TERNER CENTER FOR HOUSING INNOVATION

UC BERKELEY

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HOUSING HIGHLIGHTS FROM THE 2015 ACS

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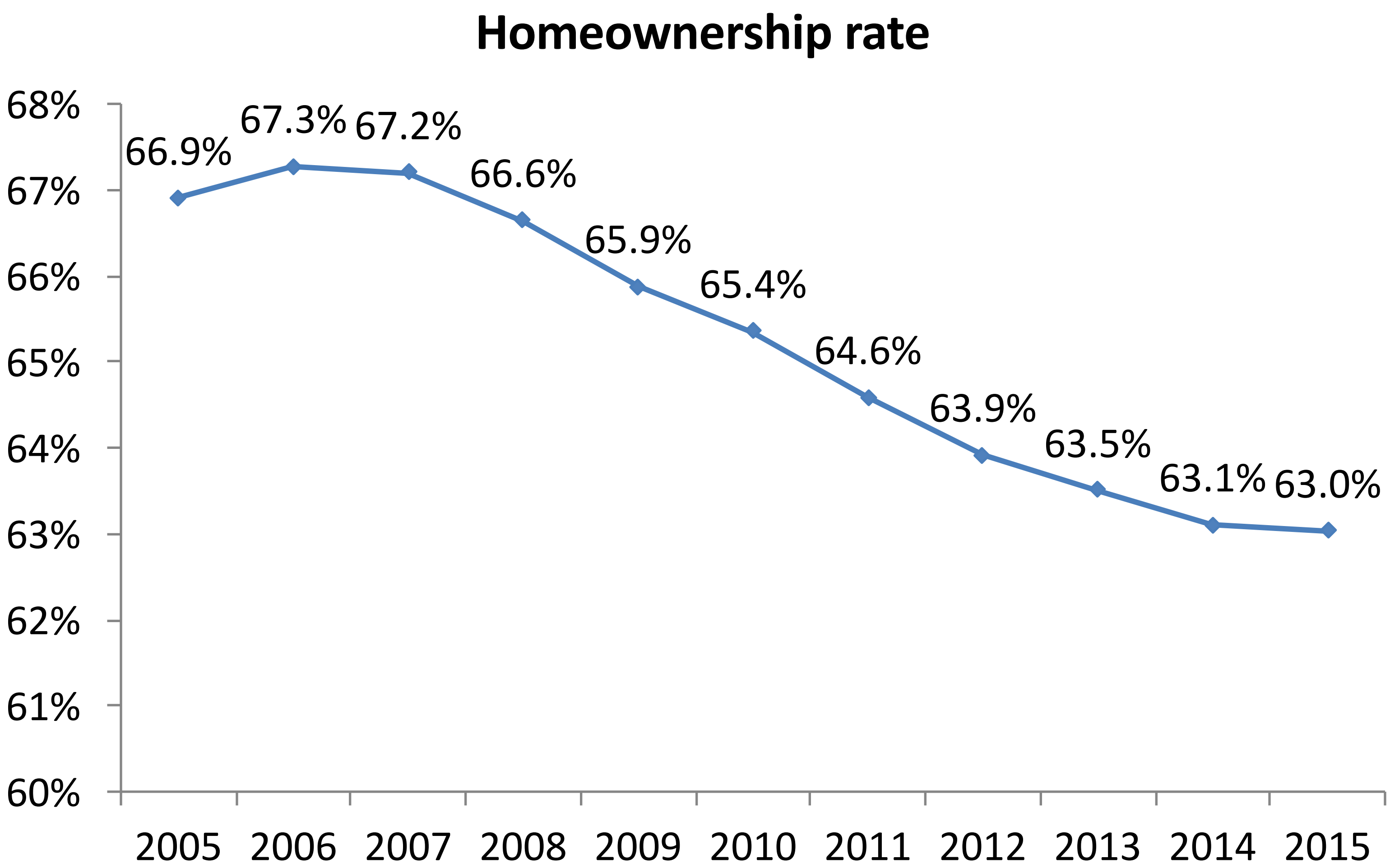
Housing highlights from the 2015 ACS

1. **Homeownership and household formation**
2. Housing costs
3. Vacancy rates
4. Appendix: ACS vs HVS
5. About the data

The homeownership rate continues to fall



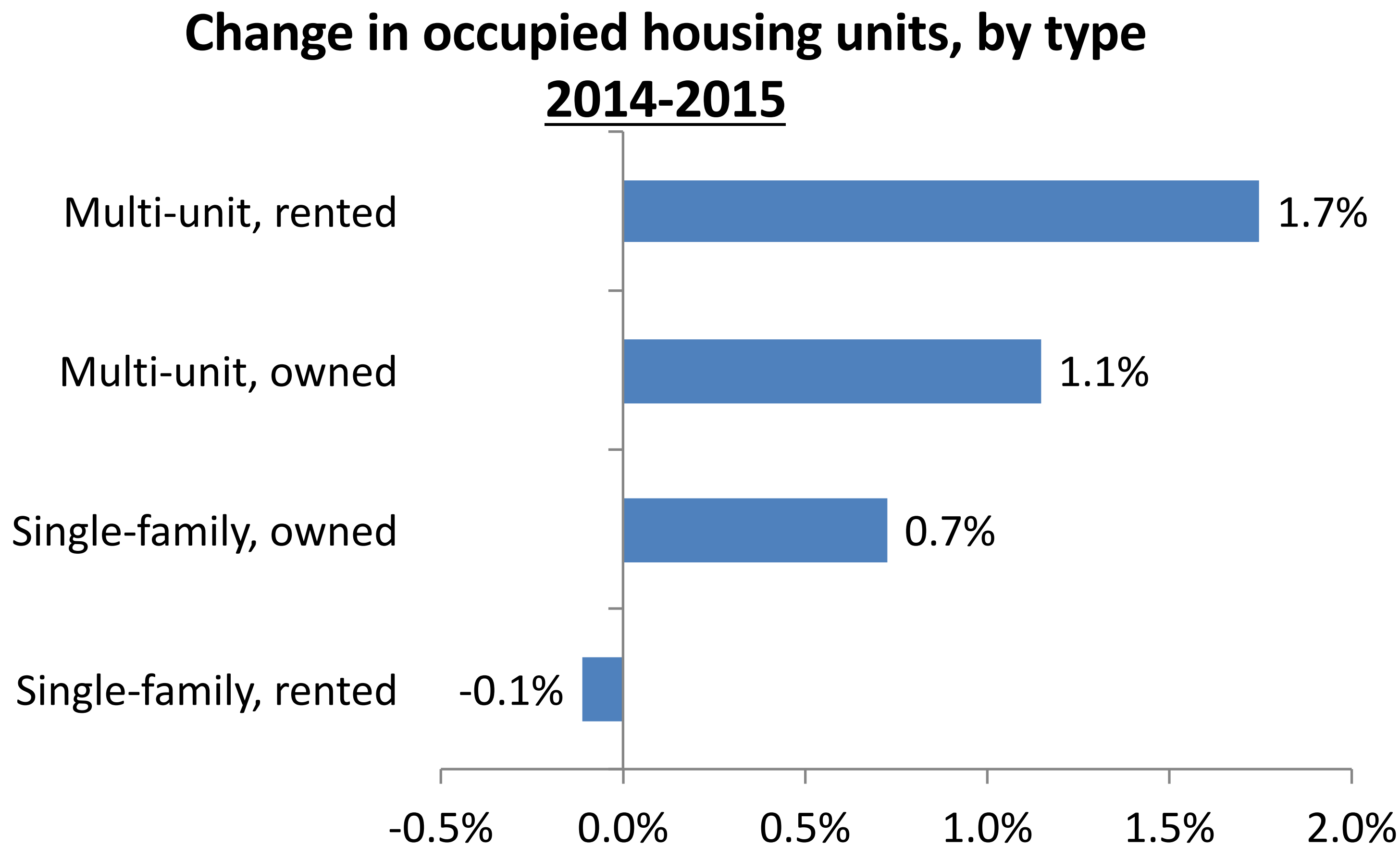
Homeownership higher in affordable markets, lower in big coastal metros

