



HOUSING AMERICA'S OLDER ADULTS

MEETING THE NEEDS OF AN AGING POPULATION

Aging + Place
Graduate School of Design
October 17, 2014



JOINT CENTER FOR HOUSING STUDIES OF HARVARD UNIVERSITY

Housing as a Lynchpin of Well-Being

Critical Roles

Financial Security



Physical Security



Social Connections



Linkages to Long-term Supports and Services



Challenges

- High Housing Cost Burdens
- Greater Mortgage Debt

- Shortage of Accessible Units
- Trade-off with Spending on Housing, Food and Health Care

- Deficiencies in Housing Options, Transportation and Pedestrian Infrastructure, Increasing Risk of Isolation

- Disconnects Between Housing Programs and Health Care System

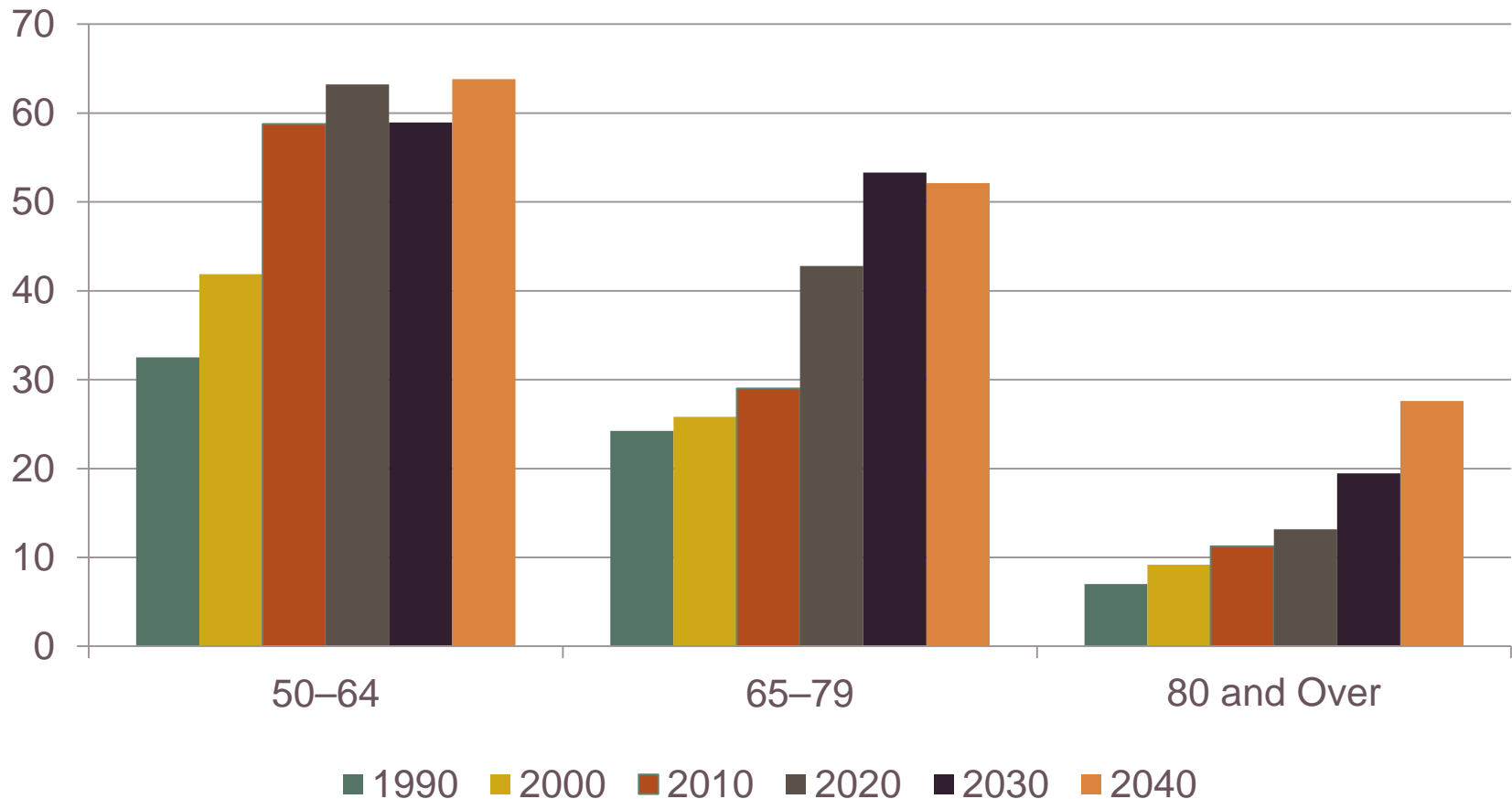
Demographics of an Aging America



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The Older Population Is on Track to Increase Dramatically

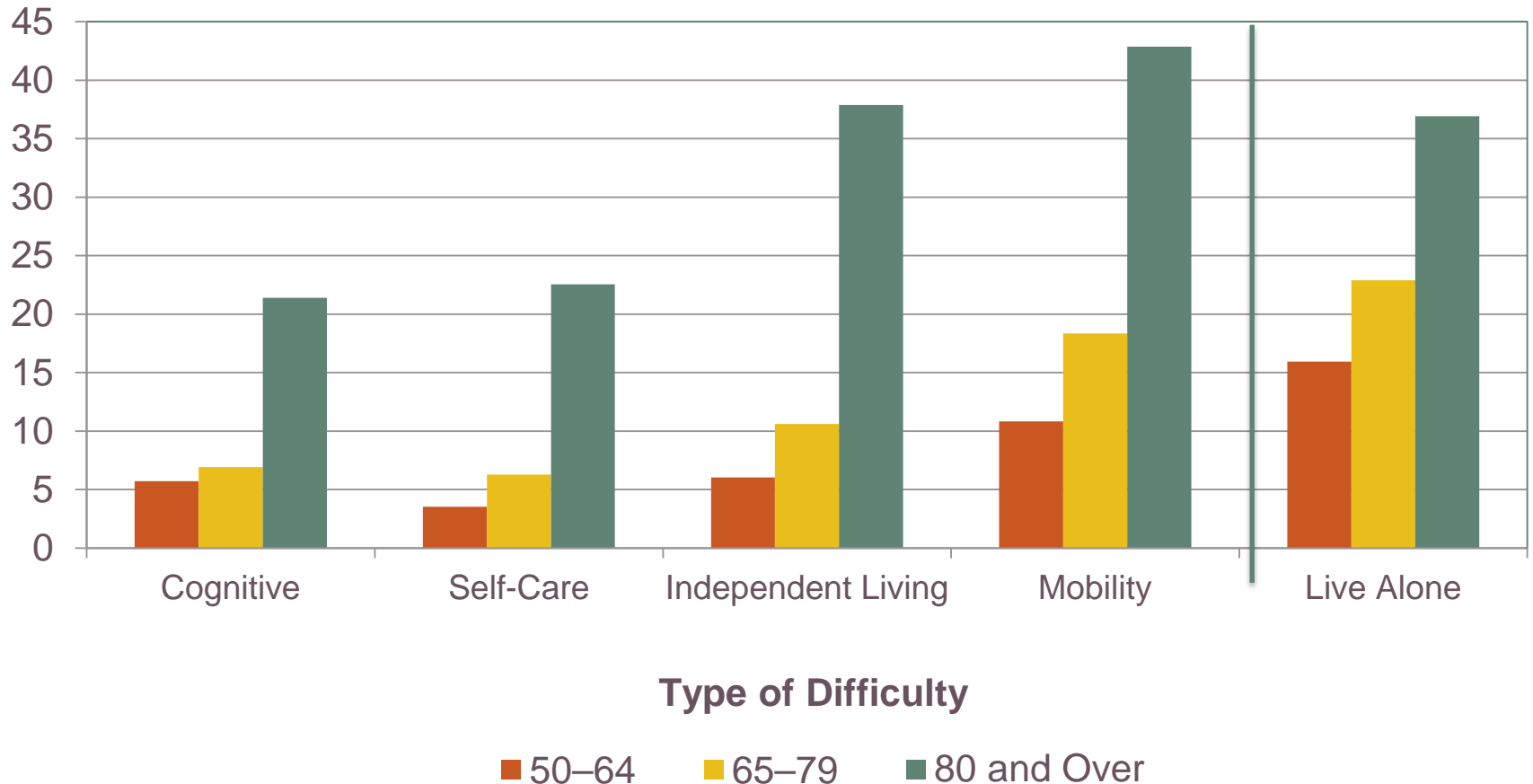
Population by Age Group (Millions)



