



BAY AREA SNAPSHOT 2010: 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.
- 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	\$89,300	\$26,800	\$44,650	\$66,250	\$107,150
Contra Costa	\$89,300	\$26,800	\$44,650	\$66,250	\$107,150
Marin	\$96,800	\$33,950	\$56,550	\$90,500	\$116,150
Napa	\$81,800	\$24,550	\$40,900	\$64,000	\$98,150
San Francisco	\$96,800	\$33,950	\$56,550	\$90,500	\$116,150
San Mateo	\$96,800	\$33,950	\$56,550	\$90,500	\$116,150
Santa Clara	\$105,500	\$31,850	\$53,050	\$84,900	\$126,600
Solano	\$79,400	\$23,800	\$39,700	\$63,500	\$95,300
Sonoma	\$80,200	\$24,050	\$40,100	\$64,000	\$96,250
California	\$72,595				

Source: HCD, effective as of April 2009, Household size shown is four persons.

Bay Area Households

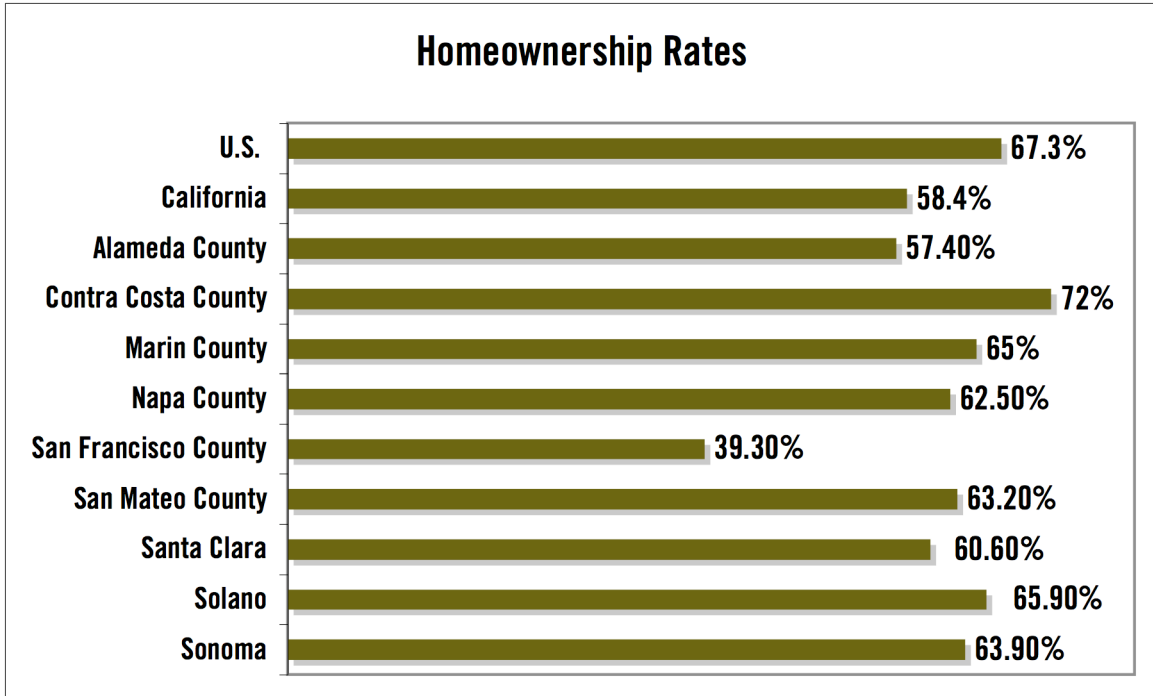
COUNTY	Total households (2000)	Owner households (2000)	Renter households (2000)	% of total households that are renters (2000)
Alameda	523,366	286,306	237,060	45%
Contra Costa	344,129	238,413	105,716	31%
Marin	100,650	64,018	36,632	36%
Napa	45,402	29,564	15,838	35%
San Francisco	329,700	115,315	214,385	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

