

Comprehensive Housing Needs Assessment For Washington County, Minnesota

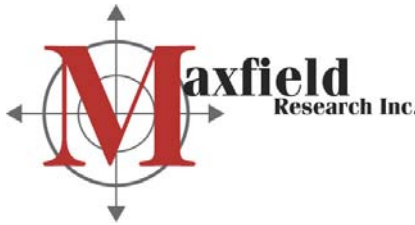
Prepared for:

Washington County Housing and Redevelopment
Authority (WCHRA)
Woodbury, Minnesota

September 2013



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September 20, 2013

Mr. Bill Lightner,
Project Manager
Washington County Housing and Redevelopment Authority
7645 Currell Boulevard
Woodbury, MN 55125

Dear Mr. Lightner:

Attached is the study *Comprehensive Housing Needs Assessment for Washington County, Minnesota* conducted by Maxfield Research Inc. The study projects housing demand for the ten submarkets in Washington County from 2013 through 2030. It also provides recommendations on the amount and types of housing that could be built to satisfy demand from current and future residents over the next decade and beyond.

The Comprehensive Housing Needs Assessment finds the rental market in Washington County is tight with a vacancy rate of 3.2% and the for-sale market is rebounding after years of falling prices between 2006 and 2012. As a result, the vacant lot supply is declining and new lots will be needed to accommodate future demand. The study also found that workers in Washington County do not have incomes to afford to live in Washington County.

The study identifies a potential demand for approximately 48,000 new housing units in Washington County through 2030. Demand will be spread across all product types; including 30,982 for-sale units, 7,908 general-occupancy rental units, and 9,269 senior units. Detailed information regarding housing demand by submarket and recommended housing types can be found in the *Conclusions and Recommendations* section at the end of the report.

We have enjoyed the opportunity to be able to assist you as you consider housing needs and specific initiatives for Washington County. If you need additional information, please contact us.

Sincerely,

MAXFIELD RESEARCH INC.

A handwritten signature in black ink that reads 'Matt Mullins'. The signature is written in a cursive, flowing style.

Matt Mullins
Vice President
Attachment

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KEY FINDINGS

This section highlights the key findings from the Comprehensive Housing Needs Assessment completed for the Washington County Housing and Redevelopment Authority. Calculations of projected housing demand are provided through 2030 and recommendations for housing products to meet demand over the short-term are found in the Conclusions and Recommendations section of the report.

Key Findings

1. Due to the housing bust and ensuing Great Recession, growth slowed in Washington County during the latter half of the 2000s and total population and household projections fell short of their original totals for most communities by approximately 3%. Since 2010, an overall recovery in the regional economy has resulted in renewed growth, in part from pent-up demand. Although growth has not fully recovered, indications are that the housing recovery is taking hold in Washington County and across the Twin Cities Metro Area.
2. Housing Demand
 - a. General occupancy demand is projected for an estimated 30,903 owned housing units and 7,908 rental units between 2013 and 2030.
 - b. Approximately 80% of the general occupancy demand is projected to be for owned housing and 20% for rental housing.

i. 2013-2020	=	18,930 (80% owned, 20% rental)
ii. 2020-2030	=	19,881 (80% owned, 20% rental)
 - c. Of the 7,908 rental units, approximately 54% will be for market rate units, 23% for affordable units, and 23% for subsidized units.

i. Market Rate	=	4,262 units (53.9%)
ii. Affordable	=	1,809 units (22.9%)
iii. Subsidized	=	1,837 units (23.2%)
 - d. There is also demand for 5,305 senior housing units by 2030.

i. Subsidized	=	311 units (5.9%)
ii. Affordable	=	664 units (12.5%)
iii. Active Adult	=	1,688 units (31.8%)
iv. Congregate	=	586 units (11.0%)
v. Assisted Living	=	1,734 units (32.7%)
vi. Memory Care	=	322 units (6.1%)

- e. Rental Housing demand from 2013 to 2030 by submarket:
 - i. Northeast = 68 units (0.7%)
 - ii. Stillwater = 567 units (5.9%)
 - iii. Southeast = 1,758 units (18.3%)
 - iv. Forest Lake = 1,640 units (17.1%)
 - v. Hugo = 369 units (3.8%)
 - vi. Mahtomedi = 69 units (0.7%)
 - vii. Oakdale = 945 units (9.9%)
 - viii. Lake Elmo = 218 units (2.3%)
 - ix. Woodbury = 2,891 units (30.1%)
 - x. Cottage Grove = 1,064 units (11.1%)
- f. For-Sale Housing demand from 2013 to 2030 by submarket:
 - i. Northeast = 716 units (2.3%)
 - ii. Stillwater = 1,164 units (3.8%)
 - iii. Southeast = 835 units (2.7%)
 - iv. Forest Lake = 4,073 units (13.1%)
 - v. Hugo = 3,601 units (11.6%)
 - vi. Mahtomedi = 517 units (1.7%)
 - vii. Oakdale = 1,821 units (5.9%)
 - viii. Lake Elmo = 3,950 units (12.7%)
 - ix. Woodbury = 8,550 units (27.6%)
 - x. Cottage Grove = 5,756 units (18.6%)
- 3. The submarkets are divided between East and West Washington County. The East consists of the Northeast, Stillwater, and Southeast submarkets while Forest Lake, Hugo, Mahtomedi, Oakdale, Lake Elmo, Woodbury, and Cottage Grove comprised the West. The East submarket consists of higher priced single-family homes (average resale in 2012 was \$259,500 compared to \$217,500 in the West) and fewer rental units (only 10% of all units in the County). Higher priced homes in the East submarket are mostly attributed to the proximity to the St. Croix River.
- 4. Development of and enhancement of public transportation systems in Washington County are in process. The Gateway and Red Rock Corridors have the potential to attract new households through new transit-oriented development. If one or both of these projects move forward, growth could exceed forecasts. Furthermore, additional transportation options will improve access to job opportunities for low- and moderate-income households.
- 5. Washington County is a jobs exporter as the ratio of employed residents to jobs is 0.58. Many residents commute from Washington County to jobs in Ramsey or Hennepin County for higher-paying jobs. Although the median income in Washington County is \$76,300 in 2013, the average wage is about \$39,800. As a result, many Washington County workers cannot afford market rate housing in Washington County unless they

are a two income household. For example, a household would need to earn \$45,600 to be able to afford the average two-bedroom monthly rent of \$1,140. The addition of more affordable housing would make it easier for workers to live closer to their place of employment. From an employer's perspective, it makes it easier – and thus less costly – to recruit and retain employees when affordable housing is available.

6. Washington County renter-occupied households tend to be more housing cost burdened than owner-occupied households. For instance, the County has the highest median contract rent at \$1,045 compared to \$868 in the entire Metro Area. Housing costs are generally considered affordable at 30% of a households' adjusted gross income. Based on a typical new entry-level home priced at \$225,000, it is affordable to approximately 71.4% of all owner-occupied households in Washington County. Conversely, based on a typical new one-bedroom rental unit priced at \$1,200 per month, it is affordable to approximately 43.5% of all renter-occupied households. Nearly 50% of all renter households pay more than 30% of their income on rent. In addition, over 80% of all renter households with incomes below \$35,000 are cost burden.
7. Washington County needs to increase the production of affordable housing. Since 1970, 62 units have been developed annually (there are currently 3,324 project-based affordable units). However, about 275 affordable/subsidized units are needed annually in order to meet the demand through 2030. Averaging the historic production (62 annual units) with the projected demand (272 units) results in a blended average of 167 affordable/subsidized annually. Maxfield Research recommends establishing a goal of at 300 units or more annually to meet the growing need over the next two decades. In order to achieve this need, both public and private sector developers will be necessary. Furthermore, collaborative public-private partnerships should be fostered to encourage housing production.
8. One challenge to the housing recovery is that demand is now outpacing supply in some housing categories, most notably single-family lots. The number of vacant developed lots is decreasing as few new developments have been platted since the downturn in the housing market. As the for-sale market has improved and housing starts have increased, builders are starting to seek out raw land for future subdivisions. However, because the land development process can be long, it can take one to two years to have new lots available for newly platted subdivisions.
9. The aging baby boomer generation is substantially impacting the composition of Washington County's population. This demographic is projected to have the highest growth and will be aging into their young senior years later this decade. This shift will result in demand for alternative housing products. At the same time household sizes are shrinking while non-family households are growing. This shift is expected to continue due to shifting demographics (i.e. delayed marriages, fewer children, aging of the population, etc.)

KEY FINDINGS

10. Rental vacancy rates have hit new lows in some communities and the tightening vacancies and increasing rents have resulted in low- and moderate-income households experiencing greater challenges to secure affordable housing.
11. Development of market rate rental housing has been inhibited in suburban locations as the recovery has ensued. Developers have continued to focus on inner-city and urban core locations where households have been willing to pay higher rents for new apartments. Although most of the rental development has been focused in Woodbury, low vacancy rates indicate that continued pent-up demand exists for additional market rate rental units. New market rate move-up apartments are needed among renter households, opening up more affordable units to low- and moderate-income households.
12. According to the Minneapolis Area Association of Realtors which monitors the majority of home sales in the Region, the median resale price in 2012 was \$200,000, up 12% from 2011. Washington County also posted the second highest median resale price since 2008, behind Carver County. The number of lender-mediated properties continues to wane as the housing market recovers. There is a pricing bifurcation between existing housing and new construction; Washington County new construction has a median price of \$380,000 (\$137 per square foot).

Study Impetus

Maxfield Research Inc. was engaged by the Washington County Housing and Redevelopment Authority (Washington County HRA) to conduct Comprehensive Housing Needs Assessment for Washington County. This comprehensive housing needs assessment is an update of previous assessments completed by Maxfield Research in 2001 and 2007 for Washington County.

The comprehensive housing needs assessment calculates demand from 2013 to 2030 for various types of housing in each defined “Market Area” in the County. The study provides recommendations on the amount and types of housing that should be developed to accommodate the housing needs of new and existing households. Finally, the study identifies the relationship between the housing market and economic development activities.

Scope of Work

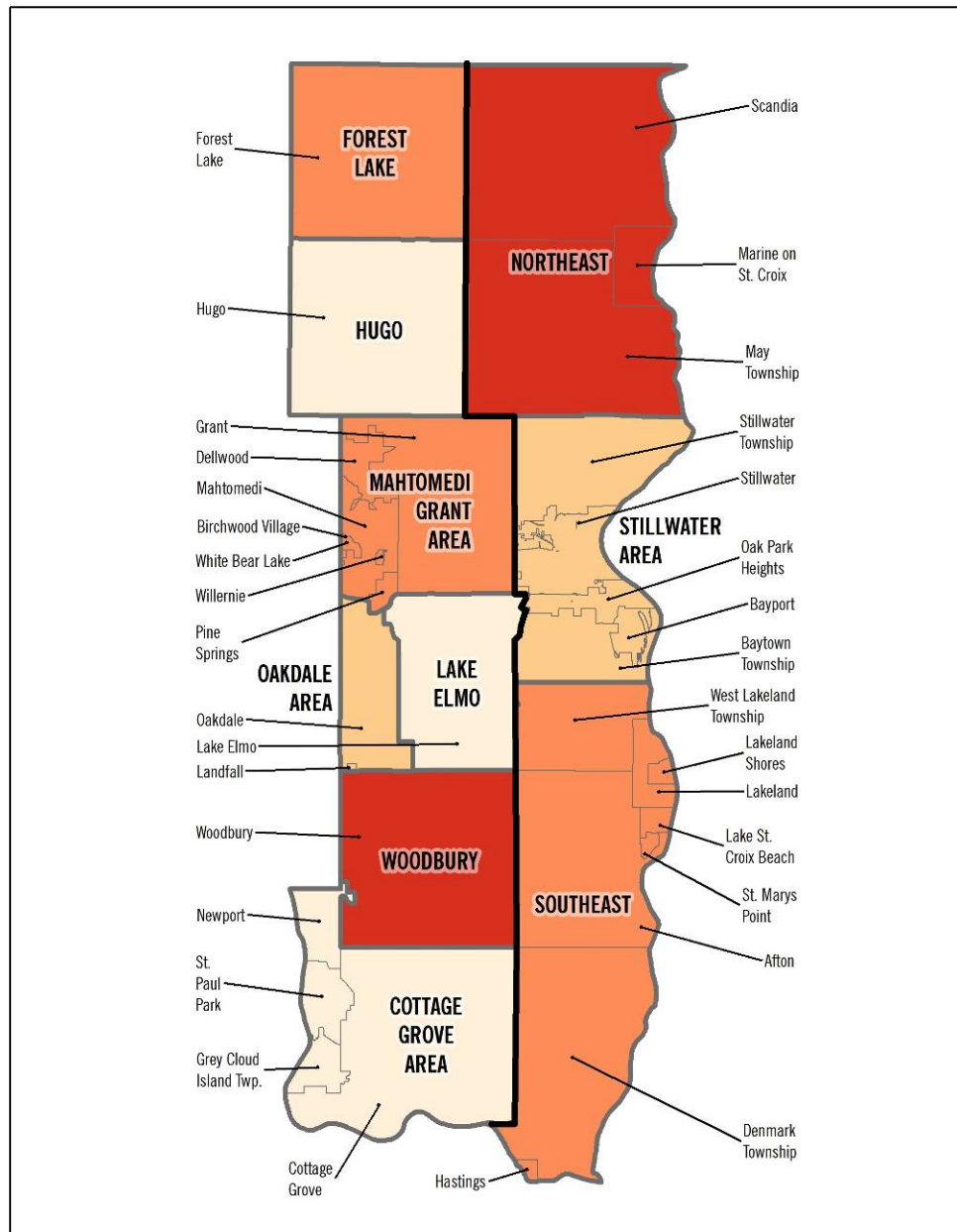
The scope of this study includes:

- an analysis of the demographic growth trends and characteristics of the County to 2030;
- an assessment of current housing characteristics in the County;
- an analysis of the for-sale housing market in the County;
- an analysis of the rental housing market in the County;
- an analysis of the senior housing market in the County;
- an analysis of the special needs housing market in the County;
- an estimate of the demand for all types of housing in the County from 2013 to 2030; and
- recommendations of appropriate housing concepts to meet current and future needs of County residents.

The report contains primary and secondary research. Primary research includes interviews with rental property managers and owners, developers, City staff and others involved in the housing market in Washington County. All of the market data on existing and pending housing developments was collected by Maxfield Research Inc. and is accurate to the best of our knowledge. Secondary data, such as U.S. Census, is credited to the source, and is used as a basis for analysis.

Data was collected and analyzed for ten defined “Market Areas” in the County. A map on the following page shows these Market Areas.

Washington County Submarket Map



Introduction

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

Population and Household Growth from 1980 to 2010

Table D-1 presents the population and household growth of each submarket in Washington County in 1980, 1990, 2000, and 2010. The data is from the U.S. Census. A breakdown of historic population and household growth trends for all cities and townships in each submarket in Washington County is provided at the end of the Demographic Analysis section.

Population

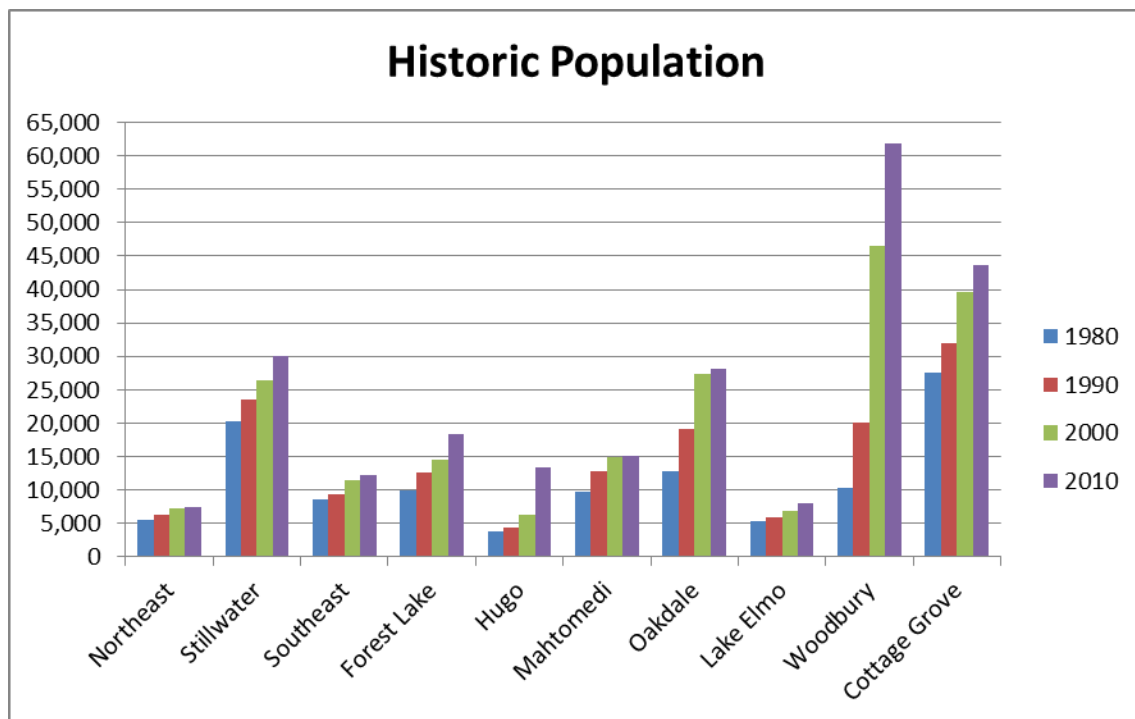
- The strongest growth occurred between 1990 and 2000. Washington County's population grew by 55,234 people (+37.9%). This strong growth was fueled by growth into the outer fringe of the Twin Cities Metro Area as there was little available land to accommodate new housing closer to the Twin Cities core.
- The majority of the growth in Washington County can be attributed to the growth in the City of Woodbury. Approximately 48% of all population growth in the County occurred in the City of Woodbury between 1990 and 2000. When considering the entire West submarket, it accounted for 87% of all growth.
- Washington County's population base grew from 201,130 people to 238,138 people between the years of 2000 and 2010 (37,008 people, +18.4%). The majority of the growth occurred during the first half of the decade. Growth slowed during the late 2000s due to the housing downturn.

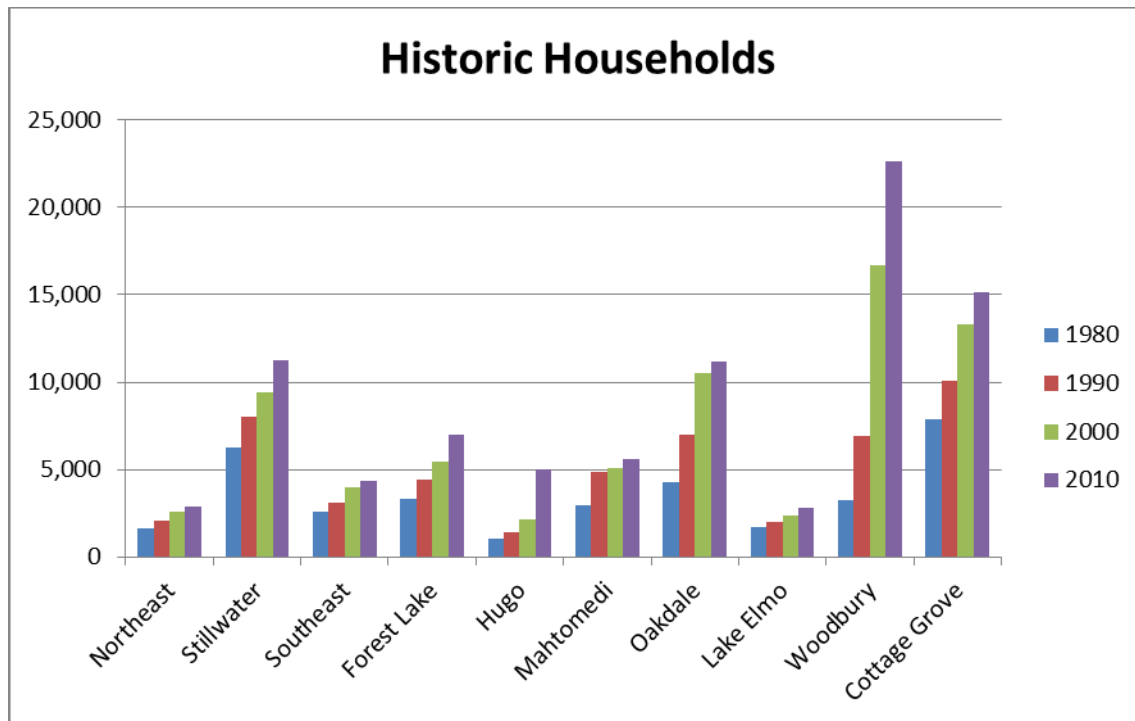
DEMOGRAPHIC ANALYSIS

TABLE D-1 HISTORIC POPULATION AND HOUSEHOLD GROWTH TRENDS WASHINGTON COUNTY 1980-2010										
	U.S. Census				Change					
	1980	1990	2000	2010	1980-1990		1990-2000		2000-2010	
					No.	Pct.	No.	Pct.	No.	Pct.
POPULATION										
Northeast	5,477	6,334	7,222	7,401	857	15.6%	888	14.0%	179	2.5%
Stillwater	20,263	23,573	26,348	30,124	3,310	16.3%	2,775	11.8%	3,776	14.3%
Southeast	8,531	9,266	11,493	12,195	735	8.6%	2,227	24.0%	702	6.1%
East Total	34,271	39,173	45,063	49,720	4,902	14.3%	5,890	15.0%	4,657	10.3%
Forest Lake	9,927	12,523	14,440	18,375	2,596	26.2%	1,917	15.3%	3,935	27.3%
Hugo	3,771	4,417	6,363	13,332	646	17.1%	1,946	44.1%	6,969	109.5%
Mahtomedi	9,675	12,712	14,911	15,023	3,037	31.4%	2,199	17.3%	112	0.8%
Oakdale	12,802	19,059	27,353	28,064	6,257	48.9%	8,294	43.5%	711	2.6%
Lake Elmo	5,296	5,903	6,863	8,069	607	11.5%	960	16.3%	1,206	17.6%
Woodbury	10,297	20,075	46,463	61,961	9,778	95.0%	26,388	131.4%	15,498	33.4%
Cottage Grove	27,532	32,034	39,674	43,592	4,502	16.4%	7,640	23.8%	3,918	9.9%
West Total	79,300	106,723	156,067	188,416	27,423	34.6%	49,344	46.2%	32,349	20.7%
Washington County Total	113,571	145,896	201,130	238,136	32,325	28.5%	55,234	37.9%	37,006	18.4%
HOUSEHOLDS										
Northeast	1,663	2,114	2,555	2,883	451	27.1%	441	20.9%	328	12.8%
Stillwater	6,295	7,988	9,413	11,270	1,693	26.9%	1,425	17.8%	1,857	19.7%
Southeast	2,579	3,070	3,981	4,384	491	19.0%	911	29.7%	403	10.1%
East Total	10,537	13,172	15,949	18,537	2,635	25.0%	2,777	21.1%	2,588	16.2%
Forest Lake	3,311	4,424	5,433	7,014	1,113	33.6%	1,009	22.8%	1,581	29.1%
Hugo	1,082	1,416	2,125	4,990	334	30.9%	709	50.1%	2,865	134.8%
Mahtomedi	2,935	4,842	5,101	5,574	1,907	65.0%	259	5.3%	473	9.3%
Oakdale	4,314	6,999	10,535	11,213	2,685	62.2%	3,536	50.5%	678	6.4%
Lake Elmo	1,687	1,973	2,347	2,776	286	17.0%	374	19.0%	429	18.3%
Woodbury	3,232	6,927	16,676	22,594	3,695	114.3%	9,749	140.7%	5,918	35.5%
Cottage Grove	7,903	10,093	13,296	15,157	2,190	27.7%	3,203	31.7%	1,861	14.0%
West Total	24,464	36,674	55,513	69,318	12,210	49.9%	18,839	51.4%	13,805	24.9%
Washington County Total	35,001	49,846	71,462	87,855	14,845	42.4%	21,616	43.4%	16,393	22.9%
Sources: U.S. Census Bureau; Maxfield Research Inc.										

Households

- Household growth trends are typically a more accurate indicator of housing needs than population growth since a household is, by definition, an occupied housing unit. However, additional demand can result from changing demographics of the population base, which results in demand for different housing products.
- Washington County added 16,393 households during the 2000s (+22.9%), increasing its household base to 87,855 households as of 2010. Households in the Metro Area increased 9.4% over the same time period.
- Approximately 84% of the growth between 2000 and 2010 occurred in the West submarket.
- Household growth rates outpaced population growth in Washington County. Washington County's population increased 18.4% compared to a 22.9% increase in households between 2000 and 2010. This is the result of fewer persons in each household, caused by demographic and social trends such as couples delaying marriage, an increasing senior base, and couples' decisions to have fewer children or no children at all.





Population and Household Estimates and Projections

Table D-2 presents population and household growth trends and projections for Washington County through 2030. Estimates for 2013 and projections through 2030 are based on information from ESRI (a national demographics service provider), the Metropolitan Council (2030 forecasts published in January 2013), and adjusted by Maxfield Research Inc. based on local trends.

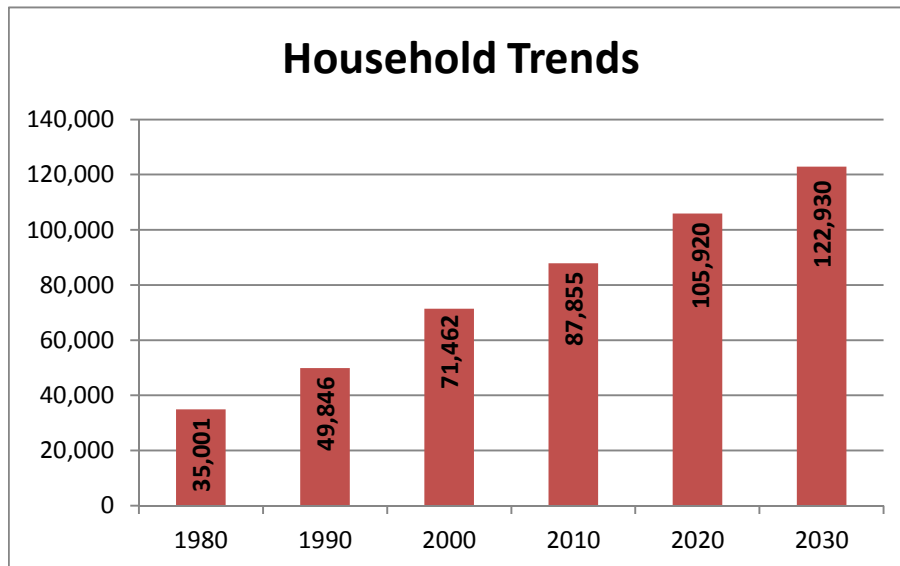
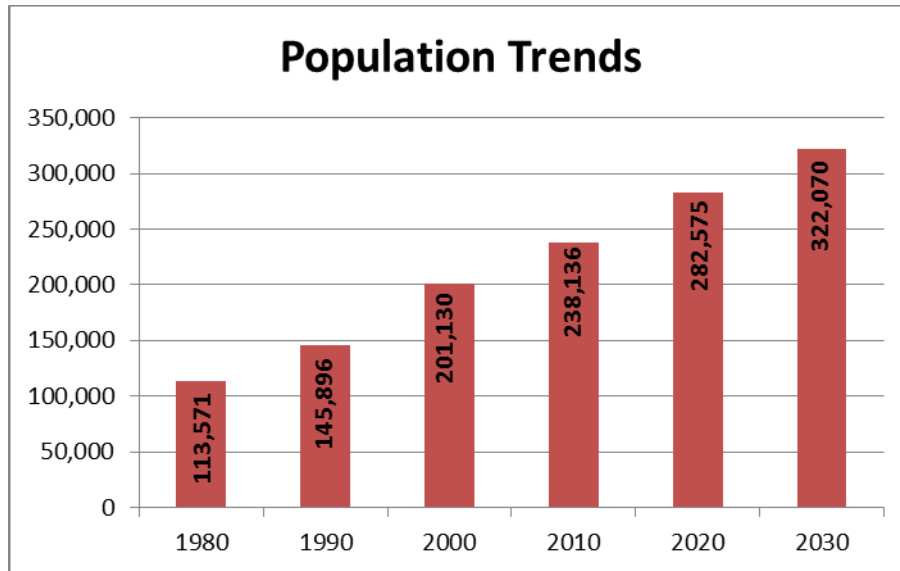
- Washington County will continue to experience strong growth during the next decade, but at a slightly faster rate than during the past decade. We project that Washington County will grow by 44,439 persons (+18.7%) and by about 18,060 households (20.6%) between 2010 and 2020. In addition, Washington County is projected to grow by about 39,500 persons (14.0%) and 17,000 households (16.1%) between 2020 and 2030.
- Since households are occupied housing units, a growth of approximately 18,000 households in Washington County this decade would require an equal number of available units to accommodate the new household growth.
- There are two large transit projects in Washington County that could impact growth and development in Washington County. The first project is the Gateway Corridor that extends from Woodbury to Downtown St. Paul along Hudson Road. In early 2013, The Gateway Corridor Commission completed an Alternatives Analysis Study that resulted in the selection of either light rail transit or bus rapid transit from the Union Depot in Downtown St. Paul to

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Woodbury along Hudson Road. The Commission is now preparing a Draft Environmental Impact Statement (DEIS) to select the Locally Preferred Alternative from the two options. Depending upon federal and local funding, a new transitway in the Gateway Corridor could be operational by 2022. The second project is the Red Rock Corridor that extends from Hastings to Downtown St. Paul. The Red Rock Corridor Commission is in the process of updating the Alternatives Analysis study completed in 2007. If one or both of these transit projects moves forward, growth could exceed the population and household projections.

- In the short-term, Metro Transit is in the process of acquiring property for a new park and ride at I-94 and Manning Avenue. Ridership in the east metro has grown and the new 550-space park and ride would help alleviate congestion at the existing facilities.

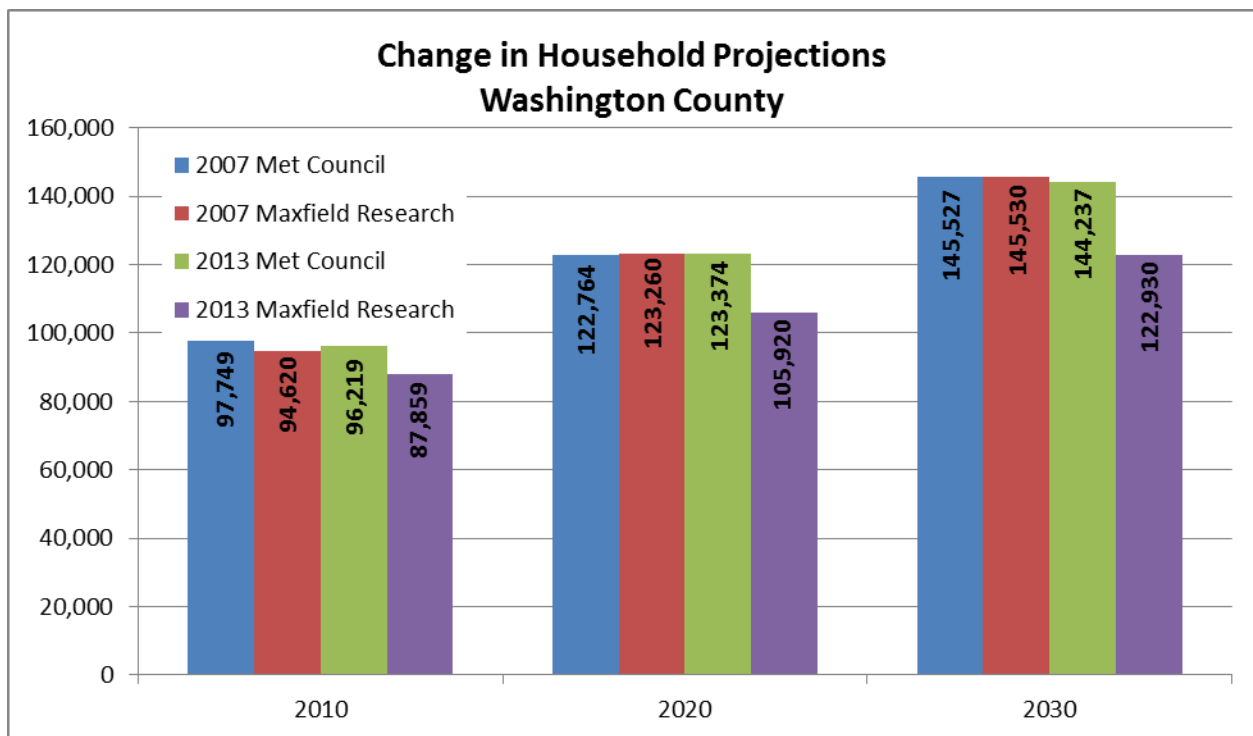
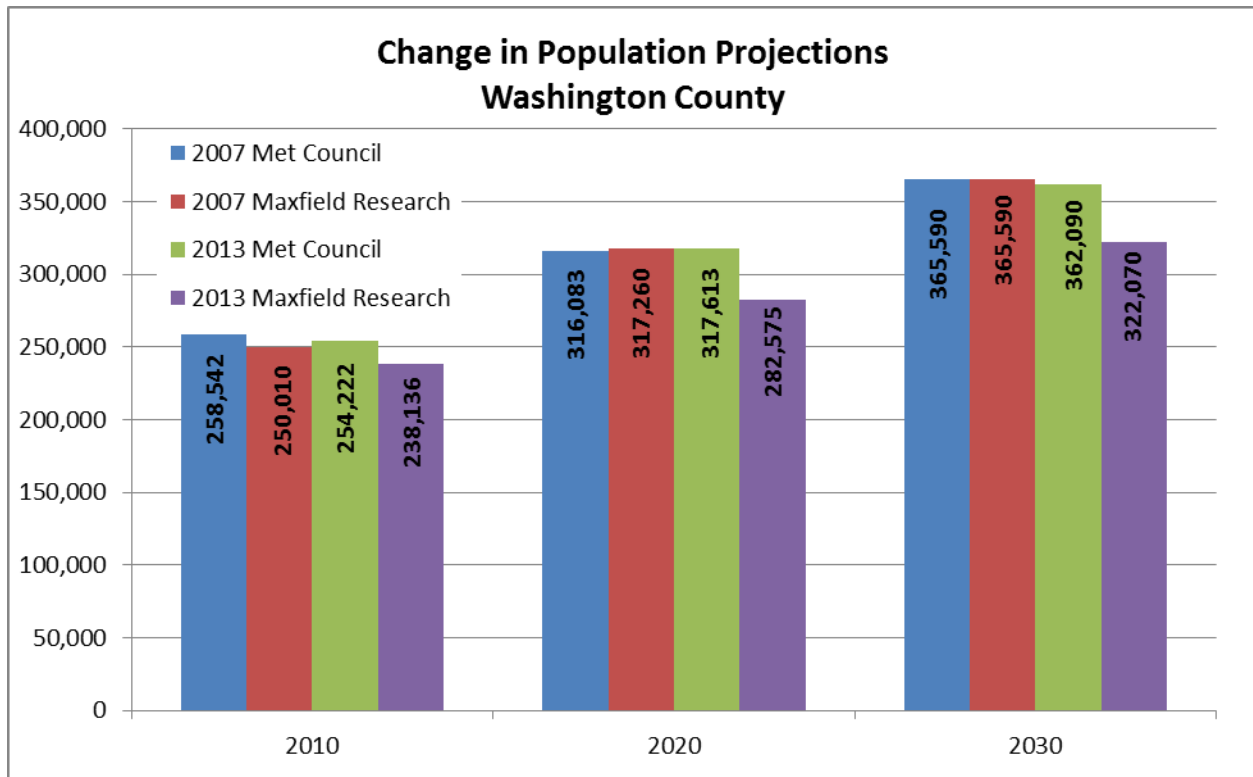
TABLE D-2 POPULATION AND HOUSEHOLD GROWTH TRENDS AND PROJECTIONS WASHINGTON COUNTY 1980-2010								
	Census 2010	Estimate 2013	Forecast		Change			
			2020	2030	2010-2020		2020-2030	
					No.	Pct.	No.	Pct.
POPULATION								
Northeast	7,401	7,469	7,950	8,720	549	7.4%	770	9.7%
Stillwater	30,124	30,589	32,725	32,900	2,601	8.6%	175	0.5%
Southeast	12,195	12,230	13,050	14,000	855	7.0%	950	7.3%
East Total	49,720	50,288	53,725	55,620	4,005	8.1%	1,895	3.5%
Forest Lake	18,375	18,699	24,250	30,700	5,875	32.0%	6,450	26.6%
Hugo	13,332	13,638	16,500	22,750	3,168	23.8%	6,250	37.9%
Mahtomedi	15,023	15,040	15,900	16,000	877	5.8%	100	0.6%
Oakdale	28,064	28,426	30,550	32,250	2,486	8.9%	1,700	5.6%
Lake Elmo	8,069	8,060	14,500	19,000	6,431	79.7%	4,500	31.0%
Woodbury	61,961	63,734	75,900	86,750	13,939	22.5%	10,850	14.3%
Cottage Grove	43,592	44,009	51,250	59,000	7,658	17.6%	7,750	15.1%
West Total	188,416	191,606	228,850	266,450	40,434	21.5%	37,600	16.4%
Washington County Total	238,136	241,894	282,575	322,070	44,439	18.7%	39,495	14.0%
HOUSEHOLDS								
Northeast	2,883	2,909	3,195	3,650	312	10.8%	455	14.2%
Stillwater	11,270	11,533	12,550	12,850	1,280	11.4%	300	2.4%
Southeast	4,384	4,396	4,815	5,235	431	9.8%	420	8.7%
East Total	18,537	18,837	20,560	21,735	2,023	10.9%	1,175	5.7%
Forest Lake	7,014	7,179	9,400	12,285	2,386	34.0%	2,885	30.7%
Hugo	4,990	5,119	6,310	8,850	1,320	26.5%	2,540	40.3%
Mahtomedi	5,574	5,657	6,000	6,150	426	7.6%	150	2.5%
Oakdale	11,213	11,369	12,350	13,450	1,137	10.1%	1,100	8.9%
Lake Elmo	2,776	2,667	5,100	6,785	2,324	83.7%	1,685	33.0%
Woodbury	22,594	23,325	28,100	32,450	5,506	24.4%	4,350	15.5%
Cottage Grove	15,157	15,303	18,100	21,225	2,943	19.4%	3,125	17.3%
West Total	69,318	70,617	85,360	101,195	16,042	23.1%	15,835	18.6%
Washington County Total	87,855	89,454	105,920	122,930	18,065	20.6%	17,010	16.1%
Sources: U.S. Census Bureau; Metropolitan Council; Maxfield Research Inc.								



Maxfield Research Inc. completed the previous Washington County Comprehensive Housing Plan in September 2007. Since the study was completed, the Metropolitan Council has made several revisions to their projections to better reflect the current growth patterns. The Metropolitan Council reduced the 2030 Washington County projections by 3,500 people and 1,290 households between the 2007 and 2013 forecasts. However, the January 1, 2013 Metropolitan Council forecasts were not adjusted to account for the release of the 2010 Census (which was about the 16,000 people less than the 2010 Metropolitan Council projections).

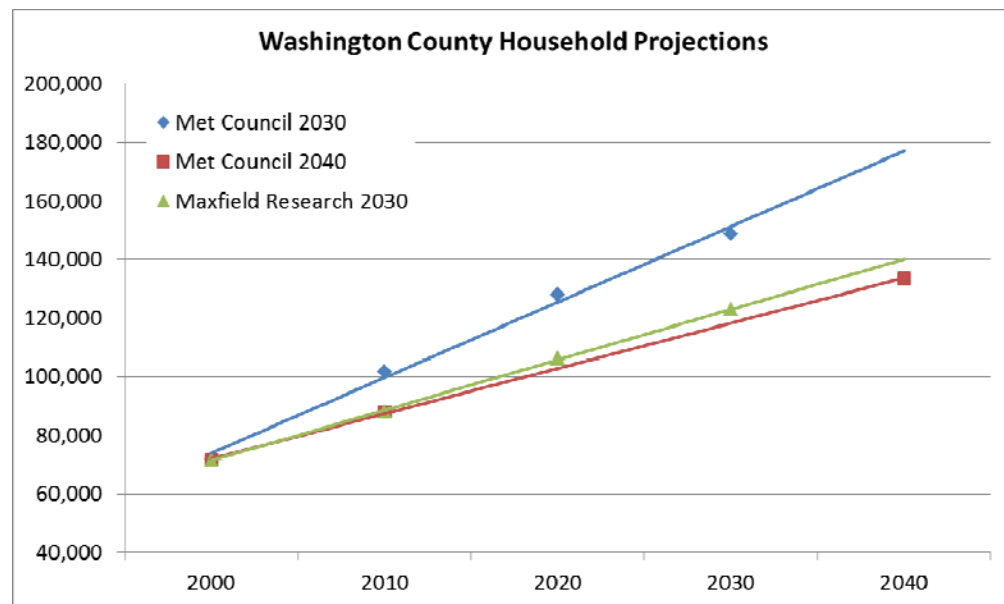
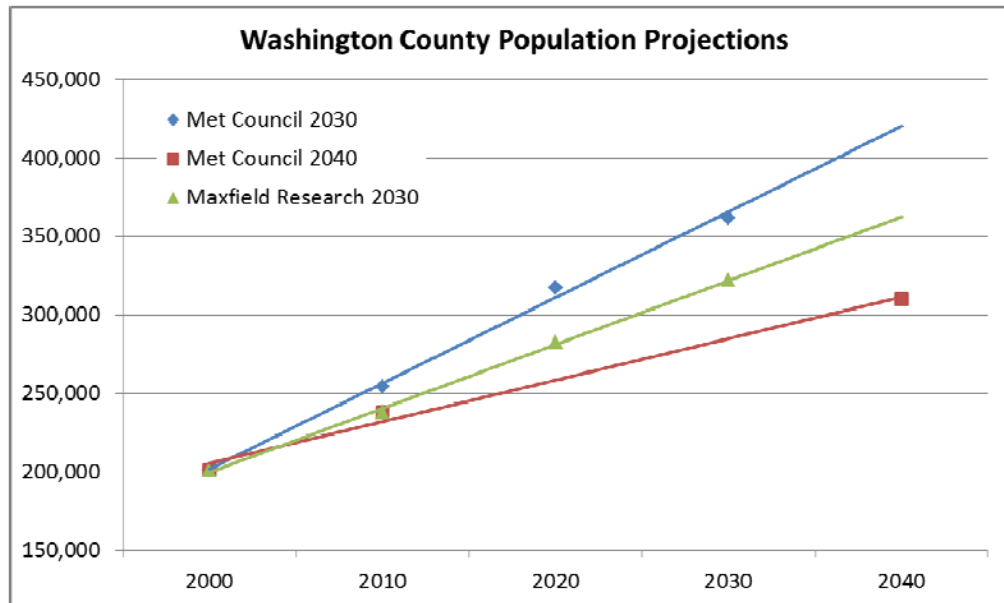
As a result, Maxfield Research Inc. adjusted the projections downward to account for the 2010 Census base, the housing and economic recession in 2008/09, local building permits, and projections from ESRI. The following page displays the change in population and household

projections from the 2007 and 2013 Metropolitan Council forecasts as well as Maxfield Research's projections.

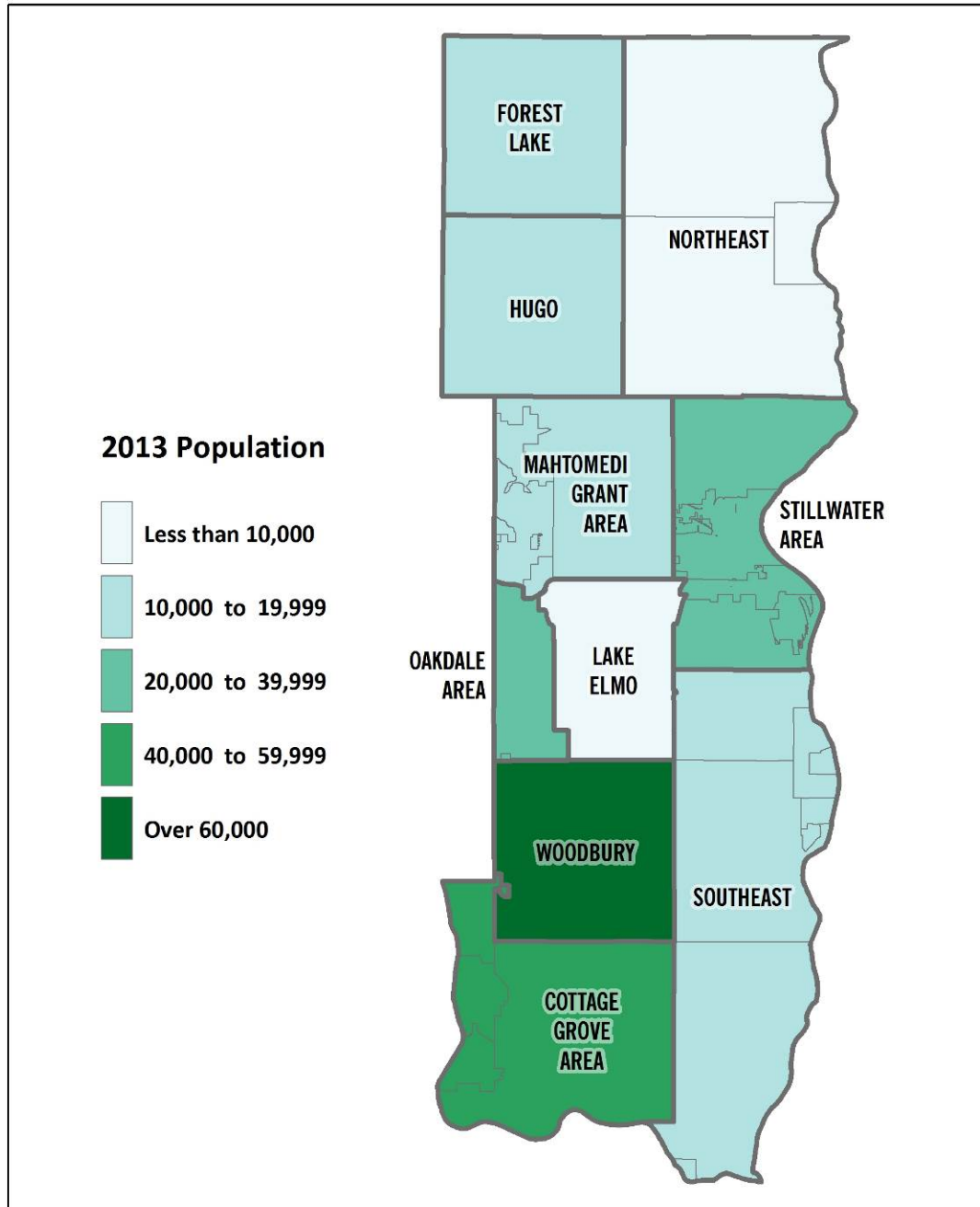


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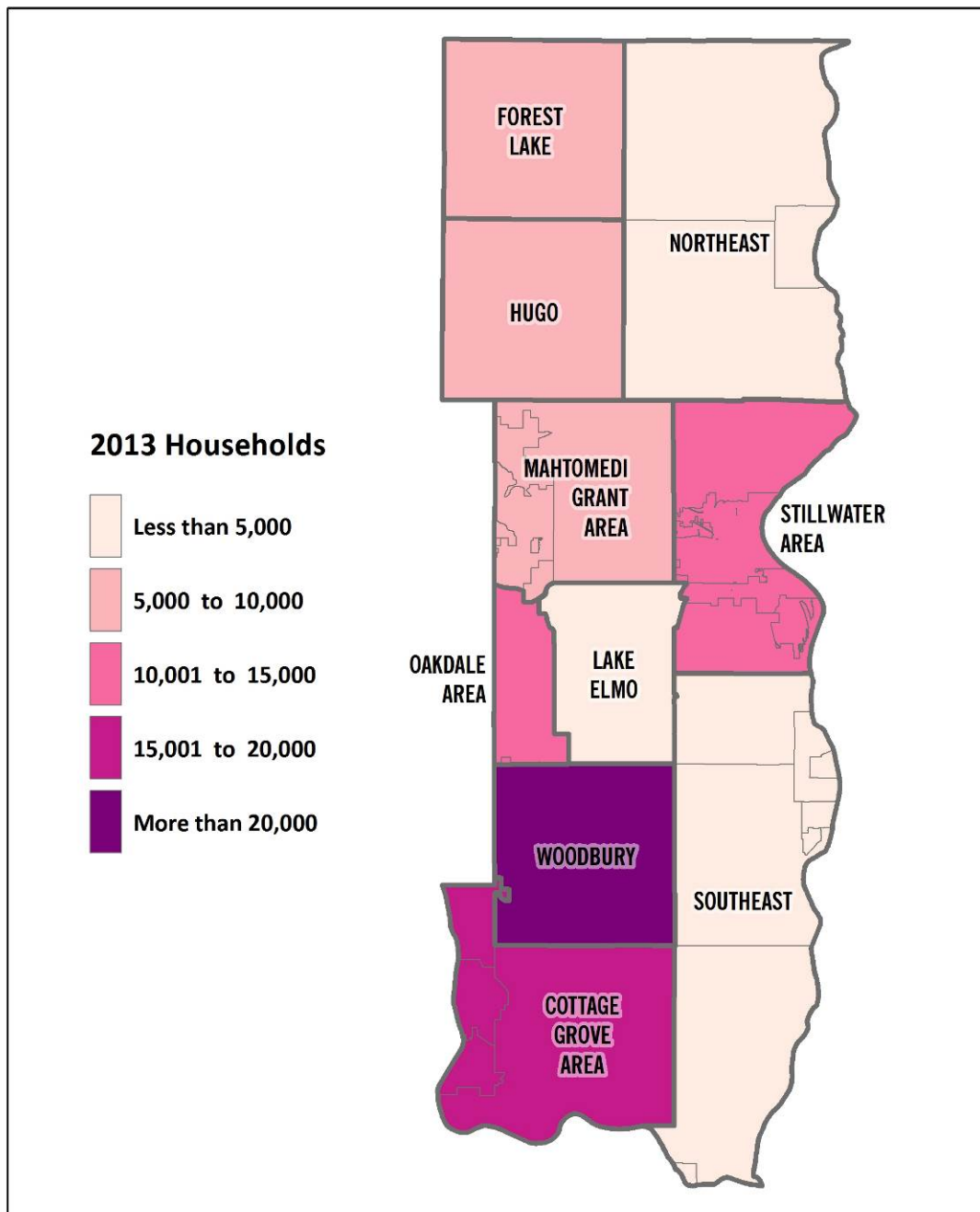
Finally, the Metropolitan Council released preliminary local forecasts for 2040 on September 11, 2013; however, these forecasts have not been adopted. Maxfield Research compared the forecasts from Metropolitan Council 2030 and 2040, as well as Maxfield Research's projections. As shown in the charts below, the revisions up to 2040 have been reduced dramatically. Maxfield Research used a linear equation to estimate the 2030 population based on the 2040 projection to be 285,195. This compares to an estimated 362,090 people from the 2030 Metropolitan Council projections. Maxfield Research's 2030 population projection is in the middle at 322,070 people.



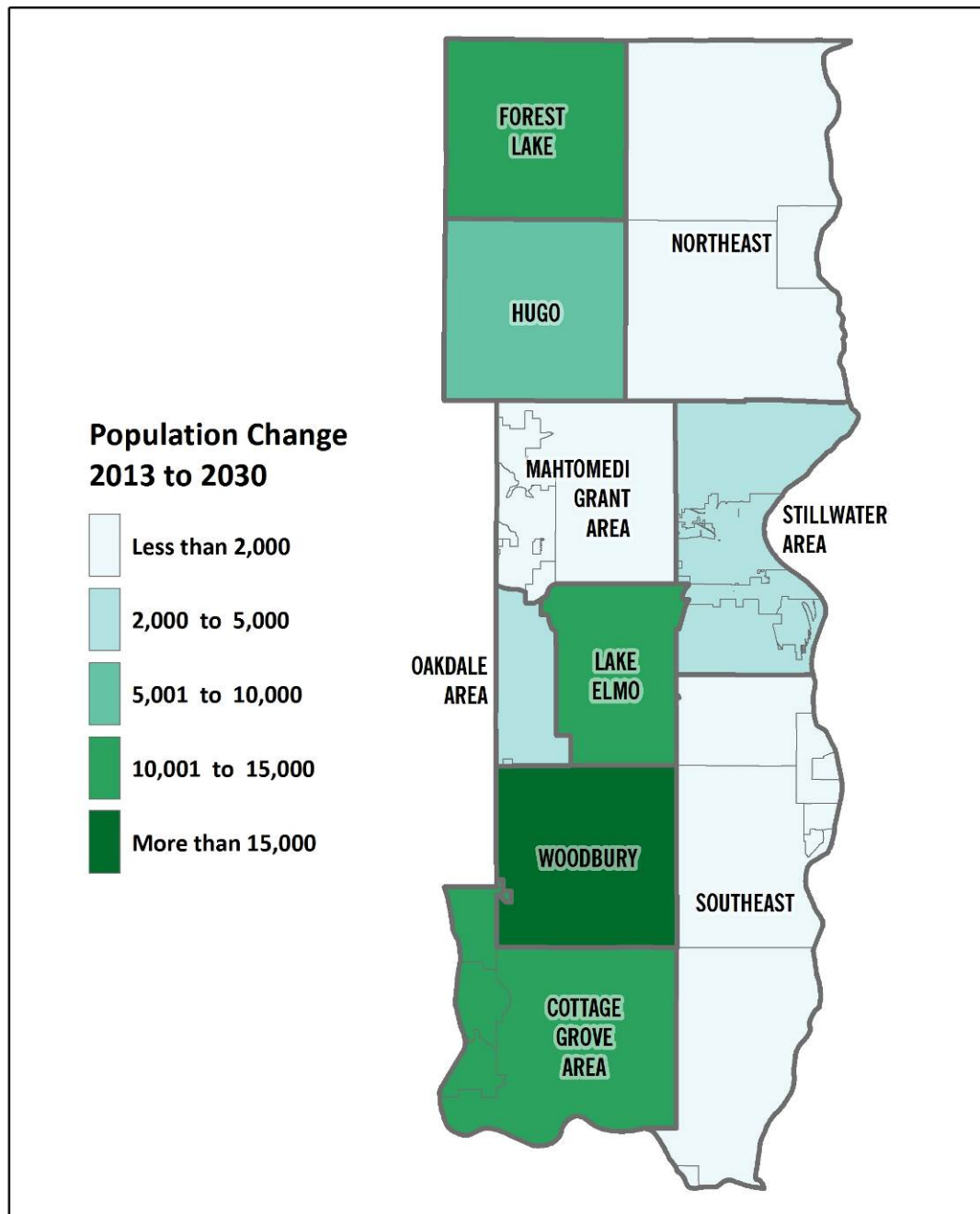
2013 Population



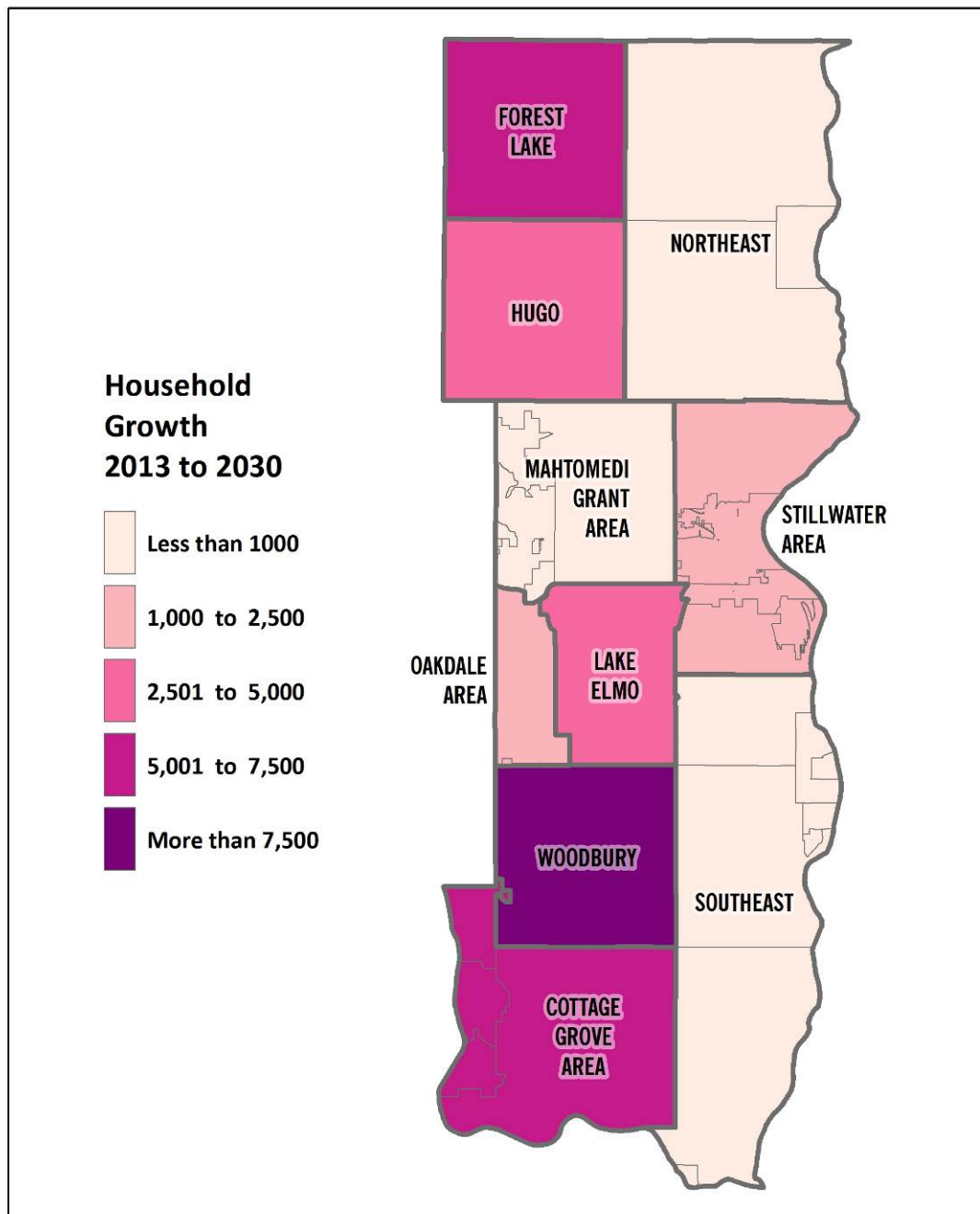
2013 Households



Population Change 2013 to 2030



Household Change 2013 to 2030



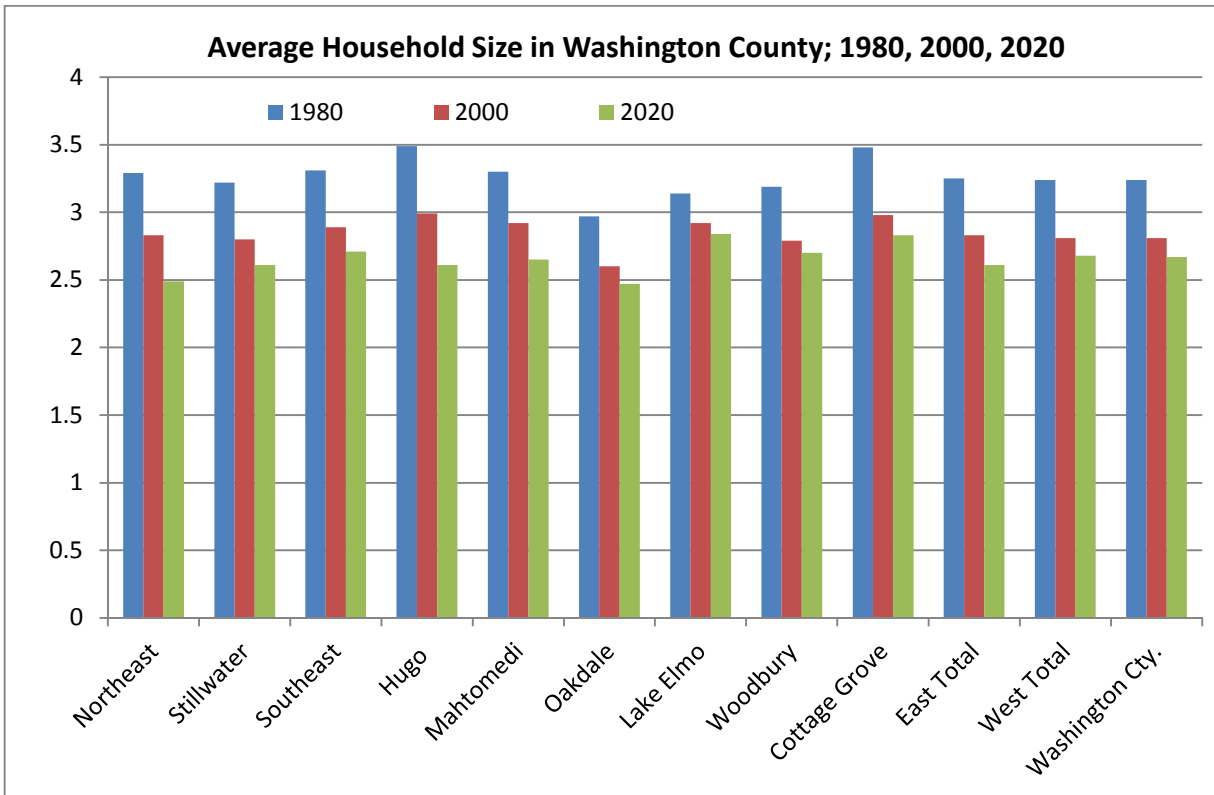
Household Size

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. However, due to the economic recession 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, smaller family sizes, demographic trends in marriage, etc. Most of these changes have resulted from shifts in societal values, the economy, and improvements in health care that have influenced how people organize their lives. Table D-3 and the following charts shows household size in each submarket in Washington County.

- In 2010, the average household sizes ranged between 2.50 (Oakdale submarket) and 2.91 (Lake Elmo submarket). In Washington County overall, the average household size was 2.71.
- By 2030, the average household size in Washington County is projected to decrease from 2.71 in 2010 to 2.62.

TABLE D-3 AVERAGE HOUSEHOLD SIZE WASHINGTON COUNTY 2000 - 2030						
	U.S. Census				Projection	
	1980	1990	2000	2010	2020	2030
Northeast	3.29	3.00	2.83	2.57	2.49	2.39
Stillwater	3.22	2.95	2.80	2.67	2.61	2.56
Southeast	3.31	3.02	2.89	2.78	2.71	2.67
East Total	3.25	2.97	2.83	2.68	2.61	2.56
Forest Lake	3.00	2.83	2.66	2.62	2.58	2.50
Hugo	3.49	3.12	2.99	2.67	2.61	2.57
Mahtomedi	3.30	2.63	2.92	2.70	2.65	2.60
Oakdale	2.97	2.72	2.60	2.50	2.47	2.40
Lake Elmo	3.14	2.99	2.92	2.91	2.84	2.80
Woodbury	3.19	2.90	2.79	2.74	2.70	2.67
Cottage Grove	3.48	3.17	2.98	2.88	2.83	2.78
West Total	3.24	2.91	2.81	2.72	2.68	2.63
Washington County Total	3.24	2.93	2.81	2.71	2.67	2.62



Age Distribution Trends

All people born together in a particular year or group of years are sometimes called historical or cohort generations. The following table shows the general time period for the five American generations during the 20th and 21st centuries.

Baby boomers comprised the greatest percentage in 2013, comprising 25% of the Washington County population. However, by 2018, that percentage is projected to decrease to 20.4% and the Generation Y is expected to comprise the largest percentage (22.6% in 2013 and increase to 27.5%).

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AMERICAN GENERATIONS YEAR BORN AND PERCENT OF POPULATION				
Generation	Born	2013 Age	2013 % of Wash. Co.	2013 % of Metro Area
Silent Generation	before 1946	67+	9.0%	9.4%
Baby Boomers	1946 - 1964	48 - 67	25.0%	23.2%
Generation X	1965 - 1980	32 - 48	23.3%	22.6%
Generation Y (Millennials)	1981 - 1999	13 - 32	22.6%	26.0%
Generation Z	2000 and after	0 - 13	20.1%	18.9%
Generation	Born	2018 Age	2018 % of Wash. Co.	2018 % of Metro Area
Silent Generation	before 1946	72+	6.9%	6.8%
Baby Boomers	1946 - 1964	53 - 72	20.4%	20.1%
Generation X	1965 - 1980	37 - 53	22.2%	21.9%
Generation Y (Millennials)	1981 - 1999	18 - 37	27.5%	27.1%
Generation Z	2000 and after	0 - 18	24.5%	24.1%

Age distribution affects demand for different types of housing since needs and desires change at different stages of the life cycle. The following graphic shows the target generations for several housing life cycles in 2013, 2018, 2025, and 2030.

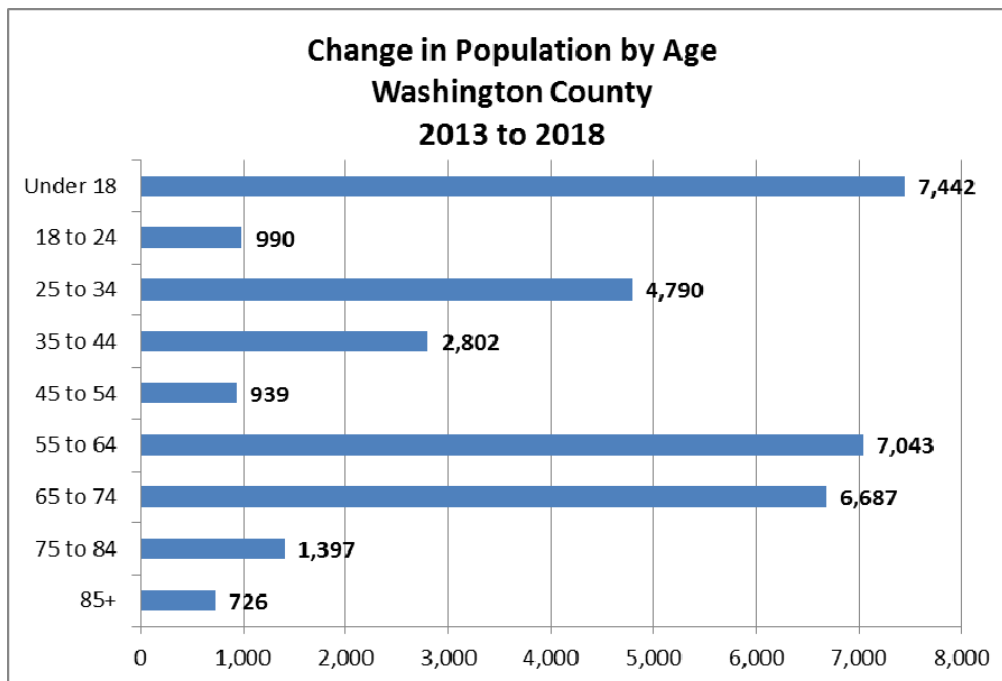
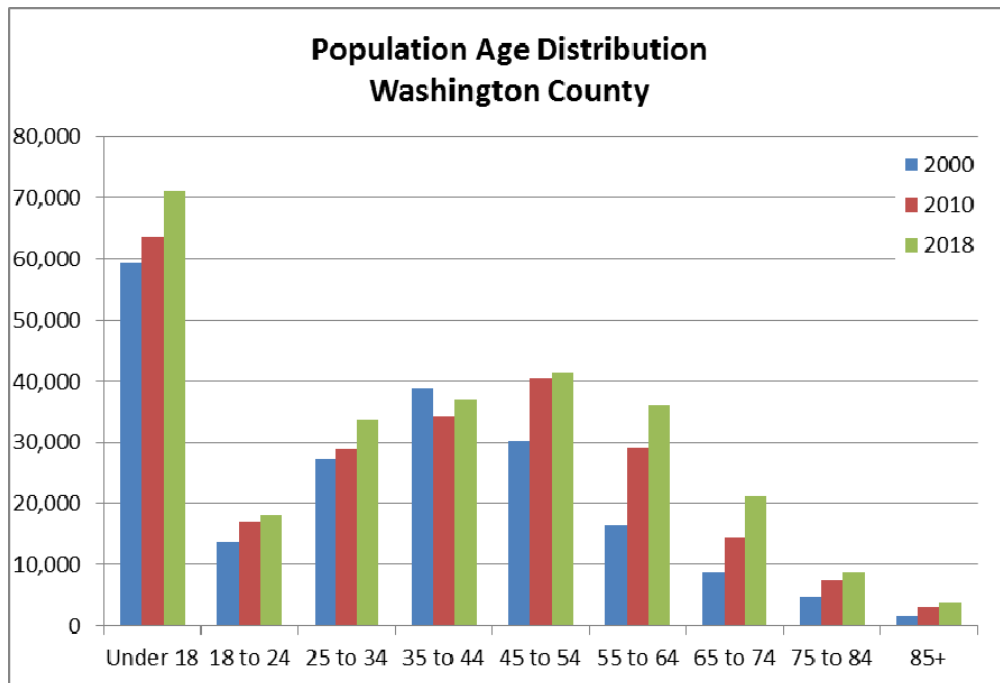
According to the 2013 National Association of Realtors (NAR) Home Buyer and Seller Generational Trends, Gen X comprised the largest group of recent home buyers (31%) followed by Gen Y (28%). Over 80% of buyers who are age 57 or younger bought a detached single-family home, while it was increasingly common for buyers over the age of 57 to purchase townhomes and condos.

DEMOGRAPHICS & HOUSING DEMAND							
Year	Student Housing	Rental Housing	1st-time Home Buyer	Move-up Home Buyer	2nd Home Buyer	Empty Nester/Downsizer	Senior Housing
2013	Gen Y	Gen Y	Gen X Gen Y	Gen X	Gen X Baby B	Baby B	Silent Baby B
2018	Gen Y	Gen Y	Gen Y	Gen X	Gen X	Baby B	Silent Baby B
2025	Gen Z	Gen Z	Gen Y Gen Z	Gen X Gen Y	Gen X Gen Y	Gen X Baby B	Silent Baby B
2030	Gen Z	Gen Z	Gen Z	Gen Y	Gen Y	Gen X	Baby B

Source: Maxfield Research Inc.

Table D-4 shows the distribution of persons within nine age cohorts for the ten submarkets in Washington County in 2000 and 2010 with estimates for 2013 and projections for 2018. The 2000 and 2010 age distribution is from the U.S. Census Bureau. Maxfield Research Inc. derived the 2013 estimates and 2018 projections by adjustments made to data obtained from ESRI. The following are key points from the table.

- In 2010, the largest adult cohort in the County was 45 to 54, totaling 40,412 people (17.0% of the total population). Mirroring trends observed across the Nation, the aging baby boomer generation is substantially impacting the composition of County's population. Born between 1946 and 1964, these individuals comprised the age groups 45 to 54 and 55 to 64 in 2010. As of 2010, baby boomers accounted for an estimated 29% of Washington County's population.
- The social changes that occurred with the aging of the baby boom generation, such as higher divorce rates, higher levels of education, and lower birth rates has led to a greater variety of lifestyles than existed in the past – not only among the baby boomers, but also among their parents and children. The increased variety of lifestyles has fueled demand for alternative housing products to the single-family homes. Seniors, in particular, and middle-aged persons tend to do more traveling and participate in more activities than previous generations, and they increasingly prefer maintenance-free housing that enables them to spend more time on activities outside the home.
- The 35 to 44 age group was the second largest cohort with 34,243 people (14.4%). Washington County had a greater percentage of Generation X (age 35-44) than the Metro Area (14.4% compared to 13.7%, respectively).
- Washington County's population of 18 to 34 year olds, which consists primarily of renters and first-time homebuyers, increased by 13.1% between 2000 and 2010, and is projected to increase (17.6%) between 2013 and 2018. This will increase demand for rental units and starter homes.
- The 65 to 74 age cohort is projected to have the greatest percentage growth increasing by 6,687 people (46.3%) from 2013 to 2018. The growth in this age cohort can be primarily attributed to the baby boom generation aging into their young senior years.



**TABLE D-4
POPULATION AGE DISTRIBUTION
WASHINGTON COUNTY
2000 to 2018**

	Number of People				Change			
	U.S. Census		Estimate	Projection				
	2000	2010	2013	2018	2000-2010		2013-2018	
Northeast	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	1,942	1,622	1,602	1,635	-320	-19.7	13	0.8
18 to 24	431	379	377	367	-52	-13.7	-12	-3.3
25 to 34	484	406	413	426	-78	-19.2	20	4.8
35 to 44	1,389	839	821	816	-550	-65.6	-23	-2.7
45 to 54	1,498	1,605	1,570	1,515	107	6.7	-90	-5.6
55 to 64	836	1,473	1,550	1,689	637	43.2	216	14.7
65 to 74	396	704	757	949	308	43.8	245	34.8
75 to 84	200	284	286	316	84	29.6	32	11.2
85+	46	89	93	100	43	48.3	11	12.9
Total	7,222	7,401	7,469	7,813	179	2.4	412	5.6
Stillwater	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	6,704	6,936	6,911	7,174	232	3.3	238	3.4
18 to 24	1,960	2,232	2,259	2,223	272	12.2	-9	-0.4
25 to 34	3,424	3,394	3,475	3,634	-30	-0.9	240	7.1
35 to 44	4,874	4,304	4,260	4,308	-570	-13.2	4	0.1
45 to 54	4,206	5,001	4,933	4,800	795	15.9	-201	-4.0
55 to 64	2,325	3,983	4,223	4,627	1,658	41.6	644	16.2
65 to 74	1,393	2,099	2,273	2,846	706	33.6	747	35.6
75 to 84	1,006	1,356	1,377	1,518	350	25.8	162	12.0
85+	456	819	878	986	363	44.3	167	20.4
Total	26,348	30,124	30,589	32,115	3,776	12.5	1,991	6.6
Southeast	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	3,285	3,101	3,048	3,159	-184	-5.9	58	1.9
18 to 24	670	770	773	761	100	13.0	-9	-1.1
25 to 34	991	783	793	830	-208	-26.6	47	6.1
35 to 44	2,275	1,493	1,457	1,456	-782	-52.4	-37	-2.5
45 to 54	2,259	2,617	2,556	2,484	358	13.7	-133	-5.1
55 to 64	1,220	2,095	2,196	2,416	875	41.8	321	15.3
65 to 74	495	925	991	1,251	430	46.5	326	35.2
75 to 84	233	321	323	356	88	27.4	35	11.0
85+	65	90	94	102	25	27.8	12	13.4
Total	11,493	12,195	12,230	12,816	702	5.8	621	5.1
Forest Lake	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	3,902	4,827	4,838	5,809	925	19.2	982	20.3
18 to 24	1,172	1,401	1,422	1,597	229	16.3	196	14.0
25 to 34	1,842	2,417	2,497	3,039	575	23.8	622	25.7
35 to 44	2,564	2,570	2,546	3,009	6	0.2	439	17.1
45 to 54	2,210	2,790	2,750	3,078	580	20.8	288	10.3
55 to 64	1,320	2,286	2,431	3,078	966	42.3	792	34.6
65 to 74	713	1,229	1,336	1,940	516	42.0	711	57.8
75 to 84	501	578	584	740	77	13.3	162	28.0
85+	216	277	296	374	61	22.0	97	35.0
Total	14,440	18,375	18,699	22,664	3,935	21.4	4,289	23.3

--continued--

TABLE D-4 Continued
POPULATION AGE DISTRIBUTION
WASHINGTON COUNTY
2000 to 2018

	Number of People				Change			
	U.S. Census		Estimate	Projection				
	2000	2010	2013	2018	2000-2010		2013-2018	
Hugo	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	1,994	3,721	3,745	4,269	1,727	46.4	548	14.7
18 to 24	415	834	855	918	419	50.2	84	10.1
25 to 34	950	2,381	2,473	2,849	1,431	60.1	468	19.7
35 to 44	1,252	2,136	2,121	2,380	884	41.4	244	11.4
45 to 54	894	1,905	1,892	2,015	1,011	53.1	110	5.8
55 to 64	549	1,315	1,416	1,716	766	58.3	401	30.5
65 to 74	187	719	795	1,112	532	74.0	393	54.7
75 to 84	95	233	243	300	138	59.2	67	28.6
85+	27	88	99	123	61	69.3	35	40.3
Total	6,363	13,332	13,638	15,682	6,969	52.3	2,350	17.6
Mahtomedi	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	4,692	3,822	3,733	3,837	-870	-22.8	15	0.4
18 to 24	802	967	973	948	165	17.1	-19	-2.0
25 to 34	1,048	890	899	933	-158	-17.8	43	4.8
35 to 44	3,025	1,613	1,570	1,556	-1,412	-87.5	-57	-3.5
45 to 54	2,599	3,231	3,149	3,044	632	19.6	-187	-5.8
55 to 64	1,498	2,329	2,444	2,664	831	35.7	335	14.4
65 to 74	777	1,167	1,252	1,571	390	33.4	404	34.7
75 to 84	363	642	642	696	279	43.5	54	8.4
85+	107	362	377	405	255	70.4	43	11.9
Total	14,911	15,023	15,040	15,654	112	0.7	631	4.2
Oakdale	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	7,935	6,799	6,769	7,058	-1,136	-16.7	259	3.8
18 to 24	1,986	2,650	2,672	2,620	664	25.1	-30	-1.1
25 to 34	4,129	3,718	3,825	4,053	-411	-11.1	335	9.0
35 to 44	5,335	3,590	3,533	3,610	-1,745	-48.6	20	0.6
45 to 54	3,617	4,829	4,758	4,668	1,212	25.1	-161	-3.3
55 to 64	2,054	3,351	3,561	3,957	1,297	38.7	606	18.1
65 to 74	1,286	1,711	1,859	2,367	425	24.8	656	38.4
75 to 84	819	1,021	1,032	1,150	202	19.8	129	12.6
85+	192	395	415	459	203	51.4	64	16.3
Total	27,353	28,064	28,426	29,943	711	2.5	1,879	6.7
Lake Elmo	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	2,004	2,189	2,148	3,353	185	8.5	1,164	53.2
18 to 24	496	516	517	755	20	3.9	239	46.3
25 to 34	648	582	584	909	-66	-11.3	327	56.3
35 to 44	1,361	1,099	1,070	1,617	-262	-23.8	518	47.1
45 to 54	1,185	1,669	1,622	2,367	484	29.0	698	41.8
55 to 64	688	1,128	1,184	1,951	440	39.0	823	73.0
65 to 74	330	589	635	1,204	259	44.0	615	104.4
75 to 84	121	236	237	394	115	48.7	158	66.9
85+	30	61	65	110	31	50.8	49	80.3
Total	6,863	8,069	8,060	12,660	1,206	14.9	4,591	56.9

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DEMOGRAPHIC ANALYSIS

TABLE D-4 Continued
POPULATION AGE DISTRIBUTION
WASHINGTON COUNTY
2000 to 2018

	Number of People				Change			
	U.S. Census		Estimate	Projection				
	2000	2010	2013	2018	2000-2010		2013-2018	
Woodbury	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	14,218	18,318	18,634	21,192	4,100	22.4	2,874	15.7
18 to 24	2,749	3,844	3,967	4,214	1,095	28.5	370	9.6
25 to 34	7,790	8,297	8,718	10,046	507	6.1	1,749	21.1
35 to 44	9,374	9,998	10,076	11,231	624	6.2	1,233	12.3
45 to 54	6,428	9,979	9,953	10,458	3,551	35.6	479	4.8
55 to 64	3,078	6,361	6,838	8,113	3,283	51.6	1,752	27.5
65 to 74	1,651	2,971	3,272	4,478	1,320	44.4	1,507	50.7
75 to 84	809	1,619	1,658	1,971	810	50.0	352	21.7
85+	366	574	617	721	208	36.2	147	25.7
Total	46,463	61,961	63,734	72,424	15,498	25.0	10,463	16.9
Cottage Grove	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	12,549	12,263	12,188	13,554	-286	-2.3	1,291	10.5
18 to 24	3,045	3,454	3,488	3,634	409	11.8	180	5.2
25 to 34	6,035	5,996	6,163	6,934	-39	-0.7	938	15.6
35 to 44	7,428	6,601	6,486	7,063	-827	-12.5	462	7.0
45 to 54	5,314	6,786	6,667	6,922	1,472	21.7	136	2.0
55 to 64	2,916	4,667	4,949	5,819	1,751	37.5	1,152	24.7
65 to 74	1,602	2,326	2,523	3,409	724	31.1	1,083	46.6
75 to 84	635	1,175	1,194	1,422	540	46.0	247	21.0
85+	150	324	351	423	174	53.7	99	30.6
TOTAL	39,674	43,592	44,009	49,181	3,918	9.0	5,589	12.8
Washington Total	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	59,225	63,598	63,616	71,040	4,373	6.9	7,442	11.7
18 to 24	13,726	17,047	17,302	18,037	3,321	19.5	990	5.8
25 to 34	27,341	28,864	29,839	33,654	1,523	5.3	4,790	16.6
35 to 44	38,877	34,243	33,940	37,045	-4,634	-13.5	2,802	8.2
45 to 54	30,210	40,412	39,850	41,351	10,202	25.2	939	2.3
55 to 64	16,484	28,988	30,793	36,031	12,504	43.1	7,043	24.3
65 to 74	8,830	14,440	15,694	21,127	5,610	38.9	6,687	46.3
75 to 84	4,782	7,465	7,575	8,862	2,683	35.9	1,397	18.7
85+	1,655	3,079	3,286	3,805	1,424	46.2	726	23.6
TOTAL	201,130	238,136	241,894	270,952	37,006	15.5	32,816	13.8

Sources: U.S. Census Bureau; ESRI; Maxfield Research, Inc.

Race and Ethnicity

The race and ethnicity of the population shows the diversity for each submarket in Washington County. Tables D-5 and D-6 present race and ethnicity data in 2000 and 2010.

- “Whites” comprise the largest proportion of the population in every submarket. The Oakdale submarket had the lowest percentage (81.1%) and the Northeast submarket had the highest (97.5%).
- While “Whites” has remained the largest race category in 2000, it represented a smaller proportion of total population decreasing from 93.6% in 2000 to 87.8%.
- “Asians” experienced the largest percentage growth between 2000 and 2010, increasing 180.9% (7,774 people) in Washington County.
- Although Hispanics/Latinos comprised only 3.4% of the population in 2010, there was a 106.5% increase between 2000 and 2010.
- It should be noted that one must select their race as well as whether one is of Hispanic/Latino origin. Since people self-identify their racial classification, there may be confusion on the part of some people about what category most accurately describes their race. Some people may choose to self-identify using their ethnicity as their race. The increasing diversity of the nation will likely result in some confusion over these figures for some time.

DEMOGRAPHIC ANALYSIS

TABLE D-5
RACE
WASHINGTON COUNTY
2000 & 2010

	White Alone		Black or African American Alone		American Indian or Alaska Native Alone		Native Hawaiian or Other Pacific Islander Alone		Asian Alone		Some Other Race		Two or More Races Alone	
	2000	2010	2000	2010	2000	2010	2000	2010	2000	2010	2000	2010	2000	2010
Number														
Northeast	7,067	7,219	14	15	16	21	2	0	44	61	24	18	55	67
Stillwater	24,649	27,745	802	1,057	232	317	5	5	215	394	114	154	331	452
Southeast	11,164	11,526	23	72	24	39	4	4	91	335	44	60	143	159
East Total	42,880	46,490	839	1,144	272	377	11	9	350	790	182	232	529	678
Forest Lake	14,069	17,394	42	195	46	73	7	10	83	269	37	117	156	317
Hugo	6,182	12,381	13	105	27	39	3	4	91	465	13	77	34	261
Mahtomedi	14,496	14,280	88	223	18	39	12	5	110	215	44	54	143	207
Oakdale	25,205	22,770	614	1,664	112	134	3	8	666	2,258	215	434	538	796
Lake Elmo	6,576	7,451	26	65	20	28	0	1	120	266	37	107	84	151
Woodbury	41,836	50,462	1,168	3,487	113	171	6	15	2,329	5,660	286	592	725	1,574
Cottage Grove	37,073	37,784	899	1,696	177	227	24	25	548	2,148	402	687	551	1,025
West Total	145,437	162,522	2,850	7,435	513	711	55	68	3,947	11,281	1,034	2,068	2,231	4,331
Washington Total	188,317	209,012	3,689	8,579	785	1,088	66	77	4,297	12,071	1,216	2,300	2,760	5,009
Percent of Total														
Northeast	97.9%	97.5%	0.2%	0.2%	0.2%	0.3%	0.0%	0.0%	0.6%	0.8%	0.3%	0.2%	0.8%	0.9%
Stillwater	93.6%	92.1%	3.0%	3.5%	0.9%	1.1%	0.0%	0.0%	0.8%	1.3%	0.4%	0.5%	1.3%	1.5%
Southeast	97.1%	94.5%	0.2%	0.6%	0.2%	0.3%	0.0%	0.0%	0.8%	2.7%	0.4%	0.5%	1.2%	1.3%
East Total	95.2%	93.5%	1.9%	2.3%	0.6%	0.8%	0.0%	0.0%	0.8%	1.6%	0.4%	0.5%	1.2%	1.4%
Forest Lake	97.4%	94.7%	0.3%	1.1%	0.3%	0.4%	0.0%	0.1%	0.6%	1.5%	0.3%	0.6%	1.1%	1.7%
Hugo	97.2%	92.9%	0.2%	0.8%	0.4%	0.3%	0.0%	0.0%	1.4%	3.5%	0.2%	0.6%	0.5%	2.0%
Mahtomedi	97.2%	95.1%	0.6%	1.5%	0.1%	0.3%	0.1%	0.0%	0.7%	1.4%	0.3%	0.4%	1.0%	1.4%
Oakdale	92.1%	81.1%	2.2%	5.9%	0.4%	0.5%	0.0%	0.0%	2.4%	8.0%	0.8%	1.5%	2.0%	2.8%
Lake Elmo	95.8%	92.3%	0.4%	0.8%	0.3%	0.3%	0.0%	0.0%	1.7%	3.3%	0.5%	1.3%	1.2%	1.9%
Woodbury	90.0%	81.4%	2.5%	5.6%	0.2%	0.3%	0.0%	0.0%	5.0%	9.1%	0.6%	1.0%	1.6%	2.5%
Cottage Grove	93.4%	86.7%	2.3%	3.9%	0.4%	0.5%	0.1%	0.1%	1.4%	4.9%	1.0%	1.6%	1.4%	2.4%
West Total	93.2%	86.3%	1.8%	3.9%	0.3%	0.4%	0.0%	0.0%	2.5%	6.0%	0.7%	1.1%	1.4%	2.3%
Washington Total	93.6%	87.8%	1.8%	3.6%	0.4%	0.5%	0.0%	0.0%	2.1%	5.1%	0.6%	1.0%	1.4%	2.1%

Sources: U.S. Census Bureau; Maxfield Research Inc.

