

**Out of Reach 2007-2008
Online Guide to Data Usage and Sources**

How to Use the Numbers When Discussing Out of Reach

Where the Numbers Come From

Number of Households (2000)

Total	287,012
Renter	100,654
% Renter	35%

In 2000, there were 287,012 total households in Any County.	U.S. Census 2000
In 2000, there were 100,654 renter households in Any County.	
In 2000, renter households represented 35% of all households in Any County.	Divide number of renter households by total number of households, and then multiply by 100 (100,654 / 287,012 x 100 = 35%).

2008 Area Median Income ¹

Annual	\$59,400
Monthly	\$4,950
30% of AMI ²	\$17,820

The annual median family income in Any County is \$59,400.	HUD median family income estimate based on data from U.S. Census 2000 and 2006 American Community Survey.
The monthly median family income in Any County is \$4,950.	Divide annual AMI by 12 to calculate monthly income (\$59,400 / 12 = \$4,950).
In Any County, an Extremely Low Income family (30% of AMI) earns \$17,820 annually.	Multiply annual AMI by .3 to calculate median income for Extremely Low Income family (\$59,400 x .3 = \$17,820).

Maximum Affordable ³ Monthly Housing Cost by % of Family AMI

30%	\$446
50%	\$743
80%	\$1,188
100%	\$1,485

For an Extremely Low Income family (30% of AMI) in Any County, monthly rent of \$446 or less is affordable.	Multiply annual AMI by percent of AMI given (30% = .3) and then by .3 to calculate maximum amount that can be spent on housing for it to be affordable (\$59,400 x .3 x .3 = \$5,346). Divide by 12 to obtain monthly amount (\$5,346 / 12 = \$446).
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2008 Fair Market Rent (FMR) ⁴

Zero-Bedroom	\$483
One-Bedroom	\$559
Two-Bedroom	\$663
Three-Bedroom	\$926
Four-Bedroom	\$984

The Fair Market Rent for a two-bedroom rental unit in Any County is \$663.	Developed by HUD annually. See Appendix B.
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% Change from 2000 Base Rent to 2008 FMR

Zero-Bedroom	31%
One-Bedroom	32%
Two-Bedroom	32%
Three-Bedroom	32%
Four-Bedroom	32%

HUD estimates that the 2008 Fair Market Rent for a two-bedroom unit in Any County has increased 32% since the 2000 census.	HUD's Final FY 2008 Fair Market Rent Documentation System (online). Represents the percent difference between the Census 2000 base rent and the Final FY08 FMR for the geographic units included in the FMR area as it is currently defined.
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Annual Income Needed to Afford FMR

Zero-Bedroom	\$19,320
One-Bedroom	\$22,360
Two-Bedroom	\$26,520
Three-Bedroom	\$37,040
Four-Bedroom	\$39,360

A renter household needs an annual income of \$26,520 in order for a two-bedroom rental unit at the Fair Market Rent to be affordable.	Multiply the FMR for a unit of a particular size by 12 to get the yearly rental cost (2BR: \$663 x 12 = \$7,956). Then divide by .3 to determine the total income needed to afford \$7,956 per year in rent (\$7,956 / .3 = \$26,520).
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Percent of Family AMI Needed to Afford FMR

Zero-Bedroom	33%
One-Bedroom	38%
Two-Bedroom	45%
Three-Bedroom	62%
Four-Bedroom	66%

The income needed to afford a two-bedroom unit at the Fair Market Rent represents 45% of the AMI.	Divide the income needed to afford a unit of a particular size by family AMI, and then multiply by 100 (2BR: \$26,520 / \$59,400 x 100 = 45%).
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2008 Renter Household Income

Estimated Median ⁵ \$29,018

The renter median household income is \$29,018.	Represents renter median income from Census 2000 multiplied by HUD's adjustment factor that estimates income growth in an area between the census and 2008.
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Percent Needed for 2 BR FMR 91%

