



4TH QUARTER 2010 - MHP "2 x 4" HOUSING INDICATORS

Report finds construction workers out of work, high homelessness in MN, while lawmakers consider deep cuts to housing programs

St. Paul, MN (Mar. 14, 2011) – With high levels of homelessness and housing construction at a low, distress in the housing market continued in the 4th quarter of 2010, according to data in the [Minnesota Housing Partnership's \(MHP\) latest "2 x 4" Report](#).

According to the report, family homelessness showed no improvement from height-of-recession 2009 highs. A sluggish housing market seemed poised for more slog, with generous inventories of homes still for sale and employment in housing construction at a 17-year low for the time of year.

On a brighter note, fewer home owners were delinquent on their mortgage payments.

Meanwhile, late last week, Minnesota House and Senate lawmakers announced plans to cut funding for housing and economic development programs, by about 50%.

Chip Halbach, Executive Director of the Minnesota Housing Partnership, questioned the wisdom of such cuts with so many workers unemployed. "State investment in housing is a win-win. It leverages private sector dollars and puts people to work, not to mention ensuring that more Minnesotans can afford a safe place to live," said Halbach.

[MHP's "2 x 4"](#) housing indicators report continues covering the worst economic crisis since the Great Depression. The report graphically depicts 2 indicators for each of 4 key housing areas: *the home ownership market*, *the rental market*, *homelessness*, and *the housing industry*. Through quarterly updates, the report provides a concise and timely overview of housing challenges facing Minnesota.

For fourth quarter of 2010:

- Vacancies in the Twin Cities rental market again fell sharply to 3.8%, down from 7.3% a year earlier.
- Family homelessness in Hennepin County was nearly unchanged from height-of-recession 2009 rates for the time of year.
- Mortgage delinquencies fell to 6.5%, compared to about 8% a year earlier.
- Inventories of homes for sale in the Twin Cities metro were high, despite historically low mortgage rates. About 34% of the homes on the market were foreclosures or short sales.
- Monthly employment in residential housing construction averaged a mere 8,900 workers, a number for the quarter not seen since 1993 for the time of year.

See the full ["2 x 4" Report](#) including graphs, data sources, and analysis at: <http://mhponline.org/publications/reports-and-research/2x4-report>. Media inquiries contact Leigh Rosenberg at 651-925-5543 or rosenberg@mhponline.org.

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