

A black and white photograph of two hands cupped together, holding a small, fragile house made of cardboard. The house has a gabled roof and a rectangular doorway. The hands are positioned as if they are carefully supporting the house, symbolizing the struggle to find affordable housing.

 **Zillow** GROUP | **ECONOMIC ROUNDTABLE**

# **Priced Out: Rising Rent and Homelessness Across America**

#HousinginAmerica



# Where Rents Matter Most (and Least) in Driving Homelessness

Alexander Casey, Zillow Policy Advisor

---

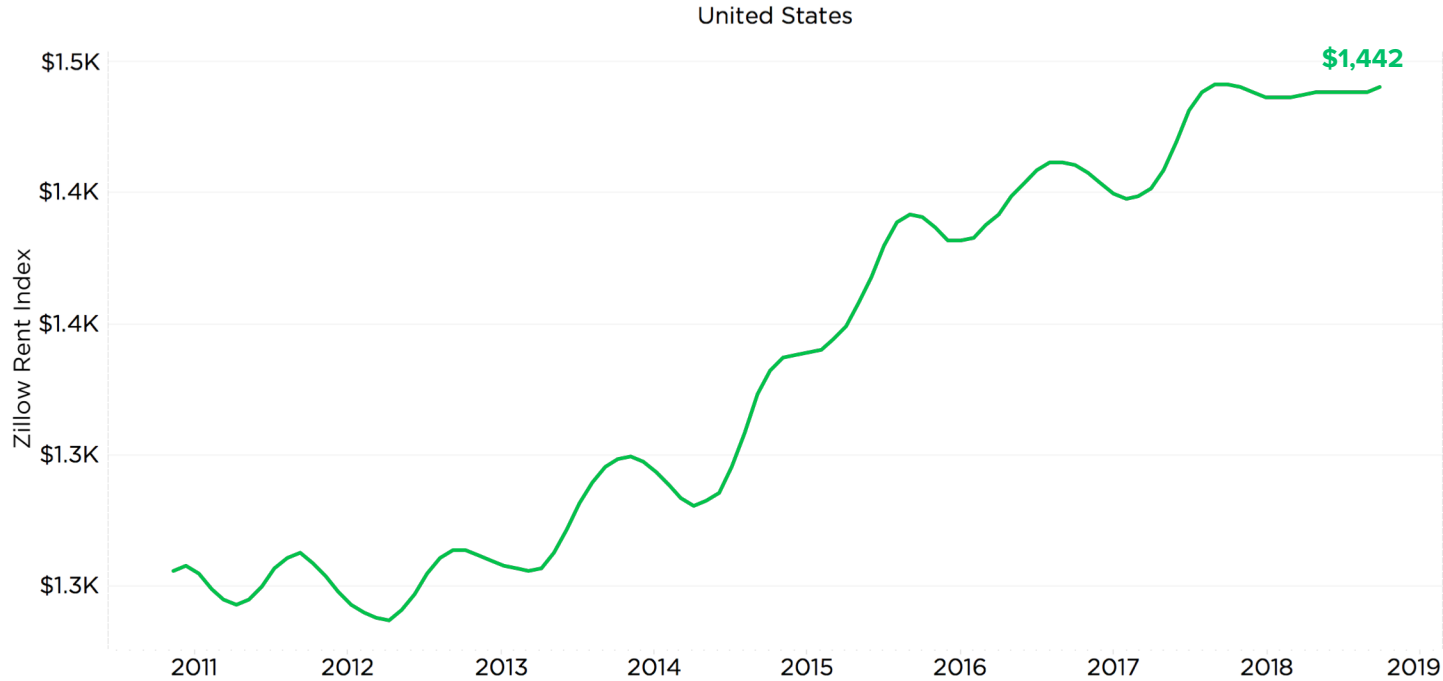
Findings from:

Inflection Points in Community-Level Homeless Rates

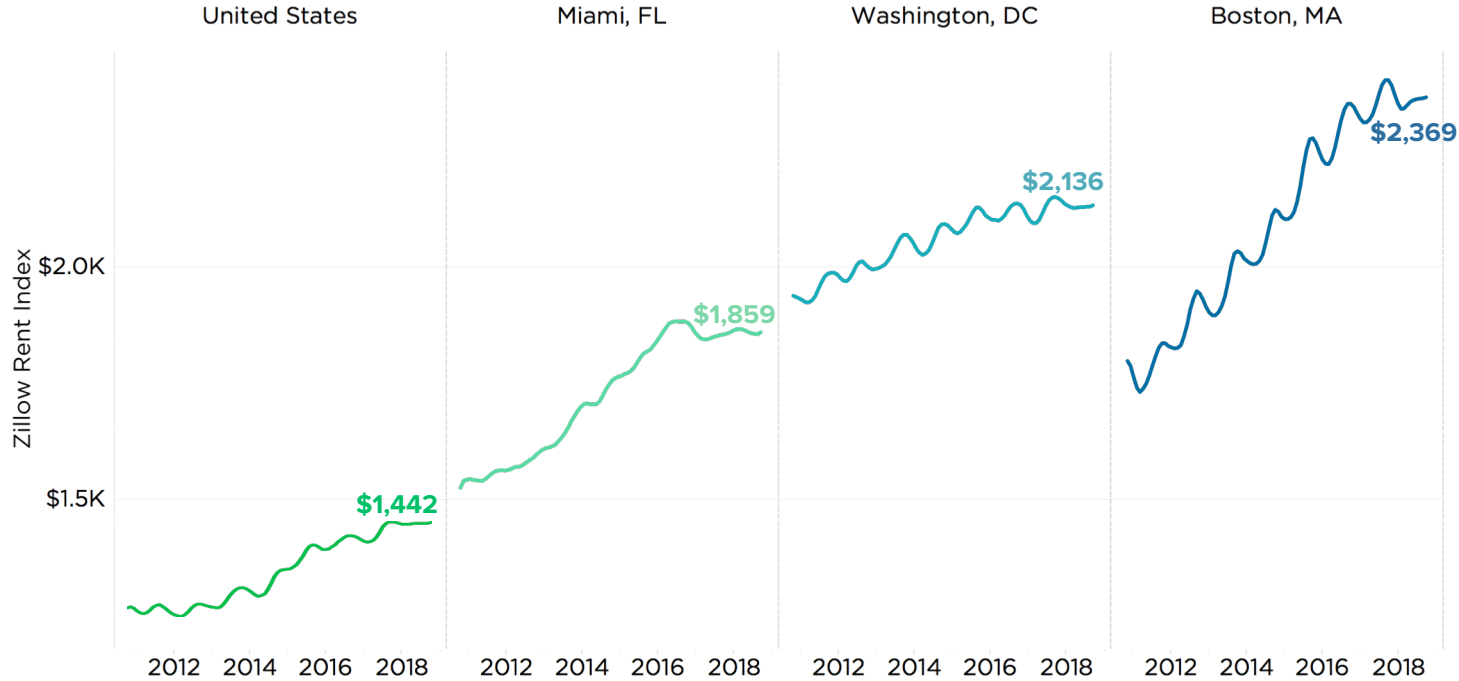
Chris Glynn, Thomas H. Byrne, and Dennis P. Culhane



