Comprehensive Housing Needs Analysis for Sherburne County, Minnesota

Prepared for:

Sherburne County
Elk River, MN

June 2020

Maxfield Research & Consulting

7575 Golden Valley Road
Suite 385
Golden Valley, MN 55427
612.338.0012
www.maxfieldresearch.com

July 9, 2020

Mr. Dan Weber
Assistant County Administrator
Sherburne County Government Center
13880 Business Center Drive
Elk River, MN 55330

Dear Mr. Weber:

Attached is the *Comprehensive Housing Needs Analysis for Sherburne County, Minnesota* conducted by Maxfield Research and Consulting, LLC. The study projects housing demand from 2020 through 2030 and provides recommendations on the amount and type of housing that could be built in Sherburne County to satisfy demand from current and future residents over the next decade. The study identifies a potential demand for nearly 6,000 new housing units through 2030. Population and household growth is projected to continue through 2030 and housing demand will be generated from an existing household base that will desire new types of housing due to aging, housing preference, and lack of specific inventory in the county.

Demand was divided between general-occupancy housing (73%) and age-restricted senior housing (27%). Our inventory of general-occupancy rental housing found a vacancy rate of under 3% and senior housing properties posted a vacancy of only 2.8%, which is below market equilibrium and shows need for additional rental and senior housing. Based on the low inventory of vacant developed lots and the recent construction activity, additional lots are needed soon in select Sherburne County submarkets while the for-sale market has hit a new peak in the sales price. 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, LLC

Matt Mullins
Vice President
Attachment

Max Perrault
Research Associate

TABLE OF CONTENTS

LIST OF TABLES

Demographic Analysis

- In 2020, the population of the Sherburne County Analysis Area is estimated at 100,010. The most populous Sherburne County submarket is the Elk River submarket (25,025 people) and accounts for 25% of the analysis Area's population.

- All submarkets are experiencing increasing populations and are projected to have consistent growth through 2030. The Big Lake submarket is projected to make the largest numeric growth in population, gaining 2,875 people between 2020 to 2030. The Becker submarket is forecast to make the largest proportional growth, increasing population by 13.8%.

- Sherburne County is also gaining households and the projections show an equal rate compared to population. The Big Lake submarket is projected to make the largest numeric growth in households, gaining 1,000 households between 2020 to 2030. The Becker submarket is forecast to make the largest proportional growth, increasing households by 14.7%.

- With the exception of the 18 to 24 and 45 to 54 age cohorts, all age cohorts are projected to increase in population 2020 to 2025. A majority of the growth is projected to occur in the 65 to 74 and 75 to 84 age group. Most other age cohorts increasing in population, are expected to increase by 3% to 10%.

- The median income for the Sherburne County Analysis Area is projected to rise by 5% from $88,603 to $99,001 in 2025. The Sherburne County Analysis Area's median income is higher than the Twin Cities Metro Area's 2020 median income of $81,390.

- The Clear Lake submarket reported the highest median income in 2020, $108,930. The Northwest submarket had the lowest median income in the county at $68,461. All submarkets are projected to experience increases ranging from 3.6% in the Northwest submarket to 7.4% in the Becker submarket from 2020 to 2025.

- In the Sherburne County Analysis Area, married households without children and other family households (typically single-parent households) are growing, while households of married couples with children are declining.

Housing Characteristics

- Single-family housing units accounted for 85% of the units permitted in Sherburne County between 2010 to 2019. The County witnessed a peak of single-family permits issued in 2018 with 506 units permitted. Of the single-family residential units permitted in Sherburne

County, the Elk River submarket accounted for 34% of the permitted units from 2010 to 2019, and 45% of the multifamily units permitted.

- Overall, Sherburne County's housing stock is "newer" with a median year built of 1993, with the median year built of 1994 for owner-occupied units and 1986 for renter-occupied units. The largest share of units (30%) were constructed in the 2000s.

- Owner-occupied, single-family detached units account for the largest share of housing in Sherburne County (93%). There is also a significant amount of single-family detached housing units that are renter occupied (30%).

- Just over three-quarters of homes (78%), in Sherburne County carry a mortgage. Homes with a mortgage reported a higher median value, $218,000, compared to homes without a mortgage, which had a median value of $214,000. Median values for homes with a mortgage were highest in the Clear Lake submarket ($241,661).

- Sherburne County residents were most likely to pay of $1,000 or more in monthly rent, with 32% of renter occupied units reporting rents in this range. The largest median contract rents were reported in the Zimmerman submarket, $916.

Employment Trends

- Between 2000 and 2019, Sherburne County's unemployment rate reached a high of 9.1% in 2009 but has since declined to 3.6% by years end in 2019. The unemployment rate remains higher than the Twin Cities Metro Area (2.9%) and the State of Minnesota (3.2%).

- Trade, Transportation, & Utilities is the largest employment sector in the county, accounting for 22% of employment in Q3 of 2019. The Construction sector had the highest average weekly wage of $1,247 per week.

- Sherburne County is a net exporter of workers, with 39,722 commuting out of the county compared to 15,465 workers coming into the county. Approximately 11,100 workers live and work in the county. Roughly 7% of workers leaving the county commute to Minneapolis proper.

Rental Housing Market Analysis

- In total, Maxfield Research surveyed 47 market rate general occupancy rental housing developments, with 8 units or more, for a total of 2,161 units, with a total vacancy rate of 3.5%. Typically, a healthy rental market maintains a vacancy rate of roughly 5%, which promotes competitive rates, ensures adequate consumer choice, and allows for unit turnover.

Average monthly rent for a market rate one-bedroom unit was $860, $970 for a two-bedroom, and $1,279 for a three-bedroom. Overall, price per square foot was calculated at $1.08 among surveyed developments in the Sherburne County Analysis Area.

- We identified 47 affordable/subsidized properties that made up 862 units. Overall, the affordable/subsidized properties had a vacancy rate of 1.4%.

Senior Housing Market Analysis

- Maxfield Research surveyed 28 senior housing facilities located in the Sherburne County Analysis Area with a total of 1,410 units. Combined, the overall vacancy for senior projects is 2.8%. Generally, healthy senior housing vacancy rates range from 5% to 7% depending on service level.

- The county has a large number of affordable units/subsidized senior rental developments. We identified 11 properties with a total of 412 units of which had a vacancy rate of 0.2%. Market equilibrium is typically at 3%.

- In total, there were 11 enhanced service campuses and totaled 770 units. The overall vacancy rate among properties that provided complete market information was 6%.

For-Sale Housing Market Analysis

- Sherburne County home resales peaked in 2019 as 1,749 single-family homes sold; an increase of 48% since 2000 (1,175 sold). Home resale values increased in 2019 to a new peak of $260,867.

- In 2019, the Elk River submarket had the highest median resale price ($294,950), while the Northwest submarket had the lowest sales price ($184,858). The Elk River submarket also accounted for the highest share of single-family resales in the County, accounting for 25% of resales.

- Sherburne County housing costs are on average about 15% lower than the Twin Cities Metro Area; yet mirror Twin Cities housing trends.

- Sherburne County experienced a wave of lender-mediated properties last decade that had major impact on the housing market from 2008 to 2012. After lender-mediated sales peaked in 2011 at about 70% of transactions they have declined annually since and comprise only 2.3% of home sales in 2019.

- About 41% of the active single-family inventory is priced between $200,000 and $299,999. About 54% of the active homes are priced above $300,000. Only 5% of Sherburne County 's single-family homes for sale are priced less than $200,000.

- New construction generally targets the $250,000 to $350,000 price point throughout the county. In 2019, about 48% of new homes were priced less than $300,000; compared to only 15% in the Twin Cities Metro Area.

Special Needs

- Overall, 8.8% of the County's non-institutionalized population has some form of disability, slight below the 10.8% of the State of Minnesota population with a disability.

- There are 71 licenses for Home and Community Based Services in Sherburne County. Of the 71 licenses, 40 were listed as Home and Community Based Services and 29 were listed as Home and Community Based Services – Community Residential Setting.

Planned & Pending Housing Developments

- There are several housing developments either under construction or planned/pending in Sherburne County at this time. These projects include single-family/twin home developments, one market rate rental project and numerous affordable rental projects, one active adult rental project, and a patio home development.

Housing Affordability

- About 18% of owner households and 48% of renter households are estimated to be paying more than 30% of their income for housing costs in the Sherburne County Analysis Area. Compared to the Minnesota average, the percentage of cost burdened households is slightly lower than the state average of 19% of owner households but higher than renter households at 46%.

- The number of cost burdened households in the Sherburne County Analysis Area increases proportionally based on lower incomes. About 72% of renters with incomes below $35,000 are cost burdened and 56% of owners with incomes below $50,000 are cost burdened.

Housing Demand Analysis

- Based on our calculations, demand exists in the Sherburne County Analysis Area for the following general occupancy product types between 2020 and 2030:
    - Market rate rental 895 units
    - Affordable rental 413 units
    - Subsidized rental 220 units
    - For-sale single-family 2,153 units
    - For-sale multifamily 636 units

- In addition, we find demand for multiple senior housing product types. By 2030, demand in the Sherburne County Analysis Area for senior housing is forecast for the following:
    - Active adult ownership 247 units
    - Active adult market rate rental 679 units
    - Active adult affordable 183 units
    - Active adult subsidized 10 units
    - Independent Living 333 units
    - Assisted Living 58 units
    - Memory Care 126 units

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

Purpose and Scope of Study

Maxfield Research and Consulting, LLC. was engaged by the Sherburne County to conduct a *Comprehensive Housing Needs Analysis* for Sherburne 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
- CoStar
- Regional Multiple Listing Service of Minnesota (MLS)
- Sherburne County
- City staff from communities across Sherburne County
- Longitudinal Employer-Household Dynamics (LEHD)
- Metrostudy
- Minnesota Geospatial Commons
- Minnesota Housing Finance Agency (MHFA)
- Novogradac
- Phone calls/emails from property owners/managers, realtors, brokers, developers, employers, among others, etc.

Introduction

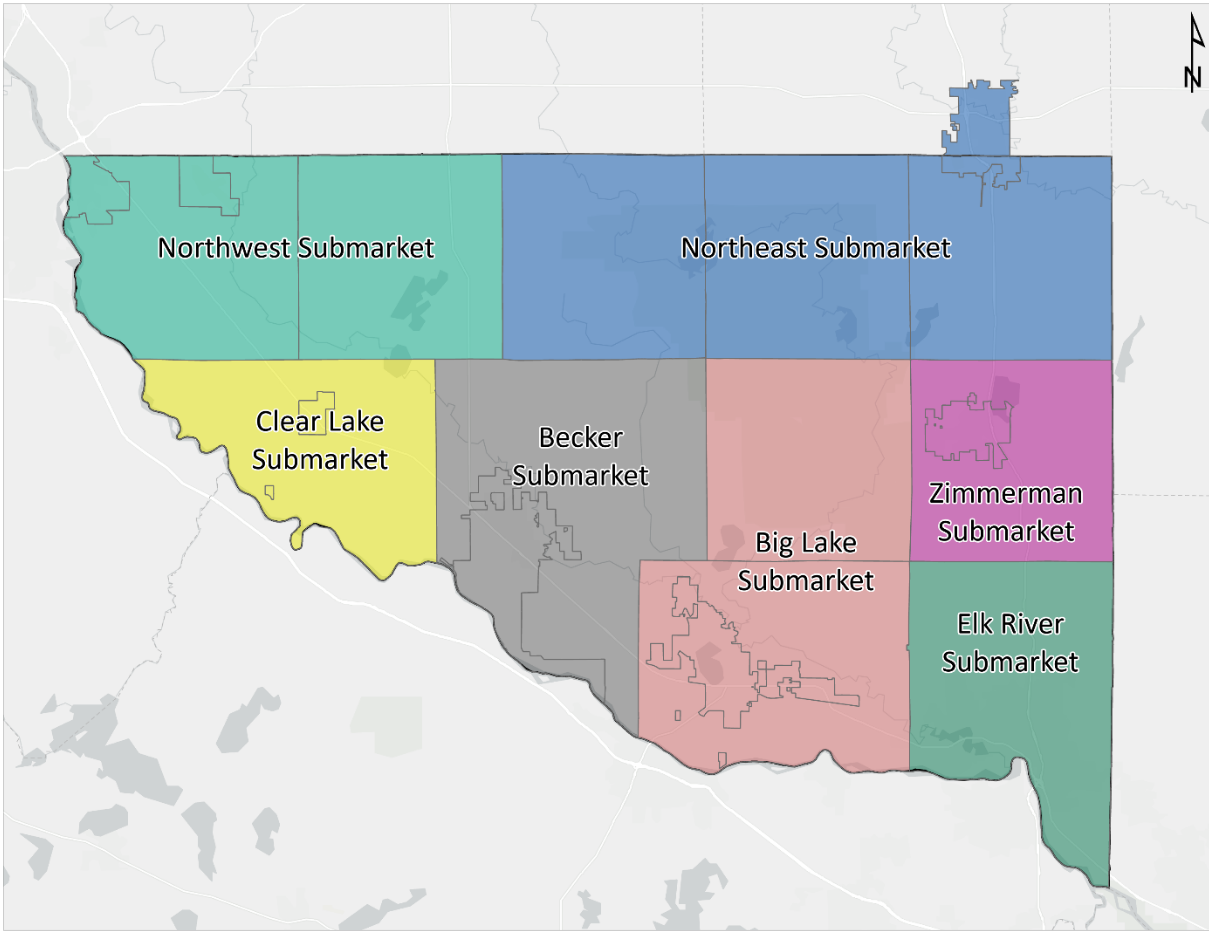
This section of the report examines factors related to the current and future demand for both owner and renter-occupied housing in Sherburne County, Minnesota. It includes an analysis of population and household growth trends and projections, projected age distribution, household income, household types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

Sherburne County Submarket Definitions

After conversations with local officials, Sherburne County was divided into seven submarkets: Becker, Big Lake, Clear Lake, Elk River, Northeast (includes Princeton in Sherburne County and Mille Lacs County), Northwest, and Zimmerman for purposes of the housing analysis. Subsequent data in the housing analysis is illustrated by submarket and county-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 Sherburne County. Demand generated from within and outside of Sherburne County is considered in the demand calculations presented later in this analysis.

Sherburne County Housing Submarket Definitions			
Becker Submarket	**Big Lake Submarket**	**Clear Lake Submarket**	**Elk River Submarket**
Becker city Becker township	Big Lake city Big Lake township Orrock township	Clear Lake city Clear Lake township	Elk River city
Northeast Submarket	**Northwest Submarket**	**Zimmerman Submarket**	**Area Notes**
Princeton* Baldwin township Blue Hill township Santiago township	St. Cloud city** Haven township Palmer township	Zimmerman city Livonia township	**Princeton*** - Partially in Sherburne County and Mille Lacs County. All of Princeton is included in this study. **St. Cloud**** - Only areas within Sherburne County is included in this study.

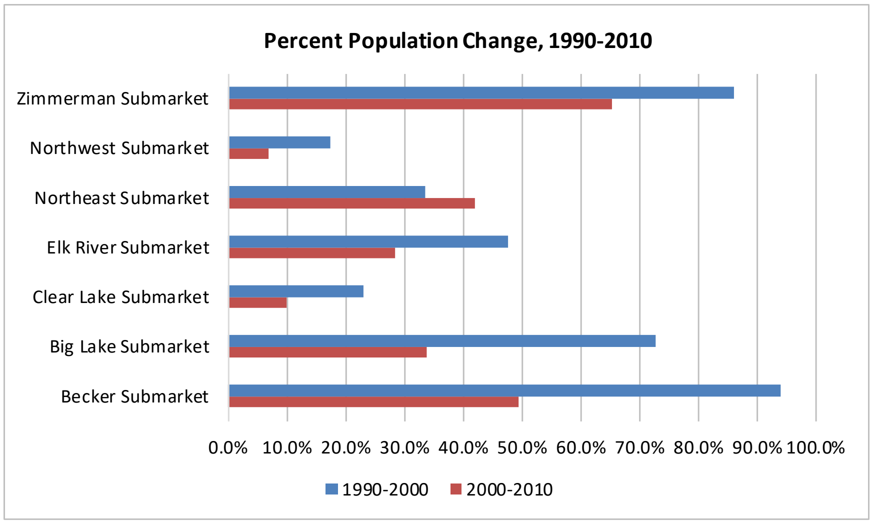


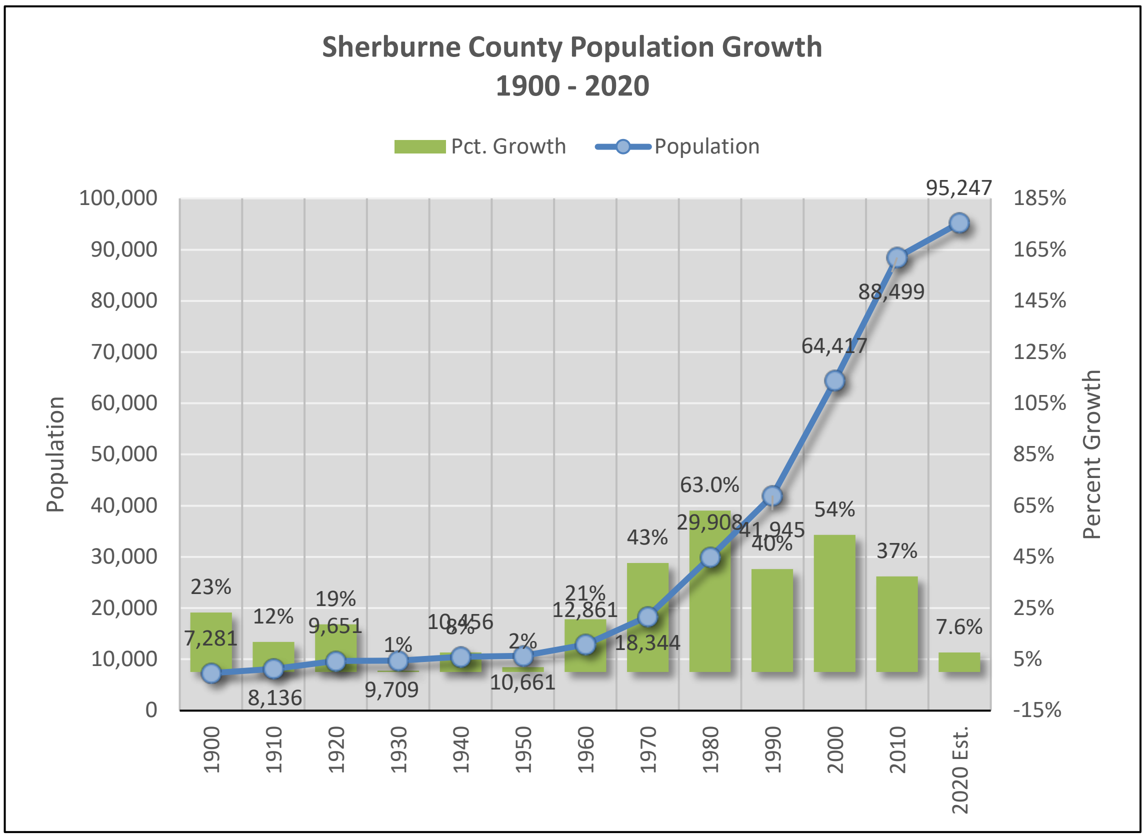
Population and Household Growth from 1990 to 2010

Tables D-1 and D-2 present the population and household growth of each submarket in Sherburne County in 1990, 2000, and 2010. The data is from the U.S. Census.

Population

- The population of the Sherburne County Market Area grew by 49.7% between 1990 and 2000 from 45,662 to 68,343 people. The percent growth of the Sherburne County Market Area was higher than the 12.4% growth the State of Minnesota experienced from 1990 to 2000.





- From 2000 to 2010, the population of the Sherburne County Market Area grew to 93,147, a 26.6% increase in population. Sherburne County's population growth during this time again exceeded the State of Minnesota, which grew by 7.2%.

- The most significant population growth occurred in the Becker Submarket between 1990 and 2000. This submarket grew by 93.9% between 1990 and 2010, adding 3,040 people.

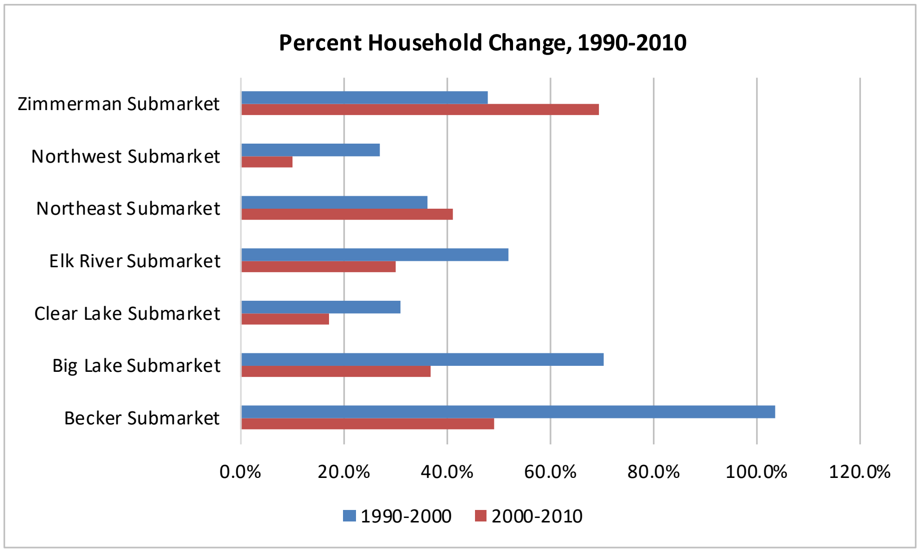
TABLE D-1
HISTORIC POPULATION GROWTH TRENDS
SHERBURNE COUNTY
1990 - 2010

	Historic Population			Change			
	Census			1990 - 2000		2000 - 2010	
	1990	2000	2010	No.	Pct.	No.	Pct.
Sherburne County Market Area	**45,662**	**68,343**	**93,147**	**22,681**	**49.7%**	**24,804**	**26.6%**
Sherburne County*	**41,945**	**64,417**	**88,499**	**22,472**	**53.6%**	**24,082**	**27.2%**
Becker Submarket							
Becker city	902	2,673	4,538	1,771	196.3%	1,865	41.1%
Becker township	2,336	3,605	4,842	1,269	54.3%	1,237	25.5%
Submarket Total	**3,238**	**6,278**	**9,380**	**3,040**	**93.9%**	**3,102**	**49.4%**
Big Lake Submarket							
Big Lake city	3,113	6,063	10,060	2,950	94.8%	3,997	39.7%
Big Lake township	4,452	6,785	7,386	2,333	52.4%	601	8.1%
Orrock township	1,474	2,764	3,451	1,290	87.5%	687	19.9%
Submarket Total	**9,039**	**15,612**	**20,897**	**6,573**	**72.7%**	**5,285**	**33.9%**
Clear Lake Submarket							
Clear Lake city	315	266	545	-49	-15.6%	279	51.2%
Clear Lake township	1,225	1,630	1,539	405	33.1%	-91	-5.9%
Submarket Total	**1,540**	**1,896**	**2,084**	**356**	**23.1%**	**188**	**9.9%**
Elk River Submarket							
Elk River city	**11,143**	**16,447**	**22,974**	**5,304**	**47.6%**	**6,527**	**28.4%**
Northeast Submarket							
Princeton^^	3,719	3,933	4,698	214	5.8%	765	16.3%
Baldwin township	2,909	4,672	6,739	1,763	60.6%	2,067	30.7%
Blue Hill township	763	762	2,176	-1	-0.1%	1,414	65.0%
Santiago township	789	1,555	1,895	766	97.1%	340	17.9%
Submarket Total	**8,180**	**10,922**	**15,508**	**2,742**	**33.5%**	**4,586**	**42.0%**
Northwest Submarket							
St. Cloud^	5,246	5,982	6,785	736	14.0%	803	11.8%
Haven township	1,921	2,024	1,986	103	5.4%	-38	-1.9%
Palmer township	1,717	2,414	2,354	697	40.6%	-60	-2.5%
Submarket Total	**8,884**	**10,420**	**11,125**	**1,536**	**17.3%**	**705**	**6.8%**
Zimmerman Submarket							
Zimmerman city	1,350	2,851	5,228	1,501	111.2%	2,377	45.5%
Livonia township	2,288	3,917	5,951	1,629	71.2%	2,034	34.2%
Submarket Total	**3,638**	**6,768**	**11,179**	**3,130**	**86.0%**	**4,411**	**65.2%**
Central MN Region^^^	**259,631**	**321,795**	**402,292**	**62,164**	**23.9%**	**80,497**	**20.0%**
Minnesota	**4,375,099**	**4,919,479**	**5,303,925**	**544,380**	**12.4%**	**384,446**	**7.2%**

*Sherburne County total excludes the portions of St. Cloud and Princeton located outside the County
^St. Cloud (Northwest) only includes portion of the City located within Sherburne County.
^^Princeton (Northeast), includes the portion of the City located in Mille Lacs County.
^^^Central MN Region includes the following counties: Benton, Sherburne, Stearns, and Wright.
Sources: U.S. Census; State Data Center of Minnesota; Maxfield Research & Consulting LLC

Households

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. However, additional demand can result from changing demographics of the population base, which results in demand for different housing products.



- Similar to population trends, the Becker Submarket reported the largest household growth, 103.4%, between 1990 and 2000.

- From 2000 to 2010, the Zimmerman Submarket reported the largest household growth, increasing 69.4%.

- Household growth in the Sherburne County Market Area has outpaced household growth in the Central Minnesota Region and the State of Minnesota since 1990. From 1990 to 2000, households grew by 53.8% in the Sherburne County Market Area compared to 30.2% in the Central Minnesota Region and 15% in Minnesota. Sherburne County Market Area households increased by 27.7% from 2000 to 2010 compared to 22.1% in the Central Minnesota Region and 9.2% in the State of Minnesota.

TABLE D-2
HISTORIC HOUSEHOLD GROWTH TRENDS
SHERBURNE COUNTY
1990 - 2010

	Historic Households			Change			
	Census			1990 - 2000		2000 - 2010	
	1990	2000	2010	No.	Pct.	No.	Pct.
Sherburne County Market Area	**15,089**	**23,201**	**32,102**	**8,112**	**53.8%**	**8,901**	**27.7%**
Sherburne County*	**13,643**	**21,581**	**30,212**	**7,938**	**58.2%**	**8,631**	**28.6%**
Becker Submarket							
Becker city	315	929	1,526	614	194.9%	597	39.1%
Becker township	682	1,099	1,496	417	61.1%	397	26.5%
Submarket Total	**997**	**2,028**	**3,022**	**1,031**	**103.4%**	**994**	**49.0%**
Big Lake Submarket							
Big Lake city	1,135	2,117	3,377	982	86.5%	1,260	37.3%
Big Lake township	1,384	2,106	2,485	722	52.2%	379	15.3%
Orrock township	484	892	1,132	408	84.3%	240	21.2%
Submarket Total	**3,003**	**5,115**	**6,994**	**2,112**	**70.3%**	**1,879**	**36.7%**
Clear Lake Submarket							
Clear Lake city	107	102	205	-5	-4.7%	103	50.2%
Clear Lake township	409	574	586	165	40.3%	12	2.0%
Submarket Total	**516**	**676**	**791**	**160**	**31.0%**	**115**	**17.0%**
Elk River Submarket							
Elk River city	**3,732**	**5,664**	**8,080**	**1,932**	**51.8%**	**2,416**	**29.9%**
Northeast Submarket							
Princeton^^	1,447	1,624	1,926	177	12.2%	302	15.7%
Baldwin township	954	1,573	2,334	619	64.9%	761	32.6%
Blue Hill township	252	257	714	5	2.0%	457	64.0%
Santiago township	233	477	578	244	104.7%	101	17.5%
Submarket Total	**2,886**	**3,931**	**5,552**	**1,045**	**36.2%**	**1,621**	**41.2%**
Northwest Submarket							
St. Cloud^	1,659	2,107	2,366	448	27.0%	259	10.9%
Haven township	616	666	706	50	8.1%	40	5.7%
Palmer township	559	829	889	270	48.3%	60	6.7%
Submarket Total	**2,834**	**3,602**	**3,961**	**768**	**27.1%**	**359**	**10.0%**
Zimmerman Submarket							
Zimmerman city	414	963	1,802	549	132.6%	839	46.6%
Livonia township	707	1,222	1,900	515	72.8%	678	35.7%
Submarket Total	**1,121**	**2,185**	**3,702**	**1,064**	**94.9%**	**1,517**	**69.4%**
Central MN Region^^^	**87,367**	**113,715**	**145,996**	**26,348**	**30.2%**	**32,281**	**22.1%**
Minnesota	**1,647,853**	**1,895,127**	**2,087,227**	**247,274**	**15.0%**	**192,100**	**9.2%**

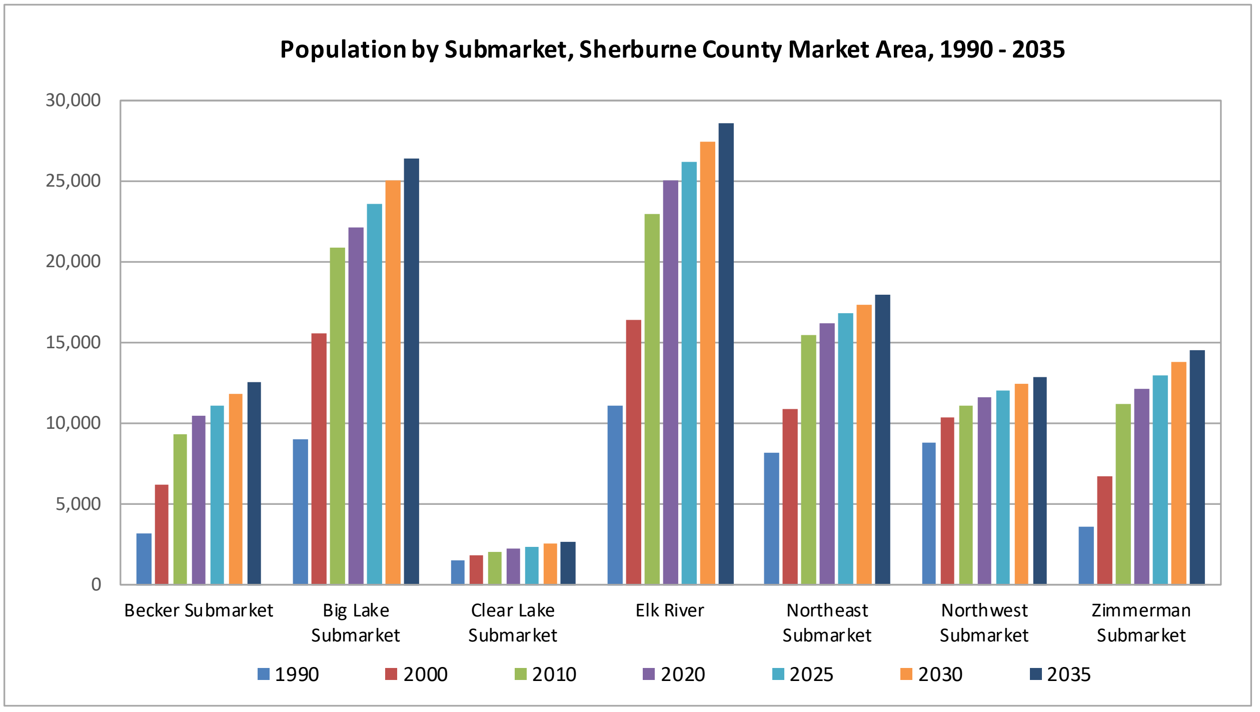
*Sherburne County total excludes the portions of St. Cloud and Princeton located outside the County
^St. Cloud (Northwest) only includes portion of the City located within Sherburne County.
^^Princeton (Northeast), includes the portion of the City located in Mille Lacs County.
^^^Central MN Region includes the following counties: Benton, Sherburne, Stearns, and Wright.
Sources: U.S. Census; State Data Center of Minnesota; Maxfield Research & Consulting LLC

Population and Household Estimates and Projections

Table D-3 presents population and household growth trends and projections for the Sherburne County Market Area through 2035. Estimates for 2020 and projections through 2035 are based on information from ESRI (a national demographics service provider), the Minnesota State Demographic Center, and adjusted by Maxfield Research and Consulting, LLC based on local building permit trends.

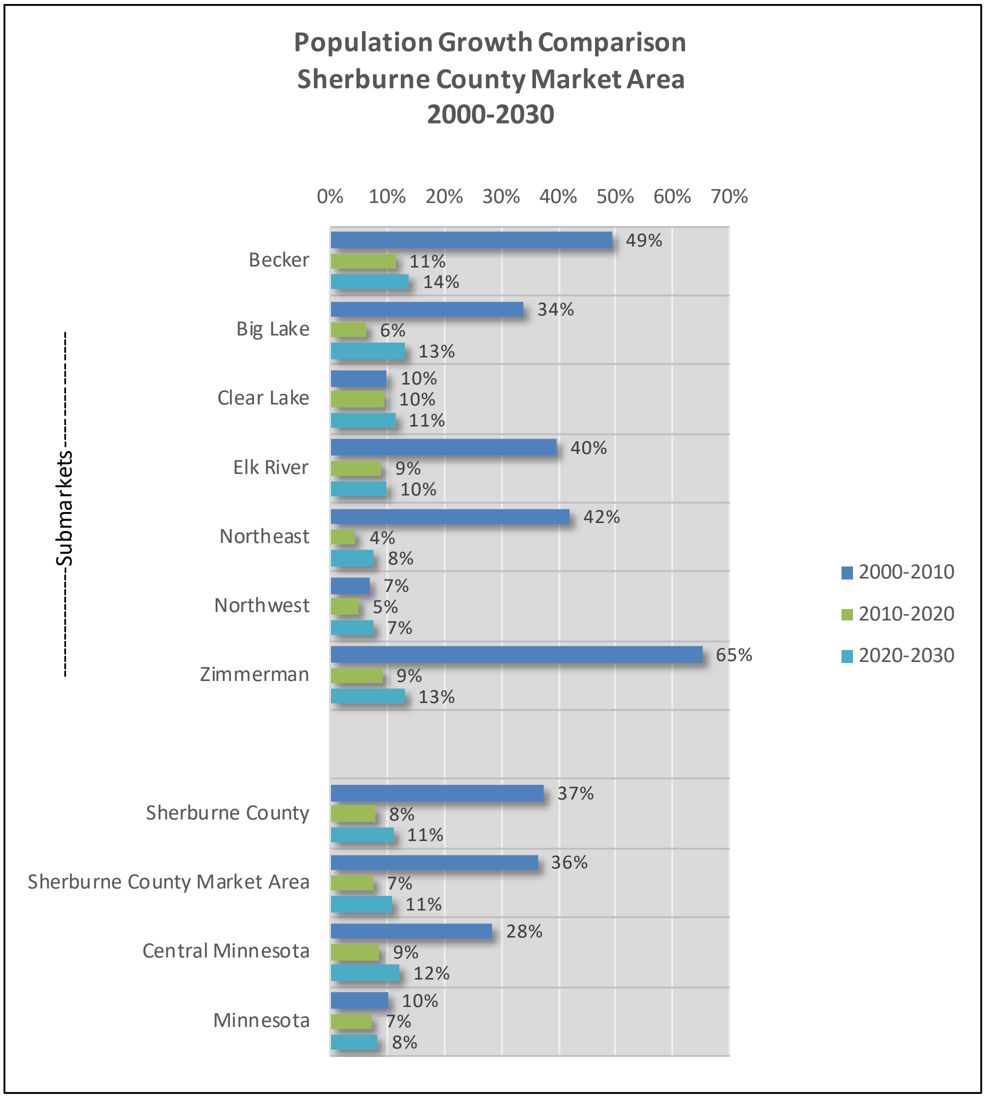
- In 2020, the population of the Sherburne County Market Area is estimated at 100,010. Most of the Sherburne County Market Area population is within Elk River (25,025 people).

- There are estimated to be 34,800 households in the Sherburne County Market Area in 2020. Similar to population trends, most households in the market area are located in Elk River (8,900).



- Between 2010 and 2020, the Sherburne County Market Area population is expected to grow by 7.4% (+6,863 people). The Becker Submarket is forecast to have the highest population growth rate, 11.4% (+1,070 people). Elk River is forecast to have the highest growth in people, increasing population by 8.9% (+2,051).

- Changes in households are expected to mirror population changes through 2020. The Becker Submarket is expected to grow in households by 12.5% (+ 378 households) and Elk River is expected to add 820 households (+10.1%), the largest again among the submarkets in the Sherburne County Market Area.



- The Sherburne Market Area and all submarkets are forecast to experience increasing population growth rates through 2035. The Sherburne County Market Area is expected to increase by 10.7% (+10,695 people) between 2020 and 2030.

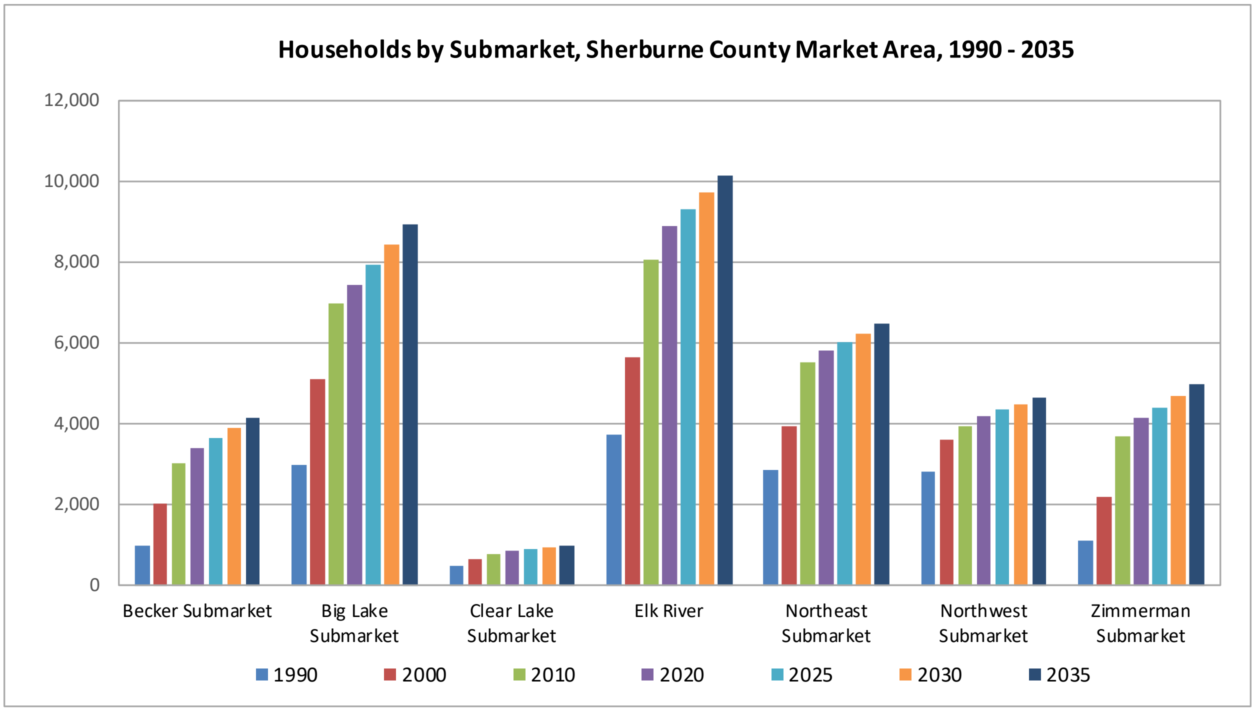
- The greatest population rate increase in the Sherburne County Market Area is expected in the Becker Submarket which is projected to increase by 13.8% (+1,438 people) between 2020 and 2030. The Big Lake Submarket is expected to have the greatest increase in population change, growing by +2,875 people (13%) between 2020 and 2030.

- Households for the Sherburne Market Area and all submarkets are also forecast to grow similarly to population growth rates. The Sherburne County Market Area is expected to increase by 10.7% (+3,720 households) between 2020 and 2030. The Becker Submarket is projected to increase by the greatest household rate, 14.7% (+500 households) between 2020 and 2030. The Big Lake Submarket is expected to have the greatest increase in household change, +1,000 households (13.4%) during this same period.

TABLE D-3
POPULATION AND HOUSEHOLD GROWTH TRENDS AND PROJECTIONS
SHERBURNE COUNTY MARKET AREA
1990 - 2035

	Census			Estimate	Forecast			Change							
								2000-2010		2010-2020		2020-2030		2030-2035	
	1990	2000	2010	2020	2025	2030	2035	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
POPULATION															
Sherburne County Market Area	**45,662**	**68,343**	**93,147**	**100,010**	**105,404**	**110,705**	**115,913**	**24,804**	**36.3%**	**6,863**	**7.4%**	**10,695**	**10.7%**	**5,208**	**4.9%**
Sherburne County*	**41,945**	**64,417**	**88,499**	**95,247**	**100,528**	**105,718**	**110,817**	**24,082**	**37.4%**	**6,748**	**7.6%**	**10,471**	**11.0%**	**5,099**	**5.1%**
Becker Submarket	3,238	6,278	9,380	10,450	11,175	11,888	12,588	3,102	49.4%	1,070	11.4%	1,438	13.8%	700	6.3%
Big Lake Submarket	9,039	15,612	20,897	22,200	23,650	25,075	26,475	5,285	33.9%	1,303	6.2%	2,875	13.0%	1,400	5.9%
Clear Lake Submarket	1,540	1,896	2,084	2,285	2,416	2,544	2,670	188	9.9%	201	9.6%	259	11.3%	126	5.2%
Elk River	11,143	16,447	22,974	25,025	26,258	27,469	28,659	6,527	39.7%	2,051	8.9%	2,444	9.8%	1,190	4.5%
Northeast Submarket	8,180	10,922	15,508	16,185	16,809	17,421	18,023	4,586	42.0%	677	4.4%	1,236	7.6%	602	3.6%
Northwest Submarket	8,884	10,420	11,125	11,665	12,100	12,528	12,948	705	6.8%	540	4.9%	863	7.4%	420	3.5%
Zimmerman Submarket	3,638	6,768	11,179	12,200	12,998	13,781	14,551	4,411	65.2%	1,021	9.1%	1,581	13.0%	770	5.9%
Central MN Region^	**259,631**	**321,795**	**402,292**	**436,195**	**462,219**	**489,795**	**517,372**	**80,497**	**25.0%**	**33,903**	**8.4%**	**53,600**	**12.3%**	**27,577**	**6.0%**
Minnesota	**4,375,099**	**4,919,479**	**5,303,925**	**5,670,102**	**5,909,800**	**6,159,631**	**6,409,461**	**384,446**	**7.8%**	**366,177**	**6.9%**	**489,529**	**8.6%**	**249,830**	**4.2%**
HOUSEHOLDS															
Sherburne County Market Area	**15,089**	**23,201**	**32,102**	**34,800**	**36,660**	**38,520**	**40,380**	**8,901**	**38.4%**	**2,698**	**8.4%**	**3,720**	**10.7%**	**1,860**	**5.1%**
Sherburne County*	**13,643**	**21,581**	**30,212**	**32,850**	**34,671**	**36,492**	**38,313**	**8,631**	**40.0%**	**2,638**	**8.7%**	**3,642**	**11.1%**	**1,821**	**5.3%**
Becker Submarket	997	2,028	3,022	3,400	3,650	3,900	4,150	994	49.0%	378	12.5%	500	14.7%	250	6.8%
Big Lake Submarket	3,003	5,115	6,994	7,450	7,950	8,450	8,950	1,879	36.7%	456	6.5%	1,000	13.4%	500	6.3%
Clear Lake Submarket	516	676	791	870	915	960	1,005	115	17.0%	79	10.0%	90	10.3%	45	4.9%
Elk River	3,732	5,664	8,080	8,900	9,325	9,750	10,175	2,416	42.7%	820	10.1%	850	9.6%	425	4.6%
Northeast Submarket	2,886	3,931	5,552	5,825	6,040	6,255	6,470	1,621	41.2%	273	4.9%	430	7.4%	215	3.6%
Northwest Submarket	2,834	3,602	3,961	4,205	4,355	4,505	4,655	359	10.0%	244	6.2%	300	7.1%	150	3.4%
Zimmerman Submarket	1,121	2,185	3,702	4,150	4,425	4,700	4,975	1,517	69.4%	448	12.1%	550	13.3%	275	6.2%
Central MN Region^	**87,367**	**113,715**	**145,996**	**158,415**	**167,763**	**177,662**	**187,561**	**32,281**	**28.4%**	**12,419**	**8.5%**	**19,247**	**12.1%**	**9,899**	**5.9%**
Minnesota	**1,647,853**	**1,895,127**	**2,087,227**	**2,238,428**	**2,329,078**	**2,423,400**	**2,517,721**	**192,100**	**10.1%**	**151,201**	**7.2%**	**184,972**	**8.3%**	**94,321**	**4.0%**
PERSONS PER HOUSEHOLD															
Sherburne County Market Area	**3.03**	**2.95**	**2.90**	**2.87**	**2.88**	**2.87**	**2.87**								
Sherburne County*	**3.07**	**2.98**	**2.93**	**2.90**	**2.90**	**2.90**	**2.89**								
Becker Submarket	3.25	3.10	3.10	3.07	3.06	3.05	3.03								
Big Lake Submarket	3.01	3.05	2.99	2.98	2.97	2.97	2.96								
Clear Lake Submarket	2.98	2.80	2.63	2.63	2.64	2.65	2.66								
Elk River	2.99	2.90	2.84	2.81	2.82	2.82	2.82								
Northeast Submarket	2.83	2.78	2.79	2.78	2.78	2.79	2.79								
Northwest Submarket	3.13	2.89	2.81	2.77	2.78	2.78	2.78								
Zimmerman Submarket	3.25	3.10	3.02	2.94	2.94	2.93	2.92								
Central MN Region^	**2.97**	**2.83**	**2.76**	**2.75**	**2.76**	**2.76**	**2.76**								
Minnesota	**2.66**	**2.60**	**2.54**	**2.53**	**2.54**	**2.54**	**2.55**								

*Sherburne County total excludes the portions of St. Cloud and Princeton located outside the County
^Central MN Region includes the following counties: Benton, Sherburne, Stearns, and Wright.
Sources: US Census Bureau; MN State Demographic Center; ESRI; Maxfield Research & Consulting, LLC

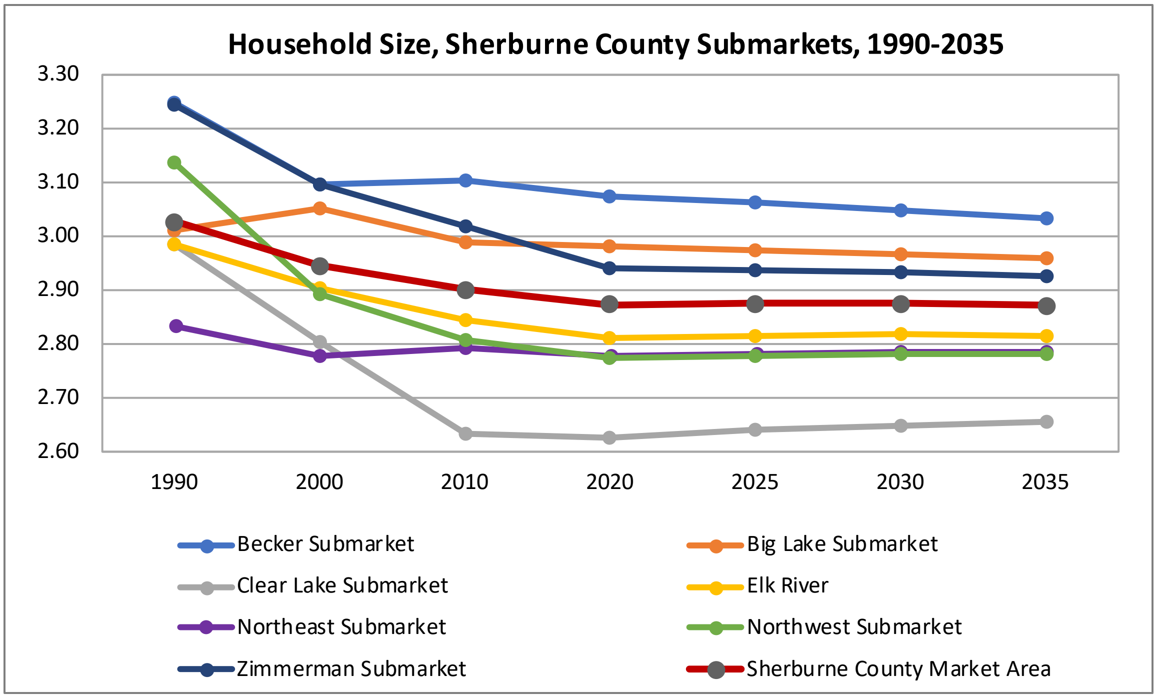


Household Size

Household size is calculated by dividing the number of persons in households by the number of households (or householders). 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. Persons per household in the U.S. were about 4.5 in 1916 and declined to 3.2 in the 1960s. Over the past 50 years, it dropped to 2.57 as of the 2000 Census. During economic recessions this trend has been temporarily halted as renters and laid-off employees "doubled-up," which increased the average U.S. household size to 2.59 as of the 2010 Census.

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-3 highlights the declining household size in the Sherburne County Market Area and its submarkets.

- In 1990, the average household size in the Sherburne County Market Area was 3.03. All submarket household size has seen decreases since 1990.



- By the 2010 Census, household size had fallen to 2.90 in the Market Area. The greatest decline in household size was seen in the Clear Lake Submarket which declined to 2.63.

- The trend toward smaller household size is expected to be remain similar through 2035. Household size is forecast to be stabilized at 2.87 persons per household in the Sherburne County Market Area.

- Household size in the Sherburne County Market Area has been greater than the Central Minnesota Region and Minnesota since 1990 and is expected to remain higher through 2035.

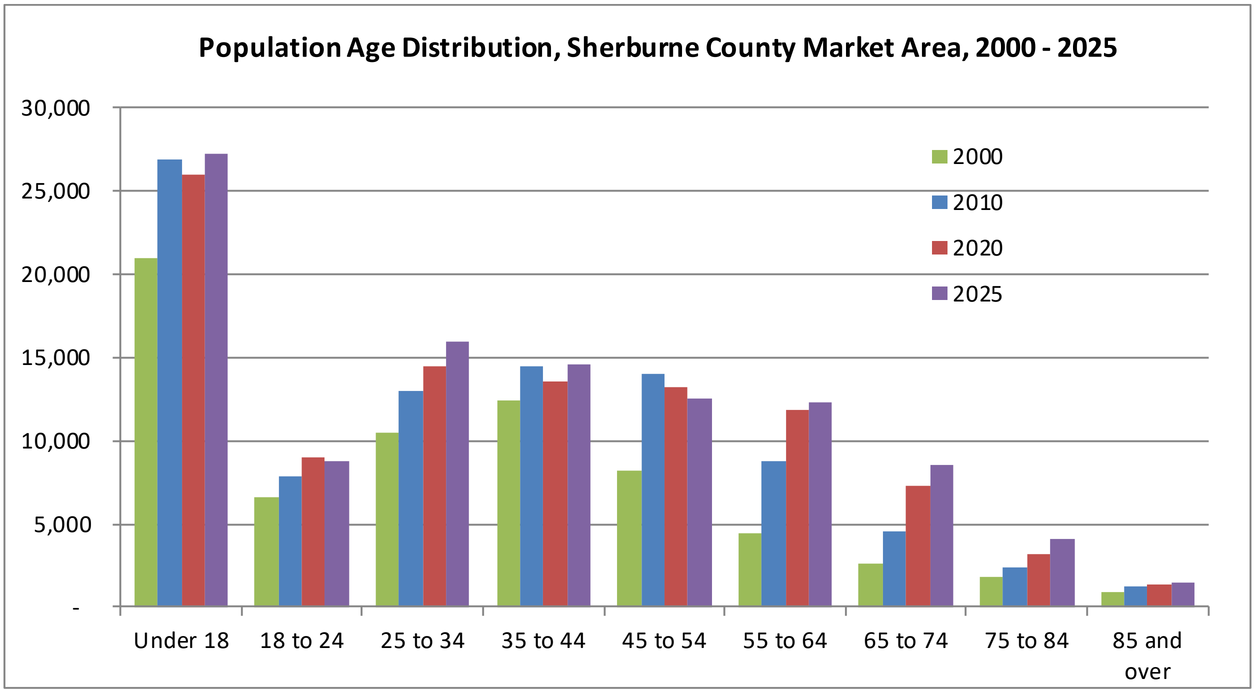
Age Distribution Trends

Table D-4 shows the distribution of persons within nine age cohorts for the submarkets in the Sherburne County Market Area in 2000 and 2010 with estimates for 2020 and projections through 2025. The 2000 and 2010 age distribution is from the U.S. Census Bureau. Maxfield Research and Consulting, LLC derived the 2020 estimates and 2025 projections from ESRI with adjustments made to reflect local trends.

The key points from the table are found below.

- In 2010, the largest adult age cohort in the Sherburne County Market Area were those age 35 to 44, representing 22% (14,427) of the population over age 18.

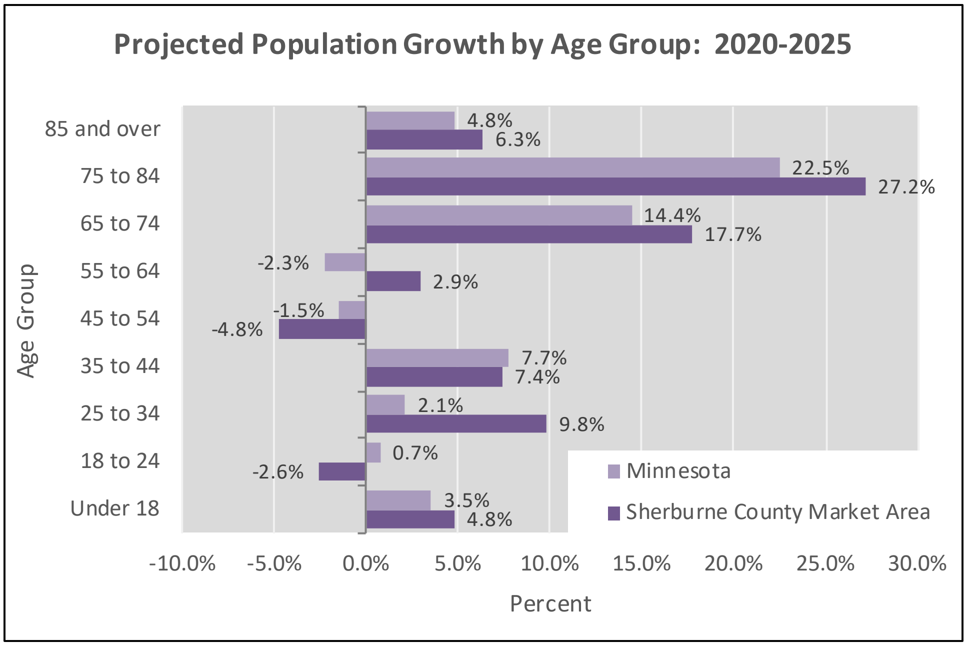
- By 2025, the largest adult age cohort in the County Market Area will be the 25 to 34 age cohort, representing approximately 20% of the adult population in Market Area.



- Between 2010 and 2025, the largest growth is expected in the 65 to 74 age cohort in Sherburne County Market Area, growing by 87.9% (+4,007). The increasing older adult population reflects larger state and national trends of an aging population, largely due to aging of the sizable baby boom generation.

- The largest proportional growth from 2020 to 2025 is expected to occur in the 75 to 84-year-old age cohort in the Clear Lake Submarket +46.8% (+50). Of the Sherburne County Submarkets, the Big Lake Submarket is expected to see the largest numerical growth in the 25 to 34-year-old age cohort with a 14.7% (+455) increase.

- From 2020 to 2025, the population of the Sherburne County Market Area is expected to grow by 5.4%. The largest growth is forecast in the 75 to 84 age cohort (+27.2%). The 65 to 74 age cohort is also projected to significant growth (+17.7%).


Projected Population Growth by Age Group: 2020-2025
85 and over
75 to 84
65 to 74
55 to 64
45 to 54
35 to 44
25 to 34
18 to 24
Under 18
Age Group
4.8%
6.3%
22.5%
27.2%
14.4%
17.7%
-2.3%
2.9%
-1.5%
-4.8%
7.7%
7.4%
2.1%
9.8%
0.7%
-2.6%
3.5%
4.8%
Minnesota
Sherburne County Market Area
-10.0%
-5.0%
0.0%
5.0%
10.0%
15.0%
20.0%
25.0%
30.0%
Percent

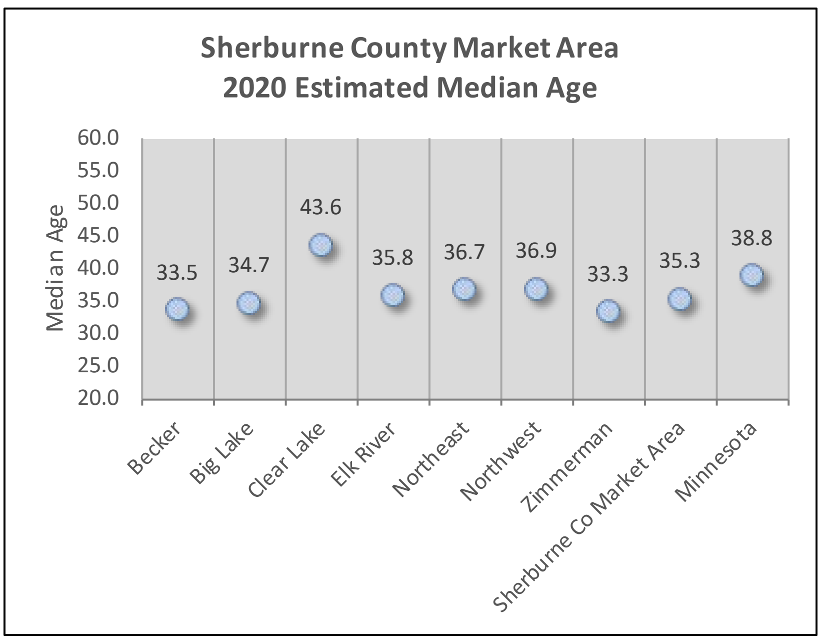

Sherburne County Market Area
2020 Estimated Median Age
Median Age
60.0
55.0
50.0
45.0
40.0
35.0
30.0
25.0
20.0
33.5
34.7
43.6
35.8
36.7
36.9
33.3
35.3
38.8
Becker
Big Lake
Clear Lake
Elk River
Northeast
Northwest
Zimmerman
Sherburne Co Market Area
Minnesota

TABLE D-4
POPULATION AGE DISTRIBUTION
SHERBURNE COUNTY MARKET AREA
2000 - 2025

	Census		Estimate	Projection	Change			
					2010-2020		2020-2025	
Age	2000	2010	2020	2025	No.	Pct.	No.	Pct.
Sherburne County Market Area								
Under 18	20,912	26,928	26,021	27,263	-907	-3.4%	1,242	4.8%
18 to 24	6,574	7,897	9,004	8,772	1,107	14.0%	-232	-2.6%
25 to 34	10,497	12,981	14,501	15,921	1,520	11.7%	1,420	9.8%
35 to 44	12,391	14,427	13,527	14,524	-900	-6.2%	997	7.4%
45 to 54	8,150	13,969	13,196	12,563	-773	-5.5%	-633	-4.8%
55 to 64	4,474	8,759	11,899	12,246	3,140	35.9%	347	2.9%
65 to 74	2,622	4,557	7,275	8,564	2,718	59.6%	1,289	17.7%
75 to 84	1,838	2,431	3,230	4,108	799	32.9%	877	27.2%
85 and over	885	1,198	1,357	1,442	159	13.2%	86	6.3%
Total	**68,343**	**93,147**	**100,010**	**105,404**	**6,863**	**7.4%**	**5,394**	**5.4%**
Sherburne County*								
Under 18	19,914	25,777	24,908	26,101	-869	-3.4%	1,192	4.8%
18 to 24	6,210	7,501	8,656	8,446	1,155	15.4%	-210	-2.4%
25 to 34	9,980	12,363	13,800	15,250	1,437	11.6%	1,449	10.5%
35 to 44	11,855	13,874	12,940	13,894	-934	-6.7%	954	7.4%
45 to 54	7,704	13,377	12,663	12,048	-714	-5.3%	-615	-4.9%
55 to 64	4,170	8,300	11,329	11,680	3,029	36.5%	350	3.1%
65 to 74	2,344	4,187	6,824	8,051	2,637	63.0%	1,227	18.0%
75 to 84	1,548	2,137	2,938	3,784	801	37.5%	846	28.8%
85 and over	692	983	1,188	1,276	205	20.9%	88	7.4%
Total	**64,417**	**88,499**	**95,247**	**100,528**	**6,748**	**7.6%**	**5,281**	**5.5%**
Becker Submarket								
Under 18	2,198	3,170	2,967	3,131	-203	-6.4%	164	5.5%
18 to 24	509	645	923	845	278	43.2%	-78	-8.5%
25 to 34	1,064	1,197	1,555	1,884	358	29.9%	330	21.2%
35 to 44	1,175	1,629	1,427	1,543	-202	-12.4%	117	8.2%
45 to 54	679	1,336	1,474	1,398	138	10.3%	-76	-5.2%
55 to 64	346	740	1,160	1,269	420	56.8%	109	9.4%
65 to 74	210	387	592	710	205	53.0%	118	19.9%
75 to 84	81	207	261	292	54	25.9%	31	12.0%
85 and over	16	69	92	102	23	33.1%	10	10.8%
Total	**6,278**	**9,380**	**10,450**	**11,175**	**1,070**	**11.4%**	**725**	**6.9%**
Big Lake Submarket								
Under 18	5,154	6,602	6,279	6,639	-323	-4.9%	360	5.7%
18 to 24	1,224	1,506	1,806	1,769	300	20.0%	-37	-2.1%
25 to 34	2,666	2,990	3,096	3,550	106	3.5%	455	14.7%
35 to 44	2,987	3,456	3,190	3,337	-266	-7.7%	147	4.6%
45 to 54	1,921	3,151	3,038	2,882	-113	-3.6%	-155	-5.1%
55 to 64	919	1,947	2,653	2,784	706	36.3%	132	5.0%
65 to 74	424	804	1,495	1,814	691	86.0%	319	21.3%
75 to 84	256	347	510	723	163	47.1%	212	41.6%
85 and over	61	94	132	151	38	40.9%	18	13.9%
Total	**15,612**	**20,897**	**22,200**	**23,650**	**1,303**	**6.2%**	**1,450**	**6.5%**
Clear Lake Submarket								
Under 18	526	510	521	540	11	2.2%	19	3.7%
18 to 24	136	121	149	155	28	22.8%	6	4.3%
25 to 34	226	236	229	220	-7	-3.1%	-9	-3.8%
35 to 44	321	272	283	311	11	4.2%	28	9.7%
45 to 54	302	364	315	312	-49	-13.5%	-3	-0.8%
55 to 64	204	323	371	371	48	14.8%	0	0.0%
65 to 74	108	158	282	316	124	78.5%	34	12.1%
75 to 84	56	71	106	156	35	49.7%	50	46.8%
85 and over	17	29	29	35	0	1.4%	5	17.5%
Total	**1,896**	**2,084**	**2,285**	**2,416**	**201**	**9.7%**	**131**	**5.7%**

---------- continued ----------

TABLE D-4 continued
POPULATION AGE DISTRIBUTION
SHERBURNE COUNTY MARKET AREA
2000 - 2025

	Census		Estimate	Projection	Change			
					2010-2020		2020-2025	
Age	2000	2010	2020	2025	No.	Pct.	No.	Pct.
Elk River								
Under 18	5,146	6,555	6,742	7,032	187	2.9%	290	4.3%
18 to 24	1,395	1,757	1,962	1,951	205	11.7%	-10	-0.5%
25 to 34	2,461	3,204	3,523	3,653	319	10.0%	130	3.7%
35 to 44	3,117	3,584	3,553	3,952	-31	-0.9%	398	11.2%
45 to 54	1,963	3,535	3,375	3,263	-160	-4.5%	-112	-3.3%
55 to 64	1,049	2,192	2,897	2,930	705	32.2%	33	1.1%
65 to 74	663	1,188	1,807	2,102	619	52.1%	295	16.3%
75 to 84	454	662	821	1,032	159	24.0%	211	25.8%
85 and over	199	297	345	343	48	16.1%	-2	-0.7%
Total	**16,447**	**22,974**	**25,025**	**26,258**	**2,051**	**8.9%**	**1,233**	**4.9%**
Northeast Submarket								
Under 18	3,302	4,378	4,003	4,163	-375	-8.6%	159	4.0%
18 to 24	853	1,165	1,337	1,261	172	14.8%	-76	-5.7%
25 to 34	1,655	2,036	2,361	2,666	325	16.0%	305	12.9%
35 to 44	1,903	2,385	2,139	2,250	-246	-10.3%	112	5.2%
45 to 54	1,293	2,432	2,165	1,951	-267	-11.0%	-214	-9.9%
55 to 64	813	1,467	2,070	2,086	603	41.1%	15	0.7%
65 to 74	507	904	1,261	1,460	357	39.5%	199	15.8%
75 to 84	389	489	615	729	126	25.9%	114	18.5%
85 and over	207	252	232	243	-20	-7.9%	11	4.7%
Total	**10,922**	**15,508**	**16,185**	**16,809**	**677**	**4.4%**	**624**	**3.9%**
Northwest Submarket								
Under 18	2,218	2,032	1,894	1,944	-138	-6.8%	50	2.6%
18 to 24	1,941	1,924	1,903	1,895	-21	-1.1%	-8	-0.4%
25 to 34	1,300	1,621	1,814	1,826	193	11.9%	12	0.7%
35 to 44	1,500	1,197	1,112	1,210	-85	-7.1%	98	8.8%
45 to 54	1,274	1,484	1,224	1,176	-260	-17.6%	-47	-3.8%
55 to 64	783	1,222	1,425	1,397	203	16.6%	-28	-2.0%
65 to 74	523	715	1,139	1,294	424	59.3%	155	13.6%
75 to 84	516	511	678	852	167	32.7%	174	25.6%
85 and over	365	419	476	505	57	13.6%	29	6.1%
Total	**10,420**	**11,125**	**11,665**	**12,100**	**540**	**4.8%**	**435**	**3.7%**
Zimmerman Submarket								
Under 18	2,368	3,681	3,559	3,746	-122	-3.3%	188	5.3%
18 to 24	516	779	944	917	165	21.2%	-27	-2.9%
25 to 34	1,125	1,697	1,924	2,107	227	13.4%	183	9.5%
35 to 44	1,388	1,904	1,810	1,912	-94	-5.0%	103	5.7%
45 to 54	718	1,667	1,599	1,579	-68	-4.1%	-19	-1.2%
55 to 64	360	868	1,326	1,409	458	52.8%	83	6.3%
65 to 74	187	401	718	891	317	79.0%	173	24.1%
75 to 84	86	144	256	352	112	78.0%	95	37.2%
85 and over	20	38	64	84	26	68.3%	20	31.7%
Total	**6,768**	**11,179**	**12,200**	**12,998**	**1,021**	**9.1%**	**798**	**6.5%**

*Sherburne County total excludes the portions of St. Cloud and Princeton located outside the County
Sources: US Census Bureau; MN State Demographic Center; ESRI; Maxfield Research & Consulting, LLC

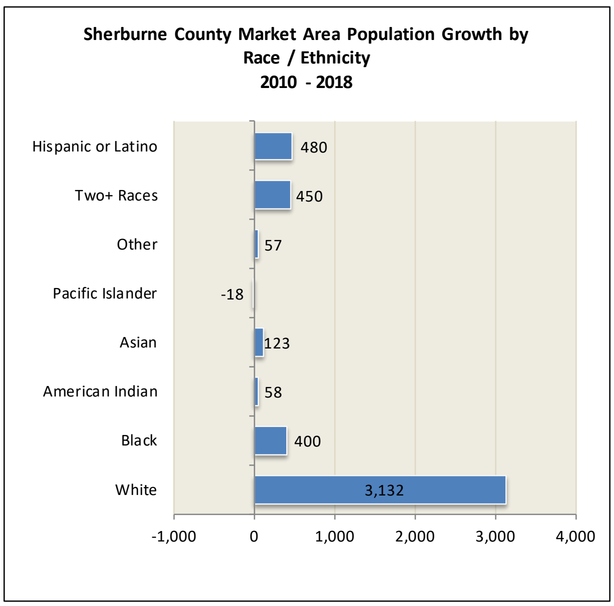
Race of Population

The race of the population illustrates the diversity for each submarket in the Sherburne County Market Area. Data for 2010 and 2018 was obtained from the U.S. Census and is presented in Table D-5.

- The majority of the Sherburne County Market Area residents reported their race as "White Alone" in 2010 (94.8%) and 2018 (93.9%).

- The Sherburne County Market Area has a slightly more diverse population compared to Minnesota, where 94.9% of the State residents report their race as "White Alone".

- In 2018, 2.6% of Sherburne County Market Area residents reported their ethnicity as Hispanic or Latino. The proportion of Hispanic residents varies greatly by submarket. The Big Lake Submarket reported 4.9% of the population as Hispanic or Latino, while 0.4% of the population in the Clear Lake Submarket reported themselves as ethnically Hispanic or Latino.



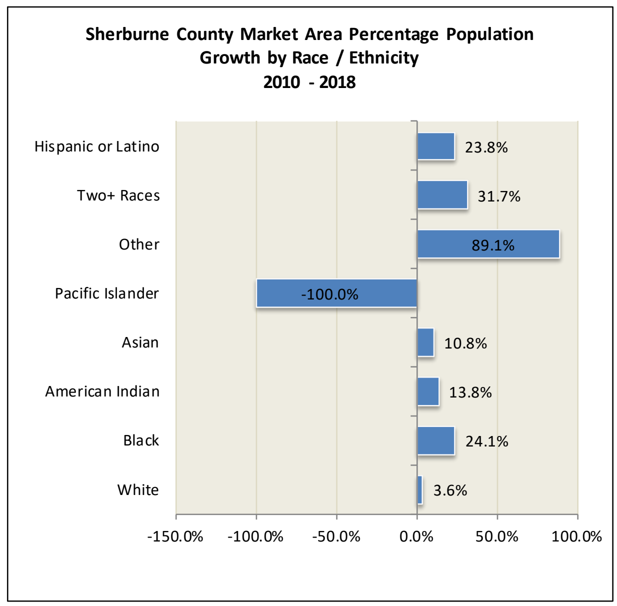


TABLE D-5
POPULATION DISTRIBUTION BY RACE
SHERBURNE COUNTY MARKET AREA
2010 & 2018

	White Alone		Black or African American Alone		American Indian or Alaska Native Alone (AIAN)		Native Hawaiian or Pacific Islander Alone (NHPI)		Asian Alone		Some Other Race		Two or More Races Alone		Hispanic or Latino *Ethnicity not Race*	
	2010	2018	2010	2018	2010	2018	2010	2018	2010	2018	2010	2018	2010	2018	2010	2018
Sherburne County Market Area	**86,408**	**89,540**	**1,661**	**2,061**	**419**	**477**	**18**	**-**	**1,139**	**1,262**	**64**	**121**	**1,418**	**1,868**	**2,020**	**2,500**
Sherburne County*	**81,983**	**85,362**	**1,644**	**2,045**	**389**	**468**	**18**	**-**	**1,126**	**1,229**	**62**	**121**	**1,336**	**1,637**	**1,941**	**2,369**
Becker Submarket	9,025	9,550	28	40	22	124	5	-	55	132	2	-	123	165	120	56
Big Lake Submarket	19,561	20,211	220	107	64	33	1	-	182	242	16	-	334	378	519	1,032
Clear Lake Submarket	2,046	2,157	2	7	2	20	-	-	6	8	-	-	12	32	16	10
Elk River	20,950	22,153	417	599	90	88	7	-	382	336	20	102	390	330	718	603
Northeast Submarket	14,925	15,187	38	24	66	89	-	-	61	100	5	-	194	325	219	188
Northwest Submarket	9,306	9,317	878	1,245	130	123	3	-	345	341	16	19	207	328	240	275
Zimmerman Submarket	10,595	10,965	78	39	45	-	2	-	108	103	5	-	158	310	188	336
Percentage																
Sherburne County Market Area	**94.8%**	**93.9%**	**1.8%**	**2.2%**	**0.5%**	**0.5%**	**0.0%**	**0.0%**	**1.2%**	**1.3%**	**0.1%**	**0.1%**	**1.6%**	**2.0%**	**2.2%**	**2.6%**
Sherburne County*	**94.7%**	**93.9%**	**1.9%**	**2.3%**	**0.4%**	**0.5%**	**0.0%**	**0.0%**	**1.3%**	**1.4%**	**0.1%**	**0.1%**	**1.5%**	**1.8%**	**2.2%**	**2.6%**
Becker Submarket	97.5%	95.4%	0.3%	0.4%	0.2%	1.2%	0.1%	0.0%	0.6%	1.3%	0.0%	0.0%	1.3%	1.6%	1.3%	0.6%
Big Lake Submarket	96.0%	96.4%	1.1%	0.5%	0.3%	0.2%	0.0%	0.0%	0.9%	1.2%	0.1%	0.0%	1.6%	1.8%	2.5%	4.9%
Clear Lake Submarket	98.9%	97.0%	0.1%	0.3%	0.1%	0.9%	0.0%	0.0%	0.3%	0.4%	0.0%	0.0%	0.6%	1.4%	0.8%	0.4%
Elk River	94.1%	93.8%	1.9%	2.5%	0.4%	0.4%	0.0%	0.0%	1.7%	1.4%	0.1%	0.4%	1.8%	1.4%	3.2%	2.6%
Northeast Submarket	97.6%	96.6%	0.2%	0.2%	0.4%	0.6%	0.0%	0.0%	0.4%	0.6%	0.0%	0.0%	1.3%	2.1%	1.4%	1.2%
Northwest Submarket	85.5%	81.9%	8.1%	10.9%	1.2%	1.1%	0.0%	0.0%	3.2%	3.0%	0.1%	0.2%	1.9%	2.9%	2.2%	2.4%
Zimmerman Submarket	96.4%	96.0%	0.7%	0.3%	0.4%	0.0%	0.0%	0.0%	1.0%	0.9%	0.0%	0.0%	1.4%	2.7%	1.7%	2.9%

Sources: U.S. Census Bureau; Maxfield Research and Consulting, LLC

Household Income by Age of Householder

The estimated distribution of household incomes in the Sherburne County Market Area and each submarket for 2020 and 2025 are shown in Tables D-6 through D-14. The data was estimated by Maxfield Research and Consulting, LLC based on income trends provided by ESRI. 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, LLC 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.

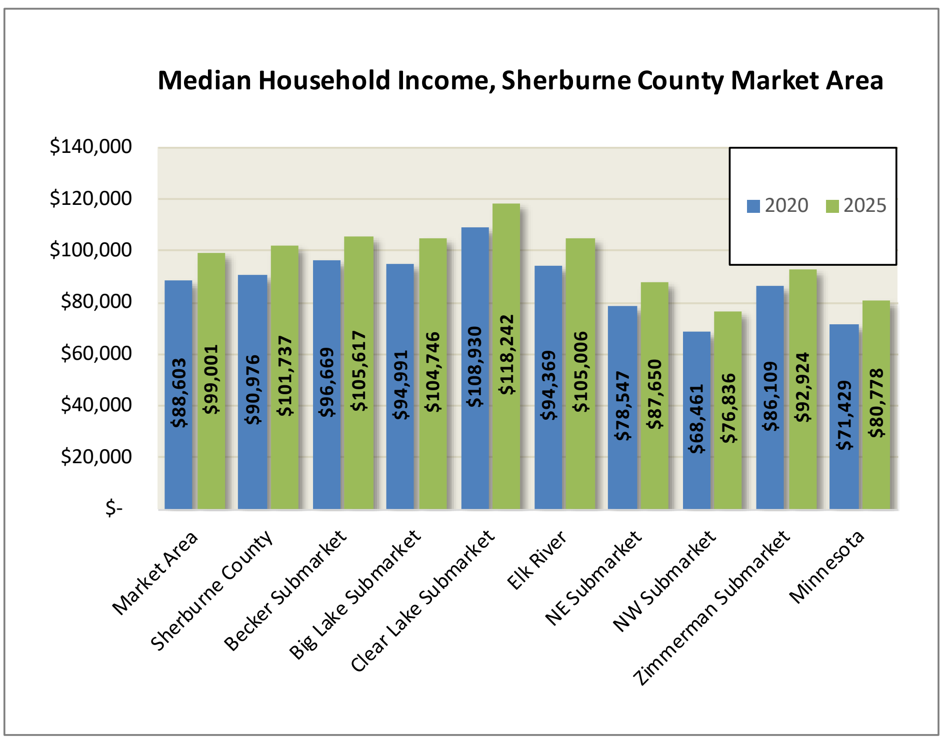


Table D-6 presents household income by the age of the householder in the Sherburne County Market Area for 2020 and 2025.

- In 2020, in the median income in the Sherburne County Market Area was $88,603 across all ages. The median income is forecast to rise by 11.7% to $99,001 in 2025.

- The highest median income was recorded among those ages 35 to 44 at $106,649 in 2020. In 2025, this age cohort is expected to remain the highest earners with a median income of $112,212, an 5.2% increase.

- Between 2020 and 2025 the median income of householders age 25 to 34 is forecast to experience the greatest growth, increasing 14.2% from $86,385 in 2020 to $98,635 in 2025. The increase in income among this age group reflects the population growth of this age cohort within the Market Area and the entry of 25 to 34-year olds into the workforce fulfilling employment opportunities in the area.

TABLE D-6
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
SHERBURNE COUNTY MARKET AREA
2020 & 2025

		Age of Householder						
	Total	**<25**	**25-34**	**35-44**	**45-54**	**55-64**	**65 -74**	**75+**
2020								
Less than $15,000	957	112	117	97	99	160	147	225
$15,000 to $24,999	1,905	177	206	172	186	302	335	527
$25,000 to $34,999	1,586	120	285	188	195	226	244	328
$35,000 to $49,999	3,520	239	753	470	506	559	438	556
$50,000 to $74,999	6,211	253	1,225	868	1,096	1,297	971	501
$75,000 to $99,999	5,959	153	1,051	1,079	1,503	1,339	695	139
$100,000 to $199,999	12,690	204	2,140	3,434	3,188	2,350	1,006	368
$200,000 or more	1,972	58	308	468	496	356	255	31
Total	**34,800**	**1,316**	**6,084**	**6,777**	**7,269**	**6,588**	**4,091**	**2,675**
Median Income	**$88,603**	**$51,726**	**$86,385**	**$106,649**	**$102,504**	**$89,138**	**$73,658**	**$41,958**
2025								
Less than $15,000	750	96	83	73	71	105	120	201
$15,000 to $24,999	1,607	161	160	131	130	216	297	512
$25,000 to $34,999	1,413	105	239	153	133	174	234	374
$35,000 to $49,999	3,165	207	674	396	363	442	421	661
$50,000 to $74,999	6,075	259	1,196	808	870	1,164	1,088	689
$75,000 to $99,999	5,873	159	1,120	1,028	1,263	1,270	831	202
$100,000 to $199,999	15,410	261	2,818	4,060	3,315	2,808	1,500	647
$200,000 or more	2,367	55	389	556	512	423	374	57
Total	**36,660**	**1,304**	**6,680**	**7,206**	**6,658**	**6,602**	**4,866**	**3,344**
Median Income	**$99,001**	**$56,893**	**$98,635**	**$112,212**	**$111,160**	**$100,430**	**$83,467**	**$49,065**
Change 2020-2025								
Less than $15,000	-207	-16	-34	-24	-28	-55	-27	-23
$15,000 to $24,999	-298	-16	-46	-41	-56	-86	-38	-15
$25,000 to $34,999	-173	-15	-46	-35	-62	-51	-10	46
$35,000 to $49,999	-355	-31	-79	-74	-143	-117	-17	105
$50,000 to $74,999	-136	6	-28	-60	-227	-133	118	188
$75,000 to $99,999	-86	6	69	-51	-240	-69	136	63
$100,000 to $199,999	2,720	57	678	626	127	458	494	279
$200,000 or more	394	-3	82	88	16	67	119	26
Total	**1,860**	**-12**	**596**	**429**	**-611**	**14**	**775**	**669**
Median Income	**$10,398**	**$5,167**	**$12,250**	**$5,563**	**$8,656**	**$11,292**	**$9,809**	**$7,107**

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

Table D-7 shows the median income for areas only within Sherburne County for 2020 and 2025.

- The 2020 median income for Sherburne County was $90,976 for all age cohorts. The median income is expected to rise to $101,737 in 2025, an 11.8% increase in median income.

- As reflected in the Market Area, the highest income earners were those age 35 to 44 in 2020 ($107,586) and 2025 ($113,310).

- At the same time, the 25 to 34 age cohort is forecast to experience the greatest income (+13.9%) growth in the County.

TABLE D-7
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
SHERBURNE COUNTY
2020 & 2025

		Age of Householder						
	Total	**<25**	**25-34**	**35-44**	**45-54**	**55-64**	**65 -74**	**75+**
2020								
Less than $15,000	735	102	91	74	65	123	113	167
$15,000 to $24,999	1,661	160	180	155	162	263	292	450
$25,000 to $34,999	1,347	110	251	163	163	196	196	267
$35,000 to $49,999	3,322	224	715	443	476	525	410	530
$50,000 to $74,999	5,691	237	1,114	777	988	1,199	900	476
$75,000 to $99,999	5,831	150	1,025	1,055	1,472	1,317	682	129
$100,000 to $199,999	12,314	199	2,075	3,341	3,114	2,281	977	327
$200,000 or more	1,948	57	303	459	491	352	254	31
Total	**32,850**	**1,239**	**5,755**	**6,468**	**6,932**	**6,257**	**3,823**	**2,377**
Median Income	**$90,976**	**$52,757**	**$88,280**	**$107,586**	**$104,151**	**$90,823**	**$76,856**	**$43,564**
2025								
Less than $15,000	569	88	66	53	49	75	88	151
$15,000 to $24,999	1,384	146	138	113	111	186	251	439
$25,000 to $34,999	1,193	97	211	133	108	149	185	309
$35,000 to $49,999	2,980	195	644	371	339	411	388	632
$50,000 to $74,999	5,541	242	1,095	714	768	1,065	1,000	658
$75,000 to $99,999	5,740	154	1,095	1,004	1,233	1,249	815	190
$100,000 to $199,999	14,930	252	2,740	3,941	3,229	2,730	1,453	585
$200,000 or more	2,333	54	382	543	507	418	372	57
Total	**34,671**	**1,228**	**6,371**	**6,872**	**6,344**	**6,283**	**4,552**	**3,021**
Median Income	**$101,737**	**$57,906**	**$100,560**	**$113,310**	**$113,280**	**$102,458**	**$86,012**	**$50,725**
Change 2020-2025								
Less than $15,000	-166	-14	-26	-21	-16	-47	-25	-16
$15,000 to $24,999	-277	-13	-42	-42	-52	-77	-40	-11
$25,000 to $34,999	-155	-13	-40	-30	-56	-47	-12	43
$35,000 to $49,999	-342	-29	-71	-72	-137	-114	-21	102
$50,000 to $74,999	-150	4	-18	-63	-220	-135	100	182
$75,000 to $99,999	-91	4	70	-52	-239	-69	133	60
$100,000 to $199,999	2,617	53	665	600	116	449	476	258
$200,000 or more	385	-3	79	84	16	66	118	26
Total	**1,821**	**-11**	**616**	**404**	**-588**	**27**	**729**	**644**
Median Income	**$10,761**	**$5,149**	**$12,280**	**$5,724**	**$9,129**	**$11,635**	**$9,156**	**$7,161**

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

Table D-8 displays the median income among age cohorts for the Becker Submarket.

- Incomes in the Becker Submarket are expected to rise 9.3% from $96,669 in 2020, to $105,617 in 2025.
- The highest earners in the Becker Submarket were those age 35 to 44 in 2020 ($110,467) and in 2025 this age cohort will earn ($116,190).
- Between 2020 and 2025 the median income of householders age 45 to 54 is forecast to experience the greatest growth, increasing 10.5% from $105,312 in 2020 to $116,362 in 2025.

TABLE D-8
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
BECKER SUBMARKET
2020 & 2025

		Age of Householder						
	Total	<25	25-34	35-44	45-54	55-64	65 -74	75+
2020								
Less than $15,000	55	4	11	6	7	12	8	8
$15,000 to $24,999	112	3	10	12	11	24	22	30
$25,000 to $34,999	71	5	15	8	7	12	13	13
$35,000 to $49,999	310	20	69	42	50	49	37	43
$50,000 to $74,999	569	22	116	84	110	113	68	55
$75,000 to $99,999	690	16	141	125	201	144	57	7
$100,000 to $199,999	1,437	26	271	403	375	233	92	37
$200,000 or more	156	3	21	40	48	27	15	2
Total	**3,400**	**99**	**653**	**720**	**807**	**614**	**312**	**195**
Median Income	**$96,669**	**$69,654**	**$93,981**	**$110,467**	**$105,312**	**$91,837**	**$79,233**	**$51,533**
2025								
Less than $15,000	47	4	11	6	4	9	8	7
$15,000 to $24,999	94	3	10	8	7	19	21	27
$25,000 to $34,999	58	3	12	5	4	10	13	13
$35,000 to $49,999	284	14	73	38	36	41	36	46
$50,000 to $74,999	548	21	123	80	81	105	76	62
$75,000 to $99,999	676	13	162	117	163	145	68	8
$100,000 to $199,999	1,753	30	390	466	381	297	137	52
$200,000 or more	191	3	29	49	50	35	23	2
Total	**3,650**	**90**	**809**	**768**	**725**	**661**	**381**	**216**
Median Income	**$105,617**	**$76,337**	**$103,815**	**$116,190**	**$116,362**	**$102,424**	**$88,599**	**$54,694**
Change 2020-2025								
Less than $15,000	-8	-0	-0	-0	-3	-3	-0	-1
$15,000 to $24,999	-18	-0	-0	-4	-4	-5	-1	-3
$25,000 to $34,999	-14	-2	-3	-3	-3	-2	-0	-0
$35,000 to $49,999	-26	-5	4	-5	-14	-8	-2	3
$50,000 to $74,999	-22	-1	7	-4	-29	-9	8	7
$75,000 to $99,999	-14	-3	21	-8	-38	2	12	1
$100,000 to $199,999	316	3	119	63	7	65	45	15
$200,000 or more	35	-0	8	9	2	7	8	-0
Total	**250**	**-8**	**155**	**48**	**-82**	**47**	**69**	**21**
Median Income	**$8,948**	**$6,683**	**$9,834**	**$5,723**	**$11,050**	**$10,587**	**$9,366**	**$3,161**

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

Table D-9 shows the median incomes for the Big Lake Submarket for 2020 and 2025.

