Kentucky Chamber
Center for Policy & Research

In Partnership With

HBAK Home Builders Association Of Kentucky "Building Kentucky Together"

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Bold Housing Reforms to Renew the American Dream in the Commonwealth

FACTS & FIGURES

Read the Full Report | **Read the Executive Summary** | **Learn about Bold Housing Reforms**

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PART I

The National Context

Rising costs, fewer young homeowners, and fading confidence in the American Dream.

FIGURE 1

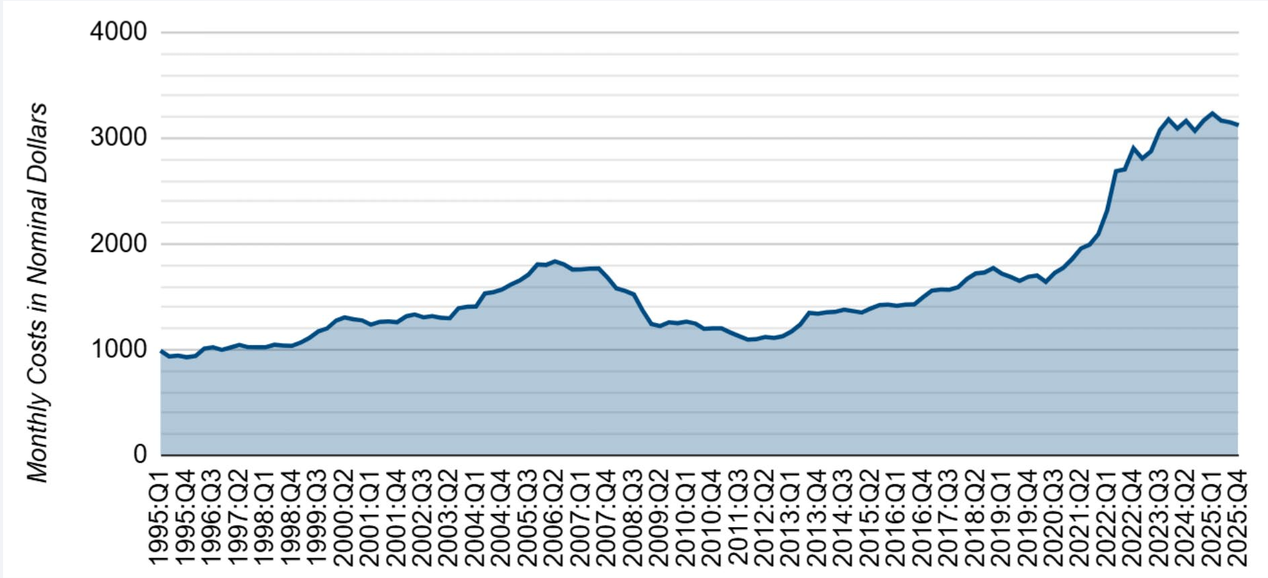
Monthly cost of a median-priced home

3×

Monthly costs rose from about $1,000 in 1995 to over $3,000 today.

Total Monthly Costs on a Median-Priced Home

Assumes a 3.5% down payment, 30 yr. 0.55% PMI, 0.35% insurance; 1.15% tax



Source: Harvard JCHS

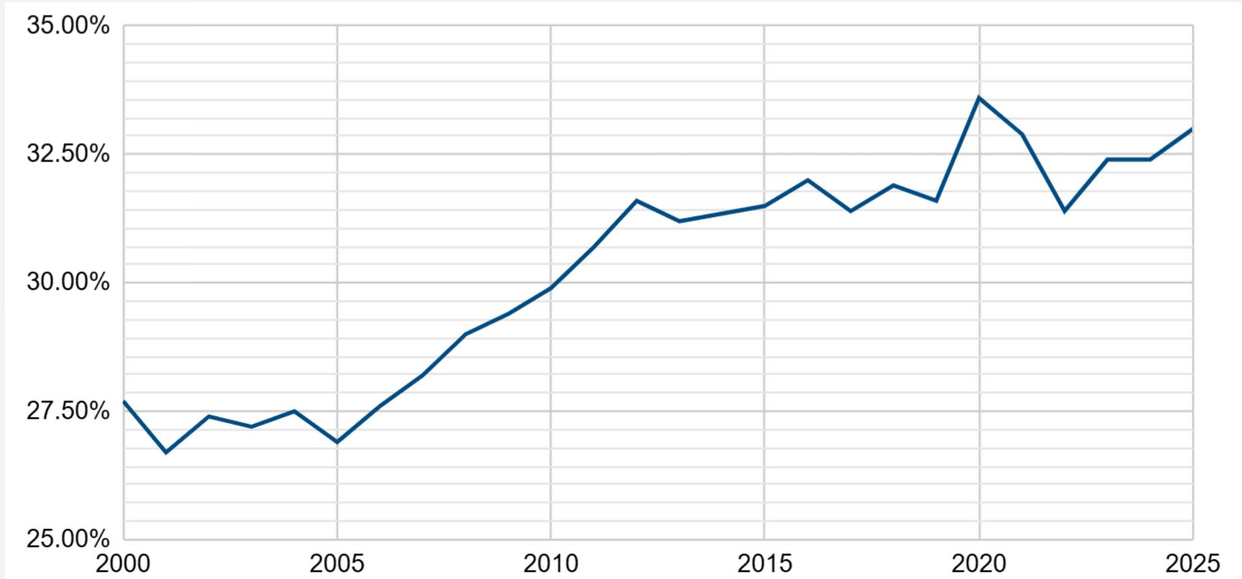
FIGURE 2

Young adults living with parents

33%

25.2 million U.S. adults under 35 lived with their parents in 2025 — a record.

Share of Young Adults Living with Parents



Source: Realtor.com analysis of IPUMS CPS Microdata

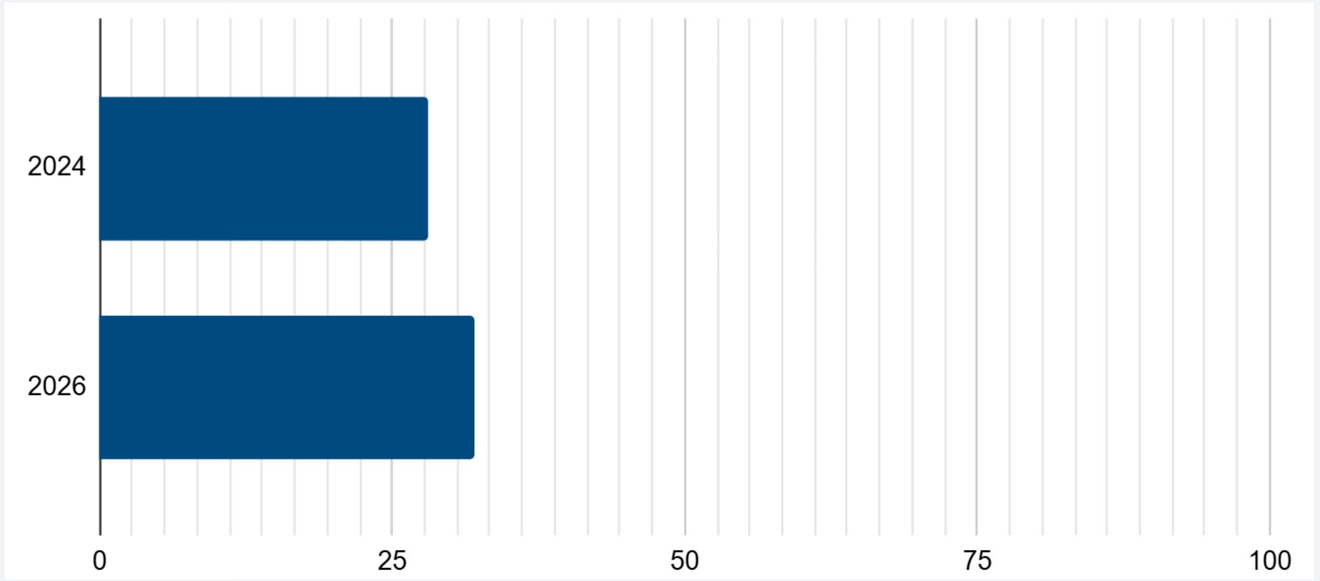
FIGURE 3

Confidence in the American Dream

32%

of Americans do not think they will ever achieve the American Dream, up from 28% in 2024.