# Rental values have been rising at a steady clip

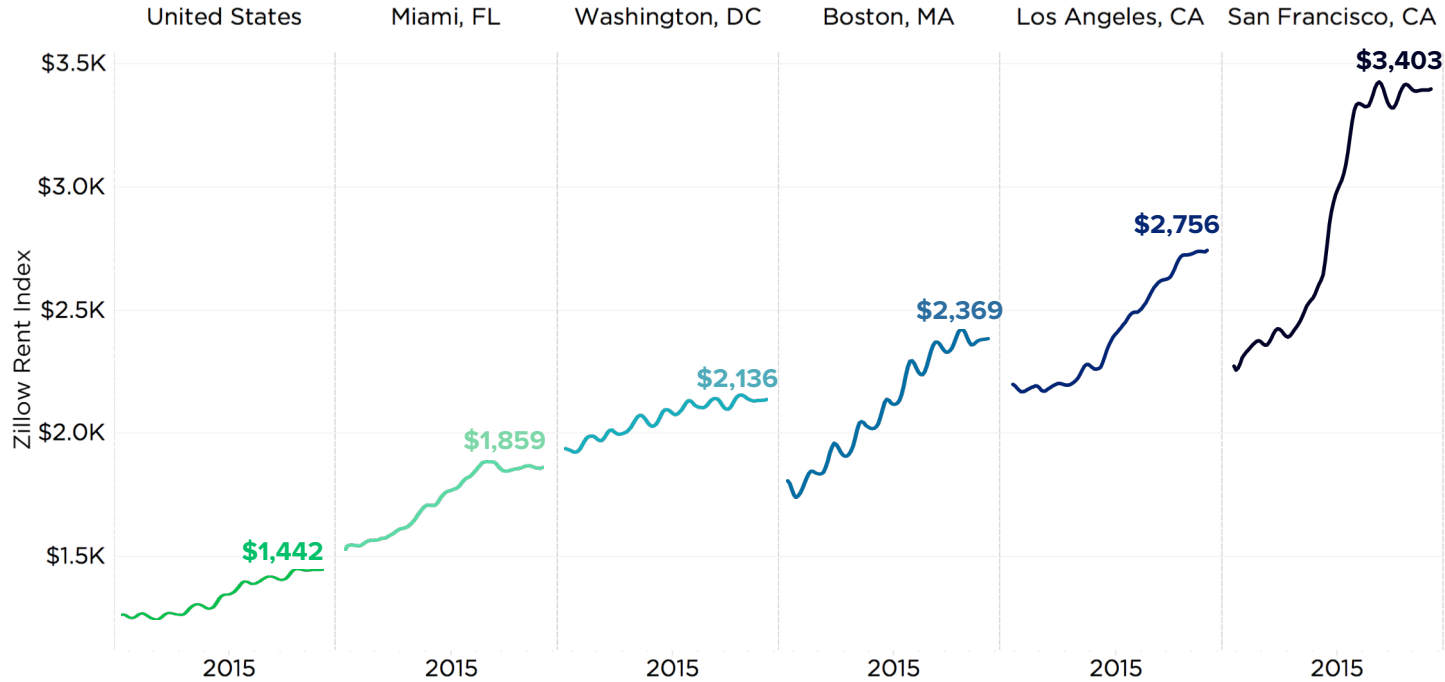


# Rental values have been rising at a steady clip

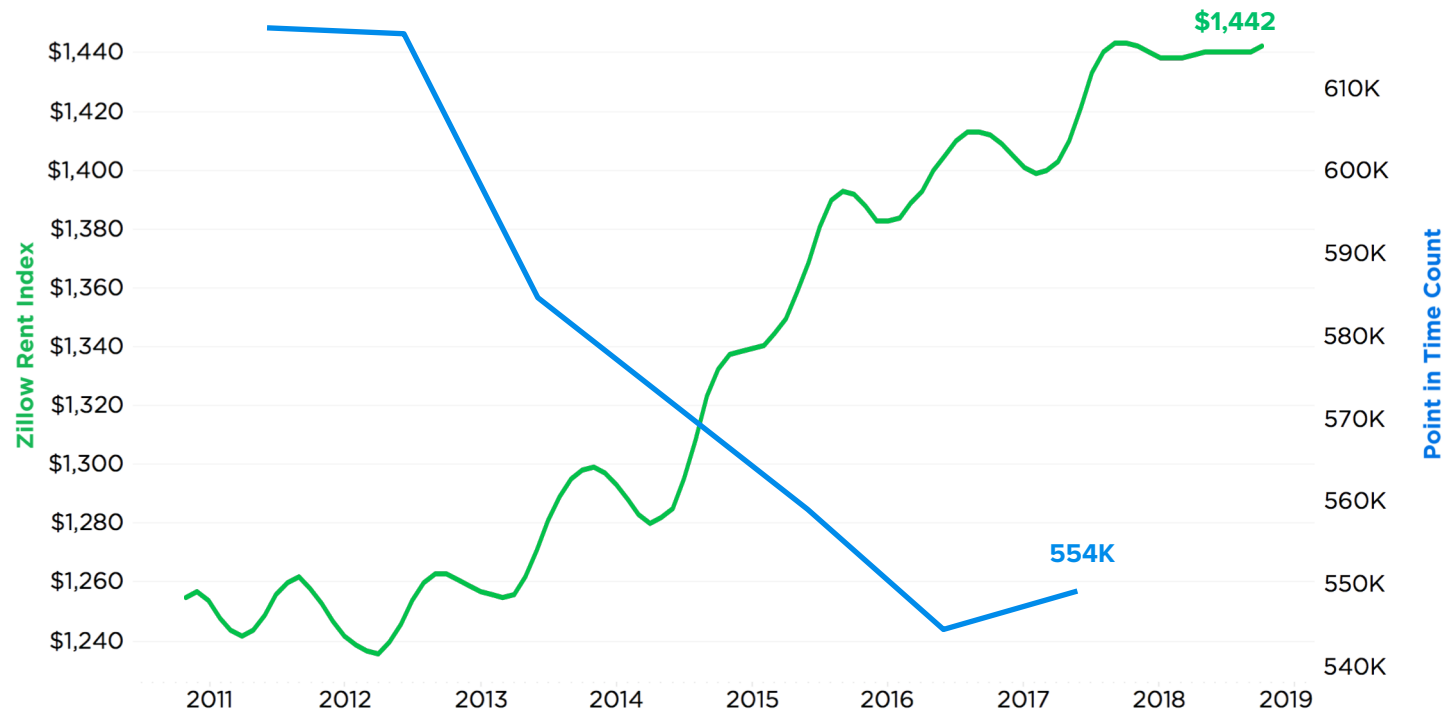




# Rental values have been rising at a steady clip

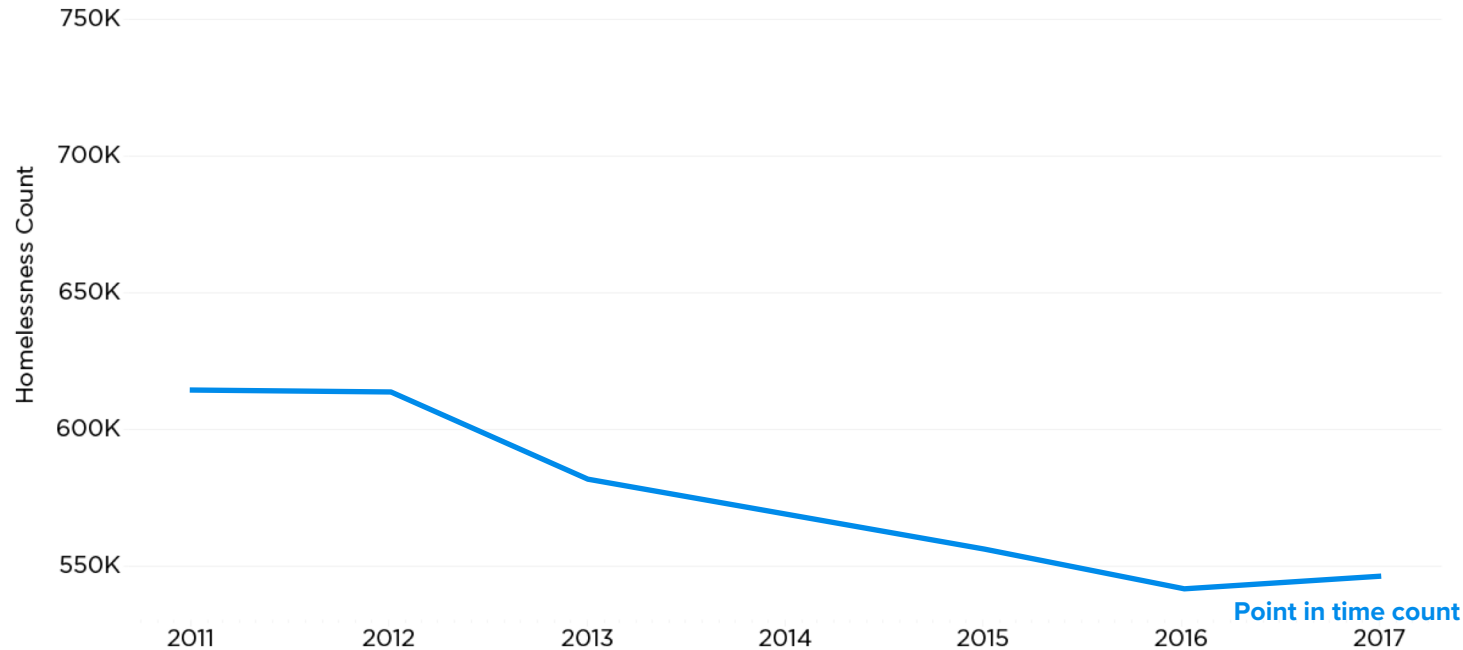


## Nationally, rents are up. Yet homelessness counts have fallen

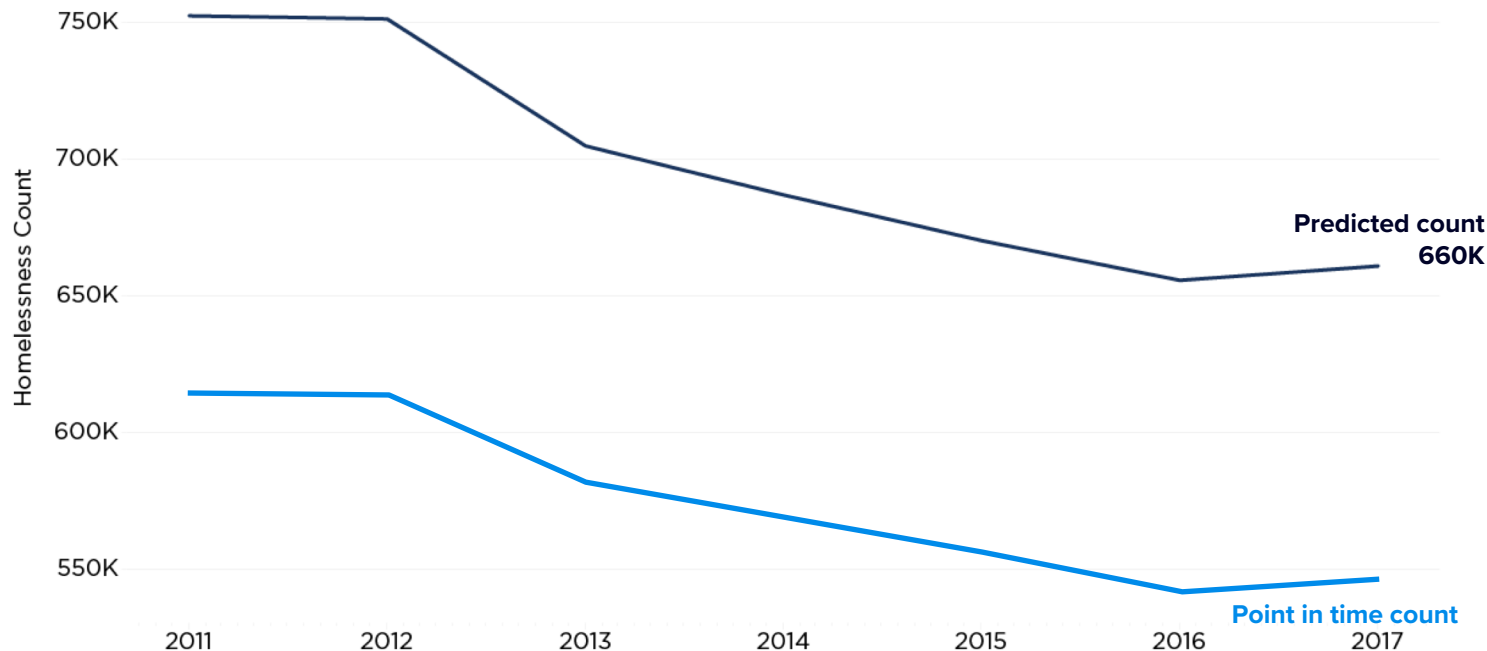




# Modeling for the systemic undercount from PIT estimates

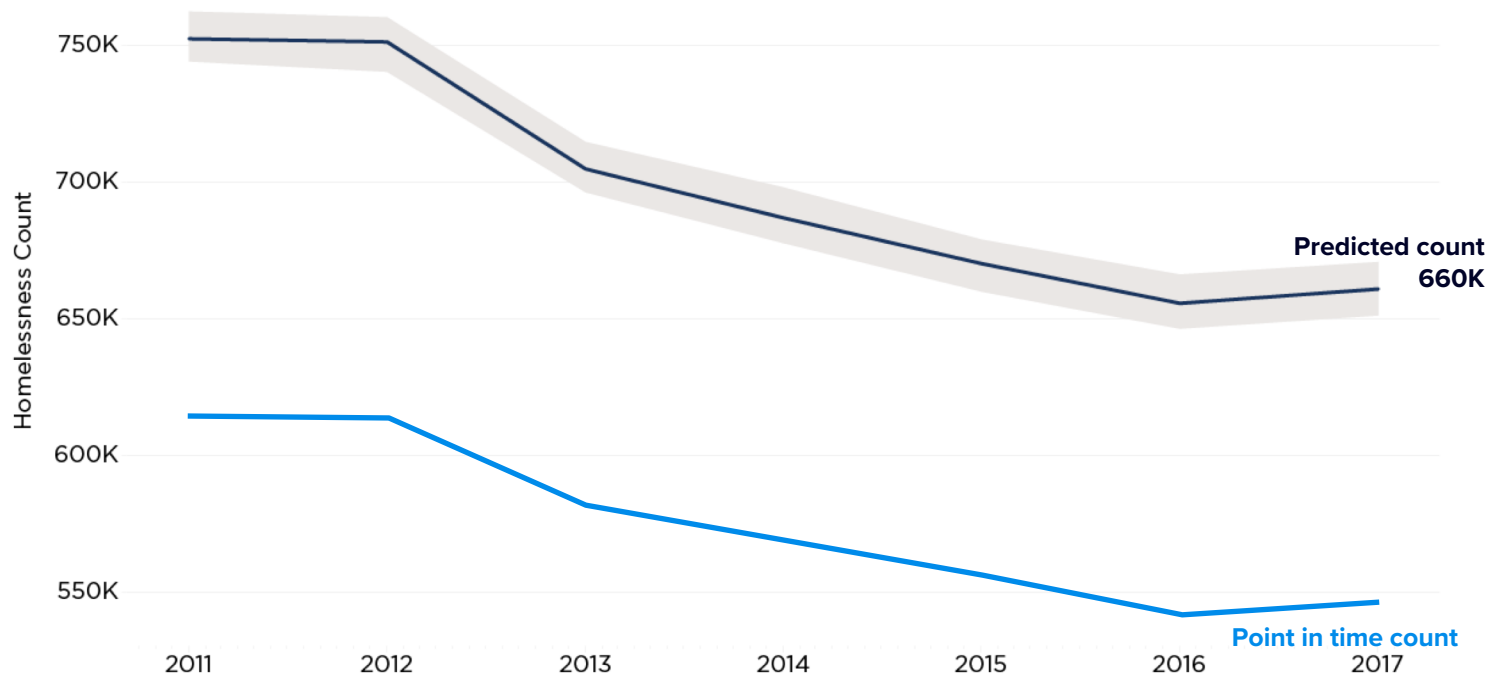


