



Housing Need and Rent Burden in Colorado and its Metropolitan Areas

Colorado Department of Local Affairs,
Division of Housing

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Summary

There are more than 1.8 million households in Colorado including almost 600,000 renter households. While more than 68 percent of Colorado households are owner occupants, rental housing continues to be an important source of shelter for households at all income levels in Colorado.¹

Among many households, rental housing is often the only option, and rental housing continues to be essential for households at middle-income and lower-income levels.

The purpose of this report is to provide an overview of availability and affordability of rental housing for renter households in Colorado. The information is organized into housing mismatch tables for the state of Colorado and for seven regions in the state. Also provided is a listing of the number of rent-burdened households in Colorado and in seven metropolitan areas. The housing mismatch describes the difference between the number of households at a certain income level, and the number of units affordable to households at that level. See Tables 8-15.

The rent burden tables show three levels of rent burden and show the total number of rent burdened households and the percentage of all rental households that are rent burdened in each area. See Tables 1-3.

Rent burden totals are broken out by income level in Tables 4, 5, 6 and 7.

All findings reflect information provided by the 2005-2009 American Community Survey 5-Year Estimates.

¹ This is according to the 2005-2009 American Community Survey. The 2010 decennial census results state that 65.5 percent of Colorado households are owner-occupants.

Rent Burden Findings

Rent burdened households are households that pay 30 percent or more of income toward housing. This report shows data on households paying 30 percent, 35 percent, and 50 percent or more of income toward housing.

The metropolitan areas with largest rent burdens were the Boulder area and Fort Collins-Loveland area. These counties were among the counties with the highest rent burdens in all three categories.

The metropolitan areas with smallest rent burdens were the Grand Junction area and the Colorado Springs area. These counties were among the counties with the lowest rent burdens in all three categories.

Out of a total of 594,540 renter households in Colorado, there were approximately 282,200 households (47 percent of all renter households) paying 30 percent or more of income toward housing, and 230,900 households (39 percent of all renter households) paying 35 percent or more of income toward housing. Approximately 142,100 households (24 percent of all renter households) pay 50 percent or more of income toward housing.

Among the rent burdened households, 146,000 (51 percent) were households with incomes of less than \$20,000 per year.

Rent burden information is provided for six income levels within each metro area. The rent burden total for each income level reflects the number of households at that income level and in that metro area that pay 30 percent or more of income toward gross rent.

When broken out by income levels, rent burdened households are most numerous at the lower income levels. As incomes rise, fewer renters are rent burdened, and there are fewer renters at the higher income levels.

For households below the \$20,000 income level, the largest proportions of households that are rent burdened were found in the Boulder area and the Fort Collins-Loveland area. The areas with the smallest proportions of rent burdened households below the \$20,000 income level were found in the Grand Junction and Greeley areas. See Tables 4-7 for details.

Mismatch Findings

The mismatch in Colorado is largest at the lowest income levels. Statewide, there are 1.8 households for every unit affordable to households earning less than \$10,000 per year. There are 2.1 households for every unit affordable to households earning less than \$15,000 per year, and 1.9 households for every unit affordable to households earning less than \$20,000 per year.

In general, there is at least one affordable unit for every household earning \$35,000 or more in Colorado.

In other words, households that earn more than 60 percent of the area median income will generally be able to find a rental unit that is affordable to that household. However, for households earning 45 percent of area median income or less, rental housing is much more difficult to find. For households earning incomes below 30 percent of area median income, there are generally two households for every affordable unit. In all regions of the state, as incomes go down, the number of available affordable units falls.

Findings varied from region to region. In the metro Denver area, there were 2.3 households for every unit affordable to households making less than \$20,000 per year. In Greeley and Pueblo, there were 1.4 households for every unit affordable to households earning less than \$20,000 per year.

In the Grand Junction metro area there were 1.2 households for every unit affordable to households making less than \$10,000, although there were 1.5 households for every affordable unit for households earning \$20,000 or less.

The areas showing the largest mismatches were Boulder and the Fort Collins-Loveland area. In both regions, there were at least 2.5 households for every unit affordable to households making \$20,000 or less.

