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</th>
<th>Home Owners</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>
</tr>
<tr>
<td>Less than $20,000</td>
<td>560</td>
<td>84.5%</td>
</tr>
<tr>
<td>$20,000 – $34,999</td>
<td>503</td>
<td>74.9%</td>
</tr>
<tr>
<td>$35,000 – $49,999</td>
<td>86</td>
<td>23.8%</td>
</tr>
<tr>
<td>$50,000 and over</td>
<td>69</td>
<td>17.4%</td>
</tr>
<tr>
<td>All Income Levels</td>
<td>1,218</td>
<td>52.6%</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 87% of Chisago County residents owned their home and 13% were renters. Of these, approximately 38.9% of homeowners and 52.6% of renters in Chisago County spent 30% or more of their household income on housing.³
Higher-income households face extreme affordability challenges.

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

### Foreclosures in Minnesota

- From 2005-2009 in Chisago County, there were 1,322 foreclosures. Of these, 365 occurred in 2009.10
- Almost 8% of primary mortgages in Minnesota were delinquent by 60 days or more by early 2010.11
- The most common reason people sought foreclosure counseling in 2009 was loss or reduction of income.12

### 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 21.13
- An estimated 13,100 Minnesotans are homeless on any given night. The number of homeless people identified increased by 25% from 2006 to 2009.14
- 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.15

### Extreme Cost Burden

- Approximately 25% of renter households pay at least half of their income on housing in Chisago County.16
- For homeowner households in Chisago County, 11% pay at least half of their income on housing.17

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**Housing Affordability by Occupation, Chisago County**

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Needed to own median home</th>
<th>Needed to rent 2BR apartment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary School Teacher</td>
<td>$40,000</td>
<td>$10,000</td>
</tr>
<tr>
<td>Registered Nurse</td>
<td>$50,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>Police Officer</td>
<td>$60,000</td>
<td>$30,000</td>
</tr>
<tr>
<td>Food Preparation</td>
<td>$70,000</td>
<td>$40,000</td>
</tr>
<tr>
<td>Retail Salesperson</td>
<td>$0</td>
<td>$50,000</td>
</tr>
</tbody>
</table>

**Sources:**
2. ACS 2008.
4. OES Wage Data by economic development region, MN DEED.
7. 8 The Cost of Living in Minnesota, JOBS NOW Coalition, 2009.
8. 9 Local Area Unemployment Statistics, MN DEED (unadjusted).
9. 10 HousingLink, 2010.
10. 11 National Delinquency Survey, Mortgage Bankers Association, Q1 2010.
13. 14 Ibid.
14. 15 Ibid.
16. 17 Ibid.