# Modeling for the systemic undercount from PIT estimates

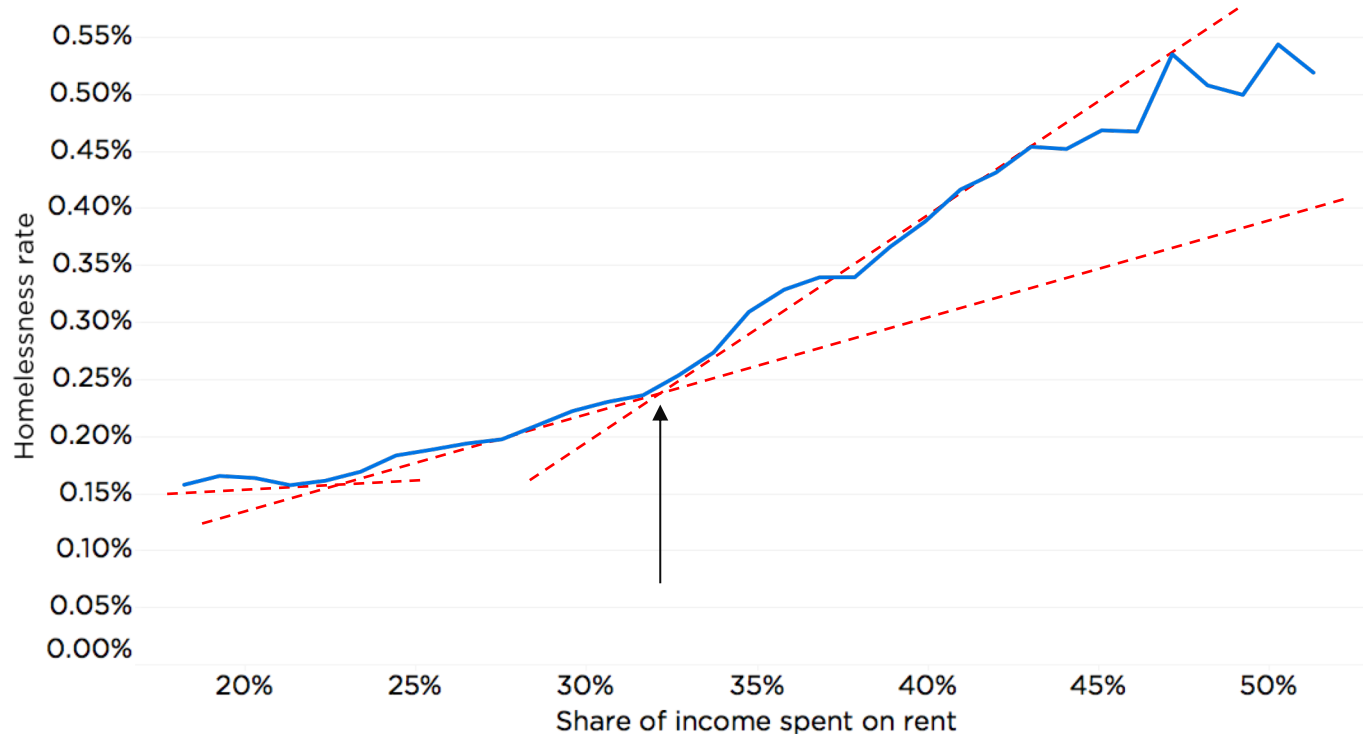




# Modeling for the systemic undercount from PIT estimates

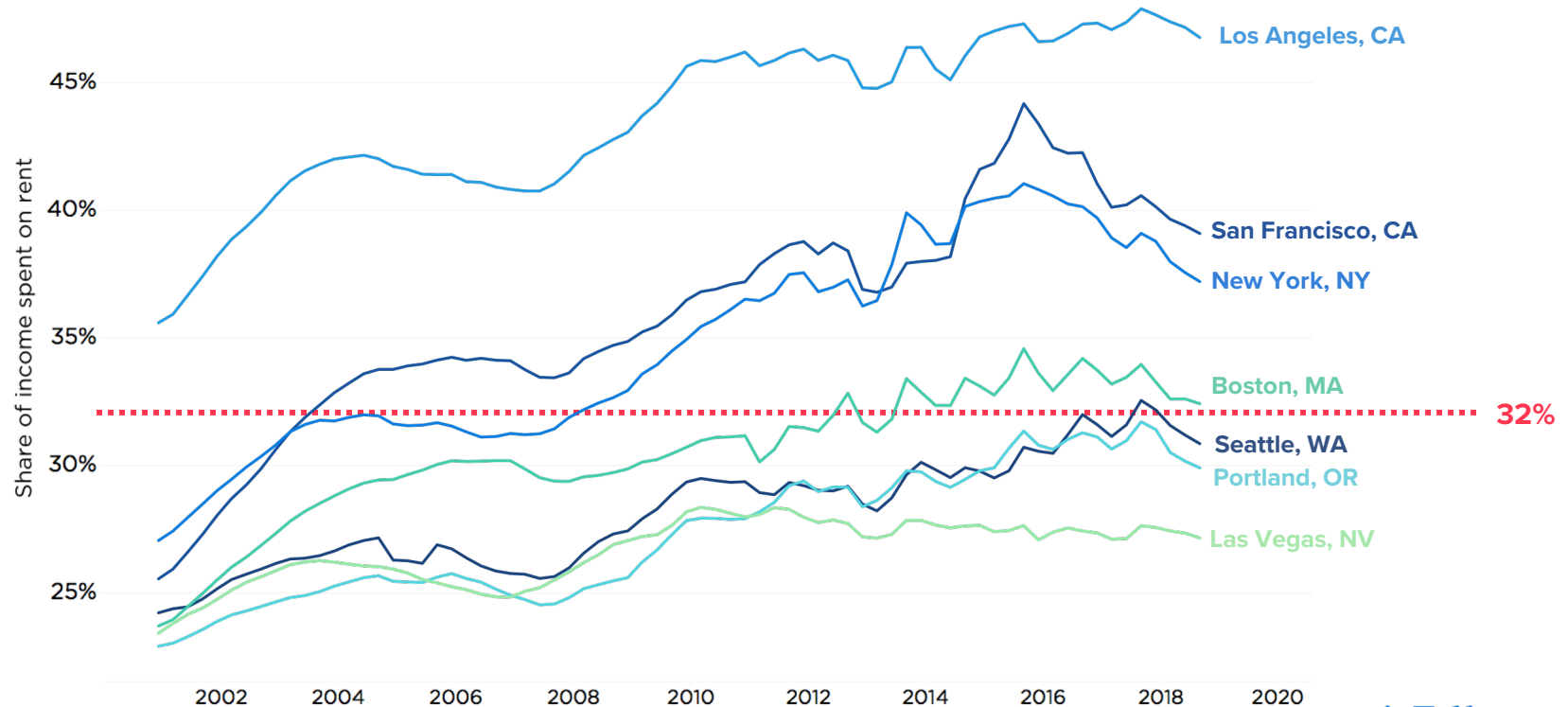


When a community reaches an affordability tipping point, the link between rent burdens and homeless rates grows stronger





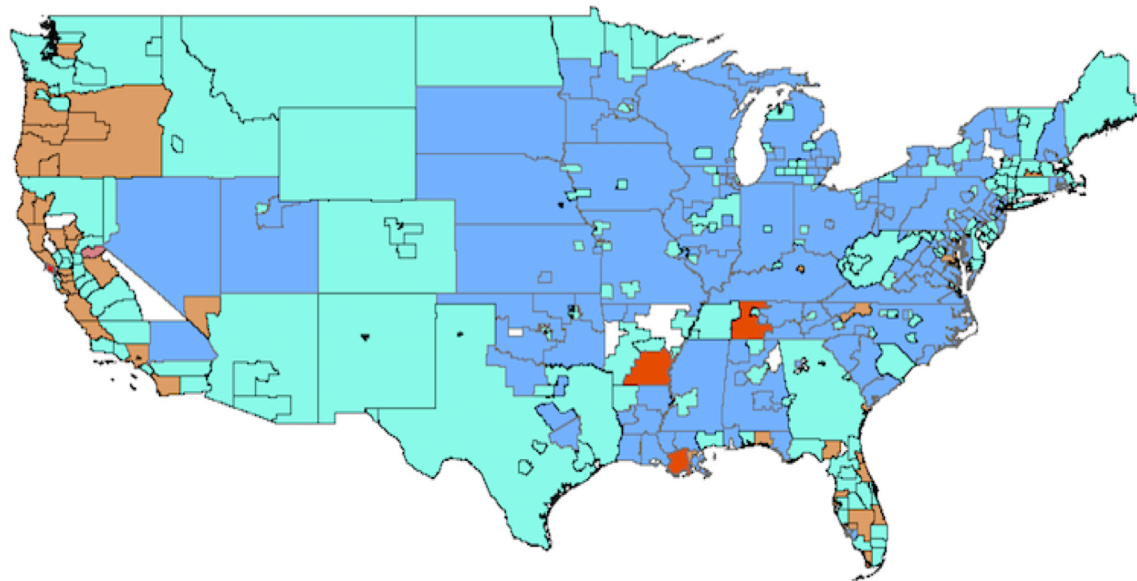
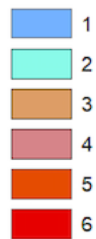
In some places, a median-income renter already pays more than 32% of income to go out and rent the typical home



