



## Thought Leadership

NHPF is leading the thought process by which we identify new ways to talk about the need for affordable housing in our country. These NHPF-commissioned national **surveys** are offered as part of our commitment to thought leadership.



Where You Live Matters

# Survey: Boomers Unprepared for Looming Retirement

## Over one-third have no retirement budget

**Washington, DC**—After a year of budget cuts to various federal government programs, and the potential for entitlement reforms on the horizon, an already weakened social safety net could become even weaker, which prompted The NHP Foundation, a not-for-profit provider of service-enriched affordable housing, to ask how financially confident are Baby Boomers as they grow nearer to retirement.

This new survey of 1000 non-retired Americans aged 50+ identifies a serious disconnect between saving and planning for retirement and actually affording a desirable lifestyle.

Of the estimated 78 million Baby Boomers, about 10,000 hit retirement age every day, but according to The NHP Foundation data, 73% of Baby Boomers expect to delay retirement. Compounding these findings, a full 31% stated that they have not prepared a retirement budget, while 62% of those who have budgeted stated that SSI (Social Security Income) will contribute to at least half of their monthly income.

## UNFORESEEN HEALTH COSTS A FACTOR

While roughly three-quarters of Baby Boomers expect to delay retirement to continue working, an anticipated decline in health tends to cut those plans short for many. However, 65% of those surveyed stated that they have not budgeted for unforeseen health-related expenses. Of those without a retirement budget and planning on SSI for at least half of their income, 72% noted that they have not accounted for unforeseen health-related expenses.

When parsing this data, tax consultant and financial advisor Paul Shapiro said, “Although this generation is statistically healthier and living longer than previously, it’s still startling to see people taking such a laissez-faire attitude to long-term health and retirement planning.”

## RETIREMENT REALITY VS. “WISHFUL THINKING”

Juxtaposed to the above findings, 70% of those surveyed are at least somewhat confident that they will experience the retirement that they seek, and out of those that expect to delay retirement, 63% believe they will achieve their desired retirement.

But, according to Richard Burns, President & CEO, The NHP Foundation, “There is a disconnect between Baby Boomers’ current financial status and where they perceive themselves in retirement. This ‘wishful thinking’ carries potential consequences that will likely have a large impact throughout all areas of the economy.”

Data from the Consumer Financial Protection Bureau substantiates this. Older homeowners owe almost double on their current mortgage, than the same age group did a decade ago, a likely driving force for why well over a majority of Baby Boomers expect to delay retirement, and why “affordability” is the most essential housing aspect of retirement according to respondents, with 60% ranking it as their greatest desire.

### **WHAT WORRIES RETIREES MOST**

In order of importance, the three outcomes that worry prospective retirees the most are: an inability to afford quality healthcare (36%), dependency on children (28%), and being forced to choose a living situation inferior to their preference (22%).

For 85% of those surveyed, their preference is the ability to continue living in their current home. Of the two-thirds of those surveyed that rent or have a mortgage, 76% either have no retirement budget or will rely on SSI for at least half of their income, though 83% still believe they will be able to age in-place. Along with these findings, only 17% of those who have no retirement budget and will rely on SSI for at least half of their income, think they will have to move.

But the evidence shows that many will have to consider alternatives to aging in-place. These include everything from renting out a room (though less than 17% of those surveyed feel this is a likely option) to seeking out affordable housing. “Renting quality affordable senior housing may be the best answer for many older Americans,” continues Burns, “With 1 in 4 in desperate need of affordable housing, equating to 2,500 new retirees every day, there needs to be a priority to create an adequate supply of affordable rental housing for boomers now and in the future.”

For those approaching retirement who haven’t got a sound financial plan in hand, the need to take a hard look at available options and make decisions they can live with today and in the future, is paramount.

# Surveying Americans on Housing: Some Surprising Results

By Richard Burns, The NHP Foundation (NHPF) President & CEO

**In September 2016, The NHP Foundation retained a professional research firm to survey 1,000 Americans and gauge their feelings about housing and job security. We learned that:**

- 75% of these Americans are concerned that they, a relative or friend could lose their housing.
- Over 65% of these Americans are “cost burdened,” meaning they are spending more than 30% of their income on rent.
- Nearly 40% of respondents fear job loss will lead to a loss of housing. In addition, they are concerned about a lack of affordable housing options, increasing apartment rents and a lack of savings for retirement.
- With the number of people feeling “cost-burdened,” it was no surprise that 80% of respondents said they would welcome more affordable housing in their communities. Only 20% of those polled were unlikely to welcome affordable housing in their neighborhoods.

