

How Housing Matters: Americans' Attitudes Transformed By The Housing Crisis & Changing Lifestyles

A Report Of Findings

Based On A National Survey Among Adults

Conducted On Behalf Of:

The John D. and Catherine T. MacArthur Foundation

By Hart Research Associates

April 3, 2013

MacArthur Foundation

HOW HOUSING MATTERS

macfound.org/HousingMatters

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Methodology

On behalf of the MacArthur Foundation, Hart Research Associates undertook a comprehensive research study to explore the role that housing plays in Americans' lives and to inform the policy discourse on housing in America. This research, which began in November 2012 and continued through March 2013, employed both quantitative and qualitative methodologies.

For the quantitative component, a nationwide telephone survey was conducted from February 27 to March 10, 2013 among 1,433 adults (including 240 cell-phone only adults). The sample included oversamples of African Americans (for a total of 226), Hispanics (total of 226), and renters (total of 436). To ensure an accurate representation of adults nationwide, slight weights were applied to bring the oversamples in line with their proper proportions in the overall population. The margin of error is ± 2.8 percentage points in the full survey sample and is higher among subgroups.

The survey design was informed by 10 focus groups conducted in November and December 2012 to explore potential survey topics and to give Americans an opportunity to express their views in their own words. Seven in-person focus groups were conducted among various segments of the general population, including two groups in Nashville, Tennessee, two in Riverside, California, and three in Philadelphia, Pennsylvania. Four of these groups comprised renters and owners living in tenuous housing situations, while the remaining three were segmented by age to represent a cross section of younger, middle-aged, and older adults. Three telephone focus groups also were conducted among public policy experts and social service practitioners: one among public policy experts in fields adjacent to housing, such as education, workforce development, and poverty, one group among housing policy experts; and one group among education leaders and executives of community-based organizations providing social services such as health care, food assistance, and employment resources.

Overview

- **Even as signs of life are emerging in the real estate and housing sector, the American public is not ready to declare the housing crisis over. Three in four believe we are still in the middle of it (58%) or that the worst is yet to come (19%).** There is remarkable uniformity in the belief that it is premature to celebrate the end of the housing crisis across all regions, income groups, races, and political affiliations.
- **While most believe that the housing crisis is not fully behind us, they feel more positive about their own personal housing situation.** A solid majority (80%) feels very or fairly stable and secure in their current housing situation, 11% feel just somewhat stable, and the remaining 9% feel unstable and insecure.
- **While most feel stable and secure now, however, nearly half (45%) of all adults have experienced a time in their life when their housing situation was not stable and secure.** One in four (25%) Americans feels less stable today than they did five years ago, before the housing crisis started.
- **A strong desire remains among Americans to own their own home—in fact, greater than seven in 10 renters aspire to own one day. However, the overall appeal of renting versus owning is changing.** Fifty-seven percent (57%) of adults believe that “buying has become less appealing,” and by nearly the same proportion (54%), a majority believes that “renting has become more appealing” than it was before.
- **With families and communities still reeling from the boom-and-bust cycle of the past decade, the public is recognizing that owning is not the only acceptable option, and the sense that renting is somehow undesirable appears to be fading.** In fact, nearly half (45%) of current owners can see themselves renting at some point in the future.
- **The broader shifts in the appeal of renting and owning are rooted in lifestyle changes as well as the perception that the rewards of homeownership are not what they used to be.** Large majorities believe that compared with two or three decades ago, it is less likely for families to build equity and wealth through homeownership (69%) and more likely for banks to foreclose on homeowners (81%).
- **After decades of equating homeownership with the American Dream, in the aftermath of the housing crisis, three in five (61%) adults believe that renters can be just as successful as owners at achieving the American Dream.** This sentiment is felt broadly among both owners (59%) and renters (67%), as well as across all regions of the country.

- **The public has a strong and personal sense of the vital role that stable housing plays in people’s lives and communities. Among both owners and renters, housing stability equates to a variety of positive benefits for communities.** Strong majorities believe that government policies ensuring that more people have decent, stable housing that they can afford leads to a “major positive impact” on the following:
 - The safety (73%) and economic well-being (71%) of neighborhoods and communities;
 - Children’s ability to do well in school (71%);
 - Individuals’ and families’ financial security (70%); and
 - People’s mental and physical health (68% and 62% respectively).
- **The opposite impact is attributed for families living in challenging and unstable housing situations.** At least three in five believe such a condition would lead to a “major negative impact” on the following:
 - The relationship between the parents (77%);
 - The mental health and well-being of the family members (73%);
 - The children’s ability to keep up with schoolwork and do well (66%);
 - The physical health of family members (62%).
- **In contrast to the partisanship that permeates political discussion in Washington today, the public has a balanced and realistic view about national housing policy.** After hearing information about U.S. housing policy and demographic and lifestyle changes, more than three in five self-identified Democrats (69%), independents (65%), and Republicans (62%), believe that the focus of our housing policy should be divided fairly equally between rental housing and housing for people to own. This balanced approach toward government policies’ supporting both rental housing and homeownership receives similar support across all races, ages, regions, and income levels.

The report concludes with a portrait of those who have been hit hardest by the housing crisis.

