



Facts on Aging Housing for Boomers

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The number of senior households in the U.S. is expected to grow by more than 50% between 2000 and 2020. Housing is therefore an important issue for the nation's growing elderly population. From the lack of affordable housing, to rising property taxes and the need for innovative assisted living arrangements, there are a multitude of problems facing the aging baby boomers. Where will we be living when we're growing old?

Where do the Elderly Live?

- The proportion of elderly people living alone increased substantially, from less than 19% to 31%, during the time from 1960 to 1990. The share of elderly widows living alone, for example, rose from 18% in 1940 to 62% in 1990, while the share living with adult children declined from 59% to 20%.

Source: Demography is not Destiny, by the National Academy of an Aging Society (1999)

- Isolation contributes to homelessness among older persons; in a 3-nation survey conducted in 2004, one half of the respondents (50 years and older) had been living alone before losing their homes.
- While a relatively small number (1.56 million) and percentage (4.5%) of the 65+ population lived in nursing homes in 2000, the percentage increases dramatically with age, ranging from 1.1% for persons 65-74 years to 4.7% for persons 75-84 years and 18.2% for persons 85+. In addition, approximately 5% of the elderly lived in self-described senior housing of various types, many of which have supportive services available to their residents.

Source: A Profile of Older Americans 2004, US Dept. of Health and Human Services

- There are more than 36,000 assisted-living facilities in the U.S. licensed to serve more than 90,000 residents in 2004. This is more than a twofold increase from the 41,000 beds estimated 20 years earlier.

Source: Residential Care and Assisted Living Compendium (2005)

The State of Affordable Housing

- Approximately 20,000 federally subsidized housing projects serve more than 1.7 million older people

whose median age is approximately 75. Many projects have an average tenant age of 80 years or more and have residents at increasing levels of frailty.

Source: AARP Sourcebook 2003

- An estimated additional 730,000 rent-assisted units will be needed by 2020 to house elders age 65 and older who have housing problems.

Source: Commission on Affordable Housing and Health Facility Needs for Seniors (2002)

- 20% of the 45,000 federally assisted housing units built between 1959 and 1974 have inadequate reserves to meet their current repair needs. In addition, 36% of the housing projects state that reserves are insufficient to meet projected repair needs.
- Manufactured housing provides a major source of unsubsidized housing for low- and moderate-income households. In 2001 there were 7.1 million manufactured homes occupied as primary residence, of which 3.1 million were owned or rented by someone age 50 or older.

Source: AARP Sourcebook 2003

Low Income and the Rising Cost of Housing

- Over 7 million senior households have excessive dwelling expense burdens or live in physically substandard accommodations. By 2020, the number of older households living in these unaffordable or poor quality dwellings will grow to over 11.3 million.

Source: Congressional Commission on Affordable Housing and Health Facility Needs for Seniors in the 21st Century

- Monthly Supplemental Security Income (SSI) payments for an individual are \$579 in Florida. If SSI represents an individual's sole source of

income, \$174 in monthly rent is affordable, while the Fair Market Rent for a one-bedroom apartment is \$687.

Source: National Low Income Housing Coalition, "Out of Reach 2005"

- More than one third of elder households have incomes below \$17,500. 8.4 million of the nation's 21 million elderly have incomes of less than \$10,500 a year. Among those with the lowest incomes 38% pay more than half of their annual income for rent.

Source: Harvard University Report "State of the Nation's Housing" 2002

Homeownership Issues

- Established in 1989 the FHA's (Federal Housing Administrations) Home Equity Conversion Mortgage (HECM) program is the most widely used form of reverse mortgage. The program is available in every state, Puerto Rico and the District of Columbia.
- Reverse mortgages are not for everyone, but they can be critically important to older homeowners who are house rich, but cash poor. According to data from a study sponsored by the Department of Housing and Urban Development (HUD), the typical reverse mortgage borrower is a 76-year-old woman living alone with an annual income of \$10,000 and a home value of slightly more than \$100,000. Older

homeowners most often use reverse mortgage to pay for needed home repairs, health and supportive services and other basic needs. A limited survey of lenders found dozens of cases in which reverse mortgages saved an older person's home from foreclosure.

Source: AARP Sourcebook 2003

- Only 23% of the total HECM participants are younger than 70, and more than 25% of the

participants are 80 or older at the time of their application. This suggests that among the eligible, the HECM program has a strong appeal to the relatively older homeowners.

Source: HUD (2000)

- Universal housing design means simply designing all products, buildings and exterior spaces to be usable by all people to the greatest extent possible.

- In the growing population

over 65 years of age, 46% have either limited or severe disabilities. In response, developers are adapting many new design features at the conceptual stage. The cost-conscious builder must consider not only construction costs related to accessibility, but also long-term costs of ignoring a potentially huge segment of the population.

Source: Design Intervention: Toward a More Humane Architecture, W.E. Preiser, J.C. Vischer, E.T. White.

The state of affordable housing for seniors is distressing. If the reaction of the federal government and Congress to the recent natural disasters is any indication, funding and expansive thinking will not be forthcoming, despite the looming crisis.

Source: The Sad State of Affordable Housing for Older People, by Nancy Libson (Generations, Winter 2006)



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