TABLE D-6 ETHNICITY WASHINGTON COUNTY 2000 & 2010				
	Hispanic or Latino		Not Hispanic or Latino	
	2000	2010	2000	2010
Number				
Northeast	66	78	7,156	7,323
Stillwater	363	664	25,985	29,460
Southeast	143	215	11,350	11,980
East Total	572	957	44,491	48,763
Forest Lake	139	430	14,301	17,945
Hugo	86	319	6,277	13,013
Mahtomedi	207	241	14,704	14,782
Oakdale	766	1,349	26,587	26,715
Lake Elmo	90	279	6,773	7,790
Woodbury	996	2,329	45,467	59,632
Cottage Grove	1,079	2,223	38,595	41,369
West Total	3,363	7,170	152,704	181,246
Washington Total	3,935	8,127	197,195	230,009
Percent of Total				
Northeast	0.9%	1.1%	99.1%	98.9%
Stillwater	1.4%	2.2%	98.6%	97.8%
Southeast	1.2%	1.8%	98.8%	98.2%
East Total	1.3%	1.9%	98.7%	98.1%
Forest Lake	1.0%	2.3%	99.0%	97.7%
Hugo	1.4%	2.4%	98.6%	97.6%
Mahtomedi	1.4%	1.6%	98.6%	98.4%
Oakdale	2.8%	4.8%	97.2%	95.2%
Lake Elmo	1.3%	3.5%	98.7%	96.5%
Woodbury	2.1%	3.8%	97.9%	96.2%
Cottage Grove	2.7%	5.1%	97.3%	94.9%
West Total	2.2%	3.8%	97.8%	96.2%
Washington Total	2.0%	3.4%	98.0%	96.6%
Sources: U.S. Census Bureau; Maxfield Research Inc.				

Household Income by Age of Householder

The estimated distribution of household incomes in Washington County for 2013 and 2018 are shown in Table D-7. The data was estimated by Maxfield Research Inc. 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 Inc. 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 which would allow them to purchase a higher priced home.

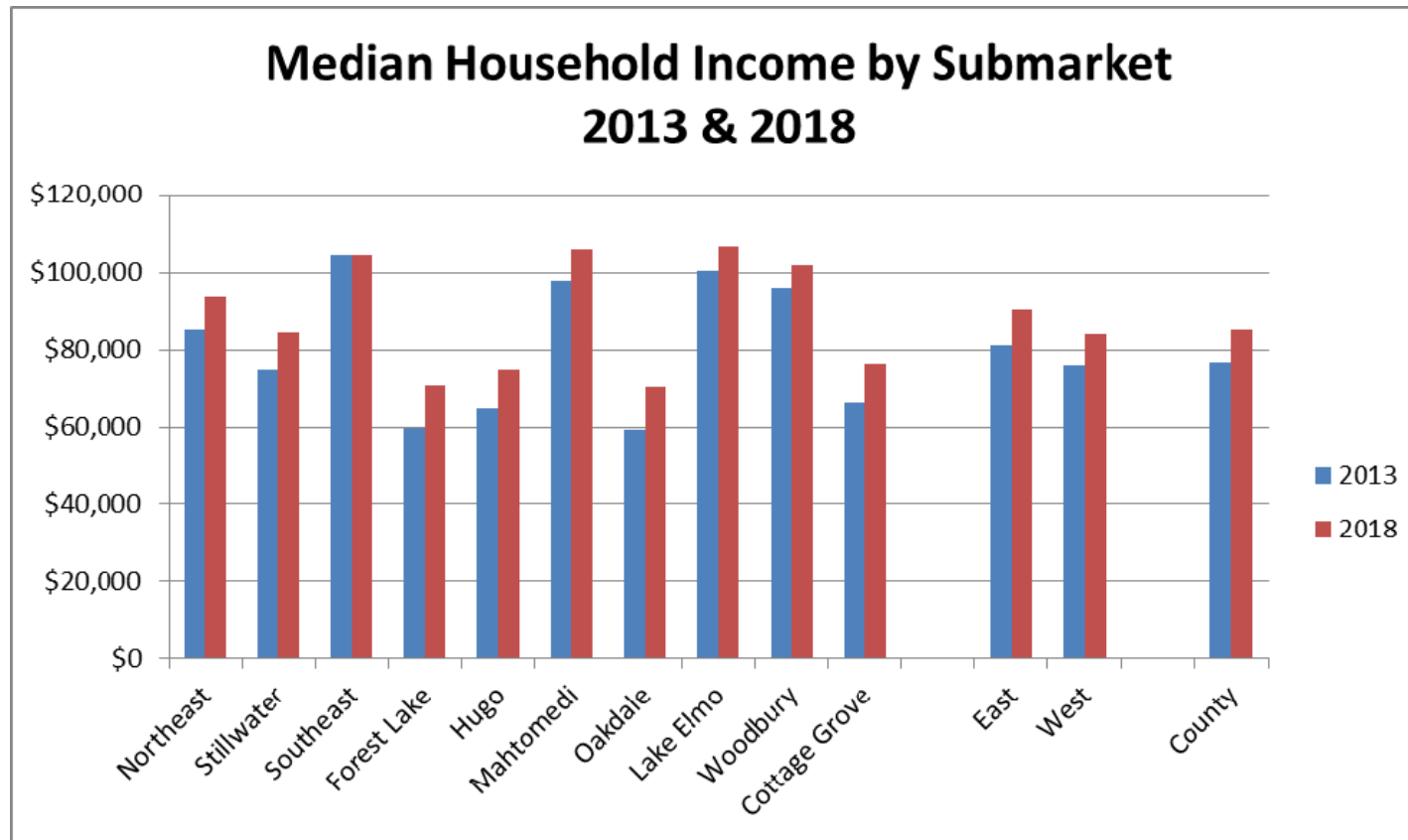
- In 2013, the median household income in the County was estimated to be \$76,800 and is projected to climb over 11% to \$85,249 by 2018. By comparison, the median household income in the Metro Area was estimated to be lower than Washington County in 2012, at \$61,175.
- Within the County, the Southeast submarket had the highest median household income in 2013, at \$104,355 (26.4% higher than the County median), followed by Lake Elmo at \$100,410. Lowest incomes were found in Oakdale (\$59,143) and Forest Lake (\$59,812). By 2018, Lake Elmo is expected to have the highest median household income, at \$106,530.
- As households age through the lifecycle, their household incomes tend to peak in their late 40s and early 50s which explains why most upscale housing is targeted to persons in this age group. This trend is apparent in the County as households in the 45 to 54 age group have a median household income of \$103,202.
- With a household income of \$76,800, a household could afford a monthly housing cost of about \$2,133, based on an allocation of 30% of income toward housing.

DEMOGRAPHIC ANALYSIS

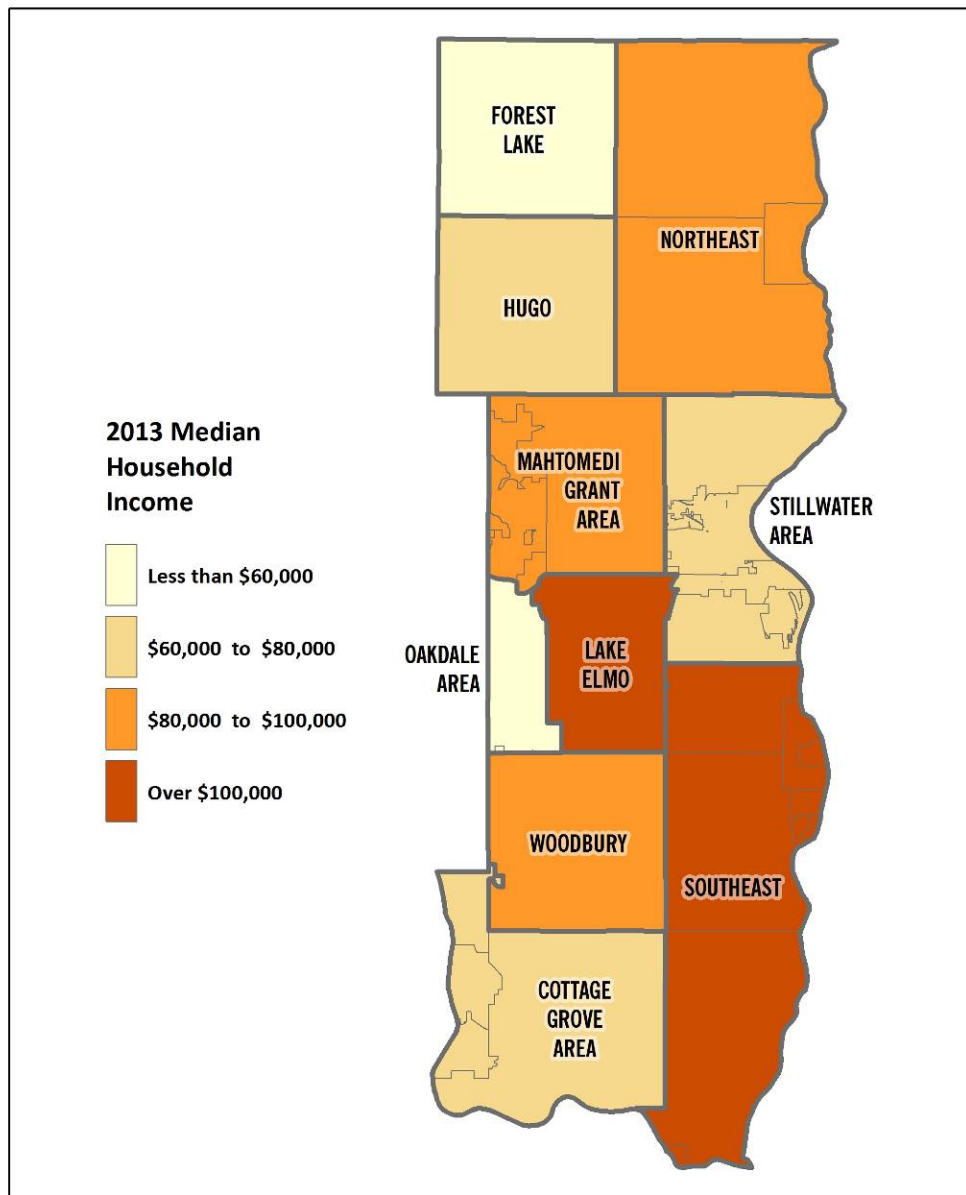
TABLE D-7
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
WASHINGTON COUNTY
2013 and 2018

	Age of Householder														Total No.	Median HH Income
	15-24		25-34		35-44		45-54		55-64		65 -74		75+			
	No.	Income	No.	Income	No.	Income	No.	Income	No.	Income	No.	Income	No.	Income		
2013																
Northeast	15	\$125,652	124	\$85,988	389	\$94,496	797	\$104,145	870	\$90,961	467	\$64,989	246	\$25,744	2,908	\$85,068
Stillwater	220	\$44,188	1,241	\$68,778	2,008	\$89,244	2,693	\$96,518	2,426	\$81,402	1,456	\$54,650	1,509	\$28,164	11,553	\$74,652
Southeast	22	\$75,000	257	\$79,833	702	\$105,472	1,324	\$110,922	1,219	\$100,581	600	\$83,211	272	\$34,625	4,396	\$104,355
East Total	257	\$47,770	1,622	\$73,290	3,099	\$93,670	4,814	\$102,356	4,515	\$88,155	2,523	\$62,794	2,027	\$28,404	18,857	\$81,013
Forest Lake	239	\$22,170	1,160	\$60,763	1,399	\$76,920	1,565	\$77,775	1,414	\$63,771	827	\$39,116	575	\$25,320	7,179	\$59,812
Hugo	108	\$54,318	1,199	\$62,638	1,162	\$72,123	1,107	\$76,583	842	\$65,343	472	\$52,489	230	\$32,391	5,120	\$64,930
Mahtomedi	38	\$57,028	326	\$81,020	770	\$106,823	1,689	\$114,059	1,413	\$108,476	769	\$76,412	652	\$37,126	5,657	\$97,681
Oakdale	429	\$31,651	1,795	\$61,459	1,924	\$74,712	2,796	\$76,093	2,158	\$62,655	1,219	\$42,542	1,048	\$25,173	11,369	\$59,143
Lake Elmo	23	\$35,000	179	\$66,304	476	\$105,015	817	\$112,567	631	\$107,596	362	\$79,889	180	\$36,934	2,668	\$100,410
Woodbury	591	\$54,543	4,088	\$82,607	5,473	\$106,621	5,694	\$112,882	4,056	\$100,970	1,965	\$71,613	1,458	\$36,460	23,325	\$95,568
Cottage Grove	338	\$50,268	2,616	\$66,175	3,298	\$78,233	3,655	\$78,728	2,804	\$68,764	1,527	\$48,148	1,064	\$28,762	15,302	\$66,288
West Total	1,766	\$45,769	11,363	\$70,087	14,502	\$87,995	17,323	\$95,005	13,318	\$79,641	7,141	\$55,153	5,207	\$30,439	70,620	\$75,794
Washington Co	2,023	\$46,078	12,985	\$70,408	17,601	\$88,971	22,137	\$97,021	17,833	\$81,659	9,664	\$56,735	7,234	\$29,944	89,477	\$76,800
2018																
Northeast	15	\$118,930	130	\$89,277	390	\$101,962	770	\$110,462	950	\$101,946	587	\$80,660	271	\$27,704	3,113	\$93,497
Stillwater	211	\$51,364	1,309	\$79,216	2,017	\$98,391	2,598	\$103,606	2,644	\$94,103	1,812	\$68,804	1,667	\$31,465	12,258	\$84,273
Southeast	21	\$77,254	269	\$84,065	705	\$112,358	1,292	\$117,027	1,346	\$108,912	758	\$94,373	304	\$39,158	4,695	\$104,355
East Total	247	\$53,531	1,708	\$80,889	3,112	\$101,979	4,660	\$108,018	4,940	\$100,207	3,157	\$78,612	2,242	\$31,923	20,066	\$90,291
Forest Lake	265	\$22,922	1,411	\$69,544	1,648	\$87,507	1,743	\$88,824	1,782	\$77,519	1,194	\$52,232	722	\$26,257	8,765	\$70,605
Hugo	117	\$59,715	1,390	\$70,146	1,310	\$79,927	1,181	\$84,631	1,022	\$76,637	663	\$61,709	287	\$35,900	5,970	\$74,700
Mahtomedi	36	\$59,862	336	\$88,427	759	\$115,751	1,610	\$121,813	1,511	\$118,852	952	\$92,463	699	\$45,346	5,903	\$105,794
Oakdale	408	\$36,634	1,893	\$72,061	1,954	\$83,154	2,731	\$85,097	2,387	\$76,573	1,541	\$51,182	1,156	\$26,463	12,070	\$70,079
Lake Elmo	33	\$35,000	288	\$76,742	748	\$111,901	1,237	\$118,365	1,076	\$115,840	711	\$95,740	313	\$48,993	4,406	\$106,530
Woodbury	627	\$59,069	4,737	\$89,686	6,125	\$111,868	6,004	\$117,675	4,825	\$107,664	2,691	\$83,047	1,726	\$41,777	26,735	\$101,870
Cottage Grove	344	\$53,402	2,958	\$75,823	3,591	\$85,144	3,794	\$86,454	3,293	\$79,473	2,056	\$55,737	1,265	\$30,263	17,301	\$76,435
West Total	1,830	\$51,322	13,013	\$78,710	16,135	\$96,299	18,300	\$102,040	15,896	\$90,397	9,808	\$67,370	6,168	\$33,846	81,150	\$84,086
Washington Co	2,077	\$51,491	14,721	\$78,960	19,247	\$97,369	22,960	\$103,202	20,836	\$92,674	12,965	\$70,651	8,410	\$33,382	101,216	\$85,249

Sources: ESRI; Maxfield Research, Inc.



Median Household Income 2013



Tenure by Age of Householder

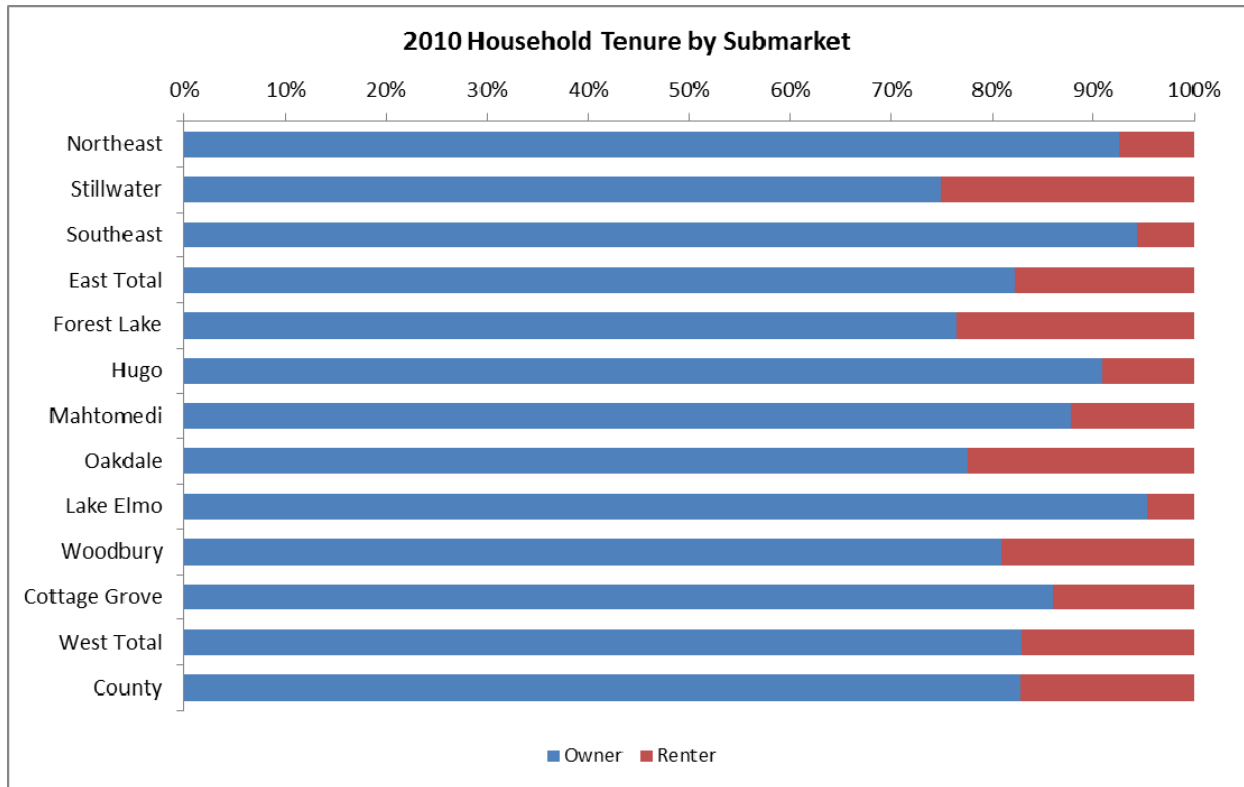
Table D-8 shows the number of owner and renter households in Washington County by age group in 2000 and 2010. Table D-9 shows 2010 tenure data for each of the submarkets from the U.S. Census Bureau. This data is useful in determining demand for certain types of housing since housing preferences change throughout an individual's life cycle. The following are key findings from Tables D-8 and D-9.

DEMOGRAPHIC ANALYSIS

- In 2000, 85.2% of all households in Washington County owned their housing. By 2010, that percentage decreased to 82.8%. This is higher than the Metro Area with a 70% homeownership rate. The housing market downturn contributed to the decrease in the homeownership rate during the late 2000s as it became more difficult for households to secure mortgage loans, households delayed purchasing homes due to the uncertainty of the housing market, and foreclosures forced households out of their homes.
- Within the County, Lake Elmo had the highest ownership rate at 95.3% while Stillwater had the lowest ownership rate (75.0%). However, Woodbury had the highest number of total renters at 4,304 households in 2010.
- As households progress through their life cycle, housing needs change. Typically, the proportion of renter households decreases as households age out of their young-adult years. This pattern is apparent in the County as 67.9% of households age 15 to 24, 30.7% of age 25 to 34 households, and 19.4% of 65 and older households rented in 2010. By comparison, only 11.8% of the age 35 to 64 households rented.
- In the 15 to 24 age group, Stillwater had the highest proportion of renters at 80.2% (182 renter households), followed by Woodbury at 76.4% (444 renter households). Woodbury also had the largest number of renter households in this age group with 444 (31.9% of the County).

TABLE D-8 HOUSEHOLD TENURE WASHINGTON COUNTY 2000 and 2010										
Submarket	2000					2010				
	Owner	Pct.	Renter	Pct.	Total	Owner	Pct.	Renter	Pct.	Total
Northeast	2,385	93.3	170	6.7	2,555	2,670	92.6	214	7.4	2,884
Stillwater	7,448	79.1	1,965	20.9	9,413	8,447	75.0	2,823	25.0	11,270
Southeast	3,802	95.5	179	4.5	3,981	4,135	94.3	249	5.7	4,384
East Total	13,635	85.5	2,314	14.5	15,949	15,252	82.3	3,286	17.7	18,538
Forest Lake	4,229	77.8	1,204	22.2	5,433	5,362	76.4	1,652	23.6	7,014
Hugo	2,015	94.8	110	5.2	2,125	4,539	91.0	451	9.0	4,990
Mahtomedi	4,658	91.3	443	8.7	5,101	4,891	87.7	683	12.3	5,574
Oakdale	8,528	80.9	2,007	19.1	10,535	8,704	77.6	2,509	22.4	11,213
Lake Elmo	2,250	95.9	97	4.1	2,347	2,648	95.3	131	4.7	2,779
Woodbury	14,209	85.2	2,467	14.8	16,676	18,290	81.0	4,304	19.0	22,594
Cottage Grove	14,209	85.2	2,467	14.8	16,676	13,032	86.0	2,125	14.0	15,157
West Total	50,098	85.1	8,795	14.9	58,893	57,466	82.9	11,855	17.1	69,321
Washington Total	63,733	85.2	11,109	14.8	74,842	72,718	82.8	15,141	17.2	87,859

Sources: U.S. Census; Maxfield Research, Inc.

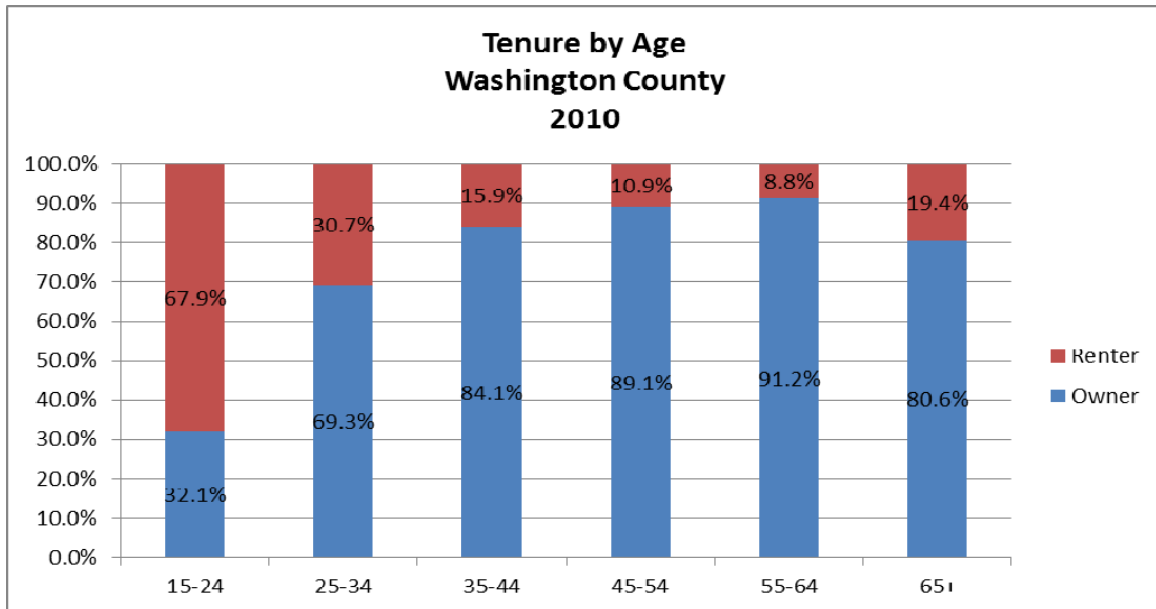


DEMOGRAPHIC ANALYSIS

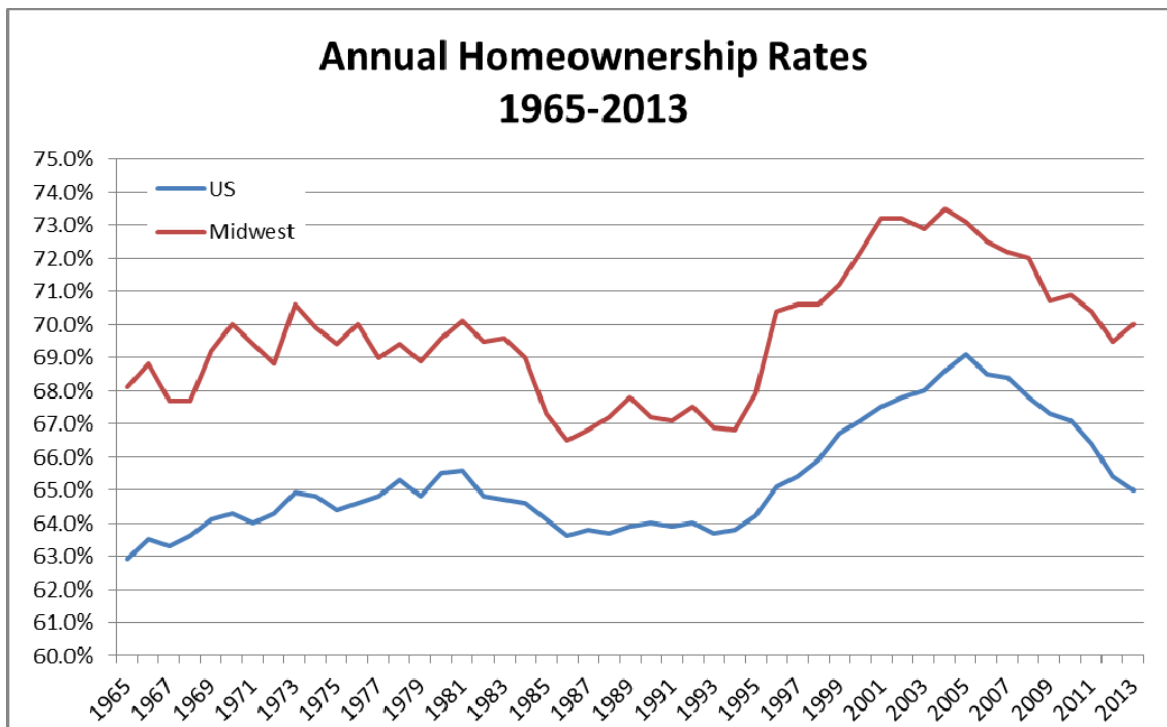
TABLE D-9
TENURE BY AGE OF HOUSEHOLDER
WASHINGTON COUNTY
2010

Age		Northeast		Stillwater		Southeast		Forest Lake		Hugo		Mahtomedi		Oakdale		Lake Elmo		Woodbury		Cottage Grove		Washington	
		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
15-24	Own	6	40.0	45	19.8	9	34.6	57	23.8	82	75.9	16	40.0	120	27.5	18	72.0	137	23.6	166	48.1	656	32.1
	Rent	9	60.0	182	80.2	17	65.4	183	76.3	26	24.1	24	60.0	317	72.5	7	28.0	444	76.4	179	51.9	1,388	67.9
	Total	15	100.0	227	100.0	26	100.0	240	100.0	108	100.0	40	100.0	437	100.0	25	100.0	581	100.0	345	100.0	2,044	100.0
25-34	Own	98	80.3	676	56.1	201	80.1	695	62.1	1,038	89.6	215	67.6	1,110	63.3	151	81.2	2,485	63.9	2,029	79.2	8,698	69.3
	Rent	24	19.7	528	43.9	50	19.9	424	37.9	120	10.4	103	32.4	644	36.7	35	18.8	1,401	36.1	532	20.8	3,861	30.7
	Total	122	100.0	1,204	100.0	251	100.0	1,119	100.0	1,158	100.0	318	100.0	1,754	100.0	186	100.0	3,886	100.0	2,561	100.0	12,559	100.0
35-44	Own	359	89.1	1,599	78.5	660	90.9	1,099	77.8	1,059	90.2	687	87.2	1,577	80.2	484	94.2	4,540	83.5	2,934	86.8	14,998	84.1
	Rent	44	10.9	437	21.5	66	9.1	314	22.2	115	9.8	101	12.8	390	19.8	30	5.8	895	16.5	445	13.2	2,837	15.9
	Total	403	100.0	2,036	100.0	726	100.0	1,413	100.0	1,174	100.0	788	100.0	1,967	100.0	514	100.0	5,435	100.0	3,379	100.0	17,835	100.0
45-54	Own	777	94.2	2,257	82.7	1,321	96.3	1,301	81.9	1,040	92.9	1,617	93.4	2,491	87.3	856	96.8	5,076	88.8	3,363	89.8	20,099	89.1
	Rent	48	5.8	472	17.3	51	3.7	288	18.1	80	7.1	115	6.6	363	12.7	28	3.2	640	11.2	384	10.2	2,469	10.9
	Total	825	100.0	2,729	100.0	1,372	100.0	1,589	100.0	1,120	100.0	1,732	100.0	2,854	100.0	884	100.0	5,716	100.0	3,747	100.0	22,568	100.0
55-64	Own	799	95.6	2,001	87.8	1,134	96.6	1,159	87.0	742	94.5	1,286	96.0	1,794	87.9	615	97.6	3,386	89.6	2,467	92.5	15,383	91.2
	Rent	37	4.4	278	12.2	40	3.4	173	13.0	43	5.5	53	4.0	247	12.1	15	2.4	391	10.4	200	7.5	1,477	8.8
	Total	836	100.0	2,279	100.0	1,174	100.0	1,332	100.0	785	100.0	1,339	100.0	2,041	100.0	630	100.0	3,777	100.0	2,667	100.0	16,860	100.0
65 +	Own	631	92.4	1,869	66.9	810	97.0	1,051	79.6	578	89.6	1,070	78.9	1,612	74.6	524	97.0	2,666	83.3	2,073	84.3	12,884	80.6
	Rent	52	7.6	926	33.1	25	3.0	270	20.4	67	10.4	287	21.1	548	25.4	16	3.0	533	16.7	385	15.7	3,109	19.4
	Total	683	100.0	2,795	100.0	835	100.0	1,321	100.0	645	100.0	1,357	100.0	2,160	100.0	540	100.0	3,199	100.0	2,458	100.0	15,993	100.0
TOTAL	Own	2,670	92.6	8,447	75.0	4,135	94.3	5,362	76.4	4,539	91.0	4,891	87.7	8,704	77.6	2,648	95.3	18,290	81.0	13,032	86.0	72,718	82.8
	Rent	214	7.4	2,823	25.0	249	5.7	1,652	23.6	451	9.0	683	12.3	2,509	22.4	131	4.7	4,304	19.0	2,125	14.0	15,141	17.2
	Total	2,884	100.0	11,270	100.0	4,384	100.0	7,014	100.0	4,990	100.0	5,574	100.0	11,213	100.0	2,779	100.0	22,594	100.0	15,157	100.0	87,859	100.0

Sources: U.S. Census Bureau; Maxfield Research Inc.



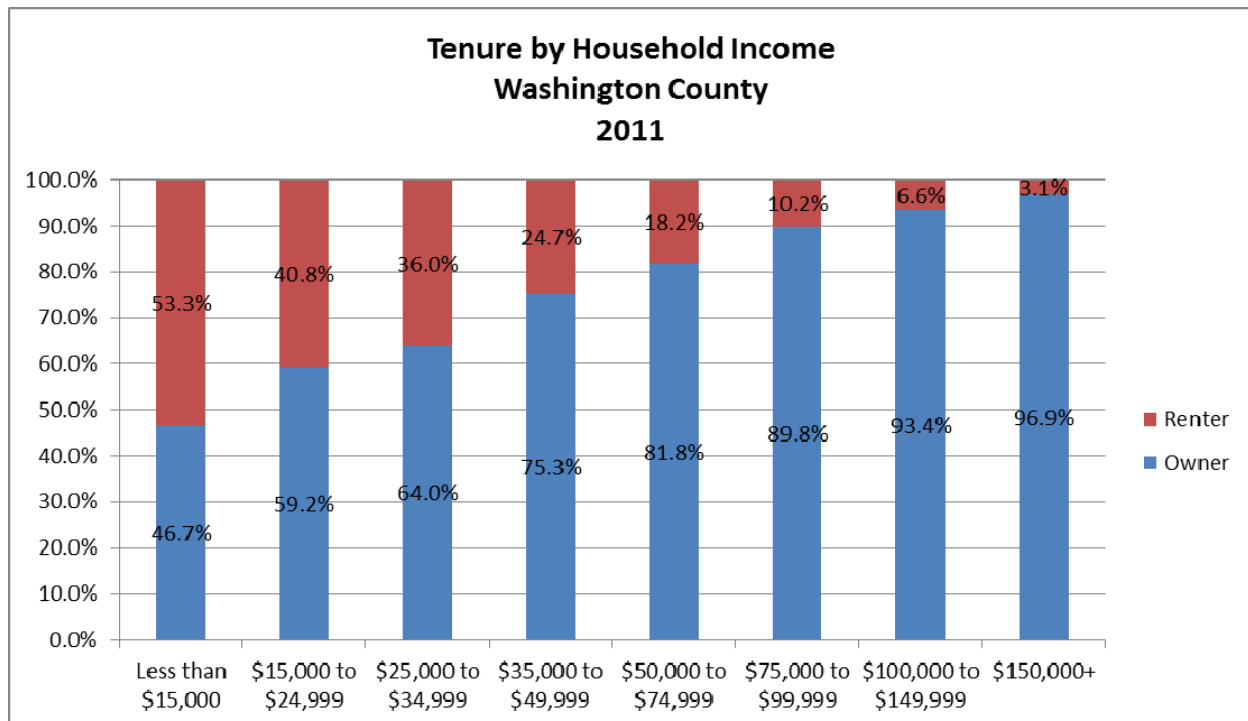
The decline in homeownership rates is a national trend as the U.S. homeownership rate fell to the lowest since 1995. The share of American homeowners was 65% in 2013, down from 65.4% a year earlier and the lowest level since 1995. Tight credit, tight for-sale inventory, the challenge of saving for a down payment, and more rental single-family supply lowered the homeownership rate. However, homeownership rates are the highest in the Midwest with a 70.0% homeownership rate in 2013 compared to 65% in the U.S. The graphic below shows the annual homeownership rates in the U.S. and Midwest from the American Community Survey.



Tenure by Household Income

Table D-10 shows household tenure by age of householder for Washington County in 2011. Data is an estimate from the American Community Survey. Household tenure information is important to assess the propensity for owner-occupied or renter-occupied housing options based on household affordability. As stated earlier, the Department of Housing and Urban Development determines affordable housing as not exceeding 30% of the household's income. It is important to note that the higher the income, the lower percentage a household typically allocates to housing. Many lower income households, as well as many young and senior households, spend more than 30% of their income, while middle-aged households in their prime earning years typically allocate 20% to 25% of their income.

- Typically, as income increases, so does the rate of homeownership. This can be seen in Washington County, where the homeownership rate steadily increases from 46.7% of households with incomes below \$15,000 to over 96.9% of households with incomes above \$150,000.
- A portion of renter households that are referred to as lifestyle renters, or those who are financially-able to own but choose to rent, have household incomes above \$50,000 (about 41% of Washington County's renters in 2011). Households with incomes below \$15,000 are typically a market for deep subsidy rental housing (about 18.4% of Washington County renters in 2011).



Tenure by Household Size

Table D-11 shows the distribution of households by size and tenure in Washington County in 2011. This data is useful in that it sheds insight into the number of units by unit type that may be most needed in Washington 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 2011, the average Washington County renter household consisted of 2.23 persons compared to the average owner household of 2.76 persons.
- An estimated 69% of renter households in Washington County in 2011 have either one or two people. The one-person households would primarily seek one-bedroom units and two-person households that are couple would primarily seek one-bedroom units. Two-person households that consist of a parent and child or roommate would primarily seek two-bedroom units. Larger households would seek units with multiple bedrooms.

DEMOGRAPHIC ANALYSIS

TABLE D-10
TENURE BY HOUSEHOLD INCOME
WASHINGTON COUNTY
2011

Income	NORTHEAST				STILLWATER				SOUTHEAST				FOREST LAKE			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
Less than \$15,000	58	80.6%	14	19.4%	438	38.7%	694	61.3%	166	85.6%	28	14.4%	214	35.4%	390	64.6%
\$15,000 to \$24,999	127	84.1%	24	15.9%	341	44.2%	430	55.8%	114	95.8%	5	4.2%	222	45.0%	271	55.0%
\$25,000 to \$34,999	117	93.6%	8	6.4%	486	55.3%	393	44.7%	238	92.2%	20	7.8%	181	40.1%	270	59.9%
\$35,000 to \$49,999	195	84.1%	37	15.9%	910	69.2%	405	30.8%	333	81.4%	76	18.6%	586	67.8%	278	32.2%
\$50,000 to \$74,999	541	93.8%	36	6.2%	1,692	75.9%	538	24.1%	515	82.4%	110	17.6%	1,295	78.6%	352	21.4%
\$75,000 to \$99,999	594	97.4%	16	2.6%	1,382	88.1%	186	11.9%	500	95.8%	22	4.2%	1,110	92.1%	95	7.9%
\$100,000 to \$149,999	589	100%	0	0.0%	1,876	86.9%	284	13.1%	1,132	94.3%	69	5.7%	975	96.1%	40	3.9%
\$150,000+	501	99.4%	3	0.6%	1,477	94.7%	83	5.3%	1,041	99.6%	4	0.4%	798	97.8%	18	2.2%
Total	2,722	95.2%	138	4.8%	8,602	74.1%	3,013	25.9%	4,039	92.4%	334	7.6%	5,381	75.8%	1,714	24.2%

Units in Structure	HUGO				MAHTOMEDI				OAKDALE				LAKE ELMO			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
Less than \$15,000	113	72.0%	44	28.0%	143	53.0%	127	47.0%	317	34.5%	601	65.5%	132	89.2%	16	10.8%
\$15,000 to \$24,999	187	93.0%	14	7.0%	118	43.2%	155	56.8%	505	58.0%	366	42.0%	128	94.8%	7	5.2%
\$25,000 to \$34,999	187	69.8%	81	30.2%	181	57.6%	133	42.4%	579	65.9%	299	34.1%	83	52.9%	74	47.1%
\$35,000 to \$49,999	496	92.4%	41	7.6%	365	68.6%	167	31.4%	1,171	72.9%	435	27.1%	134	82.2%	29	17.8%
\$50,000 to \$74,999	948	90.5%	100	9.5%	668	82.3%	144	17.7%	1,834	87.5%	262	12.5%	371	100%	0	0.0%
\$75,000 to \$99,999	778	96.4%	29	3.6%	574	94.1%	36	5.9%	1,691	88.3%	225	11.7%	334	79.0%	89	21.0%
\$100,000 to \$149,999	1,141	93.1%	85	6.9%	1,152	99.8%	2	0.2%	1,704	92.0%	148	8.0%	647	100%	0	0.0%
\$150,000+	522	98.1%	10	1.9%	1,389	98.1%	27	1.9%	834	94.5%	49	5.5%	843	100%	0	0.0%
Total	4,372	91.5%	404	8.5%	4,590	85.3%	791	14.7%	8,635	78.4%	2,385	21.6%	2,672	92.6%	215	7.4%

Units in Structure	WOODBURY				COTTAGE GROVE				TOTAL			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
Less than \$15,000	461	59.1%	319	40.9%	354	41.3%	504	58.7%	2,396	46.7%	2,737	53.3%
\$15,000 to \$24,999	495	60.3%	326	39.7%	522	63.3%	302	36.7%	2,759	59.2%	1,900	40.8%
\$25,000 to \$34,999	485	59.5%	330	40.5%	647	78.2%	180	21.8%	3,184	64.0%	1,788	36.0%
\$35,000 to \$49,999	1,431	71.3%	575	28.7%	1,302	85.2%	227	14.8%	6,923	75.3%	2,270	24.7%
\$50,000 to \$74,999	2,902	73.4%	1,050	26.6%	2,962	86.5%	461	13.5%	13,728	81.8%	3,053	18.2%
\$75,000 to \$99,999	3,339	84.3%	624	15.7%	2,799	94.7%	158	5.3%	13,101	89.8%	1,480	10.2%
\$100,000 to \$149,999	4,594	90.5%	481	9.5%	3,392	97.2%	99	2.8%	17,202	93.4%	1,208	6.6%
\$150,000+	4,650	95.6%	215	4.4%	1,242	99.1%	11	0.9%	13,297	96.9%	420	3.1%
Total	18,357	82.4%	3,920	17.6%	13,220	87.2%	1,942	12.8%	72,590	83.0%	14,856	17.0%

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research Inc.

DEMOGRAPHIC ANALYSIS

TABLE D-11
HOUSEHOLD SIZE BY TENURE
WASHINGTON COUNTY
2011

Size	NORTHEAST				STILLWATER				SOUTHEAST				FOREST LAKE			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
1PP Household	390	14.3%	46	33.3%	1,660	19.3%	1,291	42.8%	571	14.1%	105	31.4%	926	17.2%	611	35.6%
2PP Household	1,343	49.3%	73	52.9%	3,516	40.9%	916	30.4%	1,628	40.3%	99	29.6%	2,300	42.7%	615	35.9%
3PP Household	292	10.7%	0	0.0%	1,225	14.2%	427	14.2%	690	17.1%	19	5.7%	846	15.7%	283	16.5%
4PP Household	505	18.6%	19	13.8%	1,512	17.6%	213	7.1%	649	16.1%	83	24.9%	793	14.7%	136	7.9%
5PP Household	131	4.8%	0	0.0%	533	6.2%	128	4.2%	348	8.6%	21	6.3%	322	6.0%	54	3.2%
6PP Household	61	2.2%	0	0.0%	116	1.3%	20	0.7%	81	2.0%	0	0.0%	150	2.8%	15	0.9%
7PP+ Household	0	0.0%	0	0.0%	40	0.5%	18	0.6%	72	1.8%	7	2.1%	44	0.8%	0	0.0%
Total	2,722	100%	138	100%	8,602	100%	3,013	100%	4,039	100%	334	100%	5,381	100%	1,714	100%

Units in Structure	HUGO				MAHTOMEDI				OAKDALE				LAKE ELMO			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
1PP Household	826	18.9%	77	19.1%	573	12.5%	475	60.1%	2,264	26.2%	1,042	43.7%	458	17.1%	106	49.3%
2PP Household	1,808	41.4%	83	20.5%	1,710	37.3%	124	15.7%	2,724	31.5%	745	31.2%	996	37.3%	96	44.7%
3PP Household	680	15.6%	48	11.9%	832	18.1%	55	7.0%	1,367	15.8%	216	9.1%	358	13.4%	0	0.0%
4PP Household	639	14.6%	84	20.8%	900	19.6%	118	14.9%	1,371	15.9%	247	10.4%	524	19.6%	13	6.0%
5PP Household	311	7.1%	94	23.3%	434	9.5%	19	2.4%	470	5.4%	64	2.7%	203	7.6%	0	0.0%
6PP Household	107	2.4%	18	4.5%	92	2.0%	0	0.0%	193	2.2%	64	2.7%	71	2.7%	0	0.0%
7PP+ Household	1	0.0%	0	0.0%	49	1.1%	0	0.0%	246	2.8%	7	0.3%	62	2.3%	0	0.0%
Total	4,372	100%	404	100%	4,590	100%	791	100%	8,635	100%	2,385	100%	2,672	100%	215	100%

Units in Structure	WOODBURY				COTTAGE GROVE				TOTAL			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
1PP Household	3,568	19.4%	1,295	33.0%	1,882	14.2%	641	33.0%	13,118	18.1%	5,689	38.3%
2PP Household	5,863	31.9%	1,353	34.5%	4,590	34.7%	477	24.6%	26,478	36.5%	4,581	30.8%
3PP Household	2,942	16.0%	754	19.2%	2,446	18.5%	397	20.4%	11,678	16.1%	2,199	14.8%
4PP Household	3,708	20.2%	324	8.3%	2,669	20.2%	154	7.9%	13,270	18.3%	1,391	9.4%
5PP Household	1,589	8.7%	86	2.2%	1,230	9.3%	138	7.1%	5,571	7.7%	604	4.1%
6PP Household	367	2.0%	73	1.9%	284	2.1%	135	7.0%	1,522	2.1%	325	2.2%
7PP+ Household	320	1.7%	35	0.9%	119	0.9%	0	0.0%	953	1.3%	67	0.5%
Total	18,357	100%	3,920	100%	13,220	100%	1,942	100%	72,590	100%	14,856	100%

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research Inc.

Household Type

Table D-12 shows a breakdown of the type of households present in Washington County in 2000 and 2010. The data is useful in assessing housing demand since the household composition often dictates the type of housing needed and preferred.

- Family households were the most common type of household in the County, representing over 75% of all households in 2010.
- Married couples without children comprised 30.8% of all households in 2000 and 33.1% in 2010. Married couple families with children comprised 34.0% of all the Washington County households in 2000, dropping to 28.5% in 2010.
- Married couple families without children are generally made up of younger couples that have not had children and older couples with adult children that have moved out of the home. There is also a growing national trend toward married couples choosing delay child-birth, delaying children, or choosing not to have children entirely as birthrates have noticeably decreased. Older couples with adult children often desire multifamily housing options for convenience reasons but older couples in rural areas typically hold onto their single-family homes until they need services. Married couple families with children typically generate demand for single-family detached ownership housing. Other family households, defined as a male or female householder with no spouse present (typically single-parent households), often require affordable housing.
- Non-family households made up 23.5% of all households in 2000, increasing to 24.6% in 2010. The percentage of people living alone increased from 18.7% in 2000 to 19.0% in 2010. Roommates and unmarried couples comprised 4.8% of Washington County households in 2000, compared to 5.6% in 2010.
- Between 2000 and 2010, Other family households experienced the largest increase as a percentage (+40.7%). Other families include single-parents and unmarried couples with children. With only one income, these families are most likely to need affordable or modest housing, both rental and for-sale.
- According to the 2013 National Association of Realtors (NAR) Home Buyer and Seller Generational Trends, approximately 65% of all homebuyers were married couples, 25% were single, 8% were unmarried couples, and 2% were other.

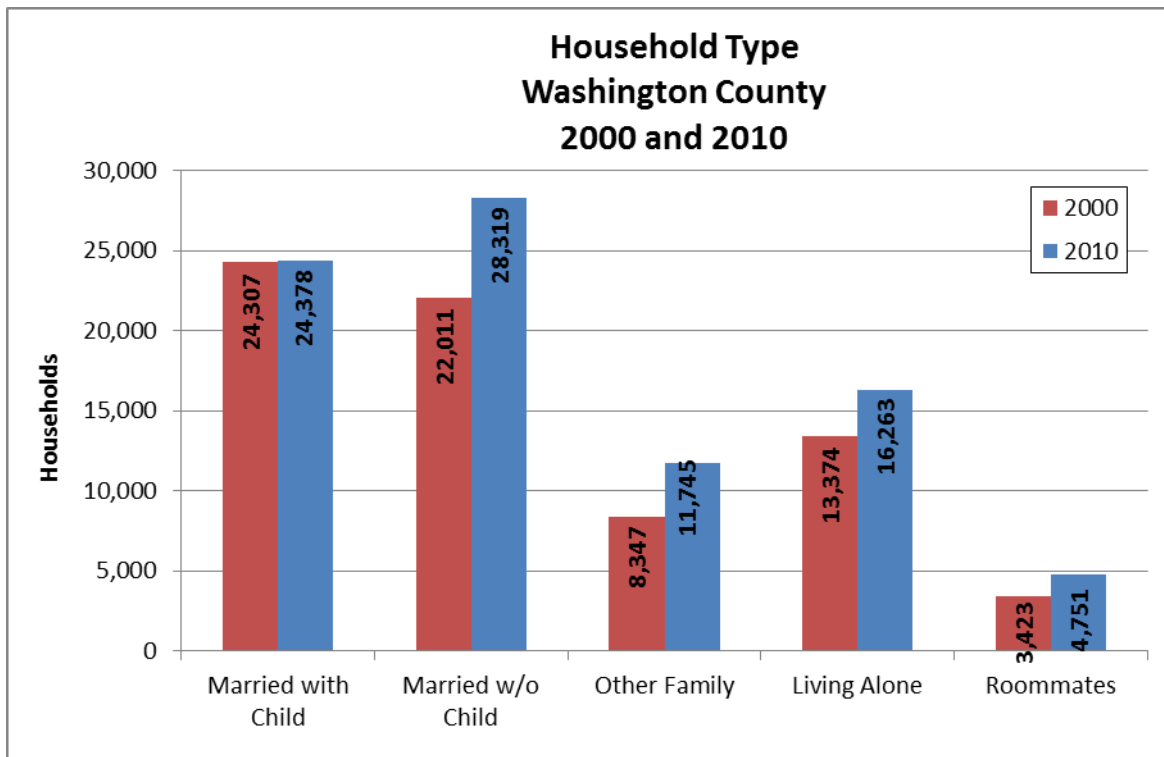
DEMOGRAPHIC ANALYSIS

**TABLE D-12
HOUSEHOLD TYPE
WASHINGTON COUNTY
2000 & 2010**

Number of Households	Total HH's		Family Households						Non-Family Households			
			Married w/o Child		Married w/ Child		Other *		Living Alone		Roommates	
	2000	2010	2000	2010	2000	2010	2000	2010	2000	2010	2000	2010
Northeast	2,555	2,884	1,051	1,322	850	676	195	239	355	523	104	124
Stillwater	9,413	11,270	2,850	3,600	2,630	2,542	1,218	1,492	2,293	3,064	422	572
Southeast	3,981	4,384	1,528	1,885	1,450	1,248	309	392	533	653	161	206
East Total	15,949	18,538	5,429	6,807	4,930	4,466	1,722	2,123	3,181	4,240	687	902
Forest Lake	5,433	7,014	1,729	2,219	1,496	1,721	700	1,104	1,200	1,535	308	435
Hugo	2,125	4,990	702	1,548	817	1,485	223	671	269	978	114	308
Mahtomedi	5,101	5,574	1,722	2,141	1,951	1,530	510	608	748	1,109	170	186
Oakdale	10,535	11,213	2,749	3,077	2,988	2,279	1,556	1,953	2,679	3,197	563	707
Lake Elmo	2,347	2,779	838	1,118	790	846	296	288	307	413	116	114
Woodbury	16,676	22,594	4,823	6,470	6,322	7,504	1,520	2,714	3,130	4,614	881	1,292
Cottage Grove	13,296	12,754	4,019	4,939	5,013	4,547	1,820	2,284	1,860	177	584	807
West Total	55,513	66,918	16,582	21,512	19,377	19,912	6,625	9,622	10,193	12,023	2,736	3,849
Washington Total	71,462	85,456	22,011	28,319	24,307	24,378	8,347	11,745	13,374	16,263	3,423	4,751
Percent of Total												
Northeast	100%	100%	41.1%	45.8%	33.3%	23.4%	7.6%	8.3%	13.9%	18.1%	4.1%	4.3%
Stillwater	100%	100%	30.3%	31.9%	27.9%	22.6%	12.9%	13.2%	24.4%	27.2%	4.5%	5.1%
Southeast	100%	100%	38.4%	43.0%	36.4%	28.5%	7.8%	8.9%	13.4%	14.9%	4.0%	4.7%
East Total	100%	100%	34.0%	36.7%	30.9%	24.1%	10.8%	11.5%	19.9%	22.9%	4.3%	4.9%
Forest Lake	100%	100%	31.8%	31.6%	27.5%	24.5%	12.9%	15.7%	22.1%	21.9%	5.7%	6.2%
Hugo	100%	100%	33.0%	31.0%	38.4%	29.8%	10.5%	13.4%	12.7%	19.6%	5.4%	6.2%
Mahtomedi	100%	100%	33.8%	38.4%	38.2%	27.4%	10.0%	10.9%	14.7%	19.9%	3.3%	3.3%
Oakdale	100%	100%	26.1%	27.4%	28.4%	20.3%	14.8%	17.4%	25.4%	28.5%	5.3%	6.3%
Lake Elmo	100%	100%	35.7%	40.2%	33.7%	30.4%	12.6%	10.4%	13.1%	14.9%	4.9%	4.1%
Woodbury	100%	100%	28.9%	28.6%	37.9%	33.2%	9.1%	12.0%	18.8%	20.4%	5.3%	5.7%
Cottage Grove	100%	100%	30.2%	38.7%	37.7%	35.7%	13.7%	17.9%	14.0%	1.4%	4.4%	6.3%
West Total	100%	100%	29.9%	32.1%	34.9%	29.8%	11.9%	14.4%	18.4%	18.0%	4.9%	5.8%
Washington Total	100%	100%	30.8%	33.1%	34.0%	28.5%	11.7%	13.7%	18.7%	19.0%	4.8%	5.6%

* Single-parent families, unmarried couples with children.

Sources: U.S. Census Bureau; Maxfield Research Inc.



Public School Enrollment Trends

School enrollment trends provide an indication of families with children living in the County. School enrollment in the public school districts that encompass Washington County has decreased since 2006. In some areas, the growth of children that would have occurred as a result of young families moving into the County has been offset by children of existing older baby boomer households graduating from high school and leaving home. Table D-13 provides public school enrollment trends from 2006 to 2012.

- The largest enrollment increase was in the South Washington County (833) district, which includes most of Woodbury and Cottage Grove. Between 2006 and 2012, the district grew by about 860 students.
- The only other district that had an increase in enrollment was the Mahtomedi (832) district, which added 205 students between 2006 and 2012. All of the remaining districts had a decrease in enrollment.
- There are also two collaborative school districts located in Washington County. East Metro Integration District 6067 is a collaborative district between St. Paul and nine suburban school neighbors formed to foster voluntary, inter-district integration. Northeast Metro 916 is a collaborative district consisting of eleven east metro K-12 member districts and five charter schools.

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TABLE D-13 SCHOOL ENROLLMENT¹ FOR WASHINGTON COUNTY² 2007-2012								
School District & (number)	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Change 07-12	
Chisago Lakes (2144)	3,523	3,512	3,474	3,446	3,372	3,344	(179)	-5.1%
Forest Lake (831)	7,255	7,113	6,998	6,774	6,751	6,693	(562)	-7.7%
Hastings (200)	5,058	4,958	4,912	4,818	4,681	4,658	(400)	-7.9%
Mahtomedi (832)	3,036	3,113	3,222	3,227	3,226	3,241	205	6.8%
North St. Paul, Maplewood, Oakdale (622)	11,727	11,449	11,364	11,072	10,978	10,885	(842)	-7.2%
South Washington County (833)	16,618	16,767	16,727	16,864	17,150	17,477	859	5.2%
Stillwater (834)	8,966	8,915	8,719	8,746	8,697	8,556	(410)	-4.6%
White Bear Lake (624)	8,555	8,380	8,264	8,173	8,146	8,061	(494)	-5.8%
Total	64,738	64,207	63,680	63,120	63,001	62,915	(1,823)	-2.8%
¹ Included in these counts are students who were enrolled over October 1 of the school year. Grade Pre-kindergarten through grade 12 are included in the counts. ² Listed are all school districts that serve Washington County, including those which are only partly within the county.								
Sources: Minnesota Department of Education; Maxfield Research Inc.								

Net Worth

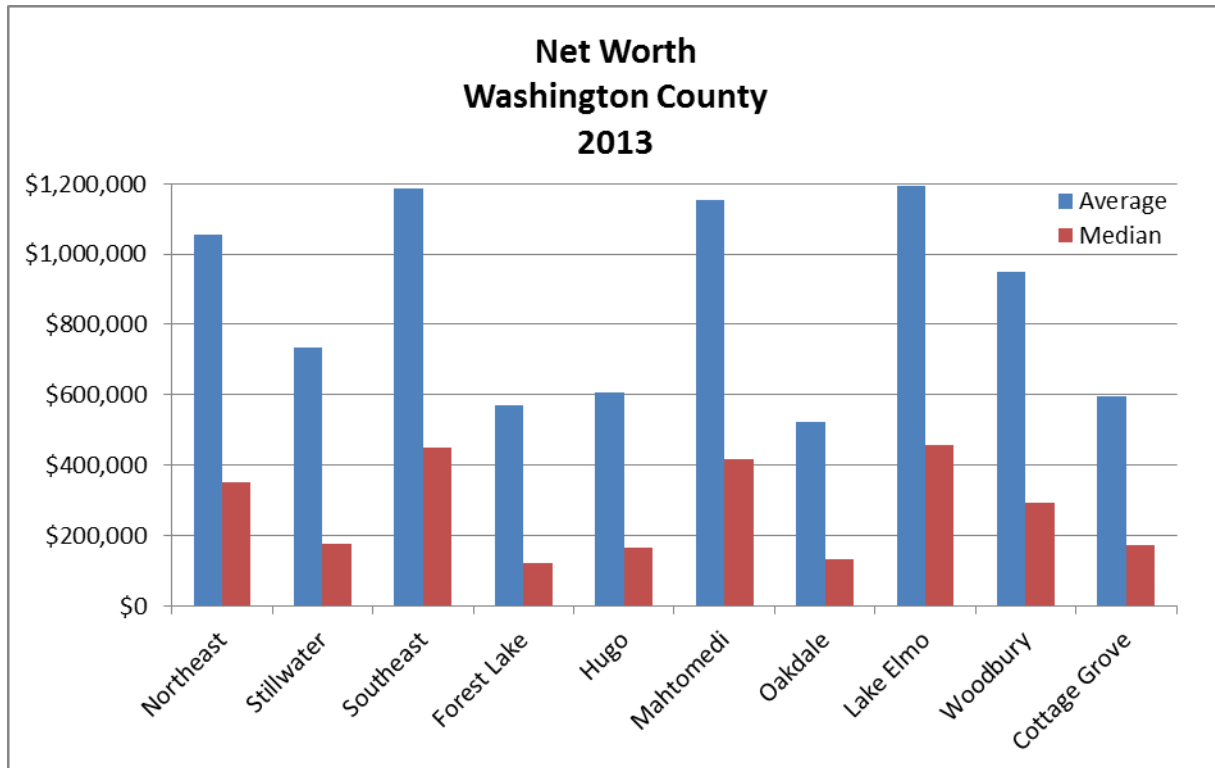
Table D-14 shows household net worth in Washington County in 2013. Simply stated, net worth is the difference between assets and liabilities, or the total value of assets after the debt is subtracted. The data was compiled and estimated by ESRI based on the Survey of Consumer Finances and Federal Reserve Board data.

According to data released by the National Association of Realtors in 2012, the average American homeowner has a net worth about 34 times greater than that of a renter. Research was based on the 2007 to 2010 Federal Reserve survey that showed the average net worth of a homeowner was \$174,500, whereas the average net worth of a renter was \$5,100.

- Washington County had an average net worth of \$793,314 in 2013 and a median net worth of \$216,586. Median net worth is generally a more accurate depiction of wealth than the average figure. A few households with very large net worth can significantly skew the average. As a comparison, the Metro Area had an average net worth of \$586,479 and median net worth of \$111,991.
- Similar to household income, net worth increases as households age and decreases after they pass their peak earning years and move into retirement. Median and average net worth peak in the 55 to 64 age cohort, posting an average net worth of \$1,181,439 and a median net worth of \$250,001.

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- Within the County, the Lake Elmo submarket had the highest median net worth at \$457,260 followed by the Southeast submarket at \$449,874. Conversely, the Forest Lake submarket had the lowest median net worth at \$121,587.
- Households often delay purchasing homes and instead choose to rent until they acquire sufficient net worth to cover the costs of a down payment and closing costs associated with home ownership. This will be especially true in the short-term as tightening lending requirements make mortgages with little or no down payments more difficult to obtain.



DEMOGRAPHIC ANALYSIS

TABLE D-14
ESTIMATED NET WORTH BY AGE OF HOUSEHOLDER
WASHINGTON COUNTY
2013

	Total		Age of Householder													
			15-24		25-34		35-44		45-54		55-64		65-74		75+	
	Average	Median	Average	Median	Average	Median	Average	Median	Average	Median	Average	Median	Average	Median	Average	Median
Northeast	\$1,056,128	\$351,368	\$256,042	\$82,672	\$385,520	\$136,968	\$471,883	\$144,978	\$1,074,287	\$250,001	\$1,276,319	\$250,001	\$1,019,334	\$250,001	\$725,775	\$233,200
Stillwater	\$733,854	\$175,236	\$101,767	\$13,125	\$192,838	\$43,437	\$392,033	\$92,806	\$881,967	\$250,001	\$1,083,980	\$250,001	\$898,519	\$250,001	\$552,002	\$138,991
Southeast	\$1,187,504	\$449,874	\$112,742	\$26,045	\$312,359	\$113,696	\$574,802	\$209,385	\$1,169,300	\$250,001	\$1,321,663	\$250,001	\$1,235,937	\$250,001	\$921,590	\$250,001
East Total	\$891,704	\$259,033	\$111,829	\$14,216	\$226,955	\$60,336	\$444,316	\$117,295	\$994,405	\$250,001	\$1,186,509	\$250,001	\$1,002,918	\$250,001	\$623,702	\$176,887
Forest Lake	\$571,906	\$121,587	\$31,822	\$10,247	\$202,016	\$50,000	\$322,109	\$69,454	\$742,087	\$197,446	\$967,076	\$250,001	\$741,656	\$180,097	\$588,792	\$166,790
Hugo	\$606,925	\$167,129	\$493,460	\$61,472	\$211,310	\$98,670	\$336,176	\$116,853	\$920,273	\$250,001	\$1,185,643	\$250,001	\$942,761	\$250,001	\$836,959	\$250,001
Mahtomedi	\$1,152,902	\$418,603	\$125,411	\$22,156	\$342,423	\$94,835	\$528,641	\$155,620	\$1,093,408	\$250,001	\$1,354,897	\$250,001	\$1,121,330	\$250,001	\$721,543	\$239,514
Oakdale	\$524,540	\$131,035	\$44,800	\$11,505	\$140,859	\$51,186	\$291,192	\$74,608	\$780,414	\$222,191	\$962,384	\$250,001	\$817,218	\$222,189	\$540,226	\$152,716
Lake Elmo	\$1,192,191	\$457,260	\$148,777	\$18,943	\$271,885	\$80,366	\$580,790	\$215,539	\$1,151,097	\$250,001	\$1,330,650	\$250,001	\$1,195,940	\$250,001	\$1,004,769	\$250,001
Woodbury	\$950,473	\$294,426	\$202,350	\$15,392	\$314,264	\$96,986	\$566,421	\$197,710	\$1,137,758	\$250,001	\$1,323,234	\$250,001	\$1,186,540	\$250,001	\$828,455	\$250,001
Cottage Grove	\$597,060	\$170,979	\$157,394	\$25,553	\$184,542	\$81,494	\$364,783	\$112,685	\$866,611	\$250,001	\$1,124,751	\$250,001	\$895,604	\$250,001	\$681,678	\$212,861
West Total	\$767,228	\$207,322	\$147,889	\$14,322	\$234,481	\$77,701	\$440,190	\$125,126	\$969,379	\$250,001	\$1,180,042	\$250,001	\$987,177	\$250,001	\$707,359	\$224,917
Washington Total	\$793,314	\$216,586	\$143,325	\$14,308	\$233,401	\$75,607	\$441,045	\$123,925	\$974,608	\$250,001	\$1,181,439	\$250,001	\$991,414	\$250,001	\$684,312	\$211,248

Sources: ESRI; Maxfield Research, Inc.

Demographic Summary

Table D-15 provides a demographic summary that compares Washington County to the remaining counties in the Metro Area.

- Washington County had the third smallest population size at 238,136 people in 2010. Scott County (129,928 people) and Carver County (91,042 people) were behind Washington County.
- Washington County had the second highest median household income at \$76,800 in 2013, just behind Scott County (\$79,010). However, Washington County had the highest median net worth at \$216,586.
- Washington County had the second highest ownership rate at 82.8%, just behind Scott County (83.7%).
- Washington County had the highest percentage of married without children households, comprising 32.2% of all households in 2010.

DEMOGRAPHIC ANALYSIS

TABLE D-15
DEMOGRAPHIC SUMMARY
WASHINGTON COUNTY COMPARED TO OTHER METRO AREA COUNTIES
2010

Demographic Summary	Anoka		Carver		Dakota		Hennepin		Ramsey		Scott		Washington	
	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.
Total Population and Households														
Population	330,844	100%	91,042	100%	398,552	100%	1,152,425	100%	508,640	100%	129,928	100%	238,136	100%
Households	121,227	100%	32,891	100%	152,060	100%	475,913	100%	202,691	100%	45,108	100%	87,859	100%
Age Distribution														
Under 18	86,031	26.0%	27,205	29.9%	105,060	26.4%	261,345	22.7%	118,493	23.3%	39,228	30.2%	63,598	26.7%
18 to 24	26,671	8.1%	5,893	6.5%	30,691	7.7%	113,551	9.9%	61,429	12.1%	8,180	6.3%	17,047	7.2%
25 to 34	43,632	13.2%	10,830	11.9%	54,279	13.6%	187,523	16.3%	77,119	15.2%	18,064	13.9%	28,864	12.1%
35 to 44	48,295	14.6%	14,440	15.9%	56,912	14.3%	154,304	13.4%	60,933	12.0%	22,197	17.1%	34,243	14.4%
45 to 54	55,929	16.9%	15,857	17.4%	66,334	16.6%	171,130	14.8%	70,570	13.9%	20,521	15.8%	40,412	17.0%
55 to 64	38,054	11.5%	9,110	10.0%	45,460	11.4%	133,758	11.6%	58,915	11.6%	11,722	9.0%	28,988	12.2%
65 to 74	19,556	5.9%	4,160	4.6%	22,433	5.6%	66,516	5.8%	30,351	6.0%	5,969	4.6%	14,440	6.1%
75+	12,676	3.8%	3,547	3.9%	17,383	4.4%	64,298	5.6%	30,830	6.1%	4,047	3.1%	10,544	4.4%
Household Income														
Average Household Income	\$79,315		\$97,575		\$87,613		\$79,880		\$68,830		\$94,830		\$95,872	
Median Household Income	\$66,563		\$76,755		\$70,050		\$57,326		\$49,965		\$79,010		\$76,800	
Net Worth														
Average Net Worth	\$606,770		\$750,710		\$661,581		\$557,370		\$441,991		\$709,785		\$793,314	
Median Net Worth	\$159,981		\$199,720		\$154,701		\$84,516		\$56,918		\$192,483		\$216,586	
Household Tenure														
Own	99,258	81.9%	26,846	81.6%	116,308	76.5%	306,121	64.3%	123,448	60.9%	37,776	83.7%	72,718	82.8%
Rent	21,969	18.1%	6,045	18.4%	35,752	23.5%	169,792	35.7%	79,243	39.1%	7,332	16.3%	15,141	17.2%
Household Type														
Married With Children	30,763	25.4%	11,060	33.6%	39,472	26.0%	89,084	18.7%	34,574	17.1%	15,356	34.0%	24,378	27.7%
Married Without Children	38,217	31.5%	9,621	29.3%	44,458	29.2%	116,099	24.4%	48,816	24.1%	13,193	29.2%	28,319	32.2%
Other	18,843	15.5%	3,697	11.2%	21,818	14.3%	67,702	14.2%	34,409	17.0%	5,872	13.0%	11,745	13.4%
Living Alone	25,795	21.3%	6,893	21.0%	36,620	24.1%	155,807	32.7%	67,181	33.1%	8,068	17.9%	16,263	18.5%
Roommates	7,609	6.3%	1,620	4.9%	9,692	6.4%	47,221	9.9%	17,711	8.7%	2,619	5.8%	4,751	5.4%

Source: U.S. Census Bureau; ESRI; Maxfield Research, Inc.

DEMOGRAPHIC ANALYSIS

TABLE D-16 HISTORIC POPULATION AND HOUSEHOLD GROWTH TRENDS NORTHEAST 1980-2010										
	U.S. Census				Change					
	1980	1990	2000	2010	1980-1990		1990-2000		2000-2010	
					No.	Pct.	No.	Pct.	No.	Pct.
POPULATION										
Scandia*	2,858	3,197	3,692	3,936	339	11.9%	495	15.5%	244	6.6%
Marine on St. Croix	543	602	602	689	59	10.9%	0	0.0%	87	14.5%
May Township	2,076	2,535	2,928	2,776	459	22.1%	393	15.5%	-152	-5.2%
Northeast Total	5,477	6,334	7,222	7,401	857	15.6%	888	14.0%	179	2.5%
HOUSEHOLDS										
Scandia*	851	1,060	1,294	1,498	209	24.6%	234	22.1%	204	15.8%
Marine on St. Croix	201	234	254	302	33	0.2	20	0.1	48	18.9%
May Township	611	820	1,007	1,083	209	34.2%	187	22.8%	76	7.5%
Northeast Total	1,663	2,114	2,555	2,883	451	27.1%	441	20.9%	328	12.8%
* New Scandia Township became the City of Scandia on January 1, 2007.										
Sources: U.S. Census Bureau; Maxfield Research Inc.										

TABLE D-17 HISTORIC POPULATION AND HOUSEHOLD GROWTH TRENDS STILLWATER 1980-2010										
	U.S. Census				Change					
					1980-1990		1990-2000		2000-2010	
	1980	1990	2000	2010	No.	Pct.	No.	Pct.	No.	Pct.
POPULATION										
Stillwater	12,290	13,882	15,323	18,227	1,592	13.0%	1,441	10.4%	2,904	19.0%
Oak Park Heights	2,591	3,486	3,777	4,445	895	0.3	291	0.1	668	17.7%
Bayport	2,932	3,200	3,162	3,471	268	9.1%	-38	-1.2%	309	9.8%
Stillwater Township	1,599	2,066	2,553	2,364	467	29.2%	487	23.6%	-189	-7.4%
Baytown Township	851	939	1,533	1,617	88	10.3%	594	63.3%	84	5.5%
Stillwater Area Total	20,263	23,573	26,348	30,124	3,310	16.3%	2,775	11.8%	3,776	14.3%
HOUSEHOLDS										
Stillwater	4,065	4,982	5,797	7,076	917	22.6%	815	16.4%	1,279	22.1%
Oak Park Heights	868	1,322	1,528	1,911	454	0.5	206	0.2	383	25.1%
Bayport	677	743	763	855	66	9.7%	20	2.7%	92	12.1%
Stillwater Township	448	639	833	855	191	42.6%	194	30.4%	22	2.6%
Baytown Township	237	302	492	573	65	27.4%	190	62.9%	81	16.5%
Stillwater Area Total	6,295	7,988	9,413	11,270	1,693	26.9%	1,425	17.8%	1,857	19.7%
Sources: U.S. Census Bureau; Maxfield Research Inc.										

DEMOGRAPHIC ANALYSIS

TABLE D-18
HISTORIC POPULATION AND HOUSEHOLD GROWTH TRENDS
SOUTHEAST
1980-2010

	U.S. Census				Change					
					1980-1990		1990-2000		2000-2010	
	1980	1990	2000	2010	No.	Pct.	No.	Pct.	No.	Pct.
POPULATION										
Lakeland	1,812	2,000	1,917	1,796	188	10.4%	-83	-4.2%	-121	-6.3%
Lakeland Shores	171	291	355	311	120	0.7	64	0.2	-44	-12.4%
Lake St. Croix Beach	1,176	1,078	1,140	1,051	-98	-8.3%	62	5.8%	-89	-7.8%
St. Mary's Point	348	339	344	368	-9	-2.6%	5	1.5%	24	7.0%
Afton	2,550	2,645	2,839	2,886	95	3.7%	194	7.3%	47	1.7%
Hastings (pt)	16	5	3	0	-11	-68.8%	-2	-40.0%	-3	-100.0%
West Lakeland Township	1,318	1,736	3,547	4,046	418	31.7%	1,811	104.3%	499	14.1%
Denmark Township	1,140	1,172	1,348	1,737	32	2.8%	176	15.0%	389	28.9%
Southeast Total	8,531	9,266	11,493	12,195	735	8.6%	2,227	24.0%	702	6.1%
HOUSEHOLDS										
Lakeland	550	645	691	681	95	17.3%	46	7.1%	-10	-1.4%
Lakeland Shores	65	101	116	117	36	0.6	15	0.1	1	0.9%
Lake St. Croix Beach	397	415	462	458	18	4.5%	47	11.3%	-4	-0.9%
St. Mary's Point	114	126	132	149	12	10.5%	6	4.8%	17	12.9%
Afton	776	890	996	1,081	114	14.7%	106	11.9%	85	8.5%
Hastings (pt)	4	2	2	0	-2	-50.0%	0	0.0%	-2	-100.0%
West Lakeland Township	355	524	1,101	1,283	169	47.6%	577	110.1%	182	16.5%
Denmark Township	318	367	481	615	49	15.4%	114	31.1%	134	27.9%
Southeast Total	2,579	3,070	3,981	4,384	491	19.0%	911	29.7%	403	10.1%
Sources: U.S. Census Bureau; Maxfield Research Inc.										

TABLE D-19 HISTORIC POPULATION AND HOUSEHOLD GROWTH TRENDS FOREST LAKE 1980-2010										
	U.S. Census				Change					
	1980	1990	2000	2010	1980-1990		1990-2000		2000-2010	
					No.	Pct.	No.	Pct.	No.	Pct.
POPULATION										
Forest Lake	4,596	5,833	6,798	18,375	1,237	26.9%	965	16.5%	11,577	170.3%
Forest Lake Township	5,331	6,690	7,642	--	1,359	25.5%	952	14.2%	--	--
Forest Lake Total	9,927	12,523	14,440	18,375	2,596	26.2%	1,917	15.3%	3,935	27.3%
HOUSEHOLDS										
Forest Lake	1,752	2,292	2,805	7,014	540	30.8%	513	22.4%	4,209	150.1%
Forest Lake Township	1,559	2,132	2,628	--	573	36.8%	496	23.3%	--	--
Forest Lake Total	3,311	4,424	5,433	7,014	1,113	33.6%	1,009	22.8%	1,581	29.1%
* The City of Forest Lake annexed Forest Lake Township in 2001.										
Sources: U.S. Census Bureau; Maxfield Research Inc.										

TABLE D-20 HISTORIC POPULATION AND HOUSEHOLD GROWTH TRENDS HUGO 1980-2010										
	U.S. Census				Change					
					1980-1990		1990-2000		2000-2010	
	1980	1990	2000	2010	No.	Pct.	No.	Pct.	No.	Pct.
POPULATION										
Hugo	3,771	4,417	6,363	13,332	646	17.1%	1,946	44.1%	6,969	109.5%
Hugo Total	3,771	4,417	6,363	13,332	646	17.1%	1,946	44.1%	6,969	109.5%
HOUSEHOLDS										
Hugo	1,082	1,416	2,125	4,990	334	30.9%	709	50.1%	2,865	134.8%
Hugo Total	1,082	1,416	2,125	4,990	334	30.9%	709	50.1%	2,865	134.8%
Sources: U.S. Census Bureau; Maxfield Research Inc.										

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TABLE D-21
HISTORIC POPULATION AND HOUSEHOLD GROWTH TRENDS
MAHTOMEDI/GRANT
1980-2010

	U.S. Census				Change					
					1980-1990		1990-2000		2000-2010	
	1980	1990	2000	2010	No.	Pct.	No.	Pct.	No.	Pct.
POPULATION										
Mahtomedi	3,851	5,569	7,563	7,676	1,718	44.6%	1,994	35.8%	113	1.5%
Birchwood Village	1,059	1,042	968	870	-17	-1.6%	-74	-7.1%	-98	-10.1%
White Bear Lake (pt)	10	416	351	403	406	4060.0%	-65	-15.6%	52	14.8%
Pine Springs	267	436	421	408	169	63.3%	-15	-3.4%	-13	-3.1%
Willernie	654	584	549	507	-70	-10.7%	-35	-6.0%	-42	-7.7%
Grant*	3,083	3,778	4,026	4,094	695	22.5%	248	6.6%	68	1.7%
Dellwood	751	887	1,033	1,065	136	18.1%	146	16.5%	32	3.1%
Mahtomedi/Grant Total	9,675	12,712	14,911	15,023	3,037	31.4%	2,199	17.3%	112	0.8%
HOUSEHOLDS										
Mahtomedi	1,239	1,874	2,503	2,827	635	51.3%	629	33.6%	324	12.9%
Birchwood Village	326	364	357	351	38	11.7%	-7	-1.9%	-6	-1.7%
White Bear Lake (pt)	3	168	149	198	165	5500.0%	-19	-11.3%	49	32.9%
Pine Springs	77	135	140	144	58	75.3%	5	3.7%	4	2.9%
Willernie	236	227	225	218	-9	-3.8%	-2	-0.9%	-7	-3.1%
Grant*	831	1,773	1,374	1,463	942	113.4%	-399	-22.5%	89	6.5%
Dellwood	223	301	353	373	78	35.0%	52	17.3%	20	5.7%
Mahtomedi/Grant Total	2,935	4,842	5,101	5,574	1,907	65.0%	259	5.3%	473	9.3%
* Grant Township became the City of Grant in 1996.										
Sources: U.S. Census Bureau; Maxfield Research Inc.										

TABLE D-22 HISTORIC POPULATION AND HOUSEHOLD GROWTH TRENDS OAKDALE 1980-2010										
	U.S. Census				Change					
	1980	1990	2000	2010	1980-1990		1990-2000		2000-2010	
					No.	Pct.	No.	Pct.	No.	Pct.
POPULATION										
Oakdale	12,123	18,374	26,653	27,401	6,251	51.6%	8,279	45.1%	748	2.8%
Landfall	679	685	700	663	6	0.9%	15	2.2%	-37	-5.3%
Oakdale Total	12,802	19,059	27,353	28,064	6,257	48.9%	8,294	43.5%	711	2.6%
HOUSEHOLDS										
Oakdale	4,004	6,699	10,243	10,956	2,695	67.3%	3,544	52.9%	713	7.0%
Landfall	310	300	292	257	-10	-3.2%	-8	-2.7%	-35	-12.0%
Oakdale Total	4,314	6,999	10,535	11,213	2,685	62.2%	3,536	50.5%	678	6.4%
Sources: U.S. Census Bureau; Maxfield Research Inc.										

TABLE D-23 HISTORIC POPULATION AND HOUSEHOLD GROWTH TRENDS LAKE ELMO 1980-2010										
	U.S. Census				Change					
	1980	1990	2000	2010	1980-1990		1990-2000		2000-2010	
					No.	Pct.	No.	Pct.	No.	Pct.
POPULATION										
Lake Elmo	5,296	5,903	6,863	8,069	607	11.5%	960	16.3%	1,206	17.6%
Lake Elmo Total	5,296	5,903	6,863	8,069	607	11.5%	960	16.3%	1,206	17.6%
HOUSEHOLDS										
Lake Elmo	1,687	1,973	2,347	2,776	286	17.0%	374	19.0%	429	18.3%
Lake Elmo Total	1,687	1,973	2,347	2,776	286	17.0%	374	19.0%	429	18.3%
Sources: U.S. Census Bureau; Maxfield Research Inc.										

TABLE D-24 HISTORIC POPULATION AND HOUSEHOLD GROWTH TRENDS WOODBURY 1980-2010										
	U.S. Census				Change					
					1980-1990		1990-2000		2000-2010	
	1980	1990	2000	2010	No.	Pct.	No.	Pct.	No.	Pct.
POPULATION										
Woodbury	10,297	20,075	46,463	61,961	9,778	95.0%	26,388	131.4%	15,498	33.4%
Woodbury Total	10,297	20,075	46,463	61,961	9,778	95.0%	26,388	131.4%	15,498	33.4%
HOUSEHOLDS										
Woodbury	3,232	6,927	16,676	22,594	3,695	114.3%	9,749	140.7%	5,918	35.5%
Woodbury Total	3,232	6,927	16,676	22,594	3,695	114.3%	9,749	140.7%	5,918	35.5%
Sources: U.S. Census Bureau; Maxfield Research Inc.										

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TABLE D-25
HISTORIC POPULATION AND HOUSEHOLD GROWTH TRENDS
COTTAGE GROVE AREA
1980-2010

	U.S. Census				Change					
					1980-1990		1990-2000		2000-2010	
	1980	1990	2000	2010	No.	Pct.	No.	Pct.	No.	Pct.
POPULATION										
Cottage Grove	18,994	22,935	30,582	34,589	3,941	20.7%	7,647	33.3%	4,007	13.1%
Grey Cloud Island	351	414	307	295	63	17.9%	-107	-25.8%	-12	-3.9%
St. Paul Park	4,864	4,965	5,070	5,273	101	2.1%	105	2.1%	203	4.0%
Newport	3,323	3,720	3,715	3,435	397	11.9%	-5	-0.1%	-280	-7.5%
Cottage Grove Total	27,532	32,034	39,674	43,592	4,502	16.4%	7,640	23.8%	3,918	9.9%
HOUSEHOLDS										
Cottage Grove	5,127	6,856	9,932	11,719	1,729	33.7%	3,076	44.9%	1,787	18.0%
Grey Cloud Island	112	165	117	117	53	47.3%	-48	-29.1%	0	0.0%
St. Paul Park	1,511	1,749	1,829	1,967	238	15.8%	80	4.6%	138	7.5%
Newport	1,153	1,323	1,418	1,354	170	14.7%	95	7.2%	-64	-4.5%
Cottage Grove Total	7,903	10,093	13,296	15,157	2,190	27.7%	3,203	31.7%	1,861	14.0%
Sources: U.S. Census Bureau; Maxfield Research Inc.										

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 examined the housing market in each submarket by reviewing data on the age of the existing housing supply; examining residential building trends since 2000; and reviewing housing data from the American Community Survey and Excensus.

Residential Construction Trends 2000 to Present

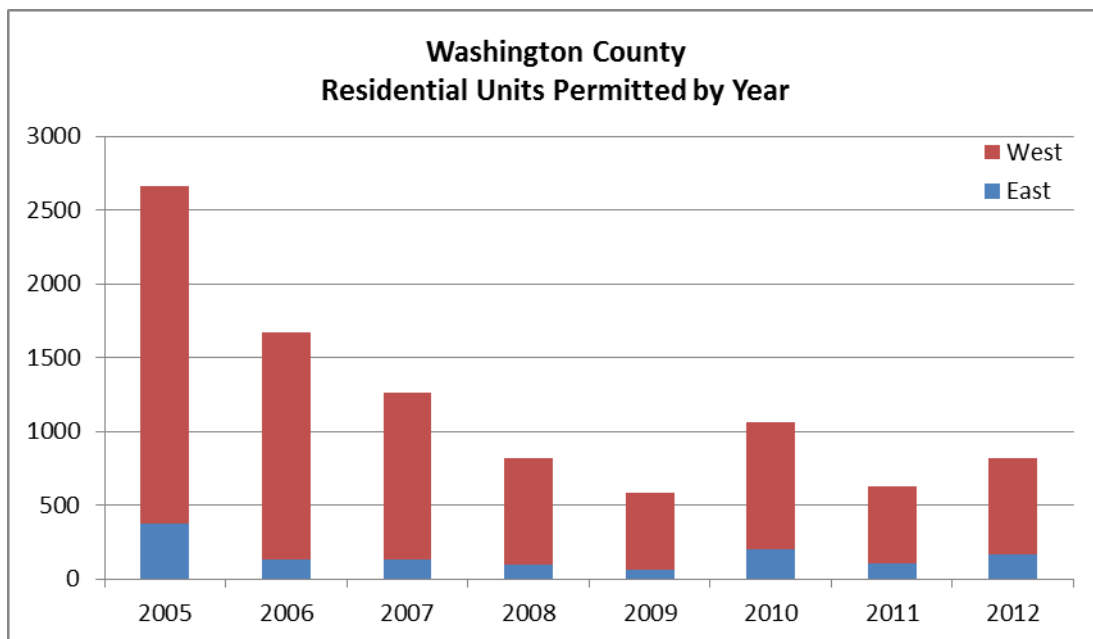
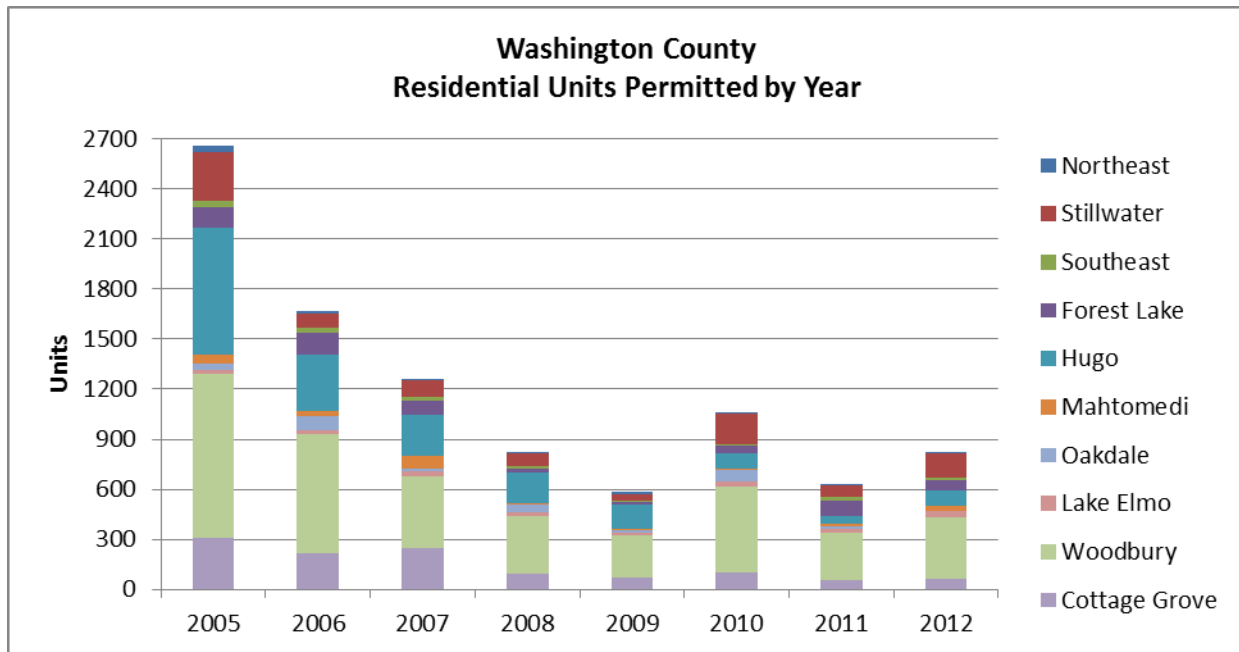
Maxfield Research obtained data on the number of building permits issued for new housing units from 2000 through 2012 from the U.S. Census Building Permits Survey (BPS) and the U.S. Department of Housing and Urban Development State of the Cities Data Systems (HUD SOCDs). The purpose of the BPS is to provide national, state, and local statistics on the new privately-owned housing units authorized by building or zoning permits in the United States. Statistics from the BPS are based on reports submitted by local permit officials and the survey covers all “permit-issuing places” which are jurisdictions that issue building or zoning permits. Areas for which no authorization is required to construct new housing units are not included in the survey. The HUD SOCDs takes information from the BPS and includes any subsequent Census revisions to achieve higher quality data.