Source: US Census Bureau, Decennial Censuses and 2012 National Population Projections (middle series).

Aging Brings Increasing Risks of Disability and Isolation

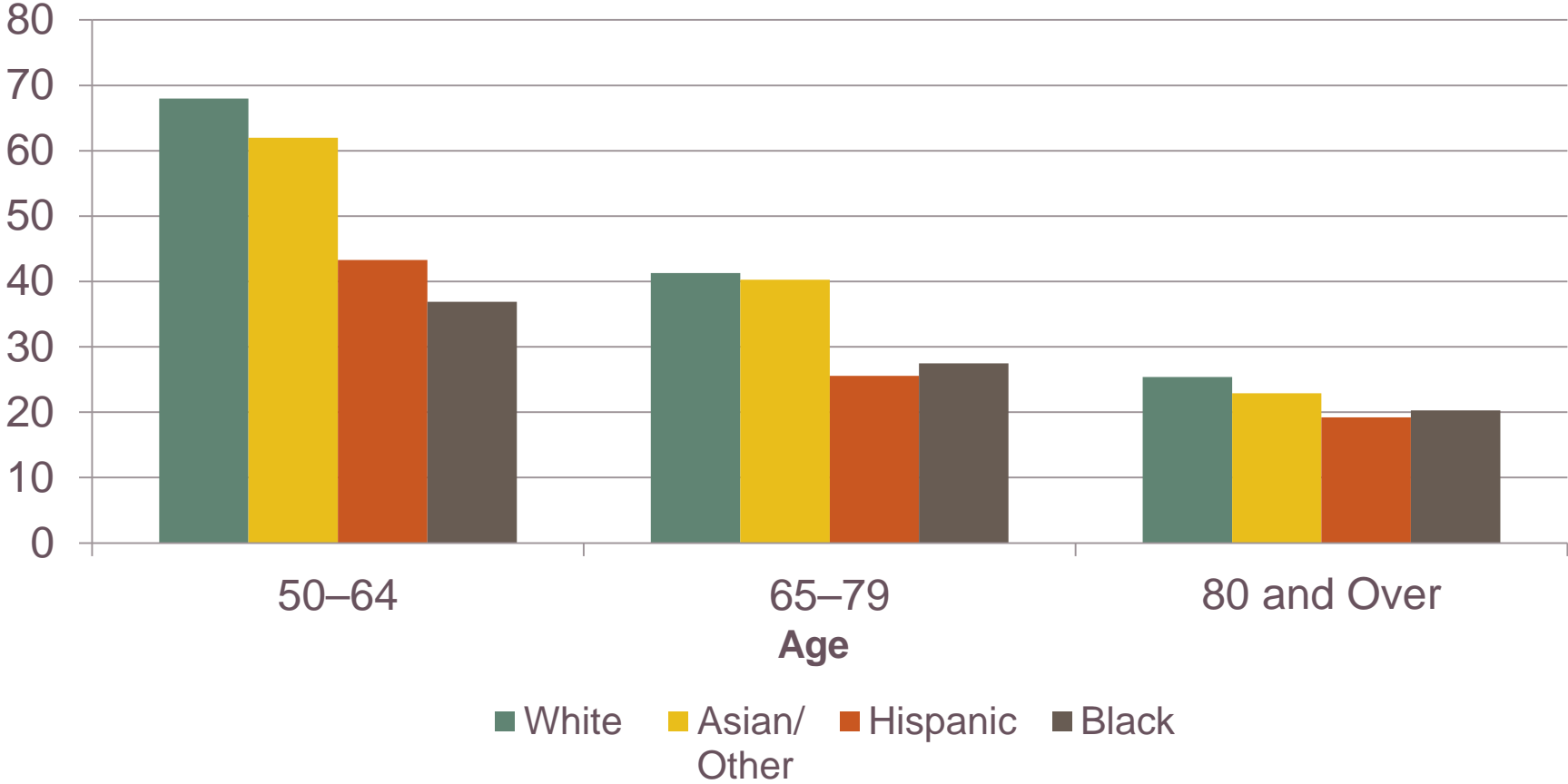
Share Facing Difficulty by Age Group (Percent)



Source: JCHS tabulations of US Census Bureau, 2012 American Community Survey.

Incomes for All Household Types Drop with Age, Leaving High Shares with Very Low Incomes

Median Household Income by Age Group (Thousands of dollars)



Source: JCHS tabulations of US Census Bureau, 2013 Current Population Survey.

