Affordable Housing Market Study
For
Memphis Consolidated Plan 2002-2004

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I
INTRODUCTION

Purpose and Scope

This report presents the results of a study to determine the magnitude of public subsidy necessary to provide affordable housing for low and moderate income households in Memphis, Tennessee.

The study covers three major elements. The first element identifies households whose income is insufficient to secure market housing. Estimates of households having low and moderate income in three ranges (less than 30%, 30- 50%, and 50 –80% of median family income) are presented by households size and race/ethnicity for owners and renters. In addition an analysis of households that are cost burdened (paying more than 30% of income) is tabulated.

The second element provides estimates of the demand and supply of housing for households in the three low and moderate income ranges. The condition of housing is tabulated to establish physical deficiencies in the current housing inventory. Public subsidy levels are presented to gauge efforts to fill the gap between market demand and the need of low and moderate income households.

The third element presents barriers which exist to prevent or retard the creation of affordable housing for low and moderate income households. The obstacles for consumers and producers are examined in the context of public policy issues.

An overview of population trends for Memphis, Shelby County, and the Memphis Metropolitan Statistical Area precedes the presentation of the main study elements. This population analysis includes early results of the 2000 Census to establish the context for estimates included elsewhere.

Study Area and Source of Data

Data and analysis contained in this report are presented at several geographic levels of comparison.

Overall population trends are presented for the Memphis Metropolitan Statistical Area (MSA), Shelby County and the City of Memphis. This information is derived from the U.S. Census of Population and Housing, 1970 – 2000.

Data for household types and their income deficiencies (housing need) cover the City of Memphis based on 2002 “CHAS” projections provided by the U.S. Department of Housing and Urban Development (HUD). [“CHAS” refers to the Comprehensive Housing Affordability Study. CHAS data for large cities is a special compilation of census data about households. The household data covers income, size, race and identifies those households that live in problem housing and pay a high proportion of income for housing (cost burdened). HUD first produced CHAS data in 1994 based on the 1990 census; and in the late 1990s, HUD produced projections for Memphis for the year 2002]

Information on households that are cost burdened and information on the supply and demand for housing by low and moderate income households are presented for 25 zip codes which closely match the City of Memphis and areas subject to short-term annexation. This data was derived from zip code estimates by National Decision Systems (a corporation providing population and housing information throughout the United States for local market studies). The NDS data was reconciled with the 2002 CHAS data and the Shelby County Tax Assessor's data base to produce market gaps for housing.

Data from the 2000 Census of Population and Housing was incomplete at the time this study was prepared. This report should be updated when complete results of the 2000 Census are available.

II
POPULATION CHANGE

Several factors contribute to housing supply and housing demand. Many of these factors are related to population trends while others are related to economic trends. This part of the paper examines these socio-economic trends in the Memphis Metropolitan Statistical Area and, specifically, the City of Memphis.

Memphis MSA Growth Trends

The Memphis Metropolitan Statistical Area (MSA) consists of five counties: Shelby County, Tennessee; Desoto County, Mississippi; Crittenden County, Arkansas; Tipton County, Tennessee; and Fayette County, Tennessee. When the 2000 Census' journey to work data is finalized, Marshall County, Mississippi may become the sixth county in the MSA. Map 1 on the following page shows the Memphis MSA including Marshall County, Mississippi.

The population of the Memphis MSA surpassed the one million mark for the 1990 census. By 2000 the MSA population had increased to 1.14 million, a 12.7% increase between 1990 and 2000. The 12.7% population growth in the 1990s was largely confined to southern, northern and eastern suburbs. Crittenden County was the only county with a very low 1.9% growth rate (U.S. Census, 2000)

Table 1 provides total populations for the Memphis MSA, Shelby County, the City of Memphis, and the four counties surrounding Shelby County within the MSA. The total population of residents living outside the City of Memphis is also provided for a perspective on the out migration that continued to occur through the 1990s.

Trends over the past three decades show a large and increasing share of the MSA's population living outside the City of Memphis. This trend places increased pressure on Memphis to retain jobs for its residents and lowers the demand and thus value of housing inside the central city.

Table 1
Memphis Growth Rates 1970 to 1990 and 2000
Compared to Memphis MSA, Shelby County, and Surrounding Counties

	1970	1980	1990	2000
Memphis MSA	**856,698**	**938,777**	**1,007,306**	**1,135,614**
Absolute Change	-	82,079	68,529	128,308
Percentage Change	-	9.6%	7.3%	12.7%
Yearly Change	-	1.0%	0.7%	1.3%
Shelby County	**722,111**	**777,113**	**826,330**	**897,472**
Absolute Change	-	55,002	49,217	71,142
Percentage Change	-	7.6%	6.3%	8.6%
Yearly Change	-	0.8%	0.6%	0.9%
City of Memphis	**623,755**	**646,356**	**610,337**	**650,100**
Absolute Change	-	22,601	-36,019	39,763
Percentage Change	-	3.6%	-5.6%	6.5%
Yearly Change	-	0.4%	-0.6%	0.7%
Surrounding Counties				
Crittenden County, Arkansas	47,953	49,498	49,947	50,866
Desoto County, Mississippi	36,029	54,004	67,910	107,199
Fayette County, Tennessee	22,479	25,310	25,629	28,806
Tipton County, Tennessee	27,902	33,009	37,863	51,271
Total Surrounding Counties	**134,363**	**161,821**	**181,349**	**238,142**
Total MSA Population Outside City of Memphis	**232,719**	**292,578**	**397,342**	**485,514**
Absolute Change	-	59,859	104,764	88,172
Percentage Change	-	25.7%	35.8%	22.2%
Yearly Change	-	2.6%	3.6%	2.2%
Percentage of MSA Population Outside City of Memphis	27%	31%	39%	43%

Source: U.S. Census, 1970-2000.

Another factor to consider with population growth is total jobs. Memphis MSA jobs were plentiful during the mid to late 1990s with a tight labor market. Table 2 provides manufacturing, retail and service sector jobs plus total jobs for the Memphis MSA, Memphis Suburbs, and the City of Memphis. The sectors that have experienced significant growth are the retail and wholesale trade sectors and the service sector. The manufacturing sector was stagnant through the 1980s and declined in the 1990s.

Table 2
Manufacturing, Service, and Retail Jobs
in the Memphis MSA, Suburbs and City of Memphis
1980 - 2000

	1980	1990	2000
MSA Manufacturing Jobs	**67,114**	**67,380**	**61,500**
Memphis Suburbs	**16,057**	**23,887**	**27,675**
City of Memphis	**51,057**	**43,493**	**33,825**
Absolute Change	-	-7,564	-9,668
Percentage Change	-	-15%	-22.2%
MSA Retail and Wholesale Trade Jobs	**89,582**	**107,430**	**150,900**
Memphis Suburbs	**14,431**	**26,908**	**52,815**
City of Memphis	**75,151**	**80,522**	**98,085**
Absolute Change	-	5,371	17,563
Percentage Change	-	7%	21.8%
MSA Service Industry Jobs	**111,561**	**144,042**	**174,000**
Memphis Suburbs	**16,549**	**29,258**	**43,500**
City of Memphis	**95,012**	**114,784**	**130,500**
Absolute Change	-	19,772	15,716
Percentage Change	-	21%	13.7%
MSA Total Jobs	**391,429**	**476,616**	**597,950**
Memphis Suburbs	**78,018**	**121,765**	**179,385**
Total Jobs City of Memphis	**313,411**	**354,851**	**418,565**
Absolute Change	-	41,440	63,714
Percentage Change	-	13%	18.0%

Sources: State of Cities Data Systems @ http://socds.huduser.org;
Bureau of Labor Statistics, 2001; REDC Estimates, 2001.

While Memphis continued to have the most jobs available in all three sectors above, the Memphis suburbs captured an increasing share of metropolitan jobs. Furthermore, jobs in Memphis paid higher on average than jobs in the suburbs (see Table 3).

If these trends continue poor households living in Memphis will be forced to seek lower paying jobs in the suburbs; and the longer commute will add to work related transportation costs, which will negatively impact housing affordability.

Table 3
Comparison of Average Salaries by Sector
For City of Memphis and MSA Outside of Memphis

	City of Memphis	MSA outside City of Memphis	City of Memphis Salaries as a % of MSA Outside City
Manufacturing	$38,898	$33,222	117%
Services	$27,763	$21,904	127%
Retail	$17,410	$13,348	130%

Note: All average salaries are in constant 2000$.
Source: State of Cities Data Systems
@ http://socds.huduser.org;
Department of Commerce.

The Memphis MSA's population grew by 12.7% in the 1990s. Table 4 which follows illustrates the corresponding estimated growth in housing units and households for the MSA based upon past trends. Persons per household, vacancy rates and a share analysis for the City of Memphis were used to arrive at the 2000 estimates.

Table 4
MSA Housing Trends 1970 - 1990 and 2000 Estimate
Compared to City of Memphis and Suburbs

	1970	1980	1990	2000 est.
Memphis MSA Housing Units	261,328	339,571	393,278	503,348
Memphis Suburbs Housing Units	63,375	95,209	144,988	213,198
City of Memphis Housing Units	197,953	244,362	248,290	290,150
Absolute Change	-	46,409	3,928	41,860
Percentage Change	-	23.4%	1.6%	16.9%
Memphis MSA Occupied Units	249,626	319,427	365,450	467,331
Memphis Suburbs Occupied Units	59,578	88,953	135,621	200,952
City of Memphis Occupied Units	190,048	230,474	229,829	266,379
Absolute Change	-	40,426	-645	36,550
Percentage Change	-	21.3%	-0.3%	15.9%
Memphis MSA Median Home Value Y2000$*	$62,582	$78,652	$83,472	$99,157
Memphis Suburbs Median Value Y2000$*	$70,956	$100,234	$108,723	$140,639
City of Memphis Median Home Value Y2000$*	$61,701	$73,049	$71,828	$79,935

Note: *Owner Occupied Housing Units.
Sources: State of Cities Data Systems @ http://socds.huduser.org;
U.S. Dept of Commerce.

Trends analysis shows the MSA experiencing a 28% gain in housing units since 1990. If past trends are an indication of the future, the median value of owner occupied homes increased by almost 30% in the suburbs compared to 11% in the city with an overall increase in median value of almost 20% for the MSA.

City of Memphis Growth Trends

As previously shown in Table 1 population growth trends in the City of Memphis have lagged behind those of Shelby County and the MSA for the past 30 years. Figure 1 which follows reveals these past differences graphically. The City of Memphis' population share of the MSA has been eroding since 1970. Over 40 percent of the MSA population now live outside of the City of Memphis.

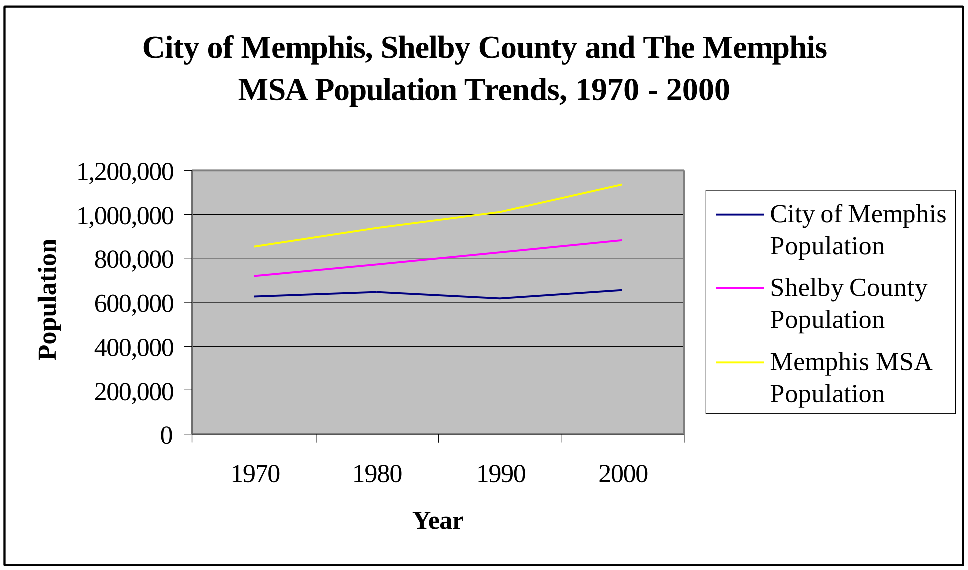

Figure 1: Source: U.S. Census, 1970 – 2000.

In the 1990s the City of Memphis' 6.5 percent population growth was due to annexations. Table 5 shows population trends for Memphis between 1980 and 2000 without annexation.

Table 5
Memphis Population Trends Without Annexation

	1980	1990	Nominal Change, 80-90	2000	Nominal Change, 90-00
Shelby County	777,113	826,330	49,217	897,472	71,142
Memphis	646,356	610,337	**-36,019**	598,977*	**-11,360**
Balance of Shelby	130,757	215,993	85,236	298,495	82,502

*Preliminary calculation based on pre-2000 population estimates of two areas annexed after the 1990 Census -Cordova (7,951) and Hickory Hill (43,172). Memphis did not annex any territory between 1980 and 1990.

During the past two decades Memphis accomplished two annexations. In July 1990 an area called Cordova was annexed and in January 1999 an area called hickory Hill was annexed. If Memphis had not added these areas, its population would have declined approximately 11,360 (1.9%) between 1990 and 2000. The 1990 to 2000 loss compares to a loss of 36,019 (5.6%) people the previous decade (1980 – 1990) and suggests a slowing of the decline in the older parts of Memphis. Due to the past trends of decline, however, extrapolation techniques projecting the population to 2010 continue to fit best with the Parabolic Curve suggestive of further decline (Figure 2). It is important to note that for the year 2000 the actual population trend line is curving upward.

