

A CASE STUDY OF RENTAL HOUSING IN CHESTER COUNTY

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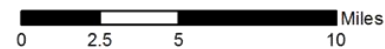
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Making the Case for Affordable Housing

- Wealth Accumulation
 - Homeownership has long been a channel through which wealth is accumulated.
- 2008 Mortgage Crisis
 - Years of financial deregulation generated increased predatory lending that inordinately affected middle to low income households.
- The New Rentier Class
 - The market collapse, along with stagnant wages and increased housing cost, has forced many to rely on rental housing options.
- Growth
 - Homogenous housing stock hinders growth.

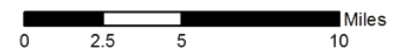
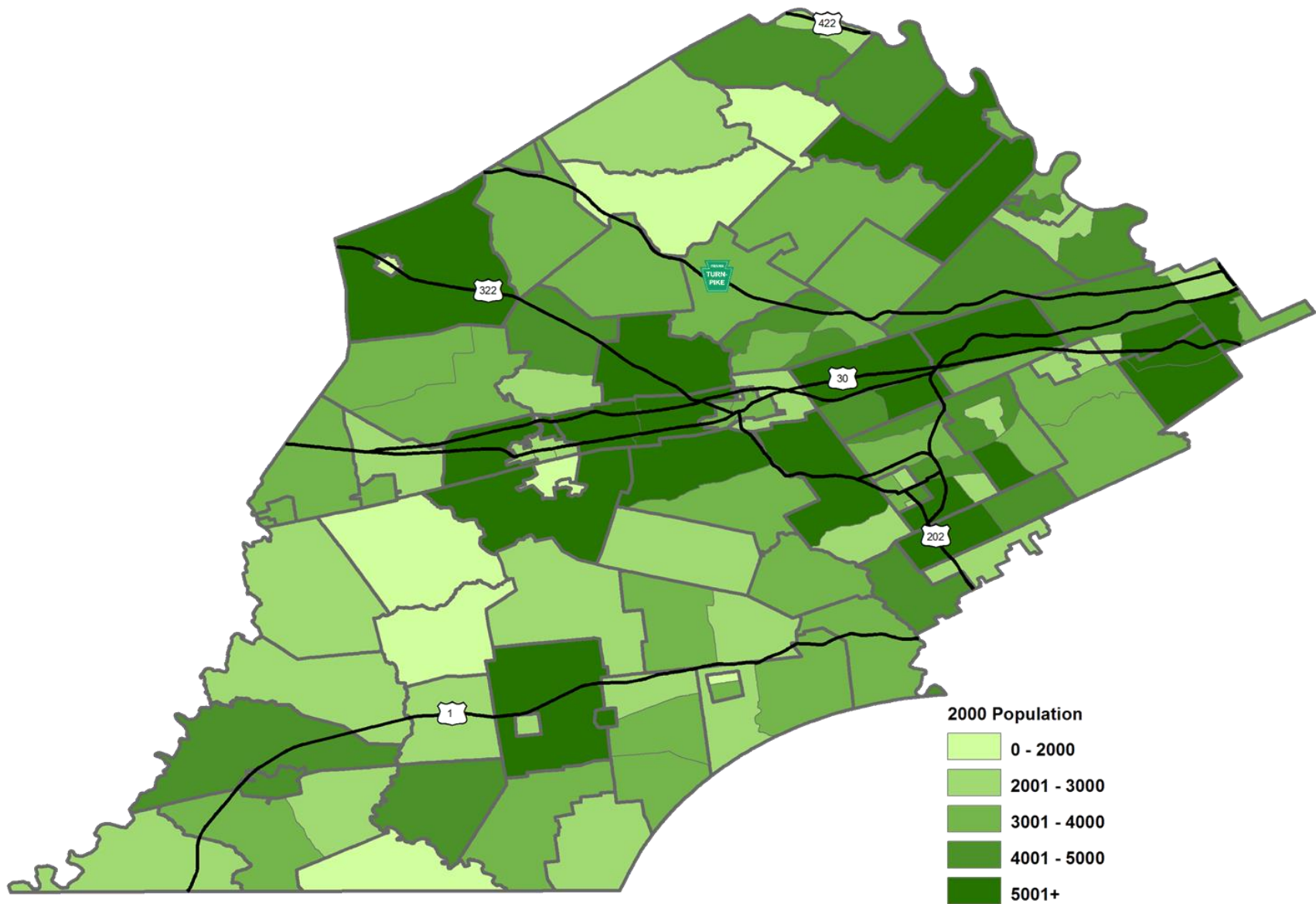


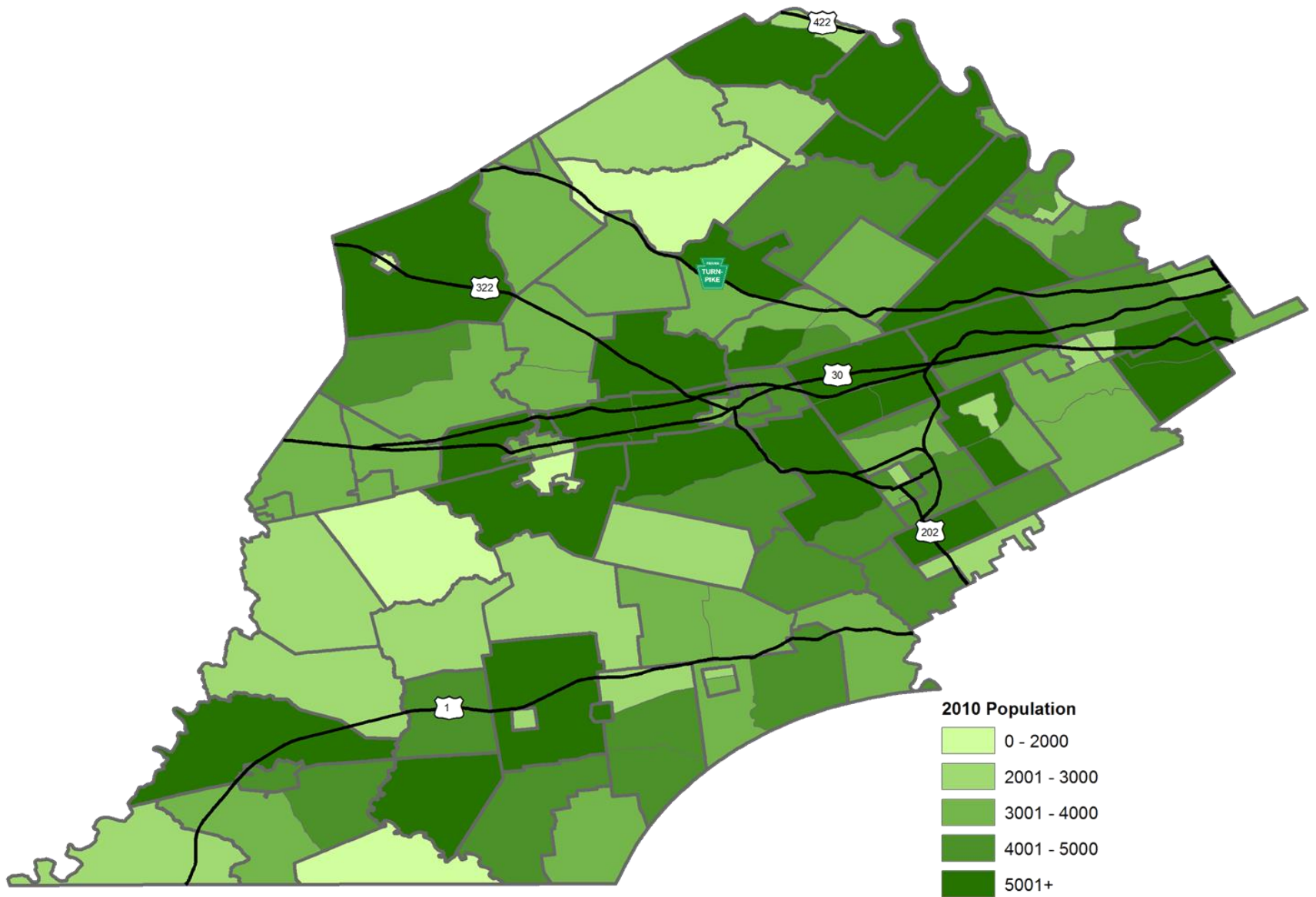
Chester County NOW

| | Chester County | Pennsylvania |
|---|----------------|--------------|
| Population | 509,468 | 12,773,801 |
| Population Change | 2.1% | 0.6% |
| Living in same house In last 5 years | 89.7% | 87.8% |
| HS graduate or higher | 92.7% | 88.3% |
| College graduate | 48.3% | 27.0% |
| Foreign born | 8.7% | 5.8% |
| Median household income | \$86,184 | \$42,267 |
| Living in Poverty | 6.5% | 13.1% |