Homeownership rate, 2015, large metros		
HIGHEST		
1	Pittsburgh, PA	69.2%
2	Birmingham-Hoover, AL	68.9%
3	Minneapolis-St. Paul-Bloomington, MN-WI	68.9%
4	St. Louis, MO-IL	68.3%
5	Detroit-Warren-Dearborn, MI	68.0%
LOWEST		
1	Los Angeles-Long Beach-Anaheim, CA	47.9%
2	New York-Newark-Jersey City, NY-NJ-PA	50.8%
3	Las Vegas-Henderson-Paradise, NV	51.6%
4	San Diego-Carlsbad, CA	52.0%
5	San Francisco-Oakland-Hayward, CA	53.5%

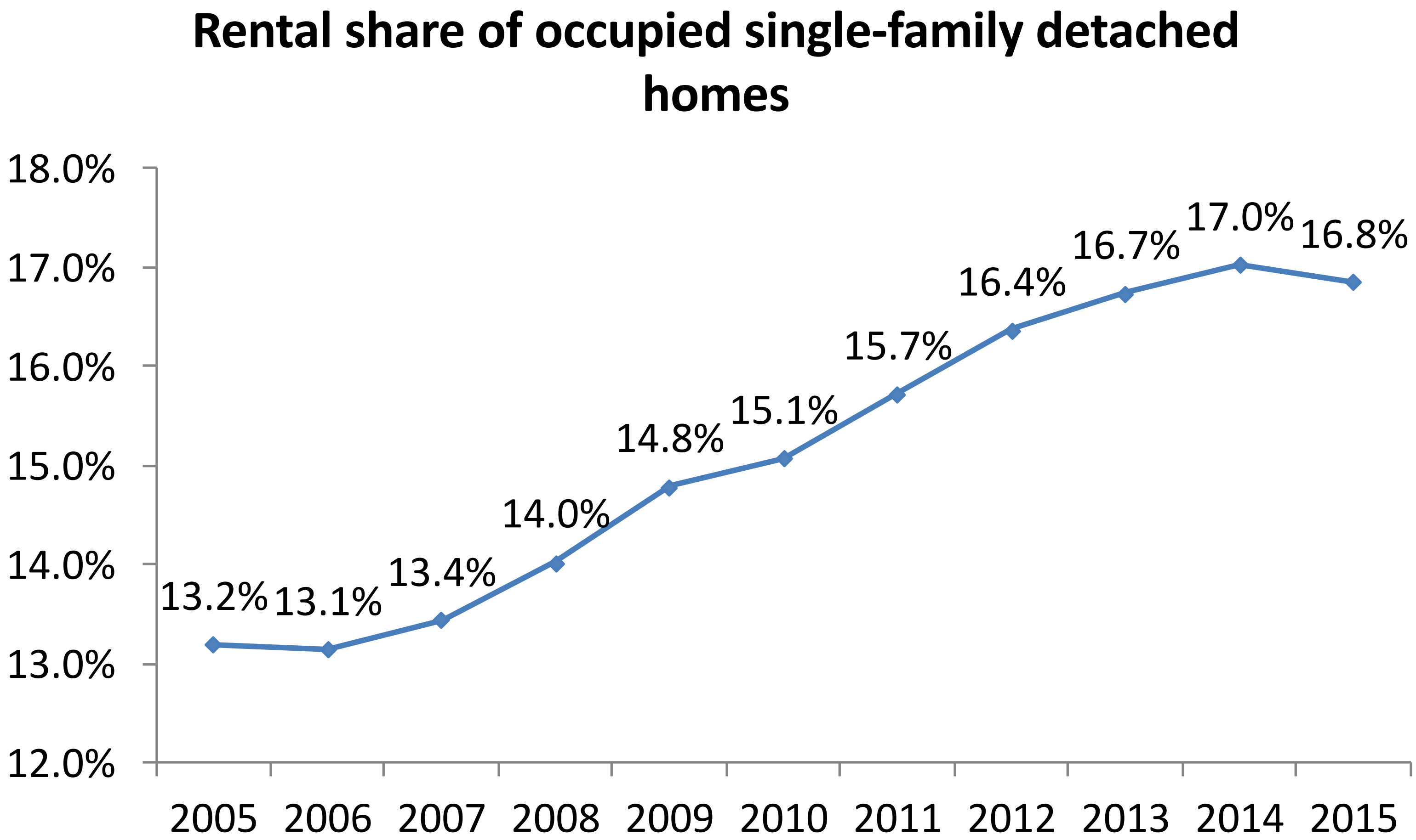
Nearly all housing growth since 2006 has been in rentals

	2006 (millions)	2015 (millions)	Change, 2006-2015 (millions)	Change, 2006-2015 (%)
Single-family owner-occupied	65.5	65.7	+0.2	+0.3%
Single-family renter-occupied	11.3	15.2	+3.8	+34%
Multi-unit owner-occupied	4.2	4.0	-0.2	-5%
Multi-unit renter-occupied	23.4	26.5	+3.2	+14%
All occupied housing units (includes other housing types)	111.6	118.2	+6.6	+6%

