

# Housing America's Older Adults: Exploring Accessibility and Affordability

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# Joint Center Work on Housing and Older Adults



# Presentation Overview

- Housing as a Platform for Wellbeing for Older Adults
- Growth in Older Population and Older Adults' Living Situations
- Four Challenges
  - Affordability
  - Accessibility
  - Location
  - Connecting Housing and Care
- Questions Raised by Pandemic

# Housing Is a Platform for Wellbeing

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- **Location** of housing is important for engagement, access to services
- **Links between housing and care** are increasingly relevant as more care occurs outside of medical settings

# Housing is a Platform for Wellbeing

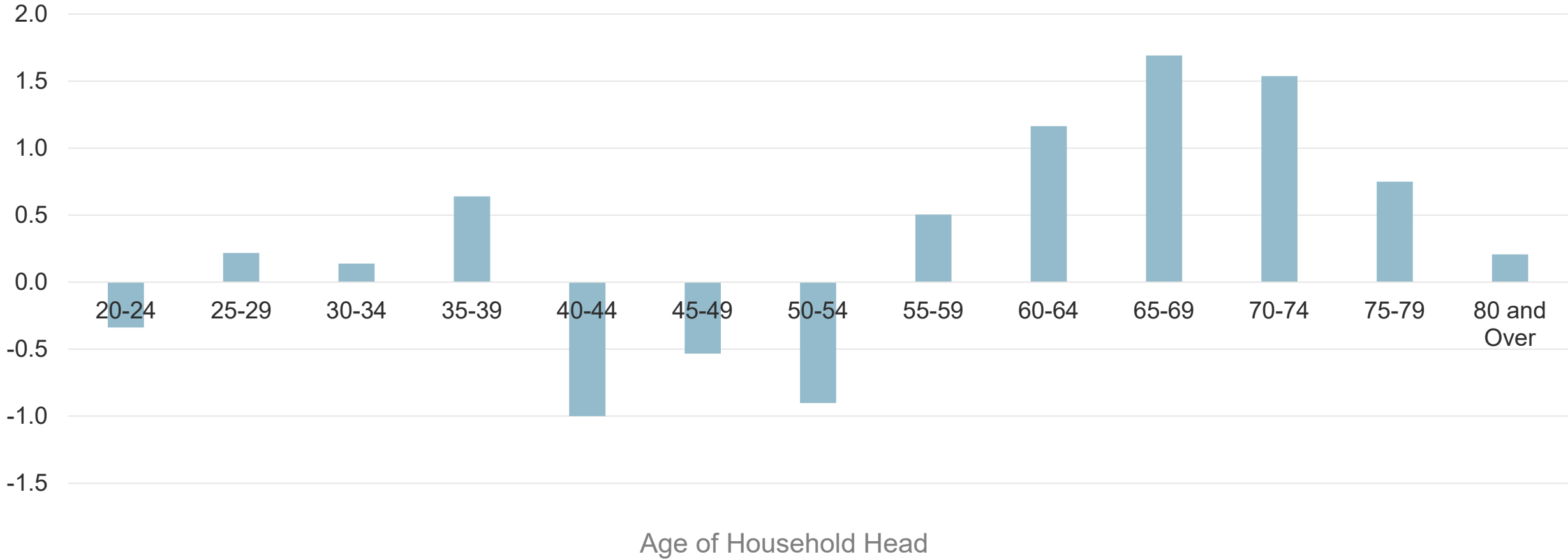
## For older adults in particular,

- **Cost of housing** is central to financial security and health and wellbeing
- **Physical features** of home are important for safety and independence
- **Location** of housing is important for engagement, access to services
- **Links between housing and care** are increasingly relevant as more care occurs outside of medical settings
- Housing may represent **memories, stability** amidst change

# Growth in Older Households and Older Adults' Living Situations

# Older Households Are Growing More Rapidly Than Other Age Groups

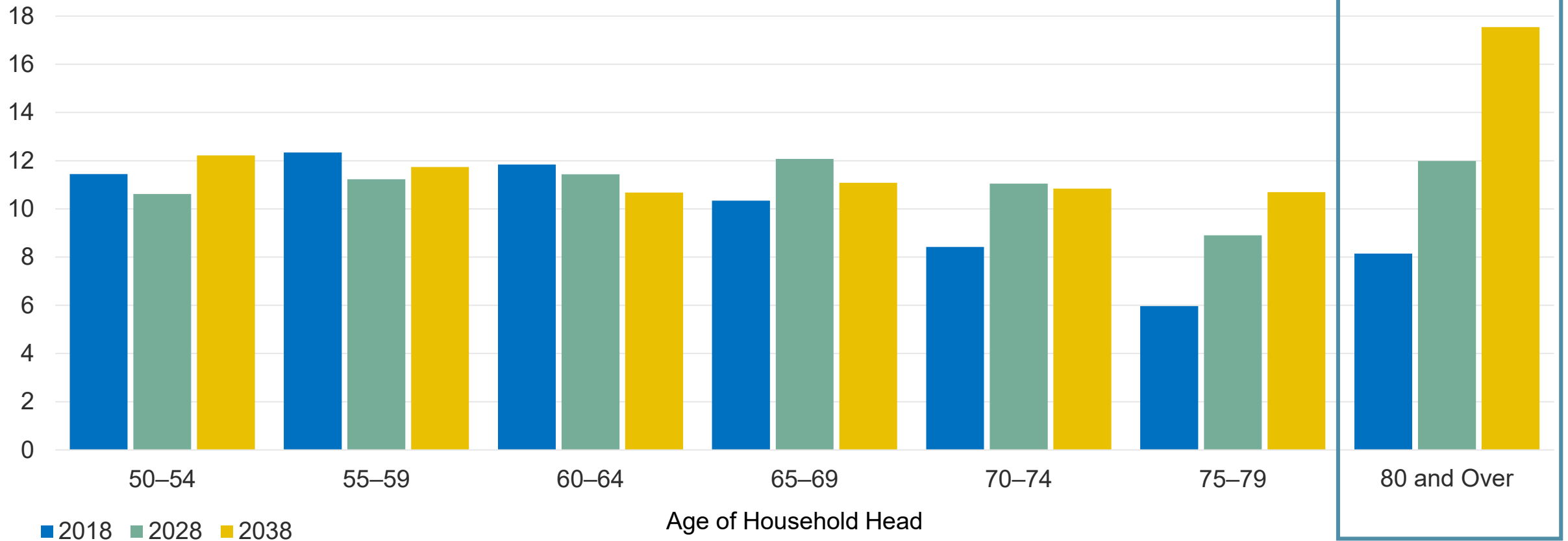
Change in Number of Households 2012-2017 (Millions)



Source: JCHS tabulations of US Census Bureau, American Community Surveys.

# Over the Next 20 Years, Households in Their 80s Will Be the Fastest Growing Age Group

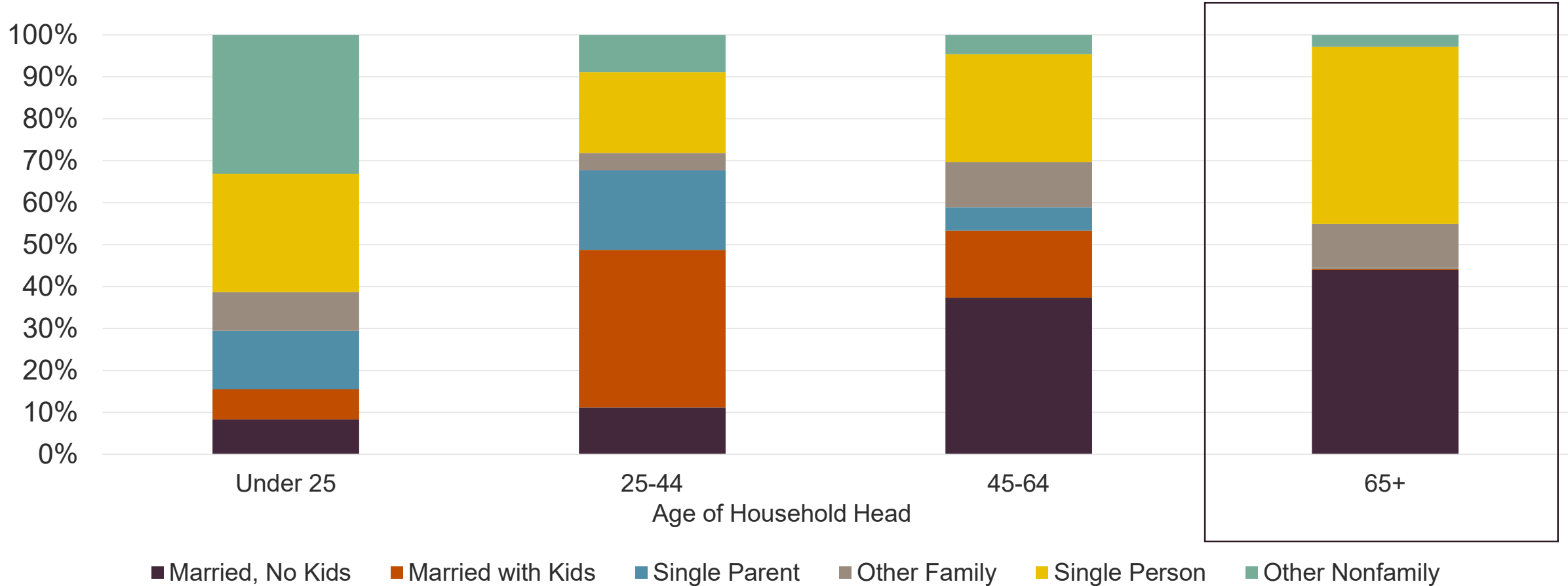
Households (Millions)



Source: 2018 JCHS Household Projections.

# Most Older Adult Households Are Made Up of Couples or Single People

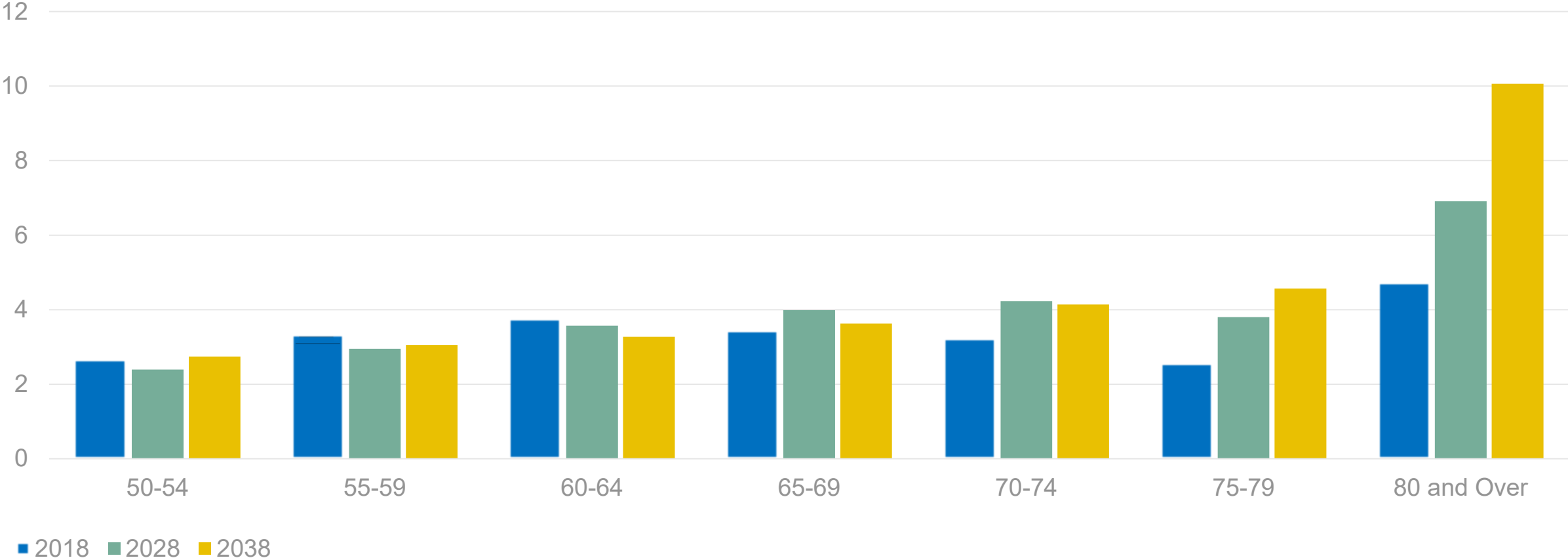
Share of Households by Type



Notes: Married, No Kids refers to married couples without children under the age of 18 living at home. Married with Kids and Single Parents have children under 18 living at home.  
 Source: JCHS tabulations of US Census Bureau, American Community Survey, 2017.

# By 2038, the Number of Older Adults Living Alone Is Projected to Reach 10.1 Million

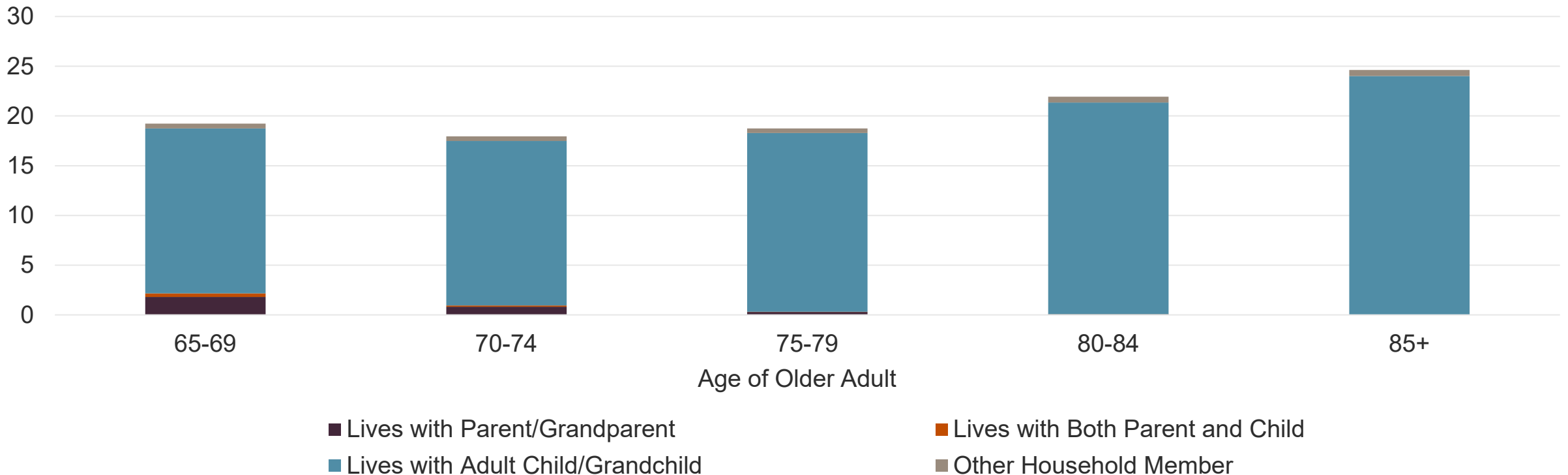
Single-Person Households (Millions)



Source: 2018 JCHS Household Projections.

