

2-27-2014

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Public Affairs, Roger Williams University

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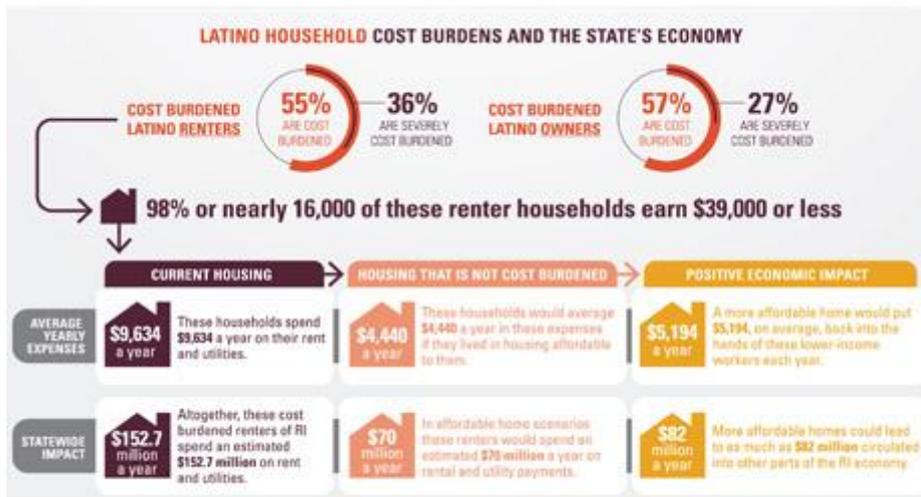
Public Affairs, Roger Williams University, "LPI Data: Housing Costs Burdens Purchasing Power of Latinos" (2014). *Featured News Story*. 212.

https://docs.rwu.edu/weekatroger_featured_news/212

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LPI Data: Housing Costs Burdens Purchasing Power of Latinos

New data released by the Latino Policy Institute at Roger Williams University and HousingWorks RI reveals a persistent housing cost burden for Latino renter households in Rhode Island



February 27, 2014 | Public Affairs Staff

PROVIDENCE, R.I. – New data released today by the Latino Policy Institute (LPI) at Roger Williams University and HousingWorks RI reveals a persistent housing cost burden for Latino renter households in Rhode Island. The new infographic measures the decreased purchasing power facing these Latino households by quantifying the amount of money being spent on housing.

Three quarters of Latino households in Rhode Island rent, compared to 40 percent of households statewide. More than half of these Latino households are considered housing cost-burdened, meaning they spend more than 30 percent of their income on housing. Moreover, one-third of Latino renter households are severely housing-burdened, spending more than 50 percent of their income on housing.

“We are troubled that so many Latino renters are spending such large percentages of their incomes on housing because it means they have little money left over for non-discretionary items, let alone to fully participate in their local economies,” said LPI Director Anna Cano Morales. “If we can address housing affordability for Latinos, this young and fast-growing demographic can play an even larger role in Rhode Island’s economic growth.”

The data released today quantifies the decreased purchasing power that results from housing cost burdens. HousingWorks RI analysis shows that altogether, cost-burdened Latino renter households in Rhode Island spend an estimated \$152.7 million on rent and utilities each year. If these renters were in homes that were affordable to them, they would spend an estimated \$70 million annually on rental and utility payments, leaving roughly \$82 million to be circulated into other parts of the economy.

“The annual savings generated by alleviating housing cost burdens would allow more Latinos to pursue such dreams as homeownership and higher education, or even purchase necessities such as healthcare and reliable transportation,” said Nicole Lagace, the Interim Executive Director for HousingWorks RI. “We encourage policymakers to consider how housing affordability affects local economies and develop strategies to ease the housing cost burden facing so many of our state’s renters.”

The median Latino household income in Rhode Island is \$30,329. HousingWorks RI’s analysis was limited to those cost-burdened Latino renter households with an income of \$39,000 or less annually.

To learn more about the Latino Policy Institute at Roger Williams University, visit <http://rwu.edu/about/partnerships-initiatives/lpi>.

