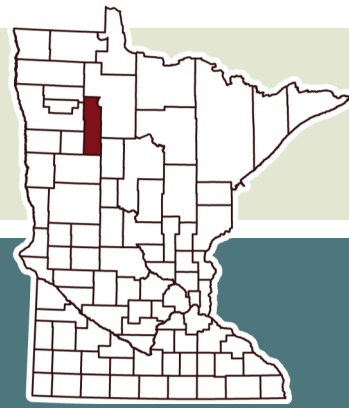


# Homes for All in Clearwater County



2012

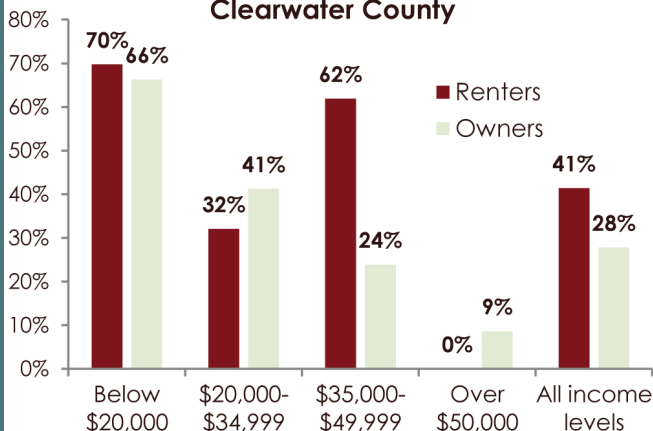
MHP's County Profiles provide county and state data on housing affordability as well as important housing trends impacting children, seniors, and adults of all ages.

## RENTS HIGH, EARNINGS LIMITED

In order to afford rent and utilities for a safe, modest two-bedroom apartment at the fair market monthly rent of \$583, Clearwater County workers would need to earn \$11.21 per hour, 40 hours per week, all year long. The typical renter in the county, however, earns the equivalent of \$7.42. At the minimum wage of \$7.25 per hour, a worker must work **1.5 full time jobs** to afford this rent.<sup>2</sup>

In Clearwater County, about 285 owner and 181 renter households pay at least half of their income for housing—a level considered severely unaffordable.<sup>1</sup>

Proportion of Households Paying 30% or More of Income for Housing, Clearwater County



Number of Households Impacted<sup>3</sup>

Household Income	Renters	Owners
Below \$20,000	244	328
\$20,000 - \$34,999	59	228
\$35,000 - \$49,999	39	134
Over \$50,000	0	109

In most Minnesota counties, **renter incomes have fallen**. According to the most recent data available, real renter incomes have fallen by 4% in Clearwater County since 1999. The median income for renter households is now \$20,655.<sup>4</sup>

**When housing is unaffordable, families are forced to choose between paying for housing and other needs, such as food or medicine.**

## CONSTRAINED RENTAL OPTIONS

Growing demand plus a limited supply of rental housing is leading to higher rents and limited choice in many areas. The foreclosure crisis has turned scores of former homeowners into renters, and much of the rental stock is aging and not matched well to the needs of renters. Meanwhile, construction of multi-family properties statewide reached a **50-year low** in 2006-2010.<sup>5</sup>

Where a shortage of rental homes exists, the burden is heaviest for the lowest-income renters. In Clearwater County, for every 100 extremely low-income renters there are 62 units that are affordable and available.<sup>6</sup>



Homes for all.

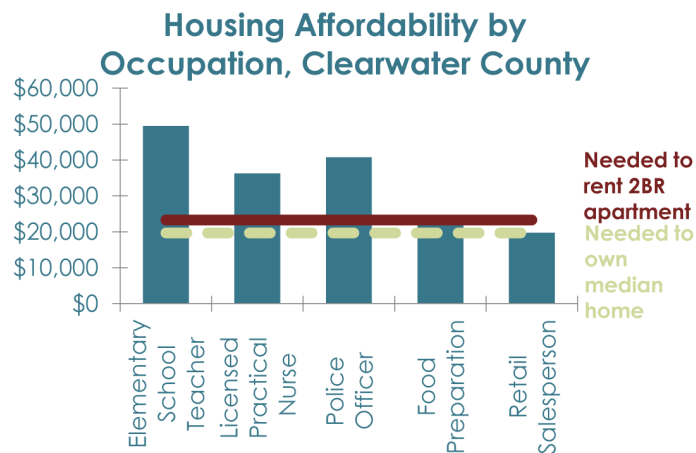
Minnesota Housing Partnership

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# Children are at higher risk when parents cannot afford safe, decent housing.

