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## Housing Availability and Quality in Nebraska

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# HOUSING AVAILABILITY AND QUALITY IN NEBRASKA

Housing availability and quality are critical elements in population attraction and retention for Nebraska as expressed in Nebraska’s 2022 Strategic Housing Framework. According to data from the Current Population Survey for 2022, among all persons across the nation that moved within a county, housing related concerns were the number one reason cited for the move. This is also true for Nebraska – 71% of Nebraskans that moved within a county cited housing related issues as the reason for moving, in particular “wanting new or better housing.” Among those that moved out of a county in Nebraska but within the state, another 19%, reported housing as a concern, behind family reasons (39%) and job reasons (30%). Among those that left Nebraska and moved to another state in 2022, 34% reported housing concerns as the primary reason for their move. Notably, the number that reported housing concerns as the reason for their move out of state increased significantly from 2021 (17.6%), now surpassing job related reasons. These figures are summarized in Table 1.

**Table 1 | The Reasons Nebraskans Cited for Moving in 2021 and 2022**



	FAMILY		JOB		HOUSING		OTHER	
	2021	2022	2021	2022	2021	2022	2021	2022
Moved within county ≈ 88,000	21.8%	15.0%	4.5%	3.0%	70.6%	71.0%	3.1%	10.0%
Moved within state, different county ≈ 52,000	41.7%	39.0%	16.7%	30.0%	29.2%	19.0%	12.4%	12.0%
Moved between states ≈ 32,000	19.6%	18.0%	34.7%	12.0%	17.6%	34.0%	28.1%	36.0%

\*See details on reasons in Reference

Source: Current Population Survey, Bureau of Labor Statistics and U.S. Census Bureau, 2021 and 2022

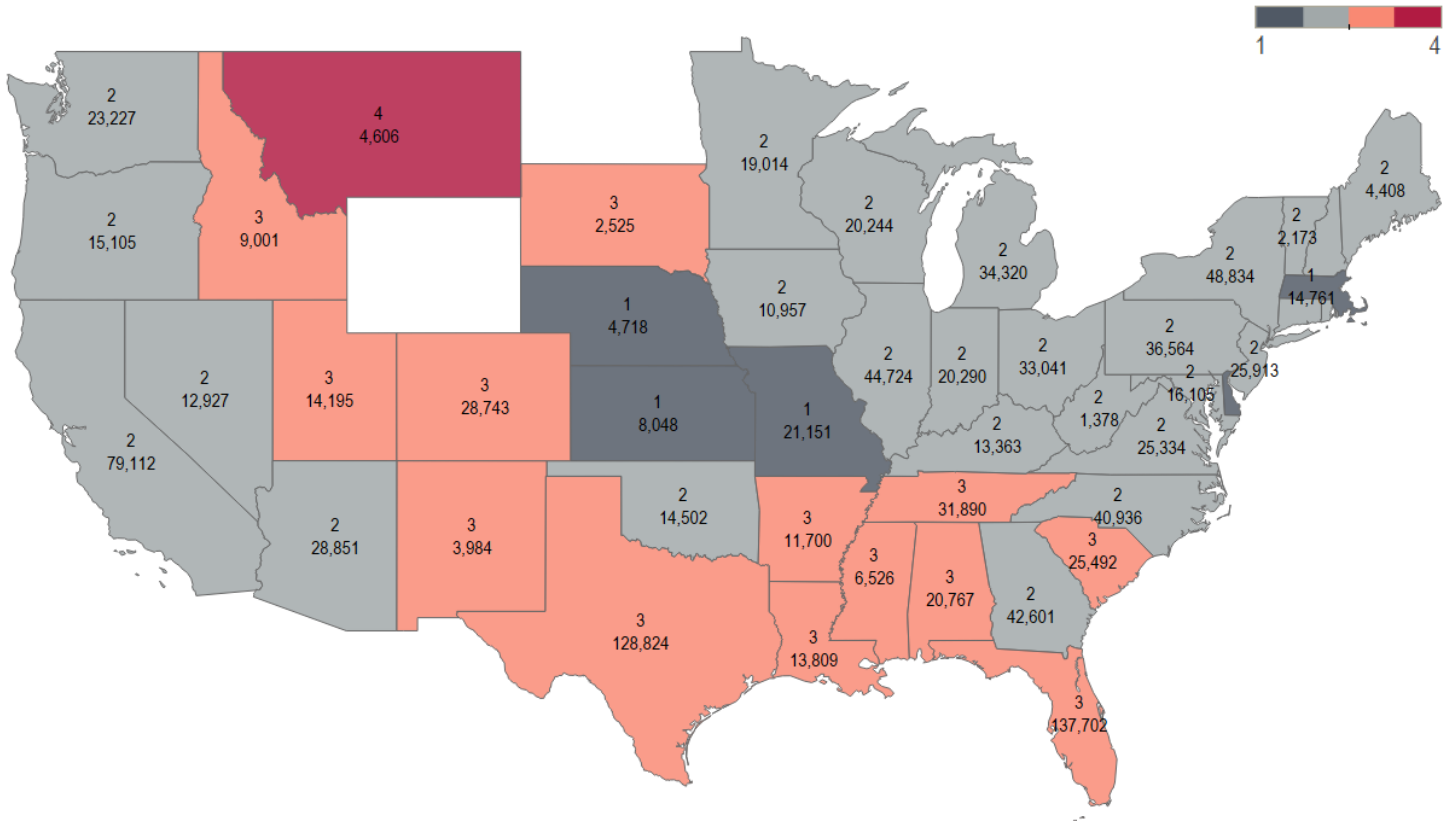
## Understanding housing availability and quality is important to the state’s ability to attract and retain residents.

