Housing is considered affordable if it consumes less than 30% of a household’s gross income. At higher levels, families must choose between housing and other basic needs and will struggle to weather financial setbacks. For 2009, housing costs continue to consume a large portion of families’ income, with substantial unemployment threatening Minnesotans.

<table>
<thead>
<tr>
<th>Household Income</th>
<th>Renters</th>
<th></th>
<th>Home Owners</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of Households Paying 30% or More in Rent</td>
<td>Percent of Households Paying 30% or More in Rent</td>
<td>Number of Households Paying 30% or More in Ownership Costs</td>
<td>Percent of Households Paying 30% or More in Ownership Costs</td>
</tr>
<tr>
<td>Less than $20,000</td>
<td>3,711</td>
<td>88.9%</td>
<td>4,820</td>
<td>82.6%</td>
</tr>
<tr>
<td>$20,000 - $34,999</td>
<td>4,586</td>
<td>78.5%</td>
<td>4,432</td>
<td>52.5%</td>
</tr>
<tr>
<td>$35,000 - $49,999</td>
<td>683</td>
<td>16.5%</td>
<td>7,684</td>
<td>62.0%</td>
</tr>
<tr>
<td>$50,000 and over</td>
<td>205</td>
<td>4.0%</td>
<td>16,163</td>
<td>22.0%</td>
</tr>
<tr>
<td>All Income Levels</td>
<td>9,185</td>
<td>45.9%</td>
<td>33,099</td>
<td>33.1%</td>
</tr>
</tbody>
</table>

The table above shows the number and percent of households in different income brackets that pay 30% or more of household income for rental or ownership costs. It illustrates that the burden of housing costs weighs more heavily on lower-income families.\(^1\)

Even before the current economic downturn, housing needs were severe. In 2007, 1 in 8 households spent at least half of their income on housing, up from 1 in 15 in 2000. Minnesota experienced the fastest increase of extremely cost burdened households of any state in the nation during this time period.\(^2\)

In 2007, about 83.3% of Anoka County residents owned their home and 16.7% were renters. Of these, approximately 33.1% of homeowners and 45.9% of renters in Anoka County spent 30% or more of their household income on housing.\(^3\)
Lower-income households face extreme affordability challenges.

The chart below compares median earnings across different occupations to the income required to afford housing.4

**HOUSING COSTS.** In Anoka County, a median-priced home cost $205,400 in 2008, and the fair market rent for a two-bedroom apartment was $873 per month in 2009. Since 2001, home prices have increased by 30.0% and the fair market rent has increased by 17.7%.5

**INCOME.** In Anoka County, a family of four with two full-time wage earners needs to earn a combined annual salary of $58,800 to afford the basic cost of living.6 The median household income for Anoka County was $65,832 in 2007.7

**JOBS.** 38% of jobs in Anoka County and counties nearby pay less than the regional wage required to afford basic needs.8 The average unemployment rate in Anoka County was 9.4% in March, 2009, up from 4.4% in March 2006.9


Foreclosures in Minnesota

- In Anoka County in 2008, there were about 2,285 foreclosures, a 36.0% increase from 2007.10
- Left unaddressed, abandoned foreclosed properties destabilize neighborhoods, erode the local tax base and drive up the costs of municipal services.
- Of homeowners seeking foreclosure counseling in 2008, three-quarters were considered to be low- and moderate-income. Half experienced a reduction of income before seeking counseling. 60% had prime mortgages.11

Homelessness in Minnesota

- On a single day in 2006, 4,715 people were sheltered in the Twin Cities Region, including 1,860 children.12
- Roughly 9,200 Minnesotans are homeless and 7,700 are precariously housed in temporary or unstable housing. 38% are children and youth.13
- 39% of Minnesota’s homeless population cite the inability to afford housing as a primary reason for leaving previous housing.14

Extreme Cost Burden

- Approximately 19.2% of renter households pay at least half of their income on housing in Anoka County.15
- For homeowner households in Anoka County, 10.3% pay at least half of their income on housing.16