

Housing in Metropolitan Areas — Homeowner Financial Characteristics

Thinking of purchasing a home? Don't mind possibly leaving your area? Well, before you start looking, take a few moments and read this Brief. It will show you which metro areas are likely to offer some real bargains and which are not.

This is one of a series of Briefs that uses data collected in the 1990 Census of Population and Housing to examine the characteristics of housing in America's metropolitan areas (MA's). This Brief looks specifically at three different financial characteristics — home value and selected monthly homeowner costs (by mortgage status) in 1990, and selected monthly owner costs as a percentage of household income in 1989.

All these data pertain to *specified* owner-occupied housing units; that is, owner-occupied one-family houses located on fewer than 10 acres without a business or medical office on the property. Selected monthly owner costs include mortgage payments (if any), real estate taxes, property insurance, and utilities and fuels.

The MA's used here correspond to the definitions that were in place in 1990. The count of 335 MA's equals the total number of MSA's (metropolitan statistical areas) and PMSA's (primary metropolitan statistical areas). PMSA's are aggregated into consolidated metropolitan statistical areas, not discussed in this Brief.

The most expensive homes were located in the Northeast and California

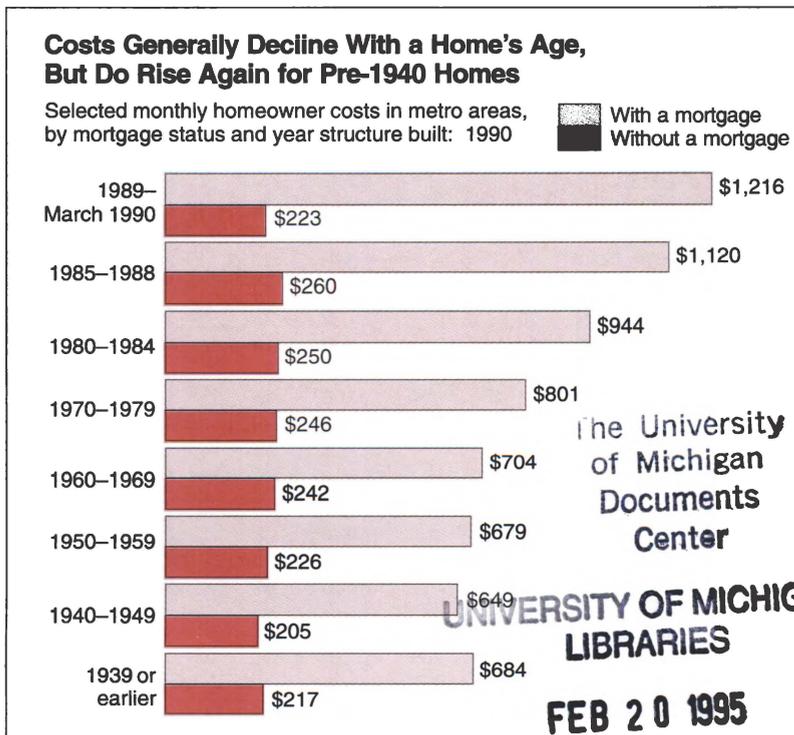
Median home values topped \$300,000 in three metro areas — Stamford, CT; San Francisco, CA; and Norwalk, CT. Of the

20 MA's with the highest median home values, only one (Honolulu, HI) was located outside the Northeast or California.

The large MA's (1 million or more persons) followed the same pattern. Six of the highest-value 10 were in California; the other 4 were either in New York or New Jersey. (See table on page 4.)

.... and the least expensive were generally found in the Midwest and South.

All but 2 of the 10 MA's with the lowest median home values were in either the Midwest or South. Altoona and Johnstown,



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Metro Area Rankings — Owner Costs

(Metro areas with 1 million or more persons)

