

# Comprehensive Housing Needs Analysis for Renville County, Minnesota

*Prepared for:*

**Renville County**  
Olivia, MN

September 2020



**Maxfield**  
Research & Consulting

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***This comprehensive housing needs analysis project was funded by a grant from the Southwest Initiative Foundation and contributions from our cities and the Renville County HRA/EDA.***



**Maxfield**  
Research & Consulting

September 24, 2020  
Mr. Jordan Zeller  
Economic Developer  
Renville County EDA  
105 South 5<sup>th</sup> Street  
Olivia, MN 56277

Dear Mr. Zeller:

Attached is the *Comprehensive Housing Needs Analysis for Renville 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 Renville County to satisfy demand from current and future residents over the next decade. The study identifies a potential demand for nearly 1,400 new housing units through 2030. Demand was generated from the 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 (48%) and age-restricted senior housing (52%). Our inventory of general-occupancy rental housing found a vacancy rate of under 4% and senior housing properties posted a vacancy of under 7.3% due to high vacancy rate at Fairview Place however, a continued need for additional rental and senior housing should be explored. Based on the low inventory of vacant developed lots, additional platted lots are needed in select Renville County submarkets. 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

Dan Gatchell  
Research Associate

Attachment

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### *Demographic Analysis*

- In 2020, the population of Renville County is estimated at 14,600. The most populated submarket within Renville County was the Olivia Submarket (4,725 people).
- Between 2010 and 2020, the Renville County population is expected to decline by -7.2% (1,130 people). The South Submarket is forecast to have the highest population decline rate, and the largest percentage of decline in the County.
- Renville County and all submarkets are forecast to experience declining population rates through 2035. Renville County is expected to decrease by -5% (-725 people) between 2020 and 2030.
- Changes in households are expected to mirror population changes through 2020. The South Submarket is expected to decline in households by 3.8% (-54 households). The Buffalo Lake/Hector Submarket is projected have household decline by -2.6% (-40 households).
- In 2020, the median income in Renville County was \$58,269 across all ages. The median income is forecast to rise by approximately 7% to \$62,566 in 2025.
- The highest median income was recorded among those ages 45 to 54 at \$73,325 in 2020. In 2025, this age cohort is expected to remain the highest earners with a median income of \$79,281, an approximate increase of 8%.
- 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.

### *Housing Characteristics*

- There have been 114 residential unit permits issued between 2010 and 2018. That equates to about 12 residential units permitted annually since 2010. Approximately 99% of the permits issued in Renville County since 2010 have been single-family units.
- As of 2018, Renville County was estimated to have 6,180 housing units, of which roughly 79% were owner-occupied and 21% were renter-occupied. The Renville submarket is estimated to have the highest share of owner-occupied housing (83%), while the Olivia submarket has the highest share of renter-occupied housing (25%) in 2018.



## EXECUTIVE SUMMARY

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- Approximately 71% of housing units in Renville County were owner-occupied in the 2010 and 66.3% in 2018. The Buffalo Lake/Hector submarket had the highest proportion of owner-occupied households (66.8%), while the South submarket reported the highest share of renter-occupied households (25.5%) in 2018.
- Approximately 46% of Renville County homeowners have a mortgage and about 6% of homeowners with mortgages in Renville County also have a second mortgage and/or home equity loan. The median value of a house with a mortgage is \$112,300, while the median value of a house without a mortgage is \$95,600.
- The median contract rent in Renville County was \$545. Based on a 30% allocation of income to housing, a household in Renville County would need an annual income of about \$21,800 (or \$1,816/monthly) to afford an average monthly rent of \$545.

### ***Employment Trends***

- Resident employment (number of employed persons) in Renville County declined by approximately -108 people between 2000 and 2019 (-1.2%) and the unemployment rate increased from 4% in 2000 to 4.4% in 2019. By comparison, Minnesota's unemployment rate was at 3.3% and the United States was at 3.7% as of 2019.
- Between 2013 and Q3 2019, the number of jobs declined in Renville County by 36, a -9.8% decrease in the County. The Leisure and Hospitality sector gained the greatest number of jobs (551 jobs) between 2013 and Q3 2019. The Natural Resources & Mining, and Education & Trade, Transportation & Utilities sectors all declined between 2013 to Q3 2019.
- Renville 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 3,162 workers left Renville County for work while 1,743 workers came into the County, for a net difference of 1,419 workers. Renville County also had an interior flow of 2,314 workers.

### ***Rental Housing Market Analysis***

- In total, Maxfield Research surveyed 19 market rate general occupancy rental housing developments, with 8 units or more, for a total of 214 units, with a total vacancy rate of 4%. 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 \$444, \$470 for a two-bedroom, and \$452 for a three-bedroom. Overall, price per square foot was calculated at \$0.61 among surveyed developments in Renville County.

## EXECUTIVE SUMMARY

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- We identified 12 affordable/subsidized properties that made up 311 units. Overall, the affordable/subsidized properties had a vacancy rate of 2.6%, indicating pent-up demand.

### ***Senior Housing Market Analysis***

- Maxfield Research identified eight senior housing projects in the Renville County. These properties contain a total of 173 units. Amongst properties that provided complete survey data, there were one vacancy resulting in an overall vacancy rate of less than 1% for senior housing projects. The equilibrium vacancy rate for senior housing is considered to be between 5% and 7%.
- There are four facilities offering assisted living services in Renville County. As of May 2020, there was only one vacancy between all four developments. Market rate basic service rents range from \$1,331 for a studio apartment at Meadows on Main to \$3,850 for a one-bedroom apartment at Park View Village. Additional cost is based on service level needed. Some common features include kitchenettes, private bathrooms, meals, laundry, and light housekeeping.

### ***For-Sale Housing Market Analysis***

- From 2010 through 2019, there were 1,609 residential resales in Renville County, representing approximately 10% of all sales in the Southwest Central Regional Area. Since 2010, Renville County has averaged about 160 resales per year.
- Residential resale activity in the County climbed steadily after dropping -19.4 between 2010 and 2011, peaking at 188 sales in 2016. However, sales activity slowed slightly in recent years, declining to 138 transactions in 2018 before climbing to 172 transactions in 2019.
- The 2019 median resale price for single-family homes in Renville County is \$90,488, -31.4% lower than the Southwest Central Regional Area median sales price of \$132,000. As a result, housing is more affordable in Renville County than all the surrounding counties.
- Renville County housing value trends have remained fairly consistent over the past decade. Median resale values remained in the \$70,000 to \$80,000 price range from 2014 to 2017. Noticeable increases in values since 2018 have occurred due to low interest rates and lack of housing supply.

### ***Planned & Pending Housing Developments***

- Currently, there is a 15 unit (assisted living/memory care) senior housing development; to be owned by the recently formed non-profit, Island Living, LLC. At the time of this study, the USDA funding application was submitted.

### ***Housing Affordability***

- In Renville County, 15% of owner households and 45.7% of renter households are considered cost burdened. The South submarket recorded the highest proportion of cost burdened owner households, while the Buffalo Lake/Hector Submarket had the highest proportion of cost burdened renter households, 51.8%.
- The Renville County HRA's Housing Choice Voucher Program gives preference to Renville County residents, and elderly and/or disabled head of households. The estimated wait time for those on the waiting list without preference is in excess of three years.

### ***Housing Demand Analysis***

- Based on our calculations, demand exists in Renville County for the following general occupancy product types between 2020 and 2030:
  - Market rate rental 160 units
  - Affordable rental 59 units
  - Subsidized rental 24 units
  - For-sale single-family 331 units
  - For-sale multifamily 83 units
- In addition, we find demand for multiple senior housing product types. By 2030, demand in Renville County for senior housing is forecast for the following:
  - Active adult ownership 154 units
  - Active adult market rate rental 171 units
  - Active adult affordable 184 units
  - Active adult subsidized 56 units
  - Independent Living 104 units
  - Assisted Living 22 units
  - Memory Care 42 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 Renville County HRA/EDA to conduct a *Comprehensive Housing Needs Analysis* for Renville 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
- NorthStar Multiple Listing Service of Minnesota (MLS)
- Renville County
- City staff from communities across Renville County
- Longitudinal Employer-Household Dynamics (LEHD)
- Minnesota Geospatial Commons
- 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 Renville 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.

**Renville County Submarket Definitions**

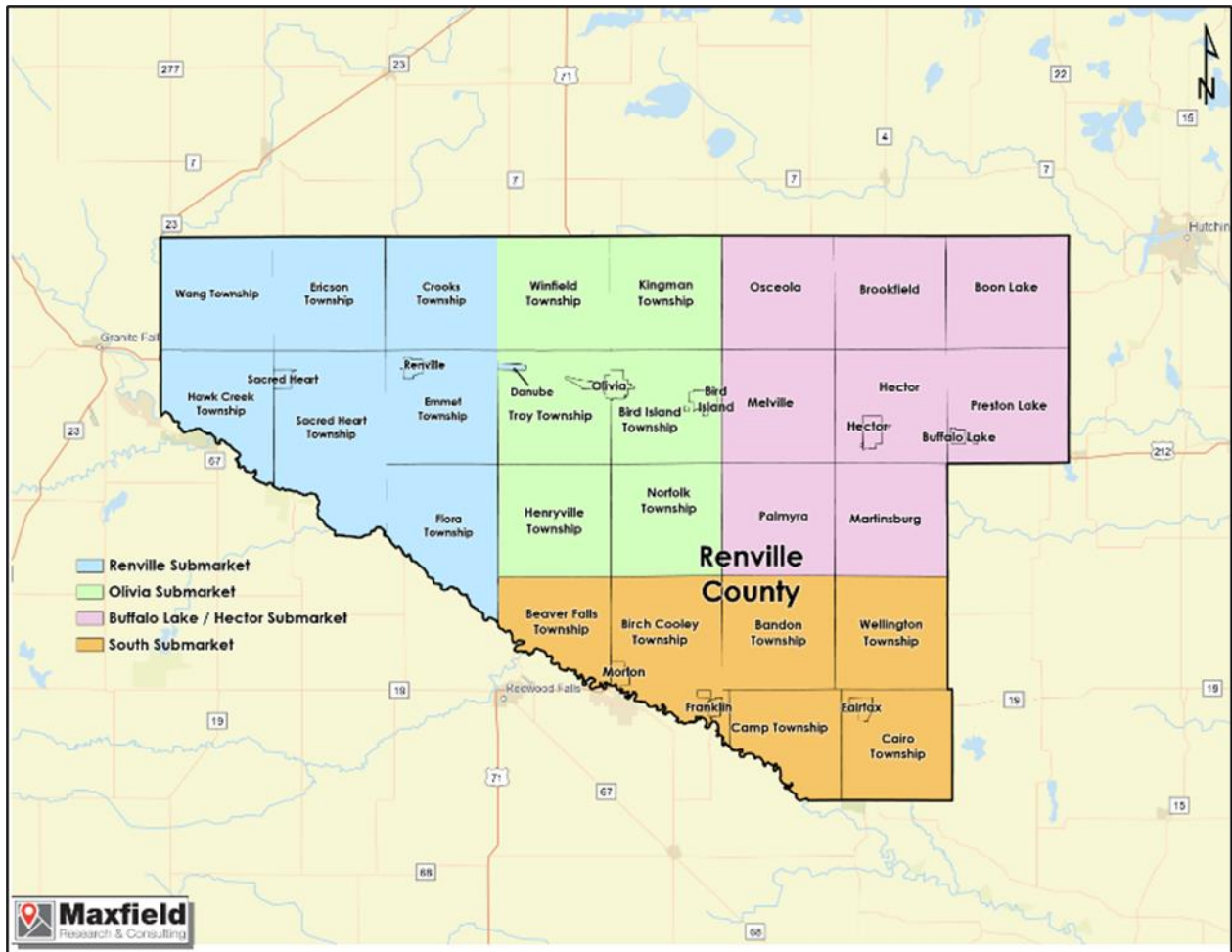
After conversations with local officials, Renville County was divided into four submarkets: Renville, Olivia, Buffalo Lake/Hector and Southern Renville County for purposes of the housing analysis. Subsequent data in the housing analysis is illustrated by submarket and county-wide.

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 Renville County. Demand generated from within and outside of Renville County is considered in the demand calculations presented later in this analysis.

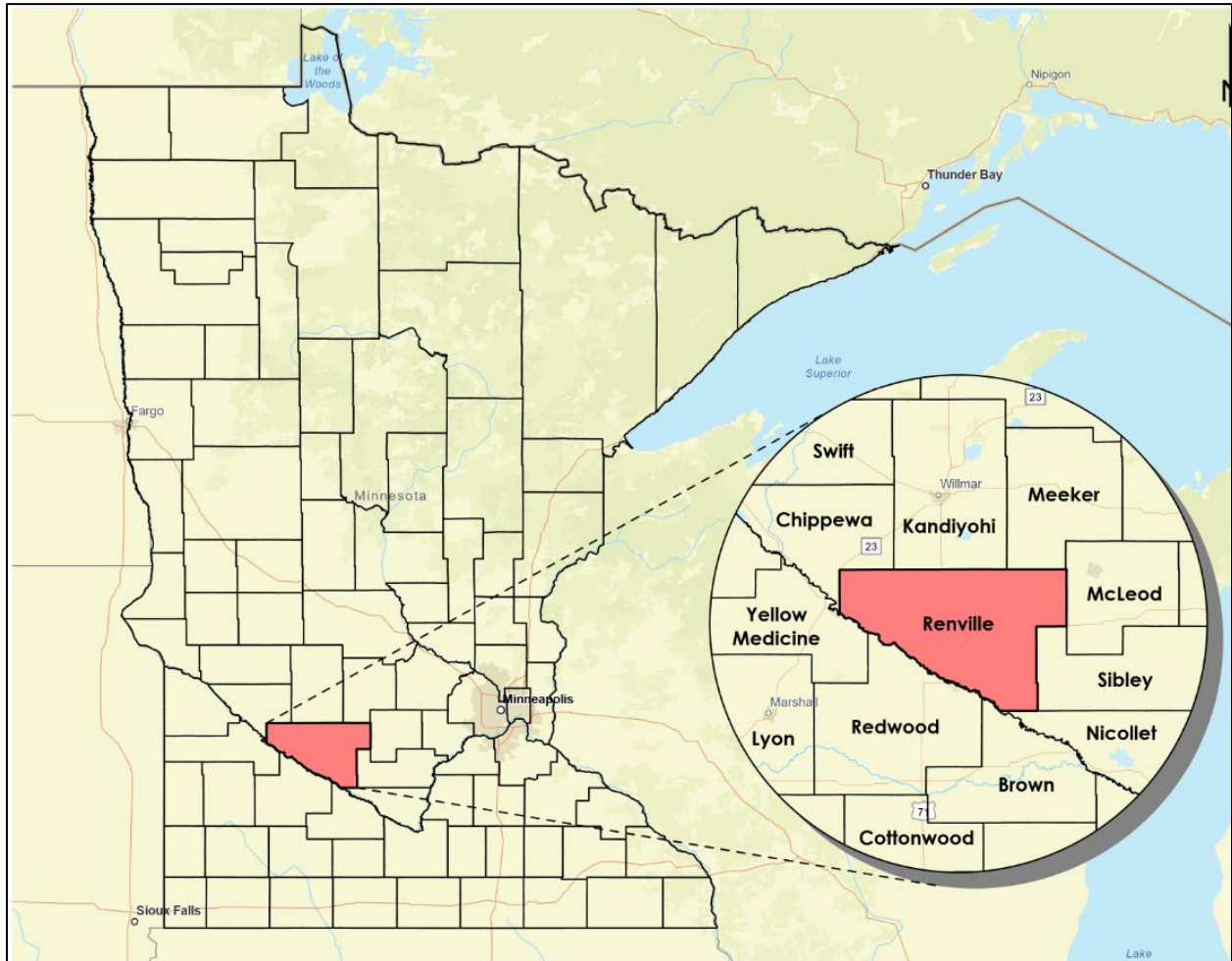
| <b>Renville County<br/>Housing Submarket Definitions</b> |                         |                            |                        |
|--|-------------------------|----------------------------|------------------------|
| <b>Renville Submarket</b>                                | <b>Olivia Submarket</b> | <b>Buffalo Lake/Hector</b> | <b>South Submarket</b> |
| Danube City  | Bird Island City        | Hector City                | Fairfax City           |
| Renville City  | Olivia City             | Buffalo Lake City          | Franklin City          |
| Sacred Heart City  | Bird Island Township    | Brookfield Township        | Morton City            |
| Crooks Township  | Henryville Township     | Osceala Township           | Bandon Township        |
| Emmet Township   | Kingman Township        | Boon Lake Township         | Beaver Falls Township  |
| Erickson Township  | Norfolk Township        | Melville Township          | Birch Cooley Township  |
| Flora Township   | Troy Township           | Hector Township            | Cairo Township         |
| Hawk Creek Township                                      | Winfield Township       | Preston Lake Township      | Camp Township          |
| Sacred Heart Township                                    |                         | Palmyra Township           | Wellington Township    |
| Wang Township  |                         | Martinsburg Township       |                        |

Renville County covers 982.7 square miles and is the 22<sup>nd</sup> largest county in Minnesota by area. Renville County is bordered by nine counties and is part of the Southwest Central Region which also includes Kandiyohi, McLeod, and Meeker Counties.

Submarket Map



## Regional Map

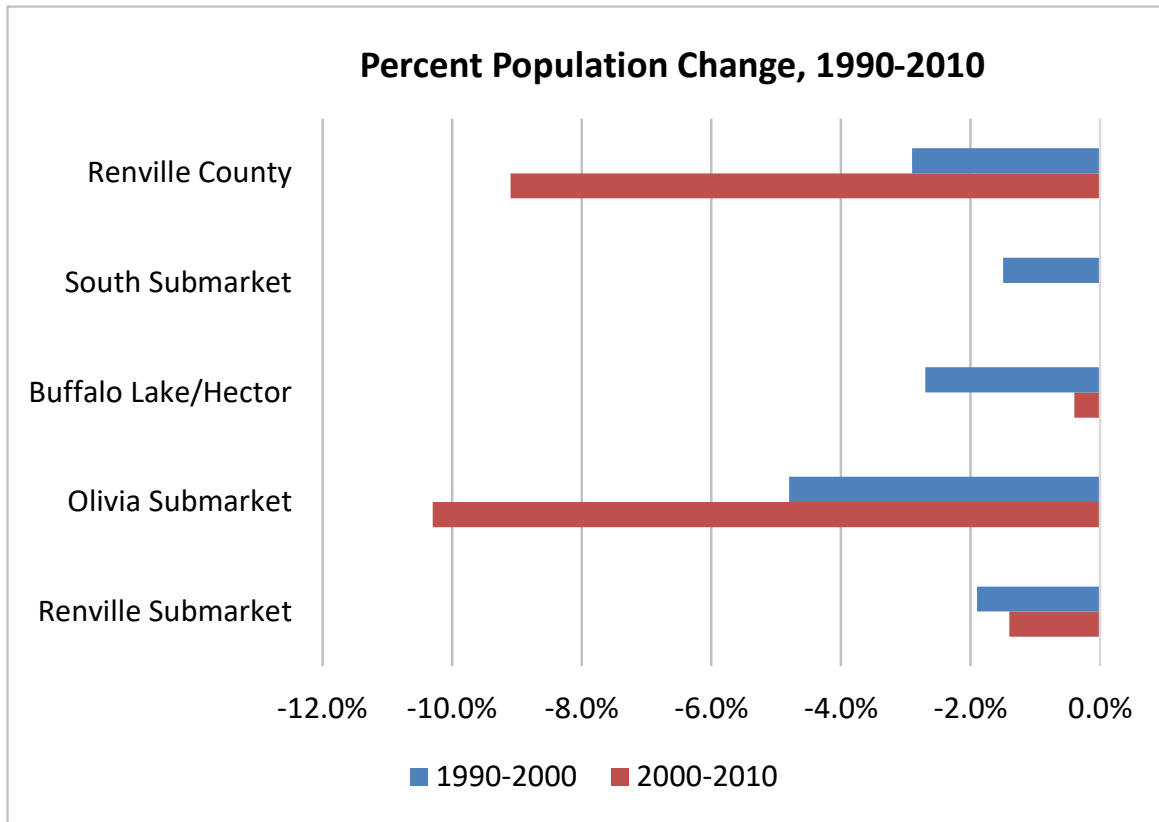


### Population and Household Growth from 1990 to 2010

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

#### *Population*

- The population of the Renville County Market Area declining by -2.9% between 1990 and 2000 from 17,673 to 17,154 people. In comparison, the State of Minnesota experienced a 7.2% increase from 1990 to 2000.



- From 2000 to 2010, the population of the Renville County Market Area declined to 15,730, a -9.1% decline in population. Renville County’s population decline during this time while the State of Minnesota, grew by 12.4%.
- The most significant population decline occurred in the Olivia Submarket between 2000 and 2010. This submarket declined by -10.3% between 2000 and 2010, decreasing by 497 people.



## DEMOGRAPHIC ANALYSIS

|                            | Historic Population |                  |                  | Change         |              |                |               |
|----------------------------|---------------------|------------------|------------------|----------------|--------------|----------------|---------------|
|                            | Census              |                  |                  | 1990 - 2000    |              | 2000 - 2010    |               |
|                            | 1990                | 2000             | 2010             | No.            | Pct.         | No.            | Pct.          |
| <b>Renville County</b>     | <b>17,673</b>       | <b>17,154</b>    | <b>15,730</b>    | <b>-519</b>    | <b>-2.9%</b> | <b>-1,424</b>  | <b>-9.1%</b>  |
| <b>Renville Submarket</b>  |                     |                  |                  |                |              |                |               |
| Danube City                | 562                 | 529              | 505              | -33            | -5.9%        | -24            | -4.8%         |
| Renville City              | 1,315               | 1,323            | 1,287            | 8              | 0.6%         | -36            | -2.8%         |
| Sacred Heart City          | 579                 | 549              | 548              | -30            | -5.2%        | -1             | -0.2%         |
| Crooks Township            | 195                 | 213              | 191              | 18             | 9.2%         | -22            | -11.5%        |
| Emmet Township             | 264                 | 259              | 226              | -5             | -1.9%        | -33            | -14.6%        |
| Erickson Township          | 266                 | 253              | 206              | -13            | -4.9%        | -47            | -22.8%        |
| Flora Township             | 249                 | 245              | 188              | -4             | -1.6%        | -57            | -30.3%        |
| Hawk Creek Township        | 233                 | 227              | 201              | -6             | -2.6%        | -26            | -12.9%        |
| Sacred Heart Township      | 284                 | 277              | 270              | -7             | -2.5%        | -7             | -2.6%         |
| Wang Township              | 310                 | 299              | 249              | -11            | -3.5%        | -50            | -20.1%        |
| <b>Submarket Total</b>     | <b>4,257</b>        | <b>4,174</b>     | <b>3,871</b>     | <b>-83</b>     | <b>-1.9%</b> | <b>-60</b>     | <b>-1.4%</b>  |
| <b>Olivia Submarket</b>    |                     |                  |                  |                |              |                |               |
| Bird Island City           | 1,326               | 1,195            | 1,042            | -131           | -9.9%        | -153           | -14.7%        |
| Olivia City                | 2,623               | 2,570            | 2,484            | -53            | -2.0%        | -86            | -3.5%         |
| Bird Island Township       | 289                 | 269              | 205              | -20            | -6.9%        | -64            | -31.2%        |
| Henryville Township        | 254                 | 236              | 208              | -18            | -7.1%        | -28            | -13.5%        |
| Kingman Township           | 267                 | 252              | 201              | -15            | -5.6%        | -51            | -25.4%        |
| Norfolk Township           | 215                 | 207              | 161              | -8             | -3.7%        | -46            | -28.6%        |
| Troy Township              | 337                 | 325              | 284              | -12            | -3.6%        | -41            | -14.4%        |
| Winfield Township          | 264                 | 252              | 224              | -12            | -4.5%        | -28            | -12.5%        |
| <b>Submarket Total</b>     | <b>5,575</b>        | <b>5,306</b>     | <b>4,809</b>     | <b>-269</b>    | <b>-4.8%</b> | <b>-497</b>    | <b>-10.3%</b> |
| <b>Buffalo Lake/Hector</b> |                     |                  |                  |                |              |                |               |
| Hector City                | 1,145               | 1,166            | 1,151            | 21             | 1.8%         | -15            | -1.3%         |
| Buffalo Lake City          | 734                 | 768              | 733              | 34             | 4.6%         | -35            | -4.8%         |
| Brookfield Township        | 170                 | 163              | 156              | -7             | -4.1%        | -7             | -4.5%         |
| Oscealo Township           | 231                 | 219              | 158              | -12            | -5.2%        | -61            | -38.6%        |
| Boon Lake Township         | 442                 | 400              | 378              | -42            | -9.5%        | -22            | -5.8%         |
| Melville Township          | 259                 | 242              | 225              | -17            | -6.6%        | -17            | -7.6%         |
| Hector Township            | 269                 | 248              | 226              | -21            | -7.8%        | -22            | -9.7%         |
| Preston Lake Township      | 220                 | 215              | 271              | -5             | -2.3%        | 56             | 20.7%         |
| Palmyra Township           | 307                 | 293              | 179              | -14            | -4.6%        | -114           | -63.7%        |
| Martinsburg Township       | 263                 | 215              | 197              | -48            | -18.3%       | -18            | -9.1%         |
| <b>Submarket Total</b>     | <b>4,040</b>        | <b>3,929</b>     | <b>3,674</b>     | <b>-111</b>    | <b>-2.7%</b> | <b>-15</b>     | <b>-0.4%</b>  |
| <b>South Submarket</b>     |                     |                  |                  |                |              |                |               |
| Fairfax City               | 1,276               | 1,295            | 1,235            | 19             | 1.5%         | -60            | -4.9%         |
| Franklin City              | 441                 | 498              | 510              | 57             | 12.9%        | 12             | 2.4%          |
| Morton City                | 448                 | 442              | 411              | -6             | -1.3%        | -31            | -7.5%         |
| Bandon Township            | 218                 | 202              | 175              | -16            | -7.3%        | -27            | -15.4%        |
| Beaver Falls Township      | 355                 | 331              | 197              | -24            | -6.8%        | -134           | -68.0%        |
| Birch Cooley Township      | 272                 | 257              | 245              | -15            | -5.5%        | -12            | -4.9%         |
| Cairo Township             | 284                 | 271              | 232              | -13            | -4.6%        | -39            | -16.8%        |
| Camp Township              | 228                 | 207              | 186              | -21            | -9.2%        | -21            | -11.3%        |
| Wellington Township        | 279                 | 242              | 185              | -37            | -13.3%       | -57            | -30.8%        |
| <b>Submarket Total</b>     | <b>3,801</b>        | <b>3,745</b>     | <b>3,376</b>     | <b>-56</b>     | <b>-1.5%</b> | <b>-369</b>    | <b>-9.9%</b>  |
| <b>Minnesota</b>           | <b>4,375,099</b>    | <b>4,919,479</b> | <b>5,303,925</b> | <b>544,380</b> | <b>12.4%</b> | <b>384,446</b> | <b>7.2%</b>   |

Sources: U.S. Census; State Data Center of Minnesota; Maxfield Research & Consulting LLC

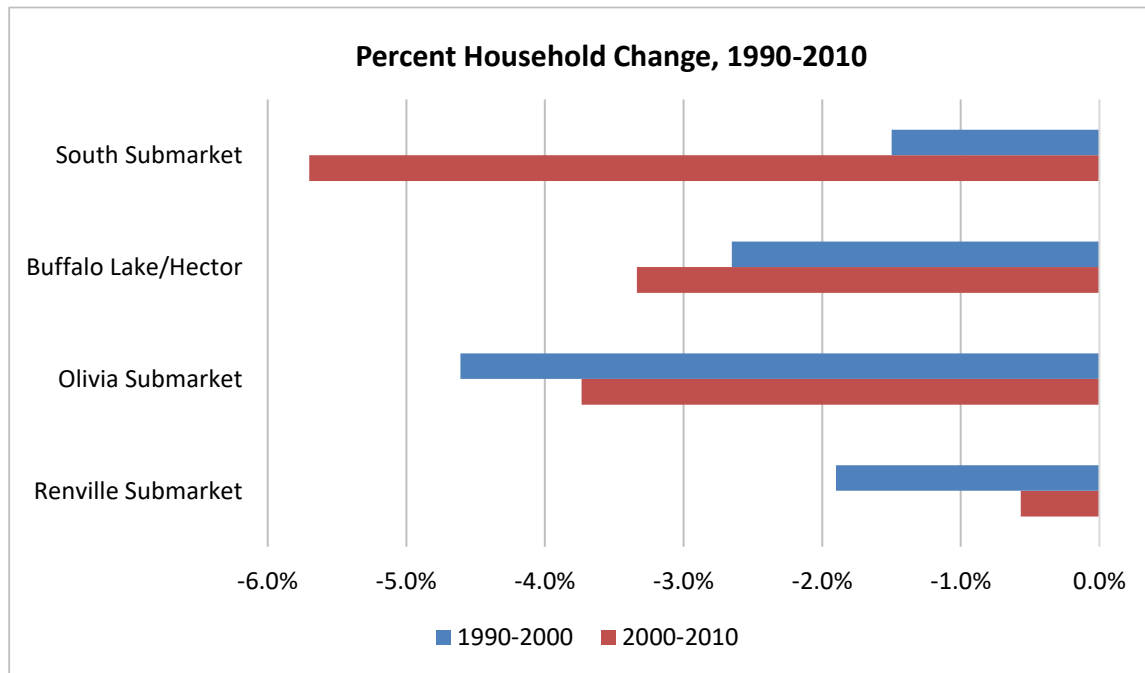
### Households

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

## DEMOGRAPHIC ANALYSIS

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



- Similar to population trends, the Olivia Submarket reported the largest household decline, -4.8%, between 1990 and 2000.
- From 2000 to 2010, the South Submarket reported the largest household decline, decreasing -5.7%.
- Household decline in Renville County is consistent with population decline since 1990. From 1990 to 2000, households declined by -2.9% in Renville County compared to a 15% growth in the State of Minnesota.
- Currently, population growth in Greater Minnesota is largely concentrated in the larger metropolitan-designated counties. Outside of the seven-county Twin Cities area, population growth can be found in three types of counties; counties that are considered recreational (central lakes), counties with a lot of international migration, and in counties with larger cities such as Rochester in Olmsted County.

# DEMOGRAPHIC ANALYSIS

**TABLE D-2  
HISTORIC HOUSEHOLD GROWTH TRENDS  
RENNVILLE COUNTY  
1990 - 2010**

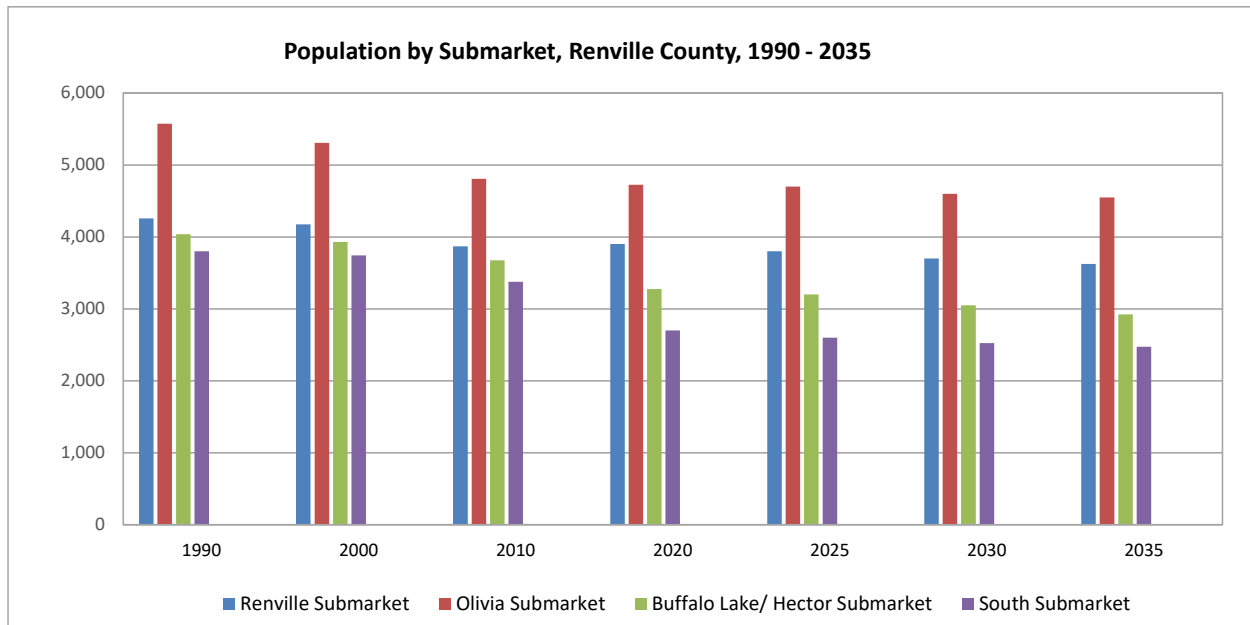
|                            | Historic Households |                  |                  | Change         |              |                |              |
|----------------------------|---------------------|------------------|------------------|----------------|--------------|----------------|--------------|
|                            | Census              |                  |                  | 1990 - 2000    |              | 2000 - 2010    |              |
|                            | 1990                | 2000             | 2010             | No.            | Pct.         | No.            | Pct.         |
| <b>Renville County</b>     | <b>6,978</b>        | <b>6,779</b>     | <b>6,564</b>     | <b>-199</b>    | <b>-2.9%</b> | <b>-215</b>    | <b>-3.3%</b> |
| <b>Renville Submarket</b>  |                     |                  |                  |                |              |                |              |
| Danube City                | 228                 | 214              | 211              | -14            | -6.1%        | -3             | -1.4%        |
| Renville City              | 501                 | 508              | 504              | 7              | 1.4%         | -4             | -0.8%        |
| Sacred Heart City          | 252                 | 246              | 242              | -6             | -2.4%        | -4             | -1.7%        |
| Crooks Township            | 67                  | 76               | 76               | 9              | 13.4%        | 0              | 0.0%         |
| Emmet Township             | 98                  | 94               | 95               | -4             | -4.1%        | 1              | 1.1%         |
| Erickson Township          | 92                  | 88               | 90               | -4             | -4.3%        | 2              | 2.2%         |
| Flora Township             | 87                  | 83               | 86               | -4             | -4.6%        | 3              | 3.5%         |
| Hakw Creek Township        | 92                  | 83               | 78               | -9             | -9.8%        | -5             | -6.4%        |
| Sacred Heart Township      | 107                 | 104              | 101              | -3             | -2.8%        | -3             | -3.0%        |
| Wang Township              | 102                 | 99               | 98               | -3             | -2.9%        | -1             | -1.0%        |
| <b>Submarket Total</b>     | <b>1,626</b>        | <b>1,595</b>     | <b>1,586</b>     | <b>-31</b>     | <b>-1.9%</b> | <b>-9</b>      | <b>-0.6%</b> |
| <b>Olivia Submarket</b>    |                     |                  |                  |                |              |                |              |
| Bird Bird Island City      | 523                 | 499              | 496              | -24            | -4.6%        | -3             | -0.6%        |
| Olivia City                | 1,065               | 1,075            | 1,038            | 10             | 0.9%         | -37            | -3.6%        |
| Bird Island Township       | 113                 | 92               | 87               | -21            | -18.6%       | -5             | -5.7%        |
| Henryville Township        | 98                  | 86               | 82               | -12            | -12.2%       | -4             | -4.9%        |
| Kingman Township           | 94                  | 82               | 76               | -12            | -12.8%       | -6             | -7.9%        |
| Norfolk Township           | 84                  | 75               | 66               | -9             | -10.7%       | -9             | -13.6%       |
| Troy Township              | 126                 | 112              | 105              | -14            | -11.1%       | -7             | -6.7%        |
| Winfield Township          | 110                 | 90               | 85               | -20            | -18.2%       | -5             | -5.9%        |
| <b>Submarket Total</b>     | <b>2,213</b>        | <b>2,111</b>     | <b>2,035</b>     | <b>-102</b>    | <b>-4.6%</b> | <b>-76</b>     | <b>-3.7%</b> |
| <b>Buffalo Lake/Hector</b> |                     |                  |                  |                |              |                |              |
| Hectory City               | 513                 | 510              | 504              | -3             | -0.6%        | -6             | -1.2%        |
| Buffalo Lake City          | 299                 | 295              | 293              | -4             | -1.3%        | -2             | -0.7%        |
| Brookfield Township        | 81                  | 73               | 69               | -8             | -9.9%        | -4             | -5.8%        |
| Oscealo Township           | 83                  | 79               | 74               | -4             | -4.8%        | -5             | -6.8%        |
| Boon Lake Township         | 163                 | 151              | 143              | -12            | -7.4%        | -8             | -5.6%        |
| Melville Township          | 97                  | 94               | 89               | -3             | -3.1%        | -5             | -5.6%        |
| Hector Township            | 104                 | 101              | 96               | -3             | -2.9%        | -5             | -5.2%        |
| Preston Lake Township      | 116                 | 115              | 110              | -1             | -0.9%        | -5             | -4.5%        |
| Palmyra Township           | 87                  | 84               | 80               | -3             | -3.4%        | -4             | -5.0%        |
| Martinsburg Township       | 79                  | 77               | 70               | -2             | -2.5%        | -7             | -10.0%       |
| <b>Submarket Total</b>     | <b>1,622</b>        | <b>1,579</b>     | <b>1,528</b>     | <b>-43</b>     | <b>-2.7%</b> | <b>-51</b>     | <b>-3.3%</b> |
| <b>South Submarket</b>     |                     |                  |                  |                |              |                |              |
| Fairfax City               | 532                 | 534              | 523              | 2              | 0.4%         | -11            | -2.1%        |
| Franklin City              | 183                 | 195              | 187              | 12             | 6.6%         | -8             | -4.3%        |
| Morton City                | 203                 | 199              | 196              | -4             | -2.0%        | -3             | -1.5%        |
| Bandon Township            | 83                  | 75               | 73               | -8             | -9.6%        | -2             | -2.7%        |
| Beaver Township            | 127                 | 121              | 93               | -6             | -4.7%        | -28            | -30.1%       |
| Birch Cooley Township      | 101                 | 95               | 95               | -6             | -5.9%        | 0              | 0.0%         |
| Cairo Township             | 106                 | 98               | 87               | -8             | -7.5%        | -11            | -12.6%       |
| Camp Township              | 94                  | 92               | 87               | -2             | -2.1%        | -5             | -5.7%        |
| Wellington Township        | 88                  | 86               | 74               | -2             | -2.3%        | -12            | -16.2%       |
| <b>Submarket Total</b>     | <b>1,517</b>        | <b>1,495</b>     | <b>1,415</b>     | <b>-22</b>     | <b>-1.5%</b> | <b>-80</b>     | <b>-5.7%</b> |
| <b>Minnesota</b>           | <b>1,647,853</b>    | <b>1,895,127</b> | <b>2,087,227</b> | <b>247,274</b> | <b>15.0%</b> | <b>192,100</b> | <b>9.2%</b>  |

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 Renville 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 Renville County is estimated at 14,600. The most populated submarket within Renville County was the Olivia Submarket (4,725 people).
- There are estimated to be 6,469 households in Renville County in 2020. Similar to population trends, the submarket with the most households is the Olivia submarket (2,038).



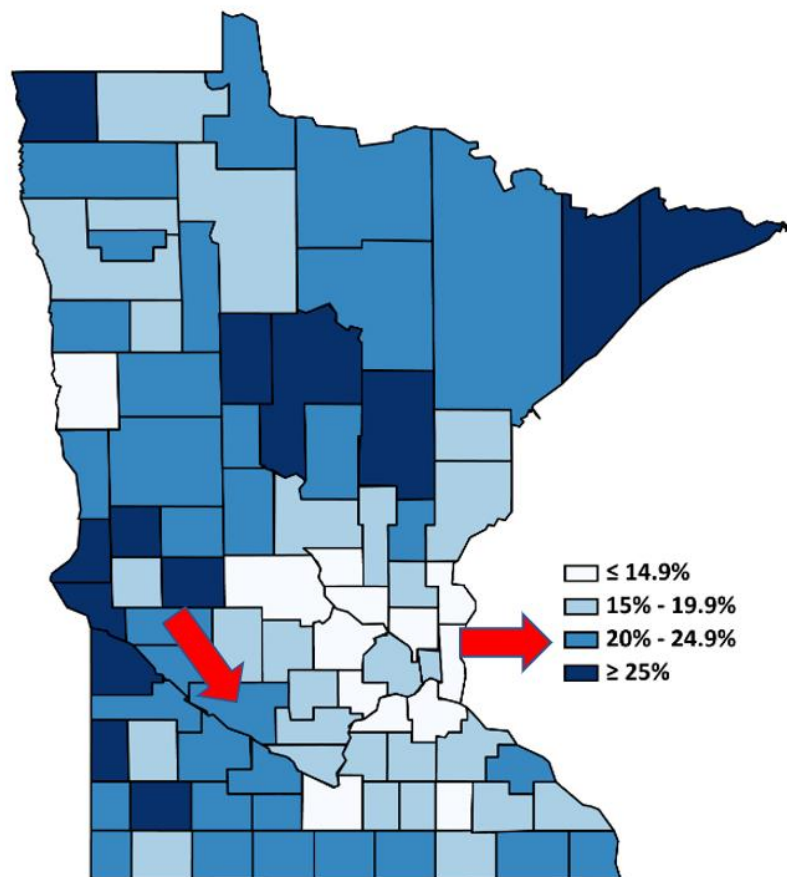
- Between 2010 and 2020, the Renville County population is expected to decline by -7.2% (-1,130 people). The South Submarket is forecast to have the highest population decline rate, and the largest percentage of decline in the County.
- Changes in households are expected to mirror population changes through 2020. The South Submarket is expected to decline in households by 3.8% (-54 households). The Buffalo Lake/Hector Submarket is projected have household decline by -2.6% (-40 households).
- Renville County and all submarkets are forecast to experience declining population rates through 2035. Renville County is expected to decrease by -5% (-725 people) between 2020 and 2030.

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- The greatest population rate decrease in Renville County is expected in the Buffalo Lake/Hector Submarket which is projected to decline by -6.9% (-102 people) between 2020 and 2030.
- Household declines in Renville County are consistent with U.S. Census Bureau data which indicates between 2008 and 2017 81% of rural counties in the Midwest showed a decline in population.

**Percentage of 65+ Population**  
By County, 2019

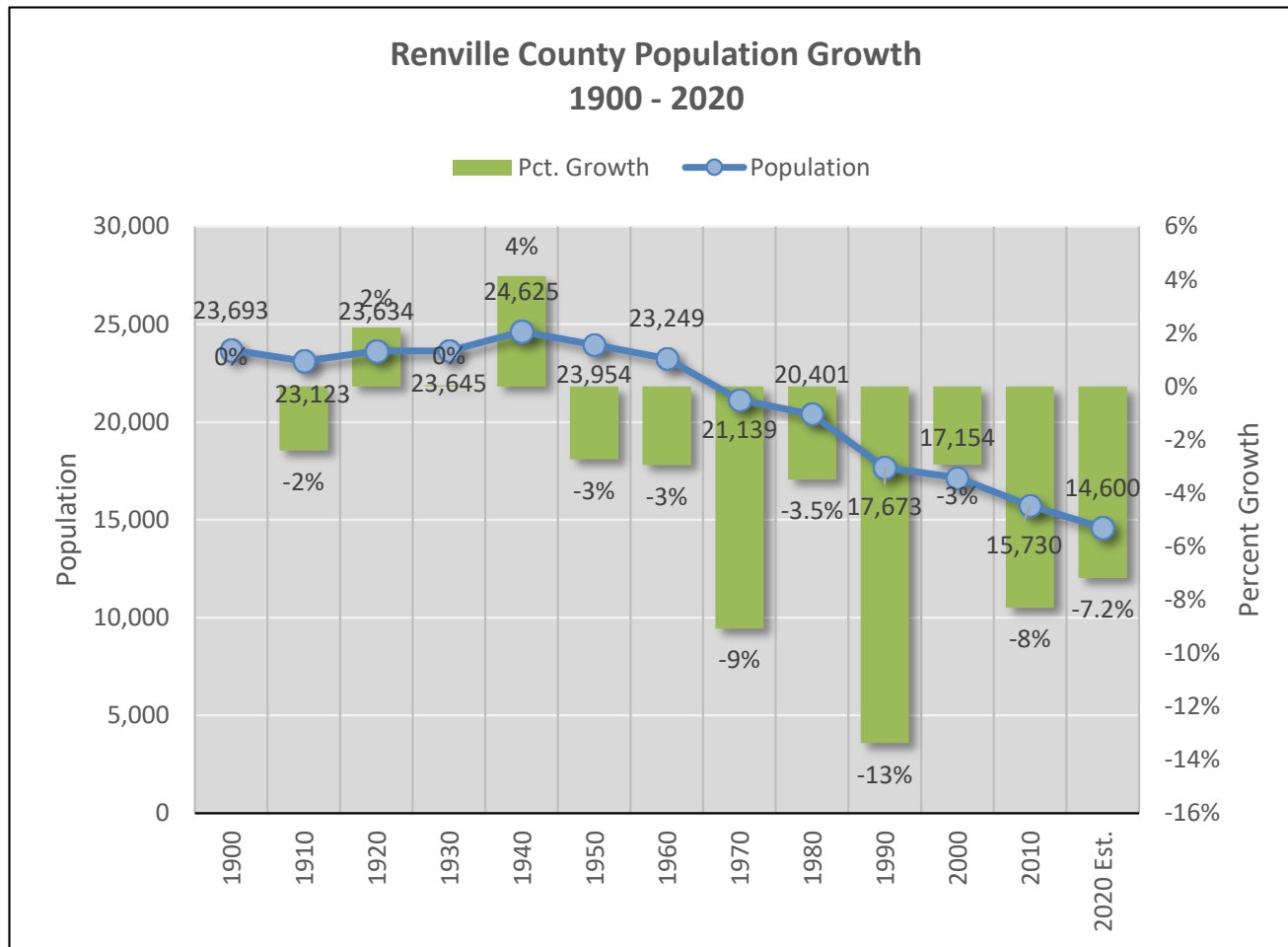


**DEMOGRAPHIC ANALYSIS**

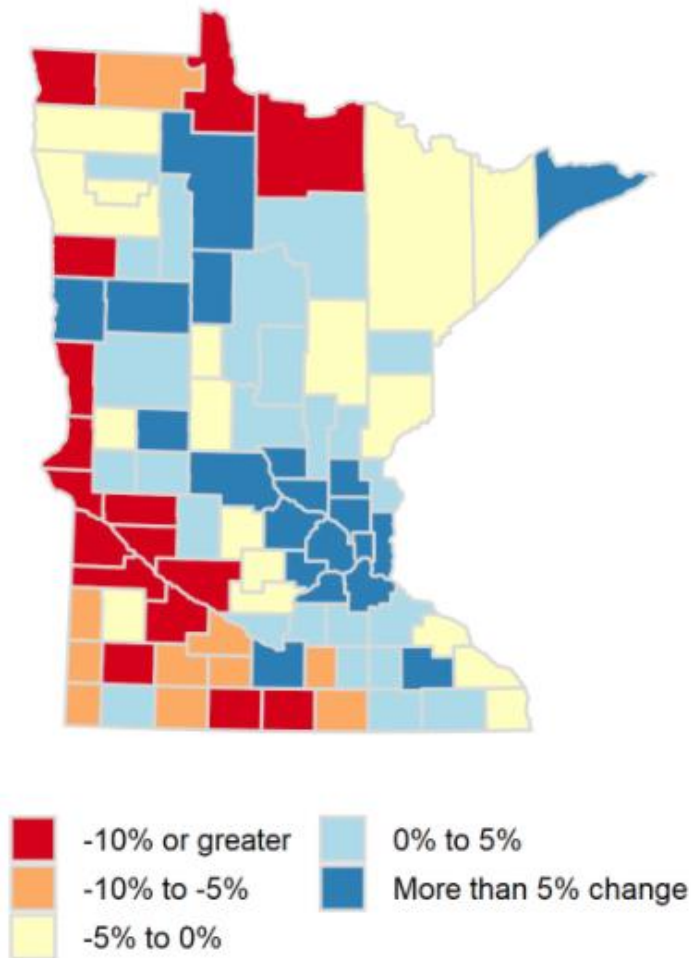
**TABLE D-3  
POPULATION AND HOUSEHOLD GROWTH TRENDS AND PROJECTIONS  
RENVILLE COUNTY MARKET AREA  
1990 - 2035**

|                                |                  |                  |                  |                  |                  |                  |                  | Change         |              |                |              |                |              |                |              |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|----------------|--------------|----------------|--------------|----------------|--------------|----------------|--------------|
|                                | Census           |                  |                  | Estimate         | Forecast         |                  |                  | 2000-2010      |              | 2010-2020      |              | 2020-2030      |              | 2030-2035      |              |
|                                | 1990             | 2000             | 2010             | 2020             | 2025             | 2030             | 2035             | No.            | Pct.         | No.            | Pct.         | No.            | Pct.         | No.            | Pct.         |
| <b>POPULATION</b>              |                  |                  |                  |                  |                  |                  |                  |                |              |                |              |                |              |                |              |
| <b>Renville County</b>         | <b>17,673</b>    | <b>17,154</b>    | <b>15,730</b>    | <b>14,600</b>    | <b>14,300</b>    | <b>13,875</b>    | <b>13,575</b>    | <b>-1,424</b>  | <b>-8.3%</b> | <b>-1,130</b>  | <b>-7.2%</b> | <b>-725</b>    | <b>-5.0%</b> | <b>-300</b>    | <b>-2.1%</b> |
| Renville Submarket             | 4,257            | 4,174            | 3,871            | 3,900            | 3,800            | 3,700            | 3,625            | -303           | -7.3%        | 29             | 0.7%         | -200           | -5.1%        | -75            | -2.0%        |
| Olivia Submarket               | 5,575            | 5,306            | 4,809            | 4,725            | 4,700            | 4,600            | 4,550            | -497           | -9.4%        | -84            | -1.7%        | -125           | -2.6%        | -50            | -1.1%        |
| Buffalo Lake/ Hector Submarket | 4,040            | 3,929            | 3,674            | 3,275            | 3,200            | 3,050            | 2,925            | -255           | -6.5%        | -399           | -10.9%       | -225           | -6.9%        | -125           | -3.9%        |
| South Submarket                | 3,801            | 3,745            | 3,376            | 2,700            | 2,600            | 2,525            | 2,475            | -369           | -9.9%        | -676           | -20.0%       | -175           | -6.5%        | -50            | -1.9%        |
| <b>Minnesota</b>               | <b>4,375,099</b> | <b>4,919,479</b> | <b>5,303,925</b> | <b>5,670,102</b> | <b>5,909,800</b> | <b>6,159,631</b> | <b>6,409,461</b> | <b>384,446</b> | <b>7.8%</b>  | <b>366,177</b> | <b>6.9%</b>  | <b>489,529</b> | <b>8.6%</b>  | <b>249,830</b> | <b>4.2%</b>  |
| <b>HOUSEHOLDS</b>              |                  |                  |                  |                  |                  |                  |                  |                |              |                |              |                |              |                |              |
| <b>Renville County</b>         | <b>6,978</b>     | <b>6,779</b>     | <b>6,564</b>     | <b>6,469</b>     | <b>6,336</b>     | <b>6,148</b>     | <b>6,015</b>     | <b>-215</b>    | <b>-3.2%</b> | <b>-95</b>     | <b>-1.4%</b> | <b>-321</b>    | <b>-5.0%</b> | <b>-133</b>    | <b>-2.1%</b> |
| Renville Submarket             | 1,626            | 1,595            | 1,586            | 1,582            | 1,541            | 1,501            | 1,470            | -9             | -0.6%        | -4             | -0.3%        | -81            | -5.1%        | -30            | -2.0%        |
| Olivia Submarket               | 2,213            | 2,111            | 2,035            | 2,038            | 2,027            | 1,984            | 1,963            | -76            | -3.6%        | 3              | 0.1%         | -54            | -2.6%        | -22            | -1.1%        |
| Buffalo Lake/ Hector Submarket | 1,622            | 1,579            | 1,528            | 1,488            | 1,454            | 1,386            | 1,329            | -51            | -3.2%        | -40            | -2.6%        | -102           | -6.9%        | -57            | -3.9%        |
| South Submarket                | 1,517            | 1,495            | 1,415            | 1,361            | 1,311            | 1,273            | 1,248            | -80            | -5.4%        | -54            | -3.8%        | -88            | -6.5%        | -25            | -1.9%        |
| <b>Minnesota</b>               | <b>1,647,853</b> | <b>1,895,127</b> | <b>2,087,227</b> | <b>2,238,428</b> | <b>2,329,078</b> | <b>2,423,400</b> | <b>2,517,721</b> | <b>192,100</b> | <b>10.1%</b> | <b>151,201</b> | <b>7.2%</b>  | <b>184,972</b> | <b>8.3%</b>  | <b>94,321</b>  | <b>4.0%</b>  |
| <b>PERSONS PER HOUSEHOLD</b>   |                  |                  |                  |                  |                  |                  |                  |                |              |                |              |                |              |                |              |
| <b>Renville County</b>         | <b>2.53</b>      | <b>2.53</b>      | <b>2.40</b>      | <b>2.26</b>      | <b>2.26</b>      | <b>2.26</b>      | <b>2.26</b>      |                |              |                |              |                |              |                |              |
| Renville Submarket             | 2.62             | 2.62             | 2.44             | 2.47             | 2.47             | 2.47             | 2.47             |                |              |                |              |                |              |                |              |
| Olivia Submarket               | 2.52             | 2.51             | 2.36             | 2.32             | 2.32             | 2.32             | 2.32             |                |              |                |              |                |              |                |              |
| Buffalo Lake/Hector Submarket  | 2.49             | 2.49             | 2.40             | 2.20             | 2.20             | 2.20             | 2.20             |                |              |                |              |                |              |                |              |
| South Submarket                | 2.51             | 2.51             | 2.39             | 2.29             | 2.09             | 2.08             | 2.08             |                |              |                |              |                |              |                |              |
| <b>Minnesota</b>               | <b>2.66</b>      | <b>2.60</b>      | <b>2.54</b>      | <b>2.53</b>      | <b>2.54</b>      | <b>2.54</b>      | <b>2.55</b>      |                |              |                |              |                |              |                |              |

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



### Percent change in population 2010 - 2019



### 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

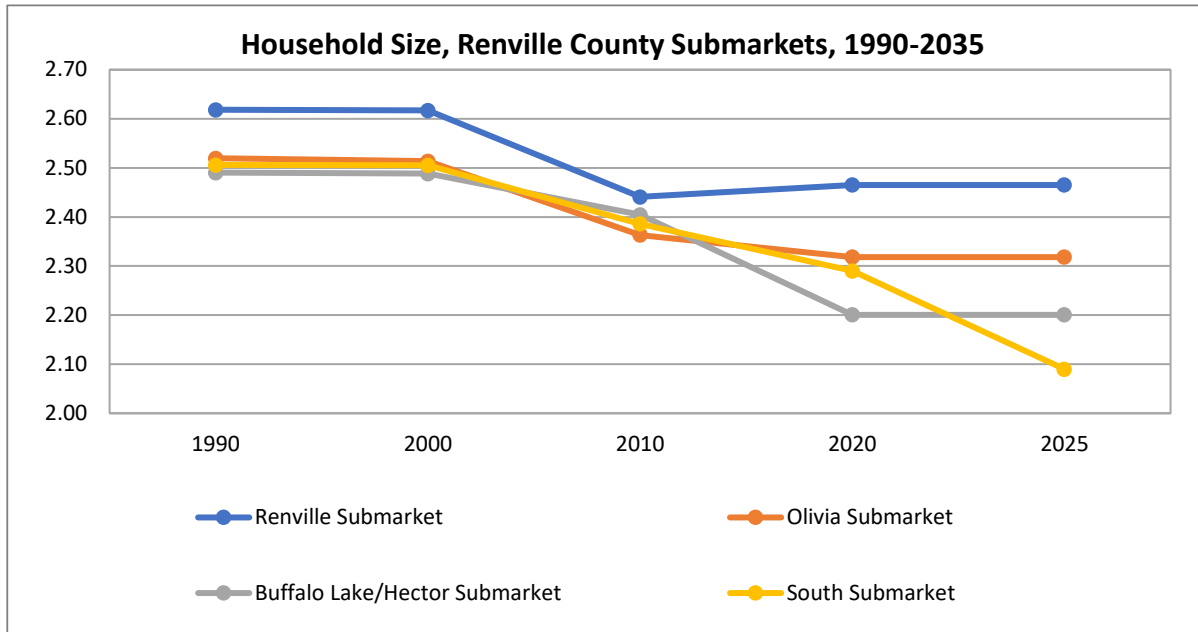


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care that have influenced how people organize their lives. Table D-3 highlights the declining household size in the Renville County Market Area and its submarkets.

- In 1990, the average household size in the Renville County Market Area was 2.53. All sub-market household size has seen decreases since 1990.



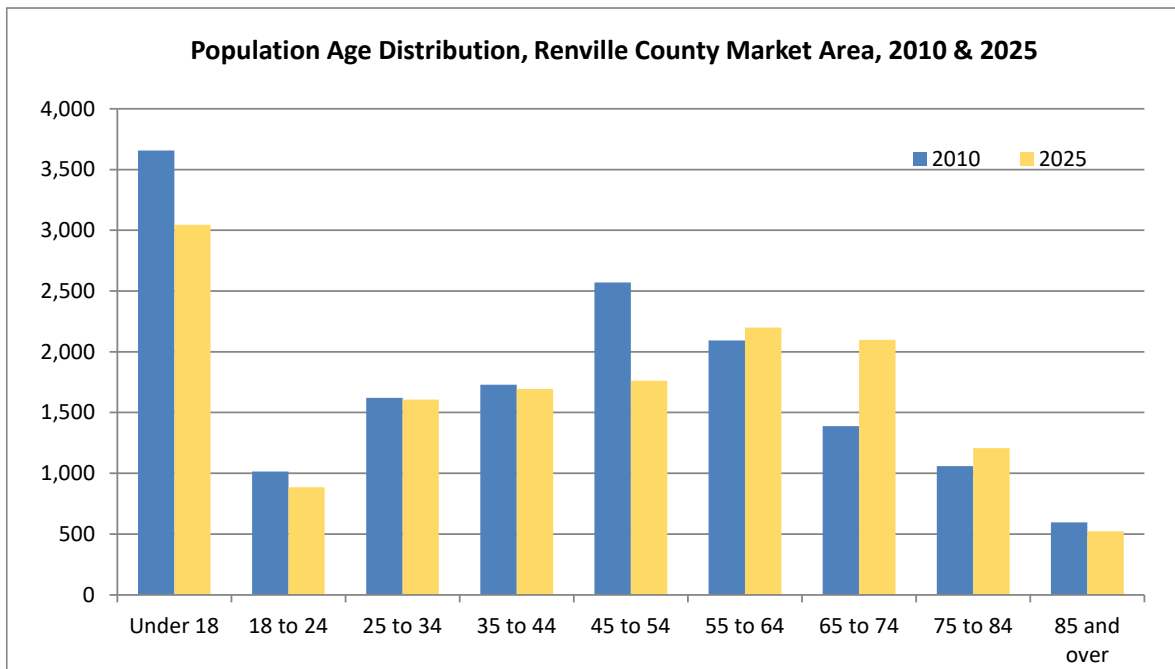
- By the 2010 Census, household size had fallen to 2.26 in the Market Area. The greatest decline in household size was seen in the Olivia Submarket which declined to 2.39.
- The trend toward smaller household size is expected to remain similar through 2035. Household size is forecast to be stabilized at 2.26 persons per household in the Renville County Market Area.
- Household size in the Renville County Market Area has been smaller than the State of Minnesota since 1990 and is expected to remain lower through 2035.

**Age Distribution Trends**

Table D-4 shows the distribution of persons within nine age cohorts for the submarkets in the Renville 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 Renville County were those age 45 to 54, representing approximately 16% (2,571) of the population.
- By 2025, the largest adult age cohort in the County will be the 55 to 64 age cohort, representing approximately 19% of the adult population in Market Area.



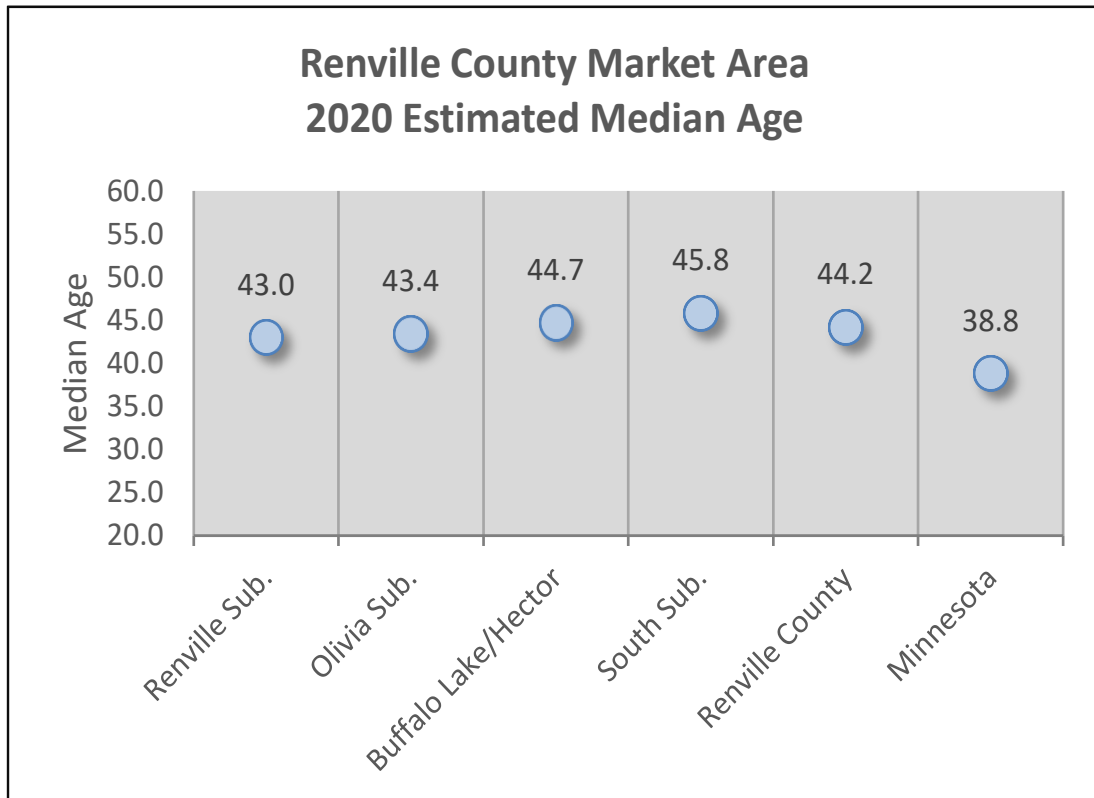
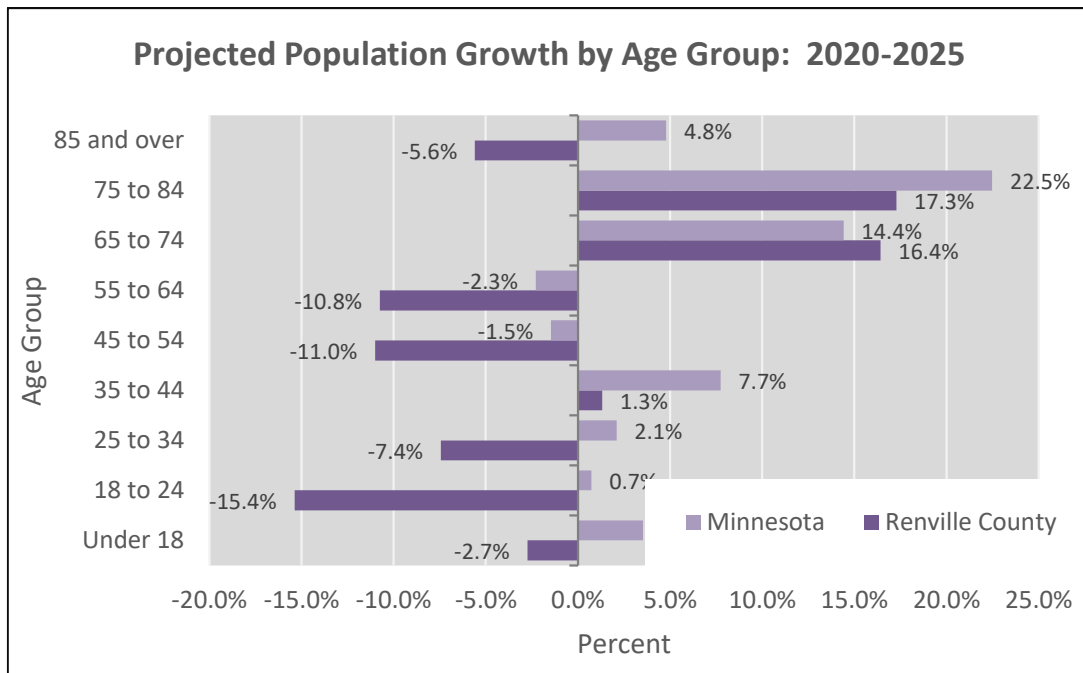
- Between 2010 and 2025, the largest growth is expected in the 65 to 74 age cohort in Renville County, growing by 51.2% (+711). The increasing older adult population reflects larger state and national trends of an aging population, largely due to aging of the sizable baby boom generation.
- The largest proportional growth from 2020 to 2025 is expected to occur in the 75 to 84-year-old age cohort in the Olivia Submarket +20.4% (+62). The Olivia Submarket is expected to see the largest numerical growth in the 65 to 74-year-old age cohort with a 17.1% (+100) increase.