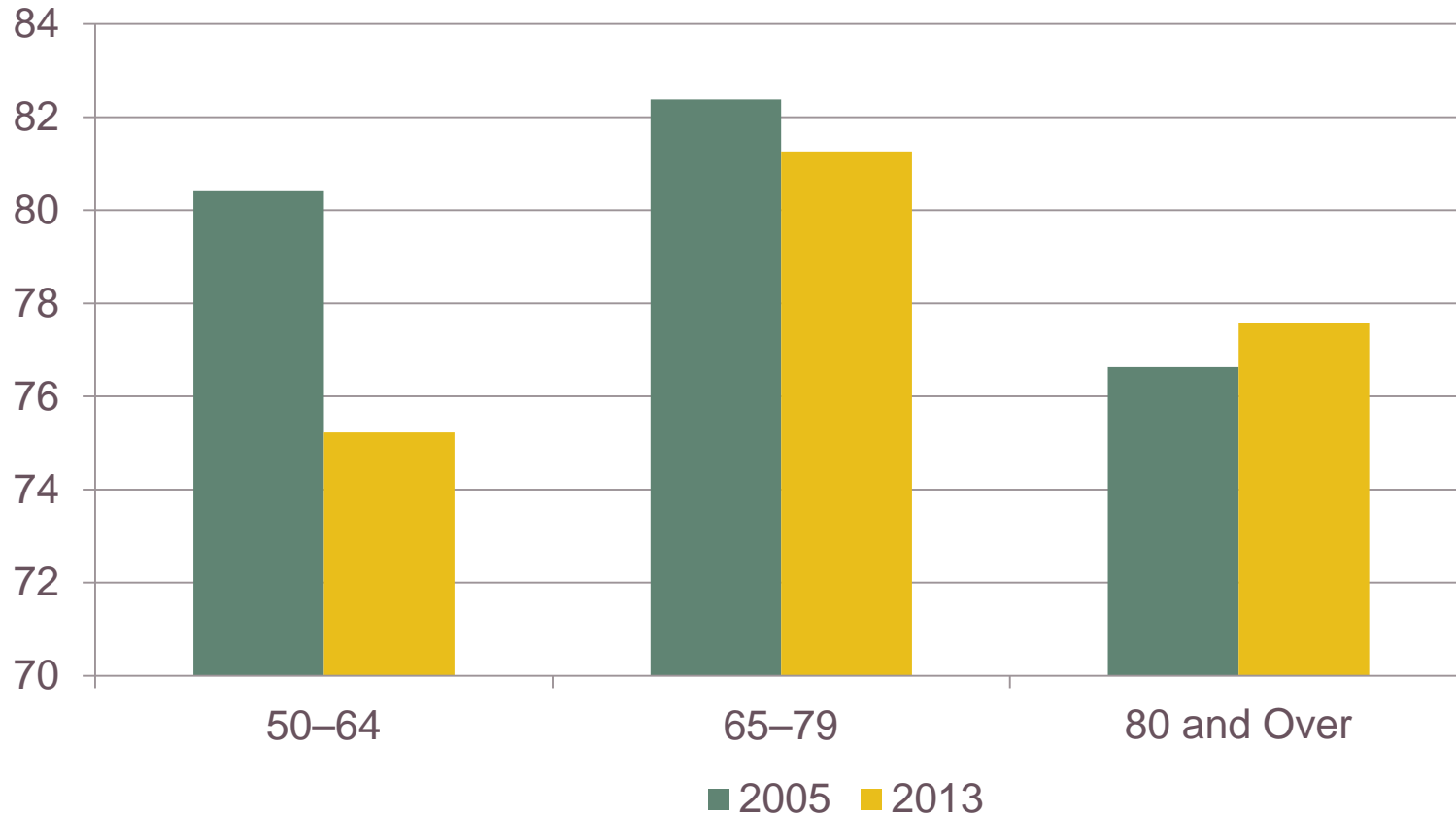
Housing and Financial Security



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A Large Majority of Older Households are Homeowners, But Have Fallen Among 50–64 Year Olds

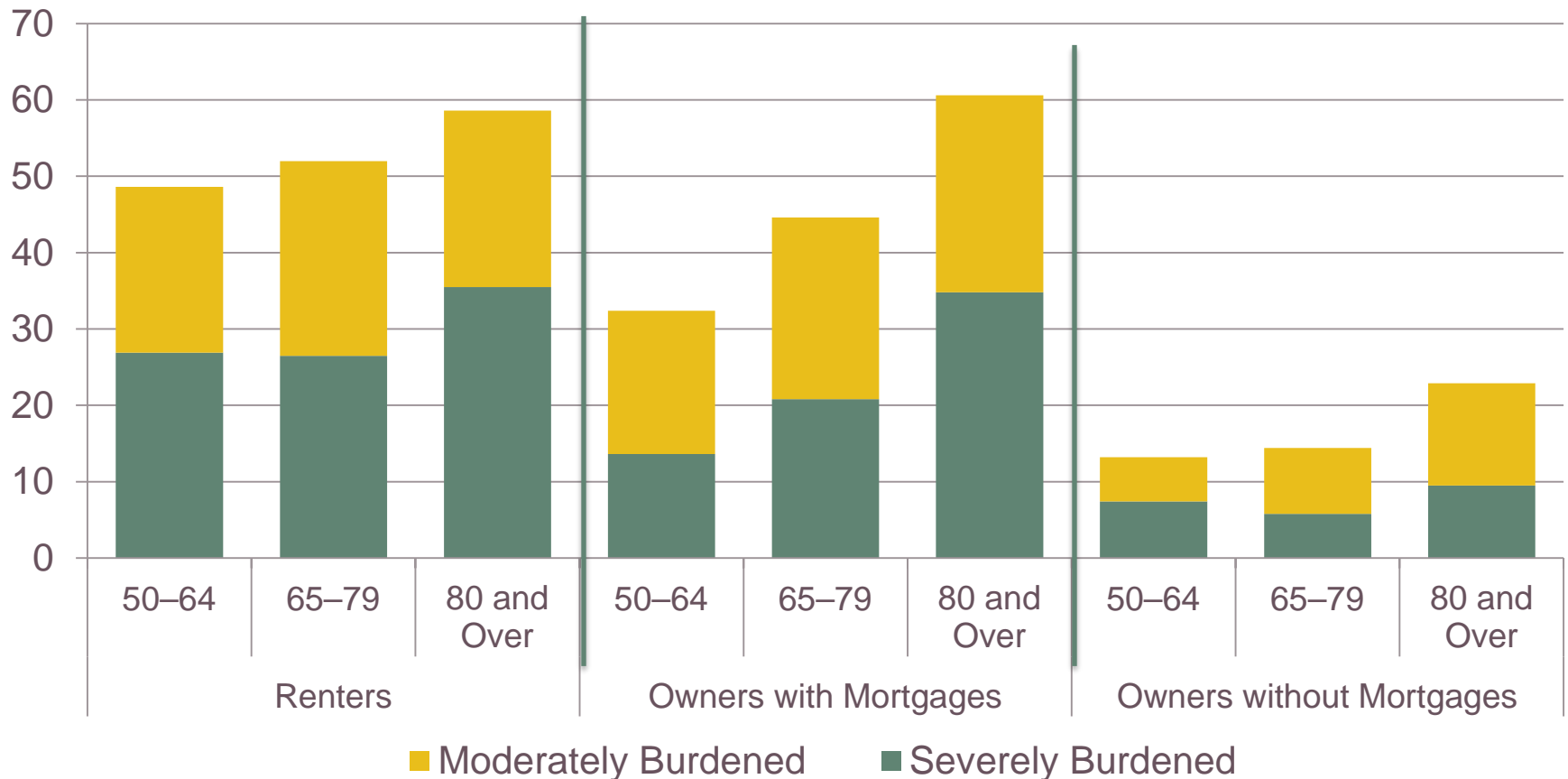
Homeownership Rate by Age Group (Percent)



Source: JCHS tabulations of US Census Bureau, Current Population Surveys.

Households Owning Their Homes Outright Are Much Less Likely to Be Cost Burdened

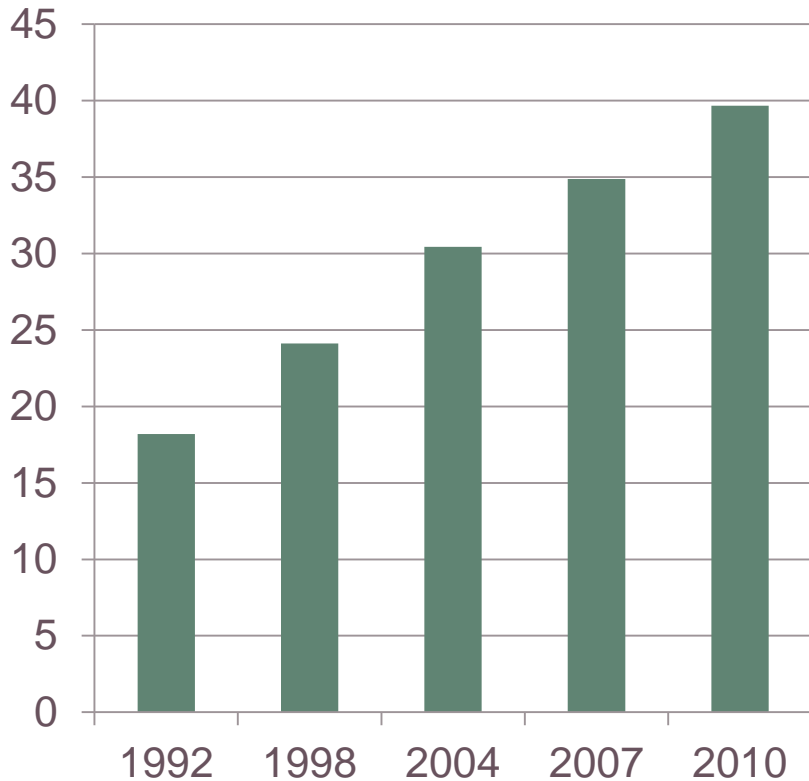
Share of Households by Age Group (Percent)