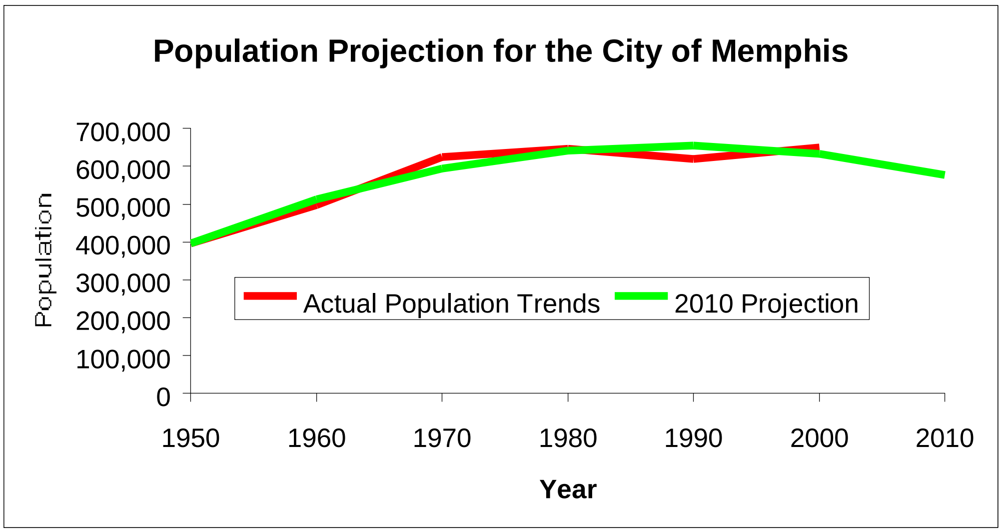

Figure 2: Source: U.S. Census, 1950 – 2000.

If decline trends continue to lessen, by the year 2010 the line of best fit may become Linear. Past trends indicate a population of 576,000 by 2010. If the smaller numbers of decline discussed earlier continue, then there is the possibility of actual growth in the City without annexations by 2010 pushing the City of Memphis' total population closer to 700,000.

If the decline of population is slowing, and perhaps reaching a leveling off stage, the pressure for affordable housing will increase as dilapidated units are demolished and low-income families are relocated.

In addition to population losses in previous decades, the City of Memphis lost almost 20,000 manufacturing jobs, but it did gain close to 60,000 retail and wholesale trade and service industry jobs from 1970 to 2000 (U.S. Census Data, 1970 to 1990 and Bureau of Labor Statistics, 2001). As a result, the City of Memphis has a high percentage of poor. Job declines in the manufacturing sector and an abundance of retail and service industry jobs along with other factors such as lower educational levels and higher numbers of single parent households at greater risk of poverty may have contributed to the relatively stagnant median household income in the City of Memphis shown in Table 6. Full-time minimum wage jobs, such as in the retail and service industries, generate just over $10,000 in income per year. To achieve income levels of just over 50% of the median, two people per household must work.

Table 6
City of Memphis Median Household Income
1970 to 1990 and 2000 Est.

	1970	1980	1990	2000 Est.
Median HH Income 2000$*	$30,709	$29,134	$29,665	$33,028
Absolute Change	-	($1,575)	$531	$3,363
% Change	-	-5.1%	1.8%	11.3%

Note: *Median Incomes in Constant 2000$.

Source: U.S. Census, 1970 to 1990, U.S. Dept. of Commerce, REDC Est.

A compounding factor in the problem of decreasing wages in the City of Memphis is the dramatic increase in the number of single parent predominantly female-headed households. Not only are wages less with the shift from manufacturing to service jobs, but also these households have only one worker, if childcare is available. Table 7 provides a comparison of the City of Memphis' to Shelby County's number of female-headed households. In the City of Memphis, the number of female-headed households increased by 76.9% in the 1970s and 36.9% in the 1980s.

Table 7
Female Headed Households w/ Children < 18
Memphis and Shelby County

	1970	1980	1990
Memphis	14,618	25,862	35,401
% HHs with Children <18	16.9%	31.3%	42.3%
% Change in Number of HHs	-	76.9%	36.9%
Shelby County	15,666	27,884	36,636
% HHs with Children <18	15.7%	26.9%	31.8%
% Change in Number of HHs	-	78.0%	31.4%
Shelby County - Memphis	1,048	2,022	1,235
% HHs with Children <18	7.7%	9.6%	3.9%
% Change in Number of HHs	-	92.9%	-38.9%

Source: U.S. Census, 1970-1990.

In 1970 only 16.9% of female-headed households had children under the age of 18. In 1990, the percentage had grown to 42.3%.

The number of persons living in poverty decreased in the City of Memphis after 1980. However, the percentage of persons below poverty increased from 20.5% in 1970 to 22.3% in 1990 illustrating that residents who are financially able to move are leaving. Table 8 shows the number of people in the nation, state, county and the City of Memphis living below the poverty level from 1970 to 1997. National and state numbers for persons below poverty increased from 1970 to 1990, but their percentages of poverty decreased. This is just the opposite of the City of Memphis where the percentage of poverty increased.

Table 8
Persons Living Below Poverty Level
U.S., Tennessee, Shelby County, City of Memphis
1970 - 1990, 1997 Estimates

	1970	1980	1990	1997 Est.
U. S.	**27,057,482**	**27,392,580**	**31,742,864**	**35,573,858**
Absolute Change	-	335,098	4,350,284	3,830,994
% Change	-	1.2%	15.9%	12.1%
% Below Poverty Level	13.7%	12.4%	13.1%	13.3%
Absolute Change	-	-1.3%	0.7%	0.2%
% Change	-	-9.5%	5.6%	1.5%
Tennessee	**836,405**	**736,471**	**744,941**	**734,108**
Absolute Change	-	-99,934	8,470	-10,833
% Change	-	-11.9%	1.2%	-1.5%
% Below Poverty Level	21.8%	16.5%	15.7%	13.6%
Absolute Change	-	-5.3%	-0.8%	-2.1%
% Change	-	-24.3%	-4.8%	-13.4%
Shelby County	**144,927**	**147,925**	**146,853**	**140,104**
Absolute Change	-	2,998	-1,072	-6,749
% Change	-	2.1%	-0.7%	-4.6%
% Below Poverty Level	20.6%	19.6%	18.3%	16.3%
Absolute Change	-	-1.0%	-1.3%	-2.0%
% Change	-	-4.9%	-6.6%	-10.9%
City of Memphis	**128,032**	**138,670**	**136,123**	**135,901**
Absolute Change	-	10,638	-2,547	-222
% Change	-	8.3%	-1.8%	-0.2%
% Below Poverty Level	20.5%	21.5%	22.3%	22.4%
Absolute Change	-	1.0%	0.8%	0.1%
% Change	-	4.9%	3.7%	0.5%

Source: U.S. Census, 1970 - 1990, 1997 Estimates.

These socio-economic factors are indicative of an increasingly poor city, with inherent housing problems.

The Study Area's Special Needs

The study area is comprised of 25 zip codes that are either inside the City of Memphis' or have greater than 50 per cent of their populations within the city of limits or are in the City of Memphis' annexation reserve area. The population of the study area in 1990 was 645,033 with 254,154 households (U.S. Census Bureau, 1990). That is in comparison to the City of Memphis' 610,337 population and 229,000 households. The study area likely experienced the same growth rate as the City of Memphis between 1990 and 2000, except for more building took place in those zip codes farther away from the inner city, which would yield a similar increase in population to Shelby County's.

Targeted Census Tracts. Within the study area are fifty-five census tracts designated by the Internal Revenue Service Section 42 (D)(5)(C) as "Difficult Development Areas". Of these census tracts forty-one are exempt from the Tennessee Housing Development Agency's (THDA) "First Time Home Buyer" rule for low interest mortgages.

To offer a geographic comparison to zip codes, these distressed census tracts fall partially or completely within the following zip codes: 38128, 38108, 38107, 38112, 38105, 38103, 38104, 38126, 38111, 38114, 38106, 38115, 38116, and 38109 (See Map 2 which follows). These census tracts and their corresponding zip codes represent more than half of the study area. With this "Difficult Development" designation, these areas have high concentrations of poor housing.

The number of housing units in poor, very poor, or uninhabitable condition is nearing 25,000 in Shelby County (Shelby County Property Tax Assessor's Files, 2000). Map 3 shows the concentrations of these substandard housing units. It is notable that a majority of the units are located within the distressed census tracts. A lack of investment, out migration, poverty, and crime continue to plague this area.

Incentives for homeownership, erosion in real estate values, and redevelopment serve to offset the negative variables and encourage investment. But the result has not been sufficient to make significant inroads to improve current conditions. The late 1990s were witness to the greatest economic expansion in U.S. history. Yet, these neighborhoods were not significantly affected by the economic growth of the nation and the region. These neighborhoods may become further isolated and face further deterioration. As shown earlier, job opportunities for populations living in these census tracts are more scattered and have fewer income opportunities.

Housing Unit Additions, Deletions and Net Change. Another indicator of poor housing conditions (Map 3) and development problems (Map 2) is residential building trends. Shelby County Urban Development Reports from 1990-1996 were used to show the location and the number of housing units either added or deleted between the years of 1990 and 1996. These reports are by planning district. Since this study is by zip code, Maps 4, 5, and 6 provide planning district data with a zip code overlay.

The housing unit additions map indicates that a substantial number of units were added in the eastern portion of the study area outside the I-240 beltway. The area with the lowest number of housing units added during this period of time includes Midtown, Jackson, Depot, Quince, University, and Walnut Grove planning districts. All of these planning districts are located within the I-240 beltway (Map 4). The planning districts with the most significant numbers added include Raleigh-Bartlett, Shelby Farms-Germantown, Oakhaven-Parkway Village, and North Memphis including Harbor Town where most building occurred. These planning districts saw 500 -13,000 units added.

The number of housing units deleted in Shelby County from 1990-1996 was minimal for a majority of the planning districts. Most planning districts in the study area lost less than 500 housing units from 1990 to 1996. The North Memphis, Depot, and South Memphis planning districts had the largest number of deletions. The North Memphis Planning District and the Depot Planning District each lost between 500 and 1,000 housing units. The corresponding zip codes are 38107, 38108, 38114, and a significant portion of 38106. The South Memphis Planning District contains the western half of 38106, the portion of 38109 inside the beltway, and the southern portion of 38126. This planning district lost between 1,000 and 1,500 housing units (Map 5). All three of the planning districts with the largest numbers of deletions are inside the I-240 beltway.

The resultant net change in housing units for the time period 1990-1996 yields a loss for each of the following planning districts: South Memphis, Whitehaven-Levi, Depot, Quince, Midtown, University, and Jackson. As illustrated by Map 6 much of the net loss occurred inside the I-240 beltway and much of the net growth occurred outside the I-240 beltway.

The net loss of housing units corresponds with a likely population loss between 1990 and 2000 and suggests that demand has not bid up the price of housing for immobile, low-income households. This does not mean that substandard housing conditions and cost burdened household problems have been lessened. The trend simply suggests that the problem of cost has not increased because of a tight housing market.

III
HOUSING NEEDS ANALYSIS

This section of the paper seeks to provide 1) an overview of the numbers and types of households who are cost burdened in Memphis and Shelby County using projected CHAS data for 2002 and 2) an analysis of housing data for the City of Memphis by zip code, thus, providing the actual distribution of this housing cost burden.

Households Needing Housing Subsidy

Table 9, which follows, presents the level of housing problems encountered by low and moderate income households in Memphis for 2002. This table is derived from projections provided by the U.S. Department of Housing and Urban Development. (See Appendix for detailed data on housing problems contained in CHAS 2002)

As shown, there are almost 65,000 low and moderate income households in Memphis with some type of housing problem (paying more than 30% of their income and/or living in substandard housing). About one third (31.7%) are owners and 68.3% are renters.

The largest concentration of households with a housing problem fall in the very low income category (income less than 30% of median family income). Almost one half of the low and moderate income households with a housing problem are in this poverty group; and 74% of this group are renters. No other category in Table 9 has this quantity of households with a housing problem. The next largest number of households with a housing problem are also renters, the group having incomes between 31 and 50% of median family income.

Most of the housing problems are concentrated in the older parts of Memphis where age of housing stock coupled with low income households produces a double burden -- poor housing quality and excessive monthly payments for housing. The distribution of cost burdened households is discussed next.

The Distribution of Housing Cost Burden

Table 10 shows for each Zip Code the projected number of households suffering from excessive housing costs, defined as paying more than 35% of income for housing. These projections are based on the allocation of cost burden percentages by Zip Code from the 1990 census to our projected 2002 households.

Table 10 reveals that housing cost burden is not limited to inner city or poor neighborhoods, but that suburban areas of the city are equally affected. The distribution of cost burden by tenure and household type is shown on Maps 7 through 11. In total, 60,000 households (21.2% of all households) in the city are cost burdened. Map 7 shows concentrations of cost burdened households throughout the city, including most suburban Zip Codes. Zip Codes 38109, including Westwood and Mallory, and 38115 (Hickory Hill) have the largest numbers of cost burdened households, each with over 4,000. However, the inner city has the highest percentages

Table 9
Memphis Housing Problems
Low and Moderate Income Households

Households	Total Households	Total Owner Households	Elderly Owner Households	All Other Owner Households	Total Renter Households	Elderly 1 to 2 Person Households	Small Related 2 to 4 Person Households	Large Related 5+ Person Households	All Other 1 to 2 Person Households
Very Low Income (0 - 30% MFI)	42,976	11,653	6,528	5,125	31,323	8,168	12,223	4,444	6,488
Percent with Housing Problem	73%	71%	69%	73%	74%	64%	77%	86%	74%
Number with Housing Problem	**31,508**	**8,246**	**4,504**	**3,741**	**23,262**	**5,228**	**9,412**	**3,822**	**4,801**
Low Income (31 - 50% MFI)	28,097	12,058	5,967	6,091	16,039	3,511	6,164	2,019	4,345
Percent with Housing Problem	64%	51%	35%	66%	74%	65%	70%	89%	80%
Number with Housing Problem	**17,978**	**6,109**	**2,088**	**4,020**	**11,870**	**2,282**	**4,315**	**1,797**	**3,476**
Moderate Income (51 - 80% MFI)	38,037	17,785	6,354	11,431	20,252	2,329	9,090	2,141	6,692
Percent with Housing Problem	40%	35%	15%	46%	45%	45%	36%	70%	49%
Number with Housing Problem	**15,310**	**6,211**	**953**	**5,258**	**9,098**	**1,048**	**3,272**	**1,499**	**3,279**
Total Households Less Than 80% MFI	***109,110***	***41,496***	***18,849***	***22,647***	***67,614***	***14,008***	***27,477***	***8,604***	***17,525***
Percent with Housing Problem	59%	50%	40%	57%	65%	61%	62%	83%	66%
Number with Housing Problem	**64,796**	**20,565**	**7,546**	**13,020**	**44,230**	**8,558**	**16,999**	**7,117**	**11,556**
Total Households More Than 80% MFI	***114,802***	***78,700***	***15,974***	***62,726***	***36,102***	***2,928***	***16,155***	***2,260***	***14,759***
Percent with Housing Problem	14%	17%	3%	20%	8%	14%	6%	41%	5%
Number with Housing Problem	**15,998**	**13,056**	**463**	**12,592**	**2,942**	**418**	**890**	**922**	**712**
Total Households	**223,912**	**120,196**	**34,823**	**85,373**	**103,716**	**16,936**	**43,632**	**10,864**	**32,284**
Percent with Housing Problem	**36%**	**28%**	**23%**	**30%**	**45%**	**53%**	**41%**	**74%**	**38%**
Number with Housing Problem	**80,794**	**33,621**	**8,009**	**25,612**	**47,172**	**8,976**	**17,889**	**8,039**	**12,268**

Source: 2002 CHAS Projections, U.S. Department of Housing and Urban Development.
Note: Housing Problems derived by application of 1990 proportions for each income category.