Share of American adults who do NOT think they will ever achieve the American Dream



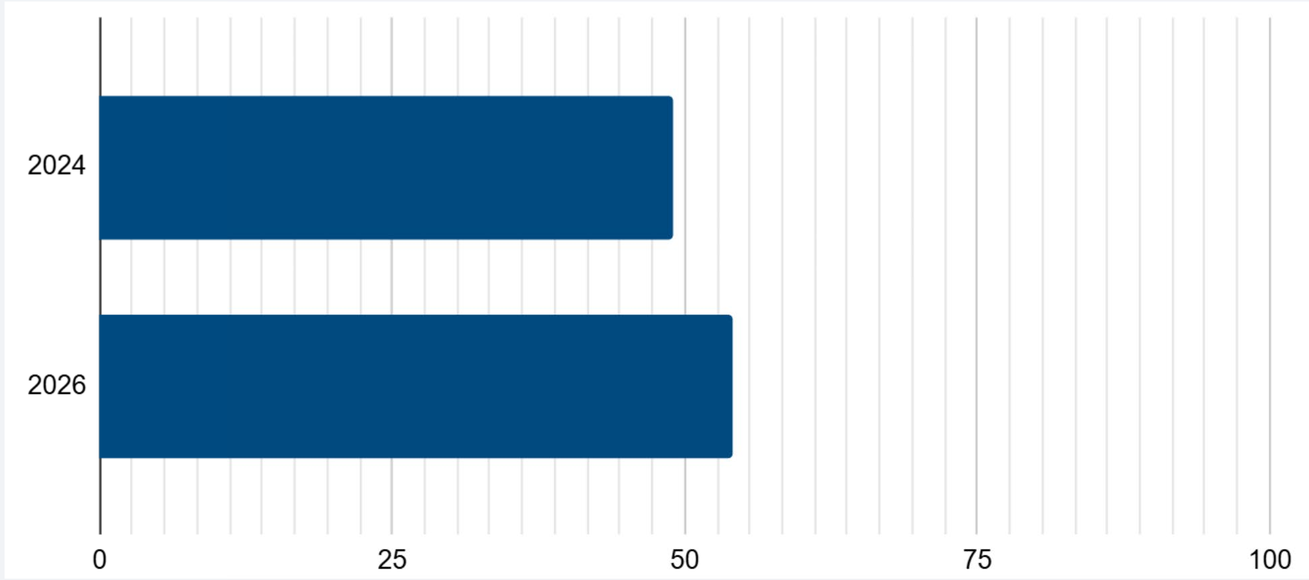
Source: Gallup, June 2026

FIGURE 4

Opportunity to achieve the American Dream

Even more Americans disagree that everyone in this country has the opportunity to achieve the American Dream.

Share of American adults who do NOT think everyone in this country has the opportunity to achieve the American Dream



Source: Gallup, June 2026

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PART II

Six Facts That Explain Kentucky's Housing Crisis

01
Homeownership in Kentucky is more limited than you might think.

02
Home sale prices in Kentucky are rising more quickly than household incomes.

03
Kentucky's homeowner and rental markets have been tightening for more than a decade.

04
Kentucky isn't building enough housing.

05
Regulations, infrastructure mandates, and delays are making it harder to build.

06
The costs of Kentucky's housing crisis are mounting.

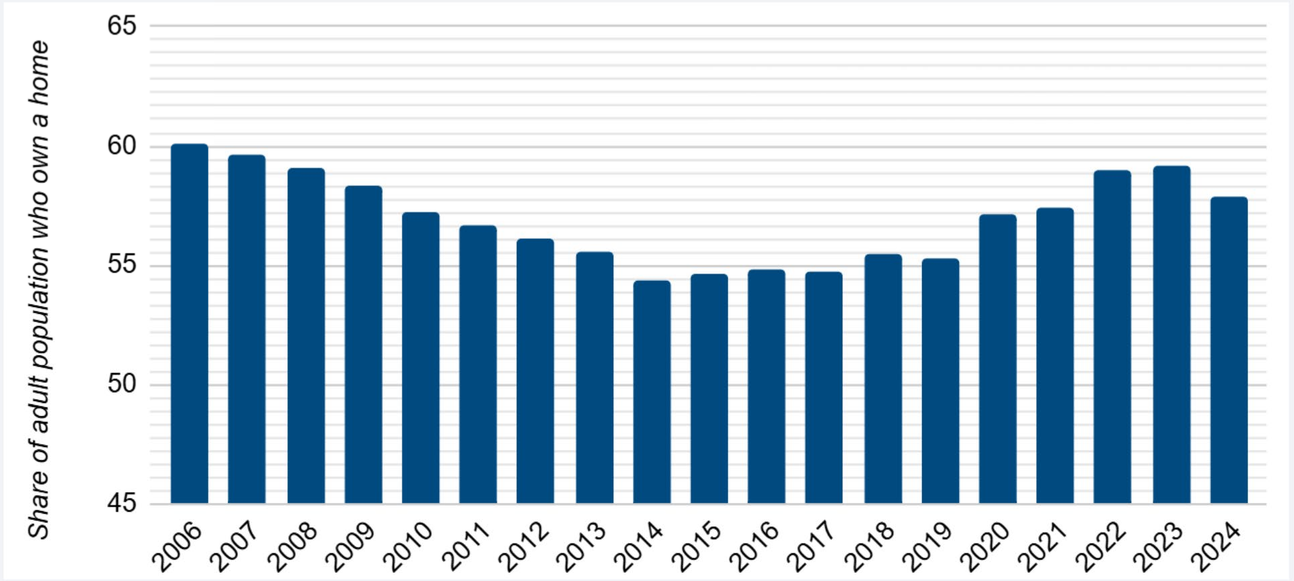
FIGURE 5

Homeownership among Kentucky adults

57.9%

of Kentucky adults owned a home in 2024, down from 59.2% the year before.

Homeownership-to-population ratio in Kentucky, 2006–2024



Source: Federal Reserve Bank of Minneapolis

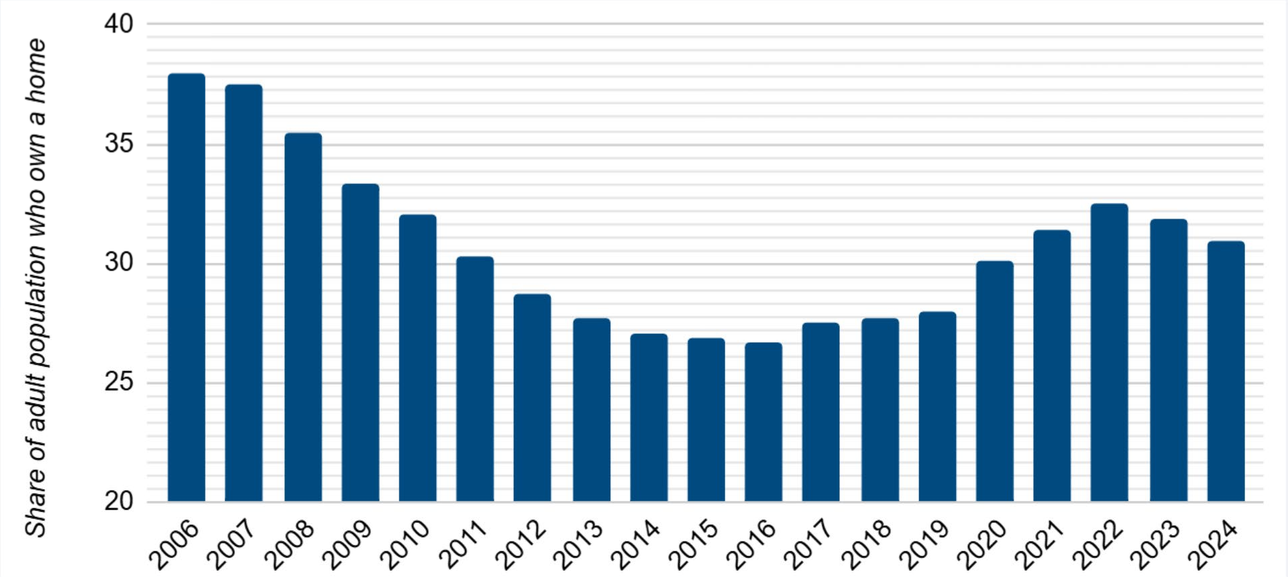
FIGURE 6

Homeownership among young adults

30.9%

of 25–34 year olds nationwide own a home, down from 38% in 2006.

