



Across the country, there are indications that a growing number of Americans, like Melissa Krajewski, pictured with one of her daughters, have been turning to budget motels for shelter. *Kate Warren for NBC News*

ECONOMICS

Squeezed by high prices, a growing number of Americans find shelter in long-term motels

A surge in rents and home prices left more lower-income households with no place else to go.

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By Shannon Pettypiece

KINGSTON, N.Y. – Melissa Krajewski used to come home from her job as a home health aide to the sounds of children pattering around the family’s three-bedroom apartment. On weekends, she’d bake with her two girls and watch her son and husband toss around the football.

It was a routine, middle-class life she recounts like a distant memory. For nearly a year, Krajewski and her two daughters have been living in a budget motel room after their rent went up and they were unable to find another apartment they could afford in Kingston, New York, a small town among the rolling mountains of New York’s Hudson Valley.

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Now, their meals are prepared in a microwave or small toaster oven, their food stored in a mini fridge that doesn’t have a working freezer and the dresser doubles as a pantry. The room has two full-size beds and a cot tucked in the corner where her 10-year-old daughter sleeps. The girls’ few remaining possessions line the room – a dozen well-worn stuffed animals along the beds, a Barbie dollhouse adjacent to the bathroom, and two makeshift vanities where her 13-year-old daughter keeps a small box of beauty supplies and a mirror decorated with photos.



— From left, a Bible in a Hudson Valley motel, a Barbie dollhouse in Melissa Krajewski and her daughters' room at the Kingston Motel and a makeshift pantry. Kate Warren for NBC News

She has done her best to make her motel room feel comfortable, covering the thin plaster walls with tapestries and homemade artwork. Days before Christmas, the room was adorned with two small tabletop Christmas trees, stockings tacked to the wall, a couple of handmade ornaments and two snow globes she had gotten out of storage at her mother-in-law's house. An Elf on the Shelf made its way around the cramped space each night.

“There are a lot of things that you take for granted until you're in this situation; it's really hard to visualize or even imagine what it's like unless it happens to you,” she said. “It's hard to not be able to make a nice dinner for my kids. I miss the smell of cooking, I miss baking with my kids, just every little aspect of cooking a nice meal.”

Across the country, there are indications that a growing number of Americans have been turning to budget motels for shelter after a surge in rents and home prices in recent years left those on the lower end of the income spectrum with no place else to go. While motels can provide a warm place to sleep and an element of security, it's a form of housing with high costs and a low quality of living that can set individuals on a financial spiral nearly impossible for some to break out of, according to interviews with a dozen housing advocates and motel residents.

“It’s a trap, completely,” said Carol Klocek, CEO of the Center for Transforming Lives, an advocacy group that works with homeless women and children in Tarrant County, Texas. “They’re paying the equivalent of rent, if not higher rates. Your food storage is very difficult. There’s higher daily costs of living. If you’re in a motel, you just can’t save, so once you’re in there, it’s hard to get out. It’s just a reality, and I think it is very much a hidden reality.”



— Across the country, there are indications that a growing number of Americans have been turning to budget motels for shelter, like this one in Ulster County, N.Y. *Kate Warren for NBC News*

'Modest rents are gone'

A [survey](#) by Transforming Lives of motel residents in the Fort Worth, Texas, area found that a majority of those living in motels were single mothers and about a third of children were under age 6. In some cases, multiple families were sharing a room, including one instance where three mothers and six children were living in a room with two beds and no kitchen. A third of the

families surveyed had been living in motels for more than six months paying as much as \$1,400 a month.

Last year, government housing programs gave out more than double the number of hotel and motel vouchers as they did in 2020, though the numbers were down slightly from 2022, according to data from the Department of Housing and Urban Development. The Education Department recorded 107,000 primary and secondary public school-age students living in hotels or motels during the 2021-2022 school year – a 20% increase from 2019-2020, according to the most recent data available.