# DEMOGRAPHIC ANALYSIS

| TABLE D-4<br>POPULATION AGE DISTRIBUTION<br>RENVILLE COUNTY MARKET AREA<br>2000 - 2025            |               |               |               |               |             |              |             |              |
|---|---------------|---------------|---------------|---------------|-------------|--------------|-------------|--------------|
| Age   |               |               |               |               | Change      |              |             |              |
|   | Census        |               | Estimate      | Projection    | 2010-2020   |              | 2020-2025   |              |
|   | 2000          | 2010          | 2020          | 2025          | No.         | Pct.         | No.         | Pct.         |
| <b>Renville County</b>  |               |               |               |               |             |              |             |              |
| Under 18  | 4,552         | 3,656         | 3,132         | 3,046         | -524        | -14.3%       | -86         | -2.7%        |
| 18 to 24  | 1,139         | 1,015         | 1,047         | 886           | 32          | 3.2%         | -161        | -15.4%       |
| 25 to 34  | 1,763         | 1,621         | 1,735         | 1,606         | 114         | 7.0%         | -129        | -7.4%        |
| 35 to 44  | 2,571         | 1,728         | 1,671         | 1,693         | -57         | -3.3%        | 22          | 1.3%         |
| 45 to 54  | 2,185         | 2,571         | 1,981         | 1,763         | -590        | -22.9%       | -218        | -11.0%       |
| 55 to 64  | 1,543         | 2,094         | 2,465         | 2,200         | 371         | 17.7%        | -265        | -10.8%       |
| 65 to 74  | 1,558         | 1,388         | 1,803         | 2,099         | 415         | 29.9%        | 296         | 16.4%        |
| 75 to 84  | 1,285         | 1,060         | 1,030         | 1,208         | -30         | -2.8%        | 178         | 17.3%        |
| 85 and over   | 558           | 597           | 554           | 523           | -43         | -7.2%        | -31         | -5.6%        |
| <b>Total</b>  | <b>17,154</b> | <b>15,730</b> | <b>15,406</b> | <b>15,024</b> | <b>-324</b> | <b>-2.1%</b> | <b>-382</b> | <b>-2.5%</b> |
| <b>Renville Submarket</b>   |               |               |               |               |             |              |             |              |
| Under 18  | 1,109         | 927           | 831           | 817           | -96         | -10.4%       | -14         | -1.7%        |
| 18 to 24  | 303           | 256           | 251           | 225           | -5          | -2.0%        | -26         | -10.4%       |
| 25 to 34  | 420           | 443           | 454           | 409           | 11          | 2.5%         | -45         | -9.9%        |
| 35 to 44  | 583           | 394           | 454           | 458           | 60          | 15.2%        | 4           | 0.9%         |
| 45 to 54  | 562           | 599           | 478           | 459           | -121        | -20.2%       | -19         | -4.0%        |
| 55 to 64  | 379           | 520           | 546           | 469           | 26          | 5.0%         | -77         | -14.1%       |
| 65 to 74  | 386           | 342           | 446           | 499           | 104         | 30.4%        | 53          | 11.9%        |
| 75 to 84  | 306           | 249           | 246           | 294           | -3          | -1.2%        | 48          | 19.5%        |
| 85 and over   | 126           | 141           | 125           | 118           | -16         | -11.3%       | -7          | -5.6%        |
| <b>Total</b>  | <b>4,174</b>  | <b>3,871</b>  | <b>3,831</b>  | <b>3,748</b>  | <b>-40</b>  | <b>-1.0%</b> | <b>-83</b>  | <b>-2.2%</b> |
| <b>Olivia Submarket</b>   |               |               |               |               |             |              |             |              |
| Under 18  | 1,423         | 1,107         | 967           | 963           | -140        | -12.6%       | -4          | -0.4%        |
| 18 to 24  | 341           | 347           | 354           | 305           | 7           | 2.0%         | -49         | -13.8%       |
| 25 to 34  | 528           | 517           | 566           | 538           | 49          | 9.5%         | -28         | -4.9%        |
| 35 to 44  | 808           | 531           | 526           | 541           | -5          | -0.9%        | 15          | 2.9%         |
| 45 to 54  | 691           | 782           | 561           | 488           | -221        | -28.3%       | -73         | -13.0%       |
| 55 to 64  | 478           | 647           | 791           | 709           | 144         | 22.3%        | -82         | -10.4%       |
| 65 to 74  | 485           | 216           | 566           | 666           | 350         | 162.0%       | 100         | 17.7%        |
| 75 to 84  | 380           | 497           | 304           | 366           | -193        | -38.8%       | 62          | 20.4%        |
| 85 and over   | 172           | 165           | 160           | 150           | -5          | -3.0%        | -10         | -6.3%        |
| <b>Total</b>  | <b>5,306</b>  | <b>4,809</b>  | <b>4,782</b>  | <b>4,694</b>  | <b>-27</b>  | <b>-0.6%</b> | <b>-88</b>  | <b>-1.8%</b> |
| <b>Buffalo Laek/Hector</b>  |               |               |               |               |             |              |             |              |
| Under 18  | 1,008         | 839           | 717           | 717           | -122        | -14.5%       | 0           | 0.0%         |
| 18 to 24  | 242           | 221           | 241           | 194           | 20          | 9.0%         | -47         | -19.5%       |
| 25 to 34  | 441           | 359           | 405           | 366           | 46          | 12.8%        | -39         | -9.6%        |
| 35 to 44  | 602           | 434           | 374           | 378           | -60         | -13.8%       | 4           | 1.1%         |
| 45 to 54  | 487           | 613           | 480           | 414           | -133        | -21.7%       | -66         | -13.8%       |
| 55 to 64  | 383           | 476           | 593           | 542           | 117         | 24.6%        | -51         | -8.6%        |
| 65 to 74  | 331           | 186           | 408           | 489           | 222         | 119.4%       | 81          | 19.9%        |
| 75 to 84  | 313           | 394           | 245           | 273           | -149        | -37.8%       | 28          | 11.4%        |
| 85 and over   | 122           | 152           | 142           | 132           | -10         | -6.6%        | -10         | -7.0%        |
| <b>Total</b>  | <b>3,929</b>  | <b>3,674</b>  | <b>3,562</b>  | <b>3,456</b>  | <b>-112</b> | <b>-3.0%</b> | <b>-106</b> | <b>-3.0%</b> |
| <b>South Submarket</b>  |               |               |               |               |             |              |             |              |
| Under 18  | 1,012         | 783           | 648           | 619           | -135        | -17.2%       | -29         | -4.5%        |
| 18 to 24  | 253           | 191           | 210           | 167           | 19          | 9.9%         | -43         | -20.5%       |
| 25 to 34  | 374           | 302           | 309           | 293           | 7           | 2.3%         | -16         | -5.2%        |
| 35 to 44  | 578           | 369           | 320           | 315           | -49         | -13.3%       | -5          | -1.6%        |
| 45 to 54  | 445           | 577           | 462           | 397           | -115        | -19.9%       | -65         | -14.1%       |
| 55 to 64  | 303           | 451           | 535           | 480           | 84          | 18.6%        | -55         | -10.3%       |
| 65 to 74  | 356           | 176           | 386           | 445           | 210         | 119.3%       | 59          | 15.3%        |
| 75 to 84  | 286           | 388           | 237           | 276           | -151        | -38.9%       | 39          | 16.5%        |
| 85 and over   | 138           | 139           | 131           | 126           | -8          | -5.8%        | -5          | -3.8%        |
| <b>Total</b>  | <b>3,745</b>  | <b>3,376</b>  | <b>3,238</b>  | <b>3,118</b>  | <b>-138</b> | <b>-4.1%</b> | <b>-120</b> | <b>-3.7%</b> |
| Sources: US Census Bureau; MN State Demographic Center; ESRI; Maxfield Research & Consulting, LLC |               |               |               |               |             |              |             |              |

## DEMOGRAPHIC ANALYSIS

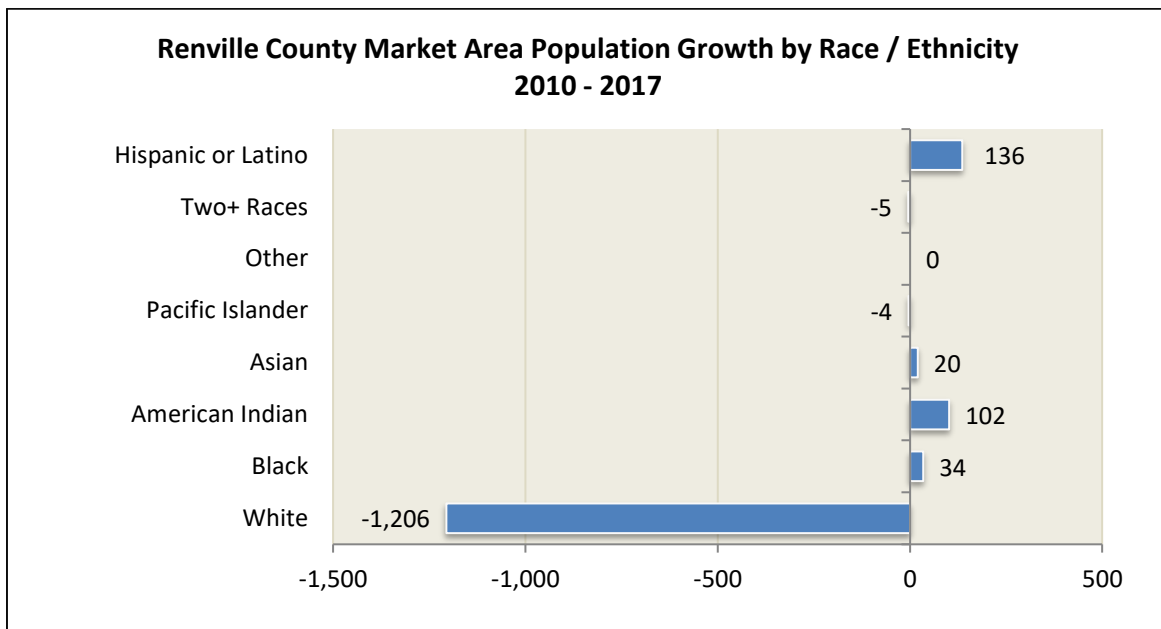
- From 2020 to 2025, the population of the Renville County Market Area is expected to decline by -2.5%. The largest growth areas are forecasted in the 75 to 84 age cohort (+17.3%). The 65 to 74 age cohort is also projected to have significant growth (+16.4%).



## Race of Population

The race of the population illustrates the diversity for each submarket in Renville County. Data for 2010 and 2017 was obtained from the U.S. Census and is presented in Table D-5.

- The majority of the Renville County residents reported their race as “White Alone” in 2010 (97.7%) and 2017 (96.5%).
- In 2017, 8.7% of the Renville County residents reported their ethnicity as Hispanic or Latino. The proportion of Hispanic residents varies by submarket. The Olivia Submarket reported 8.5% of the population as Hispanic or Latino, while 0.5% of the population in the Renville Submarket reported themselves as ethnically Hispanic or Latino.



## DEMOGRAPHIC ANALYSIS

TABLE D-5  
POPULATION DISTRIBUTION BY RACE  
RENVILLE COUNTY MARKET AREA  
2010 & 2017

|                               | 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<br><i>Ethnicity not Race</i> |              |
|-------------------------------|---------------|---------------|---------------------------------|-------------|---|-------------|--|-------------|-------------|-------------|-----------------|-------------|-------------------------|-------------|---|--------------|
|                               | 2010          | 2017          | 2010                            | 2017        | 2010  | 2017        | 2010   | 2017        | 2010        | 2017        | 2010            | 2017        | 2010                    | 2017        | 2010  | 2017         |
| <b>Renville County</b>        | <b>14,351</b> | <b>13,145</b> | <b>40</b>                       | <b>74</b>   | <b>76</b>                                     | <b>178</b>  | <b>4</b>   | <b>-</b>    | <b>54</b>   | <b>74</b>   | <b>9</b>        | <b>-</b>    | <b>150</b>              | <b>145</b>  | <b>1,046</b>                                    | <b>1,182</b> |
| Renville Submarket            | 3,453         | 3,348         | 9                               | 9           | 6   | 10          | -  | -           | 7           | 49          | 1               | -           | 26                      | 18          | 369   | 18           |
| Olivia Submarket              | 4,448         | 4,322         | 25                              | 16          | 12  | 24          | 2  | -           | 9           | 7           | 4               | -           | 36                      | 22          | 273   | 375          |
| Buffalo Lake/Hector Submarket | 3,426         | 2,981         | 2                               | 15          | 7   | 28          | 1  | -           | 14          | 2           | -               | -           | 27                      | 32          | 197   | 194          |
| South Submarket               | 3,024         | 2,555         | 4                               | 27          | 51  | 124         | 1  | -           | 24          | 26          | 4               | 26          | 61                      | 88          | 207   | 201          |
| <b>Percentage</b>             |               |               |                                 |             |   |             |  |             |             |             |                 |             |                         |             |   |              |
| <b>Renville County</b>        | <b>97.7%</b>  | <b>96.5%</b>  | <b>0.3%</b>                     | <b>0.5%</b> | <b>0.5%</b>                                   | <b>1.3%</b> | <b>0.0%</b>                                      | <b>0.0%</b> | <b>0.4%</b> | <b>0.5%</b> | <b>0.1%</b>     | <b>0.0%</b> | <b>1.0%</b>             | <b>1.1%</b> | <b>7.1%</b>                                     | <b>8.7%</b>  |
| Renville Submarket            | 98.6%         | 97.5%         | 0.3%                            | 0.3%        | 0.2%  | 0.3%        | 0.0%   | 0.0%        | 0.2%        | 1.4%        | 0.0%            | 0.0%        | 0.7%                    | 0.5%        | 10.5%   | 0.5%         |
| Olivia Submarket              | 98.1%         | 98.4%         | 0.6%                            | 0.4%        | 0.3%  | 0.5%        | 0.0%   | 0.0%        | 0.2%        | 0.2%        | 0.1%            | 0.0%        | 0.8%                    | 0.5%        | 6.0%  | 8.5%         |
| Buffalo Lake/Hector Submarket | 98.5%         | 97.5%         | 0.1%                            | 0.5%        | 0.2%  | 0.9%        | 0.0%   | 0.0%        | 0.4%        | 0.1%        | 0.0%            | 0.0%        | 0.8%                    | 1.0%        | 5.7%  | 6.3%         |
| South Submarket               | 95.4%         | 89.8%         | 0.1%                            | 0.9%        | 1.6%  | 4.4%        | 0.0%   | 0.0%        | 0.8%        | 0.9%        | 0.1%            | 0.9%        | 1.9%                    | 3.1%        | 6.5%  | 7.1%         |

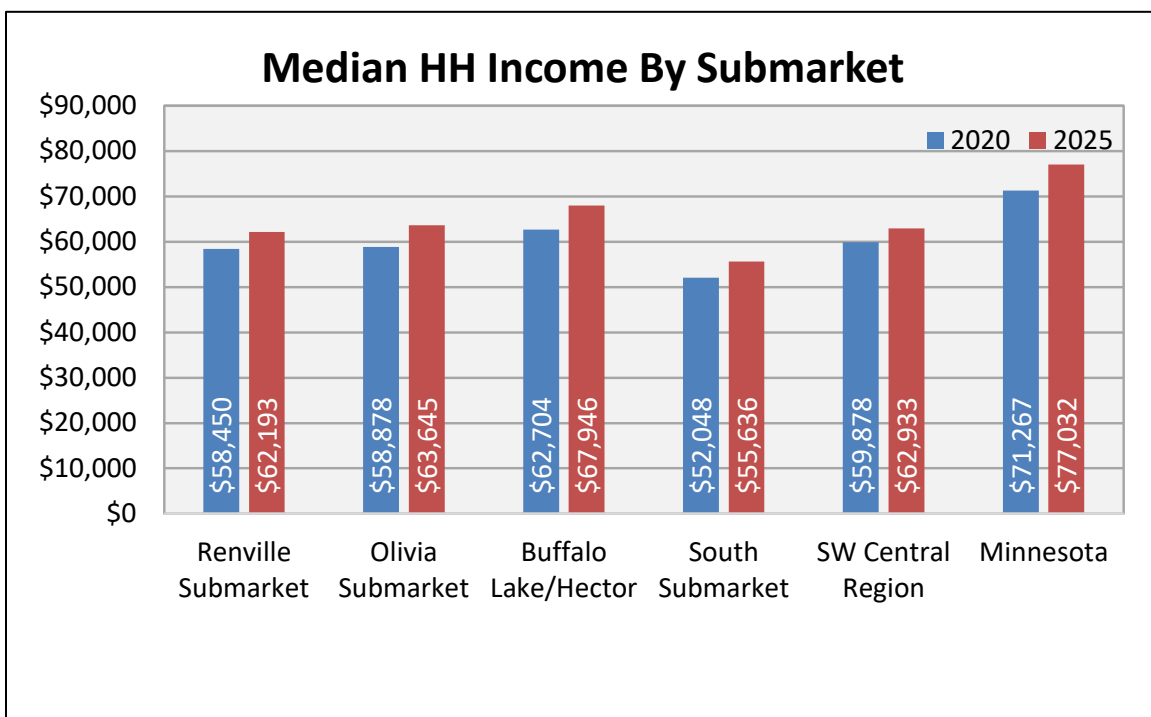
Sources: U.S. Census Bureau; Maxfield Research and Consulting, LLC

### Household Income by Age of Householder

The estimated distribution of household incomes in Renville County 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.



## DEMOGRAPHIC ANALYSIS

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

- In 2020, in the median income in Renville County was \$58,269 across all ages. The median income is forecast to rise by approximately 7% to \$62,566 in 2025.
- The highest median income was recorded among those ages 45 to 54 at \$73,325 in 2020. In 2025, this age cohort is expected to remain the highest earners with a median income of \$79,281, an approximate increase of 8%.

|                         | <b>Age of Householder</b> |                 |                 |                 |                 |                 |                 |                 |
|-------------------------|---------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                         | <b>Total</b>              | <b>&lt;25</b>   | <b>25-34</b>    | <b>35-44</b>    | <b>45-54</b>    | <b>55-64</b>    | <b>65 -74</b>   | <b>75+</b>      |
| <b>2020</b>             |                           |                 |                 |                 |                 |                 |                 |                 |
| Less than \$15,000      | 1,443                     | 76              | 143             | 131             | 179             | 307             | 224             | 383             |
| \$15,000 to \$24,999    | 1,215                     | 48              | 100             | 74              | 83              | 202             | 186             | 522             |
| \$25,000 to \$34,999    | 1,322                     | 52              | 138             | 112             | 117             | 198             | 276             | 429             |
| \$35,000 to \$49,999    | 2,322                     | 112             | 269             | 243             | 305             | 424             | 462             | 507             |
| \$50,000 to \$74,999    | 3,529                     | 71              | 598             | 517             | 650             | 881             | 560             | 252             |
| \$75,000 to \$99,999    | 2,191                     | 50              | 307             | 429             | 469             | 550             | 257             | 129             |
| \$100,000 to \$199,999  | 2,679                     | 48              | 376             | 441             | 557             | 576             | 412             | 269             |
| \$200,000 or more       | 705                       | 5               | 69              | 81              | 205             | 200             | 114             | 31              |
| <b>Total</b>            | <b>15,406</b>             | <b>462</b>      | <b>2,000</b>    | <b>2,027</b>    | <b>2,565</b>    | <b>3,339</b>    | <b>2,491</b>    | <b>2,522</b>    |
| <b>Median Income</b>    | <b>\$58,269</b>           | <b>\$41,425</b> | <b>\$62,252</b> | <b>\$71,632</b> | <b>\$73,325</b> | <b>\$63,974</b> | <b>\$54,014</b> | <b>\$33,514</b> |
| <b>2025</b>             |                           |                 |                 |                 |                 |                 |                 |                 |
| Less than \$15,000      | 1,205                     | 62              | 112             | 109             | 131             | 216             | 207             | 368             |
| \$15,000 to \$24,999    | 1,072                     | 40              | 78              | 67              | 64              | 136             | 181             | 506             |
| \$25,000 to \$34,999    | 1,110                     | 31              | 105             | 95              | 78              | 128             | 257             | 416             |
| \$35,000 to \$49,999    | 2,178                     | 93              | 238             | 223             | 250             | 330             | 483             | 561             |
| \$50,000 to \$74,999    | 3,383                     | 69              | 547             | 497             | 535             | 761             | 678             | 297             |
| \$75,000 to \$99,999    | 2,159                     | 50              | 295             | 435             | 407             | 509             | 316             | 147             |
| \$100,000 to \$199,999  | 3,112                     | 45              | 399             | 506             | 578             | 620             | 573             | 390             |
| \$200,000 or more       | 794                       | 5               | 64              | 83              | 209             | 231             | 159             | 43              |
| <b>Total</b>            | <b>15,013</b>             | <b>395</b>      | <b>1,838</b>    | <b>2,016</b>    | <b>2,251</b>    | <b>2,931</b>    | <b>2,853</b>    | <b>2,729</b>    |
| <b>Median Income</b>    | <b>\$62,566</b>           | <b>\$44,678</b> | <b>\$65,667</b> | <b>\$76,644</b> | <b>\$79,281</b> | <b>\$71,562</b> | <b>\$59,478</b> | <b>\$37,064</b> |
| <b>Change 2020-2025</b> |                           |                 |                 |                 |                 |                 |                 |                 |
| Less than \$15,000      | -238                      | -14             | -31             | -22             | -48             | -91             | -17             | -15             |
| \$15,000 to \$24,999    | -142                      | -7              | -22             | -7              | -19             | -67             | -5              | -15             |
| \$25,000 to \$34,999    | -212                      | -21             | -34             | -17             | -38             | -69             | -20             | -13             |
| \$35,000 to \$49,999    | -144                      | -19             | -31             | -19             | -55             | -93             | 21              | 54              |
| \$50,000 to \$74,999    | -146                      | -3              | -51             | -20             | -115            | -120            | 118             | 45              |
| \$75,000 to \$99,999    | -32                       | -0              | -12             | 6               | -63             | -41             | 59              | 19              |
| \$100,000 to \$199,999  | 433                       | -2              | 23              | 66              | 20              | 44              | 161             | 121             |
| \$200,000 or more       | 89                        | -0              | -5              | 2               | 4               | 31              | 45              | 12              |
| <b>Total</b>            | <b>-393</b>               | <b>-67</b>      | <b>-163</b>     | <b>-11</b>      | <b>-314</b>     | <b>-408</b>     | <b>362</b>      | <b>207</b>      |
| <b>Median Income</b>    | <b>\$4,297</b>            | <b>\$3,253</b>  | <b>\$3,415</b>  | <b>\$5,012</b>  | <b>\$5,956</b>  | <b>\$7,588</b>  | <b>\$5,464</b>  | <b>\$3,550</b>  |

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



## DEMOGRAPHIC ANALYSIS

Table D-7 displays the median income among age cohorts for the Renville Submarket.

- The 2020 median income for the Renville Submarket was \$58,450 for all age cohorts. The median income is expected to rise to \$62,193 in 2025, an 6.4% increase in median income.
- As reflected in the County, the highest income earners were those age 45 to 54 in 2020 (\$72,168) and 2025 (\$77,709).

|                         | Total           | Age of Householder |                 |                 |                 |                 |                 | 75+             |
|-------------------------|-----------------|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                         |                 | <25                | 25-34           | 35-44           | 45-54           | 55-64           | 65-74           |                 |
| <b>2020</b>             |                 |                    |                 |                 |                 |                 |                 |                 |
| Less than \$15,000      | 345             | 10                 | 29              | 32              | 58              | 73              | 53              | 90              |
| \$15,000 to \$24,999    | 274             | 10                 | 24              | 12              | 10              | 44              | 41              | 134             |
| \$25,000 to \$34,999    | 291             | 7                  | 36              | 34              | 24              | 49              | 46              | 95              |
| \$35,000 to \$49,999    | 602             | 22                 | 58              | 70              | 73              | 102             | 129             | 148             |
| \$50,000 to \$74,999    | 976             | 17                 | 170             | 155             | 168             | 223             | 170             | 73              |
| \$75,000 to \$99,999    | 534             | 7                  | 66              | 114             | 117             | 131             | 66              | 34              |
| \$100,000 to \$199,999  | 661             | 12                 | 102             | 134             | 141             | 126             | 97              | 49              |
| \$200,000 or more       | 148             | 0                  | 24              | 27              | 39              | 29              | 15              | 15              |
| <b>Total</b>            | <b>3,833</b>    | <b>85</b>          | <b>510</b>      | <b>578</b>      | <b>629</b>      | <b>777</b>      | <b>617</b>      | <b>636</b>      |
| <b>Median Income</b>    | <b>\$58,450</b> | <b>\$44,797</b>    | <b>\$63,145</b> | <b>\$72,703</b> | <b>\$72,168</b> | <b>\$61,863</b> | <b>\$54,690</b> | <b>\$35,500</b> |
| <b>2025</b>             |                 |                    |                 |                 |                 |                 |                 |                 |
| Less than \$15,000      | 288             | 10                 | 27              | 24              | 46              | 46              | 48              | 87              |
| \$15,000 to \$24,999    | 237             | 7                  | 17              | 10              | 10              | 24              | 36              | 133             |
| \$25,000 to \$34,999    | 237             | 5                  | 19              | 24              | 19              | 31              | 46              | 92              |
| \$35,000 to \$49,999    | 561             | 12                 | 48              | 60              | 63              | 80              | 131             | 167             |
| \$50,000 to \$74,999    | 953             | 15                 | 155             | 150             | 155             | 189             | 198             | 92              |
| \$75,000 to \$99,999    | 530             | 7                  | 60              | 116             | 109             | 118             | 85              | 34              |
| \$100,000 to \$199,999  | 779             | 7                  | 104             | 152             | 160             | 135             | 140             | 80              |
| \$200,000 or more       | 164             | 0                  | 19              | 29              | 44              | 31              | 22              | 19              |
| <b>Total</b>            | <b>3,748</b>    | <b>63</b>          | <b>450</b>      | <b>566</b>      | <b>605</b>      | <b>655</b>      | <b>706</b>      | <b>704</b>      |
| <b>Median Income</b>    | <b>\$62,193</b> | <b>\$46,382</b>    | <b>\$66,209</b> | <b>\$78,341</b> | <b>\$77,709</b> | <b>\$68,477</b> | <b>\$59,597</b> | <b>\$38,002</b> |
| <b>Change 2020-2025</b> |                 |                    |                 |                 |                 |                 |                 |                 |
| Less than \$15,000      | -57             | -0                 | -3              | -7              | -12             | -27             | -5              | -3              |
| \$15,000 to \$24,999    | -38             | -2                 | -7              | -2              | -0              | -20             | -5              | -1              |
| \$25,000 to \$34,999    | -55             | -2                 | -17             | -10             | -5              | -17             | -0              | -3              |
| \$35,000 to \$49,999    | -41             | -10                | -10             | -10             | -10             | -22             | 2               | 19              |
| \$50,000 to \$74,999    | -24             | -2                 | -15             | -6              | -13             | -35             | 28              | 19              |
| \$75,000 to \$99,999    | -5              | -0                 | -5              | 2               | -8              | -13             | 19              | -0              |
| \$100,000 to \$199,999  | 118             | -5                 | 2               | 19              | 19              | 9               | 43              | 31              |
| \$200,000 or more       | 16              | 0                  | -5              | 2               | 5               | 2               | 7               | 5               |
| <b>Total</b>            | <b>-85</b>      | <b>-22</b>         | <b>-60</b>      | <b>-12</b>      | <b>-25</b>      | <b>-122</b>     | <b>89</b>       | <b>67</b>       |
| <b>Median Income</b>    | <b>\$3,743</b>  | <b>\$1,585</b>     | <b>\$3,064</b>  | <b>\$5,638</b>  | <b>\$5,541</b>  | <b>\$6,614</b>  | <b>\$4,907</b>  | <b>\$2,502</b>  |

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

## DEMOGRAPHIC ANALYSIS

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

- Incomes in the Olivia Submarket are expected to rise 8.1% from \$58,878 in 2020, to \$63,645 in 2025.
- The highest earners in the Olivia Submarket were those age 45 to 54 in 2020 (\$73,929) and in 2025 this age cohort will earn (\$80,844).
- Between 2020 and 2025 the median income of householders age 55 to 64 is forecast to experience the greatest growth, increasing 13% from \$63,853 in 2020 to \$72,165 in 2025.

|                         | Total           | Age of Householder |                 |                 |                 |                 |                 | 75+             |
|-------------------------|-----------------|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                         |                 | <25                | 25-34           | 35-44           | 45-54           | 55-64           | 65 -74          |                 |
| <b>2020</b>             |                 |                    |                 |                 |                 |                 |                 |                 |
| Less than \$15,000      | 507             | 42                 | 59              | 52              | 52              | 108             | 75              | 118             |
| \$15,000 to \$24,999    | 408             | 19                 | 40              | 28              | 35              | 78              | 66              | 141             |
| \$25,000 to \$34,999    | 412             | 31                 | 49              | 31              | 33              | 54              | 90              | 125             |
| \$35,000 to \$49,999    | 622             | 40                 | 80              | 66              | 75              | 118             | 118             | 125             |
| \$50,000 to \$74,999    | 1,056           | 26                 | 191             | 151             | 174             | 288             | 158             | 68              |
| \$75,000 to \$99,999    | 658             | 21                 | 94              | 132             | 130             | 170             | 78              | 33              |
| \$100,000 to \$199,999  | 898             | 26                 | 130             | 151             | 167             | 167             | 141             | 115             |
| \$200,000 or more       | 222             | 2                  | 19              | 21              | 49              | 80              | 45              | 5               |
| <b>Total</b>            | <b>4,782</b>    | <b>207</b>         | <b>662</b>      | <b>632</b>      | <b>716</b>      | <b>1,063</b>    | <b>771</b>      | <b>731</b>      |
| <b>Median Income</b>    | <b>\$58,878</b> | <b>\$38,975</b>    | <b>\$61,250</b> | <b>\$73,232</b> | <b>\$73,929</b> | <b>\$63,853</b> | <b>\$55,304</b> | <b>\$33,864</b> |
| <b>2025</b>             |                 |                    |                 |                 |                 |                 |                 |                 |
| Less than \$15,000      | 425             | 33                 | 49              | 45              | 35              | 75              | 75              | 113             |
| \$15,000 to \$24,999    | 355             | 16                 | 28              | 21              | 23              | 54              | 68              | 143             |
| \$25,000 to \$34,999    | 338             | 21                 | 35              | 23              | 19              | 31              | 85              | 125             |
| \$35,000 to \$49,999    | 580             | 33                 | 73              | 61              | 63              | 87              | 127             | 136             |
| \$50,000 to \$74,999    | 1,015           | 26                 | 179             | 148             | 143             | 244             | 193             | 82              |
| \$75,000 to \$99,999    | 655             | 21                 | 94              | 136             | 110             | 155             | 101             | 38              |
| \$100,000 to \$199,999  | 1,057           | 23                 | 146             | 179             | 174             | 179             | 193             | 164             |
| \$200,000 or more       | 268             | 2                  | 16              | 21              | 52              | 96              | 66              | 14              |
| <b>Total</b>            | <b>4,694</b>    | <b>176</b>         | <b>620</b>      | <b>634</b>      | <b>620</b>      | <b>921</b>      | <b>907</b>      | <b>815</b>      |
| <b>Median Income</b>    | <b>\$63,645</b> | <b>\$42,348</b>    | <b>\$65,643</b> | <b>\$78,474</b> | <b>\$80,844</b> | <b>\$72,165</b> | <b>\$61,453</b> | <b>\$38,029</b> |
| <b>Change 2020-2025</b> |                 |                    |                 |                 |                 |                 |                 |                 |
| Less than \$15,000      | -81             | -10                | -10             | -7              | -17             | -33             | -0              | -5              |
| \$15,000 to \$24,999    | -53             | -2                 | -12             | -7              | -12             | -24             | 2               | 2               |
| \$25,000 to \$34,999    | -74             | -9                 | -14             | -7              | -14             | -24             | -5              | -0              |
| \$35,000 to \$49,999    | -42             | -7                 | -7              | -5              | -12             | -31             | 9               | 11              |
| \$50,000 to \$74,999    | -41             | -0                 | -12             | -3              | -31             | -43             | 35              | 14              |
| \$75,000 to \$99,999    | -2              | -0                 | -0              | 4               | -19             | -15             | 23              | 5               |
| \$100,000 to \$199,999  | 159             | -2                 | 16              | 28              | 7               | 11              | 51              | 49              |
| \$200,000 or more       | 46              | -0                 | -2              | -0              | 2               | 16              | 21              | 9               |
| <b>Total</b>            | <b>-88</b>      | <b>-31</b>         | <b>-42</b>      | <b>3</b>        | <b>-96</b>      | <b>-142</b>     | <b>136</b>      | <b>85</b>       |
| <b>Median Income</b>    | <b>\$4,767</b>  | <b>\$3,373</b>     | <b>\$4,393</b>  | <b>\$5,242</b>  | <b>\$6,915</b>  | <b>\$8,312</b>  | <b>\$6,149</b>  | <b>\$4,165</b>  |

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

## DEMOGRAPHIC ANALYSIS

Table D-9 shows the median incomes for the Buffalo Lake/Hector Submarket for 2020 and 2025.

- The median income in the Buffalo Lake/Hector Submarket was \$62,704 in 2020, increasing to \$67,946 in 2025.
- The highest earners in the Buffalo Lake/Hector Submarket (those ages 45 to 54) have a median income of \$78,915 in 2020 and \$84,237 in 2025.
- Between 2020 and 2025 the median income of householders age 55 to 64 is forecast to experience the greatest growth, increasing 13.4% from \$71,386 in 2020 to \$80,936 in 2025.

|                         | Total           | Age of Householder |                 |                 |                 |                 |                 |                 |
|-------------------------|-----------------|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                         |                 | <25                | 25-34           | 35-44           | 45-54           | 55-64           | 65 -74          |                 |
| <b>2020</b>             |                 |                    |                 |                 |                 |                 |                 |                 |
| Less than \$15,000      | 247             | 7                  | 29              | 15              | 27              | 53              | 39              | 78              |
| \$15,000 to \$24,999    | 199             | 5                  | 10              | 7               | 7               | 39              | 34              | 97              |
| \$25,000 to \$34,999    | 322             | 5                  | 29              | 17              | 27              | 53              | 70              | 121             |
| \$35,000 to \$49,999    | 504             | 22                 | 63              | 58              | 68              | 82              | 75              | 136             |
| \$50,000 to \$74,999    | 870             | 10                 | 145             | 116             | 170             | 218             | 141             | 70              |
| \$75,000 to \$99,999    | 504             | 5                  | 73              | 82              | 124             | 124             | 61              | 36              |
| \$100,000 to \$199,999  | 730             | 5                  | 85              | 107             | 148             | 204             | 112             | 70              |
| \$200,000 or more       | 184             | 2                  | 12              | 22              | 65              | 51              | 27              | 5               |
| <b>Total</b>            | <b>3,562</b>    | <b>61</b>          | <b>446</b>      | <b>424</b>      | <b>635</b>      | <b>824</b>      | <b>558</b>      | <b>613</b>      |
| <b>Median Income</b>    | <b>\$62,704</b> | <b>\$42,868</b>    | <b>\$63,372</b> | <b>\$75,362</b> | <b>\$78,915</b> | <b>\$71,386</b> | <b>\$59,439</b> | <b>\$36,430</b> |
| <b>2025</b>             |                 |                    |                 |                 |                 |                 |                 |                 |
| Less than \$15,000      | 192             | 5                  | 19              | 12              | 15              | 34              | 36              | 70              |
| \$15,000 to \$24,999    | 162             | 5                  | 7               | 7               | 5               | 22              | 34              | 82              |
| \$25,000 to \$34,999    | 269             | 2                  | 22              | 15              | 19              | 32              | 68              | 112             |
| \$35,000 to \$49,999    | 468             | 17                 | 53              | 53              | 56              | 65              | 80              | 143             |
| \$50,000 to \$74,999    | 817             | 10                 | 129             | 109             | 133             | 192             | 170             | 75              |
| \$75,000 to \$99,999    | 497             | 5                  | 61              | 85              | 104             | 121             | 82              | 39              |
| \$100,000 to \$199,999  | 834             | 5                  | 92              | 116             | 148             | 213             | 162             | 97              |
| \$200,000 or more       | 216             | 2                  | 12              | 27              | 61              | 61              | 41              | 12              |
| <b>Total</b>            | <b>3,456</b>    | <b>51</b>          | <b>395</b>      | <b>424</b>      | <b>541</b>      | <b>740</b>      | <b>674</b>      | <b>631</b>      |
| <b>Median Income</b>    | <b>\$67,946</b> | <b>\$46,087</b>    | <b>\$66,692</b> | <b>\$79,152</b> | <b>\$84,237</b> | <b>\$80,936</b> | <b>\$66,432</b> | <b>\$39,623</b> |
| <b>Change 2020-2025</b> |                 |                    |                 |                 |                 |                 |                 |                 |
| Less than \$15,000      | -56             | -2                 | -10             | -2              | -12             | -19             | -2              | -7              |
| \$15,000 to \$24,999    | -36             | 0                  | -2              | 0               | -2              | -17             | 0               | -15             |
| \$25,000 to \$34,999    | -53             | -2                 | -7              | -2              | -7              | -22             | -2              | -10             |
| \$35,000 to \$49,999    | -36             | -5                 | -10             | -5              | -12             | -17             | 5               | 7               |
| \$50,000 to \$74,999    | -53             | 0                  | -17             | -7              | -36             | -27             | 29              | 5               |
| \$75,000 to \$99,999    | -7              | 0                  | -12             | 2               | -19             | -2              | 22              | 2               |
| \$100,000 to \$199,999  | 104             | 0                  | 7               | 10              | 0               | 10              | 51              | 27              |
| \$200,000 or more       | 32              | 0                  | 0               | 5               | -5              | 10              | 15              | 7               |
| <b>Total</b>            | <b>-106</b>     | <b>-10</b>         | <b>-51</b>      | <b>0</b>        | <b>-94</b>      | <b>-85</b>      | <b>117</b>      | <b>17</b>       |
| <b>Median Income</b>    | <b>\$5,242</b>  | <b>\$3,219</b>     | <b>\$3,320</b>  | <b>\$3,790</b>  | <b>\$5,322</b>  | <b>\$9,550</b>  | <b>\$6,993</b>  | <b>\$3,193</b>  |

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

## DEMOGRAPHIC ANALYSIS

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

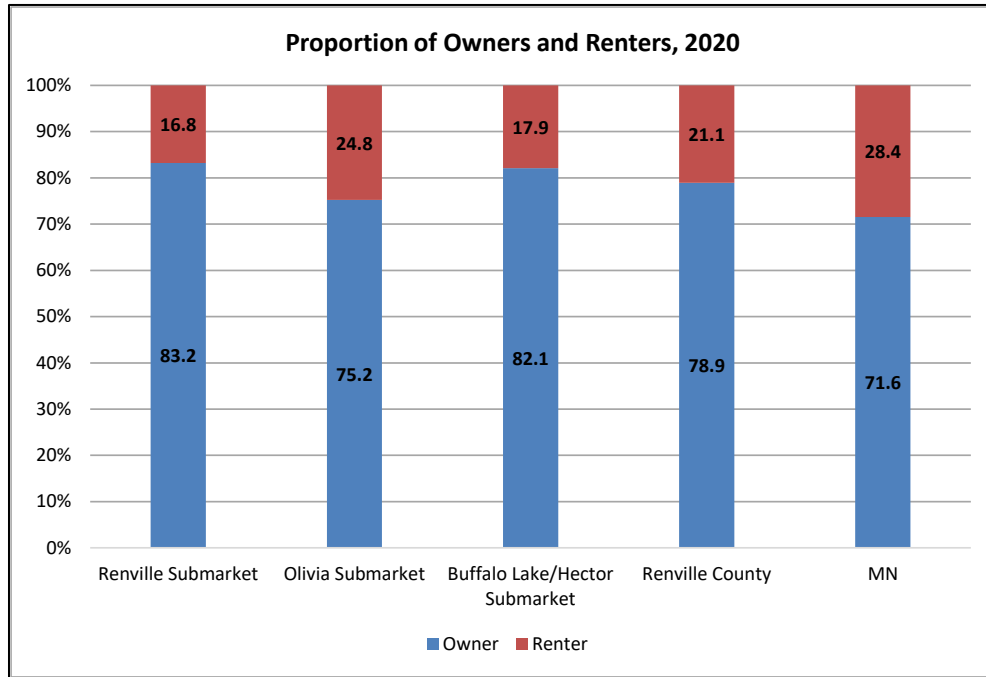
- Incomes in the South Submarket are expected to rise 6.9% from \$52,048 in 2020, to \$55,636 in 2025. The median income in the South submarket was the lowest reported among the Renville County submarkets in 2020 and 2025.
- The highest earners in the South Submarket were those age 45 to 54 in 2020 (\$68,698) and in 2025 this age cohort is expected to earn (\$76,946).
- Between 2020 and 2025 the median income of householders age 55 to 64 is forecast to experience the greatest growth, increasing 15.8% from \$58,407 in 2020 to \$67,635 in 2025.

|                         | Total           | Age of Householder |                 |                 |                 |                 |                 |                 |
|-------------------------|-----------------|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                         |                 | <25                | 25-34           | 35-44           | 45-54           | 55-64           | 65-74           | 75+             |
| <b>2020</b>             |                 |                    |                 |                 |                 |                 |                 |                 |
| Less than \$15,000      | 386             | 17                 | 26              | 29              | 43              | 87              | 66              | 118             |
| \$15,000 to \$24,999    | 355             | 9                  | 20              | 14              | 29              | 55              | 49              | 179             |
| \$25,000 to \$34,999    | 271             | 0                  | 23              | 26              | 32              | 43              | 58              | 89              |
| \$35,000 to \$49,999    | 634             | 26                 | 66              | 61              | 95              | 130             | 144             | 112             |
| \$50,000 to \$74,999    | 672             | 9                  | 101             | 104             | 147             | 159             | 104             | 49              |
| \$75,000 to \$99,999    | 525             | 17                 | 81              | 101             | 107             | 136             | 52              | 32              |
| \$100,000 to \$199,999  | 401             | 3                  | 49              | 52              | 110             | 92              | 58              | 37              |
| \$200,000 or more       | 156             | 0                  | 12              | 12              | 61              | 40              | 29              | 3               |
| <b>Total</b>            | <b>3,400</b>    | <b>81</b>          | <b>378</b>      | <b>398</b>      | <b>623</b>      | <b>741</b>      | <b>559</b>      | <b>620</b>      |
| <b>Median Income</b>    | <b>\$52,048</b> | <b>\$42,131</b>    | <b>\$61,293</b> | <b>\$64,647</b> | <b>\$68,698</b> | <b>\$58,407</b> | <b>\$46,099</b> | <b>\$26,597</b> |
| <b>2025</b>             |                 |                    |                 |                 |                 |                 |                 |                 |
| Less than \$15,000      | 358             | 13                 | 19              | 26              | 35              | 67              | 67              | 131             |
| \$15,000 to \$24,999    | 345             | 6                  | 16              | 16              | 22              | 38              | 48              | 198             |
| \$25,000 to \$34,999    | 256             | 0                  | 19              | 26              | 19              | 29              | 61              | 102             |
| \$35,000 to \$49,999    | 653             | 26                 | 67              | 61              | 77              | 115             | 166             | 141             |
| \$50,000 to \$74,999    | 717             | 10                 | 106             | 112             | 128             | 160             | 141             | 61              |
| \$75,000 to \$99,999    | 579             | 19                 | 90              | 115             | 96              | 144             | 70              | 45              |
| \$100,000 to \$199,999  | 547             | 3                  | 64              | 61              | 125             | 122             | 106             | 67              |
| \$200,000 or more       | 195             | 0                  | 13              | 13              | 64              | 54              | 48              | 3               |
| <b>Total</b>            | <b>3,650</b>    | <b>77</b>          | <b>393</b>      | <b>429</b>      | <b>566</b>      | <b>729</b>      | <b>707</b>      | <b>749</b>      |
| <b>Median Income</b>    | <b>\$55,636</b> | <b>\$45,421</b>    | <b>\$66,306</b> | <b>\$67,765</b> | <b>\$76,946</b> | <b>\$67,635</b> | <b>\$52,616</b> | <b>\$29,146</b> |
| <b>Change 2020-2025</b> |                 |                    |                 |                 |                 |                 |                 |                 |
| Less than \$15,000      | -28             | -5                 | -7              | -3              | -8              | -19             | 1               | 13              |
| \$15,000 to \$24,999    | -9              | -2                 | -4              | 2               | -6              | -16             | -1              | 20              |
| \$25,000 to \$34,999    | -15             | 0                  | -4              | -0              | -13             | -14             | 3               | 13              |
| \$35,000 to \$49,999    | 18              | -0                 | 1               | 0               | -18             | -15             | 22              | 28              |
| \$50,000 to \$74,999    | 45              | 1                  | 5               | 8               | -19             | 1               | 37              | 12              |
| \$75,000 to \$99,999    | 54              | 2                  | 9               | 14              | -11             | 8               | 18              | 13              |
| \$100,000 to \$199,999  | 146             | 0                  | 15              | 9               | 15              | 29              | 48              | 30              |
| \$200,000 or more       | 39              | 0                  | 1               | 1               | 3               | 14              | 19              | 0               |
| <b>Total</b>            | <b>250</b>      | <b>-4</b>          | <b>16</b>       | <b>31</b>       | <b>-57</b>      | <b>-12</b>      | <b>148</b>      | <b>129</b>      |
| <b>Median Income</b>    | <b>\$3,588</b>  | <b>\$3,290</b>     | <b>\$5,013</b>  | <b>\$3,118</b>  | <b>\$8,248</b>  | <b>\$9,228</b>  | <b>\$6,517</b>  | <b>\$2,549</b>  |

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

### Tenure by Age of Householder

Table D-11 shows 2010 and 2020 tenure data for each of the submarkets in Renville County 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, 79.1% of Renville County households were owner households. This number decreased slightly in 2020 to 78.9%. The proportion of owner households in Renville County exceed the estimated state proportion of owner households (71.6%) in 2020.
- The Renville, Olivia, Buffalo Lake/Hector, and South Submarkets are estimated to have over 75% of households as owner occupied in 2020. The Oliva Submarket is estimated to have the lowest proportion of owner-occupied households in Renville County of 75.2%.
- Owner households rose the greatest for the age cohorts 65 to 74, 75 to 84 and over age 85 in Renville County between 2010 to 2020. This indicates that older households are preferring to remain in their current homes longer than they were in 2010.
- In 2020, owner households in Renville County, reached a peak of 91.6% in the 65 to 74 age cohort, 88.7% in the 75 to 84% cohort and 88.5% 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.

DEMOGRAPHIC ANALYSIS

TABLE D-11  
TENURE BY AGE OF HOUSEHOLDER  
RENVILLE COUNTY MARKET AREA  
2010 & 2020

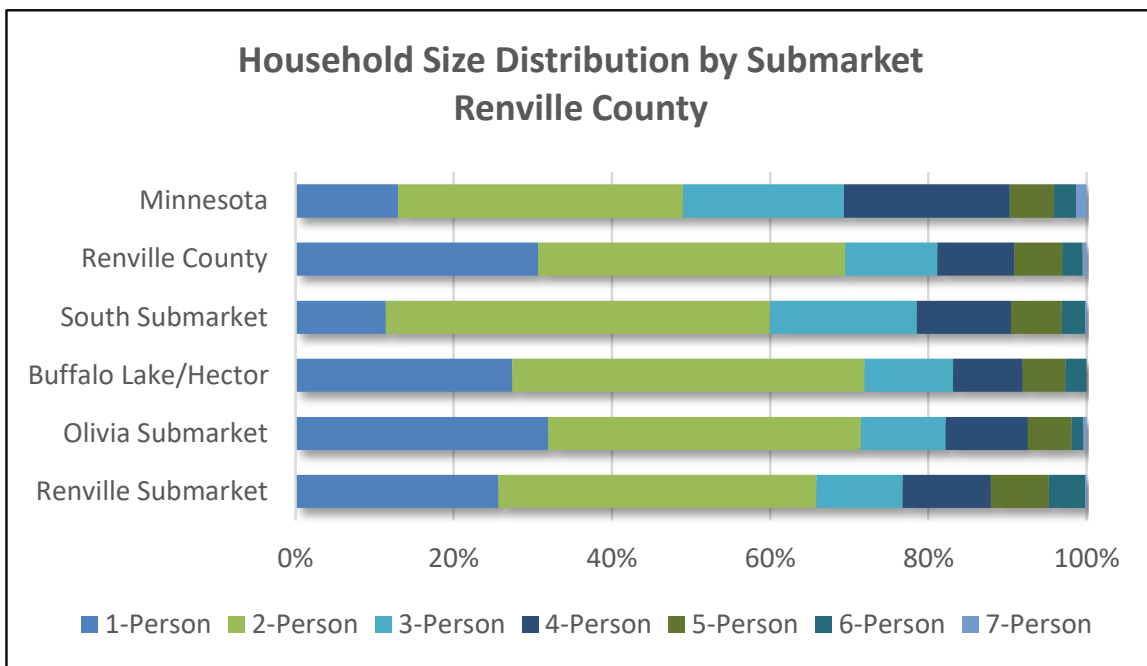
|              |              | ----- Renville County Submarkets ----- |              |              |              |                    |              |              |              |                  |              |              |              |                               |              |              |              |                 |              |              |              |              |              |
|--------------|--------------|--|--------------|--------------|--------------|--------------------|--------------|--------------|--------------|------------------|--------------|--------------|--------------|-------------------------------|--------------|--------------|--------------|-----------------|--------------|--------------|--------------|--------------|--------------|
|              |              | Renville County                        |              |              |              | Renville Submarket |              |              |              | Olivia Submarket |              |              |              | Buffalo Lake/Hector Submarket |              |              |              | South Submarket |              |              |              | MN           |              |
| Age          |              | 2010                                   |              | 2020         |              | 2010               |              | 2020         |              | 2010             |              | 2020         |              | 2010                          |              | 2020         |              | 2010            |              | 2020         |              | 2010         | 2020         |
|              |              | No.                                    | Pct.         | No.          | Pct.         | No.                | Pct.         | No.          | Pct.         | No.              | Pct.         | No.          | Pct.         | No.                           | Pct.         | No.          | Pct.         | No.             | Pct.         | No.          | Pct.         | Pct.         | Pct.         |
| 15-24        | Own          | 78                                     | 36.6         | 109          | 38.1         | 22                 | 48.9         | 5            | 10.9         | 21               | 23.3         | 43           | 39.0         | 19                            | 51.4         | 26           | 57.1         | 16              | 39.0         | 35           | 42.5         | 19.8         | 17.6         |
|              | Rent         | 135                                    | 63.4         | 177          | 61.9         | 23                 | 51.1         | 42           | 89.1         | 69               | 76.7         | 67           | 61.0         | 18                            | 48.6         | 19           | 42.9         | 25              | 61.0         | 47           | 57.5         | 80.2         | 82.4         |
|              | <b>Total</b> | <b>213</b>                             | <b>100.0</b> | <b>286</b>   | <b>100.0</b> | <b>45</b>          | <b>100.0</b> | <b>48</b>    | <b>100.0</b> | <b>90</b>        | <b>100.0</b> | <b>111</b>   | <b>100.0</b> | <b>37</b>                     | <b>100.0</b> | <b>45</b>    | <b>100.0</b> | <b>41</b>       | <b>100.0</b> | <b>82</b>    | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| 25-34        | Own          | 531                                    | 65.6         | 511          | 61.7         | 145                | 69.7         | 162          | 84.3         | 157              | 57.7         | 151          | 49.0         | 124                           | 71.7         | 93           | 66.9         | 105             | 66.9         | 105          | 55.4         | 56.1         | 52.0         |
|              | Rent         | 279                                    | 34.4         | 317          | 38.3         | 63                 | 30.3         | 30           | 15.7         | 115              | 42.3         | 157          | 51.0         | 49                            | 28.3         | 46           | 33.1         | 52              | 33.1         | 84           | 44.6         | 43.9         | 48.0         |
|              | <b>Total</b> | <b>810</b>                             | <b>100.0</b> | <b>828</b>   | <b>100.0</b> | <b>208</b>         | <b>100.0</b> | <b>192</b>   | <b>100.0</b> | <b>272</b>       | <b>100.0</b> | <b>308</b>   | <b>100.0</b> | <b>173</b>                    | <b>100.0</b> | <b>139</b>   | <b>100.0</b> | <b>157</b>      | <b>100.0</b> | <b>189</b>   | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| 35-44        | Own          | 712                                    | 78.7         | 651          | 74.0         | 166                | 77.2         | 221          | 74.2         | 212              | 77.9         | 205          | 78.5         | 192                           | 85.0         | 135          | 72.8         | 142             | 74.0         | 91           | 66.9         | 75.0         | 72.0         |
|              | Rent         | 193                                    | 21.3         | 228          | 26.0         | 49                 | 22.8         | 77           | 25.8         | 60               | 22.1         | 56           | 21.5         | 34                            | 15.0         | 50           | 27.2         | 50              | 26.0         | 45           | 33.1         | 25.0         | 28.0         |
|              | <b>Total</b> | <b>905</b>                             | <b>100.0</b> | <b>879</b>   | <b>100.0</b> | <b>215</b>         | <b>100.0</b> | <b>297</b>   | <b>100.0</b> | <b>272</b>       | <b>100.0</b> | <b>260</b>   | <b>100.0</b> | <b>226</b>                    | <b>100.0</b> | <b>185</b>   | <b>100.0</b> | <b>192</b>      | <b>100.0</b> | <b>136</b>   | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| 45-54        | Own          | 1,246                                  | 86.4         | 970          | 86.6         | 300                | 90.1         | 237          | 95.0         | 362              | 81.0         | 275          | 91.6         | 304                           | 89.7         | 270          | 86.1         | 280             | 86.7         | 189          | 73.3         | 81.7         | 80.0         |
|              | Rent         | 196                                    | 13.6         | 151          | 13.4         | 33                 | 9.9          | 12           | 5.0          | 85               | 19.0         | 25           | 8.4          | 35                            | 10.3         | 44           | 13.9         | 43              | 13.3         | 69           | 26.7         | 18.3         | 20.0         |
|              | <b>Total</b> | <b>1,442</b>                           | <b>100.0</b> | <b>1,121</b> | <b>100.0</b> | <b>333</b>         | <b>100.0</b> | <b>250</b>   | <b>100.0</b> | <b>447</b>       | <b>100.0</b> | <b>300</b>   | <b>100.0</b> | <b>339</b>                    | <b>100.0</b> | <b>314</b>   | <b>100.0</b> | <b>323</b>      | <b>100.0</b> | <b>257</b>   | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| 55-64        | Own          | 1,080                                  | 87.7         | 1,269        | 88.5         | 269                | 88.2         | 267          | 90.8         | 321              | 84.5         | 377          | 81.9         | 262                           | 92.6         | 316          | 90.5         | 228             | 86.4         | 308          | 93.2         | 84.7         | 82.6         |
|              | Rent         | 152                                    | 12.3         | 165          | 11.5         | 36                 | 11.8         | 27           | 9.2          | 59               | 15.5         | 83           | 18.1         | 21                            | 7.4          | 33           | 9.5          | 36              | 13.6         | 23           | 6.8          | 15.3         | 17.4         |
|              | <b>Total</b> | <b>1,232</b>                           | <b>100.0</b> | <b>1,434</b> | <b>100.0</b> | <b>305</b>         | <b>100.0</b> | <b>294</b>   | <b>100.0</b> | <b>380</b>       | <b>100.0</b> | <b>461</b>   | <b>100.0</b> | <b>283</b>                    | <b>100.0</b> | <b>350</b>   | <b>100.0</b> | <b>264</b>      | <b>100.0</b> | <b>330</b>   | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| 65-74        | Own          | 735                                    | 88.7         | 869          | 91.6         | 173                | 85.2         | 271          | 95.3         | 217              | 90.8         | 234          | 88.1         | 184                           | 90.2         | 198          | 93.0         | 161             | 88.0         | 165          | 89.4         | 84.9         | 84.4         |
|              | Rent         | 94                                     | 11.3         | 80           | 8.4          | 30                 | 14.8         | 13           | 4.7          | 22               | 9.2          | 32           | 11.9         | 20                            | 9.8          | 15           | 7.0          | 22              | 12.0         | 19           | 10.6         | 15.1         | 15.6         |
|              | <b>Total</b> | <b>829</b>                             | <b>100.0</b> | <b>948</b>   | <b>100.0</b> | <b>203</b>         | <b>100.0</b> | <b>285</b>   | <b>100.0</b> | <b>239</b>       | <b>100.0</b> | <b>266</b>   | <b>100.0</b> | <b>204</b>                    | <b>100.0</b> | <b>213</b>   | <b>100.0</b> | <b>183</b>      | <b>100.0</b> | <b>185</b>   | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| 75-84        | Own          | 596                                    | 80.2         | 503          | 88.7         | 140                | 78.7         | 111          | 87.0         | 183              | 81.7         | 162          | 88.0         | 133                           | 79.6         | 131          | 95.3         | 140             | 80.5         | 99           | 84.3         | 77.0         | 78.4         |
|              | Rent         | 147                                    | 19.8         | 64           | 11.3         | 38                 | 21.3         | 17           | 13.0         | 41               | 18.3         | 22           | 12.0         | 34                            | 20.4         | 6            | 4.7          | 34              | 19.5         | 18           | 15.7         | 23.0         | 21.6         |
|              | <b>Total</b> | <b>743</b>                             | <b>100.0</b> | <b>567</b>   | <b>100.0</b> | <b>178</b>         | <b>100.0</b> | <b>127</b>   | <b>100.0</b> | <b>224</b>       | <b>100.0</b> | <b>185</b>   | <b>100.0</b> | <b>167</b>                    | <b>100.0</b> | <b>138</b>   | <b>100.0</b> | <b>174</b>      | <b>100.0</b> | <b>118</b>   | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| 85+          | Own          | 212                                    | 54.4         | 225          | 55.6         | 40                 | 40.4         | 43           | 48.3         | 67               | 60.4         | 85           | 57.9         | 56                            | 56.6         | 52           | 50.0         | 49              | 60.5         | 44           | 69.4         | 55.3         | 56.3         |
|              | Rent         | 178                                    | 45.6         | 180          | 44.4         | 59                 | 59.6         | 47           | 51.7         | 44               | 39.6         | 62           | 42.1         | 43                            | 43.4         | 52           | 50.0         | 32              | 39.5         | 19           | 30.6         | 44.7         | 43.7         |
|              | <b>Total</b> | <b>390</b>                             | <b>100.0</b> | <b>405</b>   | <b>100.0</b> | <b>99</b>          | <b>100.0</b> | <b>90</b>    | <b>100.0</b> | <b>111</b>       | <b>100.0</b> | <b>148</b>   | <b>100.0</b> | <b>99</b>                     | <b>100.0</b> | <b>105</b>   | <b>100.0</b> | <b>81</b>       | <b>100.0</b> | <b>64</b>    | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| <b>TOTAL</b> | Own          | 5,190                                  | 79.1         | 5,107        | 78.9         | 1,255              | 79.1         | 1,317        | 83.2         | 1,540            | 75.7         | 1,533        | 75.2         | 1,274                         | 83.4         | 1,222        | 82.1         | 1,121           | 79.2         | 1,036        | 76.1         | 73.0         | 71.6         |
|              | Rent         | 1,374                                  | 20.9         | 1,362        | 21.1         | 331                | 20.9         | 265          | 16.8         | 495              | 24.3         | 505          | 24.8         | 254                           | 16.6         | 266          | 17.9         | 294             | 20.8         | 325          | 23.9         | 27.0         | 28.4         |
|              | <b>Total</b> | <b>6,564</b>                           | <b>100.0</b> | <b>6,469</b> | <b>100.0</b> | <b>1,586</b>       | <b>100.0</b> | <b>1,582</b> | <b>100.0</b> | <b>2,035</b>     | <b>100.0</b> | <b>2,038</b> | <b>100.0</b> | <b>1,528</b>                  | <b>100.0</b> | <b>1,488</b> | <b>100.0</b> | <b>1,415</b>    | <b>100.0</b> | <b>1,361</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |

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

### Tenure by Household Size

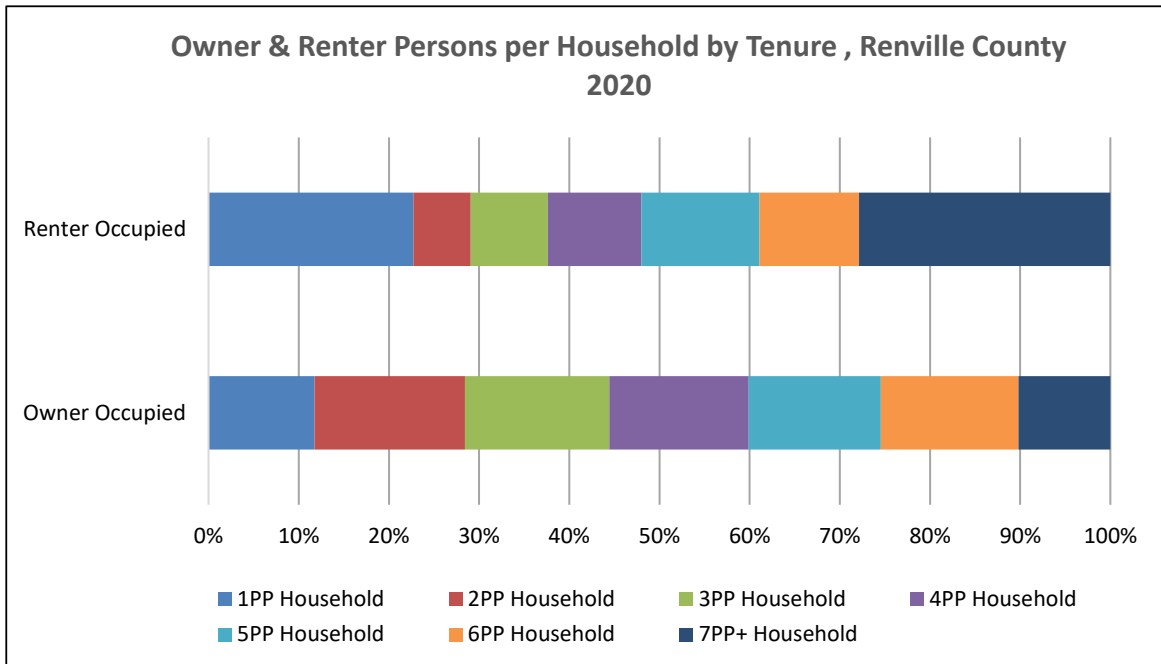
Table D-12 shows the distribution of households by size and tenure in Renville County in 2010 and 2020 estimates by Maxfield Research and Consulting, LLC. This data is useful in that it sheds insight into unit type that may be most needed in Renville County.

- 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 36.8% of renter households in Renville County were one-person households.
- The Olivia Submarket has higher proportion of one person households than other Renville County submarkets indicating a higher preference for renting or buying multifamily type homes.
- Owner households were most likely to contain two people in the Renville County, representing 42.4% of owner households.



