



October 2022

Housing Costs and Affordability

A Public Health Fact Sheet from the Chatham County Public Health Department

Introduction

Housing is considered a social driver of health, meaning that it is an external factor that affects a person's health and well-being. Chatham County has long had an affordable housing issue, but it has become a focus of government and nonprofit intervention in recent years. A 2017 report revealed a significant lack of affordable housing supply compared to need, stark disparities along racial and ethnic lines in median income, and significant financial burdens for renter households in Chatham County. This report presents the latest data related to housing costs and affordability. Some of this data comes from the Chatham County Affordable Housing Advisory Committee, a group working on the issue in the county.

Most of the data presented in this report was gathered for the 2021 Chatham County Community Assessment, which details health outcomes and information on other topics. The Assessment, past Assessments, and other reports can be found online at the Chatham County website at www.chathamcountync.gov/healthreports.

Chatham County Adults Said

1 in 20

Chatham adults (4.6%) said they were "concerned about the stability of their housing over the next two months." Adults under age 59 were more likely to report this.

1 in 7

Chatham adults (13.8%) disagreed that they were "able to afford housing in Chatham where they wanted to live." Younger adults were also more likely to report this.

1 in 11

Chatham adults (9.1%) said "housing costs" was a primary cause of stress for them.

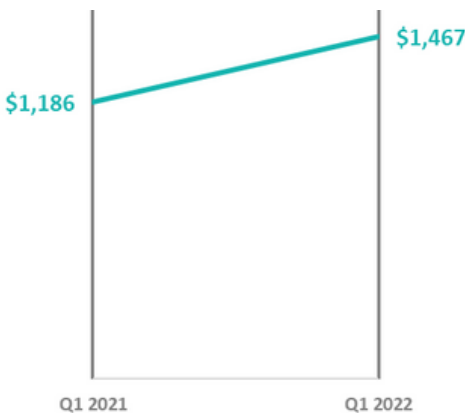
4x Black or African American and Hispanic/Latinx residents were approximately four times more likely to report this than White, non-Hispanic residents.

Source: Chatham County Community Survey. Chatham Health Alliance; 2021.

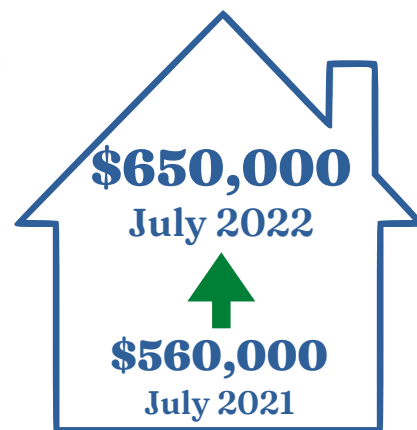
Housing Values and Mortgage Payments

According to the National Association of Realtors, home prices have risen by more than 30 percentage points in some American counties since the first quarter of 2021, while mortgage rates have increased by one percentage point in that time frame. While Chatham County isn't seeing the highest increases in the country, monthly mortgage payments (by 23%) in the county have risen significantly from Q1 2021 to Q1 2022. Also of note: Chatham County's median home sales price in July 2022 was \$650,000, a 16.1% increase from the year before.

Median monthly mortgage payment in Chatham County



Median home sales price in Chatham County



Source: County Median Home Prices and Monthly Mortgage Payments. National Association of Realtors. <https://www.nar.realtor/research-and-statistics/housing-statistics/county-median-home-prices-and-monthly-mortgage-payment>. Accessed October 7, 2022.
Parker J. Chatham County homes are Triangle's most expensive, but job growth could lower median price. WRAL Tech Wire. <https://wraltechwire.com/2022/08/12/chatham-county-homes-are-triangles-most-expensive-heres-why/>. Published August 12, 2022. Accessed October 14, 2022.

