



Bay Area Snapshot 2008: Affordable Housing Facts & Figures

Summary

- Renters still face the greatest challenges. The household income of low-income renters is failing to keep pace with inflation while rental rates across the Bay Area continue to rise. In 2007, the apartment vacancy rate in the Bay Area dramatically while the average rent rose by seven percent from 2006 to nearly \$1,499.
- Bay Area homeownership rates still lag far behind the nation and the state.
- The market is not producing enough of the kind of housing options needed at the lower end of the income scale.

ABOUT THE BAY AREA

What do Bay Area Households Earn?

COUNTY	Area Median Income (AMI)	Extremely Low-Income (30% AMI)	Very Low-income (50% AMI)	Lower-income (80% AMI)	Moderate Income (120% AMI)
Alameda	\$86,100	\$25,850	\$43,050	\$66,250	\$103,300
Contra Costa	\$86,100	\$25,850	\$43,050	\$66,250	\$103,300
Marin	\$95,000	\$33,950	\$56,550	\$90,500	\$114,000
Napa	\$79,600	\$23,900	\$39,800	\$61,500	\$95,500
San Francisco	\$95,000	\$33,950	\$56,550	\$90,500	\$114,000
San Mateo	\$95,000	\$33,950	\$56,550	\$90,500	\$114,000
Santa Clara	\$105,500	\$31,850	\$53,050	\$84,900	\$126,600
Solano	\$75,400	\$22,600	\$37,700	\$60,300	\$90,500
Sonoma	\$77,800	\$23,350	\$38,900	\$61,500	\$93,400
California	\$69,999				

Source: HCD, effective as of February 2008.

Bay Area Households

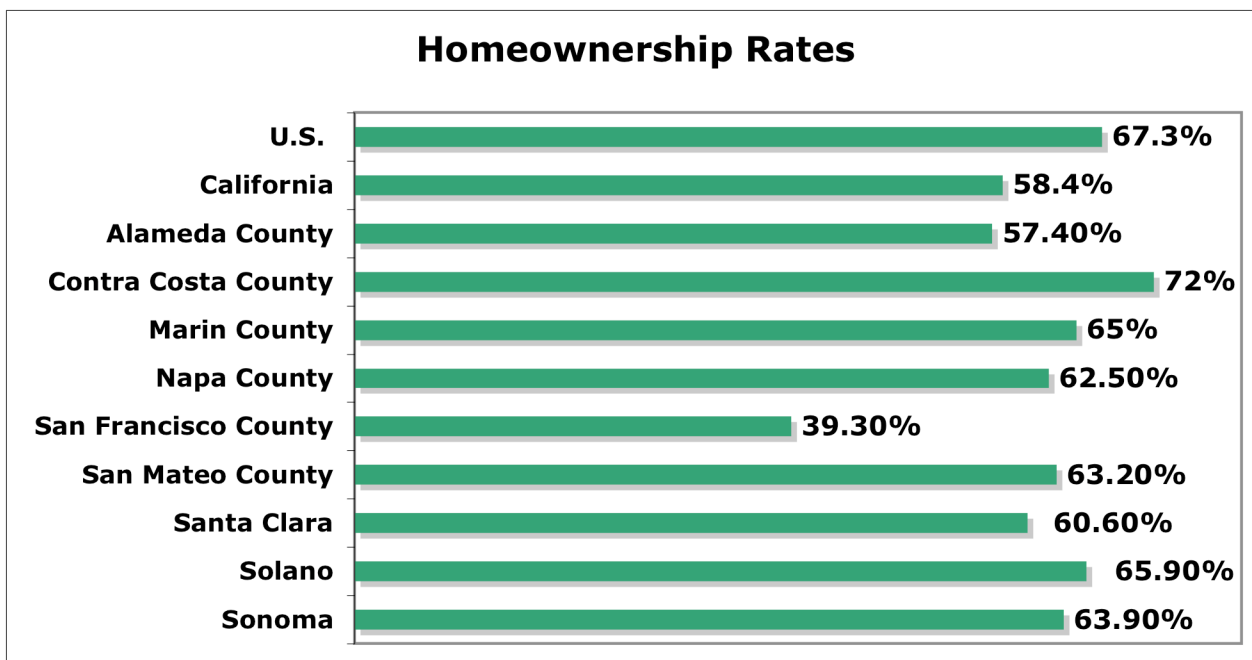
COUNTY	Total households (2000)	Owner households (2000)	Renter households (2000)	% of total households that are renters (2000)
Alameda	523,366	286,306	237,060	45%
Contra Costa	344,129	238,413	105,716	31%
Marin	100,650	64,018	36,632	36%
Napa	45,402	29,564	15,838	35%
San Francisco	329,700	115,315	214,385	65%
San Mateo	254,103	156,264	97,839	39%
Santa Clara	565,863	338,636	227,227	40%
Solano	130,403	84,997	45,406	35%
Sonoma	172,403	110,511	61,892	36%

Source: US Census, 2000.