The statistics on the need for affordable multifamily housing in this country are staggering and well documented—11 million renter households (more than one in four of all renters) pay more than half their monthly income on rent; only 26% of eligible very low-income households received housing assistance in 2013; at last measure, 11.2 million extremely low-income families (below 30% of area median income) were competing for 7.3 million units affordable to them, a gap of 3.9 million units, etc.

Once you get past the numbers, our survey results demonstrate the human toll resulting from the lack of affordable housing. We have done follow-up polling of 1,000 baby boomers with similar results: one-third experience anxiety about being able to afford where they live at least once a month and 42% of retirees report such anxiety at least once daily. A third survey polled 1,000 millennials 18–34. It found that this group, saddled with record-breaking student loan debt, mirrors much of society, frustrated by the lack of affordable housing options.

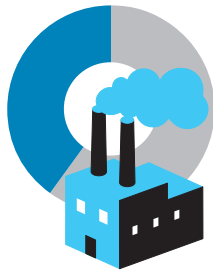
So what do we do about this crisis of “unaffordable” housing? If the government is looking for ways to improve the American infrastructure, creating more affordable housing would be an excellent place to start.

The most successful affordable housing production tool ever devised is the Low-Income Housing Tax Credit. Its public/private partnership structure has created nearly 2.8 million affordable apartments since 1986, while supporting 96,000 jobs annually and adding roughly \$3.5 billion in taxes and other revenues to local economies each year. In this uncertain political climate, we all must push Congress to support and expand the Low-Income Housing Tax Credit as a key driver to create and preserve more affordable housing.

### NHPF 2016 Affordable Housing Survey Results



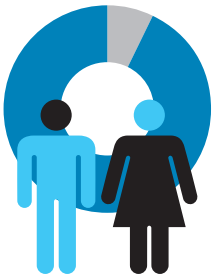
**75%**  
of those surveyed  
fear the  
possible loss  
of their housing



**40%**  
of those surveyed  
believe job loss  
will lead  
to loss of housing



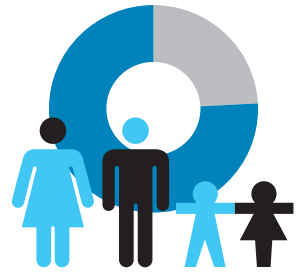
**80%**  
of those surveyed  
would welcome  
affordable housing  
in their community



**93%**  
of those surveyed  
are concerned  
about housing  
costs in America



**33%**  
of baby boomers surveyed  
experience monthly  
anxiety about being able  
to afford where they live



**76%**  
of millennials surveyed  
have made compromises  
in order to find  
affordable housing

## Survey: 75% of Americans Concerned About Losing Housing

**New research by The NHP Foundation also finds 40% of Americans fear losing a job will render them homeless**

**New York, NY** With the August Jobs Report cited as the “worst month for job gains” of the year, The NHP Foundation, a not-for-profit provider of service-enriched affordable housing, polled 1000 Americans to gauge their feelings about housing and job security. The survey’s highlights include the following:

### **75% of Americans are concerned about losing housing.**

When asked how concerned Americans are that they or a friend or relative could lose housing, 30% consider themselves “very concerned”, 27% are “concerned” and another 19% are “somewhat concerned.” Eighty-three percent of respondents are concerned about housing costs in America overall.

### **Over 65% of Americans are “cost-burdened.”**

Affordable housing is housing for which occupants pay no more than 30% of their income. Those who spend more than that on rent or a mortgage are considered cost-burdened; over 65% of Americans put themselves in that category.

### **80% welcome more affordable housing in their communities.**

With this many Americans feeling “cost-burdened,” it’s no surprise that 80% welcome affordable housing. Nearly 40% of those polled welcome affordable housing simply because “everyone deserves” it, while twenty-five percent cite the opportunity for “people to live in the community where they work.” Nearly 20% agree that affordable housing lets a wider range of individuals share a community, and 16% acknowledge affordable housing’s ability to revitalize neighborhoods.

