

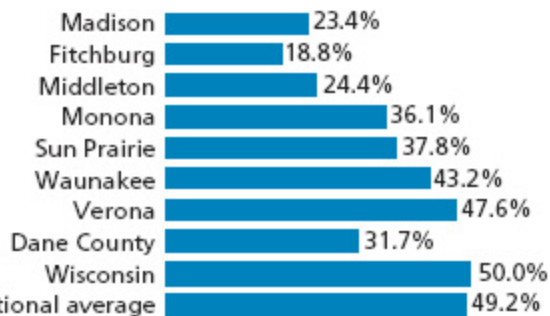
# ECONOMIC SNAPSHOT

## When you can't afford to live where you work

Rising home prices explain in part why more than 75 percent of the jobs in places like Middleton and Fitchburg are being filled by non-residents. If the workforce can't afford local housing, either jobs go unfilled or employees have to commute from areas where housing is more affordable. As commuting costs and housing costs increase, the workforce is squeezed both ways.

### Homeownership rates

*For households with income less than 80 percent of the area median:*



SOURCES: Comprehensive Housing Affordability Strategy special tabulation, U.S. Census Bureau, [www.dataplace.org](http://www.dataplace.org)

In Dane County, the median price of a house is more than \$200,000. Any household spending more than the recommended 30 percent of their income on housing is defined as having a housing cost burden. According to the 2000 Census, 44 percent of Wisconsin households earning less than 80 percent of the median household income are experiencing a **housing cost burden**. In Dane County, 53 percent of households in this income category spent more than the recommended maximum on housing, even though the median household income in the county was \$49,223 in 2000. Ownership rates that reflect higher median incomes are not offsetting the higher cost of housing in the county.

There are significant differences in home ownership rates across the state. The 2000 census — taken prior to the last housing boom — reported that about 32 percent of the households in Dane County earning less than 80 percent of the median household income owned a home. The national home ownership rate for this income category was 49 percent; the state average 50 percent. In communities like Madison, Middleton and Fitchburg however, less than 25 percent of those households own a home.

Part one of this month's series on home ownership

**Next week:**  
A closer look at the communities with the lowest rates of home ownership.

Economic Snapshot is a weekly feature provided by the Center for Community and Economic Development, University of Wisconsin Extension.

QUESTIONS: Contact Professor Andy Lewis, Center for Community and Economic Development, University of Wisconsin Extension at [andy.lewis@uwex.edu](mailto:andy.lewis@uwex.edu).

**UW**  
**Extension**