Homeownership-to-population ratio 25–34 yr. olds, 2006–2024



Source: Federal Reserve Bank of Minneapolis

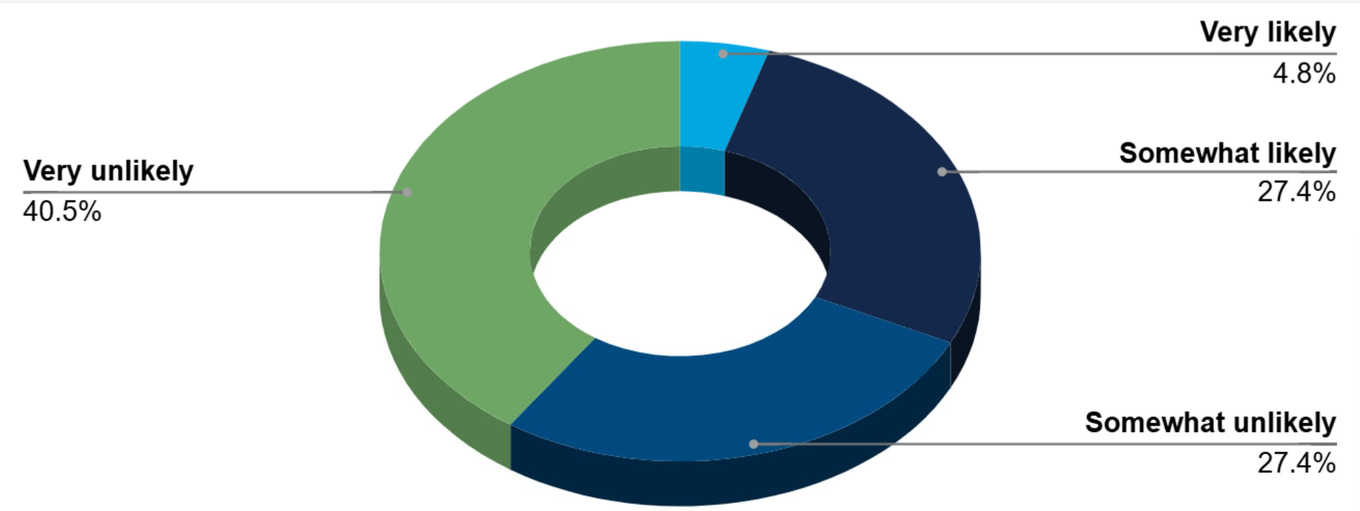
FIGURE 7

Starter homes for returning graduates

68%

of community leaders said it was unlikely, including 40.5% who said very unlikely.

If a young adult grew up in your community and wanted to move back after college, how likely is it that they could find an affordable starter home or rental?



Source: Out of 84 respondents; Kentucky Chamber Community Listening Sessions, August 2026

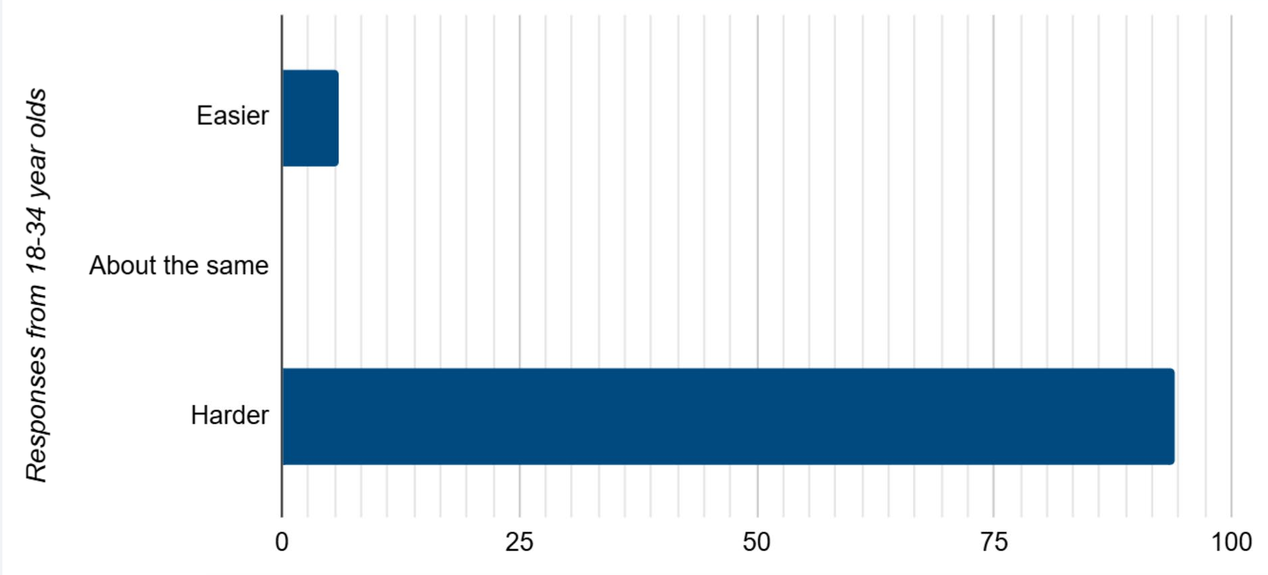
FIGURE 8

Young Kentuckians compared with their parents

94%

of 18–34 year-old Kentuckians say finding and affording a home is harder than it was for their parents.

Compared to your parents when they were your age, is it easier or harder to find and afford a home or about the same?



Source: UpOne Insights Survey of 600 Registered Voters, 8/30–9/2/2026

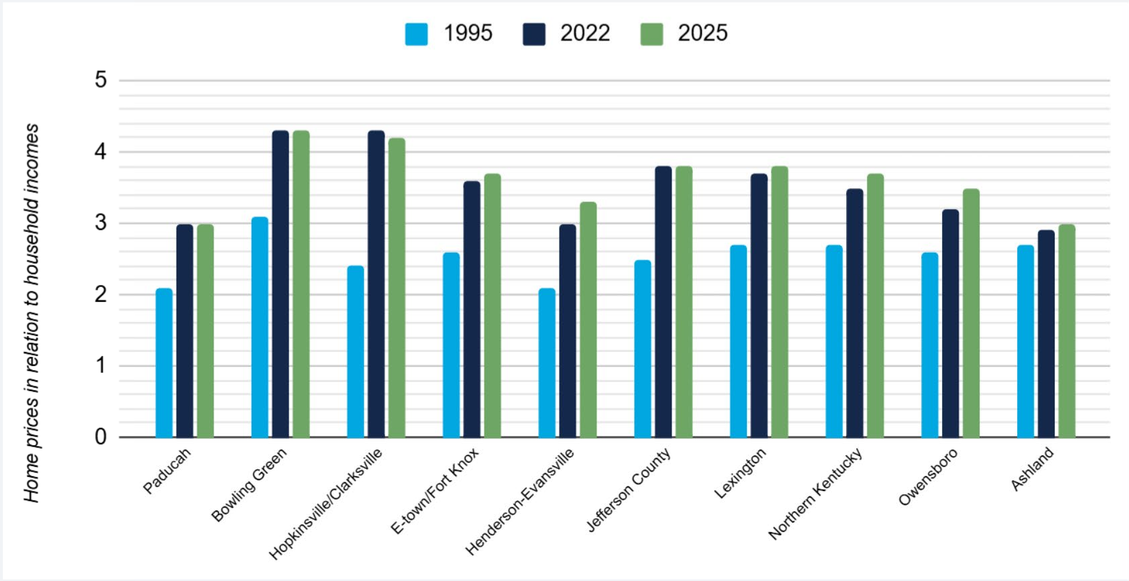
FIGURE 9

Home prices relative to incomes

4×

Home prices now exceed four times household incomes in some Kentucky metros, up from about 2.5× in the 1990s.