Methods

Rent burden information is based on tables showing “gross rent as a percentage of household income in the past 12 months” in the American Community Survey. Totals are then calculated as a percentage of all renter households.

The rent burden data (Tables 1-7) reflects only residents within each listed county and does not reflect the incomes or rents of workers who commute to the counties listed.

Rent burden information by income level (Tables 4-7) is based on tables showing “household income by gross rent as a percentage of household income” in the American Community Survey.

The mismatch tables are based on household income data and rent level data provided by the American Community Survey (ACS) conducted by the U.S. Census Bureau. Housing unit totals and rents are drawn from both subsidized and market-rate units. Unit supply at specific rent levels is then compared to household totals at specific income levels. The data, which is the most recent data available for gross rent, reflects the economic and demographic conditions found in Colorado during 2009.

“Affordability” assumes rent equal to less than 30 percent of the household’s income. However, incomes analyzed are gross incomes and not based on monthly take-home pay

or after-tax pay. The mismatch does not reflect the impact of payroll taxes or income taxes, and therefore overestimates what some households have available to pay toward housing.

The total number of available units includes units that are classified as “no cash rent.” These are units that are provided in exchange for services, such as in the case of on-site property managers. “No cash rent” also includes renters who live in units rent-free because the units are owned by friends or relatives who provide the units in exchange for consideration other than cash. Also included is base housing (not including barracks and group housing) at military installations. “No cash rent” units are included at the lowest rent level, so it is assumed that households with little to no income can afford these units.

The areas selected for regional mismatch analysis are dictated by the availability of data through the American Community Survey. Smaller regions have not been included at this time due to large margins of error within the ACS data for small regions.

All data in this report is based on rental units, renter households and renter household income. “RMI” describes renter median income. “AMI” describes area median income which reflects both renter and homeowner incomes.

The unit totals also assume a 5 percent vacancy rate, and that 5 percent more units are available than were counted by the American Community Survey.

Note: Rent burden totals should not be confused with mismatch totals. The mismatch provides information on how many units are available to renters seeking to avoid a rent burden. The rent-burden totals provide information on how many renter households are actually rent burdened for any reason. For a variety of reasons, renters may choose to be rent burdened if units or unit locations are deemed unsafe or undesirable for some reason. Households with higher incomes have more flexibility in coping with rent burden than do lower-income households.

If a rent burden total is higher than the mismatch total, this suggests that households are rent burdened for reasons in addition to a physical lack of units and that available units are considered by renters to be undesirable in some way: The reasons for this can include safety, size of unit, sanitary conditions of the unit, proximity to workplace, proximity to public transportation, or aesthetic considerations.

Rent Burdens in Colorado

Table 1: Households paying 50% or more of income toward housing

Metro Area	Total number of households paying 50% or more of income toward housing.	Percentage of households paying 50% or more toward housing
Boulder	12,852	31.99%
Colorado Springs	16,320	22.21%
Denver-Aurora-Broomfield	71,986	23.19%
Fort Collins-Loveland	11,840	31.66%
Grand Junction	3,142	20.57%
Greeley	5,294	22.85%
Pueblo	5,021	27.96%
Colorado Statewide	142,194	23.92%

Table 2: Households paying 35% or more of income toward housing

Metro Area	total number of households paying 35% or more of income toward housing	percentage of households paying more than 35% of income toward housing
Boulder	19,455	48.42%
Colorado Springs	27,377	37.26%
Denver-Aurora-Broomfield	119,465	38.48%
Fort Collins-Loveland	17,417	46.58%
Grand Junction	5,306	34.74%
Greeley	8,679	37.46%
Pueblo	8,010	44.60%
Colorado Statewide	230,978	38.85%

Table 3: Households paying 30% or more of income toward housing

Metro Area	Total number of renter households paying 30% or more of income toward housing	Percentage of renter households paying 30% or more of income toward housing
Boulder	22,575	56.19%
Colorado Springs	33,789	45.98%
Denver-Aurora-Broomfield	147,303	47.44%
Fort Collins-Loveland	20,396	54.54%
Grand Junction	6,303	41.27%
Greeley	10,680	46.09%
Pueblo	9,485	52.81%
Colorado Statewide	282,244	47.47%

Rent Burden by Income Level

Table 4: Households paying 30% or more of income toward housing, by region, by income level.