Only 20% of those polled were unlikely to welcome affordable housing in their neighborhoods. The NHP Foundation President and CEO Dick Burns attributes this to “an outdated concept of affordable housing.” He adds, “Today’s affordable housing is comprised of new and upgraded garden apartments and high-rises; amenity-laden developments that look nothing like ‘projects’ of the past.”

## **Onsite financial education and workforce development programs rank highest.**

Amenities that attend to life improvement needs and goals have become a critical component of high-quality affordable housing. The survey asked respondents to rank such services on a scale of 1–5, with “1” being “most likely” to improve quality of life.

- “Financial education” and “workforce development programs” had the highest number of “1” rankings (25.82% and 27.5% respectively)
- “After-school and summer youth programs” (20% ranked number 1)
- “Fitness and health programs” (14.5% ranked number 1)
- “Community building social events” (12% ranked number 1)

“Clearly a majority of Americans consider financial wellness ‘job one,’” said NHPF VP of Resident Services, Ken White. “This finding reinforces the need for affordable housing providers to offer a wealth of onsite educational and other services.”

## **Nearly 40% of respondents fear job loss will lead to loss of housing.**

In addition, those polled also felt that the following could lead to a loss of housing: Perceived lack of affordable options (28%), increased rents (24%) and retirement (21%).

“Job loss is the top concern to those who fear losing their housing; the two go hand-in-hand,” added Burns.

Despite these fears, CEO Burns is buoyed by the positive attitudes of survey respondents about affordable housing, adding, “It all starts with housing. Without the underpinning of a secure place to live, it’s nearly impossible for an individual or head of household to find and keep a job and provide for themselves and their loved ones.”

To that end, The NHP Foundation is looking to increase its construction and preservation of affordable housing units substantially this year.

## Survey: 76% of Millennials Have Made Compromises to Find Affordable Housing

**New research finds that many individuals aged 18–34 stay at home longer and opt to rent due to high cost of housing and changes in lifestyle priorities.**

**Washington, DC**—As the issue of housing continues to be hotly debated, one group in particular has had to compromise in order to find suitable living situations that are also affordable: America’s millennials. According to a new survey of 1000 Americans aged 18–34 from The NHP Foundation, a not-for-profit provider of service-enriched affordable housing, a majority of millennials have had to delay or rethink traditional ideas of the “American Dream” of home ownership. The survey’s highlights include the following:

### **76% of millennials have made compromises in order to find affordable housing.**

Seventy-six percent of respondents said that they have made housing compromises in order to find something affordable. Of those who admit compromises, 46% say they live with parents or family; 43% say they have put off saving for the future; 41% say they live with a roommate; while 36% say they have had to move further away from school or work to find something affordable. Thirty percent have said they have put off home ownership entirely.

“Millennials, America’s largest generation, already saddled with record-breaking student loan debt, no longer think homeownership is in their future,” said Richard Burns, CEO of The NHP Foundation. “This group mirrors much of society, which is also frustrated by the lack of affordable housing and seeking rental options. Working to solve this problem is NHPF’s primary mission.”

### **69% of millennials are “cost-burdened.”**

Affordable housing is housing for which occupants pay no more than 30% of their income. Those who spend more than that on rent or a mortgage are considered “cost-burdened”, and over 69% of millennials put themselves in that category. Of those who describe themselves as “cost-burdened,” 67% say they are saving for the future purchase of a home; 20% say they are delaying getting married or having children; and 17% are putting off paying for preventative healthcare.



**Nearly one-third plan to continue renting and/or living at home, 50% prefer renting to ownership.**

Sixteen percent said they plan to continue renting and 12% say they plan to continue living with their parents or family. Of the respondents who said they plan to continue renting, 57% said they will continue to do so because the “expenses of home ownership are too great.”

Despite some renters forced to do so by high costs, some respondents prefer renting to ownership. Fifty-one percent said they will continue to rent because of the location of their rental and 31% said that their “mobile professional life” (defined as “frequent moves necessitated by climbing the career ladder”) was more conducive to being a renter.

On the other hand, 61% of those who plan to continue living with parents or family said that they will do so because the expenses of home ownership are too great; 53% said that location was the primary reason; while 31% said they would continue to do so because of their “mobile professional life.”

“The contrast between Gen Y’s housing goals and that of previous generations is stark,” said Burns. “In order to meet demand for quality rental options, a combination of public, private and government entities need to make sizeable investments in the country’s housing infrastructure.”