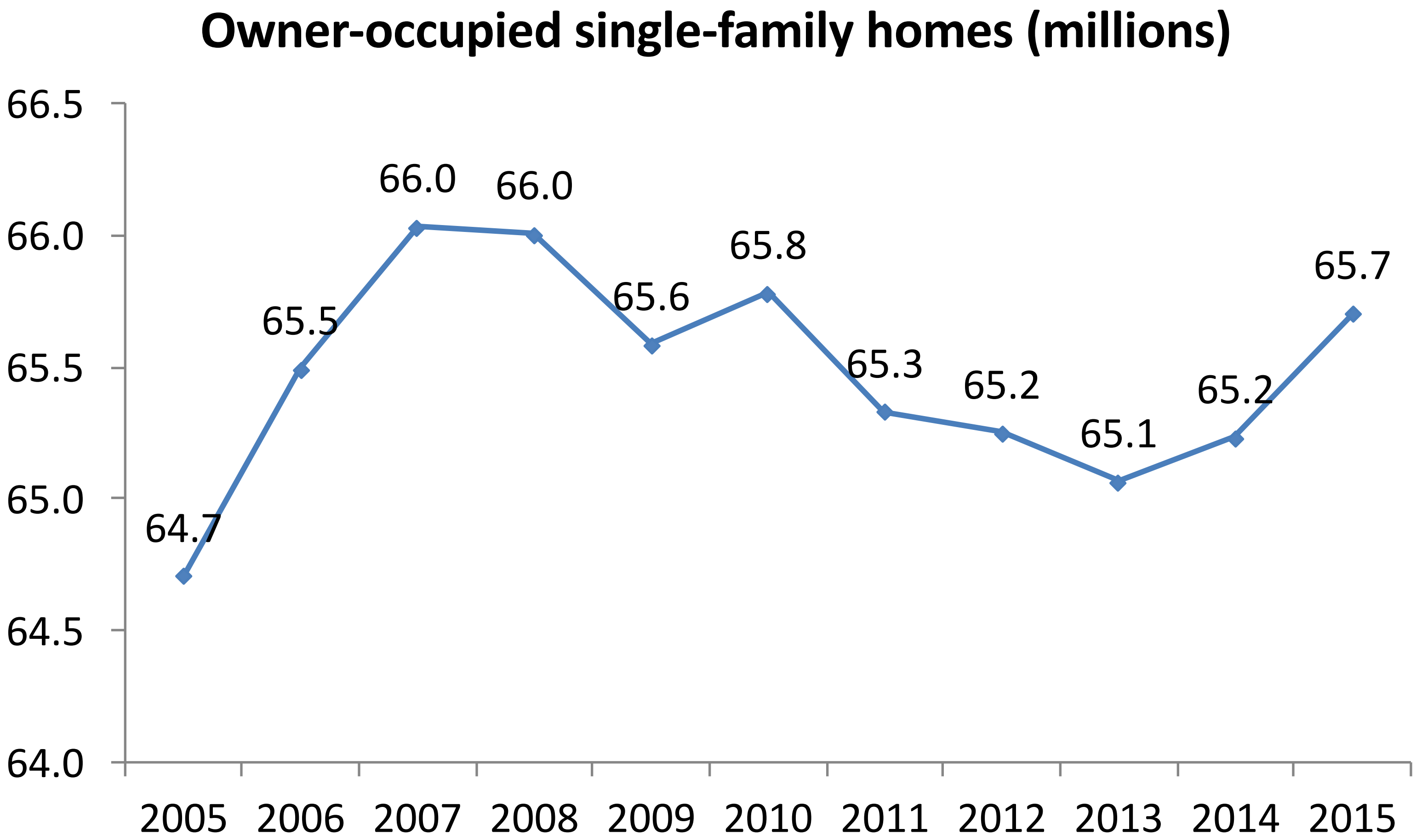
Multi-units rentals led in 2015; single-family rentals fell: a big reversal



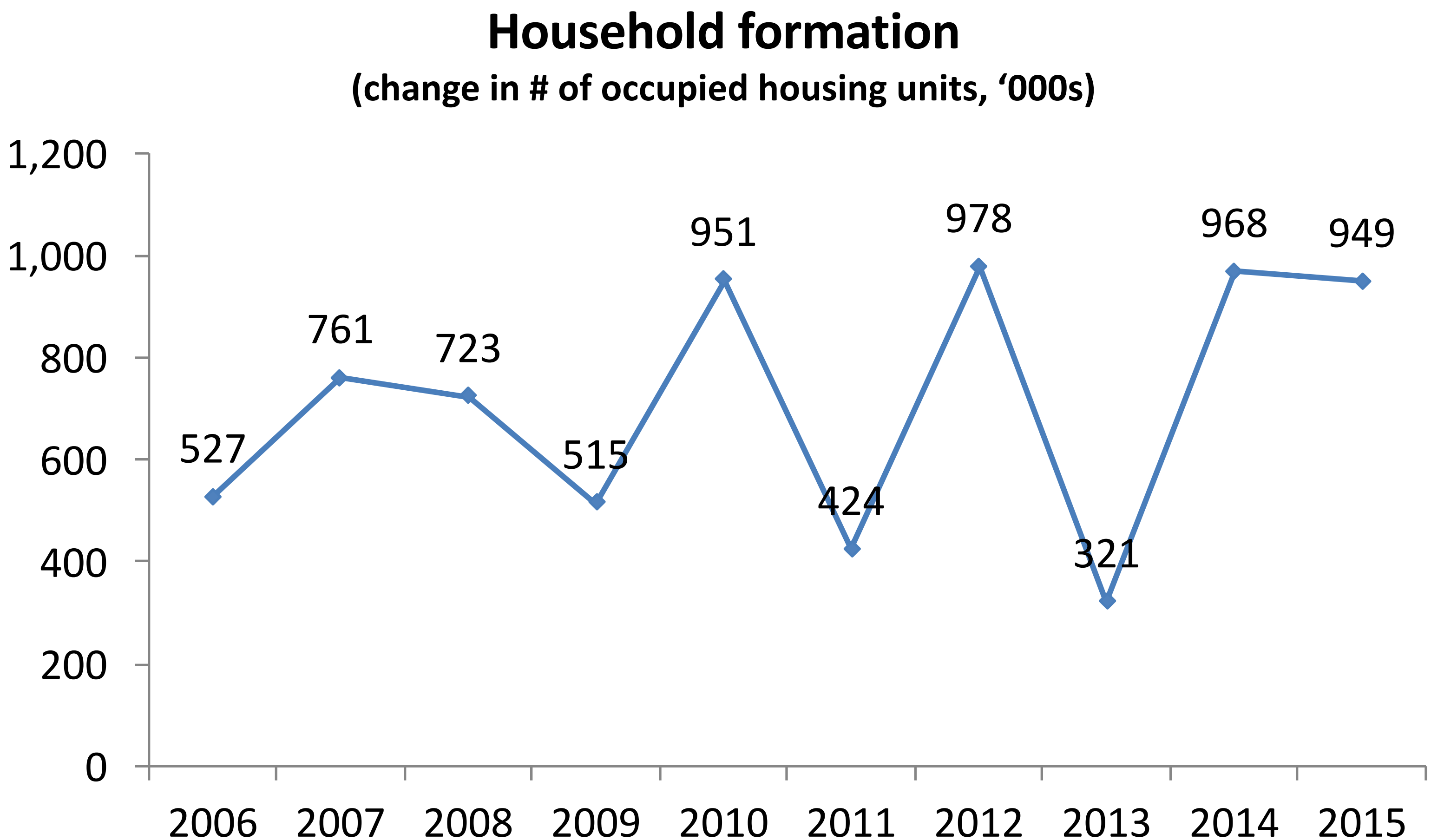
For first time since 2006, rental share of single-family fell



