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.

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.

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.

In 2000, about 78% of Rock County residents owned their home and 22% were renters. Of these, approximately 12.7% of homeowners and 27.2% of renters in Rock County spent 30% or more of their household income on housing.
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, Rock 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>$50,000</td>
<td>$60,000</td>
</tr>
<tr>
<td>Registered Nurse</td>
<td>$40,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>Police Officer</td>
<td>$30,000</td>
<td>$40,000</td>
</tr>
<tr>
<td>Food Preparation</td>
<td>$20,000</td>
<td>$30,000</td>
</tr>
<tr>
<td>Retail Salesperson</td>
<td>$10,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>Registered Nurse</td>
<td>$50,000</td>
<td>$60,000</td>
</tr>
</tbody>
</table>

**HOUSING COSTS.** In Rock County, a median-priced home cost $82,250 in 2009, excluding foreclosures. The fair market rent for a two-bedroom apartment was $588 per month in 2010. Since 2001, home prices have decreased by 2%, and the fair market rent has increased by 15%, after adjusting for inflation.5

**INCOME.** In Rock County, a family of four with two full-time wage earners needs to earn a combined annual salary of $46,953 to afford the basic cost of living.6 The median household income for Rock County was $48,104 in 2008.7

**JOBS.** 44% of jobs in Rock County and counties nearby pay less than the regional wage required to afford basic needs.8 In April 2010, the unemployment rate in Rock County was 5.1%, compared to 5.4% in 2009 and 2.9% in 2005.9

**Foreclosures in Minnesota**
- From 2005-2009 in Rock County, there were 55 foreclosures. Of these, 14 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, 270 people were known to be homeless in the Southwest Region, including 150 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 14% of renter households pay at least half of their income on housing in Rock County.16
- For homeowner households in Rock County, 4% pay at least half of their income on housing.17

**SOURCES:**
- 2 American Community Survey (ACS) 2008.
- 4 OES Wage Data by economic development region, MN DEED, 4th quarter, 2009.
- 6 The Cost of Living in Minnesota Family Wage & Budget Calculator, JOBS NOW Coalition, 2009.
- 8 The Cost of Living in Minnesota, JOBS NOW Coalition, 2009.
- 9 Local Area Unemployment Statistics, MN DEED (unadjusted).
- 10 HousingLink, 2010.
- 12 Minnesota Home Ownership Center, 2010.
- 13 Wilder Research Center, 2010.
- 14 Ibid.
- 15 Ibid.
- 17 Ibid.