# Twenty Percent of Older People Live in a Multigenerational Household, Headed by a Person of Any Age

Share of Older Adults Living with Other Generations (Percent)

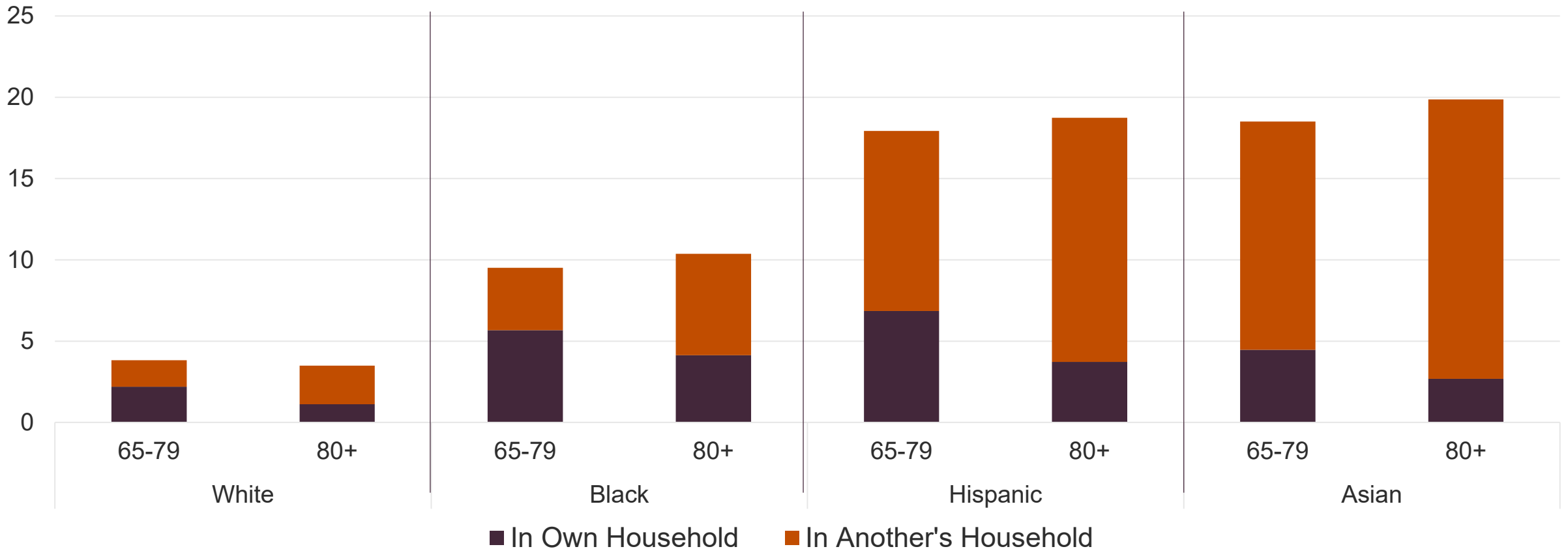


Source: JCHS tabulations of US Census Bureau, American Community Survey, 2018.



# Minorities Are More Likely to Live in Multigenerational Households

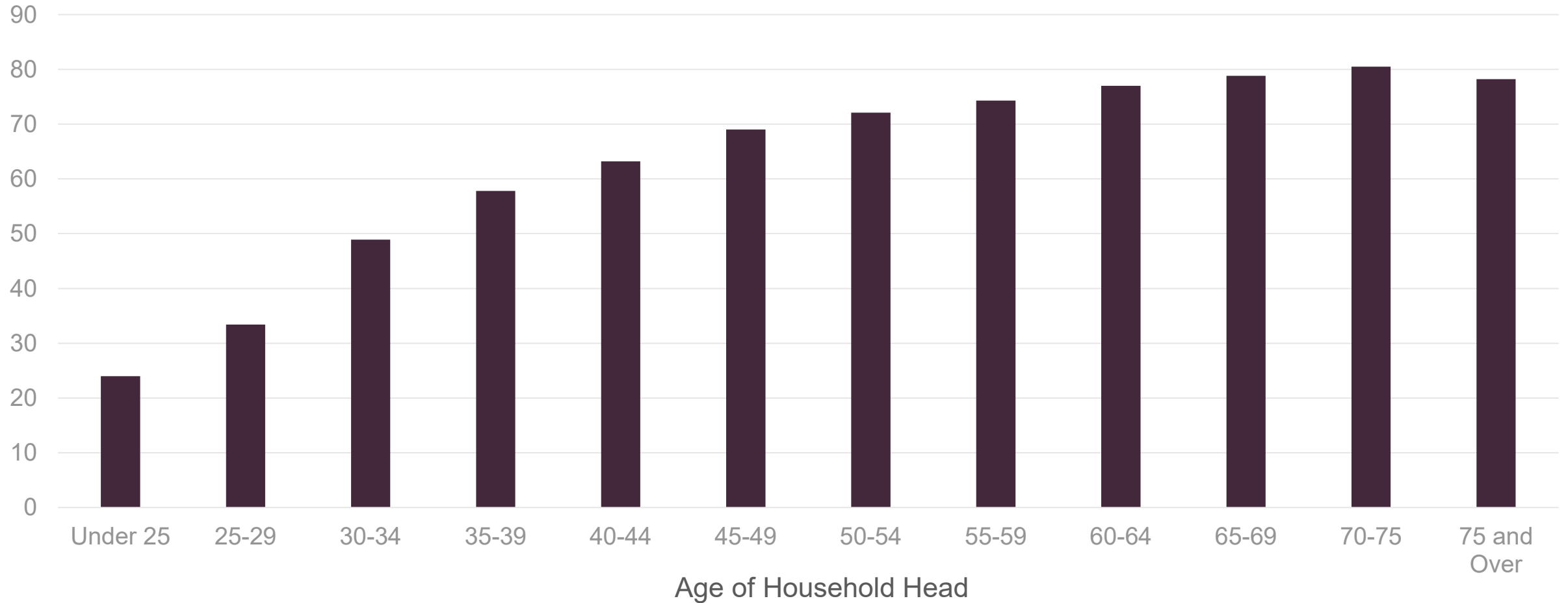
Share of Older Adults in Households with at Least Two Adult Generations (Percent)



Note: White, Black, and Asian households are non-Hispanic. Hispanic households may be of any race.  
 Source: JCHS tabulations of US Census Bureau, American Community Survey, 2018.

# Most Older Adults Own Their Homes

Homeownership Rate – 4<sup>th</sup> Quarter (Percent)



Source: U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey, January 30, 2020.

# Older Homeowners Have Far Greater Wealth than Older Renters, Even When Their Incomes Are Similar

Median Value (Dollars)

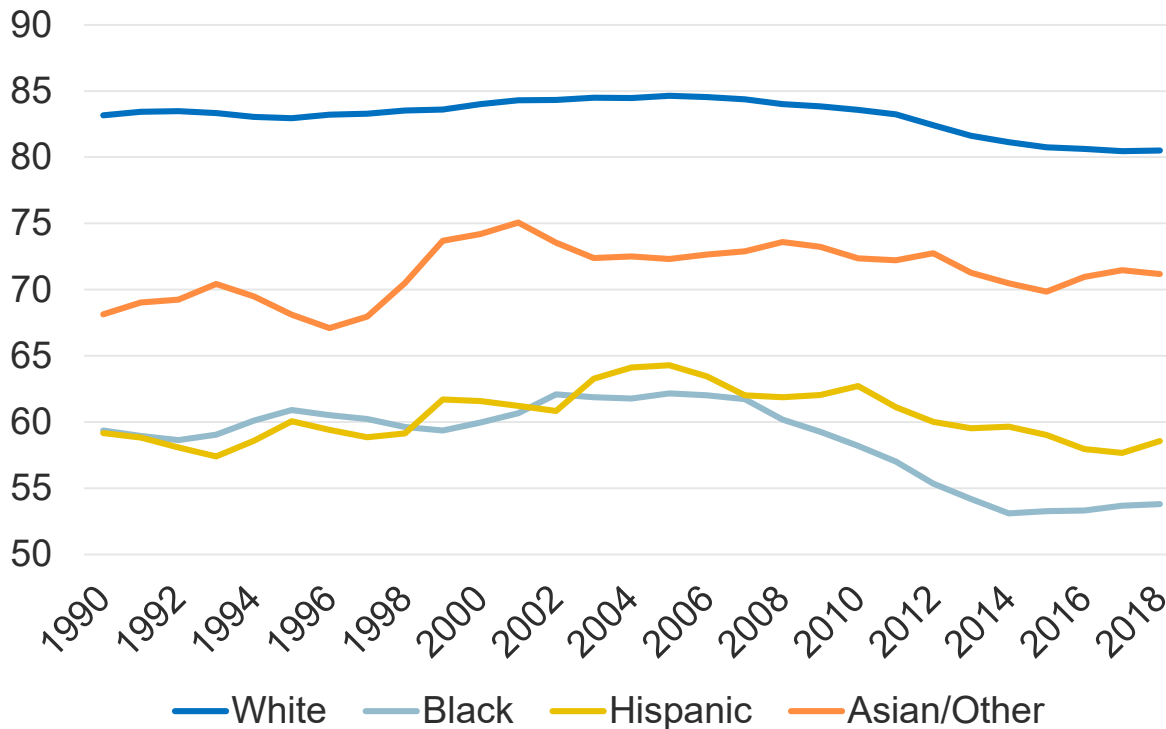
Income Quartiles	Tenure	50-64				65 and Over			
		Median Income	Home Equity	Non-Housing Wealth	Net wealth	Median Income	Home Equity	Non-Housing Wealth	Net wealth
Lowest Income	Homeowner	19,240	59,000	10,700	80,700	17,215	80,000	12,500	104,700
	Renter	15,190	-	1,900	1,900	15,190	-	1,100	1,100
Lower Middle	Homeowner	45,569	75,000	57,000	152,400	33,417	100,000	61,850	213,000
	Renter	39,493	-	11,100	11,100	34,430	-	14,900	14,900
Upper Middle	Homeowner	84,049	109,000	143,200	277,710	60,758	149,000	185,800	374,300
	Renter	77,973	-	30,100	30,100	57,720	-	69,000	69,000
Upper Income	Homeowner	196,451	275,000	933,400	1,246,400	137,719	296,000	989,350	1,294,500
	Renter	174,173	-	337,350	337,350	110,377	-	334,150	334,150

Note: Median home equity and non-housing wealth were calculated independently and therefore do not sum to net wealth. Income quartiles are calculated for each age group. Source: JCHS tabulations of Federal Reserve Board, 2016 Survey of Consumer Finances.

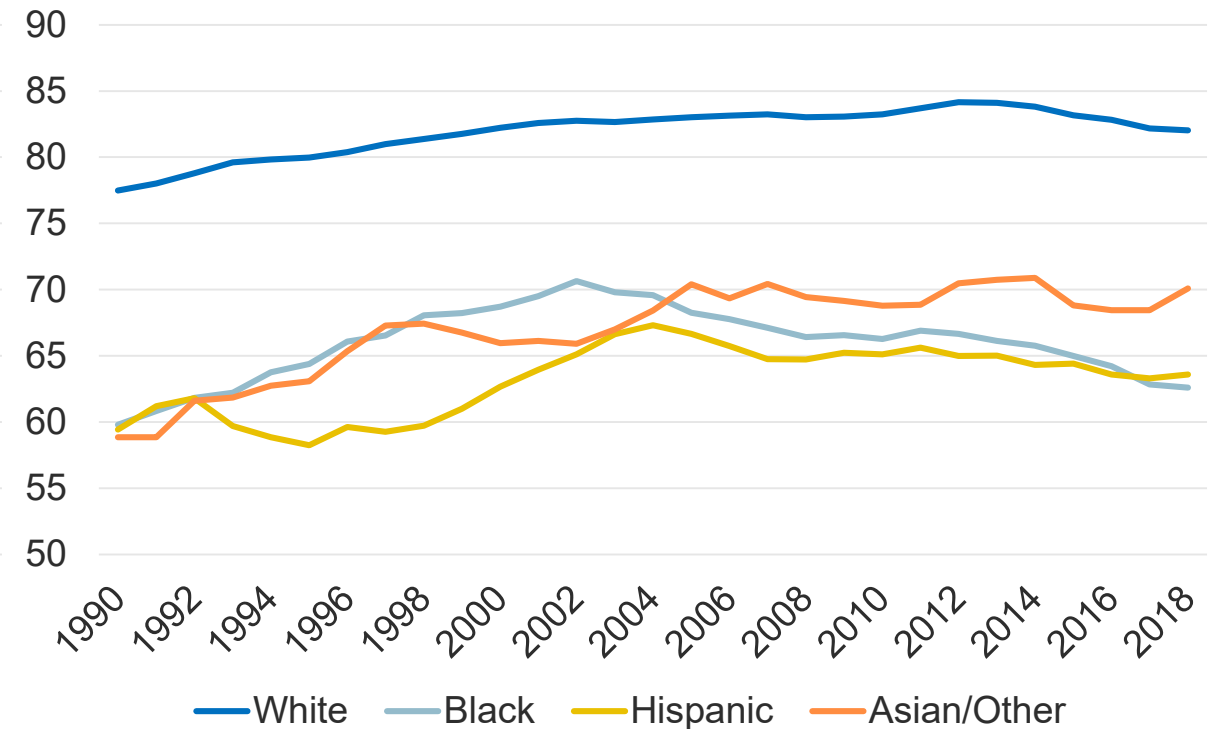
# The Black-White Homeownership Gap Among Older Households Has Widened Since the Recession

Homeownership Rate (Percent)

Aged 50–64



Age 65 and Over



Race/Ethnicity of Household Head

Notes: Estimates are three-year trailing averages. Blacks, whites, and Asians/others are non-Hispanic. Hispanics may be of any race.

