

McKinsey Global Institute ~ Four Steps To Fix the Global Affordable Housing Shortage



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According to global consultancy firm McKinsey & Company, the projected cost of providing affordable housing to 330 million households around the world currently living in substandard accommodation is \$16 trillion USD. The firm's latest report, *A Blueprint for Addressing the Global Affordable Housing Challenge*, assesses critical pathways for providing housing to families across a range of socio-economic backgrounds and nationalities. According to the report, adequate and affordable housing could be out of reach for more than 1.6 billion people within a decade. The comprehensive report examines everything from income to cost of heating, boiling down the data into four key mandates aimed at solving the global housing crisis.

The proposed solution is one of ascending goals, similar to Maslow's hierarchy of needs, with a four-tiered plan targeted towards households earning 80% or less of the median income for any given region. The program is designed to meet McKinsey's *2025 Housing Challenge* which aims to provide housing to a projected 440 million households worldwide within ten years through community engagement, gathering funding, appropriate delivery of housing models, and creation of governmental infrastructure to sustain housing.

Read more: <http://stealmag.com/architecture>

Download and read the report in its entirety or listen to the abridged version in a

podcast published by the [McKinsey Global Institute](#) in October 2014 [here](#).