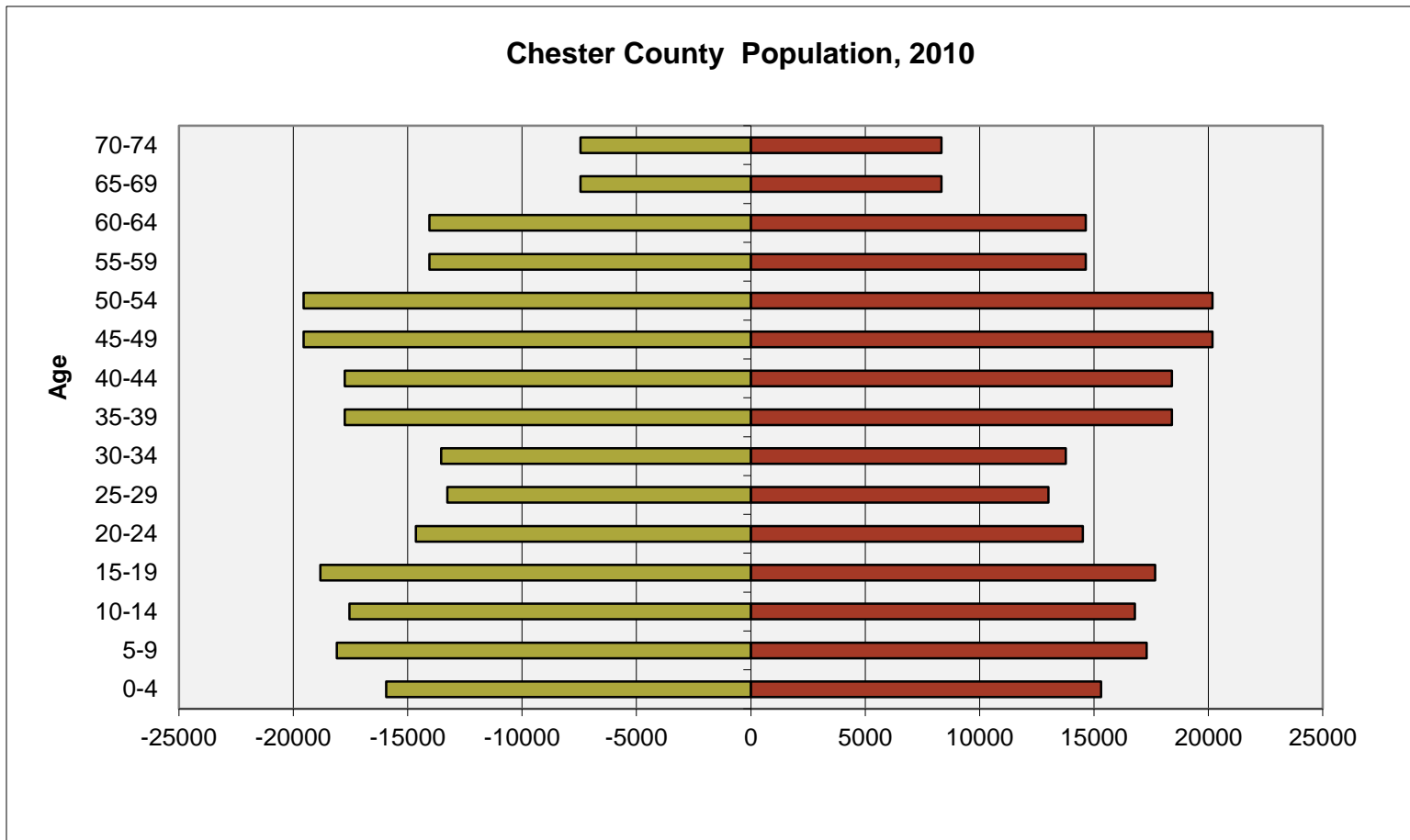
Chester County NOW

| | Chester County | Pennsylvania |
|----------------------------------|----------------|--------------|
| Housing Units | 194,329 | 5,565,157 |
| Rental Rate | 23.8% | 29.9% |
| Housing in Multi-unit Structures | 17.8% | 20.6% |
| Persons per household | 2.64 | 2.47 |
| Median Housing Value | \$329,700 | \$164,900 |
| Median Gross Rent | \$1,142 | \$794 |
| Vacant Housing Units | 4.4% | 10.9% |
| Vacant Owner Occupied | 1.3% | 1.8% |
| Vacant Rental | 4.7% | 6.3% |



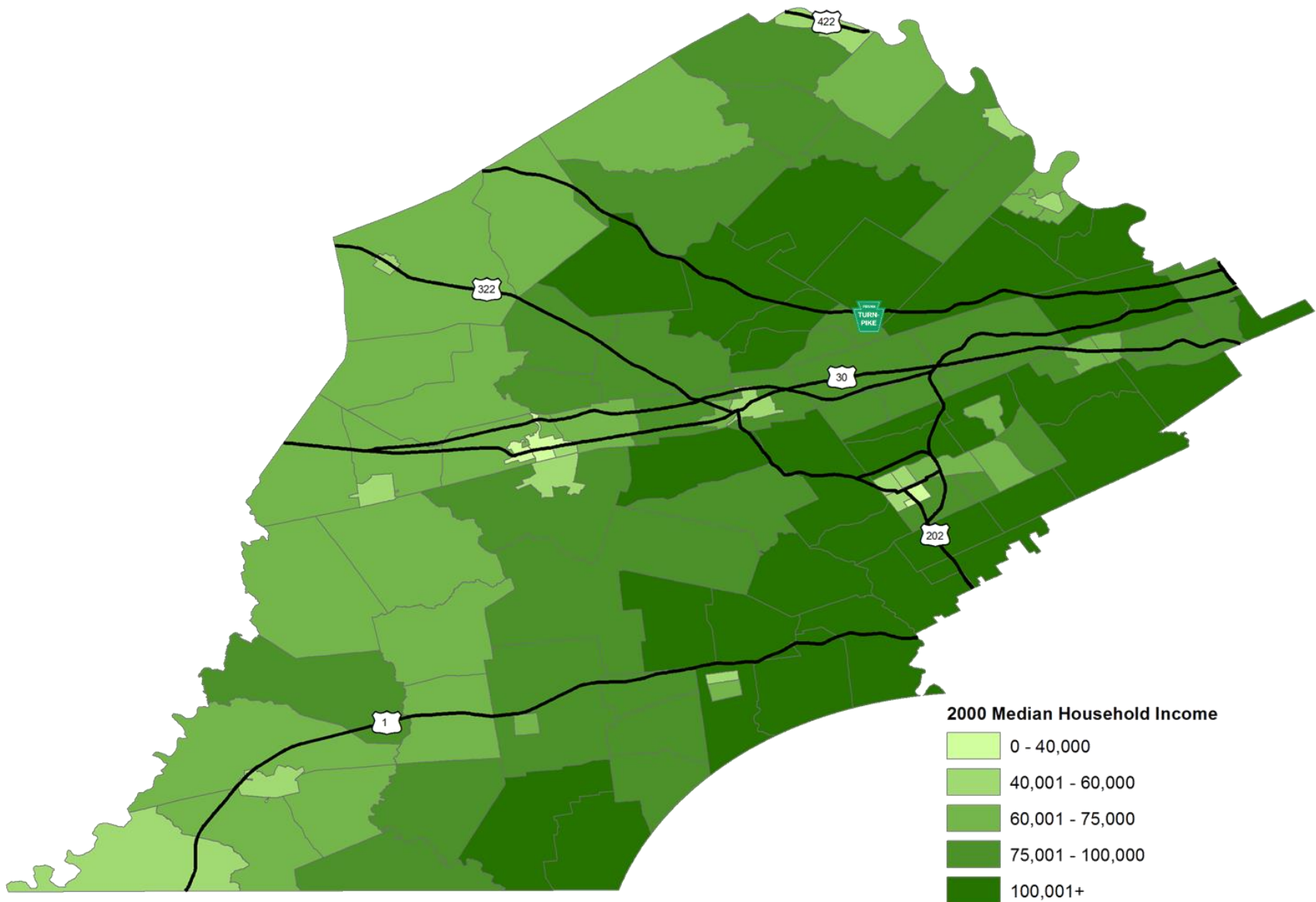


Changing Demographics

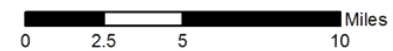
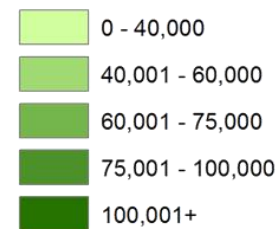