Single-family ownership had biggest increase since 2007



Household formation getting closer but still below 1.2m "normal" level



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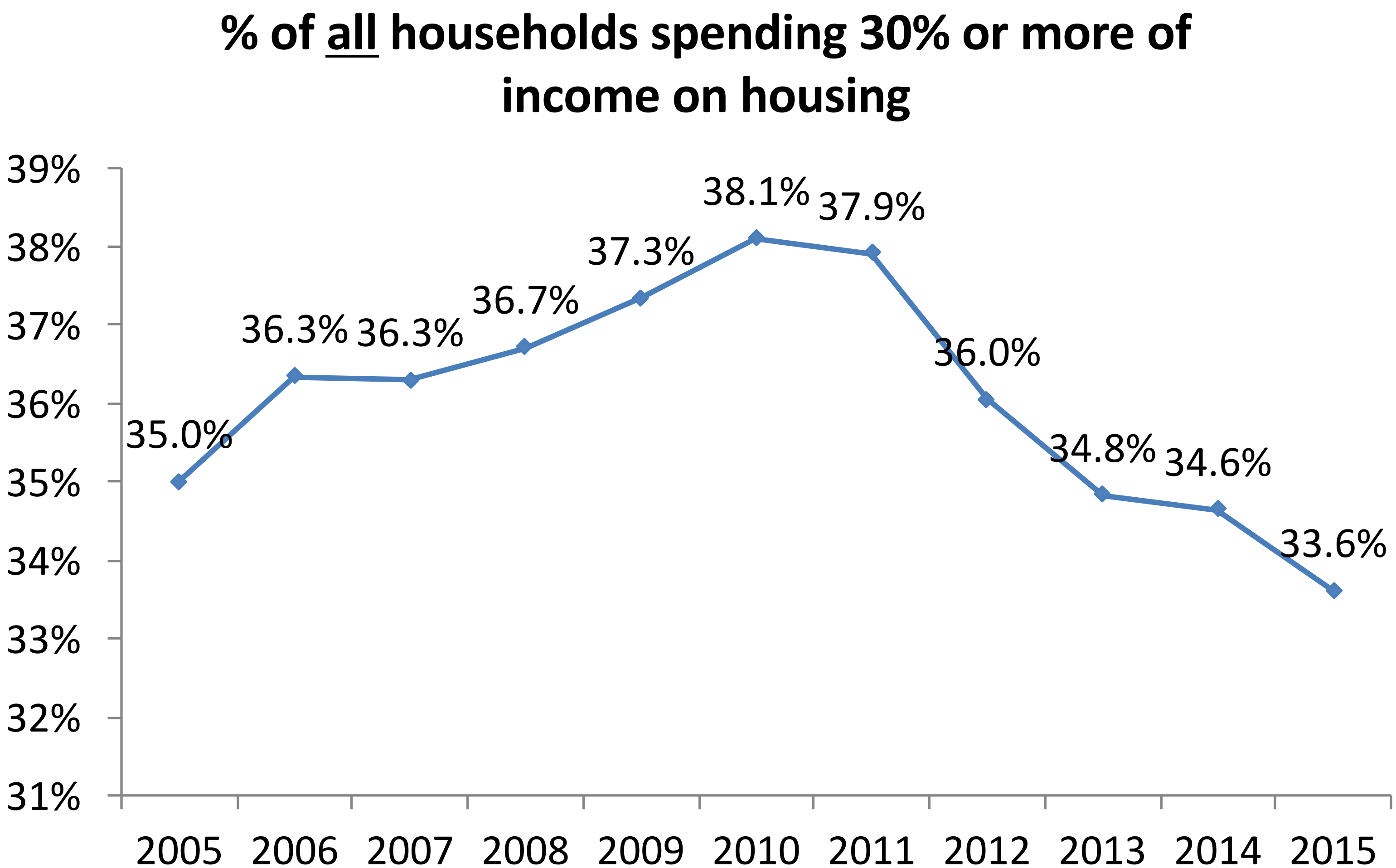
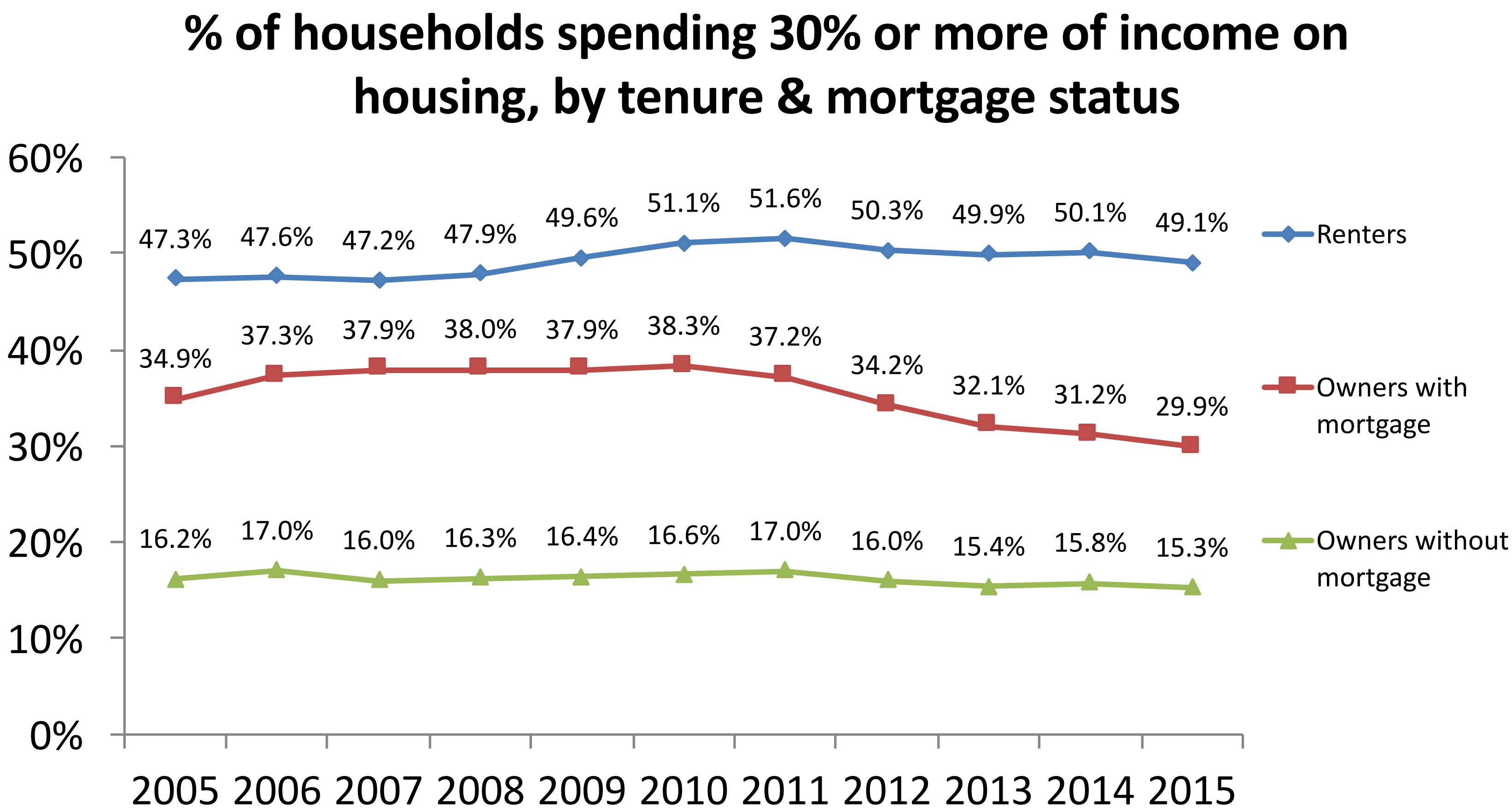
For five years straight, declining share of households who are cost-burdened



Cost-burdened share nearly twice as high in Los Angeles as in Pittsburgh

% of households spending 30%+ of income on housing, 2015, large metros		
HIGHEST		
1	Los Angeles-Long Beach-Anaheim, CA	47.6%
2	Miami-Fort Lauderdale-West Palm Beach, FL	46.7%
3	New York-Newark-Jersey City, NY-NJ-PA	45.2%
4	San Diego-Carlsbad, CA	45.0%
5	Riverside-San Bernardino-Ontario, CA	43.4%
LOWEST		
1	Pittsburgh, PA	26.5%
2	Kansas City, MO-KS	27.3%
3	Louisville/Jefferson County, KY-IN	28.1%
4	Minneapolis-St. Paul-Bloomington, MN-WI	28.3%
5	Salt Lake City, UT	28.4%