Table HC-1 displays the number of units permitted for single-family homes and multifamily structures (includes duplexes, structures with three or four units, and structures with five or more units) from 2005 through 2012, which is the most recent full-year data available. Multifamily housing includes both for-sale and rental units, and is defined as residential buildings containing units built one on top of another and those built side-by-side which do not have a ground-to-roof wall and/or have common facilities. Single-family housing is defined as fully detached, semi-detached (semi-attached, side-by-side), row houses, and townhouses. For attached units, each unit must be separated from the adjacent unit by a ground-to-roof wall and they must not share systems or utilities to be classified as single-family.

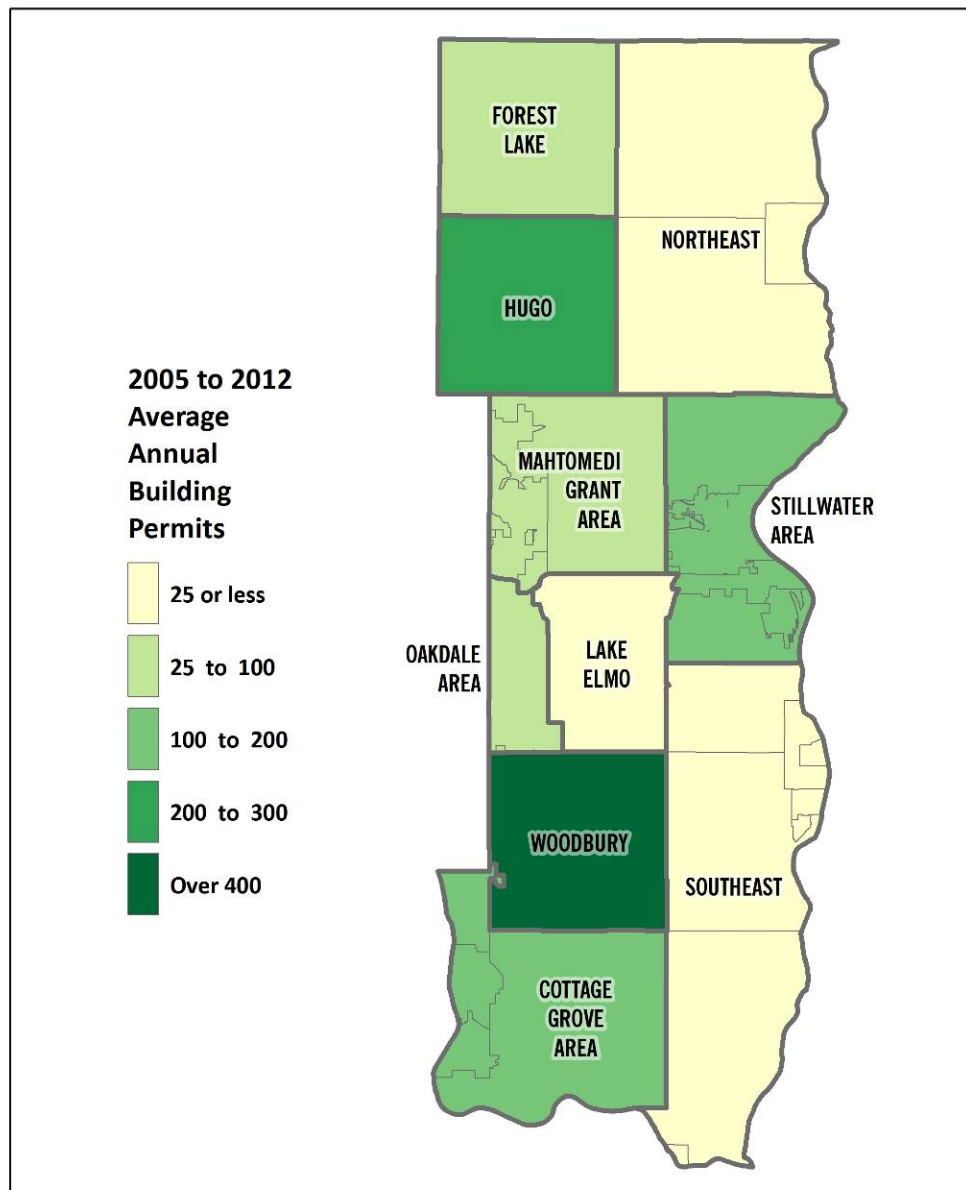
- Building permits were issued for 9,503 residential units in Washington County from 2005 to 2012, equating to roughly 1,190 units per year. Roughly 86% of these units were single-family while the remaining 14% were in multifamily structures.
- The City of Woodbury issued permits for the most units between 2005 and 2012 with 3,902 units. According to the 2012 year-end Keystone Report for the Builders Association of the Twin Cities (BATC), Woodbury was ranked as the top third community in the Metro Area in building permits, only behind Blaine and Lakeville.
- As illustrated in the following graph, 2005 was the most active year for residential permitting activity in Washington County, with a total of 2,662 units permitted, followed by 2006

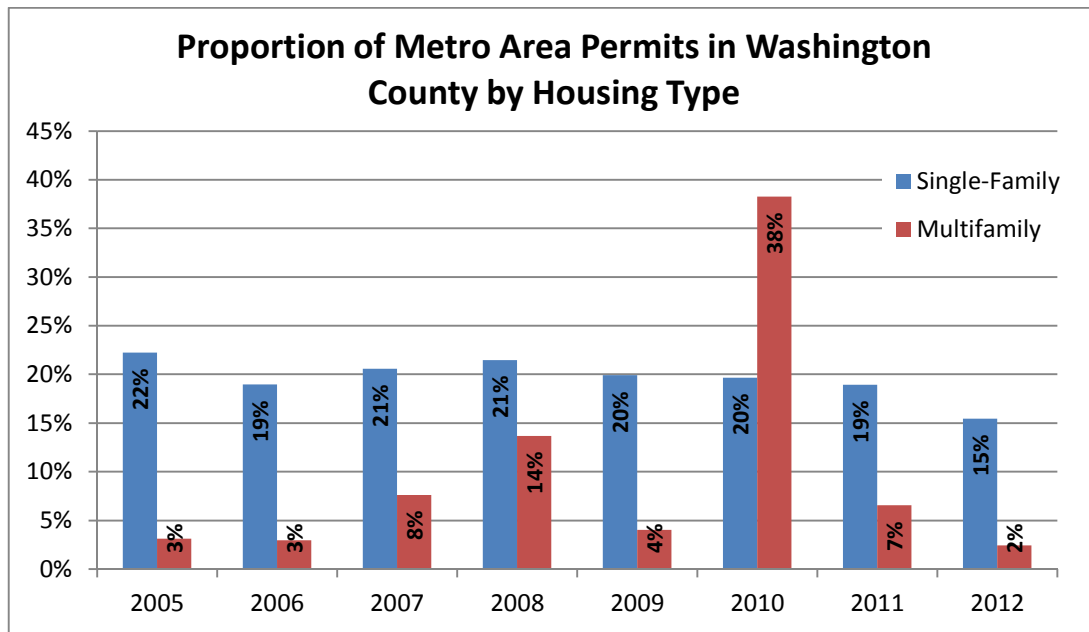
HOUSING CHARACTERISTICS

(1,671 units). Residential construction activity slowed substantially in 2009, as 581 units were permitted throughout the County.



Average Annual Building Permits (2005 to 2012)





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. Table HC-2 shows historic trends in 2010.

- The number of housing units increased by 18,739 over the decade, with the majority of the units as owner-occupied (79%). However due to the increase in vacant units, the percentage of owner-occupied units decreased from 83% to 79%.
- The percentage of owner-occupied housing units dropped in every submarket while the percentage of renter-occupied units increased between 2000 and 2010.
- Lake Elmo had the highest percentage of owner-occupied housing units in Washington County at 92% as of the 2010 Census. The highest proportion of renter-occupied housing units could be found in the Stillwater submarket (23%) and Oakdale submarket (21%).
- About 5% of Washington County's housing stock was vacant in 2010. 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. Based on data in Table HC-3, approximately 28% of the vacant units were for seasonal use and 24% were for sale.

HOUSING CHARACTERISTICS

TABLE HC-1
ANNUAL RESIDENTIAL BUILDING ACTIVITY, UNITS PERMITTED
WASHINGTON COUNTY
2005 - 2012

	Total Units								Single-Family Units								Multifamily Units							
	2005	2006	2007	2008	2009	2010	2011	2012	2005	2006	2007	2008	2009	2010	2011	2012	2005	2006	2007	2008	2009	2010	2011	2012
Northeast	38	16	9	3	9	8	8	5	38	16	9	3	9	8	8	5	0	0	0	0	0	0	0	0
Scandia	34	13	7	3	9	8	7	5	34	13	7	3	9	8	7	5	0	0	0	0	0	0	0	0
Marine on St. Croix	4	3	2	0	0	0	1	0	4	3	2	0	0	0	1	0	0	0	0	0	0	0	0	0
May Township	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Stillwater	294	87	95	75	42	178	72	146	265	87	95	75	42	58	72	84	29	0	0	0	0	120	0	62
Stillwater	244	56	50	60	34	44	47	39	244	56	50	60	34	44	47	39	0	0	0	0	0	0	0	0
Oak Park Heights	30	11	19	4	0	120	0	63	1	11	19	4	0	0	0	1	29	0	0	0	0	120	0	62
Bayport	7	9	18	8	6	13	11	25	7	9	18	8	6	13	11	25	0	0	0	0	0	0	0	0
Baytown Township	9	7	7	3	1	0	14	18	9	7	7	3	1	0	14	18	0	0	0	0	0	0	0	0
Stillwater Township	4	4	1	0	1	1	0	1	4	4	1	0	1	1	0	1	0	0	0	0	0	0	0	0
Southeast	40	32	25	18	8	12	22	19	40	32	25	18	8	12	22	19	0	0	0	0	0	0	0	0
Lakeland	2	3	1	1	0	0	4	2	2	3	1	1	0	0	4	2	0	0	0	0	0	0	0	0
Lakeland Shores	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lake St. Croix Beach	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
St. Mary's Point	2	0	0	0	0	3	2	0	2	0	0	0	0	3	2	0	0	0	0	0	0	0	0	0
Afton	6	7	7	6	1	4	5	5	6	7	7	6	1	4	5	5	0	0	0	0	0	0	0	0
Denmark Township	13	14	7	3	3	4	6	3	13	14	7	3	3	4	6	3	0	0	0	0	0	0	0	0
West Lakeland Township	16	8	10	8	4	1	5	9	16	8	10	8	4	1	5	9	0	0	0	0	0	0	0	0
Forest Lake	121	130	83	20	11	49	88	59	115	92	83	20	11	19	22	29	6	38	0	0	0	30	66	30
Hugo	765	338	249	190	148	86	50	89	765	338	249	186	116	62	50	89	0	0	0	4	32	24	0	0
Mahtomedi	52	31	77	7	5	13	14	30	43	31	77	7	5	13	14	30	9	0	0	0	0	0	0	0
Mahtomedi	31	28	69	4	3	11	11	26	31	28	69	4	3	11	11	26	0	0	0	0	0	0	0	0
Birchwood Village	1	0	2	0	1	0	1	0	1	0	2	0	1	0	1	0	0	0	0	0	0	0	0	0
Pine Springs	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0
Willernie	9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9	0	0	0	0	0	0	0
Grant	9	2	3	2	1	2	2	3	9	2	3	2	1	2	2	3	0	0	0	0	0	0	0	0
Dellwood	2	1	3	1	0	0	0	0	2	1	3	1	0	0	0	0	0	0	0	0	0	0	0	0
Oakdale	39	80	16	47	16	70	18	6	14	19	16	8	11	31	18	6	25	61	0	39	5	39	0	0
Oakdale	39	80	16	47	16	70	18	6	14	19	16	8	11	31	18	6	25	61	0	39	5	39	0	0
Landfall	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lake Elmo	22	29	26	23	16	26	21	34	22	29	26	23	16	26	21	34	0	0	0	0	0	0	0	0
Woodbury	981	713	432	342	255	519	286	374	905	713	432	216	255	277	272	329	76	0	0	126	0	242	14	45
Cottage Grove	310	215	247	94	71	98	52	59	310	215	78	92	69	54	52	59	0	0	169	2	2	44	0	0
Cottage Grove	262	185	236	88	66	89	49	51	262	185	67	86	64	45	49	51	0	0	169	2	2	44	0	0
Grey Cloud Island	0	0	1	0	1	1	0	0	0	0	1	0	1	1	0	0	0	0	0	0	0	0	0	0
St. Paul Park	47	28	5	5	4	7	3	7	47	28	5	5	4	7	3	7	0	0	0	0	0	0	0	0
Newport	1	2	5	1	0	1	0	1	1	2	5	1	0	1	0	1	0	0	0	0	0	0	0	0
East Total	372	135	129	96	59	198	102	170	343	135	129	96	59	78	102	108	29	0	0	0	0	120	0	62
West Total	2,290	1,536	1,130	723	522	861	529	651	2,174	1,437	961	552	483	482	449	576	116	99	169	171	39	379	80	75
Washington Total	2,662	1,671	1,259	819	581	1,059	631	821	2,517	1,572	1,090	648	542	560	551	684	145	99	169	171	39	499	80	137
Metro Area Total	15,985	11,633	7,522	4,268	3,692	4,154	4,130	10,075	11,311	8,287	5,301	3,018	2,722	2,850	2,912	4,431	4,674	3,346	2,221	1,250	970	1,304	1,218	5,644

Sources: US HUD State of the Cities Data Systems; US Census Bureau; Maxfield Research, Inc.

HOUSING CHARACTERISTICS

TABLE HC-2
HOUSING UNITS BY OCCUPANCY STATUS AND TENURE
WASHINGTON COUNTY
2000 & 2010

	2010							2000						
	Total Units	Owner-Occupied		Renter-Occupied		Vacant Units		Total Units	Owner-Occupied		Renter-Occupied		Vacant Units	
	No.	No.	Pct.	No.	Pct.	No.	Pct.	No.	No.	Pct.	No.	Pct.	No.	Pct.
Northeast	3,278	2,670	81%	214	7%	394	12%	2,781	2,385	86%	170	6%	226	8%
Stillwater	12,081	8,447	70%	2,823	23%	811	7%	9,637	7,448	77%	1,965	20%	224	2%
Southeast	4,634	4,135	89%	249	5%	250	5%	4,107	3,802	93%	179	4%	126	3%
Forest Lake	7,508	5,362	71%	1,652	22%	494	7%	5,613	4,229	75%	1,204	21%	180	3%
Hugo	5,189	4,539	87%	451	9%	199	4%	2,174	2,015	93%	110	5%	49	2%
Mahtomedi	5,798	4,891	84%	683	12%	224	4%	5,242	4,658	89%	443	8%	141	3%
Oakdale	11,673	8,704	75%	2,509	21%	460	4%	10,694	8,528	80%	2,007	19%	159	1%
Lake Elmo	2,877	2,648	92%	131	5%	98	3%	2,389	2,250	94%	97	4%	42	2%
Woodbury	23,568	18,290	78%	4,304	18%	974	4%	17,541	14,209	81%	2,467	14%	865	5%
Cottage Grove	15,768	13,032	83%	2,125	13%	611	4%	13,457	11,703	87%	1,593	12%	161	1%
East Total	19,993	15,252	76%	3,286	16%	1,455	7%	16,525	13,635	83%	2,314	14%	576	3%
West Total	72,381	57,466	79%	11,855	16%	3,060	4%	57,110	47,592	83%	7,921	14%	1,597	3%
Washington Total	92,374	72,718	79%	15,141	16%	4,515	5%	73,635	61,227	83%	10,235	14%	2,173	3%

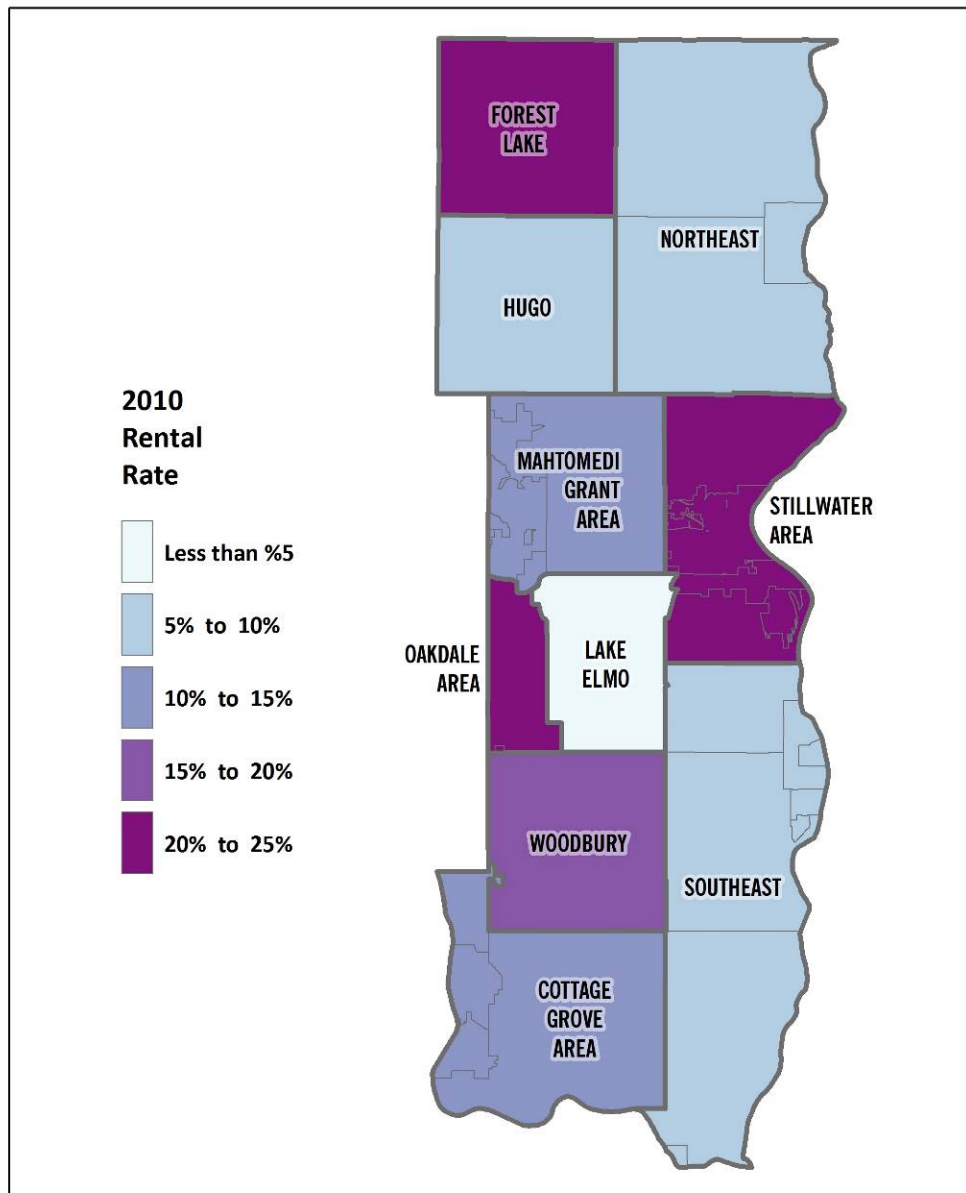
Sources: U.S. Census Bureau; Maxfield Research, Inc.

HOUSING CHARACTERISTICS

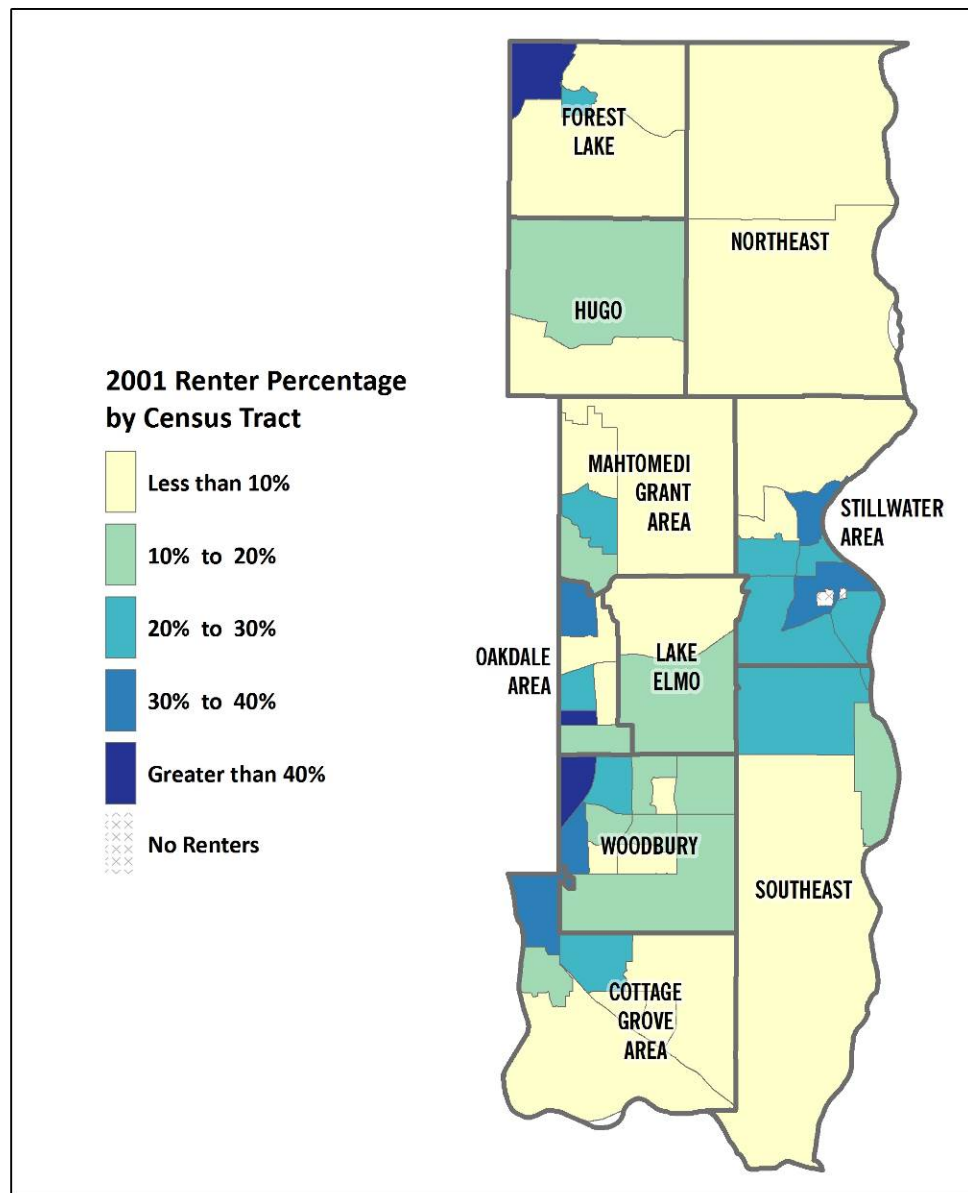
**TABLE HC-3
VACANCY STATUS
WASHINGTON COUNTY
2010**

	2010														
	Total Vacant	For Rent		Rented, Not Occupied		For Sale Only		Sold, Not Occupied		For Seasonal Use		For Migratory Workers		Other Vacant	
	No.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Northeast	394	5	1%	4	1%	30	8%	7	2%	309	78%	0	0%	39	10%
Stillwater	811	244	30%	11	1%	205	25%	30	4%	152	19%	0	0%	169	21%
Southeast	250	21	8%	1	0%	39	16%	23	9%	121	48%	0	0%	45	18%
Forest Lake	494	119	24%	5	1%	110	22%	23	5%	171	35%	1	0%	65	13%
Hugo	199	27	14%	4	2%	71	36%	18	9%	30	15%	0	0%	49	25%
Mahtomedi	224	33	15%	7	3%	42	19%	4	2%	83	37%	0	0%	55	25%
Oakdale	460	167	36%	13	3%	126	27%	21	5%	38	8%	0	0%	95	21%
Lake Elmo	98	5	5%	0	0%	28	29%	8	8%	32	33%	0	0%	25	26%
Woodbury	974	310	32%	56	6%	220	23%	61	6%	183	19%	1	0%	143	15%
Cottage Grove	611	175	29%	14	2%	190	31%	37	6%	45	7%	11	2%	139	23%
East Total	1,455	270	19%	16	1%	274	19%	60	0	582	40%	0	0%	253	17%
West Total	3,060	836	27%	99	3%	787	26%	172	0	582	19%	13	0%	571	19%
Washington Total	4,515	1,106	24%	115	3%	1,061	23%	232	5%	1,164	26%	13	0%	824	18%
Sources: U.S. Census Bureau; Maxfield Research, Inc.															

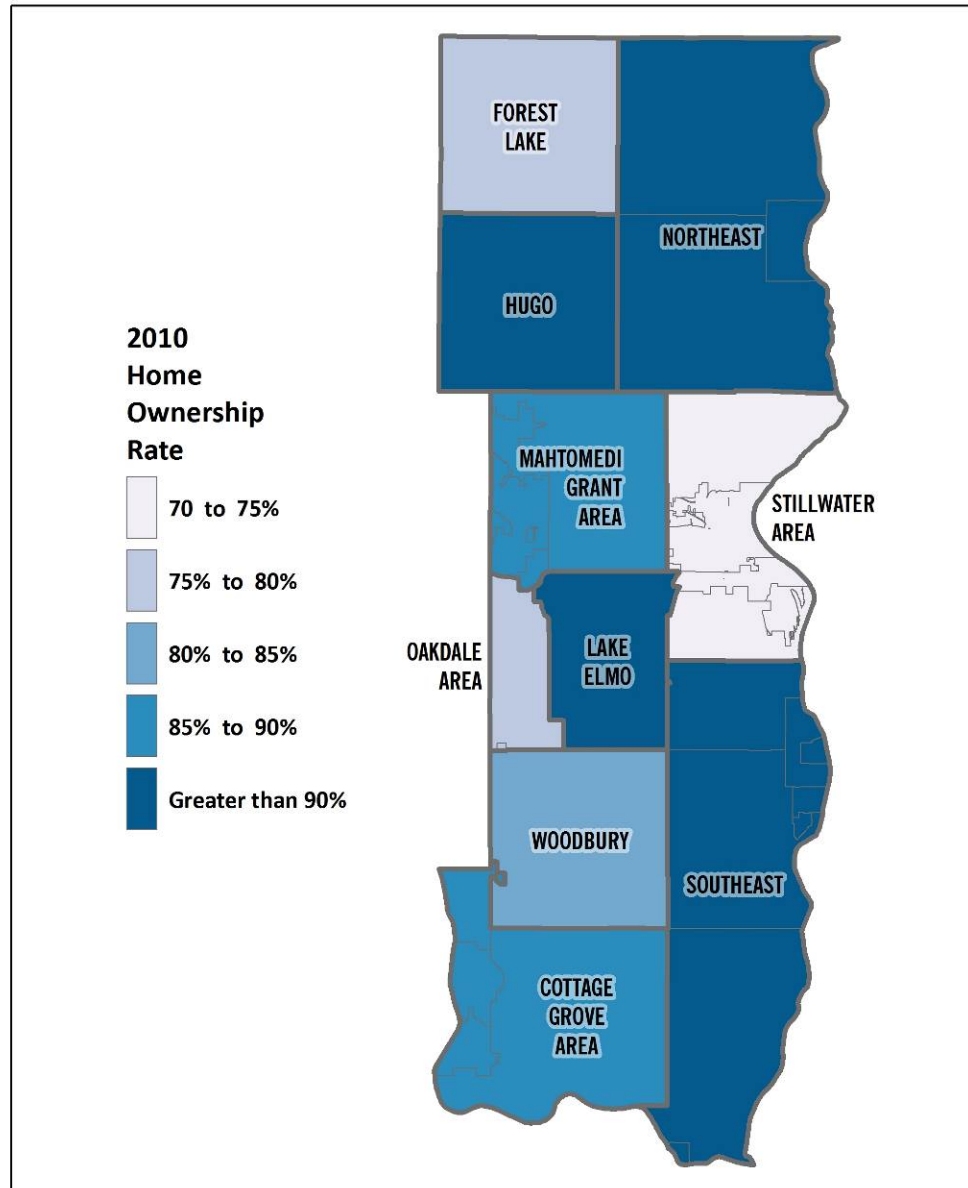
Rental Tenure - 2010



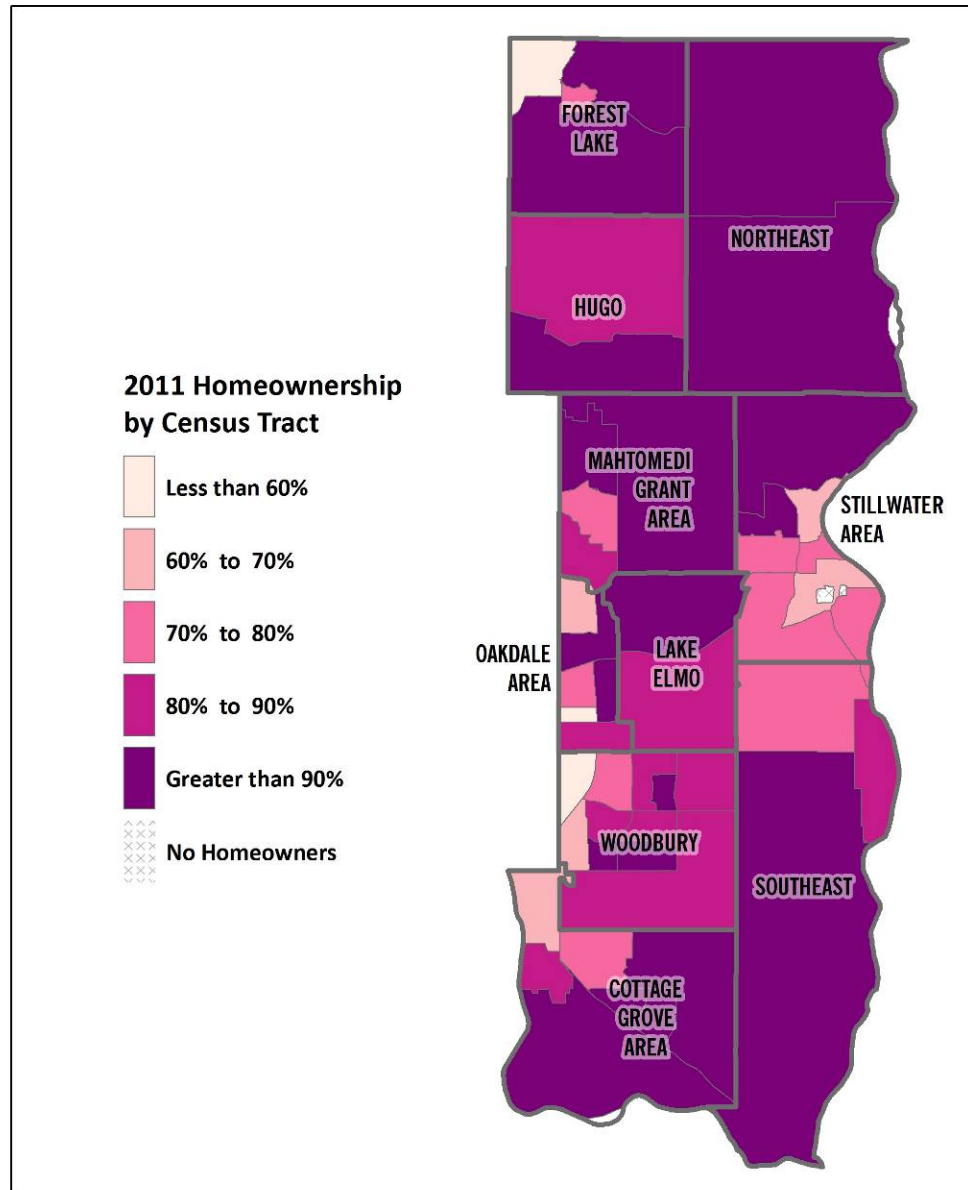
Rental Tenure by Census Tract - 2011



Owner Tenure - 2010



Owner Tenure by Census Tract - 2011



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. Whenever possible, Maxfield Research Inc. used the five-year estimates as it provides the largest sample size and has a longer period of data collection. It should be noted that all ACS surveys are subject to sampling error and uncertainty. The ACS reports margins of errors (MOEs) with estimates for most standard census geographies. The MOE is shown by reliability from low, medium to high. Due to the MOE, 2011 ACS data may have inconsistencies with previous 2010 Census data.

Excensus LLC

Excensus demographic data is produced locally in the Twin Cities and covers the 7-County Metro Area. The data set spans from 2004 to 2011 and is based on more than 1.1 million occupied housing units in the Metro Area. The data is unique in that each household record is linked to its individual property parcel using GIS. This helps provide address verification and permits households and housing attributes to be mapped and linked by means of a relational database. All householders and other adults in these households are assigned a unique identifier which permits tracking of households as they move from location to location within the Metro Area. Principal data sources include the U.S. Postal Service resident file, the Minnesota Department of Public Safety driver's license and vehicle registration files, and the MetroGIS parcel and property ownership records. Use of these data sources in summary form is permitted for research purposes by Minnesota statutes and/or by limited use/non-disclosure agreements between Excensus and the named agencies."

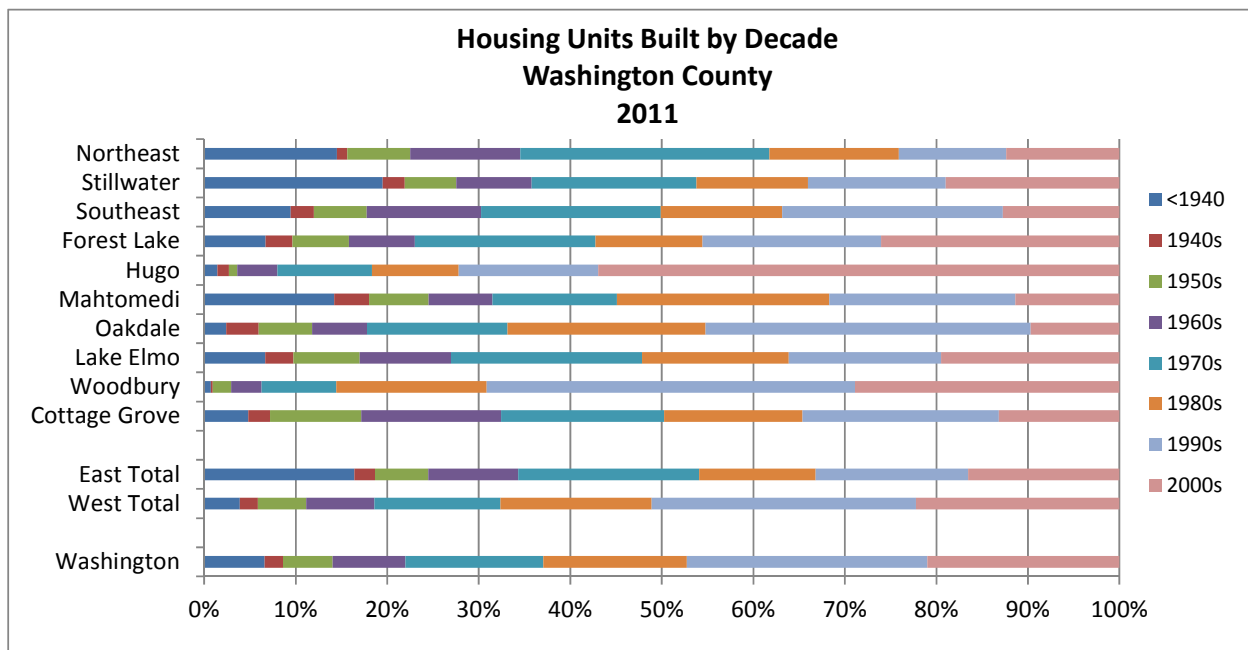
Because Excensus data is based on parcel-level data, demographic data will differ from the 2010 U.S. Census and American Community Survey (ACS). At the 7-County Metro Area, Excensus data household counts run within 1% of the 2010 Census. Generally, the suburban areas have the highest accuracy as Minneapolis and St. Paul tend to run less than the Census counts (mostly due to homeless residents or college students not updating their home addresses). At the Census Block level, Excensus data will be more precise than the 2010 Census. Because the ACS is a rolling one-year, three-year, or five-year sample, Excensus and the ACS could differ more significantly.

Tables HC-4 through HC-12 show key data from the American Community Survey and Excensus for Washington County. For a comparison, information for Washington County is broken down by submarket.

Age of Housing Stock

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

- The greatest percentage of homes in Washington County was built in the 1990s, which comprised 26.2% of the entire housing stock in the County. As a comparison, only 14.1% of homes in the Metro Area were built in the 1990s.
- The Stillwater submarket has the highest proportion of older homes as 19.5% of the housing supply was built prior to 1940, followed by the Northeast submarket (14.5%). Conversely, Hugo has the largest supply of newer homes with 31.6% built after 2005.
- Since 2005, 7,016 housing units have been added to the County's housing stock, roughly 8% of the total. Woodbury was the leader with 2,881 new units, followed by Hugo with 1,510 new units.



HOUSING CHARACTERISTICS

TABLE HC-4
AGE OF HOUSING STOCK (OCCUPIED HOUSING UNITS)
WASHINGTON COUNTY
2007-2011

	Year Structure Built																			
	Total Units	Med. Yr. Built	<1940		1940s		1950s		1960s		1970s		1980s		1990s		2000 to 2004		2005 or later	
			No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Northeast	2,860	1972	415	14.5%	32	1.1%	197	6.9%	344	12.0%	778	27.2%	405	14.2%	335	11.7%	298	10.4%	56	2.0%
Stillwater	11,615	1977	2,266	19.5%	279	2.4%	654	5.6%	958	8.2%	2,089	18.0%	1,417	12.2%	1,749	15.1%	1,566	13.5%	637	5.5%
Southeast	4,373	1980	413	9.4%	112	2.6%	251	5.7%	547	12.5%	859	19.6%	580	13.3%	1,053	24.1%	453	10.4%	105	2.4%
Forest Lake	7,095	1986	476	6.7%	209	2.9%	436	6.1%	511	7.2%	1,401	19.7%	830	11.7%	1,383	19.5%	1,330	18.7%	519	7.3%
Hugo	4,776	2001	68	1.4%	61	1.3%	44	0.9%	209	4.4%	493	10.3%	453	9.5%	728	15.2%	1,210	25.3%	1,510	31.6%
Mahtomedi	5,381	1981	765	14.2%	204	3.8%	350	6.5%	376	7.0%	731	13.6%	1,248	23.2%	1,095	20.3%	467	8.7%	145	2.7%
Oakdale	11,020	1988	266	2.4%	391	3.5%	641	5.8%	664	6.0%	1,690	15.3%	2,384	21.6%	3,917	35.5%	796	7.2%	271	2.5%
Lake Elmo	2,887	1981	192	6.7%	89	3.1%	209	7.2%	289	10.0%	602	20.9%	463	16.0%	481	16.7%	449	15.6%	113	3.9%
Woodbury	22,277	1995	165	0.7%	43	0.2%	446	2.0%	741	3.3%	1,823	8.2%	3,657	16.4%	8,961	40.2%	3,560	16.0%	2,881	12.9%
Cottage Grove	15,162	1980	729	4.8%	362	2.4%	1,509	10.0%	2,320	15.3%	2,698	17.8%	2,296	15.1%	3,248	21.4%	1,221	8.1%	779	5.1%
East Total	18,848	1977	3,094	16.4%	423	2.2%	1,102	5.8%	1,849	9.8%	3,726	19.8%	2,402	12.7%	3,137	16.6%	2,317	12.3%	798	4.2%
West Total	68,598	1988	2,661	3.9%	1,359	2.0%	3,635	5.3%	5,110	7.4%	9,438	13.8%	11,331	16.5%	19,813	28.9%	9,033	13.2%	6,218	9.1%
Washington Total	87,446	1986	5,755	6.6%	1,782	2.0%	4,737	5.4%	6,959	8.0%	13,164	15.1%	13,733	15.7%	22,950	26.2%	11,350	13.0%	7,016	8.0%
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research Inc.																				

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research Inc.

Excensus Age of Housing Stock

For a comparison, the age distribution of the single-family housing stock from the Excensus is also provided. Table HC-5 includes the number of single-family housing units prior to 1960 and subsequent 20 year periods along with those built after the year 2000.

- Similar to the American Community Survey data, the majority of the single-family housing stock was built in the 1990s (42.3%).
- Hugo also has the largest supply of newer homes with 41.7% built after 2000, followed by Woodbury (24.5%) and Lake Elmo (22.0%).

TABLE HC-5 EXCENSUS HOUSING STOCK YEAR BUILT (SINGLE-FAMILY ONLY) WASHINGTON COUNTY 2010									
	Total Units	Year Structure Built							
		<1960		1960 to 1979		1980-1999		2000 or Newer	
		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Northeast	2,801	638	22.8%	940	33.6%	821	29.3%	402	14.4%
Stillwater	8,085	2,703	33.4%	2,163	26.8%	2,172	26.9%	1,047	12.9%
Southeast	4,334	852	19.7%	1,411	32.6%	1,568	36.2%	503	11.6%
Forest Lake	4,990	1,034	20.7%	1,274	25.5%	1,667	33.4%	1,015	20.3%
Hugo	3,263	284	8.7%	569	17.4%	1,050	32.2%	1,360	41.7%
Mahtomedi	4,951	1,305	26.4%	1,242	25.1%	1,960	39.6%	444	9.0%
Oakdale	7,175	882	12.3%	1,592	22.2%	4,328	60.3%	373	5.2%
Lake Elmo	2,354	379	16.1%	643	27.3%	815	34.6%	517	22.0%
Woodbury	16,321	821	5.0%	1,951	12.0%	9,557	58.6%	3,992	24.5%
Cottage Grove	12,744	2,492	19.6%	4,488	35.2%	4,380	34.4%	1,384	10.9%
East Total	15,220	4,193	27.5%	4,514	29.7%	4,561	30.0%	1,952	12.8%
West Total	51,798	7,197	13.9%	11,759	22.7%	23,757	45.9%	9,085	17.5%
Washington Total	67,018	11,390	17.0%	16,273	24.3%	28,318	42.3%	11,037	16.5%
Sources: Excensus; Maxfield Research Inc.									

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

Table HC-6 shows the housing stock in Washington County by type of structure and tenure based on the 2011 ACS.

- The dominant housing type in Washington County is the single-family detached home, representing 70% of all housing units in the County. As a comparison, approximately 60% of all homes in the Metro Area are single-family detached.

HOUSING CHARACTERISTICS

TABLE HC-6
HOUSING UNITS BY STRUCTURE & TENURE
WASHINGTON COUNTY
2011

Units in Structure	NORTHEAST				STILLWATER				SOUTHEAST				FOREST LAKE			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
1, detached	2,658	97.6%	91	65.9%	7,207	83.8%	636	21.1%	3,967	98.2%	301	90.1%	4,650	86.4%	314	18.3%
1, attached	50	1.8%	8	5.8%	690	8.0%	358	11.9%	32	0.8%	5	1.5%	598	11.1%	422	24.6%
2	2	0.1%	3	2.2%	48	0.6%	303	10.1%	20	0.5%	7	2.1%	8	0.1%	61	3.6%
3 to 4	0	0.0%	0	0.0%	141	1.6%	208	6.9%	6	0.1%	6	1.8%	12	0.2%	67	3.9%
5 to 9	0	0.0%	36	26.1%	155	1.8%	270	9.0%	4	0.1%	9	2.7%	7	0.1%	71	4.1%
10 to 19	0	0.0%	0	0.0%	54	0.6%	146	4.8%	0	0.0%	0	0.0%	12	0.2%	141	8.2%
20 to 49	0	0.0%	0	0.0%	187	2.2%	238	7.9%	0	0.0%	0	0.0%	8	0.1%	380	22.2%
50 or more	0	0.0%	0	0.0%	78	0.9%	854	28.3%	3	0.1%	3	0.9%	0	0.0%	249	14.5%
Mobile home	12	0.4%	0	0.0%	42	0.5%	0	0.0%	7	0.2%	3	0.9%	86	1.6%	9	0.5%
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	2,722	100%	138	100%	8,602	100%	3,013	100%	4,039	100%	334	100%	5,381	100%	1,714	100%
Units in Structure	HUGO				MAHTOMEDI				OAKDALE				LAKE ELMO			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
1, detached	2,807	64.2%	82	20.3%	4,346	94.7%	235	29.7%	5,816	67.4%	297	12.5%	2,349	87.9%	130	60.5%
1, attached	1,412	32.3%	240	59.4%	191	4.2%	45	5.7%	2,030	23.5%	307	12.9%	27	1.0%	0	0.0%
2	0	0.0%	0	0.0%	23	0.5%	19	2.4%	8	0.1%	42	1.8%	0	0.0%	37	17.2%
3 to 4	47	1.1%	0	0.0%	9	0.2%	67	8.5%	104	1.2%	123	5.2%	0	0.0%	0	0.0%
5 to 9	42	1.0%	22	5.4%	0	0.0%	12	1.5%	148	1.7%	88	3.7%	0	0.0%	0	0.0%
10 to 19	12	0.3%	0	0.0%	0	0.0%	0	0.0%	42	0.5%	288	12.1%	0	0.0%	0	0.0%
20 to 49	0	0.0%	31	7.7%	0	0.0%	17	2.1%	35	0.4%	302	12.7%	0	0.0%	0	0.0%
50 or more	0	0.0%	0	0.0%	0	0.0%	390	49.3%	79	0.9%	896	37.6%	0	0.0%	0	0.0%
Mobile home	52	1.2%	29	7.2%	21	0.5%	6	0.8%	373	4.3%	42	1.8%	296	11.1%	48	22.3%
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	4,372	100%	404	100%	4,590	100%	791	100%	8,635	100%	2,385	100%	2,672	100%	215	100%
Units in Structure	WOODBURY				COTTAGE GROVE				TOTAL							
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.				
1, detached	12,504	68.1%	258	6.6%	11,831	89.5%	369	19.0%	58,135	80.1%	2,713	18.3%				
1, attached	4,997	27.2%	1,392	35.5%	1,028	7.8%	242	12.5%	11,055	15.2%	3,019	20.3%				
2	39	0.2%	58	1.5%	65	0.5%	57	2.9%	213	0.3%	587	4.0%				
3 to 4	355	1.9%	118	3.0%	9	0.1%	206	10.6%	683	0.9%	795	5.4%				
5 to 9	290	1.6%	327	8.3%	54	0.4%	195	10.0%	700	1.0%	1,030	6.9%				
10 to 19	39	0.2%	337	8.6%	0	0.0%	360	18.5%	159	0.2%	1,272	8.6%				
20 to 49	12	0.1%	373	9.5%	0	0.0%	305	15.7%	242	0.3%	1,646	11.1%				
50 or more	89	0.5%	1,057	27.0%	14	0.1%	187	9.6%	263	0.4%	3,636	24.5%				
Mobile home	32	0.2%	0	0.0%	210	1.6%	15	0.8%	1,131	1.6%	152	1.0%				
Boat, RV, van, etc.	0	0.0%	0	0.0%	9	0.1%	6	0.3%	9	0.0%	6	0.0%				
Total	18,357	100%	3,920	100%	13,220	100%	1,942	100%	72,590	100%	14,856	100%				

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research Inc.

HOUSING CHARACTERISTICS

- The Southeast and Northeast submarkets have the highest proportions of single-family detached housing, representing 98% and 96% of their respective housing inventories. Conversely, the Hugo submarket has the smallest proportion of single-family detached housing at 60%.
- Approximately 73% of housing units with two or more units are renter-occupied. The Oakdale submarket has the greatest proportions of multifamily units, at 19%.

Excensus Housing Units by Structure

For a comparison, housing units by structure from the Excensus is also provided in Table HC-7.

- Similar to the American Community Survey data, the single-family home is the dominant housing type in Washington County.
- Assuming all the apartment and duplex/triplex units are renter-occupied, approximately 18.4% of all housing units are renter-occupied. This is slightly lower than the renter-occupied rate of 20.5% in Table HC-6.

TABLE HC-7 EXCENSUS HOUSING TYPES WASHINGTON COUNTY 2011									
	Total	Single-Family		Multifamily		Apartment	Mobile Home	Duplex/Triplex	Unknown
		Owned	Rented	Owned	Rented				
Northeast	2,904	2,534	267	41	7	41	0	3	11
Stillwater	11,302	7,382	703	1,105	755	1,248	0	43	66
Southeast	4,428	3,952	382	53	2	2	1	14	22
Forest Lake	7,190	4,451	539	790	236	934	131	21	88
Hugo	5,153	3,006	257	1,353	309	88	122	4	14
Mahtomedi	5,589	4,583	368	222	35	331	11	17	22
Oakdale	11,390	6,705	470	1,647	408	1,650	400	12	98
Lake Elmo	2,859	2,186	168	10	1	9	474	2	9
Woodbury	23,518	14,871	1,450	3,614	1,570	1,972	0	4	37
Cottage Grove	15,423	11,864	880	1,143	433	825	199	23	56
East Total	18,634	13,868	1,352	1,199	764	1,291	1	60	99
West Total	71,122	47,666	4,132	8,779	2,992	5,809	1,337	83	324
Washington Total	89,756	61,534	5,484	9,978	3,756	7,100	1,338	143	423

Sources: Excensus; Maxfield Research Inc.

Owner-Occupied Housing Units by Mortgage Status

Table HC-8 shows mortgage status and average values from the American Community Survey for 2011 (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 79% of Washington County homeowners have a mortgage. Comparatively, about 77% of homeowners in the Metro Area had a mortgage in 2011. About 35% of homeowners with mortgages in Washington County also have a second mortgage and/or home equity loan.
- The median value for homes with a mortgage for Washington County homeowners was approximately \$262,600. The Lake Elmo submarket had the highest median value at \$416,100 and Oakdale had the lowest at \$206,762.

Owner-Occupied Housing Units by Value

Table HC-9 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 owner-occupied home in Washington County was \$257,200 or \$18,473 higher than the Metro Area (\$238,727).
- Median values in Washington County range from a low of \$201,784 in the Oakdale submarket to a high of \$386,200 in the Lake Elmo submarket.
- The Hugo, Cottage Grove, and Oakdale were the only submarkets below the County median value.

HOUSING CHARACTERISTICS

TABLE HC-8
OWNER-OCCUPIED HOUSING UNITS BY MORTGAGE STATUS
WASHINGTON COUNTY
2011

Mortgage Status	NORTHEAST		STILLWATER		SOUTHEAST		FOREST LAKE		HUGO		MAHTOMEDI	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	Pct.	Pct.
Housing units without a mortgage	872	32.0	2,175	25.3	955	23.6	1,096	20.4	684	36.7	1,007	21.9
Housing units with a mortgage/debt	1,850	68.0	6,427	74.7	3,084	76.4	4,285	79.6	1,180	63.3	3,583	78.1
<i>Second mortgage only</i>	150	5.5	383	4.5	177	4.4	522	9.7	412	22.1	267	5.8
<i>Home equity loan only</i>	493	18.1	1,952	22.7	889	22.0	1,000	18.6	768	41.2	1,050	22.9
<i>Both second mortgage and equity loan</i>	18	0.7	76	0.9	63	1.6	54	1.0	80	4.3	56	1.2
<i>No second mortgage or equity loan</i>	1,189	43.7	4,016	46.7	1,955	48.4	2,709	50.3	2,428	130.3	2,210	48.1
Total	2,722	100.0	8,602	100.0	4,039	100.0	5,381	100.0	1,864	100.0	4,590	100.0
Average Value by Mortgage Status												
Housing units with a mortgage	\$401,322		\$282,522		\$390,673		\$265,600		\$233,400		\$381,693	
Housing units without a mortgage	\$352,496		\$263,732		\$329,836		\$231,100		\$268,600		\$369,484	
Mortgage Status	OAKDALE		LAKE ELMO		WOODBURY		COTTAGE GROVE		TOTAL			
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.		
Housing units without a mortgage	2,082	24.1	816	30.5	2,744	14.9	2,220	16.8	14,651	20.9		
Housing units with a mortgage/debt	6,553	75.9	1,856	69.5	15,613	85.1	11,000	83.2	55,431	79.1		
<i>Second mortgage only</i>	372	4.3	123	4.6	1,343	7.3	810	6.1	4,559	6.5		
<i>Home equity loan only</i>	1,692	19.6	513	19.2	3,667	20.0	2,512	19.0	14,536	20.7		
<i>Both second mortgage and equity loan</i>	58	0.7	7	0.3	106	0.6	141	1.1	659	0.9		
<i>No second mortgage or equity loan</i>	4,431	51.3	1,213	45.4	10,497	57.2	7,537	57.0	38,185	54.5		
Total	8,635	100.0	2,672	100.0	18,357	100.0	13,220	100.0	70,082	100.0		
Average Value by Mortgage Status												
Housing units with a mortgage	\$209,762		\$416,100		\$286,200		\$220,761		\$262,600			
Housing units without a mortgage	\$175,576		\$342,300		\$253,100		\$192,990		\$238,200			
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research Inc.												

HOUSING CHARACTERISTICS

**TABLE HC-9
OWNER-OCCUPIED UNITS BY VALUE
WASHINGTON COUNTY
2011**

Home Value	NORTHEAST		STILLWATER		SOUTHEAST		FOREST LAKE		HUGO		MAHTOMEDI	
	No.	Pct.	No.	Pct.	Pct.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Less than \$50,000	12	0.4	147	1.7	22	0.5	188	3.5	68	1.6	51	1.1
\$50,000-\$99,999	11	0.4	166	1.9	15	0.4	25	0.5	88	2.0	54	1.2
\$100,000-\$149,999	61	2.2	404	4.7	118	2.9	324	6.0	395	9.0	93	2.0
\$150,000-\$199,999	77	2.8	1,422	16.5	315	7.8	954	17.7	955	21.8	402	8.8
\$200,000-\$249,999	257	9.4	1,820	21.2	525	13.0	1,058	19.7	916	21.0	506	11.0
\$250,000-\$299,999	353	13.0	1,268	14.7	466	11.5	822	15.3	501	11.5	522	11.4
\$300,000-\$399,999	779	28.6	1,601	18.6	736	18.2	1,072	19.9	705	16.1	956	20.8
\$400,000-\$499,999	462	17.0	743	8.6	723	17.9	499	9.3	289	6.6	831	18.1
Greater than \$500,000	710	26.1	1,031	12.0	1,119	27.7	439	8.2	455	10.4	1,175	25.6
Total	2,722	100.0	8,602	100.0	4,039	100.0	5,381	100.0	4,372	100.0	4,590	100.0
Median Home Value	\$383,599		\$277,277		\$379,207		\$258,600		\$237,100		\$379,019	
Home Value	OAKDALE		LAKE ELMO		WOODBURY		COTTAGE GROVE		TOTAL			
	No.	Pct.	No.	Pct.	Pct.	Pct.	No.	Pct.	No.	Pct.		
Less than \$50,000	488	5.7	266	10.0	273	1.5	430	3.3	1,945	2.7		
\$50,000-\$99,999	260	3.0	103	3.9	165	0.9	314	2.4	1,201	1.7		
\$100,000-\$149,999	1,206	14.0	22	0.8	1,256	6.8	1,113	8.4	4,992	6.9		
\$150,000-\$199,999	2,137	24.7	91	3.4	3,019	16.4	3,486	26.4	12,858	17.7		
\$200,000-\$249,999	2,136	24.7	187	7.0	2,616	14.3	3,819	28.9	13,840	19.1		
\$250,000-\$299,999	1,158	13.4	203	7.6	2,969	16.2	1,813	13.7	10,075	13.9		
\$300,000-\$399,999	971	11.2	538	20.1	4,127	22.5	1,299	9.8	12,784	17.6		
\$400,000-\$499,999	169	2.0	465	17.4	2,153	11.7	517	3.9	6,851	9.4		
Greater than \$500,000	110	1.3	797	29.8	1,779	9.7	429	3.2	8,044	11.1		
Total	8,635	100.0	2,672	100.0	18,357	100.0	13,220	100.0	72,590	100.0		
Median Home Value	\$201,784		\$386,200		\$281,100		\$216,178		\$257,200			
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research Inc.												

Excensus Single-Family Housing Units by Value

For a comparison, housing units by value from the Excensus is also provided in Table HC-10.

- The Excensus estimates that a lower proportion of homes (28.1%) are priced at \$300,000 or above than the ACS at 38%.
- However, similar to the ACS, Lake Elmo had the greatest proportion (57.5%) of home prices at \$300,000 or above and Oakdale had the lowest proportion (5.2%).

TABLE HC-10 EXCENSUS HOME VALUES (SINGLE-FAMILY ONLY) WASHINGTON COUNTY 2011										
	Total Units		Year Structure Built							
			Under \$200,000		\$200,000 to \$249,999		\$250,000 to \$299,999		\$300,000 or More	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Northeast	2,801	100.0%	341	12.2%	508	18.1%	559	20.0%	1,393	49.7%
Stillwater	8,085	100.0%	3,036	37.6%	1,678	20.8%	1,097	13.6%	2,274	28.1%
Southeast	4,334	100.0%	803	18.5%	656	15.1%	592	13.7%	2,283	52.7%
Forest Lake	4,990	100.0%	2,227	44.6%	941	18.9%	676	13.5%	1,146	23.0%
Hugo	3,263	100.0%	1,030	31.6%	812	24.9%	605	18.5%	816	25.0%
Mahtomedi	4,951	100.0%	849	17.1%	859	17.4%	755	15.2%	2,488	50.3%
Oakdale	7,175	100.0%	4,016	56.0%	2,288	31.9%	500	7.0%	371	5.2%
Lake Elmo	2,354	100.0%	314	13.3%	291	12.4%	395	16.8%	1,354	57.5%
Woodbury	16,321	100.0%	3,461	21.2%	3,714	22.8%	3,546	21.7%	5,600	34.3%
Cottage Grove	12,744	100.0%	8,276	64.9%	2,270	17.8%	1,080	8.5%	1,118	8.8%
East Total	15,220	100.0%	4,180	27.5%	2,842	18.7%	2,248	14.8%	5,950	39.1%
West Total	51,798	100.0%	20,173	38.9%	11,175	21.6%	7,557	14.6%	12,893	24.9%
Washington Total	67,018	100.0%	24,353	36.3%	14,017	20.9%	9,805	14.6%	18,843	28.1%

Sources: Excensus; Maxfield Research Inc.

Renter-Occupied Units by Contract Rent

Table HC-11 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 Washington County was \$922. Based on a 30% allocation of income to housing, a household in Washington County would need an income of about \$36,880 to afford an average monthly rent of \$922.
- Between the submarkets of Washington County, Lake Elmo had the lowest median contract rent at \$573, while Woodbury had the highest at \$1,117. However, Lake Elmo has the fewest number of rental units and the median contract rent may be skewed by lower cost rental projects.

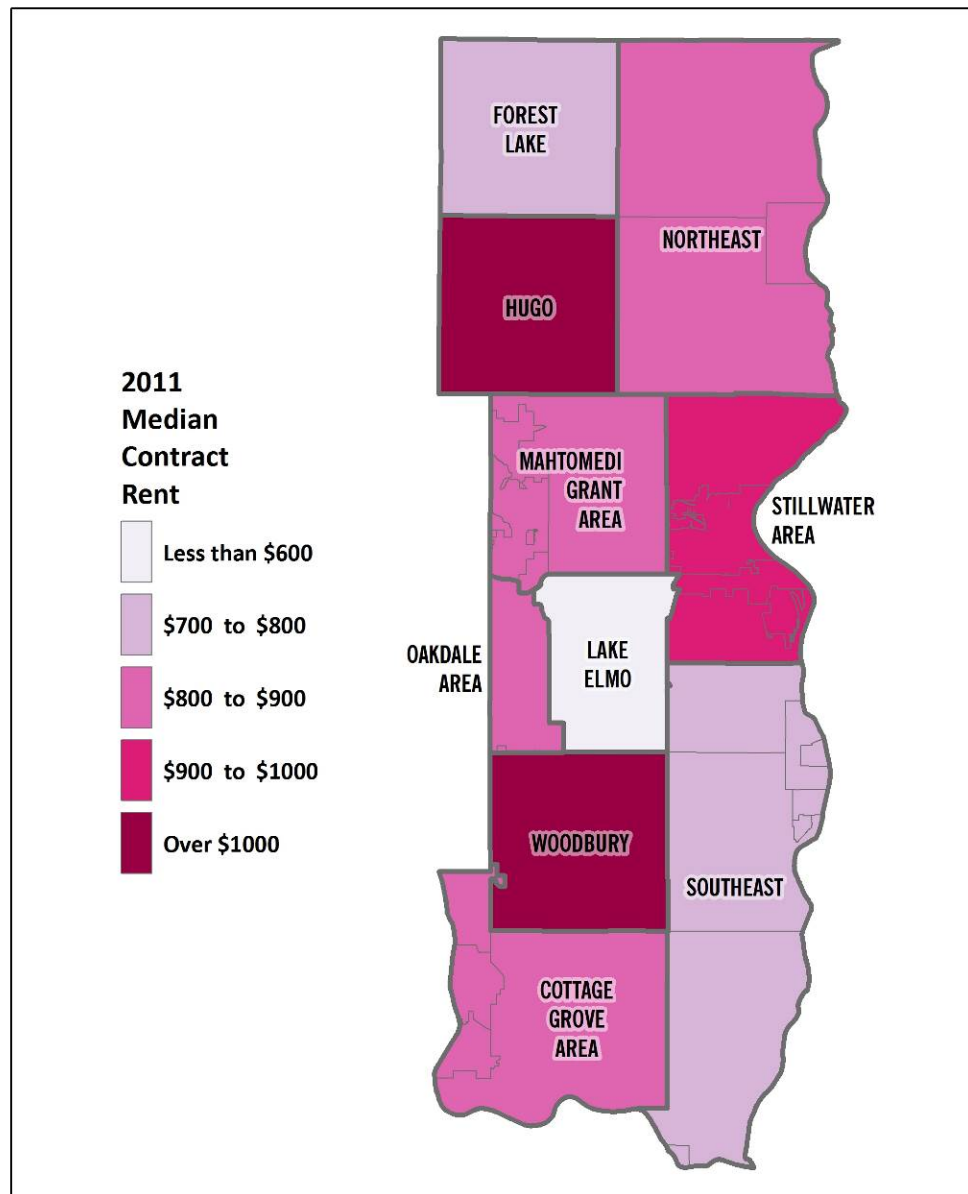
HOUSING CHARACTERISTICS

- Approximately 28% of Washington County renters paying cash have monthly rents ranging from \$750 to \$999, 27.2% had monthly rents ranging from \$1,000 to \$1,500, and 15.7% had monthly rents between \$500 and \$749.
- Housing units without payment of rent (“no cash rent”) make up only 4.4% of Washington County renters. Typically units may be owned by a relative or friend who lives elsewhere whom allow occupancy without charge. Other sources may include caretakers or ministers who may occupy a residence without charge.

TABLE HC-11 RENTER-OCCUPIED UNITS BY CONTRACT RENT WASHINGTON COUNTY 2011												
Contract Rent	NORTHEAST		STILLWATER		SOUTHEAST		FOREST LAKE		HUGO		MAHTOMEDI	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
No Cash Rent	44	31.9	156	5.2	82	24.6	86	5.0	8	2.0	32	4.0
Cash Rent	94	68.1	2,857	94.8	252	75.4	1,628	95.0	396	98.0	759	96.0
\$0 to \$249	0	0.0	309	10.3	2	0.6	217	12.7	6	1.5	22	2.8
\$250-\$499	0	0.0	147	4.9	7	2.1	153	8.9	43	10.6	99	12.5
\$500-\$749	19	13.8	507	16.8	25	7.5	329	19.2	44	10.9	34	4.3
\$750-\$999	36	26.1	764	25.4	53	15.9	681	39.7	10	2.5	240	30.3
\$1,000-\$1,500	28	20.3	618	20.5	98	29.3	185	10.8	233	57.7	147	18.6
\$1,500+	11	8.0	512	17.0	67	20.1	63	3.7	60	14.9	217	27.4
Total	138	100.0	3,013	100.0	334	100.0	1,714	100.0	404	100.0	791	100.0
Median Contract Rent	\$817		\$901		\$765		\$781		\$1,146		\$894	
Contract Rent	OAKDALE		LAKE ELMO		WOODBURY		COTTAGE GROVE		TOTAL			
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.		
No Cash Rent	58	2.4	7	3.3	80	2.0	107	5.5	660	4.4		
Cash Rent	2,327	97.6	208	96.7	3,840	98.0	1,835	94.5	14,196	95.6		
\$0 to \$249	281	11.8	0	0.0	11	0.3	0	0.0	848	5.7		
\$250-\$499	194	8.1	55	25.6	48	1.2	189	9.7	935	6.3		
\$500-\$749	496	20.8	98	45.6	251	6.4	528	27.2	2,331	15.7		
\$750-\$999	816	34.2	0	0.0	1,050	26.8	531	27.3	4,181	28.1		
\$1,000-\$1,500	312	13.1	46	21.4	1,852	47.2	523	26.9	4,042	27.2		
\$1,500+	228	9.6	9	4.2	628	16.0	64	3.3	1,859	12.5		
Total	2,385	100.0	215	100.0	3,920	100.0	1,942	100.0	14,856	100.0		
Median Contract Rent	\$811		\$573		\$1,117		\$834		\$922			
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research Inc.												

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research Inc.

Median Contract Rent - 2011



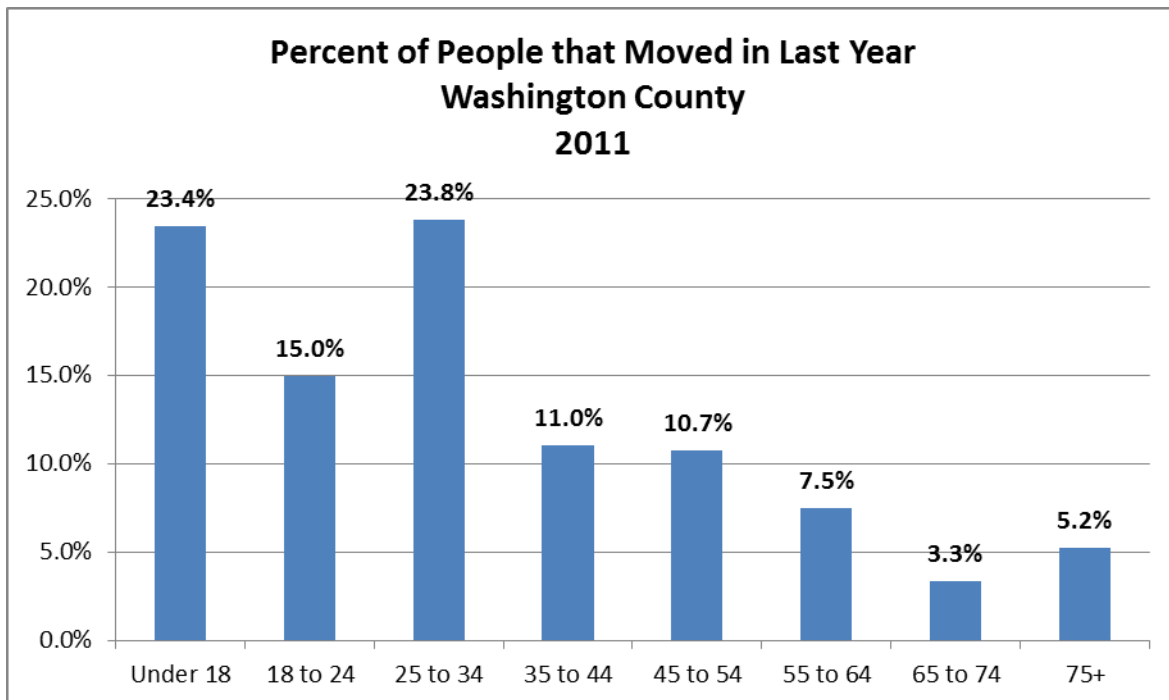
Mobility in the Past Year

Table HC-12 shows the mobility patterns of Washington County residents within the last year (2011 is the last year available).

- The majority of residents (91.3%) did not move within the last year.

HOUSING CHARACTERISTICS

- Of the residents that moved within the last year, approximately 49% moved from outside of Washington County but within Minnesota and 41% were intra-county moves (i.e. one location in Washington County to another Washington County location).
- A greater proportion of younger age cohorts tended to move within the last year compared to older age cohorts. Approximately 15% of those age 18 to 24 moved within the last year compared to 5.2% of those age 75+.



Destination of Householders Moving Out

Table HC-13 shows where households relocate after moving from Washington County in 2011. Data is provided from Excensus and includes the location at the submarket level. Please note, Excensus only tracks move data within the seven-county Metro Area; hence if a resident moved from Washington County to a location outside seven-county Metro Area that resident would not be tracked.

- Excluding Woodbury, about one-third of residents stayed in the same community or submarket when they moved. One-half of Stillwater submarket residents, 46% of Cottage Grove submarket residents, and 41% of Forest Lake submarket residents remained in the same submarket.

HOUSING CHARACTERISTICS

TABLE HC-12
MOBILITY IN THE PAST YEAR BY AGE FOR CURRENT RESIDENCE
WASHINGTON COUNTY
2011

Age	Not Moved		Moved							
	Same House		Within Same County		Different County Same State		Different State		Abroad	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	Pct.	Pct.
Under 18	55,242	91.1%	2,456	4.0%	1,827	3.0%	1,137	1.9%	0	0.0%
18 to 24	14,696	80.9%	1,388	7.6%	1,067	5.9%	923	5.1%	88	0.5%
25 to 34	22,250	80.2%	1,803	6.5%	2,575	9.3%	907	3.3%	215	0.8%
35 to 44	31,277	92.5%	795	2.3%	1,428	4.2%	250	0.7%	80	0.2%
45 to 54	39,366	94.1%	742	1.8%	1,253	3.0%	409	1.0%	79	0.2%
55 to 64	29,156	94.4%	662	2.1%	630	2.0%	342	1.1%	91	0.3%
65 to 74	14,085	94.8%	129	0.9%	563	3.8%	78	0.5%	0	0.0%
75+	10,091	89.3%	383	3.4%	801	7.1%	21	0.2%	0	0.0%
Total	216,163	91.3%	8,358	3.5%	10,144	4.3%	2,060	0.9%	88	0.0%

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research Inc.

HOUSING CHARACTERISTICS

TABLE HC-13
DESTINATION PLACES OF HOUSEHOLDS MOVING OUT
WASHINGTON COUNTY
2011

CITY MOVED TO	SUBMARKET MOVED FROM									
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury*	Cottage Grove
Bayport		12								
Blaine				5	4					
Cottage Grove			2				15	2	38	137
Dellwood						3				
Eagan										9
Forest Lake				61	8					
Ham Lake				3						
Hastings										12
Hugo	4			4	19			2		
Inver Grove Heights					4				17	11
Lake Elmo		8					7	5	12	
Mahtomedi						11				
Maple Grove	1					3				
Maplewood					3		36	2	28	9
Minneapolis		7		8		3	14		19	
New Brighton				4						
Newport										15
North St. Paul		4					12			
Oak Park Heights	1	36	2			4				
Oakdale		9		3		5	87	3	43	
Roseville			1				8			
Scandia	3		1	4						
South St. Paul										9
St. Paul	1	10	3	7	10	5	49	3	59	31
St. Paul Park									10	17
Stillwater	1	80	4		3	7	7	4		
Other Metro Cities	2	90	23	51	68	45	133	19	524	116
Total	13	256	36	150	119	86	368	40	750	366
% staying in Submarket	23.1%	50.0%	0.0%	40.7%	16.0%	16.3%	23.6%	12.5%	0.0%	46.2%
*Note: Intra-moves from within Woodbury was unavailable.										
Sources: Excensus; Maxfield Research Inc.										

Introduction

Employment characteristics are an important component in assessing housing needs in any given market area. These trends are important to consider since job growth can generally fuel household and population growth as people generally desire to live near where they work. Long commute times and the redevelopment of core cities have encouraged households to move closer to major employment centers.

Employment Growth

Table EMP-1 shows employment growth trends and projections from 1990 to 2020 based on the most recent information available from the Minnesota Department of Employment and Economic Development (DEED). Data for 1990, 2000 and 2010 represents the annual average employment for that year while 2012 data is from the 3rd Quarter. The 2020 forecast is based on 2010-2020 industry projections for the Twin Cities published by DEED, the most recent employment forecast available for the region. Maxfield Research applied the projected ten-year growth rate of 12.0% for the Twin Cities to the 2010 employment data to arrive at the 2020 forecast for the Metro Area. We arrived at the 2020 forecast for Washington County based on the proportion of the Metro Area jobs that were located in the County in 2012.

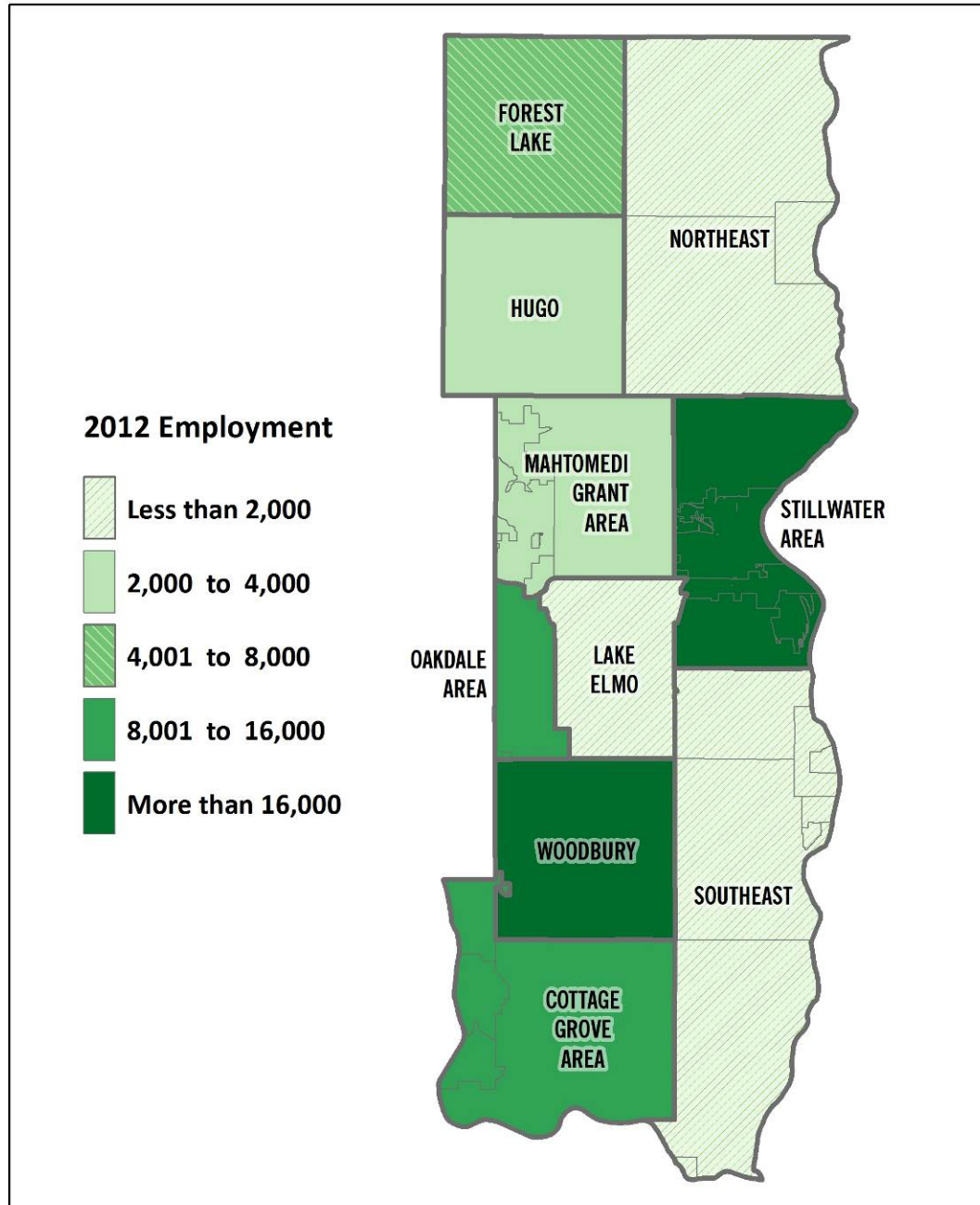
- Even in light of the economic recession, Washington County experienced a 6.3% employment growth (+4,246 jobs) between 2000 and 2010. However, the Metro Area decreased by 3.9% (-63,300 jobs).
- Seven of the ten submarkets in Washington County experienced job growth during the decade, while the Stillwater, Forest Lake, and Cottage Grove submarkets experienced declining employment. The majority of the County's job growth occurred in Woodbury which added 3,539 jobs (22.3%).
- Data from the Quarterly Census of Employment and Wages indicates that Washington County gained 2,279 jobs (+3.2%) between 2010 and the third quarter of 2012. The majority of the County's job growth occurred in Woodbury which added 1,084 jobs (5.6%). Oakdale also experienced significant growth, adding 934 jobs (10.8%).
- Solid job growth is expected between 2010 and 2020. Washington County is projected to experience a 19.5% gain (+14,000 jobs) during the decade. Employment in the Metro Area is projected to expand by 12.0%.

EMPLOYMENT TRENDS

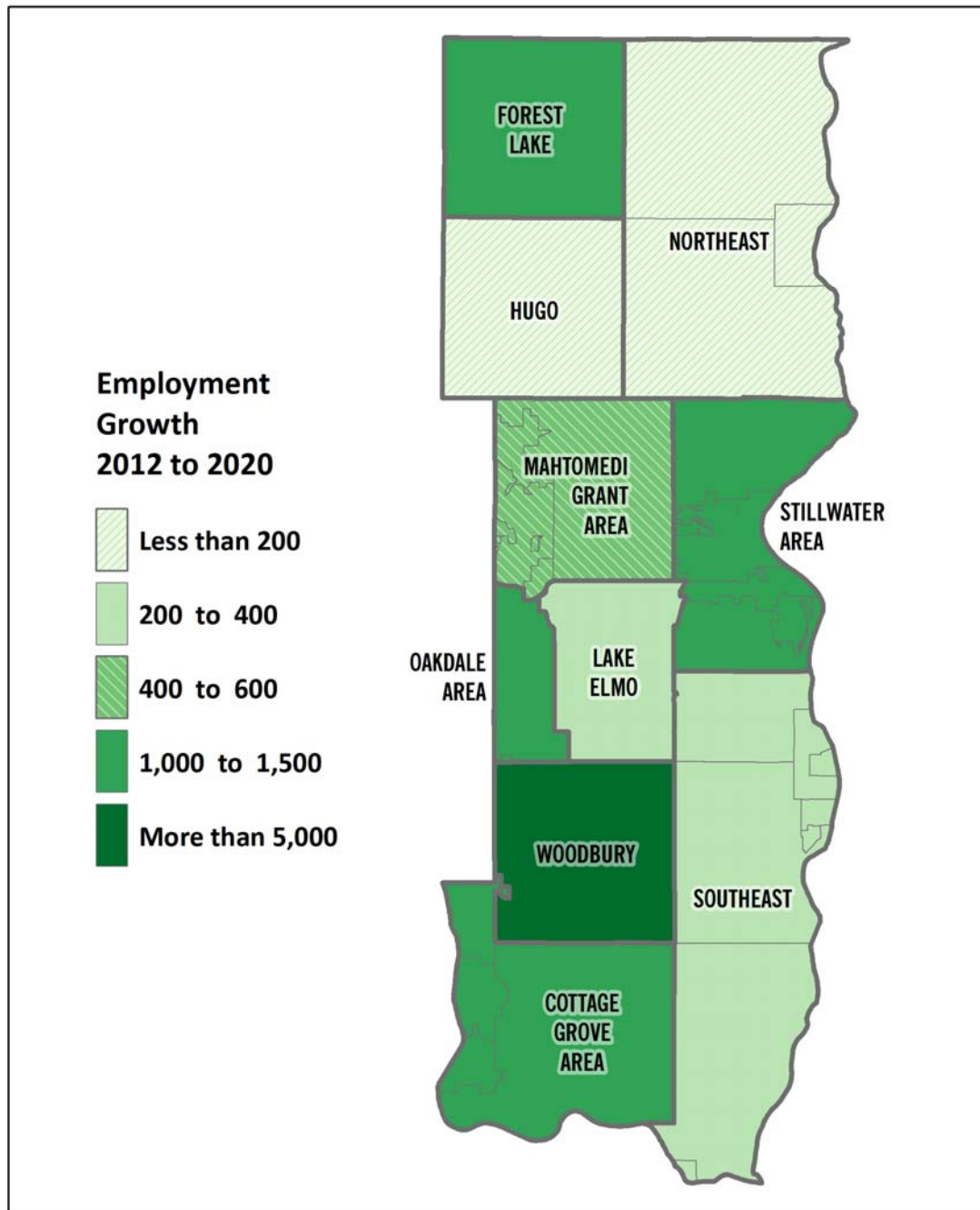
**TABLE EMP-1
EMPLOYMENT GROWTH TRENDS AND PROJECTIONS
WASHINGTON COUNTY
1990-2020**

	Employment										Change					
	Actual						Estimate		Forecast							
	1990		2000		2010		2012 Q3		2020		1990-2000		2000-2010		2010-2020	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Northeast	553	1.4%	547	0.8%	709	1.0%	897	1.2%	1,000	1.2%	-6	-1.1%	162	29.6%	291	41.0%
Stillwater	12,696	32.5%	18,606	27.5%	18,010	25.0%	17,882	24.1%	19,000	22.1%	5,910	46.6%	-596	-3.2%	990	5.5%
Southeast	792	2.0%	1,728	2.6%	1,808	2.5%	1,650	2.2%	2,045	2.4%	936	118.2%	80	4.6%	237	13.1%
East Total	14,041	35.9%	20,881	30.9%	20,527	28.6%	20,429	27.5%	22,045	25.7%	6,840	48.7%	-354	-1.7%	1,518	7.4%
Forest Lake	5,135	13.1%	6,636	9.8%	6,449	9.0%	6,338	8.5%	7,500	8.7%	1,501	29.2%	-187	-2.8%	1,051	16.3%
Hugo	1,012	2.6%	1,917	2.8%	1,973	2.7%	2,322	3.1%	2,500	2.9%	905	89.4%	56	2.9%	527	26.7%
Mahtomedi	1,470	3.8%	2,582	3.8%	3,279	4.6%	3,474	4.7%	4,050	4.7%	1,112	75.6%	697	27.0%	771	23.5%
Oakdale	4,012	10.3%	7,862	11.6%	8,676	12.1%	9,610	13.0%	10,750	12.5%	3,850	96.0%	814	10.4%	2,074	23.9%
Lake Elmo	1,011	2.6%	1,682	2.5%	1,941	2.7%	1,923	2.6%	2,250	2.6%	671	66.4%	259	15.4%	309	15.9%
Woodbury	5,000	12.8%	15,899	23.5%	19,438	27.0%	20,522	27.7%	25,850	30.1%	10,899	218.0%	3,539	22.3%	6,412	33.0%
Cottage Grove	7,423	19.0%	10,192	15.1%	9,614	13.4%	9,558	12.9%	11,000	12.8%	2,769	37.3%	-578	-5.7%	1,386	14.4%
West Total	25,063	64.1%	46,770	69.1%	51,370	71.4%	53,747	72.5%	63,900	74.3%	21,707	86.6%	4,600	9.8%	12,530	24.4%
Washington Total	39,104	100.0%	67,651	100.0%	71,897	100.0%	74,176	100.0%	85,945	100.0%	28,547	73.0%	4,246	6.3%	14,048	19.5%
Twin Cities Metro Area	1,272,773		1,607,916		1,544,613		1,597,543		1,729,967		335,143	26.3%	-63,303	-3.9%	185,354	12.0%
Note: Twin Cities Metro represents the 7-County planning region																
Sources: MN Dept of Employment and Economic Development; Metropolitan Council; Maxfield Research, Inc.																