- The median income in the Big Lake Submarket was $94,991 in 2020, increasing to $104,746 in 2025.
- The highest earners in the Big Lake Submarket (those ages 35 to 44) have a median income of $107,758 in 2020 and $113,780 in 2025.
- Between 2020 and 2025 the median income of householders age 55 to 64 is forecast to experience the greatest growth, increasing 13% from $92,984 in 2020 to $105,069 in 2025.

TABLE D-9
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
BIG LAKE SUBMARKET
2020 & 2025

		Age of Householder						
	Total	**<25**	**25-34**	**35-44**	**45-54**	**55-64**	**65 -74**	**75+**
2020								
Less than $15,000	124	5	13	20	13	24	28	21
$15,000 to $24,999	312	15	33	48	41	57	58	61
$25,000 to $34,999	340	22	62	50	53	53	44	55
$35,000 to $49,999	552	32	121	84	84	89	66	76
$50,000 to $74,999	1,378	54	283	215	242	288	212	84
$75,000 to $99,999	1,307	35	225	245	339	299	143	21
$100,000 to $199,999	2,977	57	474	862	765	545	220	53
$200,000 or more	460	6	70	108	119	85	63	9
Total	**7,450**	**225**	**1,281**	**1,632**	**1,656**	**1,440**	**834**	**381**
Median Income	**$94,991**	**$67,676**	**$89,637**	**$107,758**	**$105,919**	**$92,984**	**$78,438**	**$46,235**
2025								
Less than $15,000	93	6	10	12	11	14	20	20
$15,000 to $24,999	252	14	28	33	28	39	48	63
$25,000 to $34,999	299	20	58	37	36	42	41	66
$35,000 to $49,999	484	25	117	65	58	67	60	92
$50,000 to $74,999	1,334	52	287	187	188	256	235	128
$75,000 to $99,999	1,296	35	257	221	282	286	178	37
$100,000 to $199,999	3,636	81	649	990	794	668	338	115
$200,000 or more	555	5	92	127	116	99	96	19
Total	**7,950**	**239**	**1,498**	**1,672**	**1,514**	**1,472**	**1,016**	**539**
Median Income	**$104,746**	**$78,321**	**$101,355**	**$113,780**	**$115,409**	**$105,069**	**$90,026**	**$55,713**
Change 2020-2025								
Less than $15,000	-31	2	-3	-8	-2	-10	-8	-2
$15,000 to $24,999	-60	-1	-5	-14	-13	-18	-10	2
$25,000 to $34,999	-41	-3	-4	-13	-17	-11	-3	11
$35,000 to $49,999	-68	-7	-4	-19	-26	-22	-6	16
$50,000 to $74,999	-44	-2	4	-28	-54	-32	23	44
$75,000 to $99,999	-11	1	32	-24	-57	-13	35	15
$100,000 to $199,999	659	24	176	128	29	124	118	61
$200,000 or more	96	-0	22	19	-2	14	34	10
Total	**500**	**14**	**217**	**40**	**-142**	**32**	**182**	**158**
Median Income	**$9,755**	**$10,645**	**$11,718**	**$6,022**	**$9,490**	**$12,085**	**$11,588**	**$9,478**

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

Table D-10 displays the median income among age cohorts for the Clear Lake Submarket.

- Incomes in the Clear Lake Submarket are expected to rise 8.5% from $108,930 in 2020, to $118,242 in 2025. The median income in the Clear Lake submarket was the highest reported among the Sherburne County submarkets in 2020 and 2025.

- The highest earners in the Clear Lake Submarket were those age 45 to 54 in 2020 ($124,463) and in 2025 this age cohort is expected to earn ($133,023).

- Between 2020 and 2025 the median income of householders age 25 to 34 is forecast to experience the greatest growth, increasing 17.6% from $113,340 in 2020 to $133,300 in 2025.

TABLE D-10
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
CLEAR LAKE SUBMARKET
2020 & 2025

		Age of Householder						
	Total	**<25**	**25-34**	**35-44**	**45-54**	**55-64**	**65 -74**	**75+**
2020								
Less than $15,000	9	0	0	1	1	1	3	3
$15,000 to $24,999	31	1	3	0	1	3	11	11
$25,000 to $34,999	29	1	3	3	1	4	7	9
$35,000 to $49,999	64	4	8	5	5	11	12	18
$50,000 to $74,999	110	1	11	15	18	25	27	12
$75,000 to $99,999	139	3	15	25	25	40	27	5
$100,000 to $199,999	410	6	43	85	96	111	51	18
$200,000 or more	78	0	8	12	18	14	20	4
Total	**870**	**16**	**92**	**146**	**166**	**209**	**159**	**82**
Median Income	**$108,930**	**$82,301**	**$113,340**	**$113,625**	**$124,463**	**$113,152**	**$94,291**	**$52,143**
2025								
Less than $15,000	5	0	0	1	0	0	1	3
$15,000 to $24,999	23	1	1	0	1	1	7	11
$25,000 to $34,999	23	1	1	1	0	3	5	11
$35,000 to $49,999	56	3	5	4	4	7	9	23
$50,000 to $74,999	102	1	8	14	14	20	27	19
$75,000 to $99,999	133	3	13	24	21	35	27	9
$100,000 to $199,999	484	6	48	101	100	122	69	38
$200,000 or more	89	0	7	15	18	15	25	9
Total	**915**	**16**	**83**	**160**	**158**	**203**	**171**	**124**
Median Income	**$118,242**	**$86,121**	**$133,300**	**$120,592**	**$133,023**	**$123,703**	**$110,016**	**$68,736**
Change 2020-2025								
Less than $15,000	-4	0	0	0	-1	-1	-2	0
$15,000 to $24,999	-8	0	-2	0	0	-2	-4	0
$25,000 to $34,999	-6	0	-2	-2	-1	-1	-2	2
$35,000 to $49,999	-8	-1	-3	-1	-1	-4	-3	5
$50,000 to $74,999	-7	0	-3	-2	-5	-5	1	6
$75,000 to $99,999	-7	0	-3	-1	-4	-4	1	4
$100,000 to $199,999	74	0	5	16	4	12	18	19
$200,000 or more	11	0	-1	2	-1	0	5	5
Total	**45**	**-1**	**-9**	**13**	**-8**	**-5**	**12**	**42**
Median Income	**$9,312**	**$3,820**	**$19,960**	**$6,967**	**$8,560**	**$10,551**	**$15,725**	**$16,593**

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

Table D-11 shows the median incomes for Elk River for 2020 and 2025.

- The median income in Elk River was $94,369 in 2020, increasing to $105,006 in 2025.
- The highest earners in Elk River (those ages 45 to 54) have a median income of $111,931 in 2020 and $123,064 in 2025.
- Between 2020 and 2025 the median income of householders age 25 to 34 is forecast to experience the greatest growth, increasing 15.2% from $91,162 in 2020 to $105,059 in 2025.

TABLE D-11
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
ELK RIVER
2020 & 2025

		Age of Householder						
	Total	**<25**	**25-34**	**35-44**	**45-54**	**55-64**	**65 -74**	**75+**
2020								
Less than $15,000	198	11	24	17	15	37	33	62
$15,000 to $24,999	367	19	36	30	28	52	75	129
$25,000 to $34,999	441	29	88	54	51	58	67	93
$35,000 to $49,999	908	47	206	125	125	135	100	171
$50,000 to $74,999	1,458	59	270	189	228	272	262	176
$75,000 to $99,999	1,436	31	247	277	328	322	193	39
$100,000 to $199,999	3,637	47	608	983	972	657	279	92
$200,000 or more	455	3	69	104	123	85	67	3
Total	**8,900**	**245**	**1,548**	**1,779**	**1,868**	**1,617**	**1,078**	**766**
Median Income	**$94,369**	**$56,321**	**$91,162**	**$109,696**	**$111,931**	**$95,631**	**$77,108**	**$43,464**
2025								
Less than $15,000	151	10	15	13	10	23	27	54
$15,000 to $24,999	293	15	23	22	18	35	64	117
$25,000 to $34,999	388	24	66	50	34	45	64	105
$35,000 to $49,999	811	42	167	112	91	106	94	200
$50,000 to $74,999	1,390	63	236	182	172	231	275	232
$75,000 to $99,999	1,389	35	238	277	273	292	223	52
$100,000 to $199,999	4,311	59	727	1,189	1,006	752	413	163
$200,000 or more	591	4	91	138	142	106	106	5
Total	**9,325**	**251**	**1,563**	**1,983**	**1,746**	**1,588**	**1,266**	**928**
Median Income	**$105,006**	**$62,482**	**$105,059**	**$115,967**	**$123,064**	**$107,066**	**$87,198**	**$50,075**
Change 2020-2025								
Less than $15,000	-47	-1	-9	-4	-5	-14	-6	-8
$15,000 to $24,999	-75	-4	-13	-8	-10	-17	-11	-12
$25,000 to $34,999	-53	-5	-22	-4	-17	-14	-3	12
$35,000 to $49,999	-97	-5	-39	-13	-34	-29	-6	29
$50,000 to $74,999	-68	4	-35	-7	-56	-42	13	55
$75,000 to $99,999	-47	4	-9	-0	-55	-30	30	14
$100,000 to $199,999	674	13	119	207	35	95	133	71
$200,000 or more	136	1	22	34	19	21	39	2
Total	**425**	**7**	**15**	**204**	**-122**	**-29**	**188**	**163**
Median Income	**$10,637**	**$6,161**	**$13,897**	**$6,271**	**$11,133**	**$11,435**	**$10,090**	**$6,611**

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

Table D-12 displays the median income among age cohorts for the Northeast Submarket.

- Incomes in the Northeast Submarket are expected to rise 11.6% from $78,547 in 2020, to $87,650 in 2025.

- The highest earners in the Northeast Submarket were those age 35 to 44 in 2020 ($103,355) and in 2025 this age cohort is expected to earn ($106,839).

- Between 2020 and 2025 the median income of householders age 25 to 34 is forecast to experience the greatest growth, increasing 19.3% from $81,717 in 2020 to $97,467 in 2025.

TABLE D-12
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
NORTHEAST SUBMARKET
2020 & 2025

		Age of Householder						
	Total	**<25**	**25-34**	**35-44**	**45-54**	**55-64**	**65 -74**	**75+**
2020								
Less than $15,000	255	10	27	29	38	49	42	61
$15,000 to $24,999	461	28	52	37	55	91	84	114
$25,000 to $34,999	335	15	52	34	44	46	63	80
$35,000 to $49,999	647	31	120	86	104	129	91	86
$50,000 to $74,999	1,139	31	212	165	248	260	163	60
$75,000 to $99,999	822	14	132	132	240	199	84	20
$100,000 to $199,999	1,967	23	349	531	464	369	150	80
$200,000 or more	199	3	30	58	47	36	20	5
Total	**5,825**	**155**	**975**	**1,072**	**1,240**	**1,180**	**697**	**507**
Median Income	**$78,547**	**$46,857**	**$81,717**	**$103,355**	**$88,308**	**$78,162**	**$59,333**	**$35,694**
2025								
Less than $15,000	214	10	19	24	28	37	41	55
$15,000 to $24,999	403	21	43	31	40	69	82	116
$25,000 to $34,999	306	13	47	28	31	38	64	87
$35,000 to $49,999	574	26	112	70	72	103	91	100
$50,000 to $74,999	1,114	32	213	158	200	240	194	77
$75,000 to $99,999	808	13	155	125	196	191	100	28
$100,000 to $199,999	2,377	27	486	615	460	443	222	125
$200,000 or more	245	3	47	68	48	42	29	7
Total	**6,040**	**144**	**1,122**	**1,119**	**1,075**	**1,163**	**822**	**594**
Median Income	**$87,650**	**$52,620**	**$97,467**	**$106,839**	**$96,772**	**$87,360**	**$66,170**	**$40,784**
Change 2020-2025								
Less than $15,000	-41	-0	-8	-5	-10	-13	-0	-6
$15,000 to $24,999	-59	-7	-9	-6	-15	-22	-2	1
$25,000 to $34,999	-28	-3	-5	-6	-13	-9	1	6
$35,000 to $49,999	-73	-5	-8	-16	-32	-26	-0	14
$50,000 to $74,999	-25	1	1	-7	-47	-20	30	17
$75,000 to $99,999	-14	-0	23	-7	-44	-8	16	8
$100,000 to $199,999	410	4	136	84	-5	74	72	45
$200,000 or more	45	-0	17	10	1	7	9	2
Total	**215**	**-10**	**148**	**47**	**-165**	**-17**	**125**	**88**
Median Income	**$9,103**	**$5,763**	**$15,750**	**$3,484**	**$8,464**	**$9,198**	**$6,837**	**$5,090**

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

Table D-13 displays the median income among age cohorts for the Northwest Submarket.

- Incomes in the Northwest Submarket are expected to rise 12.2% from $68461 in 2020, to $76,836 in 2025.
- The highest earners in the Northwest Submarket were those age 45 to 54 in 2020 ($93,400) and in 2025 this age cohort is expected to earn ($103,013).
- Between 2020 and 2025 the median income of householders age 35 to 44 is forecast to experience the greatest growth, increasing 11.8% from $90,491 in 2020 to $101,158 in 2025.

TABLE D-13 HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER NORTHWEST SUBMARKET 2020 & 2025								
		Age of Householder						
	Total	<25	25-34	35-44	45-54	55-64	65 -74	75+
2020								
Less than $15,000	228	80	29	14	12	20	22	51
$15,000 to $24,999	478	103	49	26	27	48	66	159
$25,000 to $34,999	185	39	28	13	11	24	24	47
$35,000 to $49,999	606	78	104	57	66	84	95	123
$50,000 to $74,999	807	64	152	86	110	184	137	73
$75,000 to $99,999	592	42	85	78	109	137	109	31
$100,000 to $199,999	1,027	34	166	169	219	237	127	77
$200,000 or more	282	39	54	43	56	48	36	5
Total	**4,205**	**480**	**668**	**485**	**609**	**782**	**615**	**565**
Median Income	**$68,461**	**$38,030**	**$70,192**	**$90,491**	**$93,400**	**$81,120**	**$68,333**	**$38,516**
2025								
Less than $15,000	170	63	20	11	10	11	13	43
$15,000 to $24,999	421	101	36	21	20	33	57	152
$25,000 to $34,999	172	38	23	13	8	16	21	53
$35,000 to $49,999	568	73	90	52	49	64	93	147
$50,000 to $74,999	839	68	150	88	97	167	160	109
$75,000 to $99,999	614	47	84	82	96	128	133	45
$100,000 to $199,999	1,269	43	198	214	229	267	181	136
$200,000 or more	303	34	55	48	56	53	49	10
Total	**4,355**	**468**	**656**	**528**	**563**	**739**	**706**	**695**
Median Income	**$76,836**	**$40,736**	**$78,722**	**$101,158**	**$103,013**	**$90,297**	**$78,296**	**$45,140**
Change 2020-2025								
Less than $15,000	-58	-17	-10	-3	-2	-9	-9	-8
$15,000 to $24,999	-57	-2	-13	-4	-8	-15	-9	-7
$25,000 to $34,999	-14	-1	-5	-0	-3	-8	-2	6
$35,000 to $49,999	-39	-4	-14	-5	-17	-20	-2	25
$50,000 to $74,999	33	5	-2	1	-13	-18	23	37
$75,000 to $99,999	22	5	-1	4	-13	-10	24	13
$100,000 to $199,999	241	9	32	45	10	31	55	59
$200,000 or more	22	-5	1	5	-0	5	12	5
Total	**150**	**-11**	**-13**	**43**	**-46**	**-43**	**91**	**130**
Median Income	**$8,375**	**$2,706**	**$8,530**	**$10,667**	**$9,613**	**$9,177**	**$9,963**	**$6,624**
Sources: ESRI; US Census Bureau; Maxfield Research & Consulting, LLC								

Table D-14 shows the median incomes for the Zimmerman Submarket for 2020 and 2025.

- The median income in the Zimmerman Submarket was $86,109 in 2020, increasing to $92,924 in 2025.

- The highest earners in the Zimmerman Submarket (those ages 35 to 44) have a median income of $103,669 in 2020 and $109,448 in 2025.

- Between 2020 and 2025 the median income of householders age 45 to 54 is forecast to experience the greatest growth, increasing 8.6% from $91,729 in 2020 to $99,591 in 2025.

TABLE D-14
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
ZIMMERMAN SUBMARKET
2020 & 2025

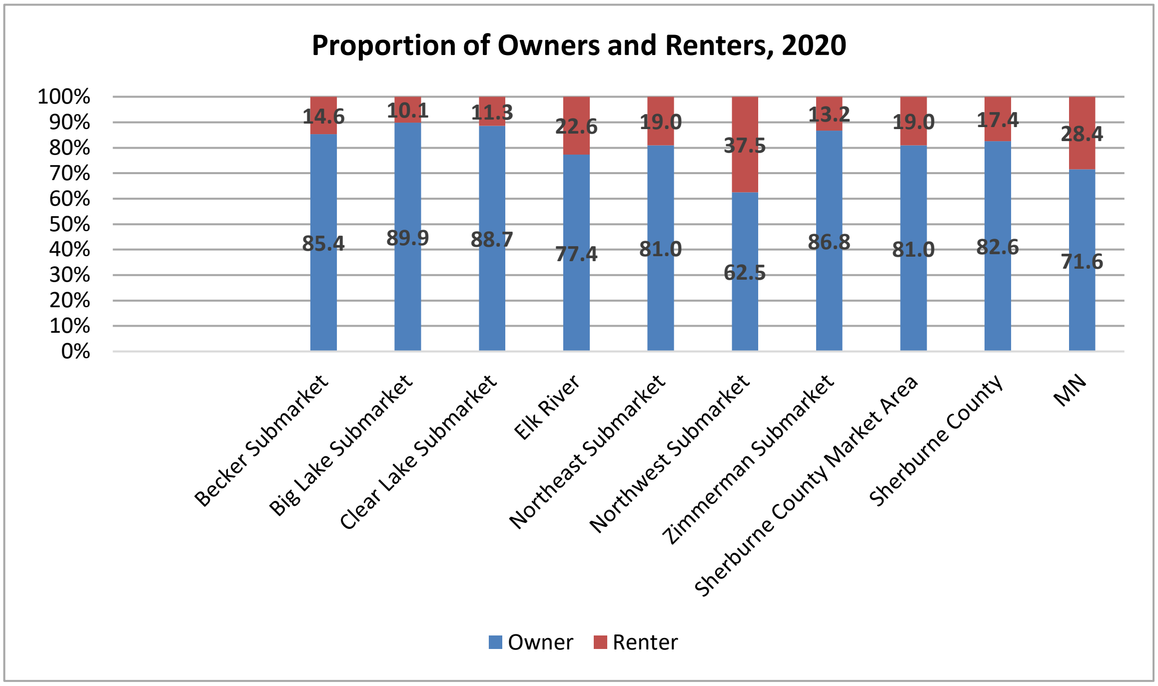
		Age of Householder						
	Total	**<25**	**25-34**	**35-44**	**45-54**	**55-64**	**65 -74**	**75+**
2020								
Less than $15,000	89	3	13	11	14	17	12	19
$15,000 to $24,999	143	9	24	20	22	26	18	24
$25,000 to $34,999	184	8	37	25	28	28	27	31
$35,000 to $49,999	441	29	126	72	73	63	37	41
$50,000 to $74,999	744	21	178	111	139	152	100	43
$75,000 to $99,999	978	13	207	198	262	198	84	16
$100,000 to $199,999	1,225	10	228	396	295	199	87	11
$200,000 or more	347	5	56	103	85	61	34	3
Total	**4,150**	**98**	**869**	**936**	**918**	**744**	**399**	**188**
Median Income	**$86,109**	**$50,735**	**$81,433**	**$103,669**	**$91,729**	**$84,789**	**$77,300**	**$41,552**
2025								
Less than $15,000	73	4	9	7	9	12	10	21
$15,000 to $24,999	123	7	19	15	16	19	18	28
$25,000 to $34,999	168	7	31	19	20	21	27	41
$35,000 to $49,999	403	25	112	58	56	54	40	58
$50,000 to $74,999	741	21	176	98	116	143	121	66
$75,000 to $99,999	963	13	212	184	233	193	104	24
$100,000 to $199,999	1,558	12	313	477	340	254	141	20
$200,000 or more	398	6	69	113	84	75	46	5
Total	**4,425**	**96**	**941**	**971**	**874**	**772**	**509**	**263**
Median Income	**$92,924**	**$54,411**	**$88,718**	**$109,448**	**$99,591**	**$91,940**	**$83,196**	**$45,104**
Change 2020-2025								
Less than $15,000	-16	1	-4	-4	-5	-5	-2	2
$15,000 to $24,999	-20	-2	-5	-5	-6	-7	0	4
$25,000 to $34,999	-16	-1	-6	-6	-8	-7	0	10
$35,000 to $49,999	-38	-4	-14	-14	-17	-8	3	17
$50,000 to $74,999	-3	0	-2	-13	-23	-9	21	23
$75,000 to $99,999	-15	0	5	-14	-29	-5	20	8
$100,000 to $199,999	333	2	85	82	45	55	54	9
$200,000 or more	51	1	13	10	-1	14	12	2
Total	**275**	**-2**	**72**	**35**	**-44**	**28**	**110**	**75**
Median Income	**$6,815**	**$3,676**	**$7,285**	**$5,779**	**$7,862**	**$7,151**	**$5,896**	**$3,552**

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

- The Northwest Submarket was the only area that reported a median income in 2020 lower than the median income in the State of Minnesota. The median incomes in the Northeast, Northwest, and Zimmerman Submarkets in 2020, were lower than median income in the Sherburne County Market Area.

Tenure by Age of Householder

Table D-15 shows 2010 and 2020 tenure data for each of the submarkets in the Sherburne County Market Area by age cohort from the U.S. Census Bureau and 2020 estimates by Maxfield Research and Consulting, LLC. This data is useful in determining demand for certain types of housing since housing preferences change throughout an individual's life cycle.



- In 2010, 82.2% of Sherburne County Market Area households were owner households. This number decreased slightly in 2020 to 81%. The proportion of owner households in the Sherburne County Market Area exceed the estimated state proportion of owner households (71.6%) in 2020.

- The Becker, Big Lake, Clear Lake, and Zimmerman Submarkets are estimated to have over 85% of households as owner occupied in 2020. The Northwest Submarket is estimated to have the lowest proportion of owner-occupied households in 2020 of 62.5%.

- Owner households rose the greatest for the age cohorts over age 85 (+7.89%) and the 75 to 84 age cohort (+5.72%) in the Sherburne County Market Area. This indicates that older households are preferring to remain in their current homes longer than they were in 2010.

- In 2020, owner households in the Sherburne County Market Area, reach a peak of 88.7% in the 45 to 54 age cohort and 88.6% in the 55 to 64 age cohort. Over age 85, renter households begin to climb, likely as households begin to move out of their larger single-family homes and desire to relinquish the maintenance responsibilities associated with ownership.

TABLE D-15
TENURE BY AGE OF HOUSEHOLDER
SHERBURNE COUNTY MARKET AREA
2010 & 2020

		Sherburne County Market Area				Sherburne County				---------- Sherburne County Submarkets ---------- Becker Submarket				Big Lake Submarket				Clear Lake Submarket			
		2010		2020		2010		2020		2010		2020		2010		2020		2010		2020	
Age		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
15-24	Own	513	37.8	343	34.4	473	37.8	323	35.0	43	50.6	21	29.9	157	73.4	142	100.0	14	66.7	5	31.3
	Rent	843	62.2	653	65.6	777	62.2	600	65.0	42	49.4	49	70.1	57	26.6	0	0.0	7	33.3	12	68.8
	Total	**1,356**	**100.0**	**996**	**100.0**	**1,250**	**100.0**	**923**	**100.0**	**85**	**100.0**	**69**	**100.0**	**214**	**100.0**	**142**	**100.0**	**21**	**100.0**	**18**	**100.0**
25-34	Own	4,336	76.2	4,432	70.4	4,175	77.4	4,220	73.9	472	86.3	452	76.0	1,155	85.7	1,047	82.7	77	77.8	58	58.9
	Rent	1,352	23.8	1,860	29.6	1,218	22.6	1,489	26.1	75	13.7	143	24.0	193	14.3	219	17.3	22	22.2	40	41.1
	Total	**5,688**	**100.0**	**6,292**	**100.0**	**5,393**	**100.0**	**5,709**	**100.0**	**547**	**100.0**	**594**	**100.0**	**1,348**	**100.0**	**1,266**	**100.0**	**99**	**100.0**	**98**	**100.0**
35-44	Own	6,357	85.6	5,702	84.2	6,160	86.5	5,582	85.2	742	85.8	672	91.2	1,589	88.7	1,448	92.0	128	89.5	117	84.3
	Rent	1,069	14.4	1,073	15.8	958	13.5	967	14.8	123	14.2	65	8.8	203	11.3	127	8.0	15	10.5	22	15.7
	Total	**7,426**	**100.0**	**6,775**	**100.0**	**7,118**	**100.0**	**6,549**	**100.0**	**865**	**100.0**	**737**	**100.0**	**1,792**	**100.0**	**1,575**	**100.0**	**143**	**100.0**	**139**	**100.0**
45-54	Own	6,854	88.6	7,002	88.7	6,597	89.6	6,733	89.0	662	90.1	937	86.4	1,606	92.0	1,534	92.2	175	92.6	166	93.8
	Rent	882	11.4	893	11.3	767	10.4	833	11.0	73	9.9	147	13.6	140	8.0	130	7.8	14	7.4	11	6.2
	Total	**7,736**	**100.0**	**7,894**	**100.0**	**7,364**	**100.0**	**7,566**	**100.0**	**735**	**100.0**	**1,084**	**100.0**	**1,746**	**100.0**	**1,663**	**100.0**	**189**	**100.0**	**177**	**100.0**
55-64	Own	4,528	90.9	5,669	87.6	4,323	91.8	5,486	87.7	386	93.2	416	86.3	1,030	93.3	1,543	93.4	175	96.2	186	96.0
	Rent	452	9.1	804	12.4	384	8.2	766	12.3	28	6.8	66	13.7	74	6.7	108	6.6	7	3.8	8	4.0
	Total	**4,980**	**100.0**	**6,473**	**100.0**	**4,707**	**100.0**	**6,252**	**100.0**	**414**	**100.0**	**483**	**100.0**	**1,104**	**100.0**	**1,651**	**100.0**	**182**	**100.0**	**194**	**100.0**
65-74	Own	2,350	86.5	3,141	85.1	2,190	88.0	3,014	86.8	198	89.6	169	90.6	438	89.6	771	88.8	87	95.6	162	98.0
	Rent	366	13.5	551	14.9	300	12.0	458	13.2	23	10.4	18	9.4	51	10.4	97	11.2	4	4.4	3	2.0
	Total	**2,716**	**100.0**	**3,691**	**100.0**	**2,490**	**100.0**	**3,472**	**100.0**	**221**	**100.0**	**186**	**100.0**	**489**	**100.0**	**869**	**100.0**	**91**	**100.0**	**165**	**100.0**
75-84	Own	1,148	74.7	1,421	80.4	1,026	76.5	1,352	84.9	96	80.0	157	100.0	196	83.8	175	82.4	38	82.6	59	96.4
	Rent	389	25.3	346	19.6	315	23.5	240	15.1	24	20.0	0	0.0	38	16.2	38	17.6	8	17.4	2	3.6
	Total	**1,537**	**100.0**	**1,768**	**100.0**	**1,341**	**100.0**	**1,592**	**100.0**	**120**	**100.0**	**157**	**100.0**	**234**	**100.0**	**213**	**100.0**	**46**	**100.0**	**61**	**100.0**
85+	Own	289	43.6	469	51.5	250	45.5	440	55.9	16	45.7	79	89.4	55	82.1	39	54.3	16	80.0	18	100.0
	Rent	374	56.4	442	48.5	299	54.5	347	44.1	19	54.3	9	10.6	12	17.9	32	45.7	4	20.0	0	0.0
	Total	**663**	**100.0**	**910**	**100.0**	**549**	**100.0**	**787**	**100.0**	**35**	**100.0**	**88**	**100.0**	**67**	**100.0**	**71**	**100.0**	**20**	**100.0**	**18**	**100.0**
TOTAL	Own	26,375	82.2	28,179	81.0	25,194	83.4	27,150	82.6	2,615	86.5	2,903	85.4	6,226	89.0	6,699	89.9	710	89.8	772	88.7
	Rent	5,727	17.8	6,621	19.0	5,018	16.6	5,700	17.4	407	13.5	497	14.6	768	11.0	751	10.1	81	10.2	98	11.3
	Total	**32,102**	**100.0**	**34,800**	**100.0**	**30,212**	**100.0**	**32,850**	**100.0**	**3,022**	**100.0**	**3,400**	**100.0**	**6,994**	**100.0**	**7,450**	**100.0**	**791**	**100.0**	**870**	**100.0**

Sources: U.S. Census Bureau; Maxfield Research and Consulting, LLC

TABLE D-15 continued
TENURE BY AGE OF HOUSEHOLDER
SHERBURNE COUNTY MARKET AREA
2010 & 2020

		---------- Sherburne County Submarkets ----------																	
		Elk River				Northeast Submarket				Northwest Submarket				Zimmerman Submarket				MN	
		2010		2020		2010		2020		2010		2020		2010		2020		2010	2020
Age		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	Pct.	Pct.
15-24	Own	106	40.6	88	48.6	102	57.3	34	39.0	28	5.6	25	6.2	63	66.3	26	30.9	19.8	17.6
	Rent	155	59.4	94	51.4	76	42.7	53	61.0	474	94.4	370	93.8	32	33.7	59	69.1	80.2	82.4
	Total	**261**	**100.0**	**182**	**100.0**	**178**	**100.0**	**88**	**100.0**	**502**	**100.0**	**394**	**100.0**	**95**	**100.0**	**86**	**100.0**	**100.0**	**100.0**
25-34	Own	1,029	72.2	1,113	64.1	705	79.0	662	61.3	236	39.9	324	45.4	662	84.3	786	97.1	56.1	52.0
	Rent	396	27.8	623	35.9	187	21.0	418	38.7	356	60.1	390	54.6	123	15.7	23	2.9	43.9	48.0
	Total	**1,425**	**100.0**	**1,735**	**100.0**	**892**	**100.0**	**1,080**	**100.0**	**592**	**100.0**	**715**	**100.0**	**785**	**100.0**	**809**	**100.0**	**100.0**	**100.0**
35-44	Own	1,544	84.6	1,402	82.4	1,074	86.2	924	83.6	402	73.6	369	59.1	878	87.0	782	86.9	75.0	72.0
	Rent	281	15.4	300	17.6	172	13.8	182	16.4	144	26.4	255	40.9	131	13.0	118	13.1	25.0	28.0
	Total	**1,825**	**100.0**	**1,702**	**100.0**	**1,246**	**100.0**	**1,105**	**100.0**	**546**	**100.0**	**623**	**100.0**	**1,009**	**100.0**	**900**	**100.0**	**100.0**	**100.0**
45-54	Own	1,696	87.1	1,704	85.6	1,222	87.4	1,152	94.6	626	82.3	499	81.2	867	90.3	1,030	88.4	81.7	80.0
	Rent	251	12.9	287	14.4	176	12.6	66	5.4	135	17.7	116	18.8	93	9.7	135	11.6	18.3	20.0
	Total	**1,947**	**100.0**	**1,991**	**100.0**	**1,398**	**100.0**	**1,218**	**100.0**	**761**	**100.0**	**615**	**100.0**	**960**	**100.0**	**1,165**	**100.0**	**100.0**	**100.0**
55-64	Own	1,079	87.3	1,195	77.5	775	89.8	1,167	93.4	613	89.8	651	90.5	470	94.4	508	79.9	84.7	82.6
	Rent	157	12.7	346	22.5	88	10.2	82	6.6	70	10.2	69	9.5	28	5.6	128	20.1	15.3	17.4
	Total	**1,236**	**100.0**	**1,541**	**100.0**	**863**	**100.0**	**1,249**	**100.0**	**683**	**100.0**	**719**	**100.0**	**498**	**100.0**	**636**	**100.0**	**100.0**	**100.0**
65-74	Own	619	83.6	794	87.2	451	85.3	448	82.0	352	86.1	486	74.3	205	86.5	302	87.7	84.9	84.4
	Rent	121	16.4	117	12.8	78	14.7	98	18.0	57	13.9	169	25.7	32	13.5	42	12.3	15.1	15.6
	Total	**740**	**100.0**	**911**	**100.0**	**529**	**100.0**	**547**	**100.0**	**409**	**100.0**	**655**	**100.0**	**237**	**100.0**	**344**	**100.0**	**100.0**	**100.0**
75-84	Own	330	73.7	442	82.5	233	74.4	233	68.1	179	63.0	206	76.6	76	82.6	152	78.3	77.0	78.4
	Rent	118	26.3	94	17.5	80	25.6	109	31.9	105	37.0	63	23.4	16	17.4	42	21.7	23.0	21.6
	Total	**448**	**100.0**	**535**	**100.0**	**313**	**100.0**	**342**	**100.0**	**284**	**100.0**	**269**	**100.0**	**92**	**100.0**	**194**	**100.0**	**100.0**	**100.0**
85+	Own	75	37.9	150	49.5	58	43.6	99	50.5	53	28.8	71	32.7	16	61.5	15	100.0	55.3	56.3
	Rent	123	62.1	154	50.5	75	56.4	97	49.5	131	71.2	145	67.3	10	38.5	0	0.0	44.7	43.7
	Total	**198**	**100.0**	**304**	**100.0**	**133**	**100.0**	**196**	**100.0**	**184**	**100.0**	**216**	**100.0**	**26**	**100.0**	**15**	**100.0**	**100.0**	**100.0**
TOTAL	Own	6,478	80.2	6,887	77.4	4,620	83.2	4,720	81.0	2,489	62.8	2,630	62.5	3,237	87.4	3,602	86.8	73.0	71.6
	Rent	1,602	19.8	2,013	22.6	932	16.8	1,105	19.0	1,472	37.2	1,575	37.5	465	12.6	548	13.2	27.0	28.4
	Total	**8,080**	**100.0**	**8,900**	**100.0**	**5,552**	**100.0**	**5,825**	**100.0**	**3,961**	**100.0**	**4,205**	**100.0**	**3,702**	**100.0**	**4,150**	**100.0**	**100.0**	**100.0**

Sources: U.S. Census Bureau; Maxfield Research and Consulting, LLC

Tenure by Household Size

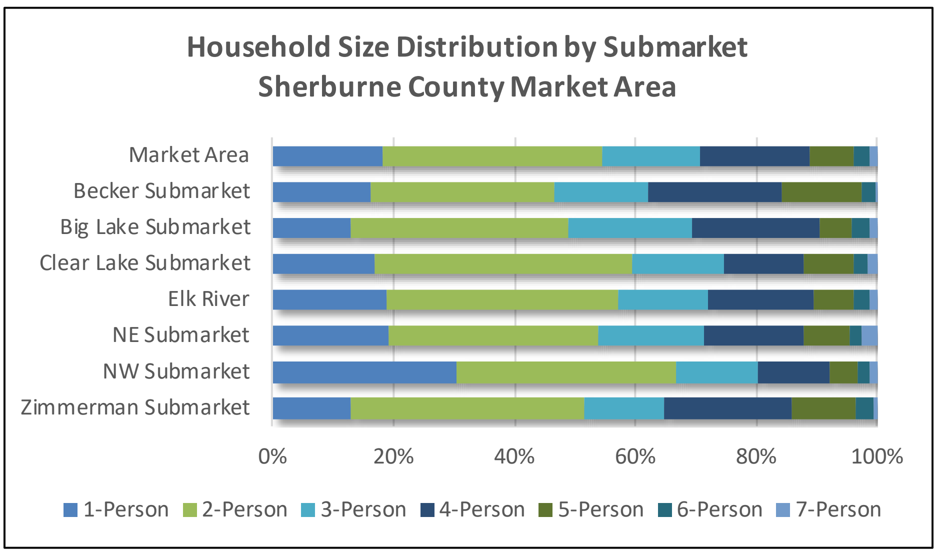
Table D-16 shows the distribution of households by size and tenure in the Sherburne County Market Area in 2010 and 2020 estimates by Maxfield Research and Consulting, LLC. This data is useful in that it sheds insight into unit type that may be most needed in the Sherburne County Market Area.

- 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, it is estimated that 38.3% of renter households the Sherburne County Market Area were one-person households.

- However, in the Clear Lake Submarket only 10.5% of renter households consisted of one-person households. This represents the rural character of this submarket compared with other Sherburne County submarkets.

- The NW Submarket has higher proportion of one person households than other Sherburne County Market Area submarkets indicating a higher preference for renting or buying multi-family type homes.

- Owner households were most likely to contain two people in the Sherburne County Market Area, representing 39% of owner households.



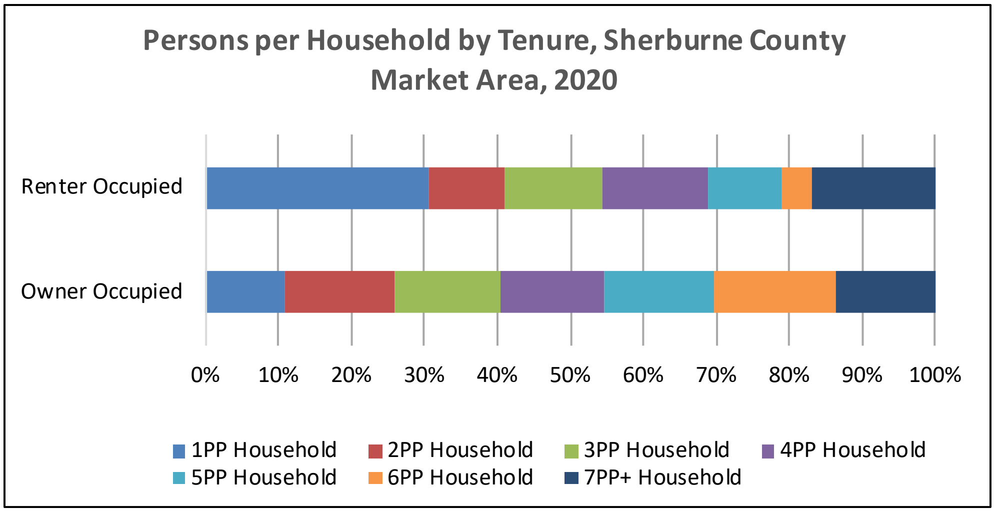

Persons per Household by Tenure, Sherburne County Market Area, 2020
Renter Occupied
Owner Occupied
0%
10%
20%
30%
40%
50%
60%
70%
80%
90%
100%
1PP Household
2PP Household
3PP Household
4PP Household
5PP Household
6PP Household
7PP+ Household

TABLE D-16
TENURE BY HOUSEHOLD SIZE
SHERBURNE COUNTY
2010 & 2020

		Sherburne County Market Area				Sherburne County				Becker Submarket				Big Lake Submarket				Clear Lake Submarket			
										---------- Sherburne County Submarkets ----------											
		2010		2020		2010		2020		2010		2020		2010		2020		2010		2020	
Age		**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**
1-Person	Own	3,874	65.3	3,872	61.7	3,599	67.5	3,604	64.0	276	66.3	366	66.7	868	80.1	743	77.1	98	76.6	130	89.5
	Rent	2,062	34.7	2,408	38.3	1,736	32.5	2,029	36.0	140	33.7	182	33.3	216	19.9	221	22.9	30	23.4	15	10.5
	Total	**5,936**	**100.0**	**6,279**	**100.0**	**5,335**	**100.0**	**5,633**	**100.0**	**416**	**100.0**	**548**	**100.0**	**1,084**	**100.0**	**964**	**100.0**	**128**	**100.0**	**146**	**100.0**
2-Person	Own	8,934	86.2	11,001	87.0	8,471	87.0	10,665	87.6	794	90.2	952	92.1	1,987	92.0	2,525	94.1	314	93.7	326	87.9
	Rent	1,427	13.8	1,645	13.0	1,265	13.0	1,504	12.4	86	9.8	82	7.9	172	8.0	157	5.9	21	6.3	45	12.1
	Total	**10,361**	**100.0**	**12,646**	**100.0**	**9,736**	**100.0**	**12,169**	**100.0**	**880**	**100.0**	**1,034**	**100.0**	**2,159**	**100.0**	**2,682**	**100.0**	**335**	**100.0**	**371**	**100.0**
3-Person	Own	4,674	83.3	4,658	83.0	4,492	84.1	4,477	85.0	463	87.0	491	92.2	1,120	88.7	1,372	90.4	112	88.9	125	94.2
	Rent	940	16.7	952	17.0	848	15.9	792	15.0	69	13.0	41	7.8	142	11.3	145	9.6	14	11.1	8	5.8
	Total	**5,614**	**100.0**	**5,610**	**100.0**	**5,340**	**100.0**	**5,269**	**100.0**	**532**	**100.0**	**532**	**100.0**	**1,262**	**100.0**	**1,517**	**100.0**	**126**	**100.0**	**132**	**100.0**
4-Person	Own	5,233	87.5	5,194	82.0	5,076	88.3	5,108	84.2	624	91.0	621	82.8	1,289	91.9	1,355	86.6	118	91.5	104	91.3
	Rent	745	12.5	1,138	18.0	675	11.7	962	15.8	62	9.0	129	17.2	114	8.1	209	13.4	11	8.5	10	8.7
	Total	**5,978**	**100.0**	**6,333**	**100.0**	**5,751**	**100.0**	**6,070**	**100.0**	**686**	**100.0**	**751**	**100.0**	**1,403**	**100.0**	**1,564**	**100.0**	**129**	**100.0**	**114**	**100.0**
5-Person	Own	2,403	87.5	2,273	87.2	2,344	88.5	2,157	88.9	305	91.0	405	90.1	607	87.8	396	95.4	46	93.9	54	72.1
	Rent	344	12.5	334	12.8	305	11.5	270	11.1	30	9.0	45	9.9	84	12.2	19	4.6	3	6.1	21	27.9
	Total	**2,747**	**100.0**	**2,607**	**100.0**	**2,649**	**100.0**	**2,427**	**100.0**	**335**	**100.0**	**449**	**100.0**	**691**	**100.0**	**416**	**100.0**	**49**	**100.0**	**74**	**100.0**
6-Person	Own	855	86.5	814	94.8	821	87.3	789	94.7	106	87.6	57	76.4	245	90.4	207	100.0	19	90.5	19	100.0
	Rent	134	13.5	45	5.2	119	12.7	45	5.3	15	12.4	18	23.6	26	9.6	0	0.0	2	9.5	0	0.0
	Total	**989**	**100.0**	**858**	**100.0**	**940**	**100.0**	**833**	**100.0**	**121**	**100.0**	**75**	**100.0**	**271**	**100.0**	**207**	**100.0**	**21**	**100.0**	**19**	**100.0**
7-Person	Own	402	84.3	367	78.7	391	84.8	350	77.9	47	90.4	11	100.0	110	88.7	100	100.0	3	100.0	14	100.0
	Rent	75	15.7	100	21.3	70	15.2	99	22.1	5	9.6	0	0.0	14	11.3	0	0.0	0	0.0	0	0.0
	Total	**477**	**100.0**	**467**	**100.0**	**461**	**100.0**	**449**	**100.0**	**52**	**100.0**	**11**	**100.0**	**124**	**100.0**	**100**	**100.0**	**3**	**100.0**	**14**	**100.0**
Total	Own	26,375	82.2	28,179	81.0	25,194	83.4	27,150	82.6	2,615	86.5	2,903	85.4	6,226	89.0	6,699	89.9	710	89.8	772	88.7
	Rent	5,727	17.8	6,621	19.0	5,018	16.6	5,700	17.4	407	13.5	497	14.6	768	11.0	751	10.1	81	10.2	98	11.3
	Total	**32,102**	**100.0**	**34,800**	**100.0**	**30,212**	**100.0**	**32,850**	**100.0**	**3,022**	**100.0**	**3,400**	**100.0**	**6,994**	**100.0**	**7,450**	**100.0**	**791**	**100.0**	**870**	**100.0**

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

TABLE D-16 continued
TENURE BY HOUSEHOLD SIZE
SHERBURNE COUNTY
2010 & 2020

		---------- Sherburne County Submarkets ----------																	
		Elk River				Northeast Submarket				Northwest Submarket				Zimmerman Submarket				MN	
		2010		2020		2010		2020		2010		2020		2010		2020		2010	2020
Age		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	Pct.	Pct.
1-Person	Own	979	61.9	919	55.1	770	67.3	704	62.6	456	43.8	650	51.0	427	78.9	352	66.1	56.5	55.4
	Rent	602	38.1	749	44.9	374	32.7	420	37.4	586	56.2	625	49.0	114	21.1	181	33.9	43.5	44.6
	Total	**1,581**	**100.0**	**1,668**	**100.0**	**1,144**	**100.0**	**1,123**	**100.0**	**1,042**	**100.0**	**1,275**	**100.0**	**541**	**100.0**	**532**	**100.0**	**100.0**	**100.0**
2-Person	Own	2,206	84.3	2,781	81.5	1,616	88.2	1,837	91.1	1,052	72.4	1,102	71.9	965	88.9	1,494	93.1	80.3	79.0
	Rent	411	15.7	632	18.5	216	11.8	178	8.9	401	27.6	430	28.1	120	11.1	111	6.9	19.7	21.0
	Total	**2,617**	**100.0**	**3,413**	**100.0**	**1,832**	**100.0**	**2,015**	**100.0**	**1,453**	**100.0**	**1,532**	**100.0**	**1,085**	**100.0**	**1,605**	**100.0**	**100.0**	**100.0**
3-Person	Own	1,171	81.3	1,108	84.5	777	86.0	833	82.7	389	62.4	297	53.1	642	88.3	437	80.1	76.9	74.9
	Rent	269	18.7	204	15.5	127	14.0	174	17.3	234	37.6	263	46.9	85	11.7	109	19.9	23.1	25.1
	Total	**1,440**	**100.0**	**1,312**	**100.0**	**904**	**100.0**	**1,007**	**100.0**	**623**	**100.0**	**560**	**100.0**	**727**	**100.0**	**546**	**100.0**	**100.0**	**100.0**
4-Person	Own	1,281	86.8	1,302	83.5	857	88.8	726	75.4	357	68.3	338	66.3	707	88.8	755	85.9	81.8	80.1
	Rent	195	13.2	257	16.5	108	11.2	237	24.6	166	31.7	172	33.7	89	11.2	124	14.1	18.2	19.9
	Total	**1,476**	**100.0**	**1,559**	**100.0**	**965**	**100.0**	**963**	**100.0**	**523**	**100.0**	**510**	**100.0**	**796**	**100.0**	**879**	**100.0**	**100.0**	**100.0**
5-Person	Own	576	87.7	485	82.2	386	86.0	380	83.4	160	74.4	148	76.3	323	92.0	415	94.5	79.7	77.8
	Rent	81	12.3	105	17.8	63	14.0	76	16.6	55	25.6	46	23.7	28	8.0	24	5.5	20.3	22.2
	Total	**657**	**100.0**	**590**	**100.0**	**449**	**100.0**	**456**	**100.0**	**215**	**100.0**	**194**	**100.0**	**351**	**100.0**	**440**	**100.0**	**100.0**	**100.0**
6-Person	Own	180	85.7	218	90.0	146	84.4	108	97.1	49	74.2	80	100.0	110	86.6	126	100.0	75.1	73.0
	Rent	30	14.3	24	10.0	27	15.6	3	2.9	17	25.8	0	0.0	17	13.4	0	0.0	24.9	27.0
	Total	**210**	**100.0**	**242**	**100.0**	**173**	**100.0**	**111**	**100.0**	**66**	**100.0**	**80**	**100.0**	**127**	**100.0**	**126**	**100.0**	**100.0**	**100.0**
7-Person	Own	85	85.9	75	64.0	68	80.0	132	88.6	26	66.7	15	27.3	63	84.0	22	100.0	68.6	67.9
	Rent	14	14.1	42	36.0	17	20.0	17	11.4	13	33.3	39	72.7	12	16.0	0	0.0	31.4	32.1
	Total	**99**	**100.0**	**117**	**100.0**	**85**	**100.0**	**149**	**100.0**	**39**	**100.0**	**54**	**100.0**	**75**	**100.0**	**22**	**100.0**	**100.0**	**100.0**
Total	Own	6,478	80.2	6,887	77.4	4,620	83.2	4,720	81.0	2,489	62.8	2,630	62.5	3,237	87.4	3,602	86.8	73.0	71.6
	Rent	1,602	19.8	2,013	22.6	932	16.8	1,105	19.0	1,472	37.2	1,575	37.5	465	12.6	548	13.2	27.0	28.4
	Total	**8,080**	**100.0**	**8,900**	**100.0**	**5,552**	**100.0**	**5,825**	**100.0**	**3,961**	**100.0**	**4,205**	**100.0**	**3,702**	**100.0**	**4,150**	**100.0**	**100.0**	**100.0**

Household Type

Table D-17 shows a breakdown of the type of households present in the Sherburne County Market Area in 2010 and 2020 estimates by Maxfield Research and Consulting, LLC. The data is useful in assessing housing demand since the household composition often dictates the type of housing needed and preferred. The following key points are summarized from Table D-17.

- Within the Sherburne County Market Area, married couples without children represented the largest household type. These households accounted for 34.2% of all households in the Market Area in 2020, an increase from 22.1% from 2010. The proportion of married couples without children also rose in the State of Minnesota from 2010 to 2020, although the proportion in Minnesota (30.4%) is lower than the Sherburne County Market Area.

- The increase in households without children reflects the changing demographics of the overall Market Area, and the country, 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 Becker Submarket where Married with children is the largest household type.

- Married couples with children remain the second largest household type in the Sherburne County Market Area, representing 26.7% of households. However, all submarkets except the Becker Submarket (+3%) reported a decline in the proportion of married couples with children between 2010 and 2020, ranging from a decline of -0.8% in the Zimmerman Submarket to -12.8% in the Big Lake Submarket.

- Other family households, namely single parents with children, also experienced an increase, growing by 17.6% in the Sherburne County Market Area between 2010 and 2020.

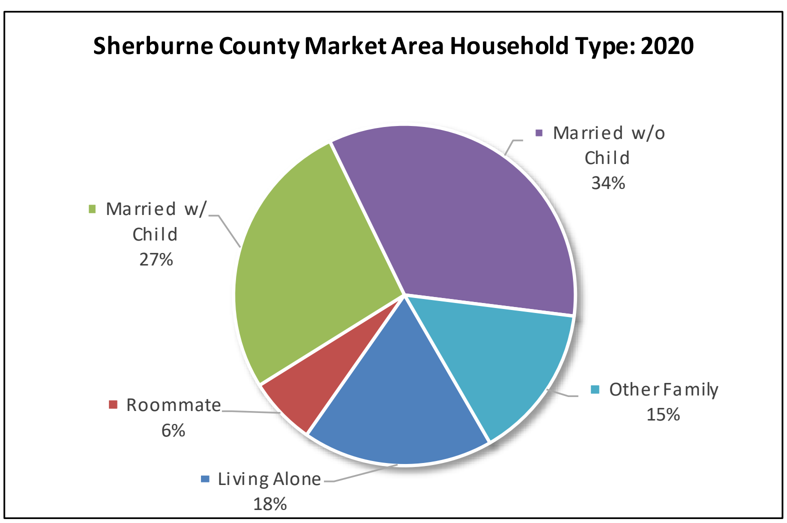
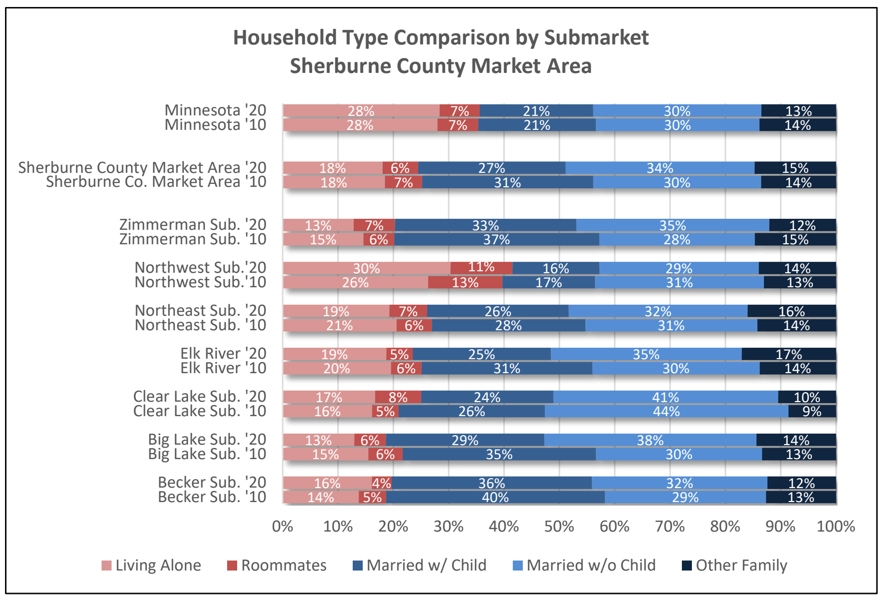


TABLE D-17
HOUSEHOLD TYPE
SHERBURNE COUNTY MARKET AREA
2010 & 2020

	Sherburne County Market Area		Sherburne County		---------- Sherburne County Submarkets ---------- Becker Sub.		Big Lake Sub.		Clear Lake Sub.		Elk River		NE Sub.		NW Sub.		Zimmerman Sub.		Minnesota	
	2010	2020	2010	2020	2010	2020	2010	2020	2010	2020	2010	2020	2010	2020	2010	2020	2010	2020	2010	2020
Total Households	**32,102**	**34,800**	**30,212**	**32,850**	**3,022**	**3,400**	**6,994**	**7,450**	**791**	**870**	**8,080**	**8,900**	**5,552**	**5,825**	**3,961**	**4,205**	**3,702**	**4,150**	**2,087,227**	**2,238,428**
Non-Family Households	**8,092**	**8,511**	**7,364**	**7,734**	**565**	**670**	**1,516**	**1,391**	**166**	**218**	**2,030**	**2,091**	**1,496**	**1,522**	**1,573**	**1,746**	**746**	**842**	**738,212**	**797,448**
Living Alone	5,936	6,279	5,335	5,633	416	548	1,084	964	128	146	1,581	1,668	1,144	1,123	1,042	1,275	541	532	584,008	635,239
Other (Roommates)	2,156	2,232	2,029	2,101	149	122	432	427	38	72	449	423	352	398	531	470	205	310	154,204	162,209
Family Households	**24,010**	**26,289**	**22,848**	**25,116**	**2,457**	**2,730**	**5,478**	**6,059**	**625**	**652**	**6,050**	**6,809**	**4,056**	**4,303**	**2,388**	**2,459**	**2,956**	**3,308**	**1,349,015**	**1,440,980**
Married w/ Children	9,924	9,287	9,619	9,028	1,195	1,231	2,446	2,133	209	208	2,495	2,223	1,542	1,491	664	662	1,373	1,362	443,212	459,033
Married w/o Children	9,741	11,890	9,267	11,539	880	1,077	2,099	2,856	348	353	2,440	3,072	1,725	1,883	1,209	1,211	1,040	1,445	617,297	680,570
Other Family	4,345	5,112	3,962	4,549	382	422	933	1,070	68	91	1,115	1,514	789	930	515	587	543	501	288,506	301,376
Change (2010-2018)																				
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Total Households	**2,698**	**8.4%**	**2,638**	**8.7%**	**378**	**12.5%**	**456**	**6.5%**	**79**	**10.0%**	**820**	**10.1%**	**273**	**4.9%**	**244**	**6.2%**	**448**	**12.1%**	**151,201**	**7.2%**
Non-Family Households	**419**	**5.2%**	**370**	**5.0%**	**105**	**18.6%**	**-125**	**-8.3%**	**52**	**31.2%**	**61**	**3.0%**	**26**	**1.7%**	**173**	**11.0%**	**96**	**12.9%**	**59,236**	**8.0%**
Living Alone	343	5.8%	298	5.6%	132	31.7%	-120	-11.1%	18	13.7%	87	5.5%	-21	-1.8%	233	22.4%	-9	-1.6%	51,231	8.8%
Other (Roommates)	76	3.5%	72	3.6%	-27	-18.0%	-5	-1.2%	34	90.1%	-26	-5.8%	46	13.2%	-61	-11.4%	105	51.0%	8,005	5.2%
Family Households	**2,279**	**9.5%**	**2,268**	**9.9%**	**273**	**11.1%**	**581**	**10.6%**	**27**	**4.4%**	**759**	**12.6%**	**247**	**6.1%**	**71**	**3.0%**	**352**	**11.9%**	**91,965**	**6.8%**
Married w/ Children	-637	-6.4%	-591	-6.1%	36	3.0%	-313	-12.8%	-1	-0.5%	-272	-10.9%	-51	-3.3%	-2	-0.4%	-11	-0.8%	15,821	3.6%
Married w/o Children	2,149	22.1%	2,272	24.5%	197	22.4%	757	36.1%	5	1.6%	632	25.9%	158	9.1%	2	0.1%	405	39.0%	63,273	10.3%
Other Family	767	17.6%	587	14.8%	40	10.3%	137	14.7%	23	33.6%	399	35.8%	141	17.9%	72	14.0%	-42	-7.8%	12,870	4.5%

Sources: U.S. Census; MN State Demographic Center; ESRI; Maxfield Research & Consulting, LLC

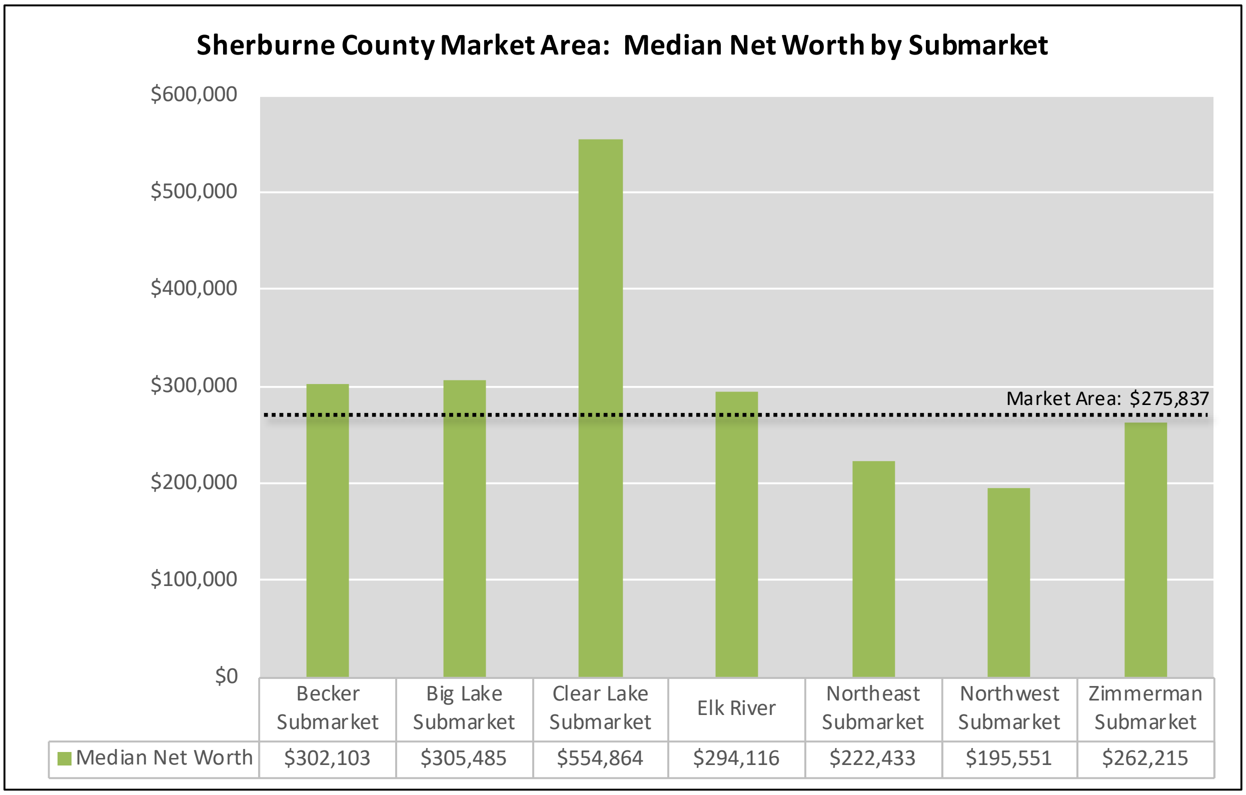


Net Worth

Table D-18 shows household net worth in the Sherburne County Market Area in 2019. 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.

- The Sherburne County Market Area reported an average net worth of $850,377 and a median net worth of $275,837. 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. Communities with high levels of farming equipment and land assets tend to also increase the average and median net worth in those areas.

- The highest median net worth was reported in the Clear Lake Submarket, $554,864, while the Northwest Submarket reported the lowest median income, $195,551.



- In the Market Area, median net worth was highest for households in the age 65 to 74 cohort at $549,405, followed by the 55 to 64 age group at $526,551.

- Among all age cohorts, the Clear Lake Submarket reported the highest median net worth while the Northeast Submarket reported the lowest median net worth.

- The Clear Lake Submarket age 65+ age cohorts reported the highest median net worth ($1,000,001) in the Market Area. The Northwest Submarket reported the lowest median net worth for age cohorts between 15 to 24 ($12,307).

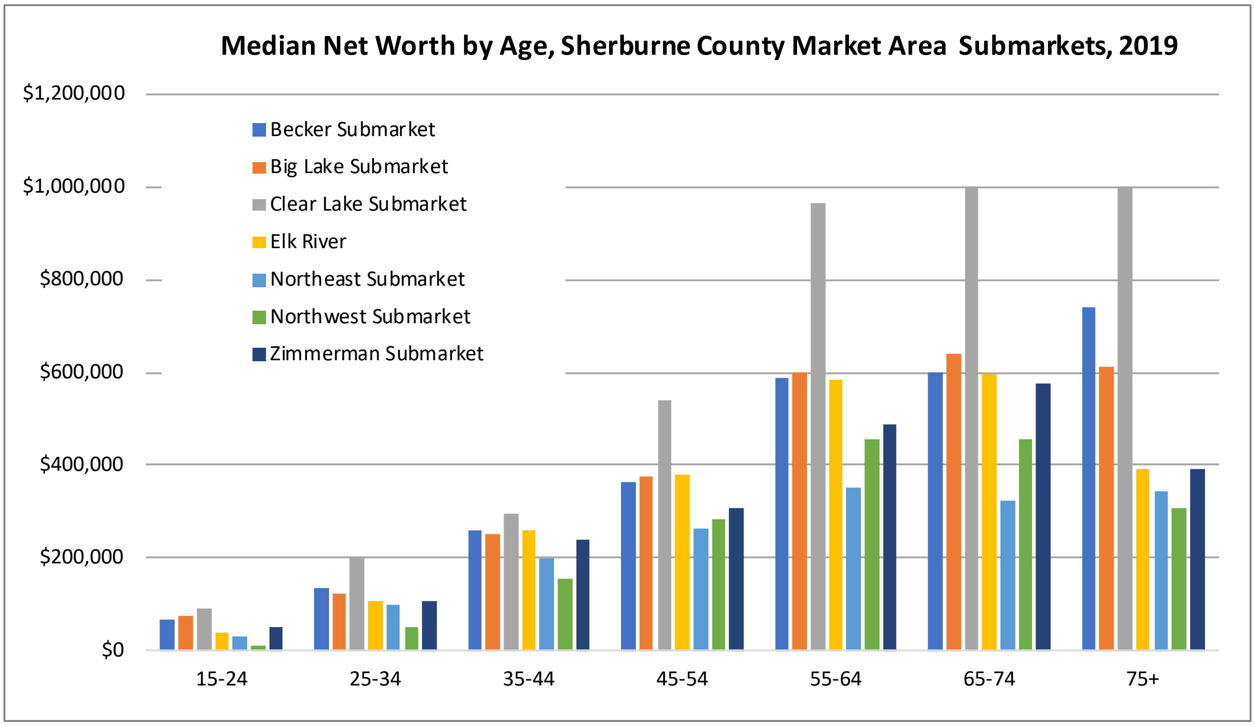


TABLE D-18
ESTIMATED NET WORTH BY AGE OF HOUSEHOLDER
SHERBURNE COUNTY MARKET AREA
2019

	Age of Householder							
	Total		15-24		25-34		35-44	
	Average	Median	Average	Median	Average	Median	Average	Median
Becker Submarket	$802,525	$302,103	$102,314	$68,121	$203,092	$136,693	$423,412	$261,351
Big Lake Submarket	$942,090	$305,485	$109,118	$75,000	$207,855	$123,632	$451,566	$251,826
Clear Lake Submarket	$1,684,141	$554,864	$91,875	$89,790	$275,821	$203,139	$649,087	$295,680
Elk River	$840,621	$294,116	$72,506	$37,293	$180,941	$105,261	$435,003	$258,621
Northeast Submarket	$641,132	$222,433	$65,631	$31,676	$161,176	$97,404	$369,008	$201,005
Northwest Submarket	$836,055	$195,551	$46,224	$12,307	$129,505	$51,950	$390,919	$155,799
Zimmerman Submarket	$883,240	$262,215	$134,389	$50,000	$186,701	$106,718	$640,686	$238,683
Sherburne County Total	**$881,967**	**$289,419**	**$78,862**	**$36,497**	**$189,310**	**$111,690**	**$471,509**	**$252,877**
Sherburne CO Market Area Total	**$850,377**	**$275,837**	**$75,810**	**$34,378**	**$182,588**	**$106,843**	**$456,464**	**$241,398**
	45-54		55-64		65-74		75+	
	Average	Median	Average	Median	Average	Median	Average	Median
Becker Submarket	$864,444	$363,432	$1,310,222	$586,394	$1,390,040	$600,832	$1,785,658	$741,581
Big Lake Submarket	$990,538	$374,773	$1,550,675	$598,274	$1,790,938	$642,175	$1,659,081	$610,562
Clear Lake Submarket	$1,477,221	$540,216	$1,918,881	$966,714	$2,815,981	$1,000,001	$3,267,638	$1,000,001
Elk River	$918,410	$380,846	$1,370,292	$582,381	$1,529,133	$596,991	$1,095,634	$392,895
Northeast Submarket	$585,111	$261,617	$935,634	$351,999	$939,059	$324,951	$1,343,245	$344,586
Northwest Submarket	$926,061	$284,733	$1,421,369	$456,610	$1,392,542	$456,544	$1,220,823	$308,356
Zimmerman Submarket	$983,154	$309,448	$1,574,085	$488,541	$1,606,709	$575,462	$896,822	$390,930
Sherburne County Total	**$927,251**	**$351,420**	**$1,426,556**	**$557,591**	**$1,589,659**	**$593,198**	**$1,390,696**	**$458,918**
Sherburne CO Market Area Total	**$893,150**	**$336,252**	**$1,372,477**	**$526,551**	**$1,505,172**	**$549,405**	**$1,351,796**	**$421,339**

Sources: ESRI; Maxfield Research and Consulting, LLC

Summary of Demographic Trends

The following points summarize key demographic trends that will impact demand for housing throughout the Sherburne County Market Area.

- Elk River and the Big Lake Submarket are the population centers of the Sherburne County Market Area, accounting for 25% and 22.2% of the market area population respectively. The Big Lake Submarket population is forecast to add the greatest number new residents (+2,875) and households (+100) to the Sherburne County Market Area between 2020 and 2030.

- The estimate for the largest adult age cohort in the Sherburne County Market Area in 2020 were those age 25 to 34, representing 19.6% of the population over age 18, followed by the 35 to 44 age cohort accounting for 18.2% of the adult age population.

- By 2025, the largest adult age cohorts in the Market Area will continue to be those 25 to 34 and 35 to 44, representing 20.4% and 18.6% of the population respectively.

- Between 2020 and 2025, the largest proportional growth is expected in the 75 to 84 age cohort in the Sherburne County Market Area, increasing by 27.2%.

- In 2018, most Sherburne County Market Area residents, 93.9%, reported their race a "White Alone" followed by 2.6% of the population reported their ethnicity as Hispanic or Latino and 2.2% as "Black or African American Alone".

- The median income for the Sherburne County Market Area is projected to rise by 11.7% from $88,603 to $99,001 in 2025.

- In 2020, the highest median incomes were reported in the Clear Lake Submarket ($108,930), followed by the Becker Submarket ($96,669). The Northwest Submarket trails the other submarkets in income, with a median income in 2020 of $68,461.

- The majority of households in the Sherburne County Market Area (81%) were owner households.

- In the overall Market Area, married households without children and other family households (typically single-parent households) are growing, while households of married couples with children are declining.

Introduction

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 initially examined the characteristics of the housing supply in Sherburne County by reviewing data on the age of the existing housing stock; examining residential building trends; and reviewing housing data from the American Community Survey that relates to Sherburne County.

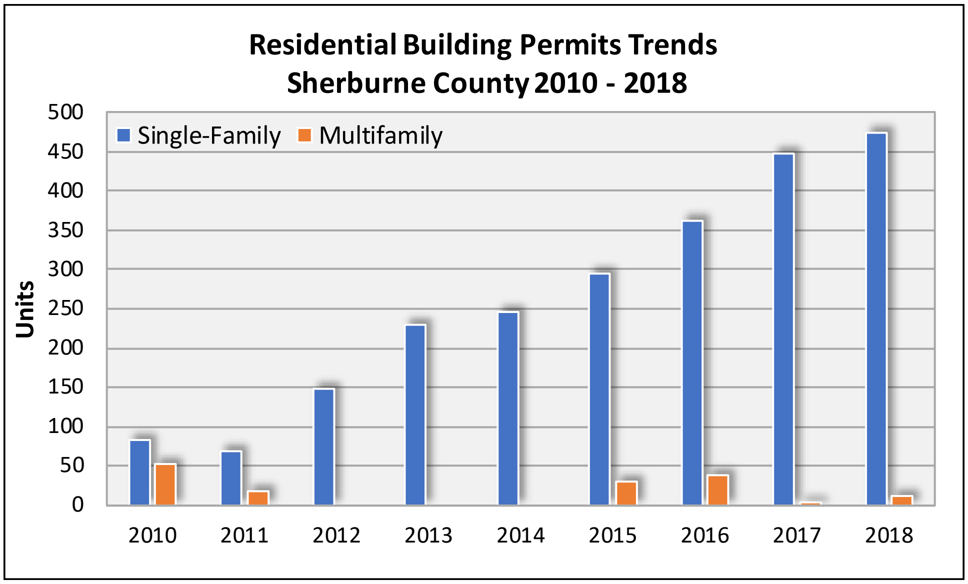
Building Permit Trends

Maxfield Research obtained data on the number of new construction housing units from 2010 through 2018/2019 from Sherburne County, the State of the Cities Data Systems (SOCDS), and local planning and building departments. Table HC-1 displays the number of building permits issued for new construction of residential units in Sherburne County while Table HC-2 displays building permits broken down by submarket. It should be noted that not all cities and townships participated in providing building permit data or collect data consistently. The following are key points from Table HC-1:

- Per the SOCDS, there have been 2,506 residential unit permits issued between 2010 and 2018. That equates to about 278 residential units permitted annually since 2010. Approximately 94% of the permits issued in Sherburne County since 2010 have been single-family units.

- Sherburne County averages roughly 17 multifamily units permitted since 2010. Sherburne County issued a high of 53 multifamily units in 2010. Between 2012 to 2014, no multifamily permits were issued.

- In 2018, there were roughly 475 single-family permits issued in Sherburne County, which is 214 single-family units over the average since 2010.



HC-1 RESIDENTIAL CONSTRUCTION BUILDING PERMITTED UNITS ISSUED SHERBURNE COUNTY ANALYSIS AREA 2010 to 2018			
	Sherburne County		
Year	**Single-Family**	**Multifamily**	**Total**
2010	82	53	135
2011	69	17	86
2012	149	0	149
2013	229	0	229
2014	245	0	245
2015	294	29	323
2016	363	38	401
2017	447	4	451
2018	475	12	487
Total	**2,353**	**153**	**2,506**

Note: Building permit data not available for some cities and townships in the County.

Sources: State of the Cities Data Systems (SOCDS); Maxfield Research & Consulting LLC

The following are key points from Table HC-2:

- Of the single-family residential units permitted in Sherburne County, the Elk River submarket accounted for 34% of the permitted units from 2010 to 2019, and 45% of the multifamily units permitted.

- Single-family units accounted for 85% of the units permitted in Sherburne County between 2010 to 2019. The County saw a peak of single-family permits issued in 2018 with 506 units permitted.

HC-2
RESIDENTIAL CONSTRUCTION BUILDING PERMITTED UNITS ISSUED
SHERBURNE COUNTY ANALYSIS AREA
2010 to 2019

	Becker Submarket		Big Lake Submarket		Clear Lake Submarket		Elk River Submrket	
Year	Single-Family	Multifamily	Single-Family	Multifamily	Single-Family	Multifamily	Single-Family	Multifamily
2010	15	0	28	0	5	0	15	53
2011	18	0	6	17	8	0	11	0
2012	42	0	12	0	9	0	36	0
2013	38	0	8	0	10	0	82	0
2014	26	0	9	0	9	0	71	68
2015	50	0	32	29	5	0	62	0
2016	33	0	56	38	6	0	75	0
2017	41	0	53	0	5	0	112	0
2018	32	0	112	0	11	0	162	40
2019	41	4	116	38	11	0	117	7
Total	**336**	**4**	**432**	**122**	**79**	**0**	**743**	**168**

	NE Submarket		NW Submarket[1]		Zimmerman Submarket		Sherburne County[2]	
Year	Single-Family	Multifamily	Single-Family	Multifamily	Single-Family	Multifamily	Single-Family	Multifamily
2010	4	0	41	0	1	0	68	53
2011	4	0	28	0	1	0	48	17
2012	0	0	50	0	3	0	102	0
2013	2	2	54	0	5	0	145	2
2014	8	4	95	0	18	4	141	76
2015	12	12	103	0	36	0	197	41
2016	8	0	102	0	49	0	227	38
2017	7	8	116	0	52	4	270	12
2018	89	12	122	0	92	14	506	66
2019	90	16	14	0	71	0	460	65
Total	**224**	**54**	**725**	**0**	**328**	**22**	**2,164**	**370**

[1]Data includes City of St. Cloud, some of which is located outside of the County.
[2]Data is not a sum of all submarkets.
Note: Building permit data not available for some cities and townships in the County.
Sources: Sherburne County; SOCDS; Maxfield Research & Consulting LLC

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 more "up-to-date" portrait of demographic, economic, social, and household characteristics every year, not just every ten years. The most recent ACS highlights data collected between 2014 and 2018. Tables HC-3 to HC-8 show key data for Sherburne County.

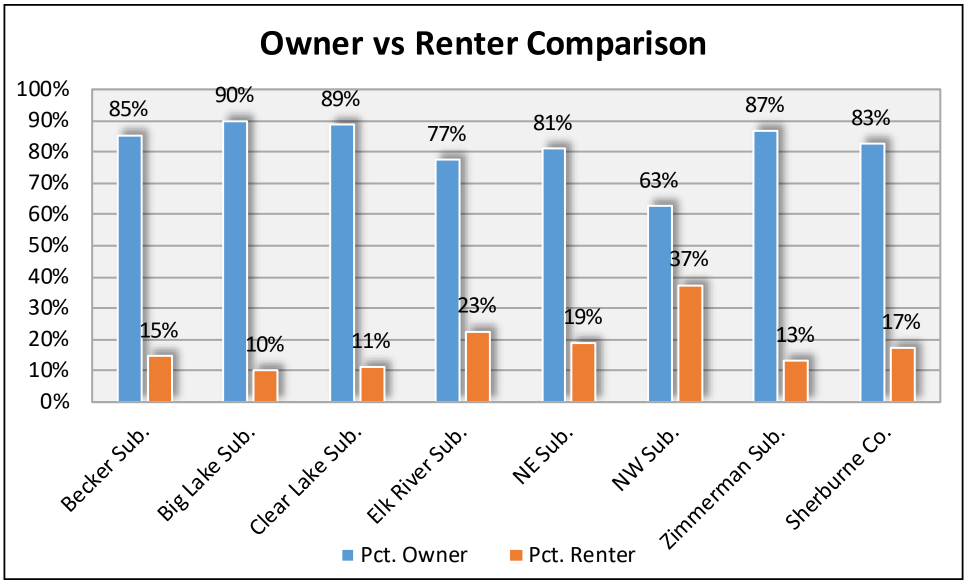
Housing Units by Occupancy Status & Tenure

Tenure is a key variable that analyzes the propensity for householders to rent or own their housing unit. Tenure is an integral statistic used by numerous governmental agencies and private sector industries to assess neighborhood stability. The Follow are key points from Table HC-3:

- Approximately 83% of housing units in Sherburne County were owner-occupied in the 2010 and 2018. The Big Lake submarket had the highest proportion of owner-occupied households (90%), while the Northwest submarket reported the highest share of renter-occupied households (37%) in 2018.

- Between 2010 and 2018, the Elk River submarket experienced the greatest increase in proportion of renter-occupied units increasing from 1,602 to 1,914, a gain of 19.5%.

- About 7% of Sherburne's housing stock was vacant in 2010 and decreased to 5% in 2018. It is important to note, however, that the Census's definition of vacant housing units includes: units that have been rented or sold, but not yet occupied, seasonal housing (vacation or second homes), housing for migrant workers, and even boarded-up housing. Thus, the U.S. Census vacancy figures are not always a true indicator of adequate housing available for new households wishing to move into the area.


Owner vs Renter Comparison
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
85%
15%
90%
10%
89%
11%
77%
23%
81%
19%
63%
37%
87%
13%
83%
17%
Becker Sub.
Big Lake Sub.
Clear Lake Sub.
Elk River Sub.
NE Sub.
NW Sub.
Zimmerman Sub.
Sherburne Co.
Pct. Owner
Pct. Renter

Household Percent Change 2010 - 2018

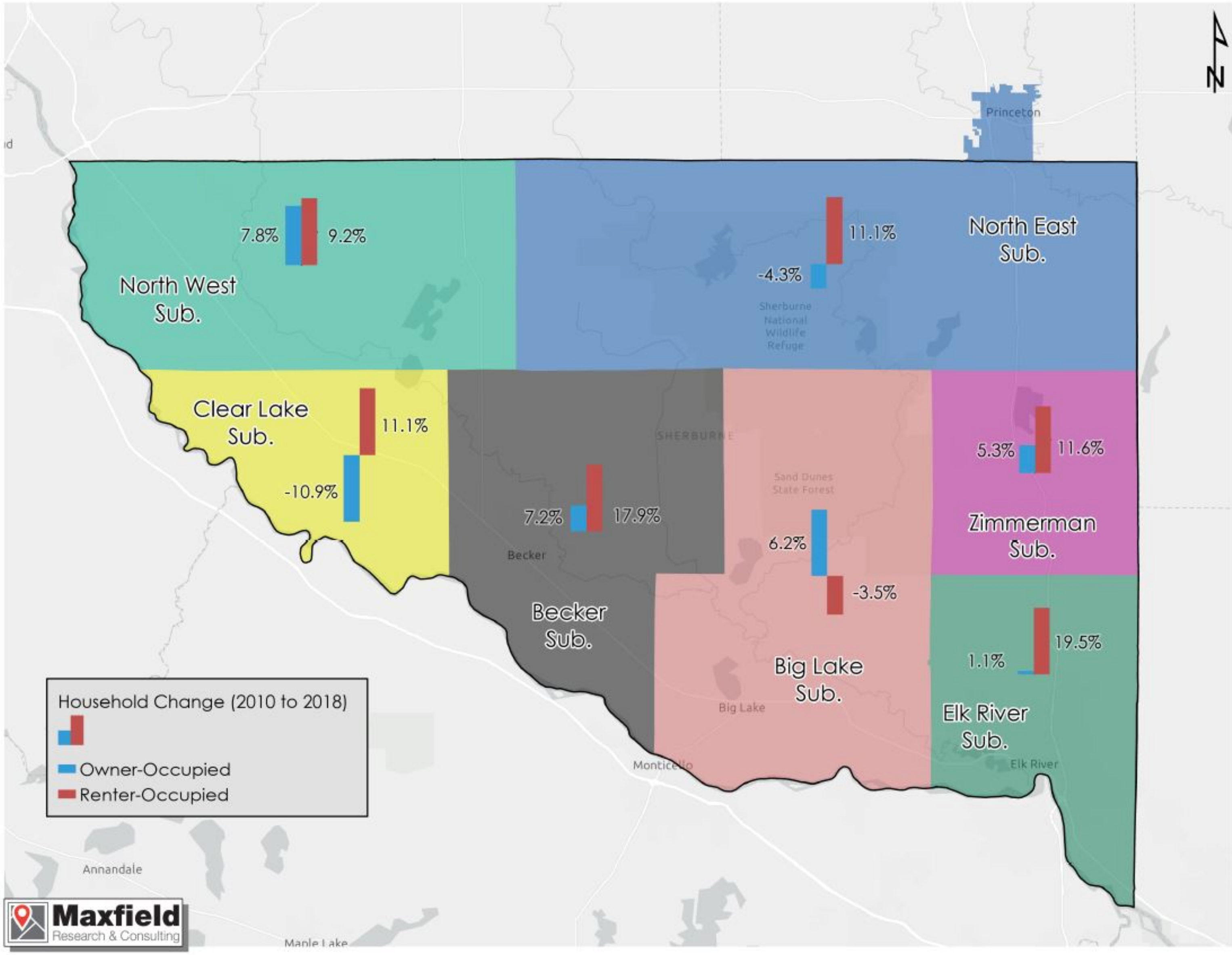


TABLE HC-3
HOUSING UNITS BY OCCUPANCY STATUS & TENURE
SHERBURNE COUNTY ANALYSIS AREA
2010 & 2018

	Becker Sub.		Big Lake Sub.		Clear Lake Sub.		Elk River Sub.		NE Sub.		NW Sub.		Zimmerman Sub.		Sherburne County		County Analysis Area	
Year/Occupancy	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**
2010																		
Owner-Occupied	2,615	82.0	6,226	83.2	791	79.3	6,478	75.8	4,620	78.0	2,489	56.4	3,237	82.6	25,194	77.8	26,456	76.8
Renter-Occupied	407	12.8	768	10.3	81	8.1	1,602	18.8	932	15.7	1,472	33.3	465	11.9	5,018	15.5	5,727	16.6
Total Occ. Hsg. Units	3,022	94.8	6,994	93.4	872	87.4	8,080	94.6	5,552	93.8	3,961	89.7	3,702	94.5	30,212	93.3	32,183	93.4
Vacant	166	5.2	491	6.6	126	12.6	462	5.4	368	6.2	454	10.3	216	5.5	2,167	6.7	2,283	6.6
Total Hsg. Units	**3,188**	**100.0**	**7,485**	**100.0**	**998**	**100.0**	**8,542**	**100.0**	**5,920**	**100.0**	**4,415**	**100.0**	**3,918**	**100.0**	**32,379**	**100.0**	**34,466**	**100.0**
2018																		
Owner-Occupied	2,803	81.2	6,609	86.1	705	77.0	6,549	74.6	4,420	73.9	2,683	58.1	3,409	84.6	26,230	78.2	27,178	76.6
Renter-Occupied	480	13.9	741	9.6	90	9.8	1,914	21.8	1,035	17.3	1,607	34.8	519	12.9	5,507	16.4	6,386	18.0
Total Occ. Hsg. Units	3,283	95.1	7,350	95.7	795	86.8	8,463	96.4	5,455	91.2	4,290	92.8	3,928	97.4	31,737	94.6	33,564	94.6
Vacant	170	4.9	330	4.3	121	13.2	317	3.6	527	8.8	331	7.2	103	2.6	1,805	5.4	1,899	5.4
Total Hsg. Units	**3,453**	**100.0**	**7,680**	**100.0**	**916**	**100.0**	**8,780**	**100.0**	**5,982**	**100.0**	**4,621**	**100.0**	**4,031**	**100.0**	**33,542**	**100.0**	**35,463**	**100.0**
Change																		
Owner-Occupied	188	7.2	383	6.2	-86	-10.9	71	1.1	-200	-4.3	194	7.8	172	5.3	1,036	4.1	722	2.7
Renter-Occupied	73	17.9	-27	-3.5	9	11.1	312	19.5	103	11.1	135	9.2	54	11.6	489	9.7	659	11.5
Total Occ. Hsg. Units	261	8.6	356	5.1	-77	-8.8	383	4.7	-97	-1.7	329	8.3	226	6.1	1,525	5.0	1,381	4.3
Vacant	4	2.4	-161	-32.8	-5	-4.0	-145	-31.4	159	43.2	-123	-27.1	-113	-52.3	-362	-16.7	-384	-16.8
Total Hsg. Units	**265**	**7.7**	**195**	**2.5**	**-82**	**-9.0**	**238**	**2.7**	**62**	**1.0**	**206**	**4.5**	**113**	**2.8**	**1,163**	**3.5**	**997**	**2.8**

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC

Age of Housing Stock

The following table shows the age distribution of the housing stock in 2018 based on data from the U.S. Census Bureau American Community Survey (5-Year). Table HC-4 includes the number of housing units built in Sherburne County, prior to 1940 and during each decade since.

