

**Out of Reach 2006  
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.	

**2006 Area Median Income <sup>1</sup>**

Annual	\$57,300
Monthly	\$4,775
30% of AMI <sup>2</sup>	\$17,190

The annual median family income in Any County is \$57,300.	Developed by HUD, based on U.S. Census 2000 family median income estimates.
The monthly median family income in Any County is \$4,775.	Divide annual AMI by 12 to calculate monthly income (\$57,300 / 12 = \$4,775).
In Any County, an Extremely Low Income family (30% of AMI) earns \$17,190 annually.	Multiply annual AMI by .3 to calculate median income for Extremely Low Income family (\$57,300 x .3 = \$17,190).

**Maximum Affordable <sup>3</sup> Monthly Housing Cost by % of Family AMI**

30%	\$430
50%	\$716
80%	\$1,146
100%	\$1,433

For an Extremely Low Income family (30% of AMI) in Any County, monthly rent of \$430 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 (\$57,300 x .3 x .3 = \$5,157). Divide by 12 to obtain monthly amount (\$5,157 / 12 = \$430).
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**2007 Fair Market Rent (FMR) <sup>4</sup>**

Zero-Bedroom	\$411
One-Bedroom	\$473
Two-Bedroom	\$563
Three-Bedroom	\$785
Four-Bedroom	\$834

The Fair Market Rent for a two-bedroom rental unit in Any County is \$563.	Developed by HUD annually, based on Census 2000 data and updated using Consumer Price Index data or HUD regional rent change factors developed from Random Digit Dialing surveys. See Appendix B.
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**% Change from 2000 Base Rent to 2007 FMR**

Zero-Bedroom	20%
One-Bedroom	20%
Two-Bedroom	19%
Three-Bedroom	20%
Four-Bedroom	19%

HUD estimates that the 2007 Fair Market Rent for a two-bedroom unit in Any County has increased 19% since the 2000 census.	HUD's Final FY 2007 Fair Market Rent Documentation System (online). Represents the percent difference between the Census 2000 base rent and the Final FY07 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	\$16,440
One-Bedroom	\$18,920
Two-Bedroom	\$22,520
Three-Bedroom	\$31,400
Four-Bedroom	\$33,360

A renter household needs an annual income of \$22,520 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: \$563 x 12 = \$6,756). Then divide by .3 to determine the total income needed to afford \$6,756 per year in rent (\$6,756 / .3 = \$22,520).
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**Percent of Family AMI Needed to Afford FMR**

Zero-Bedroom	29%
One-Bedroom	33%
Two-Bedroom	39%
Three-Bedroom	55%
Four-Bedroom	58%

<p>The income needed to afford a two-bedroom unit at the Fair Market Rent represents 39% of the AMI.</p>	<p>Divide the income needed to afford a unit of a particular size by family AMI, and then multiply by 100 (2BR: \$22,520 / \$57,300 x 100 = 39%).</p>
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**2006 Renter Household Income**

Estimated Median <sup>5</sup>	\$27,992
Percent Needed for 2 BR FMR	80%
Rent Affordable at Median	\$700
% Renters Unable to Afford 2 BR FMR <sup>6</sup>	42%

<p>The renter median household income is \$27,992.</p>	<p>Represents renter median income from U.S. Census 2000 multiplied by HUD's adjustment factor that estimates income growth in an area between the census and 2006.</p>
<p>The income needed to afford a two-bedroom unit at the Fair Market Rent represents 80% of the renter median household income.</p>	<p>Divide the annual income needed to afford the two-bedroom FMR by the renter median household income, and then multiply by 100 (\$22,520 / \$27,992 x 100 = 80%).</p>
<p>For a household earning the renter median income, monthly rent of \$700 or less is affordable.</p>	<p>Multiply renter median household income by .3 to get maximum amount that can be spent on housing for it to be affordable (\$27,992 x .3 = \$8,398). Divide by 12 to obtain monthly amount (\$8,398 / 12 = \$700).</p>
<p>An estimated 42% of renter households in Any County do not earn sufficient income to afford a two-bedroom unit at the Fair Market Rent.</p>	<p>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 2005 ACS data.</p>

**2005 Renter Wage**

Estimated Mean Renter Wage <sup>7</sup>	\$7.22
Rent Affordable at Mean Wage	\$375

<p>The estimated mean (average) renter wage in Any County was \$7.22 in 2005.</p>	<p>Average weekly wages from the 2005 Quarterly Census of Employment and Wages (preliminary) 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.</p>
<p>If one wage-earner holds a job paying the mean renter wage, a household can afford to spend as much as \$375 in monthly rent.</p>	<p>Multiply mean renter wage by 40 (hours per work week) and 52 (weeks per year) to calculate annual income (\$7.22 x 40 x 52 = \$15,018). Multiply by .3 to determine maximum amount that can be spent on rent, and then divide by 12 to obtain monthly amount (\$15,018 x .3 / 12 = \$375).</p>

