

MEDIA RELEASE

FOR IMMEDIATE RELEASE
SEPTEMBER 18, 2002

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Massachusetts Least Affordable State for Rental Housing

A person in Massachusetts has to earn \$21.14 per hour—more than three times the minimum wage—to be able to afford a modest two-bedroom apartment, making Massachusetts the least affordable state in the country, according to a report released today by the Washington, DC-based National Low Income Housing Coalition.

“This new study demonstrates the seriousness of our housing affordability problem for a growing number of households,” said Aaron Gornstein, CHAPA’s executive director. “Without some type of assistance, rental housing is out of reach for people in low-wage jobs. Unfortunately, state funds for that assistance have dropped significantly in the past year.”

Quick facts about Massachusetts

- According to the study, Massachusetts is the **least affordable** state, for minimum wage workers seeking rental housing, surpassing second place California.
- The housing wage in Massachusetts is \$21.14 per hour. To afford a modest two-bedroom unit (i.e., a unit at HUD’s Fair Market Rent for the region), a renter must earn an hourly wage of \$21.14. The housing wage for Greater Boston is \$25.83 per hour.
- The 2002 Massachusetts Housing Wage is an increase of 6.46% from 2001.
- Minimum wage workers must work 125 hours per week to afford a two-bedroom unit.
- This year the Governor and Legislature cut \$5.1 million from the Massachusetts Rental Voucher Program, stopped reissuing vouchers to families, and increased tenant rents.

"Out of Reach backs with concrete data what the daily experience of low- and moderate-income people tells us is true: We have a very serious housing affordability problem here in Massachusetts," said ACORN Board member Abby Cook. "Without assistance, the gap between what people in low-wage jobs earn, even working long hours, and what rental housing costs here is simply unbridgeable."

Additional finding from *Out of Reach 2002* include:

- For the fourth year in a row, there is no jurisdiction in the United States in which a job at the prevailing minimum wage provides enough income to allow a household to afford a two-bedroom home at the region's Fair Market Rent.
- The nationally weighted housing wage for 2002 is \$14.66 an hour, meaning that on average across the country, a person has to earn nearly three times the federal minimum wage to be able to afford a modest two-bedroom apartment.
- While the inflation rate for 2001 was 1.6%, the national housing wage increased by 5% between 2001 and 2002, and 18% since the 2000 report.

More data for all of Massachusetts' counties and Metropolitan Statistical Areas are available at the NLIHC website, www.nlihc.org. Click on *Out of Reach 2002*.