- As of 2018, Sherburne County was estimated to have 31,737 housing units, of which roughly 83% were owner-occupied and 17% were renter-occupied. The Big Lake submarket is estimated to have the highest share of owner-occupied housing (90%), while the Northwest submarket has the highest share of renter-occupied housing (37%) in 2018.

- The Becker submarket has some of the newest housing stock with roughly 45% of its housing stock being built in the 2000s or newer, followed by the Zimmerman submarket (43%). As a whole, 34% of Sherburne County's housing stock has been built in the past two decades.

- Within the Northwest submarket, the largest share of housing was built in the 1970s (23%). The Northwest submarket also has the largest share of housing built prior to the 2000s (84%) in Sherburne County.

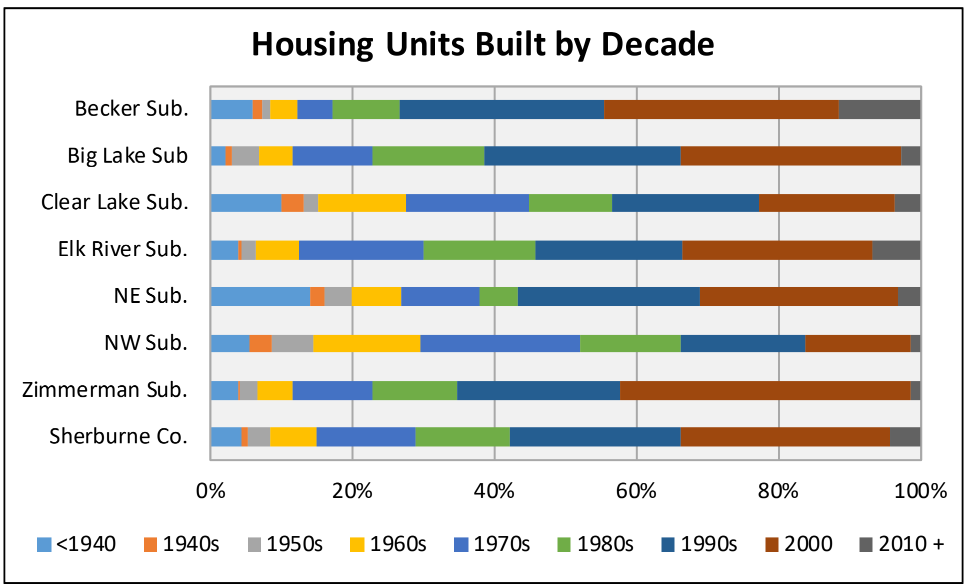


TABLE HC-4
AGE OF HOUSING STOCK
SHERBURNE COUNTY ANALYSIS AREA
2018

	Total Units	Med. Yr. Built	Year Unit Built: <1940 No.	Pct.	1940s No.	Pct.	1950s No.	Pct.	1960s No.	Pct.	1970s No.	Pct.	1980s No.	Pct.	1990s No.	Pct.	2000s No.	Pct.	2010 or later No.	Pct.
Becker Submarket																				
Owner-Occupied	2,803	1999	179	6.4	19	0.7	16	0.6	103	3.7	150	5.4	236	8.4	797	28.4	996	35.5	307	11.0
Renter-Occupied	480	1996	17	3.5	21	4.4	24	5.0	21	4.4	12	2.5	77	16.0	149	31.0	88	18.3	71	14.8
Total	**3,283**	**1998**	**196**	**6.0**	**40**	**1.2**	**40**	**1.2**	**124**	**3.8**	**162**	**4.9**	**313**	**9.5**	**946**	**28.8**	**1,084**	**33.0**	**378**	**11.5**
Big Lake Submarket																				
Owner-Occupied	6,609	1992	160	2.4	59	0.9	251	3.8	232	3.5	741	11.2	1,021	15.4	1,907	28.9	2,087	31.6	151	2.3
Renter-Occupied	741	1996	0	0.0	0	0.0	25	3.4	124	16.7	84	11.3	142	19.2	123	16.6	190	25.6	53	7.2
Total	**7,350**	**1992**	**160**	**2.2**	**59**	**0.8**	**276**	**3.8**	**356**	**4.8**	**825**	**11.2**	**1,163**	**15.8**	**2,030**	**27.6**	**2,277**	**31.0**	**204**	**2.8**
Clear Lake Submarket																				
Owner-Occupied	705	1992	66	9.4	24	3.4	17	2.4	68	9.6	126	17.9	88	12.5	154	21.8	136	19.3	26	3.7
Renter-Occupied	90	1984	14	15.6	0	0.0	0	0.0	30	33.3	11	12.2	5	5.6	11	12.2	17	18.9	2	2.2
Total	**795**	**1991**	**80**	**10.1**	**24**	**3.0**	**17**	**2.1**	**98**	**12.3**	**137**	**17.2**	**93**	**11.7**	**165**	**20.8**	**153**	**19.2**	**28**	**3.5**
Elk River Submarket																				
Owner-Occupied	6,549	1994	166	2.5	38	0.6	170	2.6	447	6.8	916	14.0	1,009	15.4	1,475	22.5	1,817	27.7	511	7.8
Renter-Occupied	1,914	1985	158	8.3	0	0.0	17	0.9	55	2.9	568	29.7	332	17.3	273	14.3	440	23.0	71	3.7
Total	**8,463**	**1992**	**324**	**3.8**	**38**	**0.4**	**187**	**2.2**	**502**	**5.9**	**1,484**	**17.5**	**1,341**	**15.8**	**1,748**	**20.7**	**2,257**	**26.7**	**582**	**6.9**
NE Submarket																				
Owner-Occupied	4,420	1997	430	9.7	93	2.1	172	3.9	187	4.2	556	12.6	254	5.7	1,234	27.9	1,404	31.8	90	2.0
Renter-Occupied	1,035	1986	337	32.6	21	2.0	34	3.3	190	18.4	41	4.0	41	4.0	165	15.9	121	11.7	85	8.2
Total	**5,455**	**1997**	**767**	**14.1**	**114**	**2.1**	**206**	**3.8**	**377**	**6.9**	**597**	**10.9**	**295**	**5.4**	**1,399**	**25.6**	**1,525**	**28.0**	**175**	**3.2**
NW Submarket																				
Owner-Occupied	2,683	1980	205	7.6	72	2.7	180	6.7	482	18.0	561	20.9	349	13.0	445	16.6	348	13.0	41	1.5
Renter-Occupied	1,607	1984	34	2.1	56	3.5	75	4.7	165	10.3	406	25.3	256	15.9	308	19.2	288	17.9	19	1.2
Total	**4,290**	**1979**	**239**	**5.6**	**128**	**3.0**	**255**	**5.9**	**647**	**15.1**	**967**	**22.5**	**605**	**14.1**	**753**	**17.6**	**636**	**14.8**	**60**	**1.4**
Zimmerman Submarket																				
Owner-Occupied	3,409	1998	104	3.1	10	0.3	76	2.2	161	4.7	372	10.9	331	9.7	849	24.9	1,471	43.2	35	1.0
Renter-Occupied	519	1981	47	9.1	0	0.0	21	4.0	35	6.7	77	14.8	134	25.8	60	11.6	145	27.9	0	0.0
Total	**3,928**	**1997**	**151**	**3.8**	**10**	**0.3**	**97**	**2.5**	**196**	**5.0**	**449**	**11.4**	**465**	**11.8**	**909**	**23.1**	**1,616**	**41.1**	**35**	**0.9**
Sherburne County																				
Owner-Occupied	26,230	1994	1,075	4.1	246	0.9	810	3.1	1,593	6.1	3,277	12.5	3,244	12.4	6,700	25.5	8,142	31.0	1,143	4.4
Renter-Occupied	5,507	1986	279	5.1	84	1.5	184	3.3	447	8.1	1,167	21.2	949	17.2	935	17.0	1,246	22.6	216	3.9
Total	**31,737**	**1993**	**1,354**	**4.3**	**330**	**1.0**	**994**	**3.1**	**2,040**	**6.4**	**4,444**	**14.0**	**4,193**	**13.2**	**7,635**	**24.1**	**9,388**	**29.6**	**1,359**	**4.3**
Sherburne County Analysis Area																				
Owner-Occupied	27,178	1994	1,310	4.8	315	1.2	882	3.2	1,680	6.2	3,422	12.6	3,288	12.1	6,861	25.2	8,259	30.4	1,161	4.3
Renter-Occupied	6,386	1985	607	9.5	98	1.5	196	3.1	620	9.7	1,199	18.8	987	15.5	1,089	17.1	1,289	20.2	301	4.7
Total	**33,564**	**1993**	**1,917**	**5.7**	**413**	**1.2**	**1,078**	**3.2**	**2,300**	**6.9**	**4,621**	**13.8**	**4,275**	**12.7**	**7,950**	**23.7**	**9,548**	**28.4**	**1,462**	**4.4**

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC

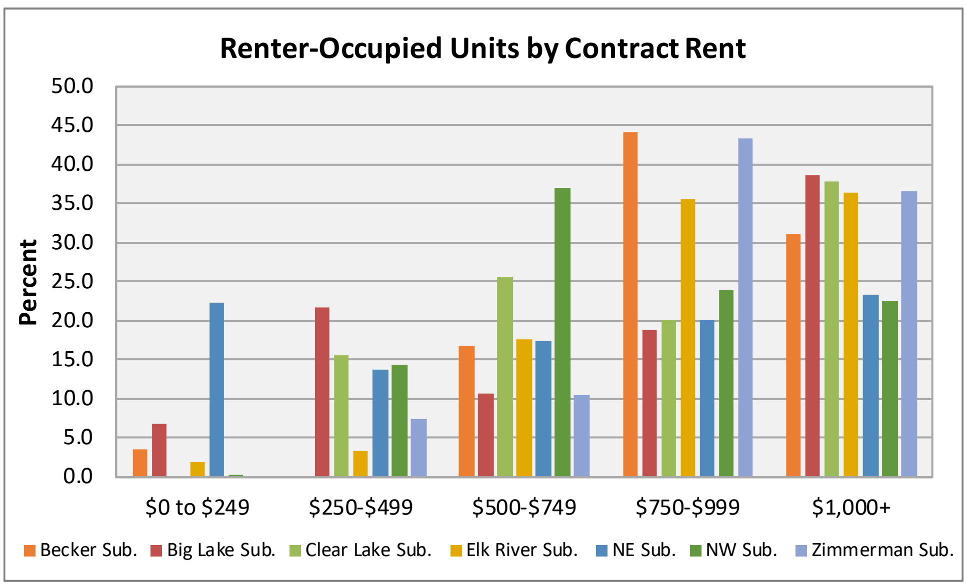
Renter-Occupied Units by Contract Rent

Table HC-5 presents information on the monthly housing costs for renters called contract rent (also known as asking rent). 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 Sherburne County was $854. Based on a 30% allocation of income to housing, a household in Sherburne County would need an annual income of about $34,160 (or $2,847/monthly) to afford an average monthly rent of $854.

- Approximately 32% of Sherburne County renters have monthly rents over $1,000, 30% of renters paying between $750 and $999, and 34% of renters pay less than $750.

- The most prevalent rent range in most submarkets was $1,000 or more. However, in the Becker and Zimmerman submarkets, the most common rent ranges were between $750 to $999, while in the Northwest submarket the highest proportion of rents ranged between $500 to $749.



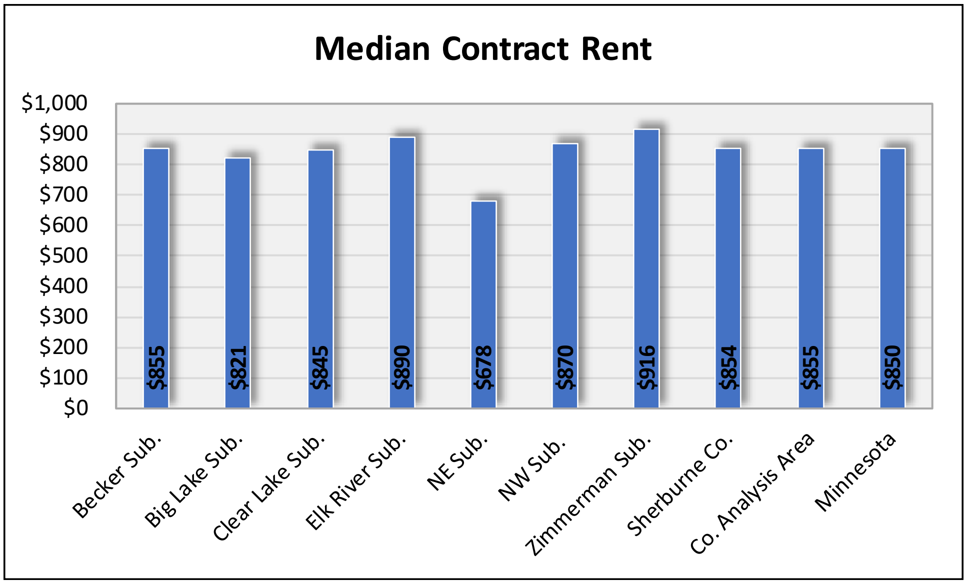

Median Contract Rent
$1,000
$900
$800
$700
$600
$500
$400
$300
$200
$100
$0
$855
$821
$845
$890
$678
$870
$916
$854
$855
$850
Becker Sub.
Big Lake Sub.
Clear Lake Sub.
Elk River Sub.
NE Sub.
NW Sub.
Zimmerman Sub.
Sherburne Co.
Co. Analysis Area
Minnesota

TABLE HC-5
RENTER-OCCUPIED UNITS BY CONTRACT RENT
SHERBURNE COUNTY
2018

	Becker Sub.		Big Lake Sub.		Clear Lake Sub.	
Contract Rent	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**
No Cash Rent	21	4.4	23	3.1	1	1.1
Cash Rent	459	95.6	718	96.9	89	98.9
$0 to $249	*17*	*3.5*	*51*	*6.9*	*0*	*0.0*
$250-$499	*0*	*0.0*	*161*	*21.7*	*14*	*15.6*
$500-$749	*81*	*16.9*	*79*	*10.7*	*23*	*25.6*
$750-$999	*212*	*44.2*	*140*	*18.9*	*18*	*20.0*
$1,000+	*149*	*31.0*	*287*	*38.7*	*34*	*37.8*
Total	**480**	**100.0**	**741**	**100.0**	**90**	**100.0**
Median Contract Rent	$855		$821		$845	

	Elk River Sub.		NE Sub.		NW Sub.	
Contract Rent	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**
No Cash Rent	95	5.0	33	3.2	29	1.8
Cash Rent	1,819	95.0	1,002	96.8	1,578	98.2
$0 to $249	*37*	*1.9*	*230*	*22.2*	*4*	*0.2*
$250-$499	*64*	*3.3*	*142*	*13.7*	*232*	*14.4*
$500-$749	*339*	*17.7*	*180*	*17.4*	*594*	*37.0*
$750-$999	*681*	*35.6*	*208*	*20.1*	*386*	*24.0*
$1,000+	*698*	*36.5*	*242*	*23.4*	*362*	*22.5*
Total	**1,914**	**100.0**	**1,035**	**100.0**	**1,607**	**100.0**
Median Contract Rent	$890		$678		$870	

	Zimmerman Sub.		Sherburne County		County Analysis Area	
Contract Rent	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**
No Cash Rent	12	2.3	196	3.6	214	3.4
Cash Rent	507	97.7	5,311	96.4	6,172	96.6
$0 to $249	*0*	*0.0*	*109*	*2.0*	339	5.3
$250-$499	*38*	*7.3*	*550*	*10.0*	651	10.2
$500-$749	*54*	*10.4*	*1,219*	*22.1*	1,350	21.1
$750-$999	*225*	*43.4*	*1,670*	*30.3*	1,870	29.3
$1,000+	*190*	*36.6*	*1,763*	*32.0*	1,962	30.7
Total	**519**	**100.0**	**5,507**	**100.0**	**6,386**	**100.0**
Median Contract Rent	$916		$854		$855	

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC

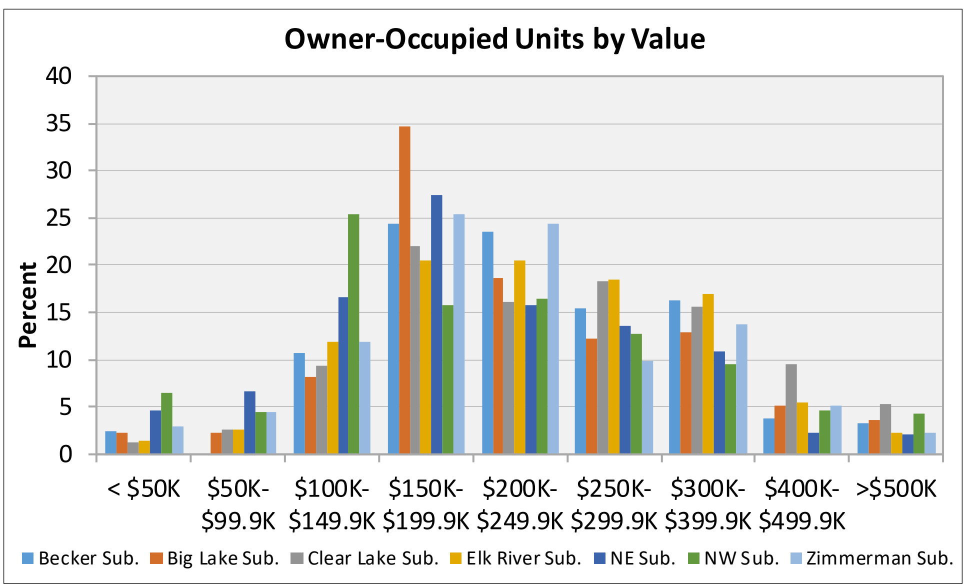
Owner-Occupied Housing Units by Value

Table HC-6 presents data on housing values summarized by nine price ranges. 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 both the land and the structure. For condominium units, value refers to only the unit.

- The median home value in Sherburne County was $217,200. The highest median home value was reported in the Clear Lake submarket ($248,556) which was 14% higher than Sherburne County, while the lowest was reported in the Northwest submarket ($194,427) or 11% lower than Sherburne County in 2018.

- Within Sherburne County, about 57% of homes were valued over $200,000. However, the highest proportion of homes the County were valued in the $150,000 to $199,999 grouping, combining for 26% of all homes.

- The Clear Lake, Elk River, and Becker submarkets, each reported the highest share of homes valued over $200,000 in Sherburne County. All three submarkets presented over 62% of owner-occupied homes valued over $200,000.



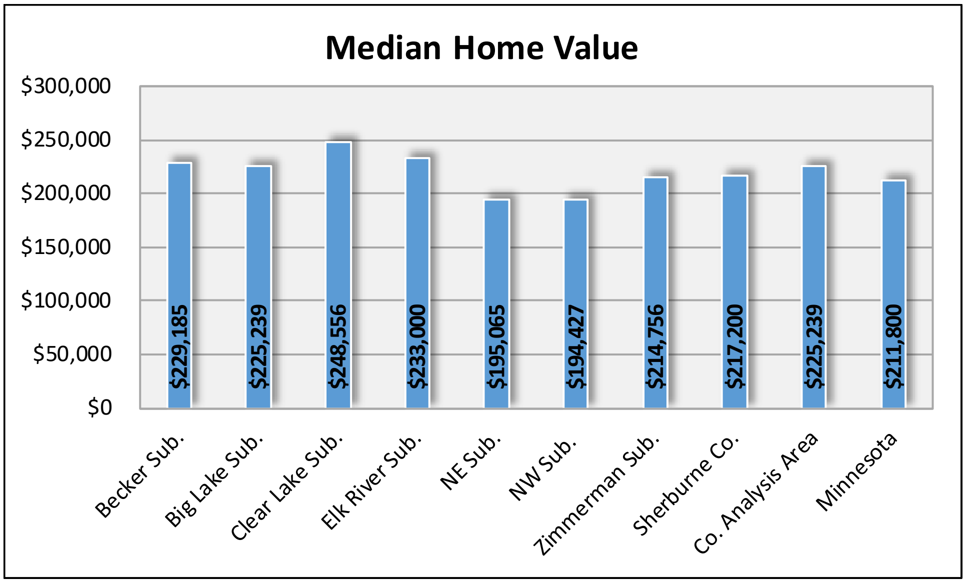

Median Home Value
$300,000
$250,000
$200,000
$150,000
$100,000
$50,000
$0
$229,185
$225,239
$248,556
$233,000
$195,065
$194,427
$214,756
$217,200
$225,239
$211,800
Becker Sub.
Big Lake Sub.
Clear Lake Sub.
Elk River Sub.
NE Sub.
NW Sub.
Zimmerman Sub.
Sherburne Co.
Co. Analysis Area
Minnesota

TABLE HC-6
OWNER-OCCUPIED UNITS BY VALUE
SHERBURNE COUNTY
2018

	Becker Sub.		Big Lake Sub.		Clear Lake Sub.	
Home Value	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**
Less than $50,000	68	2.4	146	2.2	9	1.3
$50,000-$99,999	0	0.0	153	2.3	18	2.6
$100,000-$149,999	301	10.7	541	8.2	66	9.4
$150,000-$199,999	683	24.4	2,293	34.7	155	22.0
$200,000-$249,999	661	23.6	1,236	18.7	114	16.2
$250,000-$299,999	432	15.4	804	12.2	129	18.3
$300,000-$399,999	457	16.3	858	13.0	110	15.6
$400,000-$499,999	107	3.8	336	5.1	67	9.5
Greater than $500,000	94	3.4	242	3.7	37	5.2
Total	**2,803**	**100.0**	**6,609**	**100.0**	**705**	**100.0**
Median Home Value	$229,185		$225,239		$248,556	

	Elk River Sub.		NE Sub.		NW Sub.	
Home Value	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**
Less than $50,000	92	1.4	208	4.7	176	6.6
$50,000-$99,999	173	2.6	294	6.7	122	4.5
$100,000-$149,999	777	11.9	735	16.6	680	25.3
$150,000-$199,999	1,342	20.5	1,210	27.4	423	15.8
$200,000-$249,999	1,348	20.6	698	15.8	443	16.5
$250,000-$299,999	1,205	18.4	597	13.5	340	12.7
$300,000-$399,999	1,109	16.9	484	11.0	258	9.6
$400,000-$499,999	355	5.4	99	2.2	126	4.7
Greater than $500,000	148	2.3	95	2.1	115	4.3
Total	**6,549**	**100.0**	**4,420**	**100.0**	**2,683**	**100.0**
Median Home Value	$233,000		$195,065		$194,427	

	Zimmerman Sub.		Sherburne County		County Analysis Area	
Home Value	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**
Less than $50,000	99	2.9	740	2.8	798	2.9
$50,000-$99,999	153	4.5	731	2.8	913	3.4
$100,000-$149,999	406	11.9	3,088	11.8	3,506	12.9
$150,000-$199,999	864	25.3	6,731	25.7	6,970	25.6
$200,000-$249,999	830	24.3	5,296	20.2	5,330	19.6
$250,000-$299,999	334	9.8	3,824	14.6	3,841	14.1
$300,000-$399,999	470	13.8	3,746	14.3	3,746	13.8
$400,000-$499,999	173	5.1	1,263	4.8	1,263	4.6
Greater than $500,000	80	2.3	811	3.1	811	3.0
Total	**3,409**	**100.0**	**26,230**	**100.0**	**27,178**	**100.0**
Median Home Value	$214,756		$217,200		$225,239	

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC

Owner-Occupied Housing Units by Mortgage Status

Table HC-7 shows mortgage status and average values from the American Community Survey for 2017 (5-Year). Mortgage status provides information on the cost of homeownership when analyzed in conjunction with mortgage payment data. A mortgage refers to all forms of debt where the property is pledged as security for repayment of debt. A first mortgage has priority claim over any other mortgage or if it is the only mortgage. A second (and sometimes third) mortgage is called a “junior mortgage,” a home equity line of credit (HELOC) would also fall into this category. Finally, a housing unit without a mortgage is owned free and clear and is debt free.

- Approximately 78% of Sherburne County homeowners have a mortgage and about 16% of homeowners with mortgages in Sherburne County also have a second mortgage and/or home equity loan. The median value of a house with a mortgage is $218,000, while the median value of a house without a mortgage is $214,200.

- The Clear Lake submarket had the highest proportion of homes without a mortgage (36%) followed by the Northwest submarket (35%). The Zimmerman submarket posted the highest share of homes with a mortgage/debt (85%).

- Where debt other than a mortgage was reported, it was most likely to be a home equity loan only, with 10% of homes with a mortgage in Sherburne County carrying a home equity loan.

- Housing units with a mortgage reported a higher median value than those without a mortgage in four of the seven submarkets, including the Big Lake, Clear Lake, and Northwest submarkets. The Clear Lake submarket reported the largest disparity as homes with a mortgage had a median value of $241,661, compared to $261,389 for homes without a mortgage, an 8% difference.

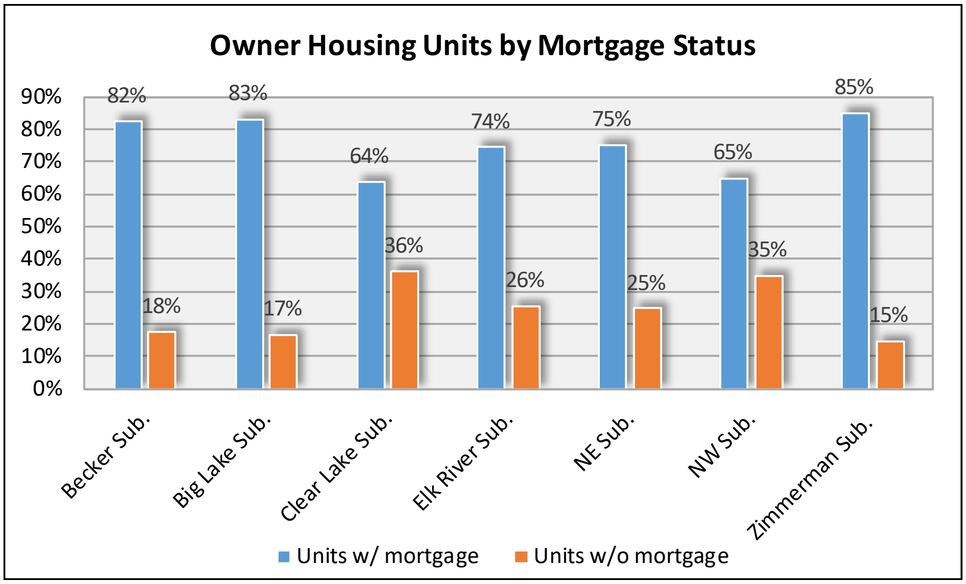
TABLE HC-7
OWNER-OCCUPIED HOUSING UNITS BY MORTGAGE STATUS
SHERBURNE COUNTY ANALYSIS AREA
2018

Mortgage Status	Becker Sub. No.	Becker Sub. Pct.	Big Lake Sub. No.	Big Lake Sub. Pct.	Clear Lake Sub. No.	Clear Lake Sub. Pct.
Housing units without a mortgage	493	17.6	1,110	16.8	255	36.2
Housing units with a mortgage/debt	2,310	82.4	5,499	83.2	450	63.8
Second mortgage only	242	*8.6*	284	*4.3*	16	*2.3*
Home equity loan only	233	*8.3*	839	*12.7*	46	*6.5*
Both second mortgage and equity loan	14	*0.5*	22	*0.3*	0	*0.0*
No second mortgage or equity loan	1,821	*65.0*	4,354	*65.9*	388	*55.0*
Total	**2,803**	**100.0**	**6,609**	**100.0**	**705**	**100.0**
Median Value by Mortgage Status						
Housing units with a mortgage	$233,310		$221,524		$241,661	
Housing units without a mortgage	$219,763		$237,328		$261,389	

Mortgage Status	Elk River Sub. No.	Elk River Sub. Pct.	NE Sub. No.	NE Sub. Pct.	NW Sub. No.	NW Sub. Pct.
Housing units without a mortgage	1,677	25.6	1,093	24.7	939	35.0
Housing units with a mortgage/debt	4,872	74.4	3,327	75.3	1,744	65.0
Second mortgage only	246	*3.8*	199	4.5	83	3.1
Home equity loan only	561	*8.6*	526	11.9	163	6.1
Both second mortgage and equity loan	46	*0.7*	12	0.3	32	1.2
No second mortgage or equity loan	4,019	*61.4*	2,590	58.6	1,466	54.6
Total	**6,549**	**100.0**	**4,420**	**100.0**	**2,683**	**100.0**
Median Value by Mortgage Status						
Housing units with a mortgage	$240,800		$193,005		$192,417	
Housing units without a mortgage	$199,900		$180,713		$200,300	

Mortgage Status	Zimmerman Sub. No.	Zimmerman Sub. Pct.	Sherburne County No.	Sherburne County Pct.	County Analysis Area No.	County Analysis Area Pct.
Housing units without a mortgage	507	14.9	5,824	22.2	6,074	22.3
Housing units with a mortgage/debt	2,902	85.1	20,406	77.8	21,104	77.7
Second mortgage only	210	6.2	1,253	4.8	1,280	4.7
Home equity loan only	397	11.6	2,693	10.3	2,765	10.2
Both second mortgage and equity loan	30	0.9	156	0.6	156	0.6
No second mortgage or equity loan	2,265	66.4	16,304	62.2	16,903	62.2
Total	**3,409**	**100.0**	**26,230**	**100.0**	**27,178**	**100.0**
Median Value by Mortgage Status						
Housing units with a mortgage	$218,257		$218,000		$221,524	
Housing units without a mortgage	$194,030		$214,200		$200,300	

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consuilting, LLC



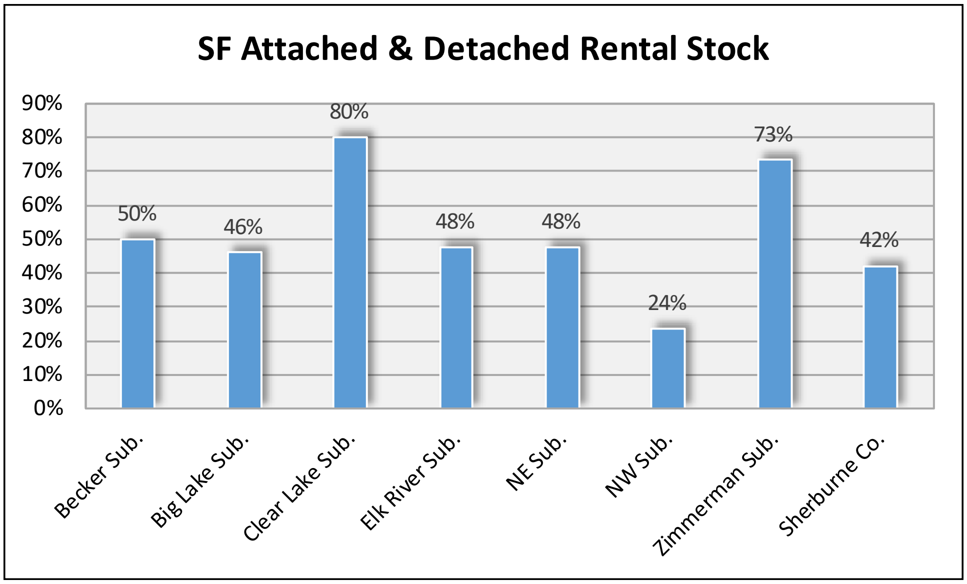
Housing Units by Structure and Tenure or (Housing Stock by Structure Type)

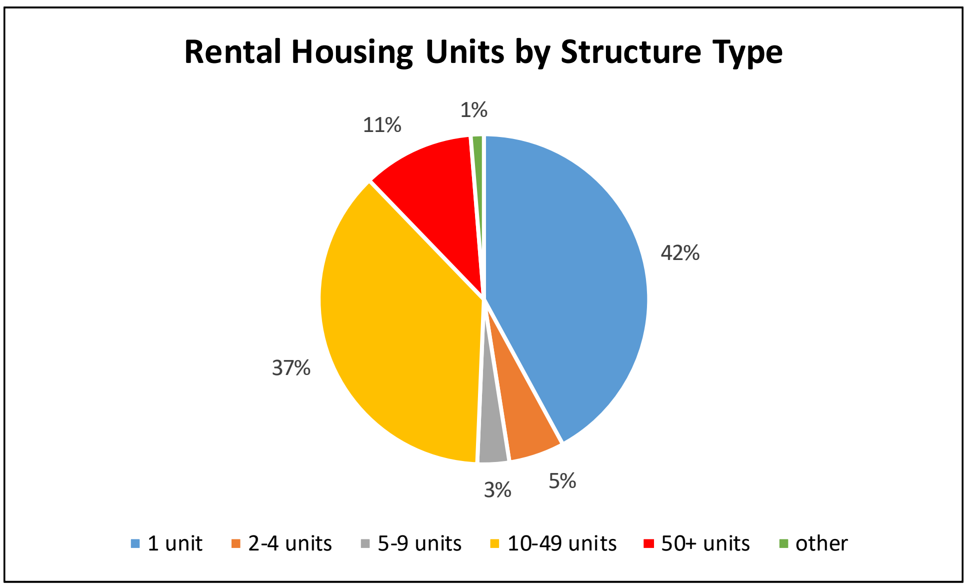
Table HC-8 shows the housing stock throughout Sherburne County by type of structure and tenure as of 2018.

- The dominant housing type in Sherburne County is the single-family detached home, representing an estimated 93% of all owner-occupied housing units and 30% of renter-occupied housing units as of 2018.

- About 12% of the renter-occupied housing units in Sherburne County are single-family attached homes (townhomes), while 49% are within structures that have 10 or more units.

- Within the Northwest and Elk River submarkets, rental units are more diverse compared to the other submarkets. Single-family detached units still represent a large share of the rental stock, however structures 10 to 19 made up the largest share in the Elk River submarket (26%), while structures with 20 to 49 units made up the largest share in the Northwest submarket (37%).


SF Attached & Detached Rental Stock
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
50%
46%
80%
48%
48%
24%
73%
42%
Becker Sub.
Big Lake Sub.
Clear Lake Sub.
Elk River Sub.
NE Sub.
NW Sub.
Zimmerman Sub.
Sherburne Co.


Rental Housing Units by Structure Type
1%
11%
42%
37%
3%
5%
1 unit
2-4 units
5-9 units
10-49 units
50+ units
other

Owner Vs Renter-Occupied Housing

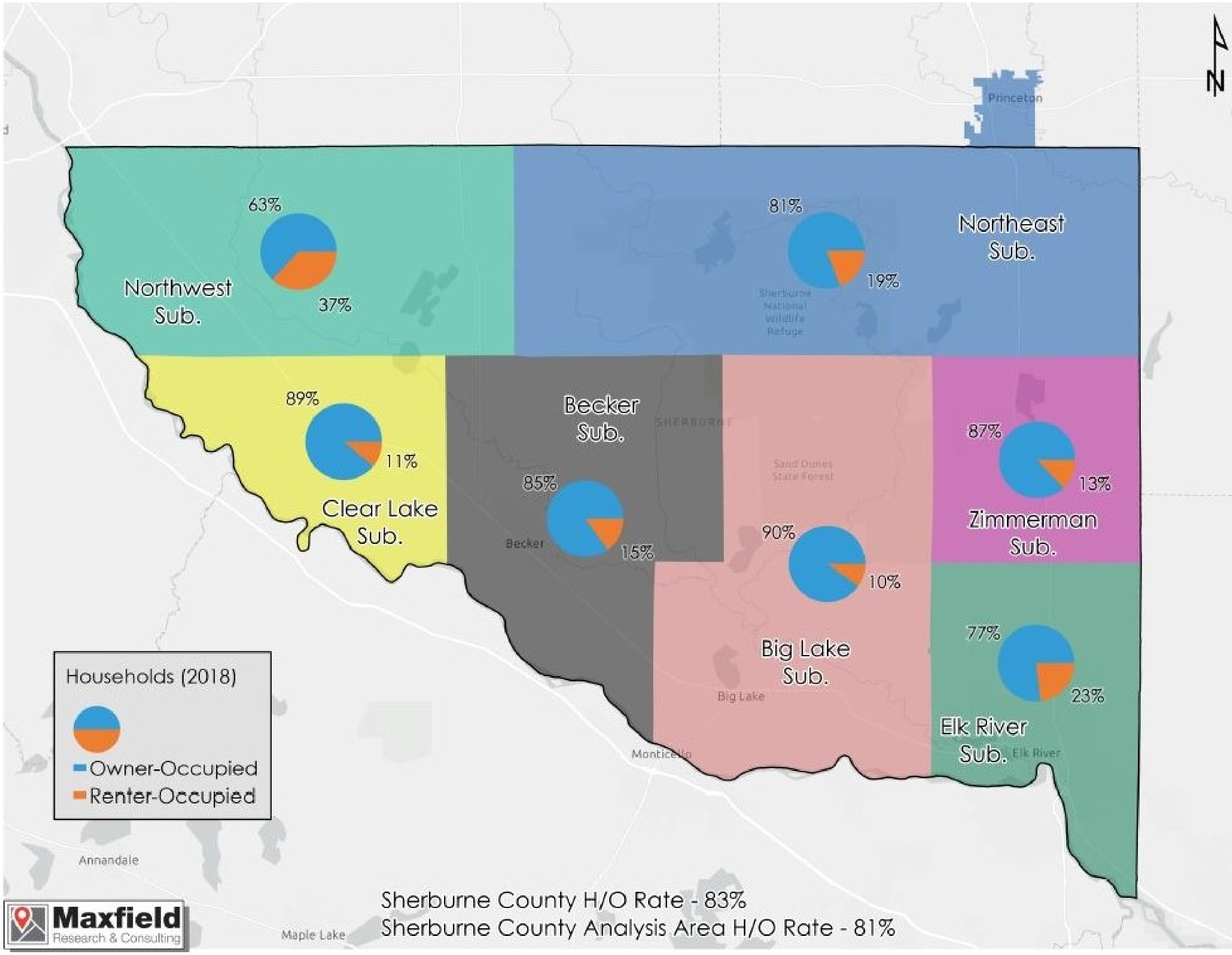


TABLE HC-8
HOUSING UNITS BY STRUCTURE & TENURE
SHERBURNE COUNTY ANALYSIS AREA
2018

	Becker Submarket				Big Lake Submarket				Clear Lake Submarket			
Units in Structure	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
1, detached	2,625	93.6%	221	46.0%	6,361	96.2%	333	44.9%	691	98.0%	67	74%
1, attached	160	5.7%	19	4.0%	113	1.7%	8	1.1%	10	1.4%	5	6%
2	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0%
3 to 4	0	0.0%	0	0.0%	16	0.2%	0	0.0%	0	0.0%	10	11%
5 to 9	0	0.0%	40	8.3%	15	0.2%	17	2.3%	0	0.0%	0	0%
10 to 19	0	0.0%	150	31.3%	8	0.1%	65	8.8%	0	0.0%	8	9%
20 to 49	0	0.0%	41	8.5%	0	0.0%	198	26.7%	0	0.0%	0	0%
50 or more	0	0.0%	9	1.9%	12	0.2%	49	6.6%	0	0.0%	0	0%
Mobile home	18	0.6%	0	0.0%	84	1.3%	71	9.6%	4	0.6%	0	0%
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0%
Total	**2,803**	**100%**	**480**	**100%**	**6,609**	**100%**	**741**	**100%**	**705**	**100%**	**90**	**100%**

	Elk River Submarket				NE Submarket				NW Submarket			
Units in Structure	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
1, detached	5,675	86.7%	422	22%	4,015	90.8%	396	38.3%	2,565	95.6%	241	15.0%
1, attached	680	10.4%	328	17%	217	4.9%	97	9.4%	74	2.8%	137	8.5%
2	0	0.0%	80	4%	29	0.7%	17	1.6%	7	0.3%	29	1.8%
3 to 4	97	1.5%	102	5%	0	0.0%	40	3.9%	14	0.5%	63	3.9%
5 to 9	0	0.0%	54	3%	0	0.0%	44	4.3%	0	0.0%	38	2.4%
10 to 19	12	0.2%	503	26%	0	0.0%	175	16.9%	0	0.0%	152	9.5%
20 to 49	0	0.0%	231	12%	0	0.0%	252	24.3%	0	0.0%	598	37.2%
50 or more	0	0.0%	194	10%	0	0.0%	14	1.4%	0	0.0%	349	21.7%
Mobile home	85	1.3%	0	0%	156	3.5%	0	0.0%	8	0.3%	0	0.0%
Boat, RV, van, etc.	0	0.0%	0	0%	3	0.1%	0	0.0%	15	0.6%	0	0.0%
Total	**6,549**	**100%**	**1,914**	**100%**	**4,420**	**100%**	**1,035**	**100%**	**2,683**	**100%**	**1,607**	**100%**

	Zimmerman Submarket				Sherburne County				Sherburne County Analysis Area			
Units in Structure	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
1, detached	3,209	94.1%	236	45%	24,377	92.9%	1,676	30%	25,141	92.5%	1,916	30%
1, attached	133	3.9%	144	28%	1,272	4.8%	641	12%	1,387	5.1%	738	12%
2	0	0.0%	16	3%	7	0.0%	125	2%	36	0.1%	142	2%
3 to 4	0	0.0%	0	0%	127	0.5%	175	3%	127	0.5%	215	3%
5 to 9	0	0.0%	23	4%	15	0.1%	172	3%	15	0.1%	216	3%
10 to 19	0	0.0%	23	4%	20	0.1%	901	16%	20	0.1%	1,076	17%
20 to 49	0	0.0%	77	15%	0	0.0%	1,145	21%	0	0.0%	1,397	22%
50 or more	0	0.0%	0	0%	12	0.0%	601	11%	12	0.0%	615	10%
Mobile home	67	2.0%	0	0%	382	1.5%	71	1%	422	1.6%	71	1%
Boat, RV, van, etc.	0	0.0%	0	0%	18	0.1%	0	0%	18	0.1%	0	0%
Total	**3,409**	**100%**	**519**	**100%**	**26,230**	**100%**	**5,507**	**100%**	**27,178**	**100%**	**6,386**	**100%**

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC

Introduction

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 Growth and Projections

Table E-1 shows projected employment growth for the Central Planning Region and the Seven County Twin Cities Planning Region. The Central Planning Region encompasses Benton, Chisago, Isanti, Kanabec, Kandiyohi, McLeod, Meeker, Mille Lacs, Pine, Renvillle, Sherburne, Stearns, and Wright County. Table E-1 shows employment growth trends and projections for 2016 to 2026 based on the most recent Minnesota Department of Employment and Economic Development (DEED) employment outlook projections.

- There was an estimated total of 310,433 jobs in the Central Planning Region in 2016, which was 10% of the State of Minnesota total (3,097,300 jobs).

- The number of jobs in the Central Planning Region is projected to grow by 26,629 jobs from 2016 through 2026 (8.6%). This projection is higher than what is expected for the Twin Cities Metro Area (6.8%) and the State of Minnesota (5.9%). Job creation in Sherburne County continues to grow, making the County more appealing for housing.

TABLE E-1
EMPLOYMENT GROWTH TRENDS AND PROJECTIONS
SHERBURNE COUNTY ANALYSIS AREA
2016 - 2026

	Employment		Change	
	Estimate	Forecast	2014 - 2024	
	2016	2026	No.	Pct.
Central Planning Region	**310,433**	**337,062**	**26,629**	**8.6%**
Twin Cities Metro Area	1,878,351	2,006,300	127,949	6.8%
Minnesota	3,097,300	3,278,900	181,600	5.9%

Note: Central Planning Region - Benton, Chisago, Isanti, Kanabec, Kandiyohi, McLeod, Meeker, Mille Lacs, Pine, Renvillle, Sherburne, Stearns, & Wright Counties; Twin Cities Metro - Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, Washington Counties.

Sources: MN DEED; Maxfield Research & Consulting, LLC.

Resident Employment

Recent employment growth trends are shown in Tables E-2, which presents resident employment data for Sherburne County from 2000 through 2019, as compared to the State of Minnesota and the United States. Resident employment data is calculated as an annual average *and reveals the work force and number of employed persons living in that area*. It is important to note that not all of these individuals necessarily work in the associated City or County and could be employed elsewhere. The following are key trends derived from the employment data:

- Resident employment (number of employed persons) in Sherburne County increased by approximately 13,731 people between 2000 and 2019 (37.4%) and the unemployment rate increased from 3.0% in 2000 to 3.6% in 2019. By comparison, Minnesota's unemployment rate was at 3.3% and the United States was at 3.7% as of 2019.

- Sherburne County's unemployment rate has mirrored the Twin Cities Metro Area and Minnesota's unemployment rate and has remained slightly higher since 2008. The greatest yearly difference was 1.3% higher than Minnesota in 2009.

- The unemployment rate in Sherburne County increased to a high of 9.1% (2009) which was the peak of the recession. However, as of year-end 2019, the unemployment rate has fallen 5.5% to 3.6%, which is considered below equilibrium (5.0%).

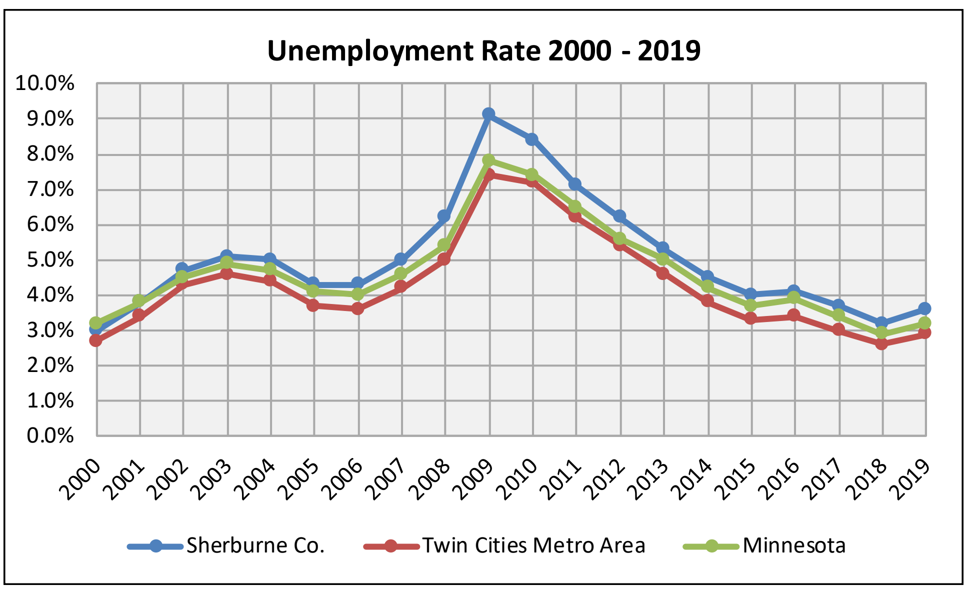


TABLE E-2 ANNUAL AVERAGE RESIDENT EMPLOYMENT SHERBURNE COUNTY ANALYSIS AREA 2000 to 2019				
Year	**Labor Force**	**Employed**	**Unemployed**	**Rate**
Sherburne County				
2000	37,904	36,748	1,156	3.0%
2005	46,529	44,513	2,016	4.3%
2010	48,989	44,866	4,123	8.4%
2015	49,462	47,487	1,975	4.0%
2018	51,700	50,069	1,631	3.2%
2019	52,364	50,479	1,885	3.6%
Change 2000-2019				
Number	14,460	13,731	729	--
Percent	38.1%	37.4%	63.1%	--
Minnesota				
2000	2,812,947	2,724,117	88,830	3.2%
2010	2,938,795	2,721,194	217,601	7.4%
2015	2,997,748	2,887,132	110,616	3.7%
2019	3,113,673	3,011,146	102,527	3.3%
U.S. [2]				
2000	142,583	136,891	5,692	4.0%
2010	153,889	139,064	14,825	9.6%
2015	157,130	148,833	8,297	5.3%
2019	163,539	157,538	6,001	3.7%

[2] Estimated in Thousands
Note: Data not seasonally adjusted
Sources: U.S. Department of Labor, MN Workforce Center, Maxfield Research & Consulting LLC

Covered Employment & Wage Trends

Table E-3 presents covered employment numbers as available for Sherburne County from 2013 through the third quarter of 2019. 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 Table E-3, but not all positions are included. The data in both tables is sourced from the Minnesota Department of Employment and Economic Development. The following are key trends derived from the employment data:

- Between 2013 and Q3 2019, the number of jobs increased in Sherburne County by 1,383, a 5.5% increase in the County. The Manufacturing sector gained the greatest number of jobs (931 jobs) between 2013 and Q3 2019. The Information, Professional & Business Services, and Education & Health Services sectors all declined between 2013 to Q3 2019.

- As of Q3 2019, the Trade, Transportation, & Utilities industry accounted for the largest share of employment in Sherburne County, with 5,967 employees accounting for 22% of employment. Between 2013 and Q3 2019, the Trade, Transportation, & Utilities sector has grown by 79 employees, an increase of approximately 1.3%.

- The next two largest employment sectors were the Education and Health Services sector, which accounted for 21% of employment in Q3 2019 and the Manufacturing sector, which accounted for 16% of employment.

- Between 2013 and Q3 2019, the Natural Resources & Mining industry experienced the largest proportional growth in the County, increasing by 80% (281 jobs). The Information sector experienced the largest proportional decline, decreasing by 58% (87 jobs)).

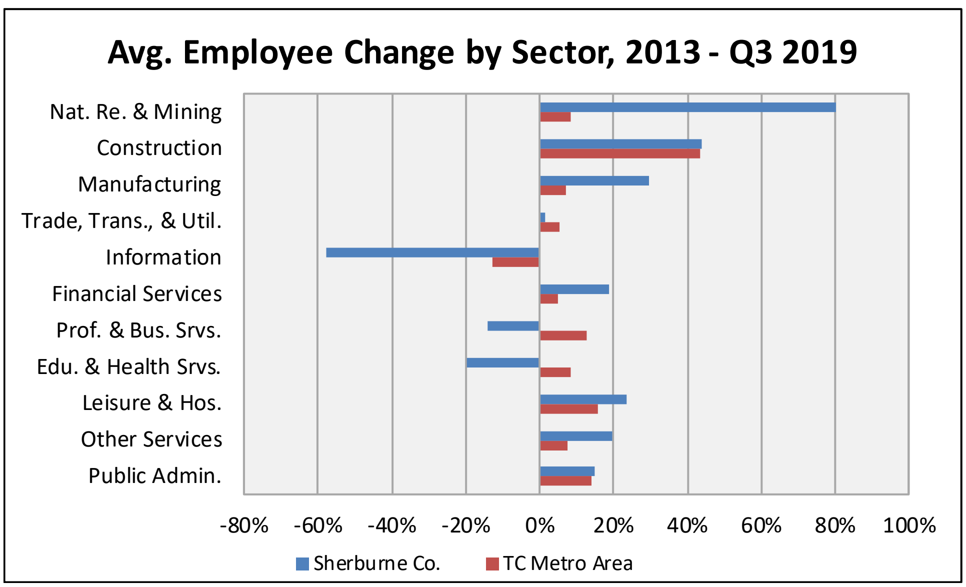


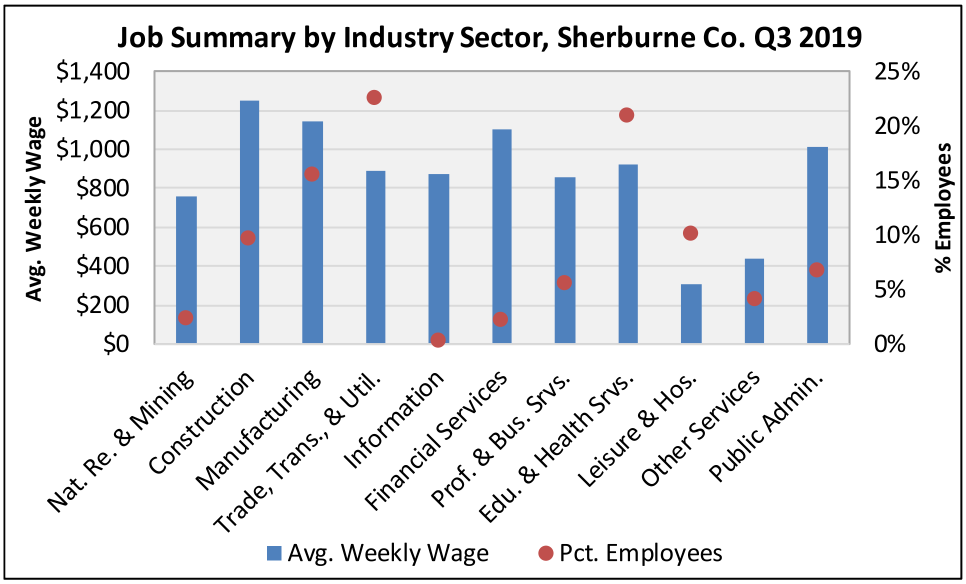
TABLE E-3 COVERED EMPLOYMENT TRENDS SHERBURNE COUNTY ANALYSIS AREA 2013 - Q3 2019 North American Industrial Classification System (NAICS)						
Sherburne County					**Change**	
Average Number of Employees					**2013 - Q3 2019**	
Industry	2013	2015	2017	Q3 2019	No.	Pct.
Natural Resources & Mining	351	374	419	632	281	80.1
Construction	1,773	2,020	2,123	2,547	774	43.7
Manufacturing	3,155	3,548	3,702	4,086	931	29.5
Trade, Transportation & Utilities	5,888	6,036	6,062	5,967	79	1.3
Information	150	162	99	63	-87	-58.0
Financial Services	475	432	498	564	89	18.7
Professional and Business Services	1,701	1,840	1,784	1,464	-237	-13.9
Education and Health Services	6,906	6,343	5,871	5,533	-1,373	-19.9
Leisure and Hospitality	2,175	2,256	2,337	2,685	510	23.4
Other Services	917	931	998	1,098	181	19.7
Public Administration	1,566	1,642	1,702	1,801	235	15.0
Totals	**25,059**	**25,585**	**25,600**	**26,442**	**1,383**	**5.5**
Twin Cities Metro Area					**Change**	
Average Number of Employees					**2013 - Q3 2019**	
Industry	2013	2015	2017	Q3 2019	No.	Pct.
Natural Resources & Mining	3,688	3,427	3,645	4,000	312	8.5
Construction	57,496	66,709	70,243	82,361	24,865	43.2
Manufacturing	162,814	168,480	169,617	174,402	11,588	7.1
Trade, Transportation & Utilities	303,074	313,380	325,962	319,028	15,954	5.3
Information	40,639	38,798	37,812	35,393	-5,246	-12.9
Financial Services	136,971	137,046	135,025	143,762	6,791	5.0
Professional and Business Services	269,885	277,443	294,321	303,771	33,886	12.6
Education and Health Services	366,191	380,336	401,417	396,541	30,350	8.3
Leisure and Hospitality	159,264	164,825	173,158	184,561	25,297	15.9
Other Services	54,104	56,000	57,148	58,188	4,084	7.5
Public Administration	66,483	68,847	71,206	75,803	9,320	14.0
Totals	**1,620,612**	**1,675,292**	**1,762,014**	**1,777,813**	**157,201**	**9.7**
Source: MN Employment & Economic Development, Maxfield Research & Consulting, LLC						

Table E-4 displays information on average weekly wages in Sherburne County compared to the Twin Cities Metro Area. The Quarterly Census of Employment and Wages (QCEW) data is sourced from Minnesota Employment and Economic Development (MN DEED) for the annual average of 2013 through the third quarter of 2019, the most recent annual data available. All establishments covered under the Unemployment Insurance (UI) Program are required to report wage and employment statistics quarterly to MN DEED. Federal government establishments are also covered by the QCEW program.

It should be noted that certain industries in the table may not display any information which means that there is either no reported economic activity for that industry or the data has been suppressed to protect the confidentiality of cooperating employers. This generally occurs when there are too few employers, or one employer comprises too much of the employment in that geography. Additionally, the MN DEED combines any government workers into the Public Administration sector, rather than the descriptive sector. For instance, a county hospital worker is categorized under Public Administration rather than Educational and Health Services.

- The Education & Health Services sector witnessed the largest growth increasing average weekly wages by $243 (36%) between 2013 to Q3 2019. The Financial Services sector experienced the second largest growth, increasing by $225 (25%).

- Wages in Sherburne County were lower in each industry category compared to the Twin Cities Metro Area. The smallest differences resulting in the Education and Health Services sector ($113 lower), while the largest difference was in the Professional and Business Services sector ($725 lower).



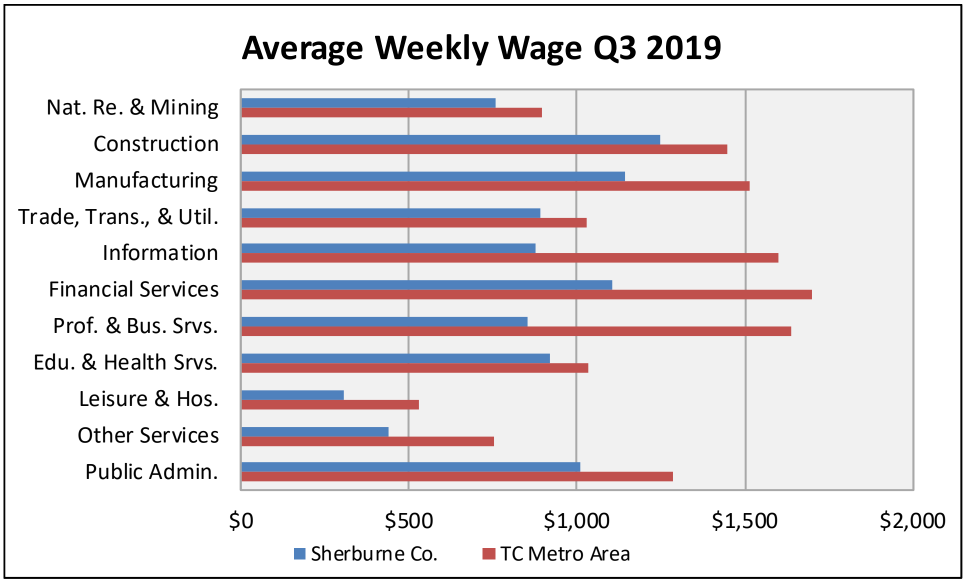

Average Weekly Wage Q3 2019
Nat. Re. & Mining
Construction
Manufacturing
Trade, Trans., & Util.
Information
Financial Services
Prof. & Bus. Srvs.
Edu. & Health Srvs.
Leisure & Hos.
Other Services
Public Admin.
$0
$500
$1,000
$1,500
$2,000
Sherburne Co.
TC Metro Area

TABLE E-4 WAGE TRENDS SHERBURNE COUNTY ANALYSIS AREA 2013 - Q3 2019 North American Industrial Classification System (NAICS)						
Sherburne County					**Change**	
Average Weekly Wage					**2013 - Q3 2019**	
Industry	2013	2015	2017	Q3 2019	No.	Pct.
Natural Resources & Mining	$636	$729	$767	$759	$123	19.3
Construction	$1,060	$115	$1,130	$1,247	$187	17.6
Manufacturing	$991	$1,019	$1,092	$1,144	$153	15.4
Trade, Transportation & Utilities	$812	$875	$868	$893	$81	10.0
Information	$869	$867	$858	$875	$6	0.7
Financial Services	$882	$963	$996	$1,107	$225	25.5
Professional and Business Services	$702	$732	$793	$854	$152	21.7
Education and Health Services	$677	$708	$823	$920	$243	35.9
Leisure and Hospitality	$226	$248	$279	$304	$78	34.5
Other Services	$371	$380	$406	$440	$69	18.6
Public Administration	$887	$950	$986	$1,010	$123	13.9
Totals	**$744**	**$793**	**$843**	**$900**	**$156**	**21.0**
Twin Cities Metro Area					**Change**	
Average Weekly Wage					**2013 - Q3 2019**	
Industry	2013	2015	2017	Q3 2019	No.	Pct.
Natural Resources & Mining	$803	$870	$899	$898	$95	11.8
Construction	$1,216	$1,304	$1,388	$1,448	$232	19.1
Manufacturing	$1,339	$1,426	$1,472	$1,512	$173	12.9
Trade, Transportation & Utilities	$930	$984	$1,026	$1,030	$100	10.8
Information	$1,393	$1,507	$1,551	$1,600	$207	14.9
Financial Services	$1,728	$1,886	$1,934	$1,698	-$30	-1.7
Professional and Business Services	$1,451	$1,560	$1,674	$1,640	$189	13.0
Education and Health Services	$910	$959	$989	$1,033	$123	13.5
Leisure and Hospitality	$413	$449	$482	$528	$115	27.8
Other Services	$616	$660	$710	$755	$139	22.6
Public Administration	$1,074	$1,151	$1,216	$1,285	$211	19.6
Totals	**$1,087**	**$1,160**	**$1,210**	**$1,216**	**$129**	**11.9**
Source: MN Employment & Economic Development, Maxfield Research & Consulting, LLC						

Business Summary

Table E-5 displays business summary information by North American Industry Classification System (NAICS) codes in Sherburne County. This data sourced from ESRI for 2019.

It should be noted that certain industries in Table E-5 may not display any information which means that there is either no reported economic activity for that industry or the data has been suppressed to protect the confidentiality of cooperating employers. This generally occurs when there are too few employers, or one employer comprises too much of the employment in that geography.

- As of 2019, there were almost 2,500 businesses in Sherburne County.
- The Construction sector has the highest proportion of establishments (13.8%), while the Retail Trade has the highest proportion of employees (13.9%) in Sherburne County.
- The Retail Trade sector accounts for nearly the same share of businesses and employees, accounting for 13.4% of businesses and 13.9% of employees.

TABLE E-5
BUSINESS SUMMARY - BY NAICS CODE
SHERBURNE COUNTY ANALYSIS AREA
2019

Business/Industry	Businesses		Employees	
	Number	Pct	Number	Pct
NAICS CODES				
Agriculture, Forestry, Fishing & Hunting	25	1.0%	129	0.5%
Mining	1	0.0%	5	0.0%
Utilities	2	0.1%	39	0.1%
Construction	346	13.8%	2,214	8.4%
Manufacturing	169	6.8%	3,616	13.7%
Wholesale Trade	96	3.8%	1,953	7.4%
Retail Trade	336	13.4%	3,679	13.9%
Transportation & Warehousing	78	3.1%	957	3.6%
Information	38	1.5%	347	1.3%
Finance & Insurance	111	4.4%	607	2.3%
Real Estate, Rental & Leasing	129	5.2%	558	2.1%
Professional, Scientific & Tech Services	170	6.8%	900	3.4%
Management of Companies & Enterprises	7	0.3%	118	0.4%
Administrative & Support & Waste Management & Remediation Services	80	3.2%	348	1.3%
Educational Services	62	2.5%	2,146	8.1%
Health Care & Social Assistance	184	7.4%	3,163	12.0%
Arts, Entertainment, & Recreation	38	1.5%	369	1.4%
Accommodation & Food Services	123	4.9%	2,317	8.8%
Other Services (except Public Administration)	312	12.5%	1,542	5.8%
Public Administration	63	2.5%	1,357	5.1%
Unclassified Establishments	129	5.2%	47	0.2%
Total	**2,499**	**100.0%**	**26,411**	**100.0%**

Sources: ESRI, Maxfield Research & Consulting, LLC

Commuting Patterns

Proximity to employment is often a primary consideration when choosing where to live, since transportation costs often account for a large proportion of households' budgets. Table E-6 highlights the commuting patterns of workers in Sherburne County in 2017 (the most recent data available), based on Employer-Household Dynamics data from the U.S. Census Bureau.

- As Table E-6 illustrates, 10.6% of workers who are employed in Sherburne County live in the City of Elk River, and 4.9% live in the City of Big Lake. Elk River is also the largest work destinations located within Sherburne County, accounting for 9.8% of workers who have jobs in Sherburne County.

- Approximately 8% of Sherburne County residents commute to St. Cloud, which is primarily located outside of Sherburne County. The City of Minneapolis ranks third for work destinations and accounts for 3,355 employees (6.6%) who left Sherburne County for employment.

- Located outside of Sherburne County, the Cities of Otsego, Ramsey, Monticello, and Coon Rapids all combine to account for approximately 8.5% of workers employed in Sherburne County.

TABLE E-6
COMMUTING PATTERNS
SHERBURNE COUNTY ANALYSIS AREA
2017

Home Destination			Work Destination		
Place of Residence	**Count**	**Share**	**Place of Employment**	**Count**	**Share**
Elk River, MN	2,827	10.6%	Elk River, MN	4,997	9.8%
Big Lake, MN	1,297	4.9%	St. Cloud, MN	3,857	7.6%
St. Cloud, MN	1,037	3.9%	Minneapolis, MN	3,355	6.6%
Zimmerman, MN	827	3.1%	Monticello, MN	1,753	3.4%
Otsego, MN	754	2.8%	Maple Grove, MN	1,623	3.2%
Becker, MN	740	2.8%	Plymouth, MN	1,577	3.1%
Princeton, MN	627	2.4%	Rogers, MN	1,554	3.1%
Ramsey, MN	625	2.4%	Anoka, MN	1,427	2.8%
Monticello, MN	501	1.9%	Big Lake, MN	1,374	2.7%
Coon Rapids, MN	374	1.4%	Becker, MN	1,371	2.7%
All Other Locations	16,956	63.8%	All Other Locations	27,934	55.0%
Total All Jobs	26,565		Total All Jobs	50,822	

Home Destination = Where workers live who are employed in Sherburne County
Work Destination = Where workers are employed who live in Sherburne County

Sources: US Census Bureau Local Employment Dynamics; Maxfield Research & Consulting, LLC

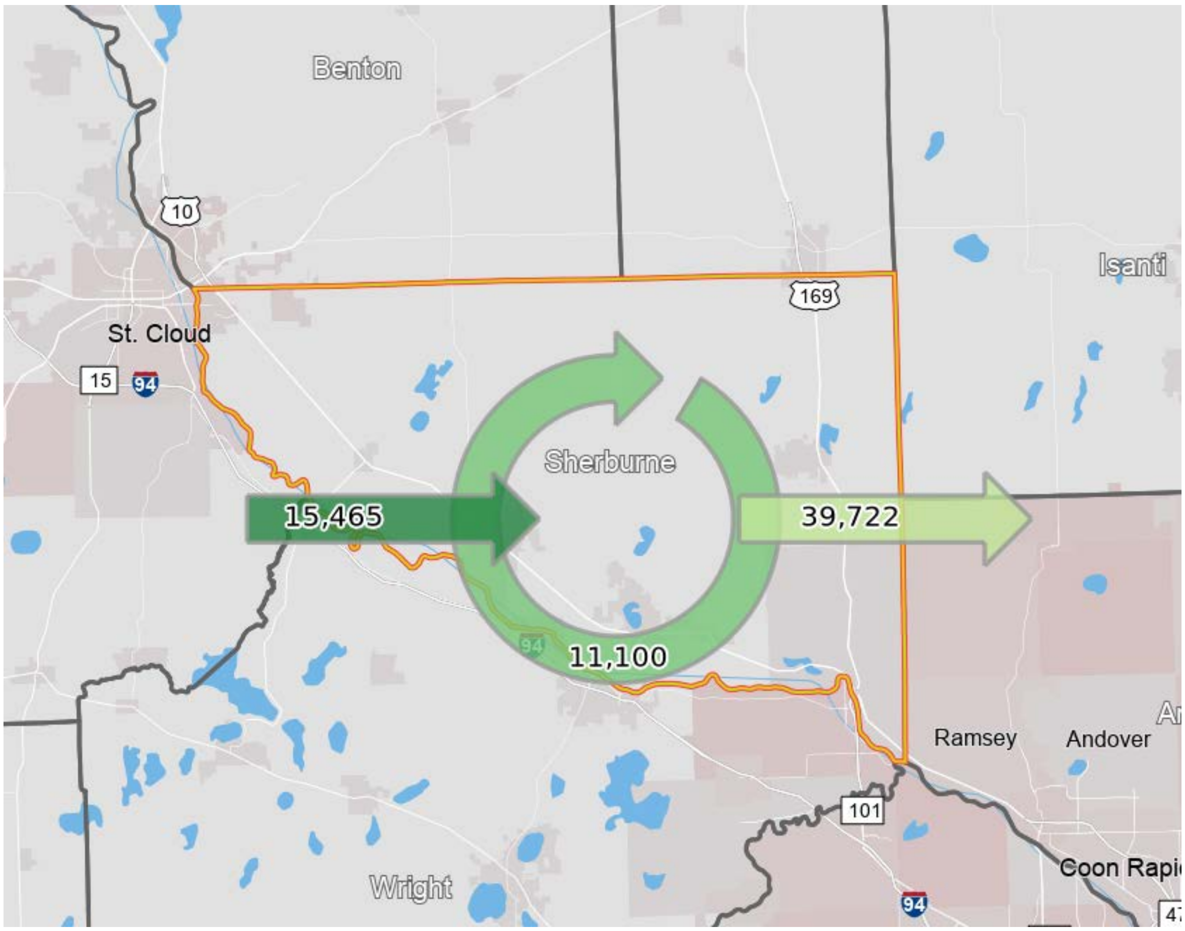
Inflow/Outflow

Table E-7 provides a summary of the inflow and outflow of workers in Sherburne County. Outflow reflects the number of workers living in Sherburne County but employed outside of the County while inflow measures the number of workers that are employed in Sherburne County but live outside. Interior flow reflects the number of workers that both live and work in Sherburne County.

- Sherburne County can be considered an exporter of workers, as the number of residents leaving the County (outflow) for employment was more than the number of residents coming into the County for work (inflow). Approximately 39,722 workers left Sherburne County for work while 15,465 workers came into the County, for a net difference of -24,257 workers. Sherburne County also had an interior flow of 11,100 workers.

- The inflow of workers in Sherburne County are typically in the “Goods Producing” industry (28% of total), will earn $3,333 or more per month (49% of total), and are between the ages of 30 and 54 years old (53% of total).

Sherburne Co. Commuting Inflow / Outflow



Sources: Longitudinal Employer-Household Dynamics

TABLE E-7
COMMUTING INFLOW/OUTFLOW
SHERBURNE COUNTY ANALYSIS AREA
2017

	Sherburne County	
	Num.	**Pct.**
Employed in the Selection Area	26,565	100%
Employed in the Selection Area but Living Outside	15,465	58%
Employed and Living in the Selection Area	11,100	42%
Living in the Selection Area	50,822	100%
Living in the Selection Area but Employed Outside	39,722	78%
Living and Employed in the Selection Area	11,100	22%
Commuting Distance - Work to Home	**Num.**	**Pct.**
Less than 10 miles	12,451	47%
10 to 24 miles	8,357	31%
25 to 50 miles	3,777	14%
Greater than 50 miles	1,980	7%
Commuting Distance - Home to Work	**Num.**	**Pct.**
Less than 10 miles	13,895	27%
10 to 24 miles	15,384	30%
25 to 50 miles	17,668	35%
Greater than 50 miles	3,875	8%
Outflow Job Characteristics	**Num.**	**Pct.**
Workers Aged 29 or younger	9,033	23%
Workers Aged 30 to 54	23,200	58%
Workers Aged 55 or older	7,489	19%
Workers Earning $1,250 per month or less	7,402	19%
Workers Earning $1,251 to $3,333 per month	9,797	25%
Workers Earning More than $3,333 per month	22,523	57%
Workers in the "Goods Producing" Industry Class	9,377	24%
Workers in the "Trade, Transportation, and Utilities" Industry Class	8,265	21%
Workers in the "All Other Services" Industry Class	22,080	56%
Inflow Job Characteristics	**Num.**	**Pct.**
Workers Aged 29 or younger	3,952	26%
Workers Aged 30 to 54	8,210	53%
Workers Aged 55 or older	3,303	21%
Workers Earning $1,250 per month or less	3,506	23%
Workers Earning $1,251 to $3,333 per month	4,423	29%
Workers Earning More than $3,333 per month	7,536	49%
Workers in the "Goods Producing" Industry Class	4,353	28%
Workers in the "Trade, Transportation, and Utilities" Industry Class	3,686	24%
Workers in the "All Other Services" Industry Class	7,426	48%
Interior Flow Job Characteristics	**Num.**	**Pct.**
Workers Aged 29 or younger	2,928	26%
Workers Aged 30 to 54	5,761	52%
Workers Aged 55 or older	2,411	22%
Workers Earning $1,250 per month or less	3,631	33%
Workers Earning $1,251 to $3,333 per month	3,254	29%
Workers Earning More than $3,333 per month	4,215	38%
Workers in the "Goods Producing" Industry Class	2,206	20%
Workers in the "Trade, Transportation, and Utilities" Industry Class	2,569	23%
Workers in the "All Other Services" Industry Class	6,325	57%

Sources: Longitudinal Employer-Household Dynamics; Maxfield Research & Consulting LLC

Major Employers

Table E-8 shows the major employers in Sherburne County based on data provided by the County. 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 Sherburne County. 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 list of major employers represents several industry sectors, but the highest concentrations of large employers are in the Health Care sectors and account for approximately 2,567 employees (52% of major employers).

- The Production & Distribution sector ranks second by employee size and accounts for 31% of the major employers (1,517 employees) in Sherburne County, followed by the Retail sector which totals 18% of major employers (874 employees).

- The top three employers account for approximately 40% of the employee base out of the major employers in Sherburne County and all have a minimum of 450 employees.

TABLE E-8
MAJOR EMPLOYERS
SHERBURNE COUNTY
2020

Name	Location	Industry/Service	Approximate Employee Size
Accurate Home Care	Zimmerman	Home health	1,000
Saint Benedict's Care Center	St. Cloud	Nursing care	540
Sysco Western Minnesota	St. Cloud	Food wholesaler	450
Cargill Kitchen Solutions	Big Lake	Poultry Processing Plants	435
Fairview Northland	Princeton	Health care	413
Guardian Angels of Elk River	Elk River	Nursing care	374
Wal-Mart	Elk River	General merchandise	354
Crystal Cabinets	Princeton	Cabinet manufacturing	342
Remmele Engineering Inc	Big Lake	Surgical appliances and supplies	290
Coborns	Elk River/Big Lake/Princeton	Grocery	265
Becker Furniture World	Becker	Furniture	255
Elk River Nursing Home	Elk River	Nursing care	240

Source: Sherburne County; Maxfield Research & Consulting, LLC

Employer Survey

Due to the global COVID-19 pandemic, Maxfield Research has reached out to some of the largest local employers in Sherburne County in an attempt to survey their opinion about issues related to housing in the area. Community economic development information can provide useful job growth data and assists in identifying housing demand in an area. Unfortunately, during the time of our survey COVID-19 has made participation in this survey minimal, however we encourage diving deeper into surveying local employers after the pandemic has stabilized.

Introduction

Maxfield Research and Consulting LLC identified and surveyed larger rental properties of eight or more units in Sherburne County.

For purposes of our analysis, rental properties are classified rental projects into two groups, general occupancy and senior (age-restricted). All senior properties are included in the *Senior Housing Analysis* section of this 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 30% or less of AMI where rental rates are based on 30% of their gross adjusted income.).

General-Occupancy Rental Properties

Our research of Sherburne County's general occupancy rental market included a survey of 71 affordable, subsidized, and market rate apartment properties (buildings with 8 units or more) in February 2020. These properties represent a combined total of 3,023 units, including, 782 affordable units, 80 subsidized units, and 2,161 market rate units.

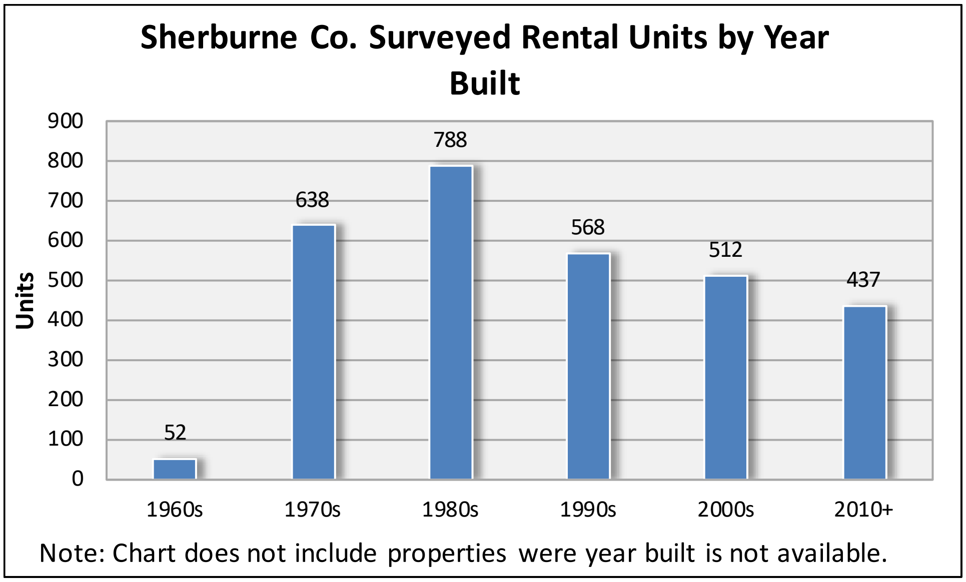
Although we were able to contact and obtain up-to-date information on the majority of rental properties, there were a few projects that chose not to participate in this survey or were unable to reach and had to rely on information from third party sources.

At the time of our survey, 87 general occupancy units were vacant, resulting in an overall vacancy rate of 2.88% for all units. The combined overall vacancy rate is well 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-1 summarizes year built of Sherburne County general occupancy projects, while a unit summary is broken down in Table R-4.

- The peak for multi-family construction in Sherburne County was in the 1980s as 763 units were built.

- Sherburne County has added roughly 589 general occupancy rental units per decade since the 1970s.



Affordable

- There are 23 general occupancy affordable properties in Sherburne County with 782 total units. There were 12 vacant units as of February 2020 for an overall vacancy rate of 1.5%.

- Typically, tax credit rental properties should be able to maintain vacancy rates of 3% or less in most housing markets. Numerous properties had no vacant units and a waitlist indicating a need for additional housing of this type.

- Since 2000, eight properties offering tax credit affordable units have been built, totaling 304 units. Many of these properties offer larger unit sizes/types to accommodate families and larger households.

Subsidized

- There are seven properties offering units with subsidized rents in Sherburne County with 80 total units. There were no vacant unit as of February 2020.

- Typically, deep-subsidy rental properties should be able to maintain vacancy rates of 3% or less in most housing markets. No openings for these units indicate a need for more of this housing.

Market Rate

- The newest market rate general occupancy rental housing project in Sherburne County is the *Depot on Main*, located in Zimmerman, Minnesota. This property opened in October 2019 and has a total of 65 units. Rents average $1,286 a month or approximately $1.33 per square foot.

- A total of 75 vacancies were found in market rate rental projects, resulting in a vacancy rate of 3.47% as of February 2020. Market rate rental vacancy stabilized equilibrium is considered to be 5% to allow for unit turnover and property choice for renters.

- Sizes for market rate units ranged from 312 square feet for a studio apartment at *Elk River Lodge and Residential Suites* to 2,200 square feet for a three-bedroom apartment at *Lion's Park*. The average size of surveyed market rate apartments in Sherburne County is 877 square feet.

- Rents range from $500 for a studio apartment at *Oakwood Court Apartments* to $1,879 for a two-bedroom apartment at *Granite Shores*. The average monthly rent of market rate apartments in Sherburne County is $950.

- Average rent per square foot for market rate rentals is $1.08, with studios being the highest at $1.35 and three-bedroom units being the lowest at $0.97 rent per square foot.

TABLE R-1
GENERAL OCCUPANCY RENTAL PROJECTS
SHERBURNE COUNTY
FEBRUARY 2020

Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent	Rent per Square Foot	Amenities/Features/Notes
Affordable/Subsidized							
Jackson Hills Residential Suites 725 6th Street NW *Elk River, MN (Elk River Submarket)*	2018	8 0 0.0%	N/A - 2BR N/A - 3BR	915 - 1,245 1,216 - 1,216	$1,000 - $1,000 $1,125 - $1,450	$0.80 - $1.09 $0.93 - $1.19	20% of units are affordable, remaining units are market rate. Surface and garage parking, water/sewer/trash included, in-unit washer and dryer.
Coachman Ridge 17250 Twin Lake Road NW *Elk River, MN (Elk River Submarket)*	2015	52 0 0.0%	9 - 1BR 26 - 2BR 17 - 3BR	719 - 719 1,018 - 1,018 1,245 - 1,245	$827 - $827 $989 - $989 $1,214 - $1,214	$1.15 - $1.15 $0.97 - $0.97 $0.98 - $0.98	LIHTC affordable at 60% of AMI. Surface and garage parking, in-unit washer and dryer, heat/water/sewer/trash included, fitness center, and playground.
The Crossing at Big Lake Station 115 Henry Road *Big Lake, MN (Big Lake Submarket)*	2013	33 0 0.0%	17 - 2BR 14 - 3BR 2 - 4BR	1,378 - 1,378 1,445 - 1,445 1,891 - 1,891	$978 - $978 $1,124 - $1,124 $1,189 - $1,189	$0.71 - $0.71 $0.78 - $0.78 $0.63 - $0.63	LIHTC, surface & garage parking included, in-unit washer/dryer, playground, one block to the Northstar rail station, water/sewer/garbage paid.
The Depot of Elk River Station 10653 172nd Avenue NW *Elk River, MN (Elk River Submarket)*	2011	53 0 0.0%	11 - 1BR 26 - 2BR 16 - 3BR	796 - 796 1,097 - 1,134 1,309 - 1,332	$967 - $967 $1,176 - $1,176 $1,300 - $1,300	$1.21 - $1.21 $1.04 - $1.07 $0.98 - $0.99	LIHTC affordable at 60% of AMI. Surface and garage parking, in-unit washer and dryer, heat/water/sewer/trash included, fitness center, and playground.
Jackson Place 300 Jackson Avenue *Elk River, MN (Elk River Submarket)*	2007	32 0 0.0%	16 - 1BR 16 - 2BR	699 - 712 880 - 880	$770 - $770 $905 - $905	$1.08 - $1.10 $1.03 - $1.03	Apartment located above first floor retail. Surface and garage parking, fitness center, dishwasher, and in-unit washer and dryer.
The Highlands 2015 27th Street SE *St. Cloud, MN (NW Submarket)*	2003	66 2 3.0%	5 - 1BR 34 - 2BR 27 - 3BR	750 - 750 860 - 919 1,230 - 1,377	$844 - $844 $944 - $1,044 $1,044 - $1,069	$1.13 - $1.13 $1.10 - $1.14 $0.78 - $0.85	Balcony/patio, in-unit washer and dryer, fitness center, community room, playground; outdoor pool, and sundeck.
Oakhaven Estates 1110 7th Street SE *St. Cloud, MN (NW Submarket)*	2000	38 0 0.0%	8 - 1BR 14 - 2BR 16 - 3BR	770 - 770 925 - 925 1,057 - 1,057	$625 - $625 $875 - $875 $1,035 - $1,035	$0.81 - $0.81 $0.95 - $0.95 $0.98 - $0.98	Heat/water/sewer/trash included, surface and garage parking, wall AC unit, dishwasher, and walk-in closets.
Meadow View Townhomes 26079 13th Street *Zimmerman, MN (Zimmerman Submarket)*	2000	22 0 0.0%	11 - 2BR 11 - 3BR	1,500 - 1,500 1,500 - 1,500	$820 - $895 $920 - $995	$0.55 - $0.60 $0.61 - $0.66	Private entry, water/sewer/heat/trash included, patio, dishwasher, in-unit washer and dryer, playground, and attached garage.
Leighton's Landing Townhomes 220 Maple Lane *Big Lake, MN (Big Lake Submarket)*	1997	32 0 0.0%	16 - 2BR 16 - 3BR	1,000 - 1,000 1,100 - 1,100	$910 - $910 $985 - $985	$0.91 - $0.91 $0.90 - $0.90	Short wait list. Heat/water/sewer included, playground, surface and garage parking.
Dove Tree Apts. 1105 Lions Park Drive *Elk River, MN (Elk River Submarket)*	1995	68 1 1.5%	17 - 1BR 34 - 2BR 17 - 3BR	595 - 729 880 - 907 1,008 - 1,160	$1,016 - $1,025 $1,214 - $1,225 $1,306 - $1,395	$1.41 - $1.71 $1.35 - $1.38 $1.20 - $1.30	LIHTC affordable at 60% of AMI. Balcony/patios, walk-in closets in select units, clubhouse, common area laundry facilities, and surface and garage parking.

