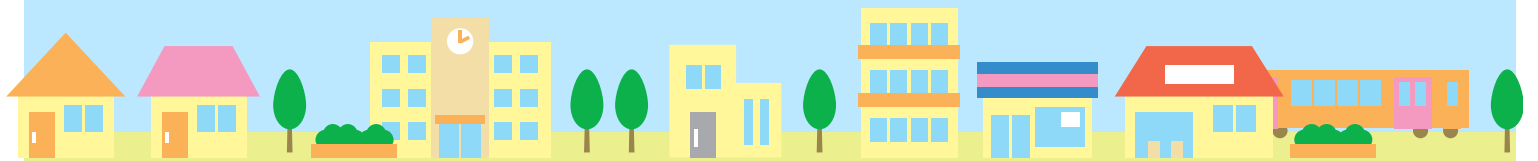


# St. Paul Rental Housing Brief

September 2022



Housing**Link** 

The logo consists of a central white star-like shape surrounded by ten colorful triangles in shades of purple, red, orange, yellow, green, and blue.

# Rents

## Median Rents<sup>1</sup>

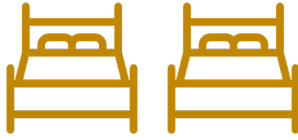
ONE BEDROOM



September 2022 \$997  
September 2021 \$1,000

0%  
No Change  
YOY

TWO BEDROOM



September 2022 \$1,295  
September 2021 \$1,275

+2%  
Increase  
YOY

THREE BEDROOM



September 2022 \$1,688  
September 2021 \$1,538

+10%  
Increase  
YOY

## Income Required to Rent a Home in September 2022



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

ONE BEDROOM

\$2,493

TWO BEDROOM

\$3,238

THREE BEDROOM

\$4,220

## Vacancy Distribution by Building Type<sup>2</sup>



APARTMENT

September 2022 76%  
September 2021 81%



SINGLE FAMILY HOME

September 2022 9%  
September 2021 5%



OTHER  
(Condo, Duplex, Townhome)

September 2022 14%  
September 2021 14%

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

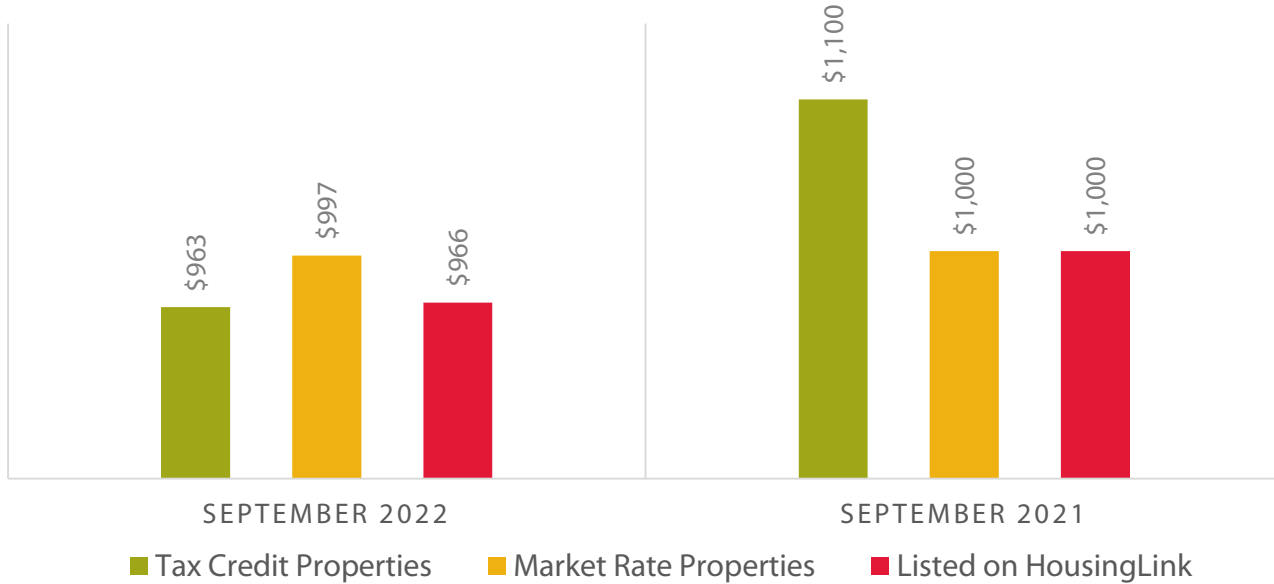
<sup>2</sup> Different than "vacancy rate," we are saying that OF the vacancy rate (around 3%), xx% of the vacancies are apartments, xx% are single family homes, and xx% are of another building type.