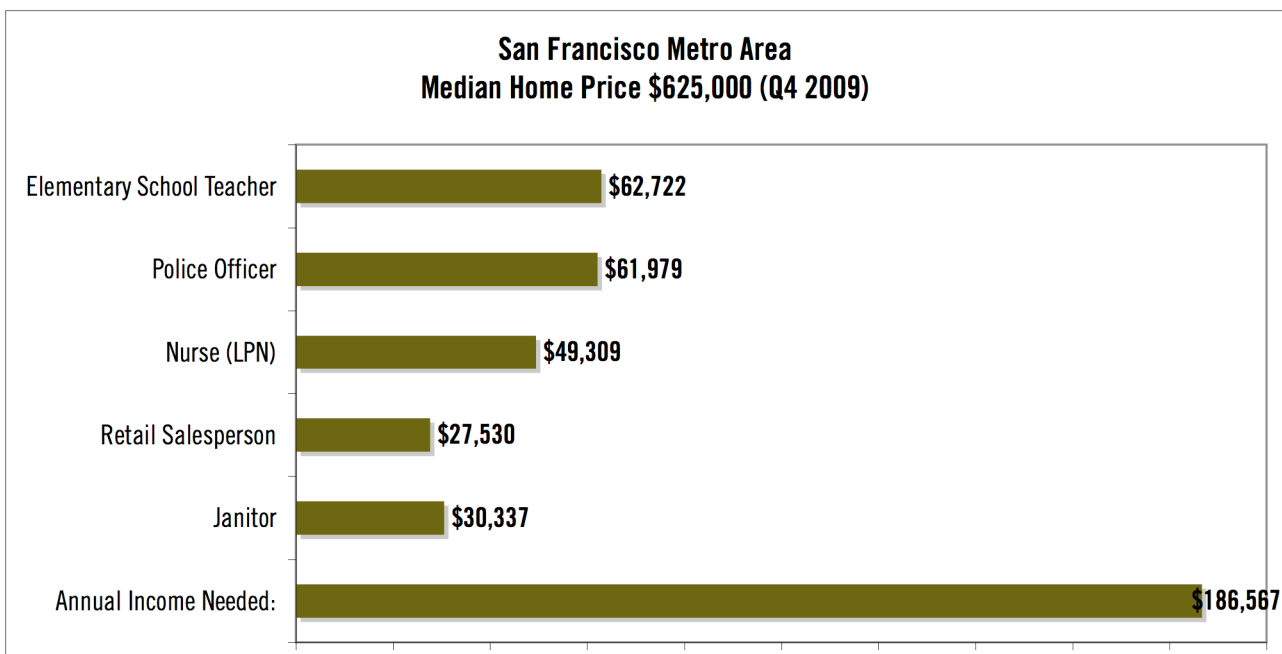
Are Bay Area Workers Buying?

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 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.