The income needed to afford a two-bedroom unit at the Fair Market Rent represents 91% of the renter median household income.	Divide the annual income needed to afford the two-bedroom FMR by the renter median household income, and then multiply by 100 (\$26,520 / \$29,018 x 100 = 91%).
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Rent Affordable at Median \$725

For a household earning the renter median income, monthly rent of \$725 or less is affordable.	Multiply renter median household income by .3 to get maximum amount that can be spent on housing for it to be affordable (\$29,018 x .3 = \$8,705). Divide by 12 to obtain monthly amount (\$8,705 / 12 = \$725).
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% Renters Unable to Afford 2 BR FMR ⁶ 46%

An estimated 46% of renter households in Any County do not earn sufficient income to afford a two-bedroom unit at the Fair Market Rent.	Represents a comparison of the percent of renter median household income required to afford the two-bedroom FMR to the state-level distribution of renter household income as a percent of the median. Utilizes 2006 ACS data.
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2008 Renter Wage

Estimated Mean Renter Wage ⁷ \$12.67

The estimated mean (average) renter wage in Any County is estimated to be \$12.67 in 2008.	Average weekly wages from the 2006 Quarterly Census of Employment and Wages divided by 40 (hours per work week). This overall wage is adjusted by Any County's ratio of renter to total household income reported in U.S. Census 2000 and projected to April 1, 2008.
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Rent Affordable at Mean Wage \$659

If one wage-earner holds a job paying the mean renter wage, a household can afford to spend as much as \$659 in monthly rent.	Multiply mean renter wage by 40 (hours per work week) and 52 (weeks per year) to calculate annual income (\$12.67 x 40 x 52 = \$26,354). Multiply by .3 to determine maximum amount that can be spent on rent, and then divide by 12 to obtain monthly amount (\$26,354 x .3 / 12 = \$659).
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2008 Minimum Wage

Minimum Wage \$5.85

The minimum wage in Any State is \$5.85 in 2008.

The federal minimum wage of \$5.85, unless the state had implemented a higher minimum wage by January 1, 2008, as reported by the Department of Labor and the Economic Policy Institute.

Rent Affordable at Minimum Wage \$304

If one wage-earner holds a job paying the minimum wage, a household can afford to spend as much as \$304 in monthly rent.

Multiply minimum wage by 40 (hours per work week) and 52 (weeks per year) to calculate annual income ($\$5.85 \times 40 \times 52 = \$12,168$). Multiply by .3 to determine maximum amount that can be spent on rent, and then divide by 12 to obtain monthly amount ($\$12,168 \times .3 / 12 = \304).

2008 Supplemental Security Income

Monthly SSI Payment \$637

An individual living in Any State who qualified for Supplemental Security Income received a maximum of \$637 in monthly benefits in 2008.

U.S. Social Security Administration. The maximum federal SSI payment for individuals is \$637 in 2008 but can be much lower if the recipient receives income from other sources. Where the Social Security Administration administers additional payments provided by the states, the higher value is reflected here.

Rent Affordable at SSI \$191

An individual whose sole source of income is Supplemental Security Income can afford to spend as much as \$191 in monthly rent.

Multiply monthly income by .3 to determine maximum amount that can be spent on rent ($\$637 \times .3 = \191).

2008 Housing Wage

Zero-Bedroom \$9.29
One-Bedroom \$10.75
Two-Bedroom \$12.75
Three-Bedroom \$17.81
Four-Bedroom \$18.92

A renter household needs one full-time job paying \$12.75 per hour in order for a two-bedroom rental unit at the Fair Market Rent to be affordable.

Divide income needed to afford the FMR for a particular unit size (2BR: \$26,520) by 52 (weeks per year), and then divide by 40 (hours per work week) ($\$26,520 / 52 / 40 = \12.75).

Housing Wage as % of Minimum Wage

Zero-Bedroom 159%
One-Bedroom 184%
Two-Bedroom 218%
Three-Bedroom 304%
Four-Bedroom 323%

In Any County, the Housing Wage for a two-bedroom rental unit represents 218% of the minimum wage.