Continued

TABLE R-1 Continued
GENERAL OCCUPANCY RENTAL PROJECTS
SHERBURNE COUNTY
FEBRUARY 2020

Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent	Rent per Square Foot	Amenities/Features/Notes
Affordable/Subsidized							
Clearview Apts. 7825 Church Street *Clear Lake, MN (Clear Lake Submarket)*	1994	12 0 0.0%	6 - 1BR 6 - 2BR	637 - 637 805 - 805	$545 - $650 $620 - $735	$0.86 - $1.02 $0.77 - $0.91	Two-story community, surface and garage parking, wall AC units, community room, heat/water/sewer/trash included.
Woodland Village Townhomes 805 15th Avenue SE *St. Cloud, MN (NW Submarket)*	1993	32 1 3.1%	8 - 2BR 24 - 3BR	964 - 964 1,055 - 1,107	$846 - $846 $991 - $1,032	$0.88 - $0.88 $0.93 - $0.94	Dishwasher, playground, picnic area, common area laundry facilities, community center, surface and garage parking.
Lanesboro Heights Townhomes 11798 Highland Road *Elk River, MN (Elk River Submarket)*	1992	30 0 0.0%	21 - 2BR 8 - 3BR	850 - 850 950 - 950	30% AGI 30% AGI	N/A - N/A N/A - N/A	Section 8, Rent equates to 30% of income. Surface and garage parking, playground, patios.
Dove Terrace Apts. 1227 School Street NW *Elk River, MN (Elk River Submarket)*	1990	51 2 4%	3 - 1BR 23 - 2BR 24 - 3BR	663 - 663 871 - 1,113 960 - 1,066	$1,016 - $1,016 $1,097 - $1,192 $1,195 - $1,339	$1.53 - $1.53 $1.07 - $1.26 $1.24 - $1.26	LIHTC affordable at 60% of AMI. Common area laundry facilities, outdoor pool, community room.
School View Square Apts. 690 Minnesota Avenue E *Big Lake, MN (Big Lake Submarket)*	1988	50 0 0.0%	12 - 1BR 22 - 2BR 16 - 3BR	624 - 624 737 - 737 926 - 1,026	30% AGI 30% AGI 30% AGI	N/A - N/A N/A - N/A N/A - N/A	Wall AC units, playground, basketball court, picnic area, grills, community gardens, common area laundry facilities, community room.
Woodview Apts. 13120 Woodview Lane *Zimmerman, MN (Zimmerman Submarket)*	1987	24 0 0.0%	N/A - 2BR N/A - 3BR	795 - 795 1,000 - 1,000	$870 - $870 $915 - $915	$1.09 - $1.09 $0.92 - $0.92	Playground, bicycle racks, grilling area, common area laundry facilities, extra storage available, balcony/ patios.
Lincoln Pointe Apts. 1060 7th Street SE *St. Cloud, MN (NW Submarket)*	1987	51 3 5.9%	5 - 1BR 26 - 2BR 20 - 3BR	644 - 768 833 - 898 1,134 - 1,176	$550 - $550 $650 - $665 $765 - $765	$0.72 - $0.85 $0.74 - $0.78 $0.65 - $0.67	Wall AC unit, common area laundry services, playground, surface and garage parking, dishwasher, heat/water/trash included.
Elk Ridge Manor 847 Freeport Avenue *Elk River, MN (Elk River Submarket)*	1986	40 0 0.0%	2 - 1BR 29 - 2BR 8 - 3BR	595 - 595 795 - 795 1,025 - 1,025	$800 - $800 $850 - $900 $955 - $955	$1.34 - $1.34 $1.07 - $1.13 $0.93 - $0.93	LIHTC affordable at 60% of AMI. Picnic area, playground.
Auburn Place 631 Auburn Place *Elk River, MN (Elk River Submarket)*	1978	24 0 0.0%	17 - 2BR 7 - 3BR	768 - 768 850 - 850	$550 - $758 $585 - $793	$0.72 - $0.99 $0.69 - $0.93	Section 515. Surface and garage parking, common area laundry, heat/water/sewer/trash included.

Continued

TABLE R-1 Continued
GENERAL OCCUPANCY RENTAL PROJECTS
SHERBURNE COUNTY
FEBRUARY 2020

Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent	Rent per Square Foot	Amenities/Features/Notes
Affordable/Subsidized							
Prairie Village Townhomes	1995	36	18 - 2BR	957 - 957	$965 - $965	$1.01 - $1.01	Surface and garage parking, in-unit washer and dryer, playground, dishwasher, heat/sewer/water/trash included.
12705 Edgewood Street		2	18 - 3BR	1,095 - 1,095	$1,065 - $1,065	$0.97 - $0.97	
Becker, MN (Becker Submarket)		5.6%					
Riverview Place Apts.	1988	48	4 - 1BR	612 - 612	$520 - $665	$0.85 - $1.09	Riverview Place North included. Wait list. Heat/water/sewer/trash included, common area laundry facilities, wall AC unit.
1400 N 15th Avenue		0	32 - 2BR	850 - 850	$565 - $710	$0.66 - $0.84	
Princeton, MN (NE Submerket)		0.0%	12 - 3BR	1,050 - 1,050	$600 - $760	$0.57 - $0.72	
Oakwood Court	1995	20	5 - 1BR	550 - 550	$605 - $605	$1.10 - $1.10	Playground, picnic area, wall AC unit, surface parking, heat/water/trash included, common area laundry services.
905 W Branch Street		1	13 - 2BR	625 - 625	$710 - $710	$1.14 - $1.14	
Princeton, MN (NE Submerket)		5.0%	2 - 3BR	850 - 850	$910 - $910	$1.07 - $1.07	
West Birch Estates	1990	24	12 - 2BR	944 - 1,100	$670 - $670	$0.61 - $0.71	Water/sewer/trash included, dishwasher, surface and garage parking, playground.
504 N 13th Avenue		0	12 - 3BR	1,094 - 1,264	$785 - $785	$0.62 - $0.72	
Princeton, MN (NE Submerket)		0.0%					
D&G Apts.	1980	16	14 - 1BR	N/A - N/A	30% AGI	N/A - N/A	Surface and garage parking, wall AC unit, common area laundry services.
809 7th Avenue N		0	2 - 2BR	N/A - N/A	30% AGI	N/A - N/A	
Princeton, MN (NE Submerket)		0.0%					
Affordable/Subsidized Total		**862**					
		12					
		1.4%					

Continued

TABLE R-1 Continued
GENERAL OCCUPANCY RENTAL PROJECTS
SHERBURNE COUNTY
FEBRUARY 2020

Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent	Rent per Square Foot	Amenities/Features/Notes
Market Rate							
Depot on Main 26125 Main Street *Zimmerman, MN (Zimmerman Submarket)*	2019	65 14 21.5%	35 - 1BR 25 - 2BR 5 - 3BR	762 - 762 998 - 1,248 1583 - 1583	$1,195 - $1,195 $1,350 - $1,350 $1,600 - $1,600	$1.57 - $1.57 $1.08 - $1.35 $1.01 - $1.01	24-hour fitness center, grills, car wash station, balcony/patios, walk-in pantry in select units, dishwasher, in-unit washer and dryer.
Jackson Hills Residential Suites 725 6th Street NW *Elk River, MN (Elk River Submarket)*	2018	40 4 10.0%	N/A - 2BR N/A - 3BR	915 - 1,245 1,216 - 1,216	$1,350 - $1,550 $1,600 - $1,700	$1.24 - $1.48 $1.32 - $1.40	20% of units are affordable, remaining units are market rate. Surface and garage parking, water/sewer/trash included, in-unit washer and dryer.
Willow Breeze 1455 Minnesota Boulevard SE *St. Cloud, MN (NW Submarket)*	2017	80 2 2.5%	13 - Studio 13 - 1BR 27 - 2BR 27 - 3BR	569 - 718 740 - 895 955 - 1,204 1,130 - 1,258	$640 - $740 $760 - $860 $940 - $1,020 $960 - $1,040	$1.03 - $1.12 $0.96 - $1.03 $0.85 - $0.98 $0.83 - $0.85	Fitness center, walk-in closets, in-unit washer and dryer, community room, balcony/patios, playground, surface and garage parking, dishwasher.
Town Square Residential Suites 715 Martin Avenue *Big Lake, MN (Big Lake Submarket)*	2016	30 0 0.0%	2 - Studio 15 - 1BR 13 - 2BR	450 - 450 711 - 876 919 - 1,104	$825 - $825 $1,095 - $1,145 $1,245 - $1,300	$1.83 - $1.83 $1.31 - $1.54 $1.18 - $1.35	Water/sewer/trash included, in-unit washer and dryer hook-ups, common area laundry services, surface and garage parking, balconies, lounge, dishwasher.
Northern Star Apts. 19591 Station Street NW *Big Lake, MN (Big Lake Submarket)*	2014 /2016	76 0 0.0%	30 - 1BR 20 - 2BR 26 - 3BR	801 - 869 1,023 - 1,202 1,210 - 1,287	$905 - $1,030 $1,005 - $1,125 $1,200 - $1,335	$1.13 - $1.19 $0.94 - $0.98 $0.99 - $1.04	Walk-in closets, in-unit washer and dryer, surface and garage parking, dishwasher, heat/water/sewer/trash included.
Granite Shores 633 Main Street *Elk River, MN (Elk River Submarket)*	2008 Conv. 2012	67 5 7.5%	32 - 1BR 35 - 2BR	737 - 1,081 817 - 1,301	$1,289 - $1,619 $1,409 - $1,879	$1.50 - $1.75 $1.44 - $1.72	Condominium conversion. Began leasing in May 2012. Fitness center, conference room, pet wash station community room, garage parking.
Ashbury Residential Suites 660 Minnesota Avenue *Big Lake, MN (Big Lake Submarket)*	2005	24 1 4.2%	4 - 1BR+D 17 - 2BR 2 - 3BR	687 - 687 844 - 966 1,138 - 1,138	$945 - $995 $1,100 - $1,300 $1,400 - $1,400	$1.38 - $1.45 $1.30 - $1.35 $1.23 - $1.23	Surface and garage parking, balconies, dishwasher, playground, walk-in closets, heat/water/trash/sewer included, common area laundry facilities.
The Pines & Pines II 25685 & 25660 3rd Street W *Zimmerman, MN (Zimmerman Submarket)*	2005	64 1 1.6%	20 - 1BR 6 - 1BR+D 34 - 2BR 4 - 3BR	709 - 828 693 - 963 906 - 1,052 1,264 - 1,264	$762 - $785 $785 - $810 $835 - $910 $1,010 - $1,010	$0.95 - $1.07 $0.84 - $1.13 $0.87 - $0.92 $0.80 - $0.80	Surface and garage parking, balconies on select units, wall AC unit, gas/water/heat/trash/sewer included, community room, fitness center, common area laundry facilities.
Clear Lake Apts. 8708 Main Avenue *Clear Lake, MN (Clear Lake Submarket)*	2003	8 1 12.5%	8 - 2BR	750 - 750	$875 - $875	$1.17 - $1.17	Two-story community, surface and garage parking, wall AC units, heat/water/sewer/trash included, dishwasher, common area laundry.
Park Ridge Apts. 11710 3rd Street SE *Becker, MN (Becker Submarket)*	2003	8 0 0.0%	3 - 1BR 4 - 2BR 1 - 3BR	600 - 600 840 - 930 1,290 - 1,290	$707 - $707 $740 - $740 $952 - $952	$1.18 - $1.18 $0.80 - $0.88 $0.74 - $0.74	Balcony/patios, surface and garage parking, dishwasher, common area laundry facilities, wall AC unit.

Continued

TABLE R-1 Continued
GENERAL OCCUPANCY RENTAL PROJECTS
SHERBURNE COUNTY
FEBRUARY 2020

Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent	Rent per Square Foot	Amenities/Features/Notes
Market Rate							
Heartland Pointe Apts.	2002	75	5 - 1BR	700 - 700	$825 - $825	$1.18 - $1.18	Balcony/patios, in-unit washer and dryer, dishwasher, heat/water/trash included, surface parking.
13625 Bradley Bloulevard SE		1	55 - 2BR	875 - 930	$975 - $995	$1.07 - $1.11	
Becker, MN (Becker Submarket)		1.3%	15 - 3BR	1,055 - 1,055	$1,100 - $1,100	$1.04 - $1.04	
Sterling Heights	2002	96	4 - Studio	535 - 535	$615 - $625	$1.15 - $1.17	Heat/water/sewer/trash included, fitness center, playground, picnic area, surface and garage parking, in-unit washer and dryer.
2010 27th Street SE		2	26 - 1BR	644 - 751	$720 - $765	$1.02 - $1.12	
St. Cloud, MN (NW Submarket)		2.1%	42 - 2BR	966 - 1,426	$885 - $1,125	$0.79 - $0.92	
			24 - 3BR	1,154 - 1,229	$1,000 - $1,260	$0.87 - $1.03	
Fremont Apts.	2001	12	1 - 1BR	N/A - N/A	N/A - N/A	N/A - N/A	Common area laundry facilities, surface and garage parking, wall AC unit, balconies on select units.
13180 Fremont Avenue		0	11 - 2BR	N/A - N/A	N/A - N/A	N/A - N/A	
Zimmerman, MN (Zimmerman Submarket)		0.0%					
10 West	1997	8	1 - 1BR	N/A - N/A	N/A - N/A	N/A - N/A	Common area laundry facilities, surface and garage parking, wall AC unit, balconies on select units.
26131 10th Street W		0	7 - 2BR	N/A - N/A	N/A - N/A	N/A - N/A	
Zimmerman, MN (Zimmerman Submarket)		0.0%					
Regency Park Estates	1994	142	1 - Studio	431 - 431	$670 - $670	$1.55 - $1.55	Apartment and townhome style units, indoor and outdoor pool, hot tub, clubroom, dog park, fitness center, surface and garage parking, storage units, balcony/patios, in-unit washer and dryer.
1615 15th Avenue SE		8	26 - 1BR	700 - 998	$850 - $1,000	$1.00 - $1.21	
St. Cloud, MN (NW Submarket)		5.6%	93 - 2BR	875 - 1,652	$1,025 - $1,390	$0.84 - $1.17	
			21 - 3BR	1,275 - 1,675	$1,370 - $1,435	$0.86 - $1.07	
			1 - 4BR	1,750 - 1,750	$1,500 - $1,650	$0.86 - $0.94	
Evans Meadows	1990	113	70 - 1BR	800 - 925	$1,133 - $1,508	$1.42 - $1.63	Community room, courtyard, fitness center, outdoor pool, picnic area, grills, tanning, balcony/patios, surface and garage parking, and in-unit washer and dryer. Six total buildings with a clubhouse, one building burned down in 2013 and was
341 Evans Avenue NW	/2015	5	37 - 2BR	1,034 - 1,200	$1,330 - $1,813	$1.29 - $1.51	
Elk River, MN (Elk River Submarket)		0.0%	6 - 3BR	1,500 - 1,500	$1,839 - $1,839	$1.23 - $1.23	
Lion's Park	1988	62	1 - Studio	660 - 660	$745 - $745	$1.13 - $1.13	Surface and garage parking, courtyard, balcony/patio, grills, dishwasher, walk-in closets in select units, common area laundry services.
1001 School Street	Reno. 2009	4	42 - 1BR	925 - 1,025	$895 - $950	$0.93 - $0.97	
Elk River, MN (Elk River Submarket)		6.5%	13 - 2BR	900 - 1,120	$1,150 - $1,295	$1.16 - $1.28	
			6 - 3BR	1,700 - 2,200	$1,800 - $1,800	$0.82 - $1.06	
Green Gables Apts.	1989	42	10 - 1BR	750 - 750	$625 - $625	$0.83 - $0.83	Balcony/patios, heat/water/trash included, community garden, walk-in closets, surface and garage parking, dishwasher, in-unit washer and dryer.
723 13 Avenue SE		0	32 - 2BR	782 - 950	$750 - $750	$0.79 - $0.96	
St. Cloud, MN (NW Submarket)		0.0%					
Oak Crest Apts.	1988	54	48 - 1BR	800 - 925	$980 - $1,102	$1.19 - $1.23	Surface and garage parking, picnic area, common area laundry services, balcony/patios.
300 3rd Street		1	5 - 2BR	1,032 - 1,200	$1,130 - $1,283	$1.07 - $1.09	
Elk River, MN (Elk River Submarket)		1.9%	1 - 2BR	1,500 - 1,500	$1,576 - $1,576	$1.05 - $1.05	

Continued

TABLE R-1 Continued
GENERAL OCCUPANCY RENTAL PROJECTS
SHERBURNE COUNTY
FEBRUARY 2020

Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent	Rent per Square Foot	Amenities/Features/Notes
Market Rate							
Pineview Apts. 12513 Pineview Drive *Becker, MN (Becker Submarket)*	1988	18 0 0.0%	1 - Studio 10 - 1BR 7 - 2BR	N/A - N/A N/A - N/A N/A - N/A	$506 - $506 $597 - $597 $648 - $648	N/A - N/A N/A - N/A N/A - N/A	Surface and garage parking, wall AC unit, common area laundry facilities.
Becker Pines Apts. 13492 3rd Street SE *Becker, MN (Becker Submarket)*	1988	54 1 1.9%	54 - 1BR	N/A - N/A	$800 - $800	N/A - N/A	Surface and garage parking, balcony/patio, common area laundry services, wall AC unit, heat/water/trash included, diswasher.
Ridgewood Manor 11931 191 1/2 Avenue *Elk River, MN (Elk River Submarket)*	1987	80 2 2.5%	29 - 1BR 51 - 2BR	650 - 650 800 - 1,007	$730 - $730 $810 - $825	$1.12 - $1.12 $0.82 - $1.01	Balcony/patios, dishwasher, heat/water/sewer/trash included, surface and garage parking.
Elk Park Estates 1115 School Street NW *Elk River, MN (Elk River Submarket)*	1987	72 4 5.6%	N/A - 1BR N/A - 1BR+D N/A - 2BR N/A - 2BR+D	N/A - N/A N/A - N/A N/A - N/A N/A - N/A	$650 - $650 $700 - $700 $725 - $775 $800 - $800	N/A - N/A N/A - N/A N/A - N/A N/A - N/A	Three 3-story apartment buildings. Surface and garage parking, balcony/patios, wall AC unit.
School View Estates 440 Phyllis Street *Big Lake, MN (Big Lake Submarket)*	1987	8 0 0.0%	8 - 2BR	900 - 900	$800 - $900	$0.89 - $1.00	Water/sewer/trash included, surface and garage parking, balcony/patios.
Tara Hills Estates 151 5th Street *Elk River, MN (Elk River Submarket)*	1986	26 0 0.0%	5 - 1BR 13 - 2BR 8 - 3BR	690 - 690 960 - 960 1,200 - 1,200	$600 - $600 $700 - $700 $860 - $860	$0.87 - $0.87 $0.73 - $0.73 $0.72 - $0.72	Surface and garage parking, balcony/patios, dishwasher, in-unit washer and dryer, extra storage.
Sherburne Park Estates 600 Minnesota Avenue *Big Lake, MN (Big Lake Submarket)*	1986	48 2 4.2%	13 - 1BR 34 - 2BR 1 - 3BR	800 - 800 950 - 1,050 1,100 - 1,100	$1,005 - $1,005 $1,105 - $1,125 $1,300 - $1,300	$1.26 - $1.26 $1.07 - $1.16 $1.18 - $1.18	Heat/water/trash included, common area laundry services, walk-in closets in select units, playground, picnic area, grills, dishwasher.
Elk Ridge Estates 11755 191 1/2 Avenue *Elk River, MN (Elk River Submarket)*	1985	18 1 5.6%	18 - 2BR	1,009 - 1,009	$975 - $975	$0.97 - $0.97	Surface and garage parking, wall AC unit, heat/water/trash included, dishwasher,
Alfords Apts. 651 Eagle Lake Road N *Big Lake, MN (Big Lake Submarket)*	1985	8 0 0.0%	8 - 2BR	800 - 800	$775 - $775	$0.97 - $0.97	Surface and garage parking, wall AC units, balcony/patios, trash included.
Eagle Wing Apts. 1041 Eagle Lake Road N *Big Lake, MN (Big Lake Submarket)*	1984	8 0 0.0%	1 - 1BR 7 - 2BR	N/A - N/A 800 - 800	N/A - N/A $800 - $800	N/A - N/A $1.00 - $1.00	Water/trash included, surface and garage parking, common area laundry facilities.

Continued

TABLE R-1 Continued
GENERAL OCCUPANCY RENTAL PROJECTS
SHERBURNE COUNTY
FEBRUARY 2020

Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent	Rent per Square Foot	Amenities/Features/Notes
Market Rate							
Elk River Lodge and Residential Suites 17432 Zane Street NW *Elk River, MN (Elk River Submarket)*	1981	36 2 5.6%	29 - Studio 7 - 1BR	312 - 334 560 - 560	\$750 - \$750 \$1,000 - \$1,000	\$2.25 - \$2.40 \$1.79 - \$1.79	Remodel of former hotel. Rent quoted on month-to-month basis. Surface and garage parking, playground, wall AC unit, electric/heat/water/sewer/trash included.
Balmoral Apts. 379 Baldwin Avenue NW *Elk River, MN (Elk River Submarket)*	1979	24 2 8.3%	1 - 1BR 23 - 2BR	625 - 625 815 - 815	\$675 - \$675 \$725 - \$825	\$1.08 - \$1.08 \$0.89 - \$1.01	Balcony/patios, surface and garage parking, dishwasher, common area laundry facilities.
Forestview Apts. 1510 University Drive *St. Cloud, MN (NW Submarket)*	1978	136 2 1.5%	60 - 1BR 76 - 2BR	473 - 473 617 - 642	\$600 - \$600 \$680 - \$725	\$1.27 - \$1.27 \$1.10 - \$1.13	Common area laundry facilities, picnic area, heat/water/sewer/trash included, surface parking, wall AC unit.
Oakwood Court Apts. 1821 15th Avenue SE *St. Cloud, MN (NW Submarket)*	1978	120 4 3.3%	1 - Studio 6 - 1BR 113 - 2BR	440 - 440 760 - 760 925 - 1,050	\$500 - \$500 \$595 - \$600 \$700 - \$785	\$1.14 - \$1.14 \$0.78 - \$0.79 \$0.75 - \$0.76	Balcony/patios, fitness center, sauna, tennis court, grills, community gardens, surface and garage parking.
Martin Estate 12051 Hancock Street SE *Becker, MN (Becker Submarket)*	1977	24 0 0.0%	24 - 1BR	N/A - N/A	\$506 - \$506	N/A - N/A	Surface and garage parking, wall AC unit, common area laundry facilities, water/sewer/trash included.
Martin Square Apts. 315 Fern Street *Big Lake, MN (Big Lake Submarket)*	1976	24 1 4.2%	6 - 1BR 6 - 1BR+D 6 - 2BR 6 - 2BR+D	650 - 700 800 - 850 801 - 851 802 - 852	\$900 - \$925 \$925 - \$975 \$975 - \$1,025 \$1,000 - \$1,075	\$1.32 - \$1.38 \$1.15 - \$1.16 \$1.20 - \$1.22 \$1.25 - \$1.26	Surface and garage parking, wall AC unit, common area laundry services, wall AC unit.
Knollwood Apts. 365 Baldwin Avenue NW *Elk River, MN (Elk River Submarket)*	1976	12 0 0.0%	6 - 1BR 6 - 2BR	600 - 600 748 - 748	\$740 - \$740 \$780 - \$780	\$1.23 - \$1.23 \$1.04 - \$1.04	Surface and garage parking, wall AC unit, water/sewer/trash included, common area laundry facilities.
River Garden Apts. 337 Baldwin Avenue *Elk River, MN (Elk River Submarket)*	1973	30 0 0.0%	15 - 1BR 15 - 2BR	750 - 750 950 - 950	\$780 - \$780 \$880 - \$880	\$1.04 - \$1.04 \$0.93 - \$0.93	Balcony/patios, wall AC unit, surface and garage parking, dishwasher, heat/water/sewer/trash included.
Elk Crossings 814 Proctor Avenue NW *Elk River, MN (Elk River Submarket)*	1972	21 3 14.3%	3 - 1BR 18 - 2BR	625 - 625 950 - 950	\$875 - \$875 \$970 - \$970	\$1.40 - \$1.40 \$1.02 - \$1.02	Surface and garage parking, extra storage available, dishwasher, common area laundry facilities, water/heat/trash included.
Pineview Estates 23 3rd Street *Elk River, MN (Elk River Submarket)*	1972	30 0 0.0%	1 - Studio 7 - 1BR 22 - 2BR	450 - 750 750 - 750 950 - 950	\$720 - \$720 \$775 - \$775 \$875 - \$875	\$0.96 - \$1.60 \$1.03 - \$1.03 \$0.92 - \$0.92	Surface and garage parking, balconies, wall AC unit.

Continued

TABLE R-1 Continued
GENERAL OCCUPANCY RENTAL PROJECTS
SHERBURNE COUNTY
FEBRUARY 2020

Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent	Rent per Square Foot	Amenities/Features/Notes
Market Rate							
Clear Brook Apts. 1521 Sherburne Drive *St. Cloud, MN (NW Submarket)*	1970	159 2 1.3%	85 - 1BR 56 - 2BR 18 - 3BR	650 - 650 925 - 925 1,075 - 1,075	$625 - $625 $700 - $725 $950 - $950	$0.96 - $0.96 $0.76 - $0.78 $0.88 - $0.88	Wall AC unit, surface and garage parking, fitness center, common area laundry facilities, heat included.
Fern Court Apts. 550 Minnesota Avenue *Big Lake, MN (Big Lake Submarket)*	1970	22 0 0.0%	8 - 1BR 14 - 2BR	650 - 650 850 - 850	$750 - $750 $850 - $850	$1.15 - $1.15 $1.00 - $1.00	Balcony/patios, surface and garage parking, dishwasher, common area laundry facilities, heat/water/sewer/trash included, common area laundry facilities.
School Street Apts. 805 School Street NW *Elk River, MN (Elk River Submarket)*	1970	12 0 0.0%	12 - 1BR	N/A - N/A	N/A - N/A	N/A - N/A	Surface and garage parking, wall AC unit,
Lake Orono Estates 18594 Gary Street *Elk River, MN (Elk River Submarket)*	1967	36 0 0.0%	36 - 2BR	861 - 861	$1,000 - $1,000	$1.16 - $1.16	Picnic area, grills, balconies, extra storage available, on-site laundry, surface and garage parking, heat included.
School Place Apts. 1179 School Street NW *Elk River, MN (Elk River Submarket)*	1965	16 0 0.0%	2 - 1BR 14 - 2BR	700 - 750 1,050 - 1,050	$695 - $695 $850 - $850	$0.93 - $0.99 $0.81 - $0.81	Surface parking, common area laundry facilities, wall AC unit.
Eastbank Apts. 1700 University Drive SE *St. Cloud, MN (NW Submarket)*	N/A	27 0 0.0%	9 - 2BR 9 - 3BR 9 - 4BR	840 - 840 980 - 1,000 1,260 - 1,260	$850 - $850 $1,050 - $1,075 $1,200 - $1,200	$1.01 - $1.01 $1.07 - $1.08 $0.95 - $0.95	Wall AC unit, surface and garage parking, dishwasher, common area laundry services.
South Gate Apts. 810 S Rum River Drive *Princeton, MN (NE Submarket)*	N/A	18 0 0.0%	18 - 2BR	857 - 857	$850 - $850	$0.99 - $0.99	Dishwasher, extra storage available, wall AC unit, surface and garage parking, and on-site laundry.
N/A 702 3rd Street S *Princeton, MN (NE Submarket)*	N/A	8 0 0.0%	8 - 1BR	N/A - N/A	N/A - N/A	N/A - N/A	Wall AC unit, surface parking,
Market Rate Total		**2,161** **75** **3.5%**					
Sherburne County Total		**3,023** **87** **2.9%**					

Source: Maxfield Research & Consulting, LLC

- The majority of the properties surveyed have wall air conditioner units, refrigerator, stove, and common area laundry. In-unit washer and dryers has become the norm in new apartment developments constructed today.

- A large number of properties have included either a detached or attached garage in their total rent per month. Although, utility packages differ from property to property, it was common for tenants to pay electricity, internet and cable. In most cases, heat/gas, water, sewer, and trash were included in the monthly rent.

- Many property managers mentioned that they do not have difficulty filling vacant units and said that they never have vacant units sitting for long periods of time.

- Turnover at many apartments is primarily driven by residents purchasing homes or leaving the area for employment opportunities. Many tenants will stay in a unit for longer lease terms.

R-2
SUMMARY BY UNIT TYPE
GENERAL OCCUPANCY RENTAL PROJECTS
SHERBURNE COUNTY
FEBRUARY 2020

Market Rate			Monthly Rents		
Unit Type	Unit Mix	Avg. Sq. Ft.	Range Low - High	Avg. Rent	Avg. Rent/ Sq. Ft.
Studio	3%	510	$500 - $825	$690	$1.35
1BR/1BR+D	34%	735	$595 - $1,619	$860	$1.17
2BR/2BR+D	54%	942	$680 - $1,879	$970	$1.03
3BR/4BR	10%	1,320	$860 - $1,839	$1,279	$0.97
Total:	**100%**	**877**	**$500 - $1,879**	**$950**	**$1.08**

Affordable			Monthly Rents		
Unit Type	Unit Mix	Avg. Sq. Ft.	Range Low - High	Avg. Rent	Avg. Rent/ Sq. Ft.
1BR	12%	680	$520 - $1,025	$768	$1.13
2BR	52%	960	$550 - $1,225	$881	$0.92
3BR/4BR	36%	1,180	$585 - $1,395	$1,019	$0.86
Total:	**100%**	**940**	**$520 - $1,395**	**$889**	**$0.95**

Note: This table includes data from rental properties that participated and provided complete survey information.

Source: Maxfield Research & Consulting, LLC

Select general occupancy rental projects – Sherburne County Analysis Area

Pineview Apartments
Becker Submarket

Northern Star Apartments
Big Lake Submarket

Clearview Apartments
Clear Lake Submarket

Granite Shores
Elk River Submarket

3rd Street Apartments
NE Submarket

Willow Breeze
NW Submarket

Depot on Main
Zimmerman Submarket

Heartland Pointe
Becker Submarket

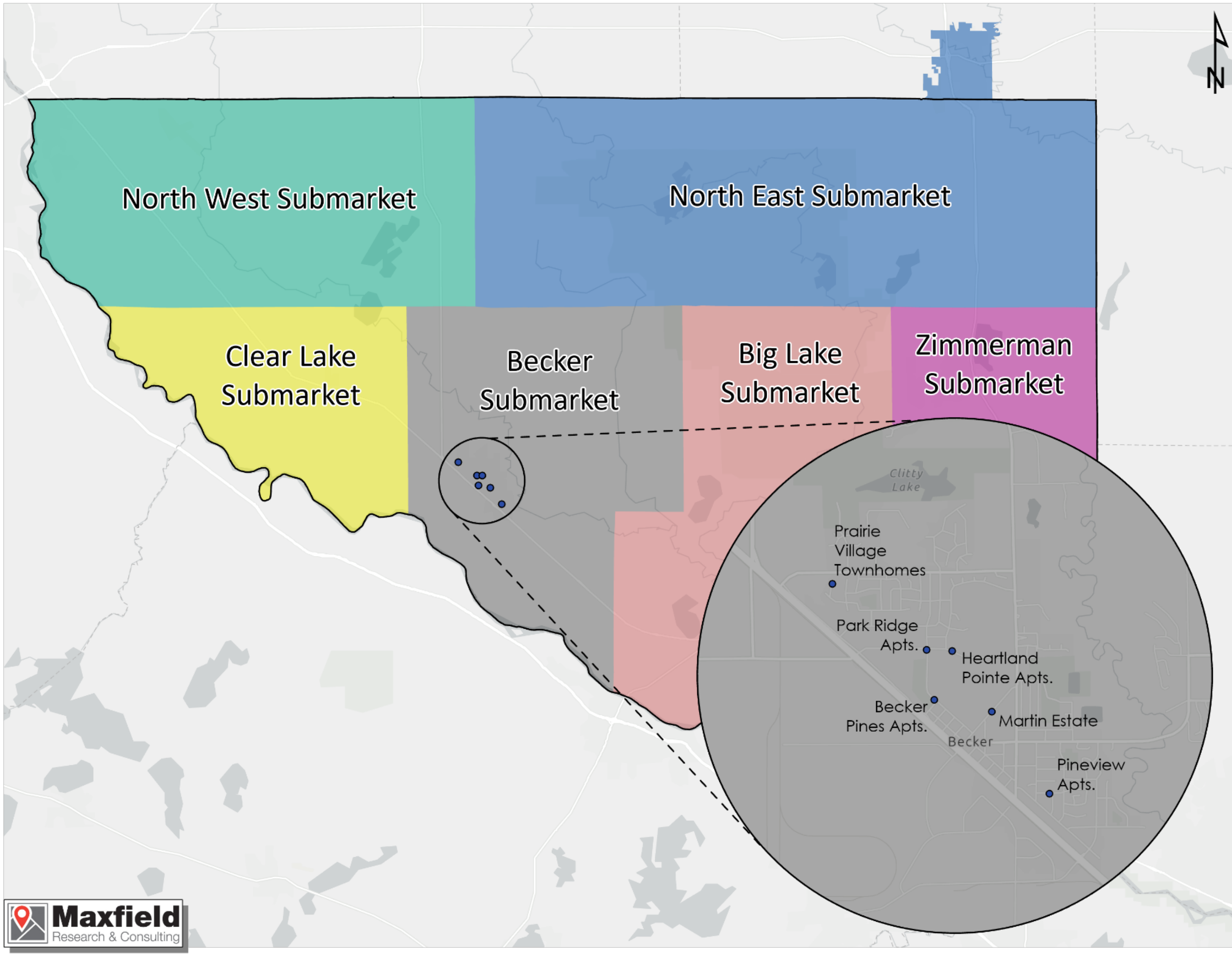
The Crossing at Big Lake Station
Big Lake Submarket

Lion's Park
Elk River Submarket

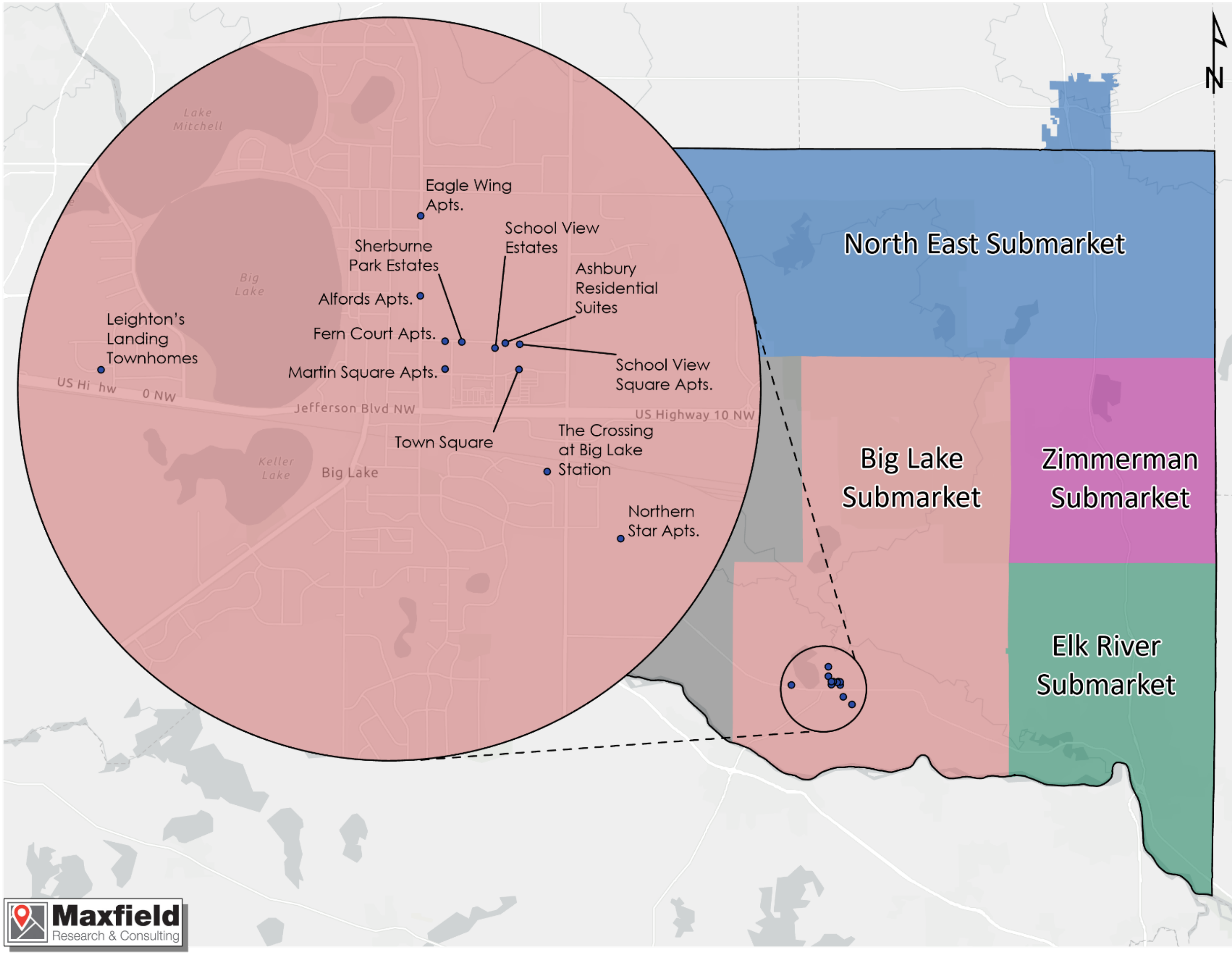
Oakwood Court
NW Submarket

Pinewood Estates
Zimmerman Submarket

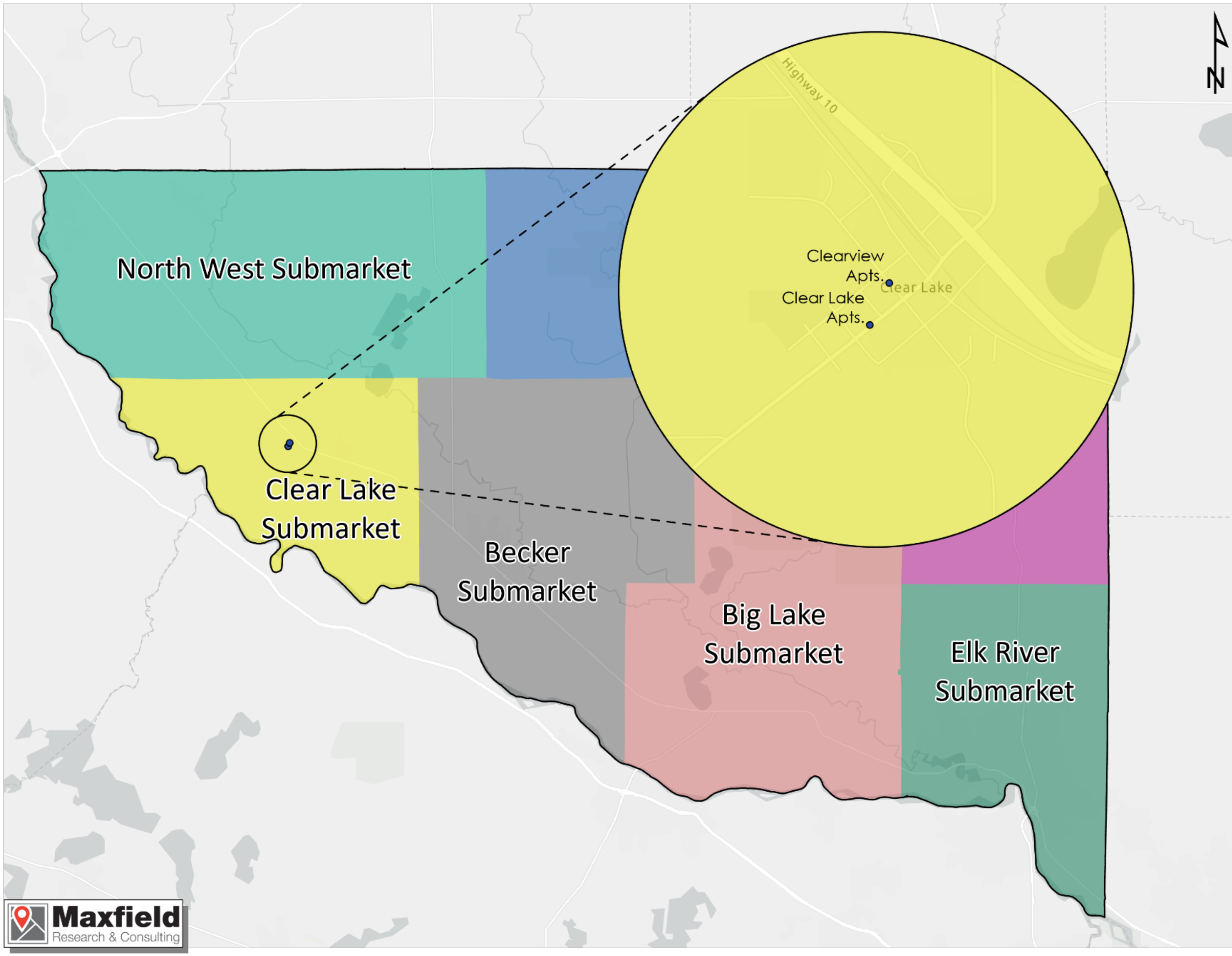
General Occupancy Rental Housing – Becker Submarket



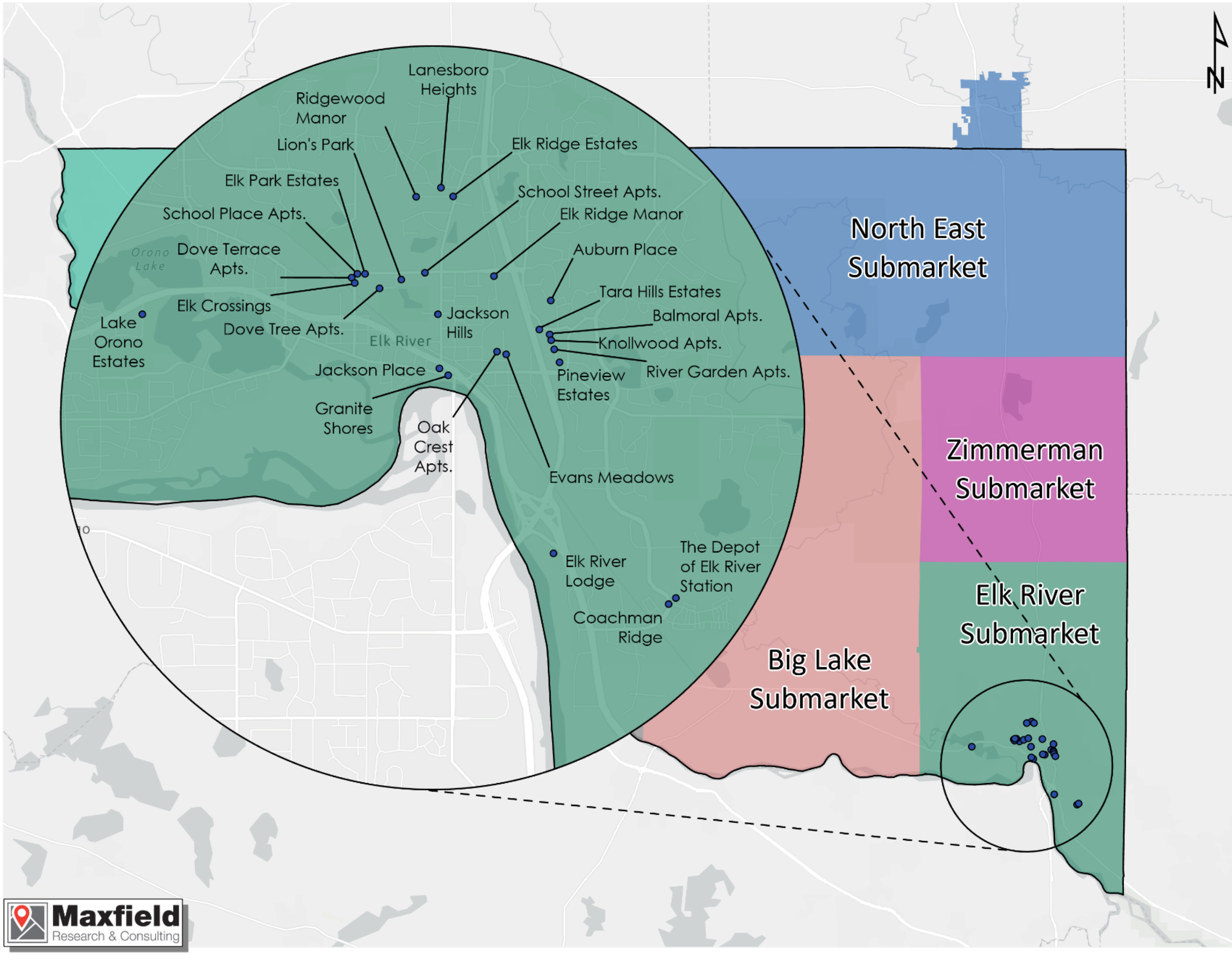
General Occupancy Rental Housing – Big Lake Submarket



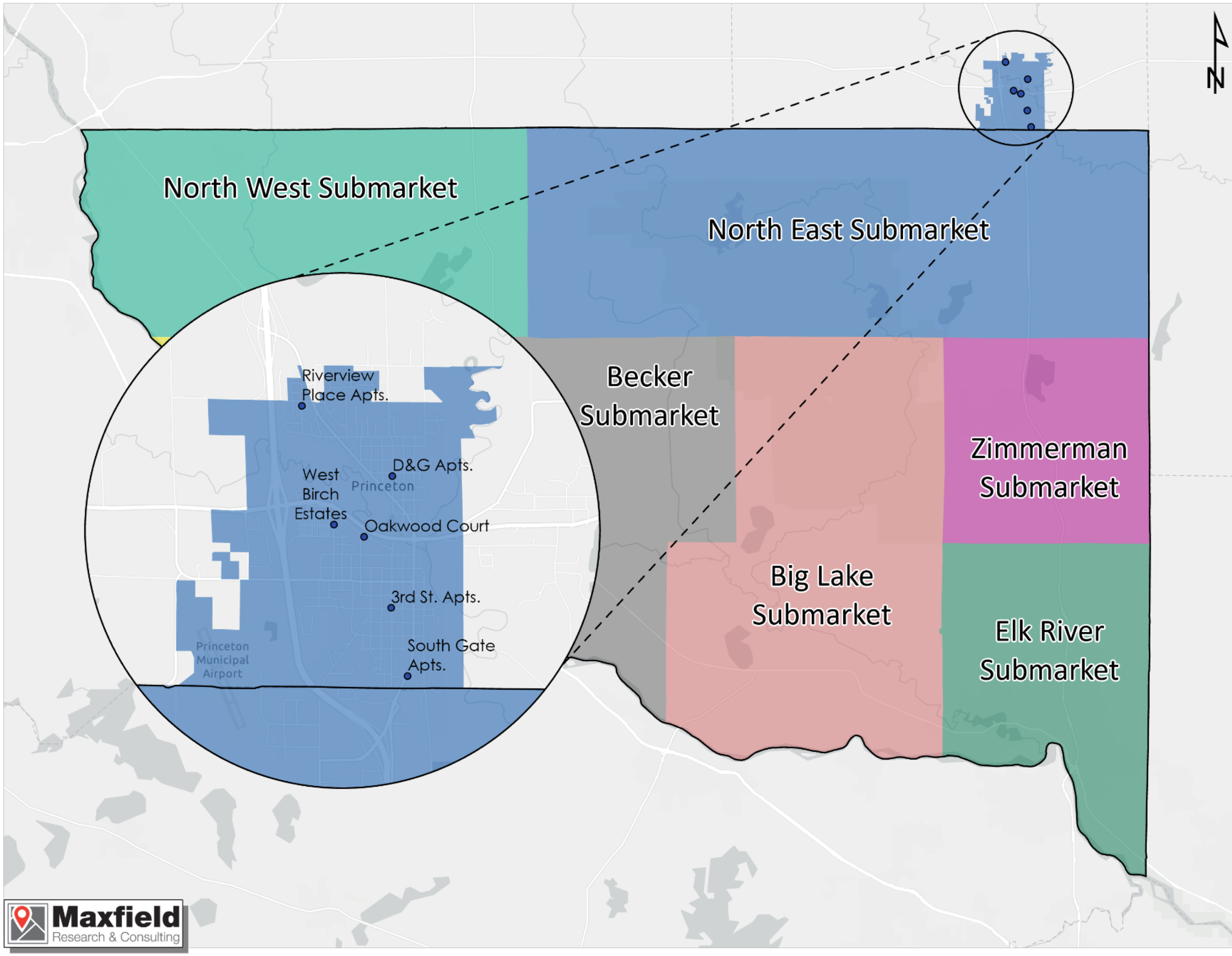
General Occupancy Rental Housing – Clear Lake Submarket



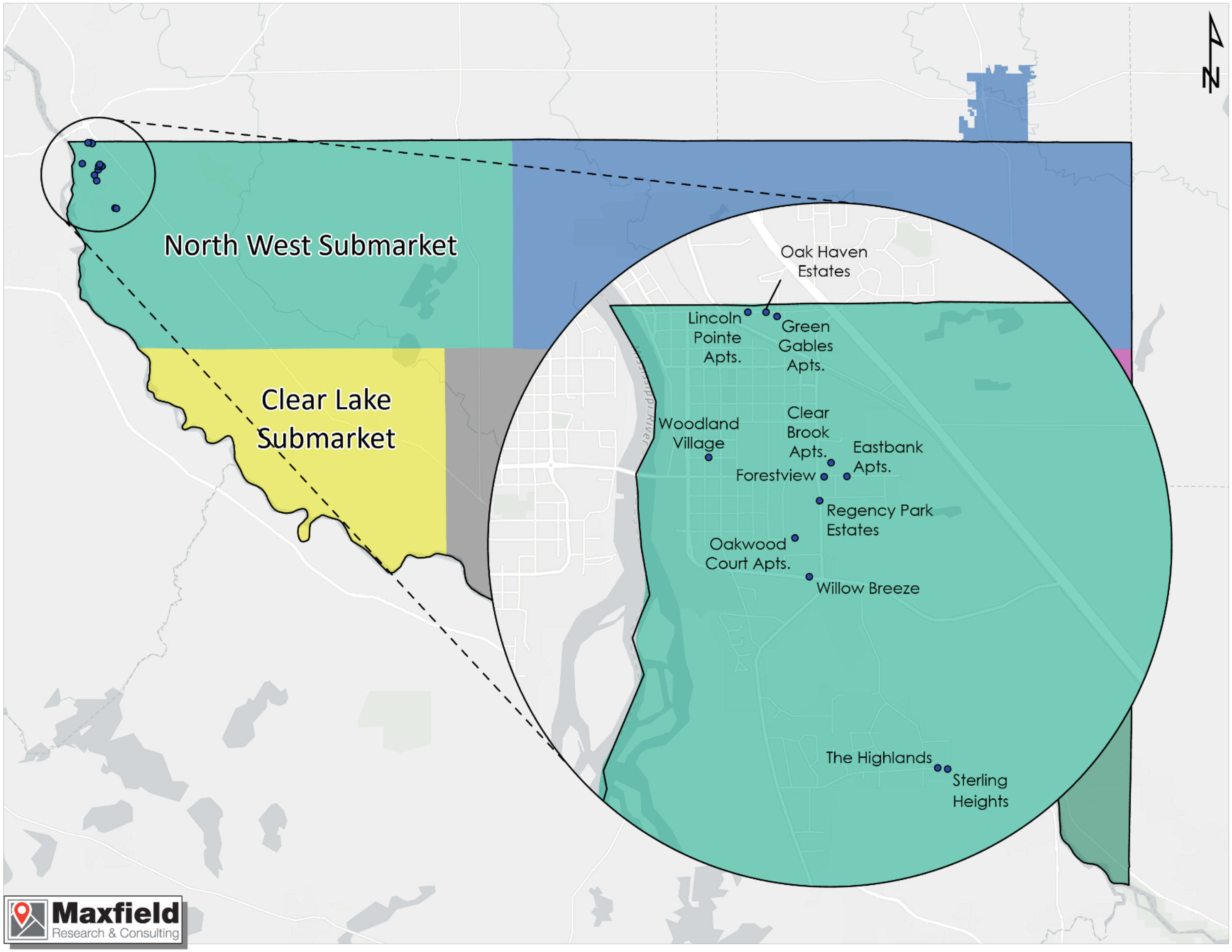
General Occupancy Rental Housing – Elk River Submarket



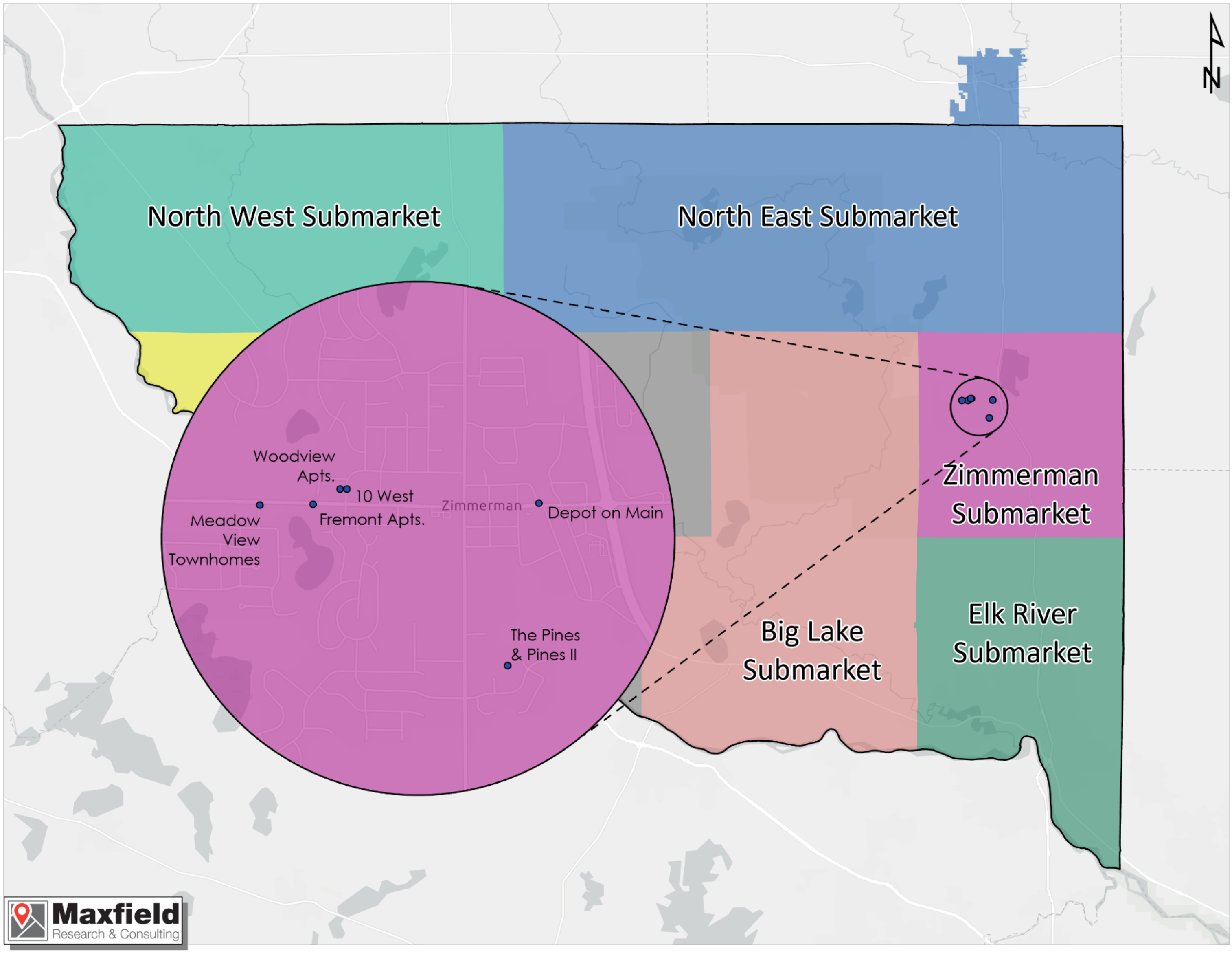
General Occupancy Rental Housing – NE Submarket



General Occupancy Rental Housing – NW Submarket



General Occupancy Rental Housing – Zimmerman Submarket



Single-Family Home Rentals

- Single-family home rentals are a popular rental option in Sherburne County. Table HC-8 in the Housing Characteristics section shows housing units by structure in 2018. The table shows approximately 42% of all renter-occupied housing units in Sherburne County are single-family detached/attached homes.

- As of 2018, there are approximately 5,507 rental units in Sherburne County. These units range from single-family structures to multifamily structures of up to 50 units. Within the Sherburne County there are approximately 1,676 single-family detached rental homes.

- A small sample of single-family rentals in Sherburne County were surveyed and on average a standard three-bedroom home rents for $1,179 while a four-bedroom home rents for $1,780 a month.

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 LLC classifies senior housing projects into five categories based on the level of support services offered:

- **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). 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. Active adult properties can have a rental or owner-occupied (condominium or cooperative) format.

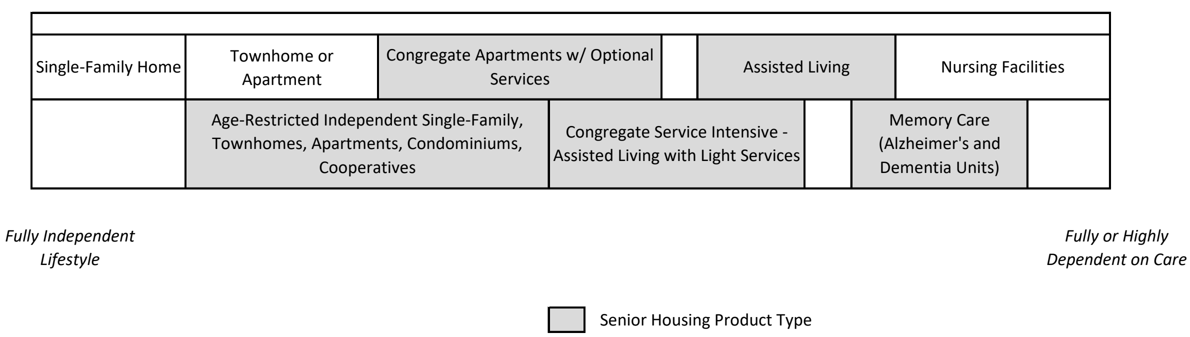
- **Congregate** properties (or independent living with services available) offer support services such as meals and/or housekeeping, either on an optional basis or a limited amount included in the rents. These properties typically dedicate a larger share of the overall building area to common areas, in part, because the units are smaller than in adult housing and in part to encourage socialization among residents. Congregate 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. Sponsorship by a nursing home, hospital or other health care organization is common.

- **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.

- **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.

- **Skilled Nursing Care**, or long-term care facilities, 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.

CONTINUUM OF HOUSING AND SERVICES FOR SENIORS



Source: Maxfield Research and Consulting, LLC

The senior housing products available today, when combined with long-term care facilities form a full continuum of care, extending from virtually a purely residential model to a medically intensive one. Often the services available at these properties overlap with another making these definitions somewhat ambiguous. In general, active adult properties tend to attract younger active seniors, who merely wish to rid themselves of home maintenance; congregate properties serve independent seniors that desire support services (i.e., meals, housekeeping, transportation, etc.) while assisted living properties tend to attract older, frail seniors who need assistance with daily activities, but not the skilled medical care available only in a nursing facility.

Senior Housing in Sherburne County

In February 2020, Maxfield Research identified 28 senior housing projects in the Sherburne County Analysis Area. These properties contain a total of 1,410 units. Amongst properties that provided complete survey data, there were 39 vacancies resulting in an overall vacancy rate of 2.8% for senior housing projects. The equilibrium vacancy rate for senior housing is considered to be between 5% and 7%.

Table S-1 provides information on the senior Affordable, subsidized, and market rate properties. Information in the table includes year built, number of units, unit mix, number of vacant units, rents/fees, and general comments about each project.

The following are key points from our survey of the senior housing supply.

Subsidized/Affordable Active Adult

- Subsidized active adult senior housing offers affordable rents to qualified low income seniors and handicapped/disabled persons. Typically, incomes are restricted to 30% of the area median income adjusted for household size. For those households meeting the age and income qualifications, subsidized senior housing is usually the most affordable rental option available. Affordable projects are typically tax-credit projects that are limited to households earning less than 60% of Sherburne County's area median income.

- There are 11 subsidized/affordable active adult developments in Sherburne County. As of February 2020, there was 1 vacancy, for an overall vacancy rate of 0.2%. Equilibrium for senior subsidized housing projects is usually around 3%, allowing for optimal housing availability for potential residents. Many of these properties indicated there was a waitlist. Unit sizes at these senior properties are often smaller than many of the market rate senior rental projects.

Market Rate Active Adult

- Three market rate active adult properties were identified in the Sherburne County Analysis Area. These properties offered studios, one-, and two-bedroom units and ranged from $625 for a studio to $1,240 for a two-bedroom. The combined vacancy rate across these properties was 4.8%.

- There were two owner occupied active adult properties in the Sherburne County Analysis Area. Both of these properties are in Elk River and total 124 units. Pullman Place, built in 2005, is a condo style multifamily property, while Elk Run Village, completed in 1999, is a townhome style development.

Independent Living

- There are four independent living facility in the Sherburne County Analysis Area. As of February 2020, only three properties provide complete survey information, resulting in eight vacancies across 217 independent living units for a vacancy rate of 3.7%.

- Unit types offered are studios, one-bedroom, one-bedroom plus den, two-bedroom units. Monthly base rents range from $886 for a one-bedroom to $3,300 for a two-bedroom unit.

Assisted Living

- There are nine facilities offering assisted living services in the Sherburne County Analysis Area. As of February 2020, seven assisted living properties provided complete survey information, resulting in 12 vacancies across 202 assisted living units, for a vacancy rate of 5.9%.

- Market rate basic service rents range from $1,826 for a studio apartment at Benedict Court to $5,295 for a one-bedroom apartment at Cherrywood Living. Additional cost is based on service level needed. Some common features include kitchenettes, private bathrooms, meals, laundry, and light housekeeping.

Memory Care

- There are eight facilities offering memory care services in the Sherburne County Analysis Area. As of February 2020, five memory care properties provided complete survey information, resulting in eight vacant units across 88 memory care units, for a vacancy rate of 9.1%.

- Basic market rate rents for memory care range from $995 for a studio at Shepherd of Grace – Becker Campus to $9,250 for a one-bedroom unit at Cherrywood Living. There is additional cost based on service level needed. Some features include daily exercise and programs, dining, and common areas for recreation.

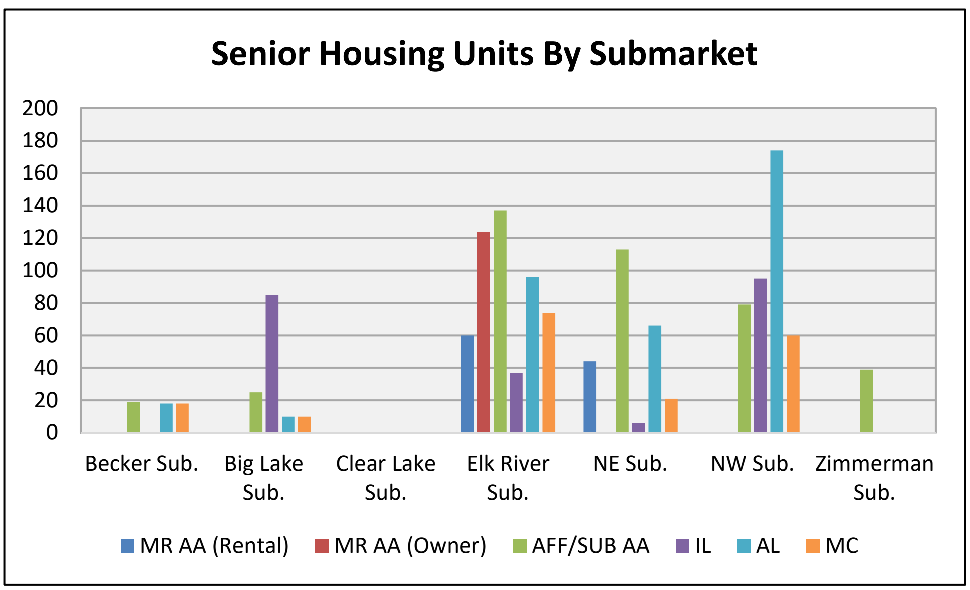


TABLE S-1
SENIOR HOUSING PROJECTS
SHERBURNE COUNTY ANALYSIS AREA
FEBRUARY 2020

Project Name/Location	Year Built/ Reno.	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent/ Sale Price	Rent/Sales price/PSF Min - Max	Amenities/Features/Notes
Affordable/Subsidized Active Adult Rental							
Woodbriar 12115 Rye Street *Becker, MN (Becker Submarket)*	2007	19 0 0.0%	19 - 1BR	540 - 540	30% AGI	N/A - N/A	62+ Community. 202 - Section HUD 8 subsidized. Extra storage space available, assigned surface parking, on-site hair salon (fee-based), on-site laundry facility (fee-based), scheduled outings.
Pine Cone Manor 12612 3rd Avenue S *Zimmerman, MN (Zimmerman Submarket)*	1998	20 0 0.0%	20 - 1BR	540 - 540	30% AGI	N/A - N/A	62+ Community. 202 - Section HUD 8 subsidized. Extra storage space available, assigned surface parking, on-site hair salon (fee-based), on-site laundry facility (fee-based), scheduled outings.
Elk Terrace 385 Holt Avenue NW *Elk River, MN (Elk River Submarket)*	1993	23 0 0.0%	20 - 1BR 3 - 2BR	688 - 688 734 - 734	$587 - $772 $637 - $807	$0.85 - $1.12 $0.87 - $1.10	62+ Community. Affordable at 60% AMI. Current wait list: 31. Water/heat/sewer/trash included, community room, surface parking.
Angel Ridge 280 Evans Avenue *Elk River, MN (Elk River Submarket)*	1992	52 0 0.0%	52 - 1BR	540 - 540	30% AGI	N/A - N/A	62+ Community. PRAC/202 - HUD subsidized. Extra storage space available, assigned surface parking, on-site hair salon (fee-based), on-site laundry facility (fee-based), scheduled outings.
Autumn Winds Apts. 121 Euclid Avenue *Big Lake, MN (Big Lake Submarket)*	1982	25 0 0.0%	25 - 1BR	648 - 648	$675 - $675	$1.04 - $1.04	Community room, common area laundry services, additional storage available, heat/water/sewer/trash included, surface parking
Guardian Oaks 350 Evans Avenue *Elk River, MN (Elk River Submarket)*	1980	62 0 0.0%	60 - 1BR 2 - 2BR	540 - 540 800 - 800	30% AMI 30% AMI	N/A - N/A N/A - N/A	62+ Community. 202 - Section HUD 8 subsidized. Extra storage space available, assigned surface parking, on-site hair salon (fee-based), on-site laundry facility (fee-based), scheduled outings.
Pine Tree Manor 12616 3rd Avenue S *Zimmerman, MN (Zimmerman Submarket)*	1980	19 0 0.0%	19 - 1BR	540 - 540	30% AGI	N/A - N/A	62+ Community. 202 - Section HUD 8 subsidized. Extra storage space available, assigned surface parking, on-site hair salon (fee-based), on-site laundry facility (fee-based), scheduled outings.
Princeton Apts. 206 4th Avenue S *Princeton, MN (NE Submarket)*	1979	48 0 0.0%	47 - 1BR 1 - 2BR	550 - 550 1,000 - 1,000	30% AGI 30% AGI	N/A - N/A N/A - N/A	62+ Community. Section 8 subsidized. Short waiting list. Surface parking and wall AC unit.
The Oaks 801 3rd Street N *Princeton, MN (NE Submarket)*	1969	40 0 0.0%	40 - 1BR	450 - 450	30% AGI	N/A - N/A	Wall AC unit, surface parking, picnic area, community garden.
Riverside Senior Apts. 106 4th Ave S *Princeton, MN (NE Submarket)*	N/A	25 1 4.0%	22 - 1BR 3 - 2BR	500 - 500 720 - 720	$745 - $745 $770 - $900	$1.49 - $1.49 $1.07 - $1.25	62+ Community. Community room, common area laundry facility, dishwasher, wall AC units, built-in microwave. Wait list for 2BR: roughly a year out.
Benet Place 1420 Minnesota Boulevard SE *St. Cloud, MN (NW Submarket)*	N/A	79 0 0.0%	79 - 1BR	545 - 545	30% AGI	N/A - N/A	Includes Benet Place South, 62+ community. Community room, exercise room, elevator, common area laundry, coffee shop, pool table, outside home health care (3rd party provider), dining site.

Continued

TABLE S-1 Continued
SENIOR HOUSING PROJECTS
SHERBURNE COUNTY
FEBRUARY 2020

Project Name/Location	Year Built/ Reno.	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent/ Sale Price	Rent/Sales price/PSF Min - Max	Amenities/Features/Notes
Market Rate Active Adult Rental							
Crystal Court Apts. 604 South 3rd Street *Princeton, MN (NE Submarket)*	2000	44 2 4.5%	1 - Studio 41 - 1BR 2 - 2BR	N/A - N/A N/A - N/A N/A - N/A	$625 - $625 $780 - $865 $940 - $940	N/A - N/A N/A - N/A N/A - N/A	Water/sewer/heat/trash included, fitness facility, common area laundry facility, meal services offered through 3rd party provider, elevator.
Evans Park 300 Evans Avenue *Elk River, MN (Elk River Submarket)*	1985	36 2 5.6%	24 - 1BR 12 - 2BR	638 - 638 826 - 826	$1,000 - $1,000 $1,240 - $1,240	$1.57 - $1.57 $1.50 - $1.50	55+ Community. Grocery store and gift shop located on property. Heat/water included, on-site laundry facilities, extras storage available, surface & garage parking.
Riverview Apts. 925 Angel Street NW *Elk River, MN (Elk River Submarket)*	1966	24 1 4.2%	20 - Studio 4 - 1BR	320 - 320 380 - 380	$650 - $650 $725 - $725	$2.03 - $2.03 $1.91 - $1.91	55+ Community. Trash/water included, surface parking, wall AC unit.
Active Adult Owner							
Pullman Place 17155 Quincy Street NW *Elk River, MN (Elk River Submarket)*	2005	65 0 0.0%	14 - 1BR 9 - 1BR+D 39 - 2BR 3 - 2BR+D	798 - 920 1,058 - 1,058 1,110 - 1,272 1,440 - 1,440	$52,174 - $72,123 $82,931 - $82,931 $87,015 - $99,718 $112,888 - $112,888	$65.38 - $78.39 $78.38 - $78.38 $78.39 - $78.39 $78.39 - $78.39	55+ Community. Sales data based on previous sales price. Community room, library, craft room, car wash station, surface and garage parking, gas grills.
Elk Run Village 19200 Freeport Court NW *Elk River, MN (Elk River Submarket)*	1997/ 1999	59 1 1.7%	59 - 2BR	1,204 - 1,400	$145,900 - $220,000	$121.18 - $157.14	For-sale one-level age restricted townhomes for active adults. Sales data based on previous sales price.
Independent Living							
Elk River Senior Living 11124 183rd Circle NW *Elk River, MN (Elk River Submarket)*	2017	37 1 2.7%	2 - Studio 24 - 1BR 2 - 1BR+D 9 - 2BR	409 - 410 472 - 745 850 - 938 902 - 994	$1,400 - $1,400 $1,545 - $2,265 $2,575 - $2,780 $2,990 - $3,300	$3.41 - $3.42 $3.04 - $3.27 $2.96 - $3.03 $3.31 - $3.32	55+ Community. One-time community fee: $2,000, second occupant fee: $155/month. Gas/electric/water/trash/recycling included, cable and internet included, theater, library, on-site salon. Additional services a la carte.
Sterling Pointe 1250 Northland Drive *Princeton, MN (NE Submarket)*	2011	6 N/A N/A	N/A - 1BR N/A - 2BR	597 - 818 893 - 893	N/A - N/A N/A - N/A	N/A - N/A N/A - N/A	In-unit washer and dryer, all utilities included except phone, fitness room, on-site salon, surface and garage parking. Services include: weekly housekeeping, wellness programs, social opportunities. Meals and salon services extra.
Keller Lake Commons 655 Norwood Lane *Big Lake, MN (Big Lake Submarket)*	2000	85 3 3.5%	37 - 1BR 48 - 2BR	644 - 644 860 - 956	$865 - $865 $1,045 - $1,080	$1.34 - $1.34 $1.13 - $1.22	Surface and garage parking, library, dining/community room, on-site salon/barber, common area laundry services, planned activities.
Benedict Village 2000 15th Avenue SE *St. Cloud, MN (NW Submarket)*	1986 '92/'97	95 4 4.2%	41 - 1BR 54 - 2BR	511 - 762 862 - 952	$886 - $1,087 $1,267 - $1,458	$1.43 - $1.73 $1.47 - $1.53	Heat/water/trash included, elevators, common area laundry (free), chapel, patio, fireplace lounge, library, game area, crafts room, community room, rooftop deck, gazebo, garages at additional charge, optional noon meal.

Continued

TABLE S-1 Continued
SENIOR HOUSING PROJECTS
SHERBURNE COUNTY
FEBRUARY 2020

Project Name/Location	Year Built/ Reno.	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent/ Sale Price	Rent/Sales price/PSF Min - Max	Amenities/Features/Notes
Assisted Living							
The Sanctuary at St. Cloud 2410 20th Avenue SE *St. Cloud, MN (NW Submarket)*	2018	101 8 7.9%	55 - Studio 46 - 1BR	365 - 408 557 - 641	$3,750 - $3,850 $3,950 - $4,050	$9.44 - $10.27 $6.32 - $7.09	Tax credit, residents' incomes must not exceed max amt, EW when assets are depleted, 3 meals/day plus snacks utilities include except phone, care additional charge, kitchenettes, emer. call, library, cinema, hair salon, café, fitness area, arts/crafts room, walking trails, planned activities, transportation.
Elk River Senior Living 11124 183rd Circle NW *Elk River, MN (Elk River Submarket)*	2017	36 2 5.6%	1 - Studio 25 - 1BR 2 - 1BR+D 8 - 2BR	409 - 410 472 - 745 850 - 938 902 - 994	$3,245 - $3,245 $3,400 - $4,120 $4,430 - $4,635 $4,845 - $5,150	$7.91 - $7.93 $5.53 - $7.20 $4.94 - $5.21 $5.18 - $5.37	55+ Community. One-time community fee: $2,000, second occupant fee: $775/month, initial assessment fee: $255. Three daily meals, on-site salon, 24-hour staff, optional home health plans and other services a la carte.
Cherrywood Living 177 Henry Road *Big Lake, MN (Big Lake Submarket)*	2011	10 1 10.0%	10 - 1BR	400 - 400	$5,295 - $5,295	$13.24 - $13.24	All inclusive rates, heat/gas/electric/AC/water/sewer/garbage/cable included. 24-hour staff, laundry services, light housekeeping, daily safety checks, three meals per day, on-site beauty salon/barber shop.
Sterling Pointe 1250 Northland Drive *Princeton, MN (NE Submarket)*	2011	36 3 8.3%	27 - 1BR 9 - 2BR	597 - 818 893 - 893	$3,000 - $3,500 $4,000 - $4,000	$4.28 - $5.03 $4.48 - $4.48	All utilities included (except telephone), walk-in showers, daily check-ins, meal programs, 24-hour staff, health & wellness programs, courtyard, salon, whirlpool spa.
Shepherd of Grace - Becker Campus 11175 27th Street SE *Becker, MN (Becker Submarket)*	2007	18 1 5.6%	18 - 1BR	478 - 478	$2,109 - $2,332	$4.41 - $4.88	55+ Community. 24-hour care assistance, weekly light housekeeping, weekly laundry services, daily check-ins, 2-3 meals/day program. Additional services a la carte.
Nature's Point 1717 University Drive SE *St. Cloud, MN (NW Submarket)*	2004	34 0 0.0%	12 - Studio 20 - 1BR 2 - 2BR	208 - 338 429 - 507 715 - 877	$1,875 - $2,195 $2,310 - $2,495 $2,675 - $2,810	$6.49 - $9.01 $4.92 - $5.38 $3.20 - $3.74	Heat/water/electric/trash included, 24-hr emergency call system, weekly housekeeping, patios, continental breakfast included, wake-up coffee service, chapel, on-site salon, fitness center. Care costs charged in addition.
Guardian Angels by the Lake 13439 185th Lane NW *Elk River, MN (Elk River Submarket)*	1998/ 2012	60 N/A N/A	58 - 1BR 2 - 2BR	440 - 520 650 - 650	$2,517 - $2,891 $3,127 - $3,127	$5.56 - $5.72 $4.81 - $4.81	55+ Community. Personal care a-la-carte and can range from $300 to roughly $3,000. Waitlist. Walk-in closets in some units, kitchenette.
Caley House 104 8th Avenue S *Princeton, MN (NE Submarket)*	1997	30 0 0.0%	22 - Studio 8 - 1BR	356 - 467 500 - 500	$2,090 - $2,355 $2,480 - $2,480	$5.04 - $5.87 $4.96 - $4.96	24-hour staff, community room, planned activities, dining room, patio. Connected to long-term care facility.
Benedict Court 1980 15th Avenue SE *St. Cloud, MN (NW Submarket)*	1993/ 1997	39 2 5.1%	2 - Studio 35 - 1BR 2 - 1BR	395 - 395 428 - 652 784 - 784	$1,826 - $1,826 $1,996 - $2,426 $3,096 - $3,096	$4.62 - $4.62 $3.72 - $4.66 $3.95 - $3.95	Utilities are included except for telephone. Three meals per day, emergency response, light housekeeping, daily check, hair salon, laundry service, planned activities, scheduled transportation.

Continued

TABLE S-1 Continued
SENIOR HOUSING PROJECTS
SHERBURNE COUNTY
FEBRUARY 2020

Project Name/Location	Year Built/ Reno.	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent/ Sale Price	Rent/Sales price/PSF Min - Max	Amenities/Features/Notes
Memory Care							
The Sanctuary at St. Cloud 2410 20th Avenue SE *St. Cloud, MN (NW Submarket)*	2018	36 3 8.3%	36 - Studio	365 - 408	$4,675 - $4,975	$12.19 - $12.81	Tax Credit property; residents' must meet max income guidelines, all utilities included except phone; three meals per day, weekly housekeeping, emergency call, care provided at
Elk River Senior Living 11124 183rd Circle NW *Elk River, MN (Elk River Submarket)*	2017	24 2 8.3%	20 - Studio 4 - 1BR	325 - 470 579 - 579	$3,875 - $3,875 $4,250 - $4,300	$8.24 - $11.92 $7.34 - $7.43	55+ Community. Private memory care wing/common area. All utilities included. Three daily meals, on-site salon, 24-hour staff, planned activities.
BeeHive Homes 14282 Business Center Drive NW *Elk River, MN (Elk River Submarket)*	2017	20 N/A N/A	20 - Studio	N/A - N/A	N/A - N/A	N/A - N/A	Planned activities, daily safety checks, three meals daily, housekeeping, laundry services, on-site beauty/barber shop.
Sterling Pointe 1250 Northland Drive *Princeton, MN (NE Submarket)*	2011	21 N/A N/A	21 - Studio	345 - 524	N/A - N/A	N/A - N/A	Private suites including kitchenette, three meals/daily plus snacks, housekeeping, laundry services, health monitoring, all utilities included, enclosed outdoor courtyard.
Cherrywood Living 177 Henry Road *Big Lake, MN (Big Lake Submarket)*	2011	10 1 10.0%	10 - 1BR	400 - 400	$6,250 - $9,250	$15.63 - $23.13	All inclusive rates, heat/gas/electric/AC/water/sewer/garbage/cable included. 24-hour staff, laundry services, light housekeeping, daily safety checks, three meals per day, on-site beauty salon/barber shop.
Shepherd of Grace - Becker Campus 11175 27th Street SE *Becker, MN (Becker Submarket)*	2006	18 2 11.1%	18 - Studio	269 - 269	$995 - $995	$3.70 - $3.70	55+ Community. Memory support service package: $5,220/month. 24-hour care assistance, weekly light housekeeping, weekly laundry services, daily check-ins, 2-3 meals/day program. Additional services a la carte.
Guardian Angels by the Lake 13439 185th Lane NW *Elk River, MN (Elk River Submarket)*	1998/ 2012	30 N/A N/A	22 - Studio 6 - 1BR 2 - 2BR	324 - 354 456 - 456 745 - 745	$2,331 - $2,442 $2,708 - $2,708 $3,462 - $3,462	$6.90 - $7.19 $5.94 - $5.94 $4.65 - $4.65	55+ Community. Personal Care a-la-carte and can run from $923 to roughly $3,500.
Benedict Homes 1340 Minnesota Boulevard SE *St. Cloud, MN (NW Submarket)*	1998/ 2005	24 1 4.2%	24 - Studio	170 - 170	$3,678 - $3,788	$21.64 - $22.28	On campus; wing of skilled nursing facility; planned activities, laundry services, scheduled transportation, 3 meals/day, light housekeeping.

Source: Maxfield Research & Consulting, LLC

Supply of Skilled Nursing Beds

Table S-2 shows the inventory of existing skilled nursing facilities located in the Sherburne County Analysis Area per the Minnesota Department of Health.

- There are three facilities with 371 skilled nursing beds in the Sherburne County, while Elim House (105 beds) is located in Princeton (Mille Lacs County).

TABLE S-2
SKILLED NURSING FACILITIES
SHERBURNE COUNTY ANALYSIS AREA
2019

Name	Location	No. of Beds
Guardian Angels Care Center	Elk River	120
St. Benedicts Senior Community	St. Cloud	174
Talahi Nursing & Rehab Center	St. Cloud	77
Elim Home	Princeton	105
Total		**476**

Source: MN Dept. of Health, Maxfield Research & Consulting, LLC

Select Senior Housing Projects – Sherburne County Analysis Area

Shepherd of Grace
Becker Submarket

Cherrywood
Big Lake Submarket

Elk Run Village
Elk River Submarket

Caley House
NE Submarket

Sanctuary at St. Cloud
NW Submarket

Pine Cone & Pine Tree Apartments
Zimmerman Submarket

Woodbriar
Becker Submarket

Keller Lake Commons
Big Lake Submarket

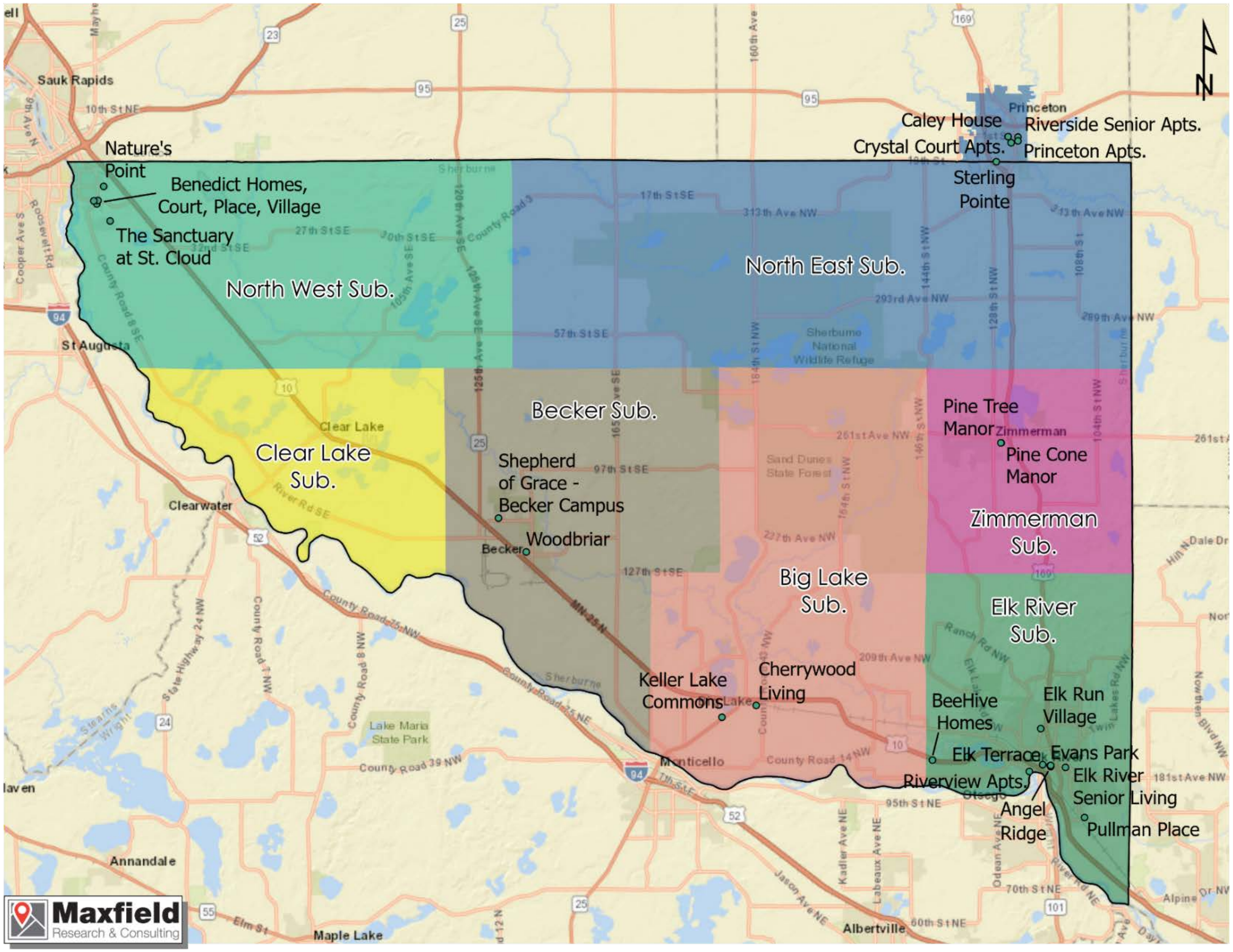
Elk Terrace
Elk River Submarket

Riverside Apartments
NE Submarket

Benedict Court
NW Submarket

Princeton Apartments
NE Submarket

Senior Housing – Sherburne County Analysis Area



Introduction

Maxfield Research and Consulting analyzed the for-sale housing market in the Sherburne 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 interviews with local real estate professionals, developers, builders and planning officials.

