

A Comprehensive Housing Needs Analysis for Olmsted County, Minnesota (Revised Draft)

Prepared for:

Coalition for Rochester Area Housing
Rochester, MN

March 2025



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April 28, 2025

Ms. JoMarie Morris
Executive Director
Coalition for Rochester Area Housing
12 Elton Hills Dr NW
Rochester, MN 55901

Dear Ms. Morris:

Attached is the *Comprehensive Housing Needs Analysis for Olmsted County, Minnesota* conducted by Maxfield Research and Consulting. The study projects housing demand through 2035 and provides recommendations on the amount and type of housing that could be built in Olmsted County to satisfy demand from current and future residents over the next decade. The study identifies a potential demand for nearly 18,000 new housing units through 2035. Driven by the growing Baby Boomer cohort, demand is strong for age-restricted senior housing (5,900 units) whereas all-ages housing accounts for 67% of demand (12,000 units).

Overall, the housing market is very tight across the Olmsted County Market Area; in-part led by the pandemic-induced housing boom that further tightened the housing market since 2020. Our inventory of general-occupancy rental housing found a vacancy rate of 3.1% and senior housing properties posted a vacancy of only 2.0%, which are both well below market equilibrium and show need for additional supply. There are several potential apartment projects in the development pipeline (2,500 units) that may meet this demand, but few senior housing projects are planned at this time.

Finally, the for-sale market has experienced record-low supply and strong appreciation over the past few years (+28% since 2020). The lot supply is tight and only able to meet short-term demand, as such new lots need to be platted in the near-term. Interest rates are impacting affordability and are holding the real estate in-check as buyers are on the side-lines and sellers hold their record-low mortgage rates. However, future rate cuts later this year into 2026 are anticipated and the housing market is expected to pick-up.

Detailed information regarding recommended housing concepts can be found in the *Recommendations and Conclusions* section at the end of the report. We have enjoyed performing this study for you and are available should you have any questions or need additional information.

Sincerely,

MAXFIELD RESEARCH AND CONSULTING

Matt Mullins
Vice President
Attachment

Brian Smith
Senior Associate

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KEY FINDINGS

This section highlights the key findings from the Housing Demand Analysis completed for Olmsted County. Calculations of projected housing demand are provided through 2035 and recommendations for housing products to meet projected demand are found in the Conclusions and Recommendations section of the report.

Key Findings

1. Olmsted population growth was strong this past decade, recording the second highest growth rate over the past century. Projections for this decade show continued growth with a nearly 10% growth rate which is slightly lower than the last decade. However, given the “higher for longer” interest rate environment, new housing construction growth rates have temporarily slowed as sellers do not want to give up their current interest rates and builders slow production with elevated financing costs. Once interest rates stabilize and the uncertainty in the economy subsides, growth is expected to accelerate.
2. The Mayo Clinic continues to be the economic driver of Rochester and Southeastern Minnesota, employing more than 42,000. The Mayo Clinic is the largest employer in the State of Minnesota and accounts for 40% of all jobs in Olmsted County. The Mayo Clinic is in an expansion mode with the ongoing \$5 billion redesign program (Bold. Forward. Unbound) which will add five new buildings between 2025 and 2030 and transform the downtown landscape of Rochester. The execution of this plan is expected to increase the need for housing opportunities in the region, for both permanent residences and temporary housing of construction workers.
3. The aging baby boomer generation (ages 61 to 79 in 2025) is impacting the composition of the Olmsted County’s population. Younger seniors (ages 65 to 74) are projected to grow by 11% from 2025 to 2030, while the 75 to 84 age cohort is projected to grow by 25%. Older population growth will result in demand for alternative housing products; both for-sale and rental housing types. In the near term, the need is for age targeted products that are attractive to older adults and younger seniors such as one-level living options or association-maintained housing products.
4. The overall rental vacancy rate for the rental products surveyed in Olmsted County Market Area was only 3.1%. Rental vacancy rates are well below market equilibrium (2.9% for market rate, 4.5% for affordable, and 1.2% for subsidized). Vacancy rates below equilibrium indicate pent-up demand for additional units at those income levels. While a significant number of rental units have been added over the past decade (especially in Rochester), these units have been absorbed quickly and with higher mortgage interest rates, the demand for rental housing remains strong as home buyers are on the sidelines. At the time of this study, there are nearly 1,800 market rate units and 780 affordable rental units in the development pipeline. Although these units are needed to meet the growing need for rental housing, if they all move forward

KEY FINDINGS

simultaneously a soft market would result until the projects all reached stabilized occupancy.

5. The age-restricted senior housing market is extremely tight across the Olmsted County Market Area; posting a blended vacancy rate of only 2% (market equilibrium is 5% to 7%). Given the strong growth of the baby boomer and senior demographics and Olmsted County's health care destination, the demand for senior housing products is expected to accelerate over the coming decade. New age-targeted or age-restricted projects will not only meet the housing needs of older-adults, but will free-up existing housing stock that is often desired by first-time homeowners.
6. Rising mortgage rates and low supply have impacted the Olmsted County Market Area's housing market coming out of the pandemic. Sales activity peaked in 2021 with about 2,375 single-family sales but has been cut by 25% since. At the same time median sales prices have risen rapidly over the past decade and especially since the pandemic. The median resale price in 2015 was \$188,000 increasing to \$270,000 by 2020 (+44%) and has experienced another jump post pandemic increasing to \$347,400 by 2024 (+28%). Inventory has tightened over the past few years as fewer options are available for buyers (especially entry-level buyers), hence the continued appreciation and affordability constraints.
7. New single-family construction remained subdued since the Great Financial Crisis and has not gained steam for decades. Over the past five years, the Olmsted County Market Area is averaging about 425 single-family homes per year, compared to nearly 900 units annually between 2000 and 2010. Despite the pandemic housing boom, new construction has remained flat this decade. At the same time, the lot supply is inadequate to meet future for-sale new construction as most submarkets have a lot inventory of less than three-years. Hence the production of new platted subdivisions is a high-priority to accommodate future growth.
8. In the near-term, stubborn inflation, consumer confidence, potential tariffs, and higher mortgage rates are projected to continue to slow the for-sale market and could impact multifamily housing development with rising construction and financing costs. As a result, mobility rates could flatten in the short-term as households remain on the sidelines impacted by affordability and supply constraints. This demand will revert once interest rates stabilize, inflation decreases, and consumer confidence returns. The Federal Reserve's projected rate cuts will increase the demand for housing and the appetite for new construction will increase.

Executive Summary

Purpose and Scope of Study

Maxfield Research and Consulting was engaged by the Coalition for Rochester Area Housing to conduct a Comprehensive Housing Needs Analysis for Olmsted County, Minnesota. The Housing Needs Analysis provides recommendations on the amount and types of housing that should be developed in order to meet the needs of current and future households who choose to reside in the county.

The scope of this study includes: an analysis of the demographic and economic characteristics of the county; a review of the characteristics of the existing housing stock and building permit trends; an analysis of the market condition for a variety of rental and for-sale housing products; and an assessment of the need for housing by product type in the county. Recommendations on the number and types of housing products that should be considered in the county are also supplied.

Demographic Analysis

- The Olmsted County Market Area population grew by 13% (18,599 people) from 2010 to 2020, which was down slightly from growth (16%) in the previous decade. Population growth in the Market Area is projected to continue as the population is expected to increase by 9.5% (16,322 people) by 2030.
- Household growth was slightly higher than population growth, growing by 19% from 2000 to 2010, 14% from 2010 to 2020, and is projected to grow by 12% from 2020 to 2030.
- The Olmsted County Market Area population is aging as the 55 and older age cohort growing by 36% (13,071 people) which accounts for 67% of the county population growth from 2010 to 2020. Over this decade the 55 and older age cohort is projected to continue grow, increasing by 11% from 2020 to 2030. The growth in this age cohort can be primarily attributed to the baby boom generation aging into their young senior years (ages 65 to 84). The population under the age of 55 is projected to grow by 10,725 people (9%) by 2030 after growing by just 5.5% over the last decade.
- In 2025, the median household income in the Olmsted County Market Area was estimated to be \$92,519 and is projected to grow 14% to \$105,305 by 2030. The average annual increase of 2.8% in the Market Area is on par with the historical annual inflation rate of 2.8% over the past ten years.
- In the Olmsted County Market Area, 70% of all households are estimated to be owned in 2020. The Olmsted County Market Area grew by 5,393 renter households (36%) from 2010 to 2020 while owner households increased by just 7%, gaining 3,182 households.

EXECUTIVE SUMMARY

- One- or two-person households accounted for 64% of all households in the Olmsted County PMA in 2020. Renter households however, account for 74% of occupied by one- or two-persons households in 2020 with 47% of renter households in the Market Area one-person households. In comparison, two-person owners represent the majority of owned housing at 35%.
- Family households comprised 66% of all households in the Olmsted County Market Area in 2020. Married without children households were the most common household type (29.5%) followed households living alone comprising 29% of the Market Area.

Housing Characteristics

- Between 2011 and 2024, 14,772 housing units were permitted averaging 1,055 units annually in the Olmsted County Market Area since 2011. Development was weighted more towards multifamily housing versus single-family housing structures with 56% of the development over the period. Single family units were constructed at an average pace of 462 units per year with multifamily units averaging 593 per year since 2011. While development of single-family housing has slowed since 2016, multifamily housing has accelerated and has outpaced single-family nearly every year.
- Housing development in the Olmsted County Market Area is spread out over most decades as an estimated 9% of housing built pre 1940 with the greatest percentage of homes in the Olmsted County Market Area were built during the 2000s, which comprised an estimated 19% of the entire housing stock. Since the 1990s, housing development has grown significantly as 46.5% of development has occurred the last 35 years.
- The dominant housing type is the single-family detached home, representing 86% of all owner-occupied housing units in the Olmsted County Market Area. In addition, 16% of renter households are estimated to be single-family detached homes.
- In the Olmsted County Market Area, 19% of owner-occupied homes are estimated to be valued from \$300,000 to \$399,999. The overall median value of homes in the Olmsted County Market Area is estimated at \$316,616 compared to \$286,800 in the State of Minnesota and \$362,177 in the Twin Cities Metro Area.
- The median contract rent in the Olmsted County Market Area was estimated at \$1,150 (see contract rent definition in appendix). Based on a 30% allocation of income to housing, an income of \$46,000 would be needed to afford the median rent. The Olmsted County Market Area is similar to that of the State of Minnesota contract rent is estimated at \$1,144 but lower compared to the Twin Cities Metro Area at \$1,323.

Employment Trends

- Resident employment in the Olmsted County has increased by 11,242 people (14%) between 2015 and 2024. The number of individuals in the labor market also increased but at a slightly lower rate (13%) than employment.
- The unemployment rate due COVID-19 pandemic hit 5.5% in 2020 but recovered quickly the following year down to 3.1%. The unemployment rate has continued downward to 2.1% in 2023 with a slight uptick to 2.3% in 2024.
- Rochester is the top home destination for workers in the county with a 46.7% share, followed by Byron (2.6%), Stewartville (2.6%), Kasson (2.0%), and Pine Island (1.2%). About 57% of Olmsted County's residents travel less than ten miles to their place of employment, while 13.5% have a commute distance greater than 50 miles.
- Olmsted County can be considered an importer of workers, as the number of residents coming into the county for work (inflow) is greater than the number of workers leaving the county (outflow) for employment. There are 38,760 workers commuting into the county for work while 19,417 workers left and 73,186 live and work in the county. Interior flow consists of those who both live and work in the defined area.
- The Education and Health Services industry is the largest employment sector in Olmsted County, providing over half of total 104,726 jobs in in Q3 2023 (55,157 jobs, or 53% of the total). The Trade, Transportation, and Utilities sector was the next largest sector with 13,783 jobs (13% of the total jobs) followed by the Leisure and Hospitality sector with 9,874 jobs (9%).

Rental Housing Market Analysis

- Based on the US Census American Community Survey data, the median gross rent in the Olmsted County Market Area was \$1,305 in 2025 (see definition of gross rent in appendix). An income of \$52,200 would be needed to afford the median rent allocating 30% of income to housing. The median gross rent in the State of Minnesota is estimated at \$1,235 (5% lower than the Market Area) while the Twin Cities Metro Area gross rent is estimated at \$1,422 (9% higher the Market Area).
- Overall, we surveyed nearly 160 shallow-subsidy (affordable), deep-subsidy (subsidized) and market rate apartment properties (buildings with 20 units or more/8 or more outside of Rochester) as of Q1 2025. These properties represent a combined total of 12,968 units, including 2,340 affordable, 593 subsidized and 10,025 market rate units. Overall, the Rochester Submarket accounts for 94% of all rental units surveyed.

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- At the time of our survey in the Olmsted County Market Area, there were 240 market rate units, 119 affordable, and seven subsidized units were vacant among stabilized properties, resulting in an overall vacancy rate of 2.8%. The market rate vacancy was 3.0%, affordable vacancy rate 4.4%, and the subsidized vacancy rate 1.2%.
- The industry standard is 5% vacancy for market rate and 3% for affordable/subsidized for a stabilized rental market, which promotes competitive rates, ensures adequate choice, and allows for unit turnover.
- In Rochester, there are 1,481 units still in the initial lease-up period with 546 units currently available. To reach stabilized occupancy of 5.0%, 472 units will need to be absorbed. There is also one affordable property in initial lease-up with 18 units available and would need to absorb 13 units to reach stabilized occupancy (7.0%)
- As mentioned, about 94% of the rental units inventoried in multifamily buildings in the Olmsted County Market Area were located in Rochester. The following is the breakdown of average size, average monthly rent, and average rent per square foot by area:

<u>Market Rate</u>	<u>Avg. S.F.</u>	<u>Avg. Rent</u>	<u>Avg. Rent/S.F.</u>
○ Rochester	871	\$1,488	\$1.71
○ Outside Rochester	955	\$1,316	\$1.38
○ DMC Area	819	\$1,810	\$2.21

<u>Affordable</u>	<u>Avg. S.F.</u>	<u>Avg. Rent</u>	<u>Avg. Rent/S.F.</u>
○ Rochester	941	\$1,295	\$1.38
○ Outside Rochester	995	\$1,135	\$1.14
○ DMC Area	753	\$1,349	\$1.79

Senior Housing Market Analysis

- Senior housing is a concept that generally refers to the integrated delivery of housing and services to seniors. Products range from independent apartments and/or townhomes with virtually no services on one end, to highly specialized, service-intensive assisted living units or housing geared for people with dementia-related illnesses (termed "memory care") on the other end of the spectrum.
- The strongest growth is predicted to occur among older adults in the Olmsted County Market Area. Aging of baby boomers led to an increase of 4,961 people (49%) in the 65 to 74 population between 2010 and 2020 in the Market Area. As this group ages, the 75 and older cohort is projected to grow by 37% (4,570 people) while the 65 to 74 age group will also grow by 24.5% (3,696 people) from 2020 to 2030.

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- Maxfield Research identified 39 senior housing properties in the Olmsted County Market Area with nearly 3,300 units, of which 55% of the units provide service-enhanced housing. These include 803 independent living units, 594 assisted living units and 406 memory care units. Active adult housing consists of 515 market rate units, 76 affordable units, and 895 subsidized units.
- Among properties that provided complete survey data, there were 66 vacancies resulting in an overall vacancy rate of 2.0% for senior properties. The equilibrium vacancy rates for senior housing are between 5% and 7% (5% for independent living and 7% for assisted living and memory care).
- At the time of the survey, there were 37 vacant service-enhanced units (2.1% vacancy rate). The active adult market rate ownership units were fully occupied while the market rate rental had 16 vacancies (6.7% vacancy rate). Subsidized active adult units had a vacancy rate of 1.1% (10 units) and there were only three affordable units vacant for a vacancy rate of 3.9%.
- A 93% occupancy rate is generally considered equilibrium in assisted living and memory care housing, while 95% occupancy considered equilibrium in independent living and active adult. As such, the current supply units of nearly all senior housing types appear to be undersupplied. Active adult market rate rental and affordable is currently absorbing the newly built Forte Senior Living accounting for the higher vacancy rates

For-Sale Housing Market Analysis

- The Olmsted County Market Area has averaged 2,039 single-family resales and 469 townhome resales annually since 2020. Transaction activity has decreased over that period single-family resales dipping to 1,707 in 2023 and 1,776 in 2024 while townhomes have dropped to 410 in 2024. The decline has been caused by continuing rise in sale prices coupled with increased mortgage rates due to recent inflation.
- Single-family home prices have shifted upwards since the previous study conducted in 2020. The data below indicates that the majority of single-family home resale prices are now at \$300,000 or more when prior the majority were within \$200,000 to \$300,000. Multifamily resale also changed from between \$100,000 and \$200,000 to \$200,000 and \$300,000.

Single-Family

	<u>2020</u>		<u>2024</u>
\$200K-300K	41%	\$200K-300K	28%
\$300K-400K	17%	\$300K-400K	29%
\$400K+	16.5%	\$400K+	38%

Multifamily (Townhome)

	<u>2019</u>		<u>2023</u>
\$100K-200K	31%	\$100K-200K	41%
\$200K-300K	9%	\$200K-300K	26%
\$300K+	7%	\$300K+	12%

- The median resale price of single-family homes in the Olmsted County Market Area was 63% higher in 2024 (\$345,000) when compared to 2019 (\$211,150). Median townhome resale

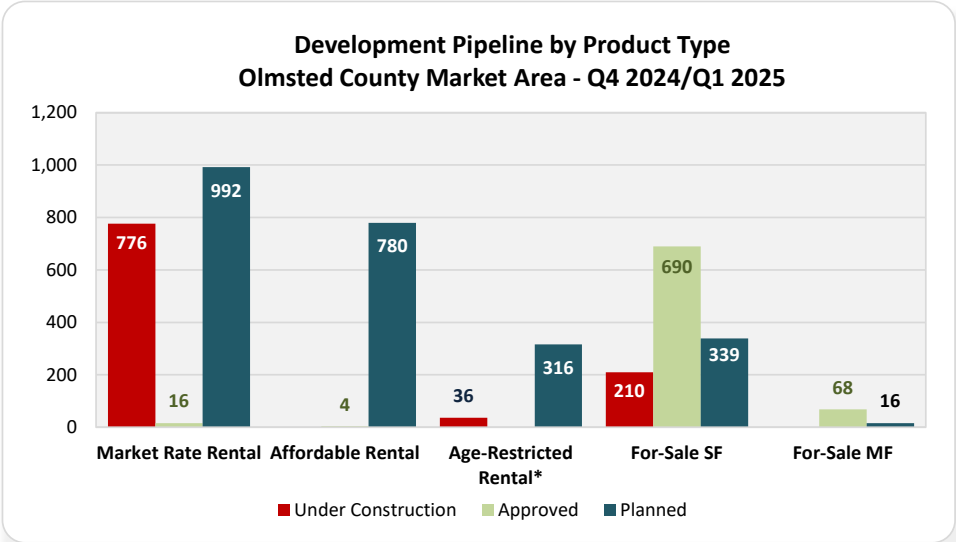
EXECUTIVE SUMMARY

prices have also grown but not to the extreme degree as single-family. The median resale price for townhome in 2024 was \$267,000 compared to \$210,000 in 2019, 27% higher.

- Inventory (i.e. homes for sale) has been low recently with 344 homes listed in Olmsted County as of January 2025; resulting in a tighter market of homes for sale for buyers. Over the past 15 years, the highest active listing year was 2010 when 1,548 were for sale. Listing have declined significantly over the last decade reaching an all time low in 2021 with 241.
- Single-family homes were available at all price ranges with 15% of the listings priced between \$300,000 to \$399,999. Overall, 56% of listings were priced at \$400,000 or more. Just 27% of homes were priced below \$300,000 with 1/3rd being multifamily properties.
- Based on the median list price of \$519,000 in Olmsted County for a single-family home , the income required to afford a home at this price would be about \$148,285 to \$173,000 based on the standard of 3.0 to 3.5 times the median income (and assuming these households do not have a high level of debt).
- Maxfield Research inventoried 118 subdivisions with 1,637 vacant available lots. Only 107 of these lots are for attached twin home/townhome units. Based on historic building permits, the current lot supply blended across the county is about four years deep. A three-to five-year lot supply is recommended, thus the Olmsted County Market Area is currently within the suggested lot supply. However, given the timeline to bring new lots to the market, new proposals must be brought forward sooner than later to meet future demand.

Development Pipeline

- There are a number of projects in the county that are under construction, approved, or planned. The following graph shows a summary of projects in the county market.



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Special Needs

- The highest proportion of households seeking housing were Adults 25+ without children (57.5%), while the largest number of people seeking housing, 964, were Adults 25+ with children, 50.7% of all people.
- The Wilder Research one-day statewide study of homeless individuals in 2023 indicated that 27% of those identified as homeless in SE Minnesota were age 55 years or older compared with 17% in Minnesota.
- Only 22% of those identified as homeless were employed. This compares to 23% statewide, not a significant difference. For those that are employed, 49% work part-time and 51% work full-time.

Housing Affordability

- Home prices have experienced a strong increase from the previous study in 2020. As shown below, the number of owner households who could afford the average priced home in the Olmsted County Market Area.

<u>Submarket</u>	<u>2020</u>	<u>2025</u>	<u>Change</u>
Olmsted County MA	61.2%	56.2%	-5.0%

- The rising for-sale housing prices has made ownership less appealing and affordable pushing many first-time home buyers to be renters. As shown below, the number of renter households who could afford the average rental rate in the Olmsted County Market Area.

<u>Submarket</u>	<u>2020</u>	<u>2025</u>	<u>Change</u>
Olmsted County MA	37.6%	44.0%	6.4%

- The Olmsted County HRA administers 620 housing choice vouchers in Olmsted County. The City of Rochester is home to 95% (601 vouchers) of the housing choice vouchers administered. Currently, there are 90 housing choice vouchers that have been ported in from outside of the county.
- An estimated 48% of existing renter households in the Market Area can afford to rent a one-bedroom unit in the Olmsted County Market Area (\$1,355/month) and an estimated 42% that can afford an existing two-bedroom unit (\$1,535/month).
- There are an estimated 67% of all households in the Market Area can afford to rent a newer one-bedroom unit in the Olmsted County Market Area (\$1,600/month) and an estimated 58% that can afford a newer two-bedroom unit (\$2,000/month).

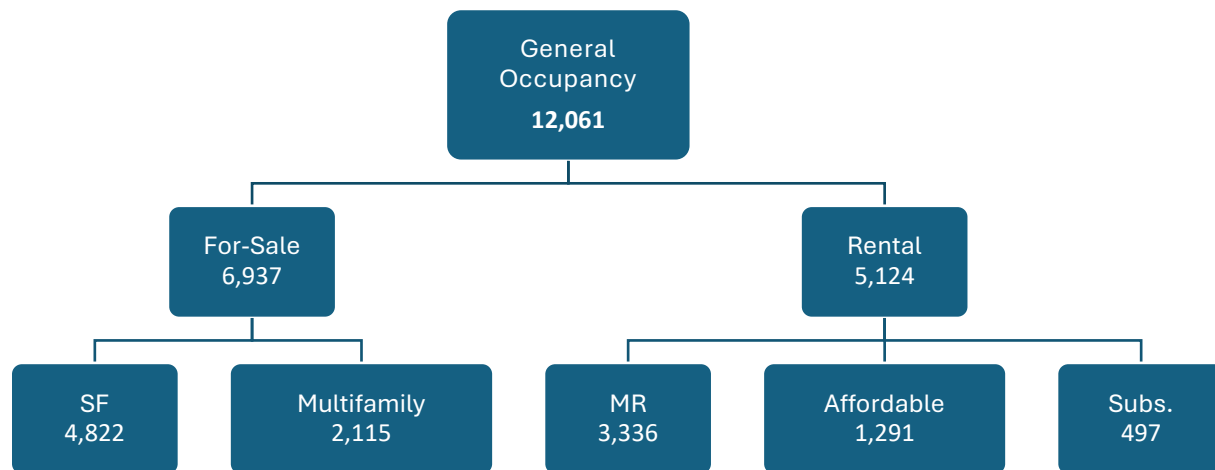
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- Approximately 47% of all county households could afford to purchase an entry-level home in the Olmsted County Market Area (\$300,000) and 31% of all households would income qualify for move-up buyers (\$450,000).

Housing Needs Analysis Summary

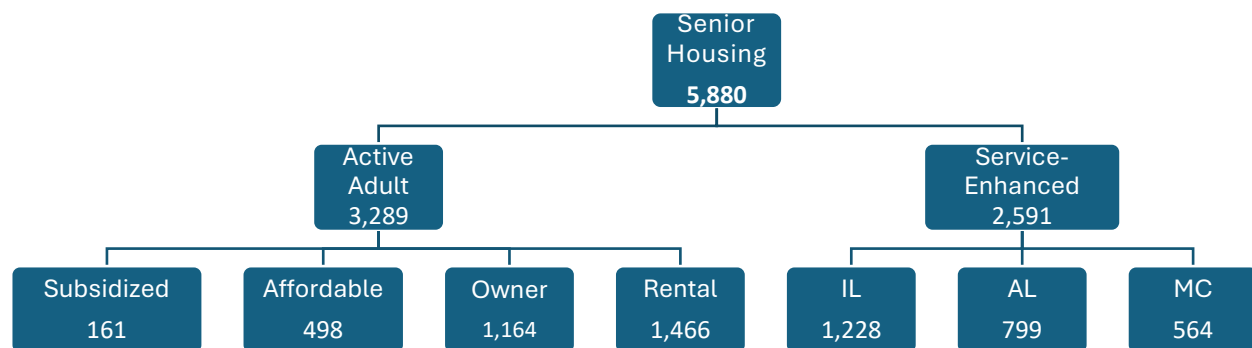
- Based on our calculations, demand exists in Olmsted County for the following general occupancy product types between 2025 and 2035:

Olmsted County Market Area Projected General Occupancy Demand, 2025 – 2035



- In addition, we find demand for multiple senior housing product types. By 2035, demand in the Olmsted County Market Area for senior housing is forecast for the following:

Olmsted County Market Area Projected Senior Demand, 2035



- Recommended product types for the Olmsted County Market Area are shown on the following page:

Detailed demand calculations and recommendations by submarket are provided in more detail in the recommendations and conclusions section of the report.

EXECUTIVE SUMMARY

HOUSING RECOMMENDATIONS BY SUBMARKET 2025 to 2035																	
Housing Type/Program	Purchase Price/Monthly Rent Range ¹		Byron Sub.		Chatfield Sub.		East Sub.		North Sub.		Rochester Sub.		Roch. Fringe Sub.		Stewartville Sub.		
	Minus Rochester Area	Rochester Area	'25-'30	'30-'35	'25-'30	'30-'35	'25-'30	'30-'35	'25-'30	'30-'35	'25-'30	'30-'35	'25-'30	'30-'35	'25-'30	'30-'35	
For-Sale Housing (New Construction)																	
Single-family - (New lots needed)			x	x	x	x	x	x		x	x			x		x	x
Single-family by Price																	
Entry-Level	>\$250,000	>\$300,000	x	x	x	x	x	x	x	x	x	x				x	x
Move-up	\$350k-\$475k	\$450k-\$750k	x	x	x	x	x	x	x	x	x	x	x	x		x	x
Executive	\$500k+	\$800k+	x	x							x	x	x	x			
Twinhomes/Townhomes/Villas																	
Entry-level	>\$225,000	>\$275,000	x	x			x	x			x	x				x	x
Move-up	\$300,000+	\$400,000+	x	x	x	x	x	x	x	x	x	x				x	x
General Occupancy Rental Housing																	
Market Rate Moderate-Income ²	\$975/1BR - \$1,500/3BR	\$1,000/1BR - \$1,600/3BR	x	x	x	x	x	x	x	x	x	x				x	x
Market Rate Luxury ²	\$1,100/Eff-\$2,000/2BR + D	\$1,250/Eff-\$3,000/2BR + D									x	x					
Market Rate Townhomes ²	\$1,800/2BR - \$2,400/3BR	\$2,000/2BR - \$2,700/3BR	x	x	x	x	x	x	x	x	x	x				x	x
Market Rate Built for Renf (SF) ²	\$2,600/3BR-\$3,200/4BR	\$2,200/2BR-\$3,900/5BR	x	x							x	x					
Affordable/Subsidized	Per Income Guidelines		x	x			x	x		x	x	x				x	x
Senior Housing																	
Market Rate																	
Active Adult - For-Sale Coop	\$150,000+ (plus monthly fee)	\$200,000+ (plus monthly fee)	x	x							x	x				x	x
Active Adult - Rental	\$1,200 - \$1,700	\$1,350-\$2,100	x	x	x	x	x	x	x	x	x	x				x	x
Congregate/Independent	\$1,400 - \$2,700 (based on svcs.)	\$1,500 - \$3,200 (based on svcs.)	x	x	x	x	x	x	x	x	x	x				x	x
Assisted Living	\$3,300/EFF - \$4,500/2BR	\$3,800 - \$5,500		x		x				x	x	x	x			x	x
Memory Care	\$3,800 - \$5,000	\$4,500 - \$6,500	x	x			x	x	x	x	x	x				x	x
<u>Alternative Concept:</u>																	
Catered Living	\$1,600+			x	x	x				x							x
Affordable Senior Housing																	
Active Adult	Per Income Guidelines		x	x			x	x	x	x	x	x				x	x

Note: Although many of the smaller communities show housing demand for a variety of housing types; it will not be feasible due to the economies of scale needed. Therefore, recommendations are based on the need and density needed to be feasible.

¹ Blended average across Olmsted County, pricing in the Rochester Area is in parenthesis. Pricing will vary from submarket to submarket across the county. Base pricing, senior housing will very considerably based on personal care services packages and number of occupants.

² Market rate multifamily housing could be developed in either apartment-style or townhome style design

Source: Maxfield Research & Consulting

Purpose & Scope

Maxfield Research and Consulting was engaged by Rochester Area Foundation to conduct a *Comprehensive Housing Needs Analysis* for Olmsted County, Minnesota. The Housing Needs Analysis provides recommendations on the amount and types of housing that should be developed in order to meet the needs of current and future households who choose to reside in the County.

The scope of this study includes: an analysis of the demographic and economic characteristics of the County; a review of the characteristics of the existing housing stock and building permit trends; an analysis of the market condition for a variety of rental, senior, and for-sale housing products; and an assessment of the need for housing by product type in the County. Recommendations on the number and types of housing products that should be considered in the County are also supplied.

Methodology

During the course of the study a number of resources were utilized to obtain information in the analysis. The primary data and information sources include the following:

- U.S. Census Bureau; American Community Survey
- Minnesota Department of Employment and Economic Development (DEED)
- United States Department of Housing and Urban Development (HUD)
- ESRI, Inc.
- Greater Minneapolis Area Association of Realtors
- Olmsted County
- City staff from communities across Olmsted County
- Longitudinal Employer-Household Dynamics (LEHD)
- Minnesota Geospatial Commons
- Minnesota Housing Finance Agency (MHFA)
- Novogradac
- Phone calls/emails from property owners/managers, realtors, brokers, developers, employers and others, etc.

Demographic Analysis

This section of the report examines factors related to the current and future demand for both owner- and renter-occupied housing in Olmsted County, Minnesota. It includes an analysis of population and household growth trends and projections, projected age distribution, household income, household types, household tenure, and net worth in the Olmsted County Market Area. A review of these characteristics will provide insight into the demand for various types of housing in the County.

This section of the report examines factors related to the current and future demand for owned and rented housing in Olmsted County, Minnesota. It includes an analysis of population and household growth trends and projections, projected age distribution, household income, household types and household tenure. A review of these characteristics provides insight into the demand for various types of housing in the County.

Olmsted County Submarket Definitions

After conversations with local officials, Olmsted County was divided into seven submarkets: Byron, Chatfield, East, North, Rochester City, Rochester Fringe, and Stewartville for the purpose of the housing analysis. Some of the submarkets have changed from the previous study completed in 2000. Changes occurred in the Stewartville and East Submarkets which led to the creation of the 7th submarket of Chatfield. Subsequent data in the housing analysis is illustrated by submarket and Market Area-wide.

In some cases, additional demand for housing will come from individuals moving from just outside the area, those who return from other locations (particularly young households returning after pursuing their degrees or elderly returning from retirement locations) and seniors who move to be near their adult children living in Olmsted County. Demand generated from in and outside of Olmsted County is considered in the demand calculations presented later in the analysis.

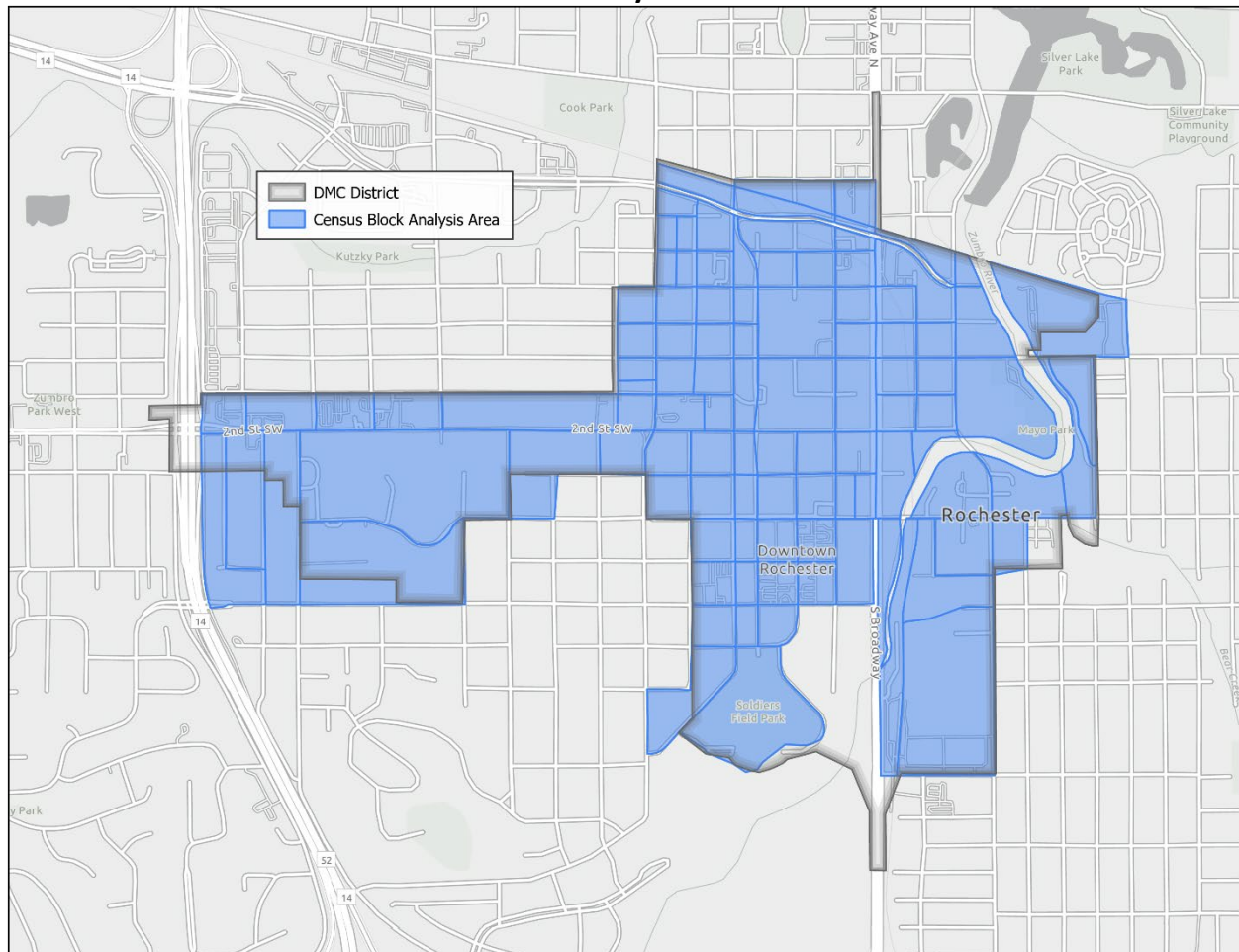
DMC Area

In addition to the Olmsted County Market Area, we were tasked to provide analysis for the DMC District. Due to the shape of the district, we were unable to provide data at the Census Tract or Census Block Group levels as these boundaries would encompass much more area than the DMC District itself skewing the data. After discussion with the client, it was concluded to apply the Census Block level as it would closely match the DMC District. This data level however, cannot utilize the American Community Survey estimates as the figures are not provided at the Census Block level. The DMC Area includes 120 Census Blocks based on the 2020 Census Block boundaries. Census Block boundaries has changed from 2000 and 2010 and thus there may be some discrepancies in data from decade to decade.

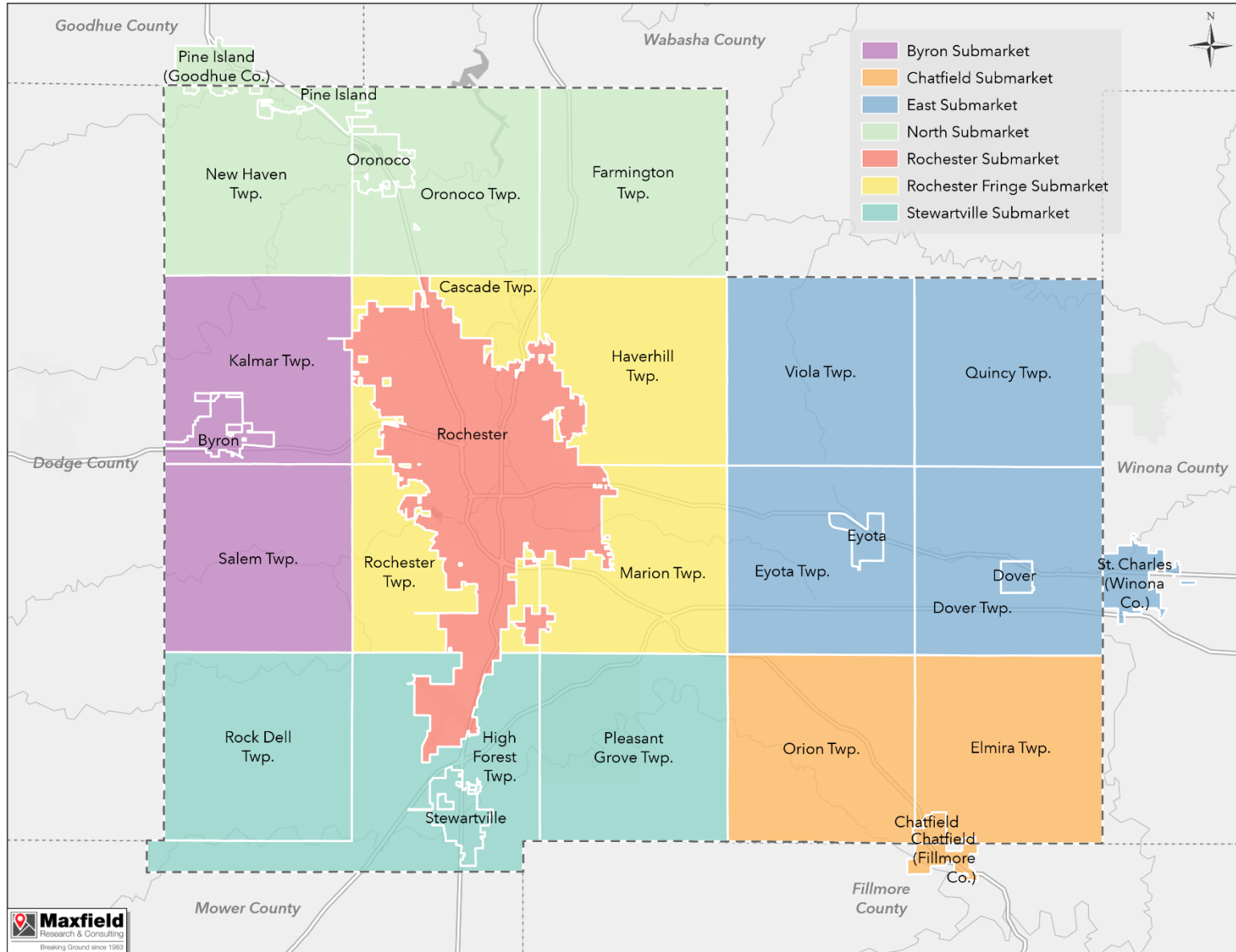
DEMOGRAPHIC ANALYSIS

Olmsted County Housing Submarket Definitions						
Byron	Chatfield	East	North	Rochester	Rochester Fringe	Stewartville
Cities:						
Byron	Chatfield*	Eyota Dover St. Charles**	Oronoco Pine Island*	Rochester	-	Stewartville
Townships:						
Kalmar Salem	Elmira Orion	Dover Eyota Quincy Viola	Farmington New Haven Oronoco	-	Cascade Haverhill Marion Rochester	High Forest Pleasant Grove Rock Dell
Areas included OUTSIDE of Olmsted County:						
Chatfield* = Partially in Olmsted and Fillmore County						
St. Charles**= Located in Winona County						
Pine Island*= Partially in Olmsted and Goodhue County						
Note: Submarket Definitions have changed since the last Olmsted County Housing Study. A new Chatfield Submarket was created resulting in a smaller East Submarket. In addition, Pleasant Grove Twp. was moved from the East Submarket to the Stewartville Submarket.						

DMC Analysis Area



Olmsted County Market Area – Submarkets



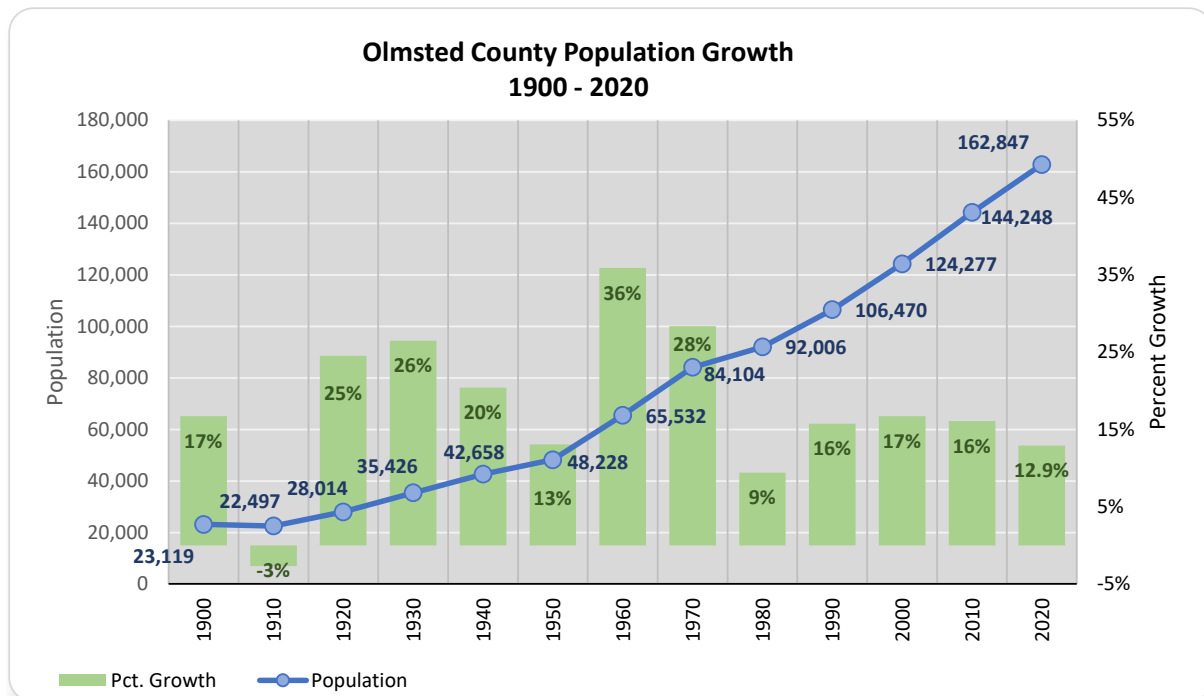
Historic Population and Household Trends

Tables D-1 in the appendix present the population and household growth for the Olmsted County and each submarket in the County for 1990, 2000, 2010 and 2020. The data is from the U.S. Census Decennial Censuses for each decade.

- The population of Olmsted County grew by 13% between 2010 and 2020 to 162,847 people. The percent growth of the Olmsted County was higher than the 8% growth for Minnesota over the same period.
- Olmsted County continued to experience strong population growth during the last decade as compared to previous decades but has decelerated as the population has increased. Previous population growth by decade is as follows:

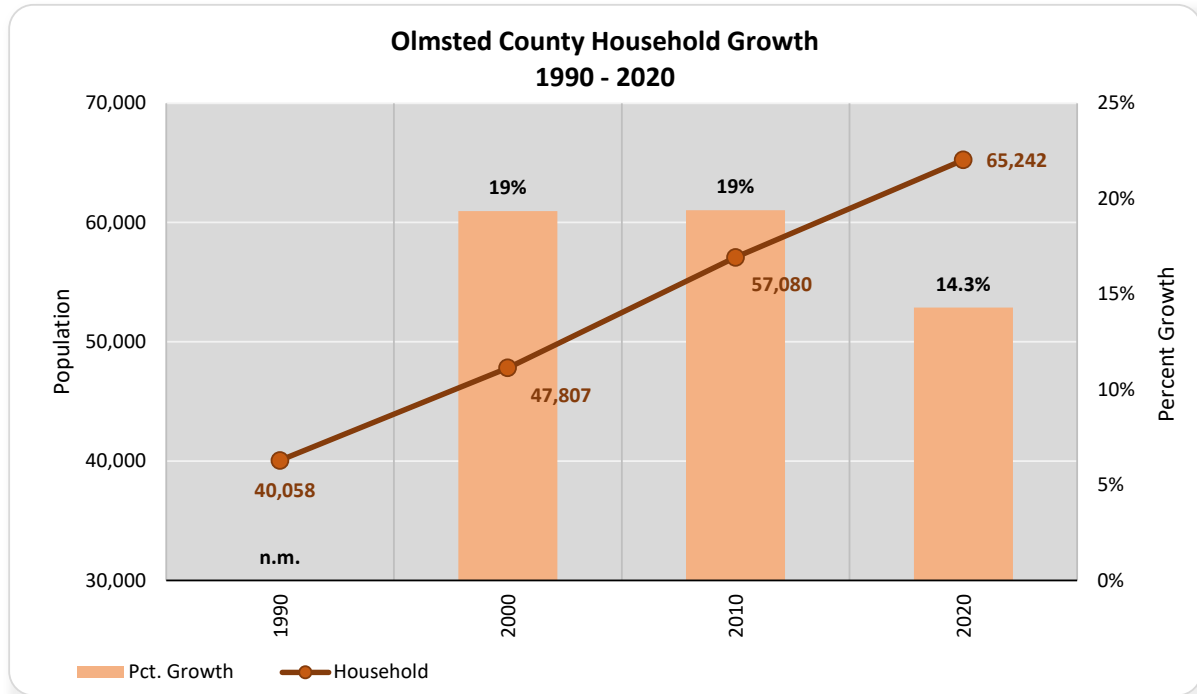
	<u>Growth %</u>
1990-2000	17%
2000-2010	16%
2010-2020	13%

- Since 1900, the strongest growth (36%) occurred from 1960 to 1970. From 1950 to 2020, Olmsted County has grown by an average of 18.5% per year.



DEMOGRAPHIC ANALYSIS

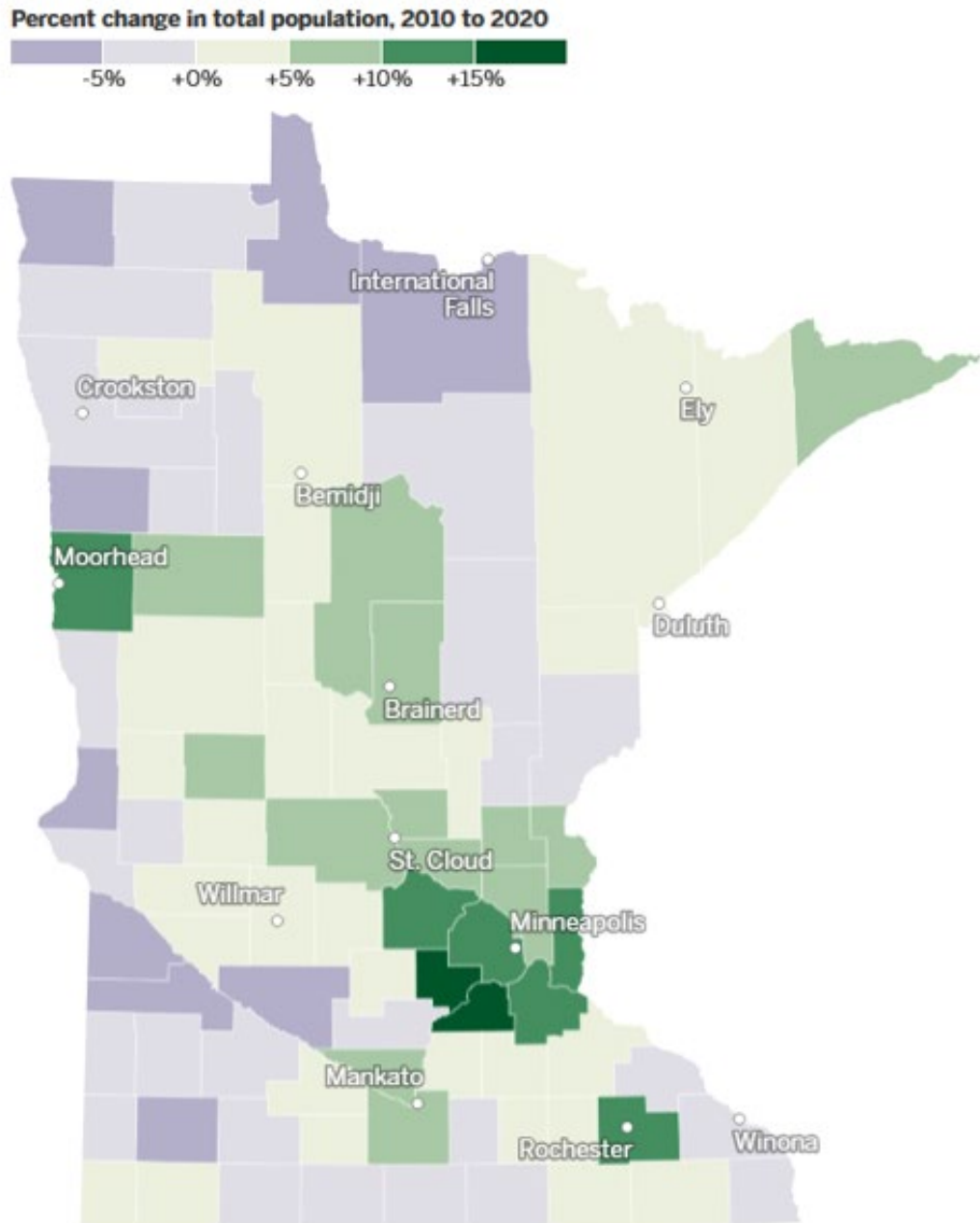
Household growth trends are typically a more accurate indicator of housing needs than population growth since a household is, by definition, an occupied housing unit. Additional demand, however, can result from changing demographics of the population base, which results in demand for different housing products.



- Similar to population trends, Olmsted County reported strong household growth during the 1990s (19%) and 2000s (19%). Between 2010 and 2020, household growth was still strong, (14%), but lower than the previous decades.
- Both population and household growth in Olmsted County has outpaced household growth in the Southeast Minnesota Region and Minnesota in each decade shown in the tables.

Minnesota Population Trends

The COVID-19 pandemic had a major impact on demographic trends across the State of Minnesota. In general, population growth has been slower the past decade and is forecasted to continue to slow due to a variety of factors such as lower birth rates, increasing yearly deaths, and a slow-down of in-migration. Minnesota has the 22nd largest population in the U.S. and ranks #23 in the U.S. for population growth since 2020 having added over 86,000 persons since 2020.

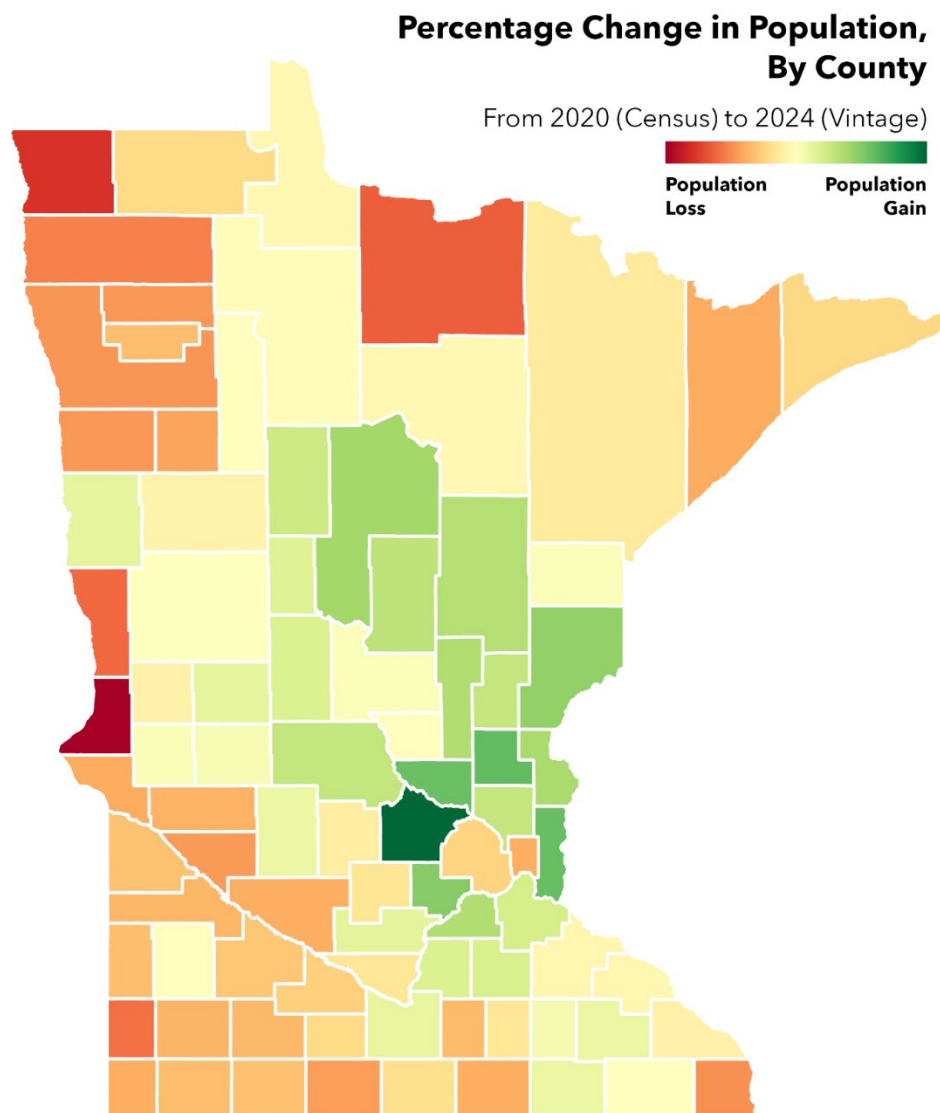


C.J. Sinner, Star Tribune • Source: U.S. Census Bureau

DEMOGRAPHIC ANALYSIS

Between 2010 and 2020, 78% of growth occurred in the Twin Cities Metro Area, while 35 counties across Minnesota lost population. However, since 2020 growth has been concentrated in the suburbs, exurbs, lake country, along the I-94 corridor, and in Olmsted County. The core counties of Hennepin and Ramsey County have lost population while outlying counties have gained the most residents since the pandemic.

Outside of the Twin Cities 7-County Metro Area, Olmsted County has the 2nd highest population growth in the State of Minnesota. The City of Rochester continues to maintain its place as the 3rd largest city in the State of Minnesota and is the largest municipality outside Minneapolis and St. Paul. The map on the following page shows Southeastern Minnesota is one of the only regions in the State of Minnesota outside the Twin Cities Metro Area that is growing – led in part by strong job and population growth in Rochester and Olmsted County.

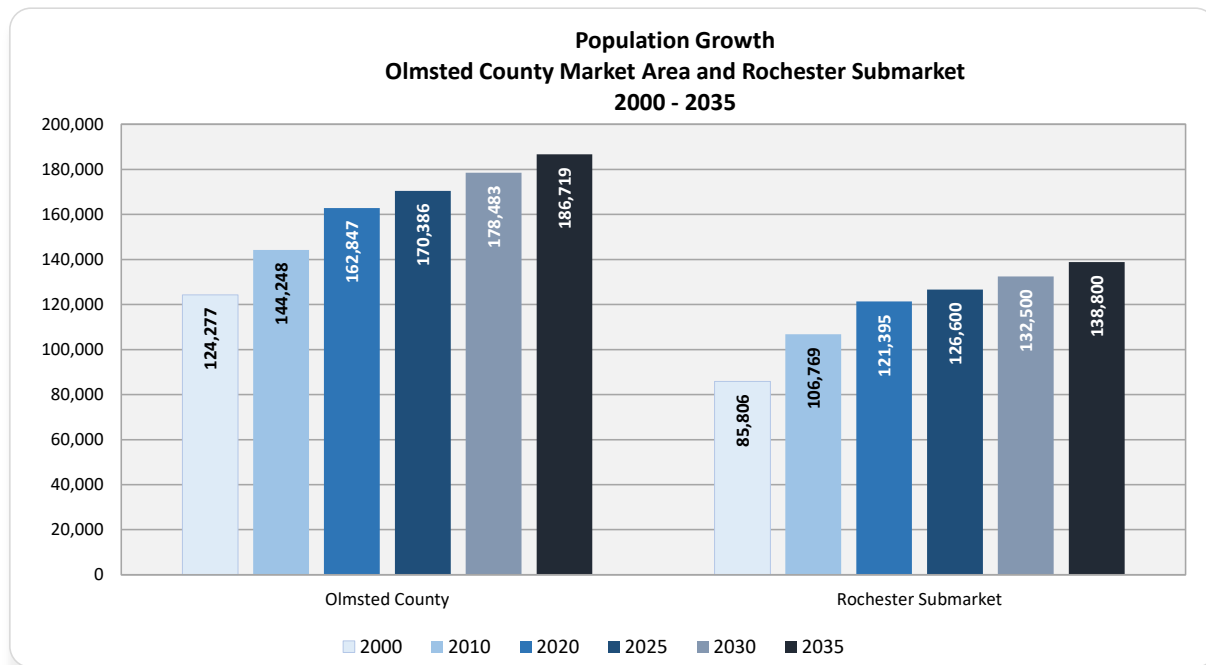


Population and Household Estimates and Projections

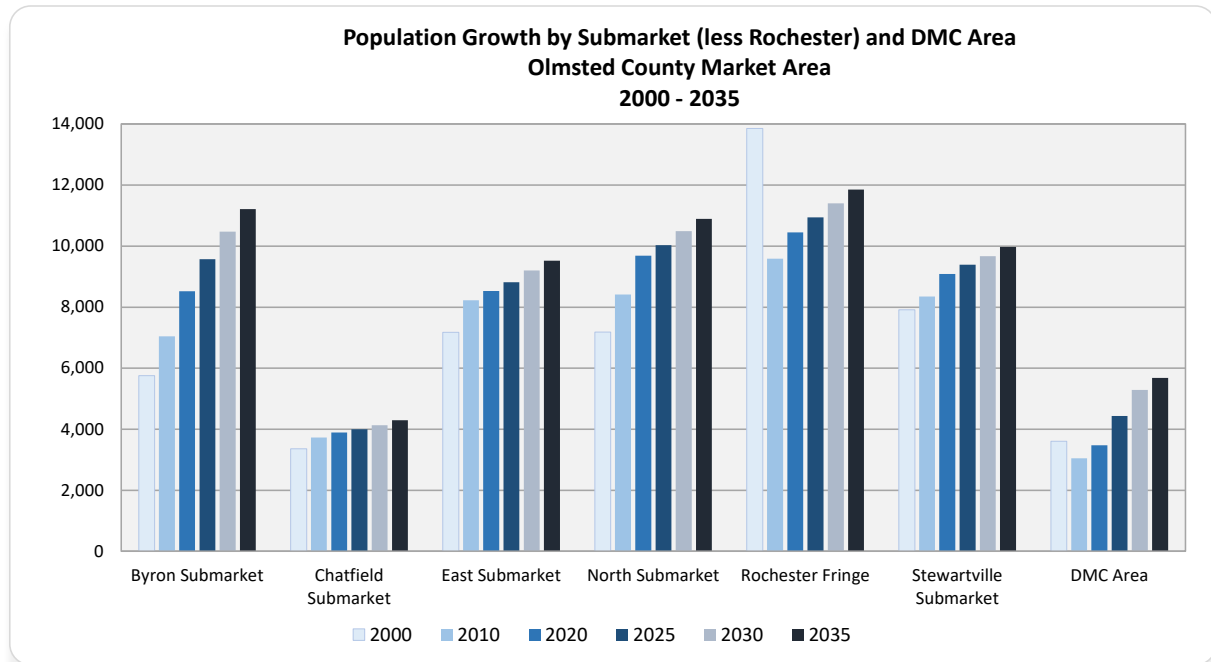
Table D-1 in the appendix presents population and household growth trends and projections for the Olmsted County Market Area to 2040. The table can be found in the appendix. Estimates for 2025 and projections to 2040 are based on information from ESRI, Inc. (a national demographics service provider) and the Minnesota State Demographic Center and were adjusted by Maxfield Research and Consulting, based on local building permit trends and future planned developments in the pipeline.

- In 2020, the population in the Olmsted County Market Area was 171,555. The Majority of Olmsted County’s population is located in Rochester (121,395 people) which accounts for 71% of the overall Market Area population.
- There were 68,701 households in the Olmsted County Market Area in 2020. Similar to population trends, 73% of the county households are in Rochester (49,904 households).
- Between 2010 and 2020, the Olmsted County population grew by 13% (18,599 people). This was slightly less (3%) than the previous decade (2000 to 2010) at 16% (19,971 people). All submarkets experienced population growth between 2010 and 2020. The submarkets with highest population growth rates were:

Byron	21.0% (1,477 people)
North	15.2% (1,276 people)
Rochester	13.7% (14,626 people)

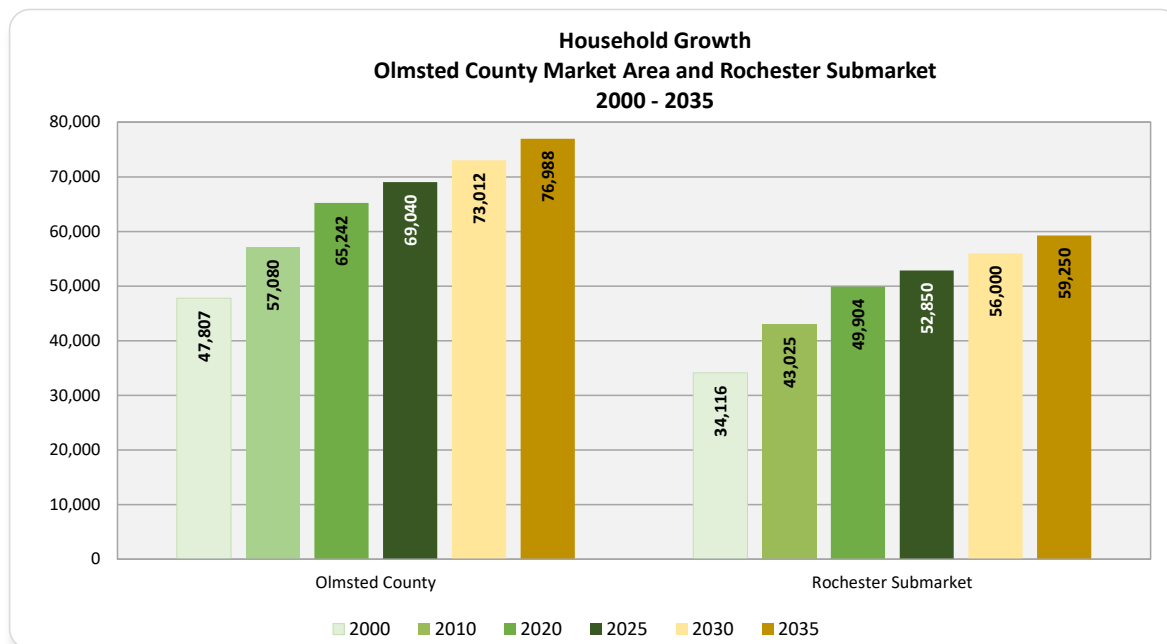


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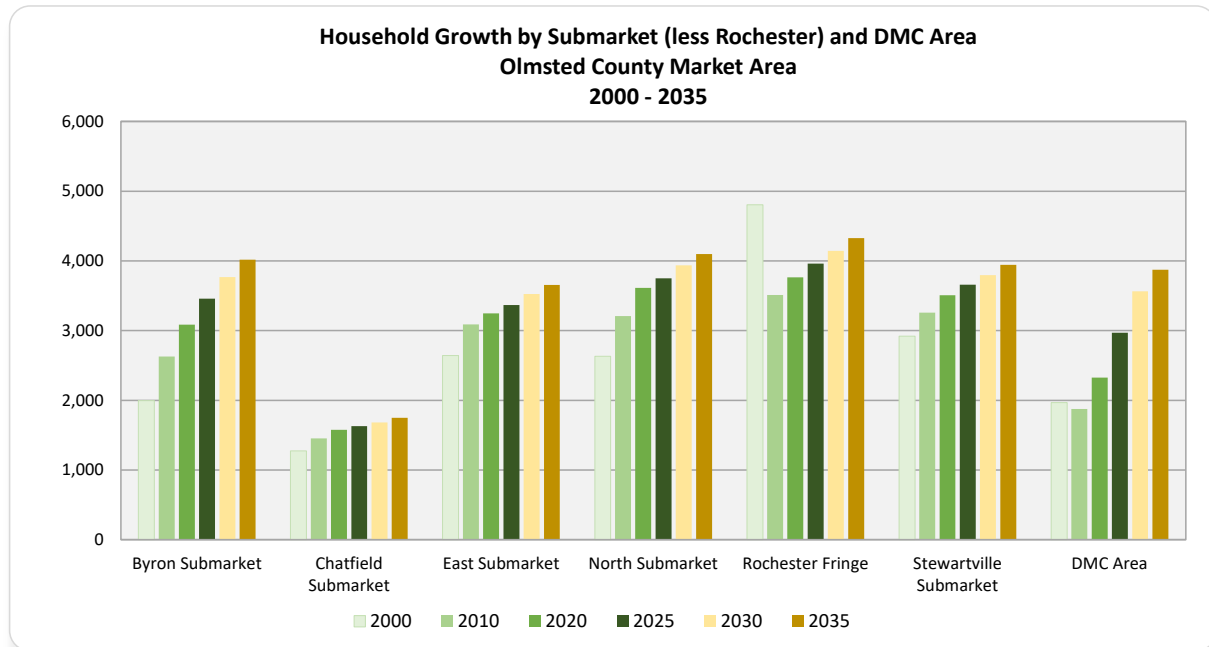


- Households in Olmsted County grew by 14% from 2010 to 2020, down 5% from growth in the 2000s. The following submarkets had the highest proportional growth rates over the period.

Byron	17.4% (457 households)
Rochester	16.0% (6,879 households)
North	12.6% (403 households)



DEMOGRAPHIC ANALYSIS



- The Olmsted County Market Area and all submarkets are forecast to have increasing population and household growth rates through 2040. The Olmsted County Market Area population is expected to increase by 9% (15,636 people) and households by 11.5% (7,770 households) between 2020 and 2030.
- The highest population and household growth rates in the Olmsted County Market Area Submarkets are projected as follows for 2020 to 2030:

Population Growth

Byron	21.9%	(1,953 people)
Roch. Fringe	9.1%	(955 people)
Rochester	9.0%	(11,105 people)

Household Growth

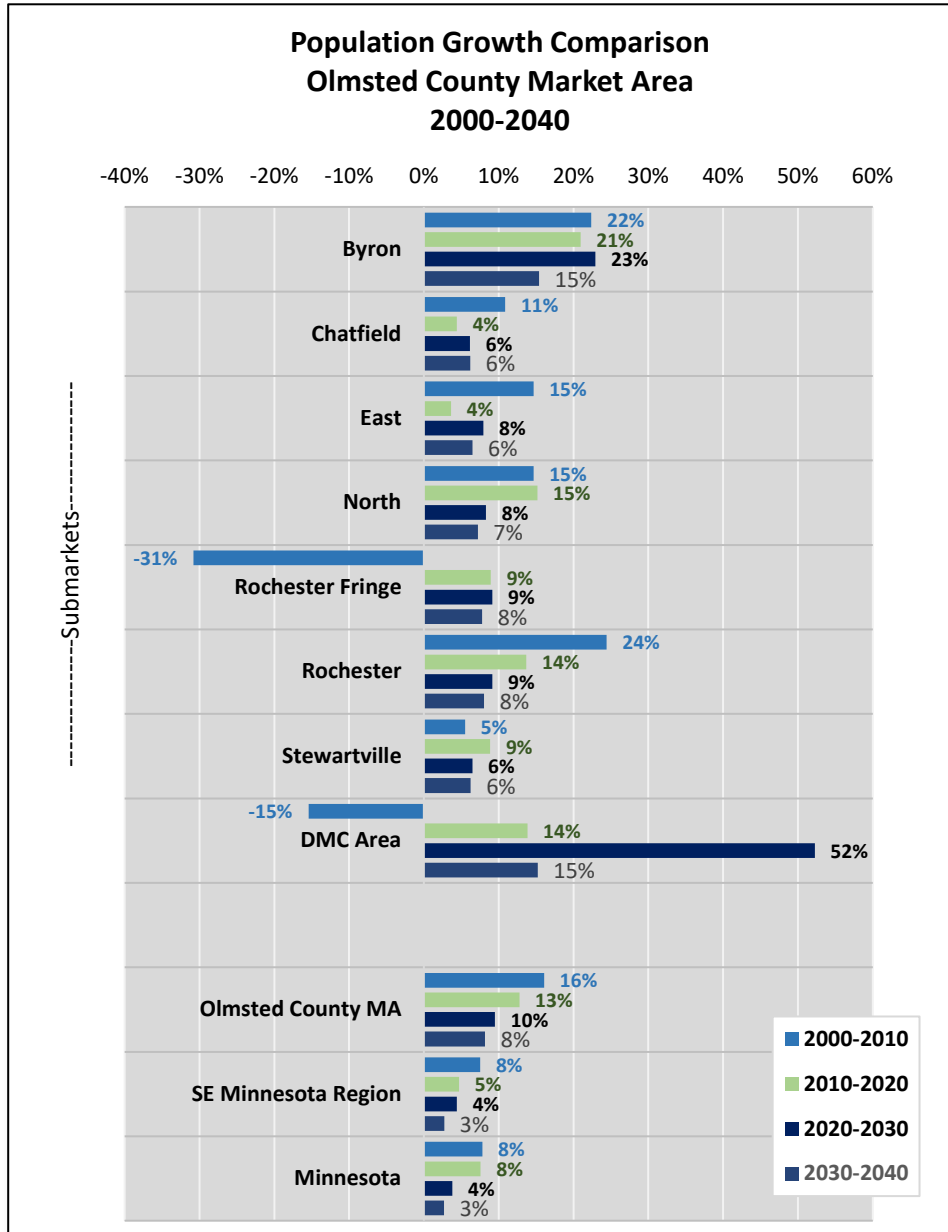
Byron	20.6%	(681 households)
Rochester	11.8%	(6,096 households)
Roch. Fringe	9.9%	(382 households)

DMC Area

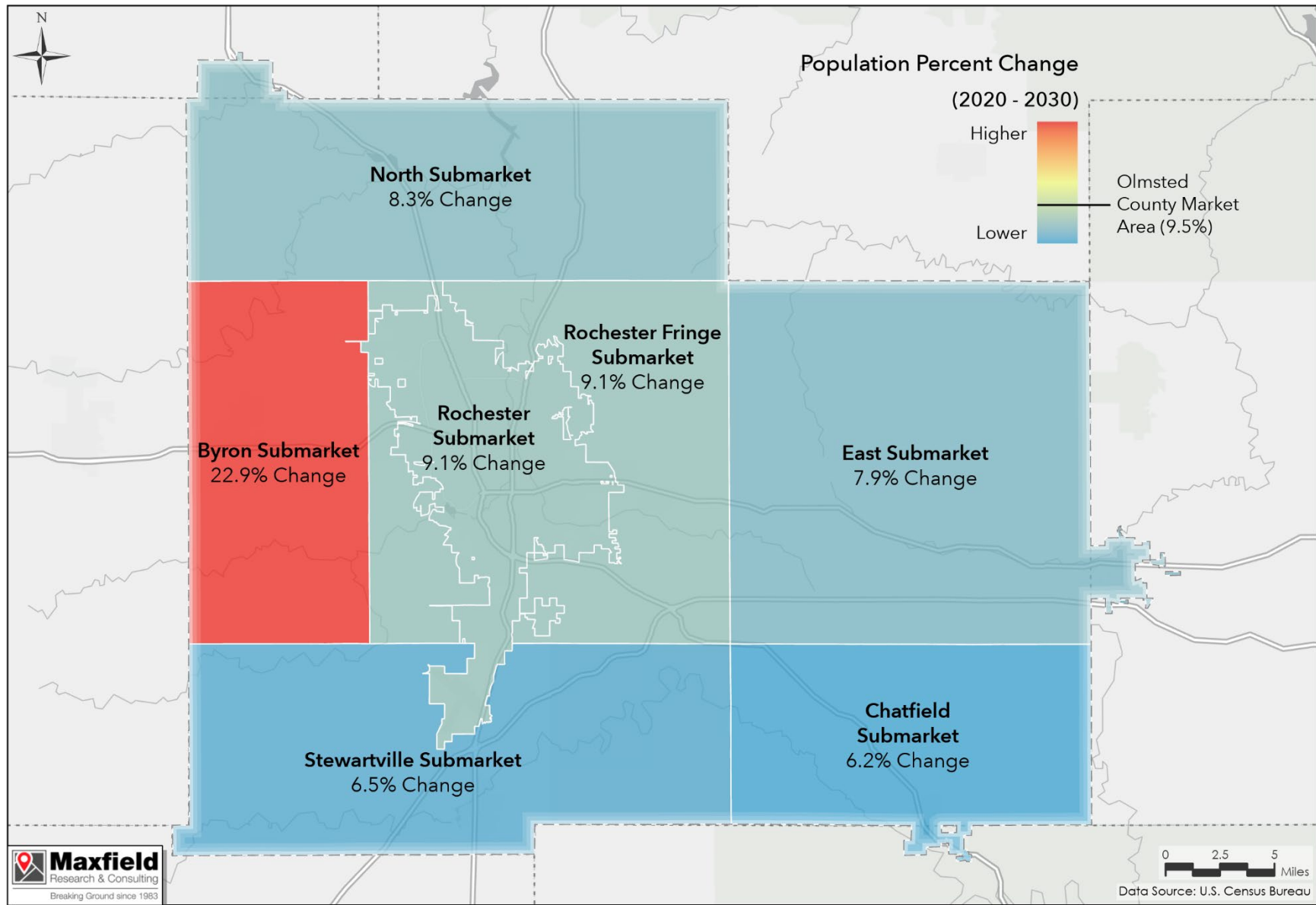
- The Population within the DMC Area as of 2020 was 3,471 people. This accounts for 3% of the Rochester Population. The DMC Area contains of 5% of Rochester households with 2,327.
- Between 2000 and 2010, the DMC Area population declined by 15% (-556 people) and households by 5% (-93 households). During the last decade (2010 to 2020), the DMC experienced solid growth adding 422 people (14%) and 452 households (24%).

DEMOGRAPHIC ANALYSIS

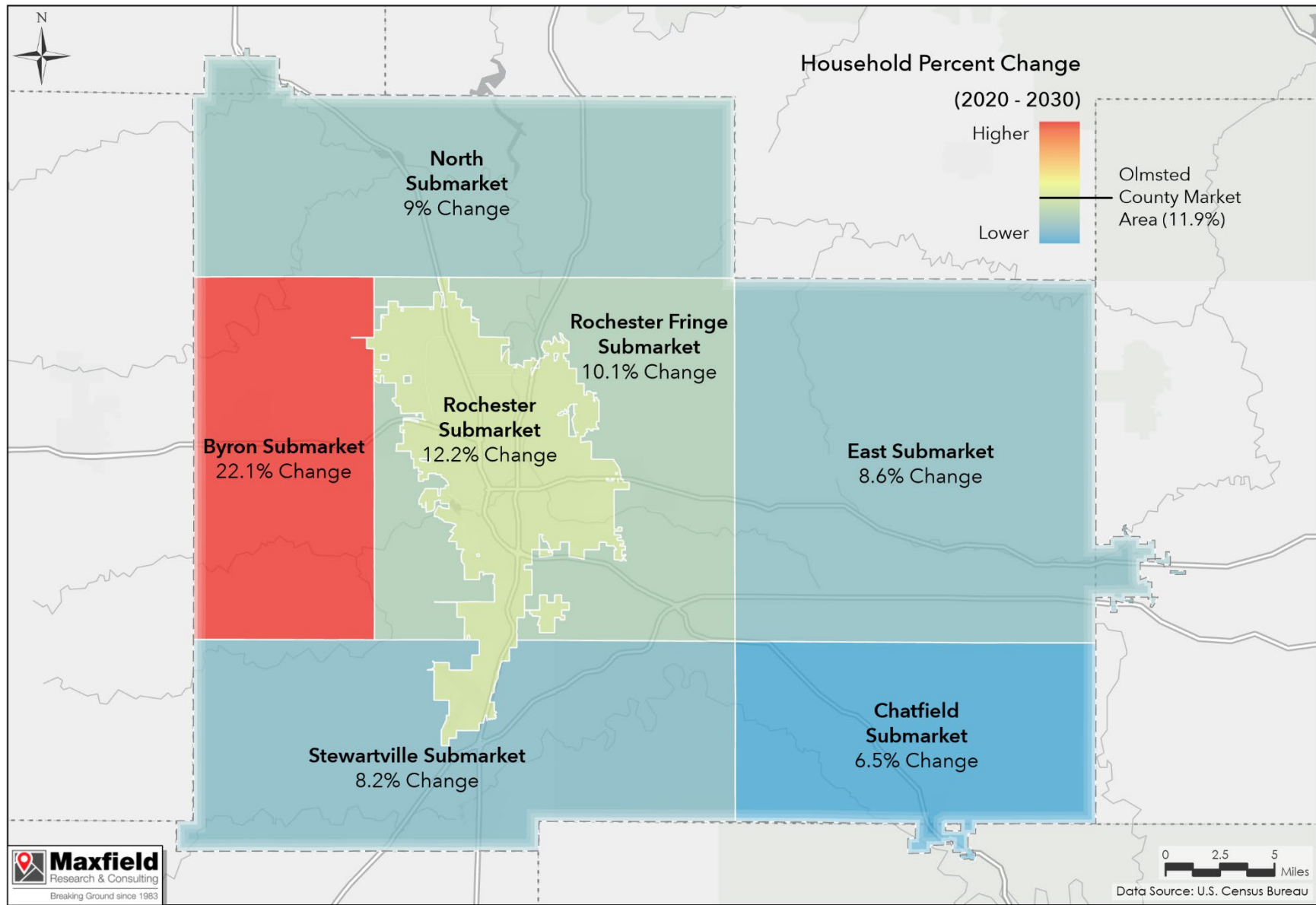
- Due to the amount of rental housing built and planned during this decade, growth in the DMC is projected to be substantial from 2020 to 2030 with a expected growth of over 1,800 people (52%) and roughly 1,240 households (53%).



Olmsted County Market Area – Population Change (2020 – 2030) by Submarket



Olmsted County Market Area – Household Change (2020 – 2030) by Submarket



Household Size

Household size is calculated by dividing the number of people in households by the number of households. Nationally, the average number of people per household has been declining for over a century; however, there have been sharp declines starting in the 1960s and 1970s. The number of people per household in the U.S. was 4.5 in 1916 and declined to 3.2 by the 1960s. Over the past 50 years, it dropped to 2.59 as of the 2000 Census. During economic recessions this trend temporarily stabilized as renters and laid-off employees “doubled-up,” in which the average U.S. household size fell to 2.58 as of the 2010 Census. The decline continued over the past decade as the average household size dropped to 2.55 due to the aging “Baby Boom” population.

The declining household size has been caused by many factors, including aging, higher divorce rates, cohabitation, smaller family sizes, demographic trends in marriage, etc. Most of these changes have resulted from shifts in societal values, the economy, and improvements in health care that have influenced how people organize their lives. Table D-2 (available in the appendix) highlights the declining household size in Olmsted County Market Area and its submarkets.

- The average household size in the Olmsted County Market Area has declined from 2.60 in 2000 to 2.50 by 2020. All submarkets experienced a decline in household size from 2000 to 2010. All submarkets have experienced household size decreases since 1990 to 2020.

<u>Submarkets</u>	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>Change 00'-20'</u>
Byron	2.88	2.68	2.76	-4%
Chatfield	2.64	2.56	2.46	-7%
East	2.72	2.66	2.63	-3%
North	2.73	2.62	2.68	-2%
Rochester Fringe	2.88	2.73	2.78	-4%
Rochester	2.52	2.48	2.43	-3%
Stewartville	2.71	2.56	2.57	-5%
DMC Area	1.83	1.63	1.49	-18.5%

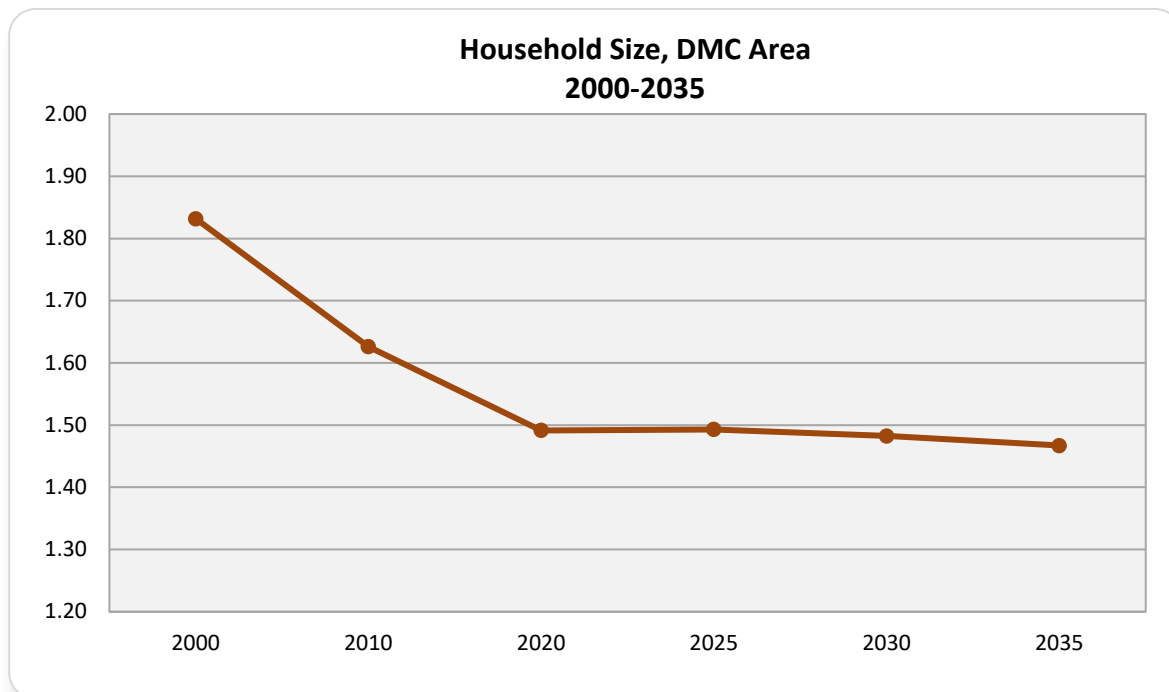
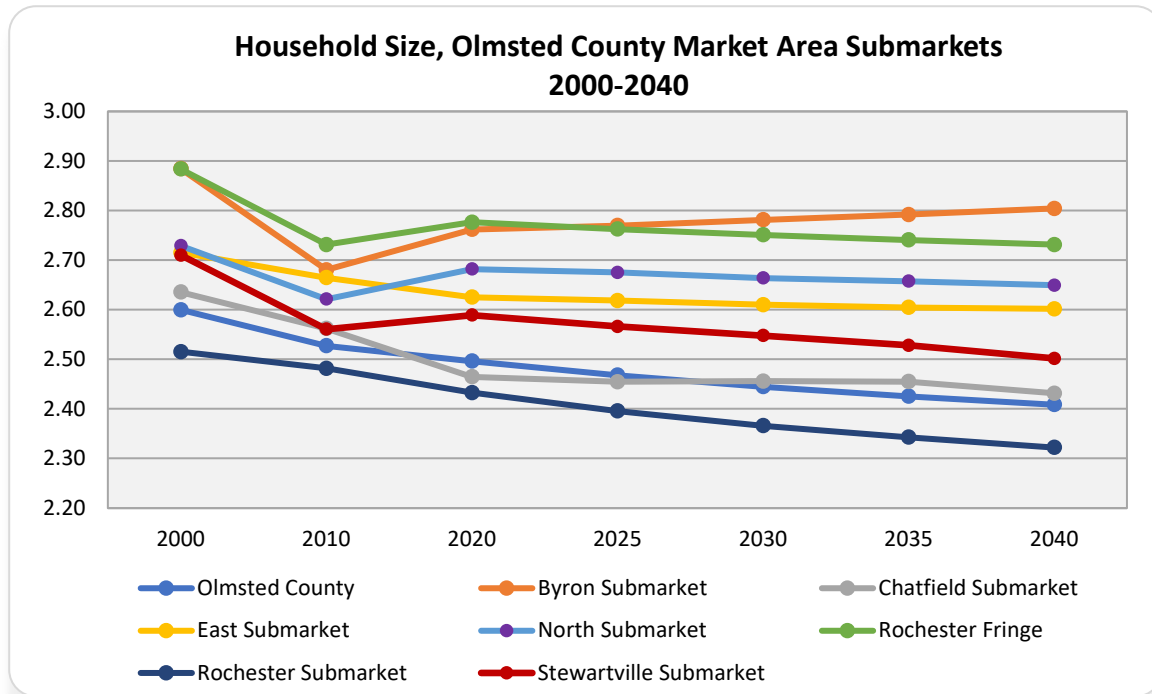
- Smaller household size is expected to continue to shrink to 2035 in all but the Byron Submarket which is projected to increase from 2.68 in 2020 to 2.80 by 2040.
- Household size in the Olmsted County has been slightly lower than the SE Minnesota Region and Minnesota since 2000 and is expected to remain lower to 2040.

DMC Area

- Due to the high number of efficiency/studio and one-bedroom units in the DMC Area, the household size is significantly lower than the Olmsted County Market Area submarkets.

DEMOGRAPHIC ANALYSIS

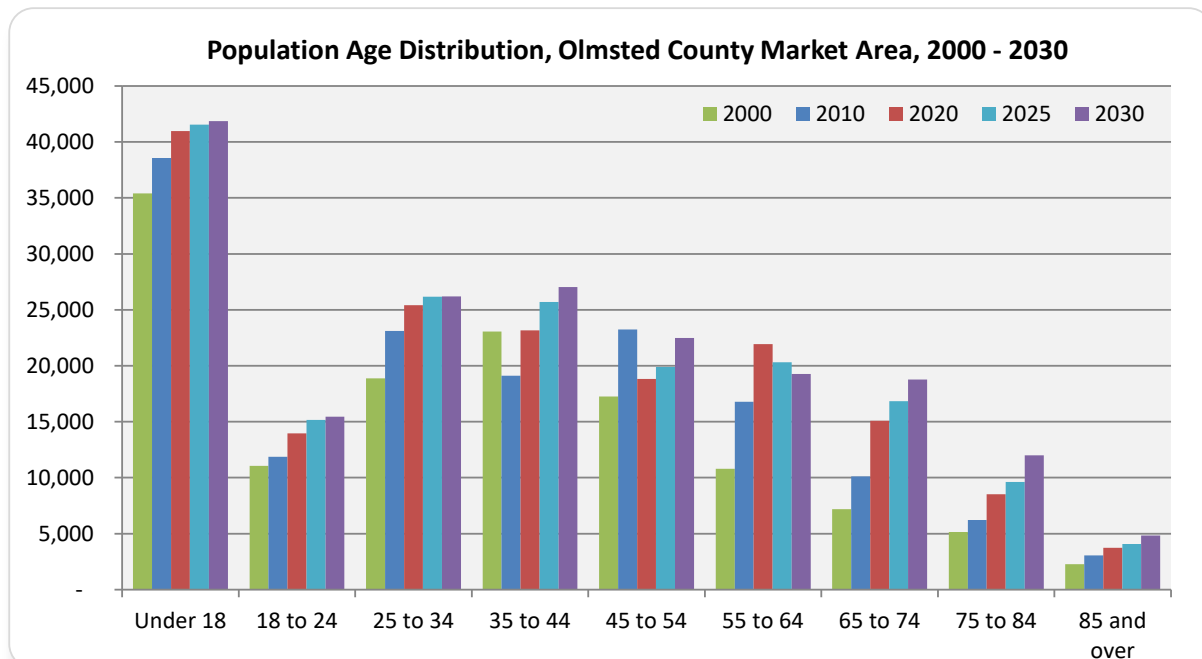
- The household size in the DMC Area was 1.49 person per household in 2020 which is a 19% decline from 1.83 in 2000. The projected household size in the DMC will continue to decline slightly to 1.47 by 2035.



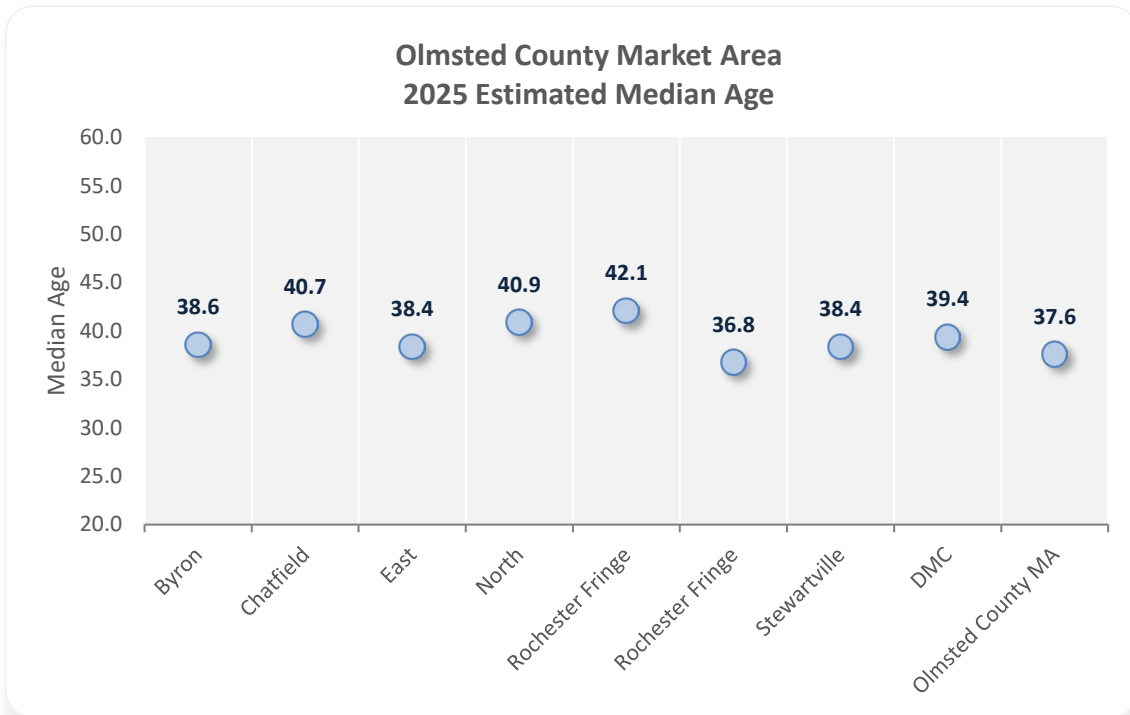
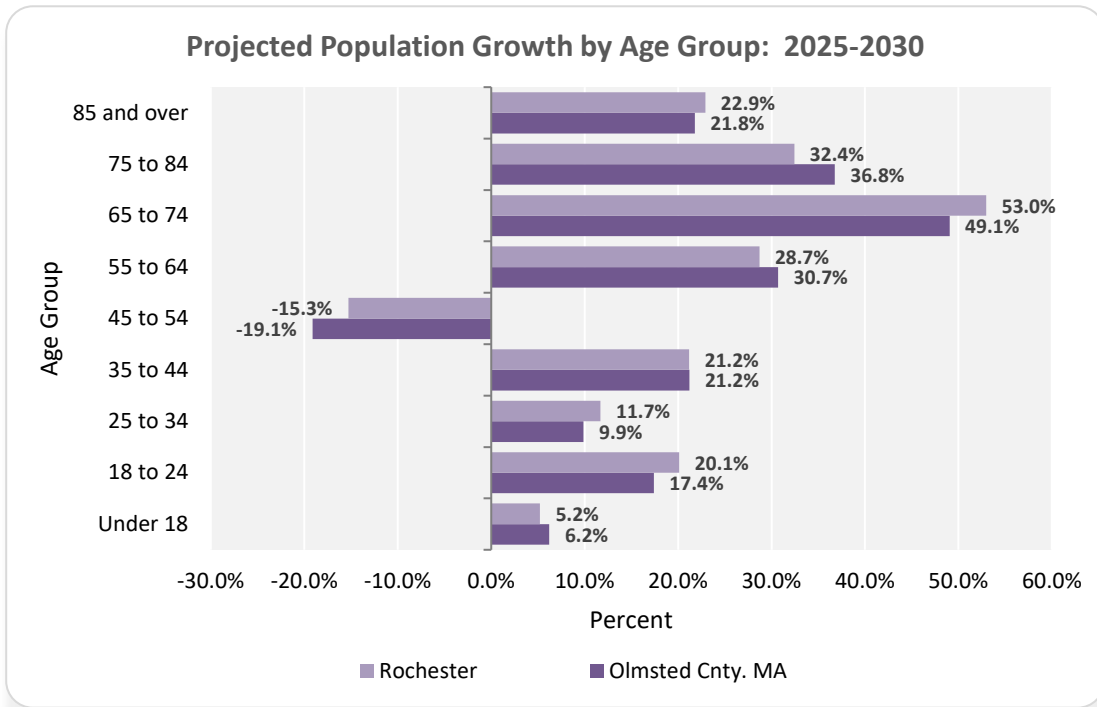
Population Age Distribution Trends

Table 4 (located in the appendix) shows the distribution of persons within nine age cohorts for the submarkets in the Olmsted County Market Area in 2000 to 2030. The 2000, 2010, and 2020 age distribution is sourced from the U.S. Census Bureau. Maxfield Research and Consulting derived the 2025 estimates and 2030 projections from ESRI Inc. and Minnesota Planning, with adjustments made to reflect local trends.

- In 2020, the largest adult age cohort in the Olmsted County Market Area was those age 25 to 34 (Millennials), representing 15% (25,404) of the population over age 18.
- It is estimated that in 2025, the largest adult age cohort in the Market Area would remain within the 25 to 34 age cohort, representing 15% of the adult population in county. However, by 2030, it is projected that the 35 to 44 age group will be the largest by roughly 0.5% over the 25 to 34 age cohort.
- Between 2010 and 2020, the largest proportional growth occurred in the 65 to 74 age cohort in Olmsted County Market Area, growing by 49% (4,961 people). The increasing older adult population reflects larger state and national trends of an aging population. The largest numerical growth was in the 55 to 64 age group, which gained 5,153 people (31% growth). This is largely due to aging of the sizable baby boom generation.



- From 2025 to 2030, the population of the Olmsted County Market Area is projected to grow by 5%. The largest growth is forecast in the 75 to 84 age cohort (25%, 2,366 people). The 85 and older age cohort is also projected to grow significantly (18%, 739 people).

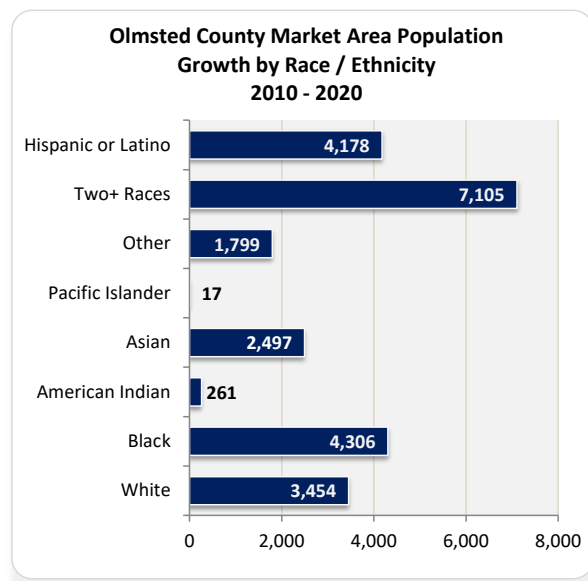
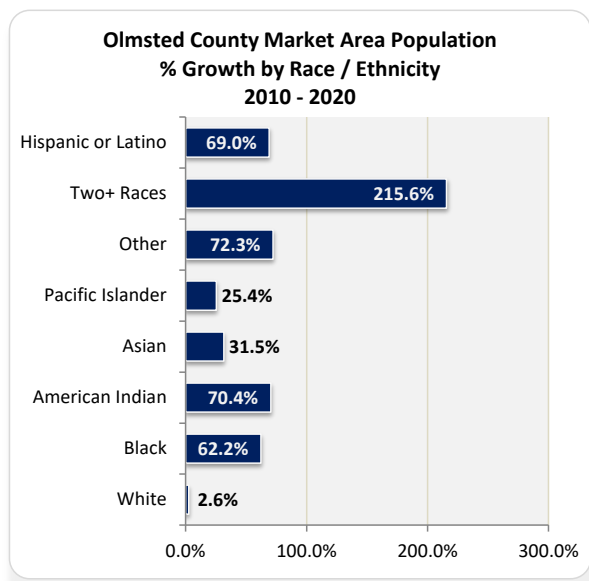


Race and Ethnicity of Population

The race of the population illustrates the diversity for each submarket in the Olmsted County Market Area. Data for 2010 and 2020 was obtained from the U.S. Census The data is presented in Table D-3 (located in the Appendix).

- The Majority of Olmsted County residents reported their race as “White Alone” in 2020 (78.4%), which declined about 8% from 2010.
- The largest numerical growth was the “Two or More Races” population followed by “Black or African American.” Although “White Alone” had the third highest population growth, the growth rate was only 3%. The charts on the following page show the growth rate and population by race group.
- The most diverse areas in the Olmsted County Market Area in 2020 are the Rochester and Rochester Fringe submarkets. The following shows diversity in order by submarket.

<u>Submarket</u>	<u>All Other Races</u>
Rochester	26.8%
Rochester Fringe	12.6%
East	10.2%
North	8.8%
Stewartville	7.3%
Byron	7.3%
Chatfield	5.6%
DMC Area	33.1%

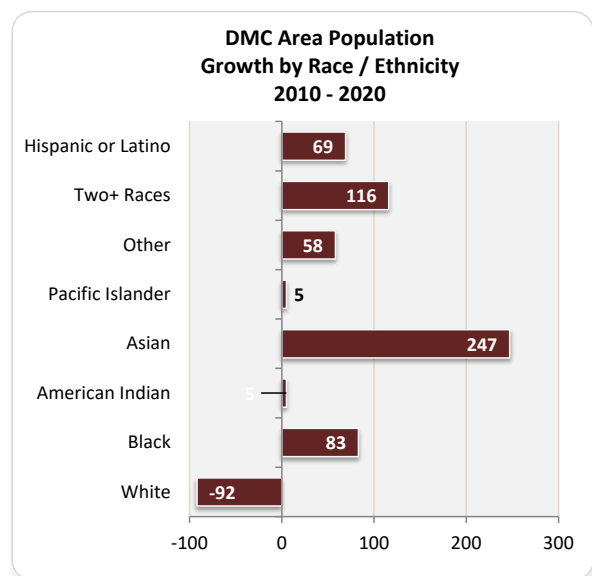
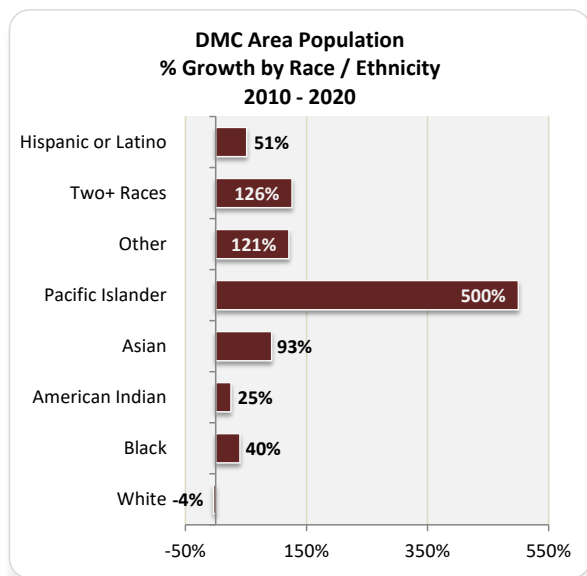


DEMOGRAPHIC ANALYSIS

- The Olmsted County Market Area is on par with Minnesota with population diversity, where 77.5% of Minnesota residents report their race as “White Alone” in 2020. The Olmsted County Market Area had 78.4% of the population reported as “White Alone.”
- The Ethnicity of the Olmsted County Market Area is 6% “Hispanic or Latino.” The Rochester Submarket has the highest proportion of “Hispanic or Latino” population at 7%.

DMC Area

- “White Alone” residents in the DMC Area accounted for in 2020 (67%), which declined about 12% from 2010.
- The largest numerical growth was the “Asian” population followed by “Two or More Races.” “White Alone” was the only race group to experience a decline losing 92 people (-4%). The charts below show the growth rate and population by race group for the DMC Area.



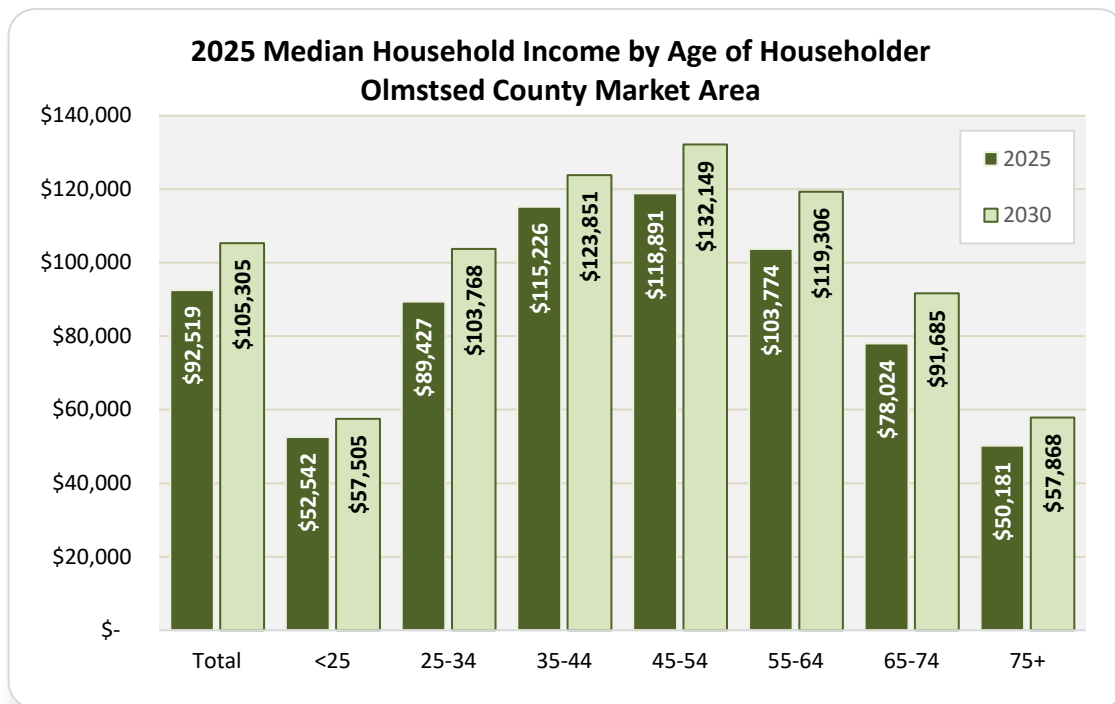
Household Income by Age of Householder

The estimated distribution of household incomes in the Olmsted County Market Area and each submarket for 2025 and 2030 are shown in Tables D-4 through D-12 (found in the appendix). The data was estimated and projected by Maxfield Research and Consulting based on income trends provided by ESRI Inc. The data helps ascertain the demand for different housing products based on the size of the market at specific cost levels.

The Department of Housing and Urban Development defines affordable housing costs as 30% of a household’s adjusted gross income. For example, a household with an income of \$50,000 per year would be able to afford a monthly housing cost of about \$1,250. Maxfield Research and Consulting utilizes a figure of 25% to 30% for younger households and 40% or more for seniors, since seniors generally have lower living expenses and can often sell their homes and use the proceeds toward rent payments.

A generally accepted standard for affordable owner-occupied housing is that a typical household can afford to pay 3.0 to 3.5 times their annual income on a single-family home. Thus, a \$50,000 income would translate to an affordable single-family home of \$150,000 to \$175,000. The higher end of this range assumes that the person has adequate funds for down payment and closing costs, but also does not include savings or equity in an existing home. The following are key points for Olmsted County for 2025 and 2030.

- In 2025, the median income in the Olmsted County Market Area was \$92,519 across all ages. The median income is forecast to rise by 14% to \$105,305 in 2030.



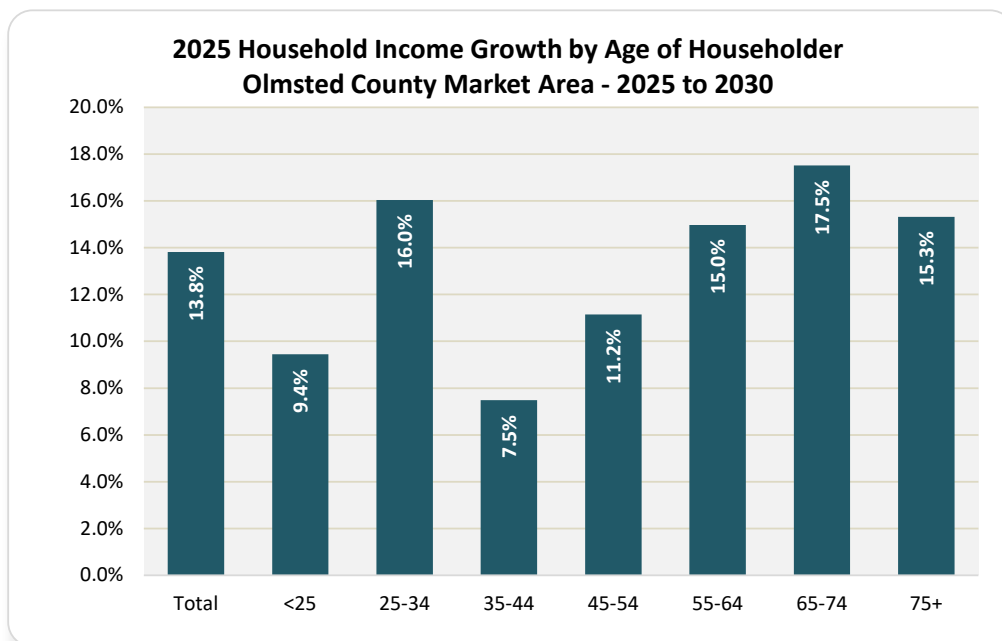
DEMOGRAPHIC ANALYSIS

- The highest median income was among those ages 45 to 54 at an estimated \$118,891 in 2025. In 2030, this age cohort is projected to remain the highest earners with a median income of \$132,149, an 11% increase.
- While all age groups are projected to experience strong growth in household income, the highest growth rates area projected to occur among households aged 55 and older. Between 2025 and 2030, the median income of householders in the following age cohorts is forecast to grow significantly.

Median Income Growth

55 to 64	15%
65 to 74	17.5%
75 and older	15%

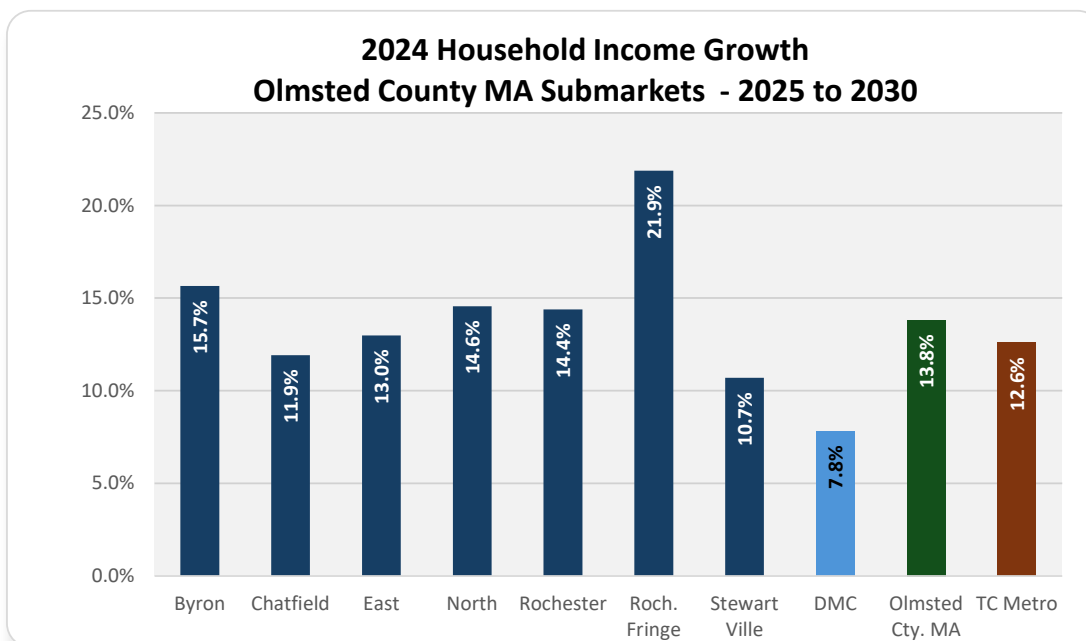
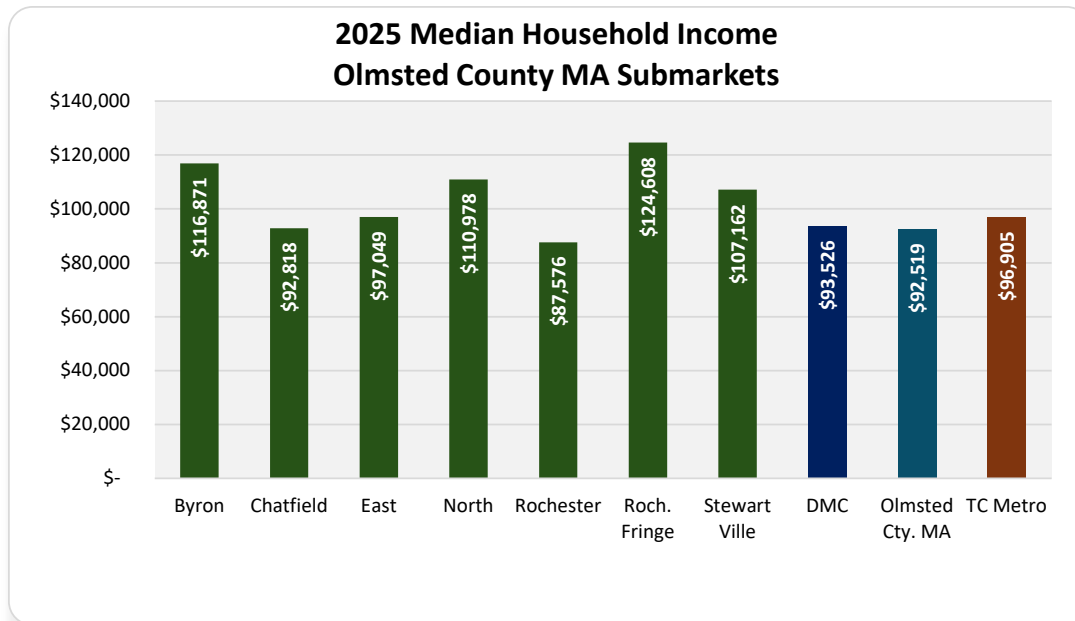
- Younger adult households ages 25 to 34 are projected to see the strong growth as well in median household incomes with a rate of 16%.



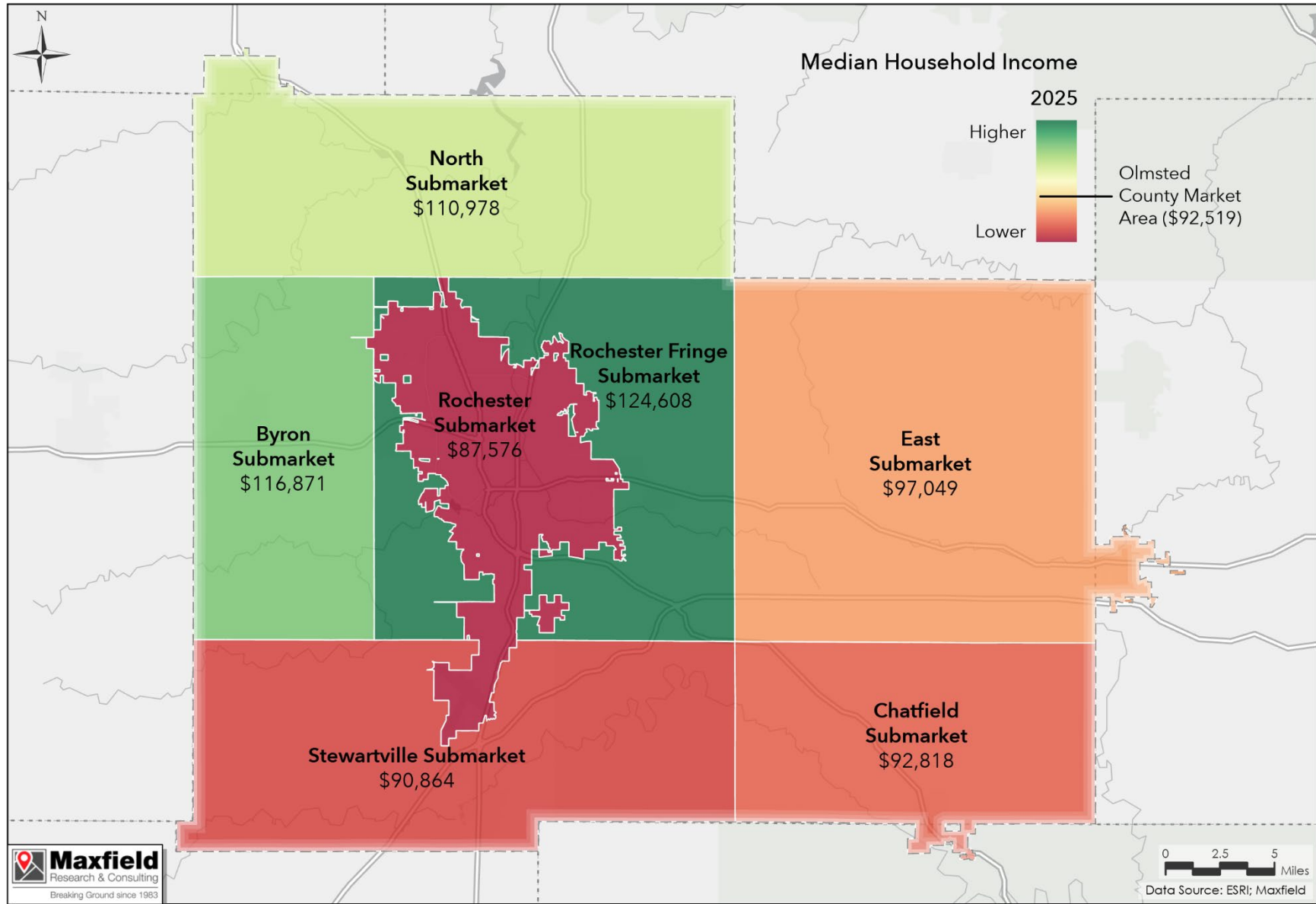
- The median household incomes by submarket varied greatly ranging from \$87,576 in the Rochester submarket to \$124,608 in the Rochester Fringe submarket. Other than the Rochester submarket, all other submarkets have median household incomes higher the Olmsted County Market Area.
- Compared to the Twin Cities Metro Area, the submarkets of Rochester and Chatfield had slightly lower median household incomes. The East submarket was on par with the Twin Cities Metro Area while the other submarkets were significantly higher.

DEMOGRAPHIC ANALYSIS

- Overall, the Olmsted County Market Area had a lower median household income (5%) than the Twin Cities Metro Area (\$92,519 vs, \$96,908).
- The older age cohorts are forecast to experience the greatest income growth in the County with those 65 to 74 and 75 and older with income growth of 17.5 and 15%, respectively.



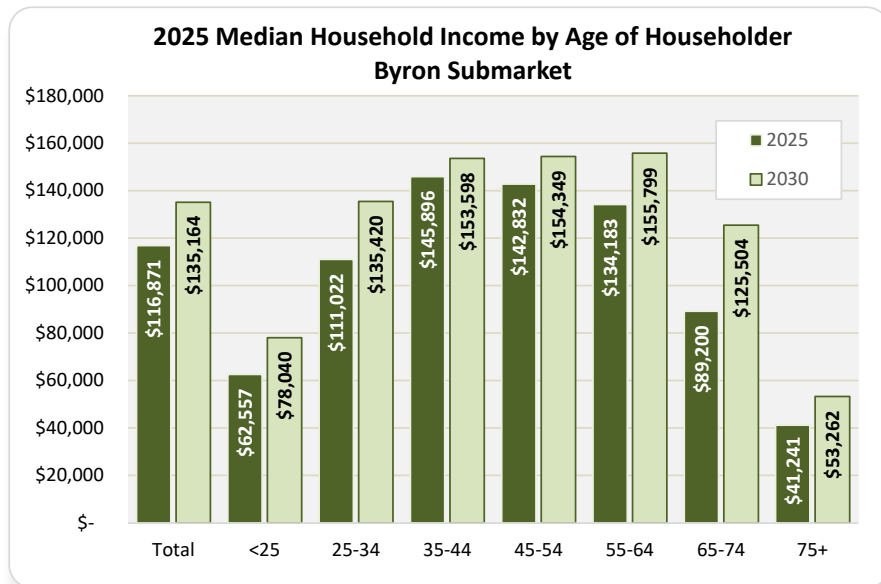
Olmsted County Market Area – Median Household Income (2025) by Submarket



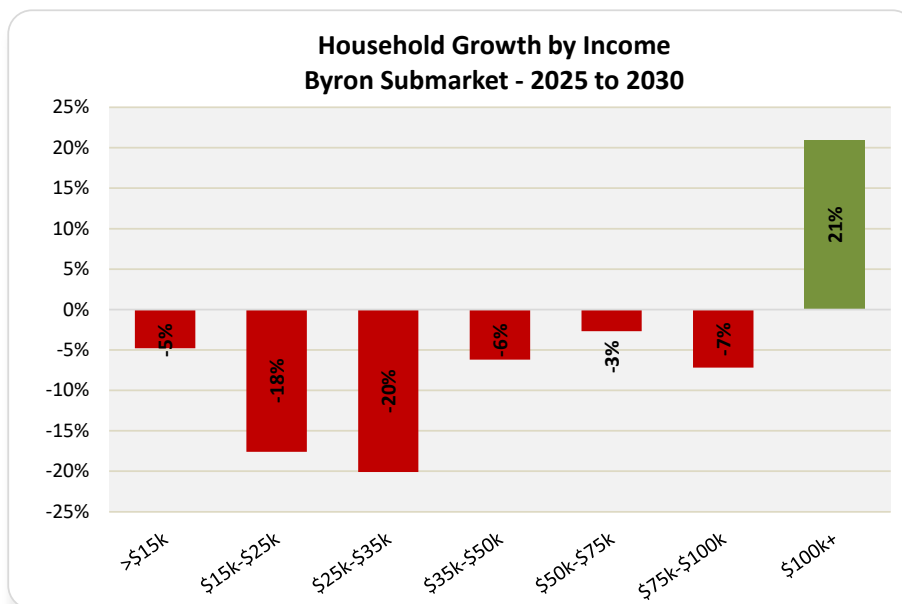
DEMOGRAPHIC ANALYSIS

The following charts displays the median income among age cohorts and household growth by income for the Byron Submarket.

