



For Immediate Release
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Kentucky Housing Corporation, Bowen National Research Release Findings of Kentucky Housing Supply Gap Analysis
Kentucky needs 206,207 more housing units to serve its current population

FRANKFORT, Kentucky – Kentucky needs more housing – 206,207 units to be precise.

Kentucky Housing Corporation (KHC) and [Bowen National Research](#) (Bowen) released findings today from the *Kentucky Housing Supply Gap Analysis*, a county-by-county examination of Kentucky’s current housing supply. This summer, KHC and Bowen will release a five-year projection of the housing supply gap based on population trends, jobs growth, housing starts, and other data.

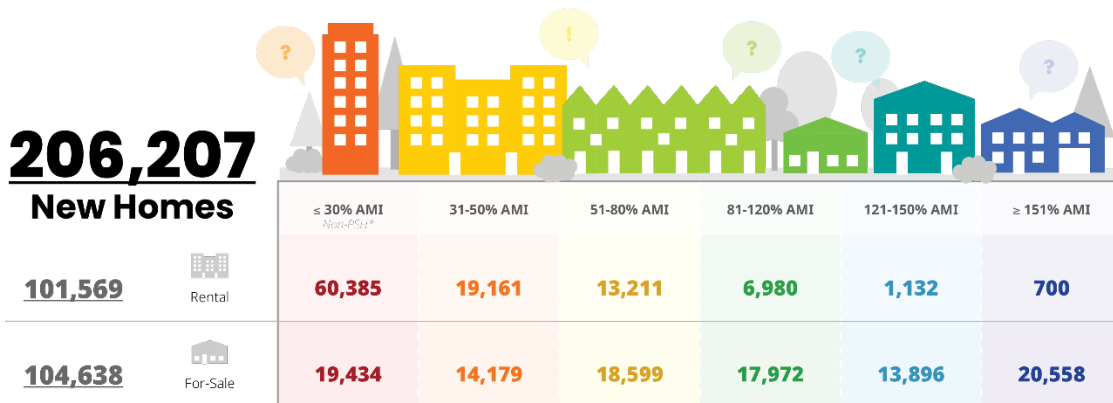
“An analysis like this is essential,” said Winston Miller, KHC’s executive director and chief executive officer. “By identifying the gaps now, we can take corrective action as an organization and as a state to provide better affordable housing solutions for our residents.”

The Housing Supply Gap Analysis uncovered housing shortages in Kentucky’s 120 counties and 15 Area Development Districts as of 2024. Detailed data, available at kyhousingsupplygap.org, shows Kentucky has a gap of:

- 101,569 rental units
- 104,638 for-sale units

Kentucky Housing Supply Gap Analysis

Kentucky is lacking the following housing for its residents:



Current Housing Needs Broken Down By Area Median Income (AMI) Groups

* Permanent Supportive Housing (PSH) - Housing that offers supportive services and typically includes project-based rental subsidies.

The gap is manifesting in a variety of ways.

There are fewer rental and for-sale properties on the market. Home and rent prices are increasing, causing middle-income and low-income Kentuckians to compete for the same units. A [January 2024 Urban Institute](#) study backs this theory. It showed that throughout the United States, a lack of housing supply has caused home prices and rents to increase.

“The housing supply shortage is Kentucky’s most urgent housing issue,” said Wendy Smith, KHC’s deputy executive director of housing programs. “It’s impacting middle-income Kentuckians and poor Kentuckians alike. Increasing our housing supply is key to increasing homeownership rates, lowering housing costs, and reducing housing instability and homelessness.”

The housing shortage impacts every county and every income level. All 120 counties experienced a gap in 2024, and some rural counties had a larger disparity in proportion to their population.

While those in the lower income brackets had more difficulty finding housing, there were gaps along the continuum impacting people at all income levels.

Today’s webinar was the first step in a communal effort. KHC, along with the Kentucky Chamber of Commerce and Kentucky League of Cities, have been studying the need for additional housing in the state. Armed with this data, KHC will examine how its own programs and the efforts of public and private partners can address the supply gap.

To learn more about the Kentucky Housing Supply Gap Analysis, visit kyhousingsupplygap.org. There, you can see the full report, raw data, county-by-county data, and downloadable images with a breakdown of the rental and for-sale gaps by county and Area Development District.

Contributing factors to the housing supply gap

- Kentucky’s shortage was exacerbated by several factors, including the two natural disasters, which combined destroyed nearly 5,000 units.
- Many of Kentucky’s construction companies, particularly those who built smaller homes, closed during the 2008 recession or 2020 pandemic. Others have a difficult time getting access to credit and have slowed production.
- Most “starter homes” for first-time homebuyers are around 1,400 square feet. However, in the last 40 years, production on homes with 1,400 square feet or less has slowed dramatically, according to a [U.S. Census Bureau report](#). Of the 1 million single-family homes completed in 2022, the median size was 2,299 square feet.
- As need for more affordable multifamily units has grown, federal funding for these types of developments has remained the same, and there is little to no public funding for affordable single-family, middle income housing.
- Simultaneously, the economy is booming, which increases the need for housing, but development has not kept pace. Essentially, we are bringing more workers to the state without providing them a place to live.

“It is a complex issue without an easy solution,” Smith said. “We look forward to working with partners to identify ways to tackle the state’s housing gaps.”

At A Glance

- Kentucky Housing Corporation contracted with Bowen National Research in February to conduct a housing supply gap analysis.
- Bowen conducted a county-by-county survey of the state's current housing gaps. KHC will release the results in April.
- This summer, KHC will release the projected housing gaps affecting each county in five years to show the progression of the housing need across the state.
- KHC and Bowen then will solicit public input on the study.

www.kyhousing.org

Kentucky Housing Corporation, the state housing finance agency, was created by the 1972 General Assembly to provide affordable housing opportunities. As a self-supporting, public corporation, Kentucky Housing offers down payment assistance loans to assist first-time homebuyers obtain home mortgages, housing production financing, homeownership education/counseling, rental assistance, housing rehabilitation, and supportive housing programs for special needs populations. Kentucky Housing Corporation prohibits discrimination based on race; color; religion; sex; national origin; sexual orientation; gender identity; ancestry; age; disability; or marital, familial, or veteran status.