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.

### Housing Affordability in Lake County

<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>208</td>
<td>54.2%</td>
<td>221</td>
<td>49.4%</td>
</tr>
<tr>
<td>$20,000 – $34,999</td>
<td>6</td>
<td>4.5%</td>
<td>75</td>
<td>13.0%</td>
</tr>
<tr>
<td>$35,000 – $49,999</td>
<td>0</td>
<td>0.0%</td>
<td>28</td>
<td>5.0%</td>
</tr>
<tr>
<td>$50,000 and over</td>
<td>0</td>
<td>0.0%</td>
<td>17</td>
<td>1.5%</td>
</tr>
<tr>
<td>All Income Levels</td>
<td>214</td>
<td>29.6%</td>
<td>341</td>
<td>12.6%</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 2000, about 84% of Lake County residents owned their home and 16% were renters. Of these, approximately 12.6% of homeowners and 29.6% of renters in Lake 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, Lake County

Foreclosures in Minnesota
- From 2005-2009 in Lake County, there were 124 foreclosures. Of these, 28 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, 214 people were known to be homeless in the Northeast Region, including 98 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 10% of renter households pay at least half of their income on housing in Lake County.16
- For homeowner households in Lake County, 5% pay at least half of their income on housing.17