




February 14, 2024

# MHP's State of the State's Housing

Anne Mavity  
Executive Director  
Minnesota Housing Partnership  
[anne.mavity@mhponline.org](mailto:anne.mavity@mhponline.org)



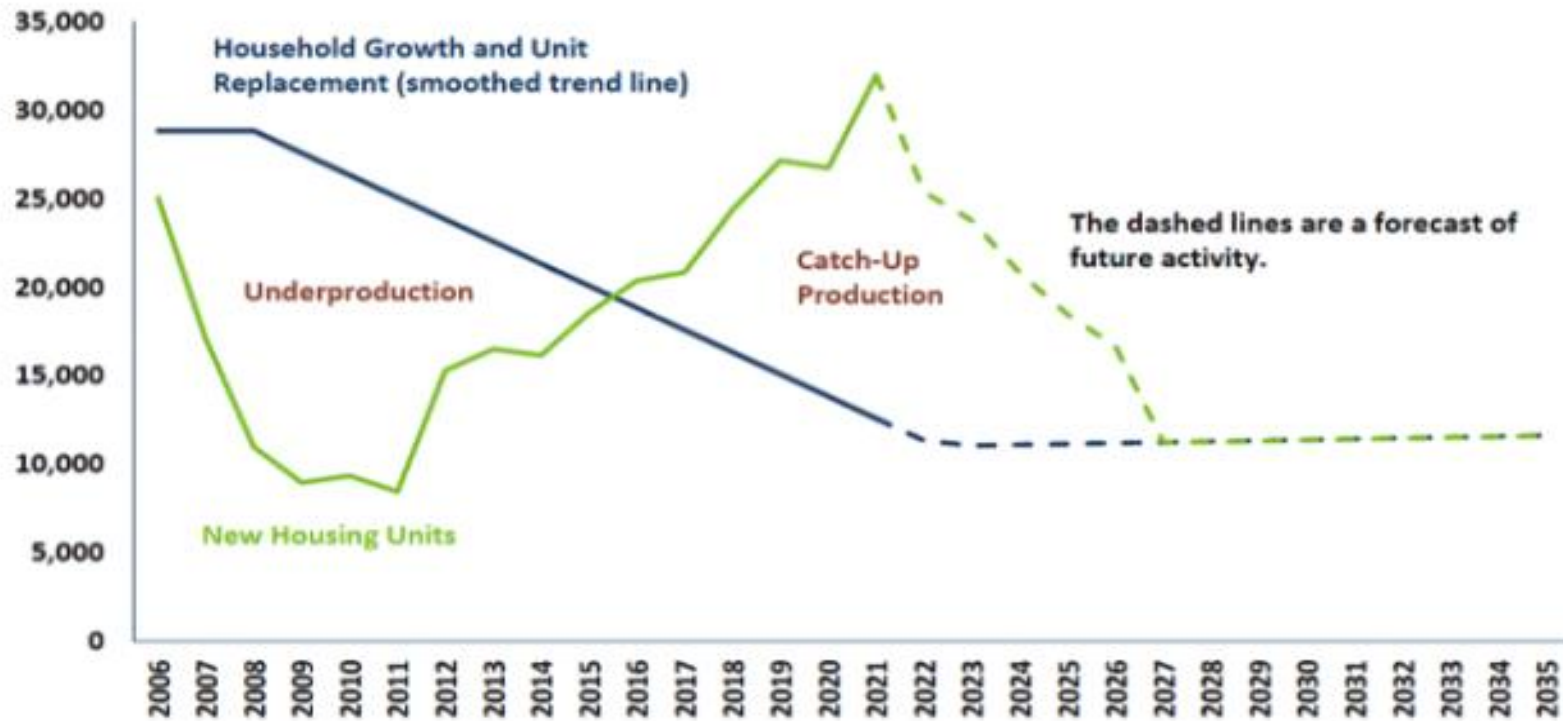
[mhponline.org](http://mhponline.org)



Minnesota needs more  
housing, of every type, in  
every corner of the state.

