

St. Paul Rental Housing Brief

February 2023



Housing**Link** 

The logo for HousingLink, featuring a stylized flower or star shape composed of several colorful geometric shapes (blue, purple, red, orange, yellow, green) arranged in a circular pattern.

Rents

Median Rents¹

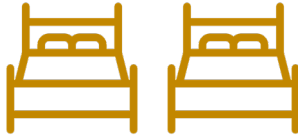
ONE BEDROOM



February 2023 \$1,000
February 2022 \$1,007



TWO BEDROOM



February 2023 \$1,275
February 2022 \$1,248



THREE BEDROOM



February 2023 \$1,698
February 2022 \$1,600



Income Required to Rent a Home in February 2023



Figures are based on the common landlord screening requirement that an applicant must earn 2.5 times the rent in income.

ONE BEDROOM

\$2,500

TWO BEDROOM

\$3,188

THREE BEDROOM

\$4,244

Vacancy Distribution by Building Type²



APARTMENT

February 2023 77%
February 2022 77%



SINGLE FAMILY HOME

February 2023 7%
February 2022 7%



OTHER
(Condo, Duplex, Townhome)

February 2023 16%
February 2022 16%

¹ To learn more about HousingLink rent data, [watch this video](#).

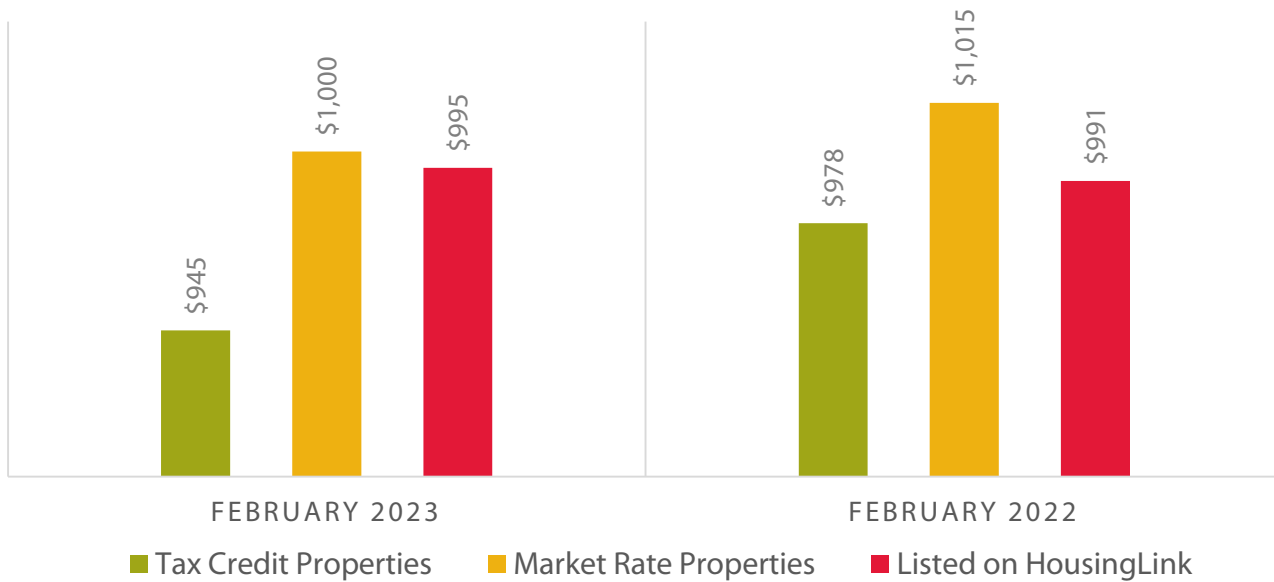
² Different than "vacancy rate," we are saying that OF the vacancy rate (around 4%), xx% of the vacancies are apartments, xx% are single family homes, and xx% are of another building type.

Source: HousingLink's *Market Rent Data*.