Table 10
Households With Greater Than 35% Housing Cost Burden
City of Memphis Zip Codes - 2002 Projection *

		Renter Households						Owner Households				Total	% of
Zip Code	Location	Elderly	Small Related	Large Related	All Other	Total	% of Total Renters	Elderly	All Other	Total	% of Total Owners	Cost Burdened Households	Total Households
38103	Downtown	44	36	0	214	294	25.0%	9	0	9	57.3%	303	25.4%
38105	Downtown	241	337	256	217	1,050	35.8%	23	63	86	27.8%	1,137	35.0%
38126	Downtown	336	578	665	0	1,579	41.6%	72	73	145	29.5%	1,724	40.2%
38113	Presidents Island	0	0	0	0	0	0.0%	0	0	0	0.0%	0	0.0%
38108	North Memphis	239	593	247	222	1,302	38.7%	429	521	950	19.3%	2,252	27.2%
38107	North Memphis	326	854	333	348	1,861	41.4%	277	465	742	18.1%	2,603	30.3%
38106	South Memphis	459	926	352	569	2,306	46.1%	687	784	1,470	23.5%	3,776	33.6%
38104	Midtown	647	653	175	1,092	2,567	29.2%	141	370	511	14.5%	3,077	25.0%
38114	Airways/Depot	374	1,151	431	468	2,425	40.8%	414	751	1,166	19.6%	3,590	30.2%
38112	Binghampton	436	549	296	242	1,523	36.0%	250	340	589	18.0%	2,112	28.2%
38122	Berclair	285	362	53	288	988	29.8%	286	468	754	11.2%	1,742	17.4%
38111	University	795	887	126	754	2,562	35.7%	367	832	1,199	12.5%	3,761	22.4%
38117	Mendenhall	202	173	17	78	470	25.3%	497	492	990	10.2%	1,459	12.6%
38119	East Memphis	145	388	0	302	834	19.0%	72	585	658	9.9%	1,492	13.6%
38120	East Memphis	87	106	0	192	386	21.9%	160	394	554	13.2%	940	15.7%
38115	Hickory Hill	1,051	1,496	20	1,101	3,668	24.7%	135	636	771	9.6%	4,439	19.5%
38109	W' wood/Mallory	254	924	283	284	1,746	41.6%	871	2,080	2,951	23.2%	4,697	27.8%
38116	Whitehaven E.	177	1,282	228	845	2,532	32.3%	251	976	1,227	16.6%	3,759	24.7%
38118	Oakhaven	147	1,069	235	647	2,098	26.2%	204	912	1,116	13.8%	3,213	20.0%
38127	Frayser	243	1,245	503	255	2,246	34.6%	129	1,586	1,715	16.8%	3,961	23.7%
38128	Raleigh	187	988	155	564	1,894	26.2%	339	1,037	1,376	13.3%	3,270	18.6%
38018	Cordova	59	351	5	361	775	16.3%	68	1,280	1,348	11.4%	2,124	12.8%
38133	Bartlett W'Chase	41	181	14	59	295	24.2%	56	925	982	13.6%	1,277	15.2%
38134	Bartlett South	75	681	9	521	1,287	16.5%	163	893	1,056	9.7%	2,343	12.5%
38141	S.E. Shelby	51	79	0	26	155	13.8%	16	948	964	10.0%	1,120	10.4%
Totals		6,902	15,888	4,403	9,650	36,844	30.3%	5,916	17,413	23,329	14.4%	60,173	21.2%
% of Total Sub-Category		45.7%	29.8%	44.4%	22.2%	30.3%		17.1%	13.7%	14.4%			

* Households based on 2002 HUD and NDS projections. Household allocations by category based on 1990 Census.

of cost burdened households. Two downtown Zip Codes 38126 and 38105 have the highest overall concentrations of cost burdened households, 40.2% and 35.0% respectively, followed by 38106 in South Memphis at 33.6%.

Renter Households (Map 8). Renters were found to fall into cost burdened status at over twice the rate of homeowners, with 30.3% of renters paying in excess of 35% for housing versus 14.4% for homeowners. In addition to elderly renters (discussed below), large related households (five or more persons) are particularly susceptible to high housing costs with 44.4% being cost burdened.

Owner Households. Over 14% of home owners in Memphis are cost burdened, with Map 9 showing the largest numbers in suburban areas to the north and south of the central city.

Elderly Households (Map 10). Elderly renters have the greatest tendency toward cost burdening of any housing group, with 6,902 or 45.7% paying over 35% of their income for rent. These elderly renters live throughout the city, however, the largest concentrations are found in 38115 (Hickory Hill) with 1,051, 38111 (University) with 795, and 647 in 38104 (Midtown). The high concentration in 38111 may reflect the presence of several assisted living high-rise buildings for the elderly.

A lower percentage of elderly homeowners is burdened by excessive housing costs, but the total number of cost burdened elderly owners (5,916) is almost as great as with renters. Map 11 shows wide dispersion throughout the city, but with larger concentrations in two adjacent Zip Codes, 38109 (871) and 38106 (687).

IV
THE SUPPLY AND DEMAND OF AFFORDABLE HOUSING IN MEMPHIS

Demand for Affordable Housing

REDC has estimated housing demand by Zip Code for each of three HUD identified income groups, which are based on the projected Shelby County Median Family Income (MFI) for 2002. These groups are:

Income Group	Income in 2002
Less than 30% of MFI	Less than $15,350
Between 30% and 50% of MFI	From $15,351 to $25,600
Between 50% and 80% of MFI	From $25,601 to $52,400

Data is presented for the 25 Zip Codes that are either totally or predominantly within the current city limits of Memphis. Three Zip Codes (38133, 38134, and 38141) contain significant numbers of households that are not within the city limits; consequently, these projections overstate the demand for affordable housing in Memphis. It is noted that some households, particularly in 38133 and 38141, live in Memphis annexation reserve areas.

Projected demand by income level was developed by adjusting proprietary estimates of the number of households by income group for each Zip Code (National Decision Systems, Inc., 1997) based on the increase in CPI and by the total CHAS 2002 household projection for Shelby County. Interpolations were made to fit the data to the 2002 income groups, and household totals by income level were reallocated to match CHAS percentages by income level for Shelby County.

Tables 11 and 12 present summary level Zip Code data for estimated households below the three HUD family income limits based on the methodology described above Table 12 also provides an index showing each Zip Code's concentration of lower income households (defined as having less than 80% of the county MFI.

Total demand for housing by Zip Code and tenure status (owner or renter) for Memphis is presented in Table 13 for the three income groups. Table 13 allocates households to tenure based on each income level's rate of homeownership in the Memphis MSA. Homeownership rates are from the 1996 American Housing Survey (AHS) for the Memphis MSA. It is recognized that this allocation procedure may not present the optimal or desired level of homeownership for each Zip Code; however, it does reflect ownership patterns found at a higher level of local geography.

These MSA level data from the AHS reveal a relatively high homeownership rate of 40.1% for households below 30% of MFI ($15,350). This may be attributable to retired householders without a mortgage that purchased homes when their incomes were larger. Conversely, 59% of households making between 50% and 80% of the MFI ($25,600 to $40,950) own their homes. Potentially, a larger percentage has sufficient incomes to qualify for a mortgage, reflecting either a choice of renting (at least in the short term), or the presence of non-income barriers to ownership.

Table 11
Estimated Households Below HUD Family Income Limits
City of Memphis Zip Code Summary - 2002
Based on CHAS Allocation

Adjusted to match CHAS percentages by income level

		Households Between Ranges			Total Household s	Total Households	Percentage Distribution by Income Level		
Zip Code	Location	< L30	L30 to L50	L50 to L80	< L80	in Zip code	< L30	L30 to L50	L5(
38103	Downtown	332	133	184	650	1,195	27.8%	11.2%	15.4%
38105	Downtown	1,772	403	343	2,518	3,248	54.6%	12.4%	10.6%
38126	Downtown	2,643	479	324	3,446	4,291	61.6%	11.2%	7.5%
38113	Presidents Island	6	2	3	10	32	17.1%	5.6%	8.7%
38108	North Memphis	2,727	1,448	1,547	5,722	8,276	33.0%	17.5%	18.7%
38107	North Memphis	3,367	1,262	1,290	5,919	8,587	39.2%	14.7%	15.0%
38106	South Memphis	3,973	1,892	1,835	7,699	11,245	35.3%	16.8%	16.3%
38104	Midtown	3,254	1,885	1,883	7,022	12,330	26.4%	15.3%	15.3%
38114	Airways/Depot	3,934	2,168	2,080	8,183	11,895	33.1%	18.2%	17.5%
38112	Binghampton	2,167	1,134	1,290	4,590	7,491	28.9%	15.1%	17.2%
38122	Berclair	1,915	1,530	2,062	5,507	10,016	19.1%	15.3%	20.6%
38111	University	3,313	2,302	3,180	8,795	16,785	19.7%	13.7%	18.9%
38117	Mendenhall	1,252	1,074	1,816	4,142	11,583	10.8%	9.3%	15.7%
38119	East Memphis	799	855	1,547	3,201	11,013	7.3%	7.8%	14.1%
38120	East Memphis	516	471	596	1,583	5,974	8.6%	7.9%	10.0%
38115	Hickory Hill	2,479	2,682	4,300	9,461	22,817	10.9%	11.8%	18.8%
38109	W' wood/Mallory	4,597	2,515	3,012	10,125	16,910	27.2%	14.9%	17.8%
38116	Whitehaven E.	2,620	2,093	2,826	7,539	15,227	17.2%	13.7%	18.6%
38118	Oakhaven	2,752	2,333	3,447	8,533	16,090	17.1%	14.5%	21.4%
38127	Frayser	3,665	2,606	3,377	9,648	16,708	21.9%	15.6%	20.2%
38128	Raleigh	2,473	2,257	3,542	8,272	17,570	14.1%	12.8%	20.2%
38018	Cordova	1,085	1,041	1,739	3,864	16,553	6.6%	6.3%	10.5%
38133	Bartlett W'Chase	630	643	1,275	2,548	8,424	7.5%	7.6%	15.1%
38134	Bartlett South	1,643	1,806	3,144	6,594	18,711	8.8%	9.7%	16.8%
38141	S.E. Shelby	540	589	1,556	2,686	10,754	5.0%	5.5%	14.5%
Totals		54,456	35,602	48,197	138,255	283,723	19.2%	12.5%	17.0%

Table 12
Households Below HUD Income Limits: Concentration Inde
City of Memphis Zip Code Summary - 2002
Based on CHAS Allocation

Zip Code	Location	Households Between Ranges < L30	Households Between Ranges L30 to L50	Households Between Ranges L50 to L80	Total Households < L80	Total Households in Zip code	Percentage Of Total House Below L80 Median Family In < L30	L30 to L50	L50 to L8(
38103	Downtown	332	133	184	650	1,195	0.6%	0.4%	0.4%
38105	Downtown	1,772	403	343	2,518	3,248	3.3%	1.1%	0.7%
38126	Downtown	2,643	479	324	3,446	4,291	4.9%	1.3%	0.7%
38113	Presidents Island	6	2	3	10	32	0.0%	0.0%	0.0%
38108	North Memphis	2,727	1,448	1,547	5,722	8,276	5.0%	4.1%	3.2%
38107	North Memphis	3,367	1,262	1,290	5,919	8,587	6.2%	3.5%	2.7%
38106	South Memphis	3,973	1,892	1,835	7,699	11,245	7.3%	5.3%	3.8%
38104	Midtown	3,254	1,885	1,883	7,022	12,330	6.0%	5.3%	3.9%
38114	Airways/Depot	3,934	2,168	2,080	8,183	11,895	7.2%	6.1%	4.3%
38112	Binghampton	2,167	1,134	1,290	4,590	7,491	4.0%	3.2%	2.7%
38122	Berclair	1,915	1,530	2,062	5,507	10,016	3.5%	4.3%	4.3%
38111	University	3,313	2,302	3,180	8,795	16,785	6.1%	6.5%	6.6%
38117	Mendenhall	1,252	1,074	1,816	4,142	11,583	2.3%	3.0%	3.8%
38119	East Memphis	799	855	1,547	3,201	11,013	1.5%	2.4%	3.2%
38120	East Memphis	516	471	596	1,583	5,974	0.9%	1.3%	1.2%
38115	Hickory Hill	2,479	2,682	4,300	9,461	22,817	4.6%	7.5%	8.9%
38109	W' wood/Mallory	4,597	2,515	3,012	10,125	16,910	8.4%	7.1%	6.3%
38116	Whitehaven E.	2,620	2,093	2,826	7,539	15,227	4.8%	5.9%	5.9%
38118	Oakhaven	2,752	2,333	3,447	8,533	16,090	5.1%	6.6%	7.2%
38127	Frayser	3,665	2,606	3,377	9,648	16,708	6.7%	7.3%	7.0%
38128	Raleigh	2,473	2,257	3,542	8,272	17,570	4.5%	6.3%	7.3%
38018	Cordova	1,085	1,041	1,739	3,864	16,553	2.0%	2.9%	3.6%
38133	Bartlett W'Chase	630	643	1,275	2,548	8,424	1.2%	1.8%	2.6%
38134	Bartlett South	1,643	1,806	3,144	6,594	18,711	3.0%	5.1%	6.5%
38141	S.E. Shelby	540	589	1,556	2,686	10,754	1.0%	1.7%	3.2%
Totals		54,456	35,602	48,197	138,255	283,723	100.0%	100.0%	100.0%

* The Concentration Index is the ratio of the percentage of households below L80 to the percentage of total households.
It reflects a Zip Code's concentration of total low income households relative to the city as a whole.