Divide the Housing Wage for a particular unit size (2BR: \$12.75) by Any State's minimum wage (\$5.85), and then multiply by 100 ($\$12.75 / \$5.85 \times 100 = 218\%$).

Housing Wage as % of Mean Renter Wage

Zero-Bedroom 73%
One-Bedroom 85%
Two-Bedroom 101%
Three-Bedroom 141%
Four-Bedroom 149%

In Any County, the Housing Wage for a two-bedroom rental unit represents 101% of the mean renter wage.

Divide the Housing Wage for a particular unit size (2BR: \$12.75) by Any County's mean renter wage (\$12.67), and then multiply by 100 ($\$12.75 / \$12.67 \times 100 = 101\%$).

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**Work Hours/Week at Minimum Wage
Needed to Afford FMR**

Zero-Bedroom	64
One-Bedroom	74
Two-Bedroom	87
Three-Bedroom	122
Four-Bedroom	129

<p>A renter earning the minimum wage must work 87 hours to afford a two-bedroom rental unit at the Fair Market Rent.</p>	<p>Divide income needed to afford the FMR for a particular unit size (2BR: \$26,520) by 52 (weeks per year), and then divide by Any State's minimum wage (\$5.85) ($\\$26,520 / 52 / \\$5.85 = 87$ hours).</p>
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**Work Hours/Week at Mean Renter Wage
Needed to Afford FMR**

Zero-Bedroom	29
One-Bedroom	34
Two-Bedroom	40
Three-Bedroom	56
Four-Bedroom	60

<p>A renter earning the mean renter wage must work 40 hours per week to afford a two-bedroom rental unit at the Fair Market Rent.</p>	<p>Divide income needed to afford the FMR for a particular unit size (2BR: \$26,520) by 52 (weeks per year), and then divide by Any County's mean renter wage (\$12.67) ($\\$26,520 / 52 / \\$12.67 = 40$ hours).</p>
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**Full-time Jobs at Minimum Wage
Needed to Afford FMR**

Zero-Bedroom	1.6
One-Bedroom	1.8
Two-Bedroom	2.2
Three-Bedroom	3.0
Four-Bedroom	3.2

<p>A renter household needs 2.2 full-time jobs paying the minimum wage in order to afford a two-bedroom rental unit at the Fair Market Rent.</p>	<p>Divide the number of work hours/week necessary at the minimum wage to afford the FMR for a particular unit size (2BR: 87hours) by 40 (hours per work week) ($87 / 40 = 2.2$ full-time jobs).</p>
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**Full-time Jobs at Mean Renter Wage
Needed to Afford FMR**

Zero-Bedroom	0.7
One-Bedroom	0.9
Two-Bedroom	1.0
Three-Bedroom	1.4
Four-Bedroom	1.5

<p>A renter household needs 1.0 full-time jobs paying the mean renter wage in order to afford a two-bedroom rental unit at the Fair Market Rent.</p>	<p>Divide the number of work hours/week necessary at the mean renter wage to afford the FMR for a particular unit size (2BR: 40 hours) by 40 (hours per work week) ($40 / 40 = 1.0$ full-time jobs).</p>
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FOOTNOTES

- 1 Fiscal Year 2008 Area Median Income (HUD, 2008).
- 2 Annual income of 30% of AMI or less is the federal standard for extremely low income households. Does not include HUD-specific adjustments.
- 3 "Affordable" rents represent the generally accepted standard of spending not more than 30% of gross income on gross housing costs.
- 4 Fiscal Year 2008 Fair Market Rent (HUD, 2007; final as of October 1).
- 5 Census 2000 median renter household income, projected to 2008 using HUD's income adjustment factor.
- 6 Estimated by comparing the percent of renter median household income required to afford a two-bedroom at the FMR to the percent distribution of renter household income as a percent of the median within the state, as measured using 2006 American Community Survey Public Use Microdata Sample. States are the most local level for which these data are available.
- 7 Based on 2006 BLS data, adjusted using the ratio of renter to total household income reported in Census 2000, and projected to April 1, 2008.

* 50th percentile FMR (See Appendix A).

† Wage data not available (See Appendix A).