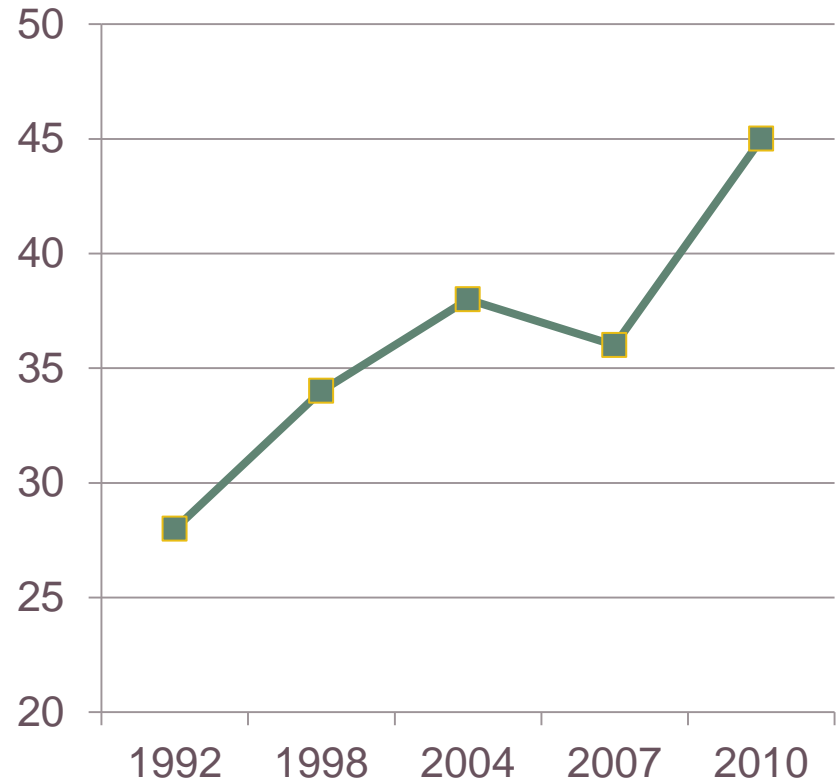
Source: JCHS tabulations of US Census Bureau, 2012 American Community Survey.

Households 65 and Over Are Carrying Much More Mortgage Debt into Their Retirement Years

Share of Owners with Mortgage Debt by Age Group (Percent)



Average Loan-to-Value Ratio for Owners with Mortgages by Age Group (Percent)



Source: JCHS tabulations of Federal Reserve Board, Surveys of Consumer Finances.

Even Excluding Home Equity, Owners Have Substantially More Wealth than Renters

Distribution of Net Wealth among Households Aged 50 and Over (Dollars)

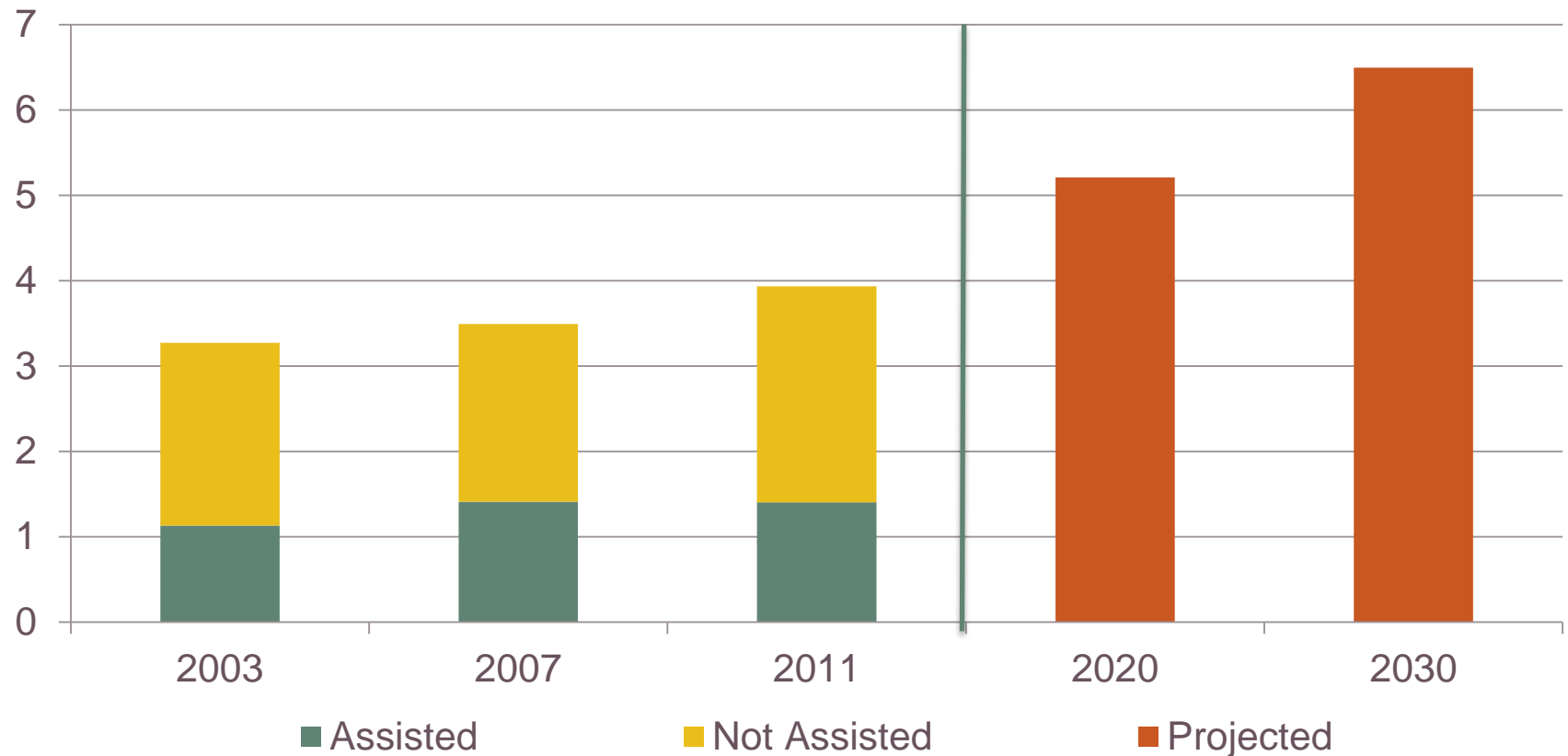
	Percentile				
	10 th	25 th	Median	75 th	90 th
Owner					
Total Wealth	38,100	104,500	267,100	694,600	1,888,700
Home Equity	14,000	50,000	111,000	240,000	450,000
Other Assets	4,600	22,900	117,000	496,500	1,491,800
Renter					
Total Wealth	-1,800	60	6,100	27,700	155,700

Notes: Total net wealth includes both financial and nonfinancial assets. Percentiles for each category of wealth are calculated separately; as a result, percentile values for the components of homeowner wealth do not sum up to total homeowner wealth within each percentile.