- The median income in the Byron Submarket is estimated to be \$116,871 in 2025 and projected to increase to \$135,164 (16% growth) in 2030. The highest earners peak at the 35 to 44 age group with a median income of \$145,896 in 2025.



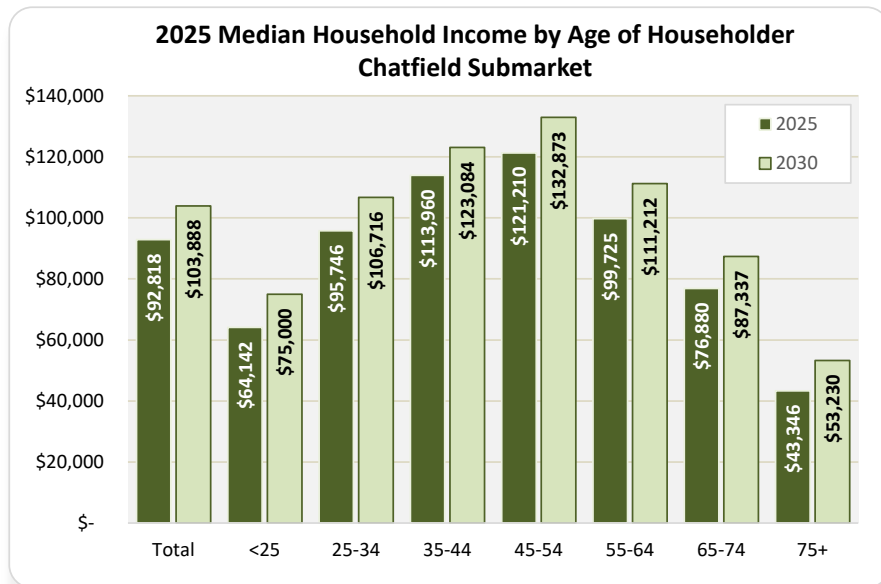
- Between 2025 and 2030, household growth in the \$100,000 and over income category is projected to grow while all the other income groups are projected to decline. Householders with incomes over \$100,000 are projected to increase by 21%.



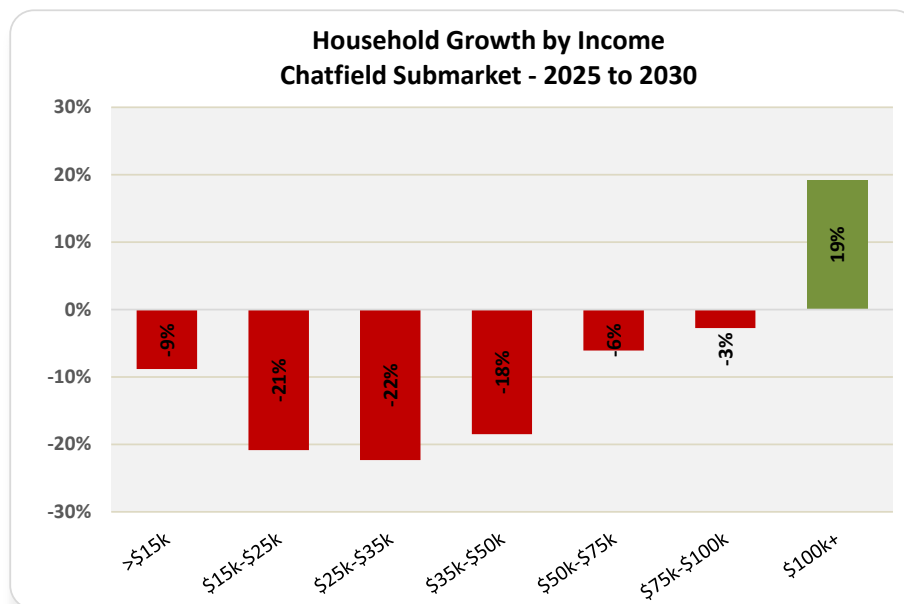
DEMOGRAPHIC ANALYSIS

The following charts displays the median income among age cohorts and household growth by income for the Chatfield Submarket.

- The median income in the Chatfield Submarket is estimated to be \$92,818 in 2025 and projected to increase to \$103,888 (12% growth) in 2030. The highest earners peak at the 45 to 54 age group with a median income of \$121,210 in 2025.



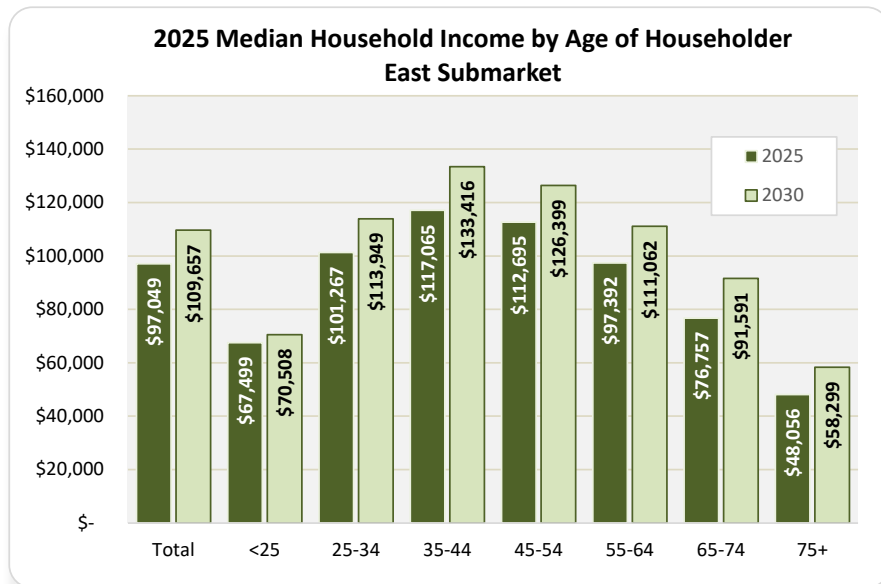
- Between 2025 and 2030, household growth in the \$100,000 and over income category is projected to grow while all the other income groups are projected to decline. Householders with incomes over \$100,000 are projected to increase by 19%.



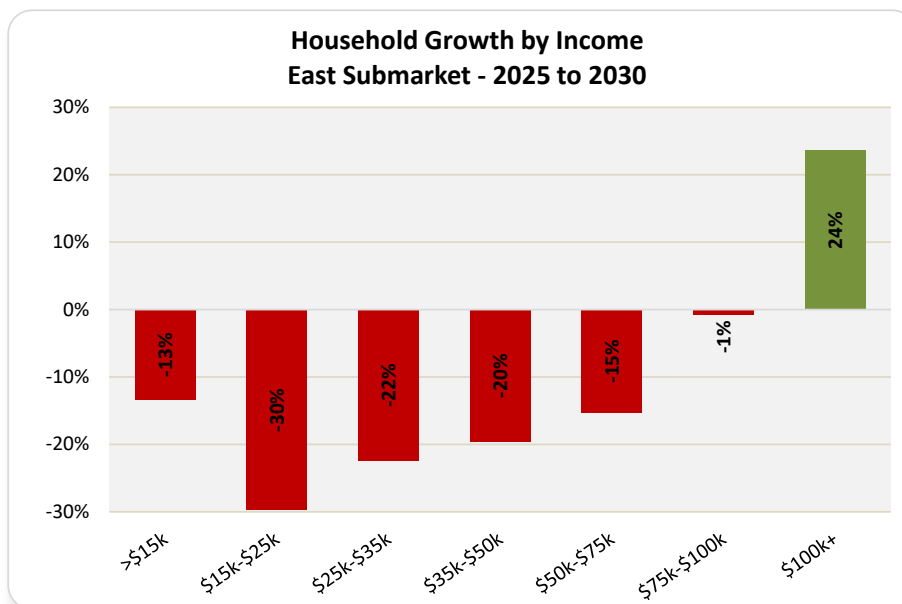
DEMOGRAPHIC ANALYSIS

The following charts displays the median income among age cohorts and household growth by income for the East Submarket.

- The median income in the East Submarket is estimated to be \$97,049 in 2025 and projected to increase to \$109,657 (13% growth) in 2030. The highest earners peak at the 35 to 44 age group with a median income of \$121,210 in 2025.



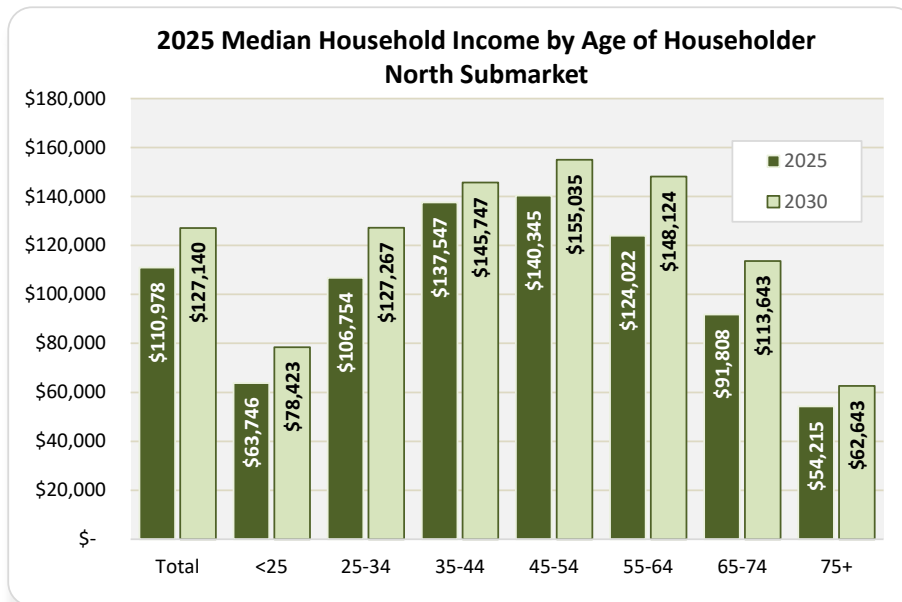
- The \$100,000 and over (25%) income category are projected to experience household growth from 2025 to 2030. All other income categories are projected to decline or remain stable.



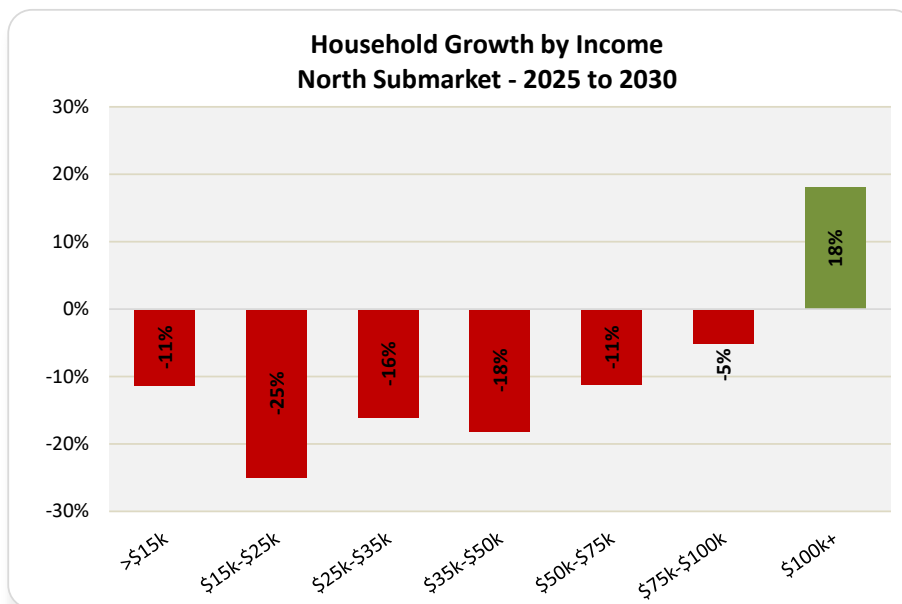
DEMOGRAPHIC ANALYSIS

The following charts displays the median income among age cohorts and household growth by income for the North Submarket.

- The median income in the North Submarket is estimated to be \$110,978 in 2025 and projected to increase to \$127,140 (15% growth) in 2030. The highest earners peak at the 45 to 54 age group with a median income of \$140,345 in 2025.



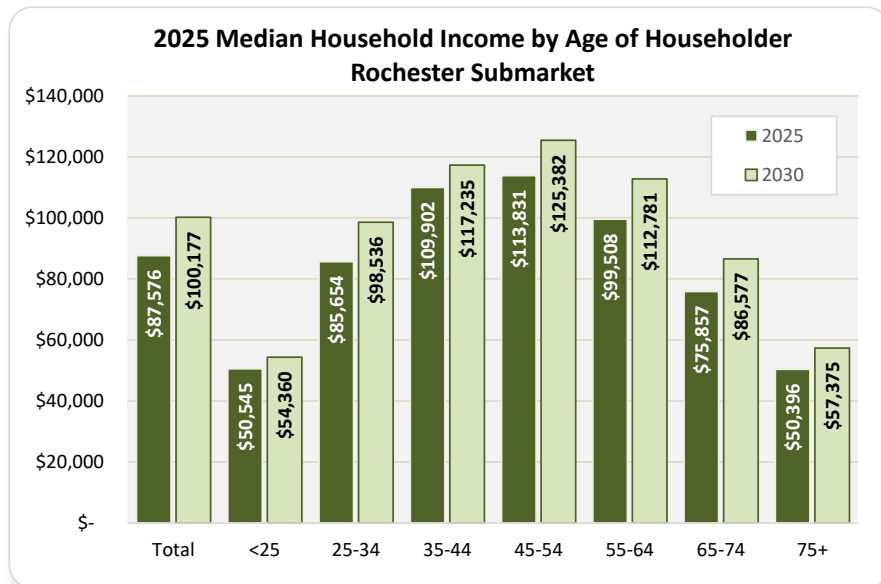
- The \$100,000 and over (18%) income category are projected to grow in households from 2025 to 2030. All other income categories are projected to decline.



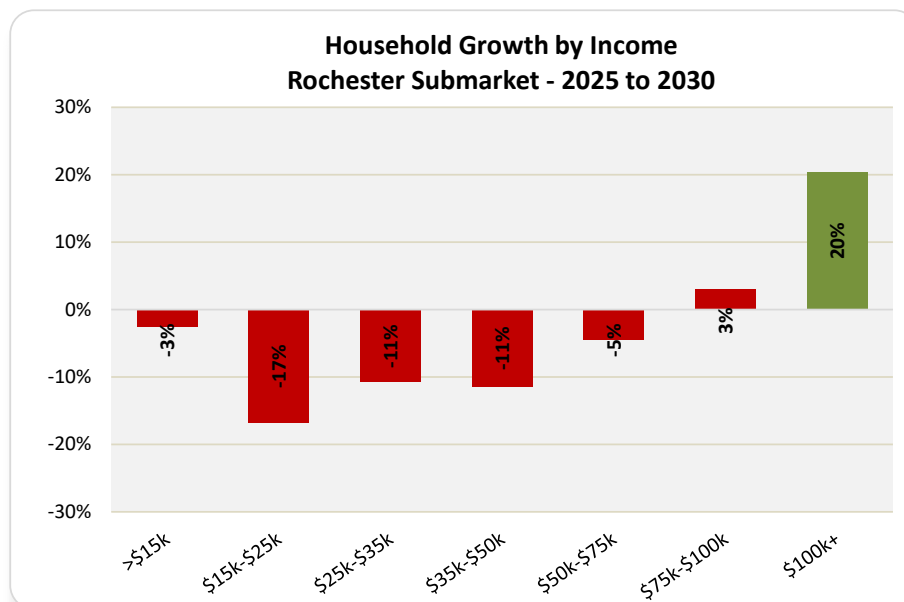
DEMOGRAPHIC ANALYSIS

The following charts displays the median income among age cohorts and household growth by income for the Rochester Submarket.

- The median income in the Rochester Submarket is estimated to be \$87,576 in 2025 and projected to increase to \$100,177 (14% growth) in 2030. The highest earners peak at the 45 to 54 age group with a median income of \$113,831 in 2025.



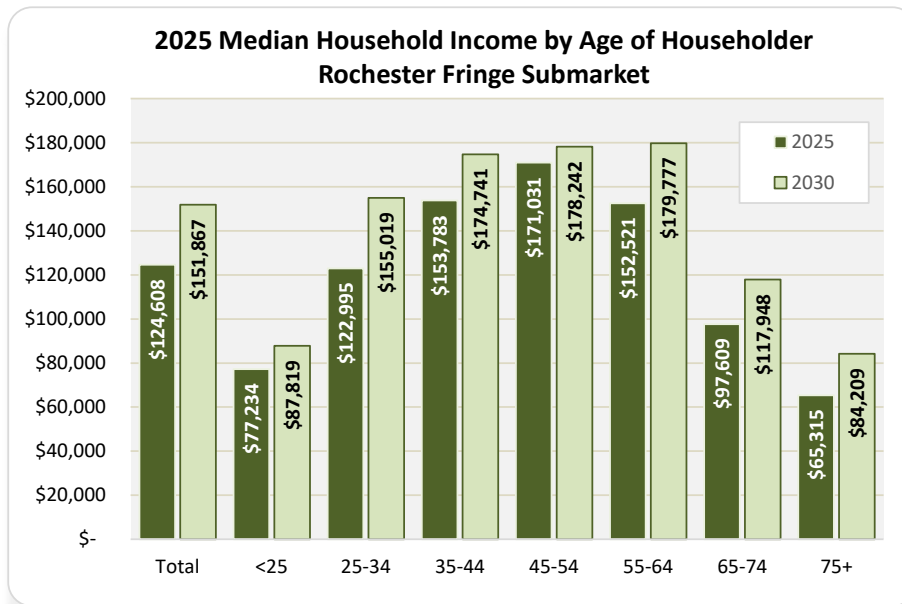
- Between 2025 and 2030, household growth in the \$100,000 and over income category is projected to grow while all the other income groups are projected to decline. Householders with incomes over \$100,000 are projected to increase by 20%.



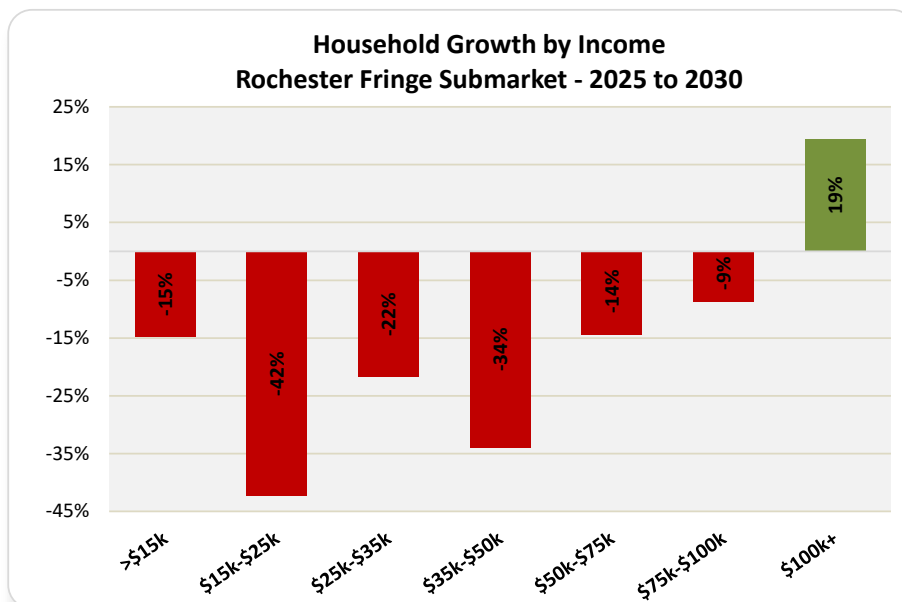
DEMOGRAPHIC ANALYSIS

The following charts displays the median income among age cohorts and household growth by income for the Rochester Fringe Submarket.

- The median income in the Rochester Fringe Submarket is estimated to be \$124,608 in 2025 and projected to increase to \$151,867 (22% growth) in 2030. The highest earners peak at the 45 to 54 age group with a median income of \$171,031 in 2025.



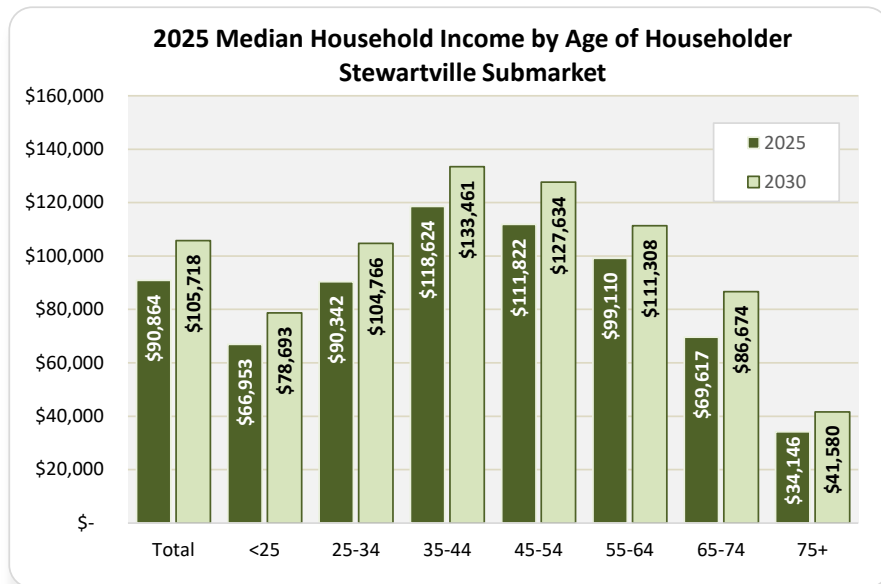
- The \$100,000 and over (19%) income category are projected to grow in households from 2025 to 2030. All other income categories are projected to decline.



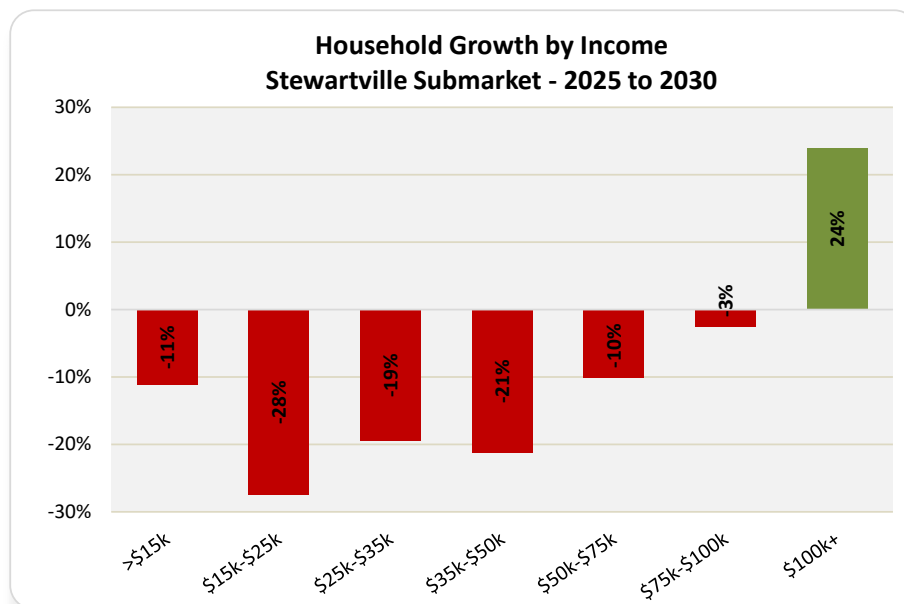
DEMOGRAPHIC ANALYSIS

The following charts displays the median income among age cohorts and household growth by income for the Stewartville Submarket.

- The median income in the Stewartville Submarket is estimated to be \$90,864 in 2025 and projected to increase to \$105,718 (16% growth) in 2030. The highest earners peak at the 45 to 54 age group with a median income of \$111,822 in 2025.



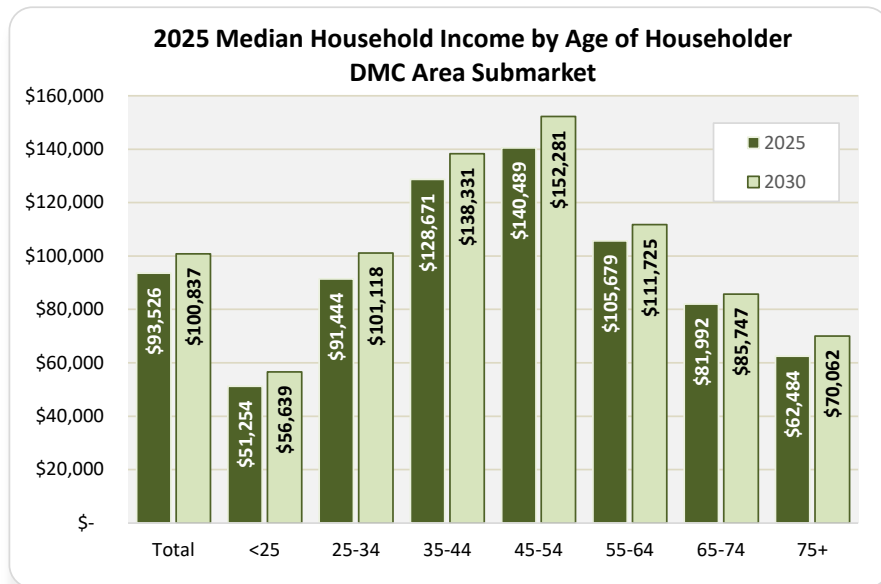
- Between 2025 and 2030, household growth in the \$100,000 and over income category is projected to grow while all the other income groups are projected to decline. Householders with incomes over \$100,000 are projected to increase by 25%.



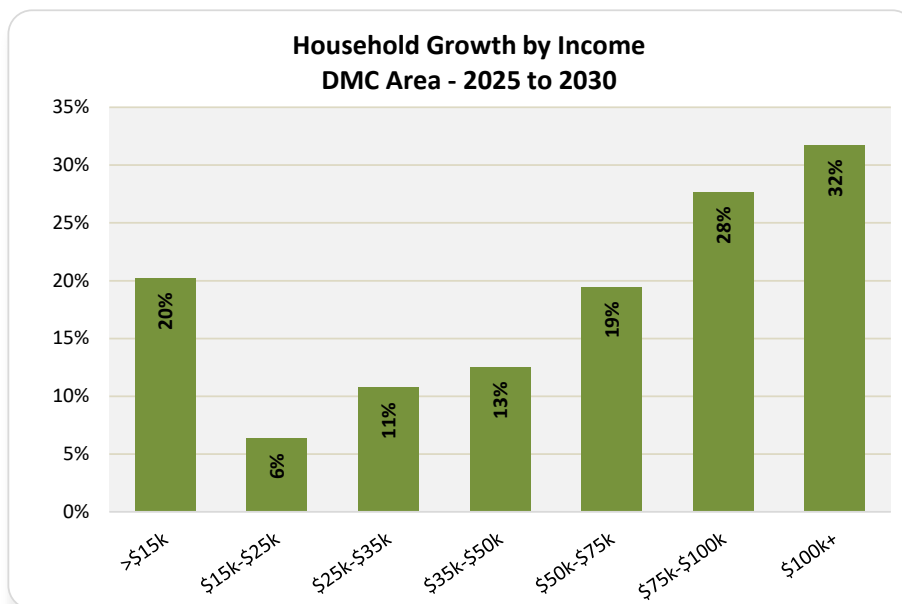
DEMOGRAPHIC ANALYSIS

The following charts displays the median income among age cohorts and household growth by income for the DMC Area.

- The median income in the DMC Area is estimated to be \$93,526 in 2025 and projected to increase to \$100,837 (19% growth) in 2030. The highest earners peak at the 45 to 54 age group with a median income of \$140,489 in 2025.



- Household growth is projected to grow in all DMC income categories by 2030. Households with incomes over \$100,000 are projected to increase the highest by 32% followed by the \$75K-\$100K cohort (28%). Those households under \$15,000 is also project to grow by 20%.

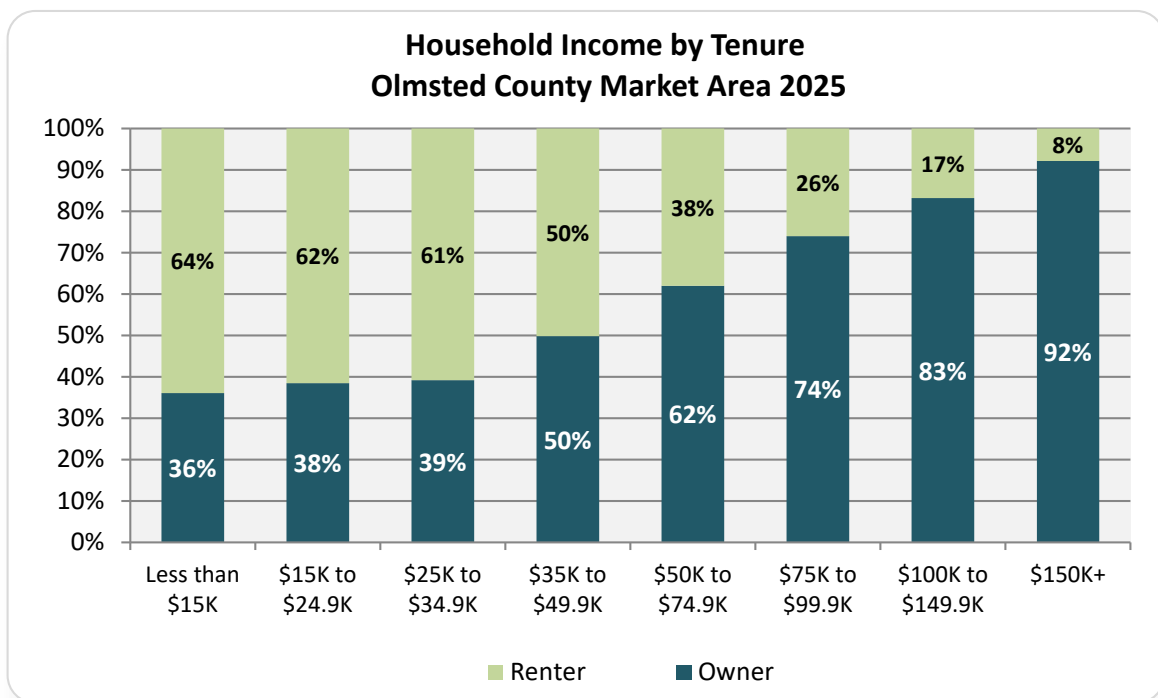


Tenure by Household Income

Table D-13 shows household tenure by income for Olmsted County Market Area in 2025. Data is an estimate from the American Community Survey 5-Year Survey 2023 and adjusted by Maxfield Research to the current year. It is important to note that this is an estimate from the census and may not correlate or match with other data in the report. It is the only data available for these figures. In addition, the American Community survey does not provide data down to the block level and thus we cannot show figures for the DMC Area.

Household tenure information is important to assess the propensity for owner-occupied or renter-occupied housing options based on household affordability. As stated earlier, the Department of Housing and Urban Development determines affordable housing as not exceeding 30% of the household’s income. It is important to note that the higher the income, the lower percentage a household typically allocates to housing. Many lower income households, as well as many young and senior households, spend more than 30% of their income, while middle-aged households in their prime earning years typically allocate 20% to 25% of their income.

- Typically, as income increases, so does the rate of homeownership. This can be seen in the Olmsted County Market Area, where the homeownership rate steadily increases from an estimated 36% of households with incomes below \$15,000 to 92% of households with incomes above \$150,000.

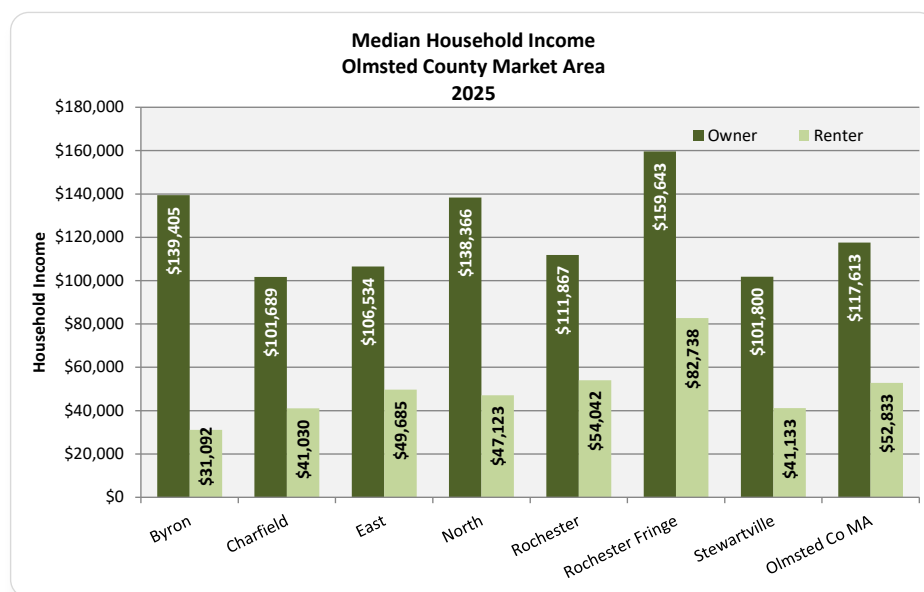


DEMOGRAPHIC ANALYSIS

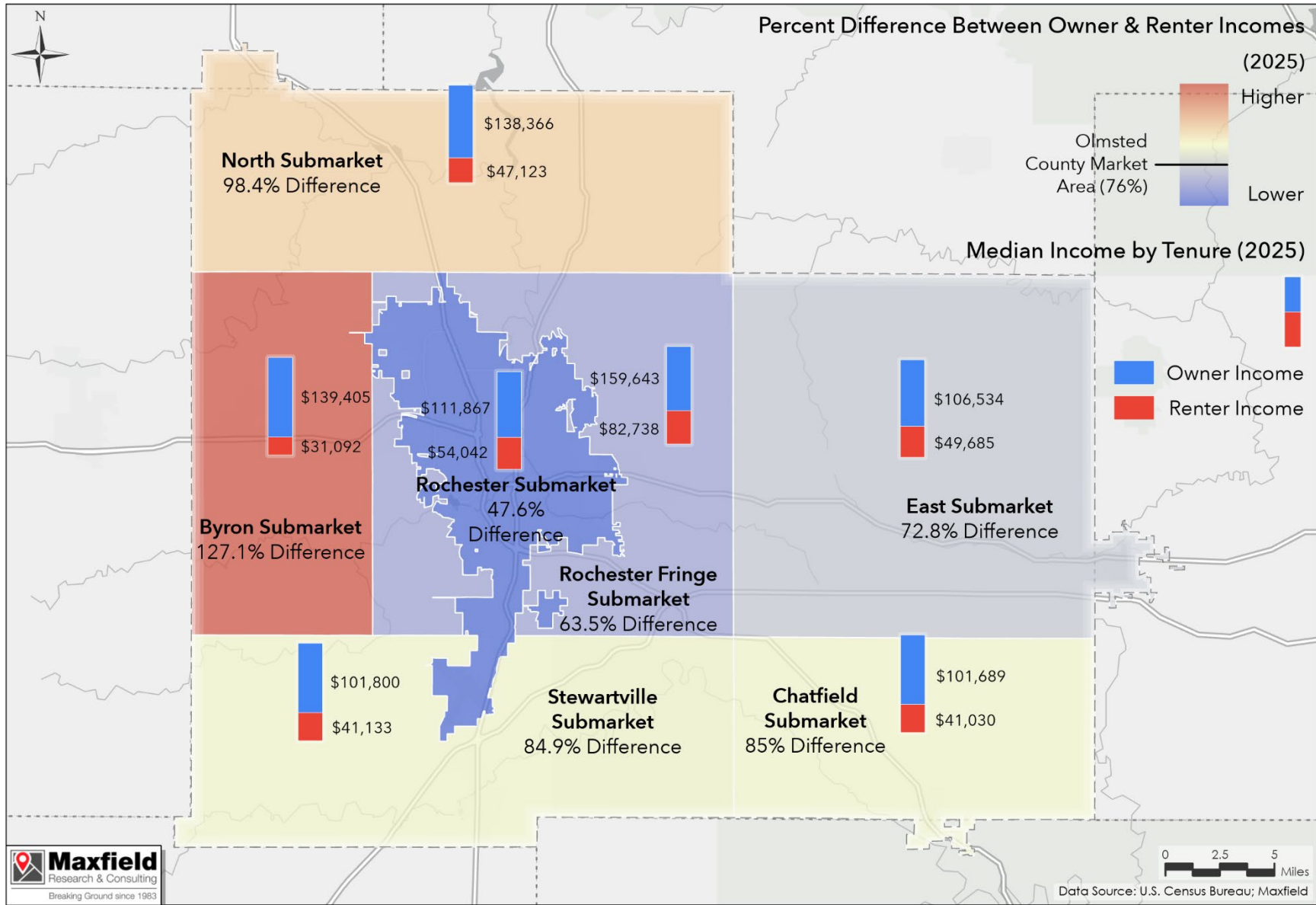
- A portion of renter households that are referred to as lifestyle renters, or those who are financially able to own but choose to rent, have household incomes above \$50,000 (about 51% of Olmsted County Market Area’s renters estimated in 2025). Households with incomes below \$15,000 are typically a market for deep subsidy rental housing (about 11% of Olmsted County Market Area’s renters in 2025).
- The following figures represent the estimated ratio in each lower household income range by submarket:

	(Deep Subsidy) <u><\$15,000</u>		Shallow-Subsidy <u>\$15,000-\$49,999</u>
Rochester Fringe	20.2%	Chatfield	67.9%
Byron	17.8%	Stewartville	56.9%
Chatfield	12.7%	North	51.0%
East	12.4%	Byron	46.3%
Rochester	10.8%	Rochester	36.0%
Stewartville	9.8%	East	36.0%
North	6.5%	Rochester Fringe	14.7%

- Please note that Rochester is estimated to account for 87% of the rental housing in the Olmsted County Market Area in 2025. Each other submarket accounts for roughly 1% to 3% of the rental households.
- As shown by the following chart, all submarkets have estimated owner median household incomes \$100,000. Renter median household incomes are significantly lower with most submarket near or below the \$50,000 with the exception of the Rochester Fringe at an estimated \$82,738.



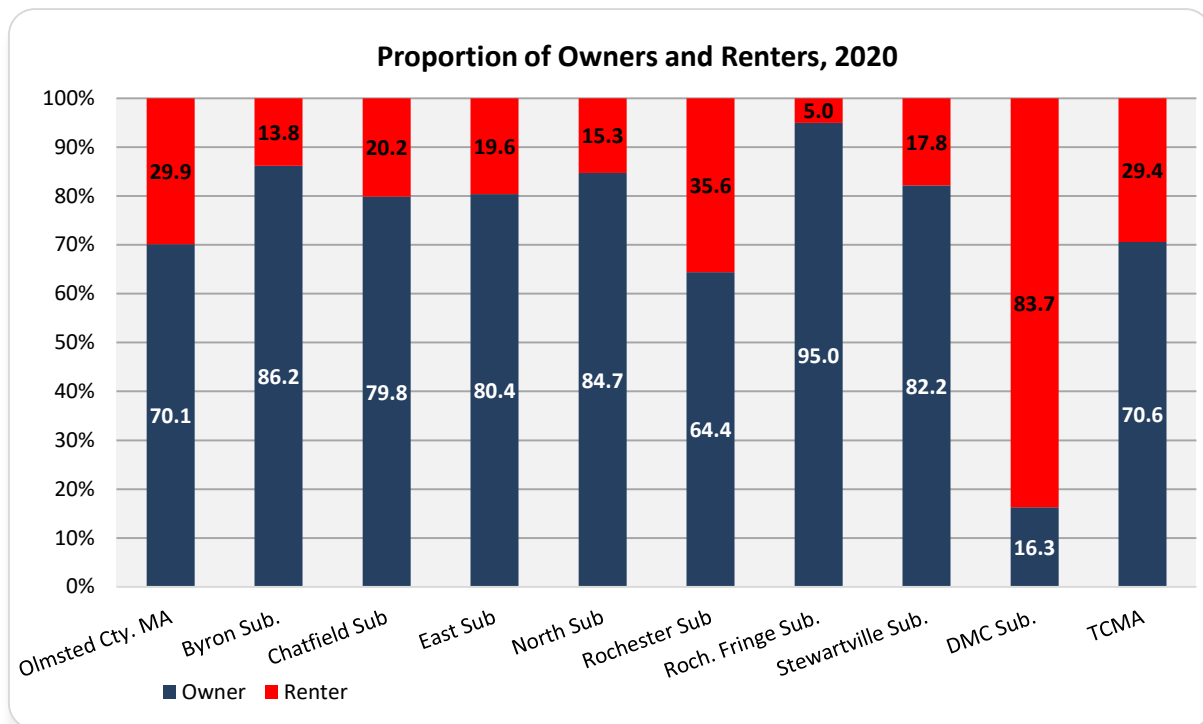
Olmsted County Market Area – Median Income Differential (2025) & Household Income by Tenure (2025) by Submarket

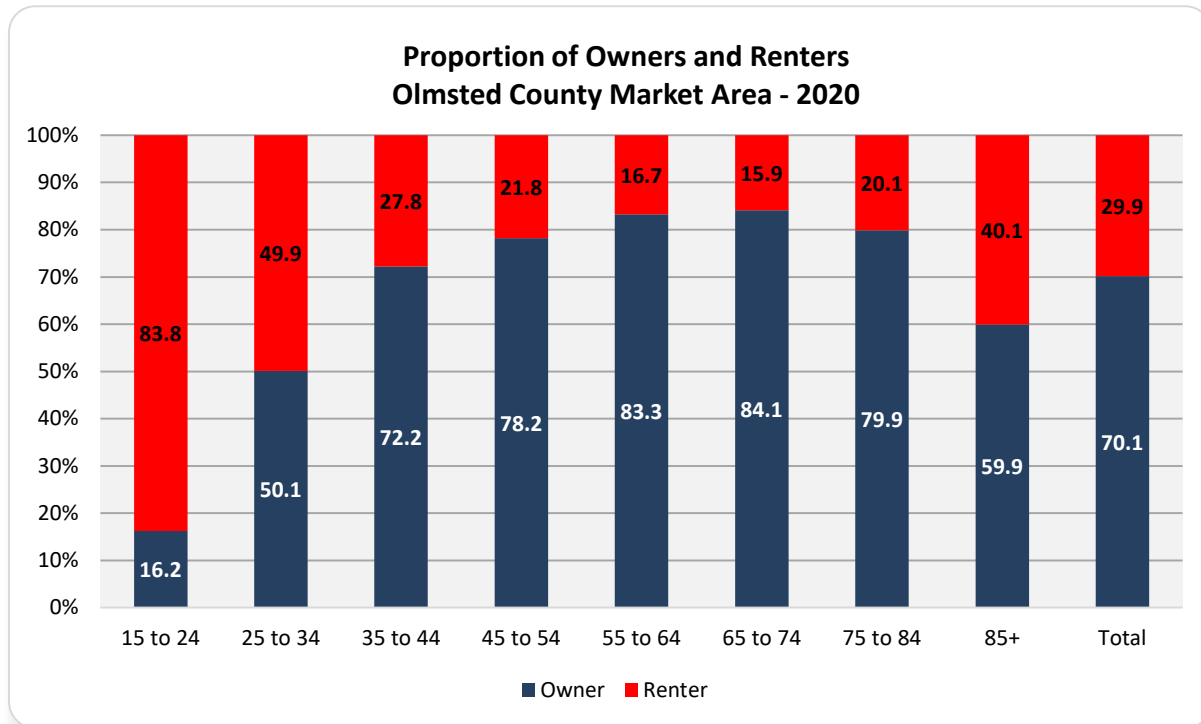


Tenure by Age of Householder

Table D-14 (in the appendix) shows 2010 and 2020 tenure data for each of the submarkets in the Olmsted County Market Area by age cohort from the U.S. Census Bureau. This data is useful in determining demand for certain types of housing since housing preferences change throughout an individual’s life cycle.

- In 2020, 69% of the Olmsted County Market Area households were owner households. This number decreased significantly from 74% in 2010. The proportion of owner households in the Olmsted County Market Area is just slightly higher than the State’s proportion of owner households (70.6%) in 2020.
- Most submarkets have homeownership rates from 80% to 86% in 2020. The outliers were the Rochester Submarket at 64% with its significantly higher number of rental units and the Rochester Fringe Submarket with a 95% homeownership rate
- Owner households experienced growth in the Olmsted County Market Area in most age groups. Household age 55 and older experienced the largest rise (5,283 households, 31%) with the largest increase occurring in the 65 to 74 age cohort (44%, 2,182 households).
- In comparison, older renter households gained 1,519 households (40%) from 2010 to 2020 with a homeowner rate of 86%. This indicates that older households are willing to move into of age-restricted housing when available.



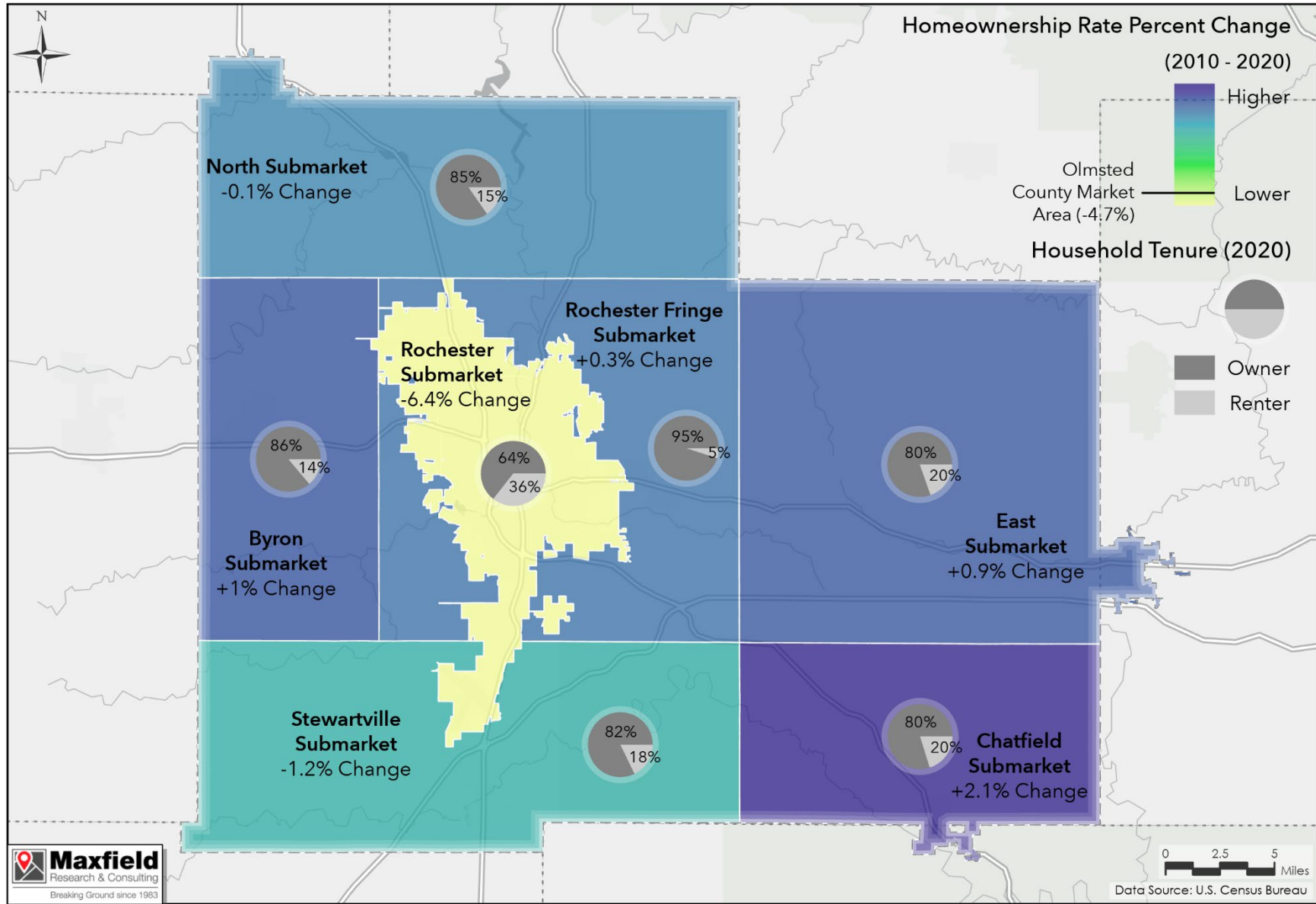


- Owner households in the Olmsted County Market Area reach a peak of 84% in the 65 to 74 age cohort. Over age 75, renter households climb to 20% (75 to 84) and 41% (85+), likely as households begin to move out of their single-family homes and desire to relinquish the maintenance responsibilities associated with ownership and or need personal care assistance.
- Younger households are typically majority renters due to lower incomes starting out in the workforce. Households 15 to 24 in the Olmsted County Market Area have a renter ratio of 84.5% and those ages 25 to 34 have 50.5% renters. This is a significant rise from 2010 with growth of 9% and 12%, respectively.
- Within the Rochester Submarket which has the highest number of renter households, renter households grew 41.5% over the decade compared to only 5.5% growth in owner households. The homeownership rate fell from 71% to 64% due to the development of a large number of rental properties within the city.

DMC Area

- In 2020, renters accounted for 84% of the households in the DMC. Over the decade, renter households grew by 27% compared to just 11% of owner households.
- All age groups in the DMC have a very high number of renters. Renter households by age range from 74% in ages 65 to 74 to 97% in ages 15 to 24.

Olmsted County Market Area – H.O. Rate Change (2010 – 2020) & Household Tenure (2020) by Submarket



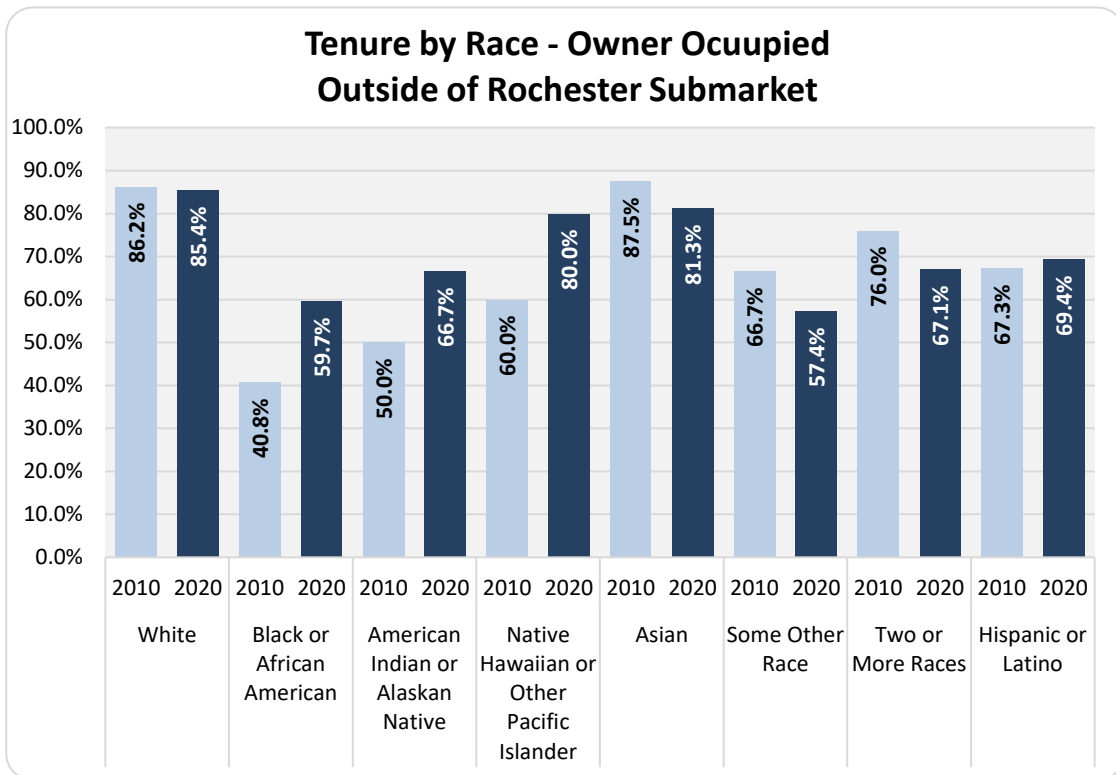
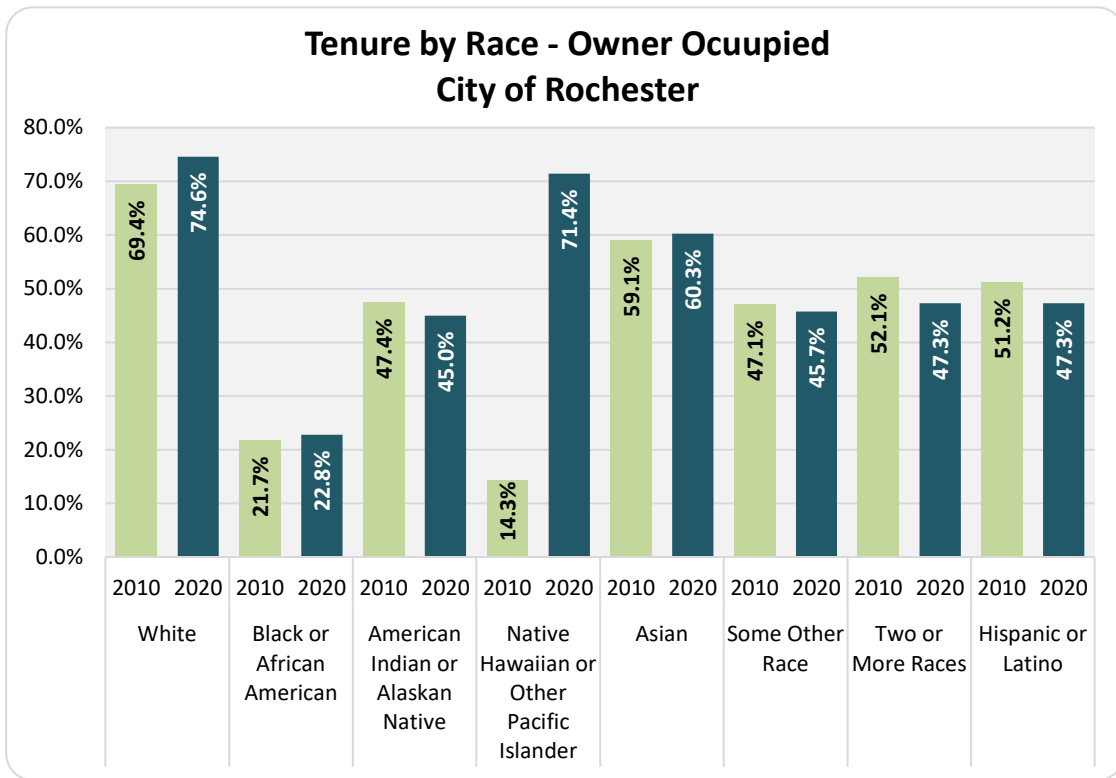
Tenure by Race

Table D-15 (in the appendix) 2018 tenure by race data for each of the major cities within the Olmsted County Market Area from the U.S. Census Bureau. The following are key findings from the table.

- In the City of Rochester, “White” owner-occupied households grew from 69.4% in 2010 to 74.6% in 2020, an increase of 5.2%. In the submarkets outside of Rochester, “White” owner-occupied households decreased by nearly 1% from 86.2% in 2010 to 85.4% in 2020, a decline of 0.8%.
- “Black or African American” has the lowest percentage of owner-occupied households in the City of Rochester (23%) in 2020 by a significant margin (23%) than the next highest lowest owner group “Some Other Race at 46%. Outside of the City of Rochester, owner households for “Black or African American” grows to 60%. There are considerably less marginalized households however, as “White” households account for 98% in the submarket outside of Rochester compared to 12% in the City of Rochester.
- While “White” owner householders grew by just over 5% through the last decade in Rochester, “Black or African American” and “Asian Alone” only grew by 1.1% and 1.2%, respectively from 2010 to 2020. All other groups declined from 1.3% (“Some other Race”) to 4.7% (“Two or More Race”). “Native Hawaiian or Other Pacific Islander” experienced significant owner household growth but only accounts for less than 0.1% of the households.
- Marginalized owner households experienced stronger growth outside of the Rochester Submarket with “Black or African American” owner households growing by 19% and “American Indian or Alaska Native” owner households by 17%. “White” owner households fell slightly by nearly 1%.

A recent Demographic Trends in Minnesota Homeownership report released in March 2025 by the Minnesota State Demographer Center indicates that the overall homeownership rate in Minnesota has remained relatively stable at 72% since the 1970s. The rates, however, have not remained stable across the demographics groups with the changes as follows.

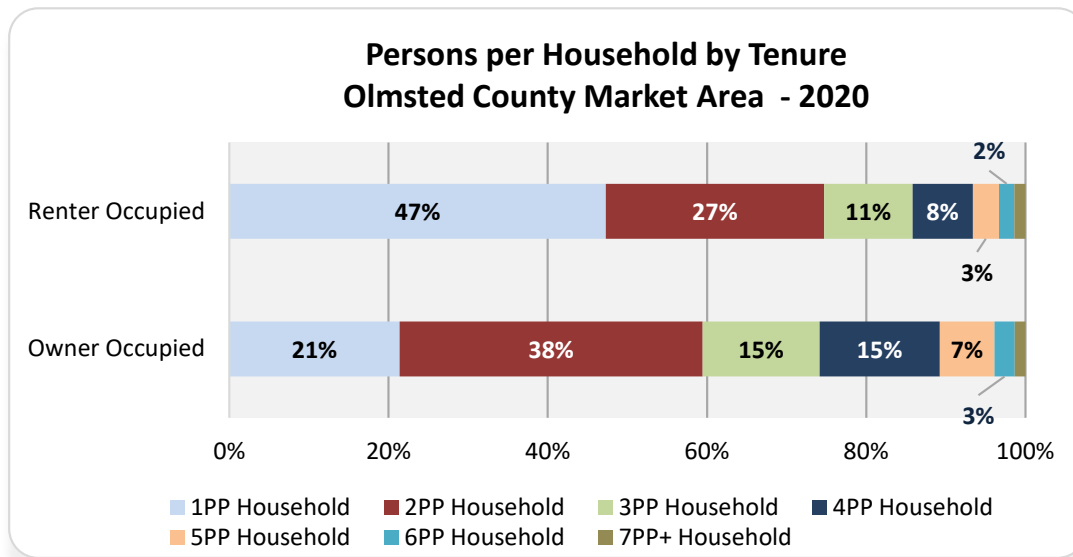
<u>Demographic Group</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2008-12</u>	<u>2018-22</u>
American Indian & Alaska Native	43%	46%	51%	47%	50%
Asian & Pacific Islander	44%	40%	53%	60%	64%
Black of African American	38%	30%	33%	27%	36%
Hispanic	50%	49%	45%	50%	53%
White	72%	74%	74%	78%	77%



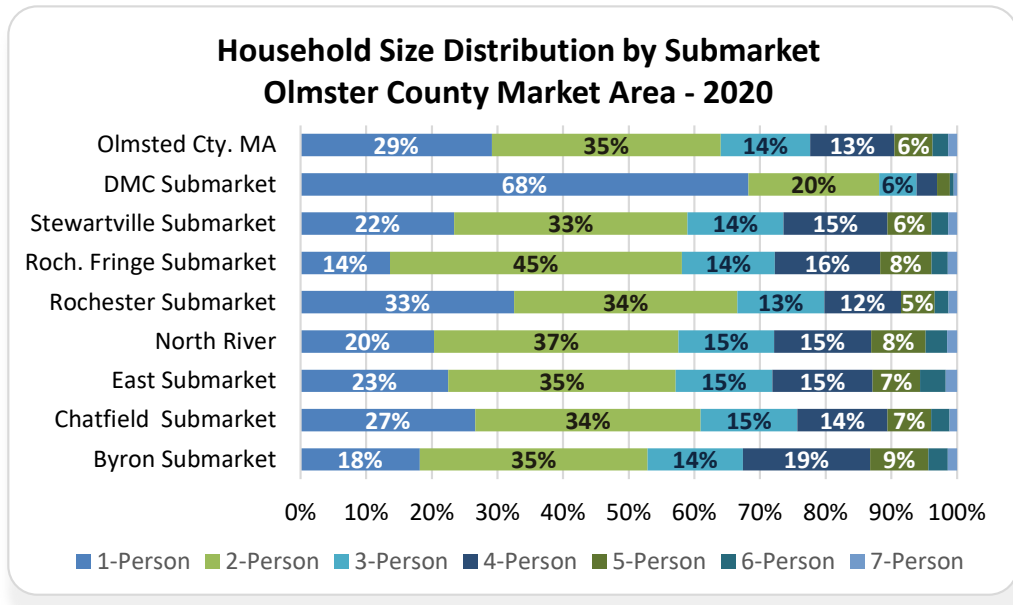
Tenure by Household Size

Table D-16 (in the appendix) shows the distribution of households by size and tenure in Olmsted County in 2010 and 2020. This data is useful in that it sheds insight into unit type that may be most needed in the Olmsted County Market Area.

- Household size for renters tends to be smaller than for owners. This trend is a result of the typical market segments for rental housing, including households that are younger and are less likely to be married with children, as well as older adults and seniors who choose to downsize from their single-family homes. In 2020, 47% of renter households in the Olmsted County Market Area were one-person households.
- Most of the owner households in the Olmsted County Market Area in 2020 are two-person households at 38%. Three- and four-person owner households also account for a combined 30%.



- Two-person households in the Olmsted County Market Area account for the largest proportion of households at 35% followed by one-person households (29%) in 2020.
- The Rochester Submarket has the highest proportion of one person households (33%) compared to other Olmsted County Market Area submarkets. The Chatfield Submarket has the second highest proportion at 27%. This potentially reflects a larger inventory of rental housing along with higher preference for renting.
- The ratio of renter households consisting of one-person households is led by the Chatfield Submarket at 55%. Overall, the submarkets fall between 32% (Rochester Fringe) and 55% (Chatfield).



DMC AREA

- Within the DMC area, all one-person households account for 68% occupied units. One-person renter households in the DMC have a proportion of 74%.
- Nearly all of DMC households are with one- or two-person households.

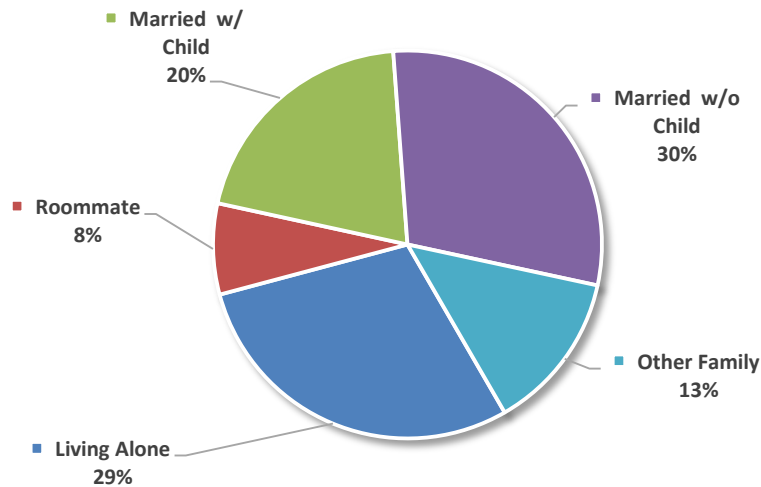
	<u>Owner HHS</u>	<u>Renter HHs</u>
One-Person	38%	74%
Two-Person	37%	16%
	75%	80%

Household Type

Table D-17 (in the appendix) shows a breakdown of the type of households present in Olmsted County in 2010 and 2020. The data is useful in assessing housing demand since the household composition often dictates the types of housing needed and preferred.

- Married couples without children represent the largest household type in Olmsted County in 2020. These households accounted for 29.6% of all households, a slight decrease from 30.2% from 2010. The proportion of married couples without children in the Olmsted County Market Area is higher than the Twin Cities Metro Area (27.7%).

Olmsted County Market Area Household Type: 2020



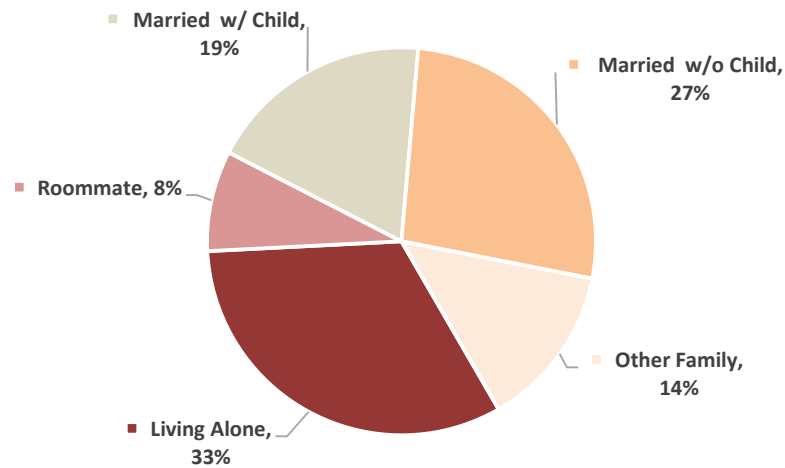
- The increase in households without children reflects the changing demographics of the county and the country in general as baby boomers age and more households become empty nest households. Additional factors contributing to this trend include couples delaying or forgoing, having children.
- Households without children is the largest household type in all of the submarkets except the Rochester Submarket where Living Alone is the largest household type.
- As the population ages, Married without children households is growing and will continue to be the largest household group in the Market Area and all but the Rochester Submarket.
- All household types but the Married with Children category grew over the decade. Growth rates by Submarket by household type from 2010 to 2020 is as follows:

<u>Submarket</u>	<u>Married W/Children</u>	<u>Married w/o Children</u>	<u>Other Family</u>	<u>Living Alone</u>	<u>Roommates</u>
Byron	20%	11%	27%	16%	28%
Chatfield	-6.5%	10%	5%	16%	48%
East	-5%	7.5%	14%	3%	40%
North	10%	13%	19%	10%	23%
Rochester	0%	12%	21%	25.5%	29%
Rochester Fringe	-6%	12.5%	21%	8%	4%
Stewartville	-4%	7%	25%	7%	21%
DMC Area	32%	20%	68%	21%	23%

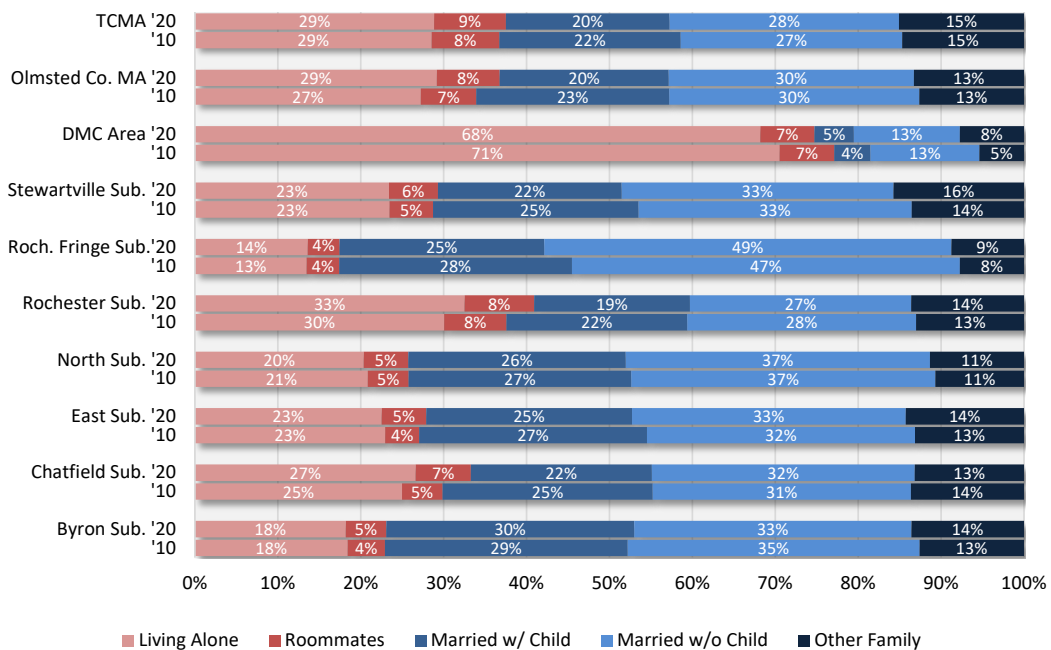
DEMOGRAPHIC ANALYSIS

- Householders Living Alone remain the second largest household type in the Olmsted County Market Area, representing 29.2% of households nearly surpassing Married without Children at 29.6%.
- The Byron and North submarkets reported a growth in the proportion of married couples with children between 2010 and 2020 compared to the stagnant or declining growth in the other submarkets. These growth rates are shown on the previous page.

Rochester Submarket Household Type: 2020



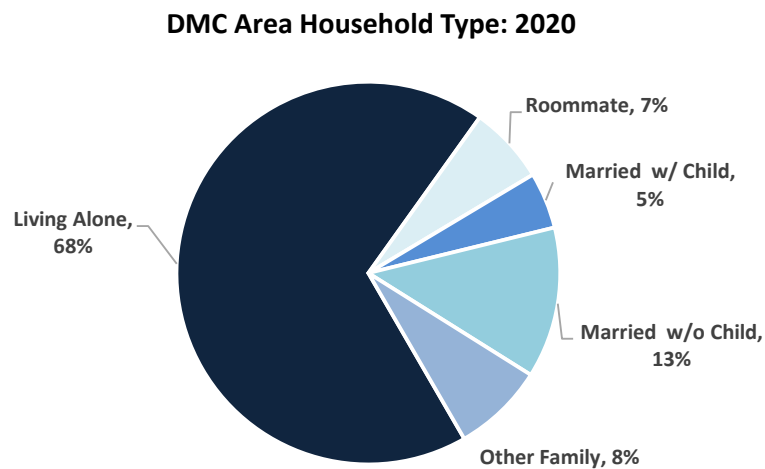
**Household Type Comparison by Submarket
Olmsted County Market Area**



DEMOGRAPHIC ANALYSIS

DMC Area

- Those Living Alone were the overwhelming majority in the DMC Area at 68% of the households in the DMC in 2020. Households without children is the second largest household type in the DMC accounting for 13%. Combined, these two household types account for 81% of households in the DMC.
- The lowest proportion household type in the DMC is Married with Children at only 5%. Roommates follow at 6.5% with Other Family households at 8%.

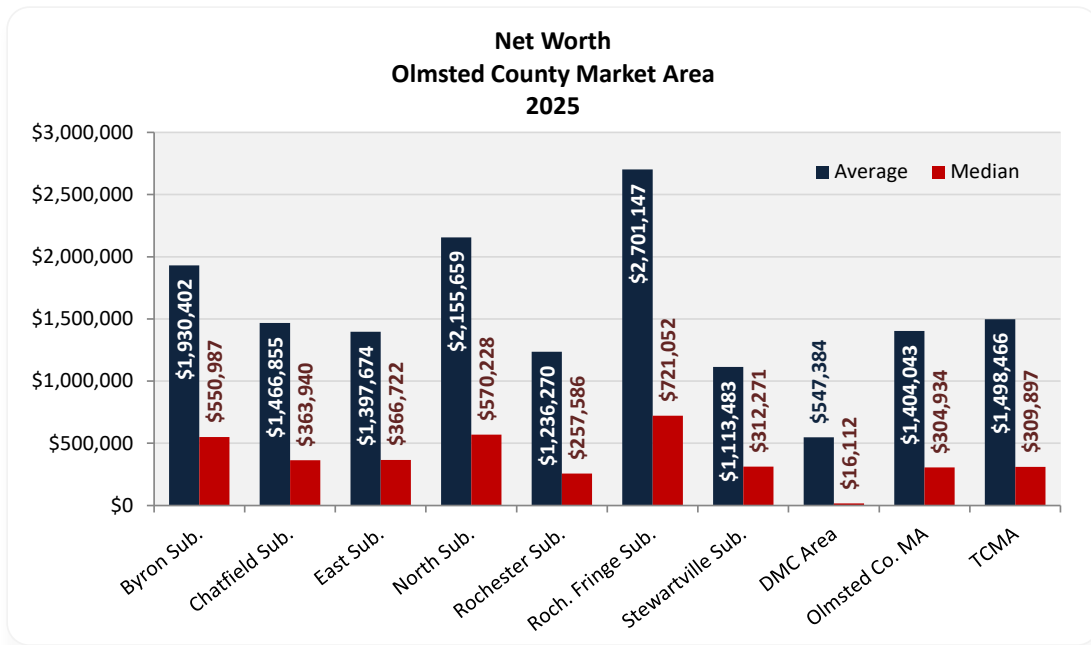


Net Worth

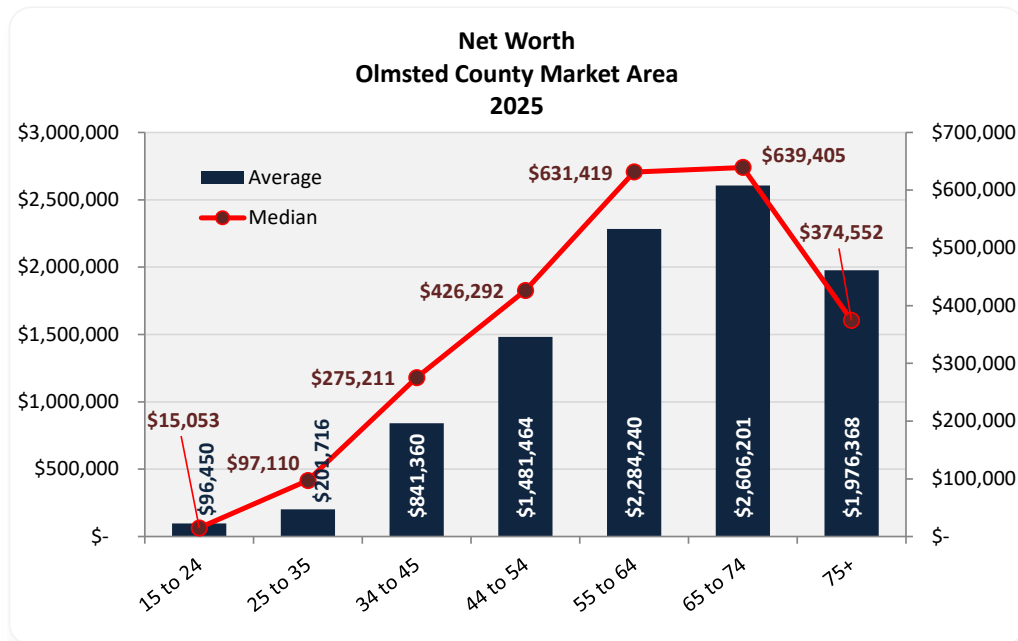
Table D-18 shows household net worth in the Olmsted County Market Area in 2024. Simply stated, net worth is the difference between assets and liabilities, or the total value of assets after the debt is subtracted. The data was compiled and estimated by ESRI based on the Survey of Consumer Finances and Federal Reserve Board data with adjustments made by Maxfield Research.

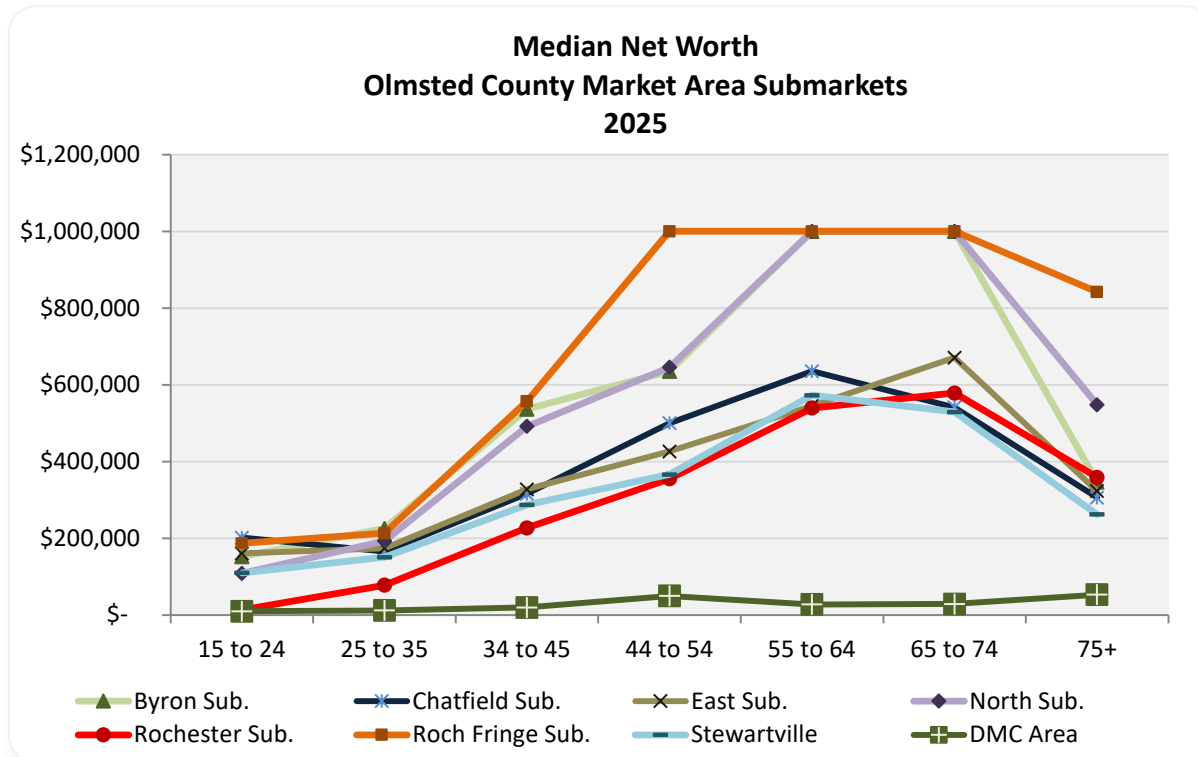
Based on research from the 2019 to 2022 Federal Reserve Survey of Consumer Finances (the most recent survey, the average American homeowner has a net worth about 40.5 times greater than that of a renter. Data showed the average net worth of a homeowner was \$296,200 (a 34% increase since 2019), whereas the average net worth of a renter was \$10,400 (a 43% decrease from 2019).

- The Olmsted County Market Area had an estimated average and median net worth of \$1,404,043 and \$304,934, respectively in 2025. Median net worth is generally a more accurate depiction of wealth than the average figure. A few households with very large net worth can significantly skew the average. As a comparison, the Twin Cities Metro Area had an estimated average net worth of \$1,498,466 and median net worth of \$309,987.



- Similar to household income, net worth increases as households age and decreases after they pass their peak earning years and move into retirement. The Olmsted County Market Area’s estimated median and average net worth peak in the 65 to 74 age cohort, posting an average net worth of \$2,606,201 and a median net worth of \$639,405.



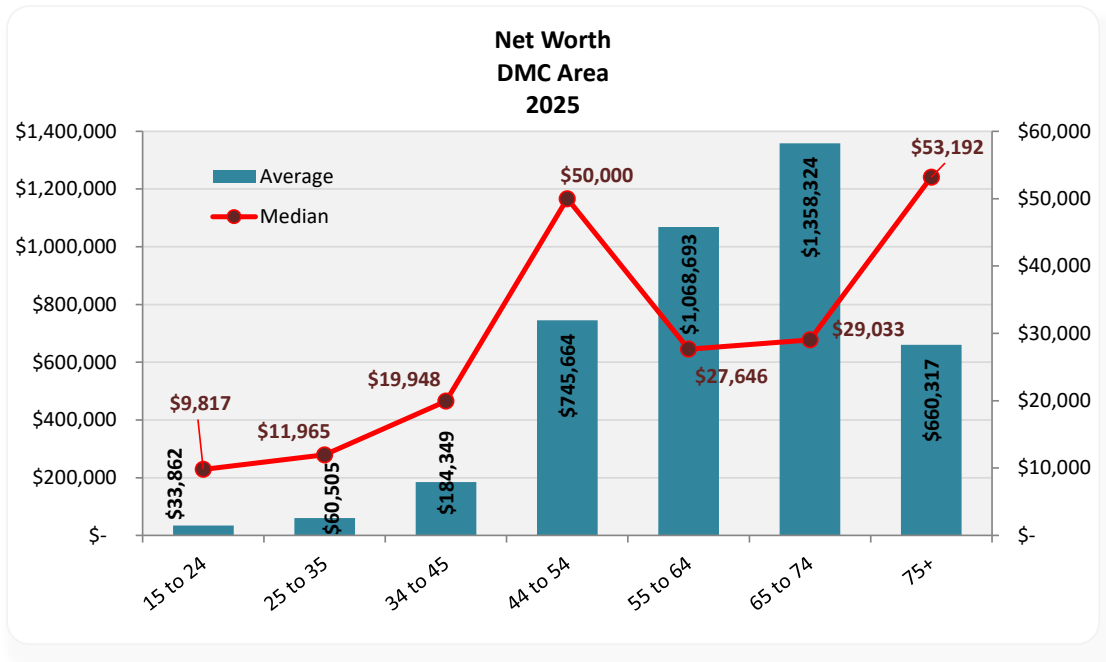


- Within the Olmsted County Market Area, the Rochester Fringe submarket had the highest median net worth at \$721,052,174 followed by the North submarket at \$570,228. Conversely, the Rochester submarket had the lowest median net worth at \$257,586.
- Households often delay purchasing homes and instead choose to rent until they acquire sufficient net worth to cover the costs of a down payment and closing costs associated with home ownership. Due to the extreme rise in for-sale housing costs, rental housing options have boomed in metropolitan areas including Rochester since 2010 through 2024.

DMC Area

- Average and median net worth in the DMC Area is significantly lower than the Olmsted County Market Area and each submarket. The DMC median net worth in 2025 is estimated at \$547,384 which is 61% lower than the Olmsted County Market Area and 56% lower the Rochester.
- The lower net worth in the DMC Area is likely due to the high number of renters households and lower household size. With a majority of the housing units being rented and 68% living alone, the correlation to limited net worth can be ascertained. The chart on the following page shows the average and median net worth within the DMC Area by age group.

DEMOGRAPHIC ANALYSIS



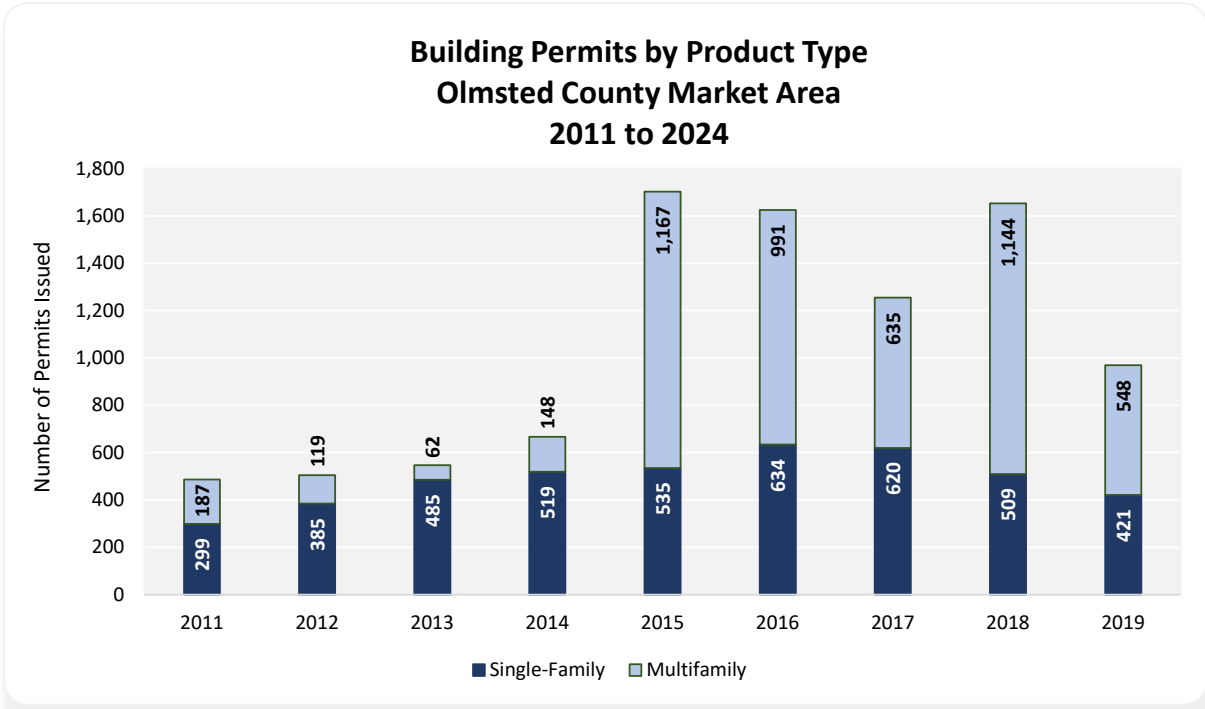
Housing Characteristics

The variety and condition of the housing stock in a community provides the basis for an attractive living environment. Housing functions as a building block for neighborhoods and goods and services. We examined the housing market in each Olmsted County submarket by reviewing data on the age of the existing housing supply, examining residential building trends since 2011.

Residential Building Permit Trends

Maxfield Research obtained data on the number of new construction housing units from 2011 through 2024 for communities within the Olmsted County Market Area. Table HC-1 displays the number of building permits issued for new construction of residential units in the Olmsted County Market Area while Table HC-2 displays building permits broken down by submarket. The following are key points from Tables.

- There have been 14,772 residential units permitted between 2011 and 2024. That equates to an estimated 1,055 residential units permitted annually since 2011. About 56% of the permits issued in the Olmsted County Market Area since 2011 have been Multifamily units.



- The Olmsted County Market Area averaged nearly 600 multifamily units permitted per year since 2011. Between 2011 through 2015, 1,683 total multifamily units were permitted (337

HOUSING CHARACTERISTICS

units per year). While from 2016 through 2024, 6,624 units were permitted (736 units per year).

- In 2024, there were 337 single-family permits issued in Olmsted County Market Area, which is well below the 462 annual average single-family units since 2011. Single-family home development was strong from 2014 through 2018 averaging 563 units per year during the period before significantly declining in 2019. Average single-family homes permitted per year since 2018 has average 413 units. This is still well below the average of 640 units per year during 2001 through 2010.

HC-1 RESIDENTIAL CONSTRUCTION BUILDING PERMITTED UNITS ISSUED OLMSTED COUNTY MARKET AREA 2010 to 2024*			
Year	Single-Family	Multifamily	Total
2011	299	187	486
2012	385	119	504
2013	485	62	547
2014	519	148	667
2015	535	1,167	1,702
2016	634	991	1,625
2017	620	635	1,255
2018	509	1,144	1,653
2019	421	548	969
2020	429	418	847
2021	460	615	1,075
2022	474	1,023	1,497
2023	358	554	912
2024*	337	696	1,033
Total	6,465	8,307	14,772
* Permits varies by date for each submarket due to available data by community.			
Sources: Olmsted County; Municipalities; TCPA; Maxfield Research & Consulting			

- The Rochester Submarket accounted for 81% of the development in the Market Area from 2011 with 12,017 permitted units. The Byron Submarket experienced the second most market share development with 910 permitted units (6% of the Market Area)
- Again, the Rochester Submarket accounted for the largest majority of single-family development with 65% of the permitted units since 2011 (4,224 units) while the Byron Submarket and Rochester Fringe Submarkets consisted of 10% and 8% of the single-family development.

HOUSING CHARACTERISTICS

- Single family development in the Rochester Submarket was strongest during 2011 to 2015 with 1,546 homes permitted (309 average per year) but has fallen 41% from 2021 to 2024 with 919 homes permitted (237 average per year).
- During the same period, multifamily development in Rochester grew substantially and was strongest during 2016 to 2020 when 3,478 units were permitted (696 average per year). That is a 112% growth in multifamily units over the two periods. Multifamily development in Rochester from 2021 to 2024 has remained strong at 668 units per year.

HC-2 RESIDENTIAL CONSTRUCTION BUILDING PERMITTED UNITS ISSUED OLMSTED COUNTY MARKET AREA 2011 to 2024								
Year	Byron Submarket		Chatfield Submarket		East Submarket		North Submarket	
	Single-Family	Multifamily	Single-Family	Multifamily	Single-Family	Multifamily	Single-Family	Multifamily
2011	20	4	5	0	17	0	11	0
2012	45	0	5	0	11	0	11	0
2013	56	2	10	0	13	0	14	0
2014	44	18	9	2	21	0	16	0
2015	50	7	11	0	30	4	22	0
2016	49	3	15	0	41	0	32	3
2017	38	20	21	0	27	2	34	0
2018	35	38	22	0	24	0	29	38
2019	26	17	10	0	23	0	33	0
2020	33	64	12	2	30	0	37	0
2021	71	36	10	0	28	0	42	0
2022	100	65	6	0	35	0	32	0
2023	32	3	6	0	14	0	10	0
2024*	31	3	6	4	13	0	30	0
Total	630	280	148	8	327	6	353	41
Year	Rochester Submarket		Roch. Fringe Submarket		Stewartville Submarket		Olmsted County MA	
	Single-Family	Multifamily	Single-Family	Multifamily	Single-Family	Multifamily	Single-Family	Multifamily
2011	212	183	20	0	14	0	299	187
2012	277	119	23	0	13	0	385	119
2013	323	60	47	0	22	0	485	62
2014	369	124	41	0	19	4	519	148
2015	365	1,156	44	0	13	0	535	1,167
2016	419	981	60	0	18	4	634	991
2017	439	613	43	0	18	0	620	635
2018	347	1,068	41	0	11	0	509	1,144
2019	289	519	27	0	13	12	421	548
2020	265	297	32	0	20	55	429	418
2021	249	579	34	0	26	0	460	615
2022	230	854	39	0	32	104	474	1,023
2023	241	551	37	0	18	0	358	554
2024*	199	689	47	0	11	0	337	696
Total	4,224	7,793	535	0	248	179	6,465	8,307

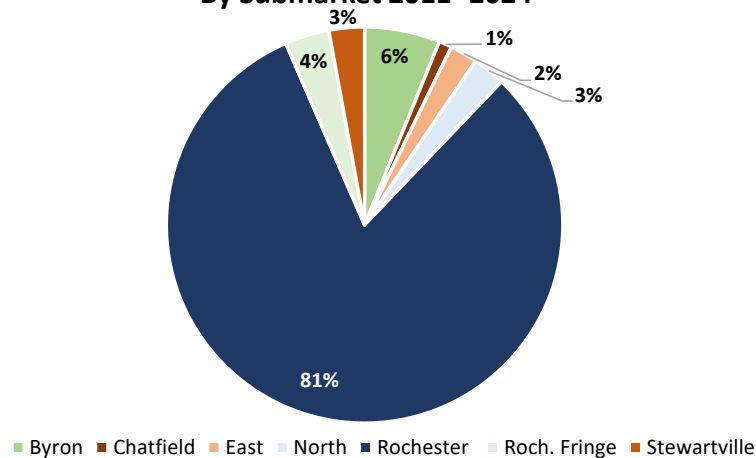
* Permits vary by date (September through year end) for each submarket due to available data by community.

Sources: Olmsted County; Municipalities; TCPA; Maxfield Research & Consulting

HOUSING CHARACTERISTICS

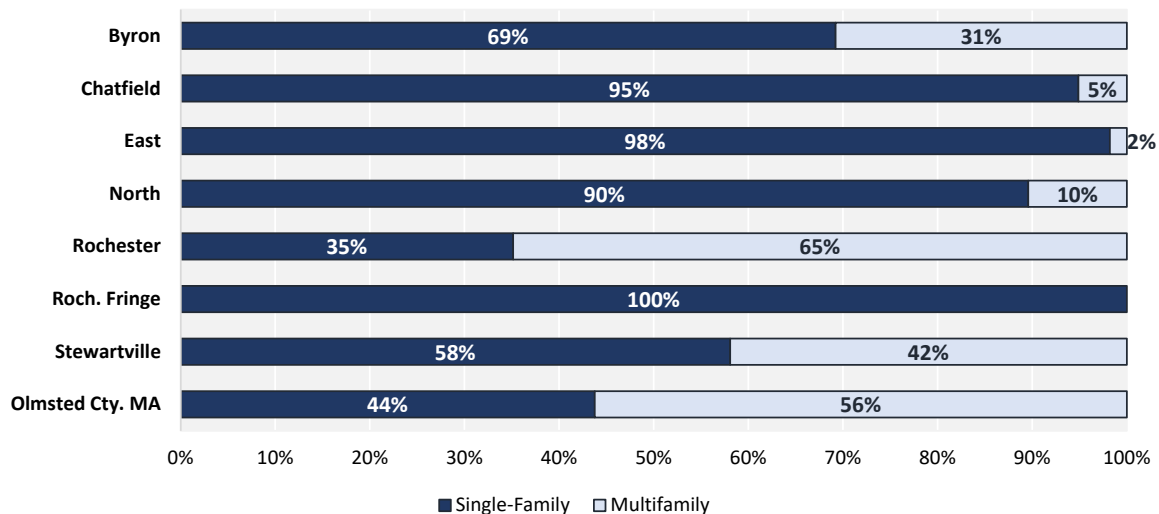
- Multifamily development outside of Rochester has been largely in the Byron and Stewartville Submarkets. The Byron Submarket and Stewartville Submarkets permitted 249 and 175 multifamily units respectively since 2016. Other than 41 units in the North Submarket during 2016 to 2020, multifamily development in the other submarkets has been very limited.

**Olmsted County Market Area Development
By Submarket 2011 -2024**

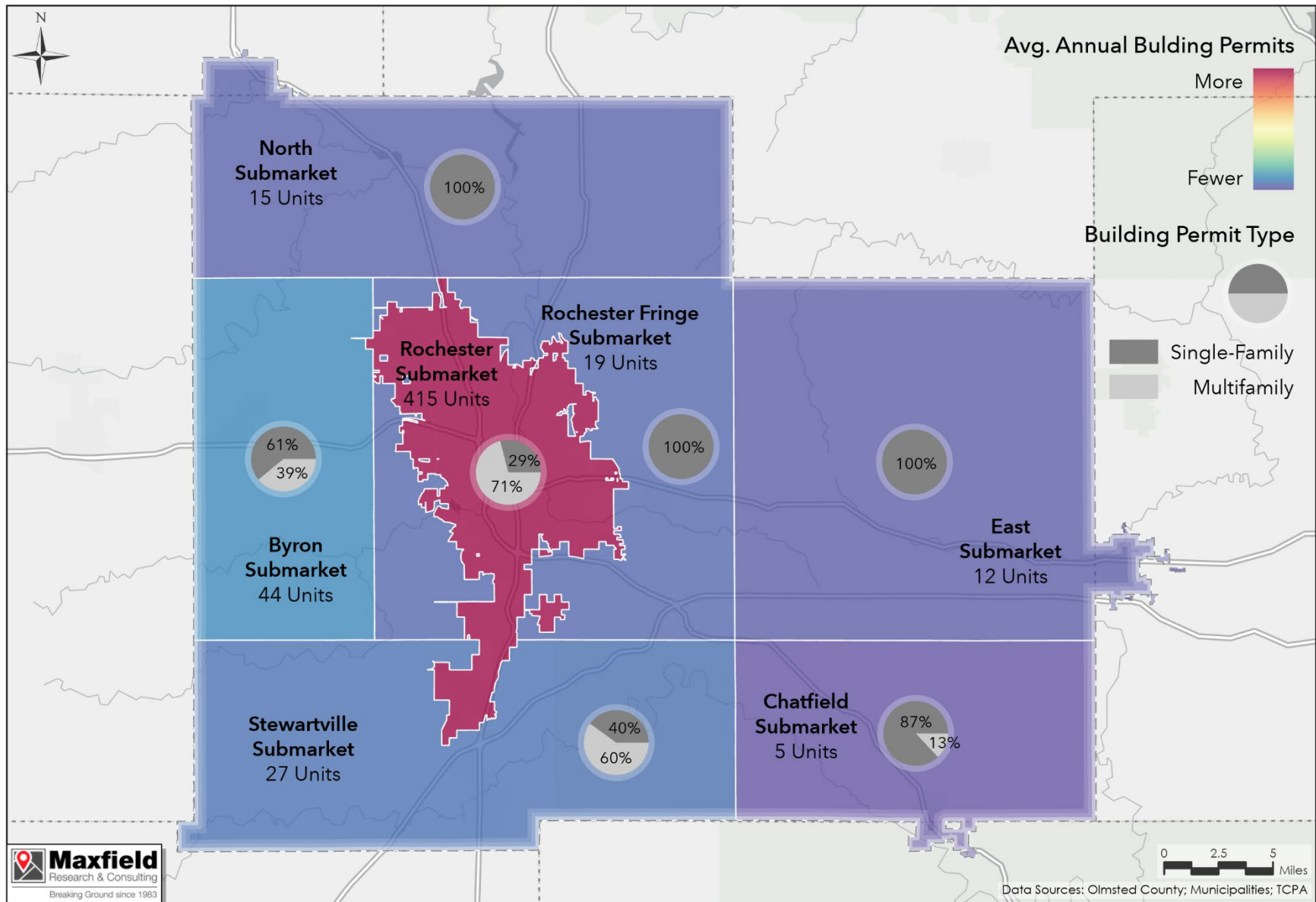


- The following chart shows the percentage of permitted units from 2011 to 2024 for each submarket in the Olmsted County Market Area by product type. In all but the Rochester Submarket, As the chart shows, single-family permits accounted for the majority of the development in the Olmsted County Market Area.

**Building Permits Pct. by Product Type
Olmsted County Market Area Submarkets
2011 to 2024**



Average Annual Building Permits (2020 - 2024)



American Community Survey

The American Community Survey (“ACS”) is an ongoing statistical survey administered by the U.S. Census Bureau that is sent to approximately 3 million addresses annually. The survey gathers data previously contained only in the long form of the decennial census. As a result, the survey is ongoing and provides a theoretically more “up-to-date” portrait of demographic, economic, social, and household characteristics every year, not just every ten years. Whenever possible, Maxfield Research used the five-year estimates as it provides the largest sample size and has a longer period of data collection. It should be noted that all ACS surveys are estimates and subject to sampling error and uncertainty. The ACS reports margins of errors (MOEs) with estimates for most standard census geographies. The MOE is shown by reliability from low, medium to high. Due to the MOE, 2023 ACS data may have inconsistencies with previous 2020 Census data.

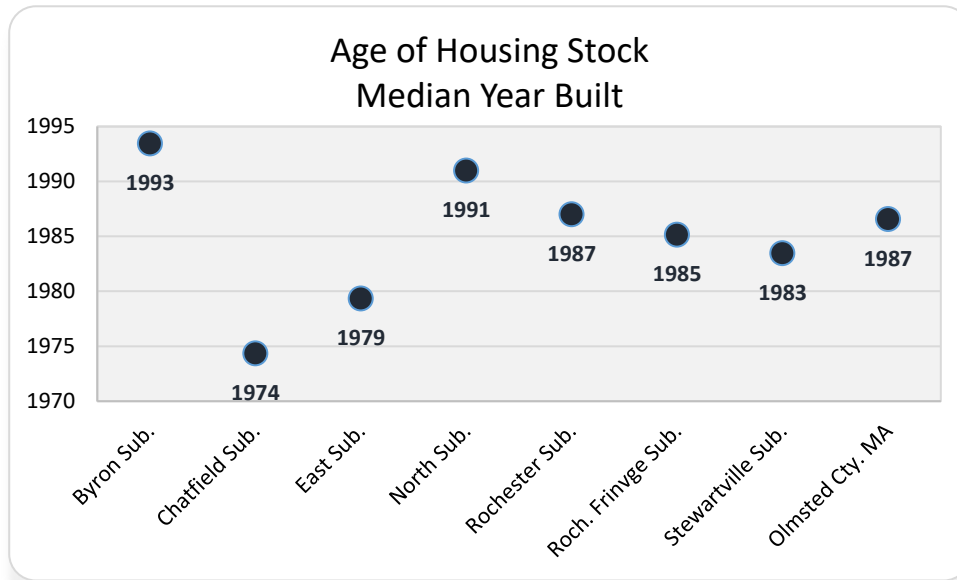
Tables HC-3 through HC- show key data from the American Community Survey for the Olmsted County Market Area. For a comparison, information for the Olmsted County Market Area is broken down by submarket. Please note that ACS data is not available at the Census Block level and thus we cannot provide figures for the DMC Area.

Age of Housing Stock

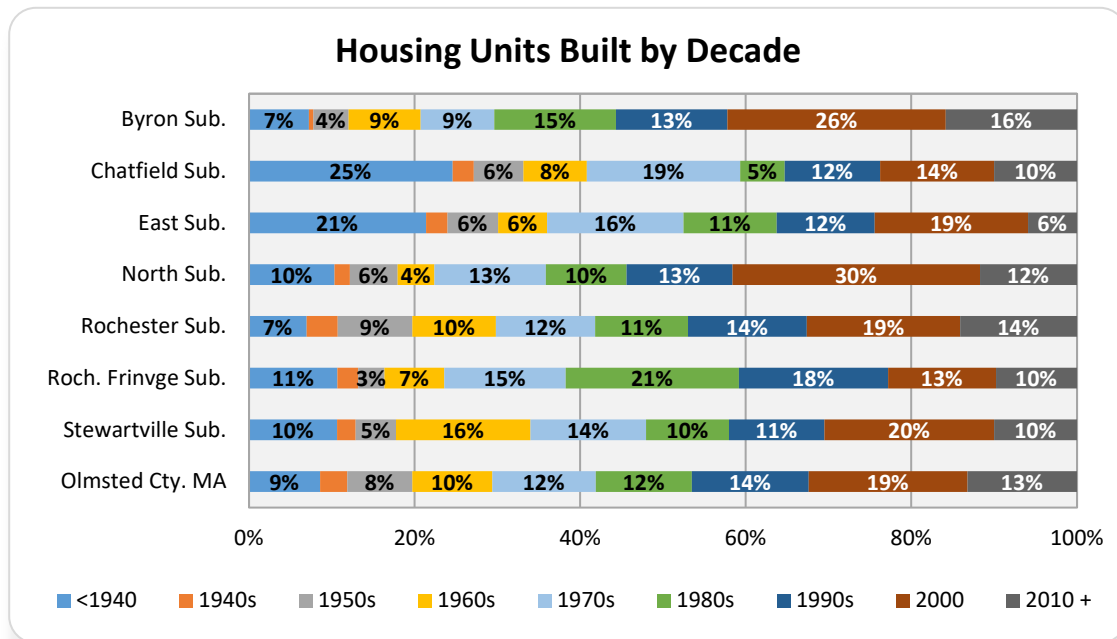
The following table shows the age distribution of the housing stock in 2024 based on data from the U.S. Census Bureau American Community Survey (5-Year, 2023) and adjusted by Maxfield to reflect current year estimates. Table HC-3 (located in the appendix) includes the number of housing units built in the Olmsted County Market Area, prior to 1940 and during each decade since. It is important to note that the American Community Survey is an estimate.

- The Olmsted County Market Area is estimated to have 72,674 occupied housing units in 2025, of which 69% were owner-occupied and 31% were renter-occupied. Nearly half (46%) of the development in the county is estimated to have occurred from 1990 to Present with 20% of the single-family housing being built in the 2000s and 21% of rental being built from 2010 to present.
- The Rochester Fringe Submarket is estimated to have the highest share of owner-occupied housing (95%), while the Rochester Submarket has the highest share of renter-occupied housing (35%) in 2024.
- The Byron and North Submarkets are estimated to have newest housing stock in the county with roughly 42% of their overall housing stock being built in the 2000s or newer, followed by the Rochester Submarket (33%). As a whole, 33% of the Olmsted County Market Area’s housing stock has been built since 2000.

HOUSING CHARACTERISTICS



- The Rochester Submarket is estimated to have the largest share of housing-built post 2000s, 51% of the total housing units in the Olmsted County Market Area.

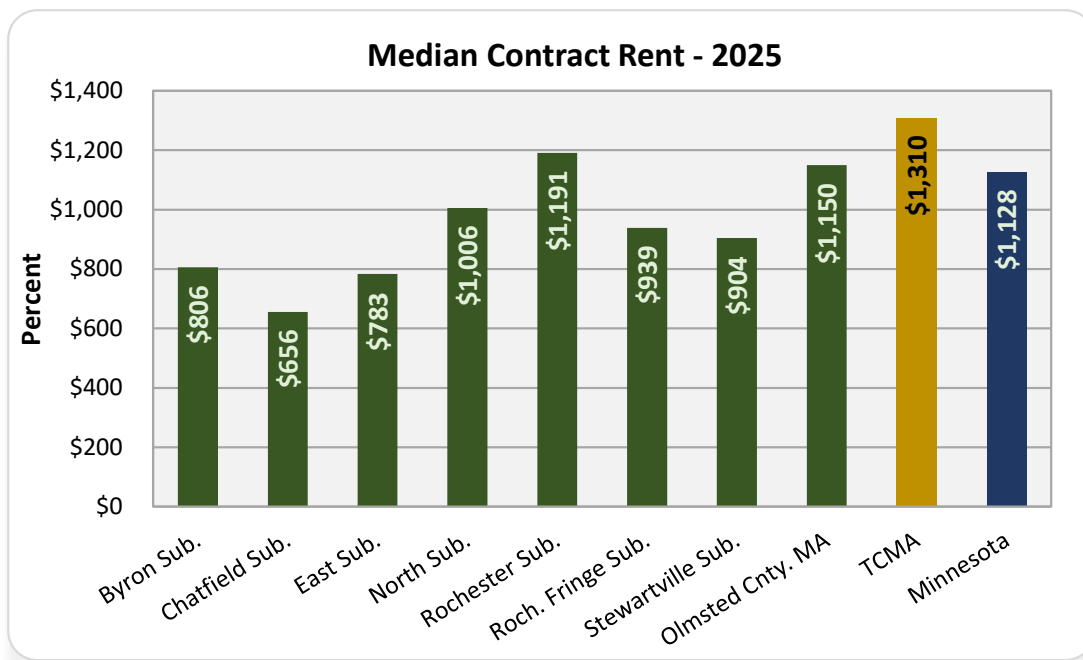


- There has been a surge of rental housing built in the Market Area estimated to be developed largely from 2000 to present with 48.5% of the units (10,311 units) built during this period. Prior to this growth, the most rental units constructed in the Market Area was during the 1960s through the 1990s with 7,273 rental units (36%).

Renter-Occupied Units by Contract Rent

Table HC-4 (in the appendix) presents information on the estimated monthly housing costs for renters called contract rent (also known as asking rent) in 2025. Contract rent is the monthly rent agreed to regardless of any utilities, furnishings, fees or services that may be included.

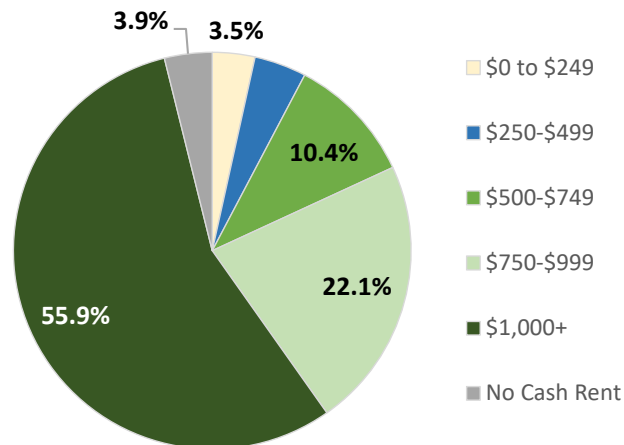
- The median contract rent in the Olmsted County Market Area was estimated at \$1,150 in 2025. Based on a 30% allocation of income to housing, a household in Olmsted County would need an annual income of \$46,000 (or \$3,833/monthly) to afford an average monthly rent of \$1,150.
- The Rochester Submarket is estimated to have the highest median contract rents in the Olmsted County Market Area at \$1,191, but lower in comparison to the Twin Cities Metro Area (\$1,310). The estimated contract rents in the State of Minnesota is \$1,128.
- The lowest median contract rents are in the Chatfield Submarket at \$656 which is 82% lower than in the Rochester Submarket. The much lower contract rents in the Byron, Chatfield, and East submarket likely reflect an older and/or limited rental housing stock in comparison to the North and Rochester Submarkets which have developed new rental housing recently.



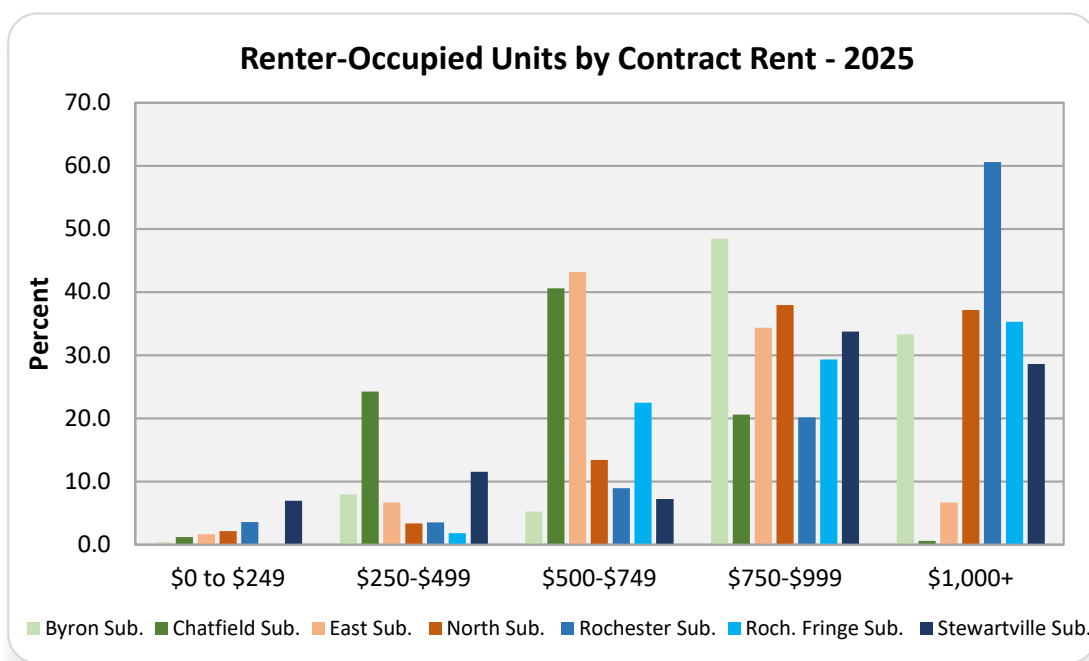
HOUSING CHARACTERISTICS

- The majority of renters (56%) in the Olmsted County Market Area have estimated monthly rents over \$1,000 followed by renters paying between \$750 and \$999 (22%). Only 8% of renters in the county pay contract rents under \$500.

**Median Contract Rent by Rent Range
Olmsted County Market Area**



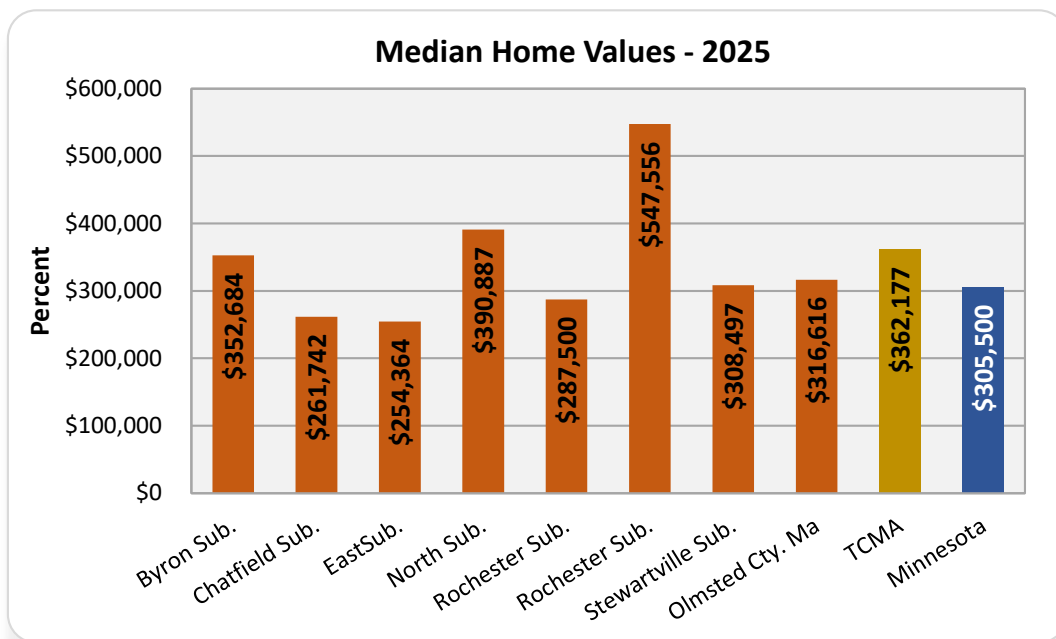
- In the Rochester and Rochester Fringe Submarkets, the majority of renter households had contract rents of \$1,000 or more. The Byron, North, and Stewartville Submarkets, the majority of estimated rent fell between \$750 and \$999. In the Chatfield and East Submarkets however, the most common rent ranges were between \$500 to \$749.



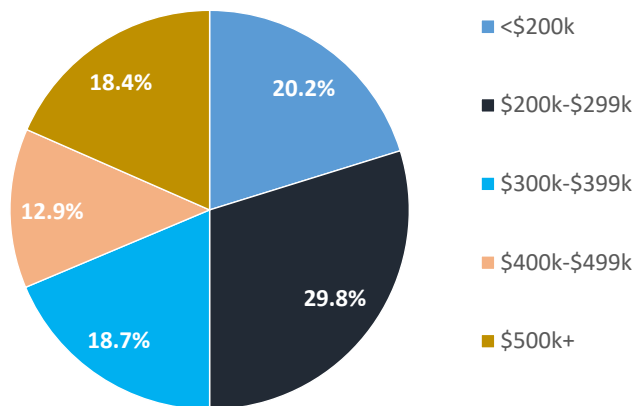
Owner-Occupied Housing Units by Value

Table H-5 (in the appendix) presents data on estimated housing values summarized by nine price ranges in 2025. Housing value refers to the estimated price point the property would sell if the property were for sale. For single-family and townhome properties, value includes the land and the structure. For condominium units, value refers to only the unit.

- The estimated median home value in the Olmsted County Market Area was \$316,616. The highest estimated median home value was reported in the Rochester Fringe submarket (\$547,556), which was 43% higher than the Market Area, while the lowest was reported in the East submarket (\$254,364) or 26% lower than the Market Area in 2025.



Median Home Value by Price Range Olmsted County Market Area



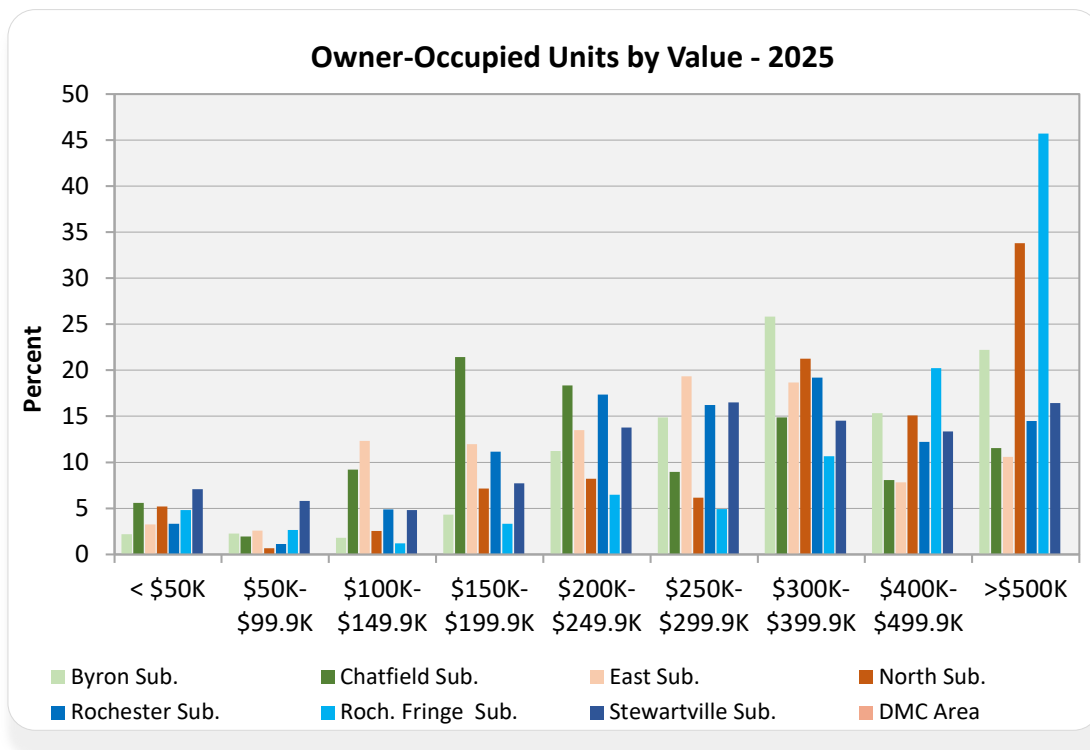
HOUSING CHARACTERISTICS

- In the Olmsted County Market Area, an estimated 50% of homes were valued over or above \$300,000. Among the nine housing value categories, the highest estimated proportion of homes the Market Area was valued in the \$300,000 to \$399,999 (19% of all housing units).
- Just 20% of homes in the Olmsted County Market Area are valued below \$200,000 compared to 18% over \$500,000.
- Based on the data categories on Table -- in the Appendix, the estimated highest home value ratio varies by submarket. The following is the breakouts by value by submarkets by value.

**OWNER-OCCUPIED UNITS BY VALUE
OLMSTED COUNTY MARKET AREA
2025**

	Submarket						
	Byron	Chatfield	East	North	Rochester	Roch. Fringe	Stewartville
Under \$200K	11%	38%	30%	16%	20%	12%	25%
\$200-\$300K	26%	27%	33%	14%	34%	11%	30%
\$300-\$400K	26%	15%	19%	21%	19%	11%	15%
\$400-\$500K	15%	8%	8%	15%	12%	20%	13%
\$500K+	22%	12%	11%	34%	14%	46%	16%

- The Northwest submarket is estimated to have the highest share of homes valued from \$100,000 to \$149,999 (9%) and \$150,000 to \$199,999 (15%) in Olmsted County.

