Housing Affordability in Benton County

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. In Minnesota, housing costs continue to consume a large portion of families’ income. For many, extended economic hardship is taking a toll.

<table>
<thead>
<tr>
<th>Household Income</th>
<th>Renters Number of Households Paying 30% or More in Rent</th>
<th>Renters Percent of Households Paying 30% or More in Rent</th>
<th>Home Owners Number of Households Paying 30% or More in Ownership Costs</th>
<th>Home Owners Percent of Households Paying 30% or More in Ownership Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $20,000</td>
<td>1,156</td>
<td>86.7%</td>
<td>700</td>
<td>86.7%</td>
</tr>
<tr>
<td>$20,000 – $34,999</td>
<td>501</td>
<td>40.2%</td>
<td>804</td>
<td>56.1%</td>
</tr>
<tr>
<td>$35,000 – $49,999</td>
<td>26</td>
<td>3.5%</td>
<td>664</td>
<td>41.0%</td>
</tr>
<tr>
<td>$50,000 and over</td>
<td>13</td>
<td>1.4%</td>
<td>1,185</td>
<td>17.4%</td>
</tr>
<tr>
<td>All Income Levels</td>
<td>1,696</td>
<td>37.8%</td>
<td>3,353</td>
<td>31.4%</td>
</tr>
</tbody>
</table>

The table above shows the number and percent of households at different income levels 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 2008, 1 in 8 Minnesota 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 2006-2008, about 70% of Benton County residents owned their home and 30% were renters. Of these, approximately 31.4% of homeowners and 37.8% of renters in Benton 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.

**Housing Affordability by Occupation, Benton County**

**Foreclosures in Minnesota**
- From 2005-2009 in Benton County, there were 645 foreclosures. Of these, 155 occurred in 2009.
- Almost 8% of primary mortgages in Minnesota were delinquent by 60 days or more by early 2010.
- The most common reason people sought foreclosure counseling in 2009 was loss or reduction of income.

**Homelessness in Minnesota**
- On a single day in 2009, 482 people were known to be homeless in the Central Region, including 208 children and youth through age 21.
- An estimated 13,100 Minnesotans are homeless on any given night. The number of homeless people identified increased by 25% from 2006 to 2009.
- The largest increase in homelessness from 2006 to 2009 was among young adults (18-21). Youth aged 12-21 saw the largest increase in likelihood of being turned away from a shelter.

**Extreme Cost Burden**
- Approximately 18% of renter households pay at least half of their income on housing in Benton County.
- For homeowner households in Benton County, 10% pay at least half of their income on housing.