Source: HousingLink's *Market Rent Data*.



# Rental Housing Affordability

## Median One Bedroom Rents<sup>1</sup>



## Number of NOAH Rental Vacancies<sup>2</sup>

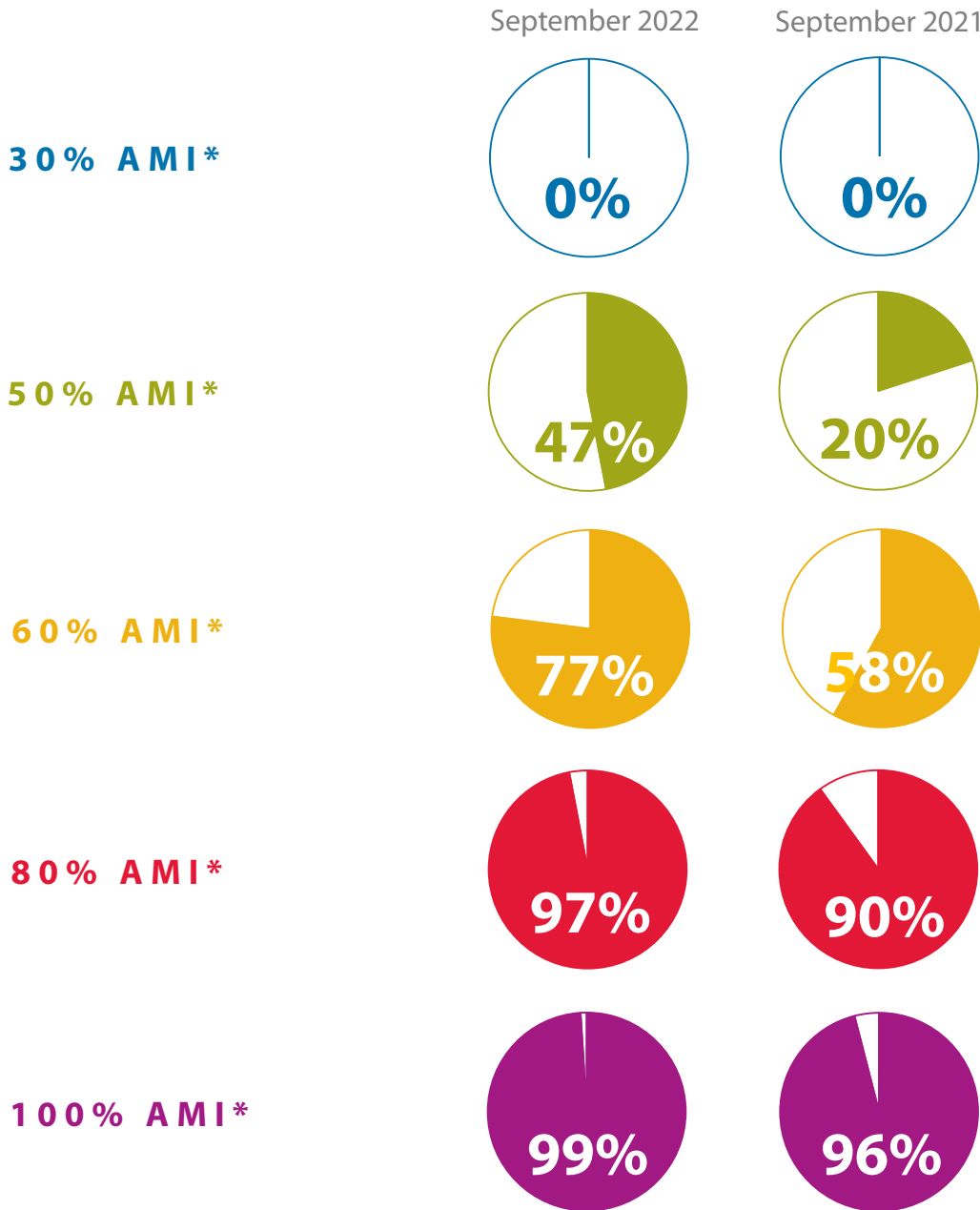


<sup>1</sup> Source: HousingLink's *Rental Revue* data.