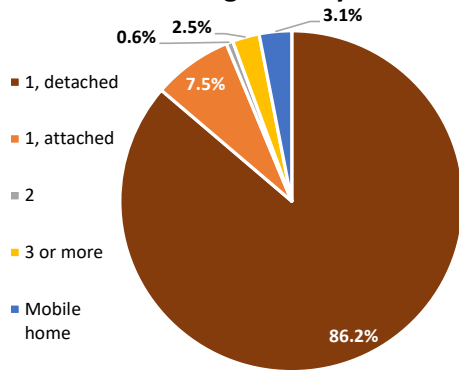


Housing Units by Structure and Tenure

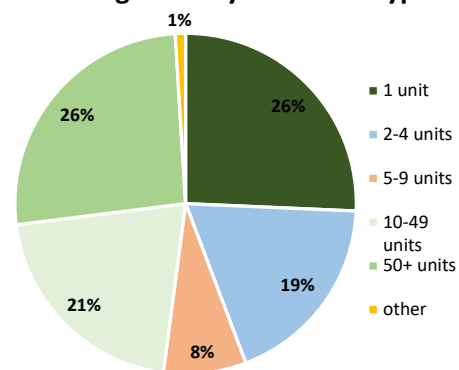
Table H-6 (in the appendix) shows the estimated housing stock in the Olmsted County Market Area by type of structure and tenure as of 2025.

- The dominant housing type in the Olmsted County Market Area is the single-family detached home, representing an estimated 62% of all housing units. Within the owner-occupied units single-family detached accounts for 86% and 16% of renter-occupied one-unit housing as of 2025.
- About 26% of the renter-occupied housing units in Market Area are single-family detached or attached homes (townhomes), while 47% are within structures that have 10 or more units.

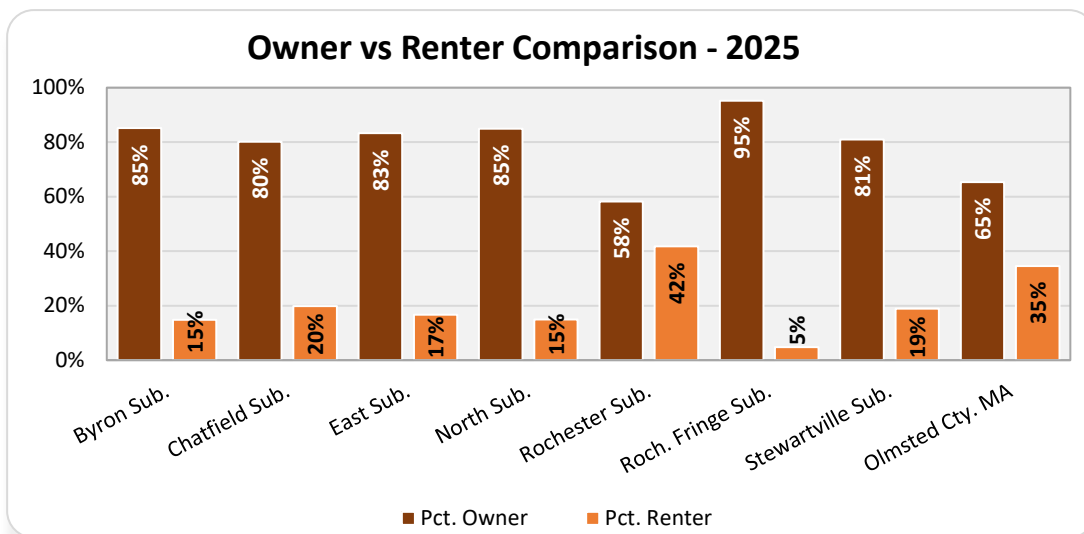
Owner Housing Units by Structure Type

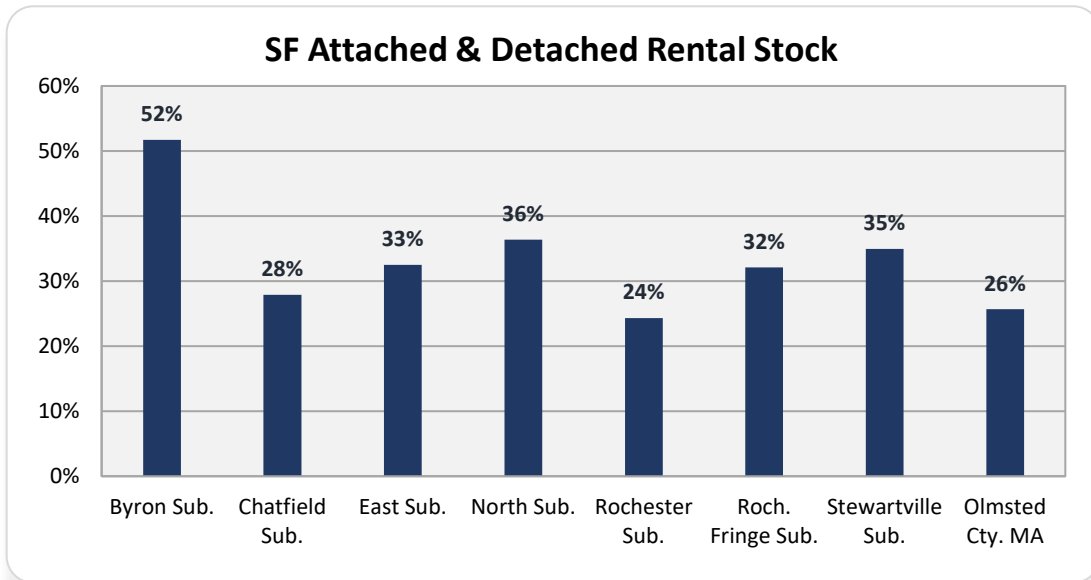


Rental Housing Units by Structure Type



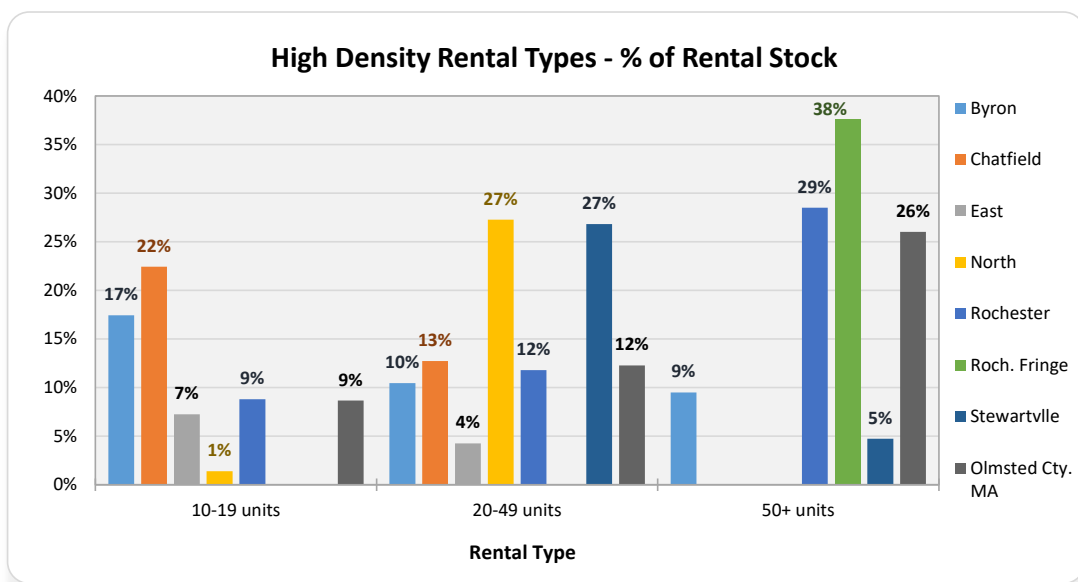
- The Rochester Submarket has the highest ratio of renter occupied housing units at 42% while the remainder of the submarkets have 20% or less with the Rochester Fringe Submarket being the lowest, consisting of only 5%.

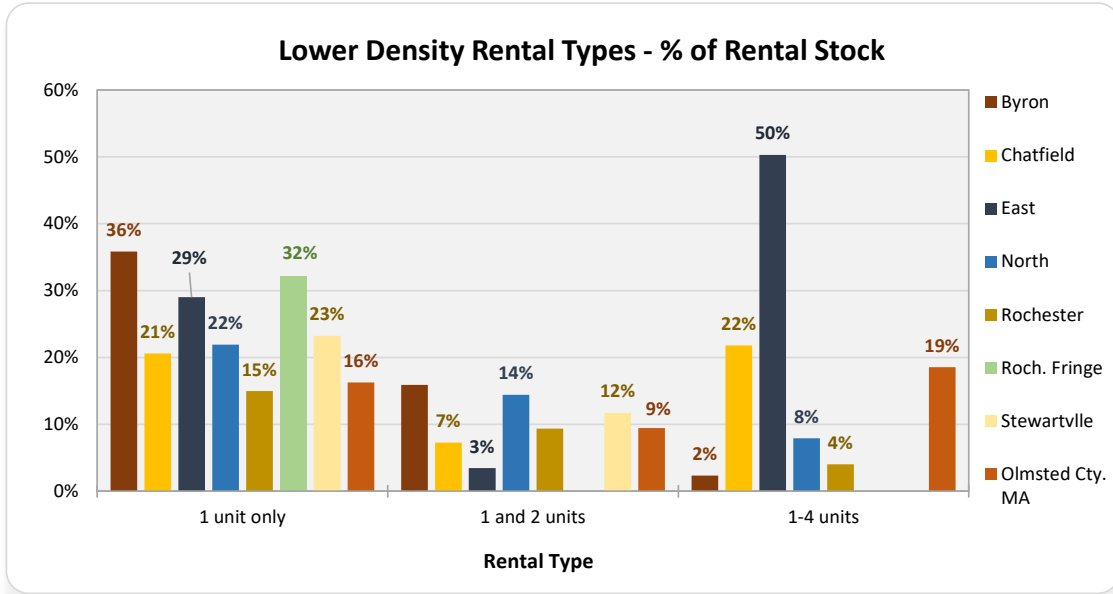




- With 89% of the Market Area rental units located in Rochester, the submarket is more housing diverse compared to the other submarkets. The following shows the estimated percentage of overall rental units' single-family rental units vs. units 10 or more.

	<u>SF Rental</u>	<u>10+ Units</u>
Byron	36%	37%
Chatfield	21%	35%
East	29%	12%
North	22%	29%
Rochester	15%	49%
Rochester Fringe	32%	38%
Stewartville	23%	32%





Employment Trends

Since employment growth generally fuels household growth, employment trends are a reliable indicator of housing demand. Typically, households prefer to live near work for convenience. However, housing is often less expensive in smaller towns, making commuting from outlying communities to work in larger employment centers attractive for households concerned about housing affordability.

Employment Estimates and Projections

Table E-1 shows employment trends and projections for Olmsted County and the State of Minnesota from 2000 to 2032 based on the most recent data from the Minnesota Department of Employment and Economic Development (DEED). **Note that the employment data for 2020 reflects unemployment caused by the COVID-19 pandemic.**

- There was an estimated total of 104,726 jobs in Olmsted County in Q3 2024, which was roughly 42% of the Southeast Minnesota Planning Area total (248,045 jobs).

TABLE E-1 EMPLOYMENT TRENDS AND PROJECTIONS OLMSTED COUNTY 2000 - 2040				
Annual Employment	Olmsted County		Southeast Minnesota Planning Area	
2000	82,673		225,387	
2010	87,191		225,090	
2015	93,886		237,642	
2020	96,553		233,121	
Q3 2024	104,726		248,045	
2032	119,592		283,255	
2040	135,938		313,103	
Change	No.	Pct.	No.	Pct.
2000 - 2010	4,518	5.5%	-297	-0.1%
2010 - 2020	9,362	10.7%	8,031	3.6%
2020 - 2040	39,385	40.8%	79,982	34.3%
Employment projections for 2032 are sourced to MN DEED, while 2040 projections were calculated by Maxfield by utilizing MN DEED employment figures.				
The Southeast Minnesota Planning Area consists of Dodge, Fillmore, Freeborn, Goodhue, Houston, Mower, Olmsted, Rice, Steele, Wabasha, & Winona County.				
Sources: MN DEED; Maxfield Research & Consulting				

EMPLOYMENT TRENDS

- Olmsted County’s employment is anticipated to increase by 40.8% between 2020 and 2040 while employment in the Southeast Minnesota Planning Area is forecasted to increase by 34%. Job creation in Rochester will be a major contributor on the ability for Olmsted County to achieve the employment projections, which in turn will make the area more appealing for housing.

Resident Labor Force

Recent employment growth trends are shown in Tables E-2, which presents resident employment data for Olmsted County from 2015 through 2024. These numbers were derived from the proportion of jobs in Olmsted County as compared to the State of Minnesota. Resident employment data is calculated as an annual average *and reveals the workforce and number of employed persons living in the County*. It is important to note that not all of these individuals necessarily work in the County.

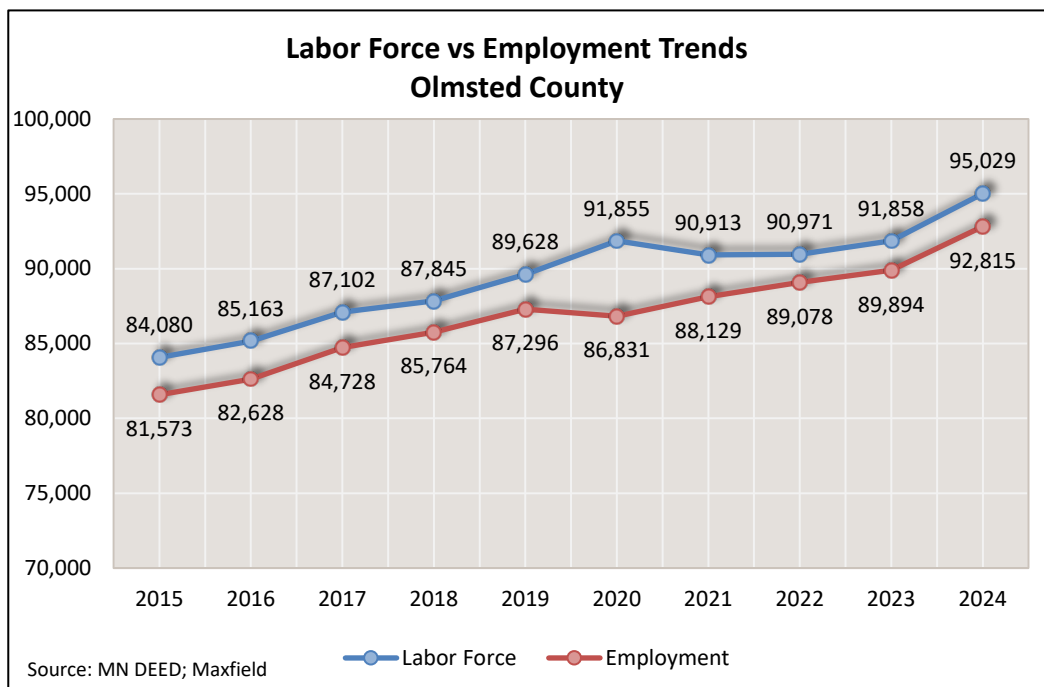
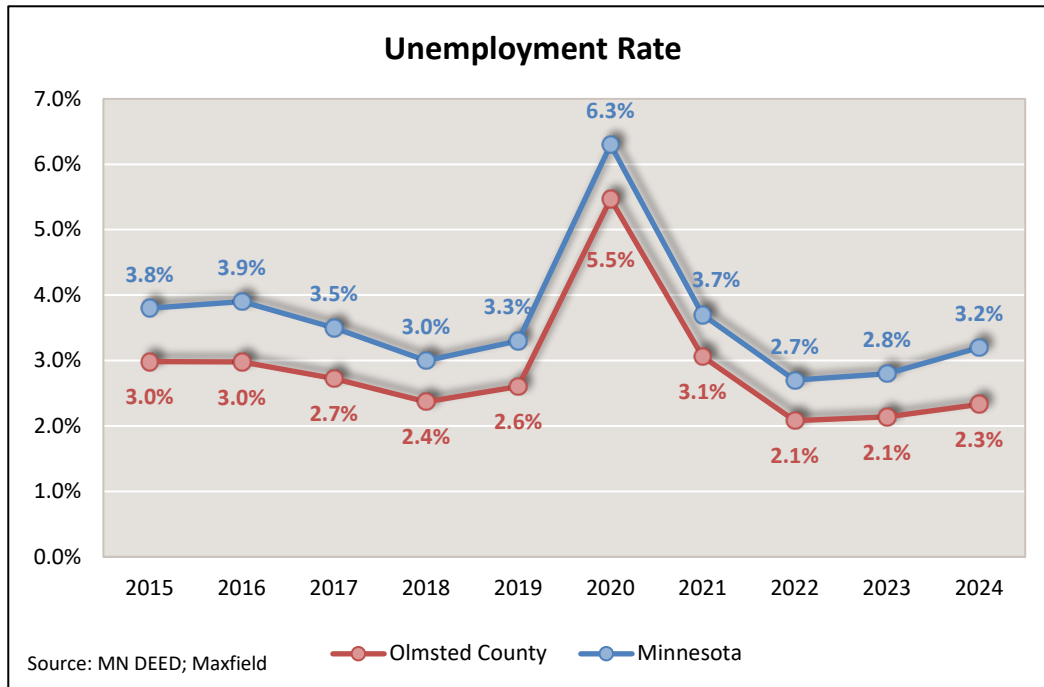
- Resident employment in Olmsted County increased by approximately 10949 people between 2015 and 2024 and the unemployment rate decreased from 3% in 2015 to 2.3% in 2024. By comparison, Minnesota’s unemployment rate decreased from 3.8% in 2015 to 3.2% in 2024.

Year	Total Labor Force	Total Employed	Total Unemployed	Unemployment Rate	MN Unemployment Rate
2015	84,080	81,573	2,507	3.0%	3.8%
2016	85,163	82,628	2,535	3.0%	3.9%
2017	87,102	84,728	2,374	2.7%	3.5%
2018	87,845	85,764	2,081	2.4%	3.0%
2019	89,628	87,296	2,332	2.6%	3.3%
2020	91,855	86,831	5,024	5.5%	6.3%
2021	90,913	88,129	2,784	3.1%	3.7%
2022	90,971	89,078	1,893	2.1%	2.7%
2023	91,858	89,894	1,964	2.1%	2.8%
2024	95,029	92,815	2,214	2.3%	3.2%
Change 2015 - 2024	10,949	11,242	-293	-0.7%	-0.6%
Sources: MN DEED; Maxfield Research & Consulting					

- Olmsted County’s unemployment rate has stayed fairly consistent with Minnesota’s unemployment rate, but slightly lower in all years between 2015 and 2024. The average yearly differential in unemployment rate between Olmsted County and Minnesota was 0.7% between 2015 and 2024.

EMPLOYMENT TRENDS

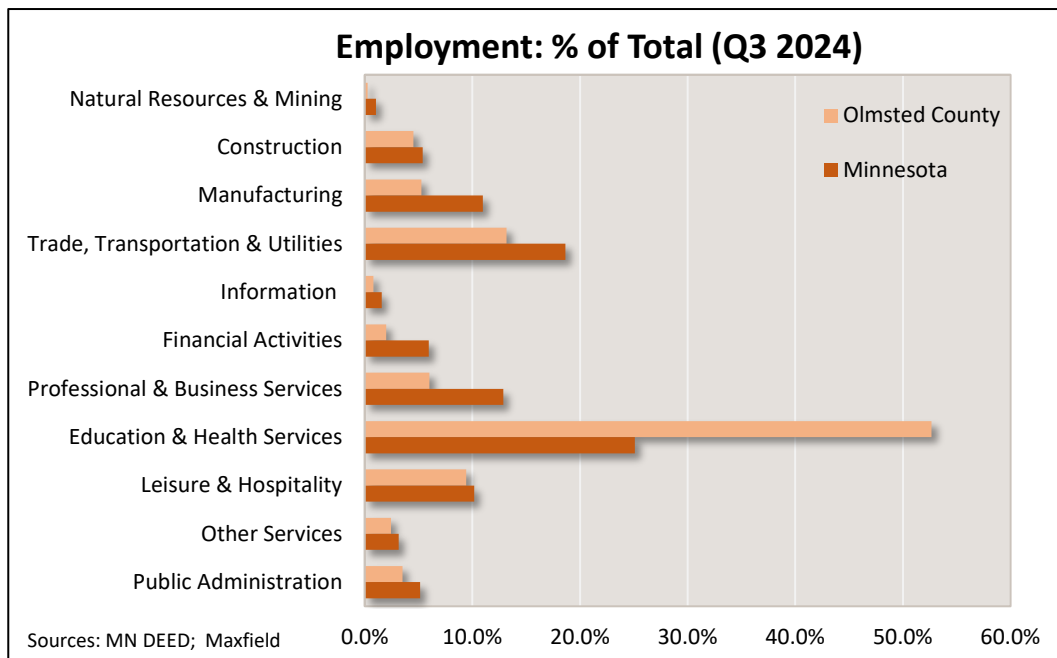
- Covid-19 caused widespread unemployment in 2020 and early 2021. Although the unemployment rate in Olmsted County peaked at 5.5% in 2020, more recently it has fallen to 2.3% as of 2024.



Covered Employment and Wages by Industry

Table E-3 presents covered employment numbers as well as wage data in Olmsted County from 2023 through the third quarter 2024. Covered employment data is calculated as an annual average and *reveals the number of jobs in the designated area*, which are covered by unemployment insurance. Many temporary workforce positions, agricultural, self-employed persons, and some other types of jobs are not covered by unemployment insurance and are not included in the table. Some agricultural businesses and employees are listed in this table, but not all positions are included. The Quarterly Census of Employment and Wages (QCEW) is sourced from Minnesota Department of Employment and Economic Development (DEED).

- In Olmsted County, the number of jobs increased from 102,152 in 2023 to 104,726 in Q3 2024, an increase of 2,574 jobs. The industry that posted the largest gain was the Education & Health Services sector (1,628 jobs), while the industry that posted the largest loss was the Manufacturing sector (-343 jobs).
- As of Q3 2024, the Education & Health Services sector accounted for the largest share of employment in Olmsted County, with 55,157 employees accounting for 52.7% of employment. By comparison, Minnesota’s largest share of employees were found in the Education & Health Services (25.1%) sector.
- The Manufacturing sector witnessed the largest growth in average weekly wages increasing by \$262 (13.3%) between 2023 to Q3 2024. The Information sector saw the second largest growth, increasing by \$232 (18.9%).



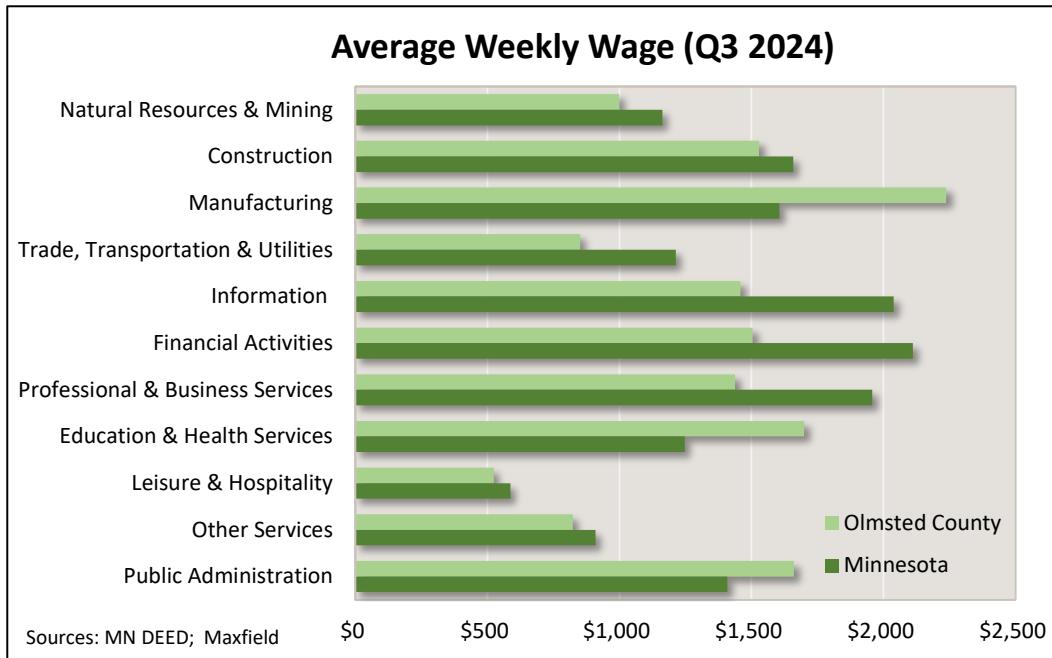
EMPLOYMENT TRENDS

- At \$1,451, the average weekly wage in Olmsted County is 4.4% higher than in Minnesota (\$1,388). Across all industries, wages were higher in three sectors in Olmsted County compared to Minnesota, most notably in the Manufacturing sector (\$632 higher).

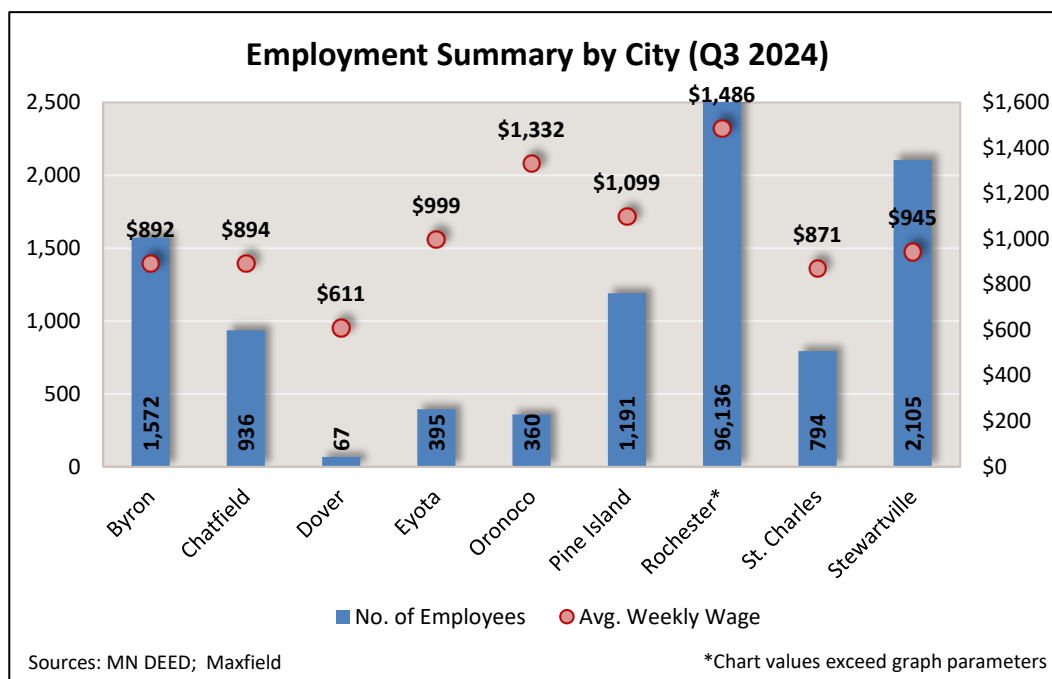
Industry	2023			Q3 2024			Change 2023 - Q3 2024			
	Establish-ments	Employ-ment	Weekly Wage	Establish-ments	Employ-ment	Weekly Wage	Employment #	%	Wage #	%
Olmsted County										
Total, All Industries	4,045	102,152	\$1,456	4,062	104,726	\$1,451	2,574	2.5%	(\$5)	-0.3%
Natural Resources & Mining	49	322	\$920	49	287	\$999	-35	-10.9%	\$79	8.6%
Construction	414	4,363	\$1,454	406	4,725	\$1,529	362	8.3%	\$75	5.2%
Manufacturing	102	5,840	\$1,976	104	5,497	\$2,238	-343	-5.9%	\$262	13.3%
Trade, Transportation & Utilities	727	13,442	\$833	728	13,783	\$852	341	2.5%	\$19	2.3%
Information	68	965	\$1,227	67	824	\$1,459	-141	-14.6%	\$232	18.9%
Financial Activities	381	2,061	\$1,501	390	2,082	\$1,504	21	1.0%	\$3	0.2%
Professional & Business Services	536	6,253	\$1,444	536	6,289	\$1,438	36	0.6%	(\$6)	-0.4%
Education & Health Services	719	53,529	\$1,754	720	55,157	\$1,699	1,628	3.0%	(\$55)	-3.1%
Leisure & Hospitality	456	8,448	\$510	466	9,874	\$525	1,426	16.9%	\$15	2.9%
Other Services	538	2,560	\$776	538	2,542	\$824	-18	-0.7%	\$48	6.2%
Public Administration	57	3,366	\$1,587	58	3,663	\$1,661	297	8.8%	\$74	4.7%
Minnesota										
Total, All Industries	207,992	2,907,360	\$1,375	214,482	2,942,171	\$1,388	34,811	1.2%	\$13	0.9%
Natural Resources & Mining	3,504	29,115	\$1,185	3,553	30,859	\$1,163	1,744	6.0%	(\$22)	-1.9%
Construction	18,357	143,193	\$1,607	18,778	158,090	\$1,658	14,897	10.4%	\$51	3.2%
Manufacturing	8,633	325,993	\$1,518	8,610	322,569	\$1,606	-3,424	-1.1%	\$88	5.8%
Trade, Transportation & Utilities	40,079	546,881	\$1,204	41,019	548,210	\$1,214	1,329	0.2%	\$10	0.8%
Information	6,963	48,332	\$2,054	7,464	46,480	\$2,039	-1,852	-3.8%	(\$15)	-0.7%
Financial Activities	17,966	176,779	\$2,241	18,569	175,175	\$2,112	-1,604	-0.9%	(\$129)	-5.8%
Professional & Business Services	41,822	388,486	\$1,944	43,517	378,993	\$1,958	-9,493	-2.4%	\$14	0.7%
Education & Health Services	29,806	742,132	\$1,213	31,570	738,707	\$1,248	-3,425	-0.5%	\$35	2.9%
Leisure & Hospitality	16,743	278,481	\$576	17,027	298,823	\$588	20,342	7.3%	\$12	2.1%
Other Services	20,718	90,569	\$878	20,958	92,987	\$910	2,418	2.7%	\$32	3.6%
Public Administration	3,402	137,396	\$1,368	3,417	151,273	\$1,409	13,877	10.1%	\$41	3.0%

Sources: MN DEED; Maxfield Research & Consulting

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- Although data was not available for all geographies (primarily townships) in each of the submarkets, the following chart provides a summary with the number of employees and average weekly wage by each city in the Market Area. As of Q3 2024, Rochester had the most employees (96,136) and the highest average weekly wage (\$1,486). Inversely, Dover had the fewest employees (67) and the lowest average weekly wage (\$611).



Commuting Patterns

Table E-4 highlights the commuting patterns, including distance and destination, of workers in the Olmsted County Market Area based on data from the U.S. Census Bureau Local Employment Dynamics data. Home Destination summarizes where workers live who are employed in the Market Area, while Work Destination represents where workers are employed who live in the Market Area.

- As the following table illustrates, about 14.8% of the Olmsted County Market Area residents commuted to jobs outside of the Olmsted County Market Area, 1.7% commuted to jobs in Minneapolis (1,612 employees), 0.8% commuted to jobs in Winona (777 employees), and 0.8% commuted to jobs in St. Paul (738 employees).

Home Destination			Work Destination		
Place of Employment	Count	Share	Place of Residence	Count	Share
Rochester, MN	52,224	46.7%	Rochester, MN	66,333	71.6%
Byron, MN	2,938	2.6%	Minneapolis, MN	1,612	1.7%
Stewartville, MN	2,862	2.6%	Stewartville, MN	1,413	1.5%
Kasson, MN	2,253	2.0%	Byron, MN	925	1.0%
Pine Island, MN	1,362	1.2%	St. Charles, MN	833	0.9%
St. Charles, MN	1,281	1.1%	Winona, MN	777	0.8%
Chatfield, MN	1,139	1.0%	St. Paul, MN	738	0.8%
Austin, MN	1,096	1.0%	Eden Prairie, MN	734	0.8%
Plainview, MN	988	0.9%	Pine Island, MN	621	0.7%
Eyota, MN	900	0.8%	Chatfield, MN	560	0.6%
All Other Locations	44,903	40.1%	All Other Locations	18,057	19.5%
Distance Traveled			Distance Traveled		
Total Primary Jobs	111,946	100.0%	Total Primary Jobs	92,603	100.0%
Less than 10 miles	63,808	57.0%	Less than 10 miles	63,307	68.4%
10 to 24 miles	22,366	20.0%	10 to 24 miles	12,739	13.8%
25 to 50 miles	10,659	9.5%	25 to 50 miles	3,181	3.4%
Greater than 50 miles	15,113	13.5%	Greater than 50 miles	13,376	14.4%
Home Destination: Where workers live who are employed in the selection area.					
Work Destination: Where workers are employed who live in the selection area.					
Sources: U.S. Census Bureau Local Employment Dynamics, Maxfield Research & Consulting					

- An estimated 57% of the workers in the Olmsted County Market Area reside within ten miles of their place of employment, while 20% travel from 10 to 24 miles. Roughly 9.5% of the workers commute from 25 to 50 miles and another 13.5% come from more than 50 miles away.
- As the following table illustrates, of the workers who commuted into the DMC District for work, 51% live in Rochester, 2.7% live in Byron, and 2.3% live in Kasson. Among those who

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leave the DMC District for employment, 78% commute to jobs elsewhere in Rochester, and another 1.4% commute to Eden Prairie, and 1.4% commute to Minneapolis.

TABLE E-5 COMMUTING PATTERNS DESTINATION MEDICAL CENTER (DMC) DISTRICT 2022					
Home Destination			Work Destination		
Place of Employment	Count	Share	Place of Residence	Count	Share
Rochester, MN	28,479	51.3%	Rochester, MN	1,213	78.2%
Byron, MN	1,486	2.7%	Eden Prairie, MN	22	1.4%
Kasson, MN	1,255	2.3%	Minneapolis, MN	22	1.4%
Stewartville, MN	1,147	2.1%	Winona, MN	15	1.0%
Pine Island, MN	654	1.2%	Bloomington, MN	11	0.7%
Plainview, MN	507	0.9%	St. Louis Park, MN	11	0.7%
St. Charles, MN	485	0.9%	St. Paul, MN	10	0.6%
Chatfield, MN	461	0.8%	Austin, MN	7	0.5%
Austin, MN	434	0.8%	Burnsville, MN	7	0.5%
Oronoco, MN	392	0.7%	St. Charles, MN	7	0.5%
All Other Locations	20,248	36.5%	All Other Locations	227	14.6%
Distance Traveled			Distance Traveled		
Total Primary Jobs	55,548	100.0%	Total Primary Jobs	1,552	100.0%
Less than 10 miles	33,964	61.1%	Less than 10 miles	1,226	79.0%
10 to 24 miles	10,984	19.8%	10 to 24 miles	38	2.4%
25 to 50 miles	4,891	8.8%	25 to 50 miles	56	3.6%
Greater than 50 miles	5,709	10.3%	Greater than 50 miles	232	14.9%
Home Destination: Where workers live who are employed in the selection area.					
Work Destination: Where workers are employed who live in the selection area.					
Sources: U.S. Census Bureau Local Employment Dynamics, Maxfield Research & Consulting					

Inflow / Outflow Characteristics

Proximity to employment is often a primary consideration when choosing where to live, particularly for younger and lower income households since transportation costs often account for a greater proportion of their budgets. For this analysis, we reviewed commuting patterns in the Olmsted County Market Area. Table E-6 provides a summary of the inflow and outflow characteristics of the workers in the Market Area based on data from the U.S. Census Bureau Local Employment Dynamics data for 2022, the most recent data available.

Outflow reflects the number of workers living in the area but employed outside the Market Area, while inflow measures the number of workers that are employed in the Market Area but live outside the area. Interior flow reflects the number of workers that live and work in the Market Area.

- The Olmsted County Market Area can be considered an importer of workers, as the number of residents coming into the Olmsted County Market Area for employment (inflow) was more than the number of residents leaving the Olmsted County Market Area for work

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(outflow). Approximately 38,760 workers came into the Olmsted County Market Area for work, while 19,417 workers left, for a net difference of 19,343. Additionally, the Olmsted County Market Area had an interior flow of 73,186 workers. Interior flow consists of those who both live and work in the defined area.

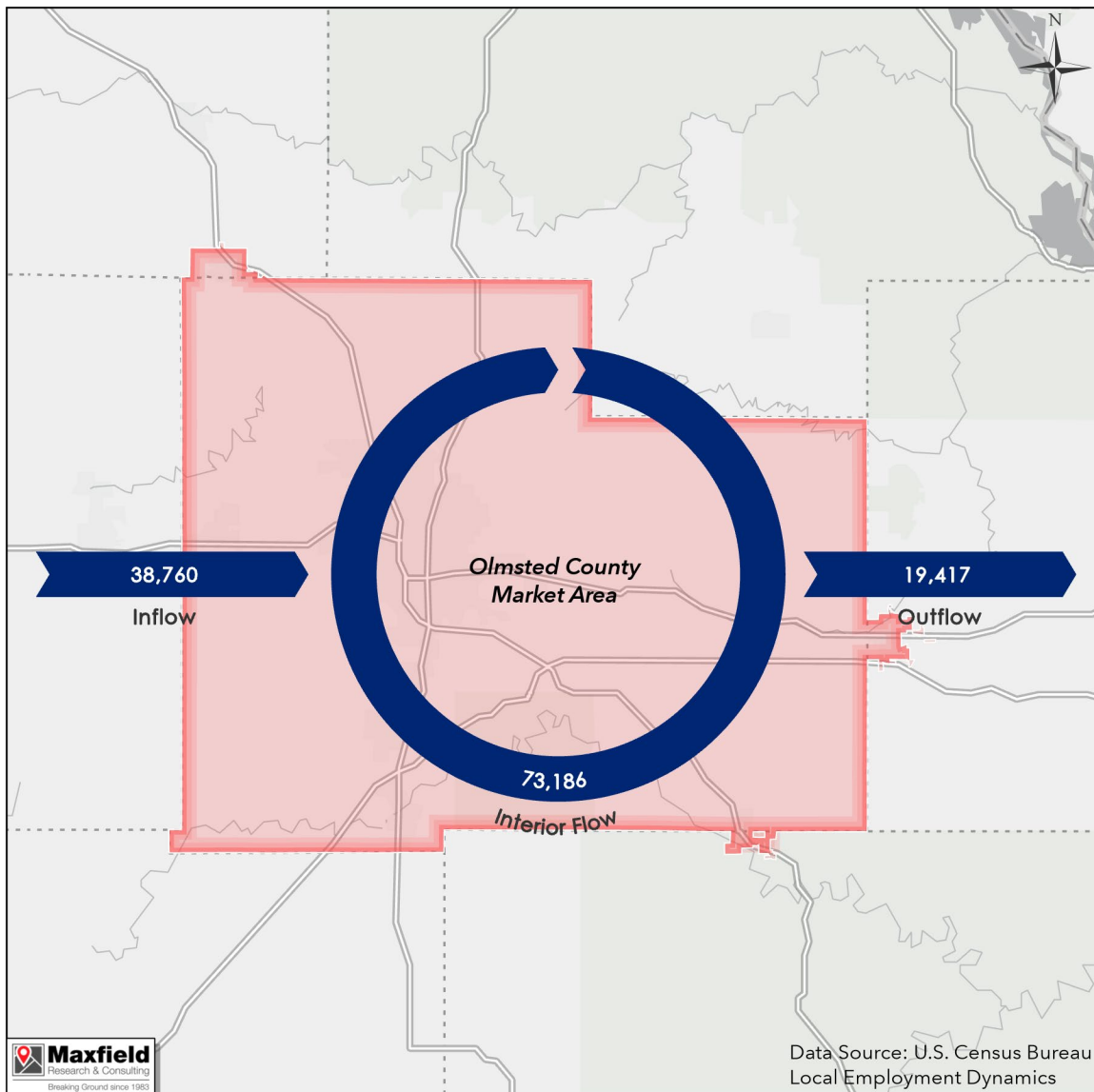
- Roughly 97% of the jobs in the Market Area are filled by workers commuting into the Market Area. The highest proportion of workers coming into the PMA are aged 30 to 54 (59%) and earn more than \$3,333 per month (\$40,000 per year), representing 87% of incoming workers. The “All Other Services” sector brings in most of the employees (99%).
- A higher proportion of inflow workers (87%) earn monthly wages above \$3,333, when compared to workers who commute out of the Market Area for work (42%).

**TABLE E-6
INFLOW / OUTFLOW CHARACTERISTICS
OLMSTED COUNTY MARKET AREA
2022**

	Outflow		Inflow		Interior Flow	
Olmsted County Market Area	19,417	14.8%	38,760	29.5%	73,186	55.7%
By Age						
Workers Aged 29 or younger	5,702	29%	9,249	24%	16,065	22%
Workers Aged 30 to 54	9,592	49%	20,544	53%	40,159	55%
Workers Aged 55 or older	4,123	21%	8,967	23%	16,962	23%
By Monthly Wage						
Workers Earning \$1,250 per month or less	4,651	24%	5,852	15%	10,524	14%
Workers Earning \$1,251 to \$3,333 per month	4,276	22%	6,761	17%	11,948	16%
Workers Earning More than \$3,333 per month	10,490	54%	26,147	67%	50,714	69%
By Industry						
"Goods Producing"	3,603	19%	4,889	13%	7,393	10%
"Trade, Transportation, and Utilities"	5,070	26%	5,816	15%	7,016	10%
"All Other Services"	10,744	55%	28,055	72%	58,777	80%
Destination Medical Center (DMC) District	687	1.2%	54,683	97.2%	865	1.5%
By Age						
Workers Aged 29 or younger	206	30%	10,028	18%	292	34%
Workers Aged 30 to 54	336	49%	32,194	59%	447	52%
Workers Aged 55 or older	145	21%	12,461	23%	126	15%
By Monthly Wage						
Workers Earning \$1,250 per month or less	213	31%	2,777	5%	72	8%
Workers Earning \$1,251 to \$3,333 per month	185	27%	4,573	8%	78	9%
Workers Earning More than \$3,333 per month	289	42%	47,333	87%	715	83%
By Industry						
"Goods Producing"	98	14%	308	1%	1	0%
"Trade, Transportation, and Utilities"	164	24%	322	1%	9	1%
"All Other Services"	425	62%	54,053	99%	855	99%

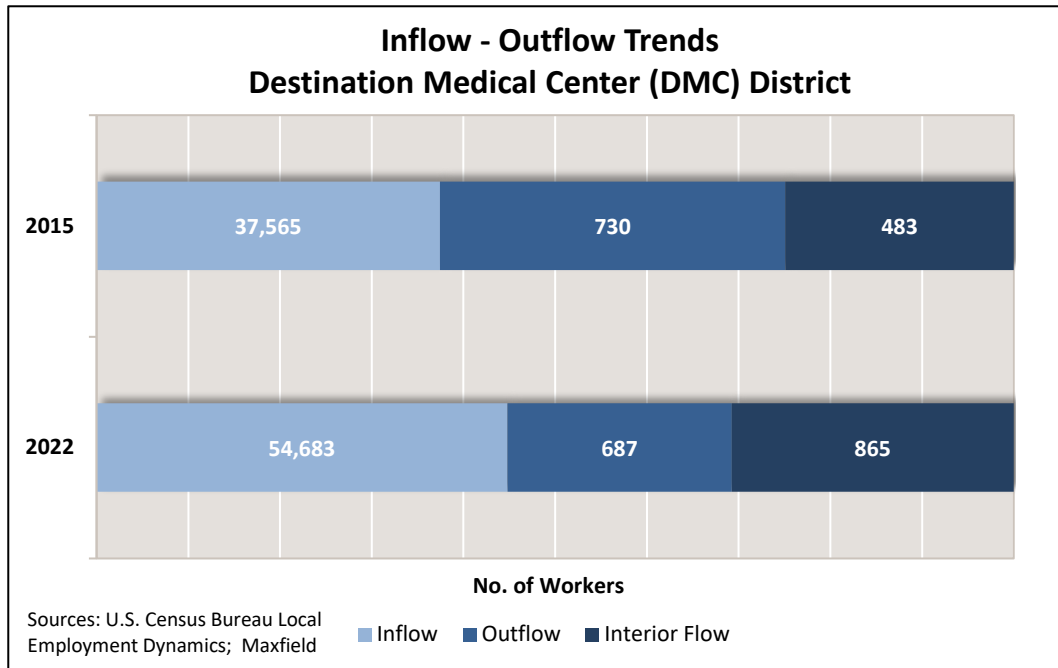
Sources: US Census Bureau Local Employment Dynamics; Maxfield Research and Consulting

Inflow/Outflow Analysis – Olmsted County Market Area

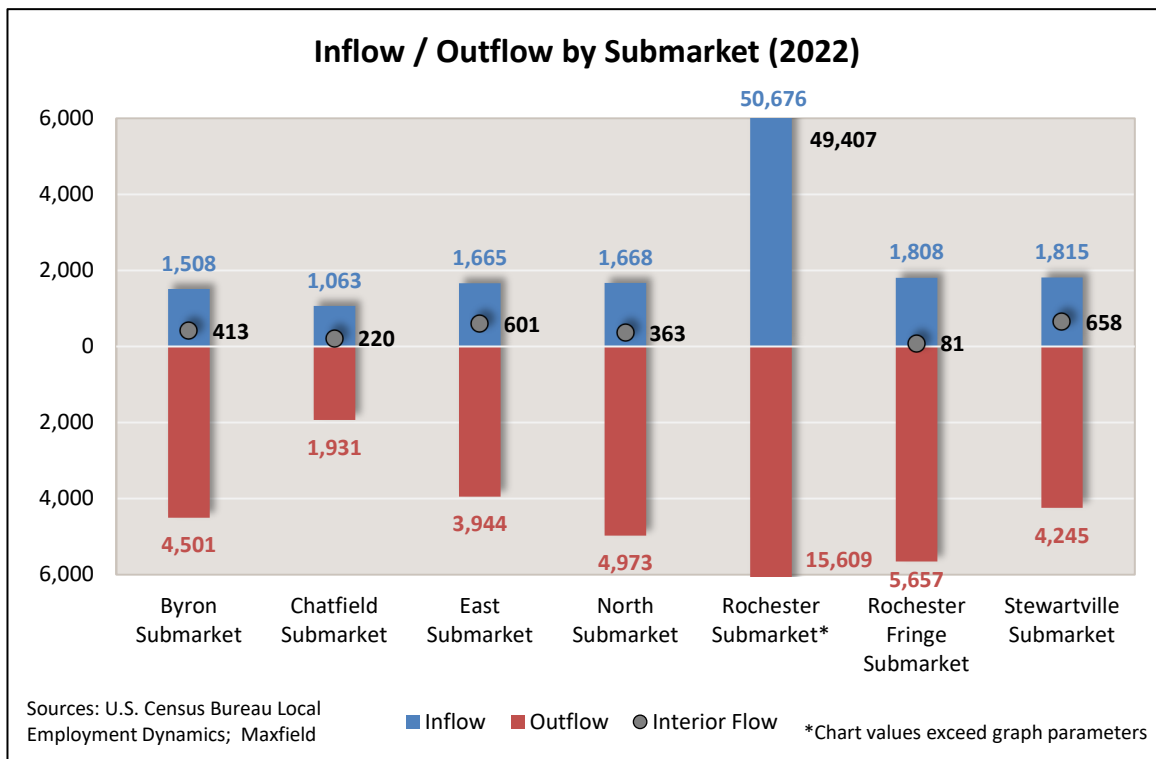


- The following chart provides a comparison of inflow / outflow trends in the DMC District between 2015, when the DMC was implemented, and 2022 (the most recent data available). Between 2015 and 2022, the inflow to the DMC District increased by 17,118 employees (46%), as did the interior flow, which increased by 382 employees (79%). The number of employees who left the DMC District for employment (outflow) decreased by 46 employees (-6%).

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- Across all submarkets, the Rochester Submarket has the highest inflow, with 50,676 of those employed in the submarket come from outside of the submarket, followed by the Stewartville Submarket with an inflow of 1,815. In contrast, the submarket that had the highest outflow was the Rochester Submarket (15,609).



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Existing Business Mix by NAICS

Table E-7 presents business data as compiled from ESRI and Data Axle, Inc. in 2024. The business inventory database is compiled from multiple sources; including directory resources from the yellow and white pages, annual reports, 10ks, SEC filings, government data, U.S. Postal Service, business trade directories, newspapers, etc. To ensure accurate information, phone telephone verifications are completed for each business in the database. The data is characterized based on the six-digit North American Industry Classification System (NAICS). The NAICS is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.

- There are approximately 5,962 businesses with 217,107 employees in the Olmsted County Market Area.
- The Other Services is the largest industry type in terms of businesses (935 businesses | 16% of total), while the Health Care & Social Assistance sector is the largest industry in terms of number of employees (123,405 employees | 57% of total).

Business/Industry	Businesses		Employees	
	Number	Pct	Number	Pct
NAICS CODES				
Agriculture, Forestry, Fishing & Hunting	49	0.8%	588	0.3%
Mining	5	0.1%	28	0.0%
Utilities	10	0.2%	338	0.2%
Construction	517	8.7%	3,698	1.7%
Manufacturing	170	2.9%	3,099	1.4%
Wholesale Trade	158	2.7%	2,087	1.0%
Retail Trade	771	12.9%	12,277	5.7%
Transportation & Warehousing	143	2.4%	2,205	1.0%
Information	123	2.1%	1,812	0.8%
Finance & Insurance	294	4.9%	2,361	1.1%
Real Estate, Rental & Leasing	318	5.3%	2,096	1.0%
Professional, Scientific & Tech Services	459	7.7%	34,260	15.8%
Management of Companies & Enterprises	8	0.1%	180	0.1%
Administrative, Support & Waste Management Services	233	3.9%	2,288	1.1%
Educational Services	163	2.7%	7,206	3.3%
Health Care & Social Assistance	725	12.2%	123,405	56.8%
Arts, Entertainment & Recreation	133	2.2%	1,445	0.7%
Accommodation & Food Services	421	7.1%	8,165	3.8%
Other Services (except Public Administration)	935	15.7%	5,535	2.5%
Public Administration	148	2.5%	3,953	1.8%
Unclassified Establishments	179	3.0%	81	0.0%
Total	5,962	100.0%	217,107	100.0%

Sources: ESRI; Maxfield Research & Consulting

Major Employers

Table E-8 shows the major employers based on data provided by Rochester Area Economic Development and surrounding cities within the Olmsted County Market Area. Please note that the table is not a comprehensive list of all employers and presents a selected list of employers and their employees as identified by the Rochester Area Economic Development (RAEDI) and community officials. The data is updated and collected by the city in fragmented time periods and is not an official survey. The following are key points from the major employers table.

- The Mayo Clinic in Rochester is by far the largest employer in the Olmsted County Market Area with roughly 42,000 employees. According to the Minnesota Department of Employment and Economic Development, the Mayo Clinic is the largest employer in Minnesota.
- Rochester Public Schools is the second largest employer with nearly 2,900 employees.
- IBM, also located in Rochester, is the third largest employer in the Olmsted County Market Area with about 2,800 employees.

Destination Medical Center

The Destination Medical Center (“DMC”) initiative is one of the largest and most advanced economic development strategies in the State of Minnesota. Its goal is to secure Rochester’s and Minnesota’s status as a global medical destination.

DMC main objectives are as follows:

- Sustain Rochester and Minnesota as a global destination that offers patients a welcoming, comfortable and engaging environment in which to receive the most advanced medical care in the world.
- Grow Rochester as a magnet community attracting the most promising students and sophisticated healthcare professionals from across the globe.
- Leverage Mayo Clinic’s presence in Minnesota to ignite institutional and commercial research in an environment that encourages shared knowledge, partnerships, medical advancements, and innovation.
- Create unparalleled and meaningful experiences of hope, health, and hospitality for every person.
- Provide the ideal patient, companion, and visitor experience to become the world’s premier destination medical community.

Bold. Forward. Unbound.

The "Bold. Forward. Unbound" project by Mayo Clinic in Rochester, Minnesota, is a transformative initiative aimed at reimagining healthcare delivery. This multiyear strategic plan focuses on integrating innovative care concepts and digital technologies to enhance patient care and experience.

Key aspects of the project include:

- **Redesigning Mayo Clinic's downtown Rochester campus** to create new facilities that blend hospital, clinic, and digital care environments.
- **Creating community-centered neighborhoods** within the campus that bring services together around common patient needs and diseases.
- **Incorporating unique architectural elements** that support healing through nature, sunlight, and connected spaces.
- **Minimizing disruption** during construction by sequencing work iteratively.

Overall, the project aims to advance teamwork, transform the patient experience, and improve healthcare outcomes.

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**TABLE E-8
MAJOR EMPLOYERS
OLMSTED COUNTY MARKET AREA**

Name	City	Industry/Product/Service	Employee Size
Rochester Submarket			
Mayo Clinic	Rochester	Medical/Hospital	42,000
Rochester Public Schools	Rochester	Education Services	2,872
IBM	Rochester	Electronics-Computer	2,791
Olmsted County	Rochester	Government	1,371
Olmsted Medical Center	Rochester	Medical/Hospital Services	1,321
City of Rochester	Rochester	Local Government	1,166
McNeilus Truck & Manuf.	Rochester	Cement & Garbage Truck Manufacturer	791
Benchmark Electronics	Rochester	Engineering and Manufacturing	625
Spectrum	Rochester	Cable Television/High Speed Internet	577
RCTC	Rochester	Post Secondary Education	492
McNeilus Steel, Inc	Rochester	Manufacturer of Steel Products	490
Federal Medical Center	Rochester	Corrections/Medical	452
Crenlo	Rochester	Fabricated Metal	450
Cardinal of Minnesota, Ltd.	Rochester	Supportive Care for Mental Health Disabilities	425
Reichel Foods	Rochester	Refrigerated lunch & snacks	423
Geotek	Rochester	Manufacturing	417
Halcon	Rochester	Office Furniture Manufacturer	400
Rochester Catholic Schools	Rochester	Education Services	331
Kemps	Rochester	Dairy Processing and Distribution	225
Samaritan Bethany, Inc.	Rochester	Health Care of the Aging	210
Other Submarkets			
Taylor Print & Visual Impressions	Byron	Printing Services	N/A
Ornua Ingredients of North America	Byron	Food Processing	N/A
Byron Independent School District	Byron	Education	N/A
DeCook Excavating	Byron	Excavation	N/A
Strongwell	Chatfield	Fiberglass Prolusion	140
Chosen Valley Care Center	Chatfield	Skilled Nursing	150
Tuohy Furniture Corp	Chatfield	Wood Furniture	150
Chosen Valley Public Schools	Chatfield	Education	120
EZ Fabrication	Chatfield	Metal Fabrication	65
Sunshine Foods	Chatfield	Grocer	65
Bernard Bus	Chatfield	Transportation Services	50
Land O'Lakes	Pine Island	Food Processing	N/A
Island Tool & Die	Pine Island	Manufacturing	N/A
Lincoln Industries	Pine Island	Manufacturing	N/A
Pine Island Public Schools	Pine Island	Education	N/A
St Charles Schools (K-12)	St. Charles	Education	N/A
Jennie O Turkey	St. Charles	Food Processing	N/A
Halcon	Stewartville	Furniture Manufacturing	N/A
Goetek	Stewartville	Manufacturing	N/A
Stewartville School District	Stewartville	Education	N/A
Fareway	Stewartville	Grocer	N/A
Stewartville Care Center	Stewartville	Nursing Home	N/A
Note: Not all cities provided complete major employer data.			
Source: Rochester Area Economic Development; Surrounding cities within Market Area; Maxfield Research & Consulting			

Rental Housing Analysis

Maxfield Research and Consulting identified and surveyed larger rental properties in the Olmsted County Market Area (20 units or more in Rochester and 8 or more units within the communities outside Rochester).

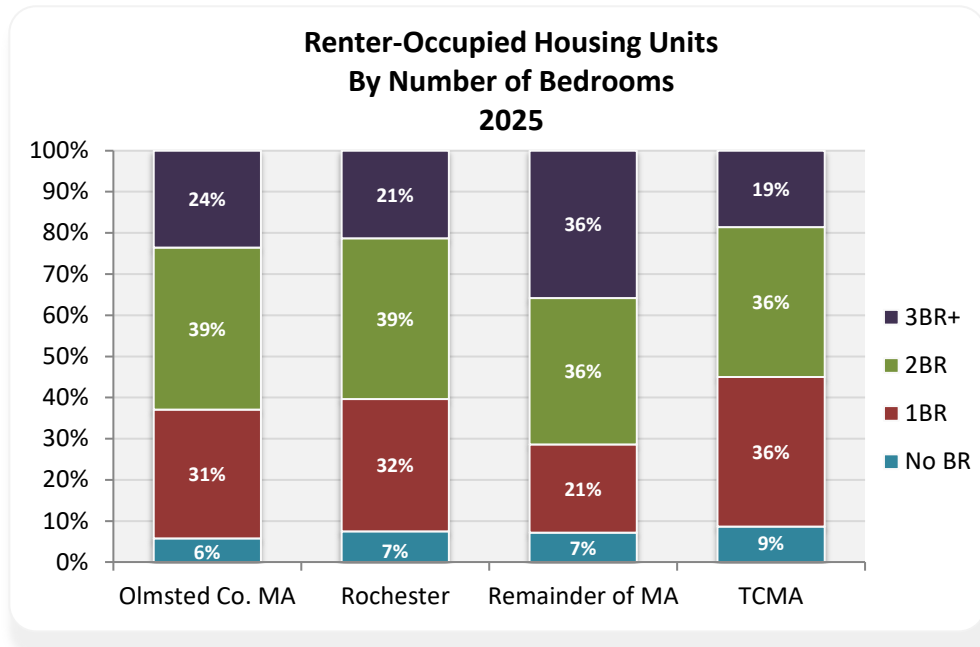
For this analysis, rental properties are classified into two groups, general occupancy and senior (age-restricted). All senior properties are included in the *Senior Housing Analysis* section of the report. The general occupancy rental properties are divided into three groups: market rate (those without income restrictions); affordable or shallow-subsidy housing (those receiving tax credits or another type of shallow-subsidy and where there is a quoted rent for the unit and a maximum income that cannot be exceeded by the tenant); and subsidized or deep-subsidy properties (those with income restrictions at 50% or less of AMI where rental rates are based on 30% of the household's gross adjusted income.).

Overview of Rental Market Conditions

Maxfield Research utilized data from the American Community Survey (ACS) to summarize rental market conditions in Olmsted County. As stated in the housing characteristics section, the ACS is an ongoing survey conducted by the United States Census Bureau that provides data every year rather than every ten years as presented by the decennial census. We utilize this data because these figures are not available from the decennial census. Please note that the DMC Area is not available as ACS does not provide data at the census block level.

Table R-1 in the Appendix presents a breakdown of median gross rent and monthly gross rent ranges by number of bedrooms in renter-occupied housing units from the 2023 ACS (adjusted to current 2025 estimates) in the Olmsted County Market Area in comparison to the City of Rochester, the Remainder of the Market Area, and the Twin Cities Metro Area. Gross rent is defined as the amount of the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer) and fuels (oil, coal, wood, etc.) if these are paid by the renter.

- As shown by the chart on the following page, the largest bedroom type in the Olmsted County Market Area is two-bedroom units accounting for approximately 39% of the renter-occupied housing units. In comparison, the Twin Cities Metro Area has an estimated 36% renter two-bedroom units Metro Area.
- Because the City of Rochester encompasses the majority of population and households of the Olmsted County Market Area, the proportion of bedroom type closely mirrors the Market Area. In the Remainder of the Market Area communities however, three-bedroom units make up a higher estimated percentage of bedroom types with 36% (21% Rochester, 24% Olmsted County MA).



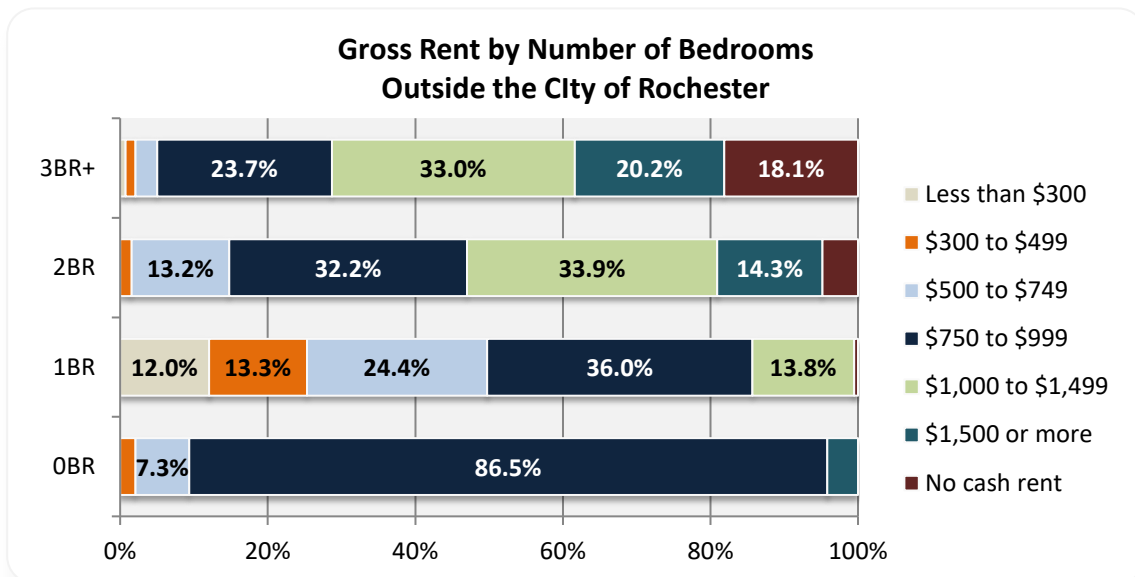
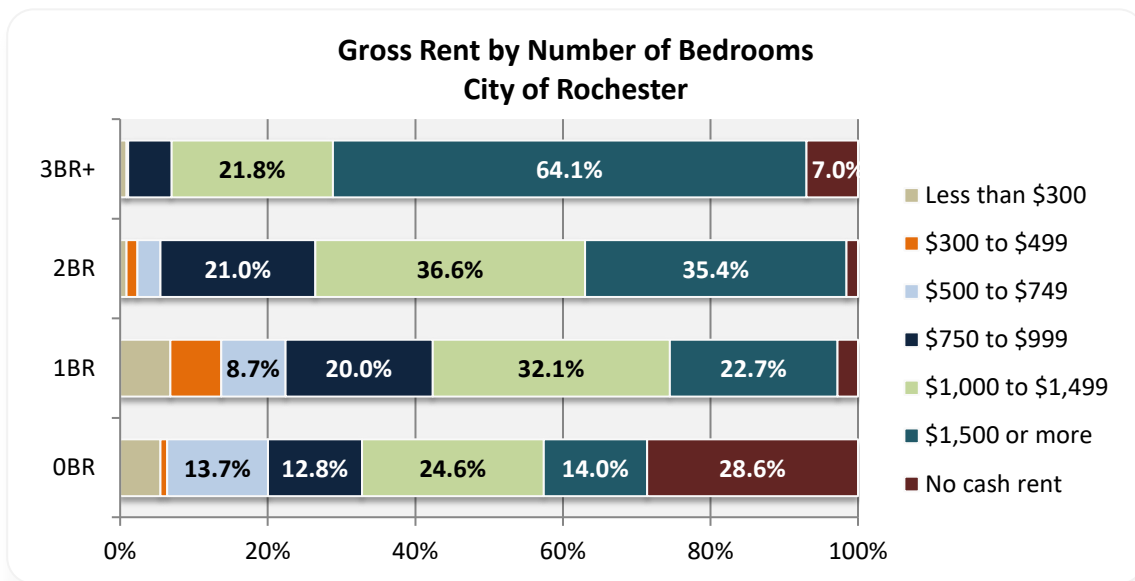
- The Olmsted County Market Area has lower gross rents compared to the Twin Cities Metro Area. The median gross rent in the Olmsted County Market Area is estimated at \$1,305 which is 8% lower than the median rent of \$1,422 in the Metro Area. Rochester has rents that are 7.5% lower than the Metro at \$1,316.
- Monthly gross rents for bedrooms over \$1,000 are estimated to account 64.5% of all renter households in the Olmsted County Market Area. Approximately 20% of renter housing units have gross monthly rents \$750 to \$999. Only about 12% have estimated rents lower than \$750 per month.
- The following estimated data shows the comparison of monthly gross rents by geography:

<u>Monthly Rent</u>	<u>Rochester</u>	<u>Remainder MA</u>	<u>Olmsted Co. MA</u>	<u>TCMA</u>
\$750 or less	11.0%	18.4%	12.2%	9.6%
\$750 to \$999	16.8%	33.8%	19.4%	8.9%
\$1,000 to \$1,499	31.1%	26.8%	31.1%	36.1%
\$1,500 or more	35.8%	12.6%	33.4%	43.1%

- As shown above, estimated monthly gross rent is significantly higher in Rochester than in communities in other areas of the Market Area. Rents of \$1,000 and higher account for 39% of the Remainder compared to 67% in Rochester.
- Rochester is not quite as high in estimated monthly rents as the Twin Cities Metro Area, but has similar proportions along rent categories. The only major difference is that Rochester has much higher percentage of rental units with between \$750 to \$999 monthly rents.

RENTAL HOUSING ANALYSIS

- The following charts show the proportion of estimated gross rents by number of bedrooms for Rochester and the Remainder of the Olmsted County Market Area. The charts give a visual picture of difference in value of rental units outside of Rochester. It should be noted that the value is likely due in part to the older age of the majority of properties in these communities as limited new development has occurred in rental product outside of Rochester.



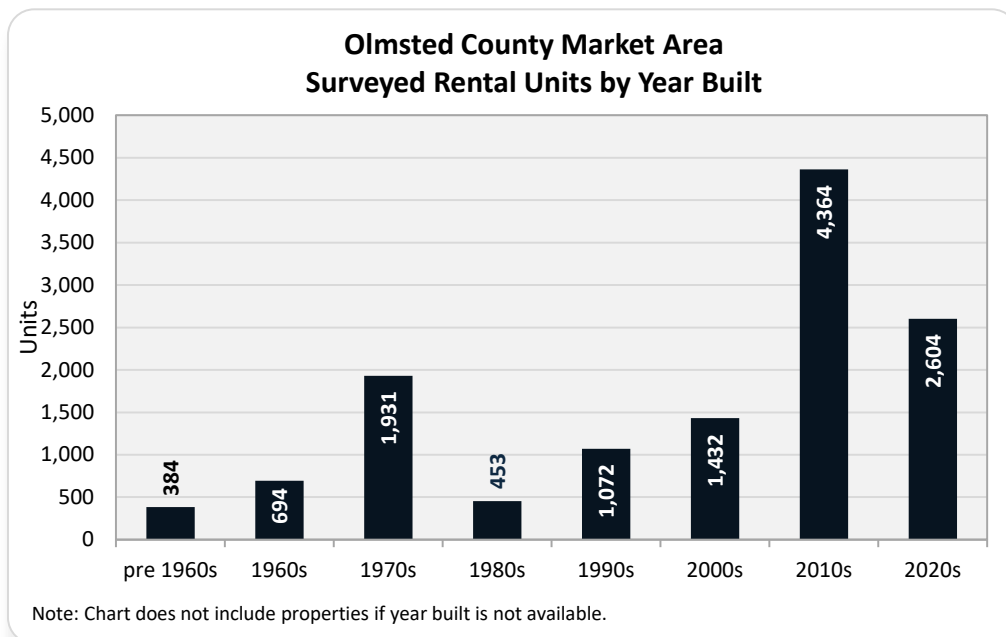
General-Occupancy Rental Summary

Our research of the Olmsted County’s general occupancy rental market included a survey of nearly 160 shallow-subsidy (affordable), deep-subsidy (subsidized) and market rate apartment properties (buildings with 20 units or more/8 or more outside of Rochester) as of Q1 2025. These properties represent a combined total of 12,968 units, including 2,340 affordable, 593 subsidized and 10,025 market rate units.

Maxfield Research was able to contact and obtain up-to-date information on over 90% of identified rental properties. Partial and/or limited data was gathered for a small portion of properties that chose not to participate in the survey, we were unable to reach due to lack of contact information, or no response was received. In such cases, Maxfield Research relied on information from third party sources, if available.

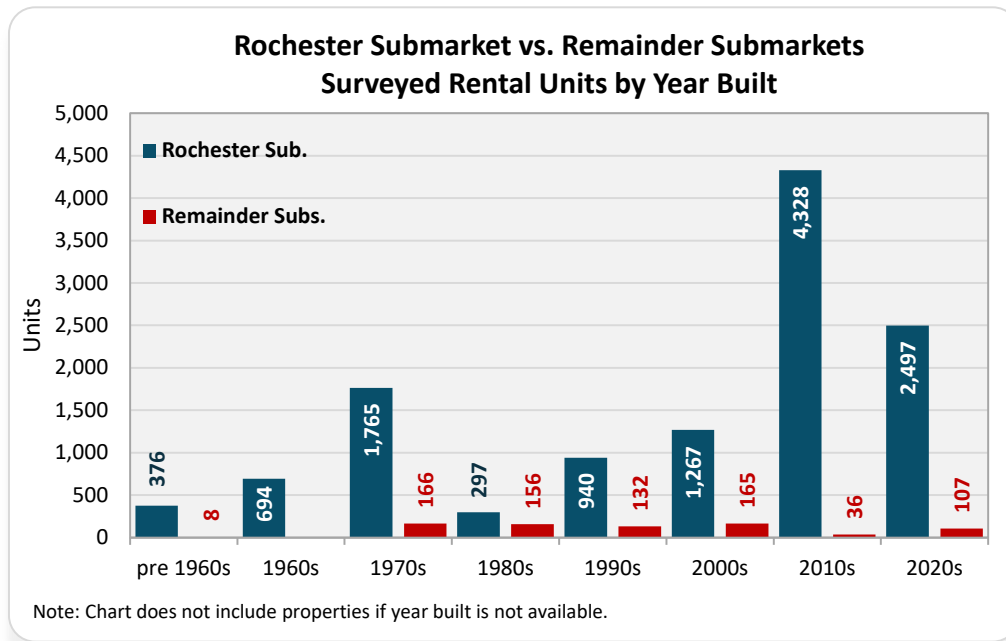
At the time of our survey, 355 general occupancy units were vacant in stabilized properties, resulting in an overall vacancy rate of 3.1% for all units. The combined overall vacancy rate is just below the industry standard of 5% vacancy for a stabilized rental market rate which promotes competitive rates, ensures adequate choice and allows for sufficient unit turnover.

Table R-3 summarizes the inventory of general occupancy properties in the Olmsted County Market Area by income level and includes year built, city, submarket and unit totals. Tables R-2 through R-4 provide a summary by income level and unit type, which includes total units, average square foot, rent range, average rent, and average rent per square foot as well as the average age of the properties.



RENTAL HOUSING ANALYSIS

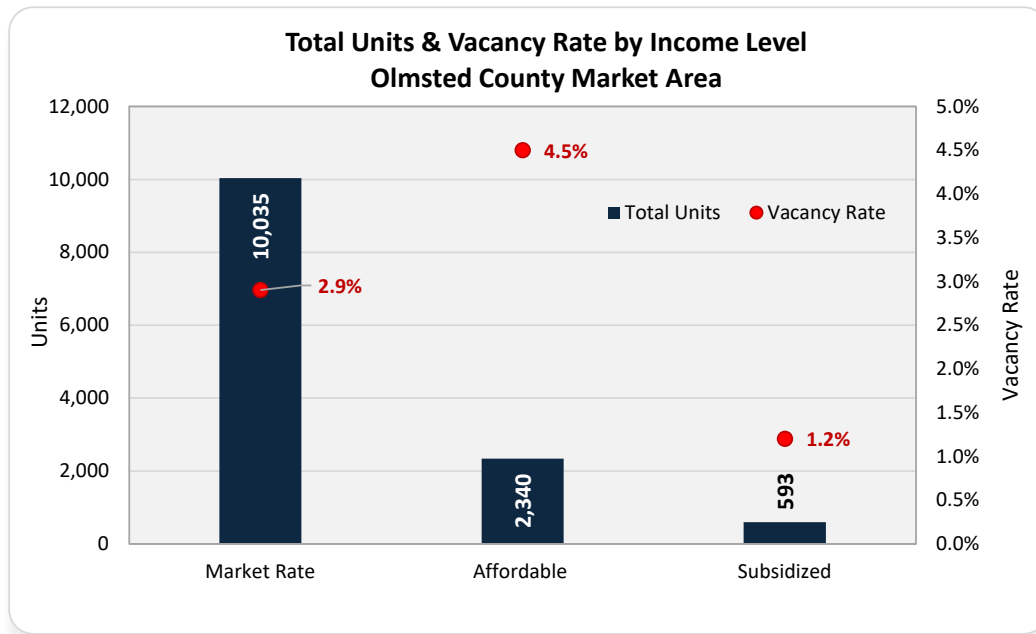
- Based on the surveyed general occupancy rental units, the peak development period for multifamily units in the Olmsted County Market Area was during the last decade (2010s) as 4,364 (34%) of the units surveyed were built. Since 2020, 2,604 units have been built and is on pace to surpass development during the 2010s.
- The Olmsted County Market Area added about 5,580 surveyed general occupancy rental units from 1960 to 2010. In the short period from 2010 to 2025 the Market Area has added 4,665 units.



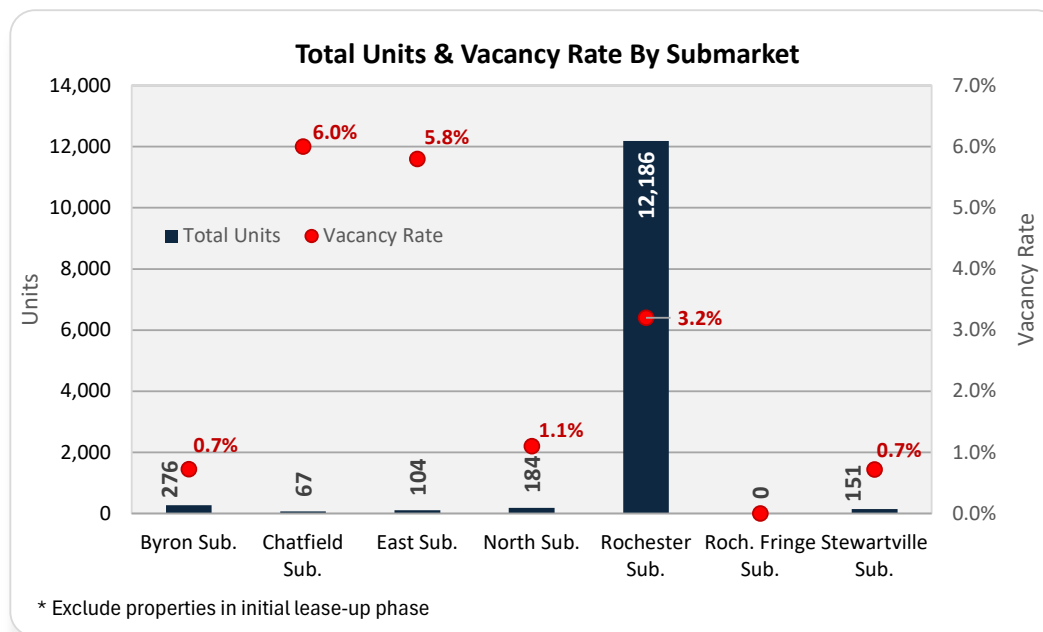
- The chart below shows the comparison of surveyed rental units by decade for the Rochester Submarket to the Remainder of the Submarkets. Overall, the Rochester Submarket accounts for 94% of all rental units surveyed. Since 2010, the Rochester Submarket has grown and accounts for 98% of the surveyed rental units.
- As the chart shows, the Rochester Submarket has experienced exceptional growth in rental units over the past two decades. Growth in the remainder submarkets has been limited but steady, however new growth has been focused in the North and Byron Submarkets.
- Market rate units consist of the largest number of surveyed rental units in the Olmsted County Market Area with a total of 10,035 units (78%) followed by shallow subsidy (affordable) units at 18% (2,340 units), and deep-subsidy units at only 5% (649 units).
- The overall vacancy rate in the Olmsted County Market Area is 3.1% which falls below the recommended market equilibrium of 5.0% to provide a healthy rental market.

RENTAL HOUSING ANALYSIS

- While an overall market equilibrium of 5.0% is standard, when assessing affordable and subsidized housing, a market equilibrium of 3.0% is used due to the higher need for income restricted housing. Shallow-subsidy (affordable) housing in the Olmsted County Market Area was surveyed at 4.5% which is above suggested market equilibrium while deep-subsidy (subsidized) housing was surveyed at 1.2%, well below equilibrium.



- As shown in the chart below, other than the Chatfield (6.0%) and East Submarkets (5.8%), the remaining submarkets fall are below the overall market equilibrium of 5.0%.



RENTAL HOUSING ANALYSIS

- Rochester has the largest supply of general occupancy rental housing in the Olmsted County Market Area with a total of 12,186 units surveyed. The Northwest quadrant of Rochester, contains the largest number of rental units in the city with 5,503 (45%) units surveyed. The following list shows the proportion of rental units surveyed by submarket.

<u>Submarket</u>	<u>Pct.</u>
Rochester	94%
Byron	2.1%
North	1.4%
Stewartville	1.2%
East	0.8%
Chatfield	0.8%
Rochester Fringe	0.0%

- Table R-2 over the next few pages provides a list of general occupancy rental housing properties in the Olmsted County Market Area by affordability and sorted by newest to oldest. Please note that properties highlighted are located within the DMC Area.

TABLE R-2 GENERAL OCCUPANCY RENTAL HOUSING DEVELOPMENTS (20-units+) OLMSTED COUNTY MARKET AREA Q1 2025				
Project Name	Year Built*	City	Quadrant	Units
Deep-Subsidy				
Rochester Submarket				
The Square on 31st	1971	Rochester	NE	95
Innsbruck	1982	Rochester	NW	40
The Hylands	1980	Rochester	NW	100
Northgate Community Housing	1965	Rochester	NW	12
Eastridge Estates	1970	Rochester	SE	126
Newbridge Apartments	1968	Rochester	SW	41
Rochester Subtotal				414
East Submarket				
Whitewater Way Apartments	1989	St. Charles	--	24
Eyota Manor	1986	Eyota	--	12
Clover Patch Apartments	1979	St. Charles	--	32
East Subtotal				68
<i>Continued</i>				

TABLE R-2 (Cont.)				
GENERAL OCCUPANCY RENTAL HOUSING DEVELOPMENTS (20-units+)				
OLMSTED COUNTY MARKET AREA				
Q1 2025				
Project Name	Year Built*	City	Quadrant	Units
Deep-Subsidy (Cont.)				
North Submarket				
Knollwood Apartments	1987	Pine Island	--	24
Fox Meadows	1977	Pine Island	--	32
North Subtotal				56
Stewartville Submarket				
Stewartville Apartments	1980	Stewartville	--	25
Eastside Village	1977	Stewartville	--	30
Stewartville Subtotal				55
Deep-Subsidy Total				649
Shallow-Subsidy				
Rochester Submarket				
Valleyhigh Flats II	2024	Rochester	NW	51
Technology Park Apartments II	2023	Rochester	NW	41
Bella Grove	2022	Rochester	NW	128
Harvestview Place II	2020	Rochester	NW	76
Bryk on Broadway^	2020	Rochester	NW	180
Harvestview Place I	2019	Rochester	NW	60
Valleyhigh Flats	2018	Rochester	NW	60
Technology Park Apartments I	2017	Rochester	NW	123
The Park	2016	Rochester	NW	15
Ashland Place	2015	Rochester	NW	49
Washington Village East	2012	Rochester	NW	47
Cascade Creek Apartments	2011	Rochester	NW	40
Washington Village West	2009	Rochester	NW	67
Georgetown Square	2005	Rochester	NW	32
Georgetown Homes	2001	Rochester	NW	49
Dakota Townhomes	2001	Rochester	NW	100
Sunrise Townhomes	2000	Rochester	NW	24
Valley High Apartments	2000	Rochester	NW	24
Royal Oaks Apartments	1997	Rochester	NW	24
Bandell Hills Townhomes	1996	Rochester	NW	25
The Villages at Essex Place	1991	Rochester	NW	144
<i>Continued</i>				

RENTAL HOUSING ANALYSIS

TABLE R-2 (Cont.) GENERAL OCCUPANCY RENTAL HOUSING DEVELOPMENTS (20-units+) OLMSTED COUNTY MARKET AREA Q1 2025				
Project Name	Year Built*	City	Quadrant	Units
<i>Shallow-Subsidy (Cont.)</i>				
<i>Rochester Submarket</i>				
Northern Heights	2023	Rochester	NE	66
Century Heights	2020	Rochester	NE	76
River Glen	2019	Rochester	NE	128
The Riverwalk Apartments	2019	Rochester	NE	45
1st Avenue Flats^	2017	Rochester	NE	68
The Square on 31st	1971	Rochester	NE	9
Eastgate	2019	Rochester	SE	144
Flats on 4th^	2018	Rochester	SE	19
The Meadows	2016	Rochester	SE	54
Village on 3rd	2007	Rochester	SE	66
Center Street Village	1976	Rochester	SE	36
Homestead Village Townhomes	1961	Rochester	SE	102
Residency @ Discovery Square^	2019	Rochester	SW	29
Bear Creek Campus	2018	Rochester	SW	43
Rochester Subtotal				2,244
<i>Byron Submarket</i>				
Valleyview Estates	1995	Byron	Byron	48
<i>Chatfield Submarket</i>				
Mill Pond Townhomes	1999	Chatfield	East	24
<i>North Submarket</i>				
Wazuweeta Woods	2002	Pine Island	North	24
Shallow-Subsidy Total				2,340
<i>Market Rate</i>				
<i>Rochester Submarket</i>				
Silver Lake Crossing	2024	Rochester	NE	112
Benaiah on Broadway	2023	Rochester	NE	27
River Glen	2019	Rochester	NE	80
Riverwalk Apartments	2019	Rochester	NE	107
Civic Square Apartments^	1991	Rochester	NE	124
Olympik Village	1976	Rochester	NE	140
Far Park Apartments	1968	Rochester	NE	27
<i>Continued</i>				

RENTAL HOUSING ANALYSIS

TABLE R-2 (Cont.) GENERAL OCCUPANCY RENTAL HOUSING DEVELOPMENTS (20-units+) OLMSTED COUNTY MARKET AREA Q1 2025				
Project Name	Year Built*	City	Quadrant	Units
Shallow-Subsidy (Cont.)				
Rochester Submarket (Cont.)				
Residency @ Discovery Square^	2019	Rochester	SW	29
Bear Creek Campus	2018	Rochester	SW	43
Rochester Subtotal				2,244
Byron Submarket				
Valleyview Estates	1995	Byron	Byron	48
Chatfield Submarket				
Mill Pond Townhomes	1999	Chatfield	East	24
Chatfield Submarket				
Wazuweeta Woods	2002	Pine Island	North	24
Shallow-Subsidy Total				2,340
Market Rate				
Rochester Submarket				
Silver Lake Crossing	2024	Rochester	NE	112
Benaiah on Broadway	2023	Rochester	NE	27
Civic Square Apartments^	1991	Rochester	NE	124
Olympik Village	1976	Rochester	NE	140
Far Park Apartments	1968	Rochester	NE	27
Silver Lake Apartments	1955	Rochester	NE	125
Parker Apartments^	1919	Rochester	NE	62
The Vue*	2024	Rochester	NW	176
The Preserve at West Circle - SFBFR	2023	Rochester	NW	118
The Pines TH	2023	Rochester	NW	134
Songhill Apartments	2023	Rochester	NW	140
The Lodge at Overland	2023	Rochester	NW	237
Technology Park II	2023	Rochester	NW	99
Technology Park I	2019	Rochester	NW	41
The Pines of Rochester	2017	Rochester	NW	192
Kascade Place	2016	Rochester	NW	96
Cascade Aparments	2016	Rochester	NW	44
Nue 52	2016	Rochester	NW	83
Quarry Ridge Apartments	2012	Rochester	NW	313
<i>Continued</i>				

RENTAL HOUSING ANALYSIS

TABLE R-2 (Cont.) GENERAL OCCUPANCY RENTAL HOUSING DEVELOPMENTS (20-units+) OLMSTED COUNTY MARKET AREA Q1 2025				
Project Name	Year Built*	City	Quadrant	Units
Market Rate (Cont.)				
Rochester Submarket (Cont.)				
Silver Lake Apartments	1955	Rochester	NE	126
Parker Apartments^	1919	Rochester	NE	62
The Vue North	2024	Rochester	NW	188
The Pines Townhomes	2024	Rochester	NW	134
The Preserve at West Circle	2023	Rochester	NW	118
Songhill Apartments	2023	Rochester	NW	140
The Lodge at Overland	2023	Rochester	NW	237
Technology Park II	2023	Rochester	NW	99
Technology Park I	2019	Rochester	NW	41
The Pines of Rochester	2017	Rochester	NW	192
Kascade Place	2016	Rochester	NW	96
The Park	2016	Rochester	NW	75
Cascade Aparments	2016	Rochester	NW	44
Nue 52	2016	Rochester	NW	83
Quarry Ridge Apartments	2012	Rochester	NW	313
Rivers Edge Apartments	2003	Rochester	NW	39
Avalon Cove Townhomes	2002	Rochester	NW	188
Crown Apartments	2001	Rochester	NW	48
The Brittany's Townhomes	2001	Rochester	NW	98
Georgetown Homes	2001	Rochester	NW	51
Sunset Trail Apartments	2000	Rochester	NW	146
The Village at Essex Park	1999	Rochester	NW	144
French Creek Apartments	1991	Rochester	NW	40
Jordan Mills	1990	Rochester	NW	119
Jordan Creek	1986	Rochester	NW	62
Green Arbor Commons	1978	Rochester	NW	44
Summit Square	1975	Rochester	NW	150
Berkshire Village	1974	Rochester	NW	90
Rochester Heights	1974	Rochester	NW	161
Village Green Townhomes	1972	Rochester	NW	36
Gates of Rochester	1971	Rochester	NW	412
Winchester Apartments	1970	Rochester	NW	115
<i>Continued</i>				

RENTAL HOUSING ANALYSIS

TABLE R-2 (Cont.) GENERAL OCCUPANCY RENTAL HOUSING DEVELOPMENTS (20-units+) OLMSTED COUNTY MARKET AREA Q1 2025				
Project Name	Year		Quadrant	Units
	Built*	City		
Market Rate (Cont.)				
Rochester Submarket (Cont.)				
Heritage Manor	1968	Rochester	NW	182
Mile Manor Apartments	1965	Rochester	NW	53
Regency Apartments^	1963	Rochester	NW	20
Hillcrest Apartments	1963	Rochester	NW	34
The Graham	1947	Rochester	SE	21
The Rosewater	2025	Rochester	SE	235
SoRoc on Maine Phase II	2024	Rochester	SE	192
Avani Living	2018	Rochester	SE	107
Flats on 4th^	2018	Rochester	SE	73
SoRoc on Maine	2018	Rochester	SE	186
Falcon Heights	2018	Rochester	SE	120
The Lofts at Mayo Park^	2017	Rochester	SE	29
Preserve on Maine	2016	Rochester	SE	205
The Vista at South Broadway	2016	Rochester	SE	228
Eastwood Ridge Apartments	2016	Rochester	SE	209
The Boulders	2015	Rochester	SE	224
Rolling Ridge Townhomes	2003	Rochester	SE	35
Parkside Townhomes	2001	Rochester	SE	24
Falcon Landing Apartments	1991	Rochester	SE	36
The Manor at Med City	1990	Rochester	SE	72
The Quarters	1986	Rochester	SE	63
Andover Park Apartments	1979	Rochester	SE	80
Sutton Place Apartments	1979	Rochester	SE	72
21st Street Apartments	1977	Rochester	SE	60
Meadow Park Apartments	1975	Rochester	SE	90
Eastwood Manor	1973	Rochester	SE	29
Lamoine Apartments	1973	Rochester	SE	20
Chester Estates	1969	Rochester	SE	40
The Beacon^	1966	Rochester	SE	25
Folwell Manor Apartments	n.a.	Rochester	SW	48
Hue Apartments	2020	Rochester	SW	50
The Berkman^	2020	Rochester	SW	347

Continued

RENTAL HOUSING ANALYSIS

TABLE R-2 (Cont.) GENERAL OCCUPANCY RENTAL HOUSING DEVELOPMENTS (20-units+) OLMSTED COUNTY MARKET AREA Q1 2025				
Project Name	Year		Quadrant	Units
	Built*	City		
Market Rate (Cont.)				
Rochester Submarket (Cont.)				
The Gryff	2019	Rochester	SW	26
The Maven on Broadway^	2019	Rochester	SW	154
Residency @ Discovery Square^	2019	Rochester	SW	100
Uptown Apartments	2017	Rochester	SW	29
Red44	2017	Rochester	SW	159
Lofts^	2016	Rochester	SW	20
501 on 1st ^	2016	Rochester	SW	84
Nicholas Apartments	2015	Rochester	SW	83
5th on 5th	2014	Rochester	SW	39
Metropolitan Market Place^	2013	Rochester	SW	62
Richard Apartments	2012	Rochester	SW	24
318 Commons^	2012	Rochester	SW	98
Hamilton Apartments	2011	Rochester	SW	24
Cascade Shores	2010	Rochester	SW	90
Cascade Shores Flats	2006	Rochester	SW	276
Crystal bay Townhomes	1997	Rochester	SW	76
Woodridge Apartments	1990	Rochester	SW	110
Highland Townhomes	1984	Rochester	SW	32
Uptown Landing Apartments^	1969	Rochester	SW	23
The Colby	1967	Rochester	SW	32
Uptown Court^	1966	Rochester	SW	28
2nd Street Villas^	1964	Rochester	SW	39
The Ida	1964	Rochester	SW	36
First Avenue Suites^	1939	Rochester	SW	20
Residences of Old City Hall^	1930	Rochester	SW	22
Hillside Apartments	1928	Rochester	SW	54
1301 1st Street Sw	1928	Rochester	SW	23
Raymond Apartments	1921	Rochester	SW	26
Furlow Apartments	1900	Rochester	SW	22
Rochester Subtotal				9,528
<i>Continued</i>				

RENTAL HOUSING ANALYSIS

TABLE R-2 (Cont.) GENERAL OCCUPANCY RENTAL HOUSING DEVELOPMENTS (20-units+) OLMSTED COUNTY MARKET AREA Q1 2025				
Project Name	Year		Quadrant	Units
	Built*	City		
Market Rate (Cont.)				
Byron Submarket				
Bearpath Apartments	2021	Byron	--	47
Stone Haven THs	2020	Byron	--	60
Kodiak Apartments	2003	Byron	--	73
Villa Grande East & West	1985	Byron	--	48
Byron Subtotal				228
Chatfield Submarket				
152nd Street	1930	Chatfield	--	8
724 South Main Street	1981	Chatfield	--	15
800 Winona Street	1977	Chatfield	--	8
255 Winona Street SE	1970	Chatfield	--	12
Chatfield Subtotal				43
East Submarket				
Brittany Apartments	1979	St. Charles	--	36
North Submarket				
301 Apartments	2018	Pine Island	--	36
Ridgeway Estates	2001	Pine Island	--	34
Pineview Townhomes	2000	Pine Island	--	34
North Subtotal				104
Stewartville Submarket				
Cottages of Stewartville	1995	Stewartville	--	60
Relax-Stewartville Apartments	1980	Stewartville	--	8
Cedarwood Apartments	1978	Stewartville	--	16
Stewartville Cottages	n.a.	Stewartville	--	12
East Subtotal				96
Market Rate Total				10,035
* Year built is original year and does not include potential renovation year.				
^ Properties within DMC Area				
Sources: Maxfield Research and Consulting				

RENTAL HOUSING ANALYSIS

Tables R-3 provides a general summary of the surveyed rental housing units by submarket as well as the DMC Area. Table R-4 on the following page provides summary of the average square foot, average rent, and average square foot by unit type and target market in the Olmsted County Market Area.

Submarket	Market Rate		Affordable		Subsidized		Total	
	Units	Vacancy Rate*	Units	Vacancy Rate*	Units	Vacancy Rate*	Units	Vacancy Rate*
Byron	228	0.0%	48	4.2%	-	-	276	0.7%
Chatfield	43	2.3%	24	12.5%	-	-	67	6.0%
East	36	5.6%	--	--	68	5.9%	104	5.8%
North	104	1.9%	24	0.0%	56	0.0%	184	1.1%
Rochester Fringe	-	-	-	-	-	-	-	-
Stewartville	96	1.0%	-	-	55	0.0%	151	0.7%
Rochester**	9,528	8.2%	2,244	5.1%	414	0.7%	12,186	7.4%
DMC Area	1,380	2.0%	296	6.4%	0	0.0%	1,676	2.8%
Rochester^	8,046	3.0%	2,178	4.5%	414	0.7%	10,638	3.2%
Total**	10,035	7.9%	2,340	5.1%	593	1.2%	12,968	7.1%
Total^	8,553	2.9%	2,274	4.5%	593	1.2%	11,420	3.1%

* Vacancy rates based on participating properties.
 ** Includes properties in initial lease up.
 ^ Excludes properties in initial lease up.

Source: Maxfield Research & Consulting

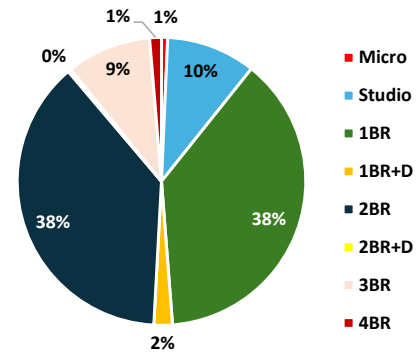
Market Rate Properties Surveyed

- There have been 11 new market rate rental buildings constructed since the 2020 study in the Olmsted County Market Area. All but of one property (Bearpath Apartments in Byron) was located in of Rochester.
- The number of market rate units added in the Olmsted County Market Area since the 2020 study totaled 1,529 units. The City of Rochester added 1,482 of these new units while the only project outside of Rochester, added 47 additional units to the Market Area.
- Since 2010, there has been 6,998 market rate rental units added to the Market Area which is more than the amount added during the previous five decades combined, which totaled roughly 5,580 units.
- Rochester accounts for 98% of the newly developed units from 2010 to present with the Remainder of the Olmsted County Market Area only adding 143 units.

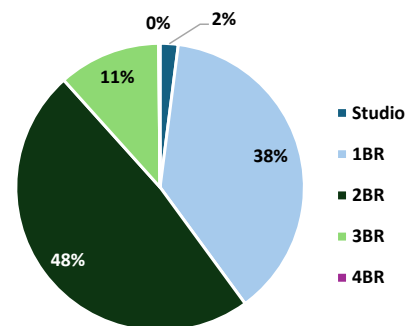
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R-4 SUMMARY BY UNIT TYPE GENERAL OCCUPANCY RENTAL HOUSING OLMSTED COUNTY MARKET AREA Q1 2025					
Market Rate [^]				Monthly Rents	
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Avg. Rent	Avg. Rent/Sq. Ft.
Micro	62	1%	193	\$808	\$4.19
Studio	895	10%	504	\$1,215	\$2.41
1BR	3,401	38%	717	\$1,358	\$1.89
1BR+D	185	2%	924	\$1,752	\$1.90
2BR	3,392	38%	1,018	\$1,542	\$1.52
2BR+D	33	0%	1,399	\$2,864	\$2.05
3BR	848	9%	1,257	\$1,722	\$1.37
4BR	118	1%	1,275	\$1,599	\$1.25
Total:	8,934	100%	872	\$1,472	\$1.69
Vacancies/Rate		7.9%			
Vacancies/Rate*		2.9%			
Average Age		1992			
DEEP-SUBSIDY				Monthly Rents	
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Avg. Rent	Avg. Rent/Sq. Ft.
Studio	12	2%	400	30% AGI	
1BR	225	38%	643		
2BR	287	48%	795		
3BR	68	11%	1,191		
4BR	1	0%	1,517		
Total:	593	100%	746		
Vacancies/Rate		7 1.1%			
Average Age		1978			
Shallow-Subsidy ^{^^}				Monthly Rents	
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Avg. Rent	Avg. Rent/Sq. Ft.
Studio	131	6%	526	\$1,103	\$2.10
1BR	566	24%	691	\$1,032	\$1.49
2BR	1,079	47%	1,011	\$1,321	\$1.31
2BR+D	5	0%	907	\$1,225	\$1.35
3BR	499	22%	1,236	\$1,562	\$1.26
4BR	34	1%	1,135	\$1,228	\$1.08
Total:	2,314	100%	954	\$1,289	\$1.35
Vacancies/Rate		120 5.1%			
Vacancies/Rate*		102 4.5%			
Average Age		2008			
* Excludes units at projects in initial lease-up.					
[^] Market Rate excludes SF rental community and does not include townhome rental units, thus figures may not match other tables.					
^{^^} Shallow-subsidy includes a mix of townhomes and also excludes shared living units and thus figures may not match other tables.					
Note: This table includes vacancy and rent data from rental properties that participated and provided complete survey information.					
Source: Maxfield Research & Consulting					

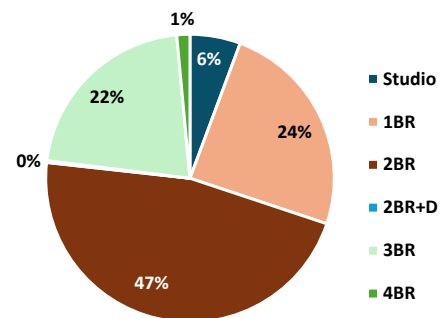
Market Rate G.O.
Rental Unit Mix



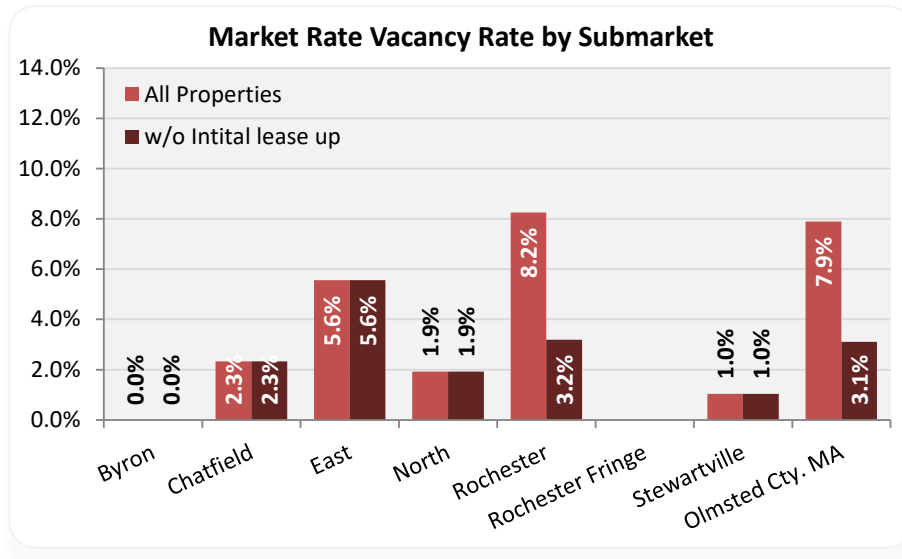
Deep-Subsidy
Rental Unit Mix



Shallow-Subsidy
Rental Unit Mix



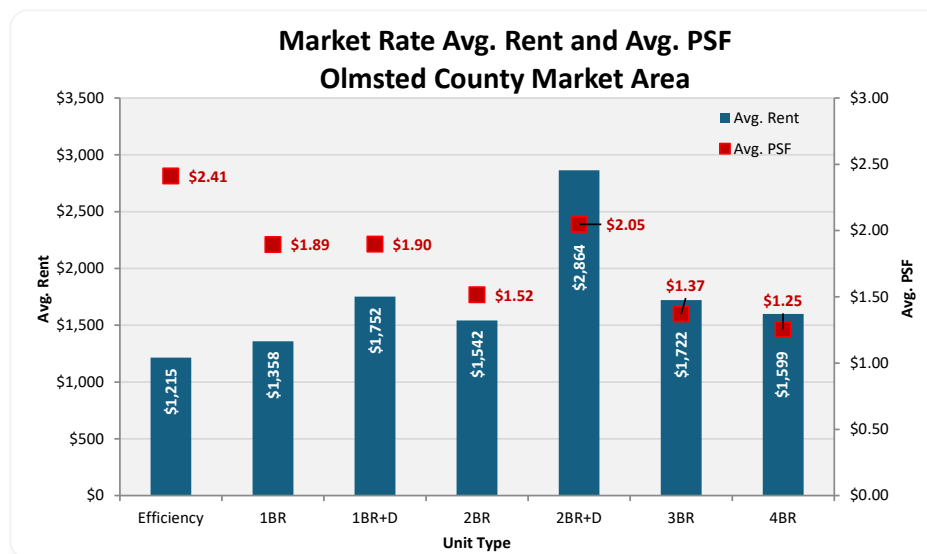
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- A total of 792 vacancies were found among market rate rental properties, resulting in a vacancy rate of 7.9%. If we exclude the rental properties that are currently in their initial lease-up period, the vacancy rate falls 2.9% (246 vacant units).

Vacancy Rate	<u>2020 Study</u>	<u>2025 Study</u>
	5.1%	2.9%

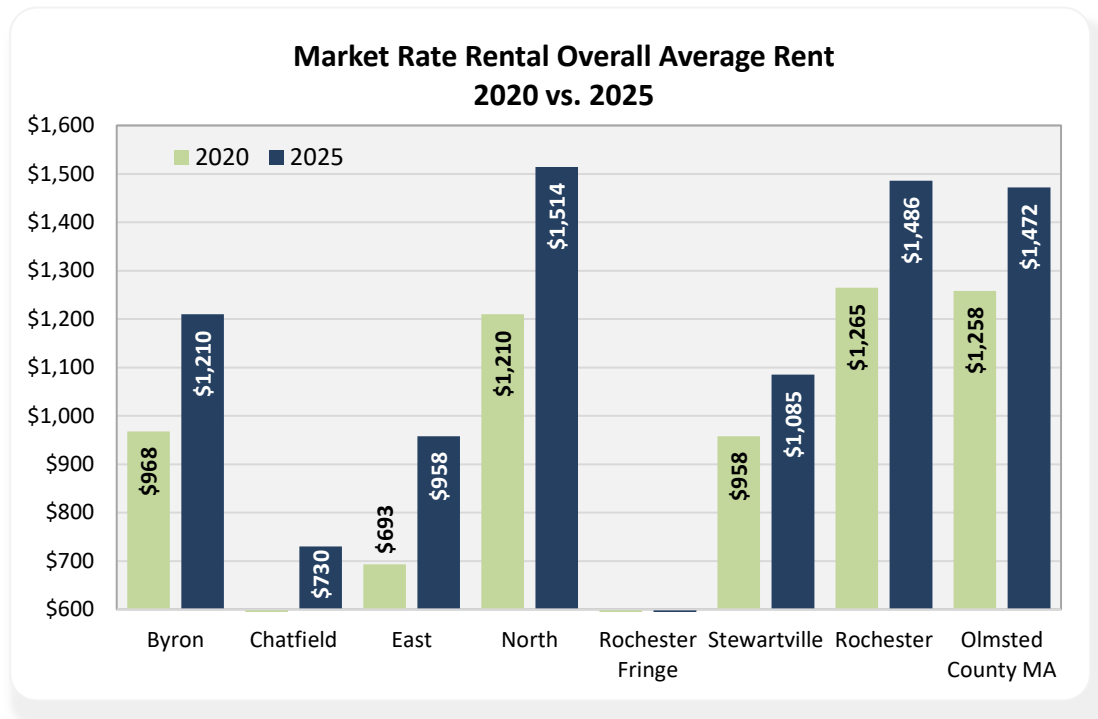
- The market equilibrium rate for market rate properties is considered as 5% to allow for unit turnover and adequate property choice for renters. This indicates some pent-up demand for new market rate rental housing in the Olmsted County Market Area. It is important to note that there are 546 vacant units in newly completed marketing projects that need to be absorbed.



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- The following is the monthly average market rate rent and rent per square foot for each unit type:

	Q1 2025	2020
○ Studio/Efficiency units:	Avg. \$1,215 \$2.41	Avg. \$1,047 \$2.06
○ One-bedroom units:	Avg. \$1,358 \$1.89	Avg. \$1,136 \$1.55
○ Two-bedroom units:	Avg. \$1,542 \$1.52	Avg. \$1,296 \$1.25
○ Three-bedroom units:	Avg. \$1,722 \$1.37	Avg. \$1,552 \$0.86
○ Four-bedroom units:	Avg. \$1,599 \$1.25	Avg. \$1,510 \$1.57



Shallow-subsidy (Affordable)

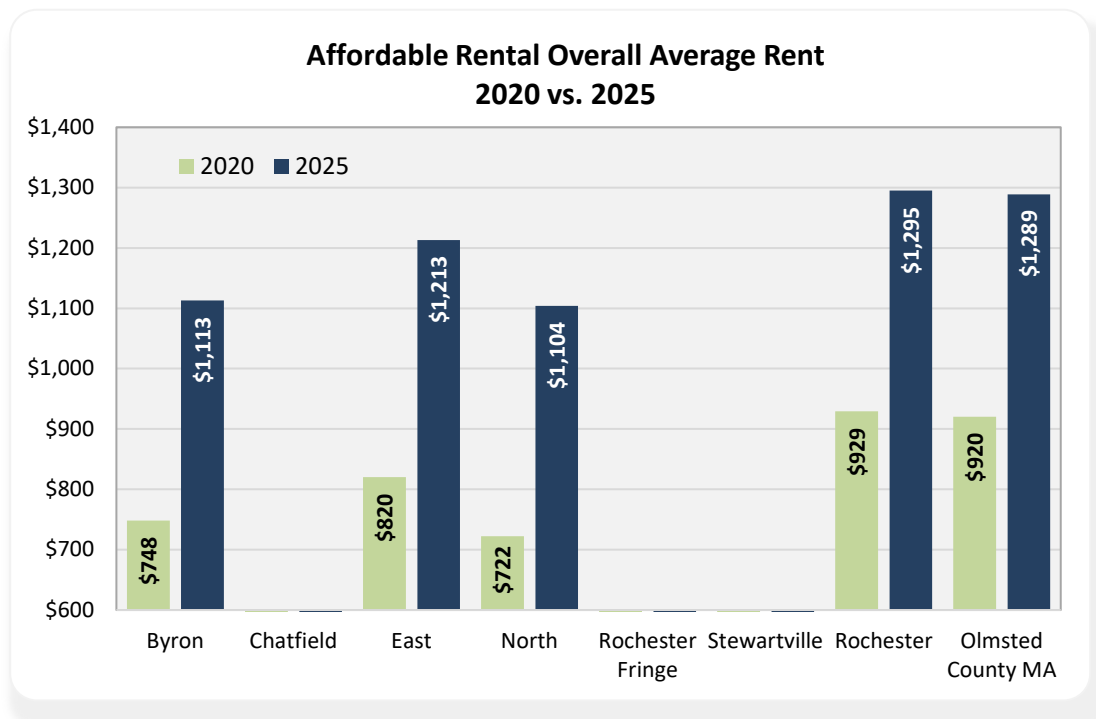
- Shallow-subsidy rental properties historically are often funded via the Low-Income Housing Tax Credit (LIHTC) program in which the federal government issues tax credits (9% & 4%), which are awarded by the state housing agency (MHFA – Minnesota Housing Finance Agency) for a 10-year reduction in tax liability with a stipulation that rents are kept affordable for 15 years. Recent developments in the county have shifted to offering affordable units based on TIF (Tax Increment Financing) funding through local communities. Affordable rents are kept low based on a timeframe stipulated by the local government that provide the TIF.
- Rents at affordable developments have income qualifications generally placed at 60% of the area median income (AMI) with rents set between 30% and 60% of AMI. A small number of

RENTAL HOUSING ANALYSIS

affordable developments may have income restrictions at 40%, 50%, or 80% of AMI. The majority of affordable developments surveyed have income restrictions at 60% of AMI.

- The following is the monthly average affordable rent and rent per square foot for each unit type:

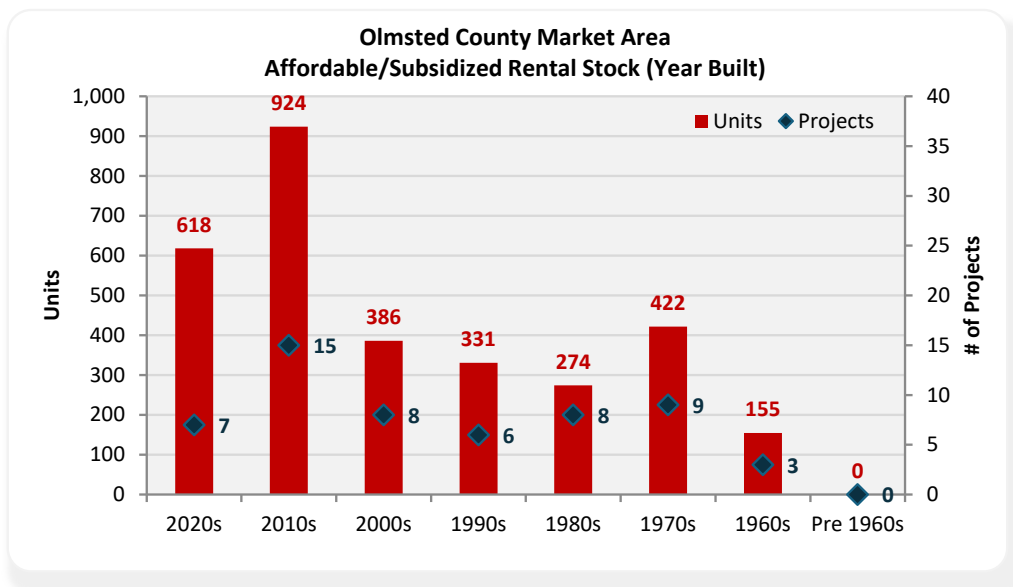
	Q1 2025	Q2 2020
○ Studio/Efficiency units:	Avg. \$1,103 \$2.10	Avg. \$916 \$1.63
○ One-bedroom units:	Avg. \$1,032 \$1.49	Avg. \$700 \$0.99
○ Two-bedroom units:	Avg. \$1,321 \$1.31	Avg. \$965 \$0.91
○ Three-bedroom units:	Avg. \$1,562 \$1.26	Avg. \$1,090 \$0.82
○ Four-bedroom units:	Avg. \$1,258 \$1.08	Avg. \$920 \$0.64



- There are 38 shallow-subsidy (affordable) properties in the Olmsted County Market Area with 2,340 total units. There were 102 vacant units in total (120 including units in initial ease-up) as of Q1 2025 for an overall vacancy rate of 4.5%. This is higher when compared to the previous study in 2020 at 2.8%.
- Typically, affordable rental properties should be able to maintain vacancy rates of 3% or less in most housing markets. There were many properties with no vacant units and small waitlists but also a number of properties with vacancies well above market equilibrium. Since the COVID-19 pandemic we have been witnessing similar trends in other markets with increasing vacancies in affordable housing. We speculate that this likely because a lesser number of households that income qualifying due to higher wages as well as increased affordable rents making it unaffordable to some households which would otherwise qualify.

Deep-Subsidy (Subsidized)

- Maxfield Research identified and surveyed 13 properties with 593 total units that offer deep-subsidy (subsidized) rents in the Olmsted County Market Area. We did not include properties offering supportive housing services (long-term homeless housing, chronic inebriates, and disability housing). Subsidies at county properties include USDA Rural Development and HUD Section 8 (project-based).
- Typically, deep-subsidy rental properties should be able to maintain vacancy rates of 3% or less in most housing markets. There were seven units were vacant as of Q1 2025 for a vacancy rate of 1.1%. This vacancy rate was on par with the previous study in 2020 at 1.2%.
- Funding for subsidized housing has been very limited for decades and is usually only granted for specialty housing such as those with disabilities and/or persons who are homeless. There has been no deep-subsidy housing built since the 1980s for the general occupancy population that do not need supportive housing services.



Rochester Submarket and Remainder of Market Area Submarkets Survey Comparison

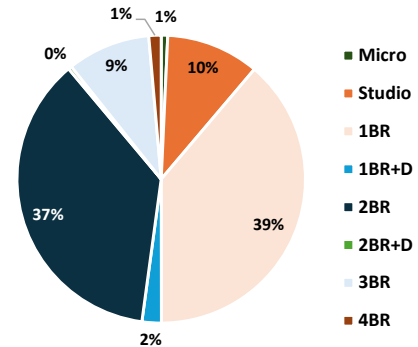
Tables R-5 and R-6 on the following pages represent the summary of general occupancy rental housing in the Rochester and Remainder of Olmsted County Market Area submarkets, respectively. These summaries provide a look at the difference in the rental markets within Rochester compared to the more rural cities in the Market Area.

- Of the surveyed rental units in the Olmsted County Market Area, the Rochester Submarket accounts for 93% of the rental units.

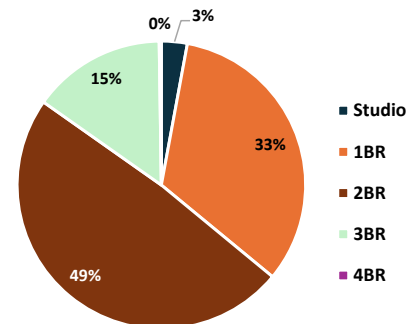
RENTAL HOUSING ANALYSIS

R-5 SUMMARY BY UNIT TYPE GENERAL OCCUPANCY RENTAL HOUSING ROCHESTER SUBMARKET Q1 2025					
Market Rate[^]			Monthly Rents		
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Avg. Rent	Avg. Rent/ Sq. Ft.
Micro	62	1%	193	\$808	\$4.19
Studio	892	10%	504	\$1,217	\$2.41
1BR	3,310	39%	718	\$1,369	\$1.91
1BR+D	185	2%	924	\$1,752	\$1.90
2BR	3,136	37%	1,024	\$1,572	\$1.53
2BR+D	33	0%	1,399	\$2,864	\$2.05
3BR	796	9%	1,265	\$1,744	\$1.38
4BR	118	1%	1,275	\$1,599	\$1.25
Total:	8,532	100%	870	\$1,486	\$1.71
Vacancies/Rate	786	8.3%			
Vacancies/Rate*	240	3.0%			
Average Age	1993				
DEEP-SUBSIDY			Monthly Rents		
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Avg. Rent	Avg. Rent/ Sq. Ft.
Studio	12	3%	400	30% of AGI	
1BR	137	33%	580		
2BR	202	49%	816		
3BR	62	15%	1,210		
4BR	1	0%	1,517		
Total:	414	3%	742		
Vacancies/Rate	3	0.7%			
Average Age	1976				
Shallow-Subsidy^{^^}			Monthly Rents		
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Avg. Rent	Avg. Rent/ Sq. Ft.
Studio	131	6%	526	\$1,124	\$2.14
1BR	566	25%	691	\$1,086	\$1.57
2BR	1,045	47%	992	\$1,303	\$1.31
2BR+D	5	0%	907	\$1,225	\$1.35
3BR	465	21%	1,243	\$1,584	\$1.27
4BR	32	1%	1,100	\$1,210	\$1.10
Total:	2,244	100%	941	\$1,295	\$1.38
Vacancies/Rate	115	5.1%			
Vacancies/Rate*	97	4.5%			
Average Age	2008				
* Excludes units at projects in initial lease-up.					
[^] Market Rate excludes SF rental community and does not include townhome rental units and thus figures may not match other tables.					
^{^^} Shallow-subsidy ioncludes a mix of townhomes and also excludes shared living units and thus figures may not match other tables.					
Note: This table includes vacacny and rent data from rental properties that participated and provided complete survey information.					
Source: Maxfield Research & Consulting					

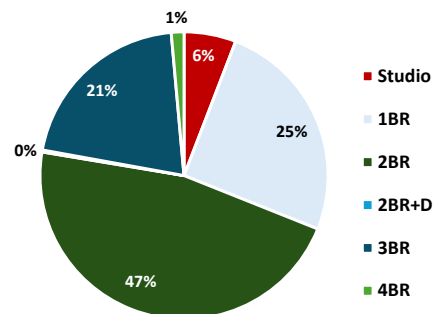
**Market Rate G.O.
Rochester Rental Unit Mix**



**Deep-Subsidy
Rochester Rental Unit Mix**



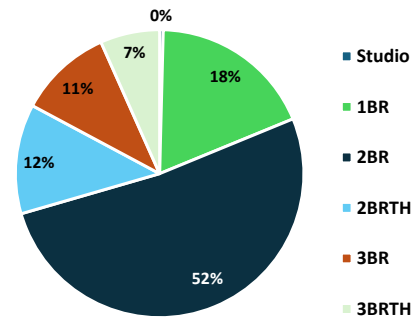
**Shallow-Subsidy
Rochester Rental Unit Mix**



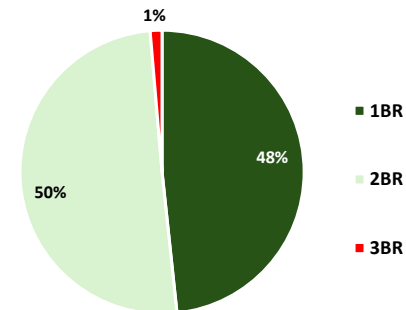
RENTAL HOUSING ANALYSIS

R-6 SUMMARY BY UNIT TYPE GENERAL OCCUPANCY RENTAL HOUSING REMAINDER OLMSTED COUNTY MARKET AREA SUBMARKETS Q1 2025					
Market Rate			Monthly Rents		
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Avg. Rent	Avg. Rent/Sq. Ft.
Studio	2	0%	500	\$550	\$1.10
1BR	91	18%	665	\$960	\$1.44
2BR	256	52%	941	\$1,192	\$1.27
2BRTH	61	12%	884	\$1,768	\$2.00
3BR	52	11%	1,130	\$1,395	\$1.23
3BRTH	33	7%	1,753	\$2,345	\$1.34
Total:*	495	93%	955	\$1,316	\$1.38
Vacancies/Rate	6	1.2%			
Average Age	1989				
DEEP-SUBSIDY			Monthly Rents		
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Avg. Rent	Avg. Rent/Sq. Ft.
1BR	72	48%	612	30% of AGI	
2BR	75	50%	754		
3BR	2	1%	900		
Total:	149	100%	687		
Vacancies/Rate	4	2.7%			
Average Age	1982				
Shallow-Subsidy			Monthly Rents		
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Avg. Rent	Avg. Rent/Sq. Ft.
2BR	60	63%	900	\$1,055	\$1.17
3BR	34	35%	1,135	\$1,262	\$1.11
4BR	2	2%	1,470	\$1,400	\$0.95
Total:	96	100%	995	\$1,135	\$1.14
Vacancies/Rate	5	5.2%			
Average Age	1999				
Note: This table includes data from rental properties that participated and provided complete survey information.					
Source: Maxfield Research & Consulting					

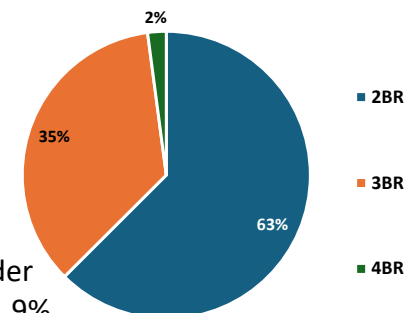
**Market Rate G.O.
Remainder MA Rental Unit Mix**



**Deep-Subsidy
Remainder MA Rental Unit Mix**



**Shallow-Subsidy
Remainder MA Rental Unit Mix**



- The overall vacancy rate in Rochester Submarket as of the Q1 survey was 3.2% while the vacancy rate in the Remainder of the Olmsted County Market Area submarkets was just 1.9%. Both vacancy rates are below the suggested market equilibrium of 5.0% for a stabilized rental market.
- The vacancy rates by target market for Rochester and the Remainder are as follows for rental stabilized properties:

	<u>Market Rate</u>	<u>Affordable</u>	<u>Subsidized</u>
Rochester Submarket	3.0%	4.5%	0.7%
Remainder MA Submarkets	1.2%	5.2%	2.7%

RENTAL HOUSING ANALYSIS

- The following are a direct comparison of market rate and affordable rents for the Rochester Submarket and the Remainder of the Olmsted County Market Area submarkets.