Home Price-to-Income Ratios for Kentucky Metro Areas



Source: Harvard JCHS

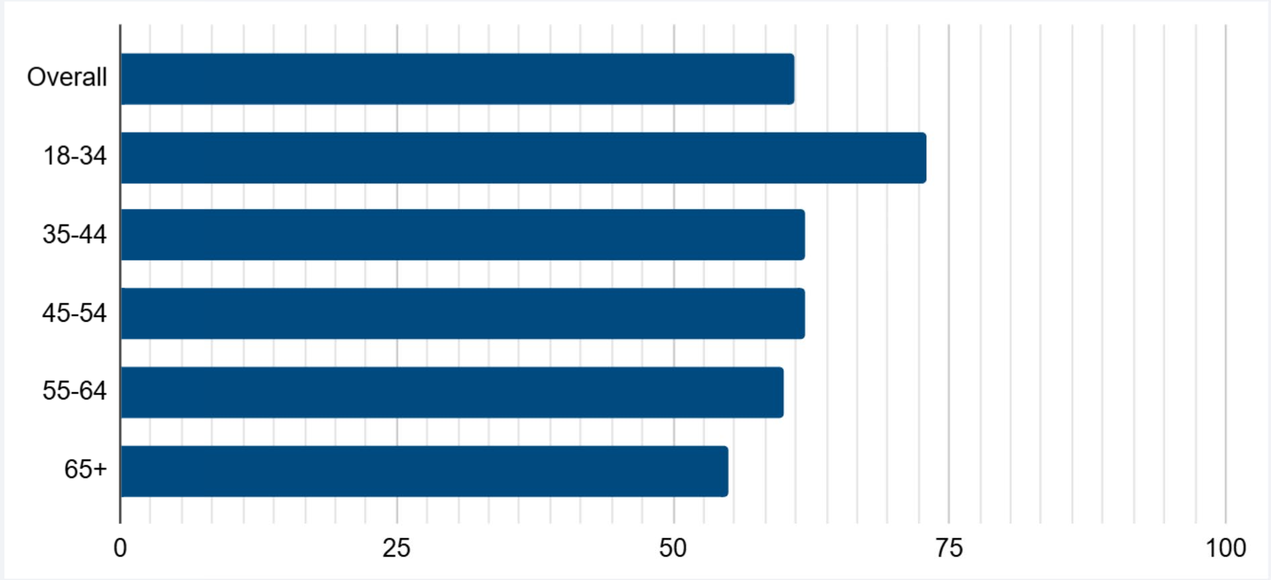
FIGURE 10

Views of local housing markets

61%

of Kentucky adults say their local housing market has worsened — 73% among 18–34 year olds.

Share of Kentuckians who say the housing market in their local community has "gotten worse" recently



Source: UpOne Insights Survey of 600 Registered Voters, 8/30–9/2/2026

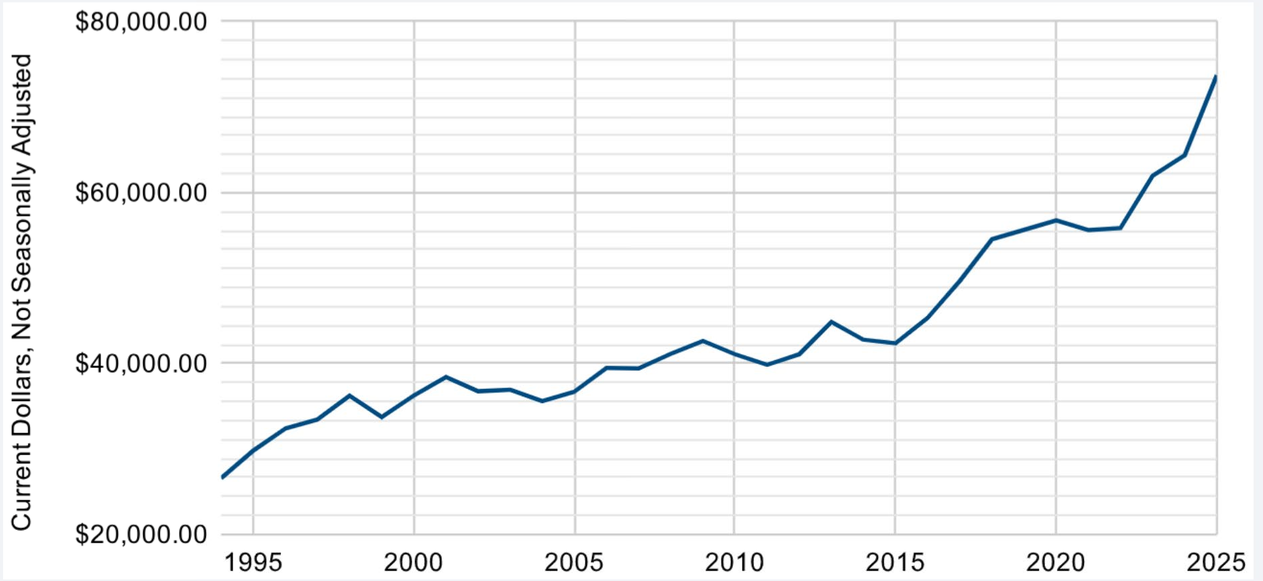
FIGURE 11

Kentucky household income growth

$73,750

median household income in 2025, up from $26,600 in 1994. These figures are not adjusted for inflation.

Median Household Income in Kentucky, 1994–2025



Source: U.S. Census Bureau via FRED®

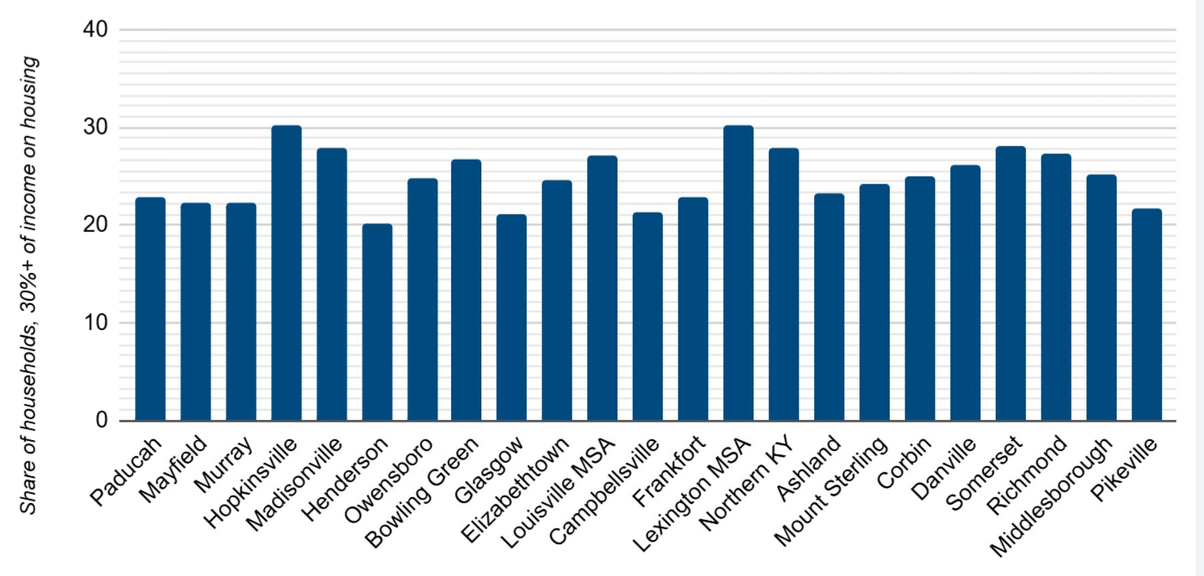
FIGURE 12

Households burdened by housing costs

When home prices rise faster than incomes, fewer people can buy and households must stretch their budgets further.

