

MINNESOTA'S RENTAL HOUSING STOCK IMPACTED BY COVID-19

DEMAND FOR RENTAL ASSISTANCE DUE TO TENTANT JOB LOSS, SHELTER IN PLACE, QUARENTINE

Subsidized Rental Housing Stock

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Total MN Pbulicly-Funded Affordable Rental Housing Stock	120,153 units*
Less Project Based Section 8	(35,438) units*
Less USDA Rental Assistance	(7,949) units*
Less Public Housing Units	(22,487) units*
Less 30% of remaining units due to use of tenant vouchers†	(16,284) units†
Balance of Subsidized Rental Units Subject to Loss of Rent	37,995 units

Average rent per unit	\$ 829	avg mo rent†
Total Normal (Pre-COVID) Rent Revenue	\$ 31,498,104	per mo

Loss of Revenue for Sustainable <i>Affordable</i> Properties	Loss Rates	Per Month	Cumulative Sum for Year
April	30%	\$ 9,449,431	\$ 9,449,431
May	30%	\$ 9,449,431	\$ 18,898,862
June	30%	\$ 9,449,431	\$ 28,348,293
July	30%	\$ 9,449,431	\$ 37,797,724
August	30%	\$ 9,449,431	\$ 47,247,156
September	30%	\$ 9,449,431	\$ 56,696,587
October	30%	\$ 9,449,431	\$ 66,146,018
November	30%	\$ 9,449,431	\$ 75,595,449
December	30%	\$ 9,449,431	\$ 85,044,880

Market Rate Rental

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Occupied Rental Units in MN	626,513 units‡
Less Publicly Funded Affordable Rental Stock	(120,153) units*
Less Tenant Vouchers not used in Publicly Funded Housing	(16,306) units**
Balance of Market Rate Rental Units Subject to Loss of Rent	490,054 units

Average rent per unit	\$ 1,314	avg mo rent††
Total Normal (Pre-COVID) Rent Revenue	\$ 643,930,562	per mo

Loss of Revenue for <i>Market Rate</i> Properties	Loss Rates	Per Month	Cumulative Sum for Year
April	6%	\$ 38,635,834	\$ 38,635,834
May	8%	\$ 51,514,445	\$ 90,150,279
June	10%	\$ 64,393,056	\$ 154,543,335
July	15%	\$ 96,589,584	\$ 251,132,919
August	15%	\$ 96,589,584	\$ 347,722,503
September	10%	\$ 64,393,056	\$ 412,115,560
October	10%	\$ 64,393,056	\$ 476,508,616
November	10%	\$ 64,393,056	\$ 540,901,672
December	10%	\$ 64,393,056	\$ 605,294,728

Entire MN Rental Market

Total Demand for Rental Assistance

Due to Job Loss for the Entire MN Rental Market in the Near Term Through YE 2020

April	\$ 48,085,265
May	\$ 109,049,141
June	\$ 182,891,628
July	\$ 288,930,644
August	\$ 394,969,659
September	\$ 468,812,146
October	\$ 542,654,634
November	\$ 616,497,121
December	\$ 690,339,608

PREPARED BY GREATER MINNESOTA HOUSING FUND, HOUSINGLINK.

* Affordable rental stock figures, including Project Based Section 8, USDA, and Public Housing totals from HousingLink.org's Streams database.

† Applying assumption on remaining units based on MN Housing analysis indicating the use of tenant vouchers in 30% of units in their Project Based Section 8, non-USDA rental assistance, non-Public Housing portfolio.

‡ Rent assumption based on average 2019 rents of publicly-assisted properties (not including Public Housing, Project-Based Section 8, or USDA-RD), from HousingLink's Twin Cities Rental Revue database.

§ Loss of revenue assumes conservative estimate by MN Multi Housing Association of 300,000 on unemployment by April, with 100,000 struggling to pay rent or declining to pay, which constitutes at least 16% of all (626,513) rental units. April assumed manageable with some defaults, based on renters' March income. May presumes 50,000 of those renters unable to pay and June at all 100,000.

¶ Total occupied rental units in MN in 2018 based on US Census American Community Survey 1-Year data.

** 2019 Tenant voucher totals from HUD's A Picture of Subsidized Households (<https://www.huduser.gov/portal/datasets/assths.html>), subtracting totals determined to be in publicly-assisted housing in graph to left).

†† Rent assumption based on average 2019 rents of market rate (not publicly-assisted) properties from HousingLink's Twin Cities Rental Revue database.