	<u>Market Rate</u>	<u>Affordable</u>
	Rochester/Remainder MA	Rochester/Remainder MA
Studio	\$1,217 / \$550	\$1,124 / None
1BR	\$1,369 / \$960	\$1,086 / None
2BR	\$1,572 / \$1,192	\$1,303 / \$1,055
3BR	\$1,744 / \$1,395	\$1,584 / \$1,262
Overall	\$1,486 / \$1,316	\$1,295 / \$1,135

DMC Area General Occupancy Rental Market

Table R-7 on the next page provides summary of the average square foot, average rent, and average square foot by unit type and target market in the DMC Area. The following points discuss key points of the rental market in the DMC Area.

- The DMC Area contains about 14.5% of the rental units in the City of Rochester that were surveyed for this study. Of this 14.5%, market rate units in the DMC account for 14.5% and shallow-subsidy (affordable) units 13%. There are no deep-subsidy rental units without supportive services in the DMC.
- There have 10 market rate developments built from 2010 to 2020 with a total of 1,017 units. Thus, 74% of the market rate rental development in the DMC Area occurred during the last decade. There have not been any new developments opened since 2020 with The Hue, The Berkman, and The Maven on Broadway totaling 551 units.
- All four of the affordable properties were developed since 2017 and have a total 296 units and are affordable at 50%, 60%, and 80% of AMI with affordability varying by project. The Bryk on Broadway is the newest property and was opened in 2023 and contains 180 units.
- It is important to note that there are six developments either under construction or planned in the DMC Area with 1,017 units. Market rate units make up 937 of these pending units (92%) with 218 units under construction and 16 with permits issued. Another 703 are under review or proposed. Only two affordable properties are pending with 80 units with four units with permits issued and 76 units under review.

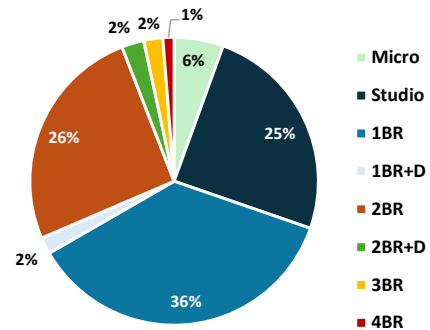
RENTAL HOUSING ANALYSIS

- The following are a direct comparison of market rate and affordable rents for the Rochester Submarket and the DMC Area:

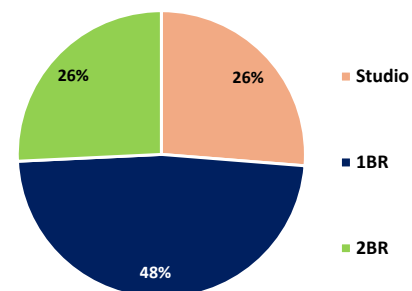
	<u>Market Rate</u>	<u>Affordable</u>
	Rochester/DMC Area	Rochester/DMC AREA
Studio	\$1,217 / \$825	\$1,124 / \$1,100
1BR	\$1,369 / \$1,385	\$1,086 / \$1,267
2BR	\$1,572 / \$2,066	\$1,303 / \$1,522
3BR	\$1,744 / \$2,579	\$1,584 / None
Overall	\$1,486 / \$1,810	\$1,295 / None

R-7 SUMMARY BY UNIT TYPE GENERAL OCCUPANCY RENTAL HOUSING DMC AREA Q1 2025					
Market Rate^				Monthly Rents	
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Avg. Rent	Avg. Rent/ Sq. Ft.
Micro	62	6%	193	\$825	\$4.29
Studio	278	25%	490	\$1,385	\$2.83
1BR	408	36%	895	\$1,921	\$2.15
1BR+D	21	2%	913	\$2,057	\$2.25
2BR	287	26%	1,034	\$2,066	\$2.00
2BR+D	28	2%	1,429	\$3,039	\$2.13
3BR	24	2%	1,298	\$2,579	\$1.99
4BR	14	1%	1,300	\$1,950	\$1.50
Total:	1,122	100%	819	\$1,810	\$2.21
Vacancies/Rate		28	3.7%		
Average Age		1997			
DEEP-SUBSIDY				Monthly Rents	
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Avg. Rent	Avg. Rent/ Sq. Ft.
None				30% of AGI	
Shallow-Subsidy				Monthly Rents	
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Avg. Rent	Avg. Rent/ Sq. Ft.
Studio	58	20%	527	\$1,139	\$2.16
1BR	140	47%	673	\$1,309	\$1.95
2BR	98	33%	1,002	\$1,529	\$1.53
Total:	296	100%	753	\$1,349	\$1.79
Vacancies/Rate		19	6.4%		
Average Age		2019			
^ Market rate data does not include furnished units or penthouse units due to higher rents that would skew data.					
Note: This table includes data from rental properties that participated and provided complete survey information.					
Source: Maxfield Research & Consulting					

**Market Rate G.O.
DMC Area Rental Unit Mix**



**Shallow-Subsidy
DMC Area Rental Unit Mix**

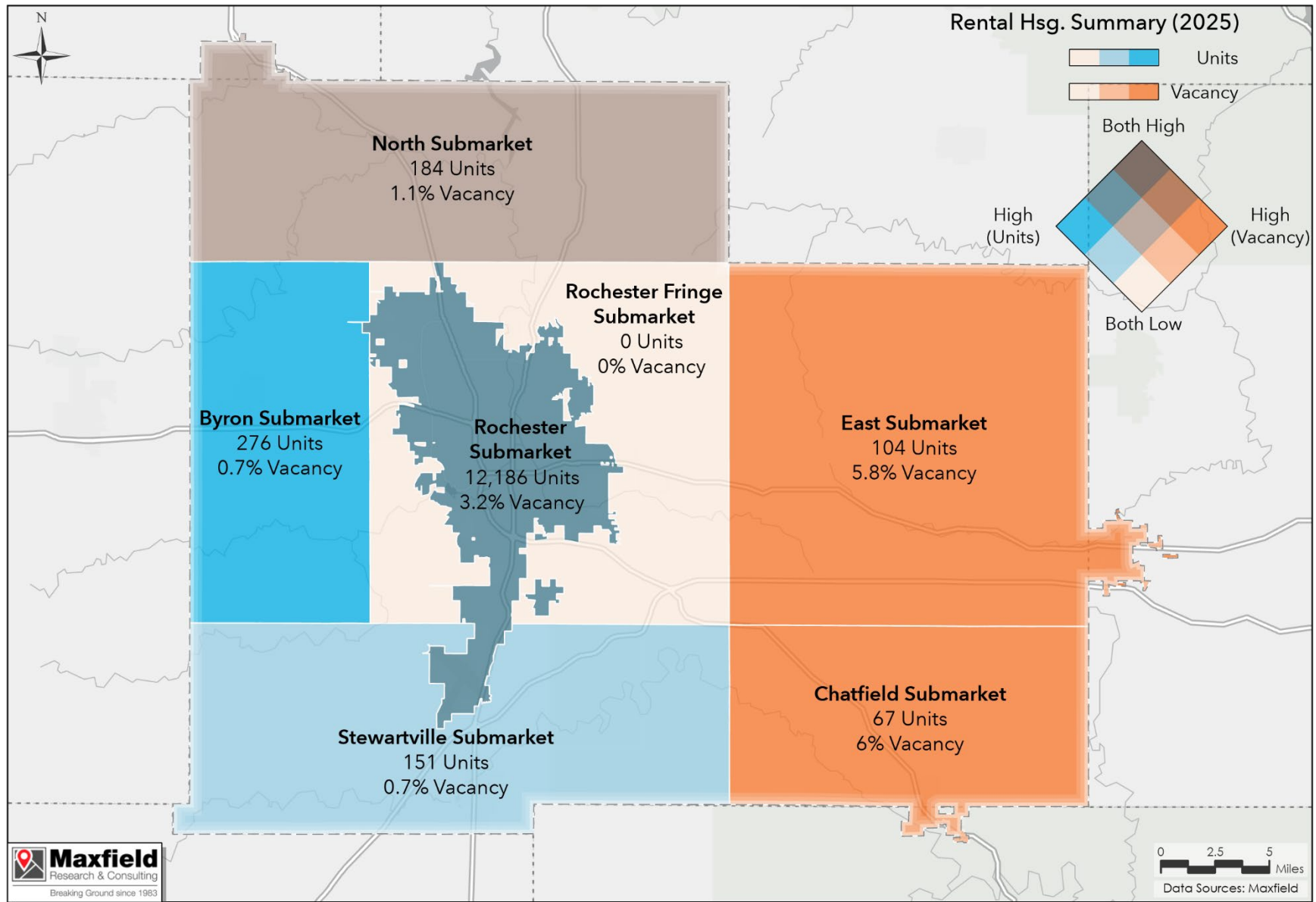


Single-Family Home Rentals

- Single-family home rentals are a popular rental option in the Olmsted County Market Area. In the Housing Characteristics section on Table HC-6 in the Appendix, data shows that an estimated 26% of all renter-occupied housing units in Olmsted County are one-unit detached/attached homes.
- As of 2025, there are an estimated 26,123 rental units in Olmsted County Market Area. These units range from single-family structures to multifamily structures of up to 50 units. In the Market Area, there are an estimated 4,245 single-family detached rental homes as well as 2,466 estimated attached rental units.
- Based on an online search of available single-family rentals in the Olmsted County Market Area, the average rental home rents for \$2,265 per month. Nearly half the rental homes currently listed were four-bedroom houses. The majority of homes listed were in Rochester or just outside the city.

<u>SF Bedroom Type</u>	<u># Listed</u>	<u>Avg. Mo. Rent</u>
Two-Bedroom	22	\$1,885
Three-Bedroom	24	\$2,205
Four-Bedroom	41	\$2,495
Five Bedroom	1	\$2,600

Rental Housing Summary by Submarket



Single-Family Home Rentals

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Two-Bedroom	22	\$1,885
Three-Bedroom	24	\$2,205
Four-Bedroom	41	\$2,495
Five Bedroom	1	\$2,600

Licensed Rental Ordinance

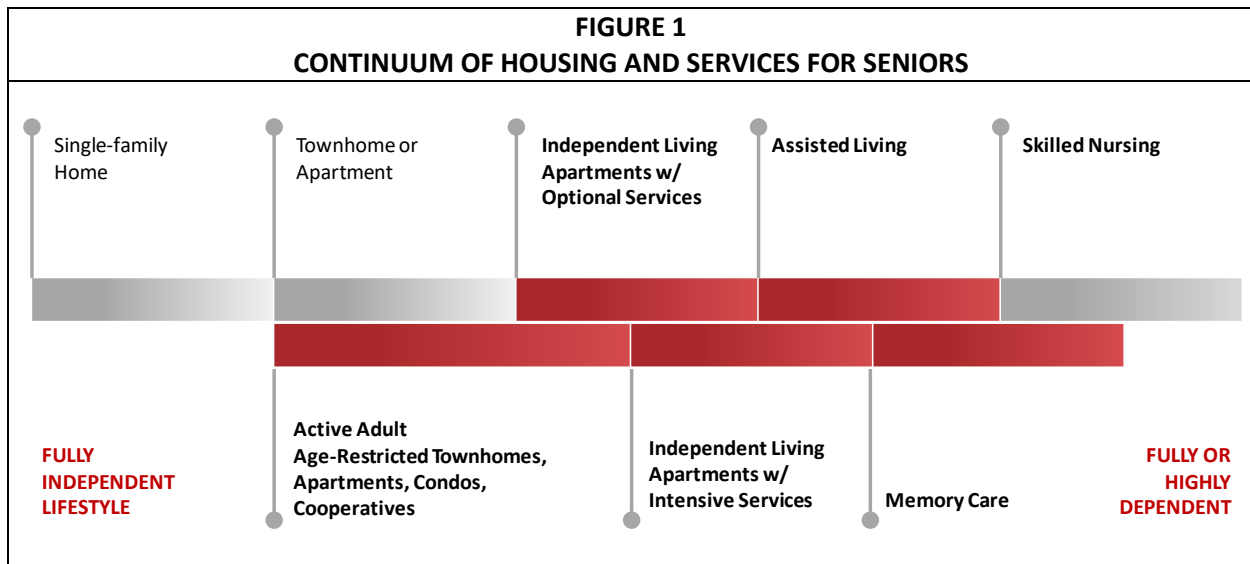
- The City of Rochester has an ordinance that requires the licensing of all rental properties in the community. The ordinance is designed to ensure all rental properties meet local building and fire safety codes. The rental ordinance requires that all landlords or owners register all rental housing units (from single-family homes to traditional multifamily apartment buildings) and apply for an annual business license. The city ordinance requires annual renewals, initial inspection, and periodic inspections to ensure minimum code requirements.
- The City of Rochester identifies that there were 21,830 active rental licenses as of this study. This is up from 16,710 units in the previous report in 2020, a gain of 5,120 new rental units (31% growth). The City of Rochester began enforcing short-term rental in the year 2020. Since 2022 with the data provided by the city, short-term rentals have grown from 541 units in 2022 to 628 units in 2024.

Senior Housing Analysis

This section provides an assessment of the market support for senior housing, including information on senior housing facilities in Olmsted County. The senior housing inventory includes affordable and market rate active adult properties, as well as service-enhanced facilities that provide independent living, assisted living, and/or memory care services.

Senior Housing Defined

The term “senior housing” refers to any housing development that is restricted to people age 55 or older. Today, senior housing includes an entire spectrum of housing alternatives, which occasionally overlap, thus making the differences somewhat ambiguous. However, the level of support services offered best distinguishes them. Maxfield Research and Consulting classifies senior housing projects into five categories based on the level of support services offered:



Products range from independent apartments and/or townhomes with virtually no services on one end, to highly specialized, service-intensive assisted living units or housing geared for people with dementia-related illnesses (termed "memory care") on the other end of the spectrum.

In general, independent senior housing attracts people ages 65 and over while assisted living typically attracts people ages 80 and older who need assistance with activities of daily living (ADLs).

For analytical purposes, Maxfield Research and Consulting classifies senior housing into five primary categories based on the level and type of services offered as described in the figure on the following page.

Facilities referred to as “catered living” offer a flexible living arrangement where residents can live independently and purchase assisted living services as needed without relocating to a unit specifically designated for independent living or assisted living.

Active Adult
Active Adult properties (or independent living without services available) are similar to a general-occupancy building, in that they offer virtually no services but have age-restrictions (typically 55 or 62 or older). Residents are generally age 70 or older if in an apartment-style building. Organized entertainment, activities and occasionally a transportation program represent the extent of services typically available at these properties. Because of the lack of services, active adult properties generally do not command the rent premiums of more service-enriched senior housing. Active adult properties can have a rental or owner-occupied (condominium or cooperative) format.
Independent Living
Independent Living properties offer support services such as meals and/or housekeeping, either on an optional basis or a limited amount included in the rents. These properties often dedicate a larger share of the building to common areas, because units are smaller than in active adult housing and to encourage socialization. Independent living properties attract a slightly older target market than adult housing (i.e. seniors age 75 or older). Rents are also above those of active adult buildings. Sponsorship by a nursing home, hospital or health care organization is common.
Assisted Living
Assisted Living properties come in a variety of forms, but the target market for most is generally the same: very frail seniors, typically age 80 or older (but can be much younger, depending on their health situation), who need extensive support services and personal care assistance. Absent an assisted living option, these seniors would otherwise need to move to a nursing facility. At a minimum, assisted living properties include two meals per day and weekly housekeeping in the monthly fee, with the availability of a third meal and personal care (either included in the monthly fee or for an additional cost). Assisted living properties also have staff on duty 24 hours per day or at least 24-hour emergency response.
Memory Care
Memory Care properties, designed specifically for persons suffering from Alzheimer’s disease or other dementias, is one of the newest trends in senior housing. Properties consist mostly of suite-style or studio units or occasionally one-bedroom apartment-style units, and large amounts of communal areas for activities and programming. In addition, staff typically undergoes specialized training in the care of this population. Because of the greater amount of individualized personal care required by residents, staffing ratios are much higher than traditional assisted living and thus, the costs of care are also higher. Unlike conventional assisted living, however, which addresses housing needs almost exclusively for widows or widowers, a higher proportion of persons afflicted with Alzheimer’s disease are in two-person households. That means the decision to move a

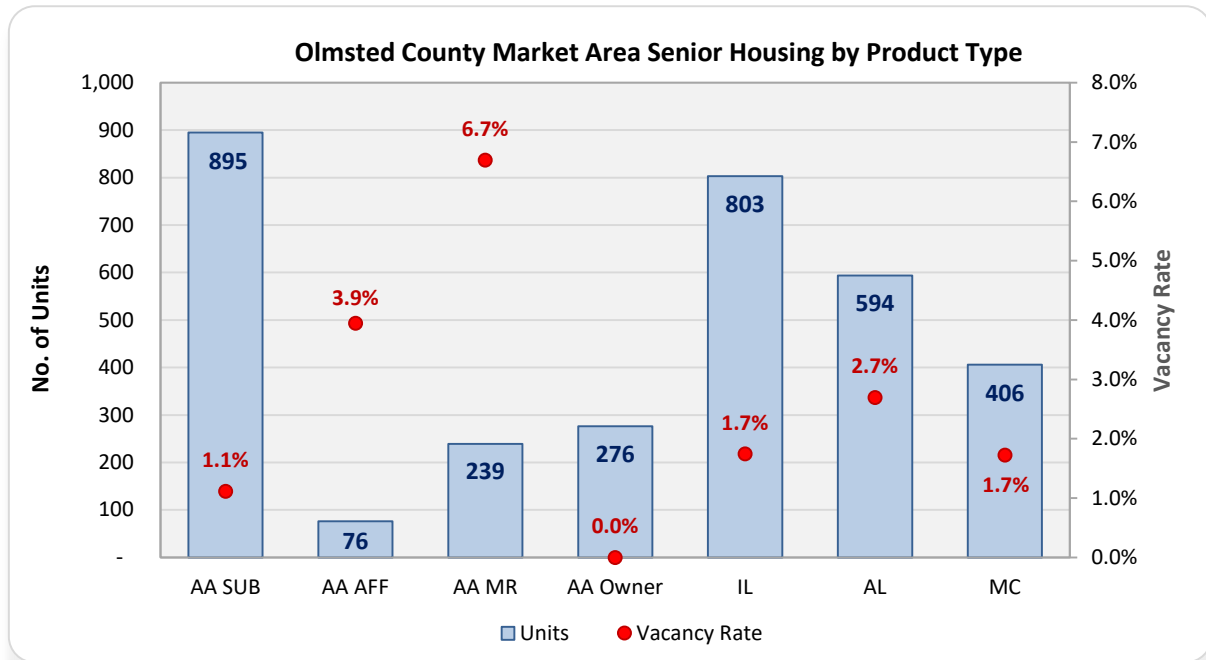
spouse into a memory care facility involves the caregiver’s concern of incurring the costs of health care at a special facility while continuing to maintain their home.
Skilled Nursing Care
Skilled Nursing Care, or long-term care, provides a living arrangement that integrates shelter and food with medical, nursing, psychosocial and rehabilitation services for persons who require 24-hour nursing supervision. Residents in skilled nursing homes can be funded under Medicare, Medicaid, Veterans, HMOs, insurance as well as use of private funds.

Age-Restricted Housing Summary

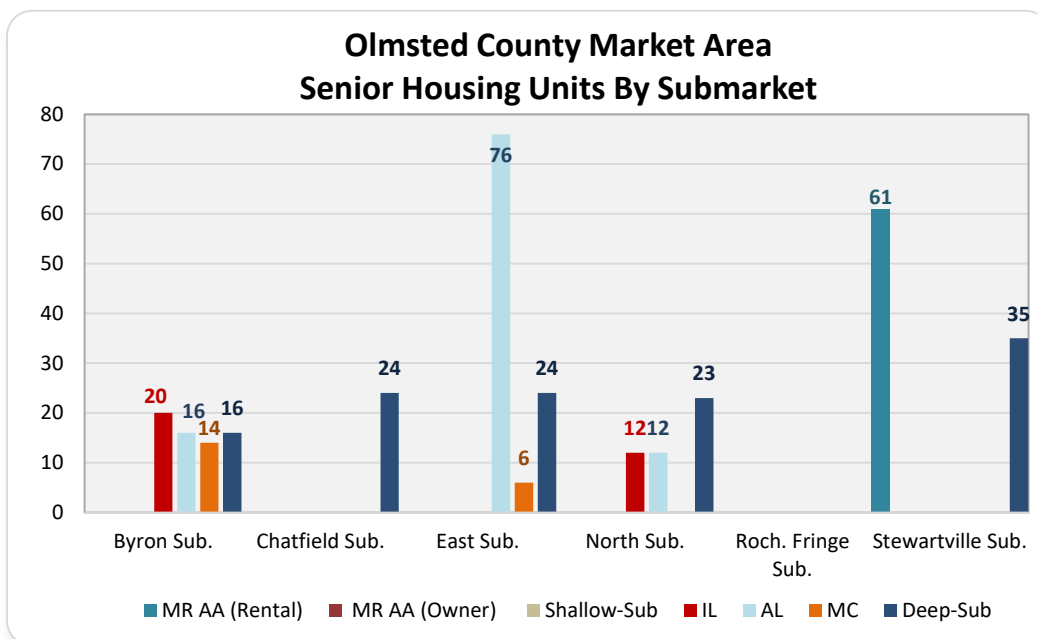
As of Q1 2025, Maxfield Research identified 39 senior housing properties in the Olmsted County Market Area. These properties have a total of nearly 3,300 units. Tables S-1 through S-8 provide summarized information on senior housing in the county including subsidized, affordable and market rate properties (active adult, independent living, assisted living and memory care) along with skilled nursing care. Information in the summary tables includes average year built, number of units, unit mix, vacant units, vacancy rate, rents/sale price, and price per square foot. The following are key points from our survey of the senior housing supply by housing type.

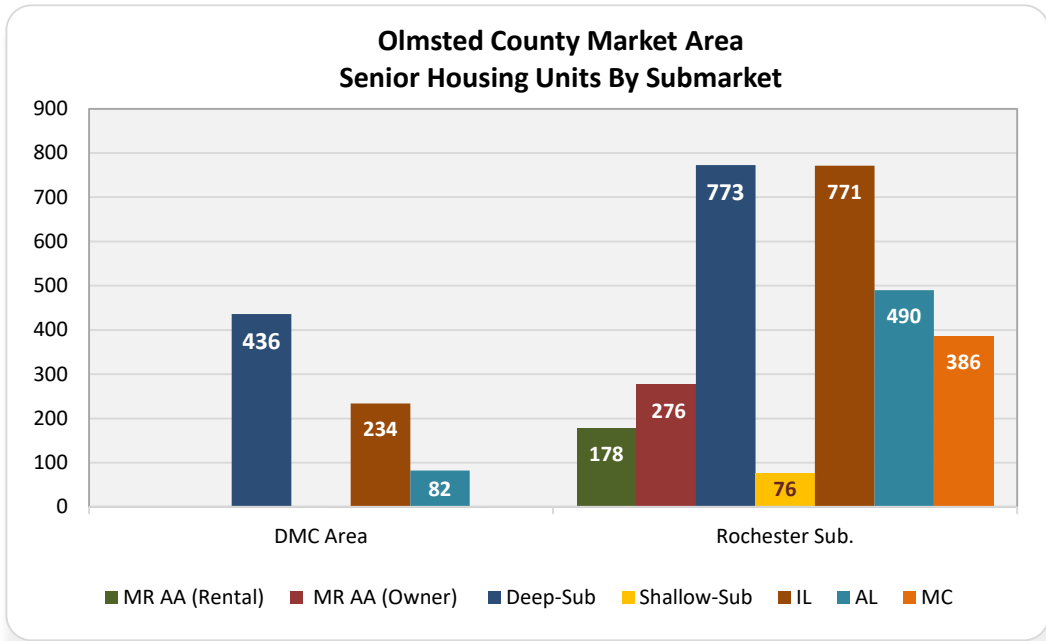
- The Olmsted County Market Area has 3,289 age-restricted units. Deep-subsidy active adult units account for 27% of the total followed by independent living with some service units (24%). The fewest units are in the shallow-subsidy active adult category at 2% as Forte Senior Living was recently opened in Rochester (2022/2023).
- Among properties that provided complete survey data, there were 66 vacancies resulting in an overall vacancy rate of 2.0% for senior properties. The equilibrium vacancy rates for senior housing are between 5% and 7% (5% for independent living and 7% for assisted living and memory care).
- Vacancy rates are extremely low in most age-restricted products while the market active adult having a vacancy rate of 6.7%. This can be contributed to the newly constructed *Forte Senior Living* which has the majority of the vacant units due to the large size of the development and the property still in the initial leasing phases. Excluding this property the two remaining developments have a combined vacancy rate of 3.3%

SENIOR HOUSING ANALYSIS



The following charts show age-restricted housing by submarket and the DMC Area. The Rochester Submarket has the largest amount of older adult and senior housing with 2,950 units (90%). The East submarket follows second highest senior inventory with just 106 units (3.2%) and then Stewartville is third at only 96 units (2.9%). The Rochester Fringe Submarket has no age-restricted units due to the rural nature and zoning. The Byron, Chatfield, and North Submarkets have just a few developments and account for between 0.7% and 2% of the senior housing in the Market Area





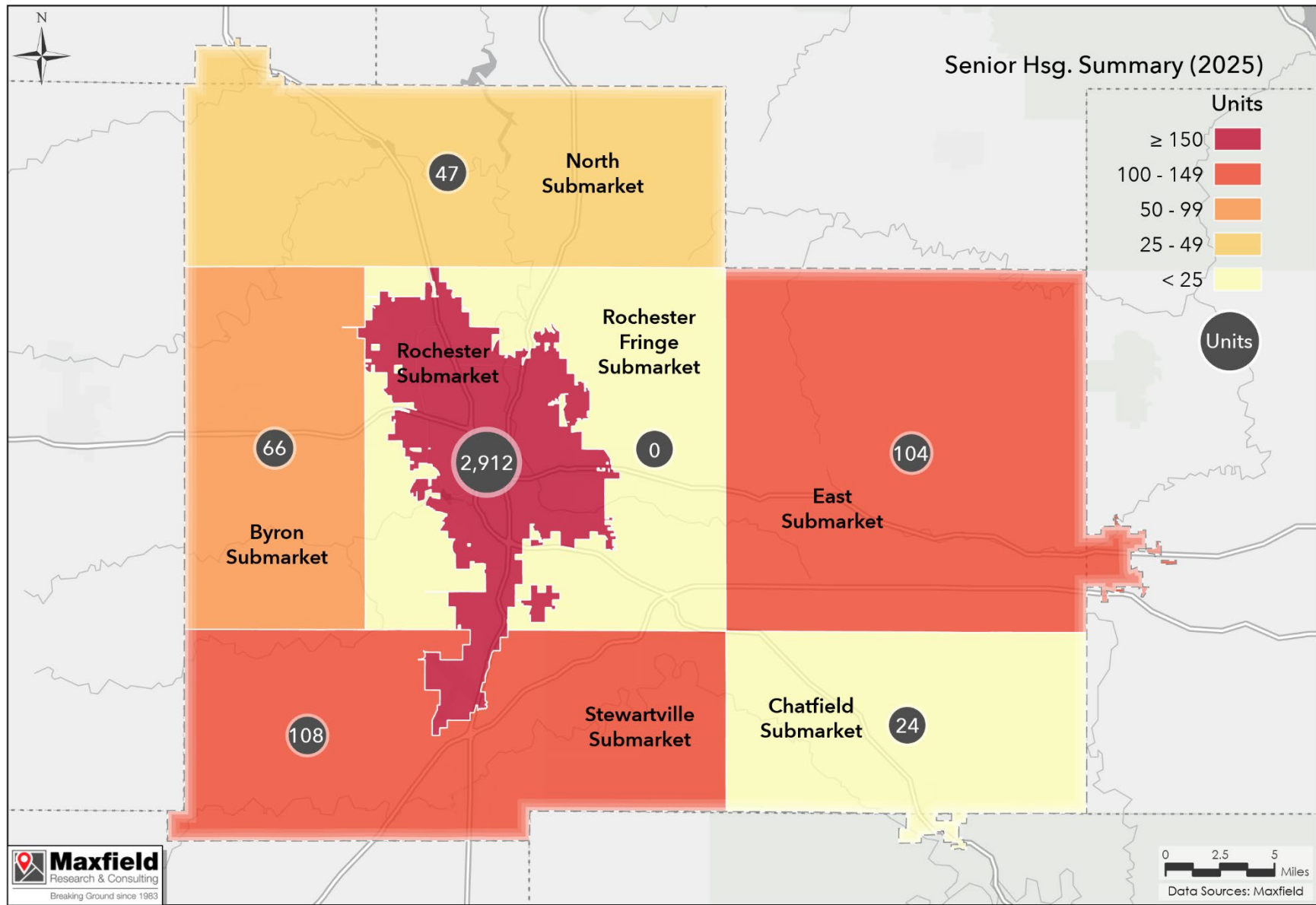
SENIOR HOUSING ANALYSIS

TABLE S-2 AGE-RESTRICTED HOUSING DEVELOPMENTS OLMSTED COUNTY MARKET AREA Q1 2025			
Project Name	Year Built	Submarket	Units
Active Adult			
<u>Deep-Subsidy</u>			
Towne Club Apartments	2015	Rochester	40
Kenosha Drive Apartments	2010	Rochester	53
The High Pointe I	2004	Rochester	54
The High Pointe II	2001	Rochester	39
Eyota Manor	1986	East	12
Fontaine Towers^	1983	Rochester	151
Halter Heights	1980	East	12
Rolling Heights	1979	Byron	16
Northgate Plaza	1979	Rochester	151
City Centre Apartments	1978	Chatfield	23
Rdowntown II	1976	Rochester	35
Lakewood Apartments	1974	Rochester	24
Park Towers^	1973	Rochester	180
Central Towers^	1965	Rochester	105
Total			895
<u>Shallow-Subsidy</u>			
Forte Senior Living	2022/23	Rochester	77
Total			77
<u>Owner-Occupied</u>			
River Bluff Cooperative at Elton Hills	2009	Rochester	50
Fairway Ridge	2004	Rochester	52
Gramercy Park	1997	Rochester	87
Realife Cooperative	1993	Rochester	87
Total			276
<u>Market Rate Rental</u>			
Forte Senior Living	2022/23	Rochester	178
Root River Estates	1998	Stewartville	29
Stewartville Apartments	1980	Stewartville	32
Total			239
Independent Living (With Services)			
Charter House^	2022	Rochester	234
Benedictine Living Byron	2016	Rochester	81
The Homestead	2015	Rochester	102
The Waters on Mayowood	2015	Rochester	70
The Homestead	2005/06	Rochester	77
Shorewood Place	1999	Rochester	157
Evergreen Place - Pine Haven	1995	North	12
Samaritan Bethany - Arbor Terrece	1992	Rochester	50
Benedictine Living Rochester	1967	Byron	20
Total			803
Continued			

SENIOR HOUSING ANALYSIS

TABLE S-2 AGE-RESTRICTED HOUSING DEVELOPMENTS OLMSTED COUNTY MARKET AREA Q1 2025			
Project Name	Year Built	Submarket	Units
Assisted Living			
Benedictine Living Byron	2016	Rochester	16
River Bend	2015	Rochester	70
The Waters on Mayowood	2015	Rochester	70
The Homestead	2005	Rochester	44
Arbor Garden Place	2003	East	34
St. Charles Assisted Living	2002	East	42
Charter House^	2001	Rochester	82
Samaritan Bethany - Arbor Terrace	2000	Rochester	16
Meadow Lakes	2000	Rochester	57
Shorewood Commons - Rreflections	1999	Rochester	61
Benedictine Living Rochester	1999	Rochester	72
Evergreen Place - Pine Haven	1995	Pine Islasnd	12
Benedictine Living Rochester	1967	Rochester	18
Total			594
Memory Care			
Benedictine Living Byron	2016	Rochester	14
River Bend	2015	Rochester	18
The Waters on Mayowood	2015	Rochester	35
Samaritan Bethany - Arbor Terrace	2011	Rochester	16
Benedictine Living Rochester	2008	Rochester	16
The Homestead	2005	Rochester	16
Arbor Garden Place	2003	East	6
Shorewood Commons	1998	Rochester	13
Cottagewood Senior Communities	1995/00	Rochester	220
Meadow Lakes	2000	Rochester	7
Cascade Creek	2021	Rochester	45
Total			406
^ DMC Area			
Sources: Maxfield Research and Consulting			

Olmsted County – Senior Housing Summary (2025)



SENIOR HOUSING ANALYSIS

Deep-Subsidy Active Adult (Subsidized)

- Subsidized active adult senior housing offers low rents to very low-income seniors and handicapped/disabled persons. Incomes are restricted to 50% or less of the area median income adjusted for household size. For households that meet the age (62 and older or those under 62 with disability) and income qualifications, subsidized senior housing is usually the most affordable rental option available.
- There are 14 deep-subsidy HUD section 202 active adult properties in the Olmsted County Market Area with a combined 895 units. As of Q1, there were 10 units vacant for an overall vacancy rate of just 1.1%. Equilibrium for senior subsidized properties is usually 3%, allowing for optimal housing availability for potential residents.
- Many of these properties indicated they have wait lists. Unit sizes at these senior properties are often smaller than many of the market rate and/or affordable senior rental properties at 566 square feet for an average one-bedroom unit.
- Typically, subsidized senior housing units are all one-bedroom units as is the case in Olmsted County. Tenants pay rent based on the 30% of their adjusted gross income (AGI) and need to qualify at or below 50% of the county AMI for a one- (\$41,050) or two-person (\$46,900) household. Most residents of subsidized properties, however, have incomes below \$25,000.
- Due to lack of funding, new deep-subsidy rental housing is rarely, if ever built. Most of the subsidized housing was developed during the 1980s or earlier in the United States. Subsidized and affordable senior housing in the Olmsted County Market Area has an average age built of 1990 with a four properties built from 2001 to 2015.

TABLE S-3 SUMMARY BY UNIT TYPE DEEP-SUBSIDY SENIOR HOUSING OLMSTED COUNTY MARKET AREA Q1 2025					
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Monthly Rents	
				Avg. Rent	Avg. Rent/ Sq. Ft.
1BR	873	98%	566	30% of AGI	
2BR	22	2%	775		
Total:	895	100%	571		
Vacancies/Rate	10	1.1%			
Average Age	1990				
Note: This table includes data from properties that participated in providing survey information.					
Source: Maxfield Research & Consulting					

Shallow-Subsidy Active Adult (Affordable)

- There is only one shallow-subsidy affordable active adult properties in the Olmsted County Market Area with 76 units. Forte Senior Living is the newest and only affordable rental property in the Market Area as Phase 1 opened in 2022 and Phase II in 2023. Forte Senior Living is a mixed-income property with 178 market rate units in an addition to the 76 affordable units.
- As of Q1 2025, there were three vacancies, for a vacancy rate of 3.9% for the affordable units and 14 units vacant in the market rate units. Equilibrium for senior affordable housing is usually around 3%, allowing for optimal housing availability for potential residents.
- Shallow-subsidy active adult senior housing typically offers affordable rents to qualified senior households (55 and older) generally ranging from 50% to 80% of AMI (\$41,050 to \$75,040) based on a specific developments tax-credit allocation guidelines. Many shallow-subsidy senior properties, however, will accept age-qualified low-income households with a housing voucher. The majority of affordable properties set qualifying incomes at 60% or less of AMI as is Forte Senior Living.

TABLE S-4 SUMMARY BY UNIT TYPE SHALLOW-SUBSIDY SENIOR HOUSING OLMSTED COUNTY MARKET AREA Q1 2025					
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Monthly Rents	
				Avg. Rent*	Avg. Rent/Sq. Ft.
Studio	16	21%	495	\$937	\$1.89
1BR	50	66%	747	\$1,214	\$1.63
2BR	10	13%	989	\$1,449	\$1.47
Total:	76	100%	723	\$1,183	\$1.64
Vacancies/Rate	3	3.9%			
Average Age	2022				
Note: This table includes data from properties that participated in providing survey information.					
Source: Maxfield Research & Consulting					

SENIOR HOUSING ANALYSIS

Market Rate Active Adult

- There are seven market rate active adult properties in the Olmsted County Market Area with five of the seven properties located in Rochester. Three are rental buildings and four are owner-occupied cooperative properties.
- No vacancies were identified at the ownership properties which is typical among this type of property and 16 vacancies are located withing the rental properties for a 6.7% vacancy rate. The majority of vacancies (14 units) are located in the new Forte Senior Living (178 units) in Rochester that opened in 2022 and 2023. If we exclude this property, the vacancy rate of active adult rental falls to 3.3%.
- The four owner-occupied active adult properties have a combined 276 units and are all cooperative multi-story developments.

Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Share Cost	Monthly Rents	
				Range Low - High	Avg. Fee	Avg. Fee/ Sq. Ft.
Owner						
1BR	77	28%	819	\$34,783 - \$202,919	\$820	\$1.00
1BR+D	6	2%	1,010	\$183,833 - \$202,919	\$1,141	\$1.13
2BR	176	64%	1,265	\$47,725 - \$299,900	\$1,222	\$0.97
2BR+D	8	3%	1,317	\$223,015 - \$295,000	\$1,264	\$0.96
3BR	6	2%	1,461	\$280,000 - \$345,000	\$730	\$0.50
3BR+D	3	1%	1,471	\$275,251 - \$275,251	\$1,605	\$1.09
Total:	276	100%	1,143	\$34,783 - \$345,000	\$1,103	\$0.97
Vacancies/Rate	0	0.0%				
Average Age	1995					
Rental						
Studio	39	16%	496	-- --	\$1,144	\$2.31
1BR	149	62%	668	-- --	\$1,433	\$2.15
2BR	51	21%	951	-- --	\$2,211	\$2.32
Total:	239	100%	700	-- --	\$1,552	\$2.22
Vacancies/Rate	16	6.7%				
Average Age	205					
Note: This table includes data from properties that participated in providing survey information.						
Source: Maxfield Research & Consulting						

Independent Living

- There were nine independent living facilities surveyed in the Olmsted County Market Area with a combined 803 units. Only 14 vacancies were reported as of Q1 2025, resulting in a vacancy rate of only 1.8%, well below the market equilibrium of 5% to allow for adequate turnover and availability indicating pent-up demand for independent living.
- Limited development has occurred in the independent living market sector as Madonna Summit in Bryon (Benedictine Living) is the newest development in the county opening in 2016. The average year built of independent living housing in the county is 2000.

TABLE S-6 SUMMARY BY UNIT TYPE INDEPENDENT LIVING SENIOR HOUSING OLMSTED COUNTY MARKET AREA Q1 2025					
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Monthly Rents	
				Avg. Rent	Avg. Rent/ Sq. Ft.
Studio	6	1%	304	n.a.	n.a.
1BR	330	56%	701	\$2,497	\$3.56
1BR+D	55	9%	896	\$2,867	\$3.20
2BR	284	48%	1,155	\$3,679	\$3.19
2BR+D	96	16%	162	\$3,963	\$24.46
3BR	3	1%	1,434	\$3,560	\$2.48
1BRTH	3	1%	600	n.a.	n.a.
2BRTH	6	1%	1,100	n.a.	n.a.
Total:	783	132%	994	\$3,132	\$3.15
Vacancies/Rate	14	1.7%			
Average Age	2000				
Note: This table includes data from properties that participated in providing survey information.					
Source: Maxfield Research & Consulting					

Assisted Living

- There are 13 facilities offering assisted living services in the Olmsted County Market Area. As of Q1 2025, the properties reported 16 vacancies, for a vacancy rate of 2.7%. This is well below the market equilibrium rate of 7% indicating a very tight assisted living market. No one property has excessive vacancies as they are spread out among the Market Area properties.
- The COVID-19 pandemic in 2020 resulted in significantly increased vacancy rates in assisted living as some residents succumbed to the disease along with a lack of new tenants wary of moving into assisted living properties. The market was slow to recover initially, but it

appears that the Olmsted County Market Area has fully recovered and the market is even tighter today as vacancies are well below equilibrium.

- The average market rent and services was \$4,233 at the time of survey. Additional personal care costs are based on the level of services needed after assessments. Total assisted living costs with the addition of personal care services typically run about \$5,000 or higher. In certain cases, the costs can approach \$10,000 per month for residents that require intensive personal care. Utilities are included and common services include meal plans, activities, transportation, laundry service (weekly), and housekeeping (weekly/bi-weekly).

TABLE S-7 SUMMARY BY UNIT TYPE ASSISTED LIVING SENIOR HOUSING OLMSTED COUNTY MARKET AREA Q1 2025					
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Monthly Rents	
				Avg. Rent	Avg. Rent/Sq. Ft.
Enhanced Care	32	5%	229	n.a.	n.a.
Semi- pvt.	12	2%	430	n.a.	n.a.
Suite	126	21%	347	\$3,530	\$10.17
Studio	102	17%	434	\$4,174	\$9.62
1BR	215	36%	635	\$4,166	\$6.56
1BR+D	7	1%	958	\$4,890	\$5.10
2BR	99	17%	886	\$5,057	\$5.71
Total:	593	100%	464	\$4,233	\$9.12
Vacancies/Rate	16	2.7%			
Average Age	1997				
Note: This table includes data from properties that participated in providing survey information.					
Source: Maxfield Research & Consulting					

Memory Care

- A total of 406 units in 11 memory care facilities were identified in the Olmsted County Market Area. There were seven vacancies reported as of September 2024, for a vacancy rate of only 1.7%. This is well below the market equilibrium of 7% indicating a supplied-constrained market for memory care housing.
- Memory care facilities, however, have higher turnover due to the advanced care needed and overall progression of Alzheimer’s and dementia for individual residents. Only a few properties identified vacancies at the time of the survey.
- The average market rate base rents for memory care units in the Olmsted County Market Area was \$4,711 at the time of the survey. The actual average cost of memory care with

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services is estimated at \$6,935 according to NIC (National Investment Center) and can run as high or higher than \$10,000 depending on care. Utilities are included and common services include meal plans, activities, transportation, laundry service (weekly), and housekeeping (weekly/bi-weekly).

TABLE S-8 SUMMARY BY UNIT TYPE MEMORY CARE SENIOR HOUSING OLMSTED COUNTY MARKET AREA Q1 2025					
Unit Type	Total Units	Unit Mix	Avg. Sq. Ft.	Monthly Rents	
				Avg. Rent	Avg. Rent/ Sq. Ft.
Shared Suite	200	49%	342	\$4,074	\$11.91
Suite	73	18%	418	\$6,336	\$15.16
Studio	93	23%	273	\$4,992	\$18.29
1BR	37	9%	619	\$4,244	\$6.86
2BR	3	1%	868	\$5,530	\$6.37
Total:	406	100%	369	\$4,711	\$12.77
Vacancies/Rate	7	1.7%			
Average Age	2007				
Note: This table includes data from rental properties that participated and provided complete survey information.					
Source: Maxfield Research & Consulting					

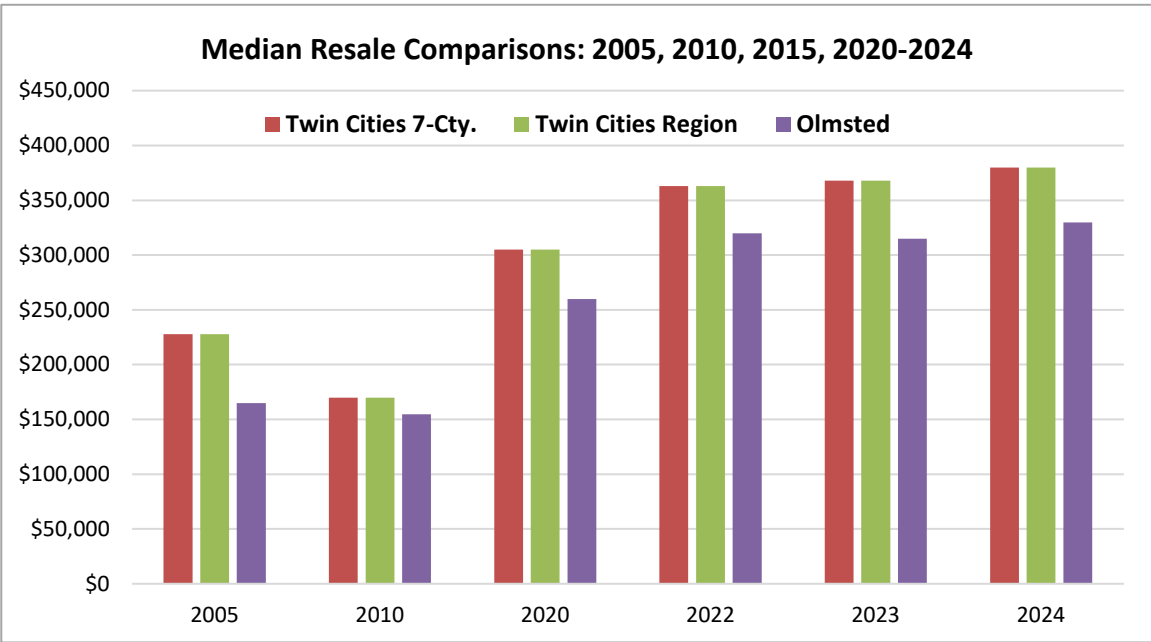
For-Sale Housing Analysis

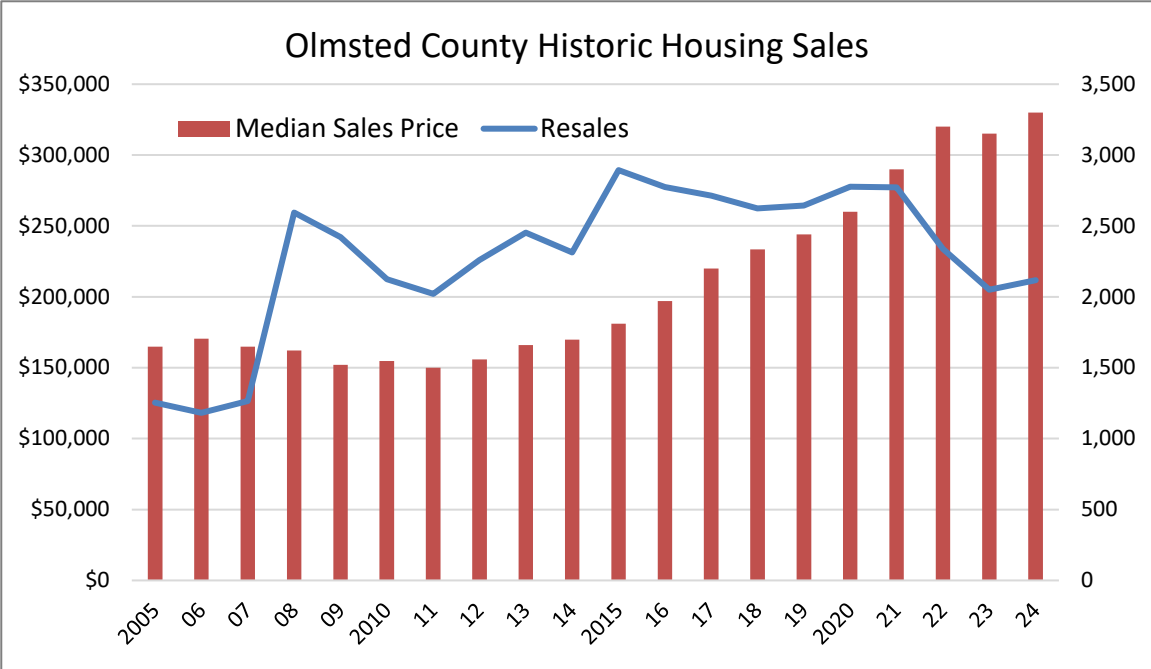
Maxfield Research and Consulting analyzed the for-sale housing market in the Olmsted County Market Area by analyzing data on single-family and multifamily home sales and active listings, identifying active subdivisions and pending for-sale developments and conducting surveys with local real estate professionals, developers, builders and planning officials.

County-wide Home Resale Comparison

Table FS-1 (located in the Appendix) compares Olmsted County resale data against the Twin Cities Metro Area. The tables show summary-level resale data for single-family and multifamily housing units in five-year increments since 2005 and from 2020 to 2024 according to information supplied through the Regional Multiple Listing Service of Minnesota.

- Olmsted County housing value trends have historically been lower than Twin Cities Region. However, the gap between Olmsted County and the Twin Cities continues to shrink over time. In 2024, Olmsted County housing costs are roughly 13.5% less than the Twin Cities.
- Olmsted County housing costs have doubled since 2005, from approximately \$165,000 in 2005 to \$330,000 in 2024. During the same time frame, housing costs are up +67% in the Twin Cities Metro Area to \$380,000 as of 2024.
- Since the pandemic arrival in 2020, housing costs in Olmsted County are up 27% compared to 25% in the Twin Cities.



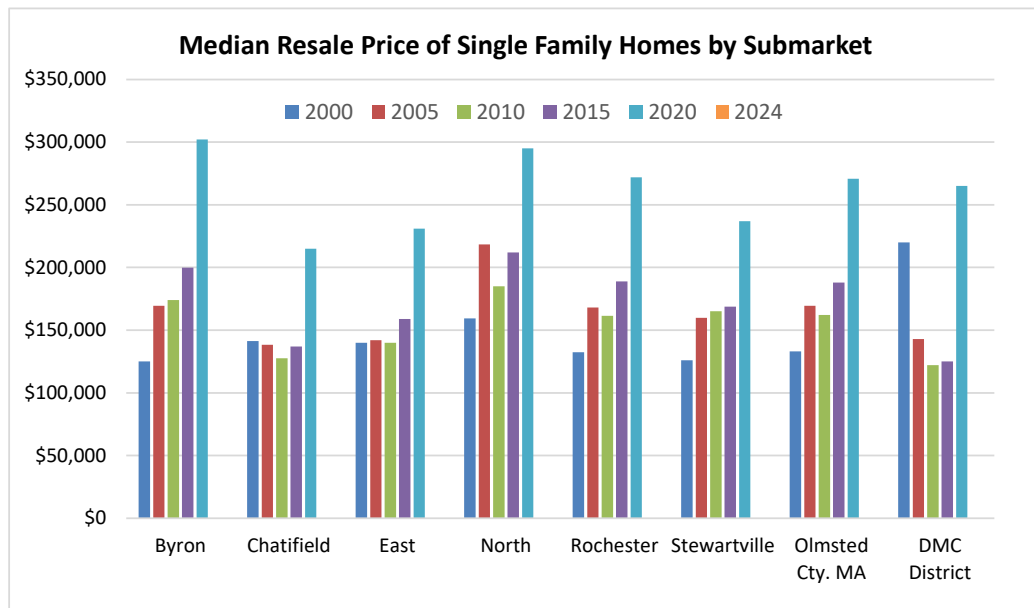
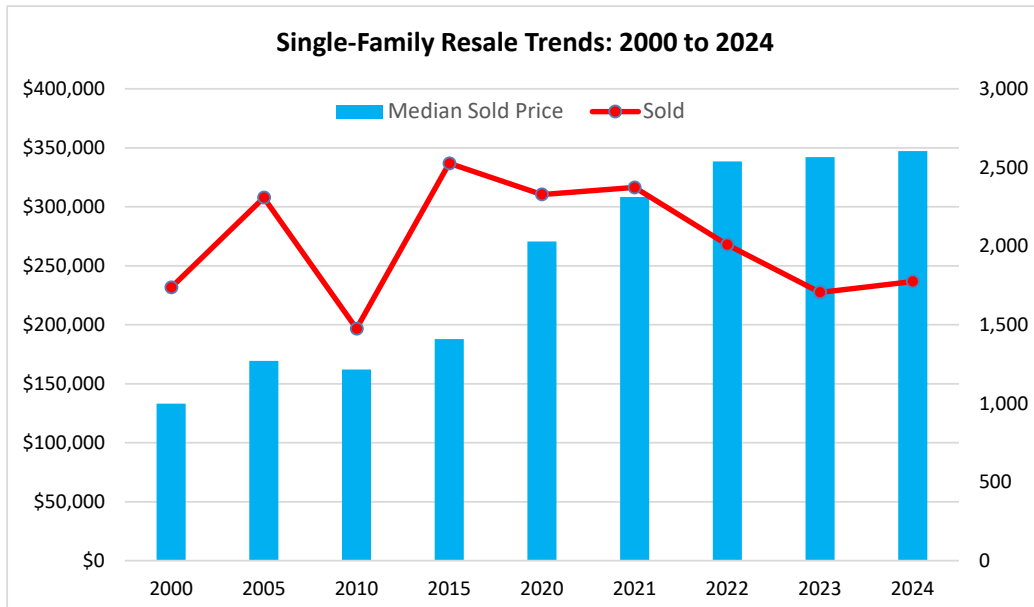


Home Resale Comparison in Olmsted County & Vicinity

Tables FS-2 and FS-3 (both in the Appendix) present summary data for resales of single-family and multifamily housing units for the Olmsted County submarkets in five-year increments from 2000 to 2020 and annually from 2020 to 2024. Data is sourced from the Regional Multiple Listing Service of Minnesota. Because real estate data is tied to mailing addresses, the Rochester Fringe submarket has been combined with the Rochester submarket.

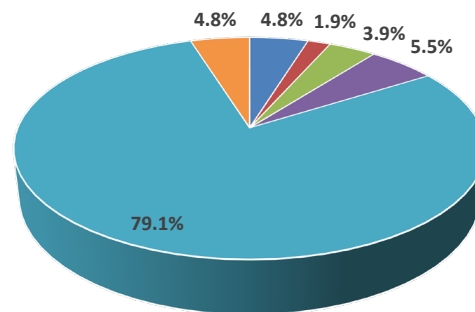
Single-Family Resales

- Single-family sales were at the lowest coming out of the Great Recession and bottomed at under 1,500 in 2010. Sales rebounded and peaked in 2015 at over 2,500 sales.
- Although the early years of the pandemic averaged over 2,300 sales annually, sales velocities have been down since 2022 and rising mortgage rates. Since 2020, sales are down 24% in 2024.
- Though transaction volume remains muted, median single-family pricing continues to rise and reached a new all-time high of \$347,393 in 2024.
- Historically, single-family resales have accounted for 83% of all transactions since 2000.



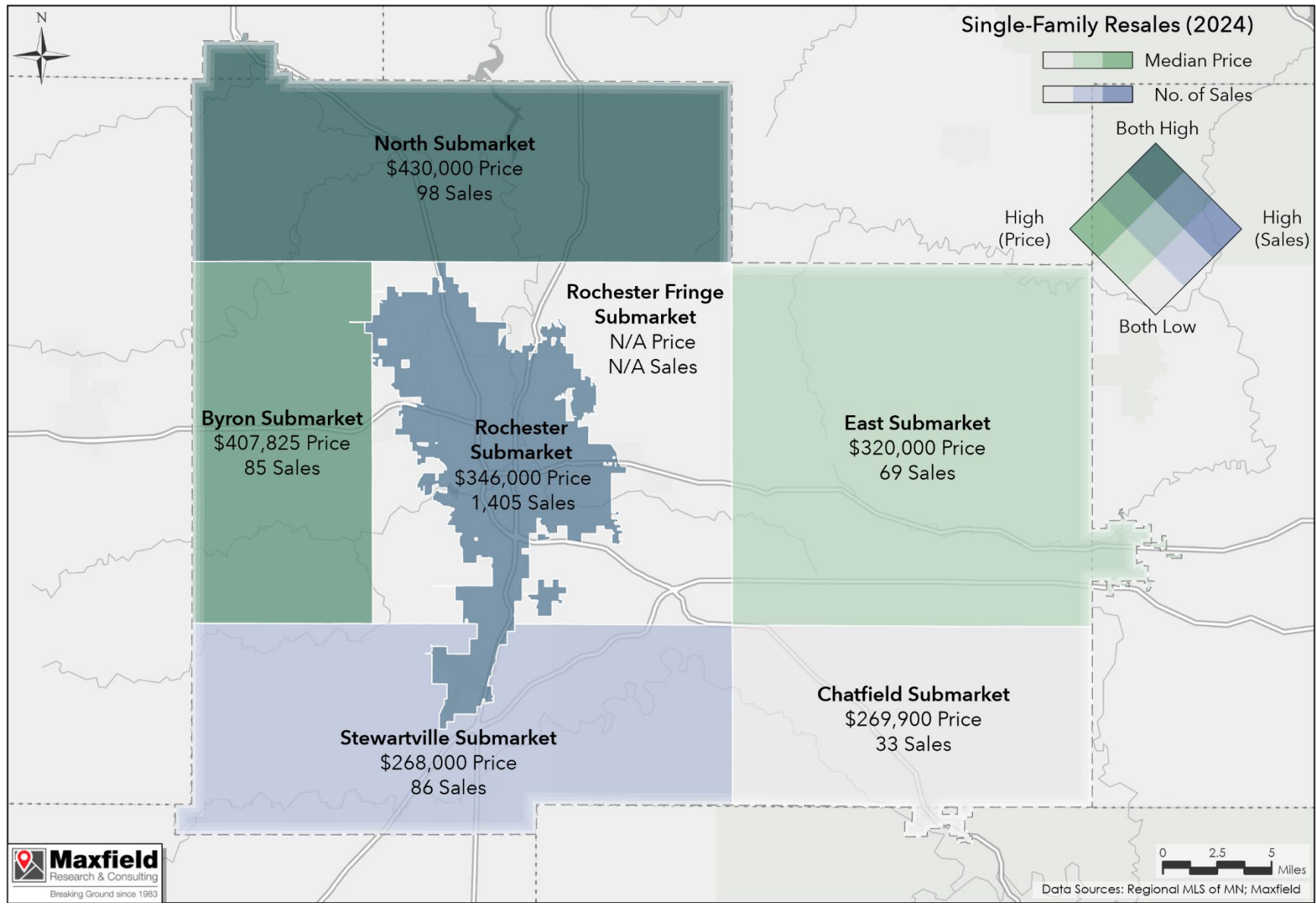
Single-Family Resales by Submarket

- Nearly 80% all of single-family resales in 2024 were in the Rochester/Rochester Fringe submarket. The Stewartville, North, and Byron Submarkets all hover around 5% market share.



■ Byron ■ Chatifield ■ East ■ North ■ Rochester ■ Stewartville

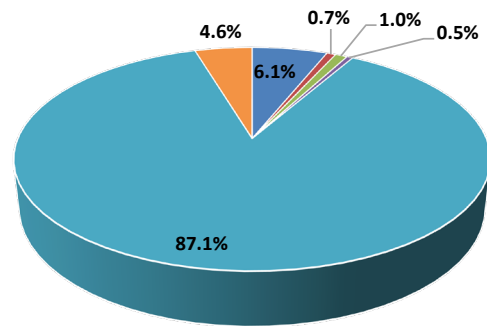
Single-Family Resales & Median Sale Price by Submarket



Multifamily Resales

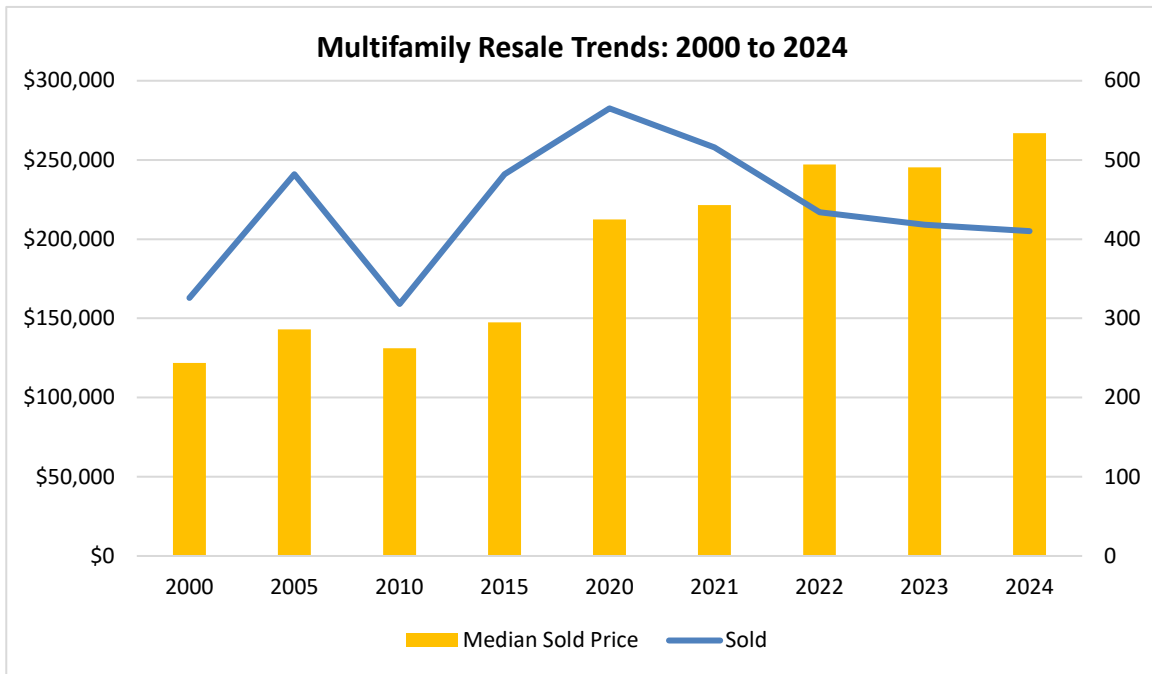
- Since 2000, multifamily has made-up around 17% of all resale transaction in the Olmsted County Market Area. Multifamily sales peaked in 2020 with 565 sales, but hance since declined to only 410 sales in 2024 (-27%).
- Similar to the single-family market, the Rochester Submarket dominates the multifamily space. In 2024, the Rochester Submarket accounted for 87% of all multifamily transactions. The Byron Submarket was the 2nd highest sales market making up 6% of sales.

Multifamily Resales by Submarket

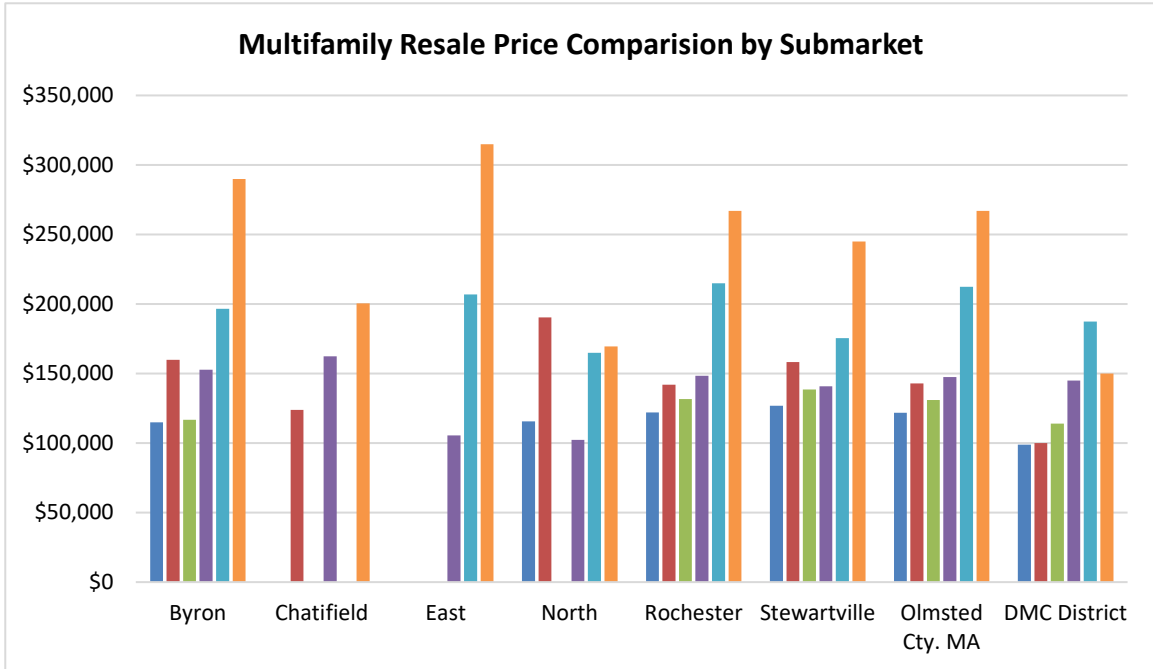


■ Byron ■ Chatfield ■ East ■ North ■ Rochester ■ Stewartville

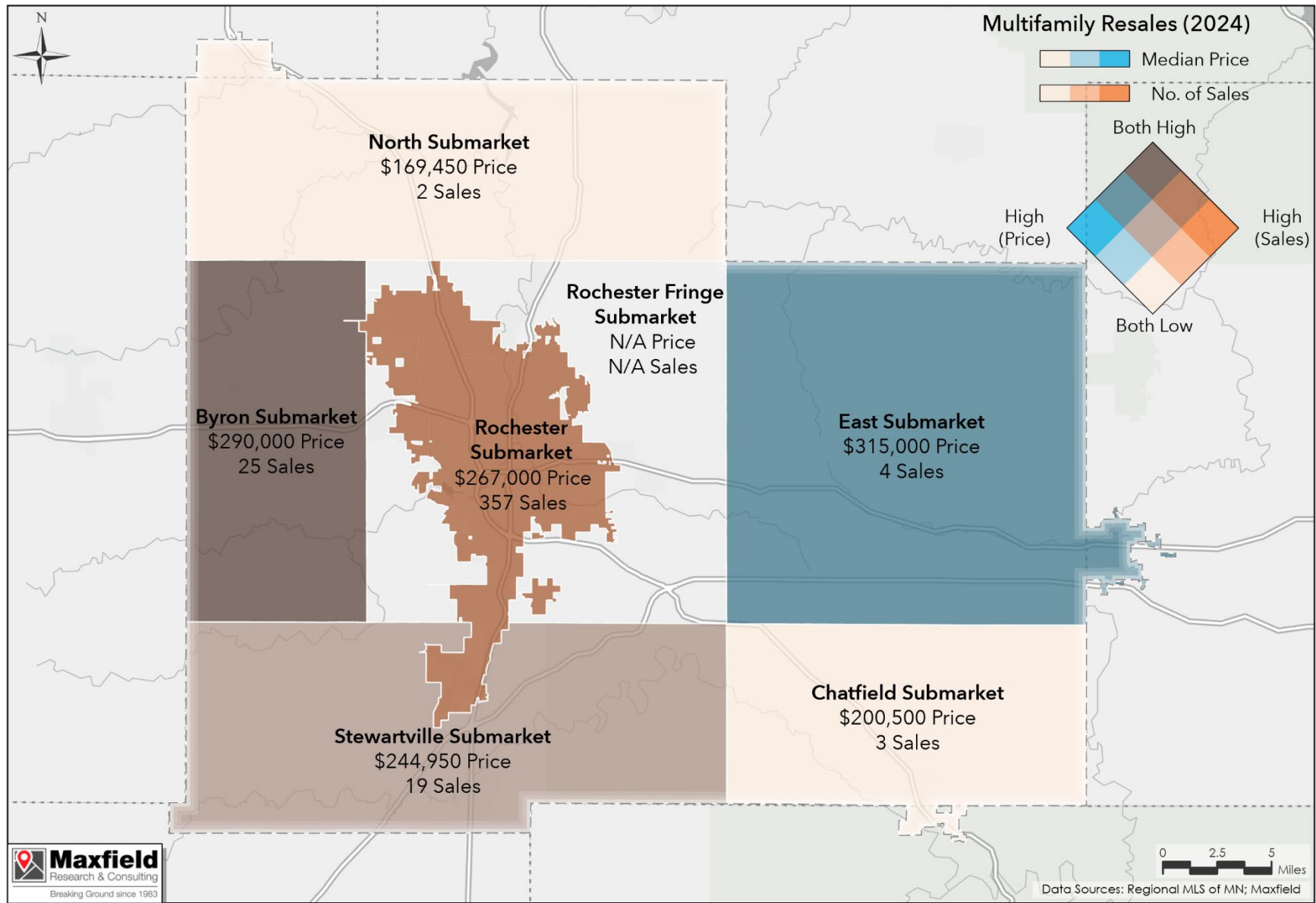
Multifamily Resale Trends: 2000 to 2024



- In 2024, multifamily resales values ranged from \$150,000 in the DMC District up to \$315,000 in the East Submarket. The median value across the County was \$266,886.



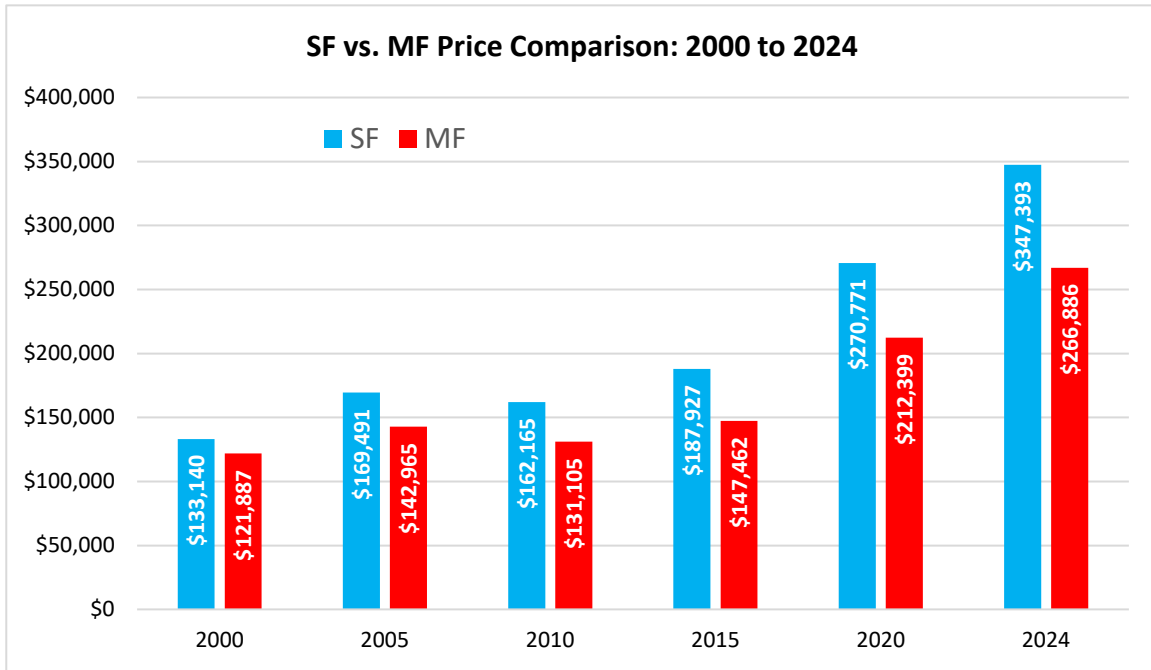
Multifamily Resales & Median Sale Price by Submarket



FOR-SALE HOUSING ANALYSIS

Single-family vs. Multifamily Resales

- The price spread between single-family and multifamily continues to expand with time. As of 2024, the typical single-family home is over 23% more than the median price of a multifamily unit.



Resales by Price Point

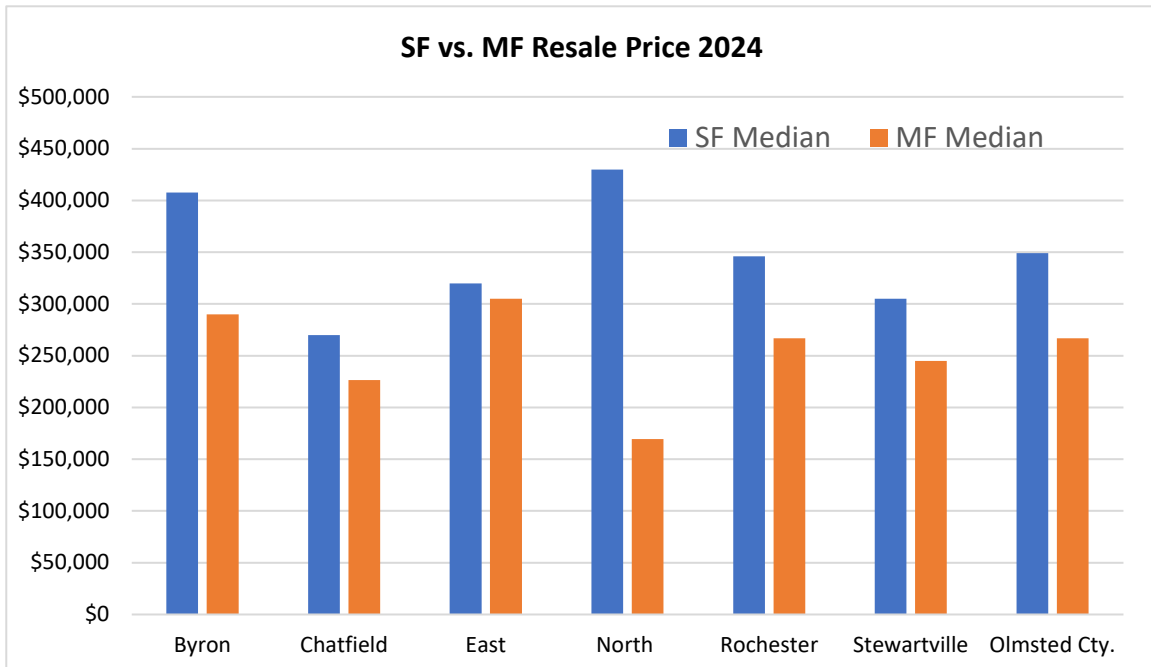
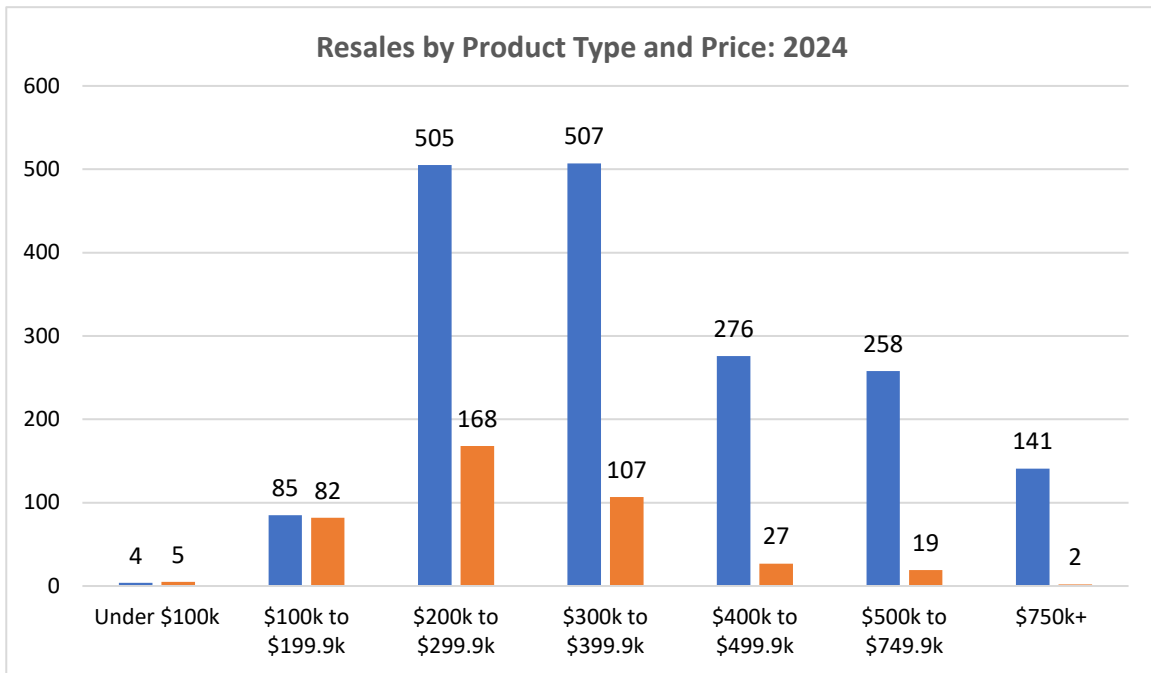
Table FS-4 (in the Appendix) shows the distribution of sales within twelve price ranges from resales in 2024. The graph on the following page visually displays the sales data.

- Home prices have shifted upwards significantly from the previous housing study completed in 2019. In 2019, 30% of all sales closed for less than \$200,000, compared to only 8% in 2024. Similarly, 7% of home sales closed for more than \$500,000 compared to 19% in 2024.

Price Range	2019	2024	No.	Pct. Chg.
<\$200k	824	176	-648	-78.6%
\$200k to \$300k	1,077	673	-404	-37.5%
\$300k to \$400k	433	614	181	41.8%
\$400k to \$500k	216	303	87	40.3%
\$500k to \$750k	143	277	134	93.7%
\$750k+	45	143	98	217.8%
Total	2,738	2,186	-552	-20.2%

FOR-SALE HOUSING ANALYSIS

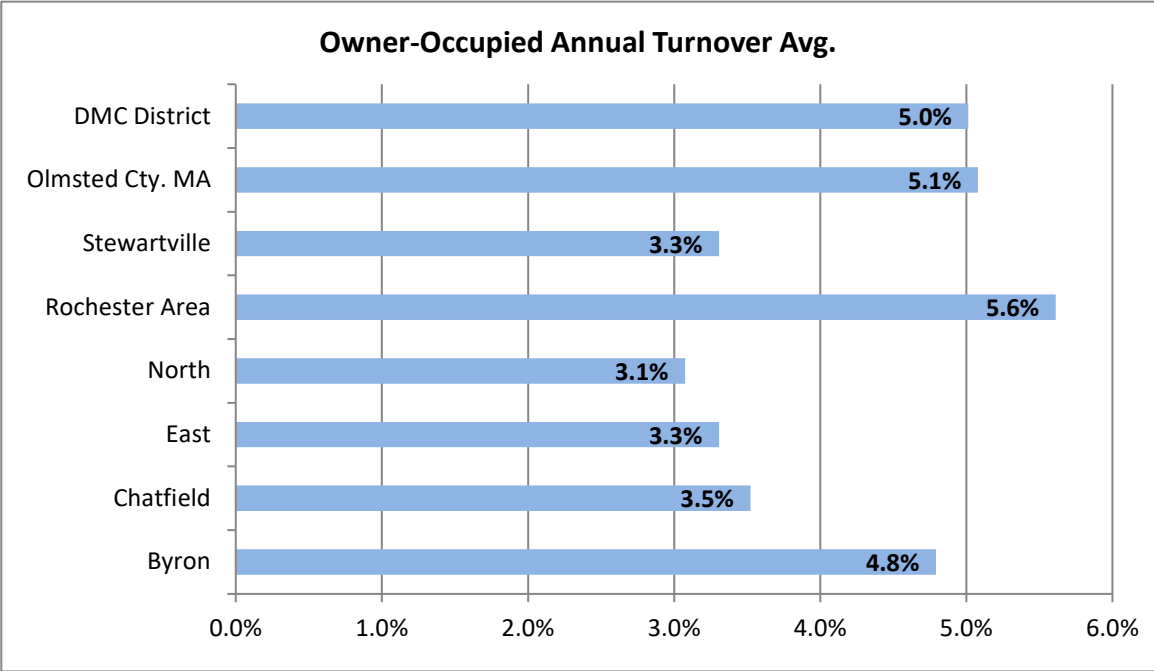
- Due to the limited supply of homes for sale, there were 20% fewer resales in 2024 compared to 2019.



Owner-Occupied Turnover

Table FS-5 in the Appendix illustrates existing home turnover as a percentage of owner-occupied units by Olmsted County submarket. Resales are based on historic transaction volume from 2000 through 2024. Owner-occupied housing units are sourced to the U.S. Census as of 2023 which were adjusted to current year estimates by Maxfield Research.

As displayed in the table, an estimated 5.1% of the Olmsted County Market Area’s owner-occupied housing stock is sold annually. Typically, we find owner-occupied turnover ranges from 3% at the low-end to 8% at the high-end in many communities in Minnesota. Turnover was lowest in the North Submarket (3.1%) and highest in the Rochester Submarket (5.6%). Despite lower supply in the past few years, resales were high at the onset of pandemic that has resulted in a higher turnover rate currently vs. the previous 2019 housing study (4.5%).

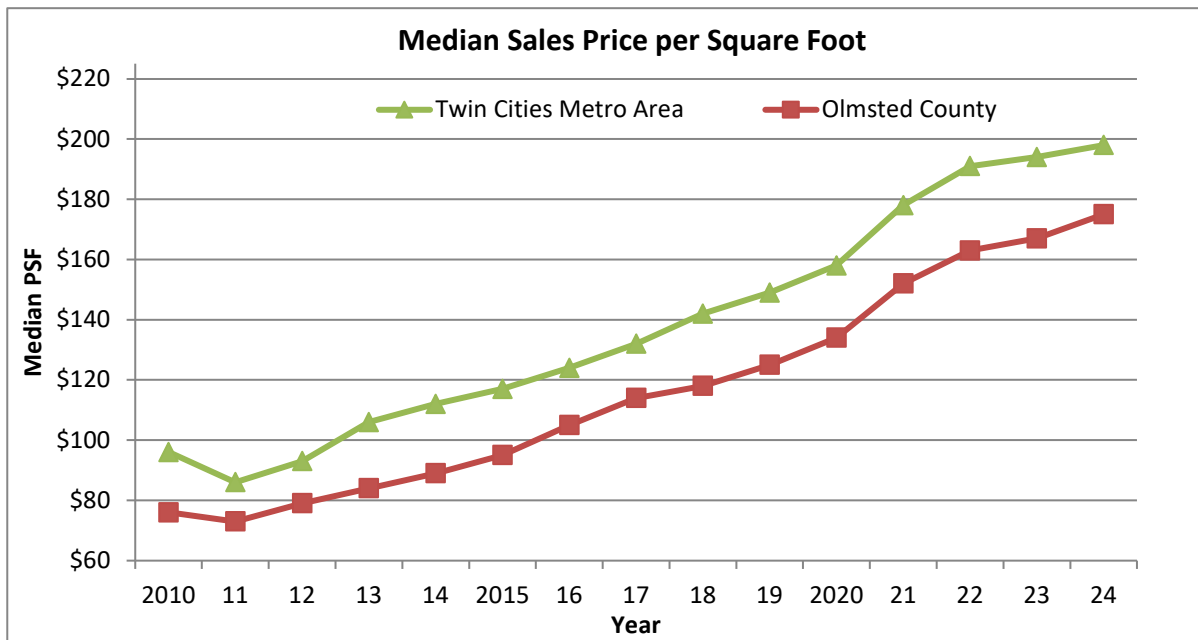


Home Resales per Square Foot (“PSF”)

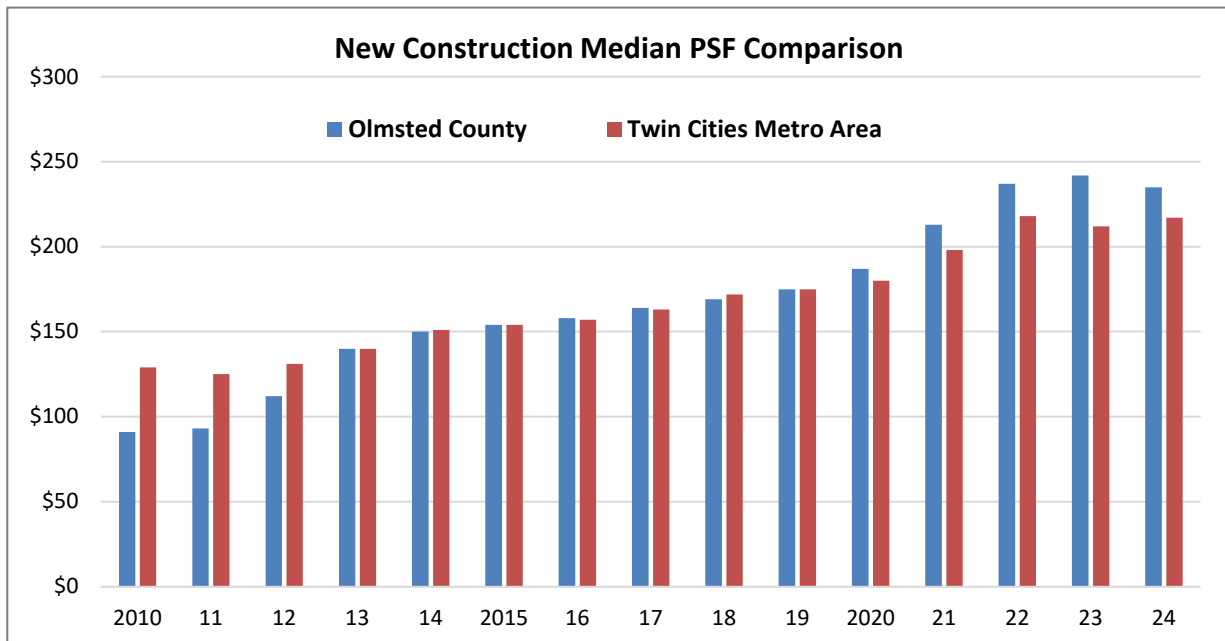
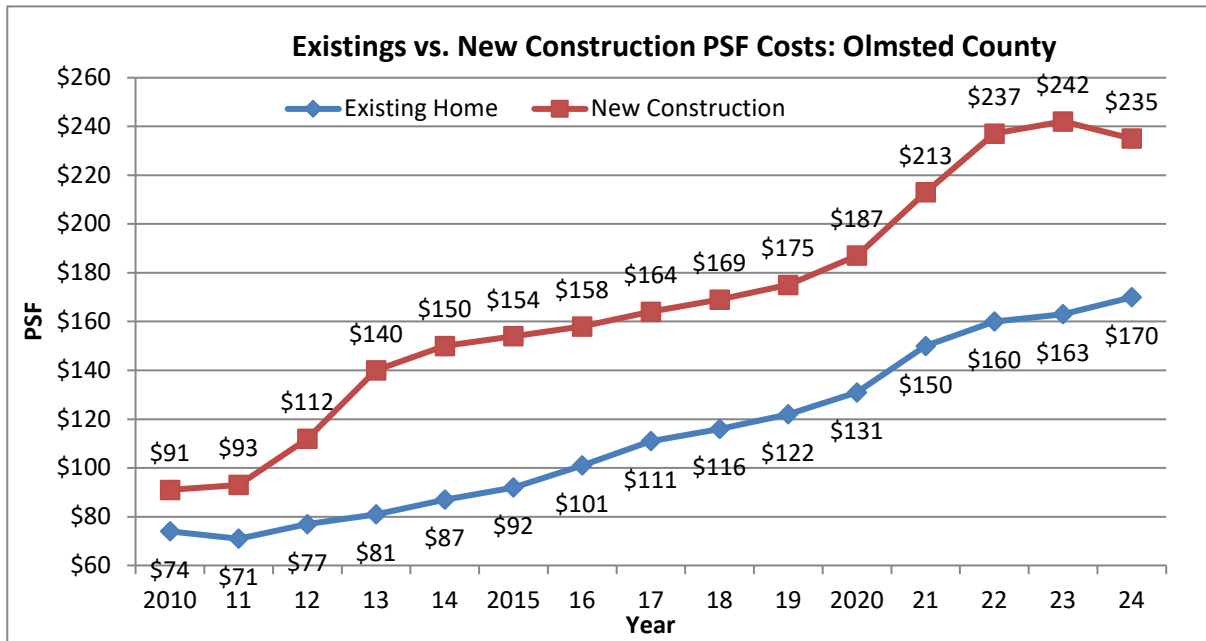
Table FS-6 in the Appendix shows the distribution of sales by sales price per square foot (“PSF”) from 2010 through 2024. The sales per square foot metric is the sales price of the home divided by the finished square footage. Table FS-7 illustrates PSF pricing between existing homes and new construction in Olmsted County and the Twin Cities Metro Area. The following graphs visually display the sales data.

FOR-SALE HOUSING ANALYSIS

- The median and average price per square foot increased substantially over the past decade plus. Olmsted County's median price per square foot was \$76 in 2010 (coming out of the Great Recession) before growing to its highest point in 2024 at \$175 per square foot.
- Olmsted County housings costs on a median PSF basis are about 12.5% less than the Twin Cities Metro Area average (\$175 PSF vs. \$198 PSF). The gap has shrunk with time, ranging from a 30% spread in 2010 to 12.5% as of 2024.



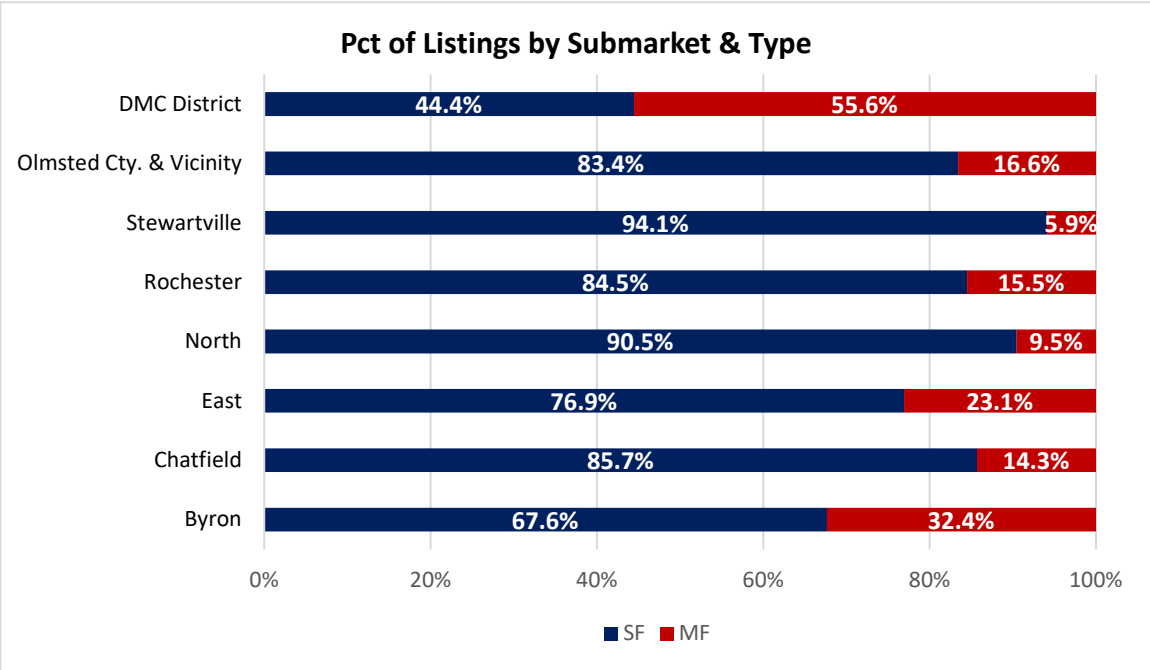
- Since 2010, the price of an existing home in Olmsted County is 48% less per square foot than the cost of new construction. The ratio was closest coming out of the Great Recession but expanded quickly as the housing market rebounded quickly from lender-mediated properties. The new construction spread was recently 48.5% in 2023 before falling to 38% in 2024.
- Historically the cost of new construction in the Twin Cities was higher, however over the past decade Olmsted County pricing has been on-par or exceeding the PSF cost for new construction. As of 2024, the PSF for next construction was \$235 in Olmsted County vs. \$217 for the Twin Cities.



Current Supply of Homes on the Market

We reviewed the current supply of homes on the market (listed for sale) to examine the current market for available owner-occupied housing in Olmsted County. Table FS-8 in the Appendix shows homes currently listed for sale in Olmsted County distributed into ten price ranges. The data was provided through the Regional Multiple Listing Service of Minnesota and is based on active listings as of January 2025. Home listings recorded on the regional multiple listing service generally account for the vast majority of all residential sale listings in a given area. Table FS-9 summarizes active listings by submarket and housing type. Key findings from the tables follow.

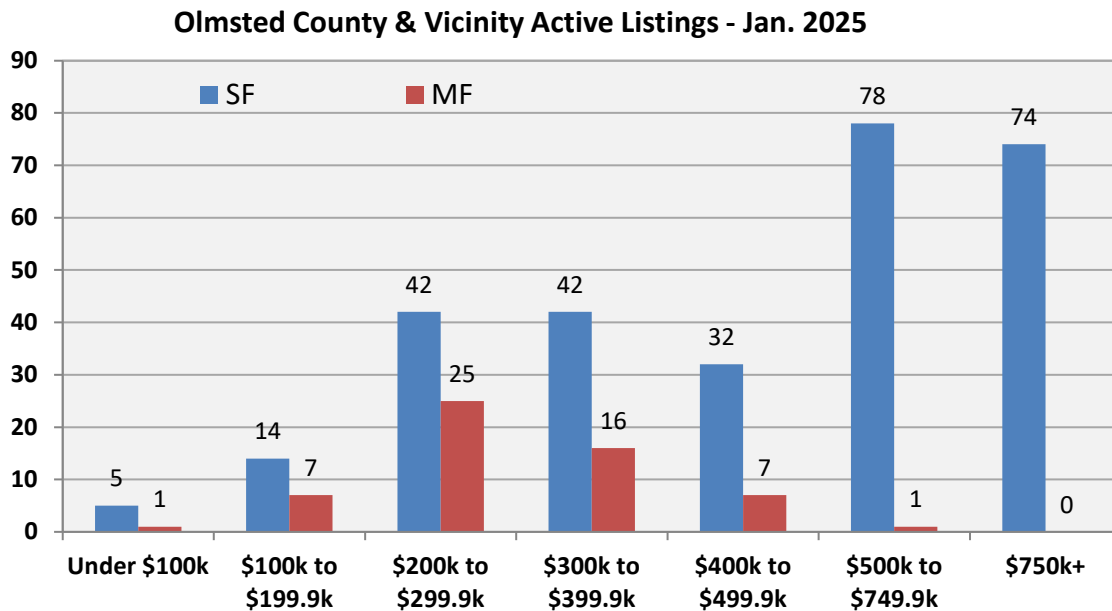
- As of January 2025, there were 344 homes listed for sale in Olmsted County. Of which, single-family homes accounted for 83% of all listings.

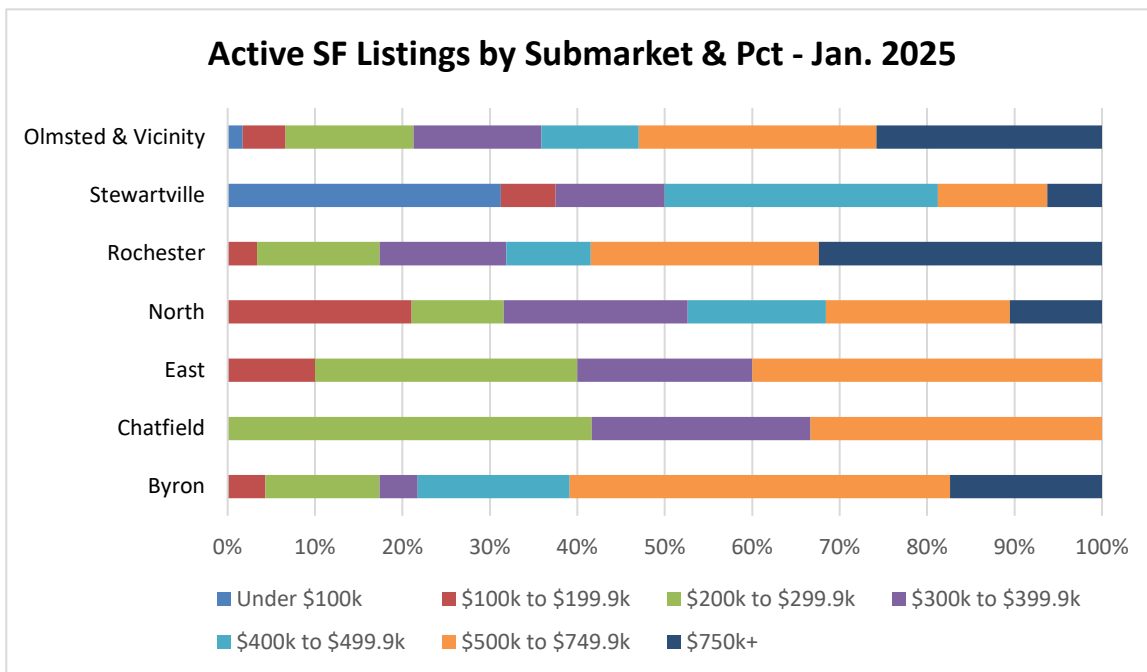
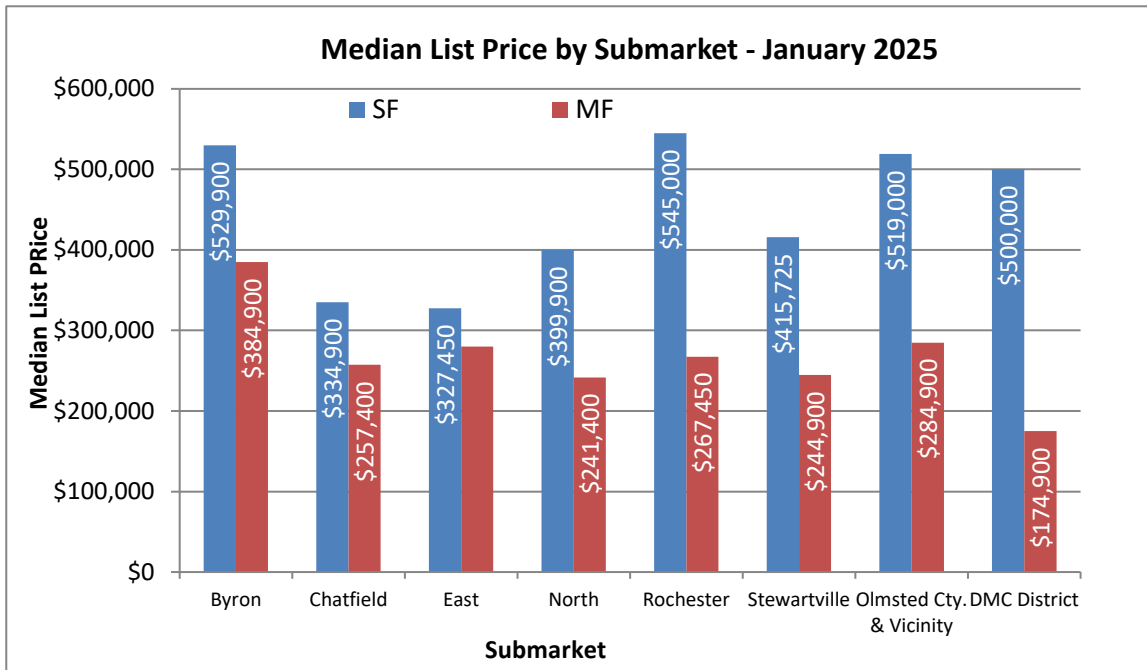


- The median list price in the Olmsted County is \$480,210 (\$519,000 for single-family homes and \$284,900 for multifamily homes). The median sale price is generally a more accurate indicator of housing values in a community than the average sale price. Average sale prices can be easily skewed by a few very high-priced or low-priced home sales in any given year, whereas the median sale price better represents the pricing of most homes in a given market.
- Single-family median sales prices range from \$327,450 in the East Submarket up to \$545,000 in the Rochester Submarket. The higher number of new construction listings compared to resales is bringing up the overall active list price across the Olmsted County Market Area.

FOR-SALE HOUSING ANALYSIS

- Based on a median list price in the Olmsted County Area of \$480,210, the income required to afford a home at this price would be about \$137,200 to \$160,000, based on the standard of 3.0 to 3.5 times the median income (and assuming these households do not have a high level of debt). A household with significantly more equity (in an existing home and/or savings) could afford a higher priced home. An estimated 30.5% of Olmsted County Area households have annual incomes at or above \$137,200 in 2024.
- Only 8% of all active listings were priced below \$200,000 while 27% are priced under \$300,000. About 44% of all active listings are priced above \$500,000.
- Roughly 71% of all listings are located in the Rochester/Rochester Fringe Submarket. Byron boasted the second highest number of listings at 10% of the inventory.

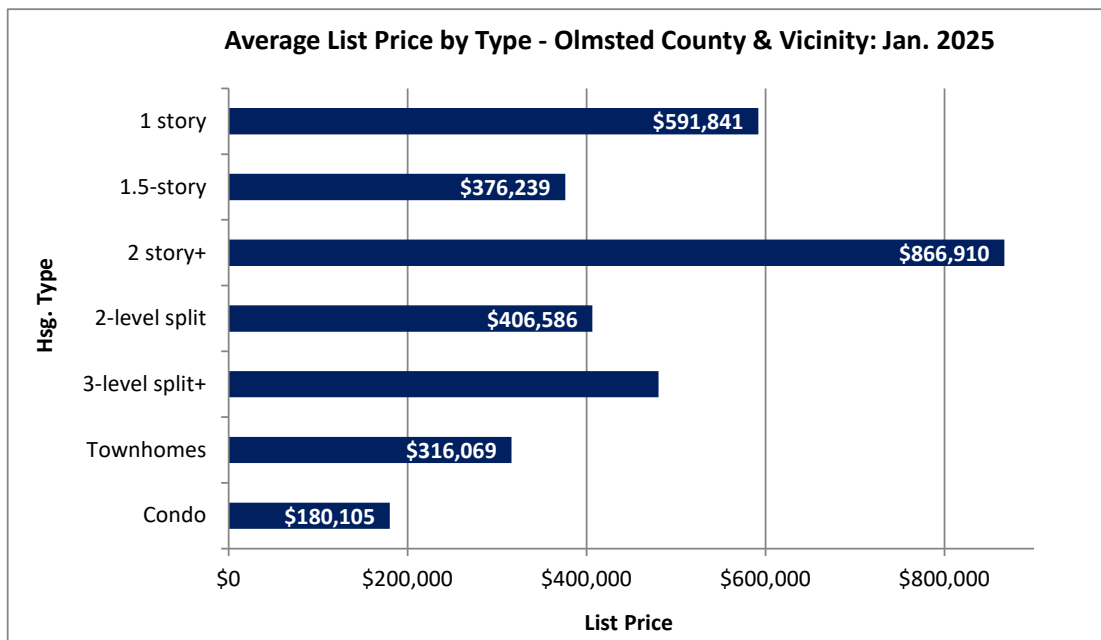
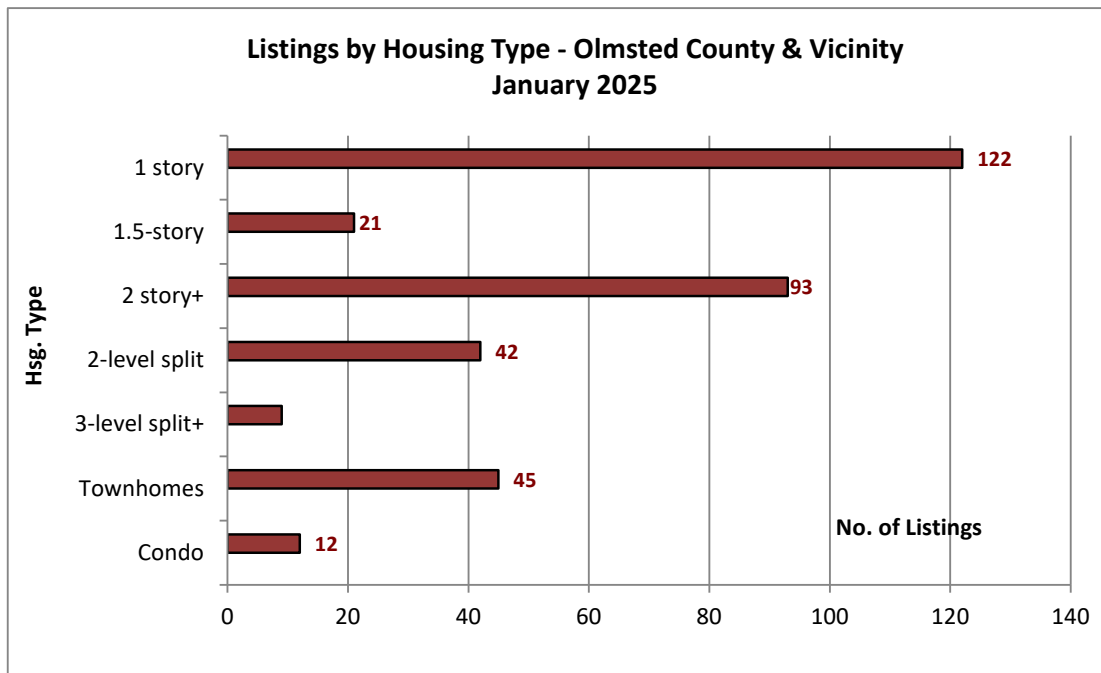


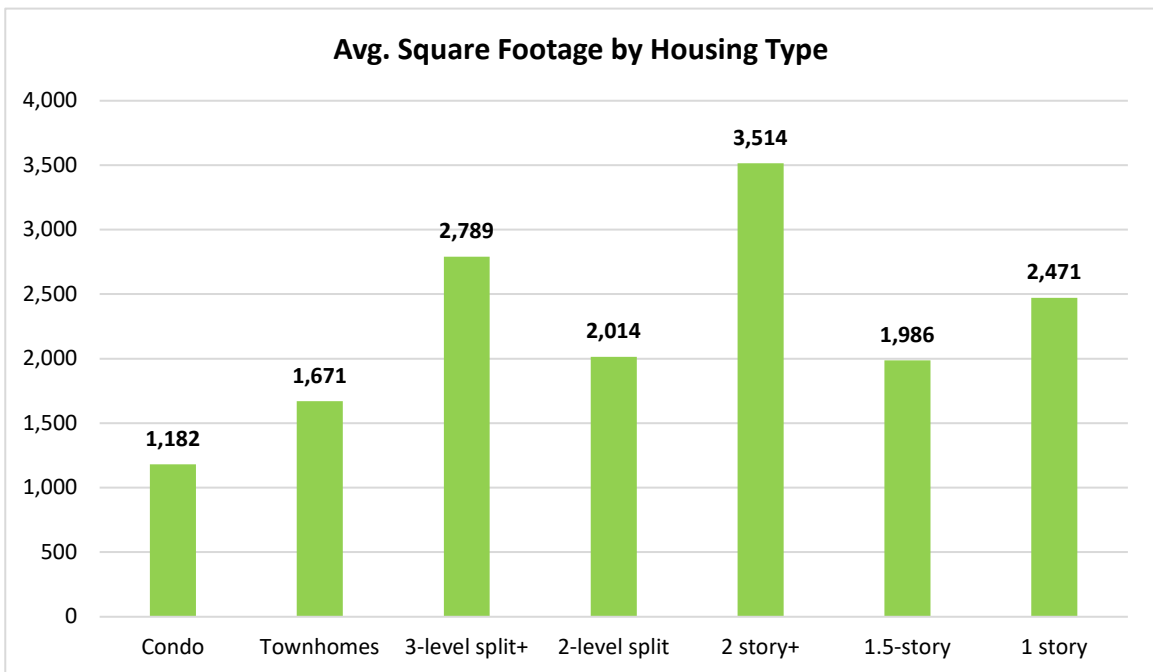
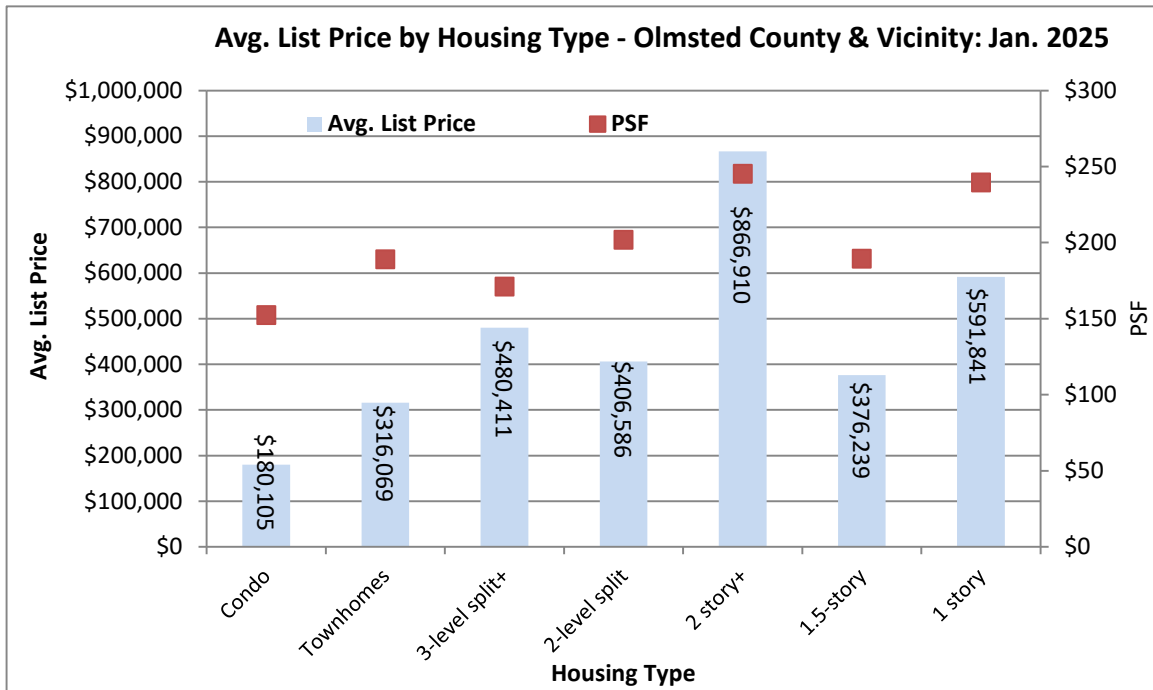


- There were only 12 condominiums listed for sale, compared to 45 townhomes, twin homes, and villas among the multifamily products. Collectively, for-sale multifamily options only accounted for roughly 16% of total listings.
- Detached townhomes (often villas of single-family like properties) have the highest price points and PSF costs among all multifamily concepts (\$411,400 or \$275 PSF), the highest PSF among all property types.

FOR-SALE HOUSING ANALYSIS

- Two-story and more than 2-Story properties have the highest list price in the Olmsted County Market Area; \$8,910 or \$245 PSF. These properties also boast the largest square footage (3,514 square feet) are often new construction.
- One-story units have the second highest price point and list price PSF. Many of these properties are villas or ramblers that target baby boomers and seniors in newer construction.

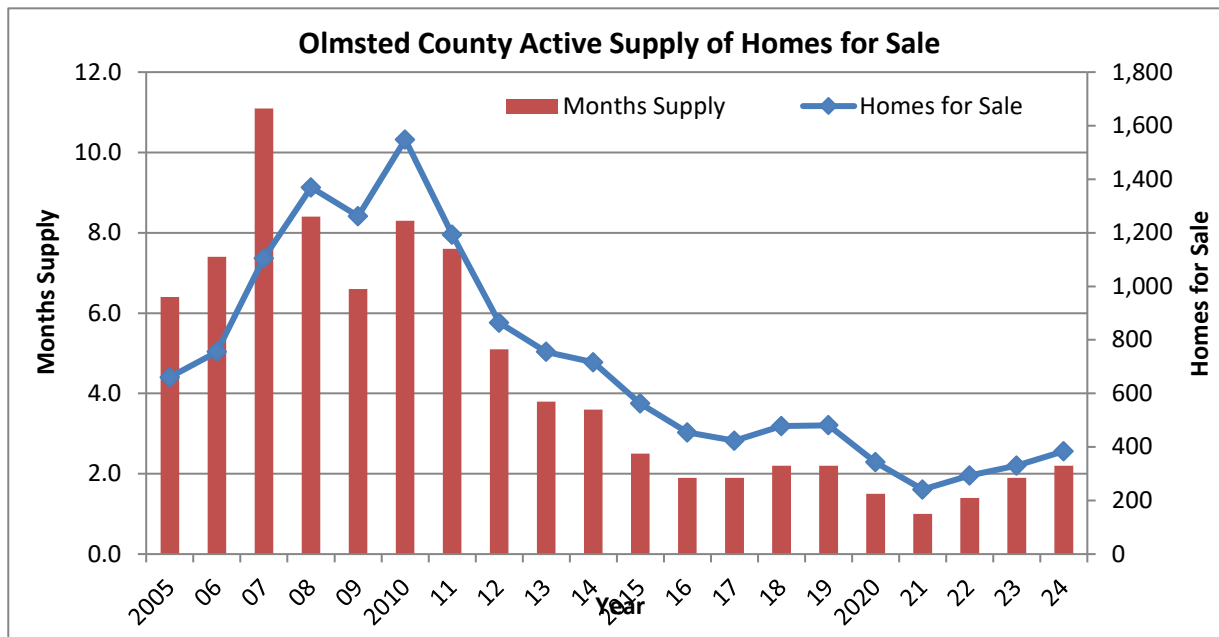


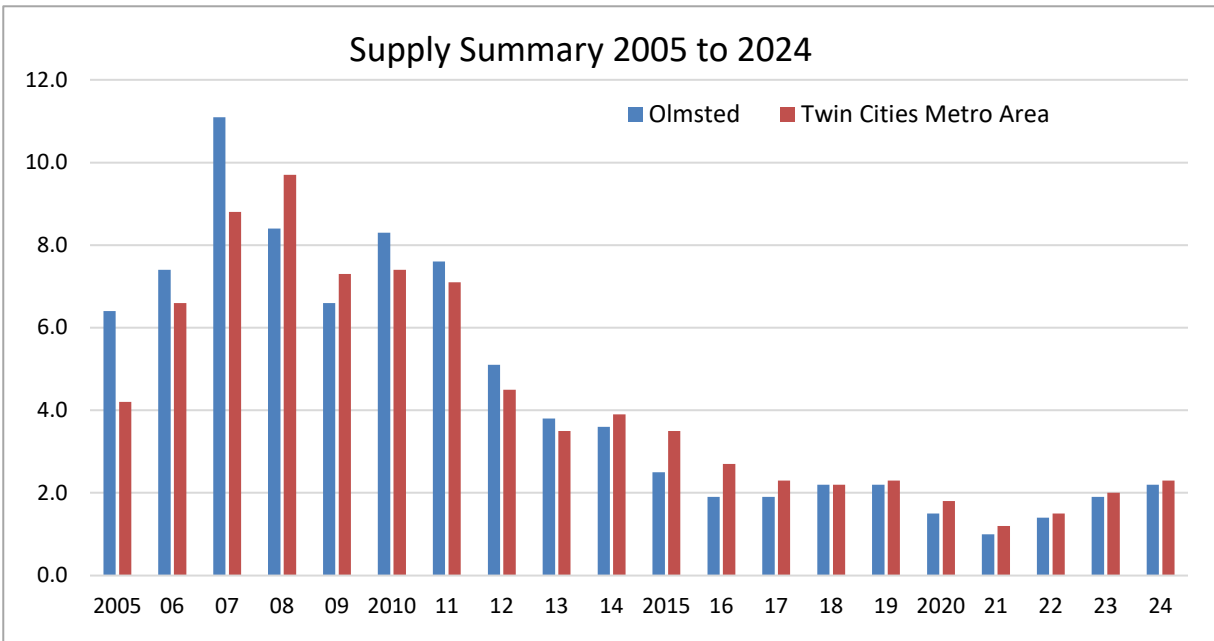


Months of Active Supply

Table FS-11 in the Appendix illustrates the historic supply of actively marketing properties in Olmsted County and the Twin Cities Metro Area for 2005 to 2024. The table depicts the number of homes for sale at the end of each year and the months of supply. The months of supply metric calculates the number of months it would take for all the current homes for sale to sell given the monthly sales absorption. Generally, a balanced supply is considered four to six months. The higher the months of supply indicates there are more sellers than buyers; and the lower the months of supply indicates there are more buyers than sellers. Key findings follow.

- The number of homes for-sale in Olmsted County peaked in 2010 at over 1,500. However, the supply has decreased significantly since coming out of the Great Recession and supply has been near historic lows over the past five years.
- Olmsted County months of supply was 2.2 in 2024, indicating a sellers’ market given the home inventory. Between 2020 and 2023, there was less than a two-month supply, largely a result of the pandemic-led housing boom in 2020 and 2021 before rising interest rates in 2022 curtailed the market. Olmsted County inventory has favored sellers since 2012.
- Supply is expected to gradually improve in 2025, however will remain below historical averages.



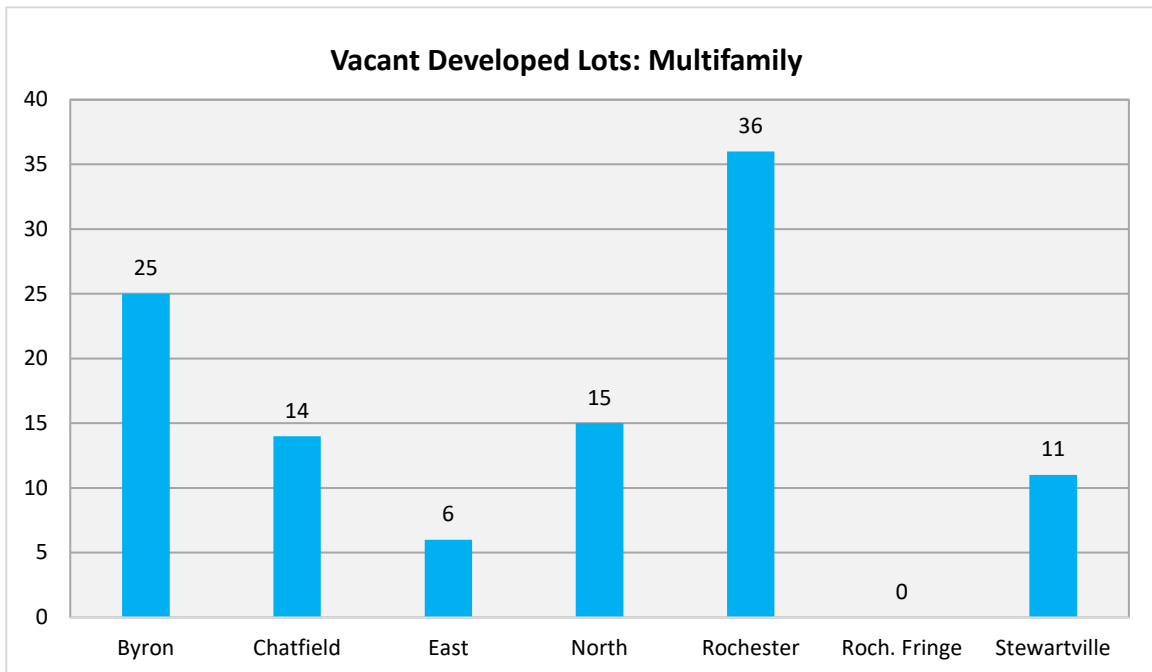
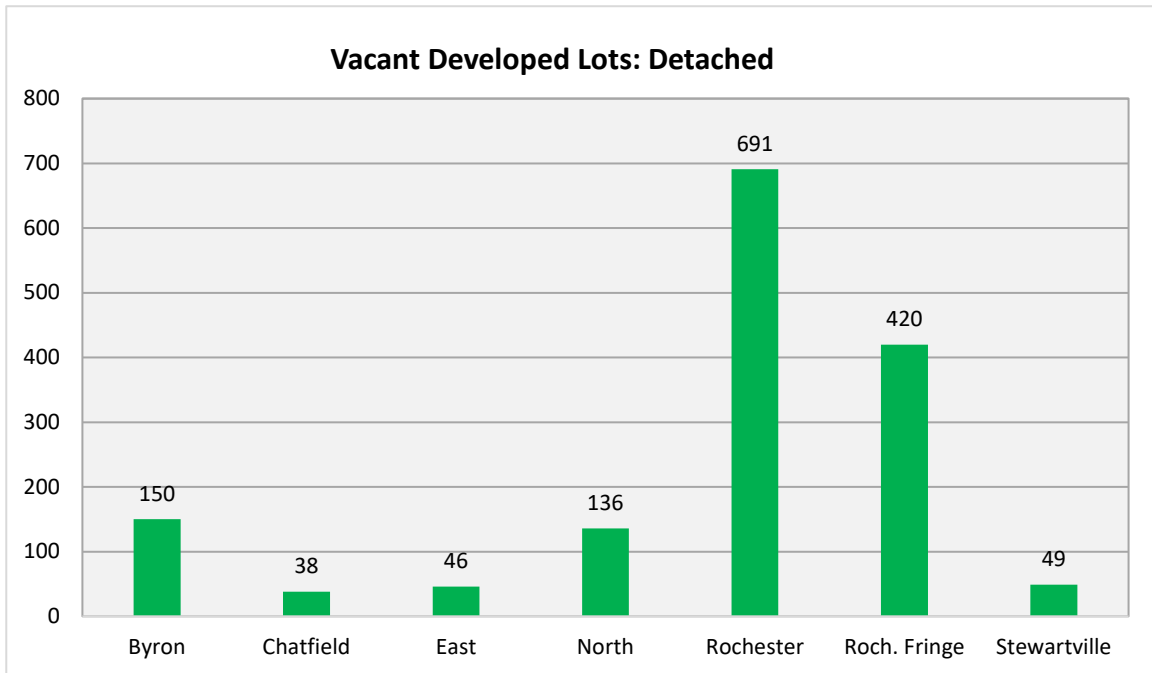


Lot Supply

Maxfield Research & Consulting identified the vacant lot supply of newer subdivisions with vacant lots in the Olmsted County Market Area. Table FS-12 in the Appendix identifies newer subdivisions with available lots (mostly subdivisions with at least 5 or more vacant lots) in Olmsted County and the surrounding communities. The table identifies the location, owner, number of lots, available lots, and assessed values for lots and homes. Please note: the table does not include scattered, infill lots or lots outside Olmsted County. Key points from the table follow.

