

## VII. Current Rental Surplus/Deficit

The analysis of the Champaign County housing market, as well as the sub markets of the City of Champaign, the City of Urbana and the Village of Rantoul, has thus far evaluated the open market and drawn conclusions about this market based upon current observations, historical trends and projected growth patterns. This section will identify a current surplus or deficit of housing based upon the existing supply, the price points of that supply and the income ranges of the population.

A series of assumptions must be established to guide this analysis. The first of these assumptions is that households cannot pay more than 30% of their gross incomes for their housing costs. This includes utility payments for both renters and homeowners. A homeowner's housing burden must include the principal and interest payments, as well as taxes and all required insurance, and the mortgage is assumed to be a 30-year fixed product with 5% down and a 6% amortization rate.

### CITY OF CHAMPAIGN

The following table demonstrates the income required to afford owned or rented housing at different price points in the sub-market. It also evaluates the proportional amount of housing that these numbers represent. It should be noted that the student population extraction methodology detail in Section III is applied to these figures, therefore, these numbers are only relevant to the non-student population.

#### Affordable Rents and Home Prices by Income Range

INCOME RANGES	RENTERS		MAXIMUM AFFORDABLE RENT & UTILITIES	OWNERS		MAXIMUM AFFORDABLE HOME PRICE
	NUMBER	PERCENT		NUMBER	PERCENT	
\$0 - \$9,999	1,307	12.8%	\$250	350	2.6%	\$35,114
\$10,000 - \$19,999	1,312	12.9%	\$500	722	5.3%	\$70,228
\$20,000 - \$29,999	2,102	20.6%	\$750	1,068	7.9%	\$105,342
\$30,000 - \$39,999	1,710	16.8%	\$1,000	1,331	9.8%	\$140,456
\$40,000 - \$49,999	1,101	10.8%	\$1,250	1,450	10.7%	\$175,570
\$50,000 - \$59,999	737	7.2%	\$1,500	1,584	11.7%	\$210,684
\$60,000 - \$74,999	734	7.2%	\$1,875	2,132	15.8%	\$263,355
\$75,000 - \$99,999	592	5.8%	\$2,500	2,065	15.3%	\$351,140
\$100,000 - \$149,999	419	4.1%	\$3,750	1,835	13.6%	\$526,710
\$150,000 & HIGHER	164	1.6%	\$3,750	995	7.4%	\$526,710
<i>Total</i>	<i>10,178</i>	<i>100.0%</i>		<i>13,532</i>	<i>100.0%</i>	

Source: Vogt, Santer Insights, Ltd., ESRI

The next table shows the number of renter households distributed by income range and the amount of rent and utilities that can be paid for affordably. It then compares these numbers to the total units affordable at that price range and determines whether there is a proportional gap in the marketplace. Housing Choice Vouchers have been incorporated into these calculations, as has the fact that the Housing Authority of Champaign County distributes 75% of its vouchers to extremely low-income households (households making 30% or less of area median income).

**Percentage of Renters Compared to Affordable Rental Units**

INCOME RANGES	RENTERS		MAXIMUM AFFORDABLE RENT & UTILITIES	TOTAL UNITS	PERCENT	DIFFERENCE %
	NUMBER	PERCENT				
\$0 - \$9,999	1,307	12.8%	\$250	418	6.1%	-17.7%
\$10,000 - \$14,999	1,312	12.9%	\$500	381	5.6%	-18.2%
\$15,000 - \$19,999	2,102	20.6%	\$750	2,064	30.2%	13.2%
\$20,000 - \$24,999	1,710	16.8%	\$1,000	2,140	31.4%	20.3%
\$25,000 - \$34,999	1,101	10.8%	\$1,250	1,119	16.4%	9.3%
\$35,000 - \$49,999	737	7.2%	\$1,500	334	4.9%	0.1%
\$50,000 - \$74,999	734	7.2%	\$1,875	171	2.5%	-2.3%
\$75,000 - \$99,999	592	5.8%	\$2,500	144	2.1%	-1.7%
\$100,000 - \$149,999	419	4.1%	\$3,750	55	0.8%	-1.9%
\$150,000 & HIGHER	164	1.6%	\$3,750	0	0.0%	-1.1%
<i>Total</i>	<i>10,178</i>	<i>100.0%</i>		<i>6,826</i>	<i>100.0%</i>	

Source: Vogt, Santer Insights, Ltd., ESRI

The third table illustrates the number of renter households, the percentage of the market they represent and the maximum rent and utilities that they can afford and compares them to the number of affordable units that are actually available. The difference between these two numbers is the surplus or the deficit.