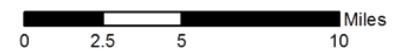
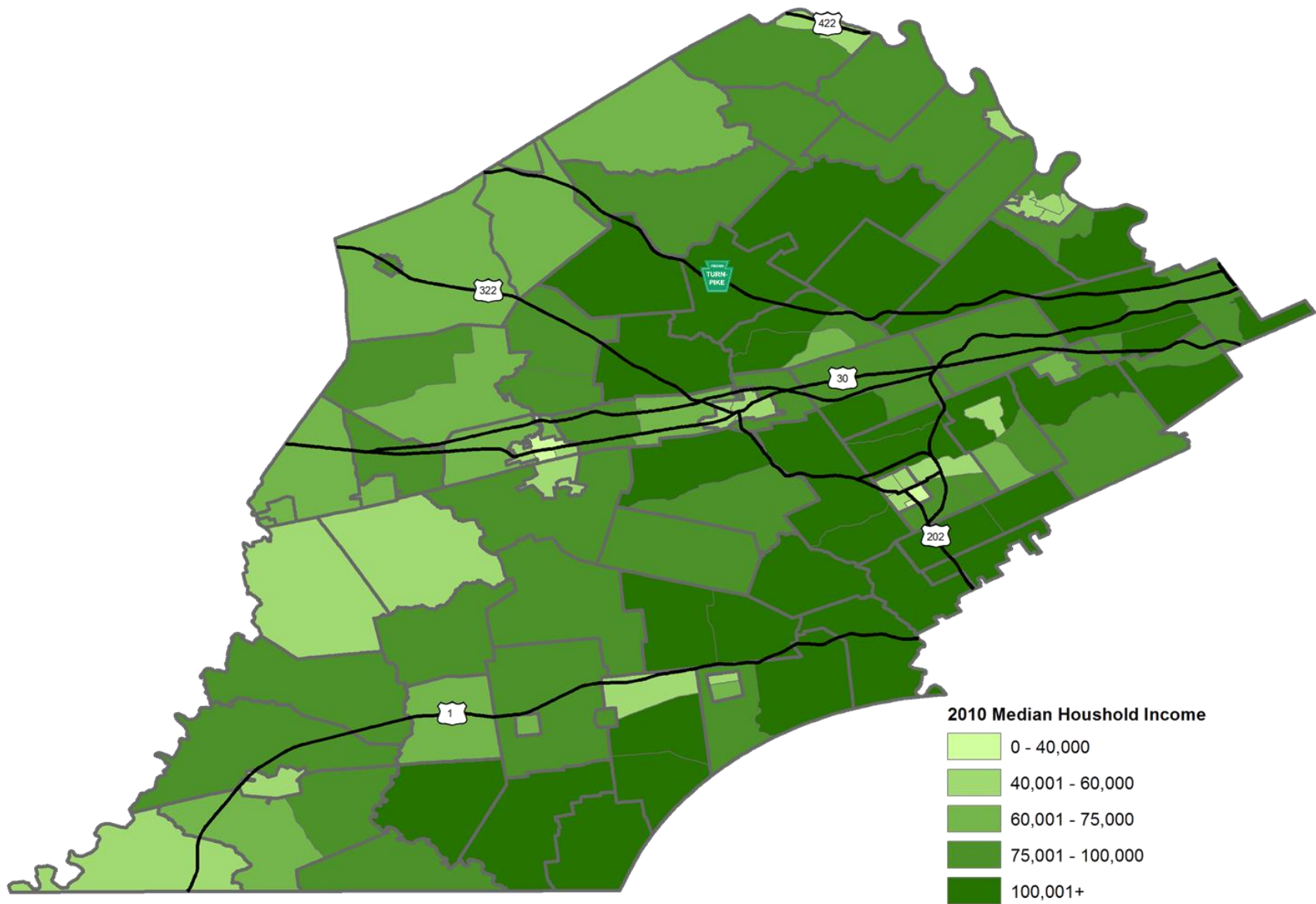
Growth and change

| | 2000 (2010\$) | 2010 | % change |
|----------------------|---------------|-----------|----------|
| Population | 433,501 | 509,468 | 17.5% |
| Housing Units | 163,773 | 194,329 | 18.7% |
| Vacancy Rate | 3.60% | 4.40% | 22.2% |
| % Rental Occupied | 23.70% | 23.80% | 0.4% |
| Median Housing Value | \$231,099 | \$329,700 | 42.7% |
| Gross Rent | \$841 | \$1,142 | 35.8% |
| Median Income | \$82,683 | \$86,184 | 4.2% |