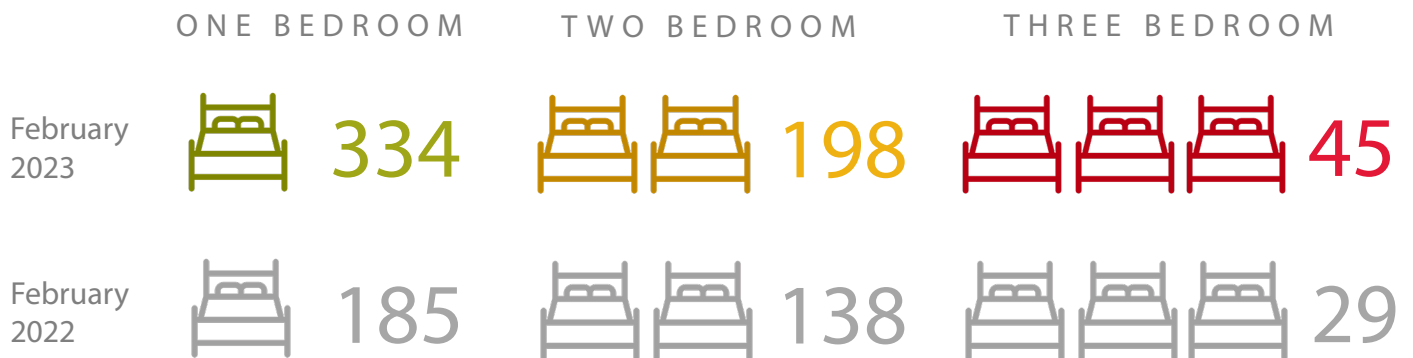


Rental Housing Affordability

Median One Bedroom Rents¹



Number of NOAH Rental Vacancies²



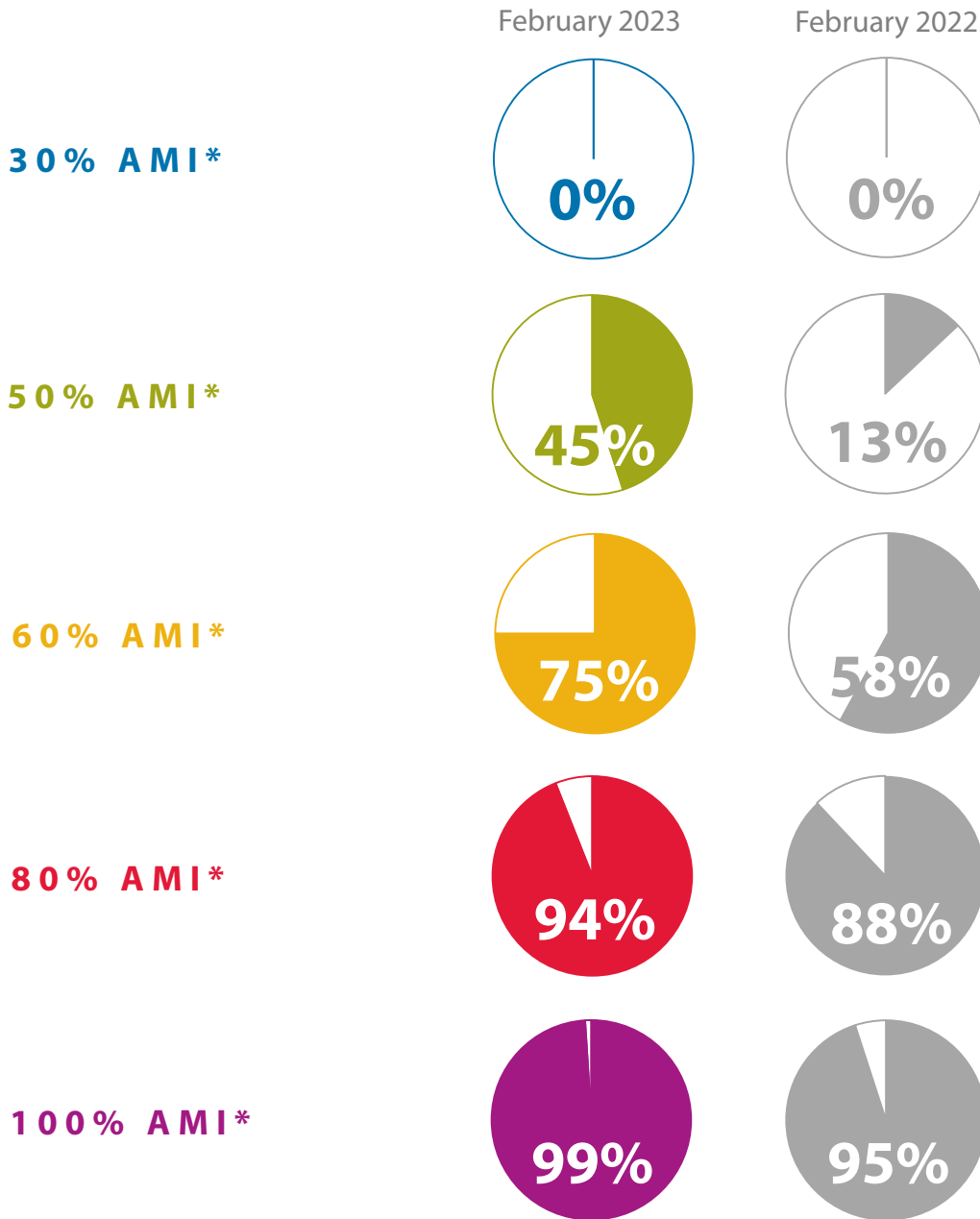
¹ Source: HousingLink's *Rental Revue* data.