**Affordable housing top social issue for millennials.**

Sixty-three percent of respondents said that affordable housing is “very important” to them, with 50% saying that beyond their own situation, affordable housing is a very important social issue. Fifty percent of respondents also said that they would be “very likely” to give to affordable housing causes by volunteering time (60%), attending events (50%), championing the issue on social media (36%) or contributing money (32%).

“Millennials are already well known for their social consciousness and attention to ‘pet’ causes,” said Burns. “To see that the need for affordable housing for all resonates with this group is gratifying.” Burns continues, “Creating programs that encourage millennial participation is a key objective of NHPF moving forward.”

## **Survey: One-third of Boomers Report “Housing Affordability” Anxiety at Least Once a Month; 42% of Retirees Have Such Anxiety Daily**

**New research also finds housing affordability anxiety now “multi-generational”**

**Washington, DC**—While it is too soon to tell how the new administration will affect the construction and cost of affordable housing, the nation’s 75 million baby boomers are weighing in with their housing concerns. According to a new survey of 1000 Americans aged 55+ from The NHP Foundation, a not-for-profit provider of service-enriched affordable housing, 30% experience anxiety about being able to afford where they live at least once a month, with 42% of retirees reporting such anxiety at least once daily. When asked what causes the greatest anxiety, 46% of respondents said they worry about “the ability to afford desirable retirement living.”

### **Nearly 65% of boomers worry at least once a month about their adult children’s ability to afford desirable housing**

Over 10% of boomer parents worry about this at least once a day, with most (64%) concerned about their adult children’s ability to afford rent or mortgage, and 43% most concerned about the next generation’s retirement savings.

“The anxiety is now multi-generational,” according to NHPF CEO Richard Burns, “So we are working today to increase our stock of affordable housing to ensure that this and future generations are able to afford desirable places to live.”

The NHP Foundation Baby Boomer survey is the third in a series. The first queried the general population about housing affordability, determining that 75% of the population worried at any given time about losing their housing. The second zeroed in on millennials, finding that 76% of that group have made compromises in order to find affordable housing.

“These findings underscore the urgency to make housing affordability solutions a priority in America especially for those most vulnerable,” added Ali Solis, President and CEO of MakeRoom, a national renter’s advocacy group.

## **Nearly one-quarter of boomers worry about affording rent/mortgage payments, but geography plays role**

Although 24% of those queried say they're most anxious about being able to afford their rent or mortgage, there are geographical differences. Just under 20% of those in the midwest worry about affording rent or mortgage payments while 38% of those in the south rank this their biggest worry.

According to the survey, housing-related anxiety is most acutely felt in the south, followed by the northeast and midwest. Boomers in the west experience housing-related anxiety least often.

“Though housing insecurity is a national problem, these geographic differences demonstrate the need to tailor housing options to the unique needs of each region,” said Stefano Rumi, an advisor to NHPF and a senior fellow at the Batten Center for Social Policy of the University of Virginia specializing in the housing needs of America, “The winning solutions will incorporate private and public partnerships to finance affordable housing. This means a ‘YIMBY’ (yes in my backyard) attitude on the part of local communities and elected officials.”

## **Election impact on housing reflects national mood**

Housing concerns brought on by the new administration mirror America's divided population. Nearly half (49.96%) report little or no anxiety, yet the other half (50.04%) have substantial or great anxiety. Of those who experience greater anxiety about housing due to the new administration, the highest percentage, (30%) worry about a lack of sufficient retirement funds, followed closely (27%) by those who fret about tax increases.

Nearly 50% of those queried believe their housing related anxiety could be alleviated if the new administration assured stable property and other taxes, meaning a guarantee of no substantial tax increases. Those seeking assurances about job security and legislation to protect from rent/mortgage increases followed at 24% and 23% respectively.

Interestingly, nearly 14% of respondents indicate that construction of more affordable housing would help alleviate their housing-related anxiety. To this, NHPF's Burns adds, “Government measures, particularly the LIHTC (Low Income Housing Tax Credit) which gives incentives to private equity for the development of affordable housing, will continue to be vital to organizations such as ours to provide the country with stable, long-term affordable housing options.”

