

MHP'S Housing Trends Notes

I. Notes on Charts

American Community Survey Data

- Data for many charts is based on American Community Survey (ACS) 1-year estimates.
- Selected monthly owner costs include mortgage payments plus real estate taxes, various insurances, utilities, fuels, mobile home costs, and condominium fees. Gross rent includes the amount of the contract rent plus the costs of utilities and fuels, if paid for by the renter.
- In the ACS data, a small portion of households do not report the amount of income spent on housing. This portion is excluded for calculations of cost burden.
- Data on Senior Housing Cost burden excludes people living in group quarters, which would include nursing homes.

Income Gap: Occupations

- The methodology for calculating amounts needed to afford rental units is consistent with the method used by the National Low Income Housing Coalition's *Out of Reach* report. This method calculates the annual salary a full-time worker would need to earn so that payment of rent is no more than 30% of income.
- Income needed to afford a median-priced home is based on the National Housing Conference's [Paycheck to Paycheck methodology](#). Assumes a family can affordably pay no more than 28% of their income for home costs including mortgage, interest, taxes and insurance with a 10% down payment and a 30-year fixed mortgage. Uses average annual contract mortgage rates plus 45 basis points (0.45%). Monthly tax and insurance rates assumed to be 0.18% of the median home value (2.16% annually).

Homelessness

- Beginning in 2006 Wilder Research Center homelessness surveys increased outreach to locate people outside of formal shelter programs.
- Wilder data is available by HUD-defined Continuum of Care (COC) Regions. Southeast, Central and St. Louis COC Regions are used as proxies for Rochester, St. Cloud, and Duluth respectively. The Twin Cities uses the 7 County Metro Area.

Foreclosures

- Sheriff's sales are used as a proxy to measure foreclosure in Minnesota.
- May reflect missing county data for some counties in some years or quarters.

II. Sources

Data Source	Data Provider	Data Type
<i>American Community Survey (ACS)</i>	US Census Bureau	Multiple data elements including income, housing costs, and housing types
	Notes: The American Community Survey is a population survey conducted annually by the US Census Bureau. The ACS is designed to describe population characteristics rather than actual population counts. In some cases, large margins of error are associated with these data, particularly for smaller geographic areas.	
<i>Fair Market Rents (FMR)</i>	Housing and Urban Development (HUD)	Fair market rents for MN metropolitan areas
	Notes: The 2-bedroom FMR is the 40 th percentile for rent for 2-bedroom apartments in most HUD metros. For 2006 and beyond, all Minnesota county and metropolitan area FMRs are set at the 40 th percentile. From 2001 through 2005, the FMRs for the Minneapolis-St. Paul metro were set at the 50 th percentile. In 2006, the Minneapolis-St. Paul FMRs reverted to the 40 th percentile. See the HUD website for more details.	

Data Source	Data Provider	Data Type
<i>Foreclosure Survey</i>	HousingLink	Sheriff's Sales
<i>Monthly Interest Rate Survey (MIRS)</i>	Federal Housing Finance Board (FHFB)	Average annual mortgage contract rate
	Notes: Uses data from the Des Moines Federal Home Loan Bank district.	
<i>Occupational Employment Statistics (OES) program</i>	Bureau of Labor Statistics (BLS)	Wage estimates by occupation
	Notes: For years for which May and November wage data were available, the two estimates are averaged for an annual figure. For more recent years, only May estimates are available.	
<i>Sales Ratio Study</i>	Minnesota Department of Revenue	Median sale price of residential properties
	Notes: Measures "valid, arms-length" sales prices of residential properties in Minnesota. Excludes home sales that would be biased due to sale to a relative, foreclosure, divorce, or other circumstance. Excludes properties developed on previously undeveloped land since the time an assessor last assessed the property.	
<i>Wilder Homelessness Survey</i>	Wilder Research Center	Number of homeless in and outside of formal shelters
	Notes: The Wilder Research Center homelessness survey is conducted on a single night once every three years to measure the number and characteristics of people without permanent housing.	

III. Geographies of Metropolitan Statistical Areas

Data from multiple counties are aggregated for metro areas as below based on data availability.

Data Source	Duluth MSA	Minneapolis/St. Paul MSA	Rochester MSA	St. Cloud MSA
<i>American Community Survey (ACS)</i>	St. Louis & Carlton in MN, plus Douglas in WI	Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, Wright in MN, plus Pierce and St. Croix in WI	Olmsted, Dodge & Wabasha	Benton & Stearns
<i>Occupational Employment Statistics (OES)</i>	St. Louis & Carlton in MN, plus Douglas in WI	Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, Wright in MN, plus Pierce and St. Croix in WI	Olmsted, Dodge & Wabasha	Benton & Stearns
<i>Housing and Urban Development (HUD) Fair Market Rents</i>	St. Louis & Carlton in MN, plus Douglas in WI	Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, Wright in MN, plus Pierce and St. Croix in WI	Olmsted & Dodge	Benton & Stearns
<i>MN Department of Revenue Residential Home Sales Price (Sales Ratio Study)</i>	St. Louis & Carlton	Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington & Wright	Olmsted, Dodge & Wabasha	Benton & Stearns
<i>HousingLink Foreclosure Data</i>	St. Louis & Carlton	Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington & Wright	Olmsted, Dodge & Wabasha	Benton & Stearns

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