# Clusters of communities experience similar responses to changing rent prices

## Legend

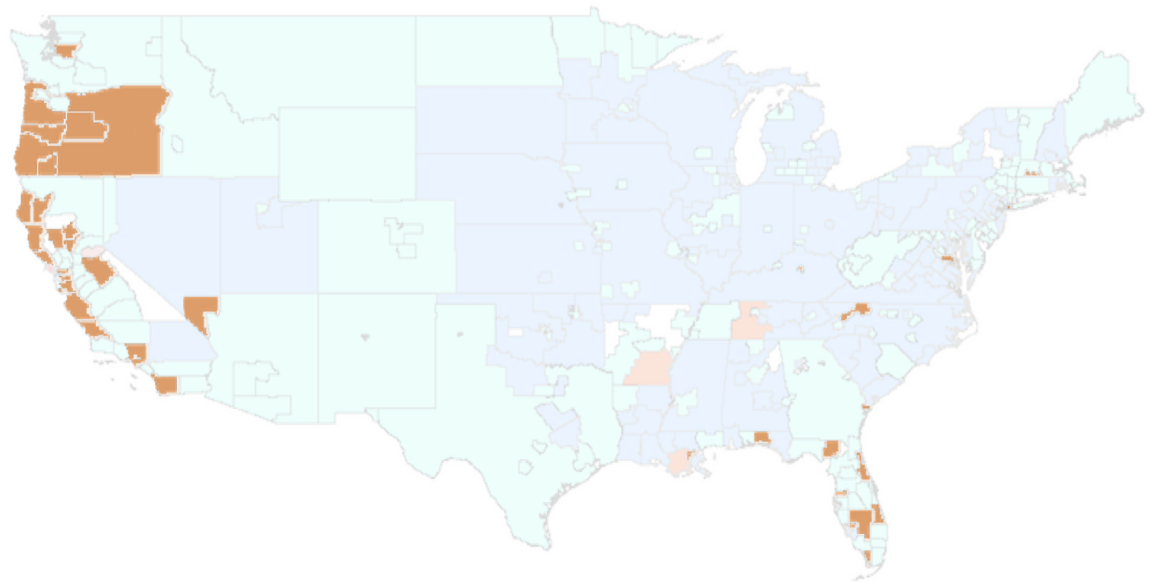
### Cluster



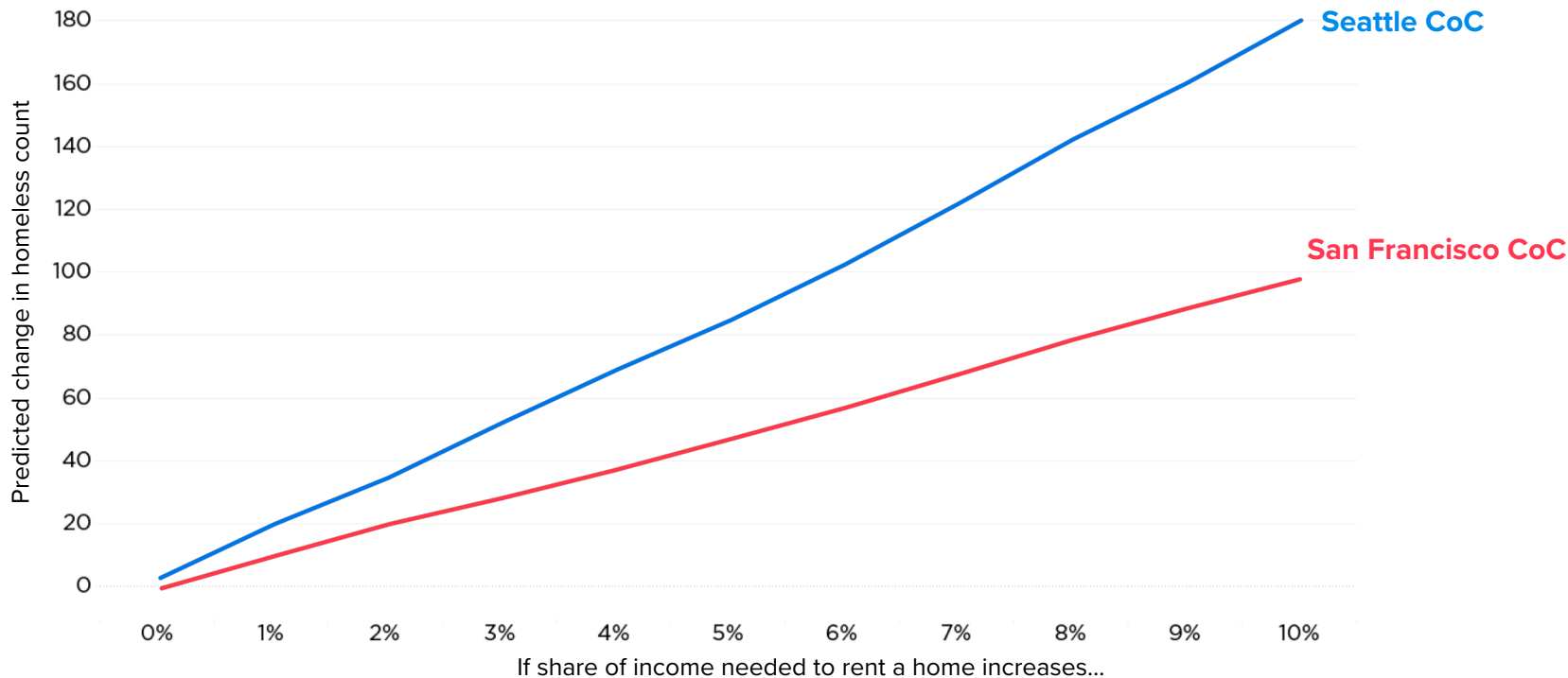
Cluster 3 is home to 15% of the U.S. population and 47% of the homeless population

**Legend**

**Cluster**

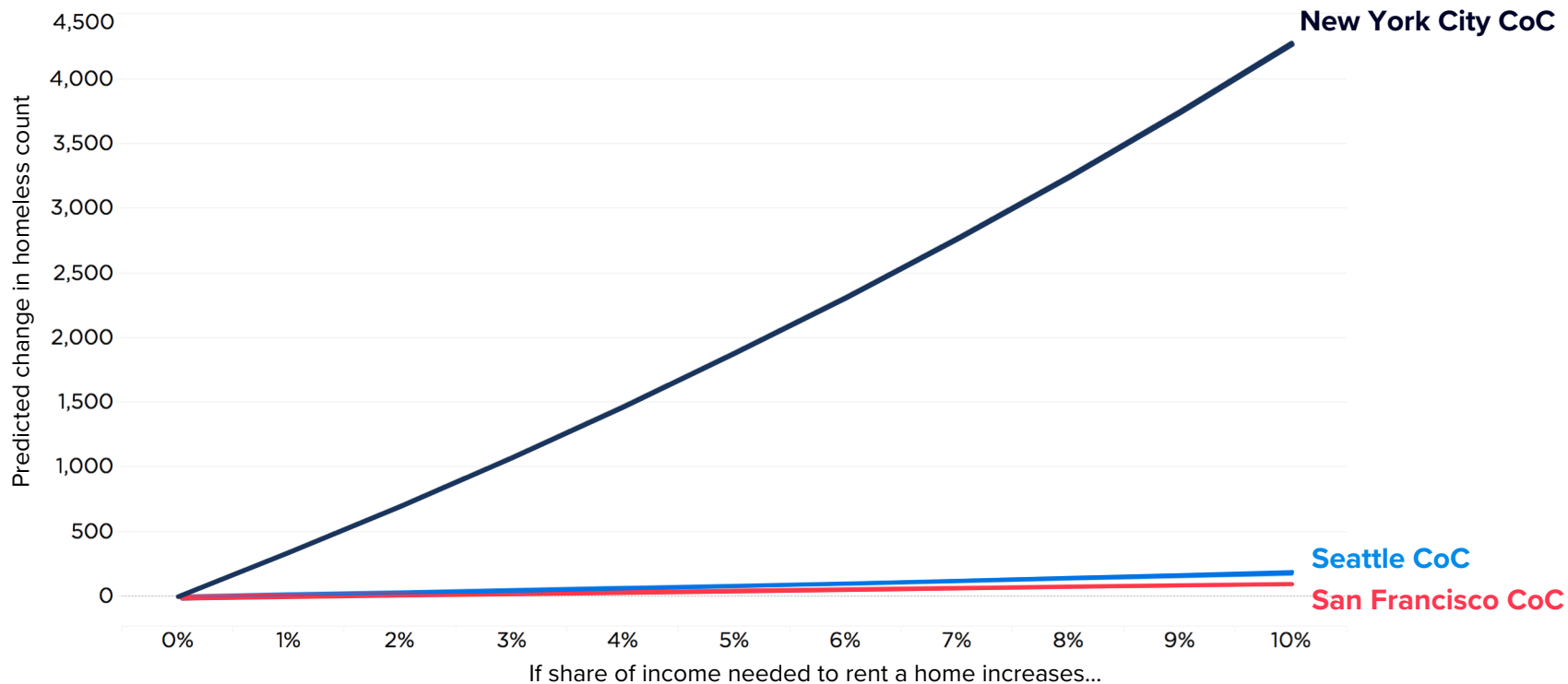


As the share of income needed to rent a new home increases, so does the predicted homeless population

