



4TH QUARTER '09 - MHP "2 x 4" HOUSING INDICATORS

— Housing Construction Employment Hits 18-Year Low —

St. Paul, MN (March 22, 2010) – The [Minnesota Housing Partnership's \(MHP\)](#) fourth quarter 2009 "[2 x 4" Report](#) found that fewer workers were able to earn a living by building and rehabbing homes than in any fourth quarter since 1992. In the last four years, Minnesota has lost well over half its housing construction jobs, leaving families struggling to make ends meet.

The report also found more owners falling behind on mortgage payments and no relief from high foreclosure rates. But there were signs that federal dollars are addressing recent increases in homelessness, and that the real estate market is stabilizing.

[MHP's "2 x 4" Report](#) graphically depicts 2 indicators for each of 4 key housing areas: *the home ownership market, the rental market, homelessness, and the housing industry*. Through quarterly updates, the report provides a concise and timely overview of housing challenges facing Minnesota.

In fourth quarter 2009, the data showed continuing hardship for many trying to make ends meet—and the crucial need for state investment in housing to create jobs and ensure resident affordability:

- Twin Cities rental market vacancies continued upward—to the highest in five years, likely due to families doubling up to save on rent.
- Mortgage delinquencies for primary (first lien) mortgage holders increased—yet again—now reaching 8.1%.
- While there was a dramatic drop in Hennepin County homelessness in December—likely due to the rollout of a federal homeless prevention program funded by the stimulus bill—homelessness was still 66% higher in the 4th quarter of 2009 than in the 4th quarter of 2006. Minneapolis and St. Paul schools identified 4,700 kids as homeless—8% more so far this school year than last school year.
- The number of people employed in housing construction fell to 8,500—a 4th quarter figure not seen in 18 years.
- Signaling a possible end to the glut in supply, the inventory of homes for sale in the Twin Cities metro fell to the upper end of what is considered a "balanced" level.

MHP's "2 x 4" report is meant to inform policymakers' debate and response to Minnesota's current housing crisis.

See the full "[2 x 4" Quarterly Housing Indicators Report](#)—including graphs, data sources, and discussion—at: www.mhponline.org/research/2x4.

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The Minnesota Housing Partnership (2446 University Ave W. - Ste 140 | St. Paul, MN 55114), a statewide nonprofit, advances the preservation and creation of housing affordable to low- and moderate-income people as a means of strengthening communities and families. MHP provides local governments and nonprofit housing organizations access to loans, grants, and technical expertise to plan and construct housing; it also advocates for and educates people on sound housing policies.