2012 Employment



Employment Growth 2012 to 2020

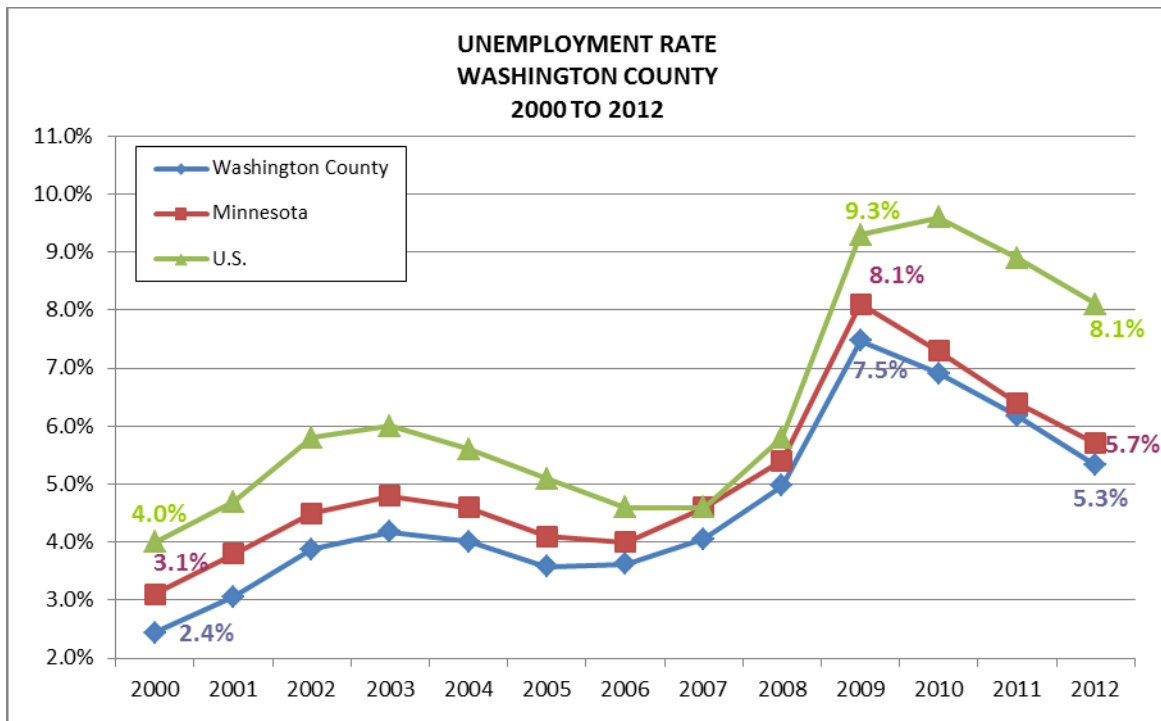


Resident Employment

Table EMP-2 presents resident employment data for Washington County from 2000 through May 2013. Resident employment data is calculated as an annual average *and reveals the work force and number of employed persons living in the County*. It is important to note that not all of these individuals necessarily work in the County. The data is from the Minnesota Department of Employment and Economic Development.

- Resident employment in Washington County increased by about 11,600 people between 2000 and 2012 (10.1%). The number of individuals in the labor market also increased, but at a higher rate than resident employment. This resulted in an increase in unemployment from 2.4% (2000) to 5.3% (2012).
- Washington County's unemployment rate has been lower than the State of Minnesota in every year from 2000 to 2012.
- Since 2006, the unemployment rate in Washington County has increased to a high of 7.5% (2009). However, as of May 2013, the unemployment rate has fallen to 5.1%, below the State and nation at 5.7% and 7.7%, respectively. These are indicators that the economy is recovering.

TABLE EMP-2 RESIDENT EMPLOYMENT (ANNUAL AVERAGE) WASHINGTON COUNTY 2000 through 2012						
Year	Total Labor Force	Total Employed	Total Unemployed	Unemployment Rate	Minnesota Unemployment Rate	U.S. Unemployment Rate
2000	117,885	115,006	2,879	2.4%	3.1%	4.0%
2001	120,837	117,138	3,699	3.1%	3.8%	4.7%
2002	121,811	117,081	4,730	3.9%	4.5%	5.8%
2003	123,692	118,533	5,159	4.2%	4.8%	6.0%
2004	124,052	119,082	4,970	4.0%	4.6%	5.6%
2005	125,569	121,070	4,499	3.6%	4.1%	5.1%
2006	127,708	123,087	4,621	3.6%	4.0%	4.6%
2007	127,999	122,815	5,184	4.1%	4.6%	4.6%
2008	129,534	123,098	6,436	5.0%	5.4%	5.8%
2009	129,221	119,557	9,664	7.5%	8.1%	9.3%
2010	131,502	122,412	9,090	6.9%	7.3%	9.6%
2011	133,095	124,877	8,218	6.2%	6.4%	8.9%
2012	133,730	126,609	7,121	5.3%	5.7%	8.1%
2013*	134,604	127,786	6,818	5.1%	5.7%	7.7%
Change 2000-12	15,845	11,603	4,242	2.9%	2.6%	4.1%
*through May 2013						
Sources: Minnesota Workforce Center; Maxfield Research Inc.						



Covered Employment by Industry

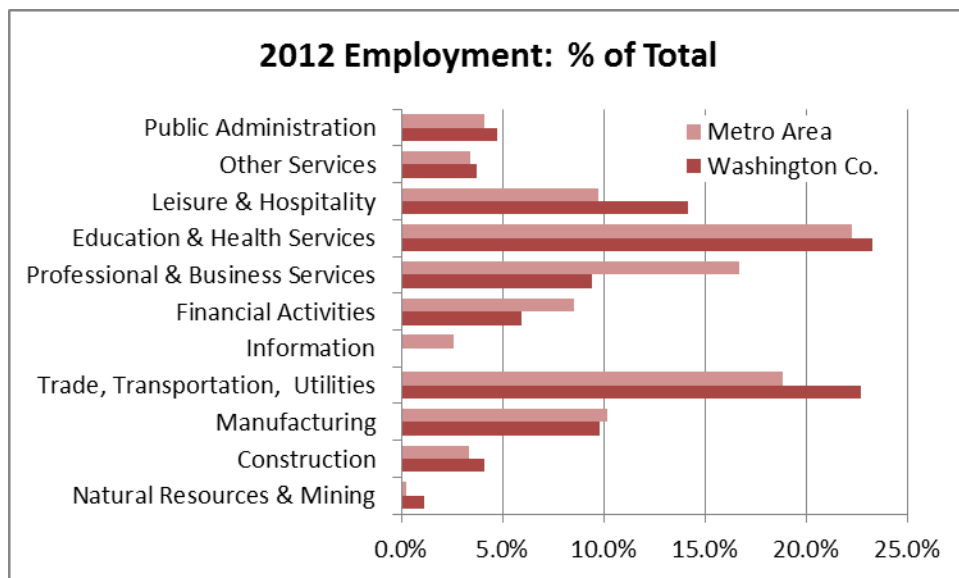
The following tables display information on the employment and wage situation in each of the submarkets in Washington County along with a summary for the entire County and the Metro Area. Covered employment data is calculated as an annual average and *reveals the number of jobs in the submarket*, which are covered by unemployment insurance. Most farm jobs, self-employed persons, and some other types of jobs are not covered by unemployment insurance and are not included in the tables. The data is from the Minnesota Department of Employment and Economic Development. Please note that the total of all industries in Tables EMP-3 to EMP-13 may not equal the sum of the identified industries due to other industries not identified in the tables.

Washington County

- There were 73,684 jobs in Washington County as of 2012 which, based on the 2012 annual count of employed residents, represented a jobs to employed resident ratio of 0.58 compared to 1.04 in the Metro Area. This ratio indicates that there were more employed residents than jobs in the County, suggesting that many residents commuted outside the area for employment. The ratio of 1.04 for the Metro Area means that there were more jobs than employed residents, indicating that employers brought in workers from outside the Metro Area.

EMPLOYMENT TRENDS

- As illustrated in the chart on the following page, the County's employment concentrations were higher than the Metro Area in the Construction; Trade, Transportation, and Utilities; Education and Health Services; Leisure and Hospitality; Other Services; and Public Administration industries, while all other sectors had lower concentrations of employment.
- The Education and Health Services industry was the largest employment sector in the County, providing 17,174 jobs in 2012 (23.3% of the total). The Trade, Transportation and Utilities sector was also a major employer with 16,734 workers (22.7% of the total jobs).
- Within the County, the most notable job losses between 2011 and 2012 occurred in the Financial Activities industry (257 jobs for a 5.6% decline). The most significant hiring occurred in the Education and Health Services sector (502 jobs for a 3.0% increase).
- From 2011 to 2012, the average weekly wage in Washington County increased 1.7% (\$13) to \$766. By comparison, wages increased 3.0% in the Metro Area to \$1,076. Average wages were lower in the County than in the Metro Area for all industry sectors.



EMPLOYMENT TRENDS

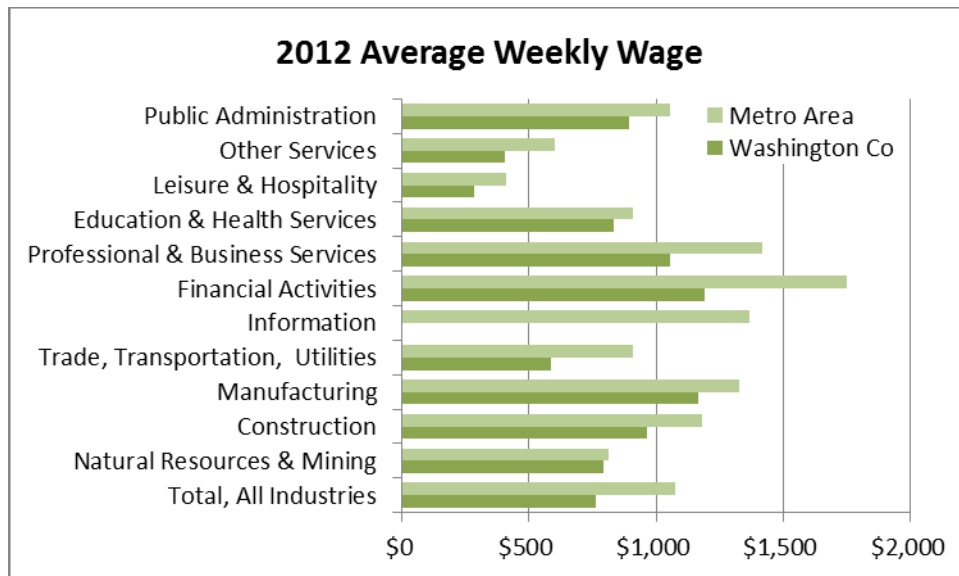


TABLE EMP-3 QUARTERLY CENSUS OF EMPLOYMENT AND WAGES WASHINGTON COUNTY										
Industry	2011			2012			Change 2011 - 2012			
	Establish- ments	Employ- ment	Weekly Wage	Establish- ments	Employ- ment	Weekly Wage	Employment		Wage	
							#	%	#	%
WASHINGTON COUNTY										
Total, All Industries	5,304	73,004	\$753	5,394	73,684	\$766	680	0.9%	\$13	1.7%
Natural Resources & Mining	48	730	\$731	49	811	\$793	81	11.1%	\$62	8.5%
Construction	591	2,953	\$961	596	3,007	\$966	54	1.8%	\$5	0.5%
Manufacturing	224	7,509	\$1,155	218	7,240	\$1,164	-269	-3.6%	\$9	0.8%
Trade, Transportation, Utilities	1,064	16,576	\$575	1,081	16,734	\$587	158	1.0%	\$12	2.1%
Information	0	0	\$0	0	0	\$0	0	0.0%	\$0	0.0%
Financial Activities	604	4,612	\$1,181	620	4,355	\$1,191	-257	-5.6%	\$10	0.8%
Professional & Business Services	976	6,880	\$1,016	991	6,958	\$1,057	78	1.1%	\$41	4.0%
Education & Health Services	627	16,672	\$801	660	17,174	\$832	502	3.0%	\$31	3.9%
Leisure & Hospitality	517	10,148	\$283	521	10,447	\$286	299	2.9%	\$3	1.1%
Other Services	488	2,620	\$390	508	2,726	\$407	106	4.0%	\$17	4.4%
Public Administration	70	3,472	\$896	70	3,497	\$896	25	0.7%	\$0	0.0%
METRO AREA										
Total, All Industries	80,602	1,564,365	\$1,045	81,342	1,588,495	\$1,076	24,130	1.5%	\$31	3.0%
Natural Resources & Mining	279	3,532	\$788	297	3,636	\$816	104	2.9%	\$28	3.6%
Construction	6,961	51,618	\$1,146	6,993	53,110	\$1,179	1,492	2.9%	\$33	2.9%
Manufacturing	4,267	160,620	\$1,288	4,212	162,161	\$1,328	1,541	1.0%	\$40	3.1%
Trade, Transportation, Utilities	16,619	298,134	\$892	16,578	299,445	\$907	1,311	0.4%	\$15	1.7%
Information	1,497	40,857	\$1,412	1,477	40,587	\$1,368	-270	-0.7%	-\$44	-3.1%
Financial Activities	9,319	132,637	\$1,595	9,184	135,719	\$1,749	3,082	2.3%	\$154	9.7%
Professional & Business Services	16,122	260,552	\$1,386	16,258	265,522	\$1,418	4,970	1.9%	\$32	2.3%
Education & Health Services	9,426	346,399	\$888	9,796	353,886	\$910	7,487	2.2%	\$22	2.5%
Leisure & Hospitality	6,937	151,462	\$405	7,135	154,893	\$409	3,431	2.3%	\$4	1.0%
Other Services	7,778	53,304	\$586	8,159	53,882	\$601	578	1.1%	\$15	2.6%
Public Administration	1,241	65,179	\$1,072	1,218	65,583	\$1,055	404	0.6%	-\$17	-1.6%
Sources: Minnesota Workforce Center; Maxfield Research, Inc.										

EMPLOYMENT TRENDS

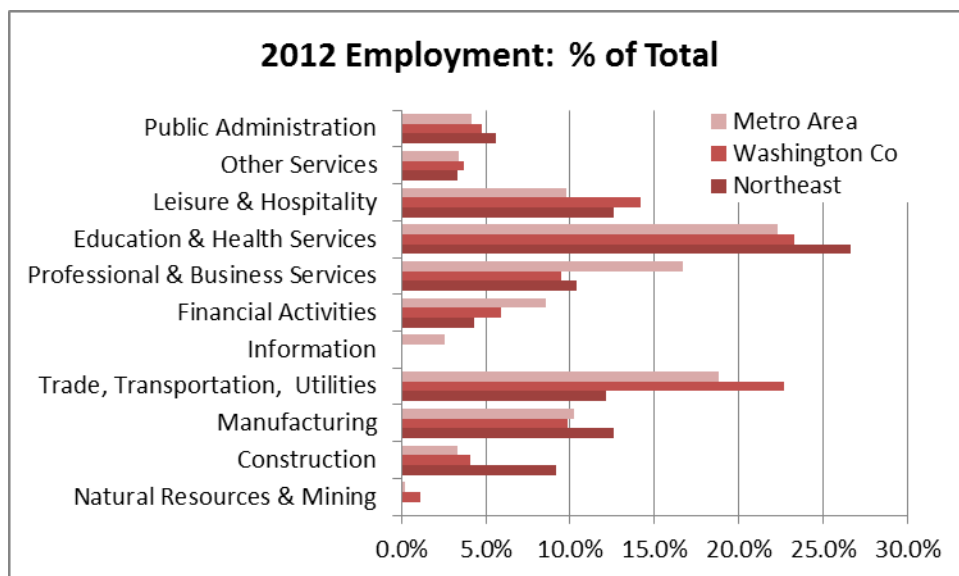
Northeast Submarket

- There were 817 jobs in the Northeast submarket in 2012 which represented roughly 1.1% of all jobs in Washington County.

Industry	2011			2012			Change 2011 - 2012			
	Establish- ments	Employ- ment	Weekly Wage	Establish- ments	Employ- ment	Weekly Wage	Employment		Wage	
							#	%	#	%
NORTHEAST										
Total, All Industries	178	832	\$461	177	817	\$635	-15	-1.8%	\$174	37.7%
Natural Resources & Mining	0	0	\$0	0	0	\$0	0	0.0%	\$0	0.0%
Construction	48	69	\$664	49	75	\$696	6	8.7%	\$32	4.8%
Manufacturing	4	90	\$815	7	103	\$794	13	14.4%	-\$21	-2.6%
Trade, Transportation, Utilities	22	98	\$461	22	99	\$467	1	1.0%	\$6	1.3%
Information	0	0	\$0	0	0	\$0	0	0.0%	\$0	0.0%
Financial Activities	10	38	\$971	9	35	\$787	-3	-7.9%	-\$184	-18.9%
Professional & Business Services	29	136	\$582	26	85	\$564	-51	-37.5%	-\$18	-3.1%
Education & Health Services	11	211	\$860	12	218	\$832	7	3.3%	-\$28	-3.3%
Leisure & Hospitality	20	98	\$269	20	103	\$272	5	5.1%	\$3	1.1%
Other Services	17	27	\$690	17	27	\$733	0	0.0%	\$43	6.2%
Public Administration	3	47	\$293	3	46	\$321	-1	-2.1%	\$28	9.6%

Sources: Minnesota Workforce Center; Maxfield Research, Inc.

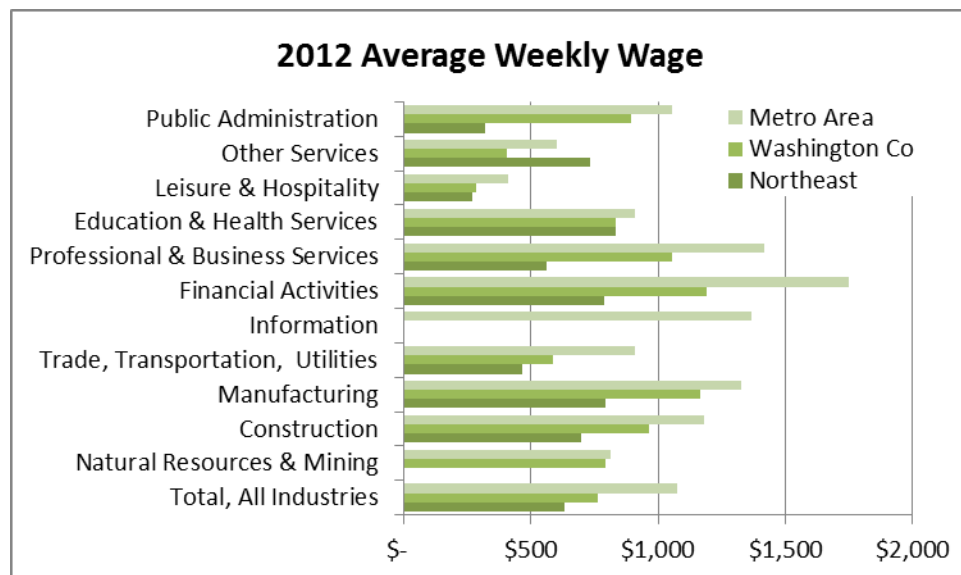
- As illustrated in the following chart, the Northeast submarket's employment concentrations were higher than the County in the Construction, Manufacturing, Professional and Business Services, Education and Health Services, and Public Administration industries, while all other sectors had lower concentrations of employment.



- The Education and Health Services industry was, by far, the largest employment sector in the Northeast submarket, providing 218 jobs in 2012 (26.7% of the total).

EMPLOYMENT TRENDS

- Between 2011 and 2012, the number of business establishments in the Northeast submarket declined by only one. The number of employees in the Northeast submarket dropped slightly (1.8%) while the County experienced a 0.9% increase in jobs. By comparison, the Metro Area gained 24,130 jobs (1.5%) during the same time period.
- Within the Northeast submarket, the most notable job losses occurred in the Professional and Business Services sector (51 jobs for a 37.5% decline), while the most significant hiring occurred in the Manufacturing sector (13 jobs for a 14.4% increase).
- From 2011 to 2012, the average weekly wage in the Northeast submarket increased 37.7% (\$174) to \$635. By comparison, wages increased 1.7% in Washington County and 3.0% in the Metro Area.
- At \$635, the average weekly wage for all industries in the Northeast submarket was lower than the County (\$766). Average wages were lower in the Northeast submarket than in the County in all industry sectors, except for Other Services where the weekly wage was 80% higher than in the County.



EMPLOYMENT TRENDS

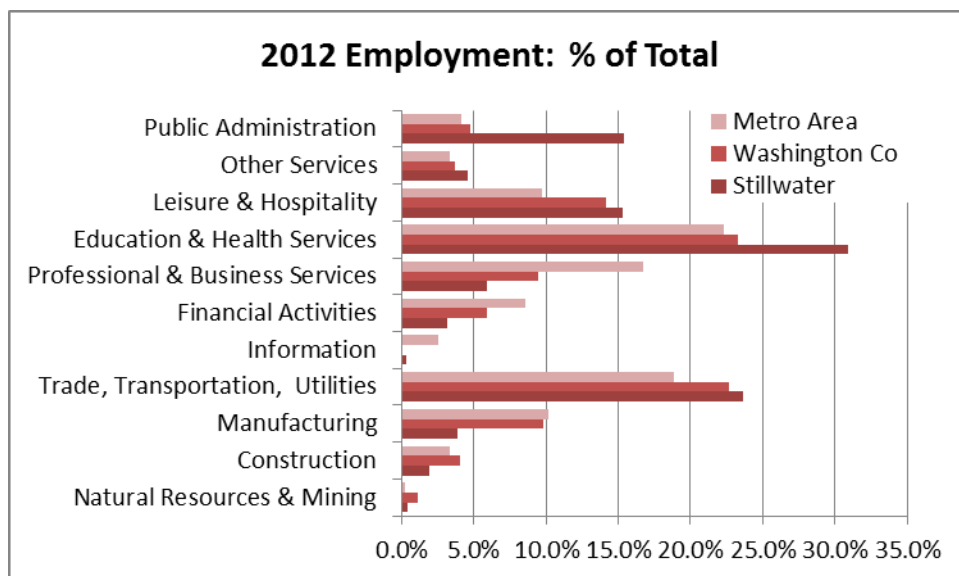
Stillwater Submarket

- There were about 14,100 jobs in the Stillwater submarket in 2012 which represented roughly 19.1% of all jobs in Washington County.

Industry	2011			2012			Change 2011 - 2012			
	Establish- ments	Employ- ment	Weekly Wage	Establish- ments	Employ- ment	Weekly Wage	Employment #	%	Wage #	%
STILLWATER										
Total, All Industries	975	14,025	\$740	980	14,097	\$749	72	0.5%	\$9	1.2%
Natural Resources & Mining	7	61	\$378	7	59	\$415	-2	0.0%	\$37	0.0%
Construction	76	254	\$933	78	273	\$843	19	7.5%	-\$90	-9.6%
Manufacturing	25	591	\$975	24	550	\$1,022	-41	-6.9%	\$47	4.8%
Trade, Transportation, Utilities	217	3,415	\$633	216	3,333	\$641	-82	-2.4%	\$8	1.3%
Information	19	78	\$865	16	50	\$918	-28	0.0%	\$53	0.0%
Financial Activities	102	517	\$1,227	89	452	\$1,284	-65	-12.6%	\$57	4.6%
Professional & Business Services	160	866	\$964	175	839	\$1,048	-27	-3.1%	\$84	8.7%
Education & Health Services	121	4,262	\$853	119	4,356	\$878	94	2.2%	\$25	2.9%
Leisure & Hospitality	118	2,045	\$269	118	2,161	\$279	116	5.7%	\$10	3.7%
Other Services	100	655	\$363	97	647	\$383	-8	-1.2%	\$20	5.5%
Public Administration	27	2,123	\$970	27	2,169	\$957	46	2.2%	-\$13	-1.3%

Sources: Minnesota Workforce Center; Maxfield Research, Inc.

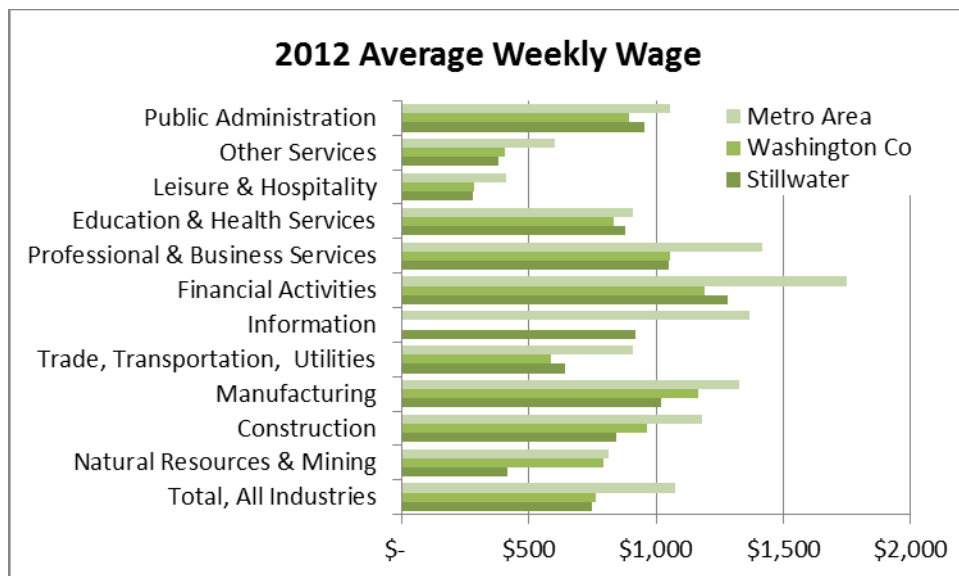
- As illustrated in the following chart, the Stillwater submarket's employment concentrations were higher than the County in the Trade, Transportation, and Utilities; Education and Health Services; Leisure and Hospitality; Other Services; and Public Administration industries, while all other sectors had lower concentrations of employment.



- The Education and Health Services industry was, by far, the largest employment sector in the Stillwater submarket, providing 4,356 jobs in 2012 (30.9% of the total).

EMPLOYMENT TRENDS

- Between 2011 and 2012, the number of business establishments in the Stillwater submarket increased by only five. The number of employees in the Stillwater submarket increased slightly (0.5%) while the County experienced a 0.9% increase in jobs. By comparison, the Metro Area gained 24,130 jobs (1.5%) during the same time period.
- Within the Stillwater submarket, the most notable job losses occurred in the Trade, Transportation, and Utilities sector (82 jobs for a 2.4% decline); while the most significant hiring occurred in the Leisure and Hospitality sector (116 jobs for a 5.7% increase).
- From 2011 to 2012, the average weekly wage in the Stillwater submarket increased 1.2% (\$9) to \$749. By comparison, wages increased 1.7% in Washington County and 3.0% in the Metro Area.
- At \$749, the average weekly wage for all industries in the Stillwater submarket was lower than the County (\$766). Average wages were higher in the Stillwater submarket in the Trade, Transportation, and Utilities, Financial Activities, Education and Health Services, and Public Administration than in the County.



EMPLOYMENT TRENDS

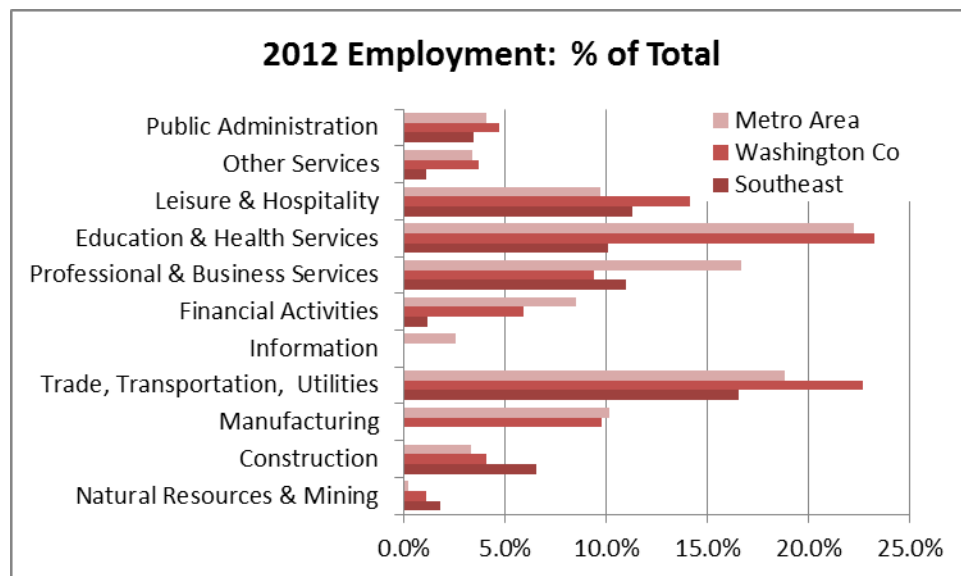
Southeast Submarket

- There were 1,735 jobs in the Southeast submarket in 2012 which represented roughly 2.4% of all jobs in Washington County.

Industry	2011			2012			Change 2011 - 2012			
	Establish- ments	Employ- ment	Weekly Wage	Establish- ments	Employ- ment	Weekly Wage	Employment		Wage	
							#	%	#	%
SOUTHEAST										
Total, All Industries	233	1,676	\$584	233	1,735	\$655	59	3.5%	\$71	12.2%
Natural Resources & Mining	8	39	\$569	9	32	\$473	-7	-17.9%	(\$96)	-16.9%
Construction	27	118	\$742	29	114	\$859	-4	-3.4%	\$117	15.8%
Manufacturing	0	0	\$0	0	0	\$0	0	0.0%	\$0	0.0%
Trade, Transportation, Utilities	29	205	\$832	34	287	\$1,014	82	40.0%	\$182	21.9%
Information	0	0	\$0	0	0	\$0	NA	NA	\$0	NA
Financial Activities	5	22	\$339	5	21	\$527	-1	-4.5%	\$188	55.5%
Professional & Business Services	58	153	\$739	56	191	\$732	38	24.8%	(\$7)	-0.9%
Education & Health Services	20	161	\$555	23	175	\$542	14	8.7%	(\$13)	-2.3%
Leisure & Hospitality	12	201	\$316	12	196	\$320	-5	-2.5%	\$4	1.3%
Other Services	10	22	\$687	8	19	\$541	-3	-13.6%	(\$146)	-21.3%
Public Administration	6	50	\$165	7	60	\$194	10	20.0%	\$29	17.6%

Sources: Minnesota Workforce Center; Maxfield Research, Inc.

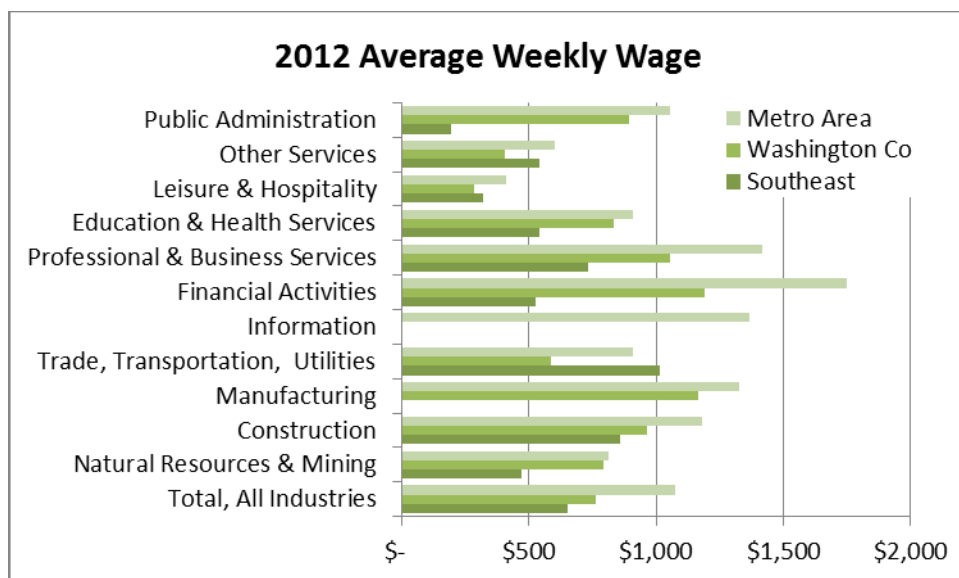
- As illustrated in the following chart, the Southeast submarket's employment concentrations were higher than the County in the Natural Resources and Mining; Construction industries; and Professional and Business Services while all other sectors had lower concentrations of employment.



- The Trade, Transportation, and Utilities industry was the largest employment sector in the Southeast submarket, providing 287 jobs in 2012 (16.5% of the total).

EMPLOYMENT TRENDS

- Between 2011 and 2012, the number of business establishments in the Southeast submarket remained steady. However, the number of employees in the Southeast submarket increased by 59 employees (3.5%) while the County experienced a 0.9% increase in jobs. By comparison, the Metro Area gained 24,130 jobs (1.5%) during the same time period.
- Within the Southeast submarket, the most notable job losses occurred in the Natural Resources and Mining sector (7 jobs for a 17.9% decline), while the most significant hiring occurred in the Trade, Transportation and Utilities sector (82 jobs for a 40.0% increase).
- From 2011 to 2012, the average weekly wage in the Southeast submarket increased 12.2% (\$71) to \$655. By comparison, wages increased 1.7% in Washington County and 3.0% in the Metro Area.
- At \$655, the average weekly wage for all industries in the Southeast submarket was lower than the County (\$766). Average wages were lower in the Southeast submarket than in the County in most industry sectors; however higher in Trade, Transportation, and Utilities; Leisure and Hospitality, and Other Services.



EMPLOYMENT TRENDS

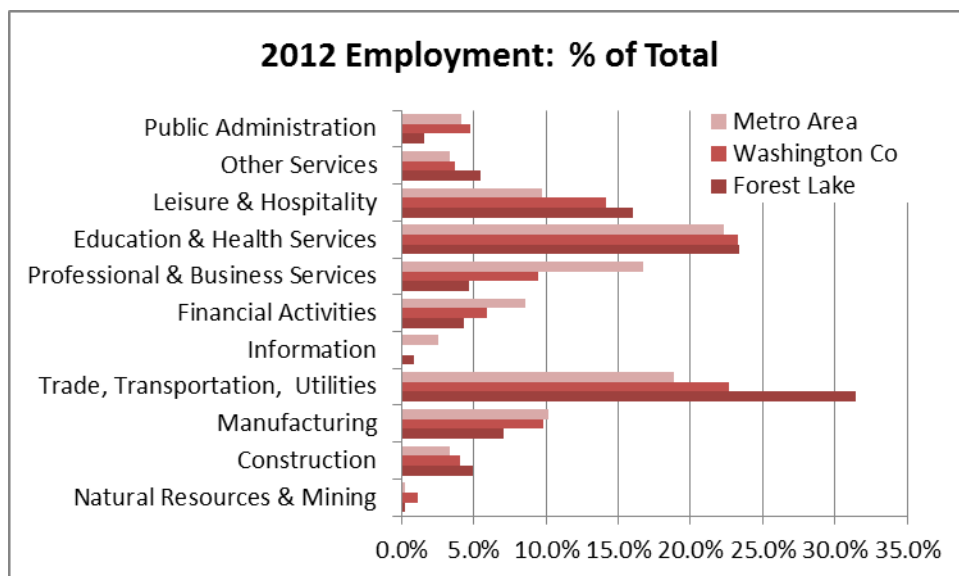
Forest Lake Submarket

- There were about 6,300 jobs in the Forest Lake submarket in 2012 which represented roughly 8.5% of all jobs in Washington County.

Industry	2011			2012			Change 2011 - 2012			
	Establish- ments	Employ- ment	Weekly Wage	Establish- ments	Employ- ment	Weekly Wage	Employment #	%	Wage #	%
FOREST LAKE										
Total, All Industries	531	6,304	\$552	524	6,294	\$568	-10	-0.2%	\$16	2.9%
Natural Resources & Mining	4	12	\$611	4	13	\$623	1	8.3%	\$12	2.0%
Construction	59	326	\$892	59	309	\$824	-17	-5.2%	-\$68	-7.6%
Manufacturing	33	389	\$852	31	444	\$873	55	14.1%	\$21	2.5%
Trade, Transportation, Utilities	118	2,038	\$524	121	1,980	\$544	-58	-2.8%	\$20	3.8%
Information	NA	NA	NA	5	54	\$874	NA	NA	NA	NA
Financial Activities	67	277	\$701	62	274	\$725	-3	-1.1%	\$24	3.4%
Professional & Business Services	76	326	\$480	77	295	\$657	-31	-9.5%	\$177	36.9%
Education & Health Services	59	1,460	\$628	61	1,474	\$629	14	1.0%	\$1	0.2%
Leisure & Hospitality	55	957	\$235	56	1,010	\$252	53	5.5%	\$17	7.2%
Other Services	47	336	\$407	43	342	\$400	6	1.8%	-\$7	-1.7%
Public Administration	5	99	\$937	5	98	\$1,010	-1	-1.0%	\$73	7.8%

Sources: Minnesota Workforce Center; Maxfield Research, Inc.

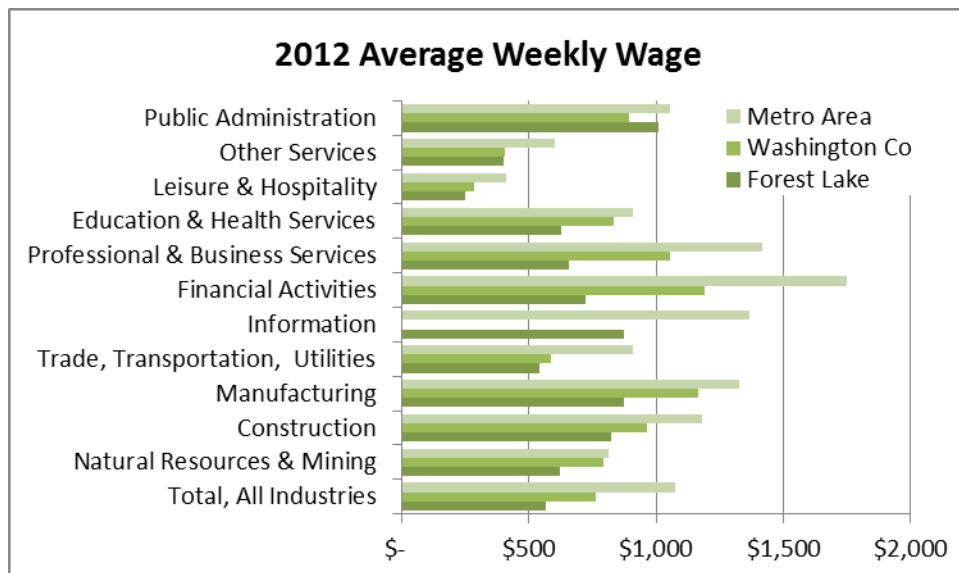
- As illustrated in the following chart, the Forest Lake submarket's employment concentrations were higher than the County in the Construction; Trade, Transportation, and Utilities; Leisure and Hospitality; and Other Services industries, while all other sectors had lower concentrations of employment.



- The Trade, Transportation, and Utilities industry was the largest employment sector in the Forest Lake submarket, providing 1,980 jobs in 2012 (31.5% of the total).

EMPLOYMENT TRENDS

- Between 2011 and 2012, the number of business establishments in the Forest Lake submarket declined by 7 and the number of employees decreased by 10 employees (0.2%) while the County experienced a 0.9% increase in jobs. By comparison, the Metro Area gained 24,130 jobs (1.5%) during the same time period.
- Within the Forest Lake submarket, the most notable job losses occurred in the Trade, Transportation and Utilities sector (58 jobs for a 2.8% decline), while the most significant hiring occurred in the Leisure and Hospitality sector (53 jobs for a 5.5% increase).
- From 2011 to 2012, the average weekly wage in the Forest Lake submarket increased 2.9% (\$16) to \$568. By comparison, wages increased 1.7% in Washington County and 3.0% in the Metro Area.
- At \$568, the average weekly wage for all industries in the Forest Lake submarket was lower than the County (\$766). Average wages were lower in the Forest Lake submarket than in the County in all industry sectors except Public Administration.



EMPLOYMENT TRENDS

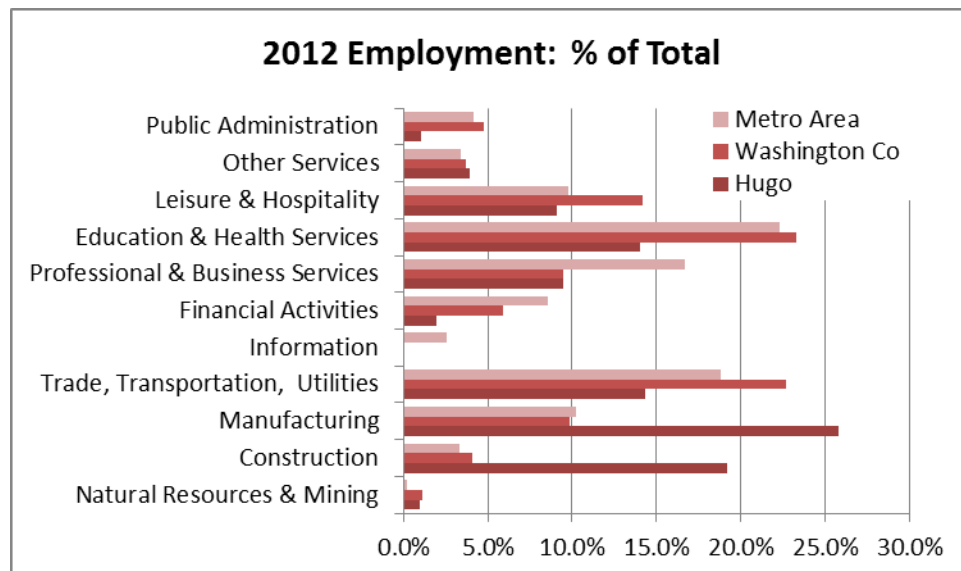
Hugo Submarket

- There were 2,335 jobs in the Hugo submarket in 2012 which represented roughly 3.2% of all jobs in Washington County.

Industry	2011			2012			Change 2011 - 2012			
	Establish- ments	Employ- ment	Weekly Wage	Establish- ments	Employ- ment	Weekly Wage	Employment		Wage	
	#	%	#	%	#	%	#	%	#	%
HUGO										
Total, All Industries	239	2,112	\$811	250	2,335	\$809	223	10.6%	-\$2	-0.2%
Natural Resources & Mining	5	20	\$372	6	23	\$356	3	15.0%	-\$16	-4.3%
Construction	56	407	\$1,042	55	449	\$1,029	42	10.3%	-\$13	-1.2%
Manufacturing	19	598	\$1,108	18	602	\$1,119	4	0.7%	\$11	1.0%
Trade, Transportation, Utilities	34	309	\$635	35	334	\$618	25	8.1%	-\$17	-2.7%
Information	0	0	\$0	0	0	\$0	0	0.0%	\$0	0.0%
Financial Activities	19	31	\$770	23	46	\$839	15	48.4%	\$70	9.0%
Professional & Business Services	40	176	\$676	41	222	\$735	46	26.1%	\$59	8.7%
Education & Health Services	23	254	\$621	26	327	\$644	73	28.7%	\$23	3.7%
Leisure & Hospitality	16	196	\$274	16	212	\$273	16	8.2%	-\$1	-0.4%
Other Services	26	90	\$425	29	91	\$458	1	1.1%	\$33	7.8%
Public Administration	2	29	\$1,022	2	25	\$1,087	-4	-13.8%	\$65	6.4%

Sources: Minnesota Workforce Center; Maxfield Research, Inc.

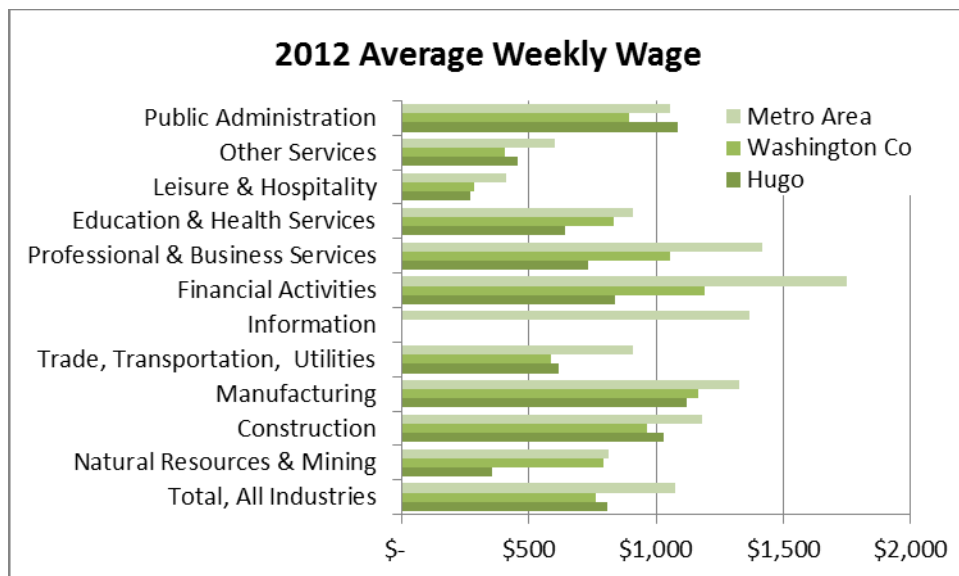
- As illustrated in the following chart, the Hugo submarket's employment concentrations were higher than the County in the Construction; Manufacturing; and Other Services industries, while all other sectors had lower concentrations of employment.



- The Manufacturing industry was the largest employment sector in the Hugo submarket, providing 602 jobs in 2012 (25.8% of the total).

EMPLOYMENT TRENDS

- Between 2011 and 2012, the number of business establishments in the Hugo submarket increased by 11 and the number of employees increased by 223 employees (10.6%) while the County experienced a 0.9% increase in jobs. By comparison, the Metro Area gained 24,130 jobs (1.5%) during the same time period.
- Within the Hugo submarket, only the Public Administration industry lost jobs (4 jobs for a 13.8% decline), while the most significant hiring occurred in the Education and Health Services sector (73 jobs for a 28.7% increase).
- From 2011 to 2012, the average weekly wage in the Hugo submarket decreased 0.2% (\$2) to \$809. By comparison, wages increased 1.7% in Washington County and 3.0% in the Metro Area.
- At \$809, the average weekly wage for all industries in the Hugo submarket was higher than the County (\$766). Average wages were higher in the Hugo submarket than in the County in the Construction; Trade, Transportation, and Utilities; Other Services; and Public Administration industry sectors.



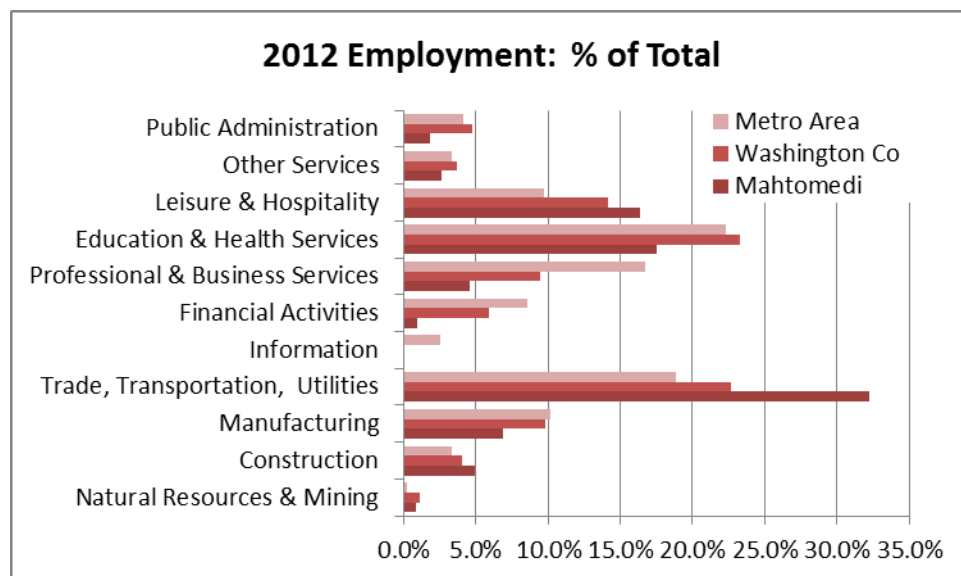
EMPLOYMENT TRENDS

Mahtomedi Submarket

- There were 3,171 jobs in the Mahtomedi submarket in 2012 which represented roughly 4.3% of all jobs in Washington County.

TABLE EMP-9 QUARTERLY CENSUS OF EMPLOYMENT AND WAGES MAHTOMEDI										
Industry	2011			2012			Change 2011 - 2012			
	Establish- ments	Employ- ment	Weekly Wage	Establish- ments	Employ- ment	Weekly Wage	Employment		Wage	
	#	%	#	%	#	%	#	%	#	%
MAHTOMEDI										
Total, All Industries	274	3,124	\$563	278	3,171	\$590	47	1.5%	\$27	4.8%
Natural Resources & Mining	3	22	\$491	4	28	\$553	6	27.3%	\$62	12.6%
Construction	32	157	\$903	32	156	\$869	-1	-0.6%	-\$34	-3.8%
Manufacturing	12	210	\$857	12	219	\$858	9	4.3%	\$1	0.1%
Trade, Transportation, Utilities	36	988	\$402	34	1,021	\$426	33	3.3%	\$24	6.0%
Information	0	0	\$0	0	0	\$0	0	0.0%	\$0	0.0%
Financial Activities	16	37	\$677	17	29	\$800	-8	-21.6%	\$123	18.2%
Professional & Business Services	48	131	\$692	49	145	\$775	14	10.7%	\$83	12.0%
Education & Health Services	23	598	\$819	21	556	\$887	-42	-7.0%	\$68	8.3%
Leisure & Hospitality	27	429	\$263	29	520	\$313	91	21.2%	\$50	19.0%
Other Services	28	80	\$555	30	84	\$545	4	5.0%	-\$10	-1.8%
Public Administration	6	57	\$446	6	58	\$452	1	1.8%	\$6	1.3%
Sources: Minnesota Workforce Center; Maxfield Research, Inc.										

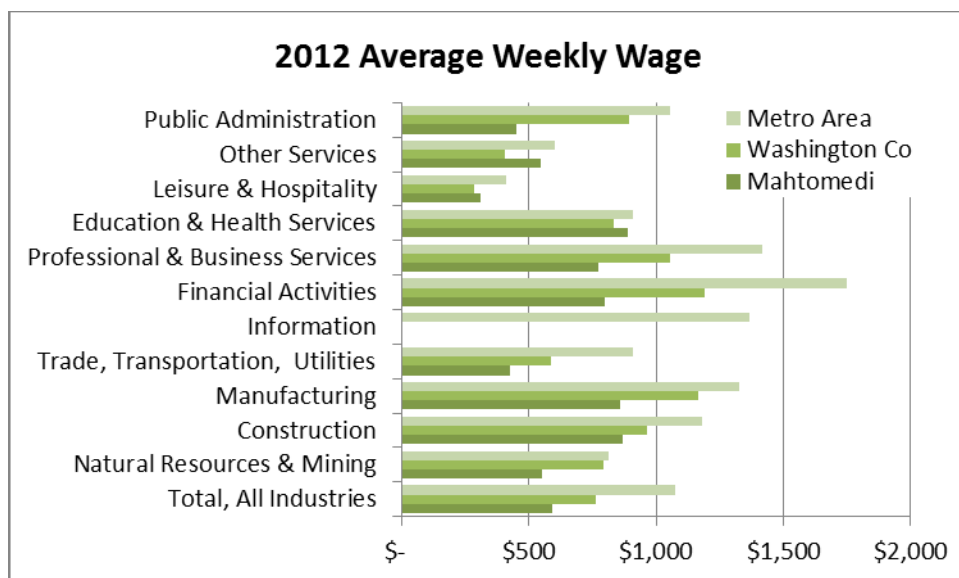
- As illustrated in the following chart, the Mahtomedi submarket's employment concentrations were higher than the County in the Construction; Trade, Transportation, and Utilities; and Leisure and Hospitality industries, while all other sectors had lower concentrations of employment.



- The Trade, Transportation, and Utilities industry was, by far, the largest employment sector in the Mahtomedi submarket, providing 1,021 jobs in 2012 (32.2% of the total).

EMPLOYMENT TRENDS

- Between 2011 and 2012, the number of business establishments in the Mahtomedi submarket increased by four and the number of employees increased by 47 employees (1.5%) while the County experienced a 0.9% increase in jobs. By comparison, the Metro Area gained 24,130 jobs (1.5%) during the same time period.
- Within the Mahtomedi submarket, the most notable job losses occurred in the Education and Health Services sector (42 jobs for a 7.0% decline), while the most significant hiring occurred in the Leisure and Hospitality sector (91 jobs for a 21.2% increase).
- From 2011 to 2012, the average weekly wage in the Mahtomedi submarket increased 4.8% (\$27) to \$590. By comparison, wages increased 1.7% in Washington County and 3.0% in the Metro Area.
- At \$590, the average weekly wage for all industries in the Mahtomedi submarket was lower than the County (\$766). Average wages were lower in the Mahtomedi submarket than in the County in every industry sector except for the Education and Health Services; Leisure and Hospitality; and Other Services industry sector.



EMPLOYMENT TRENDS

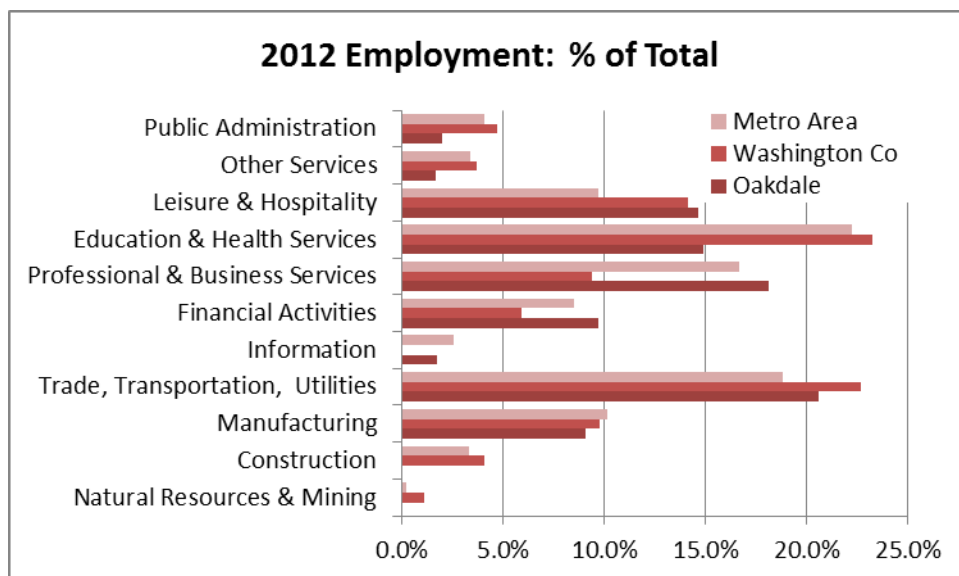
Oakdale Submarket

- There were about 9,485 jobs in the Oakdale submarket in 2012 which represented roughly 12.9% of all jobs in Washington County.

Industry	2011			2012			Change 2011 - 2012			
	Establish- ments	Employ- ment	Weekly Wage	Establish- ments	Employ- ment	Weekly Wage	Employment #	%	Wage #	%
OAKDALE										
Total, All Industries	602	9,154	\$880	612	9,486	\$917	332	3.6%	\$37	4.2%
Natural Resources & Mining	0	0	\$0	0	0	\$0	0	0.0%	\$0	0.0%
Construction	0	0	\$0	0	0	\$0	0	0.0%	\$0	0.0%
Manufacturing	41	834	\$1,345	42	863	\$1,352	29	3.5%	\$7	0.5%
Trade, Transportation, Utilities	126	1,994	\$673	125	1,955	\$703	-39	-2.0%	\$30	4.5%
Information	8	165	\$355	8	169	\$351	4	0.0%	-\$4	0.0%
Financial Activities	95	889	\$1,231	100	922	\$1,360	33	3.7%	\$129	10.5%
Professional & Business Services	116	1,755	\$1,136	121	1,724	\$1,260	-31	-1.8%	\$124	10.9%
Education & Health Services	55	1,197	\$752	55	1,418	\$743	221	18.5%	-\$9	-1.2%
Leisure & Hospitality	49	1,283	\$314	51	1,389	\$312	106	8.3%	-\$2	-0.6%
Other Services	40	193	\$453	41	159	\$567	-34	-17.6%	\$114	25.2%
Public Administration	3	197	\$1,218	3	190	\$1,239	-7	-3.6%	\$21	1.7%

Sources: Minnesota Workforce Center; Maxfield Research, Inc.

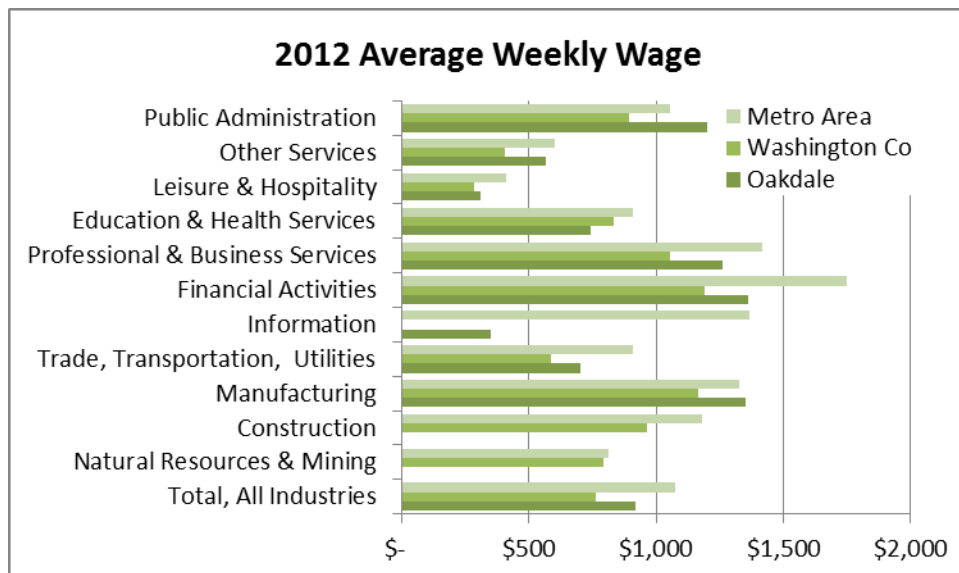
- As illustrated in the following chart, the Oakdale submarket's employment concentrations were higher than the County in the Financial Activities, Professional and Business Services, and Leisure and Hospitality industries, while all other sectors had lower concentrations of employment.



- The Trade, Transportation, and Utilities industry was the largest employment sector in the Oakdale submarket, providing 1,955 jobs in 2012 (20.6% of the total).

EMPLOYMENT TRENDS

- Between 2011 and 2012, the number of business establishments in the Oakdale submarket increased by 10 and the number of employees increased by 332 employees (3.6%) while the County experienced a 0.9% increase in jobs. By comparison, the Metro Area gained 24,130 jobs (1.5%) during the same time period.
- Within the Oakdale submarket, the most notable job losses occurred in the Trade, Transportation, and Utilities sector (39 jobs for a 2.0% decline), while the most significant hiring occurred in the Education and Health Services sector (221 jobs for a 18.5% increase).
- From 2011 to 2012, the average weekly wage in the Oakdale submarket increased 4.2% (\$37) to \$917. By comparison, wages increased 1.7% in Washington County and 3.0% in the Metro Area.
- At \$917, the average weekly wage for all industries in the Oakdale submarket was higher than the County (\$766). Average wages were higher in the Oakdale submarket than in the County except for the Education and Health Services industry sector.



EMPLOYMENT TRENDS

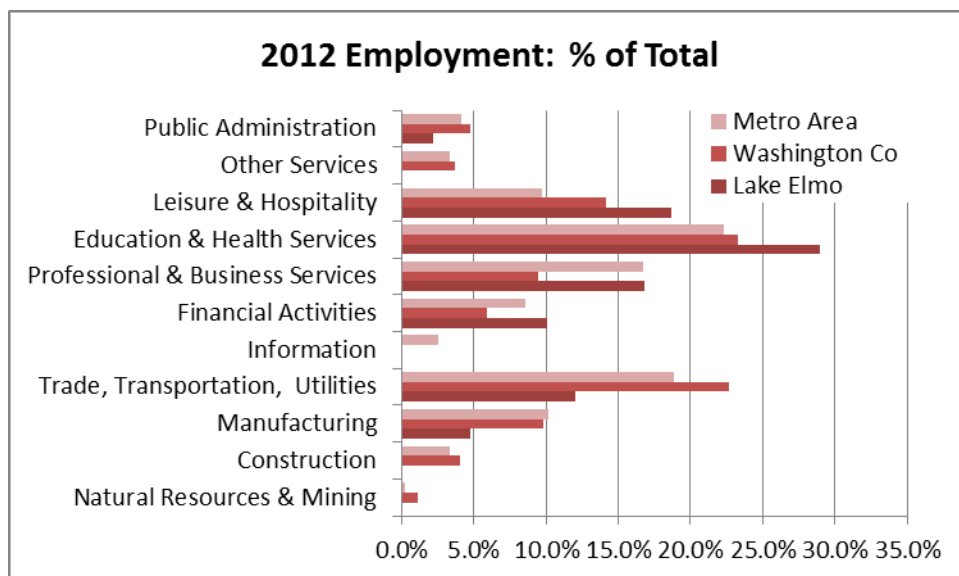
Lake Elmo Submarket

- There were about 1,925 jobs in the Lake Elmo submarket in 2012 which represented roughly 2.6% of all jobs in Washington County.

Industry	2011			2012			Change 2011 - 2012			
	Establish- ments	Employ- ment	Weekly Wage	Establish- ments	Employ- ment	Weekly Wage	Employment		Wage	
							#	%	#	%
LAKE ELMO										
Total, All Industries	234	1,943	\$756	234	1,927	\$888	-16	-0.8%	\$132	17.5%
Natural Resources & Mining	0	0	\$0	0	0	\$0	0	0.0%	\$0	0.0%
Construction	0	0	\$0	0	0	\$0	0	0.0%	\$0	0.0%
Manufacturing	11	77	\$559	10	92	\$773	15	19.5%	\$214	38.3%
Trade, Transportation, Utilities	34	221	\$653	35	232	\$683	11	5.0%	\$30	4.6%
Information	0	0	\$0	0	0	\$0	0	0.0%	\$0	0.0%
Financial Activities	38	221	\$1,046	39	194	\$1,135	-27	-12.2%	\$89	8.5%
Professional & Business Services	66	287	\$964	62	324	\$1,235	37	12.9%	\$271	28.1%
Education & Health Services	24	637	\$870	25	558	\$1,121	-79	-12.4%	\$251	28.9%
Leisure & Hospitality	17	340	\$364	18	360	\$344	20	5.9%	-\$20	-5.5%
Other Services	0	0	\$0	0	0	\$0	0	0.0%	\$0	0.0%
Public Administration	1	41	\$430	1	43	\$439	2	4.9%	\$9	2.1%

Sources: Minnesota Workforce Center; Maxfield Research, Inc.

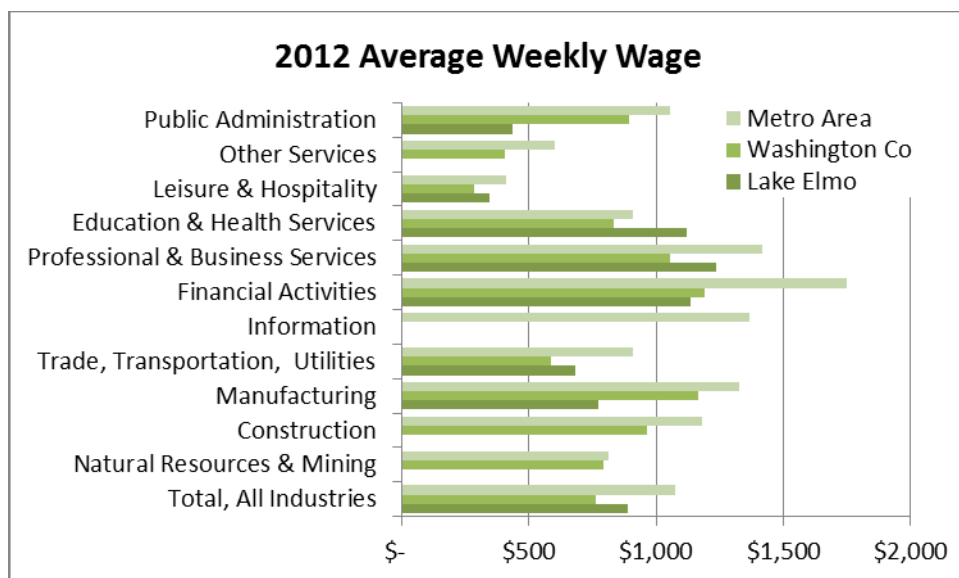
- As illustrated in the following chart, the Lake Elmo submarket's employment concentrations were higher than the County in the Financial Activities; Professional and Business Services; Education and Health Services; and Leisure and Hospitality industries, while all other sectors had lower concentrations of employment.



- The Education and Health Services industry was the largest employment sector in the Lake Elmo submarket, providing 558 jobs in 2012 (29.0% of the total).

EMPLOYMENT TRENDS

- Between 2011 and 2012, the number of business establishments in the Lake Elmo submarket remained stable and the number of employees decreased by 16 employees (0.8%) while the County experienced a 0.9% increase in jobs. By comparison, the Metro Area gained 24,130 jobs (1.5%) during the same time period.
- Within the Lake Elmo submarket, the most notable job losses occurred in the Education and Health Services sector (79 jobs for a 12.4% decline), while the most significant hiring occurred in the Professional and Business Services sector (37 jobs for a 12.9% increase).
- From 2011 to 2012, the average weekly wage in the Lake Elmo submarket increased 17.5% (\$132) to \$888. By comparison, wages increased 1.7% in Washington County and 3.0% in the Metro Area.
- At \$888, the average weekly wage for all industries in the Lake Elmo submarket was higher than the County (\$766). Average wages were higher in the Lake Elmo submarket than in the County in the Trade, Transportation, and Utilities, Professional and Business Services, Education and Health Services, and Leisure and Hospitality industry sectors.



EMPLOYMENT TRENDS

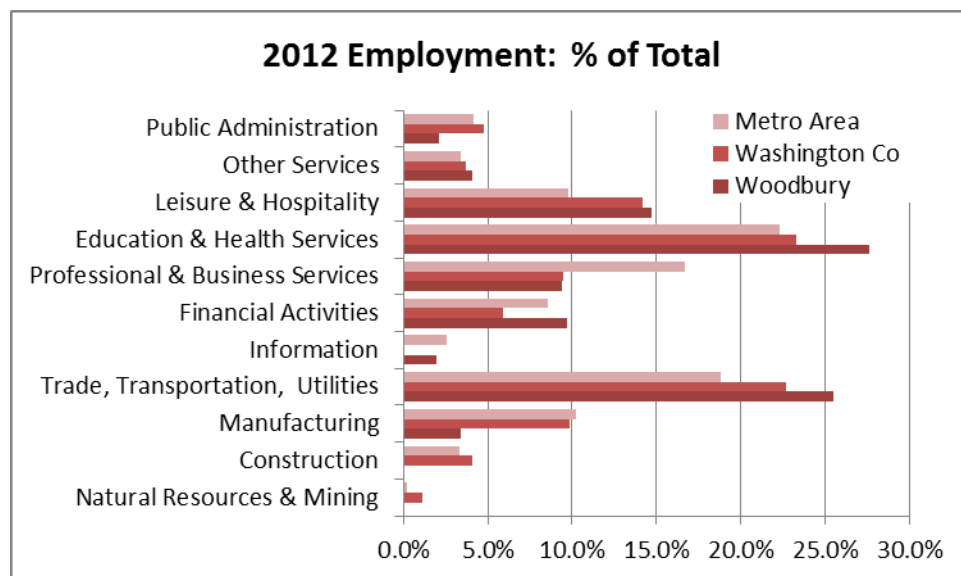
Woodbury Submarket

- There were about 20,465 jobs in the Woodbury submarket in of 2012 which represented roughly 27.8% of all jobs in Washington County.

Industry	2011			2012			Change 2011 - 2012			
	Establish- ments	Employ- ment	Weekly Wage	Establish- ments	Employ- ment	Weekly Wage	Employment #	%	Wage #	%
WOODBURY										
Total, All Industries	1,300	20,307	\$745	1,345	20,467	\$766	160	0.8%	\$21	2.8%
Natural Resources & Mining	0	0	\$0	0	0	\$0	0	0.0%	\$0	0.0%
Construction	0	0	\$0	0	0	\$0	0	0.0%	\$0	0.0%
Manufacturing	24	776	\$1,185	23	694	\$1,270	-82	-10.6%	\$85	7.2%
Trade, Transportation, Utilities	289	4,990	\$473	298	5,219	\$482	229	4.6%	\$9	1.9%
Information	NA	NA	NA	28	406	\$958	NA	NA	NA	NA
Financial Activities	176	2,317	\$1,269	177	1,980	\$1,220	-337	-14.5%	-\$49	-3.9%
Professional & Business Services	259	1,969	\$1,016	263	1,928	\$1,010	-41	-2.1%	-\$6	-0.6%
Education & Health Services	203	5,461	\$862	221	5,663	\$896	202	3.7%	\$34	3.9%
Leisure & Hospitality	125	2,964	\$302	125	3,020	\$303	56	1.9%	\$1	0.3%
Other Services	119	669	\$397	128	839	\$403	170	25.4%	\$6	1.5%
Public Administration	6	448	\$836	6	431	\$861	-17	-3.8%	\$25	3.0%

Sources: Minnesota Workforce Center; Maxfield Research, Inc.

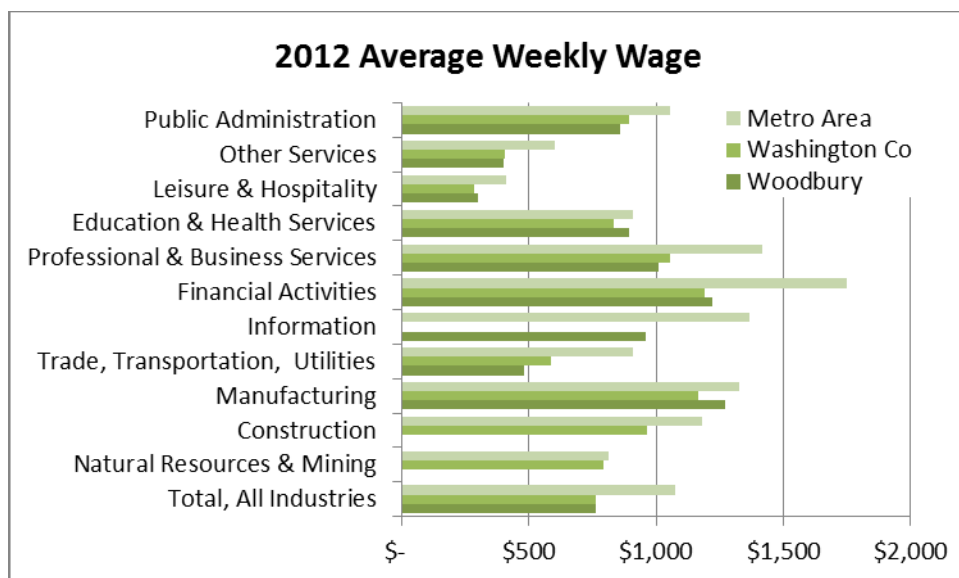
- As illustrated in the following chart, the Woodbury submarket's employment concentrations were higher than the County in the Trade, Transportation, and Utilities; Financial Activities; Education and Health Services; Leisure and Hospitality; and Other Services industries, while all other sectors had lower concentrations of employment.



- The Education and Health Services industry was the largest employment sector in the Woodbury submarket, providing 5,663 jobs in 2012 (27.7% of the total).

EMPLOYMENT TRENDS

- Between 2011 and 2012, the number of business establishments in the Woodbury submarket increased by 45 and the number of employees increased by 160 employees (0.8%) while the County experienced a 0.9% increase in jobs. By comparison, the Metro Area gained 24,130 jobs (1.5%) during the same time period.
- Within the Woodbury submarket, the most notable job losses occurred in the Financial Activities sector (337 jobs for a 14.5% decline), while the most significant hiring occurred in the Trade Transportation, and Utilities sector (229 jobs for a 4.6% increase).
- From 2011 to 2012, the average weekly wage in the Woodbury submarket increased 2.8% (\$21) to \$766. By comparison, wages increased 1.7% in Washington County and 3.0% in the Metro Area.
- At \$766, the average weekly wage for all industries in the Woodbury submarket was equal to the County (\$766). Average wages were higher in the Woodbury submarket than in the County in the Manufacturing, Financial Activities, Education and Health Services, and Leisure and Hospitality industry sectors.



EMPLOYMENT TRENDS

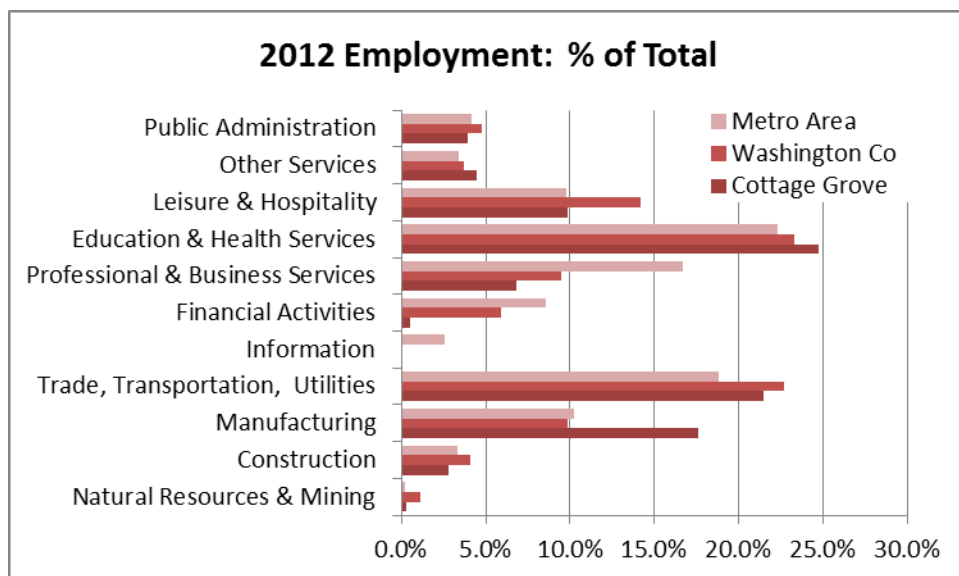
Cottage Grove Submarket

- There were 9,368 jobs in the Cottage Grove submarket as of 2012 which represented roughly 12.7% of all jobs in Washington County.

Industry	2011			2012			Change 2011 - 2012			
	Establish- ments	Employ- ment	Weekly Wage	Establish- ments	Employ- ment	Weekly Wage	Employment		Wage	
							#	%	#	%
COTTAGE GROVE										
Total, All Industries	612	9,538	\$743	632	9,368	\$742	-170	-1.8%	-\$1	-0.1%
Natural Resources & Mining	4	32	\$491	4	27	\$999	-5	-15.6%	\$508	103.5%
Construction	95	429	\$996	67	260	\$993	-169	-39.4%	-\$3	-0.3%
Manufacturing	27	1,864	\$1,178	27	1,648	\$1,145	-216	-11.6%	-\$33	-2.8%
Trade, Transportation, Utilities	129	2,053	\$691	132	2,011	\$688	-42	-2.0%	-\$3	-0.4%
Information	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Financial Activities	46	144	\$770	11	48	\$657	-96	-66.7%	-\$113	-14.7%
Professional & Business Services	86	485	\$713	89	637	\$752	152	31.3%	\$39	5.5%
Education & Health Services	75	2,347	\$720	79	2,315	\$751	-32	-1.4%	\$31	4.3%
Leisure & Hospitality	61	940	\$256	62	927	\$242	-13	-1.4%	-\$14	-5.5%
Other Services	65	456	\$317	74	416	\$334	-40	-8.8%	\$17	5.4%
Public Administration	9	366	\$680	9	370	\$699	4	1.1%	\$19	2.8%

Sources: Minnesota Workforce Center; Maxfield Research, Inc.

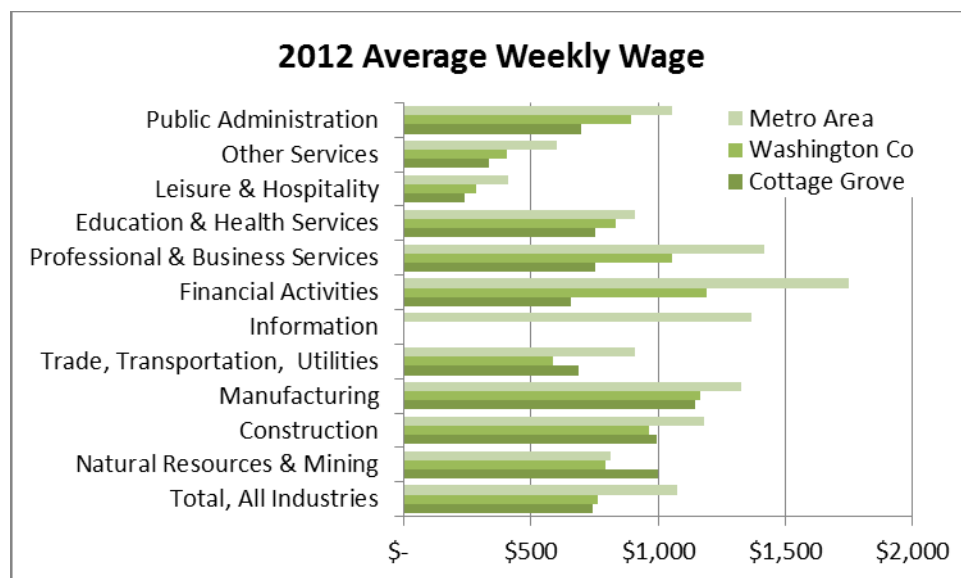
- As illustrated in the following chart, the Cottage Grove submarket's employment concentrations were higher than the County in the Manufacturing; Education and Health Services; and Other Services industries, while all other sectors had lower concentrations of employment.



- The Education and Health Services industry was the largest employment sector in the Cottage Grove submarket, providing 2,315 jobs in 2012 (24.7% of the total).

EMPLOYMENT TRENDS

- Between 2011 and 2012, the number of business establishments in the Cottage Grove submarket increased by 20 and the number of employees decreased by 170 employees (1.8%) while the County experienced a 0.9% increase in jobs. By comparison, the Metro Area gained 24,130 jobs (1.5%) during the same time period.
- Within the Cottage Grove submarket, the most notable job losses occurred in the Manufacturing sector (216 jobs for an 11.6% decline), while the most significant hiring occurred in the Professional and Business Services sector (152 jobs for a 31.3% increase).
- From 2011 to 2012, the average weekly wage in the Cottage Grove submarket decreased 0.1% (\$1) to \$742. By comparison, wages increased 1.7% in Washington County and 3.0% in the Metro Area.
- At \$742, the average weekly wage for all industries in the Cottage Grove submarket was lower than the County (\$766). However, average wages were higher in the Cottage Grove submarket than in the County in the Natural Resources and Mining; Construction; and Trade, Transportation, and Utilities industry sectors.



Commuting Patterns

Proximity to employment is often a primary consideration when choosing where to live, since transportation costs often accounts for a large proportion of households' budgets. Table EMP-14 highlights the commuting patterns of workers in Washington County in 2011 (the most recent data available), based on Employer-Household Dynamics data from the U.S. Census Bureau.

- Roughly 23% of the workers employed in Washington County lived in Washington County. The remaining 77% commuted from other areas, most notably Ramsey County (33.1%), Hennepin County (24.6%), and Dakota County (7.8%).

EMPLOYMENT TRENDS

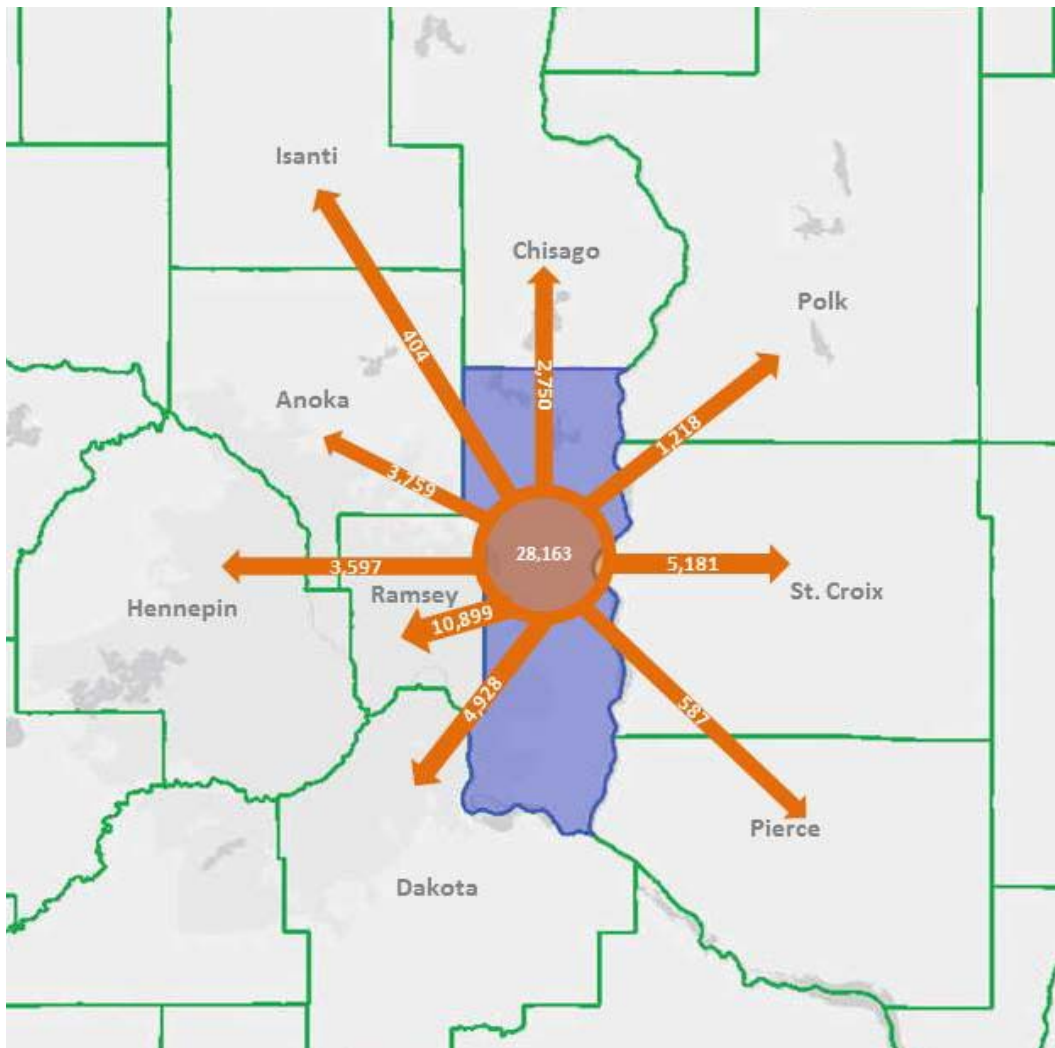
- Approximately 46% of Washington County's workers traveled less than 10 miles to their place of residence, while over 14% had a commute distance of between 10 and 24 miles and 39% commuted a distance of more than 25 miles.
- The majority of Washington County residents also worked in Washington County (42.2%). Other major work destinations included Ramsey County (16.3%), St. Croix County (7.8%), and Dakota County (7.4%).
- Approximately 46% of Washington County residents who work in the Region commuted less than 10 miles to their place of work, while over 27% commuted a distance of more than 50 miles.

**TABLE EMP-14
COMMUTING PATTERNS
WASHINGTON COUNTY
2011**

Where Washington County Workers Live			Where Washington County Residents Work		
<u>Place of Residence</u>	<u>Count</u>	<u>Share</u>	<u>Place of Employment</u>	<u>Count</u>	<u>Share</u>
Ramsey County	41,318	33.1%	Washington County	28,163	42.2%
Hennepin County	30,638	24.6%	Ramsey County	10,899	16.3%
Washington County	28,163	22.6%	St. Croix County	5,181	7.8%
Dakota County	9,725	7.8%	Dakota County	4,928	7.4%
Anoka County	4,485	3.6%	Anoka County	3,759	5.6%
St. Croix County	1,623	1.3%	Hennepin County	3,597	5.4%
Chisago County	1,031	0.8%	Chisago County	2,750	4.1%
Olmsted County	951	0.8%	Polk County, WI	1,218	1.8%
St. Louis County	790	0.6%	Pierce County, WI	587	0.9%
Blue Earth County	467	0.4%	Isanti County	404	0.6%
All Other Locations	5,518	4.4%	All Other Locations	5,206	7.8%
<u>Distance Traveled</u>			<u>Distance Traveled</u>		
Total Primary Jobs	124,709	100.0%	Total Primary Jobs	66,692	100.0%
Less than 10 miles	48,358	46.1%	Less than 10 miles	35,780	46.1%
10 to 24 miles	59,708	14.5%	10 to 24 miles	20,846	14.5%
25 to 50 miles	10,896	10.0%	25 to 50 miles	6,556	11.7%
Greater than 50 miles	5,747	29.3%	Greater than 50 miles	3,510	27.6%

Sources: US Census Bureau Local Employment Dynamics; Maxfield Research, Inc.

Where Washington County Residents Work



Inflow/Outflow

Table EMP-15 provides a summary of the inflow and outflow of workers in the County. Outflow reflects the number of workers living in the County but employed outside of the County while inflow measures the number of workers that are employed in the County but live outside. Interior flow reflects the number of workers that both live and work in the County.

- Washington County can be considered an exporter of workers, as the number of residents leaving the County for work (outflow) exceeded the number of workers coming into the County (inflow) for employment. Approximately 51,802 workers came into the County for work while 109,819 workers left, for a net difference of -58,017.

EMPLOYMENT TRENDS

TABLE EMP-15 COMMUTING INFLOW/OUTFLOW WASHINGTON COUNTY 2011								
	NORTHEAST		STILLWATER		SOUTHEAST		FOREST LAKE	
	Num.	Pct.	Num.	Pct.	Num.	Pct.	Num.	Pct.
Employed in the Selection Area	692	100%	16,755	100%	1,757	100%	6,431	100%
Employed in the Selection Area but Living Outside	487	70.4%	12884	76.9%	1418	80.7%	4961	77.1%
Employed and Living in the Selection Area	205	29.6%	3871	23.1%	339	19.3%	1470	22.9%
Living in the Selection Area	3,360	100%	13,906	100%	6,232	100%	8,818	100%
Living in the Selection Area but Employed Outside	3,155	93.9%	10,035	72.2%	5,893	94.6%	7,348	83.3%
Living and Employed in the Selection Area	205	6.1%	3,871	27.8%	339	5.4%	1,470	16.7%
	HUGO		MAHTOMEDI		OAKDALE		LAKE ELMO	
	Num.	Pct.	Num.	Pct.	Num.	Pct.	Num.	Pct.
Employed in the Selection Area	2,046	100%	3,510	100%	8,430	100%	1,662	100%
Employed in the Selection Area but Living Outside	1,742	85.1%	2,961	84.4%	7,356	87.3%	1,499	90.2%
Employed and Living in the Selection Area	304	14.9%	549	15.6%	1,074	12.7%	163	9.8%
Living in the Selection Area	7,253	100%	7,332	100%	15,244	100%	3,828	100%
Living in the Selection Area but Employed Outside	6,949	95.8%	6,783	92.5%	14,170	93.0%	3,665	95.7%
Living and Employed in the Selection Area	304	4.2%	549	7.5%	1,074	7.0%	163	4.3%
	WOODBURY		COTTAGE GROVE		TOTAL			
	Num.	Pct.	Num.	Pct.	Num.	Pct.		
Employed in the Selection Area	16,854	100%	8,555	100%	66,692	100%		
Employed in the Selection Area but Living Outside	13,147	78.0%	5,347	62.5%	51,802	77.7%		
Employed and Living in the Selection Area	3,707	22.0%	3,208	37.5%	14,890	22.3%		
Living in the Selection Area	34,193	100%	24,543	100%	124,709	100%		
Living in the Selection Area but Employed Outside	30,486	89.2%	21,335	86.9%	109,819	88.1%		
Living and Employed in the Selection Area	3,707	10.8%	3,208	13.1%	14,890	11.9%		

Sources: U.S. Census Bureau; Maxfield Research Inc.