HOMEOWNERSHIP SNAPSHOT

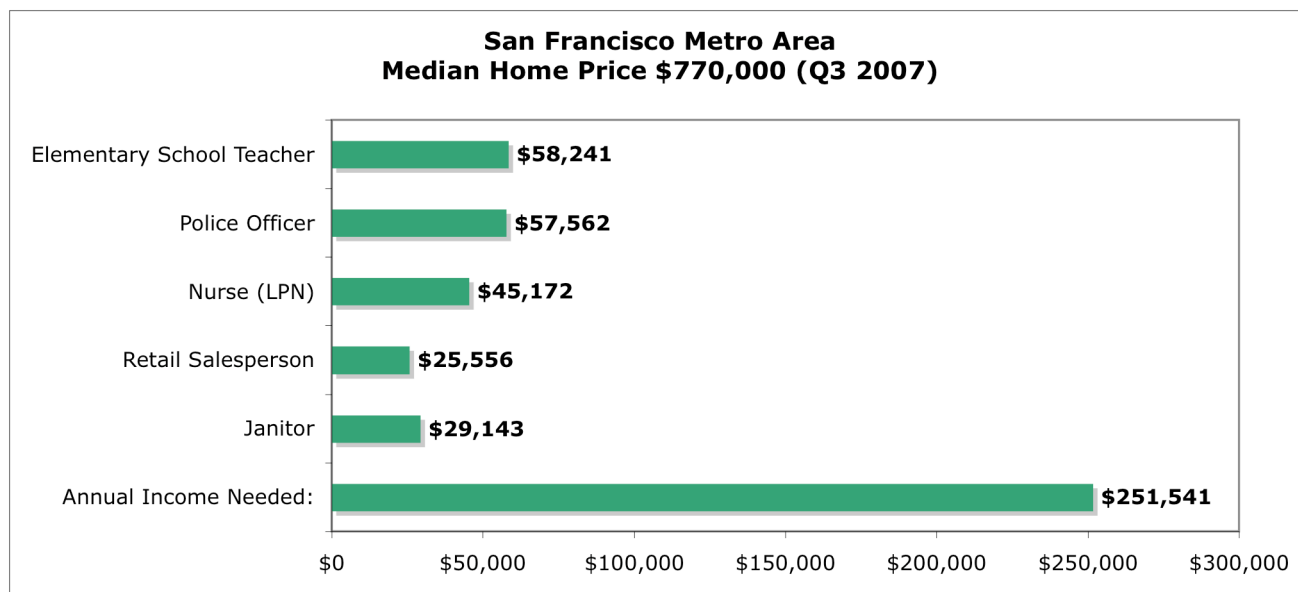
Are Bay Area Workers Buying?

According to the California Budget Project, in August 2007 the median home price in the Bay Area fell to \$656,444 from 723,070. The drop is largely due to the foreclosure crisis, but even at lower prices many many workers are still priced out of the homeownership market. Many essential workers do not even make 50% of the income needed to afford the median home price.

