

Mapping New England

Rent as a Percentage of Income, by County

KAILI MAURICIO

FEDERAL RESERVE BANK OF BOSTON

The maximum rent in public housing, established by the 1981 Housing and Community Development Act, is 30 percent of family income. Using that as a benchmark for all renters—and looking at the American Community Survey's data on gross rent as a percentage of income—can suggest the rent burden for New Englanders. Gross rent includes estimated utility payments, often a large percentage of the rent in lower-rent households.

Just over half of the region exceeds the 30 percent benchmark. Over half the nation does, too, but in New England the range is greater, with 39 percent of households exceeding the benchmark in Nantucket County and more than 58 percent of households in Barnstable County.

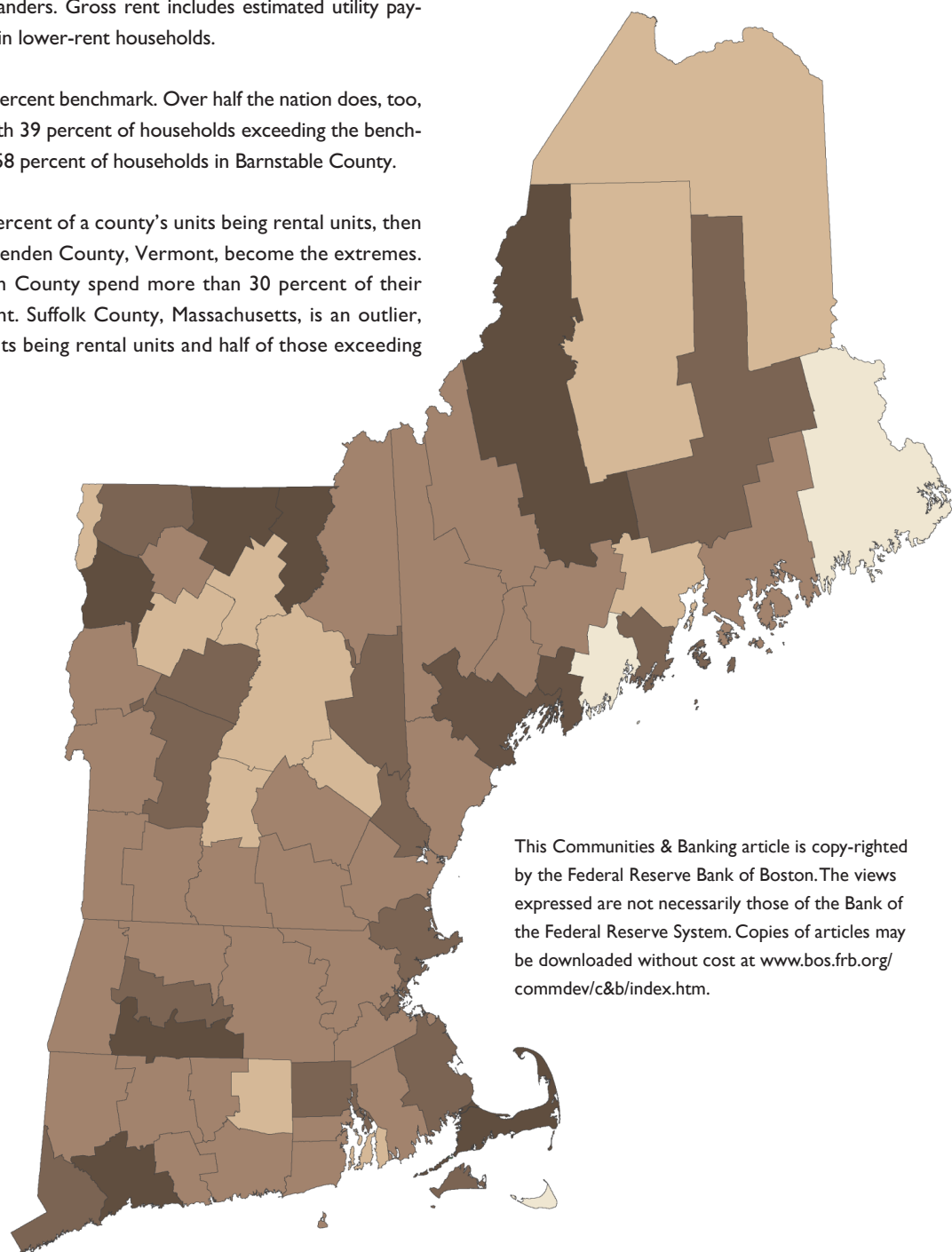
If we set an arbitrary floor of at least 20 percent of a county's units being rental units, then Windham County, Connecticut, and Chittenden County, Vermont, become the extremes. Forty-five percent of renters in Windham County spend more than 30 percent of their income on rent; in Chittenden, 58 percent. Suffolk County, Massachusetts, is an outlier, with more than half (57 percent) of all units being rental units and half of those exceeding the 30 percent benchmark.

Gross Rent as Percentage of Income

- 38.6% – 42.6%
- 42.7% – 46.5%
- 46.6% – 50.5%
- 50.6% – 54.4%
- 54.5% – 58.4%

Note: Nantucket and Barnstable counties have low shares of renter households (8 percent and 11 percent respectively).

Source: U.S. Census Bureau, American Community Survey, five-year estimates, 2005 to 2010.



This Communities & Banking article is copy-righted by the Federal Reserve Bank of Boston. The views expressed are not necessarily those of the Bank of the Federal Reserve System. Copies of articles may be downloaded without cost at www.bos.frb.org/commdev/c&b/index.htm.