Lowest share of renters are cost-burdened since 2008



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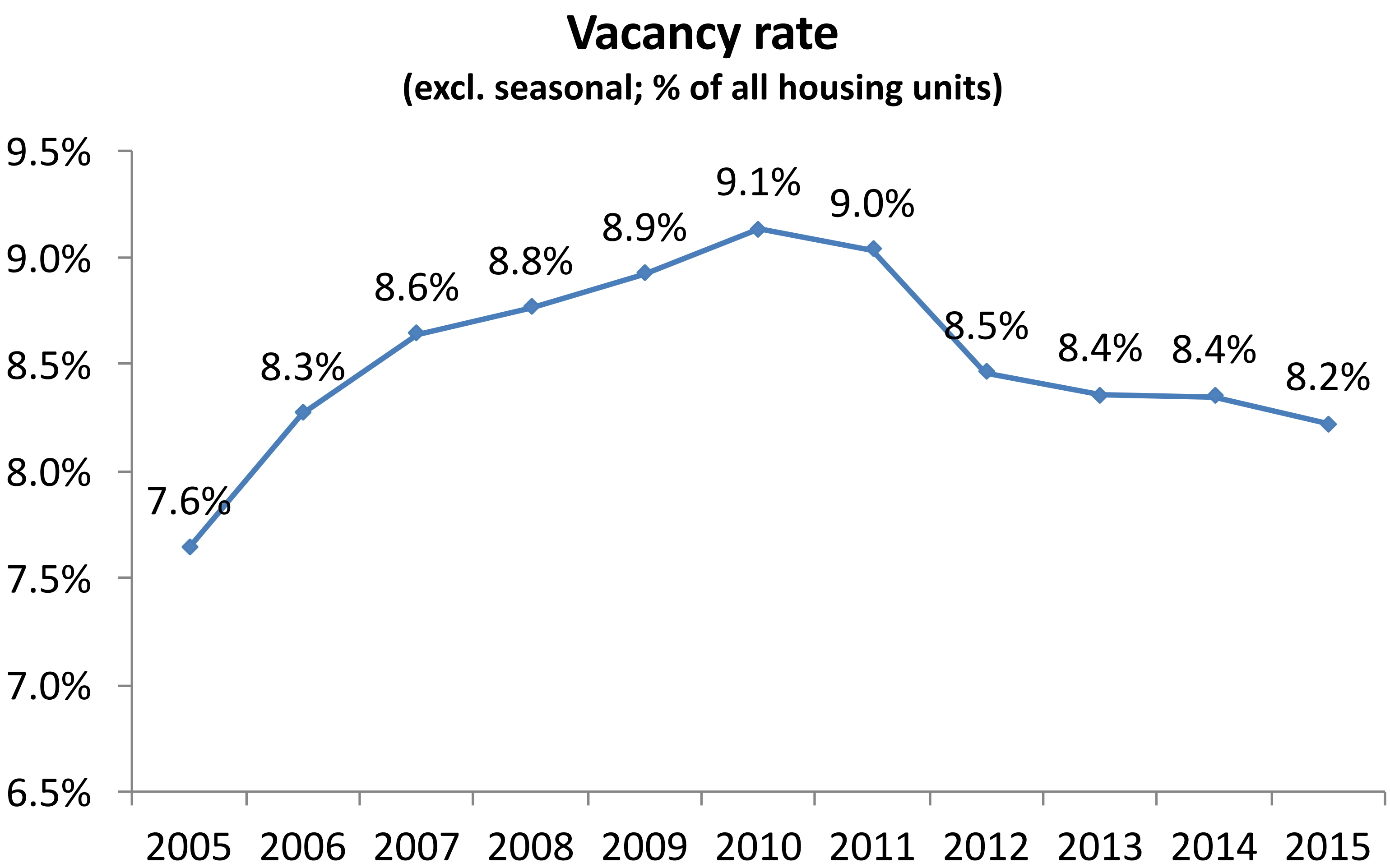
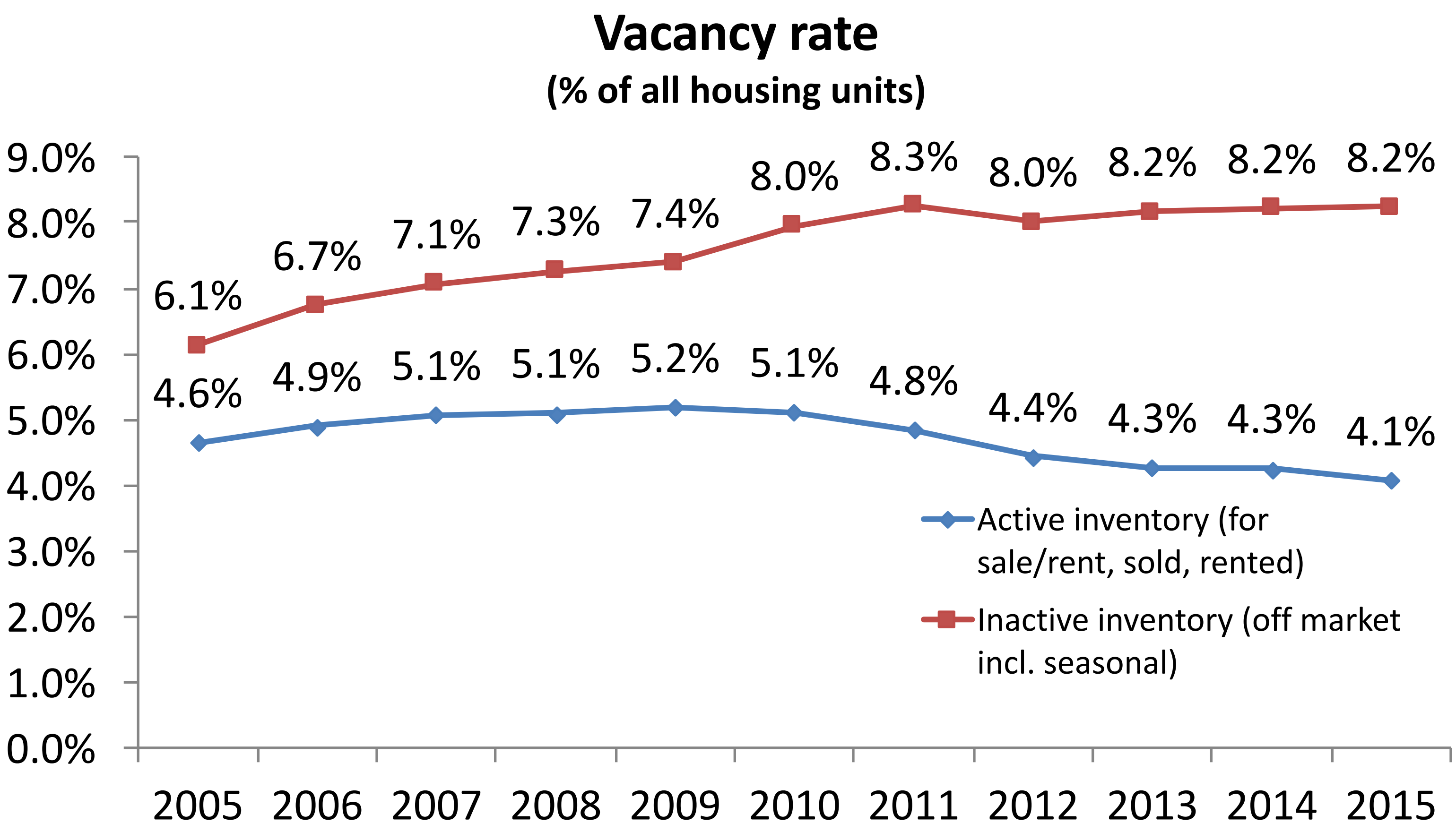
Vacancy rate ticks down below 2006 level