## DEMOGRAPHIC ANALYSIS

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**DEMOGRAPHIC ANALYSIS**

**TABLE D-12  
TENURE BY HOUSEHOLD SIZE  
RENNVILLE COUNTY  
2010 & 2020**

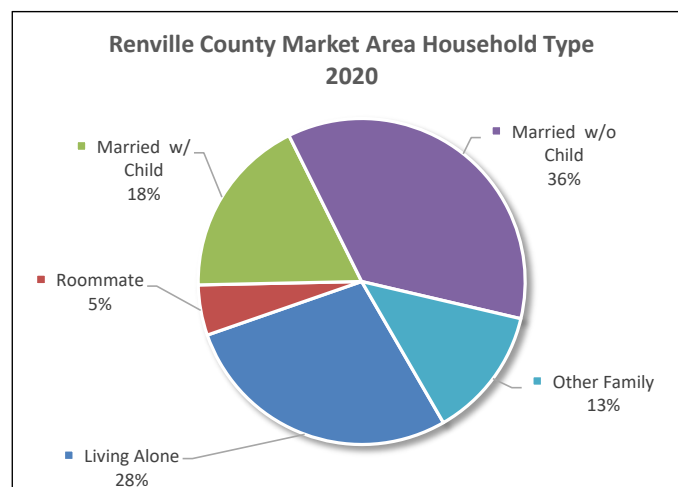
| Age          |              | ----- Renville County Submarkets ----- |              |              |              |                    |              |              |              |                  |              |              |              |                               |              |              |              |                 |              |              |              |              |              |
|--------------|--------------|--|--------------|--------------|--------------|--------------------|--------------|--------------|--------------|------------------|--------------|--------------|--------------|-------------------------------|--------------|--------------|--------------|-----------------|--------------|--------------|--------------|--------------|--------------|
|              |              | Renville County                        |              |              |              | Renville Submarket |              |              |              | Olivia Submarket |              |              |              | Buffalo Lake/Hector Submarket |              |              |              | South Submarket |              |              |              | MN           |              |
|              |              | 2010                                   |              | 2020         |              | 2010               |              | 2020         |              | 2010             |              | 2020         |              | 2010                          |              | 2020         |              | 2010            |              | 2020         |              | 2010         | 2020         |
| No.          |              | Pct.                                   |              | No.          |              | Pct.               |              | No.          |              | Pct.             |              | No.          |              | Pct.                          |              | No.          |              | Pct.            |              | Pct.         | Pct.         |              |              |
| 1-Person     | Own          | 1,216                                  | 62.5         | 1,256        | 63.2         | 261                | 57.9         | 280          | 71.4         | 372              | 58.3         | 374          | 57.5         | 295                           | 69.9         | 263          | 64.4         | 288             | 66.2         | 337          | 72.3         | 72.3         | 0.2          |
|              | Rent         | 730                                    | 37.5         | 730          | 36.8         | 190                | 42.1         | 112          | 28.6         | 266              | 41.7         | 276          | 42.5         | 127                           | 30.1         | 145          | 35.6         | 147             | 33.8         | 155          | 33.2         | 33.2         | 0.3          |
|              | <b>Total</b> | <b>1,946</b>                           | <b>100.0</b> | <b>1,986</b> | <b>100.0</b> | <b>451</b>         | <b>100.0</b> | <b>392</b>   | <b>100.0</b> | <b>638</b>       | <b>100.0</b> | <b>651</b>   | <b>100.0</b> | <b>422</b>                    | <b>100.0</b> | <b>408</b>   | <b>100.0</b> | <b>435</b>      | <b>100.0</b> | <b>112</b>   | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| 2-Person     | Own          | 2,197                                  | 88.4         | 2,249        | 89.7         | 542                | 90.2         | 557          | 90.7         | 642              | 86.1         | 696          | 86.4         | 533                           | 89.4         | 610          | 92.2         | 480             | 88.4         | 414          | 86.9         | 86.9         | 86.9         |
|              | Rent         | 289                                    | 11.6         | 258          | 10.3         | 59                 | 9.8          | 57           | 9.3          | 104              | 13.9         | 110          | 13.6         | 63                            | 10.6         | 51           | 7.8          | 63              | 11.6         | 63           | 13.1         | 13.1         | 13.1         |
|              | <b>Total</b> | <b>2,486</b>                           | <b>100.0</b> | <b>2,507</b> | <b>100.0</b> | <b>601</b>         | <b>31.0</b>  | <b>614</b>   | <b>100.0</b> | <b>746</b>       | <b>100.0</b> | <b>806</b>   | <b>100.0</b> | <b>596</b>                    | <b>100.0</b> | <b>662</b>   | <b>100.0</b> | <b>543</b>      | <b>100.0</b> | <b>477</b>   | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| 3-Person     | Own          | 723                                    | 82.3         | 651          | 86.1         | 168                | 84.4         | 150          | 89.8         | 223              | 79.4         | 181          | 82.7         | 180                           | 85.7         | 145          | 87.2         | 152             | 80.9         | 118          | 65.0         | 65.0         | 65.0         |
|              | Rent         | 155                                    | 17.7         | 105          | 13.9         | 31                 | 15.6         | 17           | 10.2         | 58               | 20.6         | 38           | 17.3         | 30                            | 14.3         | 21           | 12.8         | 36              | 19.1         | 64           | 35.0         | 35.0         | 35.0         |
|              | <b>Total</b> | <b>878</b>                             | <b>100.0</b> | <b>756</b>   | <b>100.0</b> | <b>199</b>         | <b>100.0</b> | <b>167</b>   | <b>100.0</b> | <b>281</b>       | <b>100.0</b> | <b>219</b>   | <b>100.0</b> | <b>210</b>                    | <b>100.0</b> | <b>167</b>   | <b>100.0</b> | <b>188</b>      | <b>100.0</b> | <b>182</b>   | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| 4-Person     | Own          | 585                                    | 84.5         | 521          | 83.2         | 155                | 83.8         | 154          | 90.6         | 177              | 81.9         | 167          | 78.6         | 156                           | 90.7         | 123          | 93.5         | 97              | 81.5         | 78           | 66.7         | 66.7         | 66.7         |
|              | Rent         | 107                                    | 15.5         | 105          | 16.8         | 30                 | 16.2         | 16           | 9.4          | 39               | 18.1         | 45           | 21.4         | 16                            | 9.3          | 9            | 6.5          | 22              | 18.5         | 39           | 33.3         | 33.3         | 33.3         |
|              | <b>Total</b> | <b>692</b>                             | <b>100.0</b> | <b>626</b>   | <b>100.0</b> | <b>185</b>         | <b>100.0</b> | <b>170</b>   | <b>100.0</b> | <b>216</b>       | <b>100.0</b> | <b>212</b>   | <b>100.0</b> | <b>172</b>                    | <b>100.0</b> | <b>131</b>   | <b>100.0</b> | <b>119</b>      | <b>100.0</b> | <b>117</b>   | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| 5-Person     | Own          | 335                                    | 87.0         | 310          | 78.8         | 85                 | 88.5         | 67           | 59.8         | 93               | 87.7         | 86           | 77.4         | 84                            | 88.4         | 61           | 76.0         | 73              | 83.0         | 61           | 96.7         | 96.7         | 96.7         |
|              | Rent         | 50                                     | 13.0         | 83           | 21.2         | 11                 | 11.5         | 45           | 40.2         | 13               | 12.3         | 25           | 22.6         | 11                            | 11.6         | 19           | 24.0         | 15              | 17.0         | 2            | 3.3          | 3.3          | 3.3          |
|              | <b>Total</b> | <b>385</b>                             | <b>100.0</b> | <b>393</b>   | <b>100.0</b> | <b>96</b>          | <b>100.0</b> | <b>112</b>   | <b>100.0</b> | <b>106</b>       | <b>100.0</b> | <b>112</b>   | <b>100.0</b> | <b>95</b>                     | <b>100.0</b> | <b>80</b>    | <b>100.0</b> | <b>88</b>       | <b>100.0</b> | <b>63</b>    | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| 6-Person     | Own          | 97                                     | 80.2         | 138          | 82.1         | 30                 | 85.7         | 61           | 87.1         | 26               | 78.8         | 28           | 93.1         | 22                            | 84.6         | 19           | 48.6         | 19              | 70.4         | 26           | 89.3         | 89.3         | 89.3         |
|              | Rent         | 24                                     | 19.8         | 30           | 17.9         | 5                  | 14.3         | 9            | 12.9         | 7                | 21.2         | 2            | 6.9          | 4                             | 15.4         | 20           | 51.4         | 8               | 29.6         | 3            | 10.7         | 10.7         | 10.7         |
|              | <b>Total</b> | <b>121</b>                             | <b>100.0</b> | <b>169</b>   | <b>100.0</b> | <b>35</b>          | <b>100.0</b> | <b>70</b>    | <b>100.0</b> | <b>33</b>        | <b>100.0</b> | <b>31</b>    | <b>100.0</b> | <b>26</b>                     | <b>100.0</b> | <b>40</b>    | <b>100.0</b> | <b>27</b>       | <b>100.0</b> | <b>29</b>    | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| 7-Person     | Own          | 37                                     | 66.1         | 18           | 54.8         | 14                 | 73.7         | 3            | 100.0        | 10               | 66.7         | 0            | 0.0          | 4                             | 57.1         | 0            | 0.0          | 12              | 80.0         | 2            | 100.0        | 100.0        | 100.0        |
|              | Rent         | 19                                     | 33.9         | 15           | 45.2         | 5                  | 26.3         | 0            | 0.0          | 5                | 33.3         | 8            | 100.0        | 3                             | 42.9         | 0            | 0.0          | 3               | 20.0         | 0            | 0.0          | 0.0          | 0.0          |
|              | <b>Total</b> | <b>56</b>                              | <b>100.0</b> | <b>32</b>    | <b>100.0</b> | <b>19</b>          | <b>100.0</b> | <b>3</b>     | <b>100.0</b> | <b>15</b>        | <b>100.0</b> | <b>8</b>     | <b>100.0</b> | <b>7</b>                      | <b>100.0</b> | <b>0</b>     | <b>0.0</b>   | <b>15</b>       | <b>100.0</b> | <b>2</b>     | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| <b>Total</b> | Own          | 5,190                                  | 79.1         | 5,143        | 79.5         | 1,255              | 79.1         | 1,272        | 83.2         | 1,543            | 75.8         | 1,533        | 75.2         | 1,274                         | 83.4         | 1,222        | 82.1         | 1,121           | 79.2         | 1,036        | 76.1         | 76.1         | 76.1         |
|              | Rent         | 1,374                                  | 20.9         | 1,326        | 20.5         | 331                | 20.9         | 256          | 16.8         | 492              | 24.2         | 505          | 24.8         | 254                           | 16.6         | 266          | 17.9         | 294             | 20.8         | 325          | 23.9         | 23.9         | 23.9         |
|              | <b>Total</b> | <b>6,564</b>                           | <b>100.0</b> | <b>6,469</b> | <b>100.0</b> | <b>1,586</b>       | <b>100.0</b> | <b>1,528</b> | <b>100.0</b> | <b>2,035</b>     | <b>100.0</b> | <b>2,038</b> | <b>100.0</b> | <b>1,528</b>                  | <b>100.0</b> | <b>1,488</b> | <b>100.0</b> | <b>1,415</b>    | <b>100.0</b> | <b>1,361</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |

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

## Household Type

Table D-13 shows a breakdown of the type of households present in Renville County 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-13.

- Within Renville County, married couples without children represented the largest household type. These households accounted for 36% of all households in the Market Area in 2020, an increase from 35.4% 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 Renville County.
- 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 South Submarket where Living Alone is the largest household type.
- Living Alone remains the second largest household type in Renville County, representing 28% of households. However, all submarkets except the South Submarket (+10.3%) reported a decline in the proportion of people living alone between 2010 and 2020, ranging from a decline of -0.7% in the Olivia Submarket to -13.1% in the Renville Submarket.
- Other family households, namely single parents with children, also experienced an increase, growing by 7.1% in Renville County between 2010 and 2020.

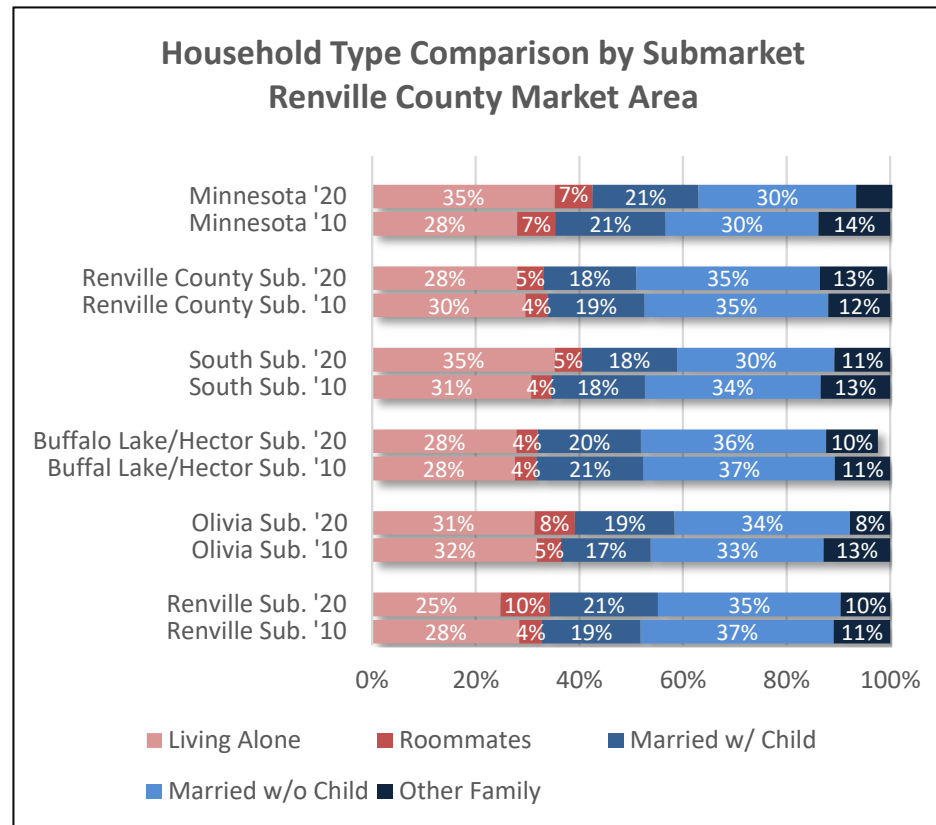


**DEMOGRAPHIC ANALYSIS**

**TABLE D-13  
HOUSEHOLD TYPE  
RENVILLE COUNTY MARKET AREA  
2010 & 2020**

|                              | ----- Renville County Submarkets ----- |              |               |              |              |              |                     |              |              |               |                  |                  |
|------------------------------|--|--------------|---------------|--------------|--------------|--------------|---------------------|--------------|--------------|---------------|------------------|------------------|
|                              | Renville County                        |              | Renville Sub. |              | Olivia Sub.  |              | Buffalo Lake/Hector |              | South Sub.   |               | Minnesota        |                  |
|                              | 2010                                   | 2020         | 2010          | 2020         | 2010         | 2020         | 2010                | 2020         | 2010         | 2020          | 2010             | 2020             |
| <b>Total Households</b>      | <b>6,564</b>                           | <b>6,469</b> | <b>1,586</b>  | <b>1,583</b> | <b>1,958</b> | <b>1,968</b> | <b>1,528</b>        | <b>1,488</b> | <b>1,415</b> | <b>1,361</b>  | <b>2,087,227</b> | <b>2,238,428</b> |
| <b>Non-Family Households</b> | <b>2,223</b>                           | <b>2,135</b> | <b>520</b>    | <b>543</b>   | <b>714</b>   | <b>769</b>   | <b>485</b>          | <b>456</b>   | <b>489</b>   | <b>550</b>    | <b>738,212</b>   | <b>797,448</b>   |
| Living Alone                 | 1,946                                  | 1,811        | 451           | 392          | 624          | 617          | 422                 | 415          | 435          | 480           | 584,008          | 635,239          |
| Other (Roommates)            | 277                                    | 323          | 69            | 151          | 90           | 152          | 63                  | 60           | 54           | 70            | 154,204          | 162,209          |
| <b>Family Households</b>     | <b>4,341</b>                           | <b>4,334</b> | <b>1,066</b>  | <b>1,040</b> | <b>1,244</b> | <b>1,199</b> | <b>1,043</b>        | <b>1,032</b> | <b>926</b>   | <b>811</b>    | <b>1,349,015</b> | <b>1,440,980</b> |
| Married w/ Children          | 1,230                                  | 1,164        | 302           | 330          | 339          | 380          | 315                 | 297          | 256          | 251           | 443,212          | 459,033          |
| Married w/o Children         | 2,326                                  | 2,329        | 591           | 559          | 654          | 667          | 565                 | 532          | 480          | 414           | 617,297          | 680,570          |
| Other Family                 | 785                                    | 841          | 173           | 151          | 251          | 152          | 163                 | 149          | 190          | 146           | 288,506          | 301,376          |
| <b>Change (2010-2020)</b>    |  |              |               |              |              |              |                     |              |              |               |                  |                  |
|                              | <b>No.</b>                             | <b>Pct.</b>  | <b>No.</b>    | <b>Pct.</b>  | <b>No.</b>   | <b>Pct.</b>  | <b>No.</b>          | <b>Pct.</b>  | <b>No.</b>   | <b>Pct.</b>   | <b>No.</b>       | <b>Pct.</b>      |
| <b>Total Households</b>      | <b>-95</b>                             | <b>-1.4%</b> | <b>-3</b>     | <b>-0.2%</b> | <b>10</b>    | <b>0.5%</b>  | <b>-40</b>          | <b>-2.6%</b> | <b>-54</b>   | <b>-3.8%</b>  | <b>151,201</b>   | <b>7.2%</b>      |
| <b>Non-Family Households</b> | <b>-88</b>                             | <b>-4.0%</b> | <b>23</b>     | <b>4.4%</b>  | <b>55</b>    | <b>7.7%</b>  | <b>-29</b>          | <b>-6.0%</b> | <b>61</b>    | <b>12.5%</b>  | <b>59,236</b>    | <b>8.0%</b>      |
| Living Alone                 | -135                                   | -6.9%        | -59           | -13.1%       | -7           | -1.1%        | -7                  | -1.7%        | 45           | 10.3%         | 51,231           | 8.8%             |
| Other (Roommates)            | 46                                     | 16.8%        | 82            | 118.8%       | 62           | 68.9%        | -3                  | -4.8%        | 16           | 29.6%         | 8,005            | 5.2%             |
| <b>Family Households</b>     | <b>-7</b>                              | <b>-0.2%</b> | <b>-26</b>    | <b>-2.4%</b> | <b>-45</b>   | <b>-3.6%</b> | <b>-11</b>          | <b>-1.1%</b> | <b>-115</b>  | <b>-12.4%</b> | <b>91,965</b>    | <b>6.8%</b>      |
| Married w/ Children          | -66                                    | -5.3%        | 28            | 9.3%         | 41           | 12.1%        | -18                 | -5.7%        | -5           | -2.0%         | 15,821           | 3.6%             |
| Married w/o Children         | 3                                      | 0.1%         | -32           | -5.4%        | 13           | 2.0%         | -33                 | -5.8%        | -66          | -13.8%        | 63,273           | 10.3%            |
| Other Family                 | 56                                     | 7.1%         | -22           | -12.7%       | -99          | -39.4%       | -14                 | -8.6%        | -44          | -23.2%        | 12,870           | 4.5%             |

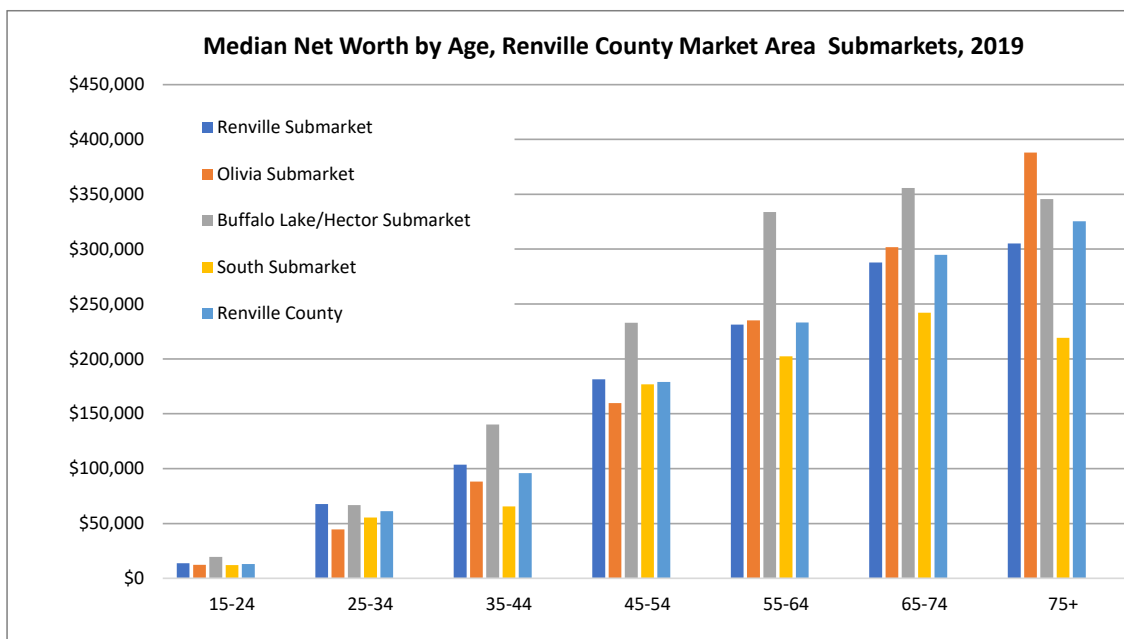
Sources: U.S. Census; MN State Demographic Center; ESRI; Maxfield Research & Consulting, LLC



**Net Worth**

Table D-14 shows household net worth in Renville County 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.

- Renville County 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 average net worth was reported in the Buffalo Lake/Hector Submarket, \$932,781, while the Renville Submarket reported the lowest net worth, \$678,294.
- In Renville County, 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 Buffalo Lake/Hector Submarket reported the highest median net worth while the Olivia Submarket reported the lowest median net worth.
- The Olivia Submarket age 65+ age cohorts reported the highest median net worth (\$388,034) in the Market Area. The South Submarket reported the lowest median net worth for age cohorts between 15 to 24 (\$12,143).



DEMOGRAPHIC ANALYSIS

TABLE D-14  
ESTIMATED NET WORTH BY AGE OF HOUSEHOLDER  
RENNVILLE COUNTY  
2019

|                               | Age of Householder |                  |                    |                  |                    |                  |                    |                  |
|-------------------------------|--------------------|------------------|--------------------|------------------|--------------------|------------------|--------------------|------------------|
|                               | Total              |                  | 15-24              |                  | 25-34              |                  | 35-44              |                  |
|                               | Average            | Median           | Average            | Median           | Average            | Median           | Average            | Median           |
| Renville Submarket            | \$678,294          | \$164,263        | \$47,950           | \$13,816         | \$135,856          | \$67,611         | \$225,359          | \$103,503        |
| Olivia Submarket              | \$882,569          | \$155,238        | \$34,459           | \$12,404         | \$103,644          | \$44,504         | \$203,106          | \$88,079         |
| Buffalo Lake/Hector Submarket | \$932,781          | \$214,897        | \$88,169           | \$19,461         | \$103,150          | \$66,862         | \$259,391          | \$140,251        |
| South Submarket               | \$704,555          | \$152,793        | \$34,552           | \$12,143         | \$95,989           | \$55,413         | \$131,036          | \$65,540         |
| <b>Renville County Total</b>  | <b>\$850,377</b>   | <b>\$275,837</b> | <b>\$75,810</b>    | <b>\$34,378</b>  | <b>\$182,588</b>   | <b>\$106,843</b> | <b>\$456,464</b>   | <b>\$241,398</b> |
|                               | 45-54              |                  | 55-64              |                  | 65-74              |                  | 75+                |                  |
|                               | Average            | Median           | Average            | Median           | Average            | Median           | Average            | Median           |
|                               | Renville Submarket | \$646,726        | \$181,390          | \$860,947        | \$231,279          | \$837,563        | \$287,799          | \$1,276,574      |
| Olivia Submarket              | \$666,590          | \$159,682        | \$1,260,091        | \$235,061        | \$1,329,808        | \$301,743        | \$1,623,206        | \$388,034        |
| Buffalo Lake/Hector Submarket | \$975,839          | \$232,880        | \$1,439,984        | \$333,877        | \$1,311,821        | \$355,671        | \$1,116,425        | \$345,592        |
| South Submarket               | \$772,896          | \$176,745        | \$1,187,173        | \$202,232        | \$1,012,883        | \$242,003        | \$630,118          | \$219,275        |
| <b>Renville County Total</b>  | <b>\$893,150</b>   | <b>\$336,252</b> | <b>\$1,372,477</b> | <b>\$526,551</b> | <b>\$1,505,172</b> | <b>\$549,405</b> | <b>\$1,351,796</b> | <b>\$421,339</b> |

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 Renville County.

- In 2020, the population of Renville County is estimated at 14,600. The most populated submarket within Renville County was the Olivia Submarket (4,725 people). There are estimated to be 6,469 households in Renville County in 2020. Similar to population trends, the submarket with the most household is the Olivia submarket (2,038).
- In 2010, the largest adult age cohort in the Renville County were those age 45 to 54, representing 22% (12,074) of the population over age 18. By 2025, the largest adult age cohort in the County will be the 55 to 64 age cohort, representing approximately 19% of the adult population in Market Area.
- The largest proportional growth from 2020 to 2025 is expected to occur in the 75 to 84-year-old age cohort in the Olivia Submarket +20.4% (+62). The Olivia Submarket is expected to see the largest numerical growth in the 65 to 74-year-old age cohort with a 17.1% (+100) increase.
- From 2020 to 2025, the population of the Renville County Market Area is expected to decline by -2.5%. The largest growth areas are forecasted in the 75 to 84 age cohort (+17.3%). The 65 to 74 age cohort is also projected to significant growth (+16.4%).
- The majority of the Renville County residents reported their race as “White Alone” in 2010 (97.7%) and 2017 (96.5%). In 2017, 8.7% of the Renville County residents reported their ethnicity as Hispanic or Latino. The proportion of Hispanic residents varies by submarket. The Olivia Submarket reported 8.5% of the population as Hispanic or Latino, while 0.5% of the population in the Renville Submarket reported themselves as ethnically Hispanic or Latino.
- In 2020, in the median income in Renville County was \$58,269 across all ages. The median income is forecast to rise by approximately 7% to \$62,566 in 2025.
- In 2020, the highest median incomes were reported in the Buffalo Lake/Hector Submarket (\$62,704), followed by the Olivia Submarket (\$58,878). The South Submarket trails the other submarkets in income, with a median income in 2020 of \$52,048.
- In 2020, owner households in Renville County, reached a peak of 91.6% in the 65 to 74 age cohort, 88.6% in the 75 to 84% cohort and 88.5% 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.

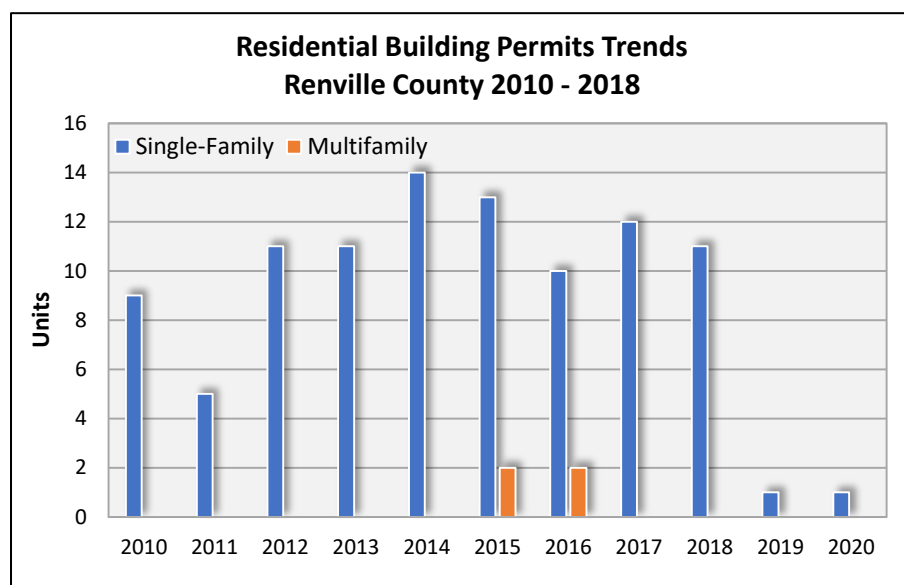
### Introduction

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 Renville 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 Renville County.

### Building Permit Trends

Maxfield Research obtained data on the number of new construction housing units from 2010 through 2020 from Renville 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 Renville 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 102 residential unit permits issued between 2010 and 2020. That equates to about 10 residential units permitted annually since 2010. Approximately 99% of the permits issued in Renville County since 2010 have been single-family units.
- Only four multifamily permits have been issues in Renville County averages since 2010. The four multifamily permits were issues in 2015 and 2016 in the City of Olivia.





**HOUSING CHARACTERISTICS**

- In 2018, there were 12 single-family permits issued in Renville County, which is comparable to the yearly average over the past eight years in the County.

| <b>HC-1<br/>RESIDENTIAL CONSTRUCTION BUILDING PERMITTED UNITS ISSUED<br/>RENVILLE COUNTY<br/>2010 to 2020</b> |                 |             |            |
|---|-----------------|-------------|------------|
| Year  | Renville County |             | Total      |
|   | Single-Family   | Multifamily |            |
| 2010  | 9               | 0           | 9          |
| 2011  | 5               | 0           | 5          |
| 2012  | 11              | 0           | 11         |
| 2013  | 11              | 0           | 11         |
| 2014  | 14              | 0           | 14         |
| 2015  | 13              | 2           | 15         |
| 2016  | 10              | 2           | 12         |
| 2017  | 12              | 0           | 12         |
| 2018  | 11              | 0           | 11         |
| 2019  | 1               | 0           | 1          |
| 2020  | 1               | 0           | 1          |
| <b>Total</b>  | <b>98</b>       | <b>4</b>    | <b>102</b> |

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 Renville County, the Olivia submarket accounted for 14% of the permitted units from 2010 to 2020, and all of the multifamily units permitted.
- Single-family units accounted for 96% of the units permitted in Renville County between 2010 to 2018. The County saw a peak of single-family permits issued in 2014 with 16 units permitted.

# HOUSING CHARACTERISTICS

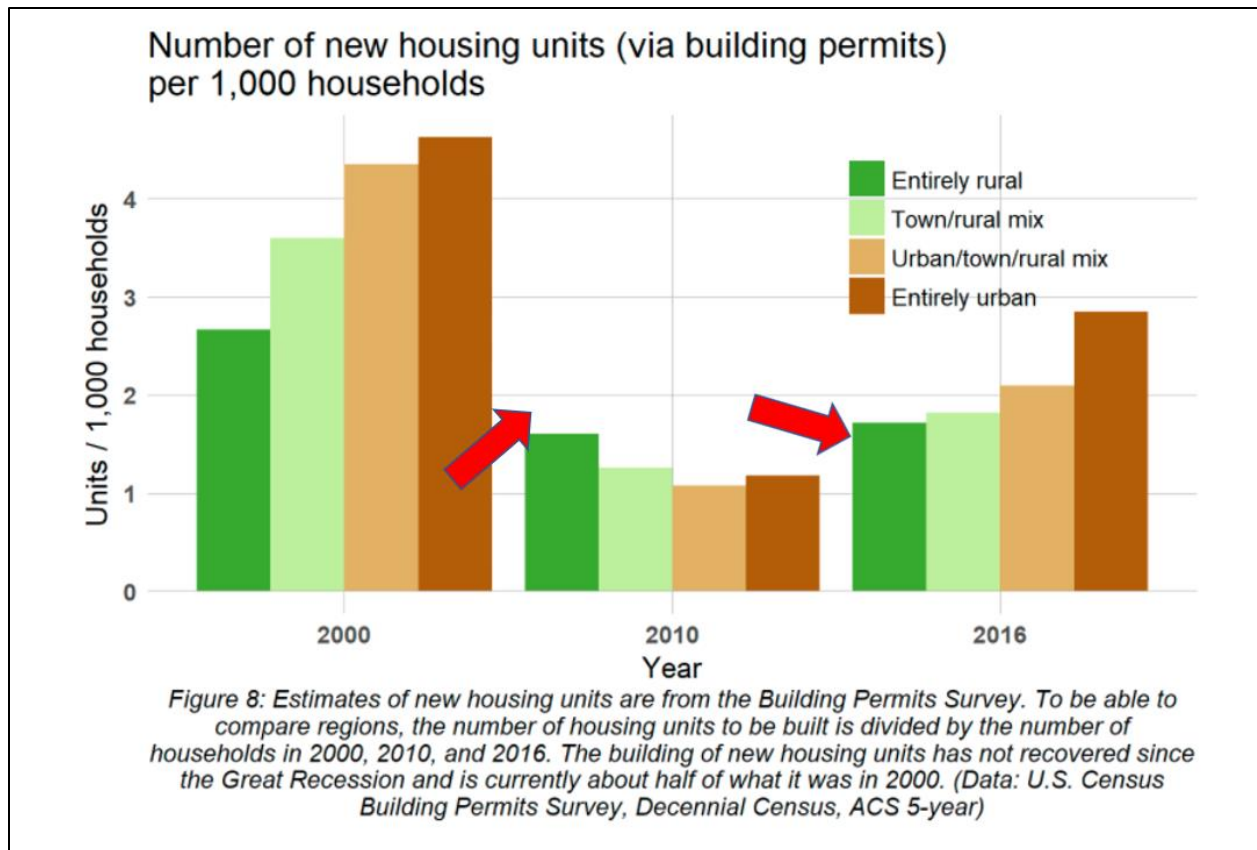
HC-2  
RESIDENTIAL CONSTRUCTION BUILDING PERMITTED UNITS ISSUED  
RENVILLE COUNTY  
2010 TO 2020

| Year         | Renville Submarket |             | Olivia Submarket |             | Buffalo Lake/Hector |             | South Submarket |                 | Unincorporated |             | Renville County |             |
|--------------|--------------------|-------------|------------------|-------------|---------------------|-------------|-----------------|-----------------|----------------|-------------|-----------------|-------------|
|              | Single-Family      | Multifamily | Single-Family    | Multifamily | Single-Family       | Multifamily | Single-Family   | Multifamil<br>y | Single-Family  | Multifamily | Single-Family   | Multifamily |
| 2010         | 0                  | 0           | 0                | 2           | 0                   | 0           | 0               | 0               | 9              | 0           | 9               | 0           |
| 2011         | 0                  | 0           | 0                | 0           | 0                   | 0           | 0               | 0               | 5              | 0           | 5               | 0           |
| 2012         | 1                  | 0           | 1                | 0           | 0                   | 0           | 0               | 0               | 9              | 0           | 11              | 0           |
| 2013         | 0                  | 0           | 0                | 0           | 0                   | 0           | 0               | 0               | 11             | 0           | 11              | 0           |
| 2014         | 2                  | 0           | 1                | 0           | 0                   | 0           | 0               | 0               | 11             | 0           | 14              | 0           |
| 2015         | 0                  | 0           | 1                | 2           | 0                   | 0           | 0               | 0               | 12             | 0           | 13              | 2           |
| 2016         | 0                  | 0           | 2                | 0           | 0                   | 0           | 0               | 0               | 8              | 0           | 10              | 2           |
| 2017         | 1                  | 0           | 3                | 0           | 0                   | 0           | 0               | 0               | 8              | 0           | 12              | 0           |
| 2018         | 1                  | 0           | 1                | 0           | 0                   | 0           | 0               | 0               | 9              | 0           | 11              | 0           |
| 2019         | 0                  | 0           | 1                | 0           | 0                   | 0           | 0               | 0               | 0              | 0           | 1               | 0           |
| 2020         | 0                  | 0           | 1                | 0           | 0                   | 0           | 0               | 0               | 0              | 0           | 1               | 0           |
| <b>Total</b> | <b>5</b>           | <b>0</b>    | <b>11</b>        | <b>4</b>    | <b>0</b>            | <b>0</b>    | <b>0</b>        | <b>0</b>        | <b>82</b>      | <b>0</b>    | <b>98</b>       | <b>4</b>    |

Data is not a sum of all submarkets.

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

Sources: Renville County; SOCDs; Maxfield Research & Consulting LLC



### American Community Survey

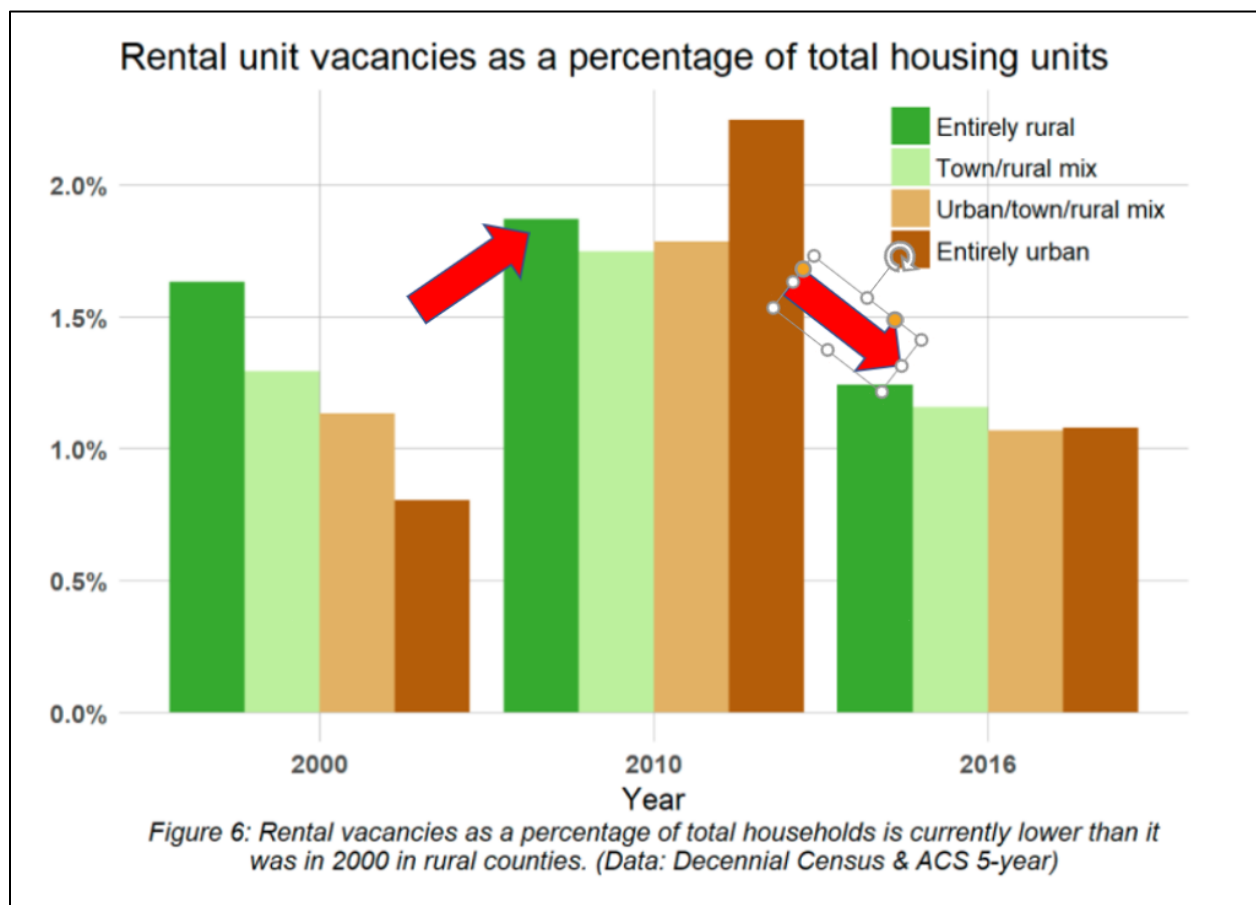
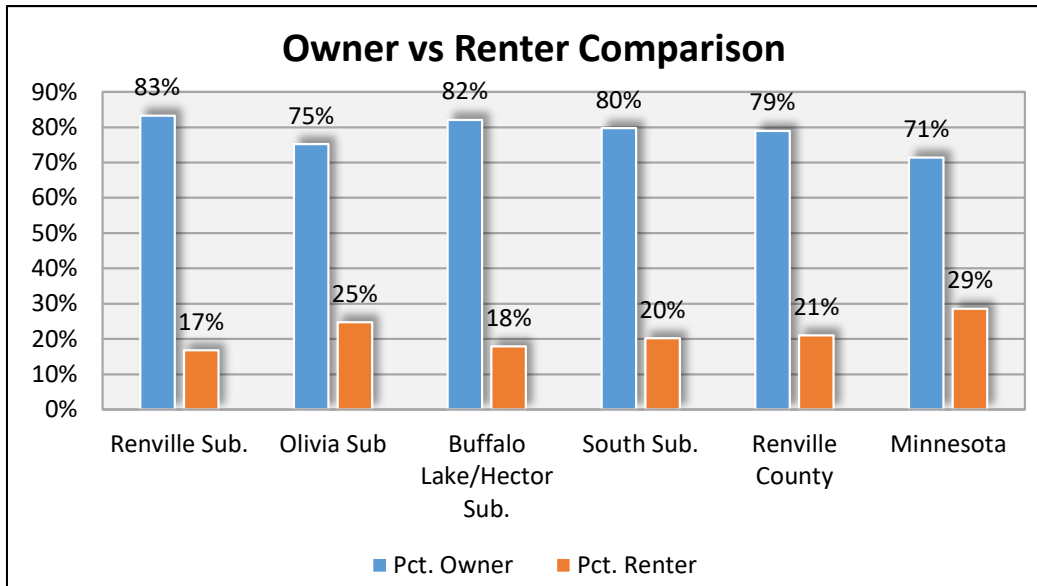
The American Community Survey (“ACS”) is an ongoing statistical survey administered by the U.S. Census Bureau that is sent to approximately 3 million addresses annually. The survey gathers data previously contained only in the long form of the Decennial Census. As a result, the survey is ongoing and 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 Renville County.

### Housing Units by Occupancy Status & Tenure

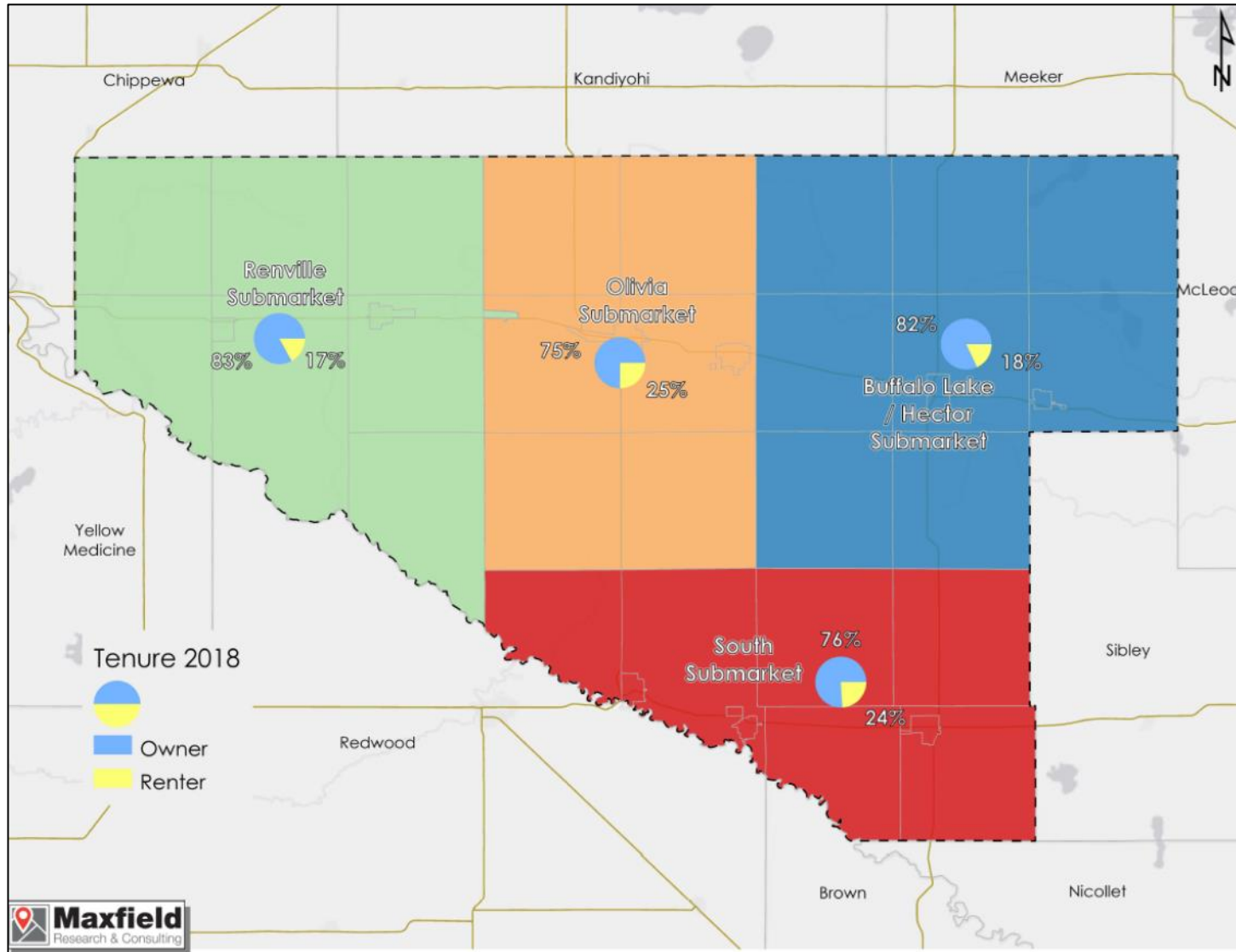
Tenure is a key variable that analyzes the propensity for householders to rent or own their housing unit. Tenure is an integral statistic used by numerous governmental agencies and private sector industries to assess neighborhood stability. The Follow are key points from Table HC-3:

- Approximately 70.6% of housing units in Renville County were owner-occupied in the 2010 and 66.3% in 2018. The Buffalo Lake/Hector submarket had the highest proportion of owner-occupied households (66.8%), while the South submarket reported the highest share of renter-occupied households (25.5%) in 2018.
- Between 2010 and 2018, the South submarket experienced the greatest increase in proportion of renter-occupied units increasing from 294 to 317, a gain of 19.5%.
- About 10.8% of Renville’s housing stock was vacant in 2010 and increased to 16.1% 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.

**HOUSING CHARACTERISTICS**



Owner Vs. Renter Comparison



## HOUSING CHARACTERISTICS

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

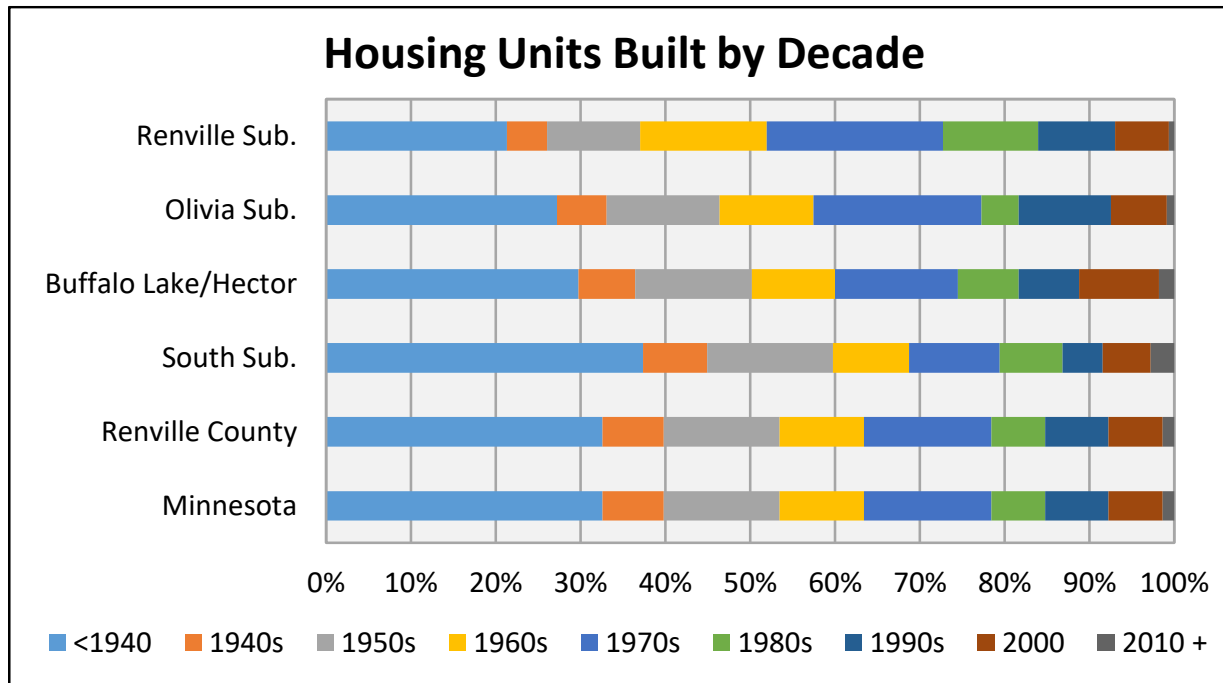
| Year/Occupancy          | Renville Sub. |              | Olivia Sub.  |              | Buffalo Lake/Hector |              | South Sub.   |              | Renville County |              | Minnesota        |              |
|-------------------------|---------------|--------------|--------------|--------------|---------------------|--------------|--------------|--------------|-----------------|--------------|------------------|--------------|
|                         | No.           | Pct.         | No.          | Pct.         | No.                 | Pct.         | No.          | Pct.         | No.             | Pct.         | No.              | Pct.         |
| <b>2010</b>             |               |              |              |              |                     |              |              |              |                 |              |                  |              |
| Owner-Occupied          | 1,255         | 70.5         | 1,540        | 68.9         | 1,274               | 72.5         | 1,121        | 70.9         | 5,190           | 70.6         | 1,523,859        | 64.9         |
| Renter-Occupied         | 331           | 18.6         | 495          | 22.1         | 254                 | 14.4         | 294          | 18.6         | 1,374           | 18.7         | 563,368          | 24.0         |
| Total Occ. Hsg. Units   | 1,586         | 89.1         | 2,035        | 91.1         | 1,528               | 86.9         | 1,415        | 89.4         | 6,564           | 89.2         | 2,087,227        | 88.9         |
| Vacant                  | 194           | 10.9         | 200          | 8.9          | 230                 | 13.1         | 167          | 10.6         | 791             | 10.8         | 259,974          | 11.1         |
| <b>Total Hsg. Units</b> | <b>1,780</b>  | <b>100.0</b> | <b>2,235</b> | <b>100.0</b> | <b>1,758</b>        | <b>100.0</b> | <b>1,582</b> | <b>100.0</b> | <b>7,355</b>    | <b>100.0</b> | <b>2,347,201</b> | <b>100.0</b> |
| <b>2018</b>             |               |              |              |              |                     |              |              |              |                 |              |                  |              |
| Owner-Occupied          | 1,272         | 69.9         | 1,454        | 64.6         | 1,143               | 66.8         | 1,010        | 63.9         | 4,879           | 66.3         | 1,567,939        | 63.9         |
| Renter-Occupied         | 256           | 14.1         | 479          | 21.3         | 249                 | 14.5         | 317          | 20.1         | 1,301           | 17.7         | 626,513          | 25.5         |
| Total Occ. Hsg. Units   | 1,528         | 83.9         | 1,933        | 85.9         | 1,392               | 81.3         | 1,327        | 83.9         | 6,180           | 83.9         | 2,194,452        | 89.4         |
| Vacant                  | 293           | 16.1         | 317          | 14.1         | 320                 | 18.7         | 254          | 16.1         | 1,184           | 16.1         | 261,185          | 10.6         |
| <b>Total Hsg. Units</b> | <b>1,821</b>  | <b>100.0</b> | <b>2,250</b> | <b>100.0</b> | <b>1,712</b>        | <b>100.0</b> | <b>1,581</b> | <b>100.0</b> | <b>7,364</b>    | <b>100.0</b> | <b>2,455,637</b> | <b>100.0</b> |
| <b>Change</b>           |               |              |              |              |                     |              |              |              |                 |              |                  |              |
| Owner-Occupied          | 17            | 1.4          | -86          | -5.6         | -131                | -10.3        | -111         | -9.9         | -311            | -6.0         | 44,080           | 2.9          |
| Renter-Occupied         | -75           | -22.7        | -16          | -3.2         | -5                  | -2.0         | 23           | 7.8          | -73             | -5.3         | 63,145           | 11.2         |
| Total Occ. Hsg. Units   | -58           | -3.7         | -102         | -5.0         | -136                | -8.9         | -88          | -6.2         | -384            | -5.9         | 107,225          | 5.1          |
| Vacant                  | 99            | 51.0         | 117          | 58.5         | 90                  | 39.1         | 87           | 52.1         | 393             | 49.7         | 1,211            | 0.5          |
| <b>Total Hsg. Units</b> | <b>41</b>     | <b>2.3</b>   | <b>15</b>    | <b>0.7</b>   | <b>-46</b>          | <b>-2.7</b>  | <b>-1</b>    | <b>-0.1</b>  | <b>9</b>        | <b>0.1</b>   | <b>108,436</b>   | <b>4.4</b>   |

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 Renville County, prior to 1940 and during each decade since.

- As of 2018, Renville County was estimated to have 6,180 housing units, of which roughly 79% were owner-occupied and 21% were renter-occupied. The Renville submarket is estimated to have the highest share of owner-occupied housing (83%), while the Olivia submarket has the highest share of renter-occupied housing (25%) in 2018.
- The Buffalo Lake/Hector submarket has some of the newest housing stock with roughly 11% of its housing stock being built in the 2000s or newer, followed by the South submarket (8%). As a whole, 8% of Renville County’s housing stock has been built in the past two decades.
- Within the Olivia submarket, the largest share of housing was built in the 1970s (20%). The Olivia submarket also has the largest share of housing built prior to the 2000s (93%) in Renville County.



# HOUSING CHARACTERISTICS

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

|                            | Total Units      | Med. Yr. Built | Year Unit Built |             |                |             |               |             |                |             |                |             |                |             |                |             |                |             |                |            |
|----------------------------|------------------|----------------|-----------------|-------------|----------------|-------------|---------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|------------|
|                            |                  |                | <1940           |             | 1940s          |             | 1950s         |             | 1960s          |             | 1970s          |             | 1980s          |             | 1990s          |             | 2000s          |             | 2010 or later  |            |
|                            |                  |                | No.             | Pct.        | No.            | Pct.        | No.           | Pct.        | No.            | Pct.        | No.            | Pct.        | No.            | Pct.        | No.            | Pct.        | No.            | Pct.        | No.            | Pct.       |
| <b>Renville Submarket</b>  |                  |                |                 |             |                |             |               |             |                |             |                |             |                |             |                |             |                |             |                |            |
| Owner-Occupied             | 1,272            | 1953           | 136             | 10.7        | 45             | 3.5         | 67            | 5.3         | 125            | 9.8         | 149            | 11.7        | 67             | 5.3         | 73             | 5.7         | 48             | 3.8         | 6              | 0.5        |
| Renter-Occupied            | 256              | 1974           | 71              | 27.7        | 1              | 0.4         | 40            | 15.6        | 20             | 7.8         | 53             | 20.7        | 42             | 16.4        | 15             | 5.9         | 14             | 5.5         | 0              | 0.0        |
| <b>Total</b>               | <b>1,528</b>     | <b>1953</b>    | <b>207</b>      | <b>13.5</b> | <b>46</b>      | <b>3.0</b>  | <b>107</b>    | <b>7.0</b>  | <b>145</b>     | <b>9.5</b>  | <b>202</b>     | <b>13.2</b> | <b>109</b>     | <b>7.1</b>  | <b>88</b>      | <b>5.8</b>  | <b>62</b>      | <b>4.1</b>  | <b>6</b>       | <b>0.4</b> |
| <b>Olivia Submarket</b>    |                  |                |                 |             |                |             |               |             |                |             |                |             |                |             |                |             |                |             |                |            |
| Owner-Occupied             | 1,454            | 1957           | 455             | 31.3        | 87             | 6.0         | 216           | 14.9        | 140            | 9.6         | 287            | 19.7        | 61             | 4.2         | 87             | 6.0         | 104            | 7.2         | 17             | 1.2        |
| Renter-Occupied            | 479              | 1974           | 71              | 14.8        | 26             | 5.4         | 42            | 8.8         | 74             | 15.4        | 96             | 20.0        | 23             | 4.8         | 124            | 25.9        | 23             | 4.8         | 0              | 0.0        |
| <b>Total</b>               | <b>1,933</b>     | <b>1958</b>    | <b>526</b>      | <b>27.2</b> | <b>113</b>     | <b>5.8</b>  | <b>258</b>    | <b>13.3</b> | <b>214</b>     | <b>11.1</b> | <b>383</b>     | <b>19.8</b> | <b>84</b>      | <b>4.3</b>  | <b>211</b>     | <b>10.9</b> | <b>127</b>     | <b>6.6</b>  | <b>17</b>      | <b>0.9</b> |
| <b>Buffalo Lake/Hector</b> |                  |                |                 |             |                |             |               |             |                |             |                |             |                |             |                |             |                |             |                |            |
| Owner-Occupied             | 1,143            | 1955           | 345             | 30.2        | 82             | 7.2         | 167           | 14.6        | 119            | 10.4        | 158            | 13.8        | 74             | 6.5         | 79             | 6.9         | 96             | 8.4         | 23             | 2.0        |
| Renter-Occupied            | 249              | 1962           | 69              | 27.7        | 11             | 4.4         | 25            | 10.0        | 17             | 6.8         | 44             | 17.7        | 26             | 10.4        | 20             | 8.0         | 35             | 14.1        | 2              | 0.8        |
| <b>Total</b>               | <b>1,392</b>     | <b>1958</b>    | <b>414</b>      | <b>29.7</b> | <b>93</b>      | <b>6.7</b>  | <b>192</b>    | <b>13.8</b> | <b>136</b>     | <b>9.8</b>  | <b>202</b>     | <b>14.5</b> | <b>100</b>     | <b>7.2</b>  | <b>99</b>      | <b>7.1</b>  | <b>131</b>     | <b>9.4</b>  | <b>25</b>      | <b>1.8</b> |
| <b>South Submarket</b>     |                  |                |                 |             |                |             |               |             |                |             |                |             |                |             |                |             |                |             |                |            |
| Owner-Occupied             | 1,010            | 1953           | 393             | 38.9        | 72             | 7.1         | 185           | 18.3        | 82             | 8.1         | 98             | 9.7         | 46             | 4.6         | 38             | 3.8         | 60             | 5.9         | 36             | 3.6        |
| Renter-Occupied            | 317              | 1977           | 103             | 32.5        | 28             | 8.8         | 12            | 3.8         | 37             | 11.7        | 44             | 13.9        | 52             | 16.4        | 25             | 7.9         | 15             | 4.7         | 1              | 0.3        |
| <b>Total</b>               | <b>1,327</b>     | <b>1955</b>    | <b>496</b>      | <b>37.4</b> | <b>100</b>     | <b>7.5</b>  | <b>197</b>    | <b>14.8</b> | <b>119</b>     | <b>9.0</b>  | <b>142</b>     | <b>10.7</b> | <b>98</b>      | <b>7.4</b>  | <b>63</b>      | <b>4.7</b>  | <b>75</b>      | <b>5.7</b>  | <b>37</b>      | <b>2.8</b> |
| <b>Renville County</b>     |                  |                |                 |             |                |             |               |             |                |             |                |             |                |             |                |             |                |             |                |            |
| Owner-Occupied             | 4,879            | 1955           | 1,699           | 34.8        | 381            | 7.8         | 726           | 14.9        | 466            | 9.6         | 692            | 14.2        | 248            | 5.1         | 277            | 5.7         | 308            | 6.3         | 82             | 1.7        |
| Renter-Occupied            | 1,301            | 1970           | 314             | 24.1        | 66             | 5.1         | 119           | 9.1         | 148            | 11.4        | 237            | 18.2        | 143            | 11.0        | 184            | 14.1        | 87             | 6.7         | 3              | 0.2        |
| <b>Total</b>               | <b>6,180</b>     | <b>1955</b>    | <b>2,013</b>    | <b>32.6</b> | <b>447</b>     | <b>7.2</b>  | <b>845</b>    | <b>13.7</b> | <b>614</b>     | <b>9.9</b>  | <b>929</b>     | <b>15.0</b> | <b>391</b>     | <b>6.3</b>  | <b>461</b>     | <b>7.5</b>  | <b>395</b>     | <b>6.4</b>  | <b>85</b>      | <b>1.4</b> |
| <b>Minnesota</b>           |                  |                |                 |             |                |             |               |             |                |             |                |             |                |             |                |             |                |             |                |            |
| Owner-Occupied             | 1,567,939        | 1978           | 250,021         | 15.9        | 250,021        | 15.9        | 73,236        | 4.7         | 135,405        | 8.6         | 210,097        | 13.4        | 199,393        | 12.7        | 229,072        | 14.6        | 233,011        | 14.9        | 73,474         | 4.7        |
| Renter-Occupied            | 626,513          | 1976           | 626,513         | 100.0       | 93,781         | 15.0        | 23,960        | 3.8         | 72,527         | 11.6        | 113,602        | 18.1        | 85,580         | 13.7        | 71,024         | 11.3        | 64,126         | 10.2        | 49,232         | 7.9        |
| <b>Total</b>               | <b>2,194,452</b> | <b>1977</b>    | <b>876,534</b>  | <b>39.9</b> | <b>343,802</b> | <b>15.7</b> | <b>97,196</b> | <b>4.4</b>  | <b>207,932</b> | <b>9.5</b>  | <b>323,699</b> | <b>14.8</b> | <b>284,973</b> | <b>13.0</b> | <b>300,096</b> | <b>13.7</b> | <b>297,137</b> | <b>13.5</b> | <b>122,706</b> | <b>5.6</b> |

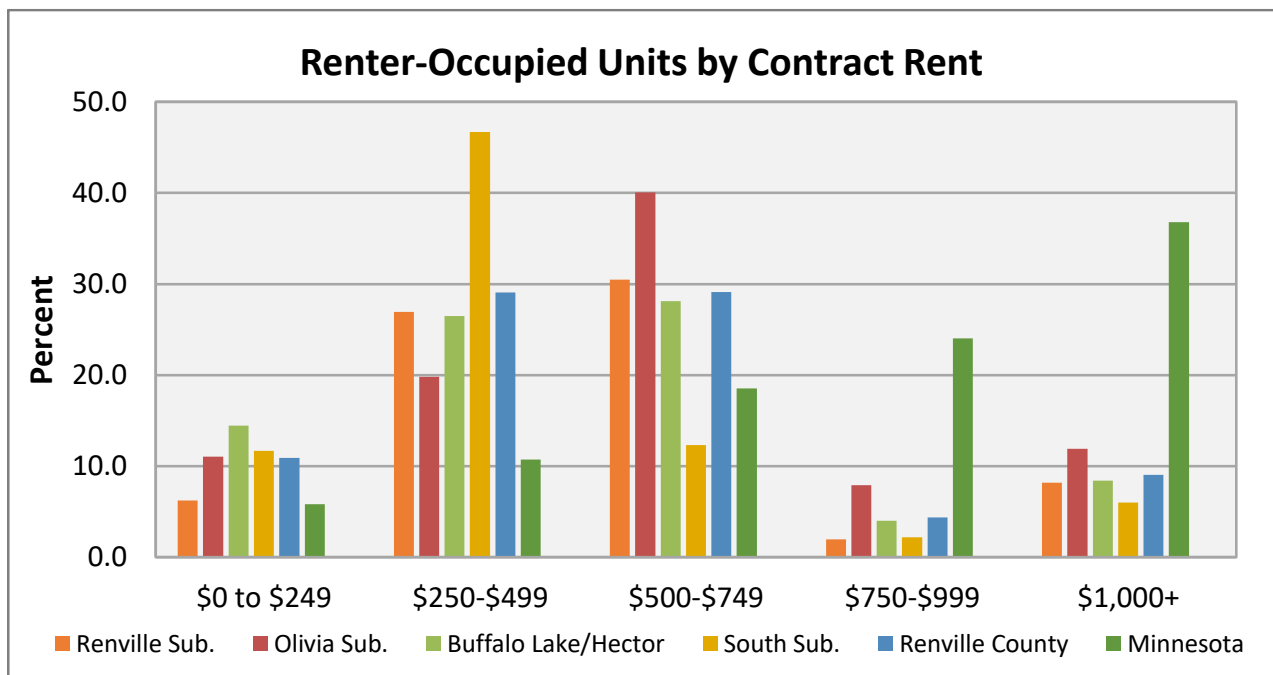
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC



### 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 Renville County was \$545. Based on a 30% allocation of income to housing, a household in Renville County would need an annual income of about \$21,800 (or \$1,816/monthly) to afford an average monthly rent of \$545.
- Approximately 9.1% of Renville County renters have monthly rents over \$1,000, 4.4% of renters paying between \$750 and \$999, and 4.4% of renters pay less than \$750.
- The \$250 - \$499 and \$500 - \$749 were the most prevalent rent ranges in the county. However, the two rent ranges are not evenly distributed throughout the submarkets. In the Oliva submarkets, the most common rent ranges were between \$500 to \$749 (40.1%), while in the South submarket the highest proportion of rents ranged between \$250 to \$499 (46.7%).



| TABLE HC-5<br>RENTER-OCCUPIED UNITS BY CONTRACT RENT<br>RENVILLE COUNTY<br>2018 |                      |              |                        |              |                            |              |
|---|----------------------|--------------|------------------------|--------------|----------------------------|--------------|
|   | <b>Renville Sub.</b> |              | <b>Olivia Sub.</b>     |              | <b>Buffalo Lake/Hector</b> |              |
| <b>Contract Rent</b>  | <b>No.</b>           | <b>Pct.</b>  | <b>No.</b>             | <b>Pct.</b>  | <b>No.</b>                 | <b>Pct.</b>  |
| No Cash Rent  | 70                   | 27.3         | 44                     | 9.2          | 46                         | 18.5         |
| Cash Rent   | 186                  | 72.7         | 435                    | 90.8         | 203                        | 81.5         |
| \$0 to \$249  | 16                   | 6.3          | 53                     | 11.1         | 36                         | 14.5         |
| \$250-\$499   | 69                   | 27.0         | 95                     | 19.8         | 66                         | 26.5         |
| \$500-\$749   | 78                   | 30.5         | 192                    | 40.1         | 70                         | 28.1         |
| \$750-\$999   | 5                    | 2.0          | 38                     | 7.9          | 10                         | 4.0          |
| \$1,000+  | 21                   | 8.2          | 57                     | 11.9         | 21                         | 8.4          |
| <b>Total</b>  | <b>256</b>           | <b>100.0</b> | <b>479</b>             | <b>100.0</b> | <b>249</b>                 | <b>100.0</b> |
| Median Contract Rent  | \$555                |              | \$545                  |              | \$495                      |              |
|   | <b>South Sub.</b>    |              | <b>Renville County</b> |              | <b>Minnesota</b>           |              |
| <b>Contract Rent</b>  | <b>No.</b>           | <b>Pct.</b>  | <b>No.</b>             | <b>Pct.</b>  | <b>No.</b>                 | <b>Pct.</b>  |
| No Cash Rent  | 67                   | 21.1         | 227                    | 17.4         | 25,842                     | 4.1          |
| Cash Rent   | 250                  | 78.9         | 1,074                  | 82.6         | 600,671                    | 95.9         |
| \$0 to \$249  | 37                   | 11.7         | 142                    | 10.9         | 36,402                     | 5.8          |
| \$250-\$499   | 148                  | 46.7         | 378                    | 29.1         | 67,238                     | 10.7         |
| \$500-\$749   | 39                   | 12.3         | 379                    | 29.1         | 116,108                    | 18.5         |
| \$750-\$999   | 7                    | 2.2          | 57                     | 4.4          | 150,469                    | 24.0         |
| \$1,000+  | 19                   | 6.0          | 118                    | 9.1          | 230,454                    | 36.8         |
| <b>Total</b>  | <b>317</b>           | <b>100.0</b> | <b>1,301</b>           | <b>100.0</b> | <b>626,513</b>             | <b>100.0</b> |
| Median Contract Rent  | \$478                |              | \$545                  |              | \$870                      |              |
| Sources: U.S. Census Bureau - ACS; Maxfield Research & Consulting, LLC          |                      |              |                        |              |                            |              |

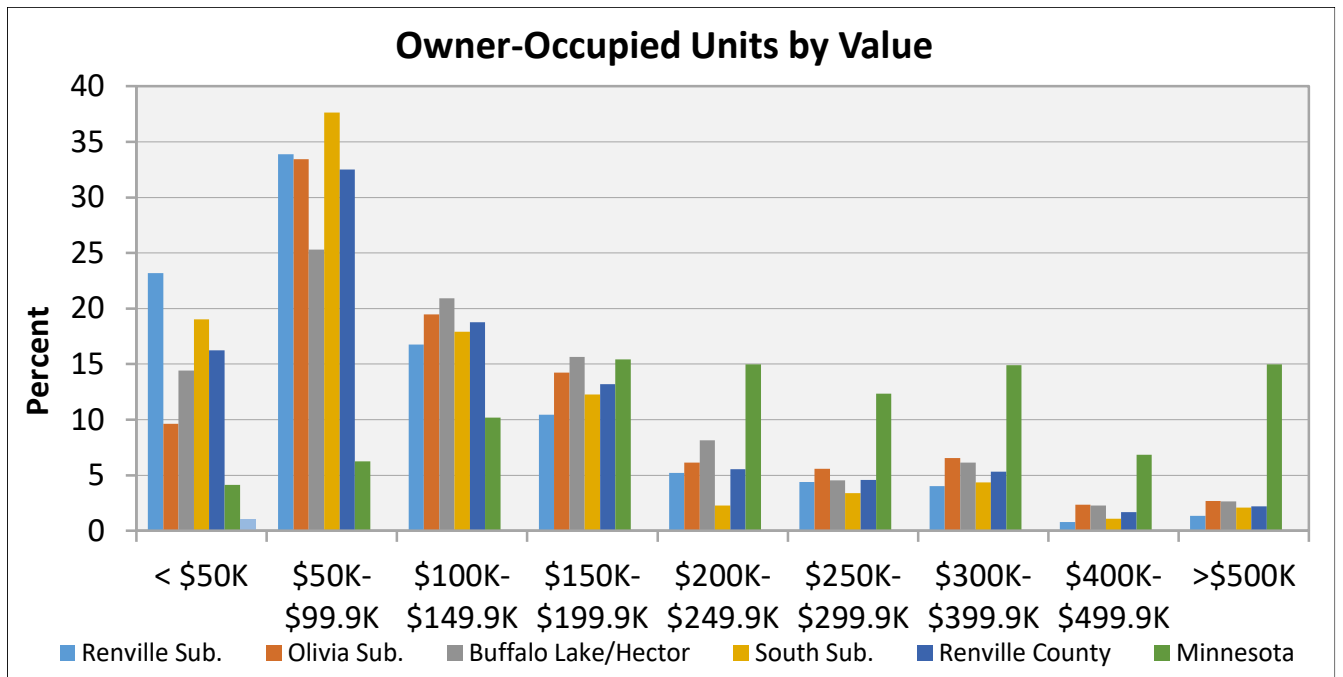
### Owner-Occupied Housing Units by Value

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 Renville County was \$145,526. The highest median home value was reported in the Olivia submarket (\$159,500), while the lowest was reported in the South submarket (\$120,433).