# Survey: Nearly 63% of Moms Say Their Adult Children are Unprepared to Live On Their Own; Over One-Third Unwilling or Unable to Pitch In Financially

**This Mother's Day finds moms anxious about affordable housing for themselves and their families**

**Washington, DC**—This Mother's Day, adult children living with their parents might consider moving out as a gift to mom, if they're financially prepared to do so. According to a new survey of 1000 mothers by The NHP Foundation, a not-for-profit provider of service-enriched affordable housing, many are concerned about the ability of their adult children to live on their own. Nearly a third (29.86%) of the moms queried are anxious about their grown children needing to stay with them for an extended period of time. Here's a look at what else concerns today's moms.

## **FAILURE TO LAUNCH?**

**Nearly 63% of moms say their adult children are not fully prepared to live on their own.**

Only 30% of moms say that their adult children who live with them are actively looking for other places to live, and less than half (41%) say their kids pay rent. On the bright side, 67% of the adult children help around the house, and 65% of them are employed.

The mom cohort is very aware that their grown children don't have it easy. Ninety percent are concerned about rising housing costs, with 43% saying they are "very concerned" on their kids' behalf. And nearly 40% of moms worry at least once a day about their adult children's ability to afford desirable housing.

Yet, some moms are either unwilling or unable to offer financial help once the kids do move out. Only one-third of moms would co-sign a loan for their children, and even fewer (24%) would help subsidize rent or a mortgage. Nearly 36% say they aren't prepared to help their adult children financially in any way.

## **MOMS RULE THE ROOST**

**Fifty-two percent of those surveyed make family financial decisions either alone or with "some input" from a partner.**

These moms operate as family CFOs, taking a more active role in family finance and investments—not surprising since women make up 47% of the nation's workforce.

“Women wield more and more influence in the management of personal and family finances,” comments NHPF CEO Richard Burns, “Thirty seven percent of married women are now the breadwinners in their families. That statistic alone made it crucial for us to tap into this group and gauge their thoughts about housing for their family.”

Many women live with extended family. Seventeen percent of those with a partner and children also report parents or other relatives living with them, emblematic of the modern “sandwich generation.” Coined by social worker Dorothy Miller in 1981, the term refers to women in their 30s and 40s who were sandwiched between young children and aging parents as the primary caregiver for both. But The NHP Foundation’s Burns has expanded the term’s definition beyond health to other basic needs such as housing, finding that those who fall under this new “sandwich generation” bracket have a new set of housing anxieties.

## **NEW ADMINISTRATION BRINGS CONCERNS**

**Nearly 40% of moms in the survey say they have no confidence that the new administration will make affordable housing a priority.**

This is coupled with worries about affording rent or mortgage—56% of those surveyed worry about affording those payments. Nearly 74% are concerned that they or someone they know will find themselves “cost-burdened,” defined as spending more than 30% of one’s income on housing.

### **Is there a bright side for anxious moms this Mother’s Day?**

According to NHPF President and CEO Burns, his organization is looking to the government to continue such successful programs as LIHTC (Low Income Housing Tax Credit), which gives incentives to private equity for the development of affordable housing. Explains Burns, “LIHTC is vital to enabling providers to offer stable, long-term affordable housing options.”

The NHP Foundation is going even further to find solutions to help alleviate family concerns about housing. The organization is looking at new private and public partnerships designed to increase its stock of quality affordable housing. NHPF has also been selected by the University of Virginia School of Public Policy as part of a study seeking new models to help ensure that this and future generations are able to afford desirable places to live.

Other research undertaken by NHPF has found that 75% of Americans worry about losing their housing. The organization determined that 76% of millennials have made compromises in order to find affordable housing and, a third of Baby Boomers report “housing affordability” anxiety at least monthly.

## About The NHP Foundation

Headquartered in New York City with offices in Washington, DC, and Chicago, IL, The NHP Foundation (NHPF) was launched on January 30, 1989, as a publicly supported 501(c)(3) not for profit real estate corporation. NHPF is dedicated to preserving and creating sustainable, service-enriched multifamily housing that is both affordable to low and moderate income families and seniors, and beneficial to their communities. NHPF also provides a robust resident services program to 20,000 community residents. Through partnerships with major financial institutions, the public sector, faith-based initiatives, and other not-for-profit organizations, NHPF has 40 properties, including over 5,040 units, in 16 states and the District of Columbia.



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