Source: JCHS tabulations of US Census Bureau, 2017 Current Population Survey via IPUMS-CPS.

# Most Older People Live in Single-Family Homes

- Most homeowners, and even 29% of renters, live in single-family homes
- With age, renters are more likely to live in large apartment buildings

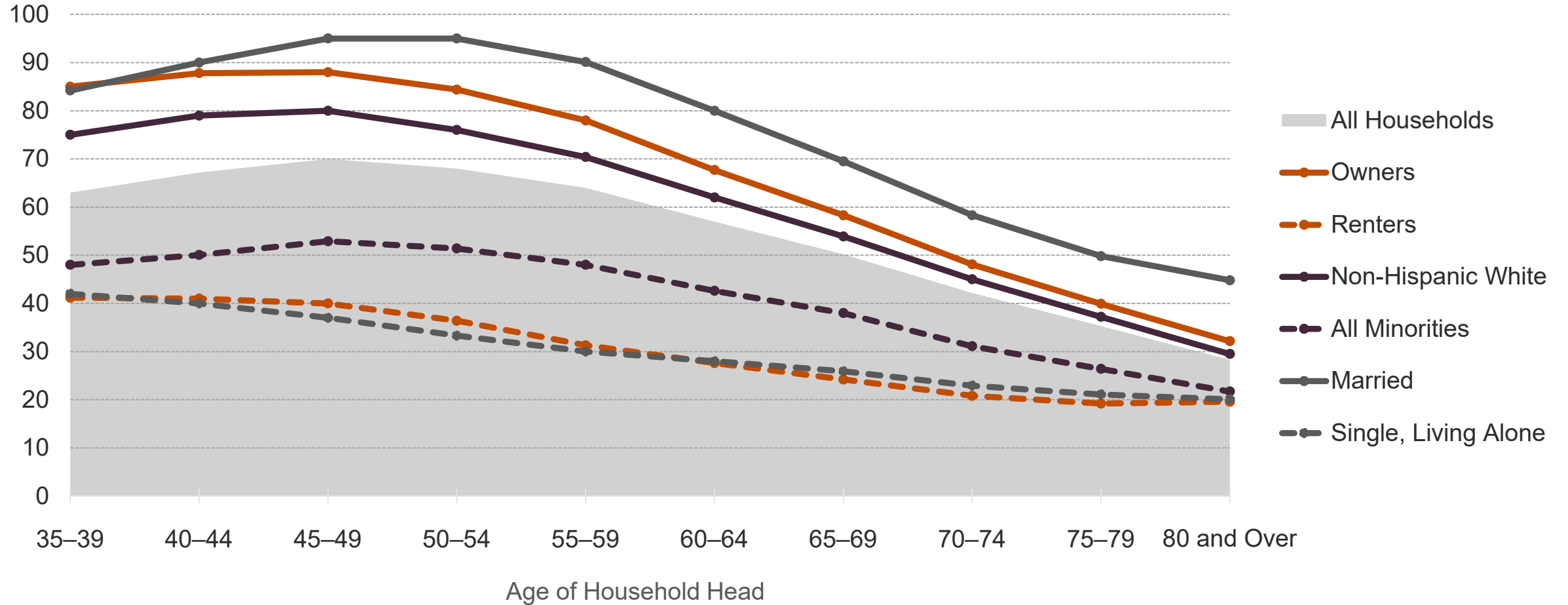


# Challenges

## 1. Affordability

# Median Income Declines with Age

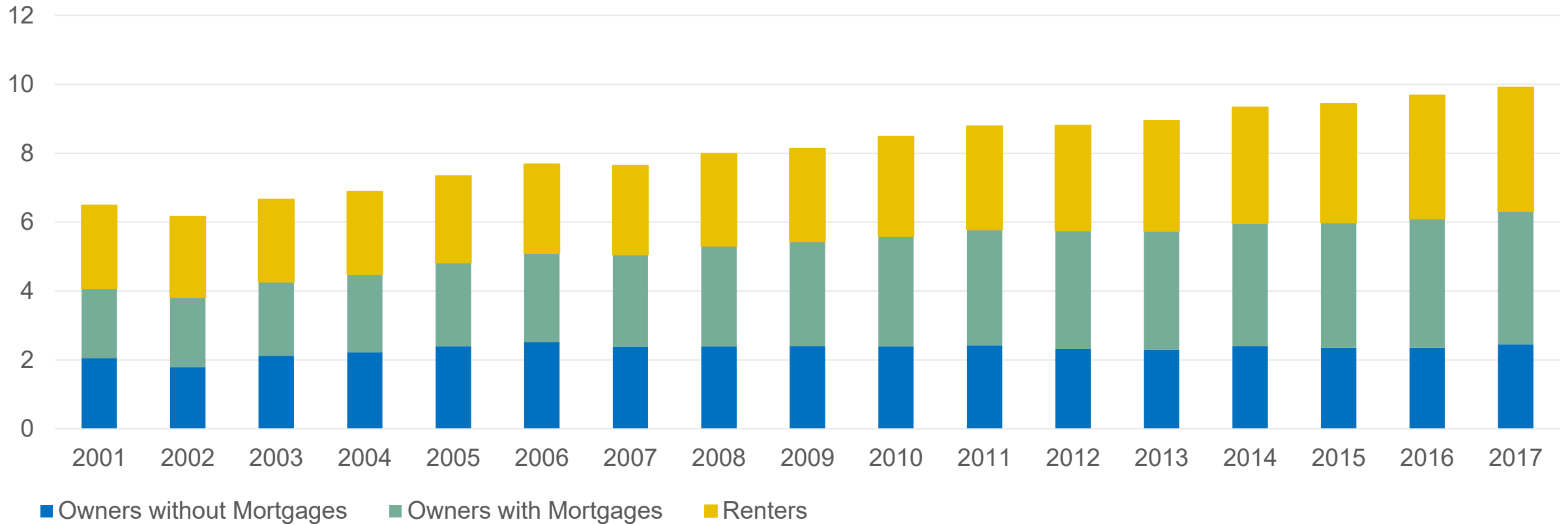
Median Household Income by Age of Householder (Thousands of dollars)



Source: JCHS tabulations of US Census Bureau, 2016 American Community Survey 1-Year Estimates.

# The Number of Retirement-Age Households Facing Cost Burdens Has Reached an All-Time High

Households Age 65 and Over (Millions)

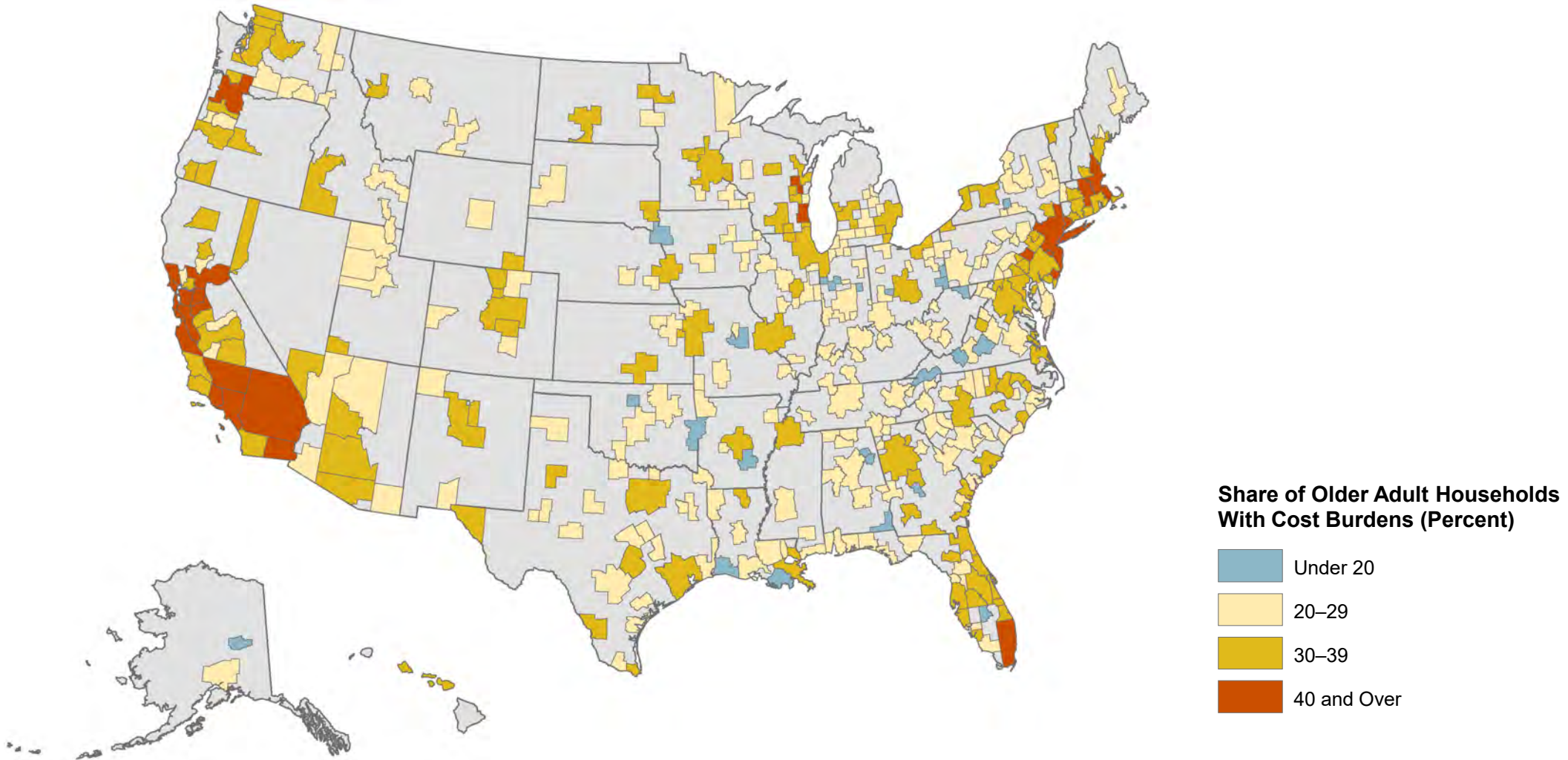


Note: Cost-burdened households pay more than 30 percent of income for housing. Households with zero or negative income are assumed to have burdens, while households paying no cash rent are assumed to be without burdens.

Source: JCHS tabulations of US Census Bureau, American Community Survey 1-Year Estimates.



# In Many Metros More than One Third of Older Households Face Cost Burdens

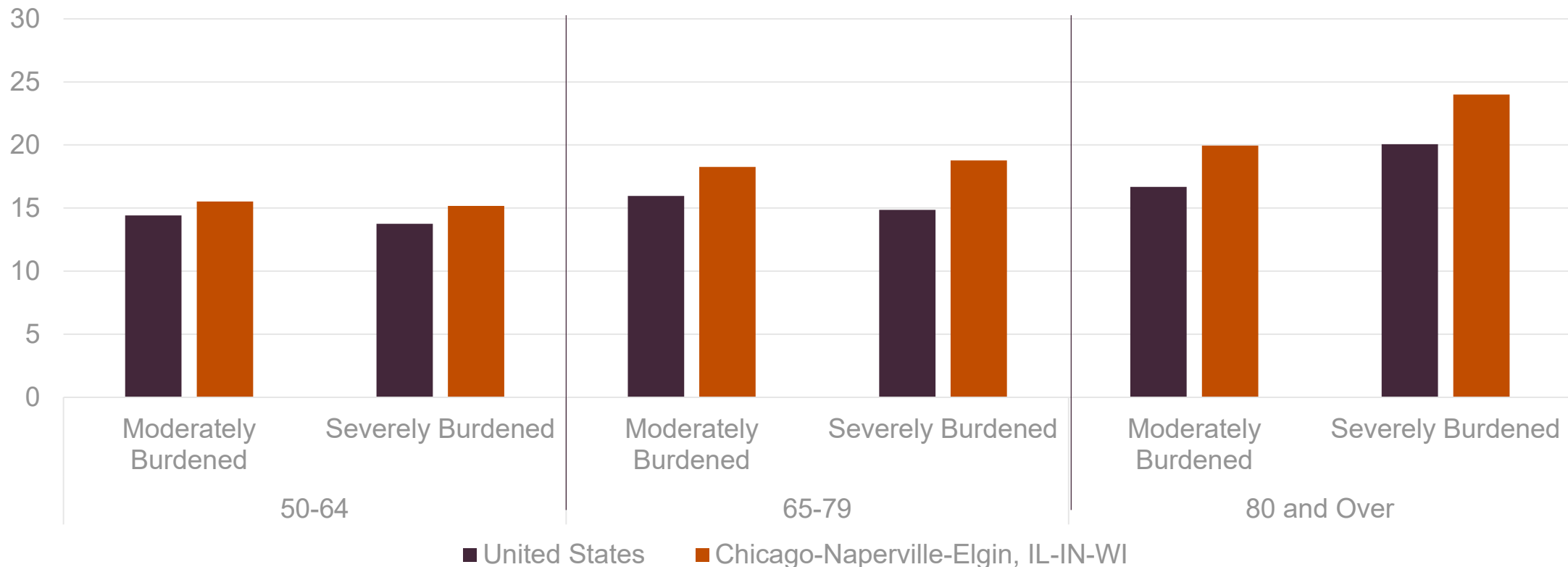


Notes: Data are for households headed by a person age 65 and over. Cost-burdened households pay more than 30 percent of income for housing. Households with zero or negative income are assumed to have cost burdens, while households paying no cash rent are assumed to be without burdens.

