

SUBSIDIZED SENIOR HOUSING

MARKET SNAPSHOT REPORT



SUBSIDIZED SENIOR HOUSING

SECTOR SIZE



1.7M

HUD AFFORDABLE HOUSING APARTMENTS

headed by a senior (62 or older)



800,000

LOW INCOME HOUSING TAX CREDIT APARTMENTS

headed by a senior (62 or older)



124,480

USDA RURAL HOUSING SERVICE SECTION 515

headed by a senior (62 or older)

HUD 202 SUPPORTIVE HOUSING FOR THE ELDERLY

400,000 UNITS CONSTRUCTED:

- 205,000 units with section 8 rent subsidy
- 122,000 units with project rental assistance contract subsidy

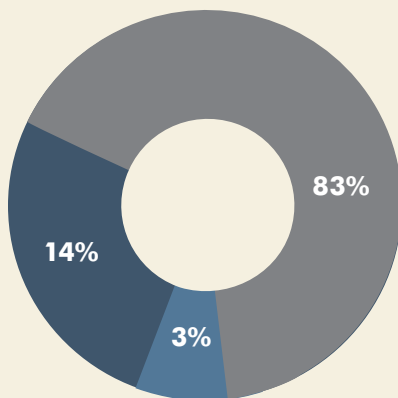
average annual household income: \$13,238

38% of residents frail or near-frail

16% units have household head 85 or older

50% of 202 communities have a service coordinator

FEDERAL FUNDING (ANNUALLY)



- HUD Funding: \$49 Billion
- Low Income Housing Tax Credit: \$8.2 Billion
- USDA Rural Housing Service: \$1.6 Billion

KEY FEATURES OF HUD ASSISTED HOUSING

INCOME TARGETED

- > Section 202 program serves households with incomes below **50%** of area median income.

AFFORDABLE

- > Households pay **30%** of their adjusted household income for rent. The average Section 202 household pays **\$297** a month for rent.

STABLE

- > Households can remain in their HUD apartments for as long as necessary. The average age at which elderly households leave assisted housing is the highest for Section 202 residents compared to other housing programs.

SUBSIDIZED SENIOR HOUSING

DEMOGRAPHICS AND HOUSING DEMAND

from the Joint Center for Housing Studies of Harvard University

FAST FACTS

- Currently, only **36%** of those who qualify receive housing assistance benefits (roughly 1.4 out of 4 million households).
- The number of older households will increase from **29.9 million** in 2015 to **49.6 million** in 2035.
- In 2015, 15 million older adults earned less than **80%** of their area median income. By 2035, this group will reach 27 million.
- Between 2015 and 2035, the number of households headed by a person aged 70 and over will grow by **90%**.
- The number of single-person and married couple households headed by someone aged **65 or over** will more than double by 2035.
- By 2025, the number of older households with a disability will increase by **76%** to reach 31.2 million households.
- Today, only **1%** of the housing stock offers zero-step entrances, single-floor living, wide halls and doorways, electrical controls reachable from wheelchairs, and lever-style handles on faucets and doors.
- Of the projected **31.2 million** older adult households with a disability in 2035, **17 million** will have at least one person with a mobility disability.

LINKAGES

Health Services

- Housing is a key social determinant of health.
- The availability of an on-site service coordinator reduced the odds of having a hospital admission among residents by 18%.
- Residents with a social worker and a registered nurse who coordinates and additional health services are less likely to visit the emergency room and move to a nursing home.

Health care savings

- Having an enhanced service coordinator and a wellness nurse on-site slows Medicare growth by \$1500 per year, per resident participating in the program for more than three years.
- Medicaid Home and Community Based Services waiver programs produced savings of \$43,947 per participant for the year studied compared to institutional care.

Americans with Disabilities Act

- Affordable housing allows states to comply with the ADA and the Supreme Court's *Olmstead* decision, which requires favoring community-based and

integrated settings over institutional settings for older adults with disabilities.

- Without the availability of housing affordable to them, older adults do not have a place to receive community-based services.

Life's Necessities

- According to Harvard's Joint Center for Housing Studies, housing cost burdens among older adults can put considerable strain on households' budgets.
- Older adult renter households with the lowest incomes who also spent more than half of their incomes for housing spend 51% on health care, 37% less on food, and 67% less on transportation than their non-housing cost burdened peers.
- Older adult owner households with the lowest incomes are similarly left with less for other life necessities, spending 67% less on health care, 34% less on food, and 49% less on transportation compared to their non-housing cost burdened peers.

Sources: HUD Office of Policy Development and Research. *Picture of Subsidized Households*, 2016; Novogradac & Company. *Low-Income Housing Tax Credit Showcase*, 2016; HUD's Office of Policy Development and Research. *Understanding Whom the LIHTC Program Serves: Tenants in LIHTC Units as of December 31, 2012*. December 2014; Housing Assistance Council. *Section 515 Rural Rental Housing Program, FY 1963- FY2015*, 2016; USDA's *Housing and Community Facilities Program. Multi-Family Housing Occupancy: Statics Report as of September 2015*, January 22, 2016; *Housing for Urban Development. Housing for the Elderly (Section 202): 2017 Summary Statement and Initiatives*; United States Government Accountability Office. *Elderly Housing – HUD Should Do More to Oversee Efforts to Link Residents to Services*. September 2016. Vermont's Support & Services at Home (SASH)

LeadingAge is an association of 6,000 not-for-profit organizations dedicated to making America a better place to grow old. **LeadingAge.org**



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