Housing Cost Burden

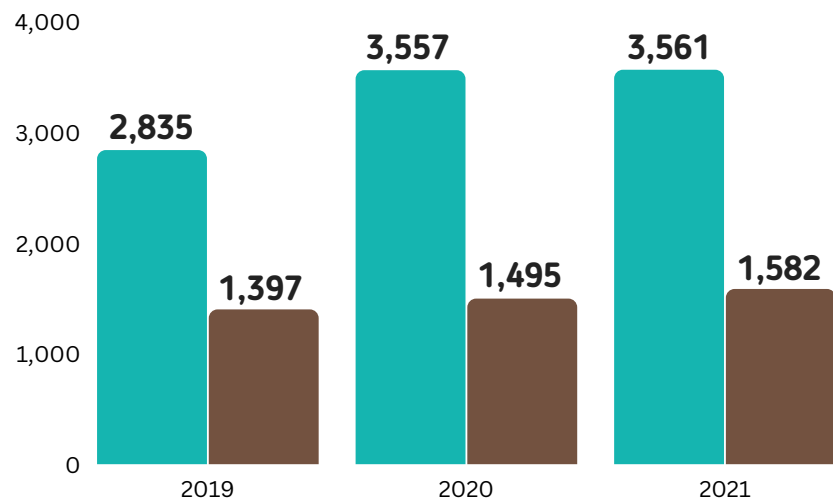
The U.S. Department of Housing and Urban Development names four "severe housing problems." One of them is when a household spends more than half of their income on housing costs, including rent or mortgage payments, utilities, insurance, and real estate taxes. As the data on the right shows, the percentage of households directing more than 50% of their income toward housing has decreased in many places, but not Siler City. That is already a concern. However, in 2020, Siler City's median monthly housing cost was \$682, compared to \$983 in Chatham County as a whole.

Percent of Households Spending More than 50% of Income on Housing Costs

| Place | 2010-2014 | 2015-2019 |
|----------------|-----------|--------------|
| North Carolina | 14.0% | 11.8% |
| Chatham County | 13.1% | 12.8% |
| Pittsboro | 12.5% | 10.8% |
| Siler City | 15.8% | 17.7% |

Sources: Consolidated Planning/CHAS Data. U.S. Department of Housing and Urban Development. <https://www.huduser.gov/portal/datasets/cp.html>. Accessed October 7, 2022.
S2505: Financial Characteristics. 2020: ACS 5-Year Estimates Subject Tables. United States Census. https://data.census.gov/cedsci/table?q=s2503&g=0100000US_0400000US37_0500000US37057. Accessed March 18, 2022.

Low-Income Renter Households vs. Affordable Rental Units Available in Chatham County



Chatham's Affordable Rental Unit Need

One of the primary goals of the Chatham County Affordable Housing Advisory Committee is increasing the number and diversity of affordable rental options. For the last three years, the number of available affordable options for rental households has been less than half of the low-income households needing rental units. There has been a slight increase in units in recent years, in part spurred on by investment from government sources (more on that below), but that increase has been matched by households looking for places to call home. Committee Chairperson Susan Levy told the Chatham News + Record in February 2022 that there is a "real, real, serious, significant shortage," and anticipated the problem "getting worse as Chatham grows."