## HOUSING CHARACTERISTICS

- Within Renville County, about 20% of homes were valued over \$200,000. However, the highest proportion of homes the County were valued in the \$50,000 to \$99,999 grouping, combining for 33% of all homes.
- The Olivia and Buffalo Lake/Hector submarkets, each reported the highest share of homes valued over \$200,000 in Renville County. Both submarkets presented over 65% of owner-occupied homes valued over \$200,000.



**HOUSING CHARACTERISTICS**

**TABLE HC-6  
OWNER-OCCUPIED UNITS BY VALUE  
RENVILLE COUNTY  
2018**

| Home Value             | Renville Sub. |              | Olivia Sub.  |              | Buffalo Lake/Hector |              |
|------------------------|---------------|--------------|--------------|--------------|---------------------|--------------|
|                        | No.           | Pct.         | No.          | Pct.         | No.                 | Pct.         |
| Less than \$50,000     | 295           | 23.2         | 140          | 9.6          | 165                 | 14.4         |
| \$50,000-\$99,999      | 431           | 33.9         | 486          | 33.4         | 289                 | 25.3         |
| \$100,000-\$149,999    | 213           | 16.7         | 283          | 19.5         | 239                 | 20.9         |
| \$150,000-\$199,999    | 133           | 10.5         | 207          | 14.2         | 179                 | 15.7         |
| \$200,000-\$249,999    | 66            | 5.2          | 89           | 6.1          | 93                  | 8.1          |
| \$250,000-\$299,999    | 56            | 4.4          | 81           | 5.6          | 52                  | 4.5          |
| \$300,000-\$399,999    | 51            | 4.0          | 95           | 6.5          | 70                  | 6.1          |
| \$400,000-\$499,999    | 10            | 0.8          | 34           | 2.3          | 26                  | 2.3          |
| Greater than \$500,000 | 17            | 1.3          | 39           | 2.7          | 30                  | 2.6          |
| <b>Total</b>           | <b>1,272</b>  | <b>100.0</b> | <b>1,454</b> | <b>100.0</b> | <b>1,143</b>        | <b>100.0</b> |
| Median Home Value      | \$145,022     |              | \$159,550    |              | \$157,100           |              |

| Home Value             | South Sub.   |              | Renville County |              | Minnesota        |              |
|------------------------|--------------|--------------|-----------------|--------------|------------------|--------------|
|                        | No.          | Pct.         | No.             | Pct.         | No.              | Pct.         |
| Less than \$50,000     | 192          | 19.0         | 792             | 16.2         | 69,519           | 4.1          |
| \$50,000-\$99,999      | 380          | 37.6         | 1,586           | 32.5         | 105,052          | 6.2          |
| \$100,000-\$149,999    | 181          | 17.9         | 916             | 18.8         | 171,114          | 10.2         |
| \$150,000-\$199,999    | 124          | 12.3         | 643             | 13.2         | 259,729          | 15.4         |
| \$200,000-\$249,999    | 23           | 2.3          | 271             | 5.6          | 252,356          | 15.0         |
| \$250,000-\$299,999    | 34           | 3.4          | 223             | 4.6          | 207,359          | 12.3         |
| \$300,000-\$399,999    | 44           | 4.4          | 260             | 5.3          | 250,668          | 14.9         |
| \$400,000-\$499,999    | 11           | 1.1          | 81              | 1.7          | 115,239          | 6.8          |
| Greater than \$500,000 | 21           | 2.1          | 107             | 2.2          | 252,142          | 15.0         |
| <b>Total</b>           | <b>1,010</b> | <b>100.0</b> | <b>4,879</b>    | <b>100.0</b> | <b>1,683,178</b> | <b>100.0</b> |
| Median Home Value      | \$120,433    |              | \$145,526       |              | \$235,400        |              |

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 2018 (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.

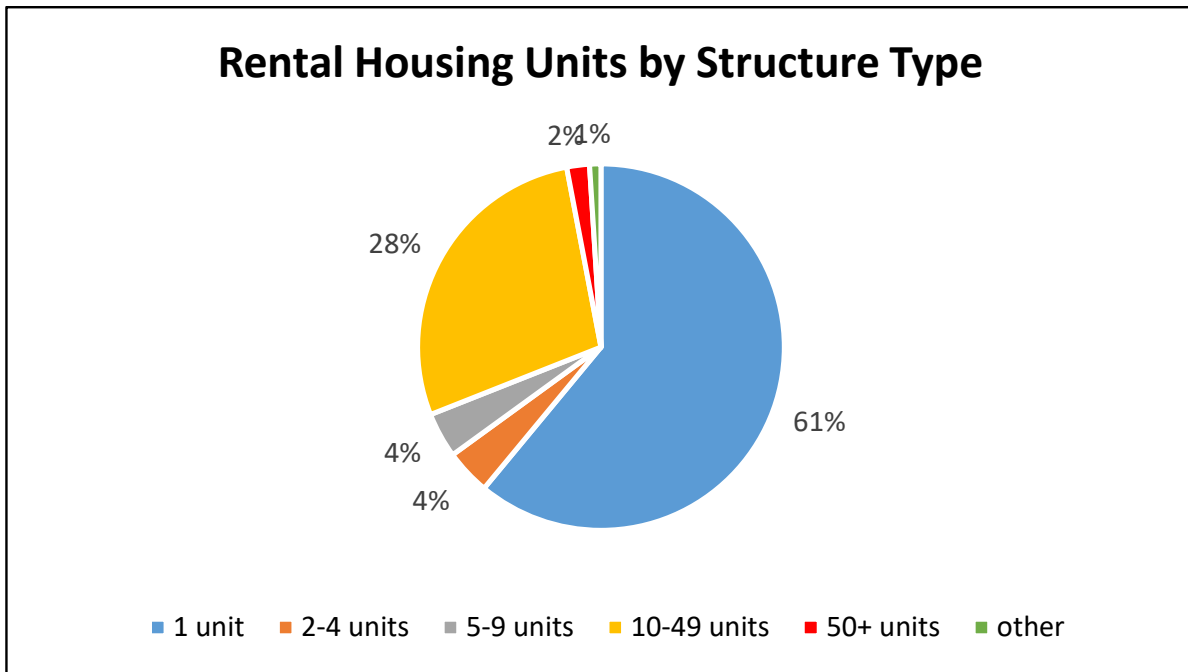
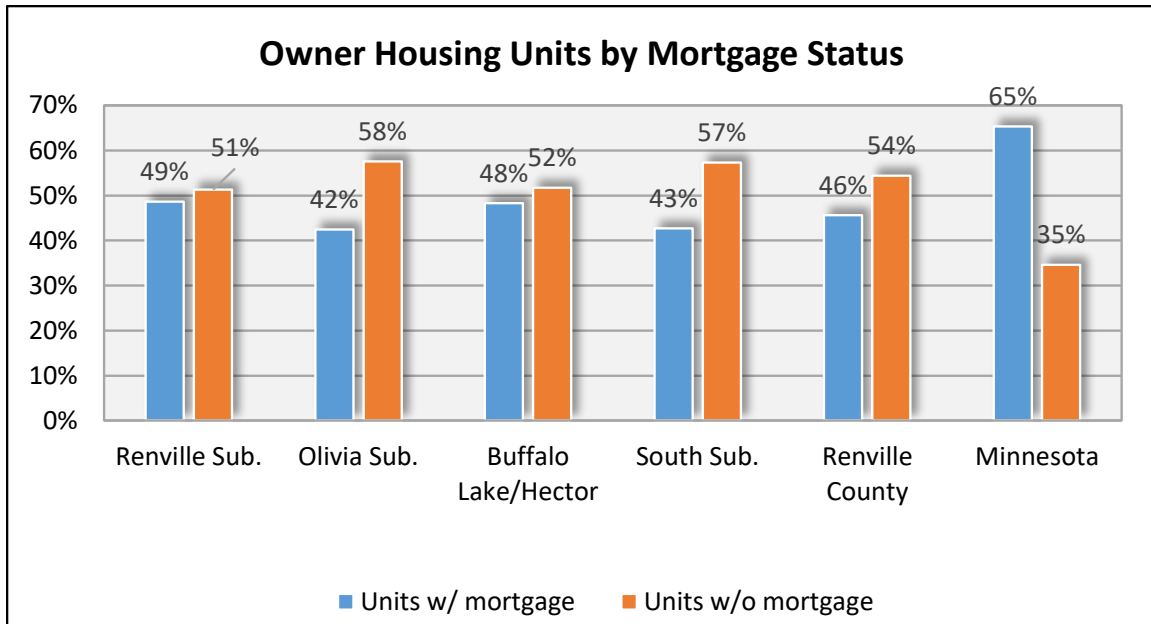
- Approximately 46% of Renville County homeowners have a mortgage and about 6% of homeowners with mortgages in Renville County also have a second mortgage and/or home equity loan. The median value of a house with a mortgage is \$112,300, while the median value of a house without a mortgage is \$95,600.
- The Oliva submarket had the highest proportion of homes without a mortgage (57.6%) followed by the South submarket (57.3%). The Renville submarket posted the highest share of homes with a mortgage/debt (48.7%).
- Where debt other than a mortgage was reported, it was most likely to be a home equity loan only, with 2.4% of homes with a mortgage in Renville County carrying a home equity loan.
- Housing units with a mortgage reported a higher median value than those without a mortgage in all four submarkets. The South submarket reported the largest disparity as homes with a mortgage had a median value of \$86,300, compared to \$53,029 for homes without a mortgage.
- In Renville County, 54.5% of housing units do not have a mortgage compared to the State of Minnesota which has 34.6% of housing units without a mortgage.

## HOUSING CHARACTERISTICS

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

| Mortgage Status                             | Renville Sub. |              | Olivia Sub.     |              | Buffalo Lake/Hector |              |
|---|---------------|--------------|-----------------|--------------|---------------------|--------------|
|   | No.           | Pct.         | No.             | Pct.         | No.                 | Pct.         |
| Housing units without a mortgage            | 653           | 51.3         | 837             | 57.6         | 591                 | 51.7         |
| Housing units with a mortgage/debt          | 619           | 48.7         | 617             | 42.4         | 552                 | 48.3         |
| <i>Second mortgage only</i>                 | 25            | 2.0          | 16              | 1.1          | 4                   | 0.3          |
| <i>Home equity loan only</i>                | 16            | 1.3          | 30              | 2.1          | 44                  | 3.8          |
| <i>Both second mortgage and equity loan</i> | 3             | 0.2          | 1               | 0.1          | 1                   | 0.1          |
| <i>No second mortgage or equity loan</i>    | 575           | 45.2         | 570             | 39.2         | 510                 | 44.6         |
| <b>Total</b>                                | <b>1,272</b>  | <b>100.0</b> | <b>1,454</b>    | <b>100.0</b> | <b>1,143</b>        | <b>100.0</b> |
| <b>Median Value by Mortgage Status</b>      |               |              |                 |              |                     |              |
| Housing units with a mortgage               | \$157,500     |              | \$168,200       |              | \$162,500           |              |
| Housing units without a mortgage            | \$1,651,988   |              | \$766,347       |              | \$403,137           |              |
| Mortgage Status                             | South Sub.    |              | Renville County |              | Minnesota           |              |
|   | No.           | Pct.         | No.             | Pct.         | No.                 | Pct.         |
| Housing units without a mortgage            | 579           | 57.3         | 2,653           | 54.4         | 542,965             | 34.6         |
| Housing units with a mortgage/debt          | 431           | 42.7         | 2,226           | 45.6         | 1,024,974           | 65.4         |
| <i>Second mortgage only</i>                 | 8             | 0.8          | 172             | 3.5          | 34,127              | 2.2          |
| <i>Home equity loan only</i>                | 29            | 2.9          | 119             | 2.4          | 115,003             | 7.3          |
| <i>Both second mortgage and equity loan</i> | 1             | 0.1          | 6               | 0.1          | 4,730               | 0.3          |
| <i>No second mortgage or equity loan</i>    | 393           | 38.9         | 2,048           | 42.0         | 871,114             | 55.6         |
| <b>Total</b>                                | <b>1,010</b>  | <b>100.0</b> | <b>4,879</b>    | <b>100.0</b> | <b>1,567,939</b>    | <b>100.0</b> |
| <b>Median Value by Mortgage Status</b>      |               |              |                 |              |                     |              |
| Housing units with a mortgage               | \$86,300      |              | \$112,300       |              | \$218,800           |              |
| Housing units without a mortgage            | \$53,029      |              | \$95,600        |              | \$373,584           |              |

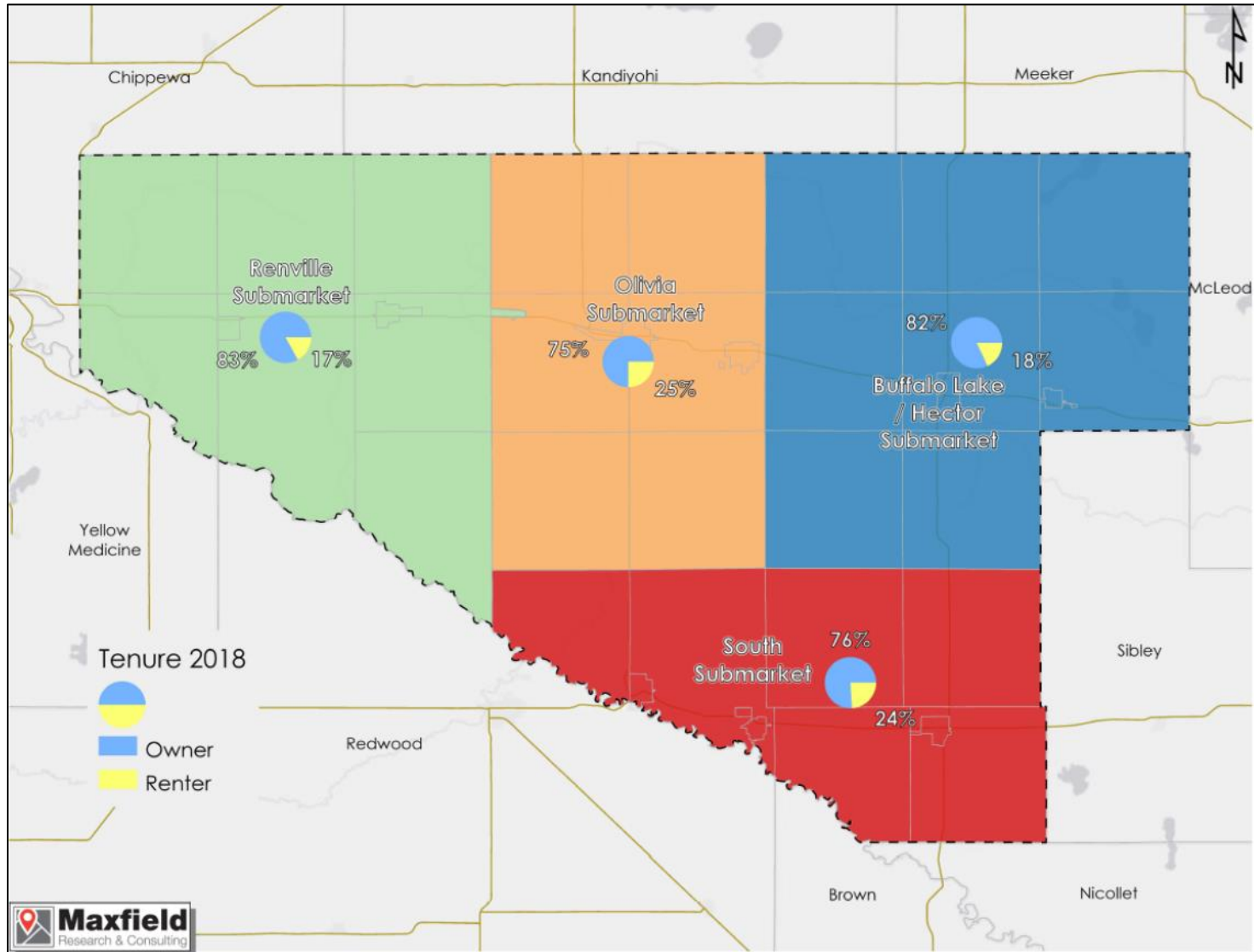
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC



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

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

### Owner Vs Renter-Occupied Housing





## HOUSING CHARACTERISTICS

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

| Units in Structure  | Renville Submarket |             |                 |             | Olivia Submarket |             |                 |             | Buffalo Lake/Hector Submarket |             |                 |             |
|---------------------|--------------------|-------------|-----------------|-------------|------------------|-------------|-----------------|-------------|-------------------------------|-------------|-----------------|-------------|
|                     | Owner-Occupied     | Pct.        | Renter-Occupied | Pct.        | Owner-Occupied   | Pct.        | Renter-Occupied | Pct.        | Owner-Occupied                | Pct.        | Renter-Occupied | Pct.        |
| 1, detached         | 1,248              | 98.1%       | 155             | 60.5%       | 1,425            | 98.0%       | 199             | 41.5%       | 1,128                         | 98.7%       | 149             | 60%         |
| 1, attached         | 2                  | 0.2%        | 3               | 1.2%        | 3                | 0.2%        | 14              | 2.9%        | 4                             | 0.3%        | 2               | 1%          |
| 2                   | 0                  | 0.0%        | 6               | 2.3%        | 0                | 0.0%        | 20              | 4.2%        | 0                             | 0.0%        | 0               | 0%          |
| 3 to 4              | 0                  | 0.0%        | 4               | 1.6%        | 0                | 0.0%        | 27              | 5.6%        | 1                             | 0.1%        | 5               | 2%          |
| 5 to 9              | 0                  | 0.0%        | 9               | 3.5%        | 0                | 0.0%        | 41              | 8.6%        | 0                             | 0.0%        | 23              | 9%          |
| 10 to 19            | 0                  | 0.0%        | 45              | 17.6%       | 0                | 0.0%        | 89              | 18.6%       | 0                             | 0.0%        | 13              | 5%          |
| 20 to 49            | 0                  | 0.0%        | 26              | 10.2%       | 0                | 0.0%        | 79              | 16.5%       | 0                             | 0.0%        | 34              | 14%         |
| 50 or more          | 0                  | 0.0%        | 5               | 2.0%        | 0                | 0.0%        | 7               | 1.5%        | 0                             | 0.0%        | 4               | 2%          |
| Mobile home         | 22                 | 1.7%        | 3               | 1.2%        | 26               | 1.8%        | 3               | 0.6%        | 10                            | 0.9%        | 19              | 8%          |
| Boat, RV, van, etc. | 0                  | 0.0%        | 0               | 0.0%        | 0                | 0.0%        | 0               | 0.0%        | 0                             | 0.0%        | 0               | 0%          |
| <b>Total</b>        | <b>1,272</b>       | <b>100%</b> | <b>256</b>      | <b>100%</b> | <b>1,454</b>     | <b>100%</b> | <b>479</b>      | <b>100%</b> | <b>1,143</b>                  | <b>100%</b> | <b>249</b>      | <b>100%</b> |

| Units in Structure  | South Submarket |             |                 |             | Renville County |             |                 |             | Minnesota        |             |                 |             |
|---------------------|-----------------|-------------|-----------------|-------------|-----------------|-------------|-----------------|-------------|------------------|-------------|-----------------|-------------|
|                     | Owner-Occupied  | Pct.        | Renter-Occupied | Pct.        | Owner-Occupied  | Pct.        | Renter-Occupied | Pct.        | Owner-Occupied   | Pct.        | Renter-Occupied | Pct.        |
| 1, detached         | 978             | 96.8%       | 185             | 58%         | 4,730           | 96.9%       | 688             | 52.9%       | 1,337,498        | 85.3%       | 120,586         | 19.2%       |
| 1, attached         | 1               | 0.1%        | 2               | 1%          | 10              | 0.2%        | 21              | 1.6%        | 120,790          | 7.7%        | 48,725          | 7.8%        |
| 2                   | 0               | 0.0%        | 7               | 2%          | 0               | 0.0%        | 33              | 2.5%        | 9,597            | 0.6%        | 36,275          | 5.8%        |
| 3 to 4              | 2               | 0.2%        | 11              | 3%          | 3               | 0.1%        | 47              | 3.6%        | 8,241            | 0.5%        | 35,624          | 5.7%        |
| 5 to 9              | 0               | 0.0%        | 46              | 15%         | 0               | 0.0%        | 119             | 9.1%        | 7,018            | 0.4%        | 42,839          | 6.8%        |
| 10 to 19            | 0               | 0.0%        | 33              | 10%         | 0               | 0.0%        | 180             | 13.8%       | 5,301            | 0.3%        | 67,632          | 10.8%       |
| 20 to 49            | 0               | 0.0%        | 26              | 8%          | 0               | 0.0%        | 165             | 12.7%       | 9,891            | 0.6%        | 109,044         | 17.4%       |
| 50 or more          | 0               | 0.0%        | 0               | 0%          | 0               | 0.0%        | 16              | 1.2%        | 22,188           | 1.4%        | 154,270         | 24.6%       |
| Mobile home         | 29              | 2.9%        | 7               | 2%          | 136             | 2.8%        | 32              | 2.5%        | 47,107           | 3.0%        | 10,895          | 1.7%        |
| Boat, RV, van, etc. | 0               | 0.0%        | 0               | 0%          | 0               | 0.0%        | 0               | 0.0%        | 308              | 0.0%        | 623             | 0.1%        |
| <b>Total</b>        | <b>1,010</b>    | <b>100%</b> | <b>317</b>      | <b>100%</b> | <b>4,879</b>    | <b>100%</b> | <b>1,301</b>    | <b>100%</b> | <b>1,567,939</b> | <b>100%</b> | <b>626,513</b>  | <b>100%</b> |

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

- 55% of all rental units are single-family rentals in Renville County with over 60% of rentals in the Renville and Buffalo Lake/Hector Submarkets being single-family rentals.
- Many younger homebuyers want the option of being able to move as their careers dictate and renting a single-family home both allows this freedom and provides some of the amenities of buying but without the long-term commitments.
- With the pandemic continuing, social distancing and limiting human contact is still a concern among many. Renting a single-family home provides a greater piece of mind than in an apartment in a multi-family apartment building.

**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 Southwest Central Region and the Seven County Twin Cities Planning Region. The Southwest Central Region encompasses Kandiyohi, McLeod, Meeker and Renville County and is provides the most recent data available. 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.

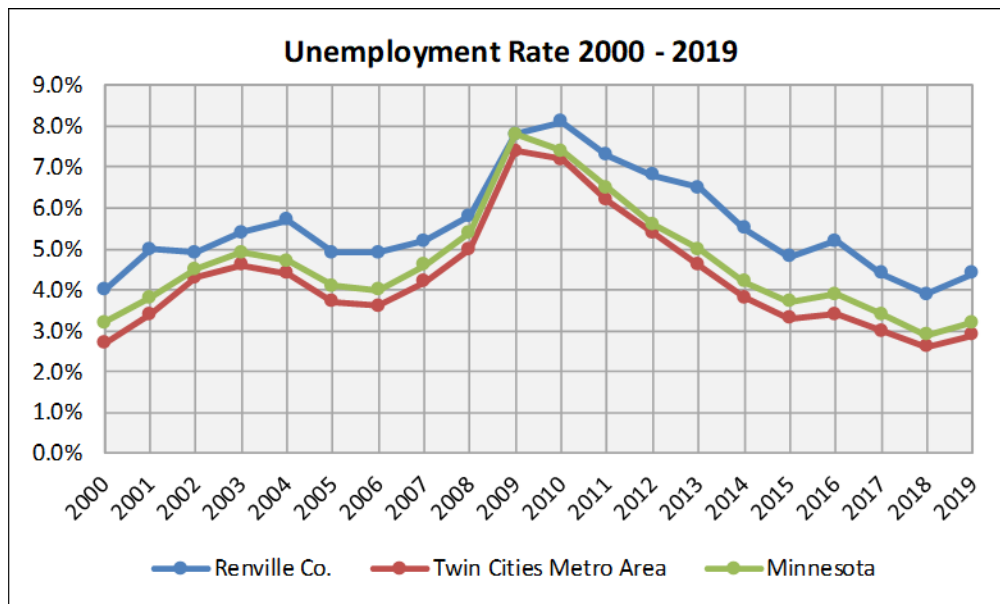
- There was an estimated total of 211,618 jobs in the Southwest Central Region in 2016, which was 6.9% of the State of Minnesota total (3,097,300 jobs).
- The number of jobs in the Southwest Central Region is projected to grow by 1,185 jobs from 2016 through 2026 (0.9%). This projection is lower than what is expected for the Twin Cities Metro Area (6.8%) and the State of Minnesota (5.9%).

| <b>TABLE E-1<br/>EMPLOYMENT GROWTH TRENDS AND PROJECTIONS<br/>RENVILLE COUNTY ANALYSIS AREA<br/>2016 - 2026</b>  |                   |                 |                    |             |
|--|-------------------|-----------------|--------------------|-------------|
|  | <b>Employment</b> |                 | <b>Change</b>      |             |
|  | <b>Estimate</b>   | <b>Forecast</b> | <b>2016 - 2024</b> |             |
|  | <b>2016</b>       | <b>2026</b>     | <b>No.</b>         | <b>Pct.</b> |
| <b>Southwest Central Region</b>  | <b>211,618</b>    | <b>213,503</b>  | <b>1,885</b>       | <b>0.9%</b> |
| 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: Southwest Central Region - Kandiyohi, McLeod, Meeker and Renville 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 Renville 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 Renville County declined by approximately -108 people between 2000 and 2019 (-1.2%) and the unemployment rate increased from 4% in 2000 to 4.4% in 2019. By comparison, Minnesota’s unemployment rate was at 3.3% and the United States was at 3.7% as of 2019.
- Renville County’s unemployment rate higher the Twin Cities Metro Area and Minnesota’s unemployment rate and has remained slightly higher since 2008. The greatest yearly difference was 1.2% higher than Minnesota in 2019.
- The unemployment rate in Renville County increased to a high of 8.1% (2009) which was the peak of the recession. However, as of year-end 2019, the unemployment rate has fallen 3.7% to 4.4%, which is considered below equilibrium (5.0%).



| TABLE E-2<br>ANNUAL AVERAGE RESIDENT EMPLOYMENT<br>RENVILLE COUNTY<br>2000 to 2019         |             |           |            |      |
|--|-------------|-----------|------------|------|
| Year   | Labor Force | Employed  | Unemployed | Rate |
| <b>Renville County</b>   |             |           |            |      |
| 2000   | 9,182       | 8,813     | 369        | 4.0% |
| 2005   | 8,437       | 8,024     | 413        | 4.9% |
| 2010   | 8,993       | 8,269     | 724        | 8.1% |
| 2015   | 8,590       | 8,179     | 411        | 4.8% |
| 2018   | 8,787       | 8,442     | 345        | 3.9% |
| 2019   | 9,109       | 8,705     | 405        | 4.4% |
| 2020*  | 8,511       | 7,955     | 556        | 6.5% |
| <b>Change 2000-2019</b>  |             |           |            |      |
| Number   | -73         | -108      | 36         | --   |
| Percent  | -0.8%       | -1.2%     | 9.8%       | --   |
| <b>Minnesota</b>   |             |           |            |      |
| 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% |
| <b>U.S. <sup>2</sup></b>   |             |           |            |      |
| 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% |
| <sup>2</sup> Estimated in Thousands  |             |           |            |      |
| * June 2020 data with Covid-19 pandemic challenges   |             |           |            |      |
| Note: Data not seasonally adjusted   |             |           |            |      |
| Sources: U.S. Department of Labor, MN Workforce Center, Maxfield Research & Consulting LLC |             |           |            |      |

### Covered Employment & Wage Trends

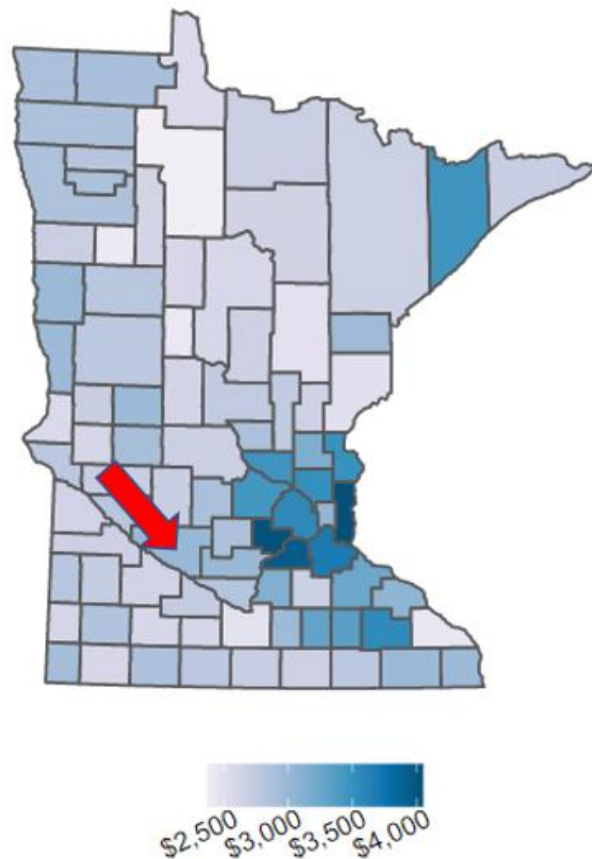
Table E-3 presents covered employment numbers as available for Renville County from 2013 through the third quarter of 2019. Covered employment data is calculated as an annual average and reveals the number of jobs in the designated area, which are covered by unemployment insurance. Many temporary workforce 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:

## EMPLOYMENT TRENDS

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- Between 2013 and Q3 2019, the number of jobs declined in Renville County by 36, a -9.8% decrease in the County. The Leisure and Hospitality sector gained the greatest number of jobs (551 jobs) between 2013 and Q3 2019. The Natural Resources & Mining, and Education & Trade, Transportation & Utilities sectors all declined between 2013 to Q3 2019.
- As of Q3 2019, the Education and Health Services sector accounted for the largest share of employment in Renville County, with 1,228 employees accounting for 21.4% of employment. Between 2013 and Q3 2019, the Education and Health Services sector has declined by -90 employees, a decline by approximately -6.8%.
- The next two largest employment sectors were the Trade, Transportation & Utilities, which accounted for 20.7% of employment in Q3 2019 and the Manufacturing sector, which accounted for 15% of employment.

Median monthly wage  
for all occupations



## EMPLOYMENT TRENDS

| <b>TABLE E-3</b><br><b>COVERED EMPLOYMENT TRENDS</b><br><b>RENVILLE COUNTY ANALYSIS AREA</b><br><b>2013 - Q3 2019</b><br><b>North American Industrial Classification System (NAICS)</b> |                  |                  |                  |                  |  |            |
|---|------------------|------------------|------------------|------------------|--|------------|
| <b>Renville County</b><br><b>Average Number of Employees</b>  |                  |                  |                  |                  | <b>Change</b><br><b>2013 - Q3 2019</b> |            |
| Industry  | 2013             | 2015             | 2017             | Q3 2019          | No.                                    | Pct.       |
| Natural Resources & Mining  | 883              | 864              | 573              | 515              | -368                                   | -41.7      |
| Construction  | 267              | 276              | 250              | 262              | -5                                     | -1.9       |
| Manufacturing   | 906              | 905              | 1,128            | 862              | -44                                    | -4.9       |
| Trade, Transportation & Utilities   | 1,363            | 1,374            | 1,316            | 1,189            | -174                                   | -12.8      |
| Information   | 29               | 30               | 29               | 30               | 1                                      | 3.4        |
| Financial Services  | 144              | 162              | 150              | 164              | 20                                     | 13.9       |
| Professional and Business Services  | 223              | 268              | 209              | 239              | 16                                     | 7.2        |
| Education and Health Services   | 1,318            | 1,341            | 1,333            | 1,228            | -90                                    | -6.8       |
| Leisure and Hospitality   | 247              | 225              | 831              | 798              | 551                                    | 223.1      |
| Other Services  | 84               | 94               | 88               | 84               | 0                                      | 0.0        |
| Public Administration   | 398              | 453              | 382              | 373              | -25                                    | -6.3       |
| <b>Totals</b>   | <b>5,723</b>     | <b>5,872</b>     | <b>6,067</b>     | <b>5,747</b>     | <b>24</b>                              | <b>0.4</b> |
| <b>Twin Cities Metro Area</b><br><b>Average Number of Employees</b>   |                  |                  |                  |                  | <b>Change</b><br><b>2013 - Q3 2019</b> |            |
| 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       |
| <b>Totals</b>   | <b>1,620,612</b> | <b>1,675,292</b> | <b>1,762,014</b> | <b>1,777,813</b> | <b>157,201</b>                         | <b>9.7</b> |

Source: MN Employment & Economic Development, Maxfield Research & Consulting, LLC

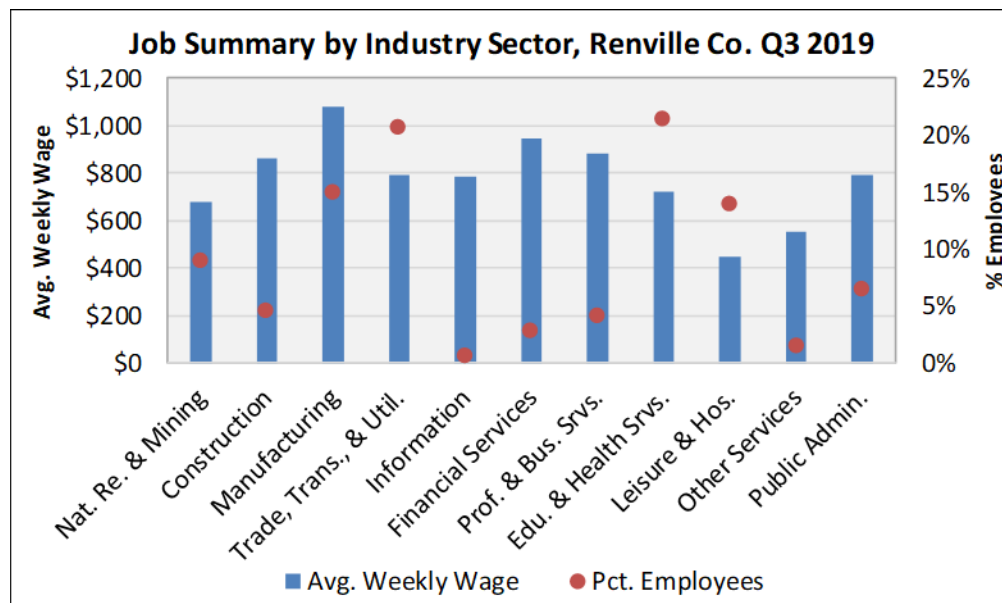
Table E-4 displays information on average weekly wages in Renville County compared to the Twin Cities Metro Area. The Quarterly Census of Employment and Wages (QCEW) data is sourced from Minnesota Employment and Economic Development (MN DEED) for the annual average of 2013 through the third quarter of 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.

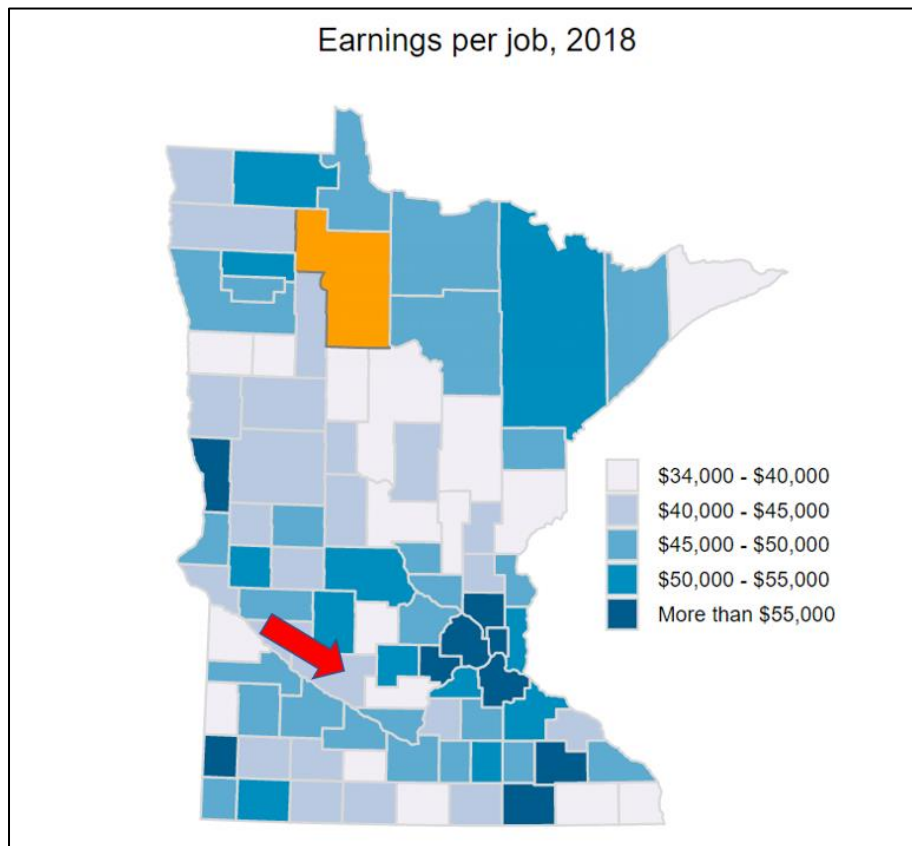
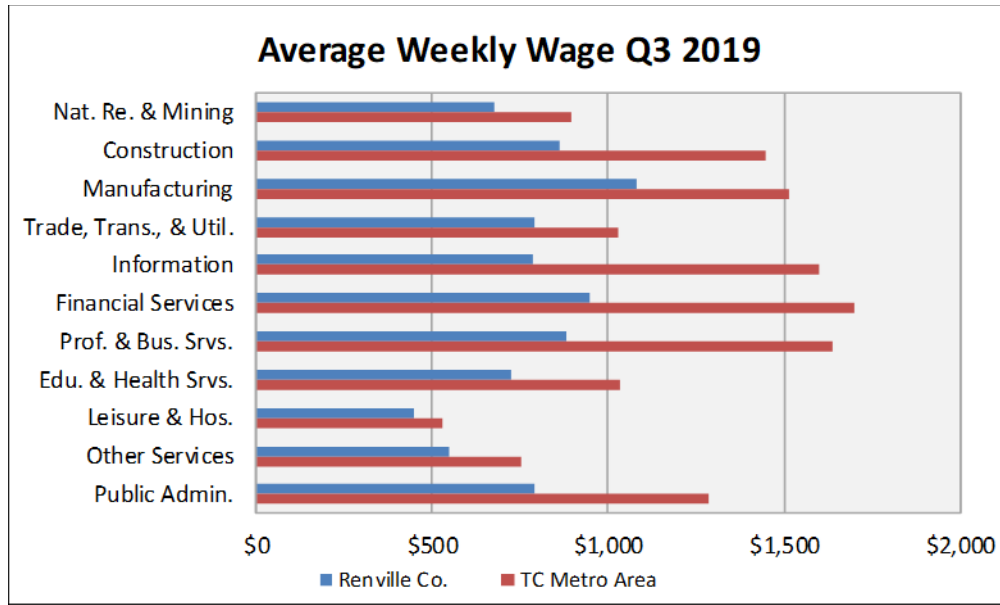
It should be noted that certain industries in the table may not display any information which means that there is either no reported economic activity for that industry or the data has been

## EMPLOYMENT TRENDS

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 Leisure and Hospitality sector witnessed the largest growth increasing average weekly wages by \$264 (141%) between 2013 to Q3 2019. The Other Services sector experienced the second largest growth, increasing by \$185 (50.7%).
- Wages in Renville 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).







## EMPLOYMENT TRENDS

| <b>TABLE E-4</b><br><b>WAGE TRENDS</b><br><b>RENVILLE COUNTY ANALYSIS AREA</b><br><b>2013 - Q3 2019</b><br><b>North American Industrial Classification System (NAICS)</b> |                |                |                |                |                       |             |
|---|----------------|----------------|----------------|----------------|-----------------------|-------------|
| <b>Renville County</b>  |                |                |                |                | <b>Change</b>         |             |
| <b>Average Weekly Wage</b>  |                |                |                |                | <b>2013 - Q3 2019</b> |             |
| <u>Industry</u>   | <u>2013</u>    | <u>2015</u>    | <u>2017</u>    | <u>Q3 2019</u> | <u>No.</u>            | <u>Pct.</u> |
| Natural Resources & Mining  | \$723          | \$753          | \$879          | \$675          | -\$48                 | -6.6        |
| Construction  | \$962          | \$1,071        | \$1,088        | \$864          | -\$98                 | -10.2       |
| Manufacturing   | \$1,057        | \$1,187        | \$1,235        | \$1,081        | \$24                  | 2.3         |
| Trade, Transportation & Utilities   | \$733          | \$768          | \$817          | \$789          | \$56                  | 7.6         |
| Information   | \$814          | \$817          | \$918          | \$786          | -\$28                 | -3.4        |
| Financial Services  | \$1,304        | \$1,429        | \$1,509        | \$947          | -\$357                | -27.4       |
| Professional and Business Services  | \$1,079        | \$1,035        | \$1,285        | \$881          | -\$198                | -18.4       |
| Education and Health Services   | \$566          | \$640          | \$640          | \$724          | \$158                 | 27.9        |
| Leisure and Hospitality   | \$186          | \$189          | \$456          | \$450          | \$264                 | 141.9       |
| Other Services  | \$365          | \$449          | \$466          | \$550          | \$185                 | 50.7        |
| Public Administration   | \$713          | \$729          | \$701          | \$792          | \$79                  | 11.1        |
| <b>Totals</b>   | <b>\$831</b>   | <b>\$814</b>   | <b>\$843</b>   | <b>\$770</b>   | <b>-\$61</b>          | <b>-7.3</b> |
| <b>Twin Cities Metro Area</b>   |                |                |                |                | <b>Change</b>         |             |
| <b>Average Weekly Wage</b>  |                |                |                |                | <b>2013 - Q3 2019</b> |             |
| <u>Industry</u>   | <u>2013</u>    | <u>2015</u>    | <u>2017</u>    | <u>Q3 2019</u> | <u>No.</u>            | <u>Pct.</u> |
| 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        |
| <b>Totals</b>   | <b>\$1,087</b> | <b>\$1,160</b> | <b>\$1,210</b> | <b>\$1,216</b> | <b>\$129</b>          | <b>11.9</b> |

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 Renville 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

## EMPLOYMENT TRENDS

there are too few employers, or one employer comprises too much of the employment in that geography.

- As of 2019, there were almost 750 businesses in Renville County.
- The Other Services sector has the highest proportion of establishments (15.6%), while the Construction has the highest proportion of employees (18.2%) in Renville County.
- The Transportation & Warehousing sector accounts for nearly the same share of businesses and employees, accounting for 5.9% of businesses and 5.6% of employees.

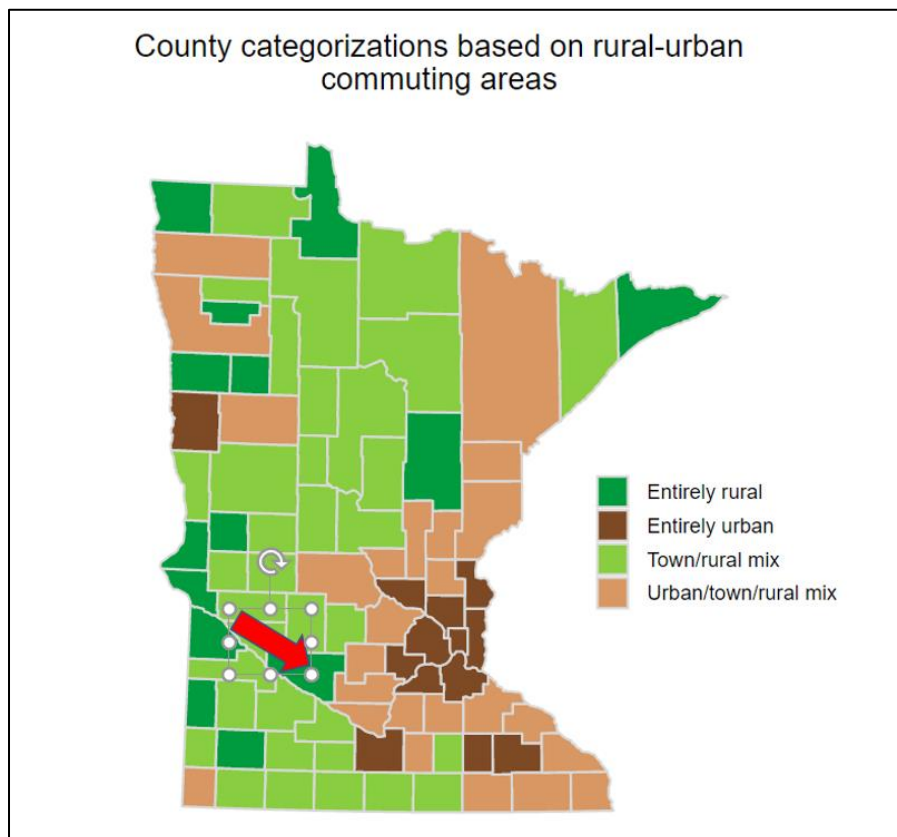
| Business/Industry  | Businesses |               | Employees    |               |
|--|------------|---------------|--------------|---------------|
|  | Number     | Pct           | Number       | Pct           |
| <b>NAICS CODES</b>   |            |               |              |               |
| Agriculture, Forestry, Fishing & Hunting                           | 57         | 7.6%          | 273          | 3.8%          |
| Mining   | 1          | 0.1%          | 15           | 0.2%          |
| Utilities  | 4          | 0.5%          | 50           | 0.7%          |
| Construction   | 44         | 5.9%          | 293          | 4.1%          |
| Manufacturing  | 29         | 3.9%          | 1,298        | 18.2%         |
| Wholesale Trade  | 27         | 3.6%          | 325          | 4.6%          |
| Retail Trade   | 88         | 11.8%         | 683          | 9.6%          |
| Transportation & Warehousing                                       | 44         | 5.9%          | 400          | 5.6%          |
| Information  | 19         | 2.5%          | 100          | 1.4%          |
| Finance & Insurance  | 53         | 7.1%          | 230          | 3.2%          |
| Real Estate, Rental & Leasing                                      | 17         | 2.3%          | 20           | 0.3%          |
| Professional, Scientific & Tech Services                           | 33         | 4.4%          | 345          | 4.8%          |
| Management of Companies & Enterprises                              | 0          | 0.0%          | 0            | 0.0%          |
| Administrative & Support & Waste Management & Remediation Services | 8          | 1.1%          | 20           | 0.3%          |
| Educational Services   | 21         | 2.8%          | 739          | 10.4%         |
| Health Care & Social Assistance                                    | 56         | 7.5%          | 978          | 13.7%         |
| Arts, Entertainment, & Recreation                                  | 16         | 2.1%          | 196          | 2.7%          |
| Accommodation & Food Services                                      | 29         | 3.9%          | 310          | 4.3%          |
| Other Services (except Public Administration)                      | 117        | 15.6%         | 366          | 5.1%          |
| Public Administration  | 67         | 9.0%          | 486          | 6.8%          |
| Unclassified Establishments  | 18         | 2.4%          | 7            | 0.1%          |
| <b>Total</b>   | <b>748</b> | <b>100.0%</b> | <b>7,134</b> | <b>100.0%</b> |

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 Renville 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, 13.4% of workers who are employed in Renville County live in the City of Olivia, and 5% live in the City of Bird Island. Olivia is also the largest work destinations located within Renville County, accounting for 13.2% of workers who have jobs in Renville County.
- Approximately 6% of Renville County residents commute to Willmar, which is located outside of Renville County. The City of Redwood Falls ranks third for work destinations and accounts for 409 employees (5.4%) who left Renville County for employment.
- Located outside of Renville County, the Cities of Redwood Falls and Willmar, combine to account for approximately 6.1% of workers employed in Renville County.



**TABLE E-6  
COMMUTING PATTERNS  
RENVILLE COUNTY ANALYSIS AREA  
2017**

| <b>Home Destination</b>   |              |              | <b>Work Destination</b>    |              |              |
|---------------------------|--------------|--------------|----------------------------|--------------|--------------|
| <u>Place of Residence</u> | <u>Count</u> | <u>Share</u> | <u>Place of Employment</u> | <u>Count</u> | <u>Share</u> |
| Olivia city, MN           | 774          | 13.4%        | Olivia city, MN            | 995          | 13.2%        |
| Bird Island city, MN      | 291          | 5.0%         | Willmar city, MN           | 414          | 5.5%         |
| Renville city, MN         | 237          | 4.1%         | Redwood Falls city, MN     | 409          | 5.4%         |
| Hector city, MN           | 203          | 3.5%         | Renville city, MN          | 391          | 5.2%         |
| Redwood Falls city, MN    | 183          | 3.2%         | Bird Island city, MN       | 279          | 3.7%         |
| Fairfax city, MN          | 173          | 3.0%         | Buffalo Lake city, MN      | 272          | 3.6%         |
| Willmar city, MN          | 168          | 2.9%         | Hutchinson city, MN        | 265          | 3.5%         |
| Danube city, MN           | 143          | 2.5%         | Hector city, MN            | 192          | 2.6%         |
| Buffalo Lake city, MN     | 132          | 2.3%         | St. Paul city, MN          | 185          | 2.5%         |
| Sacred Heart city, MN     | 115          | 2.0%         | Fairfax city, MN           | 125          | 1.7%         |
| All Other Locations       | 3,360        | 58.1%        | All Other Locations        | 3,992        | 53.1%        |
| <b>Total All Jobs</b>     | <b>5,779</b> |              | <b>Total All Jobs</b>      | <b>7,519</b> |              |

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

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

**Inflow/Outflow**

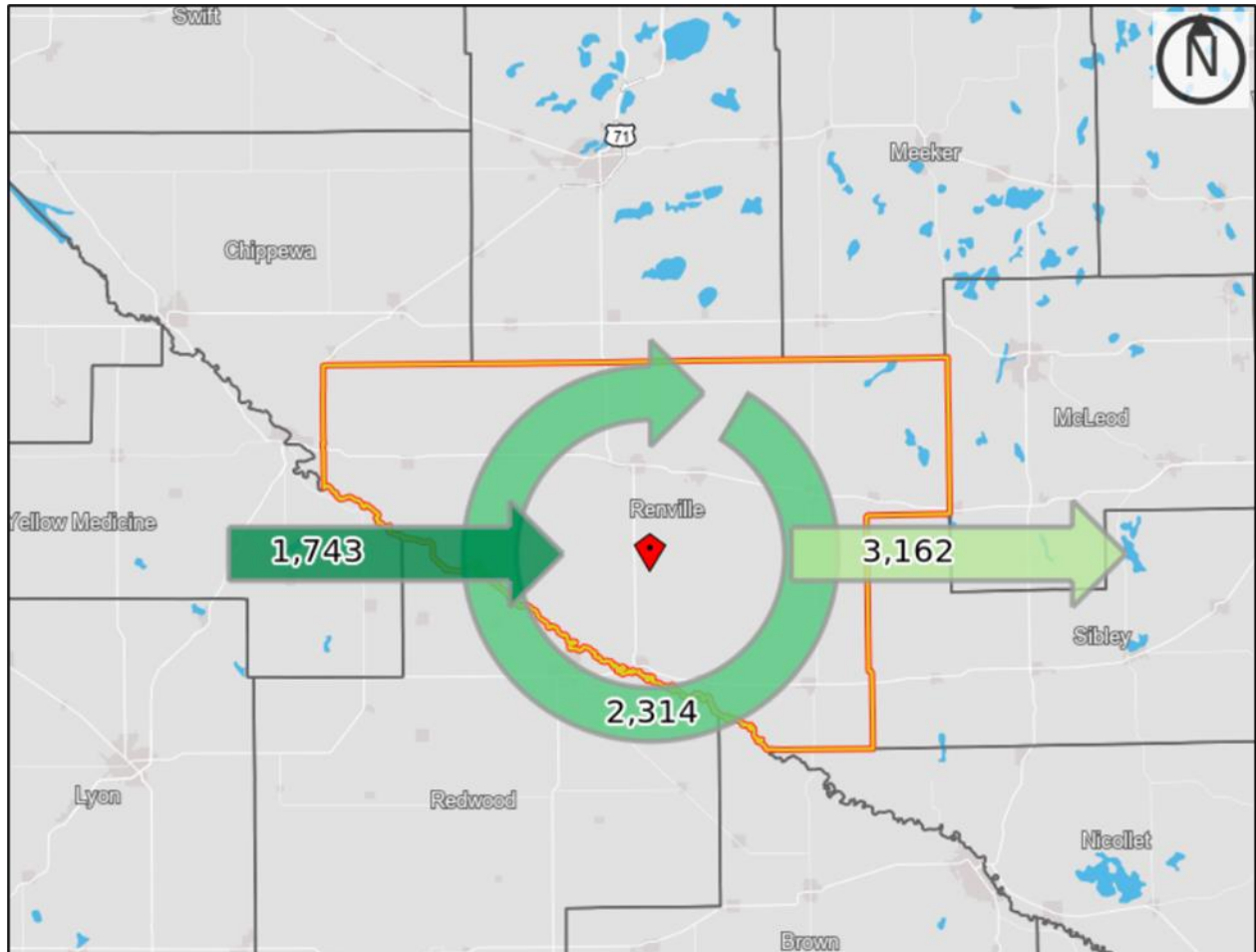
Table E-7 provides a summary of the inflow and outflow of workers in Renville County. Outflow reflects the number of workers living in Renville County but employed outside of the County while inflow measures the number of workers that are employed in Renville County but live outside. Interior flow reflects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

- Renville 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 3,162 workers left Renville County for work while 1,743 workers came into the County, for a net difference of 1,419 workers. Renville County also had an interior flow of 2,314 workers.

## EMPLOYMENT TRENDS

- The inflow of workers in Renville County are typically in the “Goods Producing” industry (48% of total), will earn \$3,333 or more per month, and are between the ages of 30 and 54 years old (50% of total).

### Renville Co. Commuting Inflow / Outflow



Sources: Longitudinal Employer-Household Dynamics

| <b>TABLE E-7</b><br><b>COMMUTING INFLOW/OUTFLOW</b><br><b>RENNVILLE COUNTY</b><br><b>2017</b> |                        |             |
|---|------------------------|-------------|
|   | <b>Renville County</b> |             |
|   | <b>Num.</b>            | <b>Pct.</b> |
| Employed in the Selection Area  | 4,057                  | 100%        |
| Employed in the Selection Area but Living Outside   | 1,743                  | 43%         |
| Employed and Living in the Selection Area   | 2,314                  | 57%         |
| Living in the Selection Area  | 5,476                  | 100%        |
| Living in the Selection Area but Employed Outside   | 3,162                  | 58%         |
| Living and Employed in the Selection Area   | 2,314                  | 42%         |
| <b>Commuting Distance - Work to Home</b>  | <b>Num.</b>            | <b>Pct.</b> |
| Less than 10 miles  | 1,604                  | 40%         |
| 10 to 24 miles  | 1,336                  | 33%         |
| 25 to 50 miles  | 509                    | 13%         |
| Greater than 50 miles   | 608                    | 15%         |
| <b>Commuting Distance - Home to Work</b>  | <b>Num.</b>            | <b>Pct.</b> |
| Less than 10 miles  | 1,647                  | 30%         |
| 10 to 24 miles  | 1,703                  | 31%         |
| 25 to 50 miles  | 759                    | 14%         |
| Greater than 50 miles   | 1,367                  | 25%         |
| <b>Outflow Job Characteristics</b>  | <b>Num.</b>            | <b>Pct.</b> |
| Workers Aged 29 or younger  | 815                    | 26%         |
| Workers Aged 30 to 54   | 1,544                  | 49%         |
| Workers Aged 55 or older  | 803                    | 25%         |
| Workers Earning \$1,250 per month or less   | 611                    | 19%         |
| Workers Earning \$1,251 to \$3,333 per month  | 1,061                  | 34%         |
| Workers Earning More than \$3,333 per month   | 1,490                  | 47%         |
| Workers in the "Goods Producing" Industry Class   | 1,044                  | 33%         |
| Workers in the "Trade, Transportation, and Utilities" Industry Class                          | 759                    | 24%         |
| Workers in the "All Other Services" Industry Class  | 1,359                  | 43%         |
| <b>Inflow Job Characteristics</b>   | <b>Num.</b>            | <b>Pct.</b> |
| Workers Aged 29 or younger  | 394                    | 23%         |
| Workers Aged 30 to 54   | 871                    | 50%         |
| Workers Aged 55 or older  | 478                    | 27%         |
| Workers Earning \$1,250 per month or less   | 380                    | 22%         |
| Workers Earning \$1,251 to \$3,333 per month  | 524                    | 30%         |
| Workers Earning More than \$3,333 per month   | 839                    | 48%         |
| Workers in the "Goods Producing" Industry Class   | 726                    | 42%         |
| Workers in the "Trade, Transportation, and Utilities" Industry Class                          | 555                    | 32%         |
| Workers in the "All Other Services" Industry Class  | 462                    | 27%         |
| <b>Interior Flow Job Characteristics</b>  | <b>Num.</b>            | <b>Pct.</b> |
| Workers Aged 29 or younger  | 494                    | 21%         |
| Workers Aged 30 to 54   | 1,092                  | 47%         |
| Workers Aged 55 or older  | 728                    | 31%         |
| Workers Earning \$1,250 per month or less   | 604                    | 26%         |
| Workers Earning \$1,251 to \$3,333 per month  | 786                    | 34%         |
| Workers Earning More than \$3,333 per month   | 924                    | 40%         |
| Workers in the "Goods Producing" Industry Class   | 867                    | 37%         |
| Workers in the "Trade, Transportation, and Utilities" Industry Class                          | 671                    | 29%         |
| Workers in the "All Other Services" Industry Class  | 776                    | 34%         |
| Sources: Longitudinal Employer-Household Dynamics; Maxfield Research & Consulting LLC         |                        |             |

**Major Employers**

Table E-8 shows the major employers in Renville 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 Cities in Renville 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 employer’s table.

- The list of major employers represents several industry sectors, but the highest concentrations of large employers are in the Manufacturing sector and account for approximately 465 employees (41% of major employers).
- The Health Care sector ranks second by employee size and accounts for 23% of the major employers (256 employees) in Renville County, followed by the Government sector which totals 19% of major employers (210 employees).
- The top three employers account for approximately 64% of the employee base out of the major employers in Renville County and all have a minimum of 170 employees.

| <b>Name</b>                              | <b>Location</b>  | <b>Industry/Service</b>    | <b>Approximate Employee Size</b> |
|--|------------------|----------------------------|----------------------------------|
| Southern MN Beet Sugar Cooperative       | Renville         | Food Manufacturing         | 350                              |
| Renville County                          | Olivia Submarket | Government                 | 210                              |
| Olivia Hospital & Clinics                | Olivia           | Health Care                | 170                              |
| ISD #2534 Bird Island-Olivia-Lake Lilian | Olivia Submarket | School District            | 110                              |
| Renville County Community Residence      | Bird Island      | Intermediate Care Facility | 69                               |
| Warner Manufacturing                     | Sacred Heart     | Manufacturing              | 65                               |
| Olivia Rehab and Health Care             | Olivia Submarket | Health Care                | 56                               |
| Remington Seeds                          | Olivia Submarket | Agricultural Services      | 50                               |
| Rural Computer Consultants               | Bird Island      | Computer Services          | 46                               |
| M.B.W. Company                           | Bird Island      | Intermediate Care Facility | 30                               |

Source: Renville County; Maxfield Research & Consulting, LLC

**Employer Survey**

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. Due to the global COVID-19 pandemic, Maxfield Research has reached out to some of the largest local employers in Renville 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.

Employers did indicate housing becomes an issue when trying to recruit new staff to their respected facilities. Some employers indicated a lack of desirable inventory to select from is an issue and the quality of rental properties was noted to be a concern. In addition, employers

## **EMPLOYMENT TRENDS**

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would like to see better options for the senior community as well that would be reasonable and limited up-keep for them.



### Introduction

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

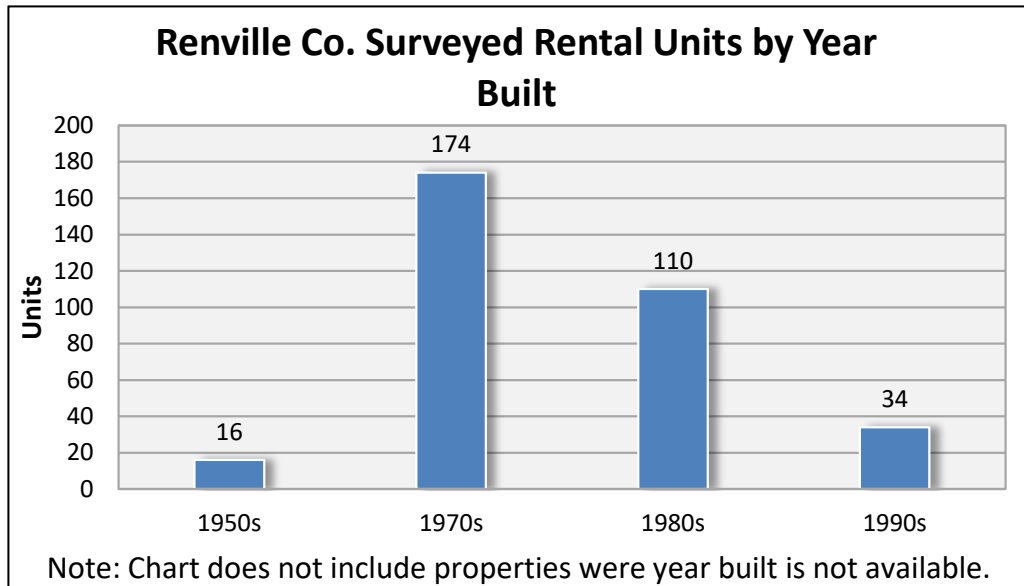
Our research of Renville County's general occupancy rental market included a survey of 35 affordable, subsidized, and market rate apartment properties (buildings with 8 units or more) in May 2020. These properties represent a combined total of 400 units, including, 186 affordable/subsidized and 214 market 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, 16 general occupancy units were vacant, resulting in an overall vacancy rate of 3.1% 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 Renville County general occupancy projects, while a unit summary is broken down in Table R-2. In addition, Table-3 provides newer construction developments in neighboring communities.

- The peak for multi-family construction in Renville County was in the 1970s as 174 units were built.
- Renville County has added roughly 126 general occupancy rental units since the 1970s.

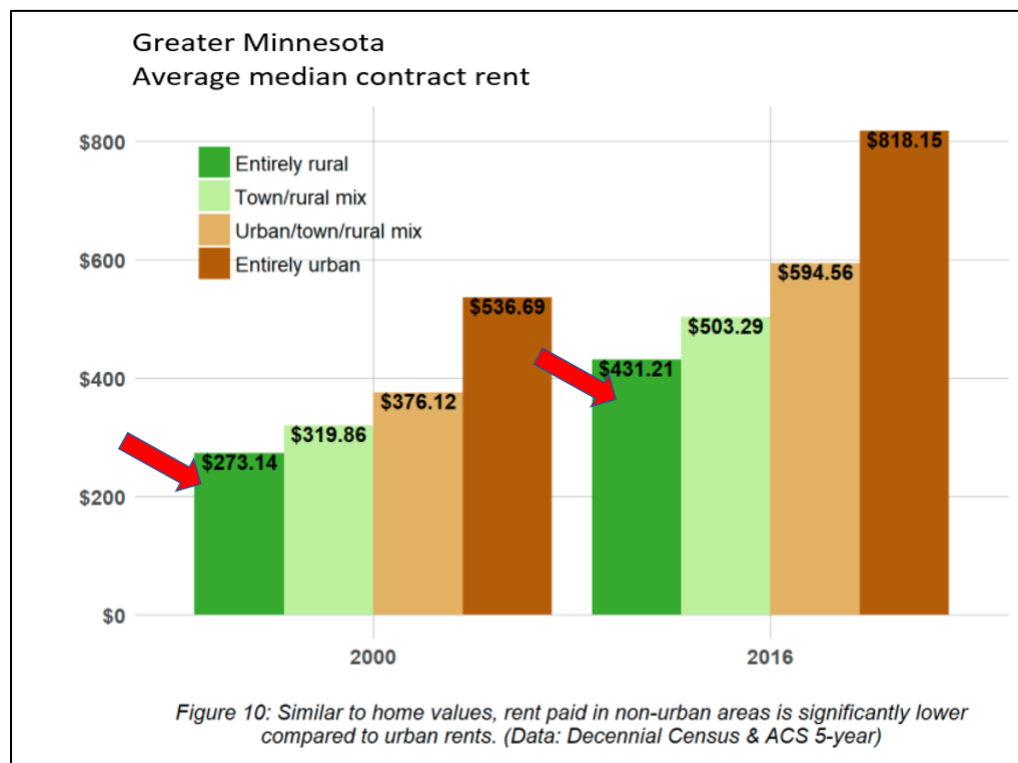


***Affordable/Subsidized***

- In most cases, the rents charged for the apartments are determined by the resident’s income. The rent is calculated using gross annual income less any deductions for medical expenses and an addition deduction for those over 62 or disabled.
- There are 12 general occupancy affordable properties in Renville County with 186 total units. There were six vacant units as of May 2020 for an overall vacancy rate of 4.3%.
- 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.
- The most recent development offering tax credit affordable units built was built in the 1980s. Typically affordable housing built after 2000 offer larger unit sizes/types to accommodate families and larger households.
- Rural renters generally have lower incomes than rural homeowners; rural renter’s median household income is approximately \$21,000 compared to \$43,000 for rural owners.
- Nearly a quarter of the nation’s rural counties have seen a sizable increase in the percentage of residents spending more than half their income on housing, a scenario the federal government calls “severely cost-burdened.”

