2ND QUARTER 2011 - MHP “2 x 4” HOUSING INDICATORS

Startling data on homelessness puts another face on poverty

St. Paul, MN (September 14, 2011) – Increasing numbers of children and families in the Twin Cities are finding themselves without a home, according to data in the Minnesota Housing Partnership’s (MHP) latest “2 x 4” Report. The report echoes the alarm sounded by newly released national data indicating an increase in poverty in 2010.

New data released this week found poverty was up nationwide for the third consecutive year, reaching 15.1% in 2010. Ongoing unemployment has not helped matters. As of June, 2011, the average unemployed worker had been out of work for over 9 months.

The impact is being felt among the most vulnerable here in Minnesota, finds MHP’s 2x4 report. In the second quarter, the number of homeless families in Hennepin County shelters increased 21% since last year and doubled since 2006. In addition, St. Paul and Minneapolis public schools combined identified 8% more kids as homeless in the 2010-11 school year than the year before.

The situation may get worse before it gets better. Twin Cities rental vacancy rates fell to 2.4%, the lowest in a decade. In this tight market, rents are likely to rise further, even as low-income families struggle to pay the rent. In 2009, the most recent year for which data is available, 58% of Minnesota renter households with incomes below $50,000 paid more than 30% of their income for housing, a level considered too high, according to HUD.

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 overview of housing challenges facing Minnesota.

For the second quarter of 2011 the housing indicators show that:

- 8,200 school children were identified as homeless by Minneapolis and St. Paul public schools for the 2010-11 school year, up 8% from the year before. In Hennepin County, the number of homeless families seeking shelter doubled compared to 2006 for the quarter.
- Vacancies in the Twin Cities rental market fell to 2.4%, the lowest in a decade.
- In brighter news, mortgage delinquencies fell to 5.6%, and pre-foreclosure notices were down, though foreclosures themselves rose compared to last quarter. Many more foreclosures may still be in the pipeline.
- Monthly employment in residential housing construction averaged only 8,200 workers, a 19-year low for the time of year in Minnesota.

See the full “2 x 4” Report including graphs, data sources, and analysis at: http://mhponline.org/publications/reports-and-research/2x4-report. Media inquiries contact Leigh Rosenberg at 651-925-5543 or lrosenberg@mhponline.org.

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The Minnesota Housing Partnership (MHP - 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 is an equal opportunity provider and employer.