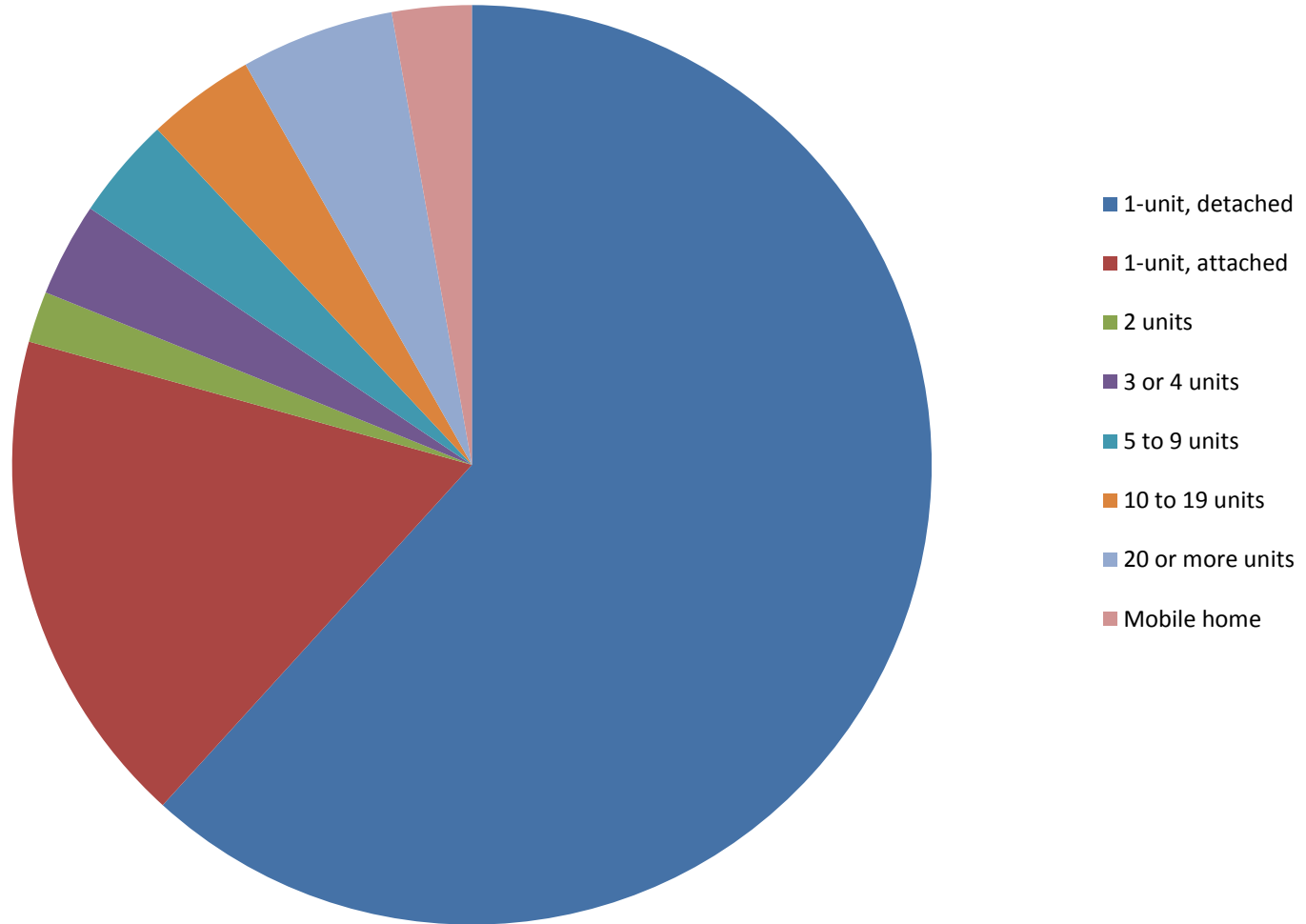


2000 Median Household Income

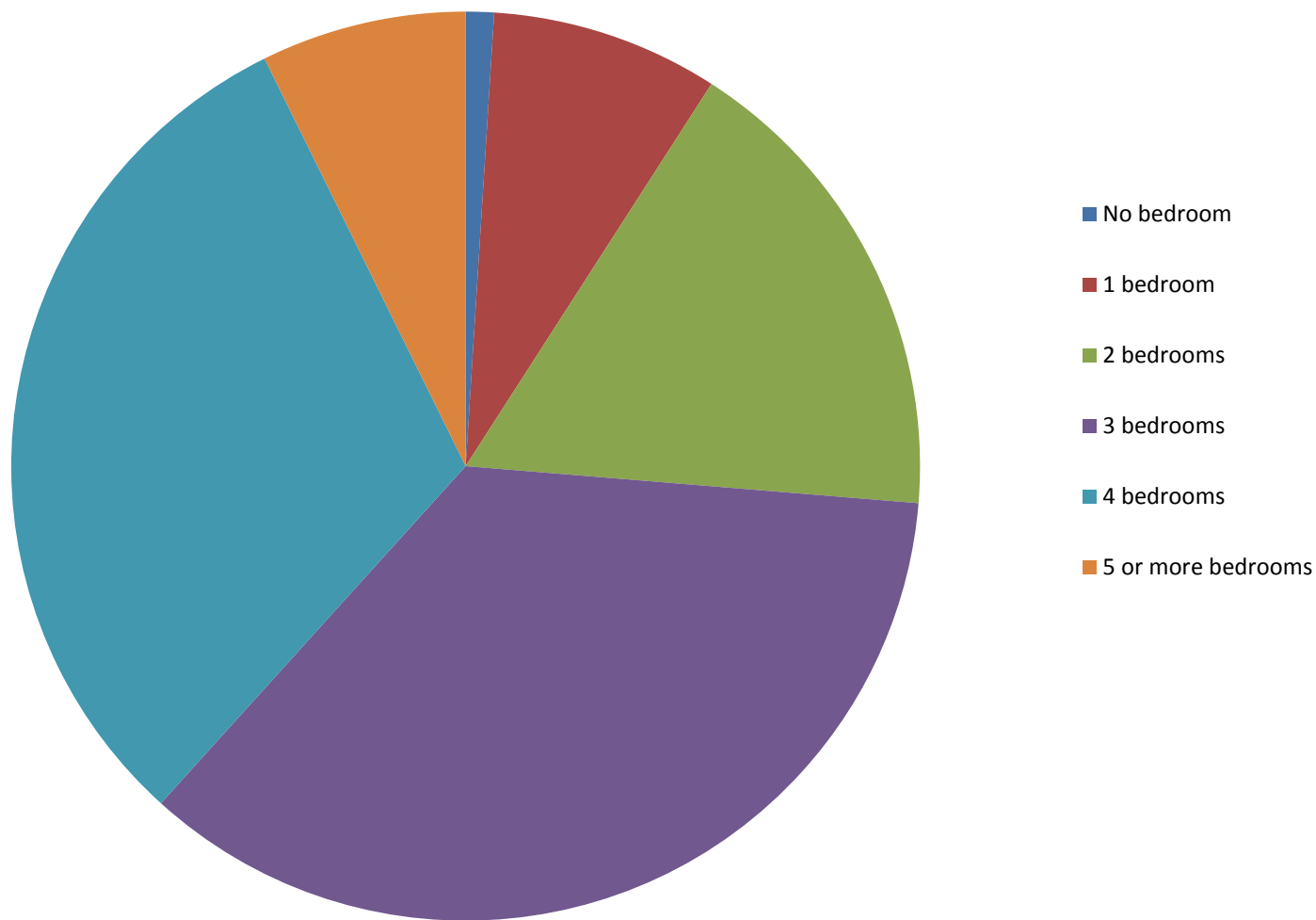




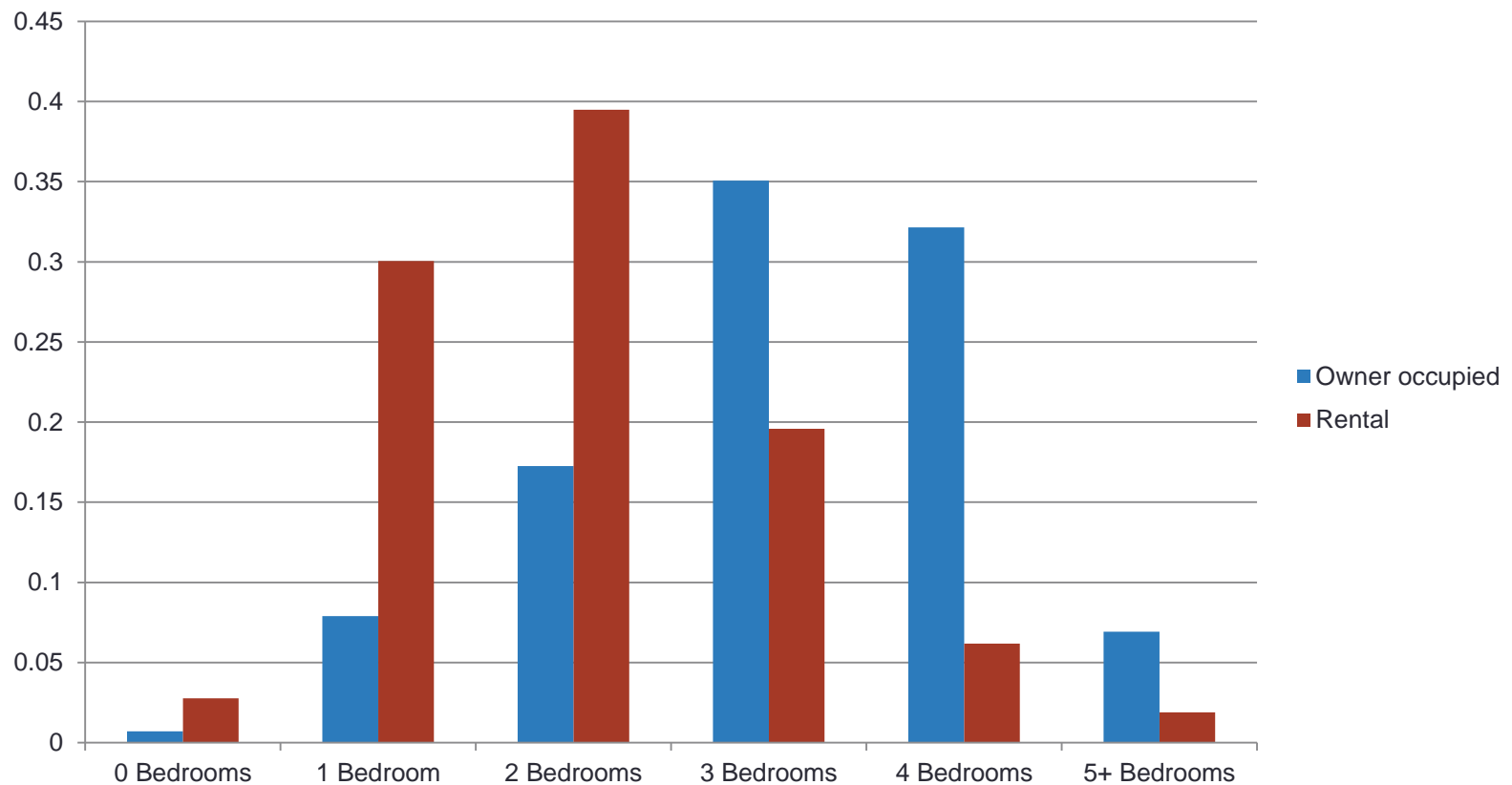
