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## Calling It Home: Latino Rental Housing Affordability



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For more than 50 years, UnidosUS has united communities and different groups seeking common ground through collaboration, and that share a desire to make our community stronger.

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For more information on UnidosUS, visit [www.unidosus.org](http://www.unidosus.org) or follow us on [Facebook](#), [Twitter](#), and [Instagram](#).

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The Center for Community Capital is a non-partisan, multi-disciplinary research center housed within the University of North Carolina at Chapel Hill and is a leading center for research and policy analysis on the power of capital to transform households and communities in the United States. It is part of the University of North Carolina at Chapel Hill's College of Arts and Sciences.

The center's in-depth analyses help policymakers, advocates, and the private sector build and amplify knowledge concerning economic inclusion and opportunity to improve markets, public policies, and community development practice.

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## EXECUTIVE SUMMARY

Housing is a central component of family life and provides a foundation for a family's well-being. While homeownership provides families with substantial social benefits, most families—especially those with children—are renters.<sup>1</sup> Today, more U.S. households are renting than at any point in the last 50 years.<sup>2</sup> Between 2006 and 2016 alone, the number of U.S. renter households grew by 7.6 million.<sup>3</sup> This is especially true for Latinos, who are twice as likely to be renters as Whites.<sup>4</sup> Specifically, in 2017, 8.4 million, or 52.8% of all Latinos, rented their homes, compared to 30.5% of all Whites.<sup>5</sup>

Despite an increase in rental homes during the Great Recession, a large and growing share of U.S. households cannot find housing they can afford. For example, in 2017, more than one out of four renter households of any ethnic background were cost-burdened, meaning they spent more than 30% of their income on housing. Among Latino households, over half of Latino renters (55.3%) were cost-burdened, spending in excess of 30% of their income on rent.<sup>6</sup>

Following our earlier research on how Latinos have fared in the home mortgage market and our research on housing affordability,<sup>7</sup> UnidosUS partnered with the University of North Carolina Center for Community Capital to conduct 25 in-depth interviews with Latino renter households in seven cities to provide more information on renting their home, rental housing choice, and affordability. Specifically, UnidosUS desired to learn about:

1. The general experience of Latinos as renters.
2. How housing affordability drives Latino renters' housing choices.
3. Why Latino renters aspire or do not aspire to be homeowners.

As homeownership remains out of reach for many Latinos, and more families are renting their homes, a large and growing share of families cannot find rental housing that they can afford. Affordable housing is essential to a family's economic stability and the accumulation of assets. We expected to find that without an affordable home, many Latino families are left without funds to purchase health insurance, accumulate savings for education or a down payment, or to take the pressure off day-to-day finances. Additionally, we expected to find that a lack of affordable rental housing has a significant impact on a family's economic security, feelings of safety in their neighborhood, their housing options, and prospects of saving for and buying a home in the future.

**From these interviews, we learned that:**

- Families struggled to save money, and some had to cut back on expenses to afford rental housing.
- Affordability was a key reason people had chosen their current homes, and affordable rental units are worth hanging on to, especially when few affordable homes are available.
- Every participant we spoke with expressed a desire to own a home.
- Nearly all participants felt it would be difficult to find a home they could afford to buy. Participants consistently identified money and credit issues as the two greatest obstacles to homeownership.
- Immigration status was raised by several participants as an obstacle to homeownership.



## INTRODUCTION

Homeownership has long been a cornerstone of the American Dream for countless Americans, including Latinos. However, since the Great Recession, homeownership remains out of reach for many Latinos, and many more families remain in the rental housing market. In 2007, about half of Latino households rented their homes, and the other 50% owned their homes. Since the Great Recession, the rate of Latinos renting their homes increased nearly three percentage points to 52.8% in 2017.<sup>8</sup>

As the number of renters has increased throughout the country, rental costs have also increased. This is especially true for Latinos, who have seen the amount of rent they pay each month exceed 30% and even 50% of their incomes. In 2017, 53.7% of Latinos spent more than 30% of their income on rent, while 28% of Latinos spent more than half of their income on rent.<sup>9</sup> In addition, Latinos are more likely to live in states such as California, New York, and Florida, where between 50% and 60% of renter households are cost-burdened.<sup>10</sup>

High housing cost burdens threaten the economic security of Latino households. Addressing cost burdens is critical to ensure that Latinos have access to an affordable home, while freeing up dollars that individuals and families need to buy health insurance, save for an education or for a down payment for a home, or take the pressure off of day-to-day finances.<sup>11</sup>

To better understand the Latino community's experience in the rental housing market, UnidosUS engaged the UNC Center for Community Capital to explore the state of affordable housing for Latino families. Through this collaboration, we conducted interviews with 25 Latino renter households in New York City; Washington, DC; San Francisco; Phoenix; Denver; Orlando; and Las Vegas—cities with a shortage of affordable homes.

This report provides key findings from the interviews with these households, including first, the rental experience of Latino families, specifically the general experience of Latinos as renters. Second, this report examines rental housing affordability and the choices available to Latino households—especially the options available to extremely cost-burdened households. Lastly, this report discusses the desire of Latino households to own a home and the barriers they face to buying a home.



**From these interviews, we learned that:**

- Most of the renters we spoke with disliked renting and viewed their rental payments as money wasted on someone else's home.
- By the standard measure of housing affordability in the United States—30% of income dedicated to pay for housing—the renters we spoke with are extremely burdened by housing costs.
- Families struggled to save money, and some had to cut back on expenses to afford rental housing.
- Affordability was a key reason people had chosen their current homes, and affordable rental units are worth hanging on to, especially when few affordable homes are available.
- Every participant we spoke with expressed a desire to own a home.
- Nearly all participants felt it would be difficult to find a home they could afford to buy. Participants consistently identified money and credit issues as the two greatest obstacles to homeownership.
- Immigration status was raised by several participants as an obstacle to homeownership.

## KEY THEMES

### THE RENTAL EXPERIENCE

With few exceptions, the Latino renters we spoke with were dissatisfied with renting: many view rental payments as a waste of money or as throwing money away. Some expressed feeling trapped as renters, often because of affordability issues, although a few renters also reported feeling that their choices are limited by their immigration status. Not surprisingly, renters expressed more satisfaction where they live in good quality units with suitable amenities; those whose landlords maintain and repair their properties promptly are also more satisfied. In this section, we take an in-depth look at what low- and moderate-income Latino renters experience as renters.

**Most of the renters we spoke with disliked renting and viewed their rental payment as money wasted on someone else's home. Several participants expressed feeling trapped as renters, often because of affordability issues; others felt limited in their options because of issues related to immigration.**

Although the renters we spoke with had little positive to say about renting, several believed that renting was more affordable than homeownership. As Valeria in Phoenix put it, renting was “in my budget.” While a few renters appreciated not being responsible for property taxes, repairs, or yard work, for the most part, renters were unhappy to be paying money to someone else for their housing.