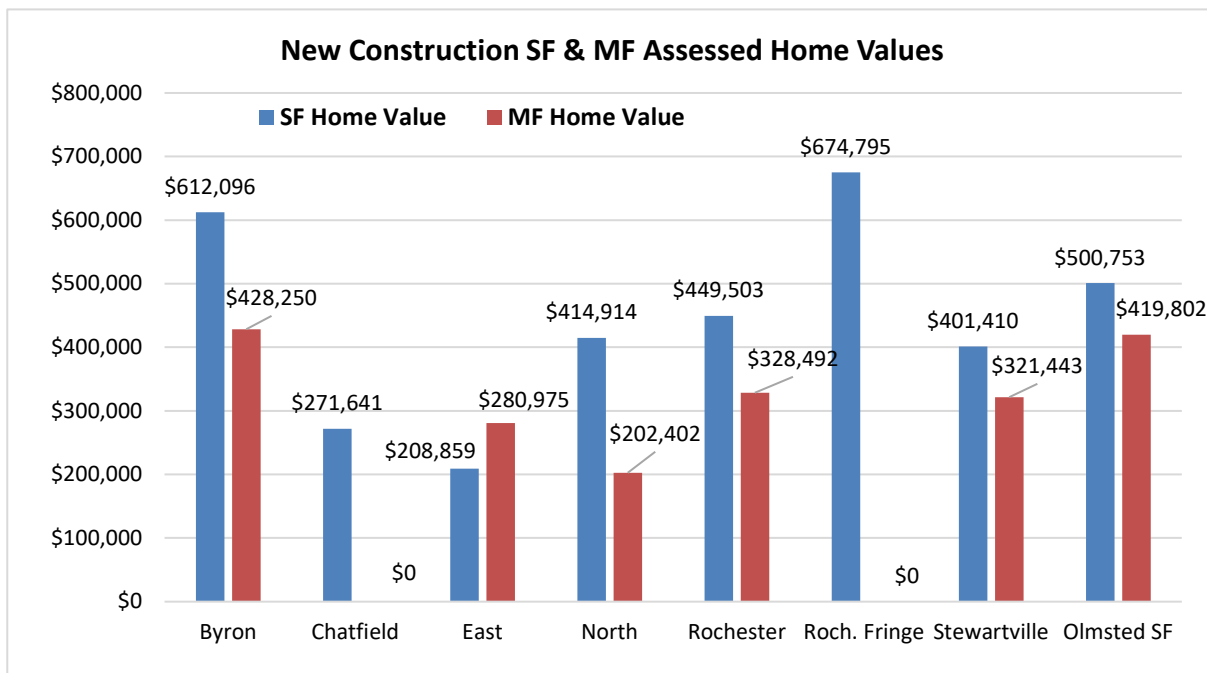
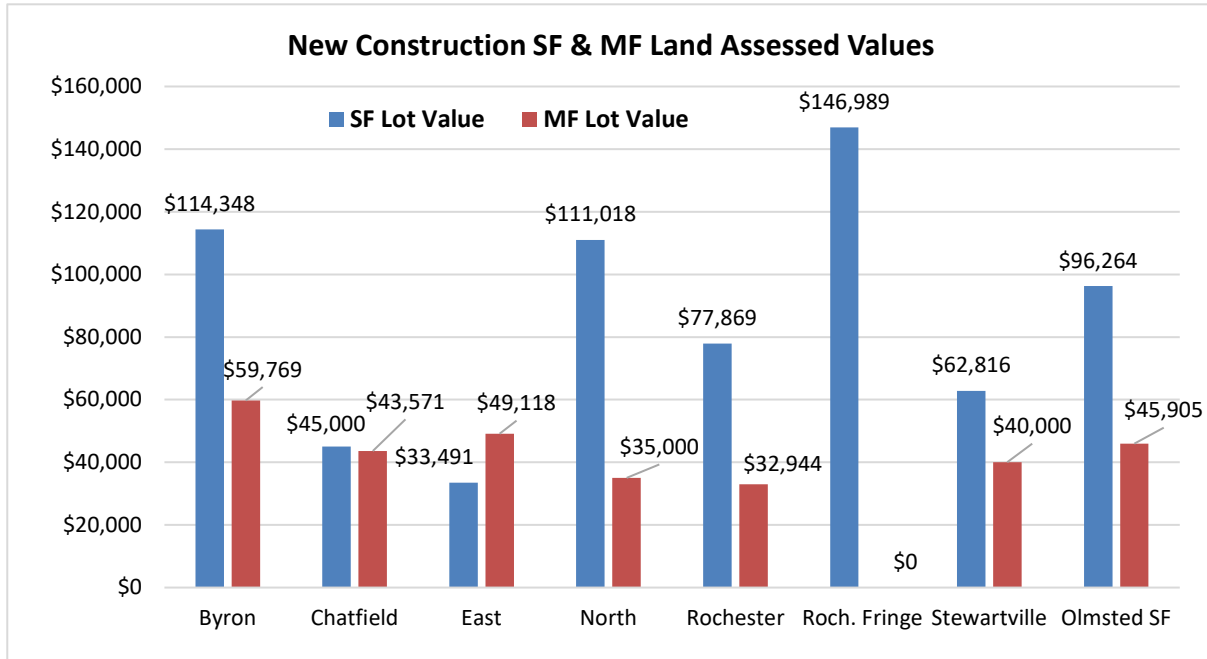
- Maxfield Research & Consulting identified 116 subdivisions with over 1,600 vacant lots among the most active subdivisions. About 90% of the subdivisions (104) were single-family and accounted for 93.5% of all vacant lots in the Olmsted County Market Area (1,530 vacant lots).
- Of the 104 single-family subdivisions inventoried; 50 subdivisions were located in the Rochester Submarket. Collectively the Rochester Submarket accounted for 45% of all vacant single-family lots in the Olmsted County Market Area. At the same time, the Rochester Submarket showed 3 active multifamily development that account for 34% of the multifamily vacant lot inventory.
- The Rochester Fringe Submarket showed 24 active single-family subdivisions with 420 vacant lots. Given the rural zoning of the townships, the lot sizes average 1.83 acres and there are no multifamily lots in these geographies. At the same tie, The Rochester Fring Submarket also boast the highest and values at nearly \$147,000.

- The Rochester and Rochester Fringe Submarket accounted for 73% of the single-family vacant lot supply in the Olmsted County Market Area (1,111 single family lots).



FOR-SALE HOUSING ANALYSIS

- The Byron Submarket accounts for nearly 10% of the vacant single-family lot supply but 23% of the multifamily lots. Most of the lots in Byron are located in a neighborhood within the Somerby Golf Community. The East submarket accounts for 14% of multifamily lots, followed by Chatfield (13%) and Stewartville (10%) Submarkets.



FOR-SALE HOUSING ANALYSIS

- The average single-family lot size skews higher across the county due to a combination of the inclusion of township lots. Combined, the average lot size is 0.68-acres, ranging from 0.17 acres in the Stewartville Submarket to 1.83 acres in the Rochester Fringe.
- The average assessed value of a single-family lot in a new subdivision across the county averaged about \$96,260, ranging from \$33,500 in the Stewartville Submarket up to \$147,000 in the Rochester Fringe Submarket. Combined with the building value, the average assessed new home price ranges from \$271,640 in the Chatfield Submarket to \$674,800 in the Rochester Fringe.
- The average assessed value of a multi-family lot in a new subdivision across the county averaged about \$45,900, ranging from \$32,944 in the Rochester Submarket up to \$59,769 in the Byron Submarket. Combined with the building value, the average assessed new home price ranges from \$202,402 in the North Submarket to \$428,250 in the Byron Submarket.
- The gap between the new construction single-family and multifamily home values has shrunk since the 2019 study. This trend has been driven by more luxury villas and twinhomes that have been constructed targeting move-up buyers. There have been few new construction side by side townhomes that are priced lower and targeting first-time home buyers.

Type	2019	2024	Pct. Chg.
SF Lot	\$70,067	\$96,264	37.4%
SF Home Value	\$370,080	\$500,753	35.3%
MF Lot	\$30,943	\$45,905	48.4%
MF Home Value	\$227,418	\$419,802	84.6%

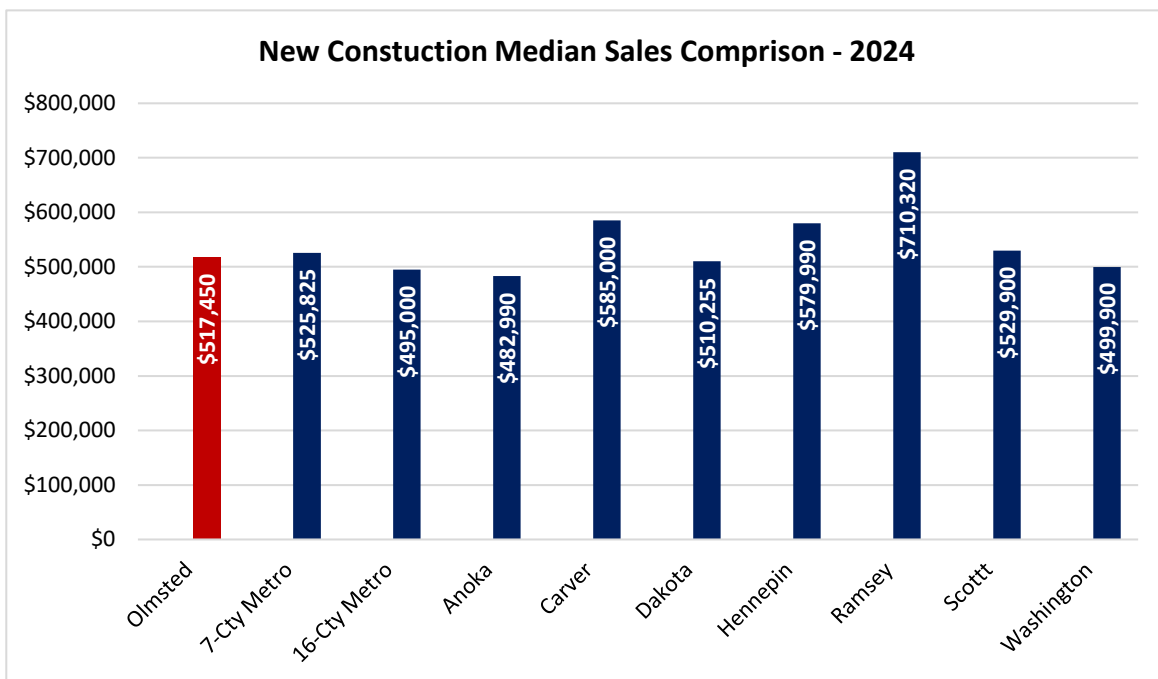
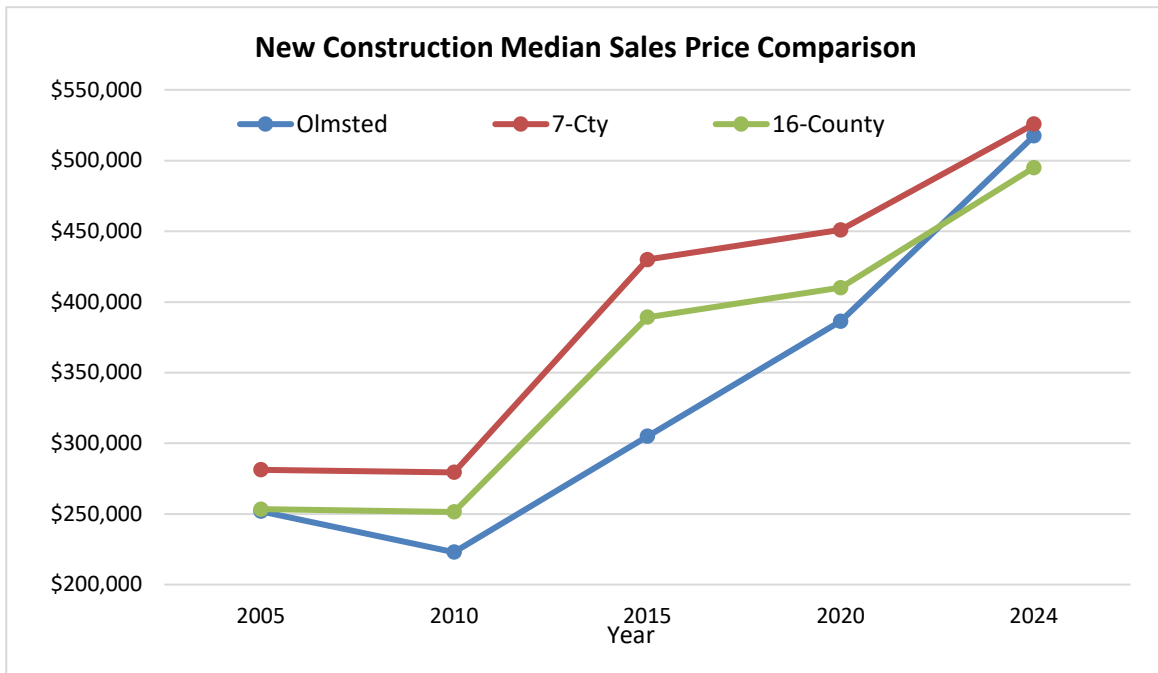
New Construction Pricing

Table FS-14 in the Appendix compares new construction median sales prices in Olmsted County versus the Twin Cities Metro Area (core 7-county and greater 16-county). The table compares new construction sales prices between 2015 through 2024.

- Historically, new construction pricing in Olmsted County has been lower than the Twin Cities. However, for the first time Olmsted County new construction surpassed the Greater 16-County Metro Area.
- New construction pricing peaked in Olmsted County in 2022 at \$553,880 and has declined slightly over the past two years. The decline is due to several factors, including higher mortgage rates and builders offering more attached product and smaller homes to combat rising costs and interest rates.

FOR-SALE HOUSING ANALYSIS

- New construction in Olmsted is up 34% since 2020, higher than most counties in the Metro Area.



Actively Marketing Subdivisions

Maxfield Research identified single-family and multifamily developments that are currently being marketed in the Olmsted County Market Area. Subdivisions are classified as active if they are marketing homes and/or lots on the Multiple Listing Service (“MLS”) or marketing lots through the Builders Association of Rochester. Because not all new construction or vacant lots are listed on the MLS, it is likely there are several subdivisions that are marketing lots that are not identified in Tables FS-15 and FS-16 located in the Appendix. Furthermore, because many builders have already purchased the lot, many builders are selling the home as a retail package (land + home); hence they are not actively marketing the land. Key points from the tables follow.

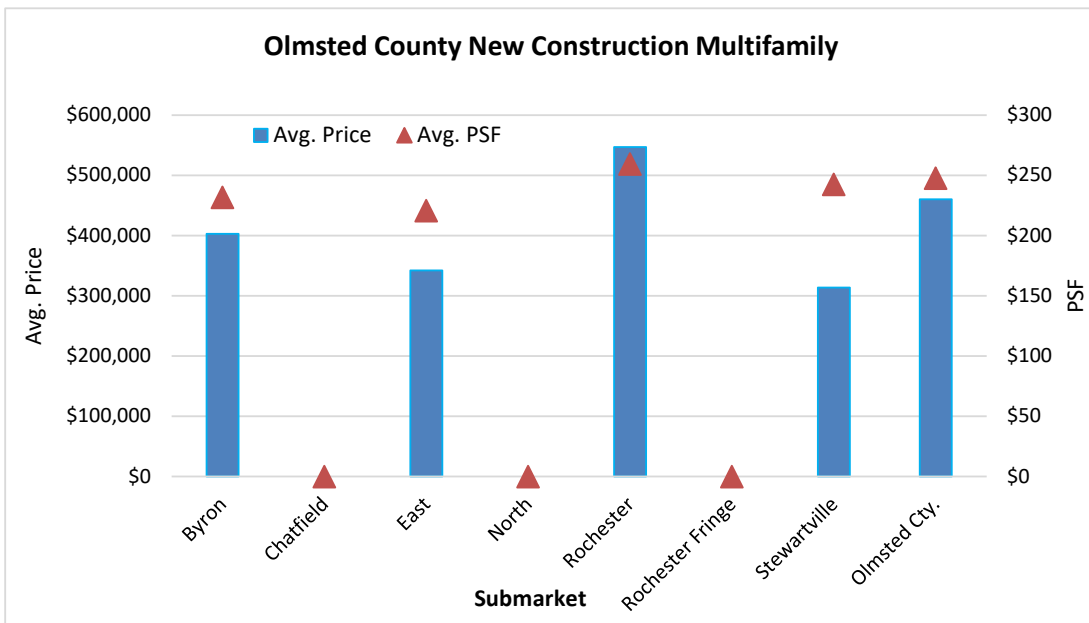
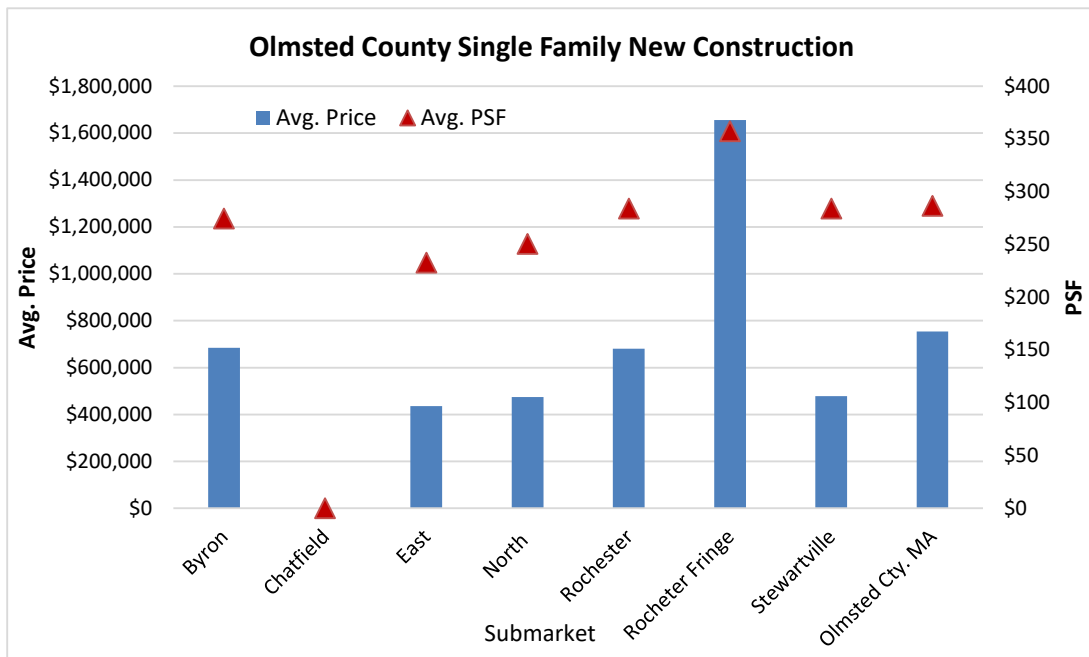
- Collectively there were 47 single-family subdivisions marketing compared to only 12 multifamily subdivisions. Over three-quarters of active single-family subdivisions are located in the Rochester and Rochester Fringe Submarkets. One-half of the multifamily subdivisions are located in Rochester.
- Pricing for new construction has increased substantially from the previous 2020 housing study. The following chart summarizes marketing construction in 2024 vs. 2020 by submarket:

Submarket	Marketing Costs		PSF	
	2020	2024	2020	2024
Byron	\$579,365	\$684,105	\$218	\$275
Chatfield				
East	\$364,178	\$435,223	\$156	\$233
North	\$522,334	\$474,950	\$237	\$251
Rochester	\$495,922	\$679,954	\$176	\$284
Rochester Fringe	\$931,368	\$1,656,050	\$222	\$357
Stewartville	\$344,381	\$478,945	\$196	\$284
Olmsted Cty. MA	\$489,546	\$754,046	\$183	\$287

- The blended single-family home price marketing is up 54% since the 2020 study, especially in the Rochester Fringe that boasts home prices up 78%. Similarly, multifamily new construction is up 57% between the same time frame.
- The price per square foot (including land) varies considerably based on design, amenities, square footage, type of lot, builder, etc. The average actively marketing single-family home price is approximately \$754,400 in the Olmsted County Market Area; or about \$287 PSF. New for-sale multifamily product has an average price of about \$460,300 or \$248 PSF.
- Lot prices vary considerably based on location, acreage, views, topography, etc. The following summarizes the range of lot costs marketing across the County:

Marketing Lot Costs by Submarket

Submarket	Min	Max
Byron	\$84,900 -	\$299,900
Chatfield	\$54,900 -	\$64,900
East	\$69,900 -	\$75,000
North		
Rochester	\$49,900 -	\$309,900
Rochester Fringe	\$160,000 -	\$480,000
Stewartville	\$65,000 -	\$96,900



Realtor/Builder/Developer Survey

Maxfield Research and Consulting conducted a survey of real estate agents, home builders, and other professionals familiar with Olmsted County's owner-occupied market to solicit their impressions of the for-sale housing market in the county. Key points are summarized by topic as follows.

Market Overview

- Supply has been very tight for years (even before the pandemic); averaging about a two months supply across the Olmsted County Market Area (equilibrium is about five to six months). Supply has slowly increased over the past year but it is still near all-time lows. Over 75% of Realtors describe the market as a sellers market.
- The lack of supply has contributed to appreciation gain despite rising mortgage rates. Although buyers have slightly more options today, the inventory is still limited especially for buyers seeking more affordably priced homes. The mortgage rate lock in effect is keeping homes off the market as sellers do not want to give up record low interest rates.
- While record low interest rates kept affordability at bay until recently, prices have not subsided as of yet with higher interest rates and inflation. Thus, affordability remains has remain out of reach for many householders, especially entry-level buyers.
- Market time (i.e. days on market) had increased slightly over the past year (average of about 45 days), however still remains low by historical standards. Turn-key homes priced right will sell in less than 30 days. Lower-priced homes sell the quickest whereas move-up and executive homes have longer market times.
- The consensus among surveyed Realtors is that the biggest barriers to buying a home in the Olmsted County Market Area is threefold: high interest rates, lack of supply, and the rising costs of home ownership.
- Housing affordability has always been a key driver for many of the communities in the Olmsted County Market Area. Buyers have generally received more house for the dollar compared to the Twin Cities. However, this gap has been shrinking with strong appreciation and limited inventory which now rival the Twin Cities.
- When probed about the projected median sales price in 2025, most Realtors believe pricing will continue to escalate while the supply remains stable. Realtors were split on transaction volume in 2025; about 42% of Realtors feel transactions will increase this year while 50% believe sales velocities will be the same as 2024.

- When asked what housing types have the greatest need, entry-level single-family was cited as the product with the largest gap. Other products with high need included townhomes/condominiums, villas and one-level living options, move-up single-family housing, and senior housing options.
- The most active home buyers in the county have been married and unmarried couples with children. However, married and unmarried couples without children are also an active buyers and were nearly as active.

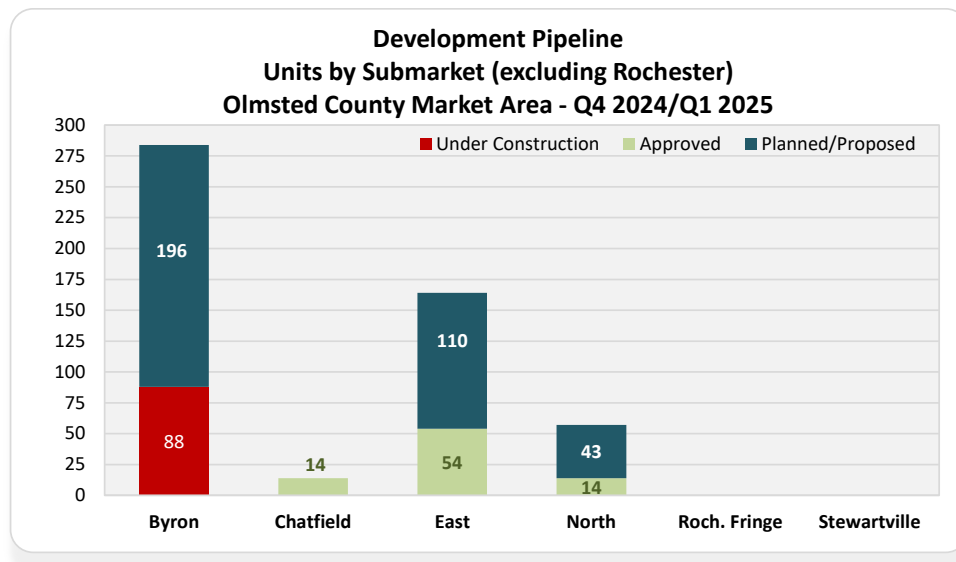
New Construction

- Nearly 82% of Realtors surveyed indicated there are a lack of lots available to purchase across the Olmsted County Market Area.
- New construction pricing has escalated significantly since the pandemic. Although most supply chain issues have been mitigated, construction and labor costs continue to rise. A lack of labor and rising wages continues to challenge builders.
- Lot sizes continue to compress within many municipalities, however township and acreage lots continue to have strong demand for buyers seeking opportunities in a more rural setting.
- Some Realtors commented on higher regulation and building permit fees in Olmsted County than surrounding counties; resulting in higher pricing passed along to the end consumer. In addition, land costs are higher in Olmsted County than other adjacent counties.
- There is strong demand for more association-maintained communities across a variety of types; including townhomes, twin homes, detached villas, and condominiums. However, few association-maintained communities are being developed.

Planned and Proposed Housing Projects

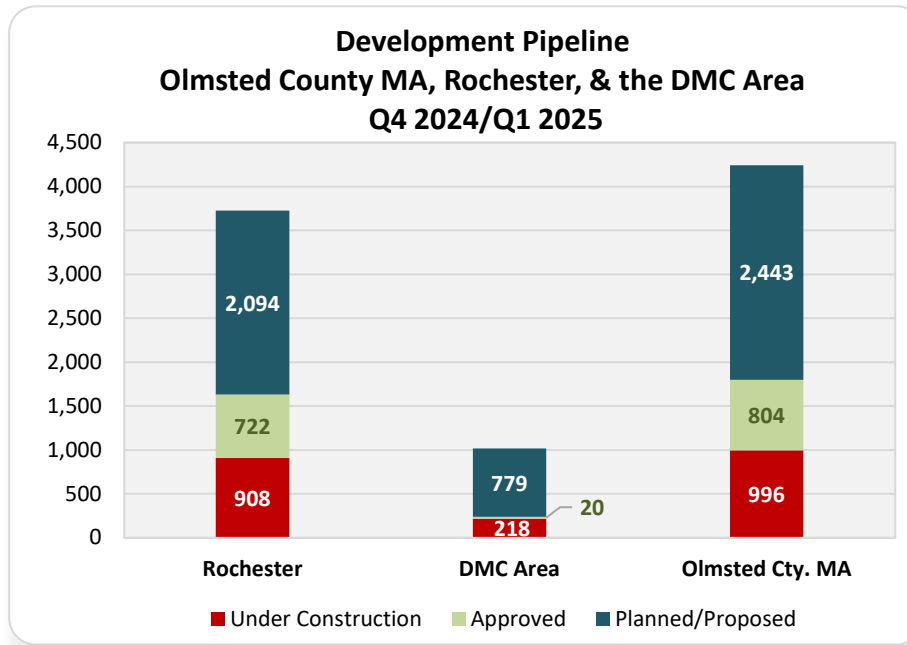
Maxfield Research consulted planning staff members at communities within the Olmsted County Market Area to identify housing developments under construction, planned, or pending. The following Table P-1 inventories and summarizes the number of housing units by product type that are either recently completed, under construction or are planned to move forward. This table and the associated information are accurate to the best of our knowledge and was gather during the third quarter of 2024 and 1st quarter of 2025.

- There are numerous housing developments that are planned, pending, or under construction in the Olmsted County at the time of this study. It is unknown however, if all of the developments on Table P-1 will proceed to completion as there are a number of preliminary or speculative projects in the pipeline.
- Maxfield Research identified over 4,200 units that are planned, pending, or under construction in the Olmsted County Market Area. The overwhelming majority of new development is located in Rochester with 3,724 units (88%). The Byron Submarket follows with 284 units (7%), the East Submarket with 164 units (4%), and the North Submarket with 57 units (1%).



- There are no developments planned or pending in the Stewartville or Rochester Fringe Submarket. It is important to note that there are likely some single family lots planned for the Rochester Fringe Submarket, however we were unable to confirm with all townships.
- The graph on the following page shows the development pipeline for planned and pending projects in the City of Rochester, the DMC Area, and the Olmsted County Market Area overall. The DMC Area planned and pending developments (1,017 units) account for 27% of the potential projects within the City of Rochester.

PLANNED & PENDING HOUSING DEVELOPMENTS



- The majority of projects (2,443 units) in the development pipeline are planned or proposed (57.5%). In addition, about 800 units have been approved (19%). While it is likely that most of these projects will come to fruition, there is potential for some developments to stall or not move forward.
- Currently, there are six multifamily projects, totaling 832 units, that are currently under construction or have been approved as of the 1st quarter 2025. Of the 832 total units, 812 are under construction at the time of this survey and 20 units have been issued permits. The developments under construction are:

Project	City	Units/Market
- The Pines Phase IV	Rochester	134 units (G.O. Market Rate)
- The Vue	Rochester	176 units (G.O. Market Rate)
- Flats on Felty	Rochester	234 units (G.O. Market Rate)
- Soldiers Memorial Apts.	Rochester	218 units (G.O. Market Rate) DMC AREA
- Trailside Apartments	Rochester	36 units (55+ Affordable)
- Chatfield Apartments	Chatfield	14 units (G.O. Market Rate)

- All of the DMC Area pending developments are multifamily rental. There is currently one project under construction with 218 units (Market Rate), one project with 20 mixed-income units approved, and 779 units proposed or under review. Listed below are the DMC Area developments.

Project	Units/Market
- Soldiers Memorial Apts.	218 units (G.O. Market Rate)
- Residences @ Discovery Square	20 units (G.O. Mixed Income)
- Civic Center North	243 units (G.O. Market Rate)

PLANNED & PENDING HOUSING DEVELOPMENTS

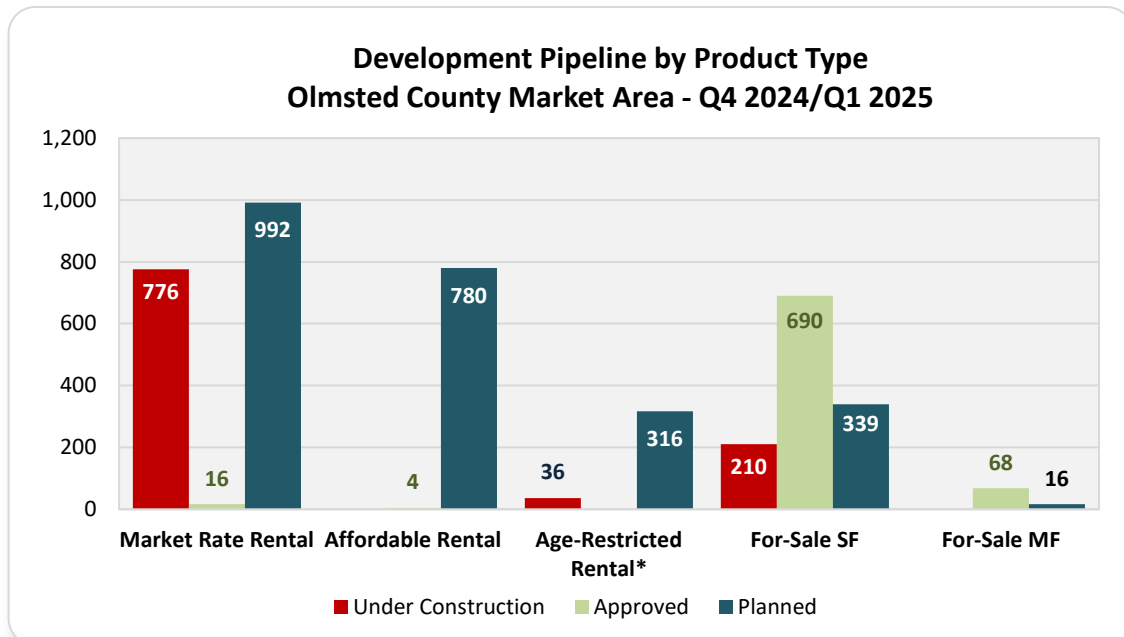
- MDC Apartments 218 units (G.O. Market Rate)
- City Walk 361 units (G.O. Market Rate)
- Civic Center North 76 units (55+ Affordable)

- Overall, there are 52 developments either under construction, approved, planned, or proposed in the Olmsted County Market Area. Of the 4,253 units pending, the following product types are in the following stages of development:

<u>Market Type</u>	<u>Under Construction</u>	<u>Approved</u>	<u>Planned</u>
Market Rate Rental	776	20	1,772
Age-Restricted Rental	36	0	316
Single Family For-Sale	210	690	339
Multifamily For-Sale	0	68	16
Total	1,022	778	2,443

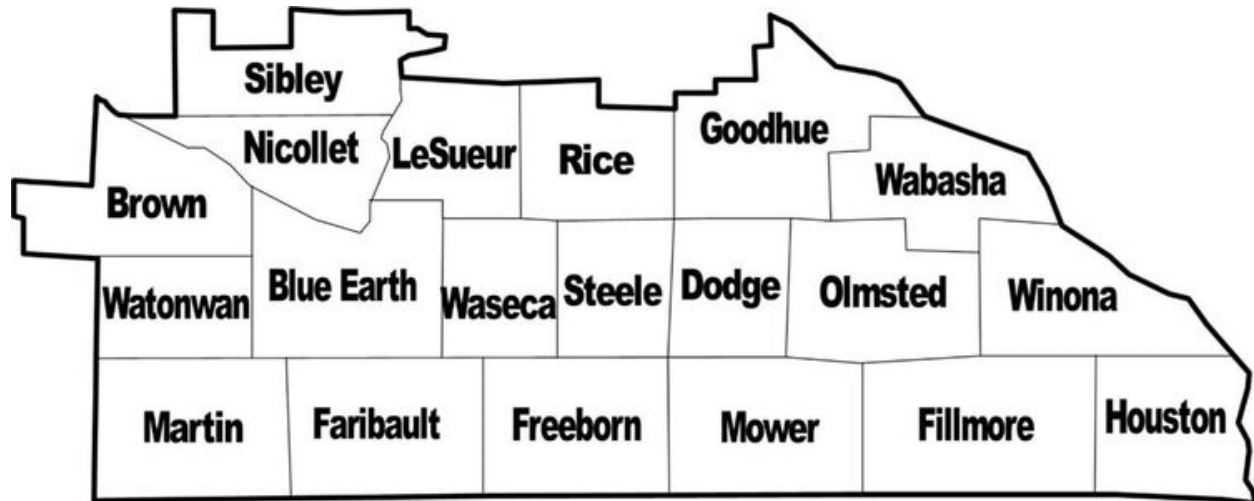
- The majority of the developments are market rate with 784 units affordable (18.5%). The affordable projects are as follows:

<u>Project</u>	<u>City</u>	<u>Units/Market</u>
- 403 Fifth Avenue	Rochester	283 units (G.O. Affordable)
- 18 th Ave. & 55 th St. NW	Rochester	100 units (G.O. Affordable)
- The Liner	Rochester	100 units (55+ Affordable)
- Civic Center North	Rochester	76 units (55+ Affordable)



Special Needs Housing

This section presents findings from 2023 Community Needs Survey Report compiled by the River Valleys Continuum of Care (CoC) organization in Southeast/South Central Minnesota. River Valleys CoC coordinates housing surveys and compiles data on households experiencing housing instability and homelessness in an area that includes 21 counties. The geography covered by the River Valleys CoC is show below.



Data presented includes information from the Minnesota Housing Management Information System (HMIS), Coordinated Entry System (CES) and data from the River Valleys CoC Point-in-Time counts and its 2023 Community Needs Survey Report, conducted every two years. The Community Needs Survey Report provides a summary of responses to two surveys: 1) Individual and Family Survey for people who experienced housing instability or homelessness in the last two years and 2) a Community Partner Survey for people who serve or otherwise engage with people experiencing homelessness or housing instability. Each section of the Community Needs Survey Report includes demographics of respondents, summary of trends seen or experienced, an assessment of perceived barriers and helpful resources, and recommendations for housing related investments.

Also included in the assessment is information on exits of individuals from the Coordinated Entry system and their transition to other facilities or to being homeless and an inventory of units/beds for various types of facilities including emergency shelters, transitional housing, rapid re-housing, permanent supportive housing and other permanent housing.

Each year in January, communities in Minnesota and across the Nation conduct a Point-in-Time count. Point-in-Time counts identify people that are considered homeless and are either sheltered or unsheltered. The sheltered count for those experiencing homelessness includes those in Emergency Shelters, Transitional Housing, or Safe Haven programs on the night of the

SPECIAL NEEDS AND HOMELESS POPULATIONS

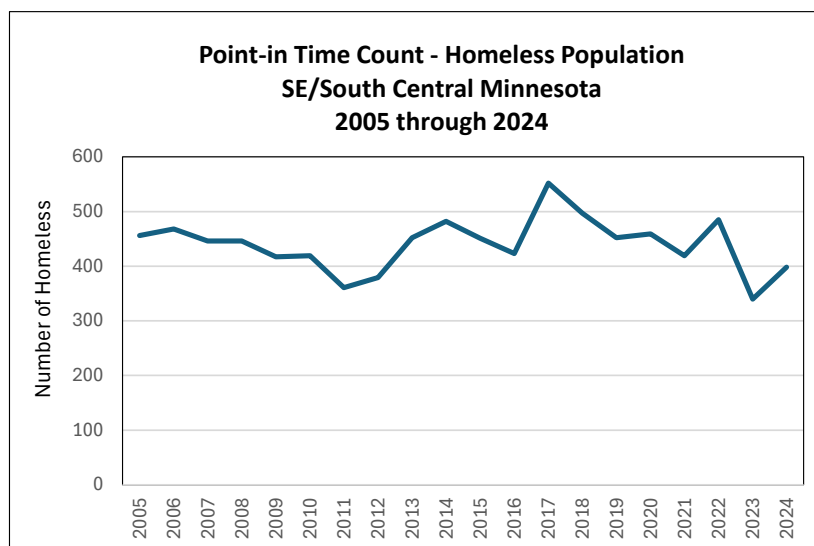
PIT. The sheltered count includes data from agencies that participate in the HMIS (Homeless Management Information System), such as domestic violence projects. The unsheltered count represents those that are unsheltered on the street or doubled up or in a place not fit for human habitation or temporarily staying with friends or family. The unsheltered and doubled-up counts are collected by street outreach teams, volunteer surveyors, school liaisons and other community partners using a face-to-face survey.

Homeless Data

Point-in-Time Counts

Data on Table SN-1 show the Point-in-Time Counts for counties included in the River Valleys CoC. The data shows homeless counts (total and unsheltered) from 2005 through 2024. The PIT count should be considered a minimum count, since some people outside the shelter system may not be found on the night of the study, especially people in rural areas and youth. Other data is available to understand counts throughout the year.

The data shows that the PIT count in SE and South Central Minnesota spiked in 2017 then decreased during the pandemic, spiked again in 2022, dropped in 2023 and then increased again in 2024.



Despite shifts in total counts over the past several years, the past three years' counts have shown higher numbers of those unsheltered, those that were identified as living in places not designed for or unfit for human habitation. This suggests a need for additional facilities (emergency and permanent) to house the homeless.

TABLE SN-1 POINT-IN-TIME COUNTS HOMELESS POPULATIONS ROCHESTER/SOUTHEAST MINNESOTA CoC 2005 THROUGH 2024		
	Homeless Persons	Unsheltered
2005	456	36
2006	468	48
2007	446	33
2008	446	33
2009	417	4
2010	419	13
2011	361	5
2012	379	20
2013	452	27
2014	482	26
2015	451	22
2016	423	14
2017	552	57
2018	497	66
2019	452	58
2020	459	66
2021	419	0
2022	485	88
2023	340	76
2024	398	90

Note: Unsheltered counts included in Homeless Persons total
 2008 counts are a duplicate of the 2007 report
 Unsheltered count for 2021 was not recorded.

Sources: River Valleys Continnum of Care: Point-in-Time Counts
 Maxfield Research and Consulting

River Valleys CoC – 2023 Data Reports

Summary of People Seeking Housing

Table SN-2 shows the number of people seeking housing in 2023 as compared to an annual average of previous years. Data is compiled throughout the year from various facilities and other local sources and better reflects the number of people and households that are experiencing housing instability.

SPECIAL NEEDS AND HOMELESS POPULATIONS

The table shows a total of 1,023 people and 565 households seeking housing in Olmsted County in 2023. This is an increase over the average of previous years when 878 people and 499 households sought housing. The significant increase is likely a result of several factors, which include but are not limited to a lack of affordable housing, significant increases in rents in the local housing market, rising for-sale home prices, overall inflation, etc.

TABLE SN-2 SUMMARY OF PEOPLE SEEKING HOUSING OLMSTED COUNTY 2023		
Housing Situation	Households	People
2023	565	1,023
Before 2023	499	878
Sources: River Valley CoC - Olmsted Cty Needs; Maxfield Research and Consulting		

Age Distribution

Table SN-3 below shows the age distribution (households and people) of those seeking housing in Olmsted County in 2023. The table shows that 52.2% of households seeking housing in Olmsted County were between the ages of 25 and 44 and accounted for 63.4% of all people seeking housing. Households age 55 years or older accounted for 16% and youth 18 to 24 accounted for 15.2% of households.

TABLE SN-3 AGE DISTRIBUTION OLMSTED COUNTY 2023				
Age	Households		People	
	Number	Pct.	Number	Pct.
Under 18	11	1.0%	12	0.6%
18 to 24	162	15.2%	255	13.4%
25 to 34	288	27.1%	655	34.5%
35 to 44	267	25.1%	550	28.9%
45 to 54	166	15.6%	234	12.3%
55 to 64	136	12.8%	159	8.4%
65 to 74	32	3.0%	33	1.7%
75+	2	0.2%	3	0.2%
	1,064	100.0%	1,901	100.0%
Sources: River Valley Coc 2023 Housing Needs Maxfield Research & Consulting				

SPECIAL NEEDS HOUSING

Race

Table SN-4 below shows the race and ethnicity of those seeking housing in Olmsted County in 2023. As shown, the two largest racial groups experiencing housing instability and seeking housing were households who self-identified as “White” (48.5%) and those who self-identified as “Black or African American” (32.9%). Comparatively, these categories accounted for 46.3% and 32.7% of people. The third highest category was Multiple Races (also identifying as Hispanic/Latino(a)(e), who accounted for 7.1% of households and 8.5% of people.

More households and people in all areas of the state are self-identifying as more than one race or multiple races. The majority of these individuals are considered as people of color. In Olmsted County, the proportion of the total population self-identifying as Black or African American was 6.8% in 2020 and those self-identifying as Multiple Races was 6.1% in 2020. This demonstrates that these racial groups are potentially experiencing a disproportionately higher housing instability than the portion of the overall population they represent.

TABLE SN-4				
RACE AND ETHNIC BACKGROUND OF THOSE SEEKING HOUSING				
OLMSTED COUNTY				
2023				
Racial/Ethnic Background	Households		People	
	Number	Pct.	Number	Pct.
American Indian or Native American	20	1.9%	35	1.8%
Asian	19	1.8%	37	1.9%
Black or African American	350	32.9%	621	32.7%
Native Hawaiian or Pacific Islander	1	0.1%	1	0.1%
White	516	48.5%	880	46.3%
Multiple Races (non H/L)	51	4.8%	107	5.6%
Multiple Races (H/L)	76	7.1%	161	8.5%
Hispanic Latina/o/e	10	0.9%	17	0.9%
Missing	12	1.1%	31	1.6%
Don't Know/Refused	9	0.8%	11	0.6%
TOTAL	1,064	100.0%	1,901	100.0%
Note: Hispanic/Latino may also be of two or more races.				
Sources: River Valley CoC: Olmsted County Needs Maxfield Research & Consulting				

Household Type

Table SN-5 shows the number of households and people seeking housing in Olmsted County in 2023 by household type. As shown, the highest proportion of households were Adults 25+ without children (57.5%), although the largest number of people, 964, were Adults 25+ with children, 50.7% of all people.

TABLE SN-5 HOUSEHOLD TYPE OLMSTED COUNTY 2023				
Household Type	Households		People	
	Number	Pct.	Number	Pct.
Adult (25+) without children	612	57.5%	670	35.2%
Adult (25+) with children	279	26.2%	964	50.7%
Youth (18-24) without children	107	10.1%	119	6.3%
Youth (18-24) with children	55	5.2%	136	7.2%
Unaccompanied Youth Under 18	11	1.0%	12	0.6%
TOTAL	1,064	100.0%	1,901	100.0%

Sources: River Valley CoC: Olmsted County Needs
Maxfield Research & Consulting

Household Size

Single people represented the largest number of households and people seeking housing in Olmsted County in 2023. As shown, 62% of households were one-person households and 660 individuals (34.7% of all people) sought housing. The second largest group was two-person households with 17.7% of all households and 19.8% of the population. Three-, four- and five-person households accounted for 15.1%, 13.0% and 8.9% of the housing-seeking population indicating there are also larger households, most likely families, that are experiencing housing instability and in need of permanent shelter.

TABLE SN-6 HOUSEHOLD SIZE OLMSTED COUNTY 2023				
Number of People per Household	Households		People	
	Number	Pct.	Number	Pct.
1	660	62.0%	660	34.7%
2	188	17.7%	376	19.8%
3	96	9.0%	288	15.1%
4	62	5.8%	248	13.0%
5	34	3.2%	170	8.9%
6	14	1.3%	84	4.4%
7	6	0.6%	42	2.2%
8	3	0.3%	24	1.3%
9	1	0.1%	9	0.5%
TOTAL	1,064	100.0%	1,901	100.0%

Sources: River Valley CoC: Olmsted County Needs
Maxfield Research & Consulting

Eligibility for Coordinated Entry

The Continuum of Care (CoC) Program interim rule under the HEARTH Act requires all CoC’s to establish and implement a Coordinated Entry System (CES) and to do so in collaboration with their local ESGs. Coordinated Entry is defined to mean a centralized or coordinated process designed to coordinate program participant intake, assessment and provision for referrals for various housing opportunities and support programs.

As shown on Table SN-7, 18.3% of those who were unsheltered and seeking housing were eligible for entry into CE. Another 17.0% of those eligible were fleeing domestic violence and 13.7% meet the definition of HUD and MN Housing long-term homeless. Another 11.4% were identified as meeting HUD’s definition of chronic homelessness.

TABLE SN-7 ESTIMATED ELIGIBILITY FOR COORDINATED ENTRY (CE) OLMSTED COUNTY 2023		
Category	People	
	Number	Pct.
HUD Chronic (CH)	149	11.4%
HUD Unsheltered	240	18.3%
HUD Homeless + Disability (Non CH)	168	12.8%
HUD Homeless (no disability, non CH)	167	12.8%
HUD Category 4 (fleeing DV)	223	17.0%
HUD Homeless + MN LTH	179	13.7%
MN LTH Disability (Not HUD Homeless)	125	9.5%
MN LTH no Disability (Not HUD Homeless)	58	4.4%
TOTAL	1,309	100.0%

Sources: River Valley CoC; Olmsted County Housing Needs
Maxfield Research & Consulting

People Exiting Coordinated Entry

Table SN-8 below shows the number of people that exited the coordinated entry program and to what type of facility they were transferred. As shown and excluding those whose exit transfers were unknown, the largest number of people that exited the CES in 2023 transferred to permanent housing, 187 people of 243 (77%), where exits were known.

Of the total 413 people that exited the coordinated entry program, 170 people exited the system but it is unknown if they were able to secure housing. Smaller numbers exited to temporary housing, an institution or back out on the street (homeless).

SPECIAL NEEDS HOUSING

TABLE SN-8 EXITS FROM COORDINATED ENTRY BY DEMOGRAPHICS AND HOUSING TYPE OLMSTED COUNTY 2023							
<u>Age Distribution</u>	<u>Permanent</u>	<u>Temporary</u>	<u>Institution</u>	<u>Homeless</u>	<u>Other</u>	<u>Unknown</u>	<u>Total</u>
Under 18	3	0	1	0	0	1	5
18 to 24	42	3	3	0	1	31	80
25 to 34	47	3	9	0	1	42	102
35 to 44	52	3	4	3	1	39	102
45 to 54	19	2	4	3	1	29	58
55 to 64	20	2	2	4	2	21	51
65 to 74	4	0	0	2	1	6	13
75+	0	0	0	1	0	1	2
TOTAL	187	13	23	13	7	170	413

Sources: River Valley CoC; Demographic and Housing Needs
Maxfield Research & Consulting

Adults with children were most likely to exit to permanent housing. Adults without children were most likely to have their place of exit to unknown, although 63 were placed into permanent housing in 2023.

TABLE SN-9 EXITS FROM COORDINATED ENTRY BY DEMOGRAPHICS AND HOUSING TYPE OLMSTED COUNTY 2023							
<u>Racial/Ethnic Background</u>	<u>Permanent</u>	<u>Temporary</u>	<u>Institution</u>	<u>Homeless</u>	<u>Other</u>	<u>Unknown</u>	<u>Total</u>
American Indian or Native American	3	2	1	0	1	3	10
Asian	2	0	0	2	0	3	7
Black or African American	58	5	11	2	1	54	131
Native Hawaiian or Pacific Islander	0	0	0	0	0	1	1
White	93	4	8	7	4	82	198
Multiple Races (non H/L)	9	0	0	1	0	16	26
Multiple Races (H/L)	19	2	1	1	1	8	32
Hispanic Latina/o/e	0	0	1	0	0	1	2
Missing	2	0	0	0	0	1	3
Don't Know/Refused	1	0	1	0	0	1	3
TOTAL	187	13	23	13	7	170	413

Sources: River Valley CoC; Demographic and Housing Needs
Maxfield Research & Consulting

Homeless Populations – Data from the 2023 Wilder Homeless Study

Homeless Counts

Table SN-10 below shows the total number of people identified as homeless (sheltered and unsheltered) from the 2023 Wilder Homeless Study conducted in October 2023. The data tables in this section have totals different than those shown previously from the River Valleys CoC. Data from the Wilder study includes all of Southeast Minnesota and offers compatible comparisons between SE Minnesota and Minnesota overall. The Wilder study data also incorporates some information not found in the River Valleys CoC data reports. The River Valleys CoC data includes a larger number of people for whom housing instability was identified and therefore, counts of persons seeking housing are higher than for the Wilder study, further documenting need. *Please note that River Valleys CoC data and data collected for the Wilder Homeless study should not be compared directly.*

TABLE SN-10 NUMBER OF HOMELESS PEOPLE SOUTHEAST MINNESOTA AND MINNESOTA 2023				
Housing Situation	Total number of people in temporary housing programs, informal housing or unsheltered		Total number of adults* age 18+ in temporary housing programs, informal housing or unsheltered	
	SE Minnesota	Minnesota	SE Minnesota	Minnesota
Emergency/Domestic Violence Shelter	253	5,025	186	3,284
Transitional housing	155	1,918	76	1,243
Unsheltered	197	3,470	174	2,807
TOTAL	605	10,413	436	7,334
Most Rapid Re-Housing (RRH) programs in MN were not included in the 2023 MN Homeless Study. Some programs were included that had maintained the same model of services and supports. These figures are included in transitional housing. *Homeless people age 18 and older, excluding children with parents and unaccompanied youth				
Sources: Wilder Research, "2023 Minnesota Homeless Study"; Maxfield Research and Consulting				

Age Distribution

Table SN-11 shows the age distribution of the homeless population in SE Minnesota in 2023. A total of 403 people were identified. The median age of those in SE Minnesota was higher than for Minnesota at 42 years of age versus 38 years old for Minnesota. This suggests there may be a need for additional housing to serve older vulnerable adults in SE Minnesota. As shown on the table, 27% of those identified as homeless in SE Minnesota were age 55 years or older compared with 17% in Minnesota. Long wait lists at many low-income and affordable

properties and older households that no longer have their own home and may have other mental health or other disabilities and need housing.

TABLE SN-11 AGE DISTRIBUTION HOMELESS PEOPLE IN SE MINNESOTA AND MINNESOTA* 2023				
Age	SE Minnesota		Minnesota	
	Number	Pct.	Number	Pct.
18 to 21	16	4.0%	534	9.0%
22 to 24	20	5.0%	415	7.0%
25 to 29	44	11.0%	653	11.0%
30 to 39	93	23.0%	1,543	25.9%
40 to 49	69	17.0%	1,187	19.9%
50 to 54	44	11.0%	475	8.0%
55 to 59	48	12.0%	415	7.0%
60 to 69	60	15.0%	594	10.0%
70 to 79	8	2.0%	119	2.0%
80+	0	0.0%	24	0.4%
	403	100.0%	5,959	100.0%
Median Age	42		38	

* People living in temporary housing programs or informal housing and identified unsheltered people, excluding youth less than 18 years of age and children staying with parents

Sources: Wilder Research, October 2023. "2023 Minnesota Homeless Study"
Maxfield Research Consulting

Race and Ethnic Background

Table SN-12 compares the race and ethnicity of homeless in SE Minnesota to Minnesota overall.

The highest number of homeless in SE Minnesota self-identified as Black or African American (20%), Asian or Pacific Islander (12%) and Native American or American Indian (12%). These proportions are lower than those Statewide for each of these categories.

The racial/ethnic groups that were reported as having the highest incidents of homelessness are overrepresented in this group as compared to their proportions of the total population. In the River Valleys CoC geographic area, Black or African Americans account for 3.6% of the population, Asian or Pacific Islander account for 0.3% of the population and Native American or American Indian account for 0.5% of the population.

SPECIAL NEEDS HOUSING

We note that people self-identifying as being of Some Other Race or More than One Race or of Latino or Hispanic Origin (may be of any race) are increasing in proportions of the population, which makes identifying BIPOC impacts more challenging.

TABLE SN-12 ETHNIC BACKGROUND OF HOMELESS PEOPLE SURVEYED SE MINNESOTA AND MINNESOTA 2023				
Racial/Ethnic background	SE Minnesota		Minnesota	
	Number	Pct.	Number	Pct.
Black or African American	81	20.0%	2,072	35.0%
African Born	4	1.0%	178	3.0%
Asian or Pacific Islander	12	3.0%	178	3.0%
American Indian or Native American	48	12.0%	1,184	20.0%
Middle Eastern or North African	1	0.2%	6	0.1%
Hispanic or Latino/a/x	48	12.0%	1,065	18.0%
Other (unspecified)	0	0.0%	0	0.0%
Native American or Person of Color (any of the above)	161	40.0%	5,209	88.0%
White	282	70.0%	2,604	44.0%
Multiple racial or ethnic identities selected	60	15.0%	1,125	19.0%
TOTAL	403	173.2%	5,919	230.1%

Note: Percentages above do not total to 100.0 due to multiple selections in some categories.
Sources: Wilder Research, October 2023. "2023 Minnesota Homeless Study"
Maxfield Research and Consulting

Income

Table SN-13 shows the incomes of the homeless surveyed in 2023 in SE Minnesota. A relatively high proportion, compared to the State, have monthly income of Over \$1,000. Incomes just over \$1,000 per month certainly qualifies the person as eligible for subsidized housing, but as stated previously, wait lists are lengthy at most low-income properties and those that are affordable at 50% to 60% of AMI, would require an income higher than between \$25,000 and \$30,000 annually.

Also, some households with monthly incomes at higher levels may have other challenges which create barriers to securing suitable housing.

TABLE SN-13 MONTHLY INCOME OF HOMELESS PEOPLE SURVEYED SE MINNESOTA AND MINNESOTA 2023				
Monthly Income	SE Minnesota		Minnesota	
	Number	Pct.	Number	Pct.
\$200 or less	147	38.0%	2,034	38.0%
\$201 to \$400	37	9.6%	696	13.0%
\$401 to \$600	14	3.5%	321	6.0%
\$601 to \$800	23	6.0%	375	7.0%
\$801 to \$1,000	62	16.0%	642	12.0%
Over \$1,000	104	27.0%	1,285	24.0%
TOTAL	386	100.0%	5,353	100.0%
Mean Income	\$757		\$702	
Median Income	\$461		\$400	

Sources: Wilder Research, October 2023. "2023 Minnesota Homeless Study"
Maxfield Research and Consulting

SPECIAL NEEDS HOUSING

Employment

Table SN-14 shows that only 22% of those identified as homeless were employed. This compares to 23% statewide, not a significant difference. For those that are employed, 49% work part-time and 51% work full-time. Also, 38% work between 35 and 40 hours per week. At this level, wages are most likely insufficient to support a stable housing situation for the individual. Given the rising costs for rental and for-sale housing, working a part-time or full-time job does not support being able to afford housing, especially in today's market.

The vast majority of homeless (78%) are unemployed and may not be able to work either a full-time or part-time job.

TABLE SN-14 EMPLOYMENT SE MINNESOTA AND MINNESOTA 2023				
Currently Employed	SE Minnesota		Minnesota	
	Number	Pct.	Number	Pct.
Yes	88	22.0%	1,340	23.0%
No	312	78.0%	4,484	77.0%
TOTAL	400	100.0%	5,824	100.0%
<u>If Employed, how many hours, on average, do you work?</u>				
1-15 Hours	10	11.0%	195	15.0%
16-24 Hours	20	23.0%	259	20.0%
25-34 Hours	13	15.0%	285	22.0%
35-40 Hours	34	38.0%	467	36.0%
41 or More Hours	12	13.0%	91	7.0%
# of Respondents (Weighted)	89	100.0%	1,297	100.0%
Part-Time (1-34 Hours/Wk)	44	49.0%	739	57.0%
Full-Time (35+ Hours/Wk)	45	51.0%	558	43.0%
# of Respondents (Weighted)	89	100.0%	1,297	100.0%
Sources: Wilder Research, October 2023. "2023 Minnesota Homeless Study" Maxfield Research and Consulting				

SPECIAL NEEDS HOUSING

Hourly Wage Rates

An estimated 63% of those responding to the survey in October 2023 identified they earn \$15.00 or more per hour. It is unclear at this time how much more respondents earn if they selected the \$15.00 or more category as their response. At a rate of \$15.00 per hour, individuals earning that amount would earn \$31,200 annually and theoretically be able to afford a monthly housing cost of \$780 per month. Many rental units in the larger cities rent for more than this amount.

TABLE SN-15 HOURLY WAGE RATE SE MINNESOTA AND MINNESOTA 2023				
Hourly Wage Rate at Primary Job	SE Minnesota		Minnesota	
	Number	Pct.	Number	Pct.
Less than \$8.63/Hr.	1	1.0%	25	2.0%
\$8.63 to \$10.69	2	3.0%	25	2.0%
\$10.60 to \$11.99	0	0.0%	51	4.0%
\$12.00 to \$14.99	19	23.0%	203	16.0%
\$15.00 or more	52	63.0%	899	71.0%
Paid by the job/commission	8	10.0%	63	5.0%
# of Respondents (Weighted)	82	100.0%	1,266	100.0%

Sources: Wilder Research, October 2023. "2023 Minnesota Homeless Study"
 Maxfield Research and Consulting

Length of Time Homeless

As shown on Table SN-16 below, the highest proportions of homeless surveyed in SE Minnesota have self-identified as not having a regular or permanent residence for between 30 days and 12 months and up to five years. A total of 77% of homeless persons in SE Minnesota and 75% of those Statewide indicated this length of time. The two periods of time 1) between one month up to 12 months and from 1 year up to five years were nearly equal with 38% to 39% of respondents in SE Minnesota and 37% to 38% in Minnesota falling into these two categories.

According to the survey, 51% of respondents in SE Minnesota are on a wait list for public housing, Section 8 housing some other type of rental assistance, which could include a Rural Development property (USDA).

TABLE SN-16				
PERIOD OF TIME WITHOUT A REGULAR OR PERMANENT RESIDENCE				
SE MINNESOTA AND MINNESOTA				
2023				
Length of Time	SE Minnesota		Minnesota	
	No.	Pct.	No.	Pct.
One Week or Less	12	3.0%	176	3.0%
More than 1 Week but less than 1 Month	16	4.0%	235	4.0%
1 Month but less than 12 Mos	153	38.0%	2,176	37.0%
1 Year but less than 5 Years	157	39.0%	2,234	38.0%
5 years or More	64	16.0%	1,058	18.0%
TOTAL	403	100.0%	5,880	100.0%
Sources: Wilder Research, October 2023. "2023 Minnesota Homeless Study" Maxfield Research & Consulting				

Barriers to Securing Permanent Housing

Table SN-17 lists a number of challenges/barriers in the efforts of the homeless to secure housing. The top challenge listed is that there was no housing that the individual or family could afford. Given current market conditions and the significant escalation in housing costs, singles and families with low incomes who are already in precarious housing situations can easily find themselves homeless. Other challenges also speak to affordability and potential financial situations of the individual and family including credit problems, eviction actions and no transportation. Households struggling to make ends meet and for whom, a modest or significant life challenge could displace them from their current housing and create additional barriers to securing a new housing situation.

TABLE SN-17 DIFFICULTIES/CHALLENGES TO SECURING HOUSING SE MINNESOTA AND MINNESOTA 2023				
Challenges to Finding Housing	SE Minnesota		Minnesota	
	Number	Pct.	Number	Pct.
Race or the Race of a Family Member	24	6.0%	476	8.0%
Physical Disability	20	5.0%	357	6.0%
Mental Health Problem	53	13.0%	595	10.0%
Alcohol or Chemical Use by you or in the HH	65	16.0%	714	12.0%
Criminal Background	133	33.0%	1,487	25.0%
Credit Problems	182	45.0%	2,022	34.0%
No local rental history or references	125	31.0%	1,487	25.0%
Eviction Action, Unlawful Detainer or Bad Rental History	113	28.0%	1,308	22.0%
No Transportation	109	27.0%	1,249	21.0%
No Housing Could Afford	226	56.0%	2,914	49.0%
TOTAL	404	260.0%	5,947	212.0%

Note: Respondents were able to select multiple difficulties/challenges.

Sources: Wilder Research, October 2023. "2023 Minnesota Homeless Study"
Maxfield Research and Consulting

Community Needs Survey Report (2023) – River Valleys CoC

The River Valleys CoC completed a Community Needs Survey in 2023 for its geographic jurisdiction by having organizations and agencies that serve special populations conduct surveys with their clients.

Individual Responses

Following identifies key findings of the survey from individual respondents and challenges within the housing market to finding and securing safe and affordable housing.

Key Findings

Household/Personal Barriers

Households identified poor credit history/no credit (35%) and low income or low wage jobs (27%) as their top personal or household barriers to finding or keeping their housing. These barriers were followed by bad rental history/issues with landlord (23%, one-time financial problems (23% and criminal record (21%). In previous surveys, more than two-thirds of respondents named low wages of household income as a primary personal barrier.

System Barriers

Respondents overwhelmingly identified high rents are the primary system barrier to finding or keeping housing for many in their communities. Limited vacancies and difficult screening processes with property managers were the next most frequently selected system barriers. These barriers were consistent regardless of BIPOC status, age, or familial status of respondent. Respondents who identified as BIPOC however, were more likely than their white counterparts to cite barriers in the rental application and review process related to discrimination and denials based on past criminal records.

Help Sought to Resolve Housing Issues

Nearly four out of five respondents sought help (78%) during the housing instability or homeless episodes they had experienced in the past two years with the most seeking help at a county services office or nonprofit.

Respondents' choice to seek help varied by BIPOC status, age of households and presence of children in the home. Higher percentages of households with children, who identified as BIPOC and who were middle aged sought help compared to their counterparts. Overall, 60% of those that received help were able to access or maintain housing with the help they received. Households who were age 45 to 54 or white were more likely than their counterparts to report successfully accessing or maintaining housing with assistance. Households without children were slightly more likely to report success.

SPECIAL NEEDS HOUSING

Assistance Received to Resolve Housing Crisis

The types of services judged to be most helpful and effective by respondents were back rent, first month's rent and deposit assistance. Housing assessment and application assistance was the next most cited as helpful, followed by mental health services and help with utilities. In the past, direct financial assistance was deemed most helpful in resolving housing instability, but for this most recent survey, housing assessment and application assistance was a new addition to the top five and a strong second behind direct assistance.

Comments from respondents regarding the assistance they received included:

- Not enough affordable options available and rent is very high;
- Appropriately sized units for the household remain in short supply and rent is high for larger size units;
- Responsiveness and support from people who assisted was appreciated;
- Need for more and better communication from assistance providers regarding assistance given and any changes in criteria.

Recommendations on Types of Housing Assistance to Prioritize for Investment

All respondents listed the following three investments in order of priority:

- 1) Rental subsidies without services were the first priority
- 2) New affordable rental housing
- 3) Homeless prevention services

BIPOC respondents listed the following three investments in order of priority:

- 1) Homeless prevention services
- 2) New affordable rental housing
- 3) Eviction prevention
- 4) Long-term rentals with services (supportive housing)

Items 3 and 4 were two types of assistance disproportionately reported as received by white households.

Comments on the Experience of Homelessness

Respondents expressed significant frustrations with a lack of options available such as low or no cost loans, options for those with past history of credit problems or bankruptcy, bias against being homeless, the high cost of rent and just not being able to make it with housing costs and other daily necessities.

Community Partner Survey

Respondents were asked to provide basic information about their geographic location, agency/affiliation, role in their agency, subpopulation knowledge/experience, involvement in a local homeless response team, basic demographics and lived experienced of homelessness or housing instability.

A total of 157 responses were received, 44 from Olmsted County. Of the respondents, an estimated 67% were direct service providers, 27% were program managers and directors and 6% had other roles.

Perception of Trends and Overall Needs for Homeless Response Services

Respondents were asked to identify trends over the past year affecting people experiencing or at-risk of experiencing homelessness. Respondents were able to select:

- Greatly Improved
- Slightly Improved
- No Change
- Slightly Worsened
- Greatly Worsened
- Don't Know (Excluded from the analysis)

Housing Trends

Most respondents agreed that housing trends are worsening, with more than 50% of respondents indicating negative trends in all housing categories. Over 90% described housing affordability as slightly or greatly worsened in the past year. Some respondents also reported improved access to emergency housing, utility assistance and long-term rental subsidies in some areas.

Employment and Related Services

Overall, respondents identified that job opportunities and wages had improved and there were some advancements in education and job training. Transportation, child care and most supportive services (including SNAP) had become less accessible.

Comments on Trends

- Housing costs and bills are rising but incomes are not commensurate with housing price increases.
- Criminal history backgrounds still a significant barrier for low-income households who are denied subsidized housing.
- New apartments are built but are no affordable to low-income households.
- Employment opportunities have increased as well as options for a two-year college without a high school diploma.
- Transportation in rural areas remains a significant challenge and a barrier for many low-income households.

Perceptions of Barriers Experienced by Clients

- 1) Availability of affordable housing
- 2) Employment/Living Wage Jobs
- 3) Limited/No other (non-employment) income
- 4) Mental health issues
- 5) Life skills/financial management

Homeless Health Challenges and Health Gaps

The Minnesota Homeless Mortality Report (2017-2021) summarizes data from the first ever systemic analysis of mortality among people experiencing homelessness who die in Minnesota. The Health, Homeless and Criminal Justice lab at HHRI merged with the Minnesota Homeless Management Information System (HMIS) providing data on people that used homeless services from 2017 through 2021 with Minnesota state death data and Minnesota population data from the US Census from 2017 to 2020 to compare sociodemographic differences and causes of death. The report was funded by a grant from the Centers for Disease Control Foundation Grant to the Minnesota Department of Health.

Health officials have long observed that Minnesotans experiencing homelessness had higher rates of poor health outcomes. Minnesota Commissioner of Health, Dr. Brooke Cunningham stated that the new report's analysis puts the problem and the need for solutions in sharp focus.

Researchers looked at data from 93,923 people experiencing homelessness who accessed shelters and transitional housing. Key findings included:

- The rate of death was three times higher for those experiencing homelessness than the general population;
- Twenty-year olds experiencing homelessness had the same death rate as 50-year olds in the general population;
- Mortality across each racial and ethnic group was higher for those experiencing homelessness than in the general Minnesota population and
- American Indian people experiencing homelessness had rates of death one- and a half times higher than others experiencing homelessness and five times higher than the general population.

The MN State Legislature approved one billion dollars in FY2024 for various targeted housing programs including:

An allocation of \$46 million for a rental assistance program targeted to help people that federal Section 8 vouchers miss. The program could help up to 5,000 families a year.

SPECIAL NEEDS HOUSING

Spending of \$200 million for a new housing infrastructure program.

A total of \$150 million was designated to help first-generation homebuyers. Under the provision, the funds could provide up to 10 percent of a home's purchase price (with a cap of \$32,000) to new homebuyers.

A total of \$30 million was earmarked for workforce housing developments in Greater Minnesota. Unfortunately, this was insufficient to assist the number of developments that were waiting for funding.

More than \$65 million to be spent on homelessness prevention efforts and a total of \$90 million would be directed to community stabilization.

The plan increased the sales tax in the Twin Cities Metro Area by a quarter percent to fund affordable housing in the region moving forward.

Although these funds will help various key segments of homeless populations and those at-risk of becoming homeless, more funding and additional actions are needed to build housing that is affordable, both in the Twin Cities Metro Area and in greater Minnesota.

For FY2025, the Minnesota Senate Housing and Homelessness Prevention Committee has held over three new bills to support additional funding for housing support targeted to communities in Greater Minnesota. Three of the bills target funding for infrastructure needs and workforce housing development.

The first bill authorizes \$5 Million in general funds resources to the existing Greater Minnesota Housing Infrastructure Grant Program.

The second bill authorizes \$20 Million in general obligation bond proceeds to boost funding for the Greater Minnesota Housing Infrastructure Grant Program.

The third bill creates a new Greater Minnesota Senior Housing Infrastructure Program to support the infrastructure needed for new senior housing development. It is targeted to focus specifically on the development of housing made available for seniors.

In addition to the infrastructure bills, an additional \$20 Million would be made available over the next biennium to support the Workforce Housing Development Program, which funds market rate workforce housing development in Greater Minnesota.

The Legislature is focusing on additional funding for Greater Minnesota as cities in outstate have more barriers to housing development and unique development situations, which require additional support to increase economic development.

Special Purpose Housing Units

Homeless counts are inherently conservative and because of the challenges of identifying homeless that are unsheltered, the homeless are undercounted. Although the tight housing market along with the economic recession contributed to the destabilization of the housing market and individuals who may have been at one time able to maintain a permanent living situation, the rapid economic recovery, considerable shortage of affordable housing and continued tight housing market has increased the difficulties and barriers faced by many of those that were at risk in their housing situations. Most recently, there has been a surge in rental housing development focusing on providing smaller apartment types. **For low- and moderate-income housing, we frequently see that larger unit types, always in short supply, have few to no vacancies and usually long waiting lists.**

Our survey identified 46 properties (excluding programs that provide only vouchers), most in Rochester, with a total of 777 units/beds that provide housing for singles, families, and homeless youth and those experiencing substance abuse or chronic illness. In addition, properties were identified that provide housing targeted to Veterans, those with mobility challenges, developmental challenges and other specialized needs segments of the population. Despite barriers to traditional housing, many adults with various disabilities can live independently with some ongoing support.

Interviews identify that housing that is “accessible” is limited and often traditional properties, whether affordable or market rate only provide limited accessibility in the form of an accessible entry and elevator. Rooms may be identified as wheelchair accessible, but many units have doorways that make it very difficult for someone using a wheelchair to be able to enter and exit in a safe manner. Also, many bathrooms do not provide roll-in showers or appropriate heights for cabinets and countertops, creating additional challenges. A portion of adults with mobility challenges may require affordable or subsidized housing, but others may not and even market rate housing often lacks the appropriate features to accommodate those in wheelchairs.

Adults that are considered long-term homeless or who have experienced homelessness and may have other chronic health issues or are in recovery. The properties identified primarily serve single adults. Among the properties listed, most units at the developments are available to extremely low (30% or less of AMI) and very low-income households, those with incomes at 50% or less of the Area Median Family Income and/or long-term homeless. Some of the facilities in the table were developed prior to the State defining the term “long-term homeless.”

The developments identified serve at-risk individuals and provide access to services to stabilize living situations for residents but may not provide housing units that contribute toward the State’s designation of housing units for “long-term homeless.” Nearly all the facilities provide efficiency or single-room occupancy units to the target market. Households will be provided with supportive living services as needed. Providing larger size units will assist larger families, both high-priority homeless and persons with disabilities.

SPECIAL NEEDS HOUSING

All the facilities provide some type of assistance to residents either through on-site service delivery or on-site assistance to connect to needed services should they require them. Support services may be provided through other social service agencies or through Olmsted County or through other agencies and non-profits in Olmsted County and/or the Region. Services may include assistance with employment, education, mental health, life skills, health care, emotional issues, chemical dependency or other situations that have impaired their ability to sustain a permanent independent living situation. Of the facilities listed on the table, support services are provided by various groups including:

Properties primarily offer studio or one-bedroom units although properties that serve families have larger size units (two-and three-bedroom). At the time of the survey, all units were occupied and most properties have wait lists. Buildings that are primarily targeted to singles typically have a limited number of unit types, usually efficiencies and one-bedroom units. Properties targeted to families usually have higher proportions of larger size units, two-bedroom units and larger, up to four-bedroom units.

Rent varies substantially among the properties. Some of the facilities only require the resident to pay based on their income level. Some have a fixed rent that is based on an income qualification by the resident. Some have a fixed rent with the resident paying 30% of their income for rent and the remaining rent gap is provided through other funding sources including CADI, Project-based Vouchers, etc. Depending on the funding program established for the development, some may charge a base rent or a market rent with an allowance for lower amounts to be paid if 30% of the individual's income is less than the base rent or market rent for the unit.

The age of the properties is mixed ranging from very old to new. Older properties have been renovated to more contemporary standards. New facilities offer private baths and somewhat larger size units which is more appealing in today's market. Residents prefer a higher level of privacy and feel more as though it is their own home if bathroom and kitchen facilities are private rather than shared.

There has been a trend toward scattered site and mixed income situations for providing long-term homeless units. Although this type of environment may work well for households that only require a stable living situation, many homeless households are experiencing other life challenges. Homeless households may have been isolated for some time. Providing on-going daily points of contact, even if informal, can assist with stabilization and can offer social support to those who are working to move forward in their lives.

Cluster housing or developments that focus on providing 24-hour desk oversight, on-site support services and other types of specialized living environments (sober residences) can sometimes better enable residents to increase their independence by offering them a living environment that fosters more community and social interaction with people that are experiencing the same challenges. On-site support and 24-hour desk oversight can assist the resident in having a regular touch point for special situations that may arise.

Some populations show greater improvement in cluster housing while others fare better in mixed income housing. A number of these households also face other challenges including chemical dependency, mental illness, depression, physical disabilities, and other situations that make it very difficult for them to maintain permanent housing. A portion of the residents at these facilities have experienced homelessness.

Some of the properties listed also serve populations that have specific needs, including homeless families only, single-mothers, households with mental health challenges and households with families only.

Facilities and Properties Serving the Homeless

The table on the following pages identifies emergency shelter, transitional housing, permanent supportive housing and affordable rental properties that have designated units for long-term homeless. Facilities in Olmsted County are shown separately from the total number of beds in the River Valleys CoC jurisdictions.

In SE Minnesota, there are 4,612 beds. In Olmsted County, there are 791 beds, an estimated 15% of the total in SE Minnesota. Olmsted County has the highest homeless population in the River Valleys CoC, followed by Blue Earth County.

Permanent Supportive Housing facilities include:

Castlevue (32 units) – Integrated Supportive Housing for low-income households; 16 units designated for LTH and people with disabilities.

The Francis (18 units) – Permanent Supportive Housing for people with high non-medical barriers to finding and maintaining permanent housing. On-going support is available.

Gage East (55 units) – Permanent Supportive Housing for homeless Families and homeless Youth.

The Maywood (30 units) – Permanent Supportive Housing for homeless adults with behavioral health challenges.

Silver Creek Corner (40 units) – Group Residential Housing for homeless chronic alcoholics.

Jeremiah Program (43 units) – Offers safe and affordable housing for 43 mothers and their children with a mission to disrupt the cycle of poverty. Education and employment are key components of this program. Supports are provided including child-care. Families are stabilized and then transition to permanent housing.

SPECIAL NEEDS HOUSING

TABLE SN-18 HOUSING INVENTORY COUNTS SE MINNESOTA AND OLMSTED COUNTY 2024											
	Family Units	Family Beds	Adult-Only Beds	Child-Only Beds	Total Year Round Beds	Seasonal	Overflow/ Voucher	Total	Subset of Bed Inventory		
									Chronic Beds	Veteran Beds	Youth Beds
Emergency, Safe Haven, Transitional Housing	99	293	223	17	533	77	15	1,257	n/a	5	55
Emergency Shelter	61	167	157	17	341	77	15	835	n/a	5	37
Transitional Housing	38	126	66	0	192	n/a	n/a	422	n/a	0	18
Permanent Housing	287	827	697	10	1,534	n/a	n/a	3,355	224	68	37
Permanent Supportive Housing	37	113	141	0	254	n/a	n/a	545	224	30	0
Rapid Re-Housing	36	116	36	0	152	n/a	n/a	340	n/a	38	1
Other Permanent Housing	214	598	520	10	1,128	n/a	n/a	2,470	n/a	0	36
Grand Total - SE/South Central MN	386	1,120	920	27	2,067	77	15	4,612	224	73	92
Olmsted County											
Emergency Shelter											
Von Wald Youth Shelter	0	0	0	6	0	0	0	6	0	0	6
Von Wald Emergency Youth	0	0	3	3	0	0	0	6	0	0	6
Catholic Charities of Southern MN-Rochester	0	0	42	0	0	0	0	42	0	0	0
Dorothy Day House - Rochester	0	0	20	0	0	0	0	20	0	0	0
Family Shelter - Rochester	5	17	2	0	0	0	0	24	0	0	0
Hope DV Vouchers - Olmsted County	3	6	2	0	0	0	0	11	0	0	0
LSS Rochester	0	0	8	0	0	0	0	8	0	0	8
LSS Rochester - Scattered Site	1	2	2	0	0	0	0	5	0	0	4
ESG The Creek Shelter	0	0	12	0	0	0	0	12	0	0	0
Total	9	25	91	9	0	0	0	134	0	0	24
Emergency Shelter											
TSA Rochester (Emerg Vouchers)	4	10	0	0	0	0	0	14	0	0	0
TSA Twin Cities Social Services (Emer Vouchers)	0	0	0	0	0	0	0	0	0	0	0
OJP Women's Shelter (DV)	5	16	4	0	0	0	0	25	0	0	0
Total	9	26	4	0	0	0	0	39	0	0	0
Transitional Housing											
Women's Shelter Inc.	2	7	0	0	0	0	0	9	0	0	0
Women's Shelter Inc.	4	20	0	0	0	0	0	24	0	0	0
Women's Shelter Inc. - Scattered Site	4	13	0	0	0	0	0	17	0	0	0
Total	10	40	0	0	0	0	0	50	0	0	0
(continued)											

SPECIAL NEEDS HOUSING

**TABLE SN-18
HOUSING INVENTORY COUNTS
SE MINNESOTA AND OLMSTED COUNTY
2024**

	Family Units	Family Beds	Adult-Only Beds	Child-Only Beds	Total Year Round Beds	Seasonal	Overflow/Voucher	Total	Subset of Bed Inventory		
									Chronic Beds	Veteran Beds	Youth Beds
Permanent Supportive Housing											
Silver Creek Corner	0	0	18	0	0	0	0	18	18	0	0
Gage East Apts - Family	15	55	0	0	0	0	0	70	55	0	0
CoC PSH Vouchers	8	23	5	0	0	0	0	36	28	0	0
St. Francis Apts	0	0	17	0	0	0	0	17	17	0	0
The 105 PSH	0	0	8	0	0	0	0	8	8	0	0
The 105 Section 8	0	0	10	0	0	0	0	10	10	0	0
SHOR Olmsted PHS	1	2	15	0	0	0	0	18	17	0	0
HUD Vash	0	0	8	0	0	0	0	8	8	0	0
Castleview	0	0	18	0	0	0	0	18	18	0	0
Total	24	80	99	0	0	0	0	203	179	0	0
Other Permanent Housing											
Maywood Apartments	0	0	30	0	0	0	0	30	0	0	0
Gage East - Family	15	46	0	0	0	0	0	61	0	0	0
Gage East - Youth	0	0	15	10	0	0	0	25	0	0	0
Central Towers	0	0	4	0	0	0	0	4	0	0	0
The Hylands Apartments	3	8	1	0	0	0	0	12	0	0	0
Meadows West Townhomes	3	7	1	0	0	0	0	11	0	0	0
Jeremiah Program Rochester	4	15	0	0	0	0	0	19	0	0	0
LSS Rochester	1	2	1	0	0	0	0	4	0	0	0
Bridges LTH	2	4	1	0	0	0	0	7	0	0	0
Cascade Creek Apts	4	11	0	0	0	0	0	15	0	0	0
Eastgate Apts HS	0	0	4	0	0	0	0	4	0	0	0
Castleview-LTH	0	0	16	0	0	0	0	16	0	0	0
Housing Supports	0	0	60	0	0	0	0	60	0	0	0
The Meadows	2	4	2	0	0	0	0	8	0	0	0
Northern Heights	0	0	8	0	0	0	0	8	0	0	0
Ashland Place	1	3	3	0	0	0	0	7	0	0	0
Washington Village East	0	0	5	0	0	0	0	5	0	0	0
Rochester Square	2	4	2	0	0	0	0	8	0	0	0
Harvestview Place II	0	0	8	0	0	0	0	8	0	0	0
Washington Village West	0	0	4	0	0	0	0	4	0	0	0
Harvestview Place	4	8	0	0	0	0	0	12	0	0	0
Valley High Flats	4	10	0	0	0	0	0	14	0	0	0
Century Heights	0	0	8	0	0	0	0	8	0	0	0
Managed Care	0	0	15	0	0	0	0	15	0	0	0
Total	45	122	188	10	0	0	0	365	0	0	0
Total - Olmsted County	97	293	382	19	0	0	0	791	179	0	24

Source: HUD 2024 CoC Homeless Assistance Programs; Housing Inventory Counts; Maxfield Research and Consulting

Accessible Housing

Olmsted County has three rental properties that were developed specifically to provide accessible housing for singles. These properties are:

Bostrom Terrace (Rochester) 14, one-bedroom wheelchair accessible units for adults.

Kenosha Drive Apts. (Rochester) 53, one-bedroom units for seniors 62+ which are affordable and of those, ten units are handicap accessible.

Additional units in Olmsted County that are handicap accessible include:

Rolling Heights Apartments – Byron (16 units) – 3 units accessible

Eyota Manor Apartments – Eyota (24 units) – 2 units accessible

Downtowner II Apartments – Stewartville (35 units) – 3 units accessible

Other properties in Olmsted County identify that they have units with rooms that are wheelchair accessible, but many of these units do not offer features such as lower light switches, lowered toilet seats, accessible kitchen sinks, and other features that are needed for households who have significant mobility challenges and/or utilize a wheelchair or other assistance device.

Summary of Findings

While homelessness has fluctuated over the past seven years, the number of unsheltered people continues to remain high and has increased.

Rising home prices and rising rents, increasing at rates well above inflation, has created increasing housing instability for low- and moderate-income households whose incomes are not keeping pace. Households are increasingly challenged to maintain safe and secure housing.

Although more affordable housing has been developed in Olmsted County, most of which is in Rochester, many households with incomes less than 50% of AMI cannot afford these properties. Rent levels for tax credit properties are benchmarked against the private market and therefore, while affordable, are still out of reach for low-income households. Affordable housing that allows residents to pay a percentage of their income toward housing (30%) are full with extensive wait lists.

SPECIAL NEEDS HOUSING

The largest segments of the market with housing instability are single adults, many of which have mental health or medical health challenges and older adult singles (55+). Many of these people have experienced homeless episodes ranging from one to 12 months and from one to five years.

Several permanent supportive housing facilities have been developed in Rochester during the 2010s targeting different segments of the market that need housing in addition to temporary or ongoing support services. These units have been well-received in the market but more is needed.

Many newer tax credit properties in Rochester and Olmsted County have a portion of their units dedicated to long-term homeless. We identified 365 units targeted to long-term homeless in Olmsted County in other permanent housing. Another 203 units are in Permanent Supportive Housing.

In previous surveys, direct housing assistance was identified as being most important. In the most recent survey in 2023, respondents identified that what is needed most is housing assessment and assistance with applications.

Housing units sized appropriately for the household size continue to be an ongoing need. There is insufficient supply of affordable housing to meet the needs of low- and moderate-income larger size households.

Housing Affordability

Affordable housing is a term that has various definitions according to different people and is a product of supply and demand. According to the U.S. Department of Housing and Urban Development (HUD), the definition of affordability is for a household to pay no more than 30% of its annual income on housing (including utilities). Families who pay more than 30% of their income for housing (either rent or mortgage) are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care.

Generally, housing that is income-restricted to households earning at or below 80% of Area Median Income (AMI) is considered affordable. However, many individual properties have income restrictions set anywhere from 30% to 80% of AMI. Rent is not based on income but instead is a contract amount that is affordable to households within the specific income restriction segment. Moderate-income housing, often referred to as “workforce housing,” refers to both rental and ownership housing. Hence, the definition is broadly defined as housing that is income-restricted to households earning between 50% and 120% AMI. Figure 1 below summarizes income ranges by definition.

FIGURE 1
AREA MEDIAN INCOME (AMI) DEFINITIONS

Definition	AMI Range
Extremely Low Income	0% - 30%
Very Low Income	31% - 50%
Low Income	51% - 80%
Moderate Income	80% - 120%

Note: Olmsted County 4-person AMI = \$117,200

Rent and Income Limits

Table HA-1 below shows the maximum allowable incomes by household size to qualify for affordable housing and maximum gross rents that can be charged by bedroom size in Olmsted County. These incomes are published and revised annually by the Department of Housing and Urban Development (HUD) and also published separately by the Minnesota Housing Finance Agency based on the date the project was placed into service. Fair market rent is the amount needed to pay gross monthly rent at modest rental housing in a given area. This table is used as a basis for determining the payment standard amounts used to calculate the maximum monthly subsidy for families at financially assisted housing.

HOUSING AFFORDABILITY

TABLE HA-1 MHFA/HUD INCOME AND RENT LIMITS Olmsted County - 2025								
	Income Limits by Household Size							
	1 pph	2 pph	3 pph	4 pph	5 pph	6 pph	7 pph	8 pph
30% of median	\$24,630	\$28,140	\$31,650	\$35,160	\$37,980	\$40,800	\$43,620	\$46,440
40% of median	\$32,840	\$37,520	\$42,200	\$46,880	\$50,640	\$54,400	\$58,160	\$61,920
50% of median	\$41,050	\$46,900	\$52,750	\$58,600	\$63,300	\$68,000	\$72,700	\$77,400
60% of median	\$49,260	\$56,280	\$63,300	\$70,320	\$75,960	\$81,600	\$87,240	\$92,880
80% of median	\$65,680	\$75,040	\$84,400	\$93,760	\$101,280	\$108,800	\$116,320	\$123,840
100% of median	\$82,100	\$93,800	\$105,500	\$117,200	\$126,600	\$136,000	\$145,400	\$154,800
	Maximum Gross Rent							
	EFF	1BR	2BR	3BR	4BR			
30% of median	\$615	\$703	\$791	\$879	\$949			
40% of median	\$821	\$938	\$1,055	\$1,172	\$1,266			
50% of median	\$1,026	\$1,172	\$1,318	\$1,465	\$1,582			
60% of median	\$1,231	\$1,407	\$1,582	\$1,758	\$1,899			
80% of median	\$1,642	\$1,876	\$2,110	\$2,344	\$2,532			
100% of median	\$2,052	\$2,345	\$2,637	\$2,930	\$3,165			
	Fair Market Rent							
	EFF	1BR	2BR	3BR	4BR			
Fair Market Rent	\$814	\$927	\$1,148	\$1,618	\$1,948			

Sources: MHFA, HUD, Novogradac, Maxfield Research & Consulting

HOUSING AFFORDABILITY

**TABLE HA-2
MAXIMUM RENT BASED ON HOUSEHOLD SIZE AND AREA MEDIAN INCOME
OLMSTED COUNTY - 2025**

Unit Type ¹	HHD Size		Maximum Rent Based on Household Size (@30% of Income)											
	Min	Max	30%		50%		60%		80%		100%		120%	
			Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Studio	1	1	\$616	\$616	\$821	\$821	\$1,026	\$1,026	\$1,232	\$1,232	\$1,642	\$1,642	\$2,053	\$2,053
1BR	1	2	\$616	\$704	\$821	\$938	\$1,026	\$1,173	\$1,232	\$1,407	\$1,642	\$1,876	\$2,053	\$2,345
2BR	2	4	\$704	\$879	\$938	\$1,172	\$1,173	\$1,465	\$1,407	\$1,758	\$1,876	\$2,344	\$2,345	\$2,930
3BR	3	6	\$791	\$1,020	\$1,055	\$1,360	\$1,319	\$1,700	\$1,583	\$2,040	\$2,110	\$2,720	\$2,638	\$3,400
4BR	4	8	\$879	\$1,161	\$1,172	\$1,548	\$1,465	\$1,935	\$1,758	\$2,322	\$2,344	\$3,096	\$2,930	\$3,870

¹ One-bedroom plus den and two-bedroom plus den units are classified as 1BR and 2BR units, respectively. To be classified as a bedroom, a den must have a window and closet.

Note: 4-person Olmsted County AMI is \$117,200 (2024)

Sources: HUD, Novogradac, Maxfield Research and Consulting

Table HA-2 on the previous page shows the maximum rents by household size and AMI based on income limits illustrated in Table HA-1. The rents on Table HA-2 are based on HUD's allocation that monthly rents should not exceed 30% of income. In addition, the table reflects maximum household size based on HUD guidelines of number of persons per unit. For each additional bedroom, the maximum household size increases by two people

Naturally-Occurring Affordable Housing

Although affordable housing is typically associated with an income-restricted property, there are other housing units in communities that indirectly provide affordable housing. Housing units that were not developed or designated with income guidelines (i.e. assisted) yet are more affordable than other units in a community are considered "naturally-occurring" or "unsubsidized affordable" units. This rental supply is available through the private market, versus assisted housing programs through various governmental agencies. Property values on these units are lower based on a combination of factors, such as: age of structure/housing stock, location, condition, size, functionally obsolete, school district, etc. Because of these factors, housing costs tend to be lower.

According to the *Joint Center for Housing Studies of Harvard University*, the privately unsubsidized housing stock supplies three times as many low-cost affordable units than assisted projects nationwide. Unlike assisted rental developments, most unsubsidized affordable units are scattered across small properties (one to four-unit structures) or in older multifamily structures. Many of these older developments are vulnerable to redevelopment due to their age, modest rents, and deferred maintenance.

Because many of these housing units have affordable rents, project-based and private housing markets cannot be easily separated. Some households (typically those with household incomes of 50% to 60% AMI) income-qualify for both market rate and project-based affordable housing.

Rental Affordability by Bedroom Type

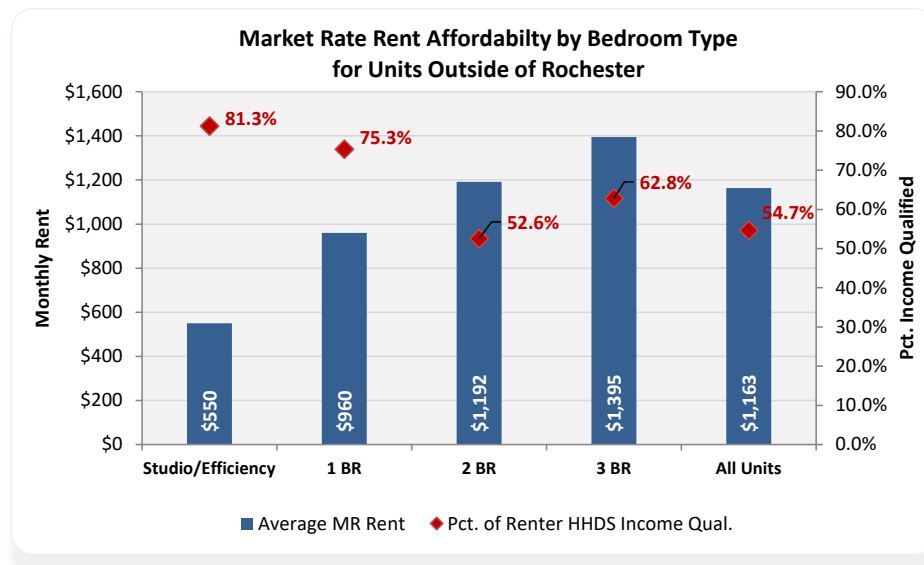
Table HA-3 shows the average market rate rents by unit type and the proportion of Olmsted County Market Area renter households that could afford the monthly rents. Monthly rents are based on a 30% allocation of household income to housing costs and quoted market rate rental rates are shown for Rochester and the Remainder of Olmsted County. Key findings from the table follow.

- Across all market rate rental units, about 43.5% of existing renters can afford the average market rate monthly rents in Rochester without being cost burdened (i.e. spending more than 30% of income on housing). Due to lower rents outside of Rochester, an estimated 55% of existing renters can afford the average market rents.

HOUSING AFFORDABILITY

- The number of income-qualified renter households decreases with each larger unit as rents increase. The following percentage of households can afford each bedroom type in Rochester.

<u>Unit Type</u>	<u>% Renter HHDS Who Can Afford</u>
Studio/Efficiency	52.5%
One-Bedroom	47.3%
Two-Bedroom	41.8%
Three-Bedroom	35.4%



**TABLE HA-3
HOUSEHOLD INCOME NEEDED TO AFFORD AVERAGE MARKET RATE RENT
OLMSTED COUNTY MARKET AREA
2025**

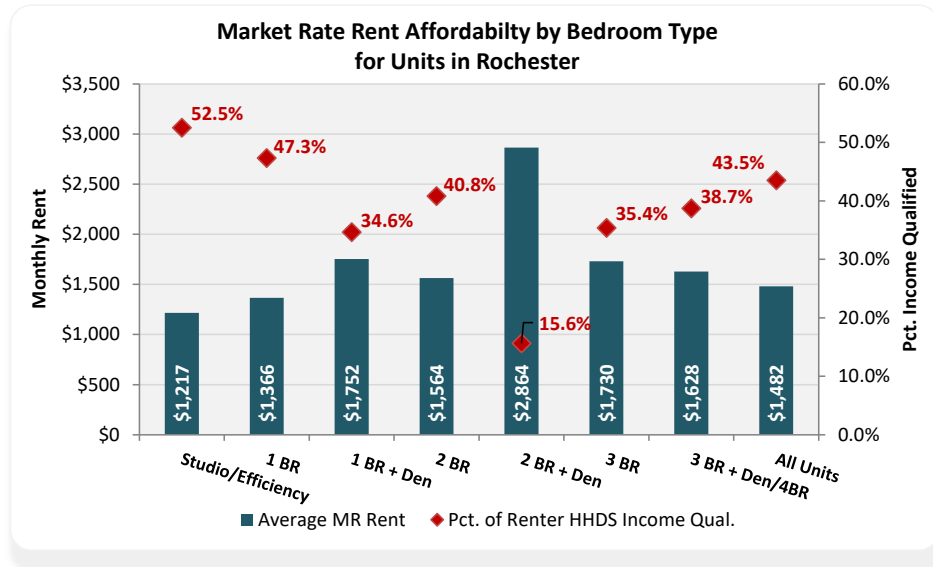
Unit Type	Average MR Rent		HHD Income Needed to Afford		Pct. of Renter Market Area HHDS that can Afford*	
	Outside Rochester	Rochester	Outside Rochester	Rochester	Outside Rochester	Rochester
Studio/Efficiency	\$550	\$1,217	\$22,000	\$48,680	81.3%	52.5%
1 BR	\$960	\$1,366	\$38,400	\$54,640	75.3%	47.3%
1 BR + Den	--	\$1,752	--	\$70,080	--	34.6%
2 BR	\$1,192	\$1,564	\$47,680	\$62,560	52.6%	40.8%
2 BR + Den	--	\$2,864	--	\$114,560	--	15.6%
3 BR	\$1,395	\$1,730	\$55,800	\$69,200	62.8%	35.4%
3 BR + Den/4BR	--	\$1,628	--	\$65,120	--	38.7%
All Units	\$1,163	\$1,482	\$46,520	\$59,280	54.7%	43.5%

* Based on 2023 renter incomes (US Census American Community Survey) adjusted to current year.

Source: Maxfield Research & Consulting

HOUSING AFFORDABILITY

- When we compare the City of Rochester to those units in the surrounding communities, the number of income-qualified renter households increases from 8% to 13% higher than in Rochester. Approximately 55% can afford one-bedroom units, 44% could afford two-bedroom units, and 40.5% could afford three-bedroom units.



- As new units were added to the market and the economy continued to improve for most of last decade, rental rates increased. When compared to the previous 2013 study, the percentage of existing renters that can afford the market rate monthly rents without being cost burdened has decreased. Across all market rate rental units, the Olmsted County Market Area experienced a decline of percentage of renters who could afford the average rent from 42% in 2013 to 38% currently in 2020.
- Based on unit type, renters who could afford studio/efficiency units has dropped 20% from 66% in 2013 to 46% in 2020. One-bedroom units has decreased from 56% to 43%, two-bedroom units from 42% to 31%, and three-bedroom units from 33% to 29%

Home Ownership and Rental Affordability by Submarket

Table HA-4 shows the average sales price of a home in 2024 by Olmsted County submarket and the minimum household income needed to purchase a home. Prior to the Great Recession and housing bust, a household could afford to purchase a home of about three times their gross income. However, due to the record low mortgage rates, affordability has increased, and the purchasing power is higher (from 3.0 to 3.5 times gross income). Purchasing power has since decreased since 2022 with rising mortgage rates.

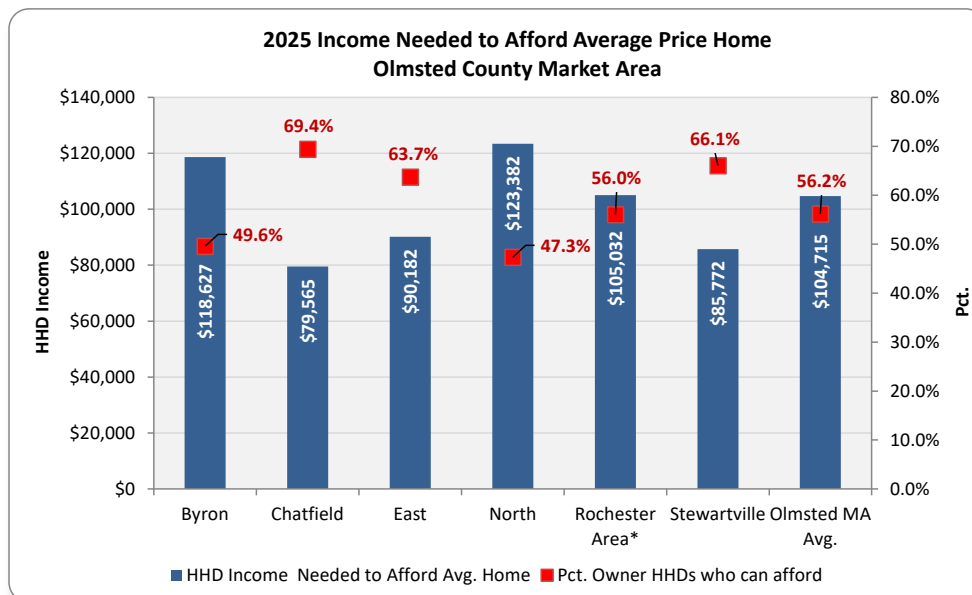
Please note that Table HA-4 does not consider strict underwriting criteria for home purchases (i.e. credit scores, down payment, length of employment, etc.). Because of rather strict lender

HOUSING AFFORDABILITY

guidelines that tightened after the COVID-19 pandemic and a strong resale market; not all owner households will financially qualify. The table also illustrates the number of income-qualified households that could afford market rate rents based on the average rent of each submarket. Exhibited household incomes are based on 2023 (ACS) household income figures by tenure (i.e. owner and renter) and adjusted to current year estimates. The following bullet points identify key findings.

- About 56% of existing owners could afford an average priced home in the Olmsted County Market Area. Nearly 70% of owner households qualify to purchase in the Chatfield Submarket compared to 47% income-qualified in the North Submarket.
- Home prices have experienced a strong increase from the previous study in 2020 and thus the percentage of owner householders who can afford the average sales price of home has declined. The following is the difference in owner households who can afford a home in each submarket:

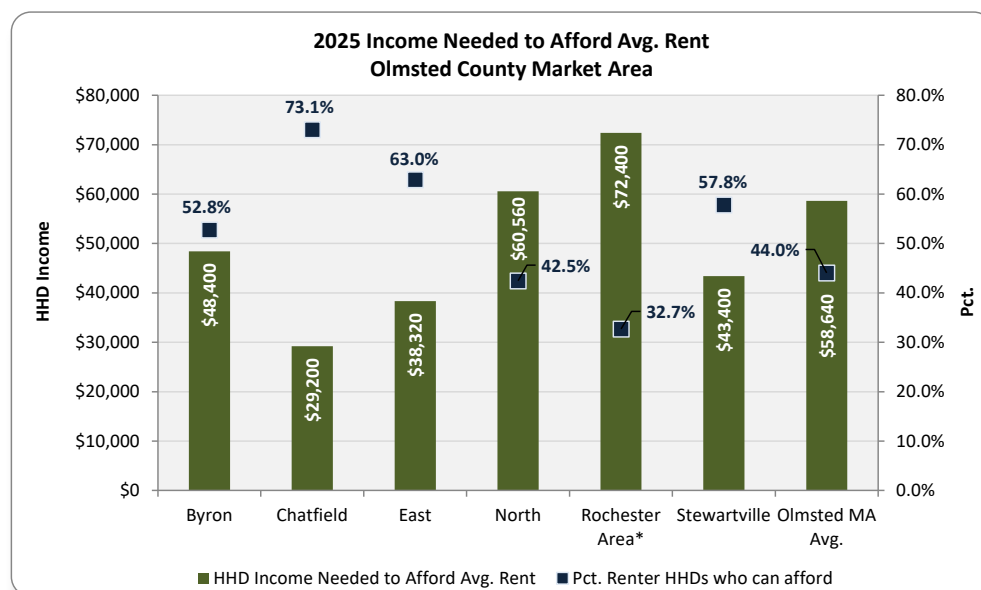
<u>Submarket</u>	<u>2020</u>	<u>2025</u>	<u>Change</u>
Byron	56.9%	49.6%	-7.3%
Chatfield	n.a.	69.4%	n.m.
East	69.0%	63.7%	-5.3%
North	57.1%	47.3%	-9.8%
Rochester/Roch. Fringe	61.0%	56.0%	-5.0%
Stewartville	69.7%	66.1%	-3.6%
Olmsted County MA	61.2%	56.2%	-5.0%



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- Because homeowner incomes are greater than renter incomes, a higher percentage of households can afford the average home price than average market rent as 44% of renter households can afford the average monthly rent in the Olmsted County Market Area.
- About 32% of renter households in the Rochester Area can afford the average market rate rent (\$1,810). Whereas about 73% of renters in the Chatfield Submarket can afford the average market rate rent (\$730).
- While the decrease in the percentage of the owner households in the Olmsted County Market Area from the previous report (2020) who could afford the average rent was significant across all submarkets, renter households experienced the inverse reaction.
- This is likely due to multiple factors including income growth in renter households, the influx of apartment units over the past 10 years, and continuing rising for-sale housing prices making ownership less appealing pushing many first-time home buyers to be renters. The only submarket that is estimated to have experienced a decline in renter households who can afford the average rent is the Rochester Submarket. The following figures show the change in proportion of renters who can afford the average rents by submarket:

<u>Submarket</u>	<u>2020</u>	<u>2025</u>	<u>Change</u>
Byron	49.6%	52.8%	3.2%
Chatfield	n.a.	73.1%	n.m.
East	62.7%	63.0%	0.3%
North	39.6%	42.5%	2.9%
Rochester/Roch. Fringe	37.3%	32.7%	-4.6%
Stewartville	50.1%	57.8%	7.7%
Olmsted County MA	37.6%	44.0%	6.4%



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Submarket	Home Ownership			Market Rate Rental Housing		
	Average	HHD Income	Pct. of Olmsted Co. MA	Average	HHD Income	Pct. of Olmsted Co. MA
	Sales Price ¹	Needed to Afford	Owner HHDs	MR Rent	Income Needed to	Renter HHDs
	Avg. Home	Who can Afford ²		Afford Avg. Rent	Who can Afford ²	
Byron	\$444,852	\$118,627	49.6%	\$1,210	\$48,400	52.8%
Chatfield	\$298,369	\$79,565	69.4%	\$730	\$29,200	73.1%
East	\$338,183	\$90,182	63.7%	\$958	\$38,320	63.0%
North	\$462,684	\$123,382	47.3%	\$1,514	\$60,560	42.5%
Rochester Area*	\$393,870	\$105,032	56.0%	\$1,810	\$72,400	32.7%
Stewartville	\$321,644	\$85,772	66.1%	\$1,085	\$43,400	57.8%
Olmsted MA Avg.	\$392,681	\$104,715	56.2%	\$1,466	\$58,640	44.0%

¹ Average sales price includes both single-family and multifamily resales. Based on 2024 resale data.
² Based on 2023 ACS household incomes by tenure (i.e. owner and renter incomes) and adjusted to current estimates
* Pricing based on Rochester and Rochester Fringe averages
Note: Affordability has been adjusted to account for today's record low interest rates (3.0%; 30-year fixed mortgage)
Source: Maxfield Research & Consulting

Home Ownership Affordability by Household Income

Table HA-5 illustrates the price point of a home Olmsted County Market Area householders could afford based on household income. In addition, the table shows the number of active listings that fall within the home price range. The active listings were provided by the Regional Multiple Listing Service of Minnesota from February 2025. Please note: active listing home prices do not reflect the final purchase price of the home.

Key findings from the table follow.

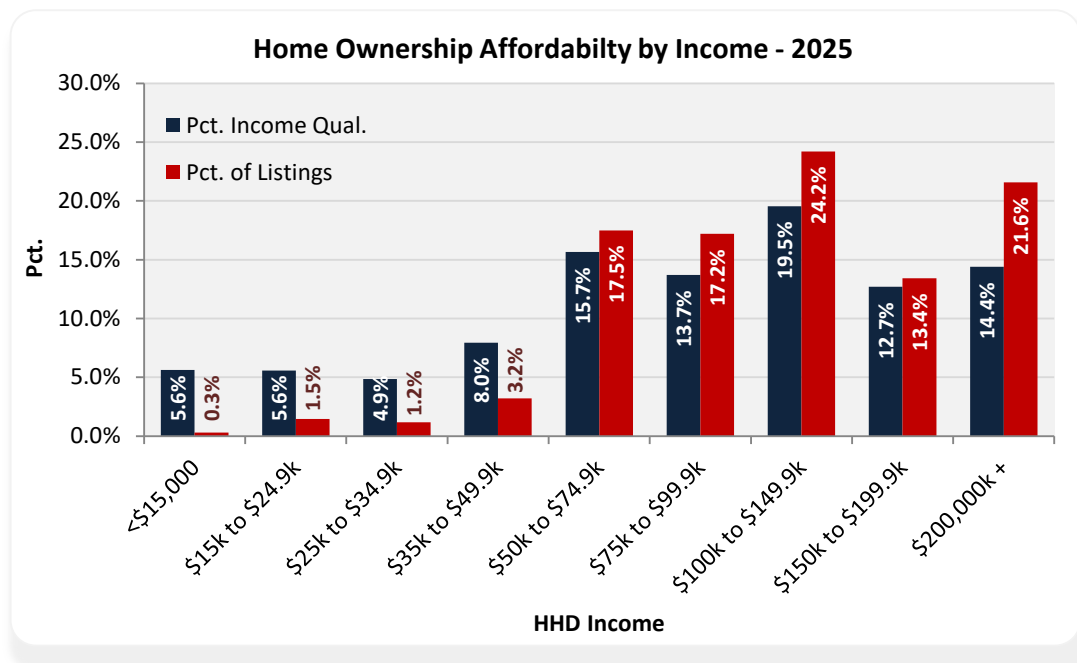
- About 24% of Olmsted County Market Area households have household incomes less than \$49,999. Persons earning less than \$49,999 could afford a home value of up to \$187,500. Just 6% of all active listings in as of February 2025 in the Olmsted County Market Area are affordable to persons earning less than \$49,999.
- The proportion of listings to household income is higher than for householders earning more than \$50,000. For households earning between \$100,000 and \$149,999 which account for 19.5% of Market Area households; the inventory of homes for sale is the highest among all income brackets. Roughly 24% of all homes for sale would be income qualified for a householder earning between \$100,000 and \$149,999.
- Households earning between \$50,000 and \$74,999 are income qualified for around 17.5% of the active listings while households earning \$75,000 to \$99,999 can afford 17%.

HOUSING AFFORDABILITY

2025 Income *	Pct. of HHDs in Olmsted MA	Affordable Home Price		Active Listings	
		Min	Max	No.	Pct.
<\$15,000	5.6%	\$0	\$56,250	1	0.3%
\$15k to \$24.9k	5.6%	\$56,250	\$93,746	5	1.5%
\$25k to \$34.9k	4.9%	\$93,750	\$131,246	4	1.2%
\$35k to \$49.9k	8.0%	\$131,250	\$187,496	11	3.2%
\$50k to \$74.9k	15.7%	\$187,500	\$281,246	60	17.5%
\$75k to \$99.9k	13.7%	\$281,250	\$374,996	59	17.2%
\$100k to \$149.9k	19.5%	\$375,000	\$562,496	83	24.2%
\$150k to \$199.9k	12.7%	\$562,500	\$749,996	46	13.4%
\$200,000k +	14.4%	\$750,000		74	21.6%

* Household income includes both renters and owners.

Source: Regional Multiple Listing Service of MN, Maxfield Research & Consulting



Housing Cost Burden

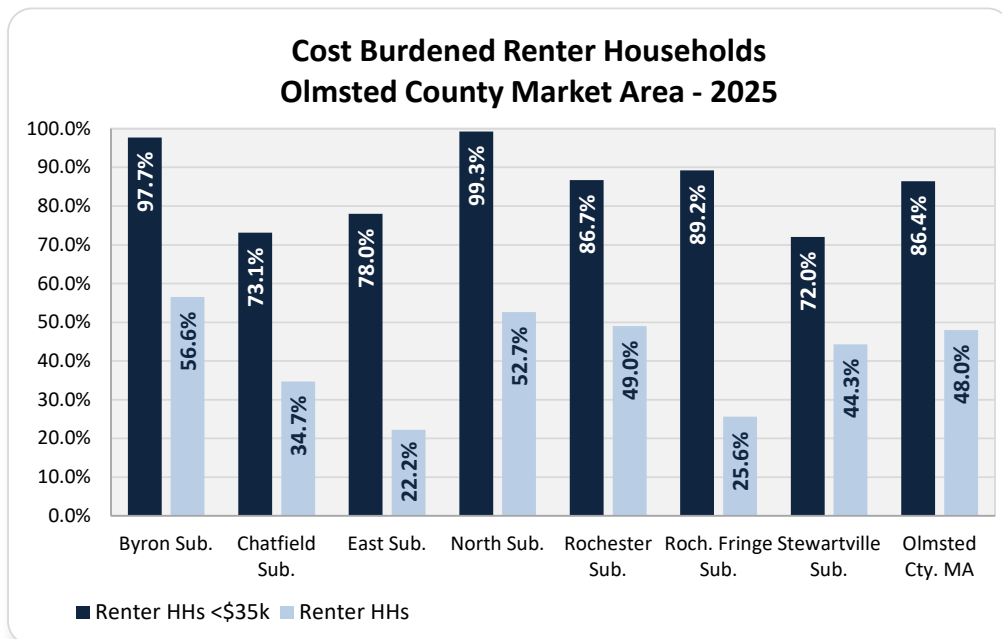
Table HA-6 (in the appendix) shows the number and percentage of owner and renter households in Olmsted County and the seven submarkets that pay 30% or more of their gross income for housing. This information was estimated to current year by Maxfield Research utilizing data compiled from the American Community Survey 2023 estimates. **It is important to note, that the ACS is showing exceptionally high numbers for those cost burden compared**

to the previous study. We must stress that the Margin of Error must be taken into account when using this data. Many communities are reporting a very limited number of/or no owners and renters spending less than 30% of their incomes on housing for households earning \$35,000 or less. This is skewing the percentage of cost burdened households to unrealistic figures. The MOE in the majority of communities is +/- 9 to 13.

This information is different than the Decennial Census which separates households that paid 35% or more in housing costs. As such, the information presented in the tables may be overstated in terms of households that may be “cost burdened.” The Federal standard for affordability is 30% of income for housing costs. Without a separate break out for households that pay 35% or more, there are likely a number of households that elect to pay slightly more than 30% of their gross income for their desired housing. Moderately cost-burdened is defined as households paying from 30% up to 50% of their income for housing; while severely cost-burdened is defined as households paying 50% or of their income for housing.

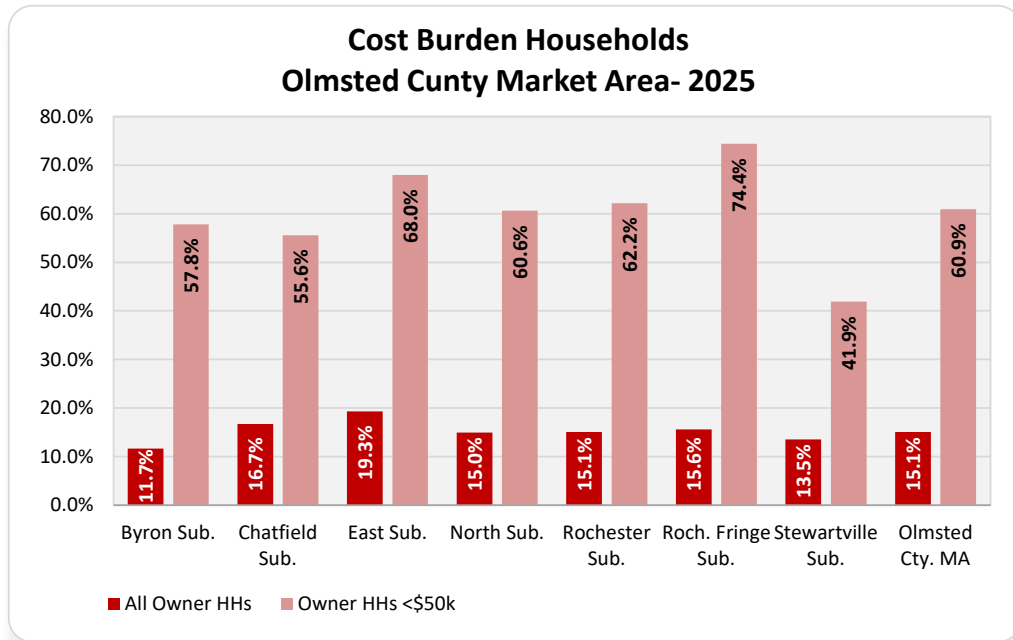
Higher-income households that are cost-burdened may have the option of moving to lower priced housing, but lower-income households often do not. The charts include a focus on owner households with incomes below \$50,000 and renter households with incomes below \$35,000 in addition to all households.

- In the Olmsted County Market Area, an estimated 15% of owner households and 48% of renter households are considered cost burdened. The East Submarket is estimated to have the highest proportion of cost burdened owner households at 19% while the Byron Submarket had the highest proportion of cost burdened renter households, 57%.

