



## FACT SHEET

# California's Older Low-Income Renters Face Unaffordable Rents, Driving Housing Instability & Homelessness

JULY 2021

## INTRODUCTION

Regardless of economic status or where we live, we should all be able to live and age in accessible, affordable, age-friendly housing in our communities. Yet, older, low-income renters are at the center of California's rent affordability crisis, with Black older renters most likely to struggle with rent unaffordability. Rental cost burdens (paying more than 30% of income for housing) and severe cost burdens (paying more than 50%) are high among all Californians, with older renters who are lower income more likely to face significant rental cost burdens.

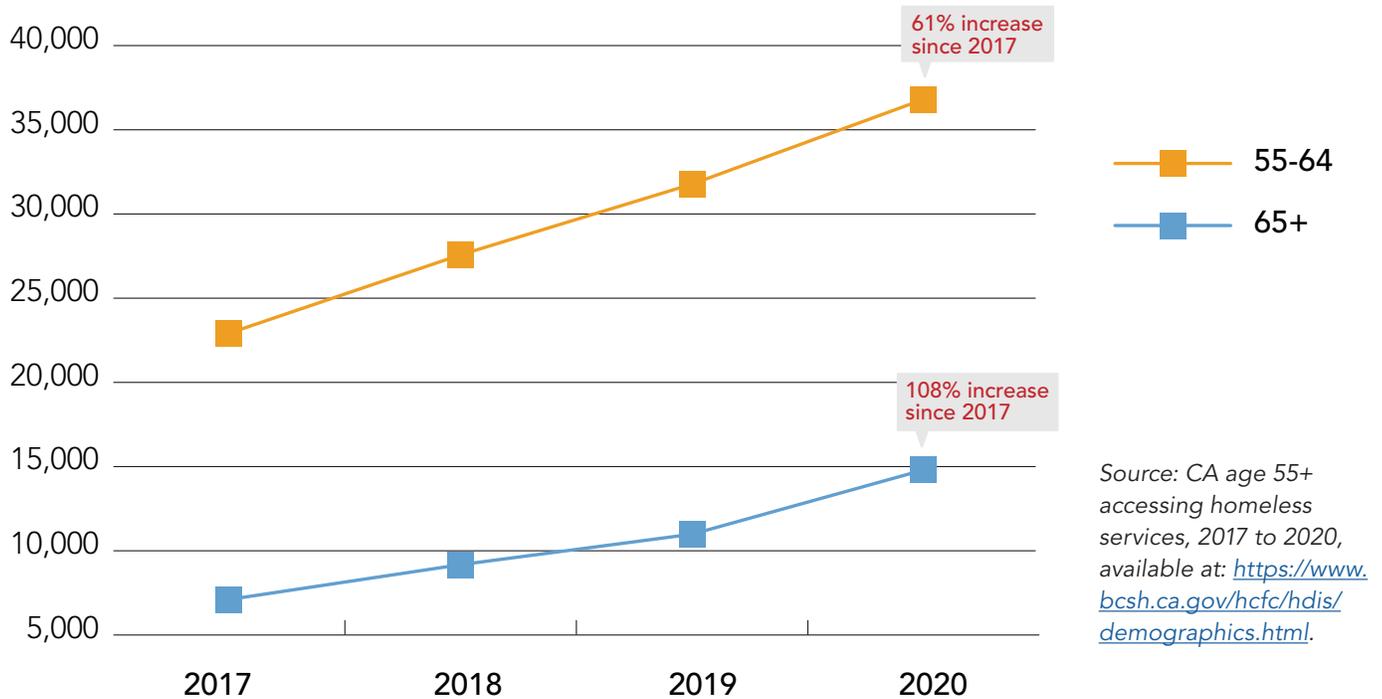
Extremely Low-income<sup>1</sup> (ELI) renters are most likely to be rental cost-burdened and severely cost-burdened, and Black seniors are disproportionately ELI renters. Many older Californians living on low, fixed incomes are being forced to choose between paying rent, eating, or buying medications.

Older adults represent the fastest growing age group of the homeless population in California and in many parts of the United States. Nearly half of all homeless people in the United States are 50 or older, and nearly half of them became homeless for the first time after age 50. Older Black Californians are overrepresented in those individuals experiencing homelessness, even when accounting for differential poverty rates. Although Black Californians make up 5.6% of the state's population, they represent 31% of those accessing homeless services. The primary drivers of the surge in older adult homelessness in California are unsustainable rent burdens and an inadequate supply of affordable, accessible, and stable housing.