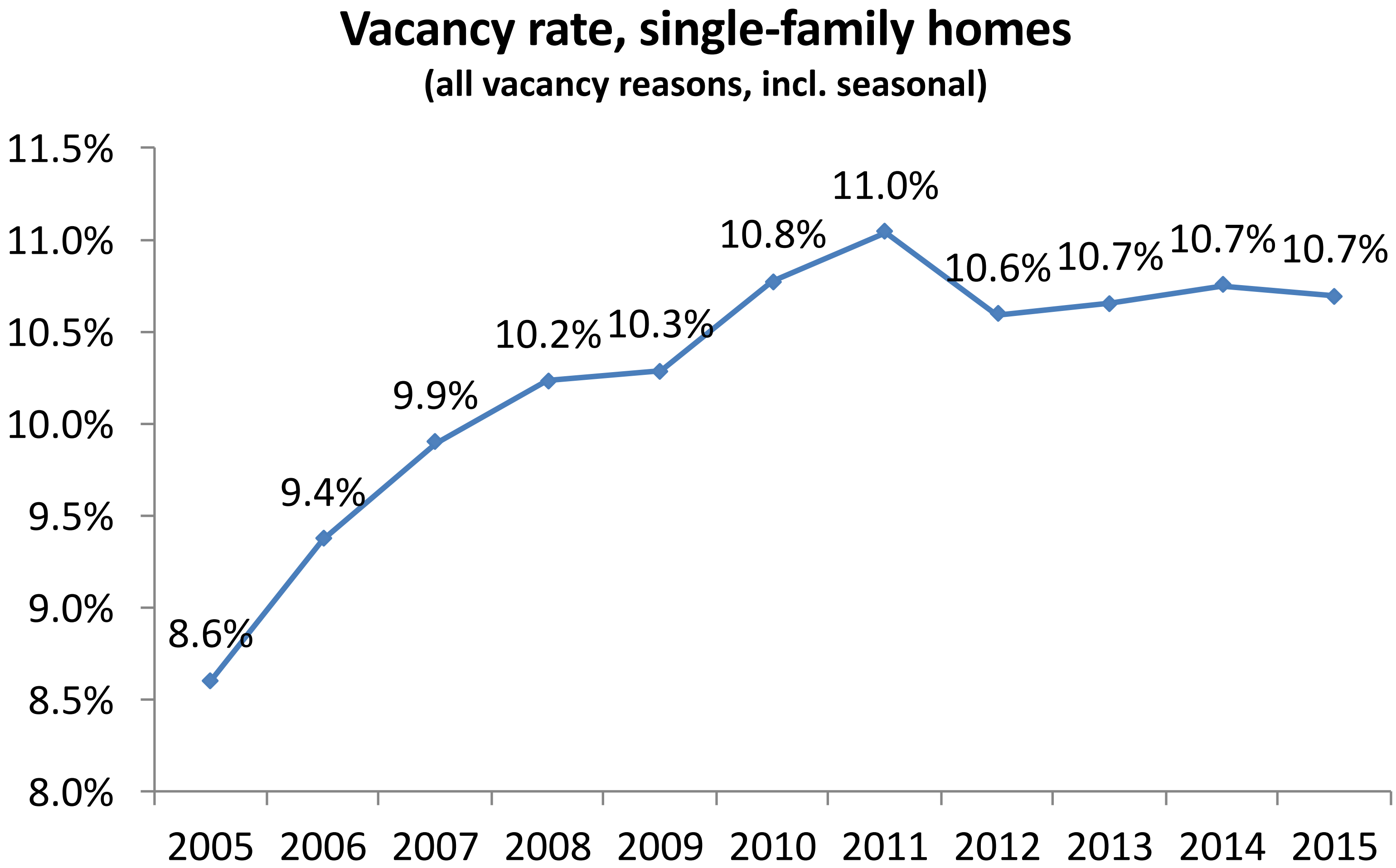
Vacancy rate highest in Southern metros; ranges hugely across US

Vacancy rate, excluding seasonal, 2015, large metros		
HIGHEST		
1	Memphis, TN-MS-AR	12.0%
2	Birmingham-Hoover, AL	11.7%
3	New Orleans-Metairie, LA	11.0%
4	Las Vegas-Henderson-Paradise, NV	11.0%
5	Detroit-Warren-Dearborn, MI	10.8%
LOWEST		
1	San Jose-Sunnyvale-Santa Clara, CA	3.4%
2	Denver-Aurora-Lakewood, CO	3.7%
3	Minneapolis-St. Paul-Bloomington, MN-WI	4.0%
4	San Francisco-Oakland-Hayward, CA	4.1%
5	San Diego-Carlsbad, CA	4.6%

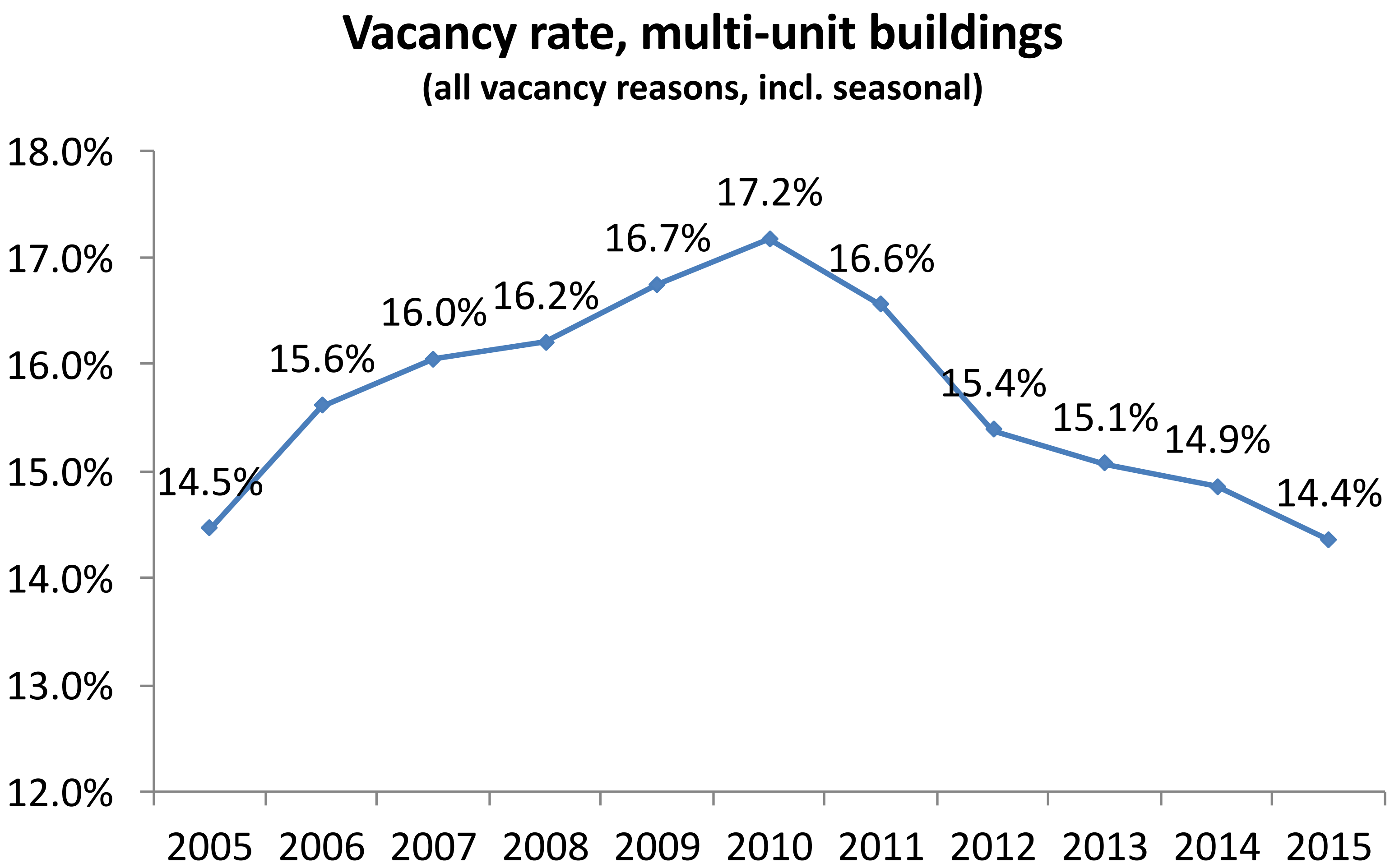
Active inventory of vacant homes falling, but inactive inventory steady