Source: JCHS tabulations of Federal Reserve Board, 2010 Survey of Consumer Finances.

Rapid Growth in Older Eligible Renters Will Put Even More Pressure on Housing Assistance Programs

Very Low-Income Renter Households Aged 62 and Over (Millions)



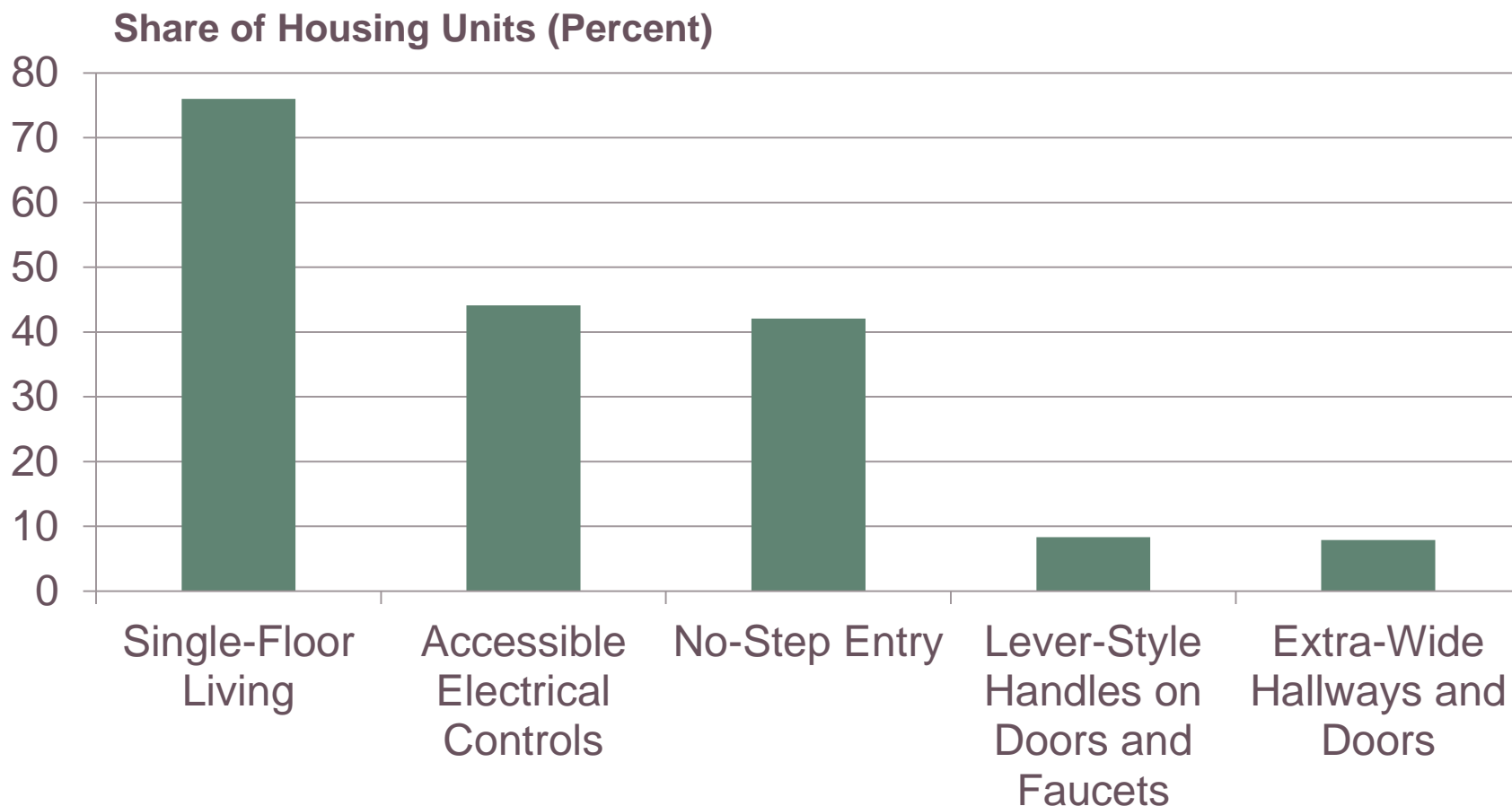
Sources: JCHS tabulations of US Department of Housing and Urban Development, Worst Case Needs Reports to Congress, and JCHS 2013 Household Projections.

Accessibility Needs and the Housing Stock



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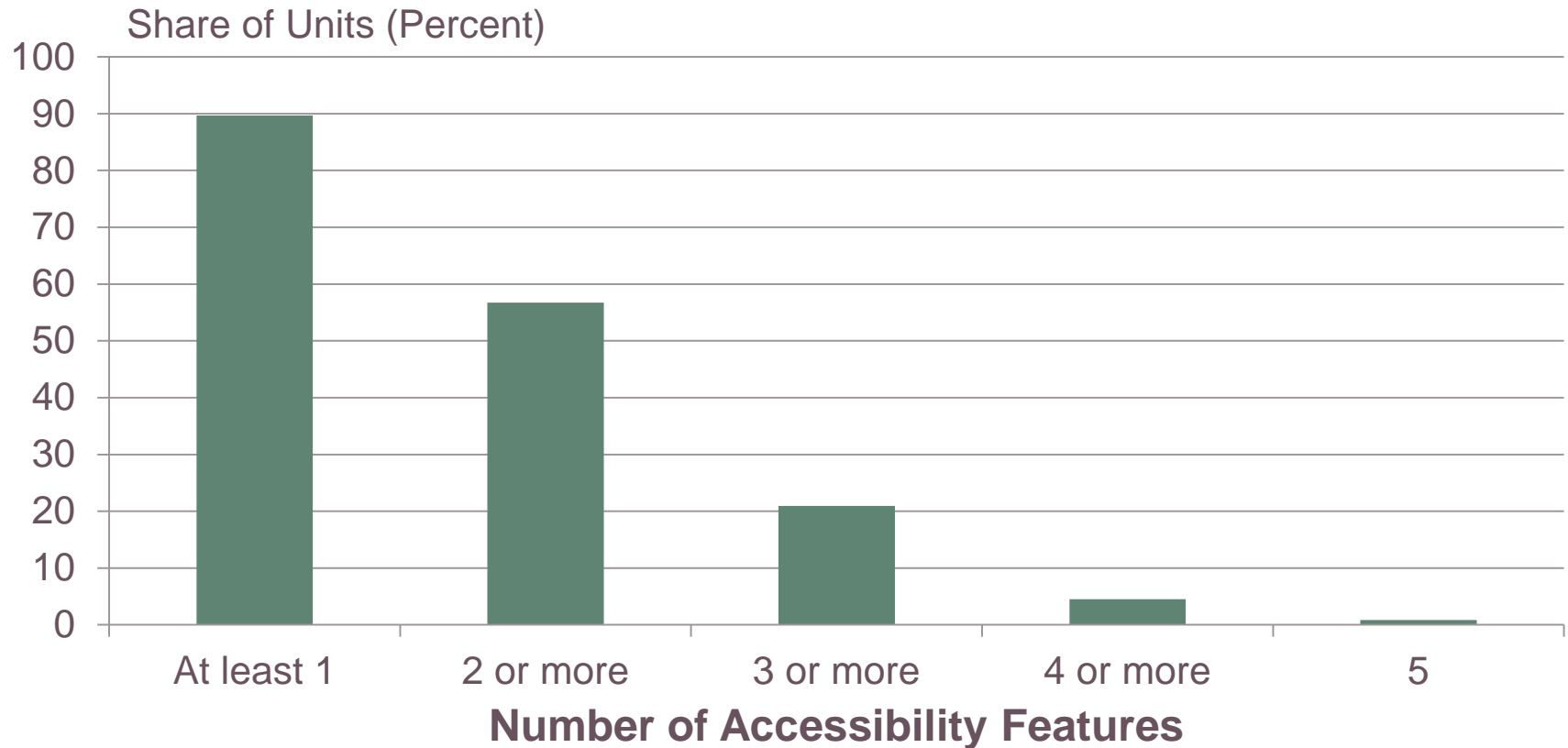
Single-Floor Living is The Most Common Accessibility Feature



Notes: 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.