Rent burdened households (paying 30% of income or more toward housing) at income level:

Metro Area	Less than \$10,000	\$10,000- \$19,999	\$20,000- \$34,999	\$35,000- \$49,999	\$50,000- \$74,999	\$75,000 or more
Boulder	5,215	5,731	7,237	2,967	1,076	349
Colorado Springs	6,856	10,920	10,960	4,072	836	145
Denver-Aurora-Broomfield	27,589	45,140	49,428	17,758	6,412	976
Fort Collins-Loveland	5,132	6,038	6,520	2,020	646	40
Grand Junction	1,566	2,035	1,958	546	155	43
Greeley	2,533	3,492	3,175	1,076	363	41
Pueblo	2,991	3,565	2,283	516	121	9
Colorado	59,434	86,569	90,457	32,308	11,365	2,111

Table 5: Percentage of all households that are rent burdened at each income level.

Percent of households that are rent burdened at each income level:

Metro Area	Less than \$10,000	\$10,000- \$19,999	\$20,000- \$34,999	\$35,000- \$49,999	\$50,000- \$74,999	\$75,000 or more
Boulder	82.0%	91.1%	83.5%	45.6%	17.0%	5.8%
Colorado Springs	77.8%	91.6%	61.0%	30.1%	6.8%	1.6%
Denver-Aurora-Broomfield	68.2%	87.4%	69.6%	32.2%	12.5%	2.4%
Fort Collins-Loveland	82.9%	86.4%	69.5%	33.1%	12.5%	1.1%
Grand Junction	72.9%	75.3%	55.7%	23.4%	6.2%	2.1%
Greeley	68.3%	77.5%	58.7%	28.8%	10.0%	1.9%
Pueblo	77.7%	78.9%	56.0%	20.8%	6.2%	0.8%
Colorado	72.2%	85.0%	65.7%	31.4%	11.9%	2.8%

Rent Burden by Income Level

Table 6: Households paying 35% or more of income toward housing, by region, by income level.

Rent burdened households (paying 35% of income or more toward housing) at income level:

Metro Area	Less than					
	\$10,000	\$10,000- \$19,999	\$20,000- \$34,999	\$35,000- \$49,999	\$50,000- \$74,999	\$75,000 or more
Boulder	5,114	5,613	5,993	1,965	677	93
Colorado Springs	6,700	9,953	8,095	2,196	325	108
Denver-Aurora-Broomfield	26,516	42,659	36,918	9,881	3,093	398
Fort Collins-Loveland	5,062	5,762	5,176	1,113	280	24
Grand Junction	1,496	1,917	1,552	267	50	24
Greeley	2,421	3,241	2,260	569	158	30
Pueblo	2,731	3,192	1,713	312	62	0
Colorado	57,187	80,943	68,337	18,119	5,396	996

Table 7: Percentage of all households that are rent burdened at each income level.

Percent of households at 35% rent-burden level at each income level:

Metro Area	Less than					
	\$10,000	\$10,000- \$19,999	\$20,000- \$34,999	\$35,000- \$49,999	\$50,000- \$74,999	\$75,000 or more
Boulder	80.5%	89.2%	69.1%	30.2%	10.7%	1.5%
Colorado Springs	76.1%	83.5%	45.0%	16.2%	2.6%	1.2%
Denver-Aurora-Broomfield	65.5%	82.6%	52.0%	17.9%	6.0%	1.0%
Fort Collins-Loveland	81.7%	82.5%	55.2%	18.2%	5.4%	0.7%
Grand Junction	69.7%	70.9%	44.1%	11.4%	2.0%	1.2%
Greeley	65.3%	71.9%	41.8%	15.2%	4.4%	1.4%
Pueblo	70.9%	70.6%	42.0%	12.6%	3.2%	0.0%
Colorado	69.5%	79.5%	49.6%	17.6%	5.7%	1.3%

