent and median renter income values on the y-axis.