County-wide Home Resale Comparison

Table FS-1 compares Sherburne County resale data against the Twin Cities Metro Area and other collar counties. The tables show summary-level resale data for single-family and multifamily housing units between 2005 and 2019 according to the Regional Multiple Listing Service of Minnesota, Inc. ("RMLS").

- Sherburne County housing value trends have mirrored the Twin Cities Metro Area peaks and valleys. Similar to the Metro Area, Sherburne County housing values peaked in 2005 at $215,916 before the recession and fell to $129,900 in 2011. Since 2011, housing values have risen annually are peaking at $256,900 in 2019.

- Sherburne County resale values decreased by 40.1% between 2005 and 2011; however, housing resale values are up 98% since the bottom of the market in 2011. Strong annually appreciation has resulted since 2011 as the average annually increase year-to-year has been 8.9% since 2011.

- Compared to the Twin Cities Metro Area, Sherburne County housing values historically are about 12% less than the median resale price in the Twin Cities Region.

- Sherburne County housing values are more affordable than the collar counties of Wright County and St. Croix County in Wisconsin. However, Sherburne County values are higher than other collar counties near the Metro Area.

- Historically, Sherburne County has had a higher rate of lender-mediated properties than the Twin Cities. Sherburne County distressed properties accounted for upwards of 70% of real estate transactions in 2010 and 2011, compared to about a 50% peak in the Metro Area. Distressed sales have decreased annually and accounted for about 2% of all transactions in 2019.

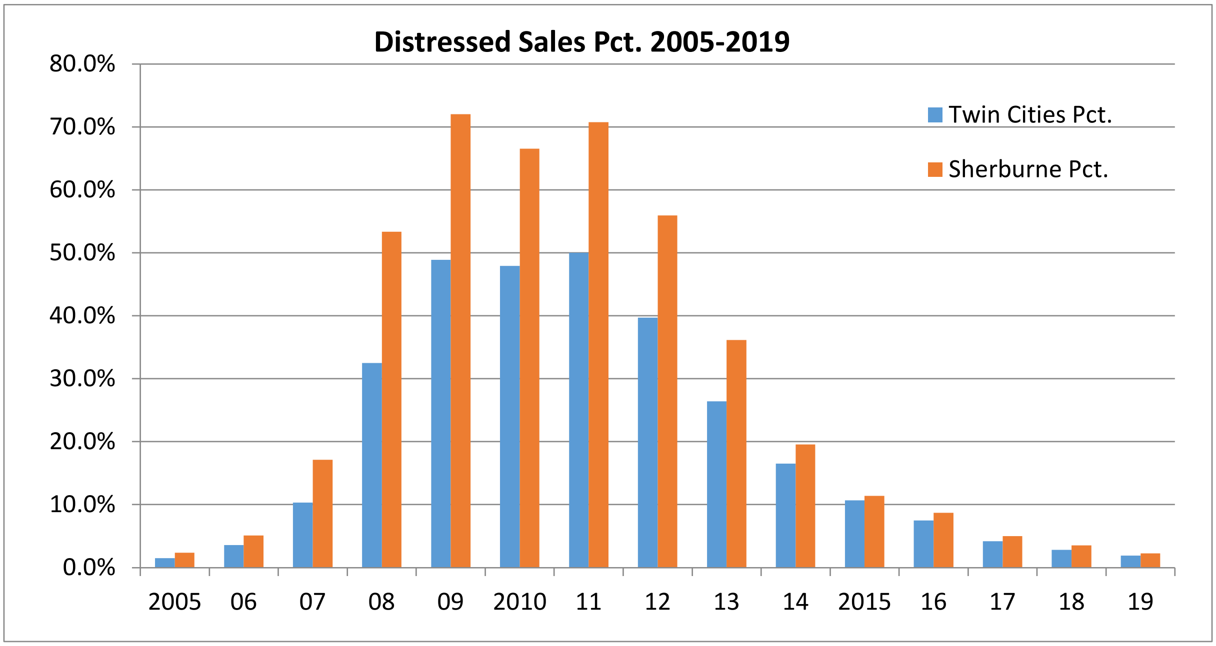
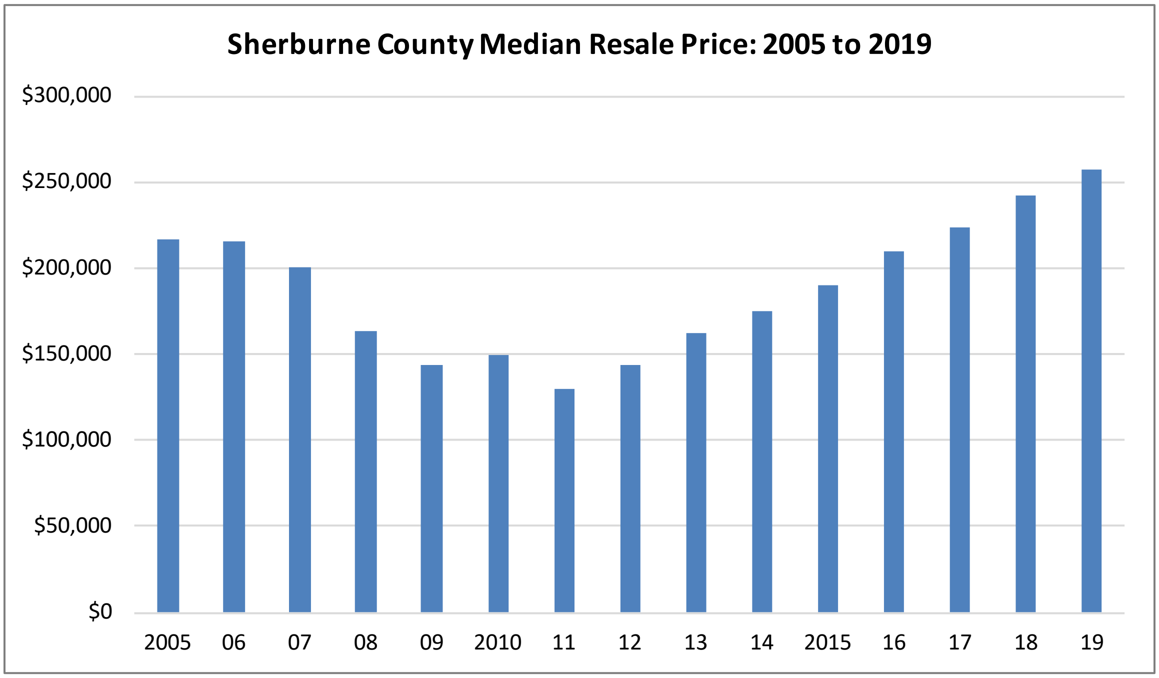
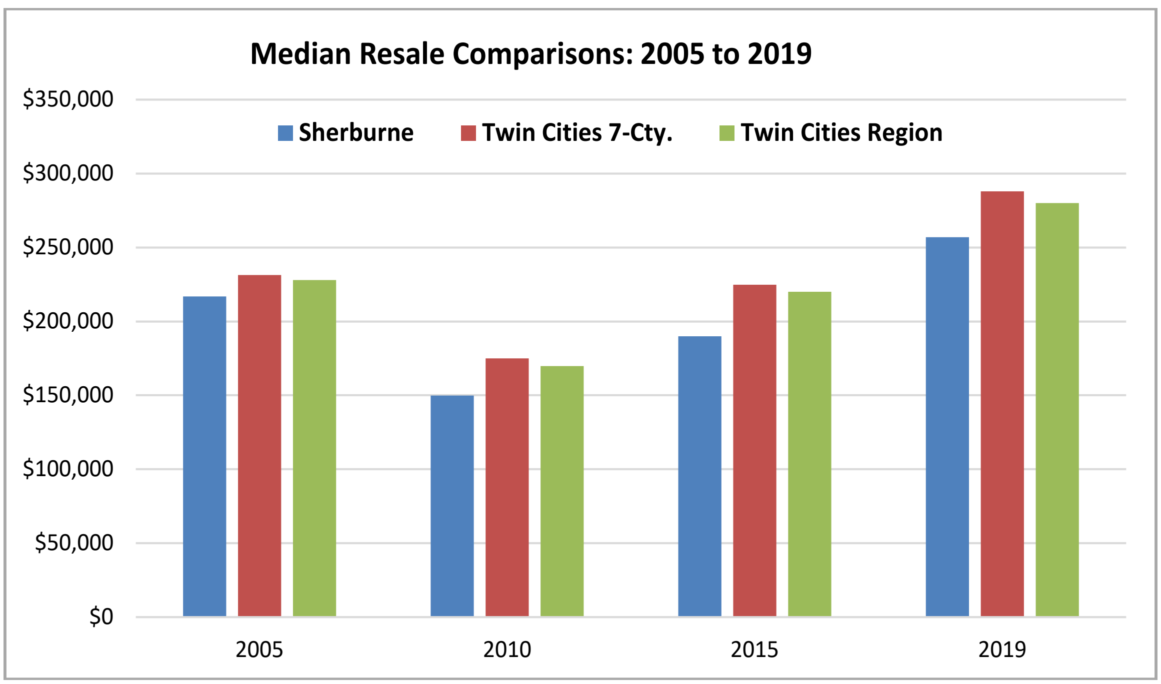

Distressed Sales Pct. 2005-2019
80.0%
70.0%
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
2005
06
07
08
09
2010
11
12
13
14
2015
16
17
18
19
Twin Cities Pct.
Sherburne Pct.

TABLE FS-1
MEDIAN RESALE COMPARISON BY METRO AREA COUNTY & COLLAR COUNTIES
2005 to 2019

County	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Twin Cities 7-County Metro Area															
Anoka	$224,900	$224,500	$212,110	$180,000	$155,000	$155,000	$136,900	$152,000	$174,900	$187,825	$200,000	$219,900	$232,000	$250,000	$265,000
Carver	$256,726	$263,000	$267,000	$248,500	$218,000	$230,000	$215,799	$230,150	$252,000	$258,050	$273,240	$279,950	$311,650	$321,361	$340,000
Dakota	$233,000	$234,000	$229,788	$205,000	$174,250	$175,000	$156,000	$170,500	$200,000	$215,000	$227,000	$240,000	$252,500	$269,900	$288,500
Hennepin	$233,855	$238,000	$235,210	$205,000	$174,025	$184,000	$162,500	$182,500	$209,900	$221,000	$235,000	$246,500	$263,500	$283,000	$300,000
Ramsey	$213,000	$216,566	$209,000	$174,900	$144,000	$145,000	$125,500	$142,000	$163,000	$176,500	$187,810	$200,000	$216,500	$232,900	$245,750
Scott	$250,000	$245,000	$242,453	$224,700	$200,000	$190,000	$180,000	$197,000	$226,500	$239,900	$245,000	$257,000	$266,950	$295,000	$305,000
Washington	$251,700	$255,000	$249,900	$226,000	$189,000	$195,000	$179,000	$200,000	$220,000	$236,000	$242,150	$260,000	$278,500	$299,999	$325,000
Twin Cities 7-Cty.	**$231,400**	**$234,900**	**$229,900**	**$200,000**	**$169,900**	**$175,000**	**$155,000**	**$172,000**	**$199,000**	**$212,000**	**$224,900**	**$236,900**	**$250,000**	**$270,000**	**$288,000**
Collar Counties															
Chisago	$225,250	$217,000	$212,950	$175,000	$155,000	$145,250	$136,000	$139,000	$165,000	$183,000	$191,450	$209,950	$229,900	$249,950	$255,000
Goodhue	$170,000	$174,450	$165,000	$152,500	$144,950	$134,500	$130,000	$134,450	$145,000	$153,500	$165,000	$172,500	$194,000	$198,668	$218,301
Isanti	$186,958	$187,000	$169,900	$140,000	$119,000	$109,900	$94,950	$117,900	$128,050	$149,900	$161,533	$176,961	$195,000	$216,950	$229,000
Rice	$209,900	$200,000	$189,900	$155,250	$145,000	$140,000	$128,000	$135,000	$158,000	$167,500	$170,750	$192,000	$216,000	$223,000	$245,000
Sherburne	**$216,915**	**$216,000**	**$200,765**	**$163,500**	**$144,000**	**$149,900**	**$129,900**	**$143,500**	**$162,500**	**$175,000**	**$189,900**	**$209,575**	**$223,950**	**$242,000**	**$256,900**
St. Croix County	$199,907	$202,995	$195,000	$175,000	$161,450	$160,000	$144,650	$149,000	$177,500	$186,000	$208,000	$219,900	$239,023	$250,000	$269,900
Wright	$216,510	$220,000	$210,000	$179,900	$153,450	$152,390	$139,000	$151,900	$176,250	$185,000	$205,000	$219,000	$236,247	$255,000	$265,000
Twin Cities Region	**$227,900**	**$230,000**	**$225,000**	**$195,000**	**$165,000**	**$169,900**	**$150,000**	**$167,900**	**$192,000**	**$205,600**	**$220,000**	**$232,000**	**$246,000**	**$265,000**	**$280,000**

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


Sherburne County Median Resale Price: 2005 to 2019
$300,000
$250,000
$200,000
$150,000
$100,000
$50,000
$0
2005
06
07
08
09
2010
11
12
13
14
2015
16
17
18
19


Median Resale Comparisons: 2005 to 2019
Sherburne
Twin Cities 7-Cty.
Twin Cities Region
$350,000
$300,000
$250,000
$200,000
$150,000
$100,000
$50,000
$0
2005
2010
2015
2019

Home Resale Comparison in Sherburne County & Vicinity

Tables FS-2 and FS-3 present summary data for resales of single-family and multifamily housing units for the Sherburne County submarkets in 2000, 2005, 2010 and from 2015 to 2019. Data is sourced to the Regional Multiple Listing Service of Minnesota (RMLS).

Single-Family Resales

- Between 2000 and 2006, Sherburne County submarkets experienced rapid home sale appreciation during the real estate boom, posting a median sales price increase of 51.5%. However, after the housing market plateaued in 2005/2006, Sherburne County communities experienced sliding housing values as the housing market burst. Between 2005 and 2010, the median resale price declined by -30%.

- Since the trough in 2010, median resale values have recovered and surpassed the previous peak of 2005. Strong appreciation has occurred over the past five years and single-family resale values have peaked year-to-year and are at a new all-time high of $260,867 as of 2019.

- The number of resales in the Sherburne County submarkets peaked in 2005 with 1,762 transactions. Resales declined through 2010 with a low of 1,054, before increasing to 1,683 in 2015. Since 2015 resales have been strong and averaging about 1,700 annually.

- Transaction volume has been steady; however, would be higher if there were more homes for sale as supply has been at all-time lows over the past few years.

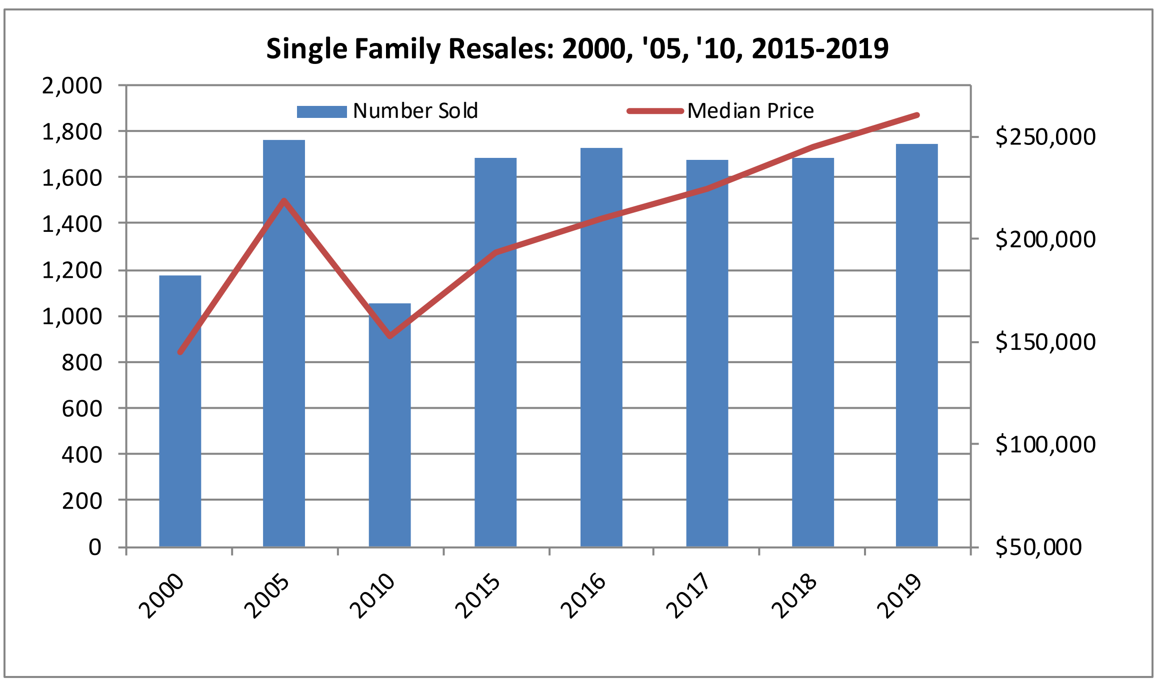


TABLE FS-2
SINGLE-FAMILY HOME RESALES
SHERBURNE COUNTY & VICINITY
2000, 2005, 2010, 2015 to 2019

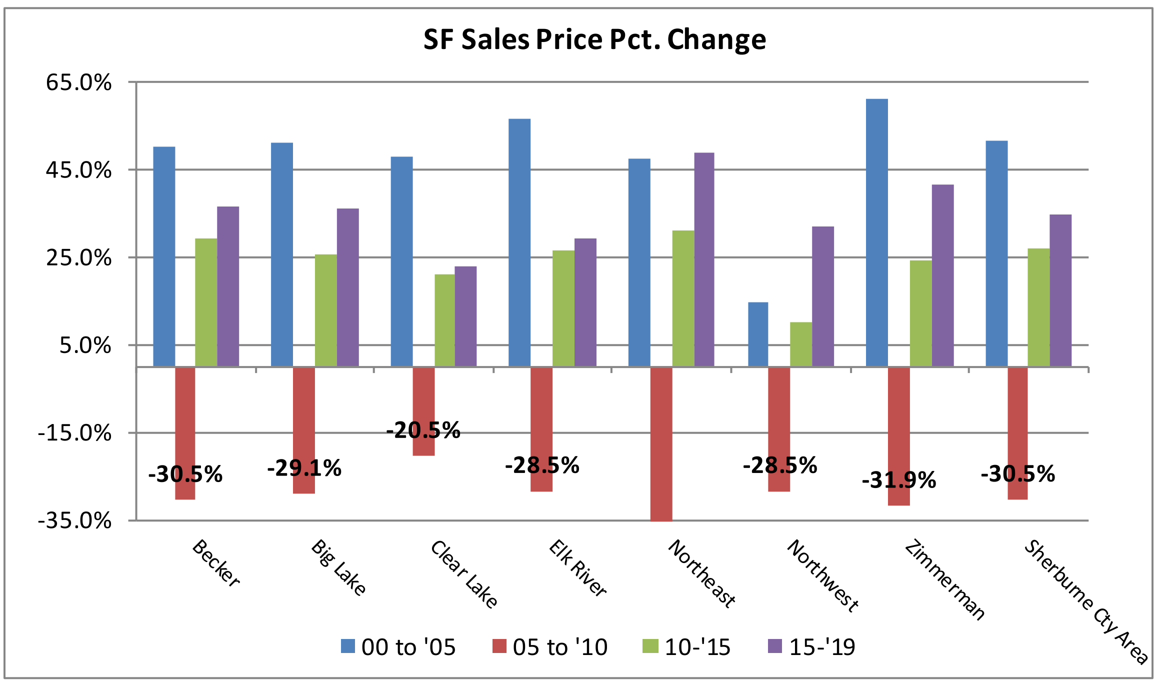
Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market[1]	Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market[1]
Becker Submarket					**Big Lake Submarket**				
2000	149	$155,991	$147,000	--	2000	281	$147,349	$136,900	--
2005	184	$238,390	$220,900	--	2005	424	$229,881	$206,700	--
2010	99	$178,976	$153,450	154	2010	264	$157,657	$146,450	122
2015	178	$214,160	$198,225	90	2015	395	$204,164	$183,900	70
2016	184	$229,874	$208,000	76	2016	456	$226,757	$205,200	61
2017	159	$237,900	$222,299	65	2017	449	$234,062	$215,847	51
2018	170	$259,095	$235,950	58	2018	431	$258,059	$239,900	47
2019	146	$287,527	$270,450	61	2019	424	$266,110	$250,000	60
Pct. Change					**Pct. Change**				
00 to 05	23%	53%	50%	--	00 to 05	51%	56%	51%	--
05 to 10	-46%	-25%	-31%	--	05 to 10	-38%	-31%	-29%	--
10 to 15	80%	20%	29%	--	10 to 15	50%	29%	26%	--
15 to 19	-18%	34%	36%	--	15 to 19	7%	30%	36%	--
Clear Lake Submarket					**Elk River Submarket**				
2000	56	$161,370	$148,700	--	2000	304	$174,757	$161,000	--
2005	75	$240,978	$220,000	--	2005	407	$271,612	$251,745	--
2010	49	$191,694	$174,900	174	2010	233	$193,473	$180,000	136
2015	81	$228,976	$211,900	165	2015	415	$236,654	$228,000	83
2016	81	$230,046	$211,800	113	2016	365	$255,150	$242,000	66
2017	84	$259,278	$236,000	89	2017	334	$285,277	$272,000	51
2018	65	$264,645	$239,900	84	2018	396	$292,078	$280,450	48
2019	95	$279,224	$260,000	78	2019	440	$308,230	$294,950	57
Pct. Change					**Pct. Change**				
00 to 05	34%	49%	48%	--	00 to 05	34%	55%	56%	--
05 to 10	-35%	-20%	-21%	--	05 to 10	-43%	-29%	-28%	--
10 to 15	65%	19%	21%	--	10 to 15	78%	22%	27%	--
15 to 19	17%	22%	23%	--	15 to 19	6%	30%	29%	--
Northeast Submarket					**Northwest Submarket**				
2000	172	$138,418	$131,054	--	2000	7	$182,114	$155,000	--
2005	276	$208,859	$193,550	--	2005	71	$200,678	$177,500	--
2010	170	$128,180	$124,950	128	2010	58	$140,400	$126,900	190
2015	229	$168,440	$164,000	78	2015	89	$161,050	$140,000	169
2016	249	$200,641	$192,000	83	2016	94	$174,334	$145,000	119
2017	215	$203,347	$191,000	55	2017	110	$211,197	$180,250	101
2018	254	$234,526	$224,950	48	2018	94	$213,969	$189,000	79
2019	225	$250,697	$244,000	50	2019	124	$207,314	$184,858	60
Pct. Change					**Pct. Change**				
00 to 05	60%	51%	48%	--	00 to 05	914%	10%	15%	--
05 to 10	-38%	-39%	-35%	--	05 to 10	-18%	-30%	-29%	--
10 to 15	35%	31%	31%	--	10 to 15	53%	15%	10%	--
15 to 19	-2%	49%	49%	--	15 to 19	39%	29%	32%	--

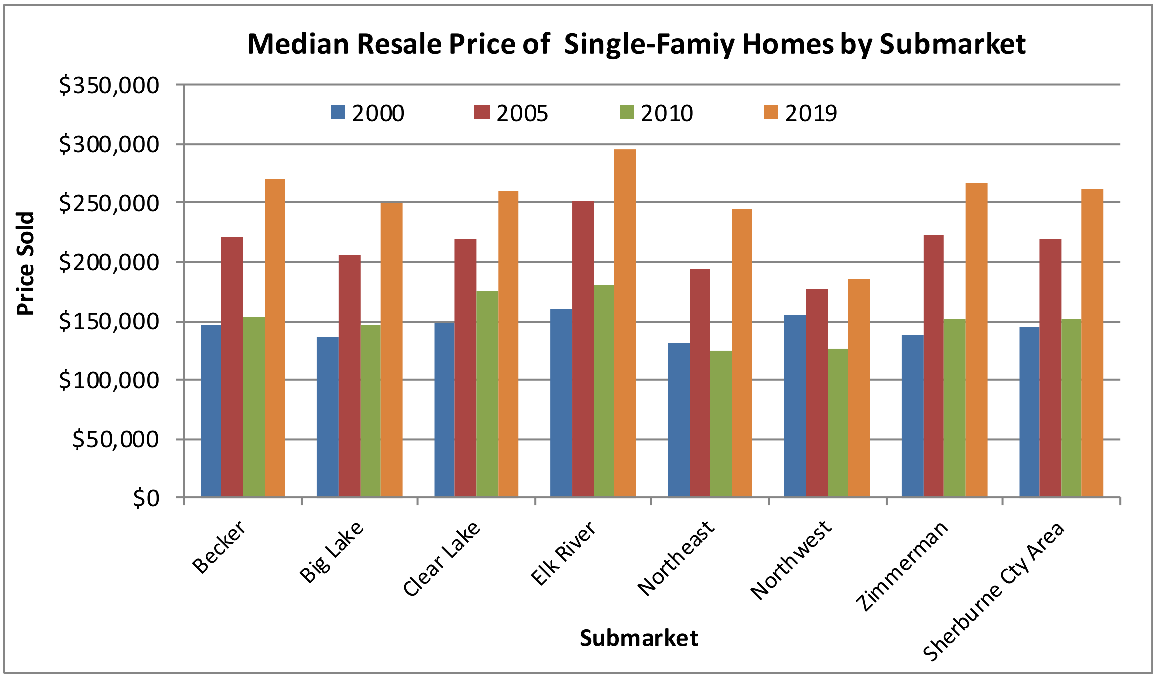
CONTINUED

TABLE FS-2
SINGLE-FAMILY HOME RESALES
SHERBURNE COUNTY & VICINITY
2000, 2005, 2010, 2015 to 2019

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]
Zimmerman Submarket					**Sherburne County & Vicinity**				
2000	206	$151,958	$137,950	--	2000	1,175	$155,912	$144,415	--
2005	325	$243,111	$222,271	--	2005	1,762	$238,852	$218,789	--
2010	181	$164,049	$151,400	134	2010	1,054	$164,553	$152,153	137
2015	296	$207,968	$188,000	85	2015	1,683	$207,955	$193,329	89
2016	295	$229,970	$212,000	70	2016	1,724	$227,175	$209,575	74
2017	329	$242,999	$224,900	62	2017	1,680	$242,190	$224,891	60
2018	278	$265,248	$246,000	55	2018	1,688	$261,585	$244,936	53
2019	295	$285,012	$266,000	63	2019	1,749	$276,243	$260,867	60
Pct. Change					**Pct. Change**				
00 to 05	58%	60%	61%	--	00 to 05	50%	53%	52%	--
05 to 10	-44%	-33%	-32%	--	05 to 10	-40%	-31%	-30%	--
10 to 15	64%	27%	24%	--	10 to 15	60%	26%	27%	--
15 to 19	0%	37%	41%	--	15 to 19	4%	33%	35%	--

[1] Cummulative Days on the Market begins in 2006
Sources: Regional Multiple Listing Service of Minnesota (RMLS); Maxfield Research & Consulting, LLC



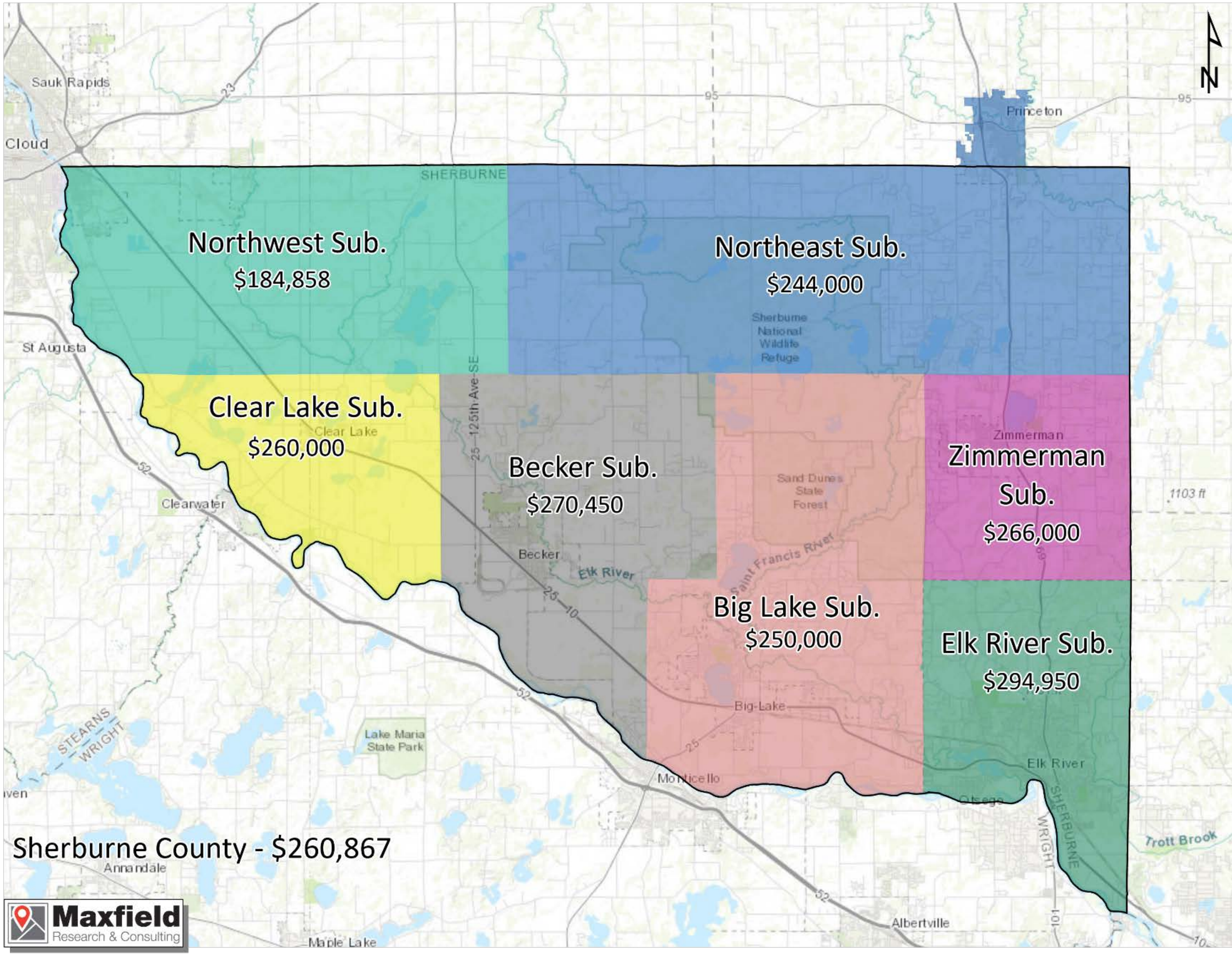


- The Big Lake and Elk River submarkets account for the greatest share of resale activity in the County. Combined, the two submarkets make-up nearly 50% of single-family resales.

- Single-family median sales prices in 2019 ranged from about $185,000 in the Northwest Submarket to $295,000 in the Elk River Submarket.

- Since 2015, single-family resale values have increased by 35%. Appreciation over this time frame has ranged from 23% in the Clear Lake Submarket to 49% in the Northeast Submarket. During the economic downturn last decade, single family housing values declined the most in the Northeast Submarket (-35.4%).

Single-family Resale Values 2019



Multifamily Resales

- Multifamily resale percentages have increased this decade. In 2000, multifamily accounted for only 4.7% of transactions increasing to 10% in 2010. Over the past five years, multifamily resales have accounted for approximately 12% of Sherburne County Market Area resales (about 235 resales annually).

- Nearly two-thirds of all multifamily resales are within the Elk River Submarket. Most submarkets have less than 10% of their transactions in the multifamily sector. The multifamily sector experienced a higher percentage of foreclosures during the Great Recession; hence housing values decreased more so than single-family housing in the County.

- Similar to single-family home prices, the multifamily median resale price bottomed out in 2010 at about $97,000; a decrease of -42% from the 2005 price of $168,000. Since 2010, multifamily resale values have increased by 90% and at a new high of $183,400 in 2019.

- In 2019, multifamily resales values ranged from $160,000 in the Zimmerman Submarket to $190,000 in the Elk River Submarket. The median value across the County was about $183,400.

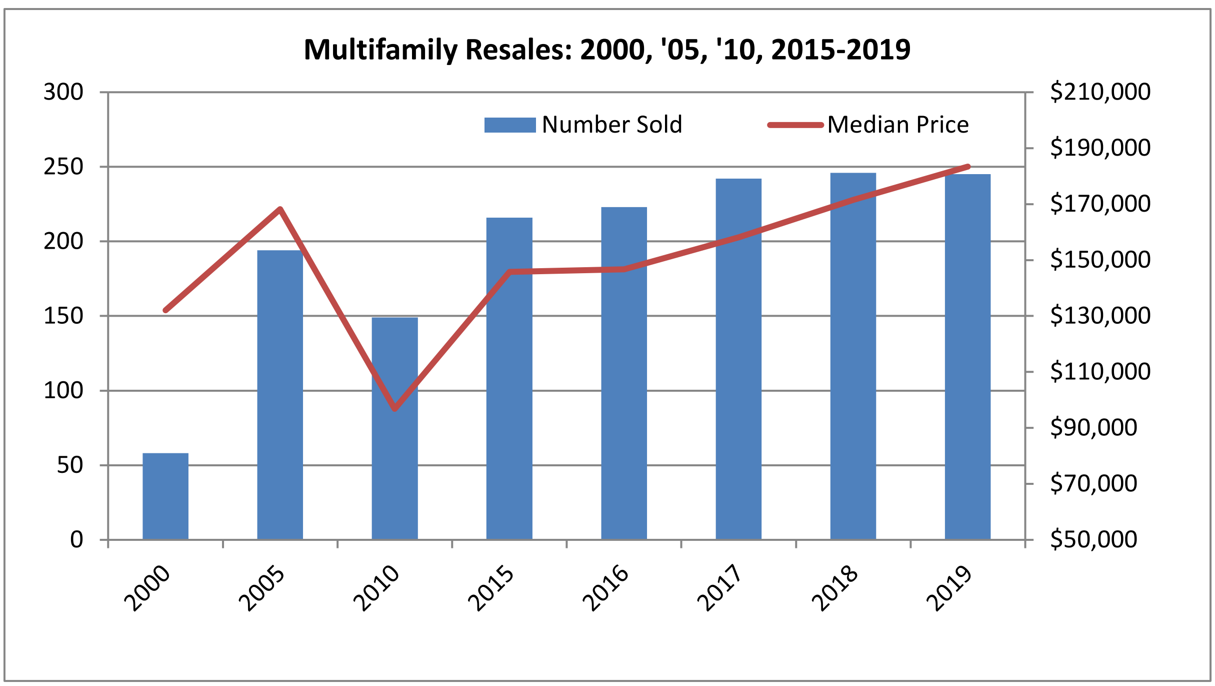


TABLE FS-3
MULTI-FAMILY HOME RESALES
SHERBURNE COUNTY & VICINITY
2000, 2005, 2010, 2015 to 2019

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]
Becker Submarket					**Big Lake Submarket**				
2000	5	$119,160	$120,000	--	2000	8	$137,997	$132,883	--
2005	3	$149,083	$147,000	--	2005	33	$180,842	$179,900	--
2010	15	$104,127	$90,000	132	2010	14	$101,826	$88,500	126
2015	14	$146,089	$147,000	75	2015	21	$134,958	$130,000	10
2016	10	$151,730	$150,450	36	2016	19	$160,842	$155,000	57
2017	14	$158,589	$143,900	32	2017	22	$163,420	$161,000	31
2018	14	$162,057	$161,500	21	2018	26	$185,236	$170,000	38
2019	14	$190,086	$189,000	38	2019	20	$193,373	$176,500	
Pct. Change					**Pct. Change**				
00 to 05	-40%	25%	23%	--	00 to 05	313%	31%	35%	--
05 to 10	400%	-30%	-39%	--	05 to 10	-58%	-44%	-51%	--
10 to 15	-7%	40%	63%	--	10 to 15	50%	33%	47%	--
15 to 19	0%	30%	29%	--	15 to 19	-5%	43%	36%	--
Clear Lake Submarket					**Elk River Submarket**				
2000				--	2000	35	$145,163	$142,580	--
2005	2	$170,000	$170,000	--	2005	107	$184,192	$171,900	--
2010					2010	78	$110,555	$107,442	126
2015	1	$126,500	$126,500	83	2015	136	$169,510	$155,000	42
2016	1	$134,900	$134,900	9	2016	129	$171,353	$155,000	44
2017					2017	147	$185,388	$167,000	40
2018					2018	148	$203,169	$180,000	43
2019					2019	159	$206,599	$190,000	43
Pct. Change					**Pct. Change**				
00 to 05	#DIV/0!	#DIV/0!	#DIV/0!	--	00 to 05	206%	27%	21%	--
05 to 10	-100%	-100%	-100%	--	05 to 10	-27%	-40%	-37%	--
10 to 15	#DIV/0!	#DIV/0!	#DIV/0!	--	10 to 15	74%	53%	44%	--
15 to 19	-100%	-100%	-100%	--	15 to 19	17%	22%	23%	--
Northeast Submarket					**Northwest Submarket**				
2000	4	$120,258	$102,066	--	2000	2	$87,500	$87,500	--
2005	21	$156,318	$149,900	--	2005	10	$152,170	$164,400	--
2010	17	$100,015	$85,100	204	2010	6	$101,350	$96,950	252
2015	19	$160,352	$139,900	59	2015	10	$97,610	$98,050	47
2016	14	$172,274	$153,500	103	2016	17	$105,725	$110,000	48
2017	22	$172,827	$153,950	109	2017	7	$103,843	$105,000	49
2018	31	$179,155	$164,500	68	2018	8	$122,547	$127,814	37
2019	21	$186,741	$170,000	56	2019	5	$147,460	$164,000	30
Pct. Change					**Pct. Change**				
00 to 05	425%	30%	47%	--	00 to 05	400%	74%	88%	--
05 to 10	-19%	-36%	-43%	--	05 to 10	-40%	-33%	-41%	--
10 to 15	12%	60%	64%	--	10 to 15	67%	-4%	1%	--
15 to 19	11%	16%	22%	--	15 to 19	-50%	51%	67%	--

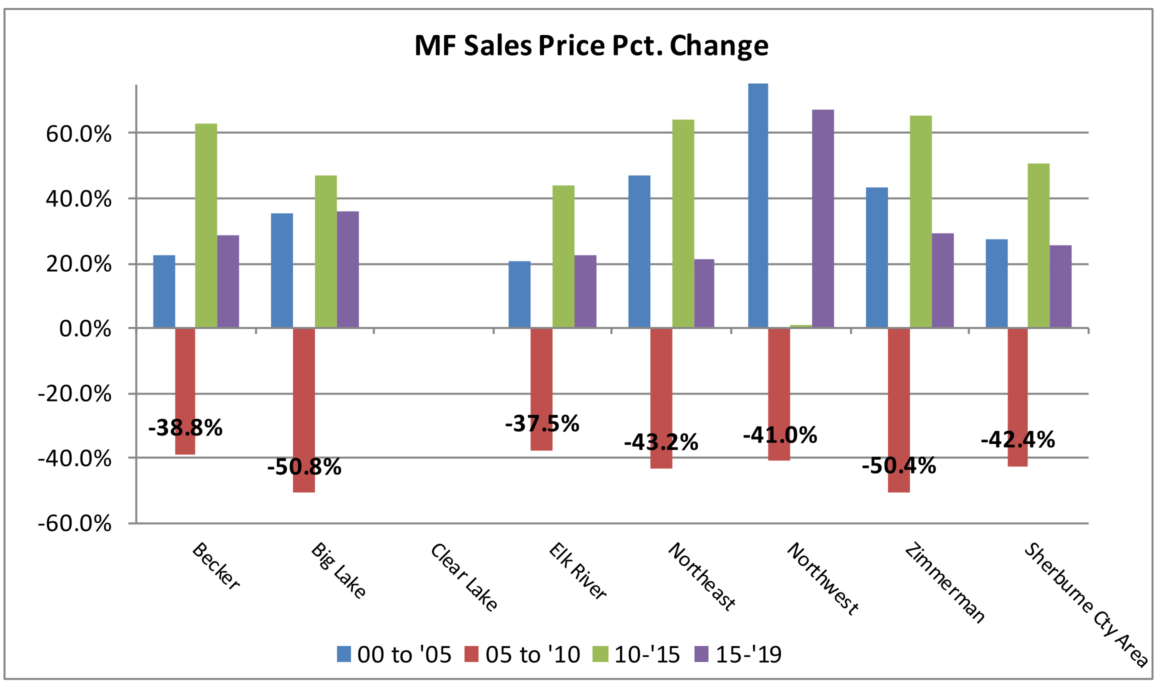
CONTINUED

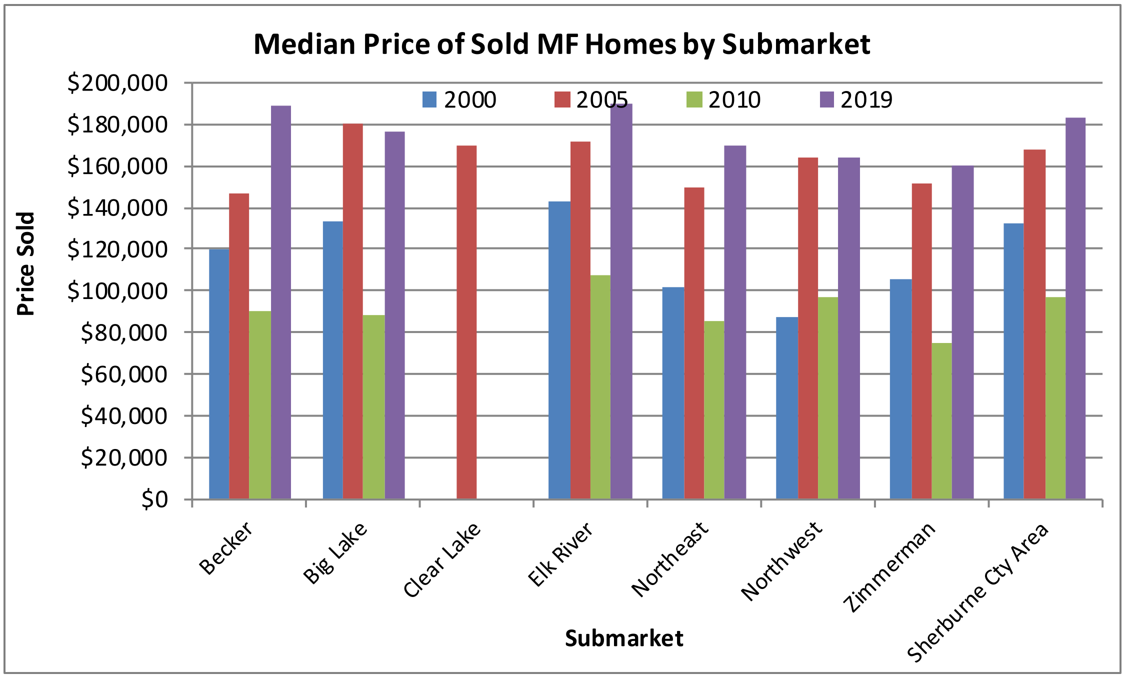
TABLE FS-3
MULTI-FAMILY HOME RESALES
SHERBURNE COUNTY & VICINITY
2000, 2005, 2010, 2015 to 2019

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]
Zimmerman Submarket					**Sherburne County & Vicinity**				
2000	4	$104,073	$105,279	--	2000	58	$135,393	$132,030	--
2005	18	$146,836	$151,250	--	2005	194	$174,799	$168,172	--
2010	19	$76,466	$75,000	100	2010	149	$103,168	$96,798	137
2015	15	$132,373	$124,000	50	2015	216	$157,720	$145,801	44
2016	33	$121,752	$125,000	59	2016	223	$157,129	$146,742	51
2017	30	$136,517	$135,000	25	2017	242	$172,282	$158,171	43
2018	19	$147,639	$145,000	20	2018	246	$188,997	$171,537	42
2019	26	$160,584	$159,950	29	2019	245	$196,783	$183,407	39
Pct. Change					**Pct. Change**				
00 to 05	6%	-48%	-50%	--	00 to 05	-23%	-41%	-42%	--
05 to 10	-21%	73%	65%	--	05 to 10	45%	53%	51%	--
10 to 15	120%	-8%	1%	--	10 to 15	3%	0%	1%	--
15 to 19	73%	21%	29%	--	15 to 19	13%	25%	26%	--

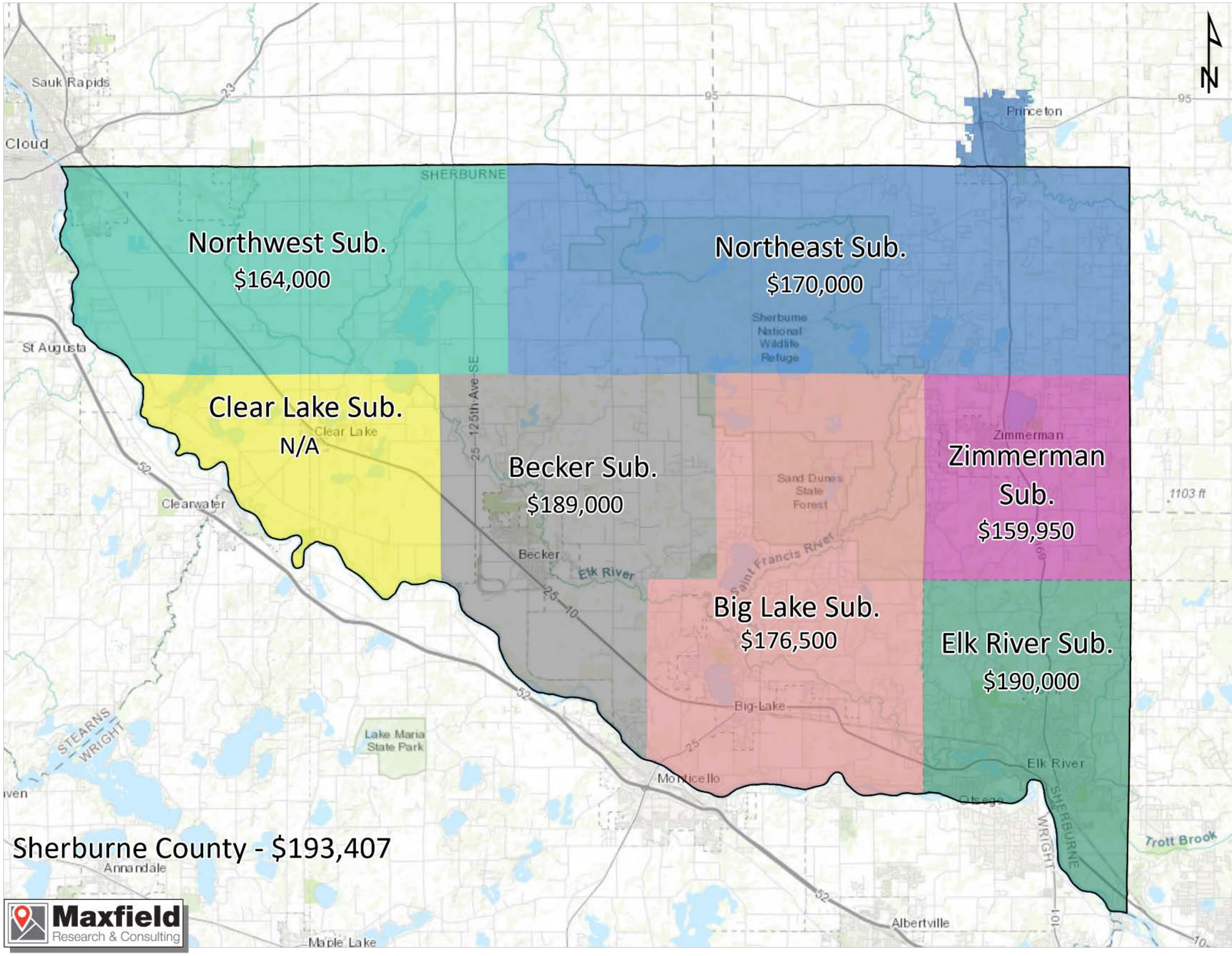
[1] Cummulative Days on the Market begins in 2008

Sources: Regional Multiple Listing Service of Minnesota (RMLS); Maxfield Research & Consulting, LLC




Median Price of Sold MF Homes by Submarket
2000
2005
2010
2019
Price Sold
$200,000
$180,000
$160,000
$140,000
$120,000
$100,000
$80,000
$60,000
$40,000
$20,000
$0
Becker
Big Lake
Clear Lake
Elk River
Northeast
Northwest
Zimmerman
Sherburne Cty Area
Submarket

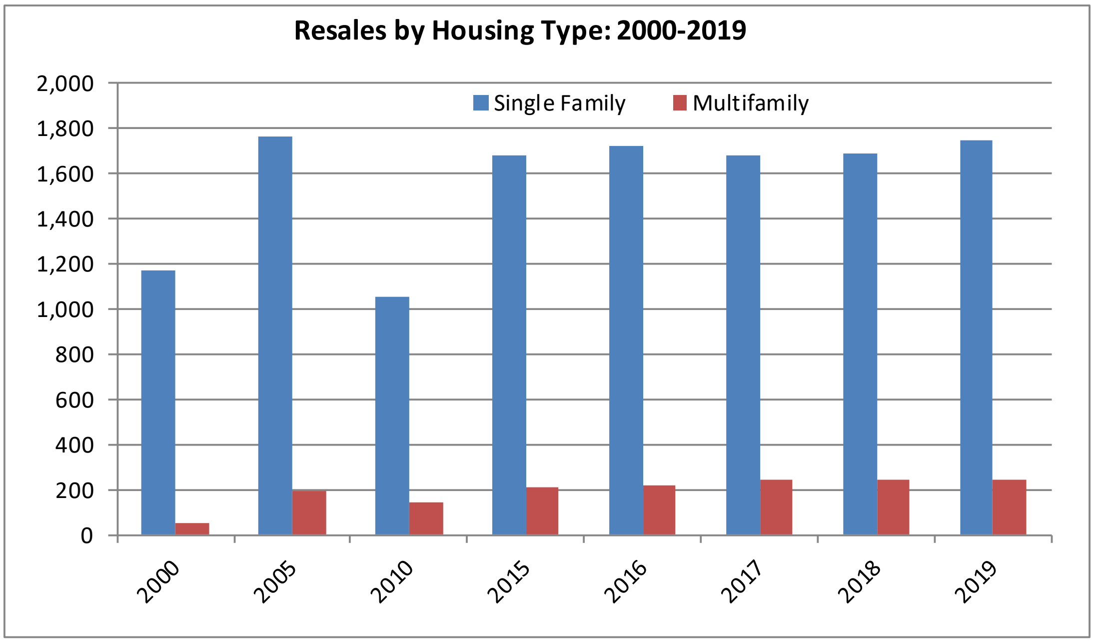
Multifamily Housing Resale Values 2019

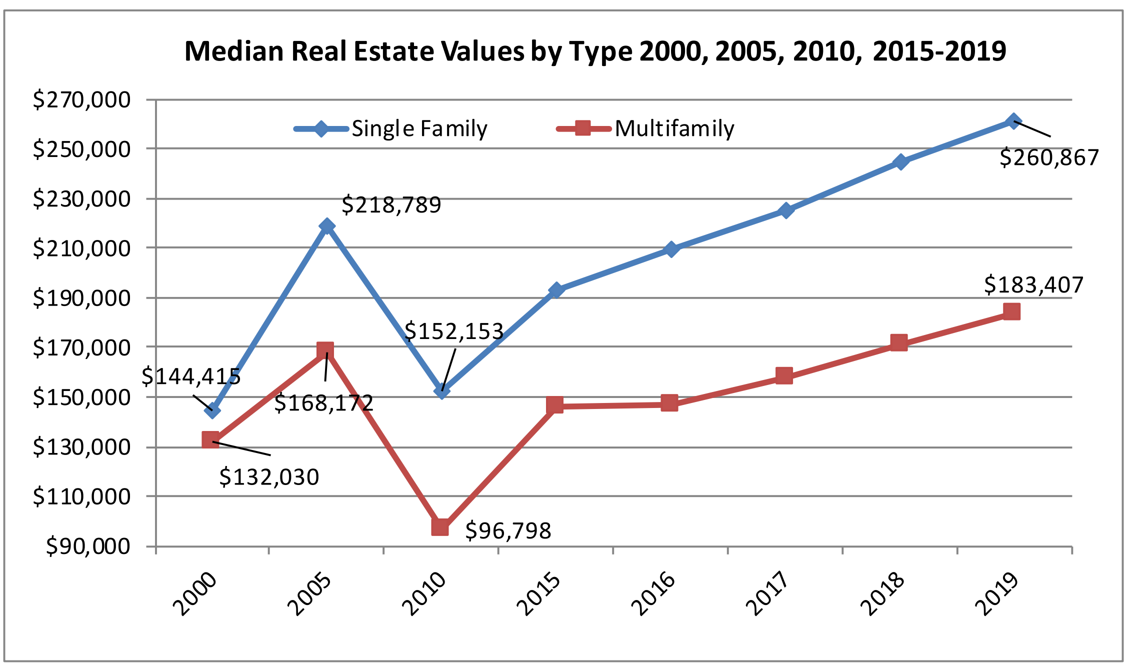


Single-family vs. Multifamily Resales

- Historically, single-family housing accounts for approximately 88% of all resales in the Sherburne County Market Area since 2015.

- During the same time frame, single-family homes have sold for approximately 25% to 30% higher price than multifamily housing products. In the early 2000s multifamily housing resale values were similar to single-family values, however after the Great Recession the gap between single-family and multifamily product types widened.





Resales by Price (2019)

Table FS-4 shows the distribution of sales within nine price ranges from resales in 2019. The graph on the following page visually displays the sales data.

- Approximately 53% of the single-family homes sold in 2019 were priced between $200,000 and $300,000. Another 23% of single-family homes sold from $300,000 to $400,000. About 8% of transactions sold above $400,000.

- About 70% of the multifamily product sold last year was priced from $100,000 to $200,000; most of which was priced from $150,000 to $200,000. Another 17% was priced from $200,000 to $250,000; hence about 87% of the multifamily housing sold for less than $250,000.

- Across the county, about 22% of all transactions sold for less than $200,000. About 7% of all transactions sold for more than $400,000. The Clear Lake Submarket had the highest percentage over $400,000; at 12%.

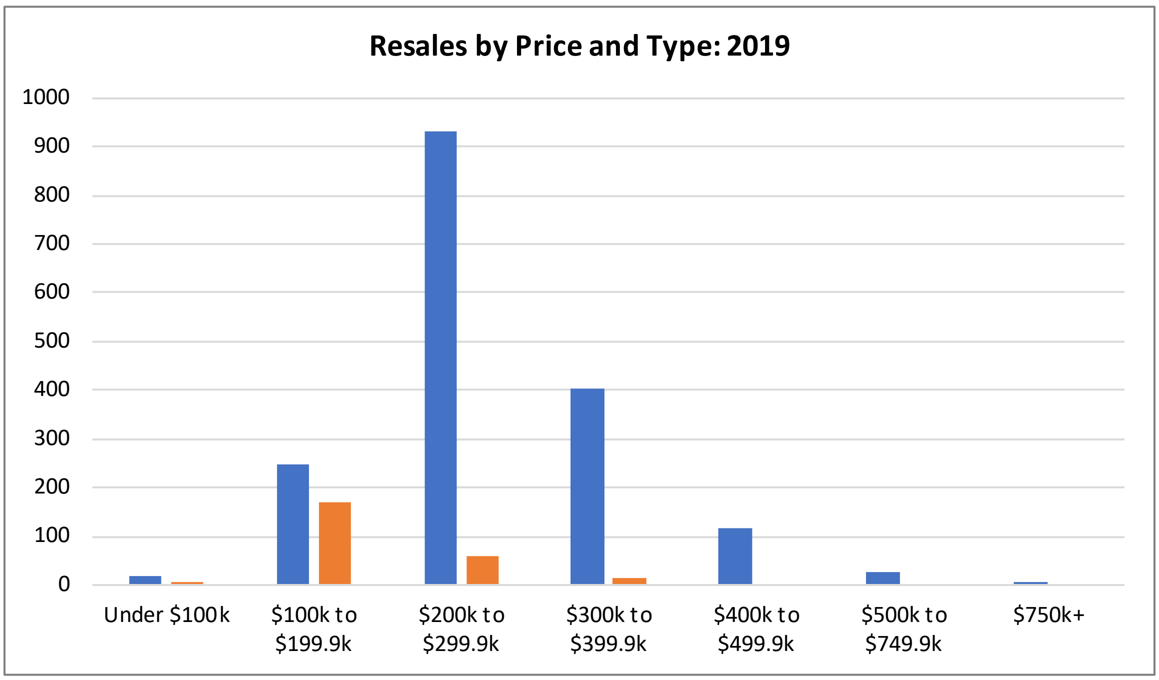


TABLE FS-4
RESALES BY PRICE POINT
SHERBURNE COUNTY & VICINITY
2019

	Becker Submarket						Big Lake Submarket					
	Single-Family		Multifamily[1]		Total		Single-Family		Multifamily[1]		Total	
Price Range	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
< $99,999	1	0.7%	0	0.0%	1	0.6%	2	0.5%	0	0.0%	2	0.5%
$100,000 to $149,999	1	0.7%	0	0.0%	1	0.6%	5	1.2%	0	0.0%	5	1.1%
$150,000 to $199,999	13	8.9%	10	71.4%	23	14.4%	33	7.8%	14	70.0%	47	10.6%
$200,000 to $249,999	40	27.4%	4	28.6%	44	27.5%	165	38.9%	4	20.0%	169	38.1%
$250,000 to $299,999	41	28.1%		0.0%	41	25.6%	133	31.4%	0	0.0%	133	30.0%
$300,000 to $349,999	19	13.0%		0.0%	19	11.9%	36	8.5%	2	10.0%	38	8.6%
$350,000 to $399,999	15	10.3%		0.0%	15	9.4%	28	6.6%		0.0%	28	6.3%
$400,000 to $449,999	8	5.5%		0.0%	8	5.0%	12	2.8%		0.0%	12	2.7%
$450,000 to $499,999	5	3.4%		0.0%	5	3.1%	6	1.4%		0.0%	6	1.4%
$500,000 to $749,999	2	1.4%		0.0%	2	1.3%	4	0.9%		0.0%	4	0.9%
$750,000 to $999,999	1	0.7%		0.0%	1	0.6%		0.0%		0.0%	0	0.0%
$1,000,000 and Over	0	0.0%		0.0%	0	0.0%		0.0%		0.0%	0	0.0%
	146	**100%**	**14**	**100%**	**160**	**100%**	**424**	**100%**	**20**	**100%**	**444**	**100%**
Minimum	$50,000		$162,500		$50,000		$50,000		$154,000		$50,000	
Maximum	$755,000		$225,000		$755,000		$620,000		$335,000		$620,000	
Median	$270,450		$189,000		$263,323		$250,000		$176,500		$246,689	
Average	$287,527		$190,086		$279,001		$266,110		$193,373		$262,834	

	Clear Lake Submarket						Elk River Submarket					
	Single-Family		Multifamily[1]		Total		Single-Family		Multifamily[1]		Total	
Price Range	No.	Pct.	No.	Pct.	No.	`	No.	Pct.	No.	Pct.	No.	Pct.
< $99,999	0	0.0%		#DIV/0!	0	0.0%	1	0.2%	0	0.0%	1	0.2%
$100,000 to $149,999	2	1.4%		#DIV/0!	2	2.1%	3	0.7%	5	3.1%	8	1.3%
$150,000 to $199,999	19	13.0%		#DIV/0!	19	20.0%	18	4.1%	99	62.3%	117	19.5%
$200,000 to $249,999	22	15.1%		#DIV/0!	22	23.2%	81	18.4%	29	18.2%	110	18.4%
$250,000 to $299,999	20	13.7%		#DIV/0!	20	21.1%	127	28.9%	13	8.2%	140	23.4%
$300,000 to $349,999	12	8.2%		#DIV/0!	12	12.6%	94	21.4%	11	6.9%	105	17.5%
$350,000 to $399,999	8	5.5%		#DIV/0!	8	8.4%	64	14.5%	2	1.3%	66	11.0%
$400,000 to $449,999	6	4.1%		#DIV/0!	6	6.3%	33	7.5%		0.0%	33	5.5%
$450,000 to $499,999	3	2.1%		#DIV/0!	3	3.2%	8	1.8%		0.0%	8	1.3%
$500,000 to $749,999	3	2.1%		#DIV/0!	3	3.2%	11	2.5%		0.0%	11	1.8%
$750,000 to $999,999		0.0%		#DIV/0!	0	0.0%		0.0%		0.0%	0	0.0%
$1,000,000 and Over		0.0%		#DIV/0!	0	0.0%		0.0%		0.0%	0	0.0%
	95	**65%**	**0**	**#DIV/0!**	**95**	**100%**	**440**	**100%**	**159**	**100%**	**599**	**100%**
Minimum	$125,000				$125,000		$85,000		$115,000		$85,000	
Maximum	$530,000				$530,000		$747,900		$358,744		$747,900	
Median	$260,000				$260,000		$294,950		$190,000		$267,092	
Average	$279,224				$279,224		$308,230		$206,599		$281,253	

CONTINUED

TABLE FS-4
RESALES BY PRICE POINT
SHERBURNE COUNTY & VICINITY
2019

	Northeast Submarket						Northwest Submarket					
	Single-Family		Multifamily[1]		Total		Single-Family		Multifamily[1]		Total	
Price Range	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
< $99,999	3	2.1%		0.0%	3	1.2%	8	6.5%	1	20.0%	9	7.0%
$100,000 to $149,999	19	13.0%	3	14.3%	22	8.9%	37	29.8%	1	20.0%	38	29.5%
$150,000 to $199,999	41	28.1%	13	61.9%	54	22.0%	24	19.4%	1	20.0%	25	19.4%
$200,000 to $249,999	58	39.7%	1	4.8%	59	24.0%	19	15.3%	2	40.0%	21	16.3%
$250,000 to $299,999	50	34.2%	4	19.0%	54	22.0%	21	16.9%		0.0%	21	16.3%
$300,000 to $349,999	32	21.9%		0.0%	32	13.0%	5	4.0%		0.0%	5	3.9%
$350,000 to $399,999	12	8.2%		0.0%	12	4.9%	5	4.0%		0.0%	5	3.9%
$400,000 to $449,999	6	4.1%		0.0%	6	2.4%	2	1.6%		0.0%	2	1.6%
$450,000 to $499,999	1	0.7%		0.0%	1	0.4%	2	1.6%		0.0%	2	1.6%
$500,000 to $749,999	3	2.1%		0.0%	3	1.2%	1	0.8%		0.0%	1	0.8%
$750,000 to $999,999		0.0%		0.0%	0	0.0%		0.0%		0.0%	0	0.0%
$1,000,000 and Over		0.0%		0.0%	0	0.0%		0.0%		0.0%	0	0.0%
	225	154%	21	100%	246	100%	124	100%	5	100%	129	100%
Minimum			$130,000		$130,000		$30,000		$79,900		$30,000	
Maximum	$657,500		$277,000		$657,500		$696,200		$193,000		$696,200	
Median	$244,000		$170,000		$237,683		$184,858		$164,000		$184,050	
Average	$250,697		$186,741		$245,237		$207,314		$147,460		$204,994	

	Zimmerman Submarket						Sherburne County & Vicinity Total					
	Single-Family		Multifamily[1]		Total		Single-Family		Multifamily[1]		Total	
Price Range	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
< $99,999	3	1.0%		0.0%	3	0.9%	18	1.0%	1	0.4%	19	1.0%
$100,000 to $149,999	6	2.0%	7	26.9%	13	4.0%	73	4.2%	16	6.5%	89	4.5%
$150,000 to $199,999	27	9.2%	17	65.4%	44	13.7%	175	10.0%	154	62.9%	329	16.5%
$200,000 to $249,999	70	23.7%	2	7.7%	72	22.4%	455	26.0%	42	17.1%	497	24.9%
$250,000 to $299,999	84	28.5%		0.0%	84	26.2%	476	27.2%	17	6.9%	493	24.7%
$300,000 to $349,999	50	16.9%		0.0%	50	15.6%	248	14.2%	13	5.3%	261	13.1%
$350,000 to $399,999	25	8.5%		0.0%	25	7.8%	157	9.0%	2	0.8%	159	8.0%
$400,000 to $449,999	17	5.8%		0.0%	17	5.3%	84	4.8%	0	0.0%	84	4.2%
$450,000 to $499,999	8	2.7%		0.0%	8	2.5%	33	1.9%	0	0.0%	33	1.7%
$500,000 to $749,999	4	1.4%		0.0%	4	1.2%	28	1.6%	0	0.0%	28	1.4%
$750,000 to $999,999	1	0.3%		0.0%	1	0.3%	2	0.1%	0	0.0%	2	0.1%
$1,000,000 and Over		0.0%		0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
	295	100%	26	100%	321	100%	1749	100%	245	100%	1994	100%
Minimum	$57,500		$135,000		$57,500						$0	
Maximum	$775,000		$215,000		$775,000						$0	
Median	$266,000		$159,950		$257,410						$246,672	
Average	$285,012		$160,584		$274,934						$266,693	

[1] Includes townhomes, detached townhomes, twinhomes, condominiums, and cooperatives

Sources: Regional Multiple Listing Service of Minnesota (RMLS)
Maxfield Research & Consulting, LLC

Owner-occupied Turnover

Table FS-5 illustrates existing home turnover as a percentage of owner-occupied units by Sherburne County submarket. Resales are based on historic transaction volume between 2015 and 2019 as listed on the Multiple Listing Service. Owner-occupied housing units are sourced to the U.S. Census as of 2018.

As displayed in the table, approximately 7% of the Sherburne County Market Area's owner-occupied housing stock is sold annually. Typically, we find owner-occupied turnover ranges from

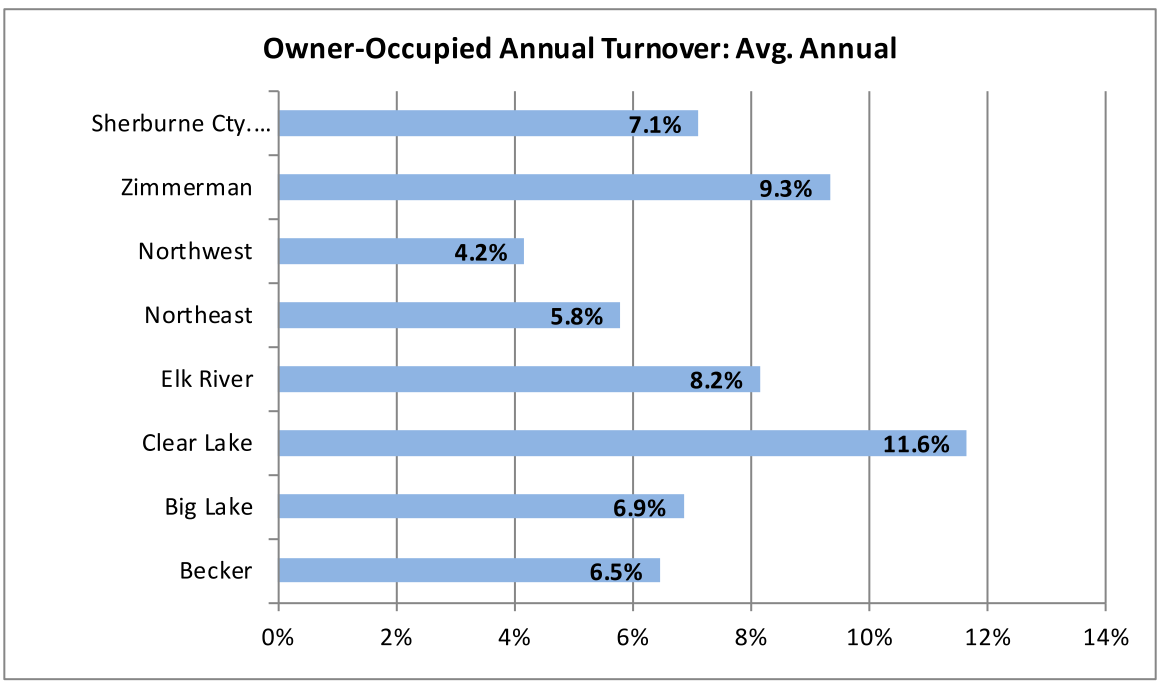
3% at the low-end to 8% at the high-end in many communities throughout Minnesota. Turnover was lowest in the Northwest Submarket (4.2%) and highest in the Clear Lake Submarket (11.6%).

TABLE FS-5
OWNER-OCCUPIED TURNOVER
SHERBURNE COUNTY MARKET AREA

Submarket	Owner-occupied Housing Units[1]	Resales Annual Avg.[2]	Turnover Pct.
Becker	2,803	181	6.5%
Big Lake	6,609	453	6.9%
Clear Lake	705	82	11.6%
Elk River	6,549	534	8.2%
Northeast	4,420	256	5.8%
Northwest	2,683	112	4.2%
Zimmerman	3,409	318	9.3%
Sherburne County Market Area	**27,178**	**1,934**	**7.1%**

[1] Owner-occupied housing units in 2018
[2] Average of MLS resales between 2015 and 2019

Source: U.S. Census Bureau, RMLS, Maxfield Research & Consulting



Home Resales per Square Foot ("PSF")

Table FS-6 shows the distribution of sales by sales price per square foot ("PSF") from 2005 to 2019. The sales per square foot metric is simply 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 Sherburne County and the Twin Cities Metro Area. The graphs on the following page visually displays the sales data.

- The median and average price per square foot declined significantly between 2005 and 2011. Sherburne County's median price per square foot was $130 in 2005 before declining to its lowest point in 2011 at $71 per square foot (-35%). Since 2011 the price per square foot has steadily increase to $128 per square foot (+84%) as of 2019.

- Sherburne County housings costs on a median PSF basis are about 15% less than the Twin Cities Metro Area average.

- On average since 2005, the price of an existing home PSF costs in Sherburne County is about 33% less than the cost of new construction. During the recession the gap between existing construction and new construction was as high as 43% in 2011. However, since 2011 the gap has shrunk, and new construction carries a 31% premium today.

- Last decade, new construction PSF costs in Sherburne County had historically been lower than the Metro Area. However, this decade Sherburne County new construction has slightly surpassed the Metro Area. The higher PSF costs can be somewhat attributed to housing product type as Sherburne County has many split-level homes that have carried a higher PSF costs than a two-story home

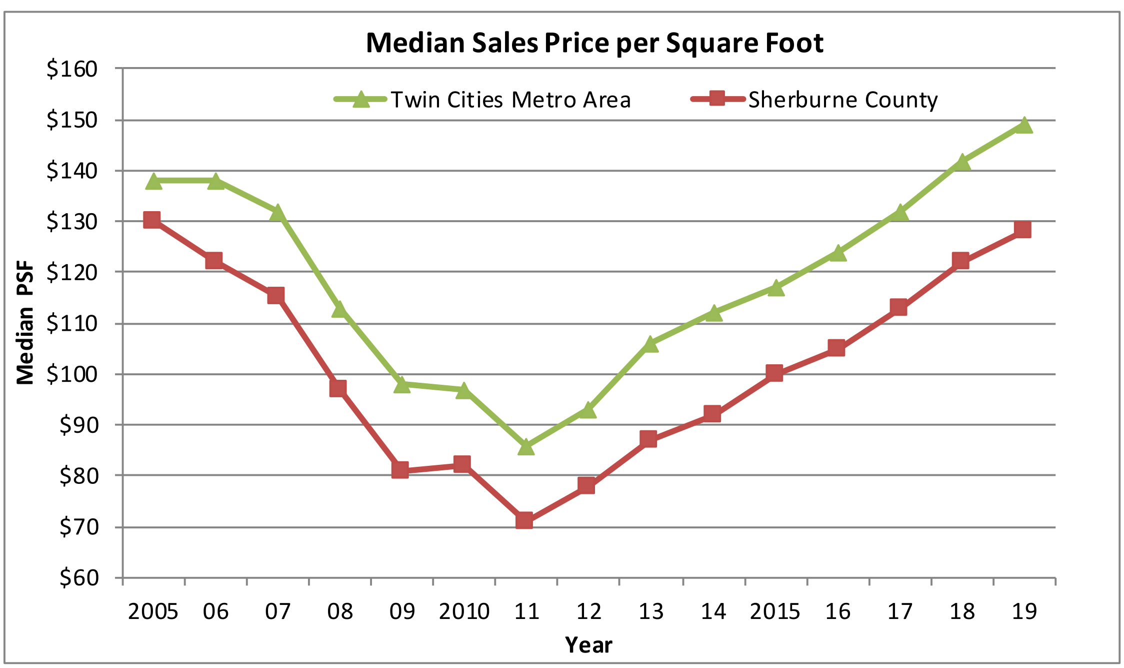


TABLE FS-6
AVERAGE & MEDIAN SALES PRICE PER SQUARE FOOT (PSF)
SHERBURNE COUNTY AND TWIN CITIES METRO AREA
2005 to 2019

	Sherburne County		Twin Cities Metro Area	
Year	Avg.	Median	Avg.	Median
2005	$139	$130	$150	$138
2006	$133	$122	$150	$138
2007	$124	$115	$143	$132
2008	$101	$97	$120	$113
2009	$85	$81	$104	$98
2010	$86	$82	$104	$97
2011	$75	$71	$93	$86
2012	$82	$78	$101	$93
2013	$92	$87	$113	$106
2014	$98	$92	$122	$112
2015	$107	$100	$127	$117
2016	$114	$105	$134	$124
2017	$122	$113	$143	$132
2018	$131	$122	$154	$142
2019	$138	$128	$161	$149

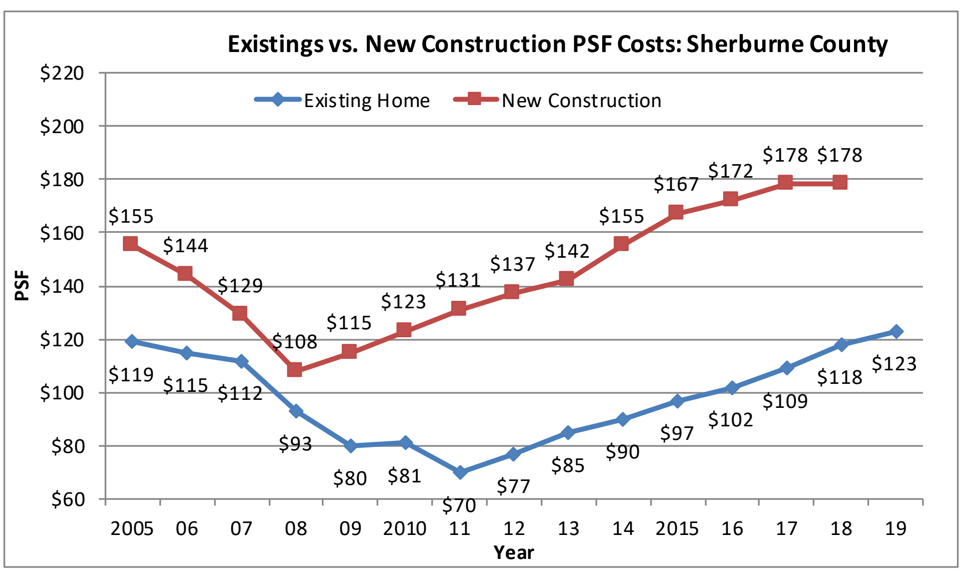
Source: 10K Research & Marketing, Maxfield Research & Consulting, LLC

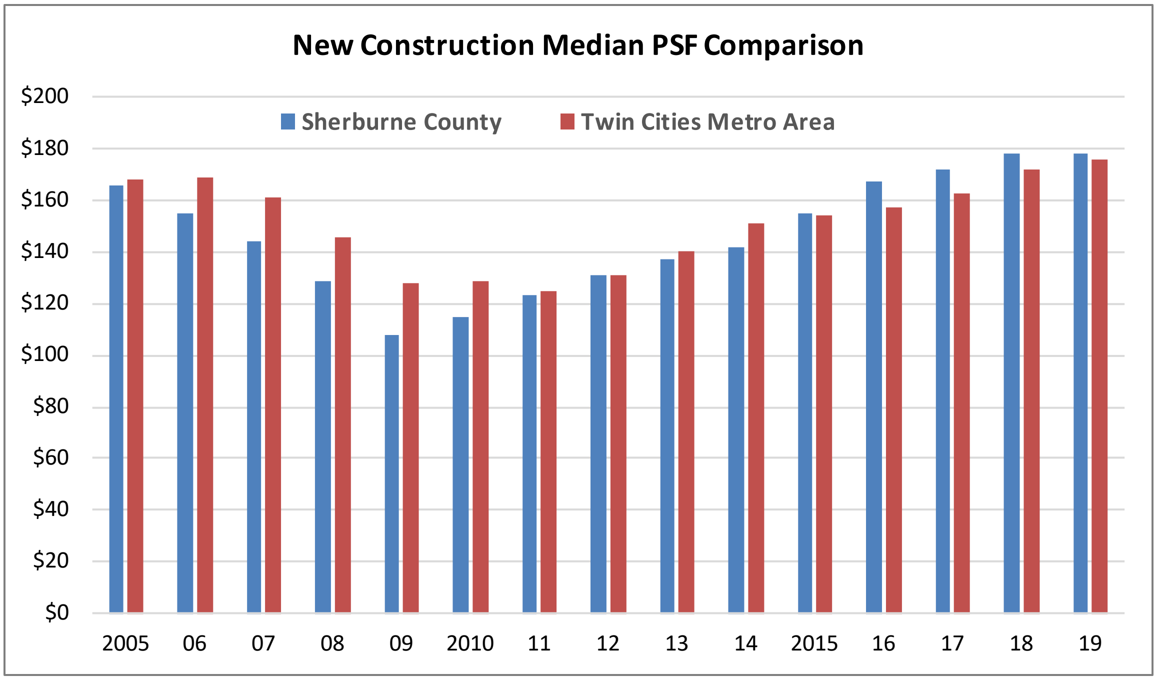
TABLE FS-7
MEDIAN SALES PRICE PER SQUARE FOOT (PSF) COMPARISON
EXISTING HOME VS. NEW CONSTRUCTION
SHERBURNE COUNTY AND TWIN CITIES METRO AREA
2005 to 2019

	Sherburne County		Twin Cities Metro Area	
Year	Existing Home	New Const.	Existing Home	New Const.
2005	$119	$166	$135	$168
2006	$115	$155	$135	$169
2007	$112	$144	$130	$161
2008	$93	$129	$111	$146
2009	$80	$108	$96	$128
2010	$81	$115	$95	$129
2011	$70	$123	$84	$125
2012	$77	$131	$91	$131
2013	$85	$137	$103	$140
2014	$90	$142	$110	$151
2015	$97	$155	$115	$154
2016	$102	$167	$122	$157
2017	$109	$172	$130	$163
2018	$118	$178	$139	$172
2019	$123	$178	$146	$176

Note: Twin Cities Metro Area = Twin Cities MSA

Source: 10K Research & Marketing, Maxfield Research & Consulting, LLC





Current Supply of Homes on the Market

To more closely examine the current market for available owner-occupied housing in the Sherburne County Market Area, we reviewed the current supply of homes on the market (listed for sale). Table FS-8 shows homes currently listed for sale in the Sherburne County Market Area distributed into 10 price ranges. The data was provided by the Regional Multiple Listing Services of Minnesota (RMLS) and is based on active listings in February 2020. MLS listings 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. Table FS-10 shows listings by home style (i.e. one-story, two-story, townhome, condominium) and illustrate key metrics by each housing type. Key findings from the tables follow.

- As of February 2020, there were 295 homes listed for sale in the Sherburne County Market Area. Single-family homes accounted for 93% of all listings.

- The median list price in the Sherburne County Market Area is approximately $309,000 ($314,350 for single-family homes and $244,280 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 a majority of homes in a given market. List prices are higher than the resale market in part given to the large number of new construction homes listed for sale.

TABLE FS-8
HOMES CURRENTLY LISTED FOR-SALE
SHERBURNE COUNTY & VICINITY
FEBRUARY 2020

	Becker Submarket				Big Lake Submarket				Clear Lake Submarket				Elk River Submarket			
	Single-Family		Multifamily[1]		Single-Family		Multifamily[1]		Single-Family		Multifamily[1]		Single-Family		Multifamily[1]	
Price Range	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**
< $100,000	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%		#DIV/0!	0	0.0%	0	0.0%
$100,000 to $149,999	1	3.2%	0	0.0%	0	0.0%	0	0.0%	0	0.0%		#DIV/0!	0	0.0%	0	0.0%
$150,000 to $199,999	0	0.0%	1	50.0%	1	1.3%	1	20.0%	0	0.0%		#DIV/0!	0	0.0%	3	30.0%
$200,000 to $249,999	7	22.6%	1	50.0%	17	22.1%	4	80.0%	1	11.1%		#DIV/0!	1	1.7%	0	0.0%
$250,000 to $299,999	8	25.8%		0.0%	33	42.9%		0.0%	2	22.2%		#DIV/0!	9	15.0%	3	30.0%
$300,000 to $399,999	9	29.0%		0.0%	9	11.7%		0.0%	2	22.2%		#DIV/0!	35	58.3%	4	40.0%
$400,000 to $499,999	3	9.7%		0.0%	14	18.2%		0.0%	3	33.3%		#DIV/0!	9	15.0%		0.0%
$500,000 to $749,999	2	6.5%		0.0%	3	3.9%		0.0%	0	0.0%		#DIV/0!	3	5.0%		0.0%
$750,000 to $999,999	1	3.2%		0.0%	0	0.0%		0.0%	1	11.1%		#DIV/0!	1	1.7%		0.0%
$1,000,000 and Over	0	0.0%		0.0%	0	0.0%		0.0%	0	0.0%		#DIV/0!	2	3.3%		0.0%
	31	**100%**	**2**	**100%**	**77**	**100%**	**5**	**--**	**9**	**100%**	**0**	**100%**	**60**	**100.0%**	**10**	**100.0%**
Minimum	$100,000		$196,900		$199,900		$185,000		$244,900				$233,900		$182,000	
Maximum	$989,000		$239,900		$650,000		$219,900		$839,000				$2,795,000		$390,790	
Median	$289,900		$218,400		$290,900		$205,000		$384,900				$367,450		$295,848	
Average	$338,513		$218,400		$317,637		$204,850		$409,922				$450,648		$293,037	

	North East Submarket				North West Submarket				Zimmerman Submarket				Sherburne County & Vicinity			
	Single-Family		Multifamily[1]		Single-Family		Multifamily[1]		Single-Family		Multifamily[1]		Single-Family		Multifamily[1]	
Price Range	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**
< $100,000	0	0.0%	0	0.0%	0	0.0%	1	100.0%	0	0.0%		0.0%	0	0.0%	1	4.8%
$100,000 to $149,999	2	5.4%	0	0.0%	0	0.0%		0.0%	0	0.0%	1	100.0%	3	1.1%	1	4.8%
$150,000 to $199,999	5	13.5%	1	50.0%	2	11.8%		0.0%	3	7.0%		0.0%	11	4.0%	6	28.6%
$200,000 to $249,999	8	21.6%	1	50.0%	0	0.0%		0.0%	1	2.3%		0.0%	35	12.8%	6	28.6%
$250,000 to $299,999	8	21.6%		0.0%	5	29.4%		0.0%	11	25.6%		0.0%	76	27.7%	3	14.3%
$300,000 to $399,999	9	24.3%		0.0%	5	29.4%		0.0%	17	39.5%		0.0%	86	31.4%	4	19.0%
$400,000 to $499,999	3	8.1%		0.0%	3	17.6%		0.0%	10	23.3%		0.0%	45	16.4%	0	0.0%
$500,000 to $749,999	1	2.7%		0.0%	1	5.9%		0.0%	1	2.3%		0.0%	11	4.0%	0	0.0%
$750,000 to $999,999	0	0.0%		0.0%	1	5.9%		0.0%	0	0.0%		0.0%	4	1.5%	0	0.0%
$1,000,000 and Over	1	2.7%		0.0%		0.0%		0.0%	0	0.0%		0.0%	3	1.1%	0	0.0%
	37	**100%**	**2**	**100%**	**17**	**100.0%**	**1**	**100.0%**	**43**	**100.0%**	**1**	**100.0%**	**274**	**100.0%**	**21**	**100.0%**
Minimum	$117,000		$199,900		$164,900		$99,900		$160,000		$144,900		$100,000		$99,900	
Maximum	$1,200,000		$264,900		$799,900		$99,900		$550,000		$144,900		$2,795,000		$390,790	
Median	$268,370		$232,400		$319,900		$99,900		$322,500		$144,900		$314,353		$244,280	
Average	$309,120		$232,400		$363,094		$99,900		$345,076		$144,900		$358,133		$244,239	

Sources: Regional Multiple Listing Service of Minnesota (RMLS), Maxfield Research & Consulting, LLC

- Based on a median list price in the Sherburne County Area of $309,365, the income required to afford a home at this price would be about $88,000 to $103,000, 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. About 50% of Sherburne County Market Area households have annual incomes at or above $88,000.