**2006 Minimum Wage**

Minimum Wage	\$5.15
Rent Affordable at Minimum Wage	\$268

<p>The minimum wage in Any State was \$5.15 in 2006.</p>	<p>The federal minimum wage of \$5.15, unless the state implemented a higher minimum wage by the end of October 2006 as reported by the Economic Policy Institute.</p>
<p>If one wage-earner holds a job paying the minimum wage, a household can afford to spend as much as \$268 in monthly rent.</p>	<p>Multiply minimum wage by 40 (hours per work week) and 52 (weeks per year) to calculate annual income (\$5.15 x 40 x 52 = \$10,712). Multiply by .3 to determine maximum amount that can be spent on rent, and then divide by 12 to obtain monthly amount (\$10,712 x .3 / 12 = \$268).</p>

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**2006 Supplemental Security Income**

Monthly SSI Payment	\$603	An individual living in Any State who qualified for Supplemental Security Income received \$603 in monthly benefits in 2006.	U.S. Social Security Administration. The federal SSI payment for individuals is \$603 in 2006. Where the Social Security Administration administers additional payments provided by the states, the higher value is reflected here.
Rent Affordable at SSI	\$181	An individual whose sole source of income is Supplemental Security Income can afford to spend as much as \$181 in monthly rent.	Multiply monthly income by .3 to determine maximum amount that can be spent on rent ( $\$603 \times .3 = \$181$ ).

**Housing Wage**

Zero-Bedroom	\$7.90	A renter household needs one full-time job paying \$10.83 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: \$22,520) by 52 (weeks per year), and then divide by 40 (hours per work week) ( $\$22,520 / 52 / 40 = \$10.83$ ).
One-Bedroom	\$9.10		
Two-Bedroom	\$10.83		
Three-Bedroom	\$15.10		
Four-Bedroom	\$16.04		

**Housing Wage as % of Minimum Wage**

Zero-Bedroom	153%	In Any County, the Housing Wage for a two-bedroom rental unit represents 210% of the minimum wage.	Divide the Housing Wage for a particular unit size (2BR: \$10.83) by Any State's minimum wage (\$5.15), and then multiply by 100 ( $\$10.83 / \$5.15 \times 100 = 210\%$ ).
One-Bedroom	177%		
Two-Bedroom	210%		
Three-Bedroom	293%		
Four-Bedroom	311%		

**Housing Wage as % of Mean Renter Wage**

Zero-Bedroom	109%	In Any County, the Housing Wage for a two-bedroom rental unit represents 150% of the mean renter wage.	Divide the Housing Wage for a particular unit size (2BR: \$10.83) by Any County's mean renter wage (\$7.22), and then multiply by 100 ( $\$10.83 / \$7.22 \times 100 = 150\%$ ).
One-Bedroom	126%		
Two-Bedroom	150%		
Three-Bedroom	209%		
Four-Bedroom	222%		

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

Zero-Bedroom	61	A renter earning the minimum wage must work 84 hours to afford a two-bedroom rental unit at the Fair Market Rent.	Divide income needed to afford the FMR for a particular unit size (2BR: \$22,520) by 52 (weeks per year), and then divide by Any State's minimum wage (\$5.15) ( $\$22,520 / 52 / \$5.15 = 84$ hours).
One-Bedroom	71		
Two-Bedroom	84		
Three-Bedroom	117		
Four-Bedroom	125		

**Work Hours/Week at Mean Renter Wage Needed to Afford FMR**

Zero-Bedroom	44	A renter earning the mean renter wage must work 60 hours to afford a two-bedroom rental unit at the Fair Market Rent.	Divide income needed to afford the FMR for a particular unit size (2BR: \$22,520) by 52 (weeks per year), and then divide by Any County's mean renter wage (\$7.22) ( $\$22,520 / 52 / \$7.22 = 60$ hours).
One-Bedroom	50		
Two-Bedroom	60		
Three-Bedroom	84		
Four-Bedroom	89		

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**Full-time Jobs at Minimum Wage Needed to Afford FMR**

Zero-Bedroom	1.5
One-Bedroom	1.8
Two-Bedroom	2.1
Three-Bedroom	2.9
Four-Bedroom	3.1

A renter household needs 2.1 full-time jobs paying the minimum wage in order to afford a two-bedroom rental unit at the Fair Market Rent.

Divide the number of work hours/week necessary at the minimum wage to afford the FMR for a particular unit size (2BR: 84 hours) by 40 (hours per work week) ( $84 / 40 = 2.1$  full-time jobs).

**Full-time Jobs at Mean Renter Wage Needed to Afford FMR**

Zero-Bedroom	1.1
One-Bedroom	1.3
Two-Bedroom	1.5
Three-Bedroom	2.1
Four-Bedroom	2.2

A renter household needs 1.5 full-time jobs paying the mean renter wage in order to afford a two-bedroom rental unit at the Fair Market Rent.

Divide the number of work hours/week necessary at the mean renter wage to afford the FMR for a particular unit size (2BR: 60 hours) by 40 (hours per work week) ( $60 / 40 = 1.5$  full-time jobs).

**FOOTNOTES**

- 1 HUD, 2006.
- 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 income on housing costs.
- 4 HUD, 2006; final as of October 1.
- 5 Census 2000 median renter household income, adjusted to a 2006 value 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 2005 American Community Survey Public Use Microdata Sample. States are the most local level for which these data are available.
- 7 Estimated mean renter wage is based on BLS data and adjusted using the ratio of renter to total household income reported in Census 2000.

\* 50th percentile FMR (See Appendix B).  
 † Wage data not available (See Appendix A).