<sup>2</sup> 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 September 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 Level<sup>1</sup>




<sup>1</sup> 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 September 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

## September 2022 Vacancies Willing to Accept a Section 8 Housing Choice Voucher<sup>1</sup>

	September 2022	September 2021
ONE BEDROOM 	40	42
TWO BEDROOM 	30	31
THREE BEDROOM 	18	15

8

### September 2022 Waiting List Openings<sup>2</sup>

↔ no change from 8 last year.

24

### September housing openings with one or more accessible features<sup>3</sup>

↓ down from 33 last year.

<sup>1</sup> Source: HousingLink's *Market Rent Data*.

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

<sup>3</sup> Source: Advertised vacancies on HousingLink.org featuring one or more accessible features.



# Rental Housing Stock

## Rental Unit Inspections – Q3 2022<sup>1</sup>

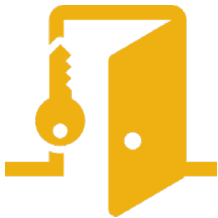


69,978

Certified units with a grade



+7.3% since 2021



2,522

Units in Class C and D properties



-32.5% since 2021

12,916

Units in 1 and 2 Unit properties



-8.6% since 2021

 **airbnb 400**  
entire home rentals listed<sup>2</sup>

<sup>1</sup> 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.

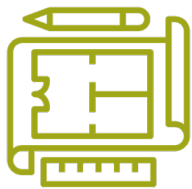
<sup>2</sup> Source: [insideairbnb.com](https://insideairbnb.com).



# Apartment Sales & Development

## Multifamily (5+) Units Permitted for New Construction<sup>1</sup>

Q4 2021 through Q3 2022

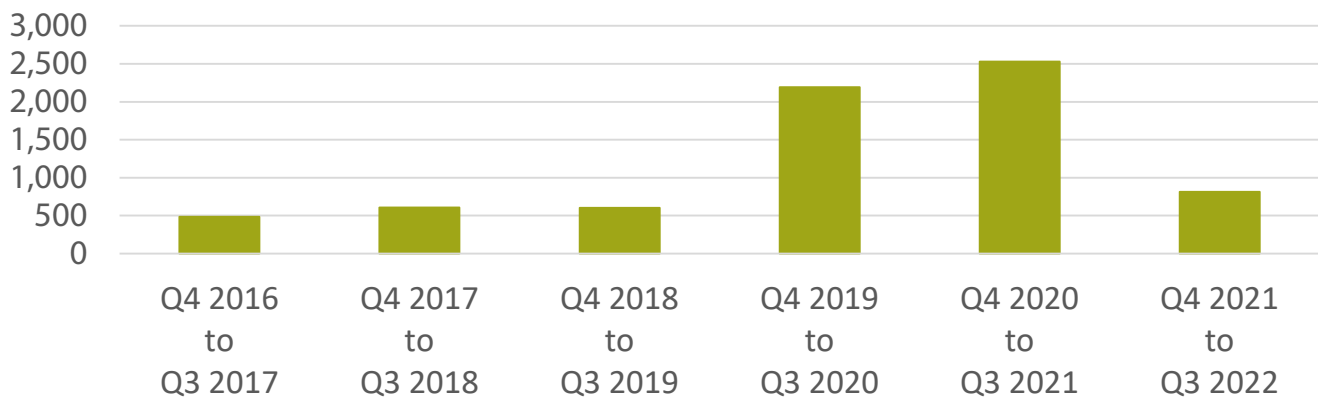


813  
Units



-68% year over year

5-year view



## Average Price-Per-Unit Apartment Sales<sup>2</sup>

Four quarters ending Q3 2022



\$141,649  
Per unit



35% up from  
previous 12 months

<sup>1</sup> 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; January 2022).

<sup>2</sup> 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](http://finance-commerce.com).



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