



CHICAGO REAL ESTATE REPORTS

# Low-wage workers can't afford two-bedroom rentals anywhere in Illinois, report says 3

*More than half of Chicago renters are severely burdened by the cost of housing*

By **Sara Freund** | Jun 18, 2019, 3:43pm CDT



Ukrainian Village. | Photo by Carmen Troesser

Even with the range of housing prices in Illinois, no one earning minimum wage can afford the rent of a two-bedroom apartment without experiencing rent burden, according to a national [study](#) from the Chicago-based [Housing Action Illinois](#) and DC-based [National Low Income Housing Coalition](#).

The report analyzed housing data by ZIP code across the state and calculated what low-wage workers would need to make without putting more than 30 percent of annual income towards rent.

The average cost of utilities and rent for a two-bedroom apartment in Illinois is \$1,084 per month (this number comes from HUD's [fair market rent](#) figures). In order to afford that without rent burden would require earning at least \$20.85 per hour (about \$43,366 annually, assuming a 40-hour work week).

In Illinois the minimum wage is set at \$8.25, and at that rate workers would need to put in 101 hours per week to afford a two-bedroom. About 34 percent of people in the state rent and those that do have an average wage of \$17.34 per hour.

"Such high housing costs make it difficult for employers to bring new jobs to our state," said Sharon Legenza, Executive Director of Housing Action Illinois in a statement. "It also makes it hard for us to keep Illinoisans in Illinois—this is the fifth year in a row that our state's population has gone down."

**ILLINOIS**

STATE  
RANKING

**#19\***

In **Illinois**, the Fair Market Rent (FMR) for a two-bedroom apartment is **\$1,084**. In order to afford this level of rent and utilities — without paying more than 30% of income on housing — a household must earn **\$3,614** monthly or **\$43,366** annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into an hourly Housing Wage of:

**\$20.85**  
PER HOUR  
**STATE HOUSING WAGE**

## FACTS ABOUT ILLINOIS:

STATE FACTS	
Minimum Wage	<b>\$8.25</b>
Average Renter Wage	<b>\$17.30</b>
2-Bedroom Housing Wage	<b>\$20.85</b>
Number of Renter Households	<b>1633310</b>
Percent Renters	<b>34%</b>

<b>101</b> Work Hours Per Week At <b>Minimum Wage</b> To Afford a <b>2-Bedroom Rental Home</b> (at FMR)	<b>85</b> Work Hours Per Week At <b>Minimum Wage</b> To Afford a <b>1-Bedroom Rental Home</b> (at FMR)
<b>2.5</b> Number of Full-Time Jobs At <b>Minimum Wage</b> To Afford a <b>2-Bedroom Rental Home</b> (at FMR)	<b>2.1</b> Number of Full-Time Jobs At <b>Minimum Wage</b> To Afford a <b>1-Bedroom Rental Home</b> (at FMR)

MOST EXPENSIVE AREAS		HOUSING WAGE
Kendall County		<b>\$23.75</b>
Chicago-Joliet-Naperville, IL HUD Metro FMR Area		<b>\$23.31</b>
Grundy County		<b>\$21.60</b>
DeKalb County		<b>\$18.52</b>
St. Louis, MO-IL HUD Metro FMR Area		<b>\$17.77</b>



MSA = Metropolitan Statistical Area; HMFA = HUD Metro FMR Area.

\* Ranked from Highest to Lowest 2-Bedroom Housing Wage. Includes District of Columbia and Puerto Rico.

OUT OF REACH 2019 | NATIONAL LOW INCOME HOUSING COALITION

IL-75

Image from [2019 Out of Reach report](#)

In Chicago, the median rent for a two-bedroom apartment is \$1,895, according to Zillow's most recent data. Someone living on Illinois' minimum wage would have to allocate more than half of their annual income to cover a two-bedroom at that price.

An [interactive map](#) that's part of the report shows what residents would need to earn hourly so that they aren't spending more than a third of annual income on rent (what the study refers to as a "Housing Wage"). In some popular neighborhoods, like Lincoln Park, River North, and Fulton Market, the necessary hourly wage to accomplish that is \$35.

What the study makes clear is that finding an affordable place to live is a huge challenge for residents across the state. Just looking at Chicago, about half of all renter households, and the majority of low-income households, are burdened with the cost of rent, according to [State of Rental Housing report](#) from DePaul University.

Mayor Lori Lightfoot has made it a [priority to address the affordable housing issues](#) through amendments to zoning and strengthening the Affordable Requirement Ordinance (ARO). Plus, the state's recent capital bill and budget will help provide more support across Illinois.

"The good news is that we've just made some crucial investments in affordable housing in Illinois," said Bob Palmer, Policy Director of Housing Action Illinois in a statement. "We secured \$200 million in capital budget funding for affordable housing, and we secured \$9 million for the Homeless Prevention Program in next year's budget. We need to seize every opportunity to build on accomplishments like these in order to help our communities thrive."

In Illinois, low-wage workers can't afford two-bedroom rentals: report - ... <https://chicago.curbed.com/2019/6/18/18683776/chicago-illinois-afforda...>