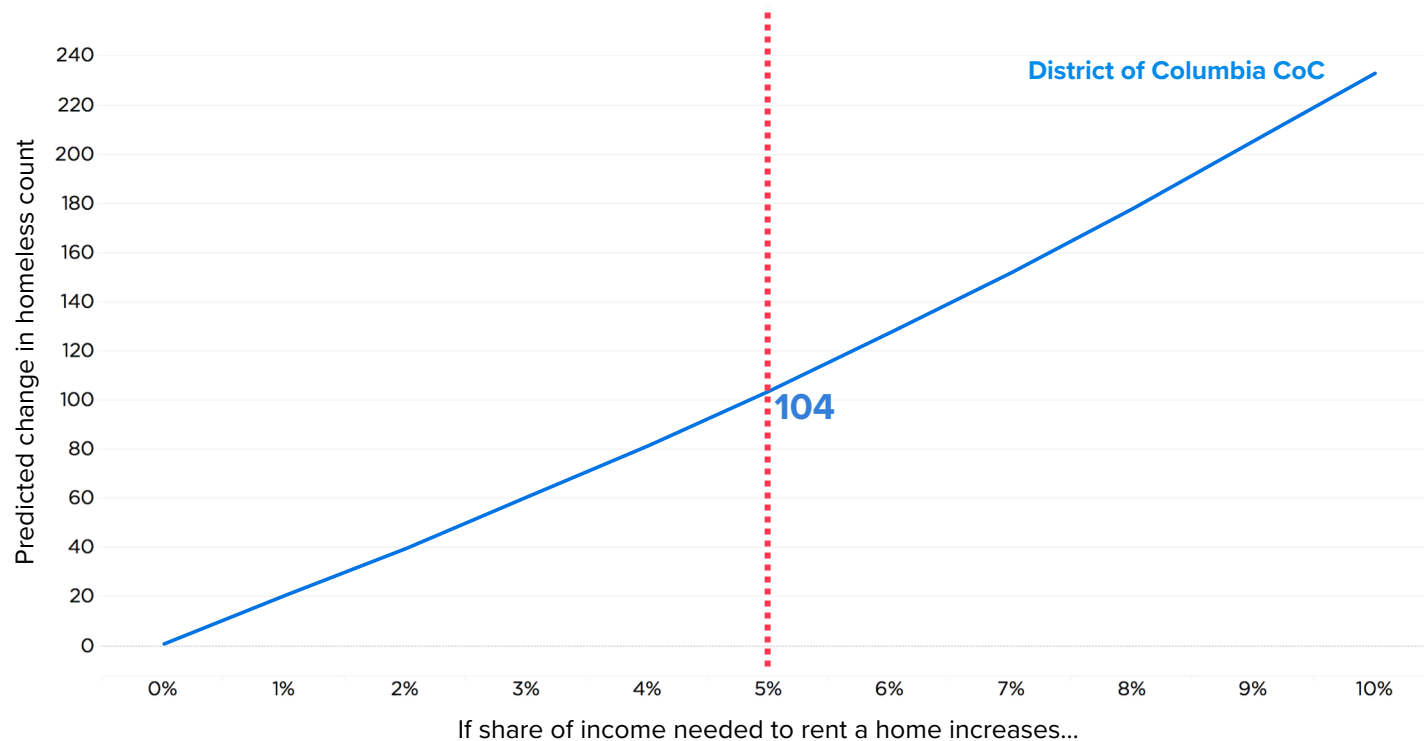




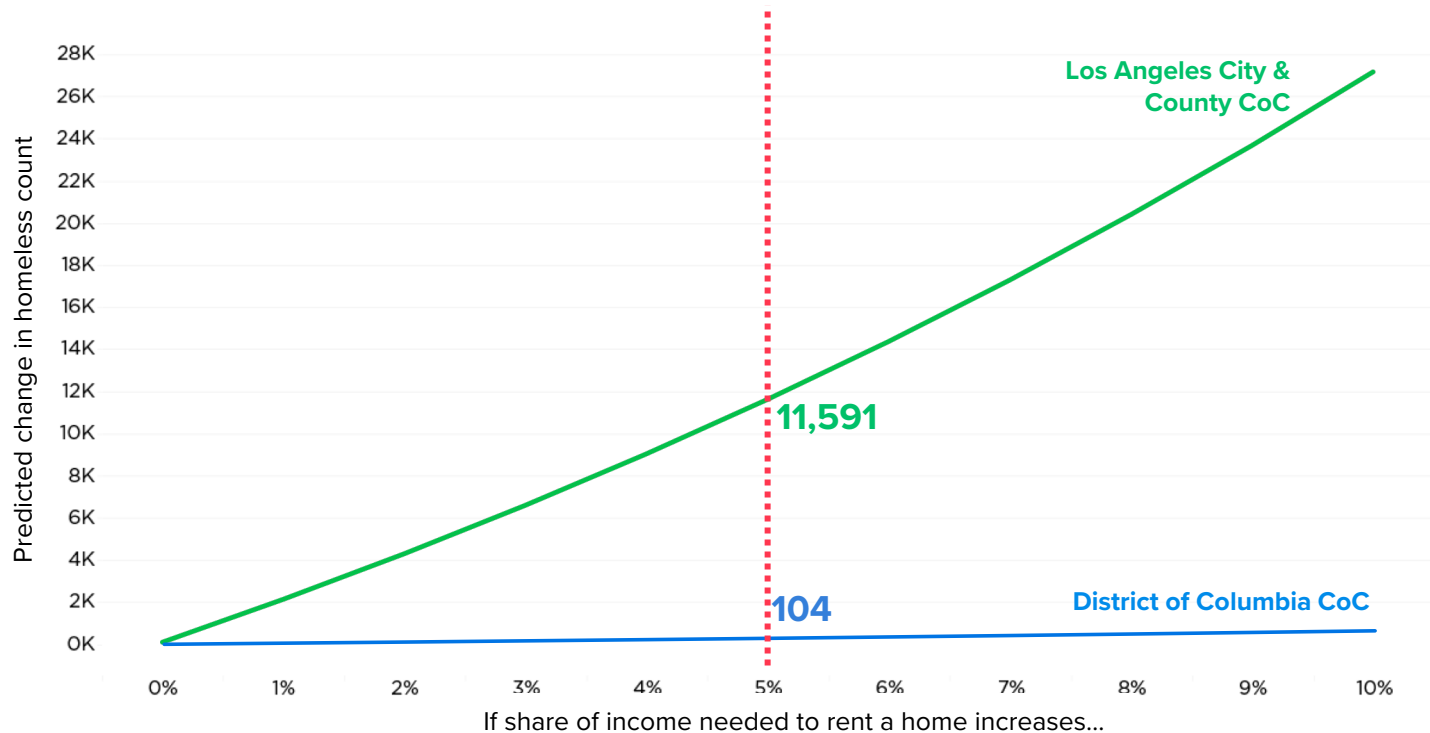
As the share of income needed to rent a new home increases, so is the change in the predicted homeless population



## If rent affordability worsens in DC the model predicts an increasing homelessness count



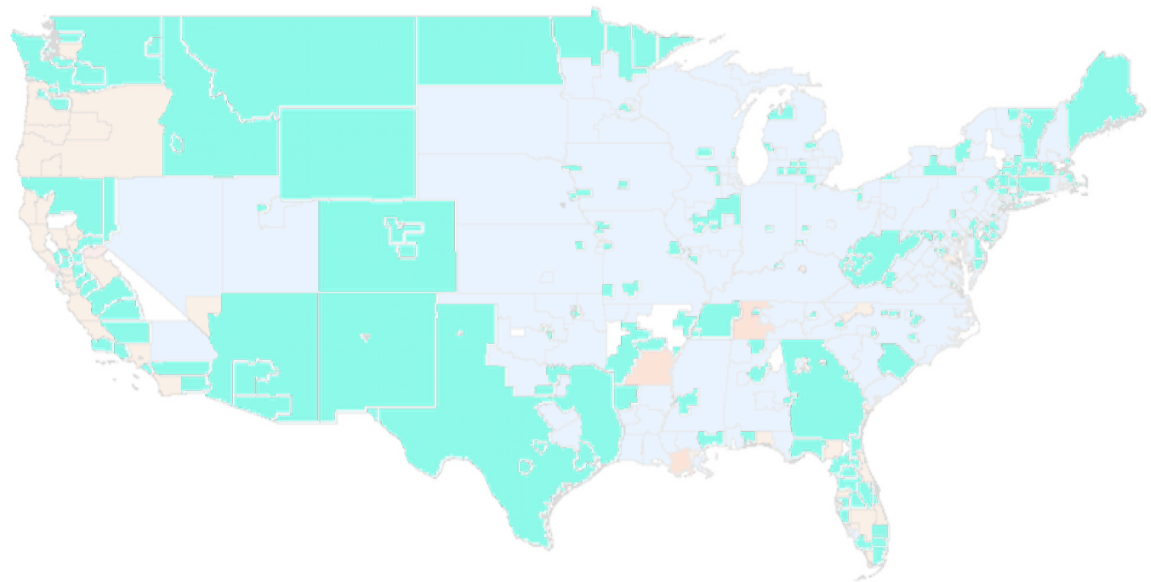
## And in Los Angeles this link is even stronger



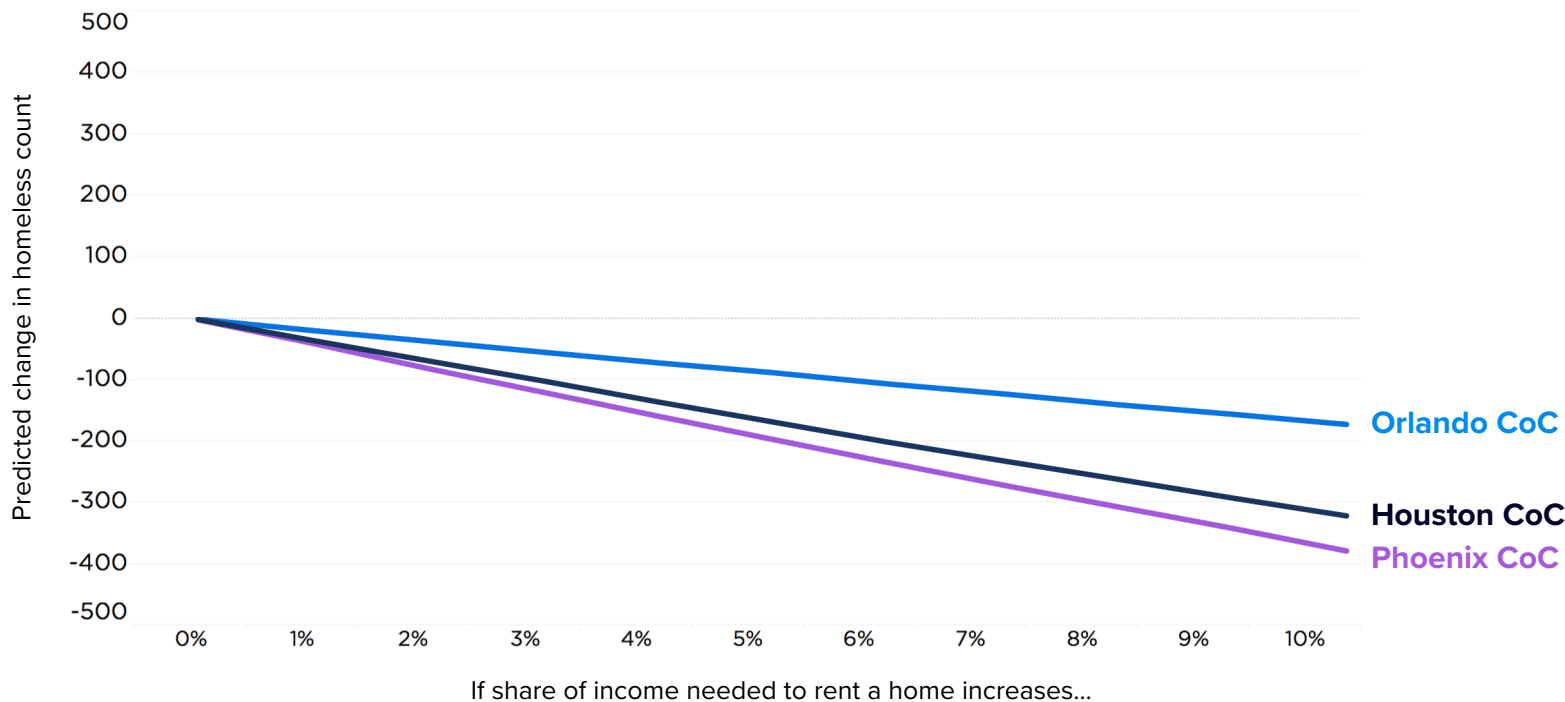
Almost half of America lives in Cluster 2, as does 39% of the population experiencing homelessness

**Legend**

**Cluster**



# Homelessness rates are lower in Cluster 2 and fewer people are rent burdened

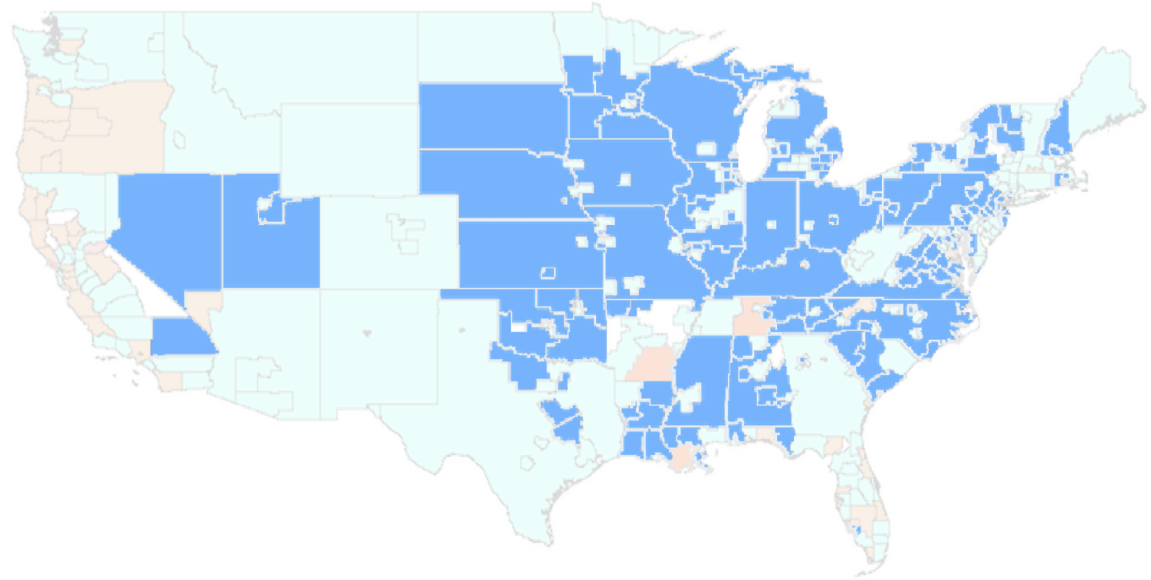
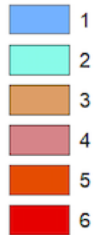