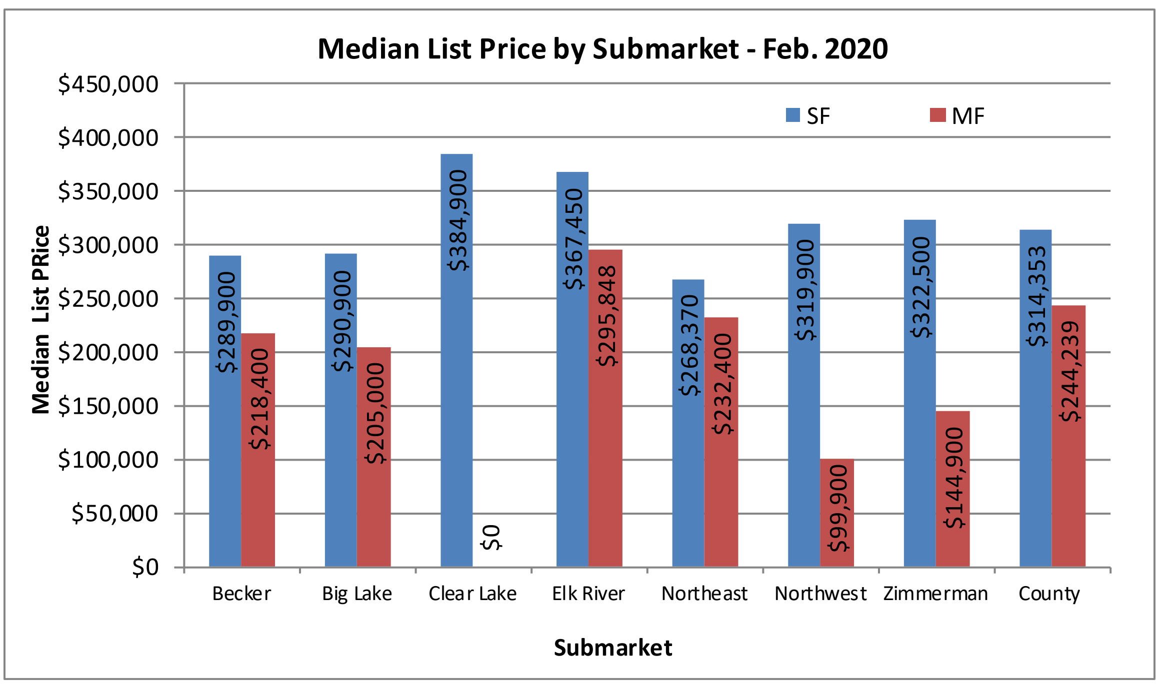
- Only 7.5% of all active listings were priced below $200,000 (14 single family homes and 8 multifamily homes). The Northeast Submarket had the most listings under $200,000.

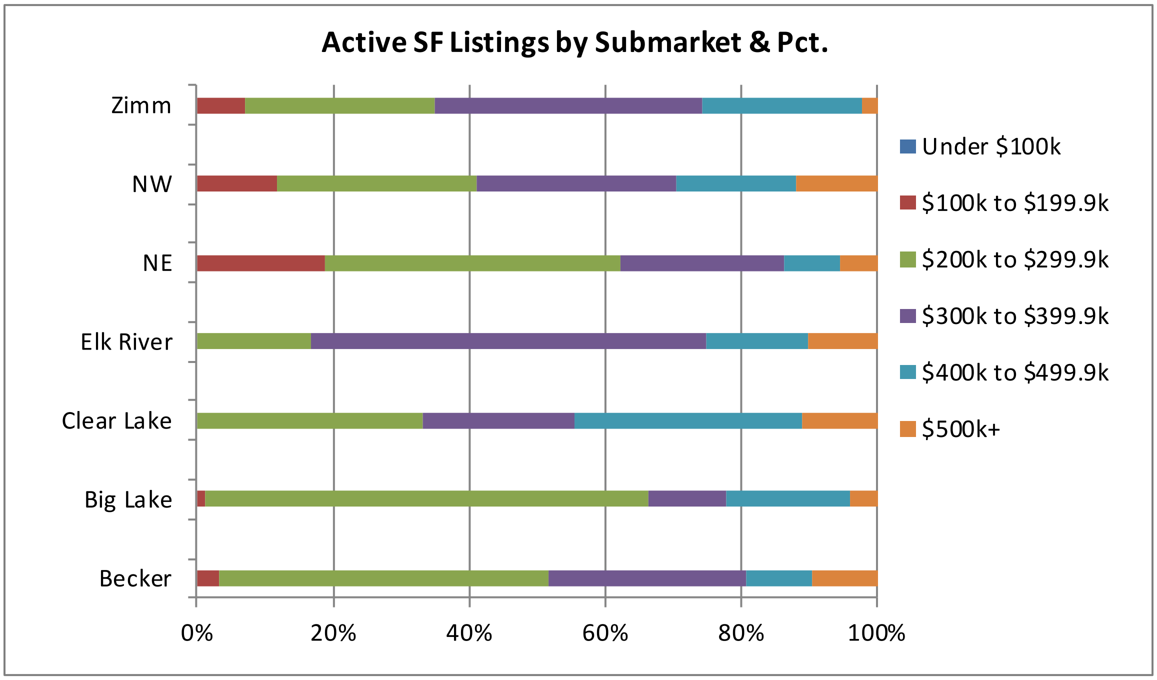
- Approximately 41% of single-family listings are priced from $200,000 to $300,000. Within this category, the plurality of listings are priced from $250,000 to $300,000.

- Over 30% of all active listings are priced between $300,000 and $399,999 and another 15% between $400,000 and $499,999. About 5% are priced above $500,000.

- Most multifamily listings are priced under $250,000. There are no listings above $400,000.

- The median list price for single-family homes ranges from $290,000 in the Becker and Big Lake Submarkets to $385,000 in the Clear Lake Submarket.





- The Big Lake Submarket boasts the highest number of active listings at the time of this study (28%). The Elk River Submarket has the second highest inventory of homes for-sale; 22% of the county inventory.

- Nearly all of the multifamily product for-sale is either townhomes, twin homes, or detached townhomes. There were no condominium active listings as of February 2020.

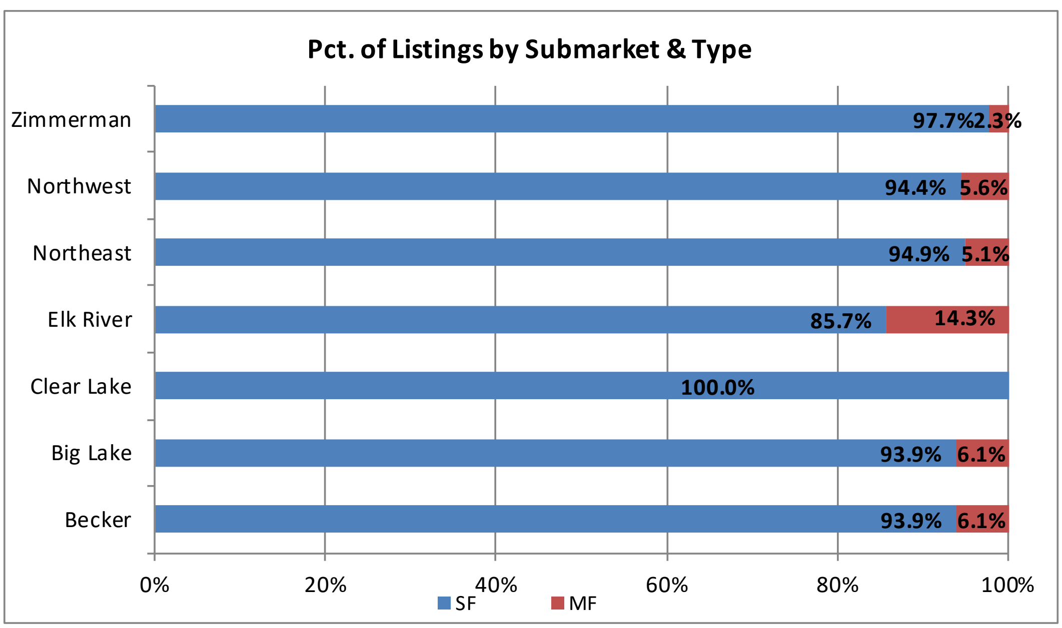


TABLE FS-9
ACTIVE LISTINGS BY TYPE & SUBMARKET
February 2020

	Product Type			
Submarket	**Single-Family**	**Townhome/Twinhome**	**Condo/Coop**	**Total**
Listings				
Becker	31	2	0	33
Big Lake	77	5	0	82
Clear Lake	9	0	0	9
Elk River	60	10	0	70
Northeast	37	2	0	39
Northwest	17	1	0	18
Zimmerman	43	1	0	44
Sherburne County Market Area	**274**	**21**	**0**	**295**
Percent				
Becker	93.9%	6.1%	0.0%	100%
Big Lake	93.9%	6.1%	0.0%	100%
Clear Lake	100.0%	0.0%	0.0%	100%
Elk River	85.7%	14.3%	0.0%	100%
Northeast	94.9%	5.1%	0.0%	100%
Northwest	94.4%	5.6%	0.0%	100%
Zimmerman	97.7%	2.3%	0.0%	100%
Sherburne County Market Area	**92.9%**	**7.1%**	**0.0%**	**100%**

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

TABLE FS-10
ACTIVE LISTINGS BY HOUSING TYPE
SHERBURNE COUNTY & VICINITY
February 2020

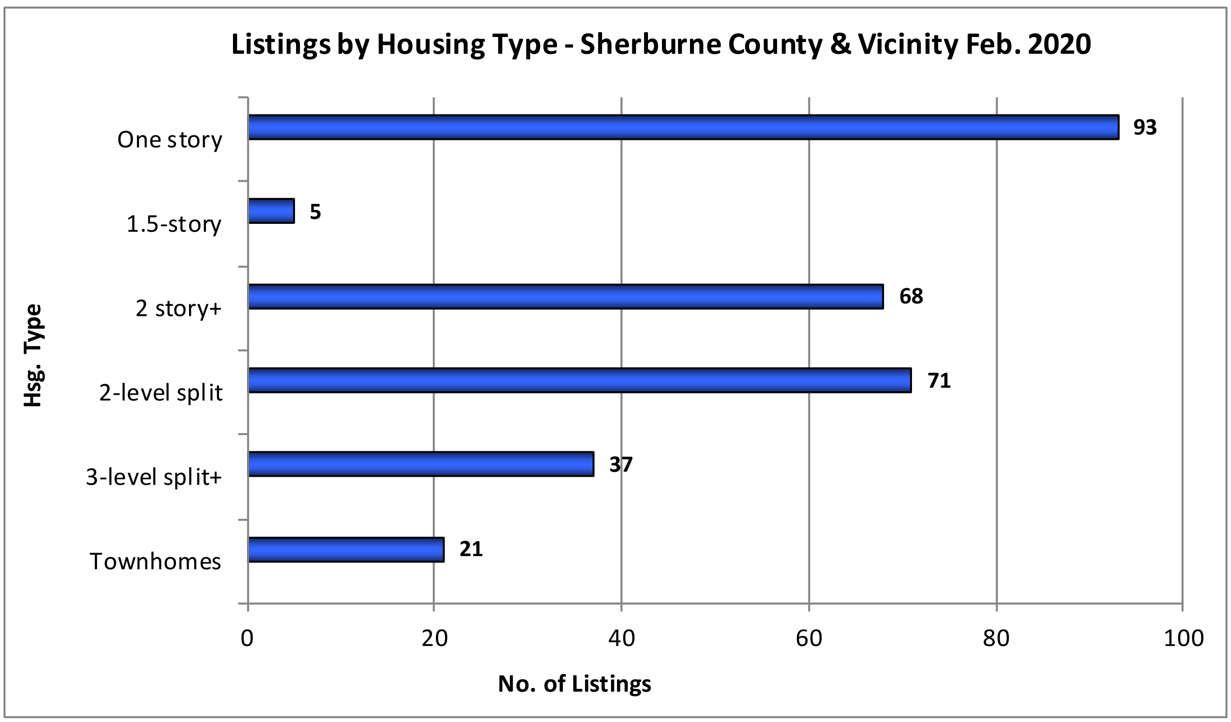
Property Type	Listings	Pct.	Avg. List Price	Avg. Size (Sq. Ft.)	Avg. List Price Per Sq. Ft.	Avg. Bedrooms	Avg. Bathrooms	Avg. Age of Home
SHERBURNE COUNTY & VICINITY								
Single-Family								
One story	93	33.9%	$373,106	2,353	$159	3.41	2.59	2002
1.5-story	5	1.8%	$275,720	1,456	$189	3.00	1.60	1944
2-story	55	20.1%	$423,492	2,986	$142	4.04	3.42	2001
Modifed 2-story	13	4.7%	$606,723	3,489	$174	4.31	3.85	2002
Split entry/Bi-level	71	25.9%	$278,115	1,731	$161	3.32	2.23	2010
3-level split	21	7.7%	$299,532	1,829	$164	3.29	2.33	2015
4 or more split-level	16	5.8%	$302,197	1,976	$153	3.69	2.44	2006
Total/Avg.	**274**	**100.0%**	**$358,133**	**2,294**	**$156**	**3.56**	**2.68**	**2004**
Townhomes/Twinhomes								
Detached	7	33.3%	$337,639	1,534	$220	2.00	2.00	2019
Quad/4 Corners	1	4.8%	$99,900	1,282	$78	2.00	2.00	1982
Side-by-Side	13	61.9%	$202,792	1,619	$125	2.31	2.46	2003
Total/Avg.	**21**	**100.0%**	**$242,841**	**1,575**	**$154**	**2.19**	**2.28**	**2007**
Sherburne Cty. Market Area Total	**295**							

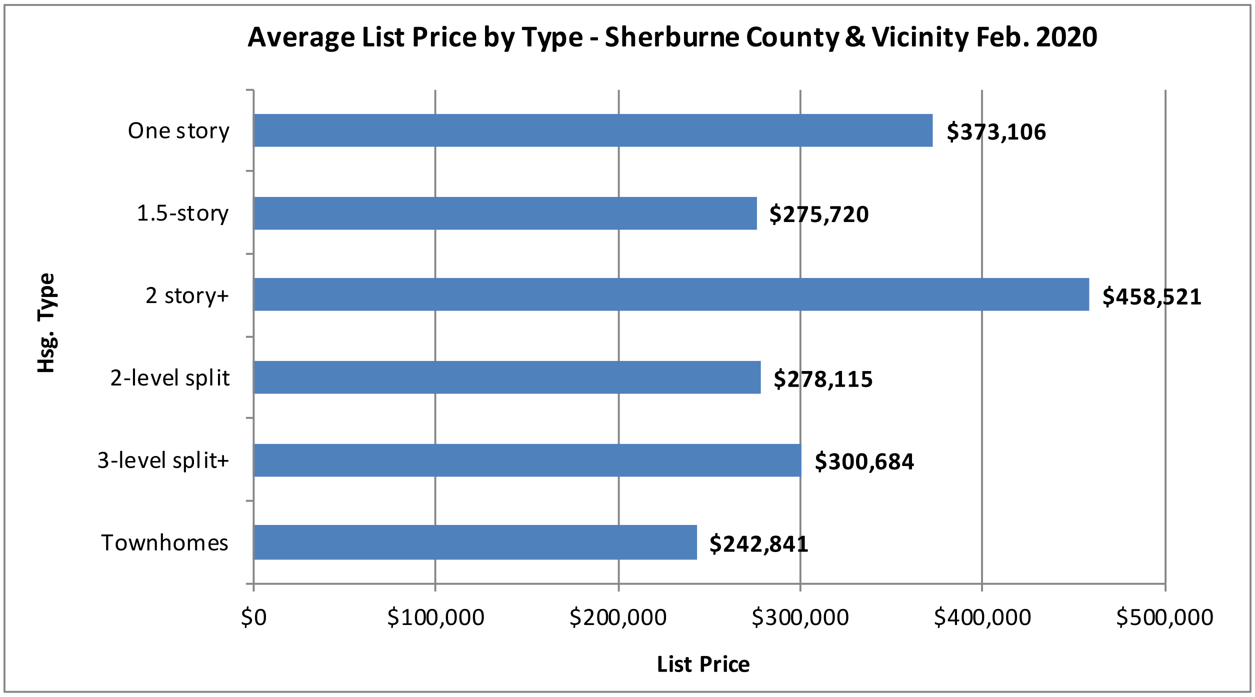
Source: Regional Multiple Listing Service of MN; Maxfield Research & Consulting, LLC

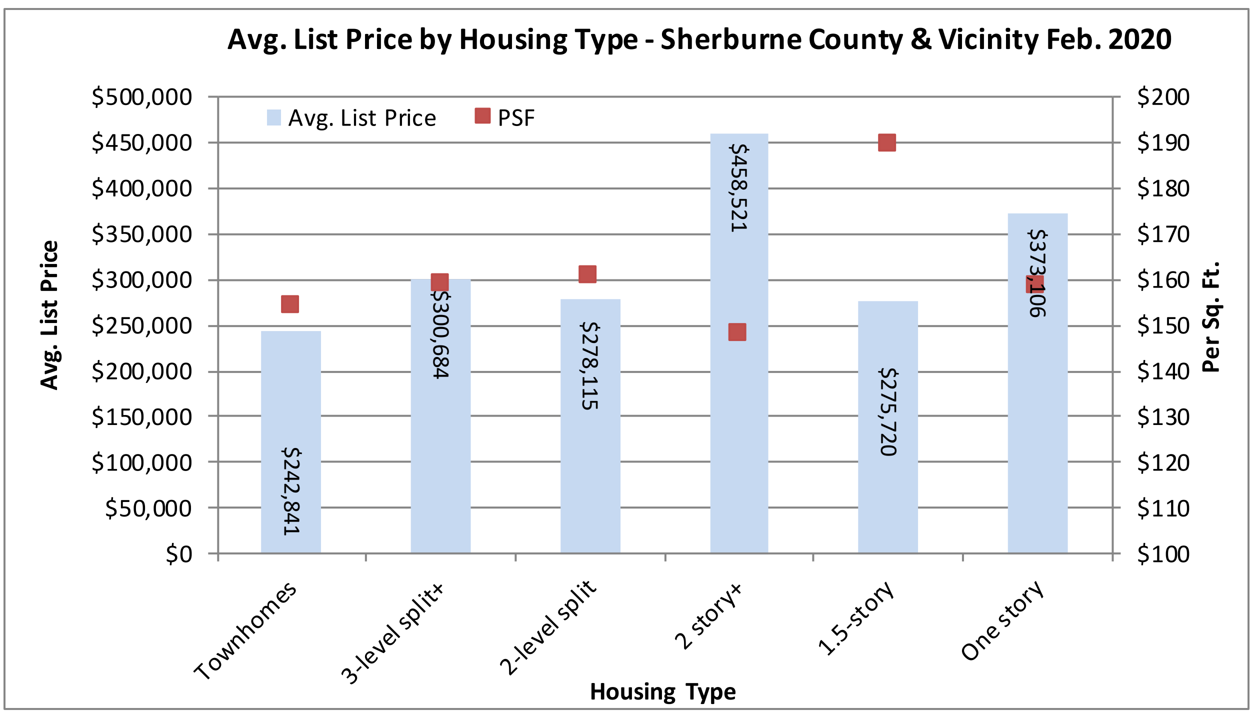
- Two-story properties and modified two-story properties have the highest sale prices in the Sherburne County Market Area, averaging about $458,500. Two-story housing types account for 23% of the single-family inventory. In addition, two-story plus properties have the largest footprints averaging nearly 3,000 square feet.

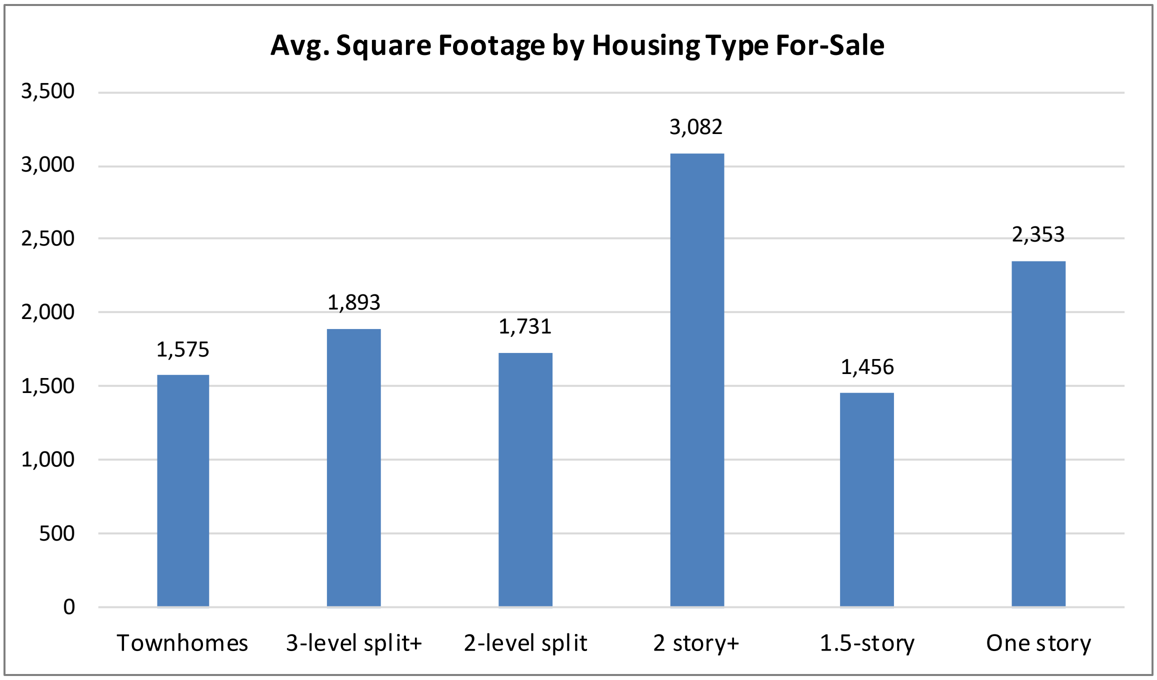
- One and one-half story homes have the lowest average list price in the Sherburne County Market Area, averaging about $275,700 ($189 per square foot). This style generally contains the oldest housing stock in the Market Area as the average age of home is over 75 years old. At the same time, 1.5 story homes have the smallest square footage (1,456 square feet) and the highest price per square foot costs ($189 PSF).

- Side-by-side townhomes (often referred to as row homes) dominate the townhome-style property types. However, there has recently been resurgence in twin homes or detached townhomes that target older buyers who are looking to downsize.




Average List Price by Type - Sherburne County & Vicinity Feb. 2020
One story
1.5-story
2 story+
2-level split
3-level split+
Townhomes
$373,106
$275,720
$458,521
$278,115
$300,684
$242,841
Hsg. Type
$0
$100,000
$200,000
$300,000
$400,000
$500,000
List Price


Avg. List Price by Housing Type - Sherburne County & Vicinity Feb. 2020
Avg. List Price
PSF
$500,000
$450,000
$400,000
$350,000
$300,000
$250,000
$200,000
$150,000
$100,000
$50,000
$0
$200
$190
$180
$170
$160
$150
$140
$130
$120
$110
$100
Avg. List Price
Per Sq. Ft.
$242,841
$300,684
$278,115
$458,521
$275,720
$373,106
Townhomes
3-level split+
2-level split
2 story+
1.5-story
One story
Housing Type


Avg. Square Footage by Housing Type For-Sale
3,500
3,000
2,500
2,000
1,500
1,000
500
0
1,575
1,893
1,731
3,082
1,456
2,353
Townhomes
3-level split+
2-level split
2 story+
1.5-story
One story

New Construction Pricing

Table FS-11 compares new construction median sales pricing in Sherburne County versus the Twin Cities Metro Area counties and other collar counties to the Metro Area. The table compares new construction sales prices between 2005, 2010, and 2015 to 2019.

- Compared to the Metro Area, new construction in Sherburne County is historically priced about 32% lower since 2005. The spread between Sherburne County and the Metro Area was closer last decade; but over the past ten years new construction pricing in the Metro Area has escalated at a faster pace.

- In 2019, Sherburne County had the second highest median sales price among the collar counties ($305,000 vs. $350,000 in Wright County).

- New construction pricing in Sherburne County has appreciated strongly over the past three years. From 2017 to 2019 the average annual increase was 8.3%.

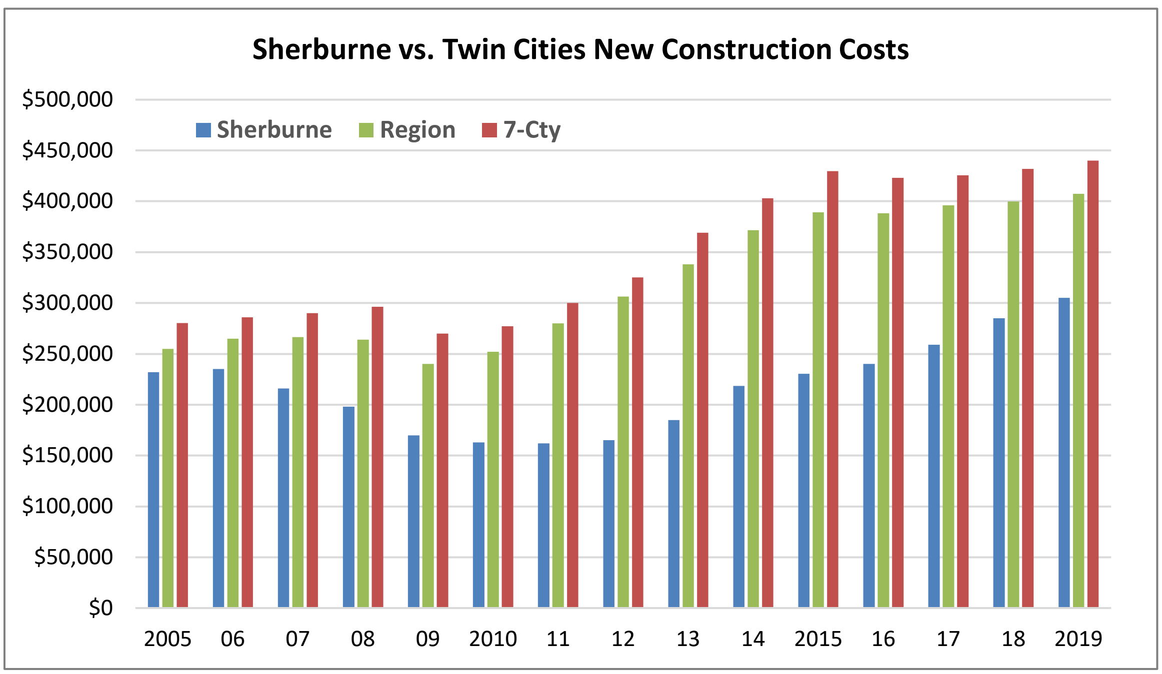
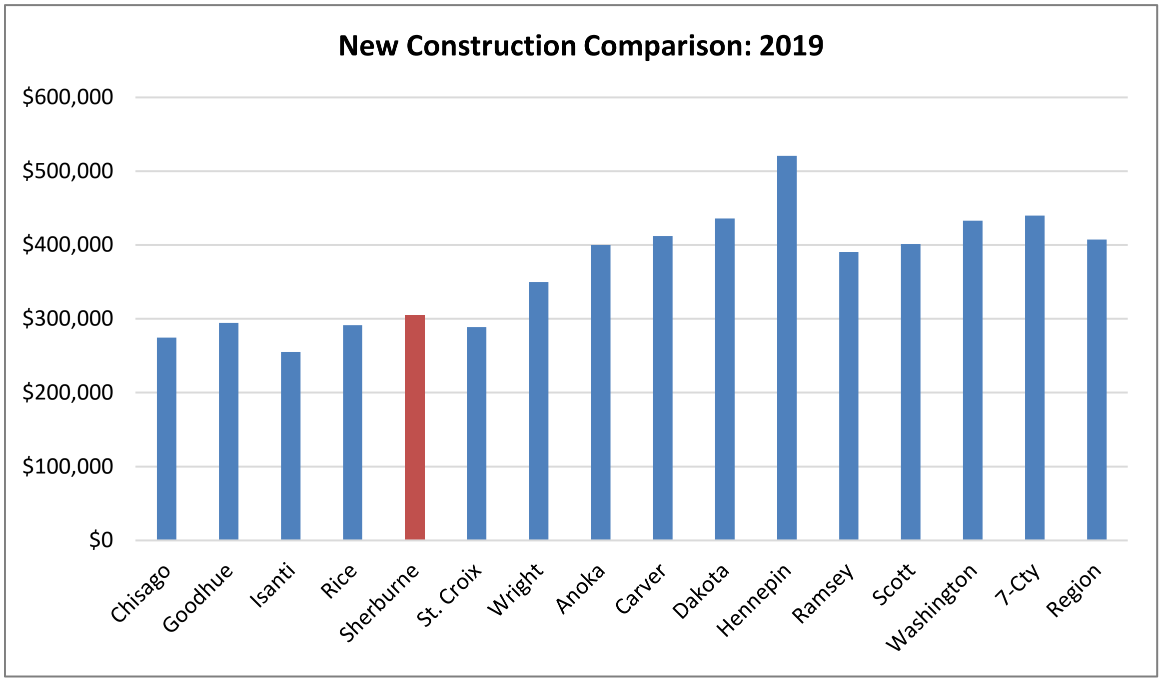


TABLE FS-11
NEW CONSTRUCTION MEDIAN SALES PRICE
SHERBURNE COUNTY VS. METRO AREA COUNTIES & COLLAR COUNTIES
2005 to 2019

	Collar Counties							7-County Metro Area								Twin Cities
Year	Chisago	Goodhue	Isanti	Rice	Sherburne	St. Croix	Wright	Anoka	Carver	Dakota	Hennepin	Ramsey	Scott	Wash.	7-Cty	Region
2005	$247,097	$226,863	$186,563	$248,950	**$232,087**	$218,000	$225,475	$294,700	$256,000	$257,720	$289,893	$237,000	$283,130	$312,897	$280,392	$255,000
2010	$153,000	$138,250	$96,450	$165,000	**$163,000**	$211,950	$159,900	$235,000	$318,640	$289,495	$337,750	$220,000	$235,000	$305,545	$277,038	$252,000
2015	$254,636	$189,000	$192,986	$256,400	**$230,550**	$279,970	$281,000	$353,000	$398,628	$415,000	$527,255	$566,176	$414,169	$443,510	$429,700	$389,000
2016	$259,667	$235,000	$199,938	$258,861	**$240,000**	$247,441	$314,498	$366,034	$391,725	$399,580	$529,450	$435,990	$418,035	$422,781	$422,900	$388,157
2017	$282,658	$284,000	$220,140	$248,691	**$259,038**	$277,016	$339,000	$364,900	$416,950	$408,000	$515,000	$512,970	$411,000	$430,000	$425,592	$396,040
2018	$299,900	$259,900	$239,573	$297,206	**$284,900**	$279,900	$349,945	$376,934	$383,490	$435,500	$519,900	$462,000	$410,593	$437,125	$431,899	$399,959
2019	$274,648	$294,547	$254,900	$291,250	**$305,000**	$288,950	$350,000	$399,900	$411,963	$435,905	$520,725	$390,614	$401,400	$432,854	$439,900	$407,479

Source: 10K Research and Marketing, Maxfield Research & Consulting, LLC



Months of Active Supply

Table FS-12 illustrates the historic supply of actively marketing properties in Sherburne County and the Twin Cities Metro Area from 2005 to 2019. 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 from Table FS-12 follow.

- The number of homes for-sale in Sherburne County peaked in 2007 at about 1,300. However, the supply has decreased significantly since then and has generally fallen annually from 2007 to 2018.

- Sherburne County months of supply was 2.7 in 2019, indicating a sellers' market given the home inventory. Sherburne County inventory has favored sellers for the past five plus years.

- Compared to the Twin Cities Metro Area supply, Sherburne County tends to mirror trends in the Metro Area. However, last decade and during the Great Recession Sherburne County had a higher supply of homes than the Metro Area.

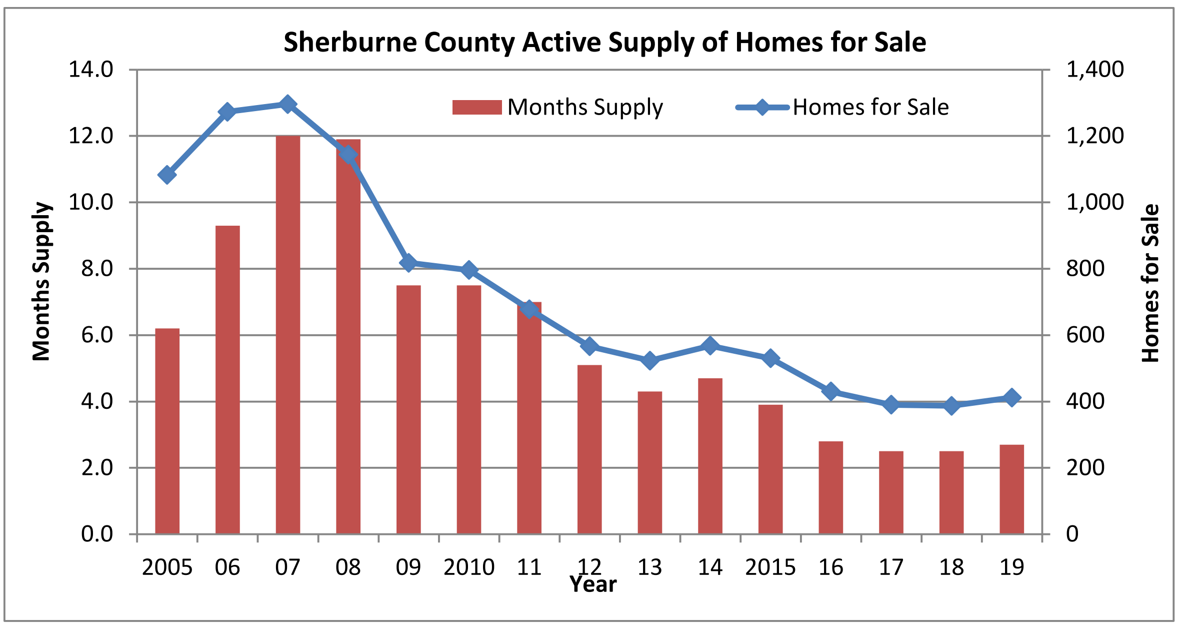


TABLE FS-12
ACTIVE SUPPLY OF HOMES FOR SALE
SHERBURNE COUNTY & METRO AREA
2005 to 2019

	Months Supply		Homes for Sale	
Year	Sherburne County	Twin Cities Region	Sherburne County	Twin Cities Region
2005	6.2	4.2	1,083	22,706
2006	9.3	6.6	1,273	29,366
2007	12.0	8.8	1,296	32,373
2008	11.9	9.7	1,144	31,557
2009	7.5	7.3	818	26,156
2010	7.5	7.4	796	26,498
2011	7.0	7.1	678	22,712
2012	5.1	4.5	566	17,217
2013	4.3	3.5	523	15,029
2014	4.7	3.9	568	16,178
2015	3.9	3.4	530	15,037
2016	2.8	2.7	430	13,105
2017	2.5	2.3	390	11,272
2018	2.5	2.2	387	10,627
2019	2.7	2.2	412	10,850

Note: Homes for sale based on rolling 12-month data at end of year

Source: 10K Research & Marketing, Maxfield Research & Consulting, LLC

New Construction Housing Activity

Maxfield Research & Consulting, LLC obtained lot inventory and subdivision data from Metro Study, a homebuilding consulting company that maintains a database of all subdivision activity in the Greater Twin Cities Metro Area. Tables FS-13 to FS-18 provide a variety of information on the new construction market in Ramsey and various comparisons to the greater Twin Cities Metro Area.

The following terms are used in the lot inventory tables:

- Annual Starts and Closings: The sum of activity for the most recent four quarters.
- Closing: Defined as when a “move in” has occurred and the home is occupied.
- Future Lots Inventory: Future lots are recorded after a preliminary plat or site plan has been submitted for consideration by the city.
- Lot Front: Range of all lot sizes within the subdivision; based on the lot front foot width
- Occupied: A buyer has taken possession of the home that was previously under construction or a model home.
- Price: Range of all base home price offered within the subdivision
- Starts: The housing slab or foundation has been poured.
- Total Lots: A summation of all lots platted in a subdivision, including those closed, under construction, and vacant.
- Vacant Developed Lot (VDL): The subdivision is considered developed after subdivision streets are paved and vehicles can physically drive in front of the lot.

Lot Supply by Lot Size

FS-13 depicts trends in new single-family home construction based on lot size (i.e. front footage). The data is current as of fourth quarter 2019 for Sherburne County and Twin Cities Metro Area and is broken down by eight different lot size categories.

- Within Sherburne County, the vast majority of lot closings have been with lots sizes over 110 feet. Approximately 40% of all lot closings over the past year have fallen into this category that is generally considered a large lot or executive lot. Compared to the Twin Cities core, only 6.6% of lot closings were greater than 110’ and 11% in the Greater Twin Cities Metro Area.

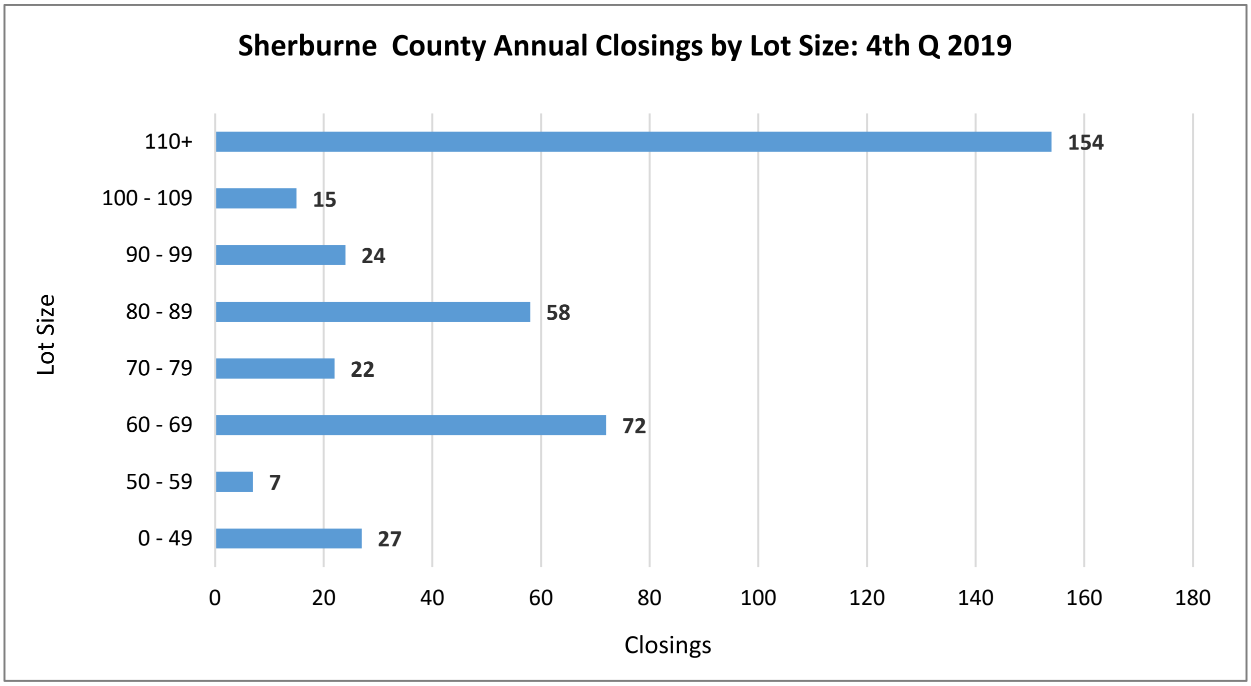
TABLE FS-13
LOT SIZE ANALYSIS - DETACHED
SHERBURNE COUNTY & TWIN CITIES METRO AREA
4th QUARTER 2019

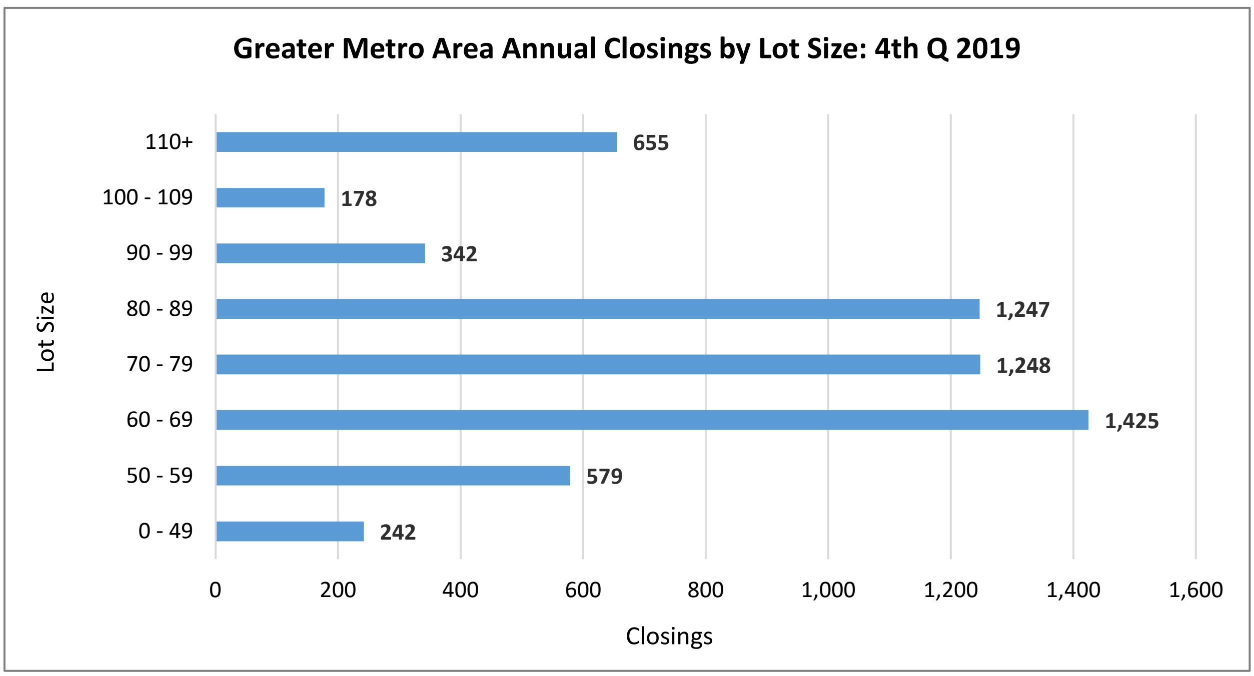
Lot Size (Width)	Quarterly Starts	Quarterly Closings	Annual Starts	Annual Closings	Fn. Vac. (FV)	Under Const. (UC)	Hsg. Invent.	Vac. Dev. Lots (VDL)	Future Lots (Fut)
Sherburne County									
0 - 49	1	5	11	27	5	6	11	40	0
50 - 59	1	3	6	7	2	1	3	10	41
60 - 69	12	15	82	72	19	33	55	177	131
70 - 79	7	2	22	22	6	7	13	36	35
80 - 89	37	12	57	58	8	38	47	98	224
90 - 99	8	10	24	24	3	8	11	61	102
100 - 109	5	4	14	15	8	5	14	93	201
110 And Over	25	34	143	154	18	57	76	614	275
Summary	**96**	**85**	**359**	**379**	**69**	**155**	**230**	**1,129**	**1,009**
7-County Metro Total									
0 - 49	42	54	154	156	17	54	80	359	1,387
50 - 59	142	135	518	471	49	214	298	904	3,296
60 - 69	390	394	1,474	1,197	114	546	739	1,857	5,829
70 - 79	278	321	1,139	1,001	102	409	570	1,750	6,117
80 - 89	214	227	935	906	80	336	459	1,193	3,761
90 - 99	63	57	224	229	19	96	126	554	481
100 - 109	27	15	80	69	7	39	50	242	602
110 And Over	93	75	311	287	32	164	216	1,070	891
Summary	**1,249**	**1,278**	**4,835**	**4,316**	**420**	**1,858**	**2,538**	**7,929**	**22,364**
Greater Metro Area Total									
0 - 49	58	83	216	242	32	83	128	518	1,540
50 - 59	180	163	649	579	68	278	389	1,237	3,752
60 - 69	457	458	1,728	1,425	156	662	916	2,414	7,389
70 - 79	354	387	1,433	1,248	159	503	735	2,597	7,125
80 - 89	310	312	1,234	1,247	126	471	649	2,041	5,456
90 - 99	94	96	365	342	39	145	200	928	1,065
100 - 109	59	56	189	178	26	77	111	680	1,433
110 And Over	174	173	683	655	71	333	427	3,134	2,016
Summary	**1,686**	**1,728**	**6,497**	**5,916**	**677**	**2,552**	**3,555**	**13,549**	**29,776**

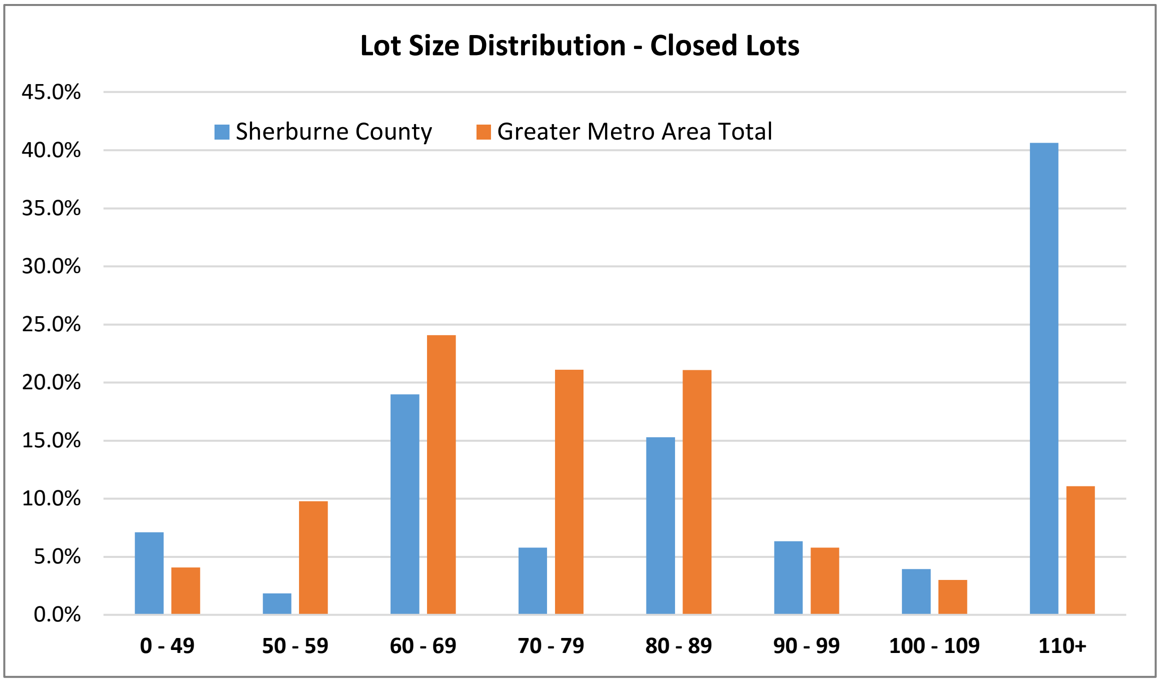
Source: Metrostudy, Maxfield Research & Consulting, LLC

- Lot sizes have decreased since the last recession as developers have sought to maximize density. About 45% of lot closings in the Greater Metro Area in the past year have been on lots between 60 feet and 79 feet. Another 21% of lot closings in the Greater Metro Area have been from 80 to 89 feet.

- About 19% of closed lots in Sherburne County had lot widths of 60 to 69 feet; compared to 28% in the 7-County Metro Area.


Sherburne County Annual Closings by Lot Size: 4th Q 2019
Lot Size
110+
100 - 109
90 - 99
80 - 89
70 - 79
60 - 69
50 - 59
0 - 49
154
15
24
58
22
72
7
27
0
20
40
60
80
100
120
140
160
180
Closings


Greater Metro Area Annual Closings by Lot Size: 4th Q 2019
Lot Size
110+
100 - 109
90 - 99
80 - 89
70 - 79
60 - 69
50 - 59
0 - 49
655
178
342
1,247
1,248
1,425
579
242
0
200
400
600
800
1,000
1,200
1,400
1,600
Closings



New Construction Pricing

Table FS-14 depicts new construction inventory for detached housing units in Sherburne County compared to the 7-County Metro Area and Greater Metro Area. The table depicts quarterly and annual starts, finished vacant lots, number of homes under construction and homes previously built, and the number of vacant lots. All of these attributes are provided based on the estimated sales price of the home. Key findings follow.

- Nearly one-half of new construction closings in Sherburne County have been priced between $200,000 and $300,000. This compares to only 3% in the 7-County Metro Area and 14% in the Greater Metro Area.

- About 39% of new construction in Sherburne County sold between $300,000 and $400,000. In the Twin Cities Metro Area, about 35% of sales occurred in this price range.

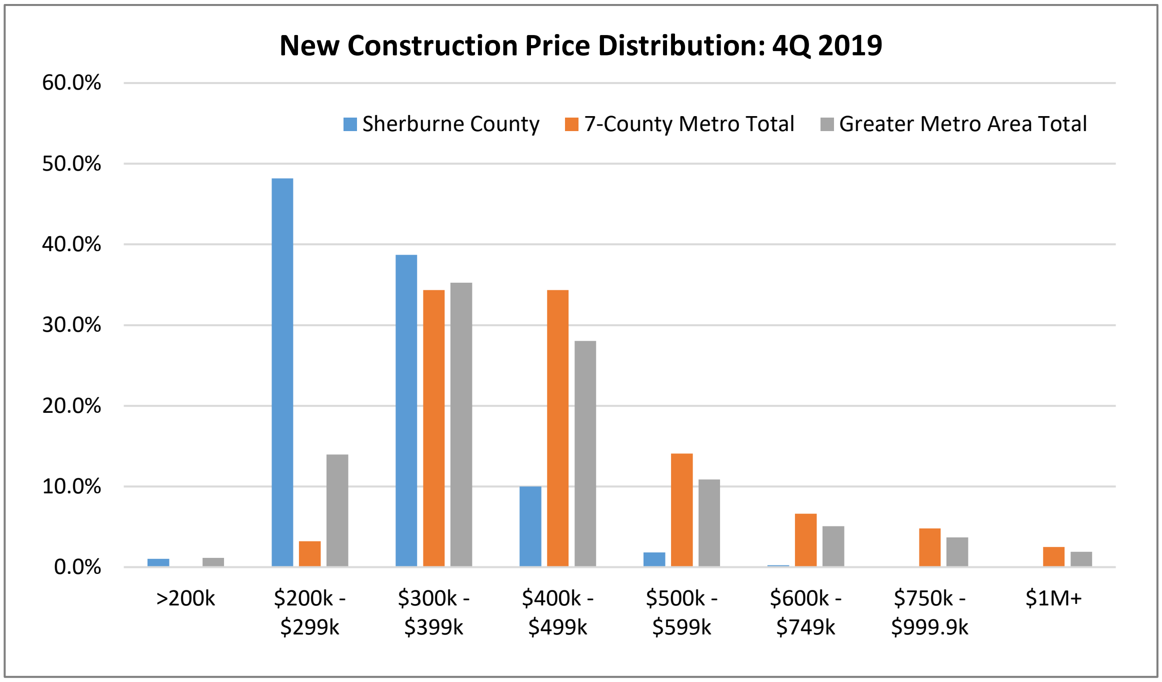
- Approximately 12% of Sherburne County sales were in priced more than $400,000; compared to 62% in the 7-County Metro Area and 50% in the Greater Twin Cities Metro Area.

- Similar to the Twin Cities, only 1% of new construction sales in Sherburne County were sold for less than $200,000.

TABLE FS-14
NEW CONSTRUCTION ACTIVITY BY PRICE POINT - DETACHED
GREATER TWIN CITIES METRO AREA
4th QUARTER 2019

Price Point (Base Pricing)	Quarterly Starts	Quarterly Closings	Annual Starts	Annual Closings	Fn. Vac. (FV)	Under Const. (UC)	Hsg. Invent.	Vac. Dev. Lots (VDL)
Sherburne County								
$0 - $199,000	0	1	4	4	1	0	1	57
$200,000 - $299,000	50	38	159	183	29	67	97	596
$300,000 - $399,000	38	38	153	147	33	71	109	390
$400,000 - $499,000	5	8	33	38	4	12	16	69
$500,000 - $599,000	1	0	8	7	1	4	6	15
$600,000 - $749,000	1	0	2	1	1	1	2	2
$750,000 - $999,000	0	0	0	0	0	0	0	0
$1,000,000 & Over	0	0	0	0	0	0	0	0
Summary	**95**	**85**	**359**	**380**	**69**	**155**	**231**	**1,129**
7-County Metro Total								
$0 - $199,000	0	0	1	1	0	0	0	5
$200,000 - $299,000	25	29	130	140	12	49	62	391
$300,000 - $399,000	456	457	1,746	1,481	130	655	861	2,575
$400,000 - $499,000	463	475	1,722	1,482	138	633	869	2,709
$500,000 - $599,000	149	177	625	608	70	232	341	963
$600,000 - $749,000	72	69	298	286	33	128	182	505
$750,000 - $999,000	50	44	199	207	24	96	135	438
$1,000,000 & Over	34	29	114	109	11	65	89	344
Summary	**1,249**	**1,280**	**4,835**	**4,314**	**418**	**1,858**	**2,539**	**7,930**
Greater Metro Area Total								
$0 - $199,000	15	13	71	68	7	21	28	226
$200,000 - $299,000	183	209	758	825	106	311	426	2,685
$300,000 - $399,000	650	647	2,451	2,084	256	950	1,317	4,518
$400,000 - $499,000	512	524	1,900	1,659	159	710	981	3,407
$500,000 - $599,000	157	184	665	644	75	249	369	1,189
$600,000 - $749,000	78	73	318	301	36	142	199	653
$750,000 - $999,000	55	49	216	218	24	106	146	514
$1,000,000 & Over	34	30	119	114	11	66	90	358
Summary	**1,684**	**1,729**	**6,498**	**5,913**	**674**	**2,555**	**3,556**	**13,550**

Source: Metrostudy, Maxfield Research & Consulting, LLC


New Construction Price Distribution: 4Q 2019
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
Sherburne County
7-County Metro Total
Greater Metro Area Total
>200k
$200k - $299k
$300k - $399k
$400k - $499k
$500k - $599k
$600k - $749k
$750k - $999.9k
$1M+

Actively Marketing Subdivisions

Tables FS-15 and FS-16 show an inventory of detached and attached lots within platted subdivisions in Sherburne County, 7-County Metro Area, and the Greater Twin Cities Metro Area. The tables provide information on the initial date the subdivision became active, product type, lot sizes, typical pricing, starts and closings, and the lot inventory. Please note: not all of the subdivisions may be actively marketing but may simply have available lots for future development. Key findings follow.

- Table FS-15 identifies 110 single-family subdivisions with available lots in the Sherburne County Market Area. Collectively, there are about 1,100 vacant developed lots in Sherburne County. However, there are another 1,530 future lots in the same subdivisions.

- Big Lake has the highest number of vacant developed lots with about 27% of the county's inventory (301 lots). Clear Lake has the fewest vacant lots with approximately 50 (5% of county total).

- Although there are over 100 subdivisions; many of the subdivisions were platted last decade and have a few scattered lots remaining. In fact, there have been only 15 new subdivisions platted in the last four years.

- Most submarkets have a few active subdivisions where the majority of new construction is being developed. For example, in Big Lake about 42% of all housing starts last year where in the Sanford Select Acres and in Elk River 61% of housing starts were in the Miske Meadows subdivision.

- There are few new construction attached developments in Sherburne County. About 95% of the vacant developed multifamily lots are located in the Becker or Northwest Submarket.

- Across all price points, the average price of a new construction home in Sherburne County is approximately $317,000. The average price per square foot ("PSF") has been averaging about $180 PSF across the county.

- Sherburne County boasts a wide range of lot sizes that are much larger than many areas; in part due to the number of subdivisions located in townships. Standard city lots of 65' wide to 85' wide are significantly smaller than the minimum lot size requirements in the surrounding township areas.

TABLE FS-15
SUBDIVISION & LOT INVENTORY - DETACHED HOUSING UNITS
SHERBURNE COUNTY
4TH QUARTER 2019

Submarket	City/ Township	Subdivision Name	Initial Active Qtr.	Status	Product Type	Lot Range (Ft.)	Pricing ($1,000) Min	Max	Annual Starts	Annual Closings	Currently Occupied	Vacant Developed Lot Inventory (VDL)	Future Units (Fut)	Total Units (Tot)
Detached Housing Subdivisions														
Becker Submarket														
Becker	Becker	Natures Edge	1Q00	Active 1Q00	Single Family	100'	$266	$350	0	0	115	3	0	118
Becker	Becker	Hidden Haven	1Q05	Active 1Q05	Single Family	135'	$220	$260	1	0	45	4	0	50
Becker	Becker	Savannah Village	1Q05	Active 1Q05	Single Family	100'	$220	$270	2	2	37	1	0	39
Becker	Becker	Elk Wynd Creek	2Q05	Active 2Q05	Single Family	100'	$250	$350	1	0	14	56	201	273
Becker	Becker	Hyttsten Creek	3Q05	Active 3Q05	Single Family	210'	$260	$400	1	1	11	5	0	16
Becker	Becker	River Bend in Becker/(DTH)	3Q05	Active 3Q05	Single Family	60'	$210	$250	0	2	11	82	0	93
Becker	Becker	Prairie Village Homes (DTH)	3Q06	Active 3Q06	Single Family	260'	$205	$245	2	2	7	10	0	18
Becker	Becker	Scenic Hills in Becker	3Q06	Active 3Q06	Single Family	245'	$190	$380	0	0	42	5	0	47
Becker	Becker	Turnquist Farms	3Q06	Active 3Q06	Single Family	200'	$220	$260	1	1	28	7	0	35
Becker	Becker	Autumn Ridge of Becker	4Q02	Active 4Q02	Single Family	110'	$250	$350	3	6	94	30	0	125
Becker	Becker	Aspen Ridge of Becker	4Q04	Active 4Q04	Single Family	165'	$180	$300	1	1	34	1	0	35
Becker	Becker	River Oaks Estates of Becker/	4Q04	Active 4Q04	Single Family	40'	$210	$250	0	0	14	4	75	93
Becker	Becker	Fossum Fields	4Q05	Active 4Q05	Single Family	100'	$220	$260	1	0	66	0	53	120
Becker	Becker	Peterson Farm in Becker	4Q05	Active 4Q05	Single Family	145'	$248	$344	0	0	29	6	0	35
Becker	Becker	Boulder Crossing	4Q06	Active 4Q06	Single Family	150'	$250	$350	10	9	26	28	0	59
Becker	Becker	Snake River Estates	4Q06	Active 4Q06	Single Family	175'	$210	$350	2	1	46	12	0	59
Becker	Becker	River Oaks Villas (DTH)	4Q04	Active 4Q04	Single Family	60'	$220	$240	2	0	15	8	0	25
Subtotals									**27**	**25**	**634**	**262**	**329**	**1,240**
Big Lake Submarket														
Big Lake	Big Lake	Mitch K Farms	1Q05	Active 1Q05	Single Family	100'	$230	$350	10	11	122	9	0	140
Big Lake	Big Lake	Hidden River Estates	1Q06	Active 1Q06	Single Family	100'	$230	$290	0	1	39	6	0	46
Big Lake	Big Lake	Knick Knack Knoll	1Q07	Active 1Q07	Single Family	240'	$250	$450	7	6	44	20	0	70
Big Lake	Big Lake	Meadowbrook	1Q08	Active 1Q08	Single Family	200'	$330	$500	0	1	28	1	0	29
Big Lake	Big Lake	Rivercrest Farms	2Q01	Active 2Q01	Single Family	115'	$210	$250	0	0	49	1	41	91
Big Lake	Big Lake	Prairie Meadows in Big Lake	2Q05	Active 2Q05	Single Family	80'	$230	$290	2	2	121	1	676	800
Big Lake	Big Lake	Wrights Crossing/(DTH)	2Q08	Active 2Q08	Single Family	40'	$140	$160	0	0	7	32	0	39
Big Lake	Big Lake	Two Rivers	2Q19	Active 2Q19	Single Family	300'	$200	$400	3	1	1	14	0	17
Big Lake	Big Lake	Norland Park	3Q05	Active 3Q05	Single Family	75'	$200	$360	13	11	127	9	35	179
Big Lake	Big Lake	Fernwood	3Q16	Active 3Q16	Single Family	250'	$300	$600	0	0	0	5	0	5
Big Lake	Big Lake	Oak Savanna at SELG Farm	3Q19	Active 3Q19	Single Family	315'	$375	$575	3	0	0	3	0	6
Big Lake	Big Lake	Meadowlands of Big Lake	3Q98	Active 3Q98	Single Family	305'	$250	$450	0	2	117	2	0	119
Big Lake	Big Lake	Meadows of Big Lake	4Q03	Active 4Q03	Single Family	95'	$250	$350	1	1	135	1	0	136
Big Lake	Big Lake	Buckshot Hollow	4Q04	Active 4Q04	Single Family	205'	$300	$450	0	0	24	2	0	26
Big Lake	Big Lake	Northland Meadows of Big Lake	4Q04	Active 4Q04	Single Family	95'	$220	$260	0	0	17	4	0	21
Big Lake	Big Lake	Hudson Woods	4Q05	Active 4Q05	Single Family	110'	$250	$450	1	2	60	2	122	184
Big Lake	Big Lake	Sanford Select Acres	4Q05	Active 4Q05	Single Family	85'	$242	$330	35	37	56	51	0	144
Big Lake	Big Lake	Swanson Woods	4Q05	Active 4Q05	Single Family	280'	$190	$215	0	0	30	6	0	36
Big Lake	Big Lake	Sweetwater Bend	4Q05	Active 4Q05	Single Family	60'	$275	$360	0	0	25	6	0	32
Big Lake	Orrock Twp	Heritage Trails	2Q05	Active 2Q05	Single Family	210'	$254	$482	3	3	9	8	4	25
Big Lake	Orrock Twp	Mystic Ridge in Orrock	2Q16	Active 2Q16	Single Family	200'	$300	$400	1	3	12	1	0	13
Big Lake	Orrock Twp	Eagle Lake Estates	3Q04	Active 3Q04	Single Family	250'	$300	$359	0	0	24	3	0	27
Big Lake	Orrock Twp	Benson Ridge	3Q05	Active 3Q05	Single Family	135'	$220	$280	0	0	17	4	0	22
Big Lake	Orrock Twp	Timberquest	3Q05	Active 3Q05	Single Family	185'	$280	$370	0	2	30	2	0	32
Big Lake	Orrock Twp	Harmony Village	3Q08	Active 3Q08	Single Family	250'	$250	$450	0	1	12	8	0	20
Big Lake	Orrock Twp	Eagle Lake, Woods at	4Q04	Active 4Q04	Single Family	135'	$250	$400	2	3	22	12	0	34
Big Lake	Orrock Twp	Shores of Eagle Lake in Orrock	4Q06	Active 4Q06	Single Family	115'	$260	$350	2	2	8	88	0	98
Subtotals									**83**	**89**	**1136**	**301**	**878**	**2,391**

CONTINUED

TABLE FS-15 (Con't)
SUBDIVISION & LOT INVENTORY - DETACHED HOUSING UNITS
SHERBURNE COUNTY
4TH QUARTER 2019

Submarket	City/ Township	Subdivision Name	Initial Active Qtr.	Status	Product Type	Lot Range (Ft.)	Pricing ($1,000) Min	Max	Annual Starts	Annual Closings	Currently Occupied	Vacant Developed Lot Inventory (VDL)	Future Units (Fut)	Total Units (Tot)
Clear Lake Submarket														
Clear Lake	Clear Lake	Parkside/DTH	2Q16	Active 2Q16	Single Family	65'	$180	$190	0	0	0	16	0	16
Clear Lake	Clear Lake	Riverwood	2Q19	Active 2Q19	Single Family	65'	$350	$450	16	15	15	5	0	21
Clear Lake	Clear Lake	Hunter Lake Bluff	4Q00	Active 4Q00	Single Family	110'	$225	$275	5	5	71	30	0	102
Clear Lake	Clear Lake	Pine Row	4Q04	Active 4Q04	Single Family	95'	$189	$220	1	2	8	1	0	10
Subtotals									**22**	**22**	**94**	**52**	**0**	**149**
Elk River Submarket														
Elk River	Elk River	Aspen Hills in Elk River	1Q03	Active 1Q03	Single Family	115'	$300	$500	1	3	75	2	0	78
Elk River	Elk River	Elk River Rapids	1Q06	Active 1Q06	Single Family	100'	$412	$586	0	0	7	4	0	11
Elk River	Elk River	Kingdom Estates	1Q06	Active 1Q06	Single Family	180'-275'	$400	$800	0	0	18	2	0	20
Elk River	Elk River	Birchview	1Q08	Active 1Q08	Single Family	170'	$220	$250	0	0	2	2	0	4
Elk River	Elk River	Hillside Estates in Elk River	1Q97	Active 1Q97	Single Family	85'	$270	$480	1	1	158	14	20	193
Elk River	Elk River	Mississippi Oaks	1Q97	Active 1Q97	Single Family	85'	$300	$450	0	2	139	5	0	144
Elk River	Elk River	Hillside, The Woods at	2Q00	Active 2Q00	Single Family	115'	$212	$373	0	0	58	4	0	62
Elk River	Elk River	River Park/	2Q06	Active 2Q06	Single Family	75'	$225	$450	4	6	75	0	0	77
Elk River	Elk River	Miske Meadows/	2Q17	Active 2Q17	Single Family	65'	$250	$400	64	55	87	60	125	323
Elk River	Elk River	Park Pointe	3Q02	Active 3Q02	Single Family	85'	$183	$290	0	0	94	1	0	95
Elk River	Elk River	Windsor Meadows	3Q05	Active 3Q05	Single Family	110'	$300	$500	0	0	32	2	0	34
Elk River	Elk River	The Pines at Elk River (DTH)	3Q18	Active 3Q18	Single Family	35'	$270	$425	11	12	12	3	0	26
Elk River	Elk River	Lawatsch Farms	3Q19	Active 3Q19	Single Family	180'	$350	$600	2	1	1	8	0	10
Elk River	Elk River	Monroe Estates	3Q19	Active 3Q19	Single Family	180'	$450	$500	1	0	0	15	0	16
Elk River	Elk River	Twin Lakes/Estates	4Q04	Active 4Q04	Single Family	80'	$250	$300	0	0	145	1	0	146
Elk River	Elk River	West Oaks of Elk River/	4Q04	Active 4Q04	Single Family	80'	$240	$290	2	2	37	0	0	38
Elk River	Elk River	Woodland Hills	4Q04	Active 4Q04	Single Family	85'-200'	$271	$600	9	11	69	5	50	127
Elk River	Elk River	Eagles Marsh	4Q06	Active 4Q06	Single Family	90'	$388	$475	3	4	22	6	9	38
Elk River	Elk River	Trace Heights	1Q18	Active 1Q18	Single Family	325'	$450	$650	6	4	5	7	0	18
Subtotals									**104**	**101**	**1036**	**141**	**204**	**1,460**
Northeast Submarket														
Northeast	Baldwin Twp.	Belmont Ridge	1Q07	Active 1Q07	Single Family	305'	$305	$420	2	1	5	2	0	9
Northeast	Baldwin Twp.	Wolf Ridge	1Q08	Active 1Q08	Single Family	250'	$220	$320	0	0	4	1	0	5
Northeast	Baldwin Twp.	Hawk Ridge	2Q04	Active 2Q04	Single Family	140'	$280	$400	1	0	9	2	0	12
Northeast	Baldwin Twp.	Highland Farms	2Q04	Active 2Q04	Single Family	145'	$210	$400	3	4	28	1	0	30
Northeast	Baldwin Twp.	Misty Hollow	2Q19	Active 2Q19	Single Family	210'	$300	$400	3	1	1	7	0	10
Northeast	Baldwin Twp.	Deer Path of Baldwin	3Q01	Active 3Q01	Single Family	200'	$220	$320	1	1	50	15	0	66
Northeast	Baldwin Twp.	Prairie Creek Estates	3Q02	Active 3Q02	Single Family	230'	$180	$230	0	1	19	2	0	21
Northeast	Baldwin Twp.	Baldwin, The Preserve at	3Q04	Active 3Q04	Single Family	145'	$220	$375	5	3	23	4	0	29
Northeast	Baldwin Twp.	Hidden Hollow of Baldwin	3Q04	Active 3Q04	Single Family	200'	$210	$314	3	4	25	1	0	26
Northeast	Baldwin Twp.	Country View Ridge in Baldwin	3Q05	Active 3Q05	Single Family	300'	$250	$375	0	0	22	3	0	25
Northeast	Baldwin Twp.	Baldwin Estates	3Q19	Active 3Q19	Single Family	175'	$260	$350	2	2	2	6	0	8
Northeast	Baldwin Twp.	Nordwall Estates	4Q02	Active 4Q02	Single Family	110'	$290	$390	6	4	17	31	0	52
Northeast	Baldwin Twp.	North Country Acres	1Q18	Active 1Q18	Single Family	340'	$250	$450	4	5	8	4	0	14
Northeast	Blue Hill Twp.	Brookside Meadows/West	1Q04	Active 1Q04	Single Family	250'	$250	$350	1	2	39	8	0	49
Northeast	Blue Hill Twp.	Whispering Prairie Estates	1Q07	Active 1Q07	Single Family	150'	$200	$305	6	4	10	26	0	39
Northeast	Blue Hill Twp.	Blue Hill Farms	2Q04	Active 2Q04	Single Family	310'	$230	$270	2	4	26	1	0	27
Northeast	Blue Hill Twp.	Oak Savanna	3Q05	Active 3Q05	Single Family	245'	$230	$290	5	5	36	13	0	51
Northeast	Blue Hill Twp.	Blue Hill, Oaks of	4Q01	Active 4Q01	Single Family	200'	$230	$290	1	1	24	2	0	26
Northeast	Blue Hill Twp.	Blue Hill Meadows	4Q02	Active 4Q02	Single Family	220'	$210	$240	1	4	42	1	0	43
Northeast	Blue Hill Twp.	Brookside Meadows/South	4Q04	Active 4Q04	Single Family	235'	$240	$295	1	0	15	3	0	19
Northeast	Blue Hill Twp.	Blue Ridge Farms	4Q05	Active 4Q05	Single Family	245'	$250	$350	2	2	12	1	0	13
Northeast	Santiago Twp.	Sleepy Oaks	3Q19	Active 3Q19	Single Family	150'	$250	$300	4	2	2	37	0	41
Northeast	Santiago Twp.	Shadow Woods	4Q05	Active 4Q05	Single Family	285'	$220	$335	0	0	11	3	0	14
Subtotals									**53**	**50**	**430**	**174**	**0**	**629**

CONTINUED

TABLE FS-15 (Con't)
SUBDIVISION & LOT INVENTORY - DETACHED HOUSING UNITS
SHERBURNE COUNTY
4TH QUARTER 2019

Submarket	City/ Township	Subdivision Name	Initial Active Qtr.	Status	Product Type	Lot Range (Ft.)	Pricing ($1,000) Min	Max	Annual Starts	Annual Closings	Currently Occupied	Vacant Developed Lot Inventory (VDL)	Future Units (Fut)	Total Units (Tot)
Northwest Submarket														
Northwest	St. Cloud	Oak Preserve	4Q02	Active 4Q02	Single Family	90'	$250	$260	0	0	18	9	0	27
Northwest	St. Cloud	Sterling Heights	4Q04	Active 4Q04	Single Family	100'	$180	$366	0	0	12	14	0	26
Northwest	St. Cloud	Kilbirnie Woods	4Q05	Active 4Q05	Single Family	80'	$210	$275	8	6	16	8	0	26
Subtotals									**8**	**6**	**46**	**31**	**0**	**79**
Zimmerman Submarket														
Zimmerman	Livonia	Meyers Estates	1Q04	Active 1Q04	Single Family	170'	$220	$512	1	1	25	3	0	28
Zimmerman	Livonia	Foxhill	1Q16	Active 1Q16	Single Family	250'	$0	$400	0	0	1	2	6	9
Zimmerman	Livonia	Livonia, The Woodlands of	2Q03	Active 2Q03	Single Family	210'	$0	$500	1	1	11	2	0	14
Zimmerman	Livonia	Kalley Meadows	2Q08	Active 2Q08	Single Family	225'	$0	$270	0	0	9	1	0	10
Zimmerman	Livonia	Pine Crest Estates	3Q18	Active 3Q18	Single Family	200'	$230	$475	5	9	9	11	0	22
Zimmerman	Livonia	Highland Meadows	3Q19	Active 3Q19	Single Family	200'	$230	$350	2	0	0	13	0	15
Zimmerman	Livonia	WH Cates Pondside Estates	3Q19	Active 3Q19	Single Family	245'	$250	$380	1	0	0	6	0	7
Zimmerman	Livonia	Prairie Hills of Livonia	4Q02	Active 4Q02	Single Family	325'	$330	$265	0	0	51	6	0	57
Zimmerman	Livonia	Lake Fremont, The Woods at	4Q03	Active 4Q03	Single Family	200'	$210	$389	0	1	57	2	9	68
Zimmerman	Livonia	Whispering Ridge in Livonia	4Q04	Active 4Q04	Single Family	155'	$230	$440	9	13	67	27	0	98
Zimmerman	Livonia	Bost Acres	4Q05	Active 4Q05	Single Family	45'	$140	$275	0	0	5	1	0	6
Zimmerman	Livonia	Ridges of Livonia	4Q05	Active 4Q05	Single Family	205'	$200	$500	1	0	36	1	23	61
Zimmerman	Zimmerman	Huntington	3Q00	Active 3Q00	Single Family	85'	$200	$196	0	0	68	3	29	100
Zimmerman	Zimmerman	Maefield Estates/	3Q05	Active 3Q05	Single Family	85'	$300	$290	9	8	248	13	0	265
Zimmerman	Zimmerman	Marturano Woods	4Q01	Active 4Q01	Single Family	75'	$375	$353	4	4	186	27	0	216
Zimmerman	Zimmerman	Tall Pines	4Q05	Active 4Q05	Single Family	90'	$250	$305	19	17	31	40	53	133
Zimmerman	Zimmerman	Woodland Meadows North	4Q05	Active 4Q05	Single Family	55'	$250	$270	6	7	128	10	0	141
Subtotals									**58**	**61**	**932**	**168**	**120**	**1,250**
Sherburne County Subtotal									**355**	**354**	**4,308**	**1,129**	**1,531**	**7,198**

CONTINUED

TABLE FS-15 (Con't)
SUBDIVISION & LOT INVENTORY - DETACHED HOUSING UNITS
SHERBURNE COUNTY
4TH QUARTER 2019

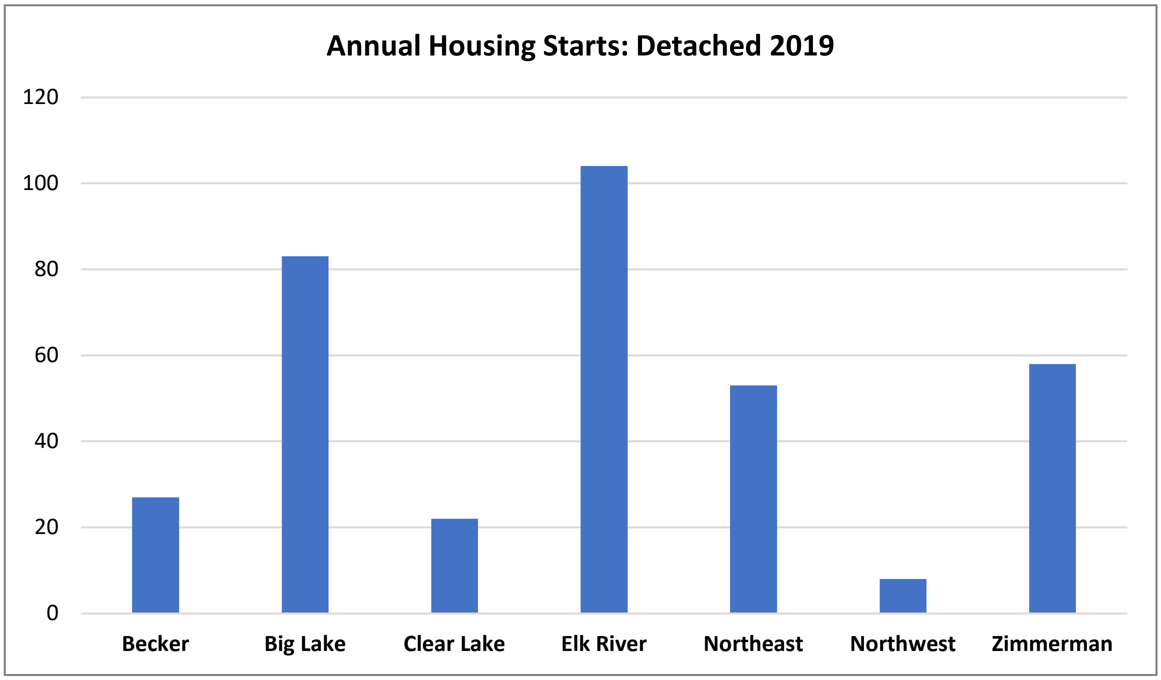
Submarket	City/ Township	Subdivision Name	Initial Active Qtr.	Status	Product Type	Lot Range (Ft.)	Pricing ($1,000) Min	Max	Annual Starts	Annual Closings	Currently Occupied	Vacant Developed Lot Inventory (VDL)	Future Units (Fut)	Total Units (Tot)
Becker Submarket - Future Lots														
Becker	Becker	Concept - 12611 165th Ave SE	0	Future	Single Family	0	$300	$0	0	0	0	0	6	6
Becker	Becker	Pine Royal	0	Future	Single Family	0	$300	$0	0	0	0	0	12	12
Subtotals									**0**	**0**	**0**	**0**	**18**	**18**
Big Lake Submarket - Future Lots														
Big Lake	Big Lake	Berndt Pond Estates/	2Q97	Future	Single Family	85'	$220	$200	0	0	14	0	36	50
Big Lake	Big Lake	Hidden Hideaway	0	Future	Single Family	0	$280	$0	0	0	0	0	17	17
Big Lake	Big Lake	Sandhill Villas (DTH)	0	Future	Single Family	0	$250	$0	0	0	0	0	12	12
Big Lake	Big Lake	Wheat Fields	0	Future	Single Family	200'	$250	$0	0	0	0	0	14	14
Big Lake	Orrock Twp	Andersons Pine Cone Estates	0	Future	Single Family	0	$260	$0	0	0	0	0	5	5
Big Lake	Orrock Twp	Jacobs Ridge	0	Future	Single Family	0	$0	$0	0	0	0	0	9	9
Big Lake	Orrock Twp	Shasta Meadows	0	Future	Single Family	200'	$0	$0	0	0	0	0	6	6
Subtotals									**0**	**0**	**14**	**0**	**99**	**113**
Elk River Submarket - Future Lots														
Elk River	Elk River	Concept - 18746 Troy St NW (DTH)	0	Future	Single Family	50'	$0	$0	0	0	0	0	41	41
Elk River	Elk River	Concept - Amborn	0	Future	Single Family	0	$0	$0	0	0	0	0	5	5
Elk River	Elk River	Ondracek Addition	0	Future	Single Family	65'	$180	$0	0	0	0	0	6	6
Elk River	Elk River	Riverplace	3Q98	Future	Single Family	90'	$350	$190	0	0	59	0	40	99
Elk River	Elk River	Tall Pines (DTH)	0	Future	Single Family	0	$225	$300	0	0	0	0	30	30
Subtotals									**0**	**0**	**59**	**0**	**122**	**181**
Northeast Submarket - Future Lots														
Northeast	Baldwin Twp.	Sumser Farms	0	Future	Single Family	0	$189	$0	0	0	0	0	16	16
Zimmerman Submarket - Future Lots														
Zimmerman	Livonia	Settlers Ridge in Livonia	0	Future	Single Family	0	$0	$0	0	0	0	0	22	22
Zimmerman	Zimmerman	Crescent Ridge in Zimmerman	0	Future	Single Family	85'	$0	$0	0	0	0	0	28	28
Subtotals									**0**	**0**	**0**	**0**	**50**	**50**
Sherburne County Subtotal									**0**	**0**	**73**	**0**	**305**	**378**

Source: Metrostudy, Maxfield Research & Consulting, LLC

TABLE FS-16
SUBDIVISION & LOT INVENTORY - ATTACHED HOUSING UNITS
SHERBURNE COUNTY
4TH QUARTER 2019

Submarket	City/ Township	Subdivision Name	Initial Active Qtr.	Status	Product Type	Lot Range (Ft.)	Pricing ($1,000) Min	Pricing ($1,000) Max	Annual Starts	Annual Closings	Currently Occupied	Vacant Developed Lot Inventory (VDL)	Future Units (Fut)	Total Units (Tot)
Attached Housing Subdivisions														
Becker Submarket														
Becker	Becker	River Bend in Becker/(TH)	1Q06	Active 1Q06	Townhouse	40'	$150	$200	0	0	8	20	32	60
Becker	Becker	River Oaks Estates of Becker/(TH)	2Q08	Active 2Q08	Townhouse	26'	$190	$260	0	0	6	31	0	37
Becker	Becker	River Oaks Estates of Becker/(TW)	4Q04	Active 4Q04	Duplex	41'	$220	$270	0	0	10	6	0	16
Becker	Becker	Rolling Ridge Estates (TH)	2Q02	Active 2Q02	Townhouse	37'	$170	$210	0	0	22	16	0	38
Submarket									**0**	**0**	**46**	**73**	**32**	**151**
Big LakeSubmarket														
Big Lake	Big Lake	Wrights Crossing/(TH)	4Q04	Active 4Q04	Townhouse	40'	$140	$400	6	0	12	3	0	21
Submarket									**6**	**0**	**12**	**3**	**0**	**21**
Clear Lake Submarket														
None														
Submarket									**0**	**0**	**0**	**0**	**0**	**0**
Elk River Submarket														
None														
Submarket									**0**	**0**	**0**	**0**	**0**	**0**
Northeast Submarket														
Northeast	Blue Hill	Twin Ponds	2Q04	Active 2Q04	Duplex	210'	$220	$350	0	1	13	3	0	16
Submarket									**0**	**1**	**13**	**3**	**0**	**16**
Northwest Submarket														
Northwest	St. Cloud	Liberty Glen (TH)	3Q05	Active 3Q05	Townhouse	30'	$190	$230	0	0	61	53	0	114
Northwest	St. Cloud	Pond View Village (TH)	2Q06	Active 2Q06	Townhouse	32'	$140	$170	0	0	12	31	0	43
Submarket									**0**	**0**	**73**	**84**	**0**	**157**
Zimmerman Submarket														
Zimmerman	Zimmerman	Norway Ridge/(TH)	4Q00	Active 4Q00	Townhouse	29'	$190	$230	0	0	74	16	0	90
Zimmerman	Zimmerman	Southside Villas (TH)	1Q03	Active 1Q03	Townhouse	37'	$185	$230	0	16	138	4	0	142
Submarket									**0**	**16**	**138**	**4**	**0**	**142**
Sherburne County Subtotal									**6**	**17**	**282**	**167**	**32**	**487**
Big Lake Submarket - Future														
Big Lake	Big Lake	Berndt Pond Estates/(TH)	0	0	Townhouse	55'	$0	$0	0	0	0	0	50	50
Northeast Submarket - Future														
Northeast	Princeton	Sherburne Lakes Park (TW)	0	0	Duplex	0	$0	$0	0	0	0	0	40	40
Zimmerman Submarket - Future														
Zimmerman	Zimmerman	Maefield Estates Townhomes/(TW)	0	0	Duplex	45'	$0	$0	0	0	0	0	24	24

Source: Metrostudy, Maxfield Research & Consulting, LLC


Annual Housing Starts: Detached 2019
120
100
80
60
40
20
0
Becker
Big Lake
Clear Lake
Elk River
Northeast
Northwest
Zimmerman

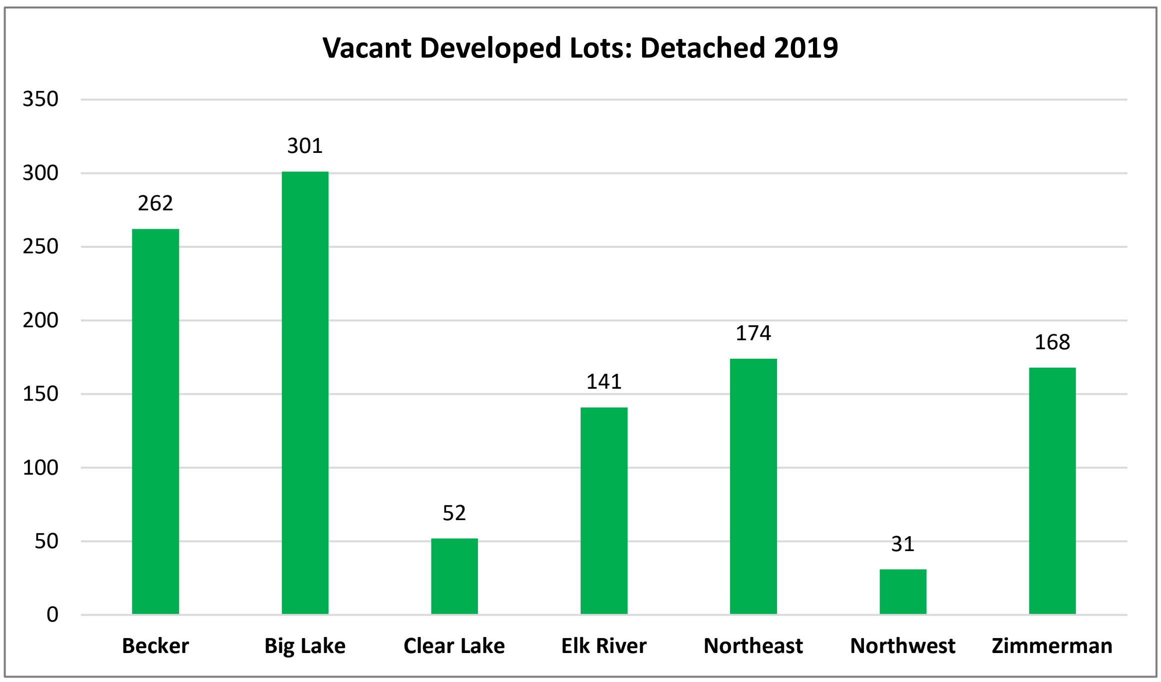

Vacant Developed Lots: Detached 2019
350
300
250
200
150
100
50
0
262
301
52
141
174
31
168
Becker
Big Lake
Clear Lake
Elk River
Northeast
Northwest
Zimmerman

TABLE FS-17
DETACHED HOUSING VACANT LAND
SHERBURNE COUNTY
4TH QUARTER 2019

Submarket	Annual Starts	Annual Closings	Currently Occupied	Vacant Developed Lot Inventory (VDL)	Future Units (Fut)	Total Units (Tot)
Detached Housing Units - Existing Subdivisions						
Becker	27	25	634	262	329	1,240
Big Lake	83	89	1,136	301	878	2,391
Clear Lake	22	22	94	52	0	149
Elk River	104	101	1,036	141	204	1,460
Northeast	53	50	430	174	0	629
Northwest	8	6	46	31	0	79
Zimmerman	58	61	932	168	120	1,250
Subtotal	**355**	**354**	**4,308**	**1,129**	**1,531**	**7,198**
Detached Housing Units - Future Subdivisions						
Becker	0	0	0	0	18	18
Big Lake	0	0	14	0	99	113
Clear Lake						
Elk River	0	0	59	0	122	181
Northeast	0	0	0	0	16	16
Northwest						
Zimmerman	0	0	0	0	28	28
Subtotal	**0**	**0**	**73**	**0**	**283**	**356**

Source: Metrostudy, Maxfield Research & Consulting, LLC

TABLE FS-18
ATTACHED HOUSING VACANT LAND
SHERBURNE COUNTY
4TH QUARTER 2019

Submarket	Annual Starts	Annual Closings	Currently Occupied	Vacant Developed Lot Inventory (VDL)	Future Units (Fut)	Total Units (Tot)
Attached Housing Units - Existing Subdivisions						
Becker	0	0	46	73	32	151
Big Lake	6	0	12	3	0	21
Clear Lake						
Elk River						
Northeast	0	1	13	3	0	16
Northwest	0	0	73	84	0	157
Zimmerman	0	16	168	4	0	142
Subtotal	**6**	**17**	**312**	**167**	**32**	**487**
Attached Housing Units - Future Subdivisions						
Becker						
Big Lake					50	50
Clear Lake						
Elk River						
Northeast					40	40
Northwest						
Zimmerman					24	24
Subtotal	**0**	**0**	**0**	**0**	**114**	**114**

Source: Metrostudy, Maxfield Research & Consulting, LLC

Select Single-Family & Townhome Properties – Sherburne County Analysis Area

Single-Family
Becker Submarket

Single-Family
Big Lake Submarket

Single-Family
Clear Lake Submarket

Single-Family
Elk River Submarket

Single-Family
NE Submarket

Single-Family
NW Submarket

Single-Family
Zimmerman Submarket

Multi-Family
NE Submarket

Multi-Family
Zimmerman Submarket

Single-Family
Becker Submarket

Single-Family
NW Submarket

Single-Family
Elk River Submarket

Realtor/Builder/Developer Interviews

Maxfield Research and Consulting interviewed real estate agents, home builders, and other professionals familiar with Sherburne 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. Please note: most of the interviews occurred after March 2020 after the COVID-19 pandemic began to disrupt the economy.

