

# Save The Homes We Already Have!

Minnesota Needs to Preserve Naturally Occurring Affordable Homes Now!

Naturally Occurring Affordable Homes (NOAH) are multifamily properties that offer the lowest rents for the lowest income families. Saving NOAH is the cheapest and fastest tool in our toolkit to address our housing crisis.

An initial investment of \$150 million will preserve 6,000 to 9,000 NOAH homes.

## We Can Do More Cheaper and Faster



Avg Cost to preserve an existing affordable apartment home:  
**\$150K**



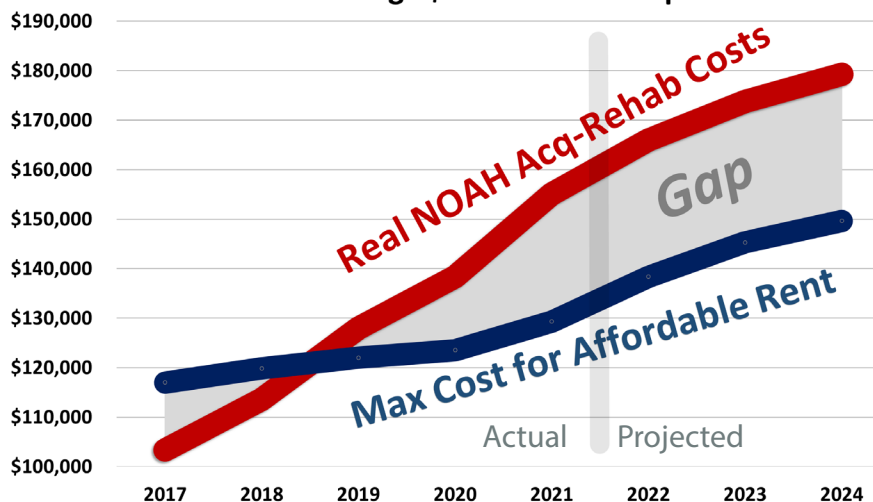
Avg Cost to build a new affordable apartment home:  
**\$300K**

That's a 2x return on investment for preservation over building. And keeping a property affordable is much faster (immediate) than building a new one (3-5 year process).

Stronger real estate markets on the east and west coasts have decimated their NOAH housing stock. In Minnesota we still have time, but we need to act now to protect these homes. Very soon, real estate investors will exhaust our affordable housing stock, too.

## Rising NOAH Preservation Costs

Result: Average \$25K Per Unit Gap



NOAH preservation needs your support. For an average of \$25,000 per unit, you can close the gap and save affordability. You can save families' homes.

## We Must Act Now!

We need systems and resources in place to save our existing affordable homes. There are 200,000 NOAH apartment homes at risk in Minnesota.<sup>2</sup> Our aging housing stock is some of the most affordable available for low-wealth families, and often the last option before homelessness.

Support NOAH legislation and ensure Minnesota families can keep the homes they so desperately need.

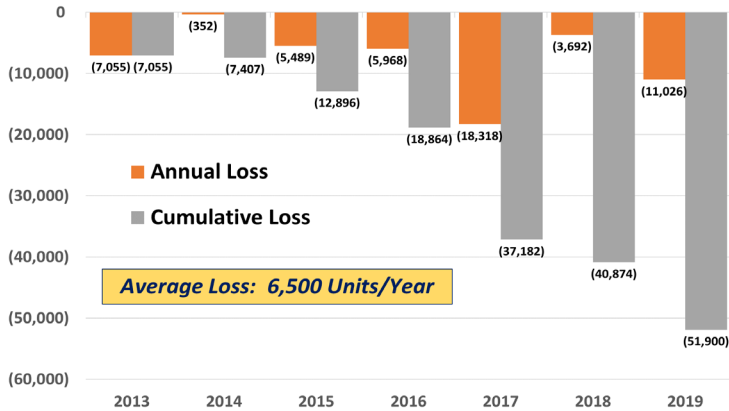
<sup>1</sup> CBRE, CoStar, Greater MN Housing Fund

<sup>2</sup> Key Trends in Housing, Governor's Task Force on Housing, 2018.

