**Rents**

**Median Rents**¹

<table>
<thead>
<tr>
<th>Type</th>
<th>August 2022</th>
<th>August 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>One Bedroom</td>
<td>$1,050</td>
<td>$1,095</td>
</tr>
<tr>
<td>Two Bedroom</td>
<td>$1,375</td>
<td>$1,425</td>
</tr>
<tr>
<td>Three Bedroom</td>
<td>$1,700</td>
<td>$1,700</td>
</tr>
</tbody>
</table>

**Income Required to Rent a Home in August 2022**

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

<table>
<thead>
<tr>
<th>Type</th>
<th>Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>One Bedroom</td>
<td>$2,625</td>
</tr>
<tr>
<td>Two Bedroom</td>
<td>$3,438</td>
</tr>
<tr>
<td>Three Bedroom</td>
<td>$4,250</td>
</tr>
</tbody>
</table>

**Vacancy Distribution by Building Type**²

<table>
<thead>
<tr>
<th>Type</th>
<th>August 2022</th>
<th>August 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apartment</td>
<td>76%</td>
<td>76%</td>
</tr>
<tr>
<td>Single Family Home</td>
<td>9%</td>
<td>6%</td>
</tr>
<tr>
<td>Other (Condo, Duplex, Townhome)</td>
<td>15%</td>
<td>18%</td>
</tr>
</tbody>
</table>

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 3%), xx% of the vacancies are apartments, xx% are single family homes, and xx% are of another building type. Source: HousingLink’s *Rental Revue* data.
# Rental Housing Affordability

## Median One Bedroom Rents\(^1\)

<table>
<thead>
<tr>
<th></th>
<th>AUGUST 2022</th>
<th>AUGUST 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Credit Properties</td>
<td>$1,035</td>
<td>$1,030</td>
</tr>
<tr>
<td>Market Rate Properties</td>
<td>$1,050</td>
<td>$1,095</td>
</tr>
<tr>
<td>Listed on HousingLink</td>
<td>$1,035</td>
<td>$1,081</td>
</tr>
</tbody>
</table>

\(^1\) Source: HousingLink’s Rental Revue data.

## Number of NOAH Rental Vacancies\(^2\)

<table>
<thead>
<tr>
<th></th>
<th>ONE BEDROOM</th>
<th>TWO BEDROOM</th>
<th>THREE BEDROOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 2022</td>
<td>559</td>
<td>336</td>
<td>113</td>
</tr>
<tr>
<td>August 2021</td>
<td>667</td>
<td>327</td>
<td>69</td>
</tr>
</tbody>
</table>

\(^2\) 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 year 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](#).
HousingLink.org

Rental Housing Affordability

% of Minneapolis Rental Vacancies Affordable by Income Level¹

<table>
<thead>
<tr>
<th>Income Level</th>
<th>August 2022</th>
<th>August 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% AMI*</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>50% AMI*</td>
<td>35%</td>
<td>17%</td>
</tr>
<tr>
<td>60% AMI*</td>
<td>60%</td>
<td>46%</td>
</tr>
<tr>
<td>80% AMI*</td>
<td>88%</td>
<td>80%</td>
</tr>
<tr>
<td>100% AMI*</td>
<td>96%</td>
<td>94%</td>
</tr>
</tbody>
</table>

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 year 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 Minneapolis

Housing Choice Vouchers forfeited in Q1 2022¹

This figure refers to vouchers families were unable to place in service. Traditionally, this has usually resulted from rent exceeding the Public Housing Authority’s ability to adequately subsidize the voucher holder’s portion of, or a landlord’s unwillingness to participate in, the Section 8 Housing Choice Voucher program.

Another scenario resulting in forfeiture can involve Public Housing residents who ultimately make a choice to stay in their current unit. This is not uncommon, as the individuals may find that living with a voucher is more costly than living in a public housing unit.

And some simply do not search for a unit because they have existing housing, they are not ready or willing to leave, or have circumstances otherwise preventing a housing search.

August 2022 Waiting List Openings²

↑ up from 14 last year.

August housing openings with one or more accessible features²

↓ down from 93 last year.

¹ Source: Minneapolis Public Housing Authority. Q2 data unavailable as of our August report.
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
Licensed Rental Units – Q2 2022¹

103,747
Licensed units

↑ 2.7% since 2021

470
“Tier 3” rental units

↓ 70.3% since 2021

23,828
Units in 1 and 2 Unit Licenses

↓ 2.5% since 2021

1,770
Units of Short-Term Rental Stock
(↑ 10.0% from 2021)

1 Source: Analysis of City of Minneapolis Regulatory Services rental license data. Note: The City of Minneapolis uses a tiered rating system as part of their rental process. Tier 3 rentals are those which require excessive city services, are poorly maintained or managed, and may be at a higher risk for fire damage. Tier 3 rentals are additionally on the most frequent inspection cycle (one-year). In 2020 Regulatory Services updated the Tiering system to better reflect the known property conditions of rental units and to prioritize inspections.

Apartment Development as of the end of Q2 2022¹

**PROJECTS PROPOSED**
- w/Known Affordable Units: 33
- w/no Known Affordable Units: 56

**PROJECTS PERMITTED & UNDER CONSTRUCTION**
- w/Known Affordable Units: 19
- w/no Known Affordable Units: 53

Presence of affordable units is not always known when information is gathered for this metric and thus it is most accurate to simply refer to projects “w/Known Affordable Units” and projects “w/no Known Affordable Units.”

**Average Price-Per-Unit Apartment Sales Q3 2021 – Q2 2022²**

$263,837 Per unit

67% up from previous 12 months

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¹ Source: This analysis is based on development monitoring by the Metropolitan Council, and consists of selected proposed, permitted, and under construction place-level residential and nonresidential projects, as opposed to individual units. Data on residential and nonresidential projects are obtained on an on-going basis from daily, weekly, monthly and quarterly publications such as Finance & Commerce, Mpls./St. Paul Business Journal, Pioneer Press, Star Tribune, Twin Cities Business Magazine, and Minneapolis Trends reports, as well as a multitude of other sources such as school district updates, developer websites and television news reports, among others. Complete attribute data for all entries may not be available and for purposes of this report, projects in a withdrawn, on hold, or complete status are not reported.

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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