



Immediate Release

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AFFORDABLE HOUSING IS INCREASINGLY OUT OF REACH IN COLORADO FOR LOW-WAGE WORKERS

DENVER, CO-- To afford a modest, two-bedroom apartment at fair market rent in Colorado, full-time workers need to earn \$28.94 per hour or work 92 hours a week at current Colorado minimum wage. This amounts to 2.3 full time jobs in order to afford modest housing. This is Colorado's 2022 Housing Wage, revealed in the [Out of Reach national report](#) released today by the National Low Income Housing Coalition (NLIHC), a research and advocacy organization dedicated solely to achieving affordable and decent homes for the lowest income people.

According to NLIHC, in no state, metropolitan area, or county in the U.S. can a worker earning the federal or prevailing state or local minimum wage afford a modest two-bedroom rental home at fair market rent by working a standard 40-hour work week. But this statistic is particularly significant in Colorado, the 8th least affordable state in the country. While the Denver metro area is well-known for rising rents and decreasing affordability, Eagle, Pitkin, and Summit counties are in fact the most expensive areas in Colorado, particularly impacting service workers in the mountain region.

"High demand and low supply continue to put pressure on the housing market," said Brian Rossbert, Executive Director of Housing Colorado. "Across the state, renters and home buyers alike are feeling this pressure. One analysis of the Denver market showed a 14.4% year-over-year increase in rent in just one year. These sorts of increases destabilize families and the communities in which they reside."

As the report shows, although Colorado's minimum wage of \$12.56 per hour is above the stagnant federal minimum wage of \$7.25 an hour, minimum wage renters must work at least 75 hours per week to afford a modest one-bedroom apartment at Fair Market Rent of \$1221. Even more out of reach for low wage workers with families, is a two-bedroom apartment for the Fair Market Rent of \$1505, with minimum wage renters needing to work at least 92 hours per week or have 2.3 full-time jobs. The typical renter in Colorado earns \$23.55, which is \$5.39 less than the hourly wage needed to afford a modest unit. The amount affordable for a renter with a full-time job paying minimum wage is just \$653 and a Coloradan subsisting on social security income, like people living with disabilities and seniors, can only afford \$264 per month in rent—a number entirely out of reach based on Colorado's current rental prices.

Despite this unaffordability, rents continue to rise at historic rates. Between the first quarter of 2021 and the first quarter of 2022, median rents for two-bedroom apartments in metropolitan counties nationally increased 15% or \$179. But with prices rising across all consumer costs, families in 2022 have less money for rent, not more. Over the 12 months that ended in June of 2022, the Consumer Price Index for all urban consumers increased 9.1 percent according to the U.S. Bureau of Labor Statistics—

the largest 12-month increase in 40 years for household necessity items such as food, energy, motor vehicle costs, and more.

While costs for housing and necessities continue to trend in the wrong direction, new federal funding from the American Rescue Plan Act (APRA) could alleviate some of the pressure on the housing market. According to Cathy Alderman, Colorado Coalition for the Homeless' Chief Communications and Public Policy Officer who served as the Vice Chair to the SubPanel for the CO General Assembly's Affordable Housing Transformational Task Force, "Colorado has an opportunity to put more than \$600 million into affordable housing, homelessness resolution, and housing stability efforts but we need to be looking seriously at stabilizing housing costs and closing the wage gap so that everyone has a safe place to live in their community."

For additional information, visit: reports.nlihc.org/oor

About the Colorado Coalition for the Homeless

The mission of the Colorado Coalition for the Homeless is to work collaboratively toward the prevention of homelessness and the creation of lasting solutions for people experiencing and at-risk of homelessness throughout Colorado. The Coalition advocates for and provides a continuum of housing and a variety of services to improve the health, well-being and stability of those it serves. Since its founding, the organization has earned state and national recognition for its integrated healthcare, housing and service programs. The Coalition's comprehensive approach addresses the causes of homelessness, as well as the consequences, offering critical assistance to over 22,000 individuals and families each year. Learn more at www.coloradocoalition.org.

About Housing Colorado:

Housing Colorado is to be a unified voice promoting the preservation and production of quality affordable housing for low and moderate income Coloradans through statewide education and advocacy in order to build a strong economy and healthy communities. Housing Colorado is committed to advancing policies that reverse the legacy of racism and discrimination in the housing industry. We seek to dismantle systems and barriers that prevent people of color and marginalized individuals access to thriving, inclusive communities. Learn more at www.housingcolorado.org.

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