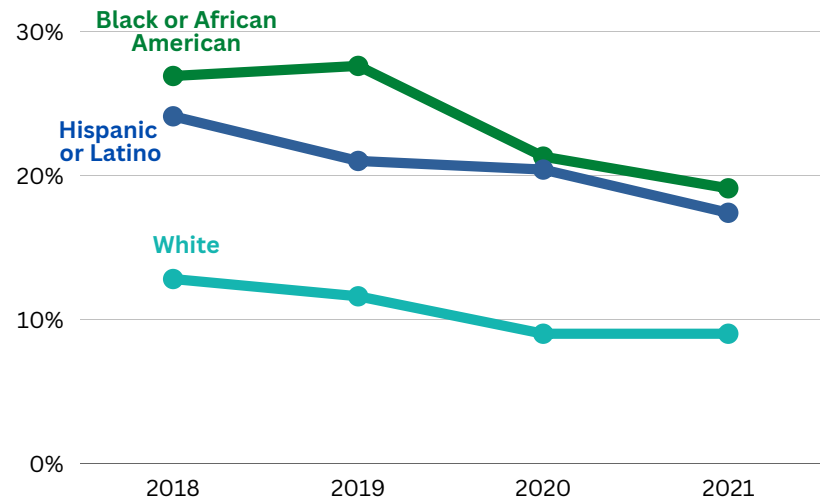
Source: Chatham County Affordable Housing Advisory Committee Annual Report 2021. Chatham County Government. <https://chathamnc.legistar.com/LegislationDetail.aspx?ID=5376564&GUID=35BF0ABF-6357-4566-A181-6FADD0E168F6&Options=&Search=&Published=January 13, 2022>. Accessed October 7, 2022. McClellan H. Despite gains, there's not enough affordable housing in Chatham. The Chatham News + Record. https://chathamnewsrecord.com/stories/affordable-housing-needed-in-chatham_12302. Published February 9, 2022. Accessed February 9, 2022.

Loan Application Denials

Housing loans can help people purchase, refinance, or pay for improvements for their homes. The percentage of loan applications in Chatham County that were denied has decreased from 13.6% in 2018 to 9.3% in 2021. However, a significant racial/ethnic disparity exists. In 2021, White Chatham residents had home loans denied 9.0% of the time. Black/African Americans were more than twice as likely (19.1%), and Hispanic or Latino residents were nearly two times as likely (17.4%) to be denied for a home loan. North Carolina had a similar disparity. Home denial rates were 10.4% for Whites, 19.1% for Black/African Americans, and 15.8% for Hispanic or Latino residents.

Source: HMDA Maps. Federal Financial Institutions Examinations Council. <https://filec.frb.gov/databrowser/maps/2020?geography=state>. Accessed October 11, 2022.

Percentage of Housing Loan Applications Denied by Race/Ethnicity in Chatham, 2018-2021



Housing Trust Fund Awards

The Chatham County government created an Affordable Housing Trust Fund in 2018 to disburse county funds to projects supporting the construction, development, and preservation of affordable housing across the county. Through FY 2022, the fund has awarded \$827,200 to projects including new construction through Habitat for Humanity, housing preservation work by Rebuilding Together for the Triangle, and emergency housing support through Central Piedmont Community Action, among other work. In March 2020, Chatham County residents approved a ballot measure to implement a quarter-cent increase in the county's sales tax rate to be used for affordable housing, among other initiatives.

Sources: Chatham County Affordable Housing Advisory Committee Annual Report 2021. Chatham County Government. <https://chathamnc.legistar.com/LegislationDetail.aspx?ID=5376564&GUID=35BF0ABF-6357-4566-A181-6FADD0E168F6&Options=&Search=&Published=January 13, 2022>. Accessed October 7, 2022. Horner Z. Chatham voters approve malt beverage sales, sales tax. The Chatham News + Record. https://chathamnewsrecord.com/stories/chatham-voters-approve-malt-beverage-sales-sales-tax_4806. Published March 3, 2020. Accessed February 8, 2022. Housing Trust Fund Awards. Chatham County Government. <https://www.chathamcountync.gov/government/departments/programs-affordable-housing/chathamcounty-housing-trust-fund/housing-trust-fund-awards>. Accessed October 7, 2022.

Total Funds Awarded from Chatham County Housing Trust Fund, FY2019-FY2022

| Cycle Year | Total Funds Awarded |
|------------|---------------------|
| 2018-2019 | \$190,400 |
| 2019-2020 | \$124,000 |
| 2020-2021 | \$337,800 |
| 2021-2022 | \$175,000 |

For more information, or if you have questions, contact:

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