Single-family vacancies remain elevated, unchanged since 2012



Multi-unit vacancies fall for fifth year



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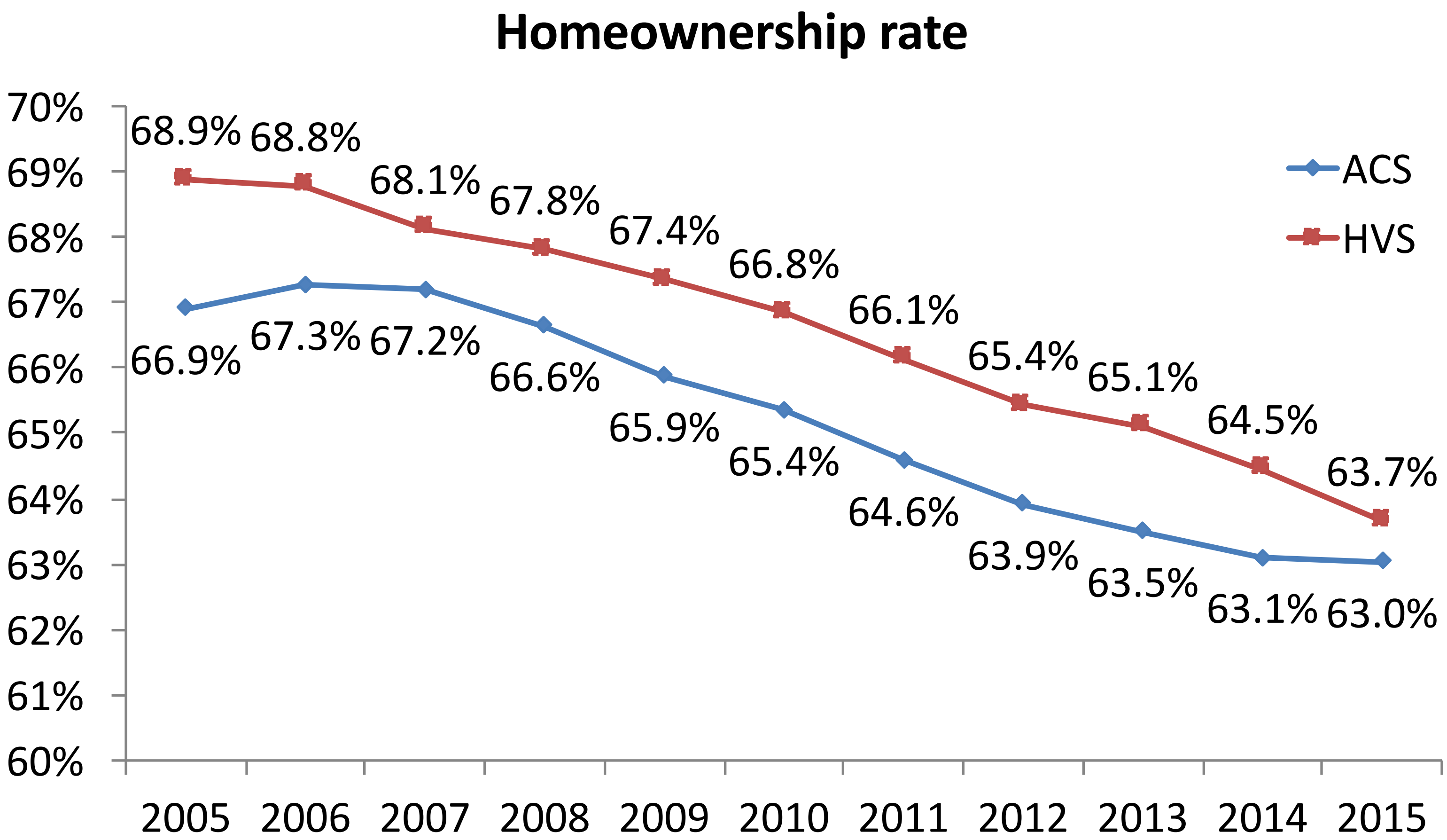
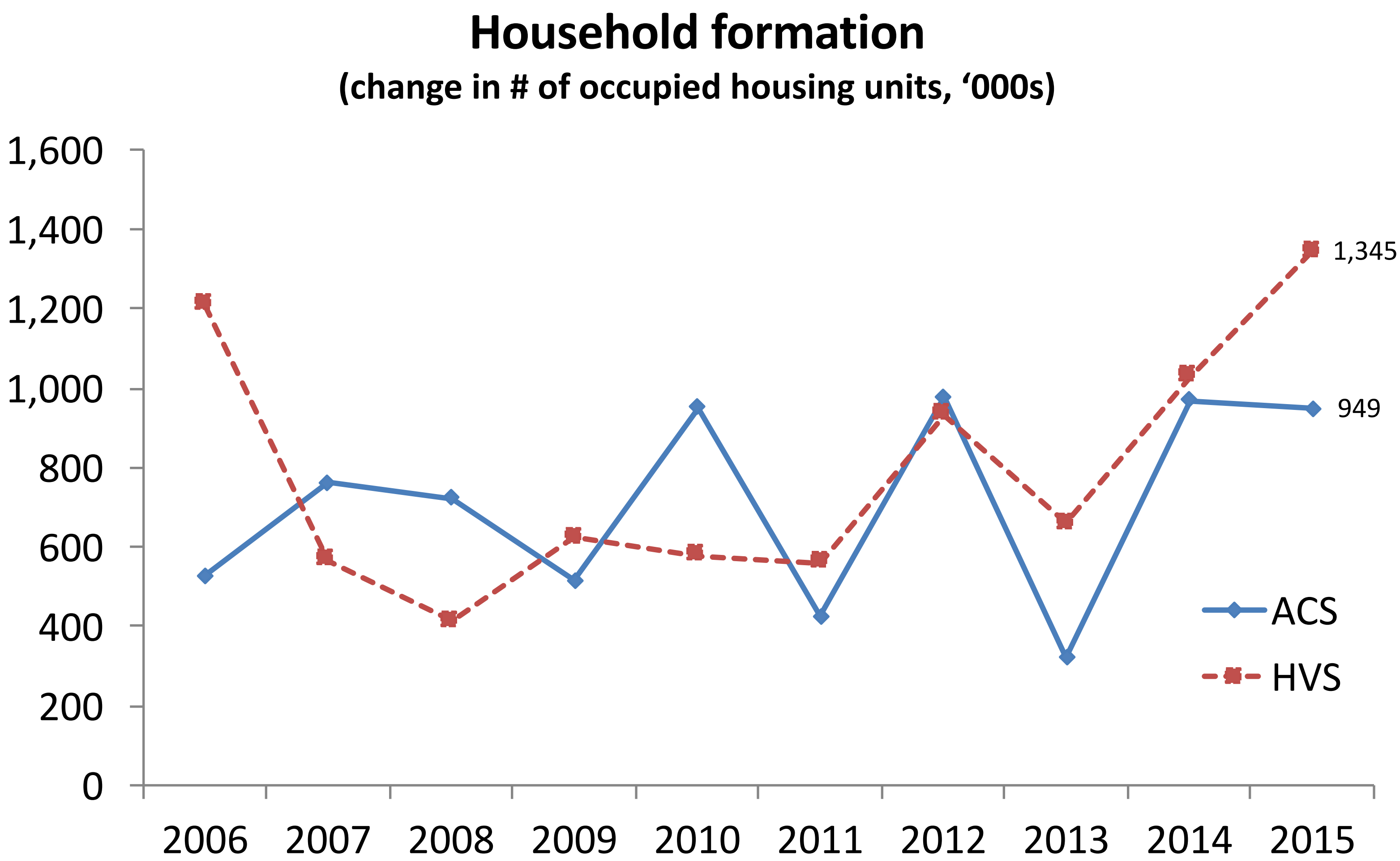
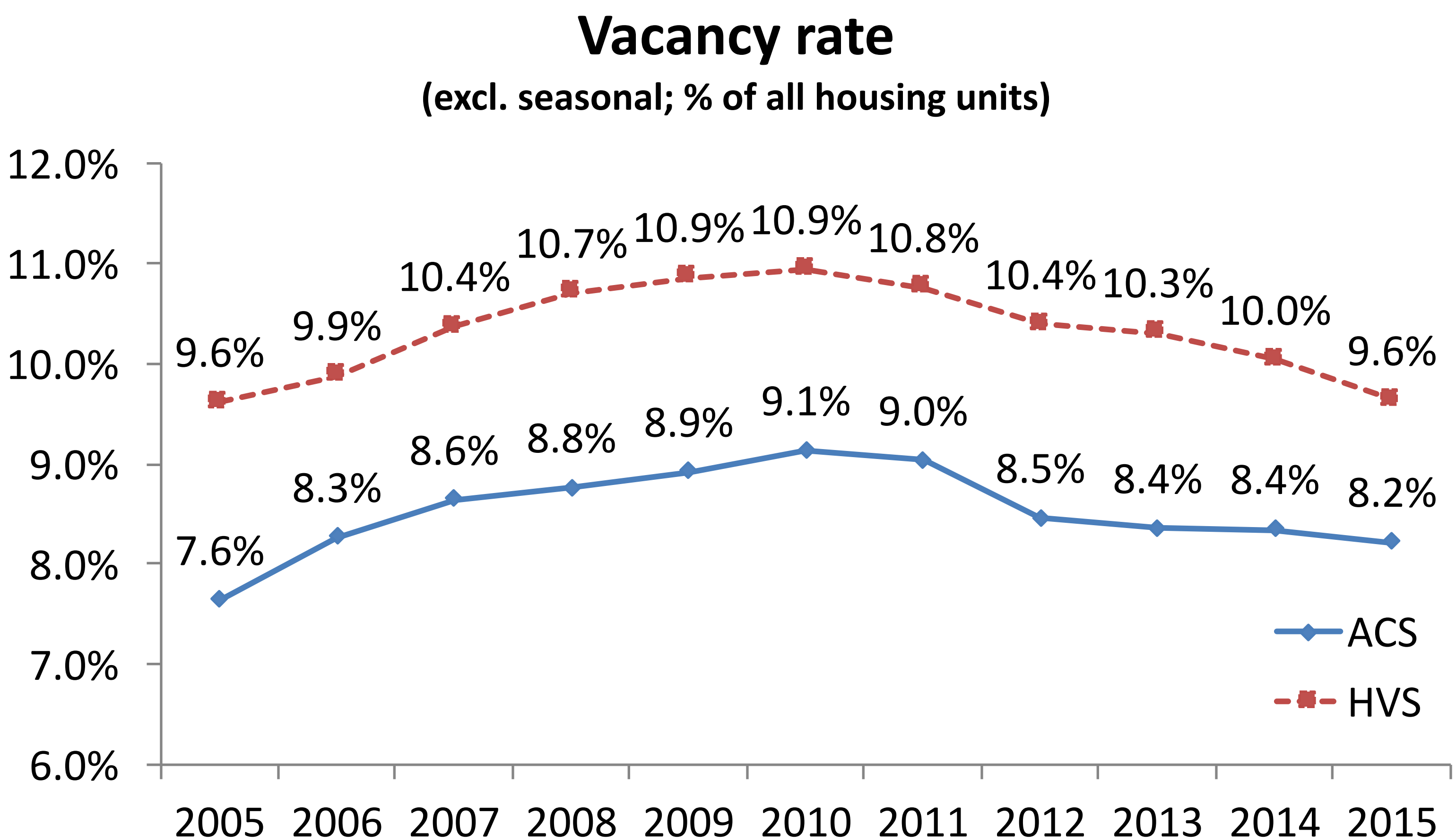
ACS reports lower homeownership than HVS, but similar trend