Source: JCHS tabulations of US Census Bureau, 2017 American Community Survey 1-Year Estimates and Missouri Census Data Center data.

# Higher Shares of Older Adults are Cost-Burdened in the Chicago Metro Area than National Average

Share of Cost-Burdened Households by Age of Household Head (Percent)

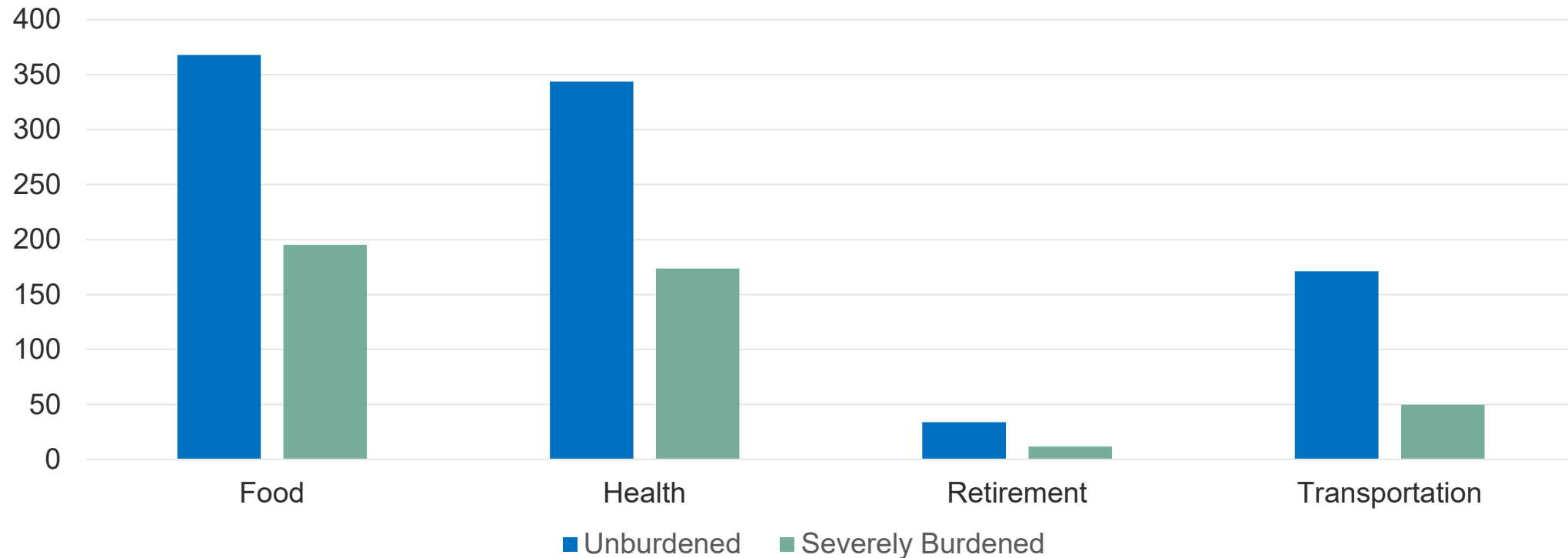


Notes: Cost-burdened households pay more than 30 percent of income for housing. Households with zero or negative income are assumed to have cost burdens, while households paying no cash rent are assumed to be without burdens.

Source: JCHS tabulations of US Census Bureau, 2017 American Community Survey 1-Year Estimates and Missouri Census Data Center data.

# Results of Cost-Burdens: Low-Income Households with Severe Cost Burdens Have Little to Spend on Other Necessities

Median Monthly Expenditures of Low-Income Households (Dollars)

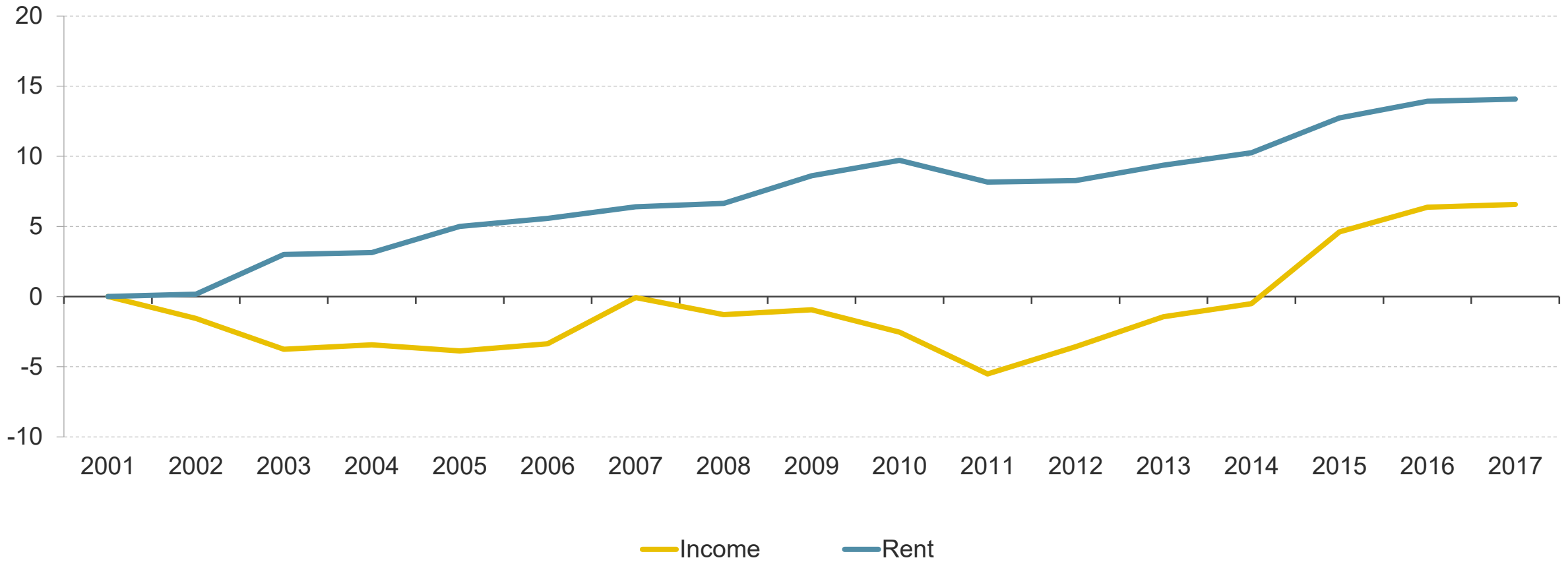


Notes: Low-income households are in the bottom quartile of all households ranked by total spending. Not burdened (severely burdened) households devote 30% or less (more than 50%) of expenditures to housing, including utilities.

Source: JCHS tabulations of US Bureau of Labor Statistics, 2018 Consumer Expenditure Survey.

# Trend 1: Rents Have Risen Faster than Incomes for Older Adults Age 50 and Over

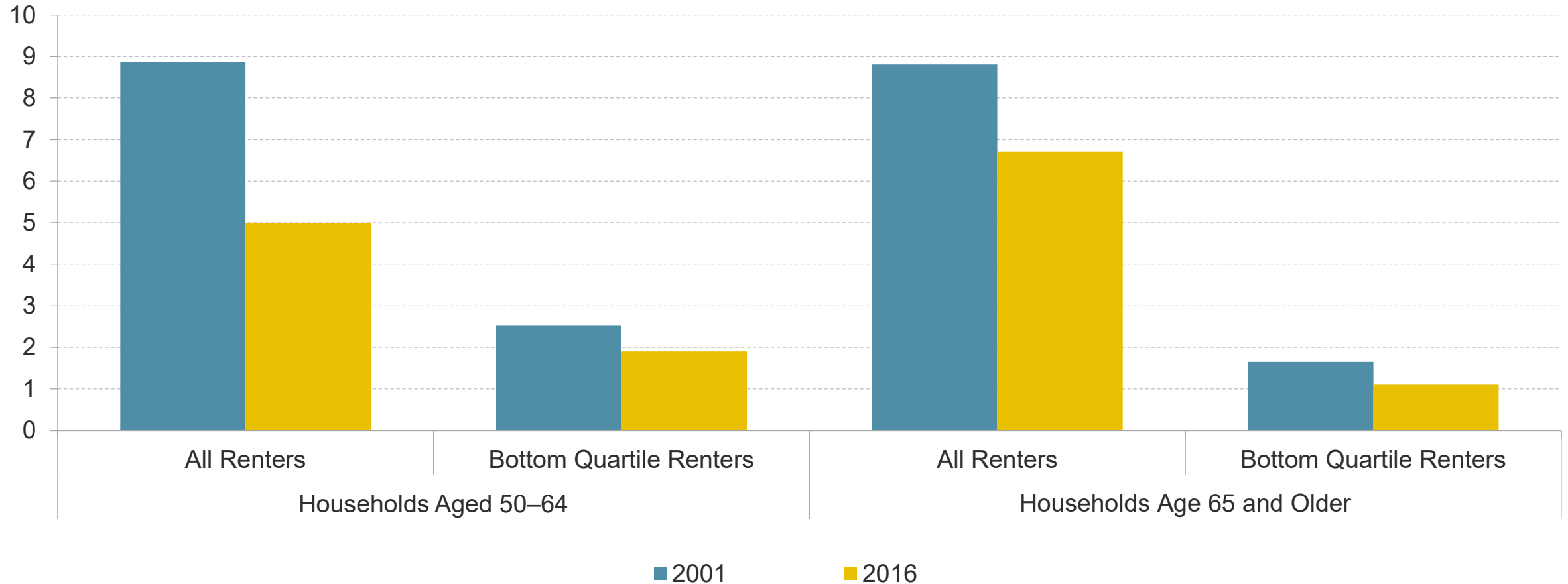
Real Percent Change from 2001



Note: Incomes and rents are adjusted to 2017 dollars using CPI-U All Items. Rents include utilities.  
Source: JCHS tabulations of US Census Bureau, American Community Survey 1-Year Estimates.

# Trend 2: New Wealth of Older Renter Households Has Declined

Median Net Wealth (Thousands of 2016 Dollars)

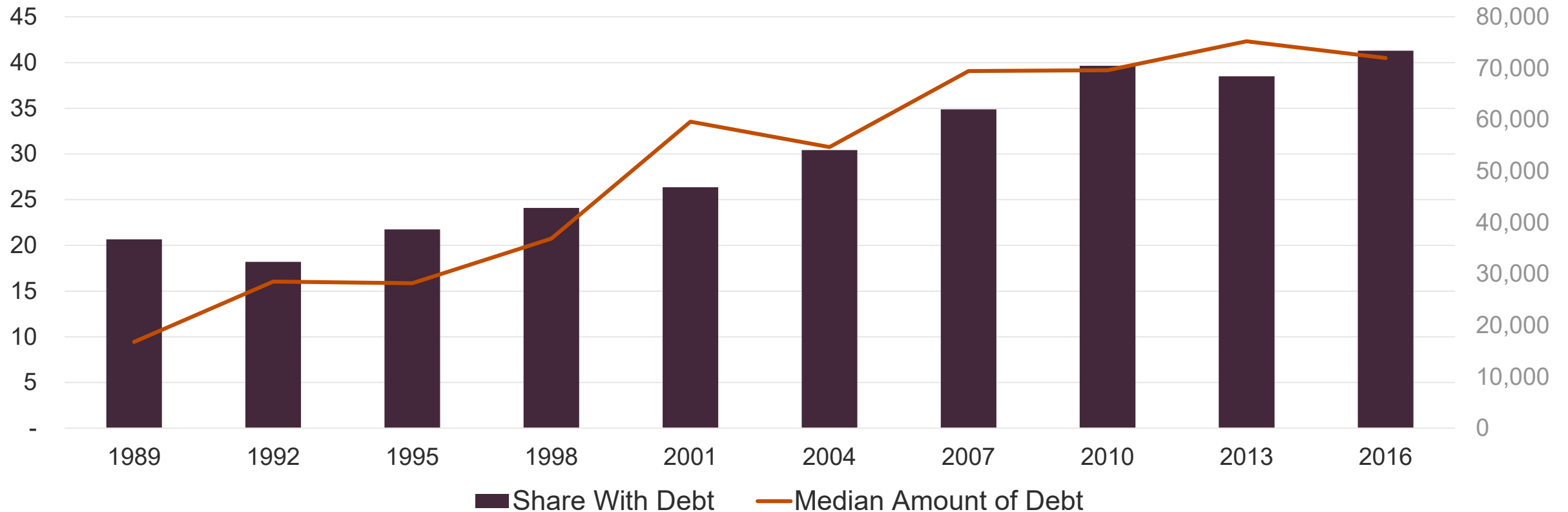


Note: Bottom quartile renters are in the lowest income quartile for all households (owners and renters). Quartiles are calculated for each age group.  
Source: JCHS tabulations of Federal Reserve Board, Surveys of Consumer Finances.

