

# OUT OF REACH 2016

## DATA SOURCES & DEFINITIONS



		HOW TO USE THE NUMBERS WHEN DISCUSSING OUT OF REACH	WHERE THE NUMBERS COME FROM
<b>Number of Households</b>	Total	The total number of households,	American Community Survey (2010-2014)
	Renter	The total number of renter households.	
	Percent Renter	The percentage of households that are renters.	Divide number of renter households by total number of households, and then multiply by 100.
<b>Housing Wage</b>	Zero-Bedroom	The hourly wage a renter needs to earn in order to afford a rental unit at the Fair Market Rent for a particular unit size. To be affordable, the cost of rent and utilities must not exceed 30% of household income.	Divide income needed to afford the Fair Market Rent for a particular unit size by 52 (weeks per year), and then divide by 40 (hours per work week).
	One-Bedroom		
	Two-Bedroom		
	Three-Bedroom		
	Four-Bedroom		
<b>Fair Market Rent (FMR)</b>	Zero-Bedroom	The Fair Market Rent is HUD's best estimate of what a household seeking a modest rental unit in a short amount of time can expect to pay for rent and utilities in the current market.	HUD's FY 2016 Fair Market Rents. Available at <a href="http://www.huduser.org/portal/datasets/fmr.html">www.huduser.org/portal/datasets/fmr.html</a>
	One-Bedroom		
	Two-Bedroom		
	Three-Bedroom		
	Four-Bedroom		
<b>Annual Income Needed to Afford FMR</b>	Zero-Bedroom	The annual income a renter household needs in order for a rental unit at the Fair Market Rent for a particular unit size to be affordable. To be affordable, the cost of rent and utilities must not exceed 30% of household income.	Multiply the Fair Market Rent for a unit of a particular size by 12 to get the yearly rental cost. Then divide by 0.3 to determine the total income needed to afford that amount per year in rent.
	One-Bedroom		
	Two-Bedroom		
	Three-Bedroom		
	Four-Bedroom		
<b>Minimum Wage</b>	Minimum Wage	The minimum wage for the state.	The federal or state minimum wage, whichever is higher as of January 1, 2016. Local minimum wages are not included. State minimum wages are reported by the U.S. Department of Labor.
	Rent Affordable at Minimum Wage	The amount that a wage-earner holding a job paying the minimum wage can afford to spend in monthly rent.	Multiply the minimum wage by 40 (hours per work week) and 52 (weeks per year) to calculate annual income. Multiply by 0.3 to determine the maximum annual amount that can be spent on rent, and then divide by 12 to obtain monthly amount.

		HOW TO USE THE NUMBERS WHEN DISCUSSING OUT OF REACH	WHERE THE NUMBERS COME FROM
<b>Work Hours/Week at Federal Minimum Wage Needed to Afford FMR</b>	Zero-Bedroom	The number of hours a renter earning the minimum wage must work per week to afford a rental unit at the Fair Market Rent for a particular unit size.	Divide income needed to afford the Fair Market Rent for a particular unit size by 52 (weeks per year), and then divide by the minimum wage.
	One-Bedroom		
	Two-Bedroom		
	Three-Bedroom		
	Four-Bedroom		
<b>Renter Wage</b>	Estimated Mean Renter Wage	The estimated mean (average) wage earned by renters.	Average weekly wages from the 2014 Quarterly Census of Employment and Wages divided by 40 (hours per work week). This overall wage is adjusted by the ratio of renter to total household income reported in the 2010-2014 ACS and projected forward to 2016 using a Consumer Price Index-based inflation adjustment factor.
	Rent Affordable at Mean Renter Wage	The amount that a renter holding a job paying the mean renter wage can afford to spend in monthly rent.	Multiply mean renter wage by 40 (hours per work week) and 52 (weeks per year) to calculate annual income. Multiply by 0.3 to determine the maximum annual amount that can be spent on rent, and then divide by 12 to obtain monthly amount.
<b>Work Hours/Week at Mean Renter Wage Needed to Afford FMR</b>	Zero-Bedroom	The number of hours a renter earning the mean renter wage must work per week to afford a rental unit at the Fair Market Rent for a particular unit size.	Divide income needed to afford the Fair Market Rent for a particular unit size by 52 (weeks per year), and then divide by the mean renter wage.
	One-Bedroom		
	Two-Bedroom		
	Three-Bedroom		
	Four-Bedroom		
<b>Supplemental Security Income (SSI) Payment</b>	SSI Monthly Payment	The federal Supplemental Security Income for qualifying individuals.	U.S. Social Security Administration. Where the Social Security Administration administers additional payments provided by the states, the higher value is reflected here.
	Rent Affordable to SSI recipient	The amount that an individual whose sole source of income is Supplemental Security Income can afford to spend in monthly rent.	Multiply monthly SSI payment by 0.3 to determine maximum amount that can be spent on rent.
<b>Income Levels</b>	Annual Area Median Income (AMI)	The estimated annual median family income in the jurisdiction.	HUD's FY 2016 Median Family Incomes. Available at <a href="http://www.huduser.org/portal/datasets/il/il15/index_mfi.html">http://www.huduser.org/portal/datasets/il/il15/index_mfi.html</a>
	30% of AMI	30% of area median income.	Multiply annual AMI by 0.3.
	Estimated Renter Median Household Income	The estimated renter median household income.	Represents median renter household income from American Community Survey 5-Year Data (2010-2014) projected forward to 2016 using a Consumer Price Index-based inflation adjustment factor.

		HOW TO USE THE NUMBERS WHEN DISCUSSING OUT OF REACH	WHERE THE NUMBERS COME FROM
<b>Rent Affordable at Different Income Levels</b>	Annual Area Median Income (AMI)	The amount that a household with income at the area median income can afford to spend in monthly rent.	Multiply annual AMI by 0.3 to calculate maximum amount that can be spent on housing for it to be affordable. Divide by 12 to obtain monthly amount.
	30% of AMI	The amount that a household with income at 30% of AMI can afford to spend in monthly rent.	Multiply annual AMI by percent of AMI (30% = 0.3) and then by 0.3 to calculate maximum amount that can be spent on housing for it to be affordable. Divide by 12 to obtain monthly amount.
	Estimated Renter Median Income	The amount that a household with income at the renter median income can afford to spend in monthly rent.	Multiply renter median household income by 0.3 to get maximum amount that can be spent on housing for it to be affordable. Divide by 12 to obtain monthly amount.