Table 13

Projected Demand For Home Ownership and Rentership by Incom

City of Memphis Zip Codes - 2002 *

		Households Between Ranges			< L30		L 30 to L50	
Zip Code	Location	< L30	L30 to L50	L50 to L80	Own	Rent	Own	Rent
	Memphis MSA				40.1%	59.9%	52.4%	47.6%
38103	Downtown	332	133	184	133	199	70	6
38105	Downtown	1,772	403	343	710	1,061	211	19
38126	Downtown	2,643	479	324	1,060	1,583	251	22
38113	Presidents Island	6	2	3	2	3	1	[illegible]
38108	North Memphis	2,727	1,448	1,547	1,094	1,634	759	68
38107	North Memphis	3,367	1,262	1,290	1,350	2,017	661	60
38106	South Memphis	3,973	1,892	1,835	1,593	2,380	991	90
38104	Midtown	3,254	1,885	1,883	1,305	1,949	988	89
38114	Airways/Depot	3,934	2,168	2,080	1,578	2,357	1,136	1,03
38112	Binghampton	2,167	1,134	1,290	869	1,298	594	54
38122	Berclair	1,915	1,530	2,062	768	1,147	802	72
38111	University	3,313	2,302	3,180	1,329	1,984	1,206	1,09
38117	Mendenhall	1,252	1,074	1,816	502	750	563	51
38119	East Memphis	799	855	1,547	320	479	448	40
38120	East Memphis	516	471	596	207	309	247	22
38115	Hickory Hill	2,479	2,682	4,300	994	1,485	1,405	1,27
38109	W' wood/Mallory	4,597	2,515	3,012	1,844	2,754	1,318	1,19
38116	Whitehaven E.	2,620	2,093	2,826	1,051	1,570	1,097	99
38118	Oakhaven	2,752	2,333	3,447	1,104	1,648	1,223	1,11
38127	Frayser	3,665	2,606	3,377	1,470	2,195	1,366	1,24
38128	Raleigh	2,473	2,257	3,542	992	1,481	1,183	1,07
38018	Cordova	1,085	1,041	1,739	435	650	545	49
38133	Bartlett W'Chase	630	643	1,275	253	377	337	30
38134	Bartlett South	1,643	1,806	3,144	659	984	947	86
38141	S.E. Shelby	540	589	1,556	217	324	309	28
Totals		54,456	35,602	48,197	21,837	32,619	18,656	16,94

* Allocation of owners and renters by Zip code is based on the estimated home ownership rate by HUD income level for the Memp

Housing Affordability

Price ranges for single-family houses and rental rates were developed for the three income levels based on affordability at 30% of household income, and are presented below. The price range for each income level reflects values between the maximum price or rent for the income level and the next lower income level.

Table 14
Costs for Affordable Housing in Memphis

Income Group	Income in 2002	Maximum House Price	Maximum Monthly Rent
Less than 30% of MFI	Less than $15,350	$35,000	$ 384
Between 30% and 50% of MFI	From $15,351 to $25,600	$60,000	$ 640
Between 50% and 80% of MFI	From $25,601 to $52,400	$96,000	$ 910

House prices for each income level were calculated based on mortgage lending terms that are likely available to an applicant in Memphis with a good credit rating and minim al consumer debt. House prices were determined based on a FHA mortgage of 7.375% interest for 30 years with a 5% down payment. PITI plus estimated home maintenance costs were used to derive the maximum payment affordable by households in each of the three HUD income levels assuming a 30% front ratio (i.e., housing costs equaling 30% of gross income). PITI includes the FHA requirement of a mortgage insurance premium (MIP) consisting of 1.5% of loan value paid at closing or amortized over the loan term (reflected in our calculations), plus 0.5% points added to the simple interest rate (yielding a 7.875% APR). Property taxes reflect current city and county rates for a house in Memphis. Hazard insurance is based on median costs from the 1996 AHS for Memphis, adjusted by CPI. Maintenance costs were also based on inflation adjusted 1996 AHS data for Memphis.

Maximum monthly rent is based on 30% of gross income and does not include utilities, renter's insurance or other housing costs.

Current Supply of Affordable Housing

Table 15 provides projections of the current (2002) supply of affordable housing for Memphis Zip Codes by the three HUD income levels. Housing supply is presented for the combined supply of owner-occupied and rental units. Data limitations preclude separate current projections for owner and renter units. Table 15 shows projected demand, supply, and the calculated gap or excess supply over demand for each zip code.

Our supply projections are based on data from several sources. Single-family units are based on sorting the Shelby County tax assessor's property database by zip code, and allocating housing units to HUD income levels by the assessor's appraised value. Multi-family units were projected using 1990 Census data as the base, and adding units built since 1990 from the tax assessor's database. The tax assessor's database was found to have incomplete data on units per multi-family building, and Shelby County building permit data is not currently available at the zip code level. Consequently, construction data from private sources was incorporated were possible to augment public records. Units added to those in the tax assessor's database where rent was not known were allocated to our HUD rent ranges at the zip code level based on rent range proportions in the assessors database and 1990 Census rents adjusted by the CPI for inflation.

The data in Table 15 has some general limitations. Based on a definition of affordable rent at 30% of gross income, virtually all rental units in Memphis are "affordable" since the households at 80% of MFI can afford a maximum rent of $1,024 per month. Consequently, Table 15 shows a supply of housing units far in excess of demand. However, these "affordable" multi-family units must also meet the demand of households with greater than 80% of MFI. A second limiting factor impacts the demand for affordable housing. Preliminary data from the 2000 Census reveals a Shelby County population greater than the 2002 CHAS projections. Assuming that the number of households in Memphis is likewise underestimated in the 2002 CHAS projection, the overall demand for affordable housing in Memphis is likely underestimated. Therefore, our aggregate supply versus demand calculation for Memphis is not believed to appropriately represent the actual housing market for limited income households.

Demand for affordable housing in downtown Memphis (particularly 38103) is known to be significantly understated. The rapid growth in the CBD and Mud Island is not reflected in the NDS database used to project 2002 households. Similarly, supply is likely understated due to the current renovation and decrease in MHA housing units under the Hope VI program. Consequently, housing shortages may exist that are not reflected in our calculations.

However, Table 15 is useful in pinpointing specific housing deficits at the zip code level and, as a consequence the above limitations, focuses on those zip codes and income groups with the most serious housing affordability problems. Table 15 reveals particular housing shortages in most zip codes, however, differing low and moderate income groups are affected in different parts of the city.

Table 15 indicates an imbalance between housing stock value and income levels in many areas. Housing shortages for moderate income households (those with incomes between 50% and 80% of MFI) are present in many older parts of Memphis. This gap is particularly apparent in North Memphis (38108), South Memphis (38106), and Airways/Depot (38114). Also indicative of an imbalance, is the deficit of affordable housing for low income households (less than 30% of MFI). This problem is found in most zip codes outside the inner city and is most pronounced in suburban neighborhoods. Hickory Hill, Oakhaven and Frayser each have housing gaps of over 2,000 units for low income households.

Analysis of zip code level data on the number of cost burdened households in the previous section lends support to the findings of supply and demand imbalance presented in this section. For the 14 zip code showing a deficit of housing units for <L30 households, a very high correlation (-.809) was found between the shortfall in housing units and the number of cost burdened households. No significant relationship was found between the housing shortfall and cost burdening for <L30 when zip codes without housing gaps were included (21 zip codes excluding downtown). However, a significant moderate correlation (-.563) was found for these zip codes when housing supply was adjusted to deduct units in poor, very poor, and uninhabitable condition. These findings suggest that the degree of cost burdening in Memphis

zip codes may be associated with an insufficient supply of housing units for low income (e.g. <L30) households, and that cost burdening is likely exacerbated by poor quality housing units.

Several zip codes have large numbers of housing units classified by the tax assessor's office as being in poor, very poor, or uninhabitable condition. These physical problems limit the availability of safe and comfortable housing for many Memphians. In order to account for these substandard units in housing supply, an alternate calculation of supply for households with less than 30% of MFI (<L30) was made and is shown as the last column in Table 15. This calculation assumes that all units classified as poor, very poor or uninhabitable are in the <L30 rent or price range, and deducts them from supply yielding a second estimate of the gap in housing supply. While all units with such problems will not fall within the <L30, it is logical that many will due to the strong relationship between housing quality and price or market rent.

The above recalculation of the housing gap for low income households provides evidence of severe shortages of quality housing for the poor throughout most parts of Memphis. Only downtown does not show a problem for low income households. This may reflect either the underestimation of the current downtown population discussed above, or it may reflect concerted efforts by the city and private developers in revitalizing the downtown housing market through public housing renovation and the use of low income housing tax credits.

Table 15
Projected Supply and Demand for Owner and Renter Units by HUD Income Limits
City of Memphis Zip Codes - 2002

Zip Code Location	< L30	L30 to L50	L50 to L80	Total	Problem (2)	Net	Problem Units Deducted From <L30 Supply (3)
	Total Owner-Occupied and Rental Units						
38103 Downtown	< L30	L30 to L50	L50 to L80	Total	Problem (2)	Net	
Current Demand	332	133	184	650		650	
Existing Supply	819	1,650	1,175	3,644	9	3,635	
Supply O/(U) Demand (1)	487	1,517	991	2,994		2,985	478
% Supply O/(U) Demand (1)	146.3%	1137.5%	537.9%	460.6%		459.2%	143.6%
	Total Owner-Occupied and Rental Units						
38105 Downtown	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	1,772	403	343	2,518		2,518	
Existing Supply	2,980	1,439	191	4,610	728	3,882	
Supply O/(U) Demand	1,208	1,036	(152)	2,092		1,364	480
% Supply O/(U) Demand	68.2%	256.7%	-44.3%	83.1%		54.2%	27.1%
	Total Owner-Occupied and Rental Units						
38126 Downtown	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	2,643	479	324	3,446		3,446	
Existing Supply	4,927	881	98	5,906	1,241	4,665	
Supply O/(U) Demand	2,284	402	(226)	2,460		1,219	1,043
% Supply O/(U) Demand	86.4%	84.1%	-69.7%	71.4%		35.4%	39.4%
	Total Owner-Occupied and Rental Units						
38113 Presidents Island	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	6	2	3	10		10	
Existing Supply	0	0	0	0	0	0	
Supply O/(U) Demand	(6)	(2)	(3)	(10)		(10)	(6)
% Supply O/(U) Demand	-100.0%	-100.0%	-100.0%	-100.0%		-100.0%	-100.0%
	Total Owner-Occupied and Rental Units						
38108 North Memphis	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	2,727	1,448	1,547	5,722		5,722	
Existing Supply	5,918	4,889	665	11,472	5,281	6,191	
Supply O/(U) Demand	3,191	3,441	(882)	5,750		469	(2,090)
% Supply O/(U) Demand	117.0%	237.6%	-57.0%	100.5%		8.2%	-76.6%
	Total Owner-Occupied and Rental Units						
38107 North Memphis	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	3,367	1,262	1,290	5,919		5,919	
Existing Supply	5,678	5,365	1,886	12,929	3,128	9,801	
Supply O/(U) Demand	2,311	4,103	596	7,010		3,882	(817)
% Supply O/(U) Demand	68.6%	325.0%	46.3%	118.4%		65.6%	-24.3%

38106 **South Memphis**	Total Owner-Occupied and Rental Units						
	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	3,973	1,892	1,835	7,699		7,699	
Existing Supply	7,245	7,295	844	15,384	4,261	11,123	
Supply O/(U) Demand	3,272	5,403	(991)	7,685		3,424	(989)
% Supply O/(U) Demand	82.3%	285.7%	-54.0%	99.8%		44.5%	-24.9%

38104 **Midtown**	Total Owner-Occupied and Rental Units						
	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	3,254	1,885	1,883	7,022		7,022	
Existing Supply	3,938	5,159	2,932	12,029	506	11,523	
Supply O/(U) Demand	684	3,274	1,049	5,007		4,501	178
% Supply O/(U) Demand	21.0%	173.7%	55.7%	71.3%		64.1%	5.5%

38114 **Airways/Depot**	Total Owner-Occupied and Rental Units						
	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	3,934	2,168	2,080	8,183		8,183	
Existing Supply	5,381	8,148	1,184	14,713	2,190	12,523	
Supply O/(U) Demand	1,447	5,980	(896)	6,530		4,340	(743)
% Supply O/(U) Demand	36.8%	275.9%	-43.1%	79.8%		53.0%	-18.9%

38112 **Binghampton**	Total Owner-Occupied and Rental Units						
	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	2,167	1,134	1,290	4,590		4,590	
Existing Supply	3,174	3,597	1,109	7,880	2,028	5,852	
Supply O/(U) Demand	1,007	2,463	(181)	3,290		1,262	(1,021)
% Supply O/(U) Demand	46.5%	217.2%	-14.0%	71.7%		27.5%	-47.1%

38122 **Berclair**	Total Owner-Occupied and Rental Units						
	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	1,915	1,530	2,062	5,507		5,507	
Existing Supply	912	7,536	3,105	11,553	146	11,407	
Supply O/(U) Demand	(1,003)	6,006	1,043	6,046		5,900	(1,149)
% Supply O/(U) Demand	-52.4%	392.6%	50.6%	109.8%		107.2%	-60.0%

38111 **University**	Total Owner-Occupied and Rental Units						
	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	3,313	2,302	3,180	8,795		8,795	
Existing Supply	2,435	11,008	4,752	18,195	311	17,884	
Supply O/(U) Demand	(878)	8,706	1,572	9,400		9,089	(1,189)
% Supply O/(U) Demand	-26.5%	378.2%	49.4%	106.9%		103.3%	-35.9%

38117 **Mendenhall**	Total Owner-Occupied and Rental Units						
	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	1,252	1,074	1,816	4,142		4,142	
Existing Supply	121	1,455	5,816	7,392	61	7,331	
Supply O/(U) Demand	(1,131)	381	4,000	3,250		3,189	(1,192)
% Supply O/(U) Demand	-90.3%	35.5%	220.3%	78.5%		77.0%	-95.2%

