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**NEW CENSUS DATA: THE RENT IS STILL WAY TOO HIGH**
— Duluth Renters Least Likely to Be Able to Afford Housing; Rochester Sees Fastest Increase in Struggling Renters—

St. Paul, MN (September 22, 2011) - The American Community Survey (ACS) data released today shows that economic recovery in 2010 was dubious from the point of view of many families, and renters in particular.

New 2010 detailed Census Bureau figures provide the best information available about housing affordability in Minnesota for places with a population of 65,000 and up.

The data indicate that incomes are not enough to afford rent for about 1 in 2 renting households in Minnesota. Fifty-percent of renter households paid more than 30% of their income for rent and essential utilities in 2010, while 1 in 4 paid more than HALF of their income for their housing.

When families pay even 30% of their income for housing, housing is considered unaffordable, according to standards set by the Department of Housing and Urban Development (HUD). Families then often must choose between paying for their housing and other competing needs such as food, medications, and transportation.

In 2010, Duluth had the highest level of renters paying more than 30% of their income for housing of any of the major Minnesota metros. An alarming 56% of renters in the Duluth metropolitan area fell into this category.

Looking at change over time, Rochester has seen the largest increase in renter households paying too much for rent. Since 2006, the proportion of renters paying 30% or more of their income for housing has increased by nearly 40%. By 2010, Rochester’s renters were statistically no better off than the state as a whole.

Since 1999 for the state as a whole, real income has fallen for both owner and renter households, but renters have fared worse. In 2010 renter households had a median income of only $28,043, compared to $68,261 for owners. In 1999, renters earned about $36,400 after adjusting for inflation to 2010.

“Even as we look for ways to create jobs, the new data remind us that we need to make smart investments in rental housing that low-wage workers can afford,” said Chip Halbach, executive director of the Minnesota Housing Partnership.

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Contact MHP for further analysis on:

- Changes in housing affordability for homeowners.
- Housing affordability for those at various income levels.
- Housing affordability for senior citizens and young adults.
- The supply of housing affordable to lower-income families.
- Other analysis by request for media for Minnesota, Minneapolis-St. Paul, Duluth, Rochester, and St. Cloud.