Key Findings

Few things in life are more fundamental than stable housing. It touches many disparate and important aspects of a person's life, from providing shelter to ensuring that a child has a stable learning environment to fostering a safe community where residents are invested and feel ownership. This national survey reveals that in the wake of the housing market collapse in 2008, Americans are changing the way they look at housing and are taking a more holistic view of the role that housing plays in their own and their fellow citizens' lives. While many still aspire to become a homeowner, Americans also believe that the broader housing values of security and stability are critical to ensuring the success of families and communities. Americans say that it is time to reevaluate and reform our housing policy so that more families have access to stable and secure housing, whether they rent or own.

Personal Optimism Prevails Despite A Chastened And Cautious Outlook For The Country

Overall, Americans take a more positive outlook for their own personal futures than they do for the country as a whole. When asked how they feel about what the future holds for them and their family, seven in 10 (70%) say they are optimistic. Still, their optimism is tempered, as only 27% say they are very optimistic, while the remaining 43% are somewhat optimistic.

"I'm feeling cautiously optimistic. I'm blessed with my job. I'm supporting four people who have never missed a meal. We own two cars. But my kids are six and four and we don't know what the future holds for them. The economy could fall out again and we could lose everything."

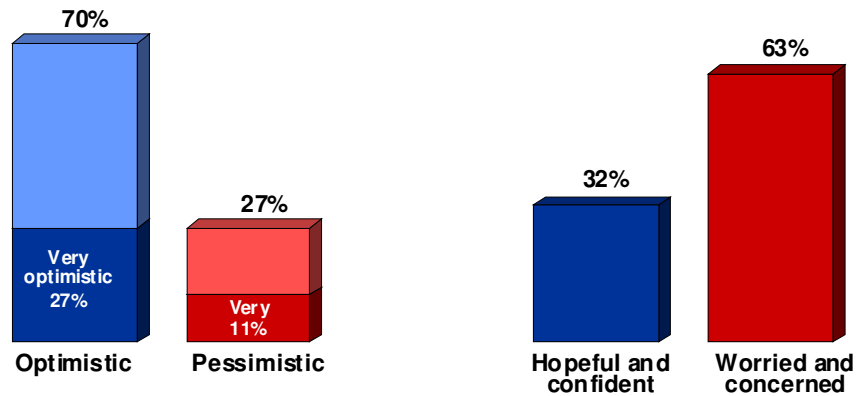
—Homeowner, Nashville

This wariness is even more apparent in Americans' outlook for the country's future. By two to one, adults are more worried and concerned (63%) about what the future holds for the country than they are hopeful and confident (32%).

Americans have a more positive outlook for their own future than for that of the country as a whole.

Concerning my own personal situation and what the future holds for me and my family, I feel:

Looking ahead to the next five years and what the future holds for the country, I feel:



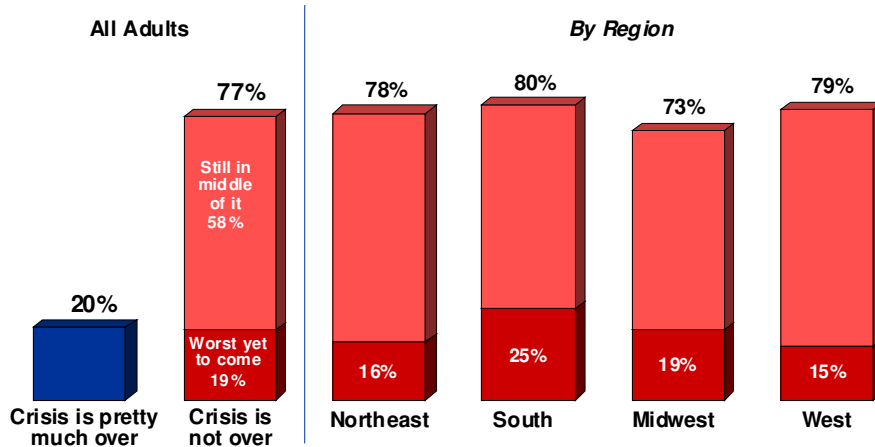
Americans' worry and concern for the future stems in part from the numerous serious problems they believe the United States is facing. While concerns about the housing market fall behind issues currently dominating the headlines, such as the budget deficit and national debt (81% say this is a very or fairly serious problem) and the economy and jobs (77% very or fairly serious problem), nearly half (46%) characterize the housing market as a very or fairly serious problem facing the United States today. Hispanics (61%), renters (55%), and African Americans (54%) are especially likely to express concern about the housing market.

Despite recent upward trends in the housing and financial markets, homebuilding, and home sales, Americans remain skeptical that we have weathered the storm. More than three in four believe that we are still in the midst of the housing crisis (58%) or that the worst is yet to come (19%). Only one in five (20%) takes the optimistic view that the housing crisis is behind us. Majorities of Americans across the country share a similarly resigned or discouraged view of the housing market, with southerners (25%) and city dwellers (22%) the most likely to say the worst is yet to come. Renters (25%, compared with 16% of owners), African Americans (26%), and people with household incomes of less than \$40,000 per year (28%)

also are especially concerned that the worst is yet to come with respect to the housing crisis.