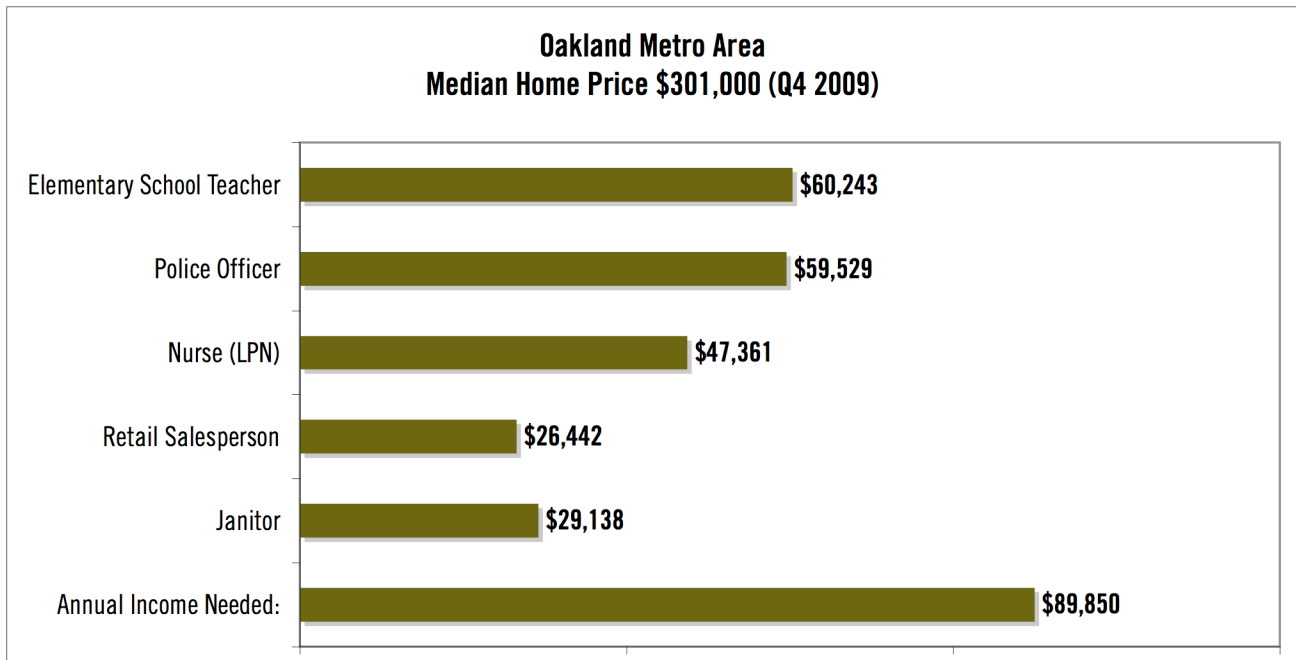
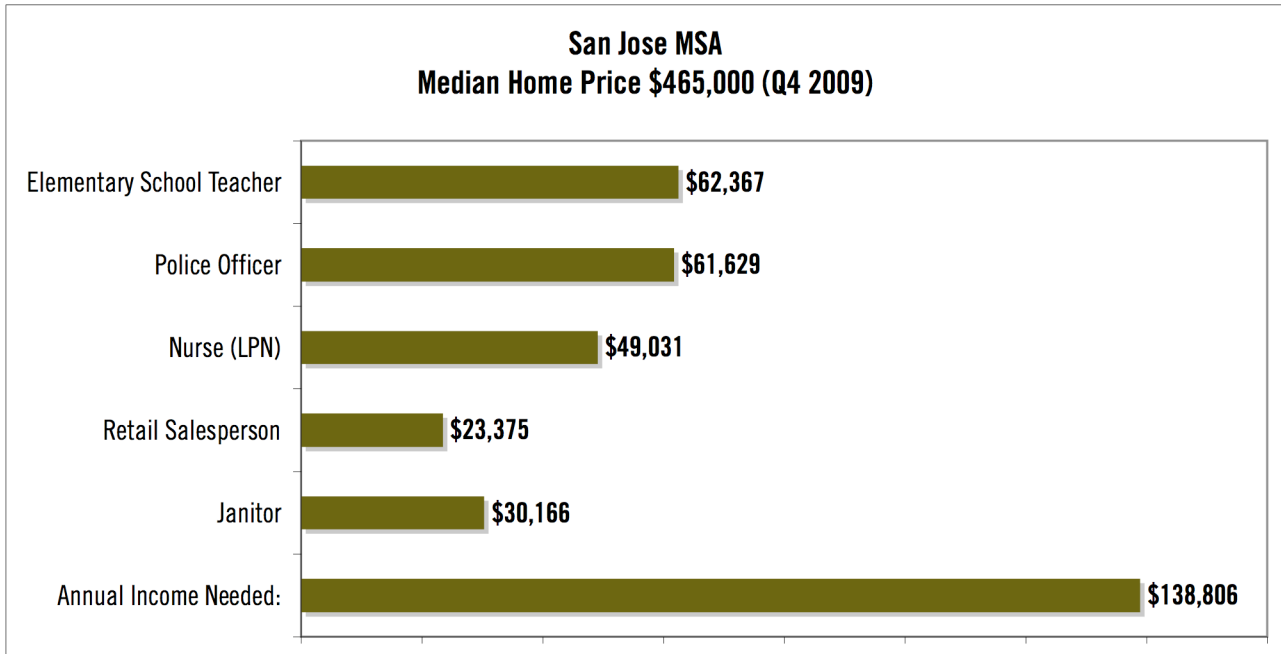


Source: *Locked Out 2008, California Budget Project*

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, Fourth Quarter 2009*

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 and San Benito Counties.