ACS household formation in 2015 did not show HVS jump



ACS reports lower vacancy than HVS, similar trend



Housing highlights from the 2015 ACS

About the American Community Survey

- Annually produced by the Census Bureau
- Most detailed and comprehensive regular source of housing data for the U.S. and local areas
  - Superior to quarterly Homeownership and Vacancy Survey (HVS), though less current
- 9/15/16 release: 1-year published tables for 2015

ACS issues

- These slides are based on the published ACS tables, which provide less detail than the microdata (PUMS) that will be published later. Estimates from published tables often differ from estimates based on microdata.
- Metropolitan areas are Core Based Statistical Areas (CBSAs). Metro-ranking slides are based on the 51 CBSA with 2010 Census population of one million or more.
- Despite the large sample size of the ACS, differences between metro areas – and differences over time for a single metro area – might not be statistically significant. Many ACS published tables provide margin-of-error estimates for calculating statistical significance.

Table reference guide

ACS data

- Homeownership and household formation: B25002, B25003
- Single-family vs multi-unit homes: B25024, B25032
- Housing cost burden: B25101, B25106
  - Our calculations differ from those published in table DP04. We include zero/negative income households as cost-burdened, and include no-cash-rent renters as not cost-burdened. Table DP04 excludes both of those groups and collectively counts them as "not computed."
- Vacancies: B25002, B25004
  - Our calculations differ from the homeowner and renter vacancy rates published in table DP04. Those rates omit vacant units that are held off market / non-transacting, which are a large and growing component of vacancy.
- All slides based on ACS 1-year tables

HVS data

- All data: 7a (annual estimates of housing inventory)

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