Mismatch Tables

Table 8: Availability of rental housing, State of Colorado

Income level	Maximum monthly rent affordable to a household living below income level	Rental Units available at rent level or below	Renter Households living below the income level	Number of renter households per affordable rental unit	No. of units available per 100 renter households	Income level as % of area renter median income: \$31,989	Income level as % of overall area median income: \$56,222
\$10,000	\$250	46,981	82,323	1.8	57	31%	18%
\$15,000	\$375	63,916	136,187	2.1	47	47%	27%
\$20,000	\$499	98,801	184,136	1.9	54	63%	36%
\$25,000	\$624	172,236	232,826	1.4	74	78%	44%
\$35,000	\$875	352,366	321,824	0.9	109	109%	62%
\$50,000	\$1,250	518,530	424,656	0.8	122	156%	89%
\$75,000	\$1,875	600,922	519,812	0.9	116	234%	133%
\$150,000	\$3,750	624,232	594,540	1.0	105	469%	267%

Table 9: Availability of rental housing, Boulder Metropolitan Statistical Area

Income level	Maximum monthly rent affordable to a household living below income level	Rental Units available at rent level or below	Renter Households living below the income level	Number of renter households per affordable rental unit	No. of units available per 100 renter households	Income level as % of area renter median income: \$32,847	Income level as % of overall area median income: \$65,040
\$10,000	\$250	1,857	6,356	3.4	29	30%	15%
\$15,000	\$375	2,458	9,623	3.9	26	46%	23%
\$20,000	\$499	3,420	12,647	3.7	27	61%	31%
\$25,000	\$624	5,802	15,542	2.7	37	76%	38%
\$35,000	\$875	16,503	21,315	1.3	77	107%	54%
\$50,000	\$1,250	30,107	27,824	0.9	108	152%	77%
\$75,000	\$1,875	38,746	34,155	0.9	113	228%	115%
\$100,000	\$2,499	42,185	40,179	1.0	105	304%	154%

Table 10: Availability of rental housing, Colorado Springs Metropolitan Statistical Area

Income level	Maximum monthly rent affordable to a household living below income level	Rental Units available at rent level or below	Renter Households living below the income level	Number of renter households per affordable rental unit	No. of units available per 100 renter households	Income level as % of area renter median income: \$33,077	Income level as % of overall area median income: \$56,576
\$10,000	\$250	3,842	8,808	2.3	44	30%	18%
\$15,000	\$375	5,493	14,770	2.7	37	45%	27%
\$20,000	\$499	11,998	20,724	1.7	58	60%	35%
\$25,000	\$624	22,598	27,240	1.2	83	76%	44%
\$35,000	\$875	45,865	38,699	0.8	119	106%	62%
\$50,000	\$1,250	66,107	52,230	0.8	127	151%	88%
\$75,000	\$1,875	75,165	64,613	0.9	116	227%	133%
\$100,000	\$2,499	77,150	73,479	1.0	105	302%	177%

Table 11: Availability of rental housing, Denver-Aurora-Broomfield Metropolitan Statistical Area

Income level	Maximum monthly rent affordable to a household living below income level	Rental Units available at rent level or below	Renter Households living below the income level	Number of renter households per affordable rental unit	No. of units available per 100 renter households	Income level as % of area renter median income: \$33,090	Income level as % of overall area median income: \$59,932
\$10,000	\$250	18,818	40,480	2.2	46	30%	17%
\$15,000	\$375	25,828	68,034	2.6	38	45%	25%
\$20,000	\$499	39,582	92,142	2.3	43	60%	33%
\$25,000	\$624	76,095	117,174	1.5	65	76%	42%
\$35,000	\$875	174,781	163,184	0.9	107	106%	58%
\$50,000	\$1,250	268,530	218,315	0.8	123	151%	83%
\$75,000	\$1,875	313,618	269,610	0.9	116	227%	125%
\$100,000	\$2,499	325,997	310,475	1.0	105	302%	167%