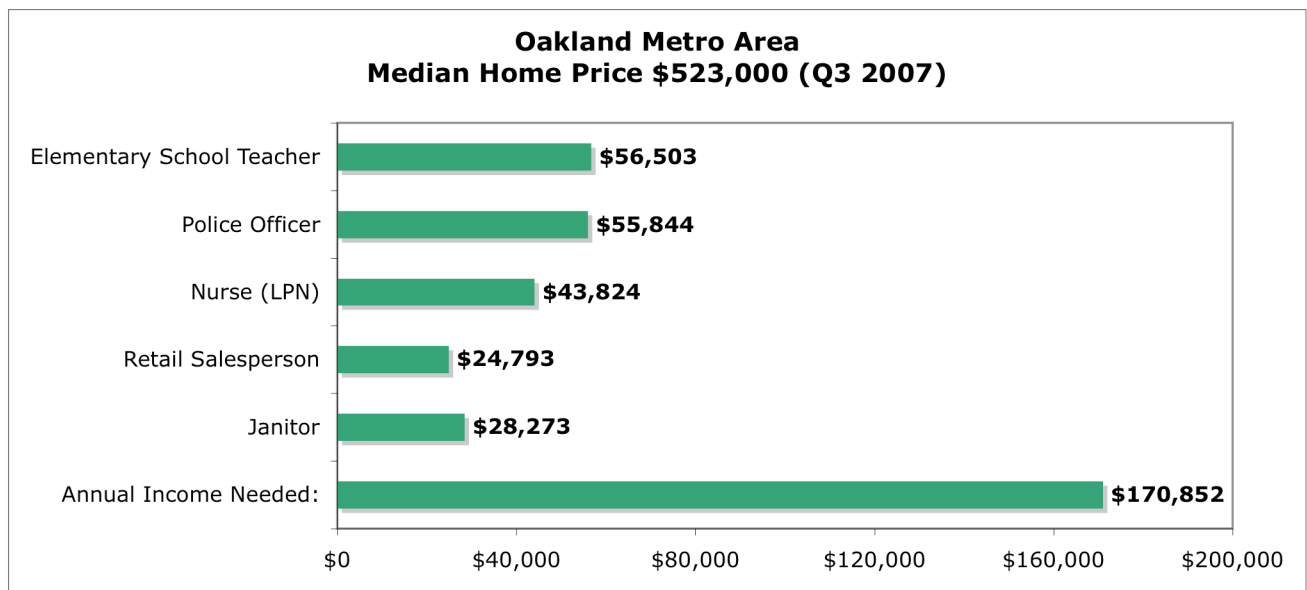
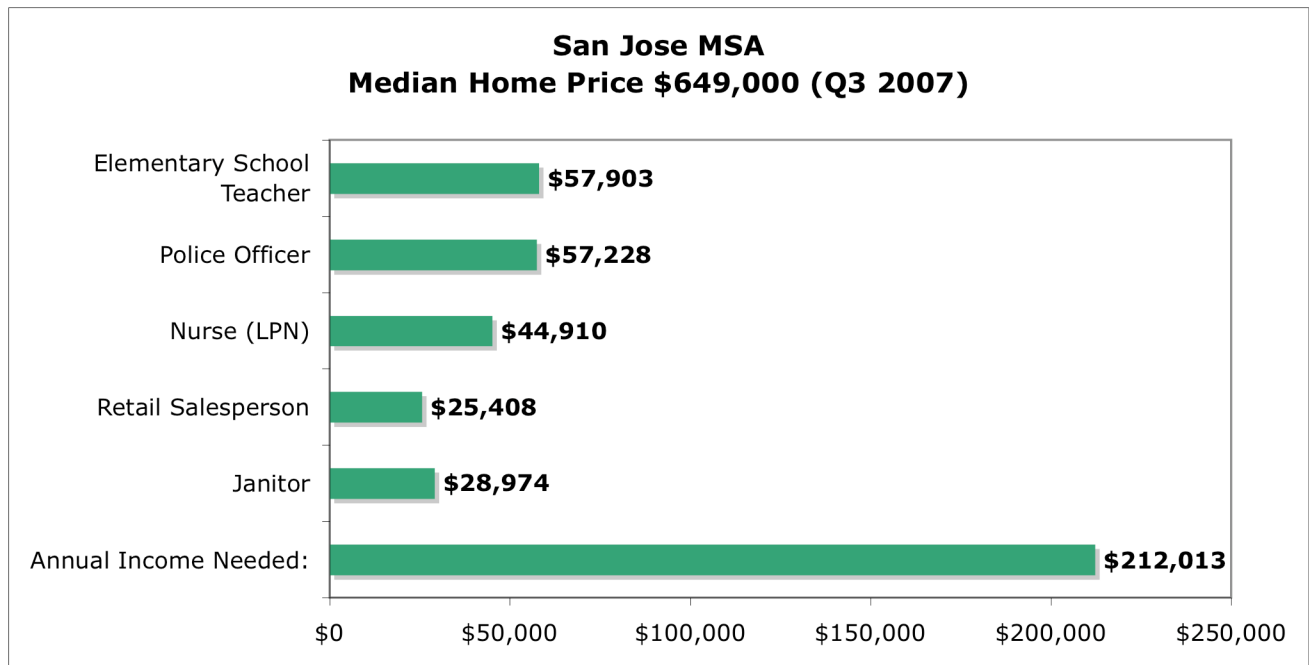


Source: Locked Out 2008, California Budget Project

What Does It Take to Afford a Home: Snapshot of Bay Area Metropolitan Areas



What Does it Take to Afford a Home, Continued:



Source: Paycheck to Paycheck, National Housing Conference, Third Quarter 2007

Notes: San Francisco MSA includes San Francisco, Marin and San Mateo counties. Oakland MSA includes Alameda and Contra Costa counties. San Jose MSA includes Santa Clara County.