# Trend 3: More Older Owners Are Holding Housing Debt

Left axis: Share of Households Age 65 and Over with Mortgage Debt (Percent)

Right: Median Amount of Housing Debt



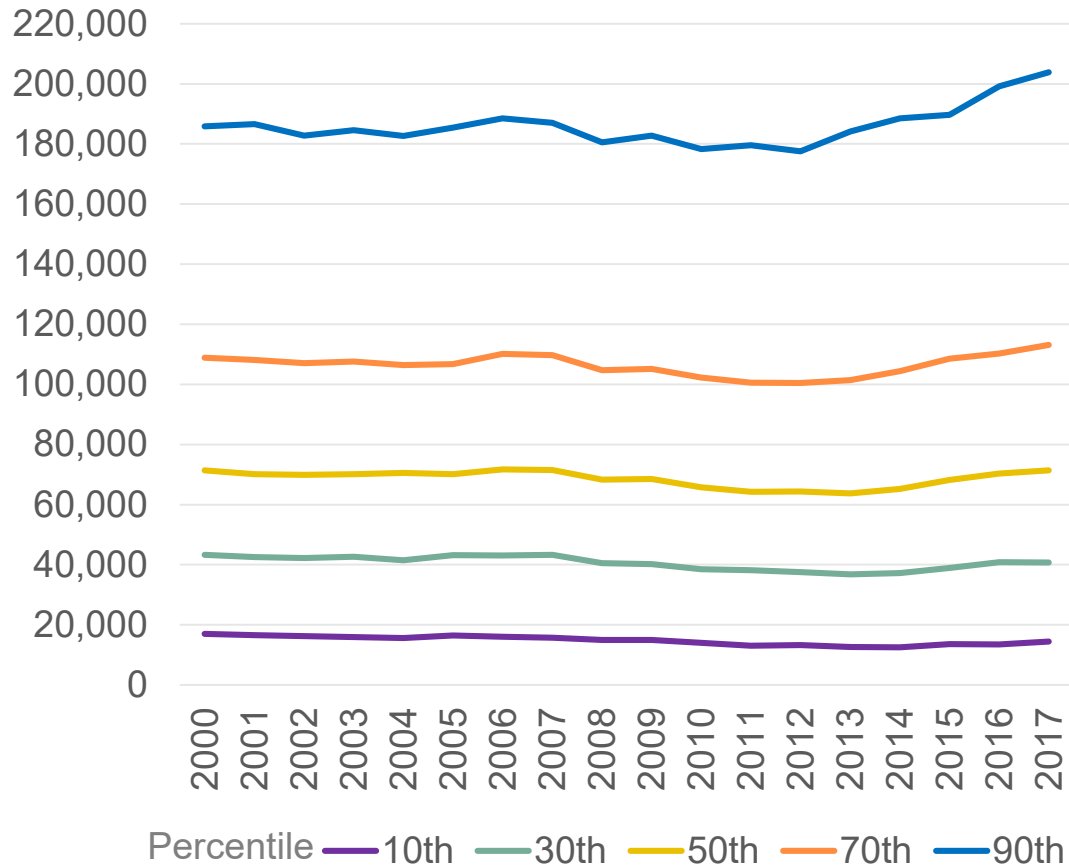
Notes: Mortgage debt includes mortgages, HELOCs, and home equity loans secured by the primary residence.  
Source: JCHS tabulations of Federal Reserve Board, Surveys of Consumer Finance.

## Trend 4: More Older Adults Hold Other Forms of Debt

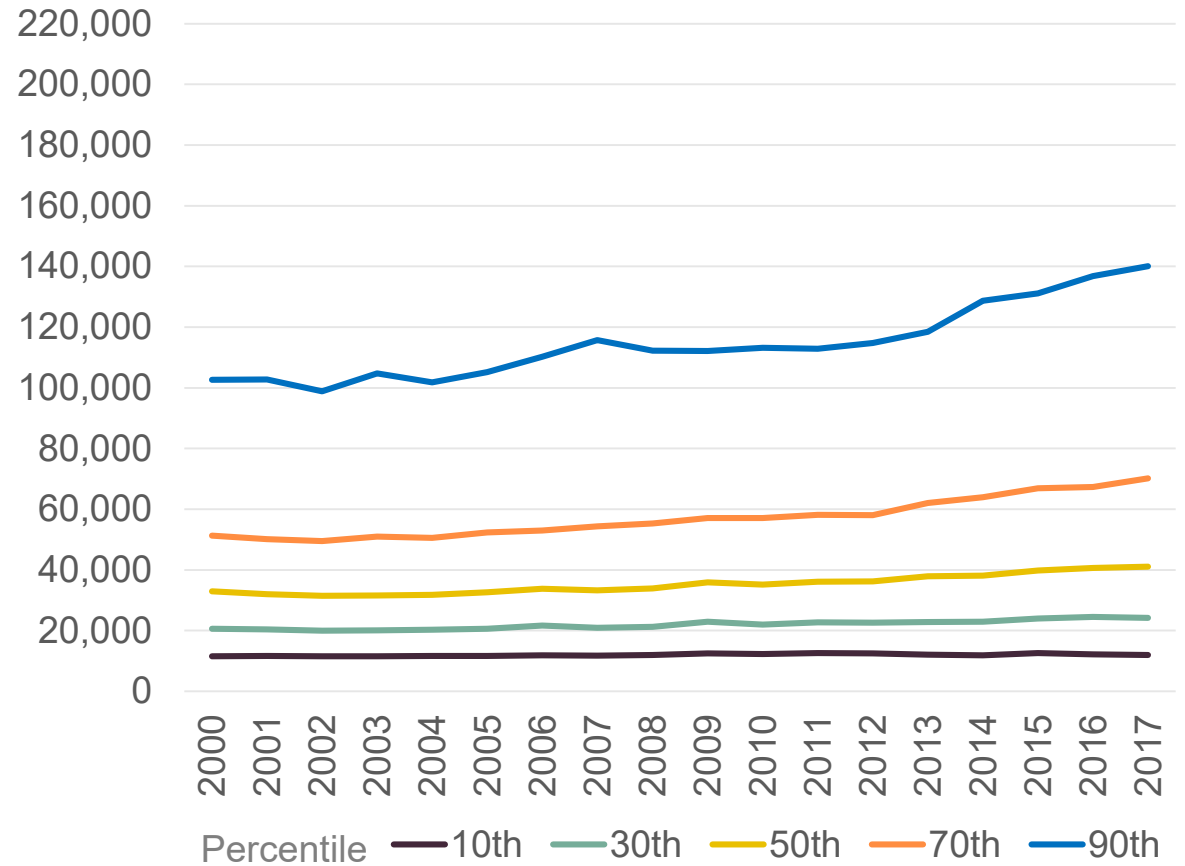
- Student debt: the share of those 50-64 with mortgage debt more than doubled in the last decade, from 7% to 16%
- Credit card debt: also on the rise, with 35% of those 65 and over carrying balances as of 2016

# Trend 5: Income Disparities Among Older Households Are on the Rise

Real Median Income (2017 Dollars)



Households Aged 50-64



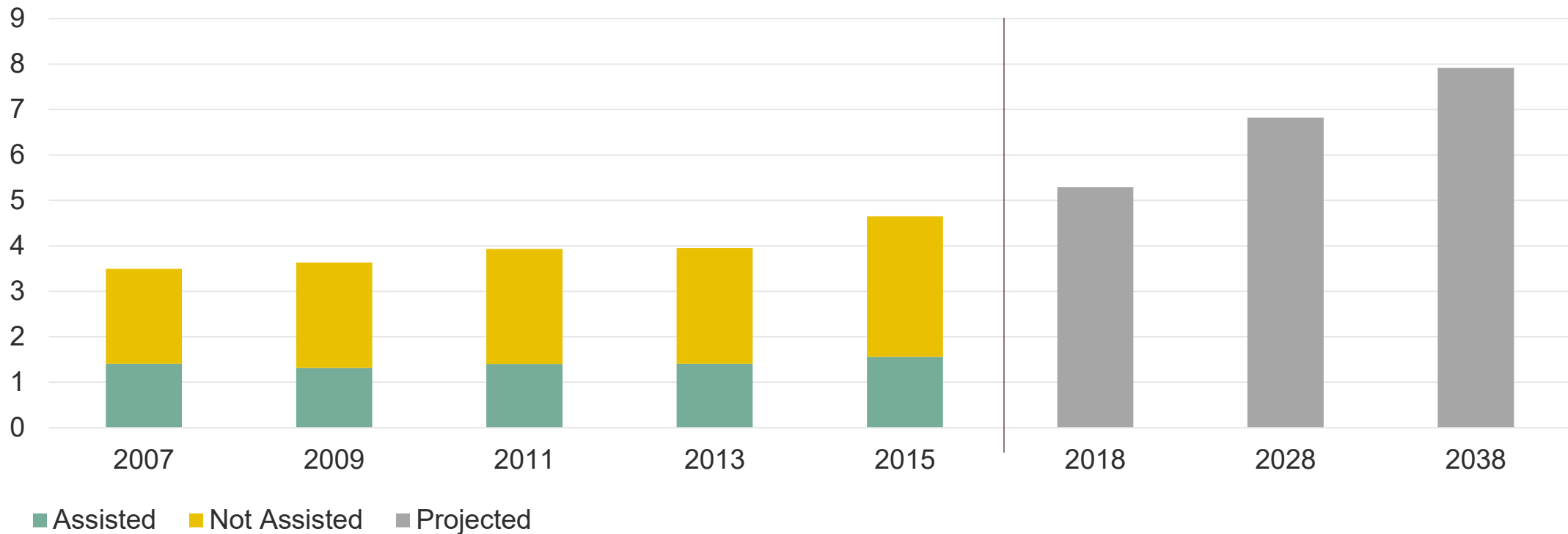
Households Aged 65 and Over

Notes: Household incomes are adjusted to 2017 dollars using CPI-U for All Items. Age is for head of household. Group quarters households are excluded. Percentiles are for each age group. Source: JCHS tabulations of US Census Bureau, Current Population Surveys via IPUMS CPS.



# Housing Assistance is Not an Entitlement - and Numbers Who Will Be Eligible Are Expected to Climb Sharply

Older Households with Incomes Under 50 Percent of Area Median (Millions)

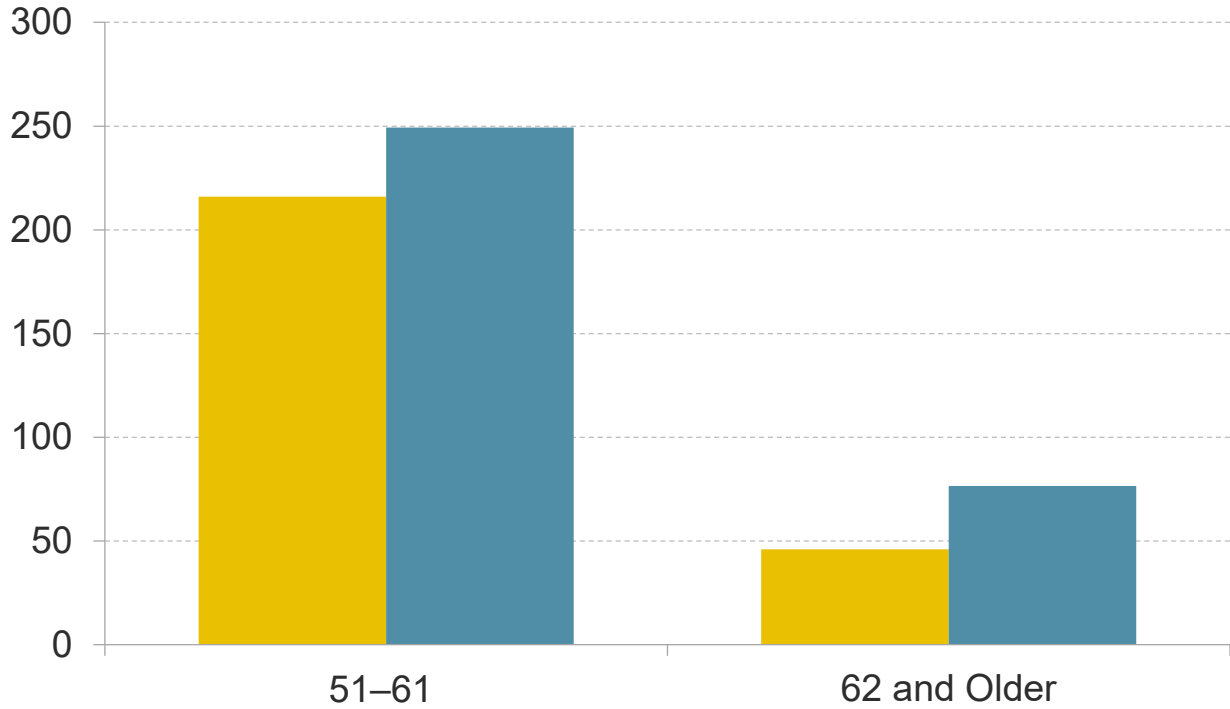


Notes: Very low income (VLI) households earn under 50 percent of area median income. VLI as a share of all households is constant. Assisted and unassisted households are age 62 and over, while projected households are age 60 and over.

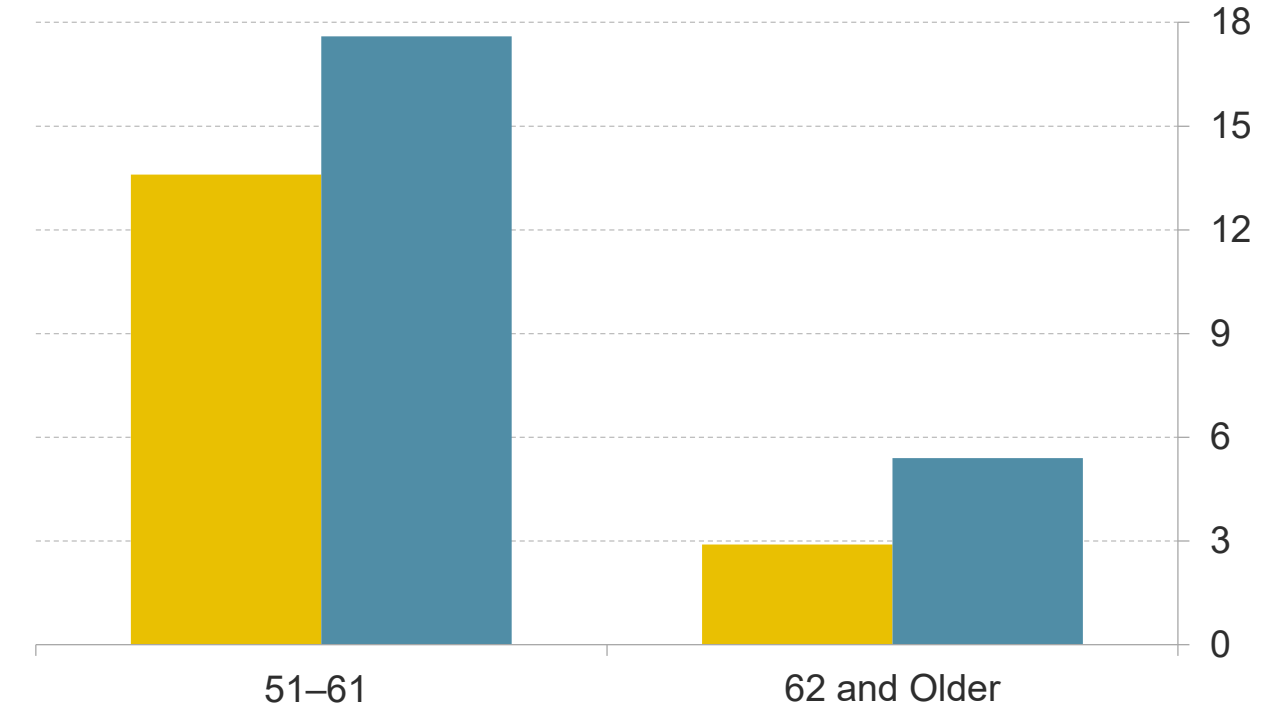
Source: JCHS tabulations of Worst Case Housing Needs 2007-2017 Reports to Congress; US Census Bureau, Current Population Surveys 2015-2018 3-year trailing average; and Joint Center Household Projections.