### Market Rate

- The vast majority of rental units in Renville County were built before 1990. In many rural areas, it can be difficult to build more rental housing even when needed. There is a national shortage of construction labor, linked to employment declines after the last recession. In addition, builders are facing material price increased and associated cost increases.
- A total of 8 vacancies were found in market rate rental projects, resulting in a vacancy rate of 3.7% as of May 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 380 square feet for a studio apartment at *Evergreen Terrace in Olivia* to 1,132 square feet for a two-bedroom apartment at *Bayberry Court*. The average size of surveyed market rate apartments in Renville County is 879 square feet.
- Rents range from \$300 for a one-bedroom apartment at *1<sup>st</sup> Street Apartments* to \$740 a two-bedroom apartment at *Bayberry Apartments*. The average monthly rent of market rate apartments in Renville County is \$667.
- Average rent per square foot for market rate rentals is \$0.61, with studios being the highest at \$0.75 and three-bedroom units being the lowest at \$0.46 rent per square foot.



## RENTAL HOUSING ANALYSIS

| <b>TABLE R-1<br/>GENERAL OCCUPANCY RENTAL PROJECTS<br/>RENNVILLE COUNTY<br/>MAY 2020</b>               |            |                  |                     |                            |                                |                                    |  |
|--|------------|------------------|---------------------|----------------------------|--------------------------------|------------------------------------|--|
| Property Name/Location   | Year Built | Units/<br>Vacant | Unit Mix            | Unit Size                  | Monthly Rent                   | Rent per Square Foot               | Amenities/Features/Notes   |
| <b>Affordable/Subsidized</b>   |            |                  |                     |                            |                                |                                    |  |
| <b>Erickson Meadow Apartments</b><br>701 N 7th Street<br><i>Olivia, MN (Olivia Submarket)</i>          | 1983       | 16<br>0<br>0.0%  | 8 - 2BR<br>8 - 3BR  | 600 - 600<br>900 - 900     | \$502 - \$580<br>\$610 - \$610 | \$0.84 - \$0.97<br>\$0.68 - \$0.68 | USDA subsidized. Wall A/C, coin laundry and tenant pays heat. No garages available.  |
| <b>Brandon Housing</b><br>700 Oak Street<br><i>Danube, MN (Renville Submarket)</i>                     |            | 16<br>0<br>0.0%  | 10 - 2BR<br>6 - 3BR | 750 - 750<br>900 - 900     | \$430 - \$530<br>\$455 - \$555 | \$0.57 - \$0.71<br>\$0.51 - \$0.62 | Section 8 Vouchers accepted. Community features: laundry facility and maintenance on site. Unit amenities: air conditioning and heating. |
| <b>Centennial Apartments</b><br>161 2nd Avenue<br><i>Franklin, MN (South Submarket)</i>                | 1982       | 17<br>0<br>0.0%  | 16 - 1BR<br>1 - 2BR | 796 - 796<br>1,097 - 1,134 | N/A - N/A<br>N/A - N/A         | N/A - N/A<br>N/A - N/A             | 30% of Income. Waiting list for potential residence.   |
| <b>Poplar Ridge</b><br>130 5th Street W<br><i>Hector, MN (Buffalo Lake/Hector)</i>                     | 1994       | 8<br>0<br>0.0%   | 4 - 1BR<br>4 - 2BR  | 637 - 637<br>805 - 805     | \$465 - \$540<br>\$485 - \$555 | \$0.73 - \$0.85<br>\$0.60 - \$0.69 | Two-story community, surface and garage parking, wall AC units, community room, heat/water/sewer/trash included.                         |
| <b>Eastgate Apartments</b><br>301 2nd Street East<br><i>Hector, MN (Buffalo Lake/Hector Submarket)</i> | 1978       | 8<br>1<br>12.5%  | 4 - 1BR<br>4 - 2BR  | 600 - 600<br>900 - 900     | \$470 - \$545<br>\$495 - \$595 | \$0.78 - \$0.91<br>\$0.55 - \$0.66 | Dishwasher, playground, picnic area, common area laundry facilities, community center, surface and garage parking.                       |
| <b>North Villa Apartments</b><br>212 1st Avenue<br><i>Sacred Heart, MN (Renville Submarket)</i>        | 1997       | 12<br>2<br>16.7% | 12 - 2BR            | 600 - 600                  | \$600 - \$620                  | \$1.00 - \$1.03                    | Rural Development Assistance. All utilities included. Community room available for all tenants.  |
| <b>Goelz I Apartments</b><br>725 South 9th Street<br><i>Bird Island, MN (Olivia Submarket)</i>         | 1982       | 16<br>1<br>6.3%  | 8 - 1BR<br>8 - 2BR  | 600 - 600<br>900 - 900     | \$535 - \$560<br>\$585 - \$610 | \$0.89 - \$0.93<br>\$0.65 - \$0.68 | Rural Development Assistance   |
| <i>Continued</i>   |            |                  |                     |                            |                                |                                    |  |

## RENTAL HOUSING ANALYSIS

| TABLE R-1 Continued<br>GENERAL OCCUPANCY RENTAL PROJECTS<br>RENVILLE COUNTY<br>MAY 2020                  |               |                           |                     |                        |                                |                                    |  |
|--|---------------|---------------------------|---------------------|------------------------|--------------------------------|------------------------------------|--|
| Property Name/Location   | Year<br>Built | Units/<br>Vacant          | Unit Mix            | Unit Size              | Monthly<br>Rent                | Rent per<br>Square Foot            | Amenities/Features/Notes   |
| <b>Affordable/Subsidized</b>   |               |                           |                     |                        |                                |                                    |  |
| <b>Centre Point</b><br>200 2nd Street West<br><i>Hector, MN (Buffalo Lake/Hector Submarket)</i>          | 1981          | 8<br>0<br>0.0%            | 4 - 1BR<br>4 - 2BR  | 600 - 600<br>900 - 900 | \$465 - \$540<br>\$485 - \$555 | \$0.78 - \$0.90<br>\$0.54 - \$0.62 | Section 8, Rent equates to 30% of income. Surface and garage parking, playground, patios.  |
| <b>Southview Apartments</b><br>100 SE 19th Street<br><i>Fairfax, MN (South Submarket)</i>                | 1971          | 12<br>2<br>17%            | 6 - 1BR<br>6 - 2BR  | 600 - 600<br>900 - 900 | \$430 - \$530<br>\$455 - \$555 | \$0.72 - \$0.88<br>\$0.51 - \$0.62 | LIHTC affordable at 60% of AMI. Common area laundry facilities, outdoor pool, community room.                                      |
| <b>Westcourt Apartments</b><br>500 S 13th Street<br><i>Olivia, MN (Olivia Submarket)</i>                 | 1970          | 49<br>0<br>0.0%           | 48 - 1BR<br>1 - 2BR | 440 - 440<br>480 - 480 | \$462 - \$462<br>\$462 - \$462 | \$1.05 - \$1.05<br>\$0.96 - \$0.96 | Section 8 Income Based Housing, Rent is based on 30% of income of those who qualify. Lauandry facility available on site.          |
| <b>Grande Apartments</b><br>104 N 9th Street<br><i>Olivia, MN (Olivia Submarket)</i>                     | 1978          | 8<br>0<br>0.0%            | 4 - 1BR<br>4 - 2BR  | 740 - 740<br>800 - 800 | \$570 - \$570<br>\$585 - \$585 | \$0.77 - \$0.77<br>\$0.73 - \$0.73 | Low-Income Housing Tax Credit (LIHTC). Water/Sewer included in rent. Unit ammenities: dishwasher, refrigerator, stove and heating. |
| <b>Goelz III Apartments</b><br>700 Oak Street/404 Freedom Lane<br><i>Danube, MN (Renville Submarket)</i> | 1976          | 16<br>0<br>0.0%           | 8 - 1BR<br>8 - 2BR  | 600 - 600<br>785 - 785 | \$475 - \$505<br>\$495 - \$535 | \$0.79 - \$0.84<br>\$0.63 - \$0.68 | 30% of Income + Utilities. Family Units - Rental Assistance  |
| <b>Affordable/Subsidized Total</b>   |               | <b>186<br/>8<br/>4.3%</b> |                     |                        |                                |                                    |  |
| <i>Continued</i>   |               |                           |                     |                        |                                |                                    |  |

# RENTAL HOUSING ANALYSIS

| TABLE R-1<br>GENERAL OCCUPANCY RENTAL PROJECTS<br>RENVILLE COUNTY<br>MAY 2020                            |            |                  |                      |                        |                                |                                    |   |
|--|------------|------------------|----------------------|------------------------|--------------------------------|------------------------------------|---|
| Property Name/Location   | Year Built | Units/<br>Vacant | Unit Mix             | Unit Size              | Monthly Rent                   | Rent per Square Foot               | Amenities/Features/Notes  |
| <b>Market Rate</b>   |            |                  |                      |                        |                                |                                    |   |
| <b>Flynn Apartments</b><br>311 2nd Avenue South<br><i>Sacred Heart, MN (Renville Submarket)</i>          | N/A        | 12<br>2<br>16.7% | 4 - 1BR<br>8 - 2BR   | 625 - 514<br>850 - 850 | \$520 - \$600<br>\$635 - \$735 | \$0.83 - \$1.17<br>\$0.75 - \$0.86 | Utilities included, off-street parking, on-site laundry. One and two bedrooms are available.  |
| <b>Security Manor Apartments</b><br>419-427 Bryant Avenue NW<br><i>Renville, MN (Renville Submarket)</i> | 1977       | 16<br>1<br>6.3%  | 2 - 1BR<br>14 - 2BR  | 650 - 650<br>850 - 850 | \$475 - \$545<br>\$600 - \$675 | \$0.73 - \$0.84<br>\$0.71 - \$0.79 | Ammenities include water, heat and sewer.   |
| <b>Greenhill Apartments</b><br>808 Evergreen Avenue<br><i>Olivia, MN (Olivia Submarket)</i>              | 1982       | 24<br>1<br>4.2%  | 12 - 1BR<br>12 - 2BR | 600 - 600<br>800 - 800 | \$495 - \$495<br>\$550 - \$550 | \$0.83 - \$0.83<br>\$0.69 - \$0.69 | Market rate building offers no property based subsidies. Building open to households of any income level although does qualify for Section 8 Vouchers.                            |
| <b>Island Estates</b><br>421 S. 11th Street<br><i>Bird Island, MN (Olivia Submarket)</i>                 | 1982       | 6<br>1<br>16.7%  | 6 - 1BR              | 650 - 650              | \$500 - \$600                  | \$0.77 - \$0.92                    | Laundry, fireplace, patio and indoor parking.   |
| <b>1st Street Apartments</b><br>118 SE 1st SE<br><i>Fairfax, MN (South Submarket)</i>                    | 1971       | 5<br>0<br>0.0%   | 4 - 1BR<br>1 - 2BR   | 650 - 650<br>800 - 800 | \$300 - \$300<br>\$500 - \$500 | \$0.46 - \$0.46<br>\$0.63 - \$0.63 | Market rate building offers no property based subsidies. Building open to households of any income level.   |
| <b>Bryant Avenue Apartments</b><br>418 NW Bryant Avenue<br><i>Renville, MN (Renville Submarket)</i>      | 1976       | 8<br>0<br>0.0%   | 4 - 1BR<br>4 - 2BR   | 625 - 625<br>790 - 790 | \$495 - \$495<br>\$525 - \$525 | \$0.79 - \$0.79<br>\$0.66 - \$0.66 | Market rate building offers no property based subsidies. Building open to households of any income level.   |
| <b>North Park Apartments</b><br>804 E. Evergreen<br><i>Olivia, MN (Olivia Submarket)</i>                 | 1979       | 8<br>0<br>0.0%   | 8 - 2BR              | N/A - N/A              | \$475 - \$475                  | N/A - N/A                          | Garage \$50 per month, stove, refridgerator and coin laundry.   |
| <b>Manderfeld Apartments/Serbus Apt.</b><br>116 E. DePue Ave<br><i>Olivia, MN (Olivia Submarket)</i>     | 1970       | 4<br>0<br>0.0%   | 4 - 2BR              | 800 - 900              | \$500 - \$500                  | \$0.56 - \$0.63                    | Heat is included in the rent and tenant pays electric. Stove, refrigerator, through wall air conditioning and coin laundry.   |
| <b>Grande Apartments</b><br>104 N 9th Street<br><i>Olivia, MN (Olivia Submarket)</i>                     | N/A        | 8<br>1<br>12.5%  | 4 - 1BR<br>4 - 2BR   | 740 - 740<br>800 - 800 | \$550 - \$550<br>\$585 - \$585 | \$0.74 - \$0.74<br>\$0.73 - \$0.73 | Heat is included in the rent and tenant pays electric. Stove, refrigerator, through wall air conditioning and coin laundry. room, fitness center, common area laundry facilities. |
| <b>Green Hill Apartments</b><br>808 E. Evergreen Avenue<br><i>Olivia, MN (Olivia Submarket)</i>          | N/A        | 24<br>0<br>0.0%  | 6 - 1BR<br>18 - 2BR  | N/A - N/A<br>N/A - N/A | \$500 - \$500<br>\$550 - \$550 | N/A - N/A<br>N/A - N/A             | Tenant pays electricity and garbage and there are no garages. Units include a stove, refridgerator, dishwasher, thru-wall air conditoner and coin laundry.                        |
| <b>Bird Island EDA - (Two 4-Plex Sites)</b><br>116 E. DePue Ave<br><i>Olivia, MN (Olivia Submarket)</i>  | N/A        | 8<br>N/A         | 8 - 2BR              | N/A - N/A              | \$610 - \$636                  | N/A - N/A                          | 1-story units, attached garage, one year lease required with 60 day notice.   |
| <i>Continued</i>   |            |                  |                      |                        |                                |                                    |   |

# RENTAL HOUSING ANALYSIS

| TABLE R-1 Continued<br>GENERAL OCCUPANCY RENTAL PROJECTS<br>RENNVILLE COUNTY<br>MAY 2020                   |            |                  |   |  |  |  |  |
|--|------------|------------------|---|--|--|--|--|
| Property Name/Location   | Year Built | Units/<br>Vacant | Unit Mix                                    | Unit Size  | Monthly Rent   | Rent per Square Foot                             | Amenities/Features/Notes   |
| <b>Market Rate</b>   |            |                  |   |  |  |  |  |
| <b>Park Lane Apartments I</b><br>306 E Park<br><i>Olivia, MN (Olivia Submarket)</i>                        | 1999       | 8<br>0<br>0.0%   | 8 - 2BR                                     | 850 - 900  | \$550 - \$550  | \$0.61 - \$0.65                                  | No garages. Units include stove, refrigerator, thru-wall air conditioner, and coin laundry.  |
| <b>Park Lane Apartments II</b><br>305 S 4th Street<br><i>Olivia, MN (Olivia Submarket)</i>                 | 1999       | 8<br>0<br>0.0%   | 8 - 2BR                                     | 750 - 800  | \$550 - \$550  | \$0.69 - \$0.73                                  | No garages. Units include stove, refrigerator, thru-wall air conditioner, and coin laundry.  |
| <b>22 1st Street NW</b><br>22 1st Street NW<br><i>Fairfax, MN (South Submarket)</i>                        | N/A        | 8<br>0<br>0.0%   | 1 - 1BR<br>7 - 2BR                          | 620 - 620<br>780 - 780                           | \$475 - \$475<br>\$550 - \$550                                   | N/A - N/A<br>N/A - N/A                           | Tenant pays electricity and garbage and there are no garages. Units include a stove, refrigerator, dishwasher, thru-wall air conditioner and coin laundry. |
| <b>Valley View Apartments</b><br>341 E. 3rd Street<br><i>Franklin, MN (South Submarket)</i>                | N/A        | 8<br>0<br>0.0%   | 1 - 1BR<br>7 - 2BR                          | 610 - 610<br>789 - 789                           | \$400 - \$475<br>\$500 - \$525                                   | N/A - N/A<br>N/A - N/A                           | Tenant pays electricity and garbage and there are no garages. Units include a stove, refrigerator, dishwasher, thru-wall air conditioner and coin laundry. |
| <b>Hummingbird Court</b><br>210 3rd Street W<br><i>Hector, MN (Buffalo Lake/Hector Submarket)</i>          | 1999       | 4<br>0<br>0.0%   | 4 - 2BR                                     | 850 - 900  | \$595 - \$595  | \$0.66 - \$0.70                                  | Heat/water/sewer/trash included, surface and garage parking, wall AC unit, dishwasher.   |
| <b>Valley Drive Apartments</b><br>450 N. Valley Drive<br><i>Hector, MN (Buffalo Lake/Hector Submarket)</i> | 19XX       | 8<br>0<br>0.0%   | 1 - 1BR<br>7 - 2BR                          | N/A - N/A<br>N/A - N/A                           | \$425 - \$425<br>\$450 - \$450                                   | N/A - N/A<br>N/A - N/A                           | Tenant pays electricity and garbage and there are no garages. Units include a stove, refrigerator, dishwasher, thru-wall air conditioner and coin laundry. |
| <b>Hinderks Properties</b><br>417 3rd Street SE<br><i>Renville, MN (Renville Submarket)</i>                | 1975       | 4<br>0<br>0.0%   | 4 - 2BR                                     | 850 - 900  | \$475 - \$495  | \$0.55 - \$0.56                                  | No garages. Units include stove, refrigerator, thru-wall air conditioner, and coin laundry.  |
| <b>Evergreen Terrace</b><br>706 E Evergreen, Olivia<br><i>Olivia, MN (Olivia Submarket)</i>                | 1979       | 12<br>1<br>8.3%  | 2 - Studio<br>2 - 1BR<br>7 - 2BR<br>1 - 3BR | 380 - 380<br>600 - 600<br>800 - 800<br>980 - 980 | \$300 - \$300<br>\$425 - \$425<br>\$475 - \$475<br>\$575 - \$575 | N/A - N/A<br>N/A - N/A<br>N/A - N/A<br>N/A - N/A | Heat/water/sewer/trash included, surface and garage parking, wall AC unit, dishwasher.   |
| <b>Bayberry Court</b><br>Bayberry Avenue West<br><i>Olivia, MN (Olivia Submarket)</i>                      | 1997       | 16<br>0<br>0.0%  | 8 - 1BR<br>8 - 2BR                          | 1,098 - 1,098<br>1,740 - 1,740                   | \$715 - \$715<br>\$740 - \$740                                   | \$0.65 - \$0.65<br>\$0.43 - \$0.43               | Attached single car garage and private entrance. Units include stove, refrigerator, dishwasher, washer and dryer. Tenants pay all utilities.               |
| <b>Tall Oak Apartments</b><br>410 E Ash Avenue<br><i>Olivia, MN (Olivia Submarket)</i>                     | 1972       | 8<br>1<br>12.5%  | 8 - 2BR                                     | 800 - 800  | \$535 - \$550  | \$0.67 - \$0.69                                  | Amenities: stove, refrigerator, wall A/C and coin laundry. Tenant pays heat.   |
| <b>Wertish Apartments</b><br>210 South Main Street<br><i>Olivia, MN (Olivia Submarket)</i>                 | N/A        | 7<br>N/A         | 7 - 1BR<br>1 - 2BR                          | N/A - N/A<br>N/A - N/A                           | N/A - N/A<br>N/A - N/A   | N/A - N/A<br>N/A - N/A                           | Unable to reach management at the time of study.   |
| <b>Market Rate Total</b>   |            | 214<br>8<br>3.7% |   |  |  |  |  |
| <i>Source: Maxfield Research &amp; Consulting</i>  |            |                  |   |  |  |  |  |

## RENTAL HOUSING ANALYSIS

- 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 hand full 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<br>SUMMARY BY UNIT TYPE<br>GENERAL OCCUPANCY RENTAL PROJECTS<br>RENVILLE COUNTY<br>MAY 2020                   |             |             |              |                        |              |                    |
|---|-------------|-------------|--------------|------------------------|--------------|--------------------|
| Market Rate   |             |             |              | Monthly Rents          |              |                    |
| Unit Type   | Total Units | Unit Mix    | Avg. Sq. Ft. | Range Low - High       | Avg. Rent    | Avg. Rent/ Sq. Ft. |
| Studio  | 2           | 1%          | 380          | \$300 - \$300          | \$300        | \$1.27             |
| 1BR   | 55          | 26%         | 732          | \$300 - \$715          | \$495        | \$0.68             |
| 2BR   | 149         | 70%         | 923          | \$450 - \$740          | \$550        | \$0.60             |
| 3BR   | 1           | 0%          | 980          | \$575 - \$575          | \$575        | \$0.59             |
| <b>Total:</b>   | <b>214</b>  | <b>97%</b>  | <b>878</b>   | <b>\$300 - \$740</b>   | <b>\$540</b> | <b>\$0.61</b>      |
| Affordable  |             |             |              | Monthly Rents          |              |                    |
| Unit Type   | Total Units | Unit Mix    | Avg. Sq. Ft. | Range Low - High       | Avg. Rent    | Avg. Rent/ Sq. Ft. |
| 1BR   | 102         | 55%         | 648          | \$430 - \$844          | \$553        | \$0.85             |
| 2BR   | 70          | 38%         | 857          | \$430 - \$1,044        | \$615        | \$0.72             |
| 3BR   | 14          | 8%          | 1,132        | \$455 - \$1,069        | \$833        | \$0.74             |
| <b>Total:</b>   | <b>186</b>  | <b>100%</b> | <b>879</b>   | <b>\$430 - \$1,069</b> | <b>\$667</b> | <b>\$0.76</b>      |
| Note: This table includes data from rental properties that participated and provided complete survey information. |             |             |              |                        |              |                    |
| Source: Maxfield Research & Consulting, LLC   |             |             |              |                        |              |                    |



## RENTAL HOUSING ANALYSIS

| Property Name/Location  | Year Built | Units/<br>Vacant | Unit Mix                         | Unit Size                               | Monthly Rent  | Rent per Square Foot                                  | Amenities/Features/Notes  |
|---|------------|------------------|----------------------------------|---|---|---|---|
| <b>Market Rate</b>  |            |                  |                                  |   |   |   |   |
| <b>Suite Liv'n Village</b><br>400 Village Drive<br>Marshall, MN                     | 2006       | 3<br>0<br>0.0%   | 24 - 1BR                         | 750 - 750                               | \$550 - \$625   | \$0.73 - \$0.83                                       | Pet deposit is \$500 and monthly pet rent \$40/month. New laundry facility available on site.                         |
| <b>Century Court Townhome Apartments</b><br>705 Century Avenue SW<br>Hutchinson, MN | 1999       | 97<br>2<br>2.1%  | 35 - 1BR<br>46 - 2BR<br>16 - 3BR | 757 - 757<br>970 - 970<br>1,190 - 1,159 | \$781 - \$880<br>\$936 - \$1,040<br>\$1,091 - \$1,300 | \$1.03 - \$1.16<br>\$0.96 - \$1.07<br>\$0.92 - \$1.12 | 1 space assigned garage stall, pet deposit \$500 and \$35/month. Stainless still appliances and granite counter tops. |
| <b>Wedgewood Apartments</b><br>407-413 Village Drive<br>Marshall, MN                | 1992       | 60<br>5<br>8.3%  | 60 - 2BR                         | 813 - 813                               | \$702 - \$702   | \$0.86 - \$0.86                                       | Two-story community, surface and garage parking, wall AC units, community room, heat/water/sewer/trash included.      |
| <b>Suite Liv'n on 15th NW</b><br>2601-2609 15th Avenue<br>Willmar, MN               | 1995       | 16<br>0<br>0.0%  | 8 - 1BR<br>8 - 2BR<br>- 3BR      | 500 - 500<br>612 - 612<br>916 - 916     | \$770 - \$770<br>\$750 - \$775<br>\$800 - \$900       | \$1.54 - \$1.54<br>\$1.23 - \$1.27<br>\$0.87 - \$0.98 | Pet deposit is \$500 and monthly pet rent \$40/month. New laundry facility available on site.                         |
| <b>Meadowland Apartments</b><br>1000 Broadway Street<br>Redwood Falls, MN           | 1978       | 12<br>1<br>8.3%  | 12 - 2BR                         | 1000 - 1000                             | \$750 - \$750   | \$0.75 - \$0.75                                       | Limited amenities available.  |
| <b>Windom</b><br>101 Miawakon Avenue<br>Montevideo, MN                              | 1993       | 36<br>0<br>0.0%  | 18 - 1BR<br>18 - 2BR             | 689 - 689<br>963 - 963                  | \$425 - \$425<br>\$540 - \$550                        | \$0.62 - \$0.62<br>\$0.56 - \$0.57                    | Garage space available for \$45/month. Pet deposit \$500. Laundry facilities available.                               |

Source: Maxfield Research & Consulting

| Submarket           | Market Rate |               | Affordable/Subsidized |               | Total      |               |
|---------------------|-------------|---------------|-----------------------|---------------|------------|---------------|
|                     | Units       | Vacancy Rate* | Units                 | Vacancy Rate* | Units      | Vacancy Rate* |
| Renville            | 40          | 7.5%          | 44                    | 4.6%          | 84         | 6.0%          |
| Olivia              | 142         | 2.4%          | 89                    | 1.2%          | 231        | 3.9%          |
| Buffalo Lake/Hector | 12          | 0.0%          | 24                    | 4.2%          | 36         | 2.8%          |
| South               | 21          | 0.0%          | 29                    | 7.2%          | 50         | 4.0%          |
| <b>Total^</b>       | <b>214</b>  | <b>4.0%</b>   | <b>186</b>            | <b>4.3%</b>   | <b>401</b> | <b>4.2%</b>   |

\* Vacancy rates based on partipating properties.

Source: Maxfield Research & Consulting, LLC

Select general occupancy rental projects – Renville County



Westcourt Apartments



Parklane Apartments



Clearview Apartments



Greenhill Apartments

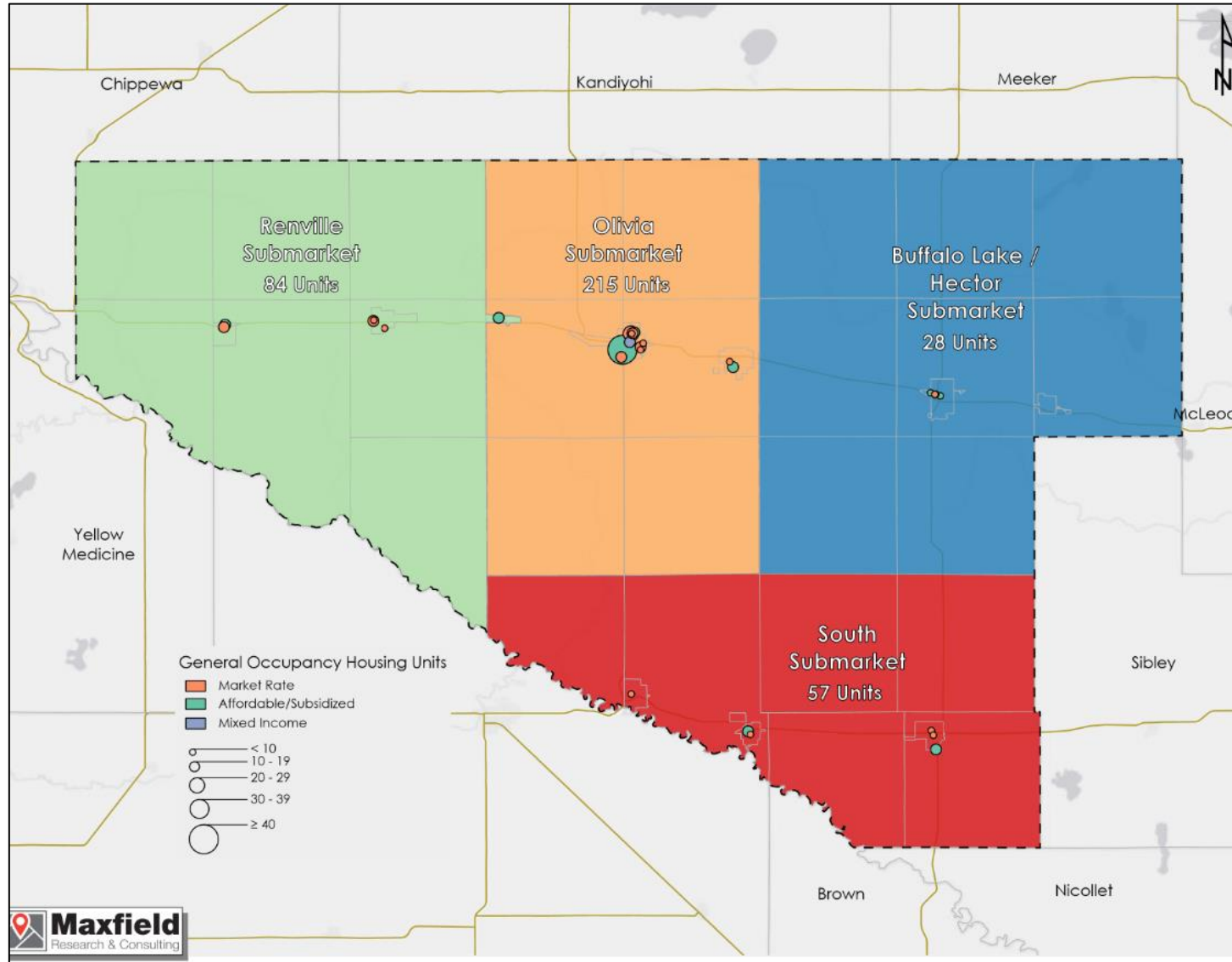


Northpark Apartments



Evergreen Terrace

### General Occupancy Rental Housing



### Senior Housing Defined

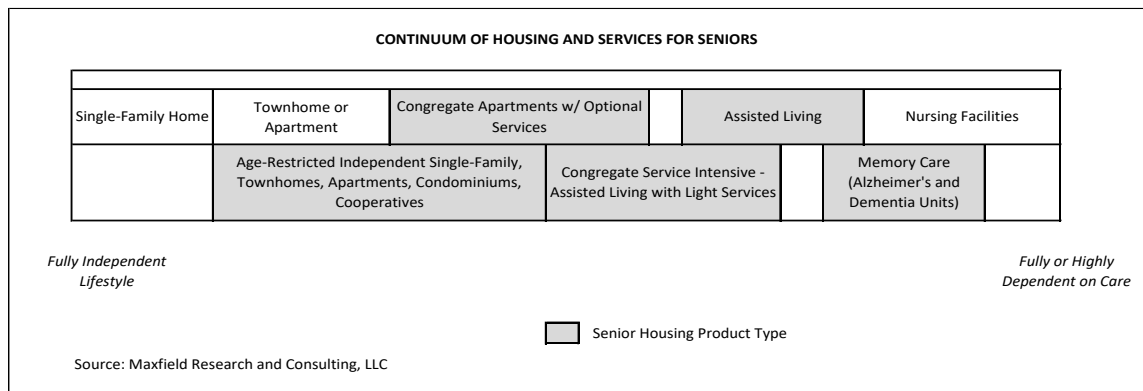
The term “senior housing” refers to any housing development that is restricted to people age 55 or older. Today, senior housing includes an entire spectrum of housing alternatives, which occasionally overlap, thus making the differences somewhat ambiguous. However, the level of support services offered 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-

## SENIOR HOUSING ANALYSIS

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.



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 Renville County

In May 2020, Maxfield Research identified seven senior housing projects in the Renville County. These properties contain a total of 157 units. Amongst properties that provided complete survey data, there were one vacancy resulting in an overall vacancy rate of 9% 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. A larger portion of senior in the market area are willing to leave Renville County for senior housing, Table S-2 shows available

senior developments in the vicinity that developments in Renville County are competing against.

### ***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 Renville County's area median income.
- There is only one subsidized/affordable active adult developments in Renville County. As of May 2020, there were no vacancies. 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.

### ***Independent Living***

- There is only independent living facility in Renville County. As of May 2020, there were 11 vacancies available at this development. A new partnership with Northcare LLC will be taking Fairview Place is a new direction with senior apartments.
- Unit types offered are studios, one-bedroom and two-bedroom units. Monthly base rents range from \$970 for a one-bedroom to \$1,520 for a two-bedroom unit.

### ***Assisted Living***

- There are four facilities offering assisted living services in Renville County. As of May 2020, there was only one vacancy between all four developments.
- Market rate basic service rents range from \$1,331 for a studio apartment at Meadows on Main to \$3,850 for a one-bedroom apartment at Park View Village. Additional cost is based on service level needed. Some common features include kitchenettes, private bathrooms, meals, laundry, and light housekeeping

### ***Memory Care***

- There is only one development offering memory care services in Renville County. The development is owned and operated by St. Francis Health Services providing 24-hour staff with daily medical check-ins. No vacancies reported as of May 2020.

## SENIOR HOUSING ANALYSIS

| TABLE S-1<br>SENIOR HOUSING PROJECTS<br>RENNVILLE COUNTY<br>MAY 2020  |                   |                  |                                  |                                     |   |   |   |
|---|-------------------|------------------|----------------------------------|-------------------------------------|---|---|---|
| Project Name/Location   | Year Built/ Reno. | Units/<br>Vacant | Unit Mix                         | Unit Size                           | Monthly Rent/<br>Sale Price                               | Rent/Sales price/PSF<br>Min - Max                     | Amenities/Features/Notes  |
| <b>Affordable/Subsidized Assisted Living</b>  |                   |                  |                                  |                                     |   |   |   |
| <b>East Ridge Court</b><br>219 SE Elm Street<br><i>Renville, MN (Renville Submarket)</i>                            | N/A               | 18<br>0<br>0.0%  | 18 - 1BR                         | 540 - 540                           | 30% AGI   | N/A - N/A   | HUD's Section 202 Supportive Housing for the Elderly program.   |
| <b>Centennial Apartments</b><br>161 2nd Ave E<br><i>Franklin, MN (South Submarket)</i>                              | 1973              | 16<br>0<br>0.0%  | 16 - 1BR<br>1 - 2BR              | 796 - 796<br>1,097 - 1,134          | 30% AGI   | N/A - N/A   | 30% of Income. Waiting list for potential residence. Houses elderly, disabled, and single non-disabled tenants.   |
| <b>Independent Living</b>   |                   |                  |                                  |                                     |   |   |   |
| <b>Fairview Place</b><br>603 E. Fairview Avenue<br><i>Olivia, MN (Olivia Submarket)</i>                             | 1996              | 30<br>0<br>0.0%  | 24 - 1BR<br>6 - 2BR              | 400 - 578<br>842 - 842              | \$970 - \$1,270<br>\$1,520 - \$1,520                      | \$2.20 - \$2.43<br>\$1.81 - \$1.81                    |   |
| <b>Assisted Living</b>  |                   |                  |                                  |                                     |   |   |   |
| <b>Park View Village</b><br>1204 Park Avenue W.<br><i>Olivia, MN (Olivia Submarket)</i>                             | 2003              | 20<br>1<br>5.0%  | 20 - 1BR                         | 365 - 408                           | \$3,750 - \$3,850   | \$9.44 - \$10.27                                      | Utilities include electric, heat, water, trash removal. Three meals daily, limited access entry system, weekly housekeeping and linen service, activity programming               |
| <b>Westview Assisted Living</b><br>703 West Yellowstone Trail<br><i>Buffalo Lake, MN (Buffalo Lake/Hector Sub.)</i> | 1992              | 18<br>0<br>0.0%  | 9 - Studio<br>9 - 1BR            | 370 - 370<br>550 - 550              | \$2,100 - \$2,100<br>\$2,300 - \$2,300                    | \$5.68 - \$5.68<br>\$4.18 - \$4.18                    | Paid utilities, including A/C (phone & cable not included). Three meals a day, barber shop service available, weekly assistance with bathing and a licensed nurse 24 hours a day. |
| <b>Prairie View of Hector</b><br>1010 Elm Avenue E<br><i>Hector, MN (Buffalo Lake/Hector Sub.)</i>                  | 2011              | 28<br>0<br>0.0%  | 28 - Studio<br>2BR               | N/A - N/A<br>N/A - N/A              | \$2,461 - \$2,461<br>\$2,916 - \$2,916                    | N/A - N/A<br>N/A - N/A                                | All services are ala carte, including typical basics including services (laundry, housekeeping, etc.).  |
| <b>Meadows on Main</b><br>611 Main Street South<br><i>Renville, MN (Renville Submarket)</i>                         | N/A               | 37<br>0<br>0.0%  | 15 - Studio<br>15 - 1BR<br>7 2BR | 597 - 818<br>893 - 893<br>921 1,024 | \$1,331 - \$1,331<br>\$1,235 - \$1,235<br>\$1,468 \$1,468 | \$1.63 - \$2.23<br>\$1.38 - \$1.38<br>\$1.43 - \$1.59 | Comprehensive care package: Three meals per day, medication management, bathing assistance, weekly laundry, nightly checks. Services can also be purchased ala carte.             |
| <b>Memory Care</b>  |                   |                  |                                  |                                     |   |   |   |
| <b>Prairie View of Hector</b><br>1010 Elm Avenue E<br><i>Hector, MN (Buffalo Lake/Hector Sub.)</i>                  | 2011              | 6<br>0<br>0.0%   | 6 - Studio                       | 365 - 365                           | \$4,675 - \$4,975   | \$12.81 - \$13.63                                     | Owned and operated by St. Francis Health Services. 24 hour staff available with daily medical check-ins.  |
| Source: Maxfield Research & Consulting, LLC   |                   |                  |                                  |                                     |   |   |   |

## SENIOR HOUSING ANALYSIS

| TABLE S-2<br>SENIOR HOUSING PROPERTIES<br>VICINITY<br>JUNE 2020 |                           |               |             |                |
|---|---------------------------|---------------|-------------|----------------|
| Development   | Address                   | City          | Yr<br>Built | Total<br>Units |
| <b>Independent Living (Congregate)</b>                          |                           |               |             |                |
| Prince of Peace   | 835 NE Boston Parkway     | Hutchinson    | 1995        | 40             |
| Emmaus House  | 204 N Holcombe Avenue     | Litchfield    | 1997        | 44             |
| Lakeside Apartments   | 441 William Avenue E      | Dassel        | 1984        | 35             |
| Gloria Dei Manor  | 218 N Holcome Avenue      | Litchfield    | 1961        | 32             |
| Johnson Park Place  | 8308 Colby Parkway        | Redwood Falls | 1995        | 28             |
| Parkwood Aparments  | 13731 Hickman Road        | Belview       | 1995        | 16             |
| Bridgewood Assisted Living                                      | 12675 Woodlands Pwy       | Belview       | 2003        | 6              |
| Westview Village  | 1425 19th Ave SW          | Willmar       | 2007        | 50             |
| Bethesda  | 901 Willmar Avenue SE     | Willmar       | 1985        | 32             |
| Brookside Senior Living   | 804 Benson Road           | Granite Falls | 2007        | 37             |
| Heritage Pointe   | 207 N 4th Street          | Marshall      | 1997        | 50             |
| Orchard Hill Senior Living                                      | 1223 Karl Drive           | New Ulm       | 2003        | 42             |
| Oak Grove   | 114 Reform Street N       | NYA           | 1989        | 50             |
| River Gables  | 110 First Street E        | Chaska        | 1999        | 32             |
| <b>Total</b>  |                           |               |             | <b>494</b>     |
| <b>Assisted Living</b>  |                           |               |             |                |
| Cedar Crest Estates   | 6901 Peckham Street       | Hutchinson    | 1984        | 28             |
| Cosmos Assisted Living Plus                                     | 5815 Winwood Drive        | Hutchinson    | 2003        | 29             |
| The Oaks  | 6750 Corporate Drive      | Hutchinson    | 1999        | 42             |
| The Pines   | 200 SW Brookdale Drive    | Hutchinson    | 2005        | 50             |
| St. Benedict's Court  |                           | Monticello    | 2000        | 46             |
| Bethany Assisted Living   | 203 N Armstrong Avenue    | Litchfield    | 1963        | 28             |
| Johnson Park Place  | 8308 Colby Parkway        | Redwood Falls | 1995        | 10             |
| Grand Meadows   | 1420 Prairie Avenue       | Hutchinson    | 2004        | 20             |
| Albion Senior Living  | 5024 Highview Drive       | Granite Falls | 2002        | 68             |
| Brookside Senior Living   | 804 Benson Road           | Granite Falls | 2007        | 37             |
| Meadow Creek  | 1805 MN 7                 | Granite Falls | 1995        | 28             |
| Bethesda  | 901 Willmar Avenue SE     | Willmar       | 1985        | 24             |
| Garnette Gardens  | 501 South Dekalb Street   | Redwood Falls | 2009        | 56             |
| Prairie Home Fieldcrest   | 80 East Vermillion Street | Cottonwoods   | 1994        | 31             |
| Woodstone Senior Living   | 1025 Dale Street          | Hutchinson    | 2012        | 42             |
| Heritage Pointe   | 207 N 4th Street          | Marshall      | 1997        | 32             |
| Orchard Hill Senior Living                                      | 1223 Karl Drive           | New Ulm       | 2003        | 30             |
| Auburn Meadows  | 591 Cherry Drive          | Waconia       | 2005        | 44             |
| Auburn Court  | 501 Oaks Street N         | Chaska        | 1999        | 40             |
| Peace Village Haven   | 300 Faxon Road N          | NYA           | 1998        | 36             |
| Peace Village Harbor  | 1330 19th Street          | NYA           | 1997        | 25             |
| <b>Total</b>  |                           |               |             | <b>746</b>     |
| <b>Memory Care</b>  |                           |               |             |                |
| Prairie Senior Cottages   | 6901 Peckham Street       | Hutchinson    | 1999        | 16             |
| Cedar Crest Estates   | 5815 Winwood Drive        | Hutchinson    | 1984        | 20             |
| Lakeview Ranch  | 203 N Armstrong Avenue    | Dassel        | 2003        | 8              |
| Harmony River   | 1555 Sherwood Street SE   | Hutchinson    | 2002        | 18             |
| Ecumen Oaks   | 1015 Century Avenue SW    | Hutchinson    | 2014        | 24             |
| Woodstone Senior Living   | 1025 Dale Street          | Hutchinson    | 2012        | 26             |
| Bethesda  | 901 Willmar Avenue SE     | Willmar       | 1985        | 24             |
| Garnette Gardens  | 501 South Dekalb Street   | Redwood Falls | 2009        | 15             |
| Brookside Senior Living   | 804 Benson Road           | Granite Falls | 2007        | 17             |
| Peace Village Haven   | 300 Faxon Road N          | NYA           | 1998        | 12             |
| Auburn Meadows  | 591 Cherry Drive          | Waconia       | 2005        | 24             |
| Auburn Court  | 501 Oaks Street N         | Chaska        | 1999        | 26             |
| <b>Total</b>  |                           |               |             | <b>230</b>     |
| Source: Maxfield Research and Consulting LLC                    |                           |               |             |                |



**Supply of Skilled Nursing Beds**

Table S-3 shows the inventory of existing skilled nursing facilities located in the Renville County per the Minnesota Department of Health.

- There are five facilities with 246 skilled nursing beds in the Renville County, Ren Villa Nursing Home is the largest with 56 beds available.

| <b>TABLE S-3</b><br><b>SKILLED NURSING FACILITIES</b><br><b>RENVILLE COUNTY</b><br><b>2020</b> |                 |                    |
|--|-----------------|--------------------|
| <b>Name</b>  | <b>Location</b> | <b>No. of Beds</b> |
| Fairfax Community Home   | Fairfax         | 40                 |
| Ren Villa Nursing Home   | Renville        | 56                 |
| Buffalo Lake Health Care Center  | Buffalo Lake    | 49                 |
| Franklin Health Care Center  | Franklin        | 46                 |
| Olivia Health Care Center  | Olivia          | 55                 |
| <b>Total</b>   |                 | <b>246</b>         |
| Source: MN Dept. of Health, Maxfield Research & Consulting, LLC                                |                 |                    |

Select Senior Housing Projects – Renville County



Fairview Place



Parkview Village



Meadows on Main

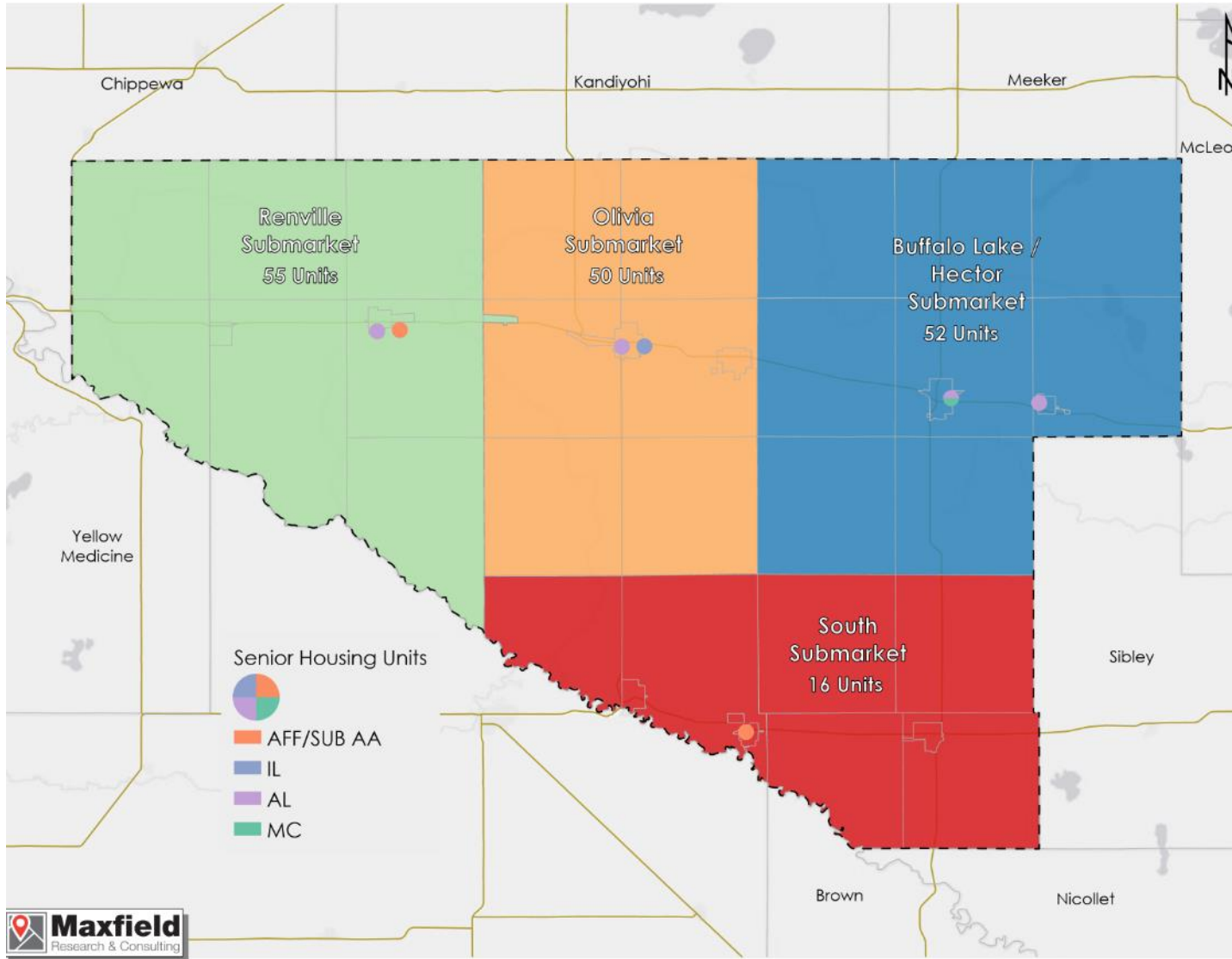


Prairieview of Hector



East Ridge Court

Senior Housing – Renville County Analysis Area



**Introduction**

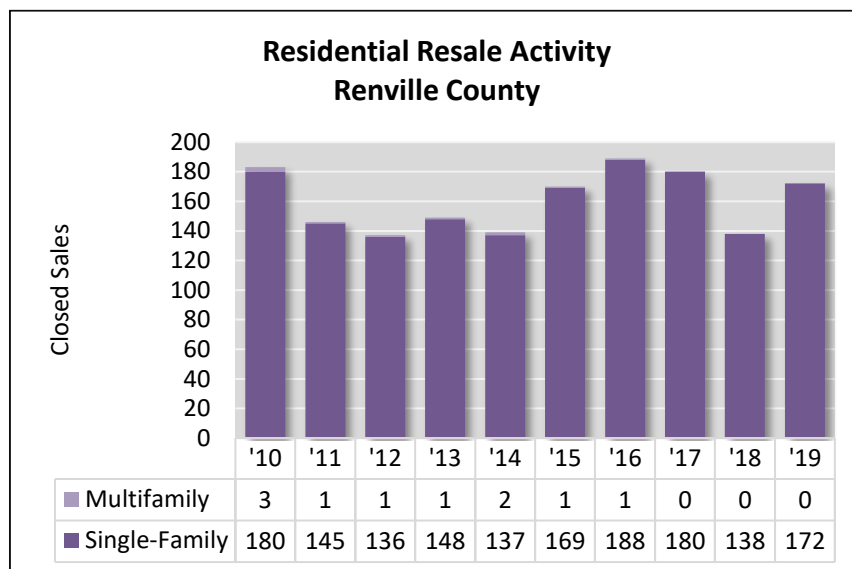
Maxfield Research and Consulting analyzed the for-sale housing market in Renville County by analyzing data on single-family and multifamily home sales and active listings, identifying active subdivisions and pending for-sale developments; and conducting interviews with local real estate professionals,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

**Home Resale Comparison in Renville County**

Table FS-1 on the following page presents home sale data from 2010 through 2019 for Renville County compared to the Southwest Central Regional Area which includes the Counties of Kandiyohi, McLeod, Meeker and Renville. The table displays the median sale price, number of closed transactions, and marketing time (average days on market) for all detached single-family residential resales (excludes new construction) and attached single-family (referred to as multifamily in this section of the report) residential resales which includes townhomes, twin homes, and condominiums.

This data was obtained from the NorthStar Multiple Listing Services and includes all transactions sold through a Realtor. Private sales (not sold on the Multiple Listing Service by a Realtor) are not included.

- From 2010 through 2019, there were 1,609 residential resales in Renville County, representing approximately 10% of all sales in the Southwest Central Regional Area. Since 2010, Renville County has averaged 159 resales per year.

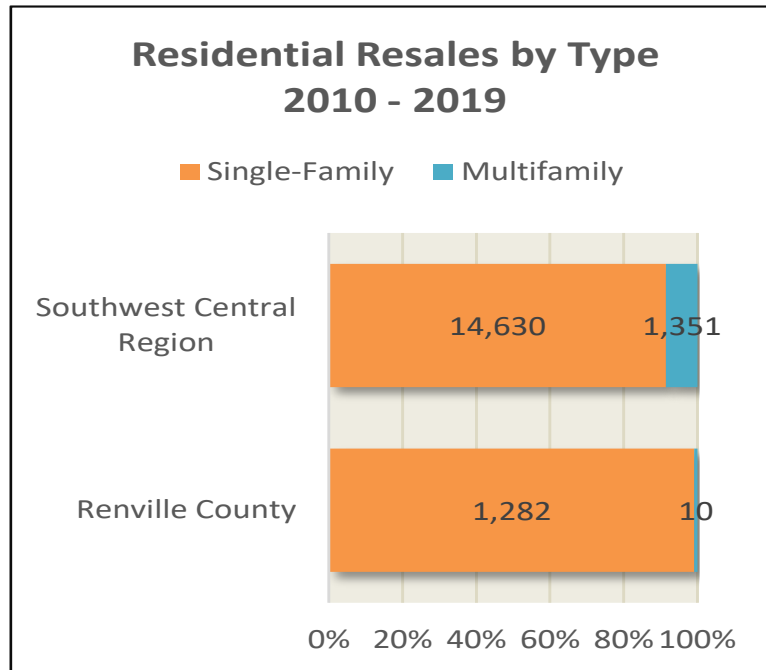


## FOR-SALE MARKET ANALYSIS

- Residential resale activity in the County climbed steadily after dropping -19.4 between 2010 and 2011, peaking at 188 sales in 2016. However, sales activity slowed slightly in recent years, declining to 138 transactions in 2018 before climbing to 172 transactions in 2019.

| TABLE FS-1<br>RESIDENTIAL REALES ACTIVITY<br>RENVILLE COUNTY<br>2010 - 2019                  |                   |          |              |          |                   |          |              |          |
|--|-------------------|----------|--------------|----------|-------------------|----------|--------------|----------|
|  | Single-Family     |          |              |          | Multifamily       |          |              |          |
|  | Median Sale Price | % Change | Closed Sales | % Change | Median Sale Price | % Change | Closed Sales | % Change |
| <b>Renville County</b>   |                   |          |              |          |                   |          |              |          |
| 2019   | \$113,750         | 29.2%    | 172          | --       | --                | --       | --           | --       |
| 2018   | \$88,025          | 12.5%    | 138          | -23.3%   | \$162,250         | 5.1%     | 2            | 100.0%   |
| 2017   | \$78,250          | -1.6%    | 180          | -4.3%    | \$154,400         | 14.4%    | 1            | 0.0%     |
| 2016   | \$79,550          | 6.2%     | 188          | 11.2%    | \$135,000         | --       | 1            | --       |
| 2015   | \$74,875          | -4.3%    | 169          | 23.4%    | --                | --       | 0            | -100.0%  |
| 2014   | \$78,250          | -15.8%   | 137          | -7.4%    | \$146,250         | -1.6%    | 1            | -83.3%   |
| 2013   | \$92,950          | 35.1%    | 148          | 8.8%     | \$148,667         | 95.3%    | 6            | 200.0%   |
| 2012   | \$68,800          | -7.3%    | 136          | -6.2%    | \$76,138          | -19.9%   | 2            | 100.0%   |
| 2011   | \$74,225          | 7.6%     | 145          | -19.4%   | \$95,000          | -50.4%   | 1            | -50.0%   |
| 2010   | \$69,000          | --       | 180          | --       | \$191,450         | --       | 2            | --       |
| <b>Southwest Central Region</b>  |                   |          |              |          |                   |          |              |          |
| 2019   | \$166,273         | 2.6%     | 1,572        | --       | \$166,000         | 17.7%    | 73           | --       |
| 2018   | \$162,000         | 10.4%    | 1,627        | 4.2%     | \$141,000         | 8.5%     | 147          | 2.1%     |
| 2017   | \$146,750         | 8.3%     | 1,562        | -3.3%    | \$130,000         | 18.2%    | 144          | 17.1%    |
| 2016   | \$135,500         | 1.1%     | 1,616        | 1.4%     | \$110,000         | 2.8%     | 123          | -5.4%    |
| 2015   | \$134,000         | 4.3%     | 1,594        | 11.9%    | \$107,000         | -27.7%   | 130          | 13.0%    |
| 2014   | \$128,500         | 7.2%     | 1,425        | -1.2%    | \$148,000         | -8.6%    | 115          | -17.9%   |
| 2013   | \$119,900         | 14.7%    | 1,443        | 8.5%     | \$162,000         | 70.5%    | 140          | 12.0%    |
| 2012   | \$104,575         | 2.5%     | 1,330        | 3.7%     | \$95,000          | -10.4%   | 125          | 6.8%     |
| 2011   | \$102,000         | -8.9%    | 1,283        | 8.9%     | \$106,000         | -34.6%   | 117          | -50.6%   |
| 2010   | \$112,000         | --       | 1,178        | --       | \$162,000         | --       | 237          | --       |
| Southwest Central Regional Area; includes Counties of Kandiyohi, McLeod, Meeker and Renville |                   |          |              |          |                   |          |              |          |
| Sources: Northstar Minnesota Association of Realtors; Maxfield Research & Consulting, LLC    |                   |          |              |          |                   |          |              |          |

- As depicted in the adjacent graph, multifamily housing represents a small share of Renville County's for-sale housing market, comprising less than 1% of all closed resales from 2010 through 2019. The remaining 99% were detached single-family home resales.
- By comparison, roughly 10% of all closed resale transactions in the Southwest Central Regional Area were multifamily sales during that same time period.
- The 2019 median resale price for single-family homes in Renville County is \$90,488, -31.4% lower than the Southwest Central Regional Area median sales price of \$132,000.



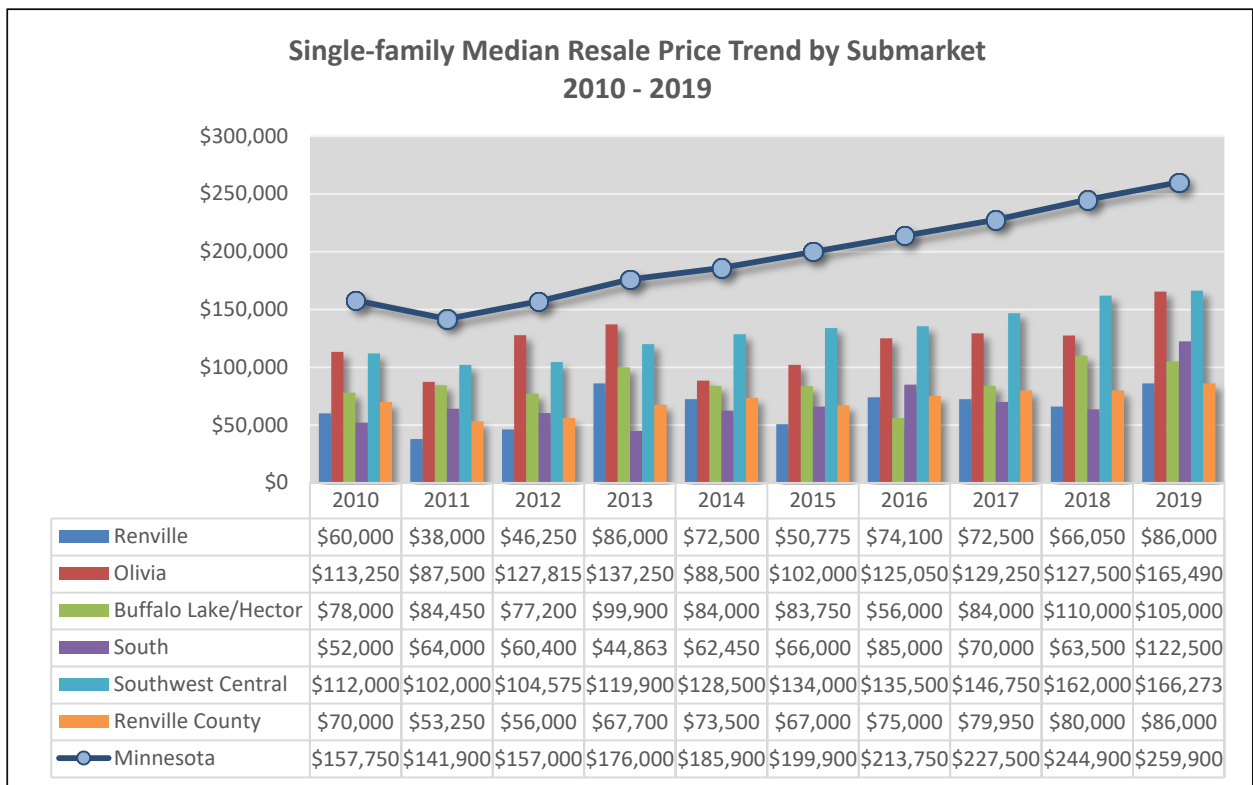
- Median resale prices for detached single-family homes have experienced growth in Renville County since 2017. The median sale price jumped to \$78,250 in 2017 and has since climbed to \$88,025 in 2018 and \$113,750 in 2019.
- Due to the limited sales volume, multifamily pricing trends have been slightly more volatile than single-family. However, in the limited sales within recent years since 2016 have ranged between \$135,000 to \$162,250.

Table FS-2 on the following pages presents home sale data from 2010 through 2019 for the four submarkets. The table displays the median sale price, number of closed transactions, and marketing time (average days on market) for all detached single-family residential resales and multifamily residential resales in each submarket. This data was obtained from the NorthStar Multiple Listing Services.

- The Olivia Submarket lead all Renville County submarkets in sales volume from 2010 through 2019 with 597 sales (37.5% of all sales in the County), followed by the Buffalo Lake/Hector Submarket with 457 closed sales (28.7%) and Renville Submarket with 296 sales (18.6%). Transaction volume was lowest in the South Submarket with 243 sales (15.3%).
- The Renville Submarket was the multifamily sales leader in the County from 2010 through 2019 with eight closed sales (52% of all multifamily sales in the County), followed by Buffalo Lake/Hector with five (29%) and Olivia with four (19%). There were no multifamily sales in the Renville County during that time period.

## FOR-SALE MARKET ANALYSIS

- In 2019, the Olivia Submarket had the highest median resale price in the County at \$165,490 (31% higher than the countywide median).
- The 2019 median resale prices for single-family homes in the Buffalo Lake/Hector and Renville Submarkets were slightly lower than the countywide median at \$105,000 and \$86,000 respectively.
- Median resale prices are continuing to trend upwards even during this time of COVID-19. Suburban and especially, rural communities are places where social distancing is more of a built-in part of everyday life away from crowded streets and mass transit. As working from home becomes a more common and accepted practice, even after the pandemic.



**TABLE FS-2  
RESIDENTIAL REALES ACTIVITY BY SUBMARKET  
RENVILLE COUNTY  
2010 - 2019**

|                                      | Single-Family     |          |              |          | Multifamily       |          |              |          |
|--------------------------------------|-------------------|----------|--------------|----------|-------------------|----------|--------------|----------|
|                                      | Median Sale Price | % Change | Closed Sales | % Change | Median Sale Price | % Change | Closed Sales | % Change |
| <b>Renville Submarket</b>            |                   |          |              |          |                   |          |              |          |
| 2019                                 | \$86,000          | 30.2%    | 27           | --       | --                | --       | 0            | --       |
| 2018                                 | \$66,050          | -8.9%    | 30           | -31.8%   | \$132,900         | -13.9%   | 2            | 100.0%   |
| 2017                                 | \$72,500          | -2.2%    | 44           | 15.8%    | \$154,400         | 14.4%    | 1            | 0.0%     |
| 2016                                 | \$74,100          | 45.9%    | 38           | 18.8%    | \$135,000         | --       | 1            | --       |
| 2015                                 | \$50,775          | -30.0%   | 32           | 3.2%     | --                | --       | 0            | --       |
| 2014                                 | \$72,500          | -15.7%   | 31           | 47.6%    | --                | --       | 0            | --       |
| 2013                                 | \$86,000          | 85.9%    | 21           | -25.0%   | \$117,500         | 4.4%     | 2            | 100.0%   |
| 2012                                 | \$46,250          | 21.7%    | 28           | 86.7%    | \$112,500         | 18.4%    | 1            | 0.0%     |
| 2011                                 | \$38,000          | -36.7%   | 15           | -50.0%   | \$95,000          | --       | 1            | --       |
| 2010                                 | \$60,000          | --       | 30           | --       | --                | --       | 0            | --       |
| <b>Olivia Submarket</b>              |                   |          |              |          |                   |          |              |          |
| 2019                                 | \$165,490         | --       | 72           | --       | --                | --       | 0            | --       |
| 2018                                 | \$127,500         | -1.4%    | 56           | -12.5%   | --                | --       | 0            | --       |
| 2017                                 | \$129,250         | 3.4%     | 64           | -20.0%   | --                | --       | 0            | --       |
| 2016                                 | \$125,050         | 22.6%    | 80           | 23.1%    | --                | --       | 0            | --       |
| 2015                                 | \$102,000         | 15.3%    | 65           | 44.4%    | --                | --       | 0            | --       |
| 2014                                 | \$88,500          | -35.5%   | 45           | -19.6%   | \$142,500         | 124.4%   | 1            | -66.7%   |
| 2013                                 | \$137,250         | 7.4%     | 56           | 27.3%    | \$63,500          | --       | 3            | --       |
| 2012                                 | \$127,815         | 46.1%    | 44           | -17.0%   | --                | --       | 0            | --       |
| 2011                                 | \$87,500          | -22.7%   | 53           | -14.5%   | --                | --       | 0            | --       |
| 2010                                 | \$113,250         | --       | 62           | --       | --                | --       | 0            | --       |
| <b>Buffalo Lake/Hector Submarket</b> |                   |          |              |          |                   |          |              |          |
| 2019                                 | \$105,000         | -4.5%    | 51           | --       | --                | --       | 0            | --       |
| 2018                                 | \$110,000         | 31.0%    | 33           | -23.3%   | --                | --       | 0            | --       |
| 2017                                 | \$84,000          | 50.0%    | 43           | 0.0%     | --                | --       | 0            | --       |
| 2016                                 | \$56,000          | -33.1%   | 43           | -20.4%   | --                | --       | 0            | --       |
| 2015                                 | \$83,750          | -0.3%    | 54           | 45.9%    | --                | --       | 0            | --       |
| 2014                                 | \$84,000          | -15.9%   | 37           | -21.3%   | \$150,000         | -43.4%   | 1            | 0.0%     |
| 2013                                 | \$99,900          | 29.4%    | 47           | 20.5%    | \$265,000         | 566.2%   | 1            | 0.0%     |
| 2012                                 | \$77,200          | -8.6%    | 39           | -30.4%   | \$39,775          | --       | 1            | --       |
| 2011                                 | \$84,450          | 8.3%     | 56           | 3.7%     | --                | --       | 0            | --       |
| 2010                                 | \$78,000          | --       | 54           | --       | \$191,450         | --       | 2            | --       |

----- continued -----



| TABLE FS- 2 continued<br>RESIDENTIAL RESALES ACTIVITY BY SUBMARKET<br>RENVILLE COUNTY<br>2010 - 2019 Q1 |                   |          |              |          |                   |          |              |          |
|---|-------------------|----------|--------------|----------|-------------------|----------|--------------|----------|
|   | Single-Family     |          |              |          | Multifamily       |          |              |          |
|   | Median Sale Price | % Change | Closed Sales | % Change | Median Sale Price | % Change | Closed Sales | % Change |
| <b>South Submarket</b>  |                   |          |              |          |                   |          |              |          |
| 2019  | \$122,500         | 92.9%    | 22           | --       | --                | --       | --           | --       |
| 2018  | \$63,500          | -9.3%    | 19           | -34.5%   | --                | --       | --           | --       |
| 2017  | \$70,000          | -17.6%   | 29           | 7.4%     | --                | --       | --           | --       |
| 2016  | \$85,000          | 28.8%    | 27           | 50.0%    | --                | --       | --           | --       |
| 2015  | \$66,000          | 5.7%     | 18           | -25.0%   | --                | --       | --           | --       |
| 2014  | \$62,450          | 39.2%    | 24           | 0.0%     | --                | --       | --           | --       |
| 2013  | \$44,863          | -25.7%   | 24           | -4.0%    | --                | --       | --           | --       |
| 2012  | \$60,400          | -5.6%    | 25           | 19.0%    | --                | --       | --           | --       |
| 2011  | \$64,000          | 23.1%    | 21           | -38.2%   | --                | --       | --           | --       |
| 2010  | \$52,000          | --       | 34           | --       | --                | --       | --           | --       |

Sources: NorthStar Minnesota Association of Realtors; Maxfield Research & Consulting, LLC

## **County-wide Home Resale Comparison**

Table FS-3 compares Renville County resale data against counties making up the SW Central Region, and the State of Minnesota. The tables show summary-level resale data for single-family and multifamily housing units between 2010 and 2019 according to the NorthStar Multiple Listing Service of Minnesota, Inc.