From those we spoke with, we heard comments like:

*[What don't I like about renting?] That I can pay 20 years and never get the house. (Alejandro, Orlando)*

*[What do I like least about renting?] The money's not going towards anything, just for that. It just covers a month. We can't make any alterations to our house. We can't do anything that we want to do. . . . Everything is borrowed. There's nothing that you own. You call it your apartment but it's not your apartment. It's somebody else's home and you're temporarily living there. (Ana, Denver)*

*There's not much I like about renting, especially when you see how much [ ] a mortgage costs. Not necessarily in San Francisco, but some people are paying in monthly rent what you can pay to own. You're paying someone else, you're putting it in someone else's pockets. (Gabriela, San Francisco)*

*[What don't I like about renting?] That it's not my property. If I want to make changes, I can't: I have to respect. Also, you're giving your money away. I mean, you're making an investor [ ] rich[er]. (Natalia, Las Vegas)*



Two participants, one in Denver and another in Orlando, described renting as a form of throwing money away. As these renters see it:

*[With renting], I feel that that money's going into [the] trash. I'm paying the mortgage for another person. (Victoria, Orlando)*

*I just feel like I'm just wasting my money. I'm throwing it in the trash. I'm just working for somebody else. I don't think it's a good idea. (Elena, Denver)*



Among the many participants who dislike renting, several expressed feeling trapped as renters. This sense of having no choice was normally due to the unaffordability of housing in their city:

*[I rent because I have] no choice. That's the only thing I can say. It's not that I like it. Because there is no choice. Because if you don't rent, where are you gonna live? There's no other way that you can survive. (Sofia, New York City)*

*I don't like to pay rent but I have to. I'm paying it, it's not that I like it. It's just it's something that is in my reach and I can do it. I would like to own my own home and pay that to myself, not pay rent. (Carlos, Washington, DC)*



A few participants expressed feeling constrained as renters—and/or delaying their pursuit of homeownership—because of their immigration status. From renters in Phoenix and Orlando, we heard:

*I'm waiting on immigration for my work permit, and once I get that, I want to start working and save a little money so I could own my own house. (Mariana, Phoenix)*

*Yes [our immigration status affects our housing choices]. Me and my family, we are under political asylum for now. We can work, we have social [lives], we have everything. But we don't have a green card yet, [so we are not] citizens. So, we cannot decide anything. We are waiting to see what is going to happen, if they're going to give us the green card, or not. (Emilia, Orlando)*



**Not surprisingly, renters expressed more satisfaction with units that are in good condition and have the amenities they need. Renters were also more satisfied where landlords maintained the property and made repairs promptly and competently.**

Not surprisingly, the Latino renters we spoke with expressed greater satisfaction with units that are large; have windows that provide natural light; are in good condition; have the amenities they need (especially laundry facilities); and have access to attractive, clean outdoor spaces. The renters we spoke with also value privacy, limited noise from other units, and a sense of safety where they live.

For the most part, the renters we spoke with like the units they live in. In very few interviews did renters describe units that seemed structurally questionable. However, this was the case for Sofia, a 42-year-old mother of three living in a rent-controlled unit in New York City. We include her description of the rental unit to help illustrate the conditions which low- and moderate-income families might tolerate in an extremely expensive city:

*A lot of time there's a lot of problems in the building. I'm tired of that. Since I moved to the apartment, I've been having problems, because I have a lot of mold in one of the rooms. The other ones too have leaking, because there is a big leak in the roof. . . . It makes like a bubble. Now, it breaks, but it smell[s], and I keep telling them, fix that. And they say, "Oh, yeah, yeah, yeah, we're gonna do it." They fix it but they do something simple, just to cover the hole. That's it. They didn't do like major things. . . . So living in this place is, like I said, I get mold. . . . And sometimes the mice. Oh, my God, those mice! I'm tired of those. That's the other problem that I have. . . . Right now I just found mold in my son's room. . . . I have to send an e-mail to the management office and let them know about my tenant rights, because that's the way that it works. Because if I just send a simple e-mail saying, "Hey, listen, I have this problem: I have mold in my room," [they'll respond], "okay, wait." No. I have to write a letter saying, "Hey, according this, this is that. I have a right, and this is a violation. . . . You have 24 hours to come and fix it." That's the way that they do it with me. (Sofia, New York City)*



Where repairs and upkeep are needed, renters expressed greater satisfaction where these were handled quickly, competently, and at no cost. For example, Natalia in Las Vegas appreciates the careful attention paid to her rental home:

*The staff is great. If we ever need anything fixed, they go above and beyond to take care of it. (Natalia, Las Vegas)*



Repairs and upkeep were not always handled to renters' satisfaction, however. As Carlos, a renter in Washington, DC, described his situation:

*The problem is when something needs to be repaired in the home. We tenants are paying rent, so when we come and tell the landlords, they do whatever they want and how they want it. An example is, let's say the repairman is saying, "I'll be there tomorrow." Tomorrow comes and goes and they never showed up. One of the things I've requested is to have my unit repainted. They've told me that in my lease it stated that it's every five years that they're repainting it. But I've requested and I've said, "I need it." It's things like that that I have issues with. (Carlos, Washington, DC)*



Ana in Denver expressed similar frustration over delayed repairs for her rental unit:

*I don't like that it takes forever for maintenance to come up and fix something. I went without a washer and dryer for four months spending \$80 to \$100 a week. And when I asked them, I finally had to tell them, "Are you gonna start taking that out of my rent? Because at this point, I'm paying a lot of money for this." And all of a sudden I got a new washer and dryer. They were supposed to adjust it and credit my rent, and they never did. So just maintenance takes forever to do anything. (Ana, Denver)*



Valentina, also in Denver, explained how reluctant her landlord is to pay for repairs and how long it takes for him to do so. Because of these delays, she described no longer waiting, but instead making the repairs herself:

*Sometimes what has happened is, [my landlord] says, "Repair it, and then we'll figure it out with the rent." But now, we don't tell him: we just fix it ourselves. Because everything we tell him, it's very expensive. I'm like, "Oh, it got broken and this is the repair," and he's like, "It's too expensive." He's really slow. He's really slow. He will do it, but it's really slow. So now when something breaks, we prefer just to fix it. (Valentina, Denver)*



Mia, who lives in a rent-controlled apartment in New York City, described handling repairs herself because when she did them, the repairs were done to a higher standard and this helped keep her rental costs low:

*[If something breaks in my apartment, who repairs it?] It depends. Because sometimes it's a lot of hassle and you know, "Okay, they're just going to give me this cheap refrigerator, but they're going to keep charging a higher rent forever, so I might as well just pay it off with a credit card and get a refrigerator I do like and live better." You don't have that extra rent increase permanently. So with things like that, it depends. Unless it's something that's actually to do with the building, like pipes and stuff like that. Like minor repairs, we'll call in the super to help. Eventually, they will come. For structural stuff, like appliances, other things, even the floors or the walls, we'll cover the cost ourselves just because it will be a better job, to be honest. (Mia, New York City)*



## RENTAL HOUSING AFFORDABILITY AND RENTAL HOUSING CHOICE

Since the 1980s, the measure of housing affordability in the United States has been based on the percentage of income a household spends on housing each month, set with the assumption that households can afford to pay up to 30% of their income on their rent or mortgage. This has been the standard for “determining eligibility and payment levels, explicitly for publicly subsidized rental housing and somewhat more loosely for other rental and ownership programs and financing.”<sup>12</sup> In this section, we review the burden of housing costs on low- and moderate-income Latino renters, and how the burden affects their housing choice and quality of life.

**By the standard measure of housing affordability in the United States—30% of income going to housing costs—the renters we spoke with are extremely housing-cost burdened.**

Only four of the 25 low- and moderate-income Latino renters interviewed live in “affordable” housing, where they pay 30% or less of their income on rent.\* Apart from these four participants, most of the Latino renters we spoke with pay close to or more than half of their monthly income on their rent. Three participants spent 75% of their income on rent. There is no doubt that spending even 30% of income creates a cost burden for a low- and moderate-income renter in a major city.

Martina, who pays this amount under the Section 8 voucher program, struggles to make ends meet after paying for her housing:

*So I pay 30% of what I make for my rent, because I'm on Section 8 voucher. So I am paying \$1,483. Aside from that, I have to pay electricity, my food, cable, internet. And that's just for my home, my living expenses. I also have to pay my cell phone. . . . As a Latino, I help my parents, and my father is older, and he is alone. So I am the oldest, I am the responsible one for him. . . . I feel stressed because I have to divide my money, I have to figure out what goes where. I suffer from diabetes, so [the cost] has gone up really bad. I have to pay the cost for my medical stuff. It's very hard when you have to balance your paycheck and figure out what you have to pay bills. It's not something I can say, "I'm not going to pay something." I need to pay everything. . . . [My household] is a two-[person] income [mine and my son's]. I have two paychecks. The paycheck that I receive at the end of the month, that paycheck has to go to just paying rent. All of it goes to paying rent. I have to rely on the next check to pay for all these other bills like my cellphone, the electricity, all those other bills. This is also counting my son's income too. It's very hard. (Martina, Washington, DC)*



\* One of these individuals rents using a Section 8 voucher, and two are recipients of temporary rental assistance from direct-service organizations in their region.