### Rental Deficit/Surplus Analysis

INCOME RANGES	RENTERS		MAXIMUM AFFORDABLE RENT & UTILITIES	TOTAL UNITS	RENTAL DEFICIT/SURPLUS
	NUMBER	PERCENT			
\$0 - \$9,999	1,307	12.8%	\$250	418	-889
\$10,000 - \$14,999	1,312	12.9%	\$500	381	-931
\$15,000 - \$19,999	2,102	20.6%	\$750	2,064	-38
\$20,000 - \$24,999	1,710	16.8%	\$1,000	2,140	430
\$25,000 - \$34,999	1,101	10.8%	\$1,250	1,119	18
\$35,000 - \$49,999	737	7.2%	\$1,500	334	-403
\$50,000 - \$74,999	734	7.2%	\$1,875	171	-563
\$75,000 - \$99,999	592	5.8%	\$2,500	144	-448
\$100,000 - \$149,999	419	4.1%	\$3,750	55	-364
\$150,000 & HIGHER	164	1.6%	\$3,750	0	-164
<i>Total</i>	<i>10,178</i>	<i>100.0%</i>		<i>6,826</i>	

Source: Vogt, Santer Insights, Ltd., ESRI

#### Conclusions

In the City of Champaign, there is a surplus of 430 housing units for households earning \$20,000 to \$24,999 and 18 units for those households with incomes from \$25,000 to \$34,999. However, every other income range has a deficit of affordable housing. The greatest deficit exists for households earning from \$0 to \$14,999. This income range has a deficit of 1,820 units.

#### CITY OF URBANA

The following table demonstrates the income required to afford owned or rented housing at different price points in the sub-market. It also evaluates the proportional amount of housing that this represents. It should be noted that the student population extraction methodology detail in Section III is applied to these figures, therefore, these numbers are only relevant to the non-student population.

### Affordable Rents and Home Prices by Income Range

INCOME RANGES	RENTERS		MAXIMUM AFFORDABLE RENT & UTILITIES	OWNERS		MAXIMUM AFFORDABLE HOME PRICE
	NUMBER	PERCENT		NUMBER	PERCENT	
\$0 - \$9,999	850	13.7%	\$250	157	2.7%	\$35,114
\$10,000 - \$19,999	793	12.8%	\$500	355	6.0%	\$70,228
\$20,000 - \$29,999	1,320	21.3%	\$750	515	8.8%	\$105,342
\$30,000 - \$39,999	1,249	20.2%	\$1,000	653	11.1%	\$140,456
\$40,000 - \$49,999	814	13.2%	\$1,250	662	11.3%	\$175,570
\$50,000 - \$59,999	391	6.3%	\$1,500	712	12.1%	\$210,684
\$60,000 - \$74,999	291	4.7%	\$1,875	850	14.5%	\$263,355
\$75,000 - \$99,999	241	3.9%	\$2,500	806	13.7%	\$351,140
\$100,000 - \$149,999	155	2.5%	\$3,750	695	11.8%	\$526,710
\$150,000 & HIGHER	83	1.3%	\$3,750	466	7.9%	\$526,710
<i>Total</i>	<i>6,186</i>	<i>100.0%</i>		<i>5,870</i>	<i>100.0%</i>	

Source: Vogt, Santer Insights, Ltd., ESRI

The next table shows the number of renter households distributed by income range and the amount of rent and utilities that can be paid for affordably. It then compares these numbers to the total units affordable at that price range and determines whether there is a proportional gap in the marketplace. Housing Choice Vouchers have been incorporated into these calculations, as has the fact that the Housing Authority of Champaign County distributes 75% of its vouchers to extremely low-income households (households making 30% or less than area median income).