Across the country, solid majorities do not believe the housing crisis is over.

Concerning the housing crisis that started in 2008 when many people and families defaulted on their mortgages and lost their homes, I think:



The World Is Changing And So Are Perceptions Of Owning And Renting

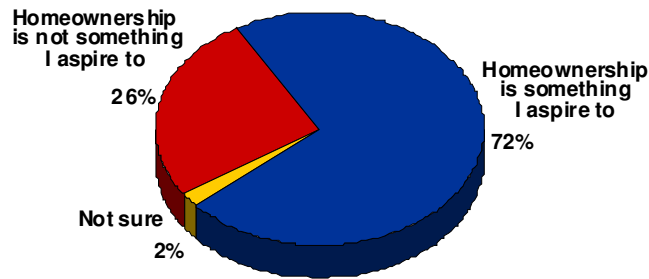
It is noteworthy that despite living through the housing market collapse and even for some, personally experiencing hardships related to the fallout, homeownership remains an important goal that most Americans still strive to achieve. A large majority (72%) of renters say that they aspire to own a home one day, and this proportion is even higher among renters under age 40 (84%).

"I'm renting right now because it's within my means. I can afford to save a little bit of money so I can reach my next goal of buying a home."

-Renter, Riverside

Homeownership remains a goal to which most aspire.

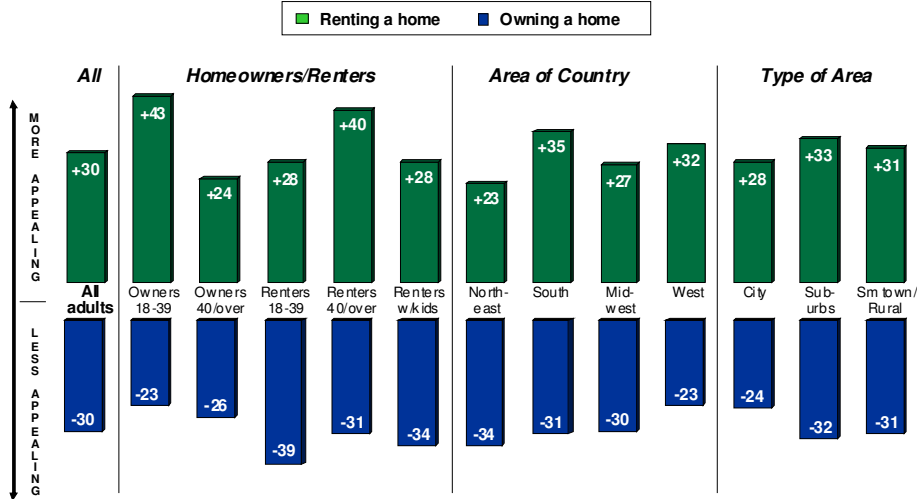
Among non-homeowners



However, post-housing-crisis realism about the risks and rewards of owning a home have led to changes in the appeal of owning versus renting, as well as the perception that renting is a viable housing option among a broad swath of the American public. Americans are far more likely to say that, given the nation's current economic situation, buying a home has become less appealing (57%) than to say that it has become more appealing (27% for a differential of -30). By the same token, the sense that renting is somehow undesirable appears to be fading. By a margin of +30, Americans are far more likely to say that renting has become more appealing (54%) than less appealing (24%) given the changes that have occurred over the past several decades in the way we live. This shift in the appeal of renting and owning is evident across the country and across many important segments of the population.

The appeal of renting versus owning is changing across the country.

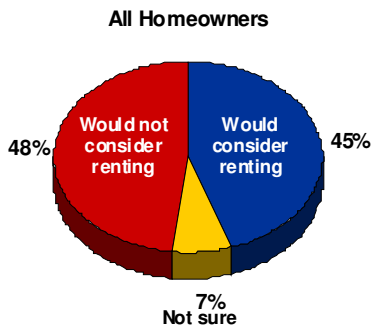
Differential: has become more appealing minus has become less appealing



Moreover, many Americans do not see this changing landscape as something that only affects others, and the personal appeal of renting is not limited to younger or lower-income segments of the population. Nearly half (45%) of current homeowners say that they would consider renting at some point in the future, including homeowners with postgraduate education (53%), homeowners with annual household incomes greater than \$75,000 (51%), and 50- to 64-year-old homeowners (49%).

Many see renting as a viable option.

Is renting a house or apartment something you would consider in the future, whether in the near future or closer to retirement?



Home owners who would consider renting in the future	
Age 18 to 34	53%
Age 35 to 49	47%
Age 50 to 64	49%
Age 65/over	32%
High school grad/less	38%
Some college	48%
College graduate	48%
Postgrad education	53%
Income under \$40K	45%
Income \$40 to \$75K	44%
Income over \$75K	51%

In focus groups, those who said they would consider renting in the future named such benefits as increased mobility and less maintenance and upkeep in their older years, as well as being a plus in the context of the housing market.

“One day I want to retire and I just don’t see myself in the basement changing light bulbs.”

–Homeowner, Philadelphia

“One of the advantages when I was a renter was not having to worry about the value of the house. Now I look around my neighborhood and see how much the homes are selling for, and I think I’m in trouble. I look at renting as a viable alternative.”