Families burdened by housing costs face difficult financial decisions when trying to make ends meet. Carlos rents an apartment in Washington, DC, where he lives with his two children. He currently pays 50% of his income on rent and described the stress of managing annual rent increases on this already burdensome amount:

*When these rent increases come, I have to figure out from where I'm going to pay that extra money. One example is . . . because of this rent increase, maybe I stop paying one bill. And then what happens the next month is, not only do I have to pay the month I'm behind, but there's also late charges. So I have to sacrifice a lot in order to be able to make these extra fees that I wasn't counting on having. (Carlos, Washington, DC)*



Sixty-three-year-old Oliva, who lives in Las Vegas with her husband, described similar stress as they try to manage on what is left after they've spent half of their monthly income on rent:

*[What feels stressful] is when we don't have enough money, you know, to purchase food, all the needs, to cover electricity and water and all those things. We only have one source of income. (Olivia, Las Vegas)*



Sofia, a 42-year-old mother of three, pays 75% of her monthly income on rent for an apartment in New York City. This rental amount causes stress as she seeks to make ends meet:

*This month we are short on money. I just spoke about that with my daughter, we just talk about that, "Mom we're short on rent." Okay, let me see how we're going to do it, am I going to call the company and let them know? She just said, "Mom we're just [going to] have 28 cents for the week" in the bank. It's like, if we decide to pay all the rent, we just [going to] have 28 cents. . . . We can't be like that. We need to eat the whole week. (Sofia, New York City)*





## Even inexpensive housing will be unaffordable where income is unpredictable or insufficient.

Income is the flip-side of the housing affordability problem: even inexpensive housing will be unaffordable where income is unpredictable or insufficient. Several participants stated that their employment situation affects their ability to afford rental housing. This is the case for Carlos, a father of two living in Washington, DC:

*When I first moved to this [apartment], my job was very stable. I had a stable paycheck and things like that. After a while. . . I lost hours, so I wasn't making as much money. As of right now it's very hard for me. It's not a stable income that I have anymore. The area [I live in] is not expensive, but it's not cheap. (Carlos, Washington, DC)*



Daniela, who is raising three children on her own in Denver, explained the financial and emotional stress she experiences as a result of her unpredictable income:

*I have to limit myself. For example now, like with food, I have to limit myself how much food I buy every week. . . . In my job, the hours vary, so some weeks I can work up to 55 hours and then some weeks are 27 hours. . . . I wish there was more opportunity for women like me, a single parent that's trying to do the right thing, the right way, for their kids. But somehow when you go and ask for help, somehow you're making too much money to be able to receive those helps. . . . I may be making good money, but it's too much I have to pay out: my clothes, shoes, food, insurance, car insurance, gas, hair maintenance, toiletries, even soap to wash, like, clothes. (Daniela, Denver)*



Valentina, who lives with her husband and two children in Denver, explained the stress her family feels as a result of a reduction in her husband's work hours:

*[Our rent is] \$900 monthly. Right now, it's half [of our income], [be]cause he's not working. He's always worked. He just had surgery. It's something that has never happened before. It's gonna take a while. His surgery has taken a long time for him to recover. We had savings, a little bit. And we have reduced our expenses. Right now, we're not spending what we used to spend. We have a long time paying rent, but right now, we don't have the same money that used to come in. (Valentina, Denver)*



Natalia, who lives with her husband and two young children in Las Vegas, described the effect of her husband's school-based job stopping over the summers:

*My husband's a school employee, so [in the] summertime, he doesn't work a few months, and doesn't get benefits, [and he] can't apply for unemployment or anything. So when that time comes around, we make it through, but you have to watch out what you spend. The first year, it caught us off guard, because we didn't know. But he's been there, going on five years now. We do prepare: we either have savings, or he already has a job lined up in that time. (Natalia, Las Vegas)*



Some participants are experiencing income and employment instability for the first time, a shift that accompanied their transition to living in the United States. This is the case for Victoria, who lives with her family in Orlando:

*It's not easy. It's a change, a radical change. . . . I'm a chemical engineer and my husband is a public accountant. So, here [in the United States we are never at home]. . . . Like driving cars in the airport, my husband has an Uber. Working in the evenings. At home, you don't see that. Working weekends, you didn't do that. In my country, fifteen days of vacation per year. Here, in three years and a half, [we've] never vacationed. It's hard. Having two and three different jobs at one time, or just changing from one job to another job, to another job. Full-time, to part-time, part-time. . . . My husband, when it's coming to pay the rent and [we don't have] already the money, he can [drive] Uber for fourteen hours. Very late in the evening, I'm at home with our daughters waiting. And I'm anxious. I would like to produce more money, but I'm also a mother. I have to be [home] in the evening. (Victoria, Orlando)*



## Families struggled to save money, and some had to cut back on expenses to afford rental housing.

Several participants discussed the financial sacrifices they make in order to be able to afford their rental unit. Sacrifices include cutting back on all non-essential costs, apart from those related to housing and other basic needs. For example, Mariana, a 46-year-old survivor of domestic violence, shared the story of her transition from living in a shelter to living in her current apartment. This change has required careful financial management:

*It was really emotional for me when I first opened the door and saw my own apartment. I couldn't believe it, for my children, to [be in] my own apartment. I think it was impossible, the first three months. I was just thinking, "How am I gonna do it?" There's more things that you have to pay. At a shelter, I had everything, but now that I am here in my apartment, I have to pay my own electric and all that. I had a lot of anxiety the first three months thinking how I was gonna do it. It took about three to four months for me to adapt to my own place, and [during that time] I didn't even think about life outside. I was just focused with my apartment. I sat one time with the little income that I receive [and] I tried to organize myself, so I could pay all my bills and not have social life, not go out. . . . I tried to do everything and organize myself. I talked to my daughter and told her that we had to make some limits to the expenses due to the really low income that I get. Now I'm very organized. (Mariana, Phoenix)*



Elena, a 49-year-old renter in Denver, feels anxious about being able to afford her apartment. Like Mariana, she cuts back on non-essential costs to pay the rent:

*I'm so scared, that right now I just pay my rent, my phone, food, and that's all. Sometimes I don't even trust myself to go to the restaurant. Maybe a hamburger or so, once in a while. Clothes, I won't do it because of the same reason. And more stuff like that, like for the house and stuff, I won't buy it because, no, no. (Elena, Denver)*



Rental payments affect the amount of money a family has left over for other expenses. After paying the rent, for Victoria and her family in Orlando, there's "no money left." When asked for examples of what they go without in order to afford their rent, she explained:

*[We give up] vacation, holidays. Family entertainment. [We don't go] to the movies. The money's there to pay the rent and the other expenses, and that's it. . . . (Victoria, Orlando)*



Another participant living in Orlando, 56-year-old Mateo, offered a very similar list of what he and his family give up in order to afford their apartment:

*[We give up] family activities, family entertainment, saving money to have emergency funds, buying a house, to have insurance, paying for travel. Also with the food, [be]cause we have to change what we want. Because [the money] is not enough. [W]e have to buy what was on sale, because we know if what we want isn't on sale, the money's not enough. (Mateo, Orlando)*



Thirty-five-year-old Daniela, who lives in Denver with her three children, discussed the choices she has to make in order to afford her home:

*So right now [my kids] have CHP Plus [health insurance], because they don't qualify for Medicaid. And I have to pay supplemental insurance through my job, even having both of those insurance[s]. For example with my son, he has to have braces and they won't cover it: I need to pay out of pocket, and I can't pay for it. It's \$4,000. I've been to several places, and I have options: the option that I have is to pay \$200 per month. So, I would pay \$1,150 for rent, plus \$200, plus utilities, plus insurance. . . . [So either] I give him a room to live in or I pay for his teeth. (Daniela, Denver)*



Sixty-five-year-old Isabella describes the sacrifices she and her husband make in order to be able to afford their housing. When asked about the money she has left over after paying rent, she replied:

*The quantity that remain [after paying rent] is a little. I can't go to the beauty anymore. Now I color his hair. No more barber. We can't go to our country, because we cannot travel: it cost money. No go to dinner, entertainment, movie, nothing. (Isabella, Orlando)*