Housing Type



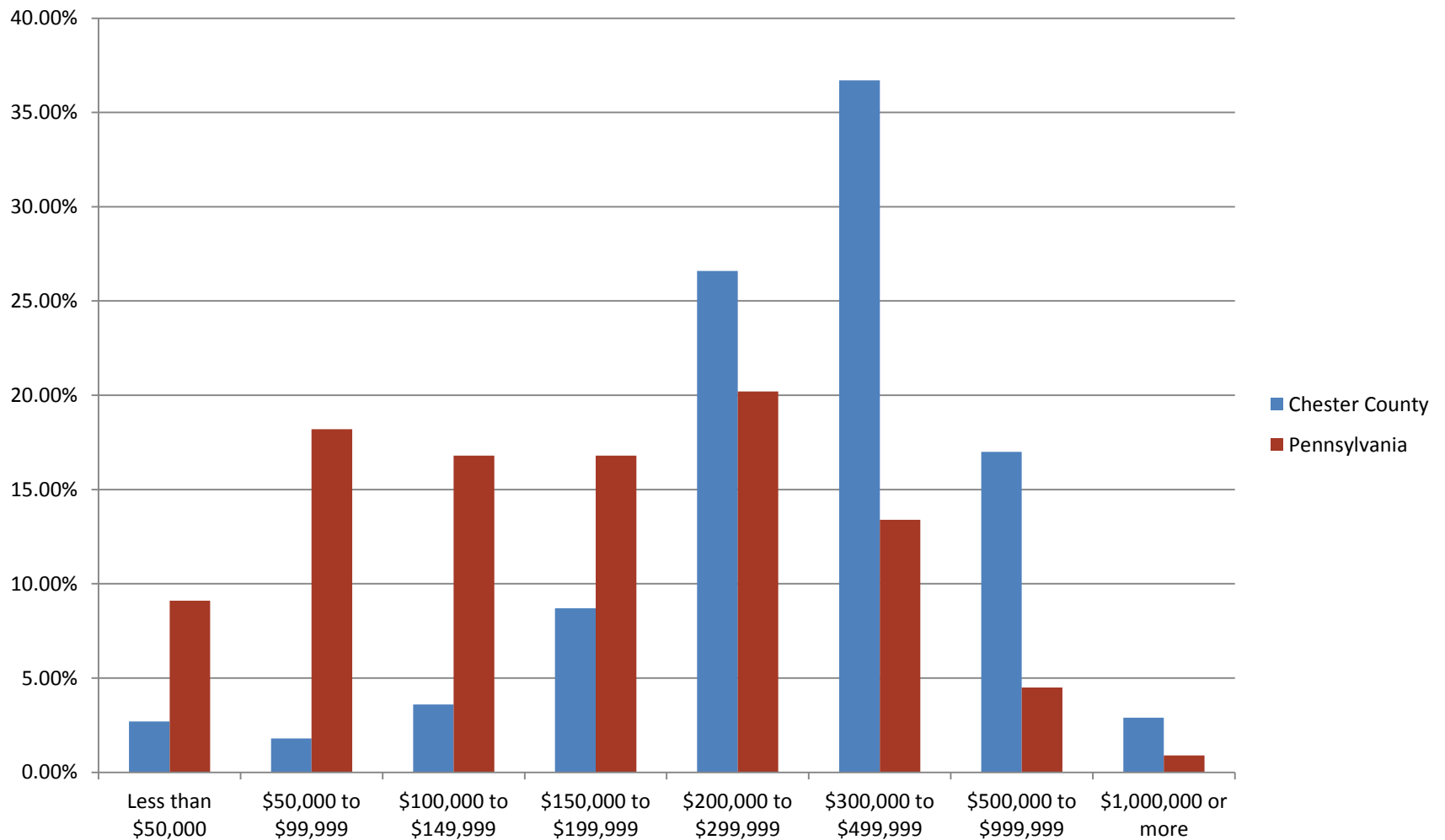
Size of Housing Units in Chester County

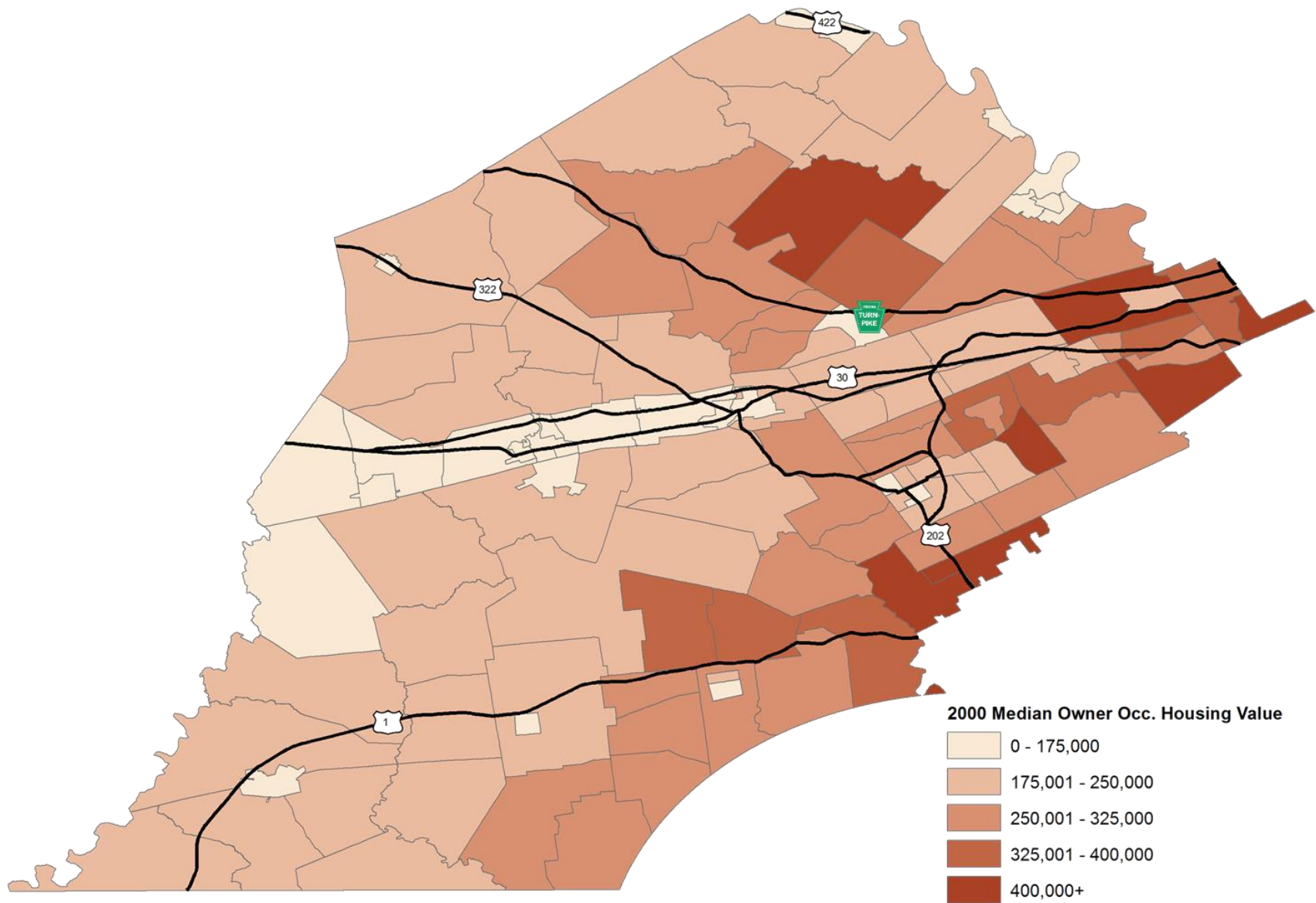


Size of Housing Units