Jobs to Housing Balance

The jobs-to-housing ratio illustrates the relationship between where people work (the jobs side) to where they live (the housing side). Simply stated, the ratio is the number of jobs to every household. The three typologies include:

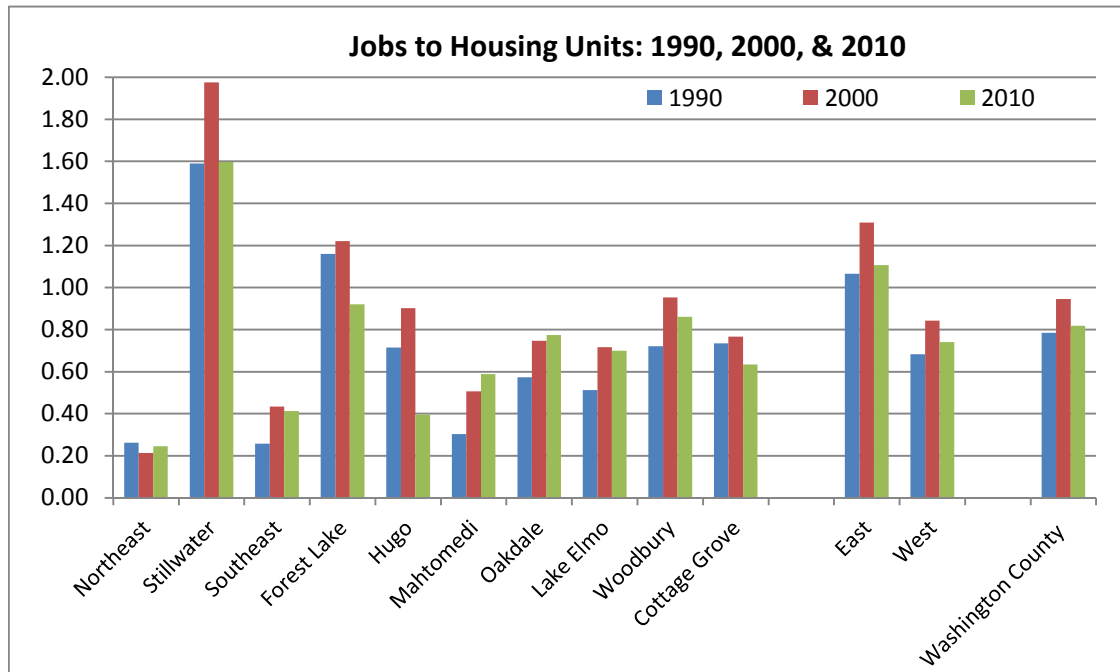
- Housing Rich: High housing and low jobs (less than 1.0 job to every household)
- Balanced: Mid jobs to mid housing (generally about 1.0 to 1.5 jobs per household)
- Jobs Rich: High jobs and low housing (more than 1.5 jobs to every household)

Table EMP-16 shows the jobs to households ratio by Washington County submarket from 1990 to 2010. Key findings follow.

- Washington County is a jobs exporter. With about 87,850 households in the County in 2010, there were only about 71,900 jobs.

EMPLOYMENT TRENDS

- In 2010, the East Submarket posted a balanced jobs-to-housing ratio (1.11) while the West Submarket is considered housing rich (0.74).
- The Northeast Submarket posted the lowest ratio (0.25) while Stillwater posted the highest (1.60) ratio in Washington County.



EMPLOYMENT TRENDS

TABLE EMP-16
JOBS TO HOUSEHOLDS
1990 to 2010

Submarket	1990			2000			2010		
	Jobs*	Households	Ratio	Jobs*	Households	Ratio	Jobs*	Households	Ratio
Northeast	553	2,114	0.26	547	2,555	0.21	709	2,883	0.25
Stillwater	12,696	7,988	1.59	18,606	9,413	1.98	18,010	11,270	1.60
Southeast	792	3,070	0.26	1,728	3,981	0.43	1,808	4,384	0.41
Forest Lake	5,135	4,424	1.16	6,636	5,433	1.22	6,449	7,014	0.92
Hugo	1,012	1,416	0.71	1,917	2,125	0.90	1,973	4,990	0.40
Mahtomedi	1,470	4,842	0.30	2,582	5,101	0.51	3,279	5,574	0.59
Oakdale	4,012	6,999	0.57	7,862	10,535	0.75	8,676	11,213	0.77
Lake Elmo	1,011	1,973	0.51	1,682	2,347	0.72	1,941	2,776	0.70
Woodbury	5,000	6,927	0.72	15,899	16,676	0.95	19,438	22,594	0.86
Cottage Grove	7,423	10,093	0.74	10,192	13,296	0.77	9,614	15,157	0.63
East	14,041	13,172	1.07	20,881	15,949	1.31	20,527	18,537	1.11
West	25,063	36,674	0.68	46,770	55,513	0.84	51,370	69,318	0.74
Washington County	39,104	49,846	0.78	67,651	71,462	0.95	71,897	87,855	0.82
* Total jobs reported by Metropolitan Council									
Sources: Metropolitan Council, Maxfield Research Inc.									

Worker Profile Comparison

Table EMP-17 compares characteristics of employed residents living in each submarket in 2011. Information on monthly earnings, age, race and ethnicity, educational attainment and job classification is provided. Conversely, Table EMP-18 compares characteristics of employees working in each submarket.

Employed Resident Profile

- As of 2011, approximately 50% of all employed residents in Washington County earned more than \$3,333 per month or \$40,000 per year.
- Higher earnings also correlated to higher educational attainment. Approximately 30% of all employed County residents had a Bachelor's Degree or Advanced Degree.
- The greatest proportion of residents worked in the Health Care and Social Assistance industry (14% in 2011).

Worker Profile

- The greatest concentration of employment is within the Woodbury and Stillwater submarkets with 16,854 and 16,755 employees, respectively.
- Approximately 44% of Stillwater submarket employees earned more than \$3,333 per month and 33% of Woodbury submarket employees.
- Health Care and Social Assistance jobs comprised the largest percentage of jobs in Washington County (14% in 2011). Approximately 72.8% of all Health Care and Social Assistance jobs were located in the Woodbury and Stillwater submarkets.

EMPLOYMENT TRENDS

TABLE EMP-17
EMPLOYED RESIDENT PROFILE
WASHINGTON COUNTY
2011

Resident Profile	Northeast		Stillwater		Southeast		Forest Lake		Hugo		Mahtomedi		Oakdale		Lake Elmo		Woodbury		Cottage Grove		Washington Co.	
	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.
Total Living in Selection Area																						
Total Living in Selection Area	3,360	100%	13,906	100%	6,232	100%	8,818	100%	7,253	100%	7,332	100%	15,244	100%	3,828	100%	34,193	100%	24,543	100%	124,709	100%
Monthly Earnings																						
\$1,250 or Less	803	24%	3,564	26%	1,655	27%	2,145	24%	1,451	20%	1,809	25%	3,840	25%	909	24%	7,368	22%	5,935	24%	29,479	24%
\$1,251 to \$3,333	889	26%	3,658	26%	1,429	23%	2,578	29%	1,905	26%	1,708	23%	4,476	29%	918	24%	7,775	23%	7,112	29%	32,448	26%
More Than \$3,333	1,668	50%	6,684	48%	3,148	51%	4,095	46%	3,897	54%	3,815	52%	6,928	45%	2,001	52%	19,050	56%	11,496	47%	62,782	50%
Worker Ages																						
Age 29 or Younger	617	18%	2,908	21%	1,286	21%	1,941	22%	1,759	24%	1,533	21%	3,924	26%	788	21%	7,671	22%	6,263	26%	28,690	23%
Age 30 to 54	1,821	54%	8,086	58%	3,514	56%	5,139	58%	4,457	61%	4,061	55%	8,595	56%	2,225	58%	20,927	61%	14,436	59%	73,261	59%
Age 55 or Older	922	27%	2,912	21%	1,432	23%	1,738	20%	1,037	14%	1,738	24%	2,725	18%	815	21%	5,595	16%	3,844	16%	22,758	18%
Worker Race and Ethnicity																						
Race																						
White Alone	3,251	97%	13,251	95%	5,928	95%	8,388	95%	6,855	95%	7,004	96%	13,317	87%	3,612	94%	29,262	86%	22,228	91%	113,096	91%
Black or African American Alone	33	1%	196	1%	87	1%	141	2%	112	2%	121	2%	748	5%	43	1%	1,903	6%	884	4%	4,268	3%
American Indian or Alaska Native Alone	17	1%	57	0%	20	0%	35	0%	13	0%	23	0%	57	0%	19	0%	123	0%	128	1%	492	0%
Asian Alone	35	1%	275	2%	147	2%	174	2%	199	3%	119	2%	891	6%	119	3%	2,528	7%	1,038	4%	5,525	4%
Native Hawaiian or Other Pacific Islander Alone	2	0%	4	0%	3	0%	4	0%	6	0%	1	0%	10	0%	2	0%	20	0%	21	0%	73	0%
Two or More Race Groups	22	1%	123	1%	47	1%	76	1%	68	1%	64	1%	221	1%	33	1%	357	1%	244	1%	1,255	1%
Ethnicity																						
Not Hispanic or Latino	3,309	98%	13,591	98%	6,126	98%	8,651	98%	7,096	98%	7,206	98%	14,701	96%	3,759	98%	33,102	97%	23,594	96%	121,135	97%
Hispanic or Latino	51	2%	315	2%	106	2%	167	2%	157	2%	126	2%	543	4%	69	2%	1,091	3%	949	4%	3,574	3%
Worker Educational Attainment																						
Less Than High School	141	4%	605	4%	230	4%	410	5%	285	4%	277	4%	714	5%	146	4%	1,443	4%	1,199	5%	5,450	4%
High School or Equivalent, No College	649	19%	2,627	19%	1,143	18%	1,809	21%	1,261	17%	1,266	17%	2,712	18%	704	18%	5,665	17%	4,537	18%	22,373	18%
Some College or Associate Degree	926	28%	3,600	26%	1,676	27%	2,315	26%	1,846	25%	1,889	26%	3,719	24%	1,007	26%	8,341	24%	6,064	25%	31,383	25%
Bachelor's Degree or Advanced Degree	1,027	31%	4,169	30%	1,897	30%	2,343	27%	2,102	29%	2,367	32%	4,175	27%	1,183	31%	11,073	32%	6,480	26%	36,816	30%
Educational Attainment Not Available	617	18%	2,905	21%	1,286	21%	1,941	22%	1,759	24%	1,533	21%	3,924	26%	788	21%	7,671	22%	6,263	26%	28,687	23%
Jobs by NAICS Industry Sector																						
Agriculture, Forestry, Fishing and Hunting	13	0%	42	0%	20	0%	9	0%	22	0%	25	0%	23	0%	15	0%	71	0%	122	0%	362	0%
Mining, Quarrying, and Oil and Gas Extraction	4	0%	6	0%	3	0%	5	0%	1	0%	2	0%	3	0%	1	0%	17	0%	13	0%	55	0%
Utilities	7	0%	87	1%	22	0%	50	1%	34	0%	25	0%	58	0%	17	0%	142	0%	121	0%	563	0%
Construction	189	6%	477	3%	280	4%	421	5%	348	5%	273	4%	516	3%	169	4%	847	2%	933	4%	4,453	4%
Manufacturing	360	11%	1,280	9%	557	9%	1,145	13%	826	11%	697	10%	1,343	9%	339	9%	2,483	7%	2,418	10%	11,448	9%
Wholesale Trade	142	4%	628	5%	257	4%	442	5%	386	5%	316	4%	649	4%	178	5%	1,575	5%	1,098	4%	5,671	5%
Retail Trade	289	9%	1,363	10%	613	10%	1,010	11%	688	9%	679	9%	1,765	12%	385	10%	3,295	10%	2,772	11%	12,859	10%
Transportation and Warehousing	88	3%	319	2%	164	3%	254	3%	146	2%	155	2%	366	2%	88	2%	819	2%	936	4%	3,335	3%
Information	62	2%	267	2%	90	1%	185	2%	152	2%	157	2%	314	2%	73	2%	852	2%	501	2%	2,653	2%
Finance and Insurance	156	5%	653	5%	380	6%	333	4%	357	5%	384	5%	803	5%	214	6%	2,618	8%	1,579	6%	7,477	6%
Real Estate and Rental and Leasing	49	1%	222	2%	107	2%	133	2%	136	2%	154	2%	258	2%	79	2%	627	2%	416	2%	2,181	2%
Professional, Scientific, and Technical Services	178	5%	817	6%	338	5%	440	5%	401	6%	440	6%	740	5%	217	6%	2,097	6%	1,168	5%	6,836	5%
Management of Companies and Enterprises	167	5%	795	6%	513	8%	317	4%	341	5%	491	7%	971	6%	372	10%	3,349	10%	1,207	5%	8,523	7%
Admin & Support, Waste Mgmt and Remediation	169	5%	632	5%	272	4%	458	5%	377	5%	355	5%	923	6%	172	4%	1,700	5%	1,287	5%	6,345	5%
Educational Services	341	10%	1,441	10%	542	9%	808	9%	694	10%	885	12%	1,379	9%	325	8%	3,243	9%	2,134	9%	11,792	9%
Health Care and Social Assistance	496	15%	2,120	15%	846	14%	1,218	14%	1,033	14%	1,041	14%	2,312	15%	517	14%	4,866	14%	3,421	14%	17,870	14%
Arts, Entertainment, and Recreation	72	2%	290	2%	161	3%	204	2%	131	2%	148	2%	269	2%	67	2%	509	1%	371	2%	2,222	2%
Accommodation and Food Services	242	7%	1,128	8%	457	7%	640	7%	457	6%	497	7%	1,123	7%	255	7%	2,241	7%	1,785	7%	8,825	7%
Other Services (excluding Public Administration)	126	4%	535	4%	238	4%	331	4%	282	4%	250	3%	553	4%	125	3%	1,027	3%	910	4%	4,377	4%
Public Administration	210	6%	804	6%	372	6%	415	5%	441	6%	358	5%	876	6%	220	6%	1,815	5%	1,351	6%	6,862	6%

Source: U.S. Census Bureau; Maxfield Research, Inc.

EMPLOYMENT TRENDS

TABLE EMP-18 WORKER PROFILE WASHINGTON COUNTY 2011																						
Worker Profile	Northeast		Stillwater		Southeast		Forest Lake		Hugo		Mahtomedi		Oakdale		Lake Elmo		Woodbury		Cottage Grove		Washington Co.	
	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.
Total Working in Selection Area																						
Total Working in Selection Area	692	100%	16,755	100%	1,757	100%	6,431	100%	2,046	100%	3,510	100%	8,430	100%	1,662	100%	16,854	100%	8,555	100%	66,692	100%
Monthly Earnings																						
\$1,250 or Less	274	40%	4,528	27%	799	45%	2,560	40%	502	25%	1,496	43%	2,209	26%	455	27%	5,578	33%	2,631	31%	21,032	32%
\$1,251 to \$3,333	230	33%	4,836	29%	464	26%	2,370	37%	570	28%	1,048	30%	2,637	31%	518	31%	5,668	34%	2,712	32%	21,053	32%
More Than \$3,333	188	27%	7,391	44%	494	28%	1,501	23%	974	48%	966	28%	3,584	43%	689	41%	5,608	33%	3,212	38%	24,607	37%
Worker Ages																						
Age 29 or Younger	188	27%	3,831	23%	538	31%	1,996	31%	501	24%	1,276	36%	2,286	27%	405	24%	5,371	32%	2,203	26%	18,595	28%
Age 30 to 54	382	55%	9,940	59%	918	52%	3,246	50%	1,287	63%	1,728	49%	4,702	56%	969	58%	9,004	53%	4,808	56%	36,984	55%
Age 55 or Older	122	18%	2,984	18%	301	17%	1,189	18%	258	13%	506	14%	1,442	17%	288	17%	2,479	15%	1,544	18%	11,113	17%
Worker Race and Ethnicity																						
Race																						
White Alone	666	96%	16,034	96%	1,691	96%	6,159	96%	1,894	93%	3,247	93%	7,699	91%	1,612	97%	14,985	89%	7,743	91%	61,730	93%
Black or African American Alone	7	1%	272	2%	20	1%	108	2%	65	3%	94	3%	220	3%	8	0%	778	5%	222	3%	1,794	3%
American Indian or Alaska Native Alone	5	1%	47	0%	9	1%	17	0%	7	0%	15	0%	30	0%	10	1%	65	0%	30	0%	235	0%
Asian Alone	9	1%	280	2%	14	1%	85	1%	51	2%	113	3%	356	4%	21	1%	804	5%	475	6%	2,208	3%
Native Hawaiian or Other Pacific Islander Alone	0	0%	7	0%	4	0%	6	0%	2	0%	4	0%	4	0%	1	0%	4	0%	8	0%	40	0%
Two or More Race Groups	5	1%	115	1%	19	1%	56	1%	27	1%	40	1%	121	1%	10	1%	218	1%	77	1%	688	1%
Ethnicity																						
Not Hispanic or Latino	667	96%	16,463	98%	1,724	98%	6,291	98%	1,975	97%	3,419	97%	8,121	96%	1,617	97%	16,340	97%	8,065	94%	64,682	97%
Hispanic or Latino	25	4%	292	2%	33	2%	140	2%	71	3%	91	3%	309	4%	45	3%	514	3%	490	6%	2,010	3%
Worker Educational Attainment																						
Less Than High School	36	5%	693	4%	80	5%	341	5%	101	5%	148	4%	353	4%	48	3%	649	4%	554	6%	3,003	5%
High School or Equivalent, No College	137	20%	3,478	21%	335	19%	1,470	23%	483	24%	632	18%	1,593	19%	328	20%	2,757	16%	1,828	21%	13,041	20%
Some College or Associate Degree	202	29%	4,700	28%	428	24%	1,564	24%	543	27%	718	20%	2,049	24%	444	27%	3,866	23%	2,197	26%	16,711	25%
Bachelor's Degree or Advanced Degree	129	19%	4,053	24%	376	21%	1,060	16%	418	20%	736	21%	2,149	25%	437	26%	4,211	25%	1,773	21%	15,342	23%
Educational Attainment Not Available	188	27%	3,831	23%	538	31%	1,996	31%	501	24%	1,276	36%	2,286	27%	405	24%	5,371	32%	2,203	26%	18,595	28%
Jobs by NAICS Industry Sector																						
Agriculture, Forestry, Fishing and Hunting	1	0%	72	0%	16	1%	4	0%	18	1%	30	1%	13	0%	7	0%	0	0%	350	4%	511	1%
Mining, Quarrying, and Oil and Gas Extraction	0	0%	0	0%	0	0%	2	0%	0	0%	0	0%	20	0%	0	0%	38	0%	0	0%	60	0%
Utilities	0	0%	9	0%	0	0%	2	0%	0	0%	0	0%	6	0%	0	0%	0	0%	1	0%	18	0%
Construction	82	12%	531	3%	125	7%	415	6%	370	18%	149	4%	651	8%	57	3%	211	1%	383	4%	2,974	4%
Manufacturing	30	4%	2,503	15%	74	4%	412	6%	688	34%	272	8%	903	11%	72	4%	716	4%	1,565	18%	7,235	11%
Wholesale Trade	6	1%	526	3%	34	2%	107	2%	47	2%	155	4%	427	5%	34	2%	345	2%	206	2%	1,887	3%
Retail Trade	90	13%	1,963	12%	159	9%	1,423	22%	130	6%	348	10%	978	12%	142	9%	3,360	20%	842	10%	9,435	14%
Transportation and Warehousing	1	0%	341	2%	97	6%	287	4%	5	0%	811	23%	133	2%	34	2%	105	1%	741	9%	2,555	4%
Information	3	0%	68	0%	11	1%	66	1%	1	0%	1	0%	77	1%	2	0%	342	2%	1	0%	572	1%
Finance and Insurance	37	5%	332	2%	24	1%	124	2%	11	1%	34	1%	542	6%	215	13%	1,247	7%	75	1%	2,641	4%
Real Estate and Rental and Leasing	5	1%	228	1%	18	1%	96	1%	4	0%	41	1%	77	1%	18	1%	172	1%	66	1%	725	1%
Professional, Scientific, and Technical Services	19	3%	523	3%	102	6%	167	3%	41	2%	55	2%	474	6%	261	16%	997	6%	148	2%	2,787	4%
Management of Companies and Enterprises	0	0%	503	3%	0	0%	199	3%	3	0%	7	0%	389	5%	3	0%	49	0%	13	0%	1,166	2%
Admin & Support, Waste Mgmt and Remediation	135	20%	152	1%	82	5%	96	1%	121	6%	98	3%	785	9%	82	5%	573	3%	412	5%	2,536	4%
Educational Services	60	9%	1,378	8%	73	4%	1,059	16%	140	7%	521	15%	798	9%	174	10%	1,870	11%	1,680	20%	7,753	12%
Health Care and Social Assistance	46	7%	3,281	20%	127	7%	568	9%	190	9%	279	8%	612	7%	192	12%	3,824	23%	636	7%	9,755	15%
Arts, Entertainment, and Recreation	13	2%	288	2%	414	24%	57	1%	36	2%	195	6%	159	2%	8	0%	120	1%	93	1%	1,383	2%
Accommodation and Food Services	78	11%	1,409	8%	218	12%	881	14%	112	5%	346	10%	982	12%	260	16%	1,692	10%	622	7%	6,600	10%
Other Services (excluding Public Administration)	33	5%	605	4%	122	7%	368	6%	94	5%	113	3%	207	2%	58	3%	644	4%	355	4%	2,599	4%
Public Administration	53	8%	2,043	12%	61	3%	98	2%	35	2%	55	2%	197	2%	43	3%	549	3%	366	4%	3,500	5%
Source: U.S. Census Bureau; Maxfield Research, Inc.																						

Source: U.S. Census Bureau; Maxfield Research, Inc.

Existing Business Mix by NAICS

Table EMP-19 presents business data as compiled from ESRI and Infogroup in 2012. The business inventory database is compiled from multiple sources; including directory resources from the yellow and white pages, annual reports, 10ks, SEC filings, government data, U.S. Postal Service, business trade directories, newspapers, etc. To ensure accurate information, phone telephone verifications are completed for each business in the database. The data is characterized based on the six-digit North American Industry Classification System (NAICS). The NAICS is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.

- There were approximately 13,708 businesses with 79,707 employees in Washington County in 2012. Administrative Support and Waste Management and Remediation Services is the largest industry type (2,554 businesses), but has the fourth most number of employees (6,155).
- Retail Trade had the most employees (11,902) in Washington County followed by Manufacturing (9,247 employees).

TABLE EMP-19 BUSINESS SUMMARY - BY NAICS CODE WASHINGTON COUNTY 2012				
Business/Industry	Businesses		Employees	
	Number	Pct	Number	Pct
NAICS CODES				
Agriculture, Forestry, Fishing and Hunting	290	2.1%	635	0.8%
Mining	7	0.1%	57	0.1%
Utilities	12	0.1%	167	0.2%
Construction	1,465	10.7%	5,209	6.5%
Manufacturing	524	3.8%	9,247	11.6%
Wholesale Trade	501	3.7%	3,256	4.1%
Retail Trade	1,325	9.7%	11,902	14.9%
Transportation & Warehousing	296	2.2%	2,130	2.7%
Information	232	1.7%	1,951	2.4%
Finance & Insurance	569	4.2%	2,883	3.6%
Real Estate, Rental & Leasing	596	4.3%	2,143	2.7%
Professional, Scientific & Tech Services	2,143	15.6%	5,211	6.5%
Management of Companies & Enterprises	34	0.2%	81	0.1%
Admin Support & Waste Management & Remediation Services	2,554	18.6%	6,155	7.7%
Educational Services	225	1.6%	6,046	7.6%
Health Care & Social Assistance	1,086	7.9%	7,876	9.9%
Arts, Entertainment & Recreation	256	1.9%	2,170	2.7%
Accommodation & Food Services	427	3.1%	5,515	6.9%
Other Services (except Public Administration)	1,057	7.7%	3,971	5.0%
Public Administration	109	0.8%	3,102	3.9%
Unclassified Establishments	0	0.0%	0	0.0%
Total	13,708	100.0%	79,707	100.0%
Sources: ESRI, Maxfield Research Inc.				

Major Employers

A portion of the employment growth in Washington County will be generated by the largest employers in the County. The table on the next page lists some of the top employers in the County along with a description of their primary industry and number of employees. Table EMP-20 shows the major employers in Washington County based on data provided by the Washington County Comprehensive Annual Financial Report (2012).

The following are key points from the major employers table found on the following page.

- Andersen Corporation is the largest employer in Washington County with 2,600 employees. Andersen Corporation specializes in window and manufacturing. The company employs 9,000 people across North America and is headquartered in Bayport, Minnesota.
- Independent School District 833 is the second biggest employer with 2,500 employees. This school district covers various cities in South Washington County such as: Woodbury, Cottage Grove, Newport, and St. Paul Park. It also includes the following townships: Afton, Denmark, and Grey Cloud Island.
- Independent School District 831 is the third largest employer with 1,200 employees. This school district covers various cities in the Forest Lake area including the cities of: Columbia, East Bethel, Forest Lake, Ham Lake, Hugo, Lino Lakes, Scandia, Stacy, Wyoming, and parts of Marine-on-St. Croix and the townships of May and Linwood.

TABLE EMP-20 MAJOR EMPLOYERS WASHINGTON COUNTY 2012			
Name	City	Industry/Product/Service	Employee Size
Washington County			
Andersen Corporation	Bayport	Manufacturing	2,600
Independent School District 833	Woodbury	Education	2,500
Independent School District 831	Forest Lake	Education	1,200
Washington County Government	Forest Lake	Government	1,138
Independent School District 834	Stillwater	Education	1,050
Woodwinds Health Campus	Woodbury	Healthcare	835
The Hartford	Woodbury	Insurance	800
Lakeview Memorial Hospital	Stillwater	Healthcare	727
3M Chemolite	Cottage Grove	Manufacturing	700
MN State Prison	Stillwater	Prison	544
Total			12,094
Source: Washington County CAFR, Maxfield Research Inc.			

Employer Survey

Maxfield Research surveyed representatives of the largest employers in Washington County during September 2013. The questions covered topics such as recent trends in job growth, average wages and salaries, employee turnover, projected job growth. In addition, representatives were asked their opinion about issues related to housing in the area. Specifically, they were asked whether the current supply of housing in the area matches the needs of their workforce. The following points summarize the findings of this survey process.

- Employers could not identify a central location that most of their employees commute to their workplace, but believe most employees commute between 15 to 35 miles to their work destination. Most employees are residents in Minnesota or Wisconsin.
- Hiring is expected to remain steady or increase over the next five years as service needs and business conditions dictate.
- There was a general consensus that most employees in the County currently own their homes, but many new employees relocating to Washington County from other areas tend to rent at first.

EMPLOYMENT TRENDS

- Several major employers have referred to the current rental stock in the area as updated with a variety of amenity options. Most seemed pleased with recent rental additions to the community.
- Many of the rental units are apartment complexes with large amenity packages or medium to high value homes, which would be desirable for a young professionals or families moving to the area.

Employment Summary

Table EMP-21 provides an employment summary that compares Washington County to the remaining counties in the Metro Area.

- Washington County had the second lowest inflow/outflow ratio. There were about twice (47.2%) as many people commuting outside of Washington County than workers coming into Washington County. Scott County had the lowest inflow/outflow ratio at 43.3%.
- Washington County had the highest percentage of employees earning \$1,250 or less per month (31.5%) followed by Scott County with 26.9% earning \$1,250 or less.
- Washington County had the second highest percentage of Retail Trade jobs in the Metro Area at 14.1%. Anoka County had the highest percentage at 15.2%.

EMPLOYMENT TRENDS

TABLE EMP-21
EMPLOYMENT SUMMARY
WASHINGTON COUNTY COMPARED TO OTHER METRO AREA COUNTIES
2010

Employment Summary	Anoka		Carver		Dakota		Hennepin		Ramsey		Scott		Washington	
	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.
Inflow/Outflow														
Inflow	63,532		17,926		86,319		424,103		219,206		21,328		51,802	
Outflow	123,765		37,607		134,208		151,355		132,057		49,243		109,819	
Interior Flow	51,738		13,248		77,426		418,696		107,062		16,413		14,890	
Employee Monthly Earnings														
\$1,250 or Less	29,975	26.0%	7,539	24.2%	41,976	25.6%	185,005	22.0%	73,432	22.5%	10,162	26.9%	21,032	31.5%
\$1,251 to \$3,333	35,642	30.9%	9,649	31.0%	51,498	31.5%	236,498	28.1%	93,962	28.8%	11,936	31.6%	21,053	31.6%
More Than \$3,333	49,653	43.1%	13,986	44.9%	70,271	42.9%	421,296	50.0%	158,874	48.7%	15,643	41.4%	24,607	36.9%
Employee Ages														
Age 29 or Younger	28,639	24.8%	7,394	23.7%	40,897	25.0%	203,565	24.2%	74,699	22.9%	9,039	24.0%	18,595	27.9%
Age 30 to 54	65,331	56.7%	18,287	58.7%	93,170	56.9%	488,868	58.0%	186,743	57.2%	22,000	58.3%	36,984	55.5%
Age 55 or Older	21,300	18.5%	5,493	17.6%	29,678	18.1%	150,366	17.8%	64,826	19.9%	6,702	17.8%	11,113	16.7%
Jobs by NAICS Industry Sector														
Agriculture, Forestry, Fishing and Hunting	316	0.3%	132	0.4%	610	0.4%	668	0.1%	277	0.1%	85	0.2%	511	0.8%
Mining	2	0.0%	1	0.0%	157	0.1%	233	0.0%	2	0.0%	48	0.1%	60	0.1%
Utilities	365	0.3%	19	0.1%	331	0.2%	7,251	0.9%	363	0.1%	161	0.4%	18	0.0%
Construction	5,960	5.2%	1,265	4.1%	6,822	4.2%	25,024	3.0%	10,180	3.1%	2,407	6.4%	2,974	4.5%
Manufacturing	23,553	20.4%	7,778	25.0%	19,354	11.8%	74,160	8.8%	28,670	8.8%	4,327	11.5%	7,235	10.8%
Wholesale Trade	5,052	4.4%	1,535	4.9%	10,734	6.6%	53,549	6.4%	13,583	4.2%	1,944	5.2%	1,887	2.8%
Retail Trade	17,532	15.2%	2,693	8.6%	16,704	10.2%	78,269	9.3%	25,377	7.8%	3,476	9.2%	9,435	14.1%
Transportation & Warehousing	3,346	2.9%	280	0.9%	11,549	7.1%	13,649	1.6%	5,398	1.7%	1,163	3.1%	2,555	3.8%
Information	643	0.6%	586	1.9%	4,475	2.7%	23,179	2.8%	8,405	2.6%	261	0.7%	572	0.9%
Finance & Insurance	1,974	1.7%	619	2.0%	8,487	5.2%	67,586	8.0%	13,180	4.0%	521	1.4%	2,641	4.0%
Real Estate, Rental & Leasing	1,313	1.1%	308	1.0%	2,571	1.6%	24,636	2.9%	5,676	1.7%	311	0.8%	725	1.1%
Professional, Scientific & Tech Services	3,179	2.8%	1,341	4.3%	7,165	4.4%	73,609	8.7%	16,734	5.1%	1,913	5.1%	2,787	4.2%
Management of Companies & Enterprises	688	0.6%	681	2.2%	2,649	1.6%	41,472	4.9%	24,586	7.5%	116	0.3%	1,166	1.7%
Admin & Support & Waste Mgmt & Remediation	6,505	5.6%	911	2.9%	6,873	4.2%	55,680	6.6%	23,949	7.3%	1,918	5.1%	2,536	3.8%
Educational Services	10,287	8.9%	3,571	11.5%	17,030	10.4%	64,742	7.7%	33,627	10.3%	3,477	9.2%	7,753	11.6%
Health Care & Social Assistance	14,666	12.7%	4,535	14.5%	19,181	11.7%	117,368	13.9%	54,216	16.6%	4,217	11.2%	9,755	14.6%
Arts, Entertainment & Recreation	1,932	1.7%	632	2.0%	2,140	1.3%	14,016	1.7%	5,296	1.6%	1,107	2.9%	1,383	2.1%
Accommodation & Food Services	7,891	6.8%	2,055	6.6%	13,968	8.5%	60,841	7.2%	20,669	6.3%	6,232	16.5%	6,600	9.9%
Other Services (except Public Administration)	4,828	4.2%	811	2.6%	7,339	4.5%	28,138	3.3%	10,949	3.4%	1,593	4.2%	2,599	3.9%
Public Administration	5,238	4.5%	1,421	4.6%	5,606	3.4%	18,729	2.2%	25,131	7.7%	2,464	6.5%	3,500	5.2%

Source: U.S. Census Bureau; ESRI; Maxfield Research, Inc.

Introduction

Maxfield Research Inc. identified and surveyed larger rental properties of 12 or more units in Washington County. In addition, interviews were conducted with real estate agents, developers, rental housing management firms, and others in the community familiar with Washington County's rental housing stock.

For purposes of our analysis, we have classified rental projects into two groups, general occupancy and senior (age restricted). All senior projects are included in the *Senior Rental Analysis* section of this report. The general occupancy rental projects are divided into three groups, market rate (those without income restrictions), affordable, (those with income restrictions and rent affordable to 60% area median income), and subsidized (those with income restrictions based on 30% allocation of income to housing).

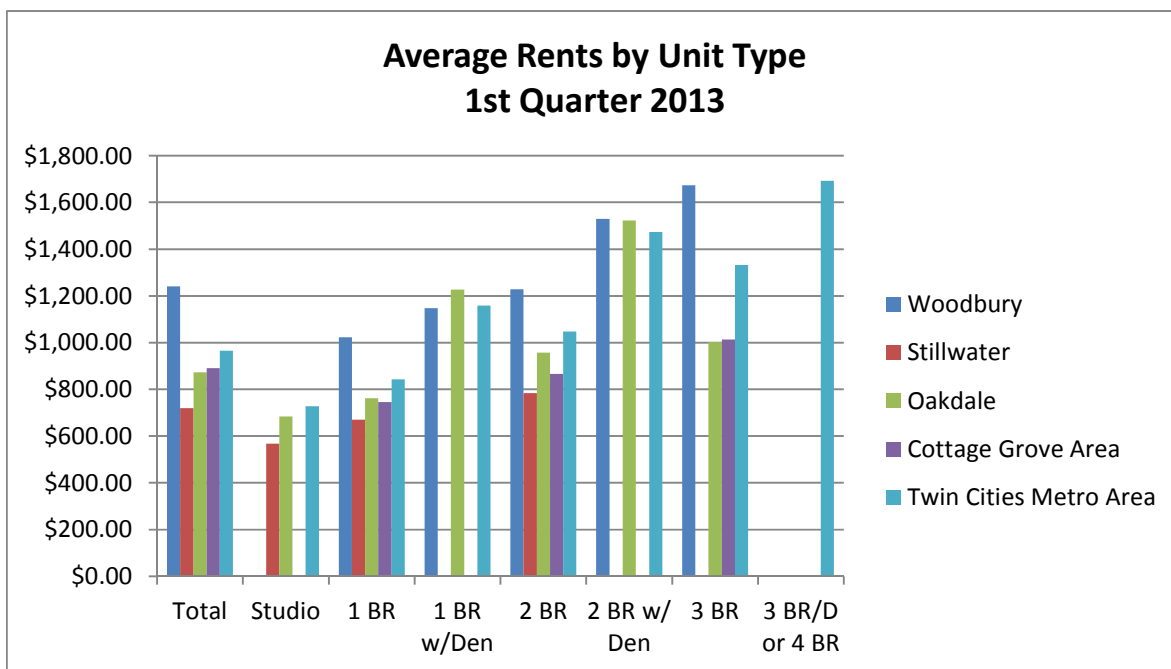
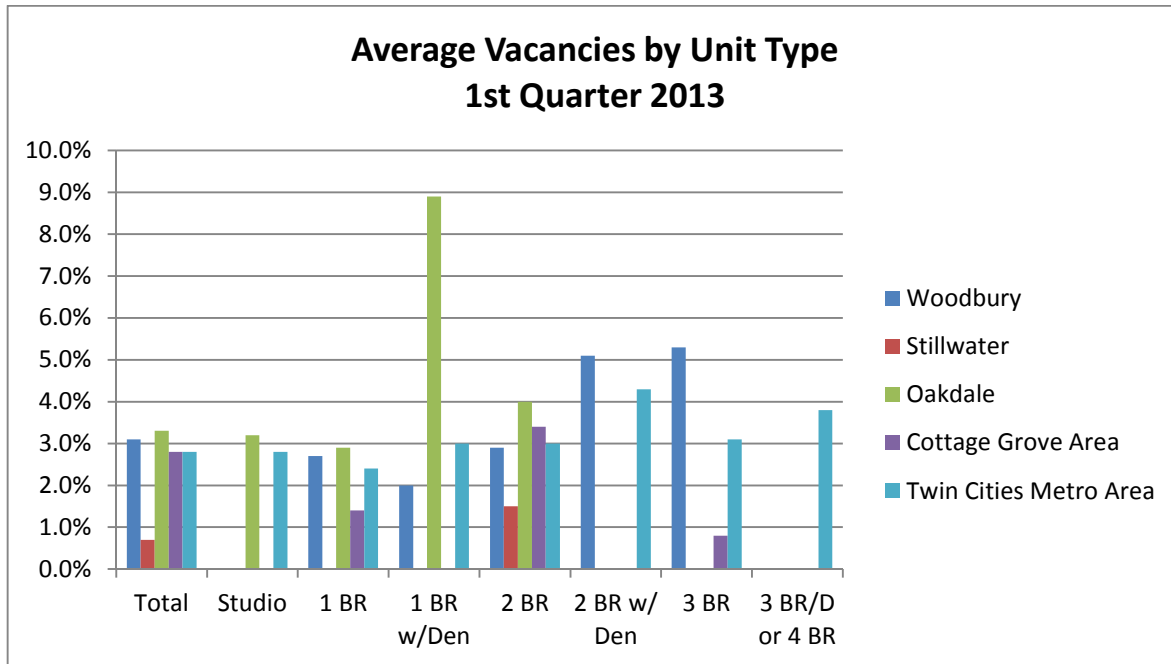
Rental Market Overview

Table R-1 shows average monthly rents and vacancy from 1st Quarter 2012 and 1st Quarter 2013 by unit type in Washington County submarkets. Data is from Marquette Advisors, Inc., which compiles apartment trends quarterly, with 1st Quarter 2013 being the most recent information available. Marquette Advisors does not inventory all Washington County submarkets or each property within the identified geography's; however Maxfield Research Inc. inventoried all 12+ unit properties in each submarket in Tables R-5 to R-7.

- Monthly rents increased in Washington County by 5.5% to \$1,077. Monthly rents have increased in each submarket over the last year. Woodbury's average rent increased the most from \$1,203 to \$1,241 (3.2%), which can be attributed to the newer housing style, including luxury style apartments. For comparison, average rents in the Twin Cities metro area increased 3.3% to \$966 during the same time period.
- Rental rates are higher in Woodbury than other submarkets. The average rent in Stillwater, Oakdale, and Cottage Grove was \$860 in the 1st Quarter of 2013, compared to \$1,243 in Woodbury and \$966 in the Metro Area.
- Vacancy rates in Washington County increased over the past year from 2.3% to 3.0%, although still below market equilibrium (5%). As of 1st Quarter 2013, Stillwater had the lowest vacancy rate at 0.7%. Oakdale had the highest vacancy rate at 3.3%. In comparison, the Twin Cities metro area vacancy stayed flat at 2.8%.

RENTAL MARKET ANALYSIS

TABLE R-1 AVERAGE RENTS/VACANCIES TRENDS WASHINGTON COUNTY 1st Quarter 2012 & 2013								
	Total	Studio	1 BR	1 BR w/ Den	2 BR	2 BR w/ Den	3 BR	3 BR/D or 4BR
WOODBURY								
1st Q 2013	Units	2,954	-	640	148	1,719	78	361
	No. Vacant	92	-	17	3	49	4	19
	Avg. Rent	\$1,241	-	\$1,023	\$1,148	\$1,229	\$1,530	\$1,673
	Vacancy	3.1%	-	2.7%	2.0%	2.9%	5.1%	5.3%
1st Q 2012	Units	2,211	-	456	92	1,259	46	350
	No. Vacant	40	-	4	0	27	0	9
	Avg. Rent	\$1,203	-	\$980	\$1,029	\$1,190	\$1,118	\$1,612
	Vacancy	1.8%	-	0.9%	0.0%	2.1%	0.0%	2.6%
STILLWATER								
1st Q 2013	Units	281	10	140	-	131	-	-
	No. Vacant	2	0	0	-	2	-	-
	Avg. Rent	\$719	\$568	\$670	-	\$783	-	-
	Vacancy	0.7%	0%	0.0%	-	1.5%	-	-
1st Q 2012	Units	236	10	118	-	108	-	-
	No. Vacant	3	0	2	-	1	-	-
	Avg. Rent	\$724	\$568	\$670	-	\$783	-	-
	Vacancy	1.3%	0%	1.7%	-	0.9%	-	-
OAKDALE								
1st Q 2013	Units	1,194	93	525	45	428	18	85
	No. Vacant	39	3	15	4	17	0	0
	Avg. Rent	\$872	\$684	\$762	\$1,227	\$957	\$1,523	\$1,002
	Vacancy	3.3%	3.2%	2.9%	8.9%	4.0%	0%	0%
1st Q 2012	Units	1,126	93	525	45	428	18	17
	No. Vacant	36	0	17	0	19	0	0
	Avg. Rent	\$870	\$669	\$764	\$1,227	\$954	\$1,523	\$993
	Vacancy	3.2%	0%	3.2%	0.0%	4.4%	0.0%	0.0%
COTTAGE GROVE/NEWPORT/ST. PAUL PARK								
1st Q 2013	Units	775	-	147	-	367	-	258
	No. Vacant	22	-	2	-	9	-	11
	Avg. Rent	\$890	-	\$746	-	\$866	-	\$1,014
	Vacancy	2.8%	-	1.4%	-	2.5%	-	4.3%
1st Q 2012	Units	775	-	147	-	367	-	258
	No. Vacant	19	-	5	-	3	-	11
	Avg. Rent	\$882	-	\$737	-	\$855	-	\$1,010
	Vacancy	2.5%	-	3.4%	-	0.8%	-	4.3%
TWIN CITIES METRO AREA								
1st Q 2013	Units	112,383	5,320	49,307	2,291	48,092	1,071	5,990
	No. Vacant	3,091	147	1,208	68	1,426	46	184
	Avg. Rent	\$966	\$727	\$843	\$1,159	\$1,048	\$1,474	\$1,332
	Vacancy	2.8%	2.8%	2.4%	3.0%	3.0%	4.3%	3.1%
1st Q 2012	Units	108,820	5,127	47,333	1,985	46,893	1,109	6,069
	No. Vacant	3,072	135	1,255	52	1,367	39	204
	Avg. Rent	\$935	\$687	\$812	\$1,121	\$1,015	\$1,445	\$1,294
	Vacancy	2.8%	2.6% #	2.7% #	2.6%	2.9%	3.5%	3.4%
Sources: Marquette Advisors; Maxfield Research Inc.								



Rental Market Conditions

Maxfield Research utilized data from the American Community Survey (ACS) to summarize rental market conditions in Washington County. The ACS is an ongoing survey conducted by the United States Census Bureau that provides data every year rather than every ten years as presented by the decennial census. We use this data because these figures are not available from the decennial census.

Table R-2 on the following page presents a breakdown of median gross rent and monthly gross rent ranges by number of bedrooms in renter-occupied housing units from the 2007-2011 ACS in Washington County in comparison to the Minneapolis/St. Paul/Bloomington Metro Area. Gross rent is defined as the amount of the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer) and fuels (oil, coal, wood, etc.) if these are paid by the renter.

- Approximately 29% of the renter-occupied housing units in Washington County have three or more bedrooms compared to 21% in the Metro Area. One-bedroom units comprise 26% of Washington County's renter-occupied housing supply and units while only 2% of the renter-occupied units have no bedrooms. By comparison, roughly 36% of the Metro Area's renter-occupied housing units are one-bedroom and 5% have no bedrooms.
- Roughly 43% of the renter-occupied housing units in Washington County have two bedrooms compared to 37% in the Metro Area.

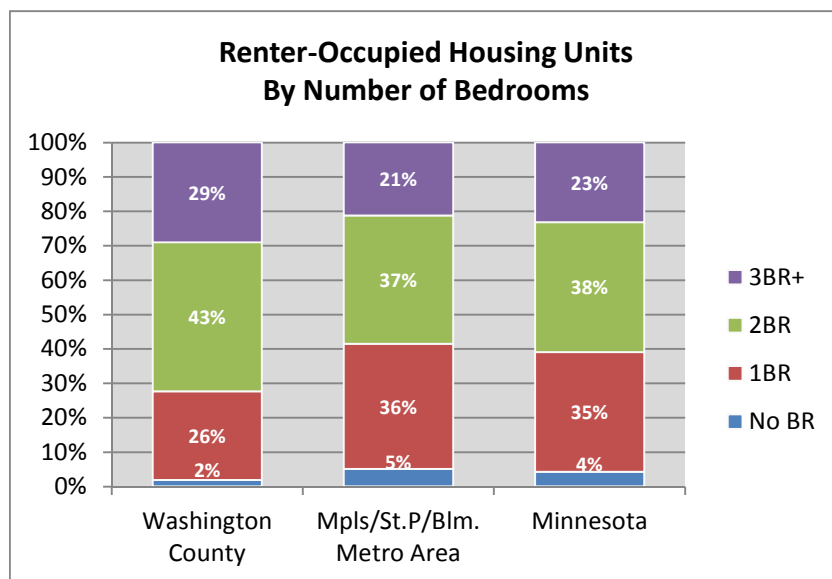


TABLE R-2
BEDROOMS BY GROSS RENT, RENTER-OCCUPIED HOUSING UNITS
WASHINGTON COUNTY

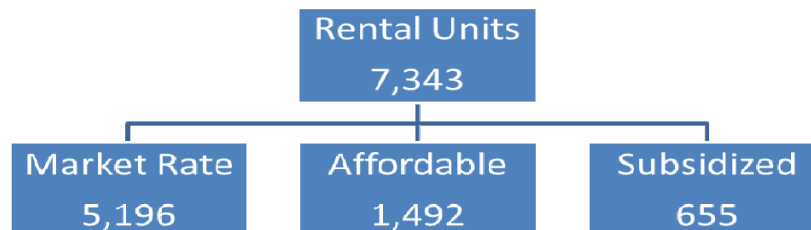
	Washington County		2011 Mpls/St.P/Blm. Metro Area		Minnesota	
	#	% of Total	#	% of Total	#	% of Total
Total:	14,856	100%	376,279	100%	551,895	100%
Median Gross Rent	\$1,048		\$858		\$783	
No Bedroom	279	2%	19,818	5%	23,344	4%
Less than \$200	0	0%	1,357	0%	1,230	0%
\$200 to \$299	17	0%	782	0%	1,980	0%
\$300 to \$499	0	0%	2,900	1%	5,373	1%
\$500 to \$749	50	0%	9,659	3%	9,732	2%
\$750 to \$999	58	0%	2,639	1%	2,403	0%
\$1,000 or more	154	1%	1,975	1%	2,258	0%
No cash rent	0	0%	506	0%	368	0%
1 Bedroom	3,824	26%	136,983	36%	192,165	35%
Less than \$200	69	0%	5,456	1%	8,848	2%
\$200 to \$299	417	3%	10,917	3%	18,537	3%
\$300 to \$499	299	2%	9,854	3%	27,321	5%
\$500 to \$749	907	6%	53,581	14%	66,736	12%
\$750 to \$999	1,144	8%	37,555	10%	45,817	8%
\$1,000 or more	954	6%	18,958	5%	22,395	4%
No cash rent	34	0%	662	0%	2,511	0%
2 Bedrooms	6,435	43%	138,872	37%	208,573	38%
Less than \$200	93	1%	1,836	0%	4,350	1%
\$200 to \$299	125	1%	1,832	0%	4,128	1%
\$300 to \$499	170	1%	4,752	1%	14,823	3%
\$500 to \$749	665	4%	17,659	5%	48,263	9%
\$750 to \$999	1,797	12%	55,798	15%	70,154	13%
\$1,000 or more	3,465	23%	53,767	14%	59,051	11%
No cash rent	120	1%	3,228	1%	7,804	1%
3 or More Bedrooms	4,318	29%	80,606	21%	127,813	23%
Less than \$200	106	1%	698	0%	1,699	0%
\$200 to \$299	51	0%	1,073	0%	2,289	0%
\$300 to \$499	108	1%	2,529	1%	8,294	2%
\$500 to \$749	159	1%	6,309	2%	17,506	3%
\$750 to \$999	281	2%	10,127	3%	20,775	4%
\$1,000 or more	3,107	21%	53,188	14%	61,720	11%
No cash rent	506	3%	6,682	2%	15,530	3%

Sources: American Community Survey 07-11; Maxfield Research, Inc.

- Washington County has significantly higher rents compared to Minnesota. The median gross rent in Washington County is \$1,048 which is 22% higher than the median rent of \$858 in the Metro Area.
- Monthly gross rents in Washington County range from less than \$200 to over \$1,000 with over 51% renting for \$1,000 or more per month. Approximately 22% have gross monthly rents between \$750 and \$999 while 11% have rents between \$500 and \$749.
- By comparison, in the Metro Area, about 34% have gross monthly rents that are \$1,000 or more. Also, nearly 24% have gross monthly rents that are \$500 to \$749 as well. In addition, around 29% have rents between \$750 and \$999.

General-Occupancy Rental Projects

Our research of Washington County's general occupancy rental market included a survey of 55 market rate apartment properties (12 units and larger) and 34 affordable/subsidized communities in June/July 2013. These projects represent a combined total of 7,343 units, including 5,196 market rate units, 1,492 affordable units, and 655 subsidized units. Although we were able to contact and obtain up-to-date information on the majority of rental properties, there were some projects we were unable to reach. It was common for smaller complexes, which are most often privately-owned, to not participate in our survey. Overall, 6,726 of the total 7,343 units participated in the rental survey (91.6% participation rate).

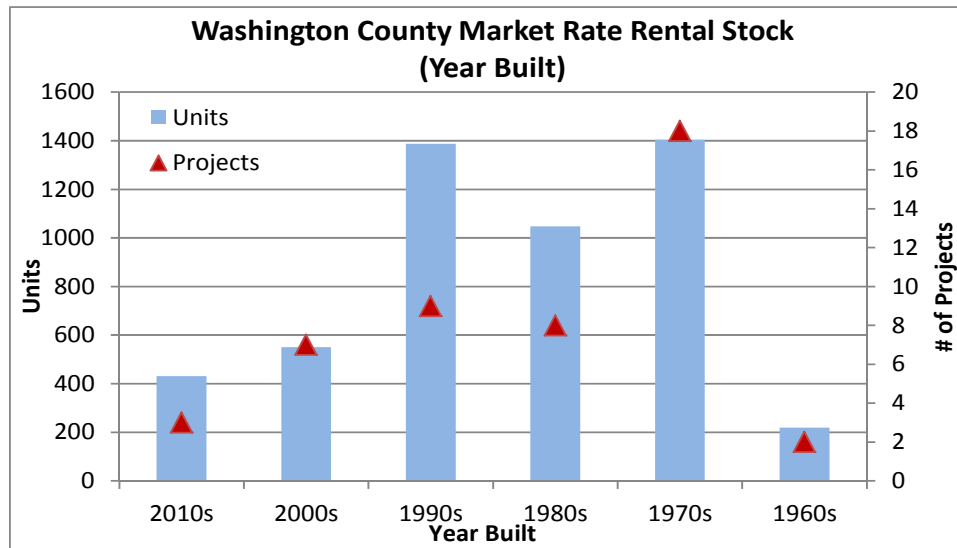


At the time of our survey, 151 market rate units and 11 affordable/subsidized units were vacant, resulting in an overall vacancy rates of 3.2% for market rate units and 0.6% for affordable/subsidized. The overall market rate vacancy rate of 3.2% is lower than the industry standard of 5% vacancy for a stabilized rental market, which promotes competitive rates, ensures adequate choice, and allows for unit turnover.

Table R-3 compares market rate data from our previous study in 2007 to our updated data as of 2013. Table R-4 shows vacancy rate comparison of submarkets within Washington County. Table R-5 summarizes information on market rate projects, while Table R-6 summarizes information on affordable and subsidized projects. Table R-7 summarizes unit features and common area amenities among all general-occupancy housing developments.

Market Rate

- Mill Pond II, constructed in 2012, is the newest market rate rental building in Washington County. Overall, Washington County's rental housing stock is older as the median year built for all units is 1987. About 28% of Washington County's market rate rental units were constructed in the 1970s. Also, 27% of the market rate rental units were built in the 1990s as well.



- As previously stated, a total of 151 vacancies were found, resulting in a vacancy rate of 3.2% as of July 2013. This compares to a vacancy rate of 4.2% in the July 2007 housing study.
- Nearly 55% of the market rate units in Washington County are two-bedroom units. The unit breakout by unit type is summarized below.
 - Efficiency units: 1.4%
 - One-bedroom units: 29.0%
 - Two-bedroom units: 54.8%
 - Three-bedroom units: 14.8%
- The following is the monthly rent ranges and average rent for each unit type:
 - Efficiency units: \$545 to \$709 | Avg. \$675
 - One-bedroom units: \$599 to \$1,305 | Avg. \$868
 - Two-bedroom units: \$699 to \$1,840 | Avg. \$1,140
 - Three-bedroom units: \$940 to \$1,985 | Avg. \$1,482
- The average monthly rent per square foot among those surveyed properties was \$1.08. Rent per square foot varied by unit type as illustrated below:
 - Efficiency units: \$1.48
 - One-bedroom units: \$1.18
 - Two-bedroom units: \$1.07
 - Three-bedroom units: \$1.02

RENTAL MARKET ANALYSIS

- The majority of the newer properties have in-unit washer and dryers, dishwasher, and air conditioning. Many of the older properties do not have in-unit washer and dryers, but provide a coin-operated laundry area for their residents.

Table R-3 RENT SUMMARY WASHINGTON COUNTY- SURVEYED MARKET RATE RENTAL DEVELOPMENTS JULY 2013								
City	2007				2013			
	Total Units	Average Rent			Total Units	Average Rent		
		1BR	2BR	3BR		1BR	2BR	3BR
Cottage Grove	525	\$709	\$810	\$1,101	589	\$745	\$867	\$1,151
Forest Lake	440	\$665	\$784	\$926	631	\$733	\$853	\$915
Mahtomedi/Grant	-	-	-	-	12	-	-	\$1,000
Oakdale	769	\$707	\$912	\$1,147	514	\$832	\$1,103	\$1,253
Stillwater	257	\$667	\$763	-	322	\$701	\$822	-
Woodbury	2,625	\$973	\$1,083	\$1,401	3,128	\$983	\$1,250	\$1,650
Total	4,616	\$811	\$1,002	\$1,284	5,196	\$868	\$1,071	\$1,482
Source: Maxfield Research Inc; Washington County HRA								

TABLE R-4 SUMMARY OF GENERAL OCCUPANCY RENTAL PROJECTS INVENTORIED BY SUBMARKET JULY 2013								
Submarket	Market Rate		Affordable		Subsidized		Total	
	Units	Vacancy Rate*	Units	Vacancy Rate*	Units	Vacancy Rate*	Units	Vacancy Rate*
Northeast	-	-	-	-	-	-	-	-
Stillwater	322	3.0%*	242	0.0%	175	1.7%	739	1.6%*
Southeast	-	-	-	-	-	-	-	-
Forest Lake	631	2.5%*	194	0.0%	58	0.0%	883	1.9%*
Hugo	-	-	-	-	-	-	-	-
Mahtomedi	12	0.0%	30	0.0%	48	0.0%	90	0.0%
Oakdale	514	3.1%*	575	0.9%	324	0.0%	1,413	1.5%*
Lake Elmo	-	-	-	-	-	-	-	-
Woodbury	3,128	3.3%*	157	1.9%	-	-	3,285	3.2%
Cottage Grove	589	3.7%*	294	0.0%	50	0.0%	933	2.2%*
Total	5,196	3.2%*	1,492	0.6%	655	0.5%	7,343	2.4%*
East	322	3.0%*	242	0.0%	175	1.7%	739	1.5%*
West	4,874	3.2%*	1,250	0.7%	480	0.0%	6,604	2.5%*
* Vacancy rates based on partipating properties.								
Source: Maxfield Research Inc.								

RENTAL MARKET ANALYSIS

TABLE R-5
MARKET-RATE GENERAL OCCUPANCY RENTAL DEVELOPMENT SURVEY RESPONSES
WASHINGTON COUNTY
July 2013

Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent	Rent per Square Foot	Accept Vouchers	Amenities/Comments
COTTAGE GROVE AREA								
Hinton Heights 7750 Hinton Ave. Cottage Grove	1993	249 1 0.4%	49 - 1BR 84 - 2BR 116 - 3BR	691 - 724 927 - 1,020 1,176 - 1,320	\$764 - \$884 \$884 - \$1,054 \$1,029 - \$1,299	\$1.11 - \$1.22 \$0.95 - \$1.03 \$0.88 - \$0.98	No	Twenty-four 2-story buildings; heat included in rent; tenant pays electric & phone; 1 attached garage included in rent; storage; A/C; W/D hook-ups, laundry, too; dishwasher; disposal; microwave; balcony/patio; party room; exercise room playground.
Glen Woods 1575 11th Ave. Newport	1985	44 n/a	20 - 3BR	1,200 - 1,500	n/a	n/a	n/a	3-story complex; tenant pays electric & heat; 1 attached garage stall w/unit; A/C; patio; dishwasher; picnic/play area; basketball court.
Mark Court Apartments 1932 10th Ave. Newport	1974	96 11 11.5%	3 - Eff. 45 - 1BR 48 - 2BR	500 750 890	\$600 \$645 - \$725 \$745 - \$825	\$1.20 \$0.86 - \$0.97 \$0.84 - \$0.93	Yes	Four 3-story bldgs (24 units/each); tenant pays phone, electric & heat; detached & underground parking; wall-unit A/C; laundry; some balconies; pool; picnic area ; storage.
Grove Ridge 8130 S East Point Douglas Rd. Cottage Grove	1973	84 5 6.0%	6 - 1BR 70 - 2BR 8 - 3BR	735 850 - 950 1,046 - 1,135	\$689 - \$749 \$799 - \$879 \$944 - \$995	\$0.94 - \$1.02 \$0.93 - \$0.94 \$0.88 - \$0.90	No	Formerly known as East Grove Estates. A/C; coin-op laundry; dishwasher; disposal; balcony; storage ; playground/picnic area; pool.
Newport Ponds 1624 10th Ave. Newport	1971	52 1 1.9%	1 - Eff. 15 - 1BR 36 - 2BR	500 750 850	\$545 \$675 \$795	\$1.09 \$0.90 \$0.94	No	Three 3-story bldgs; tenant pays phone and electric; detached garages; wall-unit A/C; coin-op laundry; walk-in closets.
1340 8th Ave Newport	n/a	12 n/a	n/a	n/a	n/a	n/a	n/a	n/a
Belz Apartments 749 4th St. St. Paul Park	n/a	12 n/a	n/a	n/a	n/a	n/a	n/a	n/a
Emer Properties 480 Pullman Ave St. Paul Park	n/a	12 n/a	n/a	n/a	n/a	n/a	n/a	n/a
1108 5th St St. Paul Park	n/a	28 n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cottage Grove Market Area Totals		589	18	3.7%*				
*Vacancy Rate excludes several properties due to lack of participation.								
CONTINUED								

RENTAL MARKET ANALYSIS

TABLE R-5 MARKET-RATE GENERAL OCCUPANCY RENTAL DEVELOPMENT SURVEY RESPONSES WASHINGTON COUNTY July 2013 (continued)								
Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent	Rent per Square Foot	Accept Vouchers	Amenities/Comments
FOREST LAKE								
Mill Pond II	2012	60	n/a - 2BR	n/a	\$885	n/a	No	Two story building, underground parking, hot tub, tanning room, storage units, recreation room, and workout room.
525 SW 4th St.		0	n/a - 3BR	n/a	\$920			
Forest Lake		0.0%						
Mill Pond Forest Apartments	2002	30	n/a - 2BR	n/a	\$855 - \$875	n/a	No	Recreation room, underground parking, elevator, storage units, washer and dryer in some units, and elevator.
525 4th St SW		0	n/a - 3BR	n/a	\$900			
Forest Lake		0.0%						
Maple Court Apartments	2001	12	12 - 3BR	n/a	\$900	n/a	No	Two-story building. Large closets, stove, controlled access, dishwasher, and laundry.
390 9th Ave SW		0						
Forest Lake		0.0%						
Oakridge Apartments	1998	18	18 - 3BR	n/a	\$880	n/a	No	Three-story building. Large closets, alarm system, garage available, patio, and laundry services available as well.
912 4th St		1						
Forest Lake		5.6%						
Pine Forest Apartments	1987	15	n/a - 2BR	600 - 700	\$530 - \$540	n/a	No	Spacious living room, laundry services on-site, detached garage, and mini-storage.
924 4th St SW		n/a	n/a - 3BR	800 - 950				
Forest Lake								
Alpine South Apartments	1975	17	n/a 1BR	625	\$650 - \$690	n/a	No	Detached garage, extra storage, laundry on-site, walk-in closets. Water, heat, and garbage included in the rent.
219 3rd Ave Sw		n/a	n/a 2BR	750	\$720 - \$760			
Forest Lake								
Alpine North	1975	23	n/a - 1BR	625	\$650 - \$690	n/a	No	Detached garage, extra storage, laundry on-site, walk-in closets. Water, heat, and garbage included in the rent.
231 4th Ave NW		n/a	n/a - 2BR	750	\$720 - \$760			
Forest Lake								
North Shore Apartments	1975	60	35 - 1BR	800	\$785	\$0.98	Yes	Two 3-story buildings; heat included in rent; tenant pays electric; detached garages; wall-unit A/C; coin-op laundry; dishwasher; balconies; storage; dock access to lake.
1167-79 North Shore Dr.		0	25 - 2BR	950	\$885	\$0.93		
Forest Lake		0.0%						
Village Apartments	1975	252	40 - Eff.	n/a	\$595 - \$605	n/a	No	Seven 3-story buildings; rent includes heat; tenant pays electric & phone; detached garages; wall-unit A/C; ; storage on each floor; social room in each bldg (kitchen, couch, chairs, billiard table; grills.
407 11th Ave. SW		8	120 - 1BR	670	\$705 - \$740	\$1.05 - \$1.10		
Forest Lake		3.2%	80 - 2BR	975	\$860 - \$875	\$0.88 - \$0.90		
			12 - 2BRD	1,175	\$1,110 - \$1,210	\$0.94 - \$1.03		
Forest Park II Apts.	1974	60	24 - 1BR	650	\$740	\$1.14	Yes	Heat included in rent; tenant pays electric; detached garages; wall-unit A/C; coin-op laundry; dishwasher; disposal; balconies.
1001 7th Ave. SW		1	30 - 2BR	860	\$875	\$1.02		
Forest Lake Section 236		1.7%	6 - 3BR	1,045	\$1,030	\$0.99		
956 Place	1972	48	18 - 1BR	750	n/a	n/a	n/a	One 3-story bldg.; rent includes heat; tenant pays electric & phone; detached garages; wall-unit A/C; coin-op laundry; balconies & patios; storage on each floor.
956 12th St. SW		n/a	30 - 2BR	925 - 960	n/a	n/a		
Forest Lake								
CONTINUED								

RENTAL MARKET ANALYSIS

TABLE R-5 MARKET-RATE GENERAL OCCUPANCY RENTAL DEVELOPMENT SURVEY RESPONSES WASHINGTON COUNTY July 2013 (continued)								
Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent	Rent per Square Foot	Accept Vouchers	Amenities/Comments
FOREST LAKE (continued)								
Forest Park I Apts. 1143 7th Ave. SW Forest Lake FmHA	1971	20 0 0%	12 - 1BR 8 - 2BR	708 888	\$695 \$805	n/a n/a	Yes	Heat included in rent; tenant pays electric; detached garages; wall-unit A/C; coin-op laundry; dishwasher; disposal; balconies.
844 4th St Forest Lake	n/a	16 3 18.8%	2 - 1BR 14 - 2BR	500 650	\$599 \$699	\$1.20 \$1.08	No	Each apartment has deck/patio, laundry on-site, secure entrance, big closet, and storage.
Forest Lake Market Area Totals		631	13	2.5%*				
*Vacancy Rate excludes several properties due to lack of participation.								
OAKDALE								
Cedric's Landing West 5680 Hadley Avenue Oakdale	2002	166 10 6.0%	6 - Studio 53 - 1 BR 24 - 1 BRD 65 - 2 BR 18 - 2 BRD	588 645 - 860 821 - 1,005 1,090 - 1,217 1,414	\$690 - \$959 \$925 - \$1,150 \$1,099 - \$1,355 \$1,275 - \$1,445 \$1,430 - \$1,615	\$1.17 - \$1.63 \$1.34 - \$1.43 \$1.34 - \$1.35 \$1.17 - \$1.19 \$1.01 - \$1.14	No	Rent includes basic cable, heat, & water; tenant pays electric; full size washer & dryer in each unit; heated underground parking; outdoor pool & hottub.
Oakdale Village Townhomes 1213 Gentry Ave. N Oakdale	1997	17 0 0%	16 - 3BR TH 1 - 4BR TH	1,407 1,900	\$1,183 \$1,304	\$0.84 \$0.69	No	Tenant pays heat & electric & phone; 1-car attached garage; cats allowed; wall-unit A/C; in-unit W/D; dishwasher; patio.
Gentry Apartments 1343 North Gentry Oakdale	1980	42 1 0%	6 - Eff. 18 - 1BR 18 - 2BR	550 750 950	\$665 \$735 \$935	\$1.21 \$0.98 \$0.98	Yes	Rent includes heat; tenant pays electric & phone; detached garages; A/C; laundry; dishwasher; disposal; patios; storage.
East Gate Apartments 6048 51st Ave. N Oakdale	1973	64 0 0%	1 - Eff. 30 - 1BR 21 - 2BR 12 - 2BRD	410 720 940 1,050	\$580 \$680 - \$710 \$880 - \$940 \$940 - \$960	\$1.41 \$0.94 - \$0.99 \$0.94 - \$1.00 \$0.90 - \$0.91	No	Rent includes heat; tenant pays electric; detached garages; laundry; outdoor pool; sauna; storage lockers; A/C; balcony/patio; dishwasher; disposal; walk-in closet.
Ridge Crest 969 Greenway Oakdale	1971	50 0 0.0%	25 - 1BR 25 - 2BR	n/a n/a	\$695 - \$725 \$825	n/a n/a	No	Rent includes heat; tenant pays electric & phone; detached garages; A/C; coin-op laundry; dishwasher; disposal; patios;outdoor pool; storage on each floor.
Minnehaha Manor 6904 10th St. N Oakdale	1969	175 5 2.9%	31 - Eff. 84 - 1BR 59 - 2BR 1 - 3BR	400 - 425 525 925 1,150	\$649 - \$669 \$749 - \$799 \$869 - \$909 \$1,149	\$1.57 - \$1.62 \$1.43 - \$1.52 \$0.94 - \$0.98 \$1.00	No	Rent includes heat; tenant pays electric & phone; detached garages; wall-unit A/C; coin-op laundry; dishwasher; new cabinetry; storage available; picnic area/outdoor pool.
Oakdale Market Area Totals		514	16	3.1%				
CONTINUED								

RENTAL MARKET ANALYSIS

TABLE R-5 MARKET-RATE GENERAL OCCUPANCY RENTAL DEVELOPMENT SURVEY RESPONSES WASHINGTON COUNTY July 2013 (continued)								
Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent	Rent per Square Foot	Accept Vouchers	Amenities/Comments
MAHTOMEDI/GRANT AREA								
Mallard Shores 220-240 Hallam Ave S Mahtomedi	n/a	12 0 0.0%	12 - 3BR	1050 - 1100	\$975 - \$1,025	\$0.93 - \$0.93	No	
Market Area Totals		12	0	0.0%				
STILLWATER								
Curve Crest Villas 2225 W. Orleans St. Stillwater	2003	58 n/a	n/a - 1BR n/a - 2BR n/a - 3BR	728 1074 1245	\$975 \$1,100 \$1,300	\$1.34 \$1.02 \$1.04	n/a	Garages, storage lockers, Underground Parking, Water, Sewer, Garbage Included in the rent. Curve Crest has 32 additional affordable units.
Cottages of Stillwater 2210 Cottage Dr. Stillwater	1991	20 0 0.0%	5 - 1BR 15 - 2BR	713 868	\$725 \$855	n/a n/a	No	Single-level units with private entrance; attached garages & detached; Cottages of Stillwater has 36 additional affordable units.
Orleans Homes 1401 Cottage Dr. Stillwater	1986	31 1 3.2%	18 - 1BR 13 - 2BR	713 813 - 868	\$725 \$855	\$1.02 \$0.99 - \$1.05	No	Single-level units with private entrance; attached garages & detached; tenants pay electricity, cable & phone; wall-unit A/C sleeves; W/D hook-ups; disposals. Orleans Homes has 93 additional affordable units.
605 Stillwater Rd 605 Stillwater Rd Willernie	1975	12 0 0%	1 - 1BR 11 - 2BR	550 900	\$650 \$750	n/a n/a	No	Heat included in rent; tenant pays electric & phone; off street parking; wall-unit A/C; coin-op laundry; disposal; dishwasher.
Colonial Apartments 463-5 3rd St. S Bayport	1975	8 0 0.0%	8 - 2BR	800 - 850	\$775	\$0.91 - \$0.97	No	Two split-level 4-plexes; rent includes heat; tenant pays electric; off-street parking; wall unit A/C; coin-op laundry; storage.
Oak Park Heights Apts. 6120 Oxboro Ave N. Oak Park Heights	1973	72 2 2.8%	43 - 1BR 29 - 2BR	733 897 - 939	\$725 - \$750 \$825 - \$850	\$0.99 - \$1.02 \$0.91 - \$0.92	No	Rent includes one detached garage; tenant pays electric, cable & phone; A/C; coin-op laundry; dishwasher; disposal; storage; playground; outdoor pool.
Summit Park Apartments 14759 62nd Street N Stillwater	1970	13 0 0%	13 - 1BR	500	\$575 - \$600	\$1.15 - \$1.20	No	2-story building, open kitchen area, two closets in each unit, on-site laundry, and off-street parking. Residents are responsible for all utilities except trash.
Greenbriar Apartments 14843-7 60th St. N Stillwater	1969	45 4 8.9%	22 - 1BR 23 - 2BR	680 800 - 900	\$650 - \$700 \$750 - \$800	\$0.96 - \$1.03 \$0.89 - \$0.94	No	Three buildings; rent includes heat; tenant pays electric and phone; detached garages; wall-unit A/C; coin-op laundry; storage bins.
Stonebridge Apartments 1203 North Owens Street Stillwater	n/a	36 0 0.0%	36 - 2BR	800	\$800 - \$900	\$1.00 - \$1.13	n/a	Secured building, screened balconies, hardwood floors, playground, and extra storage if needed.
Lily Lake Terrace Apts 1410 Greeley Street South Stillwater	n/a	27 n/a	n/a - 1BR	n/a	\$755	n/a	n/a	Updates in each apartment, off-street parking, laundry services, swimming pool. Rent includes heat, water, and garbage.
Stillwater Market Area Totals		322	7	3.0%*				
*Vacancy Rate excludes Curve Crest Villas and Lily Lake Terrace Apts due to lack of participation								
CONTINUED								

RENTAL MARKET ANALYSIS

TABLE R-5
MARKET-RATE GENERAL OCCUPANCY RENTAL DEVELOPMENT SURVEY RESPONSES
WASHINGTON COUNTY
July 2013
(continued)

Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent	Rent per Square Foot	Accept Vouchers	Amenities/Comments
WOODBURY AREA								
Uptown at City Walk	2011	245	n/a - 1BR	810 - 955	\$1,231 - \$1,333	\$1.40 - \$1.52	No	Private balconies, fireplace, fitness center,
10300 Citywalk Drive		11	n/a - 1BR/D	1180	\$1,438 - \$1,508	\$1.22 - \$1.28		business center, heated parking garage,
Woodbury		4.5%	n/a - 2BR	1115 - 1421	\$1,436 - \$1,858	\$1.29 - \$1.31		carwash bay, alarm systems included,
			n/a - 2BR/D	1541	\$1,941 - \$2,001	\$1.26 - \$1.30		washer/dryer in-unit.
Crown Villa Apartments	2010	126	n/a - 1BR	755	\$1,029 - \$1,099	\$1.36 - \$1.46	No	Granite counter-tops, stainless steel
7260 Guider Drive		1	n/a - 1BR/D	894	\$1,199 - \$1,219	\$1.34 - \$1.36		washer and dryer; vaulted ceilings; fitness
Woodbury		0.8%	n/a - 2BR	1115	\$1,339 - \$1,399	\$1.20 - \$1.25		center; storage units; covered parking;
			n/a - 2BR/D	1265	\$1,439 - \$1,549	\$1.14 - \$1.22		secured entry.
Parkwood Estates	2009	39	39 - 2BR	1050	\$1,040 - \$1,065	\$0.99 - \$1.01	No	Tenant pays electricity, gas, and heat.
1580 Parkwood Drive		0						Natural woodwork and cabinets, walk-in
Woodbury		0%						closets; large balconies, library, elevator,
								fitness center, and yoga room.
Regency Hill Apts	2008	38	n/a 1BR	869	\$1,129	\$1.30	No	One level condo style apartments; central
10751 Retreat Lane		0	n/a 1BR/D	1069	\$1,139 - \$1,214	\$1.07 - \$1.14		air; full size washer and dryer; underground
Woodbury		0.0%	n/a 2BR	1138 - 1231	\$1,269 - \$1,389	\$1.12 - \$1.13		garage; balcony; fireplace; 9 foot ceilings.
			n/a 2BR/D	1596	\$1,509	\$0.95		
City Walk/ Flats Apts	2005	208	51 - 1BR	771 - 915	\$1,035 - \$1,305	\$1.34 - \$1.43	No	Central air; breakfast bar in some units;
10215 CityWalk Drive		8	97 - 2BR	1,079 - 1,385	\$1,300 - \$1,840	\$1.20 - \$1.33		video library; indoor virtual golf; swimming
Woodbury		3.8%	60 - 3BR	1,505 - 1,852	\$1,845 - \$1,985	\$1.07 - \$1.23		pool; sauna; billiards, and built-in
								entertainment centers.
Westview West Estates	1999	60	60 - 2BR TH	1,250 - 1,250	\$1,130 - \$1,160	\$0.90 - \$0.93	No	Tenant pays utilities; Trash Removal included in rent
2549 Cornelia Trail		0						central air; double-car attached garage; in-unit W/D;
Woodbury		0%						microwave oven; mini-blinds; oak woodwork;
Grand Reserve @ Eagle Valley	1999	394	50 - 1BR	825 - 905	\$1,088 - \$1,153	\$1.27 - \$1.32	No	Tenant pays heat and electricity; attached single-and
		0	50 - 1BRD	1,070 - 1,070	\$1,267 - \$1,317	\$1.18 - \$1.23		double-car garage included in rent; clubhouse with
10285 Grand Forest Lane		0.0%	100 - 2BR	1,070 - 1,365	\$1,324 - \$1,543	\$1.13 - \$1.24		outdoor pool, sauna, business center, concierge
Woodbury			48 - 2BR TH	1,440 - 1,440	\$1,520 - \$1,535	\$1.06 - \$1.07		services, exercise room, tanning bed; 9' ceilings; roman
			122 - 3BR TH	1,530 - 1,825	\$1,755 - \$1,780	\$0.98 - \$1.15		tubs.
			24 - 4BR TH	1,960 - 1,960	\$1,852 - \$1,957	\$0.94 - \$1.00		
The Barrington	1999	282	132 - 1BR	755 - 755	\$899 - \$1,100	\$1.19 - \$1.46	No	Formerly known as Classic@ The Preserve. Central air;
7255 Guider Drive		22	39 - 1BRD	894 - 927	\$1,175 - \$1,250	\$1.31 - \$1.35		one underground parking; in-unit washer and dryer;
Woodbury		7.8%	84 - 2BR	1,115 - 1,127	\$1,199 - \$1,350	\$1.08 - \$1.20		large clubhouse w/outdoor pool, sauna, community
			27 - 2BRD	1,265 - 1,265	\$1,299 - \$1,425	\$1.03 - \$1.13		room, business/conference ctr.; exercise rooms.
Woodbury Park @ City Centre	1998	224	44 - 1BR TH	851 - 933	\$1,100 - \$1,250	\$1.29 - \$1.34	No	Tenant pays heat and electricity; central air; attached
2150 Vinings Drive		2	144 - 2BR TH	1,150 - 1,361	\$1,305 - \$1,650	\$1.13 - \$1.21		garage; in-unit laundry, microwave, walk-in closets; in-
Woodbury		0.9%	36 - 3BR TH	1,812 - 1,823	\$1,700 - \$1,850	\$0.94 - \$1.01		unit storage; outdoor pool; exercise area; community
								room.
Carver Lake Townhomes	1998	124	72 - 2BR TH	1,450 - 2,150	\$1,525 - \$1,835	\$0.85 - \$1.05	No	Rent includes heat; tenant pays electric & phone;
6201 Tahoe Rd		2	52 - 3BR TH	1,400 - 2,100	\$1,450 - \$1,915	\$0.91 - \$1.04		detached garages; A/C; laundry; dishwashers (2BR
Woodbury		1.6%						only); storage ; playground.
CONTINUED								

RENTAL MARKET ANALYSIS

TABLE R-5
MARKET-RATE GENERAL OCCUPANCY RENTAL DEVELOPMENT SURVEY RESPONSES
WASHINGTON COUNTY
July 2013
(continued)

Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent	Rent per Square Foot	Accept Vouchers	Amenities/Comments
WOODBURY AREA (continued)								
Courtly Park 2303 Cypress Drive Woodbury	1989	59 0 0.0%	n/a - 2BR TH n/a - 3BR TH	1,207 - 1,412 1,687 - 1,687	\$1,050 - \$1,150 \$1,350	\$0.81 - \$0.87 \$0.80 - \$0.80	Yes	Tenant pays heat and electricity; attached single-car garage included in rent; pets allowed with extra deposit and weight restrictions; washer/dryer in each unit; walk-in closets; vaulted ceilings; fireplaces in some units; built-in microwave; central air; playground area for children.
Valley Creek** 1707 Century Avenue Woodbury	1988	401 30 7.5%	130 - 1BR 271 - 2BR	767 - 820 1,003 - 1,245	\$910 - \$997 \$1,094 - \$1,424	\$1.19 - \$1.22 \$1.09 - \$1.14	No	Rent includes heat; tenant pays electric; one underground parking stall included; bay windows; pets allowed with weight restrictions and extra pet deposit; party room; outdoor pool, whirlpool; exercise room in each building; vaulted ceilings in 4th floor units.
Woodlane Place TH** 2187 Cypress Drive Woodbury	1988	242 6 2.5%	n/a - 2BR TH n/a - 2BR TH n/a - 3BR TH	1,207 1,412 1,687	\$1,000 - \$1,150 \$1,100 - \$1,250 \$1,500 - \$1,600	\$0.83 - \$0.95 \$0.78 - \$0.89 \$0.89 - \$0.95	No	Tenant pays all utilities; single-car garage included in rent; features include in-unit washer/dryers, walk-in closets; vaulted ceilings and fireplaces in some units. Outdoor pool and tennis court available.
Seasons Villas 8630 Summer Wind Alcove Woodbury	1987	214 0 0.0%	47 - 2BR TH 167 - 2BR TH	960 1,160	\$1,130 \$1,150 - \$1,260	\$1.18 \$0.99 - \$1.09	No	Tenant pays all utilities including water, sewer and trash removal; all units include an attached single-car garage; pets are allowed w/some restrictions. Units include both single-level and two-level designs w/ walk-in closets, in-unit washer/dryer central air.
Woodland Pointe 6850 Ashwood Rd. Woodbury	1973	288 15 5.2%	96 - 1BR 192 - 2BR	750 - 793 950 - 981	\$809 - \$860 \$900 - \$965	\$1.08 - \$1.08 \$0.95 - \$0.98	No	Heat included in rent; detached garages; wall-unit air; concrete floors for sound control; ceramic tile floors in bathroom; common area laundry; indoor and outdoor pools; saunas; exercise room; & whirlpool; spacious party room.
Woodmere 6940 Woodmere Rd. Woodbury	1972	184 n/a	8 - EFF 49 - 1BR 31 - 1BRD 57 - 2BR 19 - 2BRD 20 - 3BR	435 - 435 658 - 658 742 - 742 934 - 934 1,018 - 1,018 1,038 - 1,038	\$669 - \$709 \$779 - \$819 \$829 - \$869 \$929 - \$969 \$979 - \$1,019 \$1,079 - \$1,119	\$1.54 - \$1.63 \$1.18 - \$1.24 \$1.12 - \$1.17 \$0.99 - \$1.04 \$0.96 - \$1.00 \$1.04 - \$1.08	No	Heat included in rent; detached garages; wall-unit air; large clubhouse area with indoor pool; party room; spa; fitness center; play area for children; saunas; outdoor volleyball; barbeque area; game room.
Woodbury Market Area Totals		3,128	97	3.3%*				
*Vacancy Rate excludes Woodmere Apartments due to lack of participation.								
**In 2007, these properties were 80% market-rate and 20% affordable. As of 2013, both properties are 100% market-rate.								
Total of All Market Rate GO		5,196	151	3.2%*				
*Vacancy Rate excludes properties that did participate in rental survey.								
Source: Washington County; Maxfield Research, Inc.								