38119 East Memphis	Total Owner-Occupied and Rental Units						
	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	799	855	1,547	3,201		3,201	
Existing Supply	6	971	2,778	3,755	4	3,751	
Supply O/(U) Demand	(793)	116	1,231	554		550	(797)
% Supply O/(U) Demand	-99.2%	13.6%	79.5%	17.3%		17.2%	-99.7%

38120 East Memphis	Total Owner-Occupied and Rental Units						
	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	516	471	596	1,583		1,583	
Existing Supply	139	1,064	1,000	2,203	20	2,183	
Supply O/(U) Demand	(377)	593	404	620		600	(397)
% Supply O/(U) Demand	-73.1%	126.0%	67.8%	39.2%		37.9%	-77.0%

38115 Hickory Hill	Total Owner-Occupied and Rental Units						
	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	2,479	2,682	4,300	9,461		9,461	
Existing Supply	68	5,205	8,936	14,209	3	14,206	
Supply O/(U) Demand	(2,411)	2,523	4,636	4,748		4,745	(2,414)
% Supply O/(U) Demand	-97.3%	94.1%	107.8%	50.2%		50.1%	-97.4%

38109 W' wood/Mallory	Total Owner-Occupied and Rental Units						
	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	4,597	2,515	3,012	10,125		10,125	
Existing Supply	5,774	11,870	2,362	20,006	3,556	16,450	
Supply O/(U) Demand	1,177	9,355	(650)	9,881		6,325	(2,379)
% Supply O/(U) Demand	25.6%	371.9%	-21.6%	97.6%		62.5%	-51.8%

38116 Whitehaven E.	Total Owner-Occupied and Rental Units						
	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	2,620	2,093	2,826	7,539		7,539	
Existing Supply	1,069	7,855	6,988	15,912	20	15,892	
Supply O/(U) Demand	(1,551)	5,762	4,162	8,373		8,353	(1,571)
% Supply O/(U) Demand	-59.2%	275.4%	147.3%	111.1%		110.8%	-60.0%

38118 Oakhaven	Total Owner-Occupied and Rental Units						
	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	2,752	2,333	3,447	8,533		8,533	
Existing Supply	591	9,029	7,609	17,229	216	17,013	
Supply O/(U) Demand	(2,161)	6,696	4,162	8,696		8,480	(2,377)
% Supply O/(U) Demand	-78.5%	287.0%	120.7%	101.9%		99.4%	-86.4%

38127 Frayser	Total Owner-Occupied and Rental Units						
	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	3,665	2,606	3,377	9,648		9,648	
Existing Supply	1,255	11,168	2,089	14,512	834	13,678	
Supply O/(U) Demand	(2,410)	8,562	(1,288)	4,864		4,030	(3,244)
% Supply O/(U) Demand	-65.8%	328.5%	-38.1%	50.4%		41.8%	-88.5%

	Total Owner-Occupied and Rental Units						
38128 Raleigh	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	2,473	2,257	3,542	8,272		8,272	
Existing Supply	1,164	8,763	6,871	16,798	235	16,563	
Supply O/(U) Demand	(1,309)	6,506	3,329	8,526		8,291	(1,544)
% Supply O/(U) Demand	-52.9%	288.3%	94.0%	103.1%		100.2%	-62.4%

	Total Owner-Occupied and Rental Units						
38018 Cordova	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	1,085	1,041	1,739	3,864		3,864	
Existing Supply	53	1,478	6,837	8,368	102	8,266	
Supply O/(U) Demand	(1,032)	437	5,098	4,504		4,402	(1,134)
% Supply O/(U) Demand	-95.1%	42.0%	293.2%	116.6%		113.9%	-104.5%

	Total Owner-Occupied and Rental Units						
38133 Bartlett W'Chase	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	630	643	1,275	2,548		2,548	
Existing Supply	40	803	2,793	3,636	62	3,574	
Supply O/(U) Demand	(590)	160	1,518	1,088		1,026	(652)
% Supply O/(U) Demand	-93.6%	24.9%	119.0%	42.7%		40.3%	-103.5%

	Total Owner-Occupied and Rental Units						
38134 Bartlett South	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	1,643	1,806	3,144	6,594		6,594	
Existing Supply	104	3,714	6,929	10,747	63	10,684	
Supply O/(U) Demand	(1,539)	1,908	3,785	4,153		4,090	(1,602)
% Supply O/(U) Demand	-93.7%	105.6%	120.4%	63.0%		62.0%	-97.5%

	Total Owner-Occupied and Rental Units						
38141 S.E. Shelby	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	540	589	1,556	2,686		2,686	
Existing Supply	1	127	5,808	5,936	4	5,932	
Supply O/(U) Demand	(539)	(462)	4,252	3,250		3,246	(540)
% Supply O/(U) Demand	-99.8%	-78.5%	273.3%	121.0%		120.9%	-100.0%

	Total Owner-Occupied and Rental Units						
Total Memphis Zip Codes	< L30	L30 to L50	L50 to L80	Total	Problem	Net	
Current Demand	54,456	35,602	48,197	138,255		138,255	
Existing Supply	53,792	120,469	84,757	259,018	25,009	234,009	
Supply O/(U) Demand	(664)	84,867	36,560	120,763		95,754	(25,673)
% Supply O/(U) Demand	-1.2%	238.4%	75.9%	87.3%		69.3%	-47.1%

(1) Indicates amount or percentage that the supply of housing exceeds demand. ( ) indicates supply is less than demand.

(2) Problem refers to the number of housing units classified as in poor, very poor or uninhabitable condition according to the Shelby County Tax Assessor database.

(3) Problem units were deducted from the <L30 unit supply to illustrate the possible impact if it is assumed that all such units fall into the <L30 rent or price ranges. However, there is no available data to suggest that all units in poor condition are in these price ranges.

Public Contributions to Affordable Housing

Over the past decade there have been three major public entities involved in the provision of affordable housing in Memphis.

The Memphis Division of Housing and Community Development has been responsible for the use of entitlement grant funds under the CDBG and HOME programs of the federal government.

The Memphis Housing Authority managed public housing units and the Section 8 certificate and voucher program.

The Tennessee Housing Development Agency provided Low Income Housing Tax Credits (LIHTC) and issued tax-free bonds to support development of low and moderate income housing.

All three entities provided various levels of financial support to individual households and to private and non-profit producers of affordable housing in Memphis. At times these public agencies provided assistance for the same housing units through a combination of financing. For example, Section 8 certificates/vouchers would be used by a household to rent an apartment produced with aid from THDA and HCD.

With few exceptions the public assistance has been targeted to the oldest part of Memphis, primarily north and south Memphis, the Depot area, and the midtown/downtown areas. These are areas inside the I-240 beltway, which is generally considered as the "inner city". In addition several projects were assisted in the Frayser and Whitehaven areas, which are older suburbs dating to the 1940s and 1950s. One special area, Boxtown, in southwest Memphis, was also targeted for assistance.

Most of the areas receiving assistance in the 1990s are located in or near neighborhoods that had been targeted for community development initiatives in the two previous decades, 1970-1990.

Housing and Community Development. This City of Memphis Division has been the main entity for assisting with the production of affordable housing since passage of the Housing and Community Development Act of 1974. During the first 15 years of its existence (1975-1990), the Memphis HCD allocated block grant funds to targeted neighborhoods called "Neighborhood Strategy Areas" (NSAs). By the late 1980s a total of 24 NSAs had received public works funding for neighborhood improvements; and through private lenders, homeowners were provided with low-interest mortgages to pay for housing rehabilitation.

By the early 1990s, the NSA approach was being phased out and replaced with a scattered approach. Eligible households anywhere in the city became eligible for home rehabilitation or repair assistance; and in 1993-94 a down payment assistance program was initiated for low and moderate income households that allowed housing choice throughout the City.

During the later part of the 1990s the main emphasis of HCD has been in providing down payment assistance to homebuyers whose income were below 80% of the median for the area. Additional assistance was given to homeowners to rehabilitate houses with low interest loans through the HARP initiative. Special emphasis was also placed on providing home repair assistance to the elderly and disabled households and relocation assistance or replacement housing when a housing unit needed to be demolished.

Finally, HCD assisted both rental and homeowner producers of affordable housing. Assistance was provided to producers of multi-family rental apartments such as Millcreek Apartments in Whitehaven and the Exchange Building and Gayoso House in downtown Memphis.

Houses for owner occupancy included the Nehemiah development in southwest Memphis and houses produced by a variety of CHDOs including Orange Mound, Cooper-Young, and Neighborhood Housing Opportunities Community Development Corporations. Assistance involved property acquisition, infrastructure improvements and direct housing subsidy.

The housing record for HCD during the decade between 1990 and 2000 is depicted by Table 16 which follows. As shown the City's largest contribution to affordable housing was in the down payment assistance program, which enabled 7,679 households to purchase housing between 1994 and 2000.

In addition, the City's other ownership programs helped create affordable housing for 2,514 households (1,352 under the HARP program and 1,162 from CHDO assistance).

Assistance from the City of Memphis also helped enable the production of 1,610 multi-family rental units during the decade of the 1990s.

A major program to provide home repairs for the elderly and disabled resulted in assistance to 3,179 households with another 782 households receiving relocation assistance when sub-standard units were demolished.

Memphis Housing Authority. Between 1938 and 1974 the Memphis Housing Authority built 7,090 public housing units spread over 22 multi-family complexes. The largest complex was Foote Homes with 900 units built in 1940. Between 1938 and 1941 MHA built five complexes with a total of 3,311 units. The average complex size was 662 units.

During the 1950s, MHA constructed four additional complexes with 1,701 units. The average size of each complex was 425 units with the largest being Clayborn Homes with 651 units.

Table 16
Public Contributions to Affordable Housing
Units/Households Assisted 1990 - 2000
City of Memphis Division of Housing and Community Development

	1990	1991	1992	1993	1994	1995	1996	1997
Down Payment Assistance	--	--	--	--	121	1,273	927	1,724
SF Rehab (HARP)	--	--	191	182	155	299	157	164
Home Repairs (1)	--	--	--	2	382	447	*55	751
Relocation (2)	28	97	173	91	68	120	(*)	*27
MF Rental Units (3)	181	85	216	128	15	7	200	200
Homeowner Units (3)	--	100	350	84	41	45	63	57
Repairs to Code	215	230	13	--	--	--	--	--

Source: Performance Reports to HUD, 1990 - 2000
(1) Includes minor home repair, volunteer home repair, emergency home repair for elderly/disabled. (*) Data Missin
(2) Replacement Housing or Relocation Assistance.
(3) Variety of Assistance to non -profit & profit producers by year involveme nt ended.

Finally, after a decade of no construction and over a four year period, 1970-1974, MHA built 13 multi-family complexes containing 2,078 units. The average size of the complexes was 160. The two largest were Graves Manor and Walter Simmons Estates with 300 units each. The smallest was Texas Court Apartments with 39 units.

Currently a multi-year construction program is underway which will demolish many of the oldest units and replace a portion with new less dense housing complexes. From a total of 7,090 units the public housing inventory will be reduced to 4,598 units, a loss of 2,492 units. (see Table 17)

Table 17
Public Housing in Memphis

Year Built	Original Number	Planned Action	New Number	Loss
1938-1941	3,311	Demolition/New Construction[1]	1,720	1,591
1950-1960	1,701	Demolition/New Construction	1,100	601
1970-1974	2,078	Renovation[2]	1,778	300
Total	7,090		4,598	2,492

Source: Memphis Housing Authority

In FY 2000 the Memphis Housing Authority had a waiting list of 917 households with 88% (815) having incomes below 30% of the median family income. Throughout the decade of the 1990s the average annual households on the waiting list was over 1,000.

The Memphis Housing Authority also manages the Section 8 rental subsidy program. The number of rental certificates and vouchers available and utilized in the past decade are depicted in Table 18.

[1] Lauderdale Courts will be renovated but reduced from 442 units to 200 units.

[2] The 100 unit Getwell Gardens is currently vacant and for sale. Graves Manor and Walter Simmons Estates will be demolished and replacement units will reduce total by 200.

Table 18
Section 8 Program Trends: Memphis, TN

	1991	1992	1993	1994	1995	1996	1997	1998
Rental Certificates								
Rental Certificates Units Authorized	1,731			1,761	2,335	2,335	2,352	2,436
Rental Certificates Outstanding	1,706	--	--	1,787	2,350	2,271	2,186	2,103
Units Under Lease to Certification Holders	1,600			1,717	2,151	2,207	2,099	1,981
Rental Vouchers	--							
Voucher Units Authorized	652			652	702	702	952	975
Voucher Outstanding	608	--		680	710	649	1,006	991
Under Lease to Voucher Holders	579			643	655	624	802	965
Hale vs. HUD Special Mobility Program								
Total Allocation	540							
Outstanding	335							
Under Lease	318							
Moderate Rehab Program								
Total Allocation	267							
Under Agreement	267		--	--	--	--	--	--
Total Under HAP	251							

Source: Memphis Housing Authority

In FY 2000 there was a waiting list for Section 8 vouchers/certificates of 1,161 households with 92% (1,063) having incomes below 30% of the median family income for the area.

By November 2001 the Memphis Housing Authority will have converted all Section 8 certificates to vouchers and at present a total of 4,557 vouchers are authorized for the year, the same level for certificates and vouchers combined in 1999.

In October 1999, MHA started rebuilding the waiting list by receiving 21,000 applications. By 2001 a waiting list of about 6,000 households had been processed.

At present Memphis is unable to utilize all of the vouchers authorized due to the difficulty in finding units in a suitable state of repair. The planned reduction in public housing units will further heighten the pressure on the private rental market.

Tennessee Housing Development Agency. The THDA provided assistance to Memphis households during the 1990s primarily under four programs:

1. Low Income Housing Tax Credits – Allocated to developers of multi-family rental housing from a competitive pool of credits provided by the federal government.

2. Tax Exempt Bonds – Allocated to finance new construction or rehabilitation of affordable rental housing units.

3. HOUSE Grants – Provided grants to local jurisdictions or non-profit developers in support of single family home ownership.

3. Low Interest Mortgages – Variety of approaches have been used to provide below market interest mortgages for first time homebuyers (waived in difficult development census tracts.

As shown in Table 19, THDA assisted 3,490 households in multi-family rental units (3,145_ LIHTC and 345_ Tax Exempt Bonds) and assisted 9,633 homeowners (2,035_ HOUSE and 7,598_ Low Interest Mortgage).