### Percentage of Renters Compared to Affordable Rental Units

INCOME RANGES	RENTERS		MAXIMUM AFFORDABLE RENT & UTILITIES	TOTAL UNITS	PERCENT	DIFFERENCE %
	NUMBER	PERCENT				
\$0 - \$9,999	850	13.7%	\$250	226	6.6%	-18.0%
\$10,000 - \$14,999	793	12.8%	\$500	113	3.3%	-20.6%
\$15,000 - \$19,999	1,320	21.3%	\$750	1,427	41.6%	24.2%
\$20,000 - \$24,999	1,249	20.2%	\$1,000	1,001	29.2%	16.0%
\$25,000 - \$34,999	814	13.2%	\$1,250	258	7.5%	-1.1%
\$35,000 - \$49,999	391	6.3%	\$1,500	143	4.2%	0.0%
\$50,000 - \$74,999	291	4.7%	\$1,875	244	7.1%	4.0%
\$75,000 - \$99,999	241	3.9%	\$2,500	16	0.5%	-2.1%
\$100,000 - \$149,999	155	2.5%	\$3,750	0	0.0%	-1.6%
\$150,000 & HIGHER	83	1.3%	\$3,750	0	0.0%	-0.9%
<i>Total</i>	<i>6,186</i>	<i>100.0%</i>		<i>3,428</i>	<i>100.0%</i>	

Source: Vogt, Santer Insights, Ltd., ESRI

The third table illustrates the number of renter households, the percentage of the market they represent and the maximum rent and utilities that they can afford and compares them to the number of affordable units that are actually available. The difference between these two numbers is the surplus or the deficit.

**Rental Deficit/Surplus Analysis**

INCOME RANGES	RENTERS		MAXIMUM AFFORDABLE RENT & UTILITIES	TOTAL UNITS	RENTAL DEFICIT/SURPLUS
	NUMBER	PERCENT			
\$0 - \$9,999	850	13.7%	\$250	226	-624
\$10,000 - \$14,999	793	12.8%	\$500	113	-680
\$15,000 - \$19,999	1,320	21.3%	\$750	1,427	107
\$20,000 - \$24,999	1,249	20.2%	\$1,000	1,001	-248
\$25,000 - \$34,999	814	13.2%	\$1,250	258	-556
\$35,000 - \$49,999	391	6.3%	\$1,500	143	-248
\$50,000 - \$74,999	291	4.7%	\$1,875	244	-47
\$75,000 - \$99,999	241	3.9%	\$2,500	16	-225
\$100,000 - \$149,999	155	2.5%	\$3,750	0	-155
\$150,000 & HIGHER	83	1.3%	\$3,750	0	-83
<i>Total</i>	<i>6,186</i>	<i>100.0%</i>		<i>3,428</i>	

Source: Vogt, Santer Insights, Ltd., ESRI

Conclusions

The City of Urbana has a deficit of affordable housing units for every income bracket. The most severe deficits exist for households earning between \$0 to \$9,999 and from \$10,000 to \$14,999 annually, where there is a deficit of 624 and 680 units, respectively. This is a severe problem since 48.4% of the City of Urbana’s renter population fits into these income brackets.

## VILLAGE OF RANTOUL

The following table demonstrates the income required to afford owned or rented housing at different price points in the sub-market. It also evaluates the proportional amount of housing that this represents.

### **Affordable Rents and Home Prices by Income Range**

INCOME RANGES	RENTERS		MAXIMUM AFFORDABLE RENT & UTILITIES	OWNERS		MAXIMUM AFFORDABLE HOME PRICE
	NUMBER	PERCENT		NUMBER	PERCENT	
\$0 - \$9,999	252	9.7%	\$250	103	4.0%	\$35,114
\$10,000 - \$19,999	414	15.9%	\$500	154	6.0%	\$70,228
\$20,000 - \$29,999	539	20.7%	\$750	335	13.1%	\$105,342
\$30,000 - \$39,999	408	15.7%	\$1,000	392	15.3%	\$140,456
\$40,000 - \$49,999	337	13.0%	\$1,250	348	13.6%	\$175,570
\$50,000 - \$59,999	183	7.1%	\$1,500	293	11.4%	\$210,684
\$60,000 - \$74,999	172	6.6%	\$1,875	360	14.1%	\$263,355
\$75,000 - \$99,999	176	6.8%	\$2,500	310	12.1%	\$351,140
\$100,000 - \$149,999	90	3.4%	\$3,750	213	8.3%	\$526,710
\$150,000 & HIGHER	26	1.0%	\$3,750	53	2.1%	\$526,710
<i>Total</i>	<i>2,598</i>	<i>100.0%</i>		<i>2,560</i>	<i>100.0%</i>	

Source: Vogt, Santer Insights, Ltd., ESRI

The next table shows the number of renter households distributed by income range and the amount of rent and utilities that can be paid for affordably. It then compares these numbers to the total units affordable at that price range and determines whether there is a proportional gap in the marketplace. Housing Choice Vouchers have been incorporated into these calculations, as has the fact that the Housing Authority of Champaign County distributes 75% of its vouchers to extremely low-income households (households making 30% or less of area median income).