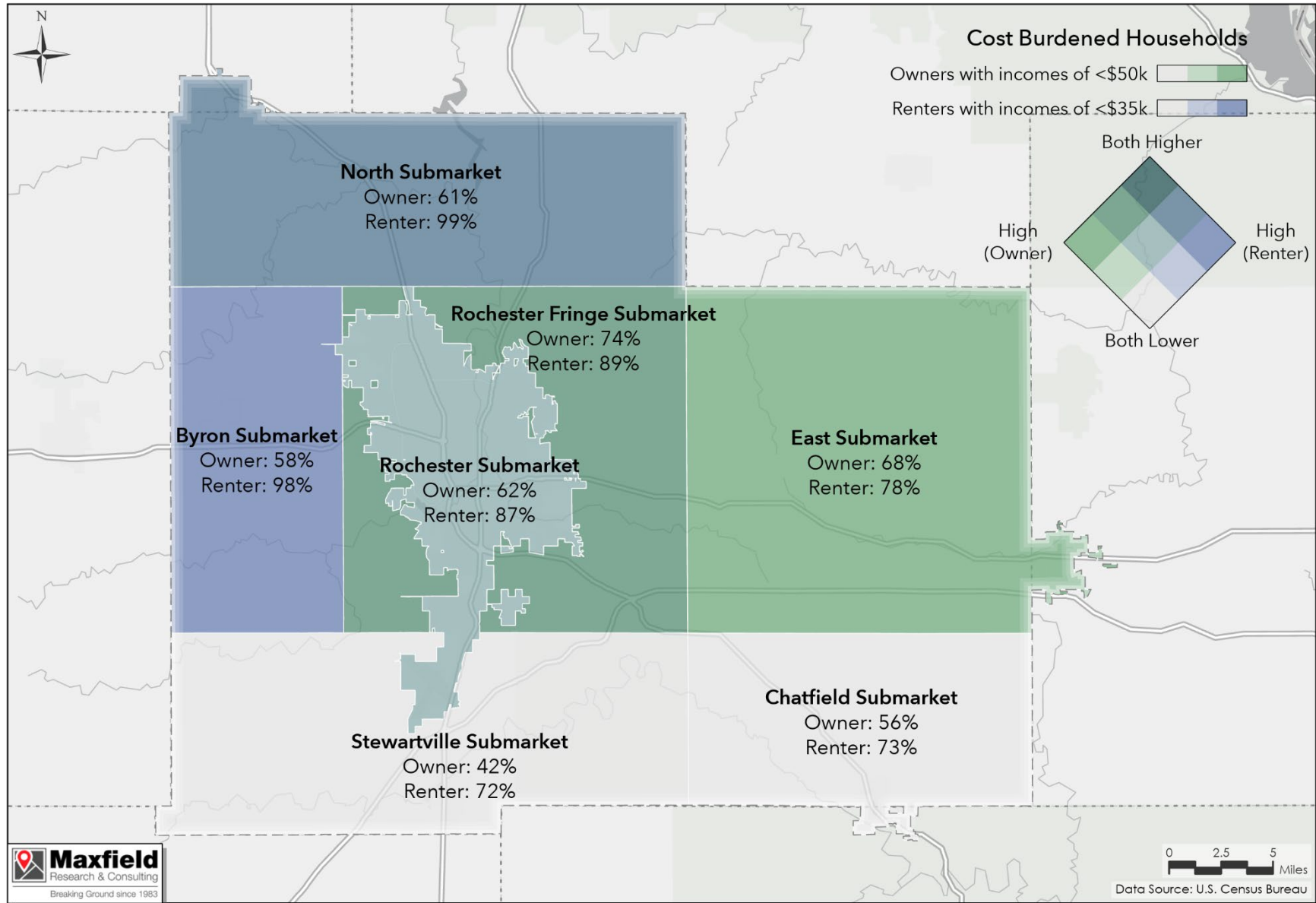


HOUSING AFFORDABILITY

- Among owner households earning less than \$50,000, 61% were estimated to be cost burdened in Olmsted County. The Rochester Fringe Submarket has the highest estimated proportion of cost burdened owner households earning less than \$50,000 at 74%.
- An estimated 86% of Olmsted County Market Area renter households earning less than \$35,000 are estimated to be cost burdened. The North submarket is estimated to be the highest in the Market Area at 99% of renter.



Housing Cost Burdened for Owners & Renter Households by Submarket (2025)



Housing Choice Vouchers

In addition to subsidized apartments, “tenant-based” subsidies like *Housing Choice Vouchers*, can help lower income households afford market-rate rental housing. The tenant-based subsidy is funded by the Department of Housing and Urban Development (HUD) and is managed by the Olmsted County HRA. Under the Housing Choice Voucher program (also referred to as Section 8) qualified households are issued a voucher that the household can take to an apartment that has rent levels with Payment Standards. The household then pays approximately 30% of their adjusted gross income for rent and utilities, and the Federal government pays the remainder of the rent to the landlord. The maximum income limit to be eligible for a Housing Choice Voucher is 50% AMI based on household size, as shown in table on page HA-7.

Currently, the HRA administers approximately 620 Housing Choice Vouchers in Olmsted County and 90 vouchers porting into the county. Portability clients are households who hold a Housing Choice Voucher issued from another jurisdiction but have chosen to live in Olmsted County. The current waiting list for the Housing Choice Voucher program is closed for new pre-applications and the HRA is working off the 2019 wait list. In 2024, 117 clients started on the program and 89 clients ended participation in the program.

Presently, only 19 vouchers are being utilized outside of the City of Rochester. Thus over 95% of active vouchers in the county and located in Rochester proper.

TABLE HA-7 AVERAGE HOUSING VOUCHERS BY YEAR OLMSTED COUNTY 2020 to 2025						
	2020	2021	2022	2023	2024	2025
Vouchers	539	552	631	625	619	621
Vouchers Port-In	70	86	56	78	89	90
Source: Olmsted County HRA; Maxfield Research & Consulting						

Housing Costs as Percentage of Household Income

Housing costs are generally considered affordable at 30% of a household adjusted gross income. Table HA-9 on page -- illustrates key housing metrics based on housing costs and household incomes in the Olmsted County Market Area. The table estimates the percentage of Olmsted County Market Area householders that can afford rental and for-sale housing based on a 30% allocation of income to housing. Housing costs are based on the Olmsted County Market

HOUSING AFFORDABILITY

Area average. Table HA-8 on the following page provides a comparison of Table HA-9 from the previous study completed in 2020 to this 2025 study.

The housing affordability calculations assume the following:

For-Sale Housing

- 10% down payment with good credit score
- Closing costs rolled into mortgage
- 30-year mortgage at 6.625% interest rate
- Private mortgage insurance (equity of less than 20%)
- Homeowners insurance for single-family homes and association dues for townhomes
- Owner household income per 2023 ACS adjusted to current 2025 estimates.

Rental Housing

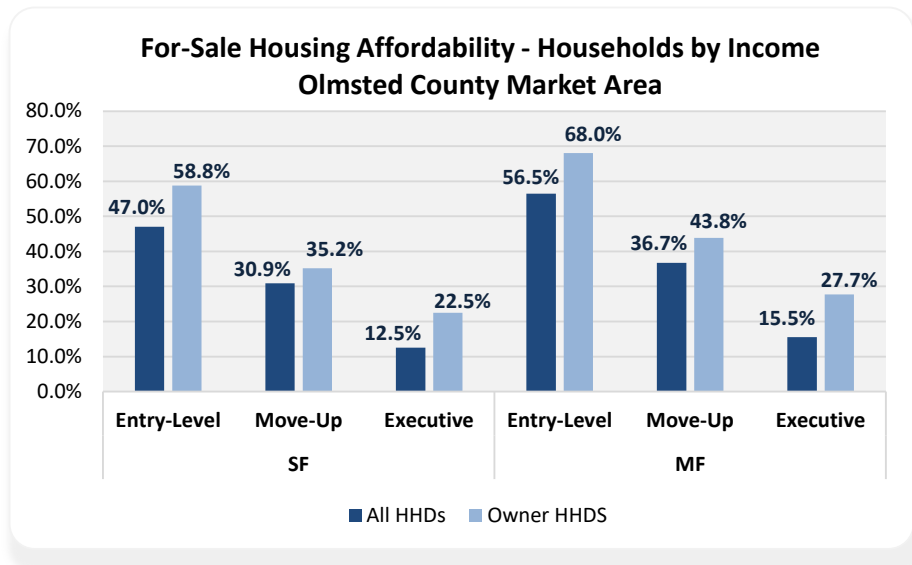
- Background check on tenant to ensure credit history
 - 30% allocation of income
 - Renter household income per 2023 ACS adjusted to current 2025 estimates.
- The estimated median income of all Olmsted County Market Area households in 2025 is about \$92,519. However, the median income varies by tenure. According to the 2023 American Community Survey, the median income of a homeowner is \$117,613 compared to \$52,833 for renters.
 - Table HA-8 below shows the comparison of affordability from the 2020 study compared to the present 2025 study. Due to the rising construction and labor costs along with the rapid inflation of existing for-sale homes prices since 2020, The percent of Olmsted County Market Area households that can afford all types of for-sale housing has declined significantly.

	FOR-SALE HOUSING											
	Single-Family						Townhome/Twinhome/Condo					
	Entry-Level		Move-Up		Executive		Entry-Level		Move-Up		Executive	
	2020	2025	2020	2025	2020	2025	2020	2025	2020	2025	2020	2025
% of HHDS who can afford	\$250,000	\$300,000	\$350,000	\$450,000	\$575,000	\$750,000	\$150,000	\$250,000	\$250,000	\$400,000	\$350,000	\$600,000
ALL Olmsted Cty. MA	66.6%	47.0%	50.4%	30.9%	23.3%	12.5%	78.4%	56.5%	64.6%	36.7%	49.6%	15.5%
Olmsted Cty. MA owner	73.0%	58.8%	57.4%	35.2%	28.0%	22.5%	84.9%	68.0%	71.1%	43.8%	56.6%	27.7%
	MARKET RATE RENTAL											
	Existing Rental						New Rental					
	1BR		2BR		3BR		1BR		2BR		3BR	
	2020	2025	2020	2025	2020	2025	2020	2025	2020	2025	2020	2025
% of HHDS who can afford	\$900	\$1,355	\$1,100	\$1,535	\$1,200	\$1,708	\$1,300	\$1,600	\$1,800	\$2,000	\$2,000	\$2,400
ALL Olmsted Cty. MA	80.2%	73.4%	75.4%	68.9%	73.0%	64.5%	70.4%	67.2%	55.5%	57.6%	50.4%	48.8%
Olmsted Cty. MA renter	52.5%	47.7%	44.2%	41.8%	40.0%	36.1%	36.4%	39.6%	21.7%	28.3%	17.7%	20.9%

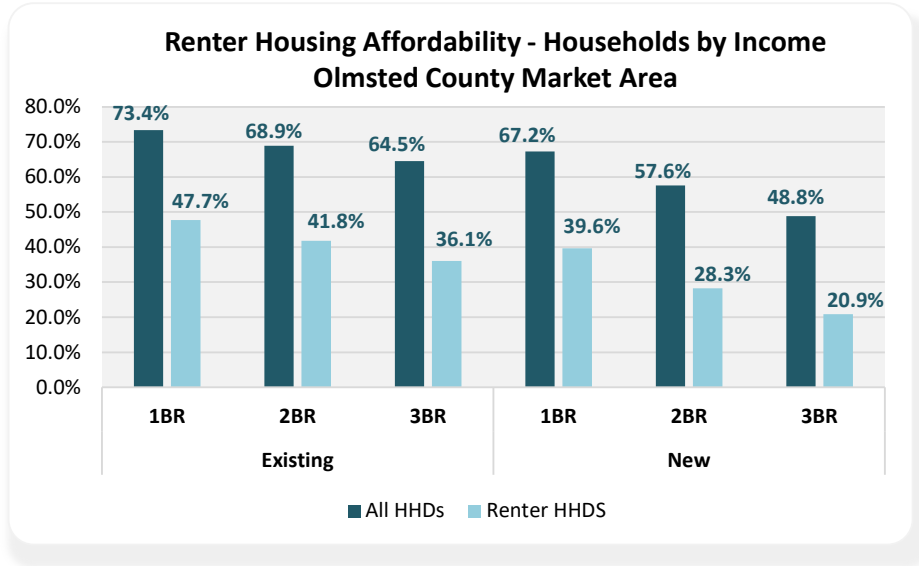
Source: Maxfield Research & Consulting

HOUSING AFFORDABILITY

- For example, in 2020, an estimated 50% of households in the Olmsted County Market Area could afford a move-up home in 2020 of \$350,000 while only an estimated 31% of 2025 households can afford the rise to \$450,000 for a move-up home.
- Households who can afford an existing one-bedroom rental in Olmsted County also experienced a decline from 2020 to 2025 of roughly 7%. This, however, is a much lesser rate compared to the decline in ownership households of nearly 20% for an entry level or move up home.
- Approximately 47% of all households and 59% of owner households could afford to purchase an entry-level home in the Market Area (\$300,000). When adjusting for move-up buyers (\$450,000) about 31% of all households and 35% of owner households would income qualify.
- Because of its lower price point, multifamily for-sale can attract a slightly higher proportion of buyers with an estimated 68% of all Market Area owner households being able to afford an entry level townhome or condominium (\$250,000) and roughly 44% a move-up townhome or condominium (\$400,000).



- About 48% of existing renter households can afford the average rent of an existing one-bedroom unit in Market Area (\$1,355/month). The percentage of renter income-qualified households decreases to 36% that can afford the average rent of an existing three-bedroom unit (\$1,708/month).
- After adjusting for new construction rental housing (developments built 2020 to present), the percentage of renters that are income-qualified decreases again. About 40% of renters can afford a new market rate one-bedroom unit (\$1,600/month) while only 21% can afford a new three-bedroom unit (\$2,400/month).



HOUSING AFFORDABILITY

TABLE HA-9 HOUSING AFFORDABILITY - BASED ON HOUSEHOLD INCOME OLMSTED COUNTY MARKET AREA - 2025						
For-Sale (Assumes 10% down payment and good credit)						
	Single-Family			Townhome/Twinhome/Condo		
	Entry-Level	Move-Up	Executive	Entry-Level	Move-Up	Executive
Price of House	\$300,000	\$450,000	\$750,000	\$250,000	\$400,000	\$600,000
Pct. Down Payment	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Total Down Payment Amt.	\$30,000	\$45,000	\$75,000	\$25,000	\$40,000	\$60,000
Estimated Closing Costs (rolled into mortgage)	\$9,000	\$13,500	\$22,500	\$7,500	\$12,000	\$18,000
Cost of Loan	\$279,000	\$418,500	\$697,500	\$232,500	\$372,000	\$558,000
Interest Rate	6.625%	6.625%	6.625%	6.625%	6.625%	6.625%
Number of Pmts.	360	360	360	360	360	360
Monthly Payment (P & I)	-\$1,786	-\$2,680	-\$4,466	-\$1,489	-\$2,382	-\$3,573
(plus) Prop. Tax	-\$375	-\$563	-\$938	-\$313	-\$500	-\$750
(plus) HO Insurance/Assoc. Fee for TH	-\$200	-\$300	-\$500	-\$150	-\$225	-\$350
(plus) PMI/MIP (less than 20%)	-\$121	-\$181	-\$302	-\$101	-\$161	-\$242
Subtotal monthly costs	-\$2,482	-\$3,724	-\$6,206	-\$2,052	-\$3,268	-\$4,915
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	\$99,295	\$148,942	\$248,237	\$82,079	\$130,726	\$196,589
Pct. of ALL Olmsted County HHDS who can afford¹	47.0%	30.9%	12.5%	56.5%	36.7%	15.5%
No. of Olmsted County HHDS who can afford¹	34,174	22,429	9,108	41,031	26,696	11,268
Pct. of Olmsted Cty. Market Area owner HHDS who can afford²	58.8%	35.2%	22.5%	68.0%	43.8%	27.7%
No. of Olmsted Cty. Market Area owner HHDS who can afford²	30,374	18,156	11,633	35,135	22,631	14,317
No. of Olmsted Cty. Market Area owner HHDS who cannot afford²	21,270	33,487	40,011	16,509	29,013	37,326
Rental (Market Rate)						
	Existing Market Rate Rental			New Market Rate Rental		
	1BR	2BR	3BR	1BR	2BR	3BR
Monthly Rent	\$1,355	\$1,535	\$1,708	\$1,600	\$2,000	\$2,400
Annual Rent	\$16,260	\$18,420	\$20,496	\$19,200	\$24,000	\$28,800
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	\$54,200	\$61,400	\$68,320	\$64,000	\$80,000	\$96,000
Pct. of ALL Olmsted County HHDS who can afford¹	73.4%	68.9%	64.5%	67.2%	57.6%	48.8%
No. of Olmsted County HHDS who can afford¹	53,314	50,038	46,890	48,855	41,859	35,486
Pct. of Olmsted Cty. Market Area renter HHDS who can afford²	47.7%	41.8%	36.1%	39.6%	28.3%	20.9%
No. of Olmsted Cty. Market Area renter HHDS who can afford²	10,029	8,784	7,588	8,335	5,947	4,395
No. of Olmsted Cty. Market Area renter HHDS who cannot afford²	11,001	12,246	13,443	12,696	15,083	16,635
¹ Based on 2025 household income for ALL households (ESRI)						
² Based on 2023 ACS household income by tenure (i.e. owner and renter incomes. Owner incomes = \$117,613 vs. renter incomes = \$52,833)						
Source: Maxfield Research & Consulting						

Industry Wages & Affordability

Tables HA-10 and HA-11 showcase Olmsted County wages by industry against housing costs for market rate rental housing units and the median sales price of a home in Olmsted County. All employment and wage data is sourced to MN DEED and all housing costs are sourced to Maxfield Research based on data collected in this report. **Please note that the wage data and housing affordability comparisons is based on ONE wage earner in a household.** The data does not take into account a 2nd wage earner in the household that would boost household income. Key points follow.

- The average wage in Olmsted County is approximately \$75,452; resulting in “affordable” housing costs of about \$1,890 per month based on a 30% allocation of income to housing. Based on this income, an affordable priced home would likely range from about \$226,360 to \$264,080.
- Many employment sectors have wages that can afford a market rate rental but only one sector can afford a median priced home. There are four sectors of which cannot afford any type of rental or a median priced home. The following are the lowest wage earners who cannot afford median and average Market Area housing:

<u>Industry</u>	<u>Avg. Annual Wage</u>
Leisure and Hospitality	\$27,300
Manufacturing	\$42,848
Trade, Transportation, Utilities	\$44,304
Natural Resources & Mining	\$51,948

Industry	Average Number of Employees		Avg. Annual Wage	Max. Monthly Housing Cost @	Avg. Aff. Home Price		Can Aff. Rental Hsg.		Can Aff. Med. Price Home
	Q3 2024	Pct.	Q3 2024	2024	Range		60% AMI	MR	
Natural Resources & Mining	287	0.3%	\$51,948	\$1,299	\$155,844	\$181,818			
Construction	4,725	4.5%	\$79,508	\$1,988	\$238,524	\$278,278	X	X	
Manufacturing	5,497	5.2%	\$116,376	\$2,909	\$349,128	\$407,316	X	X	X
Trade, Transportation and Utilities	13,783	13.2%	\$44,304	\$1,108	\$132,912	\$155,064			
Information	824	0.8%	\$75,868	\$1,897	\$227,604	\$265,538	X	X	
Financial Services	2,082	2.0%	\$78,208	\$1,955	\$234,624	\$273,728	X	X	
Professional and Business Services	6,289	6.0%	\$74,776	\$1,869	\$224,328	\$261,716	X	X	
Education and Health Services	55,157	52.7%	\$88,348	\$2,209	\$265,044	\$309,218	X	X	
Leisure and Hospitality	9,874	9.4%	\$27,300	\$683	\$81,900	\$95,550			
Other Services	2,542	2.4%	\$42,848	\$1,071	\$128,544	\$149,968			
Public Administration	3,663	3.5%	\$86,372	\$2,159	\$259,116	\$302,302	X	X	
Totals	104,723		\$75,452	\$1,886	\$226,356	\$264,082			

Note: Data based off of one wage earner
 Average Rent: Market Rate One-Bedroom Rent \$1,355 in Olmsted County Market Area
 Maximum One-Bedroom Gross Rent @ 60% AMI for a 1 pph \$1,407 (Income Limit of \$49,260)
 Median Housing Price: \$332,290

Source: MN DEED; Maxfield Research & Consulting

HOUSING AFFORDABILITY

- Because of the stronger wages in the county, the area median income (AMI) at 60% is on par with many market rate rental communities in the county. Many industries that qualify for an affordable unit are also able to afford market rate rents.
- Table HA-11 details several workforce occupations and the median hourly wage and annually income. As illustrated, there are several occupations where the median salary is not sufficient to afford a market rate apartment or an apartment at 60% AMI. Several professions have wages that would fall between the 30% and 50% AMI income bandwidth to be affordable and not cost burdened.

Occupation	Employee Count		Median Hourly Wage	Median Annual Income	Max. Monthly Housing Cost @ 30%	Avg. Aff. Home Price		Can Aff. Rental Hsg. 60% AMI	MR	Can Aff. Med. Price Home
	Q1 2024	Pct.	Q1 2024	Q1 2024	Q1 2024	Range				
Social & Human Service Assistants	400	1.3%	\$22.54	\$46,883	\$1,172	\$140,650	\$164,091	X		
Registered Nurses	8,990	30.1%	\$48.19	\$100,235	\$2,506	\$300,706	\$350,823		X	X
Home Health & Personal Care Aides	3,820	12.8%	\$16.89	\$35,131	\$878	\$105,394	\$122,959			
Nursing Assistants	1,530	5.1%	\$19.92	\$41,434	\$1,036	\$124,301	\$145,018	X		
Police & Sheriff's Patrol Officers	420	1.4%	\$38.44	\$79,955	\$1,999	\$239,866	\$279,843		X	
Fast Food & Counter Workers	2,430	8.1%	\$14.78	\$30,742	\$769	\$92,227	\$107,598			
Cashiers	2,660	8.9%	\$16.12	\$33,530	\$838	\$100,589	\$117,354			
Retail Salespersons	2,630	8.8%	\$17.01	\$35,381	\$885	\$106,142	\$123,833			
Office Clerks, General	1,930	6.5%	\$24.42	\$50,794	\$1,270	\$152,381	\$177,778	X		
Carpenters	480	1.6%	\$30.97	\$64,418	\$1,610	\$193,253	\$225,462		X	
Operating Engineers & Other Construction Eqmt. Operators	280	0.9%	\$37.60	\$78,208	\$1,955	\$234,624	\$273,728		X	
Plumbers, Pipefitters, & Steamfitters	500	1.7%	\$46.30	\$96,304	\$2,408	\$288,912	\$337,064		X	X
Automotive Service Technicians & Mechanics	560	1.9%	\$24.36	\$50,669	\$1,267	\$152,006	\$177,341	X		
Maintenance & Repair Workers, General	800	2.7%	\$25.01	\$52,021	\$1,301	\$156,062	\$182,073	X		
Miscellaneous Assemblers & Fabricators	1,110	3.7%	\$21.71	\$45,157	\$1,129	\$135,470	\$158,049	X		
Heavy & Tractor-Trailer Truck Drivers	1,280	4.3%	\$28.56	\$59,405	\$1,485	\$178,214	\$207,917	X	X	
Totals	29,820		\$24.39	\$50,731						

Note: Data based off of one wage earner

Average Rent: Market Rate One-Bedroom Rent \$1,355 in Olmsted County Market Area
 Maximum One-Bedroom Gross Rent @ 60% AMI for a 1 pph \$1,407 (Income Limit of \$49,260)
 Median Housing Price: \$332,293

Source: MN DEED; Maxfield Research & Consulting

Housing Demand Analysis

Previous sections of this study analyzed the existing housing supply and the growth and demographic characteristics of the population and household base in Olmsted County Market Area. This section of the report presents our estimates of housing demand in the County from 2025 to 2035.

Demographic Profile and Housing Demand

The demographic profile of a community affects housing demand and the types of housing that are needed. The housing life-cycle stages are:

1. *Entry-level householders*
 - Often prefer to rent basic, inexpensive apartments
 - Usually singles or couples in their early 20's without children
 - Will often "double-up" with roommates in apartment setting
2. *First-time homebuyers and move-up renters*
 - Often prefer to purchase modestly priced single-family homes or rent more upscale apartments
 - Usually married or cohabiting couples, in their mid-20's or 30's, some with children, but most are without children
3. *Move-up homebuyers*
 - Typically prefer to purchase newer, larger, and therefore more expensive single-family homes
 - Typically, families with children where householders are in their late 30's to 40's
4. *Empty-nesters (persons whose children have grown and left home) and never-nesters (persons who never have children)*
 - Prefer owning but will consider renting their housing
 - Some will move to alternative lower-maintenance housing products
 - Generally, couples in their 50's or 60's
5. *Younger independent seniors*
 - Prefer owning but will consider renting their housing
 - Will often move (at least part of the year) to retirement havens in the Sunbelt and desire to reduce their responsibilities for upkeep and maintenance
 - Generally, in their late 60's or 70's

6. *Older seniors*

- May need to move out of their single-family home due to physical and/or health constraints or a desire to reduce their responsibilities for upkeep and maintenance
- Generally single females (widows) in their mid-70's or older

Demand for housing can come from several sources including household growth, changes in housing preferences, and replacement need. Household growth necessitates building new housing unless there is enough desirable vacant housing available to absorb the increase in households. Demand is also affected by shifting demographic factors such as the aging of the population, which dictates the type of housing preferred. New housing to meet replacement need is required, even in the absence of household growth, when existing units no longer meet the needs of the population and when renovation is not feasible because the structure is physically or functionally obsolete.

The following graphic provides greater detail of various housing types supported within each housing life cycle. Information on square footage, average bedrooms/bathrooms, and lot size is provided on the subsequent graphic.

Housing Demand Overview

The previous sections of this assessment focused on demographic and economic factors driving demand for housing in the Olmsted County Market Area. In this section, we utilize findings from the economic and demographic analysis to calculate demand for new general occupancy housing units in the County. In addition, we present housing demand for each submarket in the County.

Housing markets are driven by a range of supply and demand factors that vary by location and submarket. The following bullet points outline several of the key variables driving housing demand.

Demographics

Demographics are major influences that drive housing demand. Household growth and formations are critical (natural growth, immigration, etc.), as well as household types, size, age of householders, incomes, etc.

Economy & Job Growth

The economy and housing market are intertwined; the health of the housing market affects the broader economy and vice versa. Housing market growth depends on job growth (or the prospect of); jobs generate income growth which results in the formation of more households. Historically low unemployment rates have driven both existing home purchases and new-home

HOUSING DEMAND ANALYSIS

purchases. Lack of job growth leads to slow or diminishing household growth, which in-turn relates to reduced housing demand. Additionally, low-income growth results in fewer move-up buyers which results in diminished housing turnover across all income brackets.

Consumer Choice/Preferences

A variety of factors contribute to consumer choice and preferences. Many times, a change in family status is the primary factor for a change in housing type (i.e. growing families, empty-nest families, etc.). However, housing demand is also generated from the turnover of existing households who decide to move for a range of reasons. Some households may want to move-up, downsize, change their tenure status (i.e. owner to renter or vice versa), or simply move to a new location.

Supply (Existing Housing Stock)

The stock of existing housing plays a crucial component in the demand for new housing. There are a variety of unique household types and styles, not all of which are desirable to today's consumers. The age of the housing stock is an important component for housing demand, as communities with aging housing stocks have higher demand for remodeling services, replacement new construction, or new home construction as the current inventory does not provide the supply that consumers seek.

Pent-up demand may also exist if supply is unavailable as householders postpone a move until new housing product becomes available.

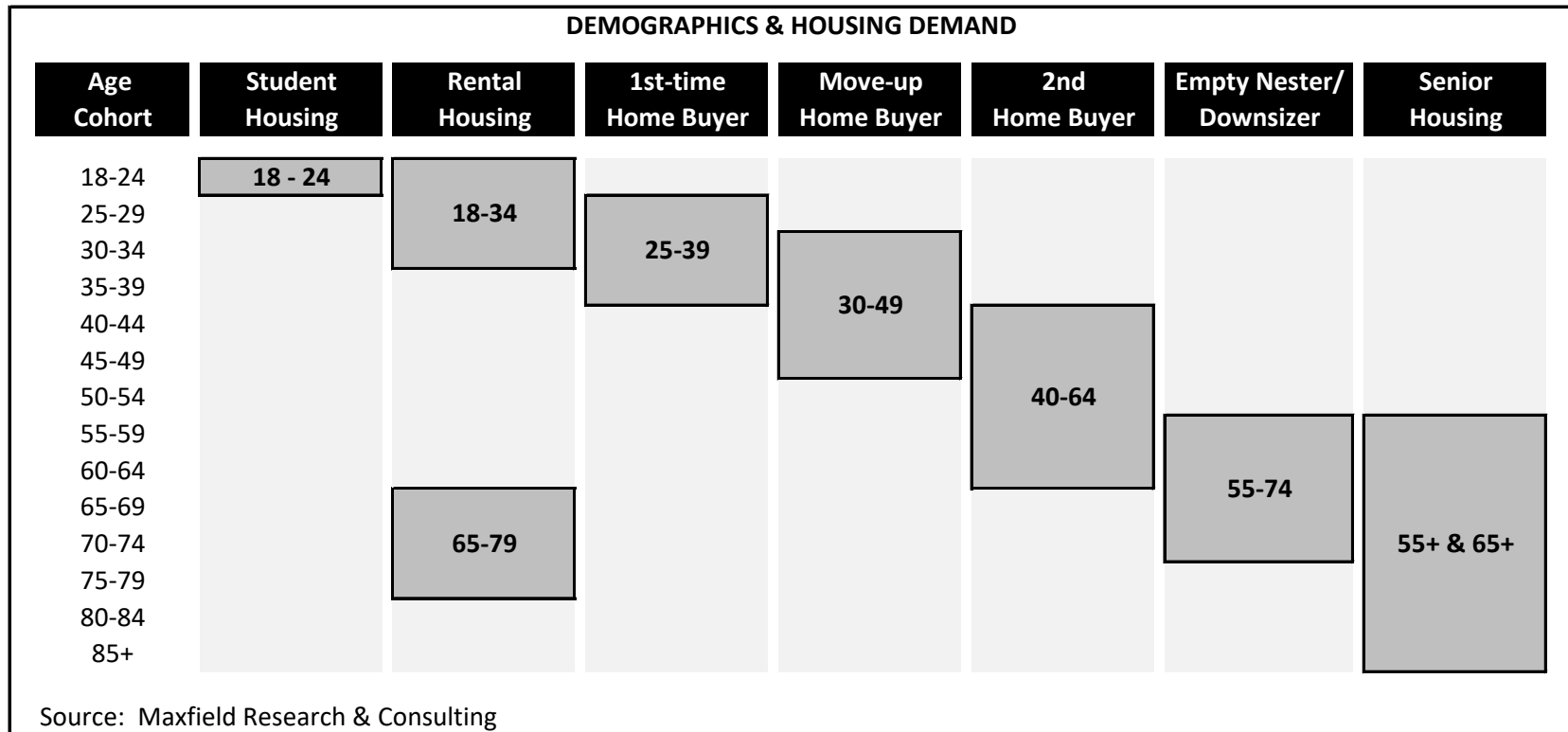
Housing Finance

Household income is the fundamental measure that dictates what a householder can afford to pay for housing costs. According to the U.S. Department of Housing and Urban Development (HUD), the definition of affordability is for a household to pay no more than 30% of its annual income on housing (including utilities). Families who pay more than 30% of their income for housing (either rent or mortgage) are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care.

Mobility

It is important to note that demand is somewhat fluid between submarkets and will be impacted by development activity in nearby areas, including other communities outside Olmsted County. Demand given for each submarket may be lower or higher if proposed and/or planned developments move forward.

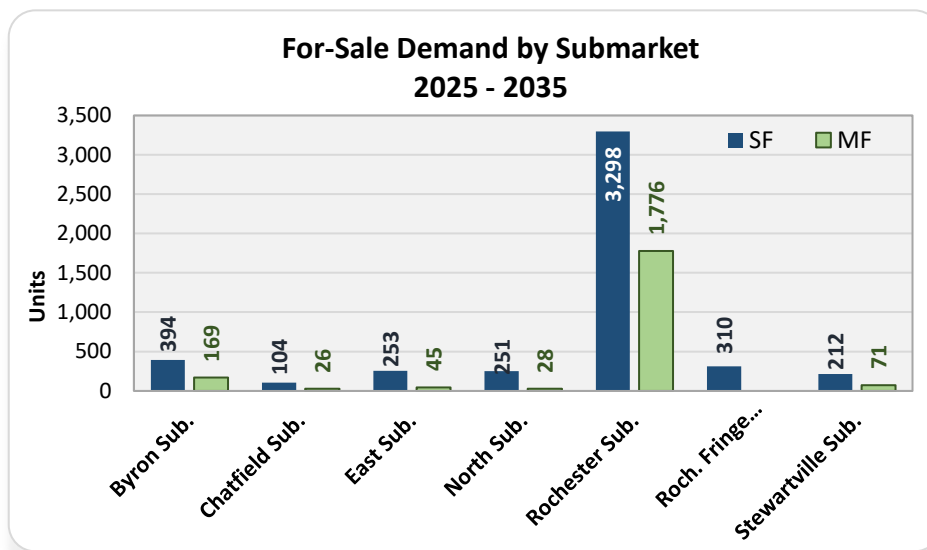
HOUSING DEMAND ANALYSIS



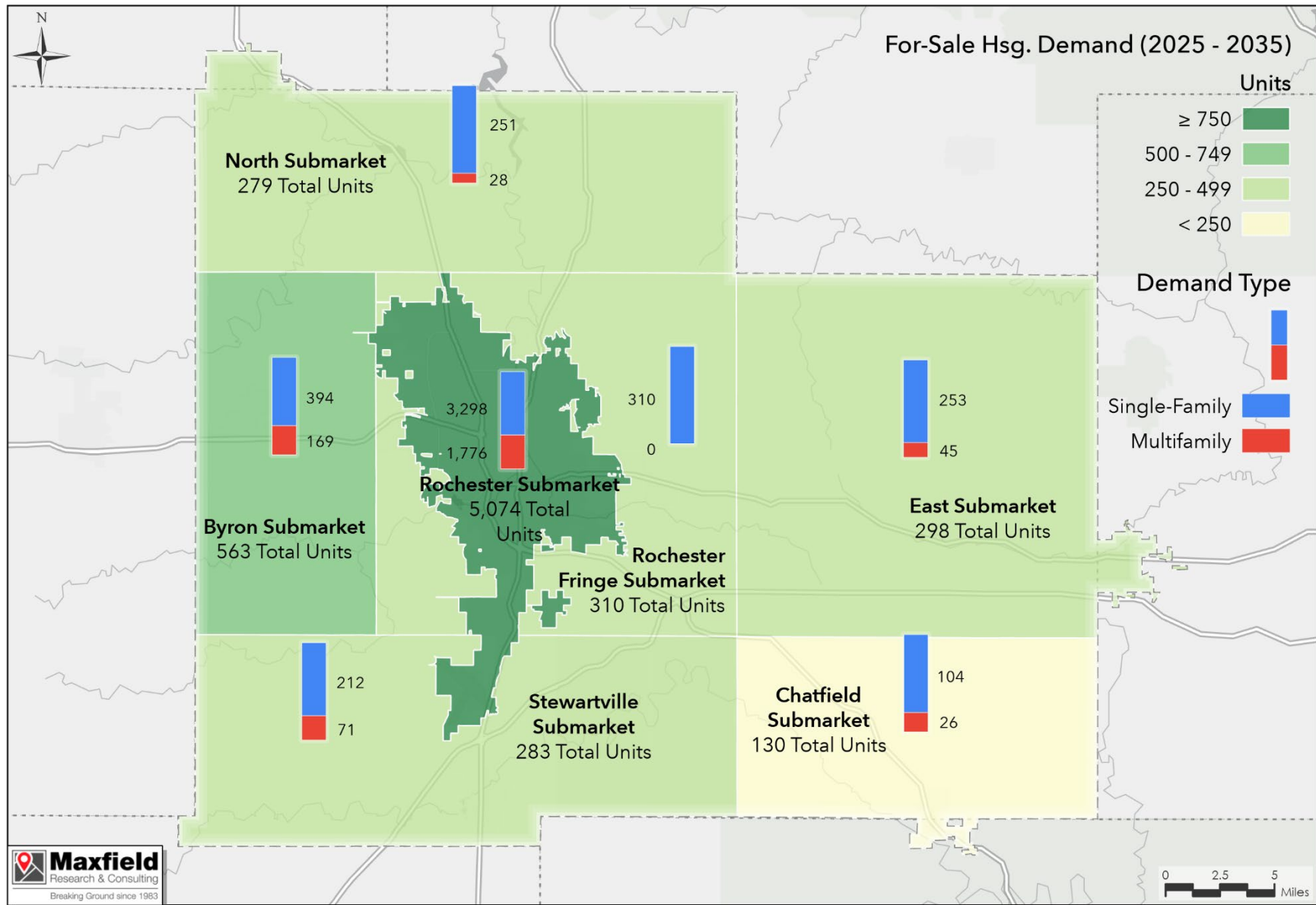
For-Sale Housing Demand Analysis

Table HD-1 (located in the appendix) presents our demand calculations for general occupancy for-sale housing in the Olmsted County Market Area between 2025 and 2035. This analysis identifies potential demand for general occupancy for-sale housing that is generated from both new households and turnover households. The following points summarize our findings.

- Because the 75 and older cohort is typically not a target market for new general occupancy for-sale housing, we limit demand from household growth to only those households under the age of 75. According to our projections, the Olmsted County Market Area is expected to increase by over 4,200 households under age 75 between 2025 and 2035.
- Based on household tenure data from the US Census, we expect that between 64% of the demand to 95% of the demand in the Market Area submarkets will be for owned housing units. Household growth is expected in all submarkets under the age of 75 with a total demand for just over 2,900 new household growth from households under the age of 75 in the Olmsted County.
- As of 2025 there are an estimated 49,415 owner households under age 75 in the County. Based on household turnover data from the 2023 American Community Survey, we estimate that the Market Area submarkets with range from 28% and 38% of these under-75 owner households will experience turnover between 2025 and 2035.
- Considering the age of the Olmsted County Market Area’s housing stock and the lack of supply on the market, we estimate that 14% of the households turning over will desire new housing across all submarkets. This estimate results in demand from existing households for 2,420 new residential units in the Market Area between 2025 and 2035.



Olmsted County Market Area – For-Sale Housing Demand by Submarket



HOUSING DEMAND ANALYSIS

- Total demand from household growth and existing household turnover between 2025 and 2035 equates to over 5,300 new for-sale housing units.
- Next, we estimate that a portion of the total demand for new for-sale units in the Olmsted County Market Area will come from people currently living outside of the seven submarkets. Adding demand from outside the submarkets to the existing demand potential, results in a total estimated demand for nearly 6,940 for-sale housing units by 2035.
- Based on land available, building trends, the existing housing stock and demographic shifts (increasing older adult population), we project between 65% and 100% (based on submarket) of the for-sale owners in the Olmsted County Market Area will prefer traditional single-family product types while the remaining portion will prefer a maintenance-free multifamily product (i.e. twin homes, townhomes or condominiums). This results in demand for 4,823 single-family units and 2,114 multifamily units in the Olmsted County to 2035.

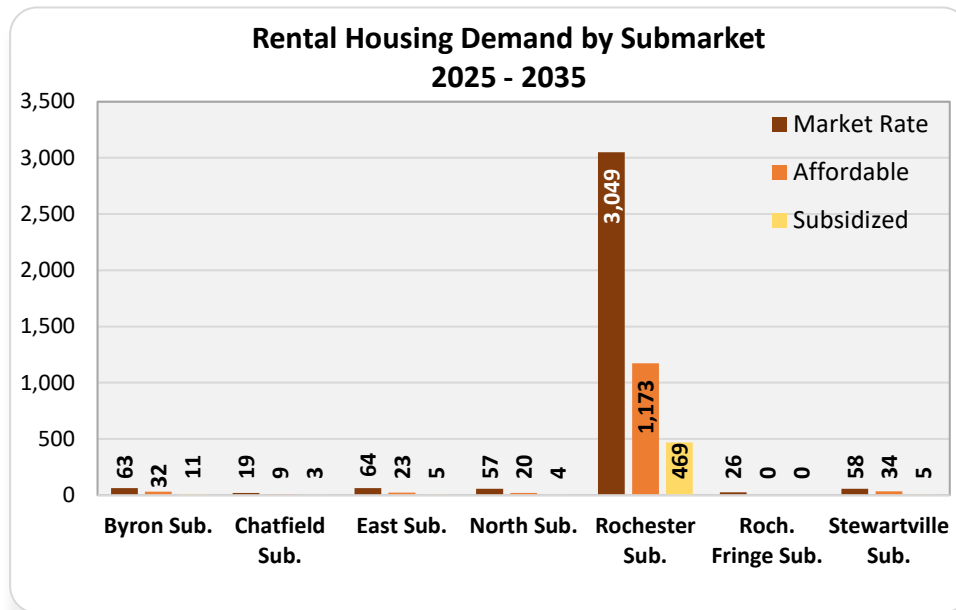
Rental Housing Demand Analysis

Table HD-2 (in the appendix) presents our calculation of market rate, affordable, and subsidized general-occupancy rental housing demand for the Olmsted County Market Area. This analysis identifies potential demand for rental housing that is generated from new and turnover households.

- According to projections, the Olmsted County Market Area is expected to increase by 3,608 non-senior households and 4,769 senior households between 2025 and 2035. Because the 65 and older cohort is typically not a target market for new general-occupancy market rate rental housing, we limit demand from senior household growth to only 20% of those households over the age of 65.
- Based on each submarket, we identify the percentage of households that are likely to rent their housing based on 2020 tenure data. The propensity to rent ranges from 6% to 39% for non-senior and 3% to 24% for seniors based on the submarket. After adjusting household growth by renters, there is growth of 1,477 renters to 2035 for renter households in the Olmsted County Market Area from new households.
- Secondly, we calculate demand from existing households in Olmsted County Market Area that could be expected to turnover between 2025 and 2035. As of 2025, there are an estimated 19,570 non-senior renter households and 3,719 senior renter households in the Market Area. Based on household turnover data from the 2023 American Community Survey, we estimate that between 64% and 84% of non-senior households and between

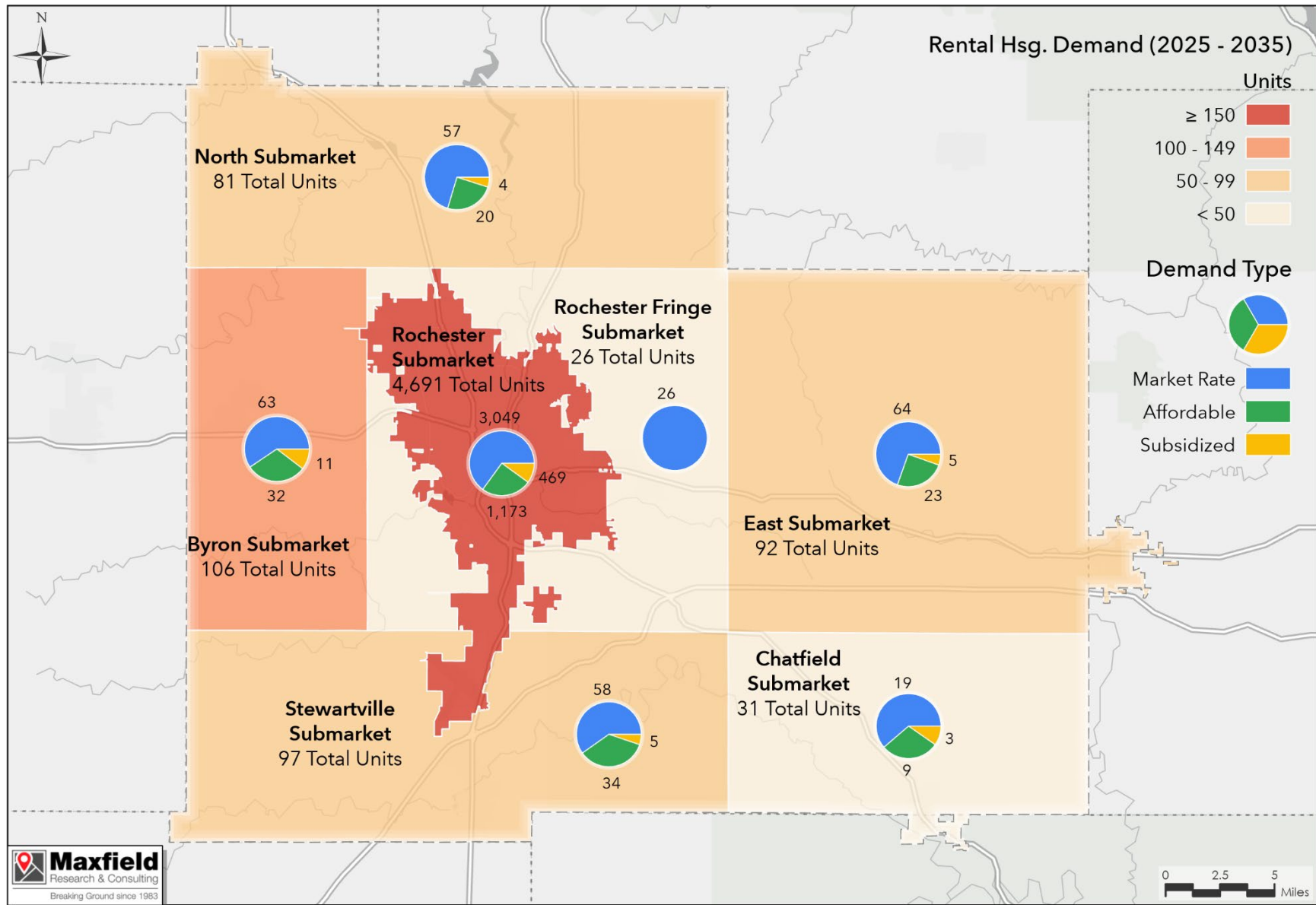
HOUSING DEMAND ANALYSIS

26% and 71% of senior households will experience turnover between 2025 and 2035 (turnover rate varies by submarket).



- We then estimate the percent of existing renter households turning over that would prefer to rent in a new rental development. Considering the age of the Market Area’s housing stock and the desire for contemporary apartments, we estimate that 15% of the households turning over in the Olmsted County Market Area will desire new rental housing. This estimate results in demand from existing households for 2,516 new rental units between 2025 and 2035. Combining demand from household growth plus turnover results in total demand in the Market Area for over 3,990 rental units between 2025 and 2030.
- Like for-sale housing, we estimate that 5% to 30% of the total demand for new rental housing units in the Olmsted County Market Area will come from people currently living outside of one of the seven submarkets giving us a total demand potential for about 5,120 rental units in the Market Area.
- Based on a review of renter household incomes and sizes and monthly rents at existing properties, we estimate that 60% to 100% of the total demand will be for market rate housing based on the submarket. To 2035, demand exists for 3,335 market rate rental units in the Olmsted County Market Area.
- Based on individual submarkets and the ability to support zoning for multifamily housing, we estimate that 0% to 35% of the total demand in the Olmsted County will be for affordable housing and 0% to 10% will be for subsidized housing. The percentage breakdown varies by submarket based on incomes and proposed land uses to support various housing types. To 2035, demand exists for about 1,300 affordable rental units and nearly 500 subsidized rental units in the Olmsted County Market Area.

Olmsted County Market Area– Rental Housing Demand by Submarket



Senior Housing Demand Analysis

Tables HD-3 through HD-7 (located in the Appendix) shows demand calculations for senior housing in Olmsted County Analysis Area by submarket from 2025 to 2035. Demand methodology employed by Maxfield Research utilizes capture and penetration rates that blend national senior housing trends with local market characteristics, preferences, and patterns. Our demand calculations consider the following target market segments for each product types:

Deep-Subsidy (Subsidized) Active Adult Housing: Target market based includes age 55+ older adult and senior households that income qualify based on HUD very low-income \$41,050 or less for one-person households at 50% of the county AMI in 2025.

Shallow-Subsidy (Affordable) Active Adult Housing: Target market base includes age 62+ older adult and senior households that income qualify for LIHTC based on income limits at or below \$56,280 for a two-person household at 60% of the county AMI and who can afford rents set at 50% of county AMI of \$1,026 for efficiency units in 2025.

Market Rate Active Adult Rental and Ownership Housing: Target market base includes age 55+ older adult and senior households with incomes of \$40,000 or more and senior homeowners with incomes between \$30,000 and \$39,999 in 2025.

Independent Living Housing: Target market base includes age 65+ seniors who would be financially able to pay for housing and service costs (\$35,000 or more and senior homeowners with incomes between \$30,000 and \$34,999 in 2025) associated with independent living housing. Income-ranges considered capable of paying for congregate housing are the same as for active adult housing.

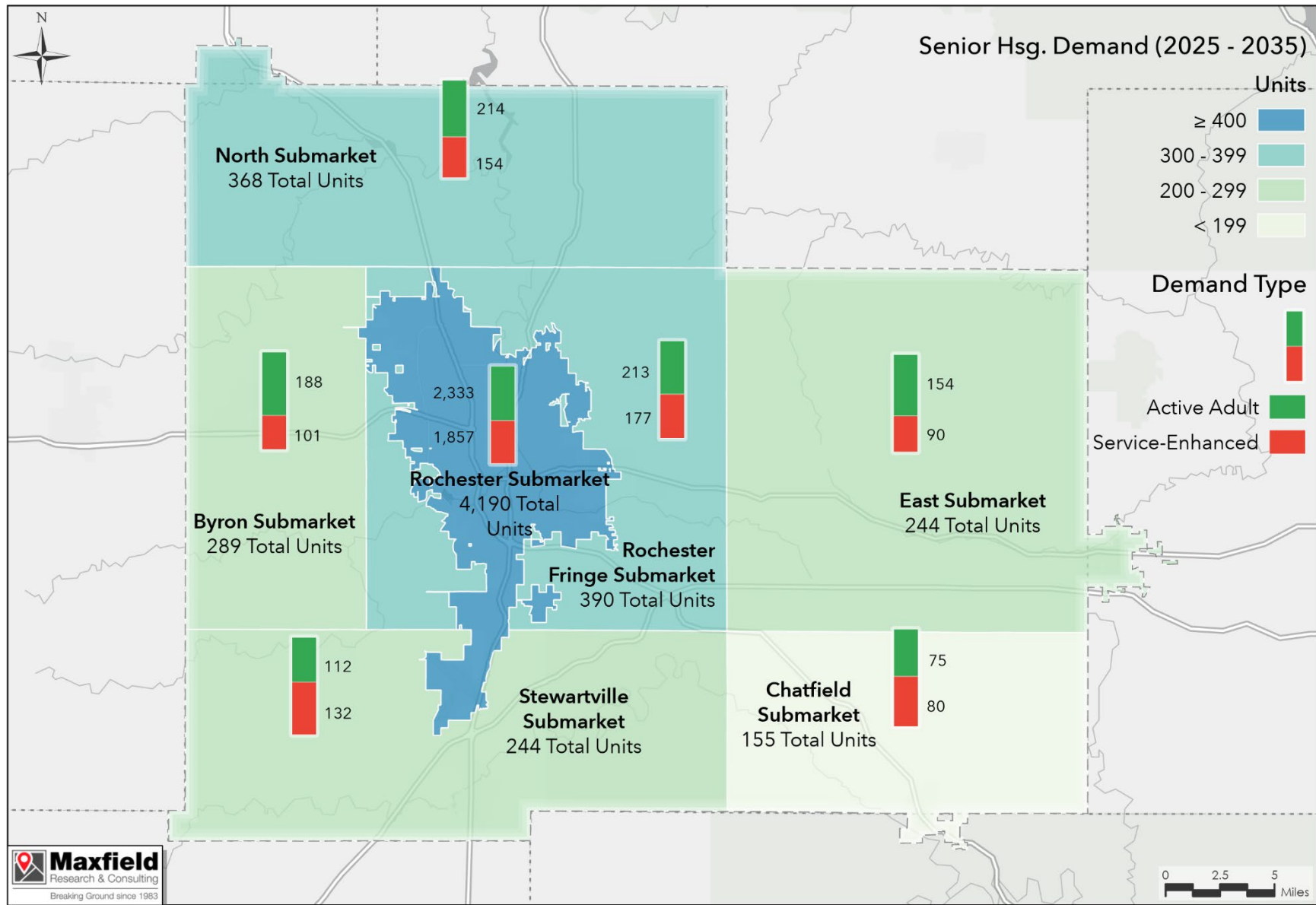
Assisted Living Housing: Target market base includes older seniors (age 75+) who would be financially able to pay for private pay assisted living housing (incomes of \$50,000 or more and a portion of homeowners with incomes below \$50,000) in 2025.

Memory Care Housing: Target market base includes age 65+ seniors who would be financially able to pay for housing and service costs associated with memory care housing. Income ranges considered capable of paying for memory care housing (\$60,000 or more in 2025) are higher than other service levels due to the increased cost of care.

Existing senior housing units are subtracted from overall demand for each product type.

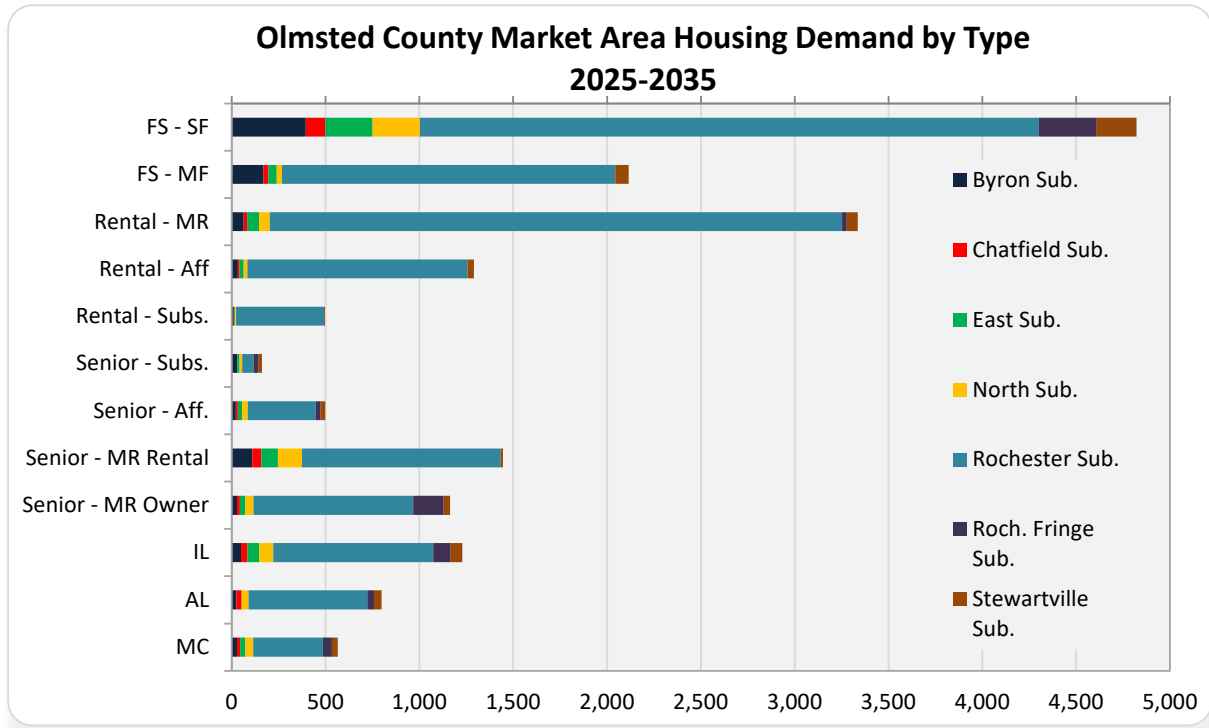
The map on the following page shows age-restricted demand by submarket in the Olmsted County Market Area. Detailed demand summaries by submarket are provided in Table HD-10.

Olmsted County Market Area – Senior Housing Demand



Olmsted County Market Area Demand Summary

The housing demand calculations in Tables HD-1 through HD-7 located in the Appendix indicate that between 2025 and 2035, 6,937 for-sale housing units, 5,124 general occupancy rental units and 5,880 total senior units will be needed in the Olmsted County Market Area by 2035 to satisfy the housing demand for current and future residents. Summary demand tables for general occupancy and senior housing are broken down by submarket in Tables HD-8 and HD-9.



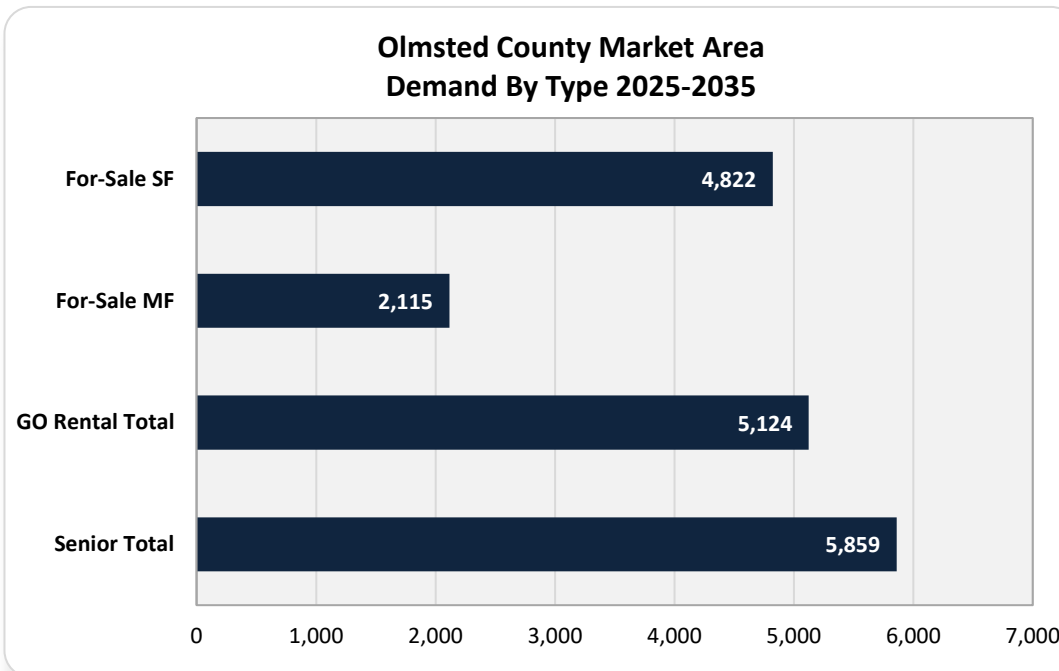
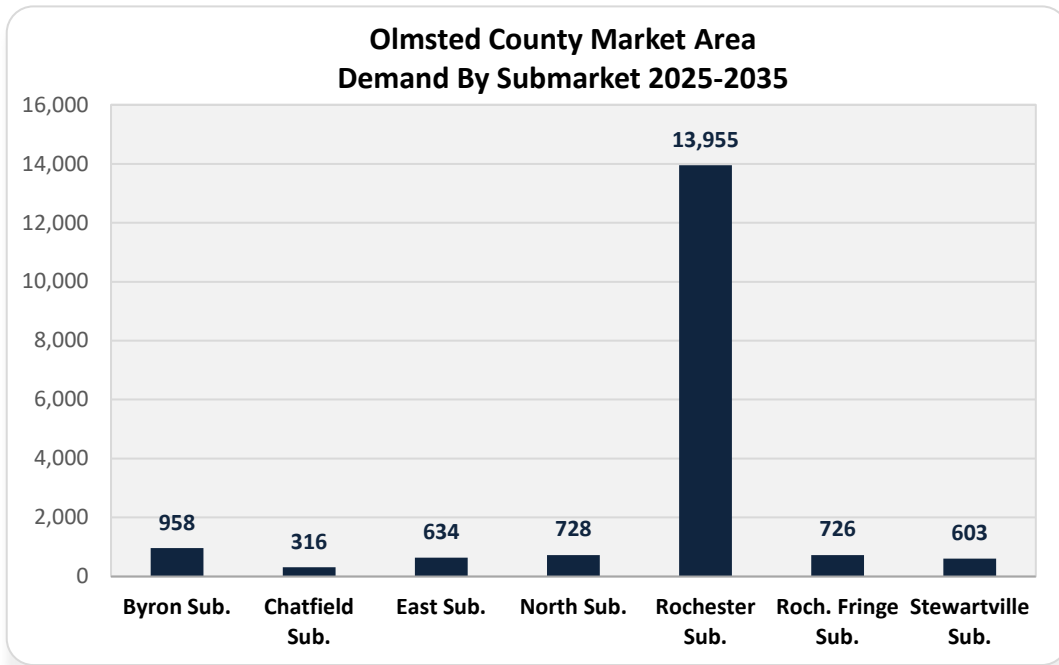


TABLE HD-9 GENERAL OCCUPANCY EXCESS DEMAND SUMMARY OLMSTED COUNTY 2025 to 2035							
2025 to 2035							
Submarket	FOR-SALE			RENTAL			
	Single-family	Multifamily	Total	Market Rate	Affordable	Subsidized	Total
Byron	394	169	563	63	32	11	106
Chatfield	104	26	130	19	9	3	31
East	253	45	298	64	23	5	92
North	251	28	279	57	20	4	81
Rochester	3,298	1,776	5,074	3,049	1,173	469	4,691
Rochester Fringe	310	0	310	26	0	0	26
Stewartville	212	71	283	58	34	5	97
Olmsted County Market Area	4,822	2,115	6,937	3,336	1,291	497	5,124

Sources: Maxfield Research & Consulting

HOUSING DEMAND ANALYSIS

**TABLE HD-10
SENIOR HOUSING EXCESS DEMAND SUMMARY
OLMSTED COUNTY MARKET AREA
2025 to 2035**

2025									
Submarket	ACTIVE ADULT					SERVICE-ENHANCED**			
	Subsidized Rental	Affordable Rental	MR Owner	MR Rental	Total	Independent Living	Assisted Living	Memory Care	Total
	Byron	26	17	20	79	142	29	11	12
Chatfield	0	12	13	40	65	27	20	13	60
East	11	19	24	72	126	48	0	19	67
North	12	24	35	105	176	48	22	28	98
Rochester	0	352	621	910	1,883	416	372	199	987
Rochester Fringe	23	18	125	0	166	59	22	30	111
Stewartville	19	23	29	0	71	47	29	21	97
Olmsted County Market Area	91	465	867	1,206	2,629	674	476	322	1,472

2035									
Submarket	ACTIVE ADULT					SERVICE-ENHANCED**			
	Subsidized Rental	Affordable Rental	MR Owner	MR Rental	Total	Independent Living	Assisted Living	Memory Care	Total
	Byron	30	22	27	109	188	49	25	27
Chatfield	0	11	16	48	75	35	27	18	80
East	12	23	30	89	154	63	0	27	90
North	14	29	43	128	214	74	38	42	154
Rochester	61	362	851	1,059	2,333	853	632	372	1,857
Rochester Fringe	24	27	162	0	213	93	36	48	177
Stewartville	20	24	35	12	91	61	41	30	132
Olmsted County Market Area	161	498	1,164	1,445	3,268	1,228	799	564	2,591

** Service-enhanced demand is calculated for private pay seniors only; additional demand could be captured if Elderly Waiver and other sources of non-private payment sources are permitted.

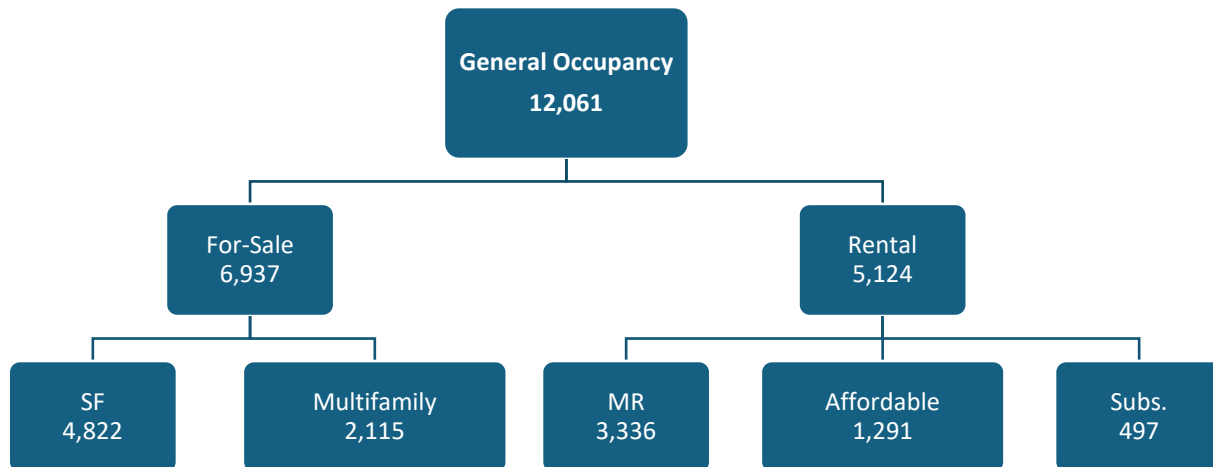
Sources: Maxfield Research & Consulting

Conclusions and Recommendations

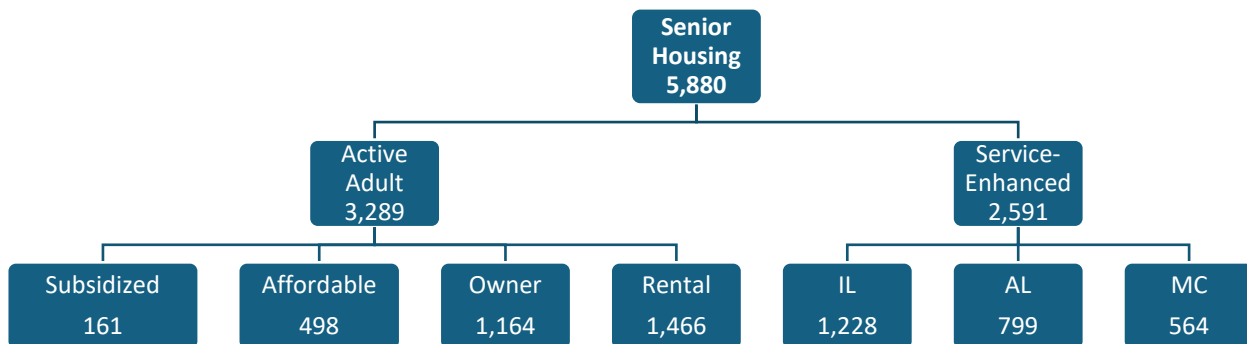
Based on the finding of our analysis and demand calculations, Tables HD-8 and HD-9 provides a summary of housing demand county and submarket to 2035. Demand exists in the Olmsted County Market Area for a variety of product types. The following section summarizes housing concepts and housing types in demand from various target markets. Not all housing types will be supportable in all communities; the demand illustrated in Tables HD-8 and HD-9 located in the appendix may not directly coincide with housing development due to a variety of factors (i.e. economies of scale, infrastructure capacity, land availability, etc.).

Based on the findings of the analysis and demand calculations, Table CR-1 provides a summary of the recommended development concepts by product type for Olmsted County. It is important to note that these proposed concepts are intended to act as a development guide to most effectively meet the housing needs of existing and future households in Olmsted County. The recommended development types do not directly coincide with total demand as illustrated in Tables HD-8 and HD-9.

Olmsted County Projected General Occupancy Demand, 2025 – 2035



Olmsted County Projected Senior Demand, 2025 – 2035



Recommended Housing Product Types

Owner Occupied

Single-Family Housing

Demand was projected for over 4,820 single-family housing units in the Olmsted County Market Area through 2035. Table FS-17 in the appendix summarizes the vacant lot supply and indicates there are an insufficient number of vacant developed lots to meet long-term demand.

The lot supply benchmark for growing communities is a three- to five-year lot supply, which ensures adequate consumer choice without excessively prolonging developer-carrying costs. Given the number of existing platted lots in the Olmsted County Market Area and the number of homes constructed annually, the current lot supply is inadequate in the next few years for nearly all communities. Therefore, new platted lots will be needed immediately to accommodate demand over this decade. Most of the submarkets across the Olmsted County Market Area have less than a three-year lot supply. Thus, every submarket will require newly platted lots long-term.

Compared to historical trends since 2000, new construction has slowed since the Great Financial Crisis (GFC) after the housing boom in the mid-2000s. Prior to the GFC, Rochester was producing upwards of 1,000 single-family units annually between 2002 and 2004. In the Olmsted County Market Area from 2011 to 2015, new for-sale single family homes averaging 445 per year (down from 641 per year from 2001 to 2010). Development picked up from 2016 through 2019 back above the previous decades average at 653 single-family homes per year.

The supply of existing homes remained tight through the pandemic as buyers had continually outpaced the number of homes for sale. In the past couple years as mortgage rates rose, buyers have declined, and the supply has remained low as many households are remaining in their homes with lower locked in interest rates. As a result, many communities have seen new construction account for a higher market share as builders are delivering housing whereas the resale market supply is low. Given high construction costs, infrastructure costs, inflation, and higher mortgage rates, it is financially difficult today to build most new construction for much less than \$400,000. Hence, the development of entry-level homes may require a private-public partnership or other incentives to stimulate lower priced new home construction in the Olmsted County Market Area.

Much of the existing housing stock will appeal to entry-level or first-time home buyers. Entry-level homes, which we generally classify now as homes priced under \$300,000 will be mainly satisfied by existing single-family homes as residents of existing homes move into newer housing products built in Olmsted County communities, such as move-up single-family homes, twin homes, rental housing and senior housing.

CONCLUSIONS AND RECOMMENDATIONS

For-Sale Multifamily Housing

A growing number of households desire alternative housing types such as townhouses, detached townhomes, villas, and twinhomes. Typically, the target market of for-sale multifamily housing is empty-nesters and retirees seeking to downsize from their single-family homes. In addition, professionals, particularly singles and couples without children, also will seek townhomes if they prefer not to have the maintenance responsibilities of a single-family home. In most housing markets, younger households also find purchasing multifamily units to be generally more affordable than purchasing new single-family homes.

Multifamily transactions have averaged about 18% of all real estate transactions since 2010 while priced over 20% lower than a single-family home on average. There have been few association-maintained communities built since the GFC, especially more affordable side-by-side townhomes. Given the changing demographics of the aging population and the high growth rate in the 55+ population (as well as demand from other demographic cohorts), the Olmsted County Market Area would benefit from a more diversified housing stock. Based on the changing demographics, demand was calculated for 2,115 new multifamily for-sale units in the Olmsted County Market Area through 2035. These attached units could be developed as twin homes, detached townhomes, cottages, villas, townhomes/row homes, or any combination. Because one of the main target markets is empty-nesters and young seniors, the majority of townhomes should be one-level, or at least have a master suite on the main level if a unit is two-stories. The following provides greater detail into townhome and twin home style housing.

- **Twinhomes**— By definition, a twin home is basically two units with a shared wall with each owner owning half of the lot the home is on (also referred to as a duplex). Some one-level living units are designed in three-, four-, or even six-unit buildings in a variety of configurations. The swell of support for twin home and one-level living units is generated by the aging baby boomer generation, which is increasing the numbers of older adults and seniors who desire low-maintenance housing alternatives to their single-family homes but are not ready to move to service-enhanced rental housing (i.e., downsizing or right sizing). Housing products designed to meet the needs of these aging Olmsted County Market Area residents, many of whom desire to stay in their current community if housing is available to meet their needs, will be needed into the future. Based on available data, there are very few twin home units in the current housing stock.

Traditionally most twin home developments have been designed with the garage being the prominent feature of the home; however, today's newer twin homes have much more architectural detail. Many higher-end twin home developments feature designs where one garage faces the street and the other to the side yard. This design helps reduce the prominence of the garage domination with two separate entrances.

While 84% of the demand for for-sale multifamily is in Rochester, another 339 units is spread across Olmsted County, twin homes could be one of the preferred multifamily

CONCLUSIONS AND RECOMMENDATIONS

product types as units can be constructed as demand warrants. Because townhomes bring higher density and economies of scale to the construction process, the price point can be lower than stand-alone single-family housing.

Many older adults and seniors will move to this housing product with substantial equity in their existing single-family home and will be willing to purchase a maintenance-free home that is priced similar to their existing single-family home. The twin homes should be association-maintained with 40'- to 50'-wide lots on average.

- *Detached Townhomes/Villas* – An alternative to the twin home is the one-level villa product and/or rambler. This product also appeals mainly to baby boomers and empty nesters seeking a product similar to a single-family living on a smaller scale while receiving the benefits of maintenance-free living. Many of these units are designed with a walk-out or lookout lower level if the topography warrants. We recommend lot widths ranging from 45 to 55 feet with main level living areas between 1,600 and 1,800 square feet. The main level living area usually features a master bedroom, great room, dining room, kitchen, and laundry room while offering a “flex room” that could be another bedroom, office, media room, or exercise room. However, owners should also be able to purchase the home with the option to finish the lower level (i.e. additional bedrooms, game room, storage, den/study, workshop, etc.) and some owners may want a slab-on-grade product for affordability reasons. Finally, builders could also provide the option to build a two-story detached product that could be mixed with the villa product.
- *Side-by-Side and Back-to-Back Townhomes* – This housing product is designed with three or four or more separate living units in one building and can be built in a variety of configurations. With the relative affordability of these units and multi-level living, side-by-side and back-to-back townhomes have the greatest appeal among entry-level households without children, young families and singles and/or roommates across the age span. However, two-story townhomes would also be attractive to middle-market, move-up, and empty-nester buyers. Many of these buyers want to downsize from a single-family home into maintenance-free housing, many of which will have equity from the sale of their single-family home.

We recommend side-by-side units, which tend to appeal to a slightly broader market, including older adults and retirees as well as younger families with children. Side-by-side units (or rowhomes) have increased density and could provide higher returns on investment to builders/developers that would spread out the costs of infrastructure. Association-maintained townhomes and/or rowhomes can have lot widths ranging from 22' to 35'. As previously mentioned, this product type was popular in the early 2000s but few units have been constructed over the past decade. Given higher development costs and mortgage rates, side-by-side townhomes are well-positioned to capture demand as they can be brought to the market at lower price points due to increased densities and economies of scale.

CONCLUSIONS AND RECOMMENDATIONS

General Occupancy Rental Housing

Maxfield Research and Consulting calculated demand for over 5,120 general-occupancy rental units in the Olmsted County Market Area through 2035 (3,336 market rate, 1,291 affordable, and 497 subsidized units). Over 90% of demand in the Olmsted County Market Area was projected in the Rochester Submarket.

Our competitive inventory survey identified a 3.0% vacancy rate among the general occupancy rental product as of 1st Quarter 2025 which is below market equilibrium of 5%. Due to the age and positioning of the some of the existing rental supply, a portion of units are priced at or below guidelines for affordable housing (Naturally Occurring Affordable Housing – NOAH), which indirectly satisfies some demand from households that income-qualify for financially assisted housing. It is important to note that many renters are seeking newer rental properties with additional and updated amenities that are typically not offered in older developments. Since the previous study in 2020, an influx of new market rate rental developments (11 buildings – 1,528 units) have been added to the Market Area. Only one of these properties constructed from 2021 to present was located outside of Rochester (Bearpath Apartments in Byron – 47 units)

Because of the economies of scale when constructing multifamily rental housing, new construction requires density that will be difficult to achieve in some of the smaller Olmsted County communities. New rental housing can be developed immediately and will continue to be in demand through this decade especially if new job growth is achieved in the Olmsted County Market Area. The following rental product types are recommended through 2035:

- ***Market Rate Rental*** – As illustrated in Table R-1, the market rate vacancy from the over 8,500+ apartments inventoried across the Market Area was only 2.9%. This vacancy rate excludes newer properties in the initial lease-up period as well as properties that did not participate or in which we were unable to gather information. The projects that are currently in the initial lease-up period posted a vacancy rate of 39% at the time of the survey (526 units).

Demand was calculated for about 3,335 market rate units over the course of this decade in the Market Area. In addition to the large number units in initial lease-up, there are 522 units currently under construction in addition to those actively leasing along with 1,132 units planned that may or may not be developed. Thus, of the 3,335 units of demand of the next 10 years, there are nearly 2,030 units in various processes leaving 1,305 units of demand remaining if all developments were completed. However, at this time it is unknown if all these projects will move forward or they may be on-hold until financing conditions improve.

We recommend new market rate rental products in most submarkets to absorb the remaining calculated demand for market rate rental housing. New market rental project(s) should be similar to those that have been developed recently that will attract a diverse

CONCLUSIONS AND RECOMMENDATIONS

resident profile, including young to mid-age professionals as well as singles and couples across all ages (including seniors).

Average rents in the Olmsted County Market Area are approximately \$1.69 per square foot, however monthly rents for recently developed properties are averaging around \$2.10 per square foot. Because of construction and development costs, it may be difficult for a market rate apartment to be financially feasible with rents lower than the current per square foot price. Thus, for this type of project to become a reality in the smaller submarkets there may need to be a public – private partnership to reduce development costs and bring down the rents or the developer will need to provide smaller unit sizes.

Based on Census ACS estimates, townhome rentals make-up about 9% of the entire rental housing stock while single-family rentals comprise an estimated 16% of all rental housing units in the Olmsted County Market Area. An estimated 47% of the rental housing stock is located within larger multifamily-style buildings of over 10 units.

- Market Rate General Occupancy Rental Townhomes – A portion of the projected demand for market rate rental housing could be satisfied with larger townhome units in addition to the traditional multifamily structures. These would attract families and couples – including those who are new to the community and want to rent until they find a home for purchase. Units should feature contemporary amenities (i.e. in-unit washer/dryer, high ceilings, etc.) and an attached 1 or 2 stall garages. Again, like traditional multifamily development, these rents are higher than the existing rental product.
- Market Rate General Occupancy Single Family Built for Rent (SFR) – Similar to rental townhomes, there is a growing need for single-family rentals. Demand is strong for SFR by providing renter lifestyle choice and the ability to reside in a detached unit without having to obtain the funds for a down payment on a mortgage. Many SF renters may consider purchasing; however, the rising costs of real estate and the down payment requirements hinder some renters from making the leap to home ownership. The COVID-19 pandemic increased demand for SFR as renters desire more square footage, green space/yards, separate entrances, and more privacy than traditional multifamily structures. This demand has remained strong since and continues to be product in high need, especially given higher mortgage rates.

Single-family rental communities have been one of the hottest real estate products to come out of the pandemic over the past few years. Although the Midwest is behind the rest of the country, there are several developments in the pipeline or that have recently been completed in the Twin Cities and one in Rochester. We recommend exploring purpose-built single-family rental communities in the Olmsted County Market Area.

- Affordable and Subsidized Rental Housing – Affordable and subsidized housing receives financial assistance (i.e. operating subsidies, tax credits, TIF, rent payments, etc.) from

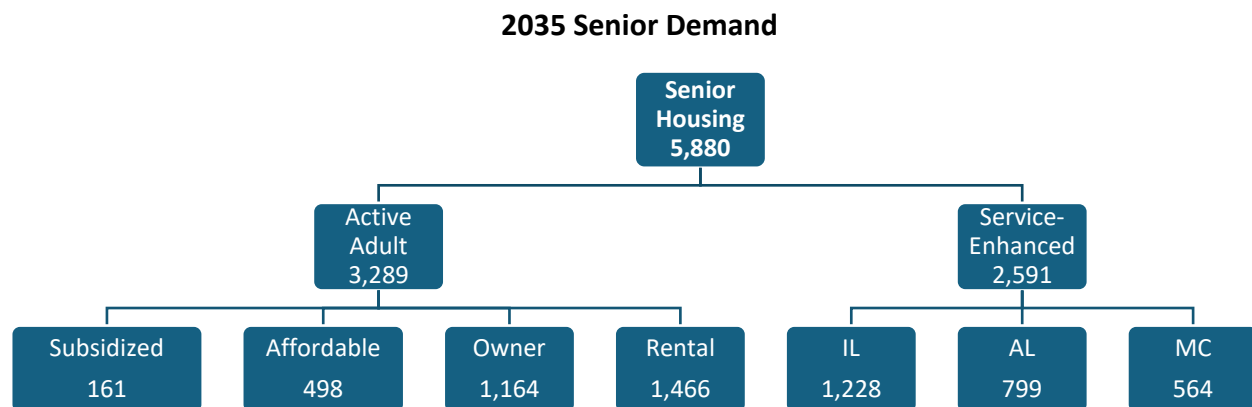
CONCLUSIONS AND RECOMMENDATIONS

governmental agencies in order to make the rent affordable to low-to-moderate income households. We find demand for roughly 1,290 affordable and 495 subsidized units through 2035; however, because subsidized is nearly impossible to finance deep-subsidy rental projects today, the vast majority of demand will be for affordable housing projects. Although demand is strongest in Rochester, due to the growing need and limited availability of affordable housing, most markets could develop affordable products successfully. Affordable housing could be designed in either traditional apartment-style affordable housing, townhome-style affordable housing, or a small percentage of affordable units incorporated into a market rate building.

Senior Housing

As illustrated in Table HD-10, demand exists for all service levels of senior housing in the Olmsted County Market Area this decade. In fact, senior housing demand accounts for 33% of all housing demand in the Market Area through 2035, making up 5,880 units. This is largely due to the ageing population of Baby Boomers in the Olmsted County Market Area. The highest demand in the short-term for more active adult and independent living products (both market rate and affordable).

Development of additional senior housing is recommended in order to provide housing opportunity to these aging residents in their stages of later life. The development of additional senior housing serves a two-fold purpose in meeting the housing needs in the Olmsted County Market Area: older adult and senior residents are able to relocate to new age-restricted housing in the Market Area, and existing homes and rental units that were occupied by seniors become available to other new households. Hence, development of additional senior housing does not mean the housing needs of younger households are neglected; it simply means that a greater percentage of housing need is satisfied by housing unit turnover. The types of housing products needed to accommodate the aging population base are discussed individually in the following section.



- Active Adult Senior Cooperative – At present there are four existing senior cooperatives in the Olmsted County Market Area (all located in Rochester) that have a total of 276 units.

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Maxfield Research projected demand for about 865 active adult ownership units through 2035. Although demand is spread across the seven submarkets, the Rochester Submarket is strongest for a new for-sale senior development. The Byron and Stewartville submarket may be able to support a cooperative project although demand is limited. A cooperative project would attract residents from other neighboring communities. The cooperative model, in particular, appeals to a larger base of potential residents in that it has characteristics of both rental and ownership housing. Cooperative developments allow prospective residents an ownership option and homestead tax benefits without a substantial upfront investment as would be true in a condominium development or life care option.

- Active Adult Rental – There are a total of only four market rate active adult projects in the Olmsted County Market Area (three in Stewartville and one in Rochester) with a total of 327 units and a vacancy rate of 6.1%. Nearly all of the vacancies (17 out of 19 vacancies) are located with Forte Senior Living in Rochester which opened phases in 2022 and 2023 for a current total of 254 units. Because of the limited number of active adult product in the Olmsted County Market Area and strong senior demographics, demand was calculated for 1,466 active adult rentals in the Olmsted County Market Area through 2035. Demand was calculated to support active adult housing in each of the seven submarkets for new active adult product with the highest demand in the Rochester submarket.

Because active adult senior housing is not need-driven, the demand for this product type competes to some degree with general-occupancy rental housing projects. Maxfield Research finds many of the existing rental buildings have an older demographic that may be attracted to an age-restricted building if more product was available. Monthly rents should be similar to other newer, market rate general-occupancy apartment buildings.

- Shallow-subsidy (Affordable) Rental – Olmsted County Market Area demand for affordable senior housing is roughly 500 units to 2035. Affordable senior housing products can also be incorporated into a mixed income building which may increase the projects financial feasibility. Affordable senior housing will likely be a low-income tax credit project through the Minnesota Housing Finance Agency. Due to incomes in the Olmsted County Market Area, affordable housing demand is strongest in the Rochester Submarket. However, affordable developments in any of the communities will draw from all submarkets as households typically will travel for affordable housing due to lack of available options.
- Deep-subsidy (Subsidized) Rental – Olmsted County Market Area demand for subsidized senior housing roughly 160 units to 2035. Financing subsidized senior housing is difficult as federal funds have been shrinking. Therefore, a new subsidized development would likely rely on a number of funding sources; from low-income tax credits (LIHTC), tax-exempt bonds, Section 202 program, USDA 515 program, among others.
- Independent Living – Demand was calculated for over 1,200 independent living units through 2035 in the Olmsted County Market Area. There are eight independent living

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providers in the Olmsted County Market Area with a total of 803 units and a vacancy rate of 2.5%; well below market equilibrium of 5%. There is one project in Bryon (20 units) and Pine Island (12 units). The remainder are all located in Rochester. There is demand to support additional independent living units within all submarkets with Rochester having the largest draw. We recommend several new independent living projects being to target the growing senior population, especially later this decade as demand snowballs.

Due to economies of scale needed for congregate housing, other service levels may have to be combined to the project to increase density to be financially feasible. Alternatively, the concept called “Catered Living” may be viable as it combines independent and assisted living residents and allows them to age in place in their unit versus moving to a separate assisted living facility. (See the following for definition of Catered Living).

- Assisted Living Senior Housing – Based on our analysis, we project demand for about 800 assisted living units in the Olmsted County Market Area through 2035. There are 13 assisted living developments with a total 594 units in the Market Area. Vacancy rates are well below market equilibrium at 2.5% (equilibrium is considered 7%). With the growing senior population, all submarkets have pent-up demand for additional assisted living.
- Memory Care Senior Housing – Demand was projected for over 550 memory care units in the Olmsted County Market Area through 2035. There are 170 existing memory care units within 11 facilities in the Market Area. Again, current vacancy rates are well below market equilibrium of 7% at 2.3% indicating pent-up demand for additional memory care units. Memory Care can have high turnover however due to the advanced care and health at these facilities and vacancy rates can fluctuate rapidly. However, roughly 17 units would need to become available to reach stabilized occupancy.

Given the service-intensive nature of memory care housing and staffing ratios, typically most memory care facilities are attached to either an assisted living development or are a component of a skilled nursing facility. Therefore, new memory care units would be best suited if they were attached to an assisted living complex as demand is not high enough for a stand-alone memory complex. Alternatively, memory care could also be associated with a skilled nursing facility; however, we stress the residential approach to memory care versus the institutional feel from a nursing home.

- Service-Enhanced Senior Housing or “Catered Living” –Due to economies of scale, it may be more difficult to develop stand-alone facilities in the smaller Market Area communities for service enhanced senior housing products that are financially feasible. Therefore, we recommend senior facilities that allow seniors to “age in place” and remain in the same facility in the stages of later life. Catered living is a “hybrid” senior housing concept where demand will come from independent seniors interested in congregate housing as well as seniors in need of a higher level of care (assisted living). In essence, catered living provides a permeable boundary between congregate and assisted living care. The units and spatial allocations are undistinguishable between the two senior housing products, but residents

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will be able to select an appropriate service level upon entry to the facility and subsequently increase service levels over time. Additionally, catered living not only appeals to single seniors but also to couples; each resident is able to select a service level appropriate for his or her level of need, while still continuing to reside together.

The catered living concept trend is a fairly newer concept but tends to be developed in more rural communities that cannot support stand-alone facilities for each product type.

Summary by Submarket

Although there is demand for a variety of housing product types in each of the submarkets, it will be difficult to develop certain housing products due to the density and economies of scale needed to be financially viable. Therefore, the lesser populated communities will experience additional challenges due to density requirements. In addition, there is likely to be cross-over demand and mobility between submarkets as new housing products are developed. Table CR-1 on the following page outlines the submarkets most likely to experience new housing based on housing demand and the number of units needed to be supportable.

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Housing Type/Program	Purchase Price/Monthly Rent Range ¹		Byron Sub.		Chatfield Sub.		East Sub.		North Sub.		Rochester Sub.		Roch. Fringe Sub.		Stewartville Sub.			
	Minus Rochester Area	Rochester Area	'25-'30	'30-'35	'25-'30	'30-'35	'25-'30	'30-'35	'25-'30	'30-'35	'25-'30	'30-'35	'25-'30	'30-'35	'25-'30	'30-'35		
For-Sale Housing (New Construction)																		
Single-family - (New lots needed)			x	x	x	x	x	x	x	x	x			x	x			
Single-family by Price																		
Entry-Level	>\$250,000	>\$300,000	x	x	x	x	x	x	x	x	x	x			x	x		
Move-up	\$350k-\$475k	\$450k-\$750k	x	x	x	x	x	x	x	x	x	x	x	x	x	x		
Executive	\$500k+	\$800k+	x	x									x	x				
Twinhomes/Townhomes/Villas																		
Entry-level	>\$225,000	>\$275,000	x	x			x	x				x	x			x		
Move-up	\$300,000+	\$400,000+	x	x	x	x	x	x	x	x	x	x	x			x		
General Occupancy Rental Housing																		
Market Rate Moderate-Income ²	\$975/1BR - \$1,500/3BR	\$1,000/1BR - \$1,600/3BR	x	x	x	x	x	x	x	x	x	x				x		
Market Rate Luxury ²	\$1,100/Eff-\$2,000/2BR + D	\$1,250/Eff-\$3,000/2BR + D																
Market Rate Townhomes ²	\$1,800/2BR - \$2,400/3BR	\$2,000/2BR - \$2,700/3BR	x	x	x	x	x	x	x	x	x	x				x		
Market Rate Built for Renf (SF) ²	\$2,600/3BR-\$3,200/4BR	\$2,200/2BR-\$3,900/5BR	x	x														
Affordable/Subsidized	Per Income Guidelines		x	x			x	x			x	x				x		
Senior Housing																		
Market Rate																		
Active Adult - For-Sale Coop	\$150,000+ (plus monthly fee)	\$200,000+ (plus monthly fee)	x	x													x	
Active Adult - Rental	\$1,200 - \$1,700	\$1,350-\$2,100	x	x	x	x	x	x	x	x	x	x					x	
Congregate/Independent	\$1,400 - \$2,700 (based on svcs.)	\$1,500 - \$3,200 (based on svcs.)	x	x	x	x	x	x	x	x	x	x					x	
Assisted Living	\$3,300/EFF - \$4,500/2BR	\$3,800 - \$5,500															x	
Memory Care	\$3,800 - \$5,000	\$4,500 - \$6,500	x	x			x	x	x	x	x	x					x	
<u>Alternative Concept:</u>																		
Catered Living	\$1,600+				x	x				x								x
Affordable Senior Housing																		
Active Adult	Per Income Guidelines		x	x			x	x	x	x	x	x						x

Note: Although many of the smaller communities show housing demand for a variety of housing types; it will not be feasible due to the economies of scale needed. Therefore, recommendations are based on the need and density needed to be feasible.

¹ Blended average across Olmsted County, pricing in the Rochester Area is in parenthesis. Pricing will vary from submarket to submarket across the county. Base pricing, senior housing will vary considerably based on personal care services packages and number of occupants.

² Market rate multifamily housing could be developed in either apartment-style or townhome style design

Source: Maxfield Research & Consulting

Challenges and Opportunities

The following were identified as the greatest challenges and opportunities for developing the recommended housing types (in no particular order – sorted alphabetically).

- **Accessory Dwelling Units (“ADU”):** Accessory dwelling units (“ADUs”) go by several different names such as: In-law suites, garage apartments, backyard cottages, granny flats, guest houses, etc. An ADU is simply a small, stand-alone residential dwelling unit located on the same property as a detached single-family home. However, in some cases an ADU could include an addition on an existing home, apartment over a garage, or be located within an attic or basement within the home. Legally, however, an ADU is still a part of the original parcels PID number and title is with the property owner. The most common reason for building an ADU is generating rental income for the homeowner or housing a family member (often for free), however other uses include a home office or studio space, flex room with fitness, guest room, etc.

Because of increased density on the property and smaller sized units, ADUs have the potential to increase housing affordability and create a wider range of housing options. Many communities that permit ADUs in their zoning code limit the number of accessory structures to just one; however, some cities have recently revised their zoning code to allow up to two accessory structures. Some communities monitor ADU construction by limiting new construction to only owner-occupied housing units (main structure is owned), minimum lot size, setbacks, and number of occupants or bedrooms in the accessory structure.

Maxfield Research recommends that local planning departments review their existing zoning code and if not already permitted, revise zoning codes to ensure ADUs can be a permitted use. The City of Rochester has initiated an ADU Pilot Program that will provide reimbursements in city fees or other development related costs related to the building of a new ADU unit.

- **Affordable Housing/Naturally Occurring Affordable Housing.** Tables HA-1 and HA-2 identified Olmsted County Area Median Incomes (“AMI”) and the fair market rents by bedroom type. The average market rate rent in Olmsted County Market Area is \$1,470/month and the established rents for affordable housing are higher than many market rate rental developments in Olmsted County, especially in the smaller communities across the Olmsted County Market Area. For example, at a 60% AMI the maximum gross rent for a one-bedroom unit is \$1,407 while a two-bedroom maximum rent is \$1,582 per month. As a result, many older existing rental properties in the county are considered “naturally occurring affordable” and are mostly fulfilled by existing, older rental product in the marketplace. According to the Harvard’s Joint Center for Housing Studies (JCHS) unsubsidized rentals account for more than 75% of the affordable housing stock in the

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United States. It is estimated that over one-third of the naturally occurring affordable housing stock is composed of smaller multifamily buildings from 5 to 49 units.

Furthermore, first-time homebuyers with good credit and a down payment can purchase an entry-level single-family home that would have housing costs on-par with a three-bedroom rental housing unit as for-sale housing continues to exceed affordability for many families. Only 47% of all existing Olmsted County householders could afford a \$300,000 home assuming they have good credit and 10% down payment.

- Aging Population/Aging Boomers.** As illustrated in Table D-4, there has been strong growth between 2020 and 2025 in the younger senior population (65 to 74) in Olmsted County (+11.7%) and the older senior population (+75) was up 12%. Over the next five years senior growth remains relatively strong with households 65 and older increasing by 16.5% in the Olmsted County Market Area. In addition, Table D-15 shows homeownership rates among seniors 65+ is 79% in 2020. High homeownership rates among seniors indicate there could be lack of senior housing options, or simply that many seniors prefer to live in their home and age in place. Aging in place tends to be higher in rural vs. urban settings as many rural seniors do not view senior housing as an alternative retirement destination but a supportive living option only when they can no longer live independently. Rural areas also tend to have healthier seniors and are also more resistant to change. Because of these demographic and social dimensions, new senior housing or age targeted housing is needed across the Olmsted County Market Area that can offer one-level living options or association-maintenance communities.

Age Cohort	Percent of all Households				
	2000	2010	2020	2025	2030
55+	19.4%	23.8%	28.7%	28.4%	29.2%
65+	11.1%	12.8%	15.9%	17.0%	18.9%
75+	5.7%	6.1%	7.1%	7.6%	9.0%

- Builders.** The Olmsted County new construction market has historically been dominated by smaller, local or regional builders vs. production builders located in the Twin Cities Metro Area. Across the Twin Cities Metro Area, nearly 77% of all new homes constructed this past year were by the top ten production builders. In fact, the top four builders (Lennar, D.R. Horton, Pulte Group, and M/I Homes) accounted for 58% of all deliveries. The following chart summarizes the differences between production, custom, and spec builders. Production builders have increased their market share since the Great Recession in the Twin Cities and across the country, in part because competitors defaulted on lots and homes and smaller builders have gone out of business, while production builders were able to acquire land holdings for a fraction of the original cost to develop. The production builders have also driven new home activity from the development side as some land developers are unable to absorb lot development costs for open builder developments.

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BUILDER TYPES & CHARACTERISTICS			
	Production Builder	Custom Builder	Spec Builder
Land	Typically built on land owned by the builder/developer. Most production builders develop all of the homes within the subdivisions they plat and develop.	Built on land purchased by the home buyer or builder. Most custom builders do not develop the land/lots.	Built on land purchased by the builder. Builder "speculates" they will build and sell a home prior to finding a buyer.
Home Plans	Stock floor plans; however buyers have home style and upgrade options that have been pre-selected by builder.	One-of-a-kind house. Site specific and customized for a specific client.	Home plan per builder. If home sells early during construction phase; buyers have some ability to customize the home.
Volume	Varies based on builder. There are national and regional production builders.	Typically less than 20 or 25 per year.	Varies.
Pricing	Generally build for a variety of price points from entry-level, move-up, and executive.	Tend to cater to move-up or executive-level buyers.	Varies. Most spec homes are entry-level or modest homes. However, spec homes can range across all price points.
Advantages	Lower costs per square foot, homes can be built quicker, fewer decisions for home owners.	Personal service, more creative control, customizable, more flexible, buyer may have more land options.	Lower cost floor plans provides economies of scale. Homes can also be completed relatively fast.
Disadvantages	Few modifications or change orders, fewer options, lot selection based on availability of builder.	Price per square foot is higher, more time to build, significantly more decision time needed from buyers.	Most of the decisions have already been made and buyer may have fewer options.

Source: Maxfield Research and Consulting, LLC

Lennar is the first national home builder to recently enter the Rochester market. At present, they are slowly entering the marketplace and do not have a large inventory of available lots/subdivisions at the time of this housing study. Given the building industry's movement to more regional and production builders; we estimate this market share will increase over the course of this decade and could increase affordability through economies of scale. Recently, the price of new construction in the Rochester Area surpassed the Metro Area, one reason being a lack of economies of scale from production builders in the Olmsted County Market. Further, additional higher-density products such as townhomes or condominiums are needed to meet the growing need for association-maintained communities that often may be more affordable than detached housing units.

Several local Olmsted County builders have been producing housing units at a pace similar to the national builders and have constructed housing units attractive to first-time homebuyers. The City of Rochester, through the 2023 local sales tax referendum, has recently approved a new subdivision that will produce affordable for-sale housing, targeting the sub-\$400,000 price point for new construction.

- Bold. Forward. Unbound. – Temporary Housing.** The Mayo Clinic's \$5 billion plan to redesign the Mayo Clinic in Downtown Rochester is a massive health care initiative that will create health neighborhoods for patients to access continues care. Current plans feature five new buildings comprising a total of 2.4 million square feet between St. Mary's hospital and the core Mayo buildings in downtown. Demolition has commenced and the goal is to

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have some facilities open by 2028 to be completed by 2032. The project is expected to draw as many as 2,000 construction workers to the property, peaking in 2027 and 2028. The massive number of construction jobs will impact the need for providing shelter to the labor force which may include a variety of options, including:

- Hotels and extended stay hotels
- Short-term rentals or vacation rentals
- Long-term rentals
- On-site modular units
- Residential dorms/Man Camps

Although it is unknown where all the construction labor will be coming from, the labor market is likely going to require temporary shelter options to accommodate traveling work crews. Many of the crews will desire furnished and turn-key accommodations for groups. The impact of the projected number of construction workers may have a major impact on the hospitality and housing markets throughout Olmsted County as any available inventory will likely be absorbed, resulting in higher housing costs across the board.

Maxfield Research recommends exploring every option including temporary residential dormitory housing or man camps to meet the needs of construction crews short-term needs.

- **Co-Living.** As housing costs continue to escalate, co-living concepts have emerged as an option to address renters needs for alternative housing concepts that offer flexible and community-centric living arrangements. Co-living somewhat replicates a college dorm experience where strangers live together and share an apartment or other housing type. Co-living is often coined the term “dorms for adults” as tenants have their own private bedrooms but share common areas. Often the key reason co-living is growing is because of affordability compared to average housing costs in more costly urban markets and neighborhoods. At the same time co-living developments are often intentional communities with an emphasis on shared spaces and shared values that result in building a sense of community.

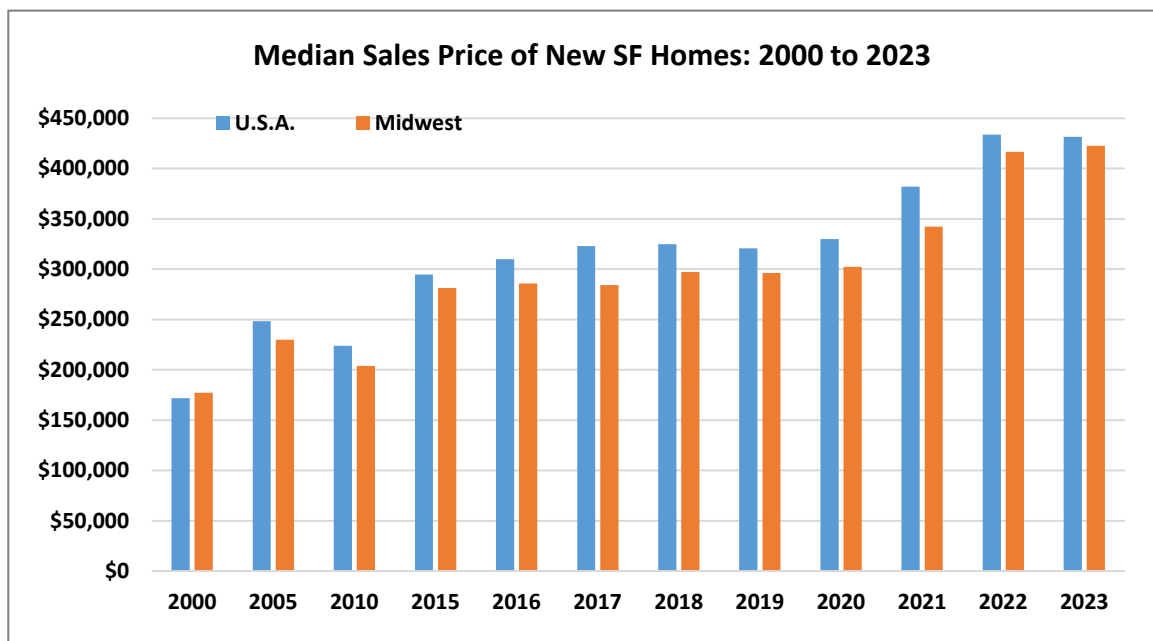
When compared to traditional living models, studies have found co-living provides renters with an approximately 25% to 30% discount to gross housing costs. Co-living units must be priced for value otherwise tenants will seek out studio or other rental types that offer more square footage and a lower PSF rent. Often, the PSF rents among co-living projects are about 25% higher or more than traditional apartments. The target tenant is often single and between the ages of 23 and 30. Many tenants are also seeking flexible lease-terms vs. traditional apartments. We recommend communities explore permitting co-living options as another housing solution to address affordability, especially given the coming influx of workers to the Olmsted County area who are seeking non-traditional housing options.

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- **Construction & Development Costs.** The cost to build and develop new single-family housing has increased significantly over the past decade and since the Great Recession in all markets across the U.S.A., as seen in the chart below. New construction pricing peaked in the 2000s between 2005 and 2007 before falling during the recession. Pricing in nearly every market across the United States decreased between 2008 and 2011 before starting to rebound in 2012 and beyond. However, since the Great Recession it has become increasingly difficult for builders to construct entry-level new homes due to a number of constraints – rising land costs, rising material and labor costs, lack of construction labor, and increasing regulation and entitlement fees. As a result, affordable new construction homes have become rare as builders are unable to pencil-out modestly priced new construction.

Regardless of location, new construction in Olmsted County is difficult to achieve under \$300,000, let alone under \$350,000. As Table FS-15 illustrated, there are very few subdivisions with entry-level single-family homes priced under \$400,000, including the smaller communities in the Olmsted County Market Area. New construction pricing is at an all-time high coming out of the pandemic due to strong demand and supply and labor constraints for builders that are driving up housing costs. Although new construction has leveled out this past year compared to the first few years after the pandemic, new construction still commands a premium price point over the resale market.

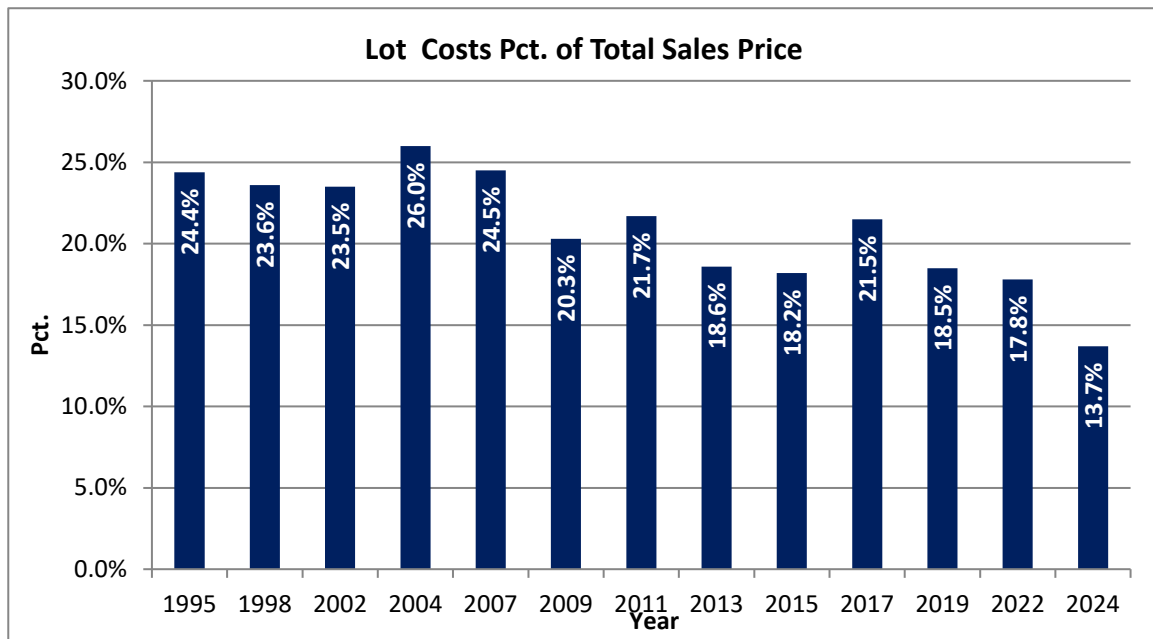
Although new construction will be at a premium in Olmsted County, new construction pricing could be more affordable should a public-private partnership evolve or other incentives are provided to bring down the cost to builders/developers who will pass the savings along to the retail consumer.



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- **Developers Lot Carrying Costs.** Land development and entitlement carries a large financial risk for builders and/or investors. Prior to the Great Recession developing land was considered a profitable side of the housing business. However, since the GFC land development continues to be dominated by larger builders that can absorb the lot inventory more easily than smaller builders or land developers. Due to raw land costs, entitlements, and the cost to develop infrastructure, developers continue to be cautious given the lot price they could achieve. Prolonged carrying costs due to slow lot absorption are deterrents for builders and developers who must absorb project development costs until the lots are sold. The costs of land and infrastructure have risen significantly over the past decade, requiring considerable initial financial investment upfront.

As a result, the land development business is not a lucrative business for most real estate investors and future lot development may require a private-public partnership to bring down infrastructure costs; especially in the more rural communities in Olmsted County. The chart below shows the average lot cost across the country compared to the retail sales price of the home. As noted in the chart, the percent of the purchase price levied to the land has decreased recently, despite rising home prices. This has largely been due to high inflation, ongoing labor shortages, and building material prices that continue to elevate. All these factors have resulted in higher home costs, construction costs and prices per square foot that have escalated since the pandemic.



- **Homeownership Rates (i.e. Tenure).** Over the past decade, there has been a fundamental shift in the homeownership rate in Olmsted County, but specifically in the City of Rochester. This trend was accelerated coming out of the recession and Great Financial crisis, but was driven by the multifamily rental housing boom while at the same time the production of for-sale housing was muted compared to the previous decade. As illustrated below, the City of

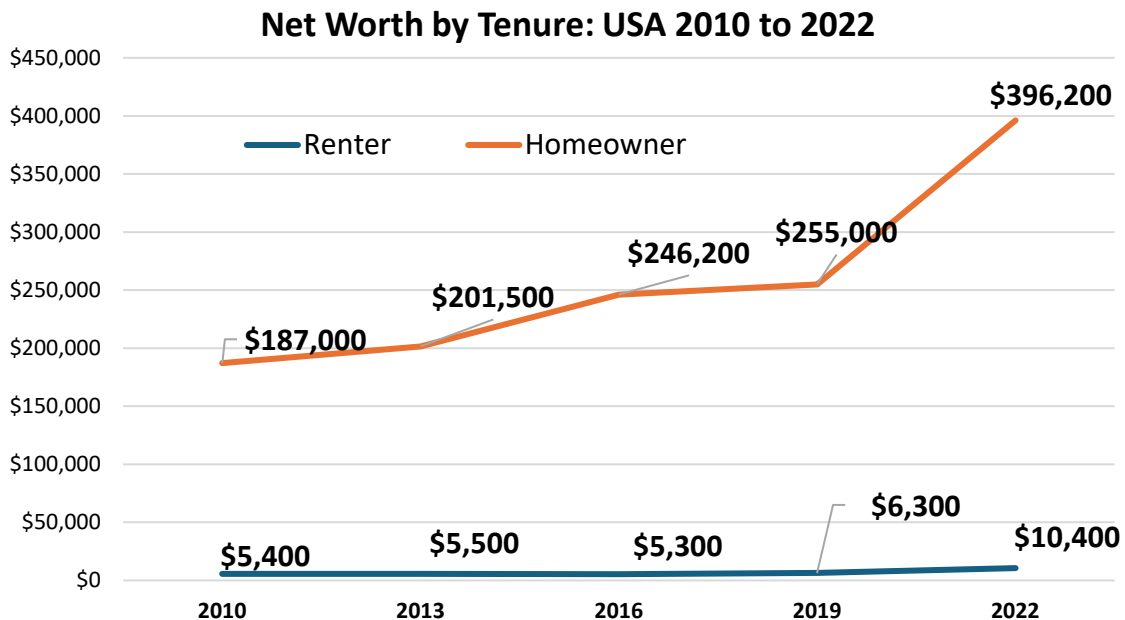
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Rochester had a tenure swing of over 6% last decade while the Olmsted County Market Area was just under 5%.

Geography	Year		Pct. Change
	2010	2020	
Rochester	70.8%	64.4%	6.4%
Olmsted County MA	74.9%	70.1%	4.8%
Twin Cities Metro	73.0%	70.6%	2.4%

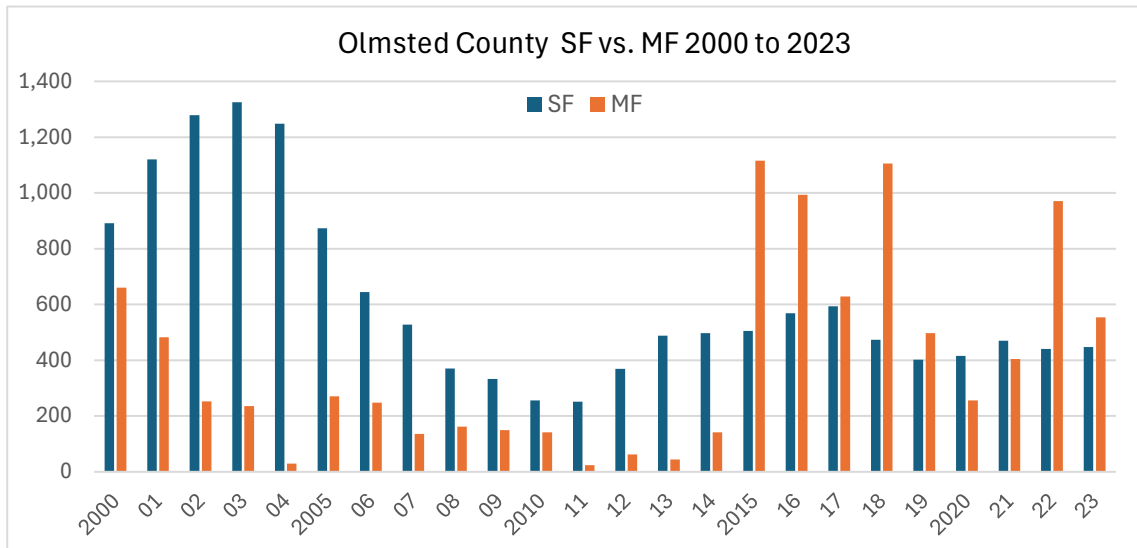
Despite all the new rental construction (an estimated 8,000 units in Rochester since 2011), the rental market remains very tight as illustrated by the low 3.2% vacancy rate in the Olmsted County Market Area. Demographic growth in the Millennials and Baby Boomers as well as lifestyle renters have been the major drivers for the rental housing need. Although demand remains strong for renters and more product is needed, the long-term impacts of home-ownership are pronounced. With rising appreciation, most homeowners have earned significant home equity over the past decade and according to the Federal Reserve Board's Surve of Consumer Finances, the average homeowner in America has a net worth nearly 40x than a renter household.

Homeownership and wealth continues to vary based on income and racial and ethnic groups. We recommend the continued promotion of homeownership opportunities for all Olmsted County residents and the promotion of BIPOC Home Ownership program that has been implemented.

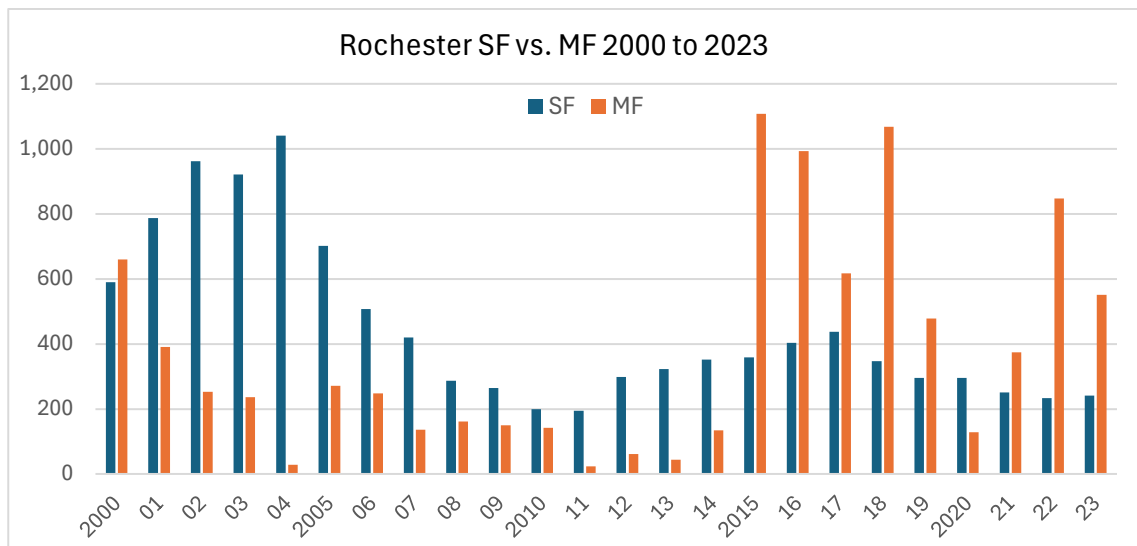


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- Housing Shortage.** Housing production in Olmsted County and specifically the City of Rochester has been bifurcated over the past two decades. During the housing boom years of roughly 2000 to 2006, housing production was dominated by the for-sale market as most new building activity was single-family homes and townhomes which accounted for 80% or more of all new housing activity. However, once the recession and Great Financial Crisis hit the production of all new housing was down significantly from 2007 to 2014. However, around 2015 the rental market housing market took off and began to account for 70% or more of new housing starts over most of the past decade.



Although new multifamily was in need and has been well-received in the marketplace, the lack of new for-sale housing has been detrimental to meeting housing demand and the lack of supply is pushing up the resale market and resulting in higher priced new construction housing. The promotion of for-sale housing should be a top priority for all jurisdictions across the county.



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- **Inflation and Tariffs.** U.S. inflation rates hit a new 40-year high of nearly 9% in 2022, the biggest yearly increase since December 1981. Rampant price increased for nearly every good and service and specifically energy and food costs are having an impact on American consumers and will eventually affect housing affordability. As a result, the Federal Reserve began to implementing interest rate hikes in 2022 creating increasing borrowing costs to hopefully offset a recession. As interest rates have increased for-sale housing demand has slowed and demand for rental housing has increased. This has resulted in higher housing costs for both buyers and renters. Housing assets are in higher demand during inflationary times as real estate values tend to hedge inflation and investors seek out rental housing assets as equity continues to grow. In the short term, household balance sheets will continue to be stretched as rising costs affect Olmsted County residents. This could hinder housing production in the near term as new construction has been more difficult to pencil. Although there were three recent rate cuts in late 2024, mortgage rates have not moved much and housing costs remain elevated. Inflation is having a major impact on homeowners' insurance as many householders have experienced 20% or more increases in the past few years which is impacting housing affordability.

Finally, the threat of tariffs could soon impact the cost of new construction. A recent estimate compiled by the National Association of Home Builders (NAHB) estimates the cost of building a single-family home could increase by \$7,500 to \$10,000 should tariffs to Canada and Mexico progress. National, production builders will be able to absorb some of these costs but smaller, local builders will not have the buying power to weather these costs increases and will pass the cost along to the end consumer. Some builders are pre-purchasing building materials and storing products in warehouse in anticipation of tariffs, which also increases the price of the home through storage fees and interest costs on construction loans. Given the already high housing costs and mortgage rates, many builders will have to offer incentives to keep buyers in the market or they will be priced out.

- **Job Growth/Employment.** Historically, low unemployment rates have driven both existing home purchases and new-home purchases and stimulated demand for rental housing. Lack of job growth leads to slow or diminishing household growth, which in-turn relates to reduced housing demand. The Covid-19 pandemic created a number of new challenges for businesses, workers, and government. These unprecedented challenges had an economic ripple effect across the country as thousands of Americans found themselves out of work with increases in unemployment. As depicted earlier, the unemployment rate in Olmsted County has historically been slightly higher than the State of Minnesota and lower than U.S. averages. Unemployment peaked at just over 6% during the pandemic shutdowns but fell quickly down to 2.8% by 2022. It has risen slightly to 3.2% in 2024 and remains slightly higher than the state.

Although a low unemployment rate is generally considered positive news, a very low unemployment rate can be challenging for employers looking to add additional staff. Wages in Olmsted County are about 4.4% higher than the State of Minnesota; which can

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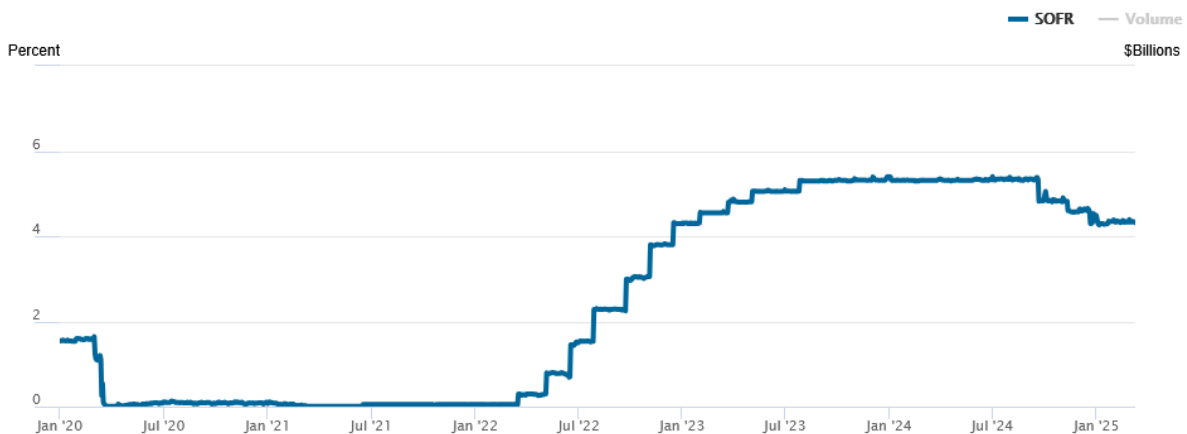
contribute to the inflow of workers into the County. The addition of more jobs, specifically jobs with higher wages, will keep residents working in the county and attract more people to Olmsted County. Strong job creation in Olmsted County will result in household growth rates that could exceed projections.

Finding permanent employees and housing are a challenge as employers expand their workforce. Additional rental units, for both permanent and short-term housing, would likely ease the burden on the employer and provide a more attractive option for potential employees to relocate to the county.

- **Lender Underwriting/Financing:** Due to inflation, the Federal Reserve has raised interest rates 11x between March 2022 and July 2023 as an attempt to keep inflation in-check. The increased borrowing costs has not only impacted mortgages, lines of credit, credit cards, etc. but also the ability to finance new housing construction. Whether it would be new infrastructure for a new housing subdivision or a new multifamily building, the cost of money has ballooned and developers and investors have been putting projects on the shelf or waiting out the market for lower rates.