RENTAL MARKET ANALYSIS

TABLE R-6 AFFORDABLE/SUBSIDIZED GENERAL OCCUPANCY RENTAL DEVELOPMENT SURVEY RESPONSES WASHINGTON COUNTY July 2013							
Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Contract Rent/ Rent Range	Rent per Square Foot	Amenities/Comments
COTTAGE GROVE AREA							
<i>Affordable</i>							
Woodland Park 7920 Heathside Ave. S Cottage Grove	1989	180 0 0%	60 - 1BR 56 - 2BR 48 - 2BR TH 16 - 3BR TH	762 1,017 - 1,070 1,090 1,278	\$747 \$868 \$908 \$1,100	\$0.98 \$0.81 - \$0.85 \$0.83 \$0.86	Restricted to households at 80% of AMI. This property is owned by the HRA.
Parkside Apartments 7752 Hemingway Ave. Cottage Grove	1986	72 0 0.0%	2 - 2BR 70 - 3BR	950 950	\$807 \$807	\$0.85 \$0.85	Restricted to households at 80% of AMI. This property is owned by the HRA.
Park Place I and II 300 Pullman Ave St. Paul Park	1963	42 0 0.0%	7 - 1BR 35 - 2BR	466 - 625 660	\$595 \$655	\$0.95 - \$1.28 \$0.99	Restricted to households at 80% of AMI. This property is owned by the HRA.
Market Area Totals		294	0				
<i>Subsidized</i>							
Woodmount Townhomes 8815 90th St S Cottage Grove Section 8	1980	50 0 0.0%	16 - 2BR TH 30 3BR TH 4 - 4BR TH	882 1313 1625	\$828 - \$865 \$1,056 \$1,183	\$0.94 - \$0.98 \$0.80 \$0.73	Tenants pay 30% of AGI; waiting list of 1 yr Profile: families with children.
Market Area Totals		50	0				
FOREST LAKE							
<i>Affordable</i>							
Forest Oak Apartments 19830 Forest RD N Forest Lake LIHTC	2012	36 n/a	n/a - 2BR n/a - 3BR	n/a n/a	n/a n/a	n/a n/a	Controlled access, extra storage, washer and dryer in each unit. Playground and attached garage available.
Forest Ridge Townhomes 1246 4th Street SE Forest Lake LIHTC	2007	38 0 0.0%	14 2BR 24 3BR	1287 - 1382 1491	\$860 \$970	\$0.62 - \$0.67 \$0.65	Tenant pays everything except water/sewer. Attached garage, closet, W/D in each unit, central air.
Autumn Hills 706 12th St. SW Forest Lake LIHTC	1992	48 n/a	2 - 1BR 34 - 2BR 12 - 3BR	750 905 1,350	n/a n/a n/a	n/a n/a n/a	Income restrictions at 60% AMI. Wide mix of senior and families with children.
Seven Pines Apts 1243-67 11th Ave. SW Forest Lake LIHTC	1990	72 0 0.0%	24 - 1BR 48 - 2BR	624 695 - 742	\$700 - \$725 \$800 - \$850	\$1.12 - \$1.16 \$1.15 - \$1.22	Formerly known as Hillcrest Apts. New Ownership as of 2011. Wide mix of residents.
Market Area Totals		194	0				
<i>Subsidized</i>							
Westridge Townhomes 848 12th St. SW Forest Lake Section 8	1980	42 0 0%	42 - 3BR TH	1,200	\$958	\$0.80	Tenants pay 30% of AGI.
West View Apartments 658 SW 12th Street Forest Lake Section 8	1977	16 0 0.0%	14 - 2BR 2 - 3BR	1,000 1,200	\$736 \$947	\$0.74 \$0.79	Tenants pay 30% of AGI.
Market Area Totals		58	0				
CONTINUED							

RENTAL MARKET ANALYSIS

TABLE R-6 AFFORDABLE/SUBSIDIZED GENERAL OCCUPANCY RENTAL DEVELOPMENT SURVEY RESPONSES WASHINGTON COUNTY July 2013 (continued)							
Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Contract Rent/ Rent Range	Rent per Square Foot	Amenities/Comments
MAHTOMEDI/GRANT AREA							
<i>Affordable</i>							
Woodland Townhomes 947 Woodland Dr. Mahtomedi LIHTC	1996	30 0 0.0%	30 - 3BR TH	1,322	\$1,015	\$0.77	Heat paid by tenant; attached garage included; in-unit W/D.
Market Area Totals		30	0				
<i>Subsidized</i>							
Lincoln Place Apts 850 Stillwater Rd Mahtomedi Section 8	1979	48 0 0.0%	30 - 2BR 18 - 3BR	827 992	\$1,012 \$1,244	\$1.22 \$1.25	Formerly known as Diamond Estates. Profile: families with young children. Tenants pay 30% of AGI.
Market Area Totals		48	0				
OAKDALE							
<i>Affordable</i>							
Arbors at Red Oak 4980 Hamlet Ave. N Oakdale LIHTC	2008	29 0	n/a - 2BR n/a - 3BR	n/a n/a	\$865 \$999	n/a n/a	Washer/dryer in-unit, community room, playground, and underground parking.
Briar Pond 1591 Granada Ave. N Oakdale	1991	196 3 1.5%	90 - 1BR 74 - 2BR 24 - 2BR TH 8 - 3BR TH	726 - 738 986 - 1,008 1,054 1,237	\$813 \$911 - \$992 \$1,020 \$1,166	\$1.10 - \$1.12 \$0.92 - \$1.01 \$0.97 \$0.94	Restricted to households at 80% of AMI. This property is owned by the HRA.
Geneva Village 6040 40th St. N Oakdale LIHTC	1970 1997	175 0 0.0%	n/a - 1BR n/a - 2BR	625 900	\$610 \$730	\$0.98 \$0.81	Heat included in rent; wall-unit A/C; some dishwashers; coin-op laundry; detached garage; playground/picnic area; storage.
Oakdale Village Apts. 1213 Gentry Ave. N Oakdale LIHTC	1970 1994	175 2 1.1%	30 - Eff. 85 - 1BR 60 - 2BR	390 625 890	\$599 - \$615 \$705 - \$720 \$875 - \$905	\$1.54 - \$1.58 \$1.13 - \$1.15 \$0.98 - \$1.02	Heat included in rent; detached garage; coin-op laundry.
Market Area Totals		575	5	0.9%			
<i>Subsidized</i>							
Waterford Townhomes 1531 Hallmark Circle Oakdale Section 8	1979	31 0 0%	25 - 2BR TH 6 - 3BR TH	800 950	\$915 \$1,055	\$1.14 \$1.11	Tenants pay 30% of AGI; Profile: single mothers with children; some couples - most working.
Granada Lakes TH 3915 Granada Way N Oakdale Section 8	1976	68 0 1.4%	68 - 3BR TH	1,280	\$963	\$0.75	Private entrances; 4-level units; tenant pays electric & heat; 1 car attached garage included in rent; central A/C; W/D.
Century North Apts. 4131 Geneva Ave. Oakdale Section 8	1972	177 0 0%	70 - 1BR 107 - 2BR	682 937 - 971	\$619 \$727	\$0.91 \$0.75 - \$0.78	Tenants pay 30% of AGI; Profile: sizable number of working couples; some families with children.
Gentry Townhomes 1353 Gentry Ave. N Oakdale Section 8	1971	48 0 0%	48 - 3BR	n/a	\$1,130	n/a	Tenants pay 30% of AGI; Profile: mostly families with young children.
Market Area Totals		324	0				
CONTINUED							

RENTAL MARKET ANALYSIS

TABLE R-6 AFFORDABLE/SUBSIDIZED GENERAL OCCUPANCY RENTAL DEVELOPMENT SURVEY RESPONSES WASHINGTON COUNTY July 2013 (continued)							
Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Contract Rent/ Rent Range	Rent per Square Foot	Amenities/Comments
STILLWATER							
<i>Affordable</i>							
Curve Crest Villas 2225 W. Orleans St. Stillwater LIHTC	2003	32 n/a	1 - 1BR 7 - 2BR 24 - 3BR	728 1074 1245	\$850 \$1,000 \$1,200	\$1.17 \$0.93 \$0.96	Garages, storage lockers, Underground Parking, Water, Sewer, Garbage Included in the rent.
Long Lake Villas Long Lake Drive Stillwater LIHTC	2000	21 n/a	14 - 2BR 7 - 3BR	967 1140	\$1,000 \$1,200	\$1.03 \$1.05	Attached garage, washer and dryer in-unit, storage area, playground, and spacious floor plans.
St. Croix Village 1677 Orlean St. Stillwater LIHTC	1996	20 0 0%	19 - 3BR 1 - 4BR	n/a n/a	\$965 \$1,040	n/a n/a	No current waiting list. Tenant profile: mostly families.
Cottages of Stillwater 2210 Cottage Dr. Stillwater LIHTC	1991	36 0 0%	36 - 2BR	868	\$855	\$0.99	Restricted to households at 60% of AMI.
Orleans Homes 1401 Cottage Dr. Stillwater LIHTC	1986	93 0 0%	53 - 1BR 40 - 2BR	713 813 - 868	\$725 \$855	\$1.02 \$0.99 - \$1.05	Single-level units w/private entrance; attached garages & detached; tenants pay electricity, cable & phone; w/A/C sleeves; W/D hook-ups; 26 units are affordable to accommodate qualified residents with HRA/Sec. 8 vouchers.
Brick Pond Apartments 1635 S. Greeley St. Stillwater	1985	40 0 0.0%	10 - Eff. 3 - 1BR 27 - 2BR	440 660 810	\$574 \$685 \$794	\$1.30 \$1.04 \$0.98	Restricted to households at 80% of AMI. This property is owned by the HRA.
Market Area Totals		242	0				
<i>Subsidized</i>							
Charter Oaks TH's 1198 Curve Crest Blvd. Stillwater Section 8	1982	60 0 0%	3 - 1BR 35 - 2BR 20 - 3BR 2 - 4BR	840 1080 1260 1700	\$750 \$945 \$1,030 \$1,144	\$0.89 \$0.88 \$0.82 \$0.67	Tenants pay 30% of AGI; Profile: mostly families, single mothers.
Victoria Villa 1451 S. Greeley St. Stillwater Section 8	1979	40 2 5.0%	13 - 1BR 27 - 2BR	n/a n/a	n/a n/a	n/a n/a	Tenants pay 30% of AGI; Profile: families.
Birchwood TH Apts. 14840 62nd St. N Stillwater Section 8	1974	51 0 0%	11 - 1BR 24 - 2BR 16 - 3BR	n/a n/a n/a	\$766 \$905 \$1,136	n/a n/a n/a	Tenants pay 30% of AGI; Profile: mostly single mothers with children & some families.
Raymie Johnson Estates 14830 58th St N Oak Park Heights Section 8	1971	24 1 0%	14 - 2BR TH 10 - 3BR TH	1500 1680	\$858 \$831	n/a n/a	Tenants pay 30% of AGI; Profile: mostly single-parent families. This property is owned by the HRA.
Market Area Totals		175	3	1.7%			
CONTINUED							

RENTAL MARKET ANALYSIS

TABLE R-6 AFFORDABLE/SUBSIDIZED GENERAL OCCUPANCY RENTAL DEVELOPMENT SURVEY RESPONSES WASHINGTON COUNTY July 2013 (continued)							
Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Contract Rent/ Rent Range	Rent per Square Foot	Amenities/Comments
WOODBURY AREA							
<i>Affordable</i>							
Sienna Ridge Townhome	2008	41	20 - 2BR	1370	\$865	\$0.63	Resident pays everything except water/sewer. Attached garage, playground, central air, patio.
11086 Cresthaven Trail		0	21 - 3BR	1500 - 1516	\$990	\$0.65 - \$0.66	
Woodbury LIHTC		0%					
Pond View Townhomes	2007	40	19 - 2BR TH	961 - 1,055	\$920 - \$1,125	\$0.96 - \$1.17	Affordable at 50% and 60% of AMI. 5 units are market rate.
431-G Woodduck Place		0	16 - 3BR TH	1,191	\$1,060 - \$1,275	\$0.89 - \$1.07	
Woodbury LIHTC		0%	5 - 4BR TH	1,479	\$1,260 - \$1,475	\$0.85 - \$1.00	
Lakeside Townhomes	2001	40	15 - 2BR TH	979 - 1,167	\$844	\$0.72 - \$0.86	Tenants pay heat and electric; attached garage incl. in rent; in-unit W/D; four units will be market rate-and four will be Hollman Units.
10381 Hudson Road		0	15 - 3BR TH	1,352 - 1,352	\$1,060	\$0.78 - \$0.78	
Woodbury LIHTC		0%	10 - 4BR TH	1,932 - 1,932	\$1,250 - \$1,475	\$0.65 - \$0.76	
Ashwood Ponds	1996	36	6 - 1BR	685	\$699 - \$720	\$1.02 - \$1.05	Three story building with tuck-under garages on one side. Laundry room on floor is the only common area. Some residents receive Section 8 vouchers.
6725 Ashwood Rd.		3	20 - 2BR	900	\$799 - \$820	\$0.89 - \$0.91	
Woodbury LIHTC		8.3%	10 - 3BR	1,100	\$999 - \$1,040	\$0.91 - \$0.95	
Market Area Totals		157	3	1.9%			
Total of All Sub./ Aff.		2,147	11	0.6%*			
*Vacancy Rate excludes 3 properties that did not participate in rental survey. **Washington County HRA also manages 56 scattered site units throughout Washington County. To be eligible for these units, residents must have incomes at or below 50% AMI and pay 30% of their adjusted monthly income toward rent and utilities.							
Source: Washington County; Maxfield Research, Inc.							

RENTAL MARKET ANALYSIS

TABLE R-7
COMMON AREA FEATURES/AMENITIES
EXISTING RENTAL DEVELOPMENT SURVEY RESPONSES
WASHINGTON COUNTY
JULY 2013

Projects	In Unit/Common Area Amenities											Utilities and Parking						
	Air Conditioning	Dishwasher	Patio/Balcony	Walk-in Closet	Laundry	Elevator	Community Room	Fitness Center	Playground	Pool	Extra Storage Space	Heat/Gas	Electricity	Water/Sewer	Trash	Cable	Parking	Parking Fee (per month)
Market Rate Rental																		
Hinton Heights	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	L	T	L	L	T	DG	
Glen Woods	Y	Y	Y		Y							T	T	L	L	T	AG	
Grove Ridge	Y	Y	Y	Y	Y				Y	Y	Y	L	T	T	T	T	DG	
Mark Court Apartments	Y	Y			Y					Y		L	T	L	L	T	DG	
Newport Ponds	Y	Y	Y		Y				Y			L	T	L	L	T	DG	
1340 8th Ave	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Belz Apartments	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Emer Properties	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
1108 5th St.	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Mill Pond II	Y	Y	Y	Y	Y	Y		Y			Y	n/a	n/a	n/a	n/a	n/a	UG	
Mill Pond Forest	Y	Y	Y	Y	Y	Y		Y			Y	n/a	n/a	n/a	n/a	n/a	UG	
Maple Court	Y	Y		Y	Y							n/a	n/a	n/a	n/a	n/a	n/a	
Oakridge Apartments	Y	Y	Y	Y	Y							n/a	n/a	n/a	n/a	n/a	n/a	
Pine Forest	Y	Y			Y						Y	n/a	n/a	n/a	n/a	n/a	DG	
Alpine North	Y	Y		Y	Y						Y	n/a	n/a	n/a	n/a	n/a	DG	
Alpine South	Y	Y		Y	Y						Y	n/a	n/a	n/a	n/a	n/a	DG	
Northshore Apts	Y	Y	Y	Y	Y				Y		Y	L	T	L	L	T	DG, O	
Village Apartments	Y	Y		Y	Y				Y	Y	Y	L	T	L	L	T	DG	
Forest Park II Apts	Y	Y		Y	Y				Y		Y	L	L	L	L	T	DG	
956 Place	Y	Y	Y	Y	Y	Y					Y	L	L	L	L	T	DG	
Forest Park I Apts	Y	Y			Y				Y	Y	Y	L	T	L	L	T		
844 4th Street	Y	Y	Y		Y						Y	L	T	L	L	T		
Cedric's Landing West	Y	Y	Y	Y	Y	Y					Y	T	T	T	L	T	AG, DG	
Oakdale Village TH	Y	Y			Y						Y	L	T	L	L	T		
Gentry Apartments	Y	Y	Y	Y	Y				Y		Y	L	T	L	L	T	DG	
East Gate Apts	Y	Y	Y		Y					Y	Y	L	T	L	L	T	DG	
Ridgecrest Apts	Y	Y	Y		Y							L	T	L	L	T	DG	
Minnehaha Manor	Y	Y			Y				Y	Y	Y	L	T	L	L	T	O	

Note: Y=Available, N=Not Available; I=Included

CA=Central Air; W=Wall unit air; S=Some units; DG=Detached Garage; UG=Underground; AG=Attached Garage; O=Offstreet; IU=In-unit; HU=Hook-ups; C=Common

CONTINUED

RENTAL MARKET ANALYSIS

TABLE R-7 Continued
COMMON AREA FEATURES/AMENITIES
EXISTING RENTAL DEVELOPMENT SURVEY RESPONSES
WASHINGTON COUNTY
JULY 2013

Projects	In Unit/Common Area Amenities											Utilities and Parking						
	Air Conditioning	Dishwasher	Patio/Balcony	Walk-in Closet	Laundry	Elevator	Community Room	Fitness Center	Playground	Pool	Extra Storage Space	Heat/Gas	Electricity	Water/Sewer	Trash	Cable	Parking	Parking Fee (per month)
Market Rate Rental																		
Mallard Shores	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Cottages of Stillwater	Y	Y			Y						Y	L	T	L	L	T	AG	
Orleans Homes	Y	Y		Y	IU							L	T	L	L	T	DG	
Oak Park Heights Apts	Y	Y			Y					Y	Y	L	T	L	L	T		
605 Stillwater Rd	Y	Y			Y							L	T	L	L	T	O	
Colonial Apartments	Y	Y			Y							L	T	L	L	T	O	
Summit Park Apts	Y	Y			Y							T	T	T	L	T	O	
Greenbriar Apts	Y	Y			Y							L	T	L	L	T	O	
StoneBridge Apartments	Y	Y	Y		Y				Y		Y	L	T	L	L	T		
Lily Lake Terrace Apts	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Curve Crest Villas	Y	Y	Y		Y	Y	Y				Y	T	T	L	L	T	UG	\$35
Uptown at City Walk	Y	Y		Y	IU	Y	Y	Y		Y		L	T	L	L	T	DG	\$50
Parkwood Estates	Y	Y	Y	Y	Y							T	T	L	L	T		
City Walk Flats	Y	Y	Y		Y	Y	Y	Y		Y		L	T	L	L	T	DG	
Westview Estates	Y	Y	Y	Y	Y							T	T	T	L	T	AG	
Grand Reserve	Y	Y	Y	Y	IU		Y	Y		Y		L	T	L	L	T	AG	
Crown Villa	Y	Y			Y	Y	T	Y		T		T	T	L	L	T	UG	
Regency Hill	Y	Y	Y		Y	Y	Y					na	na	na	na	na	UG	
Barrington Apartments	Y	Y	Y		Y		Y	Y	Y	Y	Y	T	T	T	T	L	UG	
Woodbury Park @City Centre	Y	Y	Y		IU		Y	Y		Y		L	T	L	L	T	AG	
Carver Lake Townhomes	Y	Y		Y	Y		Y	Y	Y	Y	Y	L	T	L	L	T	AG	
Courtly Park Townhomes	Y	Y			IU				Y			T	T	L	L	T	AG	
Valley Creek Apts	Y	Y	Y		Y		Y		Y	Y		L	T	L	L	T	UG	
Woodlane Place	Y	Y	Y	Y	Y				Y	Y		T	T	T	T	T	AG	
Seasons Villas	Y	Y	Y		Y							T	T	T	T	T	AG	
Woodland Pointe	Y	Y	Y	Y	Y		Y	Y	Y	Y		L	T	L	L	T	DG	
Woodmere Apts	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	L	T	L	L	T	DG	
CONTINUED																		

RENTAL MARKET ANALYSIS

TABLE R-7 Continued
COMMON AREA FEATURES/AMENITIES
EXISTING RENTAL DEVELOPMENT SURVEY RESPONSES
WASHINGTON COUNTY
JULY 2013

Projects	In Unit/Common Area Amenities											Utilities and Parking						
	Air Conditioning	Dishwasher	Patio/Balcony	Walk-in Closet	Laundry	Elevator	Community Room	Fitness Center	Playground	Pool	Extra Storage Space	Heat/Gas	Electricity	Water/Sewer	Trash	Cable	Parking	Parking Fee (per month)
Affordable/ Subsidized																		
Woodland Park	Y	Y	Y		IU		Y	Y			Y	L	T	L	L	T	UG, AG	
Parkside Apartments	Y	Y			Y				Y			T	T	L	L	T	AG	
Park Place I and II	Y	Y			Y	Y	Y					T	T	L	L	T	O	
Woodmount Townhomes	Y	Y	Y		Y				Y			L	T	L	L	T	DG	
Autumn Hills Apartments	Y	Y	Y	Y	Y				Y			L	T	L	L	T	DG	
Forest Ridge Townhomes	Y	Y	Y	Y	Y						Y	T	T	L	T	T	AG	
Seven Pines Apts	Y	Y	Y		Y						Y	L	L	L	L	T	O	
Forest Oak Apts	Y	Y			Y				Y			na	na	na	na	na	AG	
Westridge Townhomes	Y	Y			Y							na	na	na	na	na	na	
Westview Apartments	Y	Y			Y							L	L	L	L	T		
Woodland TH-Mahtomedi	Y	Y	Y	Y	Y							T	L	L	L	T	AG	
Lincoln Place Apts	Y	Y			Y		Y		Y			L	L	L	L	T		
Geneva Village Apts	Y	Y			Y						Y	L	T	T	T	T	DG	
Oakdale Village Apts	Y	Y			Y				Y		Y	L	T	L	L	T	DG, O	\$50
Briar Pond	Y	Y	Y		Y		Y	Y			Y	L	T	L	L	T	UG,DG	
Waterford Townhomes	Y	Y			Y				Y			L	T	L	L	T	DG	
Granada Lakes TH	Y	Y			Y						Y	L	T	L	L	T		
Century North Apts	Y	Y	Y		Y				Y			L	T	L	L	T	O	
Gentry TH	Y	Y	Y	Y	Y				Y		Y	L	T	L	L	T	DG	
Brick Pond Apartments	Y	Y	Y	Y	Y	Y						L	T	L	L	T	UG	
Arbors at Red Oak	Y	Y			Y		Y		Y			na	na	na	na	na	UG	
Cottages of Stillwater	Y	Y			Y						Y	L	T	L	L	T	AG	
Curve Crest Villas	Y	Y	Y		Y	Y	Y				Y	T	T	L	L	T	UG	\$35
Long Lake Villas	Y	Y			IU				Y		Y	T	T	L	L	T		
St. Croix Village	Y	Y	Y		Y				Y			T	T	L	L	T	AG	
Orleans Homes	Y	Y		Y	IU							L	T	L	L	T	DG	
Charter Oaks TH	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	
Victoria Villa	Y	Y			Y		Y		Y			L	T	L	L	T		
Birchwood Apts	Y	Y		Y	Y				Y		Y	L	T	L	L	T	DG	
Raymie Johnson Estates	Y	Y			Y							T	T	T	T	T	DG	
Lakeside TH	Y	Y	Y	Y	Y						Y	T	T	L	L	T	AG	
Pondview TH	Y	Y	Y	Y	Y						Y	T	T	L	L	T	AG	
Sienna Ridge TH	Y	Y	Y		Y				Y			T	T	L	L	T	AG	
Ashwood Ponds	Y	Y		Y	Y						Y	L	T	L	L	T	AG, DG	

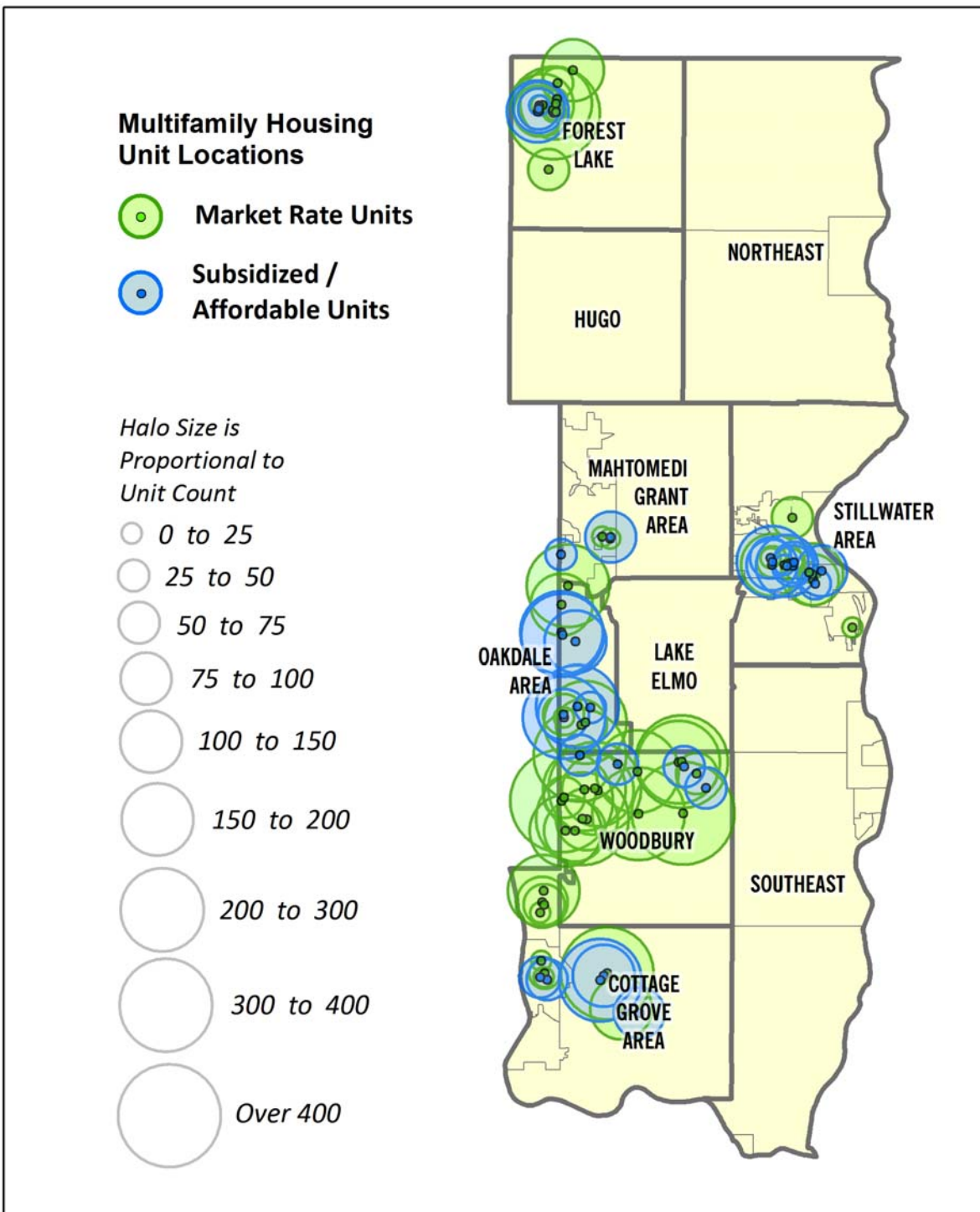
Note: Y=Available, N=Not Available; I=Included

CA=Central Air; W=Wall unit air; S=Some units; DG=Detached Garage; UG=Underground; AG=Attached Garage; O=Offstreet; IU=In-unit; HU=Hook-ups; C=Common

*Note: Some properties on Table R-5 and Table R-6 were unable to verify amenities on the phone. Maxfield Research has updated most of the remaining properties from information listed on their website. However, some information wasn't available online.

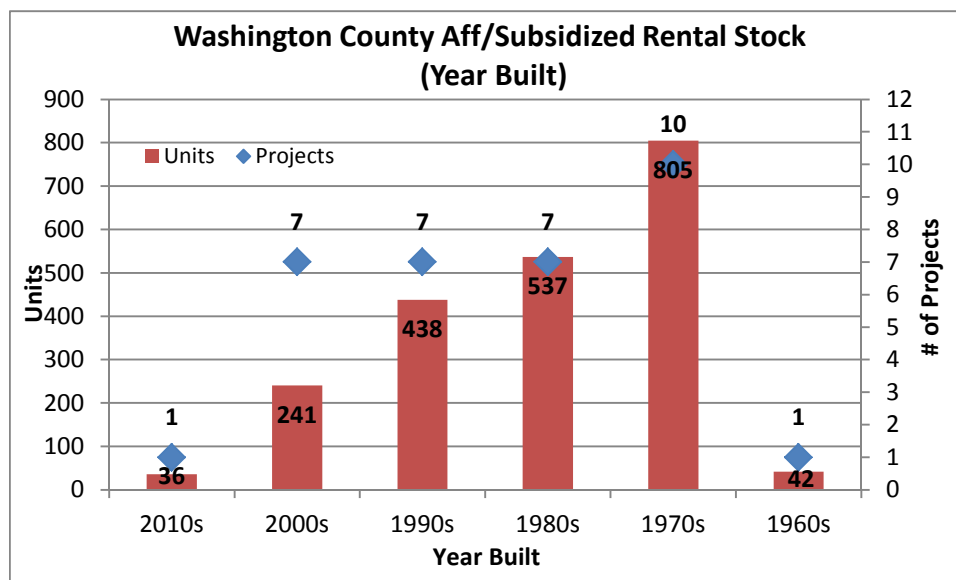
Source: Maxfield Research Inc.

Multifamily Housing Projects Inventoried



Affordable/Subsidized

- Of the survey responses, a total of 34 income-restricted rental developments (affordable and subsidized) exist in Washington County with 2,147 total units. Combined, 11 units are vacant posting a vacancy rate of only 0.6%. Typically, subsidized and affordable rental properties should be able to maintain vacancy rates of 3% or less in most housing markets. The low vacancy rates in the market indicate pent-up demand for affordable and subsidized units and also are an indication of the current economic climate in the area.
- About 35% of the affordable/subsidized inventory was constructed in the 1970s. Also, 24% of the inventory was built in the 1990s and 24% in the 1980s. Since 2000, there have been eight rental developments constructed in Washington County with a total of 277 units (13% of total affordable/subsidized inventory).
- Since the last study was completed in 2007, four affordable projects have been developed: *Forest Oak Apartments (2012)*, *Sienna Ridge (2008)*, *Arbors at Red Oak (2008)*, and *Pondview Townhomes (2007)*. Combined, they account for 146 units. Demand for affordable housing has dramatically increased as evidenced by the change in vacancy rates. In 2007, all affordable/subsidized units had a 6.4% vacancy rate compared to 0.6% in 2013.



- There are a total of 22 affordable rental developments in Washington County that consist of 1,492 units. As of July 2013, there were eight vacancies (0.6% vacancy rate). All of the affordable rental developments have income restrictions based on 50%, 60%, or 80% of area median income (AMI). Affordable rental developments are typically financed through the Low Income Housing Tax Credit (LIHTC) program, sometimes referred to as the Section 42 program after the section of the IRS Code governing the LIHTC program. The maximum income limit for residency at LIHTC properties established by HUD and based on 60% of

Washington County median incomes by household size. Current income limits are summarized in Table R-8 on page 151.

- The twelve subsidized rental developments comprise 655 units with three vacancies (0.5% vacancy rate). The properties are a mix of Project-Based Section 8 and Section 236 developments. Residents of subsidized units pay a rent equal to 30% of a resident's adjusted gross income (AGI).
- Table R-8 shows the maximum allowable incomes by household size to qualify for affordable and subsidized housing and maximum gross rents that can be charged by bedroom size in Washington County. Table R-8 also shows the Fair Market Rent for Washington County. Fair Market Rents, established by HUD on an annual basis, are housing market-wide estimates of rents that provide opportunities to rent standard quality housing throughout the geographic area (i.e. Minneapolis-St. Paul Statistical Area) in which rental housing units are in competition. The level at which Fair Market Rents are set is expressed as a percentile point within the rent distribution of standard quality rental housing units in the area. These figures are used as a basis for determining the payment standards. Payment Standards are established on an annual basis by administering agencies of the Housing Choice Voucher Program to reflect a modest average rent in their jurisdiction. The Payment Standard is used in the formula to determine the maximum housing assistance payment.

Table R-8 MHFA/HUD INCOME AND RENT LIMITS WASHINGTON COUNTY - 2013								
Income Limits by Household Size								
	1 phh	2 phh	3 phh	4 phh	5 phh	6 phh	7 phh	8 phh
30% of median	\$17,280	\$19,740	\$22,230	\$24,690	\$26,670	\$28,650	\$30,630	\$32,580
50% of median	\$28,800	\$32,900	\$37,050	\$41,150	\$44,450	\$47,750	\$51,050	\$54,300
60% of median	\$34,560	\$39,480	\$44,460	\$49,380	\$53,340	\$57,300	\$61,260	\$65,160
80% of median	\$46,080	\$52,640	\$59,280	\$65,840	\$71,120	\$76,400	\$81,680	\$86,880
100% of median	\$57,600	\$65,800	\$74,100	\$82,300	\$88,900	\$95,500	\$102,100	\$108,600
120% of median	\$69,120	\$78,960	\$88,920	\$98,760	\$106,680	\$114,600	\$122,520	\$130,320
Maximum Gross Rent								
	EFF	1BR	2BR	3BR	4BR			
30% of median	\$432	\$493	\$555	\$617	\$666			
50% of median	\$720	\$822	\$926	\$1,028	\$1,111			
60% of median	\$864	\$987	\$1,111	\$1,234	\$1,333			
80% of median	\$1,152	\$1,316	\$1,482	\$1,646	\$1,778			
100% of median	\$1,440	\$1,645	\$1,852	\$2,057	\$2,222			
120% of median	\$1,728	\$1,974	\$2,223	\$2,469	\$2,667			
Fair Market Rent/Payment Standards								
	EFF	1BR	2BR	3BR	4BR			
FMR/Payment Standard	\$625	\$751	\$920	\$1,210	\$1,377			
Sources: MHFA, HUD, Maxfield Research Inc.								

Subsidized Housing Assistance Program

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 Washington County HRA. Under the Housing Choice Voucher program (also referred to as Section 8) qualified households are issued a voucher that the household can take to an apartment that has rent levels with Payment Standards. The household then pays approximately 30% of their adjusted gross income for rent and utilities, and the Federal government pays the remainder of the rent to the landlord. The maximum income limit to be eligible for a Housing Choice Voucher is 50% AMI based on household size, as shown in Table R-8. Of the market-rate general occupancy survey respondents, only six of the 55 properties indicated that they accept Housing Choice Vouchers, representing about 7% of the market-rate units.

Currently, the HRA administers close to 500 Housing Choice Vouchers: 90 Washington County-initiated clients and 400 portability clients in Washington County. Portability clients are households who hold a Housing Choice Voucher issued from another jurisdiction but have chosen to live in Washington County. The current waiting list for the Housing Choice Voucher program is roughly 100 households.

Rental Market Interview Summary

Interviews with area rental property managers, real estate agents, developers, and other persons familiar with the rental market in Washington County were conducted to solicit their impressions of the rental housing market in the community. The following are some key points from these interviews:

- Most market rate apartments have had no issue finding future residents over the last five years. Property managers believe their extensive amenity package and affordable rents are key attractions for prospective residents. Many of the market rate apartments that are struggling to fill open units are older complexes, lack an attractive amenity package, or do not have competitive rents for the area.
- It is very easy for prospective residents to search for apartments online. Most apartments have websites and advertise on Rent.com, ForRent.com, or Apartments.com. However, many of the smaller-unit complexes are managed by individuals rather than management companies and only advertise with a phone number on the building or the local newspaper. As a result, it can be difficult for future residents to discover these complexes.
- The renter profile did not have an outstanding majority, managers at each property stated they had a wide mix of tenants. Some apartments indicated that their tenant mix ranged from college students to seniors.
- Most subsidized and affordable apartments have had no issue finding future residents over the last 5 years as well. Numerous property managers believe there is an extreme need for subsidized/ affordable housing in Washington County. Several property managers said their complexes have long waiting lists and are always at full capacity. One property manager, in Forest Lake, mentioned that she posted an opening on Craigslist this spring and received over 100 emails for the available unit.
- Real estate agents and developers are certain that smaller units, such as studio apartments, have become less desirable to prospective residents over the past years. Although studio units are cheaper, the price per square foot is usually much higher than other units.
- The majority of Washington County's rental housing buildings were built between 1970 and 2000. The rental housing market since 2000 has featured several luxury-style apartments such as Uptown at City Walk, Mill Pond II Apartments, and Crown Villa Apartments. These apartments feature many additional amenities such as updated appliances, unique floor plans, underground parking, washer/dryer in-unit, walk-in closets, and fitness centers.

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

Adult/Few Services; where few, if any, support services are provided, and rents tend to be modest as a result;

Congregate/Optional-Services; where support services such as meals and light housekeeping are available for an additional fee;

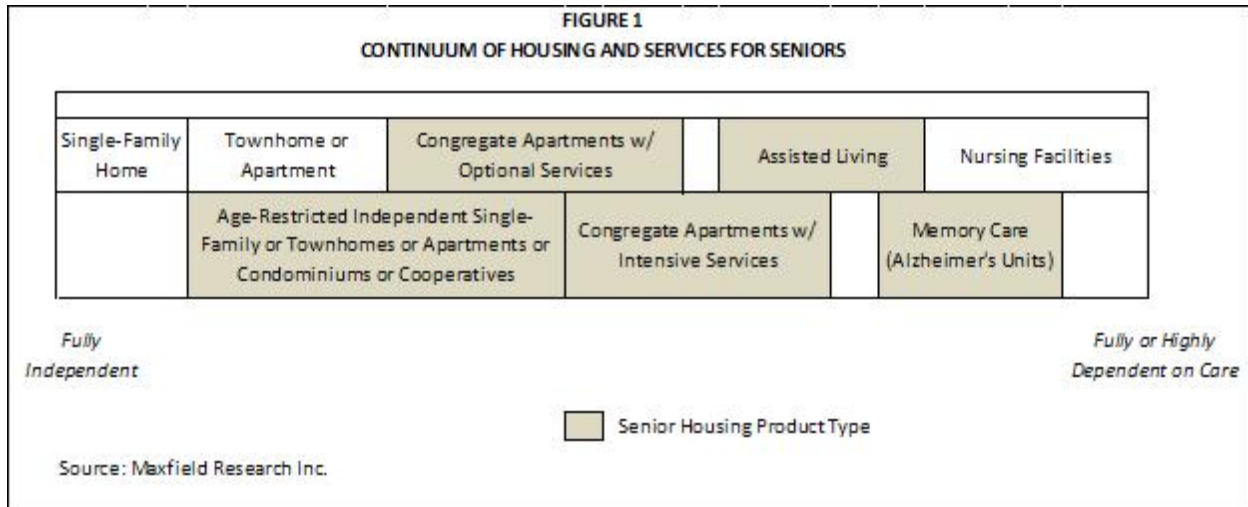
Congregate/Service-Intensive; where support services such as meals and light housekeeping are included in the monthly rents;

Assisted Living; where two or three daily meals as well as basic support services such as transportation, housekeeping and/or linen changes are included in the fees. Personal care services such as assistance with bathing, grooming and dressing is included in the fees or is available either for an additional fee or included in the rents.

Memory Care; where more rigorous and service-intensive personal care is required for people with dementia and Alzheimer’s disease. Typically, support services and meal plans are similar to those found at assisted living facilities, but the heightened levels of personalized care demand more staffing and higher rental fees.

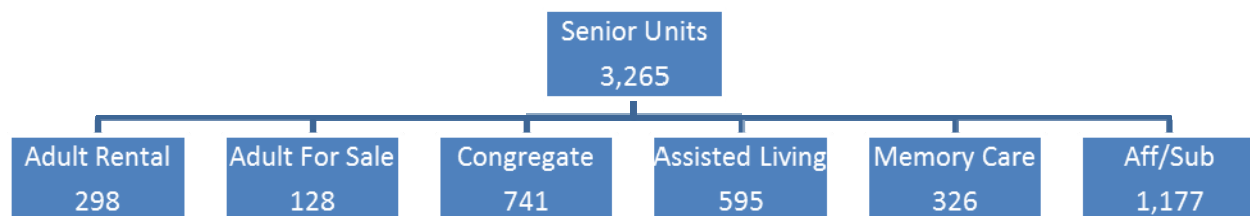
These five senior housing products tend to share several characteristics. First, they usually offer individual living apartments with living areas, bathrooms, and kitchens or kitchenettes. Second, they generally have an emergency response system with pull-cords or pendants to promote security. Third, they often have a community room and other common space to encourage socialization. Finally, they are age-restricted and offer conveniences desired by seniors, although assisted living projects sometimes serve non-elderly people with special health considerations.

The five senior housing products offered today form a continuum of care (see Figure 1 on the following page), from a low level to a fairly intensive one; often the service offerings at one type overlap with those at another. In general, however, adult/few services projects tend to attract younger, more independent seniors, while assisted living and memory care projects tend to attract older, frailer seniors.



Senior Housing in Washington County

As of July 23, 2013, Maxfield Research identified 68 senior housing developments in Washington County. Combined, these developments contain a total of 3,265 units. Forty-six of the developments are market rate, while the remaining twenty-two developments are affordable/subsidized. Table S-1 provides information on market rate developments and Table S-4 identifies subsidized/affordable developments. Information in the table includes year built, number of units, unit mix, number of vacant units, rents, and general comments about each development. Tables S-2 and S-3 identify amenities and services at each of the market rate senior developments. The following are key points from our survey of the senior housing supply.



Adult Rental

- There are seven existing adult rental senior developments in Washington County. All together these projects total 298 units. Combined the seven developments have two openings, resulting in a vacancy factor of 0.8%. Generally a healthy senior housing market will have a vacancy rate of around 5.0% in order to allow for sufficient consumer choice and turnover.

- Villas of Oak Park is the newest adult rental development in Washington County. It has 62 total units and is currently 54% leased as of July 2013. Rent ranges from \$1,695 for a one-bedroom, \$2,235 to \$2,795 for a two-bedroom, and \$2,650 for a three-bedroom unit. Unit sizes range from 909 square feet for a one-bedroom, 1,236 to 1,588 square feet for a two-bedroom, and 1,468 square feet for a three-bedroom.
- St. Andrew's Terrace is the second newest adult rental development that consists of 56 total units and is currently at full capacity. Rent ranges from \$1,339 for a one-bedroom, \$1,642 to \$1,808 for a two-bedroom, and \$1,947 to \$2,410 for a three-bedroom unit. Unit sizes range from 758 square feet for a one-bedroom, 875 to 957 square feet for a two-bedroom, and 1,048 to 1,500 square feet for a three-bedroom unit.
- Rents amongst all the adult rental properties range from \$757 to \$1,695 for a one-bedroom, \$1,025 to \$2,795 for a two-bedroom, and \$1,000 to \$2,650 for a three-bedroom unit.

Adult Ownership

- There are only two adult ownership developments in Washington County. Cardinal Pointe in Oakdale was built in 2007 and Applewood Pointe of Woodbury was built in 2005.
- Applewood Pointe of Woodbury, once part of the Applewood Pointe: Senior Cooperative Management, is now managed by Realife Management. At this time, Applewood Pointe has 4 current openings and plans to fill up quickly. Sale prices range from \$39,900 to \$74,900 for a one-bedroom/den unit, \$65,600 to \$139,900 for a two-bedroom unit, and \$154,900 to \$175,900 for a two-bedroom/den unit. Cardinal Pointe in Oakdale was unable to participate in our rental survey.
- Cooperative products involve purchasing a unit (or a share) and then paying monthly fees which include all utilities, of property and commons areas, and future building maintenance.

Congregate Optional Services

- There are a total of seven congregate optional-services developments in Washington County. Combined these facilities total 570 units and are 100% occupied as of July 2013.
- Oak Park Senior Living, which offers many different service levels at their facility in Oak Park Heights, has added a 29-unit congregate development in 2011. Also, Norris Square Terrace, in Cottage Grove, has added an 86-unit facility in 2010.
- Rent amongst all the congregate optional services developments range between \$1,063 to \$2,207 for a one-bedroom unit and \$1,458 to \$1,858 for a one-bedroom plus den unit. Two

bedrooms range from \$1,599 to \$2,793 and two-bedroom plus den units range from \$2,012 to \$2,324 per month.

- Services include local transportation, coordinated activities, one meal daily, monthly housekeeping, and 24-hour on-site staff. Meal plans and housekeeping options are optional at a couple of the facilities.

Congregate Service Intensive

- There are two congregate service intensive developments in Washington County that total 171 units. The Lodge at White Bear Lake has 8 vacancies and Croixdale- The Terrace has no vacancies at this time. Together, the two developments have a vacancy rate of 4.7%.
- Rent ranges from \$1,257 to \$3,350 for one-bedroom units and \$2,129 to \$4,125 for two-bedroom units. The Lodge at White Bear Lake offers some efficiency units as well for \$1,595 to \$2,629 a month. Croixdale-Terrace, which does not have efficiency units, offers a three-bedroom option instead for \$2,219 to \$2,243 a month.
- Services include shuttle to local areas, activities coordinated by staff, two to three meals daily, weekly/monthly housekeeping, and 24-hour on-site staff.

Assisted Living

- Washington County has a total of fourteen assisted living facilities with 595 units with a vacancy rate of 3.1%. However, The Pines at Oak Meadows has seven out of the seventeen total vacancies. Excluding The Pines at Oak Meadows, the vacancy rate is 2.0%.
- The newest assisted living developments in Washington County are Oak Park Senior Living and Coventry Senior Living. Both facilities were built in 2011 and cater to residents requiring service-intensive health-care.
- Norris Square Commons in Cottage Grove and White Pine Senior Living in White Bear Lake have also been constructed recently in the last 5 years. Norris Square, 21-unit development, was built in 2010 and White Pine, 41-unit facility, was built in 2008. As of June 2013, Norris Square had 1 current vacancy and White Pine had two vacancies.
- Norris Square Commons rent ranges from \$2,645 to \$2,889 for a one-bedroom unit and \$3,674 for a two-bedroom unit. Unit sizes range from 551 to 663 square feet for a one-bedroom and 964 for a two-bedroom unit. White Pine Senior Living rent ranges from \$2,825 for an efficiency and \$3,225 to \$3,825 for a one-bedroom unit. Unit sizes range from 404 square feet for an efficiency unit and 627 to 722 square feet for a one-bedroom unit.

- Rent amongst all the assisted livings ranges between \$1,867 to \$3,040 for an efficiency unit, \$2,300 to \$3,825 for a one-bedroom unit and \$2,650 to \$3,973 for a two-bedroom unit. Unit sizes range from 332 to 618 square feet for an efficiency units, 442 to 850 square feet for a one-bedroom unit, and 746 to 1,011 square feet for a two-bedroom unit.
- All of the assisted living developments include scheduled activities, weekly housekeeping, laundry, 24-hour staff, and at least one meal daily. Base monthly fees vary from project to project, depending largely on the personal care package and health services that are included in the monthly rent.

Memory Care

- A total of fourteen memory care facilities with 326 units are located in Washington County. The number of memory care units in Washington County has nearly doubled since 2007. Over the past four years, six new developments have opened: White Pine Senior Living, Oak Park Senior Living, Coventry Senior Living, Prelude Memory Care Cottages, Norris Square Arbor, and Woods at Oak Meadows.
- The memory care vacancy rate is approximately 3.2% as of July 2012. However, Prelude Memory Care Cottages accounts for seven of the ten total vacancies. Excluding Prelude Memory Care, the vacancy rate is 1.1%.
- White Pine Senior Living, Prelude Memory Care Cottages, Coventry Senior Living, and Oak Park Senior Living opened in 2011. White Pine, a 44-unit facility, is at full capacity with rent set at an all-inclusive rate of \$5,150. Prelude Memory Care Cottages, a 29-unit facility, currently has seven vacancies with rent set at all-inclusive rate of \$5,900.
- Coventry Senior Living and Oak Park Senior Living are currently at full capacity. Coventry Senior Living rent ranges from \$3,195 to \$3,245 for an efficiency unit and \$3,500 to \$3,555 for a one-bedroom unit. Oak Park Senior Living rent ranges from \$2,861 to \$2,942 for an efficiency unit and \$3,234 to \$3,318 for a one-bedroom unit.
- Excluding the memory care properties with all-inclusive rates, rent amongst all the memory care facilities range from \$2,200 to \$6,000 for an efficiency unit, \$2,995 to \$3,973 for a one-bedroom unit, and \$3,609 to \$4,307. Rent ranges can have bigger variances depending on select service packages

SENIOR HOUSING ANALYSIS

TABLE S-1 UNIT MIX/SIZE/COST & OCCUPANCY COMPARISON MARKET RATE SENIOR HOUSING DEVELOPMENTS WASHINGTON COUNTY June 2013						
Project Name/Location	Occp. Date	No. of Units/ Vacant	Unit Mix/Sizes/Pricing		Sale Price/ Monthly Rent/Fee	Resident Profile
			No./Type	Size (Sq. Ft.)		
ADULT RENTAL						
Villas of Oak Park	2013	62	n/a - 1BR	909	\$1,695 - \$1,695	
13945 Upper 58th St.		*54%	n/a - 2BR	1,236 - 1,588	\$2,235 - \$2,795	
Oak Park Heights		pre-leased*	n/a - 2BR/D	1,468 - 1,468	\$2,650 - \$2,650	
St. Andrew's Terrace	2000	56	7 - 1BR	758	\$1,339	62+
240 East Ave.		0	28 - 1BR+D	875 - 957	\$1,643 - \$1,808	Avg Age = 85
Mahtomedi		0%	21 - 2BR	1,048 - 1,500	\$1,947 - \$2,410	
Echo Ridge	1998	100	48 - 1BR	731 - 889	\$757 - \$1,169	55+
1033 Gerschwin Avenue		1	32 - 2BR	1,010 - 1,228	\$1,276 - \$1,492	Avg Age = 80
Oakdale		1.0%				
Eastwood Village (TH)	1997	20	12 - 2BR	1,250	\$1,195	55+
Upper 35th Street		0	8 - 3BR	1,250	\$1,000	Avg Age = 70
Oakdale		0%				
Briarcliff Manor	1996	13	13 - 3BR	1,160	\$1,300 - \$1,360	55+
115 East Avenue		1				Avg Age = 75
Mahtomedi		7.7%				
Cottages of Cottage Grove	1993	4	2 - 2BR	960	\$1,025	55+
8240 East Douglas Road		0	2 - 3BR	1,000	\$1,150	
Cottage Grove		0%				
Oak Ridge Place*	1987	43	46 - 1BR	637	n/a	55+
6060 Oxboro Ave. N		N/A	10 - 1BR+D	702 - 770	n/a	Avg Age = 85
Oak Park Heights			29 2BR	866 - 889	n/a	
Adult Rental Total	298	2	1.0%*			
*Units not designated as AL or IL at Oak Ridge Place - resident designates service level upon occupancy						
*Does not include properties that did not participate.						
ADULT OWNERSHIP						
Cardinal Pointe of Oakdale	2007	55	1 - 1BR	803	n/a	55+
1201 Hadley Ave.		N/A	5 - 1BR+D	1,023	n/a	
Oakdale			37 - 2BR	1,080 - 1,369	n/a	
			12 - 2BR+D	1,583 - 1,941	n/a	
Applewood Pointe of Woodbury	2005	73	3 - 1BR/D	1,059	\$39,900 - \$74,900	55+
Lake Rd and I-494		4	59 - 2BR	1,171 - 1,431	\$65,600 - \$139,900	
Woodbury			11 - 2BR/D	1,436 - 1,641	\$154,900 - \$175,900	
Adult Ownership Total	128	4	5.5%*			
*Does not include properties that did not participate.						
CONTINUED						

SENIOR HOUSING ANALYSIS

TABLE S-1 UNIT MIX/SIZE/COST & OCCUPANCY COMPARISON MARKET RATE SENIOR HOUSING DEVELOPMENTS WASHINGTON COUNTY June 2013						
Project Name/Location	Occp. Date	No. of Units/ Vacant	Unit Mix/Sizes/Pricing		Sale Price/ Monthly Rent/Fee	Resident Profile
			No./Type	Size (Sq. Ft.)		
Congregate/Optional Services						
Oak Park Senior Living	2011	29	n/a - 1BR	722 - 722	\$1,558 - \$1,558	
13936 Lower 59th St. N		0	n/a - 1BR+D	880 - 880	\$1,747 - \$1,747	
Oak Park Heights		0%	n/a - 2BR	1,048 - 1,112	\$1,954 - \$2,012	
			n/a - 2BR+D	1,415 - 1,415	\$2,324 - \$2,324	
Norris Square Terrace	2010	86	n/a - 1BR	712 - 813	\$1,239 - \$1,409	
8200 Hadley Ave S		0	n/a - 1BR+D	985 - 989	\$1,704	
Cottage Grove		0%	n/a - 2BR	1,144 - 1,512	\$1,994 - \$2,575	
Brownstone at	2004	78	11 - 1BR	974	\$1,794	55+
Boutwell's Landing		0	67 - 2BR	1,266 - 1,520	\$2,328 - \$2,793	
5600 Norwich Pkwy		0%				
Oak Park Hts						
The Village Homes of	2004	137	n/a - 1BR	1,158	\$1,699	55+
Boutwell's Landing		0	n/a - 2BR	1,469 - 1,682	\$2,289 - \$2,614	
5470-5784 Norwich Pkwy		0%	n/a - 2BR+D	1,753 - 2,475	\$2,596 - \$4,742	
Oak Park Hts			n/a - 3BR	2,161 - 4,703	\$2,695 - \$6,039	
The Terrace at	2002	101	79 - 1BR	734 - 929	\$1,738 - \$2,207	55+
Boutwell's Landing		0	22 - 2BR	1,032 - 2,081	\$2,447 - \$4,865	
5600 Norwich Pkwy		0%				
Oak Park Hts						
Stonecrest	2000	77	22 - 1BR	660 - 823	\$1,063 - \$1,317	60+
8723 Promenade Lane		0	20 - 1BR+D	870 - 1,035	\$1,458 - \$1,858	Avg Age = 83
Woodbury		0.0%	35 - 2BR	948 - 1,253	\$1,599 - \$2,101	
The Ponds at Oak Meadows	1998	62	30 - 1BR	617 - 721	\$1,164 - \$1,234	55+
8133 4th Street North		0	16 - 1BR/D	884	\$1,507	Avg Age = 85
Oakdale		0%	12 - 2BR	957	\$1,681	
			4 - 2BR'D	1,189	\$2,012	
Cong./ Opt. Svs. Total Units	570	0	0.0%			
Congregate/ Service Intensive						
The Lodge at White Bear Lake	2001	115	n/a - studio	335 - 542	\$1,595 - \$2,629	
3666 E County Line North		8	n/a - 1BR	542 - 894	\$2,195 - \$3,350	
White Bear Lake		7.0%	n/a - 2BR	877 - 1,056	\$2,995 - \$4,125	
Croixdale - The Terrace	2005	56	n/a - 1BR	692 - 762	\$1,257 - \$1,369	55+
750 Highway 95		0	n/a - 2BR	1,000 - 1,222	\$1,717 - \$2,112	
Bayport			n/a - 3BR	1,235 - 1,300	\$2,129 - \$2,243	
Cong./ Service Int. Total Units	171	8	4.7%			
CONTINUED						

SENIOR HOUSING ANALYSIS

TABLE S-1 UNIT MIX/SIZE/COST & OCCUPANCY COMPARISON MARKET RATE SENIOR HOUSING DEVELOPMENTS WASHINGTON COUNTY June 2013						
Project Name/Location	Occp. Date	No. of Units/ Vacant	Unit Mix/Sizes/Pricing		Sale Price/ Monthly Rent/Fee	Resident Profile
			No./Type	Size (Sq. Ft.)		
ASSISTED LIVING						
Oak Park Senior Living	2011	27	22 - Eff	400 - 488	\$2,861 - \$2,942	
13936 Lower 59th St. N		0	5 - 1BR	600 - 678	\$3,234 - \$3,318	
Oak Park Heights		0.0%				
Coventry Senior Living	2011	16	13 - Eff.	332 - 343	\$2,990 - \$3,040	
720 Mahtomedi Ave		0	3 - 1BR	442 - 464	\$3,295 - \$3,350	
Mahtomedi		0.0%				
Norris Square Commons	2010	21	n/a - 1BR	551 - 663	\$2,645 - \$2,889	
8200 Hadley Ave S		1	n/a - 2BR	964	\$3,674	
Cottage Grove		4.8%				
White Pine Senior Living (AL)	2008	41	12 - EFF	404	\$2,825	
6950 East Point Douglas Rd S		2	29 - 1BR	627 - 722	\$3,225 - \$3,825	
Cottage Grove		4.9%				
Stonecrest (AL)**	2007	59	13 - Eff.	480	\$2,687	N/A
8723 Promenade Lane		2	41 - 1BR	555 - 850	\$2,918 - \$3,063	
Woodbury		3.4%	3 - 1BR+D	786 - 860	\$3,268	
			2 - 2BR	829 - 896	\$3,585 - \$3,601	
Croixdale - The Commons	2005	43	2 - suite	404	\$1,867	55+
750 Highway 95		0	28 - 1BR	585 - 701	\$2,552 - \$2,795	Avg Age = 87
Bayport			13 - 2BR	746 - 842	\$3,127 - \$3,187	
Comforts of Home-Hugo	2004	12	12 - Eff.	380	n/a	65+
5607 150th St. N.		N/A				
Hugo						
Birchwood Arbors	2003	46	46 - 1BR	500	\$2,875	55+
604 NE First Street		0				Avg Age = 87
Forest Lake						
The Commons at	2001	65	15 - Eff	476 - 618	\$2,682 - \$3,000	55+
Boutwell's Landing		1	33 - 1BR	511 - 631	\$2,936 - \$3,316	
5600 Norwich Pkwy		1.5%	17 - 2BR	844 - 928	\$3,648 - \$3,973	
Oak Park Hts						
St. Andrew's Commons	2001	44	13 - Eff.	451	\$2,702	62+
240 East Ave.		0	27 - 1BR	577 - 772	\$3,141	Avg Age = 75+
Mahtomedi		0.0%	4 - 2BR	1,011	\$3,798	
Woodbury Estates	1998	56	20 - Eff.	337 - 410	\$2,900 - \$2,950	55+
2825 Woodlane Dr		2	36 - 1BR	396 - 612	\$3,150 - \$3,400	Avg Age = 82
Woodbury		3.6%				
The Pines at	1998	48	20 - Eff	392 - 476	\$2,268 - \$2,476	55+
Oak Meadows		7	31 - 1BR	613	\$2,763	Avg Age = 85
8131 4th Street North		14.6%	11 - 2BR	927 - 957	\$3,112 - \$3,383	
Oakdale						
Oak Ridge Place*	1987	42	46 - 1BR	637	n/a	55+
6060 Oxboro Ave. N		N/A	10 - 1BR+D	702 - 770	n/a	Avg Age = 85
Oak Park Heights			29 - 2BR	866 - 889	n/a	
Woodbury Villa	1985	75	7 - Eff.	574 - 735	\$2,350	60+
7008 Lake Rd		2	63 - 1BR	575 - 735	\$2,300 - \$2,600	Avg Age = 80
Woodbury		2.7%	5 - 2BR	754 - 999	\$2,650 - \$3,000	
Total Assisted Living Units	595	17	3.1%*			
*Units not designated as AL or IL at Oak Ridge Place - resident designates service level upon occupancy						
**Opened 2nd week in July - still in initial lease-up period.						
CONTINUED						

SENIOR HOUSING ANALYSIS

TABLE S-1 UNIT MIX/SIZE/COST & OCCUPANCY COMPARISON MARKET RATE SENIOR HOUSING DEVELOPMENTS WASHINGTON COUNTY June 2013						
Project Name/Location	Occp. Date	No. of Units/ Vacant	Unit Mix/Sizes/Pricing		Sale Price/ Monthly Rent/Fee	Resident Profile
			No./Type	Size (Sq. Ft.)		
MEMORY CARE						
White Pine Senior Living (MC) 6950 East Point Douglas Rd S Cottage Grove	2011	44 0 0.0%	44 - EFF	404	\$5,150 all inclusive	
Oak Park Senior Living 13936 Lower 59th St. Oak Park Heights	2011	27 0 0.0%	22 - Eff 5 - 1BR	400 - 488 600 - 678	\$2,861 - \$2,942 \$3,234 - \$3,318	
Coventry Senior Living 720 Mahtomedi Ave Mahtomedi	2011	32 0 0.0%	26 - Eff 6 - 1BR	332 - 343 442 - 464	\$3,195 - \$3,245 \$3,500 - \$3,555	
Prelude Memory Care Cottages 10020 Raleigh Road Woodbury	2011	29 7 24.1%	29 - 1BR	n/a	\$5,900 *All inclusive rate*	
Norris Square Arbor 8200 Hadley Ave S Cottage Grove	2010	18 0 0.0%	n/a - suite n/a - 1BR n/a - 2BR	337 551 - 663 964	\$2,578 \$3,094 - \$3,344 \$4,074	
Woods at Oak Meadows 8131 4th Street North Oakdale	2009	12 0 0.0%	10 - Eff 2 - 1BR	392 528 613	\$2,653 \$3,077 \$3,396	
Stonecrest (MC) 8723 Promenade Lane Woodbury	2007	18 0 0.0%	8 - Eff. 10 - 1BR	477 - 548 480 - 670	\$3,227 \$3,457 - \$3,617	N/A
Croixdale - The Arbor 750 Highway 95 Bayport	2005	10 0 0.0%	1 - Eff 8 - 1BR 1 - 2BR	336 585 - 668 817	\$2,200 \$2,995 \$3,241 \$3,609	55+
Comforts of Home-Hugo 5607 150th St. N. Hugo	2004	12 N/A	12 - Eff.	360	n/a	65+
The Arbors at Boutwell's Landing 5600 Norwich Pkwy Oak Park Hts	2004	29 0 0.0%	n/a - suite n/a - Eff n/a - 1BR n/a 2BR	308 - 418 506 505 - 806 861	\$2,656 - \$2,857 \$3,450 \$3,513 - \$3,973 \$4,307	55+
St. Andrew's Arbor 22 East Ave. Mahtomedi	2001	25 0 0.0%	20 - Eff. 5 - 1BR	451 577	\$3,203 \$3,585	62+ Avg Age 75+
Woodbury Estates 2825 Woodlane Dr Woodbury	1998	8 0 0.0%	8 - Eff.	337 410	\$3,100	55+ Avg Age = 82
New Perspectives 111-113 East Ave Mahtomedi	1996	32 2 6.3%	32 - Eff.	170 - 300	\$3,833 - \$4,501	
Birchwood Memory Care 604 1st St Forest Lake	n/a	30 1 3.3%	30 - Eff.	n/a	\$4,500 - \$6,000	
Total Memory Care Units	326	10	3.2%*			
Total of ALL Senior Market Rate	2,088	41	2.1%			
*Vacancy rate does not include properties that did not participate in survey.						
Source: Maxfield Research Inc						

SENIOR HOUSING ANALYSIS

TABLE S-2
SERVICES COMPARISON
COMPETITIVE SENIOR DEVELOPMENTS
WASHINGTON COUNTY
July 2013

	Utilities	Transportation	Activities	Meal Program	Hskpg.	Health/Misc.
			Assisted Living			
Oak Park Senior Living	All Utilities Incl.	Shuttle to local areas	Coordinated by staff.	3 meals daily	Weekly Houskeeping	24-hour on-site staff
Coventry Senior Living	All Utilities Incl. except telephone.	Shuttle to local areas	Coordinated by staff.	3 meals daily	Weekly Houskeeping	24-hour on-site staff
Norris Square Commons	All Utilities Incl.	Shuttle to local areas	Coordinated by staff.	2 meals daily	Weekly Houskeeping	24-hour on-site staff
White Pine Senior Living (AL)	All Utilities Incl. except telephone/cable.	None.	Coordinated by staff.	3 meals daily	Weekly Houskeeping	24-hour on-site staff
Stonecrest (AL)	All Utilities Incl.	Shuttle to local areas	Coordinated by staff.	2 meals daily	Weekly Houskeeping	24-hour on-site staff
Croixdale - The Commons	All Utilities Incl.	Shuttle to local areas	Coordinated by staff.	2 meals daily	Weekly Houskeeping	24-hour on-site staff
Comforts of Home-Hugo	All Utilities Incl. except telephone.	None.	Coordinated by staff.	3 meals daily	Weekly Houskeeping	24-hour on-site staff
Birchwood Arbors	All Utilities Incl. except telephone.	Shuttle to local areas	Coordinated by staff.	3 meals daily	Weekly Houskeeping	24-hour on-site staff
The Commons at Boutwell's Landing	All Utilities Incl.	Shuttle to local areas	Coordinated by staff.	Breakfast. 2 meals daily	Weekly Houskeeping	24-hour on-site staff
St. Andrew's Commons	All Utilities Incl.	Shuttle to local areas	Coordinated by staff.	2 meals daily	Weekly Houskeeping	24-hour on-site staff
Woodbury Estates	All Utilities Incl.	Shuttle to local areas	Coordinated by staff.	3 meals daily	Weekly Houskeeping	24-hour on-site staff
The Pines at Oak Meadows	All Utilities Incl. except telephone.	Shuttle to local areas	Coordinated by staff.	3 meals daily	Weekly Houskeeping	24-hour on-site staff
Oak Ridge Place	-	-	-	-	-	-
Woodbury Villa	Tenant pays electric.	Shuttle to local areas	Coordinated by staff.	3 meals daily	Weekly Houskeeping	24-hour on-site staff
Continued						

SENIOR HOUSING ANALYSIS

TABLE S-2
SERVICES COMPARISON
COMPETITIVE SENIOR DEVELOPMENTS
WASHINGTON COUNTY
July 2013

	Utilities	Transportation	Activities	Meal Program	Hskpg.	Health/Misc.
	Memory Care					
White Pine Senior Living (MC)	All Utilities Incl. except telephone/cable.	None.	Coordinated by staff.	3 meals daily	Weekly Houskeeping	24-hour on-site staff
Oak Park Senior Living	All Utilities Incl.	Shuttle to local areas	Coordinated by staff.	3 meals/daily	Weekly Houskeeping	24-hour on-site staff
Coventry Senior Living	All Utilities Incl.	Shuttle to local areas	Coordinated by staff.	3 meals/daily	Weekly Houskeeping	24-hour on-site staff
Prelude Memory Care Cottages	-	-	-	-	-	-
Norris Square Arbor	All Utilities Incl.	Shuttle to local areas	Coordinated by staff.	3 meals/daily	Weekly Houskeeping	24-hour on-site staff
Woods at Oak Meadows	All Utilities Incl. except telephone.	Shuttle to local areas	Coordinated by staff.	3 meals/daily	Weekly Houskeeping	24-hour on-site staff
Stonecrest (MC)	All Utilities Incl.	Shuttle to local areas	Coordinated by staff.	3 meals/daily	Weekly Houskeeping	24-hour on-site staff
Croixdale - The Arbor	All Utilities Incl.	Shuttle to local areas	Coordinated by staff.	3 meals/daily	Weekly Houskeeping	24-hour on-site staff
Comforts of Home-Hugo	All Utilities Incl. except telephone.	None.	Coordinated by staff.	3 meals daily	Weekly Houskeeping	24-hour on-site staff
The Arbors at Boutwell's Landing	All Utilities Incl.	Shuttle to local areas	Coordinated by staff.	3 meals/daily	Weekly Houskeeping	24-hour on-site staff
St. Andrew's Arbor	All Utilities Incl.	Shuttle to local areas	Coordinated by staff.	3 meals/daily	Weekly Houskeeping	24-hour on-site staff
Woodbury Estates	All Utilities Incl.	Shuttle to local areas	Coordinated by staff.	3 meals daily	Weekly Houskeeping	24-hour on-site staff
New Perspectives	-	-	-	-	-	-
Birchwood Memory Care	-	-	-	-	-	-
Source: Maxfield Research Inc.						

SENIOR HOUSING ANALYSIS

TABLE S-3
AMENITY COMPARISON
SENIOR DEVELOPMENTS
WASHINGTON COUNTY
JULY 2013

	Amenities/Features:																	Parking	Other
	Emer. Call	A/C	Dishwasher	Disposals	Balc./Patio	Walk-in Closet	In Unit Laundry	Storage	Comm. Rm.	Exercise Rm.	Activity Rm.	Salon	Library	Game Rm.	Terrace/porch	Guest Suites			
Adult Rental																			
Villas of Oak Park	Y	Y	Y	Y	N	N	N	N	N	N	N	Y	Y	N	N	Y	Underground		
St. Andrew's Terrace	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	N	N	Y	N	N	Y	Surface		
Echo Ridge	Y	Y	Y	Y	N	N	Y	Y	Y	Y	Y	Y	Y	N	N	Y	Underground		
Eastwood Village (TH)	N	Y	Y	Y	Y	N	N	Y	Y	N	N	N	N	N	N	Y	Attached		
Briarcliff Manor	Y	Y	Y	N	N	N	N	Y	Y	N	N	N	Y	N	N	N	Underground		
Cottages of Cottage Grove	N	Y	N	N	Y	N	Y	N	Y	N	N	N	Y	N	N	N	Detached		
Oak Ridge Place	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Adult Ownership																			
Cardinal Pointe of Oakdale	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	N	Y	Underground		
Applewood Pointe of Wdby	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	N	N	Y	Underground		
CONTINUED																			

SENIOR HOUSING ANALYSIS

TABLE S-3
AMENITY COMPARISON
SENIOR DEVELOPMENTS
WASHINGTON COUNTY
JULY 2013

	Amenities/Features:																	Parking	Other
	Emer. Call	A/C	Dishwasher	Disposals	Balc./Patio	Walk-in Closet	In Unit Laundry	Storage	Comm. Rm.	Exercise Rm.	Activity Rm.	Salon	Library	Game Rm.	Terrace/porch	Guest Suites			
Congregate/ Few Services																			
Oak Park Senior Living	Y	Y	N	N	Y	N	Y	N	Y	Y	N	Y	Y	N	Y	Y	Surface		
Norris Square Terrace	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N	Y	Underground		
Brownstone at Boutwell's Landing	Y	Y	Y	Y	Y	Y	Y	Y	N	N	Y	N	N	N	N	Y	Underground		
The Village Homes of Boutwell's Landing	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Attach. Garage		
The Terrace at Boutwell's Landing	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Surface		
Stonecrest	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	N	N	N	N	Y	Underground		
The Ponds at Oak Meadows	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N	Y	Y	Y	Y	Y	Underground		
Congregate/ Service Intensive																			
The Lodge at White Bear Lake	Y	Y	N	N	Y	N	Y	N	Y	Y	N	Y	Y	N	Y	Y	Detached		
Croixdale - The Terrace	Y	Y	Y	Y	N	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Underground		
CONTINUED																			

SENIOR HOUSING ANALYSIS

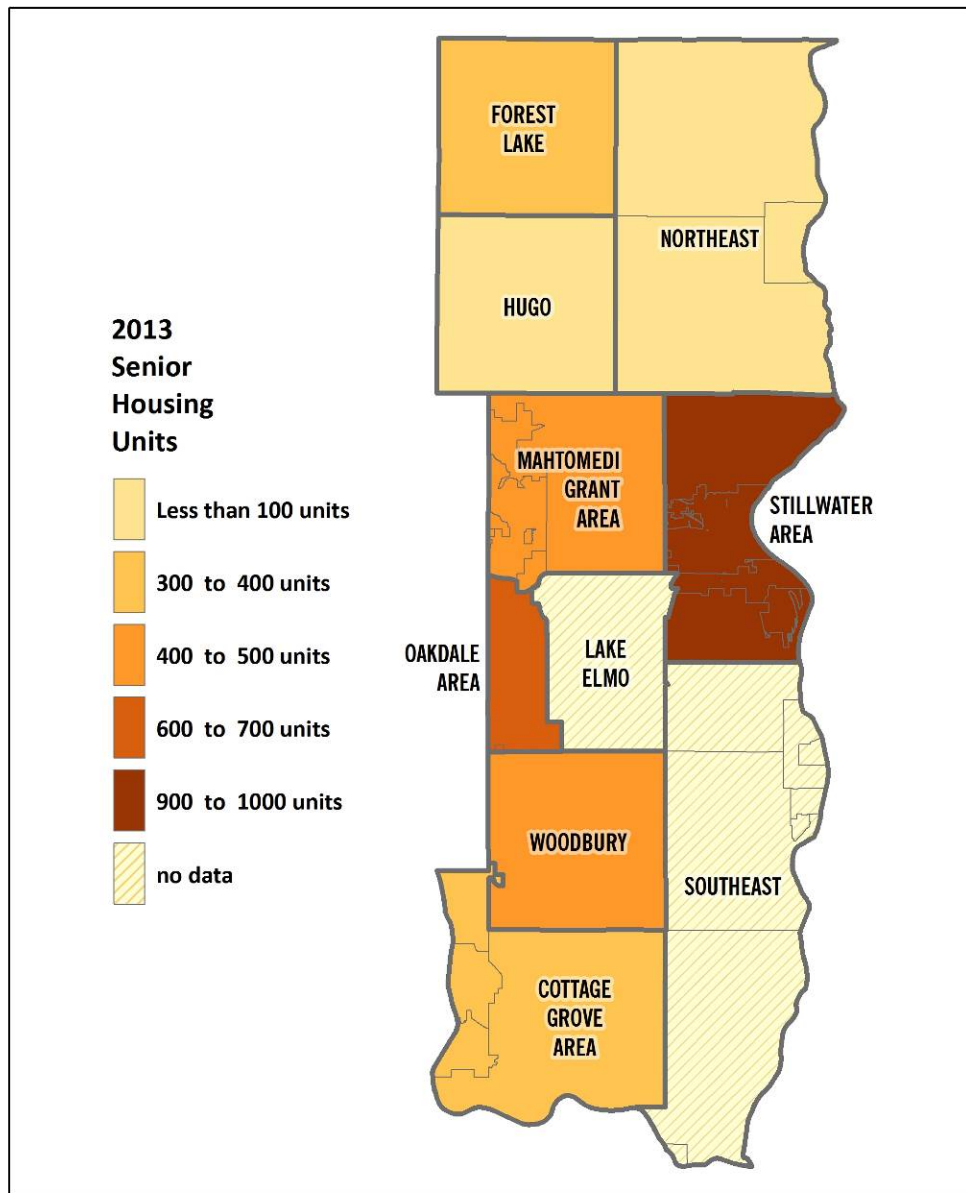
TABLE S-3
AMENITY COMPARISON
SENIOR DEVELOPMENTS
WASHINGTON COUNTY
JULY 2013

	Amenities/Features:																	Parking	Other
	Emer. Call	A/C	Dishwasher	Disposals	Balc./Patio	Walk-in Closet	In Unit Laundry	Storage	Comm. Rm.	Exercise Rm.	Activity Rm.	Salon	Library	Game Rm.	Terrace/porch	Guest Suites			
Assisted Living																			
Oak Park Senior Living	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	N	Y	N	Surface		
Coventry Senior Living	Y	Y	N	N	N	N	N	N	Y	N	N	Y	N	N	Y	N	Surface		
Norris Square Commons	Y	Y	Y	N	N	N	N	N	Y	N	Y	N	N	N	N	Y	Surface		
White Pine Senior Living (AL)	Y	Y	Y	N	N	Y	N	N	Y	Y	Y	Y	N	N	Y	Y	Surface		
Stonecrest (AL)	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	N	N	N	N	Y	Surface		
Croixdale - The Commons	Y	Y	Y	N	N	N	N	N	Y	Y	Y	Y	Y	N	N	Y	Surface		
Comforts of Home-Hugo	Y	Y	N	N	N	Y	N	N	Y	Y	Y	Y	Y	N	Y	N	Surface		
Birchwood Arbors	Y	Y	Y	Y	N	Y	N	N	Y	Y	Y	Y	Y	N	N	Y	Surface		
The Commons at Boutwell's Landing	Y	Y	Y	Y	N	Y	N	N	Y	Y	Y	N	Y	N	Y	Y	Surface		
St. Andrew's Commons	Y	Y	Y	N	N	N	N	Y	Y	Y	Y	Y	Y	N	N	Y	Surface		
Woodbury Estates	Y	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	N	N	Y	Surface		
The Pines at Oak Meadows	Y	Y	N	N	N	Y	N	N	Y	N	Y	Y	Y	Y	Y	Y	Surface		
Oak Ridge Place	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Woodbury Villa	Y	Y	N	N	Y	Y	N	Y	Y	N	Y	Y	N	Y	N	Y	Surface		
CONTINUED																			

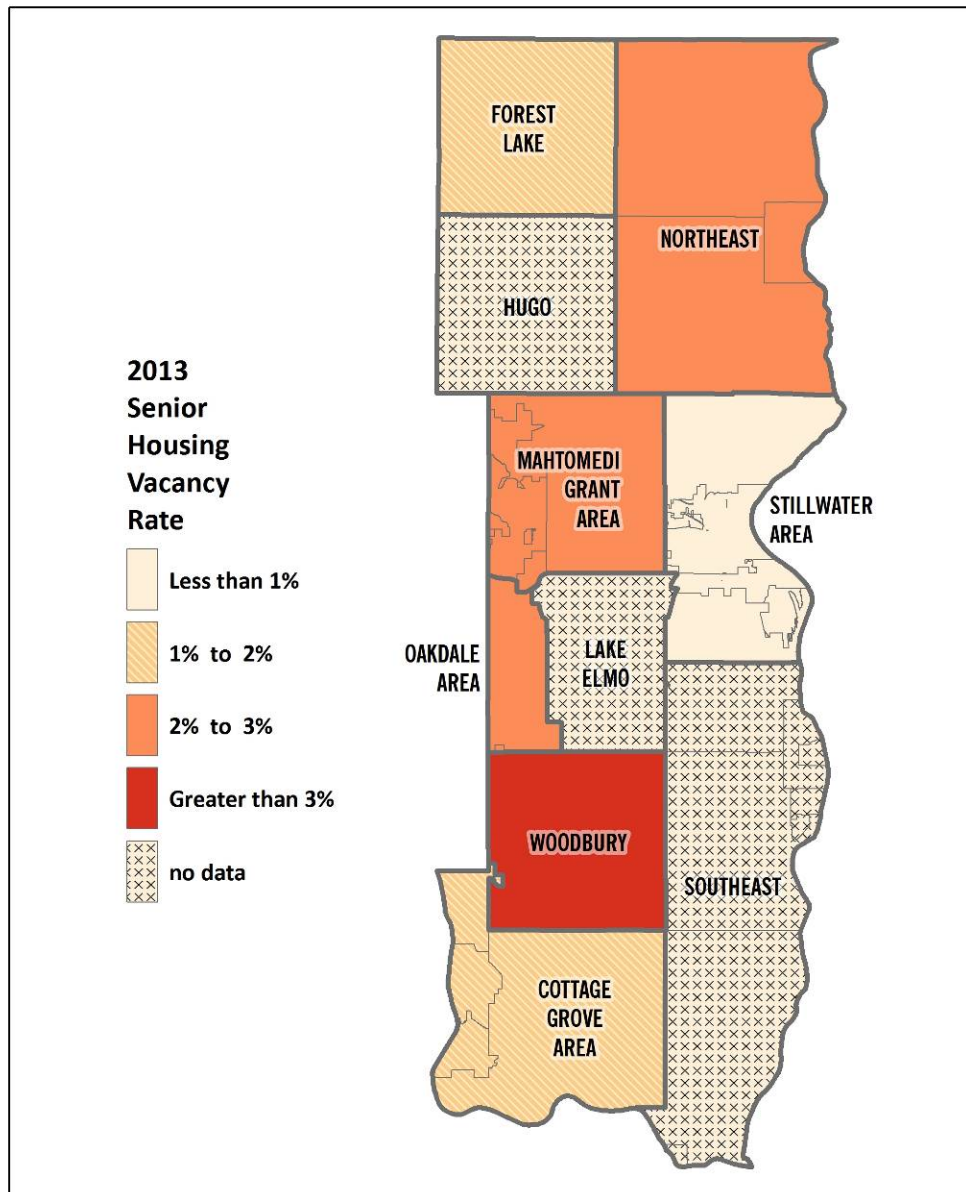
SENIOR HOUSING ANALYSIS

TABLE S-3 AMENITY COMPARISON SENIOR DEVELOPMENTS WASHINGTON COUNTY JULY 2013																		
	Amenities/Features:																	
	<i>Emer. Call</i>	<i>A/C</i>	<i>Dishwasher</i>	<i>Disposals</i>	<i>Balc./Patio</i>	<i>Walk-in Closet</i>	<i>In Unit Laundry</i>	<i>Storage</i>	<i>Comm. Rm.</i>	<i>Exercise Rm.</i>	<i>Activity Rm.</i>	<i>Salon</i>	<i>Library</i>	<i>Game Rm.</i>	<i>Terrace/porch</i>	<i>Guest Suites</i>	<i>Parking</i>	<i>Other</i>
Memory Care																		
White Pine Senior Living (MC)	Y	Y	Y	N	N	Y	N	N	Y	Y	Y	Y	N	N	Y	Y	Surface	
Oak Park Senior Living	Y	Y	N	N	N	N	N	N	Y	N	Y	Y	Y	N	N	Y	Surface	
Coventry Senior Living	Y	Y	N	N	N	N	N	N	Y	N	N	Y	N	N	Y	N	Surface	
Prelude Memory Care Cottages	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Norris Square Arbor	Y	Y	N	N	N	N	N	N	Y	N	Y	N	N	N	N	Y	Surface	
Woods at Oak Meadows	Y	Y	N	N	N	Y	N	Y	Y	N	Y	Y	Y	N	Y	Y	Surface	
Stonecrest (MC)	Y	Y	N	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	Y	Surface	
Croixdale - The Arbor	Y	Y	N	N	N	N	N	N	Y	N	Y	N	Y	N	Y	Y	Surface	
Comforts of Home-Hugo	Y	Y	N	N	N	Y	N	N	Y	Y	Y	Y	Y	N	Y	N	Surface	
The Arbors at Boutwell's Landing	Y	Y	N	N	N	N	N	N	Y	N	Y	N	N	N	N	Y	Surface	
St. Andrew's Arbor	Y	Y	N	N	N	N	N	N	Y	N	Y	Y	N	N	N	Y	Surface	
Woodbury Estates	Y	Y	N	N	N	N	N	Y	Y	N	Y	Y	Y	N	N	Y	Surface	
New Perspectives	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Birchwood Memory Care	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Source: Maxfield Research																		

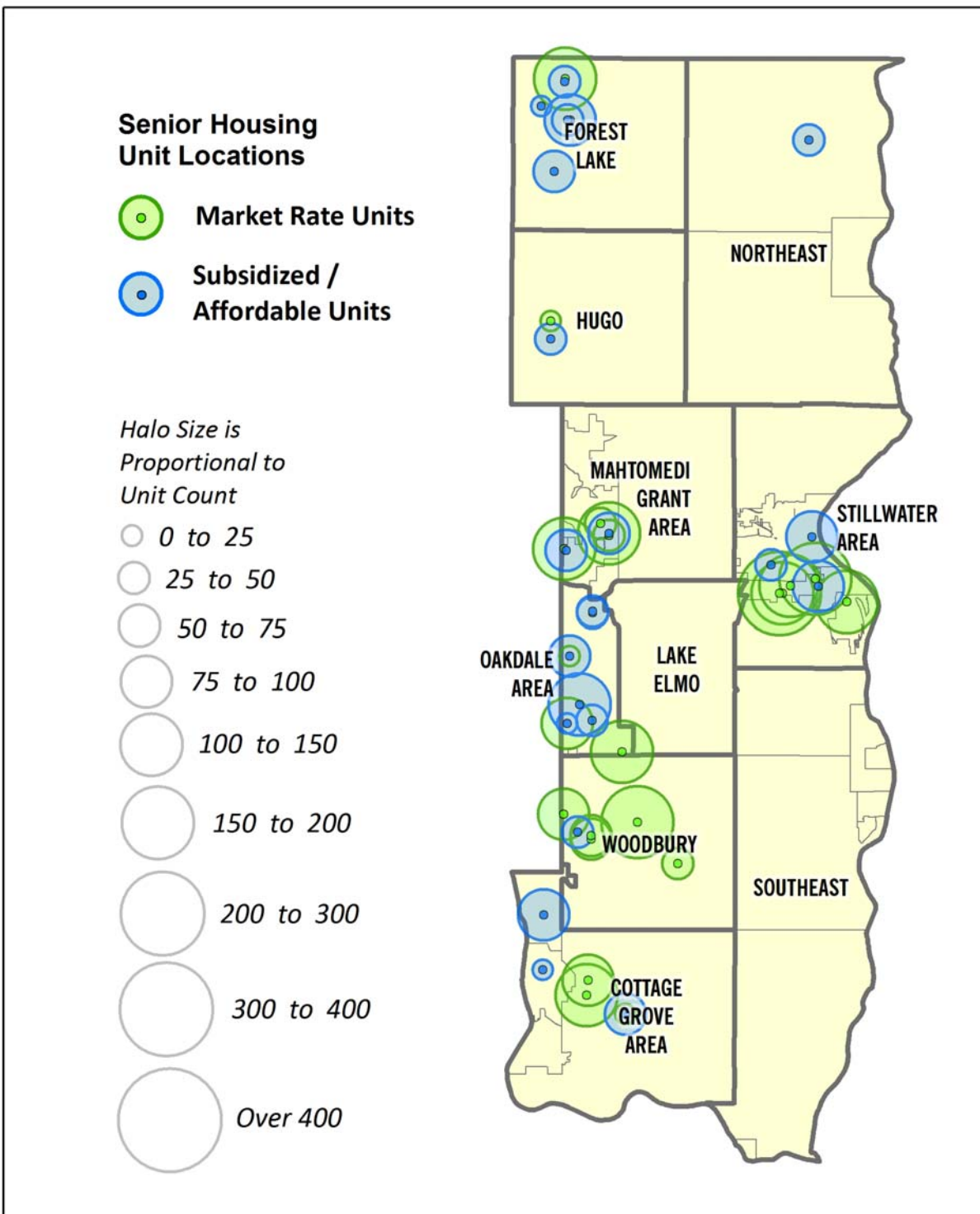
Senior Housing Units - 2013



Senior Housing Vacancy Rates - 2013



Senior Housing Units



Affordable/Subsidized Senior Housing Projects

- Subsidized senior housing offers affordable rents to qualified lower income seniors and handicapped/disabled persons. Typically, rents are tied to residents' incomes and based on 30% of adjusted gross income (AGI), or a rent that is below the fair market rent. 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 80% of Washington County's area median income.
- There are a total of 1,177 units in twenty-two affordable/subsidized senior projects. As of July 2013, there were 19 units open (1.8% vacancy rate), indicating pent-up demand for affordable/subsidized senior rental units.
- About 65% of the affordable/subsidized units are one-bedrooms. The remaining units are two-bedrooms (32%) and three-bedrooms (3%).
- Trailside Senior Living and Cypress Senior at Red Oak Preserve are the newest affordable projects in Washington County (2011). Combined these projects total nearly 110 units and currently have one vacancy.
- Typically subsidized senior housing offers limited to no amenities. However, Trailside Senior Living and Cypress Senior at Red Oak Preserve offer community dining rooms and in-unit washer/dryer. Trailside offers a balcony, storage, and underground parking as well.

SENIOR HOUSING ANALYSIS

TABLE S-4
UNIT MIX/SIZE/COST & OCCUPANCY COMPARISON
AFFORDABLE SENIOR RENTAL DEVELOPMENTS
WASHINGTON COUNTY
June 2013

Project Name/Location	Year Built	Units/ Vacant	Unit Mix/	Rents	Comments/Amenities/Features
Trailside Senior Living Forest Lake	2011	70 0	36 - 1BR 34 - 2BR	\$401 - \$749 \$518 - \$932	Washington County HRA owned. In-unit washer and dryer, balcony, underground parking, storage, and community room.
Cypress Senior at Red Oak Oakdale	2011	39 1 2.6%	18 - 1BR 21 - 2BR	\$835 \$935	Section 42 Tax Credit. Community room, washer/dryer in-unit, breakfast bar, and storage space.
St. Andrew's Terrace Mahtomedi	2000	14 0	14 - 1BR	\$788	3-4 story building; 14 of 70 units designated as affordable. Resident profile: average age = 85.
Echo Ridge Oakdale	1998	20 1	20 - 1BR	\$757	50% of AMI. 4-story building with underground parking. Community room, woodshop, game room, and dining room.
Briarcliff Manor Mahtomedi	1996	57 2	17 - 1BR 35 - 2BR 5 - 3BR	\$751 \$900 \$950	Section 42 Tax Credit. 3-story elevator building, "V" shaped, with underground parking. Community, library, and craft rooms. Garden plots, laundry, and storage lockers.
Eastwood Village Oakdale	1995	70 2	18 - 1BR 35 - 2BR 17 - 3BR	\$805 - \$845 \$865 - \$905 \$915 - \$965	30% and 60% of AMI. Community room and laundry room located on the premises.
Oak Terrace Oakdale	1994	49 1	49 - 1BR	30% of AMI	Section 8. Residents pay 30% of AMI. Community room, walk-in showers, tub room.
Cottages of Cottage Grove Cottage Grove	1993	54 1	11 - 1BR 29 - 2BR 14 - 3BR	\$840 \$950 \$999	Section 42 Tax Credit. 5 one-level buildings. Detached garage parking. Community room and library.
Cottages of Aspen Oakdale	1992	114 1	19 - 1BR 95 - 2BR	\$886 \$959 - \$1,014	Section 42 Tax Credit. One-level cottages w/ private entrances. Community, craft, library, and dining rooms.
Cobble Hill Woodbury	1992	45 0	18 - 1BR 27 - 2BR	\$719 \$829	Washington County HRA owned with maximums at 80% AMI. 2-story elevator building with underground parking.
Ann Bodlovick Apartments Stillwater	1991	50 1	32 - 1BR 18 - 2BR	\$674 - \$709 \$811 - \$819	Washington County HRA. 2-story building. Community room, emergency response.
John Jergens Estates Forest Lake	1991	30 0	15 - 1BR 15 - 2BR	\$674 \$779	Washington County HRA owned. Single-level cottages. Average Age is 70. Detached and surface parking available.
Pioneer Apartments St. Paul Park	1990	18 0	17 - 1BR 1 - 2BR	\$604 \$623	Washington County HRA owned. 2 story building. Community room and off-street parking.
Mueller Manor Hugo	1990	28 0	16 - 1BR 12 - 1BR+D	\$612 \$655	Washington County HRA. 1 story building. Community room. Limited amount of garages; off-street parking.
East Shore Place Mahtomedi	1982	61 1	61 - 1BR	30% of AMI	Section 8. Residents pay 30% of AMI. Community room offers computers for residents to use.
Red Rock Manor Newport	1981	78 1	76 - 1BR 2 - 2BR	30% of AMI	Section 8. Residents pay 30% of AMI. Community rooms, gardens, library, sunroom, cable, & internet.
Rivertown Commons Stillwater	1980	96 N/A	90 - 1BR 6 - 2BR	30% of AMI	Section 8. Residents pay 30% of AMI. Community rooms, patios, and library.
Raymie Johnson Estates Oak Park Heights	1979	96 3	91 - 1BR 5 - 2BR	\$769 \$845	Washington County HRA owned. 5 story building. Community room, emergency pull cords, and off-street parking.
Kilkenny Court Forest Lake	1976	92 1	83 - 1BR 9 - 2BR	\$784 \$919	Section 8. Residents pay 30% of AMI. Two community rooms (2nd & 3rd floors).
Whispering Pines Forest Lake	1971	40 3	40 - 1BR	30% of AMI	Washington County HRA owned. Residents pay 30% of AMI. Community room and activities director.
Oakhill Cottages Scandia	1995	40 1	8 - 1BR 32 - 2BR	\$630 \$719	Affordable at 80% of County Median Income, Residents pay 30% of AMI.
Westview Apartments Forest Lake	n/a	16 0	15 - 1BR 1 - 2BR	\$660 \$736	Section 8. Residents pay 30% of AMI. 6 month waiting list.
County Total		1,177	Vacancy Rate		
		19	1.8*%		
*Vacancy Rate does not include properties that did not participate in rental survey.					
Source: Maxfield Research Inc.					