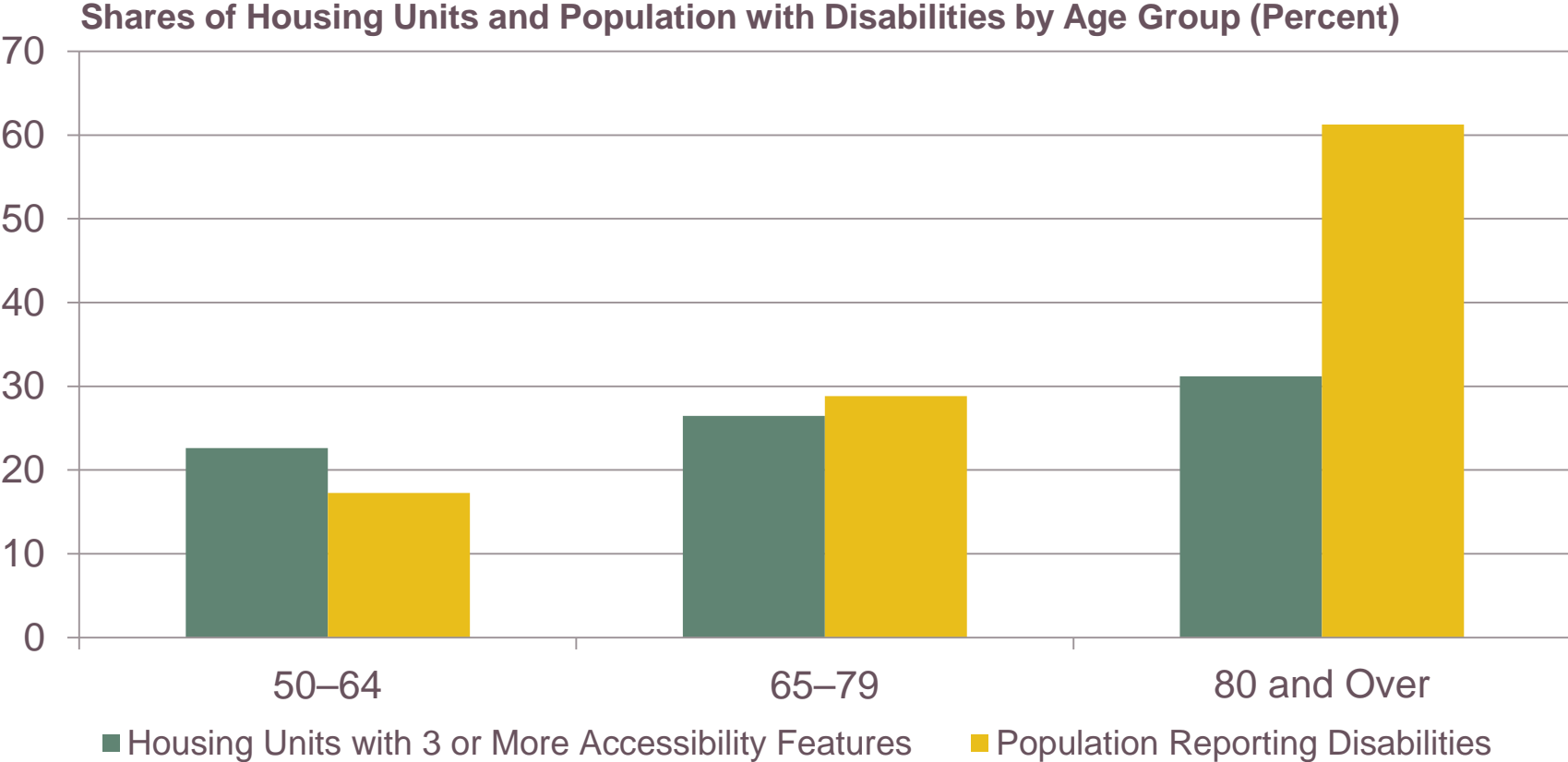
But Very Few Homes Have at Least Three Accessibility Features



Notes: Accessibility features specifically include no-step entry, single-floor living, extra-wide hallways and doors, accessible electrical controls and switches, and lever-style handles on doors and faucets.

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

By Age 80, Adults Are Far More Likely to Have Disabilities than to Live in Accessible Homes



Source: JCHS tabulations of US Department of Housing and Urban Development, 2011 American Housing Survey, and US Census Bureau, 2012 American Community Survey.

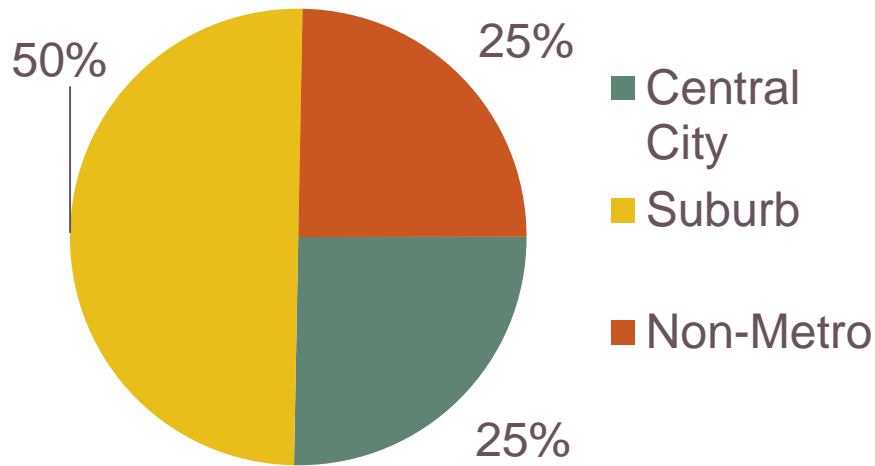
Policies and Programs to Promote Accessibility

- ***Visitability Ordinances:*** Incentives or mandates for accessibility features in new housing
- ***Tax Incentives:*** Tax credits for homeowners or builders adding accessibility features
- ***Grants or Low-Interest Loans:*** Federal, state, and local funds to assist homeowners in modifying their homes (including through Medicaid)
- ***Volunteer Assistance:*** Efforts such as *Rebuilding Together* to mobilize volunteers and donations