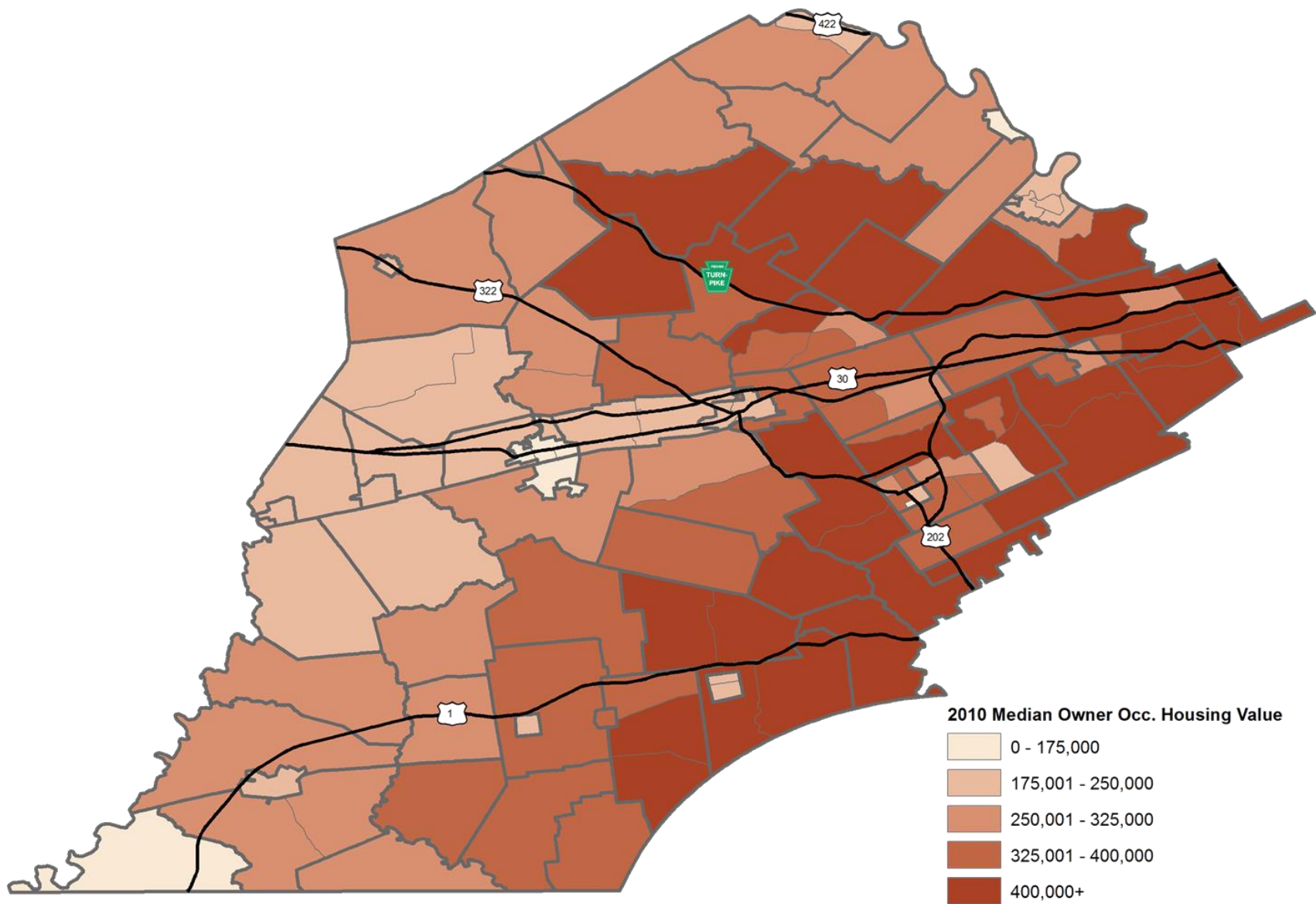


Housing Values



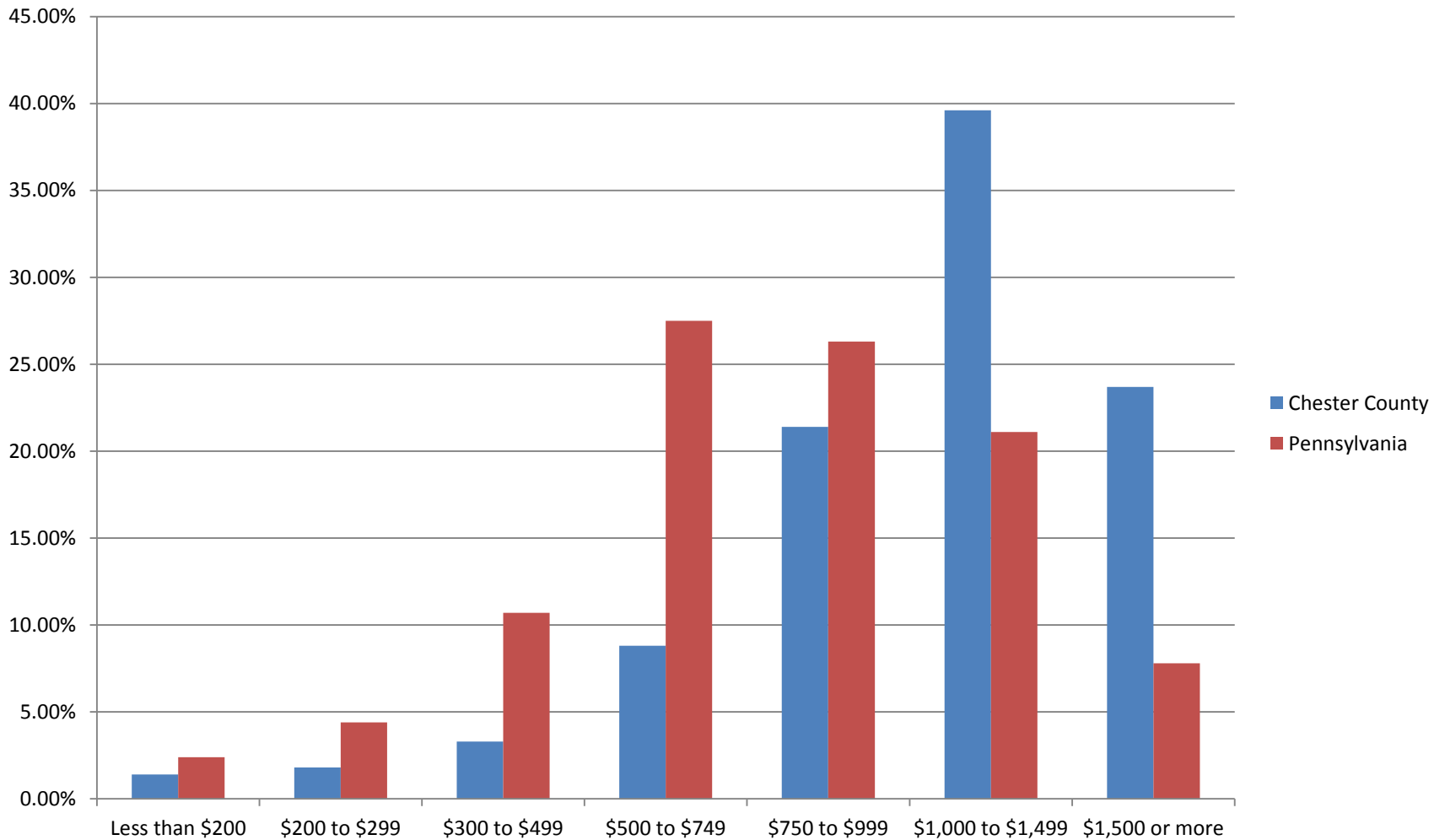


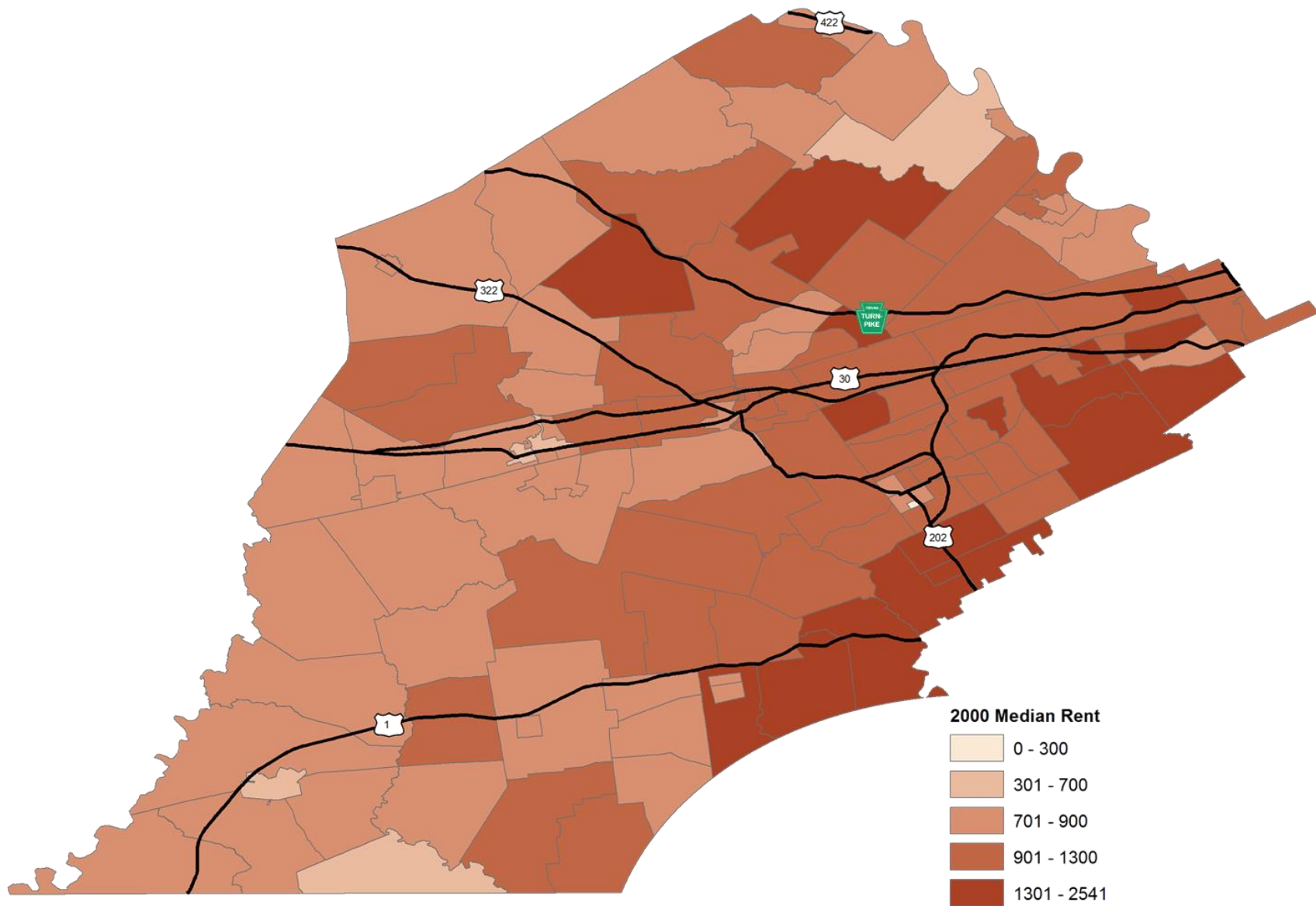
0 2.5 5 10 Miles