The chart below shows the median earnings for workers in common occupations compared to the cost of housing.<sup>7</sup>



**In 2010 the cost of housing consumed more than half of income for almost 1 in 7 Minnesota households.**

**In 2000, only 1 in 12 households experienced this level of cost burden.<sup>8</sup>**

## OWNER COSTS, EQUITY, AND FORECLOSURE

- In Clearwater County, the median home sales price (for non-foreclosures) in 2011 was \$85,000. This is a decrease of 13% since 2006, after adjusting for inflation.<sup>9</sup>
- From 2005-2011 in Clearwater County there were 90 foreclosures. Of these, 12 occurred in 2011.<sup>10</sup>
- A drop in home prices as a result of the foreclosure crisis and the Great Recession has left 18% of Minnesota mortgage holders owing more on their home than it is worth.<sup>11</sup>
- About 5% of primary mortgages in Minnesota were delinquent by 60 days or more in early 2012. As a comparison, from 1979 to 2004, this delinquency rate averaged 1.7%.<sup>12</sup>

Children are especially vulnerable to the impacts of unstable, unaffordable housing, inadequate home heating and cooling, and a family budget squeezed between housing and food. In the worst cases, normal growth and development are stunted, and school performance suffers.

## Homelessness in Minnesota

- On a single day in 2009, 393 people were known to be homeless in the Northwest Region, including 235 children and youth through age 21.<sup>13</sup>
- About half of the people experiencing homelessness in Minnesota are 21 or under.<sup>14</sup>
- An estimated 13,100 Minnesotans were homeless on a given night in 2009, the most recent year for which there is statewide data.<sup>15</sup>
- The number of homeless Minnesotans increased by 25% from 2006 to 2009, and rose further in recent years.<sup>16</sup> The increase in homelessness likely stems from increasing long-term unemployment.<sup>17</sup>

## Unemployment, Children, and Poverty

- In 2010, 15.7% of people in Clearwater County were living in poverty. Children face a poverty rate of 24.6%.<sup>18</sup>
- The average unemployment rate in Clearwater County was 8.9% in June, 2012, not including those who have quit actively looking for work.<sup>19</sup>
- Of the available jobs in Clearwater County and counties nearby, 46% pay less than the wage required to afford basic needs.<sup>20</sup>
- In Clearwater County and counties nearby, there are about 7.5 job seekers for each vacant job.<sup>21</sup>

**SOURCES:** 1 American Community Survey (ACS) 2006-10. 2 HUD Fair Market Rent (FMR) 2012 & Out of Reach 2012, NLIHC. 3 ACS 2006-10. 4 US Census 2000 and ACS 2006-10. 5 Building Permits Survey, US Census Bureau. 6 NLIHC analysis of CHAS data, 2005-9. 7 OES Wage Data by economic development region, MN DEED, Q1 2012; HUD FMR, 2012; MN Dept of Revenue Sales Ratio Study, 2010-11. 8 ACS 2010 & US Census 2000. 9 MN Dept of Revenue Sales Ratio Study, 2005-6 & 2010-11. 10 HousingLink. 11 CoreLogic Negative Equity Report, Q1 2012. 12 National Delinquency Survey, Mortgage Bankers' Association, Q1 2012. 13 Wilder Research Center, 2010. 14 Ibid. 15 Ibid. 16 Wilder Research Center, 2010 & MHP 2x4 Reports 2011-2012. 17 Pew Charitable Trusts, "A Year or More: The High Cost of Long-Term Unemployment," 2012 update. 18 Small Area Income & Poverty Estimates, 2010. 19 Local Area Unemployment Statistics, MN DEED (unadjusted). 20 The Cost of Living in Minnesota, JOBS NOW Coalition, 2009. 21 MN DEED Job Vacancy Survey & Local Area Unemployment Statistics, Q4 2011.