**Affordability was a key reason people had chosen their current homes, and affordable rental units are worth hanging on to, especially when they are hard to come by.**

Nearly all participants were influenced by the cost of housing when choosing where to live. As Isabella, a renter in Orlando, put it, she chose where to live “because it was the cheapest that we found in the area.” Participants also told us that low-rent apartments are worth hanging on to, especially those that are rent-controlled and will remain affordable for the long term. For example, 42-year-old Sofia is frustrated by the size and condition of her rent-controlled New York apartment, but she stays there because of its affordability:

*This space is like you barely get 8x10. So all the time it is 8x10. It's like you don't have closet, you don't have a space. The kitchen is like, oh, my God, I'm suffering with that kitchen every day. . . . [But] I don't pay a lot of rent in [my current apartment]. . . . If I decide to move from that apartment, forget it. Because we're gonna pay a lot, triple that I'm paying right now. Because I have a three-bedroom apartment, but I just pay \$1,400. That's nothing. Practically that's nothing, but if I decide to move, I'm gonna pay almost \$3,000 for three bedrooms.” (Sofia, New York City)*



Across the country in San Francisco, 75-year-old Lucia explained that she and her husband have lived for the past 18 years in the same rent-controlled, one-room studio with their adult son, who is developmentally disabled. They remain in this very small space because the rent is low and remains manageable, and they live in a neighborhood where they feel safe. Safety is especially important as Lucia considers her son:

*In my current apartment, everybody knows my son, and I've never had any issues with anybody in the apartments, because they all recognize him, and they know that he's living there. Basically, everyone knows him, and I don't have to worry about his safety there. (Lucia, San Francisco)*



Even where rents are not controlled by law, an affordable unit with predictable rent is worth holding on to. Santiago and his wife have been renting the same Denver condominium for nine years. They rent from a private landlord, Gloria, and they chose the apartment largely because it is affordable. In the time they've lived in the unit, Gloria has only raised the rent once, by \$100. As Santiago described the situation:

*[Gloria's] actually real nice. She's, like, basically the second grandma to our kids. She's always coming over and catching up. And she loves them very much. . . . [Gloria raised the rent by \$100] two years ago. . . . So we were kind of nervous. We were stressing, thinking [it] was, like, all of a sudden [going to] jump way high, because we saw everyone's rentals going up. And we didn't have a contract, since we'd just been living there. Because [Gloria] appreciates how we take care of the place and how long we've been there. . . . She had to send a letter. And she called. She was even crying about it, saying she was so sad to do that to us. But, I mean, we understand. We know everyone's [rent is] going up. (Santiago, Denver)*



### **Some renters compromise on their use of space in order to afford their housing, living with roommates or squeezing an entire household into a smaller space than is adequate.**

Several renters live in homes that provide sufficient space for their household's needs. For example, Natalia in Las Vegas finds her home "very, very comfortable to live in." As she described her rental unit:

*We have a two-bedroom, and they're both considered master bedrooms, they're very big in size. They both have their own bathroom. We have a little patio that's gated outside, individually for us. Nobody goes in, nobody. That was another number one thing that we liked, [that] the kids had a big place to play. (Natalia, Las Vegas)*



However, we also heard from renters who are compromising on their use of space in order to be able to afford their homes. One compromise involves living with roommates. Participants in New York City, San Francisco, and Orlando all discussed this issue. For example, Alejandro, a 55-year-old husband and father of two in Orlando, explained:

*My income. . . . [i]t's not too high. I share the apartment with another friend, because I cannot pay alone. So we are living, because we are family of four, us two and two daughters, and we had to take in another friend in order to pay. (Alejandro, Orlando)*



Gabriela, a 29-year-old living in San Francisco, chose to move in with and pay rent to her family, rather than live with roommates in that expensive city:

*My grandma actually owns the house I live in. I lived in Chicago for seven years, and I came back and could not afford rent, and I didn't want to have a bunch of roommates. So I moved back in with my family, which is just my grandma and my mom, and I pay them rent. . . . Living in San Francisco, it's like you have to choose: Are you going to live with your family or are you going to live with X-amount of roommates? I even know people in their 40s who have roommates, and it wasn't always like that for them, you know? (Gabriela, San Francisco)*



Some participants squeezed their household into a smaller space than is comfortable in order to afford their homes. This is the situation described by 28-year-old Santiago, who lives with his wife and three children in Denver:

*[Our apartment] is cheap. It's a one-bedroom, only. It's actually a pretty big size, the bedroom, because we have our queen-sized bed, and then the kids have their bunk beds, and we still have pretty good space in there. [But] we have to share rooms with the kids. Now that the kids are getting older, we're always fighting for the restroom. That gets tricky. . . . We're getting to a point where we don't know where to put things anymore. We actually even had to get a storage unit. (Santiago, Denver)*



Ana, a 32-year-old renting a home in Denver, lives in an apartment that doesn't provide as much space as she needs for her and her four children:

*I like how spacious [my apartment] is, because the other apartment that we lived in, it was very small. I mean, I would think it was like 900 square feet and this one is like 1,300 square feet. . . . So the kids have their own bathroom, there is three bedrooms, we have a kitchen and a dining area that is separate, where the other apartment didn't. . . . [But] it's hard with four kids. I have my two older ones, my son and my daughter, who are w and 14, that are in the same room together, and it's hard because it's a boy and a girl. I have three girls and a boy, so it's not like I could separate them. Everyone has their own bed, everyone has their place to sleep . . . but enough room, I really wouldn't say [we have that]. (Ana, Denver)*



## In particularly expensive cities, people resort to extreme living situations in order to afford housing.

Where rental housing is particularly expensive, renters might resort to extremes to be able to afford a place to live. For example, 80-year-old Maria, who needs to remain in San Francisco to be near her doctors, lives with two unrelated roommates in a one-bedroom apartment. Maria sleeps in a hallway area; another woman sleeps in the living room; and a man sleeps in the bedroom. In Maria's words:

*[The apartment] is very little. The [other] woman that lives there, [she] lives in the living room: on one side is the living room, the kitchen right next to it, and my space is right next to the kitchen. On the other side is the room for the guy. In order to go to the bathroom, we always have to go through the living room, which is like going through the other woman's space. (Maria, San Francisco)*



A married couple in Denver has resorted to living separately in order to afford housing in that city. As described by Ana, the situation is difficult for them:

*Where I live is at an apartment. It's affordable housing. . . . The only way I could qualify for that is if my husband was not living with us, and so he does not live with us. We're married, but he has to stay at his mom's house in order for us to qualify to live there. The apartment that we were living in [before], which was North Denver, we were paying about \$2,500 a month, and we could not afford that. Even though we do make good money, we have four kids. [Living separately] is a sacrifice that we're making right now. . . . We've been there two years, and we've been making it work. . . . It's hard. It is. He just got surgery on Monday. He had an emergency appendectomy. It was hard to, like, how am I gonna take care of him, you know? (Ana, Denver)*



In San Francisco, we spoke with Lucia, mentioned above, a 75-year-old woman who shares a rent-controlled studio apartment with her husband and their 56-year-old son, who has developmental disabilities. When choosing the unit, in which they've lived for the past 18 years, Lucia wanted to make sure her son has easy access to their home (i.e. few stairs) and is safe (i.e. known by their neighbors). Accessibility and safety come at the price of sufficient space in this expensive city, however:

*It's a studio, so we have a separation for me, for my husband, and my son. But it has to be removed and put up every day, because we don't have the space for it to stay up. So, if we're moving around, then my husband has to take it up and take it down every day. Our kitchen is very small, and the bathroom is very small. . . . Everything's pretty confined. (Lucia, San Francisco)*





## Moving multiple times in order to maintain affordability was not uncommon.

The 25 participants we spoke with have lived in their current rental units anywhere from one week to 18 years, with renters spending an average of five years in their current homes. For several renters, moving was a frequent occurrence, due to changes in personal circumstances and the need for housing they could afford.