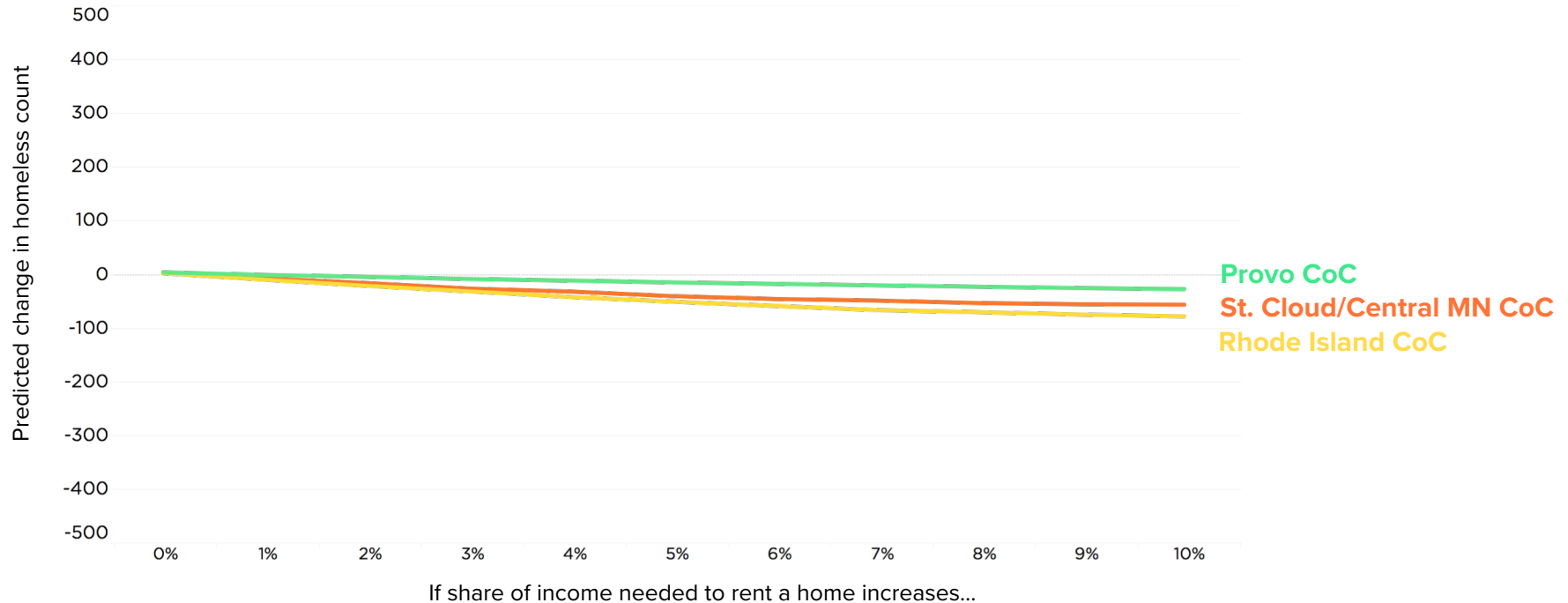
# Cluster 1 has the lowest average homeless rate