Share of Households Spending 30% or More of their Income on Housing

U.S. Census Core Based Statistical Areas



Source: Harvard JCHS

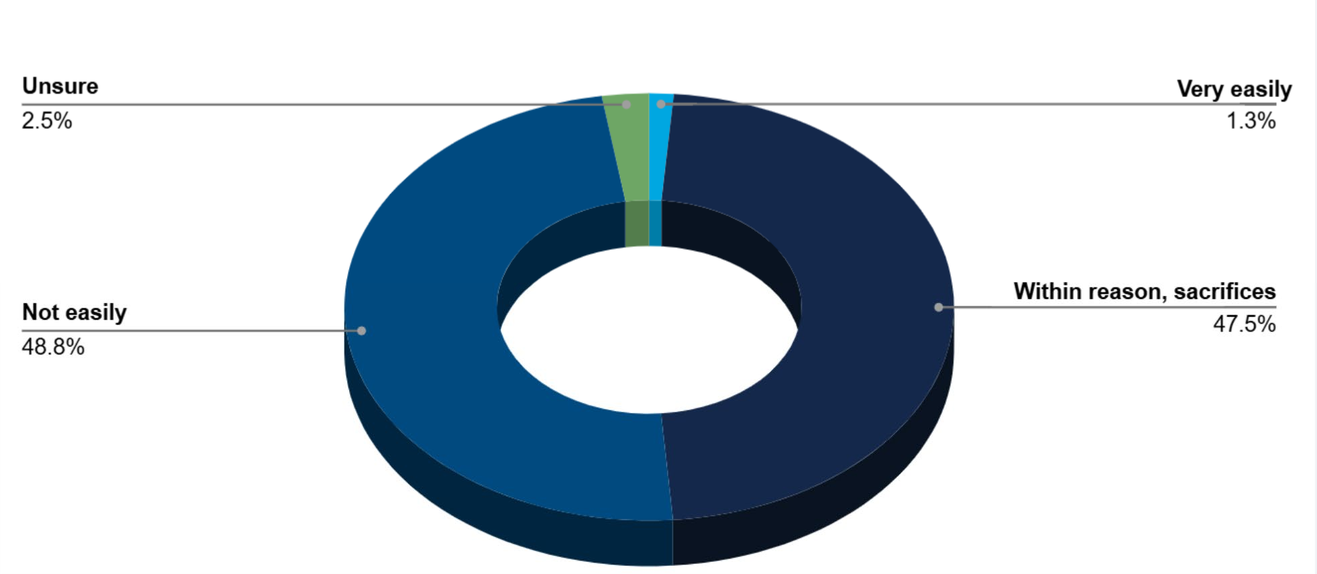
FIGURE 13

Housing for teachers and nurses

48%

said it would not be easy. Another 47% said only with sacrifices.

How easily could a new teacher or nurse moving to your community buy a home that fits their needs and is close to where they work?



Source: Out of 80 respondents; Kentucky Chamber Community Listening Sessions, August 2026

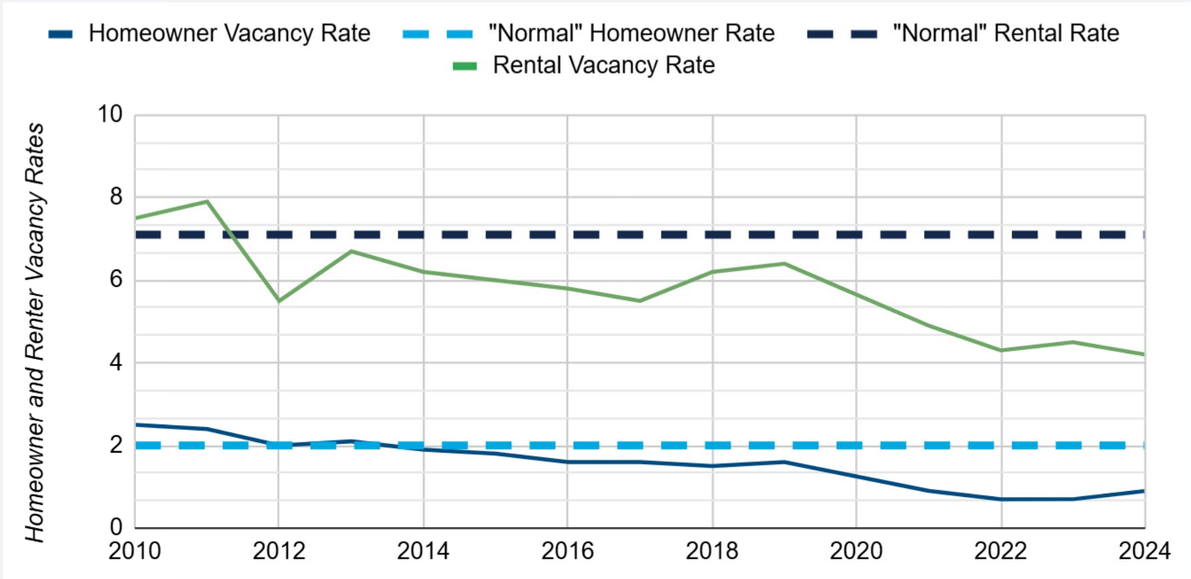
FIGURE 14

Homeowner and rental vacancy

206,000

units — the high-end estimate of Kentucky's housing shortage. Vacancy has fallen since at least 2010.

Homeowner and Renter Vacancy Rates, Kentucky



Source: ACS, 1-Yr Estimates, DP04, NAHB Estimates

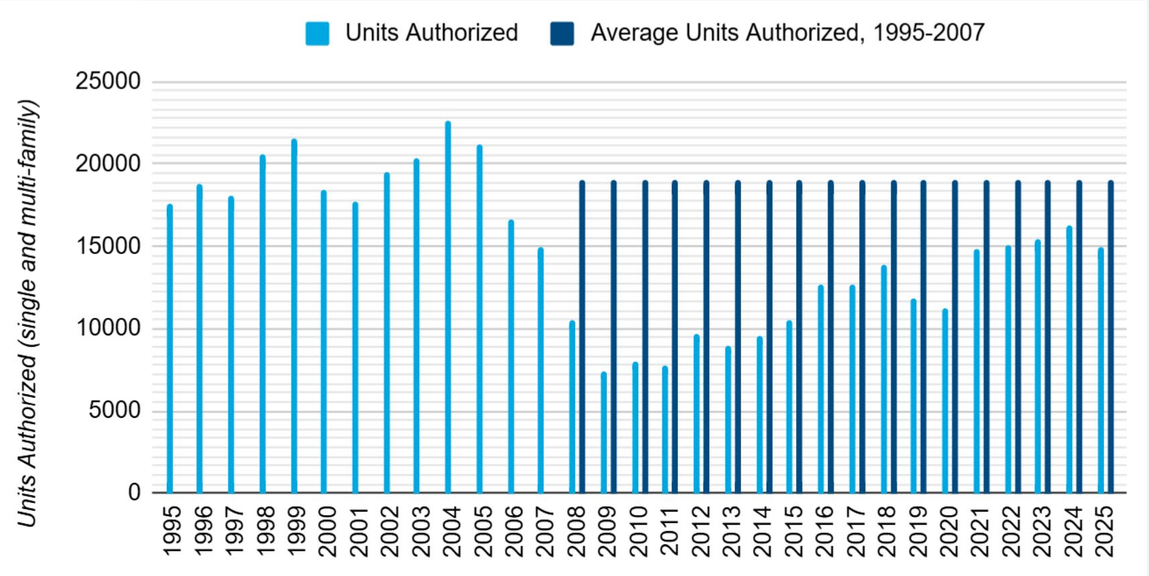
FIGURE 15

Residential building permits

–46%

Average annual permits fell from 19,000 (1995–2007) to 10,200 (2008–2019).

Kentucky Residential Building Permits Data, 1995–2025



Source: U.S. Census Bureau; calculations by Kentucky Chamber Center for Policy and Research

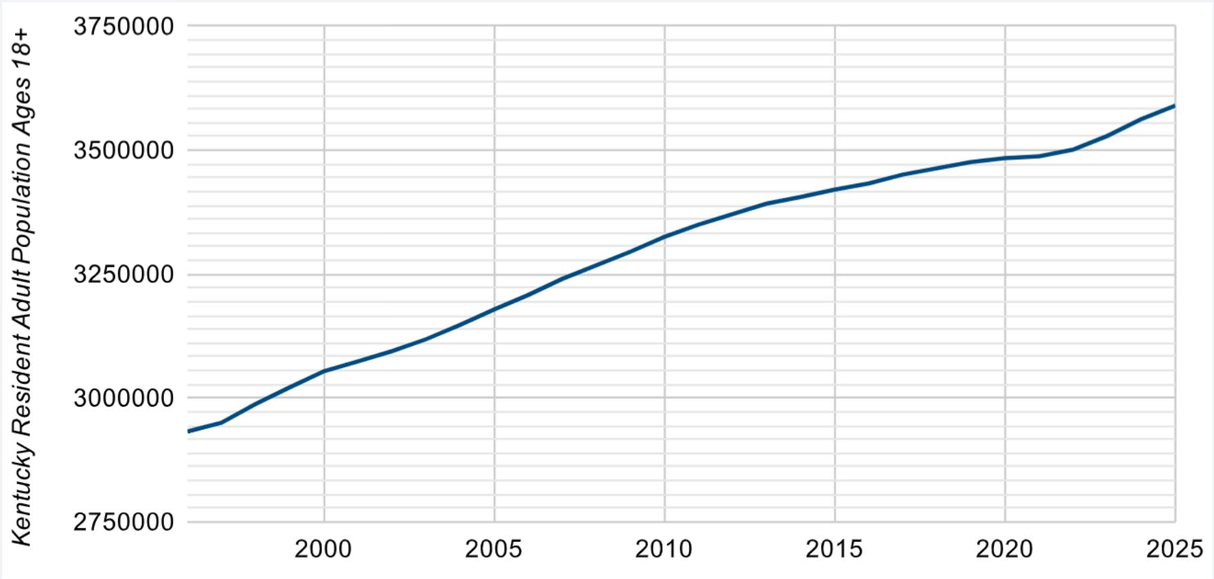
FIGURE 16

Adult population growth

+23.6%

growth in Kentucky's adult population, 1995–2025.