The HOUSE program was phased out by the Tennessee General Assembly beginning in 2000, thus ending an important support for affordable housing in Memphis.

Table 19
Housing Units Assisted in Memphis
Tennessee Housing Development Agency (THDA)

	1990	1991	1992	1993	1994	1995	1996	199
Low Income Housing Tax Credits	32	29	32	1,047	308	0	646	12
Tax Exempt Bonds	--							
HOUSE Grants	204	243	156	386	172	234	261	18
THDA Mortgage Program (Shelby County)	890	567	316	327	1,010	1,268	923	53
HO/GR	842	555	295	308	806	862	663	40
START	--	--	--	6	204	406	260	13
Ric Program	1	8	--	--	--	--	--	--
Lift	2	--	19	7	--	--	--	--
Rev Loan	--	2	2	2	--	--	--	--
GS	--	--	--	--	--	--	--	--
Other	45	2	--	4	--	--	--	--
Project Based Section 8				--	--	--	--	12

Source: Tennessee Housing Development Agency
[(*) Program Eliminated by State Legislature]

V
BARRIERS TO AFFORDABLE HOUSING

The barriers that keep households from living affordable housing[1] can be viewed as a consumer (demand) issue or as a producer (supply) issue.

The most obvious and basic barrier is lack of adequate household income. In Memphis approximately 22.4% of the households have incomes below the poverty level, and 31.7% of households have incomes below 50% of the median family income. Most of these households simply do not have the ability to compete for market rate housing, and some form of public subsidy is necessary to provide affordable housing.

According to the National Low Income Housing Coalition (www.nlihc.org) the fair market rent for a three bedroom apartment in Memphis (year 2000) is $753 per month. In order to afford the three bedroom apartment, a household would need to be at 53% of the median family income. This would require that the household earn $14.48 per hour for a 40 hour work week. If a household has two workers making minimum wage, each would have to work 56 hours per week to afford a market rate apartment.

While there is a large supply of **inexpensive** housing in Memphis, its location, size and/or condition does not provide an attractive alternative for many low and moderate income households.

Memphis' barriers to affordable housing presented herein are based on conversations with housing experts in the Memphis area. In addition to interviews with these key informants, a Housing Panel (committee), established for the purposes of this study, was convened to brainstorm housing issues. The results of the interviews and the Housing Panel meeting are discussed below in two sections– consumer issues and producer issues.

Consumer Issues.

Beyond the basic issue of low income, there is general consensus that many households in Memphis have credit problems and lack the basic skills to manage their finances.

According to the Federal Financial Institutions Examination Council (FFIEC), approximately 30% of both white and black applicants for home mortgages were denied in the below 50% median family income class. (Tables 4-1 and 4-2, 5-1 and 5-2. Home Mortgage Disclosure Act Statement for 1999)

The main reason for denial was overwhelmingly due to credit history for both white and black households (62% and 57% respectively). Another 20-23% of the denials was due to debt-to-income ratio with an almost 25% denial rate due to debt for households below 50% of the median family income. (Table 8-1 and 8-2. Home Loan Mortgage Disclosure Act Statement for 1999).

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[1] Affordable housing means housing (rental or owned) that is of adequate size and soundness to provide comfort and security at a price no higher than 30% of a household's income.

Although some experts advocate less stringent loan requirements, most agree that public policy to protect lenders must continue as a safeguard for economy.

A stronger education program is needed to help low and moderate income consumers understand basic personal finance, responsibilities of owning a home and strategies for correcting current credit problems. Many of the experts interviewed believe that a program of pre- and post-home purchase classes should be required for clients of all subsidized producers of housing. Such a program would also apply to renters where credit problems prevent acceptance by a landlord. Beyond financial counseling, a job readiness and work force development programs are necessary to insure continued employability for household members so that the long term prospects for increased income are maintained.

Producer Issues.

Producers of housing find an assortment of obstacles to providing affordable housing for low and moderate income households.

Growth Policies and Land Use Controls. The housing experts in Memphis all agree that local land development regulations are generally not barriers to affordable housing. The building code, zoning ordinance, and subdivision regulations are generally not viewed as barriers to affordable housing, but like lending standards are necessary to safeguard the public's interest.

One particular problem encountered by producers, however, does involve the zoning ordinance. There are many lots throughout the city which contain less that 6,000 square feet, the minimum allowed by the zoning ordinance. These lots are often vacant or contain sub-standard houses, which are natural targets for in-fill of affordable housing. Housing producers cannot obtain building permits for these parcels and are required to resubdivide and create larger lots or to present a "Planned Development (PD)" amendment to the zoning ordinance. This process adds significant delay and direct expenses to the production of affordable houses.

Growth policies for the expansion of the urbanized area around Memphis are very liberal. Although Memphis is included as part of a new State-mandated Growth Plan for Shelby County, the urban growth boundaries for Memphis and other municipalities will provide for projected populations over the next 20 years without placing new demands on Memphis current housing stock or vacant land. In fact this lack of demand is associated with sprawl issues and does not result in negative effects on affordable housing per se. However, the lack of demand for housing in Memphis produces another barrier to affordable housing – loss of neighborhood vitality.

Neighborhood vitality is a problem for many inner city areas of Memphis. Housing producers spoke of the inability to obtain appraisals for their rehabilitated or new housing that match the costs to build. This produces a huge gap between loan amounts and the costs sunk into a house and strains public subsidy dollars, which are necessary to close the gap. This problem is further exacerbated by public policy which limits the selling price and further weakens the market conditions in older neighborhoods.

Environmental Issues. Neighborhood vitality is further eroded by the presence of crime, lead paint and asbestos hazards, and general appearance of houses and lots.

The requirements for lead paint abatement can add $15,000 - $20,000 to the cost of rehabilitating a house. Many experts feel that full abatement is often not necessary.

Crime or the perception of crime keeps many neighborhoods from achieving a desirable level of acceptance of improved housing from both existing residents and potential residents.

The inability of owner occupants or absentee landlords to maintain housing units and property at an acceptable level of repair and appearance negates the efforts of producers to rehabilitate or build new housing at isolated infill locations. The overall blighted appearance of blocks, block groups and whole neighborhoods is a major barrier to housing production in Memphis.

The policy of the Memphis Housing Code Enforcement Department to be "complaint driven" results in scattered targeting of problem properties and does not provide for an effective concentration of enforcement resources.

Rental Issues. Housing experts in Memphis all agreed that more emphasis should be placed on the production of rental housing in the form of multi-family apartments or small elderly cottages as part of a strategy to produce single family owner occupied houses.

The local housing authority's policy to reduce the number of public housing units over the next several years (from 7,000 to 4,600 units) will place pressure on the Section 8 voucher program. Theoretically, with an increase in vouchers allocated by the federal government, the private rental market will respond to the current and increased demand. However, the private landlords in Memphis have not provided an adequate supply of qualified rental units. Many are unable to produce an acceptable unit because of high cost of repairs, high tax assessments or fear of tenants selection, eviction, and turnover.

Rental housing that contains two or more units is classified as commercial for tax assessment purposes. This means that the assessed value is set at 40% of the appraised value compared to 25% for single family or owner occupied multi-family units. With a tax rate in Memphis of $6.91 per $100 assessed value (3.37 city + 3.54 county) a rental unit appraised at $50,000 pays $1,382 in taxes per year compared to $864 in taxes for a like appraised single family house. If the rental unit is in an unincorporated area of Shelby County the tax is $708.

The absence of some form of tax relief presents a barrier to affordable rental housing although such relief would need to be coupled with other government subsides such as low income housing tax credits. One possibility would be the creation of property tax freezes in select areas of the city.

Information and Planning. Perhaps the largest barrier to affordable housing in Memphis is the lack of comprehensive, coordinated and continuous data collection, analysis and planning for maximizing the effectiveness of various programs and approaches to neighborhood revitalization.

Various agencies of government do not effectively coordinate and strategically attack neighborhood problems. The city/state governments and non-profit providers of social services and housing do not have a clear set of roles vis specific neighborhoods.

The level of planning is too superficial to provide programming guidance; and programming is difficult to evaluate because of lack of data about the level of need or the existence of measurable outcomes in different areas of the city.

In summary, housing providers have difficulty rehabilitating or building new housing because available parcels are isolated and surrounded by poor housing and environmental conditions. There is the lack of a critical mass of parcels for which both city programs and non-profit housing producers can combine to transform blocks. This is the result of lack of data about conditions; lack of strategic plans to revitalize neighborhoods; and lack of organization to join fragmented resources in a coordinated approach.

VI
PRIORITY HOUSING NEEDS

Previous sections of this report described the housing problems facing Memphis, Tennessee. Several key findings were evident as follows:

- There is a clear concentration of poor households and sub-standard housing in Memphis primarily inside the I-240 beltway (zip codes 38128, 38108, 38107, 38112, 38105, 38103, 38104, 38126, 38111, 38114, 38106, 38115, 38116, 38109).

- Although large numbers of cost burdened households are found in new areas of Memphis, the majority of immobile, low-income cost burdened households are found within the inner city zip codes noted above.

- Given the high level of demand and the loss of rental housing units for very low income households, a critical shortage of such units is likely in the near future.

- Neighborhood vitality is a major barrier to affordable housing; and the lack of concentrated efforts to achieve a critical mass of homeowner and rental units, prevents satisfactory progress toward housing goals.

The lack of recent data from the 2000 Census and the inadequacy of local government data bases prevent a precise accounting of housing need for different household situations. However, the public response to housing needs over the past decade suggests some progress toward the resolution of problems. Between 1990 and 2000 public agencies assisted in the production of 16,358 affordable housing units (6,165 rental 10,193 owner). During the same period 869 publicly assisted rental units were removed from the housing supply, leaving a 15,489 net increase of assisted units.

Unmet housing need can be viewed two ways. One view, as reflected by the supply/demand analysis (Table 15) suggests that the only gap between demand and supply is for the households making less than 30% of the median family income. However, the problem from this analysis is the distribution of available housing units. There are gaps within some zip codes and an oversupply in other zip codes. The key fact is the large number of housing of poor quality – 25,000+.

The second view holds that those households with a housing problem can be reduced by the number of units produced for rental and ownership by public agency subsidy during the past decade. This reduction assumes that ownership subsidy programs helped both renters and owners in need and that rental subsidy programs helped renters in need.

The highest priority at present should be resources for rental subsidy for very low income households; and these should be blended with new and rehabilitated owner units as part of neighborhood level revitalization strategies.

Although every household class should receive priority consideration, those households above 50% of the median family income are likely to have less difficulty in securing decent housing in Memphis. The very low and low-income renters, both elderly and non-elderly, should receive the highest priority. In addition elderly homeowners, whose incomes are low and fixed should be a high priority class with either repairs to their homes or rental units provided as part of concentrated neighborhood revitalization efforts.

APPENDIX

CHAS Table 1C
2002 Projections

Household by Type, Income, & Housing Problem 2002	City of Memphis Owner & Renter Households					Shelby County Owner & Renter Households					
	AHH	BHH	HHH	WHH		AHH	BHH	HHH	WHH		AH
	(I)	(I)	(I)	(I)		(I)	(I)	(I)	(I)		(
1. Very Low Income (0 to 50% MFI)	71,073	46,137	339	22,329		87,398	52,638	486	30,790		8
2. **0 to 30% MFI**	42,976	29,331	163	11,407		52,150	33,040	246	15,634		8
3. % with any housing problems	73%	75%	33%	70%		74%	75%	80%	71%		
3a. Absolute #	31,508	21,903	53	8,008		38,500	24,679	198	11,082		
4. % Cost Burden > 30%	70%	N/A	N/A	N/A		71%	N/A	N/A	N/A		
4a. Absolute #	30,170	N/A	N/A	N/A		36,839	N/A	N/A	N/A		
5. % Cost Burden > 50%	52%	N/A	N/A	N/A		52%	N/A	N/A	N/A		
5a. Absolute #	22,319	N/A	N/A	N/A		27,358	N/A	N/A	N/A		
6. **31 to 50% MFI**	28,097	16,806	176	10,922		35,248	19,598	240	15,156		7
7. % with any housing problems	64%	65%	70%	63%		65%	64%	73%	65%		
7a. Absolute #	17,978	10,894	124	6,922		22,745	12,611	176	9,856		
8. % Cost Burden > 30%	59%	N/A	N/A	N/A		60%	N/A	N/A	N/A		
8a. Absolute #	16,602	N/A	N/A	N/A		21,133	N/A	N/A	N/A		
9. % Cost Burden > 50%	20%	N/A	N/A	N/A		22%	N/A	N/A	N/A		
9a. Absolute #	5,747	N/A	N/A	N/A		7,824	N/A	N/A	N/A		
10. **Other Low-Income (51 to 80% MFI)**	38,037	20,069	208	18,133		50,280	23,799	349	27,098		7
11. % with any housing problems	40%	41%	54%	42%		43%	41%	60%	46%		
11a. Absolute #	15,310	8,140	112	7,544		21,510	9,715	211	12,446		
12. % Cost Burden > 30%	34%	N/A	N/A	N/A		37%	N/A	N/A	N/A		
12a. Absolute #	12,952	N/A	N/A	N/A		18,392	N/A	N/A	N/A		
13. % Cost Burden > 50%	5%	N/A	N/A	N/A		6%	N/A	N/A	N/A		
13a. Absolute #	1,781	N/A	N/A	N/A		3,065	N/A	N/A	N/A		
14. **Moderate Income (81 to 95% MFI)**	17,854	8,489	52	9,681		25,216	10,366	84	15,479		7
15. % with any housing problems	22%	24%	38%	20%		25%	26%	40%	26%		
15a. Absolute #	3,926	2,051	20	1,979		6,356	2,659	33	3,976		
16. % Cost Burden > 30%	17%	N/A	N/A	N/A		21%	N/A	N/A	N/A		
16a. Absolute #	3,013	N/A	N/A	N/A		5,326	N/A	N/A	N/A		
17. % Cost Burden > 50%	1%	N/A	N/A	N/A		2%	N/A	N/A	N/A		
17a. Absolute #	233	N/A	N/A	N/A		540	N/A	N/A	N/A		
18. Total Households**	223,912	106,660	1,099	114,344		335,997	129,884	1,925	201,038		6
19. % with any housing problems	36%	45%	47%	27%		34%	45%	46%	28%		
19a. Absolute #	80,794	48,388	512	31,175		115,500	58,015	881	55,623		