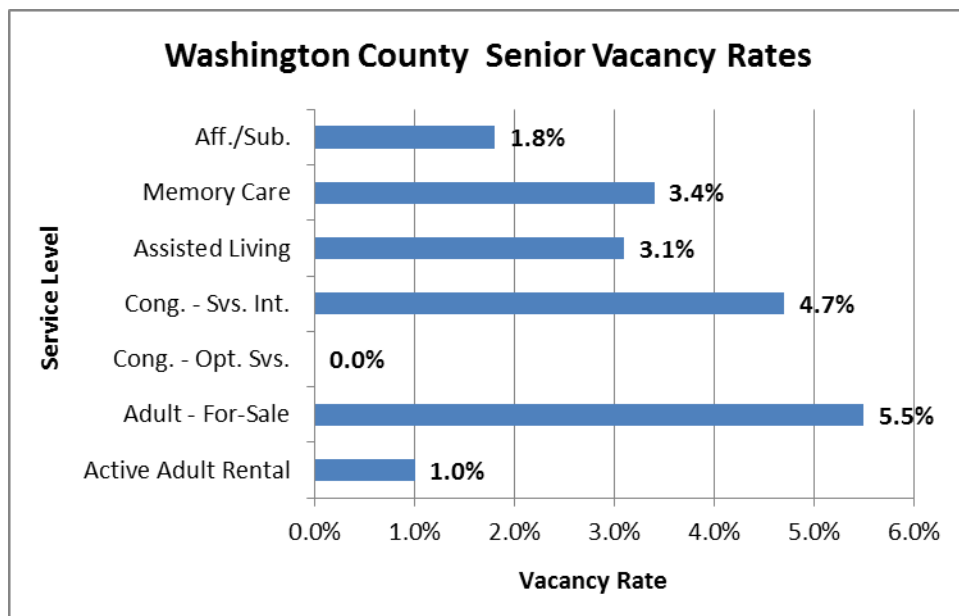
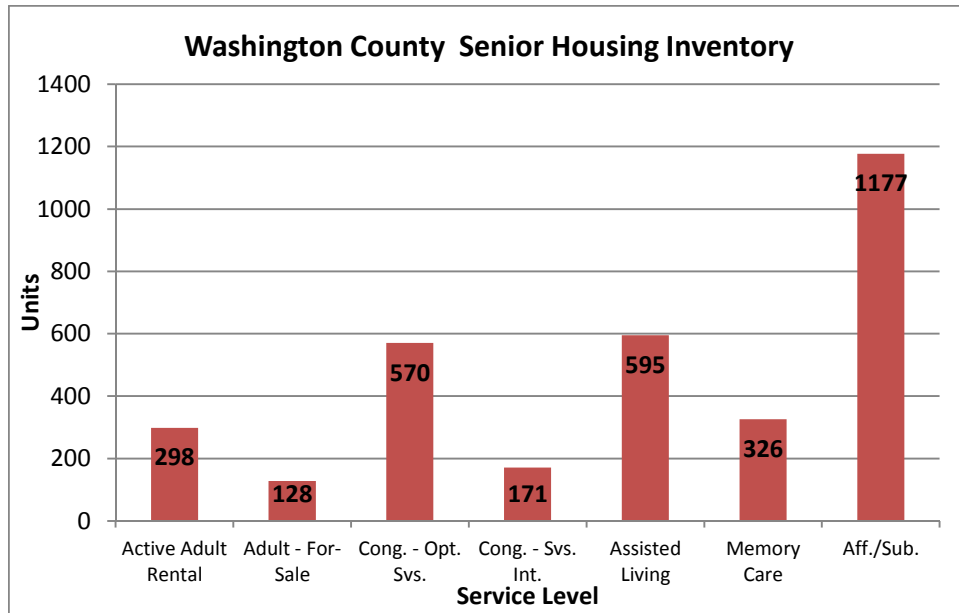
SENIOR HOUSING ANALYSIS

TABLE S-5
SENIOR HOUSING SUMMARY BY WASHINGTON COUNTY SUBMARKET
JULY 2013

Product Type	Washington County Submarket										Total
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	
Affordable/Subsidized											
Units	40	242	-	248	28	132	292	-	45	150	1,177
Vacancy Rate*	2.5%	2.7%	-	1.6%	0.0%	2.3%	1.9%	-	0.0%	1.3%	1.8%
Active Adult Rental											
Units	-	105	-	-	-	69	120	-	-	4	298
Vacancy Rate*	-	n/a	-	-	-	1.5%	0.8%	-	-	0.0%	1.0%
Active Adult - For-Sale											
Units	-	-	-	-	-	-	55	-	73	-	128
Vacancy Rate*	-	-	-	-	-	-	n/a	-	5.5%	-	5.5%
Congregate - Optional Services											
Units	-	345	-	-	-	-	62	-	77	86	570
Vacancy Rate*	-	0.0%	-	-	-	-	0.0%	-	0.0%	0.0%	0.0%
Congregate - Service Intensive											
Units	-	56	-	-	-	115	-	-	-	-	171
Vacancy Rate*	-	0.0%	-	-	-	7.0%	-	-	-	-	4.7%
Assisted Living											
Units	-	177	-	46	12	60	48	-	190	62	595
Vacancy Rate*	-	0.7%	-	0.0%	n/a	0.0%	14.6%	-	3.1%	4.8%	3.1%
Memory Care											
Units	-	66	-	30	12	89	12	-	55	62	326
Vacancy Rate*	-	0.0%	-	3.3%	n/a	2.2%	0.0%	-	12.7%	0.0%	3.4%
Total											
Units	40	991	-	324	52	465	589	-	440	364	3,265
Vacancy Rate	2.5%	0.7%	-	1.5%	0.0%	3.0%	2.5%	-	3.9%	1.4%	2.1%

* Vacancy rate includes only participating properties

Source: Maxfield Research Inc.



Introduction

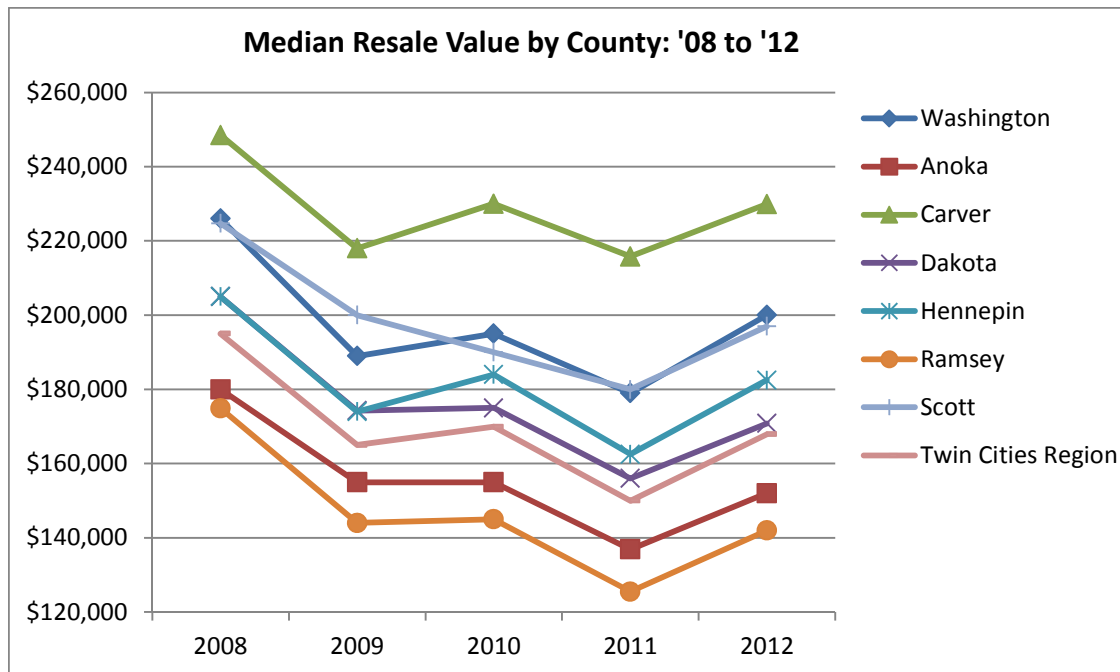
Maxfield Research Inc. analyzed the for-sale housing market in Washington County by analyzing data on single-family and multifamily home sales and active listings, identifying active subdivisions and pending for-sale developments; reviewing lender-mediated property data, and conducting interviews with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

Home Resale Comparison in Twin Cities Metro Area

Table FS-1 presents summary resale data of single-family and multifamily housing units in Washington County and the other Metro Area counties. The table shows the median resale sales price from 2008 to 2012 according to the Minneapolis Association of Realtors (“MAR”). Table FS-2 illustrates key metrics for closed sales in 2012. The following are the key points from Tables FS-1 and FS-2.

- In the Seven County Metro Area, Washington County posted the second highest median resale price in nearly every year. Carver County posted the highest housing values each year since 2008.
- Resales in Washington County have had average price nearly 17% higher than the Metro Area between 2008 and 2012.
- Washington County pricing increased by nearly 12% between 2011 and 2012. However, pricing is still lower than the peak pricing experienced during the housing boom. Based on current market performance through the first half of 2013, this year’s sale prices are expected to increase considerably from 2012.

TABLE FS-1					
MEDIAN RESALE COMPARISON BY METRO AREA COUNTY					
2008 to 2012					
County	2008	2009	2010	2011	2012
Washington	\$226,000	\$189,000	\$195,000	\$179,000	\$200,000
Anoka	\$180,000	\$155,000	\$155,000	\$136,900	\$152,000
Carver	\$248,500	\$218,000	\$230,000	\$215,784	\$229,900
Dakota	\$205,000	\$174,250	\$175,000	\$156,000	\$170,814
Hennepin	\$205,000	\$174,025	\$184,000	\$162,500	\$182,500
Ramsey	\$174,900	\$144,000	\$145,000	\$125,500	\$142,000
Scott	\$224,700	\$200,000	\$190,000	\$180,000	\$197,000
 Twin Cities Region	 \$195,000	 \$165,000	 \$169,900	 \$150,000	 \$167,900
Source: Minneapolis Area Association of Realtors, Maxfield Research Inc.					



- In 2012, Washington County resales accounted for approximately 9% of all transactions listed by the MLS in the seven-county Metro Area. When accounting for the 13-county Metro Area, Washington County makes-up about 7.6% of the resales.
- About 10% of the Washington County resales are for newly constructed homes; higher than the 6.4% average in the greater Metro Area.

**TABLE FS-2
RESALE COMPARISON
METRO AREA BY COUNTY
2012**

Geography	Closed Sales	Percent			CDOM ¹	Pct. of Orig. List Price
		New Construction	Townhome/Condo	Distressed ²		
Washington	3,721	10.1%	26.9%	39.1%	118	94.2%
Anoka	4,907	8.7%	19.4%	48.4%	109	94.8%
Carver	1,601	13.4%	24.1%	30.9%	128	94.1%
Dakota	6,022	7.0%	33.1%	44.5%	107	94.4%
Hennepin	17,635	5.3%	24.4%	32.8%	115	94.0%
Ramsey	6,382	2.4%	19.1%	38.2%	117	93.1%
Scott	2,187	10.0%	25.3%	42.0%	114	95.2%
Twin Cities Region	48,641	6.4%	22.8%	39.7%	117	94.0%

¹ Cumulative Days on Market ("CDOM") is the collective sum of days on the market from the current and any previous listings within the past year.

² Includes foreclosures and short sales

Source: Minneapolis Area Association of Realtors, Maxfield Research Inc.

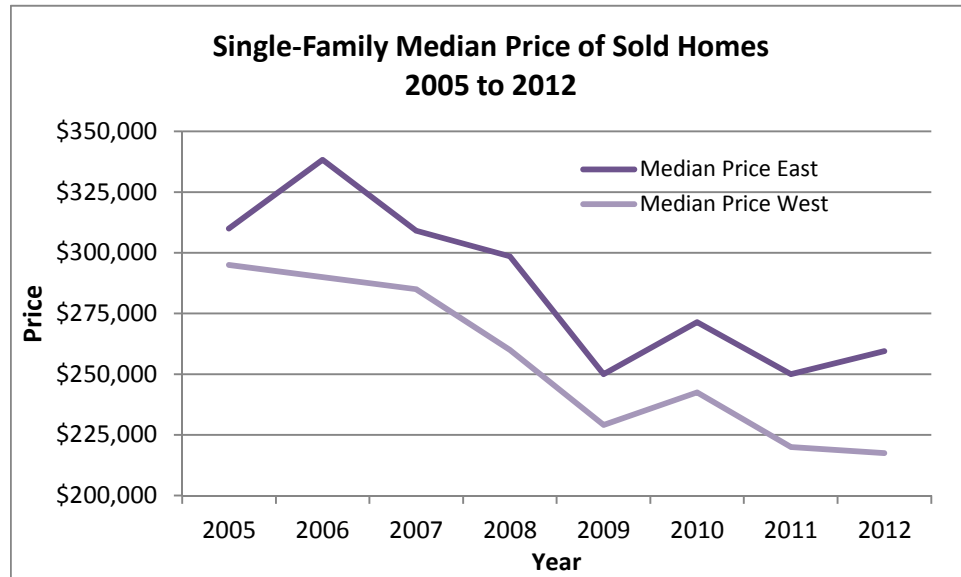
Home Resale Comparison in Washington County

Tables FS-3 to FS-5 present summary resale data for Washington County submarkets. Tables FS-3 and FS-4 present summary data for resales of single-family and multifamily housing units for all Washington County submarkets from 2005 to 2012. Table FS-5 illustrates resale data by type of sale and submarket based only on 2012 resale activity. All data is sourced to the Regional Multiple Listing Service of Minnesota (RMLS).

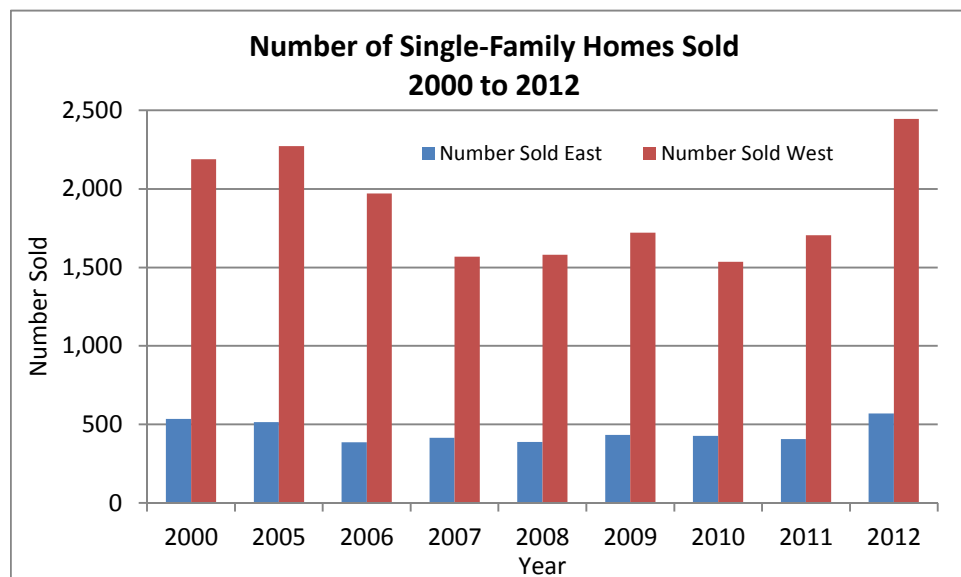
Single-Family Resales

- Between 2000 and 2006, Washington County submarkets experienced rapid home sale appreciation during the real estate boom, posting a median sales price increase of 55% in East Submarket and 53% increase in the West Submarket. However, after the housing market plateaued in late 2005 through 2006, Washington County communities experienced sliding housing values as the housing market burst. Between 2006 and 2012, the median resale price declined by -23% in the East Submarket and -25% in the West Submarket.
- Washington County home value declines between 2006 and 2012 have been on-par with the Twin Cities Metro Area (-27%). Overall, the central cities and inner-ring suburban areas did not experience the deterioration of sale values compared to many of the 3rd and 4th tier suburban communities.

- After adjusting for the downturn in the housing market, Washington County housing values showed appreciation of 19% in the East Submarket and 15% in the West Submarket. Between 2000 and 2012, the submarkets with the highest median resale appreciation were the Stillwater Area (29%), Hugo (28%), and Northeast (27%).



- The number of resales increased significantly from 2011 to 2012. In 2011, about 2,100 single-family home resales were recorded by the MLS. However, in 2012 over 3,000 resales occurred, resulting in an increase of 43%.
- Sales prices increased between 2009 and 2010, mostly a result of the first-time homebuyer tax credit that was available in the second half of 2009 through September 2010. Median sales price increased in all but one submarket.



FOR-SALE MARKET ANALYSIS

TABLE FS-3
SINGLE-FAMILY HOME RESALES
WASHINGTON COUNTY
2000, 2005 to 2012

Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹	Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹
Northeast					Stillwater Area				
2000	62	\$285,171	\$227,500	57	2000	318	\$229,673	\$189,950	54
2005	56	\$397,787	\$371,450	95	2005	345	\$344,369	\$288,000	79
2006	32	\$496,728	\$399,500	140	2006	264	\$347,267	\$311,000	176
2007	44	\$381,949	\$309,500	216	2007	285	\$363,658	\$295,000	160
2008	42	\$416,526	\$360,000	254	2008	251	\$336,785	\$282,000	169
2009	57	\$299,132	\$270,000	208	2009	270	\$271,007	\$226,250	177
2010	48	\$328,290	\$289,250	193	2010	280	\$290,298	\$259,900	165
2011	47	\$306,716	\$260,000	298	2011	267	\$269,605	\$229,700	168
2012	87	\$299,197	\$290,000	244	2012	347	\$290,365	\$245,000	152
Pct. Change					Pct. Change				
00 to 06	-48%	74%	76%	146%	00 to 06	-17%	51%	64%	226%
06 to 12	172%	-40%	-27%	74%	06 to 12	31%	-16%	-21%	-14%
00 to 12	40%	5%	27%	328%	00 to 12	9%	26%	29%	181%
Southeast					East Total				
2000	156	\$289,201	\$270,000	58	2000	536	\$253,418	\$218,500	55
2005	114	\$434,847	\$36,250	82	2005	515	\$370,205	\$310,000	81
2006	90	\$424,040	\$384,500	152	2006	386	\$377,538	\$338,287	167
2007	86	\$440,349	\$344,950	169	2007	415	\$381,490	\$309,000	168
2008	96	\$414,941	\$327,500	190	2008	389	\$364,683	\$298,500	184
2009	107	\$309,690	\$290,000	226	2009	434	\$284,306	\$250,000	194
2010	100	\$383,193	\$299,900	197	2010	428	\$314,744	\$271,450	174
2011	93	\$366,267	\$300,000	215	2011	407	\$295,998	\$250,000	195
2012	136	\$320,844	\$281,750	165	2012	570	\$298,985	\$259,500	170
Pct. Change					Pct. Change				
00 to 06	-42%	47%	42%	162%	00 to 06	-28%	49%	55%	204%
06 to 12	51%	-24%	-27%	9%	06 to 12	48%	-21%	-23%	2%
00 to 12	-13%	11%	4%	184%	00 to 12	6%	18%	19%	209%
Forest Lake					Hugo				
2000	187	\$198,949	\$169,900	44	2000	231	\$201,191	\$180,200	38
2005	253	\$302,826	\$280,000	82	2005	177	\$381,928	\$320,000	66
2006	197	\$313,482	\$263,200	120	2006	127	\$384,878	\$348,000	176
2007	163	\$281,783	\$248,000	167	2007	101	\$356,821	\$320,765	131
2008	155	\$263,605	\$230,000	193	2008	84	\$323,299	\$288,568	223
2009	164	\$197,496	\$175,500	156	2009	104	\$27,931	\$251,000	229
2010	144	\$215,243	\$179,900	180	2010	107	\$278,255	\$259,900	172
2011	190	\$192,791	\$180,950	167	2011	128	\$261,042	\$246,500	167
2012	209	\$218,037	\$209,365	150	2012	156	\$270,420	\$230,000	112
Pct. Change					Pct. Change				
00 to 06	5%	58%	55%	173%	00 to 06	-45%	91%	93%	363%
06 to 12	6%	-30%	-20%	25%	06 to 12	23%	-30%	-34%	-36%
00 to 12	12%	10%	23%	241%	00 to 12	-32%	34%	28%	195%
CONTINUED									

FOR-SALE MARKET ANALYSIS

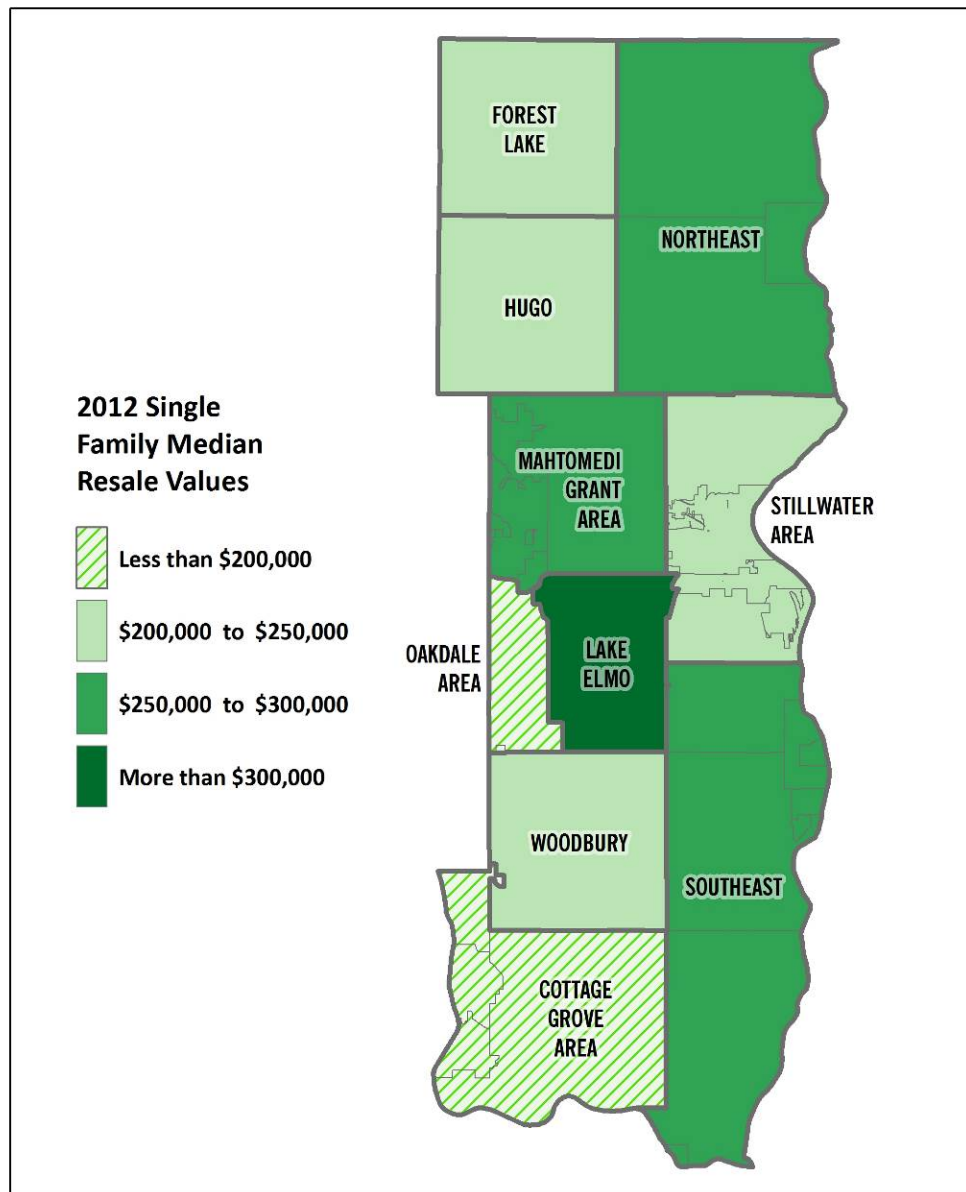
TABLE FS-3
SINGLE-FAMILY HOME RESALES
WASHINGTON COUNTY
2000, 2005 to 2012

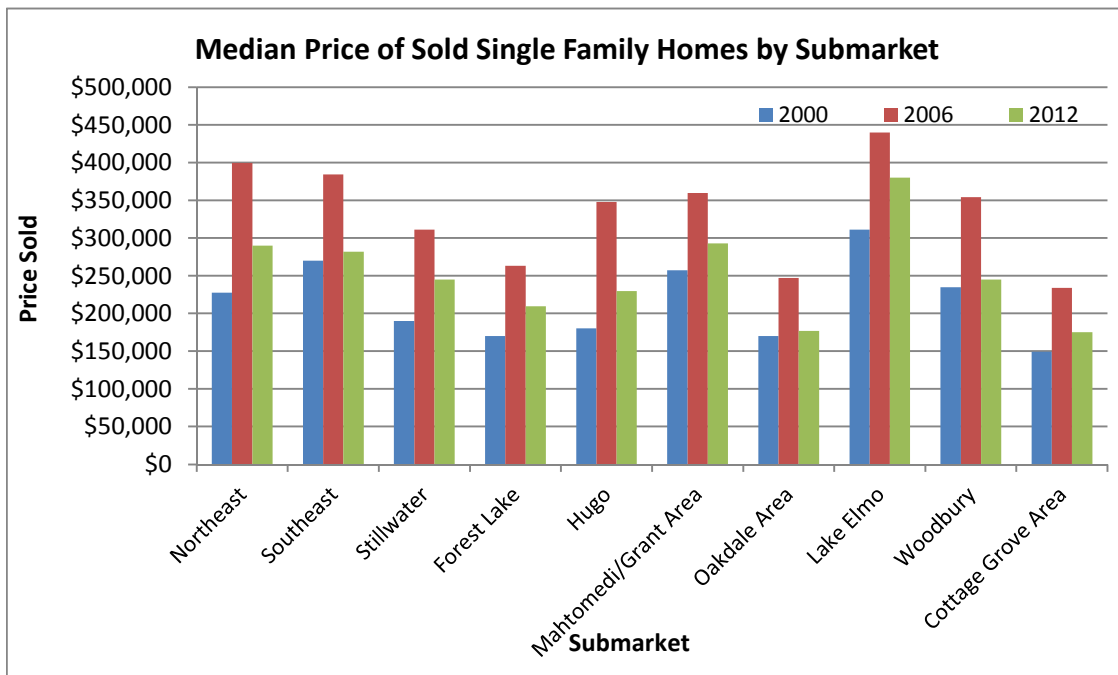
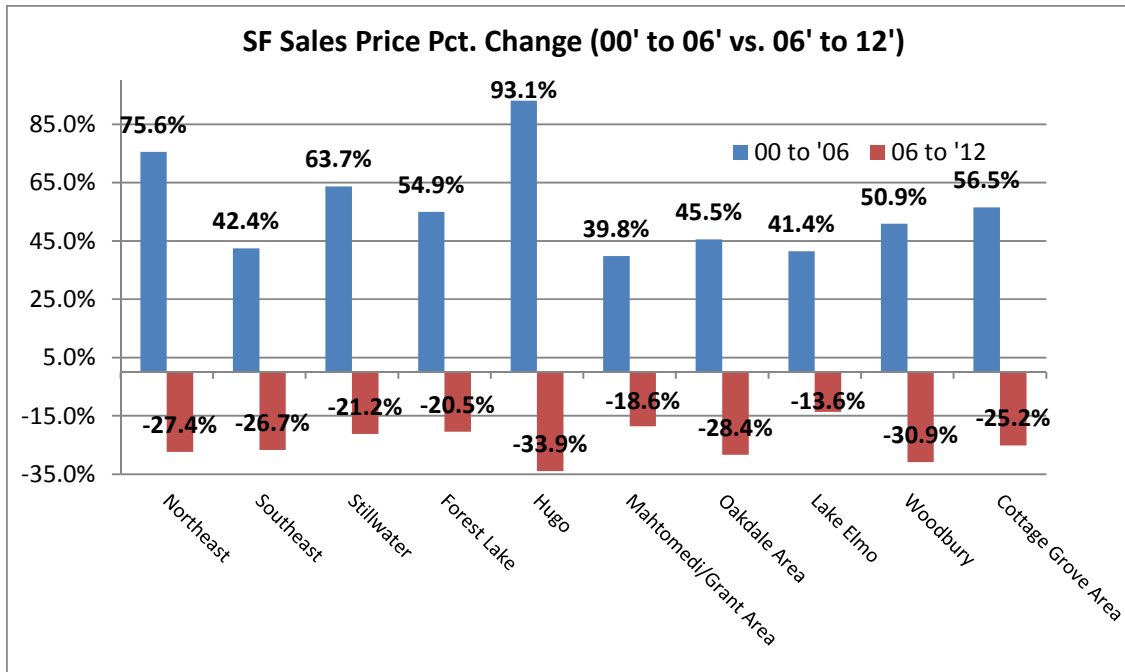
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Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹	Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹
Mahtomedi/Grant Area					Oakdale Area				
2000	185	\$307,217	\$257,500	54	2000	250	\$184,823	\$169,900	30
2005	156	\$447,993	\$385,000	72	2005	260	\$264,530	\$250,000	59
2006	159	\$456,221	\$360,000	117	2006	224	\$253,759	\$247,250	110
2007	141	\$429,374	\$345,000	157	2007	198	\$253,099	\$244,950	109
2008	111	\$433,201	\$350,000	198	2008	161	\$215,645	\$216,000	139
2009	103	\$335,899	\$273,000	228	2009	215	\$194,018	\$191,500	114
2010	101	\$387,424	\$329,900	161	2010	221	\$198,881	\$189,900	104
2011	134	\$346,995	\$296,500	175	2011	206	\$179,774	\$170,000	120
2012	143	\$326,395	\$293,000	182	2012	227	\$177,953	\$177,000	88
Pct. Change					Pct. Change				
00 to 06	-14%	49%	40%	117%	00 to 06	-10%	37%	46%	267%
06 to 12	-10%	-28%	-19%	56%	06 to 12	1%	-30%	-28%	-20%
00 to 12	-23%	6%	14%	237%	00 to 12	-9%	-4%	4%	193%
Lake Elmo					Woodbury				
2000	60	\$319,690	\$311,000	55	2000	733	\$259,961	\$235,000	41
2005	66	\$462,749	\$435,500	95	2005	759	\$388,938	\$348,000	78
2006	63	\$513,445	\$439,900	158	2006	686	\$392,691	\$354,500	125
2007	57	\$570,729	\$495,000	163	2007	530	\$375,340	\$340,000	142
2008	59	\$544,032	\$450,000	201	2008	552	\$352,182	\$326,750	154
2009	37	\$443,705	\$263,900	186	2009	574	\$317,036	\$292,750	147
2010	63	\$456,234	\$389,900	230	2010	488	\$335,577	\$299,950	137
2011	53	\$400,594	\$379,600	195	2011	530	\$301,762	\$275,000	139
2012	77	\$418,625	\$380,000	192	2012	1,065	\$260,210	\$245,000	104
Pct. Change					Pct. Change				
00 to 06	5%	61%	41%	187%	00 to 06	-6%	51%	51%	205%
06 to 12	22%	-18%	-14%	22%	06 to 12	55%	-34%	-31%	-17%
00 to 12	28%	31%	22%	249%	00 to 12	45%	0%	4%	154%
Cottage Grove Area					West Total				
2000	543	\$165,894	\$149,500	23	2000	2,189	\$222,262	\$189,500	37
2005	601	\$256,778	\$23,100	63	2005	2,272	\$335,806	\$295,000	71
2006	515	\$264,007	\$234,000	110	2006	1,971	\$342,571	\$290,000	121
2007	379	\$250,002	\$225,000	126	2007	1,569	\$330,790	\$285,000	137
2008	459	\$221,475	\$204,000	148	2008	1,581	\$302,960	\$260,000	163
2009	523	\$193,310	\$179,900	132	2009	1,720	\$254,213	\$229,000	149
2010	411	\$205,899	\$179,900	116	2010	1,535	\$275,893	\$242,500	140
2011	463	\$180,414	\$160,000	127	2011	1,704	\$245,464	\$220,000	143
2012	567	\$199,593	\$175,000	95	2012	2,444	\$244,416	\$217,500	113
Pct. Change					Pct. Change				
00 to 06	-5%	59%	57%	378%	00 to 06	-10%	54%	53%	227%
06 to 12	10%	-24%	-25%	-14%	06 to 12	24%	-29%	-25%	-7%
00 to 12	4%	20%	17%	313%	00 to 12	12%	10%	15%	205%

Sources: Regional Multiple Listing Service of Minnesota (RMLS); Maxfield Research Inc.

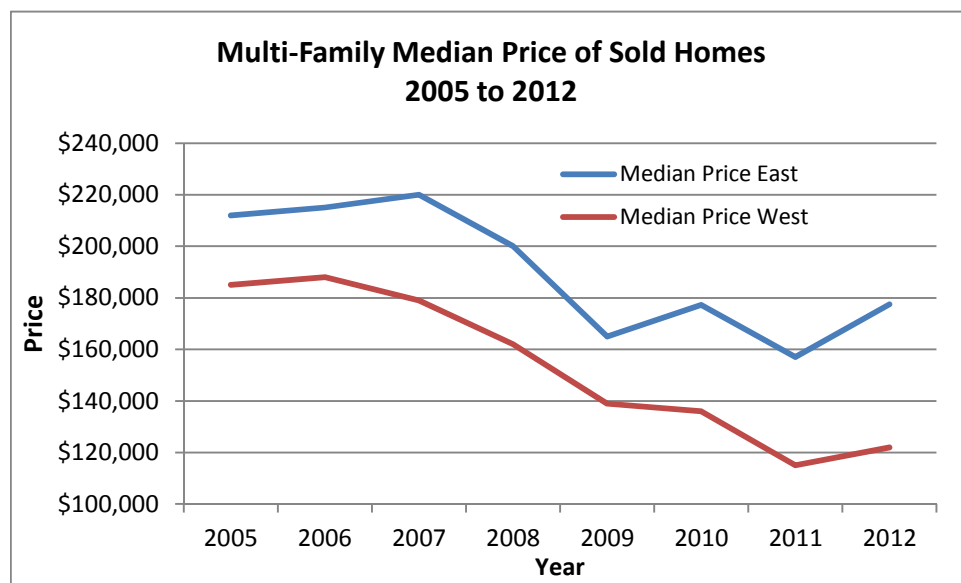
Single-family Resale Values 2012

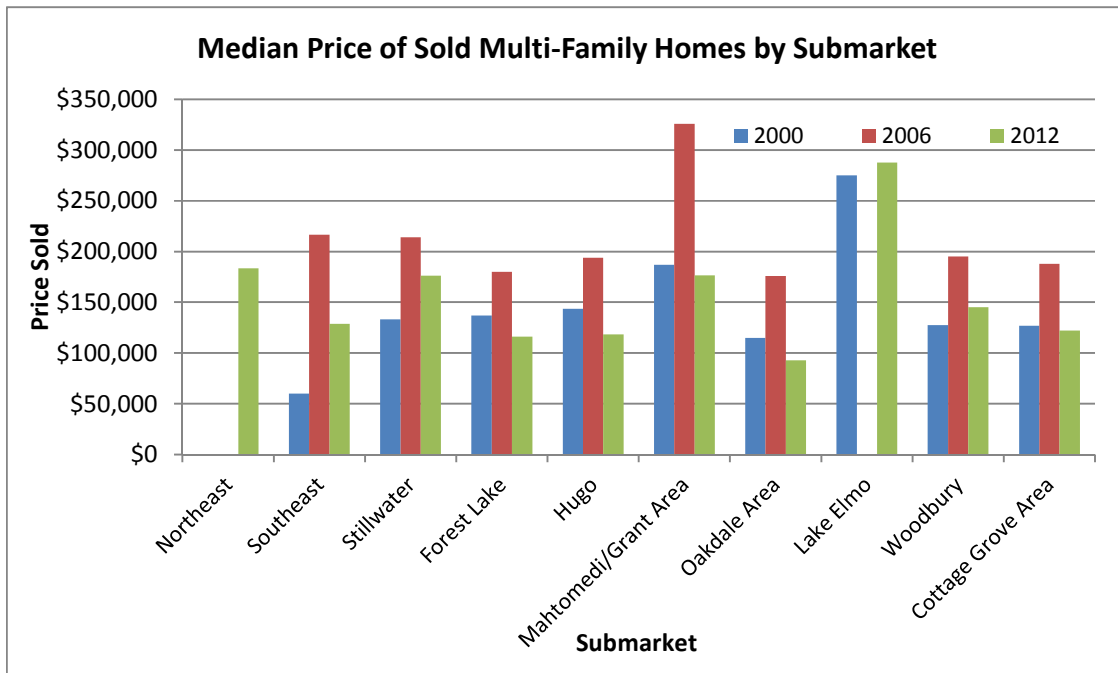
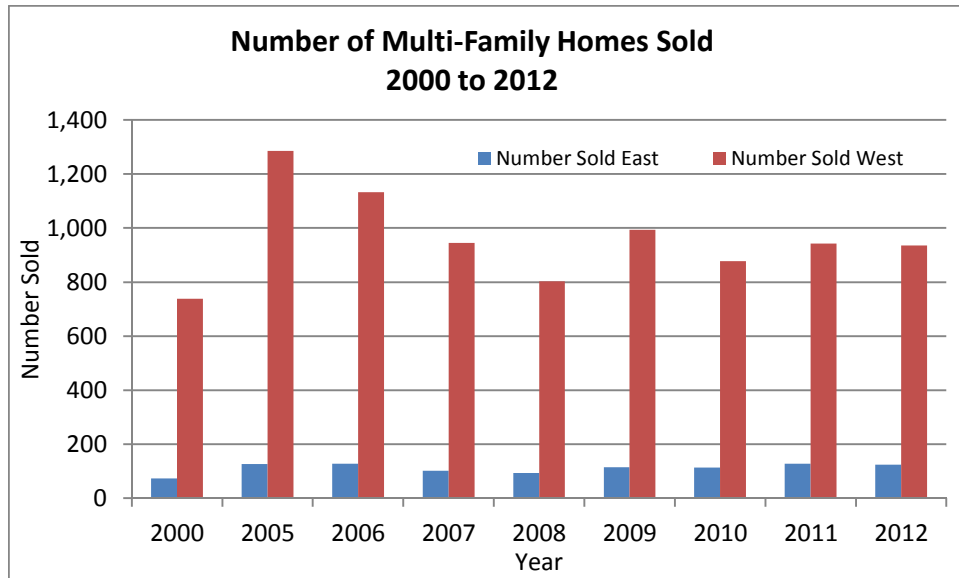




Multi-Family Resales

- Between 2005 and 2012, multifamily resales have accounted for approximately one-third of all Washington County resales. In 2012, multifamily resales accounted for 26% of transactions; the lowest percentage over the eight year time frame.
- The West Submarket dominates the multifamily resale market. Since 2005, 90% of Washington county multifamily resales have been located in the West Submarket. The East Submarket averages just over 100 multifamily resales per year, while the West Submarket averages over 960 resales per year.
- Multifamily resale transactions peaked in 2005, also considered to be the peak year of the real estate boom. Over 1,400 multifamily sales occurred in 2005 before dropping to about 900 resales in 2008 when the housing market bust commenced.
- Although there are substantially more resales in the West Submarket, resale pricing in the East Submarket averages about 20% higher than the West Submarket.
- The days on market also decreased from 2011 to 2012 indicating continued improvement in the Washington County multifamily real estate market.





FOR-SALE MARKET ANALYSIS

TABLE FS-4
MULTI-FAMILY HOME RESALES
WASHINGTON COUNTY
2000, 2005 to 2012

Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹	Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹
Northeast					Stillwater Area				
2000	--	--	--	--	2000	72	\$143,648	\$133,000	54
2005	--	--	--	--	2005	125	\$240,561	\$211,066	91
2006	--	--	--	--	2006	126	\$269,358	\$214,000	156
2007	--	--	--	--	2007	99	\$245,727	\$221,870	285
2008	--	--	--	--	2008	92	\$238,017	\$207,990	278
2009	--	--	--	--	2009	113	\$188,243	\$165,000	183
2010	--	--	--	--	2010	113	\$200,224	\$169,900	225
2011	1	\$220,000	\$220,000	40	2011	126	\$173,861	\$157,995	217
2012	1	\$183,500	\$183,500	314	2012	122	\$194,609	\$176,245	181
Pct. Change					Pct. Change				
00 to 06	--	--	--	--	00 to 06	75%	88%	61%	189%
06 to 12	--	--	--	--	06 to 12	-3%	-28%	-18%	16%
00 to 12	--	--	--	--	00 to 12	69%	35%	33%	235%
Southeast					East Total				
2000	1	\$60,000	\$60,000	1	2000	73	\$143,648	\$133,000	54
2005	2	\$250,000	\$250,000	98	2005	127	\$240,710	\$212,000	91
2006	2	\$216,450	\$216,450	122	2006	128	\$269,032	\$215,000	154
2007	3	\$188,167	\$192,000	188	2007	102	\$243,801	\$220,000	279
2008	2	\$187,500	\$187,500	268	2008	94	\$236,997	\$200,000	277
2009	2	\$174,500	\$174,500	163	2009	115	\$188,004	\$165,000	182
2010	1	\$199,900	\$199,900	63	2010	114	\$200,222	\$177,200	224
2011	1	\$86,027	\$86,027	41	2011	128	\$173,169	\$156,990	216
2012	2	\$128,700	\$128,700	194	2012	125	\$193,465	\$177,500	183
Pct. Change					Pct. Change				
00 to 06	100%	261%	261%	12100%	00 to 06	75%	87%	62%	185%
06 to 12	0%	-41%	-41%	59%	06 to 12	-2%	-28%	-17%	19%
00 to 12	100%	115%	115%	19300%	00 to 12	71%	35%	33%	239%
Forest Lake					Hugo				
2000	39	\$138,080	\$136,840	74	2000	65	\$159,580	\$143,485	24
2005	95	\$210,241	\$190,000	120	2005	123	\$200,881	\$190,500	62
2006	74	\$200,388	\$179,995	162	2006	135	\$204,570	\$194,000	95
2007	78	\$204,530	\$176,751	183	2007	106	\$193,224	\$180,405	151
2008	62	\$161,681	\$138,450	145	2008	106	\$167,477	\$155,048	165
2009	109	\$122,563	\$114,500	163	2009	170	\$144,375	\$140,250	143
2010	89	\$127,387	\$115,000	135	2010	167	\$141,885	\$136,000	140
2011	83	\$117,110	\$116,000	144	2011	157	\$115,270	\$103,400	141
2012	59	\$126,278	\$116,000	117	2012	156	\$131,019	\$118,500	92
Pct. Change					Pct. Change				
00 to 06	90%	45%	32%	119%	00 to 06	108%	28%	35%	296%
06 to 12	-20%	-37%	-36%	-28%	06 to 12	16%	-36%	-39%	-3%
00 to 12	51%	-9%	-15%	58%	00 to 12	140%	-18%	-17%	283%

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FOR-SALE MARKET ANALYSIS

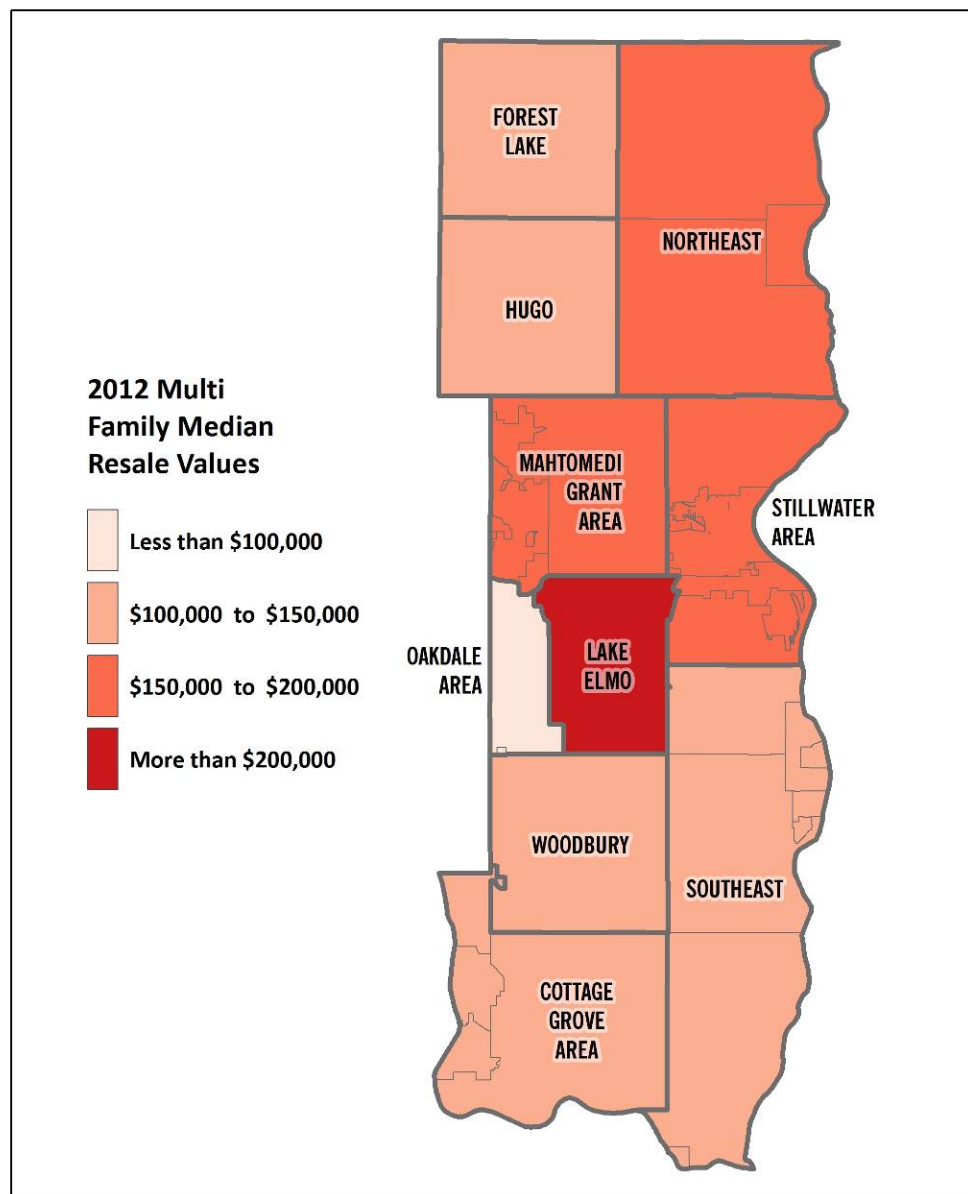
TABLE FS-4
MULTI-FAMILY HOME RESALES
WASHINGTON COUNTY
2000, 2005 to 2012

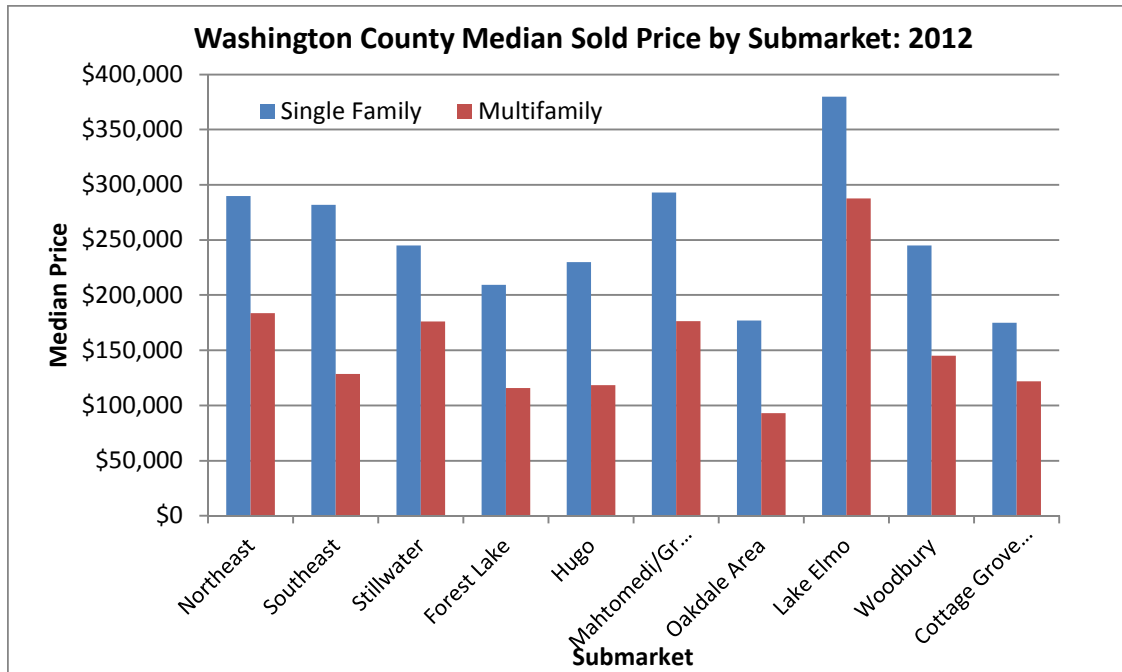
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Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹	Year	No. Sold	Avg. Sold Price	Median Sold Price	Avg. Time on Market ¹
Mahtomedi/Grant Area					Oakdale Area				
2000	36	\$205,392	\$186,985	48	2000	150	\$117,959	\$114,900	23
2005	5	\$298,700	\$295,000	44	2005	241	\$180,905	\$179,000	69
2006	14	\$311,409	\$325,750	47	2006	175	\$181,907	\$176,000	126
2007	28	\$274,230	\$216,450	181	2007	124	\$172,553	\$166,450	151
2008	15	\$23,653	\$234,020	192	2008	116	\$154,317	\$150,000	176
2009	13	\$218,569	\$198,000	215	2009	173	\$125,222	\$119,300	159
2010	7	\$177,643	\$159,900	176	2010	143	\$130,474	\$124,800	166
2011	15	\$186,460	\$186,460	110	2011	161	\$101,311	\$94,000	145
2012	13	\$185,685	\$176,500	104	2012	157	\$102,219	\$93,000	101
Pct. Change					Pct. Change				
00 to 06	-61%	52%	74%	-2%	00 to 06	17%	54%	53%	448%
06 to 12	-7%	-40%	-46%	121%	06 to 12	-10%	-44%	-47%	-20%
00 to 12	-64%	-10%	-6%	117%	00 to 12	5%	-13%	-19%	339%
Lake Elmo					Woodbury				
2000	7	\$253,230	\$275,000	37	2000	390	\$146,388	\$127,375	32
2005	3	\$334,167	\$395,000	63	2005	653	\$215,968	\$186,000	68
2006	--	--	--	--	2006	573	\$226,183	\$194,990	191
2007	1	\$207,000	\$207,000	259	2007	500	\$213,213	\$184,000	149
2008	1	\$125,000	\$125,000	512	2008	386	\$202,342	\$177,700	155
2009	--	--	--	--	2009	425	\$166,094	\$152,500	153
2010	--	--	--	--	2010	370	\$175,428	\$149,900	142
2011	2	\$275,000	\$275,000	635	2011	435	\$157,287	\$133,900	141
2012	1	287,500	287,500	693	2012	453	\$166,350	\$145,000	106
Pct. Change					Pct. Change				
00 to 06	--	--	--	--	00 to 06	47%	55%	53%	497%
06 to 12	--	--	--	--	06 to 12	-21%	-26%	-26%	-45%
00 to 12	-86%	14%	5%	1773%	00 to 12	16%	14%	14%	231%
Cottage Grove Area					West Total				
2000	51	\$112,931	\$111,500	36	2000	738	\$142,458	\$127,000	33
2005	165	\$190,231	\$183,990	63	2005	1,285	\$204,818	\$185,000	71
2006	162	\$206,972	\$180,445	101	2006	1,133	\$213,390	\$187,990	158
2007	108	\$190,353	\$169,950	130	2007	945	\$204,107	\$179,000	150
2008	115	\$146,052	\$140,000	157	2008	803	\$180,092	\$162,000	160
2009	103	\$131,549	\$127,000	152	2009	993	\$147,581	\$139,000	155
2010	101	\$135,295	\$129,900	146	2010	878	\$152,226	\$136,000	146
2011	90	\$103,179	\$100,000	170	2011	943	\$132,748	\$115,000	146
2012	96	\$105,242	\$104,250	95	2012	935	\$141,282	\$122,000	103
Pct. Change					Pct. Change				
00 to 06	218%	83%	62%	181%	00 to 06	54%	50%	48%	379%
06 to 12	-41%	-49%	-42%	-6%	06 to 12	-17%	-34%	-35%	-35%
00 to 12	88%	-7%	-7%	164%	00 to 12	27%	-1%	-4%	212%

Sources: Regional Multiple Listing Service of Minnesota (RMLS); Maxfield Research Inc.

Multifamily Housing Resale Values 2012





2012 Resales by Sales Type

- Approximately 12% of resales in both the East and West Submarkets were for newly constructed homes in 2012. The Stillwater Area has the highest percentage of new construction among the ten Washington County submarkets.
- About 30% of transactions were distressed sales in the East Submarket, compared to approximately 40% in the West Submarket. Submarkets with the highest percentages of lender-mediated sales included: Afton (48.6%), Lakeland (46.2%), Oak Park Heights (51%), Newport (64.5%), St. Paul Park (51.9%), Grey Cloud Island Township (60%), and Willernie (66.7%).
- Multifamily resales ranged from 18.8% in the East Submarket to 29.3% in the West Submarket. For-sale multifamily product submarkets with the higher percentages included: Oak Park Heights (49%), Stillwater (25.9%), Hugo (48.3%), and Woodbury (38.2%).

FOR-SALE MARKET ANALYSIS

**TABLE FS-5
RESALE TYPE
Washington County
2012**

	No. of Resales	PERCENT			Orig. List Price	DOM
		New Const.	TH/Condo	Distressed		
EAST SUMMARY	642	11.7%	18.8%	29.9%	91.8%	153
Northeast						
Marine on St. Croix	15	0.0%	6.7%	26.7%	86.2%	300
May township	26	3.8%	0.0%	19.2%	90.7%	178
New Scandia township	0	0.0%	0.0%	0.0%	0.0%	0
Southeast						
Afton	37	5.4%	0.0%	48.6%	88.4%	162
Lake St. Croix Beach	13	0.0%	7.7%	23.1%	87.7%	143
Lakeland	26	0.0%	3.8%	46.2%	92.1%	129
Lakeland Shores	6	0.0%	0.0%	16.7%	89.6%	230
West Lakeland township	38	2.6%	0.0%	18.4%	93.1%	132
Stillwater Area						
Bayport	36	22.2%	11.1%	25.0%	92.2%	142
Oak Park Heights	49	2.0%	49.0%	51.0%	90.6%	126
Stillwater	347	15.0%	25.9%	29.4%	92.4%	148
Baytown township	26	38.5%	0.0%	11.5%	92.5%	190
Stillwater township	23	0.0%	0.0%	13.0%	93.3%	170
WEST SUMMARY	2,351	11.8%	29.3%	39.3%	95.0%	106
Cottage Grove Area						
Cottage Grove	555	8.6%	14.8%	48.1%	95.8%	93
Newport	31	0.0%	6.5%	64.5%	95.7%	89
St. Paul Park	81	9.9%	16.0%	51.9%	93.1%	94
Grey Cloud Island township	5	0.0%	0.0%	60.0%	89.7%	177
Hugo	319	19.4%	48.3%	48.9%	97.0%	99
Lake Elmo	83	12.0%	1.2%	25.3%	91.3%	186
Mahtomedi/Grant Area						
Birchwood Village	5	0.0%	0.0%	20.0%	91.3%	88
Dellwood	11	0.0%	0.0%	9.1%	84.6%	189
Grant	30	0.0%	0.0%	23.3%	90.3%	185
Mahtomedi	101	8.9%	9.9%	27.7%	93.0%	145
Pine Springs	4	0.0%	0.0%	25.0%	84.9%	165
Willernie	9	0.0%	0.0%	66.7%	83.6%	165
Woodbury	1,117	12.6%	38.2%	33.3%	95.1%	103

Source: Regional Multiple Listing Service of Minnesota (RMLS), Maxfield Research Inc.

Current Supply of Homes on the Market

To more closely examine the current market for available owner-occupied housing in Washington County, we reviewed the current supply of homes on the market (listed for sale). Table FS-6 shows homes currently listed for sale in Washington County distributed into 11 price ranges. The data was provided by the Regional Multiple Listing Services of Minnesota (RMLS) and is based on active listings in June 2013. MLS listings generally account for the vast majority of all residential sale listings in a given area. Table FS-7 summarizes active listings by submarket and housing type. Table FS-8 shows listings by home style (i.e. one-story, two-story, townhome, condominium) and illustrated key metrics by each housing type. Key findings from the tables follow.

- As of June 2013, there were 1,177 homes listed for sale in Washington County. Approximately 73% of the listings are in the West Submarket. Single-family homes account for 78% of all listings in Washington County.
- The median list price in Washington County is \$333,186 (\$378,500 for single-family homes and \$168,500 for multifamily homes). The median sale price is generally a more accurate indicator of housing values in a community than the average sale price. Average sale prices can be easily skewed by a few very high-priced or low-priced home sales in any given year, whereas the median sale price better represents the pricing of a majority of homes in a given market.
- The median list price is approximately 29% higher in the East Submarket (\$420,255) vs. the West Submarket (\$297,515).
- Based on a median list price in Washington County of \$333,186, the income required to afford a home at this price would be about \$95,200 to \$111,000, based on the standard of 3.0 to 3.5 times the median income (and assuming these households do not have a high level of debt). A household with significantly more equity (in an existing home and/or savings) could afford a higher priced home. About 40% of Washington County households have annual incomes at or above \$95,200.
- Less than 1% of Washington County listings are priced under \$100,000. About 16% of listings in the Oakdale submarket are priced under \$100,000. About 26% of the County's listings are priced between \$100,000 and \$200,000.
- Multifamily properties are priced substantially lower than single-family properties in both the East and West Submarkets. The median list price in the East Submarket is \$446,395 for single-family properties and \$229,900 for multifamily properties. Similarly, the median list price varies from \$344,660 for single-family properties to \$157,398 in the West Submarket.

FOR-SALE MARKET ANALYSIS

TABLE FS-6
HOMES CURRENTLY LISTED FOR-SALE
WASHINGTON COUNTY
June 2013

	Northeast				Stillwater Area				Southeast				East Total			
	Single-Family		Multifamily		Single-Family		Multifamily		Single-Family		Multifamily		Single-Family		Multifamily	
Price Range	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
< \$49,999	0	0.0%	0	--	0	0.0%	0	0.0%	0	0.0%	0	--	0	0.0%	0	0.0%
\$50,000 to \$99,999	0	0.0%	0	--	1	0.7%	3	7.7%	2	2.7%	0	--	3	1.1%	3	7.7%
\$100,000 to \$149,999	2	3.0%	0	--	15	10.5%	5	12.8%	3	4.1%	0	--	20	7.0%	5	12.8%
\$150,000 to \$199,999	3	4.5%	0	--	9	6.3%	9	23.1%	6	8.1%	0	--	18	6.3%	9	23.1%
\$200,000 to \$249,999	5	7.5%	0	--	23	16.1%	5	12.8%	3	4.1%	0	--	31	10.9%	5	12.8%
\$250,000 to \$299,999	4	6.0%	0	--	7	4.9%	2	5.1%	5	6.8%	0	--	16	5.6%	2	5.1%
\$300,000 to \$399,999	9	13.4%	0	--	26	18.2%	7	17.9%	6	8.1%	0	--	41	14.4%	7	17.9%
\$400,000 to \$499,999	15	22.4%	0	--	16	11.2%	7	17.9%	11	14.9%	0	--	42	14.8%	7	17.9%
\$500,000 to \$749,999	16	23.9%	0	--	25	17.5%	1	2.6%	18	24.3%	0	--	59	20.8%	1	2.6%
\$750,000 to \$999,999	8	11.9%	0	--	13	9.1%	0	0.0%	11	14.9%	0	--	32	11.3%	0	0.0%
\$1,000,000 and Over	5	7.5%	0	--	8	5.6%	0	0.0%	9	12.2%	0	--	22	7.7%	0	0.0%
	67	100%	0	--	143	100%	39	100%	74	100%	0	--	284	100%	39	100%
Minimum	\$145,000		--		\$94,793		\$80,000		\$88,000		--		\$88,000		\$80,000	
Maximum	\$1,200,000		--		\$1,695,000		\$525,000		\$2,285,000		--		\$2,285,000		\$525,000	
Median	\$480,000		--		\$390,000		\$229,900		\$524,950		--		\$446,395		\$229,900	
Average	\$531,229		--		\$456,816		\$261,161		\$616,607		--		\$516,007		\$261,161	

	Forest Lake				Hugo				Mahtomedi/Grant Area				Oakdale Area			
	Single-Family		Multifamily		Single-Family		Multifamily		Single-Family		Multifamily		Single-Family		Multifamily	
Price Range	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
< \$49,999	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	2	4.9%
\$50,000 to \$99,999	2	1.9%	0	0.0%	0	0.0%	2	4.5%	1	1.1%	0	0.0%	1	1.8%	12	29.3%
\$100,000 to \$149,999	7	6.7%	5	38.5%	1	2.0%	13	29.5%	3	3.4%	1	16.7%	12	21.4%	16	39.0%
\$150,000 to \$199,999	15	14.3%	4	30.8%	4	8.2%	19	43.2%	7	7.9%	3	50.0%	14	25.0%	4	9.8%
\$200,000 to \$249,999	21	20.0%	2	15.4%	3	6.1%	6	13.6%	9	10.1%	0	0.0%	17	30.4%	2	4.9%
\$250,000 to \$299,999	15	14.3%	0	0.0%	10	20.4%	3	6.8%	5	5.6%	0	0.0%	6	10.7%	2	4.9%
\$300,000 to \$399,999	17	16.2%	2	15.4%	12	24.5%	0	0.0%	12	13.5%	2	33.3%	5	8.9%	3	7.3%
\$400,000 to \$499,999	9	8.6%	0	0.0%	9	18.4%	1	2.3%	10	11.2%	0	0.0%	0	0.0%	0	0.0%
\$500,000 to \$749,999	10	9.5%	0	0.0%	7	14.3%	0	0.0%	21	23.6%	0	0.0%	1	1.8%	0	0.0%
\$750,000 to \$999,999	7	6.7%	0	0.0%	2	4.1%	0	0.0%	9	10.1%	0	0.0%	0	0.0%	0	0.0%
\$1,000,000 and Over	2	1.9%	0	0.0%	1	2.0%	0	0.0%	12	13.5%	0	0.0%	0	0.0%	0	0.0%
	105	100.0%	13	100.0%	49	100.0%	44	100.0%	89	100.0%	6	100.0%	56	100.0%	41	100.0%
Minimum	\$74,900		\$109,900		\$104,900		\$79,900		\$69,000		\$104,900		\$99,000		\$35,000	
Maximum	\$2,495,000		\$368,900		\$1,150,000		\$459,000		\$6,000,000		\$324,900		\$649,000		\$309,900	
Median	\$279,900		\$180,000		\$349,900		\$164,900		\$475,000		\$189,900		\$216,021		\$125,000	
Average	\$372,323		\$193,077		\$399,734		\$172,816		\$679,596		\$214,917		\$387,720		\$142,148	

CONTINUED

FOR-SALE MARKET ANALYSIS

TABLE FS-6 (Con't)
HOMES CURRENTLY LISTED FOR-SALE
WASHINGTON COUNTY
June 2013

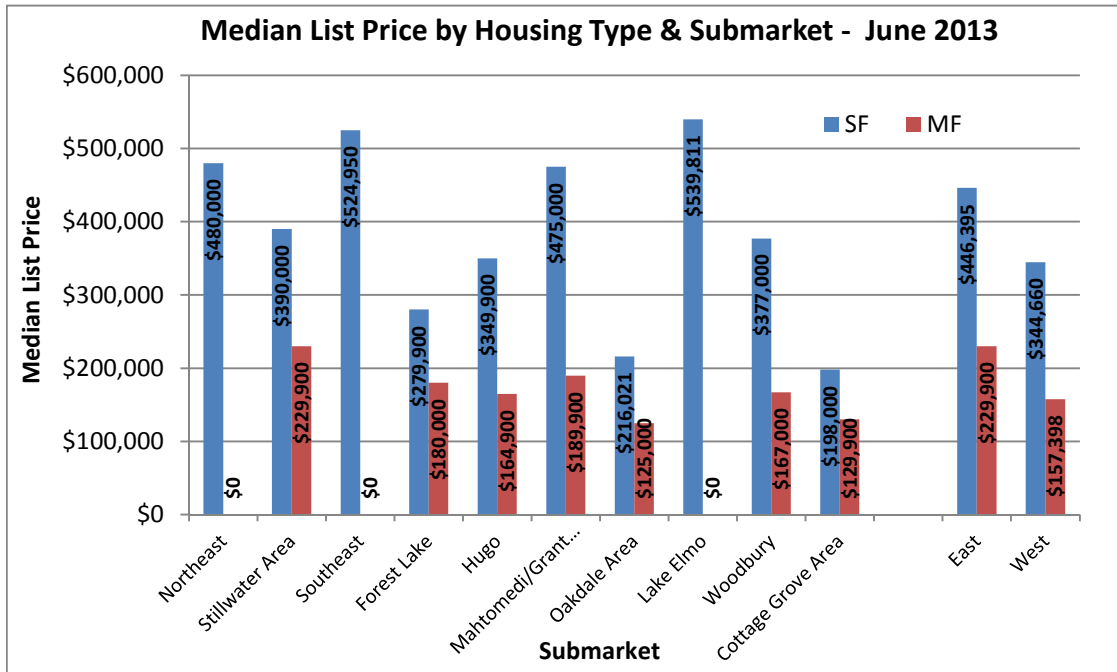
	Lake Elmo				Woodbury				Cottage Grove Area				West Total			
Price Range	Single-Family		Multifamily		Single-Family		Multifamily		Single-Family		Multifamily		Single-Family		Multifamily	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
< \$49,999	0	0.0%	0	--	0	0.0%	1	1.0%	0	0.0%	0	0.0%	0	0.0%	3	1.4%
\$50,000 to \$99,999	0	0.0%	0	--	0	0.0%	3	3.1%	5	6.0%	1	6.7%	9	1.4%	18	8.4%
\$100,000 to \$149,999	0	0.0%	0	--	1	0.5%	27	28.1%	13	15.5%	9	60.0%	37	5.8%	71	33.0%
\$150,000 to \$199,999	2	5.3%	0	--	8	3.7%	37	38.5%	26	31.0%	3	20.0%	76	11.9%	70	32.6%
\$200,000 to \$249,999	1	2.6%	0	--	23	10.6%	9	9.4%	18	21.4%	1	6.7%	92	14.4%	20	9.3%
\$250,000 to \$299,999	1	2.6%	0	--	40	18.3%	5	5.2%	5	6.0%	1	6.7%	82	12.8%	11	5.1%
\$300,000 to \$399,999	7	18.4%	0	--	53	24.3%	6	6.3%	11	13.1%	0	0.0%	117	18.3%	13	6.0%
\$400,000 to \$499,999	6	15.8%	0	--	44	20.2%	6	6.3%	4	4.8%	0	0.0%	82	12.8%	7	3.3%
\$500,000 to \$749,999	12	31.6%	0	--	38	17.4%	2	2.1%	2	2.4%	0	0.0%	91	14.2%	2	0.9%
\$750,000 to \$999,999	5	13.2%	0	--	9	4.1%	0	0.0%	0	0.0%	0	0.0%	32	5.0%	0	0.0%
\$1,000,000 and Over	4	10.5%	0	--	2	0.9%	0	0.0%	0	0.0%	0	0.0%	21	3.3%	0	0.0%
	38	100.0%	0	--	218	100.0%	96	100.0%	84	100.0%	15	100.0%	639	100.0%	215	100.0%
Minimum	\$159,900		--		\$113,500		\$35,000		\$74,900		\$60,000		\$69,000		\$35,000	
Maximum	\$1,674,900		--		\$1,750,000		\$595,000		\$525,000		\$279,900		\$6,000,000		\$595,000	
Median	\$539,811		--		\$377,000		\$167,000		\$198,000		\$129,900		\$344,660		\$157,398	
Average	\$597,980		--		\$415,078		\$203,255		\$225,534		\$146,332		\$427,281		\$181,111	

	Washington County Total			
Price Range	Single-Family		Multifamily	
	No.	Pct.	No.	Pct.
< \$49,999	0	0.0%	3	1.2%
\$50,000 to \$99,999	12	1.3%	21	8.3%
\$100,000 to \$149,999	57	6.2%	76	29.9%
\$150,000 to \$199,999	94	10.2%	79	31.1%
\$200,000 to \$249,999	123	13.3%	25	9.8%
\$250,000 to \$299,999	98	10.6%	13	5.1%
\$300,000 to \$399,999	158	17.1%	20	7.9%
\$400,000 to \$499,999	124	13.4%	14	5.5%
\$500,000 to \$749,999	150	16.3%	3	1.2%
\$750,000 to \$999,999	64	6.9%	0	0.0%
\$1,000,000 and Over	43	4.7%	0	0.0%
	923	100.0%	254	100.0%
Minimum	\$69,000		\$35,000	
Maximum	\$6,000,000		\$595,000	
Median	\$378,498		\$168,530	
Average	\$457,300		\$193,402	

Sources: Regional Multiple Listing Service of Minnesota (RMLS), Maxfield Research Inc.

FOR-SALE MARKET ANALYSIS

- Over 40% of Washington County single-family listings are priced over \$400,000. Comparatively, only 7% of multifamily homes are priced more than \$400,000.
- The median list price for single-family homes ranges from about \$200,000 in the Cottage Grove Area to \$540,000 in Lake Elmo. Multifamily median list price ranges from \$125,000 in the Oakdale Area to \$230,000 in the Stillwater Area.

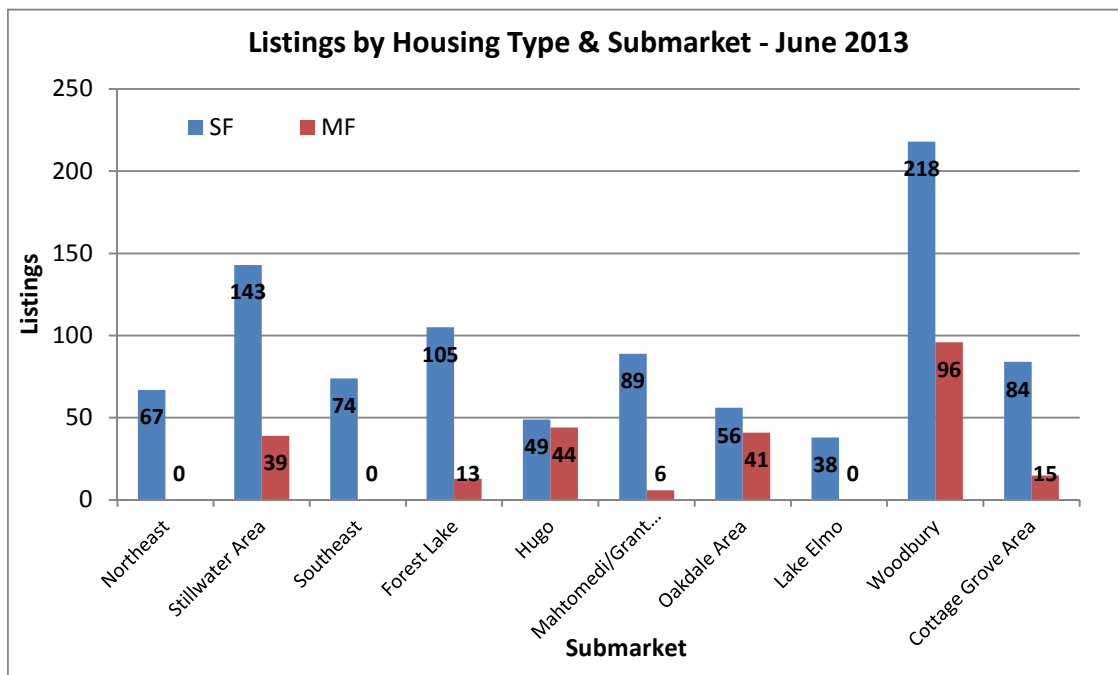


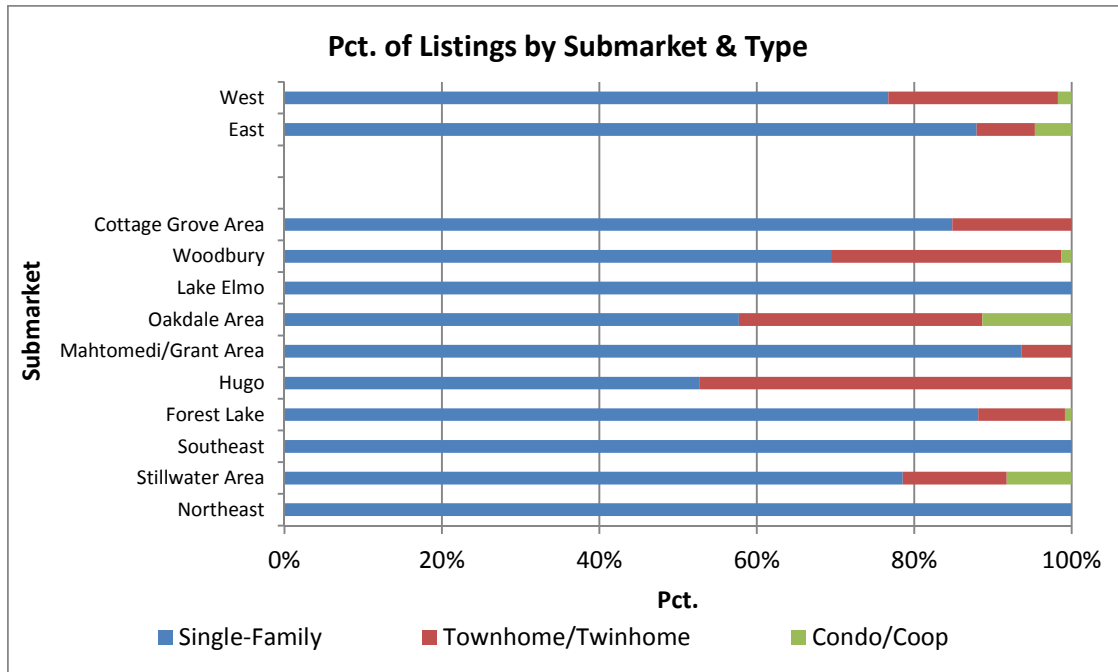
- The Woodbury Submarket boasts over 300 listings in Washington County, accounting for 27% of the supply of homes for-sale in the county. About 30% of Woodbury's listings are multifamily properties; mostly townhomes.
- The Southeast and Lake Elmo Submarkets are the only two submarkets that do not have any multifamily properties for-sale as of June 2013. Both of these submarkets have median single-family values over \$500,000.
- Condominiums and cooperatives account for less than 3% of the active homes for-sale in Washington County. Nearly all of this product is listed for-sale either in the Stillwater Submarket or the Oakdale Area Submarket.

TABLE FS-7
ACTIVE LISTINGS BY TYPE & SUBMARKET
 June 2013

Submarket	Product Type			Total
	Single-Family	Townhome/Twinhome	Condo/Coop	
Northeast	67			67
Stillwater Area	143	24	15	182
Southeast	74	0	0	74
Forest Lake	104	13	1	118
Hugo	49	44	0	93
Mahtomedi/Grant Area	89	6	0	95
Oakdale Area	56	30	11	97
Lake Elmo	38	0	0	38
Woodbury	218	92	4	314
Cottage Grove Area	84	15	0	99
Total	922	224	31	1,177
East	284	24	15	323
West	712	200	16	928

Source: RMLS, Maxfield Research Inc.





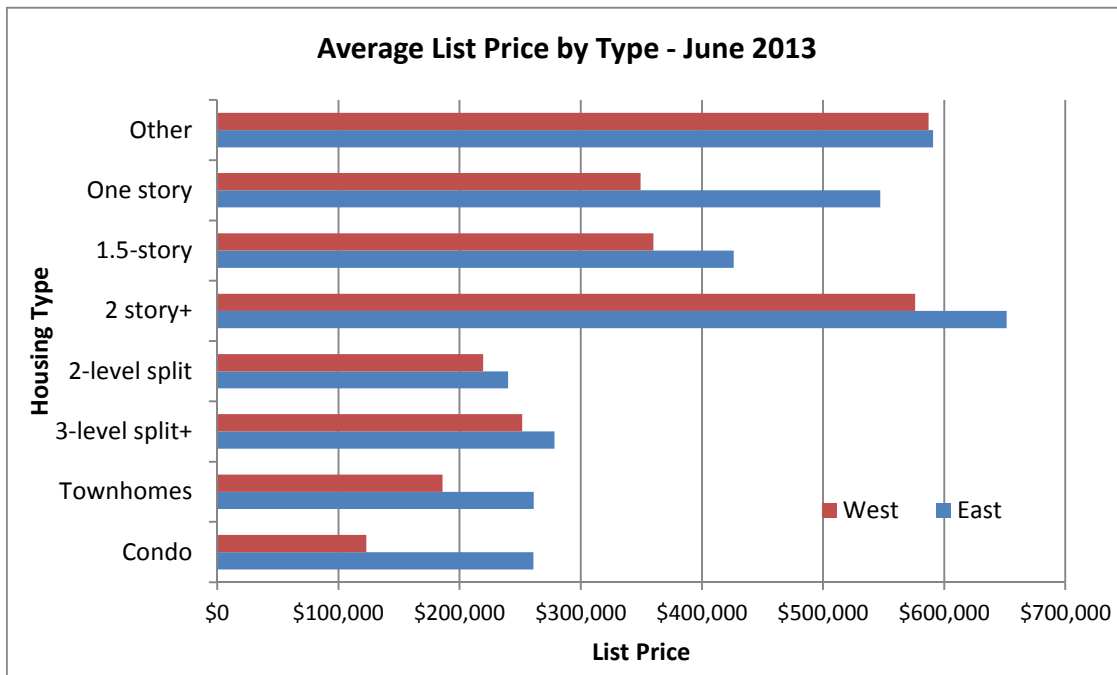
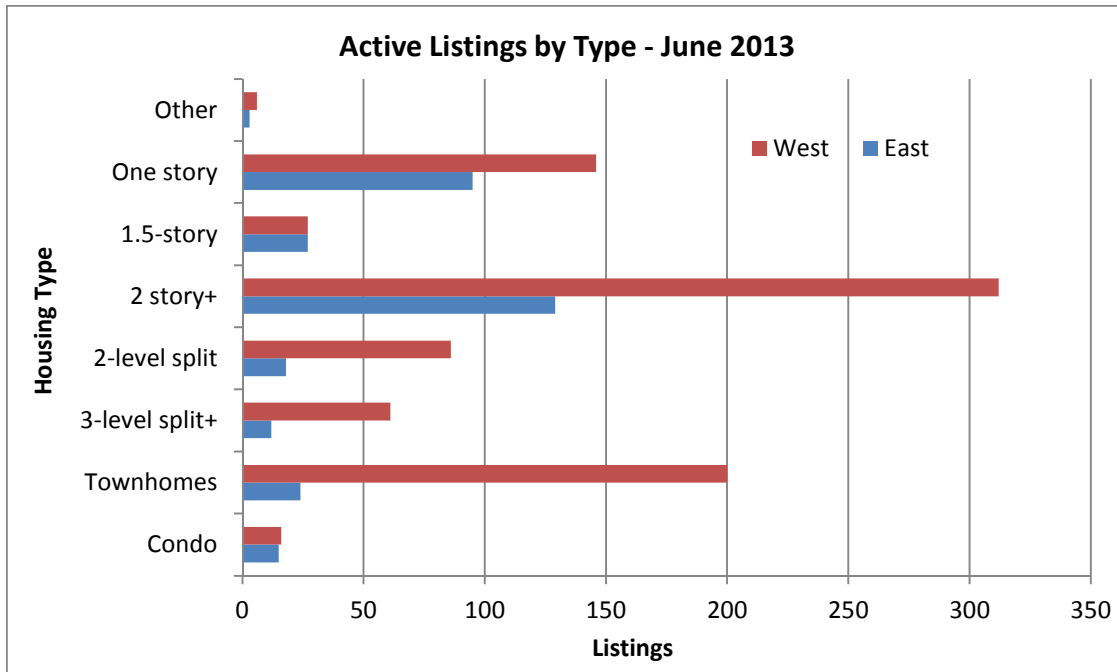
- The number of listings for each housing type is higher in the West Submarket than the East Submarket. However, the average list price is higher for each product type in the East Submarket.
- Excluding the Other category, two-story plus listings (two-story, modified two-story, and more than two-story) have the highest list price in both submarkets in Washington County (\$576,071 West Submarket vs. \$651,489 East Submarket).
- One-story single-family homes account for about 21% of Washington County's total listings. However the average list price varies from \$349,400 in the West Submarket to \$547,200 in the East Submarket.
- Among the active single-family housing for-sale, split-levels (i.e. two-level split or bi-level) have the lowest price per square foot (PSF). Both the east and west submarkets average about \$115PSF.
- Condominium pricing varies considerably between the east and west submarkets. The East Submarket has an average list price double of the West Submarket (\$261,033 vs. \$123,016). This is attributed to luxury condominium product in Stillwater that has an average listing price of \$194 PSF.
- Townhomes make-up nearly 20% of the active inventory, however most of these units are located in the West Submarket. Townhomes have the lowest list price per square foot among all housing types; averaging \$106 PSF in the West Submarket and \$131 in the East

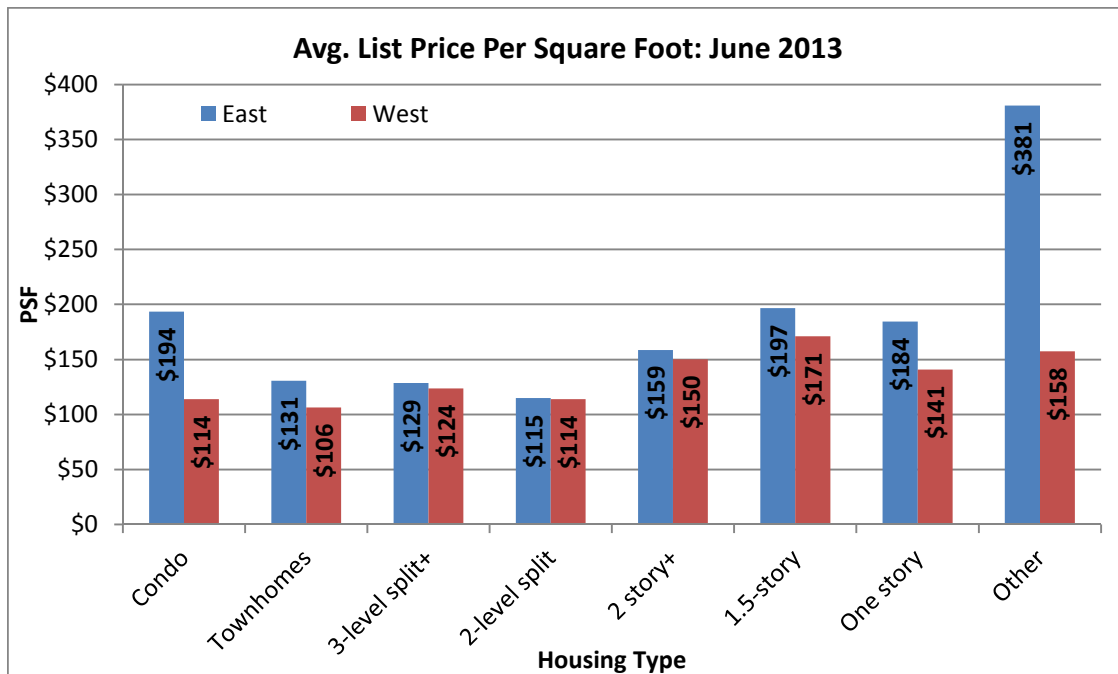
FOR-SALE MARKET ANALYSIS

Submarket. Townhomes are significantly larger than condominiums; averaging about 1,750 square feet in the West Submarket and 2,000 square feet in the East Submarket.