At first glance, housing availability may not be a grave concern in Nebraska due to elevated vacancy rates across the state, particularly in non-metropolitan areas. Figure 1 shows the percentage of vacant housing units by county for 2021. While the statewide vacancy rate is 8%, many counties have much higher rates. The primary reason the statewide vacancy rate is so much lower than county-level vacancy rates is that counties with the most housing units tend to have the lowest vacancy rates, bringing down the statewide rate and masking highly elevated levels of vacancy in some of the least populated counties. For example, Loup County has the highest vacancy rate in the state at 35.1%, but only about 419 total housing units. In contrast, Sarpy County has the lowest vacancy rate in the state at 4%, but over 73,000 housing units. However, just because a housing unit is vacant does not mean that it is habitable, available, or accessible.



According to the Realtors Association, a 'healthy' rental vacancy rate is typically 7% to 8%, and a 'healthy' inventory of homes for sale is the number of homes that could typically be sold over a six-month period. According to data aggregated from the Multiple Listing Service, in August of 2023, 4,718 homes were for sale in Nebraska, a 12.1% decline from the previous year. **This inventory represents about a one-month of supply of homes for sale, significantly lower than what would be considered a healthy housing market.** Nebraska is one of only four states in the nation with only a one month supply of homes for sale.

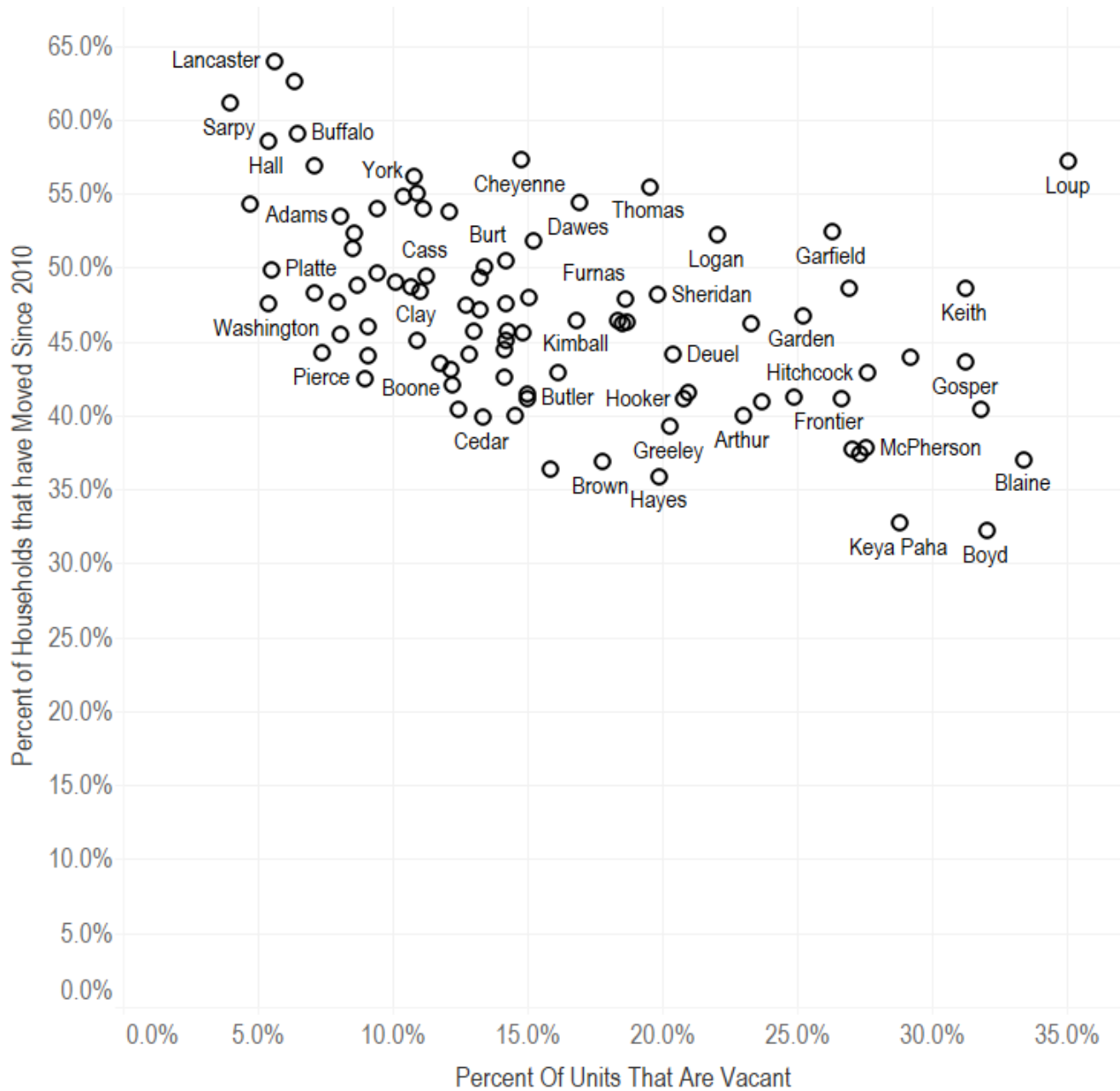
**Figure 3 | Number of Homes for Sale and Estimate of the Months of Supply**



\*Data for August 2023 not available for states in White  
 Source: Aggregation of Multiple Listing Service Via Redfin.com/housingmarket as of August 2023

As noted, housing concerns are a driver behind many households' choice to move within the state. This importance can also be seen in Figure 4, which plots the relationship between vacancy rates and the percentage of all households that have moved into their current residence since 2010.

**Figure 4 | Vacancy Rates and Share of Residents Moving into Current Homes Since 2010**



Source: 2020 Decennial Census & American Community Survey, U.S. Census Bureau, 2021 5-Year Estimates