# Sheltered Homelessness is Increasing Among Older Adults

Number of Sheltered Homeless (Thousands)



Share of Sheltered Homeless (Percent)



■ 2007 ■ 2017

Source: JCHS tabulations of 2017 Annual Homeless Assessment Report: Part 2

# Meeting the Affordability Challenge

## Individuals:

- Early financial planning for retirement that considers housing, potential need for supportive services/modifications for aging in place

## Policy:

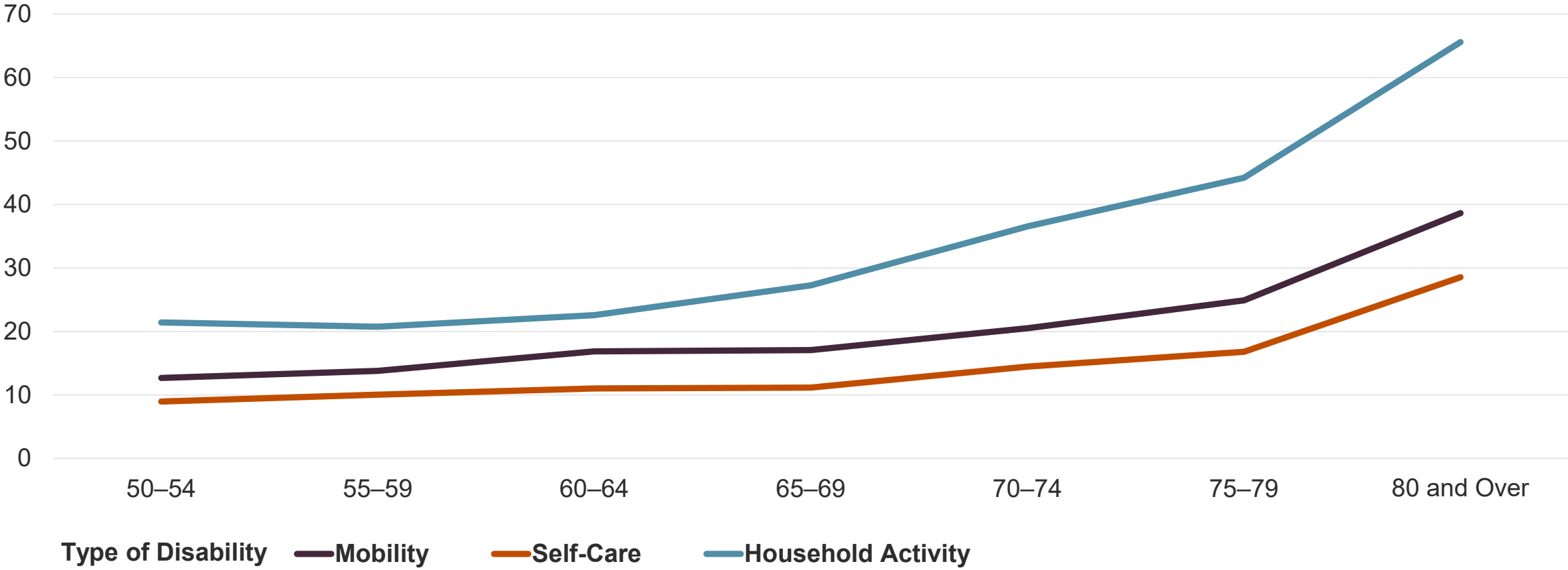
- Smaller, less costly housing types, usually multifamily or attached
- Nontraditional tenure options
- Subsidies for construction, rents
- Age-sensitive support, including medical care, for older people experiencing homelessness

# Challenges

## 2. Accessibility within the Home

# Disability Prevalence Increases with Age

Share of Population with Disabilities by Age Group (Percent)

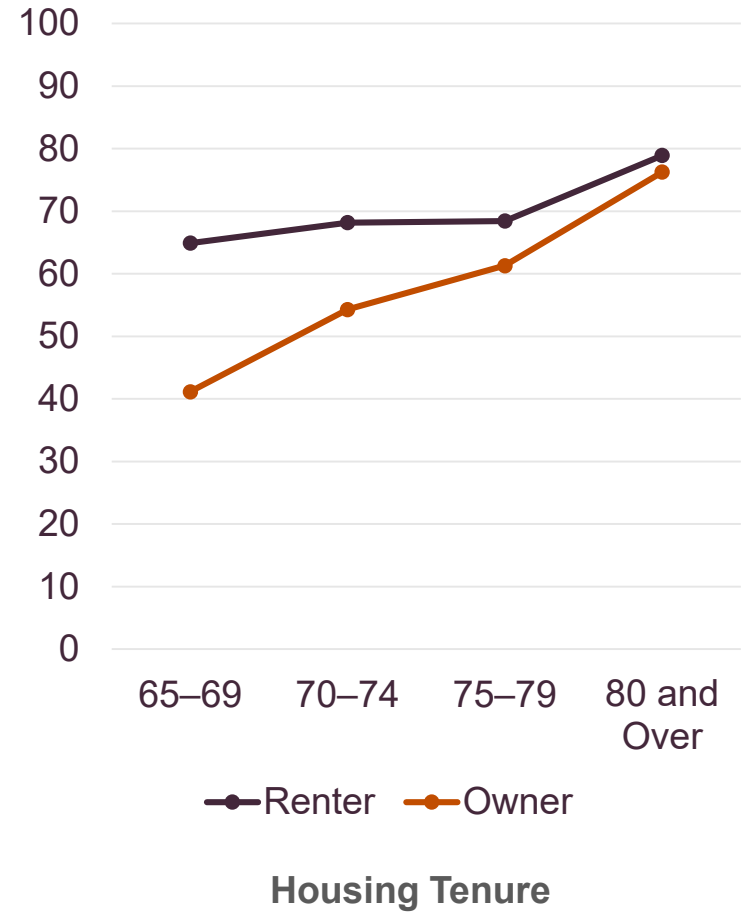
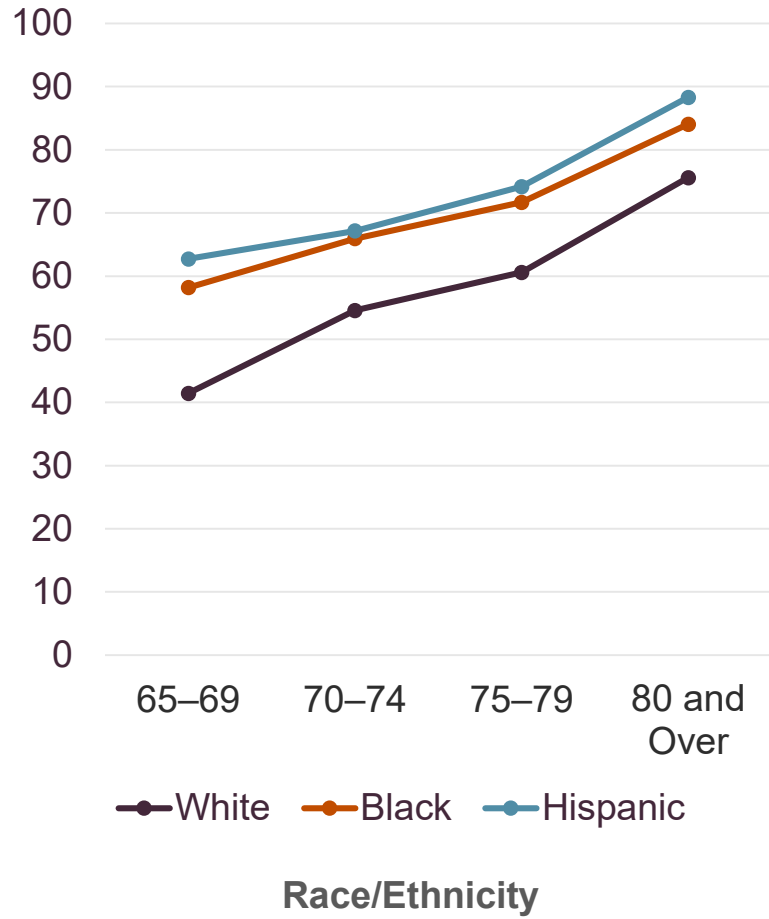


Note: Mobility disability is defined as difficulty walking, getting in and out of bed, and climbing one flight of stairs; self-care disability as difficulty eating, dressing, toileting, and bathing; and household activity disability as difficulty with meal preparation, food shopping, using the telephone, taking medication, money management, housework, and driving.

Source: JCHS tabulations of University of Michigan, 2014 Health and Retirement Survey.

# Low-Income, Minority, Renter Households Experience Disability Earlier

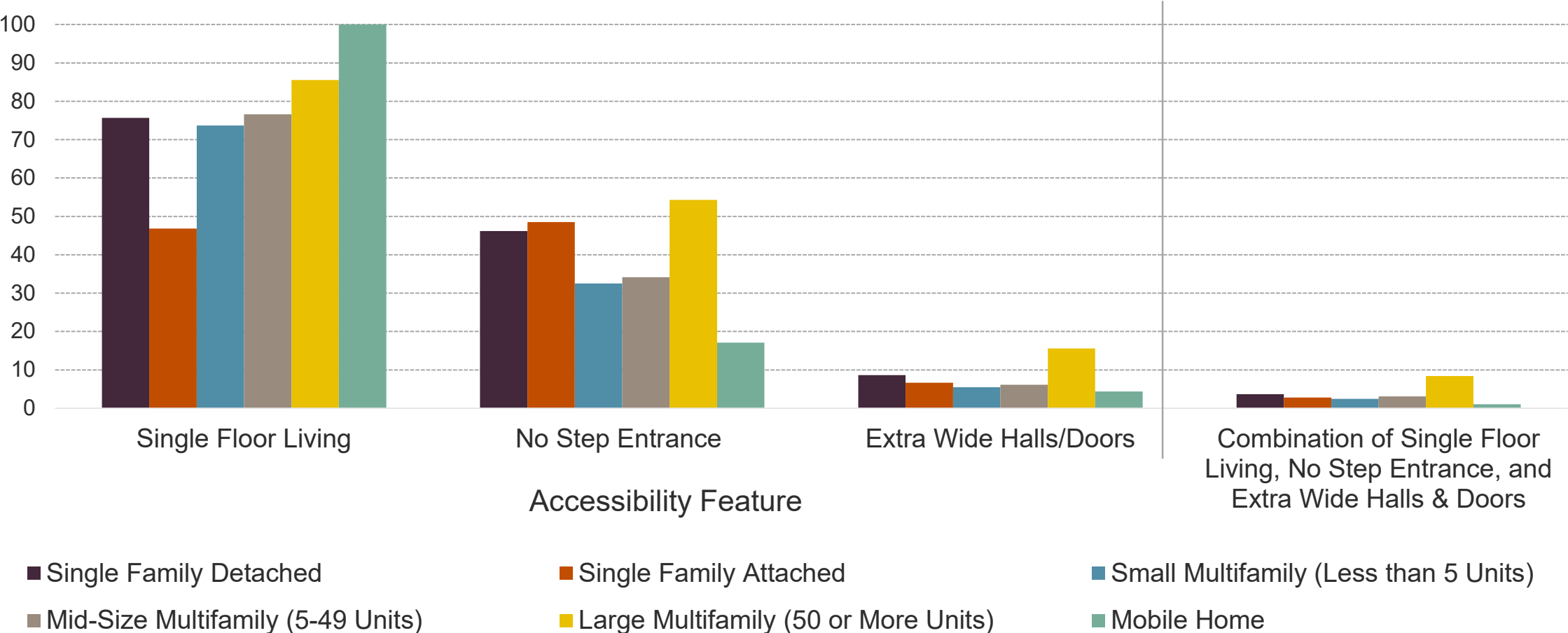
Share of Households Aged 65 and Over with Disabilities (Percent)



Notes: Whites and blacks are non-Hispanic. Hispanics may be of any race. Race/ethnicity figure excludes Asian and other households due to insufficient data. Source: JCHS tabulations of University of Michigan, 2014 Health and Retirement Survey.

# Few Homes are Accessible to Those with Mobility Challenges

Share of Housing Units by Structure Type (Percent)



Note: Accessible electrical controls and lever-style handles instead of knobs are two additional accessibility features not shown here, but which have been included in past JCHS analyses of home accessibility.  
 Source: JCHS tabulations of HUD, 2011 American Housing Survey.

# Universal Design and Safety Features

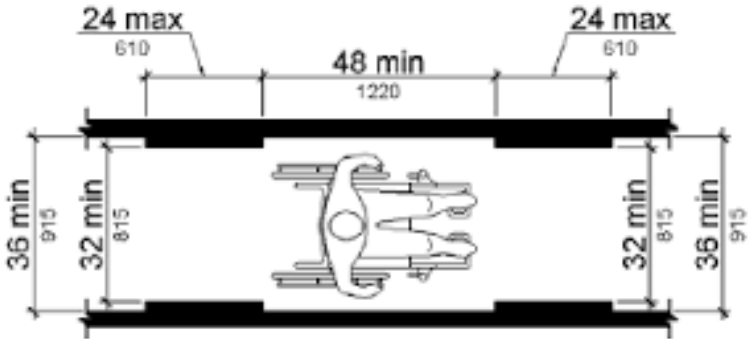


Image sources: [www.ageinplace.org](http://www.ageinplace.org); com, [www.icord.org](http://www.icord.org), [simsremodeling.net](http://simsremodeling.net), <http://design4accessblog.com/>, [www.ada.gov](http://www.ada.gov), and Jennifer Molinsky.