# Still catching up in creating and preserving homes

## New Housing Needed vs. New Housing Produced, 2006 to 2035



Source: Minnesota Housing modeling based on data from a wide range of sources, including the Minnesota Demographers Office, the U.S. Census Bureau's American Community Survey, Marquette Advisors, CoStar, and HUD.



Chart from John Patterson, Minnesota Housing

[mhponline.org](http://mhponline.org)

# New homes are being created



# Need to create new homes and preserve existing homes

Historic investments  
in 2023 legislative  
session

Rising  
costs

Inflation





# Housing is unaffordable to HALF of Minnesota renters.

More renter households are cost burdened than at any other point in the last decade.

In 2021's State of the State's Housing report, 44% of renters were cost-burdened.

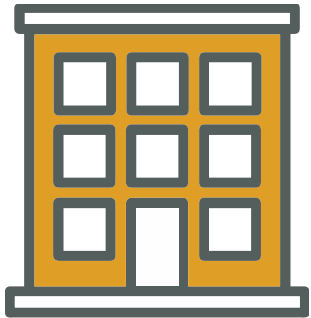


Vang Family,  
St. Paul

# And...rents are climbing.

Median rent increased by 8%  
in just one year—the largest  
year-to-year increase in the  
past decade.

\*2022 - 2023



2023 RENTER HOUSEHOLDS  
647,756 | 28% of all households

Renter income: \$47,318 or up **3%** over 5 yrs  
Rent: \$1,200/month or up **7%** over the same time period



# The cost of owning a home is outpacing MN incomes



2023 OWNER HOUSEHOLDS  
1,674,434 | 72% of all households

Owner income: \$100,366 or up **2%** over 5 yrs

Home Values: \$328,600 or up **19%** over the same time period





# Evictions are continuing to rise.



Eviction filings in Minnesota increased 44% relative to pre-COVID average, jumping 8% in just the last year alone (2022-2023). 24,211 evictions were filed in 2023, up from 22,455 in 2022.