–Homeowner, Nashville

This broader shift in the appeal of renting and owning reflects changes in the way Americans live, as well as challenges to fundamental assumptions about the advantages of owning a home. Large majorities believe that compared with 20 or 30 years ago, it is less likely for families to have enough money to put a 20% down payment when buying a home (77%) and perhaps more telling, seven in 10 (69%) believe it is less likely for families to build equity and wealth through homeownership today compared with two or three decades ago.

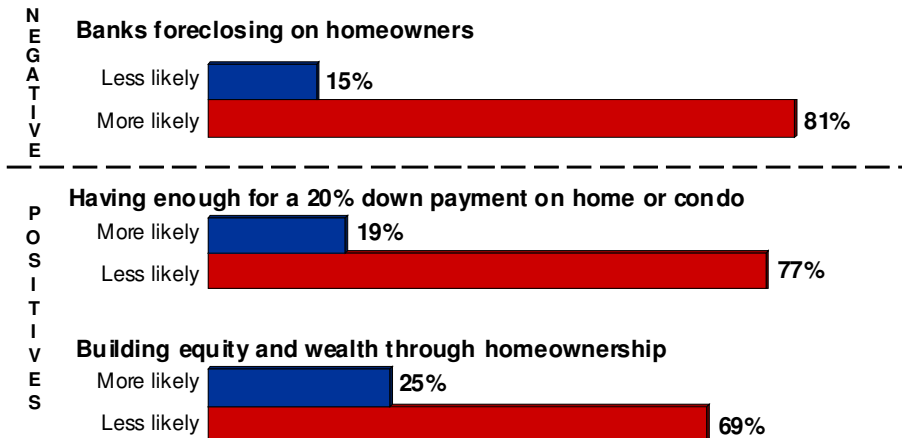
“Each generation is supposed to do better than the last generation, and part of doing better is owning a home. It always has been, historically, that your house was like your nest egg. If anything happened, you always knew you could sell your home and be able to take care of whatever were to happen. We don’t have that anymore today.”

–Homeowner, Riverside

There also is greater perceived risk to homeownership today, with four in five (81%) saying that it is more likely today for banks to foreclose on homeowners than it was 20 or 30 years ago.

The perceived risk associated with home-ownership is greater today, while benefits are seen as less likely.

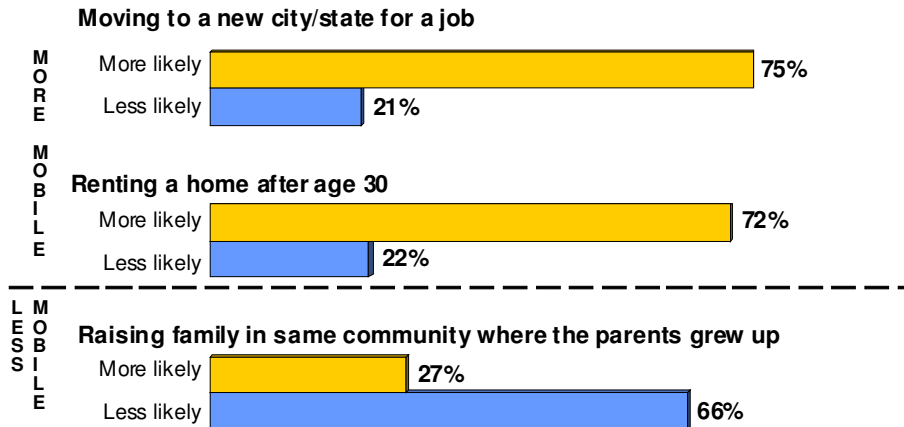
Compared with 20 or 30 years ago, is this more likely or less likely to occur today?



In addition to the change in the value proposition of homeownership, Americans recognize that we are a changing society that is more mobile than ever before. Three in four (75%) believe that moving to a new city or state for a job is more likely now than it was in the past, and 66% believe that people are less likely to raise a family in the same community in which they grew up. Consistent with growing concerns about the risks associated with homeownership and the increasing mobility of the public, 72% of Americans believe that renting a home after age 30 is more likely today than it was 20 or 30 years ago.

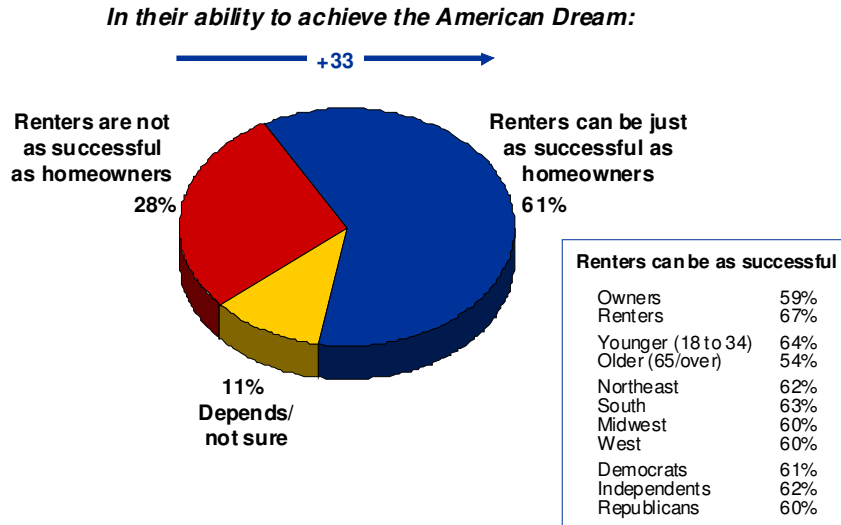
Americans recognize that we are becoming increasingly mobile.

