

2017 State Housing Profile

Minnesota

2,115,337 Households

Access to safe, affordable homes builds a strong foundation for families and communities. But too many Minnesotans lack good housing options.



Mirroring the national trend, rent continues to rise while renter income declines – putting a modest two-bedroom apartment out of reach for the median-income renter.

Income for families who own their homes is also on the decline while home values are rising – and homeownership among young families is falling, as well.



RENTER HOUSEHOLDS

590,136 | 28% of all households

Median rent, 2000: \$779

Median rent, 2015: \$848

↑ rent up **+9%**

Median renter income, 2000: \$36,545

Median renter income, 2015: \$32,602

↓ income down **-11%**

Fair market rent for 2-bedroom apartment **\$924**

Median-income renter can afford **\$815**



OWNER HOUSEHOLDS

1,525,201 | 72% of all households

Median home value, 2000: \$168,472

Median home value, 2015: \$186,200

↑ home value **+11%**

Median owner income, 2000: \$76,168

Median owner income, 2015: \$75,507

↓ income down **-1%**

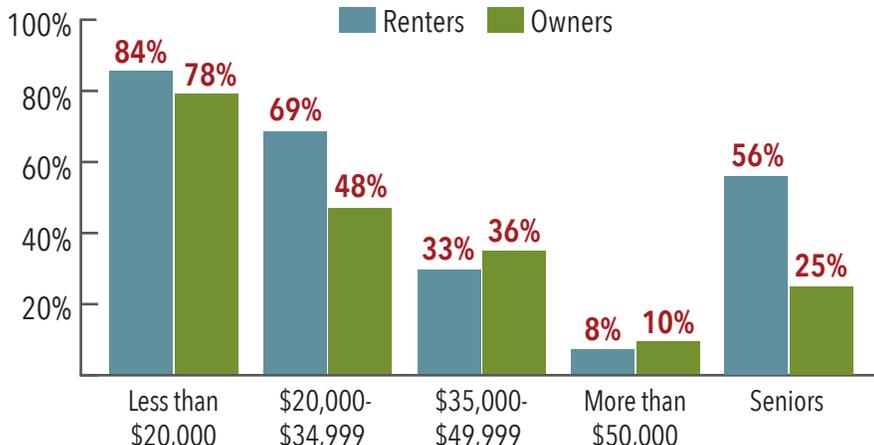
Change in homeownership rate for young householders (35 years old or less), 2000-2015 **-16%**

Statewide, 546,000 households – more than 1 in 4 Minnesota households – pay more than 30 percent of their income on housing costs, putting them at risk of being unable to afford basic needs like food and medicine. This includes nearly 60 percent of seniors who rent, and 84% of renters and 78% of owners who earn less than \$20,000 per year.

