

Affordable Rental Housing Trends: Northeast Florida

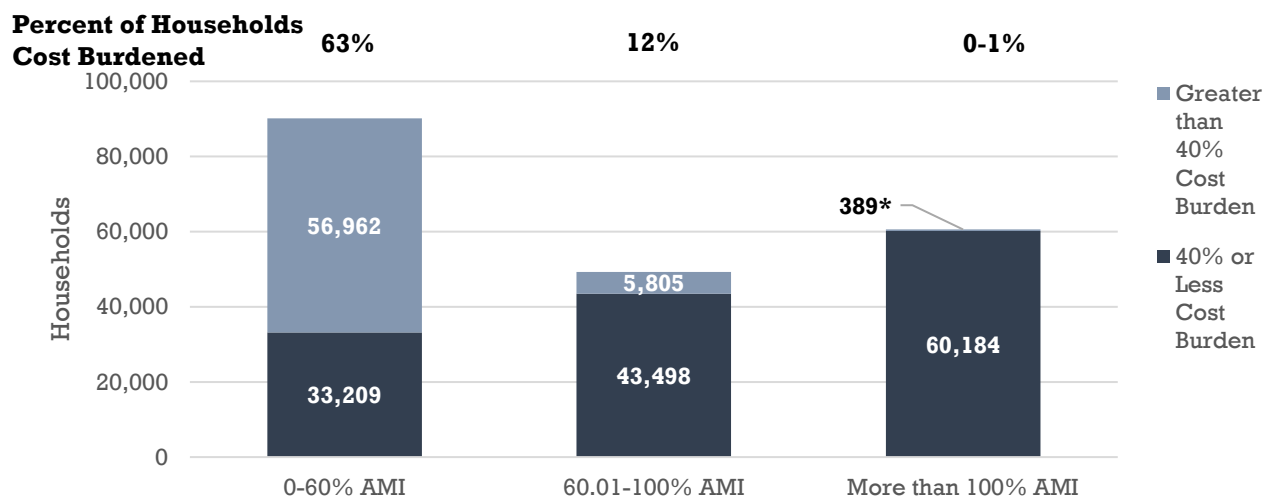
This brief provides an analysis of rental housing affordability trends in Northeast Florida. This area includes the counties that make up the Jacksonville Metropolitan Statistical Area (Duval, Baker, Nassau, and Clay Counties), plus Putnam County. The brief is based on an update of the [2016 Rental Market Study](#). Figures are based on data from the 2000 Census and 2015 American Community Survey.

For the purposes of this brief, a “low-income” household is one with an income at or below 60 percent of the area median income (AMI), adjusted for household size. A housing unit is considered “affordable” if gross rent (rent + utilities) costs no more than 40 percent of household income. Households paying more than that amount are considered to be “cost burdened.” Student-headed, non-family households are excluded.

Most low-income renters are cost burdened. Few higher income renters are.

In 2015, there were 56,962 low-income, cost burdened renter households in Northeast Florida. Housing cost burden is much less prevalent among renters with higher incomes. As Figure 1 shows, 63 percent of renters with incomes at or below 60 percent of AMI were cost burdened, compared to just 12 percent of renters with incomes between 60 and 100 percent of AMI. The number of renters above 100 percent of AMI with cost burden was close to zero.

Figure 1. Renters by Income and Cost Burden, Northeast Florida, 2015



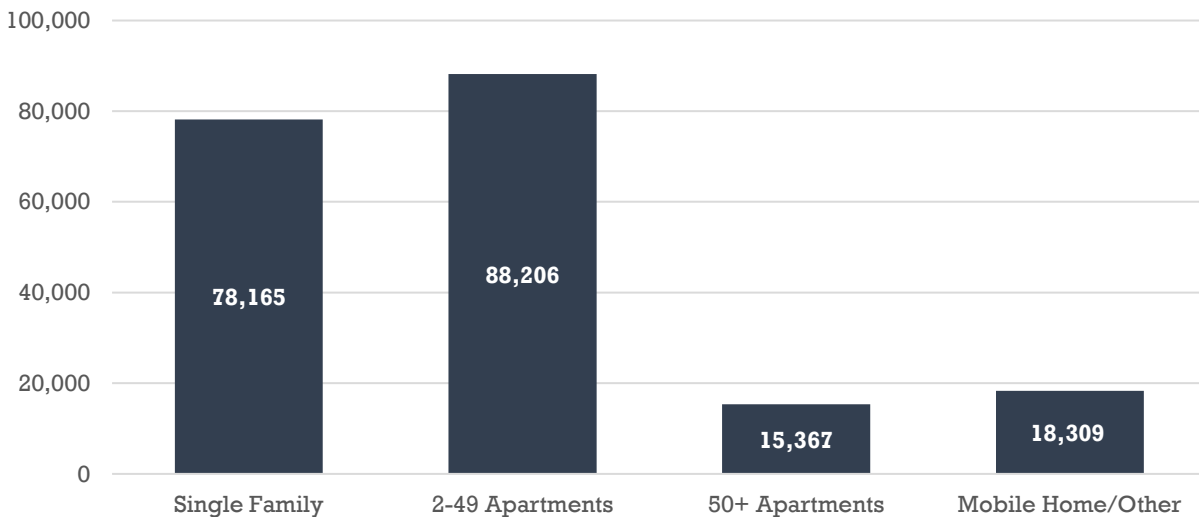
Source: U.S. Census Bureau, 2015 American Community Survey 1-Year PUMS.

*Value for households above 100% AMI/greater than 40% cost burden is not statistically significantly different from zero.

Northeast Florida’s rental housing is concentrated in smaller developments, including single family homes.

While large multifamily buildings are the most visible sources of rental housing in the region, units in these buildings make up just 8 percent of the rental housing stock. Most of the rental stock is made up of apartments in 2-49 unit multifamily structures (44 percent) or single family homes (39 percent). Single family homes represent a growing share of rental units, up from 29 percent of the total rental stock in 2000. The repurposing of single family homes as rental units follows a national trend in the wake of the housing market crash.

Figure 2. Rental Units by Structure Type, Northeast Florida, 2015



Source: U.S. Census Bureau, 2015 American Community Survey 1-Year Public Use Microdata Sample (PUMS)

The Northeast Florida area has added over 26,000 older renter households since 2000, and the growth will continue.

In 2001, the first Baby Boomers turned 55, the minimum age for Florida Housing Finance Corporation’s developments targeting older adults. Between 2000 and 2015, Northeast Florida added nearly 113,000 households with heads age 55 and older. Given high rates of homeownership for households in this age group, most of the new 55+ households owned their homes. Nevertheless, 26,240 of the additional older households were renters.

The growth in older households is not expected slow any time soon. The Shimberg Center projects that the region will add 20,554 renter households age 65+ between 2015 and 2040.