

High Rents Make Housing Unaffordable for Most Delaware Renters

Delaware Rents *Out of Reach* for Working Families

The Housing Wage

The State's Housing Wage is **\$20.09**.

The Housing Wage is the hourly wage a family must earn - working 40 hours a week, 52 weeks a year - to be able to afford rent and utilities on a safe and modest two-bedroom unit in the private housing market.

The report, *Out of Reach 2014*, was jointly released by the National Low Income Housing Coalition, a Washington, D.C.-based research and advocacy organization, and the Delaware Housing Coalition. The report provides the Housing Wage and other housing affordability data for every state, metropolitan area, combined non metropolitan area, and county in the country.

Rents

In Delaware, the Fair Market Rent (FMR) for a two-bedroom apartment is **\$1,044**. In order to afford this level of rent and utilities – without paying more than 30% of income on housing – a household must earn \$3,482 monthly or \$41,778 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into the Housing Wage of **\$20.09**.

The Minimum Wage

In Delaware, a minimum wage worker earns an hourly wage of **\$7.25**. A full-time, minimum wage worker can afford a monthly rent of \$377. In order to afford the FMR for a two-bedroom apartment, a minimum wage earner must work **111 hours per week**, 52 weeks per year. Or a household must include **2.8 minimum wage earners** working 40 hours per week year-round in order to make the two-bedroom FMR affordable.

The Housing Wage in Delaware Cities and Counties

	Two-Bedroom (FMR) Housing Wage
State	\$ 20.09
Combined Nonmetro	\$ 16.04
Dover MSA	\$ 17.50
Philadelphia-Camden-Wilmington MSA	\$ 21.83
Kent County	\$ 17.50
New Castle County	\$ 21.83
Sussex County	\$ 16.04

Delaware Renter Households

In Delaware, the estimated mean (average) wage for a renter is **\$15.01**, which is \$5.08 less than the hourly wage needed to afford a modest unit. In order to afford the FMR for a two-bedroom apartment at this wage, a renter must work 54 hours per week, 52 weeks per year. Or, working 40 hours per week year-round, a household must include 1.3 workers earning the mean renter wage in order to make the two-bedroom FMR affordable.

27% of Delaware households (91,288) are renters. An estimated 59% of renter households (or **53,860**) do not earn enough income to afford a two-bedroom unit at the Fair Market Rent (FMR).

Delaware Ranks #11 Out of 50

This year, Delaware is the eleventh most expensive of the 50 states when ranked by their two-bedroom housing wage. The National Housing Wage is \$18.92.

Nonmetro Area Housing Wage is #10

Delaware has the tenth highest combined nonmetro area housing wage among the 50 states. It is **\$16.04**.

Monthly Rent Affordable to Selected Delaware Households by Income Level Compared with Two-Bedroom FMR

	Rent	Gap
2-BR FMR	\$1,044	
Median Income Delaware Family	\$1,819	
Mean Renter Wage Earner	\$780	(\$264)
Extremely Low Income Household	\$546	(\$498)
Minimum Wage Earner	\$377	(\$667)
SSI Recipient	\$216	(\$828)

About NLIHC and Out of Reach

The National Low Income Housing Coalition (NLIHC) publishes Out of Reach annually. NLIHC is dedicated solely to achieving socially just public policy that assures people with the lowest incomes in the United States have affordable and decent homes. For additional information on Out of Reach, visit – www.nlihc.org/oor/2014/

About DHC

The Delaware Housing Coalition (DHC) is dedicated to making affordable housing available in every community and to all Delawareans. www.HousingForAll.org