# If We Lose the Housing We Have, Building Will Never Be Enough

## Loss of Rental Units Affordable at 60% AMI Twin Cities 7-County Metro Area, 2013-2019

Sources: Minnesota Housing, Greater Minnesota Housing Fund, Census 1-Year ACS



Every year, Minnesota loses more affordable homes than we build. In the metro area alone, from 2013 to 2019, we lost 52,000 units<sup>1</sup> and closed financing on only 7,762 new units.<sup>2</sup>

1 Census, 1-Year ACS  
2 HousingLink, Housing Counts 2012-2019

## We Have a Housing Problem



**43%**

of Minnesota renters pay more than they can afford for housing.

MN Housing Partnership, State of the State's Housing 2021



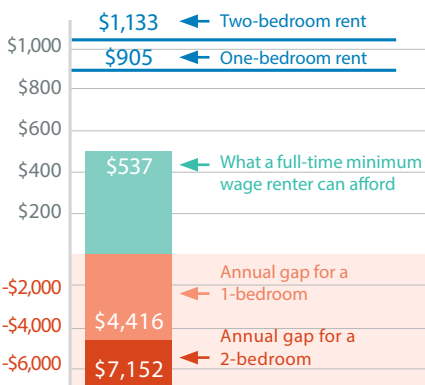
GROSS RENT INCREASE  
**+14%**



MEDIUM RENTER INCOME INCREASE  
**+1%**

MN Housing Partnership, State of the State's Housing 2021

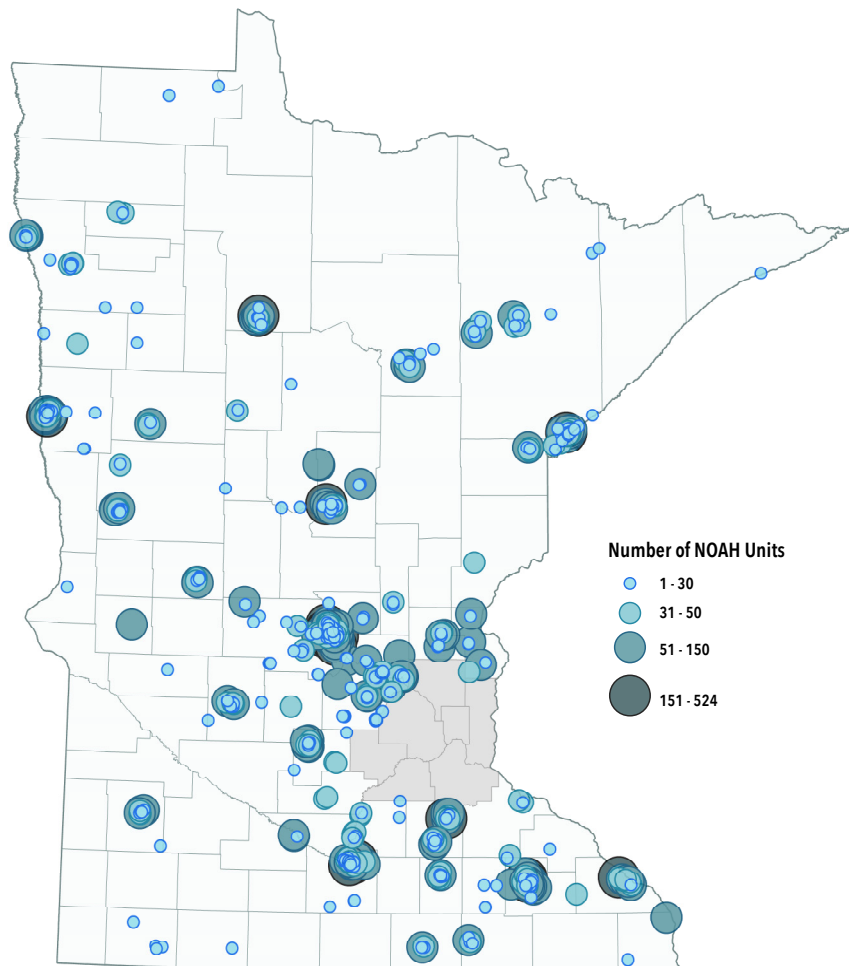
## Rents are Unaffordable



MN Housing Partnership, Out of Reach 2021

## This Affects All of Us

NOAH: Market Rate Properties with Units Renting at or Below 60% of AMI in Greater Minnesota, 2021



Minnesota Housing Partnership analysis of CoStar Database, in properties with 4+ units