RENTAL SNAPSHOT

Fair Market Rents in the Bay Area

The Bay Area still leads the State in cost of renting apartments. In 2008, FMR for a 2-bedroom in San Francisco was \$1,592, affordable to families earning at least \$63,680 per year.

County	Zero bedroom FMR	One bedroom FMR	Two bedroom FMR	Three bedroom FMR	Four bedroom FMR
Alameda County	\$866	\$1,046	\$1,239	\$1,680	\$2,080
Contra Costa County	\$866	\$1,046	\$1,239	\$1,680	\$2,080
Marin County	\$1,035	\$1,272	\$1,592	\$2,125	\$2,246
Napa County	\$834	\$935	\$1,214	\$1,679	\$1,907
San Francisco County	\$1,035	\$1,272	\$1,592	\$2,125	\$2,246
San Mateo County	\$1,035	\$1,272	\$1,592	\$2,125	\$2,246
Santa Clara County	\$928	\$1,076	\$1,293	\$1,859	\$2,047
Solano County	\$883	\$950	\$1,090	\$1,528	\$1,882
Sonoma County	\$740	\$901	\$1,137	\$1,613	\$1,886

Source: HUD 2008; Out of Reach, 2008, NLIHC

U.S. Department of Housing and Urban Development determines Fair Market Rents (FMRs) for federal housing assistance purposes. The FMR estimates the dollar amount at or below which 40% of standard quality rental housing units are rented (50th percentile used for higher housing costs). FMRs are based on distribution of rents paid by "recent movers," renter households who have moved within the past 15 months. FMRs include cost of shelter and utilities, excluding telephone service and adjusted for the number of bedrooms in the rental unit.

What can renters afford?

COUNTY	Annual AMI (family of 4)	Estimated median income (renters)	Rent affordable at median income
Alameda County	\$86,100	\$46,774	\$1,169
Contra Costa County	\$86,100	\$50,201	\$1,255
Marin County	\$94,300	\$57,880	\$1,496
Napa County	\$79,600	\$48,762	\$1,219
San Francisco County	\$94,300	\$56,760	\$1,419
San Mateo County	\$97,800	\$65,227	\$1,569
Santa Clara County	\$105,500	\$64,761	\$1,631
Solano County	\$74,300	\$44,429	\$1,111
Sonoma County	\$77,800	\$47,120	\$1,178

Source: Out of Reach 2008, NLIHC

What families need to earn to afford rent

	Income needed to afford:				
COUNTY	0 bdrm FMR	1 bdrm FMR	2 bdrm FMR	3 bdrm FMR	4 bdrm FMR
Alameda	\$34,640	\$41,840	\$49,560	\$67,200	\$83,200
Contra Costa	\$34,640	\$41,840	\$49,560	\$67,200	\$83,200
Marin	\$41,400	\$50,880	\$63,680	\$85,000	\$89,840
Napa	\$33,360	\$37,400	\$48,560	\$67,160	\$76,280
San Francisco	\$41,400	\$50,880	\$63,680	\$85,000	\$89,840
San Mateo	\$41,400	\$50,880	\$63,680	\$85,000	\$89,840
Santa Clara	\$37,120	\$43,040	\$51,720	\$74,360	\$81,880
Solano	\$35,320	\$38,000	\$43,600	\$61,120	\$75,280
Sonoma	\$29,600	\$36,040	\$45,480	\$64,520	\$75,440