Compared with 20 or 30 years ago, is this more likely or less likely to occur today?



Not only do Americans see renting as more prevalent, but also the sense that renting is at odds with achieving the American Dream appears to be diminishing. By more than two to one, more Americans believe that renters can be as successful as homeowners at achieving the American Dream (61%), compared with those who believe that renters are not as successful (28%). This belief holds among homeowners (59%) and renters (67%) alike and cuts across region and political party lines. Differences among younger and older Americans suggest a generational shift in which equating the American Dream with homeownership is decreasingly the norm; compared with Americans ages 65 and older (54%), 18- to 34-year-olds (64%) are more likely to say that renters can be just as successful as homeowners in achieving the American Dream.

Most today believe renters are equally able to achieve the American dream.



Taken together, these results indicate that although homeownership remains an important goal, the realities of a challenging housing market and fundamental changes to the American lifestyle are precipitating a transformation in how Americans view housing. Americans do not see housing as a binary choice pitting renting against owning, in which owning always wins as the best option. Rather, Americans have developed a more sophisticated and realistic view of housing in which they recognize that there are advantages and disadvantages inherent to both owning and renting that vary over the course of one's life.

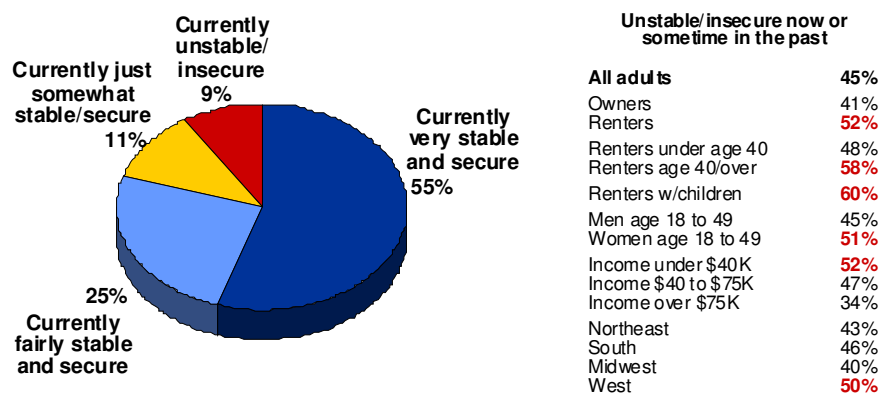
While Most Feel Stable And Secure, Housing Insecurity Affects Nearly Half Of All Americans At Some Point

While most believe that the housing market overall has yet to recover, the majority of Americans assess their personal housing situations as far more favorable. Four in five feel that their housing situation is very or fairly stable and secure, while just 11% say it is just somewhat stable and secure, and the remaining 9% describe their current housing situation as fairly or very unstable and insecure.

Not everyone enjoys housing stability to the same degree. In fact, nearly half (45%) the public report that there has been a time in their life when their housing was not stable and secure. This translates into millions of Americans who experience housing instability at some point in life.

While most Americans’ housing currently is stable, housing insecurity touches nearly half at some point in their lives.

How do you feel about your current housing situation? Has there ever been a time when your housing situation was not stable and secure?



Focus group discussions reveal that many see stable and secure housing first and foremost from a financial perspective. Owners and renters explain that stable and secure housing must be affordable and not subject to unpredictable or unmanageable increases in rent or interest rates on home mortgages. But stable and secure housing is about more than making a monthly rent or mortgage payment on time. Stable and secure housing is about fostering a mindset and a community that allows individuals and families to prosper. For example, many focus group participants also cited the stress relief that comes from not worrying about housing.

“Stable and secure housing means not having to worry every day if I can stay where I am. Stable housing would relieve a lot of stress in my life.”

–Renter, Philadelphia

Additional aspects that people associate with stable and secure housing include neighborhood safety, career success, and proximity to mass transit, good schools, and stores.

Although a majority of Americans say they have not experienced major changes in the stability of their housing situation over the past five years, a significant minority have seen their housing conditions deteriorate. When asked to compare their current housing situation with five years ago, before the housing crisis started, nearly one in five reports feeling more stable and 57% say that they have maintained about the same level of stability and security. However, one in four (25%) says that they feel less stable and secure now compared with before the housing crisis began. Renters (26%) and owners (24%) have been hit similarly hard, though renters with children (30%) and owners who are underwater on their mortgage (47%) are especially likely to have experienced a downfall since the housing crisis began.