RENTAL SNAPSHOT

Fair Market Rents in the Bay Area

The Bay Area still leads the State in cost of renting apartments. In 2010, FMR for a 2-bedroom in San Francisco was \$1,760, affordable to families earning at least \$70,400 per year; this is a 6 percent increase from 2009.

COUNTY	Zero bedroom FMR	One bedroom FMR	Two bedroom FMR	Three bedroom FMR	Four bedroom FMR
Alameda	\$963	\$1,162	\$1,377	\$1,867	\$2,312
Contra Costa	\$963	\$1,162	\$1,377	\$1,867	\$2,312
Marin	\$1,144	\$1,406	\$1,760	\$2,350	\$2,483
Napa	\$927	\$1,040	\$1,350	\$1,867	\$2,121
San Francisco	\$1,144	\$1,406	\$1,760	\$2,350	\$2,483
San Mateo	\$1,144	\$1,406	\$1,760	\$2,350	\$2,483
Santa Clara	\$1,032	\$1,196	\$1,438	\$2,068	\$2,276
Solano	\$980	\$1,055	\$1,210	\$1,696	\$2,090
Sonoma	\$850	\$1,034	\$1,306	\$1,853	\$2,167

Source: HUD 2010; Out of Reach, 2010, 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 renter household income	Rent affordable at median renter income	Percentage of renters unable to afford a 2 bedroom at Fair Market Rent
Alameda	\$89,300	\$50,315	\$1,258	53%
Contra Costa	\$89,300	\$54,002	\$1,350	50%
Marin	\$96,800	\$58,363	\$1,459	57%
Napa	\$81,800	\$51,495	\$1,287	51%
San Francisco	\$96,800	\$55,352	\$1,384	60%
San Mateo	\$96,800	\$63,293	\$1,582	53%
Santa Clara	\$105,500	\$66,042	\$1,651	43%
Solano	\$79,400	\$49,853	\$1,246	47%
Sonoma	\$80,200	\$50,072	\$1,252	51%

Source: Out of Reach 2010, 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	\$38,520	\$46,480	\$55,080	\$74,680	\$92,480
Contra Costa	\$38,520	\$46,480	\$55,080	\$74,680	\$92,480
Marin	\$45,760	\$56,240	\$70,400	\$94,000	\$99,320
Napa	\$37,080	\$41,600	\$54,000	\$74,680	\$84,840
San Francisco	\$45,760	\$56,240	\$70,400	\$94,000	\$99,320
San Mateo	\$45,760	\$56,240	\$70,400	\$94,000	\$99,320
Santa Clara	\$41,280	\$47,840	\$57,520	\$82,720	\$91,040
Solano	\$39,200	\$42,200	\$48,400	\$67,840	\$83,600
Sonoma	\$34,000	\$41,360	\$52,240	\$74,120	\$86,680

Source: *Out of Reach 2010, NLIHC.*

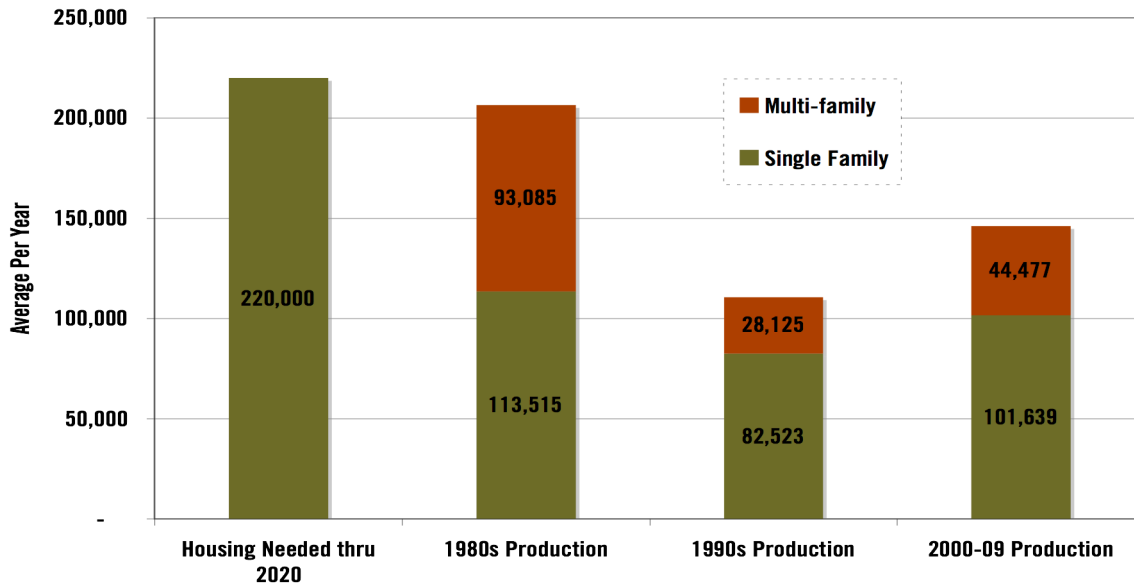
	Minimum-wage work-hours per week needed to afford:				
COUNTY	0 bdrm FMR	1 bdrm FMR	2 bdrm FMR	3 bdrm FMR	4 bdrm FMR
Alameda	93	112	132	180	222
Contra Costa	93	112	132	180	222
Marin	110	135	169	226	239
Napa	89	100	130	180	204
San Francisco	110	135	169	226	239
San Mateo	110	135	169	226	239
Santa Clara	99	115	138	199	219
Solano	94	101	116	163	201
Sonoma	82	99	126	178	208

Source: *Out of Reach 2010, NLIHC.*

HOUSING PRODUCTION SNAPSHOT

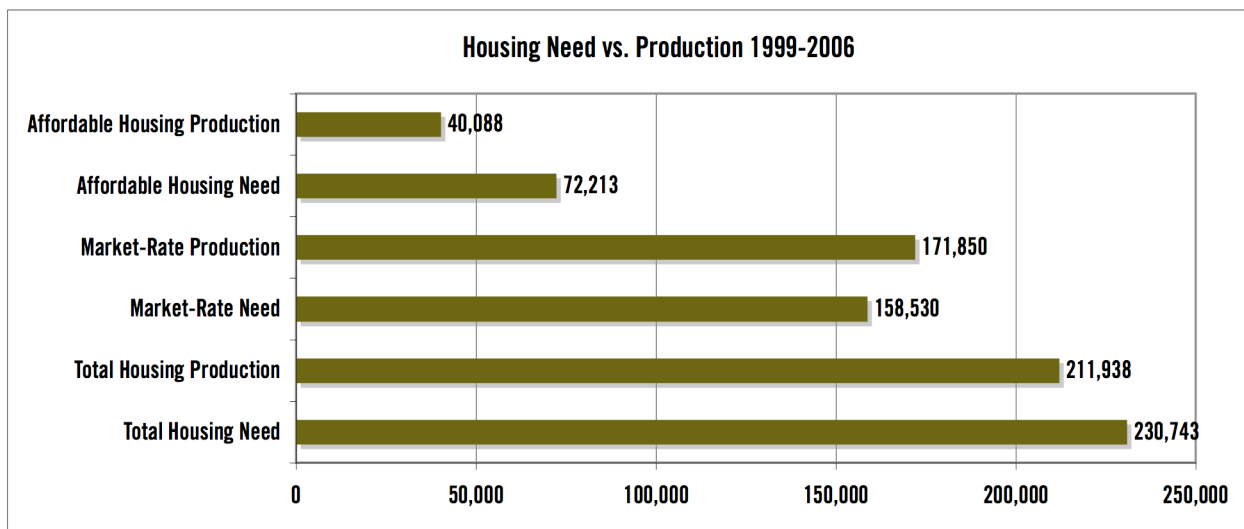
California needs 220,000 new homes and apartments each year to keep pace with population growth. In the 1980s, California saw 94% of its housing need being met, in the 1990s that dropped to 50%. Multifamily housing production suffered the most; less than 30% of total new construction was multifamily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

CA Housing Production Not Keeping Pace with Need



Source: HCD (Raising the Roof) and the Construction Industry Research Board

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.