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New Report Says Minnesota Has Least Affordable Rent in Midwest

St. Paul, Minn. (April 7, 2008) – According to the National Low Income Housing Coalition’s (NLIHC) 2008 Out of Reach report, Minnesota has the worst rental affordability of all 12 Midwestern states. Based on locally-adjusted wage and rent information, the report says that minimum wage earners in Minnesota would need to work 96 hours per week to afford an average two bedroom apartment. No other Midwestern state required as many hours of work for a comparable apartment.

Rental affordability is particularly important right now because a significant portion of foreclosures impact renters. In Ramsey and Hennepin counties almost half of foreclosures impact renter households.

“The current mortgage crisis has awakened everyone to what low income renters have known for a long time: Even modest homes are too costly for most low income families,” said NLIHC President Sheila Crowley. “It will only get worse as the rental market is flooded with families displaced by foreclosure.”

Chip Halbach, MHP executive director and NLIHC board member, says one of the best ways to promote a stable housing market is to make sure that we have a healthy variety of housing types. “We need to be sure that our housing stock meets the demands of all members of our communities. That means ensuring that our communities have a healthy supply of rental and owner-occupied homes,” said Halbach.

The Minnesota Housing Wage, the hourly wage needed to affordably rent an average two bedroom apartment, is now up to \$14.69 from \$14.47 at the end of 2006. Minnesota has experienced a 27 percent increase in its housing wage since 2000. The report also showed that renters in the Twin Cities must earn at least \$16.31 per hour to afford a modest two bedroom apartment, but the average Twin Cities renter only makes \$13.77. Go to the National Low Income Housing Coalition’s [Web site](#) for the full report, including county- and metro area-level statistics.

The Minnesota Housing Partnership is a statewide nonprofit organization that advances the preservation and creation of housing affordable to low- and moderate-income people as a means of strengthening communities and families. MHP provides local governments and nonprofit housing organizations access to loans, grants, and technical expertise to plan and construct housing, in addition to advocating and educating people on sound housing policies. MHP’s work in Greater Minnesota is primarily supported by The McKnight Foundation.

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