“More and more people are struggling with rent, and when that happens, you see eviction filings go up, you see homelessness increase, and you see more people living precariously, which is how I would frame people living in extended stay hotels,” said Sarah Saadian, senior vice president of public policy and field organizing at the National Low Income Housing Coalition. “Oftentimes, people will go to hotels and motels or double up or triple up with other family members, but for many those are just temporary solutions on the road towards homelessness.”

In the Hudson Valley area of New York, there were more than 550 families with children living in motels in 2023 across Dutchess, Ulster, Orange and Sullivan counties – more than double the number of families with children that were in motels in 2021 when New York had an [eviction moratorium](#) in place and 21% higher than in 2018, according to a report from Hudson Valley Pattern for Progress, a regional advocacy group. Families with children are also staying longer in motels, with the average length of stay in Ulster County, where Krajewski lives, at around three years.

Like communities across the country, the Hudson Valley has seen a surge in home prices in recent years, driven by an influx of remote workers, second-home buyers and investors. Located within two hours of New York City along Amtrak and commuter rail lines, the largely rural area lining the Hudson River has been attracting high-income second-home buyers from the city for decades.

But that trend was sent into hyperdrive during the pandemic, when around 40,000 New York City transplants moved into the four Hudson Valley counties of Dutchess, Ulster, Orange and Sullivan between 2020 and 2022, bringing with them incomes that were 70% higher than those of existing residents, according to an NBC News analysis of IRS tax filings.



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“Families in this region have been booted out the backside of a housing market that has sprinted away from them faster than they can keep up with,” said Adam Bosch, CEO of Hudson Valley Pattern for Progress. “These are now working households living in hotels on public assistance. They are grocery store workers, they’re certified nurses assistants, they’re child care workers, they’re restaurant servers and cooks, they’re people making \$16 to \$20 an hour, who typically in this region would have been able to find a modest rent somewhere, but now those modest rents are gone.”

At the same time, the region’s housing supply has been somewhat constricted by short-term rentals. Of the 400,000 homes in the region, about 13% aren’t occupied full time, including around 6,000 that are regularly booked as short-term rentals on Airbnb and Vrbo, a 20% increase from before the pandemic, according to data from analytics firm AirDNA.