Market Overview

- Despite the COVID-19 pandemic, Sherburne County Realtors stated the overall sentiment remains very positive. Many interviewees mentioned the real estate market has not felt the impact like other industries and there have been few purchase agreement cancellations.

- Prior to the pandemic, the local real estate market was very hot and home prices were at all-time highs surpassing last decades strong market in the early 2000's. Homes for sale were experiencing multiple offers and the market favored sellers. Year-over-year the real estate market has been very strong over the past four plus years.

- Supply has been very tight; averaging about a two- to three- month supply for most cities in the county (equilibrium is about five to six months). Supply has been low across all price points; but especially for homes priced less than $250,000. Sales volumes could be higher if the number of homes for sale increased.

- The lack of supply has contributed to strong appreciation gains. Because it's a seller's market, most sellers are able to command sales prices near the list price. Some Realtors commented the supply could even tighten as seniors do not want to sell their homes and downsize due to COVID19.

- Record low interest rates have kept affordability at bay. Most Realtors believe low rates are here to stay for at least another year or more.

- Several interviewees commented on the "work from home" mandate that has forced employees to work remotely and telecommute. There is the potential to capture greater market share from the Twin Cities from those buyers who seek out more affordable housing than the Twin Cities core. In addition, separate dedicated office space in the home is highly attractive to today's home buyers.

- Due to COVID-19, lending requirements have tightened at some banks. This could affect the housing market if lenders continue to implement higher down payment requirements and higher credit scores. Lending has tightened the most on jumbo mortgages and home equity lines of credit (HELOC).

- Realtors commented there could be a movement away from apartment-style living to the for-sale market as householders desire to social distance from their neighbors. Traditional multifamily buildings could be less attractive should social distancing initiatives remain in place. At the same time, renters may seek out townhome or single-family rentals as they want to maintain distance from their neighbors.

- Housing costs in Sherburne County are generally higher the closer to the Twin Cities. Affordability generally increases the further the commute from the Metro Area.

- Days on market has been very low for the past several years. Most homes priced right will sell in less than 30 days. Lower-priced homes sell the quickest and many properties will be off the market in days.

- Generally, investor speculation has been kept in check and there haven't been too many investors competing with traditional buyers for the purchase of most homes. Last decade investor purchases were very common with the high number of foreclosures and discounted homes.

- Quality school districts are one of the biggest drivers for growth in Sherburne County. Buyers seek out "smaller or more rural schools" from either the Twin Cities or St. Cloud.

- Together with schools; housing affordability has been a key driver for many of the communities in Sherburne County. Buyers generally get more house for the dollar compared to the Twin Cities.

Land/Lots

- Sherburne County was hit hard during the last recession and builders and developers were left with excess inventory. Many of these lots were lender-mediated and builders have been buying land under market value for years. However, the excess lender-mediated inventory has been absorbed and lot supply is dwindling.

- Many builders have no desire to hold land as they were caught in the downturn last decade. Hence new finished lot supply has not kept up with demand.

- Lot sizes have compressed since last decade; however, many new construction buyers generally desire larger lots sizes than found in the Metro Area. Many buyers within city limits still desire lot sizes with lot frontages of 80' or more

- Many move-up and executive buyers locate outside city limits in adjacent townships on land with acreage, topography, or water frontage. These subdivisions rely on either a private well and septic or a community system. Many of these homes are priced at or above $400,000 with lots costs of $75,000 or more.

- Similar to housing costs, affordability on land acquisition tends to increase from east to west across the county. Becker, Clear Lake, and Princeton tend to have lower lot costs, while Zimmerman and Elk River tend to trend higher.

- Across the county the median lot sales price over the past year has been about $60,000. Lot costs are expected to increase due to a dwindling lot supply.

New Construction

- After years of escalating, construction costs have been rather flat in 2020. Material costs and labor costs have leveled after strong increases over the past few years. Despite the global pandemic, most builders have not experienced major delays in receiving building products. However, some closings have been delayed due to supply chain distribution hiccups on some building products.

- New construction has been strong across all buyer segments; especially from entry-level and move-up buyers. The entry-level buyer has been blurred as many younger buyers are jumping into new construction for their first house and seeking turn-key housing around the $300,000 price point.

- The “sweat spot” for many home builders in Sherburne County has been homes priced from $350,000 to $450,000. Housing product priced over $450,000 has been lower; but at the same time there have been fewer executive-level subdivisions marketing in the county.

- Historically new single-family construction has been dominated by split-levels and two-stories. However, there is strong demand for one-level living homes with master bedrooms on the main. Although age-targeted, many patio homes are also sought out by younger buyers who desire one-level living.

- There is an increasing demand for association-maintained housing products, whether detached villas, townhomes, twin homes, etc. Historically, Sherburne County has had fewer options for maintenance-free living.

- Although smaller, local and regional builder’s make-up the majority of new construction across the county, national builders have gradually expanded into Sherburne County. The most active builders by volume are LGI Homes, Lennar, and DR Horton. Many of the larger, production builders are squeezing lot sizes and averaging around 65’ wide lots.

- Nearly all of the actively marketing subdivisions are “open builder” subdivisions that allow the lot buyer to select the builder of their choice within the subdivision. However, most subdivisions have covenants and architectural guidelines that are enforced.

- The average price per square foot ("PSF") for new single-family construction with moderate finishes has been around $150/PSF or more for new construction across Sherburne County. Homes with higher-end finishes, finished basements, etc. will be higher and exceed $175/PSF. Custom homes are generally $225/PSF or more.

- Some Realtors/builders believe spec home construction may decline due to COVID. However, other Realtors find buyers prefer to tour spec new construction homes that have not been lived in yet.

Introduction

This section of the report examines the need for additional special needs housing in Sherburne County by examining the following data:

- number of people in the County with disabilities;
- estimates of disability by income level;
- housing services for disabled persons;
- number of people with HIV and AIDS;
- homelessness by age and living situation;
- characteristics of veterans;
- characteristics of the population below poverty level;

Persons with Disabilities

Data on the number of people in the Sherburne County with disabilities was obtained from the 2018 US Census American Community Survey. The Census Bureau defines a disability as a long-lasting physical, mental, or emotional condition lasting six months or more.

Table SN-1 shows the number of people by age group who are classified as having one of four types of disabilities: hearing, vision, cognitive (difficulty with various types of mental tasks) and ambulatory (difficulty moving from place to place without aid). It should be noted that a person can have more than one disability, as a result, the total number of persons with a disability listed in the table does not match the summed total of the numbers listed.

The following are key points from Table SN-1.

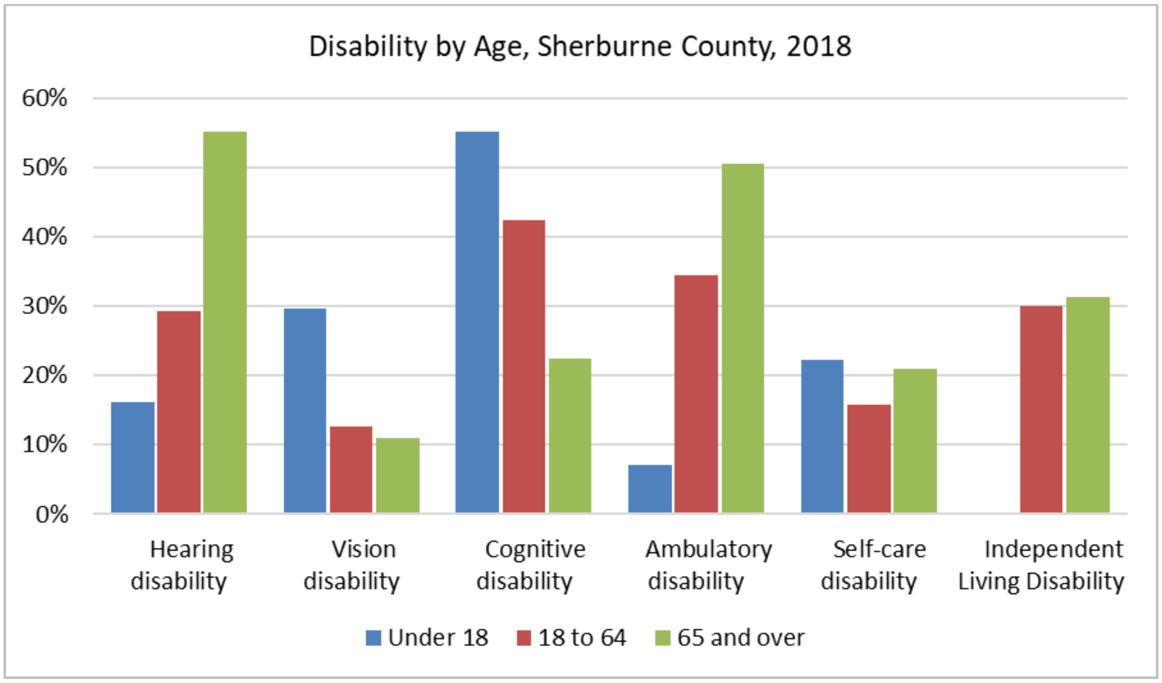
- Overall, 8.8% of the County's non-institutionalized population has some form of disability, slight below the 10.8% of the State of Minnesota population with a disability.

- As the population ages, the proportion of those in the population with a defined disability increases. Among the population under 18, 3.9% had a disability. The proportion of the population with a disability rose to 7.1% for the 18 to 64 age cohort and jumps to 32.1% for the population over age 65.

- Cognitive disability is the most prevalent type of disability among children (55%) and ages 18 to 64 (42%). Among seniors, the most common disability is hearing (55%), followed closely by ambulatory disabilities (50%).

TABLE SN-1 TYPE OF DISABILITY BY AGE OF NON-INSTITUTIONALIZED PERSON SHERBURNE COUNTY 2018			
	Total Number	**Percent with a Disability**	**Minnesota Percent with a Disability**
Age under 18 years			
Hearing disability	157	0.6%	0.5%
Vision disability	288	1.1%	0.5%
Cognitive disability	536	2.8%	4.0%
Ambulatory disability	69	0.4%	0.5%
Total	**973**	**3.9%**	**3.9%**
Self-care disability	*216*	*1.1%*	*1.1%*
Age 18 to 64 years			
Hearing disability	1,181	2.1%	2.0%
Vision disability	508	0.9%	1.2%
Cognitive disability	1,718	3.0%	4.1%
Ambulatory disability	1,397	2.5%	3.4%
Total	**4,046**	**7.1%**	**8.7%**
Self-care disability	637	1.1%	1.4%
Independent Living Disability	1,216	1.1%	1.4%
Age 65 years and over			
Hearing disability	1,667	17.7%	14.7%
Vision disability	331	3.5%	4.8%
Cognitive disability	678	7.2%	6.6%
Ambulatory disability	1,528	16.2%	17.6%
Total	**3,027**	**32.1%**	**31.2%**
Self-care disability	634	6.7%	6.2%
Independent Living Disability	949	10.1%	11.5%
Total disabilities (all ages):	**8,046**	**8.8%**	**10.8%**

Sources: Census 2018 ACS; Maxfield Research and Consulting, LLC



People with Limitations/Disabilities

The 2000 Census provided a strong dataset on the number of people with disabilities. Disability categories were expanded in the 2000 Census and included several categories. This data gathering was not available for the 2010 Census and information obtained through the American Community Survey provides only limited information for selected larger communities. HUD Consolidated Planning division has compiled specific tabulations of households with various types of disabilities to address this issue. The special tabulations were developed using information specifically provided to HUD by the Census Bureau using an average between 2012 and 2016.

Table SN-2 summarizes the number of households in Sherburne County that have identified some physical or mental limitation or none of the above limitations. Disabilities represented on the table include: hearing or vision impairment, ambulatory limitation (a condition that substantially limits one or more basic physical activities, such as walking, climbing stairs, reaching lifting, or carrying), cognitive (difficulty learning, remembering, or concentrating) and self-care or independent living limitation (household requires assistance with activities of daily living such as bathing, dressing, grooming). A household may have more than one member with these limitations and an individual may have more than one limitation.

The following are key points from Table SN-2.

- Among households with incomes of 30% AMI or less, 38% reported a limitation and 44% of households earning between 30% and 50% reported a limitation. However, the proportion of households reporting a disability declined to 21% among households earning more than 80% of the AMI.

- The largest difference between the proportion of renter and owner households reporting a disability was among households earning more than 80% AMI, 30% of renter households reported a disability, compared to 20% of owner households.

- The most commonly reported disability among households earning less than 50% AMI was an ambulatory limitation. A hearing or vision impairment was the most common disability reported among households earning more than 50% AMI.

TABLE SN-2
ESTIMATES OF DISABILITY BY INCOME LEVEL
SHERBURNE COUNTY
2012-2016

	Total HHs		Owner HHs		Renter HHs	
Type of Limitation and Income Category	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**
Households w/Incomes at or less than 30% AMI						
With a hearing or vision impairment	295	1.0%	105	0.4%	190	3.6%
With an ambulatory limitation	390	1.3%	235	0.9%	155	2.9%
With a cognitive limitation	210	0.7%	90	0.4%	120	2.3%
With a self-care or independent living limitation	225	0.7%	110	0.4%	115	2.2%
With none of the above limitations	1,795	5.8%	845	3.3%	950	17.8%
Households w/Incomes greater than 30% but 50% or less of AMI						
With a hearing or vision impairment	490	1.6%	325	1.3%	165	3.1%
With an ambulatory limitation	585	1.9%	315	1.2%	270	5.1%
With a cognitive limitation	400	1.3%	165	0.6%	235	4.4%
With a self-care or independent living limitation	510	1.7%	295	1.2%	215	4.0%
With none of the above limitations	2,490	8.1%	1,575	6.2%	915	17.2%
Households w/Incomes greater than 50% but 80% or less of AMI						
With a hearing or vision impairment	515	1.7%	455	1.8%	60	1.1%
With an ambulatory limitation	500	1.6%	420	1.6%	80	1.5%
With a cognitive limitation	490	1.6%	375	1.5%	115	2.2%
With a self-care or independent living limitation	445	1.4%	305	1.2%	140	2.6%
With none of the above limitations	4,045	13.1%	3,205	12.6%	840	15.8%
Households w/Incomes greater than 80% of AMI						
With a hearing or vision impairment	1,670	5.4%	1,520	6.0%	150	2.8%
With an ambulatory limitation	890	2.9%	785	3.1%	105	2.0%
With a cognitive limitation	850	2.8%	680	2.7%	170	3.2%
With a self-care or independent living limitation	890	2.9%	775	3.0%	115	2.2%
With none of the above limitations	16,520	53.7%	15,265	60.0%	1,255	23.6%
Total	30,780		25,455		5,325	
Proportion Owner vs. Renter			**82.7%**		**17.3%**	

Source: HUD CHAS 2012-2016

Housing Facilities for Disabled Persons

Sherburn County has 115 facilities that serve persons with disabilities licensed with the Minnesota Department of Human Services as of April 2020. These facilities are summarized in Table SN-3 by the type of program. The table also provides a program description.

The following are key points from Table SN-3.

- There are 71 licenses for Home and Community Based Services in Sherburne County. Of the 71 licenses, 40 were listed as Home and Community Based Services and 29 were listed as Home and Community Based Services – Community Residential Setting.
- The remaining two licenses were for Home and Community Based Services – Day Services Facility and Residential Services Facility.
- There were an additional 41 licenses for adult foster care.

TABLE SN-3
HOUSING SERVICES FOR DISABLED PERSONS
SHERBURNE COUNTY

Adult Foster Care	41	A living arrangement that provides food, lodging, supervision, and household services. They may also provide personal care and medication assistance. Adult foster care providers may be licensed to serve up to four adults and costs for room and board are met with client such as Social Security Income and Group Residential Housing (GRH).
Home and Community Based Services	71	Services provided to people with disabilities and those over age 65. Most services are funded under one of Minnesota's Medicaid waiver programs.
Intermediate Care Facility	3	Services provided to people with disabilities and those over age 65. Most services are funded under one of Minnesota's Medicaid waiver programs.
Semi-Independent Living Services (SILS)	N/A	Includes training and assistance to persons managing money, preparing meals, shopping, personal appearance, hygiene and other activities needed to maintain and improve the capacity of a developmentally disabled person to live in the community.
Sherburne Support Program	N/A	Provides cash to families with a member that has a development disability, with the goal of preventing, or delaying, out of home placement
Total	115	

Source: MN Dept. of Human Services; Disability Services Sherburne County; Maxfield Research and Consulting, LLC

Additional Housing Resources

Many supportive and transitional housing options for specialized populations, including ex-offenders, homeless individuals, chemical dependency and mental illness are physically located in areas outside Sherburne County. However, non-profit agencies, such as Tri-CAP and the Central Minnesota Housing Partnership, among others, serve a multi-county area that includes Sherburne County. These agencies can help individuals navigate the housing and service options available to them in and out of Sherburne County.

- Both agencies serve as a Coordinated Entry point. This program establishes a centralized process designed to coordinate program participant intake, assessment and provision of referrals.
- Tri-CAP is a community action program for Benton, Sherburne and Stearns counties.

- Tri-CAP housing services include rapid rehousing for persons experiencing homeless. This program provides 1 to 2 year of rental assistance and case management. Long-term rental assistance and permanent supportive housing are also provided though Tri-CAP.

- The Central Minnesota Housing Partnership also offers coordinated entry to all organizations throughout Central Minnesota to employ a common intake and assessment tool. Organizations can then make consistent and effective service matches regardless of the agency where the individual first sought services.

People Living With AIDS

Acquired Immunodeficiency Syndrome, or AIDS, was first reported in the United States in mid-1981. AIDS is caused by the human immunodeficiency virus (HIV). This virus infects certain cells of the immune system and can also directly infect the central nervous system and brain. Infection with HIV may not always lead to AIDS. Some infected persons remain in good health for years. Others develop illness varying in severity from mild to extremely serious. There is no vaccine to prevent HIV infection nor is there a cure. There are treatments that can help persons live longer and healthier, however.

Table SN-4 shows the estimated number of people living with HIV and AIDS in 2018 in Sherburne County, as well as, the surrounding counties.

TABLE SN-4
ESTIMATED PEOPLE LIVING WITH AIDS
Sherburne and Surrounding Counties, 2018

County	No. of People with HIV (non-AIDS)	No. of People with AIDS
Sherburne County	28	26
Stearns County	41	55
Wright County	38	29
Benton County	19	18
Mille Lacs County	4	15
Isanti County	12	8
Anoka County[1]	239	295
Greater Minnesota	777	745
Minnesota	4,924	4,042
U.S. Total[2]	1,006,691	534,515

[1] Anoka County is not included in the Greater Minnesota count
[2] Data from 2016 for the US

Source: Minnesota Department of Health, Maxfield Research and Consulting, LLC

- There were 28 people living with HIV and 26 living with AIDS in Sherburne County in 2018.
- Most surrounding counties reported low numbers of HIV and AIDS cases. Stearns County reported the highest number of HIV cases (41) and AIDS cases (55).
- Anoka County also borders Sherburne County, but as part of the Metro Area, its cases are significantly higher than other surrounding counties.

Homelessness

HUD defines homeless as an individual that meets the following criteria:

- Individuals and families who lack a fixed, regular, and adequate nighttime residence and includes a subset for an individual that resided in an emergency shelter or a place not meant for human habitation and who is exiting a residence where they temporarily resided.
- Individuals and families who imminently lose their primary nighttime residence.
- Unaccompanied youth and families with children and youth who are defined as homeless under other federal statutes who do not otherwise qualify as homeless under this definition.
- Individuals and families who are fleeing or who are attempting to flee domestic violence, dating violence, sexual assault, stalking or other dangerous or life-threatening conditions that relate to violence against a family member.

It is challenging to identify the total number of homeless members in the community. The total number can vary greatly as homeless members move from location to location.

Homelessness Count

Wilder Research conducts a one-day statewide study of homelessness every three years. The most recent study occurred on October 25, 2018. The study includes face to face interviews and a count of people experiencing homelessness.

The count of people includes people staying in all known emergency shelters, domestic violence shelters and transitional housing sites, as well as, people who were found through outreach in non-shelter locations, including encampments, hot-meal programs and other drop0in service locations.

Sherburne County is included the Central Minnesota region. This includes Crow Wing, Morrison, Todd, Stearns, Benton, Sherburne and Wright Counties.

Table SN-5 shows the distribution of people experiencing homelessness in Central Minnesota by age and living situation. The data are part of the total count of people experiencing homelessness during the 2018 one day study.

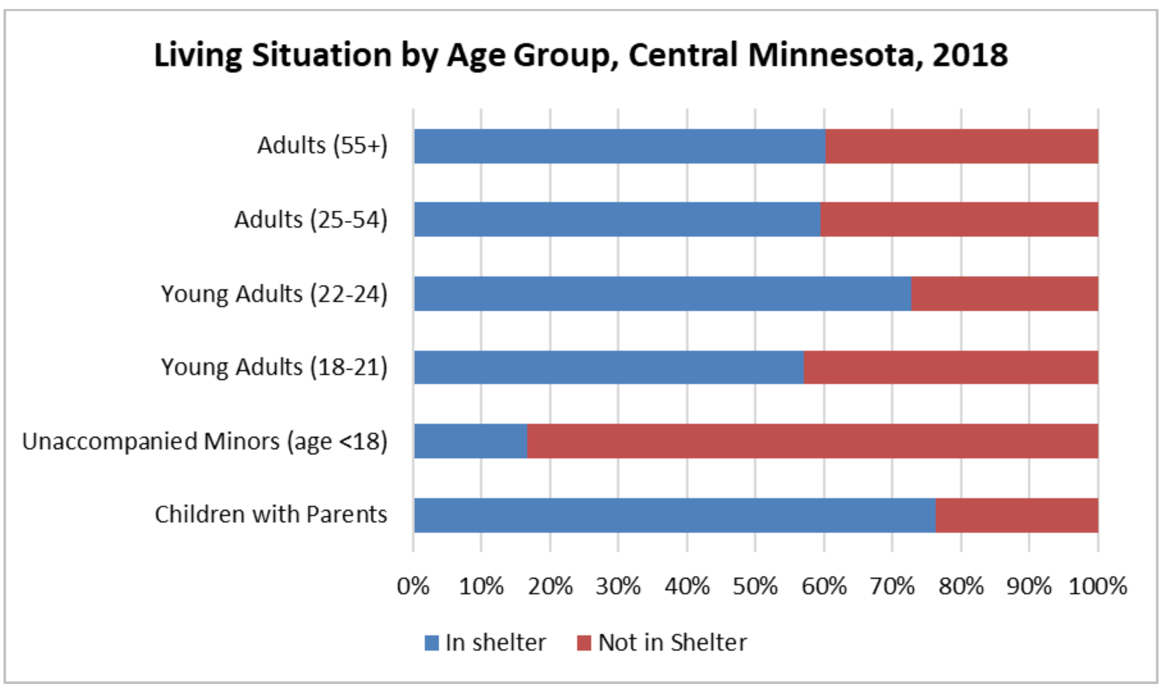
- Adults age 25 to 54 represented the largest population of people experiencing homelessness (40%), followed closely by children with parents (35%).

- Among the population in shelters, children with parents represented the largest share (41%). Adults age 25-54 represented the largest share of population not in shelters (47%).

TABLE SN-5
PEOPLE EXPERIENCING HOMELESSNESS BY AGE AND LIVING SITUATION
CENTRAL MINNESOTA
2018

	Total in Shelters		Total not in Shelters		Total	
	#	%	#	%	#	%
Children with Parents	256	41%	79	25%	335	35%
Unaccompanied Minors (age <18)	2	0%	10	3%	12	1%
Young Adults (18-21)	36	6%	27	8%	63	7%
Young Adults (22-24)	59	9%	22	7%	81	9%
Adults (25-54)	223	36%	152	47%	375	40%
Adults (55+)	47	8%	31	10%	78	8%
Central MN Total People Experiencing Homelessness	**623**	**100%**	**321**	**100%**	**944**	**100%**

Source: Wilder Research Inc.; Maxfield Research and Consulting, LLC



- Nearly three quarters of children with parents and young adults (22-24) were counted in shelters. However, over 80% of unaccompanied minors were counted not in shelters.

Table SN-6 shows the distribution of housing situation among people experiencing homelessness in Central Minnesota. The data are part of the face to face interviews conducted by Wilder Research on during the one-day count. The data are weighted to reflect the total number of sheltered persons indicated by specific site counts. Data from non-sheltered locations are not weights because the actual number of non-sheltered homeless persons cannot be accurately estimated.

- Two-thirds of people experiencing homelessness in Central Minnesota were in sheltered locations.

- Transitional housing settings were the most likely housing situations, 40% of the homeless population was reported living in transitional housing.

- There were 188 people counted in non-sheltered locations, representing 34% of the population experiencing homelessness.

TABLE SN-6
HOUSING SITUATION FOR PEOPLE EXPERIENCING HOMELESSNESS
CENTRAL MN
OCTOBER 2018

Housing Situation	NUMBER	PERCENT
Emergency shelter	105	19%
Domestic Violence Shelter	40	7%
Transitional housing	220	40%
Total in shelters	*365*	66%
Non-shelter Location	188	34%
Total Experiencing Homelessness	**553**	100%

* Data is limited to people experiencing homelessnes age 18 and older and excludes children with parents and unaccompanied youth

Sources: Wilder Research, March 2019. "Homelessness in Minnesota, 2018", Maxfield Research and Consulting, LLC

American Community Survey

Veterans

According to the Federal Government, a veteran is any person who served honorably on active duty in the armed forces of the United States. The 2018 American Community Survey counted 5,410 veterans in Sherburne County. Among these veterans, the dominant demographic characteristics are provided in SN-7.

- Veterans who served in the Vietnam Era accounted for the largest share (42%) of veterans in Sherburne County.

- Approximately one-quarter of veterans were represented within each of the age cohorts 35 to 54, 55 to 64 and 65 to 74-year olds.

TABLE SN-7
VETERAN DEMOGRAPHIC
SHERBURNE COUNTY
2018

	NUMBER	PERCENT
PERIOD OF SERVICE		
Gulf War (9/2001 or later) veterans	933	21%
Gulf War (8/1990 to 8/2001) veterans	1,121	25%
Vietnam era veterans	1,883	42%
Korean War veterans	412	9%
World War II veterans	132	3%
AGE		
18 to 34 years	568	10%
35 to 54 years	1,372	25%
55 to 64 years	1,132	21%
65 to 74 years	1,471	27%
75 years and over	867	16%
MEDIAN INCOME		
Total with an Income	$44,835	
EMPLOYMENT STATUS		
Labor force participation rate		82.60%
Unemployment rate		1.60%
POVERTY STATUS IN THE PAST 12 MONTHS		
Income in the past 12 months below poverty level	94	2%
Income in the past 12 months at or above poverty level	5,237	98%
DISABILITY STATUS		
With any disability	1,280	24%
Without a disability	4,051	76%

Sources: American Community Survey, Maxfield Research and Consulting, LLC

- Unemployment among veterans in Sherburne County was only 1.6%.

- Only 2% of veterans reported an income below the poverty level in 2018.

- Nearly 83% of veterans participated in the labor force. Among veterans earning an income, the median income was $44,835.

- An estimated 24% of veterans in Sherburne County reported a disability.

Poverty

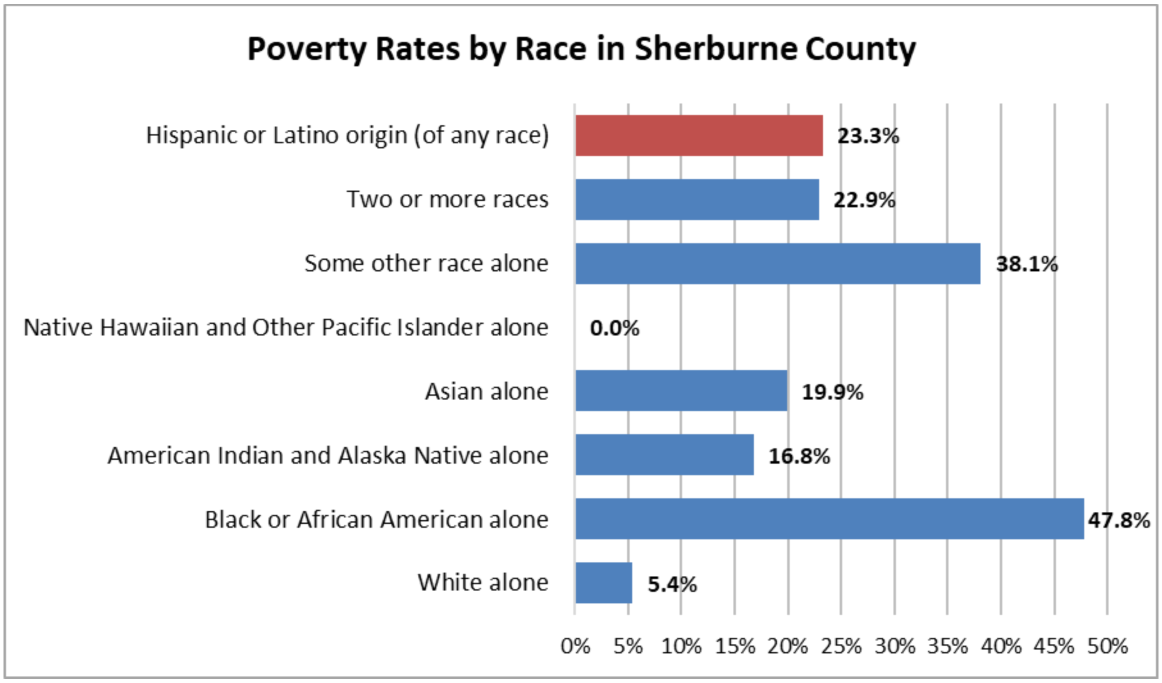
In 2018, the American Community Survey reported 6,450 people living below the poverty level in Sherburne County. The represents 7% of the County's population. Table SN-8 highlights the race, ethnicity and age characteristics of the population living below the poverty level.

TABLE SN-8
CHARACTERISTIC OF THE POPULATION BELOW THE POVERTY LEVEL
SHERBURNE COUNTY
2018

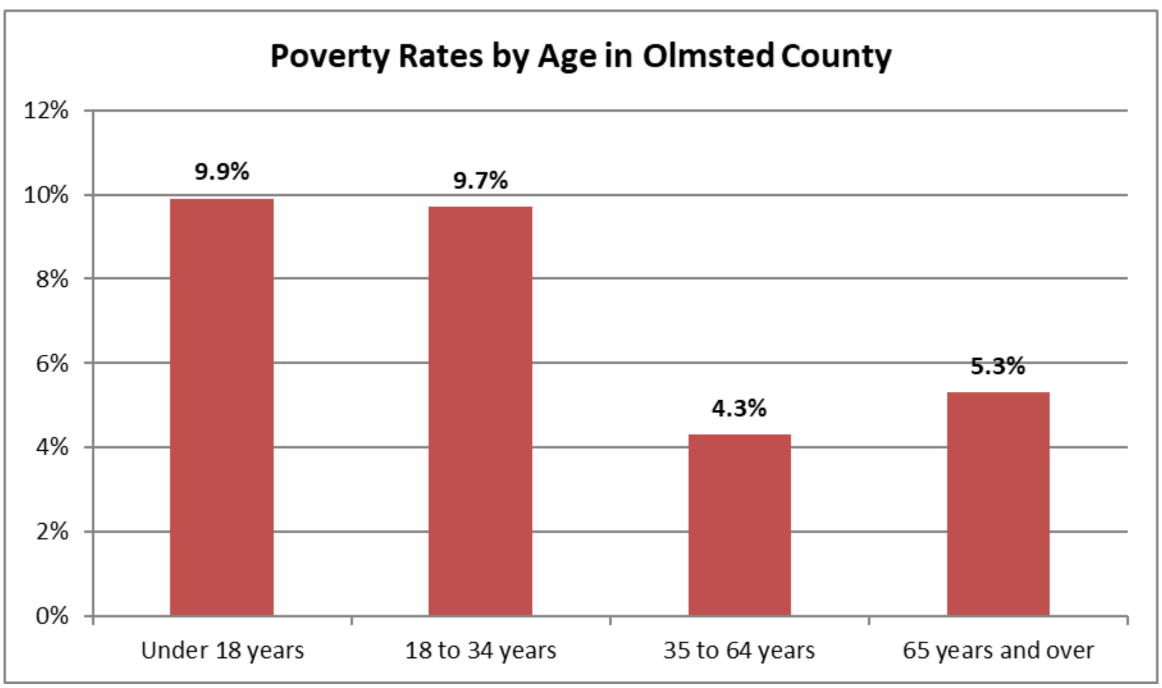
	TOTAL POPULATION	NUMBER BELOW POVERTY LEVEL	PERCENT BELOW POVERTY LEVEL
RACE AND HISPANIC OR LATINO ORIGIN			
White alone	85,030	4,594	5.4%
Black or African American alone	1,616	773	47.8%
American Indian and Alaska Native alone	487	82	16.8%
Asian alone	1,159	231	19.9%
Native Hawaiian and Other Pacific Islander alone	0	0	-
Some other race alone	875	333	38.1%
Two or more races	1,907	437	22.9%
Hispanic or Latino origin (of any race)	2,090	486	23.3%
AGE			
Under 18 years	24,905	2,469	9.9%
18 to 34 years	19,285	1,880	9.7%
35 to 64 years	37,454	1,602	4.3%
65 years and over	9,430	499	5.3%

Sources: American Community Survey, Maxfield Research and Consulting, LLC

- Nearly half of the population reporting themselves as Black or African American in 2018 was below the poverty level, while approximately 40% of the population who identified as Two or more races was below the poverty level.
- Almost a quarter of the Hispanic population was living below the poverty level in 2018.



- In Sherburne County, poverty is affecting the younger age cohorts to a greater degree compared to the older age cohorts. The age cohorts for those under age 18 and age 18 to 34 reported 10% of population of the population below the poverty level in 2018. In comparison 5% of the 65 years and older age cohort and 4% of the 35 to 64 age cohort were below the poverty level in 2018.



Planned and Proposed Housing Projects

Maxfield Research consulted planning staff members in Sherburne County in order to identify housing developments under construction, planned, or pending. Table P-1 inventory and summarize the number of housing units by product type that are either recently completed, under construction, or are planned to move forward. This is table and the associated information is accurate to the best of our knowledge and was gather during the first quarter of 2020.

- There are several housing developments either under construction or proposed in the Sherburne County Analysis Area at this time. However, it is unknown if all of the projects on Table P-1 will move forward.

- Currently, there are six general occupancy multifamily projects, totaling 513 units, that are currently under construction or have been approved as of the first quarter 2020. Of the 513 total units, 105 are market rate units at Station Street Apartments in Big Lake and are planned for construction in spring 2020. The remaining 408 units are affordable units and are planned for the Big Lake, Northeast, and Northwest submarkets.

- Within the Sherburne County Analysis Area, there are six for-sale developments that are under construction or have been approved as of the first quarter 2020. Of the 105 total units/lots of for-sale developments, 77 are single-family homes while the remaining 28 units are townhome units.

- In the Sherburne County Analysis Area there are two projects with a total of 82 units that are approved as of the first quarter 2020 and no under construction senior projects at this time. One project includes 70 affordable rental units, while the second project includes 12 patio homes restricted to those 55+ years old. Both projects are located in Big Lake.

- Though there are no rumored developments in the Clear Lake Submarket, the city has not confirmed any planned, pending projects at this time.

TABLE P-1
PLANNED/PENDING RESIDENTIAL PROJECTS
SHERBURNE COUNTY SUBMARKETS
1ST QUARTER 2020

Project Name/Location	Developer/Applicant	Project Type	Units/Lots MR	Units/Lots Aff	Units/Lots Total	Status/ Timing	Comments
Becker							
Future Multifamily 12051 Hancock St SE	Chi Ndikum	Potential Market Rate Apartments of Senior	50		50	Unknown	No formal application at this time
For-Sale Quads River Street	Angels Construction	For-Sale Quads	4		4	Under Construction	
Future SF Plat	Jeff Marholz	Single Family lots	12		12	Planning Commision	12-lot single-family subdivision
Big Lake							
The Crossings II 115 Henry Road	Duffy Development	Affordable Rental Townhomes		38	38	Under Construction Summer 2020	
Station Street Apartments Co. Rd. 43 @ Forest Road	Kuepers Inc.	Market Rate Apartments	105		105	Approved spring construction 2020	
Big Lake Station Senior Station Street	Aeon	Senior Affordable Apartments		70	70	Approved	Contingent on MHFA tax credit application. If MHFA approves tax credits: constrution in 2021 with occupancy in 2022
Big Lake Station Apartments Station Street	Aeon	Affodable Apartments		54	54	Approved	Contingent on MHFA tax credit application. If MHFA approves tax credits: constrution in 2021 with occupancy in 2022
Commonbond Project Highway 10 near 168th St. NW	Commonbond	Affodable Apartments		120	120	Approved	Two 60-unit buildings. Contingent on MHFA tax credit application. If MHFA approves tax credits: constrution in 2021 with occupancy in 2022
Sandhill Villas 205th Ave. NW & 172nd St. NW	Troy Siemers	Patio Homes (55+)	12		12	annexation approved entitlements process	
Clear Lake							

CONTINUED

CONTINUED
TABLE P-1
PLANNED/PENDING RESIDENTIAL PROJECTS
SHERBURNE COUNTY SUBMARKETS
1ST QUARTER 2020

Project Name/Location	Developer/Applicant	Project Type	Units/Lots MR	Aff	Total	Status/ Timing	Comments
Elk River							
Miske Meadows 6th Addition	Paxmar	Single-family homes	45		45	Final plat approved	
Trout Ridge Run	Acuity Group	Single-family homes	6		6	Approved	68' wide lots
Ondraceck	Jethro Carpeter	Single-family homes	6		6		65' lots
Elk Ridge Lodge	CommonBond	Affordable rentals		60	60	Preliminary - developer seeking MN Housing tax credits	
Tall Pines 2nd Addition	Roger Derrick	Detached Townhomes			29	Applied for Prel. & Final Plats	
Progressive Woods	Jeff Benzinger	Single-family homes	30		30	Final plat expected soon	80' wide lots. Estimated value around $500k
Hill Side Estates 12th Addition	Phoenix Enterprises (Rick Foster)	Single-family homes	20		20	Approved by council	80' wide lots
Eagles Marsh 4th Addition	Phoenix Enterprises (Rick Foster)	Single-family homes	10		10	Council in May 2020	1/2-acre lots
Princeton							
West Birch Apartments	Central MN Houisng Partnership	Affordable Rentals		16	16	Under construction Expected to open in 2020	
St. Cloud							
The Bluffs at Liberty Glen 1075 24th St SE, St. Cloud	Dominum	Affordable Rental Apartments Affordable Rental TH		144 36	144 36	Under Construction Spring 2020 Estimate	
Zimmerman							
Maefield Townhomes 8th Avenue South (county road 45)	Paxmare	Twin Homes	24		24	Preliminary approvals	two-story twin homes
Huntington 4th Addition	Riverside Development (Rick Foster- elk river)	Single-family lots	30		30	On-hold	
Woodcrest Estates	Choice Homes (elk river)	Single-family lots	28		28	On-hold	

Note: Not all geographies have provided pending projects infromation
Source: City staff; Maxfield Research & Consulting

Introduction

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: Sherburne County 4-person AMI = $100,000 (2019)

Rent and Income Limits

Table HA-1 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 Sherburne 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 amount used to calculate the maximum monthly subsidy for families at financially assisted housing.

TABLE HA-1
MHFA/HUD INCOME AND RENT LIMITS
SHERBURNE COUNTY - 2019

	Income Limits by Household Size							
	1 pph	2 pph	3 pph	4 pph	5 pph	6 pph	7 pph	8 pph
30% of median	$21,000	$24,000	$27,000	$30,000	$32,400	$34,800	$37,200	$39,600
50% of median	$35,000	$40,000	$45,000	$50,000	$54,000	$58,000	$62,000	$66,000
60% of median	$42,000	$48,000	$54,000	$60,000	$64,800	$69,600	$74,400	$79,200
80% of median	$56,000	$64,000	$72,000	$80,000	$86,400	$92,800	$99,200	$105,600
100% of median	$70,000	$80,000	$90,000	$100,000	$108,000	$116,000	$124,000	$132,000
120% of median	$84,000	$96,000	$108,000	$120,000	$129,600	$139,200	$148,800	$158,400

	Maximum Gross Rent				
	EFF	1BR	2BR	3BR	4BR
30% of median	$525	$562	$675	$780	$870
50% of median	$875	$937	$1,125	$1,300	$1,450
60% of median	$1,050	$1,125	$1,350	$1,560	$1,740
80% of median	$1,400	$1,500	$1,800	$2,080	$2,320
100% of median	$1,750	$1,875	$2,250	$2,600	$2,900
120% of median	$2,100	$2,250	$2,700	$3,120	$3,480

	Fair Market Rent				
	EFF	1BR	2BR	3BR	4BR
Fair Market Rent	$763	$915	$1,151	$1,636	$1,923

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

Table HA-2 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 persons.

TABLE HA-2
MAXIMUM RENT BASED ON HOUSEHOLD SIZE AND AREA MEDIAN INCOME
SHERBURNE COUNTY - 2019

	HHD Size		Maximum Rent Based on Household Size (@30% of Income)											
			30%		50%		60%		80%		100%		120%	
Unit Type[1]	Min	Max	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Studio	1	1	$525	- $525	$875	- $875	$1,050	- $1,050	$1,400	- $1,400	$1,750	- $1,750	$2,100	- $2,100
1BR	1	2	$525	- $600	$875	- $1,000	$1,050	- $1,200	$1,400	- $1,600	$1,750	- $2,000	$2,100	- $2,400
2BR	2	4	$600	- $750	$1,000	- $1,250	$1,200	- $1,500	$1,600	- $2,000	$2,000	- $2,500	$2,400	- $3,000
3BR	3	6	$675	- $870	$1,125	- $1,450	$1,350	- $1,740	$1,800	- $2,320	$2,250	- $2,900	$2,700	- $3,480
4BR	4	8	$750	- $990	$1,250	- $1,650	$1,500	- $1,980	$2,000	- $2,640	$2,500	- $3,300	$3,000	- $3,960

[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 Sherburne County AMI is $100,000 (2019)

Sources: HUD, Novogradac, Maxfield Research and Consulting, LLC

Housing Cost Burden

Table HA-3 shows the number and percentage of owner and renter households in Sherburne County, and the seven submarkets that pay 30% or more of their gross income for housing. This information was compiled from the American Community Survey 2018 estimates. This information is different than the 2000 Census which separated 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 to select the housing that they choose. Moderately cost-burdened is defined as households paying between 30% and 50% of their income to housing; while severely cost-burdened is defined as households paying more than 50% 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 figures focus on owner households with incomes below $50,000 and renter households with incomes below $35,000.

Key findings from Table HA-3 follow.

- In Sherburne County, 18% of owner households and 45% of renter households are considered cost burdened. The Northwest submarket recorded the highest proportion of cost burdened owner households, 23%, and the highest proportion of cost burdened renter households, 70%.

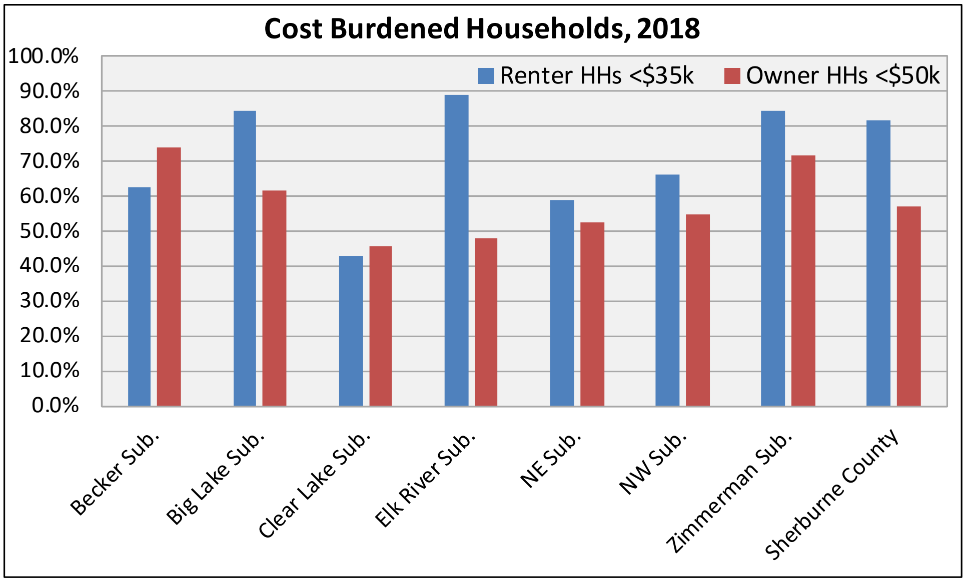
- Among owner households earning less than $50,000, 57% were cost burdened in Sherburne County. The Becker submarket reported the highest proportion of cost burdened owner households earning less than $50,000, 73.9%.

- Approximately 82% of Sherburne County renter households earning less than $35,000 were cost burdened. The proportion in the Elk River submarket was higher than the County at 89%.

TABLE HA-3
HOUSING COST BURDEN
SHERBURNE COUNTY - 2018

Community	Becker Sub. No.	Becker Sub. Pct.	Big Lake Sub. No.	Big Lake Sub. Pct.	Clear Lake Sub. No.	Clear Lake Sub. Pct.	Elk River Sub. No.	Elk River Sub. Pct.	NE Sub. No.	NE Sub. Pct.	NW Sub. No.	NW Sub. Pct.	Zimmerman Sub. No.	Zimmerman Sub. Pct.	Sherburne County No.	Sherburne County Pct.	County Analysis Area No.	County Analysis Area Pct.
Owner Households																		
All Owner Households	2,803		6,609		705		6,549		4,420		2,683		3,409		26,230		27,178	
Cost Burden 30% or greater	492	17.6%	1,268	19.2%	114	16.2%	981	15.0%	930	21.1%	612	23.0%	586	17.3%	4,711	18.0%	4,983	18.3%
Owner Households w/ incomes <$50,000	399		1,259		157		1,073		1,283		916		469		5,083		5,556	
Cost Burden 30% or greater	295	73.9%	767	61.5%	72	45.9%	506	47.8%	669	52.6%	489	54.6%	324	71.8%	2,862	57.0%	3,122	56.3%
Renter Households																		
All Renter Households	480		741		90		1,914		1,035		1,607		519		5,507		6,386	
Cost Burden 30% or greater	89	19.4%	369	51.4%	21	23.6%	920	51.5%	348	34.7%	1,111	70.4%	224	44.2%	2,380	45.1%	3,082	48.4%
Renter Households w/ incomes <$35,000	101		363		15		731		453		818		243		2,322		2,724	
Cost Burden 30% or greater	63	62.4%	297	84.4%	6	42.9%	591	89.1%	257	59.1%	536	66.2%	205	84.4%	1,824	81.6%	1,955	72.1%
Median Contract Rent*	$855		$821		$845		$890		$678		$870		$916		$854		$855	

*Median Contract Rent 2018
Calculations exclude households not computed.
Sum of Submarkets do no equal County total due to geographies outside of the County.
Sources: U.S. Census Bureau; American Community Survey; Maxfield Research & Consulting, LLC



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 St. Cloud Housing and Redevelopment Authority. 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 HA-1. The following are key points:

- In 2019, the St. Cloud Housing and Redevelopment Authority has 950 vouchers dispersed among the City of St. Cloud, along with Benton, Sherburne, and Wright Counties.

- Of the 950 vouchers administered by the St. Cloud Housing and Redevelopment Authority, 8% are located in Sherburne County, or roughly 76 vouchers.

- According to data provided from the St. Cloud HRA, the average household has been in the program for seven years and the average household size is three members per family.

- The following includes an age breakdown of households utilizing the Housing Choice Voucher program in 2019:
    - Ages 0 to 17 – 43%
    - Ages 18 to 35 – 24%
    - Ages 36 to 54 – 20%
    - Ages 55 to 61 – 6%
    - Ages 62 and older – 7%

Housing Costs as Percentage of Household Income

Housing costs are generally considered affordable at 30% of a household adjusted gross income. Table HA-4 on the following page illustrates key housing metrics based on housing costs and household incomes in Sherburne County. The table estimates the percentage of Sherburne County householders that can afford rental and for-sale housing based on a 30% allocation of income to housing. Housing costs are based on the Sherburne County average.

The housing affordability calculations assume the following:

<u>For-Sale Housing</u>

- 10% down payment with good credit score
- Closing costs rolled into mortgage
- 30-year mortgage at 3.25% 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 2018 ACS

<u>Rental Housing</u>

- Background check on tenant to ensure credit history
- 30% allocation of income
- Renter household income per 2018 ACS

- The median income of all Sherburne County households in 2020 was about $90,976. However, the median income varies by tenure. According to the 2018 American Community Survey, the median income of a homeowner is $94,034 compared to $42,741 for renters.

- Approximately 78% of all households and 84% of owner households could afford to purchase an entry-level home in Sherburne County ($200,000). When adjusting for move-up buyers ($275,000) about 70% of all households and 73% of owner households would income qualify.

- Roughly 88% of all households and 89% of owner households could afford to purchase an entry-level townhome/condo in Sherburne County ($150,000). When adjusting for move-up buyers ($200,000) about 81% of all households and 83% of owner households would income qualify.

- About 59% of existing renter households can afford to rent a one-bedroom unit in Sherburne County ($850/month). The percentage of renter income-qualified households decreases to 41% that can afford an existing three-bedroom unit ($1,275/month). After adjusting for new construction rental housing, the percentage of renters that are income-qualified decreases slightly. About 43% of renters can afford a new market rate one-bedroom unit while 24% can afford a new three-bedroom unit.

TABLE HA-4
HOUSING AFFORDABILITY - BASED ON HOUSEHOLD INCOME
SHERBURNE COUNTY

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	$200,000	$275,000	$400,000	$150,000	$200,000	$300,000
Pct. Down Payment	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Total Down Payment Amt.	$20,000	$27,500	$40,000	$15,000	$20,000	$30,000
Estimated Closing Costs (rolled into mortgage)	$6,000	$8,250	$12,000	$4,500	$6,000	$9,000
Cost of Loan	$186,000	$255,750	$372,000	$139,500	$186,000	$279,000
Interest Rate	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%
Number of Pmts.	360	360	360	360	360	360
Monthly Payment (P & I)	-$809	-$1,113	-$1,619	-$607	-$809	-$1,214
(plus) Prop. Tax	-$167	-$229	-$333	-$125	-$167	-$250
(plus) HO Insurance/Assoc. Fee for TH	-$67	-$92	-$133	-$100	-$100	-$100
(plus) PMI/MIP (less than 20%)	-$81	-$111	-$161	-$60	-$81	-$121
Subtotal monthly costs	-$1,123	-$1,545	-$2,247	-$893	-$1,157	-$1,685
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	$44,937	$61,788	$89,873	$35,703	$46,270	$67,405
Pct. of ALL Sherburne County HHDS who can afford[1]	**78.5%**	**70.3%**	**50.6%**	**88.1%**	**81.0%**	**48.8%**
No. of Sherburne County HHDS who can afford[1]	**25,857**	**23,155**	**16,663**	**29,019**	**26,673**	**16,071**
Pct. of Sherburne County owner HHDs who can afford[2]	**83.6%**	**72.8%**	**53.4%**	**88.9%**	**82.8%**	**69.1%**
No. of Sherburne County owner HHDs who can afford[2]	**22,739**	**19,820**	**14,536**	**24,194**	**22,528**	**18,809**
No. of Sherburne County owner HHDS who cannot afford[2]	**4,476**	**7,395**	**12,678**	**3,020**	**4,686**	**8,405**

Rental (Market Rate)	Existing Rental			New Rental		
	1BR	**2BR**	**3BR**	**1BR**	**2BR**	**3BR**
Monthly Rent	$850	$970	$1,275	$1,200	$1,500	$1,800
Annual Rent	$10,200	$11,640	$15,300	$14,400	$18,000	$21,600
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	$34,000	$38,800	$51,000	$48,000	$60,000	$72,000
Pct. of ALL Sherburne County HHDS who can afford[1]	**89.0%**	**86.0%**	**77.8%**	**79.8%**	**71.6%**	**63.2%**
No. of Sherburne County HHDS who can afford[1]	**29,310**	**28,331**	**25,617**	**26,289**	**23,563**	**20,825**
Pct. of Sherburne County renter HHDs who can afford[2]	**59.1%**	**53.7%**	**40.6%**	**43.5%**	**33.6%**	**24.2%**
No. of Sherburne County renter HHDs who can afford[2]	**3,377**	**3,066**	**2,318**	**2,488**	**1,917**	**1,383**
No. of Sherburne County renter HHDS who cannot afford[2]	**2,337**	**2,648**	**3,396**	**3,226**	**3,797**	**4,331**

[1] Based on 2020 household income for ALL households
[2] Based on 2018 ACS household income by tenure (i.e. owner and renter incomes. Owner incomes = $94,034 vs. renter incomes = $42,741)
Source: Maxfield Research & Consulting, LLC

Introduction

Previous sections of this study analyzed the existing housing supply and the growth and demographic characteristics of the population and household base in Sherburne County. This section of the report presents our estimates of housing demand in the County from 2020 through 2030.

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.

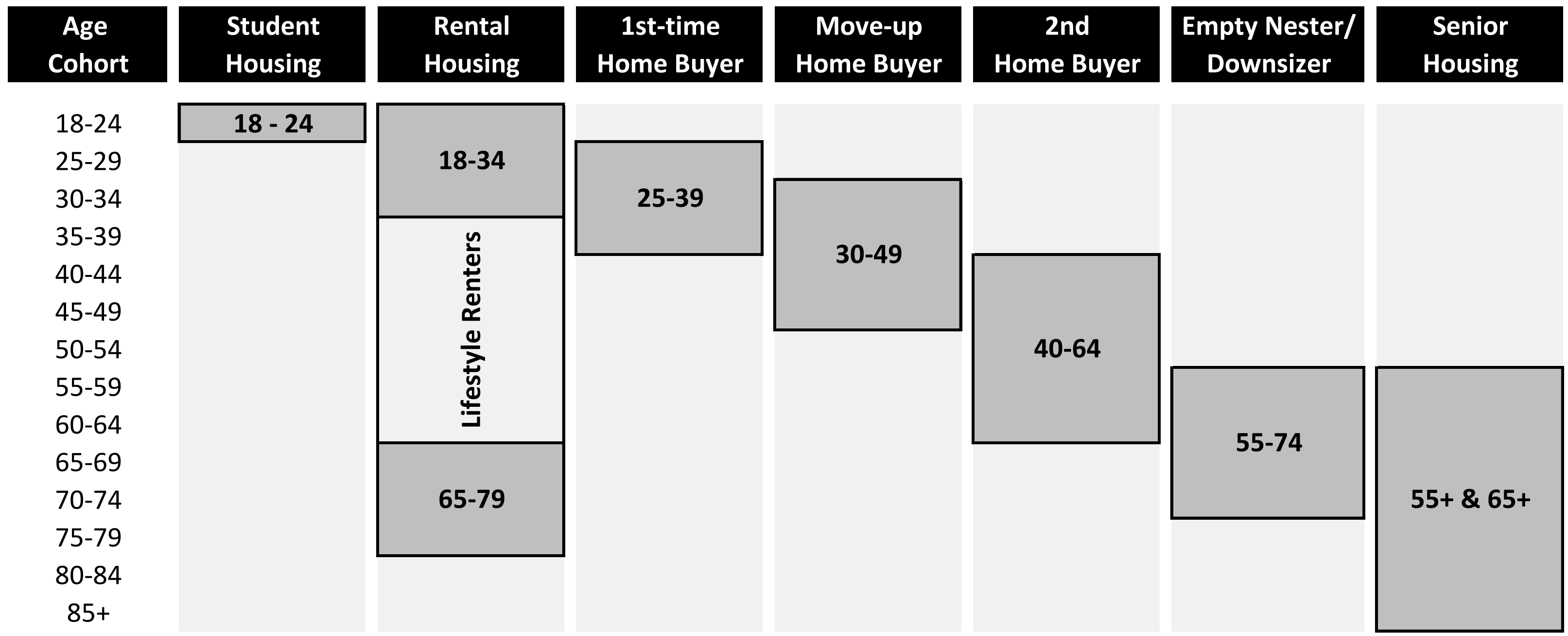
The following graphic provides greater detail of various housing types supported within each housing life cycle. Information on square footage, average bedrooms/bathrooms, and lot size is provided on the subsequent graphic.

Housing Demand Overview

The previous sections of this assessment focused on demographic and economic factors driving demand for housing in Sherburne County. 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 & HOUSING DEMAND



Source: Maxfield Research & Consulting, LLC

TYPICAL HOUSING TYPE CHARACTERISTICS

	Housing Types	Target Market/ Demographic	Unit/Home Characteristics	Lot Sizes/ Units Per Acre[1]
For-Sale Housing	Entry-level single-family	First-time buyers: Families, couples w/no children, some singles	1,200 to 2,200 sq. ft. 2-4 BR | 2 BA	80'+ wide lot 2.5-3.0 DU/Acre
For-Sale Housing	Move-up single-family	Step-up buyers: Families, couples w/no children	2,000 sq. ft.+ 3-4 BR | 2-3 BA	80'+ wide lot 2.5-3.0 DU/Acre
For-Sale Housing	Executive single-family	Step-up buyers: Families, couples w/no children	2,500 sq. ft.+ 3-4 BR | 2-3 BA	100'+ wide lot 1.5-2.0 DU/Acre
For-Sale Housing	Small-lot single-family	First-time & move-down buyers: Families, couples w/no children, empty nesters, retirees	1,700 to 2,500 sq. ft. 3-4 BR | 2-3 BA	40' to 60' wide lot 5.0-8.0 DU/Acre
For-Sale Housing	Entry-level townhomes	First-time buyers: Singles, couples w/no children	1,200 to 1,600 sq. ft. 2-3 BR | 1.5BA+	6.0-12.0 DU/Acre
For-Sale Housing	Move-up townhomes	First-time & step-up buyers: Singles, couples, some families, empty-nesters	1,400 to 2,000 sq. ft. 2-3 BR | 2BA+	6.0-8.0. DU/Acre
For-Sale Housing	Executive townhomes/twinhomes	Step-up buyers: Empty-nesters, retirees	2,000+ sq. ft. 3 BR+ | 2BA+	4.0-6.0 DU/Acre
For-Sale Housing	Detached Townhome	Step-up buyers: Empty-nesters, retirees, some families	2,000+ sq. ft. 3 BR+ | 2BA+	4.0-6.0 DU/Acre
For-Sale Housing	Condominums	First-time & step-up buyers: Singles, couples, empty-nesters, retirees	800 to 1,700 sq. ft. 1-2 BR | 1-2 BA	Low-rise: 18.0-24.0 DU/Acre Mid-rise: 25.0+ DU/Acre Hi-rise: 75.0+ DU/Acre
Rental Housing	Apartment-style rental housing	Singles, couples, single-parents, some families, seniors	675 to 1,250 sq. ft. 1-3 BR | 1-2 BA	Low-rise: 18.0-24.0 DU/Acre Mid-rise: 25.0+ DU/Acre Hi-rise: 75.0+ DU/Acre
Rental Housing	Townhome-style rental housing	Single-parents, families w/children, empty nesters	900 to 1,700 sq. ft. 2-4 BR | 2BA	8.0-12.0 DU/Acre
Rental Housing	Student rental housing	College students, mostly undergraduates	550 to 1,400 sq. ft. 1-4BR | 1-2 BA	Low-rise: 18.0-24.0 DU/Acre Mid-rise: 25.0+ DU/Acre Hi-rise: 50.0+ DU/Acre
Both	Senior housing	Retirees, Seniors	550 to 1,500 sq. ft. Suites - 2BR | 1-2 BA	Varies considerably based on senior product type

[1] Dwelling units(DU) per acre expressed in net acreage (minus right-of-way)

Source: Maxfield Research & Consulting, LLC

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 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 Sherburne County. Demand given for each submarket may be lower or higher if proposed and/or planned developments move forward.

For-Sale Housing Market Demand Analysis

Table HD-1 presents our demand calculations for general occupancy for-sale housing in Sherburne County between 2020 and 2030. 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 65 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 65. According to our projections, the Sherburne County Analysis Area is expected to increase by 1,625 households under age 65 between 2020 and 2030.

- Based on household tenure data from the US Census, we expect that between 61% of the demand to 91% of the demand will be for owner-occupied housing units. Household growth is expected in all submarkets, with a total excess demand for 1,374 new household growth from households under the age of 65 in the Sherburne County Analysis Area.

- As of 2020, there are approximately 23,185 owner households under the age of 65 in the County Analysis Area. Based on household turnover data from the 2018 American Community Survey, we estimate that between 32% and 43% of these under-65 owner households will experience turnover between 2020 and 2030 (turnover rate varies by submarket).

- Considering the age of the County Analysis Area's housing stock, we estimate that 10% of the households turning over will desire new housing. This estimate results in demand from existing households for 918 new residential units in the County Analysis Area between 2020 and 2030.

TABLE HD-1
DEMAND FOR ADDITONAL FOR-SALE HOUSING
SHERBURNE COUNTY ANALYSIS AREA
2020 to 2030

	Becker Submarket		Big Lake Submarket		Clear Lake Submarket		Elk River Submarket		Northeast Submarket		Northwest Submarket		Zimmerman Submarket		Sherburne Co. Analysis Area	
DEMAND FROM NEW HOUSEHOLD GROWTH																
Household growth under age 65, 2020 to 2030	344		483		15		324		132		41		286		1,625	
(times) % propensity to own[1]	84%		91%		85%		77%		83%		61%		87%		--	
(Equals) Demand from new household growth	**289**		**440**		**13**		**249**		**110**		**25**		**249**		**1,374**	
DEMAND FROM EXISTING HOUSEHOLDS																
Total owner households under age 65, 2020	2,498		5,714		533		5,501		3,939		1,867		3,133		23,185	
(times) % of owner turnover 2020-2030[2]	40%		38%		37%		43%		40%		32%		41%		--	
(times) % desiring new owner housing	10%		10%		10%		10%		10%		10%		10%		--	
(Equals) Demand from existing households	**100**		**218**		**20**		**235**		**158**		**60**		**129**		**918**	
TOTAL MARKET DEMAND																
Total demand from new HH growth and turnover	**389**		**658**		**32**		**484**		**267**		**85**		**378**		**2,293**	
(Plus) Demand from outside Submarket	15%		20%		10%		20%		10%		15%		20%		--	
(Equals) Total demand potential for ownership housing	**458**		**822**		**36**		**605**		**297**		**99**		**472**		**2,789**	
Proportion Single-family vs. Multifamily[3]	80%	20%	77%	23%	85%	15%	70%	30%	80%	20%	85%	15%	80%	20%	--	--
No. of Single-family vs. Multifamily[3] Units	**366**	**92**	**633**	**189**	**31**	**5**	**424**	**182**	**237**	**59**	**85**	**15**	**378**	**94**	**2,153**	**636**

[1] Based on percent owner households under age 65 in 2010
[2] Based on household turnover and mobility data (2018 American Community Survey, Five Year Estimates)
[3] Includes twinhomes, townhomes, detached townhomes, condos, etc.

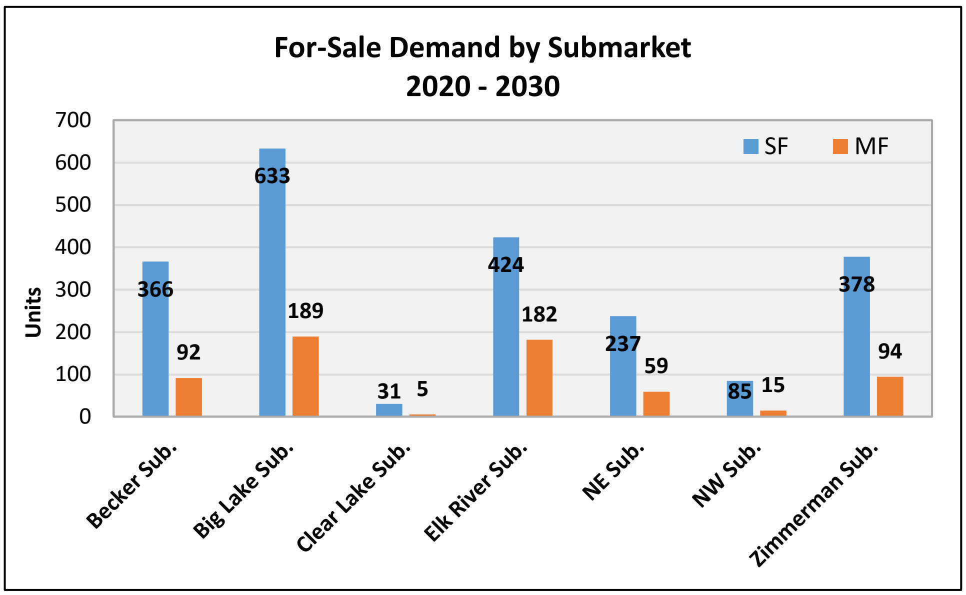
Note: Demand given for each submarket may be lower or higher in any proposed/planned developments move forward.

Source: Maxfield Research & Consulting LLC

- Total demand from household growth and existing household turnover between 2020 and 2030 equates to 2,293 new for-sale housing units.

- Next, we estimate that a portion of the total demand for new for-sale units in the Sherburne County Analysis Area will come from people currently living outside of the five submarkets. Adding demand from outside the Sherburne County Analysis Area to the existing demand potential, results in a total estimated demand for 2,789 for-sale housing units by 2030.

- Based on land available, building trends, the existing housing stock, and demographic shifts (increasing older adult population), we project between 70% to 85% of the for-sale owners in the Sherburne County Analysis Area will prefer traditional single-family product types while the remaining portion will prefer a maintenance-free multi-family product (i.e. twin homes, townhomes, or condominiums). This results in demand for 2,153 single-family units and 636 multifamily units in the Sherburne County Analysis Area through 2030.



Rental Housing Demand Analysis

Table HD-2 presents our calculation of market rate, affordable, and subsidized general-occupancy rental housing demand for the Sherburne County Analysis Area. This analysis identifies potential demand for rental housing that is generated from both new households and turnover households.

- According to our projections, the Sherburne County Analysis Area is expected to increase by 1,625 non-senior households and 2,095 senior households between 2020 and 2030. 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.

- We identify the percentage of households that are likely to rent their housing based on 2010 tenure data and estimates from 2020. The propensity to rent ranges from 15% to 39% for non-senior and 4% to 33% for seniors based on the submarket. After adjusting household growth by renters, there is growth of 388 renters through 2030 for renter households in the Sherburne County Analysis Area.

- Secondly, we calculate demand from existing households in the Sherburne County Analysis Area that could be expected to turnover between 2020 and 2030. As of 2020, there are 5,260 non-senior renter households and 1,328 senior renter households in the County Analysis Area. Based on household turnover data from the 2018 American Community Survey, we estimate that between 83% and 93% of non-senior households and between 4% and 78% of senior households will experience turnover between 2020 and 2030 (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 County Analysis Area's housing stock, we estimate that 17% of the households turning over in the Sherburne County Analysis Area will desire new rental housing. This estimate results in demand from existing households for 814 new residential rental units between 2020 and 2030.

- Combining demand from household growth plus turnover results in total demand in the County Analysis Area for 1,203 rental units between 2020 and 2030.

TABLE HD-2
DEMAND FOR ADDITONAL RENTAL HOUSING
SHERBURNE COUNTY ANALYSIS AREA
2020 to 2030

	Becker Submarket	Big Lake Submarket	Clear Lake Submarket	Elk River Submarket	Northeast Submarket	Northwest Submarket	Zimmerman Submarket	Sherburne Co. Analysis Area
DEMAND FROM NEW HOUSEHOLD GROWTH								
Household growth under age 65, 2020 to 2030	344	483	15	324	132	41	286	1,625
(times) % propensity to rent[1]	18%	15%	15%	25%	17%	39%	15%	--
Household growth over age 65, 2020 to 2030[2]	156	517	75	526	298	259	264	2,095
(times) % propensity to rent[1]	10%	17%	4%	23%	30%	33%	17%	--
(Equals) Demand from new household growth	**65**	**90**	**3**	**105**	**40**	**33**	**52**	**388**
DEMAND FROM EXISTING HOUSEHOLDS								
Total renter households under age 65, 2020	470	584	93	1,649	801	1,199	464	5,260
(times) % of renter turnover 2020-2030[3]	92%	79%	93%	91%	83%	89%	84%	--
Total renter households over age 65, 2020	27	167	5	364	304	376	85	1,328
(times) % of renter turnover 2020-2030[3]	69%	73%	4%	61%	74%	77%	78%	--
(times) % desiring new rental housing	17%	17%	17%	17%	17%	17%	17%	--
(Equals) Demand from existing households	**74**	**83**	**15**	**264**	**120**	**190**	**69**	**814**
TOTAL MARKET DEMAND								
Total demand from new HH growth and turnover	**139**	**173**	**17**	**369**	**161**	**223**	**121**	**1,203**
(Plus) Demand from outside Market Area	25%	30%	20%	30%	20%	25%	30%	--
(Equals) Total demand potential for rental housing	**174**	**224**	**21**	**480**	**193**	**279**	**157**	**1,528**
Percent Market Rate[4]	*75%*	*55%*	*80%*	*60%*	*55%*	*50%*	*58%*	--
Number	*130*	*123*	*17*	*288*	*106*	*140*	*91*	895
Percent Affordable[4]	*20%*	*30%*	*15%*	*25%*	*25%*	*32%*	*32%*	--
Number	*35*	*67*	*3*	*120*	*48*	*89*	*50*	413
Percent Subsidized[4]	*5%*	*15%*	*5%*	*15%*	*20%*	*18%*	*10%*	--
Number	*9*	*34*	*1*	*72*	*39*	*50*	*16*	220

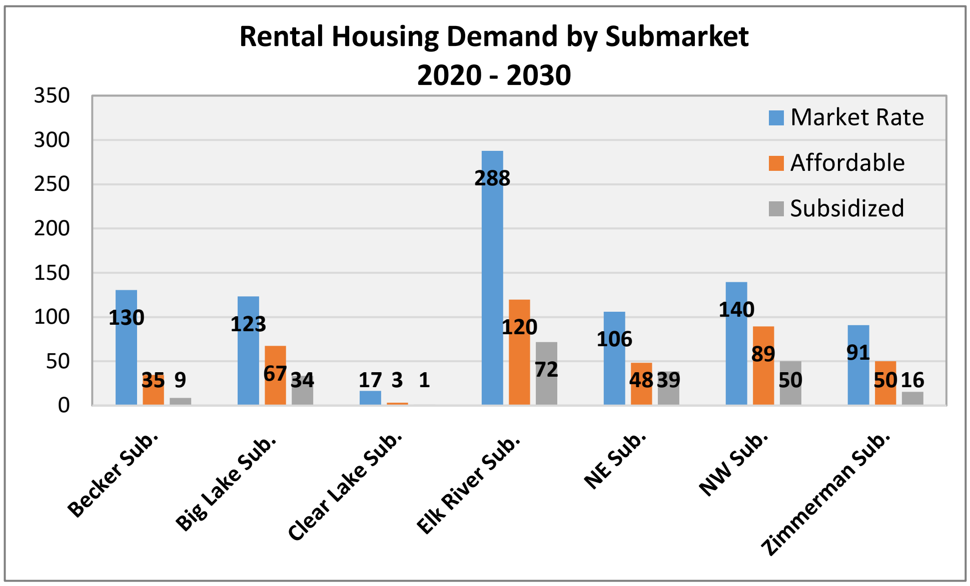
[1] Based on percent renter households in 2010 & estimates from 2020
[2] Based on 20% of senior households (2018 American Community Survey, Five Year Estimates)
[3] Based on household turnover and mobility data (2018 American Community Survey, Five Year Estimates)
[4] Based on the pricing of current rental product and household incomes of area renters (i.e. exludes owner incomes)

Source: Maxfield Research & Consulting, LLC

- Like for-sale housing, we estimate that 20% to 30% of the total demand for new rental housing units in the Sherburne County Analysis Area will come from people currently living outside of one of the seven submarkets.

- Based on a review of renter household incomes and sizes and monthly rents at existing properties, we estimate that 50% to 80% of the total demand will be for market rate housing. Through 2030, demand exists for 895 market rate rental units in the Sherburne County Analysis Area.

- We estimate that 15% to 32% of the total demand in the Sherburne County Analysis Area will be for affordable housing and 5% to 20% will be for subsidized housing. The percentage breakdown varies by submarket. Through 2030, demand exists for 413 affordable rental units and 220 subsidized rental units in the Sherburne County Analysis Area.



Senior Housing Demand Analysis

Tables HD-3 through HD-7 shows demand calculations for senior housing in the Sherburne County Analysis Area by submarket from 2020 to 2030. 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:

Affordable/Subsidized Active Adult Housing: Target market based includes age 55+ older adult and senior households with incomes of $35,000 or less.

Market Rate Active Adult Rental and Ownership Housing: Target market based includes age 55+ older adult and senior households with incomes of $35,000 or more and senior homeowners with incomes between $25,000 and $34,999.

Independent Living Housing: Target market base includes age 65+ seniors who would be financially able to pay for housing and service costs 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 $40,000 or more and a portion of homeowners with incomes below $40,000).

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) 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.

TABLE HD-3
DEMAND FOR SUBSIDIZED/AFFORDABLE SENIOR HOUSING
SHERBURNE COUNTY ANALYSIS AREA
2020 to 2030

	Becker Sub.	Big Lake Sub.	Clear Lake Sub.	Elk River Sub.	NE Sub.	NW Sub.	Zimmerman Sub.	Co. Analysis Area
2020								
Households age 55-64	614	1,440	209	1,617	1,180	782	744	6,586
(times) % income qualified[1]	7.8%	9.4%	4.0%	9.1%	15.8%	11.6%	9.6%	--
(times) potential capture rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	--
Households age 65-74	312	834	159	1,078	697	615	399	4,094
(times) % income qualified[1]	13.8%	15.6%	13.5%	16.2%	27.1%	18.0%	14.3%	--
(times) potential capture rate	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	--
Households age 75+	195	381	82	766	507	565	188	2,684
(times) % income qualified[1]	26.1%	36.0%	28.8%	37.2%	50.3%	45.4%	39.4%	--
(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	**15**	**43**	**7**	**77**	**74**	**64**	**22**	**303**
(plus) Demand from Outside Market Area)	30%	35%	25%	35%	25%	30%	35%	--
(Equals) total Demand Potential	**22**	**66**	**9**	**119**	**98**	**92**	**34**	**441**
Percent Subsidized	19%	18%	13%	22%	24%	20%	24%	--
Number	4	12	1	26	24	18	8	94
(minus) Existing and Pending Units[2]	18	0	0	108	84	75	37	322
(equals) Total Subsidized Demand	***-14***	***12***	***1***	***-82***	***-60***	***-57***	***-29***	**-228**
Percent Affordable[2]	81%	82%	87%	78%	76%	80%	76%	--
Number	18	54	8	93	75	73	26	347
(minus) Existing and Pending Units[2]	19	101	19	0	38	38	38	253
(equals) Total Affordable Demand	***-1***	***-46***	***-11***	***93***	***37***	***35***	***-12***	**94**

CONTINUED

TABLE HD-3 CONT.
DEMAND FOR SUBSIDIZED/AFFORDABLE SENIOR HOUSING
SHERBURNE COUNTY ANALYSIS AREA
2020 to 2030

	Becker Sub.	Big Lake Sub.	Clear Lake Sub.	Elk River Sub.	NE Sub.	NW Sub.	Zimmerman Sub.	Co. Analysis Area
2030								
Households age 55-64	707	1,564	213	1,661	1,204	764	820	6,933
(times) % income qualified[1]	4.7%	4.6%	1.0%	4.5%	10.2%	6.7%	5.0%	--
(times) potential capture rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	--
Households age 65-74	407	1,080	180	1,323	851	731	540	5,112
(times) % income qualified[1]	8.7%	8.0%	5.9%	8.9%	17.6%	10.8%	7.4%	--
(times) potential capture rate	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	--
Households age 75+	230	573	130	971	616	719	280	3,519
(times) % income qualified[1]	17.5%	19.5%	14.8%	22.3%	33.5%	30.6%	23.9%	--
(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	**12**	**32**	**5**	**57**	**59**	**53**	**18**	**236**
(plus) Demand from Outside Market Area)	30%	35%	25%	35%	25%	30%	35%	--
(Equals) total Demand Potential	**18**	**50**	**7**	**87**	**78**	**76**	**28**	**343**
Percent Subsidized	19%	18%	13%	22%	24%	20%	24%	--
Number	3	9	1	19	19	15	7	73
(minus) Existing and Pending Units[2]	18	0	0	108	84	75	37	322
(equals) Total Subsidized Demand	***-15***	***9***	***1***	***-89***	***-65***	***-60***	***-30***	**-249**
Percent Affordable[2]	81%	82%	87%	78%	76%	80%	76%	--
Number	14	41	6	68	59	60	21	270
(minus) Existing and Pending Units[2]	0	90	0	22	24	0	0	136
(equals) Total Affordable Demand	***14***	***-49***	***6***	***46***	***36***	***60***	***21***	**134**

[1] Based on households earning $35,000 and under in 2020. Households earning $40,000 and under in 2030.
[2] Based on household turnover and mobility data (2018 American Community Survey, Five Year Estimates)
[3] Existing and pending units are deducted at market equilibrium (95% occupancy).

Source: Maxfield Research & Consulting, LLC

TABLE HD-4
DEMAND FOR MARKET RATE ACTIVE ADULT HOUSING
SHERBURNE COUNTY ANALYSIS AREA
2020 to 2030

	Becker Sub.	Big Lake Sub.	Clear Lake Sub.	Elk River Sub.	NE Sub.	NW Sub.	Zimmerman Sub.	Co. Analysis Area
2020								
Households age 55-64	614	1,440	209	1,617	1,180	782	744	6,586
(times) % income qualified[1]	92.3%	90.7%	96.1%	90.9%	84.1%	88.3%	90.4%	--
(times) HO factor $25k-$35k	1.7%	3.4%	1.8%	2.8%	3.6%	2.8%	3.0%	--
(plus) Homeowners w/incomes $25k-35k[2]	10	50	4	45	43	22	22	196
(times) potential capture rate	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	--
(equals) demand potential	9	20	3	23	16	11	10	91
Households age 65-74	312	834	159	1,078	697	615	399	4,094
(times) % income qualified[1]	86.2%	84.5%	86.4%	83.7%	72.9%	82.0%	85.8%	--
(times) HO factor $25k-$35k	3.8%	4.7%	4.3%	5.4%	7.4%	2.9%	5.9%	--
(plus) Homeowners w/incomes $25k-35k[2]	12	39	7	58	52	18	24	209
(times) potential capture rate	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	--
(equals) demand potential	24	63	12	82	48	44	31	304
Households age 75+	195	381	82	766	507	565	188	2,684
(times) % income qualified[1]	73.8%	64.0%	71.3%	62.8%	49.7%	54.5%	60.6%	--
(times) HO factor $25k-$35k	6.4%	10.9%	10.7%	8.6%	9.7%	4.7%	13.2%	--
(plus) Homeowners w/incomes $25k-35k[2]	13	41	9	66	49	27	25	229
(times) potential capture rate	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	--
(equals) demand potential	23	43	10	82	45	50	21	275
(Equals) Demand potential from Market Area	**56**	**126**	**25**	**186**	**108**	**105**	**62**	**670**
(plus) Demand from Outside Market Area)	25%	30%	20%	30%	20%	25%	30%	--
(Equals) total Demand Potential	**75**	**181**	**32**	**266**	**135**	**140**	**89**	**918**
Percent Owner-Occupied	*30%*	*30%*	*30%*	*35%*	*30%*	*30%*	*30%*	--
Number	22	54	10	93	41	42	27	289
(minus) Existing and Pending Units[3]	0	0	0	118	0	0	0	118
(equals) Total Owner-Occupied Demand	***22***	***54***	***10***	***-25***	***41***	***42***	***27***	**171**
Percent Renter-Occupied	*70%*	*70%*	*70%*	*65%*	*70%*	*70%*	*70%*	--
Number	*52*	*126*	*22*	*173*	*95*	*98*	*62*	629
(minus) Existing and Pending Units[3]	0	0	0	57	42	0	0	99
(equals) Total Renter-Occupied Demand	***52***	***126***	***22***	***116***	***53***	***98***	***62***	**530**

CONTINUED

TABLE HD-4 CONT.
DEMAND FOR MARKET RATE ACTIVE ADULT HOUSING
SHERBURNE COUNTY ANALYSIS AREA
2020 to 2030

	Becker Sub.	Big Lake Sub.	Clear Lake Sub.	Elk River Sub.	NE Sub.	NW Sub.	Zimmerman Sub.	Co. Analysis County
2030								
Households age 55-64	707	1,564	213	1,661	1,204	764	820	6,933
(times) % income qualified[1]	92.3%	91.9%	96.7%	91.4%	84.7%	88.9%	90.9%	--
(times) HO factor $30k-$40k	2.4%	2.7%	1.8%	2.8%	4.3%	3.6%	2.9%	--
(plus) Homeowners w/incomes $30k-40k[2]	17	43	4	47	51	27	24	213
(times) potential capture rate	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	--
(equals) demand potential	10	22	3	23	16	11	12	97
Households age 65-74	407	1,080	180	1,323	851	731	540	5,112
(times) % income qualified[1]	86.0%	87.4%	90.4%	85.2%	73.5%	82.8%	86.4%	--
(times) HO factor $30k-$40k	4.2%	3.5%	3.3%	4.4%	6.2%	4.4%	4.7%	--
(plus) Homeowners w/incomes $30k-40k[2]	17	38	6	58	53	32	25	229
(times) potential capture rate	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	--
(equals) demand potential	31	83	14	101	58	54	42	383
Households age 75+	230	573	130	971	616	719	280	3,519
(times) % income qualified[1]	71.5%	66.7%	72.9%	62.9%	51.2%	57.2%	58.2%	--
(times) HO factor $30k-$40k	9.6%	8.9%	10.5%	9.0%	8.0%	6.2%	12.0%	--
(plus) Homeowners w/incomes $30k-40k[2]	22	12	14	12	49	45	12	167
(times) potential capture rate	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	--
(equals) demand potential	28	59	16	93	55	68	26	346
(Equals) Demand potential from Market Area	**69**	**165**	**34**	**218**	**128**	**133**	**80**	**827**
(plus) Demand from Outside Market Area)	25%	30%	20%	30%	20%	25%	30%	--
(Equals) total Demand Potential	**92**	**236**	**42**	**311**	**161**	**178**	**114**	**1,133**
Percent Owner-Occupied	*30%*	*30%*	*30%*	*35%*	*30%*	*30%*	*30%*	--
Number	28	71	13	109	48	53	34	355
(minus) Existing and Pending Units[3]	0	0	0	118	0	0	0	118
(equals) Total Owner-Occupied Demand	***28***	***71***	***13***	***-9***	***48***	***53***	***34***	**238**
Percent Renter-Occupied	*70%*	*70%*	*70%*	*65%*	*70%*	*70%*	*70%*	--
Number	65	165	30	202	112	124	80	777
(minus) Existing and Pending Units[3]	0	0	0	57	42	0	0	99
(equals) Total Renter-Occupied Demand	***65***	***165***	***30***	***145***	***71***	***124***	***80***	**679**

[1] Based on households earning $35,000+ in 2020. 2030 calculations are based on households earning $40,000+ due to inflation.
[2] Estimated homeowners with incomes between $25,000 and $34,999 in 2020. Incomes between $30,000 and $39,999 in 2030.
[3] Existing and pending units are deducted at market equilibrium (95% occupancy).