Commercial real estate loan volume has dropped sharply as borrowing costs and tighter underwriting have resulted in projects no longer penciling. Most commercial real estate loans are tied to the 10-year Treasury, LIBOR, or SOFR (Secured Overnight Financing Rate). The chart on the following page shows SOFR rates were 0% between 2020 until early 2022; today they are at 4.32% (down from about 5.3% before the three rate cuts from the federal reserve). Lenders often quote the SOFR rate + approximately 200 to 250 basis points, resulting in an interest rate today of about 6.42% to 6.82% for many borrowers. Lenders also require more equity (often upwards of 40%) or deposits in the bank, thus only well-positioned investors and developers are able to move forward today.

Although we find housing demand for all housing types throughout the Olmsted County Area many projects are likely to be “on-hold” until the financing market loosens up in late 2025 and beyond. At the time of this study, the federal reserve is hinting at maybe one or two rate cuts, down from the four to five original rate cuts. This may keep new construction on-hold until more favorable conditions result into 2026.



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- **Lifestyle Renters.** Historically, householders rented because they couldn't afford to buy or didn't have the credit to qualify for a mortgage. Today that is no longer the case, and many householders are renting by choice. More people today are choosing to rent because of the flexibility and convenience it offers, allowing them to avoid long-term commitments.

High-income renters represent the fastest growing market segment of the rental market today; having grown 48% over the past decade. Demand is being driven by the Millennials, would-be buyers on the side-lines (due to high sales prices and mortgage rates), and empty nesters. As a result, rental housing is one of the preferred real estate asset classes today across country. Lifestyle renters are attracted to developments offering excellent finishing quality, extensive common area facilities, and an environment providing a more social experience. In addition, many households want to rent before they buy in a community so it's important to have ample rental housing stock to meet their needs as they first come to communities before they decide to purchase a home.

- **Lot Size:** Across Minnesota, the Midwest, and the U.S. there has been a growing trend of lot size compression for decades and especially since the Great Recession of last decade. As illustrated in the chart below, the median lot size of a new single-family detached home in the United States sold in 2019 dropped to its smallest size since the Census Bureau has been tracking lot sizes. Nationwide median lot sizes had dropped below 8,200 square feet (0.19 acres) before increasing after the pandemic, but decreasing in 2023 as a means to combat higher costs. At the same time, lot sizes decreased in the Midwest to the lowest levels recorded in 2021, down about 15% from 2010. Since 2021, lot sizes have been up slightly in the Midwest, contrary to declining sizes in the U.S.

Lot sizes have decreased in part due to increasing raw land prices, lot prices, and rising regulatory and infrastructure costs (i.e. curb and gutter, streets, etc.). As a result, builders and developers have reduced lot sizes in an effort to increase density and absorb higher land development costs across more units. Many newer single-family subdivisions across the Midwest and the Twin Cities area now offer lot widths of about 65 to 75 feet, down from the standard width of 80 to 90 feet prior to the Great Recession. Because many local governments have larger minimum lot size requirements, the cost of housing continues to rise as developers and buyers may be required to purchase a lot this is larger than they prefer. In an effort to curb rising costs, we recommend allowing compressed lot sizes for new construction to help alleviate costs and maintain affordability.

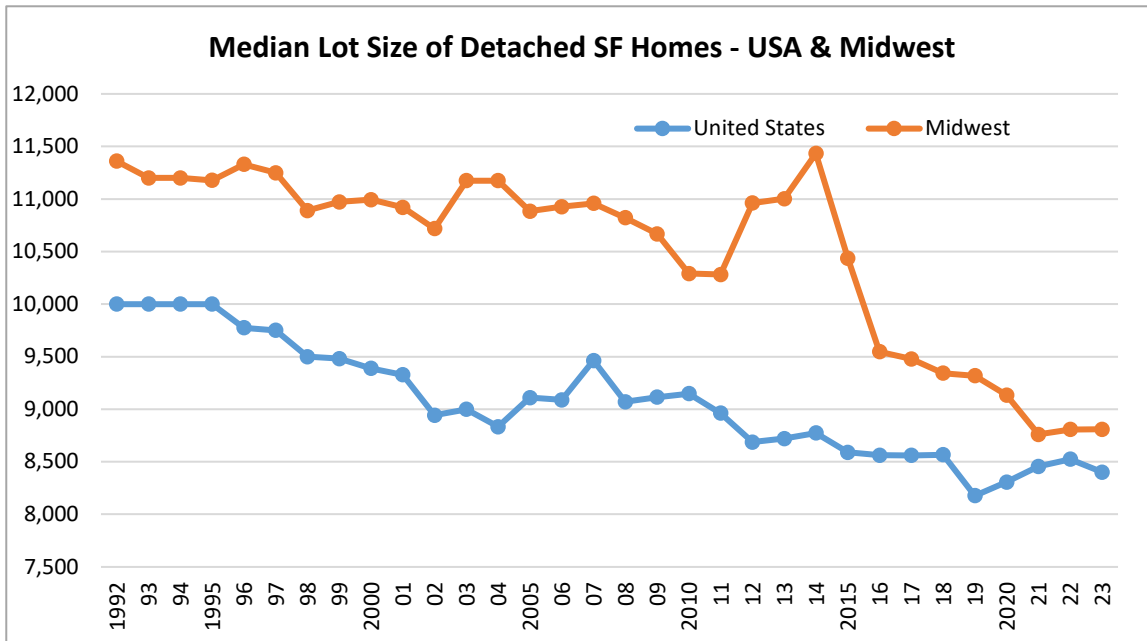


Table FS-12 inventoried vacant lots in newer subdivisions across the Olmsted County Market Area. Although lot sizes were the same between 2020 and 2024, there were notable differences; lot sizes in most communities declined whereas lot sizes in rural townships increased.

Single-Family Lot Size Comparison		
Submarket	2020	2025
Byron	0.29	0.41
Chatfield	--	0.44
East	0.27	0.21
North	0.98	1.01
Rochester	0.37	0.31
Roch. Fringe	1.44	1.83
Stewartville	0.27	0.17
Olmsted County MA	0.68	0.68

Thus, “affordable” new single-family housing in Olmsted County will be increasingly difficult to build unless lot sizes can be diminished, and densities can be increased to reduce lot costs.

Lot Supply. Table FS-13 showed the summary inventory of vacant developed detached lots in newer subdivisions throughout Olmsted County. Based on this lot supply and the recent construction activity over the past few years, the current finished lot inventory is inadequate for most jurisdictions in the short-term. The vacant lot supply of single-family lots was almost identical to 2020s vacant lot supply. Based on recent building permit trends, outside the Rochester Fringe, all submarkets have an inadequate lot supply to meet

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future housing demand. Maxfield Research recommends lot supplies of at least three to five years to meet demand. In addition, there should be a wide variety of lots available, including walkouts, look-outs, flat lots, mature lots, etc. that will appeal to a variety of buyers and price points.

Housing professionals, Realtors, and builders have commented on a dwindling lot supply and the need for future lots. However, new lots will be more expensive given today's development costs and higher financing costs for land development. Hence, the lot compression is expected to increase density to offset infrastructure costs.

Single-Family Vacant Lot Comparison		
Submarket	2020	2025
Byron	133	150
Chatfield	--	38
East	111	46
North	105	136
Rochester	839	691
Roch. Fringe	305	420
Stewartville	28	49
Olmsted County MA	1,521	1,530

- **Missing Middle.** Missing middle housing refers to housing options that span the affordability spectrum, but often focus on housing availability to middle-income households. Typical middle housing product types include: townhomes, duplexes, triplexes, and quads, but could include slightly higher density products but are not considered traditional multifamily housing structures. These housing types are termed “missing” since few housing units have been permitted, often due to regulatory zoning codes that do not permit slightly higher densities.

Several communities across the country are exploring zoning reform ordinances to reintroduce middle-density housing typologies into lower-density areas. Many of these housing types were traditionally permitted in low-density areas, but over time the zoning code did not permit these housing types. By addressing zoning restrictions and amended ordinances, communities can generate new housing opportunities to help address the housing shortage while providing more affordable options. We recommend communities explore the missing middle typology with two to four units that could be incorporated into existing neighborhoods while still maintaining the character of the neighborhood and community.

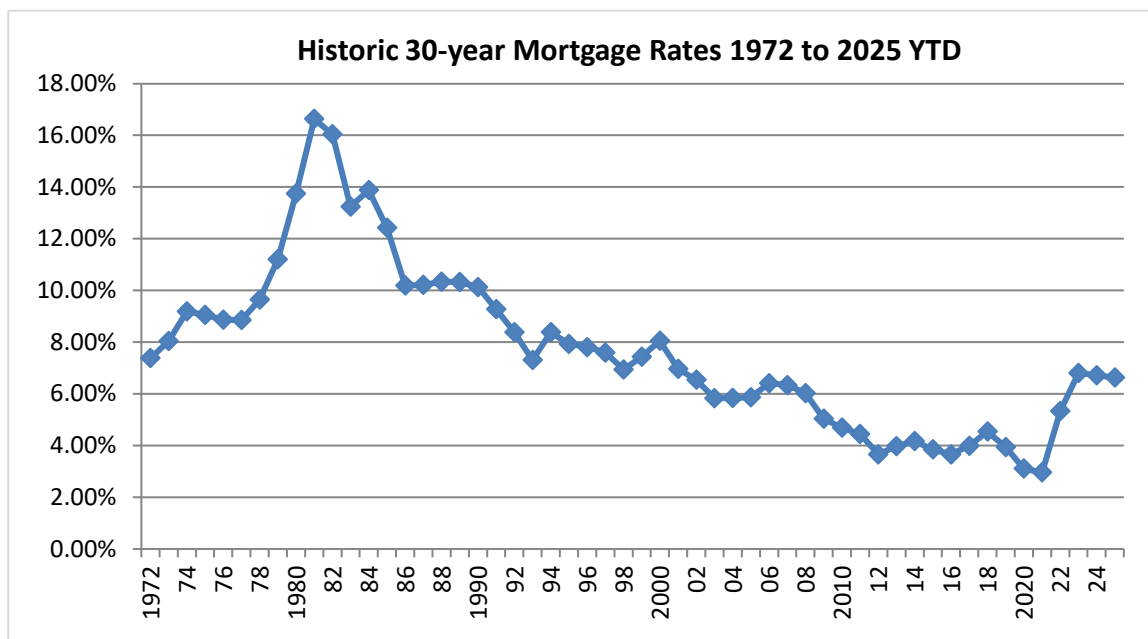
- **Mortgage Rates.** Mortgage rates play a crucial part in housing affordability. Lower mortgage rates result in a lower monthly mortgage payment and buyers receiving more home for their dollar. Rising interest rates often require homebuyers to raise their down payment to maintain the same housing costs. Mortgage rates have stayed at historic lows for most of the past decade trending under 4.5% (30-year fixed) since around 2010. At the

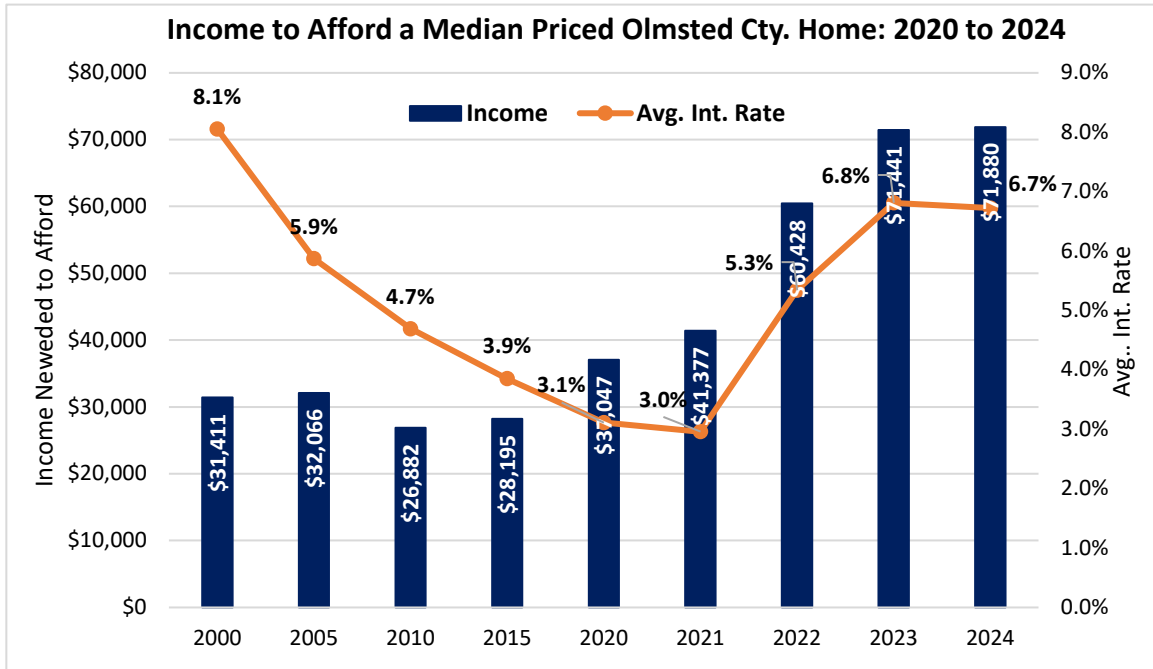
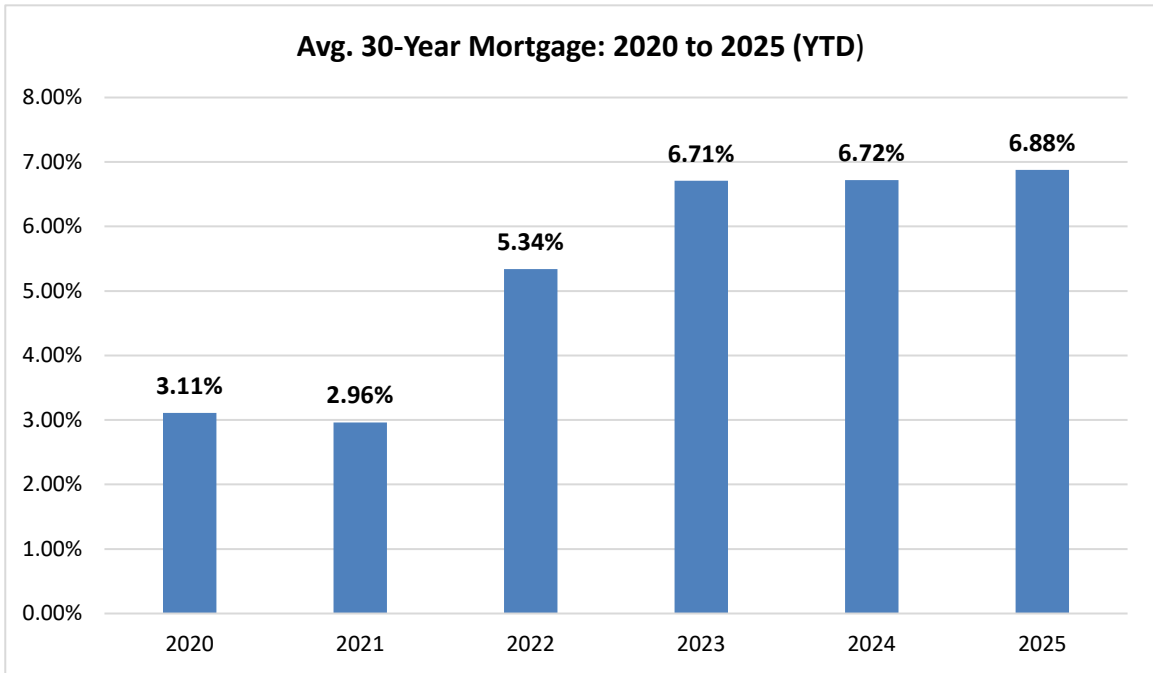
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on-set of the COVID-19 pandemic, rates plummeted to at or near an all-time low under 3% for part of 2020 and most of 2021. However, due to a 40-year high inflation the Federal Reserve began hiking rates in 2022 to slow the economy and curtail inflation. The Federal Reserve then implemented 11 rate hikes from March 2022 through July 2023. As a result, the cost of for-sale housing has increased significantly, and many would-be-buyers are on the sidelines and have been priced out of the market. Compared to early in 2022, mortgage payments in early 2025 are on average about 50%+ higher than the beginning of 2022 (3.22% vs. 6.85%).

Although the Federal Reserve implemented three rate cuts between September 2024 and December 2024, there has been minor relief on the mortgage rate front as the spread between the 10-year Treasury and mortgage rates remains elevated. Due to economic uncertainties, it is unknown if any rate cuts will proceed in 2025 given the threat of inflation. Should rates move back into the high 5% and low 6% range, we predict the housing market will be hot as buyers sitting on the fence rush to purchase homes, which could result in bidding wars and higher home price appreciation.

The following chart illustrates historical mortgage rate averages as compiled by Freddie Mac. The Freddie Mac Market Survey (PMMS) has been tracking mortgage rates since 1972 and is the most relied upon benchmark for evaluating mortgage interest market conditions. The Freddie Mac survey is based on 30-year mortgages with a loan-to-value of 80%.





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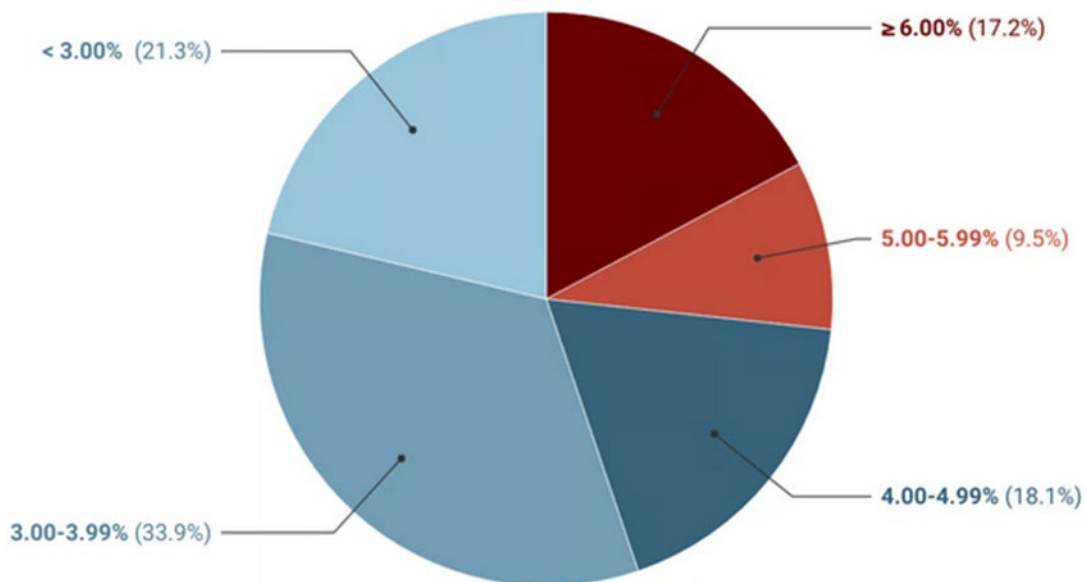
- **Mortgage Lock-in Effect.** As illustrated in the resale tables, transactions volumes across the Olmsted County Market Area are down 25% since 2020. At the same time supply is hovering 2.2 months (a balanced market is four to six months). Given the low supply and elevated mortgage rates, transactions volumes are down but pricing continues to rise given the lack of options for homebuyers. This has led to the “lock-in effect” where homeowners are reluctant to sell their current home because they have locked into a lower mortgage rate and the financial burden of a new mortgage at a higher rate is too high.

According to data released by the FHFA, 73.3% of mortgage borrowers in the U.S. have mortgage rates below 5%. This is down from over 85% of borrowers that had rates under 5% in early 2022, many of those borrowers were under 3% or 4%. It is estimated about 55% of borrowers still have mortgage rates under 4% (Q3 2024).

The lock-in effect continues to limit new housing supply and is keeping home prices high despite a cooling in the real estate market. Although the lock-in effect will dwindle with time, it will slowly ease once mortgage rates decline further into the 5% range. As such, a tight supply market is forecasted in the short-term.

Interest rate on outstanding mortgages

73.3% of U.S. mortgage borrowers have an interest rate under 5.0%, according to FHFA



- **Modular Housing.** Modular housing, often referred to as prefab housing, is the construction of housing units in a controlled factory-like setting or on a manufacturer's site or lumber yard. Modular housing has been gaining steam from developers and investors seeking to combat high construction costs, labor shortages, and speed-up the construction timeline. The biggest advantage modular housing provides is time and shaving months of holding

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costs off the financing bottom line. Originally modular housing was mostly single-family oriented; however, developers are now constructing entire apartment buildings, hotels, senior living, man camps, and college dorms. Historically the biggest challenge of modular housing is transportation, shipping costs, and perception. Modular housing has made huge strides over the decades and are now built on concrete foundations or include basements. The industry continues to battle the stigma of the older mobile homes as the appraisal community continually mis-appraises modular homes due to biases or lack of education on the product. Maxfield Research believes there is opportunity in the modular construction sector that can be utilized in Olmsted County, providing a win-win scenario by providing housing production and passing cost savings along to consumers.

We recommend all communities revise zoning codes to allow for this type of housing if it is not permitted. However, design standards should be enforced in order to ensure incompatible housing does not deter neighborhoods.

- **Multifamily Development Costs.** It will be challenging to construct new market rate multifamily product given achievable rents and development costs. According to a proforma developed by Maxfield Research based on the *2025 National Building Cost Manual*, construction hard costs (utilizing construction averages in the Rochester area) will likely average about \$146 per square foot (gross). After accounting for land costs and soft costs and today's high financing costs, the total unit cost would result in total development costs of upwards to \$190,000 per unit to develop based on a 36-unit multifamily concept. Based on an average unit size of 875 square feet, the average rent to break-even would be approximately \$1,850 per month or about \$2.12 PSF. The following summarizes market rate rents in the Olmsted County Market Area:

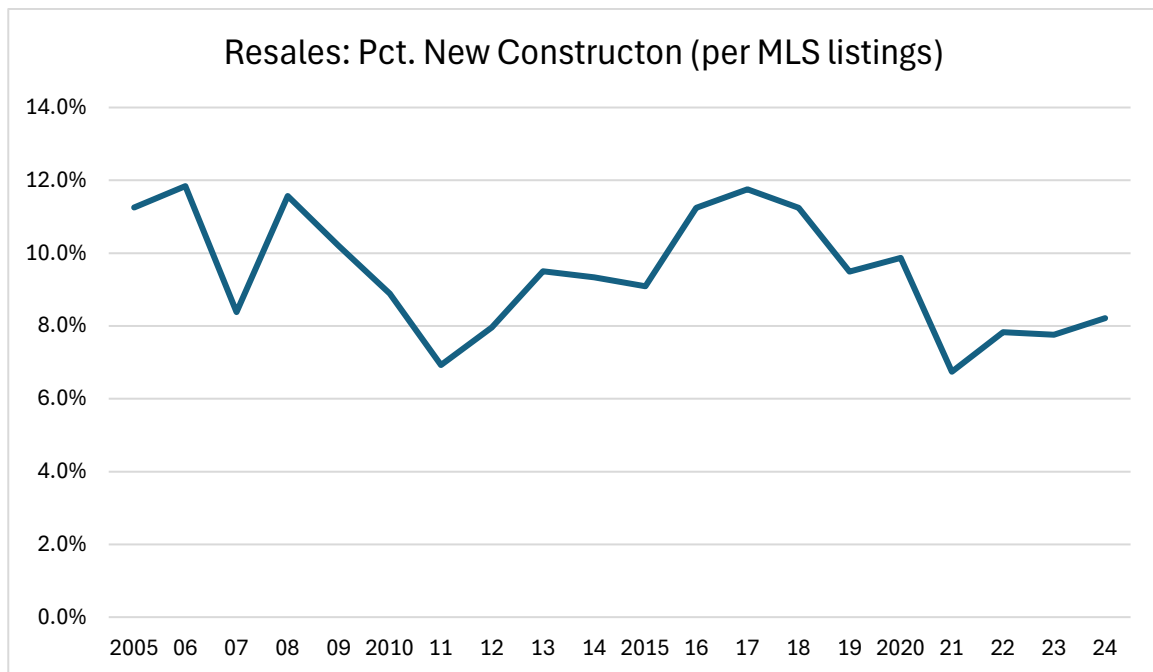
Area	Avg. MR Rent	Avg. PSF
Rochester	\$1,485	\$1.75
Rem. of Olmsted Cty.	\$1,163	\$1.29
Olmsted Cty PMA	\$1,470	\$1.69

These new construction rents are significantly higher than the existing market rate averages across the county. Based on these costs, it will be difficult to develop stand-alone multifamily housing structures by the private sector based on achievable rents unless they are luxury, high-end properties. As a result, a private-public partnership or other financing programs will likely be required to spur development especially outside of Rochester.

- **New Construction Market Share (Single-family Homes).** As illustrated in the Active Supply of Homes For-Sale table, there are only a 2.3-months supply of homes for sale in Olmsted County and the market has been undersupplied since 2013. Since 2022 when interest rate hikes were initiated, the housing inventory crunch has been even tighter as the mortgage lock-in effect has resulted in home owners staying put. On a national level, builders of new construction have plugged the inventory hole by increasing the supply in the new

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construction sector. Historically, new construction tends to range from about 10% to 15% of the market share of all home sales. However, that percentage increased to as high as 35% in late 2023 and early 2024 as new construction ramped up production and many builders offered mortgage rate buy-downs. Locally, new construction has averaged about 7% to 10% of all Olmsted County transactions since 2020 as listed in the MLS. However, not all new construction homes are listed on the MLS, hence the percentage is higher when adjusting for new single-family home building permits. After adjusting for building permits, the new construction market share since 2020 has ranged from 16% to 20% in Olmsted County. Despite the slowdown in the resale market, builders in Olmsted County have not drastically increased inventory compared to national trends.



- **Private/Public Partnerships (“PPP”).** Private/public partnerships are a creative alliance formed to achieve a mutual purpose and goal. Partnerships between local jurisdictions, the private sector, and nonprofit groups can help communities develop housing products through collaboration that otherwise may not materialize. Private sector developers can benefit through greater access to sites, financial support, and relaxed regulatory processes. Public sectors have increased control over the development process, maximize public benefits, and can benefit from and increased tax base.

A number of communities have solved housing challenges through creative partnerships in a variety of formats. Many of these partnerships involve numerous funding sources and stakeholders. Because of the difficulty financing infrastructure and housing costs, it will likely require innovative partnerships to stimulate housing development especially in the smaller communities located in the Olmsted Market Area.

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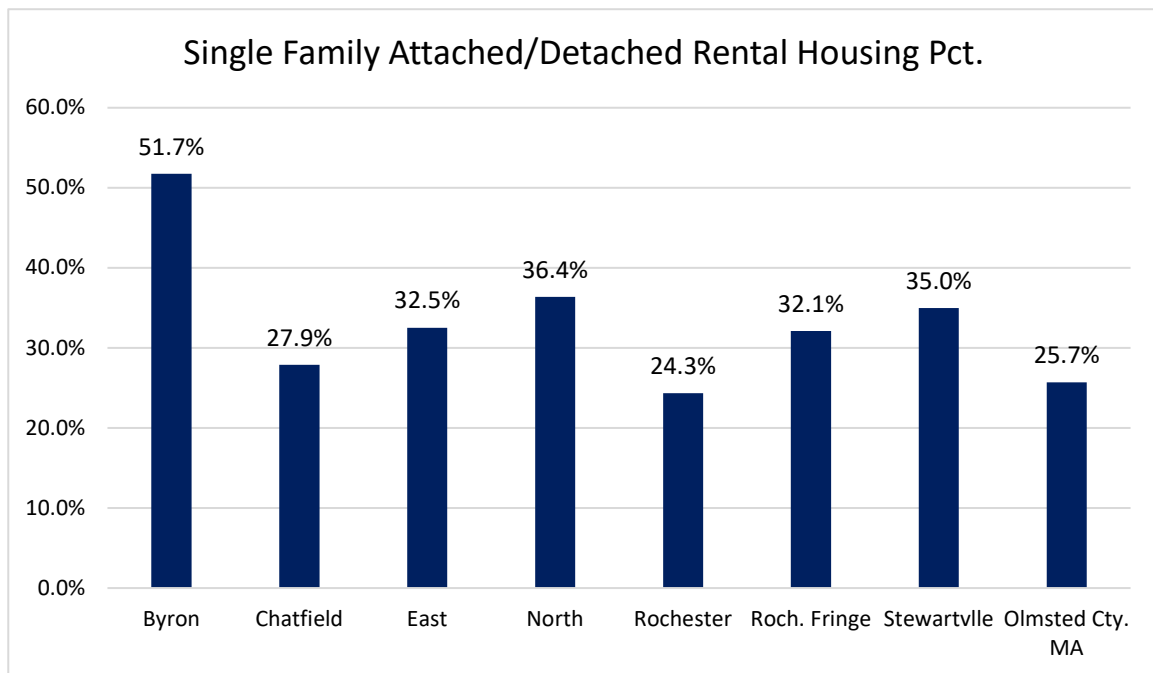
Locally, the Coalition for Rochester Area Housing (a partnership of the Rochester Area Foundation, City of Rochester, Mayo Clinic, Olmsted County, and the DMC) are working together to meet the local housing needs through innovative solutions. Most recently in 2024, nearly \$8.5 million was invested in 11 housing developments totaling \$77M while also preserving nearly 300 housing units. Other recently enacted investments include:

- The City of Rochester established an Economic Vitality fund with \$40MM dedicated to housing.
 - The City of Rochester also launched ADU pilot programs, fee reimbursement programs for affordable new construction homes.
 - Olmsted County developed 10 new homes this last year in collaboration with First Homes this last year that will be placed in the land trust to remain affordable in perpetuity.
- **Rental Housing Projected Supply vs. Demand.** Over the past decade, Rochester has been averaging over 730 new multifamily units annually, most of which are multifamily apartments. Although permit activity varies from year to year, this level of development will be challenging to replicate in the next decade. At the time of this study, there are approximately 2,500 rental units in the pipeline in Rochester, most of which are still in the initial planning/proposed phases. Should all these projects move forward simultaneously, a competitive market would result, providing more options for renters but elevated vacancies for property owners. Although development cycles ebb and flow, demand is spread across the next decade and new construction will be needed well into the next decade.
 - **Shifting Demand Patterns.** Compared to the 2020 Comprehensive Housing Study completed for Olmsted County, there have been pronounced changes in housing need between the two study timeframes. Although there continues to be strong and steady housing needs throughout the county, needs are shifting based a variety of factors. Most notable, the population is aging and the shift is pronounced in the need for age-targeted or age-restricted housing. But with the changing demographics, together with new affordable supply, the number of affordable and subsidized housing units has declined by 22% from the 2020 study. At the same time, the number of market rate units has increased by over 3%, largely in the senior housing sector and general-occupancy market rate sector. There are several affordable housing projects in the pipeline that will increase the supply while yielding continued strides toward meeting the affordable housing needs in the county.
 - **Single-Family Rental Housing Demand.** Table HC-6 showed that an estimated 26% of the rental housing inventory in Olmsted County in 2024 is within single-unit housing structures. Another 4% of rental units were located within an attached structure such a townhome or twin home while only about 14% are in duplexes, triplexes, or quads. Nationwide, it is estimated that 25 of the 43 million rental households in the United States (58%) reside in both single-family rentals, townhomes, duplexes, triplexes, and quads. Single-family units, townhomes, and condos make-up about 34% of all rental units in the country and about 33% of in the State of Minnesota.

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Demand is strong for SFR by providing renter lifestyle choice and the ability to reside in a detached unit without having to obtain the funds for a down payment on a mortgage. Many single-family renters may consider purchasing; however, the rising costs of real estate and the down payment requirements hinder some renters from making the leap to home ownership. The COVID-19 pandemic increased demand for SFR as renters desire more square footage, green space/yards, separate entrances, and more privacy than traditional multifamily structures.

Single-family rental communities have been one of the hottest real estate products to come out of the pandemic over the past few years. Although this has been slow to develop in the Midwest, several housing developers incorporate rentals into their single-family subdivisions given the strong demand for detached rental housing products. We recommend exploring purpose-built single-family rental communities or townhomes in the Olmsted County communities and zoning codes that permit the project concept.



- **Short-Term Housing/Extended Stay/Mid-Term Stays.** Because of Rochester's draw as a medical destination, there are a number of temporary and short-term stay housing accommodations in Rochester. The target market for these stays has been health care patients and families of those patients, however other target markets include UMR students, Mayo faculty/staff, corporate relocations, etc. Establishments range from hotels, suites, apartments, townhomes or single-family homes, etc. Many of these furnished units offer weekly and monthly rates that have flexible rental agreements. Organizations such as the Rochester Visitor Housing Association specialize in short-term visitor housing for Mayo clinic patients and guests.

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There has been a growing preference for non-traditional lodging choices as companies such as VRBO, Airbnb, Vacasa, Trip Advisor and others make a splash into the rental and hospitality sector. Many apartment owners are entertaining relationships with short-term stay companies as an avenue to lock-up long-term leases with a short-term operator. However, single-family properties and townhomes still make-up the majority of property types utilizing short-term rentals in Rochester.

Demand and bookings for short-term rentals was hit hard by the COVID-19 pandemic; especially when elective surgeries and patient volume at the Mayo was down significantly in 2020 and 2021. However, long-term this business model continues to evolve and gain market share as guests desire “experiences” and enjoy the comfort of home-like amenities especially those seeking long-term medical care from the Mayo.

Maxfield Research & Consulting has found that short-term rentals have not had much, of any, impact on the local rental housing market supply in Rochester. Short-term rentals to date have not reduced the supply of rental housing from rental landlords converting from the rental stock to short-term rentals. At this time; many short-term rentals have been from smaller, “mom and pop” real estate owners that have opted to rent out their home or rooms within their home. Nonetheless, there is pressure from the new luxury apartment buildings to convert a portion of the units to the short-term rental inventory with today’s higher vacancy rates. However, we are unaware of a significant presence of short-term stay rentals in new apartment projects.

Short-term rentals have faced backlash from the hospitality industry due to increased competition and the lack of a hospitality tax passed to the consumer. At the same time, major hotel chains have also entered into the short-term stay market as they seek to diversify their portfolios and take advantage of the home sharing industry.

The other product that is seeing increased demand is the market for mid-term rentals. Mid-term rentals are classified as a lease-term more than 30 days but often less than six months. Mid-term rentals are often furnished and target those needing temporary housing for an extend time but not ready to commit to a long-term lease. Mid-term rentals are popular with travel nurses, sales professionals, students/professors on short-term assignments, construction workers, and remote workers. They are also attractive to people relocating to the city and they want a temporary housing option while they are searching for a more permanent residence to establish roots. Mid-term rentals often command a price premium for the flexible lease terms. Given the health care industry in Rochester, mid-term rentals will continue to be sought after by health care professionals as well as the influx of construction works for the Mayo expansion.

APPENDIX

Demographic Analysis Tables

TABLE D-1 POPULATION AND HOUSEHOLD GROWTH TRENDS AND PROJECTIONS OLMSTED COUNTY MARKET AREA 1990 - 2040																			
	Census			Forecast				Change											
	2000	2010	2020	2025	2030	2035	2040	2000-2010		2010-2020		2020-2030		2030-2040					
								No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.				
POPULATION																			
Olmsted County Market Area	131,048	152,116	171,555	179,354	187,877	196,547	203,253	21,068	16.1%	19,439	12.8%	16,322	9.5%	15,377	8.2%				
Olmsted County	124,277	144,248	162,847	170,386	178,483	186,719	193,090	19,971	16.1%	18,599	12.9%	15,636	9.6%	14,608	8.2%				
Byron Submarket	5,757	7,046	8,523	9,574	10,476	11,215	12,091	1,289	22.4%	1,477	21.0%	1,953	22.9%	1,615	15.4%				
Chatfield Submarket	3,360	3,725	3,889	4,001	4,129	4,291	4,384	365	10.9%	164	4.4%	240	6.2%	256	6.2%				
East Submarket	7,176	8,228	8,526	8,813	9,203	9,525	9,800	1,052	14.7%	298	3.6%	677	7.9%	597	6.5%				
North Submarket	7,180	8,411	9,687	10,035	10,490	10,890	11,246	1,231	17.1%	1,276	15.2%	803	8.3%	756	7.2%				
Rochester Fringe	13,859	9,592	10,450	10,943	11,405	11,855	12,293	-4,267	-30.8%	858	8.9%	955	9.1%	888	7.8%				
Rochester Submarket	85,806	106,769	121,395	126,600	132,500	138,800	143,160	20,963	24.4%	14,626	13.7%	11,105	9.1%	10,660	8.0%				
Stewartville Submarket	7,910	8,345	9,085	9,389	9,674	9,971	10,279	435	5.5%	740	8.9%	589	6.5%	605	6.3%				
DMC Area	*	3,605	3,049	3,471	4,434	5,285	5,685	6,090	-556	-15.4%	422	13.8%	1,814	52.3%	805	15.2%			
Rochester MSA**	184,740	206,877	226,329	234,405	243,890	252,474	260,039	22,137	12.0%	19,452	9.4%	17,561	7.8%	16,149	6.6%				
Southeast MN Region^	460,102	494,684	517,852	529,714	540,655	549,242	555,347	34,582	7.5%	23,168	4.7%	22,803	4.4%	14,692	2.7%				
Minnesota	4,919,479	5,303,925	5,706,494	5,804,400	5,923,535	6,016,749	6,082,629	384,446	7.8%	402,569	7.6%	217,041	3.8%	159,094	2.7%				
HOUSEHOLDS																			
Olmsted County Market Area	50,386	60,176	68,701	72,674	76,855	81,040	84,388	9,790	19.4%	8,525	14.2%	8,154	11.9%	7,533	9.8%				
Olmsted County	47,807	57,080	65,242	69,040	73,012	76,988	80,169	9,273	19.4%	8,162	14.3%	7,770	11.9%	7,156	9.8%				
Byron Submarket	1,996	2,629	3,086	3,457	3,767	4,017	4,312	633	31.7%	457	17.4%	681	22.1%	545	14.5%				
Chatfield Submarket	1,275	1,454	1,578	1,630	1,681	1,748	1,803	179	14.0%	124	8.5%	103	6.5%	122	7.3%				
East Submarket	2,643	3,088	3,248	3,366	3,526	3,657	3,767	445	16.8%	160	5.2%	278	8.6%	241	6.8%				
North Submarket	2,631	3,209	3,612	3,751	3,938	4,098	4,245	578	22.0%	403	12.6%	326	9.0%	307	7.8%				
Rochester Fringe	4,806	3,512	3,764	3,961	4,146	4,326	4,501	-1,294	-26.9%	252	7.2%	382	10.1%	355	8.6%				
Rochester Submarket	34,116	43,025	49,904	52,850	56,000	59,250	61,651	8,909	26.1%	6,879	16.0%	6,096	12.2%	5,651	10.1%				
Stewartville Submarket	2,919	3,259	3,509	3,659	3,797	3,944	4,109	340	11.6%	250	7.7%	288	8.2%	312	8.2%				
DMC Area	*	1,968	1,875	2,327	2,970	3,565	3,875	4,170	-93	-4.7%	452	24.1%	1,238	53.2%	605	17.0%			
Rochester MSA**	70,732	81,907	90,673	94,677	99,687	103,899	107,900	11,175	15.8%	8,766	10.7%	9,014	9.9%	8,213	8.2%				
Southeast MN Region^	174,764	193,690	205,311	211,255	217,600	222,365	225,751	18,926	10.8%	11,621	6.0%	12,289	6.0%	8,151	3.7%				
Minnesota	1,895,127	2,087,227	2,253,990	2,303,333	2,359,974	2,416,365	2,452,673	192,100	10.1%	166,763	8.0%	105,984	4.7%	92,699	3.9%				
PERSONS PER HOUSEHOLD																			
Olmsted County Market Area	2.60	2.53	2.50	2.47	2.44	2.43	2.41												
Olmsted County	2.60	2.53	2.50	2.47	2.44	2.43	2.41												
Byron Submarket	2.88	2.68	2.76	2.77	2.78	2.79	2.80												
Chatfield Submarket	2.64	2.56	2.46	2.45	2.46	2.45	2.43												
East Submarket	2.72	2.66	2.63	2.62	2.61	2.60	2.60												
North Submarket	2.73	2.62	2.68	2.68	2.66	2.66	2.65												
Rochester Fringe	2.88	2.73	2.78	2.76	2.75	2.74	2.73												
Rochester Submarket	2.52	2.48	2.43	2.40	2.37	2.34	2.32												
Stewartville Submarket	2.71	2.56	2.59	2.57	2.55	2.53	2.50												
DMC Area	1.83	1.63	1.49	1.49	1.48	1.47	1.46												
Rochester MSA**	2.61	2.53	2.50	2.48	2.45	2.43	2.41												
Southeast MN Region^	2.63	2.55	2.52	2.51	2.48	2.47	2.46												
Minnesota	2.60	2.54	2.53	2.52	2.51	2.49	2.48												

* DMC Area data is from Census Blocks. Blocks in 2000 do not match 2010 and 2020 Blocks. Thus data may be slightly higher due to Block designations.

** Rochester MSA includes the following counties: Olmsted, Dodge, Fillmore, and Wabasha.

^ Southeast MN Region includes the following counties: Dodge, Fillmore, Freeborn, Goodhue, Houston, Mower, Olmsted, Rice, Steele, Wabasha, and Winona.

Sources: US Census Bureau; MN State Demographic Center; ESRI; Maxfield Research & Consulting.

APPENDIX

TABLE D-2
POPULATION AGE DISTRIBUTION
OLMSTED COUNTY MARKET AREA
2000 to 2030

	Number of People					Change					
	U.S. Census			Estimate	Projection	2000-2010		2010-2020		2020-2030	
	2000	2010	2020	2025	2030	No.	Pct.	No.	Pct.	No.	Pct.
Byron	No.	No.	No.	No.	No.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	1,805	1,981	2,475	2,601	2,583	176	8.9	494	24.9	108	4.4
18 to 24	471	485	492	778	976	14	2.9	7	1.4	484	98.3
25 to 34	696	889	883	899	1,124	193	21.7	-6	-0.7	241	27.3
35 to 44	1,129	979	1,358	1,514	1,380	-150	-15.3	379	38.7	22	1.6
45 to 54	747	1,226	1,068	1,292	1,517	479	39.1	-158	-12.9	449	42.1
55 to 64	523	763	1,115	1,095	1,160	240	31.5	352	46.1	45	4.0
65 to 74	228	489	646	803	986	261	53.4	157	32.1	340	52.7
75 to 84	126	186	357	432	553	60	32.3	171	91.9	196	54.9
85+	32	48	129	160	197	16	33.3	81	168.8	68	52.6
Total	5,757	7,046	8,523	9,574	10,476	1,289	18.3	1,477	21.0	1,953	22.9
Chatfield	No.	No.	No.	No.	No.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	896	1,017	963	922	887	121	11.9	-54	-5.3	-76	-7.9
18 to 24	251	229	279	320	308	-22	-9.6	50	21.8	29	10.5
25 to 34	407	453	468	471	517	46	10.2	15	3.3	49	10.4
35 to 44	554	482	479	491	538	-72	-14.9	-3	-0.6	59	12.3
45 to 54	384	541	455	469	466	157	29.0	-86	-15.9	11	2.5
55 to 64	243	395	528	568	517	152	38.5	133	33.7	-11	-2.2
65 to 74	273	268	353	372	442	-5	-1.9	85	31.7	89	25.2
75 to 84	239	213	220	254	316	-26	-12.2	7	3.3	96	43.6
85+	113	127	144	134	139	14	11.0	17	13.4	-5	-3.7
Total	3,360	3,725	3,889	4,001	4,129	365	9.8	164	4.4	240	6.2
East	No.	No.	No.	No.	No.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	2,124	2,330	2,262	2,285	2,222	206	8.8	-68	-2.9	-40	-1.8
18 to 24	614	593	639	730	775	-21	-3.5	46	7.8	136	21.3
25 to 34	923	1,102	1,021	1,013	1,146	179	16.2	-81	-7.4	125	12.2
35 to 44	1,186	1,086	1,141	1,151	1,124	-100	-9.2	55	5.1	-17	-1.5
45 to 54	909	1,222	1,010	1,083	1,174	313	25.6	-212	-17.3	164	16.2
55 to 64	513	857	1,094	1,029	1,038	344	40.1	237	27.7	-56	-5.1
65 to 74	430	496	778	856	913	66	13.3	282	56.9	135	17.4
75 to 84	351	358	383	453	579	7	2.0	25	7.0	196	51.1
85+	126	184	198	214	233	58	31.5	14	7.6	35	17.5
Total	7,176	8,228	8,526	8,813	9,203	1,052	12.8	298	3.6	677	7.9
North	No.	No.	No.	No.	No.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	2,014	2,207	2,570	2,565	2,544	193	8.7	363	16.4	-26	-1.0
18 to 24	496	515	627	761	784	19	3.7	112	21.7	157	25.1
25 to 34	740	930	975	913	1,076	190	20.4	45	4.8	101	10.4
35 to 44	1,353	1,046	1,347	1,405	1,303	-307	-29.3	301	28.8	-44	-3.3
45 to 54	1,102	1,581	1,179	1,300	1,477	479	30.3	-402	-25.4	298	25.3
55 to 64	650	1,058	1,459	1,267	1,151	408	38.6	401	37.9	-308	-21.1
65 to 74	418	601	907	1,105	1,254	183	30.4	306	50.9	347	38.3
75 to 84	299	318	451	527	666	19	6.0	133	41.8	215	47.6
85+	108	155	172	191	236	47	30.3	17	11.0	64	36.9
Total	7,180	8,411	9,687	10,035	10,490	1,231	14.6	1,276	15.2	803	8.3

CONTINUED

APPENDIX

TABLE D-2 (Cont.)
POPULATION AGE DISTRIBUTION
OLMSTED COUNTY MARKET AREA
2000 to 2030

	Number of People					Change					
	U.S. Census			Estimate	Projection	2000-2010		2010-2020		2020-2030	
	2000	2010	2020	2025	2030	No.	Pct.	No.	Pct.	No.	Pct.
Rochester Fringe	No.	No.	No.	No.	No.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	4,129	2,332	2,461	2,518	2,550	-1,797	-77.1	129	5.5	89	3.6
18 to 24	814	602	659	779	773	-212	-35.2	57	9.5	114	17.3
25 to 34	1,191	603	768	1,179	1,203	-588	-97.5	165	27.4	435	56.6
35 to 44	2,778	1,032	1,323	1,454	1,507	-1,746	-169.2	291	28.2	184	13.9
45 to 54	2,374	2,302	1,277	1,309	1,498	-72	-3.1	-1,025	-44.5	221	17.3
55 to 64	1,484	1,575	2,057	1,602	1,375	91	5.8	482	30.6	-682	-33.2
65 to 74	735	789	1,252	1,325	1,486	54	6.8	463	58.7	234	18.7
75 to 84	271	296	545	616	791	25	8.4	249	84.1	246	45.1
85+	83	61	108	161	224	-22	-36.1	47	77.0	116	107.4
Total	13,859	9,592	10,450	10,943	11,405	-4,267	-44.5	858	8.9	955	9.1
Rochester	No.	No.	No.	No.	No.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	22,112	26,470	27,854	28,264	28,733	4,358	16.5	1,384	5.2	879	3.2
18 to 24	7,830	8,845	10,625	11,056	11,059	1,015	11.5	1,780	20.1	434	4.1
25 to 34	13,891	18,080	20,195	20,588	20,045	4,189	23.2	2,115	11.7	-150	-0.7
35 to 44	14,734	13,425	16,270	18,327	19,799	-1,309	-9.8	2,845	21.2	3,529	21.7
45 to 54	10,754	15,107	12,799	13,349	15,111	4,353	28.8	-2,308	-15.3	2,312	18.1
55 to 64	6,634	11,235	14,460	13,625	12,954	4,601	41.0	3,225	28.7	-1,506	-10.4
65 to 74	4,686	6,773	10,360	11,530	12,722	2,087	30.8	3,587	53.0	2,362	22.8
75 to 84	3,543	4,538	6,010	6,815	8,492	995	21.9	1,472	32.4	2,482	41.3
85+	1,622	2,296	2,822	3,047	3,585	674	29.4	526	22.9	763	27.0
Total	85,806	106,769	121,395	126,600	132,500	20,963	19.6	14,626	13.7	11,105	9.1
Stewartville	No.	No.	No.	No.	No.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	2,309	2,223	2,375	2,403	2,332	-86	-3.9	152	6.8	-43	-1.8
18 to 24	595	610	627	748	787	15	2.5	17	2.8	160	25.5
25 to 34	1,018	1,063	1,094	1,103	1,080	45	4.2	31	2.9	-14	-1.2
35 to 44	1,330	1,072	1,259	1,349	1,381	-258	-24.1	187	17.4	122	9.7
45 to 54	992	1,274	1,025	1,092	1,251	282	22.1	-249	-19.5	226	22.1
55 to 64	760	894	1,217	1,129	1,067	134	15.0	323	36.1	-150	-12.3
65 to 74	407	697	778	852	967	290	41.6	81	11.6	189	24.3
75 to 84	310	313	544	528	593	3	1.0	231	73.8	49	9.1
85+	189	199	166	184	216	10	5.0	-33	-16.6	50	30.0
Total	7,910	8,345	9,085	9,389	9,674	435	5.2	740	8.9	589	6.5
DMC Area	No.	No.	No.	No.	No.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	365	251	319	506	567	-114	-45.4	68	27.1	248	77.9
18 to 24	349	359	393	454	498	10	2.8	34	9.5	105	26.6
25 to 34	611	633	852	1,000	1,137	22	3.5	219	34.6	285	33.5
35 to 44	463	294	385	541	660	-169	-57.5	91	31.0	275	71.6
45 to 54	316	305	330	413	514	-11	-3.6	25	8.2	184	55.8
55 to 64	199	307	385	425	471	108	35.2	78	25.4	86	22.3
65 to 74	281	216	301	442	549	-65	-30.1	85	39.4	248	82.2
75 to 84	539	355	257	361	510	-184	-51.8	-98	-27.6	253	98.4
85+	482	329	249	291	379	-153	-46.5	-80	-24.3	130	52.2
Total	3,605	3,049	3,471	4,434	5,285	-556	-18.2	422	13.8	1,814	52.3
Olmsted County MA	No.	No.	No.	No.	No.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	35,389	38,560	40,960	41,558	41,850	3,171	8.2	2,400	6.2	890	2.2
18 to 24	11,071	11,879	13,948	15,172	15,463	808	6.8	2,069	17.4	1,515	10.9
25 to 34	18,866	23,120	25,404	26,167	26,190	4,254	18.4	2,284	9.9	786	3.1
35 to 44	23,064	19,122	23,177	25,691	27,031	-3,942	-20.6	4,055	21.2	3,854	16.6
45 to 54	17,262	23,253	18,813	19,895	22,494	5,991	25.8	-4,440	-19.1	3,681	19.6
55 to 64	10,807	16,777	21,930	20,315	19,260	5,970	35.6	5,153	30.7	-2,670	-12.2
65 to 74	7,177	10,113	15,074	16,842	18,770	2,936	29.0	4,961	49.1	3,696	24.5
75 to 84	5,139	6,222	8,510	9,624	11,990	1,083	17.4	2,288	36.8	3,480	40.9
85+	2,273	3,070	3,739	4,089	4,829	797	26.0	669	21.8	1,090	29.1
Total	131,048	152,116	171,555	179,354	187,877	21,068	13.8	19,439	12.8	16,322	9.5

Sources: U.S. Census Bureau; ESRI; Maxfield Research & Consulting

APPENDIX

**TABLE D-3
RACE BY HOUSEHOLDS
OLMSTED COUNTY MARKET AREA
2010 & 2020**

Number	White Alone		Black or African American Alone		American Indian or Alaska Native Alone		Native Hawaiian or Other Pacific Islander Alone		Asian Alone		Some Other Race		Two or More Races Alone	
	2010	2020	2010	2020	2010	2020	2010	2020	2010	2020	2010	2020	2010	2020
Byron	6,825	7,897	39	56	4	9	11	5	58	123	27	77	82	356
Chatfield	3,645	3,672	3	25	9	4	0	1	11	18	16	21	41	148
East	7,821	7,655	27	56	16	8	0	0	122	115	143	289	99	403
North	8,087	8,835	46	112	11	22	11	1	107	125	40	120	109	472
Rochester	87,500	88,892	6,703	10,794	303	530	39	70	7,246	9,543	2,188	3,557	2,790	8,009
Rochester Fringe	9,019	9,130	57	93	11	28	6	6	341	447	50	133	108	613
Stewartville	8,153	8,423	46	91	17	31	0	1	38	49	25	91	66	399
DMC	2,415	2,323	207	290	20	25	0	5	267	514	48	106	92	208
Olmsted County	123,605	126,764	6,870	11,113	353	613	65	83	7,806	10,278	2,368	4,036	3,181	9,960
Olmsted Market Area	131,050	134,504	6,921	11,227	371	632	67	84	7,923	10,420	2,489	4,288	3,295	10,400
Percent of Total														
Byron	96.9%	92.7%	0.6%	0.7%	0.1%	0.1%	0.2%	0.1%	0.8%	1.4%	0.4%	0.9%	1.2%	4.2%
Chatfield	51.7%	43.1%	0.0%	0.3%	0.1%	0.0%	0.0%	0.0%	0.2%	0.2%	0.2%	0.2%	0.6%	1.7%
East	95.1%	89.8%	0.3%	0.7%	0.2%	0.1%	0.0%	0.0%	1.5%	1.3%	1.7%	3.4%	1.2%	4.7%
North	96.1%	91.2%	0.5%	1.2%	0.1%	0.2%	0.1%	0.0%	1.3%	1.3%	0.5%	1.2%	1.3%	4.9%
Rochester	82.0%	73.2%	6.3%	8.9%	0.3%	0.4%	0.0%	0.1%	6.8%	7.9%	2.0%	2.9%	2.6%	6.6%
Rochester Fringe	94.0%	87.4%	0.6%	0.9%	0.1%	0.3%	0.1%	0.1%	3.6%	4.3%	0.5%	1.3%	1.1%	5.9%
Stewartville	97.7%	92.7%	0.6%	1.0%	0.2%	0.3%	0.0%	0.0%	0.5%	0.5%	0.3%	1.0%	0.8%	4.4%
DMC														
Olmsted County	85.7%	77.8%	4.8%	6.8%	0.2%	0.4%	0.0%	0.1%	5.4%	6.3%	1.6%	2.5%	2.2%	6.1%
Olmsted Market Area	86.2%	78.4%	4.5%	6.5%	0.2%	0.4%	0.0%	0.0%	5.2%	6.1%	1.6%	2.5%	2.2%	6.1%

Sources: U.S. Census Bureau; Maxfield Research & Consulting

APPENDIX

**TABLE D-4
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
OLMSTED COUNTY MARKET AREA
2025 & 2030**

	Age of Householder							
	Total	<25	25-34	35-44	45-54	55-64	65-74	75+
2025								
Less than \$15,000	4,086	400	668	432	344	621	614	1,008
\$15,000 to \$24,999	4,049	325	635	350	274	533	751	1,182
\$25,000 to \$34,999	3,533	319	745	418	282	429	466	873
\$35,000 to \$49,999	5,781	456	1,171	731	560	719	958	1,187
\$50,000 to \$74,999	11,374	662	2,160	1,724	1,367	1,732	2,031	1,698
\$75,000 to \$99,999	9,958	463	2,107	2,034	1,509	1,607	1,484	754
\$100,000 to \$199,999	23,424	507	4,462	5,709	4,672	4,043	2,658	1,372
\$200,000 or more	10,469	68	1,535	2,709	2,399	2,149	1,145	464
Total	72,674	3,201	13,483	14,107	11,406	11,832	10,107	8,538
Median Income	\$92,519	\$52,542	\$89,427	\$115,226	\$118,891	\$103,774	\$78,024	\$50,181
2030								
Less than \$15,000	3,910	396	556	417	330	470	585	1,156
\$15,000 to \$24,999	3,285	267	462	274	218	352	606	1,106
\$25,000 to \$34,999	3,062	273	575	364	233	304	412	901
\$35,000 to \$49,999	4,998	398	955	638	476	486	809	1,236
\$50,000 to \$74,999	10,685	615	1,871	1,594	1,237	1,361	1,991	2,015
\$75,000 to \$99,999	10,056	502	1,953	2,021	1,571	1,413	1,609	987
\$100,000 to \$199,999	27,703	619	4,991	6,472	5,640	4,298	3,469	2,212
\$200,000 or more	13,157	79	2,053	3,040	3,074	2,418	1,663	829
Total	76,855	3,148	13,417	14,819	12,780	11,102	11,144	10,444
Median Income	\$105,305	\$57,505	\$103,768	\$123,851	\$132,149	\$119,306	\$91,685	\$57,868
Change 2025-2030								
Less than \$15,000	-176	-5	-113	-14	-14	-151	-28	149
\$15,000 to \$24,999	-765	-59	-172	-76	-56	-181	-145	-76
\$25,000 to \$34,999	-471	-47	-170	-55	-49	-124	-54	28
\$35,000 to \$49,999	-783	-58	-215	-93	-84	-233	-149	50
\$50,000 to \$74,999	-689	-47	-289	-130	-129	-370	-40	317
\$75,000 to \$99,999	98	39	-154	-13	61	-195	126	233
\$100,000 to \$199,999	4,279	112	530	763	968	255	811	841
\$200,000 or more	2,688	11	518	331	676	269	518	365
Total	4,181	-53	-65	711	1,373	-729	1,037	1,907
Median Income	\$12,786	\$4,963	\$14,341	\$8,625	\$13,258	\$15,532	\$13,661	\$7,687

Sources: ESRI; US Census Bureau; Maxfield Research & Consulting

APPENDIX

**TABLE D-5
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
BYRON SUBMARKET
2025 & 2030**

	Total	Age of Householder						
		<25	25-34	35-44	45-54	55-64	65 -74	75+
2025								
Less than \$15,000	113	1	3	2	9	20	14	63
\$15,000 to \$24,999	138	11	11	6	11	9	54	38
\$25,000 to \$34,999	174	6	13	16	14	25	28	72
\$35,000 to \$49,999	188	12	27	27	18	28	34	42
\$50,000 to \$74,999	370	12	41	50	56	69	68	75
\$75,000 to \$99,999	435	15	75	105	80	82	43	35
\$100,000 to \$199,999	1,419	15	175	408	356	272	150	43
\$200,000 or more	620	2	53	180	164	145	58	18
Total	3,457	74	397	795	708	649	448	386
Median Income	\$116,871	\$62,557	\$111,022	\$145,896	\$142,832	\$134,183	\$89,200	\$41,241
2030								
Less than \$15,000	107	1	0	2	8	15	10	71
\$15,000 to \$24,999	114	8	8	2	9	6	44	37
\$25,000 to \$34,999	139	7	10	10	9	16	21	65
\$35,000 to \$49,999	176	10	29	23	17	19	29	49
\$50,000 to \$74,999	360	15	38	44	50	58	70	86
\$75,000 to \$99,999	404	17	71	81	77	65	42	51
\$100,000 to \$199,999	1,673	26	237	377	417	315	226	76
\$200,000 or more	794	3	88	179	212	169	99	42
Total	3,767	87	482	719	798	663	542	476
Median Income	\$135,164	\$78,040	\$135,420	\$153,598	\$154,349	\$155,799	\$125,504	\$53,262
Change 2025-2030								
Less than \$15,000	-5	0	-3	0	-1	-6	-4	8
\$15,000 to \$24,999	-24	-3	-3	-4	-2	-3	-10	-0
\$25,000 to \$34,999	-35	0	-3	-6	-5	-9	-6	-6
\$35,000 to \$49,999	-12	-2	3	-4	-1	-9	-5	7
\$50,000 to \$74,999	-10	3	-2	-6	-6	-11	2	11
\$75,000 to \$99,999	-31	2	-4	-24	-4	-16	-1	15
\$100,000 to \$199,999	254	11	62	-31	60	43	76	33
\$200,000 or more	174	1	35	-1	48	25	41	24
Total	310	13	85	-76	90	14	94	90
Median Income	\$18,293	\$15,483	\$24,398	\$7,702	\$11,517	\$21,616	\$36,304	\$12,021

Sources: ESRI; US Census Bureau; Maxfield Research & Consulting

APPENDIX

**TABLE D-10
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
NORTH SUBMARKET
2025 & 2030**

	Total	Age of Householder						
		<25	25-34	35-44	45-54	55-64	65-74	75+
2025								
Less than \$15,000	156	9	16	9	9	26	35	53
\$15,000 to \$24,999	97	4	3	5	4	11	26	44
\$25,000 to \$34,999	135	5	17	13	12	28	24	38
\$35,000 to \$49,999	290	22	43	34	21	43	62	65
\$50,000 to \$74,999	471	18	52	55	57	77	100	112
\$75,000 to \$99,999	491	17	84	84	89	84	92	41
\$100,000 to \$199,999	1,394	23	184	333	333	271	190	61
\$200,000 or more	716	5	76	159	168	168	99	41
Total	3,751	102	475	692	693	707	626	456
Median Income	\$110,978	\$63,746	\$106,754	\$137,547	\$140,345	\$124,022	\$91,808	\$54,215
2030								
Less than \$15,000	138	8	14	9	7	15	28	58
\$15,000 to \$24,999	73	4	3	3	3	6	15	39
\$25,000 to \$34,999	113	4	15	9	7	18	21	40
\$35,000 to \$49,999	238	18	38	26	13	26	47	71
\$50,000 to \$74,999	418	14	48	41	47	53	92	124
\$75,000 to \$99,999	466	19	81	71	84	65	93	55
\$100,000 to \$199,999	1,599	31	241	314	394	269	244	107
\$200,000 or more	893	5	120	154	210	175	155	73
Total	3,938	103	559	626	765	626	694	565
Median Income	\$127,140	\$78,423	\$127,267	\$145,747	\$155,035	\$148,124	\$113,643	\$62,643
Change 2025-2030								
Less than \$15,000	-18	-1	-2	0	-2	-11	-7	4
\$15,000 to \$24,999	-24	0	0	-2	-1	-5	-11	-6
\$25,000 to \$34,999	-22	-1	-2	-4	-5	-10	-3	2
\$35,000 to \$49,999	-53	-4	-6	-8	-8	-18	-15	5
\$50,000 to \$74,999	-53	-4	-5	-15	-11	-24	-8	13
\$75,000 to \$99,999	-25	2	-3	-13	-5	-19	1	13
\$100,000 to \$199,999	205	8	57	-19	61	-2	54	45
\$200,000 or more	177	0	44	-5	42	7	57	31
Total	187	1	84	-65	72	-81	68	109
Median Income	\$16,162	\$14,677	\$20,513	\$8,200	\$14,690	\$24,102	\$21,835	\$8,428

Sources: ESRI; US Census Bureau; Maxfield Research & Consulting

APPENDIX

**TABLE D-6
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
CHATFIELD SUBMARKET
2025 & 2030**

	Total	Age of Householder						
		<25	25-34	35-44	45-54	55-64	65 -74	75+
2025								
Less than \$15,000	72	4	6	5	4	9	11	33
\$15,000 to \$24,999	76	4	6	3	3	10	13	36
\$25,000 to \$34,999	84	7	13	6	9	10	8	30
\$35,000 to \$49,999	183	10	23	21	14	36	40	38
\$50,000 to \$74,999	179	10	27	22	21	30	39	30
\$75,000 to \$99,999	288	15	39	44	43	63	55	29
\$100,000 to \$199,999	566	11	82	141	128	115	58	32
\$200,000 or more	183	2	22	35	53	42	10	18
Total	1,630	64	218	278	276	315	235	244
Median Income	\$92,818	\$64,142	\$95,746	\$113,960	\$121,210	\$99,725	\$76,880	\$43,346
2030								
Less than \$15,000	66	5	4	3	6	4	9	34
\$15,000 to \$24,999	60	2	4	3	1	7	8	34
\$25,000 to \$34,999	65	3	10	5	4	5	8	28
\$35,000 to \$49,999	149	8	23	15	9	21	37	36
\$50,000 to \$74,999	168	8	25	17	14	23	37	44
\$75,000 to \$99,999	280	13	38	44	41	51	58	36
\$100,000 to \$199,999	655	13	100	165	131	118	91	38
\$200,000 or more	238	2	34	46	63	46	18	29
Total	1,681	55	238	298	270	277	266	278
Median Income	\$103,888	\$75,000	\$106,716	\$123,084	\$132,873	\$111,212	\$87,337	\$53,230
Change 2025-2030								
Less than \$15,000	-6	1	-2	-2	2	-5	-2	1
\$15,000 to \$24,999	-16	-2	-2	0	-2	-3	-5	-2
\$25,000 to \$34,999	-19	-4	-3	-1	-5	-5	0	-1
\$35,000 to \$49,999	-34	-2	-0	-7	-5	-15	-3	-2
\$50,000 to \$74,999	-11	-2	-1	-6	-8	-7	-2	14
\$75,000 to \$99,999	-8	-3	-1	0	-2	-12	3	7
\$100,000 to \$199,999	89	1	18	24	3	3	33	6
\$200,000 or more	55	0	11	11	10	4	8	11
Total	51	-10	20	20	-6	-39	32	34
Median Income	\$11,070	\$10,858	\$10,970	\$9,124	\$11,663	\$11,487	\$10,457	\$9,884

Sources: ESRI; US Census Bureau; Maxfield Research & Consulting

APPENDIX

**TABLE D-7
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
EAST SUBMARKET
2025 & 2030**

	Total	Age of Householder						
		<25	25-34	35-44	45-54	55-64	65-74	75+
2025								
Less than \$15,000	188	8	26	14	16	35	36	53
\$15,000 to \$24,999	119	3	10	6	9	18	26	46
\$25,000 to \$34,999	157	6	23	16	10	21	26	54
\$35,000 to \$49,999	201	16	28	16	22	28	39	51
\$50,000 to \$74,999	568	20	80	75	84	111	120	77
\$75,000 to \$99,999	496	17	75	94	102	94	71	42
\$100,000 to \$199,999	1,226	24	190	279	329	219	124	60
\$200,000 or more	411	3	65	109	82	73	65	14
Total	3,366	99	499	610	655	600	507	396
Median Income	\$97,049	\$67,499	\$101,267	\$117,065	\$112,695	\$97,392	\$76,757	\$48,056
2030								
Less than \$15,000	163	6	24	9	10	25	27	61
\$15,000 to \$24,999	83	3	6	3	4	10	17	40
\$25,000 to \$34,999	122	8	14	10	5	14	23	48
\$35,000 to \$49,999	162	15	21	10	17	21	28	50
\$50,000 to \$74,999	481	16	69	57	63	83	114	79
\$75,000 to \$99,999	491	17	80	77	91	90	83	53
\$100,000 to \$199,999	1,488	23	246	301	390	266	158	104
\$200,000 or more	535	4	88	123	110	94	89	28
Total	3,526	92	548	592	690	603	538	463
Median Income	\$109,657	\$70,508	\$113,949	\$133,416	\$126,399	\$111,062	\$91,591	\$58,299
Change 2025-2030								
Less than \$15,000	-25	-2	-2	-5	-6	-9	-8	8
\$15,000 to \$24,999	-35	0	-4	-3	-5	-8	-10	-6
\$25,000 to \$34,999	-35	2	-10	-6	-5	-8	-3	-6
\$35,000 to \$49,999	-39	-2	-8	-6	-6	-8	-10	-1
\$50,000 to \$74,999	-87	-5	-11	-18	-22	-27	-6	2
\$75,000 to \$99,999	-4	-1	5	-17	-11	-5	12	12
\$100,000 to \$199,999	262	-1	56	21	61	47	34	44
\$200,000 or more	124	1	23	14	27	21	24	14
Total	160	-7	49	-19	35	3	32	67
Median Income	\$12,608	\$3,009	\$12,682	\$16,351	\$13,704	\$13,670	\$14,834	\$10,243

Sources: ESRI; US Census Bureau; Maxfield Research & Consulting

APPENDIX

**TABLE D-8
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
NORTH SUBMARKET
2025 & 2030**

	Age of Householder							
	Total	<25	25-34	35-44	45-54	55-64	65-74	75+
2025								
Less than \$15,000	156	9	16	9	9	26	35	53
\$15,000 to \$24,999	97	4	3	5	4	11	26	44
\$25,000 to \$34,999	135	5	17	13	12	28	24	38
\$35,000 to \$49,999	290	22	43	34	21	43	62	65
\$50,000 to \$74,999	471	18	52	55	57	77	100	112
\$75,000 to \$99,999	491	17	84	84	89	84	92	41
\$100,000 to \$199,999	1,394	23	184	333	333	271	190	61
\$200,000 or more	716	5	76	159	168	168	99	41
Total	3,751	102	475	692	693	707	626	456
Median Income	\$110,978	\$63,746	\$106,754	\$137,547	\$140,345	\$124,022	\$91,808	\$54,215
2030								
Less than \$15,000	138	8	14	9	7	15	28	58
\$15,000 to \$24,999	73	4	3	3	3	6	15	39
\$25,000 to \$34,999	113	4	15	9	7	18	21	40
\$35,000 to \$49,999	238	18	38	26	13	26	47	71
\$50,000 to \$74,999	418	14	48	41	47	53	92	124
\$75,000 to \$99,999	466	19	81	71	84	65	93	55
\$100,000 to \$199,999	1,599	31	241	314	394	269	244	107
\$200,000 or more	893	5	120	154	210	175	155	73
Total	3,938	103	559	626	765	626	694	565
Median Income	\$127,140	\$78,423	\$127,267	\$145,747	\$155,035	\$148,124	\$113,643	\$62,643
Change 2025-2030								
Less than \$15,000	-18	-1	-2	0	-2	-11	-7	4
\$15,000 to \$24,999	-24	0	0	-2	-1	-5	-11	-6
\$25,000 to \$34,999	-22	-1	-2	-4	-5	-10	-3	2
\$35,000 to \$49,999	-53	-4	-6	-8	-8	-18	-15	5
\$50,000 to \$74,999	-53	-4	-5	-15	-11	-24	-8	13
\$75,000 to \$99,999	-25	2	-3	-13	-5	-19	1	13
\$100,000 to \$199,999	205	8	57	-19	61	-2	54	45
\$200,000 or more	177	0	44	-5	42	7	57	31
Total	187	1	84	-65	72	-81	68	109
Median Income	\$16,162	\$14,677	\$20,513	\$8,200	\$14,690	\$24,102	\$21,835	\$8,428

Sources: ESRI; US Census Bureau; Maxfield Research & Consulting

APPENDIX

**TABLE D-9
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
ROCHESTER SUBMARKET
2025 & 2030**

	Age of Householder							
	Total	<25	25-34	35-44	45-54	55-64	65 -74	75+
2025								
Less than \$15,000	3,256	372	579	369	275	478	464	721
\$15,000 to \$24,999	3,291	297	588	316	228	434	554	874
\$25,000 to \$34,999	2,610	276	616	330	212	288	312	576
\$35,000 to \$49,999	4,385	367	965	568	432	493	699	863
\$50,000 to \$74,999	8,713	560	1,817	1,374	1,024	1,270	1,457	1,212
\$75,000 to \$99,999	7,284	365	1,673	1,538	1,030	1,098	1,045	534
\$100,000 to \$199,999	16,212	378	3,417	3,919	3,004	2,656	1,804	1,035
\$200,000 or more	7,099	47	1,149	1,893	1,594	1,371	734	311
Total	52,850	2,660	10,804	10,306	7,799	8,087	7,070	6,125
Median Income	\$87,576	\$50,545	\$85,654	\$109,902	\$113,831	\$99,508	\$75,857	\$50,396
2030								
Less than \$15,000	3,174	363	484	372	273	380	465	837
\$15,000 to \$24,999	2,736	246	429	254	191	301	469	846
\$25,000 to \$34,999	2,327	231	479	305	190	223	287	611
\$35,000 to \$49,999	3,882	325	790	522	385	350	596	913
\$50,000 to \$74,999	8,316	520	1,583	1,325	957	1,023	1,451	1,457
\$75,000 to \$99,999	7,504	397	1,554	1,599	1,116	997	1,147	693
\$100,000 to \$199,999	19,214	454	3,711	4,631	3,658	2,818	2,297	1,646
\$200,000 or more	8,846	49	1,469	2,126	2,068	1,546	1,053	535
Total	56,000	2,585	10,500	11,134	8,840	7,638	7,763	7,539
Median Income	\$100,177	\$54,360	\$98,536	\$117,235	\$125,382	\$112,781	\$86,577	\$57,375
Change 2025-2030								
Less than \$15,000	-82	-8	-94	3	-1	-98	1	115
\$15,000 to \$24,999	-556	-51	-159	-62	-37	-133	-86	-28
\$25,000 to \$34,999	-282	-44	-137	-25	-22	-65	-25	36
\$35,000 to \$49,999	-504	-42	-174	-45	-47	-143	-103	51
\$50,000 to \$74,999	-397	-39	-234	-49	-67	-247	-7	245
\$75,000 to \$99,999	220	33	-119	61	86	-101	101	159
\$100,000 to \$199,999	3,003	76	294	712	655	162	493	611
\$200,000 or more	1,747	2	320	233	475	176	318	224
Total	3,150	-75	-303	828	1,041	-448	693	1,414
Median Income	\$12,601	\$3,815	\$12,882	\$7,333	\$11,551	\$13,273	\$10,720	\$6,979

Sources: ESRI; US Census Bureau; Maxfield Research & Consulting

APPENDIX

**TABLE D-10
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
ROCHESTER FRINGE SUBMARKET
2025 & 2030**

	Total	Age of Householder						
		<25	25-34	35-44	45-54	55-64	65 -74	75+
2025								
Less than \$15,000	128	3	17	14	13	24	34	24
\$15,000 to \$24,999	107	4	8	4	9	23	23	37
\$25,000 to \$34,999	127	5	19	10	11	24	30	29
\$35,000 to \$49,999	192	12	27	22	21	29	33	49
\$50,000 to \$74,999	595	26	75	73	62	88	154	117
\$75,000 to \$99,999	422	13	61	66	63	75	99	46
\$100,000 to \$199,999	1,265	34	223	247	220	242	210	89
\$200,000 or more	1,124	6	127	235	279	276	148	53
Total	3,961	102	557	670	676	782	730	443
Median Income	\$124,608	\$77,234	\$122,995	\$153,783	\$171,031	\$152,521	\$97,609	\$65,315
2030								
Less than \$15,000	109	7	13	9	11	12	26	33
\$15,000 to \$24,999	62	0	4	2	5	8	15	28
\$25,000 to \$34,999	100	9	16	7	7	8	19	34
\$35,000 to \$49,999	127	9	14	12	11	14	28	40
\$50,000 to \$74,999	509	26	52	55	56	54	137	129
\$75,000 to \$99,999	386	17	42	56	64	47	99	61
\$100,000 to \$199,999	1,459	42	240	260	263	231	271	154
\$200,000 or more	1,395	12	189	286	318	295	195	100
Total	4,146	121	570	686	733	668	790	578
Median Income	\$151,867	\$87,819	\$155,019	\$174,741	\$178,242	\$179,777	\$117,948	\$84,209
Change 2025-2030								
Less than \$15,000	-19	4	-4	-5	-2	-12	-8	9
\$15,000 to \$24,999	-45	-4	-4	-2	-4	-15	-7	-9
\$25,000 to \$34,999	-28	4	-2	-3	-4	-16	-10	5
\$35,000 to \$49,999	-65	-3	-12	-10	-10	-15	-5	-9
\$50,000 to \$74,999	-86	0	-23	-17	-6	-34	-17	11
\$75,000 to \$99,999	-37	4	-19	-10	1	-28	-1	15
\$100,000 to \$199,999	194	8	16	13	43	-11	61	64
\$200,000 or more	271	6	62	51	39	19	47	48
Total	185	18	13	16	57	-114	60	135
Median Income	\$27,259	\$10,585	\$32,024	\$20,958	\$7,211	\$27,256	\$20,339	\$18,894

Sources: ESRI; US Census Bureau; Maxfield Research & Consulting

APPENDIX

**TABLE D-11
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
STEWARTVILLE SUBMARKET
2025 & 2030**

	Total	Age of Householder						
		<25	25-34	35-44	45-54	55-64	65 -74	75+
2025								
Less than \$15,000	171	3	20	18	18	29	20	62
\$15,000 to \$24,999	222	3	9	9	10	27	56	107
\$25,000 to \$34,999	248	14	43	27	14	33	38	78
\$35,000 to \$49,999	339	17	56	43	31	61	51	79
\$50,000 to \$74,999	472	16	66	74	62	87	91	74
\$75,000 to \$99,999	543	21	99	104	103	111	76	27
\$100,000 to \$199,999	1,355	22	191	390	310	270	122	50
\$200,000 or more	310	2	41	99	58	73	29	7
Total	3,659	98	526	766	607	692	485	486
Median Income	\$90,864	\$66,953	\$90,342	\$118,624	\$111,822	\$99,110	\$69,617	\$34,146
2030								
Less than \$15,000	151	4	15	12	14	19	18	68
\$15,000 to \$24,999	161	4	8	6	5	13	40	84
\$25,000 to \$34,999	200	10	30	17	10	21	33	78
\$35,000 to \$49,999	267	13	40	31	25	36	44	79
\$50,000 to \$74,999	424	15	54	54	51	69	87	93
\$75,000 to \$99,999	529	23	89	94	100	99	85	39
\$100,000 to \$199,999	1,646	31	219	437	402	292	182	83
\$200,000 or more	420	3	58	120	88	86	47	17
Total	3,797	103	514	772	696	636	536	540
Median Income	\$105,718	\$78,693	\$104,766	\$133,461	\$127,634	\$111,308	\$86,674	\$41,580
Change 2025-2030								
Less than \$15,000	-19	1	-5	-6	-4	-10	-2	5
\$15,000 to \$24,999	-61	1	-1	-3	-5	-14	-16	-23
\$25,000 to \$34,999	-48	-4	-13	-10	-4	-12	-5	-0
\$35,000 to \$49,999	-72	-4	-16	-12	-7	-25	-7	-0
\$50,000 to \$74,999	-48	-1	-12	-20	-11	-19	-4	19
\$75,000 to \$99,999	-14	1	-10	-10	-3	-12	9	12
\$100,000 to \$199,999	290	9	28	47	92	22	60	33
\$200,000 or more	110	1	17	20	30	13	18	10
Total	138	5	-12	6	89	-57	52	55
Median Income	\$14,854	\$11,740	\$14,424	\$14,837	\$15,812	\$12,198	\$17,057	\$7,434

Sources: ESRI; US Census Bureau; Maxfield Research & Consulting

APPENDIX

**TABLE D-12
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
DMC AREA
2025 & 2030**

	Age of Householder							
	Total	<25	25-34	35-44	45-54	55-64	65 -74	75+
2025								
Less than \$15,000	840	83	123	56	61	126	151	239
\$15,000 to \$24,999	741	84	139	61	46	102	125	184
\$25,000 to \$34,999	406	56	125	40	37	40	44	63
\$35,000 to \$49,999	480	63	153	53	51	49	53	58
\$50,000 to \$74,999	617	65	191	83	60	58	70	90
\$75,000 to \$99,999	420	47	134	63	40	37	49	49
\$100,000 to \$199,999	466	19	128	88	70	51	44	65
\$200,000 or more	466	16	112	86	65	58	51	77
Total	4,434	434	1,105	531	430	522	587	826
Median Income	\$93,526	\$51,254	\$91,444	\$128,671	\$140,489	\$105,679	\$81,992	\$62,484
2030								
Less than \$15,000	1,009	90	129	66	70	140	192	322
\$15,000 to \$24,999	788	77	134	63	44	103	147	219
\$25,000 to \$34,999	449	61	131	44	42	41	48	83
\$35,000 to \$49,999	540	70	164	59	59	52	63	74
\$50,000 to \$74,999	737	74	221	96	68	63	87	129
\$75,000 to \$99,999	536	63	166	77	52	44	59	76
\$100,000 to \$199,999	586	24	155	110	88	57	57	94
\$200,000 or more	641	22	151	116	87	70	66	129
Total	5,285	481	1,250	632	510	569	718	1,125
Median Income	\$100,837	\$56,639	\$101,118	\$138,331	\$152,281	\$111,725	\$85,747	\$70,062
Change 2025-2030								
Less than \$15,000	169	8	6	10	8	13	40	83
\$15,000 to \$24,999	47	-7	-4	1	-1	1	23	35
\$25,000 to \$34,999	44	5	6	4	5	0	4	20
\$35,000 to \$49,999	60	7	11	6	8	2	10	16
\$50,000 to \$74,999	120	9	29	13	8	5	16	39
\$75,000 to \$99,999	116	15	32	14	11	7	10	26
\$100,000 to \$199,999	120	5	26	23	18	6	13	29
\$200,000 or more	175	6	39	30	22	12	15	52
Total	851	47	145	101	80	47	131	299
Median Income	\$7,311	\$5,385	\$9,674	\$9,660	\$11,792	\$6,046	\$3,755	\$7,578

Sources: ESRI; US Census Bureau; Maxfield Research & Consulting

APPENDIX

**TABLE D-13
TENURE BY HOUSEHOLD INCOME
OLMSTED COUNTY MARKET AREA
2025**

Income	BYRON SUBMARKET				CHATFIELD SUBMARKET				EAST SUBMARKET				NORTH SUBMARKET			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
Less than \$15,000	66	40.3%	98	59.7%	36	59.6%	24	40.4%	132	64.6%	72	35.4%	108	75.4%	35	24.6%
\$15,000 to \$24,999	58	37.9%	96	62.1%	43	47.4%	48	52.6%	47	56.5%	36	43.5%	68	58.2%	49	41.8%
\$25,000 to \$34,999	103	53.6%	89	46.4%	53	82.1%	12	17.9%	78	67.8%	37	32.2%	81	52.8%	73	47.2%
\$35,000 to \$49,999	160	69.9%	69	30.1%	81	53.4%	71	46.6%	210	60.5%	137	39.5%	163	51.5%	154	48.5%
\$50,000 to \$74,999	321	85.3%	55	14.7%	238	95.3%	12	4.7%	399	70.5%	166	29.5%	348	78.4%	96	21.6%
\$75,000 to \$99,999	252	74.8%	85	25.2%	278	94.8%	15	5.2%	432	89.6%	50	10.4%	362	88.1%	49	11.9%
\$100,000 to \$149,999	634	93.9%	41	6.1%	339	98.3%	6	1.7%	821	91.8%	73	8.2%	672	91.6%	62	8.4%
\$150,000+	1,314	98.9%	15	1.1%	369	98.8%	5	1.2%	663	98.3%	12	1.7%	1,410	98.4%	22	1.6%
Total	2,909	84.1%	548	15.9%	1,438	88.2%	192	11.8%	2,781	82.6%	585	17.4%	3,211	85.6%	540	14.4%
Median Household Income	\$139,405		\$31,092		\$101,689		\$41,030		\$106,534		\$49,685		\$138,366		\$47,123	

Units in Structure	ROCHESTER SUBMARKET				ROCHESTER FRINGE SUB.				STEWARTVILLE SUBMARKET				OLMSTED COUNTY MARKET AREA			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
Less than \$15,000	801	28.8%	1,982	71.2%	95	69.4%	42	30.6%	73	52.2%	67	47.8%	1,311	36.1%	2,321	63.9%
\$15,000 to \$24,999	1,064	34.7%	2,002	65.3%	43	62.5%	26	37.5%	122	69.8%	53	30.2%	1,445	38.5%	2,309	61.5%
\$25,000 to \$34,999	969	31.9%	2,069	68.1%	114	100.0%	0	0.0%	180	50.9%	173	49.1%	1,579	39.2%	2,453	60.8%
\$35,000 to \$49,999	2,193	45.8%	2,594	54.2%	117	96.1%	5	3.9%	245	60.0%	163	40.0%	3,170	49.8%	3,192	50.2%
\$50,000 to \$74,999	4,843	56.3%	3,755	43.7%	370	86.4%	58	13.6%	527	74.5%	181	25.5%	7,046	62.0%	4,323	38.0%
\$75,000 to \$99,999	4,961	69.4%	2,183	30.6%	348	89.9%	39	10.1%	282	98.2%	5	1.8%	6,914	74.0%	2,426	26.0%
\$100,000 to \$149,999	8,264	78.8%	2,229	21.2%	814	96.4%	30	3.6%	737	95.0%	39	5.0%	12,282	83.2%	2,481	16.8%
\$150,000+	11,481	88.7%	1,461	11.3%	1,852	99.6%	8	0.4%	808	99.5%	4	0.5%	17,897	92.1%	1,526	7.9%
Total	34,576	65.4%	18,274	34.6%	3,754	94.8%	207	5.2%	2,974	81.3%	685	18.7%	51,644	71.1%	21,030	28.9%
Median Household Income	\$111,867		\$54,042		\$159,643		\$82,738		\$101,800		\$41,133		\$117,613		\$52,833	

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting

APPENDIX

TABLE D-14
TENURE BY AGE OF HOUSEHOLDER
OLMSTED COUNTY MARKET AREA
2010 and 2020

Age		----- Olmsted County Submarkets -----																			
		Olmsted County Market Area				Byron Submarket				Chatfield Submarket				East Submarket				North Submarket			
		2010		2020		2010		2020		2010		2020		2010		2020		2010		2020	
No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.		
15-24	Own	719	25.1	520	16.2	29	34.1	25	47.2	16	29.6	22	38.6	37	32.7	46	46.5	31	39.2	39	41.5
	Rent	2,145	74.9	2,681	83.8	56	65.9	28	52.8	38	70.4	35	61.4	76	67.3	53	53.5	48	60.8	55	58.5
	Total	2,864	100.0	3,201	100.0	85	100.0	53	100.0	54	100.0	57	100.0	113	100.0	99	100.0	79	100.0	94	100.0
25-34	Own	7,255	61.7	6,495	50.1	325	74.4	299	74.2	155	70.1	174	72.8	397	74.1	340	68.0	311	72.0	325	66.5
	Rent	4,505	38.3	6,466	49.9	112	25.6	104	25.8	66	29.9	65	27.2	139	25.9	160	32.0	121	28.0	164	33.5
	Total	11,760	100.0	12,961	100.0	437	100.0	403	100.0	221	100.0	239	100.0	536	100.0	500	100.0	432	100.0	489	100.0
35-44	Own	8,005	77.0	9,094	72.2	457	87.2	646	89.3	214	81.1	226	84.6	485	82.8	485	82.6	484	86.7	580	88.7
	Rent	2,392	23.0	3,501	27.8	67	12.8	77	10.7	50	18.9	41	15.4	101	17.2	102	17.4	74	13.3	74	11.3
	Total	10,397	100.0	12,595	100.0	524	100.0	723	100.0	264	100.0	267	100.0	586	100.0	587	100.0	558	100.0	654	100.0
45-54	Own	11,110	84.1	8,383	78.2	610	88.8	529	89.8	252	84.8	223	83.8	586	87.1	525	86.9	783	89.8	556	89.2
	Rent	2,107	15.9	2,337	21.8	77	11.2	60	10.2	45	15.2	43	16.2	87	12.9	79	13.1	89	10.2	67	10.8
	Total	13,217	100.0	10,720	100.0	687	100.0	589	100.0	297	100.0	266	100.0	673	100.0	604	100.0	872	100.0	623	100.0
55-64	Own	8,520	86.0	10,578	83.3	403	91.6	598	88.9	209	86.7	268	89.6	446	87.8	558	87.7	546	91.2	750	92.1
	Rent	1,387	14.0	2,124	16.7	37	8.4	75	11.1	32	13.3	31	10.4	62	12.2	78	12.3	53	8.8	64	7.9
	Total	9,907	100.0	12,702	100.0	440	100.0	673	100.0	241	100.0	299	100.0	508	100.0	636	100.0	599	100.0	814	100.0
65-74	Own	5,268	86.8	7,580	84.1	272	92.8	319	88.9	143	84.1	185	82.2	249	86.2	418	87.6	341	91.2	471	89.2
	Rent	803	13.2	1,434	15.9	21	7.2	40	11.1	27	15.9	40	17.8	40	13.8	59	12.4	33	8.8	57	10.8
	Total	6,071	100.0	9,014	100.0	293	100.0	359	100.0	170	100.0	225	100.0	289	100.0	477	100.0	374	100.0	528	100.0
75-84	Own	3,159	77.6	4,173	79.9	111	89.5	195	88.6	113	79.6	108	78.8	184	73.3	176	74.9	171	81.8	248	85.5
	Rent	912	22.4	1,050	20.1	13	10.5	25	11.4	29	20.4	29	21.2	67	26.7	59	25.1	38	18.2	42	14.5
	Total	4,071	100.0	5,223	100.0	124	100.0	220	100.0	142	100.0	137	100.0	251	100.0	235	100.0	209	100.0	290	100.0
85+	Own	1,024	54.2	1,369	59.9	33	84.6	48	72.7	29	44.6	54	61.4	69	52.3	62	56.4	56	65.1	91	75.8
	Rent	865	45.8	916	40.1	6	15.4	18	27.3	36	55.4	34	38.6	63	47.7	48	43.6	30	34.9	29	24.2
	Total	1,889	100.0	2,285	100.0	39	100.0	66	100.0	65	100.0	88	100.0	132	100.0	110	100.0	86	100.0	120	100.0
TOTAL	Own	45,060	74.9	48,192	70.1	2,240	85.2	2,659	86.2	1,131	77.8	1,260	79.8	2,453	79.4	2,610	80.4	2,723	84.9	3,060	84.7
	Rent	15,116	25.1	20,509	29.9	389	14.8	427	13.8	323	22.2	318	20.2	635	20.6	638	19.6	486	15.1	552	15.3
	Total	60,176	100.0	68,701	100.0	2,629	100.0	3,086	100.0	1,454	100.0	1,578	100.0	3,088	100.0	3,248	100.0	3,209	100.0	3,612	100.0

Sources: U.S. Census Bureau; Maxfield Research and Consulting

APPENDIX

**TABLE D-15
TENURE BY RACE
OLMSTED COUNTY AND CITY OF ROCHESTER
2010 and 2020**

	White Alone	Black or African American Alone	American Indian or Alaska Native Alone	Native Hawaiian or Other Pacific Islander Alone	Asian Alone	Some Other Race Alone	Two or More Races Alone	Hispanic or Latino
2020								
Rochester								
Total	37,725	1,913	80	14	2,262	564	467	2,304
Owned Occupied	28,148	436	36	10	1,363	258	221	1,090
Renter Occupied	9,577	1,477	44	4	899	306	246	1,214
% Owner	74.6%	22.8%	45.0%	71.4%	60.3%	45.7%	47.3%	47.3%
Remainder of Olmsted County Market Area								
Total	16,739	62	24	5	171	68	82	356
Owned Occupied	14,298	37	16	4	139	39	55	247
Renter Occupied	2,441	25	8	1	32	29	27	109
% Owner	85.4%	59.7%	66.7%	80.0%	81.3%	57.4%	67.1%	69.4%
Olmsted County Market Area								
Total	54,464	1,975	104	19	2,433	632	549	2,660
Owned Occupied	42,446	473	52	14	1,502	297	276	1,337
Renter Occupied	12,018	1,502	52	5	931	335	273	1,323
% Owner	77.9%	23.9%	50.0%	73.7%	61.7%	47.0%	50.3%	50.3%
2010								
Rochester								
Total	40,073	3,160	154	14	3,317	1,056	2,130	1,407
Owned Occupied	27,818	687	73	2	1,959	497	1,109	721
Renter Occupied	12,255	2,473	81	12	1,358	559	1,021	686
% Owner	69.4%	21.7%	47.4%	14.3%	59.1%	47.1%	52.1%	51.2%
Remainder of Olmsted County Market Area								
Total	17,630	120	50	5	264	177	551	217
Owned Occupied	15,202	49	25	3	231	118	419	146
Renter Occupied	2,428	71	25	2	33	59	132	71
% Owner	86.2%	40.8%	50.0%	60.0%	87.5%	66.7%	76.0%	67.3%
Olmsted County Market Area								
Total	57,703	3,280	204	19	3,581	1,233	2,681	1,624
Owned Occupied	43,020	736	98	5	2,190	615	1,528	867
Renter Occupied	14,683	2,544	106	14	1,391	618	1,153	757
% Owner	74.6%	22.4%	48.0%	26.3%	61.2%	49.9%	57.0%	53.4%

Source: U.S. Census, Maxfield Research & Research

TABLE D-15
TENURE BY HOUSEHOLD SIZE
OLMSTED COUNTY MARKET AREA
2010 & 2020

Byron Submarket								
Size	2010				2020			
	Owner Occupied		Renter Occupied		Owner Occupied		Renter Occupied	
	Number	Pct.	Number	Pct.	Number	Pct.	Number	Pct.
1PP Household	336	15.0%	148	38.0%	383	14.4%	178	41.7%
2PP Household	860	38.4%	106	27.2%	955	35.9%	116	27.2%
3PP Household	377	16.8%	65	16.7%	388	14.6%	59	13.8%
4PP Household	441	19.7%	39	10.0%	555	20.9%	44	10.3%
5PP Household	167	7.5%	23	5.9%	258	9.7%	16	3.7%
6PP Household	44	2.0%	7	1.8%	84	3.2%	6	1.4%
7PP+ Household	15	0.7%	1	0.3%	36	1.4%	8	1.9%
Total	2,240	100.0%	389	100.0%	2,659	100.0%	427	100.0%

Chatfield Submarket								
Size	2010				2020			
	Owner Occupied		Renter Occupied		Owner Occupied		Renter Occupied	
	Number	Pct.	Number	Pct.	Number	Pct.	Number	Pct.
1PP Household	208	18.4%	155	48.0%	246	19.5%	174	54.7%
2PP Household	440	38.9%	83	25.7%	476	37.8%	66	20.8%
3PP Household	179	15.8%	34	10.5%	201	16.0%	31	9.7%
4PP Household	195	17.2%	24	7.4%	198	15.7%	19	6.0%
5PP Household	86	7.6%	16	5.0%	85	6.7%	20	6.3%
6PP Household	16	1.4%	9	2.8%	40	3.2%	4	1.3%
7PP+ Household	7	0.6%	2	0.6%	14	1.1%	4	1.3%
Total	1,131	100.0%	323	100.0%	1,260	100.0%	318	100.0%

East Submarket								
Size	2010				2020			
	Owner Occupied		Renter Occupied		Owner Occupied		Renter Occupied	
	Number	Pct.	Number	Pct.	Number	Pct.	Number	Pct.
1PP Household	396	16.1%	313	49.3%	452	17.3%	279	43.7%
2PP Household	901	36.7%	153	24.1%	964	36.9%	161	25.2%
3PP Household	394	16.1%	69	10.9%	400	15.3%	79	12.4%
4PP Household	478	19.5%	54	8.5%	446	17.1%	50	7.8%
5PP Household	190	7.7%	28	4.4%	203	7.8%	31	4.9%
6PP Household	64	2.6%	11	1.7%	104	4.0%	23	3.6%
7PP+ Household	30	1.2%	7	1.1%	41	1.6%	15	2.4%
Total	2,453	100.0%	635	100.0%	2,610	100.0%	638	100.0%

North Submarket								
Size	2010				2020			
	Owner Occupied		Renter Occupied		Owner Occupied		Renter Occupied	
	Number	Pct.	Number	Pct.	Number	Pct.	Number	Pct.
1PP Household	480	17.6%	189	38.9%	529	17.3%	206	37.3%
2PP Household	1,073	39.4%	142	29.2%	1,187	38.8%	157	28.4%
3PP Household	454	16.7%	70	14.4%	451	14.7%	75	13.6%
4PP Household	440	16.2%	49	10.1%	482	15.8%	52	9.4%
5PP Household	201	7.4%	21	4.3%	270	8.8%	31	5.6%
6PP Household	53	1.9%	12	2.5%	102	3.3%	16	2.9%
7PP+ Household	22	0.8%	3	0.6%	39	1.3%	15	2.7%
Total	2,723	100.0%	486	100.0%	3,060	100.0%	552	100.0%

Rochester Submarket								
Size	2010				2020			
	Owner Occupied		Renter Occupied		Owner Occupied		Renter Occupied	
	Number	Pct.	Number	Pct.	Number	Pct.	Number	Pct.
1PP Household	7,087	23.3%	5,844	46.6%	7,680	23.9%	8,551	48.2%
2PP Household	11,450	37.6%	3,215	25.6%	12,094	37.6%	4,874	27.4%
3PP Household	4,617	15.2%	1,559	12.4%	4,683	14.6%	1,939	10.9%
4PP Household	4,435	14.6%	979	7.8%	4,503	14.0%	1,311	7.4%
5PP Household	1,839	6.0%	508	4.0%	2,017	6.3%	540	3.0%
6PP Household	693	2.3%	251	2.0%	728	2.3%	325	1.8%
7PP+ Household	351	1.2%	197	1.6%	440	1.4%	219	1.2%
Total	30,472	100.0%	12,553	100.0%	32,145	100.0%	17,759	100.0%

Continued

APPENDIX

TABLE D-16
TENURE BY HOUSEHOLD SIZE
OLMSTED COUNTY MARKET AREA
2010 & 2020

Rochester Fringe Submarket								
Size	2010				2020			
	Owner Occupied		Renter Occupied		Owner Occupied		Renter Occupied	
	Number	Pct.	Number	Pct.	Number	Pct.	Number	Pct.
1PP Household	408	12.3%	65	34.6%	452	12.6%	60	31.6%
2PP Household	1,478	44.5%	52	27.7%	1,597	44.7%	78	41.1%
3PP Household	549	16.5%	27	14.4%	515	14.4%	18	9.5%
4PP Household	541	16.3%	21	11.2%	585	16.4%	18	9.5%
5PP Household	235	7.1%	11	5.9%	288	8.1%	6	3.2%
6PP Household	84	2.5%	6	3.2%	88	2.5%	6	3.2%
7PP+ Household	29	0.9%	6	3.2%	49	1.4%	4	2.1%
Total	3,324	100.0%	188	100.0%	3,574	100.0%	190	100.0%

Stewartville Submarket								
Size	2010				2020			
	Owner Occupied		Renter Occupied		Owner Occupied		Renter Occupied	
	Number	Pct.	Number	Pct.	Number	Pct.	Number	Pct.
1PP Household	502	18.5%	263	48.5%	567	19.7%	254	40.6%
2PP Household	1060	39.0%	128	23.6%	1076	37.3%	171	27.4%
3PP Household	466	17.2%	76	14.0%	440	15.3%	74	11.8%
4PP Household	425	15.6%	50	9.2%	497	17.2%	58	9.3%
5PP Household	173	6.4%	17	3.1%	202	7.0%	34	5.4%
6PP Household	62	2.3%	5	0.9%	71	2.5%	18	2.9%
7PP+ Household	29	1.1%	3	0.6%	31	1.1%	16	2.6%
Total	2,717	100.0%	542	100.0%	2,884	100.0%	625	100.0%

Olmsted County								
Size	2010				2020			
	Owner Occupied		Renter Occupied		Owner Occupied		Renter Occupied	
	Number	Pct.	Number	Pct.	Number	Pct.	Number	Pct.
1PP Household	8,988	21.0%	6,536	45.8%	9,795	21.4%	9,237	47.2%
2PP Household	16,409	38.3%	3,677	25.8%	17,425	38.2%	5,391	27.5%
3PP Household	6,688	15.6%	1,814	12.7%	6,685	14.6%	2,176	11.1%
4PP Household	6,569	15.3%	1,149	8.1%	6,888	15.1%	1,491	7.6%
5PP Household	2,734	6.4%	595	4.2%	3,126	6.8%	639	3.3%
6PP Household	967	2.3%	284	2.0%	1,133	2.5%	376	1.9%
7PP+ Household	457	1.1%	213	1.5%	615	1.3%	265	1.4%
Total	42,812	100.0%	14,268	100.0%	45,667	100.0%	19,575	100.0%

Olmsted County MA								
Size	2010				2020			
	Owner Occupied		Renter Occupied		Owner Occupied		Renter Occupied	
	Number	Pct.	Number	Pct.	Number	Pct.	Number	Pct.
1PP Household	9,417	20.9%	6,977	46.2%	10,309	21.4%	9,702	47.3%
2PP Household	17,262	38.3%	3,879	25.7%	18,349	38.1%	5,623	27.4%
3PP Household	7,036	15.6%	1,900	12.6%	7,078	14.7%	2,275	11.1%
4PP Household	6,955	15.4%	1,216	8.0%	7,266	15.1%	1,552	7.6%
5PP Household	2,891	6.4%	624	4.1%	3,323	6.9%	678	3.3%
6PP Household	1,016	2.3%	301	2.0%	1,217	2.5%	398	1.9%
7PP+ Household	483	1.1%	219	1.4%	650	1.3%	281	1.4%
Total	45,060	100.0%	15,116	100.0%	48,192	100.0%	20,509	100.0%

Sources: U.S. Census Bureau; Maxfield Research & Consulting

APPENDIX

TABLE D-17
HOUSEHOLD TYPE
OLMSTED COUNTY MARKET AREA
2010 & 2020

	----- Olmsted County Submarkets -----																			
	Olmsted Cty MA		Byron Sub.		Chatfield Sub.		East Sub.		North River		Rochester Sub.		Roch Fringe Sub.		Stewartville Sub.		DMC Area		TCMA	
	2010	2020	2010	2020	2010	2020	2010	2020	2010	2020	2010	2020	2010	2020	2010	2020	2010	2020	2010	2020
Total Households	60,176	68,701	2,629	3,086	1,454	1,578	3,088	3,248	3,209	3,612	43,025	49,904	3,512	3,764	3,259	3,509	1,875	2,327	1,117,749	1,239,526
Non-Family Households	20,417	25,173	602	712	434	525	835	906	827	929	16,172	20,417	611	656	936	1,028	1,436	1,739	410,253	464,953
Living Alone	16,394	20,011	484	561	363	420	709	731	669	735	12,931	16,231	473	512	765	821	1,312	1,587	319,030	357,703
Other (Roommates)	4,023	5,162	118	151	71	105	126	175	158	194	3,241	4,186	138	144	171	207	124	152	91,223	107,250
Family Households	39,759	43,528	2,027	2,374	1,020	1,053	2,253	2,342	2,382	2,683	26,853	29,487	2,901	3,108	2,323	2,481	439	588	707,496	774,573
Married w/ Children	14,020	14,114	770	923	369	345	849	806	862	948	9,376	9,384	986	930	808	778	84	111	244,687	244,749
Married w/o Children	18,149	20,256	926	1,032	453	500	998	1,073	1,177	1,326	11,877	13,325	1,644	1,849	1,074	1,151	248	297	298,723	343,050
Other Family	7,590	9,158	331	419	198	208	406	463	343	409	5,600	6,778	271	329	441	552	107	180	164,086	186,774
Change (2010-2020)																				
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Total Households	8,525	14.2%	457	17.4%	124	8.5%	160	5.2%	403	12.6%	6,879	16.0%	252	7.2%	250	7.7%	452	24.1%	121,777	10.9%
Non-Family Households	4,756	23.3%	110	18.3%	91	21.0%	71	8.5%	102	12.3%	4,245	26.2%	45	7.4%	92	9.8%	303	21.1%	54,700	13.3%
Living Alone	3,617	22.1%	77	15.9%	57	15.7%	22	3.1%	66	9.9%	3,300	25.5%	39	8.2%	56	7.3%	275	21.0%	38,673	12.1%
Other (Roommates)	1,139	28.3%	33	28.0%	34	47.9%	49	38.9%	36	22.8%	945	29.2%	6	4.3%	36	21.1%	28	22.6%	16,027	17.6%
Family Households	3,769	9.5%	347	17.1%	33	3.2%	89	4.0%	301	12.6%	2,634	9.8%	207	7.1%	158	6.8%	149	33.9%	67,077	9.5%
Married w/ Children	94	0.7%	153	19.9%	-24	-6.5%	-43	-5.1%	86	10.0%	8	0.1%	-56	-5.7%	-30	-3.7%	27	32.1%	62	0.0%
Married w/o Children	2,107	11.6%	106	11.4%	47	10.4%	75	7.5%	149	12.7%	1,448	12.2%	205	12.5%	77	7.2%	49	19.8%	44,327	14.8%
Other Family	1,568	20.7%	88	26.6%	10	5.1%	57	14.0%	66	19.2%	1,178	21.0%	58	21.4%	111	25.2%	73	68.2%	22,688	13.8%

Sources: U.S. Census; MN State Demographic Center; ESRI; Maxfield Research & Consulting

TABLE D-18
ESTIMATED NET WORTH BY AGE OF HOUSEHOLDER
OLMSTED COUNTY MARKET AREA
2025

Submarket	Age of Householder															
	Total		15-24		25-34		35-44		45-54		55-64		65-74		75+	
	Average	Median	Average	Median	Average	Median	Average	Median	Average	Median*	Average	Median*	Average	Median*	Average	Median
Byron	\$1,930,402	\$550,987	\$208,598	\$152,393	\$303,722	\$225,590	\$1,542,919	\$536,747	\$2,019,922	\$635,545	\$2,962,293	\$1,000,001	\$3,060,867	\$1,000,001	\$1,518,982	\$346,637
Chatfield	\$1,466,855	\$363,940	\$211,148	\$201,809	\$270,777	\$165,372	\$845,982	\$316,195	\$1,696,244	\$500,000	\$2,336,131	\$635,404	\$1,799,149	\$541,084	\$182,625	\$306,303
East	\$1,397,674	\$366,722	\$208,157	\$160,587	\$273,095	\$174,212	\$1,066,417	\$327,638	\$1,215,136	\$426,333	\$1,967,170	\$545,360	\$2,633,932	\$670,807	\$1,476,926	\$323,094
North	\$2,155,659	\$570,228	\$196,471	\$108,565	\$285,731	\$193,203	\$1,352,660	\$491,943	\$1,977,448	\$645,609	\$3,137,402	\$1,000,001	\$3,542,041	\$1,000,001	\$2,602,335	\$548,024
Rochester	\$1,236,270	\$257,586	\$76,404	\$13,223	\$181,884	\$78,003	\$701,957	\$227,105	\$1,345,239	\$355,158	\$2,068,071	\$539,566	\$2,392,432	\$578,711	\$1,933,354	\$359,047
Rochester Fringe	\$2,701,147	\$721,052	\$199,482	\$186,775	\$316,993	\$213,256	\$1,432,797	\$557,436	\$2,574,136	\$1,000,001	\$3,792,289	\$1,000,001	\$4,305,450	\$1,000,001	\$3,822,047	\$841,840
Stewartville	\$1,113,483	\$312,271	\$158,588	\$110,035	\$238,921	\$150,761	\$853,114	\$287,466	\$1,016,243	\$366,269	\$1,841,206	\$572,932	\$1,852,264	\$529,255	\$1,010,968	\$262,277
DMC Area	\$547,384	\$16,112	\$33,862	\$9,817	\$60,505	\$11,965	\$184,349	\$19,948	\$745,664	\$50,000	\$1,068,693	\$27,646	\$1,358,324	\$29,033	\$660,317	\$53,192
Olmsted County MA Total	\$1,404,043	\$304,934	\$96,450	\$15,053	\$201,716	\$97,110	\$841,360	\$275,211	\$1,481,464	\$426,292	\$2,284,240	\$631,419	\$2,606,201	\$639,405	\$1,976,368	\$374,552

* Median Income does not exceed \$1,000,001.

