

Rents Increase 7.4% in 2001

The average rent for all multifamily rental units rose 7.4% over last year's amount, compared to 4.7% between 1999 and 2000. Average rent for a 2 bedroom, 1 bath apartment in King County reached \$839 in the fall of 2001. It rose 4.9% during the preceding 12 months, less than the 6.0% increase of the previous year.

King County Average Rents: Fall 2001						
	All Units	Studio	1 BR	2 BR, 1 BA	2 BR, 2 BA	3 BR, 2 BA
County Avg	\$ 880	\$ 679	\$ 777	\$ 839	\$1,042	\$1,133
Auburn	\$ 713	\$ 431	\$ 578	\$ 676	\$ 814	\$ 901
Seattle CBD	\$ 1,308	\$ 879	\$ 1,278	\$1,402	\$2,126	\$3,580

The highest rates of increase in average rent were for small units (studio and one bedroom) rather than for large units. In the spring of 2001 a studio rented for an average of \$679, up 9.7% from the previous year, and a one bedroom unit rented for \$777, up 7.9% from 2000.

Rents vary greatly by area. They were highest in downtown and Belltown in Seattle, and most affordable in South County and the Rainier Valley.

Rate of Increase in Income and Rent: 1996 - 2001

Year	Median Household Income	Annual Percent Increase in Median HH Income	Average Rent for All Units	Annual Percent Increase in Rent for all Units
1980	\$ 20,700		\$ 300	
1990	\$ 36,200	5.7%	\$ 522	5.7%
1996	\$ 44,900	3.7%	\$ 630	3.2%
1997	\$ 46,850	4.3%	\$ 677	7.5%
1998	\$ 50,150	5.7%	\$ 739	9.2%
1999	\$ 53,200	6.1%	\$ 782	5.8%
2000	\$ 55,900	5.1%	\$ 819	4.7%
2001	\$ 61,400	9.8%	\$ 880	7.4%
1980 - 2001		5.3%		5.3%
1996 - 2001		6.5%		6.9%

For the whole period from 1980 to 2001, rent has increased at the same average rate as income, although the increases have not necessarily matched year by year. Over the past five years, the average annual increase in household income has been about 6.5%, while the average annual increase in rent for all apartment units has been 6.9%.

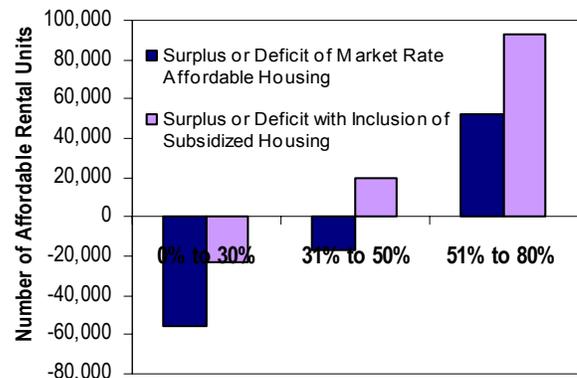
Greatest Need Still for the Very Low Income Households

About 131,000 households in King County earn less than 50% of median income, and 104,000 of these households depend on rental housing. At the top of this range, a four person household, earning \$36,000 could afford about \$900 in rent. This would not be enough for the average 3 bedroom unit (\$1,133), or even for a unit with 2 bedrooms and 2 baths (\$1,042). A single person at 50% of median income, earns approximately \$25,250 (about \$12.50 per hour) and would pay 32% of their income for the average studio apartment at \$679 per month.

When household income drops slightly below 50% of median income, housing options become even more limited. Households from 30 – 50% of median income would include those supported by one or two workers earning a total of \$7.00 to \$18.00 per hour, well above minimum wage.

Despite higher incomes, this year nearly 55,000 households in the very low income range (under 30% of median income) would not have been able to find virtually any affordable market-rate rentals. When 40,000 subsidized units are included in the supply, there will still be a deficit of 23,200 affordable units for that income group, since some of the subsidized units are occupied by those in the 30 – 50% income range and above.

King County: 2000 Rental Housing Supply With and Without Subsidized Housing:



Income Level as Percent of Median Income

When subsidized units are accounted for, there are sufficient affordable units for those earning closer to 50% of median income. However, choices of location and size are very limited, and these households must compete with both lower and higher earners for many of these units.