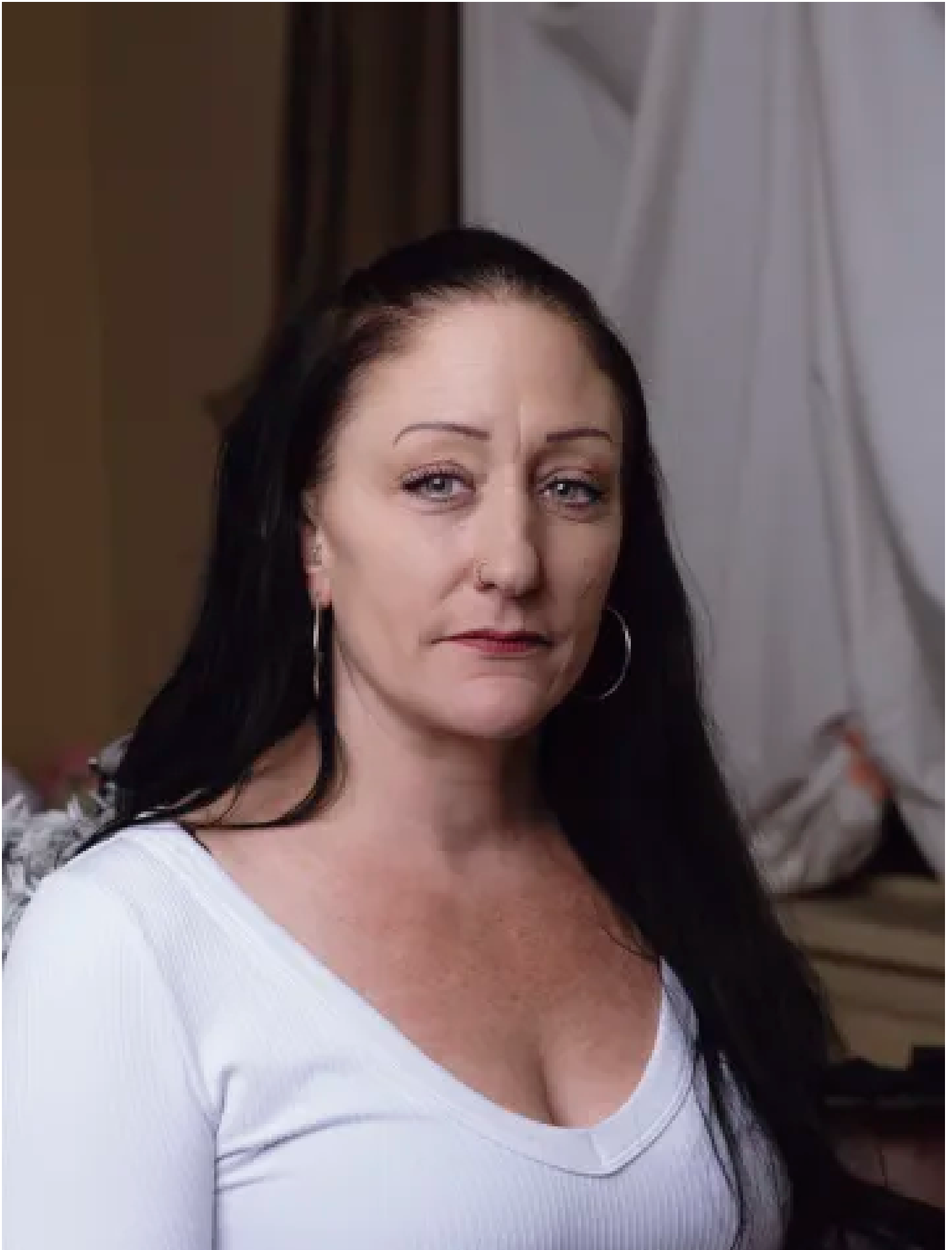
'I just want that back'

Krajewski and her family began renting a three-bedroom apartment in 2017 for \$1,000 a month in a house that had been divided into multiple rental units near downtown Kingston, where a growing number of trendy bars, restaurants and boutiques have been opening to cater to the crowd of second-home owners and weekend visitors. It was a comfortable amount on her husband's salary as a roofer and her income as a home health aide.

Then, at the end of 2021, Krajewski was notified that her rent would be going up to \$1,400 a month, outside of what she felt the family could afford. She began looking for another place, but she was entering a housing market seeing unprecedented levels of demand.

In Ulster County, home prices have risen more than 70% since the start of the pandemic, with the typical home now [listed](#) for \$563,000, according to data from Realtor.com. At current interest rates, a household would have to make around \$120,000 a year to be able to afford that home with a 20% down payment on a 30-year mortgage – well above the \$85,000 median household [income](#) for those living in the county.

With buying a home increasingly out of reach, more families are continuing to rent, putting added pressure on the rental market. The average rents in Ulster County have risen 28% since 2020 to around \$1,500 a month, according to data from rental website [Zumper](#). A [survey](#) by county officials found that the median advertised rent in Ulster County for a studio apartment was \$1,086 a month last year, with two-bedroom units listed for \$1,836 a month.





— “It’s hard to not be able to make a nice dinner for my kids,” Krajewski said. Kate Warren for NBC News

After weeks of searching for another place, Krajewski came up empty-handed. With nowhere to go, the family was evicted and placed at a shelter for homeless families by the county’s Department of Social Services.