Antonella, a mother of two who has lived in her current rental unit for a year and a half, told her story of searching for housing after first arriving in the United States:

*When I came to the States, I lived one month with my ex-mother-in-law. I lived one month with my ex-sister-in-law. I lived three months in one apartment with my ex-husband, and that was where everything fell apart and we separated. And then after that, I lived in a car and a hotel. Then after that I went to the shelter. . . . [My son was with me] all the time. He went through everything that I went through. (Antonella, Phoenix)*



Washington, DC resident Martina explained her complicated housing story. She moved multiple times to find a safe and affordable rental for her and her son:

*So I was married to my ex-husband, [and] I was mistreated by him. My son was 11 years old. So I'd only been in this country for about a year. So he would abuse me physically and psychologically. One day he pushed me and my son saw him. And he said, "Mom, my daddy pushed you." And I said, "No, I fell." ... Then my son said to me, "Mommy, we don't have to be here with my daddy. I will call the police." I said, "No, we're going to find somewhere else to live." . . . I had to move from the apartment. I head off to my friend's house. I had to leave my friend's house because then my friend had spent the money I had saved: she took all my things out. Then I went to another friend, but there was an issue with the children not wanting to share with my child, like not sitting on this couch, and not to open the refrigerator. But then the apartments where I'm at [which accept my Section 8 voucher], they called me, and that's how I was able to move in. (Martina, Washington, DC)*



Most longer-term renters we spoke with experienced increases to their rent over time. For some, these increases were manageable, while for others, they were a source of financial and psychological stress. In some cases, rent increases led to the need to relocate. This was the case for Orlando renter Emilia:

*[My rent is] \$1,540. They start \$1,440, and already in a year, \$100 more. In October, when we have to renew, we don't know how much it's going to be. . . . Yes [it's stressful], because I don't know what I'm going to find. I can cover the price, or I'll have to move again. If it's too much, what they increase, I cannot stay there. I cannot stay there, so I'll have to afford another [place]. . . . I don't know if there's any cap [on rent increases] that you have. How much can they increase our rent? I assume there is a maximum percentage . . . but I don't speak with anybody [at the rental company]. I don't know if I should ask, with whom I can speak in that company. The only relation we have with this company, we pay and they come if they have to make any inspection or any repairs. (Emilia, Orlando)*



Moving to a more affordable home is not without its own costs—both financial and emotional. As Emilia—who has moved three times in the past four years—elaborated:

*It's expensive to move each time. It's a lot of work, emotionally and physically. . . . Each time you feel real stability where you are living. So you have to take a decision to, again, "I really feel good here and I know everything now," to start again, change and face again new people and new neighbors. It wears, emotionally and physically. It makes you tired and worn out. (Emilia, Orlando)*



**The link between immigration status and housing choice is not straightforward. Participants revealed that immigration status affects employment, employment affects income, and income affects housing choice.**

When we began this study, we anticipated there would be a direct link between Latino renters' immigration status and their access to housing: our assumption was that undocumented Latino renters might experience limited choice over where they rent either because of landlords' decisions or because of the need for renters to feel safe in the current anti-immigration climate. Instead, the renters we spoke with described a less straightforward link between immigration status and access to housing: an individual's immigration status affects access to employment, employment affects income, and income affects access to housing.

Antonella, a mother of two in Phoenix, can only afford her current rental unit because of the temporary rental assistance she receives from a direct-service organization in the area. Her immigration status has affected her current employment situation, which then affects her ability to afford a market-rate rental home:

*I only work 15 hours per week, so I get paid twice a month. I get paid the 5th and the 25th, so the 25th I make sure that that will cover my portion of the rent. . . . When I used to work right in the border, I used to make at least \$500 a week. Because of the status of immigration, I cannot work more than three hours per day, so I make now like \$100 most months. So it's a huge difference for me. But once I get the right status to be here, everything will change. When my work permit comes, I will have more hours and better opportunities. . . . I'm good about administrating my money. I think that having a full-time job will definitely help me to do that. (Antonella, Phoenix)*



When asked if her immigration status affects her housing choices or opportunities, Mariana—a 46-year-old mother living in Phoenix—answered:

*I sometimes think yes, sometimes no. But due to work, yes, it affects it more. Because sometimes [employers] do ask for work permit, and it's really hard for me to find something that I like and know how to do. (Mariana, Phoenix)*



**Some participants who are not U.S. citizens live in situations in which they've paid higher costs or have even lost money to landlords.**

In addition to their housing choice being limited by having less access to secure, well-paid employment, participants who are not citizens described situations in which they either pay higher amounts or have lost money to a landlord. We heard from several participants about the higher costs paid by non-citizens in Orlando. Victoria, a mother of two, described being asked to put down three months of rent for a security deposit. Emilia, also a mother of two, told us in detail about the higher costs she had to pay:

*I had to give security deposit, and I think more when you are an immigrant. For the owner, they want a security that you will stay there. Other people [i.e. citizens] told me that they didn't pay the amount that I paid, two or three months in advance. The [rental] company tell [me] that, "We are required it because you are not already a resident or citizen." (Emilia, Orlando)*



Sofia, who lives with her three children in New York City, described a situation in which she had been taken advantage of by an unscrupulous property owner. She elaborated on the ways her immigration status left her powerless to obtain help after the fact:

*[The owner] showed me the apartment. He made me help him to move, because currently he was living in the third floor. He showed me and everything, "You can do whatever you want in this apartment." And I liked it because it was kinda big. And then he moves to the basement, because he say he can rent it for more. "Okay, it sounds good for me." And then, okay, after I finished helping to pay the apartment and everything . . . he just decided to rent it to someone else. Because he's saying, "No, someone else is gonna give me more money than you." That's the way that they're doing. And then when I called the police, the police they said, "There's nothing that you can do." Because first of all, the question that they said, "Are you illegal here?" They asked me for an ID. As soon as you show your passport, you don't need to ask more questions. . . . And I lost, so that time that was \$1,800. That's why I said it's not easy, because when you're trying to rent, you have to be careful how you do it. (Sofia, New York City)*





## THE DESIRE TO OWN A HOME

All of the renters we spoke with would like to become homeowners. Their reasons for wanting to purchase a home generally center on the desire to have a place of their own and the desire to invest in an asset; for those with children, the desire to promote their children's psychological and financial well-being is another pressing motivation. Some renters express apprehension about the increased responsibility that accompanies the transition to homeownership, and almost all of the renters feel it would be difficult to find a quality home they can afford. Money and credit issues were identified overwhelmingly as the greatest barriers to a home purchase, though a few participants also feel that their immigration status makes buying a home impossible. Here we present what the low- and moderate-income Latino renters we spoke with told us about homeownership and their desire to own a home.

**Every participant we spoke with expressed a desire to own a home. Motivations for purchasing a home varied but tended to center on the desire for a place of one's own as well as the desire to invest in an asset.**

Every Latino renter we interviewed for this study expressed the desire to own a home. In general, there were two main reasons why people wanted to purchase a home. The first centered on the desire to have a place of one's own, a place one can use as one likes and change as one sees fit. Several renters see homeownership as bringing them a sense of peace. This was expressed by Martina, who currently rents in Washington, DC. Asked for the reason she wants to own a home, she said:

*To live comfortably. I'm 56-years-old. I need my own tranquility and peace. (Martina, Washington, DC)*



Orlando renter, Alejandro, echoed these sentiments. His response to the question of why he wants to buy a house was:

*[To be] more comfortable. It's the best because you are comfortable. [To] be quiet in my garden, my big garden. And you're paying for something that is yours. (Alejandro, Orlando)*



Mateo, another Orlando resident, aspires to purchase a home to gain independence and privacy:

*If I'm not a renter, [I'll have] independence, privacy. I can share more with the family and friends. Nobody's going to interrupt family activities. . . . [Why do I want to own a home?] Because that is the dream of everybody, to have a house. . . . Because it's more stability. Comfort. In your house you can cook whatever you want: in the apartment, you cannot do that. [It's] more comfortable to have your own house. A house is more privacy than an apartment. The apartment can be very comfortable, but it's not the same as a house. (Mateo, Orlando)*



Sixty-five-year-old renter Isabella gave similar reasons for wanting to own a home:

*You feel better in your house, because you can make your own changes. [My husband] likes to take care of the house, and now he's doing [that] for another person. So now I want to make it for me. (Isabella, Orlando)*



The second reason people want to purchase a home centered on the desire to invest in an asset. We heard this from New York City renter, Mia, who answered the question, "Why would you want to own a home?" like this:

*Just to have something, I think, that's ours. [To] have an asset. At the end of the day, yeah, all the stuff you learn in school, an indicator of wealth is owning property. That's one of the first things. To have something that's ours . . . I think I would want, if I owned a house, it would be a three-family and [I'd] rent out the other ones and make income out of it, you know? Yeah, I'd want to enjoy it, but it would be more to make more income. (Mia, New York City)*



Saving money, paying oneself, and investing in an asset were also reasons that participants wanted to purchase a home:

*I don't like rent. It's the fact that I'm going to pay for something and I'm not even going to own it. I want to find something accessible, where if I'm going to pay for it, it will be mine. And a home is something that I see. (Martina, Washington, DC)*

*[Why do I want to own a home?] Because I would like to pay less . . . so I can leave it for my kids. (Valentina, Denver)*

*[Why do I want to own?] I just think in the long run it saves more money. And it's an asset. I guess it's just something, like, long, something you can still afford, I guess; it's something life-long, and you can pass down, and it's generational. So, you know, if I leave my kids anything, like, "Here's this land. Do something with it." (Gabriela, San Francisco)*



### Parents want to purchase a home for the physical, psychic, and financial well-being of those children.

A number of parents told us that they wanted to purchase a home to improve their children's well-being. As summed up succinctly by Carlos, a father of two in Washington, DC:

*[I want to buy a home] because I don't just think about myself. I have two children, and they're my life. That's why I try. (Carlos, Washington, DC)*



Sometimes parents were more specific about what they hoped homeownership might bring to their children's lives. This included their desire to increase their children's sense of physical well-being; sometimes they wanted to promote their children's financial well-being. Ana, a mother of four in Denver, is interested in becoming a homeowner because of a desire to increase stability in her children's lives:

*[We don't plan on moving again] until we buy. One day it'll happen. I don't know when, but it will. If we could do it right now, we would in a heartbeat, because our kids deserve it. I grew up with parents who were divorced when I was eight. I ended up moving to Texas, but even then, it wasn't that normal life. I just didn't have that place. [My husband] did. His mom and his dad, they moved here from Mexico. They bought a house for \$58,000. They've lived in that same house for 25 years. It started out as like a one bedroom, one bath. Now it is a five-bedroom house, one and a half bath, two-car garage. Like, I want to be his parents, you know? And that's what I want to do for my kids. (Ana, Denver)*



Ana's husband shares her dream of homeownership. While he was not officially being interviewed for this study, he chimed in during her interview, explaining:

*I'm one of nine, same parents. They've been married for 50-plus years. So we all kind of, not so much in the older kids, but about eight of us grew up in the house. And now their grandkids are growing up in it. So I was able to live the life of the two parents in the house and stability. I didn't move around. I didn't move around until I got married, and I've moved around so much now as when I was a teen. So it's a good feeling to have stability, and I'd like that for my kids. . . . I want them just to come home and call it their home. And not worry about if we're gonna [separate them from] their friends, because we're moving again. Some place where it's just your sanctuary. (Ana's husband, Denver)*



Daniela, another parent, shares Ana's sense that homeownership would increase her children's psychic well-being. When asked why she would like to buy a house, her answer was straightforward:

*Because my kids would have more liberty to do things, to go outside. And I could do whatever I want to the house. (Daniela, Denver)*



Valentina, another Denver mother, also wants to become a homeowner because of concerns about her children. In her case, she is interested in increasing their sense of stability, but is further interested in promoting their future financial well-being:

*I think there's a lot of people in my situation, having to pay rent, rent, rent. It would be great to have something in the future that we could call our own. For me, [not] having that, we don't have any stability here. The way that I look at it, my kids are born here, so I would like to work a few more years to give them something. Like pay half of a mortgage off, and then have them take over that. So it's something for them. I don't know if I'm gonna be here in the future.*

*But they were born here: I know they're gonna be here in the future. So it's something for them. Honestly, that's what I would want to do. To leave them a house, so they can stay here, and live here, and so they can continue with their education. (Valentina, Denver)*





Like Valentina, a number of parents described a home they would own as an asset that promotes their children’s financial stability:

*[Do I want to own a home in the future?] Of course! To have an investment. To have a heritage. [To pass down] to my daughters. (Victoria, Orlando)*

*[I want to own a home] just because we want something where you’re paying for that’s going to be ours. We could put the money we’re putting for rent into something we could own later. And then, I mean, it’s going to be our future, and something that the kids could grow out of, and they’ll have their home. [They’ll] say, “This was my home growing up,” and stuff. (Santiago, Denver)*



While their exact reasons for wanting to become homeowners varied, parents consistently shared a sense that homeownership would promote their children’s well-being. The final word on this goes to Ana in Denver, who summed up her reasons for wanting to own like this:

*I want my kids to have a platform where, hey this is our home. We can do whatever we want in this house. We can make the memories. You want to make a garden? Let’s go outside, let’s make a garden. You want to start keeping track of how tall you’re getting? We can do that now. You want to paint your room bright pink? Let’s do that. Those are things that kids deserve. They deserve a normal childhood (Ana, Denver)*



**Some renters are apprehensive about the shift to homeownership, mostly due to increased costs or to the additional responsibilities for repair and maintenance.**

While not expressed by all renters we spoke with, several expressed apprehension as they considered the shift from renting to owning. This is due largely to a lack of familiarity with the responsibilities of homeownership, whether those responsibilities pertain to maintenance or to increased costs. Antonella, a renter in Phoenix, expressed concern about the increased costs of owning:

*I think purchasing a home is a totally different scenario because there I will have to pay for the water, I will have to pay the City of Phoenix service for the trash pickup and all the stuff. Here, I just pay the electric. (Antonella, Phoenix)*



Santiago in Denver shares these concerns, even expressing them in similar language:

*I mean, the whole process [of owning a home]. It’s a lot to take in . . . because there we would have to pay insurance, and then water, which we don’t do at the apartment. There’s just a lot of things we don’t think about. Trash, and all that stuff. I mean, it’s a big step. It’s all on you at that point. (Santiago, Denver)*



Mia in New York City is less concerned with the financial shift to homeownership than she is with the process of maintaining and repairing a home. As a life-long renter of New York City apartments, she had this to say about the idea of owning a single-family home:

*I do realize if you do own a home, you do have to be responsible for certain things. And the way that I've been brought up living, I have the porter and I have my super and I have other people that deal with those things. I don't have to go out and shovel the snow. So thinking about those things, I'm like, "Am I going to actually be able to deal with those things if I didn't learn them?" If my parents actually had a home and I grew up [with] all those things, then it would be a lot easier. . . . I know trees are city property, but if they crack your sidewalk, you're responsible for it. That's a payment that you have to make out of and those are costs that you don't see coming. Also, plumbing issues or water main breaks or water costs that are going up. "Oh, there's a leak," and now you owe so much amount of money. Property taxes, property values. Yeah. Even foreclosure or not being able to come up with mortgage payments. It's very scary. (Mia, New York City)*



### **Almost all participants felt it would be difficult to find a home they could afford to purchase.**

Almost all participants thought they would have a hard time finding a home they could afford in the cities where they lived. Participants said that their city's tight housing market made purchasing a home difficult, if not impossible. For example, we heard the following from two Denver participants:

*[Do I think it'll be hard to find an affordable home to purchase?] Oh yeah. Denver right now is really high in price. . . . I mean, you have a lot of natives that are moving out because it is expensive to live here. (Ana, Denver)*

*We've been looking online for houses. And we really want to go look at [a house], and then someone's already taken it. And it's so expensive up here. We would have to live out, like, north, or something like that. It's going to be hard on us, be farther for us. But I think that's going to be our option, to go north. Because there's better expectations over there . . . because here in Denver, I mean, there's homes here, but they're way high on price and they're a lot smaller. It's hard. (Santiago, Denver)*