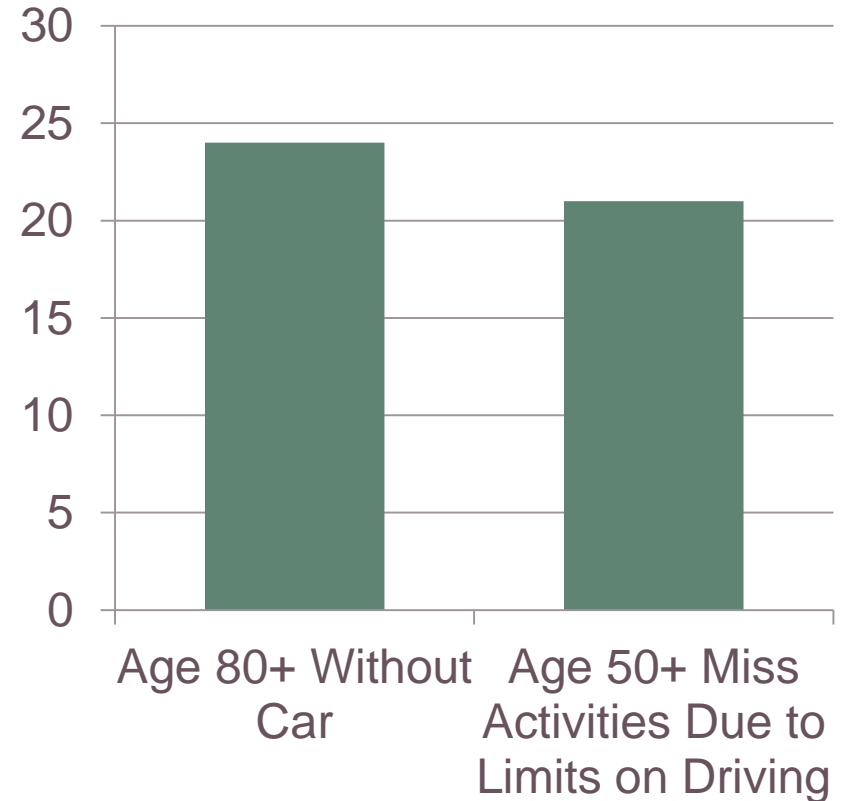
Social Connection and Community Support

With High Share of Older Households in Car-Dependent Suburbs and Non-Metro Areas, Aging Will Bring Heightened Risk of Isolation

Share of Households Age 50+



Share of Persons (Percent)



Source: JCHS tabulations of US Department of Housing and Urban Development, 2009 and 2011 American Housing Survey. AARP Research and Strategic Analysis, "Transportation Use and Options of Midlife and Older Adults," 2010.

Approaches to Enhance Connectivity

- Services supporting aging in community: senior centers, Area Agencies on Aging, meals delivery, home care, adult day care, etc.
- Housing options close to commercial centers and transit
- Accessibility of transit, transit alternatives
- Improved pedestrian experience

Linking Housing and Long-Term Supports and Services

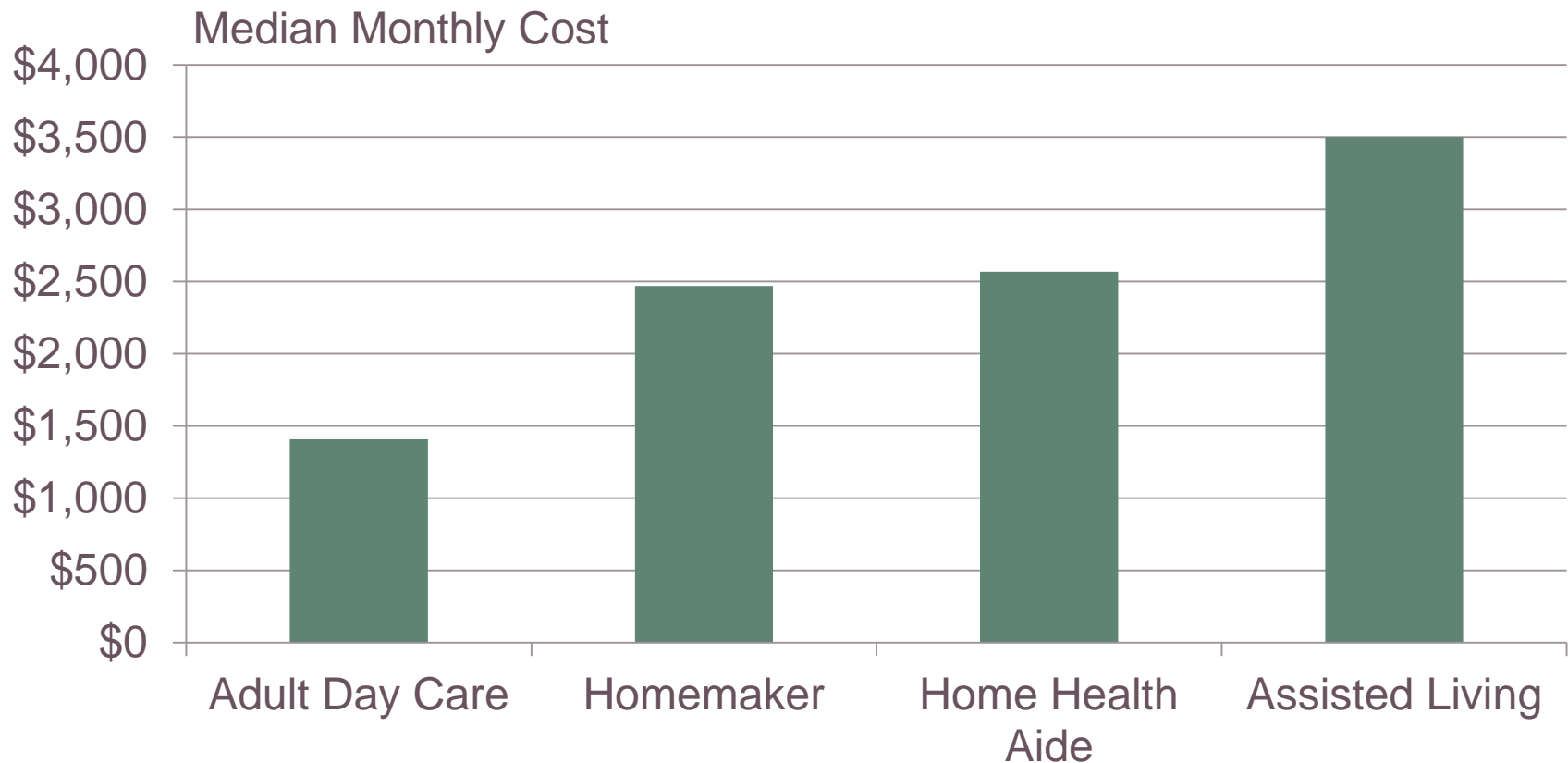


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Trends in Long-term Services and Supports

- Vast majority of older households with disabilities live in the community
- Number of adults in institutional settings has declined 20% over 2000-2010
- Two-thirds rely exclusively on family members for long-term care and only 9% do not rely on family at all—but there will be fewer family members to turn to in the future

Cost of Long-Term Services and Supports Are Quite High—Out of Reach for Most Renters