² Ibid. For purposes of this report, we define "NOAH" private market housing that is affordable to 60% of Area Median Income, including likely utility costs, depending on number of bedrooms and building type. HousingLink follows widely-accepted basic practices for analyzing housing affordability, which involve comparing rents to area median incomes provided every February by HUD. Their adjustments, tied closely to inflation, resulted in much higher income estimates this year and, thus, much higher thresholds for affordability. It is important to remember that an overall standard of "affordability" is a broad brush and individual families looking for housing can only evaluate the notion of "affordable" relative to their own circumstances. To learn more about how HousingLink calculates affordability by area median income, [watch this video](#). To learn more about NOAH rental supply, [watch this video](#).



Rental Housing Affordability

% of St. Paul Rental Vacancies Affordable by Income Level¹






¹ AMI (Area Median Income) is \$82,200 for an individual and \$117,300 for a family of four in the Twin Cities Metro (HUD, 2022). HousingLink follows widely-accepted basic practices for analyzing housing affordability, which involve comparing rents to area median incomes provided every February by HUD. Their adjustments, tied closely to inflation, resulted in much higher income estimates this year and, thus, much higher thresholds for affordability. It is important to remember that an overall standard of “affordability” is a broad brush and individual families looking for housing can only evaluate the notion of “affordable” relative to their own circumstances. To learn more about how HousingLink calculates affordability by area median income, [watch this video](#). To learn more about NOAH rental supply, [watch this video](#).

Source: HousingLink’s *Rental Revue* data.



Subsidized Housing in St. Paul

February 2023 Vacancies Willing to Accept a Section 8 Housing Choice Voucher¹

	February 2023	February 2022
ONE BEDROOM 	49	24
TWO BEDROOM 	42	21
THREE BEDROOM 	24	12

7 February 2023 Waiting List Openings²
 ↑ up from 5 last year.

36 February housing openings with one or more accessible features³
 ↑ up from 10 last year.

¹ Source: HousingLink's *Market Rent Data*.

² Source: Waiting list openings advertised on HousingLink include Public Housing, Project Based Section 8, Tax Credit, and more.

³ Source: Advertised vacancies on HousingLink.org featuring one or more accessible features.



