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>Number of Households Paying 30% or More in Rent</th>
<th>Percent of Households Paying 30% or More in Rent</th>
<th>Number of Households Paying 30% or More in Ownership Costs</th>
<th>Percent of Households Paying 30% or More in Ownership Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $20,000</td>
<td>273</td>
<td>44.8%</td>
<td>224</td>
<td>39.3%</td>
</tr>
<tr>
<td>$20,000 – $34,999</td>
<td>19</td>
<td>4.7%</td>
<td>187</td>
<td>24.1%</td>
</tr>
<tr>
<td>$35,000 – $49,999</td>
<td>6</td>
<td>3.0%</td>
<td>65</td>
<td>7.4%</td>
</tr>
<tr>
<td>$50,000 and over</td>
<td>0</td>
<td>0.0%</td>
<td>72</td>
<td>3.6%</td>
</tr>
<tr>
<td>All Income Levels</td>
<td>298</td>
<td>22.6%</td>
<td>548</td>
<td>13.0%</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 2000, about 81% of Houston County residents owned their home and 19% were renters. Of these, approximately 13.0% of homeowners and 22.6% of renters in Houston 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 Affordability by Occupation, Houston County**

![Housing Affordability Chart]

**Foreclosures in Minnesota**
- From 2005-2009 in Houston County, there were 69 foreclosures. Of these, 21 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 lack of or reduction of income.12

**Homelessness in Minnesota**
- On a single day in 2009, 483 people were known to be homeless in the Southeast Region, including 278 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 9% of renter households pay at least half of their income on housing in Houston County.16
- For homeowner households in Houston County, 3% pay at least half of their income on housing.17

**Sources:**