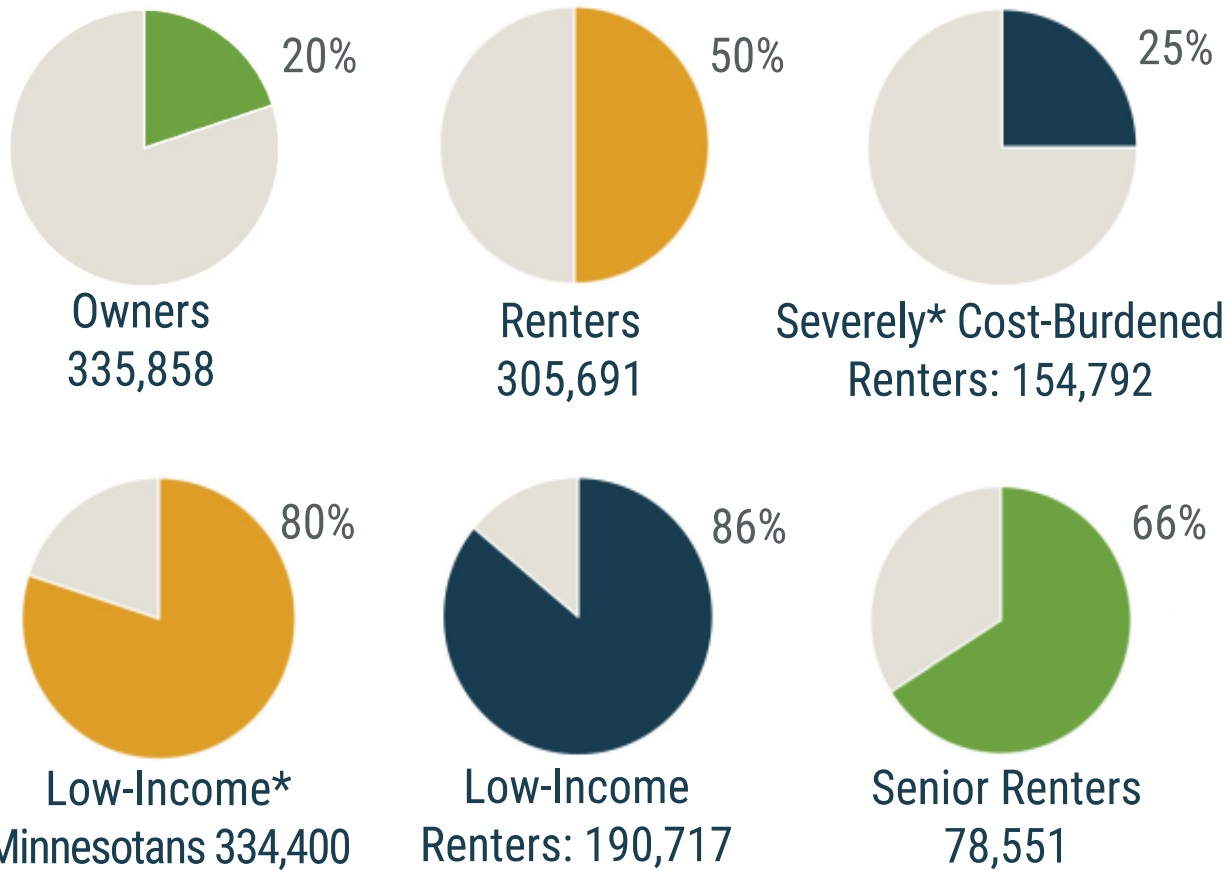


# Increasingly, households pay more than they can afford for housing.

The number of estimated cost-burdened households rose from 590,538 to **641,549** in one year (or 8% from 2022-2023)

COST-BURDENED\* MINNESOTA HOUSEHOLDS

- **20% of owners** are cost burdened (335,858 households, up from 310,222 / 19%)
- **50% of renters** are cost burdened (305,691 households, up from 280,316 / 48%)



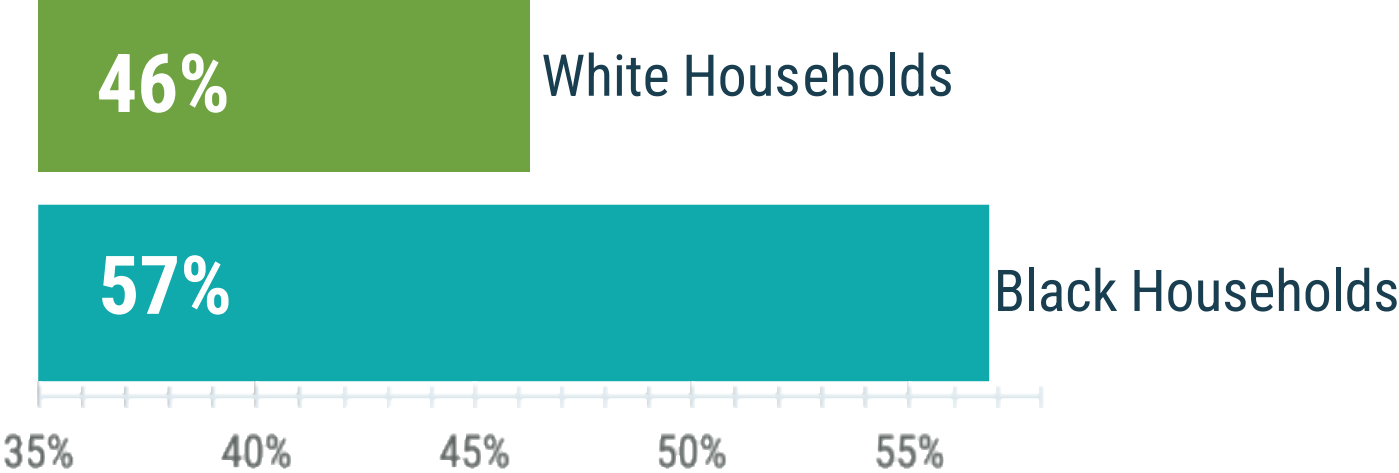
The impacts felt disproportionately.

