nevada kids count newsletter

WHAT'S NEW WITH KIDS?

October 2012

Children Living in Households with a High Housing Cost Burden

As I stated in an earlier *Newsletter*, I plan to write about each of the 16 indicators that comprise the Annie E. Casey Foundation's (AECF) new index that ranks states on child well-being.[1] In this issue, I discuss the percent of children living in households with a high housing cost burden, one of the four indicators of Economic Well-Being.

In 2010, 47 percent of Nevada children lived in households with a high housing cost burden.[2] Among the states, Nevada ranked 47th on this indicator. North Dakota ranked 1st/best (19 percent), and California ranked 50th/worst (54 percent). The average rate for the nation was 41 percent, slightly better than Nevada's.

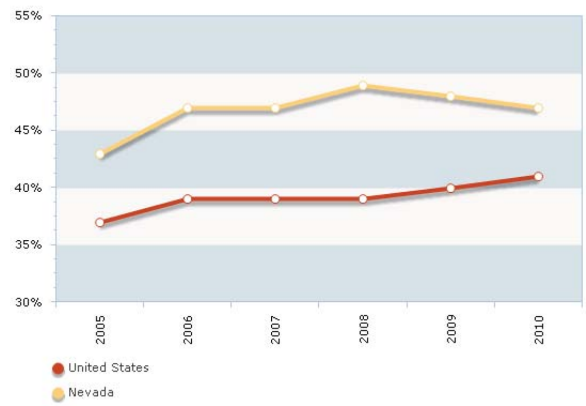
Between 2005 and 2010, the percent of Nevada children living in households with a high housing cost burden increased from 43 to 47, a 4 percentage point or a 9 percent increase (Figure 1). The change represents an increase of 47,000 children─from 264,000 to 311,000. During this span of time, the rate moved from 43 percent in 2005 to 49 percent in 2008 and gradually declined to 47 percent in 2010. The rate for the United States gradually increased from 37 percent in 2005 to 41 percent in 2010─an 11 percent increase (Figure 1).

Nevada's neighboring states also show percentage increases since 2005 (Figure 1). Idaho led with a 20 percent increase, followed by Oregon with about18 percent, Arizona and Utah with 16 percent, and California with 6 percent.

Nevada's housing market was volatile between 2005 and 2010. For example, in the Las Vegas-Paradise metro area, the median home price in 2005 was about $305,000; whereas in 2010, it was about $138,000.[3] In contrast, the estimated median household income was relatively stable—$49,565 in 2005 and $51,427 in 2010.[4]

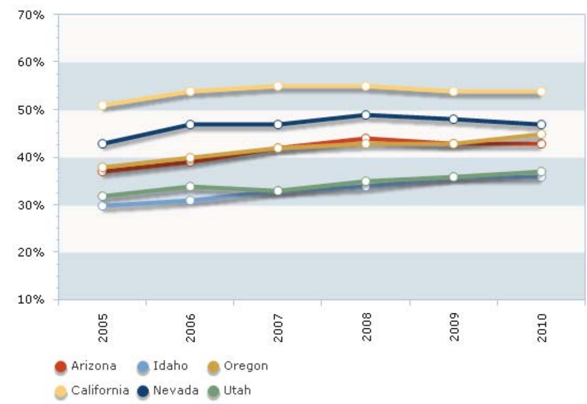
Although housing has become more affordable since 2005, nearly half of Nevada children lived in households with a high housing cost burden in 2010. An explanation for this is that many of the households children were living in during 2010 were purchased during the housing bubble prior to 2007. As a result, the mortgage payments remained the same, and median household income rose only slightly.

Figure 1. Percent of Children in Households with a High Housing Cost Burden, Nevada and the United States: 2005-2010



Source: Population Reference Bureau, analysis of data from the U.S. Census Bureau, 2008 - 2010 American Community Survey, AECF KIDS COUNT Data Center, 8/6/12.

Figure 2. Percent of Children in Households with a High Housing Cost Burden, Nevada and Neighboring States: 2005 to 2010



Source: Population Reference Bureau, analysis of data from the U.S. Census Bureau, 2008 - 2010 American Community Survey, AECF KIDS COUNT Data Center, 8/9/12.

[1]In the June *Newsletter*, I introduced you to the Annie E. Casey Foundation's (AECF) new index that ranks states on child well-being. The new index incorporates four domains that capture what children need most to thrive: (1) Economic Well-Being, (2) Education, (3) Health, and (4) Family and Community. Each of the four domains is comprised of four individual indicators for a total of 16.

[2]'The share of children living in households where more than 30 percent of the monthly income was spent on rent, mortgage payments, taxes, insurance, and/or related expenses. The 30 percent threshold for housing costs is based on research on affordable housing by the U.S. Department of Housing and Urban development (HUD). According to HUD, households that must allocate more than 30 percent of their income to housing expenses are less likely to have enough resources for food, clothing, medical care or other needs." AECF KIDS COUNT Data Center, http://datacenter.kidscount.org/, 8/9/12.