Kentucky Adult Population Growth, 1995–2025



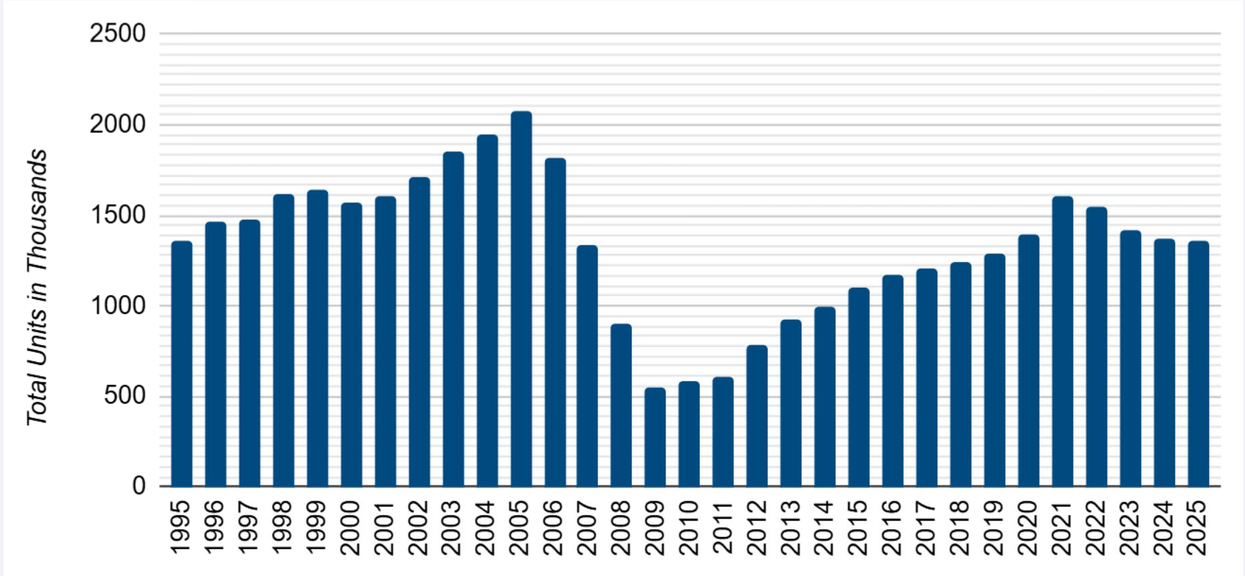
Source: U.S. Census

FIGURE 17

National housing starts

The slowdown was not unique to Kentucky. Home building nationwide fell after the Great Recession and has stayed comparatively low.

New Privately-Owned Housing Units Started, U.S., 1995–2025



Source: U.S. Census Bureau; U.S. Department of Housing and Urban Development via FRED

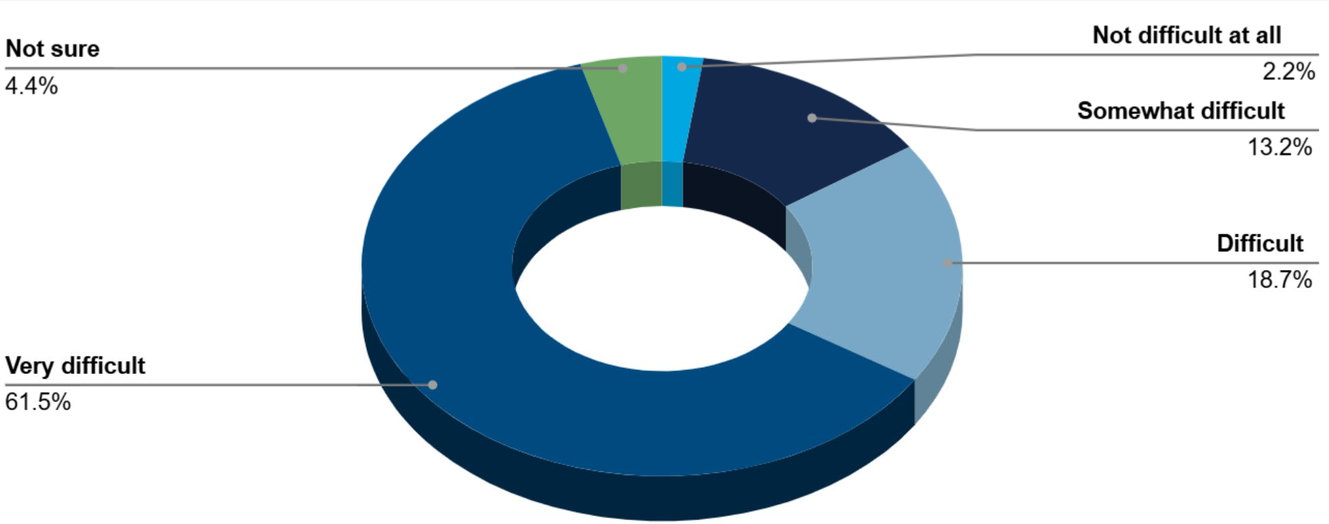
FIGURE 18

Housing for 1,000 new jobs

93%

said it would be difficult, including 61.5% who said very difficult.

If a manufacturing company wanted to bring 1,000 new jobs to your community, how difficult would it be for your area to make enough housing available to meet demand?



Source: Out of 91 respondents; Kentucky Chamber Community Listening Sessions, August 2026

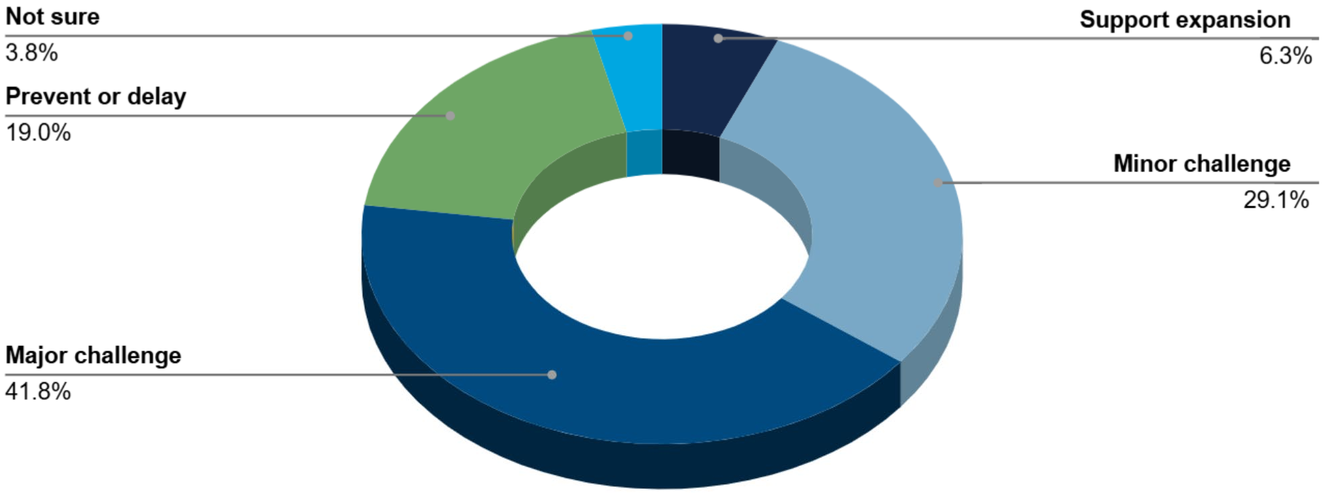
FIGURE 20

Housing for local business expansion

60.8%

said housing would be a major challenge or would prevent or delay expansion. Only 6.3% said it would help.