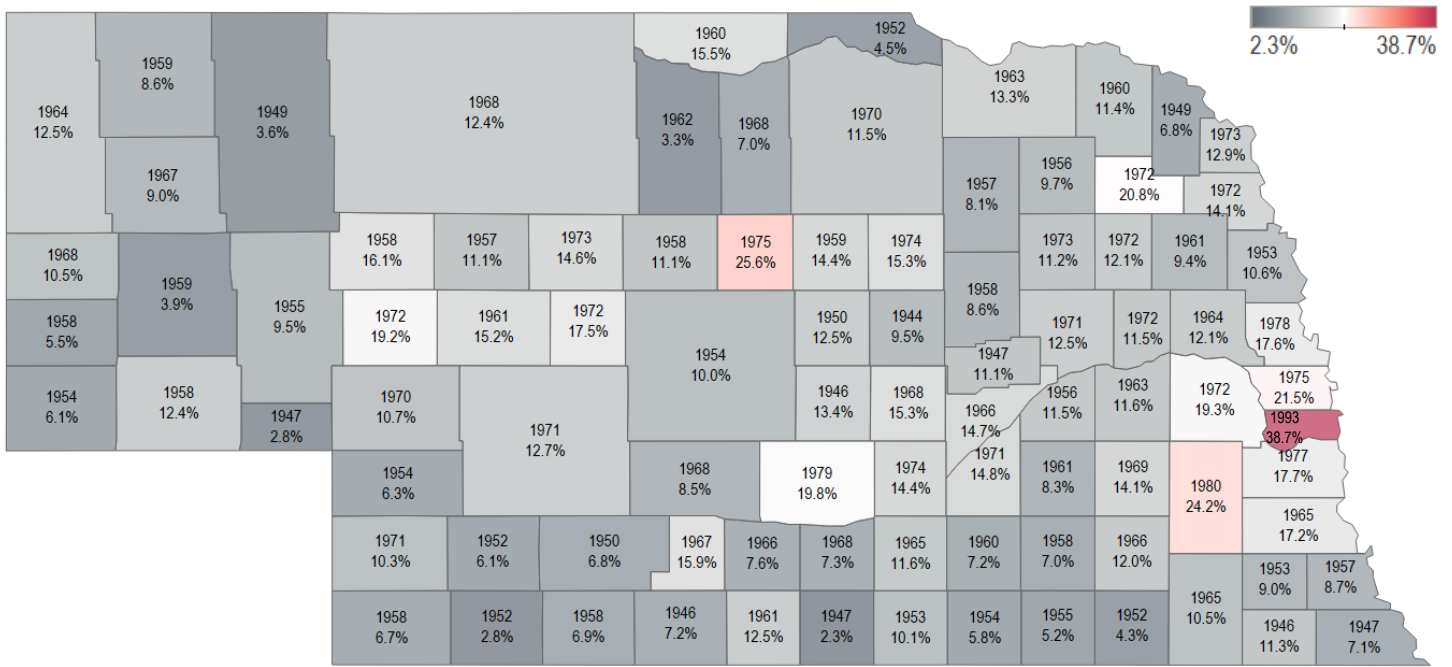
Figure 4 demonstrates that as the share of recent movers in a county increases, vacancy generally declines. This relationship suggests that those counties in the state with the most elevated vacancy rates are those with the most stagnate housing markets. When pairing this with the importance of housing to those likely to move, it suggests that rural counties will struggle to attract population, and when they do, households will be met with very limited options.



These two figures suggest that 1) renter occupied housing units are more likely to have more than one housing problem, 2) housing problems are rather evenly distributed across the metropolitan – non-metropolitan spectrum in Nebraska among renter occupied housing units, and 3) among owner occupied housing units, non-metropolitan counties tend to have slightly more homes with one or more problems.

One additional measure of quality is age. While older homes may be renovated to meet modern standards, older homes tend to be less likely to meet the quality standards of current purchasers, while homes built since 2000 are more likely to meet those needs. Figure 7 includes the median year homes were built and the percentage of all homes built since 2000 for all counties in Nebraska.