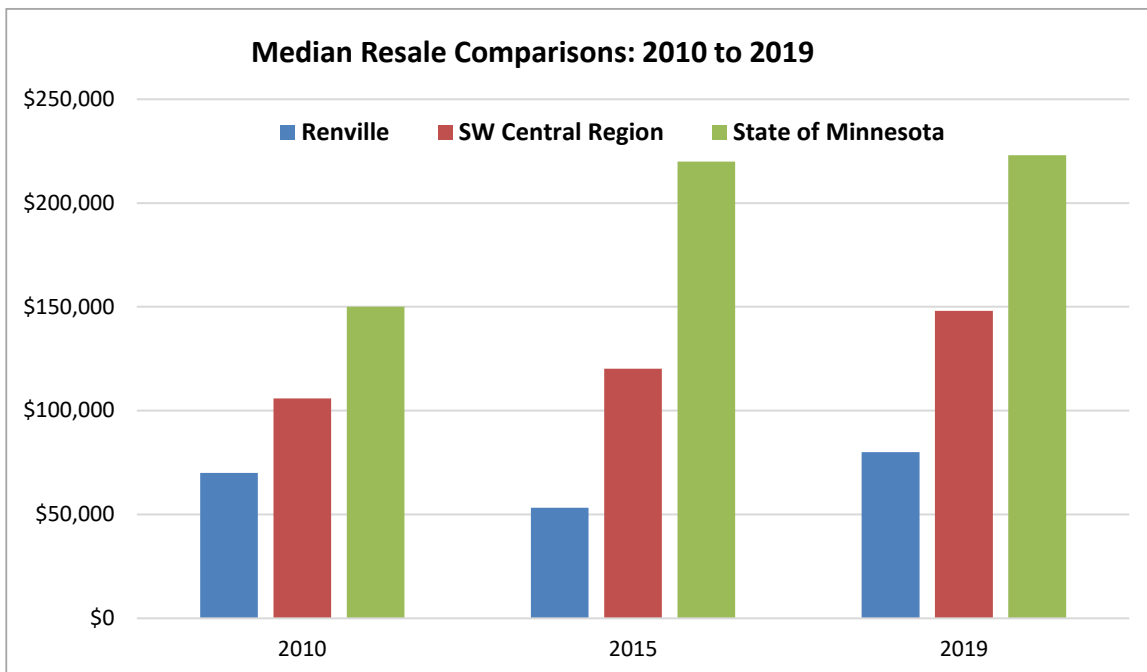
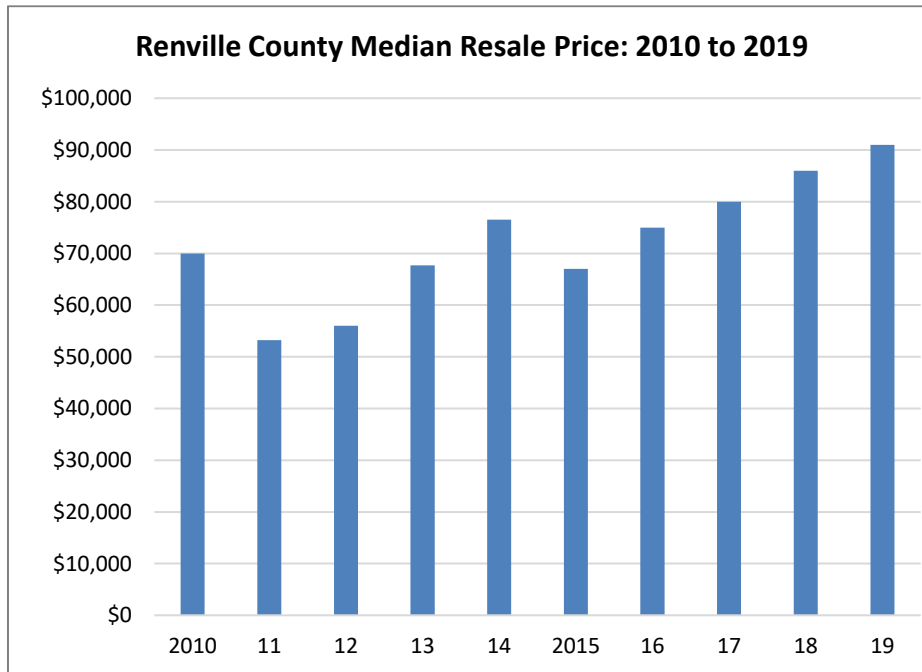
- Renville County housing value trends have remained fairly consistent over the past decade. Median resale values remained in the \$70,000 to \$80,000 price range from 2014 to 2017. Noticeable increases in values since 2018 have occurred due to low interest rates and lack of housing supply.
- Renville County housing values have historically been more affordable than the remainder of the counties located in the SW Central Region including Kandiyohi, McLeod and Meeker Counties which have the advantage of being closer to the Twin Cities Metro Area or have larger cities.
- The median resale value jumped to \$113,750 in 2019 from \$88,025 which is a trend facing many rural communities. Realtor.com figures, which compared June 2019 to June of 2020; found that homes in rural zip codes saw the biggest jump in average views per property. This shows many people are interested in getting out of more densely populated area and into communities that are more affordable and less dense.
- Views of urban properties were up 19%, suburban properties up 30% while rural properties were up 34% according to the Realtor.com study.

**FOR-SALE MARKET ANALYSIS**

**TABLE FS-3  
MEDIAN RESALE COMPARISON RENVILLE COUNTY AND SW CENTRAL REGION  
2010 to 2019**

| <b>County</b>             | <b>2010</b>      | <b>2011</b>      | <b>2012</b>      | <b>2013</b>      | <b>2014</b>      | <b>2015</b>      | <b>2016</b>      | <b>2017</b>      | <b>2018</b>      | <b>2019</b>      |
|---------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>SW Central Region</b>  | <b>\$105,600</b> | <b>\$107,169</b> | <b>\$97,375</b>  | <b>\$114,175</b> | <b>\$116,684</b> | <b>\$122,176</b> | <b>\$125,175</b> | <b>\$133,660</b> | <b>\$145,856</b> | <b>\$154,938</b> |
| Kandiyohi                 | \$133,900        | \$109,950        | \$123,125        | \$135,000        | \$135,000        | \$146,430        | \$139,900        | \$153,888        | \$169,000        | \$165,000        |
| McLeod                    | \$115,000        | \$102,000        | \$100,700        | \$113,750        | \$132,634        | \$138,400        | \$142,250        | \$158,000        | \$163,000        | \$177,000        |
| Meeker                    | \$104,500        | \$142,500        | \$96,875         | \$115,000        | \$120,851        | \$129,000        | \$139,000        | \$144,500        | \$163,400        | \$164,000        |
| <b>Renville</b>           | <b>\$69,000</b>  | <b>\$74,225</b>  | <b>\$68,800</b>  | <b>\$92,950</b>  | <b>\$78,250</b>  | <b>\$74,875</b>  | <b>\$79,550</b>  | <b>\$78,250</b>  | <b>\$88,025</b>  | <b>\$113,750</b> |
| <b>State of Minnesota</b> | <b>\$150,000</b> | <b>\$137,500</b> | <b>\$150,500</b> | <b>\$170,000</b> | <b>\$179,013</b> | <b>\$195,000</b> | <b>\$209,000</b> | <b>\$223,000</b> | <b>\$239,900</b> | <b>\$254,000</b> |

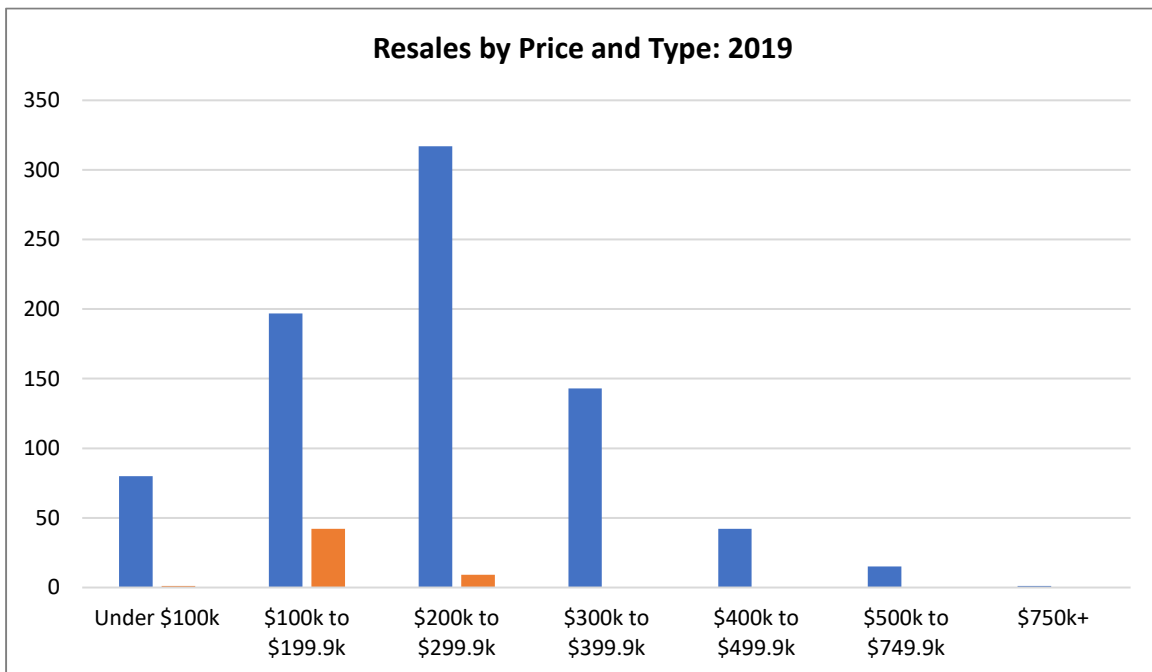
Source: Northstar Multiple Listing Service of Minnesota, Maxfield Research & Consulting, LLC



**Resales by Price (2019)**

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

- Approximately 43% of the single-family homes sold in Renville County in 2019 were priced between under \$100,000. Another 16.9% of single-family homes sold from \$100,000 to \$149,999. About 11% of transactions sold in the \$150,000 to \$199,999 range.
- Across the county, about 29% of all transactions sold for more than \$200,000. About 70% of all transactions sold for under \$200,000. The Olivia Submarket had the highest percentage over \$400,000; at 15.5%.



**FOR-SALE MARKET ANALYSIS**

**TABLE FS-4  
RESALES BY PRICE POINT  
RENVILLE COUNTY & SW CENTRAL REGION  
2019**

| Price Range            | Renville Submarket            |             |                          |           |           |             | Olivia Submarket |             |                          |            |           |             |
|------------------------|-------------------------------|-------------|--------------------------|-----------|-----------|-------------|------------------|-------------|--------------------------|------------|-----------|-------------|
|                        | Single-Family                 |             | Multifamily <sup>1</sup> |           | Total     |             | Single-Family    |             | Multifamily <sup>1</sup> |            | Total     |             |
|                        | No.                           | Pct.        | No.                      | Pct.      | No.       | Pct.        | No.              | Pct.        | No.                      | Pct.       | No.       | Pct.        |
| < \$99,999             | 14                            | 53.8%       | 0                        | --        | 14        | 53.8%       | 19               | 26.8%       | 0                        | --         | 19        | 26.8%       |
| \$100,000 to \$149,999 | 4                             | 15.4%       | 0                        | --        | 4         | 15.4%       | 11               | 15.5%       | 0                        | --         | 11        | 15.5%       |
| \$150,000 to \$199,999 | 5                             | 19.2%       | 0                        | --        | 5         | 19.2%       | 8                | 11.3%       | 0                        | --         | 8         | 11.3%       |
| \$200,000 to \$249,999 | 3                             | 11.5%       | 0                        | --        | 3         | 11.5%       | 3                | 4.2%        | 0                        | --         | 3         | 4.2%        |
| \$250,000 to \$299,999 | 0                             | 0.0%        | 0                        | --        | 0         | 0.0%        | 5                | 7.0%        | 0                        | --         | 5         | 7.0%        |
| \$300,000 to \$349,999 | 0                             | 0.0%        | 0                        | --        | 0         | 0.0%        | 2                | 2.8%        | 0                        | --         | 2         | 2.8%        |
| \$350,000 to \$399,999 | 0                             | 0.0%        | 0                        | --        | 0         | 0.0%        | 12               | 16.9%       | 0                        | --         | 12        | 16.9%       |
| \$400,000 to \$449,999 | 0                             | 0.0%        | 0                        | --        | 0         | 0.0%        | 3                | 4.2%        | 0                        | --         | 3         | 4.2%        |
| \$450,000 to \$499,999 | 0                             | 0.0%        | 0                        | --        | 0         | 0.0%        | 1                | 1.4%        | 0                        | --         | 1         | 1.4%        |
| \$500,000 to \$749,999 | 0                             | 0.0%        | 0                        | --        | 0         | 0.0%        | 7                | 9.9%        | 0                        | --         | 7         | 9.9%        |
| \$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%        |
|                        | <b>26</b>                     | <b>100%</b> | <b>0</b>                 | <b>0%</b> | <b>26</b> | <b>100%</b> | <b>71</b>        | <b>100%</b> | <b>0</b>                 | <b>10%</b> | <b>71</b> | <b>100%</b> |
| Minimum                | \$23,000                      |             | ---                      |           | \$23,000  |             | \$36,000         |             | ---                      |            | \$36,000  |             |
| Maximum                | \$221,000                     |             | --                       |           | \$221,000 |             | \$695,000        |             | --                       |            | \$695,000 |             |
| Median                 | \$76,000                      |             | --                       |           | \$76,000  |             | \$98,000         |             | --                       |            | \$98,000  |             |
| Average                | \$80,000                      |             | --                       |           | \$80,000  |             | \$102,000        |             | --                       |            | \$102,000 |             |
| Price Range            | Buffalo Lake/Hector Submarket |             |                          |           |           |             | South Submarket  |             |                          |            |           |             |
|                        | Single-Family                 |             | Multifamily <sup>1</sup> |           | Total     |             | Single-Family    |             | Multifamily <sup>1</sup> |            | Total     |             |
|                        | No.                           | Pct.        | No.                      | Pct.      | No.       | Pct.        | No.              | Pct.        | No.                      | Pct.       | No.       | Pct.        |
| < \$99,999             | 23                            | 88.5%       | 0                        | --        | 23        | 71.9%       | 10               | 45.5%       | 0                        | --         | 10        | 45.5%       |
| \$100,000 to \$149,999 | 5                             | 19.2%       | 0                        | --        | 5         | 15.6%       | 6                | 27.3%       | 0                        | --         | 6         | 27.3%       |
| \$150,000 to \$199,999 | 2                             | 7.7%        | 0                        | --        | 2         | 6.3%        | 2                | 9.1%        | 0                        | --         | 2         | 9.1%        |
| \$200,000 to \$249,999 | 2                             | 7.7%        | 0                        | --        | 2         | 6.3%        | 1                | 4.5%        | 0                        | --         | 1         | 4.5%        |
| \$250,000 to \$299,999 | 0                             | 0.0%        | 0                        | --        | 0         | 0.0%        | 1                | 4.5%        | 0                        | --         | 1         | 4.5%        |
| \$300,000 to \$349,999 | 0                             | 0.0%        | 0                        | --        | 0         | 0.0%        | 0                | 0.0%        | 0                        | --         | 0         | 0.0%        |
| \$350,000 to \$399,999 | 0                             | 0.0%        | 0                        | --        | 0         | 0.0%        | 0                | 0.0%        | 0                        | --         | 0         | 0.0%        |
| \$400,000 to \$449,999 | 0                             | 0.0%        | 0                        | --        | 0         | 0.0%        | 2                | 9.1%        | 0                        | --         | 2         | 9.1%        |
| \$450,000 to \$499,999 | 0                             | 0.0%        | 0                        | --        | 0         | 0.0%        | 0                | 0.0%        | 0                        | --         | 0         | 0.0%        |
| \$500,000 to \$749,999 | 0                             | 0.0%        | 0                        | --        | 0         | 0.0%        | 0                | 0.0%        | 0                        | --         | 0         | 0.0%        |
| \$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%        |
|                        | <b>32</b>                     | <b>123%</b> | <b>0</b>                 | <b>0%</b> | <b>32</b> | <b>100%</b> | <b>22</b>        | <b>100%</b> | <b>0</b>                 | <b>0%</b>  | <b>22</b> | <b>100%</b> |
| Minimum                | \$22,000                      |             | ---                      |           | \$22,000  |             | \$24,000         |             | ---                      |            | \$24,000  |             |
| Maximum                | \$167,000                     |             | --                       |           | \$167,000 |             | \$400,000        |             | --                       |            | \$400,000 |             |
| Median                 | \$87,000                      |             | --                       |           | \$87,000  |             | \$66,000         |             | --                       |            | \$66,000  |             |
| Average                | \$92,000                      |             | --                       |           | \$92,000  |             | \$74,000         |             | --                       |            | \$74,000  |             |

CONTINUED

# FOR-SALE MARKET ANALYSIS

CONTINUED

TABLE FS-4 CONTINUED  
RESALES BY PRICE POINT  
RENVILLE COUNTY & SW CENTRAL REGION  
2019

| Price Range            | Renville County |             |                          |             |            |             | SW Central Region |             |                          |             |             |             |
|------------------------|-----------------|-------------|--------------------------|-------------|------------|-------------|-------------------|-------------|--------------------------|-------------|-------------|-------------|
|                        | Single-Family   |             | Multifamily <sup>1</sup> |             | Total      |             | Single-Family     |             | Multifamily <sup>1</sup> |             | Total       |             |
|                        | No.             | Pct.        | No.                      | Pct.        | No.        | Pct.        | No.               | Pct.        | No.                      | Pct.        | No.         | Pct.        |
| < \$99,999             | 66              | 42.9%       | 0                        | --          | 66         | 42.9%       | 206               | 14.4%       | 4                        | 28.6%       | 210         | 14.5%       |
| \$100,000 to \$149,999 | 26              | 16.9%       | 0                        | --          | 26         | 16.9%       | 420               | 29.3%       | 7                        | 50.0%       | 427         | 29.5%       |
| \$150,000 to \$199,999 | 17              | 11.0%       | 0                        | --          | 17         | 11.0%       | 487               | 34.0%       | 1                        | 7.1%        | 488         | 33.7%       |
| \$200,000 to \$249,999 | 9               | 5.8%        | 0                        | --          | 9          | 5.8%        | 107               | 7.5%        | 1                        | 7.1%        | 108         | 7.5%        |
| \$250,000 to \$299,999 | 6               | 3.9%        | 0                        | --          | 6          | 3.9%        | 92                | 6.4%        | 1                        | 7.1%        | 93          | 6.4%        |
| \$300,000 to \$349,999 | 2               | 1.3%        | 0                        | --          | 2          | 1.3%        | 46                | 3.2%        | 0                        | --          | 46          | 3.2%        |
| \$350,000 to \$399,999 | 2               | 1.3%        | 0                        | --          | 2          | 1.3%        | 32                | 2.2%        | 0                        | --          | 32          | 2.2%        |
| \$400,000 to \$449,999 | 5               | 3.2%        | 0                        | --          | 5          | 3.2%        | 17                | 1.2%        | 0                        | --          | 17          | 1.2%        |
| \$450,000 to \$499,999 | 14              | 9.1%        | 0                        | --          | 14         | 9.1%        | 10                | 0.7%        | 0                        | --          | 10          | 0.7%        |
| \$500,000 to \$749,999 | 7               | 4.5%        | 0                        | --          | 7          | 4.5%        | 6                 | 0.4%        | 0                        | --          | 6           | 0.4%        |
| \$750,000 to \$999,999 | 0               | 0.0%        | 0                        | --          | 0          | 0.0%        | 8                 | 0.6%        | 0                        | --          | 8           | 0.6%        |
| \$1,000,000 and Over   | 0               | 0.0%        | 0                        | --          | 0          | 0.0%        | 1                 | 0.1%        | 0                        | --          | 1           | 0.1%        |
|                        | <b>154</b>      | <b>100%</b> | <b>0</b>                 | <b>0.0%</b> | <b>154</b> | <b>100%</b> | <b>1432</b>       | <b>100%</b> | <b>14</b>                | <b>100%</b> | <b>1446</b> | <b>100%</b> |
| Minimum                | \$62,000        |             | --                       |             | \$62,000   |             | \$62,000          |             | \$47,000                 |             | \$47,000    |             |
| Maximum                | \$657,500       |             | --                       |             | \$657,500  |             | \$102,250         |             | \$299,900                |             | \$299,900   |             |
| Median                 | \$81,500        |             | --                       |             | \$81,500   |             | \$184,858         |             | \$83,000                 |             | \$183,872   |             |
| Average                | \$87,000        |             | --                       |             | \$87,000   |             | \$207,314         |             | \$120,000                |             | \$206,469   |             |

<sup>1</sup> Includes townhomes, detached townhomes, twinhomes, condominiums, and cooperatives

Sources: NorthStar Multiple Listing Service of Minnesota & Maxfield Research & Consulting

**Owner-occupied Turnover**

Table FS-5 illustrates existing home turnover as a percentage of owner-occupied units by Renville County submarkets. 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.

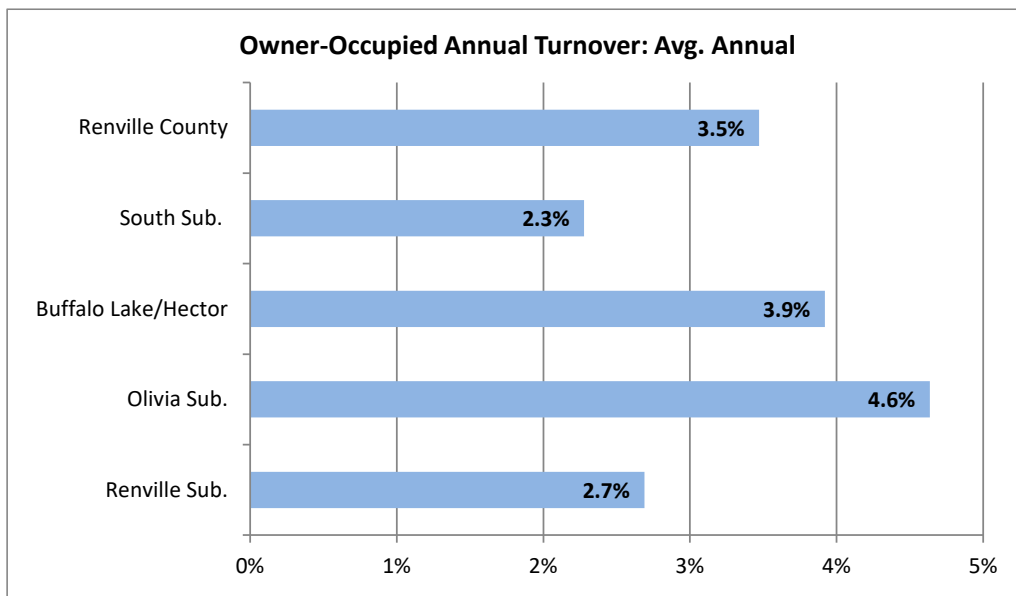
As displayed in the table, approximately 3.5% of Renville County owner-occupied housing stock is sold annually. Typically, we find owner-occupied turnover ranges from 3% at the low-end to 8% at the high-end in many communities throughout Minnesota. Turnover was lowest in the South Submarket (2.3%) and highest in the Olivia Submarket (4.6%).

**TABLE FS-5  
OWNER-OCCUPIED TURNOVER  
RENVILLE COUNTY**

| <b>Submarket</b>       | <b>Owner-occupied Housing Units<sup>1</sup></b> | <b>Resales Annual Avg.<sup>2</sup></b> | <b>Turnover Pct.</b> |
|------------------------|---|--|----------------------|
| Renville               | 1,272   | 34                                     | 2.7%                 |
| Olivia                 | 1,454   | 67                                     | 4.6%                 |
| Buffalo Lake/Hector    | 1,143   | 45                                     | 3.9%                 |
| South                  | 1,010   | 23                                     | 2.3%                 |
| <b>Renville County</b> | <b>4,879</b>                                    | <b>169</b>                             | <b>3.5%</b>          |

<sup>1</sup> Owner-occupied housing units in 2018  
<sup>2</sup> Average of MLS resales between 2015 and 2019

Source: U.S. Census Bureau, 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 2010 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 Renville County and the SW Central Region. The graphs on the following page visually displays the sales data.

- The median and average price sale price per square foot (PSF) remained fairly consistent from 2010 to 2017 fluctuating slightly year by year. In 2018 the median and average PSF jumper to \$91 and \$90 respectively and increased in 2019 to \$97 and \$93 PSF.
- Renville County housings costs on a median PSF basis are about 15% less than the SW Central Region Average.
- On average since 2010, the price of an existing home PSF costs in Renville County is about 25.9% less than the cost of new construction. During the recession the gap between existing construction and new construction was as high as 36.8% in 2011. However, since 2011 the gap has slightly shrunk, and new construction carries a 28.4% premium today.

**TABLE FS-6  
AVERAGE & MEDIAN SALES PRICE PER SQUARE FOOT (PSF)  
RENVILLE COUNTY AND SOUTHWEST CENTRAL REGION  
2010 to 2019**

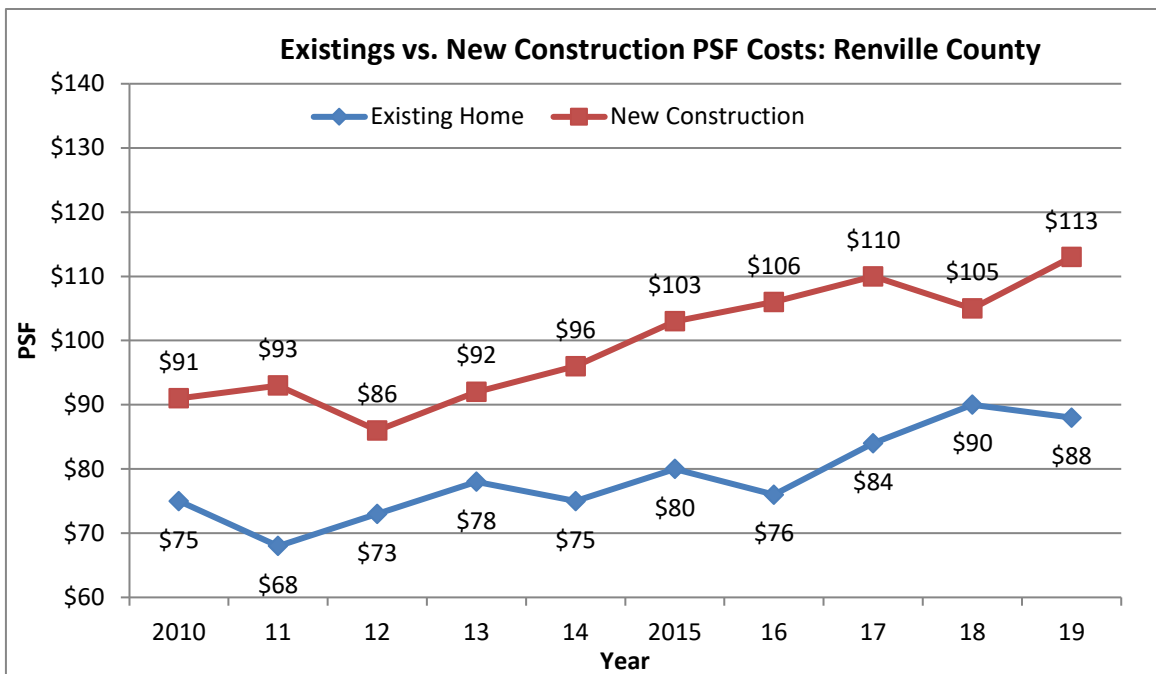
| Year | Renville County |        | SW Central Region |        |
|------|-----------------|--------|-------------------|--------|
|      | Avg.            | Median | Avg.              | Median |
| 2010 | \$78            | \$75   | \$85              | \$82   |
| 2011 | \$72            | \$68   | \$87              | \$83   |
| 2012 | \$75            | \$73   | \$89              | \$85   |
| 2013 | \$81            | \$78   | \$91              | \$87   |
| 2014 | \$76            | \$75   | \$93              | \$86   |
| 2015 | \$81            | \$80   | \$95              | \$91   |
| 2016 | \$77            | \$76   | \$94              | \$93   |
| 2017 | \$85            | \$84   | \$98              | \$89   |
| 2018 | \$91            | \$90   | \$101             | \$98   |
| 2019 | \$97            | \$93   | \$104             | \$100  |

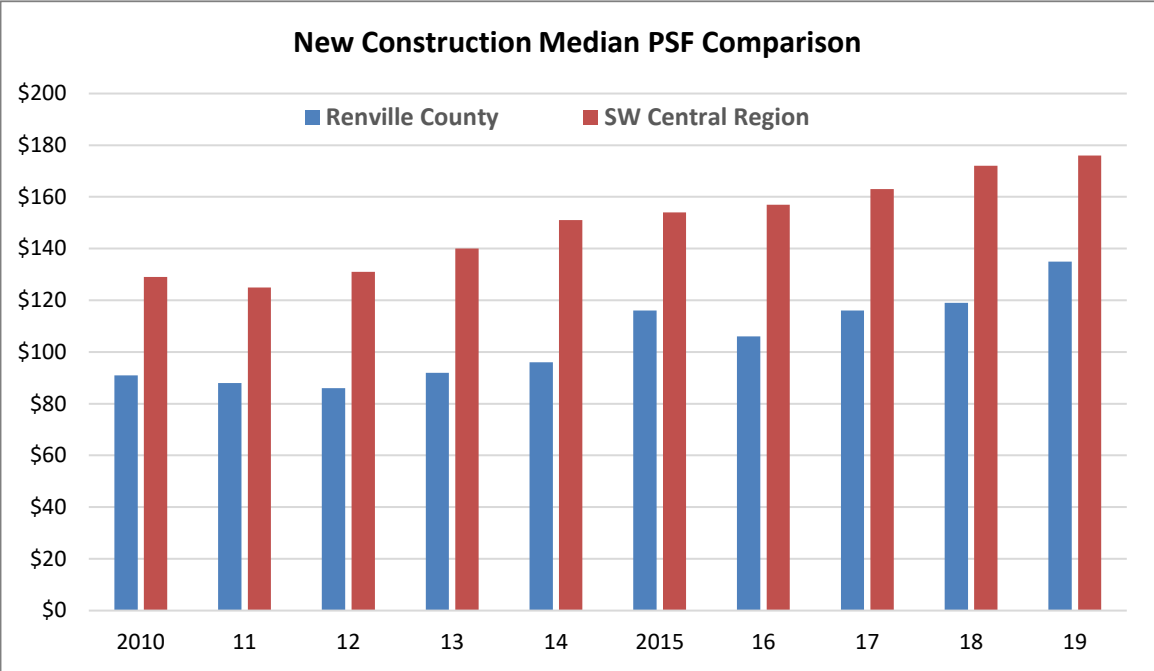
Source: 10K Research & Marketing, Maxfield Research & Consulting, LLC

**TABLE FS-7**  
**MEDIAN SALES PRICE PER SQUARE FOOT (PSF) COMPARISON**  
**EXISTING HOME VS. NEW CONSTRUCTION**  
**RENVILLE COUNTY AND SOUTHWEST CENTRAL REGION**  
**2010 to 2019**

| Year | Renville County |            | SW Central Region |            |
|------|-----------------|------------|-------------------|------------|
|      | Existing Home   | New Const. | Existing Home     | New Const. |
| 2010 | \$75            | \$91       | \$82              | \$129      |
| 2011 | \$68            | \$93       | \$87              | \$125      |
| 2012 | \$73            | \$86       | \$89              | \$131      |
| 2013 | \$78            | \$92       | \$91              | \$140      |
| 2014 | \$75            | \$96       | \$93              | \$151      |
| 2015 | \$80            | \$103      | \$95              | \$154      |
| 2016 | \$76            | \$106      | \$94              | \$157      |
| 2017 | \$84            | \$110      | \$98              | \$163      |
| 2018 | \$90            | \$105      | \$101             | \$172      |
| 2019 | \$88            | \$113      | \$104             | \$176      |

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 Renville County, we reviewed the current supply of homes on the market (listed for sale). Table FS-8 shows homes currently listed for sale in Renville County distributed into ten price ranges. The data was provided by the NorthStar Multiple Listing Services of Minnesota and is based on active listings in May 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 May 2020, there were 49 homes listed for sale in Renville County. Single-family homes accounted for all listings.
- The median list price in Renville County is approximately \$105,200. 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.

**FOR-SALE MARKET ANALYSIS**

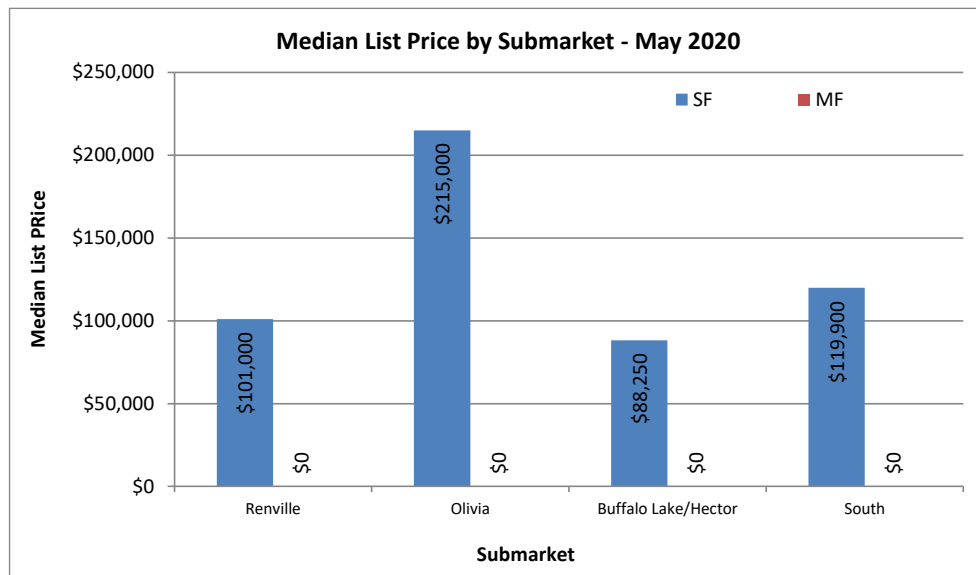
**TABLE FS-8  
HOMES CURRENTLY LISTED FOR SALE  
RENVILLE COUNTY  
MAY 2020**

| Price Range            | Renville Submarket |             |                          |           | Olivia Submarket |             |                          |           | Buffalo Lake/Hector Submarket |             |                          |             | South Submarket |               |                          |             | Renville County |               |                          |             |
|------------------------|--------------------|-------------|--------------------------|-----------|------------------|-------------|--------------------------|-----------|-------------------------------|-------------|--------------------------|-------------|-----------------|---------------|--------------------------|-------------|-----------------|---------------|--------------------------|-------------|
|                        | Single-Family      |             | Multifamily <sup>1</sup> |           | Single-Family    |             | Multifamily <sup>1</sup> |           | Single-Family                 |             | Multifamily <sup>1</sup> |             | Single-Family   |               | Multifamily <sup>1</sup> |             | Single-Family   |               | Multifamily <sup>1</sup> |             |
|                        | No.                | Pct.        | No.                      | Pct.      | No.              | Pct.        | No.                      | Pct.      | No.                           | Pct.        | No.                      | Pct.        | No.             | Pct.          | No.                      | Pct.        | No.             | Pct.          | No.                      | Pct.        |
| < \$100,000            | 5                  | 55.6%       | 0                        | 0.0%      | 6                | 31.6%       | 0                        | 0.0%      | 8                             | 57.1%       | 0                        | 0.0%        | 1               | 14.3%         | 0                        | 0.0%        | 20              | 40.8%         | 0                        | 0.0%        |
| \$100,000 to \$149,999 | 1                  | 11.1%       | 0                        | 0.0%      | 0                | 0.0%        | 0                        | 0.0%      | 1                             | 7.1%        | 0                        | 0.0%        | 4               | 57.1%         | 0                        | 0.0%        | 5               | 10.2%         | 0                        | 0.0%        |
| \$150,000 to \$199,999 | 1                  | 11.1%       | 0                        | 0.0%      | 3                | 15.8%       | 0                        | 0.0%      | 0                             | 0.0%        | 0                        | 0.0%        | 0               | 0.0%          | 0                        | 0.0%        | 4               | 8.2%          | 0                        | 0.0%        |
| \$200,000 to \$249,999 | 1                  | 11.1%       | 0                        | 0.0%      | 2                | 10.5%       | 0                        | 0.0%      | 3                             | 21.4%       | 0                        | 0.0%        | 1               | 14.3%         | 0                        | 0.0%        | 7               | 14.3%         | 0                        | 0.0%        |
| \$250,000 to \$299,999 | 0                  | 0.0%        | 0                        | 0.0%      | 2                | 10.5%       | 0                        | 0.0%      | 0                             | 0.0%        | 0                        | 0.0%        | 0               | 0.0%          | 0                        | 0.0%        | 2               | 4.1%          | 0                        | 0.0%        |
| \$300,000 to \$399,999 | 1                  | 11.1%       | 0                        | 0.0%      | 3                | 15.8%       | 0                        | 0.0%      | 1                             | 7.1%        | 0                        | 0.0%        | 0               | 0.0%          | 0                        | 0.0%        | 5               | 10.2%         | 0                        | 0.0%        |
| \$400,000 to \$499,999 | 0                  | 0.0%        | 0                        | 0.0%      | 0                | 0.0%        | 0                        | 0.0%      | 1                             | 7.1%        | 0                        | 0.0%        | 1               | 14.3%         | 0                        | 0.0%        | 2               | 4.1%          | 0                        | 0.0%        |
| \$500,000 to \$749,999 | 0                  | 0.0%        | 0                        | 0.0%      | 3                | 15.8%       | 0                        | 0.0%      | 0                             | 0.0%        | 0                        | 0.0%        | 0               | 0.0%          | 0                        | 0.0%        | 3               | 6.1%          | 0                        | 0.0%        |
| \$750,000 to \$999,999 | 0                  | 0.0%        | 0                        | 0.0%      | 0                | 0.0%        | 0                        | 0.0%      | 0                             | 0.0%        | 0                        | 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%      | 1                | 5.3%        | 0                        | 0.0%      | 0                             | 0.0%        | 0                        | 0.0%        | 0               | 0.0%          | 0                        | 0.0%        | 1               | 2.0%          | 0                        | 0.0%        |
|                        | <b>9</b>           | <b>100%</b> | <b>0</b>                 | <b>--</b> | <b>19</b>        | <b>100%</b> | <b>0</b>                 | <b>--</b> | <b>14</b>                     | <b>100%</b> | <b>0</b>                 | <b>100%</b> | <b>7</b>        | <b>100.0%</b> | <b>0</b>                 | <b>0.0%</b> | <b>49</b>       | <b>100.0%</b> | <b>0</b>                 | <b>0.0%</b> |
| Minimum                | \$23,500           |             | \$0                      |           | \$13,951         |             | \$0                      |           | \$21,500                      |             | \$0                      |             | \$79,900        |               | \$0                      |             | \$13,951        |               | \$0                      |             |
| Maximum                | \$390,000          |             | \$0                      |           | \$1,150,000      |             | \$0                      |           | \$448,000                     |             | \$0                      |             | \$425,000       |               | \$0                      |             | \$1,150,000     |               | \$0                      |             |
| Median                 | \$101,000          |             | \$0                      |           | \$215,000        |             | \$0                      |           | \$88,250                      |             | \$0                      |             | \$119,900       |               | \$0                      |             | \$105,200       |               | \$0                      |             |
| Average                | \$148,000          |             | \$0                      |           | \$304,629        |             | \$0                      |           | \$151,335                     |             | \$0                      |             | \$175,671       |               | \$0                      |             | \$194,909       |               | \$0                      |             |

Sources: Northstar Multiple Listing Service of Minnesota, Maxfield Research & Consulting, LLC

## FOR-SALE MARKET ANALYSIS

- Based on a median list price in Renville County of \$105,200, the income required to afford a home at this price would be about \$30,057 to \$35,067, 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.
- Approximately 40% of all homes were priced under a \$100,000 in Renville County in May 2020 and another 10% priced between \$100,000 to \$149,999. The Buffalo Lake/Hector Submarket had the most listings under \$200,000.
- Approximately 18% of single-family listings are priced from \$200,000 to \$300,000. Within this category, the plurality of listings are priced from \$200,000 to \$249,999.
- Over 10% of all active listings are priced between \$300,000 and \$399,999 while only 4% between \$400,000 and \$499,999. About 8% are priced above \$500,000.
- The median list price for single-family homes in the Olivia Submarket are priced significantly higher than the other submarkets with the Buffalo Lake/Hector Submarket having the lowest median list price at \$88,250.



**FOR-SALE MARKET ANALYSIS**

**TABLE FS-9  
ACTIVE LISTINGS BY TYPE & SUBMARKET  
MAY 2020**

| Submarket              | Product Type  |                   |             | Total       |
|------------------------|---------------|-------------------|-------------|-------------|
|                        | Single-Family | Townhome/Twinhome | Condo/Coop  |             |
| <b>Listings</b>        |               |                   |             |             |
| Renville               | 9             | 0                 | 0           | 9           |
| Olivia                 | 19            | 0                 | 0           | 19          |
| Buffalo Lake/Hector    | 14            | 0                 | 0           | 14          |
| South                  | 7             | 0                 | 0           | 7           |
| <b>Renville County</b> | <b>49</b>     | <b>0</b>          | <b>0</b>    | <b>49</b>   |
| <b>Percent</b>         |               |                   |             |             |
| Renville               | 100.0%        | 0.0%              | 0.0%        | 100%        |
| Olivia                 | 100.0%        | 0.0%              | 0.0%        | 100%        |
| Buffalo Lake/Hector    | 100.0%        | 0.0%              | 0.0%        | 100%        |
| South                  | 100.0%        | 0.0%              | 0.0%        | 100%        |
| <b>Renville County</b> | <b>100.0%</b> | <b>0.0%</b>       | <b>0.0%</b> | <b>100%</b> |

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

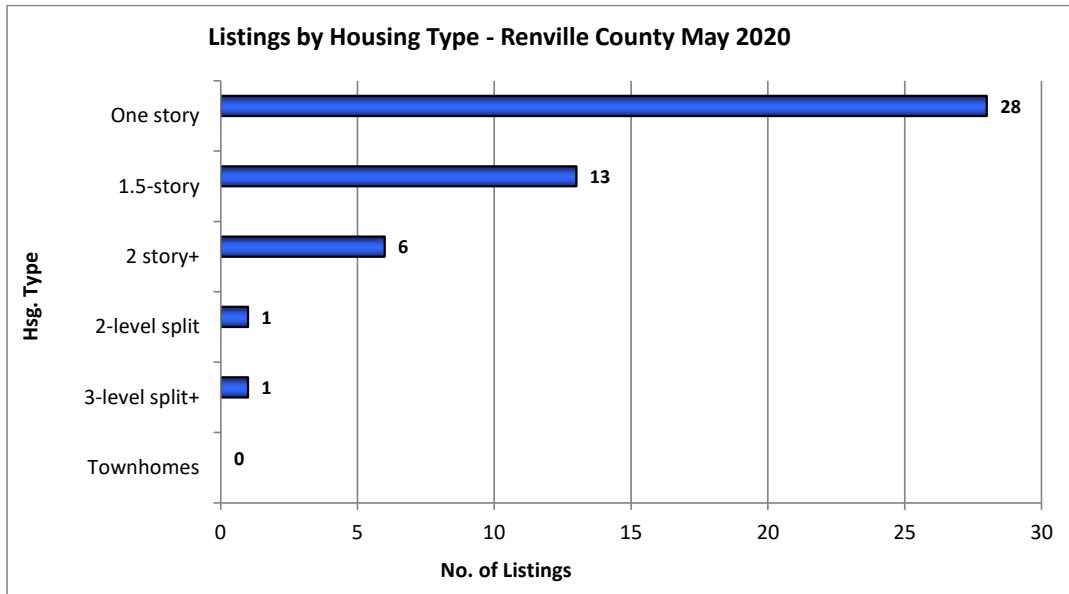
**TABLE FS-10  
ACTIVE LISTINGS BY HOUSING TYPE  
RENVILLE COUNTY  
MAY 2020**

| 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 |
|------------------------------|-----------|---------------|------------------|---------------------|-----------------------------|---------------|----------------|------------------|
| <b>RENVILLE COUNTY</b>       |           |               |                  |                     |                             |               |                |                  |
| <b>Single-Family</b>         |           |               |                  |                     |                             |               |                |                  |
| One story                    | 28        | 57.1%         | \$82,066         | 1,131               | \$73                        | 2.75          | 2.00           | 1955             |
| 1.5-story                    | 13        | 26.5%         | \$242,500        | 1,302               | \$186                       | 4.00          | 1.50           | 1940             |
| 2-story                      | 6         | 12.2%         | \$104,966        | 1,744               | \$60                        | 3.33          | 2.00           | 1908             |
| Modified 2-story             | 0         | 0.0%          | --               | --                  | --                          | --            | --             | --               |
| Split entry/Bi-level         | 1         | 2.0%          | --               | --                  | --                          | --            | --             | --               |
| 3-level split                | 1         | 2.0%          | \$299,532        | 1,829               | \$164                       | 3.29          | 2.33           | 2015             |
| 4 or more split-level        | 0         | 0.0%          | --               | --                  | --                          | --            | --             | --               |
| <b>Total/Avg.</b>            | <b>49</b> | <b>100.0%</b> | <b>\$130,197</b> | <b>1,243</b>        | <b>\$105</b>                | <b>3.11</b>   | <b>1.83</b>    | <b>1957</b>      |
| <b>Townhomes/Twinhomes</b>   |           |               |                  |                     |                             |               |                |                  |
| Detached                     | 0         | --            | --               | --                  | --                          | --            | --             | --               |
| Quad/4 Corners               | 0         | --            | --               | --                  | --                          | --            | --             | --               |
| Side-by-Side                 | 0         | --            | --               | --                  | --                          | --            | --             | --               |
| <b>Total/Avg.</b>            | <b>0</b>  | <b>--</b>     | <b>--</b>        | <b>--</b>           | <b>--</b>                   | <b>--</b>     | <b>--</b>      | <b>--</b>        |
| <b>Renville County Total</b> | <b>49</b> |               |                  |                     |                             |               |                |                  |

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

- One and one-half story properties have the highest sale prices in Renville County, averaging about \$242,500. 1.5 story housing types account for 26.5% of the single-family inventory.
- One story homes have the lowest average list price Renville County: averaging about \$70,666 (\$73 per square foot). This style generally contains the oldest housing stock in the Market Area as the average age of home is over 70 years old.

- 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.



### Actively Marketing Subdivisions

Table FS-11 identifies newer subdivisions with available lots in Renville County. The table identifies the number of lots, available lots, typical lot sizes, and assessed values for lots and homes. Please note: the table does not include scattered, infill lots. Key points from the table follow.

- Table FS-11 identifies 16 single-family subdivisions with available lots in Renville County. Collectively, there are about 73 vacant developed lots in Renville County. However, there are potential for future lots in the same subdivisions.
- Olivia has the highest number of vacant developed lots with 17 lots available within nine subdivisions. Renville Estates has the most lots available with 9 ranging from .35 to .45 acres.
- In addition to these subdivided lots, there are also 4 raw land parcels listed for sale in the County, ranging in size from 1.89 acres to over 157 acres. Many of these parcels are buildable but are marketed for a variety of land uses, such as agriculture, hunting or recreational land.

**FOR-SALE MARKET ANALYSIS**

**TABLE FS-11  
ACTIVELY MARKETING SINGLE-FAMILY SUBDIVISIONS  
RENVILLE COUNTY  
MAY 2020**

| Subdivision                         | City/Twp.    | No. of<br>Lots | Vacant/<br>Avail. Lots | Avg Size of Lots (Acres) |        |      | Avg Assessed Lot/Land Value |            |          | Avg Assessed Home Value |             |           |
|-------------------------------------|--------------|----------------|------------------------|--------------------------|--------|------|-----------------------------|------------|----------|-------------------------|-------------|-----------|
|                                     |              |                |                        | Min                      | Max    | Avg. | Min                         | Max        | Avg.     | Min                     | Max         | Avg.      |
| Fairview Estates                    | Olivia       | 9              | 5                      | 0.16                     | - 0.32 | 0.25 | \$5,300                     | - \$10,500 | \$8,380  | \$146,600               | - \$178,400 | \$157,766 |
| Bayberry 2nd Addition               | Olivia       | 7              | 1                      | 0.38                     | - 0.38 | 0.38 | \$23,300                    | - \$23,300 | \$23,300 | \$90,700                | - \$311,900 | \$213,500 |
| Heins Park Addition                 | Olivia       | 5              | 1                      | 0.30                     | - 0.30 | 0.30 | \$1,800                     | - \$11,200 | \$30,000 | \$146,300               | - \$182,800 | \$159,550 |
| Jone's Subdivision                  | Olivia       | 6              | 1                      | 1.75                     | - 1.75 | 1.75 | \$20,500                    | - \$20,500 | \$20,500 | \$143,400               | - \$287,800 | \$205,743 |
| Peterson's 2nd Addition             | Olivia       | 8              | 2                      | 0.02                     | - 0.31 | 0.26 | \$7,000                     | - \$7,000  | \$7,000  | \$30,400                | - \$105,100 | \$62,028  |
| Baumgartners 1st Addition           | Olivia       | 11             | 3                      | 0.31                     | - 0.38 | 0.36 | \$38,500                    | - \$42,000 | \$39,666 | \$233,900               | - \$375,300 | \$300,420 |
| Peterson's 3rd Addition             | Olivia       | 6              | 2                      | 0.17                     | - 0.27 | 0.25 | \$2,500                     | - \$4,000  | \$3,250  | \$156,500               | - \$286,000 | \$190,453 |
| Primrose Lane Subdivision           | Olivia       | 8              | 1                      | 0.54                     | - 0.54 | 0.54 | \$35,000                    | - \$35,000 | \$7,500  | \$45,700                | - \$89,900  | \$65,125  |
| Nester's 4th                        | Olivia       | 18             | 1                      | 0.25                     | - 0.25 | 0.25 | \$41,100                    | - \$41,100 | \$41,100 | \$59,000                | - \$112,800 | \$75,044  |
| Renville Estates                    | Renville     | 10             | 9                      | 0.35                     | - 0.45 | 0.43 | \$5,100                     | - \$15,400 | \$8,900  | \$139,500               | - \$169,500 | \$154,000 |
| Belt'z Bluff                        | Franklin     | 4              | 3                      | 0.45                     | - 0.45 | 0.45 | \$4,800                     | - \$7,200  | \$5,000  | \$143,000               | - \$175,000 | \$165,000 |
| Franklin Vacant/Platted Lots        | Franklin     | 9              | 9                      | 0.19                     | - 0.33 | 0.21 | \$4,800                     | - \$7,200  | \$5,000  | \$143,000               | - \$175,000 | \$165,000 |
| Pelican Lake                        | Bird Island  | 13             | 13                     | 0.25                     | - 0.75 | 0.35 | \$3,200                     | - \$65,100 | \$37,614 | \$190,000               | - \$241,000 | \$178,000 |
| Zimmer's 1st Addition               | Bird Island  | 25             | 6                      | 0.34                     | - 0.34 | 0.09 | \$24,800                    | - \$30,000 | \$25,400 | \$144,900               | - \$170,000 | \$157,150 |
| Zimmer's 2nd Addition               | Bird Island  | 13             | 9                      | 0.22                     | - 1.00 | 0.75 | \$18,600                    | - \$56,700 | \$30,898 | \$56,500                | - \$254,240 | \$197,245 |
| Husman Acres                        | Sacred Heart | 16             | 7                      | 0.28                     | - 0.39 | 0.35 | \$800                       | - \$2,200  | \$1,500  | \$82,900                | - \$8,500   | \$83,500  |
| <b>Subtotal Single Family Homes</b> |              | <b>168</b>     | <b>73</b>              | <b>0.31</b>              |        |      | <b>\$20,731</b>             |            |          | <b>\$140,440</b>        |             |           |
| <b>Subtotal Twin and Town Homes</b> |              | <b>0</b>       | <b>0</b>               | <b>0.00</b>              |        |      | <b>\$0</b>                  |            |          | <b>\$0</b>              |             |           |
| <b>Renville County Total</b>        |              | <b>168</b>     | <b>73</b>              | <b>0.33</b>              |        |      | <b>\$20,731</b>             |            |          | <b>\$140,440</b>        |             |           |

Source: Renville County, Maxfield Research and Consulting, LLC



## FOR-SALE MARKET ANALYSIS

Tables 12 and 13 show data provided by Minnesota Association of Realtor's 2019 Annual Report on the Minnesota Housing Market.

|                          | <b>Closed Sales</b> | <b>Change from<br/>2018</b> | <b>Percent<br/>Forecloser</b> | <b>Percent Short<br/>Sales</b> | <b>Percent<br/>Traditional</b> | <b>Days on<br/>Market</b> | <b>Pct. Of Org. Priced<br/>Received</b> |
|--------------------------|---------------------|-----------------------------|-------------------------------|--------------------------------|--------------------------------|---------------------------|---|
| State of Minnesota       | 85,162              | 0.8%                        | 0.9%                          | 0.2%                           | 97.9%                          | 49                        | 97.6%                                   |
| Southwest Central Region | 2,973               | -0.3%                       | 0.6%                          | 0.1%                           | 97.8%                          | 90                        | 95.1%                                   |
| Carver County            | 1,988               | -0.9%                       | 0.6%                          | 0.2%                           | 98.5%                          | 44                        | 98.3%                                   |
| Kandiyohi County         | 583                 | -8.2%                       | 0.0%                          | 0.5%                           | 98.1%                          | 82                        | 94.2%                                   |
| McLeod County            | 566                 | 1.6%                        | 0.5%                          | 0.2%                           | 97.5%                          | 51                        | 97.7%                                   |
| Meeker County            | 290                 | -6.1%                       | 0.7%                          | 0.3%                           | 97.2%                          | 61                        | 95.1%                                   |
| Redwood County           | 178                 | 3.5%                        | 1.1%                          | 1.1%                           | 97.2%                          | 97                        | 90.5%                                   |
| <b>Renville County</b>   | <b>137</b>          | <b>3.8%</b>                 | <b>1.5%</b>                   | <b>0.7%</b>                    | <b>95.6%</b>                   | <b>80</b>                 | <b>91.3%</b>                            |
| Swift County             | 76                  | 2.7%                        | 0.0%                          | 0.0%                           | 97.4%                          | 132                       | 89.4%                                   |
| Yellow Medicine County   | 89                  | -1.1%                       | 2.2%                          | 0.0%                           | 87.6%                          | 113                       | 89.3%                                   |

Source: Minneapolis Area Association of Realtors

- On average in Renville County, sellers received 91.3% of their original list price at sale. In addition, the number of closed sales increased 3.8% over 2018 with 95.6% of closed sales being tradition sales and only .7% being lender mediated properties.

|                          | <b>2015</b>     | <b>2016</b>     | <b>2017</b>     | <b>2018</b>     | <b>2019</b>     | <b>Change From<br/>2018</b> | <b>Change From<br/>2015</b> |
|--------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------------------|-----------------------------|
| State of Minnesota       | \$195,000       | \$209,000       | \$223,000       | \$239,900       | \$254,000       | 5.9%                        | 30.3%                       |
| Southwest Central Region | \$134,000       | \$135,950       | \$146,450       | \$160,000       | \$166,000       | 3.8%                        | 23.9%                       |
| Carver County            | \$237,240       | \$279,950       | \$311,650       | \$321,361       | \$340,000       | 5.8%                        | 24.4%                       |
| Kandiyohi County         | \$146,600       | \$140,000       | \$153,888       | \$168,000       | \$165,000       | -1.8%                       | 12.6%                       |
| McLeod County            | \$138,450       | \$141,950       | \$158,000       | \$163,250       | \$177,000       | 8.4%                        | 27.8%                       |
| Meeker County            | \$129,400       | \$139,000       | \$145,000       | \$162,750       | \$164,000       | 0.8%                        | 26.7%                       |
| Redwood County           | \$70,000        | \$81,500        | \$96,500        | \$90,000        | \$94,500        | 5.0%                        | 35.0%                       |
| <b>Renville County</b>   | <b>\$68,000</b> | <b>\$75,000</b> | <b>\$77,950</b> | <b>\$80,000</b> | <b>\$85,500</b> | <b>6.9%</b>                 | <b>25.7%</b>                |
| Swift County             | \$75,000        | \$70,500        | \$63,725        | \$75,000        | \$108,500       | 44.7%                       | 44.7%                       |
| Yellow Medicine County   | \$82,250        | \$83,500        | \$75,000        | \$68,500        | \$80,000        | 16.8%                       | -2.7%                       |

Source: Minneapolis Area Association of Realtors

- Median home values are 25% to 50% lower in rural areas compared to metropolitan regions, resulting in new homes being appraised at values lower than what it cost to build them.
- Construction costs have increased 60% to 90% since the early 2000s, resulting in less development and more challenges to rehab homes.

### Realtor/Builder/Developer Interviews

Maxfield Research and Consulting interviewed real estate agents, home builders, and other professionals familiar with Renville 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, Realtors from and working in Renville County 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.
- Realtor's indicated the demand for homes has remained strong during the pandemic. If anything, the reduced supply due to potential sellers dropping off has led to weak supply and growing demand resulting in bidding wars for existing inventory.
- Supply has been low; averaging about a three- to four- month supply for the county (equilibrium is about five to six months). Supply has been low across all price points; but especially for homes priced less than \$150,000. 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.
- 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).
- There is demand for a variety of housing types, particularly for affordable entry-level homes and move-up housing. There is an especially strong need for moderately priced move-up housing.

## FOR-SALE MARKET ANALYSIS

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- Housing affordability has been a key driver for many of the communities in Renville County. Buyers generally get more house for the dollar compared to the Twin Cities or neighboring counties.
- Renville County needs homes in the entry-level price range that are move-in ready and would qualify for FHA (Federal Housing Administration), VA (Veterans Affairs), or USDA (United States Department of Agriculture) financing. Much of the current entry-level inventory is in need of repair and doesn't qualify for government-backed financing programs.
- Housing costs in Renville County can generally be defined as follows:
  - Entry-level housing priced less than \$125,000;
  - Move-up housing priced in the \$150,000 to \$250,000 range; and,
  - Executive housing priced at \$300,000 or higher.
- The development of “affordable” move-up housing products would likely get some households out of their current homes, allowing for more turnover of existing housing units, loosening the tight market and creating opportunities for entry-level buyers.

### ***Land/Lots***

- Some communities in Renville County offer lots at no cost however, the buyer must pay for the cost of street assessments. In addition, if the construction doesn't begin within the one-year time frame the lot is returned to the city. All construction must meet all R-1 zoning and other city code standards.
- 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.
- Similar to housing costs, the most expensive lots typically are in the Olivia Submarket. Renville and the South Submarket tend to have lower lot costs, while Olivia and Buffalo Lake/Hector Submarkets tend to trend higher.

**Select Single-Family & Townhome Properties – Renville County**



Renville Estate Lots  
Renville Submarket



Single-Family  
Olivia Submarket



Single-Family  
Buffalo Lake/Hector Submarket



Single-Family  
Olivia Submarket



Single-Family  
Olivia Submarket



Single-Family  
Renville Submarket

### **Planned and Proposed Housing Projects**

Maxfield Research consulted planning staff members in Renville 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.

- Currently, a 15 unit (assisted living/memory care) senior housing development; to be owned by the recently formed non-profit, Island Living, LLC. At the time of this study, the USDA funding application was submitted.
- The City of Fairfax indicated there is potential possibility for the old local school to be repurposed into potential apartment units. At the time of this study, this idea is extremely preliminary and has not been taken into consideration in rental demand estimates.

## **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**

| <b>Definition</b>    | <b>AMI Range</b> |
|----------------------|------------------|
| Extremely Low Income | 0% - 30%         |
| Very Low Income      | 31% - 50%        |
| Low Income           | 51% - 80%        |
| Moderate Income      | 80% - 120%       |

Note: Renville County 4-person AMI = \$73,300 (2020)

## **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 Renville 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.

## HOUSING AFFORDABILITY

| TABLE HA-1<br>MHFA/HUD INCOME AND RENT LIMITS<br>RENVILLE COUNTY - 2020 |          |          |          |          |          |           |           |           |
|---|----------|----------|----------|----------|----------|-----------|-----------|-----------|
| Income Limits by Household Size   |          |          |          |          |          |           |           |           |
|   | 1 pph    | 2 pph    | 3 pph    | 4 pph    | 5 pph    | 6 pph     | 7 pph     | 8 pph     |
| 30% of median   | \$15,390 | \$17,580 | \$19,800 | \$21,990 | \$23,760 | \$25,500  | \$27,270  | \$29,040  |
| 50% of median   | \$25,650 | \$29,300 | \$33,000 | \$36,650 | \$39,600 | \$42,500  | \$45,450  | \$48,400  |
| 60% of median   | \$30,780 | \$35,160 | \$39,600 | \$43,980 | \$47,520 | \$51,000  | \$54,540  | \$58,080  |
| 80% of median   | \$41,040 | \$46,880 | \$52,800 | \$58,640 | \$63,360 | \$68,000  | \$72,720  | \$77,440  |
| 100% of median  | \$51,300 | \$58,600 | \$66,000 | \$73,300 | \$79,200 | \$85,000  | \$90,900  | \$96,800  |
| 120% of median  | \$61,560 | \$70,320 | \$79,200 | \$87,960 | \$95,040 | \$102,000 | \$109,080 | \$116,160 |
| Maximum Gross Rent  |          |          |          |          |          |           |           |           |
|   | EFF      | 1BR      | 2BR      | 3BR      | 4BR      |           |           |           |
| 30% of median   | \$384    | \$439    | \$495    | \$549    | \$594    |           |           |           |
| 50% of median   | \$641    | \$495    | \$825    | \$916    | \$990    |           |           |           |
| 60% of median   | \$769    | \$879    | \$990    | \$1,099  | \$1,188  |           |           |           |
| 80% of median   | \$1,026  | \$1,172  | \$1,320  | \$1,466  | \$1,584  |           |           |           |
| 100% of median  | \$1,282  | \$1,465  | \$1,650  | \$1,832  | \$1,980  |           |           |           |
| 120% of median  | \$1,539  | \$1,758  | \$1,980  | \$2,199  | \$2,376  |           |           |           |
| Fair Market Rent  |          |          |          |          |          |           |           |           |
|   | EFF      | 1BR      | 2BR      | 3BR      | 4BR      |           |           |           |
| Fair Market Rent  | \$572    | \$575    | \$714    | \$940    | \$1,008  |           |           |           |

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.

**HOUSING AFFORDABILITY**

**TABLE HA-2  
MAXIMUM RENT BASED ON HOUSEHOLD SIZE AND AREA MEDIAN INCOME  
RENVILLE COUNTY - 2020**

| Unit Type <sup>1</sup> | HHD Size |     | Maximum Rent Based on Household Size (@30% of Income) |       |       |         |         |         |         |         |         |         |         |         |
|------------------------|----------|-----|---|-------|-------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|                        | Min      | Max | 30%   |       | 50%   |         | 60%     |         | 80%     |         | 100%    |         | 120%    |         |
|                        |          |     | Min.  | Max.  | Min.  | Max.    | Min.    | Max.    | Min.    | Max.    | Min.    | Max.    | Min.    | Max.    |
| Studio                 | 1        | 1   | \$369   | \$369 | \$611 | \$611   | \$734   | \$734   | \$978   | \$978   | \$1,223 | \$1,223 | \$1,467 | \$1,467 |
| 1BR                    | 1        | 2   | \$369   | \$419 | \$611 | \$698   | \$734   | \$837   | \$978   | \$1,116 | \$1,223 | \$1,395 | \$1,467 | \$1,674 |
| 2BR                    | 2        | 4   | \$419   | \$524 | \$698 | \$873   | \$837   | \$1,047 | \$1,116 | \$1,396 | \$1,395 | \$1,745 | \$1,674 | \$2,094 |
| 3BR                    | 3        | 6   | \$471   | \$608 | \$785 | \$1,013 | \$942   | \$1,215 | \$1,256 | \$1,620 | \$1,570 | \$2,025 | \$1,884 | \$2,430 |
| 4BR                    | 4        | 8   | \$524   | \$691 | \$873 | \$1,151 | \$1,047 | \$1,382 | \$1,396 | \$1,732 | \$1,745 | \$2,303 | \$2,094 | \$2,763 |

<sup>1</sup> 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 RENVILLE County AMI is \$73,300 (2020)

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 Renville County, and the four 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.