A LOOK *at* LATINOS + HOUSING *in* RI

POPULATION

LATINOS IN RI **134,714**

LATINO % OF RI

12.8%



47%
INCREASE FROM 2000

40

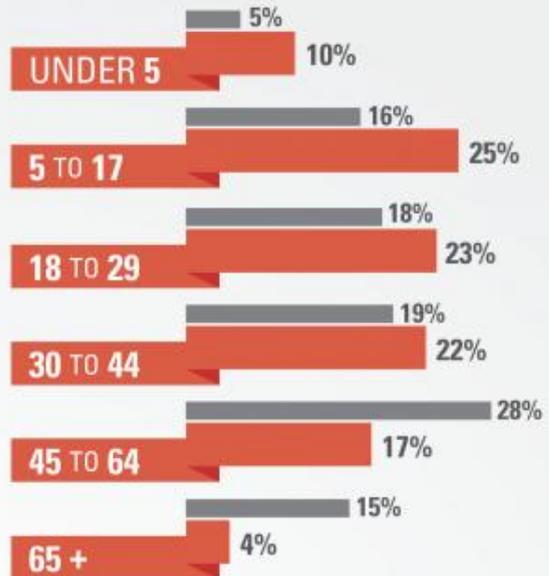
MEDIAN AGE
in Rhode Island

26

MEDIAN LATINO AGE
in Rhode Island



AGE



EDUCATION

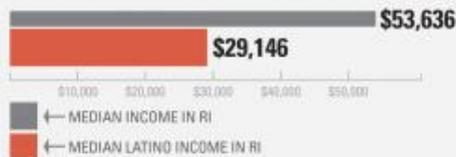
LATINO EDUCATIONAL ATTAINMENT FOR THE POPULATION AGE 25 +



INCOME VS. INCOME NEEDED

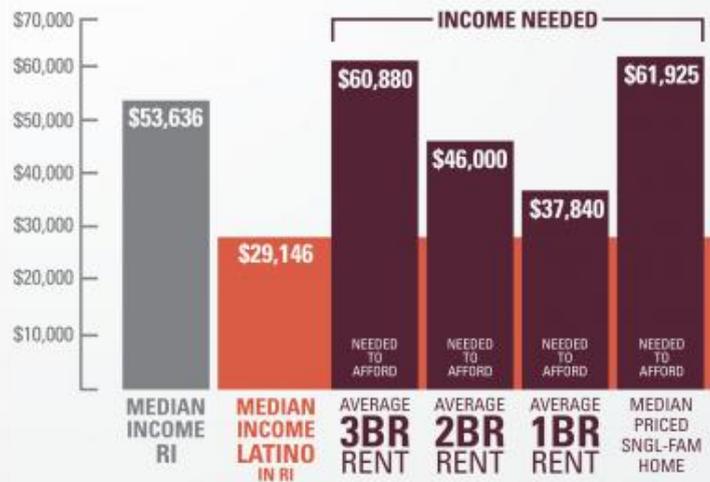
INCOME

The median income for Latino households is nearly half of the median income for all RI households



UNEMPLOYMENT

The unemployment rate for Latinos is **twice** the rate for all RI population age 16 +

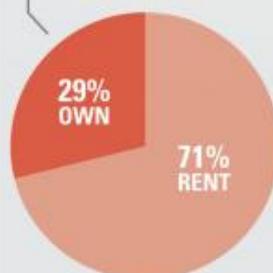


HOUSING COST BURDENS

RI HOUSEHOLDS



LATINO HOUSEHOLDS IN RI



Nearly 1 in 3 of RI LATINO owners pay over 50% of income on housing costs

1 in 3 of RI LATINO renters pay over 50% of income on housing costs

A joint project from:



Income needed to Rent: 2011 Rhode Island Housing Rental Survey

Income needed to Own: Based on 30-year mortgage of \$195,000 home (Median price single-family home in RI, 2011) at 4.45% interest rate; municipal property taxes, hazard insurance, and FHA mortgage insurance of 1.25% as well as a financed upfront 1.75% insurance fee required by FHA.

All other data: US Census Bureau American Community Survey 2011 1-year Estimates and 2011 1-year PUMS