



FOR IMMEDIATE RELEASE

Contact: Rick Bernardo, *MHP Communications*
(651) 925-5549 | (612) 824-7176 c.
Rick.Bernardo@MHPonline.org

"2 x 4" HOUSING REPORT SHOWS STATE HIT HARD **— MHP rolls out quarterly report on housing indicators—**

St. Paul, MN (July 1, 2009) – The release of the Minnesota Housing Partnership's (MHP) new "[2 x 4](#)" [Quarterly Housing Indicators](#) frames a not-so-pretty picture—for the housing industry and for significant numbers of Minnesotans. Even as rents stabilize and foreclosure rates decline, both renters and homeowners are falling further behind on their housing payments. As a whole, the data point to continued hardship and challenges for families and the housing industry.

[MHP's "2 x 4"](#) is a new report covering 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 the state.

"The stress on Minnesotans paying to keep a roof over their heads reaches beyond these four areas we're monitoring," says MHP's executive director, Chip Halbach. Housing is typically a family's largest expense; as budgets are stretched, housing is apt to compete with other essential needs like food and health care. ([Click -here-](#) for information on the Wed., July 1, 10 A.M. Report Roll-Out Press Conference.)

During the first quarter of 2009, while the Minnesota unemployment rate swelled to its highest in 26 years (8.9%), households felt the heat—especially low-income families. For example, this first "2 x 4" report shows:

- More and more homeowners are unable to keep up with mortgage payments.
- For renters, unemployment and economic uncertainty are taking a toll. A tight market for lower-priced units and rising vacancy rate means renters are doubling-up and seeking less expensive apartments. Those already in lower cost apartments are falling behind in their rent payments.
- Through March of the '08-'09 school year, the number of homeless children and youth identified by the Minneapolis Public Schools rose by 42% compared to the previous year.
- The housing industry continues to suffer declines in residential construction employment, while 28% of Twin Cities homes on the market at the end of 2009's first quarter were foreclosed or near foreclosure.

MHP's new report is meant to inform policymakers' debate and response to Minnesota's current housing crisis. For example, the recent drop in Minnesota foreclosures, despite rising mortgage default rates, likely points to Minnesota's effective foreclosure counseling, along with other federal and local pressures to prevent foreclosure.

"In a healthy market, a diverse supply of housing is available to meet the needs of families and individuals at all income levels," says Halbach. "Providing current housing trends for owners, renters, homelessness, and the housing industry can help policymakers and the public better understand the state's housing needs."

MHP's "2 x 4" Housing Indicators can be found at: www.mhponline.org/research/2x4

-- 0 --

The Minnesota Housing Partnership, 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. MHP's work in Greater Minnesota is primarily supported by The McKnight Foundation.