Table 12: Availability of rental housing, Fort-Collins-Loveland Metropolitan Statistical Area

Income level	Maximum monthly rent affordable to a household living below income level	Rental Units available at rent level or below	Renter Households living below the income level	Number of renter households per affordable rental unit	No. of units available per 100 renter households	Income level as % of area renter median income: \$28,149	Income level as % of overall area median income: \$54,755
\$10,000	\$250	2,833	6,193	2.2	46	36%	18%
\$15,000	\$375	3,683	9,699	2.6	38	53%	27%
\$20,000	\$499	5,285	13,181	2.5	40	71%	37%
\$25,000	\$624	10,180	16,668	1.6	61	89%	46%
\$35,000	\$875	22,707	22,562	1.0	101	124%	64%
\$50,000	\$1,250	32,609	28,667	0.9	114	178%	91%
\$75,000	\$1,875	38,195	33,833	0.9	113	266%	137%
\$100,000	\$2,499	39,263	37,395	1.0	105	355%	183%

Table 13: Availability of rental housing, Grand Junction Metropolitan Statistical Area

Income level	Maximum monthly rent affordable to a household living below income level	Rental Units available at rent level or below	Renter Households living below the income level	Number of renter households per affordable rental unit	No. of units available per 100 renter households	Income level as % of area renter median income: \$31,532	Income level as % of overall area median income: \$50,611
\$10,000	\$250	1,736	2,147	1.2	81	32%	20%
\$15,000	\$375	2,433	3,677	1.5	66	48%	30%
\$20,000	\$499	3,187	4,849	1.5	66	63%	40%
\$25,000	\$624	5,604	6,061	1.1	92	79%	49%
\$35,000	\$875	9,925	8,366	0.8	119	111%	69%
\$50,000	\$1,250	14,046	10,703	0.8	131	159%	99%
\$75,000	\$1,875	15,644	13,204	0.8	118	238%	148%
\$100,000	\$2,499	16,036	15,272	1.0	105	317%	198%

Table 14: Availability of rental housing, Greeley Metropolitan Statistical Area

Income level	Maximum monthly rent affordable to a household living below income level	Rental Units available at rent level or below	Renter Households living below the income level	Number of renter households per affordable rental unit	No. of units available per 100 renter households	Income level as % of area renter median income: \$29,316	Income level as % of overall area median income: \$55,795
\$10,000	\$250	2,993	3,706	1.2	81	34%	18%
\$15,000	\$375	3,776	6,111	1.6	62	51%	27%
\$20,000	\$499	5,682	8,211	1.4	69	68%	36%
\$25,000	\$624	9,320	9,913	1.1	94	85%	45%
\$35,000	\$875	15,413	13,619	0.9	113	119%	63%
\$50,000	\$1,250	21,336	17,355	0.8	123	171%	90%
\$75,000	\$1,875	23,603	20,968	0.9	113	256%	134%
\$100,000	\$2,499	24,327	23,170	1.0	105	341%	179%

Table 15: Availability of rental housing, Pueblo Metropolitan Statistical Area

Income level	Maximum monthly rent affordable to a household living below income level	Rental Units available at rent level or below	Renter Households living below the income level	Number of renter households per affordable rental unit	No. of units available per 100 renter households	Income level as % of area renter median income: \$21,483	Income level as % of overall area median income: \$40,805
\$10,000	\$250	2,270	3,851	1.7	59	47%	25%
\$15,000	\$375	3,677	6,349	1.7	58	70%	37%
\$20,000	\$499	6,015	8,372	1.4	72	93%	49%
\$25,000	\$624	9,310	9,981	1.1	93	116%	61%
\$35,000	\$875	14,457	12,449	0.9	116	163%	86%
\$50,000	\$1,250	17,703	14,927	0.8	119	233%	123%
\$75,000	\$1,875	18,662	16,888	0.9	111	349%	184%
\$100,000	\$2,499	18,857	17,961	1.0	105	465%	245%