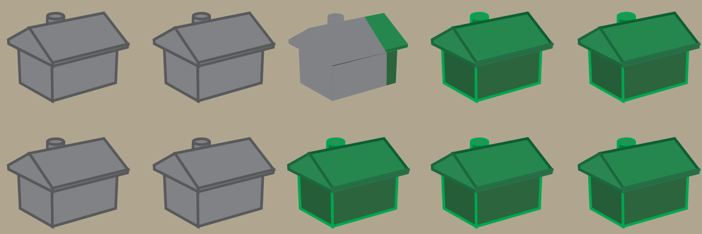
[3]U.S. Census Bureau, *Statistical Abstract of the United States*: *2012***.** Table 978. Median Sale of Existing One-Family Homes by Metropolitan Area: 2005 and 2010, www.census.gov/compendia/statab/2012/tables/12s0978.pdf, as of 9/20/12.

[4]The median household income was for Clark County. Data are from the U.S. Census Bureau model-based Small Area Income & Poverty Estimates (SAIPE), http://www.census.gov/did/www/saipe/.

Rennae Daneshvary, PhD
Nevada KIDS COUNT Director

Infographics by Richard Boland
Research & Grants Coordinator
Center for Business and Economic Research
University of Nevada, Las Vegas

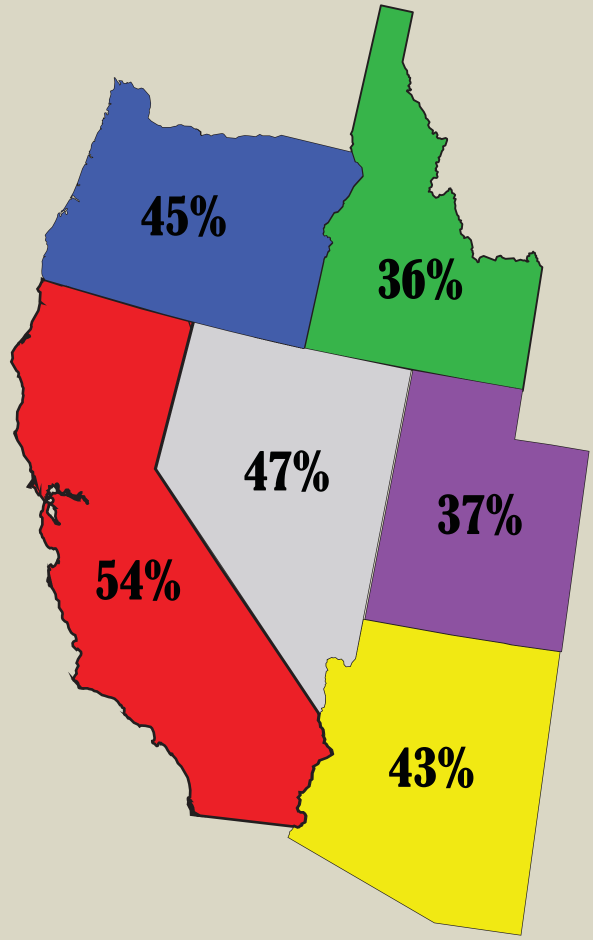
The Current State of Nevada's Housing Cost Burden



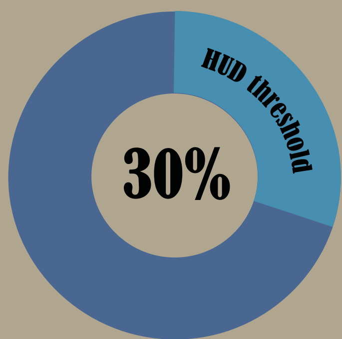
Nearly **5** out of **10**

Nevada children live in households with a high housing cost burden

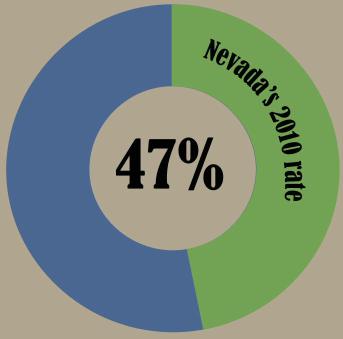
Neighboring States Comparison
Percentage of Children with High Housing Costs

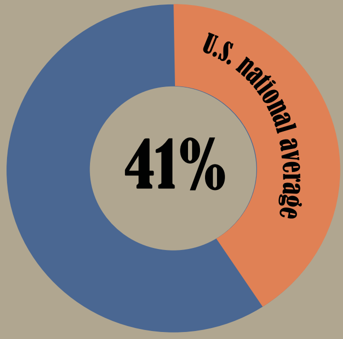


Affordable Housing Cost
Percentage of Family Income



Percentage of Children with High Housing Costs





Between 2005 & 2010,

47,000

more children were living in households with a high housing cost burden