### Percentage of Renters Compared to Affordable Rental Units

INCOME RANGES	RENTERS		MAXIMUM AFFORDABLE RENT & UTILITIES	TOTAL UNITS	PERCENT	DIFFERENCE %
	Number	Percent				
\$0 - \$9,999	252	9.7%	\$250	58	3.6%	-6.1%
\$10,000 - \$14,999	414	15.9%	\$500	204	12.7%	-3.3%
\$15,000 - \$19,999	539	20.7%	\$750	901	56.0%	35.3%
\$20,000 - \$24,999	408	15.7%	\$1,000	364	22.6%	6.9%
\$25,000 - \$34,999	337	13.0%	\$1,250	81	5.0%	-7.9%
\$35,000 - \$49,999	183	7.1%	\$1,500	0	0.0%	-7.1%
\$50,000 - \$74,999	172	6.6%	\$1,875	0	0.0%	-6.6%
\$75,000 - \$99,999	176	6.8%	\$2,500	0	0.0%	-6.8%
\$100,000 - \$149,999	90	3.4%	\$3,750	0	0.0%	-3.4%
\$150,000 & HIGHER	26	1.0%	\$3,750	0	0.0%	-1.0%
<i>Total</i>	<i>2,598</i>	<i>100.0%</i>		<i>1,608</i>	<i>100.0%</i>	

Source: Vogt, Santer Insights, Ltd., ESRI

The third table illustrates the number of renter households, the percentage of the market they represent and the maximum rent and utilities that they can afford and compares them to the number of affordable units that are actually available. The difference between these two numbers is the surplus or the deficit.

### Rental Deficit/Surplus Analysis

INCOME RANGES	RENTERS		MAXIMUM AFFORDABLE RENT & UTILITIES	TOTAL UNITS	RENTAL DEFICIT/SURPLUS
	NUMBER	PERCENT			
\$0 - \$9,999	252	9.7%	\$250	58	-194
\$10,000 - \$14,999	414	15.9%	\$500	204	-210
\$15,000 - \$19,999	539	20.7%	\$750	901	362
\$20,000 - \$24,999	408	15.7%	\$1,000	364	-44
\$25,000 - \$34,999	337	13.0%	\$1,250	81	-256
\$35,000 - \$49,999	183	7.1%	\$1,500	0	-183
\$50,000 - \$74,999	172	6.6%	\$1,875	0	-172
\$75,000 - \$99,999	176	6.8%	\$2,500	0	-176
\$100,000 - \$149,999	90	3.4%	\$3,750	0	-90
\$150,000 & HIGHER	26	1.0%	\$3,750	0	-26
<i>Total</i>	<i>2,598</i>	<i>100.0%</i>		<i>1,608</i>	

Source: Vogt, Santer Insights, Ltd., ESRI

Conclusions

The rental housing choices that exist in the Village of Rantoul are geared toward low to moderate income households, as there are no housing units available for incomes over \$35,000. A housing deficit exists for every income level except for from \$15,000 to \$19,999, for which there is a surplus of 362 units. Clearly the market is trying to respond to the economic subset, as it represents the largest percentage of the Village of Rantoul’s renter population.

**BALANCE OF CHAMPAIGN COUNTY**

The following table demonstrates the income required to afford owned or rented housing at different price points in the sub-market. It also evaluates the proportional amount of housing that this represents.

**Affordable Rents and Home Prices by Income Range**

INCOME RANGES	RENTERS		MAXIMUM AFFORDABLE RENT & UTILITIES	OWNERS		MAXIMUM AFFORDABLE HOME PRICE
	NUMBER	PERCENT		NUMBER	PERCENT	
\$0 - \$9,999	651	8.9%	\$250	508	2.5%	\$35,114
\$10,000 - \$19,999	1,030	14.1%	\$500	967	4.7%	\$70,228
\$20,000 - \$29,999	1,206	16.5%	\$750	1,458	7.1%	\$105,342
\$30,000 - \$39,999	1,152	15.7%	\$1,000	1,756	8.6%	\$140,456
\$40,000 - \$49,999	838	11.4%	\$1,250	2,028	9.9%	\$175,570
\$50,000 - \$59,999	622	8.5%	\$1,500	2,092	10.2%	\$210,684
\$60,000 - \$74,999	539	7.4%	\$1,875	3,043	14.8%	\$263,355
\$75,000 - \$99,999	588	8.0%	\$2,500	3,586	17.5%	\$351,140
\$100,000 - \$149,999	495	6.8%	\$3,750	3,228	15.7%	\$526,710
\$150,000 & HIGHER	208	2.8%	\$3,750	1,845	9.0%	\$526,710
<i>Total</i>	<i>7,329</i>	<i>100.0%</i>		<i>20,510</i>	<i>100.0%</i>	