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<sup>1</sup> ELI households have income below 30% of the Area Median Income (AMI) or the Federal Poverty Level, whichever is greater. In 2021, 30% of the AMI in Los Angeles County is \$24,850 annually for a single individual and \$28,400 for a two-person household.

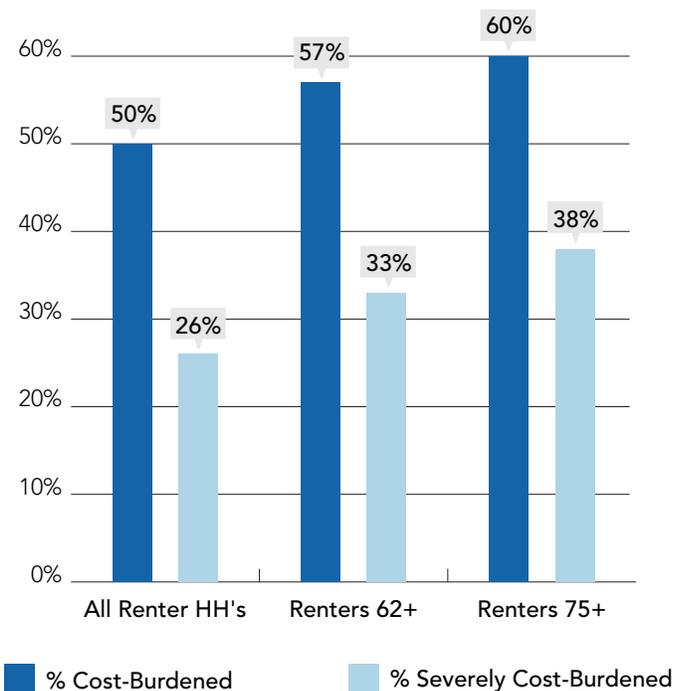
## Rise in California Older Adult Homeless Population from 2017–2020



## CALIFORNIA RENTERS ARE MORE LIKELY TO BE RENTAL COST-BURDENED AS THEY AGE

A higher proportion of California’s older renters spend an oversized share of their income on rent than the population as a whole. Underscoring the nexus between income and rent affordability, California’s older renters are more likely to be rental cost-burdened because they have lower incomes than the population overall. Additionally, as older renters age, they face an increased likelihood that they have depleted their savings or lost a spouse, resulting in older renter households age 75+ facing even higher cost burdens than households age 62+.

### Percent of Cost-Burdened and Severely Cost-Burdened Renter Households by Age



Source: NLIHC tabulations of 2014-2019 American Community Survey data.

# CALIFORNIA'S BLACK RENTERS ARE AT HIGHER RISK OF RENT UNAFFORDABILITY

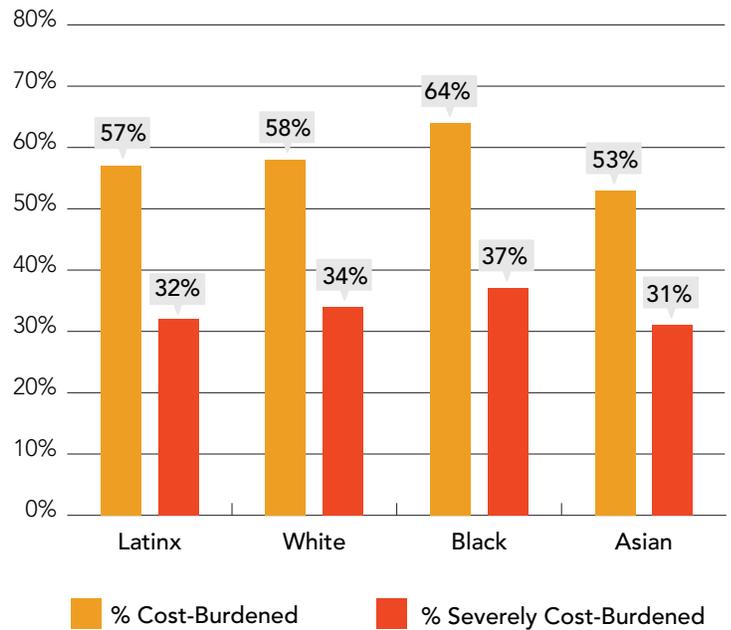
California's Black renters of all ages are more likely than white renters to be cost burdened, and this racial disparity continues for older Black renters.

