



Housing Affordability in Johnson County

Housing is one of the largest expenses for any household. The cost of housing affects more than just shelter – it also determines how much money is left to meet other basic needs, how stable a household’s living situation is, what community it lives in, what school and employment options are available and what must be sacrificed in order to obtain shelter. The conventional public policy indicator of housing affordability in the United States is the percent of income spent on housing. Housing expenditures that exceed 30% of household income have historically been viewed as an indicator of a housing affordability problem. The term cost-burdened is used to define this indicator.

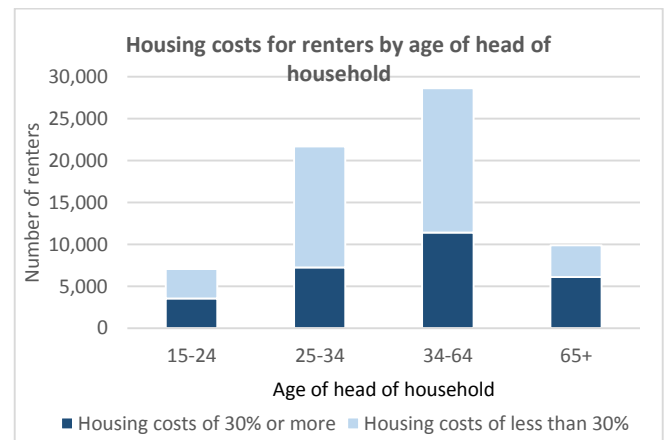
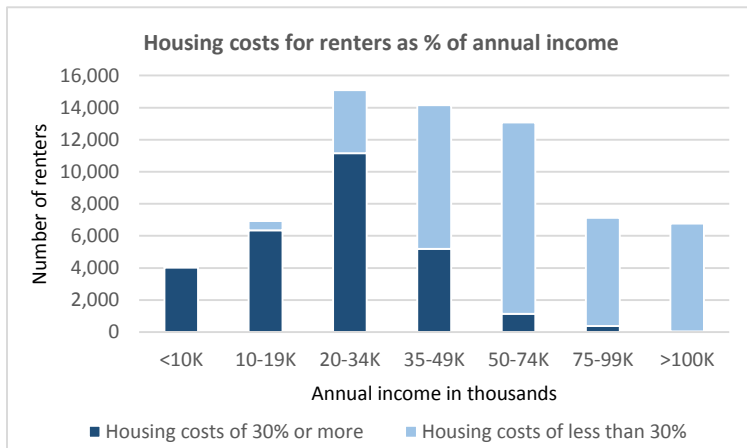
55,000, or 26%, of Johnson County’s 220,400 households are cost-burdened Cost burdened is defined as spending more than 30% of household income on housing costs. Housing costs include mortgage or rent, real estate taxes, insurance and utilities. Nearly all renters pay extra for one or more utility.		Number households	% cost-burdened	Median monthly housing cost	Hourly wage required to avoid cost-burden status based on median housing cost
	Homeowners with mortgage	111,100	21.5%	\$1,624	\$30.45
	Homeowners without mortgage	39,300	9.5%	\$567	\$10.63
	Renters	70,000	42.0%	\$923	\$17.30
	Total Households	220,400	26.0%		

Availability of Affordable Housing: In Johnson County, fewer than 14,000 houses are valued at less than \$100,000. A home at this price would require a minimum of \$800 for mortgage, insurance, taxes and utilities, and require an annual income of at least \$32,000 in order to spend less than 30% on housing.

For renters, fewer than 2,100 apartments rent for less than \$500 per month. Assuming an additional \$100 for insurance and utilities, a renter would need to earn at least \$24,000 a year to afford an apartment at this rent. Unfortunately, 75% of all of the county’s apartments rent for more than \$750, and would require annual income of more than \$34,000 to avoid being cost-burdened.

Cost Burdened Renters: Renter households are more likely to be cost-burdened than home owners and account for more than half of the cost-burdened households in Johnson County. Almost all renter households with income under \$20,000 are cost burdened. 75% of cost burdened renters earn less than \$35,000.

Older (65 and older) householders experience the highest rates of housing-burden, 62%. For the youngest householders (under 25), 50% are cost-burdened. The largest number of cost burdened renters are in their prime working years, ages 35 to 64.



Source: U.S. Census Bureau, American Community Survey 2013 1-year estimates.

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