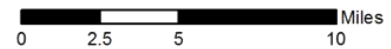
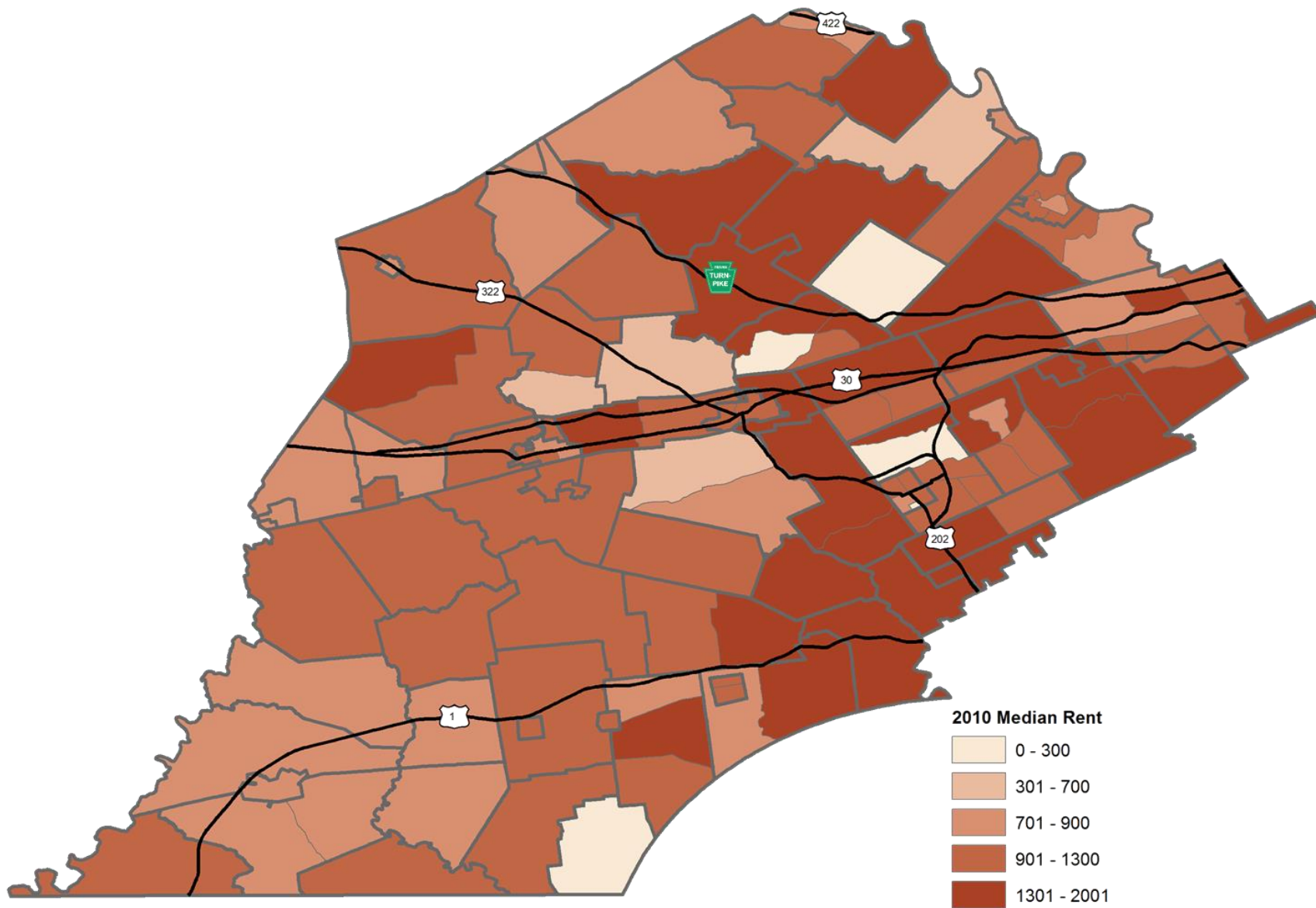
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Gross Rent