After six months at the shelter and still unable to find an apartment, the family moved in with Krajewski’s mother, where they lived for a year and a half. But eventually, that living arrangement became untenable and the family decided to split up – something they expected to be a temporary solution. Krajewski’s husband moved in with his mother, their teenage son joining him, and Krajewski and her daughters were placed at a motel by the county.

Now, Krajewski is among the more than 150 homeless adults and children living in the Kingston Motel, once a destination for tourists seeking to enjoy the area’s mountains, rivers and forests. Tipped-over tricycles and small bikes lay on the motel’s parking lot, strollers are parked outside of rooms, and children loiter on the jungle gym and swing set in the motel’s courtyard.

There are so many children living at the motel that the school buses regularly stop there and local organizations have put together after-school programs to keep the kids occupied.



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Kate Warren for NBC News

Krajewski has been trying to strike a delicate balance between making the place feel like a home for her daughters while not getting too comfortable.

“When I moved in, I said to my girls, ‘We’re not going to be here long, don’t worry.’ Well, that came and went,” she said. “There are families that have lived here for two, three years – that can’t be me, it can’t.”

Beyond the stress of living in a cramped space, Krajewski worries about the long-term consequences for her entire family. The experience has taken a particular toll on her 13-year-old daughter, who has recently started getting into trouble at school and is now in therapy.

The middle schooler's social circle has shrunk to a few girls who also live at the motel. On a recent rainy evening, her daughter and a few other kids were bouncing between motel rooms before coming to Krajewski's unit, where they sat on the beds, scrolling on their phones while Krajewski made them turkey subs for dinner.

"I know in my heart that everything that she's done or has been going through wouldn't have happened if this did not happen," she said of her daughter. "It's situational, it's where we are, it's who she's around. Had we stayed in an apartment or found a cute little home, none of this would have happened."

She also worries about their safety. There are frequent fights around the motel and signs of drug use, she said. In the year she's lived there, a pregnant 14-year-old was involved in a knife fight, a man who had lived next door to her pulled a knife on her friend, and the police had to evacuate part of the motel when a domestic dispute escalated.



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Kate Warren for NBC News

The fighting is particularly distressing for her 10-year-old daughter. When there is fighting in the room next door, Krajewski said her daughter will start crying and want to hide in the bathroom with her mother.

“There’s things that they’ve never had to be afraid of and without the comfort of their big dad around,” she said. “It’s me, I’m the only one and I have to make them feel safe.”

Her daughters only see their father and brother on Sundays when they spend the day together while Krajewski works her shift at a local grocery store. For her and her husband, their housing struggles have put a strain on their marriage of 18 years, leaving the future of their relationship in doubt.

“The consequences of this is that my family has been separated,” she said. “My girls have lost their brother. I miss my son. I cry all the time. My God, is it hard. It’s been a year without him under my roof. I’d never been away from him before. I want to see my kids hanging out together, all three of them. I haven’t seen that in a year, the three of them together. I just want that back.”

After losing their apartment, Krajewski also lost her car and had to stop working as a home health aide. Living at the motel, she has had to limit her job search to places along the bus line. The best job she could find was a position at the deli counter of a grocery store making \$18 an hour. She’s usually scheduled to work just 12 hours a week even though she’s asked for more hours.

‘How we get out of this’

It’s a chain of events that could have been avoided had there been a place for the family to rent for \$1,200 a month, something that would have been within reach prior to the pandemic, said Rich Gohl, who works for RUPCO, a nonprofit organization that advocates for housing.

Gohl was with Krajewski and her family on the day they were evicted from their apartment, and he has been working with them over the past three years to help them find stable housing. But Gohl said the demand for affordable housing far exceeds what’s available. Of the hundreds of individuals he works with, he’s only able to find permanent housing for two or three of them each month.

“You’re getting the typical Joe Middle Class family that has always stood on their own feet, and now they are literally in despair where they’ve given up hope,” Gohl said. “It’s a very sad state of affairs.”



