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.

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 2000, about 77.0% of Mahnomen County residents owned their home and 23.0% were renters. Of these, approximately 14.3% of homeowners and 27.8% of renters in Mahnomen 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, Mahnomen County

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Median Earnings</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>$0</td>
<td>$10,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>Registered Nurse</td>
<td>$10,000</td>
<td>$20,000</td>
<td>$30,000</td>
</tr>
<tr>
<td>Police Officer</td>
<td>$20,000</td>
<td>$30,000</td>
<td>$40,000</td>
</tr>
<tr>
<td>Food Preparation</td>
<td>$30,000</td>
<td>$40,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>Retail Salesperson</td>
<td>$40,000</td>
<td>$50,000</td>
<td>$60,000</td>
</tr>
</tbody>
</table>

### Foreclosures in Minnesota

- In Mahnomen County in 2008, there were about 20 foreclosures, a 566.7% 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, 198 people were sheltered in the Northwest Region, including 81 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 13.0% of renter households pay at least half of their income on housing in Mahnomen County.15
- For homeowner households in Mahnomen County, 3.0% pay at least half of their income on housing.16

### Sources