Gabriela, born and raised in San Francisco and now renting from family members in the same city, discussed the impact of speculative investment on her city's housing market. Asked if she thought it would be difficult to find a home when she felt ready to purchase, Gabriela responded:

*Yeah [it would be difficult]. Because a lot of homes are being bought and flipped to just be rented out, for like Airbnb kind of things. . . . So many times, I'll be walking past or driving past, and I see buildings that are just empty, like you can see through the window, and it's just empty. And then, like six months later it's still empty, and you're like, "What is going on?" So I think that's another burden too, is just, I don't know who's buying these homes or these complexes, but they're not buying them to fill them in with local people. (Gabriela, San Francisco)*



Some participants were concerned that the homes they could afford would either be too small or in too poor condition for them to want to live in:

*Right now, a lot of the houses that you consider cheap, they need a lot of work. The houses that are more expensive, they're really expensive, and the payment would be too high for me. They're in a better condition, but they're too expensive. (Daniela, Denver)*



Emilia, a resident of Orlando, also expressed concerns about the tight housing market and constrained housing choice in her city:

*The market is very high now. For the affordability. Like a casino, Russian roulette. You don't know what you're going to get. To find something good, in a good price, you just don't know, you don't know. (Emilia, Orlando)*



Alejandro in Orlando sees the problem of affordability not just as a matter of high housing prices, but of income being too low to allow a home purchase:

*My problem is my income that doesn't allow me to buy what I want or allow me to buy a house in this market. It's difficult, Orlando's difficult. (Alejandro, Orlando)*



Denver participant Daniela reminded us that affordability is not just a matter of housing costs and income, but also of competing expenses in one's budget. As this mother of three explained when discussing home purchase:

*Now I have to think about another thing: my son is going to graduate and go to college. [So] now I have to have another expense. And I have to think about that, if he wants [to] pursue his education. So, I'm looking at a balance. Does my son go to college, or do I buy a house? (Daniela, Denver)*



### **Participants consistently and overwhelmingly identified money and credit issues as the two greatest obstacles to homeownership.**

Two major barriers were identified by participants when they were asked about obstacles to home purchase: money and credit issues. Money referred to a number of issues, including the need for sufficient income to qualify for a loan and/or the need to save for a down payment:

*[What's the biggest challenge I would face?] Money. (Valeria, Phoenix)*

*[The obstacle to purchasing a home?] The money. The money. The money . . . just the money. (Martina, Washington, DC)*

*It's just the money. If I had the money, I'd have my own home. Yeah, I'd have it. But ultimately, money is the fundamental part and the most important part in purchasing a home. (Carlos, Washington, DC)*

*[What are the biggest obstacles to purchase?] The economy. I'm a single mom. I'm the only earning party, so I have to take care of my kids, and their expenses come first. So, if I have a hundred dollars, for example, I want to save fifty dollars, but then I have to put fifty dollars for gas. If I do save that fifty dollars and something happens like a flat tire, then I have to use those fifty dollars out of the savings to cover that expense. (Daniela, Denver)*

*[The biggest obstacle to home purchase?] Money. Just money at the moment. (Sofia, New York City)*

*[The biggest obstacle to buying a house?] My income. I am looking to find another part-time job, so I have a full time and a part-time job to qualify for a loan. . . . The problem is my income. Because of the price of the houses, I don't qualify for the house I want. (Alejandro, Orlando)*

*[The biggest obstacle to being able to buy a house?] My income. Not enough income showing on my tax returns. If you don't have the money, you don't have to think about anything else. (Victoria, Orlando)*



The other major obstacle identified by many participants was their credit: a history of debt or delinquent bill payment was viewed as a major obstacle to homeownership. The matter of credit was raised by a large number of participants:

*[The biggest obstacle to buying?] For the first thing, I have to build my credit. (Elena, Denver)*

*[The obstacles to purchasing a home?] We have the money; we have really good jobs. We have the drive. We talk about it all the time. It's just that credit piece. We've learned how to pay our bills on time now, rather than when we were younger. We'd always put the bill in the back room. We've learned a lot and we grew up a lot from when we were young. (Ana, Denver)*

*[The obstacles I think I will face in trying to buy a home?] My credit, but I'm gonna try to start fixing it. [It's] not so bad, but it's not good either. (Daniela, Denver)*

*I had a lot of credit cards. And she had a few. And just some loans we have gotten. So we just try and pay those things off. We pay some other credit cards off. Try to bring our credit up where we could. Because that's the main [obstacle], was our credit. And the main thing that affects us is our debt, because we had so much. (Santiago, Denver)*

*[Obstacles I see to homeownership?] I think it's credit. I need to build up my credit. (Mia, New York City)*

*I would like to have my own property. The credit, my credit is the problem. It's not because I have too many debts, but with my income, the [debt-to-income] ratio is too high. (Mateo, Orlando)*

*[Obstacles to purchasing a home?] Man, you got to keep your credit score up, and so many things affect your credit score. . . . I'm going to owe on all my student loans for, like, the next 10 years. When's the next money that I can put towards, like, buying a home? So I think that's one burden too, is student loans. If I could put \$500 a month that I'm putting to student loans to something else, like, I would definitely probably think about buying a home sooner than later. (Gabriela, San Francisco)*

*I think good credit is one of the main obstacles [to purchasing a home], making sure that everything's good and that your credit's high enough. And I'm worried about the [home] prices. I am concerned about that. Just the prices and the credit. Prices are higher, but if your credit's good, you can find a way. (Lucia, San Francisco)*

*[What's the biggest obstacle to buying a home?] Debts. Credit card debts, and a bankruptcy that I had. Many institution[s] are afraid to give loans to a person that had bankrupt. (Mateo, Orlando)*



[What's the biggest obstacle to buying a house?] The credit card, it's paid. I took out a loan, and I owe money. You know? A loan that I'm paying back. So there is a debt that I have that is high. So, with my income and the debt, it's difficult. We want to get out of the debt to see if we qualify. (Isabella, Orlando)



### Immigration status was raised by several participants as an obstacle to homeownership.

Another issue identified as an obstacle to homeownership was immigration status. Of the 25 participants we spoke with, 16 are citizens or legal permanent residents of the United States. For those with a more uncertain immigration status, immigration issues can have a real effect on housing choice.

Valentina, a resident of Denver, expressed that being undocumented is her primary barrier to homeownership: the lack of stability she feels as an undocumented resident of this country makes her unable to purchase a home:

*We can't buy. [I like nothing about renting], but I don't have another option, because we're undocumented, so we can't buy a house. We don't have ability to buy a house. . . . For us, or for me, [the biggest obstacle to buying a house] is that I'm undocumented, and I'm not stable here. The biggest one is the lack of stability in this country. Right now I'm here, but then in the future, what if I'm not here anymore? Especially how things are turning out to be right now. (Valentina, Denver)*



Sofia, a resident of New York City, explained her understanding of the relationship between immigration status and eligibility for home purchase:

*I hear that if you're not legal in this country, you're not allowed to have a house and everything. I wish that years back I can buy one of those houses in Astoria, but unfortunately I couldn't because of my status. Or sometimes if they say, "Yes, you can have your own house," there's always a scam in it, because they steal the money. Some people, they're trying to do it in a funny way. And people keep losing their house. (Sofia, New York City)*



Daniela, another Denver resident, spoke of the increased costs associated with homeownership for non-citizens and the barrier that these costs place on obtaining a home:

*[The challenges or barriers to purchasing a home?] It's very expensive. I have an ITIN [individual taxpayer identification number], and people that have an ITIN have to pay more in order to be able to buy a house Here in Colorado there's a bank . . . and they allow people to buy with an ITIN, so they don't have an immigration status. The interest is higher, like one or two points, and then it's an adjustable rate, and then they have to put 20-25% down. It's a lot, what we have to pay. I think I have to pay double what a regular person would have to pay. (Daniela, Denver)*



Orlando renter Emilia also described the increased costs associated with home purchase if one does not have a green card:

*One of the obstacles is the down payment. I don't have the green card yet. If I apply as a foreign national, I have to give more down payment. Because I'm not a resident yet, I cannot have down payment assistance. You have to have a green card, or [be a] citizen in Florida. (Emilia, Orlando)*





## CONCLUSION

As homeownership remains out of reach for many Americans, more families are renting their homes. Additionally, a large and growing share of families cannot find rental housing that they can afford. Affordable housing is essential to a family's economic stability and the accumulation of assets. Without an affordable home, many are left without funds to purchase health insurance, accumulate savings for education or a down payment, or to take the pressure off of day-to-day finances.