Those who have felt their housing situation become less stable and secure explain that their personal downturn has resulted from forces beyond their control including factors related to the collapse of the housing market and difficulties associated with living in an economic recession. One in three (34%) homeowners who have experienced a decline in their housing situation volunteer falling home values or lost or stagnating equity. Owners (19%) and renters (17%) alike also cite unemployment or challenging work situations, while renters (16% compared with 12% of owners) are more likely to say that a poor and unstable economy has had a negative impact on their housing situation.

One homeowner in a tenuous housing situation in Riverside, California, explained the difficulty of trying to keep his house after losing his job:

“It’s been hard working with the bank to get a modified mortgage to accommodate changes in income related to the loss of my job. We’ve gone round and round, fighting with them, trying to convince them—look, I want to stay in my home, please, this is where we’ve planted our roots.”

-Homeowner, Riverside

**What has made you feel less stable and secure in your housing situation compared with five years ago?
Volunteered Responses**

	<u>Owners</u>	<u>Renters</u>
	%	%
Falling home values, lost/stagnating equity	34	3
Challenges finding consistent work, unemployment	19	17
Increased cost of living, gas, food, taxes	16	11
Poor economy, bad financial state	12	16
Less money, decreased or stagnating wages	11	18
Bank concerns, loans, refinancing, foreclosure	12	15
Lifestyle changes, relocating, older, married, graduated	6	13

Housing Security And Stability Is Viewed As Central To Ensuring The Success Of Families And Communities

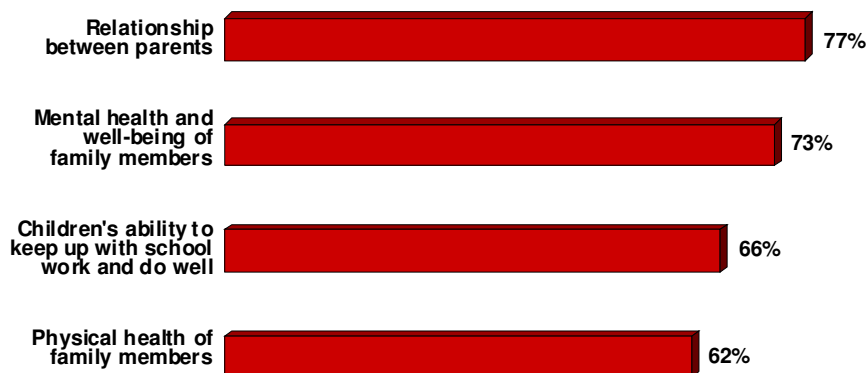
In the wake of the housing boom and bust, during which millions of Americans were foreclosed upon and evicted from their homes, the public has a strong and personal sense of the vital role that stable housing plays in people’s lives. As discussed earlier, the results of this survey show that while most feel stable and secure in their current housing situation, housing insecurity touches nearly half (45%) of all adults at some point in their lives.

Americans acknowledge the foundational role that stable and secure housing plays in fostering the ability to succeed in life and enabling people to reach their full potential. Nearly universally, the public feels that having decent, stable, affordable housing is important to a person’s ability to pursue their hopes and dreams—with 82% characterizing it as *very* important.

The public understands how lacking secure housing can chip away at families’ stability and well-being. More than three in five adults believe that a family’s lacking stable, secure, and affordable housing will have a major negative impact on several important factors, including the relationship between the parents (77% major negative impact), family members’ mental health and well-being (73% major negative impact), the children’s ability to keep up in school (66% major negative impact), and family members’ physical health (62% major negative impact).

The public understands the vital role that stable housing plays for families.

For a family with young children, a challenging and unstable housing situation would have a major negative impact on this:*



* described as a situation in which "they are very worried they won't be able to keep their home and may be forced to move out"

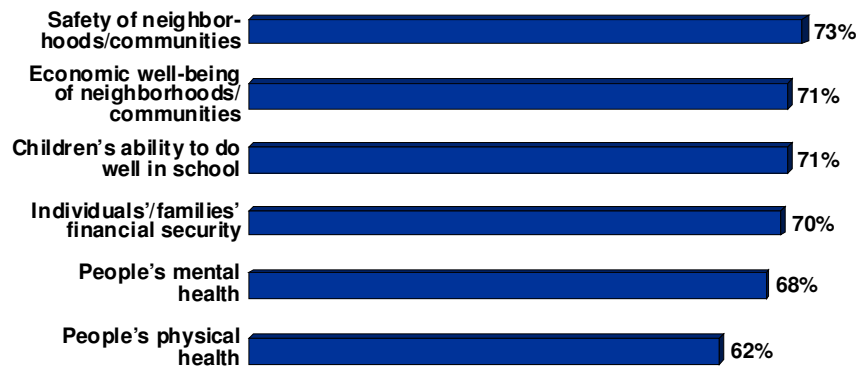
"If you have a permanent and stable home, it lowers the stress for children because children know when you worry. If you worry, then they worry and stress tends to equal poor health."

–Philadelphia Woman

The American public demonstrates a similar understanding of how ensuring greater access to and availability of stable housing will have a significant positive impact on communities' health and prosperity. Greater than three in five adults believe that working to ensure that more people and families have decent, stable, affordable housing will have a major positive impact on factors affecting families and the communities in which they live, such as neighborhood and community safety (73% major positive impact), economic well-being (71% major positive impact), children's ability to do well in school (71% major positive impact), individuals' and families' financial security (70% major positive impact), and people's mental and physical health (68% and 62% major positive impact respectively).

