



The Housing Assistance Council (HAC)

is a national nonprofit organization that supports affordable housing efforts in rural areas of the United States. HAC provides loans, grants, training, technical assistance, and research and information services. HAC is an equal opportunity lender.

For more information about rural housing, visit HAC online.



www.ruralhome.org

Rural Seniors and Their Homes

One of the most dramatic demographic shifts in the history of our nation will occur over the next three decades, as the elderly population is expected to more than double in size. As the elderly population grows, related housing issues will increase as well.

Housing Conditions

Of the approximately 114 million occupied housing units in the United States, roughly 27 million, or 23 percent of all homes, are located in nonmetropolitan areas. Of these, 6 million, or 23 percent, are occupied by elderly-headed households.

An overwhelming majority of nonmetro senior households (89 percent) own their homes, compared to the nationwide homeownership rate of 67 percent for households of all ages. Whether seniors own or rent their homes is a significant factor affecting their housing and economic well being. Elderly rural renters

generally face more challenges and greater needs associated with their housing than elderly rural homeowners.¹

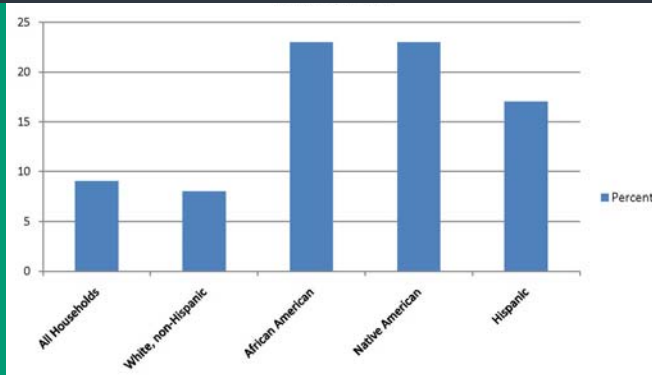
Older households in rural areas tend to be smaller than others because they are often without children at this stage of their lives, and they are also more likely to live alone. Overall, 65 percent of elderly households who live alone are women. They are more likely to live in poverty and experience housing cost burdens than their married or single male counterparts; 11 percent of elderly women who live alone fall below the poverty level, compared to 7 percent of men.

Elderly households in nonmetro areas tend to be less racially diverse than the population of the United States as a whole. Ninety-two percent of rural elderly households are white and not of Hispanic origin. However, minorities in rural areas are among the poorest and worst housed groups in the entire nation. These problems are even more profound among older minorities in rural areas. While just 8 percent of all elderly households in nonmetro areas are headed by minorities, they account for 19 percent of all rural elderly households in poverty.

In recent years, significant gains have been made in reducing poverty among older Americans, but economic hardships are still shockingly persistent among certain

¹ See HAC's 2004 *Rural Seniors and Their Homes* Report, available at: <http://www.ruralhome.org/storage/documents/ruralseniors.pdf>.

Percentage of Households with Incomes Below the Poverty Level among Nonmetro Elderly Households





subsections of the elderly population: women and minorities, and those living in rural areas. Approximately 9.5 million, or 9 percent, of nonmetro senior households are below the poverty level. Poverty rates among minority seniors in rural areas are even greater with 26 percent of African-American households, 23 percent of Native American households, and 17 percent of Hispanic households living in poverty.

Although housing costs are lower in nonmetro areas than in cities, many senior households, and in particular renters, find it difficult to meet those costs. Among the 6 million elderly nonmetro households, approximately 1.6 million, or 26 percent, pay more than 30 percent of their monthly income for their housing and are therefore considered cost-burdened. Affordability problems are worst for rural elderly renters; 36 percent of renters are cost-burdened compared to 25 percent of homeowners.

For the most part, nonmetro seniors live in good quality housing as only 5 percent of households experience moderate or severe physical inadequacies. However, rural elders' housing stock is much older than that of the nation as a whole and among all elderly households. Furthermore, many seniors do not have the physical or financial resources to improve their housing conditions and increase their livability. Sixty percent of all rural seniors have either a disability or have difficulties with self-care or independent living, making necessary home improvements expensive and physically impossible.

Data in this information sheet derive from HAC tabulations of the 2009 American Community Survey (ACS).

Housing Programs

Several federal housing programs serve the elderly, both renters and homeowners.

HUD Section 202. The Section 202 program finances the construction or substantial rehabilitation and operation of residential projects and related facilities for the elderly. Housing financed under this program may include appropriate support services for elderly persons who are frail or at risk of being institutionalized. Between 20 and 25 percent of Section 202 funding nationwide must be set aside for use in nonmetropolitan areas.

USDA Section 515. This program has been the mainstay of the USDA's efforts to serve the poorest of the rural poor, including extremely low-income rural seniors, for the past 47 years. The Section 515 program provides mortgage loans to develop rental housing for very low-, low- and moderate-income households. Section 515 is used to provide rental or cooperative housing for elderly people and for families, congregate facilities, and group homes. The Section 515 program has proven extremely successful at providing decent, affordable housing for the lowest income rural seniors. Nearly 60 percent of Section 515 residents are elderly or have disabilities.

USDA Section 504. The Section 504 program provides loans and grants to very low-income homeowners to repair, improve, or modernize their dwellings or to remove health and safety hazards. Grants are available only to homeowners who are 62 years old or older and cannot repay a Section 504 loan. They enable very poor elders to have an indoor toilet, a sound roof, or a modern furnace, perhaps for the first time.

For more information about these housing programs, visit HAC's website at www.ruralhome.org.

ADDITIONAL INFORMATION

For more information, see *Rural Seniors and Their Housing*, published by the Housing Assistance Council in January 2004.

Also, learn more about **HAC's Rural Senior Housing Initiative** at www.ruralhome.org.

Housing Assistance Council

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