The demand for affordable housing exceeds supply.

The unmet affordable housing need through the year 2010 in Houston County is conservatively estimated at 772 low-income households. Meanwhile, the number of households in the state spending more than half of their income on housing increased from 1 in 15 in 2000 to 1 in 8 in 2006. Minnesota experienced the fastest increase of extremely cost burdened households of any state in the nation during this time period.

The table above shows the number and percent of households in different income brackets that pay over 30% of household income for rental or ownership costs. It illustrates that the burden of housing costs weighs more heavily on lower-income families.

About 81% of Houston County residents own their home and 19% are renters.

WHAT IS AFFORDABLE HOUSING?

Housing is considered affordable if it consumes 30% or less of a household’s gross income.

The table above shows the number and percent of households in different income brackets that pay over 30% of household income for rental or ownership costs. It illustrates that the burden of housing costs weighs more heavily on lower-income families.

Generally, when households spend more than 30% of their income to meet housing costs, they do not have enough income to meet other basic needs or weather financial setbacks.
Lower-income households face extreme affordability challenges.

The chart below compares the median earnings of different workers to the income required for affordable housing. The median household income for Houston County was $50,317 in 2006.

In Houston County, a median-priced home is $125,000, and the fair market rent for a two bedroom apartment is $613 per month. Since 2000, home prices have increased by 27.6% and fair market rent has increased by 26.4%

Approximately 13% of homeowners and 23% of renters in Houston County spend over 30% of their household income on housing.

In Houston County, a family of four with two full-time wage earners needs to earn a combined annual salary of $45,132 to afford the basic cost of living.

36% of jobs in Houston County and counties nearby pay less than the regional wage required to afford basic needs.

The average annual unemployment rate in Houston County was 3.7% in 2007.

Sources: