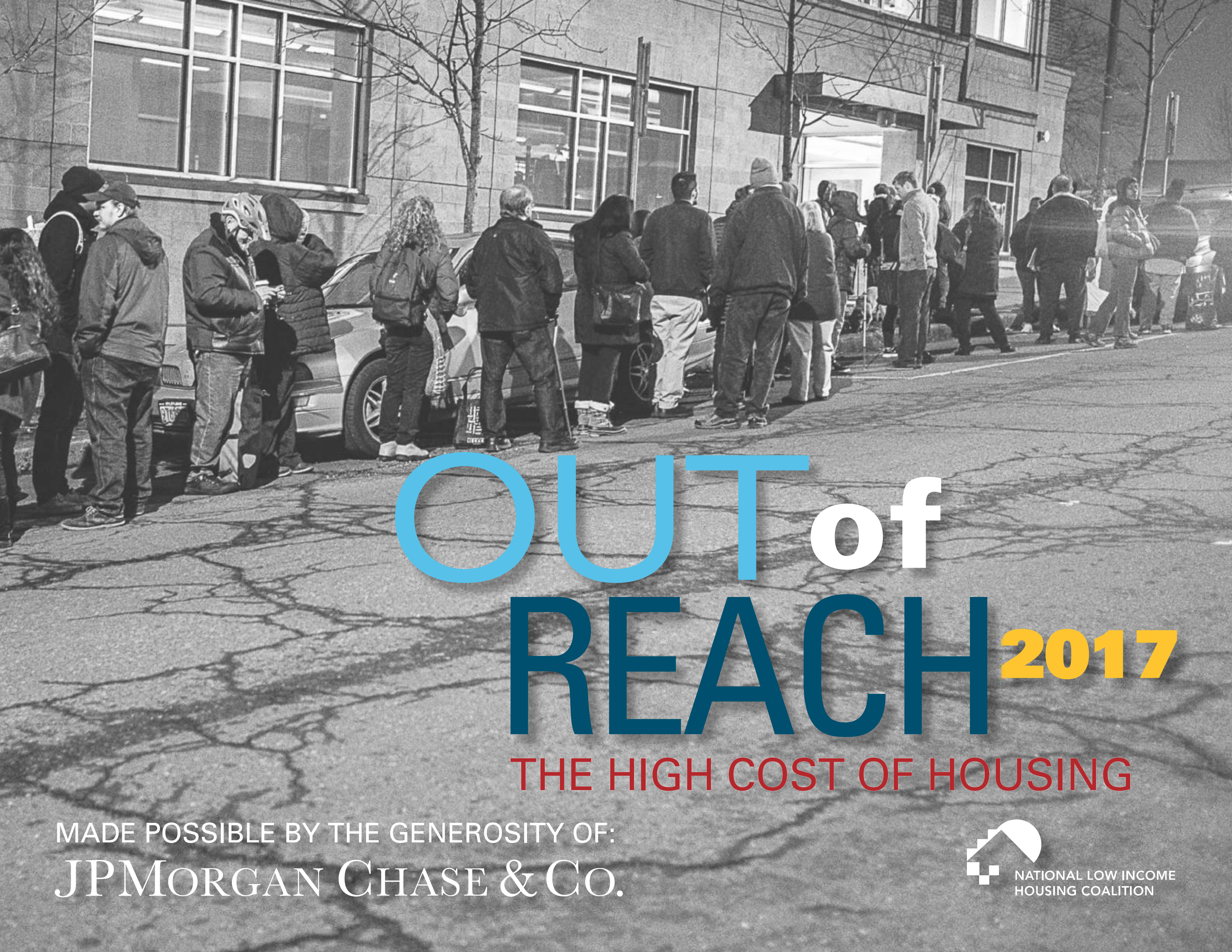

OUT of REACH 2017

THE HIGH COST OF HOUSING

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NATIONAL LOW INCOME HOUSING COALITION

Established in 1974 by Cushing N. Dolbeare, the National Low Income Housing Coalition is dedicated solely to achieving socially just public policy that assures people with the lowest incomes in the United States have affordable and decent homes. NLIHC educates, organizes, and advocates to ensure decent, affordable housing within healthy neighborhoods for everyone.

NLIHC provides up-to-date information, formulates policy, and educates the public on housing needs and the strategies for solutions. Permission to reprint portions of this report or the data therein is granted, provided appropriate credit is given to the National Low Income Housing Coalition. Additional copies of *Out of Reach* are available from NLIHC.

The data for nonmetropolitan areas included in *Out of Reach* are published in collaboration with the Housing Assistance Council.

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OUT of REACH 2017

THE HIGH COST OF HOUSING

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OUT of REACH 2017

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PREFACE
BY CONGRESSMAN KEITH ELLISON, U.S. HOUSE OF REPRESENTATIVES

Asma, a Somali immigrant in Minnesota, is proud of her newly-earned citizenship. She's optimistic about her family's future. Except for one thing: the cost of housing is eating up the precious little money she and her husband earn each month. To house their family, they pay nearly half their monthly earnings for rent. And of course, rent eats first. Before diapers for the baby, before medicine, food, and a rainy-day fund.

Asma and her family are not alone. The affordable housing crisis is hitting middle class, poor, rural, urban, people of all ethnicities, cultures and faith communities. Across the nation, millions of America's families are struggling to pay their rent each month. Growing numbers of low income seniors, people with disabilities, families with children, and other vulnerable people have more month than money.

The problem is systemic and is reaching almost epidemic proportions. Rents are soaring in every state and community at that same time when most Americans haven't seen enough of an increase in their paychecks.

The result: more than 7 million extremely low income families do not have an affordable place to call home and half a million people are living on the street, in shelters, or in their cars on any given night. The human toll this places on families – through stress and job loss – are extraordinary and well-documented by Harvard sociologist Matthew Desmond in his recent book, "Evicted: Poverty and Profit in the American City."

Despite the clear need, Congress has failed to address the affordable housing crisis in this country. Because of chronic underfunding, three out of every four families go without the housing assistance they need. Families wait for years on waiting lists before they see any assistance whatsoever. This is unacceptable. We can and must do better as a nation.

The most shameful part is the fact that we already have the resources and solutions needed to effectively end homelessness and housing poverty for millions of families. We just need the political will to do what is right.

Each year, Congress spends about $200 billion to help house American families. A full three-fourths of these resources go to help subsidize the homes of the richest families through the mortgage interest deduction and other homeownership tax benefits. This means that we provide more housing assistance to help the richest 7 million households – who earn more than $200,000 a year – than to help the 55 million households that earn less than $50,000 each year, even though these families are far more likely to struggle to keep a roof over their head.

Rep. Keith Ellison (D-MN)

In fact, we spend about $11 billion each year to subsidize the houses of the top 1% - at the very same time that millions of families are being turned away from getting the help they need because Congress claims we cannot afford it.

This is wrong, but Congress has the opportunity to fix it through comprehensive tax reform legislation, which remains a top priority for Congress and the White House.

That's why I've put forward a plan to rebalance scarce housing resources to increase investment in proven solutions for those who need it most. The Common Sense Housing Investment Act (H.R. 948) reforms the mortgage interest deduction so that it better serves low- and moderate-income homeowners and reinvests the savings to help more families struggling to pay their rent. In fact, under my plan, 15 million more homeowners who currently do not benefit from the mortgage interest deduction will see a much-needed tax break. More than $241 billion will be reinvested to make rental homes affordable to people with the greatest needs.

I urge everyone who is moved by the story of families like Asma's and others like hers – and by what you read in this report – to work to expand the supply of affordable housing. I commend NLIHC and its United for Homes campaign for supporting H.R. 948 as part of their efforts to ensure that every family has an affordable place to call home. The legislation would use savings from reforming the mortgage interest deduction to expand proven solutions to ending homelessness and housing poverty, like the national Housing Trust Fund, rental assistance, and other affordable housing investments. We must make sure that scarce resources are targeted to help those most in need of a safe and secure place to call home.

Thank you,
Keith Ellison

INTRODUCTION

NLIHC's annual report, *Out of Reach*, documents the gap between renters' wages and the cost of rental housing. The report's Housing Wage is the hourly wage a full-time worker must earn to afford a modest and safe rental home without spending more than 30% of his or her income on housing costs. It is based on HUD's Fair Market Rent (FMR), which is an estimate of what a family moving today can expect to pay for a modest rental home in the area. This year's Housing Wage clearly indicates that housing costs are too high for low-wage workers.

The 2017 national Housing Wage is $21.21 per hour for a two-bedroom rental home, or more than 2.9 times higher than the federal minimum wage of $7.25 per hour. The 2017 Housing Wage for a one-bedroom rental home is $17.14, or 2.4 times higher than the federal minimum wage. A full-time worker earning the minimum wage needs to work 117 hours per week for all 52 weeks of the year to afford a two-bedroom rental home or 94.5 hours per week for a one-bedroom rental home. While low-wage workers have seen pay increases over the past two years (Economic Policy Institute, 2017; Gould, 2017), they still struggle to find rental homes they can afford.

The other key findings in this year's report are:

- Six of the seven occupations projected to add the greatest number of jobs by 2024 provide a median wage that is not sufficient to afford a modest one-bedroom rental home.
- An extremely low income (ELI) household whose income is less than the poverty level or 30% of their area's median cannot afford the average cost of a modest one-bedroom rental home in any state.
- Despite a minimum wage higher than the federal level in 29 states, the District of Columbia, and a growing number of local jurisdictions, in no state, metropolitan area, or county can a full-time minimum-wage worker afford a modest two-bedroom rental home. In only 12 counties can a full-time minimum-wage worker afford a modest one-bedroom rental home.

The high cost of rental housing has resulted in more than 11.2 million severely cost-burdened renter households spending more than half of their income on housing (NLIHC, 2017c). Many low income households cannot spend as much as half of their income on housing without sacrificing other basic necessities. More than 20 million renter households live in housing poverty, meaning they cannot afford to meet their other basic needs like food, transportation, medical care, and other goods and services after they pay for their housing (NLIHC, 2017c). While renters across income groups experience challenges with housing affordability in some communities, the difficulties extremely low income households face in finding an affordable home are pervasive and exist in every community. Extremely low income households account for nearly 73% of all severely cost-burdened renters.

While low income renters struggle to afford

DEFINITIONS

Affordability in this report is consistent with the federal standard that no more than 30% of a household's gross income should be spent on rent and utilities. Households paying over 30% of their income are considered cost burdened. Households paying over 50% of their income are considered severely cost burdened.

Area Median Income (AMI) is used to determine income eligibility for affordable housing programs. The AMI is set according to family size and varies by region.

Extremely Low Income (ELI) refers to earning less than the poverty level or 30% of AMI.

Housing Wage is the estimated full-time hourly wage a household must earn to afford a decent rental home at HUD's Fair Market Rent while spending no more than 30% of their income on housing costs.

Full-time work is defined as 2,080 hours per year (40 hours each week for 52 weeks). The average employee works roughly 34.4 hours per week, according to the Bureau of Labor Statistics.

Fair Market Rent (FMR) is typically the 40th percentile of gross rents for standard rental units. FMRs are determined by HUD on an annual basis, and reflect the cost of shelter and utilities. FMRs are used to determine payment standards for the Housing Choice Voucher program and Section 8 contracts.

Renter wage is the estimated mean hourly wage among renters, based on 2015 Bureau of Labor Statistics wage data, adjusted by the ratio of renter household income to the overall median household income reported in the ACS and projected to 2017.

their homes, the largest share of federal housing expenditures benefit higher-income homeowners in the form of deductions from their taxable income. Homeowners are eligible to subtract the interest paid on their mortgage and real estate taxes from their federal taxable income if they itemize their deductions rather than claim the standard deduction. These two deductions combined cost the federal government nearly $100 billion annually, more than 83% of which benefits homeowners with incomes greater than $100,000 (Joint Committee on Taxation, 2017). The mortgage interest deduction (MID) alone costs $65 billion to assist higher income homeowners, most of whom would be stably housed without the government's help.

Tax reform provides us the opportunity to realign federal housing expenditures to better assist households who face the greatest challenges finding decent, safe, and affordable housing. Any savings generated by housing-related tax reforms must be reinvested in affordable rental housing programs for low wage workers and other low income renters. Two modest reforms to the MID phased in over five years – lowering the amount of mortgage eligible for a tax benefit from $1 million to $500,000 and converting the deduction to a tax credit – would generate $241 billion over ten years to invest in affordable housing for those most in need and would provide a tax cut to 25 million low and moderate income homeowners who don't currently itemize their deductions or get as much benefit from the MID (Lu & Toder, 2016). The "Common Sense Housing Investment Act of 2017" (H.R. 948) calls for these reforms.

> "TAX REFORM PROVIDES US THE **OPPORTUNITY TO REALIGN FEDERAL HOUSING EXPENDITURES** TO BETTER ASSIST HOUSEHOLDS WHO FACE THE GREATEST CHALLENGES **FINDING DECENT, SAFE, AND AFFORDABLE HOUSING.**"

STRONG DEMAND AND THE HIGH COST OF RENTAL HOMES

The rental housing market continues to experience strong demand. A record 43.3 million households were renters in 2016, representing a 26.5% increase since 2006 (U.S. Census Bureau, 2017b). Meanwhile, the homeownership rate dropped from 68.8% to 63.4%. As a result of the increased demand for rental housing, the rental vacancy rate in the U.S. declined from 9.8% in the 4th quarter of 2006 to 6.9% in the 4th quarter of 2016 (U.S. Census Bureau, 2017b). The Consumer Price Index (CPI) for the rental cost of a primary residence rose 31.9% over those ten years, which was higher than overall inflation of 19.1% (U.S. Bureau of Labor Statistics, 2017a).

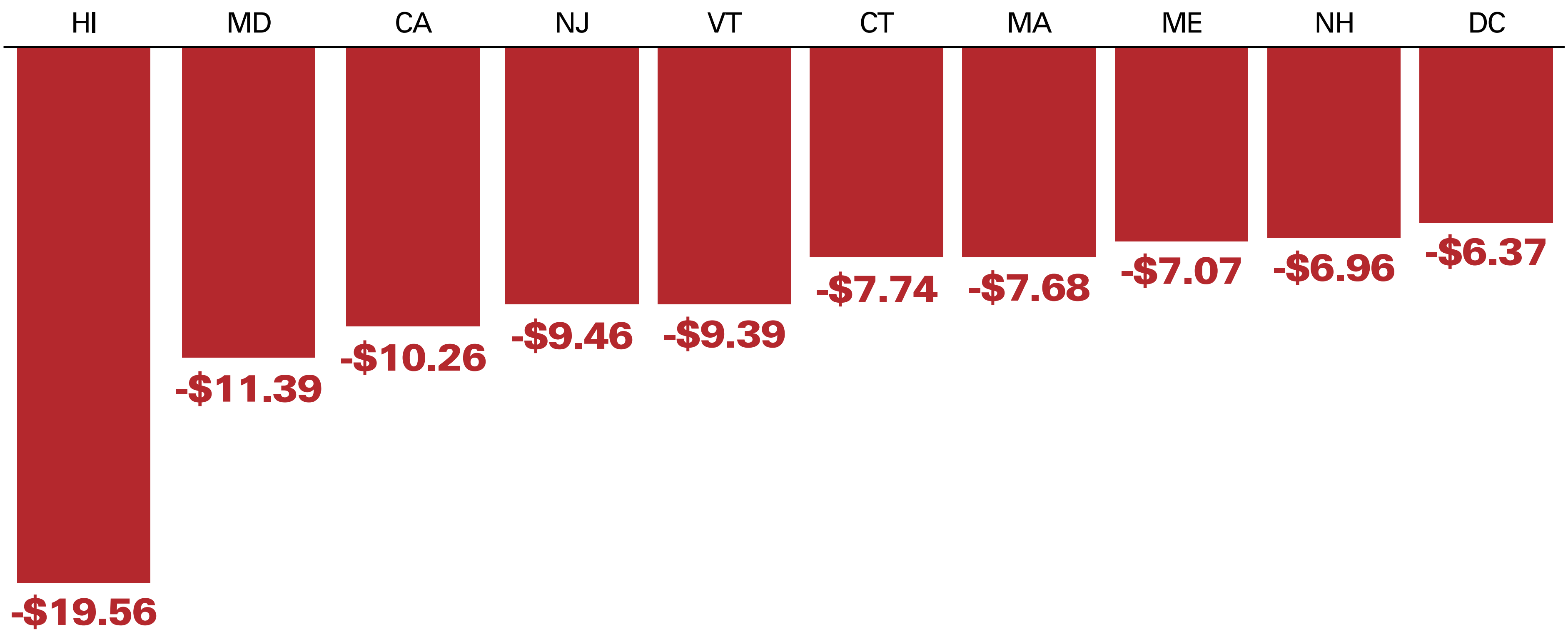
Household income has not kept up with the rising cost of rental housing. From the housing crisis of 2007 to 2015, the median gross rent for a rental home in the U.S. increased by 6%, after adjusting for overall inflation, while the median income for renter households rose by just 1% and median income for all households declined by 4% (U.S. Census Bureau, 2017a).

Demand for rental housing will likely continue to rise. Researchers at the Joint Center for Housing Studies at Harvard predict an additional 4.7 million renter households by 2025 from household growth, even if homeownership rates stabilize (Spader, McCue, & Herbert, 2016). They project far more additional renter households if homeownership continues to decline.

The development of new multifamily housing may be finally catching up with demand, with the number of new starts in 2015 reaching their highest levels since the 1980's (Joint Center for Housing Studies, 2016). New construction, however, is typically not affordable for low-wage workers and other low income households. The median rent for a new market-rate rental home in an apartment building built in 2015 was $1,381 per month. In order to afford a rental home at that price without spending more than 30% of his or her income on housing, a full-time worker would need to earn $26.56 per hour.

NLIHC estimates that the average hourly wage of renters in the U.S. is $16.38, $4.83 less than the two-bedroom Housing Wage and lower than the one-bedroom Housing Wage. In many states, the gap between the average renter's wage and the Housing Wage is even higher (Figure 1). In Hawaii, for example, the average renter wage is $19.56 per hour less than the Housing Wage needed to afford a two-bedroom apartment. In Maryland, the average renter wage is $11.39 per hour less than the two-bedroom Housing Wage.

FIGURE 1: STATES WITH THE LARGEST SHORTFALL BETWEEN AVERAGE RENTER WAGE AND TWO-BEDROOM HOUSING WAGE



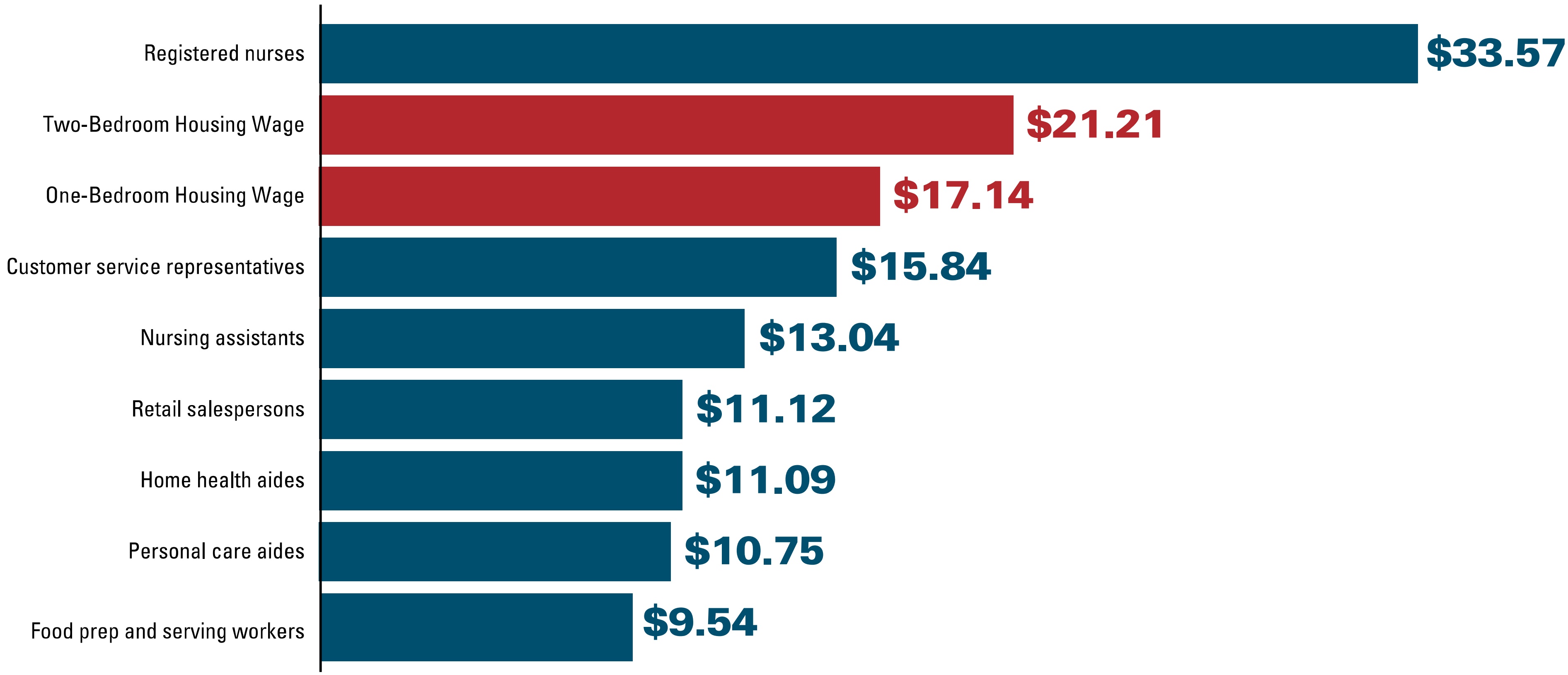
Six of the seven occupations projected by the U.S. Bureau of Labor Statistics to add the greatest number of jobs between 2014 and 2024 provide a median wage that is lower than what a worker needs to afford a modest rental home (Figure 2). The number of personal care aides who assist the elderly or people with disabilities with their daily living activities was projected to grow by more than 450,000, the most of any occupation (U.S. Bureau of Labor Statistics, 2017b). The median wage for a personal care aide is $10.75 per hour, or $6.39 per hour less than the one-bedroom Housing Wage and $10.46 less than the two-bedroom Housing Wage. The median wage for home health aides, expected to add nearly 350,000 jobs, is $11.09 per hour, or $6.05 less than the one-bedroom Housing Wage and $10.12 less than the two-bedroom Housing Wage. The cost of housing is a challenge for many other occupations as well. Thirteen of the twenty-one occupations projected to add more than 100,000 jobs between 2014 and 2024 provide a median wage that is less than the one-bedroom Housing Wage.

The struggle to find decent rental housing at an affordable cost is most acute among the lowest income households. On average, extremely low income households whose income is at or below 30% of their area median cannot afford to spend more than $523 per month on housing (Figure 3). Meanwhile, the national average monthly rent for a modest one-bedroom rental home is $892. An extremely low income household cannot afford the average rent for a modest one-bedroom apartment in any state. The struggle is even more daunting for the 5.5 million people with disabilities who rely on Supplemental Security Income (SSI). An individual relying on federal SSI in 2017 can afford monthly rent of no more than $221. While some states provide additional support to SSI recipients, in no state could an SSI recipient afford the average rent for a modest efficiency or one-bedroom apartment in the private market. In 22 states, the average rent for a modest one-bedroom apartment is more than the entire income of an SSI recipient.

THE MINIMUM WAGE

Increasing the minimum wage is an important step to raise wages for the lowest paid workers (Gould, 2017), but it will not eliminate their housing affordability challenges. Twenty-nine states, the District of Columbia, and a growing number of local jurisdictions have minimum wages higher than the federal level. Nonetheless, a full-time worker earning the prevailing minimum wage cannot afford a modest two-bedroom rental home in any state, metropolitan area, or county in the country. A full-time minimum-wage worker can afford a one-bedroom rental home in only 12 counties, not including Puerto Rico. These twelve counties are located in Arizona, Oregon, and Washington State, all of which have a minimum wage higher than the federal level. Local jurisdictions with a minimum wage higher than the prevailing federal or state levels have implemented them to address high costs of living, including housing costs. Therefore, higher local minimum

FIGURE 2: HOUSING WAGE AND MEDIAN WAGES FOR OCCUPATIONS WITH HIGHEST PROJECTED GROWTH



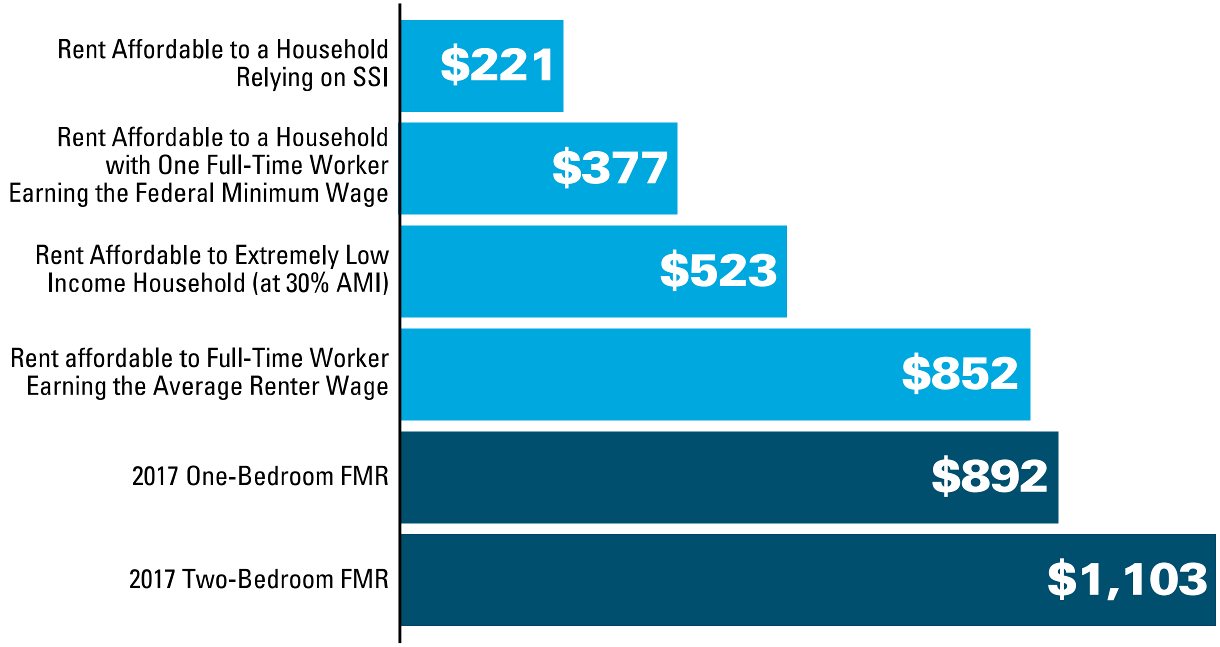
Source: NLIHC calculation of Housing Wage; Employment Projections Program, BLS; May 2016 National Occupational Employment and Wage Estimates, Occupational wages still fall short of the local one-bedroom and two-bedroom Housing Wage (Appendix A).

INADEQUATE SUPPLY OF AFFORDABLE RENTAL HOMES FOR THE LOWEST INCOME RENTERS

The supply of rental housing has not kept pace with demand over the past decade. The shortage is greatest for those with the lowest incomes. The U.S. has 7.5 million affordable rental homes for the 11.4 million extremely low income renter households. Not all of those affordable rental homes, however, are available to them. In the private market, the poorest renters compete with higher income households for rental homes. Three and half million rental homes affordable to extremely low income households are unavailable to them because they are occupied by households of higher income. As a result, only four million affordable and available rental homes exist for the 11.4 million extremely low income renter households, leaving a shortage of 7.4 million affordable and available rental homes (NLIHC, 2017c).[1] Only 35 affordable and available rental homes exist for every 100 extremely low income renter households.

A shortage of affordable and available rental homes also exists, but less dramatically, for households with income up to 50% and 80% of their area median income. Fifty-five and 93 affordable and available rental homes exist for every 100 renter households with income up 50% of area median income and 80% of area median income, respectively (NLIHC, 2017c).

FIGURE 3: RENTS ARE OUT OF REACH FOR MANY RENTERS



Source: NLIHC calculation of a national weighted-average Fair Market Rent; NLIHC calcuation of affordable rent for average renter wage based on Bureau of Labor Statistics (BLS) QCEW, 2015 adjusted to 2017 dollars; and Social Security Adminstration, 2017.

Absent public subsidy, the private market rarely produces new rental housing affordable to the lowest income households. The rent these households can afford to pay often does not cover the costs of development and operating expenses. The majority of low-cost rental homes in the private market are older homes that have filtered down in quality and price relative to newer units. These low-cost homes, however, are being lost. Landlords in strong housing markets have an incentive to upgrade these low-cost homes to obtain higher rents. Landlords in weak markets have an incentive to no longer maintain the housing or convert the property to another use, once the rents do not cover the costs of maintaining the housing. From 2003 to 2013, filtering increased the supply of low-cost rental homes by 4.6%, which did not offset the 7.5% of low-cost rental homes in the private market that were permanently lost (Joint Center for Housing Studies, 2016).

The current level of public subsidies is inadequate to meet the housing needs of low income

1 Affordable and available homes are affordable to the particular income group and either vacant or occupied by a household of that income group.

households. Only one out of four eligible low income households receives housing assistance (Fischer & Sard, 2017). Applicants for assistance face a long wait, if they can even apply. A recent survey of public housing agencies (PHAs) found that 53% of waiting lists for Housing Choice Vouchers were closed to new applicants and the median waiting list had a wait time of 1.5 years (NLIHC, 2016).

Federal funding for housing assistance programs that serve the lowest income households, including Housing Choice Vouchers, Public Housing, Section 8 Project-Based Rental Assistance, Housing for the Elderly, and Housing for Persons with Disabilities, declined by 3.3% between 2010 and 2017. Public Housing received the largest cut of nearly $1.8 billion. The FY17 federal budget kept funding for housing assistance mostly flat from FY16, with small cuts to Public Housing and Supportive Housing for Persons with Disabilities (NLIHC, 2017a). Even flat funding, however, is a cut given rising rents, particularly in the Housing Choice Voucher and Project-Based Rental Assistance programs.

ADDRESSING THE SHORTAGE OF AFFORDABLE RENTAL HOMES

> “WHILE MILLIONS OF RENTERS **STRUGGLE TO AFFORD THEIR RENT**, HIGHER INCOME HOMEOWNERS RECEIVE A **SIGNIFICANTLY GREATER SHARE OF FEDERAL HOUSING EXPENDITURES** THAN LOW INCOME RENTERS, PREDOMINANTLY THROUGH THE MID.”

NLIHC supports the realignment of federal housing expenditures to meet our most critical housing needs. While millions of renters struggle to afford their rent, higher income homeowners receive a significantly greater share of federal housing expenditures than low income renters, predominantly through the MID. Homeowners are eligible to subtract the interest paid on their mortgage interest from their federal taxable income if they itemize their deductions rather than claim the standard deduction. The MID is a federal tax expenditure of more than $65 billion per year, 84% ($54.6 billion) of which goes to households with annual income greater than $100,000. Nearly 46% goes to households with annual income greater than $200,000 (Joint Committee on Taxation, 2017). In comparison, HUD's FY17 budget for the rental programs that assist the nation's lowest income renters is approximately $40 billion (NLIHC, 2017b).[2]

The NLIHC-led United for Homes (UFH) campaign endorses the "Common Sense Housing Investment Act of 2017" (H.R. 948) reintroduced by Representative Keith Ellison (D-MN). The bill calls for modest reforms to the MID and reinvesting the savings into affordable rental housing solutions. First, the bill reduces the amount of a mortgage eligible for a tax break from $1 million to $500,000, which impacts few homeowners. Second, the bill converts the MID to a nonrefundable 15% tax credit, which provides 25 million homeowners who either don't itemize their deductions or get as much benefit from the MID with a tax cut (Lu & Toder, 2016). These reforms would generate $241 billion over ten years to invest in the national Housing Trust Fund (HTF), public housing, rental assistance, and other affordable housing solutions.

The national HTF was designed precisely to address the housing challenges of extremely low income renters. At least 90% of HTF dollars must be used for rental housing and at least 75% of the funds for rental housing must benefit extremely low income households; 100% of HTF dollars must benefit extremely low income households while the HTF is capitalized under $1 billion. The HTF is funded by a small mandatory contribution from Fannie Mae and Freddie Mac, based on the volume of their business. The HTF received nearly $174 million in 2016 and will likely receive approximately $220 million in 2017, but needs much more to meet the housing needs of extremely low income households.

NLIHC endorses the "Ending Homelessness Act of 2017" (H.R. 2076), reintroduced by Representative Maxine Waters (D-CA), which would provide $13.27 billion in new funding over five years to federal programs to address the shortage of affordable housing and homelessness. The bill includes more than $1 billion annually in mandatory spending dedicated to the national HTF, $2.5 billion over

2 These programs include Tenant Based Rental Assistance, Public Housing, Project Based Rental Assistance, Supportive Housing for the Elderly, Supportive Housing for Persons with Disabilities, and Homeless Assistance Grants.

five years for special purpose Housing Choice Vouchers for those who are homeless or at risk of becoming homeless, and $5 billion over five years to McKinney-Vento Homeless Assistance Grants for new permanent supportive housing.

Millions of renters struggle to afford their homes. We know how to address the problem and have the resources to do so by realigning our federal tax expenditures and adequately funding the housing programs that serve our nation's most vulnerable residents. We lack only the political will to do so.

THE NUMBERS IN THIS REPORT AND ON-LINE

Out of Reach data are available for every state, metropolitan area, and county at www.nlihc.org/oor. We encourage you to visit the site, click on your state, and select "more info" to see an interactive page on which you can choose specific metropolitan areas or counties in your state. The final pages of this report describe where the numbers come from and how to use them, identify the most expensive jurisdictions, and provide state data and rankings.

The Housing Wage varies considerably across the country. The Housing Wage for a modest two-bedroom rental home in the San Francisco metropolitan area, for example, is $58.04, far higher than the national Housing Wage. On the other end of the price spectrum, the two-bedroom Housing Wage is $11.46 in some of Georgia's counties. Jurisdictions with a lower-than-average Housing Wage, however, are not immune to a shortage of affordable rental homes. Jurisdictions with a low Housing Wage tend to have less vibrant economies and lower-than-average household incomes, meaning a low Housing Wage is still out of reach for too many households.

The Housing Wage is based on HUD FMRs, which are the Department's best estimate of what a family moving today can expect to pay for a modest rental home, not what all current renters are paying on average. The FMR is typically the 40th percentile of rents that a family can be expected to pay. The FMR is the basis for the rent payment standard for Housing Choice Vouchers and other HUD programs. They are typically applied uniformly within each FMR area, which is either a metropolitan area or nonmetropolitan county.[3] Therefore, the Housing Wage does not reflect the rent variation within a metropolitan area or nonmetropolitan county.

HUD has published Small Area FMRs based on U.S. Postal Service ZIP codes to better reflect small-scale market conditions within metropolitan areas. NLIHC calculated the Housing Wage for each ZIP code to illustrate the variation in the Housing Wage within metropolitan areas. These wages can be found on-line at www.nlihc.org/oor.

Readers are cautioned against comparing statistics in one edition of *Out of Reach* with those in another. Over time, HUD has changed its methodology for calculating FMRs and incomes. Since 2012, HUD has developed FMR estimates using American Community Survey (ACS) data to determine base rents. This methodology can introduce more year-to-year variability. From time to time, an area's FMRs are based on local rent surveys rather than the ACS. Readers should not compare this year's report to previous editions of *Out of Reach* and assume that all differences reflect actual market dynamics. Please consult the appendices and NLIHC research staff for assistance with interpreting changes in the data.

3 Exceptions are the 24 metropolitan areas where HUD requires PHAs to use Small Area FMRs.

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HOW TO USE THE NUMBERS

For a family earning 100% of AMI, monthly rent of **$1,743** or less is affordable.

Renter households represented **36%** of all households in the United States (2011-2015).

The estimated mean (average) renter wage in the United States is **$16.38** per hour (2017).

A renter household needs to earn at least **$21.21** per hour in order to afford a two-bedroom unit at FMR.

The annual median family income (AMI) in the United States is **$69,712** (2017).

There were **42,600,706** renter households in the United States (2011-2015).

	FY17 HOUSING WAGE	HOUSING COSTS			AREA MEDIAN INCOME (AMI)				RENTER HOUSEHOLDS				
	Hourly wage needed to afford 2 BR[1] FMR[2]	2 BR FMR	Annual income needed to afford 2 BR FMR	Full-time jobs at minimum wage[3] needed to afford 2 BR FMR	Annual AMI[4]	Monthly rent affordable at AMI[5]	30% of AMI	Monthly rent affordable at 30% of AMI	Renter households	% of total households	Estimated hourly mean renter wage	Monthly rent affordable at mean renter wage	Full-time jobs at mean renter wage needed to afford 2 BR FMR
UNITED STATES	**$21.21**	**$1,103**	**$44,120**	**2.9**	**$69,712**	**$1,743**	**$20,914**	**$523**	**42,600,706**	**36%**	**$16.38**	**$852**	**1.3**

The FMR for a two-bedroom rental unit in the United States is **$1,103** (2017).

In the United States, an extremely low income family (30% of AMI) earns **$20,914** annually.

A renter household needs an annual income of **$44,120** in order to afford a two-bedroom rental unit at FMR.

For a family earning 30% of AMI, monthly rent of **$523** or less is affordable.

If a household earns the mean renter wage, monthly rent of **$852** or less is affordable.

A renter household needs **2.9** full-time jobs paying the minimum wage in order to afford a two-bedroom rental unit at FMR.

A renter household needs **1.3** full-time jobs paying the mean renter wage in order to afford a two-bedroom rental unit at FMR.

1: BR = Bedroom.

2: FMR = Fiscal Year 2017 Fair Market Rent.

3: This calculation uses the higher of the state or federal minimum wage. Local minimum wages are not used. See Appendix B.

4: AMI = Fiscal Year 2017 Area Median Income.

5: "Affordable" rents represent the generally accepted standard of spending no more than 30% of gross income on rent and utilities.

WHERE THE NUMBERS COME FROM

Divide income needed to afford FMR ($44,120) by 52 (weeks per year) and then by 40 (hours per work week) ($44,120 / 52 = $848.46; $848.46 / 40 = **$21.21**).

Multiply Annual AMI by .3 to get maximum amount that can be spent on housing for it to be affordable ($69,712 x .3 = $20,914). Divide by 12 to obtain monthly amount ($20,914 / 12 = **$1,743**).

HUD FY17 estimated median family income based on data from the American Community Survey (ACS). See Appendix B.

Divide number of renter households by total number of households (ACS 2011-2015) (42,600,706 / 118,170,507 = .36). Then multiply by 100 (.36 x 100 = **36%**).

ACS (2011-2015).

Average wage reported by the Bureau of Labor Statistics (BLS) for 2015, adjusted to reflect the income of renter households relative to all households in the United States, and projected to 2017. See Appendix B.

	FY17 HOUSING WAGE	HOUSING COSTS			AREA MEDIAN INCOME (AMI)				RENTER HOUSEHOLDS				
	Hourly wage needed to afford 2 BR[1] FMR[2]	2 BR FMR	Annual income needed to afford 2 BR FMR	Full-time jobs at minimum wage [3] needed to afford 2 BR FMR	Annual AMI[4]	Monthly rent affordable at AMI[5]	30% of AMI	Monthly rent affordable at 30% of AMI	Renter households	% of total households	Estimated hourly mean renter wage	Monthly rent affordable at mean renter wage	Full-time jobs at mean renter wage needed to afford 2 BR FMR
UNITED STATES	**$21.21**	**$1,103**	**$44,120**	**2.9**	**$69,712**	**$1,743**	**$20,914**	**$523**	**42,600,706**	**36%**	**$16.38**	**$852**	**1.3**

Developed by HUD annually (2017). See Appendix A.

Multiply the FMR by 12 to get yearly rental cost ($1,103 x 12 = $13,236). Then divide by .3 to determine the total income needed to afford $13,236 per year in rent ($13,236 / .3 = **$44,120**).

Divide annual income needed to afford the FMR by 52 (weeks per year) ($44,120 / 52 = $848.46). Then divide by $7.25 (the Federal minimum wage) ($848.46 / $7.25 = 117 hours). Finally, divide by 40 (hours per work week) (117 / 40 = **2.9 full-time jobs**).

Multiply Annual AMI by .3 ($69,712 x .3 = **$20,914**).

Multiply 30% of Annual AMI by .3 to get maximum amount that can be spent on housing for it to be affordable ($20,914 x .3 = $6,274). Divide by 12 to obtain monthly amount ($6,274 / 12 = **$523**).

Calculate annual income by multiplying mean renter wage by 40 (hours per week) and 52 (weeks per year) ($16.38 x 40 x 52 = $34,070). Multiply by .3 to determine maximum amount that can be spent on rent ($34,070 x .3 = $10,221). Divide by 12 to obtain monthly amount ($10,221 / 12 = **$852**).

Divide income needed to afford the FMR by 52 (weeks per year) ($44,120 / 52 = $848.46). Then divide by $16.38 (The United States' mean renter wage) ($848.46 / $16.38 = 52 hours). Finally, divide by 40 (hours per work week) (52 / 40 = **1.3 full-time jobs**).

1: BR = Bedroom.

2: FMR = Fiscal Year 2017 Fair Market Rent.

3: This calculation uses the higher of the state or federal minimum wage. Local minimum wages are not used. See Appendix B.

4: AMI = Fiscal Year 2017 Area Median Income.

5: "Affordable" rents represent the generally accepted standard of spending no more than 30% of gross income on rent and utilities.

2017 MOST EXPENSIVE JURISDICTIONS

Metropolitan Areas	Housing Wage for Two-Bedroom FMR
San Francisco, CA HMFA[2]	$58.04
San Jose-Sunnyvale-Santa Clara, CA HMFA	$42.69
Oakland-Fremont, CA HMFA	$41.79
Honolulu, HI MSA[3]	$38.12
Stamford-Norwalk, CT HMFA	$37.65
Nassau-Suffolk, NY HMFA	$36.12
Santa Cruz-Watsonville, CA MSA	$35.15
Santa Ana-Anaheim-Irvine, CA HMFA	$34.87
Oxnard-Thousand Oaks-Ventura, CA MSA	$33.88
Washington-Arlington-Alexandria, DC-VA-MD HMFA	$33.58

Metropolitan Counties[1]	Housing Wage for Two-Bedroom FMR
Marin County, CA	$58.04
San Francisco County, CA	$58.04
San Mateo County, CA	$58.04
Santa Clara County, CA	$42.69
Alameda County, CA	$41.79
Contra Costa County, CA	$41.79
Honolulu County, HI	$38.12
Nassau County, NY	$36.12
Suffolk County, NY	$36.12
Santa Cruz County, CA	$35.15

State Nonmetropolitan Areas (Combined)	Housing Wage for Two-Bedroom FMR
Hawaii	$25.49
Alaska	$24.10
Connecticut	$21.06
New Hampshire	$19.38
Massachusetts	$19.23
Maryland	$19.22
Vermont	$19.03
California	$18.75
North Dakota	$17.52
Colorado	$17.16

Nonmetropolitan Counties (or County-Equivalents)	Housing Wage for Two-Bedroom FMR
Aleuitans West Census Area, AK	$32.52
Monroe County, FL	$32.35
Pitkin County, CO	$30.75
Nome Census Area, AK	$30.42
Denali Borough, AK	$30.37
Juneau City and Borough, AK	$28.19
Bethel Census Area, AK	$28.15
Kauai County, HI	$28.13
Skagway Municipality, AK	$27.19
Dunn County, ND	$27.12

1 Excludes metropolitan counties in New England.

2 HMFA = HUD Metro Fair Market Rent (FMR) Area. This term indicates that a portion of the Office of Management & Budget (OMB) defined core-based statistical area is in the area to which the income limits and FMRs apply. HUD is required by OMB to alter the name of the metropolitan geographic entities it derives from the Core Based Statistical Area (CBSA) when the geography is not the same as that established by the OMB. CBSA is a collective term meaning both metro and micro.

3 MSA = Metropolitan Statistical Area. Geographic entities defined by OMB for use by the federal statistical agencies in collecting, tabulating, and publshing federal statistics. A metro area contains an urban core of 50,000 or more in population.

2017 STATES RANKED BY TWO-BEDROOM HOUSING WAGE

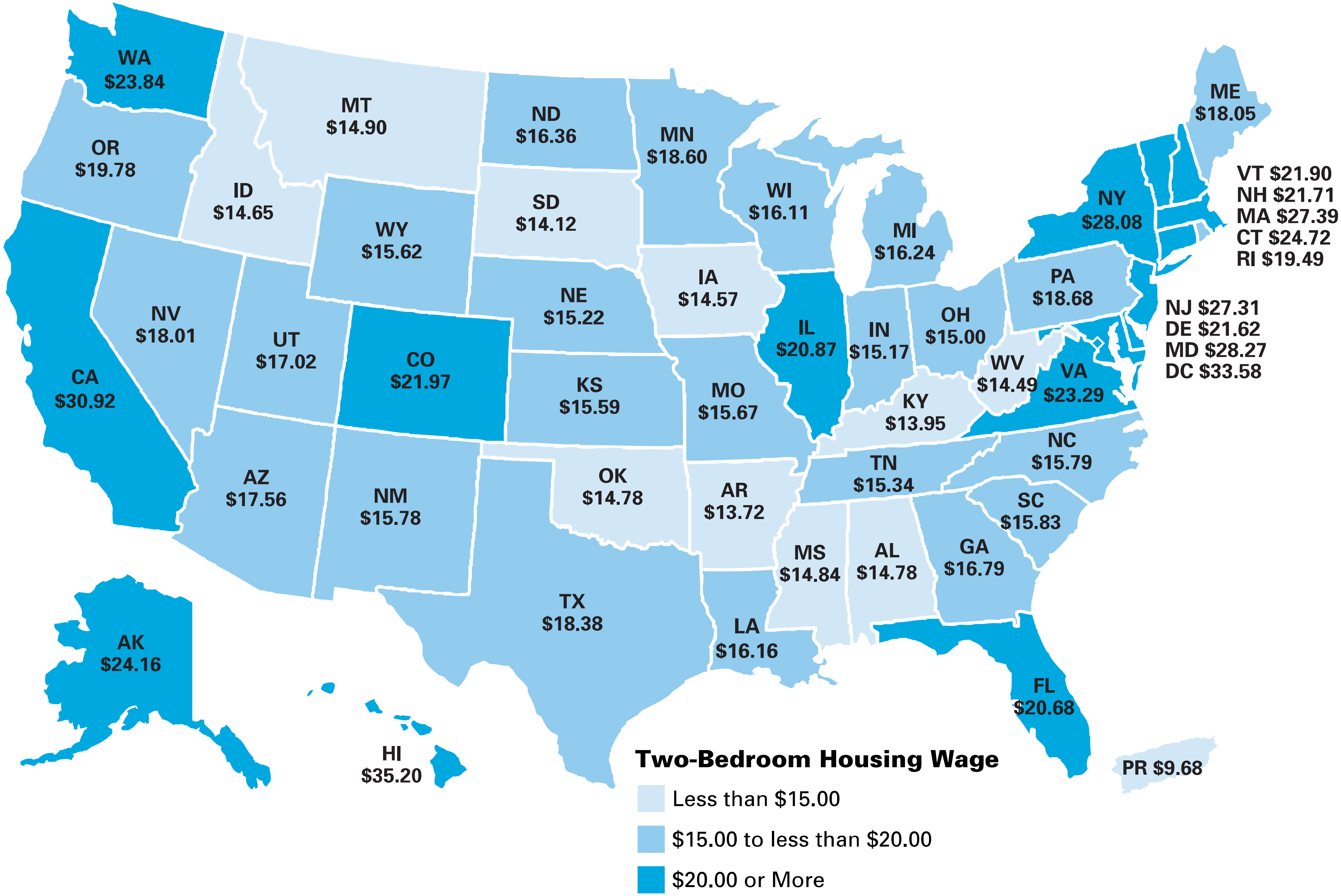
States are ranked from most expensive to least expensive.

Rank	State[1]	Housing Wage for Two-Bedroom FMR[2]
1	Hawaii	$35.20
2	District of Columbia	$33.58
3	California	$30.92
4	Maryland	$28.27
5	New York	$28.08
6	Massachusetts	$27.39
7	New Jersey	$27.31
8	Connecticut	$24.72
9	Alaska	$24.16
10	Washington	$23.64
11	Virginia	$23.29
12	Colorado	$21.97
13	Vermont	$21.90
14	New Hampshire	$21.71
15	Delaware	$21.62
16	Illinois	$20.87
17	Florida	$20.68
18	Oregon	$19.78
19	Rhode Island	$19.49
20	Pennsylvania	$18.68
21	Minnesota	$18.60
22	Texas	$18.38
23	Maine	$18.05
24	Nevada	$18.01
25	Arizona	$17.56
26	Utah	$17.02
27	Georgia	$16.79
28	North Dakota	$16.36
29	Michigan	$16.24
30	Louisiana	$16.16
31	Wisconsin	$16.11
32	South Carolina	$15.83
33	Wyoming	$15.80
34	North Carolina	$15.79
35	New Mexico	$15.78
36	Missouri	$15.67
37	Kansas	$15.59
38	Tennessee	$15.34
39	Nebraska	$15.22
40	Indiana	$15.17
41	Ohio	$15.00
42	Montana	$14.90
43	Mississippi	$14.84
44	Alabama	$14.78
45	Oklahoma	$14.78
46	Idaho	$14.65
47	Iowa	$14.57
48	West Virginia	$14.49
49	South Dakota	$14.12
50	Kentucky	$13.95
51	Arkansas	$13.72
52	Puerto Rico	$9.68

1 Includes District of Columbia and Puerto Rico.
2 FMR = Fair Market Rent.

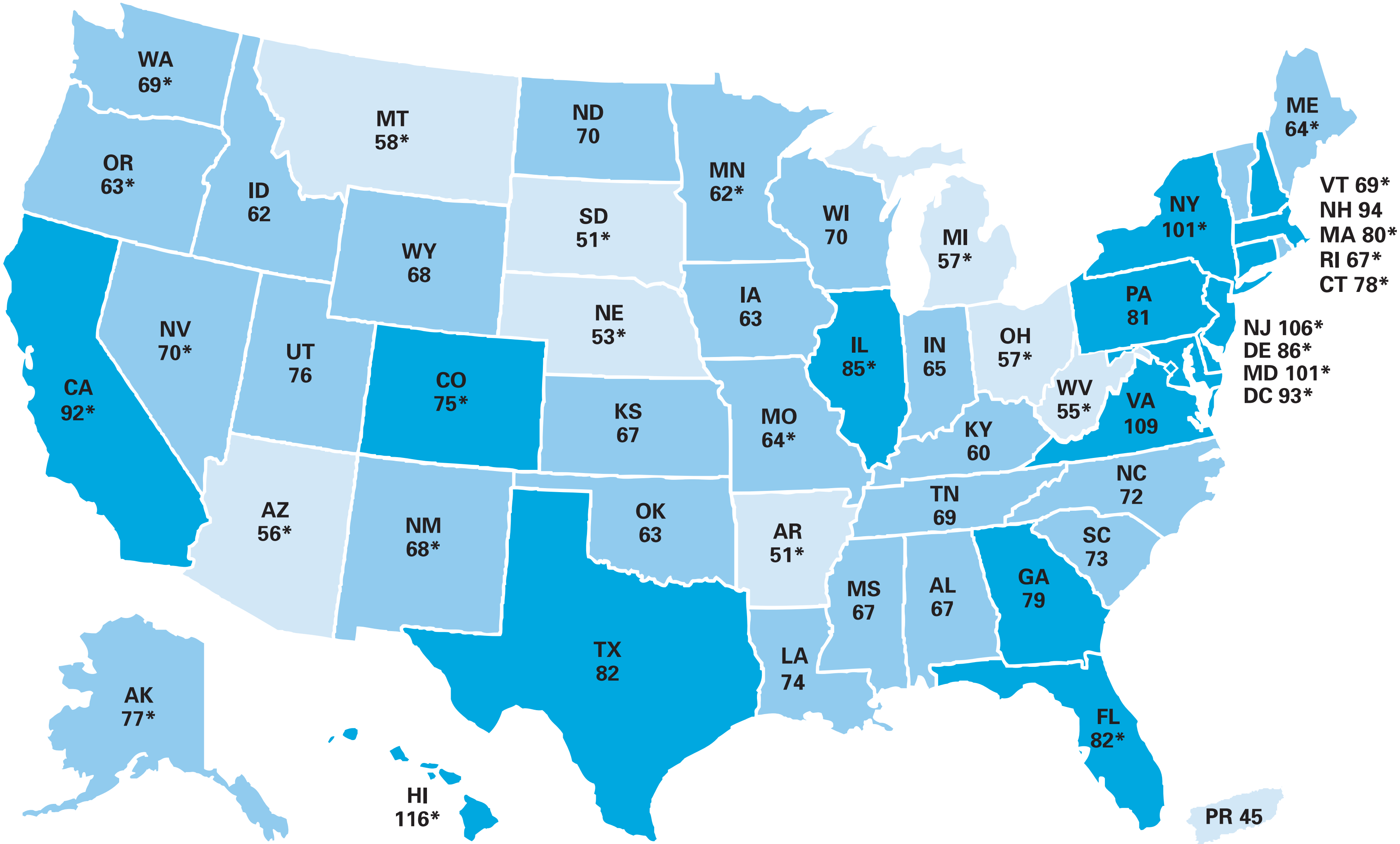
2017 TWO-BEDROOM RENTAL UNIT HOUSING WAGE

Represents the hourly wage that a household must earn (working 40 hours a week, 52 weeks a year) in order to afford the Fair Market Rent for a **TWO-BEDROOM RENTAL HOME**, without paying more than 30% of their income.



2017 HOURS AT MINIMUM WAGE NEEDED TO AFFORD RENT

In no state can a minimum wage worker afford a **ONE-BEDROOM** rental home at the average Fair Market Rent, working a standard 40-hour work week, without paying more than 30% of their income.



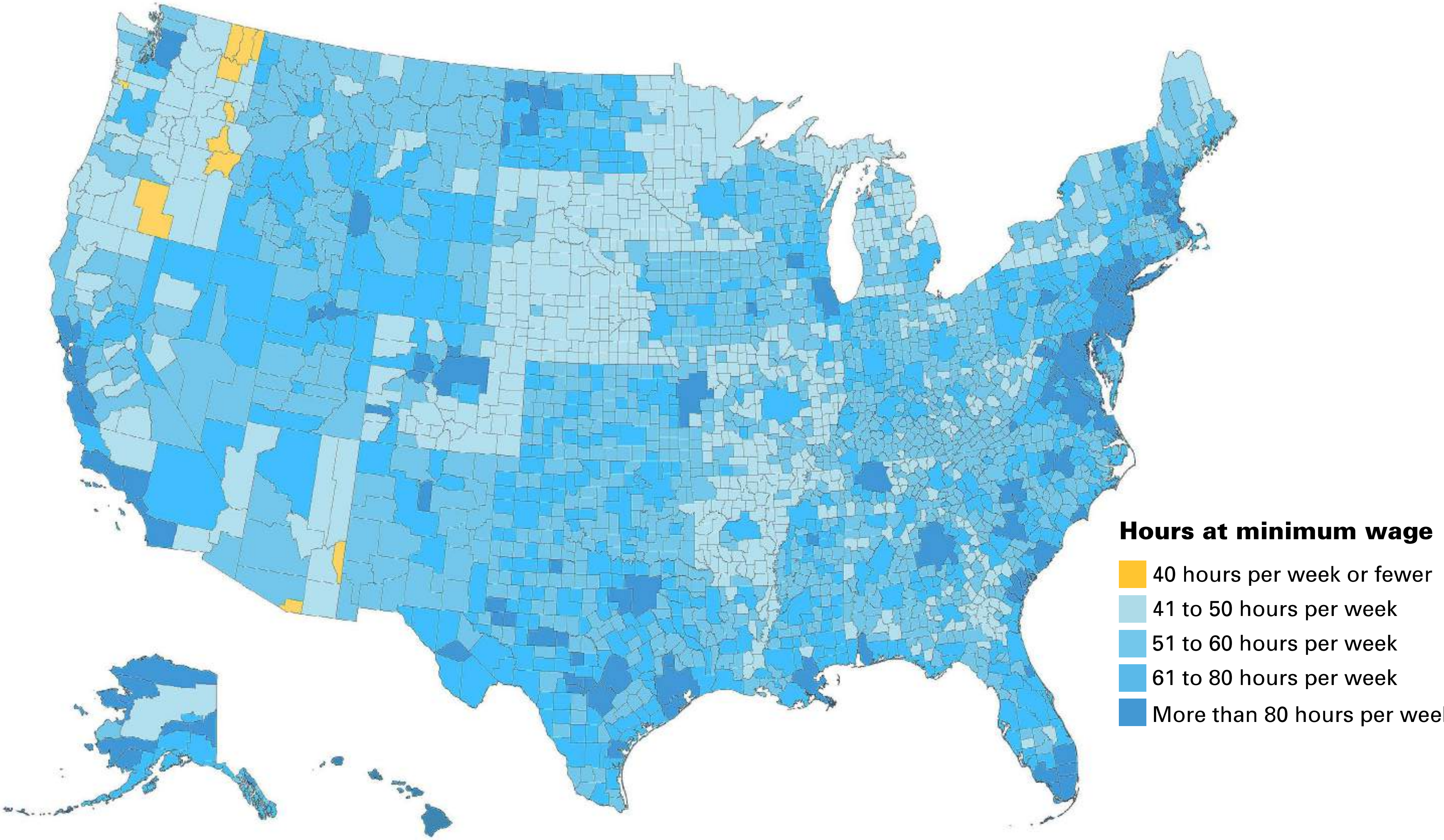
Hours at minimum wage to afford a one-bedroom rental home

60 hours per week or less | 61 to 78 hours per week | 79 hours per week or more

*This state's minimum wage exceeds the federal minimum wage

2017 HOURS AT MINIMUM-WAGE NEEDED TO AFFORD A ONE-BEDROOM RENTAL HOME (BY COUNTY OR METRO AREA)

In only 12 counties can a full-time worker earning the prevailing federal or state minimum-wage afford a **ONE-BEDROOM RENTAL HOME** at the fair market rent (FMR), without paying more than 30% of their income.* Only 0.1% of renter households reside in these areas. 76.4% of renter households reside in a county or metro area where a minimum-wage worker must work more than 60 hours per week.



*Note: This map does not account for the 37 localities, or the urban growth boundary of Portland, OR, with minimum-wages higher than the standard state or federal wage. No local minimum wages are sufficient to afford a one-bedroom unit at FMR with a 40-hour work week.

STATE SUMMARY

	FY16 HOUSING WAGE	HOUSING COSTS			AREA MEDIAN INCOME (AMI)				RENTER HOUSEHOLDS				
State	Hourly wage needed to afford 2 BR[1] FMR[2]	2 BR FMR	Annual income needed to Afford 2 BR FMR	Full-time jobs at minimum wage[3] needed to afford 2 BR FMR	Annual AMI[4]	Monthly rent affordable at AMI[5]	30% of AMI	Monthly rent affordable at 30% AMI	Renter households (2010-2014)	% of total households (2010-2014)	Estimated hourly mean renter wage (2016)	Monthly rent affordable at mean renter wage	Full-time jobs at mean renter wage needed to afford 2 BR FMR
Alabama	$14.78	$768	$30,735	2.0	$57,485	$1,437	$17,246	$431	579,180	31%	$12.23	$636	1.2
Alaska	$24.16	$1,256	$50,246	2.5	$85,439	$2,136	$25,632	$641	91,913	37%	$19.11	$994	1.3
Arizona	$17.56	$913	$36,525	1.8	$62,136	$1,553	$18,641	$466	898,351	37%	$16.02	$833	1.1
Arkansas	$13.72	$713	$28,535	1.6	$54,262	$1,357	$16,278	$407	385,713	34%	$12.53	$651	1.1
California	$30.92	$1,608	$64,311	2.9	$75,864	$1,897	$22,759	$569	5,808,625	46%	$20.66	$1,074	1.5
Colorado	$21.97	$1,143	$45,707	2.4	$78,554	$1,964	$23,566	$589	722,202	36%	$17.13	$891	1.3
Connecticut	$24.72	$1,285	$51,408	2.4	$93,850	$2,346	$28,155	$704	446,356	33%	$16.97	$883	1.5
Delaware	$21.62	$1,124	$44,978	2.6	$75,913	$1,898	$22,774	$569	99,173	29%	$17.06	$887	1.3
District of Columbia	$33.58	$1,746	$69,840	2.7	$110,300	$2,758	$33,090	$827	160,640	59%	$27.20	$1,415	1.2
Florida	$20.68	$1,075	$43,007	2.6	$59,583	$1,490	$17,875	$447	2,535,234	35%	$15.46	$804	1.3
Georgia	$16.79	$873	$34,921	2.3	$61,905	$1,548	$18,572	$464	1,310,665	37%	$15.61	$812	1.1
Hawaii	$35.20	$1,830	$73,217	3.8	$81,387	$2,035	$24,416	$610	194,183	43%	$15.64	$813	2.3
Idaho	$14.65	$762	$30,468	2.0	$59,393	$1,485	$17,818	$445	183,455	31%	$11.70	$608	1.3
Illinois	$20.87	$1,085	$43,406	2.5	$74,788	$1,870	$22,436	$561	1,608,683	34%	$16.32	$848	1.3
Indiana	$15.17	$789	$31,550	2.1	$63,133	$1,578	$18,940	$473	775,599	31%	$12.97	$674	1.2
Iowa	$14.57	$758	$30,315	2.0	$70,864	$1,772	$21,259	$531	352,601	29%	$12.00	$624	1.2
Kansas	$15.59	$811	$32,434	2.2	$66,471	$1,662	$19,941	$499	370,908	33%	$13.21	$687	1.2
Kentucky	$13.95	$726	$29,025	1.9	$58,025	$1,451	$17,408	$435	559,747	33%	$12.36	$643	1.1
Louisiana	$16.16	$841	$33,621	2.2	$58,755	$1,469	$17,626	$441	591,210	34%	$13.90	$723	1.2
Maine	$18.05	$939	$37,551	2.0	$65,724	$1,643	$19,717	$493	156,092	29%	$10.98	$571	1.6
Maryland	$28.27	$1,470	$58,803	3.1	$96,086	$2,402	$28,826	$721	718,727	33%	$16.88	$878	1.7
Massachusetts	$27.39	$1,424	$56,967	2.5	$92,333	$2,308	$27,700	$693	966,054	38%	$19.70	$1,025	1.4
Michigan	$16.24	$844	$33,775	1.8	$65,140	$1,629	$19,542	$489	1,112,333	29%	$13.70	$712	1.2
Minnesota	$18.60	$967	$38,697	2.0	$81,450	$2,036	$24,435	$611	602,127	28%	$14.28	$742	1.3
Mississippi	$14.84	$772	$30,870	2.0	$50,714	$1,268	$15,214	$380	346,611	32%	$11.15	$580	1.3
Missouri	$15.67	$815	$32,588	2.0	$65,511	$1,638	$19,653	$491	774,668	33%	$13.65	$710	1.1

1: BR = Bedroom.
2: FMR = Fiscal Year 2017 Fair Market Rent.
3: This calculation uses the higher of the state or federal minimum wage. Local minimum wages are not used. See Appendix B.
4: AMI = Fiscal Year 2017 Area Median Income.
5: "Affordable" rents represent the generally accepted standard of spending no more than 30% of gross income on rent and utilities.

STATE SUMMARY

	FY16 HOUSING WAGE	HOUSING COSTS			AREA MEDIAN INCOME (AMI)				RENTER HOUSEHOLDS				
State	Hourly wage needed to afford 2 BR[1] FMR[2]	2 BR FMR	Annual income needed to Afford 2 BR FMR	Full-time jobs at minimum wage[3] needed to afford 2 BR FMR	Annual AMI[4]	Monthly rent affordable at AMI[5]	30% of AMI	Monthly rent affordable at 30% AMI	Renter households (2010-2014)	% of total households (2010-2014)	Estimated hourly mean renter wage (2016)	Monthly rent affordable at mean renter wage	Full-time jobs at mean renter wage needed to afford 2 BR FMR
Montana	$14.90	$775	$30,993	1.8	$62,572	$1,564	$18,772	$469	134,331	33%	$11.93	$621	1.2
Nebraska	$15.22	$791	$31,651	1.7	$69,068	$1,727	$20,721	$518	248,665	34%	$12.29	$639	1.2
Nevada	$18.01	$937	$37,462	2.2	$63,013	$1,575	$18,904	$473	456,916	45%	$16.12	$838	1.1
New Hampshire	$21.71	$1,129	$45,163	3.0	$82,654	$2,066	$24,796	$620	151,076	29%	$14.75	$767	1.5
New Jersey	$27.31	$1,420	$56,810	3.2	$90,301	$2,258	$27,090	$677	1,133,379	36%	$17.86	$929	1.5
New Mexico	$15.78	$821	$32,825	2.1	$57,258	$1,431	$17,177	$429	243,927	32%	$12.81	$666	1.2
New York	$28.08	$1,460	$58,409	2.9	$76,152	$1,904	$22,846	$571	3,367,557	46%	$23.98	$1,247	1.2
North Carolina	$15.79	$821	$32,843	2.2	$60,681	$1,517	$18,204	$455	1,316,509	35%	$14.14	$735	1.1
North Dakota	$16.36	$851	$34,028	2.3	$75,590	$1,890	$22,677	$567	107,453	36%	$16.07	$836	1.0
Ohio	$15.00	$780	$31,194	1.8	$65,354	$1,634	$19,606	$490	1,544,640	34%	$12.87	$669	1.2
Oklahoma	$14.78	$768	$30,732	2.0	$60,545	$1,514	$18,164	$454	493,937	34%	$13.91	$723	1.1
Oregon	$19.78	$1,028	$41,134	1.9	$65,509	$1,638	$19,653	$491	593,793	39%	$14.84	$771	1.3
Pennsylvania	$18.68	$971	$38,857	2.6	$72,194	$1,805	$21,658	$541	1,527,069	31%	$14.61	$760	1.3
Puerto Rico	$9.68	$504	$20,142	1.3	$23,665	$592	$7,099	$177	386,492	31%	$7.18	$373	1.3
Rhode Island	$19.49	$1,013	$40,534	2.0	$73,640	$1,841	$22,092	$552	163,693	40%	$13.27	$690	1.5
South Carolina	$15.83	$823	$32,930	2.2	$58,894	$1,472	$17,668	$442	570,096	31%	$12.23	$636	1.3
South Dakota	$14.12	$734	$29,363	1.6	$67,073	$1,677	$20,122	$503	105,639	32%	$11.49	$597	1.2
Tennessee	$15.34	$798	$31,907	2.1	$58,339	$1,458	$17,502	$438	832,227	33%	$13.91	$723	1.1
Texas	$18.38	$956	$38,234	2.5	$66,310	$1,658	$19,893	$497	3,455,426	38%	$17.89	$930	1.0
Utah	$17.02	$885	$35,410	2.3	$71,865	$1,797	$21,559	$539	276,708	31%	$13.26	$689	1.3
Vermont	$21.90	$1,139	$45,545	2.2	$71,610	$1,790	$21,483	$537	74,137	29%	$12.51	$650	1.8
Virginia	$23.29	$1,211	$48,435	3.2	$81,574	$2,039	$24,472	$612	1,035,778	34%	$17.38	$904	1.3
Washington	$23.64	$1,229	$49,177	2.1	$79,288	$1,982	$23,786	$595	1,000,841	37%	$17.77	$924	1.3
West Virginia	$14.49	$754	$30,149	1.7	$55,111	$1,378	$16,533	$413	203,624	27%	$11.14	$579	1.3
Wisconsin	$16.11	$838	$33,501	2.2	$70,030	$1,751	$21,009	$525	751,910	33%	$12.89	$670	1.2
Wyoming	$15.80	$821	$32,855	2.2	$74,498	$1,862	$22,349	$559	70,190	31%	$14.76	$768	1.1

1: BR = Bedroom.
2: FMR = Fiscal Year 2017 Fair Market Rent.
3: This calculation uses the higher of the state or federal minimum wage. Local minimum wages are not used. See Appendix B
4: AMI = Fiscal Year 2017 Area Median Income.
5: "Affordable" rents represent the generally accepted standard of spending no more than 30% of gross income on rent and utilities.

ARKANSAS #51*

In **Arkansas**, the Fair Market Rent (FMR) for a two-bedroom apartment is **$713**. In order to afford this level of rent and utilities — without paying more than 30% of income on housing — a household must earn **$2,378** monthly or **$28,535** annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into an hourly Housing Wage of:

$13.72 PER HOUR
STATE HOUSING WAGE

FACTS ABOUT ARKANSAS:

STATE FACTS	
Minimum Wage	$8.50
Average Renter Wage	$12.53
2-Bedroom Housing Wage	$13.72
Number of Renter Households	385,713
Percent Renters	34%

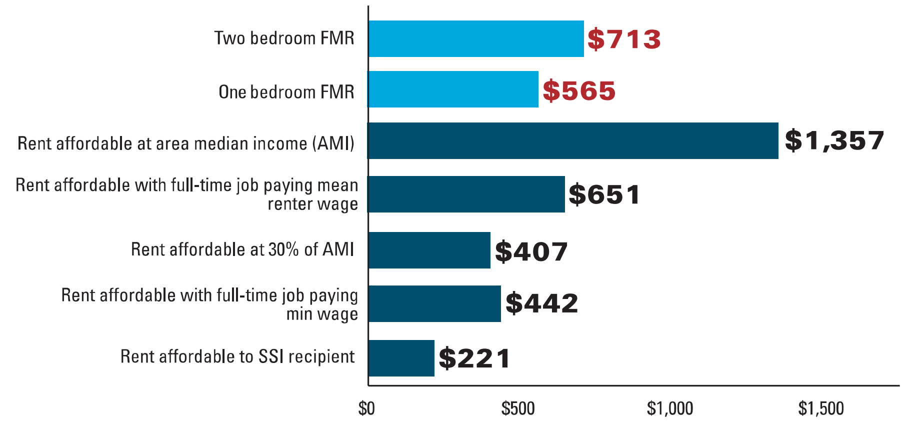
65
Work Hours Per Week At **Minimum Wage** To Afford a **2-Bedroom Rental Home** (at FMR)

51
Work Hours Per Week At **Minimum Wage** To Afford a **1-Bedroom Rental Home** (at FMR)

1.6
Number of Full-Time Jobs At **Minimum Wage** To Afford a **2-Bedroom Rental Home** (at FMR)

1.3
Number of Full-Time Jobs At **Minimum Wage** To Afford a **1-Bedroom Rental Home** (at FMR)

MOST EXPENSIVE AREAS	HOUSING WAGE
Crittenden County	$16.06
Little Rock-North Little Rock-Conway HMFA	$15.65
Hot Springs MSA	$14.71
Fayetteville-Springdale-Rogers HMFA	$14.38
Jonesboro HMFA	$14.13



* Ranked from Highest to Lowest 2-Bedroom Housing Wage

Arkansas

	FY17 HOUSING WAGE	HOUSING COSTS			AREA MEDIAN INCOME (AMI)				RENTER HOUSEHOLDS				
	Hourly wage necessary to afford 2 BR [1] FMR [2]	2 BR FMR	Annual income needed to afford 2 BR FMR	Full-time jobs at minimum wage needed to afford 2 BR FMR [3]	Annual AMI [4]	Monthly rent affordable at AMI [5]	30% of AMI	Monthly rent affordable at 30% of AMI	Renter households (2011-2015)	% of total households (2011-2015)	Estimated hourly mean renter wage (2017)	Monthly rent affordable at mean renter wage	Full-time jobs at mean renter wage needed to afford 2 BR FMR
Arkansas	$13.72	$713	$28,535	1.6	$54,262	$1,357	$16,278	$407	385,713	34%	$12.53	$651	1.1
Combined Nonmetro Areas	$12.05	$627	$25,073	1.4	$46,324	$1,158	$13,897	$347	136,938	30%	$10.46	$544	1.2
Metropolitan Areas													
Fayetteville-Springdale-Rogers HMFA	$14.38	$748	$29,920	1.7	$66,100	$1,653	$19,830	$496	66,851	38%	$16.61	$864	0.9
Fort Smith HMFA	$13.06	$679	$27,160	1.5	$49,800	$1,245	$14,940	$374	24,978	34%	$11.54	$600	1.1
Grant County HMFA	$11.96	$622	$24,880	1.4	$58,600	$1,465	$17,580	$440	1,554	23%	$11.83	$615	1.0
Hot Springs MSA	$14.71	$765	$30,600	1.7	$54,400	$1,360	$16,320	$408	13,177	33%	$10.17	$529	1.4
Jonesboro HMFA	$14.13	$735	$29,400	1.7	$51,100	$1,278	$15,330	$383	15,837	41%	$10.29	$535	1.4
Little River County HMFA	$11.75	$611	$24,440	1.4	$50,500	$1,263	$15,150	$379	1,391	26%	$13.26	$689	0.9
Little Rock-North Little Rock-Conway HMFA	$15.65	$814	$32,560	1.8	$62,500	$1,563	$18,750	$469	95,464	35%	$13.27	$690	1.2
Memphis HMFA	$16.06	$835	$33,400	1.9	$60,000	$1,500	$18,000	$450	7,849	43%	$10.46	$544	1.5
Pine Bluff MSA	$12.67	$659	$26,360	1.5	$47,700	$1,193	$14,310	$358	12,071	34%	$10.90	$567	1.2
Poinsett County HMFA	$12.15	$632	$25,280	1.4	$42,100	$1,053	$12,630	$316	3,565	38%	$10.76	$560	1.1
Texarkana HMFA	$13.85	$720	$28,800	1.6	$52,600	$1,315	$15,780	$395	6,038	36%	$11.04	$574	1.3
Counties													
Arkansas County	$11.75	$611	$24,440	1.4	$50,000	$1,250	$15,000	$375	2,577	33%	$13.56	$705	0.9
Ashley County	$11.75	$611	$24,440	1.4	$45,300	$1,133	$13,590	$340	2,037	24%	$12.77	$664	0.9
Baxter County	$12.67	$659	$26,360	1.5	$48,800	$1,220	$14,640	$366	4,438	24%	$10.37	$539	1.2
Benton County	$14.38	$748	$29,920	1.7	$66,100	$1,653	$19,830	$496	28,284	33%	$19.32	$1,004	0.7
Boone County	$11.98	$623	$24,920	1.4	$49,000	$1,225	$14,700	$368	4,310	29%	$11.33	$589	1.1
Bradley County	$13.23	$688	$27,520	1.6	$41,400	$1,035	$12,420	$311	1,496	33%	$8.18	$426	1.6
Calhoun County	$11.96	$622	$24,880	1.4	$48,400	$1,210	$14,520	$363	425	20%	$15.62	$812	0.8

1: BR = Bedroom
2: FMR = Fiscal Year 2017 Fair Market Rent.
3: This calculation uses the higher of the state or federal minimum wage. Local minimum wages are not used. See Appendix B.
4: AMI = Fiscal Year 2017 Area Median Income
5: "Affordable" rents represent the generally accepted standard of spending not more than 30% of gross income on gross housing costs.

Arkansas	FY17 HOUSING WAGE	HOUSING COSTS			AREA MEDIAN INCOME (AMI)				RENTER HOUSEHOLDS				
	Hourly wage necessary to afford 2 BR [1] FMR [2]	2 BR FMR	Annual income needed to afford 2 BR FMR	Full-time jobs at minimum wage needed to afford 2 BR FMR [3]	Annual AMI [4]	Monthly rent affordable at AMI [5]	30% of AMI	Monthly rent affordable at 30% of AMI	Renter households (2011-2015)	% of total households (2011-2015)	Estimated hourly mean renter wage (2017)	Monthly rent affordable at mean renter wage	Full-time jobs at mean renter wage needed to afford 2 BR FMR
Carroll County	$12.35	$642	$25,680	1.5	$46,800	$1,170	$14,040	$351	2,680	24%	$10.43	$542	1.2
Chicot County	$11.75	$611	$24,440	1.4	$35,100	$878	$10,530	$263	1,460	32%	$8.59	$447	1.4
Clark County	$11.75	$611	$24,440	1.4	$51,600	$1,290	$15,480	$387	3,170	37%	$8.77	$456	1.3
Clay County	$11.75	$611	$24,440	1.4	$41,700	$1,043	$12,510	$313	1,753	27%	$7.65	$398	1.5
Cleburne County	$12.69	$660	$26,400	1.5	$52,600	$1,315	$15,780	$395	2,422	24%	$9.08	$472	1.4
Cleveland County	$12.67	$659	$26,360	1.5	$47,700	$1,193	$14,310	$358	718	22%	$9.97	$519	1.3
Columbia County	$11.75	$611	$24,440	1.4	$53,600	$1,340	$16,080	$402	3,053	32%	$9.48	$493	1.2
Conway County	$13.23	$688	$27,520	1.6	$49,800	$1,245	$14,940	$374	2,262	27%	$8.27	$430	1.6
Craighead County	$14.13	$735	$29,400	1.7	$51,100	$1,278	$15,330	$383	15,837	41%	$10.29	$535	1.4
Crawford County	$13.06	$679	$27,160	1.5	$49,800	$1,245	$14,940	$374	5,503	23%	$10.19	$530	1.3
Crittenden County	$16.06	$835	$33,400	1.9	$60,000	$1,500	$18,000	$450	7,849	43%	$10.46	$544	1.5
Cross County	$12.88	$670	$26,800	1.5	$48,800	$1,220	$14,640	$366	2,492	36%	$8.70	$452	1.5
Dallas County	$11.75	$611	$24,440	1.4	$48,300	$1,208	$14,490	$362	1,104	34%	$10.87	$565	1.1
Desha County	$11.75	$611	$24,440	1.4	$43,500	$1,088	$13,050	$326	2,242	43%	$10.21	$531	1.2
Drew County	$11.88	$618	$24,720	1.4	$44,900	$1,123	$13,470	$337	2,871	39%	$6.69	$348	1.8
Faulkner County	$15.65	$814	$32,560	1.8	$62,500	$1,563	$18,750	$469	15,912	37%	$10.97	$570	1.4
Franklin County	$11.75	$611	$24,440	1.4	$46,500	$1,163	$13,950	$349	1,966	29%	$9.74	$506	1.2
Fulton County	$11.75	$611	$24,440	1.4	$43,000	$1,075	$12,900	$323	1,284	24%	$6.91	$359	1.7
Garland County	$14.71	$765	$30,600	1.7	$54,400	$1,360	$16,320	$408	13,177	33%	$10.17	$529	1.4
Grant County	$11.96	$622	$24,880	1.4	$58,600	$1,465	$17,580	$440	1,554	23%	$11.83	$615	1.0
Greene County	$12.65	$658	$26,320	1.5	$50,700	$1,268	$15,210	$380	5,895	35%	$10.94	$569	1.2
Hempstead County	$11.79	$613	$24,520	1.4	$45,300	$1,133	$13,590	$340	2,523	32%	$9.58	$498	1.2
Hot Spring County	$12.48	$649	$25,960	1.5	$51,300	$1,283	$15,390	$385	3,402	28%	$9.04	$470	1.4
Howard County	$11.75	$611	$24,440	1.4	$43,100	$1,078	$12,930	$323	1,750	35%	$10.52	$547	1.1
Independence County	$11.75	$611	$24,440	1.4	$46,300	$1,158	$13,890	$347	4,071	29%	$10.43	$542	1.1
Izard County	$11.75	$611	$24,440	1.4	$41,100	$1,028	$12,330	$308	1,213	22%	$7.80	$405	1.5

1: BR = Bedroom
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Arkansas

	FY17 HOUSING WAGE	HOUSING COSTS			AREA MEDIAN INCOME (AMI)				RENTER HOUSEHOLDS				
	Hourly wage necessary to afford 2 BR [1] FMR [2]	2 BR FMR	Annual income needed to afford 2 BR FMR	Full-time jobs at minimum wage needed to afford 2 BR FMR [3]	Annual AMI [4]	Monthly rent affordable at AMI [5]	30% of AMI	Monthly rent affordable at 30% of AMI	Renter households (2011-2015)	% of total households (2011-2015)	Estimated hourly mean renter wage (2017)	Monthly rent affordable at mean renter wage	Full-time jobs at mean renter wage needed to afford 2 BR FMR
Jackson County	$11.75	$611	$24,440	1.4	$42,000	$1,050	$12,600	$315	2,029	32%	$10.64	$553	1.1
Jefferson County	$12.67	$659	$26,360	1.5	$47,700	$1,193	$14,310	$358	10,130	36%	$10.99	$572	1.2
Johnson County	$12.27	$638	$25,520	1.4	$40,300	$1,008	$12,090	$302	2,907	29%	$9.47	$492	1.3
Lafayette County	$11.75	$611	$24,440	1.4	$41,400	$1,035	$12,420	$311	797	28%	$11.21	$583	1.0
Lawrence County	$11.75	$611	$24,440	1.4	$45,100	$1,128	$13,530	$338	1,983	30%	$8.32	$433	1.4
Lee County	$11.75	$611	$24,440	1.4	$35,500	$888	$10,650	$266	1,554	43%	$10.10	$525	1.2
Lincoln County	$12.67	$659	$26,360	1.5	$47,700	$1,193	$14,310	$358	1,223	30%	$10.00	$520	1.3
Little River County	$11.75	$611	$24,440	1.4	$50,500	$1,263	$15,150	$379	1,391	26%	$13.26	$689	0.9
Logan County	$11.75	$611	$24,440	1.4	$47,500	$1,188	$14,250	$356	2,273	26%	$9.06	$471	1.3
Lonoke County	$15.65	$814	$32,560	1.8	$62,500	$1,563	$18,750	$469	7,672	30%	$9.33	$485	1.7
Madison County	$14.38	$748	$29,920	1.7	$66,100	$1,653	$19,830	$496	1,513	24%	$10.43	$543	1.4
Marion County	$11.75	$611	$24,440	1.4	$41,000	$1,025	$12,300	$308	1,407	21%	$10.34	$538	1.1
Miller County	$13.85	$720	$28,800	1.6	$52,600	$1,315	$15,780	$395	6,038	36%	$11.04	$574	1.3
Mississippi County	$12.02	$625	$25,000	1.4	$41,800	$1,045	$12,540	$314	7,271	42%	$14.22	$739	0.8
Monroe County	$11.75	$611	$24,440	1.4	$38,600	$965	$11,580	$290	1,281	38%	$7.30	$379	1.6
Montgomery County	$11.75	$611	$24,440	1.4	$43,100	$1,078	$12,930	$323	793	20%	$8.83	$459	1.3
Nevada County	$11.83	$615	$24,600	1.4	$44,300	$1,108	$13,290	$332	1,001	29%	$10.76	$560	1.1
Newton County	$11.75	$611	$24,440	1.4	$44,000	$1,100	$13,200	$330	522	16%	$6.68	$347	1.8
Ouachita County	$11.75	$611	$24,440	1.4	$45,200	$1,130	$13,560	$339	3,486	33%	$9.60	$499	1.2
Perry County	$15.65	$814	$32,560	1.8	$62,500	$1,563	$18,750	$469	773	20%	$8.29	$431	1.9
Phillips County	$11.75	$611	$24,440	1.4	$37,200	$930	$11,160	$279	3,965	49%	$10.61	$552	1.1
Pike County	$11.75	$611	$24,440	1.4	$40,700	$1,018	$12,210	$305	1,060	24%	$9.24	$481	1.3
Poinsett County	$12.15	$632	$25,280	1.4	$42,100	$1,053	$12,630	$316	3,565	38%	$10.76	$560	1.1
Polk County	$11.75	$611	$24,440	1.4	$42,800	$1,070	$12,840	$321	1,659	21%	$9.77	$508	1.2
Pope County	$12.40	$645	$25,800	1.5	$51,000	$1,275	$15,300	$383	7,340	32%	$11.53	$599	1.1
Prairie County	$11.75	$611	$24,440	1.4	$44,800	$1,120	$13,440	$336	1,126	29%	$8.56	$445	1.4

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Arkansas

	FY17 HOUSING WAGE	HOUSING COSTS			AREA MEDIAN INCOME (AMI)				RENTER HOUSEHOLDS				
	Hourly wage necessary to afford 2 BR [1] FMR [2]	2 BR FMR	Annual income needed to afford 2 BR FMR	Full-time jobs at minimum wage needed to afford 2 BR FMR [3]	Annual AMI [4]	Monthly rent affordable at AMI [5]	30% of AMI	Monthly rent affordable at 30% of AMI	Renter households (2011-2015)	% of total households (2011-2015)	Estimated hourly mean renter wage (2017)	Monthly rent affordable at mean renter wage	Full-time jobs at mean renter wage needed to afford 2 BR FMR
Pulaski County	$15.65	$814	$32,560	1.8	$62,500	$1,563	$18,750	$469	61,364	40%	$14.18	$738	1.1
Randolph County	$11.75	$611	$24,440	1.4	$47,800	$1,195	$14,340	$359	1,973	27%	$5.61	$292	2.1
St. Francis County	$11.75	$611	$24,440	1.4	$38,200	$955	$11,460	$287	4,183	44%	$9.57	$498	1.2
Saline County	$15.65	$814	$32,560	1.8	$62,500	$1,563	$18,750	$469	9,743	23%	$10.47	$545	1.5
Scott County	$11.75	$611	$24,440	1.4	$43,400	$1,085	$13,020	$326	1,045	26%	$6.97	$362	1.7
Searcy County	$11.75	$611	$24,440	1.4	$42,500	$1,063	$12,750	$319	613	19%	$5.62	$292	2.1
Sebastian County	$13.06	$679	$27,160	1.5	$49,800	$1,245	$14,940	$374	19,475	39%	$11.93	$620	1.1
Sevier County	$11.75	$611	$24,440	1.4	$45,800	$1,145	$13,740	$344	1,672	28%	$9.57	$498	1.2
Sharp County	$11.75	$611	$24,440	1.4	$40,900	$1,023	$12,270	$307	1,596	22%	$9.74	$506	1.2
Stone County	$11.88	$618	$24,720	1.4	$42,600	$1,065	$12,780	$320	1,238	24%	$7.65	$398	1.6
Union County	$12.88	$670	$26,800	1.5	$49,900	$1,248	$14,970	$374	4,812	29%	$14.60	$759	0.9
Van Buren County	$11.75	$611	$24,440	1.4	$40,800	$1,020	$12,240	$306	1,592	23%	$12.16	$633	1.0
Washington County	$14.38	$748	$29,920	1.7	$66,100	$1,653	$19,830	$496	37,054	45%	$13.55	$705	1.1
White County	$11.96	$622	$24,880	1.4	$54,000	$1,350	$16,200	$405	9,246	31%	$9.45	$491	1.3
Woodruff County	$11.75	$611	$24,440	1.4	$37,800	$945	$11,340	$284	1,126	39%	$9.13	$475	1.3
Yell County	$11.75	$611	$24,440	1.4	$45,300	$1,133	$13,590	$340	2,492	32%	$9.40	$489	1.2

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