Rental Housing Stock

Rental Unit Inspections – Q4 2022¹



70,144

Certified units with a grade



+1.3% from last year



2,349

Units in Class C and D properties



-13.9% from last year

12,965

Units in 1 and 2 Unit properties



-1.8% from last year



airbnb 449

entire home rentals listed²

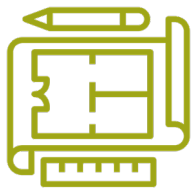
¹ Source: Analysis of City of St. Paul Department of Safety and Inspections Fire Certificate of Occupancy data. Note: The City of St. Paul requires inspections of non-owner-occupied housing units on a regular basis. Class C and Class D properties are those that are least compliant with all state and local safety codes, triggering re-inspection every two years (Class C) or one year (Class D). Reported units only include those which receive a Fire Certificate of Occupancy grade, a practice which is only required for single family homes and duplexes that are not owner-occupied, and for rental properties of three or more units, and excludes units that mix residential with other uses.

² Source: insideairbnb.com.

Apartment Sales & Development

Multifamily (5+) Units Permitted for New Construction¹

Q1 2022 to Q4 2022

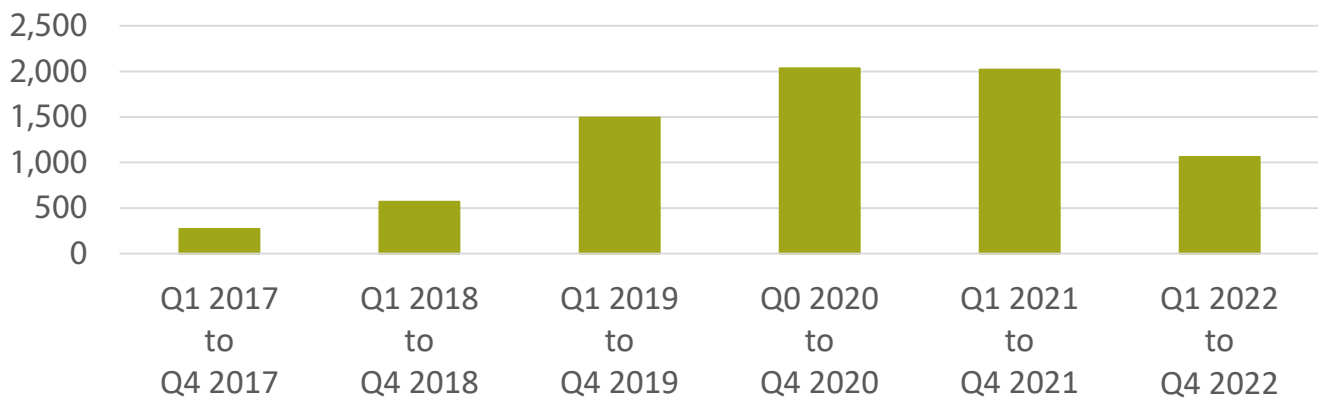


1,062
Units



-47% year over year

5-year view



Average Price-Per-Unit Apartment Sales²

Q1 2022 to Q4 2022



\$128,514
Per unit



+9.5% year over year

¹ Source: HUD's [SOCDS Building Permits Database](#), which contains data on permits for residential construction collected in the Census Bureau's *Building Permits Survey*. While some multifamily construction may contain units built for sale (e.g. condominiums), [recent analysis](#) by the Urban Institute recently indicated those units only account for 5.4% of all permitted multifamily units, nationwide (*The Housing Market Needs More Condos. Why Are So Few Being Built?*, Neal, Goodman; February 2022).

² Source: This analysis is based on research conducted since 2011 exclusively on projects vetted or written about by *Finance & Commerce* publication for its *Twin Cities Apartment Sales Tracker*, available at [finance-commerce.com](#).

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Questions about the data?

Dan Hylton

Research Manager

dhylton@housinglink.org

Media inquiries:

Sue Speakman-Gomez

President

sgomez@housinglink.org

Want a report like this for your community?

Josh Dye

Marketing Manager

jdye@housinglink.org

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