Source: Maxfield Research & Consulting, LLC

TABLE HD-5
DEMAND FOR INDEPENDENT LIVING RENTAL HOUSING
SHERBURNE COUNTY ANALYSIS AREA
2020 to 2030

	Becker Sub.	Big Lake Sub.	Clear Lake Sub.	Elk River Sub.	NE Sub.	NW Sub.	Zimmerman Sub.	Co. Analysis Area
2020								
Households age 65-74	312	834	159	1,078	697	615	399	4,094
(times) % income qualified[1]	86%	84%	87%	84%	73%	82%	86%	--
(times) HO factor $30k-$35k	1.9%	2.3%	2.5%	2.8%	3.6%	1.4%	2.9%	--
(plus) Homeowners w/incomes $30k-35k[2]	6	20	4	30	25	9	11	105
(times) potential capture rate	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	--
(equals) demand potential	4	11	2	14	8	8	5	52
Households age 75+	195	381	82	766	507	565	188	2,684
(times) % income qualified[1]	74%	64%	71%	63%	50%	55%	61%	--
(times) HO factor $30k-$35k	3.2%	5.5%	5.9%	4.3%	4.9%	2.4%	6.4%	--
(plus) Homeowners w/incomes $30k-35k[2]	6	21	5	33	25	14	12	116
(times) potential capture rate	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	--
(equals) demand potential	20	36	9	70	37	43	17	232
(Equals) Demand potential	**24**	**47**	**11**	**84**	**45**	**51**	**22**	**284**
(plus) Demand from Outside Market Area)	25%	30%	20%	30%	20%	25%	30%	--
(Equals) total Demand Potential	**33**	**67**	**13**	**119**	**57**	**68**	**32**	**388**
(minus) Existing and Pending Units[3]	0	81	0	35	6	90	0	212
(Equals) Total Independent Living Demand	**33**	**-14**	**13**	**84**	**51**	**-22**	**32**	**177**

CONTINUED

TABLE HD-5 CONT.
DEMAND FOR INDEPENDENT LIVING RENTAL HOUSING
SHERBURNE COUNTY ANALYSIS AREA
2020 to 2030

	Becker Sub.	Big Lake Sub.	Clear Lake Sub.	Elk River Sub.	NE Sub.	NW Sub.	Zimmerman Sub.	Co. Analysis Area
2030								
Households age 65-74	407	1,080	180	1,323	851	731	540	5,112
(times) % income qualified[1]	86%	87%	90%	85%	74%	83%	86%	--
(times) HO factor $35k-$40k	1.4%	3.5%	3.8%	4.3%	6.0%	6.5%	4.5%	--
(plus) Homeowners w/incomes $35k-40k[2]	6	37	7	57	51	48	25	230
(times) potential capture rate	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	--
(equals) demand potential	5	15	3	18	10	10	7	68
Households age 75+	230	573	130	971	616	719	280	3,519
(times) % income qualified[1]	72%	67%	73%	63%	51%	57%	58%	--
(times) HO factor $35k-$40k	2.7%	8.6%	12.0%	10.1%	6.9%	8.1%	11.7%	--
(plus) Homeowners w/incomes $35k-40k[2]	6	49	16	98	43	58	33	303
(times) potential capture rate	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	--
(equals) demand potential	23	58	15	96	48	63	26	330
(Equals) Demand potential	**28**	**73**	**17**	**114**	**58**	**73**	**34**	**398**
(plus) Demand from Outside Market Area)	25%	30%	20%	30%	20%	25%	30%	--
(Equals) total Demand Potential	**38**	**104**	**22**	**162**	**73**	**98**	**48**	**545**
(minus) Existing and Pending Units[3]	0	81	0	35	6	90	0	212
(Equals) Total Independent Living Demand	**38**	**23**	**22**	**127**	**67**	**7**	**48**	**333**

[1] Based on households earning $35,000+ in 2020. 2030 calculations are based on households earning $40,000+ due to inflation.

[2] Estimated homeowners with incomes between $30,000 and $34,999 in 2020. Incomes between $35,000 and $39,999 in 2030.

[3] Existing and pending units are deducted at market equilibrium (95% occupancy).

Source: Maxfield Research & Consulting, LLC

TABLE HD-6
DEMAND FOR ASSISTED LIVING RENTAL HOUSING
SHERBURNE COUNTY ANALYSIS AREA
2020 to 2030

	Becker Sub.	Big Lake Sub.	Clear Lake Sub.	Elk River Sub.	NE Sub.	NW Sub.	Zimmerman Sub.	Co. Analysis Area
2020								
People age 75-79	155	345	69	517	382	372	165	2,005
(times) % needing assistance[1]	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	--
People age 80-84	106	165	38	304	233	306	91	1,243
(times) % needing assistance[1]	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	--
People age 85+	92	132	29	345	232	476	64	1,370
(times) % needing assistance[1]	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	--
(Equals) Number needing assistance	**123**	**212**	**45**	**412**	**295**	**443**	**106**	**1,636**
(times) Percent Income-Qualified[2]	79.0%	70.4%	77.6%	67.9%	57.8%	59.3%	68.1%	--
(times) Percent Living Alone	40.7%	36.5%	30.7%	52.9%	44.8%	61.0%	31.7%	--
(plus) Proportion of demand from couples (12%)[3]	*5*	*7*	*1*	*20*	*10*	*22*	*3*	70
(equals) Total Age-Income Qualified market needing assistance	*45*	*62*	*12*	*168*	*87*	*182*	*26*	582
(times) Potential penetration rate[4]	40%	40%	40%	40%	40%	40%	40%	--
(Equals) Demand potential from Market Area Residents	**18**	**25**	**5**	**67**	**35**	**73**	**10**	**233**
(plus) Demand from Outside Market Area)	25%	30%	20%	30%	20%	25%	30%	--
(Equals) total Demand Potential	**24**	**35**	**6**	**96**	**43**	**97**	**15**	**317**
(minus) Existing and Pending Units[5]	17	88	0	89	61	162	0	418
(Equals) Total Assisted Living Demand	**7**	**-53**	**6**	**7**	**-18**	**-65**	**15**	**-101**

CONTINUED

TABLE HD-6 CONT.
DEMAND FOR ASSISTED LIVING RENTAL HOUSING
SHERBURNE COUNTY ANALYSIS AREA
2020 to 2030

	Becker Sub.	Big Lake Sub.	Clear Lake Sub.	Elk River Sub.	NE Sub.	NW Sub.	Zimmerman Sub.	Co. Analysis Area
2030								
People age 75-79	182	450	95	627	434	445	212	2,445
(times) % needing assistance[1]	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	--
People age 80-84	121	222	46	364	275	361	119	1,508
(times) % needing assistance[1]	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	--
People age 85+	106	155	35	368	251	517	81	1,513
(times) % needing assistance[1]	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	--
(Equals) Number needing assistance	**142**	**269**	**58**	**472**	**333**	**502**	**136**	**1,911**
(times) Percent Income-Qualified[2]	78.1%	72.9%	79.8%	68.2%	58.9%	61.4%	66.7%	--
(times) Percent Living Alone	40.7%	36.5%	30.7%	52.9%	44.8%	61.0%	31.7%	--
(plus) Proportion of demand from couples (12%)[3]	*6*	*10*	*2*	*23*	*12*	*26*	*4*	83
(equals) Total Age-Income Qualified market needing assistance	*51*	*81*	*16*	*193*	*100*	*214*	*33*	688
(times) Potential penetration rate[4]	40%	40%	40%	40%	40%	40%	40%	--
(Equals) Demand potential from Market Area Residents	**20**	**33**	**6**	**77**	**40**	**86**	**13**	**275**
(plus) Demand from Outside Market Area)	25%	30%	20%	30%	20%	25%	30%	--
(Equals) total Demand Potential	**27**	**47**	**8**	**111**	**50**	**114**	**19**	**375**
(minus) Existing and Pending Units[5]	17	88	0	89	61	162	0	418
(Equals) Total Assisted Living Demand	**11**	**-42**	**8**	**21**	**-12**	**-48**	**19**	**-43**

[1] The percentage of seniors unable to perform or having difficulting 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 $40,000 or more (who could afford monthly rents of $3,000+ per month) plus 40% of the estimated owner households with incomes below $40,000 (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.

Source: Maxfield Research & Consulting, LLC

TABLE HD-7 DEMAND FOR MEMORY CARE RENTAL HOUSING SHERBURNE COUNTY ANALYSIS AREA 2020 to 2030	Becker Sub.	Big Lake Sub.	Clear Lake Sub.	Elk River Sub.	NE Sub.	NW Sub.	Zimmerman Sub.	Co. Analysis Area
2020								
People age 65-74	592	1,495	282	1,807	1,261	1,139	718	7,294
(times) Dementia incident rate[1]	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	--
People age 75-84	261	510	107	821	615	678	256	3,248
(times) Dementia incident rate[1]	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	--
People age 85+	92	132	29	345	232	476	64	1,370
(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	**92**	**174**	**36**	**304**	**217**	**302**	**86**	**1,209**
(times) Percent Income-Qualified[2]	66.1%	65.9%	71.1%	60.5%	51.6%	52.8%	64.3%	--
(times) Potential penetration rate	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	--
(Equals) Demand potential from Market Area	**15**	**29**	**6**	**46**	**28**	**40**	**14**	**178**
(plus) Demand from Outside Market Area)	25%	30%	20%	30%	20%	25%	30%	--
(Equals) total Demand Potential	**20**	**41**	**8**	**66**	**35**	**53**	**20**	**243**
(minus) Existing and Pending Units[3]	17	9	0	69	20	56	0	170
(Equals) Total Memory Care Demand	**3**	**32**	**8**	**-3**	**15**	**-3**	**20**	**72**

CONTINUED

TABLE HD-7 CONT.
DEMAND FOR MEMORY CARE RENTAL HOUSING
SHERBURNE COUNTY ANALYSIS AREA
2020 to 2030

	Becker Sub.	Big Lake Sub.	Clear Lake Sub.	Elk River Sub.	NE Sub.	NW Sub.	Zimmerman Sub.	Co. Analysis Area
2030								
People age 65-74	715	1,806	323	2,091	1,435	1,294	878	8,542
(times) Dementia incident rate[1]	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	--
People age 75-84	303	672	141	991	709	852	331	3,999
(times) Dementia incident rate[1]	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	--
People age 85+	106	155	35	368	251	517	81	1,513
(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	**107**	**218**	**45**	**349**	**244**	**349**	**109**	**1,420**
(times) Percent Income-Qualified[2]	67.8%	68.3%	74.7%	62.3%	53.7%	56.0%	63.5%	--
(times) Potential penetration rate	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	--
(Equals) Demand potential from Market Area	**18**	**37**	**8**	**54**	**33**	**49**	**17**	**217**
(plus) Demand from Outside Market Area)	25%	30%	20%	30%	20%	25%	30%	--
(Equals) total Demand Potential	**24**	**53**	**10**	**78**	**41**	**65**	**25**	**296**
(minus) Existing and Pending Units[3]	17	9	0	69	20	56	0	170
(Equals) Total Memory Care Demand	**7**	**44**	**10**	**9**	**21**	**9**	**25**	**126**

[1] Alzheimer's Association: Alzheimer's Disease Facts & Figures (2007)

[2] Includes seniors with income at $60,000 or above plus 40% 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.

Source: Maxfield Research & Consulting LLC

Sherburne County Analysis Area Demand Summary

The housing demand calculations in Tables HD-1 through HD-7 indicate that between 2020 and 2030, 2,789 for-sale housing units, 1,528 general occupancy rental units, and 1,218 total senior units will be needed in the Sherburne County Analysis Area 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.

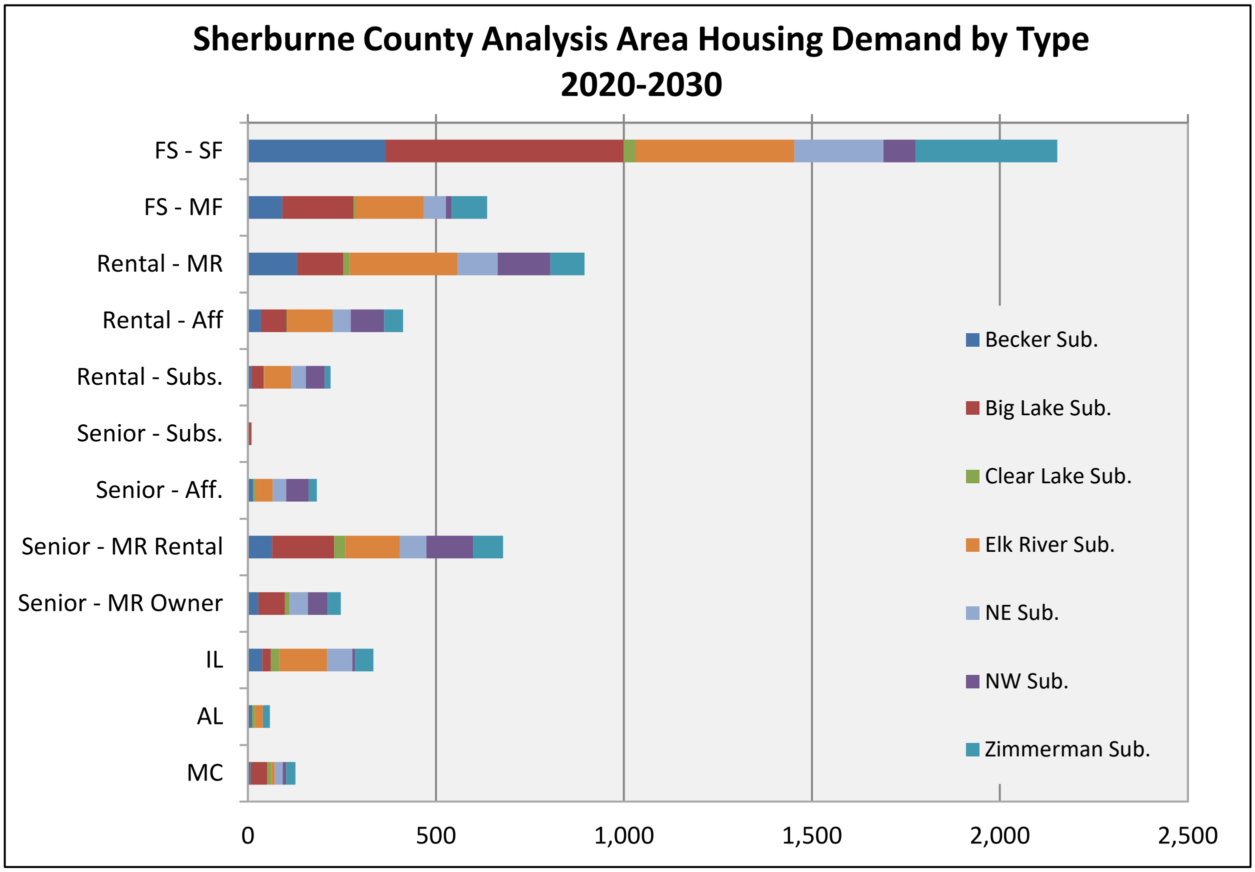
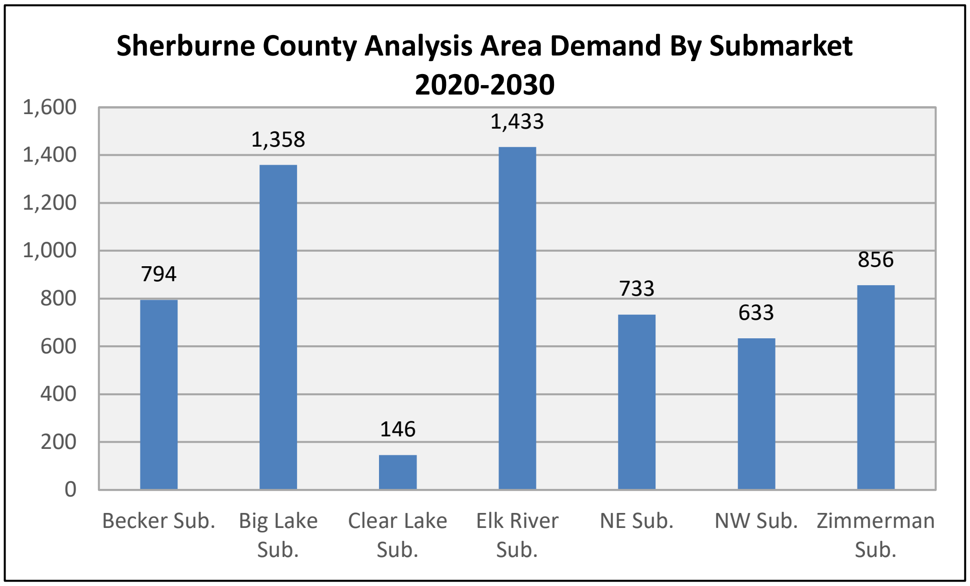


Table R-1 showed that there is a 2.9% vacancy rate in the general-occupancy rental market. There are few newer apartment products in the Sherburne County Analysis Area and the existing rental stock is older and lacks features and amenties today's renters seek. With a strong rental market, we find that new rental units should be added in the short-term to satisfy potential household growth and accommodate employees working at local businesses. We found demand for 1,528 general-occupancy rental units in the Sherburne County Analysis Area through 2030, 58% are market rate units.


Sherburne County Analysis Area Demand By Submarket
2020-2030
1,600
1,400
1,200
1,000
800
600
400
200
0
794
1,358
146
1,433
733
633
856
Becker Sub.
Big Lake Sub.
Clear Lake Sub.
Elk River Sub.
NE Sub.
NW Sub.
Zimmerman Sub.

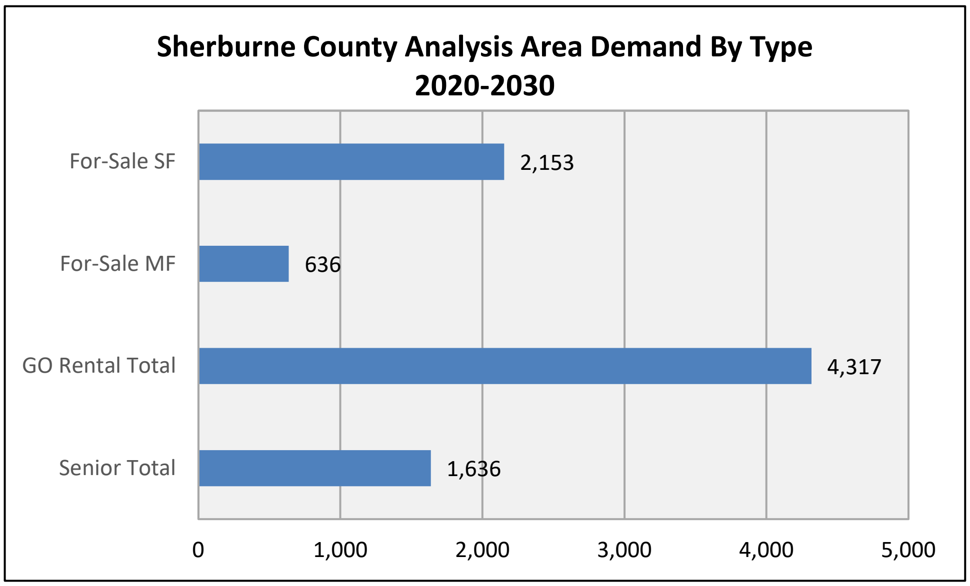

Sherburne County Analysis Area Demand By Type
2020-2030
For-Sale SF
2,153
For-Sale MF
636
GO Rental Total
4,317
Senior Total
1,636
0
1,000
2,000
3,000
4,000
5,000

TABLE HD-8
GENERAL OCCUPANCY EXCESS DEMAND SUMMARY
SHERBURNE COUNTY ANALYSIS AREA
2020 to 2030

	2020 to 2030						
	FOR-SALE			RENTAL			
Submarket	**Single-family**	**Multifamily**	**Total**	**Market Rate**	**Affordable**	**Subsidized**	**Total**
Becker	366	92	458	130	35	9	174
Big Lake	633	189	822	123	67	34	224
Clear Lake	31	5	36	17	3	1	21
Elk River	424	182	605	288	120	72	480
Northeast	237	59	297	106	48	39	193
Northwest	85	15	99	140	89	50	279
Zimmerman	378	94	472	91	50	16	157
Sherburne County Analysis Area	**2,153**	**636**	**2,789**	**895**	**413**	**220**	**1,528**

Sources: Maxfield Research & Consulting, LLC

TABLE HD-9
SENIOR HOUSING EXCESS DEMAND SUMMARY
SHERBURNE COUNTY ANALYSIS AREA
2020 to 2030

2020

Submarket	ACTIVE ADULT					SERVICE-ENHANCED**			
	Subsidized Rental	Affordable Rental	MR Owner	MR Rental	Total	Independent Living	Assisted Living	Memory Care	Total
Becker	0	0	22	52	75	33	7	3	43
Big Lake	12	0	54	126	192	0	0	32	32
Clear Lake	1	0	10	22	33	13	6	8	27
Elk River	0	93	0	116	209	84	7	0	91
Northeast	0	37	41	53	130	51	0	15	66
Northwest	0	35	42	98	176	0	0	0	0
Zimmerman	0	0	27	62	89	32	15	20	66
Sherburne County Analysis Area	**13**	**165**	**196**	**530**	**904**	**213**	**35**	**78**	**326**

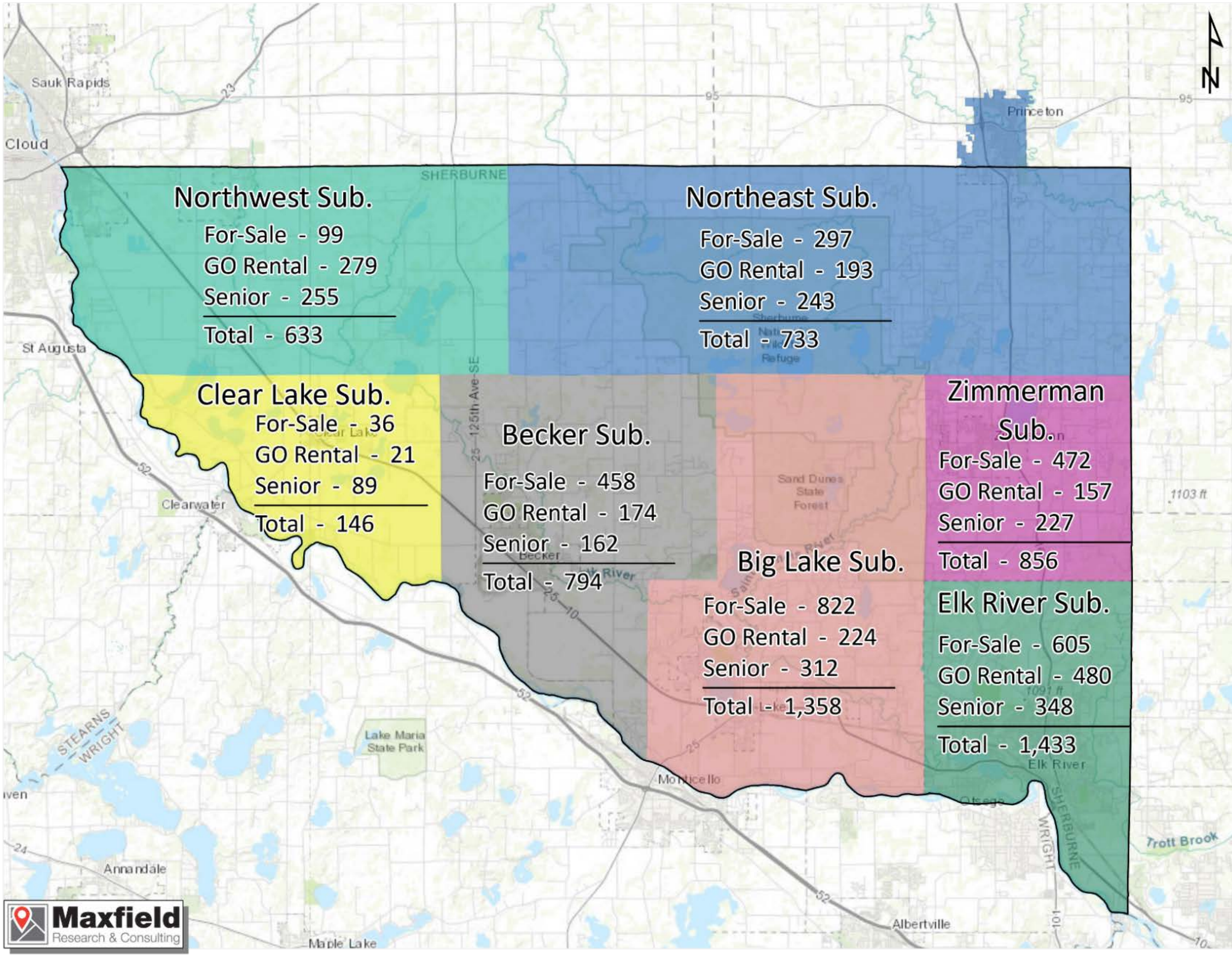
2030

Submarket	ACTIVE ADULT					SERVICE-ENHANCED**			
	Subsidized Rental	Affordable Rental	MR Owner	MR Rental	Total	Independent Living	Assisted Living	Memory Care	Total
Becker	0	14	28	65	107	38	11	7	162
Big Lake	9	0	71	165	245	23	0	44	312
Clear Lake	1	6	13	30	49	22	8	10	89
Elk River	0	46	0	145	191	127	21	9	348
Northeast	0	36	48	71	154	67	0	21	243
Northwest	0	60	53	124	238	7	0	9	255
Zimmerman	0	21	34	80	135	48	19	25	227
Sherburne County Analysis Area	**10**	**183**	**247**	**679**	**1,118**	**333**	**58**	**126**	**1,636**

** 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, LLC

Sherburne County Analysis Area – Demand by Type, 2020 - 2030



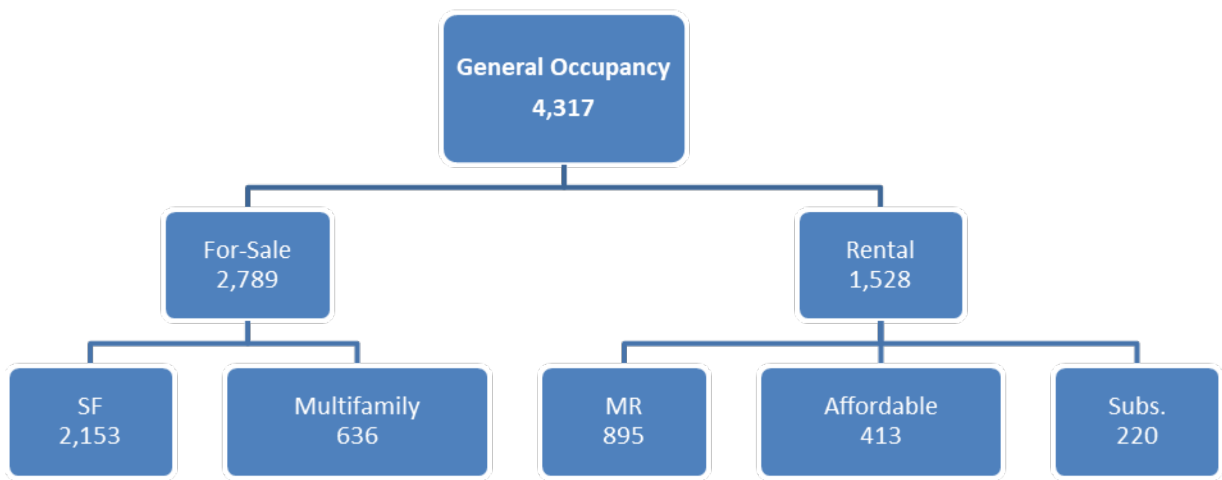
Note: Demand calculations are rounded to the nearest whole number.

Introduction

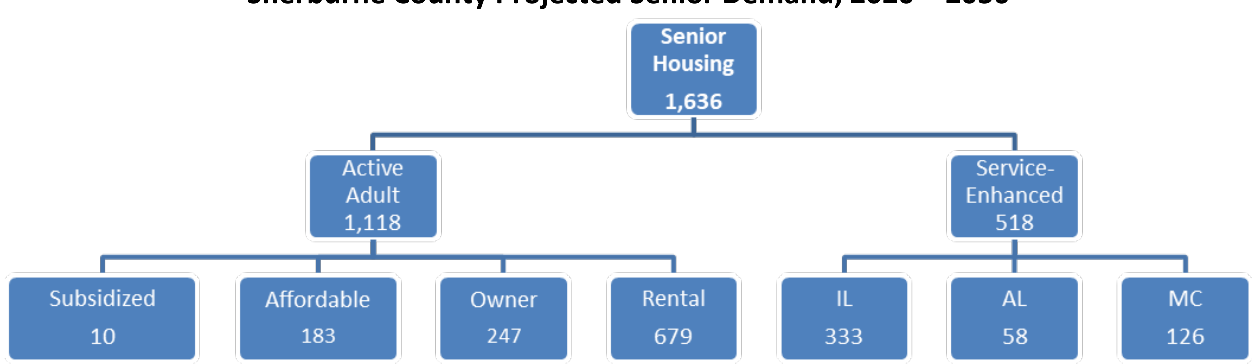
Based on the finding of our analysis and demand calculations, Tables HD-8 and HD-9 provides a summary of housing demand county and submarket through 2030. Demand exists in the Sherburne County Analysis Area for a variety of product types. The following section summarizes housing concepts and housing types that will be demanded from various target markets. It is important to note that not all housing types will be supportable in all communities and that the demand illustrated in Tables HD-8 and HD-9 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 our analysis and demand calculations, Table CR-1 provides a summary of the recommended development concepts by product type for Sherburne 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 Sherburne County. The recommended development types do not directly coincide with total demand as illustrated in Tables HD-8 and HD-9.

Sherburne County Projected General Occupancy Demand, 2020 – 2030



Sherburne County Projected Senior Demand, 2020 – 2030



Recommended Housing Product Types

Owner Occupied

Single-Family Housing

Table HD-1 identified demand for just over 2,150 single-family housing units in Sherburne County through 2030. Table FS-17 summarized the vacant lot supply and indicated there are not enough vacant developed lots to meet this future 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 Sherburne County and the number of homes constructed annually, the current lot supply should be adequate in the next few years for all communities. However, the longer-term lot supply will not meet the expected demand for many communities past 2025. Therefore, new platted lots will be needed to accommodate demand over this decade. Although there are scattered, infill lots in all of the Sherburne County Submarkets, many of these lots are undesirable to today's buyers (i.e. larger lot sizes, locations preferences, etc.)

The Elk River submarket has the lowest lot supply based on the historic and projected building activity; hence this submarket will require newly platted lots sooner than other submarkets. Interviewees also stressed the need for a wide-variety of lot sizes in the county and many buyers are attracted to Sherburne County for the larger-sized lots and acreages.

New single-family home construction in Sherburne County has largely catered to buyers that receive more home for their dollar than in the Twin Cities Metro Area. As a result, new home prices in Sherburne County on average range from $275,00 to $350,000 pending submarket. These new construction homes target all buyers; from entry-level, move-up, to executive buyers. Many Realtors stated there is a fine line between entry-level and move-up buyers as many young buyers purchase new construction in the low to mid-$300,000s for their first house.

Much of the existing housing stock will appeal to entry-level or first-time home buyers. Entry-level homes, which we generally classify as homes priced under $250,000 will be mainly satisfied by existing single-family homes as residents of existing homes move into newer housing products built in Sherburne County communities, such as move-up single-family homes, twin homes, rental housing and senior housing.

Because nearly all of the distressed lots have been absorbed since last decade; new lots need to be platted but lot costs are expected to increase due to the lack of supply and the infrastructure costs that come with the development costs from raw land to finished lots. Because the land costs are expected to rise, the overall price of the home will likely increase to compensate for higher land expenses.

For-Sale Multifamily Housing

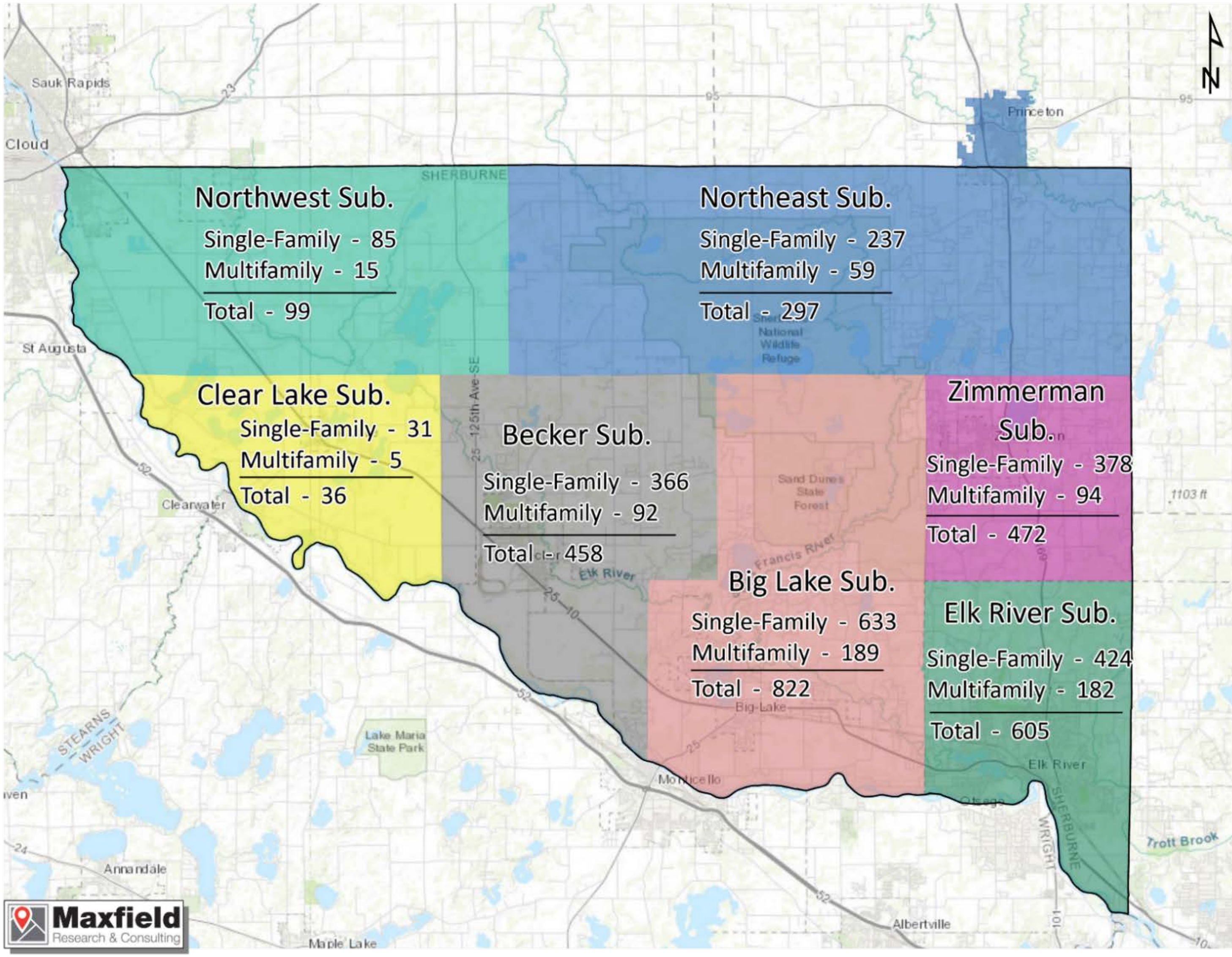
A growing number of households' desire alternative housing types such as townhouses, twin homes, villas, and condominiums. Typically, the target market for for-sale multifamily housing is empty-nesters and retirees seeking to downsize from their single-family homes. In addition, professionals, particularly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

Our review of the Sherburne County for-sale housing stock found very few maintenance-free products as historically buyers have preferred the single-family house. However, given the aging of the population and the high growth rate in the 55+ population as well as demand from other demographic cohorts, Sherburne County would benefit from a more diversified housing stock. Based on the changing demographics, demand was calculated for 636 new multifamily for-sale units in Sherburne County through 2030. 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.

- *Twin Homes*– 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. 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).

  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. Housing products designed to meet the needs of these aging Sherburne County residents, many of whom desire to stay in their current community if housing is available to meet their needs, will be needed into the foreseeable future.

Sherburne County Analysis Area – For-Sale Demand, 2020 - 2030



Because the demand for 636 units is spread across Sherburne County, twin homes will be one of the preferred multifamily product type 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. We recommend a broad range of pricing for twin homes; however, pricing should start at around $240,000.

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 look-out 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.

  Pricing for a detached townhome/villa will vary based on a slab-on-grade home versus a home with a basement. Base pricing should start at $225,000 and will fluctuate based on custom finishes, upgrades, etc.

- *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.

  There were several side-by-side townhomes developed in Sherburne County around 2005 that went into foreclosures and there have been few row-home concepts constructed since that time. However, townhomes have been making a comeback across the Twin Cities

Metro Area; in part because they offer more affordable housing options and maintenance-free living. Unit base pricing should start at $200,000.

General Occupancy Rental Housing

Maxfield Research and Consulting calculated demand for over 1,500 general-occupancy rental units in Sherburne County through 2030 (895 market rate, 413 affordable, and 220 subsidized units). Nearly one-third of demand in the county was in the Elk River submarket (480 units).

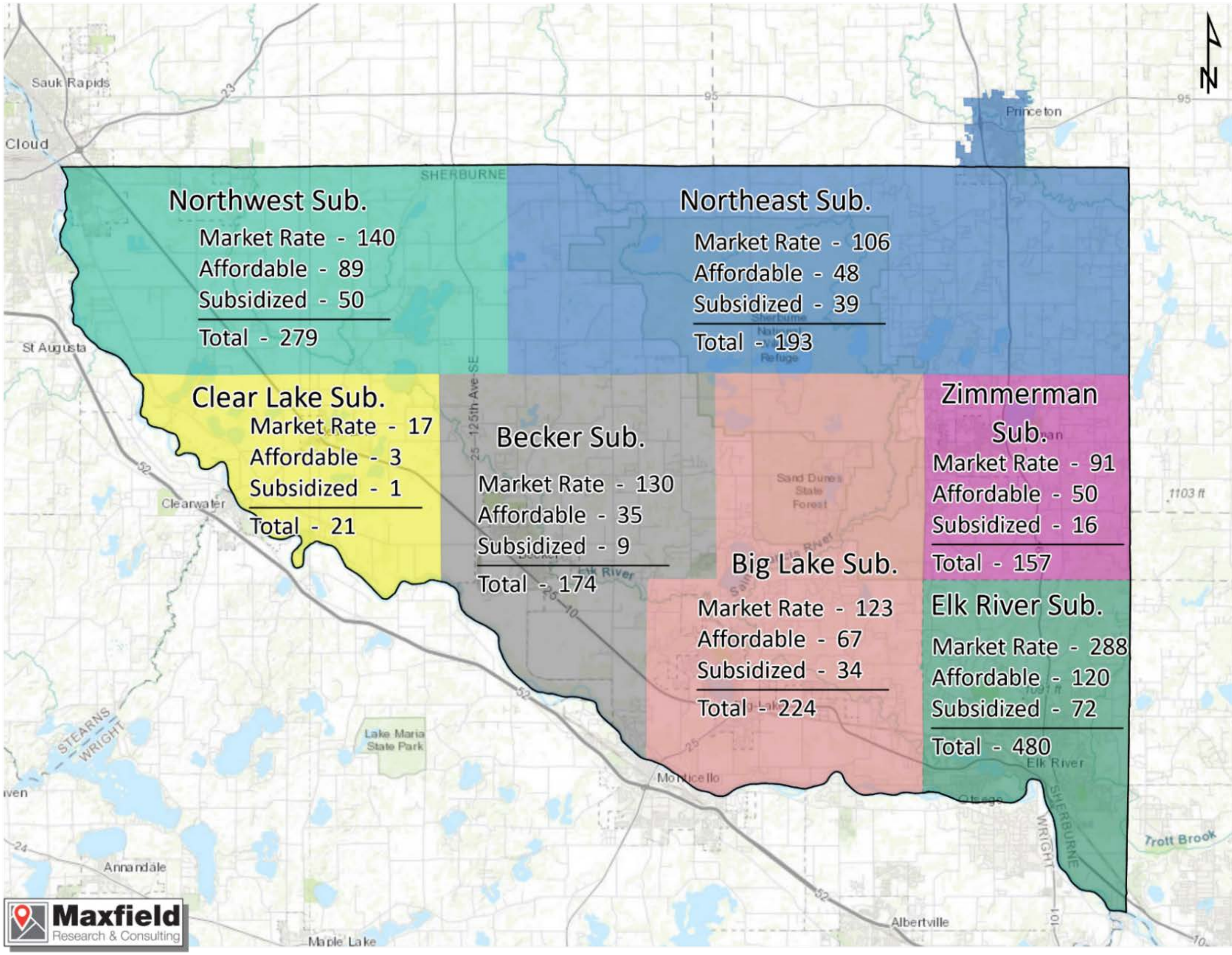
Our competitive inventory identified 2.9% vacancy rate among the general occupancy rental product as of 1st Quarter 2020. Due to the age and positioning of most of the existing rental supply, a portion of units are priced at or below guidelines for affordable housing, which indirectly satisfies demand from households that income-qualify for financially assisted housing. However, many renters are seeking newer rental properties with additional and updated amenities that are not offered in older developments.

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 Sherburne 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 Sherburne County. The following rental product types are recommended through 2030:

- *Market Rate Rental* – As illustrated in Table R-1, the market rate vacancy from the over 2,000 apartments inventoried across the county was only 3.5%; suggesting pent-up demand for additional market rate units. Demand was found for about 900 market rate units over the course of this decade. Townhome rentals make-up about 12% of the entire rental housing stock while single-family rentals comprise 30% of all rental housing units. About 50% of the rental housing stock is located within larger multifamily-style buildings of over 10 units.

  Due to the lack of rental supply throughout most of the county, we recommend new market rate rental products in all submarkets. We recommend new market rental project(s) that will attract a diverse resident profile, including young to mid-age professionals as well as singles and couples across all ages (including seniors). To appeal to a wide target market, we suggest a market rate apartment project(s) with a unit mix consisting of one-bedroom units, one-bedroom plus den units or two-bedroom units, and two-bedroom plus den or three-bedroom units. Larger three-bedroom units would be attractive to households with children.

Sherburne County Analysis Area – Rental Demand, 2020 - 2030



Monthly rents (in 2020 dollars) should range from $950 for a one-bedroom unit to $1,500 for a three-bedroom unit. Average rents in Sherburne County are approximately $1.08 per square foot, however monthly rents should range from about $1.15+ per square foot to be financially feasible. Monthly rents can be trended up by 2.0% annually prior to occupancy to account for inflation depending on overall market conditions. Because of construction and development costs, it may be difficult for a market rate apartment to be financially feasible with rents lower than the suggested 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.

New market rate rental units should be designed with contemporary amenities that include open floor plans, higher ceilings, in-unit washer and dryer, full appliance package, central air-conditioning, and garage parking.

- *Market Rate General Occupancy Rental Townhomes*– In addition to the traditional multifamily structures, we find that demand exists for larger townhome units for families and couples – including those who are new to the community and want to rent until they find a home for purchase. A portion of the overall market rate demand could be a townhome style development versus traditional multifamily design. The recent COVID-19 pandemic has resulted in many renters desiring a separate-entrance away from a corridor-loaded structure; hence increasing demand for townhome-style rentals. We recommend a project with rents of approximately $1,200 for two-bedroom units to $1,350 for three-bedroom units. Units should feature contemporary amenities (i.e. in-unit washer/dryer, high ceilings, etc.) and an attached 1 or 2 stall garage. Again, like traditional multifamily development, these rents are higher than the existing rental product.

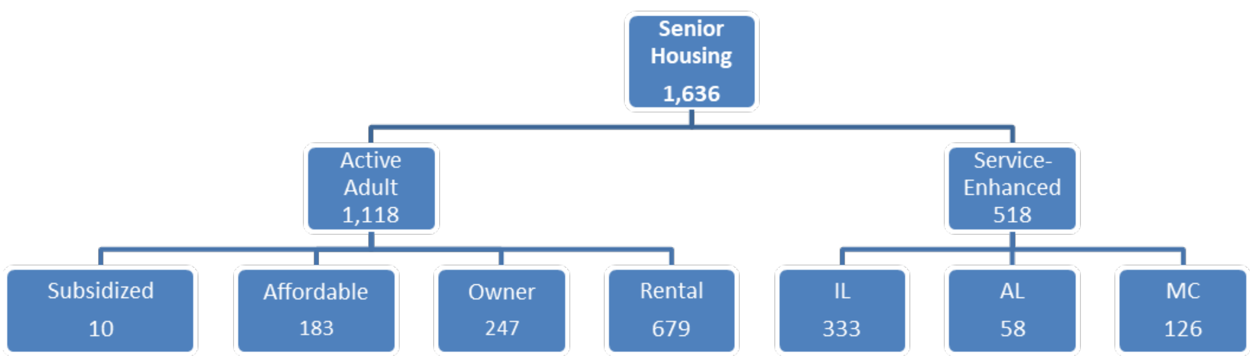
- *Affordable and Subsidized Rental Housing*– Affordable and subsidized housing receives financial assistance (i.e. operating subsidies, tax credits, rent payments, etc.) from governmental agencies in order to make the rent affordable to low-to-moderate income households. We find demand for over 630 affordable and subsidized units through 2030; however, because subsidized is nearly impossible to finance today the vast majority of demand will be for affordable housing projects. We recommend affordable products across six of the seven submarkets that 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-9, demand exists for all service levels of senior housing in Sherburne County this decade. In fact, senior housing demand accounts for 27% of all housing units in the county through 2030, making up 1,600 units. However, demand is highest in the short-term for more active adult and independent living products (both market rate and affordable). Demand is lower for assisted living and memory care due in-part to the existing senior developments that are serving these markets already.

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 Sherburne County: older adult and senior residents are able to relocate to new age-restricted housing in Sherburne County, 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.

2030 Senior Demand



- <u>*Active Adult Senior Cooperative*</u> – At present there are two existing senior cooperatives in Sherburne County (Pullman Place and Elk Run Village in Elk River) that have a total of 124 units. Maxfield Research projected demand for about 250 active adult ownership units through 2030. Because demand is spread across six of the seven submarkets, a new for-sale senior development could likely only be constructed in those submarkets with the highest demand as the project would attract residents from other neighboring communities. Maxfield Research recommends a cooperative development with a mix of two- and three-bedroom units with share costs starting around $75,000. 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 three market rate active adult projects in Sherburne County (2 projects in Elk River and 1 project in Princeton) with a total of 104 units and a vacancy rate of 4.8%. Because of the limited number of active adult product in Sherburne County and strong senior demographics, demand was calculated for 670 active adult rentals in Sherburne County through 2030. Demand was spread across all seven submarkets, but new active adult product shows the highest need in the Big Lake, Elk River, Northwest, and Zimmerman submarkets.

  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.

- *Affordable and Subsidized Rental* – Sherburne County demand for affordable and subsidized senior housing is about 200 units through 2030. 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. Affordable housing demand is strongest in the Elk River, Northwest, and Northwest submarkets. 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/Congregate* – Demand was calculated for about 330 congregate units through 2030 in Sherburne County. There are only four congregate projects in Sherburne County with a total of 223 units and a vacancy rate of 3.7%; below market equilibrium of 5%. Demand is across most submarkets; however, the Elk River, Northeast, Zimmerman, and Becker submarkets have the highest demand for independent senior housing. We recommend new congregate projects have a mix of one-bedroom, one-bedroom plus den, and two-bedroom units.

  In addition, meals and other support and personal care services will be available to congregate residents on a fee-for-service basis, such as laundry, housekeeping, etc. When their care needs increase, residents also have the option of receiving assisted living packages in their existing units.

  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 and Memory Care Senior Housing* – Based on our analysis, we project demand for only 58 assisted living and 126 memory care units in Sherburne County through 2030. There are a total of nine existing assisted living projects with a total of 364 units and a total of eight memory care facilities with 183 existing memory care units in the county. Because there is an ample supply of assisted living in the county, most submarkets have enough supply to meet the growing demand.

  If assisted living units were developed, we would recommend that this type of development include a mix of studio, and one-bedroom, and a few two-bedroom units with base monthly rents ranging from $3,000 to $4,500. Memory care units should be located in a secured, self-contained wing located on the first floor of a building and should feature its own dining and common area amenities including a secured outdoor patio and wandering area.

The base monthly fees should include all utilities (except telephone and basic cable/satellite television) and the following services:

- Three meals per day;
- Weekly housekeeping and linen service;
- Two loads of laundry per week;
- Weekly health and wellness clinics;
- Meal assistance;
- Regularly scheduled transportation;
- Professional activity programs and scheduled outings;
- Nursing care management;
- I'm OK program;
- 24-hour on site staffing;
- Personal alert pendant with emergency response; and
- Nurse visit every other month.

Additional personal care packages should also be available for an extra monthly charge above the required base care package. A care needs assessment is recommended to be conducted to determine the appropriate level of services for prospective residents.

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.

- <u>Service-Enhanced Senior Housing or "Catered Living</u>" –Due to economies of scale, it will be difficult to develop stand-alone facilities in the smaller Sherburne 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 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 newer concept but tends to be developed in more rural communities that cannot support stand-alone facilities for each product type. Monthly rents should include a base rent and service package with additional services provided either a la carte or within care packages. Monthly rents should start at about $1,500 for congregate care and $2,800 for assisted living care.

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 outlines the submarkets most likely to experience new housing based on housing demand and the number of units needed to be supportable.

TABLE CR-1
HOUSING RECOMMENDATIONS BY SUBMARKET
2020 to 2030

Housing Type/Program	Purchase Price/ Monthly Rent Range[1]	Becker Sub. '20-'25	Becker Sub. '26-'30	Big Lake Sub. '20-'25	Big Lake Sub. '26-'30	Clear Lake Sub. '20-'25	Clear Lake Sub. '26-'30	Elk River Sub. '20-'25	Elk River Sub. '26-'30	NE Sub. '20-'25	NE Sub. '26-'30	NW Sub. '20-'25	NW Sub. '26-'30	Zimmerman Sub. '20-'25	Zimmerman Sub. '26-'30
For-Sale Housing (New Construction)															
Single-family - (New lots needed)					x			x	x		x	x	x	x	x
Single-family by Price															
Entry-Level	>$250,000	x	x	x	x			x	x	x	x	x	x	x	x
Move-up	$275,000 - $375,000	x	x	x	x			x	x	x	x	x	x	x	x
Executive	$400,000+	x	x	x	x			x	x					x	x
Twinhomes/Townhomes/Villas															
Entry-level	>$200,000	x	x	x	x			x	x	x	x			x	x
Move-up	$200,000+	x	x	x	x		x	x	x	x	x			x	x
General Occupancy Rental Housing															
Market Rate Traditional Multi-story[2]	$950/1BR - $1,500/3BR	x	x	x	x			x	x	x	x	x	x	x	x
Market Rate Townhomes[2]	$1,200/2BR - $1,350/3BR	x	x	x	x		x	x	x	x	x	x	x	x	x
Affordable/Subsidized	Per Income Guidelines		x	x	x			x	x	x	x	x	x	x	x
Senior Housing															
Market Rate															
Active Adult - For-Sale Coop	$75,000+ (plus monthly fee)		x	x	x					x	x	x	x		x
Active Adult - Rental	$900 - $1,400	x	x	x	x		x	x	x	x	x	x	x	x	x
Congregate/Independent	$1,300 - $2,500 (based on svs.)		x					x	x	x	x			x	x
Assisted Living	$3,000/EFF - $4,500/2BR								x						x
Memory Care	$3,700 - $5,000				x					x	x			x	x
<u>Alternative Concept:</u>															
Catered Living	$1,500+		x				x								
Affordable Senior Housing															
Active Adult	Per Income Guidelines							x	x	x	x	x	x		x

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

[1] Blended average across Sherburne County. Pricing will vary from submarket to submarket across the county.

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

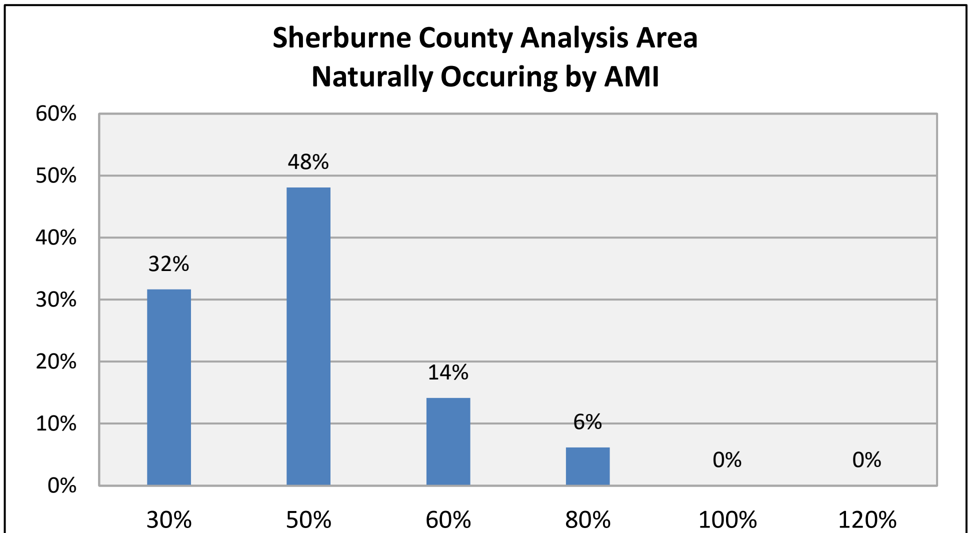
Source: Maxfield Research & Consulting, LLC

Demographic and Housing Characteristics Summary								
	Becker Sub.	Big Lake Sub.	Clear Lake Sub.	Elk River Sub.	NE Sub.	NW Sub.	Zimmerman Sub.	Analysis Area
Demographics								
Population (2010 & 2025)	9,380 | 11,175	20,897 | 23,650	2,084 | 2,416	22,974 | 26,258	15,508 | 16,809	11,125 | 12,100	11,179 | 12,998	93,147 | 105,404
Pct. Population Under 18 (2020 & 2025)	28.4% | 28.0%	28.3% | 28.1%	22.8% | 22.4%	26.9% | 26.8%	24.7% | 24.8%	16.2% | 16.1%	29.2% | 28.8%	26.0% | 25.9%
Pct. Population 65+ (2020 & 2025)	9.0% | 9.9%	9.6% | 11.4%	18.3% | 21.0%	11.9% | 13.2%	13.0% | 14.5%	19.7% | 21.9%	8.5% | 10.2%	11.9% | 13.4%
Median Age (2020 & 2025)	34 | 34	35 | 35	43 | 44	36 | 36	37 | 36	37 | 38	33 | 34	35 | 36
Households (2010 & 2025)	3,022 | 3,650	6,994 | 7,950	791 | 915	8,080 | 9,325	5,552 | 5,825	3,961 | 4,355	3,702 | 4,425	32,102 | 36,660
Household Growth (2010 & 2025)	628	956	124	1,245	273	394	723	4,558
Avg. HH Size (2010 & 2025)	3.10 | 3.06	2.99 | 2.97	2.63 | 2.64	2.84 | 2.82	2.79 | 2.89	2.81 | 2.78	3.02 | 2.94	2.90 | 2.88
Median Household Income (2020)	$96,669	$94,991	$108,930	$94,369	$78,547	$68,461	$86,109	$88,603
Homeownership Rate (2020)	85.4%	89.9%	88.7%	77.4%	81.0%	62.5%	86.8%	81.0%
Housing Characteristics								
Number of single-family units permitted (2010-2019)	336	432	79	743	224	725	328	2,164
Number of multifamily units permitted (2010-2019)	4	122	0	168	54	0	22	370
Median age of housing stock (2018)	1998	1992	1991	1992	1997	1979	1997	1993
Housing stock built before 1950	236 | 7%	219 | 3%	104 | 14%	362 | 4%	881 | 17%	367 | 10%	161 | 4%	2,330 | 7%
Housing stock built between 1950 and 1990	559 | 17%	2,068 | 30%	311 | 41%	3,140 | 39%	1,063 | 21%	1,964 | 52%	1,013 | 27%	10,118 | 32%
Housing stock built after 1990	2,408 | 75%	4,511 | 66%	346 | 45%	4,587 | 57%	3,099 | 61%	1,449 | 38%	2,560 | 69%	18,960 | 60%
Employment								
Labor Force (2019)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	51,637
Employed (2019)	2,211	2,416	157	12,020	N/A	N/A	1,520	47,015
Unemployment Rate (2019)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	9.0%
Average Annual Wage (2019)	$61,360	$39,988	$27,404	$46,488	N/A	N/A	$31,304	$46,644
For-Sale Housing								
Median resale price of existing homes (2019)	$270,450	$250,000	$260,000	$294,950	$244,000	$184,858	$266,000	$260,867
Median list price of actively marketing homes (Feb. 2020)	$289,900	$290,900	$384,900	$367,450	$268,370	$319,900	$322,500	$314,353
Owner-occupied one-unit structures (2018)	2,785 | 99.4%	6,474 | 98.0%	701 | 99.4%	6,355 | 97.0%	4,232 | 95.7%	2,639 | 98.4%	3,342 | 98.0%	26,528 | 97.6%
Median home value of owner-occupied units (2018)	$229,185	$225,239	$248,556	$233,000	$195,065	$194,427	$214,756	$225,239
General Occupancy Rental Housing								
Renter-occupied one-unit structures (2018)	240 | 50.0%	341 | 46.0%	72 | 80.0%	750 | 39.0%	493 | 47.6%	378 | 23.5%	380 | 73.0%	2,654 | 42.0%
Renter-occupied 10+ unit structures (2018)	200 | 41.7%	312 | 42.1%	8 | 9.0%	928 | 48.0%	441 | 42.6%	1,099 | 68.4%	100 | 19.0%	3,088 | 48.0%
Median contract rent for renter-occupied units (2018)	$855	$821	$845	$890	$678	$870	$916	$855
Distribution of G.O. housing by type								
Affordable	36 / 17%	65 / 18%	12 / 60%	328 / 30%	108 / 81%	187 / 19%	46 / 24%	782 / 26%
Subsidized	0 / 0%	50 / 14%	0 / 0%	30 / 3%	0 / 0%	0 / 0%	0 / 0%	80 / 3%
Market Rate	179 / 83%	248 / 68%	8 / 40%	749 / 68%	26 / 19%	802 / 81%	149 / 76%	2,161 / 71%
Senior Housing								
Distribution of senior housing by type								
Affordable/Subsidized Active Adult	19 / 34.5%	25 / 19.2%	0 / 0.0%	137 / 25.9%	113 / 45.2%	79 / 19.4%	39 / 100.0%	412 / 29.2%
Market Rate Active Adult (Rental)	0 / 0.0%	0 / 0.0%	0 / 0.0%	60 / 11.4%	44 / 17.6%	0 / 0.0%	0 / 0.0%	104 / 7.4%
Market Rate Active Adult (Owner)	0 / 0.0%	0 / 0.0%	0 / 0.0%	124 / 23.5%	0 / 0.0%	0 / 0.0%	0 / 0.0%	124 / 8.8%
Independent Living	0 / 0.0%	85 / 65.4%	0 / 0.0%	37 / 7.0%	6 / 2.4%	95 / 23.3%	0 / 0.0%	223 / 15.8%
Assisted Living	18 / 32.7%	10 / 7.7%	0 / 0.0%	96 / 18.2%	66 / 26.4%	174 / 42.6%	0 / 0.0%	364 / 25.8%
Memory Care	18 / 32.7%	10 / 7.7%	0 / 0.0%	74 / 14.0%	21 / 8.4%	60 / 14.7%	0 / 0.0%	183 / 13.0%

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).

- **Affordable Housing/Naturally Occurring Affordable Housing**. Tables HA-1 and HA-2 identified Sherburne County Area Median Incomes ("AMI") and the fair market rents by bedroom type. The average market rate rent average in Sherburne County is $950/month and the established rents for affordable housing are higher than many market rate rental developments in the Sherburne County Analysis Area. For example, at a 60% AMI the maximum gross rent for a one-bedroom unit is $1,200 while a two-bedroom maximum rent is $1,500 per month. As a result, many of the 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 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



Note: This chart only includes units from properties that provided complete market ifnormation.

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 two- or three-bedroom rental housing unit. About 78% of existing Sherburne County householders could afford a $200,000 home assuming they have good credit and 10% down payment.

- **Aging Population**. As illustrated in Table D-4, there is significant growth in the Sherburne County Analysis Area senior population, especially among seniors ages 75 to 84 (+27% growth through 2025). In addition, Table D-12 shows market area homeownership rates among seniors 65+ is approximately 79%. 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. Because of the rising population of older adults, demand for alternative maintenance-free housing products should be rising. In addition, demand for home health care services and home remodeling programs to assist seniors with retrofitting their existing homes should also increase.

- **Builders.** The Sherburne County new construction market has historically been dominated by smaller, local or regional builders vs. production builders located in the Metro Area. Across the Metro Area, 58% of all new homes constructed in 2018 were by the top ten production builders. 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 land developers are unable to absorb lot development costs for open builder developments.

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 buiders 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 exective-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, signficantly 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

The most active builders in Sherburne County have been LGI Homes, Lennar, DR Horton, Capstone Homes, Sharper Homes, and SW Wold Construction. Collectively they account for about 24% of all the new construction single-family closings in the past year. Given the building industries movement to more regional and production builders; we estimate this market share will increase over the course of this decade.

- **COVID-19.** The current global COVID-19 pandemic is likely to have both direct and indirect effects on the housing industry. The senior housing industry has been directly impacted. Senior properties are seeing high vacancy rates and many seniors are aging-in-place as long as possible to avoid senior living shared spaces. At the moment, rental and for sale housing is holding steady as construction is ongoing and many Realtors are conducting home visits virtually to ease fears of potential homebuyers. However, going forward construction delays may result if the permitting process is stalled due to the cancellation of city council or planning commission meetings. Economically, the unemployment rate was almost 15% nationally at the end of April 2020. This is up from 3.5% in February. The unemployment rate is expected to rise, and this will affect the purchasing power of homebuyers. The pandemic is also affecting what amenities and features renters and homebuyers desire. For example, multifamily renters are looking for individual entrances to their units. In addition, new construction is also in demand as potential buyers feel they are "safer." These trends and preferences will likely continue until either a vaccine or therapy is developed.

- **Gas Prices.** Because many residents of Sherburne County commute outside of the county to the Twin Cities or St. Cloud area for employment, gas prices play a part in housing demand. Currently, lower gas prices boost the housing market in suburban and exurban locations as households seek out communities with more affordable housing stock. Rising gas prices affect consumer confidence and impact housing markets; especially at the lower end where transportation costs make up a higher percentage of household spending. Providing gas prices stay at a lower price point the for-sale housing market should benefit and householders can afford to locate further from their employer. Gas prices are expected to remain low throughout 2020 due to the effects of COVID-19 and lower fuel demand.

- **Housing Resources & Programs.** Many communities and local Housing and Redevelopment Authorities (HRA's) offer programs to promote and preserve the existing housing stock. In addition, there are various regional and state organizations that assist local communities enhance their housing stock. There are few cities that offer any housing programs across the county; although the City of St. Cloud has several programs and Elk River would have the most programs outside of St. Cloud. We recommend expanding the toolbox and considering other programs that will aid and improve the housing stock. The following is a sampling of potential programs that could be explored.

    - <u>Construction Management Services</u> – Assist homeowners regarding local building codes, reviewing contractor bids, etc. Typically provided as a service by the building department. This type of service could also be rolled into various remodeling related programs.

- Density Bonuses – Since the cost of land is a significant barrier to housing affordability, increasing densities can result in lower housing costs by reducing the land costs per unit. The local government can offer density bonuses as a way to encourage higher-density residential development while also promoting an affordable housing component.
- Fast Track Permitting – Program designed to reduce delays during the development process that ultimately add to the total costs of housing development. By expediting the permitting process costs can be reduced to developers while providing certainty into the development process. Typically, no-cost to the local government jurisdiction.
- Home Fair – Provide residents with information and resources to promote improvements to the housing stock. Typically offered on a weekend in early spring where homeowners can meet and ask questions to architects, landscapers, building contractors, lenders, building inspectors, Realtors, etc.
- Home Improvement Area (HIA) – HIA’s allow a townhome or condo association low interest loans to finance improvements to common areas. Unit owners repay the loan through fees imposed on the property, usually through property taxes. Typically, a "last resort" financing tool when associations are unable to obtain traditional financing due to the loss of equity from the real estate market or deferred maintenance on older properties.
- Inclusionary Housing – Inclusionary housing policies and programs rely on private sector housing developers to create affordable housing as they develop market rate projects. Inclusionary zoning encourages or mandates the inclusion of a set proportion of affordable housing units in each new market rate housing development above a certain size. These programs are popular approaches for local and state governments, in high cost urban areas to encourage the development of affordable housing.
- Infill Lots – The City or HRA purchase blighted or substandard housing units from willing sellers. After the home has been removed, the vacant land is placed into the program for future housing redevelopment. Future purchasers can be builders or the future owner-occupant who has a contract with a builder. Typically, all construction must be completed within an allocated timeframe (one year in most cases).
- Land Banking – Land Banking is a program of acquiring land with the purpose of developing at a later date. After a holding period, the land can be sold to a developer (often at a price lower than market) with the purpose of developing affordable housing.
- Live Where You Work - Program designed to promote homeownership in the same community where employees work. City provides a grant to eligible employees to purchase a home near their workplace. Employers can also contribute or match the city's contribution. Participants must obtain a first mortgage through participating lenders. The grant can be allocated towards down payment assistance, closing costs, and gap financing. Some restrictions apply (i.e. length of employment, income, home buyer education, etc.)
- Realtor Forum - Typically administered by City with partnership by local school board. Inform local Realtors about school district news, current development projects, and other marketing factors related to real estate in the community. In addition, Realtors usually receive CE credits.

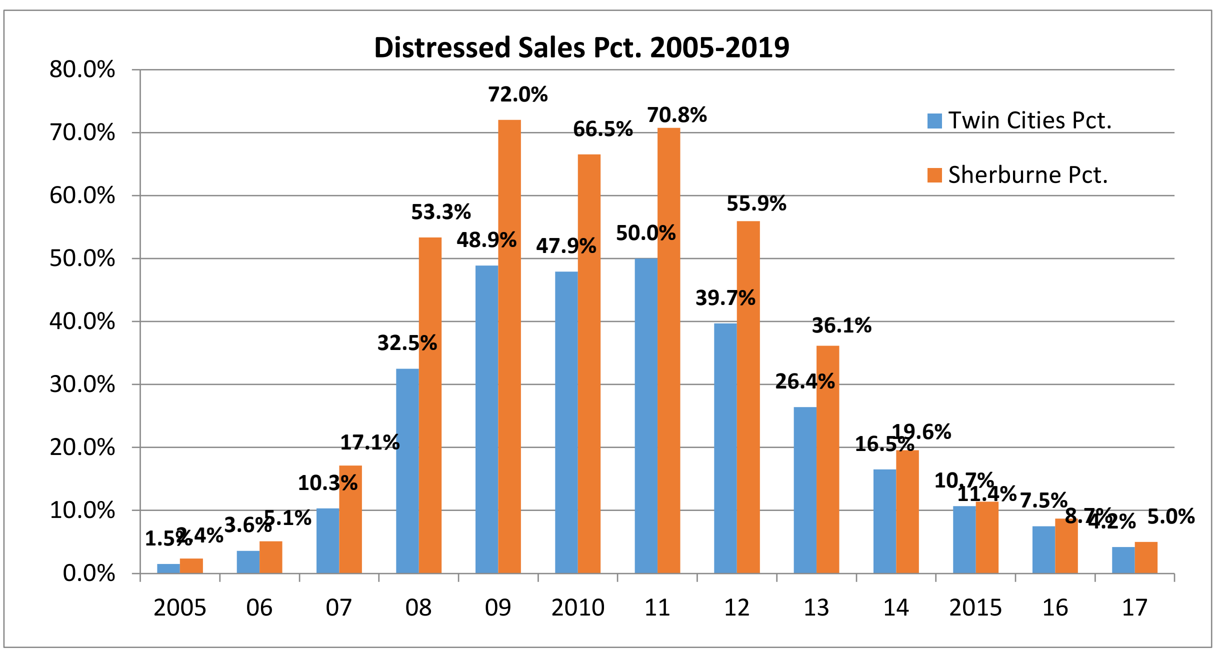
  - Remodeling Tours - City-driven home remodeling tour intended to promote the enhancement of the housing stock through home renovations/additions. Homeowners open their homes to the public to showcase home improvements.
  - Rental Collaboration – Local government organizes regular meetings with owners, property managers, and other stakeholders operating in the rental housing industry. Collaborative, informational meetings that includes city staff, updates on economic development and real estate development, and updates from the local police, fire department, and building inspection departments.
  - Rental License – Licensing rental properties in the communities. Designed to ensure all rental properties meet local building and safety codes. Typically enforced by the fire marshal or building inspection department. Should require annual license renewal.
  - Rent to Own - Income-eligible families rent for a specified length of time with the end-goal of buying a home. The public agency saves a portion of the monthly rent that will be allocated for a down payment on a future house.
  - Shallow Rent Subsidy: The public agency funds a shallow rent subsidy program to provide program participants living in market rate rentals a rent subsidy (typically about $100 to $300 per month).
  - Tax Abatement: A temporary reduction in property taxes over a specific time period on new construction homes or home remodeling projects. Encourages new construction or rehabilitation through property tax incentives.
  - Tax Increment Financing (TIF): Program that offers communities a flexible financing tool to assist housing projects and related infrastructure. TIF enables communities to dedicate the incremental tax revenues from new housing development to help make the housing more affordable or pay for related costs. TIF funds can be used to provide a direct subsidy to a particular housing project or they can also be used to promote affordable housing by setting aside a portion of TIF proceeds into a dedicated fund from other developments receiving TIF.
  - Transfer of Development Rights – Transfer of Development Rights (TDR) is a program that shifts the development potential of one site to another site or different location, even a different community. TDR programs allow landowners to sever development rights from properties in government-designated low-density areas and sell them to purchasers who want to increase the density of development in areas that local governments have selected as higher density areas.
  - Waiver or Reduction of Development Fees – There are several fees developers must pay including impact fees, utility and connection fees, park land dedication fees, etc. To help facilitate affordable housing, some fees could be waived or reduced to pass the cost savings onto the housing consumer.

- **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. Like most areas across Minnesota, the Midwest, and U.S., the Sherburne County unemployment rate peaked in 2009 during the Great Recession at 9.1%.

This high unemployment rate was similar to what most cities and counties in other collar counties experienced during the recession. The unemployment rate has decreased annually between 2009 and 2018, before a slight uptick in 2019 to 3.6%. However, the recent COVID-19 pandemic has increased the unemployment rate to 4.5% as of March 2020 and is expected to increase until the reopening of the economy.

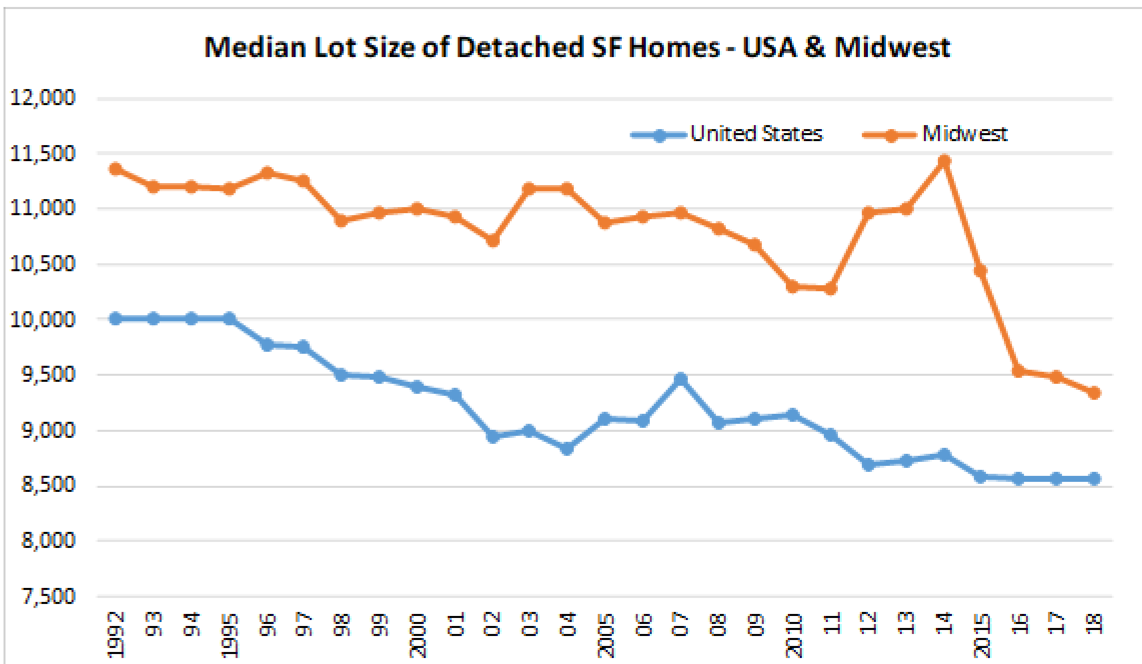
Although a low unemployment rate is generally considered positive news, a very low unemployment rate can be challenging for employers looking to add additional staff. Wages in Sherburne County are about 26% lower than the Twin Cities Metro Area; hence the high percentage of Sherburne County residents that commute to jobs outside the county. The addition of more jobs, specifically jobs with higher wages, will keep residents working in the county and attract more people to Sherburne County. Strong job creation in Sherburne County will result in household growth rates that could exceed projections outlined in Table D-3.

- **Lender-mediated Properties.** As illustrated in the *For-Sale* section, lender-mediated properties have declined substantially since the housing downturn and Great Recession of last decade. Lender mediated properties (i.e. foreclosures and short sales) accounted for about two-thirds of real estate transactions between 2009 and 2011 before declining annually since and comprising about 2.3% of transactions in 2019. Sherburne County experienced much higher rates of foreclosures compared to the Metro Area and more urban communities. This was the same in other collar-counties and exurban locations that experienced much higher defaults. The continued decline in lender-mediated properties will enhance the overall real estate market and pricing will continue to gain from all the losses of last decade.



Due to COVID-19 and the downturn in the economy, there is a strong probability lender mediated properties could increase if the stay at home mandates and economy does not start to rebound. As of April 2020, mortgage forbearance equaled about 6.5% nationwide and foreclosures have not increased as of yet. However, this is something we are monitoring closely and could change based on the state of the job market.

- **Lot Size**: Across the Twin Cities, 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 2018 (most recent statistics) dropped to its smallest size since the Census Bureau has been tracking lot sizes. Nationwide median lot sizes have dropped below 8,600 square feet (0.20 acres), down about 8% since 2010. Historically lot sizes in the Midwest have been about 15% larger than nationwide trends, however, Midwest lot sizes are also down about 10% since 2010.



Lot sizes have decreased in part due to increasing raw land, 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 new single-family subdivisions have 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 large 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.

Although there has been lot size compression in some of the communities in Sherburne County, Realtors mentioned there is also a desire for larger lot sizes and buyers move to

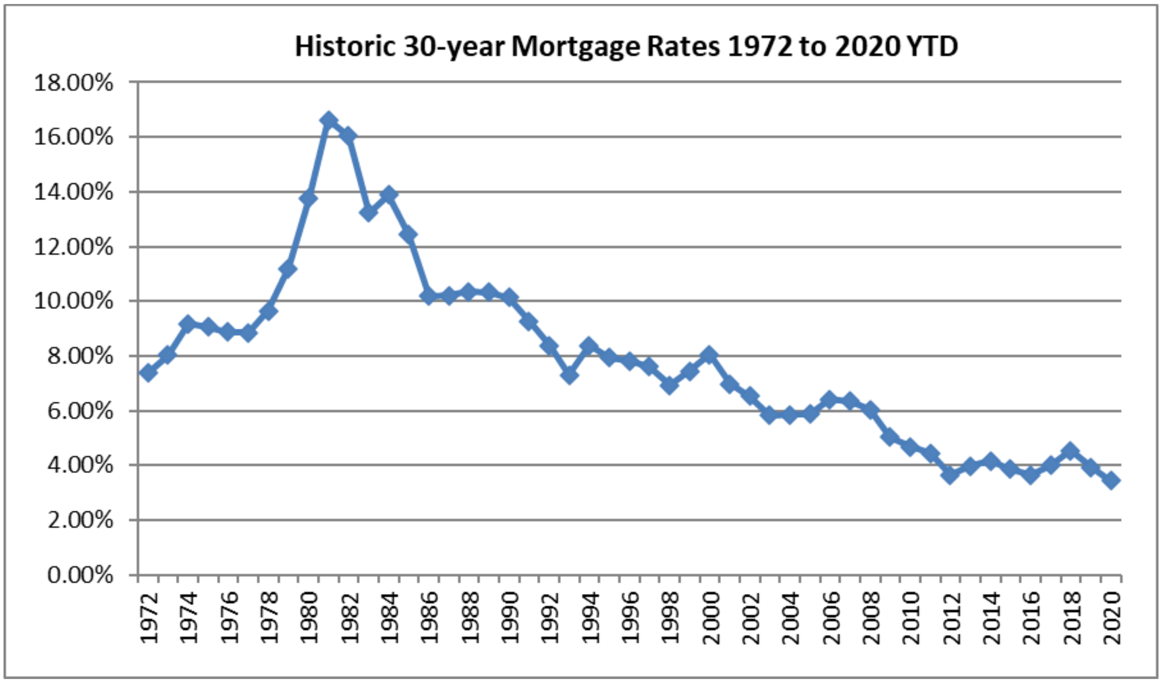
Sherburne County for more land and "elbow room" than the Metro Area. Table FS-13 illustrated the larger lot sizes in Sherburne County; as about 40% of lot closings last year were on lots with a lot frontage greater than 110', compared to only 7% in the 7-county Metro Area and 11% in the Greater Metro Area. Because most of the foreclosed lots from last decade have all been purchased; future lot pricing will increase especially if buyers desire larger lot sizes. Thus, "affordable" new single-family housing in Sherburne County will be increasingly difficult to build unless lot sizes can be diminished, and densities can be increased to reduce lot costs. Maxfield Research finds the cost to develop a single-family lot in outstate Minnesota to surpass $45,000/lot not including the raw land costs.

- **Lot Supply.** Table FS-15 showed the inventory of vacant developed detached lots in newer subdivisions throughout Sherburne County. Based on this lot supply and the recent construction activity over the past few years, the current finished lot inventory is adequate for most communities in the short-term. The Big Lake and Becker subdivisions have the highest finished lot supply, whereas the Elk River submarket will need new lots the soonest. Realtors and builders have commented that the foreclosed lots of last decade are gone and new lots will need to be platted. However, lot price discounts are gone, and new lots will be more expensive given today's development costs.

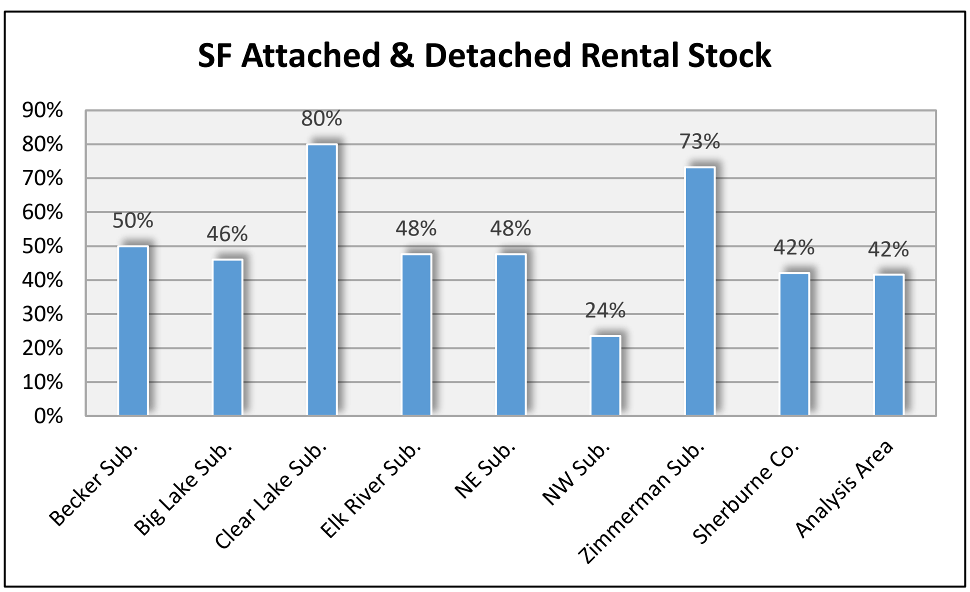
  Maxfield Research recommends a lot supply of at least three to five years to meet demand. In addition, there should be a wide variety of lots available, including walkouts, look-outs, flat lots, mature lots, etc. that will appeal to a variety of buyers and price points.

- **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 in order to maintain the same housing costs. Mortgage rates have remained at historic lows over the past several years coming out of the Great Recession. Although rates ticked-up in 2018 and early 2019, concerns about global growth have pushed long-term interest rates lower as mortgage rates have fallen to their lowest levels since 2017. Rates are presently at all-time lows due to the COVID-19 situation. However, the Federal Reserve may still cut rates even further to help stimulate the economy and increase affordability. A significant increase in rates (+1% or more; over 5% in the short term – although unlikely in next 1-2 years) would greatly affect the housing market and would slow projected for-sale housing demand.

  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%.



- **Rental Housing Stock.** Table R-1 found a vacancy rate of only 2.9% for market rate, affordable, and subsidized rental housing buildings, indicating pent-up demand for rental housing. Only 19% of the housing stock in the Sherburne County Analysis Area is for rental housing. However, about 42% of the rental housing stock in the Sherburne County Analysis Area is located within single-family homes or townhomes. Maxfield Research recommends soliciting apartment developers as there is a need for quality rentals throughout Sherburne County.



- **Sherco (Sherburne County) Plant.** Maxfield Research & Consulting understands the Sherco plant in Becker is to be decommissioned in three stages over the next decade (estimated dates of 2023, 2026, and 2030). Sherco is a major employer in Becker and is estimated to have approximately 300 to 350 jobs; many of which are high salary positions while providing about 75% of the city's tax base. However, Xcel Energy has plans to retain a portion of the lost jobs with the development of a natural gas plant that could be constructed sometime between 2023 and 2026. Furthermore, Google has expressed interest in a data center that would accommodate over 300 acres and is estimated to employ at least 50 full-time jobs in the first phase.

  Because of the gradual phasing and plans for future business development; housing demand for the Becker Submarket is not projected to change in the short-term. However, long-term housing demand (10+ years) could decline should the property tax burden shift to other property owners in Becker. Should this tax burden be absorbed by other property owners the cost of owning real estate would increase for both homeowners and landlords which may decrease affordability.

APPENDIX

Definitions

Absorption Period – The period of time 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 purposes of 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 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. Congregate 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.

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 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
Sherburne County - 2019

	Fair Market Rent				
	EFF	1BR	2BR	3BR	4BR
Fair Market Rent	$763	$915	$1,151	$1,636	$1,923

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 Sherburne County are shown in the figure below.

Gross Rent
Sherburne County – 2019

	Maximum Gross Rent				
	EFF	1BR	2BR	3BR	4BR
30% of median	$525	$562	$675	$780	$870
50% of median	$875	$937	$1,125	$1,300	$1,450
60% of median	$1,050	$1,125	$1,350	$1,560	$1,740
80% of median	$1,400	$1,500	$1,800	$2,080	$2,320
100% of median	$1,750	$1,875	$2,250	$2,600	$2,900
120% of median	$2,100	$2,250	$2,700	$3,120	$3,480

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 or 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.

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, LLC. 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.