## Legend

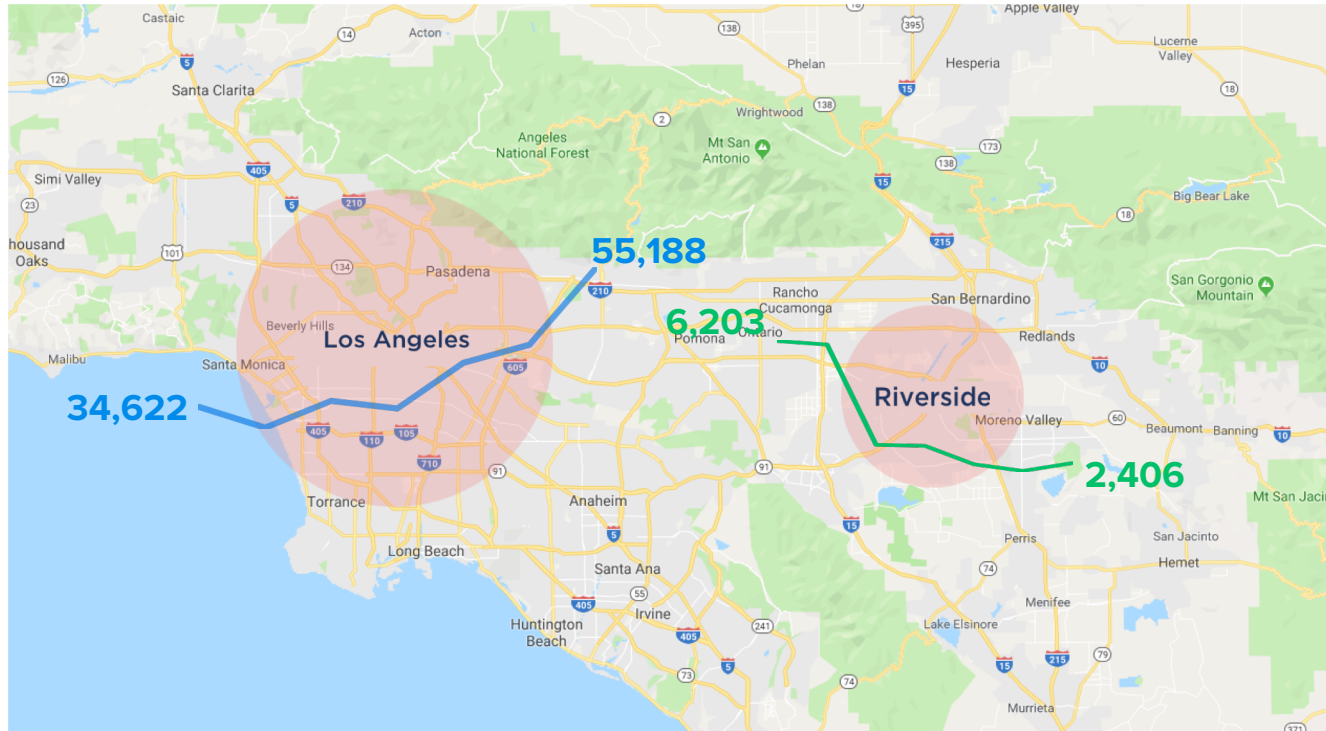
### Cluster



## The link between worsening community affordability and homelessness counts is as apparent in Cluster 1 or Cluster 2



# Potential spillover effects in Riverside

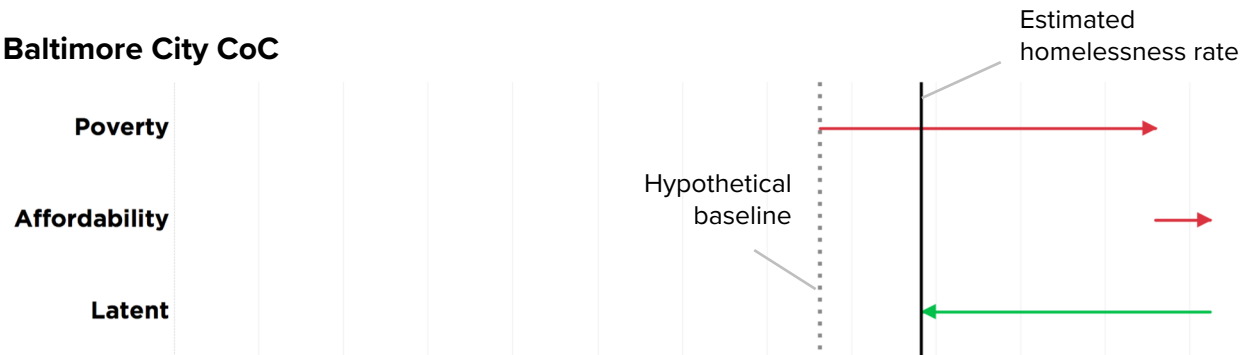


# Community-Level “Headwinds” and “Tailwinds”

---

# Decomposing the components to homelessness

## Baltimore City CoC

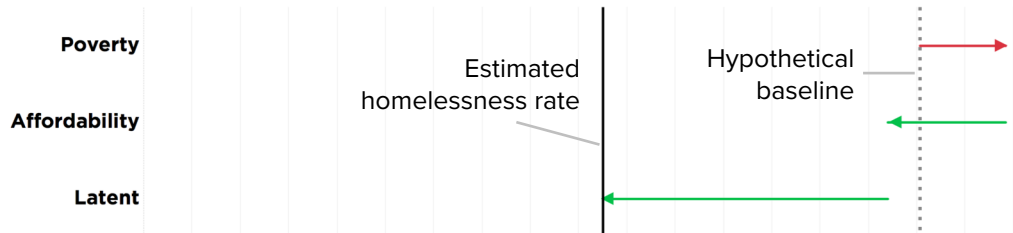


## Los Angeles City & County CoC



# Decomposing the components to homelessness

**Houston, Pasadena,  
Conroe/Harris, Ft. Bend,  
Montgomery Counties CoC**



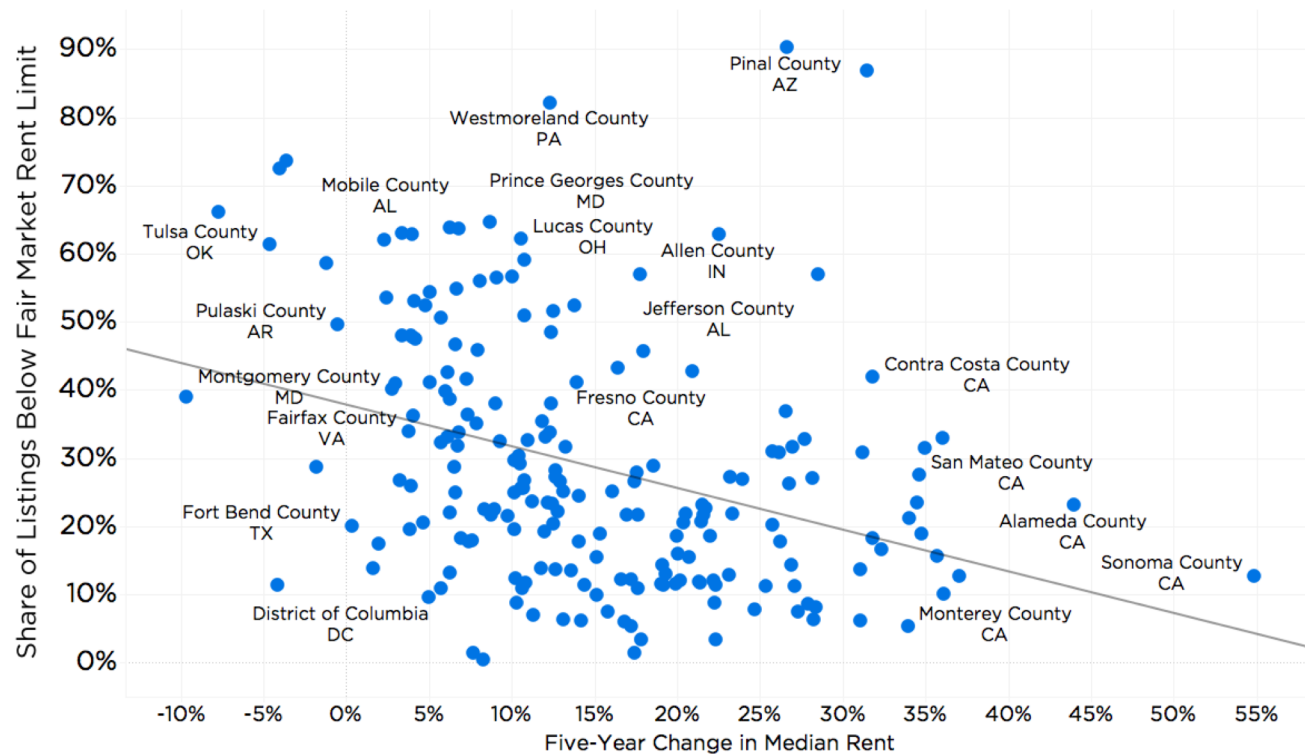
**Lincoln CoC**



**Tallahassee/Leon County CoC**



# Rising rents can leave even the households who receive assistance few options

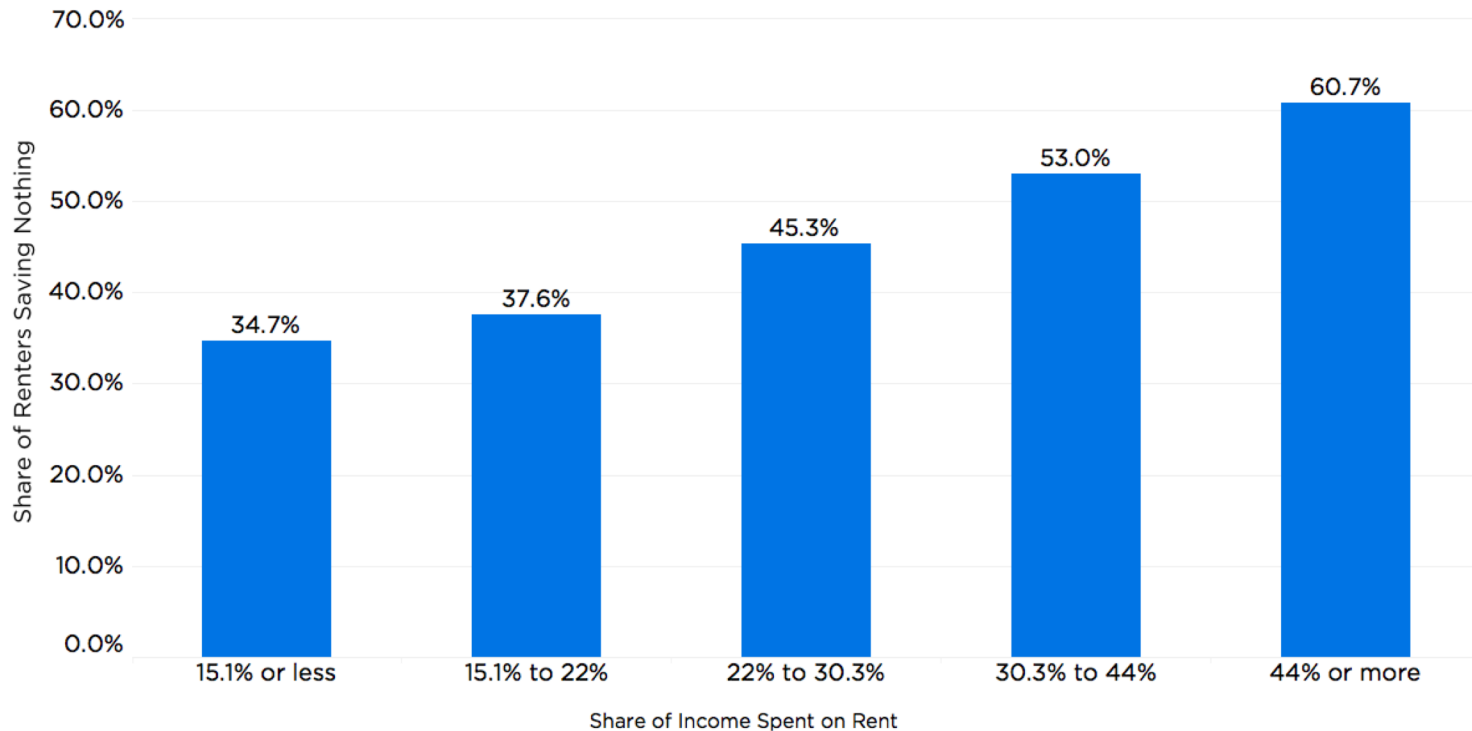




Upstream of homelessness,  
deteriorating affordability has negative  
impacts

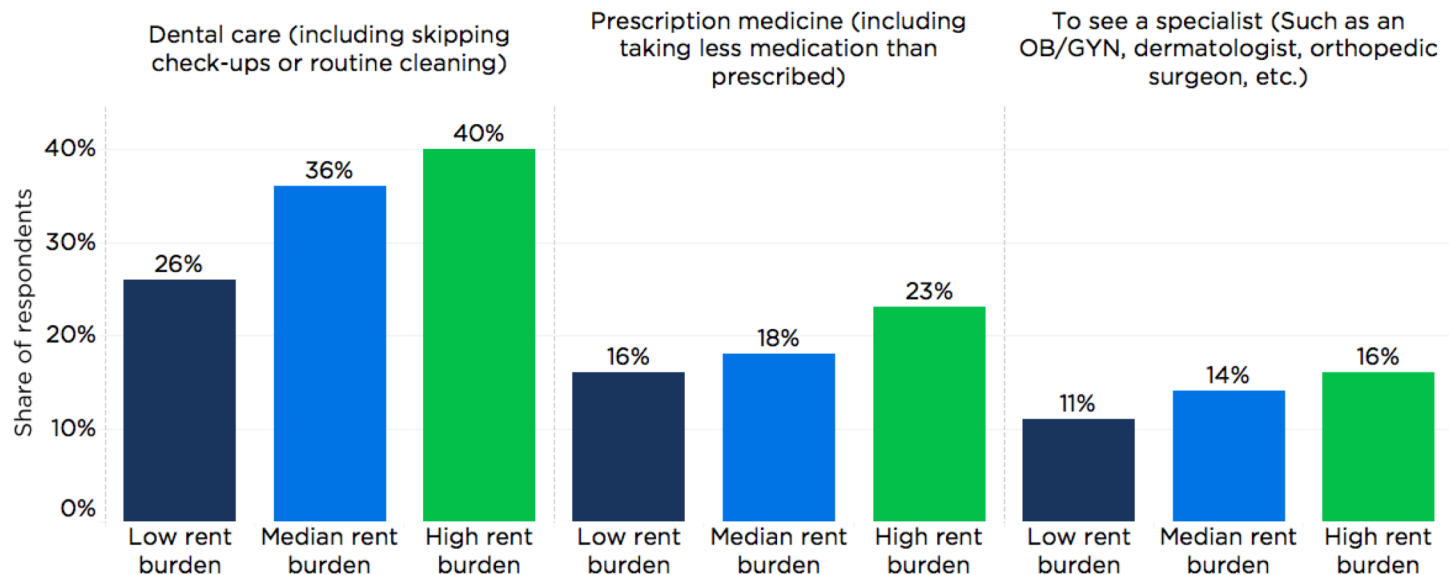
---

## As the share of income spent of rent rises, fewer people save any income



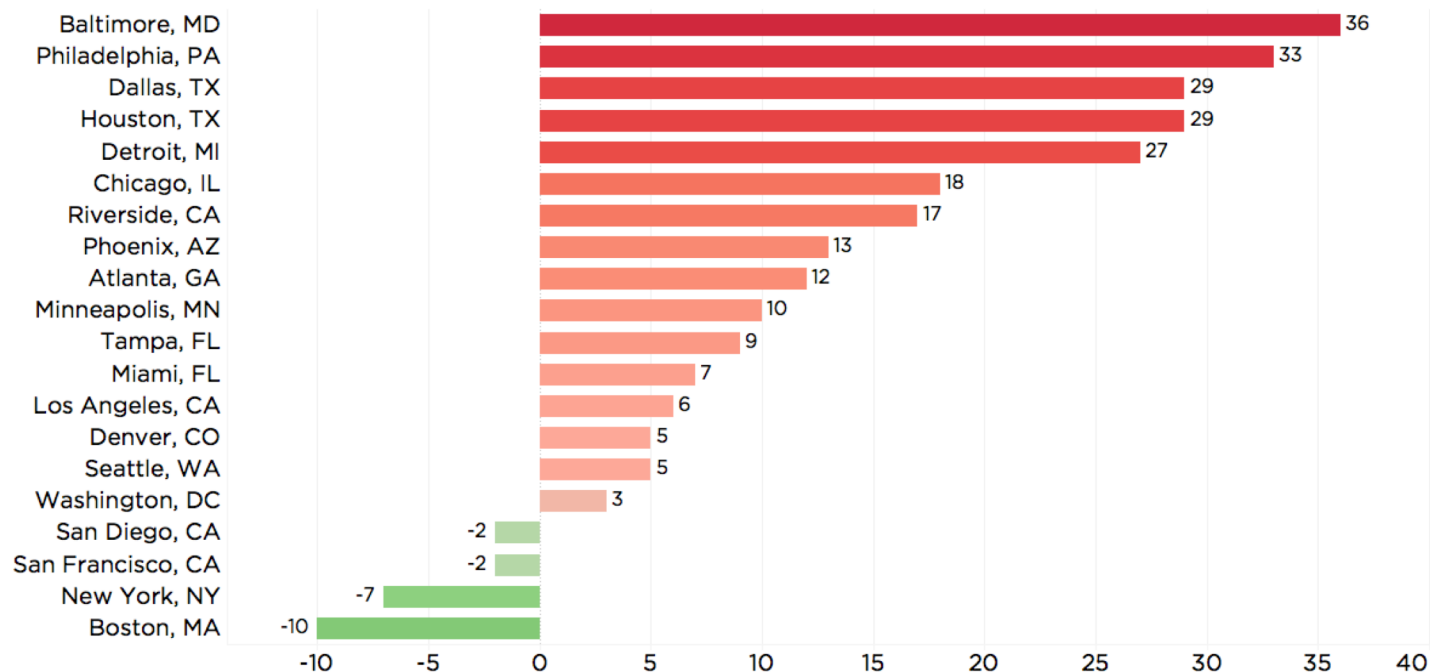
# People with higher rent burdens more likely to forgo health expenses

*During the past 12 months, was there a time when you needed any of the following but didn't get it because you couldn't afford it?*



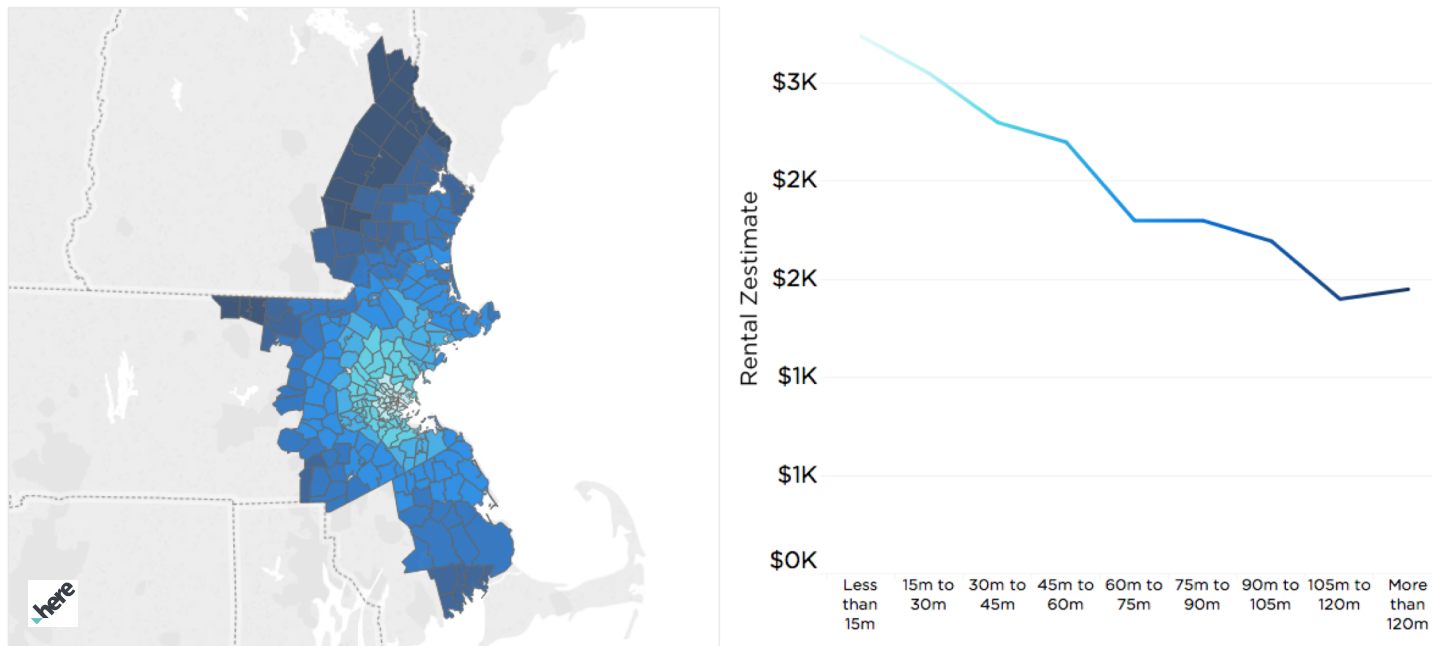
# Affordable homes are often much older

Median age gap between affordable and unaffordable units (years older)