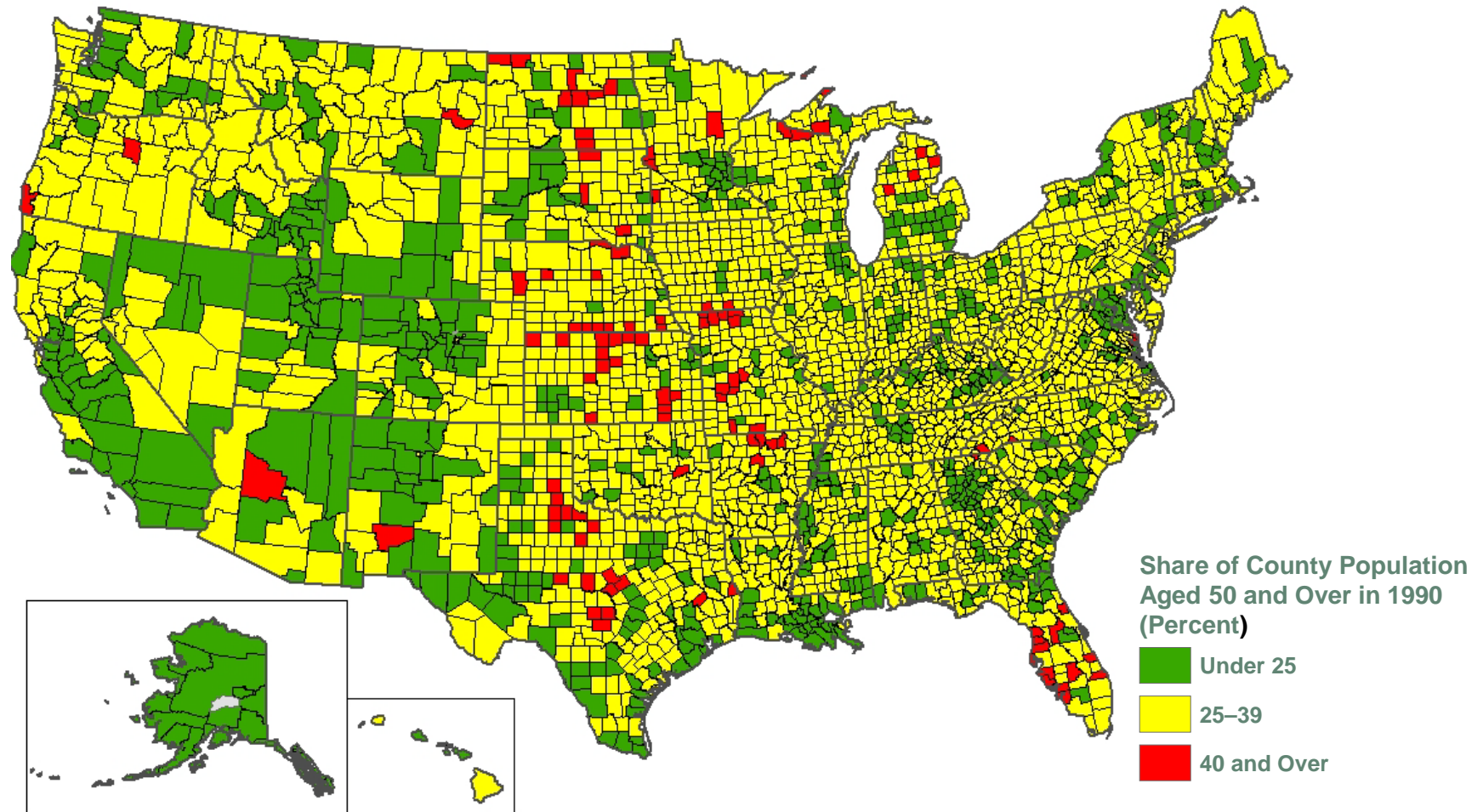


Sources: 2014 Genworth Cost of Care Survey.

Expanding Affordable Housing with Long-Term Supportive Services

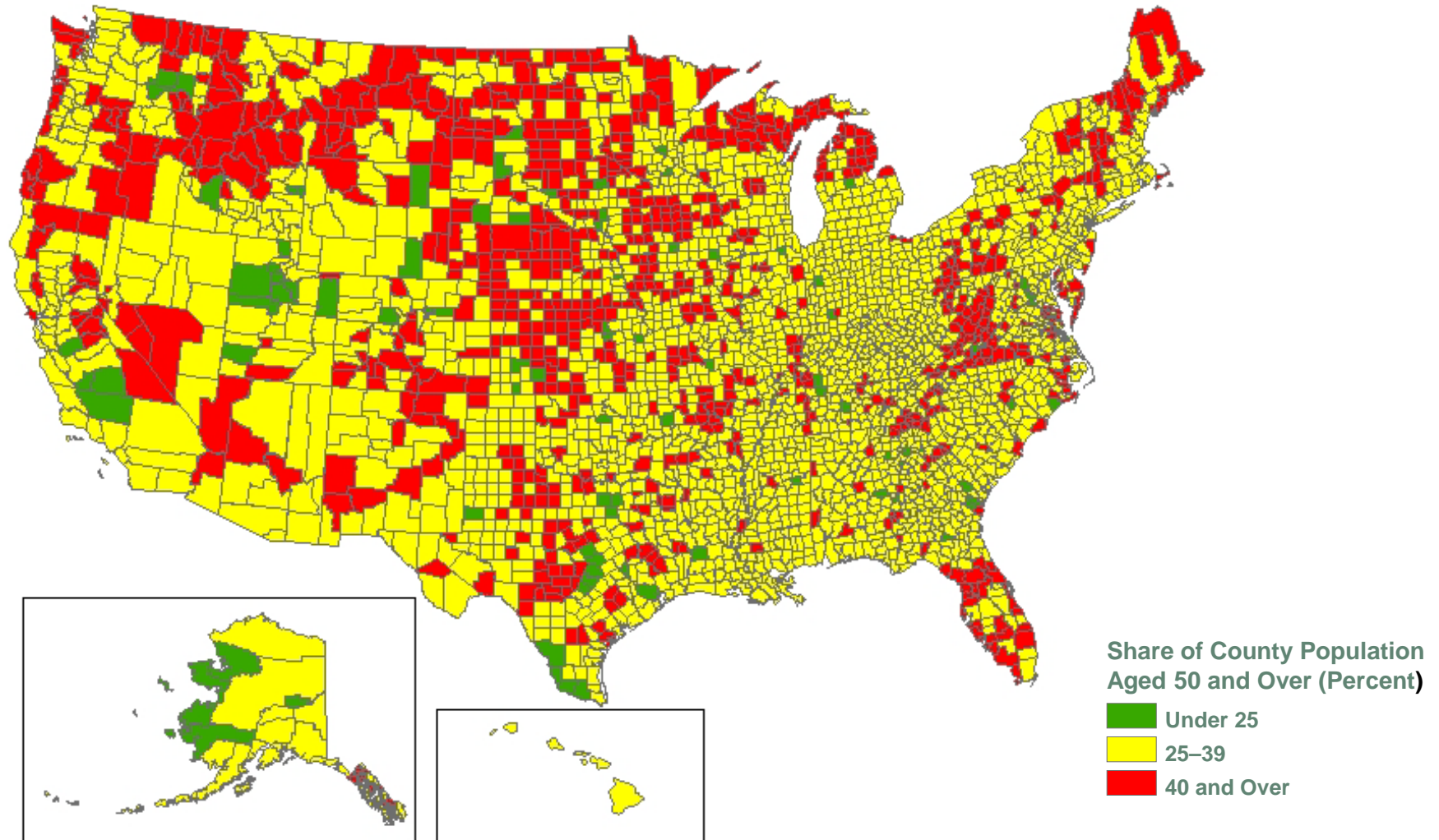
- Expansion of HUD Programs to Provide Housing With Supportive Services
- Non-profit Models Linking Long-Term Services to Assisted Housing Developments
- Medicaid Support for Aging in Place

In 1990, Only a Few Counties had Large Concentrations of Older Adults



Source: JCHS tabulations of US Census Bureau, 1990 Decennial Census.

By 2010, Communities Across the Country Had High Concentrations of Older Residents



Source: JCHS tabulations of US Census Bureau, 2010 Decennial Census.