— Richard Gohl checks in on a resident in Highland, N.Y., on Dec. 18. *Kate Warren for NBC News*

Under New York state's right to shelter law, local organizations are required to provide some form of shelter to homeless people. When the shelters are full, as they increasingly are most days, local governments have been turning to motels, which they pay for the nightly rates of around \$100 with a combination of local, state and federal emergency housing dollars. For those who are working but making below a certain threshold, a portion of their income is used to pay for the motel, with government funds covering the rest.

The costs can quickly add up. The typical monthly bill for the motels in the Hudson Valley area is around \$3,000 a month, far exceeding what it would cost to help someone pay for rent on an apartment. Ulster County spent around \$4 million housing families in motels in 2023, according to RUPCO.

But local governments are only able to use emergency housing funds for temporary shelter, like a motel or shelter bed, not for longer-term stable housing. While the federal government does offer housing vouchers to help lower-income families pay for rent, there are lengthy waitlists for those vouchers because the demand exceeds the amount of funding available.

“Putting people in hotels is the worst conceivable scenario that we have,” Bosch said. “It’s bad for the public purse because we’re paying twice as much money for an outcome that’s a quarter as good as if we could just get them into a rental and help bridge this gap with either a voucher or some supportive housing.”



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— "They're people making \$16 to \$20 an hour, who typically in this region would have been able to find a modest rent somewhere, but now those modest rents are gone," Bosch said. Kate Warren for NBC News Once families find themselves living out of a motel, Gohl said he sees many struggle to re-enter the traditional housing market. In addition to being able to afford the rising rents, many landlords want tenants to pay the first and last months' rent, a security deposit, and a brokers' fee when they sign a lease. That can add up to more than \$4,000 in upfront costs for a \$1,500 a month apartment. Landlords also typically require tenants to have a credit score of at least 650 and are wary of renting to anyone with an eviction on their record, he said.

Gohl said he sees many individuals seemingly stuck in a system where they can't get ahead financially. Working families in motels have to pay a portion of their income toward the nightly cost of the room, which in some cases can be nearly as much as they would pay for rent on an apartment – if they could find one. Since the more they earn, the more they pay, it can become difficult to save up for a security deposit, vehicle or other major expense. As their incomes go up, people also lose access to other benefits, like food stamps and subsidized child care.

That leaves government-funded subsidized housing as the primary way most families transition from motels back into long-term housing. RUPCO manages 670 affordable apartment units in the Hudson Valley where the tenants pay a portion of their income toward rent and the organization covers the remaining costs. But openings in those apartments are few and far between, Gohl said.



— Construction site of a subsidized housing unit in Kingston, N.Y., on Dec. 18. Kate Warren for NBC News



— The shuttered Quality Inn is planned for conversion into 83 rental apartments.

Kate Warren for NBC News

Slowly and steadily, though, the number of subsidized housing units has been increasing in the Hudson Valley. RUPCO is in the process of converting a shuttered Quality Inn into 83 rental apartments for homeless individuals with special needs and low-income households. The project should open in 2026 and will include onsite child care, a communal kitchen, and a swimming pool for residents and the community.

Krajewski has been on the waitlist for subsidized housing, which may be her only chance out of the Kingston Motel.

“I don’t know how we get out of this,” she said. “I really don’t.”

The only light at the end of the tunnel she sees is the tax return she and her husband are expecting early next year. With that money, she is hoping to buy a cheap car so she can start working again as a home health aide or get another job that isn’t dependent on the bus line where she can work more hours.

“If I have a car, so much opens up for me,” she said. “This year changed everything in my life, and 2025 is going to fix it all. That’s the only thing I can say. I have to stay positive. I can’t put myself back into that mindset of feeling bad for myself; that’s not going to get me anywhere.”



— “There are families that have lived here for two, three years – that can’t be me, it can’t,” said Krajewski, who has been on the waitlist for subsidized housing. *Kate Warren for NBC News*



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