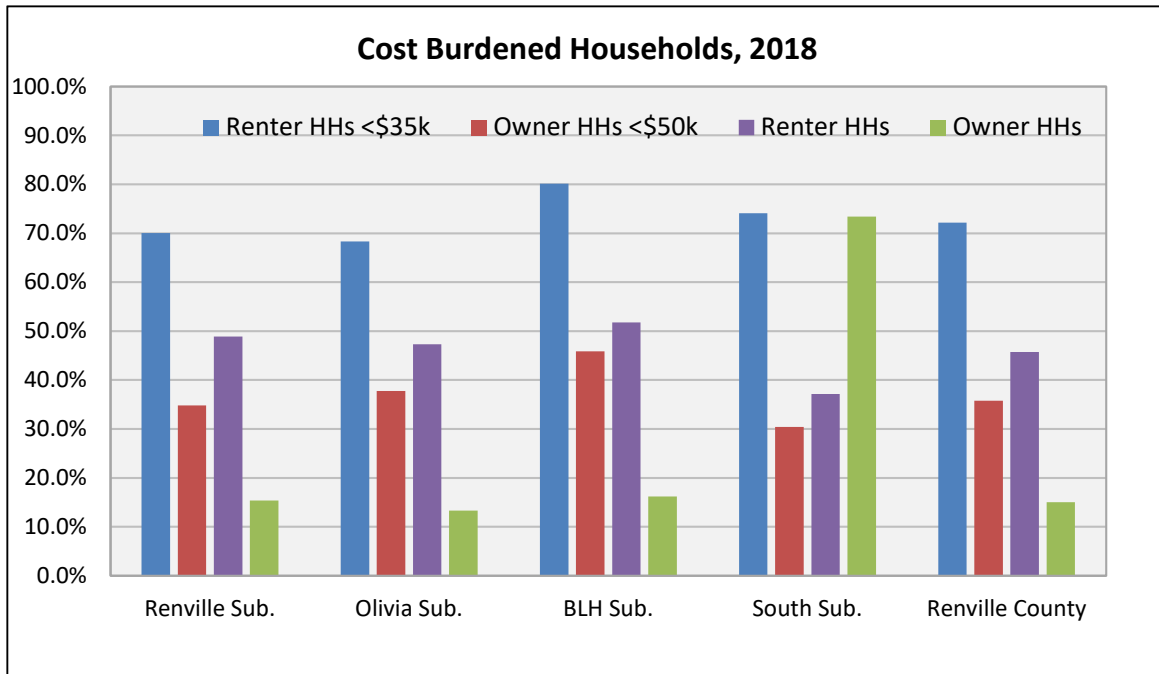
Key findings from Table HA-3 follow.

- In Renville County, 15% of owner households and 45.7% of renter households are considered cost burdened. The South submarket recorded the highest proportion of cost burdened owner households, while the Buffalo Lake/Hector Submarket had the highest proportion of cost burdened renter households, 51.8%.
- Among owner households earning less than \$50,000, 35.8% were cost burdened in Renville County. The Buffalo Lake/Hector submarket reported the highest proportion of cost burdened owner households earning less than \$50,000, 45.9%.
- Approximately 72.2% of Renville County renter households earning less than \$35,000 were cost burdened.

**HOUSING AFFORDABILITY**

**TABLE HA-3  
HOUSING COST BURDEN  
RENVILLE COUNTY - 2018**

|  | <b>Renville Sub.</b> |             | <b>Olivia Sub.</b> |             | <b>BLH Sub.</b> |             | <b>South Sub.</b> |             | <b>Renville County</b> |             |
|--|----------------------|-------------|--------------------|-------------|-----------------|-------------|-------------------|-------------|------------------------|-------------|
| <b>Community</b>   | <b>No.</b>           | <b>Pct.</b> | <b>No.</b>         | <b>Pct.</b> | <b>No.</b>      | <b>Pct.</b> | <b>No.</b>        | <b>Pct.</b> | <b>No.</b>             | <b>Pct.</b> |
| <b>Owner Households</b>  |                      |             |                    |             |                 |             |                   |             |                        |             |
| All Owner Households   | 1,295                |             | 1,476              |             | 705             |             | 1,019             |             | 4,944                  |             |
| Cost Burden 30% or greater   | 198                  | 15.4%       | 195                | 13.3%       | 114             | 16.2%       | 734               | 73.4%       | 734                    | 15.0%       |
| Owner Households w/ incomes <\$50,000  | 451                  |             | 462                |             | 157             |             | 437               |             | 1,755                  |             |
| Cost Burden 30% or greater   | 154                  | 34.8%       | 170                | 37.8%       | 72              | 45.9%       | 127               | 30.4%       | 610                    | 35.8%       |
| <b>Renter Households</b>   |                      |             |                    |             |                 |             |                   |             |                        |             |
| All Renter Households  | 256                  |             | 447                |             | 244             |             | 328               |             | 1,275                  |             |
| Cost Burden 30% or greater   | 90                   | 48.9%       | 183                | 47.3%       | 102             | 51.8%       | 104               | 37.1%       | 479                    | 45.7%       |
| Renter Households w/ incomes <\$35,000   | 155                  |             | 277                |             | 136             |             | 157               |             | 725                    |             |
| Cost Burden 30% or greater   | 89                   | 70.1%       | 162                | 68.4%       | 93              | 80.2%       | 100               | 74.1%       | 444                    | 72.2%       |
| Median Contract Rent*  | \$855                |             | \$821              |             | \$845           |             | \$890             |             | \$678                  |             |
| *Median Contract Rent 2018<br>Calculations exclude households not computed.<br>Sum of Submarkets do not 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 Renville Housing and Redevelopment Authority/Economic Development 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 any rental housing type 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 Renville Housing and Redevelopment Authority/Economic Development Authority has 84 vouchers and a total of 23 subsidized affordable units for rental assistance.
- The Renville County HRA’s Housing Choice Voucher Program gives preference to Renville County residents, and elderly and/or disabled head of households. The estimated wait time for those on the waiting list without preference is in excess of three years.
- An additional requirement of the Section 8 program is the voucher must be used in Renville County for at least one year.

## HOUSING AFFORDABILITY

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- 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 Renville County. The table estimates the percentage of Renville 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 Renville County average.

The housing affordability calculations assume the following:

#### For-Sale Housing

- 10% down payment with good credit score
- Closing costs rolled into mortgage
- 30-year mortgage at 3% 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

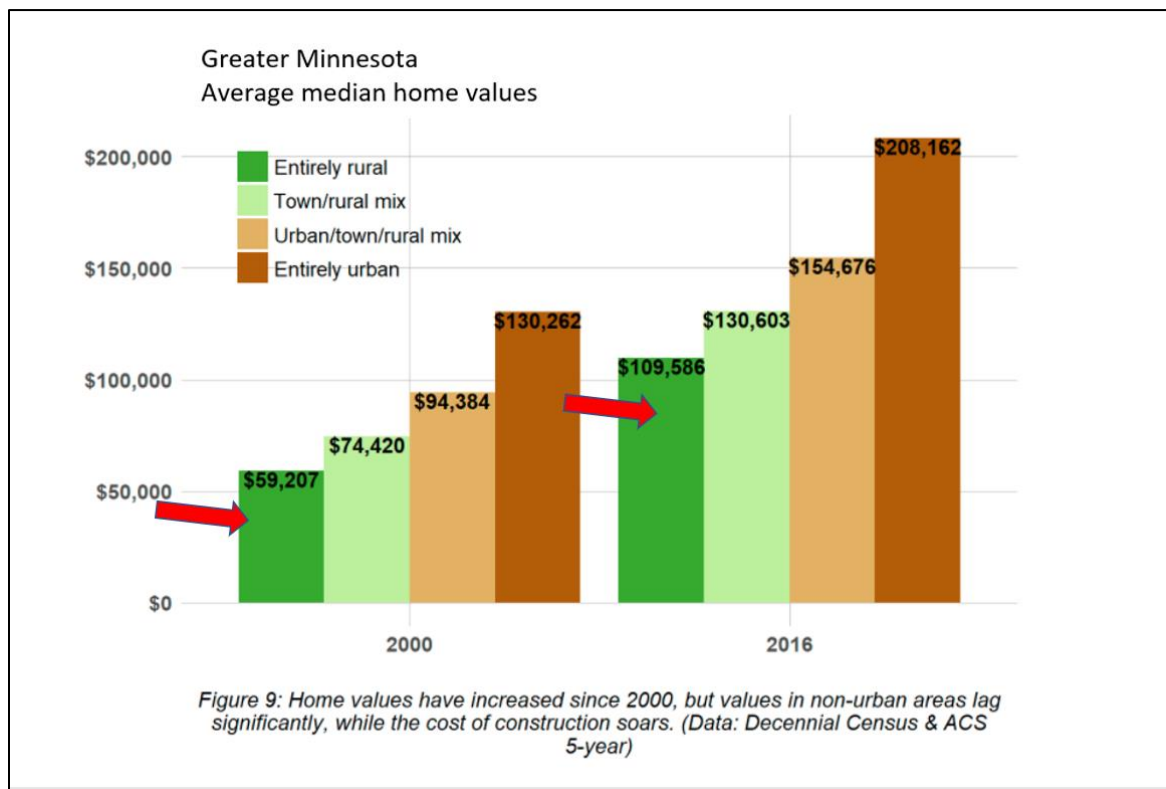
#### Rental Housing

- Background check on tenant to ensure credit history
  - 30% allocation of income
  - Renter household income per 2018 ACS
- The median income of all Renville County households in 2020 was about \$58,269. However, the median income varies by tenure. According to the 2018 American Community Survey, the median income of a homeowner is \$64,103 compared to \$30,389 for renters.
  - Approximately 59% of all households and 91% of owner households could afford to purchase an entry-level home in Renville County (\$90,000). When adjusting for move-up buyers (\$200,000) about 46% of all households and about 51% 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 Renville County (\$75,000). When adjusting for move-up

## HOUSING AFFORDABILITY

buyers (\$150,000) about 74% of all households and 78% of owner households would income qualify.

- About 87% of existing renter households can afford to rent a one-bedroom unit in Renville County (\$500/month). The percentage of renter income-qualified households decreases to 83% that can afford an existing three-bedroom unit (\$575/month). After adjusting for new construction rental housing, the percentage of renters that are income-qualified decreases slightly. About 86% of renters can afford a new market rate one-bedroom unit while 24% can afford a new three-bedroom unit.



# HOUSING AFFORDABILITY

**TABLE HA-4  
HOUSING AFFORDABILITY - BASED ON HOUSEHOLD INCOME  
RENVILLE 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  | \$90,000      | \$200,000     | \$300,000               | \$75,000      | \$150,000     |
| Pct. Down Payment   | 10.0%           | 10.0%         | 10.0%         | 10.0%                   | 10.0%         | 10.0%         |
| Total Down Payment Amt.   | \$9,000         | \$20,000      | \$30,000      | \$7,500                 | \$15,000      | \$25,000      |
| Estimated Closing Costs (rolled into mortgage)                          | \$2,700         | \$6,000       | \$9,000       | \$2,250                 | \$4,500       | \$7,500       |
| Cost of Loan  | \$83,700        | \$186,000     | \$279,000     | \$69,750                | \$139,500     | \$232,500     |
| Interest Rate   | 3.000%          | 3.000%        | 3.000%        | 3.000%                  | 3.000%        | 3.000%        |
| Number of Pmts.   | 360             | 360           | 360           | 360                     | 360           | 360           |
| Monthly Payment (P & I)   | -\$353          | -\$784        | -\$1,176      | -\$294                  | -\$588        | -\$980        |
| (plus) Prop. Tax  | -\$75           | -\$167        | -\$250        | -\$63                   | -\$125        | -\$208        |
| (plus) HO Insurance/Assoc. Fee for TH                                   | -\$30           | -\$67         | -\$100        | -\$100                  | -\$100        | -\$100        |
| (plus) PMI/MIP (less than 20%)  | -\$36           | -\$81         | -\$121        | -\$30                   | -\$60         | -\$101        |
| Subtotal monthly costs  | -\$494          | -\$1,098      | -\$1,647      | -\$487                  | -\$874        | -\$1,389      |
| Housing Costs as % of Income  | 30%             | 30%           | 30%           | 30%                     | 30%           | 30%           |
| Minimum Income Required   | \$19,766        | \$43,925      | \$65,887      | \$19,472                | \$34,944      | \$55,573      |
| <b>Pct. of ALL Renville County HHDS who can afford<sup>1</sup></b>      | <b>59.4%</b>    | <b>55.5%</b>  | <b>41.4%</b>  | <b>89.8%</b>            | <b>74.2%</b>  | <b>33.0%</b>  |
| <b>No. of Renville County HHDS who can afford<sup>1</sup></b>           | <b>9,151</b>    | <b>8,550</b>  | <b>6,374</b>  | <b>13,830</b>           | <b>11,435</b> | <b>5,087</b>  |
| <b>Pct. of Renville County owner HHDS who can afford<sup>2</sup></b>    | <b>91.9%</b>    | <b>60.7%</b>  | <b>46.1%</b>  | <b>92.2%</b>            | <b>78.2%</b>  | <b>59.0%</b>  |
| <b>No. of Renville County owner HHDS who can afford<sup>2</sup></b>     | <b>4,546</b>    | <b>2,999</b>  | <b>2,278</b>  | <b>4,559</b>            | <b>3,865</b>  | <b>2,919</b>  |
| <b>No. of Renville County owner HHDS who cannot afford<sup>2</sup></b>  | <b>398</b>      | <b>1,945</b>  | <b>2,666</b>  | <b>385</b>              | <b>1,079</b>  | <b>2,025</b>  |
| <b>Rental (Market Rate)</b>   |                 |               |               |                         |               |               |
|   | Existing Rental |               |               | New Rental              |               |               |
|   | 1BR             | 2BR           | 3BR           | 1BR                     | 2BR           | 3BR           |
| Monthly Rent  | \$500           | \$550         | \$575         | \$550                   | \$625         | \$700         |
| Annual Rent   | \$6,000         | \$6,600       | \$6,900       | \$6,600                 | \$7,500       | \$8,400       |
| Housing Costs as % of Income  | 30%             | 30%           | 30%           | 30%                     | 30%           | 30%           |
| Minimum Income Required   | \$20,000        | \$22,000      | \$23,000      | \$22,000                | \$25,000      | \$28,000      |
| <b>Pct. of ALL Renville County HHDS who can afford<sup>1</sup></b>      | <b>87.0%</b>    | <b>85.2%</b>  | <b>83.8%</b>  | <b>87.2%</b>            | <b>82.0%</b>  | <b>79.3%</b>  |
| <b>No. of Renville County HHDS who can afford<sup>1</sup></b>           | <b>13,409</b>   | <b>13,129</b> | <b>12,916</b> | <b>13,439</b>           | <b>12,634</b> | <b>12,211</b> |
| <b>Pct. of Renville County renter HHDS who can afford<sup>2</sup></b>   | <b>65.4%</b>    | <b>56.8%</b>  | <b>39.0%</b>  | <b>59.2%</b>            | <b>38.0%</b>  | <b>36.4%</b>  |
| <b>No. of Renville County renter HHDS who can afford<sup>2</sup></b>    | <b>834</b>      | <b>724</b>    | <b>498</b>    | <b>755</b>              | <b>484</b>    | <b>463</b>    |
| <b>No. of Renville County renter HHDS who cannot afford<sup>2</sup></b> | <b>441</b>      | <b>551</b>    | <b>777</b>    | <b>520</b>              | <b>791</b>    | <b>812</b>    |

<sup>1</sup> Based on 2020 household income for ALL households

<sup>2</sup> Based on 2018 ACS household income by tenure (i.e. owner and renter incomes. Owner incomes = \$64,103 vs. renter incomes = \$30,389)

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 Renville 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.

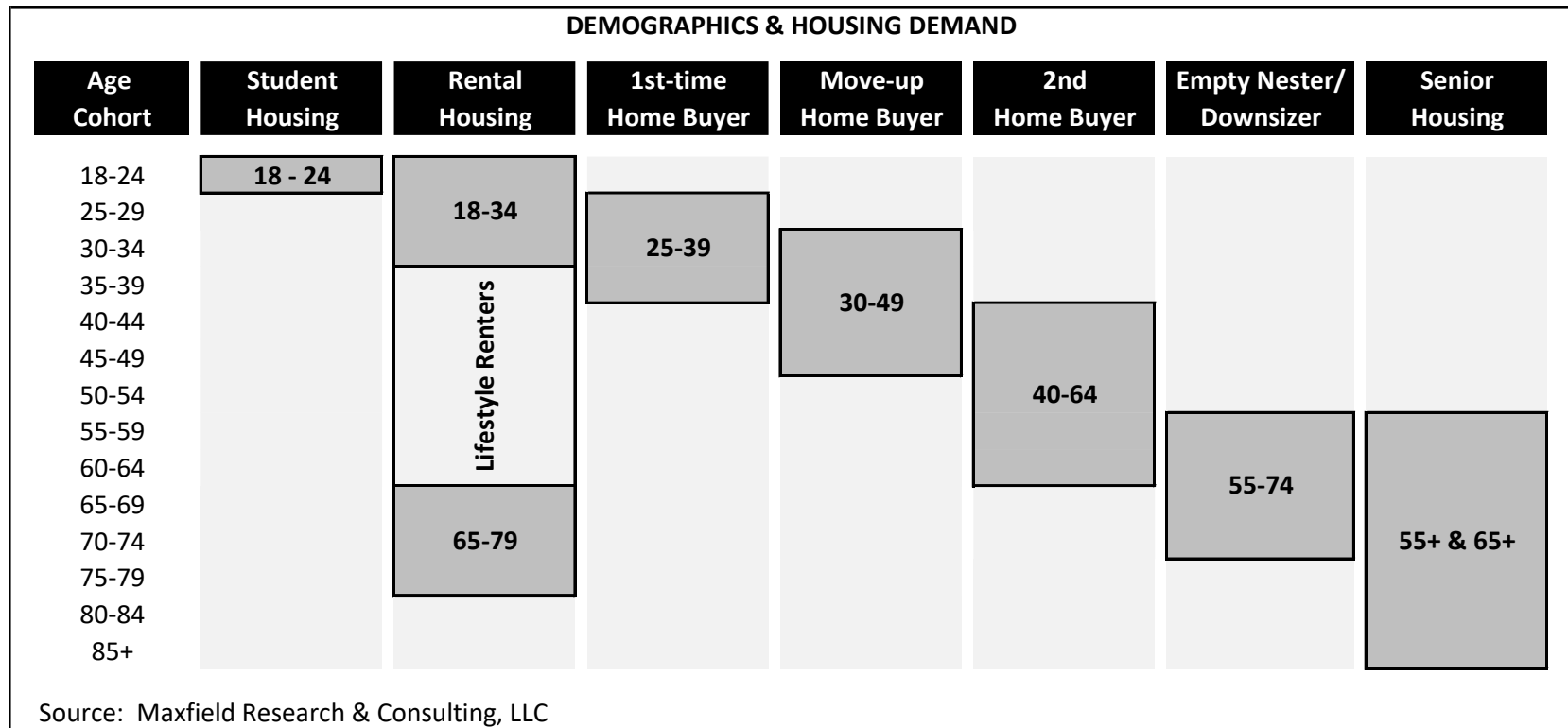
### **Housing Demand Overview**

The previous sections of this assessment focused on demographic and economic factors driving demand for housing in Renville 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 pages in this section outline several of the key variables driving housing demand.



**HOUSING DEMAND ANALYSIS**



## HOUSING DEMAND ANALYSIS

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

<sup>1</sup> 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

## **HOUSING DEMAND ANALYSIS**

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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.

The ability of buyers to obtain mortgage financing has recently become more challenging due to COVID-19. Some lenders are requiring higher down payments and higher credit scores.

### For-Sale Housing Market Demand Analysis

Table HD-1 presents our demand calculations for general occupancy for-sale housing in Renville 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.

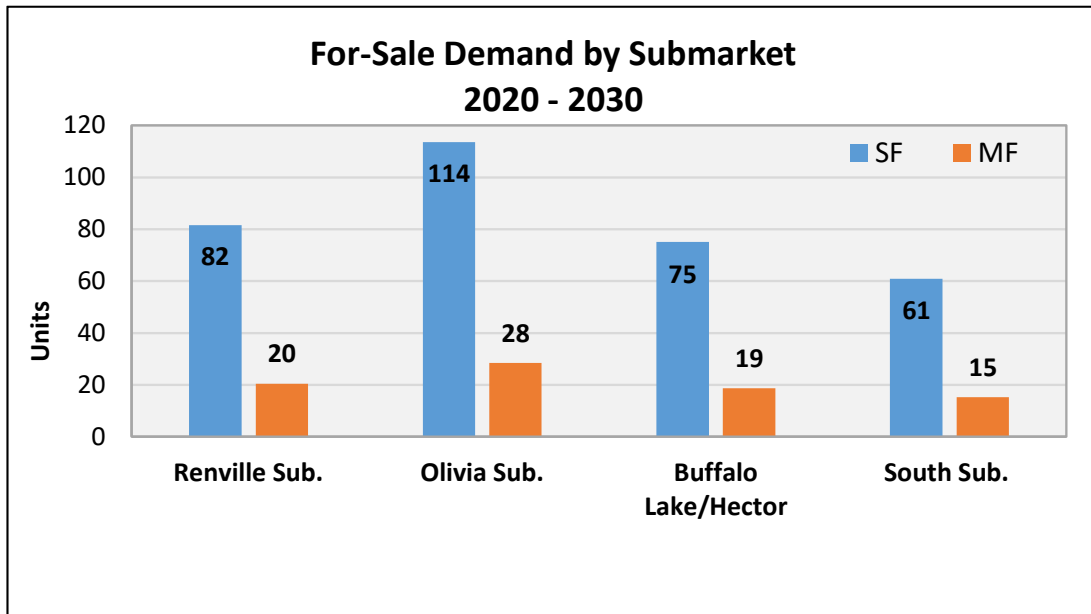
- Because the 65 and older cohort is typically not a target market for new general occupancy for-sale housing, we limit the majority of demand from household growth to only those households under the age of 65 with 20% of the 65 and older cohort included. According to our projections, all the household growth in Renville County is focused in the 65 and older cohort therefore, demand from new household growth was unavailable for households under age 65 between 2020 and 2030.
- As of 2020, there are approximately 3,509 owner households under the age of 65 in Renville County. Based on household turnover data from the 2018 American Community Survey, we estimate that between 57% and 66% of these under-65 owner households will experience turnover between 2020 and 2030 (turnover rate varies by submarket).
- Considering the age of Renville County'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 224 new residential units in Renville County between 2020 and 2030.
- Total demand from household growth and existing household turnover between 2020 and 2030 equates to 338 new for-sale housing units.
- Next, we estimate that a portion of the total demand for new for-sale units in Renville County will come from people currently living outside of the four submarkets. Adding demand from outside Renville County to the existing demand potential, results in a total estimated demand for 414 for-sale housing units by 2030.

## HOUSING DEMAND ANALYSIS

| TABLE HD-1<br>DEMAND FOR ADDITIONAL FOR-SALE HOUSING<br>RENVILLE COUNTY ANALYSIS AREA<br>2020 to 2030   |                    |     |                  |     |                               |     |                 |     |                 |    |
|---|--------------------|-----|------------------|-----|-------------------------------|-----|-----------------|-----|-----------------|----|
|   | Renville Submarket |     | Olivia Submarket |     | Buffalo Lake/Hector Submarket |     | South Submarket |     | Renville County |    |
| <b>DEMAND FROM NEW HOUSEHOLD GROWTH</b>   |                    |     |                  |     |                               |     |                 |     |                 |    |
| Household growth under age 65, 2020 to 2030   | 0                  |     | 0                |     | 0                             |     | 0               |     | 0               |    |
| (times) % propensity to own <sup>1</sup>  | 83%                |     | 75%              |     | 82%                           |     | 76%             |     | 78.0%           |    |
| Household growth over age 65, 2020 to 2030 <sup>2</sup>   | 156                |     | 221              |     | 134                           |     | 128             |     | 639             |    |
| (times) % propensity to own <sup>1</sup>  | 88%                |     | 87%              |     | 93%                           |     | 88%             |     | --              |    |
| <b>(Equals) Demand from new household growth</b>  | <b>28</b>          |     | <b>38</b>        |     | <b>25</b>                     |     | <b>23</b>       |     | <b>113</b>      |    |
| <b>DEMAND FROM EXISTING HOUSEHOLDS</b>  |                    |     |                  |     |                               |     |                 |     |                 |    |
| Total owner households under age 65, 2020   | 891                |     | 1,051            |     | 840                           |     | 727             |     | 3,509           |    |
| (times) % of owner turnover 2020-2030 <sup>2</sup>  | 66.0%              |     | 64.0%            |     | 65.0%                         |     | 57.0%           |     | --              |    |
| Total owner households over age 65, 2020  | 204                |     | 482              |     | 382                           |     | 309             |     | 1,377           |    |
| (times) % of owner turnover 2020-2030 <sup>2</sup>  | 13.6%              |     | 12.0%            |     | 5.3%                          |     | 15.8%           |     | --              |    |
| (times) % desiring new owner housing  | 10.0%              |     | 10.0%            |     | 10.0%                         |     | 10.0%           |     | --              |    |
| <b>(Equals) Demand from existing households</b>   | <b>59</b>          |     | <b>68</b>        |     | <b>55</b>                     |     | <b>42</b>       |     | <b>224</b>      |    |
| <b>TOTAL MARKET DEMAND</b>  |                    |     |                  |     |                               |     |                 |     |                 |    |
| Total demand from new HH growth and turnover  | <b>87</b>          |     | <b>107</b>       |     | <b>80</b>                     |     | <b>65</b>       |     | <b>338</b>      |    |
| (Plus) Demand from outside Submarket  | 15%                |     | 25%              |     | 15%                           |     | 15%             |     | --              |    |
| <b>(Equals) Total demand potential for ownership housing</b>  | <b>102</b>         |     | <b>142</b>       |     | <b>94</b>                     |     | <b>76</b>       |     | <b>414</b>      |    |
| Proportion Single-family vs. Multifamily <sup>3</sup>   | 80%                | 20% | 80%              | 20% | 80%                           | 20% | 80%             | 20% | --              | -- |
| No. of Single-family vs. Multifamily <sup>3</sup> Units   | 82                 | 20  | 114              | 28  | 75                            | 19  | 61              | 15  | 331             | 83 |
| <sup>1</sup> Based on percent owner households under age 65 in 2010<br><sup>2</sup> Based on household turnover and mobility data (2018 American Community Survey, Five Year Estimates)<br><sup>3</sup> 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  |                    |     |                  |     |                               |     |                 |     |                 |    |

## HOUSING DEMAND ANALYSIS

- Based on land available, building trends, the existing housing stock, and demographic shifts (increasing older adult population), we project between 85% to 90% of the for-sale owners in Renville County 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 331 single-family units and 83 multifamily units in Renville County through 2030.



### Rental Housing Demand Analysis

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

- According to our projections, growth in households in Renville County is expected to increase only in the 65 and older cohort. 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 16% to 24% for non-senior and 15% to 27% for seniors based on the submarket. After adjusting household growth by renters, there is growth of 27 renters through 2030 for renter households in Renville County.
- Secondly, we calculate demand from existing households in Renville County that could be expected to turnover between 2020 and 2030. As of 2020, there are 1,038 non-senior renter households and 1,376 senior renter households in Renville County. Based on household turnover data from the 2018 American Community Survey, we estimate that between 86% and 95% of non-senior households and between 79% and 86% 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 Renville County housing stock, we estimate that 15% of the households turning over in Renville County will desire new rental housing. This estimate results in demand from existing households for 178 new residential rental units between 2020 and 2030.
- Combining demand from household growth plus turnover results in total demand in Renville County for 204 rental units between 2020 and 2030.

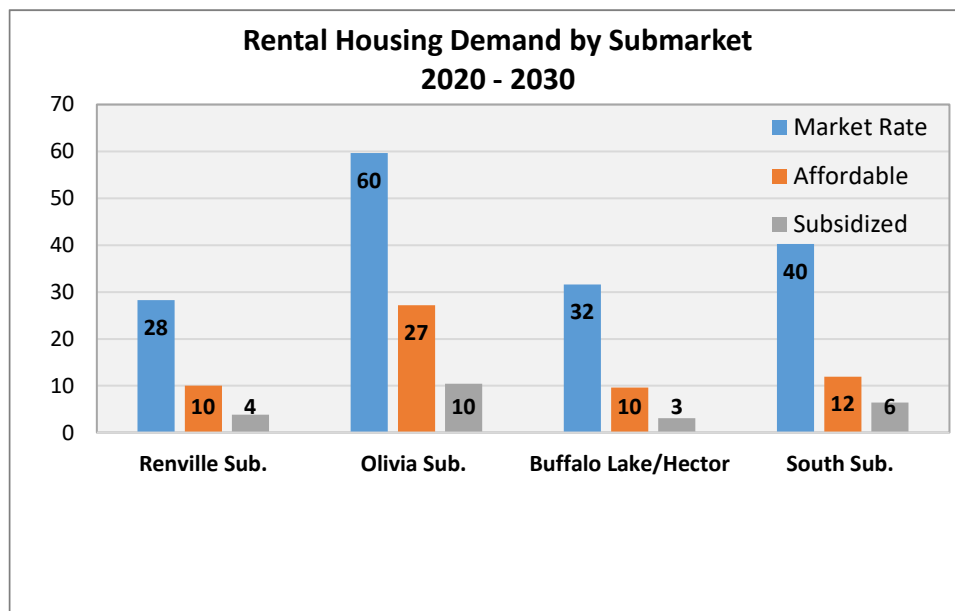
**HOUSING DEMAND ANALYSIS**

| <p align="center"><b>TABLE HD-2</b><br/> <b>DEMAND FOR ADDITIONAL RENTAL HOUSING</b><br/> <b>RENVILLE COUNTY ANALYSIS AREA</b><br/> <b>2020 to 2030</b></p>  |                               |                             |  |                            |                            |
|--|-------------------------------|-----------------------------|--|----------------------------|----------------------------|
|  | <b>Renville<br/>Submarket</b> | <b>Olivia<br/>Submarket</b> | <b>Buffalo Lake/Hector<br/>Submarket</b> | <b>South<br/>Submarket</b> | <b>Renville<br/>County</b> |
| <b>DEMAND FROM NEW HOUSEHOLD GROWTH</b>  |                               |                             |  |                            |                            |
| Household growth under age 65, 2020 to 2030  | 0                             | 0                           | 0  | 0                          | 0                          |
| (times) % propensity to rent <sup>1</sup>  | 16%                           | 24%                         | 18%                                      | 24%                        | --                         |
| Household growth over age 65, 2020 to 2030 <sup>2</sup>  | 156                           | 221                         | 134                                      | 128                        | 639                        |
| (times) % propensity to rent <sup>1</sup>  | 18%                           | 27%                         | 15%                                      | 21%                        | --                         |
| <b>(Equals) Demand from new household growth</b>   | <b>6</b>                      | <b>12</b>                   | <b>4</b>                                 | <b>5</b>                   | <b>27</b>                  |
| <b>DEMAND FROM EXISTING HOUSEHOLDS</b>   |                               |                             |  |                            |                            |
| Total renter households under age 65, 2020   | 188                           | 389                         | 192                                      | 268                        | 1,038                      |
| (times) % of renter turnover 2020-2030 <sup>3</sup>  | 91%                           | 93%                         | 86%                                      | 95%                        | --                         |
| Total renter households over age 65, 2020  | 204                           | 482                         | 382                                      | 309                        | 1,376                      |
| (times) % of renter turnover 2020-2030 <sup>3</sup>  | 86%                           | 86%                         | 86%                                      | 79%                        | --                         |
| (times) % desiring new rental housing  | 15%                           | 15%                         | 15%                                      | 15%                        | --                         |
| <b>(Equals) Demand from existing households</b>  | <b>31</b>                     | <b>67</b>                   | <b>35</b>                                | <b>45</b>                  | <b>178</b>                 |
| <b>TOTAL MARKET DEMAND</b>   |                               |                             |  |                            |                            |
| <b>Total demand from new HH growth and turnover</b>  | <b>37</b>                     | <b>78</b>                   | <b>39</b>                                | <b>51</b>                  | <b>204</b>                 |
| (Plus) Demand from outside Market Area   | 15%                           | 25%                         | 15%                                      | 15%                        | --                         |
| <b>(Equals) Total demand potential for rental housing</b>  | <b>42</b>                     | <b>98</b>                   | <b>45</b>                                | <b>58</b>                  | <b>243</b>                 |
| Percent Market Rate <sup>4</sup>   | 67%                           | 61%                         | 71%                                      | 69%                        | --                         |
| <i>Number</i>  | 28                            | 60                          | 32                                       | 40                         | 160                        |
| Percent Affordable <sup>4</sup>  | 24%                           | 28%                         | 22%                                      | 21%                        | --                         |
| <i>Number</i>  | 10                            | 27                          | 10                                       | 12                         | 59                         |
| Percent Subsidized <sup>4</sup>  | 9%                            | 11%                         | 7%                                       | 11%                        | --                         |
| <i>Number</i>  | 4                             | 10                          | 3  | 6                          | 24                         |
| <sup>1</sup> Based on percent renter households in 2010 & estimates from 2020<br><sup>2</sup> Based on 20% of senior households (2018 American Community Survey, Five Year Estimates)<br><sup>3</sup> Based on household turnover and mobility data (2018 American Community Survey, Five Year Estimates)<br><sup>4</sup> Based on the pricing of current rental product and household incomes of area renters (i.e. excludes owner incomes) |                               |                             |  |                            |                            |
| Source: Maxfield Research & Consulting, LLC  |                               |                             |  |                            |                            |



## HOUSING DEMAND ANALYSIS

- Like for-sale housing, we estimate that between 15% and 25% of the total demand for new rental housing units in Renville County will come from people currently living outside of one of the four submarkets.
- Based on a review of renter household incomes and sizes and monthly rents at existing properties, we estimate that 61% to 71% of the total demand will be for market rate housing. Through 2030, demand exists for 160 market rate rental units in Renville County.
- We estimate that 21% to 28% of the total demand in Renville County will be for affordable housing and 7% to 11% will be for subsidized housing. The percentage breakdown varies by submarket. Through 2030, demand exists for 59 affordable rental units and 24 subsidized rental units in Renville County.



### Senior Housing Demand Analysis

Tables HD-3 through HD-7 shows demand calculations for senior housing in Renville County 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.

**HOUSING DEMAND ANALYSIS**

| <b>TABLE HD-3</b><br><b>DEMAND FOR SUBSIDIZED/AFFORDABLE SENIOR HOUSING</b><br><b>RENVILLE COUNTY</b><br><b>2020 to 2030</b> |               |             |                        |            |                    |
|--|---------------|-------------|------------------------|------------|--------------------|
|  | Renville Sub. | Olivia Sub. | Buffalo<br>Lake/Hector | South Sub. | Renville<br>County |
| <b>2020</b>  |               |             |                        |            |                    |
| Households age 55-64   | 777           | 1,063       | 824                    | 741        | 3,406              |
| (times) % income qualified <sup>1</sup>  | 21.3%         | 22.6%       | 17.6%                  | 25.0%      | --                 |
| (times) potential capture rate   | 1.5%          | 1.5%        | 1.5%                   | 1.5%       | --                 |
| Households age 65-74   | 617           | 771         | 558                    | 559        | 2,505              |
| (times) % income qualified <sup>1</sup>  | 22.9%         | 30.0%       | 25.7%                  | 31.0%      | --                 |
| (times) potential capture rate   | 10.0%         | 10.0%       | 10.0%                  | 10.0%      | --                 |
| Households age 75+   | 636           | 731         | 613                    | 620        | 2,601              |
| (times) % income qualified <sup>1</sup>  | 50.0%         | 52.6%       | 48.3%                  | 63.0%      | --                 |
| (times) potential capture rate   | 6.5%          | 8.0%        | 6.5%                   | 5.0%       | --                 |
| <b>(Equals) Demand potential from Market Area Residents</b>  | <b>37</b>     | <b>57</b>   | <b>36</b>              | <b>40</b>  | <b>170</b>         |
| (plus) Demand from Outside Market Area)  | 10%           | 15%         | 10%                    | 5%         | --                 |
| <b>(Equals) total Demand Potential</b>   | <b>41</b>     | <b>68</b>   | <b>40</b>              | <b>42</b>  | <b>191</b>         |
| Percent Subsidized   | 19%           | 18%         | 13%                    | 22%        | --                 |
| Number   | 8             | 12          | 5                      | 9          | 34                 |
| (minus) Existing and Pending Units <sup>2</sup>  | 0             | 0           | 0                      | 0          | 0                  |
| <b>(equals) Total Subsidized Demand</b>  | <b>8</b>      | <b>12</b>   | <b>5</b>               | <b>9</b>   | <b>34</b>          |
| Percent Affordable <sup>2</sup>  | 81%           | 82%         | 87%                    | 78%        | --                 |
| Number   | 34            | 55          | 35                     | 33         | 156                |
| (minus) Existing and Pending Units <sup>2</sup>  | 17            | 0           | 0                      | 15         | 32                 |
| <b>(equals) Total Affordable Demand</b>  | <b>16</b>     | <b>55</b>   | <b>35</b>              | <b>17</b>  | <b>124</b>         |
| <b>CONTINUED</b>   |               |             |                        |            |                    |

**HOUSING DEMAND ANALYSIS**

| <b>TABLE HD-3 CONT.</b><br><b>DEMAND FOR SUBSIDIZED/AFFORDABLE SENIOR HOUSING</b><br><b>RENVILLE COUNTY</b><br><b>2020 to 2030</b>   |               |             |                        |            |                    |
|--|---------------|-------------|------------------------|------------|--------------------|
|  | Renville Sub. | Olivia Sub. | Buffalo<br>Lake/Hector | South Sub. | Renville<br>County |
| <b>2030</b>  |               |             |                        |            |                    |
| Households age 55-64   | 655           | 921         | 740                    | 729        | 3,045              |
| (times) % income qualified <sup>1</sup>  | 15.6%         | 17.4%       | 11.8%                  | 18.1%      | --                 |
| (times) potential capture rate   | 1.5%          | 1.5%        | 1.5%                   | 1.5%       | --                 |
| Households age 65-74   | 706           | 907         | 674                    | 707        | 2,994              |
| (times) % income qualified <sup>1</sup>  | 19.0%         | 25.2%       | 20.5%                  | 31.5%      | --                 |
| (times) potential capture rate   | 10.0%         | 10.0%       | 10.0%                  | 10.0%      | --                 |
| Households age 75+   | 704           | 815         | 631                    | 749        | 2,898              |
| (times) % income qualified <sup>1</sup>  | 44.4%         | 46.8%       | 41.9%                  | 58.0%      | --                 |
| (times) potential capture rate   | 6.5%          | 8.0%        | 6.5%                   | 5.0%       | --                 |
| <b>(Equals) Demand potential from Market Area Residents</b>  | <b>35</b>     | <b>56</b>   | <b>32</b>              | <b>46</b>  | <b>169</b>         |
| (plus) Demand from Outside Market Area   | 10%           | 15%         | 10%                    | 5%         | --                 |
| <b>(Equals) total Demand Potential</b>   | <b>39</b>     | <b>66</b>   | <b>36</b>              | <b>48</b>  | <b>189</b>         |
| Percent Subsidized   | 15%           | 12%         | 20%                    | 27%        | --                 |
| Number   | 6             | 8           | 7                      | 13         | 34                 |
| (minus) Existing and Pending Units <sup>2</sup>  | 0             | 0           | 0                      | 0          | 0                  |
| <b>(equals) Total Subsidized Demand</b>  | <b>6</b>      | <b>8</b>    | <b>7</b>               | <b>35</b>  | <b>56</b>          |
| Percent Affordable <sup>2</sup>  | 85%           | 88%         | 80%                    | 73%        | --                 |
| Number   | 33            | 58          | 29                     | 35         | 155                |
| (minus) Existing and Pending Units <sup>2</sup>  | 17            | 0           | 0                      | 15         | 32                 |
| <b>(equals) Total Affordable Demand</b>  | <b>16</b>     | <b>58</b>   | <b>29</b>              | <b>20</b>  | <b>123</b>         |
| <sup>1</sup> Based on households earning \$35,000 and under in 2020. Households earning \$40,000 and under in 2030.<br><sup>2</sup> Based on household turnover and mobility data (2018 American Community Survey, Five Year Estimates)<br><sup>3</sup> Existing and pending units are deducted at market equilibrium (95% occupancy). |               |             |                        |            |                    |
| Source: Maxfield Research & Consulting, LLC  |               |             |                        |            |                    |

# HOUSING DEMAND ANALYSIS

| TABLE HD-4<br>DEMAND FOR MARKET RATE ACTIVE ADULT HOUSING<br>RENVILLE COUNTY<br>2020 to 2030 |               |             |                       |            |                 |
|--|---------------|-------------|-----------------------|------------|-----------------|
|  | Renville Sub. | Olivia Sub. | Buffalo<br>Lake/Hecto | South Sub. | Renville County |
| <b>2020</b>  |               |             |                       |            |                 |
| Households age 55-64   | 777           | 1,063       | 824                   | 741        | 3,406           |
| (times) % income qualified <sup>1</sup>  | 62.3%         | 61.7%       | 57.7%                 | 62.4%      | --              |
| (times) HO factor \$25k-\$35k  | 6.4%          | 5.1%        | 6.5%                  | 10.4%      | --              |
| (plus) Homeowners w/incomes \$25k-35k <sup>2</sup>   | 49            | 54          | 53                    | 58         | 214             |
| (times) potential capture rate   | 1.5%          | 1.5%        | 1.5%                  | 1.5%       | --              |
| (equals) demand potential  | 8             | 11          | 8                     | 8          | 34              |
| Households age 65-74   | 617           | 771         | 558                   | 559        | 2,505           |
| (times) % income qualified <sup>1</sup>  | 61.5%         | 51.7%       | 54.4%                 | 58.9%      | --              |
| (times) HO factor \$25k-\$35k  | 7.5%          | 11.7%       | 12.6%                 | 10.4%      | --              |
| (plus) Homeowners w/incomes \$25k-35k <sup>2</sup>   | 46            | 90          | 70                    | 58         | 264             |
| (times) potential capture rate   | 6.5%          | 8.5%        | 6.5%                  | 5.5%       | --              |
| (equals) demand potential  | 28            | 41          | 24                    | 21         | 115             |
| Households age 75+   | 636           | 731         | 613                   | 620        | 2,600           |
| (times) % income qualified <sup>1</sup>  | 42.5%         | 31.7%       | 40.3%                 | 31.7%      | --              |
| (times) HO factor \$25k-\$35k  | 6.4%          | 17.1%       | 19.8%                 | 14.4%      | --              |
| (plus) Homeowners w/incomes \$25k-35k <sup>2</sup>   | 41            | 125         | 121                   | 89         | 376             |
| (times) potential capture rate   | 10.0%         | 10.0%       | 10.0%                 | 10.0%      | --              |
| (equals) demand potential  | 31            | 36          | 37                    | 29         | 132             |
| <b>(Equals) Demand potential from Market Area</b>  | <b>67</b>     | <b>88</b>   | <b>69</b>             | <b>58</b>  | <b>281</b>      |
| (plus) Demand from Outside Market Area)  | 10%           | 15%         | 10%                   | 5%         | --              |
| <b>(Equals) total Demand Potential</b>   | <b>74</b>     | <b>103</b>  | <b>77</b>             | <b>61</b>  | <b>315</b>      |
| Percent Owner-Occupied   | 40%           | 40%         | 40%                   | 40%        | --              |
| Number   | 30            | 41          | 31                    | 24         | 126             |
| (minus) Existing and Pending Units <sup>3</sup>  | 0             | 0           | 0                     | 0          | 0               |
| (equals) Total Owner-Occupied Demand   | <b>30</b>     | <b>41</b>   | <b>31</b>             | <b>0</b>   | <b>102</b>      |
| Percent Renter-Occupied  | 60%           | 60%         | 60%                   | 60%        | --              |
| Number   | 45            | 62          | 46                    | 36         | 189             |
| (minus) Existing and Pending Units <sup>3</sup>  | 0             | 0           | 0                     | 57         | 57              |
| (equals) Total Renter-Occupied Demand  | <b>45</b>     | <b>62</b>   | <b>46</b>             | <b>-21</b> | <b>132</b>      |

CONTINUED

# HOUSING DEMAND ANALYSIS

| TABLE HD-4 CONT.<br>DEMAND FOR MARKET RATE ACTIVE ADULT HOUSING<br>RENNVILLE COUNTY<br>2020 to 2030                                       |               |             |                    |            |                        |
|---|---------------|-------------|--------------------|------------|------------------------|
|   | Renville Sub. | Olivia Sub. | Buffalo Lake/Hecto | South Sub. | Renville County County |
| <b>2030</b>   |               |             |                    |            |                        |
| Households age 55-64  | 655           | 921         | 740                | 729        | 3,045                  |
| (times) % income qualified <sup>1</sup>   | 78.5%         | 60.2%       | 56.4%              | 59.7%      | --                     |
| (times) HO factor \$30k-\$40k   | 2.4%          | 6.5%        | 6.7%               | 9.9%       | --                     |
| (plus) Homeowners w/incomes \$30k-40k <sup>2</sup>  | 16            | 59          | 0                  | 72         | 146                    |
| (times) potential capture rate  | 1.5%          | 1.5%        | 1.5%               | 1.5%       | --                     |
| (equals) demand potential   | 8             | 9           | 6                  | 8          | 31                     |
| Households age 65-74  | 706           | 907         | 674                | 707        | 2,994                  |
| (times) % income qualified <sup>1</sup>   | 72.3%         | 49.0%       | 51.5%              | 52.0%      | --                     |
| (times) HO factor \$30k-\$40k   | 1.9%          | 11.7%       | 11.0%              | 16.2%      | --                     |
| (plus) Homeowners w/incomes \$30k-40k <sup>2</sup>  | 81            | 106         | 74                 | 114        | 375                    |
| (times) potential capture rate  | 6.5%          | 8.5%        | 6.5%               | 5.5%       | --                     |
| (equals) demand potential   | 38            | 47          | 27                 | 26         | 139                    |
| Households age 75+  | 704           | 815         | 631                | 749        | 2,898                  |
| (times) % income qualified <sup>1</sup>   | 44.0%         | 28.0%       | 35.2%              | 27.2%      | --                     |
| (times) HO factor \$30k-\$40k   | 1.4%          | 16.0%       | 20.2%              | 16.3%      | --                     |
| (plus) Homeowners w/incomes \$30k-40k <sup>2</sup>  | 129           | 130         | 127                | 122        | 509                    |
| (times) potential capture rate  | 10.0%         | 10.0%       | 10.0%              | 10.0%      | --                     |
| (equals) demand potential   | 44            | 36          | 35                 | 33         | 147                    |
| <b>(Equals) Demand potential from Market Area</b>   | <b>90</b>     | <b>92</b>   | <b>69</b>          | <b>67</b>  | <b>317</b>             |
| (plus) Demand from Outside Market Area)   | 10%           | 15%         | 10%                | 5%         | --                     |
| <b>(Equals) total Demand Potential</b>  | <b>100</b>    | <b>108</b>  | <b>76</b>          | <b>70</b>  | <b>355</b>             |
| Percent Owner-Occupied  | 40%           | 40%         | 40%                | 40%        | --                     |
| Number  | 40            | 43          | 30                 | 28         | 142                    |
| (minus) Existing and Pending Units <sup>3</sup>   | 0             | 0           | 0                  | 0          | 0                      |
| (equals) Total Owner-Occupied Demand  | <b>40</b>     | <b>43</b>   | <b>30</b>          | <b>28</b>  | <b>142</b>             |
| Percent Renter-Occupied   | 60%           | 60%         | 60%                | 60%        | --                     |
| Number  | 60            | 65          | 46                 | 42         | 213                    |
| (minus) Existing and Pending Units <sup>3</sup>   | 0             | 0           | 0                  | 57         | 57                     |
| (equals) Total Renter-Occupied Demand   | <b>60</b>     | <b>65</b>   | <b>46</b>          | <b>-15</b> | <b>156</b>             |
| <sup>1</sup> Based on households earning \$35,000+ in 2020. 2030 calculations are based on households earning \$40,000+ due to inflation. |               |             |                    |            |                        |
| <sup>2</sup> Estimated homeowners with incomes between \$25,000 and \$34,999 in 2020. Incomes between \$30,000 and \$39,999 in 2030.      |               |             |                    |            |                        |
| <sup>3</sup> Existing and pending units are deducted at market equilibrium (95% occupancy).   |               |             |                    |            |                        |
| Source: Maxfield Research & Consulting, LLC   |               |             |                    |            |                        |

**HOUSING DEMAND ANALYSIS**

| <b>TABLE HD-5</b><br><b>DEMAND FOR INDEPENDENT LIVING RENTAL HOUSING</b><br><b>RENVILLE COUNTY ANALYSIS AREA</b><br><b>2020 to 2030</b> |               |             |                        |            |                    |
|---|---------------|-------------|------------------------|------------|--------------------|
|   | Renville Sub. | Olivia Sub. | Buffalo<br>Lake/Hector | South Sub. | Renville<br>County |
| <b>2020</b>   |               |             |                        |            |                    |
| Households age 65-74  | 617           | 771         | 558                    | 559        | 2,505              |
| (times) % income qualified <sup>1</sup>   | 62%           | 52%         | 54%                    | 59%        | --                 |
| (times) HO factor \$30k-\$35k   | 7.5%          | 11.7%       | 6.3%                   | 5.1%       | --                 |
| (plus) Homeowners w/incomes \$30k-35k <sup>2</sup>  | 46            | 90          | 35                     | 29         | 200                |
| (times) potential capture rate  | 1.5%          | 1.5%        | 1.5%                   | 1.5%       | --                 |
| (equals) demand potential   | 6             | 7           | 5                      | 5          | 24                 |
| Households age 75+  | 636           | 731         | 613                    | 620        | 2,601              |
| (times) % income qualified <sup>1</sup>   | 43%           | 32%         | 40%                    | 32%        | --                 |
| (times) HO factor \$30k-\$35k   | 15.0%         | 17.1%       | 9.9%                   | 7.1%       | --                 |
| (plus) Homeowners w/incomes \$30k-35k <sup>2</sup>  | 95            | 125         | 61                     | 44         | 324                |
| (times) potential capture rate  | 6.5%          | 8.5%        | 6.5%                   | 5.0%       | --                 |
| (equals) demand potential   | 24            | 30          | 20                     | 12         | 86                 |
| <b>(Equals) Demand potential</b>  | <b>30</b>     | <b>38</b>   | <b>25</b>              | <b>18</b>  | <b>110</b>         |
| (plus) Demand from Outside Market Area)   | 10%           | 15%         | 10%                    | 5%         | --                 |
| <b>(Equals) total Demand Potential</b>  | <b>33</b>     | <b>44</b>   | <b>28</b>              | <b>18</b>  | <b>124</b>         |
| (minus) Existing and Pending Units <sup>3</sup>   | 0             | 29          | 0                      | 0          | 29                 |
| <b>(Equals) Total Independent Living Demand</b>   | <b>33</b>     | <b>15</b>   | <b>28</b>              | <b>18</b>  | <b>95</b>          |
| <b>CONTINUED</b>  |               |             |                        |            |                    |

**HOUSING DEMAND ANALYSIS**

| <p align="center"><b>TABLE HD-5 CONT.</b><br/> <b>DEMAND FOR INDEPENDENT LIVING RENTAL HOUSING</b><br/> <b>RENVILLE COUNTY ANALYSIS AREA</b><br/> <b>2020 to 2030</b></p>  |                      |                    |                            |                   |                        |
|--|----------------------|--------------------|----------------------------|-------------------|------------------------|
|  | <b>Renville Sub.</b> | <b>Olivia Sub.</b> | <b>Buffalo Lake/Hector</b> | <b>South Sub.</b> | <b>Renville County</b> |
| <b>2030</b>  |                      |                    |                            |                   |                        |
| Households age 65-74   | 706                  | 907                | 674                        | 707               | 2,994                  |
| (times) % income qualified <sup>1</sup>  | 72%                  | 49%                | 52%                        | 53%               | --                     |
| (times) HO factor \$35k-\$40k  | 9.3%                 | 11.7%              | 6.0%                       | 11.8%             | --                     |
| (plus) Homeowners w/incomes \$35k-40k <sup>2</sup>   | 66                   | 106                | 40                         | 83                | 296                    |
| (times) potential capture rate   | 1.5%                 | 1.5%               | 1.5%                       | 1.5%              | --                     |
| (equals) demand potential  | 9                    | 8                  | 6                          | 7                 | 30                     |
| Households age 75+   | 704                  | 815                | 631                        | 749               | 2,898                  |
| (times) % income qualified <sup>1</sup>  | 44%                  | 28%                | 35%                        | 27%               | --                     |
| (times) HO factor \$35k-\$40k  | 11.8%                | 16.0%              | 11.3%                      | 9.4%              | --                     |
| (plus) Homeowners w/incomes \$35k-40k <sup>2</sup>   | 83                   | 130                | 71                         | 70                | 355                    |
| (times) potential capture rate   | 6.5%                 | 8.5%               | 6.5%                       | 5.0%              | --                     |
| (equals) demand potential  | 26                   | 30                 | 19                         | 14                | 89                     |
| <b>(Equals) Demand potential</b>   | <b>34</b>            | <b>39</b>          | <b>25</b>                  | <b>20</b>         | <b>118</b>             |
| (plus) Demand from Outside Market Area)  | 10%                  | 15%                | 10%                        | 5%                | --                     |
| <b>(Equals) total Demand Potential</b>   | <b>38</b>            | <b>46</b>          | <b>28</b>                  | <b>22</b>         | <b>133</b>             |
| (minus) Existing and Pending Units <sup>3</sup>  | 0                    | 29                 | 0                          | 0                 | 29                     |
| <b>(Equals) Total Independent Living Demand</b>  | <b>38</b>            | <b>17</b>          | <b>28</b>                  | <b>22</b>         | <b>104</b>             |
| <sup>1</sup> Based on households earning \$35,000+ in 2020. 2030 calculations are based on households earning \$40,000+ due to inflation.<br><sup>2</sup> Estimated homeowners with incomes between \$30,000 and \$34,999 in 2020. Incomes between \$35,000 and \$39,999 in 2030.<br><sup>3</sup> Existing and pending units are deducted at market equilibrium (95% occupancy). |                      |                    |                            |                   |                        |
| Source: Maxfield Research & Consulting, LLC  |                      |                    |                            |                   |                        |



**HOUSING DEMAND ANALYSIS**

| <b>TABLE HD-6</b><br><b>DEMAND FOR ASSISTED LIVING RENTAL HOUSING</b><br><b>RENVILLE COUNTY</b><br><b>2020 to 2030</b> |               |             |                        |            |                    |
|--|---------------|-------------|------------------------|------------|--------------------|
|  | Renville Sub. | Olivia Sub. | Buffalo<br>Lake/Hector | South Sub. | Renville<br>County |
| <b>2020</b>  |               |             |                        |            |                    |
| People age 75-79   | 147           | 182         | 147                    | 142        | 618                |
| (times) % needing assistance <sup>1</sup>  | 25.5%         | 25.5%       | 25.5%                  | 25.5%      | --                 |
| People age 80-84   | 98            | 121         | 98                     | 94         | 411                |
| (times) % needing assistance <sup>1</sup>  | 33.6%         | 33.6%       | 33.6%                  | 33.6%      | --                 |
| People age 85+   | 125           | 160         | 142                    | 131        | 558                |
| (times) % needing assistance <sup>1</sup>  | 51.6%         | 51.6%       | 51.6%                  | 51.6%      | --                 |
| <b>(Equals) Number needing assistance</b>  | <b>135</b>    | <b>170</b>  | <b>144</b>             | <b>135</b> | <b>584</b>         |
| (times) Percent Income-Qualified <sup>2</sup>  | 62.1%         | 45.5%       | 40.4%                  | 55.5%      | --                 |
| (times) Percent Living Alone   | 61.5%         | 57.4%       | 52.3%                  | 53.6%      | --                 |
| (plus) Proportion of demand from couples (12%) <sup>3</sup>  | 7             | 6           | 4                      | 5          | 23                 |
| (equals) Total Age-Income Qualified market needing assistance  | 59            | 50          | 35                     | 46         | 189                |
| (times) Potential penetration rate <sup>4</sup>  | 40%           | 40%         | 40%                    | 40%        | --                 |
| <b>(Equals) Demand potential from Market Area Residents</b>  | <b>23</b>     | <b>20</b>   | <b>14</b>              | <b>18</b>  | <b>76</b>          |
| (plus) Demand from Outside Market Area   | 10%           | 15%         | 10%                    | 5%         | --                 |
| <b>(Equals) total Demand Potential</b>   | <b>26</b>     | <b>24</b>   | <b>15</b>              | <b>19</b>  | <b>84</b>          |
| (minus) Existing and Pending Units <sup>5</sup>  | 34            | 19          | 43                     | 0          | 96                 |
| <b>(Equals) Total Assisted Living Demand</b>   | <b>0</b>      | <b>5</b>    | <b>0</b>               | <b>19</b>  | <b>24</b>          |
| <b>CONTINUED</b>   |               |             |                        |            |                    |

## HOUSING DEMAND ANALYSIS

| TABLE HD-6 CONT.<br>DEMAND FOR ASSISTED LIVING RENTAL HOUSING<br>RENVILLE COUNTY<br>2020 to 2030  |               |             |                        |            |                    |
|---|---------------|-------------|------------------------|------------|--------------------|
|   | Renville Sub. | Olivia Sub. | Buffalo<br>Lake/Hector | South Sub. | Renville<br>County |
| <b>2030</b>   |               |             |                        |            |                    |
| People age 75-79  | 176           | 219         | 163                    | 165        | 723                |
| (times) % needing assistance <sup>1</sup>   | 25.5%         | 25.5%       | 25.5%                  | 25.5%      | --                 |
| People age 80-84  | 98            | 146         | 109                    | 110        | 463                |
| (times) % needing assistance <sup>1</sup>   | 33.6%         | 33.6%       | 33.6%                  | 33.6%      | --                 |
| People age 85+  | 118           | 150         | 132                    | 126        | 526                |
| (times) % needing assistance <sup>1</sup>   | 51.6%         | 51.6%       | 51.6%                  | 51.6%      | --                 |
| <b>(Equals) Number needing assistance</b>   | <b>139</b>    | <b>182</b>  | <b>146</b>             | <b>144</b> | <b>611</b>         |
| (times) Percent Income-Qualified <sup>2</sup>   | 53.2%         | 59.5%       | 41.5%                  | 19.5%      | --                 |
| (times) Percent Living Alone  | 61.5%         | 57.4%       | 52.3%                  | 53.6%      | --                 |
| (plus) Proportion of demand from couples (12%) <sup>3</sup>   | 6             | 8           | 4                      | 2          | 21                 |
| (equals) Total Age-Income Qualified market needing assistance   | 52            | 71          | 36                     | 17         | 176                |
| (times) Potential penetration rate <sup>4</sup>   | 40%           | 40%         | 40%                    | 40%        | --                 |
| <b>(Equals) Demand potential from Market Area Residents</b>   | <b>21</b>     | <b>28</b>   | <b>14</b>              | <b>7</b>   | <b>70</b>          |
| (plus) Demand from Outside Market Area)   | 10%           | 15%         | 10%                    | 5%         | --                 |
| <b>(Equals) total Demand Potential</b>  | <b>23</b>     | <b>33</b>   | <b>16</b>              | <b>7</b>   | <b>79</b>          |
| (minus) Existing and Pending Units <sup>5</sup>   | 34            | 19          | 43                     | 0          | 96                 |
| <b>(Equals) Total Assisted Living Demand</b>  | <b>0</b>      | <b>15</b>   | <b>0</b>               | <b>7</b>   | <b>22</b>          |
| <p><sup>1</sup> The percentage of seniors unable to perform or having difficulty with ADLs, based on the publication Health, United States, 1999 Health and Aging Chartbook, conducted by the Centers for Disease Control and Prevention and the National Center for Health Statistics.</p> <p><sup>2</sup> 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).</p> <p><sup>3</sup> The 2009 Overview of Assisted Living (a collaborative project of AAHSA, ASHA, ALFA, NCAL &amp; NIC) found that 12% of assisted living residents are couples.</p> <p><sup>4</sup> 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.</p> <p><sup>5</sup> Existing and pending units at 93% occupancy.</p> |               |             |                        |            |                    |
| Source: Maxfield Research & Consulting, LLC   |               |             |                        |            |                    |

**HOUSING DEMAND ANALYSIS**

| <b>TABLE HD-7</b><br><b>DEMAND FOR MEMORY CARE RENTAL HOUSING</b><br><b>RENVILLE COUNTY</b><br><b>2020 to 2030</b> |               |             |                        |            |                    |
|--|---------------|-------------|------------------------|------------|--------------------|
|  | Renville Sub. | Olivia Sub. | Buffalo<br>Lake/Hector | South Sub. | Renville<br>County |
| <b>2020</b>  |               |             |                        |            |                    |
| People age 65-74   | 446           | 566         | 408                    | 386        | 1,806              |
| (times) Dementia incident rate <sup>1</sup>  | 3.0%          | 3.0%        | 3.0%                   | 3.0%       | --                 |
| People age 75-84   | 246           | 304         | 245                    | 237        | 1,032              |
| (times) Dementia incident rate <sup>1</sup>  | 17.0%         | 17.0%       | 17.0%                  | 17.0%      | --                 |
| People age 85+   | 125           | 160         | 142                    | 131        | 558                |
| (times) Dementia incident rate <sup>1</sup>  | 32.0%         | 32.0%       | 32.0%                  | 32.0%      | --                 |
| <b>(Equals) Total senior population with dementia</b>  | <b>95</b>     | <b>120</b>  | <b>99</b>              | <b>94</b>  | <b>408</b>         |
| (times) Percent Income-Qualified <sup>2</sup>  | 45.5%         | 48.8%       | 49.0%                  | 35.9%      | --                 |
| (times) Potential penetration rate   | 25.0%         | 25.0%       | 25.0%                  | 25.0%      | --                 |
| <b>(Equals) Demand potential from Market Area</b>  | <b>11</b>     | <b>15</b>   | <b>12</b>              | <b>8</b>   | <b>46</b>          |
| (plus) Demand from Outside Market Area   | 10%           | 15%         | 10%                    | 5%         | --                 |
| <b>(Equals) total Demand Potential</b>   | <b>12</b>     | <b>17</b>   | <b>14</b>              | <b>9</b>   | <b>52</b>          |
| (minus) Existing and Pending Units <sup>3</sup>  | 0             | 0           | 6                      | 0          | 6                  |
| <b>(Equals) Total Memory Care Demand</b>   | <b>12</b>     | <b>17</b>   | <b>8</b>               | <b>9</b>   | <b>46</b>          |
| <b>CONTINUED</b>   |               |             |                        |            |                    |

**HOUSING DEMAND ANALYSIS**

| <b>TABLE HD-7 CONT.</b><br><b>DEMAND FOR MEMORY CARE RENTAL HOUSING</b><br><b>RENVILLE COUNTY</b><br><b>2020 to 2030</b>  |               |             |                        |            |                    |
|---|---------------|-------------|------------------------|------------|--------------------|
|   | Renville Sub. | Olivia Sub. | Buffalo<br>Lake/Hector | South Sub. | Renville<br>County |
| <b>2030</b>   |               |             |                        |            |                    |
| People age 65-74  | 499           | 666         | 489                    | 445        | 2,099              |
| (times) Dementia incident rate <sup>1</sup>   | 3.0%          | 3.0%        | 3.0%                   | 3.0%       | --                 |
| People age 75-84  | 294           | 366         | 273                    | 276        | 1,209              |
| (times) Dementia incident rate <sup>1</sup>   | 17.0%         | 17.0%       | 17.0%                  | 17.0%      | --                 |
| People age 85+  | 118           | 150         | 132                    | 126        | 526                |
| (times) Dementia incident rate <sup>1</sup>   | 32.0%         | 32.0%       | 32.0%                  | 32.0%      | --                 |
| <b>(Equals) Total senior population with dementia</b>   | <b>103</b>    | <b>130</b>  | <b>103</b>             | <b>101</b> | <b>437</b>         |
| (times) Percent Income-Qualified <sup>2</sup>   | 32.5%         | 40.3%       | 50.3%                  | 31.8%      | --                 |
| (times) Potential penetration rate  | 25.0%         | 25.0%       | 25.0%                  | 25.0%      | --                 |
| <b>(Equals) Demand potential from Market Area</b>   | <b>8</b>      | <b>13</b>   | <b>13</b>              | <b>8</b>   | <b>42</b>          |
| (plus) Demand from Outside Market Area  | 10%           | 15%         | 10%                    | 5%         | --                 |
| <b>(Equals) total Demand Potential</b>  | <b>9</b>      | <b>15</b>   | <b>14</b>              | <b>8</b>   | <b>48</b>          |
| (minus) Existing and Pending Units <sup>3</sup>   | 0             | 0           | 6                      | 0          | 6                  |
| <b>(Equals) Total Memory Care Demand</b>  | <b>9</b>      | <b>15</b>   | <b>9</b>               | <b>8</b>   | <b>42</b>          |
| <sup>1</sup> Alzheimer's Association: Alzheimer's Disease Facts & Figures (2007)  |               |             |                        |            |                    |
| <sup>2</sup> 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. |               |             |                        |            |                    |
| <sup>3</sup> Existing and pending units at 93% occupancy.   |               |             |                        |            |                    |
| Source: Maxfield Research & Consulting LLC  |               |             |                        |            |                    |

### Renville County Demand Summary

The housing demand calculations in Tables HD-1 through HD-7 indicate that between 2020 and 2030, 414 for-sale housing units, 242 general occupancy rental units, and 769 total senior units will be needed in Renville County 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.