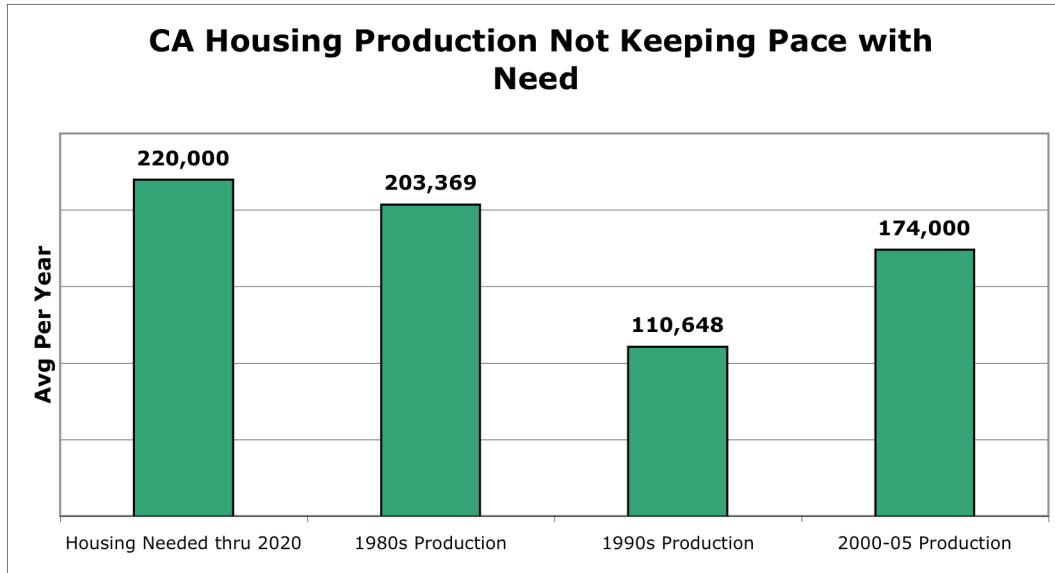
Source: *Out of Reach 2008, NLIHC.*

	Minimum-wage work-hours per week needed to afford:				
COUNTY	0 bdrm FMR	1 bdrm FMR	2 bdrm FMR	3 bdrm FMR	4 bdrm FMR
Alameda	83	101	119	162	200
Contra Costa	83	101	119	162	200
Marin	100	122	153	204	216
Napa	80	90	117	161	183
San Francisco	100	122	153	204	216
San Mateo	100	122	153	204	216
Santa Clara	89	103	124	179	197
Solano	85	91	105	147	181
Sonoma	71	87	109	155	181

Source: *Out of Reach 2008, NLIHC.*

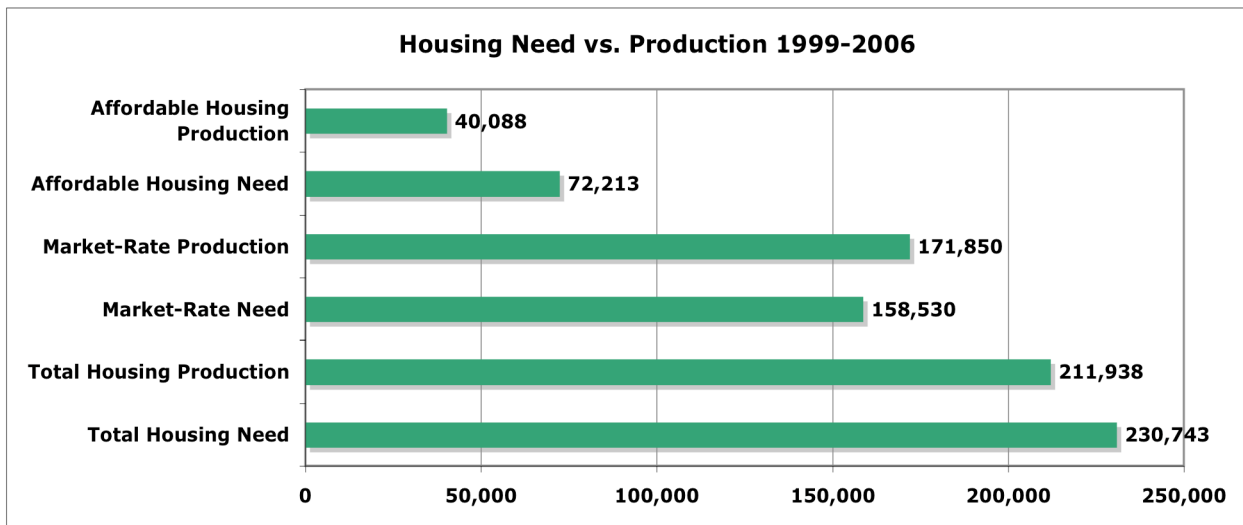
HOUSING PRODUCTION SNAPSHOT

California needs 220,000 new homes and apartments each year to keep pace with population growth. In the 1980s, California saw 94% of its housing need being met, in the 1990s that dropped to 50%. Multifamily housing production suffered the most; less than 30% of total new construction was multifamily apartments, down from nearly 67% in 1970.



Source: HCD (Raising the Roof)

While the Bay Area is producing close to its overall need, it is not creating enough affordable housing options. Bay Area cities from 1999-2006 produced 56% of housing needed for very-low and low-income households, while producing 108% of housing needed for moderate- and above-moderate income households.



Source: A Place to Call Home 2007, Association of Bay Area Governments

Notes: Affordable housing includes the income categories of very low and low. Market-rate housing includes the income categories of moderate and above moderate.