Rising housing costs make securing an affordable rental home especially challenging for Latinos, who are more likely to earn modest incomes and dedicate significant portions of their income to pay for housing.

Action is urgently needed. As we have found, a lack of affordable rental housing has a significant impact on a family's economic security, feelings of safety in their neighborhood, their housing options, and their prospects of saving for and buying a home in the future. Federal, state and local policymakers must consider, first, responses that will stabilize circumstances for families who earn incomes that are well below what would be needed to afford a rental home. Second, policymakers must also address the lack of housing options for families of modest means through policies and programs that create or preserve the supply of affordable homes.



## APPENDIX A. METHODOLOGY

### DATA COLLECTION

Information about affordable housing for Latino renters was collected through interviews with members of Latino households who rented their homes. Staff from the UNC Center for Community Capital conducted 25 individual interviews in seven locations throughout the country; the locations of interest were identified by UnidosUS. The locations and distribution of interviews was as follows: New York City (2), Washington, DC (3), San Francisco (4), Phoenix (4), Denver (5), Orlando (5), and Las Vegas (2). Here we describe how potential participants were identified and recruited, and how interviews were conducted.

### RECRUITMENT

The sample of participants was intended to provide rich information about the experience of low- and moderate-income Latino renters in the specific sites of interest. The sampling process was therefore purposeful, with the goal of yielding “insights and in-depth understanding rather than empirical generalizations” (Patton, 2002).\*

In each site of interest, UNC Center for Community Capital staff contacted UnidosUS affiliates, who helped with participant recruitment. Affiliates were given criteria for recruiting and screening potential participants from among their client pools. The sample was limited to individuals who were 1) Latino/a, 2) current renters, and 3) willing and able to be interviewed on a specified date and time at select locations. Because the UnidosUS affiliates collaborating in the research are all community-based organizations who provide direct services to low- and moderate-income individuals, all participants were low- or moderate-income.

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\* Patton, Michael Quinn. *Qualitative Research and Evaluation Methods*. Third Edition. Thousand Oaks, CA: Sage Publications, 2002.

## INTERVIEW METHODS

The interview guide consisted of a standardized set of open-ended questions that were asked of each participant. Where appropriate, the interviewer asked follow-up questions to probe for additional information or to clarify the information being offered. The questions in the guide addressed a range of topics related to housing, including:

- The neighborhood
- The home
- The experience of renting
- Housing affordability
- The desire or lack of desire to own a home

Participants were offered the option of conducting the interview in Spanish or English. Where participants chose Spanish, either a trained interpreter or a fluent staff member (often familiar to the participant) from the local Affiliate provided translation services.

Interview length ranged from 27 to 79 minutes, with an average interview time of 47 minutes. Where participants gave permission, the interviews were recorded. In total, 22 out of 25 interviews were recorded. The interviewer took notes during each interview session for several reasons: to provide back-up if the audio failed, to record the emotional tone of the interview, and to make note of anything particularly striking that an interview transcript might fail to convey.

In addition to being interviewed one-on-one, each participant completed a paper survey asking for basic demographic information, such as age, gender, language spoken, documentation status, and education level. These surveys were provided in both English and Spanish; participants could complete the version they felt most comfortable with. The data gathered through these surveys capture descriptive information about the sample and help give some sense of how the sample compares to the broader U.S. Latino population.







## DATA ANALYSIS

Of the 25 interviews conducted, 22 were digitally recorded and transcribed verbatim to allow for in-depth analysis. Transcripts were then linked to atlas.ti, where they were reviewed and coded. In the case of the three interviews where participants were unwilling to allow recording, the interviewer took extensive field notes, going so far as to write down verbatim quotes from the interview. In these cases, the field notes served as the interview data, and they were coded for inclusion in the study. A subset of interviews was coded by multiple people to ensure consistency in coding.

Interview themes were determined in two ways. First, interviews were coded for consistent themes arising from the questions asked on the survey (e.g. what people like/dislike about renting, what people believe is their greatest obstacle to homeownership). Second, interviews were coded for consistent, unanticipated themes that arose, but that were not specifically asked about in the interview guide. The reporting of these data concentrates on the highest-level themes, i.e. those to do with the questions asked on the survey.

Interview data are woven throughout the analysis presented in the report, with all participants referred to by a randomly assigned pseudonym. Interview quotes are verbatim, though tics of speech like “I think” or “you know” or “um” or “uh” have been removed. Similarly, repeated words or phrases and partial sentences have been removed while maintaining the speakers’ meaning and intent. At times, longer passages have been removed to facilitate smoother conveyance of people’s thoughts, though the integrity of their meaning has been maintained; in these instances, ellipses have been inserted to signify the deletion. Where interpreters translated what people were saying in the third rather than the first person (e.g. “he chose the neighborhood because...”), we have altered quotations so that they are presented in the first person (e.g. “I chose the neighborhood because...”). In cases where an interpreters’ own speech patterns lengthened and/or complicated the wording of an interview, we have streamlined quotations to get to the heart of what the participants were saying.

**Table 1. Interview Participant Summary Statistics (n=25)**

	<b>AGE</b>	<b>% PARTICIPANTS</b>
	20-29	16%
	30-39	16%
	40-49	20%
	50-59	16%
	60-69	8%
	70-79	4%
	80-89	4%
	<b>GENDER</b>	
	Female	80%
	<b>LANGUAGE SPOKEN AT HOME</b>	
	English	20%
	Spanish	68%
	Both	8%
	<b>CITIZENSHIP STATUS</b>	
	U.S. Citizen or Legal Permanent Resident	64%
	Undocumented	16%
	Work Permit	4%
	Asylum	8%
	DACA	4%
	<b>MIXED IMMIGRATION STATUS HOUSEHOLD</b>	
	Yes	48%
	<b>HIGHEST LEVEL OF EDUCATION</b>	
	Less than high school	48%
	High school graduate/GED	4%
	Some college (no degree)	28%
	Associate's degree	4%
	Bachelor's degree	8%
Master's degree	8%	



### HOUSEHOLD MONTHLY INCOME

Less than \$1,000	20%
\$1,000 - \$1,999	8%
\$2,000 - \$2,999	40%
\$3,000 - \$3,999	16%
\$4,000 - \$4,999	4%
\$5,000 or more	12%



### EMPLOYMENT STATUS

Full-time	52%
Part-time	16%
Not working (but looking)	12%
Not working (other)	8%
Retired	8%
Missing	4%



### COUNTRY OF ORIGIN

### # PARTICIPANTS

Honduras	1
Panama	1
El Salvador	2
United States	4
Mexico	8
Dominican Republic	4
Ecuador	1
Peru	1
Venezuela, Bolivarian Republic of	2
Guatemala	1

## ENDNOTES

- 1 Joint Center for Housing Studies of Harvard University, "Renter Households," accessed September 3, 2019, [https://www.jchs.harvard.edu/sites/default/files/02\\_harvard\\_jchs\\_americas\\_rental\\_housing\\_2017.pdf](https://www.jchs.harvard.edu/sites/default/files/02_harvard_jchs_americas_rental_housing_2017.pdf).
- 2 Ciluffo, Geiger, et. al., "More U.S. households are renting than at any point in 50 years," July 19, 2017, accessed August 27, 2019, <https://www.pewresearch.org/fact-tank/2017/07/19/more-u-s-households-are-renting-than-at-any-point-in-50-years/>.
- 3 Ibid.
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- 12 Stone, Michael E. 2006. "What is Housing Affordability? The Case for the Residual Income Approach." *Housing Policy Debate* 17(1): 151-184.