If an existing local employer wanted to expand their headcount by 100 new employees, would housing availability in your community help or hurt that expansion?



Source: Out of 79 respondents; Kentucky Chamber Community Listening Sessions, August 2026

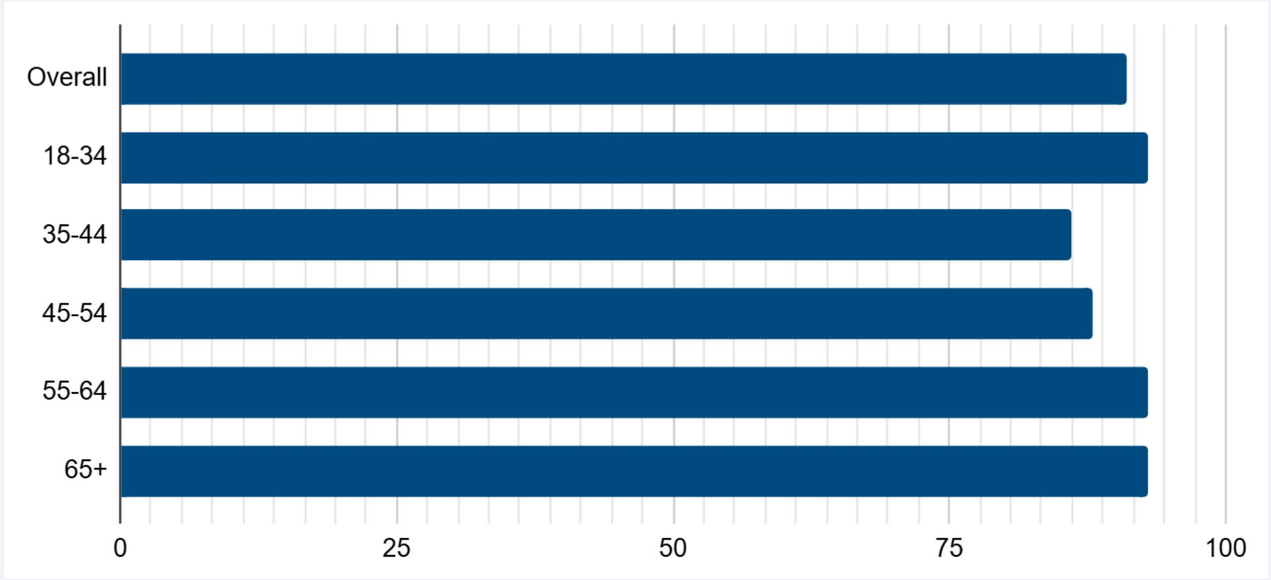
FIGURE 21

Homeownership and the American Dream

91%

of registered Kentucky voters view owning a home as part of the American Dream.

Share of Kentucky adults who think owning a home represents part of the American Dream



Source: UpOne Insights Survey of 600 Registered Voters, 8/30–9/2/2026

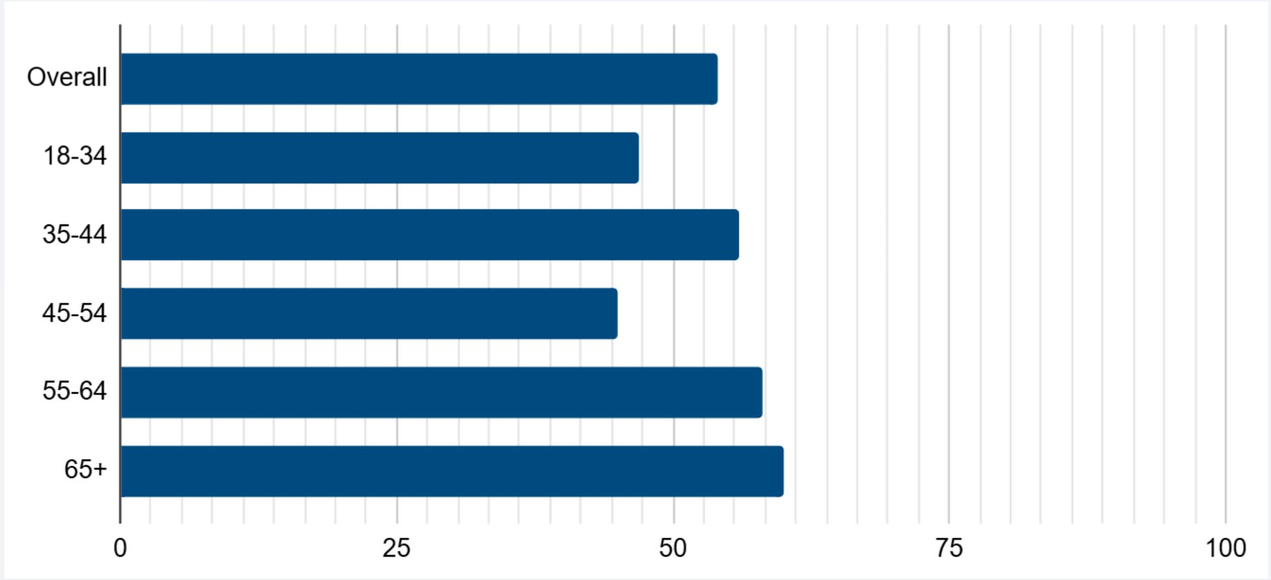
FIGURE 22

The American Dream in Kentucky

1 in 2

Only half of voters think the American Dream is still attainable in Kentucky.

Share of Kentucky adults who think the American Dream is still attainable in the Commonwealth



Source: UpOne Insights Survey of 600 Registered Voters, 8/30–9/2/2026

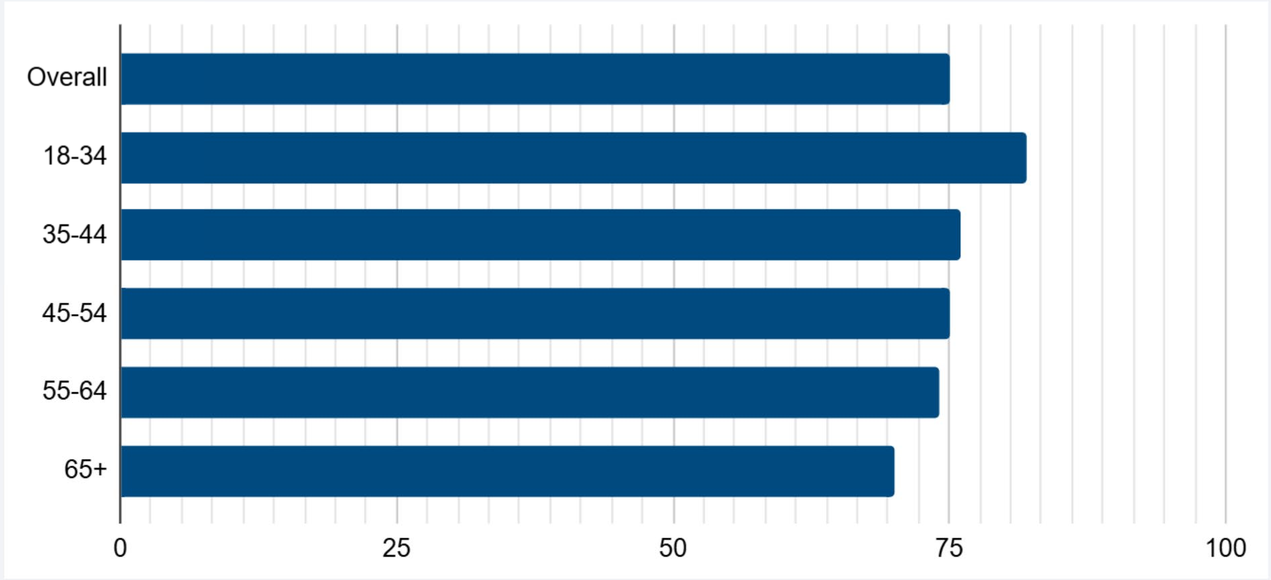
FIGURE 23

Outlook for the next generation

3 in 4

Kentucky adults think it will be harder for their children to find and afford a home.