Source: U.S. Department of Housing and Urban Development

CHAS Table 1C
2002 Projections

Household by Type, Income, & Housing Problem 2002	City of Memphis Total Owner Households				Shelby County Total Owner Households			
	AHH (H)	BHH (H)	HHH (H)	WHH (H)	AHH (H)	BHH (H)	HHH (H)	WHH (H)
1. Very Low Income (0 to 50% MFI)	23,711	16,932	166	8,010	30,906	21,820	224	11,507
2. **0 to 30% MFI**	11,653	8,907	75	3,518	15,362	11,579	108	5,214
3. % with any housing problems	71%	73%	71%	67%	71%	73%	77%	68%
3a. Absolute #	8,246	6,509	53	2,360	10,965	8,464	83	3,555
4. % Cost Burden > 30%	70%	N/A	N/A	N/A	70%	N/A	N/A	N/A
4a. Absolute #	8,143	N/A	N/A	N/A	10,824	N/A	N/A	N/A
5. % Cost Burden > 50%	45%	N/A	N/A	N/A	47%	N/A	N/A	N/A
5a. Absolute #	5,299	N/A	N/A	N/A	7,272	N/A	N/A	N/A
6. **31 to 50% MFI**	12,058	8,025	91	4,492	15,544	10,241	116	6,293
7. % with any housing problems	51%	58%	58%	41%	52%	59%	63%	44%
7a. Absolute #	6,109	4,680	53	1,837	8,144	6,075	73	2,748
8. % Cost Burden > 30%	48%	N/A	N/A	N/A	49%	N/A	N/A	N/A
8a. Absolute #	5,743	N/A	N/A	N/A	7,666	N/A	N/A	N/A
9. % Cost Burden > 50%	20%	N/A	N/A	N/A	22%	N/A	N/A	N/A
9a. Absolute #	2,420	N/A	N/A	N/A	3,374	N/A	N/A	N/A
10. **Other Low-Income (51 to 80% MFI)**	17,785	10,711	86	7,478	23,868	13,825	150	11,053
11. % with any housing problems	35%	41%	36%	29%	37%	41%	50%	34%
11a. Absolute #	6,211	4,342	31	2,172	8,892	5,690	74	3,716
12. % Cost Burden > 30%	31%	N/A	N/A	N/A	33%	N/A	N/A	N/A
12a. Absolute #	5,462	N/A	N/A	N/A	7,885	N/A	N/A	N/A
13. % Cost Burden > 50%	7%	N/A	N/A	N/A	9%	N/A	N/A	N/A
13a. Absolute #	1,283	N/A	N/A	N/A	2,116	N/A	N/A	N/A
14. **Moderate Income (81 to 95% MFI)**	9,126	4,998	20	4,197	13,274	6,543	42	6,983
15. % with any housing problems	27%	30%	100%	23%	31%	32%	79%	30%
15a. Absolute #	2,445	1,520	20	965	4,063	2,062	33	2,090
16. % Cost Burden > 30%	22%	N/A	N/A	N/A	27%	N/A	N/A	N/A
16a. Absolute #	1,976	N/A	N/A	N/A	3,569	N/A	N/A	N/A
17. % Cost Burden > 50%	2%	N/A	N/A	N/A	3%	N/A	N/A	N/A
17a. Absolute #	225	N/A	N/A	N/A	463	N/A	N/A	N/A
18. Total Households**	120,196	57,255	590	61,380	198,776	76,839	1,139	118,934
19. % with any housing problems	28%	38%	47%	22%	28%	39%	46%	24%
19a. Absolute #	33,621	21,857	276	13,378	56,290	29,924	522	28,625

Source: U.S. Department of Housing and Urban Development

CHAS Table 1C
2002 Projections

Household by Type, Income, & Housing Problem 2002	City of Memphis Elderly Owner Households				Shelby County Elderly Owner Households			
	AHH (F)	BHH (F)	HHH (F)	WHH (F)	AHH (F)	BHH (F)	HHH (F)	WHH (F)
1. Very Low Income (0 to 50% MFI)	12,495	7,126	76	5,547	15,901	9,158	95	7,450
2. **0 to 30% MFI**	6,528	4,340	39	2,445	8,319	5,603	53	3,316
3. % with any housing problems	69%	70%	67%	68%	70%	70%	72%	70%
3a. Absolute #	4,504	3,038	26	1,663	5,823	3,922	38	2,321
4. % Cost Burden > 30%	69%	N/A	N/A	N/A	70%	N/A	N/A	N/A
4a. Absolute #	4,504	N/A	N/A	N/A	5,823	N/A	N/A	N/A
5. % Cost Burden > 50%	38%	N/A	N/A	N/A	40%	N/A	N/A	N/A
5a. Absolute #	2,481	N/A	N/A	N/A	3,328	N/A	N/A	N/A
6. **31 to 50% MFI**	5,967	2,786	37	3,102	7,582	3,555	42	4,134
7. % with any housing problems	35%	42%	32%	31%	36%	43%	32%	32%
7a. Absolute #	2,088	1,170	12	962	2,730	1,529	13	1,323
8. % Cost Burden > 30%	35%	N/A	N/A	N/A	36%	N/A	N/A	N/A
8a. Absolute #	2,088	N/A	N/A	N/A	2,730	N/A	N/A	N/A
9. % Cost Burden > 50%	13%	N/A	N/A	N/A	13%	N/A	N/A	N/A
9a. Absolute #	776	N/A	N/A	N/A	986	N/A	N/A	N/A
10. **Other Low-Income (51 to 80% MFI)**	6,354	1,838	8	4,145	8,495	2,391	24	5,777
11. % with any housing problems	15%	19%	0%	13%	16%	18%	0%	15%
11a. Absolute #	953	349	0	539	1,359	430	0	867
12. % Cost Burden > 30%	14%	N/A	N/A	N/A	15%	N/A	N/A	N/A
12a. Absolute #	890	N/A	N/A	N/A	1,274	N/A	N/A	N/A
13. % Cost Burden > 50%	4%	N/A	N/A	N/A	5%	N/A	N/A	N/A
13a. Absolute #	254	N/A	N/A	N/A	425	N/A	N/A	N/A
14. **Moderate Income (81 to 95% MFI)**	2,438	540	0	1,712	3,382	708	0	2,479
15. % with any housing problems	7%	9%	N/A	7%	9%	11%	N/A	8%
15a. Absolute #	171	49	N/A	120	304	78	N/A	198
16. % Cost Burden > 30%	7%	N/A	N/A	N/A	9%	N/A	N/A	N/A
16a. Absolute #	171	N/A	N/A	N/A	304	N/A	N/A	N/A
17. % Cost Burden > 50%	1%	N/A	N/A	N/A	2%	N/A	N/A	N/A
17a. Absolute #	24	N/A	N/A	N/A	68	N/A	N/A	N/A
18. Total Households**	34,823	11,213	108	21,854	47,761	14,498	162	31,700
19. % with any housing problems	23%	43%	37%	16%	23%	43%	33%	16%
19a. Absolute #	8,009	4,822	40	3,497	10,985	6,234	53	5,072

Source: U.S. Department of Housing and Urban Development

CHAS Table 1C
2002 Projections

Household by Type, Income, & Housing Problem 2002	City of Memphis All Other Owner Households				Shelby County All Other Owner Households				
	AHH	BHH	HHH	WHH	AHH	BHH	HHH	WHH	AH
	(G)	(G)	(G)	(G)	(G)	(G)	(G)	(G)	(G
1. Very Low Income (0 to 50% MFI)	11,216	9,806	90	2,463	15,005	12,662	129	4,057	7
2. **0 to 30% MFI**	5,125	4,567	36	1,073	7,043	5,976	55	1,898	7
3. % with any housing problems	73%	76%	75%	65%	73%	76%	82%	65%	
3a. Absolute #	3,741	3,471	27	697	5,141	4,542	45	1,234	
4. % Cost Burden > 30%	71%	N/A	N/A	N/A	71%	N/A	N/A	N/A	
4a. Absolute #	3,639	N/A	N/A	N/A	5,001	N/A	N/A	N/A	
5. % Cost Burden > 50%	55%	N/A	N/A	N/A	56%	N/A	N/A	N/A	
5a. Absolute #	2,819	N/A	N/A	N/A	3,944	N/A	N/A	N/A	
6. **31 to 50% MFI**	6,091	5,239	54	1,390	7,962	6,686	74	2,159	7
7. % with any housing problems	66%	67%	76%	63%	68%	68%	81%	66%	
7a. Absolute #	4,020	3,510	41	876	5,414	4,546	60	1,425	
8. % Cost Burden > 30%	60%	N/A	N/A	N/A	62%	N/A	N/A	N/A	
8a. Absolute #	3,655	N/A	N/A	N/A	4,936	N/A	N/A	N/A	
9. % Cost Burden > 50%	27%	N/A	N/A	N/A	30%	N/A	N/A	N/A	
9a. Absolute #	1,645	N/A	N/A	N/A	2,389	N/A	N/A	N/A	
10. **Other Low-Income (51 to 80% MFI)**	11,431	8,873	78	3,333	15,373	11,434	126	5,276	7
11. % with any housing problems	46%	45%	40%	49%	49%	46%	59%	54%	
11a. Absolute #	5,258	3,993	31	1,633	7,533	5,260	74	2,849	
12. % Cost Burden > 30%	40%	N/A	N/A	N/A	43%	N/A	N/A	N/A	
12a. Absolute #	4,572	N/A	N/A	N/A	6,610	N/A	N/A	N/A	
13. % Cost Burden > 50%	9%	N/A	N/A	N/A	11%	N/A	N/A	N/A	
13a. Absolute #	1,029	N/A	N/A	N/A	1,691	N/A	N/A	N/A	
14. **Moderate Income (81 to 95% MFI)**	6,688	4,458	20	2,485	9,892	5,835	42	4,504	6
15. % with any housing problems	34%	33%	100%	34%	38%	34%	79%	42%	
15a. Absolute #	2,274	1,471	20	845	3,759	1,984	33	1,892	
16. % Cost Burden > 30%	27%	N/A	N/A	N/A	33%	N/A	N/A	N/A	
16a. Absolute #	1,806	N/A	N/A	N/A	3,264	N/A	N/A	N/A	
17. % Cost Burden > 50%	3%	N/A	N/A	N/A	4%	N/A	N/A	N/A	
17a. Absolute #	201	N/A	N/A	N/A	396	N/A	N/A	N/A	
18. Total Households**	85,373	46,042	482	39,526	151,015	62,341	977	87,234	5
19. % with any housing problems	30%	37%	49%	25%	30%	38%	48%	27%	
19a. Absolute #	25,612	17,036	236	9,882	45,305	23,690	469	23,553	

Source: U.S. Department of Housing and Urban Development

CHAS Table 1C
2002 Projections

Household by Type, Income, & Housing Problem 2002	City of Memphis Total Renters				Shelby County Total Renters				
	AHH	BHH	HHH	WHH	AHH	BHH	HHH	WHH	AH
	(E)	(E)	(E)	(E)	(E)	(E)	(E)	(E)	(E
1. Very Low Income									
(0 to 50% MFI)	0	0	0	0	0	0	0	0	#DIV
2. **0 to 30% MFI**	31,323	20,424	88	7,889	36,788	21,461	138	10,420	8
3. % with any housing problems	74%	75%	N/A	72%	75%	76%	83%	72%	
3a. Absolute #	23,262	15,394	N/A	5,648	27,536	16,215	114	7,527	
4. % Cost Burden > 30%	70%	N/A	N/A	N/A	71%	N/A	N/A	N/A	
4a. Absolute #	22,027	N/A	N/A	N/A	26,015	N/A	N/A	N/A	
5. % Cost Burden > 50%	54%	N/A	N/A	N/A	55%	N/A	N/A	N/A	
5a. Absolute #	17,020	N/A	N/A	N/A	20,087	N/A	N/A	N/A	
6. **31 to 50% MFI**	16,039	8,781	85	6,430	19,704	9,357	124	8,863	8
7. % with any housing problems	74%	71%	84%	79%	74%	70%	83%	80%	
7a. Absolute #	11,870	6,213	71	5,085	14,601	6,536	103	7,108	
8. % Cost Burden > 30%	68%	N/A	N/A	N/A	68%	N/A	N/A	N/A	
8a. Absolute #	10,859	N/A	N/A	N/A	13,467	N/A	N/A	N/A	
9. % Cost Burden > 50%	21%	N/A	N/A	N/A	23%	N/A	N/A	N/A	
9a. Absolute #	3,327	N/A	N/A	N/A	4,450	N/A	N/A	N/A	
10. **Other Low-Income**									
(51 to 80% MFI)	0	0	0	0	0	0	0	0	#DIV
11. % with any housing problems	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
11a. Absolute #	9,098	3,798	81	5,372	12,618	4,025	136	8,730	
12. % Cost Burden > 30%	#DIV/0!	N/A	N/A	N/A	#DIV/0!	N/A	N/A	N/A	
12a. Absolute #	7,490	N/A	N/A	N/A	10,507	N/A	N/A	N/A	
13. % Cost Burden > 50%	#DIV/0!	N/A	N/A	N/A	#DIV/0!	N/A	N/A	N/A	
13a. Absolute #	498	N/A	N/A	N/A	950	N/A	N/A	N/A	
14. **Moderate Income**	0	0	0	0	0	0	0	0	
(81 to 95% MFI)	0	0	0	0	0	0	0	0	#DIV
15. % with any housing problems	#DIV/0!	#DIV/0!	N/A	#DIV/0!	#DIV/0!	#DIV/0!	N/A	#DIV/0!	
15a. Absolute #	1,481	531	N/A	1,015	2,292	598	N/A	1,886	
16. % Cost Burden > 30%	#DIV/0!	N/A	N/A	N/A	#DIV/0!	N/A	N/A	N/A	
16a. Absolute #	1,037	N/A	N/A	N/A	1,757	N/A	N/A	N/A	
17. % Cost Burden > 50%	#DIV/0!	N/A	N/A	N/A	#DIV/0!	N/A	N/A	N/A	
17a. Absolute #	8	N/A	N/A	N/A	76	N/A	N/A	N/A	
18. Total Households**	103,716	49,405	509	52,964	137,221	53,045	786	82,104	7
19. % with any housing problems	45%	54%	46%	34%	43%	53%	46%	33%	
19a. Absolute #	47,172	26,531	236	17,796	59,210	28,092	359	26,998	