Sources: ESRI; Maxfield Research & Consulting, LLC

APPENDIX

Housing Characteristics Tables

TABLE HC-3
AGE OF HOUSING STOCK
OLMSTED COUNTY MARKET AREA
2025

	Total Units	Med. Yr. Built	Year Unit Built																	
			<1940		1940s		1950s		1960s		1970s		1980s		1990s		2000s		2010 or later	
			No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Byron Submarket																				
Owner-Occupied	2,909	1993	248	8.5	18	0.6	136	4.7	263	9.1	286	9.8	373	12.8	390	13.4	748	25.7	447	15.4
Renter-Occupied	548	1998	3	0.6	0	0.0	12	2.1	37	6.8	22	4.1	134	24.4	76	14.0	164	29.8	100	18.2
Total	3,457	1993	251	7.3	18	0.5	148	4.3	301	8.7	308	8.9	507	14.7	466	13.5	912	26.4	547	15.8
Chatfield Submarket																				
Owner-Occupied	1,438	1976	349	24.3	23	1.6	98	6.8	117	8.2	242	16.8	87	6.1	181	12.6	185	12.9	156	10.8
Renter-Occupied	192	1998	52	27.3	19	9.7	0	0.0	7	3.6	60	31.5	0	0.0	7	3.6	40	20.6	7	3.6
Total	1,630	1974	401	24.6	42	2.6	98	6.0	124	7.6	302	18.5	87	5.3	188	11.6	224	13.8	163	10.0
East Submarket																				
Owner-Occupied	2,781	1978	689	24.8	82	3.0	158	5.7	122	4.4	400	14.4	300	10.8	328	11.8	508	18.3	194	7.0
Renter-Occupied	585	1980	30	5.2	5	0.8	48	8.2	77	13.2	155	26.5	79	13.6	70	11.9	116	19.8	5	0.8
Total	3,366	1979	720	21.4	87	2.6	206	6.1	200	5.9	554	16.5	379	11.3	398	11.8	624	18.5	199	5.9
North Submarket																				
Owner-Occupied	3,211	1821	316	9.8	63	2.0	182	5.7	130	4.1	475	14.8	330	10.3	402	12.5	925	28.8	389	12.1
Renter-Occupied	540	1993	73	13.4	6	1.2	33	6.1	37	6.9	30	5.5	36	6.7	78	14.4	196	36.4	50	9.3
Total	3,751	1991	388	10.3	69	1.8	215	5.7	167	4.5	504	13.4	366	9.8	480	12.8	1,121	29.9	439	11.7
Rochester Submarket																				
Owner-Occupied	34,576	1986	2,344	6.8	1,497	4.3	3,555	10.3	3,525	10.2	3,750	10.8	4,184	12.1	5,668	16.4	7,078	20.5	2,975	8.6
Renter-Occupied	18,274	1990	1,337	7.3	495	2.7	1,199	6.6	1,819	10.0	2,575	14.1	1,746	9.6	1,923	10.5	2,710	14.8	4,469	24.5
Total	52,850	1987	3,682	7.0	1,992	3.8	4,754	9.0	5,345	10.1	6,324	12.0	5,930	11.2	7,591	14.4	9,788	18.5	7,445	14.1
Rochester Fringe Submarket																				
Owner-Occupied	3,754	1985	409	10.9	96	2.6	87	2.3	248	6.6	569	15.2	825	22.0	678	18.1	502	13.4	339	9.0
Renter-Occupied	207	1925	14	6.9	3	1.4	39	18.8	38	18.3	12	6.0	3	1.4	36	17.4	13	6.4	49	23.4
Total	3,961	1985	423	10.7	99	2.5	126	3.2	286	7.2	581	14.7	828	20.9	715	18.0	516	13.0	387	9.8
Stewartville Submarket																				
Owner-Occupied	2,974	1986	307	10.3	77	2.6	174	5.9	337	11.3	379	12.8	322	10.8	288	9.7	704	23.7	385	13.0
Renter-Occupied	685	1972	74	10.8	4	0.6	0	0.0	245	35.9	122	17.8	37	5.3	125	18.2	31	4.6	47	6.8
Total	3,659	1983	381	10.4	81	2.2	174	4.8	582	15.9	501	13.7	359	9.8	413	11.3	735	20.1	432	11.8
Olmsted County Market Area																				
Owner-Occupied	51,644	1976	4,662	9.0	1,857	3.6	4,390	8.5	4,744	9.2	6,100	11.8	6,420	12.4	7,936	15.4	10,649	20.6	4,886	9.5
Renter-Occupied	21,030	1989	1,584	7.5	531	2.5	1,330	6.3	2,262	10.8	2,976	14.2	2,035	9.7	2,315	11.0	3,270	15.5	4,726	22.5
Total	72,674	1987	6,246	8.6	2,388	3.3	5,721	7.9	7,005	9.6	9,076	12.5	8,456	11.6	10,250	14.1	13,920	19.2	9,612	13.2

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting

**TABLE HC-4
RENTER-OCCUPIED UNITS BY CONTRACT RENT
OLMSTED COUNTY MARKET AREA
2025**

Contract Rent	Byron Sub.		Chatfield Sub.		East Sub.	
	No.	Pct.	No.	Pct.	No.	Pct.
No Cash Rent	24	4.7	41	12.7	47	7.4
Cash Rent	490	95.3	283	87.3	597	92.6
\$0 to \$249	2	0.4	4	1.2	11	1.7
\$250-\$499	41	7.9	79	24.2	43	6.7
\$500-\$749	27	5.2	132	40.6	278	43.2
\$750-\$999	249	48.4	67	20.6	221	34.3
\$1,000+	171	33.3	2	0.6	43	6.7
Total	514	100.0	324	100.0	644	100.0
Median Contract Rent	\$806		\$656		\$783	
Contract Rent	North Sub.		Rochester Sub.		Roch. Fringe Sub.	
	No.	Pct.	No.	Pct.	No.	Pct.
No Cash Rent	33	5.9	651	3.2	21	11.0
Cash Rent	530	94.1	19,706	96.8	171	89.0
\$0 to \$249	12	2.2	728	3.6	0	0.0
\$250-\$499	19	3.4	719	3.5	4	1.8
\$500-\$749	76	13.4	1,825	9.0	43	22.5
\$750-\$999	214	37.9	4,103	20.2	56	29.4
\$1,000+	209	37.2	12,332	60.6	68	35.3
Total	563	100.0	20,357	100.0	192	100.0
Median Contract Rent	\$1,006		\$1,191		\$939	
Contract Rent	Stewartville Sub.		Olmsted Cty. MA			
	No.	Pct.	No.	Pct.		
No Cash Rent	82	11.9	900	3.9		
Cash Rent	613	88.1	22,389	96.1		
\$0 to \$249	48	7.0	805	3.5		
\$250-\$499	80	11.6	985	4.2		
\$500-\$749	50	7.3	2,431	10.4		
\$750-\$999	235	33.8	5,144	22.1		
\$1,000+	199	28.6	13,024	55.9		
Total	695	100.0	23,289	100.0		
Median Contract Rent	\$904		\$1,150			

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting

**TABLE HC-5
OWNER-OCCUPIED UNITS BY VALUE
OLMSTED COUNTY MARKET AREA
2025**

Home Value	Byron Sub.		Chatfield Sub.		East Sub.	
	No.	Pct.	No.	Pct.	No.	Pct.
Less than \$50,000	64	2.2	73	5.6	88	3.2
\$50,000-\$99,999	67	2.3	25	1.9	70	2.6
\$100,000-\$149,999	53	1.8	120	9.2	335	12.3
\$150,000-\$199,999	127	4.3	280	21.4	326	12.0
\$200,000-\$249,999	330	11.2	240	18.4	367	13.5
\$250,000-\$299,999	437	14.9	117	9.0	526	19.3
\$300,000-\$399,999	760	25.8	194	14.9	508	18.7
\$400,000-\$499,999	451	15.3	106	8.1	213	7.8
Greater than \$500,000	654	22.2	151	11.6	288	10.6
Total	2,943	100.0	1,306	100.0	2,722	100.0
Median Home Value	\$352,684		\$261,742		\$254,364	

Home Value	North Sub.		Rochester Sub.		Roch. Fringe Sub.	
	No.	Pct.	No.	Pct.	No.	Pct.
Less than \$50,000	165	5.2	1,076	3.3	182	4.8
\$50,000-\$99,999	21	0.7	364	1.1	99	2.6
\$100,000-\$149,999	80	2.5	1,585	4.9	45	1.2
\$150,000-\$199,999	228	7.1	3,628	11.2	125	3.3
\$200,000-\$249,999	262	8.2	5,637	17.3	245	6.5
\$250,000-\$299,999	196	6.1	5,274	16.2	185	4.9
\$300,000-\$399,999	678	21.3	6,243	19.2	402	10.7
\$400,000-\$499,999	481	15.1	3,975	12.2	762	20.2
Greater than \$500,000	1,078	33.8	4,711	14.5	1,724	45.7
Total	3,188	100.0	32,493	100.0	3,769	100.0
Median Home Value	\$390,887		\$287,500		\$547,556	

Home Value	Stewartville Sub.		Olmsted Cty MA	
	No.	Pct.	No.	Pct.
Less than \$50,000	210	7.1	1,859	3.8
\$50,000-\$99,999	172	5.8	818	1.7
\$100,000-\$149,999	142	4.8	2,362	4.8
\$150,000-\$199,999	228	7.7	4,941	10.0
\$200,000-\$249,999	408	13.8	7,489	15.2
\$250,000-\$299,999	489	16.5	7,225	14.6
\$300,000-\$399,999	431	14.5	9,216	18.7
\$400,000-\$499,999	396	13.4	6,384	12.9
Greater than \$500,000	487	16.4	9,092	18.4
Total	2,964	100.0	49,385	100.0
Median Home Value	\$308,497		\$316,616	

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting

APPENDIX

**TABLE HC-6
HOUSING UNITS BY STRUCTURE & TENURE
OLMSTED COUNTY MARKET AREA
2025**

Units in Structure	Byron Submarket				Chatfield Submarket				East Submarket			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
1, detached	2,709	92.0%	184	35.9%	1,105	84.6%	67	20.6%	2,550	93.7%	159	29.0%
1, attached	203	6.9%	82	15.9%	136	10.4%	24	7.3%	105	3.9%	19	3.5%
2	0	0.0%	0	0.0%	0	0.0%	37	11.5%	1	0.0%	83	15.1%
3 to 4	0	0.0%	12	2.3%	0	0.0%	33	10.3%	6	0.2%	192	35.2%
5 to 9	0	0.0%	38	7.4%	0	0.0%	31	9.7%	0	0.0%	25	4.6%
10 to 19	0	0.0%	90	17.4%	0	0.0%	73	22.4%	0	0.0%	40	7.3%
20 to 49	0	0.0%	54	10.5%	0	0.0%	41	12.7%	0	0.0%	23	4.3%
50 or more	0	0.0%	49	9.5%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Mobile home	31	1.1%	6	1.2%	64	4.9%	18	5.5%	59	2.2%	6	1.1%
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	2,943	100%	514	100%	1,306	100%	324	100%	2,722	100%	546	100%

Units in Structure	North Submarket				Rochester Submarket				Roch. Fringe Submarket			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
1, detached	2,946	92.4%	124	21.9%	27,475	84.6%	3,489	15.0%	3,315	88.0%	62	32.1%
1, attached	54	1.7%	81	14.4%	3,078	9.5%	2,179	9.4%	6	0.2%	0	0.0%
2	4	0.1%	36	6.3%	108	0.3%	940	4.0%	202	5.3%	0	0.0%
3 to 4	0	0.0%	9	1.6%	281	0.9%	3,478	14.9%	0	0.0%	0	0.0%
5 to 9	0	0.0%	101	18.0%	126	0.4%	1,662	7.1%	0	0.0%	18	9.6%
10 to 19	0	0.0%	8	1.4%	91	0.3%	2,052	8.8%	0	0.0%	0	0.0%
20 to 49	0	0.0%	154	27.3%	256	0.8%	2,747	11.8%	0	0.0%	0	0.0%
50 or more	0	0.0%	0	0.0%	468	1.4%	6,641	28.5%	0	0.0%	72	37.6%
Mobile home	184	5.8%	51	9.1%	583	1.8%	24	0.1%	246	6.5%	40	20.6%
Boat, RV, van, etc.	0	0.0%	0	0.0%	26	0.1%	77	0.3%	0	0.0%	0	0.0%
Total	3,188	100%	563	100%	32,493	100%	23,289	100%	3,769	100%	192	100%

Units in Structure	Stewartville Submarket				Olmsted County MA			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
1, detached	2,492	84.1%	162	23.3%	42,593	86.2%	4,245	16.3%
1, attached	115	3.9%	81	11.7%	3,697	7.5%	2,466	9.4%
2	0	0.0%	0	0.0%	315	0.6%	1,096	4.2%
3 to 4	19	0.6%	31	4.4%	306	0.6%	3,755	14.4%
5 to 9	0	0.0%	169	24.3%	126	0.3%	2,045	7.8%
10 to 19	0	0.0%	0	0.0%	91	0.2%	2,261	8.7%
20 to 49	0	0.0%	186	26.8%	256	0.5%	3,205	12.3%
50 or more	0	0.0%	33	4.7%	468	0.9%	6,795	26.0%
Mobile home	338	11.4%	33	4.7%	1,507	3.1%	177	0.7%
Boat, RV, van, etc.	0	0.0%	0	0.0%	26	0.1%	77	0.3%
Total	2,964	100%	695	100%	49,385	100%	26,123	100%

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting

Employment Trends Tables

TABLE E-9 COMMUTING PATTERNS OLMSTED COUNTY MARKET AREA 2022					
Byron Submarket					
Home Destination			Work Destination		
Place of Employment	Count	Share	Place of Residence	Count	Share
Rochester, MN	468	24.4%	Rochester, MN	3,173	64.6%
Byron, MN	344	17.9%	Byron, MN	363	7.4%
Kasson, MN	123	6.4%	Pine Island, MN	97	2.0%
Pine Island, MN	64	3.3%	Dodge Center, MN	71	1.4%
Dodge Center, MN	51	2.7%	Minneapolis, MN	65	1.3%
Hayfield, MN	27	1.4%	Stewartville, MN	57	1.2%
Mantorville, MN	27	1.4%	Kasson, MN	48	1.0%
Stewartville, MN	20	1.0%	Eden Prairie, MN	34	0.7%
Austin, MN	19	1.0%	St. Charles, MN	34	0.7%
Zumbrota, MN	13	0.7%	Zumbrota, MN	34	0.7%
All Other Locations	765	39.8%	All Other Locations	938	19.1%
Chatfield Submarket					
Home Destination			Work Destination		
Place of Employment	Count	Share	Place of Residence	Count	Share
Chatfield, MN	183	14.3%	Rochester, MN	1,033	48.0%
Rochester, MN	112	8.7%	Chatfield, MN	198	9.2%
Eyota, MN	96	7.5%	Eyota, MN	75	3.5%
St. Charles, MN	43	3.4%	Preston, MN	57	2.6%
Wykoff, MN	30	2.3%	Stewartville, MN	37	1.7%
Dover, MN	29	2.3%	St. Charles, MN	36	1.7%
Fountain, MN	25	1.9%	Spring Valley, MN	34	1.6%
Stewartville, MN	22	1.7%	Minneapolis, MN	28	1.3%
Preston, MN	17	1.3%	Winona, MN	24	1.1%
Winona, MN	16	1.2%	Plainview, MN	21	1.0%
All Other Locations	710	55.3%	All Other Locations	608	28.3%
East Submarket					
Home Destination			Work Destination		
Place of Employment	Count	Share	Place of Residence	Count	Share
Rochester, MN	448	19.8%	Rochester, MN	2,249	49.5%
St. Charles, MN	351	15.5%	St. Charles, MN	354	7.8%
Eyota, MN	115	5.1%	Chatfield, MN	208	4.6%
Chatfield, MN	107	4.7%	Winona, MN	170	3.7%
Plainview, MN	47	2.1%	Eyota, MN	163	3.6%
Stewartville, MN	44	1.9%	Stewartville, MN	60	1.3%
Dover, MN	38	1.7%	Minneapolis, MN	56	1.2%
Lewiston, MN	36	1.6%	Lewiston, MN	44	1.0%
Byron, MN	33	1.5%	Plainview, MN	31	0.7%
Winona, MN	32	1.4%	St. Paul, MN	29	0.6%
All Other Locations	1,015	44.8%	All Other Locations	1,181	26.0%
<i>Table Continued</i>					

APPENDIX

**TABLE E-9
COMMUTING PATTERNS
OLMSTED COUNTY MARKET AREA
2022**

North Submarket					
Home Destination			Work Destination		
Place of Employment	Count	Share	Place of Residence	Count	Share
Rochester, MN	430	21.2%	Rochester, MN	3,235	60.6%
Pine Island, MN	209	10.3%	Pine Island, MN	267	5.0%
Zumbrota, MN	109	5.4%	Zumbrota, MN	168	3.1%
Byron, MN	97	4.8%	Byron, MN	95	1.8%
Oronoco, MN	46	2.3%	Minneapolis, MN	95	1.8%
Kasson, MN	37	1.8%	St. Paul, MN	55	1.0%
Plainview, MN	31	1.5%	Bloomington, MN	38	0.7%
Wanamingo, MN	28	1.4%	Dodge Center, MN	37	0.7%
Austin, MN	27	1.3%	Wanamingo, MN	34	0.6%
Stewartville, MN	24	1.2%	Eden Prairie, MN	29	0.5%
All Other Locations	993	48.9%	All Other Locations	1,283	24.0%
Rochester Submarket					
Home Destination			Work Destination		
Place of Employment	Count	Share	Place of Residence	Count	Share
Rochester, MN	49,407	49.4%	Rochester, MN	49,407	76.0%
Byron, MN	2,391	2.4%	Minneapolis, MN	1,180	1.8%
Stewartville, MN	2,131	2.1%	Stewartville, MN	560	0.9%
Kasson, MN	2,020	2.0%	Eden Prairie, MN	559	0.9%
Pine Island, MN	1,046	1.0%	St. Paul, MN	541	0.8%
Austin, MN	962	1.0%	Winona, MN	446	0.7%
Plainview, MN	851	0.9%	Bloomington, MN	395	0.6%
St. Charles, MN	832	0.8%	Dodge Center, MN	374	0.6%
Chatfield, MN	769	0.8%	Byron, MN	368	0.6%
Oronoco, MN	659	0.7%	St. Charles, MN	314	0.5%
All Other Locations	39,015	39.0%	All Other Locations	10,872	16.7%
<i>Table Continued</i>					

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**TABLE E-9
COMMUTING PATTERNS
OLMSTED COUNTY MARKET AREA
2022**

Rochester Fringe Submarket					
Home Destination			Work Destination		
Place of Employment	Count	Share	Place of Residence	Count	Share
Rochester, MN	721	38.2%	Rochester, MN	4,317	75.2%
Stewartville, MN	46	2.4%	Minneapolis, MN	98	1.7%
Kasson, MN	42	2.2%	Eden Prairie, MN	53	0.9%
Byron, MN	36	1.9%	Stewartville, MN	52	0.9%
Plainview, MN	33	1.7%	Winona, MN	49	0.9%
Pine Island, MN	30	1.6%	St. Charles, MN	40	0.7%
Chatfield, MN	27	1.4%	Austin, MN	36	0.6%
Austin, MN	22	1.2%	Byron, MN	34	0.6%
Eyota, MN	17	0.9%	St. Paul, MN	34	0.6%
Spring Valley, MN	16	0.8%	Bloomington, MN	28	0.5%
All Other Locations	899	47.6%	All Other Locations	997	17.4%

Stewartville Submarket					
Home Destination			Work Destination		
Place of Employment	Count	Share	Place of Residence	Count	Share
Rochester, MN	638	25.8%	Rochester, MN	2,919	59.5%
Stewartville, MN	575	23.3%	Stewartville, MN	622	12.7%
Spring Valley, MN	61	2.5%	Minneapolis, MN	90	1.8%
Austin, MN	52	2.1%	Byron, MN	45	0.9%
Grand Meadow, MN	36	1.5%	St. Charles, MN	44	0.9%
Chatfield, MN	34	1.4%	St. Paul, MN	39	0.8%
St. Charles, MN	29	1.2%	Winona, MN	34	0.7%
Byron, MN	28	1.1%	Bloomington, MN	32	0.7%
Kasson, MN	21	0.8%	Austin, MN	30	0.6%
Eyota, MN	20	0.8%	Eden Prairie, MN	30	0.6%
All Other Locations	979	39.6%	All Other Locations	1,018	20.8%

Home Destination: Where workers live who are employed in the selection area.
 Work Destination: Where workers are employed who live in the selection area.
 Sources: U.S. Census Bureau Local Employment Dynamics, Maxfield Research & Consulting

APPENDIX

**TABLE E-10
INFLOW / OUTFLOW CHARACTERISTICS
OLMSTED COUNTY MARKET AREA
2022**

	Outflow		Inflow		Interior Flow	
Byron Submarket	4,501	70.1%	1,508	23.5%	413	6.4%
<u>By Age</u>						
Workers Aged 29 or younger	856	19%	453	30%	140	34%
Workers Aged 30 to 54	2,606	58%	752	50%	202	49%
Workers Aged 55 or older	1,039	23%	303	20%	71	17%
<u>By Monthly Wage</u>						
Workers Earning \$1,250 per month or less	640	14%	329	22%	144	35%
Workers Earning \$1,251 to \$3,333 per month	653	15%	363	24%	100	24%
Workers Earning More than \$3,333 per month	3,208	71%	816	54%	169	41%
<u>By Industry</u>						
"Goods Producing"	566	13%	545	36%	71	17%
"Trade, Transportation, and Utilities"	555	12%	215	14%	98	24%
"All Other Services"	3,380	75%	748	50%	244	59%
Chatfield Submarket	1,931	60.1%	1,063	33.1%	220	6.8%
<u>By Age</u>						
Workers Aged 29 or younger	415	21%	238	22%	69	31%
Workers Aged 30 to 54	1,030	53%	512	48%	100	45%
Workers Aged 55 or older	486	25%	313	29%	51	23%
<u>By Monthly Wage</u>						
Workers Earning \$1,250 per month or less	321	17%	282	27%	80	36%
Workers Earning \$1,251 to \$3,333 per month	341	18%	231	22%	55	25%
Workers Earning More than \$3,333 per month	1,269	66%	550	52%	85	39%
<u>By Industry</u>						
"Goods Producing"	322	17%	379	36%	72	33%
"Trade, Transportation, and Utilities"	344	18%	210	20%	45	20%
"All Other Services"	1,265	66%	474	45%	103	47%
East Submarket	3,944	63.5%	1,665	26.8%	601	9.7%
<u>By Age</u>						
Workers Aged 29 or younger	832	21%	373	22%	175	29%
Workers Aged 30 to 54	2,158	55%	892	54%	265	44%
Workers Aged 55 or older	954	24%	400	24%	161	27%
<u>By Monthly Wage</u>						
Workers Earning \$1,250 per month or less	633	16%	389	23%	218	36%
Workers Earning \$1,251 to \$3,333 per month	625	16%	348	21%	164	27%
Workers Earning More than \$3,333 per month	2,686	68%	928	56%	219	36%
<u>By Industry</u>						
"Goods Producing"	678	17%	268	16%	103	17%
"Trade, Transportation, and Utilities"	605	15%	328	20%	151	25%
"All Other Services"	2,661	67%	1,069	64%	347	58%

Table Continued

TABLE E-10
INFLOW / OUTFLOW CHARACTERISTICS
OLMSTED COUNTY MARKET AREA
2022

	Outflow		Inflow		Interior Flow	
North Submarket	4,973	71.0%	1,668	23.8%	363	5.2%
<u>By Age</u>						
Workers Aged 29 or younger	999	20%	401	24%	93	26%
Workers Aged 30 to 54	2,745	55%	900	54%	153	42%
Workers Aged 55 or older	1,229	25%	367	22%	117	32%
<u>By Monthly Wage</u>						
Workers Earning \$1,250 per month or less	769	15%	309	19%	121	33%
Workers Earning \$1,251 to \$3,333 per month	742	15%	340	20%	95	26%
Workers Earning More than \$3,333 per month	3,462	70%	1,019	61%	147	40%
<u>By Industry</u>						
"Goods Producing"	731	15%	604	36%	91	25%
"Trade, Transportation, and Utilities"	733	15%	315	19%	57	16%
"All Other Services"	3,509	71%	749	45%	215	59%
Rochester Submarket	15,609	13.5%	50,676	43.8%	49,407	42.7%
<u>By Age</u>						
Workers Aged 29 or younger	4,531	29%	10,950	22%	11,330	23%
Workers Aged 30 to 54	7,958	51%	27,801	55%	26,799	54%
Workers Aged 55 or older	3,120	20%	11,925	24%	11,278	23%
<u>By Monthly Wage</u>						
Workers Earning \$1,250 per month or less	3,594	23%	6,708	13%	6,970	14%
Workers Earning \$1,251 to \$3,333 per month	3,486	22%	7,722	15%	8,226	17%
Workers Earning More than \$3,333 per month	8,529	55%	36,246	72%	34,211	69%
<u>By Industry</u>						
"Goods Producing"	3,439	22%	4,492	9%	3,608	7%
"Trade, Transportation, and Utilities"	3,657	23%	6,196	12%	4,380	9%
"All Other Services"	8,513	55%	39,988	79%	41,419	84%

Table Continued

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**TABLE E-10
INFLOW / OUTFLOW CHARACTERISTICS
OLMSTED COUNTY MARKET AREA
2022**

	Outflow		Inflow		Interior Flow	
Rochester Fringe Submarket	5,657	75.0%	1,808	24.0%	81	1.1%
<u>By Age</u>						
Workers Aged 29 or younger	1,200	21%	403	22%	19	23%
Workers Aged 30 to 54	3,034	54%	1,005	56%	41	51%
Workers Aged 55 or older	1,423	25%	400	22%	21	26%
<u>By Monthly Wage</u>						
Workers Earning \$1,250 per month or less	883	16%	275	15%	16	20%
Workers Earning \$1,251 to \$3,333 per month	818	14%	362	20%	20	25%
Workers Earning More than \$3,333 per month	3,956	70%	1,171	65%	45	56%
<u>By Industry</u>						
"Goods Producing"	557	10%	985	54%	34	42%
"Trade, Transportation, and Utilities"	650	11%	382	21%	19	23%
"All Other Services"	4,450	79%	441	24%	28	35%
Stewartville Submarket	4,245	63.2%	1,815	27.0%	658	9.8%
<u>By Age</u>						
Workers Aged 29 or younger	902	21%	464	26%	206	31%
Workers Aged 30 to 54	2,367	56%	988	54%	293	45%
Workers Aged 55 or older	976	23%	363	20%	159	24%
<u>By Monthly Wage</u>						
Workers Earning \$1,250 per month or less	578	14%	327	18%	208	32%
Workers Earning \$1,251 to \$3,333 per month	708	17%	492	27%	191	29%
Workers Earning More than \$3,333 per month	2,959	70%	996	55%	259	39%
<u>By Industry</u>						
"Goods Producing"	556	13%	862	47%	168	26%
"Trade, Transportation, and Utilities"	652	15%	296	16%	140	21%
"All Other Services"	3,037	72%	657	36%	350	53%

Sources: US Census Bureau Local Employment Dynamics; Maxfield Research and Consulting

For-Sale Housing Analysis Tables

County	2005	2010	2015	2020	2021	2022	2023	2024
Olmsted	\$164,900	\$154,700	\$181,000	\$259,900	\$289,900	\$320,000	\$315,000	\$329,900
Twin Cities 7-County Metro Area								
Anoka	\$224,900	\$155,000	\$200,000	\$286,900	\$327,500	\$350,000	\$354,000	\$365,000
Carver	\$256,726	\$230,000	\$273,240	\$362,330	\$415,000	\$46,000	\$450,000	\$474,990
Dakota	\$233,000	\$175,000	\$227,000	\$311,045	\$348,000	\$375,000	\$380,000	\$390,000
Hennepin	\$233,855	\$184,000	\$235,000	\$325,000	\$350,000	\$367,665	\$373,000	\$381,000
Ramsey	\$213,000	\$145,000	\$187,810	\$261,000	\$290,000	\$305,000	\$310,000	\$325,000
Scott	\$250,000	\$190,000	\$245,000	\$340,000	\$380,000	\$420,000	\$420,000	\$429,900
Washington	\$251,700	\$195,000	\$242,150	\$347,500	\$385,000	\$419,000	\$410,000	\$426,000
Twin Cities 7-Cty.	\$231,400	\$175,000	\$224,900	\$312,000	\$342,238	\$365,000	\$370,000	\$381,000
Twin Cities Region	\$227,900	\$169,900	\$220,000	\$305,000	\$340,000	\$363,000	\$368,000	\$380,000
Source: Regional Multiple Listing Service of Minnesota, Maxfield Research & Consulting								

APPENDIX

TABLE FS-2
SINGLE-FAMILY HOME RESALES
OLMSTED COUNTY & VICINITY
2000, 2005, 2010, 2015, 2020 to 2024

Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹	Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹	Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹
Byron Submarket					Chatfield Submarket					East Submarket				
2000	69	\$130,692	\$125,000	--	2000	2	\$141,250	\$141,250	--	2000	7	\$157,750	\$140,000	--
2005	94	\$204,288	\$169,500	--	2005	12	\$144,625	\$138,450	--	2005	21	\$159,476	\$141,900	--
2010	65	\$229,258	\$174,000	138	2010	50	\$136,395	\$127,500	103	2010	15	\$131,690	\$139,900	82
2015	113	\$226,025	\$199,900	60	2015	36	\$148,902	\$137,000	53	2015	114	\$174,393	\$158,950	94
2020	135	\$339,455	\$302,000	76	2020	51	\$249,412	\$215,000	89	2020	84	\$247,165	\$231,000	53
2021	124	\$403,844	\$379,900	41	2021	52	\$274,343	\$236,500	58	2021	90	\$268,960	\$243,950	35
2022	121	\$445,183	\$395,000	46	2022	42	\$336,245	\$294,250	50	2022	112	\$296,472	\$265,000	32
2023	104	\$487,092	\$428,750	39	2023	38	\$282,991	\$253,500	59	2023	69	\$331,177	\$315,000	64
2024	85	\$478,857	\$407,825	64	2024	33	\$305,539	\$269,900	74	2024	69	\$339,267	\$320,000	53
Pct. Change					Pct. Change					Pct. Change				
00 to 05	36%	56%	36%	--	00 to 05	500%	2%	-2%	--	00 to 05	200%	1%	1%	--
05 to 10	-31%	12%	3%	--	05 to 10	317%	-6%	-8%	--	05 to 10	-29%	-17%	-1%	--
10 to 15	74%	-1%	15%	--	10 to 15	-28%	9%	7%	--	10 to 15	660%	32%	14%	--
15 to 20	19%	50%	51%	--	15 to 20	42%	68%	57%	--	15 to 20	-26%	42%	45%	--
20 to 24	-37%	41%	35%	--	20 to 24	-35%	23%	26%	--	20 to 24	-18%	37%	39%	--
North Submarket					Rochester Submarket					Stewartville Submarket				
2000	84	\$166,937	\$159,450	--	2000	1,504	\$150,467	\$132,340	--	2000	72	\$133,910	\$126,075	--
2005	100	\$242,914	\$218,450	--	2005	1,978	\$202,185	\$168,000	--	2005	104	\$166,646	\$159,925	--
2010	79	\$199,359	\$185,000	149	2010	1,188	\$186,046	\$161,550	126	2010	79	\$167,197	\$165,000	95
2015	133	\$242,701	\$212,000	90	2015	2,047	\$224,383	\$189,000	61	2015	84	\$177,476	\$168,700	61
2020	108	\$316,344	\$295,000	74	2020	1,864	\$319,937	\$272,000	47	2020	87	\$262,282	\$237,000	42
2021	90	\$376,128	\$332,500	32	2021	1,936	\$361,103	\$309,950	25	2021	82	\$278,963	\$252,500	37
2022	78	\$416,830	\$386,000	35	2022	1,581	\$405,831	\$340,000	31	2022	76	\$338,882	\$302,500	26
2023	69	\$431,421	\$399,900	69	2023	1,352	\$404,110	\$340,000	38	2023	75	\$303,421	\$276,500	44
2024	98	\$468,668	\$430,000	79	2024	1,405	\$421,227	\$346,000	40	2024	86	\$333,655	\$268,000	54
Pct. Change					Pct. Change					Pct. Change				
00 to 05	19%	46%	37%	--	00 to 05	32%	34%	27%	--	00 to 05	44%	24%	27%	--
05 to 10	-21%	-18%	-15%	--	05 to 10	-40%	-8%	-4%	--	05 to 10	-24%	0%	3%	--
10 to 15	68%	22%	15%	--	10 to 15	72%	21%	17%	--	10 to 15	6%	6%	2%	--
15 to 20	-19%	30%	39%	--	15 to 20	-9%	43%	44%	--	15 to 20	4%	48%	40%	--
20 to 24	-9%	48%	46%	--	20 to 24	-25%	32%	27%	--	20 to 24	-1%	27%	13%	--

CONTINUED

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**TABLE FS-2
SINGLE-FAMILY HOME RESALES
OLMSTED COUNTY & VICINITY
2000, 2005, 2010, 2015, 2020 to 2024**

Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹	Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹
Olmsted County Market Area					DMC District				
2000	1,738	\$149,811	\$133,140	--	2000	1	\$220,000	\$220,000	--
2005	2,309	\$201,746	\$169,491	--	2005	4	\$139,600	\$142,950	--
2010	1,476	\$185,418	\$162,165	125	2010	4	\$125,750	\$122,000	112
2015	2,527	\$220,531	\$187,927	64	2015	5	\$134,300	\$125,000	44
2020	2,329	\$314,579	\$270,771	51	2020	5	\$242,445	\$265,000	129
2021	2,374	\$355,674	\$308,363	28	2021	8	\$278,163	\$253,750	12
2022	2,010	\$398,548	\$338,543	32	2022	2	\$270,500	\$270,500	3
2023	1,707	\$400,201	\$342,102	41	2023	7	\$434,843	\$405,000	70
2024	1,776	\$417,029	\$347,393	45	2024	4	\$246,500	\$227,500	27
Pct. Change					Pct. Change				
00 to 05	33%	35%	27%	--	00 to 05	300%	-37%	-35%	--
05 to 10	-36%	-8%	-4%	--	05 to 10	0%	-10%	-15%	--
10 to 15	71%	19%	16%	--	10 to 15	25%	7%	2%	--
15 to 20	-8%	43%	44%	--	15 to 20	0%	81%	112%	--
20 to 24	-24%	33%	28%	--	20 to 24	-20%	2%	-14%	--

¹ Cumulative Days on the Market began in 2008

Sources: Regional MLS of MN; Maxfield Research & Consulting

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**TABLE FS-3
MULTIFAMILY HOME RESALES
OLMSTED COUNTY & VICINITY
2000, 2005, 2010, 2015, 2020 to 2024**

Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹	Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹	Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹
Byron Submarket					Chatfield Submarket					East Submarket				
2000	5	\$116,450	\$114,900	--	2000	0			--	2000	0			--
2005	18	\$186,918	\$159,950	--	2005	2	\$123,950	\$123,950	--	2005	0			--
2010	16	\$107,931	\$116,838	181	2010	0			--	2010	0			--
2015	21	\$209,386	\$152,900	110	2015	6	\$174,917	\$162,400	108	2015	3	\$137,133	\$105,500	32
2020	25	\$263,055	\$196,500	59	2020	0			--	2020	8	\$212,738	\$207,000	126
2021	27	\$295,937	\$262,000	98	2021	5	\$161,625	\$155,000	13	2021	2	\$190,000	\$190,000	113
2022	28	\$347,391	\$315,875	36	2022	1	\$225,000	\$225,000	65	2022	8	\$235,288	\$245,000	38
2023	29	\$308,508	\$299,000	49	2023	3	\$174,833	\$174,500	6	2023	6	\$306,133	\$306,133	171
2024	25	\$329,233	\$290,000	113	2024	3	\$208,250	\$200,500	33	2024	4	\$316,807	\$315,000	123
Pct. Change					Pct. Change					Pct. Change				
00 to 05	260%	61%	39%	--	00 to 05	--	--	--	--	00 to 05	--	--	--	--
05 to 10	-11%	-42%	-27%	--	05 to 10	-100%	-100%	-100%	--	05 to 10	--	--	--	--
10 to 15	31%	94%	31%	--	10 to 15	--	--	--	--	10 to 15	--	--	--	--
15 to 20	19%	26%	29%	--	15 to 20	-100%	-100%	-100%	--	15 to 20	167%	55%	96%	--
20 to 24	0%	25%	48%	--	20 to 24	--	--	--	--	20 to 24	-50%	49%	52%	--
North Submarket					Rochester Submarket					Stewartville Submarket				
2000	1	\$115,725	\$115,725	--	2000	319	\$120,803	\$122,000	--	2000	1	\$126,900	\$126,900	--
2005	2	\$190,500	\$190,500	--	2005	455	\$145,361	\$142,000	--	2005	5	\$184,126	\$158,200	--
2010	0			--	2010	294	\$139,397	\$131,675	140	2010	8	\$130,660	\$138,700	166
2015	8	\$102,381	\$102,381	31	2015	429	\$171,671	\$148,350	51	2015	15	\$142,347	\$140,923	23
2020	7	\$164,443	\$164,921	30	2020	510	\$238,458	\$215,000	48	2020	15	\$186,880	\$175,500	60
2021	12	\$233,442	\$211,000	37	2021	455	\$237,743	\$220,000	30	2021	15	\$229,913	\$228,957	23
2022	16	\$268,584	\$294,900	77	2022	363	\$262,920	\$240,750	25	2022	18	\$246,186	\$227,000	34
2023	9	\$258,444	\$238,750	48	2023	352	\$257,923	\$239,000	40	2023	19	\$278,405	\$274,900	33
2024	2	\$169,450	\$169,450	19	2024	357	\$286,206	\$267,000	49	2024	19	\$267,276	\$244,950	141
Pct. Change					Pct. Change					Pct. Change				
00 to 05	100%	65%	65%	--	00 to 05	43%	20%	16%	--	00 to 05	400%	45%	25%	--
05 to 10	-100%	-100%	-100%	--	05 to 10	-35%	-4%	-7%	--	05 to 10	60%	-29%	-12%	--
10 to 15	--	--	--	--	10 to 15	46%	23%	13%	--	10 to 15	88%	9%	2%	--
15 to 20	-13%	61%	61%	--	15 to 20	19%	39%	45%	--	15 to 20	0%	31%	25%	--
20 to 24	-71%	3%	3%	--	20 to 24	-30%	20%	24%	--	20 to 24	27%	43%	40%	--

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**TABLE FS-3
MULTIFAMILY HOME RESALES
OLMSTED COUNTY & VICINITY
2000, 2005, 2010, 2015, 2020 to 2024**

Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹	Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹
Olmsted County Market Area					DMC District				
2000	326	\$120,739	\$121,887	--	2000	1	\$99,000	\$99,000	--
2005	482	\$147,414	\$142,965	--	2005	6	\$96,933	\$99,999	--
2010	318	\$137,594	\$131,105	143	2010	12	\$128,608	\$113,950	48
2015	482	\$171,077	\$147,462	53	2015	11	\$153,355	\$145,000	23
2020	565	\$236,896	\$212,399	50	2020	10	\$204,500	\$187,500	30
2021	516	\$239,538	\$221,503	34	2021	19	\$207,542	\$199,000	58
2022	434	\$267,288	\$247,065	28	2022	19	\$223,789	\$235,000	57
2023	418	\$262,470	\$245,290	42	2023	12	\$204,158	\$204,950	56
2024	410	\$287,111	\$266,886	58	2024	9	\$197,300	\$150,000	69
Pct. Change					Pct. Change				
00 to 05	48%	22%	17%	--	00 to 05	500%	-2%	1%	--
05 to 10	-34%	-7%	-8%	--	05 to 10	100%	33%	14%	--
10 to 15	52%	24%	12%	--	10 to 15	-8%	19%	27%	--
15 to 20	17%	38%	44%	--	15 to 20	-9%	33%	29%	--
20 to 24	-27%	21%	26%	--	20 to 24	-10%	-4%	-20%	--

¹ Cumulative Days on the Market began in 2008

Sources: Regional MLS of MN; Maxfield Research & Consulting

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TABLE FS-4
RESALES BY PRICE POINT
OLMSTED COUNTY & VICINITY
2024

Price Range	Byron Submarket						Chatfield Submarket					
	Single-Family		Multifamily ¹		Total		Single-Family		Multifamily ¹		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
< \$99,999		0.0%		0.0%	0	0.0%	1	3.0%		0.0%	1	2.8%
\$100,000 to \$149,999		0.0%		0.0%	0	0.0%		0.0%		0.0%	0	0.0%
\$150,000 to \$199,999	4	4.7%		0.0%	4	3.6%	2	6.1%	1	33.3%	3	8.3%
\$200,000 to \$249,999	6	7.1%	4	16.0%	10	9.1%	8	24.2%	1	33.3%	9	25.0%
\$250,000 to \$299,999	9	10.6%	10	40.0%	19	17.3%	9	27.3%	1	33.3%	10	27.8%
\$300,000 to \$349,999	16	18.8%	1	4.0%	17	15.5%	5	15.2%		0.0%	5	13.9%
\$350,000 to \$399,999	6	7.1%	6	24.0%	12	10.9%	2	6.1%		0.0%	2	5.6%
\$400,000 to \$449,999	11	12.9%	1	4.0%	12	10.9%		0.0%		0.0%	0	0.0%
\$450,000 to \$499,999	5	5.9%	1	4.0%	6	5.5%	1	3.0%		0.0%	1	2.8%
\$500,000 to \$749,999	16	18.8%	2	8.0%	18	16.4%	5	15.2%		0.0%	5	13.9%
\$750,000 to \$999,999	8	9.4%		0.0%	8	7.3%		0.0%		0.0%	0	0.0%
\$1,000,000 and Over	4	4.7%		0.0%	4	3.6%		0.0%		0.0%	0	0.0%
	85	100%	25	100%	110	100%	33	100%	3	100%	36	100%
Minimum	\$179,000		\$218,225		\$179,000		\$99,900		\$155,000		\$99,900	
Maximum	\$1,499,000		\$560,000		\$1,499,000		\$580,000		\$277,000		\$580,000	
Median	\$407,825		\$290,000		\$381,047		\$269,900		\$226,500		\$266,283	
Average	\$478,857		\$329,233		\$444,852		\$305,539		\$219,500		\$298,369	
Price Range	East Submarket						North Submarket					
	Single-Family		Multifamily ¹		Total		Single-Family		Multifamily ¹		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
< \$99,999	1	1.4%		0.0%	1	1.4%		0.0%	1	50.0%	1	1.0%
\$100,000 to \$149,999	2	2.9%		0.0%	2	2.7%	2	2.0%		0.0%	2	2.0%
\$150,000 to \$199,999	3	4.3%		0.0%	3	4.1%	3	3.1%		0.0%	3	3.0%
\$200,000 to \$249,999	14	20.3%		0.0%	14	19.2%	4	4.1%	1	50.0%	5	5.0%
\$250,000 to \$299,999	6	8.7%	2	50.0%	8	11.0%	13	13.3%		0.0%	13	13.0%
\$300,000 to \$349,999	15	21.7%	1	25.0%	16	21.9%	11	11.2%		0.0%	11	11.0%
\$350,000 to \$399,999	11	15.9%	1	25.0%	12	16.4%	6	6.1%		0.0%	6	6.0%
\$400,000 to \$449,999	7	10.1%		0.0%	7	9.6%	15	15.3%		0.0%	15	15.0%
\$450,000 to \$499,999	2	2.9%		0.0%	2	2.7%	11	11.2%		0.0%	11	11.0%
\$500,000 to \$749,999	6	8.7%		0.0%	6	8.2%	25	25.5%		0.0%	25	25.0%
\$750,000 to \$999,999	2	2.9%		0.0%	2	2.7%	6	6.1%		0.0%	6	6.0%
\$1,000,000 and Over		0.0%		0.0%	0	0.0%	2	2.0%		0.0%	2	1.8%
	69	100%	4	100%	73	100%	98	100%	2	100%	100	100%
Minimum	\$60,000		\$274,000		\$60,000		\$110,000		\$99,000		\$99,000	
Maximum	\$859,000		\$393,900		\$859,000		\$2,000,000		\$239,900		\$2,000,000	
Median	\$320,000		\$305,000		\$319,178		\$430,000		\$169,450		\$424,789	
Average	\$339,267		\$319,475		\$338,183		\$468,668		\$169,450		\$462,684	

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TABLE FS-4
RESALES BY PRICE POINT
OLMSTED COUNTY & VICINITY
2024

Price Range	Rochester Submarket						Stewartville Submarket					
	Single-Family		Multifamily ¹		Total		Single-Family		Multifamily ¹		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
< \$99,999		0.0%	4	1.1%	4	0.2%	2	2.3%		0.0%	2	1.9%
\$100,000 to \$149,999	14	1.0%	22	6.2%	36	2.0%	2	2.3%		0.0%	2	1.9%
\$150,000 to \$199,999	47	3.3%	58	16.2%	105	6.0%	6	7.0%	1	5.3%	7	6.7%
\$200,000 to \$249,999	143	10.2%	62	17.4%	205	11.6%	13	15.1%	11	57.9%	24	22.9%
\$250,000 to \$299,999	263	18.7%	73	20.4%	336	19.1%	17	19.8%	3	15.8%	20	19.0%
\$300,000 to \$349,999	244	17.4%	54	15.1%	298	16.9%	17	19.8%	3	15.8%	20	19.0%
\$350,000 to \$399,999	163	11.6%	41	11.5%	204	11.6%	11	12.8%		0.0%	11	10.5%
\$400,000 to \$449,999	137	9.8%	13	3.6%	150	8.5%	7	8.1%		0.0%	7	6.7%
\$450,000 to \$499,999	78	5.6%	12	3.4%	90	5.1%	2	2.3%		0.0%	2	1.9%
\$500,000 to \$749,999	198	14.1%	16	4.5%	214	12.1%	8	9.3%	1	5.3%	9	8.6%
\$750,000 to \$999,999	72	5.1%	2	0.6%	74	4.2%	1	1.2%		0.0%	1	1.0%
\$1,000,000 and Over	46	3.3%		0.0%	46	2.6%		0.0%		0.0%	0	0.0%
	1,405	100%	357	100%	1762	100%	86	100%	19	100%	105	100%
Minimum	\$103,000		\$62,000		\$62,000		\$80,000		\$152,000		\$80,000	
Maximum	\$2,440,000		\$952,647		\$2,440,000		\$810,000		\$527,500		\$810,000	
Median	\$346,000		\$267,000		\$329,994		\$305,000		\$244,900		\$294,125	
Average	\$421,227		\$286,206		\$393,870		\$333,655		\$267,276		\$321,644	
Price Range	Olmsted County & Vicinity Total						DMC District					
	Single-Family		Multifamily ¹		Total		Single-Family		Multifamily ¹		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
< \$99,999	4	0.2%	5	1.2%	9	0.5%		0.0%	1	5.3%	1	1.0%
\$100,000 to \$149,999	20	1.1%	22	5.4%	42	2.4%		0.0%	3	15.8%	3	2.9%
\$150,000 to \$199,999	65	3.7%	60	14.6%	125	7.1%	1	1.2%	1	5.3%	2	1.9%
\$200,000 to \$249,999	188	10.6%	79	19.3%	267	15.2%	2	2.3%	2	10.5%	4	3.8%
\$250,000 to \$299,999	317	17.8%	89	21.7%	406	23.0%		0.0%		0.0%	0	0.0%
\$300,000 to \$349,999	308	17.3%	59	14.4%	367	20.8%	1	1.2%		0.0%	1	1.0%
\$350,000 to \$399,999	199	11.2%	48	11.7%	247	14.0%		0.0%	2	10.5%	2	1.9%
\$400,000 to \$449,999	177	10.0%	14	3.4%	191	10.8%		0.0%		0.0%	0	0.0%
\$450,000 to \$499,999	99	5.6%	13	3.2%	112	6.4%		0.0%		0.0%	0	0.0%
\$500,000 to \$749,999	258	14.5%	19	4.6%	277	15.7%		0.0%		0.0%	0	0.0%
\$750,000 to \$999,999	89	5.0%	2	0.5%	91	5.2%		0.0%		0.0%	0	0.0%
\$1,000,000 and Over	52	2.9%	0	0.0%	52	3.0%		0.0%		0.0%	0	0.0%
	1,776	100%	410	100%	2,186	124%	4	5%	9	47%	13	12%
Minimum	\$60,000		\$62,000		\$60,000		\$180,000		\$62,000		\$62,000	
Maximum	\$2,440,000		\$952,647		\$2,440,000		\$351,000		\$385,000		\$385,000	
Median	\$345,000		\$267,000		\$329,908		\$227,500		\$150,000		\$173,846	
Average	\$417,028		\$287,219		\$391,912		\$246,500		\$197,300		\$212,438	

¹ Includes townhomes, detached townhomes, twinhomes, condominiums, and cooperatives

Sources: Regional Multiple Listing Service of Minnesota (RMLS)
Maxfield Research & Consulting

**TABLE FS-5
OWNER-OCCUPIED TURNOVER
OLMSTED COUNTY MARKET AREA**

Submarket	Owner-occupied Housing Units ¹	Resales Annual Avg. ²	Turnover Pct.
Byron	2,943	141	4.8%
Chatfield	1,306	46	3.5%
East	2,722	90	3.3%
North	3,188	98	3.1%
Rochester/Rochester Fringe	36,262	2,035	5.6%
Stewartville	2,964	98	3.3%
Olmsted County Market Area	49,385	2,508	5.1%
DMC District*	379	19	5.0%
* DMC District based on 2020 Census of owner-occupied units			
¹ Owner-occupied housing units in 2023 (ACS)			
² Average of MLS resales between 2020 and 2024			
Source: U.S. Census Bureau, Regional MLS of MN, Maxfield Research & Consulting			

**TABLE FS-6
AVERAGE & MEDIAN SALES PRICE PER SQUARE FOOT (PSF)
OLMSTED COUNTY AND TWIN CITIES METRO AREA
2010 to 2024**

Year	Olmsted County		Twin Cities Metro Area	
	Avg.	Median	Avg.	Median
2010	\$78	\$76	\$104	\$96
2011	\$73	\$73	\$93	\$86
2012	\$82	\$79	\$101	\$93
2013	\$90	\$84	\$113	\$106
2014	\$94	\$89	\$122	\$112
2015	\$101	\$95	\$127	\$117
2016	\$111	\$105	\$134	\$124
2017	\$122	\$114	\$143	\$132
2018	\$127	\$118	\$153	\$142
2019	\$131	\$125	\$160	\$149
2020	\$141	\$134	\$169	\$158
2021	\$157	\$152	\$189	\$178
2022	\$172	\$163	\$203	\$191
2023	\$176	\$167	\$207	\$194
2024	\$183	\$175	\$211	\$198

Source: 10K Research & Marketing, Maxfield Research & Consulting

**TABLE FS-7
 MEDIAN SALES PRICE PER SQUARE FOOT (PSF) COMPARISON
 EXISTING HOME VS. NEW CONSTRUCTION
 OLMSTED COUNTY AND TWIN CITIES METRO AREA
 2010 to 2024**

Year	Olmsted County		Twin Cities Metro Area	
	Existing Home	New Const.	Existing Home	New Const.
2010	\$74	\$91	\$95	\$129
2011	\$71	\$93	\$84	\$125
2012	\$77	\$112	\$91	\$131
2013	\$81	\$140	\$103	\$140
2014	\$87	\$150	\$110	\$151
2015	\$92	\$154	\$115	\$154
2016	\$101	\$158	\$122	\$157
2017	\$111	\$164	\$130	\$163
2018	\$116	\$169	\$139	\$172
2019	\$122	\$175	\$146	\$175
2020	\$131	\$187	\$156	\$180
2021	\$150	\$213	\$176	\$198
2022	\$160	\$237	\$188	\$218
2023	\$163	\$242	\$191	\$212
2024	\$170	\$235	\$195	\$217

Note: Twin Cities Metro Area = Twin Cities MSA

Source: 10K Research & Marketing, Maxfield Research & Consulting

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TABLE FS-8
HOMES CURRENTLY LISTED FOR-SALE
OLMSTED COUNTY & VICINITY
January 2025

Price Range	Byron Submarket				Chatfield Submarket				East Submarket				North Submarket			
	Single-Family		Multifamily ¹		Single-Family		Multifamily ¹		Single-Family		Multifamily ¹		Single-Family		Multifamily ¹	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
< \$99,999																
\$100,000 to \$149,999									1	10.0%			4	21.1%		
\$150,000 to \$199,999	1	4.3%											1	5.3%	1	50.0%
\$200,000 to \$249,999	1				1	8.3%	1	50.0%	1	10.0%			1	5.3%	1	50.0%
\$250,000 to \$299,999	2	8.7%			4	33.3%	1	50.0%	2	20.0%	2	66.7%	1	5.3%	1	50.0%
\$300,000 to \$399,999	1	4.3%	8	72.7%	3	25.0%			2	20.0%	1	33.3%	4	21.1%		
\$400,000 to \$499,999	4	17.4%	3	27.3%									3	15.8%		
\$500,000 to \$749,999	10	43.5%			4	33.3%			4	40.0%			4	21.1%		
\$750,000 to \$999,999	4	17.4%														
\$1,000,000 and Over													2	10.5%		
	23	96%	11	100%	12	100%	2	100%	10	100%	3	100%	19	100%	2	100%
Minimum	\$184,900		\$329,900		\$249,900		\$229,900		\$105,000		\$259,900		\$152,000		\$229,900	
Maximum	\$875,000		\$434,900		\$697,500		\$284,900		\$669,900		\$379,000		\$110,000		\$252,900	
Median	\$529,900		\$384,900		\$334,900		\$257,400		\$327,450		\$279,900		\$399,900		\$241,400	
Average	\$542,300		\$378,745		\$409,733		\$257,400		\$390,890		\$306,267		\$457,716		\$241,400	
Price Range	Rochester Submarket				Stewartville Submarket				Olmsted County & Vicinity				DMC District			
	Single-Family		Multifamily ¹		Single-Family		Multifamily ¹		Single-Family		Multifamily ¹		Single-Family		Multifamily ¹	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
< \$99,999			1	2.6%	5	31.3%			5	1.7%	1	1.8%				
\$100,000 to \$149,999	2	1.0%	4	10.5%	1	6.3%			4	1.4%	4	7.0%				
\$150,000 to \$199,999	5	2.4%	3	7.9%					10	3.5%	3	5.3%			3	60.0%
\$200,000 to \$249,999	12	5.8%	5	13.2%			1	100.0%	16	5.6%	8	14.0%				
\$250,000 to \$299,999	17	8.2%	13	34.2%					26	9.1%	17	29.8%			2	40.0%
\$300,000 to \$399,999	30	14.5%	7	18.4%	2	12.5%			42	14.6%	16	28.1%				
\$400,000 to \$499,999	20	9.7%	4	10.5%	5	31.3%			32	11.1%	7	12.3%				
\$500,000 to \$749,999	54	26.1%	1	2.6%	2	12.5%			78	27.2%	1	1.8%	3	75.0%		
\$750,000 to \$999,999	26	12.6%							30	10.5%			1	25.0%		
\$1,000,000 and Over	41	19.8%			1	6.3%			44	15.3%						
	207	100%	38	100%	16	100%	1	100%	287	100.0%	57	100.0%	4	100%	5	100%
Minimum	\$140,000		\$98,000		\$55,000		\$244,900		\$55,000		\$98,000		\$500,000		\$150,000	
Maximum	\$4,900,000		\$529,900		\$1,175,000		\$244,900		\$4,900,000		\$529,900		\$899,000		\$259,900	
Median	\$545,000		\$267,450		\$415,725		\$244,900		\$519,000		\$284,900		\$500,000		\$174,900	
Average	\$705,658		\$281,696		\$378,622		\$244,900		\$634,580		\$298,806		\$599,750		\$199,350	

Sources: Regional Multiple Listing Service of Minnesota (RMLS), Maxfield Research & Consulting

APPENDIX

TABLE FS-9
ACTIVE LISTINGS BY TYPE & SUBMARKET
JANUARY 2025

Submarket	Product Type			Total
	Single-Family	Townhome/Twinhome	Condo/Coop	
Listings				
Bryon	23	11	0	34
Chatfield	12	2	0	14
East	10	3	0	13
North	19	2	0	21
Rochester	207	26	12	245
Stewartville	16	1	0	17
Olmsted County Market Area	287	45	12	344
DMC District	5	0	4	9
Percent				
East	76.9%	23.1%	0.0%	100%
Chatfield	85.7%	14.3%	0.0%	100%
Bryon	67.6%	32.4%	0.0%	100%
North	90.5%	9.5%	0.0%	100%
Rochester	84.5%	10.6%	4.9%	100%
Stewartville	94.1%	5.9%	0.0%	100%
Olmsted County Market Area	83.4%	13.1%	3.5%	100%
DMC District	55.6%	0.0%	44.4%	100.0%
Source: Regional Multiple Listing Service of MN; Maxfield Research & Consulting				

**TABLE FS-9
ACTIVE LISTINGS BY TYPE & SUBMARKET
JANUARY 2025**

Submarket	Product Type			Total
	Single-Family	Townhome/Twinhome	Condo/Coop	
Listings				
Bryon	23	11	0	34
Chatfield	12	2	0	14
East	10	3	0	13
North	19	2	0	21
Rochester	207	26	12	245
Stewartville	16	1	0	17
Olmsted County Market Area	287	45	12	344
DMC District	5	0	4	9
Percent				
East	76.9%	23.1%	0.0%	100%
Chatfield	85.7%	14.3%	0.0%	100%
Bryon	67.6%	32.4%	0.0%	100%
North	90.5%	9.5%	0.0%	100%
Rochester	84.5%	10.6%	4.9%	100%
Stewartville	94.1%	5.9%	0.0%	100%
Olmsted County Market Area	83.4%	13.1%	3.5%	100%
DMC District	55.6%	0.0%	44.4%	100.0%
Source: Regional Multiple Listing Service of MN; Maxfield Research & Consulting				

TABLE FS-11
ACTIVE SUPPLY OF HOMES FOR SALE
OLMSTED COUNTY & METRO AREA
2005 to 2024

Year	Months Supply		Homes for Sale	
	Olmsted County	Twin Cities Region	Olmsted County	Twin Cities Region
2005	6.4	4.2	660	23,637
2006	7.4	6.6	755	30,467
2007	11.1	8.8	1,105	33,457
2008	8.4	9.7	1,369	32,664
2009	6.6	7.3	1,262	27,157
2010	8.3	7.4	1,548	27,475
2011	7.6	7.1	1,193	23,420
2012	5.1	4.5	864	17,770
2013	3.8	3.5	755	15,598
2014	3.6	3.9	716	16,798
2015	2.5	3.5	562	15,915
2016	1.9	2.7	454	13,597
2017	1.9	2.3	423	11,637
2018	2.2	2.2	478	10,938
2019	2.2	2.3	481	11,162
2020	1.5	1.8	343	9,257
2021	1.0	1.2	241	6,910
2022	1.4	1.5	293	7,544
2023	1.9	2.0	330	7,648
2024	2.2	2.3	384	8,811

Note: Homes for sale based on rolling 12-month data at end of year

Source: 10K Research & Marketing, Maxfield Research & Consulting

APPENDIX

TABLE FS-12
 LOT INVENTORY - ACTIVE NEWER SUBDIVISIONS (5+ VACANT LOTS)
 OLMSTED COUNTY & VICINITY
 4th Quarter 2024

Subdivision	City/Twp.	Owner	No. of Lots/Units	Vacant/ Avail. Lots	Avg. Lot Size	Avg. Lot Value	Avg. Home Value
BYRON SUBMARKET - SINGLE-FAMILY							
Brook Lawn Estates 10th	Byron	Various	23	3	0.28	\$65,000	\$499,717
East Brookfield 4th Addn	Byron	Various	27	19	0.26	\$79,000	\$274,120
Somerby - Bridgeford	Byron	Golden Tee Development	29	18	0.24	\$124,166	\$782,116
Somerby - Golf Community Clubhouse	Byron	Golden Tee Development	5	3	0.43	\$137,500	\$1,022,500
Somerby - Golf Community West	Byron	Golden Tee Development, Bigelow	51	44	0.43	\$159,000	\$489,614
Somerby - Golf Community	Byron	Goden Tee Development, Various	136	11	0.43	\$110,400	\$656,204
Southwell Somerby Golf Community	Byron	Various	29	9	0.43	\$118,000	\$812,680
Montgomery Meadows	Kalmar Twp	LD 2 LLC	16	11	0.80	\$136,000	\$888,320
Montgomery Meadows 2nd	Kalmar Twp	LD 2 LLC	22	12	0.31	\$96,000	\$616,540
Montgomery Meadows 3rd	Kalmar Twp	LD 2 LLC	23	20	0.61	\$110,000	\$379,100
SF Subtotal			361	150	0.41	\$114,348	\$612,096
BYRON SUBMARKET - MULTIFAMILY							
Diseworth Townhomes at Somerby	Byron	Various	27	2	0.09	\$76,538	\$537,461
Shardlow 2nd Addition	Byron	Bigelow	36	3	0.06	\$28,485	\$327,982
Somerby - Belvior Townhomes	Byron	TCP Somerby LLC	21	12	0.07	\$74,167	\$463,892
Town Square Townhomes/East Village	Byron	Bigelow	48	8	0.25	\$67,500	\$426,427
MF Subtotal			132	25	0.14	\$59,769	\$428,250
CHATFIELD SUBMARKET - SINGLE FAMILY							
Hisesy's 2nd	Chatfield	Edna Haasa	51	38	0.44	\$45,000	\$271,641
SF Subtotal			51	38	0.44	\$45,000	\$271,641
CHATFIELD SUBMARKET - MULTI FAMILY							
Gjere Addition	Chatfield	Michael Sogla	14	14	0.62	\$43,571	
MF Subtotal			14	14	0.62	\$43,571	\$0

CONTINUED

APPENDIX

TABLE FS-12
 LOT INVENTORY - ACTIVE NEWER SUBDIVISIONS (5+ VACANT LOTS)
 OLMSTED COUNTY & VICINITY
 4th Quarter 2024

Subdivision	City/Twp.	Owner	No. of Lots/Units	Vacant/Avail. Lots	Avg. Lot Size	Avg. Lot Value	Avg. Home Value
EAST SUBMARKET - SINGLE FAMILY							
Chatfield Townhomes	Chatfield	Bernard Bus Service	12	4	0.16	\$55,000	\$262,625
Henry Estates 13th	Dover	Monica G Griffin Trust	12	12	0.42	\$35,000	
Markham's Subdivision	Dover	Various	30	10	0.25	\$28,025	\$218,580
Stone Garden Estates 2nd	Eyota	4D Development LLC	25	20	0.10	\$29,000	\$271,640
SF Subtotal			79	46	0.21	\$33,491	\$208,859
EAST SUBMARKET - MULTI FAMILY							
Clark's First	Chatfield	Lawrence Clark	10	4	0.05	\$35,000	\$245,567
Orchard Ridge Townhomes	Chatfield	G Cubed	24	2	0.07	\$55,000	\$295,728
SF Subtotal			34	6	0.06	\$49,118	\$280,975
NORTH SUBMARKET - SINGLE FAMILY							
Aspen Ridge	Oronoco Twp.	Aspen Ridge Development	12	12	2.34	\$225,000	
Boelter Estates	Oronoco Twp.	Jayrey LLC	12	11	2.23	\$225,000	
Cedar Beach	Oronoco Twp.	Various	24	5	0.60	\$93,105	\$304,489
Kurth's	Oronoco Twp.	Various	25	7	1.08	\$223,200	\$559,111
Norton and Armstrong	Oronoco Twp.	Various	44	16	0.89	\$82,635	\$220,339
Providentia Hills	Oronoco Twp.	Proveidentia LLC	13	5	3.10	\$243,750	\$987,450
Zumbro Woods	Oronoco	Various	9	5	3.91	\$225,000	\$849,300
Village of Genoa	New Haven Twp.	Various	22	8	1.50	\$38,200	\$234,133
Champagne Hill	Pine Island	Various	17	10	0.31	\$59,375	\$411,700
Pine Prairie 1st	Pine Island	Bigelow Homes	44	21	0.22	\$80,217	\$420,117
Pine Prairie 2nd	Pine Island	Bigelow Homes	32	32	0.36	\$59,562	
Rolling Woods	Pine Island	Various	23	4	0.37	\$61,842	\$417,389
SF Subtotal			277	136	1.01	\$111,018	\$414,914
NORTH SUBMARKET - MULTI FAMILY							
Kispert Farms 4th Addition	Pine Island	JJ&M Property Investments LLC	58	15	0.04	\$35,000	\$202,402
MF Subtotal			58	15	0.04	\$35,000	\$202,402
CONTINUED							

TABLE FS-12
 LOT INVENTORY - ACTIVE NEWER SUBDIVISIONS (5+ VACANT LOTS)
 OLMSTED COUNTY & VICINITY
 4th Quarter 2024

Subdivision	City/Twp.	Owner	No. of Lots/Units	Vacant/Avail. Lots	Avg. Lot Size	Avg. Lot Value	Avg. Home Value
ROCHESTER SUBMARKET - SINGLE FAMILY							
Boyers 1st Subdiision	Rochester	Various	14	10	0.40	\$66,000	\$275,450
Bumpus Addition	Rochester	Various	13	7	0.46	\$208,333	\$872,133
Cassidy Ridge 4th	Rochester	Various	28	5	0.49	\$117,955	\$612,745
Catalina Ridge	Rochester	ERH Development	25	6	0.37	\$81,000	\$523,845
Cedar Park Frist	Rochester	Various	27	15	0.99	\$66,250	\$326,050
Cetenturian Ridge	Rochester	Cetenturian Ridge LLC	44	6	0.12	\$89,576	\$505,893
Century Valley	Rochester	Bella Terra Group LLC	30	6	0.46	\$123,125	\$761,792
Century Valley 3rd	Rochester	Bella Terra Group LLC	21	16	0.69	\$230,000	\$660,640
Chrisopher Courts	Rochester	Various	25	7	0.34	\$55,556	\$294,517
Creekview Meadows	Rochester	Various	57	21	0.26	\$75,000	\$389,736
Essex Estates 5th	Rochester	Essex Estates Properties LLC	71	17	0.26	\$61,500	\$476,737
Essex Estates 6th	Rochester	Essex Estates Properties LLC	30	24	0.16	\$40,000	\$263,767
Estates at Windamere Woods	Rochester	Various	33	6	1.15	\$172,428	\$1,229,496
Fieldstone 8th	Rochester	Various	32	8	0.42	\$83,333	\$766,088
Folwell West 1st	Rochester	Christopher Camp	9	8	0.24	\$30,000	\$413,100
Forest Hills 6th	Rochester	Various	12	7	0.60	\$46,000	\$343,600
Glendale Hills 4th	Rochester	Sophorn Pho	37	5	0.72	\$75,088	\$521,359
Hadley Creek Estates 1st	Rochester	Majestic Homes	29	4	0.38	\$95,800	\$453,752
Hadley Creek Estates 2nd	Rochester	Various	28	12	0.67	\$103,125	\$457,425
Hadley Creek Estates 3rd	Rochester	Various	21	16	0.33	\$97,000	\$411,160
Hadley Creek Estates 3rd	Rochester	US Home LLC	6	6	0.25	\$100,000	
Hadley Creek Village 2nd	Rochester	Various	41	9	0.15	\$76,719	\$440,131
Harvestview 3rd	Rochester	KRB Rochester, Bigelow	105	47	0.17	\$58,317	\$239,151
Hundred Acre Woods	Rochester	Various	67	9	0.31	\$62,917	\$477,512
Lincolnshire	Rochester	Various	44	8	0.35	\$71,528	\$444,008
Lincolnshire North 2nd	Rochester	Various	43	6	0.29	\$70,810	\$390,886
ManorWood Lakes 7th	Rochester	Western Walls Inc.	51	8	0.32	\$78,139	\$592,355
Merchy Hill 2nd	Rochester	Farmland LLC	38	38	0.20	\$13,800	
Morris Hills 2nd	Rochester	Majestic Homes	15	3	0.33	\$98,181	\$566,227
Northern Heights North 4th	Rochester	Stonehedge Townhouses LLC	16	5	0.30	\$66,363	\$516,709
Pebble Creek	Rochester	Pebble Creek of Rochester	57	7	0.12	\$47,200	\$339,340
Pebble Creek 3rd	Rochester	Pebble Creek of Rochester	24	6	0.09	\$45,000	\$308,361
Pebble Creek 4th	Rochester	Western Walls	9	9	0.18	\$6,000	
Pebble Creek 5th	Rochester	Pebble Creek of Rochester	112	12	0.14	\$35,000	
Pine Ridge Heights	Rochester	Pine South West LLC, A&B Holdings	30	21	0.51	\$60,000	\$671,055
Ponds at Highland Hills	Rochester	Noble Development, US Home LLC	74	69	0.32	\$118,000	\$319,300
Preserve at Mayowood	Rochester	Mayowood Lands LLC	74	74	0.34	\$180,675	
Replat Block 6 Marvale No. 4	Rochester	Two Rivers Habitat for Humanity	10	5	0.37	\$45,000	\$207,280
Rose Harbor 3rd	Rochester	Western Walls Inc.	8	8	0.20	\$12,142	
Rose Harbor 4th	Rochester	Various	28	9	0.29	\$50,555	\$236,211
Scenic Oaks West 1st	Rochester	R & M Development Company	52	5	0.47	\$126,087	\$882,376
Scenic Oaks West 2nd	Rochester	R & M Development Company, YH Dee LLC	49	16	0.45	\$137,879	\$862,739
Stonebridge	Rochester	Various	68	3	0.22	\$50,156	\$404,564
Stonebrooke 5th Addition	Rochester	Various	19	10	0.27	\$82,777	\$451,166

CONTINUED

TABLE FS-12
 LOT INVENTORY - ACTIVE NEWER SUBDIVISIONS (5+ VACANT LOTS)
 OLMSTED COUNTY & VICINITY
 4th Quarter 2024

Subdivision	City/Twp.	Owner	No. of Lots/Units	Vacant/Avail. Lots	Avg. Lot Size	Avg. Lot Value	Avg. Home Value
ROCHESTER SUBMARKET - SINGLE FAMILY (CONTINUED)							
The Gardens 4th Subdivision	Rochester	The Gardens Manuf Home Comm, Various	126	16	0.16	\$35,545	\$198,629
The NBHD of Shannon Oaks	Rochester	River Bend Development LLC	25	10	0.26	\$102,857	\$476,564
The Preserve at West Circle	Rochester	The Preserve at West Circle LLC	118	38	0.15	\$75,000	\$287,345
Tyrol Hills 1st Sub	Rochester	4D Developmenet LLC	24	11	0.59	\$65,833	\$468,333
Valley Sidse Esates 4	Rochester	Olmsted County HRA, First Homes Properties	16	14	0.15	\$60,000	\$453,200
Weatherstone West	Rochester	Hiawatha Homes Foundation	36	3	0.24	\$47,500	\$342,009
SF Subtotal			1,971	691	0.31	\$77,869	\$449,503
ROCHESTER SUBMARKET - MULTIFAMILY							
Harvest Square	Rochester	Bigelow Homes, KRB Rochester	30	8	0.04	\$35,000	\$230,809
Northern Reserve	Rochester	Abbas Tabatabai	30	2	0.09	\$35,000	\$426,175
Ponds at Highland Hills Villas	Rochester	Noble Development, North Group Investments II LLI	26	26	0.13	\$28,200	
MF Subtotal			86	36	0.08	\$32,944	\$328,492
ROCHESTER FRINGE SUBMARKET - SINGLE FAMILY							
Chippewa Ridge	Cascade Twp.	Various	21	5	2.04	\$230,000	\$1,201,613
River Highlands	Cascade Twp.	River Highlands LLC	13	4	3.08	\$182,222	\$871,500
Sally Hill	Cascade Twp.	Sally Hill Development LLC	23	13	2.01	\$188,000	\$1,000,280
Sally Hill Replat	Cascade Twp.	Various	8	6	5.47	\$335,000	\$1,377,000
The Trails of Cascade 2nd	Cascade Twp.	GGD of Rochester LLC	25	20	2.15	\$180,000	\$694,700
Serenity Hills	Haverhill Twp.	ERH Developing Inc.	9	4	4.05	\$308,000	\$1,263,920
Colonial Oaks Three	Marion Twp	Various	52	8	3.22	\$104,432	\$616,800
Hilltop Oaks 1st	Marion Twp	Various	46	30	0.63	\$65,000	\$398,437
Homewood Addition	Marion Twp.	Various	201	125	0.39	\$37,048	\$215,859
Village of Marion	Marion Twp	Various	62	17	1.38	\$65,940	\$273,248
Boulder Creek 3rd	Rochester Twp.	Al Hashemi	14	5	1.56	\$292,222	\$1,741,611
Lilly Farm 3rd	Rochester Twp.	Lilly Farm LLC	23	11	2.74	\$219,230	\$1,247,769
Lilly Farm 4th	Rochester Twp.	Lilly Farm LLC	8	5	3.52	\$308,333	\$865,067
Mayo Woodlands 3rd	Rochester Twp.	Various	31	26	1.15	\$200,000	\$1,256,620
Mayo Woodlands 4th	Rochester Twp.	Clark Development	6	6	2.07	\$228,333	
Mayo Woodland at the River	Rochester Twp.	Rochester Property Solutions	12	3	4.18	\$225,555	\$1,159,522
Mayowood Estates	Rochester Twp.	Clark Development	24	15	3.23	\$266,666	\$1,357,111
Mille Meadow Estates	Rochester Twp.	Various	30	11	2.13	\$182,894	\$1,143,121
Mille Meadow Estates 2nd	Rochester Twp.	GMB LLC	30	20	2.93	\$270,000	\$1,428,110
Millie Meadow Estates 3rd	Rochester Twp.	GMR Development	17	17	2.21	\$211,765	
Pavilion Estates	Rochester Twp.	International Properties Develop	10	10	2.87	\$400,000	
Royal Oaks Farm	Rochester Twp.	Royal Development LLC	46	46	3.14	\$250,978	
Woodland Valley Estates	Rochester Twp.	Various	6	5	4.91	\$300,000	\$659,000
Woodland Valley Estates II	Rochester Twp.	Woodland Valley Estates Inc.	9	8	3.05	\$275,000	\$678,300
Subtotal			726	420	1.83	\$146,989	\$674,795

CONTINUED

APPENDIX

**TABLE FS-12
LOT INVENTORY - ACTIVE NEWER SUBDIVISIONS (5+ VACANT LOTS)
OLMSTED COUNTY & VICINITY
1st Quarter 2025**

Subdivision	City/Twp.	Owner	No. of Lots/Units	Vacant/Avail. Lots	Avg. Lot Size	Avg. Lot Value	Avg. Home Value
STEWARTVILLE SUBMARKET - SINGLE FAMILY							
High Forest Village	High Forest Twp	Various	36	7	2.29	\$65,127	\$302,993
Bear Cave Estates	Stewartville	Bear Cave Estates, LLC	30	24	0.17	\$60,000	\$476,750
Petersen 6th	Stewartville	Various	13	3	0.27	\$55,909	\$412,881
Petersen 8th	Stewartville	Dokken Properties, Marti Land Development	10	6	0.27	\$60,000	\$373,425
Schumann's Rolling Ridge 4th	Stewartville	MS LLC	19	9	0.35	\$69,090	\$475,809
SF Subtotal			108	49	0.17	\$62,816	\$401,410
STEWARTVILLE SUBMARKET - MULTI FAMILY							
Golfview Village 5th	Stewartville	Daniel Himmer	27	11	0.06	\$40,000	\$321,443
MF Subtotal			27	11	0.06	\$40,000	\$321,443
Summary							
Single-Family			3,573	1,530	0.68	\$96,264	\$500,753
Multi-Family			351	107	0.11	\$45,905	\$419,802
Total			3,924	1,637			

* Multifamily includes detached and attached townhomes, twinhomes, detached townhomes, and condominiums

Note: Average lot and home value based on county assessor market values in 4th Quarter 2024

Land values represent parcels with homes already constructed. If the subdivision is all vacant, land values represent the value without a home.

Sources: Olmsted County GIS, Olmsted County Assessor, Maxfield Research & Consulting

**TABLE FS-13
VACANT LOT SUMMARY
4th Quarter 2024**

Submarket	SF Vacant	Single-Family Avg. Lot Size	SF Taxable Market Values	
			Land	Home Value
Byron	150	0.41	\$114,348	\$612,096
Chatfield	38	0.44	\$45,000	\$271,641
East	46	0.21	\$33,491	\$208,859
North	136	1.01	\$111,018	\$414,914
Rochester	691	0.31	\$77,869	\$449,503
Rochester Fringe	420	1.83	\$146,989	\$674,795
Stewartville	49	0.17	\$62,816	\$401,410
Subtotal	1,530	0.68	\$96,264	\$500,753

Submarket	MF Vacant	Multi-Family Avg. Lot Size	MF Taxable Market Values	
			Land	Home Value
Byron	25	0.14	\$59,769	\$428,250
Chatfield	14	0.62	\$43,571	\$0
East	6	0.06	\$49,118	\$280,975
North	15	0.04	\$35,000	\$202,402
Rochester	36	0.08	\$32,944	\$328,492
Rochester Fringe	0	--	--	--
Stewartville	11	0.06	\$40,000	\$321,443
Subtotal	107	0.11	\$45,905	\$419,802

Note: Market Values based on 4Q 2024 Assessed Values

Source: Maxfield Research & Consulting

TABLE FS-14
NEW CONSTRUCTION MEDIAN SALES PRICE
OLMSTED COUNTY VS. METRO AREA COUNTIES & COLLAR COUNTIES
2005, 2010, 2015, 2020 to 2024

Year	Olmsted	Metro Area Comparisons								
		Anoka	Carver	Dakota	Hennepin	Ramsey	Scott	Washington	7-Cty	16-Cty
2005	\$251,900	\$294,700	\$256,750	\$258,000	\$289,000	\$237,000	\$284,080	\$312,897	\$281,294	\$253,409
2010	\$223,000	\$240,000	\$331,232	\$293,945	\$338,483	\$220,000	\$236,710	\$306,853	\$279,451	\$251,466
2015	\$305,000	\$353,297	\$398,000	\$416,000	\$526,613	\$566,176	\$413,250	\$443,510	\$429,973	\$389,271
2020	\$386,368	\$407,661	\$439,875	\$438,505	\$525,000	\$363,667	\$427,075	\$457,500	\$450,995	\$410,173
2021	\$467,800	\$453,721	\$475,113	\$468,405	\$559,358	\$390,068	\$491,785	\$504,507	\$486,080	\$444,837
2022	\$553,880	\$468,616	\$547,872	\$521,664	\$587,103	\$575,277	\$517,415	\$566,541	\$533,160	\$499,900
2023	\$544,484	\$447,611	\$532,980	\$498,395	\$540,000	\$785,000	\$536,483	\$539,925	\$506,251	\$479,990
2024	\$517,450	\$482,990	\$585,000	\$510,255	\$579,990	\$710,320	\$529,900	\$499,900	\$525,825	\$495,000
Annual Pct. Change										
2005-10	-11.5%	-18.6%	29.0%	13.9%	17.1%	-7.2%	-16.7%	-1.9%	-0.7%	-0.8%
2010-15	36.8%	47.2%	20.2%	41.5%	55.6%	157.4%	74.6%	44.5%	53.9%	54.8%
2015-20	26.7%	15.4%	10.5%	5.4%	-0.3%	-35.8%	3.3%	3.2%	4.9%	5.4%
2020-24	33.9%	18.5%	33.0%	16.4%	10.5%	95.3%	24.1%	9.3%	16.6%	20.7%

Source: 10K Research and Marketing, Maxfield Research & Consulting

TABLE FS-15
ACTIVE SUBDIVISIONS
OLMSTED COUNTY MARKET AREA
1st QUARTER 2025

Subdivision/Location	City/Twp.	Builders	Unit Size	Marketing Home Costs ²		PSF	
			Square Feet	Min	Max	Min	Max
Byron Submarket							
East Brookfield 4th	Byron	Bigelow	2,369 - 3,124	\$574,900 - \$614,900		\$200 - \$243	
Montgomery Meadows	Byron	Pederson Homes	2,001 - 3,733	\$625,000 - \$875,000		\$234 - \$394	
Somerby Golf Community	Byron	Multiple	1,613 - 4,802	\$479,900 - \$892,500		\$220 - \$317	
East Village	Byron	Multiple	2,494 - 3,796	\$469,900 - \$740,000		\$180 - \$340	
Subtotal			3,043	\$684,105		\$275	
Chatfield Submarket							
None							
East Submarket							
Aurora Rising	Eyota	Bergstrom, Premier Bldgs.	2,416 - 3,656	\$380,000 - \$575,000		\$182 - \$300	
Henry Estates	Dover	G Cubed	2,448 - 2,618	\$321,900 - \$416,885		\$134 - \$160	
Stone Garden Estates	Eyota		1,924 - 2,604	\$356,000 - \$510,000		\$265 - \$270	
Subtotal			2,592	\$435,223		\$233	
North Submarket							
Pine Prairie	Pine Island	Various	1,350 - 2,952	\$440,000 - \$509,900		\$180 - \$321	
Subtotal			2,151	\$474,950		\$251	
Rochester Submarket							
Aks Development	Rochester	Marquee Builders	1,944 - 2,451	\$431,000 - \$461,000		\$193 - \$222	
Boelter Estates	Rochester	Exclusive Home Builders	2,467 - 4,302	\$1,375,000 - \$1,450,000		\$355 - \$476	
Catalina Ridge 4th	Rochester	Various	2,132 - 4,234	\$715,000 - \$1,125,000		\$202 - \$347	
Century Valley	Rochester	R Fleming Construction	2,180 - 4,257	\$658,650 - \$1,550,000		\$292 - \$362	
Creekview Meadows	Rochester	Various	2,151 - 3,086	\$479,900 - \$585,200		\$176 - \$348	
Essex Estates	Rochester	Peterson Homes, Lennar	2,208 - 3,583	\$444,900 - \$600,000		\$216 - \$367	
Hadley Creek Estates	Rochester	Bigelow, Majestic Homes	1,823 - 3,167	\$454,900 - \$696,200		\$208 - \$414	
Hadley Hills	Rochester	Lennar	3,205 - 3,379	\$539,900 - \$641,865		\$200 - \$238	
Harviestview 3rd	Rochester	Bigelow	1,991 - 2,908	\$399,900 - \$490,450		\$223 - \$307	
Pebble Creek	Rochester	Dewitz Home Builders	1,166 - 2,640	\$325,000 - \$499,000		\$184 - \$341	
Pine Ridge Heights	Rochester	Kevin Berge Buildings	3,158 - 3,222	\$625,000 - \$749,900		\$212 - \$250	
Ponds of Highland Hills	Rochester	Various	2,539 - 3,918	\$614,195 - \$814,900		\$189 - \$327	
Preserve of Mayowood	Rochester	Various	2,618 - 4,062	\$1,045,000 - \$1,600,430		\$300 - \$533	
Scenic Oaks West - 1st and 2nd	Rochester	Various	3,810 - 5,066	\$1,264,000 - \$1,320,000		\$256 - \$346	
Stonebrooke 5th Add	Rochester	Ridgeline Home Builders	1,607 - 2,800	\$469,900 - \$573,900		\$212 - \$326	
The Neighborhood of Shannon Oaks	Rochester	Meier Companies	1,568 - 3,136	\$472,500 - \$639,900		\$200 - \$325	
Valley Side Estates 4	Rochester	Bigelow	1,197 - 1,884	\$251,900 - \$251,900		\$210 - \$259	
Willow Heights	Rochester	Various	2,208 - 4,974	\$424,900 - \$849,900		\$207 - \$276	
Subtotal			2,820	\$679,954		\$284	

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TABLE FS-15 (Con't)
ACTIVE SUBDIVISIONS
OLMSTED COUNTY MARKET AREA
1st QUARTER 2025

Subdivision/Location	City/Twp.	Builders	Unit Size Square Feet	Marketing Home Costs ³		PSF	
				Min	Max	Min	Max
Rochester Fringe Submarket							
Lilly Farm 3rd	Rochester Twp.	Various	4,935 - 5,625	\$1,800,000 - \$2,043,000		\$363 - \$431	
Millie Meadow Estates	Rochester Twp.	Various	3,392 - 6,733	\$1,209,425 - \$2,179,000		\$323 - \$435	
Mayo Woodlands 3rd	Rochester Twp.	Thimijan Custom Homes	4,999 - 5,663	\$1,490,000 - \$1,839,952		\$307 - \$335	
Pavilion Estates							
Royal Oaks Farm	Rochester	Kevin Berge Builders	4,411 - 4,802	\$1,359,000 - \$1,529,900		\$320 - \$340	
Subtotal			5,021	\$1,656,050		\$357	
Stewartville Submarket							
Bucknell Estates	Stewartville	Radcliffe Homes	1,426 - 2,602	\$399,900 - \$489,000		\$284 - \$323	
Peterson 8th Subd.	Stewartville	Peterson Homes, Bigelow	2,123 - 3,138	\$389,900 - \$569,900		\$214 - \$401	
Schumann's Rolling Ridge	Stewartville		1,704 - 2,200	\$415,000 - \$567,000		\$199 - \$323	
Subtotal			2,189	\$478,945		\$284	
Olmsted County Market Area			3,012	\$754,046		\$287	

¹Available lots per Dec. 31st, 2024

²Active pricing is defined by 2024 closings and active/pending listings on the MLS as of January 2025

Sources: Regional MLS of MN, Maxfield Research & Consulting

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**TABLE FS-16
ACTIVE MULTIFAMILY SUBDIVISIONS
OLMSTED COUNTY MARKET AREA
1ST QUARTER 2025**

Subdivision/Location	City/Twp.	Type	Builder	Unit Size	Average Home	PSF Range	
				Square Feet	Market List Price ¹	Min	Max
Byron Submarket							
Shardlow Addition/2nd	Byron	Side by Side	Bigelow Homes	2,842 - 2,842	\$369,000 - \$384,900	\$260	\$271
East Village/Bear Creek Townhomes	Byron	Side by Side	Bigelow Homes	2,775 - 2,775	\$434,900 - \$439,900	\$186	\$188
Subtotal				2,813	\$402,857	\$232	
Chatfield Submarket							
None							
Subtotal							
East Submarket							
Arendt Subdivision	Eyota	Side by Side		1,084 - 1,647	\$279,000 - \$310,000	\$179	\$258
Stone Garden Estates	Eyota	Side by Side		1,737 - 1,737	\$379,900 - \$399,900	\$219	\$227
Subtotal				1,551	\$342,200	\$221	
North Submarket							
None							
Subtotal							
Rochester Submarket							
9th Avenue Rowhouses	Rochester	Side by Side	First Homes	1,417 - 1,480	\$197,000 - \$207,000	\$143	\$146
Centurian Ridge	Rochester	Side by Side	Centurian Ridge LLC	2,030 - 3,572	\$674,590 - \$823,500	\$215	\$332
Essex Estates 6th Sub.	Rochester	Side by Side	Dan Severson Builders	1,632 - 1,632	\$455,000 - \$469,900	\$276	\$288
Harvest Square	Rochester	Side by Side	Bigelow	1,586 - 2,640	\$310,000 - \$381,000	\$136	\$216
Harvestview 3rd	Rochester	TH Det.	Bigelow	1,716 - 2,824	\$437,500 - \$513,200	\$172	\$303
Scenic Oaks West	Rochester	TH Det.	Various	1,694 - 2,091	\$442,900 - \$815,000	\$262	\$377
Subtotal				2,151	\$546,928	\$259	
Stewartville Submarket							
Golfview Village	Stewartville	Side by Side		1,425 - 1,425	\$369,900 - \$399,900	\$255	\$289
Villas at Golfview	Stewartville	Side by Side	Thomas Himmer Homes	1,120 - 1,200	\$244,900 - \$249,900	\$204	\$226
Subtotal				1,288	\$313,604	\$242	
Olmsted County Totals				2,088	\$460,318	\$248	

¹ Pricing based on recent closings in 2024 and actively marketing properties in Jan. 2025. All pricing sourced to MLS listings.

Source: Maxfield Research & Consulting

TABLE FS-17
NEW CONSTRUCTION PRICING SUMMARY
1ST QUARTER 2025

Submarket	Single-Family Avg. Lot Cost	Single-Family Avg. Home Price	Single-Family Avg. PSF
Byron	\$146,117	\$684,105	\$275
Chatfield	\$59,900	\$0	\$0
East	\$72,450	\$435,223	\$233
North	\$0	\$474,950	\$251
Rochester	\$124,228	\$679,954	\$284
Rocheter Fringe	\$273,750	\$1,656,050	\$357
Stewartville	\$80,950	\$478,945	\$284
Subtotal/Avg.	155928.0027	\$754,046	\$287

Submarket	Multi-Family Avg. Lot Cost	Multi-Family Avg. Home Price	Multi-Family Avg. PSF
Byron	--	\$402,857	\$232
Chatfield	--	\$0	\$0
East	--	\$342,200	\$221
North	--	\$0	\$0
Rochester	--	\$546,928	\$259
Rocheter Fringe	--	\$0	\$0
Stewartville	--	\$313,604	\$242
Subtotal/Avg.		\$460,318	\$248

Note: Avg. pricing of new construction in Jan. 2025 as listed in the MLS

Source: Maxfield Research & Consulting

Housing Affordability Tables

TABLE HA-6 HOUSING COST BURDEN OLMSTED COUNTY MARKET AREA - 2025																
	Byron Sub.		Chatfield Sub.		East Sub.		North Sub.		Rochester Sub.		Roch. Fringe Sub.		Stewartville Sub.		Olmsted Cty. MA	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Owner Households																
All Owner Households	2,943		1,306		2,722		3,188		32,493		3,769		2,964		49,385	
Cost Burden 30% or greater	343	11.7%	217	16.7%	526	19.3%	475	15.0%	4,875	15.1%	589	15.6%	401	13.5%	7,426	15.1%
Owner Households w/ incomes <\$50,000	392		194		457		417		4,725		371		617		7,174	
Cost Burden 30% or greater	222	57.8%	106	55.6%	310	68.0%	245	60.6%	2,857	62.2%	272	74.4%	259	41.9%	4,270	60.9%
Renter Households																
All Renter Households	514		324		644		563		20,357		192		695		23,289	
Cost Burden 30% or greater	275	56.6%	98	34.7%	132	22.2%	250	52.7%	9,524	49.0%	36	25.6%	269	44.3%	10,584	48.0%
Renter Households w/ incomes <\$35,000	265		141		161		164		6,743		63		298		7,834	
Cost Burden 30% or greater	255	97.7%	96	73.1%	119	78.0%	155	99.3%	5,317	86.7%	29	89.2%	188	72.0%	6,159	86.4%
Median Contract Rent*	\$806		\$656		\$783		\$1,006		\$1,191		\$939		\$904		\$1,150	
*Median Contract Rent 2023																
Calculations exclude households not computed.																
Sources: U.S. Census Bureau; American Community Survey; Maxfield Research & Consulting																

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Housing Demand Analysis Tables

TABLE HD-1 DEMAND FOR ADDITIONAL FOR-SALE HOUSING OLMSTED COUNTY MARKET AREA 2025 to 2035																
	Byron Submarket		Chatfield Submarket		East Submarket		North Submarket		Rochester Submarket		Rochester Fringe Submarket		Stewartville Submarket		Olmsted County Market Area	
DEMAND FROM NEW HOUSEHOLD GROWTH																
Household growth under age 75, 2025 to 2035	392	42	149	112	3,340	74	139	4,248								
(times) % propensity to own ¹	86%	81%	82%	85%	64%	95%	82%	--								
(Equals) Demand from new household growth	338	34	122	95	2,128	70	114	2,901								
DEMAND FROM EXISTING HOUSEHOLDS																
Total estimated owner households under age 75, 2025	2,973	1,306	2,722	3,188	32,493	3,769	2,964	49,415								
(times) % of owner turnover 2025-2035 ²	34%	38%	30%	29%	37%	28%	34%	--								
(times) % desiring new owner housing	14%	14%	14%	14%	14%	14%	14%	--								
(Equals) Demand from existing households	141	70	116	129	1,678	147	140	2,420								
TOTAL MARKET DEMAND																
Total demand from new HH growth and turnover	479	104	238	224	3,806	217	254	5,321								
(Plus) Demand from outside Submarket	15%	20%	20%	20%	25%	30%	10%	--								
(Equals) Total demand potential for ownership housing	564	130	297	279	5,075	310	282	6,937								
Proportion Single-family vs. Multifamily ³	70%	30%	80%	20%	85%	15%	90%	10%	65%	35%	100%	0%	75%	25%	--	--
No. of Single-family vs. Multifamily ³ Units	394	169	104	26	253	45	251	28	3,298	1,776	310	0	212	71	4,823	2,114
¹ Based on percent owner households under age 65 in 2020 ² Based on household turnover and mobility data (2023 American Community Survey, Five Year Estimates) ³ Includes twinhomes, townhomes, detached townhomes, condos, etc.																
Note: Demand given for each submarket may be lower or higher if any proposed/planned developments move forward.																
Source: Maxfield Research & Consulting																

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TABLE HD-2 DEMAND FOR ADDITIONAL RENTAL HOUSING OLMSTED COUNTY MARKET AREA 2025 to 2035								
	Byron Submarket	Chatfield Submarket	East Submarket	North Submarket	Rochester Submarket	Roch. Fringe Submarket	Stewartville Submarket	Olmsted County Market Area
DEMAND FROM NEW HOUSEHOLD GROWTH								
Household growth under age 65, 2025 to 2035	229	0	97	79	3,063	68	72	3,608
(times) % propensity to rent ¹	14%	19%	20%	16%	39%	6%	19%	--
Household growth over age 65, 2025 to 2035 ²	331	133	194	265	3,336	298	212	4,769
(times) % propensity to rent ¹	13%	23%	20%	14%	24%	3%	15%	--
(Equals) Demand from new household growth	41	6	27	20	1,358	6	20	1,477
DEMAND FROM EXISTING HOUSEHOLDS								
Total renter households under age 65, 2025	398	211	479	425	17,344	163	549	19,570
(times) % of renter turnover 2025-2035 ³	75%	64%	75%	83%	84%	76%	78%	--
Total renter households over age 65, 2025	116	113	165	138	3,013	29	146	3,719
(times) % of renter turnover 2025-2035 ³	71%	60%	42%	26%	64%	60%	65%	--
(times) % desiring new rental housing	15%	15%	15%	15%	15%	15%	15%	--
(Equals) Demand from existing households	47	22	56	54	2,250	19	67	2,516
TOTAL MARKET DEMAND								
Total demand from new HH growth and turnover	88	28	83	74	3,608	25	87	3,993
(Plus) Demand from outside Market Area	20%	10%	10%	10%	30%	5%	10%	--
(Equals) Total demand potential for rental housing	106	31	91	81	4,690	26	96	5,121
Percent Market Rate ⁴	60%	60%	70%	70%	65%	100%	60%	--
Number	63	19	64	57	3,049	26	58	3,335
Percent Shallow Subsidy (Affordable) ⁴	30%	30%	25%	25%	25%	0%	35%	--
Number	32	9	23	20	1,173	0	34	1,290
Percent Deep Subsidy (Subsidized) ⁴	10%	10%	5%	5%	10%	0%	5%	--
Number	11	3	5	4	469	0	5	496
¹ Based on percent renter households in 2020 ² Based on 20% of senior households (2023 American Community Survey, Five Year Estimates) ³ Based on household turnover and mobility data (2023 American Community Survey, Five Year Estimates) ⁴ Based on the pricing of current rental product and household incomes of area renters (i.e. excludes owner incomes)								
Source: Maxfield Research & Consulting								

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TABLE HD-3 DEMAND FOR SUBSIDIZED ACTIVE ADULT RENTAL HOUSING OLMSTED COUNTY MARKET AREA 2025 to 2035								
	Byron Sub.	Chatfield Sub.	East Sub.	North Sub.	Rochester Sub.	Rochester Fringe Sub.	Stewartville Sub.	Olmsted Cty. Market Area
2025								
Households age 55-64	649	315	600	707	8,027	782	692	11,772
(times) % income qualified ¹	10.8%	16.1%	15.2%	12.7%	18.5%	11.2%	18.2%	--
(times) potential capture rate	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	--
Households age 65-74	448	235	507	626	7,070	730	485	10,101
(times) % income qualified ¹	25.9%	24.0%	22.0%	19.3%	24.7%	14.5%	29.9%	--
(times) potential capture rate	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	--
Households age 75+	386	244	396	456	6,125	443	486	8,536
(times) % income qualified ¹	51.2%	49.4%	46.1%	38.2%	43.8%	26.7%	60.8%	--
(times) potential capture rate	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	--
(Equals) Demand potential from Market Area Residents	33	19	31	31	468	23	48	653
(plus) Demand from Outside Market Area	20%	10%	10%	10%	35%	0%	10%	--
(Equals) total Demand Potential	41	21	35	34	720	23	53	927
Number	41	21	35	34	720	23	53	927
(minus) Existing Units ²	16	23	23	22	750	0	34	868
(equals) Total Subsidized Demand	26	0	11	12	0	23	19	91
2035								
Households age 55-64	691	245	622	655	7,762	684	615	11,274
(times) % income qualified ¹	7.2%	10.6%	10.2%	8.7%	14.6%	5.3%	11.9%	--
(times) potential capture rate	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	--
Households age 65-74	611	292	560	680	7,347	735	552	10,777
(times) % income qualified ¹	17.2%	18.1%	15.5%	13.2%	20.3%	9.8%	21.9%	--
(times) potential capture rate	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	--
Households age 75+	554	320	538	667	9,184	735	631	12,629
(times) % income qualified ¹	42.6%	42.0%	38.4%	31.6%	37.7%	20.5%	51.1%	--
(times) potential capture rate	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	--
(Equals) Demand potential from Market Area Residents	37	20	32	33	539	24	48	733
(plus) Demand from Outside Market Area	20%	10%	10%	10%	35%	0%	10%	--
(Equals) total Demand Potential	46	23	35	36	829	24	54	1,047
Number	46	23	35	36	829	24	54	1,047
(minus) Existing and Pending Units ²	16	23	23	22	767	0	34	886
(equals) Total Subsidized Demand	30	0	12	14	61	24	20	162
¹ Based on one person households that income qualify at or below 50% of AMI (\$41,050 in 2025) ² Based on household turnover and mobility data (2023 American Community Survey, Five Year Estimates) ³ Existing and pending units are deducted at market equilibrium (97% occupancy).								
Source: Maxfield Research & Consulting								

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TABLE HD-4 DEMAND FOR AFFORDABLE ACTIVE ADULT RENTAL HOUSING OLMSTED COUNTY MARKET AREA 2025 to 2035								
	Byron Sub.	Chatfield Sub.	East Sub.	North Sub.	Rochester Sub.	Rochester Fringe Sub.	Stewartville Sub.	Olmsted Cty. Market Area
2025								
Households age 55-64	649	315	600	707	8,027	782	692	11,772
(times) % income qualified ¹	5.2%	9.1%	7.5%	6.4%	7.6%	5.0%	8.4%	--
(times) potential capture rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	--
Households age 65-74	448	235	507	626	7,070	730	485	10,101
(times) % income qualified ¹	8.4%	14.3%	10.5%	9.9%	11.1%	8.0%	11.0%	--
(times) potential capture rate	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	--
Households age 75+	386	244	396	456	6,125	443	486	8,536
(times) % income qualified ¹	11.4%	12.3%	12.6%	14.7%	13.4%	13.2%	13.6%	--
(times) potential capture rate	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	--
(Equals) Demand potential from Market Area Residents	13	10	16	21	255	18	20	353
(plus) Demand from Outside Market Area	20%	15%	15%	15%	40%	0%	15%	--
(Equals) total Demand Potential	17	12	19	24	425	18	23	538
Number	17	12	19	24	425	18	23	538
(minus) Existing Units ²	0	0	0	0	72	0	0	72
(equals) Total Affordable Demand	17	12	19	24	352	18	23	465
2035								
Households age 55-64	691	245	622	655	7,762	684	615	11,274
(times) % income qualified ¹	5.2%	5.5%	8.1%	5.2%	8.0%	4.8%	6.6%	--
(times) potential capture rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	--
Households age 65-74	611	292	560	680	7,347	735	552	10,777
(times) % income qualified ¹	7.8%	9.2%	12.4%	8.1%	11.3%	10.1%	10.0%	--
(times) potential capture rate	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	--
Households age 75+	554	320	538	667	9,184	735	631	12,629
(times) % income qualified ¹	11.2%	10.2%	10.7%	13.7%	12.1%	13.2%	11.2%	--
(times) potential capture rate	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	--
(Equals) Demand potential from Market Area Residents	18	9	19	24	318	27	20	437
(plus) Demand from Outside Market Area	20%	15%	15%	15%	40%	0%	15%	--
(Equals) total Demand Potential	22	11	23	29	529	27	24	666
Number	22	11	23	29	529	27	24	666
(minus) Existing and Pending Units ²	0	0	0	0	167	0	0	167
(equals) Total Affordable Demand	22	11	23	29	362	27	24	499
¹ Based on two-person households that income qualify at or below 60% of AMI (\$56,280 in 2025) and can afford maximum gross rents set at 50% of AMI (\$1,026 for an existing Efficiency unit). increasing to \$72,000 and \$1,500 for an existing Efficiency unit) in 2035 due to inflation. ² Based on household turnover and mobility data (2023 American Community Survey, Five Year Estimates) ³ Existing and pending units are deducted at market equilibrium (95% occupancy).								
Source: Maxfield Research & Consulting								

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TABLE HD-5
 DEMAND FOR MARKET RATE ACTIVE ADULT RENTAL HOUSING
 OLMSTED COUNTY MARKET AREA
 2025 to 2035

	Byron Sub.	Chatfield Sub.	East Sub.	North Sub.	Rochester Sub.	Rochester Fringe Sub.	Stewartville Sub.	Olmsted Cty. Market Area
2025								
Households age 55-64	649	315	600	707	8,027	782	692	11,772
(times) % income qualified ¹	91.7%	90.6%	87.6%	90.9%	85.2%	91.0%	87.1%	--
(times) HO factor \$30k-\$40k	3.0%	4.8%	2.9%	3.6%	3.0%	2.7%	4.8%	--
(plus) Homeowners w/incomes \$30k-40k ²	20	15	18	26	244	21	33	376
(times) potential capture rate	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	--
(equals) demand potential	9	5	8	10	106	11	10	159
Households age 65-74	448	235	507	626	7,070	730	485	10,101
(times) % income qualified ¹	78.7%	86.1%	82.6%	86.6%	81.2%	88.2%	76.4%	--
(times) HO factor \$30k-\$40k	5.0%	5.9%	4.5%	4.7%	4.5%	3.5%	6.5%	--
(plus) Homeowners w/incomes \$30k-40k ²	22	14	23	29	317	25	31	462
(times) potential capture rate	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	--
(equals) demand potential	32	18	38	49	515	57	34	742
Households age 75+	386	244	396	456	6,125	443	486	8,536
(times) % income qualified ¹	55.3%	59.8%	61.5%	70.3%	64.6%	79.8%	49.0%	--
(times) HO factor \$30k-\$40k	11.0%	8.0%	7.7%	7.4%	6.6%	6.8%	11.2%	--
(plus) Homeowners w/incomes \$30k-40k ²	43	19	30	34	405	30	55	616
(times) potential capture rate	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	--
(equals) demand potential	38	25	41	53	654	58	44	913
(Equals) Demand potential from Market Area	79	48	87	112	1,275	125	88	1,814
(plus) Demand from Outside Market Area)	20%	10%	10%	20%	35%	0%	10%	--
(Equals) total Demand Potential	99	53	96	140	1,962	125	97	2,573
Percent Owner-Occupied	20%	25%	25%	25%	45%	100%	30%	--
Number	20	13	24	35	883	125	29	1,130
(minus) Existing and Pending Units ³	0	0	0	0	262	0	0	262
(equals) Total Owner-Occupied Demand	20	13	24	35	621	125	29	868
Percent Renter-Occupied	80%	75%	75%	75%	55%	0%	70%	--
Number	79	40	72	105	1,079	0	68	1,444
(minus) Existing Units ³	0	0	0	0	169	0	48	218
(equals) Total Renter-Occupied Demand	79	40	72	105	910	0	20	1,226

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TABLE HD-5 CONT. DEMAND FOR MARKET RATE ACTIVE RENTAL HOUSING OLMSTED COUNTY MARKET AREA 2025 to 2035								
	Byron Sub.	Chatfield Sub.	East Sub.	North Sub.	Rochester Sub.	Rochester Fringe Sub.	Stewartville Sub.	Olmsted Cty. County
2035								
Households age 55-64	691	245	622	655	7,762	684	615	11,274
(times) % income qualified ¹	93.6%	91.4%	90.7%	92.4%	86.6%	95.3%	89.6%	--
(times) HO factor \$35k-\$45k	1.7%	5.1%	2.0%	2.1%	2.4%	1.3%	3.5%	--
(plus) Homeowners w/incomes \$35k-45k ²	12	13	12	14	185	9	21	265
(times) potential capture rate	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	--
(equals) demand potential	10	4	9	9	104	10	9	153
Households age 65-74	611	292	560	680	7,347	735	552	10,777
(times) % income qualified ¹	84.2%	85.6%	85.9%	88.6%	81.7%	91.1%	80.3%	--
(times) HO factor \$35k-\$45k	2.9%	6.8%	3.0%	4.1%	4.4%	2.5%	4.6%	--
(plus) Homeowners w/incomes \$35k-45k ²	18	20	17	28	323	19	25	449
(times) potential capture rate	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	--
(equals) demand potential	45	23	42	54	538	58	40	800
Households age 75+	554	320	538	667	9,184	735	631	12,629
(times) % income qualified ¹	60.1%	61.4%	64.4%	71.7%	65.5%	81.3%	52.7%	--
(times) HO factor \$35k-\$45k	4.9%	5.4%	4.2%	5.8%	4.7%	3.4%	6.9%	--
(plus) Homeowners w/incomes \$35k-45k ²	27	12	23	12	429	25	44	573
(times) potential capture rate	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	--
(equals) demand potential	54	31	55	74	967	93	56	1,331
(Equals) Demand potential from Market Area	109	58	106	136	1,608	162	105	2,284
(plus) Demand from Outside Market Area	20%	10%	10%	20%	35%	0%	10%	--
(Equals) total Demand Potential	136	64	118	171	2,474	162	117	3,242
Percent Owner-Occupied	20%	25%	25%	25%	45%	100%	30%	--
Number	27	16	30	43	1,113	162	35	1,426
(minus) Existing and Pending Units ³	0	0	0	0	262	0	0	262
(equals) Total Owner-Occupied Demand	27	16	30	43	851	162	35	1,163
Percent Renter-Occupied	80%	75%	75%	75%	55%	0%	70%	--
Number	109	48	89	128	1,361	0	82	1,816
(minus) Existing and Pending Units ³	0	0	0	0	302	0	48	351
(equals) Total Renter-Occupied Demand	109	48	89	128	1,059	0	33	1,465
¹ Based on households earning \$40,000+ in 2024. 2030 calculations are based on households earning \$50,000+ due to inflation.								
² Estimated homeowners with incomes between \$25,000 and \$34,999 in 2025. Incomes between \$40,000 and \$49,999 in 203.								
³ Existing and pending units are deducted at market equilibrium (95% occupancy).								
Source: Maxfield Research & Consulting								

TABLE HD-6 DEMAND FOR INDEPENDENT LIVING RENTAL HOUSING OLMSTED COUNTY MARKET AREA 2025 to 2035								
	Byron Sub.	Chatfield Sub.	East Sub.	North Sub.	Rochester Sub.	Rochester Fringe Sub.	Stewartville Sub.	Olmsted Cty. Market Area
2024								
Households age 65-74	448	235	507	626	7,070	730	485	10,101
(times) % income qualified ¹	79%	86%	83%	87%	81%	88%	76%	--
(times) HO factor \$30k-\$35k	2.8%	1.4%	2.5%	1.7%	1.8%	2.0%	3.4%	--
(plus) Homeowners w/incomes \$30k-35k ²	12	3	13	11	127	15	17	197
(times) potential capture rate	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	--
(equals) demand potential	5	3	6	8	88	10	6	127
Households age 75+	386	244	396	456	6,125	443	486	8,536
(times) % income qualified ¹	55%	60%	62%	70%	65%	80%	49%	--
(times) HO factor \$30k-\$35k	7.9%	4.4%	6.6%	3.4%	3.3%	3.1%	6.6%	--
(plus) Homeowners w/incomes \$30k-35k ²	31	11	26	16	203	14	32	332
(times) potential capture rate	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	--
(equals) demand potential	33	21	36	45	562	50	36	784
(Equals) Demand potential	38	24	43	54	650	59	42	911
(plus) Demand from Outside Market Area)	20%	10%	10%	10%	35%	0%	10%	--
(Equals) total Demand Potential	48	27	48	60	999	59	47	1,288
(minus) Existing Units ³	19	0	0	11	583	0	0	614
(Equals) Total Independent Living Demand	29	27	48	48	416	59	47	674
2030								
Households age 65-74	611	292	560	680	7,347	735	552	10,777
(times) % income qualified ¹	84%	86%	86%	89%	82%	91%	80%	--
(times) HO factor \$35k-\$40k	1.5%	3.4%	1.6%	2.1%	2.2%	1.2%	2.4%	--
(plus) Homeowners w/incomes \$35k-40k ²	9	10	9	14	162	9	13	226
(times) potential capture rate	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	--
(equals) demand potential	8	4	7	9	92	10	7	138
Households age 75+	554	320	538	667	9,184	735	631	12,629
(times) % income qualified ¹	60%	61%	64%	72%	66%	81%	53%	--
(times) HO factor \$35k-\$40k	2.5%	2.7%	3.1%	3.0%	2.3%	1.7%	3.4%	--
(plus) Homeowners w/incomes \$35k-40k ²	14	9	17	20	214	13	21	307
(times) potential capture rate	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	--
(equals) demand potential	47	28	49	67	841	82	48	1,162
(Equals) Demand potential	55	32	56	76	933	93	55	1,300
(plus) Demand from Outside Market Area)	20%	10%	10%	10%	35%	0%	10%	--
(Equals) total Demand Potential	68	35	63	85	1,436	93	61	1,840
(minus) Existing and Pending Units ³	19	0	0	11	583	0	0	614
(Equals) Total Independent Living Demand	49	35	63	74	853	93	61	1,227
¹ Based on households earning \$35,000+ in 2024. 2030 calculations are based on households earning \$45,000+ due to inflation.								
² Estimated homeowners with incomes between \$30,000 and \$34,999 in 2024. Incomes between \$40,000 and \$44,999 in 2030.								
³ Existing and pending units are deducted at market equilibrium (95% occupancy).								
Source: Maxfield Research & Consulting								

TABLE HD-7 DEMAND FOR ASSISTED LIVING RENTAL HOUSING OLMSTED COUNTY MARKET AREA 2025 to 2035								
	Byron Sub.	Chatfield Sub.	East Sub.	North Sub.	Rochester Sub.	Rochester Fringe Sub.	Stewartville Sub.	Olmsted Cty. Market Area
2025								
People age 75-79	246	155	294	321	4,089	382	301	5,788
(times) % needing assistance ¹	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	--
People age 80-84	186	99	158	206	2,726	234	227	3,836
(times) % needing assistance ¹	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	--
People age 85+	160	134	214	191	3,047	161	184	4,091
(times) % needing assistance ¹	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	--
(Equals) Number needing assistance	208	142	238	250	3,531	259	248	4,876
(times) Percent Income-Qualified ²	60.7%	55.4%	56.8%	66.7%	58.5%	80.0%	52.6%	--
(times) Percent Living Alone	33.0%	50.0%	44.3%	37.9%	47.3%	23.5%	44.1%	--
(plus) Proportion of demand from couples (12%) ³	6	5	8	9	133	7	8	175
(equals) Total Age-Income Qualified market needing assistance	47	45	68	72	1,109	55	65	1,462
(times) Potential penetration rate ⁴	40%	40%	40%	40%	40%	40%	40%	--
(Equals) Demand potential from Market Area Residents	19	18	27	29	444	22	26	585
(plus) Demand from Outside Market Area	20%	10%	10%	10%	35%	0%	10%	--
(Equals) total Demand Potential	24	20	30	32	683	22	29	840
(minus) Existing Units ⁵	13	0	60	9	311	0	0	393
(Equals) Total Assisted Living Demand	11	20	0	22	372	22	29	476
3035								
People age 75-79	387	227	398	463	5,700	577	408	8,160
(times) % needing assistance ¹	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	--
People age 80-84	292	151	244	309	4,127	369	296	5,788
(times) % needing assistance ¹	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	--
People age 85+	248	150	250	286	3,900	286	249	5,369
(times) % needing assistance ¹	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	--
(Equals) Number needing assistance	325	186	312	369	4,853	419	332	6,796
(times) Percent Income-Qualified ²	62.4%	57.3%	58.5%	66.7%	58.8%	80.3%	55.4%	--
(times) Percent Living Alone	33.0%	50.0%	44.3%	37.9%	47.3%	23.5%	44.1%	--
(plus) Proportion of demand from couples (12%) ³	9	7	11	13	184	11	11	246
(equals) Total Age-Income Qualified market needing assistance	76	61	92	106	1,533	90	92	2,050
(times) Potential penetration rate ⁴	40%	40%	40%	40%	40%	40%	40%	--
(Equals) Demand potential from Market Area Residents	30	24	37	43	613	36	37	820
(plus) Demand from Outside Market Area	20%	10%	10%	10%	35%	0%	10%	--
(Equals) total Demand Potential	38	27	41	47	943	36	41	1,173
(minus) Existing and Pending Units ⁵	13	0	60	9	311	0	0	393
(Equals) Total Assisted Living Demand	25	27	-19	38	632	36	41	780
¹ The percentage of seniors unable to perform or having difficulty with ADLs, based on the publication Health, United States, 1999 Health and Aging Chartbook, conducted by the Centers for Disease Control and Prevention and the National Center for Health Statistics. ² Includes households with incomes of \$50,000 or more (who could afford monthly rents of \$3,000+ per month) plus 40% of the estimated owner households with incomes below \$50,000 (who will spend down assets, including home-equity, in order to live in assisted living housing). ³ The 2009 Overview of Assisted Living (a collaborative project of AAHSA, ASHA, ALFA, NCAL & NIC) found that 12% of assisted living residents are couples. ⁴ We estimate that 60% of the qualified market needing assistance with ADLs could either remain in their homes or reside at less advanced senior housing with the assistance of a family member or home health care, or would need greater care provided in a skilled care facility. ⁵ Existing and pending units at 93% occupancy. We exclude an estimated 15% of units being utilized by residents with Elderly Waivers. Also excludes units located within a CCRC.								
Source: Maxfield Research & Consulting								

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TABLE HD-8 DEMAND FOR MEMORY CARE RENTAL HOUSING OLMSTED COUNTY MARKET AREA 2025 to 2035								
	Byron Sub.	Chatfield Sub.	East Sub.	North Sub.	Rochester Sub.	Rochester Fringe Sub.	Stewartville Sub.	Olmsted Cty. Market Area
2025								
People age 65-74	803	372	856	1,105	11,530	1,325	852	16,843
(times) Dementia incident rate ¹	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	--
People age 75-84	432	254	453	527	6,815	616	528	9,625
(times) Dementia incident rate ¹	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	--
People age 85+	160	134	214	191	3,047	161	184	4,091
(times) Dementia incident rate ¹	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	--
(Equals) Total senior population with dementia	149	97	171	184	2,479	196	174	3,451
(times) Percent Income-Qualified ²	50.3%	47.2%	50.0%	54.7%	48.6%	62.2%	43.0%	--
(times) Potential penetration rate	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	--
(Equals) Demand potential from Market Area	19	11	21	25	301	30	19	427
(plus) Demand from Outside Market Area)	20%	10%	10%	10%	35%	0%	10%	--
(Equals) total Demand Potential	23	13	24	28	463	30	21	603
(minus) Existing Units ³	11	0	5	0	264	0	0	280
(Equals) Total Memory Care Demand	12	13	19	28	199	30	21	323
3035								
People age 65-74	1,108	487	962	1,360	13,380	1,584	1,008	19,889
(times) Dementia incident rate ¹	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	--
People age 75-84	679	378	642	772	9,827	946	704	13,948
(times) Dementia incident rate ¹	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	--
People age 85+	248	150	250	286	3,900	286	249	5,369
(times) Dementia incident rate ¹	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	--
(Equals) Total senior population with dementia	228	127	218	264	3,320	300	230	4,686
(times) Percent Income-Qualified ²	54.0%	49.8%	52.5%	57.1%	49.8%	64.0%	47.4%	--
(times) Potential penetration rate	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	--
(Equals) Demand potential from Market Area	31	16	29	38	413	48	27	601
(plus) Demand from Outside Market Area)	20%	10%	10%	10%	35%	0%	10%	--
(Equals) total Demand Potential	38	18	32	42	636	48	30	844
(minus) Existing and Pending Units ³	11	0	5	0	264	0	0	280
(Equals) Total Memory Care Demand	27	18	27	42	372	48	30	564
¹ Alzheimer's Association: Alzheimer's Disease Facts & Figures (2007)								
² Includes seniors with income at \$60,000 or above plus 25% of homeowners with incomes below this threshold (who will spend down assets, including home-equity, in order to live in memory care housing. Households with incomes at \$65,000+ for 2030 calculations due to inflation.								
³ Existing and pending units at 93% occupancy. We exclude an estimated 15% of units being utilized by residents with Elderly Waivers. Also excludes units located within a CCRC.								
Source: Maxfield Research & Consulting								

Definitions

Absorption Period – The period necessary for newly constructed or renovated properties to achieve the stabilized level of occupancy. The absorption period begins when the first certificate of occupancy is issued and ends when the last unit to reach the stabilized level of occupancy has signed a lease.

Absorption Rate – The average number of units rented each month during the absorption period.

Active Adult (or independent living without services available) – Active Adult properties are similar to a general-occupancy apartment building, in that they offer virtually no services but have age-restrictions (typically 55 or 62 or older). Organized activities and occasionally a transportation program are usually all that are available at these properties. Because of the lack of services, active adult properties typically do not command the rent premiums of more service-enriched senior housing.

Adjusted Gross Income “AGI” – Income from taxable sources (including wages, interest, capital gains, income from retirement accounts, etc.) adjusted to account for specific deductions (i.e. contributions to retirement accounts, unreimbursed business and medical expenses, alimony, etc.).

Affordable Housing – The general definition of affordability is for a household to pay no more than 30% of their income for housing. For this study, we define affordable housing that is income-restricted to households earning at or below 80% AMI, though individual properties can have income-restrictions set at 30%, 40%, 50%, 60% or 80% AMI. Rent is not based on income but instead is a contract amount that is affordable to households within the specific income restriction segment. It is essentially housing affordable to low or very low-income tenants.

Amenity – Tangible or intangible benefits offered to a tenant in the form of common area amenities or in-unit amenities. Typical in-unit amenities include dishwashers, washer/dryers, walk-in showers and closets and upgraded kitchen finishes. Typical common area amenities include detached or attached garage parking, community room, fitness center and an outdoor patio or grill/picnic area.

Area Median Income “AMI” – AMI is the midpoint in the income distribution within a specific geographic area. By definition, 50% of households earn less than the median income and 50% earn more. The U.S. Department of Housing and Urban Development (HUD) calculates AMI annually and adjustments are made for family size.

Assisted Living – Assisted Living properties come in a variety of forms, but the target market for most is generally the same: very frail seniors, typically age 80 or older (but can be much younger, depending on their particular health situation), who are in need of extensive support services and personal care assistance. Absent an assisted living option, these seniors would

otherwise need to move to a nursing facility. At a minimum, assisted living properties include two meals per day and weekly housekeeping in the monthly fee, with the availability of a third meal and personal care (either included in the monthly fee or for an additional cost). Assisted living properties also have either staff on duty 24 hours per day or at least 24-hour emergency response.

Building Permit – Building permits track housing starts, and the number of housing units authorized to be built by the local governing authority. Most jurisdictions require building permits for new construction, major renovations, as well as other building improvements. Building permits ensure that all the work meets applicable building and safety rules and is typically required to be completed by a licensed professional. Once the building is complete and meets the inspector’s satisfaction, the jurisdiction will issue a “CO” or “Certificate of Occupancy.” Building permits are a key barometer for the health of the housing market and are often a leading indicator in the rest of the economy as it has a major impact on consumer spending.

Capture Rate – The percentage of age, size, and income-qualified renter households in a given area or “Market Area” that the property must capture to fill the units. The capture rate is calculated by dividing the total number of units at the property by the total number of age, size and income-qualified renter households in the designated area.

Comparable Property – A property that is representative of the rental housing choices of the designated area or “Market Area” that is similar in construction, size, amenities, location and/or age.

Concession – Discount or incentives given to a prospective tenant to induce signature of a lease. Concessions typically are in the form of reduced rent or free rent for a specific lease term, or free amenities, which are normally charged separately, such as parking.

Congregate (or independent living with services available) – Congregate properties offer support services such as meals and/or housekeeping, either on an optional basis or a limited amount included in the rents. These properties typically dedicate a larger share of the overall building area to common areas, in part, because the units are smaller than in adult housing and in part to encourage socialization among residents. These properties attract a slightly older target market than adult housing, typically seniors age 75 or older. Rents are also above those of the active adult buildings, even excluding the services. Currently, the term “congregate” has been replaced with “independent living” in the marketplace.

Contract Rent – The actual monthly rent payable by the tenant, including any rent subsidy paid on behalf of the tenant, to the owner, inclusive of all terms of the lease.

Demand – The total number of households that would potentially move into a proposed new or renovated housing project. These households must be of appropriate age, income, tenure and size for a specific proposed development. Components vary and can include, but are not

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limited to turnover, people living in substandard conditions, rent over-burdened households, income-qualified households and age of householder. Demand is project specific.

Density – Number of units in a given area. Density is typically measured in dwelling units (DU) per acre – the larger the number of units permitted per acre the higher the density; the fewer units permitted results in lower density. Density is often presented in a gross and net format:

Gross Density – The number of dwelling units per acre based on the gross site acreage.

Gross Density = Total residential units/total development area

Net Density – The number of dwelling units per acre located on the site, but excludes public right-of-ways (ROW) such as streets, alleys, easements, open spaces, etc. *Net Density = Total residential units/total residential land area (excluding ROWs)*

Detached Housing – a freestanding dwelling unit, most often single-family homes, situated on its own lot.

Effective Rents – Contract rent less applicable concessions.

Elderly or Senior Housing – Housing where all the units in the property are restricted for occupancy by persons age 62 years or better, or at least 80% of the units in each building are restricted for occupancy by households where at least one household member is 55 years of age or better and the housing is designed with amenities, facilities and services to meet the needs of senior citizens.

Extremely Low-Income – Person or household with incomes below 30% of Area Median Income, adjusted for respective household size.

Fair Market Rent – Estimates established by HUD of the Gross Rents needed to obtain modest rental units in acceptable conditions in a specific geographic area. The amount of rental income a given property would command if it were open for leasing at any given moment and/or the amount derived based on market conditions that is needed to pay gross monthly rent at modest rental housing in a given area. This figure is used as a basis for determining the payment standard amount used to calculate the maximum monthly subsidy for families on at financially assisted housing.

Fair Market Rent Olmsted County - 2024

Fair Market Rent					
	EFF	1BR	2BR	3BR	4BR
Fair Market Rent	\$814	\$927	\$1,148	\$1,618	\$1,948

Floor Area Ratio (FAR) Ratio of the floor area of a building to area of the lot on which the building is located.

Foreclosure – A legal process in which a lender or financial institute attempts to recover the balance of a loan from a borrower who has stopped making payments to the lender by using the sale of the house as collateral for the loan.

Gross Rent – The monthly housing cost to a tenant which equals the Contract Rent provided for in the lease, plus the estimated cost of all utilities paid by tenants. Maximum Gross Rents for Olmsted County are shown in the figure below.

**Gross Rent
Olmsted County – 2024**

	Maximum Gross Rent				
	EFF	1BR	2BR	3BR	4BR
30% of median	\$615	\$703	\$791	\$879	\$949
40% of median	\$821	\$938	\$1,055	\$1,172	\$1,266
50% of median	\$1,026	\$1,172	\$1,318	\$1,465	\$1,582
60% of median	\$1,231	\$1,407	\$1,582	\$1,758	\$1,899
80% of median	\$1,642	\$1,876	\$2,110	\$2,344	\$2,532
100% of median	\$2,052	\$2,345	\$2,637	\$2,930	\$3,165

Household – All persons who occupy a housing unit, including occupants of a single-family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Household Trends – Changes in the number of households for any particular areas over a measurable period of time, which is a function of new household formations, changes in average household size, and net migration.

Housing Choice Voucher Program – The federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. Housing choice vouchers are administered locally by public housing agencies. They receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program. A housing subsidy is paid to the landlord directly by the public housing agency on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

Housing Unit – House, apartment, mobile home, or group of rooms used as a separate living quarters by a single household.

HUD Project-Based Section 8 – A federal government program that provides rental housing for very low-income families, the elderly, and the disabled in privately owned and managed rental

units. The owner reserves some or all of the units in a building in return for a Federal government guarantee to make up the difference between the tenant's contribution and the rent. A tenant who leaves a subsidized project will lose access to the project-based subsidy.

HUD Section 202 Program – Federal program that provides direct capital assistance and operating or rental assistance to finance housing designed for occupancy by elder household who have incomes not exceeding 50% of Area Median Income.

HUD Section 811 Program – Federal program that provides direct capital assistance and operating or rental assistance to finance housing designed for occupancy of persons with disabilities who have incomes not exceeding 50% Area Median Income.

HUD Section 236 Program – Federal program that provides interest reduction payments for loans which finance housing targeted to households with income not exceeding 80% Area Median Income who pay rent equal to the greater of market rate or 30% of their adjusted income.

Income Limits – Maximum household income by a designed geographic area, adjusted for household size and expressed as a percentage of the Area Median Income, for the purpose of establishing an upper limit for eligibility for a specific housing program. See income-qualifications.

Inflow/Outflow – The Inflow/Outflow Analysis generates results showing the count and characteristics of worker flows in to, out of, and within the defined geographic area.

Low-Income – Person or household with gross household incomes below 80% of Area Median Income, adjusted for household size.

Low-Income Housing Tax Credit – A program aimed to generate equity for investment in affordable rental housing authorized pursuant to Section 42 of the Internal Revenue Code. The program requires that a certain percentage of units built be restricted for occupancy to households earning 60% or less of Area Median Income, and rents on these units be restricted accordingly.

Market Analysis – The study of real estate market conditions for a specific type of property, geographic area or proposed (re)development.

Market Rent – The rent that an apartment, without rent or income restrictions or rent subsidies, would command in a given area or “Market Area” considering its location, features and amenities.

Market Study – A comprehensive study of a specific proposal including a review of the housing market in a defined market or geography. Project specific market studies are often used by developers, property managers or government entities to determine the appropriateness of a

proposed development, whereas market specific market studies are used to determine what housing needs, if any, existing within a specific geography.

Market Rate Rental Housing – Housing that does not have any income-restrictions. Some properties will have income guidelines, which are minimum annual incomes required in order to reside at the property.

Memory Care – Memory Care properties, designed specifically for persons suffering from Alzheimer’s disease or other dementias, is one of the newest trends in senior housing. Properties consist mostly of suite-style or studio units or occasionally one-bedroom apartment-style units, and large amounts of communal areas for activities and programming. In addition, staff typically undergoes specialized training in the care of this population. Because of the greater amount of individualized personal care required by residents, staffing ratios are much higher than traditional assisted living and thus, the costs of care are also higher. Unlike conventional assisted living, however, which deals almost exclusively with widows or widowers, a higher proportion of persons afflicted with Alzheimer’s disease are in two-person households. That means the decision to move a spouse into a memory care facility involves the caregiver’s concern of incurring the costs of health care at a special facility while continuing to maintain their home.

Migration – The movement of households and/or people into or out of an area.

Mixed-Income Property – An apartment property contained either both income-restricted and unrestricted units or units restricted at two or more income limits.

Mobility – The ease at which people move from one location to another. Mobility rate is often illustrated over a one-year time frame.

Moderate Income – Person or household with gross household income between 80% and 120% of the Area Median Income, adjusted for household size.

Multifamily – Properties and structures that contain more than two housing units.

Naturally Occurring Affordable Housing – Although affordable housing is typically associated with an income-restricted property, there are other housing units in communities that indirectly provide affordable housing. Housing units that were not developed or designated with income guidelines (i.e. assisted) yet are more affordable than other units in a community are considered “naturally-occurring” or “unsubsidized affordable” units. This rental supply is available through the private market, versus assisted housing programs through various governmental agencies. Property values on these units are lower based on a combination of factors, such as: age of structure/housing stock, location, condition, size, functionally obsolete, school district, etc.

APPENDIX

Net Income – Income earned after payroll withholdings such as state and federal income taxes, social security, as well as retirement savings and health insurance.

Net Worth – The difference between assets and liabilities, or the total value of assets after the debt is subtracted.

Pent-Up Demand – A market in which there is a scarcity of supply and as such, vacancy rates are very low or non-existent.

Population – All people living in a geographic area.

Population Density – The population of an area divided by the number of square miles of land area.

Population Trends – Changes in population levels for a particular geographic area over a specific period of time – a function of the level of births, deaths, and in/out migration.

Project-Based Rent Assistance – Rental assistance from any source that is allocated to the property or a specific number of units in the property and is available to each income eligible tenant of the property or an assisted unit.

Redevelopment – The redesign, rehabilitation or expansion of existing properties.

Rent Burden – Gross rent divided by adjusted monthly household income.

Restricted Rent – The rent charged under the restriction of a specific housing program or subsidy.

Saturation – The point at which there is no longer demand to support additional market rate, affordable/subsidized, rental, for-sale, or senior housing units. Saturation usually refers to a particular segment of a specific market.

Senior Housing – The term “senior housing” refers to any housing development that is restricted to people age 55 or older. Today, senior housing includes an entire spectrum of housing alternatives. Maxfield Research Consulting classifies senior housing into four categories based on the level of support services. The four categories are: Active Adult, Congregate, Assisted Living and Memory Care.

Short Sale – A sale of real estate in which the net proceeds from selling the property do not cover the sellers’ mortgage obligations. The difference is forgiven by the lender, or other arrangements are made with the lender to settle the remainder of the debt.

Single-Family Home – A dwelling unit, either attached or detached, designed for use by one household and with direct street access. It does not share heating facilities or other essential electrical, mechanical or building facilities with another dwelling.

Stabilized Level of Occupancy – The underwritten or actual number of occupied units that a property is expected to maintain after the initial lease-up period.

Subsidized Housing – Housing that is income-restricted to households earning at or below 30% AMI. Rent is generally based on income, with the household contributing 30% of their adjusted gross income toward rent. Also referred to as extremely low-income housing.

Subsidy – Monthly income received by a tenant or by an owner on behalf of a tenant to pay the difference between the apartment’s contract/market rate rent and the amount paid by the tenant toward rent.

Substandard Conditions – Housing conditions that are conventionally considered unacceptable and can be defined in terms of lacking plumbing facilities, one or more major mechanical or electrical system malfunctions, or overcrowded conditions.

Target Population – The market segment or segments of the given population a development would appeal or cater to.

Tenant – One who rents real property from another individual or rental company.

Tenant-Paid Utilities – The cost of utilities, excluding cable, telephone, or internet necessary for the habitation of a dwelling unit, which are paid by said tenant.

Tenure – The distinction between owner-occupied and renter-occupied housing units.

Turnover – A measure of movement of residents into and out of a geographic location.

Turnover Period – An estimate of the number of housing units in a geographic location as a percentage of the total house units that will likely change occupants in any one year.

Unrestricted Units – Units that are not subject to any income or rent restrictions.

Vacancy Period – The amount of time an apartment remains vacant and is available on the market for rent.

Workforce Housing – Housing that is income-restricted to households earning between 80% and 120% AMI. Also referred to as moderate-income housing.

Zoning – Classification and regulation of land use by local governments according to use categories (zones); often also includes density designations and limitations.