	Median selected monthly owner costs: 1990				Median selected monthly owner costs as a percentage of household income: 1989			
	Owners with a mortgage	Rank	Owners without a mortgage	Rank	Owners with a mortgage	Rank	Owners without a mortgage	Rank
Anaheim—Santa Ana, CA PMSA	\$1,317	3	\$203	32	25.2%	5	<10.0%	33
Atlanta, GA MSA	859	19	214	26	21.7	25	10.0	30
Baltimore, MD MSA	854	20	232	18	20.7	35	10.5	23
Bergen—Passaic, NJ PMSA	1,291	4	444	2	23.6	9	14.5	2
Boston, MA PMSA	1,107	13	341	6	22.2	23	12.4	11
Charlotte—Gastonia— Rock Hill, NC—SC MSA	706	34	187	42	19.8	38	10.4	24
Chicago, IL PMSA	889	16	284	10	21.3	29	11.3	17
Cincinnati, OH—KY—IN PMSA	682	41	212	27	19.1	43	10.0	30
Cleveland, OH PMSA	701	35	236	16	19.7	39	11.6	13
Columbus, OH MSA	691	37	203	32	19.7	39	10.2	27
Dallas, TX PMSA	879	17	237	15	21.8	24	11.4	14
Denver, CO PMSA	854	20	223	21	22.6	17	10.3	25
Detroit, MI PMSA	698	36	273	12	18.9	45	12.6	10
Fort Lauderdale—Hollywood— Pompano Beach, FL PMSA	854	20	223	21	23.6	9	11.4	14
Fort Worth—Arlington, TX PMSA	799	28	218	25	21.5	26	10.9	20
Houston, TX PMSA	783	31	236	16	20.4	36	11.4	14
Indianapolis, IN MSA	649	45	192	38	18.6	46	<10.0	33
Kansas City, MO—KS MSA	687	39	199	35	19.5	42	10.2	27
Los Angeles—Long Beach, CA PMSA	1,137	10	187	42	25.2	5	<10.0	33
Miami—Hialeah, FL PMSA	796	29	244	14	23.1	16	11.1	19
Middlesex—Somerset— Hunterdon, NJ PMSA	1,231	6	398	4	23.7	8	14.2	4
Milwaukee, WI PMSA	790	30	302	7	20.9	34	13.1	8
Minneapolis—St. Paul, MN—WI MSA	819	26	221	24	21.3	29	10.3	25
Nassau—Suffolk, NY PMSA	1,176	8	500+	1	23.6	9	16.2	1
New Orleans, LA MSA	670	43	185	44	21.4	27	10.9	20
New York, NY PMSA	1,126	12	377	5	22.4	20	13.3	5
Newark, NJ PMSA	1,258	5	442	3	23.5	13	14.3	3
Norfolk—Virginia Beach— Newport News, VA MSA	822	24	228	19	23.6	9	11.3	17
Oakland, CA PMSA	1,203	7	203	32	25.3	4	<10.0	33
Orlando, FL MSA	772	32	190	40	22.4	20	<10.0	33
Philadelphia, PA—NJ PMSA	846	23	283	11	22.3	22	13.2	7
Phoenix, AZ MSA	820	25	205	30	23.2	15	<10.0	33
Pittsburgh, PA PMSA	649	45	225	20	19.7	39	12.3	12
Portland, OR PMSA	709	33	248	13	20.4	36	12.9	9
Riverside—San Bernardino, CA PMSA	998	14	188	41	25.8	2	<10.0	33
Rochester, NY MSA	817	27	291	8	21.0	32	13.3	5
Sacramento, CA MSA	906	15	192	38	23.4	14	<10.0	33
Salt Lake City—Ogden, UT MSA	688	38	194	36	21.0	32	<10.0	33
San Antonio, TX MSA	653	44	185	44	21.4	27	10.7	22
San Diego, CA MSA	1,132	11	194	36	25.9	1	<10.0	33
San Francisco, CA PMSA	1,343	1	208	29	25.6	3	<10.0	33
San Jose, CA PMSA	1,338	2	205	30	24.9	7	<10.0	33
Seattle, WA PMSA	865	18	223	21	21.2	31	<10.0	33
St. Louis, MO—IL MSA	680	42	210	28	19.1	43	10.0	30
Tampa—St. Petersburg— Clearwater, FL MSA	685	40	176	46	22.6	17	10.1	29
Washington, DC—MD—VA MSA	1,147	9	290	9	22.6	17	<10.0	33

< = less than.

PA were the lone exceptions. All 10 areas had fewer than 1 million persons.

As home values went, so went housing costs.

Given their high home values, it's no surprise that the Northeast and California also had the Nation's highest median selected monthly homeowner costs. Among mortgaged owners, Stamford, CT (\$1,857); Norwalk, CT (\$1,682); and San Francisco, CA (\$1,343) again topped the United States. Mortgaged metro owners with the lowest costs, on the other hand, lived in the Midwest and the South.

Among the large MA's, the three cost leaders were all in California. Each of the three also had costs in excess of \$1,300. (See table on page 2.)