**Figure 7 | Median Year Homes were Built and Percentage of Homes Built Since 2000 by County**



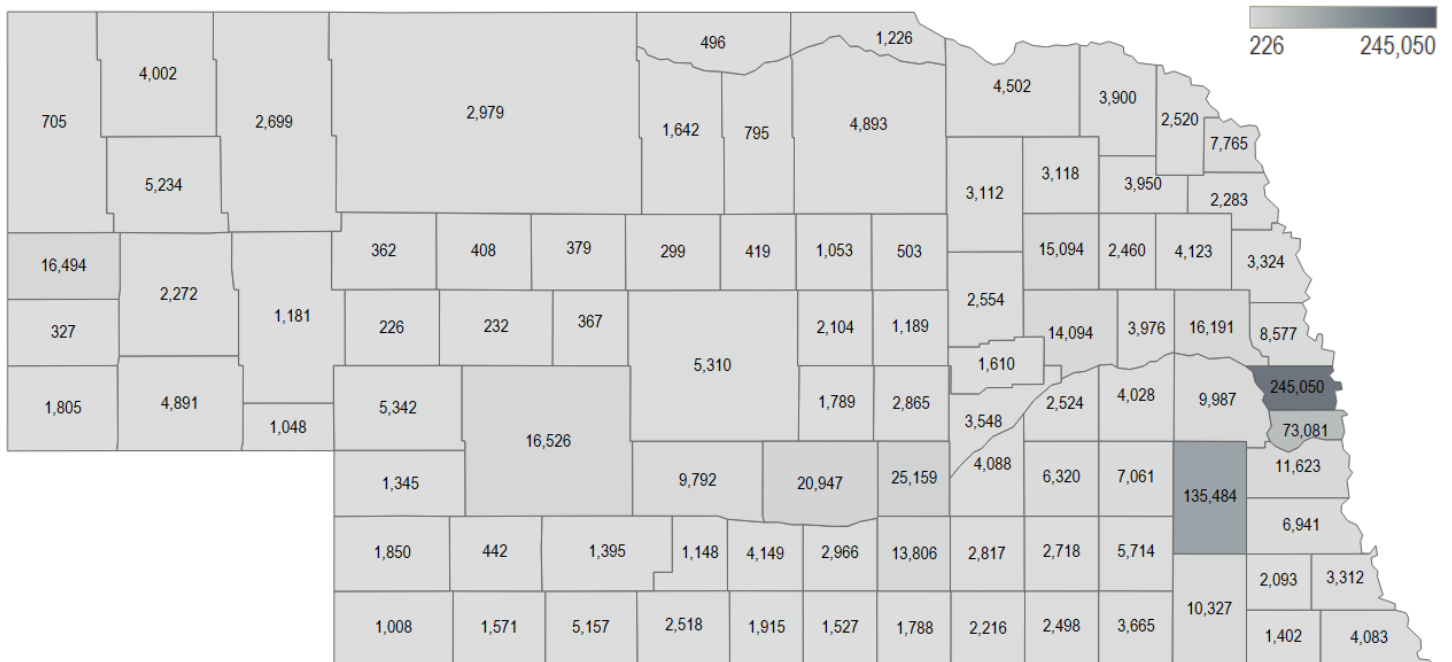
Source: American Community Survey, U.S. Census Bureau, 2021 5-Year Estimates

The median year homes were built is much older in non-metropolitan areas of the state. The percentage of homes built since 2000 is a fraction of the housing stock statewide, even in metropolitan counties. For example, Douglas (21.5%), Sarpy (38.7%), Lancaster (24.2%), and Hall (14.4%) counties, all of which have grown in population since 2000, also have some of the most elevated levels of homes built since 2000.

In summary, housing availability, particularly of quality homes, is highly restricted throughout Nebraska, in both metropolitan and non-metropolitan counties. Restricted access to quality housing will present ongoing challenges for population attraction and retention in the near term and beyond if the existing conditions outlined in this brief cannot be positively addressed.

## Reference

### A. Number of Households by County 2021



Source: American Community Survey, U.S. Census Bureau, 2021 5-Year Estimates

### B. Current Population Survey Question and Options for Why Move

The question in the Current Population Survey asks, **“What was [your/name’s] main reason for moving to this house (apartment)?”** The following responses are offered.

Note respondents report only the “main” reason for moving for people who lived in a different residence one year ago. Typically, those that move do so for complex reasons, but the response only captures the primary reason. Data is reported for all persons one year and over even though responses are provided by only one person in the household.

Family Reasons	Job Reasons	Housing Reasons	Other Reasons
Change in marital status	New job or job transfer	Wanted to own home, not rent	Attend/leave college
To establish own household	To look for work or lost job	Wanted new or better housing	Change of climate
Other family reason	For easier commute	Wanted better neighborhood	Health reasons
	Retired	For cheaper housing	Other reasons
	Other job-related reason	Other housing reason	Natural disaster
			Foreclosure or eviction
			Relationship with unmarried partner