The public understands the vital role that stable housing plays in communities.

If we ensure that more people/families have access to decent, stable housing they can afford, it will have a major positive impact on this:



* Statement prior to question: "Some people say that in this time of scarce government resources, ensuring that more people have decent, stable housing that they can afford, whether renting or owning, is a cost effective, smart way to help address some of the other challenges our communities face today."

This awareness of the potential impact of housing on families and communities is evidenced across majorities of Americans, regardless of factors such as age, income, education, and race. It also is evidenced at high levels, regardless of political affiliation, with majorities of Democrats, independents, and Republicans acknowledging the powerful impact of housing on families and communities.

It Is Time For A New Approach To Housing Public Policy That Places Renting And Owning On A More Level Playing Field

For decades, the federal government's priority for housing policy has been to promote and reward homeownership. While roughly 35% of Americans rent and the other 65% own, the federal government spends approximately three times as much to support homeownership as it does to support renting.¹ While this survey's findings reveal changing attitudes about housing, a question that remains is, are there larger implications for how the public views the role of government and housing public policy priorities? To better understand this, we tested whether having information regarding historic U.S. housing policy and information about

¹ Sard, B. & Fischer, W. (2012, July 25). *Renters' Tax Credit Would Promote Equity and Advance Balanced Housing Policy*. Retrieved from <http://www.cbpp.org/files/7-13-12hou.pdf>

demographic and lifestyle changes that may impact housing decisions would make the public support a more balanced approach to housing policy.

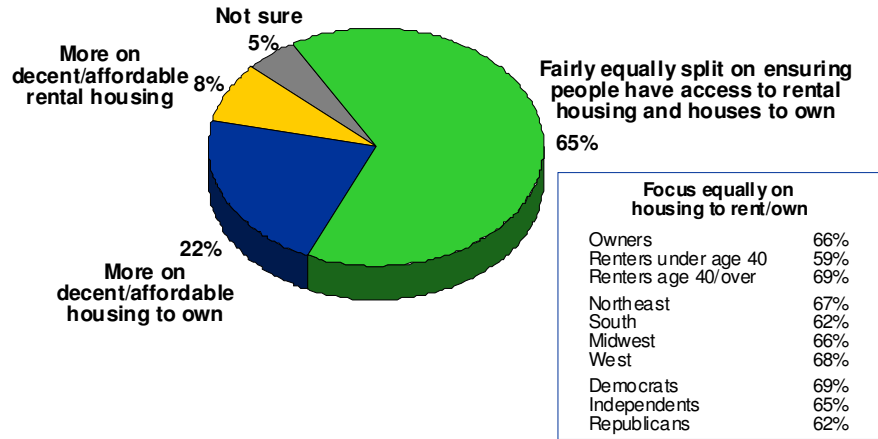
It is both surprising and significant that after hearing the information in the following box, the prevailing view that emerges among the American public is that—if the goal is to ensure that more people have stable affordable housing—the focus of our federal housing policy should be fairly equally divided between renting and owning and not focused on promoting one over the other.

For more than 70 years, the overwhelming majority of all government investments in any kind of housing have gone to support and encourage homeownership, including first-time home buyer tax credits and the tax deduction for mortgage interest. And while our approach to housing policy has remained basically the same since the 1940s, the way we live our lives has changed significantly. Americans are waiting longer to get married, having fewer children, and living longer. We are much more mobile as we move to find the best jobs and education, and to retire someplace comfortable. A part of this change is that more people, at different stages of life, are choosing to rent. Given this, some people say we need to reform our housing policies so they are more balanced and address homeownership and renting in a more equitable way.

After being provided with this information, two-thirds (65%) of the public support housing policy that focuses equally on rental housing and homeownership, compared with 22% who believe the focus should be more on ensuring people have access to homes to purchase and 8% who believe the focus should be more on decent and affordable rental housing. Support for this more balanced approach to housing policy is the majority view across all demographic segments of the public and across the different regions of the country. Furthermore, in contrast to the partisanship that permeates political discussion in Washington today, support remains consistently strong regardless of political party affiliation. Greater than three in five Democrats (69%), independents (65%), and Republicans (62%) favor this balanced approach to housing policy, which places renting and owning on a more level playing field.

Americans put priority on fairness and balance, not on promoting ownership over renting.

To ensure that more people have decent, stable housing they can afford, I think the focus of our housing policy should be:



When asked to explain in their own words why they support taking a balanced approach to housing policy that is divided more equitably between renting and owning, the most frequently volunteered reasons center on the importance of equality and fairness as well as the necessity of both housing options. The belief that fewer people can afford to buy a home in this day and age also is offered as a reason to support a more balanced approach to housing policy.

