



CONSEQUENCES • HOUSING

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INTRODUCTION

Where we live matters, impacting financial stability, current and future health and life expectancy, exposure to violence, access to resources, housing and transportation costs, educational opportunities, and future economic prosperity.¹ Yet ALICE families — whether they are homeowners or renters — are challenged to find affordable units and often spend a disproportionate amount of their income on housing. As a result, they are frequently forced to make difficult choices or sacrifices in other areas of their lives. Homelessness is the worst possible outcome when ALICE cannot afford basic housing, but there are less drastic consequences that also take a toll.

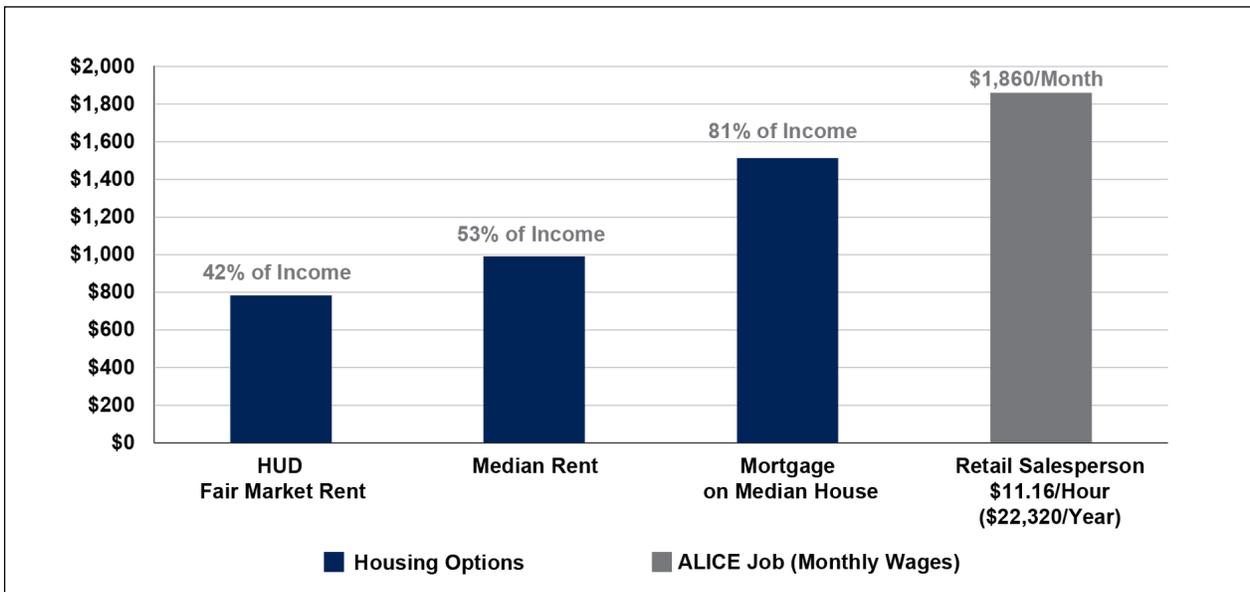
In 66 percent of U.S. housing markets in 2017, owning a home was more affordable than renting in the long term.² Yet the cost of a mortgage and down payment, maintenance, and real estate taxes makes home ownership out of reach for many ALICE families. This is especially true for households of color, due to racial and ethnic discrimination in home buying and mortgage qualification practices.³

The relationship between the cost of housing and what an ALICE worker earns is shown in the figure below. The figure compares three different monthly housing options for a family of four to the monthly salary of a full-time employee working in retail sales.⁵ Retail sales is the most common occupation in the U.S. — more than 8.7 million jobs with an average hourly wage of \$11.16, or \$22,320 annually.

HOUSING DISCRIMINATION

Nationally, there were 28,843 complaints of housing discrimination in 2017. The three most common types of complaints in 2017 were based on disability (57 percent), race (19 percent), and family status (9 percent).⁴

Monthly Housing Costs and ALICE Worker Wage, 2017



Sources: American Community Survey. (2017). 1-, 3-, and 5-year estimates; Bureau of Labor Statistics. (2017). Occupational employment statistics. U.S. Department of Labor; U.S. Department of Housing and Urban Development. (2017). Fair market rents

Nationwide, there is a 7.2 million-unit shortage in affordable rental units for extremely low-income renters; there are only 35 affordable units for every 100 of these households.⁶

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