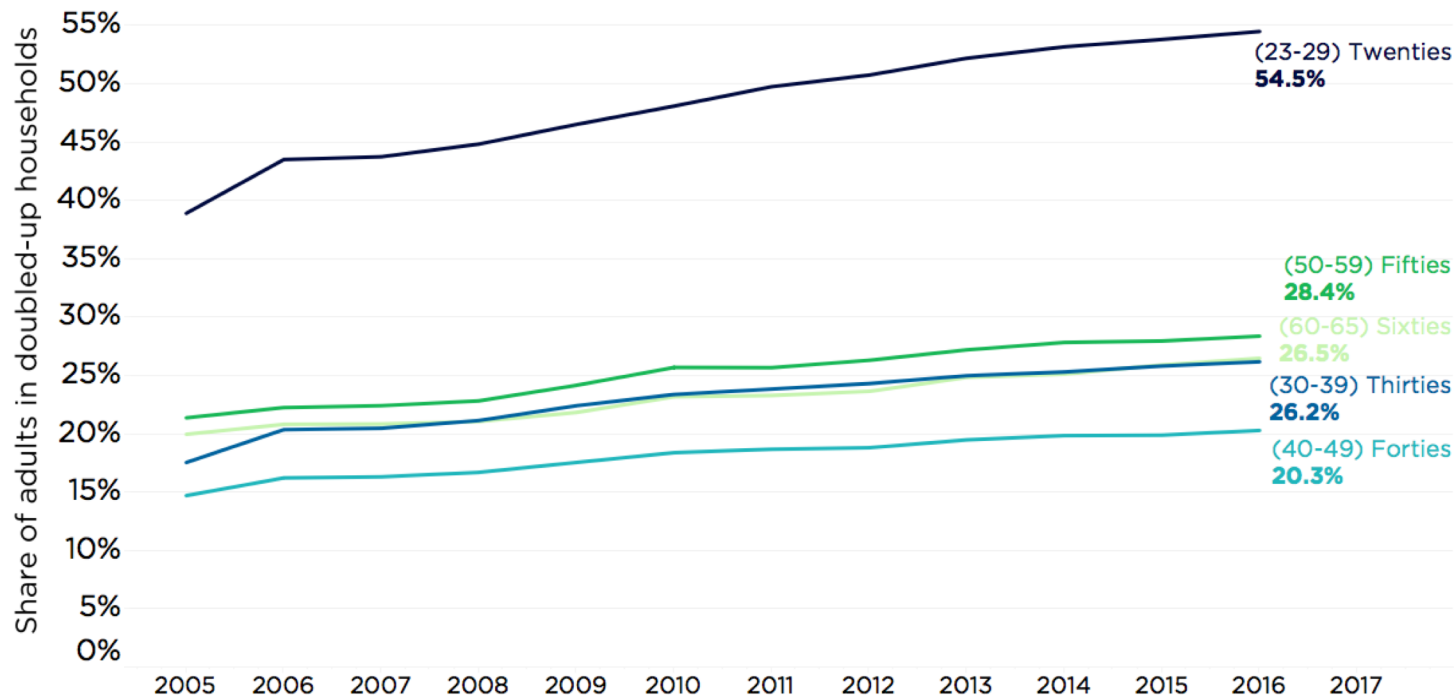


# Rents fall as rush hour commutes get longer

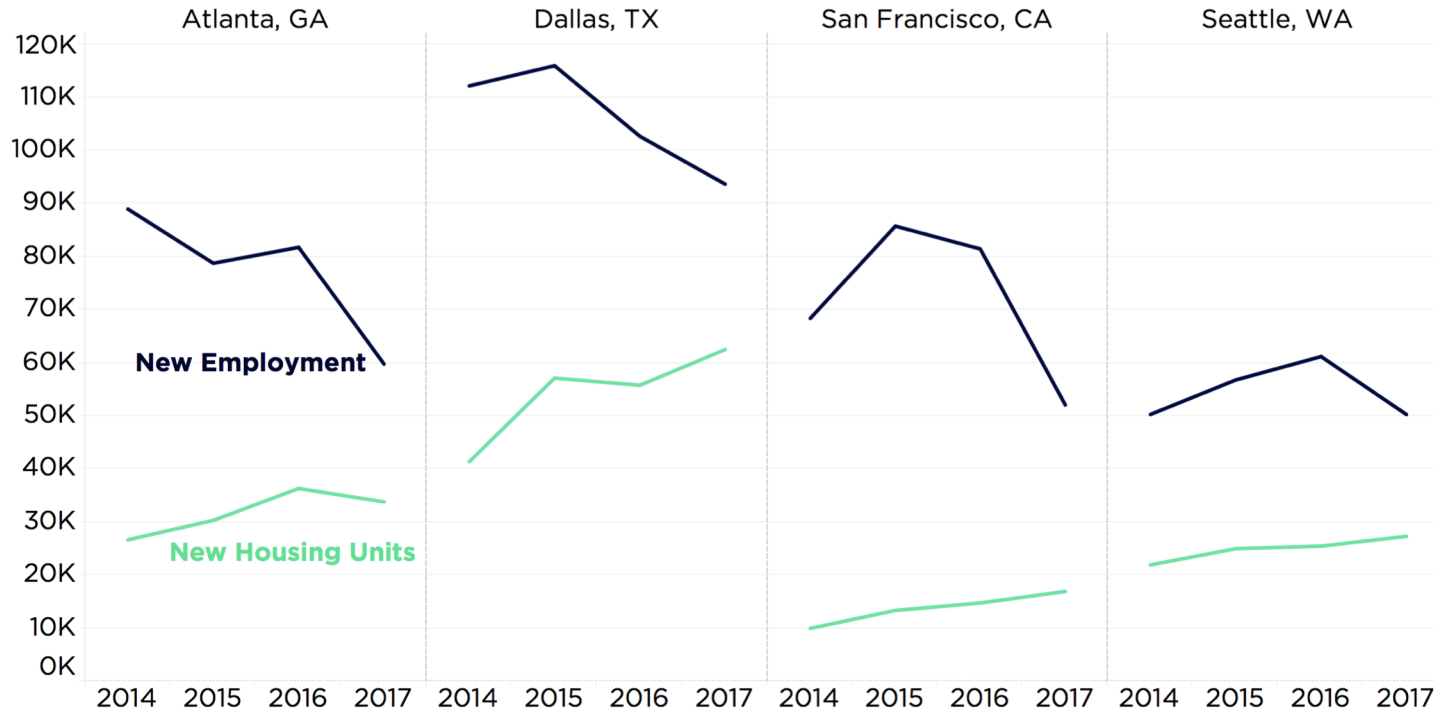
Commute Times (to Downtown Core) and Home Values and Rents for Boston



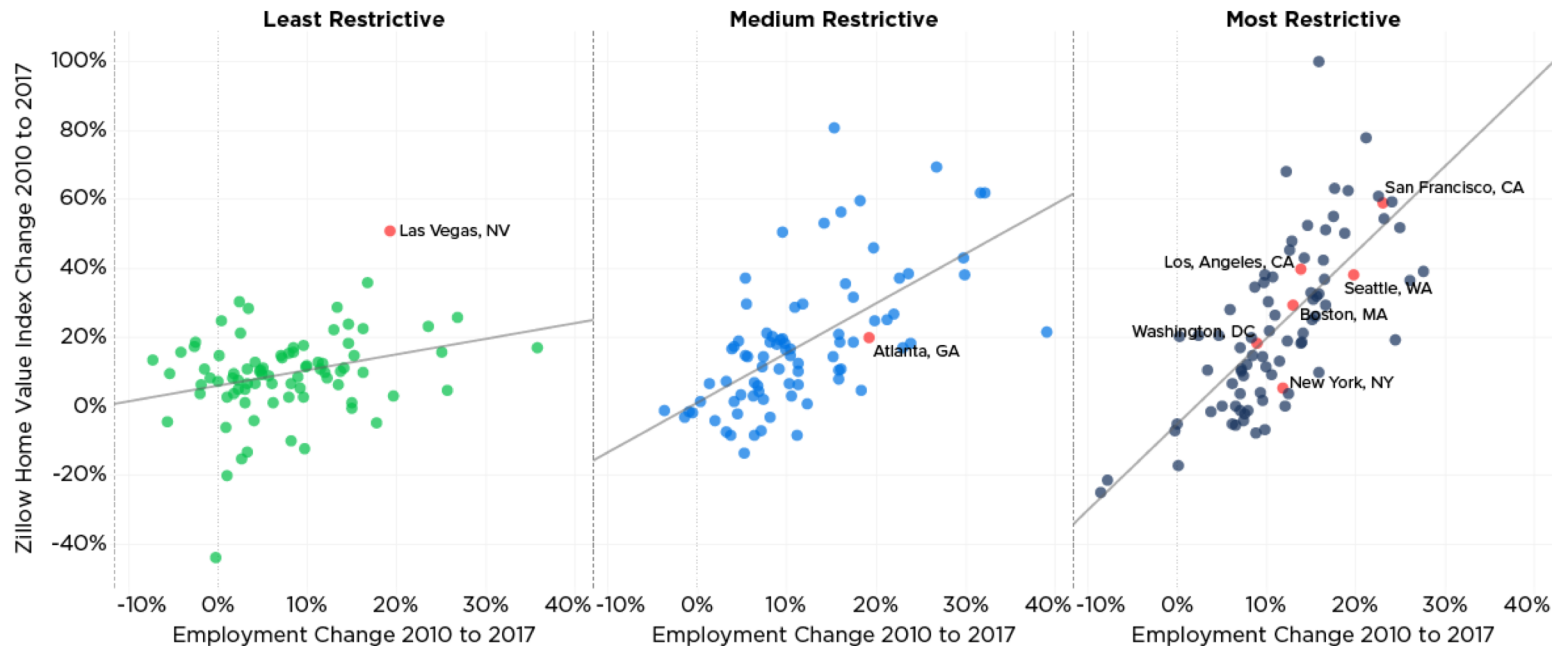
As the share of income spent on rent has risen in many metros, working age adults have also increasingly doubled up



# In many high-priced areas, significantly more new jobs came to town than new housing units were built



# Cities with the most land use restrictions see their home values grow faster when new jobs come to town





A black and white photograph of two hands, one larger and one smaller, cupping a small, fragile house made of cardboard. The house has a corrugated roof and a simple rectangular body with a doorway. The hands are positioned to support the house from below, with fingers slightly curled. The background is dark, making the hands and the house stand out.

 **Zillow** GROUP | **ECONOMIC ROUNDTABLE**

# **Priced Out: Rising Rent and Homelessness Across America**

#HousinginAmerica

A black and white photograph of two hands, one larger and one smaller, gently cupping a small, fragile house made of cardboard. The house has a gabled roof and a simple rectangular body with a doorway. The hands are positioned to support the house from below, with fingers slightly curled. The background is dark, making the hands and the house stand out.

 **Zillow** GROUP | **ECONOMIC ROUNDTABLE**

# **Priced Out: Rising Rent and Homelessness Across America**

#HousinginAmerica