Source: U.S. Department of Housing and Urban Development

CHAS Table 1C
2002 Projections

Household by Type, Income, & Housing Problem 2002	**City of Memphis** Elderly 1 & 2 member Households				**Shelby County** Elderly 1 & 2 member Households				**M**
	AHH	BHH	HHH	WHH	AHH	BHH	HHH	WHH	AH
	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A
1. Very Low Income (0 to 50% MFI)	11,679	5,671	6	5,999	13,977	6,094	16	7,490	8
2. **0 to 30% MFI**	8,168	4,414	0	3,547	9,669	4,731	9	4,364	8
3. % with any housing problems	64%	66%	N/A	60%	65%	67%	100%	62%	
3a. Absolute #	5,228	2,913	N/A	2,128	6,285	3,170	9	2,706	
4. % Cost Burden > 30%	63%	N/A	N/A	N/A	64%	N/A	N/A	N/A	
4a. Absolute #	5,146	N/A	N/A	N/A	6,188	N/A	N/A	N/A	
5. % Cost Burden > 50%	40%	N/A	N/A	N/A	41%	N/A	N/A	N/A	
5a. Absolute #	3,267	N/A	N/A	N/A	3,964	N/A	N/A	N/A	
6. **31 to 50% MFI**	3,511	1,257	6	2,452	4,308	1,363	7	3,126	8
7. % with any housing problems	65%	56%	0%	71%	66%	56%	0%	73%	
7a. Absolute #	2,282	704	0	1,741	2,843	763	0	2,282	
8. % Cost Burden > 30%	64%	N/A	N/A	N/A	64%	N/A	N/A	N/A	
8a. Absolute #	2,247	N/A	N/A	N/A	2,757	N/A	N/A	N/A	
9. % Cost Burden > 50%	24%	N/A	N/A	N/A	27%	N/A	N/A	N/A	
9a. Absolute #	843	N/A	N/A	N/A	1,163	N/A	N/A	N/A	
10. **Other Low-Income (51 to 80% MFI)**	2,329	650	1	1,924	3,054	683	2	2,704	7
11. % with any housing problems	45%	32%	N/A	52%	52%	32%	N/A	60%	
11a. Absolute #	1,048	208	N/A	1,000	1,588	219	N/A	1,622	
12. % Cost Burden > 30%	45%	N/A	N/A	N/A	52%	N/A	N/A	N/A	
12a. Absolute #	1,048	N/A	N/A	N/A	1,588	N/A	N/A	N/A	
13. % Cost Burden > 50%	6%	N/A	N/A	N/A	12%	N/A	N/A	N/A	
13a. Absolute #	140	N/A	N/A	N/A	366	N/A	N/A	N/A	
14. **Moderate Income (81 to 95% MFI)**	783	177	0	709	1,089	192	7	1,035	7
15. % with any housing problems	22%	6%	N/A	27%	29%	6%	0%	36%	
15a. Absolute #	172	11	N/A	191	316	12	N/A	373	
16. % Cost Burden > 30%	22%	N/A	N/A	N/A	29%	N/A	N/A	N/A	
16a. Absolute #	172	N/A	N/A	N/A	316	N/A	N/A	N/A	
17. % Cost Burden > 50%	1%	N/A	N/A	N/A	7%	N/A	N/A	N/A	
17a. Absolute #	8	N/A	N/A	N/A	76	N/A	N/A	N/A	
18. Total Households**	16,936	6,816	16	10,813	21,399	7,310	36	14,753	7
19. % with any housing problems	53%	57%	0%	49%	54%	58%	30%	51%	
19a. Absolute #	8,976	3,885	0	5,298	11,555	4,240	11	7,524	

Source: U.S. Department of Housing and Urban Development

CHAS Table 1C
2002 Projections

Household by Type, Income, & Housing Problem 2002	City of Memphis Small Related (2 to 4)				Shelby County Small Related (2 to 4)				
	AHH	BHH	HHH	WHH	AHH	BHH	HHH	WHH	AH
	(B)	(B)	(B)	(B)	(B)	(B)	(B)	(B)	(A
1. Very Low Income (0 to 50% MFI)	18,387	13,185	68	2,693	21,861	13,878	130	4,131	8
2. **0 to 30% MFI**	12,223	9,184	30	1,233	14,255	9,606	57	1,901	8
3. % with any housing problems	77%	77%	90%	86%	78%	77%	94%	84%	
3a. Absolute #	9,412	7,072	27	1,060	11,119	7,397	54	1,597	
4. % Cost Burden > 30%	75%	N/A	N/A	N/A	75%	N/A	N/A	N/A	
4a. Absolute #	9,167	N/A	N/A	N/A	10,691	N/A	N/A	N/A	
5. % Cost Burden > 50%	60%	N/A	N/A	N/A	60%	N/A	N/A	N/A	
5a. Absolute #	7,334	N/A	N/A	N/A	8,553	N/A	N/A	N/A	
6. **31 to 50% MFI**	6,164	4,001	38	1,460	7,606	4,272	73	2,230	8
7. % with any housing problems	70%	66%	100%	83%	70%	65%	92%	82%	
7a. Absolute #	4,315	2,641	38	1,212	5,324	2,777	67	1,829	
8. % Cost Burden > 30%	67%	N/A	N/A	N/A	68%	N/A	N/A	N/A	
8a. Absolute #	4,130	N/A	N/A	N/A	5,172	N/A	N/A	N/A	
9. % Cost Burden > 50%	18%	N/A	N/A	N/A	19%	N/A	N/A	N/A	
9a. Absolute #	1,110	N/A	N/A	N/A	1,445	N/A	N/A	N/A	
10. **Other Low-Income (51 to 80% MFI)**	9,090	4,724	48	3,954	11,808	5,058	87	6,130	7
11. % with any housing problems	36%	32%	38%	44%	38%	31%	42%	46%	
11a. Absolute #	3,272	1,512	18	1,740	4,487	1,568	37	2,820	
12. % Cost Burden > 30%	32%	N/A	N/A	N/A	33%	N/A	N/A	N/A	
12a. Absolute #	2,909	N/A	N/A	N/A	3,897	N/A	N/A	N/A	
13. % Cost Burden > 50%	1%	N/A	N/A	N/A	1%	N/A	N/A	N/A	
13a. Absolute #	91	N/A	N/A	N/A	118	N/A	N/A	N/A	
14. **Moderate Income (81 to 95% MFI)**	3,674	1,686	11	1,958	5,086	1,853	12	3,224	7
15. % with any housing problems	10%	7%	0%	14%	13%	7%	0%	20%	
15a. Absolute #	367	118	N/A	274	661	130	N/A	645	
16. % Cost Burden > 30%	8%	N/A	N/A	N/A	11%	N/A	N/A	N/A	
16a. Absolute #	294				559				
17. % Cost Burden > 50%	0%	N/A	N/A	N/A	0%	N/A	N/A	N/A	
17a. Absolute #	0				0				
18. Total Households**	43,632	23,406	194	18,195	58,510	25,145	342	30,636	7
19. % with any housing problems	41%	49%	46%	24%	38%	48%	49%	24%	
19a. Absolute #	17,889	11,469	89	4,367	22,234	12,070	168	7,353	

Source: U.S. Department of Housing and Urban Development

CHAS Table 1C
2002 Projections

Household by Type, Income, & Housing Problem 2002	City of Memphis Large Related (5 or more)				Shelby County Large Related (5 or more)				
	AHH	BHH	HHH	WHH	AHH	BHH	HHH	WHH	AH
	(C)	(C)	(C)	(C)	(C)	(C)	(C)	(C)	(C
1. Very Low Income (0 to 50% MFI)	6,463	5,001	31	425	7,583	5,282	34	740	8
2. **0 to 30% MFI**	4,444	3,530	24	157	5,105	3,708	26	251	8
3. % with any housing problems	86%	86%	100%	81%	86%	86%	100%	87%	
3a. Absolute #	3,822	3,036	24	127	4,390	3,189	26	218	
4. % Cost Burden > 30%	67%	N/A	N/A	N/A	68%	N/A	N/A	N/A	
4a. Absolute #	2,977	N/A	N/A	N/A	3,471	N/A	N/A	N/A	
5. % Cost Burden > 50%	51%	N/A	N/A	N/A	51%	N/A	N/A	N/A	
5a. Absolute #	2,266	N/A	N/A	N/A	2,604	N/A	N/A	N/A	
6. **31 to 50% MFI**	2,019	1,471	7	268	2,478	1,574	8	489	8
7. % with any housing problems	89%	89%	100%	82%	86%	88%	100%	76%	
7a. Absolute #	1,797	1,309	7	220	2,131	1,385	8	372	
8. % Cost Burden > 30%	52%	N/A	N/A	N/A	52%	N/A	N/A	N/A	
8a. Absolute #	1,050	N/A	N/A	N/A	1,289	N/A	N/A	N/A	
9. % Cost Burden > 50%	10%	N/A	N/A	N/A	10%	N/A	N/A	N/A	
9a. Absolute #	202	N/A	N/A	N/A	248	N/A	N/A	N/A	
10. **Other Low-Income (51 to 80% MFI)**	2,141	1,435	14	463	2,811	1,535	16	958	7
11. % with any housing problems	70%	72%	100%	56%	68%	72%	100%	56%	
11a. Absolute #	1,499	1,033	14	259	1,911	1,105	16	536	
12. % Cost Burden > 30%	15%	N/A	N/A	N/A	17%	N/A	N/A	N/A	
12a. Absolute #	321	N/A	N/A	N/A	478	N/A	N/A	N/A	
13. % Cost Burden > 50%	0%	N/A	N/A	N/A	1%	N/A	N/A	N/A	
13a. Absolute #	0	N/A	N/A	N/A	28	N/A	N/A	N/A	
14. **Moderate Income (81 to 95% MFI)**	698	454	0	175	985	494	0	399	7
15. % with any housing problems	53%	55%	N/A	42%	51%	56%	N/A	35%	
15a. Absolute #	370	250	N/A	74	502	277	N/A	140	
16. % Cost Burden > 30%	5%	N/A	N/A	N/A	7%	N/A	N/A	N/A	
16a. Absolute #	35				69				
17. % Cost Burden > 50%	0%	N/A	N/A	N/A	0%	N/A	N/A	N/A	
17a. Absolute #	0				0				
18. Total Households**	10,864	7,710	53	1,737	13,682	8,250	65	3,388	7
19. % with any housing problems	74%	78%	87%	46%	71%	77%	78%	43%	
19a. Absolute #	8,039	6,014	46	799	9,714	6,353	51	1,457	

Source: U.S. Department of Housing and Urban Development

CHAS Table 1C
2002 Projections

Household by Type, Income, & Housing Problem 2002	City of Memphis All Other Households					Shelby County All Other Households					
	AHH	BHH	HHH	WHH		AHH	BHH	HHH	WHH		AH
	(D)	(D)	(D)	(D)		(D)	(D)	(D)	(D)		(D
1. Very Low Income (0 to 50% MFI)	10,833	5,348	68	5,202		13,071	5,564	82	6,922		8
2. **0 to 30% MFI**	6,488	3,296	34	2,952		7,759	3,416	46	3,904		8
3. % with any housing problems	74%	72%	72%	79%		74%	72%	56%	77%		
3a. Absolute #	4,801	2,373	24	2,332		5,742	2,460	26	3,006		
4. % Cost Burden > 30%	73%	N/A	N/A	N/A		73%	N/A	N/A	N/A		
4a. Absolute #	4,736	N/A	N/A	N/A		5,664	N/A	N/A	N/A		
5. % Cost Burden > 50%	64%	N/A	N/A	N/A		64%	N/A	N/A	N/A		
5a. Absolute #	4,152	N/A	N/A	N/A		4,966	N/A	N/A	N/A		
6. **31 to 50% MFI**	4,345	2,052	34	2,250		5,312	2,148	36	3,018		8
7. % with any housing problems	80%	76%	77%	85%		81%	75%	77%	87%		
7a. Absolute #	3,476	1,560	26	1,913		4,303	1,611	28	2,626		
8. % Cost Burden > 30%	79%	N/A	N/A	N/A		80%	N/A	N/A	N/A		
8a. Absolute #	3,433	N/A	N/A	N/A		4,250	N/A	N/A	N/A		
9. % Cost Burden > 50%	27%	N/A	N/A	N/A		30%	N/A	N/A	N/A		
9a. Absolute #	1,173	N/A	N/A	N/A		1,594	N/A	N/A	N/A		
10. **Other Low-Income (51 to 80% MFI)**	6,692	2,549	59	4,314		8,739	2,698	94	6,253		7
11. % with any housing problems	49%	41%	83%	55%		53%	42%	89%	60%		
11a. Absolute #	3,279	1,045	49	2,373		4,632	1,133	84	3,752		
12. % Cost Burden > 30%	48%	N/A	N/A	N/A		52%	N/A	N/A	N/A		
12a. Absolute #	3,212	N/A	N/A	N/A		4,544	N/A	N/A	N/A		
13. % Cost Burden > 50%	4%	N/A	N/A	N/A		5%	N/A	N/A	N/A		
13a. Absolute #	268	N/A	N/A	N/A		437	N/A	N/A	N/A		
14. **Moderate Income (81 to 95% MFI)**	3,573	1,174	21	2,642		4,782	1,284	23	3,838		7
15. % with any housing problems	16%	13%	0%	18%		17%	14%	0%	19%		
15a. Absolute #	572	153	N/A	476		813	180	N/A	729		
16. % Cost Burden > 30%	15%	N/A	N/A	N/A		17%	N/A	N/A	N/A		
16a. Absolute #	536	N/A	N/A	N/A		813	N/A	N/A	N/A		
17. % Cost Burden > 50%	0%	N/A	N/A	N/A		0%	N/A	N/A	N/A		
17a. Absolute #	0	N/A	N/A	N/A		0	N/A	N/A	N/A		
18. Total Households**	32,284	11,473	246	22,219		43,630	12,340	343	33,327		7
19. % with any housing problems	38%	45%	41%	33%		36%	44%	41%	32%		
19a. Absolute #	12,268	5,163	101	7,332		15,707	5,430	141	10,665		

Source: U.S. Department of Housing and Urban Development