# The Northeast and Midwest Have the Least Accessible Housing

	Share of Units with Accessibility Feature (Percent)				
	No-Step Entry	Single-Floor Living	Extra-Wide Hallways and Doors	Accessible Electrical Controls	Lever-Style Handles on Doors and Faucets
<b>Region</b>					
Northeast	31.2	56.8	7.3	37	6.5
Midwest	32.4	72.5	8.2	49.2	8.6
South	48.5	84	7.8	41.8	6.9
West	49.5	80.9	8.3	48.7	12
<b>Metro Area Status</b>					
Central City	39	74	6.6	40.5	7.1
Suburb	46.2	72	8.1	45.8	9.7
Non-Metro	37.4	86.3	9.1	45	7.1
<b>Total</b>	<b>42.1</b>	<b>76</b>	<b>7.9</b>	<b>44.1</b>	<b>8.3</b>

Note: Single-floor living units have both a bedroom and bath on the entry level.

Source: JCHS tabulations of US Department of Housing and Urban Development, 2011 American Housing Survey.

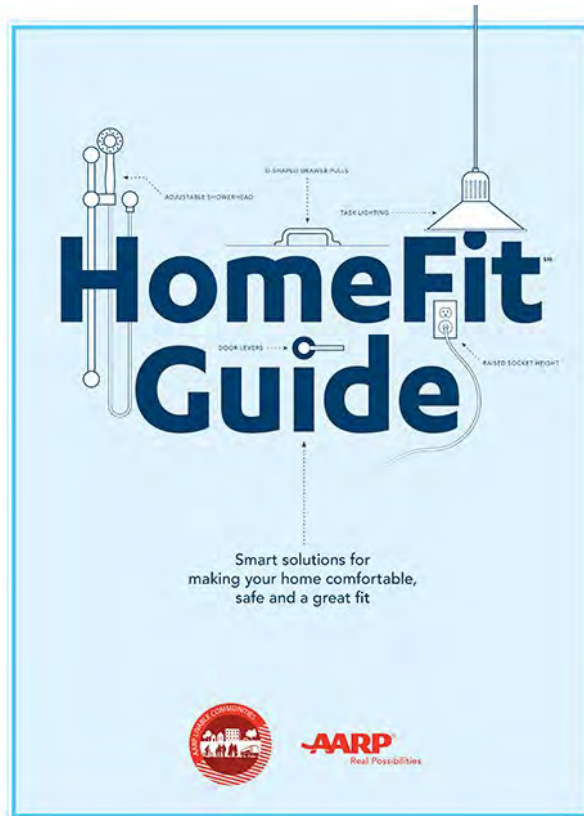
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# Meeting the Accessibility Challenge: Individual Homes



Numerous checklists and guides are available to help assess home safety and accessibility

<http://www.aarp.org/livable-communities/info-2014/make-your-home-a-safe-home.html>

# Meeting the Accessibility Challenge: Visitability

- “Visitable” homes offer zero-step entry, doors that are 32” wide or more, and accessible entry-level bathroom
- **Visitability Ordinances:** Incentives or mandates for accessibility features in new housing. See [visitability.org](http://visitability.org)



# Meeting the Accessibility Challenge: Funding for Modifications

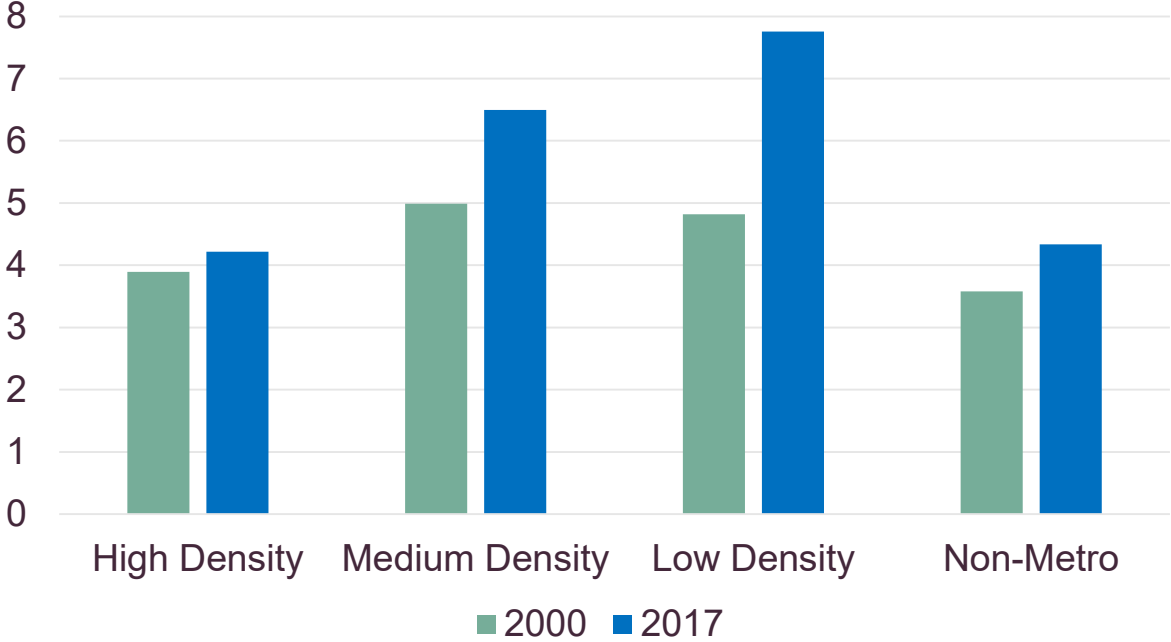
- ***Tax Incentives:*** Tax credits for homeowners or builders: GA, OH, VA, PA.
- ***Grants or Low-Interest Loans:*** Federal, state, and local funds to assist homeowners in modifying their homes
- ***Volunteer Assistance:*** Efforts such as *Rebuilding Together*, *CAPABLE*, *Habitat*
- ***Insurance:*** Long-term care insurance, Medicaid waivers

# Challenges

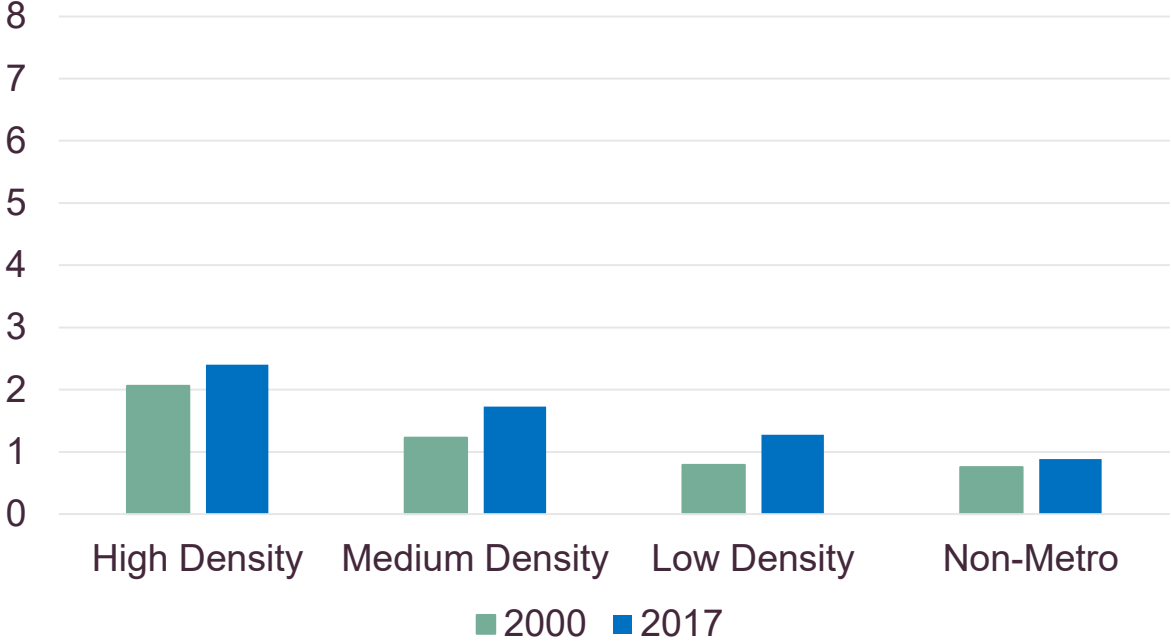
## 3. Supportive Neighborhoods and Communities

# Aging in Place is Also About Location, and a Growing Number Live in Low-Density Areas

Owner Households Age 65 and Over (Millions)



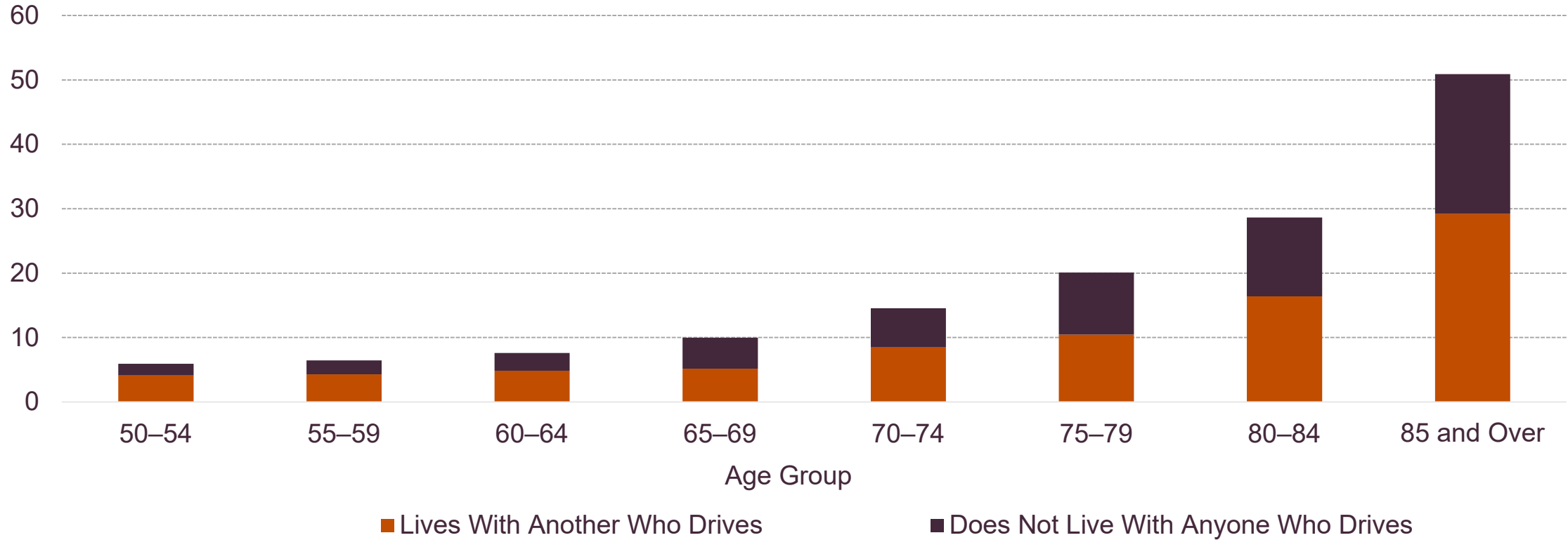
Renter Households Age 65 and Over (Millions)



Note: Neighborhood densities in metro areas are measured by the number of housing units per square mile in every metro census and divided into equal thirds.  
 Source: JCHS tabulations of JCHS Neighborhood Change Database.

# Driving Decreases with Age

Share of the Population that Does Not Drive an Automobile (Percent)



Source: JCHS tabulations of 2009 National Household Transportation Survey data.



# Older Adults Have Greater Vulnerability to Natural Disasters



Astrodome after Hurricane Katrina

- Challenges with evacuation
- Disruptions to care in days/months following
- Greater susceptibility to environmental hazards (respiratory issues, insect-borne illness)
- Risks of social isolation

Sources: EPA, *What Climate Change Means for Pennsylvania*, <https://19january2017snapshot.epa.gov/sites/production/files/2016-09/documents/climate-change-pa.pdf>.  
Photo source: <https://picryl.com/media/houston-tx-9032005-many-seniors-from-new-orleans-were-evacuated-to-the-houston-801a01>.