Source: Vogt, Santer Insights, Ltd., ESRI

The next table shows the number of renter households distributed by income range and the amount of rent and utilities that can be paid for affordably. It then compares these numbers to the total units affordable at that price range and determines where there is a proportional gap in the marketplace. Housing Choice Vouchers have been incorporated into these calculations, as has the fact that the Housing Authority of Champaign County distributes 75% of its vouchers to extremely low-income households (households making 30% or less of area median income).



### Percentage of Renters Compared to Affordable Rental Units

INCOME RANGES	RENTERS		MAXIMUM AFFORDABLE RENT & UTILITIES	TOTAL UNITS	PERCENT	DIFFERENCE %
	NUMBER	PERCENT				
\$0 - \$9,999	651	8.9%	\$250	12	0.7%	-8.1%
\$10,000 - \$14,999	1,030	14.1%	\$500	7	0.4%	-13.6%
\$15,000 - \$19,999	1,206	16.5%	\$750	339	20.9%	4.4%
\$20,000 - \$24,999	1,152	15.7%	\$1,000	796	49.0%	33.3%
\$25,000 - \$34,999	838	11.4%	\$1,250	287	17.7%	6.2%
\$35,000 - \$49,999	622	8.5%	\$1,500	163	10.0%	1.6%
\$50,000 - \$74,999	539	7.4%	\$1,875	0	0.0%	-7.4%
\$75,000 - \$99,999	588	8.0%	\$2,500	20	1.2%	-6.8%
\$100,000 - \$149,999	495	6.8%	\$3,750	0	0.0%	-6.8%
\$150,000 & HIGHER	208	2.8%	\$3,750	0	0.0%	-2.8%
<i>Total</i>	<i>7,329</i>	<i>100.0%</i>		<i>1,624</i>	<i>100.0%</i>	

Source: Vogt, Santer Insights, Ltd., ESRI

The third table illustrates the number of renter households, the percentage of the market they represent and the maximum rent and utilities that they can afford, and compares them to the number of affordable units that are actually available. The difference between these two numbers is the surplus or the deficit.

### Rental Deficit/Surplus Analysis

INCOME RANGES	RENTERS		MAXIMUM AFFORDABLE RENT & UTILITIES	TOTAL UNITS	RENTAL DEFICIT/SURPLUS
	NUMBER	PERCENT			
\$0 - \$9,999	651	8.9%	\$250	12	-639
\$10,000 - \$14,999	1,030	14.1%	\$500	7	-1,023
\$15,000 - \$19,999	1,206	16.5%	\$750	339	-867
\$20,000 - \$24,999	1,152	15.7%	\$1,000	796	-356
\$25,000 - \$34,999	838	11.4%	\$1,250	287	-551
\$35,000 - \$49,999	622	8.5%	\$1,500	163	-459
\$50,000 - \$74,999	539	7.4%	\$1,875	0	-539
\$75,000 - \$99,999	588	8.0%	\$2,500	20	-568
\$100,000 - \$149,999	495	6.8%	\$3,750	0	-495
\$150,000 & HIGHER	208	2.8%	\$3,750	0	-208
<i>Total</i>	<i>7,329</i>	<i>100.0%</i>		<i>1,624</i>	

Source: Vogt, Santer Insights, Ltd., ESRI

### Conclusions

Champaign County, exclusive of the City of Champaign, the City of Urbana and the Village of Rantoul, has a tremendous deficit of affordable rental units at every income level. The greatest deficit exists for households earning from \$10,000 to \$14,999; a group that is among the most economically vulnerable. One could suggest that the deficit of rentals affordable to higher income households may be erroneous, because those households are more likely to buy homes. That may be, but a housing market that is in balance has a variety of choices for renters and homeowners at all income levels.