

Housing Affordability

What's your affordability IQ?

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- You hear a lot of talk about “housing affordability” but what does it really mean?
- What is your understanding of the affordability of housing in Virginia Beach?

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- See how well you can answer the following questions about housing affordability?

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- Question: What is the median income for a household in Virginia Beach?

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- Answer: \$60,503 is the annual median household income for a household*
- * the average household is now less than 4 persons

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- Question: How many Renter households in Virginia Beach pay more than 30% of their monthly income for rent and utilities?

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- Answer: 28,143 Renter households in Virginia Beach are paying more than 30% of their gross monthly income towards rent and utilities
- Source: American Community Survey 2009

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- Question: How many more affordable rental housing units are needed in Virginia Beach to meet the demand based on the 2000 census?

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- Answer: There is a shortage of 18,694 affordable rental housing units in Virginia Beach to meet the demand.

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- Question: How many rental households are there in Virginia Beach?

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- Answer: Based on the 2009 ACS survey information, there are 60,084 households who rent in Virginia Beach

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- Question: If you earn the minimum wage of \$7.25 per hour, and your rent & utilities could only cost you 30% of your gross monthly income, what would be the maximum you could pay for rent and utilities?

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- Answer: The maximum that you could pay per month for rent and utilities if you work 40 hours per week and earn minimum wage would be \$348.00 per month

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- Question: If a single income household earns the minimum wage, how many hours a week would they have to work to afford a market rate 2 bedroom apartment so that their rent was only 30% of their income?

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- Answer: If a single income household earns minimum wage of \$7.25/hour they would have to work 110 hours per week to afford a 2 bedroom apartment that cost the fair market rate so that your rent was 30% of your income.

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- Question: What is the median rent for all rents in Virginia Beach?

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- Answer: The median rent for an apartment in Virginia Beach is \$1160 per month*
- * Source- 2010 American Community Survey

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- Question: What would a household need to earn per hour in order not to work more than 40 hours per week and not pay more than 30% of your gross monthly income for rent and utilities?

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- Answer: You would need to make \$24.16 per hour in order to only work 40 hours per week and only pay 30% of your income for a 2 bedroom market rate rental unit.

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- Question: what is the median cost of a home for purchase in Virginia Beach?

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- Answer: The median selling price for a home in Virginia Beach in 2010 is \$237,100*
- *Real Estate Assessor's Annual Report to City Council 2010-2011 based on all housing types

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- What is the annual salary needed to afford to purchase the median price home in Virginia Beach?

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- The median income to afford to purchase a \$237,100 home would be \$63,888 -30 year fixed mortgage at 6%/95% LTV
(note this is above the median household income in Virginia Beach)

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- Question: What are the median salaries for the following occupations?
 - Auto Mechanic
 - HVAC Mechanic
 - Elementary School Teacher
 - Police Officer
 - LPN Nurse

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- Answer: The median income is:
 - Auto Mechanic- \$41,438
 - HVAV Mechanic- \$47,016
 - Elementary School Teacher- \$48,774
 - Police Officer- \$48,207
 - LPN Nurse- \$38,348
- NOTE: None of these households can afford to purchase the median price house in Virginia Beach

- Question: Do we need to increase affordable housing options in Virginia Beach?

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- Answer: YES!

There need to be more affordable rental and for purchase housing opportunities in Virginia Beach