Share of Kentucky adults who think it will be harder for their children to find and afford a home



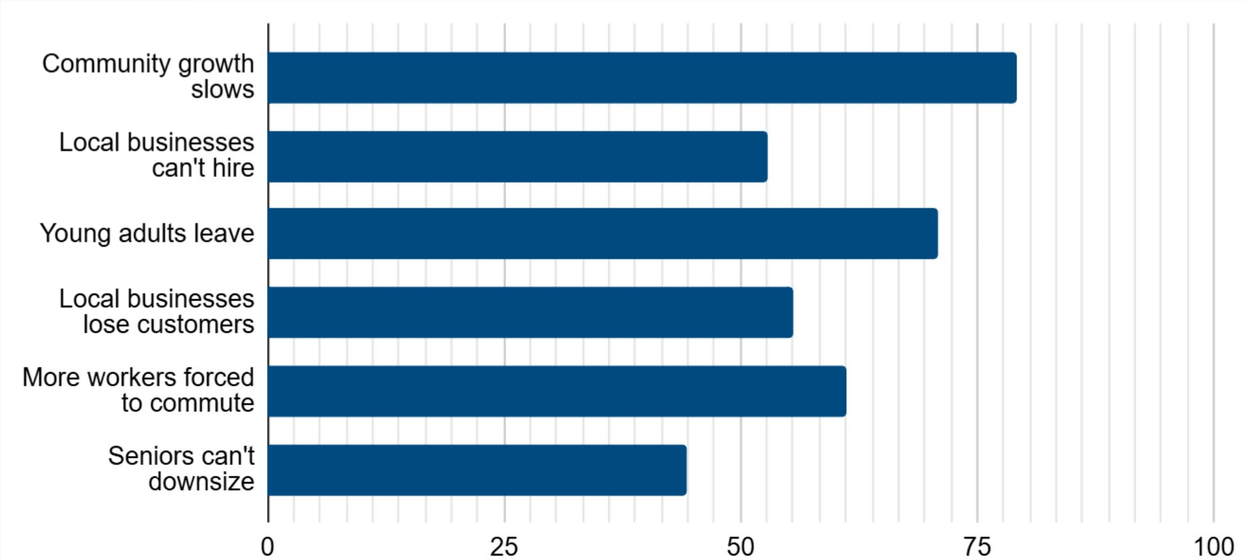
Source: UpOne Insights Survey of 600 Registered Voters, 8/30–9/2/2026

FIGURE 24

Risks of rising housing costs

Community leaders most often cited slower community growth, followed by young adults leaving.

Top risks if housing costs continue rising faster than local incomes



Source: Kentucky Chamber Community Listening Sessions, August 2026

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PART III

Bold Housing Reforms

Kentucky's housing challenges have multiple causes. They are not solvable through a single new program or minor regulatory tweaks.

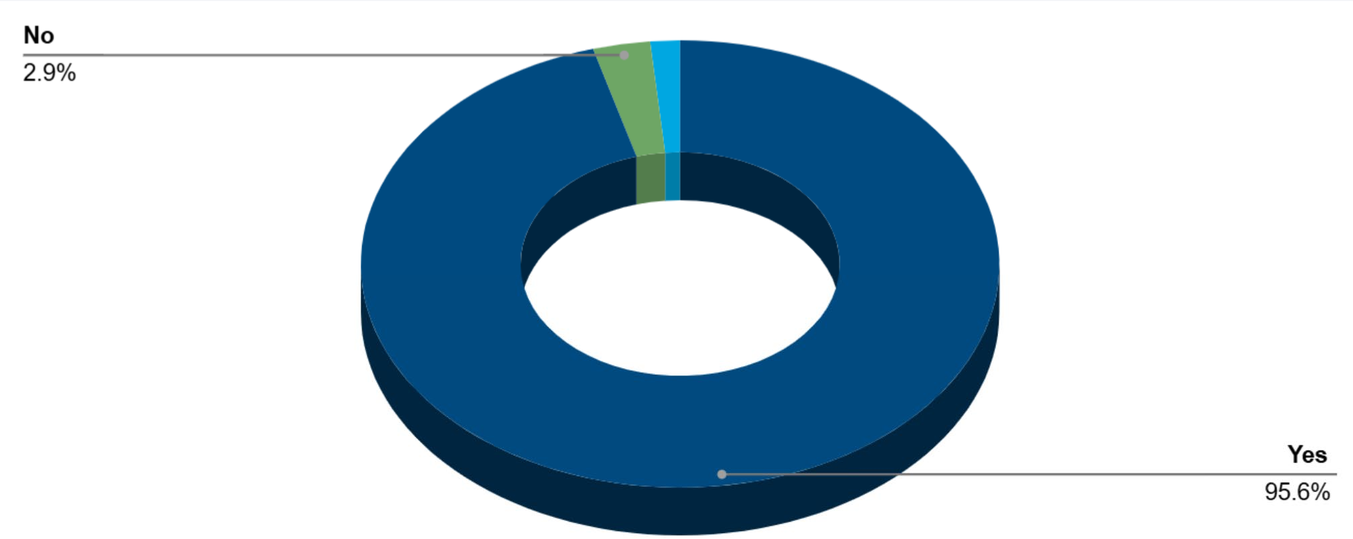
FIGURE 25

Housing as a legislative priority

96%

of community leaders said state lawmakers should address housing in the 2027 session.

In general, do you think housing is an issue that state lawmakers in Kentucky need to address in the 2027 session?



Source: Out of 68 respondents; Kentucky Chamber Community Listening Sessions, August 2026

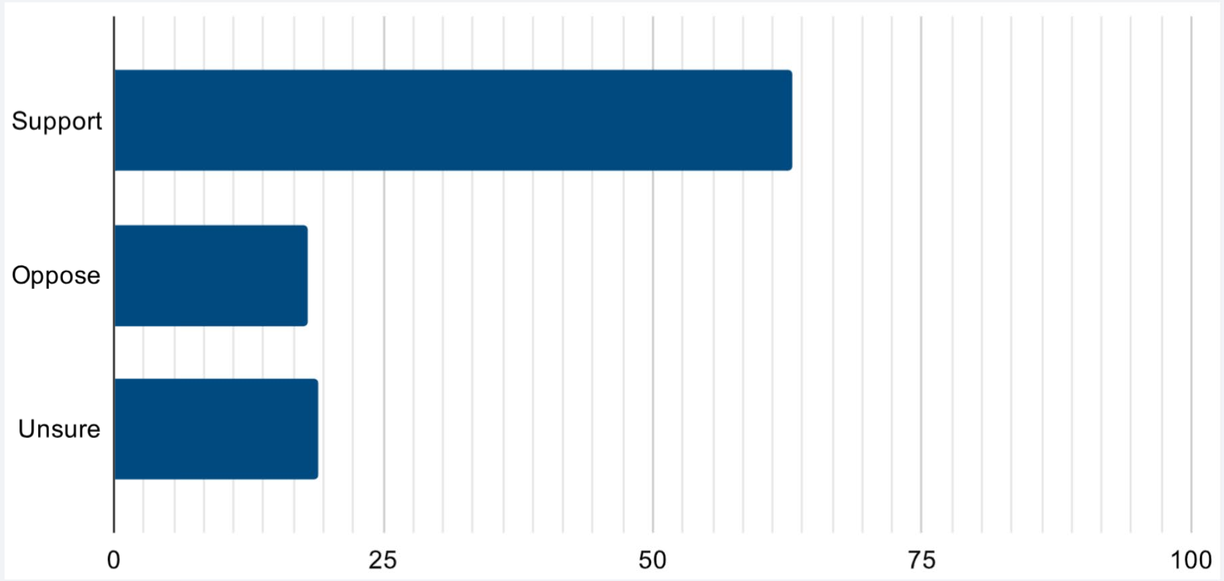
FIGURE 26

Support for housing reform

63%

of registered voters support comprehensive housing reform legislation, while just 18% oppose.

How Kentucky adults view housing reform legislation



Source: UpOne Insights Survey of 600 Registered Voters, 8/30–9/2/2026

READ THE FULL REPORT

kychamber.com/research

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