0 2.5 5 10 Miles



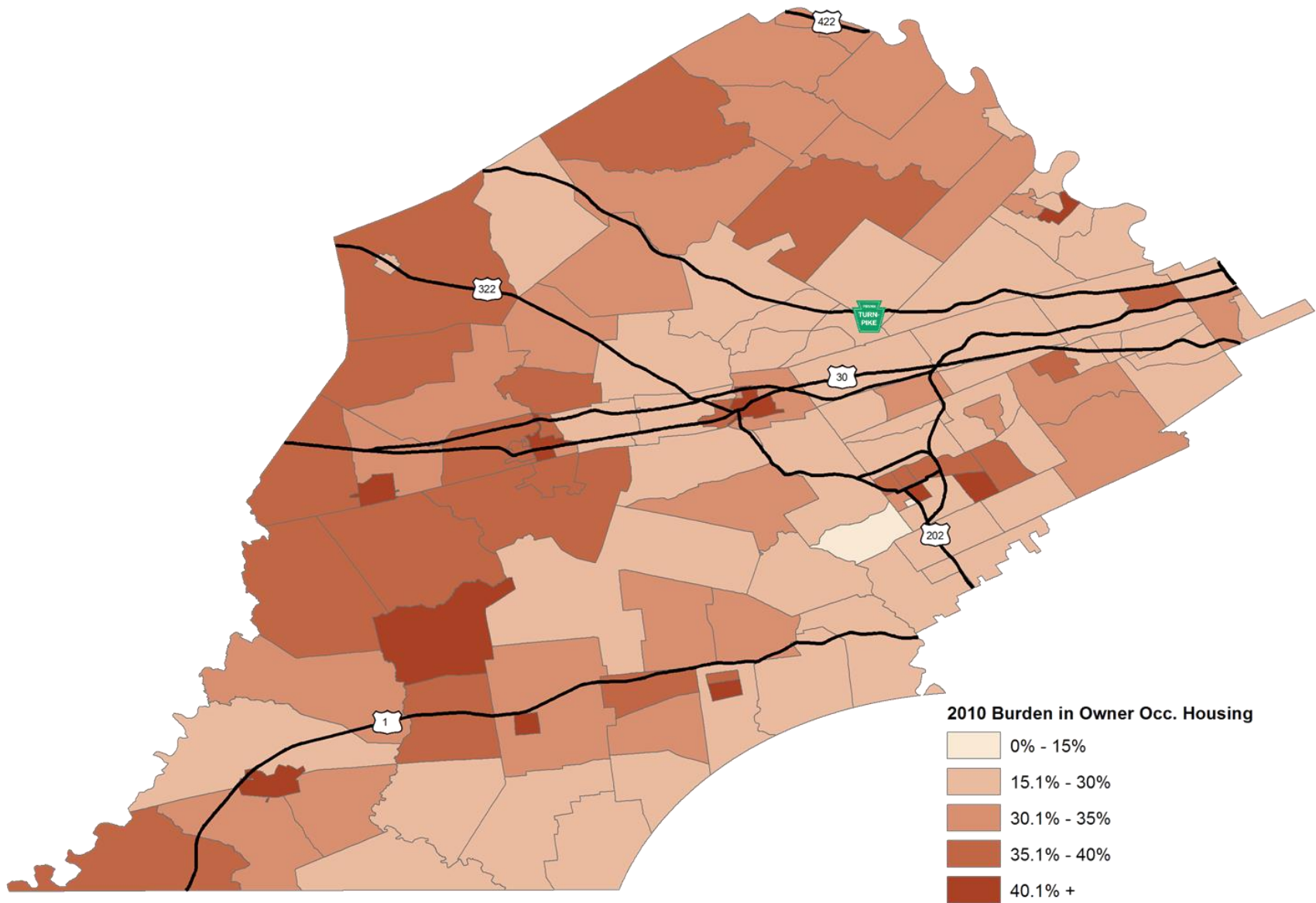
Overcrowded Housing

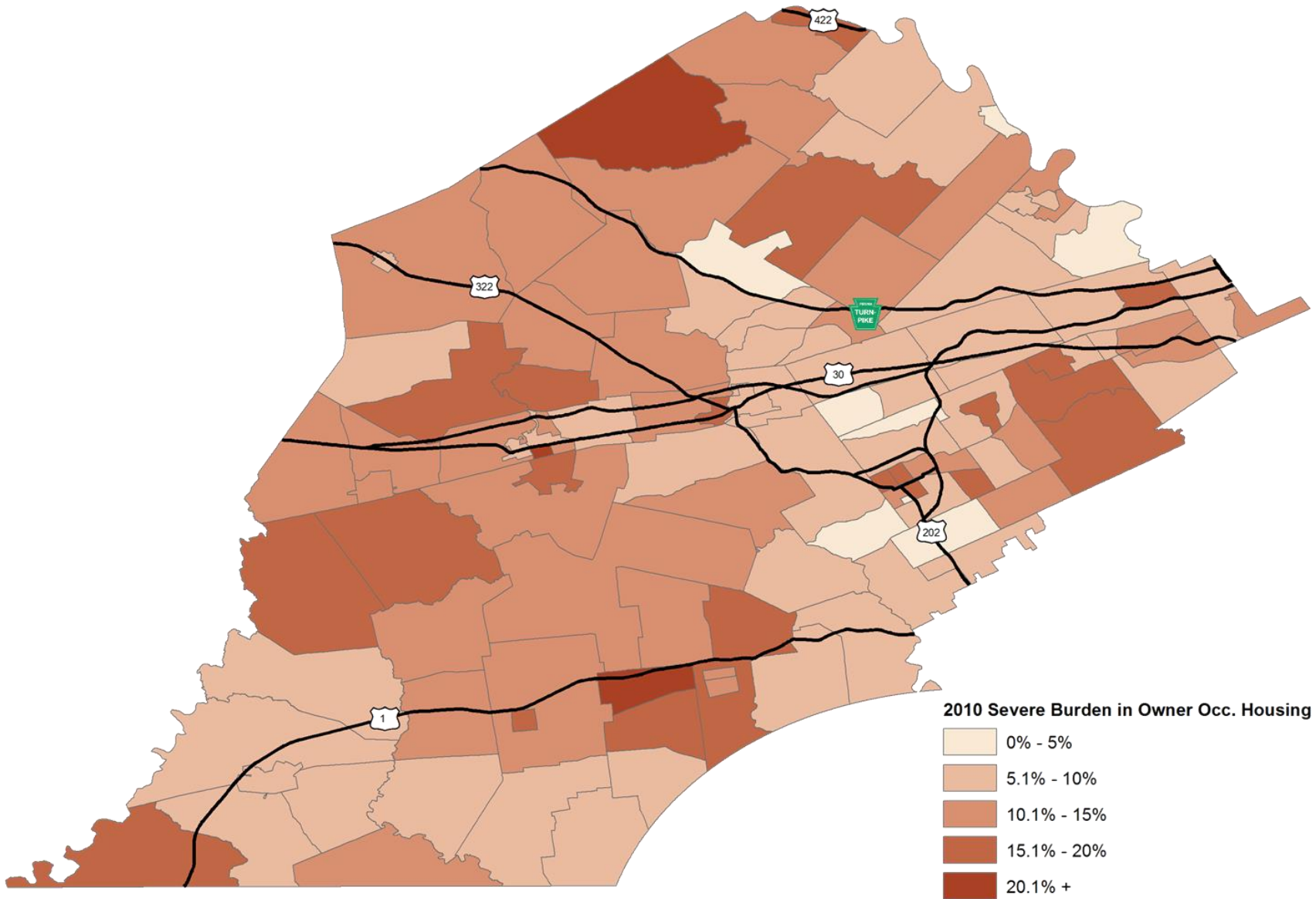
Defined as more than 1 person per room

In 2010, less than .5% of owner occupied housing but 3.4% of rental housing

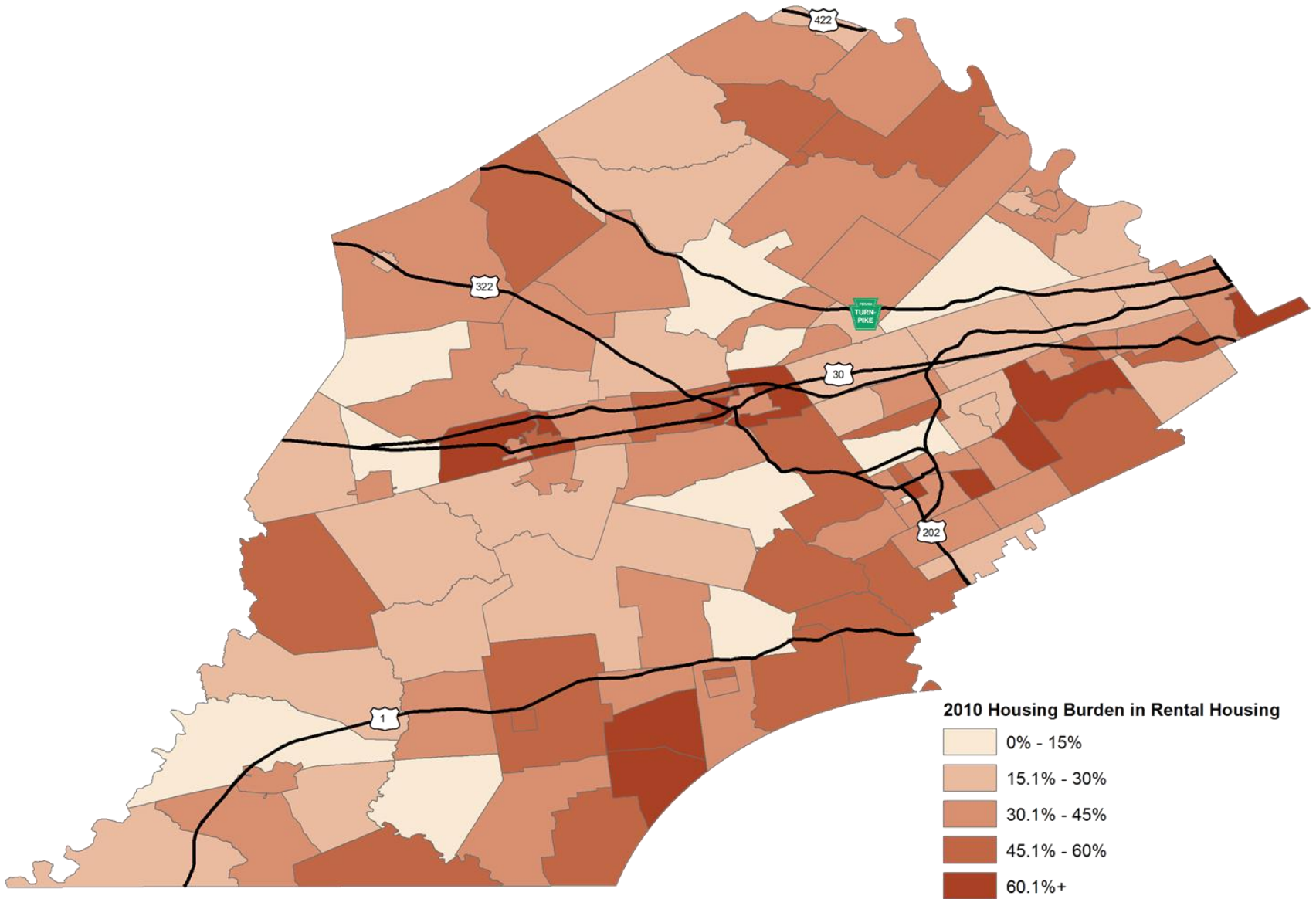
Housing burden in 2010

- For homeowners
 - 42% spend less than 20% of their income on housing
 - 30% spend more than 30% of their income on housing
 - 10% spend more than 50% of their income on housing
- For renters
 - 27% spend less than 20% of their income on housing
 - 41% spend more than 30% of their income on housing
 - 21% spend more than 50% of their income on housing

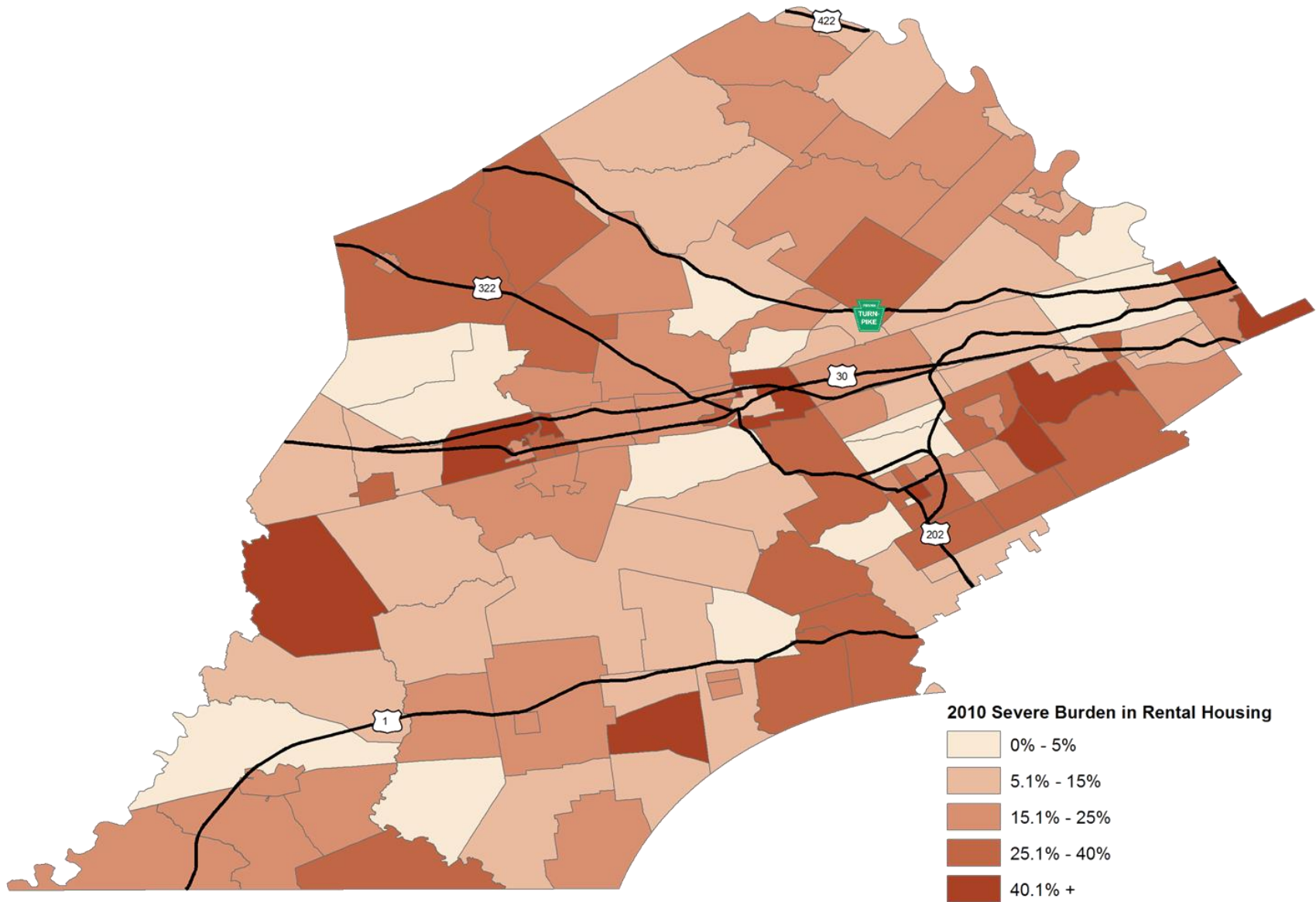




0 2.5 5 10 Miles



0 2.5 5 10 Miles



0 2.5 5 10 Miles

Housing Burden in Chester County

- For the average income household, 30% of income is \$2,154.60.
- Assuming the buyer has put a 10% downpayment on a median valued home, and finances the rest at 5% interest rate
 - Mortgage is \$1,927
 - \$227 remains to cover additional housing costs such as home equity loan, real estate taxes, homeowners' insurance, condo fees, utilities
 - Median monthly costs of homeowners is \$2,241, compared to \$1,447 in Pennsylvania

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