**California's extremely low-income renters of all ages face unsustainable cost burdens.** Regardless of age, California's lowest income renters are much more likely to spend a higher share of their income on rent. Almost nine out of ten (88%) of Extremely Low Income (ELI) renters are cost-burdened, and three out of four (75%) are severely rental cost-burdened. This high rate of rent unaffordability disproportionately impacts seniors and disabled persons, who make up [48% of all ELI renters in the U.S.](#)

Seniors trying to afford rent on their SSI grants are in dire financial straits. In 2020, the maximum SSI grant in California for one person living alone was \$944/month. The fair market value of a studio apartment in all 58 California counties was [more than 50% of the SSI grant](#), and in 22 counties, it exceeded the maximum SSI grant.

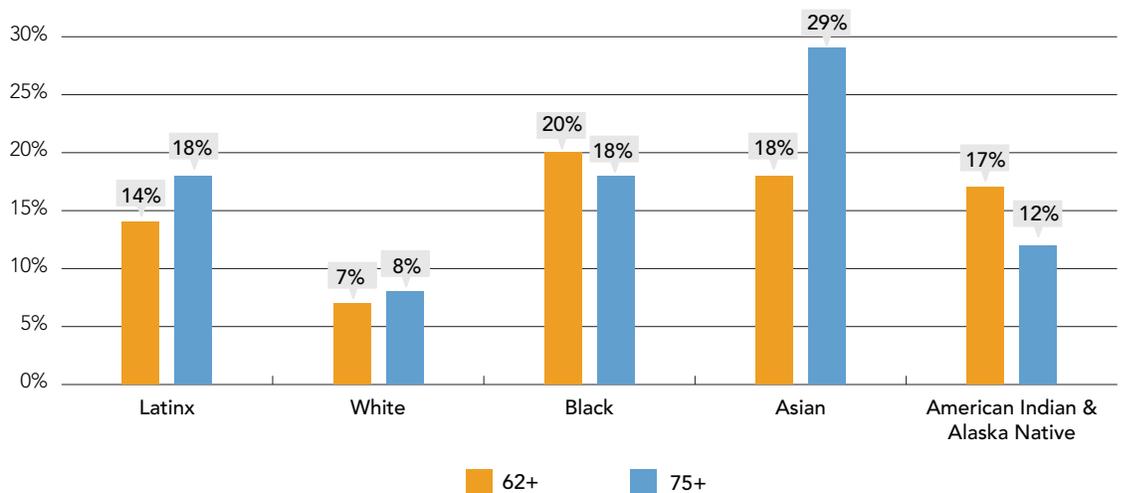
**Racial disparities also exist among ELI renters.** Older adult households of color with at least one householder 62+ are more likely to be ELI renters when compared to white older adult renters in the same age group. Asian older adult households with at least one householder 75+ are more likely to be ELI renters when compared to older adult renters of other races or ethnicities in the same age group.

Cost-Burdened and Severely Cost-Burdened Older Renter Households (62+) by Race/Ethnicity



Source: NLIHC tabulations of 2014-2019 American Community Survey data.

Percent of All Households 62+, 75+ Who Are ELI Renters



Source: NLIHC tabulations of 2014-2019 American Community Survey data.

While the data in this fact sheet reflects rent burdens in 2019, housing instability of older renters has worsened during the pandemic. According to the [U.S. Census Household Pulse Survey](#), as of May 2021, there were 91,887 Californians 65+ who were not caught up on rent and 4,057 older adults 65+ who were very likely or somewhat likely to be evicted within the next two months.

California has a [Master Plan for Aging](#) whose first goal is Housing for All Stages & Ages. If we address rental cost burdens while making significant investments in deeply affordable and accessible housing, we can ensure that older Californians can continue to age in their homes and in their communities, and close to neighbors, friends, and family.

Read Justice in Aging's national Issue Brief on how [Low-Income Older Adults Face Unaffordable Rents, Driving Housing Instability and Homelessness](#).