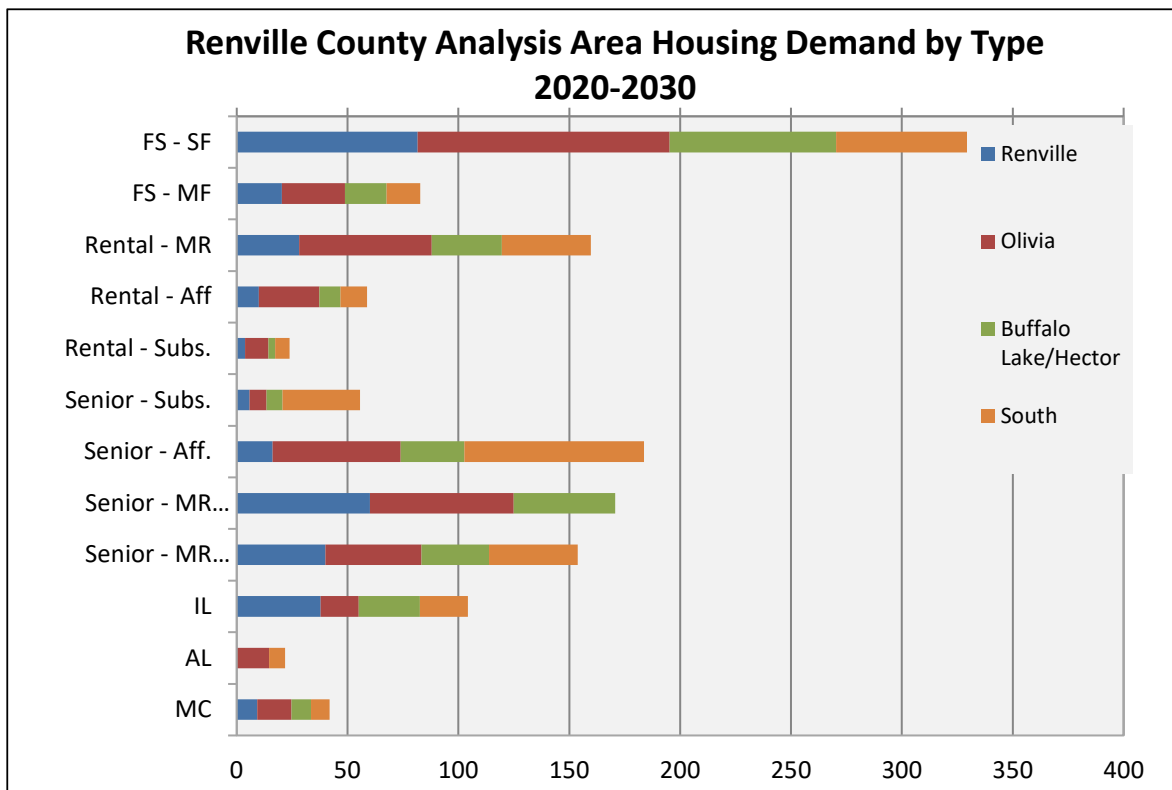
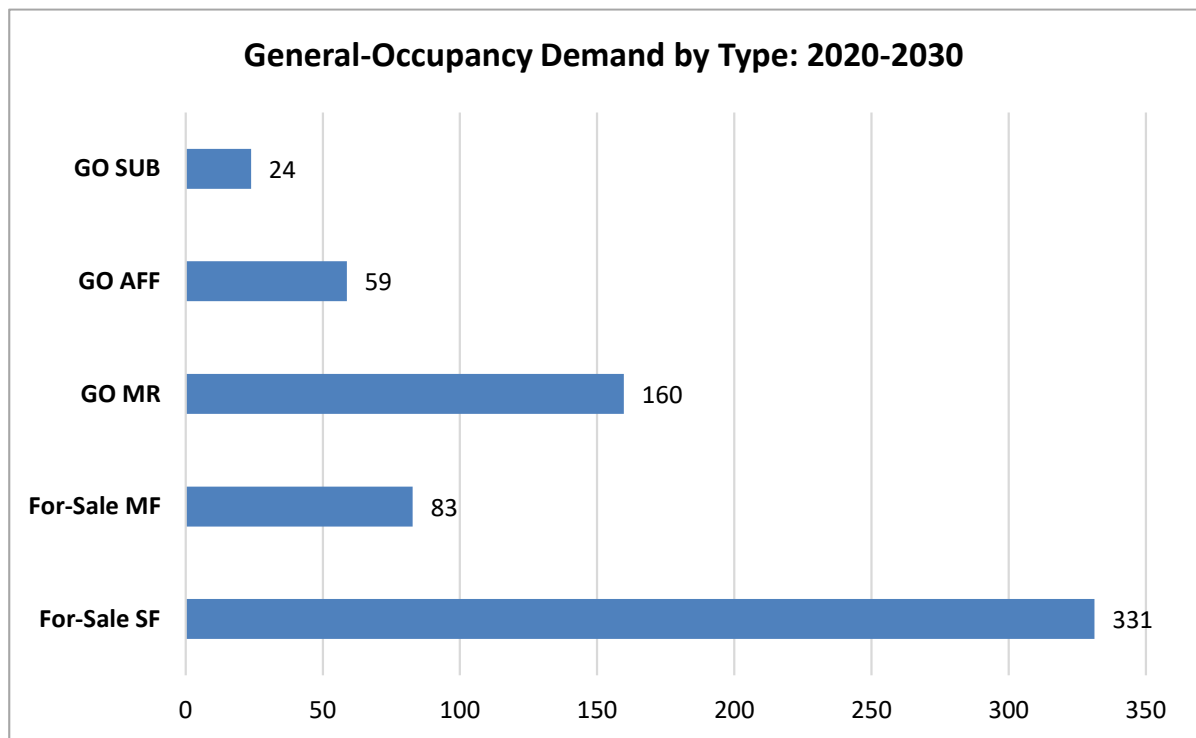
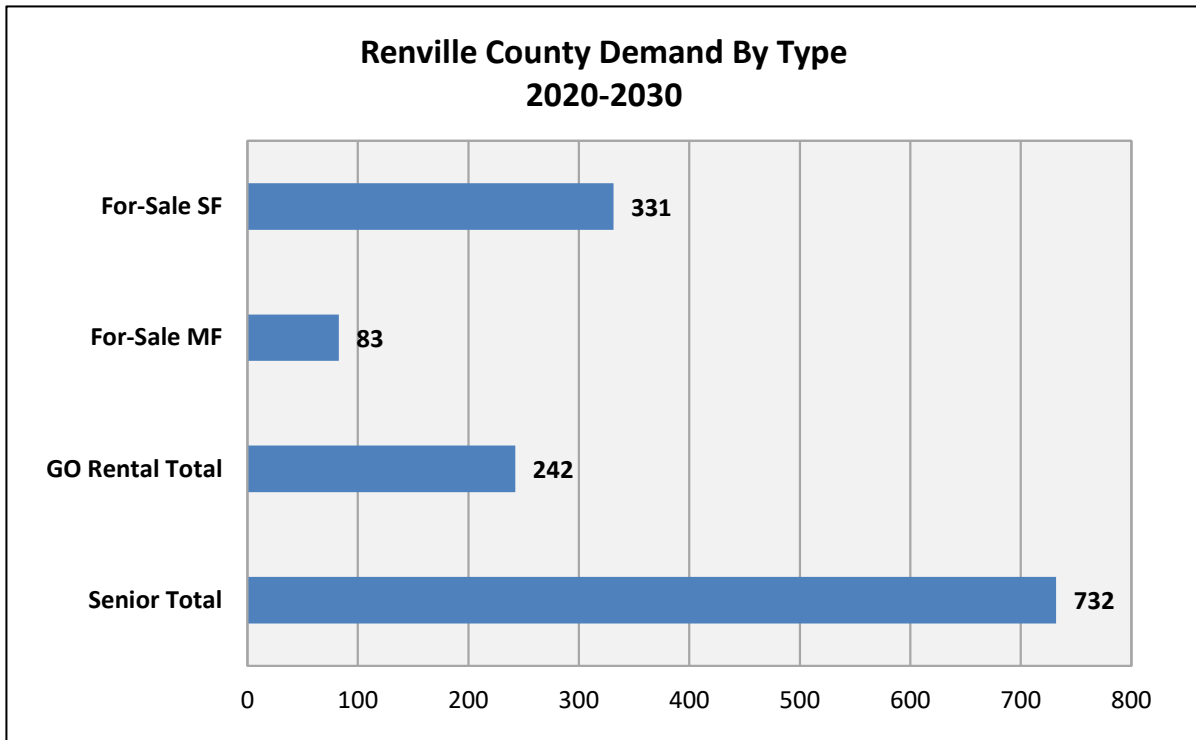


Table R-1 showed that there is a 4% vacancy rate in the general-occupancy rental market. There are few newer apartment products in Renville County and the existing rental stock is older and lacks features and amenities today’s renters seek. With a strong rental market, we find that new rental units should be added in the short-term to satisfy potential household growth and accommodate employees working at local businesses. We found demand for 212 general-occupancy rental units in Renville County through 2030, 58% are market rate units.



**TABLE HD-8  
GENERAL OCCUPANCY EXCESS DEMAND SUMMARY  
RENVILLE COUNTY  
2020 to 2030**

| <b>2020 to 2030</b>    |                      |                    |              |                    |                   |                   |              |
|------------------------|----------------------|--------------------|--------------|--------------------|-------------------|-------------------|--------------|
| <b>Submarket</b>       | <b>FOR-SALE</b>      |                    |              | <b>RENTAL</b>      |                   |                   |              |
|                        | <b>Single-family</b> | <b>Multifamily</b> | <b>Total</b> | <b>Market Rate</b> | <b>Affordable</b> | <b>Subsidized</b> | <b>Total</b> |
| Renville               | 82                   | 20                 | 102          | 28                 | 10                | 4                 | 42           |
| Olivia                 | 114                  | 28                 | 142          | 60                 | 27                | 10                | 97           |
| Buffalo Lake/Hector    | 75                   | 19                 | 94           | 32                 | 10                | 3                 | 44           |
| South                  | 61                   | 15                 | 76           | 40                 | 12                | 6                 | 59           |
| <b>Renville County</b> | <b>331</b>           | <b>83</b>          | <b>414</b>   | <b>160</b>         | <b>59</b>         | <b>24</b>         | <b>242</b>   |

Sources: Maxfield Research & Consulting, LLC

**HOUSING DEMAND ANALYSIS**

**TABLE HD-9  
SENIOR HOUSING EXCESS DEMAND SUMMARY  
RENVILLE COUNTY  
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      |
| Renville               | 8                 | 16                | 30         | 45         | 99         | 33                 | 0               | 12          | 46         |
| Olivia                 | 12                | 55                | 41         | 62         | 171        | 15                 | 5               | 17          | 38         |
| Buffalo Lake/Hector    | 5                 | 35                | 31         | 46         | 116        | 28                 | 0               | 8           | 36         |
| South                  | 9                 | 17                | 0          | 0          | 27         | 18                 | 19              | 9           | 47         |
| <b>Renville County</b> | <b>34</b>         | <b>124</b>        | <b>102</b> | <b>153</b> | <b>412</b> | <b>95</b>          | <b>24</b>       | <b>46</b>   | <b>165</b> |

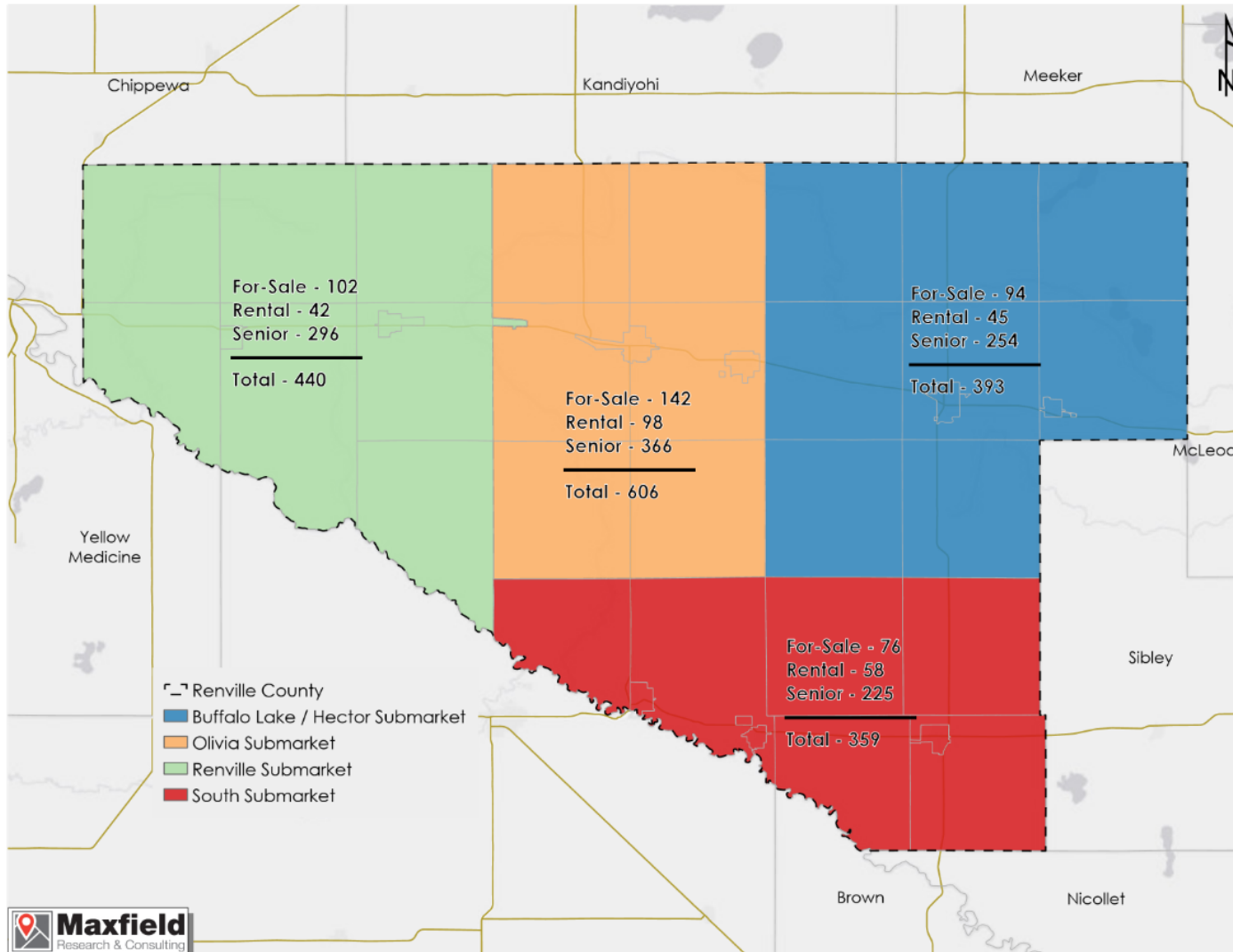
| 2030                   |                   |                   |            |            |            |                    |                 |             |            |
|------------------------|-------------------|-------------------|------------|------------|------------|--------------------|-----------------|-------------|------------|
| Submarket              | ACTIVE ADULT      |                   |            |            |            | SERVICE-ENHANCED** |                 |             |            |
|                        | Subsidized Rental | Affordable Rental | MR Owner   | MR Rental  | Total      | Independent Living | Assisted Living | Memory Care | Total      |
| Renville               | 6                 | 16                | 40         | 60         | 122        | 38                 | 0               | 9           | 47         |
| Olivia                 | 8                 | 58                | 43         | 65         | 173        | 17                 | 15              | 15          | 47         |
| Buffalo Lake/Hector    | 7                 | 29                | 30         | 46         | 112        | 28                 | 0               | 9           | 36         |
| South                  | 35                | 81                | 40         | 0          | 156        | 22                 | 7               | 8           | 37         |
| <b>Renville County</b> | <b>56</b>         | <b>184</b>        | <b>154</b> | <b>171</b> | <b>564</b> | <b>104</b>         | <b>22</b>       | <b>42</b>   | <b>168</b> |

\*\* 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



Renville County Analysis Area – Demand by Type, 2020 – 2030

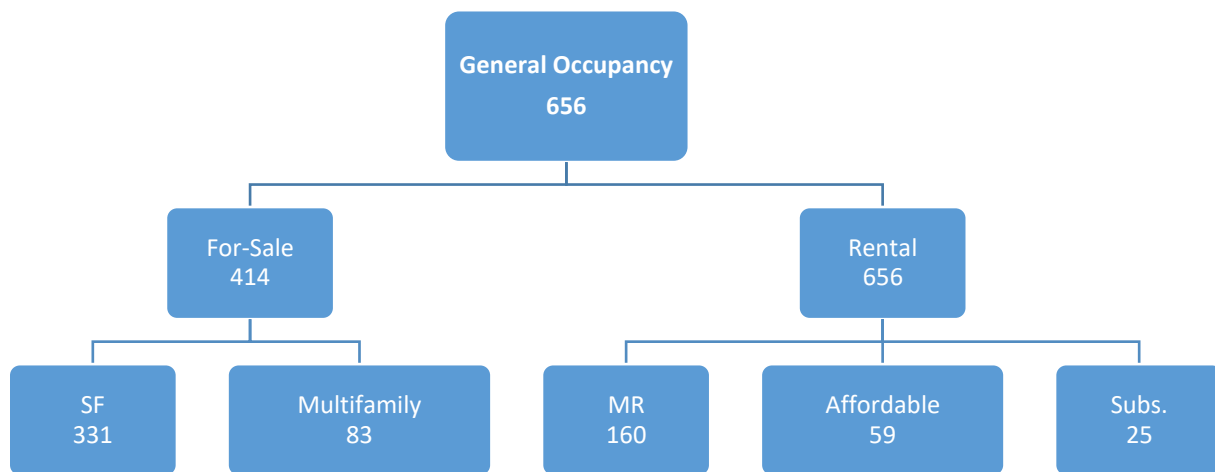


Note: Demand calculations are rounded to the nearest whole number.

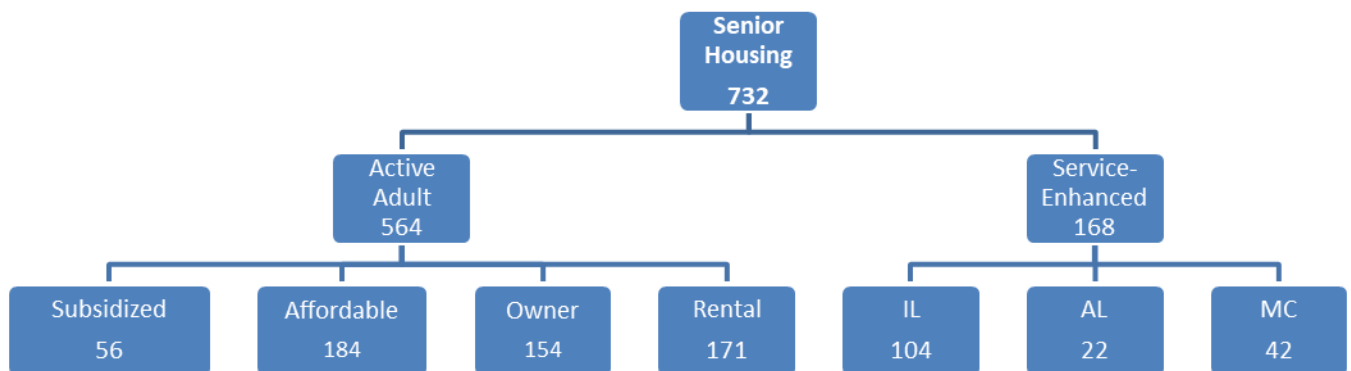
**Introduction**

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 Renville County 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.).

**Renville County Projected General Occupancy Demand, 2020 – 2030**



**Renville County Projected Senior Demand, 2020 – 2030**



### Recommended Housing Product Types

#### *Owner Occupied*

##### *Single-Family Housing*

Table HD-1 identified demand for just over 330 single-family housing units in Renville County through 2030. Table FS-11 summarized the vacant lot supply and indicated there are not enough vacant developed lots to meet the 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 Renville 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 Renville County Submarkets, many of these lots are undesirable to today's buyers (i.e. larger lot sizes, locations preferences, etc.)

The Olivia submarket has a 1.4-year supply based on the historic and projected building activity; hence this submarket will require newly platted lots sooner than other submarkets. There is a need for a wide-variety of lot sizes in the county and many buyers are attracted to Renville County for the larger-sized lots and acreages.

Some communities in Renville County offer lots at no cost however, the buyer must pay for the cost of street assessments. In addition, if the construction doesn't begin within the one-year time frame the lot is returned to the city. All construction must meet all R-1 zoning and other city code standards.

Based on sales activity, home-buying demand in Renville County is strongest for homes below \$150,000, but it is difficult to build new for-sale housing in that price range. One way to provide entry-level for-sale housing is to generate household turnover by increasing the supply of move-up and executive housing.

A move-up buyer is typically one who is selling one house and purchasing another one, usually a larger and more expensive home. The move is typically desired because of a lifestyle change, such as a new job or a growing family. The 45 to 54 and 35 to 44 age groups are target markets for move-up and executive housing.

## RECOMMENDATIONS AND CONCLUSIONS

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### *For-Sale Multifamily Housing*

While there is a limited supply of multifamily housing in Renville County, multifamily housing products can be an option for buyers looking for a starter home and households seeking to downsize or don't want the responsibilities of upkeep and maintenance. As such, we estimate that 20% of the demand for new for-sale housing in the county will be multifamily units and we recommend that most for-sale multifamily units be targeted toward buyers at all price points and life stages (i.e. younger couples with or w/o kids, singles, older adults, etc.)

While empty-nesters and independent seniors are, in growing numbers, seeking more flexible living arrangements, development of these types of housing units dropped off considerably during the recession. As market pressures for these products increase, it is likely that more builders will see an opportunity to satisfy a portion of this demand. Product types such as townhomes, detached townhomes, patio homes or villas, and twin homes fit into this category. We do not recommend a condominium component due to difficulty financing and hurdles that exist in the building code related to condominium construction.

In addition to empty nesters and young seniors (65 to 74 years) who are the primary target market for twin homes and detached villas, mid-age professionals, particularly singles and couples without children, 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 an owned row home or townhome to be more affordable than purchasing a new single-family home. There is a limited supply of association-maintained housing options for sale, and there may be pent-up demand for new multifamily units in Renville County.

Based on changing demographics over the next ten years and a growing demand for alternative housing products, demand was calculated for 83 new multifamily for-sale units in Renville County to 2030. Given the aging of the population and the high growth rate in the age 55+ population (especially 65-74 age cohorts), Renville County would benefit from a more diverse owner-occupied housing stock.

These attached units could be developed as twin homes, detached townhomes or villas, townhomes/row homes, or any combination thereof. Because the primary target market is empty-nesters and young seniors, the majority of townhomes should be single-level, or at least have a master suite on the main level if a unit has two stories. The following provides greater detail into townhome and twin home-style housing.

- *Twin homes*— By definition, a townhome is two units with a shared wall with each owner owning half of the lot. Some single-level living units are designed in three-, four-, or even six-unit buildings in a variety of configurations, but these are less usual. Traditionally most twin home developments have been designed with the garage being the prominent feature of the home; 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

## RECOMMENDATIONS AND CONCLUSIONS

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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 aging 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. Twin homes are also a preferred for-sale product by builders in today's market as units can be developed as demand warrants. Because twin homes bring higher density and economies of scale to the construction process, the price point can be lower than stand-alone single-family homes but are usually more expensive than rowhomes which are built in multi-unit buildings (4, 6, or 8-unit structures).

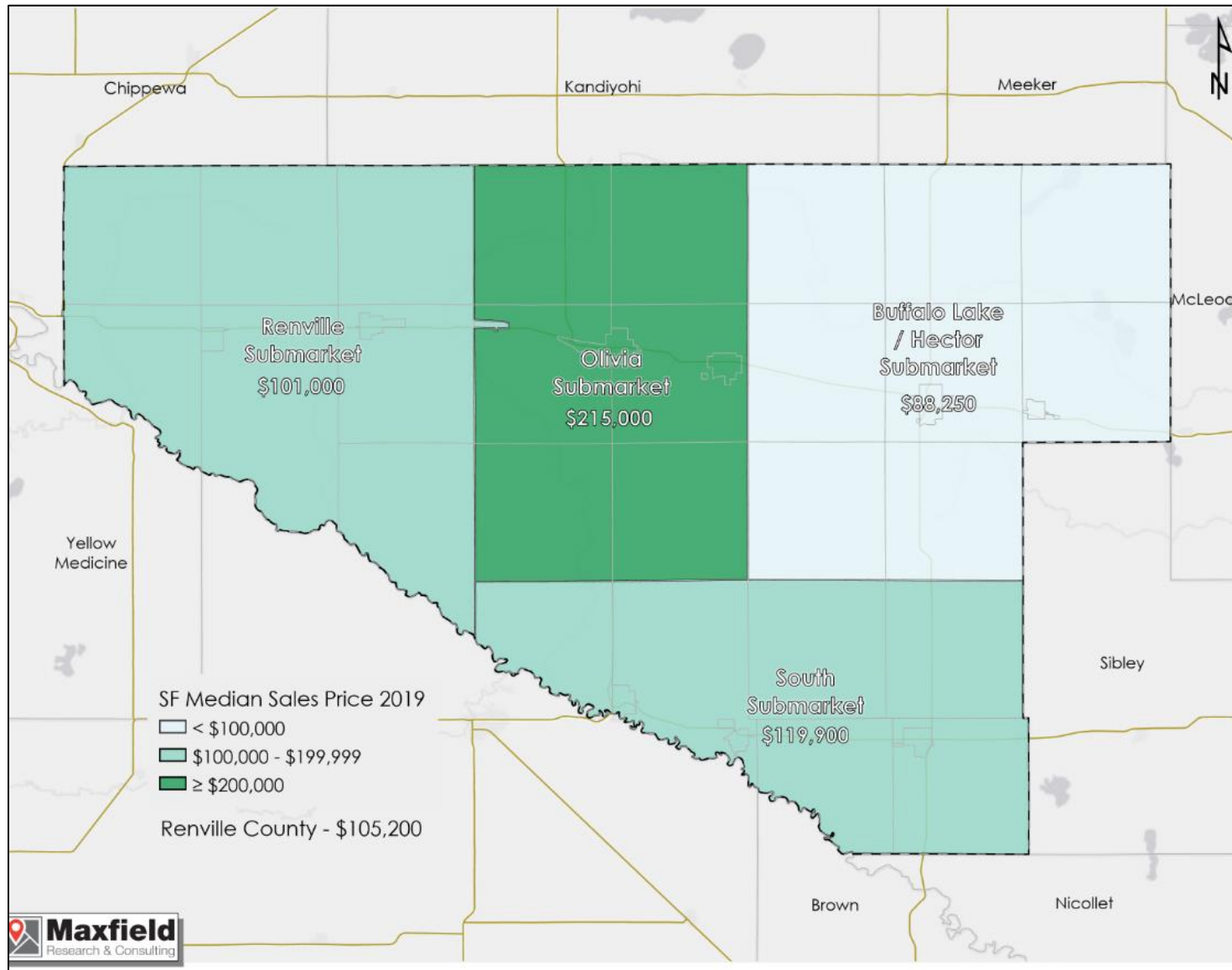
Twin homes are expected to be in demand for quite some time as older adults and seniors will move to this housing product with substantial equity in their existing single-family home and will be willing to purchase a maintenance-free home that is priced similar to their existing single-family home. Move-up townhomes are becoming popular in many mid-size and smaller size communities in the Upper Midwest.

- *Detached Townhomes/Villas* – A recent modern alternative to the twin home is the single-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 home on a smaller scale while receiving the benefits of maintenance-free living. Units are often designed with a walk-out or lookout lower level if the topography warrants. We recommend lot widths ranging from 45 to 55 feet with main level living areas between 1,600 and 1,800 square feet.

The main level living area usually features a master bedroom, great room, dining room, kitchen, and laundry room while offering a “flex room” that could be another bedroom, office, media room, or exercise room. 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, 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 single-level villa product.

Pricing for a detached townhome/villa is traditionally more expensive than twin homes due to larger lot sizes. Villa-style homes may often be priced equal to single-family homes in some communities where buyers prefer the lifestyle of the villa rather than a single-family home, but do not want to reduce the in-unit amenities.

### Renville County Median Sale Price by Submarket



## RECOMMENDATIONS AND CONCLUSIONS

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- *Side-by-Side and Back-to-Back Townhomes* – This 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. 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; empty-nester and young senior households often have substantial equity from the sale of their single-family homes to dedicate toward the purchase of a new residence.

In general, side-by-side townhomes were slow to recover from the recession in terms of pricing. Many townhome developments throughout the Upper Midwest had a substantial portion of foreclosures and were, therefore, attractive for real estate investors who purchase the units and then rented them out. New construction townhomes could be considered as a viable owner-occupied product, but we recommend an initial focus on twin homes or one-level villas for the empty-nester and young senior market segment.

### ***General Occupancy Rental Housing***

Maxfield Research and Consulting calculated demand for over 240 general-occupancy rental units in Renville County through 2030 (160 market rate, 59 affordable, and 25 subsidized units). Over 40% of demand in the county was in the Olivia submarket (97 units). Deep-subsidy projects are no longer being built as available funding is very limited from the federal government. Rural Development 515 projects would typically have rental assistance to support very low-income households.

Our review of market conditions indicates that the general occupancy rental housing market is performing well in Renville County with vacancy rates below equilibrium. The equilibrium vacancy rate for rental housing is considered to be 5.0%, which allows for normal turnover and an adequate supply of alternatives for prospective renters.

The inventory of rental properties in the PMA was 3.2% vacant as of May 2020, including a 2.6% vacancy rate among the affordable/subsidized properties and a 4% vacancy rate in the market rate properties.

Many renter households seek newer rental housing with modern features and amenities (i.e. central air conditioning, garage parking, stainless steel kitchen appliances, solid-surface countertops, high ceilings, walk-in closets, in-unit laundry). Because of the older age of the rental housing stock in Renville County, modern features and amenities are not being offered at many properties, curbing demand from many potential renters. Additionally, there continues to be more lifestyle renters today, those with busy professional lives and people who prefer to spend their free time in leisure pursuits rather than on upkeep and maintenance of a home.

## RECOMMENDATIONS AND CONCLUSIONS

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The strongest sources of demand for new rental housing will likely be young singles or couples without children in their late-20s to early-30s who work in Renville County, or other nearby communities. Mid-age households (never-nesters or empty-nesters) could also account for a portion of demand for new rental housing. These households tend to have higher incomes and desire rental housing with modern features and higher finish levels. A rental townhome development could attract family households as well as empty-nesters, and shallow-subsidy rental housing will draw from a wide variety of population segments, including low-wage workers, single-parent households, and low-income family households.

The development of new general occupancy rental housing could benefit residents of Renville County by increasing the variety of housing in the community and providing housing opportunities for a market that currently has limited options available. Project recommendations are as followed:

- Market Rate Rental – We recommend a small middle- to upper-middle market rental project with 24 to 30 units that could attract a diverse resident profile; including young singles and couples across all ages. To appeal to a wide target market, we suggest a project with a mix of one- and two-bedroom units. One-bedroom units would target singles and couples while the larger two-bedrooms would target a larger renter profile from couples, families with children and empty-nesters downsizing from a single-family home. Within Renville County, we recommend pursuing new market rate rental housing in Olivia as the highest priority.

Monthly rents (in 2020 dollars) should average from \$650 for a one-bedroom unit to \$750 for a two-bedroom unit. Average market rate rents in Renville are approximately \$0.61 per square foot, however monthly rents in a new construction project should range from about \$1.05 to \$1.25 per square foot, depending on unit type, 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, 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 kitchen appliance package, central air-conditioning, garage parking, and outdoor recreation (fire pit, grilling area, etc.)



## RECOMMENDATIONS AND CONCLUSIONS

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- Market Rate General Occupancy Rental Townhomes– We believe that demand exists for rental townhome units for empty-nesters and families, including those families who are new to the community and want to rent until they find a home for purchase. In addition, townhomes are popular for younger professionals and couples.

As an alternative to an apartment-style building, we recommend a 14 to 16-unit project with rents of approximately \$1,000 for two-bedroom units to \$1,200 for three-bedroom units. Units should be larger than in an apartment development and feature contemporary amenities (i.e. in-unit washer/dryer, appliances, kitchen island, high ceilings, etc.), an attached two car garage, and the development should provide some open/green space.

Rental townhomes are the most feasible rental product to develop as they have a broad appeal to many demographic cohorts, and they can be developed in phases and delivered as demand warrants. Therefore, rental townhomes are the preferred product for most communities in Renville County.

- Affordable General Occupancy Multifamily Housing– We estimate that demand exists for a total of about 60 shallow-subsidy units in Renville County. Affordable housing attracts households that cannot afford market rate housing units but do not income-qualify for deep-subsidy housing. Affordable projects attract a broad group of tenants based on the unit type. One-bedroom units target singles and couples, whereas two and three-bedroom units target families. Some retired seniors would also be attracted to an affordable concept.

Although there is an older supply of apartment units in Renville County that indirectly serves as affordable housing, we recommend a shallow-subsidy concept that would target residents in greater need. Similar to market rate rental housing; the affordable townhome concept would be well-received; especially for families with children.

- Deep-Subsidy Rental Housing– Subsidized housing receives financial assistance (i.e. operating subsidies, rent payments, etc.) from governmental agencies in order to make the rent affordable to low-to-moderate income households.

Although we find demand for 25 deep-subsidy rental housing units through 2030, this housing is very difficult to develop financially. A new subsidized or public housing development would have pent-up demand and draw from outside of Renville County as well. But since this housing is challenging to develop, an alternative to a multifamily structure is to acquire single-site housing structures to meet a portion of this demand.

Through the Section 811 Supportive Housing for Persons with Disabilities program, HUD provides funding to develop and subsidize rental housing with support services available for very low- and extremely low-income adults with disabilities. A Section 811 deep-subsidy project in Renville County would meet a need by providing housing for this special needs population.

## RECOMMENDATIONS AND CONCLUSIONS

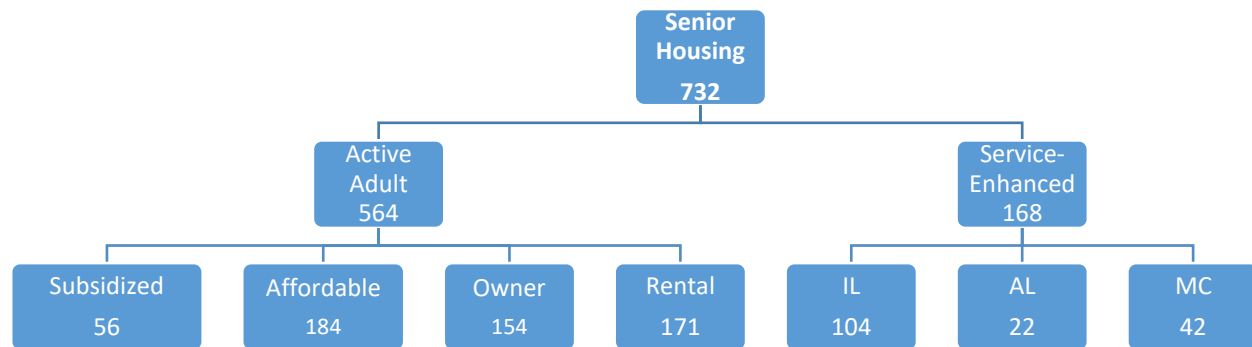
We believe the addition of the rental developments suggested above will provide greater housing choices and will continue to serve the needs of households that live and/or currently work in Renville County.

### Senior Housing

As illustrated in Table HD-9, demand exists for all service levels of senior housing in Renville County this decade making up 732 units of the housing units recommended. 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 Renville County: older adult and senior residents are able to relocate to new age-restricted housing in Renville 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



- Active Adult Senior Cooperative –Maxfield Research projected demand for about 154 active adult ownership units through 2030. Because demand is spread across three of the four 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 \$55,000. 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

## RECOMMENDATIONS AND CONCLUSIONS

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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 – Because of the limited number of active adult product in Renville County and strong senior demographics, demand was calculated for over 171 active adult rentals in Renville County through 2030. Demand was spread across all four submarkets, but new active adult product shows the highest need in the Olivia, Renville, and Buffalo Lake/Hector 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 – Renville County demand for affordable and subsidized senior housing for over 240 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 strong in all four submarkets with the Olivia Submarket having the strongest demand. 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 104 congregate units through 2030 in Renville County. Demand is strong across most submarkets; however, the Renville Submarket has 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).

## RECOMMENDATIONS AND CONCLUSIONS

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- Assisted Living and Memory Care Senior Housing – There is a total of nine existing assisted living projects with a total of 133 units and a total of 16 existing memory care units in the county. Because of this supply is absorbing demand, we project new demand for only 22 assisted living and 42 memory care units in Renville County through 2030. Table S-2 shows the supply of senior housing options outside Renville County in larger communities that may compete for Renville County residents due to proximity to health care services. Therefore, higher-acuity senior housing care is lower than other senior housing products in the short-term due to the existing supply in and near Renville County.

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 \$2,500 to \$3,750. 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.

## RECOMMENDATIONS AND CONCLUSIONS

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- Service-Enhanced Senior Housing or “Catered Living” –Due to economies of scale, it will be difficult to develop stand-alone facilities in the smaller Renville 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.

## RECOMMENDATIONS AND CONCLUSIONS

| Demographic and Housing Characteristics Summary          |               |       |             |       |                     |       |            |       |                 |        |
|--|---------------|-------|-------------|-------|---------------------|-------|------------|-------|-----------------|--------|
|  | Renville Sub. |       | Olivia Sub. |       | Buffalo Lake/Hector |       | South Sub. |       | Renville County |        |
| <b>Demographics</b>                                      |               |       |             |       |                     |       |            |       |                 |        |
| Population (2010 & 2025)                                 | 3,871         | 3,748 | 4,809       | 4,694 | 3,674               | 3,456 | 3,376      | 3,118 | 15,730          | 14,300 |
| Population Under 18 (2020 & 2025)                        | 927           | 817   | 927         | 817   | 839                 | 717   | 783        | 619   | 3,656           | 3,046  |
| Population 65+ (2020 & 2025)                             | 732           | 911   | 1,107       | 963   | 732                 | 894   | 703        | 847   | 3,045           | 3,830  |
| Median Age (2020 & 2025)                                 | 45            | 46    | 44          | 46    | 46                  | 48    | 48         | 49    | 45              | 46     |
| Households (2010 & 2025)                                 | 1,586         | 1,541 | 2,035       | 2,027 | 1,528               | 1,454 | 1,415      | 1,311 | 6,564           | 6,336  |
| Avg. HH Size (2010 & 2025)                               | 2.44          | 2.47  | 2.36        | 2.32  | 2.40                | 2.20  | 2.39       | 2.09  | 2.40            | 2.26   |
| Median Household Income (2020)                           | \$58,450      |       | \$58,878    |       | \$62,704            |       | \$52,048   |       | \$58,269        |        |
| Homeownership Rate (2020)                                | 83.2%         |       | 75.2%       |       | 82.1%               |       | 76.1%      |       | 78.9%           |        |
| <b>Housing Characteristics</b>                           |               |       |             |       |                     |       |            |       |                 |        |
| Median age of housing stock (2018)                       | 1953          |       | 1958        |       | 1958                |       | 1955       |       | 1955            |        |
| Housing stock built before 1950                          | 253           | 24%   | 639         | 33%   | 507                 | 36%   | 596        | 45%   | 1,995           | 35%    |
| Housing stock built between 1950 and 1990                | 651           | 62%   | 939         | 49%   | 729                 | 52%   | 619        | 47%   | 2,938           | 51%    |
| Housing stock built after 1990                           | 150           | 14%   | 355         | 18%   | 156                 | 11%   | 112        | 8%    | 773             | 14%    |
| <b>For-Sale Housing</b>                                  |               |       |             |       |                     |       |            |       |                 |        |
| Median resale price of existing homes (2019)             | \$76,000      |       | \$98,000    |       | \$87,000            |       | \$66,000   |       | \$87,000        |        |
| Median list price of actively marketing homes (May 2020) | \$101,000     |       | \$215,000   |       | \$88,250            |       | \$119,900  |       | \$314,353       |        |
| Owner-occupied one-unit structures (2018)                | 1,248         | 98.1% | 1,425       | 98.0% | 1,128               | 98.7% | 978        | 96.8% | 4,730           | 96.9%  |
| Median home value of owner-occupied units (2018)         | \$145,000     |       | \$159,500   |       | \$157,100           |       | \$120,433  |       | \$145,526       |        |
| <b>General Occupancy Rental Housing</b>                  |               |       |             |       |                     |       |            |       |                 |        |
| Renter-occupied one-unit structures (2018)               | 158           | 67.2% | 213         | 44.5% | 151                 | 60.7% | 155        | 62.3% | 187             | 59.0%  |
| Renter-occupied 10+ unit structures (2018)               | 98            | 32.8% | 266         | 55.5% | 98                  | 39.3% | 94         | 37.7% | 130             | 41.0%  |
| Median contract rent for renter-occupied units (2018)    | \$555         |       | \$545       |       | \$495               |       | \$478      |       | \$545           |        |
| Distribution of G.O. housing by type                     |               |       |             |       |                     |       |            |       |                 |        |
| Affordable/Subsidized                                    | 44            | 52.4% | 89          | 58.7% | 24                  | 300%  | 29         | 58%   | 186             | 48%    |
| Market Rate  | 40            | 47.6% | 126         | 41.3% | 12                  | 150%  | 21         | 42%   | 199             | 52%    |
| <b>Senior Housing</b>                                    |               |       |             |       |                     |       |            |       |                 |        |
| Distribution of senior housing by type                   |               |       |             |       |                     |       |            |       |                 |        |
| Affordable/Subsidized Active Adult                       | 18            | 32.7% | 0           | 0.0%  | 0                   | 0.0%  | 0          | 0.0%  | 18              | 11.5%  |
| Independent Living                                       | 0             | 0.0%  | 30          | 60.0% | 0                   | 0.0%  | 0          | 0.0%  | 30              | 19.1%  |
| Assisted Living  | 37            | 67.3% | 20          | 40.0% | 46                  | 92.0% | 0          | 0.0%  | 103             | 65.6%  |
| Memory Care  | 0             | 0.0%  | 0           | 0.0%  | 6                   | 12.0% | 0          | 0.0%  | 6               | 3.8%   |

**RECOMMENDATIONS AND CONCLUSIONS**

**TABLE CR-1  
HOUSING RECOMMENDATIONS BY SUBMARKET  
2020 to 2030**

| Housing Type/Program                             | Purchase Price/<br>Monthly Rent Range <sup>1</sup> | Renville Sub. |         | Olivia Sub. |         | Buffalo Lake/Hector |         | South Sub. |         |
|--|--|---------------|---------|-------------|---------|---------------------|---------|------------|---------|
|  |  | '20-'25       | '26-'30 | '20-'25     | '26-'30 | '20-'25             | '26-'30 | '20-'25    | '26-'30 |
| <b>For-Sale Housing (New Construction)</b>       |  |               |         |             |         |                     |         |            |         |
| Single-family - (New lots needed)                |  | x             | x       | x           | x       |                     | x       |            | x       |
| Single-family by Price                           |  |               |         |             |         |                     |         |            |         |
| Entry-Level                                      | >\$150,000   | x             | x       | x           | x       | x                   | x       |            | x       |
| Move-up  | \$150,000 - \$250,000                              | x             | x       | x           | x       | x                   | x       |            | x       |
| Executive  | \$300,000+   |               |         | x           | x       |                     |         |            |         |
| Twinhomes/Townhomes/Villas                       |  |               |         |             |         |                     |         |            |         |
| Entry-level                                      | >\$150,000   |               | x       | x           | x       |                     | x       | x          | x       |
| Move-up  | \$150,000+   |               |         | x           | x       |                     |         |            |         |
| <b>General Occupancy Rental Housing</b>          |  |               |         |             |         |                     |         |            |         |
| Market Rate Traditional Multi-story <sup>2</sup> | \$550/1BR - \$700/3BR                              |               |         | x           | x       |                     |         |            |         |
| Market Rate Townhomes <sup>2</sup>               | \$850/2BR - \$1,000/3BR                            | x             | x       | x           | x       | x                   | x       | x          | x       |
| Affordable/Subsidized                            | Per Income Guidelines                              |               |         | x           | x       |                     |         |            |         |
| <b>Senior Housing</b>                            |  |               |         |             |         |                     |         |            |         |
| <b>Market Rate</b>                               |  |               |         |             |         |                     |         |            |         |
| Active Adult - For-Sale Coop                     | \$55,000+ (plus monthly fee)                       |               | x       | x           | x       |                     | x       |            |         |
| Active Adult - Rental                            | \$775 - \$1,200                                    | x             | x       | x           | x       | x                   | x       |            | x       |
| Congregate/Independent                           | \$1,300 - \$2,250 (based on svcs.)                 | x             | x       |             | x       |                     | x       |            | x       |
| Assisted Living                                  | \$2,500/EFF - \$3,750/2BR                          |               |         |             |         |                     |         |            |         |
| Memory Care                                      | \$3,700 - \$5,000                                  |               |         |             | x       |                     |         |            |         |
| Alternative Concept:                             |  |               |         |             |         |                     |         |            |         |
| Catered Living                                   | \$1,500+   | x             | x       | x           | x       | x                   | x       | x          | x       |
| <b>Affordable Senior Housing</b>                 |  |               |         |             |         |                     |         |            |         |
| Active Adult                                     | Per Income Guidelines                              | x             | x       | x           | x       |                     | x       |            | x       |

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

<sup>1</sup> Blended average across Renville County. Pricing will vary from submarket to submarket across the county.

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

Source: Maxfield Research & Consulting, LLC

### Challenges and Opportunities

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

- **Affordable Housing/Naturally Occurring Affordable Housing.** Tables HA-1 and HA-2 identified Renville County Area Median Incomes (“AMI”) and the fair market rents by bedroom type. The average market rate rent average in Renville County is \$495/month and the established rents for affordable housing are higher than many market rate rental developments in Renville County. For example, at a 60% AMI the maximum gross rent for a one-bedroom unit is \$734 while a two-bedroom maximum rent is \$837 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

Furthermore, based on a median list price in Renville County of \$105,200, the income required to afford a home at this price would be about \$30,057 to \$35,067, 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. Therefore, with good credit and funds for a down payment purchasing a home is a more desirable and potentially cheaper than renting.

- **Aging Population.** As illustrated in Table D-4, there is significant growth in the Renville County Analysis Area senior population, especially among seniors ages 75 to 84 (+17.3% growth through 2025). In addition, Table D-12 shows market area homeownership rates among seniors 65+ is approximately 78%. 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. It is imperative to provide housing options for older adults so they may stay in their communities and Renville County.



## RECOMMENDATIONS AND CONCLUSIONS

- Builders.** There is a lack of builders in rural communities; interviews mentioned there are few builder options in Renville County. Hence, labor can be difficult and drives up the cost of housing. 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   |
| <b>Land</b>                     | Typically built on land owned by the builder/developer. Most production builders develop all of the homes within the subdivisions they plat and develop. | Built on land purchased by the home buyer or builder. Most custom builders do not develop the land/lots.  | Built on land purchased by the builder. Builder "speculates" they will build and sell a home prior to finding a buyer. |
| <b>Home Plans</b>               | 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.  |
| <b>Volume</b>                   | Varies based on builder. There are national and regional production builders.  | Typically less than 20 or 25 per year.  | Varies.  |
| <b>Pricing</b>                  | Generally build for a variety of price points from entry-level, move-up, and executive.  | Tend to cater to move-up or executive-level buyers.   | Varies. Most spec homes are entry-level or modest homes. However, spec homes can range across all price points.        |
| <b>Advantages</b>               | 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.                       |
| <b>Disadvantages</b>            | Few modifications or change orders, fewer options, lot selection based on availability of builder.   | Price per square foot is higher, more time to build, significantly more decision time needed from buyers. | Most of the decisions have already been made and buyer may have fewer options.   |

Source: Maxfield Research and Consulting, LLC

- 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 higher 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. At the beginning of the pandemic there were permitting delays from public agencies; however, at this time most public agencies have adopted, and city council and planning commission meetings have gone virtual.

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Economically, the unemployment rate in Renville County was 6.5% in June 2020. This is down from 7.3% in May 2020; but up considerably from 5.6% in March. The economy has improved after the stay at home mandate lifted and businesses have been able to reopen; however, there is a growing concern over the growing COVID-19 cases that could shut down the economy again. Should the unemployment rate rise again, this will undoubtedly affect the local rental and for-sale housing market.

Despite the pandemic, the local real estate market has above expectations and strong demand remains for housing. Supply remains at an all-time low and there are more buyers than sellers. The pandemic has changed buyer preferences; both internally and externally. Buyers have a greater desire for outdoor features, green space, more square footage, flexible spaces for home offices, and healthy living conditions. Buyers are also trading location for more home by locating further from their place of employment. There is also a preference toward new construction and the new home market has been strong in 2020 and builders have not kept the pace with demand.

On the rental side, social distancing has had an impact on amenity-rich luxury apartments which tenants are unable to utilize during this time. As such, demand for smaller units has been affected if tenants are expected to remain in their unit and not utilize social spaces. With telecommuting being the norm tenants are seeking a separation of work and live spaces as well as access to balcony's and patios to provide fresh air and extra space. There has been strong demand for townhome-style rentals or a building that has been designed with a separate entrance to eliminate the possible of interacting with others and catching the virus. These trends and preferences will likely continue until either a vaccine or therapy is developed.

- **Modular Housing/Alternative Construction Methods.** Modular housing, often referred to as prefab housing, is the construction of housing units in a controlled factory-like setting or on a manufacturers site or lumber yard. Modular housing is gaining steam from developers and investors to combat high construction costs, labor shortages, and speed-up the construction timeline. The biggest advantage modular housing provides is time and shaving months of holding costs off the consumers bottom line. Originally modular housing was mostly single-family oriented; however, developers are now constructing entire apartment buildings, hotels, senior living, man camps, and college dorms. Historically the biggest challenge of modular housing is transportation and shipping costs.

However, recently a new modular plant start-up has recently opened in Owatonna within an existing 150,000 square foot industrial space. Maxfield Research believes there is great opportunity in the modular construction sector that can be utilized in Renville County and southwestern Minnesota, providing a win-win scenario to the local modular builders and consumers through cost savings.

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Another option is to construct residential units with Structural Insulated Panels (SIPs). SIPs are a high-performance system for residential and light commercial construction. The panels consist of an insulating form core sandwiched between two structural facings, typically oriented over strand board (OSB). SIPs are manufactured under factory-controlled conditions and can be fabricated to fit nearly any building design. The result is a building system that is extremely strong, energy efficient and cost effective. Building with SIPs generally costs the same as building with wood frame construction when you factor in the labor savings resulting from shorter construction time and less jobsite waste. Other savings are realized because smaller heating and cooling systems are required with SIP Construction.

As an example, Southwest Minnesota Housing Partnership is developing single-family homes in southwestern Minnesota utilizing SIPs. Floor plans are 2,200 square feet with an attached double-car garage, and pricing ranges from \$196,499 with an income restriction to \$221,200 without an income restriction. Additionally, Southwest Minnesota Housing Partnership recently developed a 48-unit three-story Low-Income Housing Tax Credit apartment building using SIPs construction for approximately \$94 per square-foot.

- **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. As of 2019, less than 1% of all transactions were lender-mediated compared to 2% in the Twin Cities. 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 pandemic and the downturn in the economy, there is a strong probability lender-mediated property could increase should the economy suffer from a second wave of infections and lockdowns. As of July 2020, mortgage forbearance equaled about 7.8% nationwide and foreclosures have not increased as of yet. About one-half of all mortgages in forbearance have renegotiated with their lender on an extension of the mortgage term. This pace of forbearance remains exceptionally low compared to the Great Recession last decade. However, the full effect of the pandemic is still not known, and it may be 1-2 years before mortgages coming out of forbearance agreements need assistance. We recommend counseling services for Renville County homeowners that can help navigate mortgage assistance plans on behalf of homeowners.

- **Lot Supply and Residential Development Costs.** We identified a total of 73 vacant lots in 16 subdivisions in Renville County. As such, it appears that the supply of vacant platted lots in Renville County is not sufficient to meet demand through 2030, additional subdivision activity will be needed to support the projected demand for owner-occupied housing.

The value of building lots is often benchmarked against the value of the completed retail housing package (sales price). Target ratios for builders show that the cost of sales should be held to 70% of the purchase price; 50% for construction hard costs and 20% for the land (raw land, improvements, financing costs, etc.) However, these ratios vary considerably

## RECOMMENDATIONS AND CONCLUSIONS

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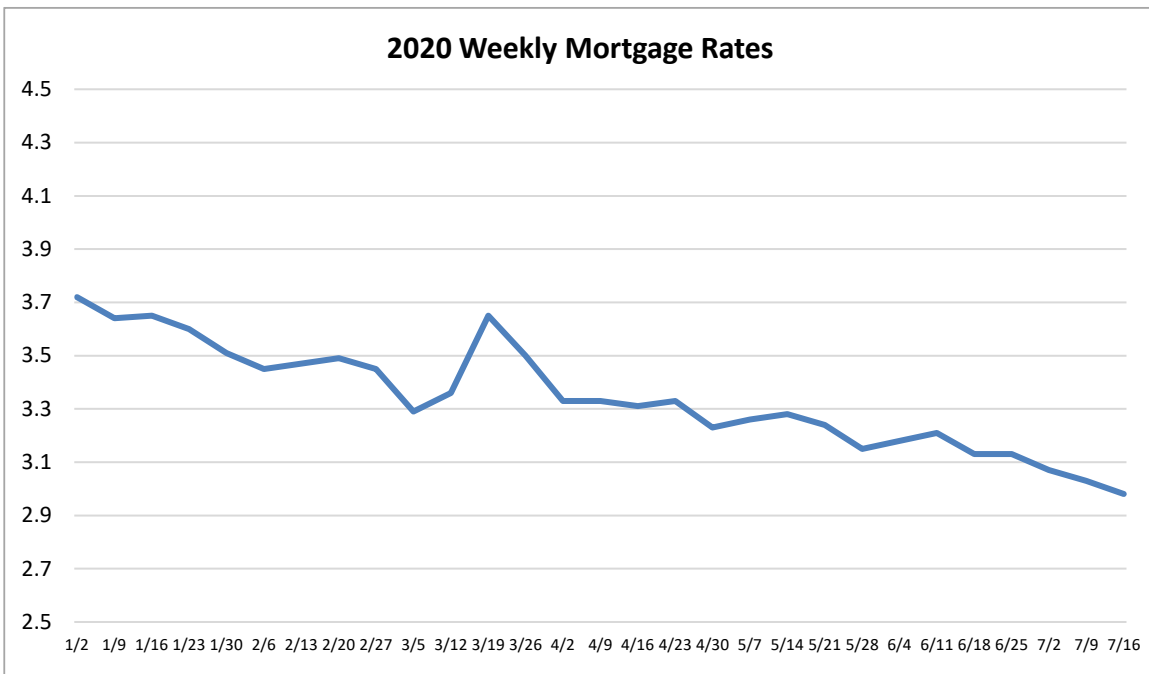
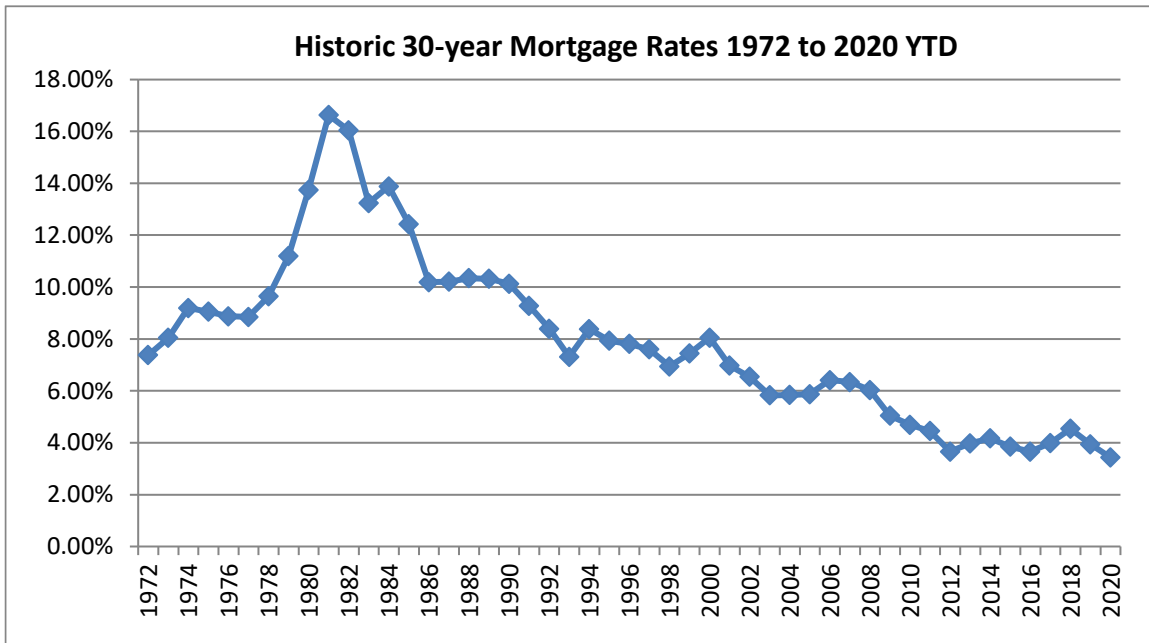
based on builder, product, topography, lot type, etc. An improved single-family lot should generally cost from 18% to 25% of the projected retail price of the home.

The retail price for a new construction home would likely exceed \$200,000. Approximately 86% of the homes sold in Renville County since 2017 have been priced below \$200,000 and 41% of the sales were priced less than \$100,000, suggesting that there is strong demand for modestly priced housing in Renville County. As such, a public-private partnership should be explored to help alleviate the carrying costs for developers, which could bring down lot costs and generate the production of new construction housing units.

Several communities offer various types of lot incentive programs to stimulate new construction. Most lot incentive programs are offered and administered by a local economic development or housing and redevelopment agency that funds the program. In many cases, the municipalities fund the infrastructure using general obligation improvement bonds. Programs vary considerably between communities, but most have guidelines such as minimum square footages and time limits on when houses are constructed.

- **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 decade coming out of the Great Recession. Although rates ticked-up in 2018 and early 2019, concerns about global growth pushed long-term interest rates. Due to the COVID-19 pandemic, rates plummeted and are at a new all-time low at the time low under 3% (30-year fixed). Most economists believe rates will remain low through 2020 as the Federal Reserve will keep benchmark rates low to help stimulate the economy. Because rates are at all-time lows; rates are likely to remain consistent as there is little movement to go from here.

The following charts 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%.



- Multifamily Development Costs.** It may be difficult to construct new multifamily product with amenities today’s renter’s desire given market rents and development costs. According to construction costs data from the Craftsman 2017 National Building Cost Manual, construction costs in Renville County (utilizing construction averages for Southwest Minnesota) likely average about \$117 per square foot (in 2017 dollars) to develop based on an exceptional quality project with ten or more units. Based on an average unit size range of 750 to 950 square feet, a project would cost approximately \$120,000 per unit to develop in 2019 (adjusted for inflation) all in.

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- **Housing Programs.** Many local governments offer housing programs designed to enhance, improve, or develop new housing stock. The topics in this section are designed to provide ideas and suggestions to help the public and private sector support housing programs and incentives to spur housing opportunities in Renville County. The examples presented below identify housing tools utilized in other communities; however, this is not an all-encompassing list as many governmental agencies offers different programs based on their individual needs.

We do note that housing resources and programs have costs and require a funding source. Due to the existing housing costs and the need for economies of scale; many housing developments in Renville County may not be financially feasible for housing developers. In most cases, numerous funds and financing mechanisms must be in place to support housing programs. Federal funds for housing development have been declining for decades and the remaining housing programs include the Community Development Block Grant (CDBG), the HOME Investment Partnerships Program, Housing Choice Vouchers, Low-Income Housing Tax Credits (LIHTC), and USDA rural housing programs. However, local units of government are increasingly dependent on other resources to support development such as housing trust funds and housing bonds. Many of these programs target low- to moderate income households and do not provide assistance for fix-up funds, rehab loans, infrastructure, etc.

### State/National Resources:

*Greater Minnesota Housing Fund* – The Greater Minnesota Housing Fund (“GMHF”) supports, preserves, and creates affordable housing in the 80 counties outside the core Twin Cities Metro Area. The GMHF provides numerous programs, financing mechanisms, technical support, and research to support production of affordable housing across Greater Minnesota.

*Minnesota Housing Finance Agency (“Minnesota Housing”)* – Minnesota Housing is a housing finance agency whose mission is to finance affordable housing for low- and moderate-income households across Minnesota. Minnesota Housing partners with for-profit, non-profit, and governmental sectors to help develop and preserve affordable housing. The organization provides numerous products and services for both the single-family and multi-family housing sectors. The organizations five strategic priorities are as follows: Preserve federally subsidized rental housing; Promote and support successful homeownership; Address specific and critical needs in rental housing markets; Prevent and end homelessness and prevent foreclosure and support community recover.

*Minnesota Department of Employment and Economic Development* – MN DEED offers community development funding through two programs for projects that assist communities stay vital and pursue economic development.

- The Small Cities Development Program offers state grant funds in three general categories.

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- Housing grants provide funds to rehabilitate local housing stock. Local governments lend the funds to projects benefiting low- and moderate-income persons and may be used for owner-occupied, rental, single-family or multifamily projects.
- Public facility grants are directed toward wastewater treatment projects
- Comprehensive grants can include housing and public facility activities.
- Workforce Housing Development Program targets communities in Greater Minnesota where housing shortages hinder the ability of businesses to attract workers. Program criteria are as follows:
  - Cities located outside of the metro area with a population exceeding 500 residents or communities with a combined population of 1,500 residents located within 15 miles of a city or an area served by a joint county-city economic development authority;
  - A vacancy rate of 5 percent or lower for at least the prior two years;
  - One or more businesses located in the project area (or within 25 miles of the area) that employ 20 full time equivalent employees;
  - A statement from participating businesses that a lack of housing makes it difficult to recruit and hire workers; and,
  - The development must serve employees of the businesses in the project area.

*United States Department of Agriculture (USDA) Rural Development* – Housing support is available through the “Housing and Community Assistance” program that is part of USDA Rural Development. The program is designed to improve housing options in rural communities and operates a variety of programs including: homeownership assistance, housing rehabilitation and preservation, rental assistance,

### Local/Regional Resources:

- The City of Renville offers lots at no cost however, the buyer must pay for the cost of street assessments. In addition, if the construction doesn’t begin within the one-year time frame the lot is returned to the city. All construction must meet all R-1 zoning and other city code standards.

Development costs of this scale will likely require rents per square foot significantly higher than the existing product in Renville County (average of \$0.61 per square foot). Based on these costs, it will be difficult to develop stand-alone multifamily housing structures by the private sector based on current market rents. As a result, a private-public partnership or other financing programs will likely be required to spur development and potentially reduce rent levels to bridge some of the gap between existing older product and new product (i.e. tax abatement, Tax Increment Financing).

There are some housing programs that Renville County could consider to aid and improve their housing stock. The following is a list of potential programs that could be explored.

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- Remodeling Advisor: Partner with local architects and/or builders to provide ideas and general cost estimates for property owners.
- Construction Management Services: Assist homeowners regarding local building codes, reviewing contractor bids, etc. Typically provided as a service by the building department.
- Historic Preservation: Encourage residents to preserve historic housing stock in neighborhoods with homes with character through restoring and preserving architectural and building characteristics. Typically funded with low interest rates on loans for preservation construction costs.
- Foreclosure Home Improvement Program: Low-interest loans to buyers of foreclosed homes to assist homeowners with needed home improvements while stabilizing owner-occupied properties. A portion of the loan could be forgivable if the occupant resides in home at least five years. Eligible participants should be based on income-guidelines (typically 80% AMI or lower).
- Rent to Own: Income-eligible families rent for a specified length of time with the end-goal of buying a home. The HRA saves a portion of the monthly rent that will be allocated for a down payment on a future house.
- Rental Collaboration: Host meetings on a regular basis (quarterly, bi-annually, or annually) with rental property owners, property management companies, Realtors, etc. to discuss key issues and topics related to the rental housing industry in Renville County.
- 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, etc.
- Home-Building Trades Partnerships: Partnership between local Technical Colleges or High Schools that offer building trades programs. Affordability is gained through reduced labor costs provided by the school. New housing production serves as the “classroom” for future trades people to gain experience in the construction industry. This program is contingent on proximity to these programs.
- 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.
- Senior Housing Regeneration Program: Partnership between multiple organizations that assists seniors transitioning to alternative housing options such as senior housing, condominiums, townhomes, etc.
- 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



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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.

- **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.
  
- **Marketing and Promotion.** We recommend that Renville County continue collecting and disseminating information on vacant residential lots as well as contact information for rental property owners and managers. This information supplements traditional residential listings being marketed by Realtors on the Multiple Listing Service and targets people seeking rental housing and available building lots in the County.
  
- **Rental Housing Stock.** According to the U.S. Census Bureau 3 out of 4 homes in rural communities are owner-occupied and, in most cases, the available rental units are occupied. Renville County lacks newer rental properties and has a shortage of available multifamily and single-family rentals. The lack of competition for landlords may result in lack of upkeep and deferred maintenance as renters in need will more than likely accept what is available. An increase in desirable rental units including single family rental would create competition and persuade landlords into necessary upgrades to properties in need.
  
- **Daycare.** Reliable, quality child-care in a community supports local business by giving parents child-care they can count on. That in turn allows them to be undistracted and productive. Without adequate child-care, local businesses are unable to recruit skilled workers and the workers they do have may be preoccupied with child care issues. Some employers are using financial incentives and considering child-care as a benefit to employees. In some cases, space has been remodeled to provide care for children of employees and from the community. Workers do not have to leave early to drive a great distance to pick up children when day-care arrangements fall through. The Minnesota Department of Human Services is an excellent resource in helping to make training more accessible and more affordable through Child Care Aware, Parent Aware and other rural human service organizations (i.e. First Children's Finance) provided on their website.
  
- **Telecommuting.** The Covid-19 pandemic has made clear how important it is for the state to support telecommuting capabilities. Becoming a Telecommuter Forward! Community would help expand the county's workforce and grow business development. In addition, the program allows communities to promote themselves as target destinations for Minnesotans interested in telecommuting. This will serve to grow the community and expand local investment. <https://mn.gov/deed/programs-services/broadband/telecommuter-forward/>

**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

## APPENDIX

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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 Renville County - 2019

|                  | Fair Market Rent |       |       |       |         |
|------------------|------------------|-------|-------|-------|---------|
|                  | EFF              | 1BR   | 2BR   | 3BR   | 4BR     |
| Fair Market Rent | \$572            | \$575 | \$714 | \$940 | \$1,008 |

**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 Renville County are shown in the figure below.

**Gross Rent  
Renville County – 2019**

|                | Maximum Gross Rent |         |         |         |         |
|----------------|--------------------|---------|---------|---------|---------|
|                | EFF                | 1BR     | 2BR     | 3BR     | 4BR     |
| 30% of median  | \$384              | \$439   | \$495   | \$549   | \$594   |
| 50% of median  | \$641              | \$495   | \$825   | \$916   | \$990   |
| 60% of median  | \$769              | \$879   | \$990   | \$1,099 | \$1,188 |
| 80% of median  | \$1,026            | \$1,172 | \$1,320 | \$1,466 | \$1,584 |
| 100% of median | \$1,282            | \$1,465 | \$1,650 | \$1,832 | \$1,980 |
| 120% of median | \$1,539            | \$1,758 | \$1,980 | \$2,199 | \$2,376 |

**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.