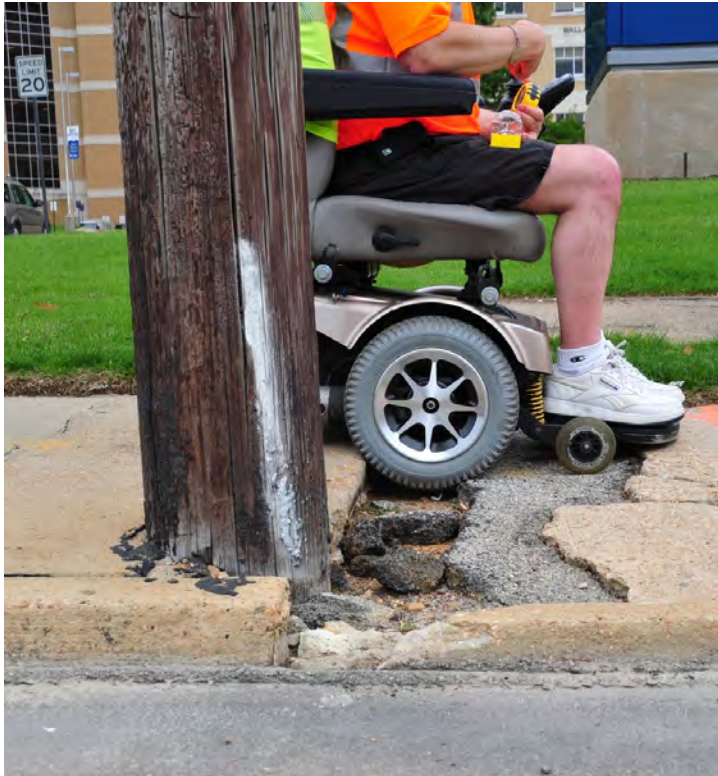
# Meeting the Challenge: Age-Friendly, Service-Rich Communities

- Walkable
- Alternatives to driving
- Opportunities for engagement
- Services for older adults and caregivers
- Access to medical care



# Meeting the Location Challenge: Safe, Walkable Communities

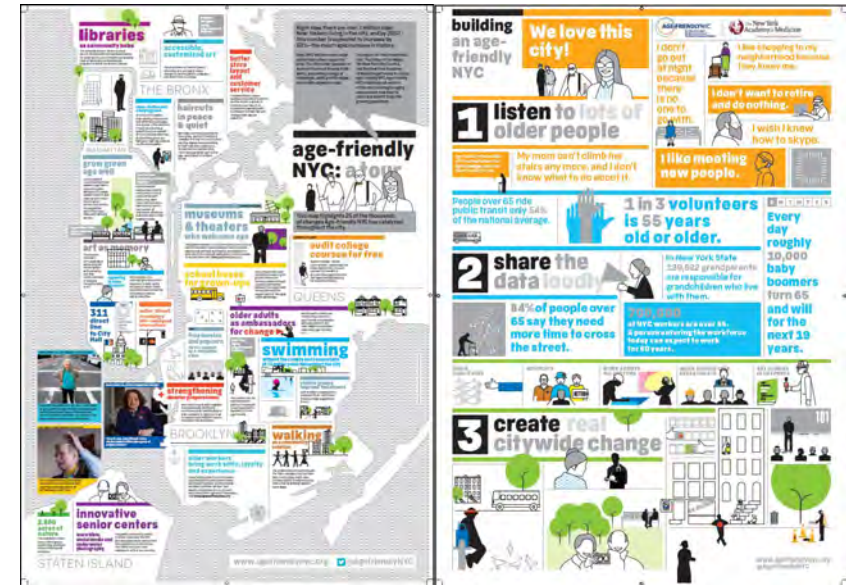
## SAFE STREETS



Photos: Scott Crawford (photo on left); Ann Forsyth; Jennifer Molinsky.

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# Meeting the Location Challenge: Services, Transportation, and Opportunities for Engagement



**Age-Friendly DC**



# Meeting the Location Challenge: Villages & NORCS



U.S. | NEW YORK | REAL ESTATE

## Where the Elderly Can Age in Place

New York City's 'naturally occurring retirement communities'



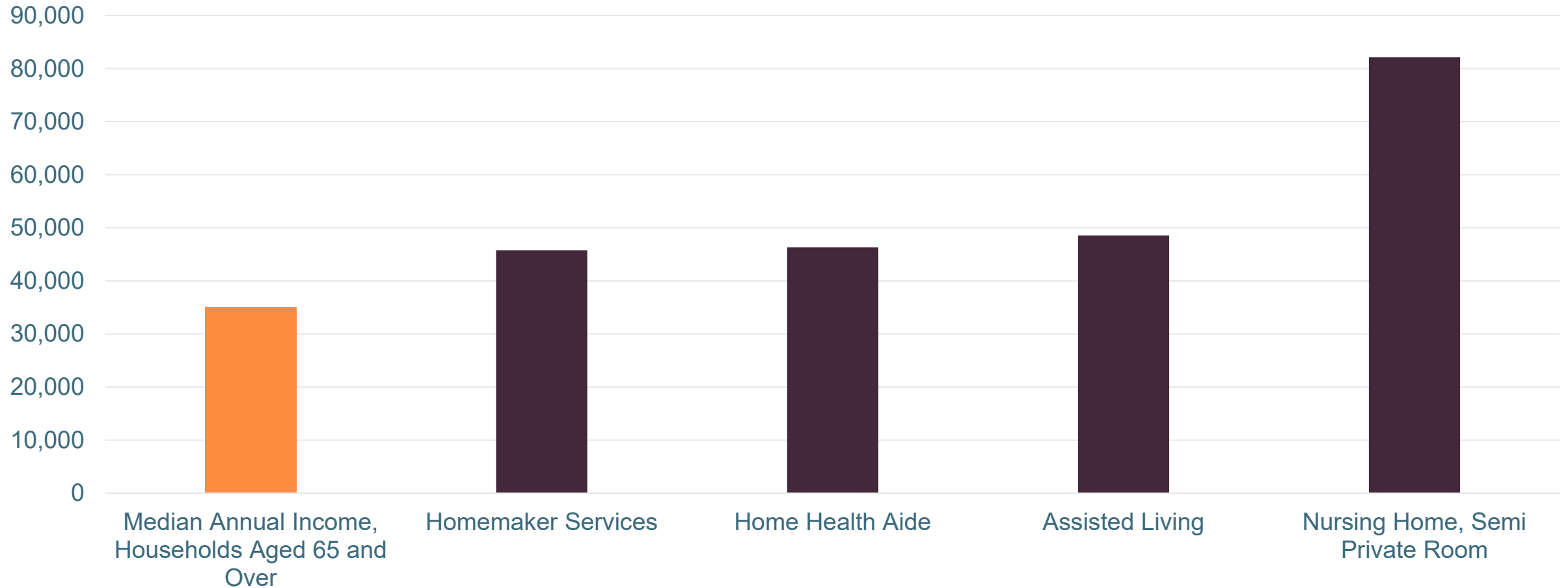
Source; Beacon Hill Village, Penn South Social Services ([www.psss.org](http://www.psss.org)), Wall Street Journal ([www.wsj.com](http://www.wsj.com))

# Challenges

## 4. Care for People Living At Home

# Costs of Care Exceeds Income of Most Older Adults

Annual Costs of Care by Type of Care and Annual Income for Households Aged 65 and Over (Dollars)



Source: Genworth Cost of Care Study 2016, American Community Survey 2014; American Housing Survey 2015.

# Older Homeowners Have Far Greater Wealth than Older Renters, Even When Their Incomes Are Similar

Median Value (Dollars)

Income Quartiles	Tenure	50-64				65 and Over			
		Median Income	Home Equity	Non-Housing Wealth	Net wealth	Median Income	Home Equity	Non-Housing Wealth	Net wealth
Lowest Income	Homeowner	19,240	59,000	10,700	80,700	17,215	80,000	12,500	104,700
	Renter	15,190	-	1,900	1,900	15,190	-	1,100	1,100
Lower Middle	Homeowner	45,569	75,000	57,000	152,400	33,417	100,000	61,850	213,000
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Upper Middle	Homeowner	84,049	109,000	143,200	277,710	60,758	149,000	185,800	374,300
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Upper Income	Homeowner	196,451	275,000	933,400	1,246,400	137,719	296,000	989,350	1,294,500
	Renter	174,173	-	337,350	337,350	110,377	-	334,150	334,150

Note: Median home equity and non-housing wealth were calculated independently and therefore do not sum to net wealth. Income quartiles are calculated for each age group. Source: JCHS tabulations of Federal Reserve Board, 2016 Survey of Consumer Finances.



# Meeting the Care Challenge

- Helping people return to community (Money Follows the Person)
- Care coordination: Supporting people living independently (SASH)
- Housing with supportive services

Photos: [sashvt.org](http://sashvt.org), [www.2lifecommunities.org](http://www.2lifecommunities.org)





Term and image from [www.missingmiddle.org](http://www.missingmiddle.org)



Waterstone in Wellesley, MA



Cohousing  
[www.cohousing.org](http://www.cohousing.org)



Accessory dwelling units  
[www.iurb.berkeley.edu](http://www.iurb.berkeley.edu)



Independent housing with services / 2Life Communities



The "Genesis" Home, Lennar Homes



Greenhouse homes  
[thegreenhouseproject.org](http://thegreenhouseproject.org)



Apartments for Life /  
Humanitas Bergweg, the Netherlands



Dementia-friendly design

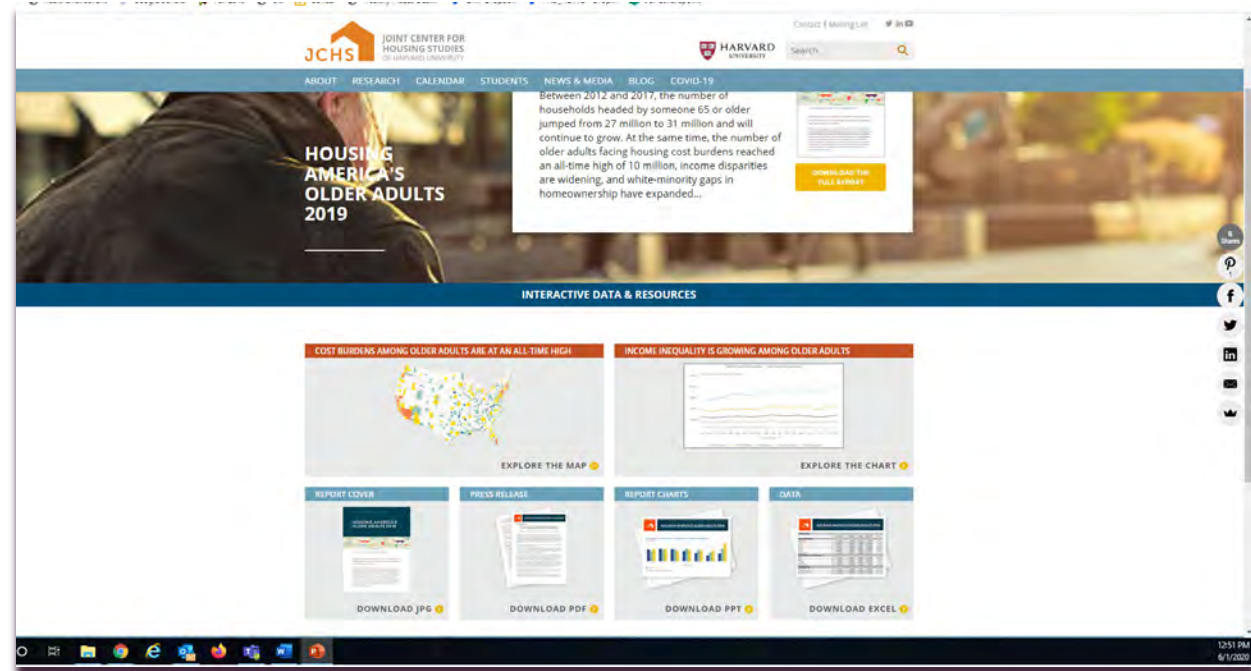
Hogeweyk, the Netherlands

# Housing Options

# Questions Raised by COVID-19

- COVID-19 health and financial implications for older adults
- Challenges for:
  - Low-income communities; those with lifetimes of disadvantage
  - Senior living communities and those in congregate care
  - Older workers
  - Multigenerational families; those living in close proximity
  - Isolated single older adults
- Questions about how pandemic might change demand for senior-only living, location, design

# More Data is Available on Our Website



# JCHS COVID-19 Research

- [Housing Could Help Lead the Post-COVID Economic Recovery](#) (Daniel McCue, 5/28/20)
- [COVID-19 Rent Shortfalls in Small Buildings](#) (Whitney Airgood-Obrycki and Alexander Hermann, 5/26/20)
- [Nearly a Quarter of Major Metros Are Precariously Positioned for COVID-19 Job Losses](#) (Sophia Wedeen, 5/18/20)
- [How This Recession is Expected to Affect Home Improvement Spending](#) (Kermit Baker, 5/15/20)
- [The Continuing Decline of Low-Cost Rentals](#) (Alexander Hermann, 5/11/20)
- [COVID-19 Will Delay Housing Construction, but for How Long?](#) (Whitney Airgood-Obrycki, 5/7/20)
- [Pandemic Expected to Shrink 2020 Remodeling Spending in Majority of Top Metros](#) (Abbe Will, 4/30/20)
- [How Much Assistance Would It Take to Help Renters Affected by COVID-19?](#) (Whitney Airgood-Obrycki, 4/28/20)
- [Past Recessions Might Offer Lessons on the Impact of COVID-19 on Housing Markets](#) (Alexander Hermann, 4/27/20)
- [Pandemic May Start a Slowdown in Household Growth – Halting Immigration Would Slow Things Even More](#) (Daniel McCue, 4/22/20)
- [America's Housing Finance System in the Pandemic, Part 4: Seven Reports from the Battlefield](#) (Don Layton, 4/21/20)
- [Early Impacts of Pandemic Suggest an Abrupt About-Face for the Remodeling Market](#) (Abbe Will, 4/20/20)
- [When Family Can't Care for Older Adults During COVID-19, Who Will?](#) (Samara Scheckler, 4/17/20)
- [Forecasting an economic tsunami as foreclosures rise and mortgages sink underwater](#) (Rachel Bratt, 4/16/20)
- [America's Housing Finance System in the Pandemic, Part 3: Q&A on the Ugly Fight over Servicer Advances](#) (Don Layton, 4/15/20)
- [Rental Market Likely Headed for a Slowdown](#) (Whitney Airgood-Obrycki, 4/14/20)
- [Social Distancing Today Offers Lessons to Help Older Adults Tomorrow](#) (Jennifer Molinsky, 4/7/20)
- [America's Housing Finance System in the Pandemic, Part 2: Extraordinary Support and Necessary Consequences](#) (Don Layton, 4/3/20)
- [COVID-19 and Financially Vulnerable Homeowners: National Trends and Voices from Brockton, Massachusetts](#) (Sharon Cornelissen & Alex Herman, 4/1/20)
- [Pandemic Will Worsen Housing Affordability for Service, Retail, and Transportation Workers](#) (Whitney Airgood-Obrycki, 3/30/20)
- [America's Housing Finance System in the Pandemic: Ten Stress Points to Watch](#) (Don Layton, 3/26/20)
- [Responding to the COVID-19 Pandemic](#) (Chris Herbert, 3/24/20)



Thank you!

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