The federal government's current approach to allocating housing funds, in which more than half of its spending benefits households with incomes greater than \$100,000,² also is at odds with the American public's perspectives on housing policy. When asked to consider how the government should prioritize its investments in housing, a plurality (38%) of Americans support government spending on housing programs and tax deductions that focus primarily on middle- and low-income individuals and families, and three in 10 (30%) adults favor targeting government spending on programs and tax deductions to individuals and families that are really struggling. By contrast, only one in four (23%) Americans

² Sard, B. & Fischer, W. (2012, July 25).

supports targeting government spending on housing-related programs and tax deductions to individuals and families, regardless of income.

The question of how the government should allocate its housing-related investments is an area on which there is a modest amount of variation in opinion. Democrats and those with household incomes ranging from \$40,000 to \$75,000 are more likely to believe that housing-related spending should be targeted primarily to middle- and low-income individuals and families. Younger adults under age 35 and those with household incomes below \$40,000 are more likely than other age or income groups to think housing-related spending should be targeted primarily to people who are really struggling financially. Republicans and people with household incomes above \$75,000 are relatively more likely to believe that programs and tax deductions should be funded for individuals and families regardless of income. However, it should be noted that even among Republicans and people with household incomes greater than \$75,000, a plurality prefer that government spending focus primarily on middle- and low-income individuals and families.

Government Spending On Housing Should Fund Programs And Tax Deductions

	Primarily For Middle-/Low- Income	Primarily Those Who Are Really Struggling Financially	Regardless Of Income
	%	%	%
All adults	38	30	23
18 to 34	34	35	24
35 to 49	40	32	21
50 to 64	41	27	24
65 and older	36	30	21
Less than \$40k	37	37	19
\$40k to \$75k	46	25	21
More than \$75k	36	26	28
Democrats	44	32	20
Independents	38	27	22
Republicans	29	29	28

The findings from this research reveal that while the federal government has continued to rely on a decades-old housing policy focused primarily on promoting homeownership, the American public has taken a more balanced view that recognizes the primary importance of ensuring that more individuals and families have access to stable and secure housing—regardless of whether that is renting or owning. Having weathered an economic recession and the collapse of the housing market, Americans have a clear understanding of how housing can impact individuals, families, and communities.

On Shaky Ground: A Portrait Of Americans Most Affected By The Housing Collapse

The struggle over the past five years has not yet been relegated to the past for some Americans, and the reality of living in an unstable and insecure housing situation weighs especially heavily on certain segments of the population. Renters with children are especially likely to worry about a number of aspects related to their housing. More than half (54%) worry at least somewhat often about their struggle to keep up with bills and 36% worry somewhat or very often about their struggle to keep up with rent payments. Homeowners currently underwater on their mortgages also are weighed down by their housing concerns. Nearly three in 10 (28%) owners underwater worry somewhat or very often about having to move because they cannot keep up with mortgage payments, and 22% worry at least somewhat often about banks foreclosing on their homes.

Proportion Who Say They Worry Very/Somewhat Often About Each Of The Following

	<u>Owners</u> %	<u>Mortgage Under Water</u> %	<u>Renters</u> %	<u>Renters W/Kids</u> %	<u>More Than 30% Of Income On Housing</u> %
Struggling to keep up with bills	29	44	42	54	51
Struggling to keep up with mortgage or rent payments	14	34	27	36	37
Having to move because cannot keep up with rent or mortgage payments	9	28	19	27	29
Being foreclosed on or evicted from home	8	22	16	23	22

People living “on the edge” or in tenuous housing arguably have been hit the hardest by the housing crisis.³ Their experiences and perspective on the housing market tell a story that underscores the importance of stable and secure housing and illuminates the toll a lack of stability can take on individuals, families, and communities. Fifteen percent (15%) of Americans currently are living on the edge. By comparison to the overall sample, people living on the edge disproportionately are women, renters—especially renters over the age of 40 and renters with children, low-income individuals and families, and people who spend more than

30% of their income on their rent or mortgage.

Demographic profile of people living on the edge: Proportions of subgroups with people living “on the edge” compared with adults overall

	Percentage of all adults	Percentage of on the edge
	%	%
Men	48	38
Women	52	62
Owners	63	45
Renters 18 to 39	18	23
Renters over 40	14	27
Renters with children	10	22
African Americans	12	16
Hispanics	13	19
Household income less than \$40k	35	60
Spend more than 30% income on rent	24	50

Americans currently living on the edge have faced a number of housing challenges in recent years and, given their first-hand experiences with housing instability, take an especially critical eye toward the housing market. Compared with Americans overall (46%), nearly two in three (64%) people living on the edge think that the housing market is a very or fairly serious problem facing the United States today.

Comparing their current housing

situation with before the housing crisis began, people living on the edge are more than twice as likely (57%) as Americans overall (25%) to say they are less stable and secure now than they were five years ago. Consistent with this evaluation, people currently living on the edge have faced more hardships related to housing over the past five years. They are nearly three times as likely to have fallen behind

³ “One the edge” is defined here as people who say their current housing situation is fairly or very unstable and insecure or who worry very often about keeping up with their rent or mortgage payments, moving because they cannot keep up with their rent or mortgage payments, or being evicted or foreclosed on.

on their rent or mortgage payments (42% compared with 16%), and to have moved because they could not keep up with rent or mortgage payments (29% compared to 10%).

Americans living on the edge have faced several housing challenges in recent years.