COST BURDEN

Percentage of households paying more than 30% of their income on housing

■ Renters ■ Owners



TOTAL NUMBER of cost burdened households **546,213**

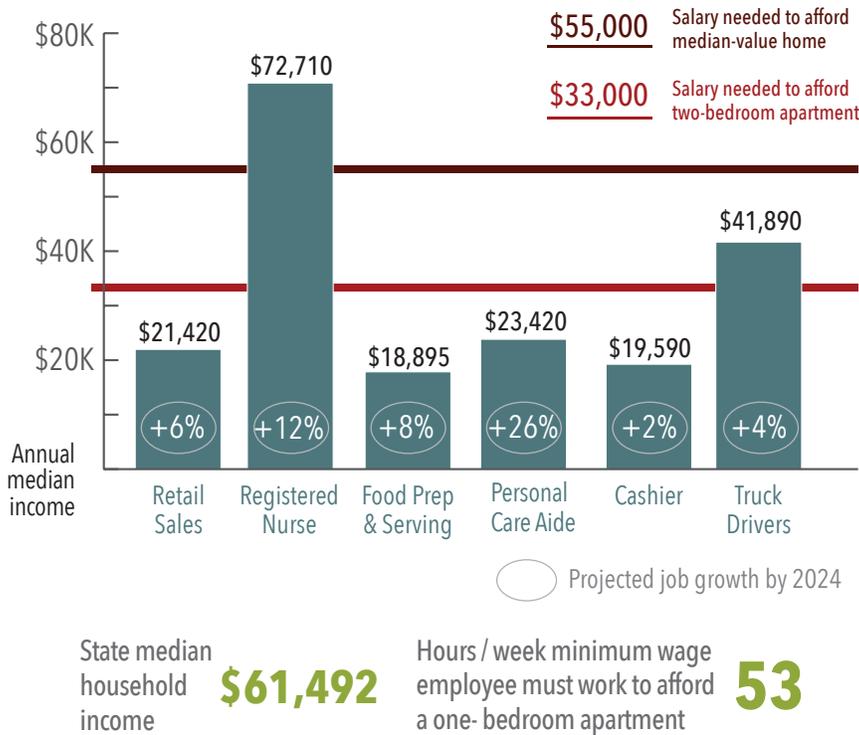
Total # cost burdened RENTER households **272,161**

Total # cost burdened OWNER households **274,052**

Total # cost burdened SENIOR households **151,932**

WAGES: Housing remains a challenge even for Minnesotans who are fully employed. The median earnings for most of the top in-demand and high-growth jobs throughout Minnesota do not cover housing costs at an affordable level. Those working at the median wage – and especially those earning the minimum wage – cannot afford a two-bedroom apartment or the mortgage for a median-value home.

Wages and housing affordability for top in-demand jobs in Minnesota



HOUSING STOCK: While a significant portion of the rental and owner-occupied housing is aging (built before 1960), new construction is not keeping up with demand. Of particular concern is the gap between the number of available units for extremely low-income households – and the number of people who need them.

POPULATION growth by 2035: 596,464

New JOB OPENINGS by 2024: 866,970


 % single family homes built before 1960: **33%**
 Single-family units permitted in 2015: **10,900**


 % rental units built before 1960: **29%**
 Multi-family units permitted in 2015: **8,547**

Number of extremely low-income (ELI)* households: **168,845**

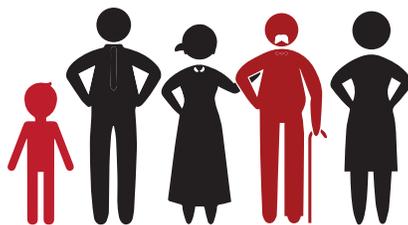
Available units affordable to ELI households: **62,850**

* household of 4 earning less than \$23,150 (30% state median income)

HOMELESSNESS: Across the state, homelessness has declined since 2012, but too many families, seniors and children are still suffering the devastating consequences of having no place to call home.

of homeless on given night in 2015: **9,312**

% change in homelessness 2012-2015: **-9%**



Number of homeless CHILDREN: **3,509** homeless SENIORS: **843**

SENIORS: The number of seniors will rise dramatically over the next two decades, growing by more than 90% across the state – and making senior housing a critical need.

Total senior households by 2035: **1,627,020**

Growth in number of individual seniors by 2035: **93%**

Seniors % of overall population in 2035: **27%**

SOURCES – **Renter households:** Rent and income adjusted for inflation. U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Owner households:** Home value and income adjusted for inflation. U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Cost burden:** U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Wages:** Minnesota Department of Employment and Economic Development (MN DEED), Occupations in Demand, June 2016; Employment Outlook, MN DEED | **Housing Stock:** U.S. Census Bureau, American Community Survey 2015, 5 year estimates, U.S. Census Bureau, Building Permits Survey, 2015 | **Seniors:** Minnesota County Population Projections by Age and Gender, Minnesota State Demographic Center, March 2014 | **Homelessness:** Wilder Research Center, 2016