- 80% of low-income MN are cost burdened
- 66% of senior renters cost burdened
- 57% Black renters, 45% white renters are cost-burdened

\***Cost burden** = spending more than 30% of household income on housing costs.  
\***Severe cost burden** = spending more than 50%.  
\***Low-income** = households earning under \$35,000 annually.

# Racial disparities in cost burden persist

## RACIAL DISPARITIES in RENTER COST BURDEN

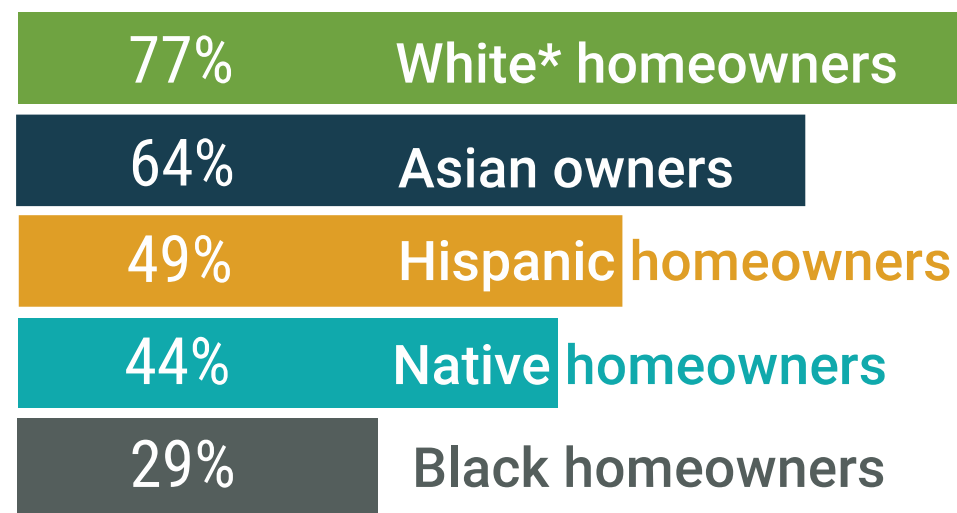


# The racial homeownership gap is widening.

The disparity between the percentage of white Minnesotans and Minnesotans of color owning a home is growing.

- Black homeownership rates are down from the previous year: 29% down from 31%.
- Native homeownership is also down: 44% from 50%.
- Hispanic homeownership is down: 49% from 57%.
- White homeownership rates are down 1% from 78% to 77%.

## MINNESOTA HOMEOWNERSHIP RATE



\*non-Hispanic white



\*And Minnesota has the second worst homeownership gap between white and Black homeowners in the country, after Maine.



# More children live in households that can't afford the rent or mortgage.

## Paying too much....

- Children living in cost-burdened households who are paying more than 30% of their earnings on housing have increased by 2,000 households over just one year – to 281,000.
- In fact, 21% of all households with children are cost-burdened.

## Homelessness....

- \*On any given night in Minnesota:
  - There are 7,232 homeless families with children and 1,659 homeless children on their own, unaccompanied by a family