For owners *without* a mortgage, the highest costs could be found in Nassau-Suffolk, NY (over \$500). Nearby Stamford and Norwalk, CT were the next in line.

But monthly owner costs alone don't tell the whole story.

High housing costs may not be a big problem if your income is high as well. Similarly, if your income is low, even low costs can be burdensome. The percentage of household income spent on housing expenses shows us how much of a financial burden these costs put on owners. Let's examine MA's from this perspective.

In California, housing costs took a real bite out of mortgaged owners' incomes

There were 11 metro areas where mortgaged owners spent at least a quarter of their household income on shelter costs. All but one of these areas (Monmouth-Ocean, NJ) were in California. Nationally, owners in Santa Cruz claimed the dubious honor of spending the highest median percentage (27 percent). Three other California MA's

led the runner-up slot — Oxnard-Ventura, San Diego, and Santa Rosa-Petaluma. Consequently, as a region, the West had the highest percentage in the metropolitan United States (24 percent).

Seven large metro areas (populations over 1 million) had rates of at least 24 percent. All of them were located in California — four in the southern part and the other three in the northern part. San Diego, at 26 percent, led the large MA's. (See table on page 2.)

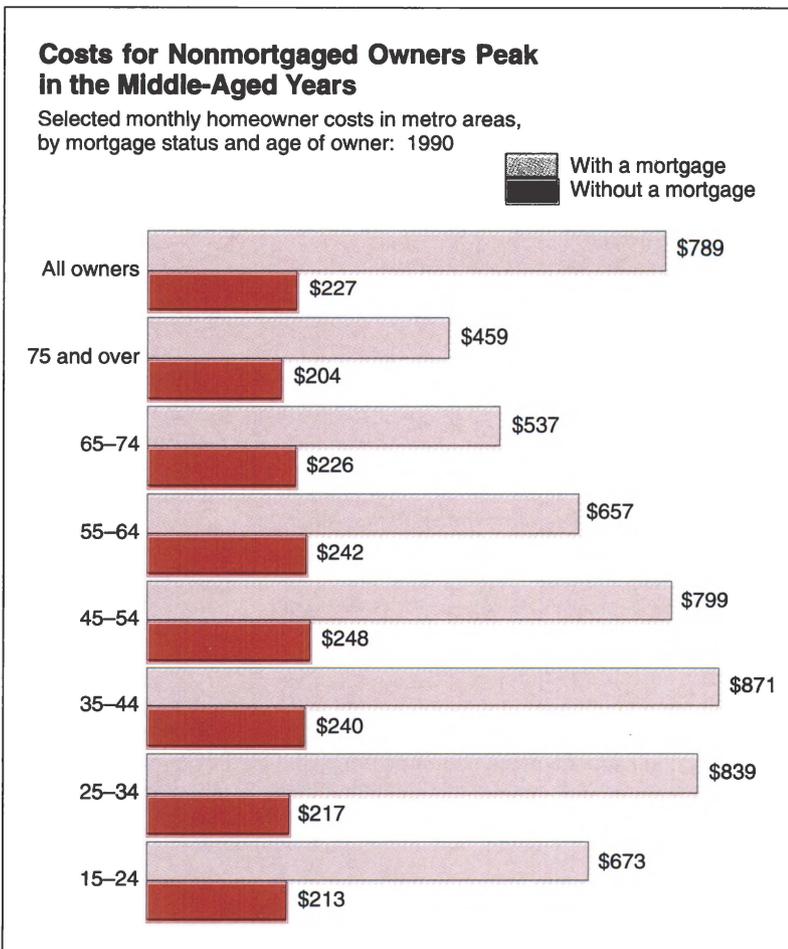
Householders spending 30 percent or more of their income on housing are generally considered to be financially burdened. Fortunately, there were no metro areas where a majority of owners spent this amount. This, however, was not the case for renters, where we found 10 MA's where more than half fell into this category (see "Housing in Metropolitan Areas — Renter

Financial Characteristics," *Statistical Brief* 94-19).

.... but relative housing bargains did exist, mainly in the Midwest.

On the other side of the coin, there were 20 MA's where mortgaged owners saw housing costs devour less than 18 percent of their household income. Seventeen of these MA's were wholly or partially in the Midwest, with the bulk of them wholly or partly in Indiana (6), Michigan (3), or Ohio (3). All 20 were smaller areas (populations under 1 million). Three good examples were Anderson, IN; Kokomo, IN; and Steubenville-Weirton, OH-WV, where medians were under 17 percent.

