Composition of renter households and affordable rental units by income in 2016, New York City

This visualization looks at how the share of lower income renter households compares to the share of rental units affordable to those same households.

The statistic commonly used to determine the affordability of a rental unit is whether the combined costs of rent and utilities are 30 percent or more of the household’s income.

The following example shows how to create the visualization using New York City data.

### Distribution of renter households and affordable rental units by income in 2016, New York City

![Graph showing distribution of renter households and affordable rental units by income.](image)

*Source: American Community Survey (calculated from Public Use Micro Sample)*

### Interpretation of New York City example

In 2016, there were more low-income households than rental units affordable to those households. Households earning less than $15,000 annually made up 20.3 percent of all households, but only 10.6 percent of rental units in 2016 had rents that were affordable to those households. Households with incomes between $50,000 and $75,000 made up only 15 percent of all households while 31.4 percent of rental units had rents affordable to those households.

This figure shows for 2016 both the share of renter households by income band and the share of rental units affordable to each income band. The figure shows that there are more households at the lower end of the income spectrum than there are units affordable to those households. For example, households with incomes less than
$15,000 make up 20.3 percent of the population but only 10.6 percent of the housing stock rent at levels that are affordable to them. The supply of affordable units only begins to match the need when households have incomes of at least $35,000.

**How to construct**

The data is downloaded from the [Public Use Micro Sample from the American Community Survey](https://www.census.gov/programs-surveys/acs.html). The share of households in each income band is calculated by summing the number of households in each band and dividing by the total number of households. To determine what share of rental units are affordable by income band, for each renter household in New York City, the monthly rent is converted into a minimum household income (e.g. if the monthly rent is $1,250 then a household must earn at least $50,000 for the unit to be affordable at 30 percent of income). Once each rent amount is converted to an income level, sum up the number of units affordable to different income bands (in this example, in $15,000 increments) and divide by the total number of rental units.

**Figure note**

Data are shown for a single geography (New York City in this example). These data are displayed as a column chart with each column representing a different indicator and income band.