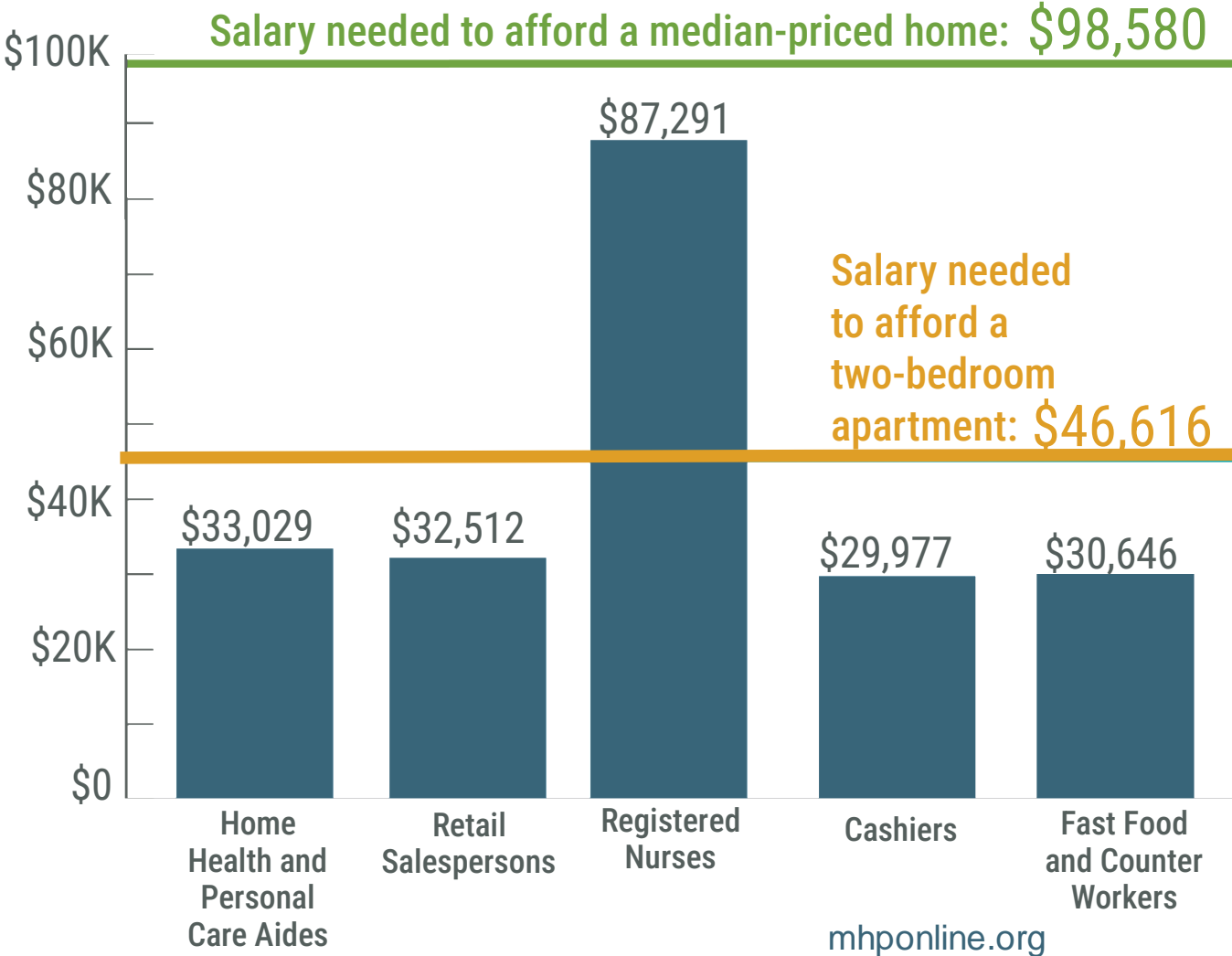
\*2022 estimate



# More than ever, Minnesota workers can't afford homes.


Top five in-demand jobs do not pay enough for workers to own a home

## HIGHEST-DEMAND JOBS: WAGES FALLING SHORT





**“When everyone, including the people who work in everyday, regular jobs, can afford to live near where they work, our communities are not only better, they’re also stronger”**



**Thank you for your legislative  
leadership!**

**Thank you for your commitment to  
build a strong Minnesota!**