There were nine large MA's with rates of less than 20 percent; seven of them were in the Midwest. Indianapolis, IN, at under 19 percent, had the lowest rate. (See table on page 2.)



But what if you owned your home free and clear?

For mortgaged metro owners, the West was the region where housing costs were the most burdensome. For those without a mortgage, however, the opposite was true — the West was the least expensive region when it came to housing costs relative to income. Median nonmortgaged owner costs there were less than 10 percent of income. The South was also a good region to live in — their rate was only 10 percent. In fact, the South and the West each had 44 MA's with medians of less than 10 percent.

The Northeast, on the other hand, was the most expensive region for nonmortgaged owners to live in — the metro median there stood at 13 percent. In fact, the MA's with the 20 highest rates were all located there. Monmouth-Ocean, NJ, at about 17 percent, was tops. Only four MA's in the entire Northeast had rates below 10 percent — all were in Pennsylvania.

More information:

Subject Summary Tape File 7 (Metropolitan Housing Characteristics) presents 1990 census data for States and MA's. Statistics on financial characteristics are cross-tabulated by items such as year structure built, age of householder, year householder moved into unit, and household demographic characteristics. *SSTF 7* comes on both computer tape and CD-ROM. Call Customer Services (301-457-4100) for more information on 1990 census products.

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This Brief is one of a series that presents information of current interest. It examines data from the 1990 census. A complete description of statistical quality and limitations is included in the SSTF 7 technical documentation.

Data for Smaller MA's

Due to space constraints, the tables in this Brief contain data only for the 46 largest metro areas. However, the information we show in them is available at a small charge for all 335 metropolitan areas. To order these printouts, call Myra Washington (301-763-8553).

Metro Area Rankings — Home Value

(Metro areas with 1 million or more persons)

	Median home value: 1990	Rank
Anaheim-Santa Ana, CA PMSA	\$252,700	3
Atlanta, GA MSA	88,300	21
Baltimore, MD MSA	101,200	18
Bergen-Passaic, NJ PMSA	214,400	6
Boston, MA PMSA	186,100	11
Charlotte-Gastonia-Rock Hill, NC-SC MSA	72,200	32
Chicago, IL PMSA	111,200	17
Cincinnati, OH-KY-IN PMSA	70,700	38
Cleveland, OH PMSA	74,100	31
Columbus, OH MSA	71,900	34
Dallas, TX PMSA	82,100	29
Denver, CO PMSA	86,800	23
Detroit, MI PMSA	68,200	41
Fort Lauderdale-Hollywood- Pompano Beach, FL PMSA	89,800	20
Fort Worth-Arlington, TX PMSA	71,800	35
Houston, TX PMSA	63,900	44
Indianapolis, IN MSA	66,900	42
Kansas City, MO-KS MSA	66,100	43
Los Angeles-Long Beach, CA PMSA	226,400	4
Miami-Hialeah, FL PMSA	85,300	26
Middlesex-Somerset-Hunterdon, NJ PMSA	173,500	12
Milwaukee, WI PMSA	76,600	30
Minneapolis-St. Paul, MN-WI MSA	87,400	22
Nassau-Suffolk, NY PMSA	187,000	9
New Orleans, LA MSA	69,800	39
New York, NY PMSA	209,000	7
Newark, NJ PMSA	191,400	8
Norfolk-Virginia Beach- Newport News, VA MSA	85,700	24
Oakland, CA PMSA	224,400	5
Orlando, FL MSA	83,100	28
Philadelphia, PA-NJ PMSA	100,800	19
Phoenix, AZ MSA	84,300	27
Pittsburgh, PA PMSA	54,800	46
Portland, OR PMSA	72,100	33
Riverside-San Bernardino, CA PMSA	133,900	16
Rochester, NY MSA	85,600	25
Sacramento, CA MSA	136,700	14
Salt Lake City-Ogden, UT MSA	70,800	37
San Antonio, TX MSA	56,900	45
San Diego, CA MSA	186,700	10
San Francisco, CA PMSA	332,400	1
San Jose, CA PMSA	289,400	2
Seattle, WA PMSA	136,700	14
St. Louis, MO-IL MSA	69,700	40
Tampa-St. Petersburg- Clearwater, FL MSA	71,100	36
Washington, DC-MD-VA MSA	166,100	13