TABLE FS-8 ACTIVE LISTINGS BY HOUSING TYPE EAST VS. WEST SUBMARKETS June 2013								
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
EAST SUBMARKET								
Single-Family								
One story	95	33.5%	\$547,198	2,967	\$184	3.37	2.77	1978
1.5-story	27	9.5%	\$426,252	2,168	\$197	3.04	2.22	1939
2-story	113	39.8%	\$572,645	3,586	\$160	4.06	3.55	1977
Modified 2-story	8	2.8%	\$331,313	2,691	\$123	4.13	2.75	1969
More than 2-stories	8	2.8%	\$782,138	4,314	\$181	4.50	3.88	1954
Split entry/Bi-level	18	6.3%	\$240,175	2,089	\$115	3.44	2.17	1977
3-level split	4	1.4%	\$278,187	2,086	\$133	3.75	2.25	1976
4 or more split-level	8	2.8%	\$278,563	2,205	\$126	3.38	2.25	1980
Other	3	1.1%	\$590,833	1,552	\$381	2.67	1.33	1976
Total/Avg.	284	100.0%	\$516,007	3,061	\$169	3.67	2.98	1973
Townhomes/Twinhomes								
Detached	4	16.7%	\$454,425	2,309	\$197	2.75	3.00	1979
Quad/4 Corners	0	0.0%	--	--	--	--	--	--
Twin Home	0	0.0%	--	--	--	--	--	--
Side-by-Side	20	83.3%	\$222,604	1,934	\$115	2.70	2.75	1999
Total/Avg.	24	100.0%	\$261,241	1,996	\$131	2.71	2.79	1993
Condominiums/Cooperatives								
Converted Mansion	1	6.7%	\$309,900	1,982	\$156	2.00	2.00	1880
Manor/Village	1	6.7%	\$84,793	1,060	\$80	2.00	2.00	1986
Low-rise (less than 3 stories)	6	40.0%	\$266,067	1,357	\$196	2.00	2.00	1995
Hi-rise (4 or more stories)	7	46.7%	\$274,914	1,293	\$213	2.00	2.00	2004
Total/Avg.	15	100.0%	\$261,033	1,349	\$194	2.00	2.00	1991
East Total/Avg.	323		\$485,236	2,902	\$167	3.52	2.92	1975
WEST SUBMARKET								
Single-Family								
One story	146	22.9%	\$349,395	2,481	\$141	3.28	2.42	1974
1.5-story	27	4.2%	\$359,901	2,102	\$171	3.15	2.41	1955
2-story	286	44.8%	\$537,410	3,538	\$152	4.23	3.74	1993
Modified 2-story	23	3.6%	\$407,293	3,132	\$130	4.00	3.48	1992
More than 2-stories	3	0.5%	\$560,667	3,717	\$151	4.00	3.00	1970
Split entry/Bi-level	86	13.5%	\$219,375	1,926	\$114	3.76	2.16	1982
3-level split	28	4.4%	\$246,293	1,913	\$129	3.21	2.39	1989
4 or more split-level	33	5.2%	\$256,492	2,146	\$120	3.73	2.52	1991
Other	6	0.9%	\$587,254	3,726	\$158	3.67	3.50	1980
Total/Avg.	638	100.0%	\$412,583	2,863	\$144	3.82	3.03	1985
Townhomes/Twinhomes								
Detached	18	9.0%	\$351,072	2,474	\$142	2.83	2.78	2007
Quad/4 Corners	18	9.0%	\$150,817	1,577	\$96	2.50	2.06	1991
Twin Home	19	9.5%	\$186,074	1,821	\$102	2.74	2.26	1993
Side-by-Side	145	72.5%	\$169,588	1,671	\$101	2.46	2.39	2000
Total/Avg.	200	100.0%	\$185,798	1,749	\$106	2.53	2.38	1999
Condominiums/Cooperatives								
Converted Mansion	0	0.0%	--	--	--	--	--	--
Manor/Village	4	25.0%	\$68,100	898	\$76	1.50	1.25	1986
Low-rise (less than 3 stories)	8	50.0%	\$161,270	1,165	\$138	1.88	1.75	1999
Hi-rise (4 or more stories)	4	25.0%	\$101,425	1,093	\$93	1.50	1.50	1987
Total/Avg.	16	100.0%	\$123,016	1,080	\$114	1.69	1.56	1993
West Total/Avg.	854		\$354,047	2,569	\$138	3.48	2.85	1988

Source: Regional Multiple Listing Service of MN; Maxfield Research Inc.





Lender-Mediated Properties

Tables FS-9 and FS-10 identify lender-mediated real estate sales activity in Washington County and the Metro Area as listed on the Regional Multiple listing Service of Minnesota (RMLS). Lender-mediated transactions (foreclosures and short sales) are different from traditional sales because a third party (often the lender) is involved in the transaction; either acting as the seller in the case of foreclosures, or as an intermediary with approval powers in the case of a short sale.

Foreclosures are properties in which the financial institutions or lender has taken possession of the home from the owner due to non-payment of mortgage obligations/default by the borrower. In a short sale, the lender(s) and the home owner work together and attempt to sell the home prior to foreclosure. Because the net proceeds from the sale are not enough to 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. In either circumstance, lenders want to move the debt off their books and will hence discount the asking price.

Lender-mediated property information is an important metric when reviewing the health of real estate markets. After the real estate bust and ensuing Great Recession, lender-mediated homes increased substantially as an overall market share of the for-sale inventory (about 25.5% of all Metro Area closed sales in May 2013 were lender-mediated, a significant decrease from about 50% in 2011). The higher market share resulted in significantly downward pricing on aggregate sales price figures, giving the impression that the entire housing market was losing

FOR-SALE MARKET ANALYSIS

considerable value. However, real estate sales data shows stark differences between traditional and lender-mediated transactions.

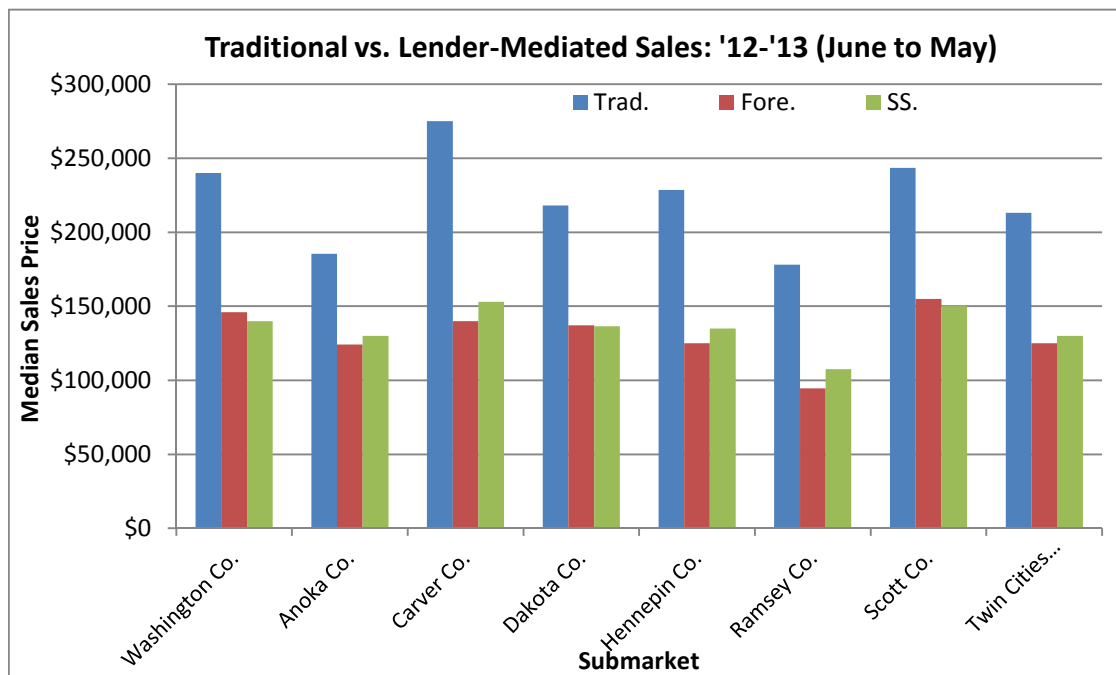
Table FS-9 illustrates lender-mediated transaction activity for Washington County compared the Twin Cities Metro Area that sold between 2010 and 2013 (June to May) that have sold via a foreclosure or short sale. Key points from the table follow.

- The percentage of lender-mediated sales in Washington County, as well as every other Metro Area county, has decreased over the past year. About two-thirds of Washington County resales were traditional sales over the past year, compared to 55% between 2011 and 2012.

TABLE FS-9 LENDER-MEDIATED REAL ESTATE ACTIVITY WASHINGTON COUNTY COMPARISON 2010 to 2013 (June to May)									
	Traditional (June to May)			Foreclosures (June to May)			Short Sales (June to May)		
	'10-'11	'11-'12	'12-'13	'10-'11	'11-'12	'12-'13	'10-'11	'11-'12	'12-'13
Median Sales Price									
Washington County	\$252,000	\$235,000	\$240,000	\$132,500	\$132,000	\$146,000	\$155,000	\$140,000	\$140,000
Anoka County	\$185,000	\$170,000	\$185,500	\$119,600	\$110,200	\$124,137	\$141,000	\$125,000	\$130,000
Carver County	\$285,000	\$265,450	\$275,000	\$137,000	\$133,500	\$140,000	\$174,750	\$160,000	\$153,000
Dakota County	\$218,000	\$199,900	\$218,000	\$127,000	\$122,500	\$137,000	\$147,500	\$129,900	\$136,500
Hennepin County	\$235,122	\$216,000	\$228,500	\$107,000	\$105,000	\$125,000	\$147,000	\$129,410	\$135,000
Ramsey County	\$183,650	\$167,000	\$178,000	\$84,000	\$76,000	\$94,500	\$120,000	\$104,000	\$107,500
Scott County	\$239,500	\$235,200	\$243,450	\$148,000	\$143,000	\$155,000	\$166,750	\$153,800	\$150,000
Twin Cities Region	\$217,000	\$198,500	\$213,000	\$115,000	\$109,900	\$125,000	\$145,000	\$129,000	\$130,000
Transactions									
Washington County	1,561	1,862	2,604	1,011	1,048	966	406	455	370
Anoka County	1,494	2,060	2,848	1,684	1,912	1,596	559	699	596
Carver County	698	941	1,199	341	343	294	138	141	119
Dakota County	2,076	2,748	3,696	1,771	2,027	1,681	602	814	662
Hennepin County	7,328	9,610	12,905	4,279	4,648	3,787	1,414	1,603	1,580
Ramsey County	2,346	3,119	4,287	1,825	2,054	1,723	495	577	584
Scott County	795	1,053	1,442	731	785	592	255	308	228
Twin Cities Region	17,998	23,685	32,558	13,998	15,228	12,841	4,666	5,511	4,892
Percent of Transactions									
Washington County	52.4%	55.3%	66.1%	33.9%	31.1%	24.5%	13.6%	13.5%	9.4%
Anoka County	40.0%	44.1%	56.5%	45.1%	40.9%	31.7%	15.0%	15.0%	11.8%
Carver County	59.3%	66.0%	74.4%	29.0%	24.1%	18.2%	11.7%	9.9%	7.4%
Dakota County	46.7%	49.2%	61.2%	39.8%	36.3%	27.8%	13.5%	14.6%	11.0%
Hennepin County	56.3%	60.6%	70.6%	32.9%	29.3%	20.7%	10.9%	10.1%	8.6%
Ramsey County	50.3%	54.2%	65.0%	39.1%	35.7%	26.1%	10.6%	10.0%	8.9%
Scott County	44.6%	49.1%	63.7%	41.0%	36.6%	26.2%	14.3%	14.4%	10.1%
Twin Cities Region	49.1%	53.3%	64.7%	38.2%	34.3%	25.5%	12.7%	12.4%	9.7%
Note: Sales Activity from June to May									
Sources: NorthstarMLS, Maxfield Research Inc.									

FOR-SALE MARKET ANALYSIS

- Metro Area lender-mediated sales averaged about 50% of all resales between 2009 and 2011. Metro Area lender-mediated sales decreased to approximately 40% of all sales in 2012. Like the Metro Area, Washington County distressed sales are projected to continue to decrease throughout 2013.
- Lender-mediated sale prices in Washington County have been discounted by about 40% compared to traditional sales in 2012.



Washington County Lender-Mediated Activity

Table FS-10 shows median sales price for Washington County submarkets by transaction type (i.e. traditional, foreclosures, and short sales) for sales activity between June and May 2010 to 2013 that was listed on the Regional Multiple Listing Service of Minnesota.

- Across the Metro Area, properties under foreclosure have sold for about a 40% discount compared to traditional sales in 2012. In Washington County, short sales have posted resale values about 40% lower than traditional sales. Foreclosures have sales price discounts of about 27% in the East Submarket and 41% in the West Submarket.
- The number of lender-mediated resales in Washington County has decreased over the past year. Between June and May 2012 to 2013, about 70% of resales in Washington County were traditional sales; compared to about 60% from 2011 to 2012.

FOR-SALE MARKET ANALYSIS

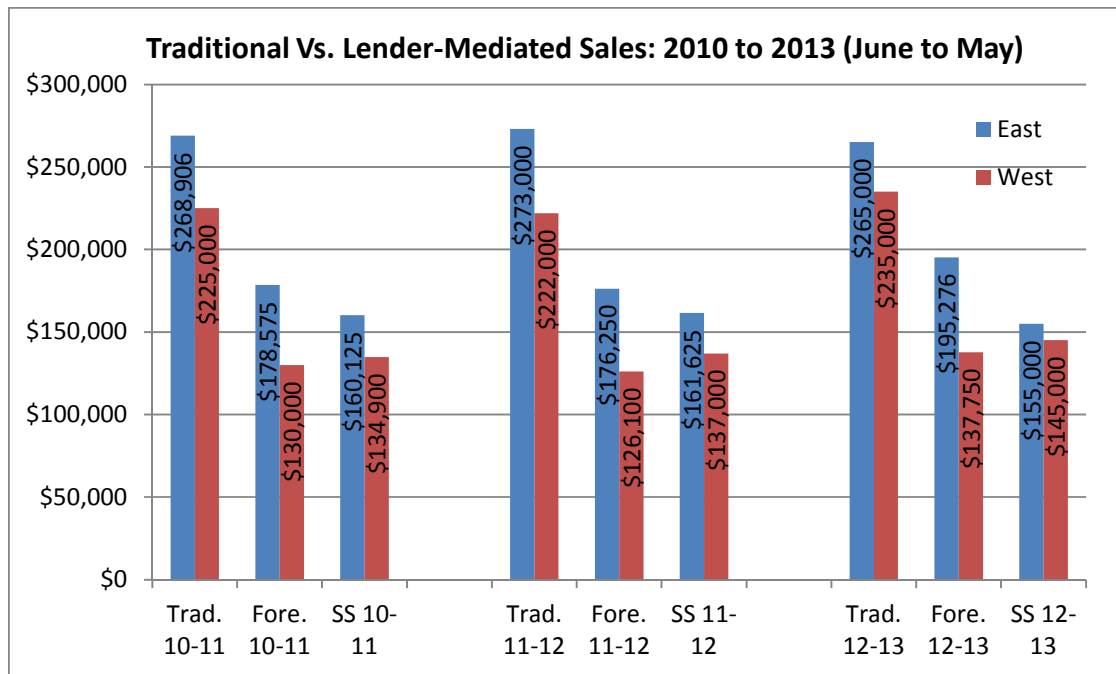
- Communities with the highest number of lender-mediated resales over the past year include: Woodbury (325), Cottage Grove (253), Hugo (129), Forest Lake (85), and Stillwater (82).
- About 18% of lender-mediated resales in Washington County were located in the East Submarket this past year. Most of the transactions in the East Submarket were located in the Stillwater Area as the Northeast and Southeast Submarkets had relatively few lender-mediated transactions.

TABLE FS-10 LENDER-MEDIATED REAL ESTATE ACTIVITY WASHINGTON COUNTY COMPARISON 2010 to 2013 (June to May)									
Submarket	Traditional (June to May)			Foreclosures (June to May)			Short Sales (June to May)		
	'10-'11	'11-'12	'12-'13	'10-'11	'11-'12	'12-'13	'10-'11	'11-'12	'12-'13
East (Median Sales Price)									
Northeast									
Marine on St. Croix	\$445,000	\$206,000	\$384,950	\$238,500	\$206,000	\$118,000	\$270,000	\$350,000	\$155,000
May township	\$280,000	\$325,000	\$291,000	\$315,000	\$250,000	\$290,000	\$0	\$350,000	\$283,500
Scandia	\$253,950	\$250,000	\$265,000	\$198,900	\$193,050	\$215,000	\$225,100	\$167,450	\$229,900
Stillwater Area									
Bayport	\$263,061	\$272,500	\$225,500	\$133,950	\$110,000	\$95,420	\$135,935	\$133,000	\$149,900
Oak Park Heights	\$221,627	\$187,250	\$188,000	\$84,500	\$104,500	\$146,000	\$170,250	\$124,000	\$125,000
Stillwater	\$274,750	\$254,000	\$244,000	\$158,250	\$159,450	\$164,000	\$150,000	\$158,250	\$157,000
Baytown township	\$593,950	\$494,500	\$632,353	\$0	\$327,938	\$280,000	\$0	\$0	\$365,000
Stillwater township	\$353,000	\$309,950	\$455,000	\$342,500	\$348,500	\$255,275	\$320,000	\$0	\$0
Southeast									
Afton	\$440,000	\$352,500	\$353,000	\$275,000	\$205,000	\$205,500	\$290,000	\$272,500	\$317,423
Lake St. Croix Beach	\$128,500	\$175,000	\$142,400	\$114,000	\$85,500	\$125,000	\$144,850	\$0	\$155,000
Lakeland	\$213,950	\$273,500	\$209,900	\$140,000	\$120,550	\$185,051	\$179,900	\$165,000	\$173,500
Lakeland Shores	\$0	\$270,000	\$265,000	\$664,488	\$0	\$123,800	\$0	\$226,000	\$0
St. Mary's Point	\$0	\$1,100,000	\$220,000	\$134,500	\$0	\$257,600	\$0	\$0	\$0
West Lakeland township	\$385,000	\$352,500	\$414,000	\$430,000	\$370,000	\$307,950	\$395,000	\$222,000	\$0
Denmark township	\$431,036	\$450,000	\$372,000	\$435,750	\$307,000	\$252,500	\$360,000	\$265,000	\$164,900
West (Median Sales Price)									
Cottage Grove Area									
Cottage Grove	\$208,500	\$205,250	\$212,000	\$135,500	\$126,000	\$146,000	\$151,500	\$134,950	\$130,000
Newport	\$157,000	\$112,000	\$142,000	\$57,000	\$91,501	\$109,000	\$120,000	\$96,500	\$90,000
St. Paul Park	\$145,000	\$150,000	\$157,350	\$93,000	\$83,775	\$94,000	\$134,900	\$97,150	\$90,000
Grey Cloud Island township	\$500,000	\$65,000	\$165,250	\$0	\$137,000	\$326,150	\$0	\$335,000	\$0
Forest Lake	\$179,354	\$180,000	\$199,000	\$118,400	\$126,100	\$140,000	\$155,000	\$137,000	\$147,250
Hugo	\$215,000	\$233,750	\$235,000	\$108,150	\$113,000	\$12,600	\$114,775	\$109,250	\$117,000
Lake Elmo	\$389,800	\$425,000	\$390,000	\$311,500	\$244,000	\$275,000	\$285,000	\$277,500	\$233,400
Mahtomedi/Grant Area									
Birchwood Village	\$225,000	\$222,000	\$308,000	\$0	\$270,200	\$61,500	\$0	\$105,500	\$155,000
Dellwood	\$535,500	\$419,900	\$403,000	\$390,000	\$0	\$0	\$0	\$501,500	\$300,000
Grant	\$417,500	\$480,000	\$359,950	\$252,500	\$203,000	\$659,900	\$358,950	\$265,000	\$610,000
Mahtomedi	\$265,000	\$275,200	\$319,587	\$167,450	\$213,500	\$175,700	\$160,000	\$199,450	\$145,000
Pine Springs	\$390,000	\$300,000	\$318,000	\$324,900	\$202,500	\$0	\$0	\$0	\$0
Willernie	\$115,500	\$123,644	\$170,250	\$60,100	\$99,900	\$111,194	\$0	\$84,500	\$170,000
Woodbury	\$282,250	\$259,000	\$275,827	\$149,500	\$171,600	\$172,000	\$167,450	\$140,000	\$150,100

CONTINUED

FOR-SALE MARKET ANALYSIS

TABLE FS-10 LENDER-MEDIATED REAL ESTATE ACTIVITY WASHINGTON COUNTY COMPARISON 2010 to 2013 (June to May) (continued)										
Submarket	Traditional (June to May)			Foreclosures (June to May)			Short Sales (June to May)			
	'10-'11	'11-'12	'12-'13	'10-'11	'11-'12	'12-'13	'10-'11	'11-'12	'12-'13	
East (Total Transactions)	341	393	512	148	151	145	53	64	56	
Northeast										
Marine on St. Croix	7	8	13	4	1	3	1	1	1	
May township	7	14	18	8	5	3	0	3	2	
Scandia	14	22	30	5	10	17	3	2	3	
Stillwater Area										
Bayport	15	21	36	8	9	8	4	2	3	
Oak Park Heights	15	29	23	23	14	16	4	5	11	
Stillwater	214	206	270	69	72	57	26	41	25	
Baytown township	8	18	18	0	4	2	0	0	1	
Stillwater township	6	10	18	4	2	4	3	0	0	
Southeast										
Afton	15	16	20	5	11	9	3	4	4	
Lake St. Croix Beach	7	10	8	7	7	3	2	0	1	
Lakeland	10	8	17	3	8	11	5	1	4	
Lakeland Shores	0	5	6	2	0	1	0	1	0	
St. Mary's Point	0	1	5	2	0	1	0	0	0	
West Lakeland township	20	20	25	5	4	8	1	3	0	
Denmark township	3	5	5	3	4	2	1	1	1	
West (Total Transactions)	1,058	1,299	1,850	688	760	668	264	304	256	
Cottage Grove Area										
Cottage Grove	154	252	312	154	179	178	66	58	75	
Newport	5	13	12	22	15	15	3	1	7	
St. Paul Park	27	34	41	31	42	43	5	10	9	
Grey Cloud Island township	1	1	2	0	1	2	0	2	0	
Forest Lake	90	131	194	121	100	85				
Hugo	121	134	202	89	113	90	54	54	39	
Lake Elmo	43	46	56	10	18	19	5	6	3	
Mahtomedi/Grant Area										
Birchwood Village	1	4	8	0	1	1	0	2	1	
Dellwood	15	9	9	2	0	0	0	2	2	
Grant	20	19	32	6	6	1	2	7	3	
Mahtomedi	45	56	89	8	22	14	9	8	9	
Pine Springs	1	5	1	1	2	0	0	0	0	
Willernie	1	3	4	5	3	2	0	5	1	
Woodbury	534	592	888	239	258	218	120	149	107	
Note: Sales Activity from June to May										
Sources: The Thing, Maxfield Research Inc.										



Washington County Sheriff Sales

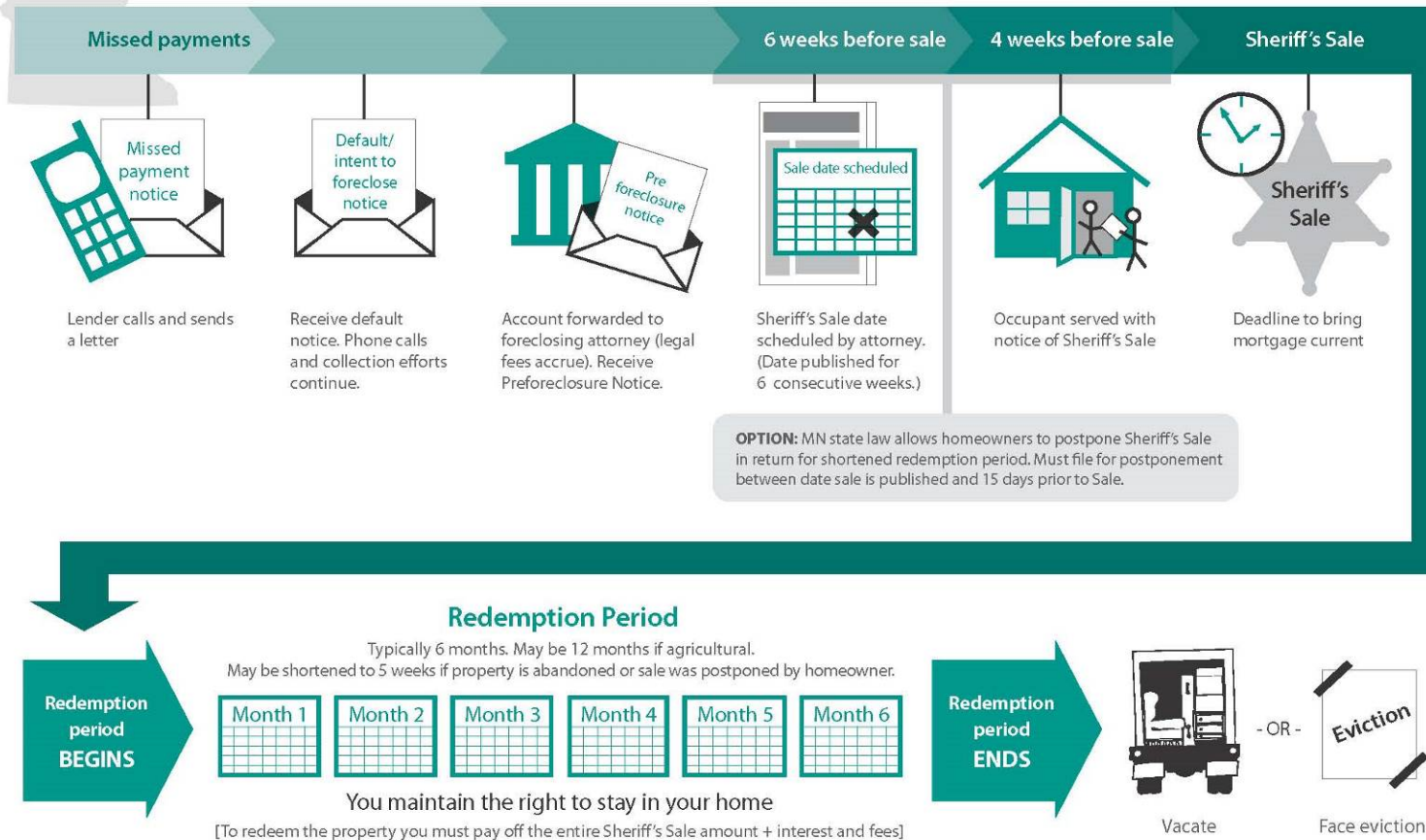
A sheriff's sale is an auction that liquidates real estate for which a mortgage borrower has defaulted. The process allows the financial institution to recover money lost when a mortgage borrower defaults on their loan. The sheriff sale is held by the county sheriff pursuant to a court order of execution to satisfy the judgment. The graphic on the following page visually depicts the foreclosure process and where the sheriff sale occurs. It is important to note that not all sheriff sales result in foreclosure. During the redemption period a portion of homeowners may "work out" the mortgage with their lender or pay past fees to bring the property current thereby avoiding a foreclosure. Because some homeowners are able to "work out" the mortgage, sheriff sale data does not directly coincide with the lender-mediated property sale data illustrated in Tables FS-9 and FS-10.

Table FS-11 provides sheriff sale data by Washington County Submarket from 2003 to 2012.

- The number of sheriff sales between 2003 and 2006 averaged only 233 annually compared to about 1,300 annually between 2007 and 2012.
- About 17% of sheriff sales since 2003 have been located in the East Submarket compared to 83% in the West Submarket.
- Sheriff sale data mirrors foreclosure data as illustrated in Table FS-10 with the following communities accounting for the largest number of sheriff sales in 2012: Cottage Grove Area (214), Woodbury (201), and the Oakdale Area (126).

Foreclosure Process in Minnesota

Foreclosure by Advertisement



To speak with a foreclosure counselor in your area, contact the Minnesota Homeownership Center at (866) 462-6466 or www.hocmn.org

NOTE: This document represents the most common foreclosure process in MN and may vary. Information is not presented as legal advice.

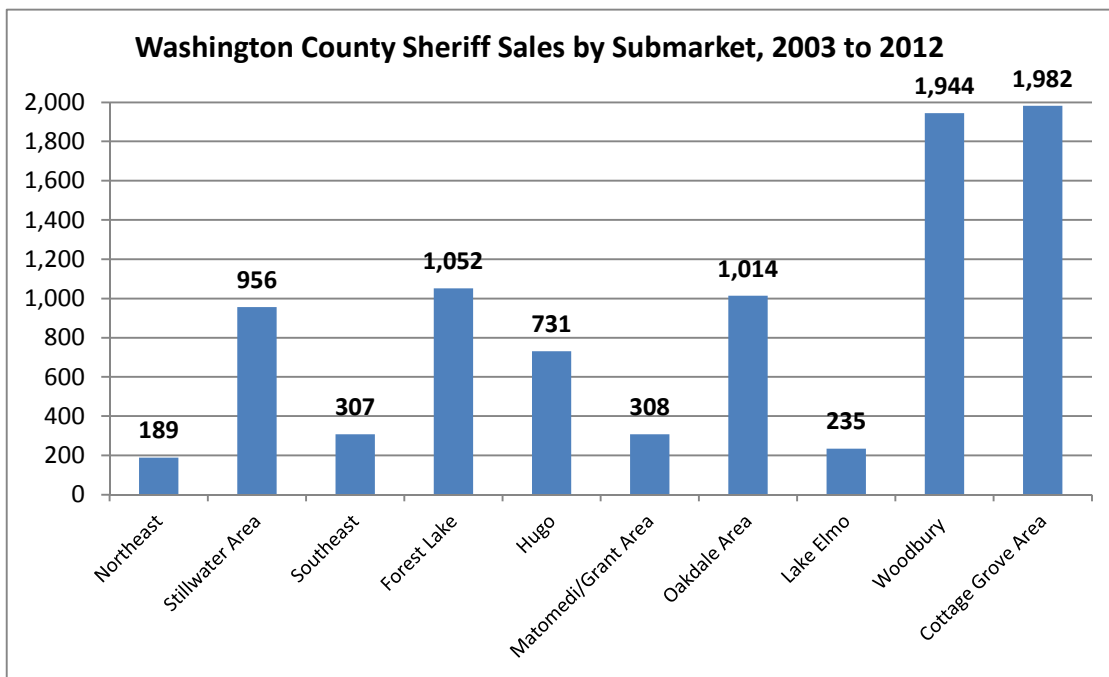
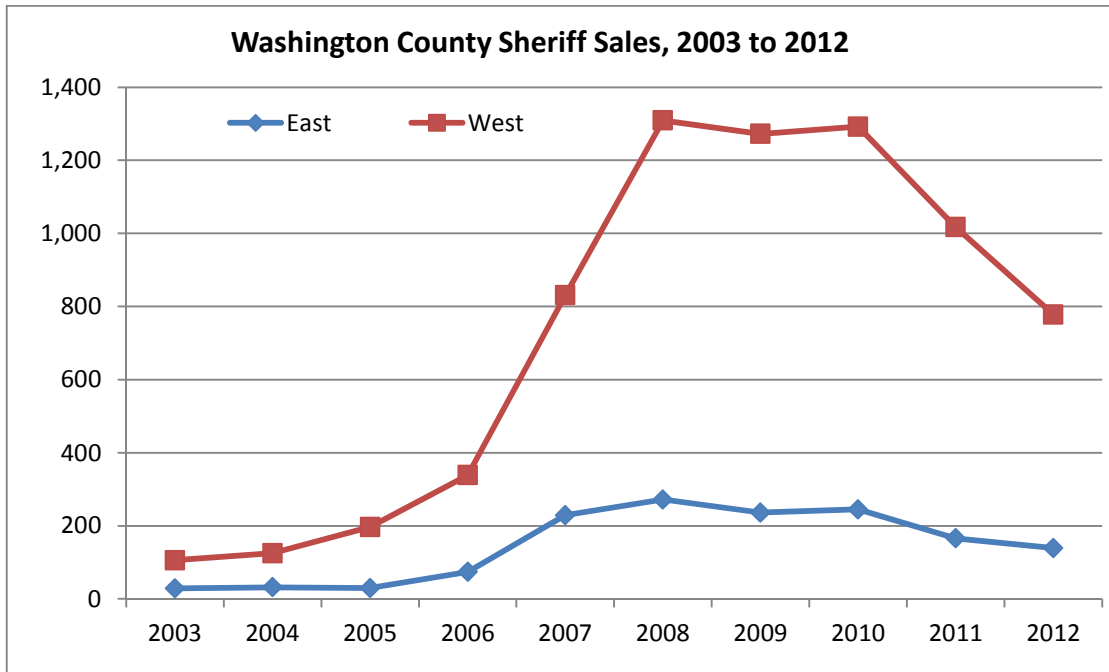
© 2011 Minnesota Homeownership Center

FOR-SALE MARKET ANALYSIS

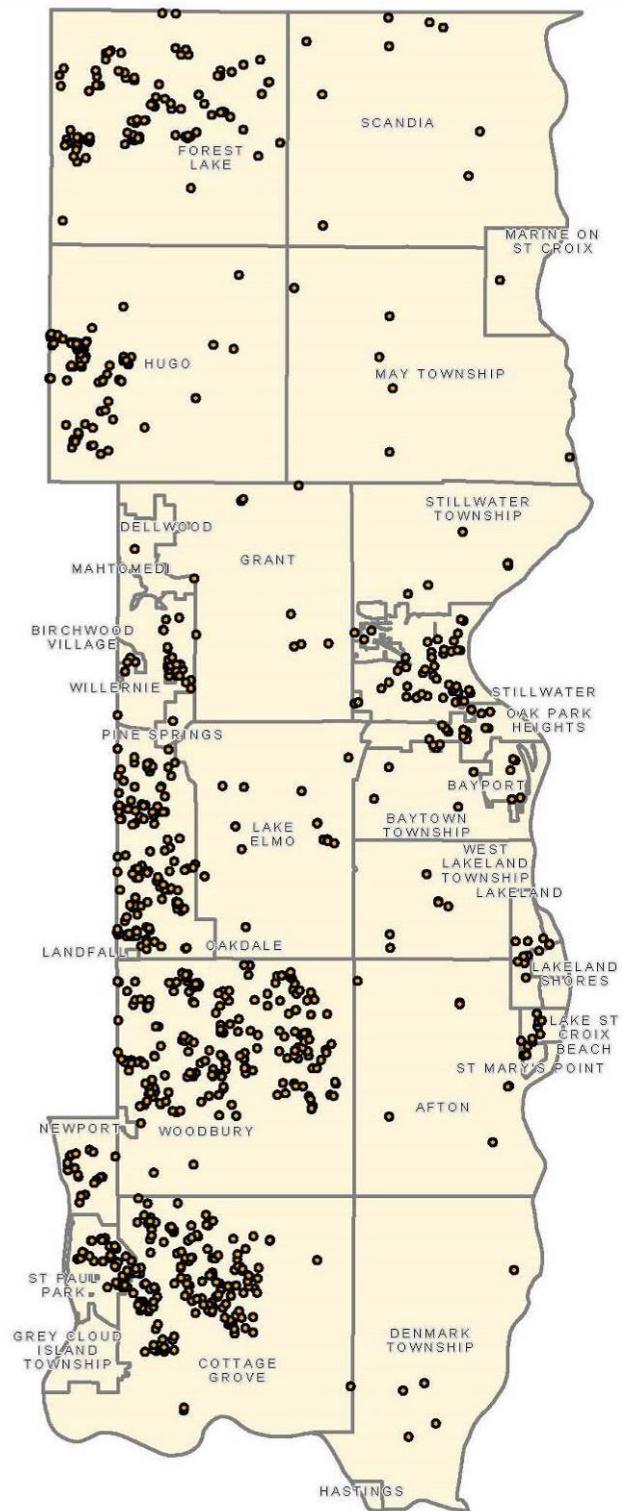
TABLE FS-11
SHERIFF SALES
WASHINGTON COUNTY COMPARISON
2003 to 2012

Submarket	YEAR									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
East	29	32	30	74	229	272	236	245	166	139
Northeast	4	5	4	10	25	36	19	38	32	16
Marine on St. Croix	--	--	--	--	--	3	6	5	5	1
May township	--	3	--	4	12	16	6	12	12	6
Scandia	4	2	4	6	13	17	7	21	15	9
Stillwater Area	15	16	16	41	170	193	163	162	99	81
Bayport	2	0	0	7	73	14	16	18	6	6
Oak Park Heights	3	4	3	1	18	37	37	31	29	16
Stillwater	10	11	13	26	69	130	85	100	58	49
Baytown township	0	0	0	2	7	10	9	8	3	4
Stillwater township	0	1	0	5	3	2	16	5	3	6
Southeast	10	11	10	23	34	43	54	45	35	42
Afton	1	1	2	2	3	6	3	11	8	7
Lake St. Croix Beach	4	7	4	11	11	12	28	12	6	9
Lakeland	1	0	2	2	5	10	4	9	10	10
Lakeland Shores	--	--	--	--	--	--	--	1	1	1
St. Mary's Point	0	0	0	5	2	1	1	2	0	4
West Lakeland township	2	2	1	0	9	9	12	8	6	6
Denmark township	2	1	1	3	4	5	6	2	4	5
West	106	125	197	339	831	1,309	1,272	1,292	1,017	778
Forest Lake	9	12	30	30	105	246	177	196	148	99
Hugo	3	4	7	16	57	141	124	166	126	87
Mahtomedi/Grant Area	4	7	7	17	37	82	31	47	39	37
Birchwood Village	0	0	0	2	3	3	1	1	2	3
Dellwood	1	0	1	1	2	1	1	4	4	2
Grant	1	3	1	2	16	6	8	15	4	8
Mahtomedi	2	3	3	7	11	68	17	14	22	17
Pine Springs	0	0	0	0	1	0	1	0	1	1
Willernie	0	1	2	5	4	4	3	13	6	6
Oakdale Area	16	19	34	55	106	160	175	188	135	126
Lake Elmo	3	3	2	10	66	31	49	26	31	14
Woodbury	23	33	53	93	224	331	423	330	233	201
Cottage Grove Area	48	47	64	118	236	318	293	339	305	214
Cottage Grove	33	32	43	90	164	211	208	245	239	155
Newport	4	4	14	9	27	34	23	29	21	21
St. Paul Park	11	9	7	19	43	70	60	65	42	38
Grey Cloud Island	0	2	0	0	2	3	2	0	3	0
Washington County Total	135	157	227	413	1,060	1,581	1,508	1,537	1,183	917

Sources: Washington County, Maxfield Research Inc.



Washington County Sheriff Sales - 2012



New Construction Housing Activity

Maxfield Research Inc. obtained subdivision data from Metrostudy, a real estate research company that maintains a database of all subdivision activity in the Metro Area. Metrostudy provided information on new construction home closings from 2009 to 1st Quarter 2013 and available lots, starting home price, and future additions in actively marketing subdivisions. Tables FS-12 to FS-16 summarizes new subdivision data by each Washington County submarket.

The following terms are used in the actively marketing subdivision tables:

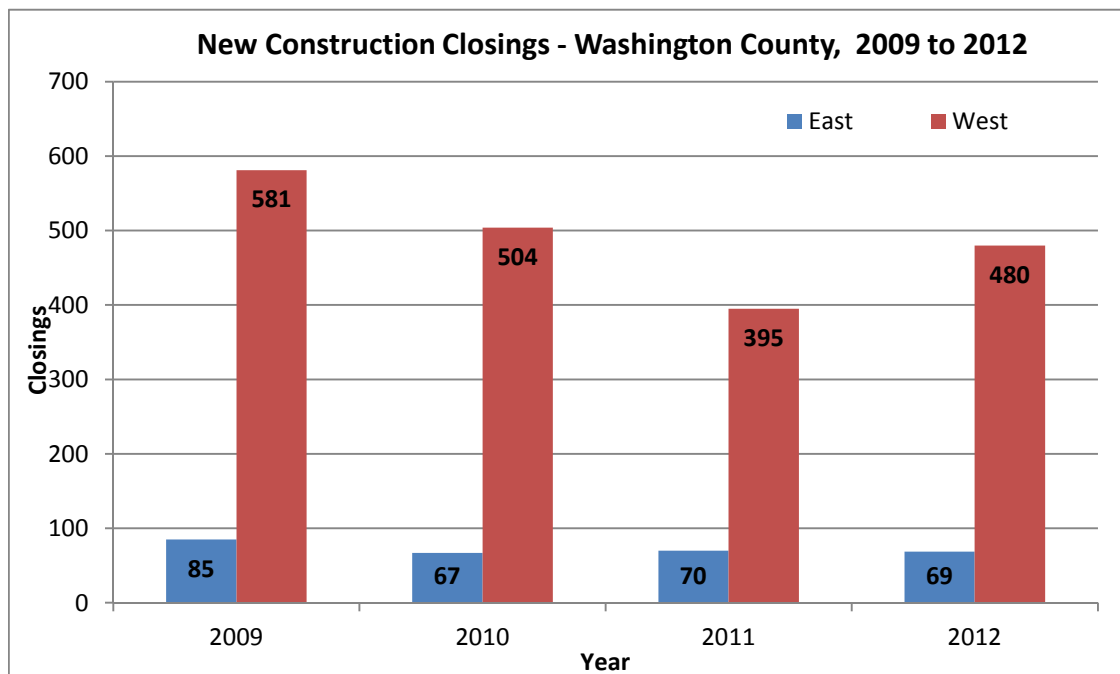
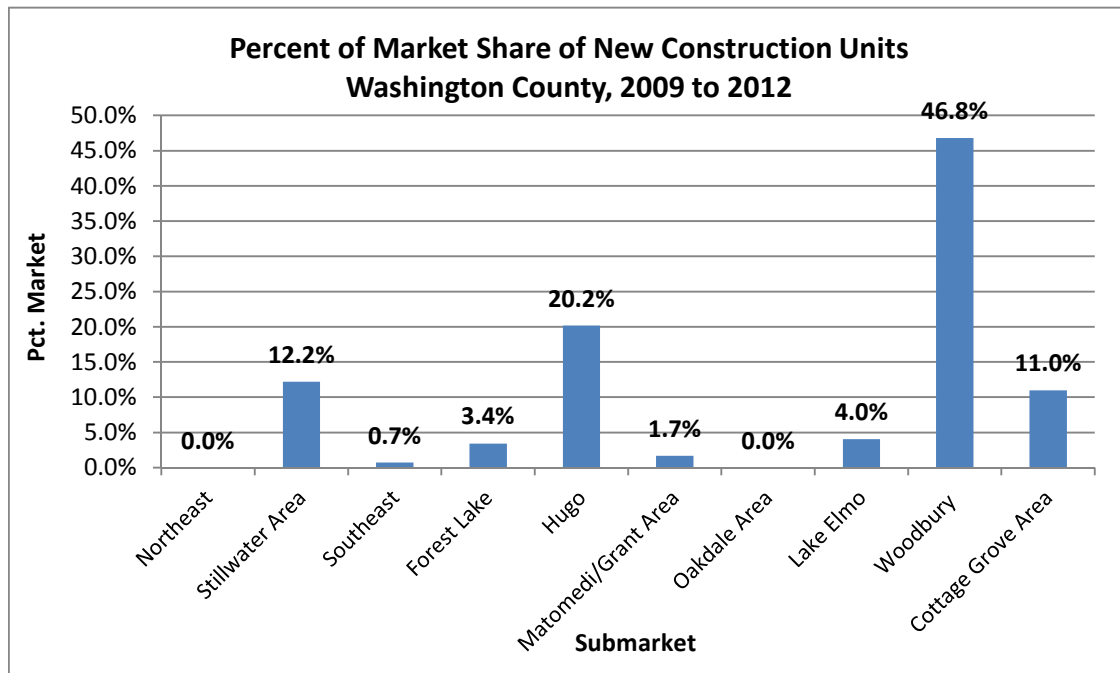
- ▶ Vacant Developed lot (VDL): The subdivision is considered developed after subdivision streets are paved and vehicles can physically drive in front of the lot.
- ▶ Closing: A home closing is recorded after the housing unit becomes occupied.
- ▶ New Inventory: Homes within a subdivision that are under construction, finished vacant homes, or model units (i.e. spec homes).
- ▶ Home Inventory: Previously occupied homes plus any home under construction, finished vacant home, or model unit. A vacant developed lot becomes home inventory after the housing slab or foundation has been poured. It remains in the home inventory status until a closing has been recorded.
- ▶ Future Lots Inventory: Future lots are recorded after a preliminary plat or site plan has been submitted for consideration by the city.
- ▶ Total Lots: A summation of all lots platted in a subdivision, including those closed, under construction, and vacant.

Historic Construction Starts/Closings

- Between 2009 and 2012, an average of about 560 newly constructed homes closed annually. The slowdown in the housing market is evident between 2009 and 2011 (down 30%), before increasing by 18% between 2011 and 2012.
- The vast majority of new construction home closings occurred in the West Submarket. Over the four-year timeframe, the West Submarket accounted for an average of 87% of all new homes in Washington County.
- Woodbury exhibited a 47% market share of all new construction in Washington County between 2009 and 2012. Hugo had the second highest number of new home closings, accounting for 20% of the county total over the four year period.

FOR-SALE MARKET ANALYSIS

- The charts below visually display the percent market share of annual average home closings in Washington County from 2009 to 2012.

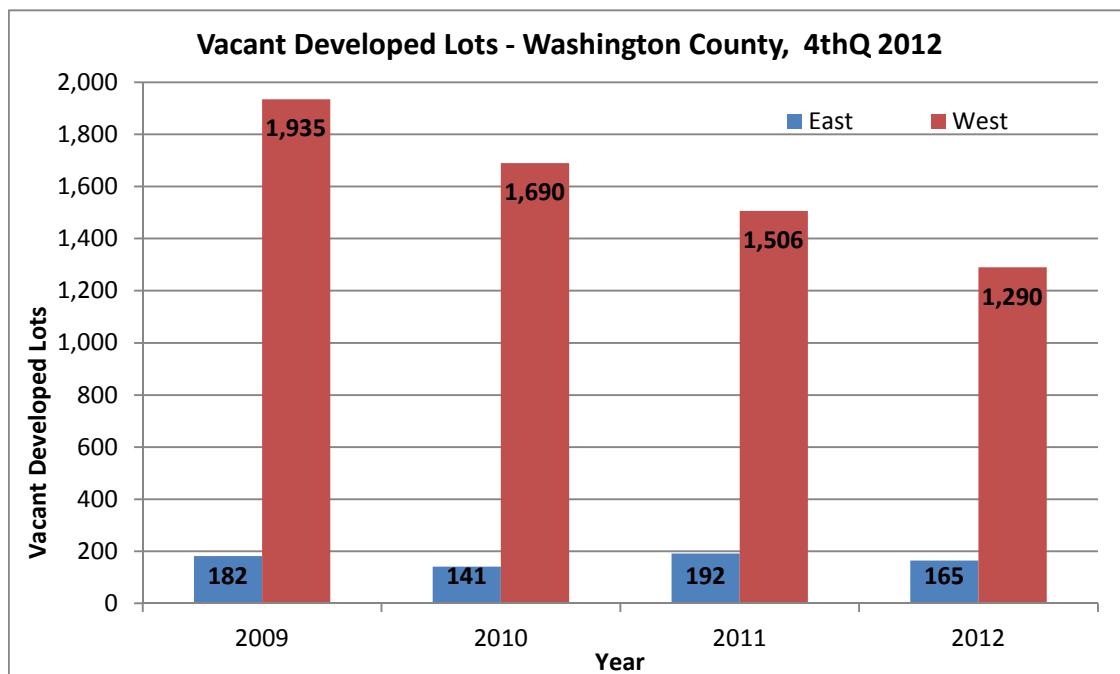


FOR-SALE MARKET ANALYSIS

TABLE FS-12 NEW CONSTRUCTION HOUSING ACTIVITY STATISTICS WASHINGTON COUNTY 2009 - 2012						
	Annual Statistics				Annual Average	Avg. Market Share
	2009	2010	2011	2012	2009-2012	2009-2012
Annual Closings (1st-4th Quarter)						
East Submarket						
Northeast	0	0	0	0	0	0.0%
Stillwater Area	80	64	68	63	69	12.2%
Southeast	5	3	2	6	4	0.7%
East Total	85	67	70	69	73	12.9%
West Submarket						
Forest Lake	25	13	20	19	19	3.4%
Hugo	214	125	59	56	114	20.2%
Matomedi/Grant Area	5	4	12	17	10	1.7%
Oakdale Area	0	0	0	0	0	0.0%
Lake Elmo	16	26	24	25	23	4.0%
Woodbury	246	271	235	301	263	46.8%
Cottage Grove Area	75	65	45	62	62	11.0%
West Total	581	504	395	480	490	87.1%
Washington County Total	666	571	465	549	563	100.0%
Vacant Developed Lots (4th Quarter)						
East Submarket						
Northeast	0	0	0	0	0	0.0%
Stillwater Area	140	100	131	110	120	6.8%
Southeast	42	41	61	55	50	2.8%
East Total	182	141	192	165	170	9.6%
West Submarket						
Forest Lake	283	270	253	231	259	14.6%
Hugo	486	450	418	363	429	24.2%
Matomedi/Grant Area	91	38	28	7	41	2.3%
Oakdale Area	0	0	0	0	0	0.0%
Lake Elmo	148	129	110	84	118	6.6%
Woodbury	766	672	569	514	630	35.5%
Cottage Grove Area	161	131	128	91	128	7.2%
West Total	1,935	1,690	1,506	1,290	1,605	90.4%
Washington County Total	2,117	1,831	1,698	1,455	1,775	100.0%
* Includes through 3rd Quarter Definitions: "closing" defined as housing unit becoming occupied; "vacant developed lot" defined as completion of subdivision streets and ability to physically drive in front of the lot.						
Sources: Metrostudy; Maxfield Research Inc.						

Historic Vacant Developed Lots

- Over the past four years, the number of vacant developed lots has decreased annually. Since 2009, the number of Washington County vacant developed lots has decreased by 31%. Because of the decline in the housing market during the Great Recession, very few (if any) lots have been platted in the Metro Area since 2006.
- Like home closings, Woodbury and Hugo have the highest market share of vacant developed lots in Washington County. Combined, these two communities had 60% of the county's market share between 2009 and 2012.
- Only 10% of the vacant developed lot inventory in Washington County has been located in the East Submarket.

**Lot Supply**

- Among active subdivisions, there are over 2,800 single-family and nearly 1,000 multifamily homes in the home inventory (i.e. occupied units, under construction, model units, or vacant homes) in Washington County in the 1st Quarter 2013. About 88% of this inventory is located in the West Submarket. Seventy-three percent (73%) of the home inventory is for single-family housing product.
- The Stillwater Area contains 84% of the home inventory and lots in the East Submarket. Woodbury (46.9%) and Hugo (24.3%) account for 71.2% of the West Submarket's home inventory and lot supply.

FOR-SALE MARKET ANALYSIS

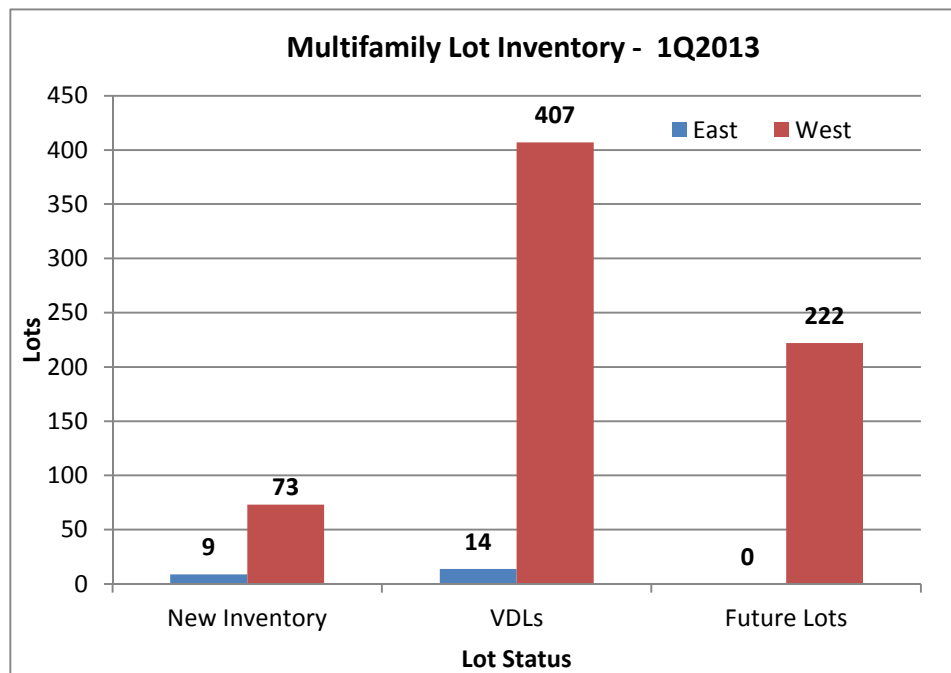
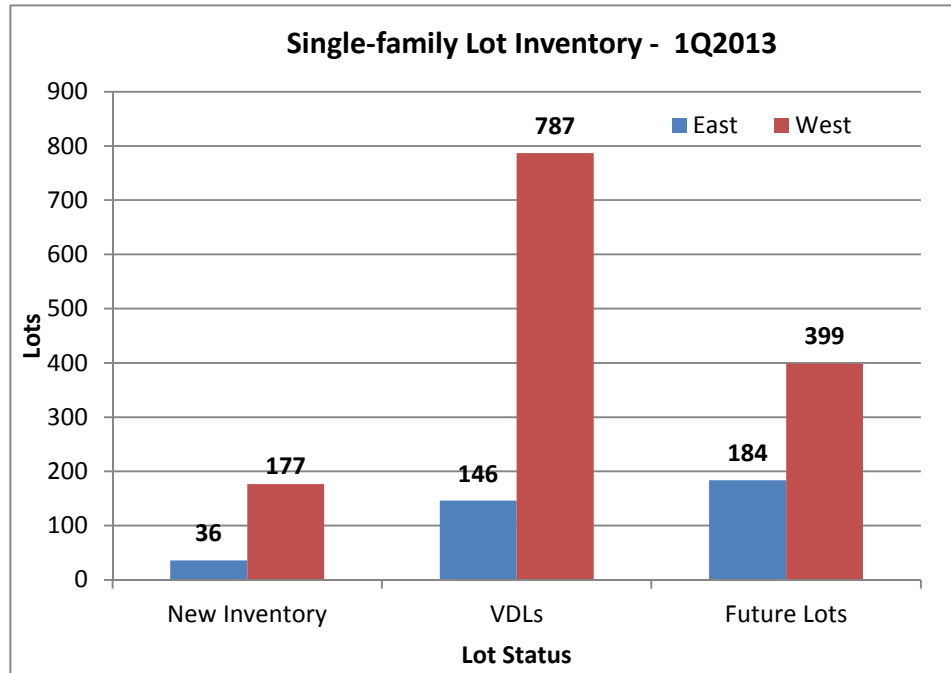
- As Table FS-12 illustrated, the vacant developed lot inventory has been decreasing annually. Table FS-13 shows that trend continuing through the 1st Quarter of 2013. Because the lot inventory was obtained in early 2013, the number of vacant developed lots likely decreased throughout 2013 during the peak selling season in most Washington County Submarkets. There were about 800 future lots in Washington County (1st Quarter 2013) that have received preliminary plat approvals.
- Hugo has the highest supply of multifamily lots in Washington County (39% of home inventory) and contains over 250 vacant developed lots and future lots. There are five submarkets that have no multifamily lot supply (Northeast, Southeast, Mahtomedi/Grant Area, Oakdale Area, and Lake Elmo).

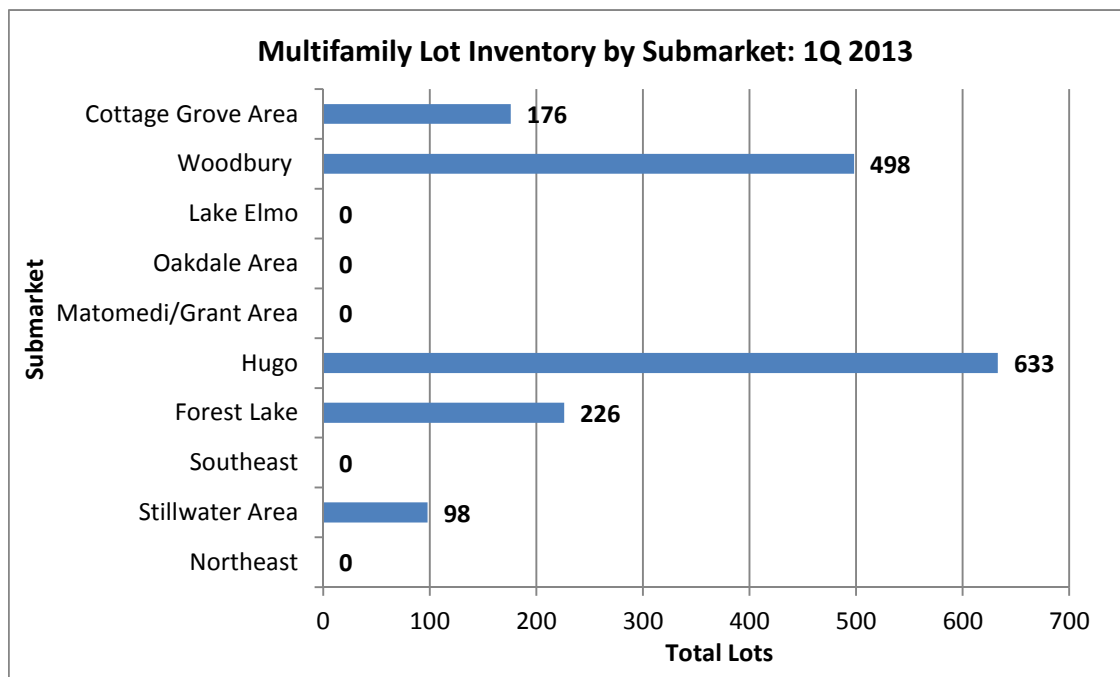
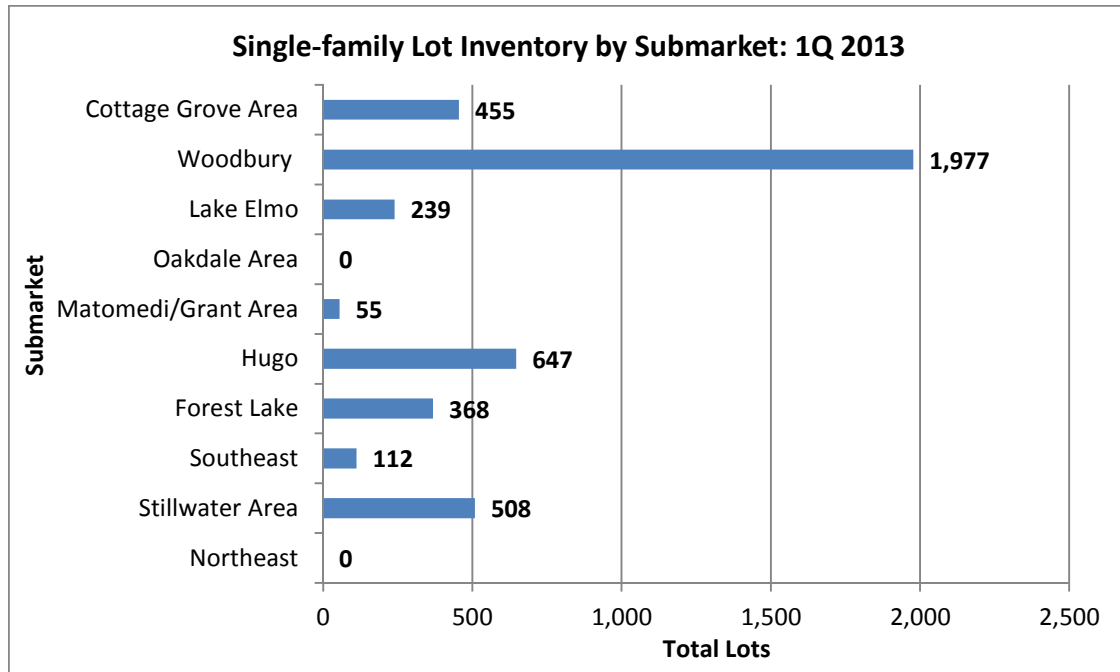
Submarket	Single-Family					Multifamily				
	Home Inventory ¹	New Inventory ²	VDLs	Future Lots ³	Total Lots	Home Inventory ¹	New Inventory ²	VDLs	Future Lots ³	Total Lots
East Submarket										
Northeast	0	0	0	0	0	0	0	0	0	0
Stillwater Area	233	31	91	184	508	84	9	14	0	98
Southeast	57	5	55	0	112	0	0	0	0	0
East Total	290	36	146	184	620	84	9	14	0	98
West Submarket										
Forest Lake	223	8	117	28	368	120	4	106	0	226
Hugo	419	14	157	71	647	382	0	147	104	633
Matomedi/Grant Area	49	2	6	0	55	0	0	0	0	0
Oakdale Area	0	0	0	0	0	0	0	0	0	0
Lake Elmo	165	17	74	0	239	0	0	0	0	0
Woodbury	1,429	119	381	167	1,977	303	57	115	80	498
Cottage Grove Area	253	17	52	133	455	99	12	39	38	176
West Total	2,538	177	787	399	3,741	904	73	407	222	1,533
Total	2,828	213	933	583	4,361	988	82	421	222	1,631

¹ Includes occupied units plus model units, finished vacant homes, and homes under construction
² Includes model units (i.e. spec homes), finished vacant homes, and homes under construction
³ Includes only future lots in actively market subdivisions. Additional future lots are currently identified in new subdivisions in the pipeline.

Source: Metrostudy; Maxfield Research Inc.

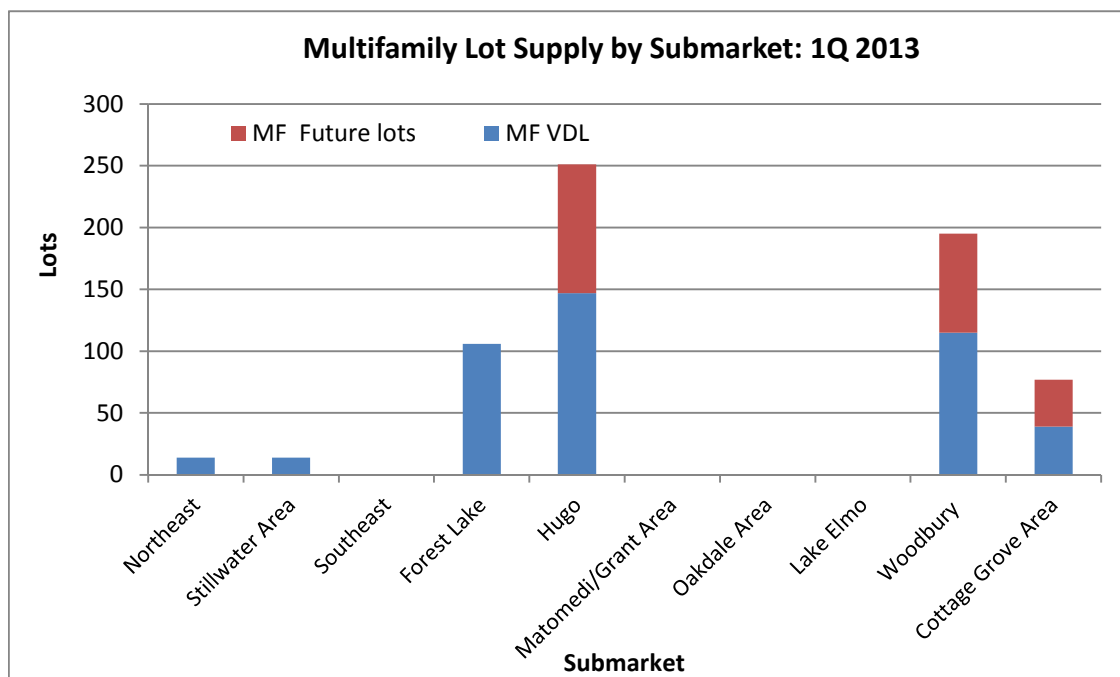
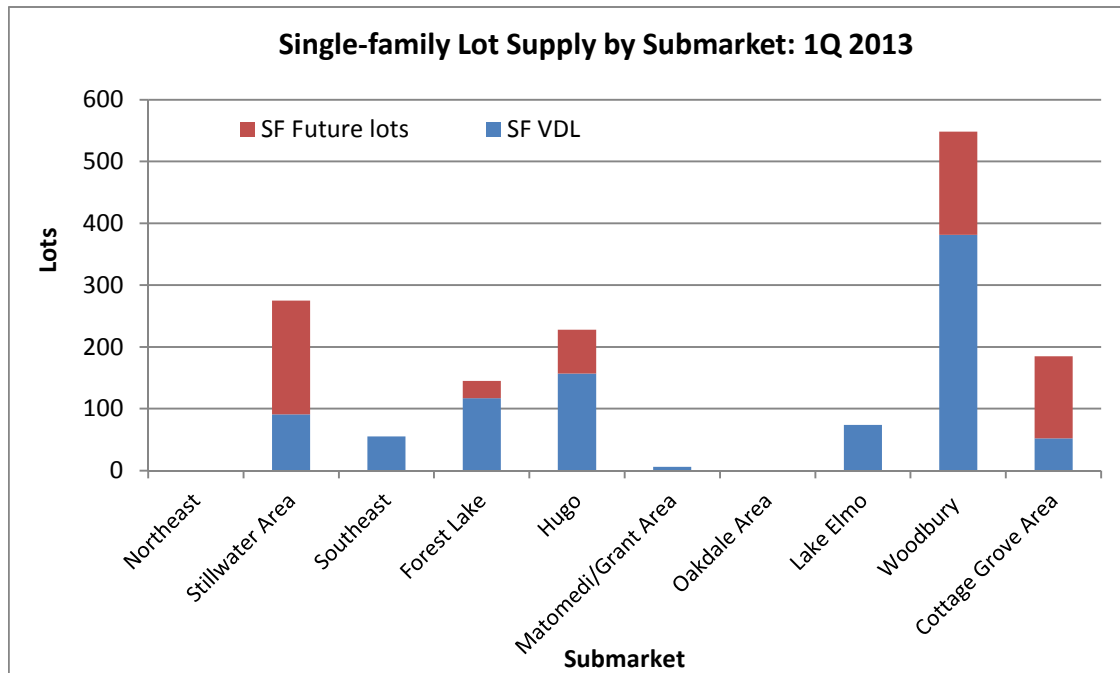
- In Washington County overall, there are a total of 933 vacant developed single-family lots. The following submarkets have the largest lot inventories:
 - Woodbury – 381 lots
 - Hugo – 157 lots
 - Forest Lake – 117 lots
 - Stillwater Area – 91 lots





FOR-SALE MARKET ANALYSIS

- For multifamily housing, a total of 421 vacant developed lots were identified with the largest inventories located in the following communities:
 - Hugo – 147 lots
 - Woodbury – 115 lots
 - Forest Lake – 106 lots



Actively Marketing Subdivisions

- Nearly all of the single-family subdivisions were platted during the first half of the last decade. Over the past twelve year period, 88% of actively marketing subdivisions were platted between 2001 and 2007. Due to the housing recession, lots still remain in some of these earlier single-family subdivisions.
- Only two subdivisions had new site activity in 2013; Dancing Waters Heights Addition and Ridgestone/The Summit. Both developments are located in Woodbury.
- Among all of the actively marketing single-family subdivisions, about 58% of the lots have an existing home on the lot. After accounting for homes under construction, vacant homes, or model homes, 62% of the single-family lots in Washington County have been developed.
- The chart following Table FS-14 highlights the average price for new single-family and multifamily homes by community in Washington County. Similar to the existing resale data, both single-family and multifamily homes are priced higher in the East Submarkets versus the West Submarkets.
- Due to the slowdown of the housing market, new housing costs have come down since the peak between 2005 and 2007. One of the leading factors for decreasing new construction home prices was falling lot costs. However, pricing bottomed out in 2012 and builders are slowly increasing pricing again as the new construction market has rebounded.

FOR-SALE MARKET ANALYSIS

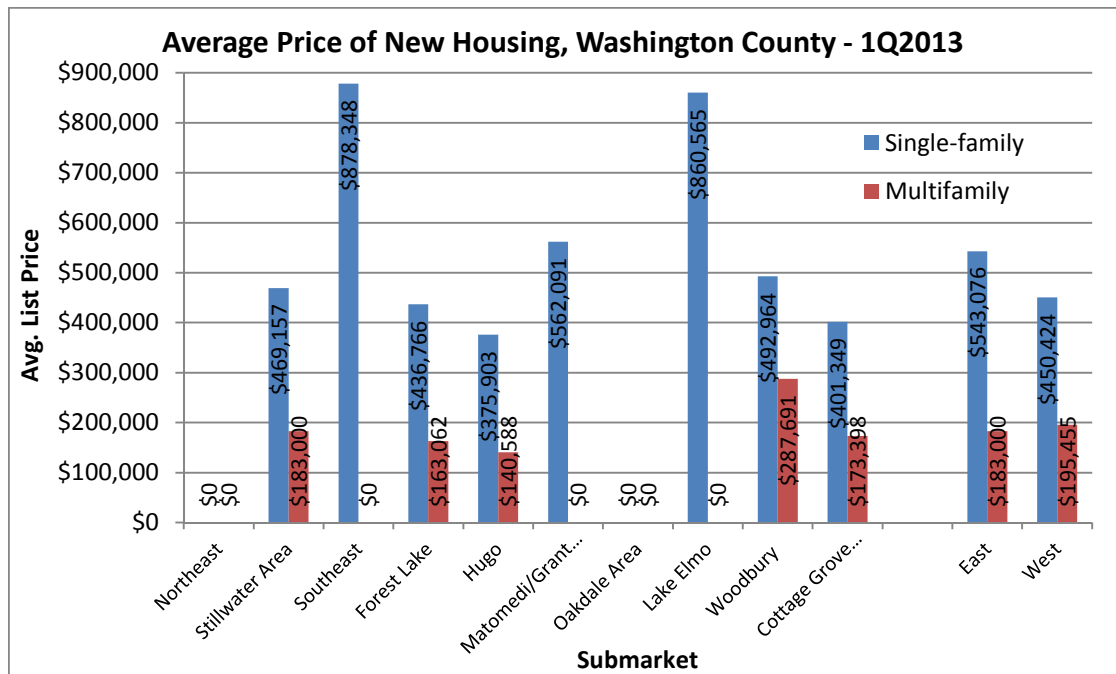
TABLE FS-14 ACTIVELY MARKETING SUBDIVISIONS - SINGLE-FAMILY WASHINGTON COUNTY 1st Quarter 2013										
Subdivision Name	City	Initial Site Activity	Lot Sizes	Price Range (in thousands)	Occupied	New Inventory ¹	Home Inventory ²	VDL	Future Lots	Total Lots
Stillwater Area										
Arcola Bluffs on the St. Croix	Stillwater	1Q09	300' - 300'	\$1,000 - \$2,000	0	0	0	8	0	8
Emerald Falls	Bayport	2Q07	150' - 150'	\$400 - \$750	8	4	12	12	0	24
Inspiration	Bayport	4Q05	55' - 80'	\$270 - \$700	77	15	92	45	136	273
Liberty West	Stillwater	3Q07	45' - 45'	\$380 - \$440	8	0	8	11	0	19
Millbrook/Classic Heartland	Stillwater	3Q07	80' - 80'	\$408 - \$448	40	5	45	6	48	99
Millbrook/Landmark	Stillwater	3Q07	60' - 60'	\$326 - \$359	60	7	67	7	0	74
Preserve at Browns Creek	Stillwater	3Q08	75' - 75'	\$390 - \$450	9	0	9	2	0	11
Stillwater Area Subtotal (SF)					202	31	233	91	184	508
Southeast										
Artisan	Lakeland	4Q07	300' - 300'	\$975 - \$1,300	4	0	4	12	0	16
Cedar Bluff Homestead	Afton	4Q11	135' - 135'	\$600 - \$900	1	3	4	22	0	26
Galway	Lakeland	1Q03	230' - 230'	\$650 - \$1,300	27	1	28	10	0	38
Lora Mere	Lakeland	4Q04	150' - 150'	\$550 - \$780	17	1	18	7	0	25
Three Sister Springs	Afton	2Q08	350' - 350'	\$900 - \$1,100	3	0	3	4	0	7
Southeast Subtotal (SF)					52	5	57	55	0	112
Forest Lake										
Clear Lake Meadows	Forest Lake	4Q02	100' - 100'	\$210 - \$300	13	0	13	3	0	16
Forest Glen in Forest Lake	Forest Lake	2Q06	115' - 115'	\$250 - \$340	5	0	5	7	0	12
Forest Hills Farm	Forest Lake	4Q07	100' - 100'	\$400 - \$2,000	1	2	3	20	28	51
Hawthorne Heights	Forest Lake	3Q07	85' - 85'	\$165 - \$350	29	0	29	12	0	41
Headwaters	Forest Lake	3Q07	65' - 65'	\$243 - \$499	7	6	13	59	0	72
Ivy Estates	Forest Lake	1Q08	90' - 90'	\$275 - \$325	3	0	3	10	0	13
Stoney River Preserve	Forest Lake	4Q05	125' - 125'	\$295 - \$501	2	0	2	4	0	6
Summerfield/Spring	Forest Lake	1Q02	100' - 100'	\$250 - \$290	103	0	103	1	0	104
Timber Wolf/Hollow	Forest Lake	2Q02	100' - 100'	\$270 - \$495	52	0	52	1	0	53
Forest Lake Subtotal (SF)					215	8	223	117	28	368
Hugo										
Beaver Ponds in Hugo/South	Hugo	1Q05	80' - 80'	\$250 - \$500	41	0	41	2	0	43
Diamond Point/West	Hugo	1Q04	65' - 65'	\$249 - \$370	49	0	49	7	0	56
Diamond Point/East	Hugo	3Q05	80' - 80'	\$205 - \$400	103	4	107	19	0	126
Eagle Shores	Hugo	4Q05	150' - 150'	\$775 - \$1,000	9	0	9	2	0	11
Fable Hill	Hugo	3Q06	150' - 150'	\$425 - \$535	36	2	38	19	55	112
Heritage Ponds	Hugo	1Q05	90' - 90'	\$275 - \$450	117	1	118	6	0	124
Prairie Village in Hugo	Hugo	4Q10	90' - 90'	\$225 - \$450	8	5	13	50	16	79
Victor Gardens East	Hugo	3Q05	100' - 100'	\$350 - \$510	44	1	45	19	0	64
Victor Gardens East/Creekside	Hugo	3Q07	70' - 70'	\$350 - \$460	17	2	19	10	0	29
Victor Gardens	Hugo	4Q01	80' - 80'	\$368 - \$500	68	1	69	11	0	80
Waters Edge	Hugo	4Q04	65' - 65'	\$200 - \$400	105	2	107	7	0	114
Woods of Bald Eagle Lake	Hugo	4Q07	175' - 175'	\$290 - \$500	1	0	1	5	0	6
Hugo Subtotal (SF)					405	14	419	157	71	844
CONTINUED										

FOR-SALE MARKET ANALYSIS

TABLE FS-14 (continued) ACTIVELY MARKETING SUBDIVISIONS - SINGLE-FAMILY WASHINGTON COUNTY 1st Quarter 2013										
Subdivision Name	City	Initial Site Activity	Lot Sizes	Price Range (in thousands)	Occupied	Inventory ¹	Home Inventory ²	VDL	Future Lots	Total Lots
Mahtomedi/Grant Area										
Eastgate	Mahtomedi	3Q06	50' - 50'	\$327 - \$600	38	1	39	1	0	40
Sivertson - Dougherty	Mahtomedi	4Q05	250' - 250'	\$650 - \$900	3	0	3	2	0	5
Wildridge Pines	Mahtomedi	4Q04	140' - 140'	\$800 - \$900	6	1	7	3	0	10
Mahtomedi Subtotal (SF)					47	2	49	6	0	55
Lake Elmo										
Discover Crossing	Lake Elmo	3Q06	160' - 160'	\$700 - \$1,400	13	2	15	13	0	28
Farms of Lake Elmo	Lake Elmo	2Q06	155' - 155'	\$500 - \$1,000	29	1	30	3	0	33
Park Meadows in Lake Elmo	Lake Elmo	2Q06	250' - 250'	\$850 - \$1,000	4	2	6	2	0	8
St. Croix Sanctuary	Lake Elmo	2Q06	150' - 150'	\$450 - \$1,000	42	6	48	14	0	62
Tapestry at Charlottes Grove	Lake Elmo	1Q05	125' - 125'	\$450 - \$650	42	5	47	18	0	65
Whistling Valley	Lake Elmo	3Q04	200' - 200'	\$950 - \$2,000	18	1	19	24	0	43
Lake Elmo Subtotal (SF)					148	17	165	74	0	239
Woodbury										
Ashwood	Woodbury	3Q02	105' - 105'	\$700 - \$930	18	0	18	3	0	21
Cherry Hill in Woodbury	Woodbury	4Q04	80' - 80'	\$298 - \$600	13	0	13	2	0	15
Dancing	Woodbury	1Q05	63 - 63	\$290 - \$350	48	0	48	24	0	72
Dancing	Woodbury	3Q02	37' - 37'	\$404 - \$424	48	0	48	8	0	56
Dancing Water/ Bentwater	Woodbury	3Q02	100' - 100'	\$550 - \$700	50	0	50	2	0	52
Dancing Waters/Conifer Bay	Woodbury	4Q12	65' - 65'	\$325 - \$373	0	2	2	32	19	53
Dancing Waters/Heights	Woodbury	1Q13	85' - 85'	\$326 - \$396	0	1	1	0	76	77
Dancing Waters/High	Woodbury	1Q05	65' - 65'	\$450 - \$550	24	4	28	27	0	55
Dancing Waters/Lakepoint	Woodbury	3Q05	75' - 75'	\$362 - \$600	7	15	22	46	14	82
Dancing Waters/Misty Woods	Woodbury	1Q05	80' - 80'	\$346 - \$700	60	3	63	0	32	95
Dancing Waters/St. Johns	Woodbury	3Q02	50' - 50'	\$375 - \$600	20	8	28	8	0	36
Dancing Waters/Whistler Point	Woodbury	3Q02	80' - 80'	\$300 - \$500	68	7	75	9	0	84
Highland Knoll	Woodbury	4Q06	75' - 75'	\$320 - \$600	12	9	21	9	0	30
Notting Hill of Woodbury	Woodbury	4Q04	90' - 90'	\$248 - \$457	4	0	4	5	0	9
Oak View	Woodbury	4Q05	80' - 80'	\$400 - \$494	0	0	0	12	0	12
Ridgestone	Woodbury	3Q11	80' - 80'	\$334 - \$409	26	14	40	18	26	84
Ridgestone/The Summit	Woodbury	1Q13	85' - 85'	\$469 - \$494	0	6	6	29	0	35
Stonemill Farms	Woodbury	1Q05	85' - 85'	\$250 - \$650	806	48	853	141	0	994
Windom Ponds	Woodbury	4Q04	90' - 90'	\$320 - \$400	107	2	109	6	0	115
Woodbury Subtotal (SF)					1,311	119	1,429	381	167	1,977
Cottage Grove Area										
Burlington View	St. Paul Park	4Q04	75' - 75'	\$188 - \$249	27	0	27	3	0	30
Everwood	Cottage Grove	4Q07	85' - 85'	\$400 - \$900	7	1	8	8	13	29
Homestead at Highland Hills	Cottage Grove	3Q06	90' - 90'	\$390 - \$600	35	0	35	2	0	37
Parkwood of St. Paul Park	St. Paul Park	1Q07	90' - 90'	\$245 - \$254	7	0	7	8	0	15
Pinecliff	Cottage Grove	3Q05	85' - 85'	\$230 - \$450	153	12	165	12	0	177
Preserve at Highland Hills	Cottage Grove	3Q11	90' - 90'	\$600 - \$900	2	1	3	3	0	6
Riverside Park Estates	St. Paul Park	3Q11	70' - 70'	\$275 - \$350	2	3	5	6	0	11
The Waters at Michaels Pointe	Cottage Grove	3Q11	85' - 85'	\$204 - \$800	3	0	3	10	120	133
Cottage Grove Area Subtotal (SF)					236	17	253	52	133	438
Washington County Total (SF)					2,616	213	2,828	933	583	4,541
¹ Includes model units (i.e. spec homes), finished vacant homes, and homes under construction										
² Includes occupied units plus model units, finished vacant homes, and homes under construction										
Source: Metrostudy; Maxfield Research Inc.										

FOR-SALE MARKET ANALYSIS

TABLE FS-15 ACTIVELY MARKETING SUBDIVISIONS - MULTIFAMILY WASHINGTON COUNTY 1st Quarter 2013										
Subdivision Name	City	Initial Site Activity	Lot Sizes	Price Range (in thousands)	Occupied	New Inventory¹	Home Inventory²	VDL	Future Lots	Total Lots
Stillwater Area										
Millbrook/Colonial Manor	Stillwater	4Q07	43' - 43'	\$175 - \$191	75	9	84	14	0	98
Stillwater Subtotal (MF)					75	9	84	14	0	98
Forest Lake										
Summerfield/Timber	Forest Lake	4Q04	36' - 36'	\$220 - \$286	26	4	30	14	0	44
Summerfield/Maple	Forest Lake	3Q05	45' - 45'	\$220 - \$266	14	0	14	11	0	25
Hawthorn Heights	Forest Lake	3Q07	50' - 50'	\$160 - \$250	8	0	8	17	0	25
Gateway Green	Forest Lake	3Q06	43' - 43'	\$100 - \$120	68	0	68	64	0	132
Forest Lake Subtotal (MF)					116	4	120	106	0	226
Hugo										
Generation Acres	Hugo	4Q05	25' - 25'	\$160 - \$185	8	0	8	33	0	41
Victor Gardens/Villa	Hugo	2Q05	38' - 38'	\$145 - \$165	156	0	156	4	104	264
Waters Edge/Village	Hugo	2Q05	22' - 22'	\$120 - \$130	218	0	218	110	0	328
Hugo Subtotal (MF)					382	0	382	147	104	633
Woodbury										
Dancing	Woodbury	1Q05	35' - 35'	\$195 - \$235	42	4	46	2	0	48
Highland Knoll	Woodbury	1Q08	45' - 45'	\$200 - \$250	12	0	12	13	0	25
Kingsfield	Woodbury	4Q04	45' - 45'	\$280 - \$310	65	11	76	4	0	80
Stonemill Farms	Woodbury	1Q11	24' - 24'	\$240 - \$280	46	33	79	11	80	170
Stonemill Farms	Woodbury	4Q12	0' - 0'	\$250 - \$325	0	4	4	42	0	46
Villas at Lake Ridge	Woodbury	1Q05	60' - 60'	\$260 - \$360	18	1	19	11	0	30
Villas of Wyncrest	Woodbury	1Q05	60' - 60'	\$230 - \$530	7	2	9	28	0	37
Waterstone at Woodbury	Woodbury	4Q04	45' - 45'	\$329 - \$411	56	2	58	4	0	62
Woodbury Subtotal (MF)					246	57	303	115	80	498
Cottage Grove Area										
Mississippi Dunes (TH)	Cottage Grove	2Q03	42' - 42'	\$132 - \$139	59	12	71	31	0	102
Mississippi Dunes (TW)	Cottage Grove	2Q03	41' - 41'	\$258 - \$298	10	0	10	2	0	12
Riverside Park Estates	St. Paul Park	3Q03	40' - 40'	\$180 - \$251	18	0	18	6	38	62
St. Paul Park Subtotal (MF)					87	12	99	39	38	176
Washington County Total (MF)					906	82	988	421	222	1,631
¹ Includes model units (i.e. spec homes), finished vacant homes, and homes under construction										
² Includes occupied units plus model units, finished vacant homes, and homes under construction										
Source: Metrostudy; Maxfield Research Inc.										



Future Lots

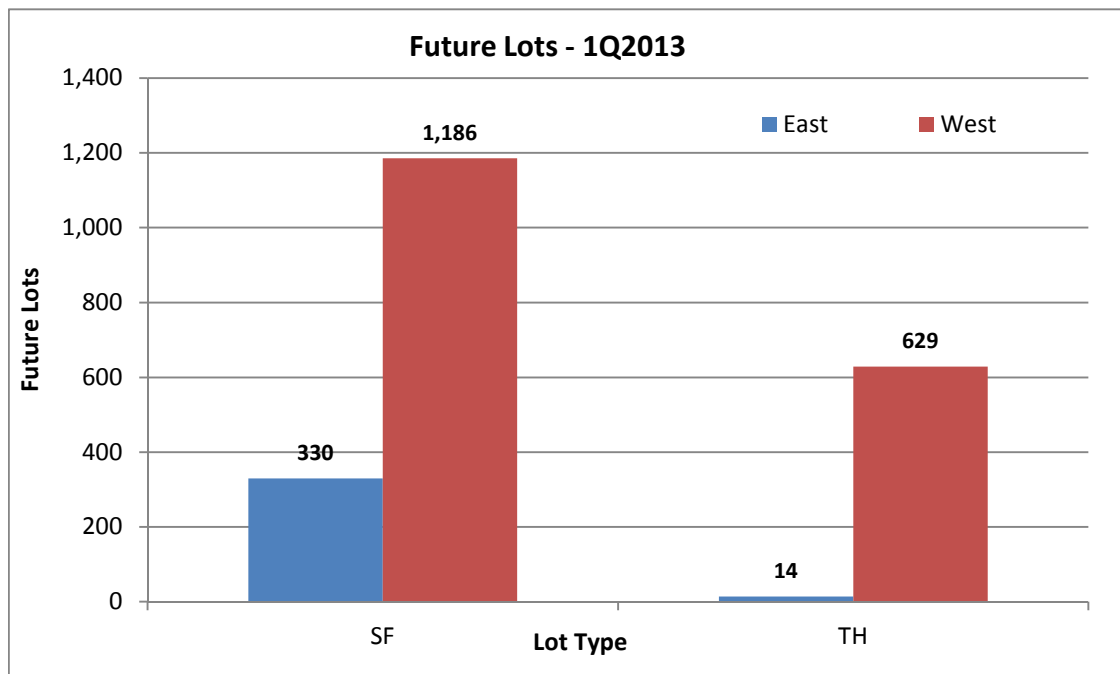
- There are over 2,150 future lots in Washington County; of which 63% are located in existing subdivisions. Only 16% of the future lots are located in the East Submarket.
- A three- to five-year supply of lots is an appropriate balance between providing adequate consumer choice and minimizing developers' carrying costs. With an annual average absorption of 563 lots (based on the average annual number of closings), Washington County would need at least a supply of 1,700 platted lots. With about 1,350 vacant developed lots today, Washington County does not have an adequate lot supply to meet future demand. Future lots will need to be converted to finished lots to meet lot demand.

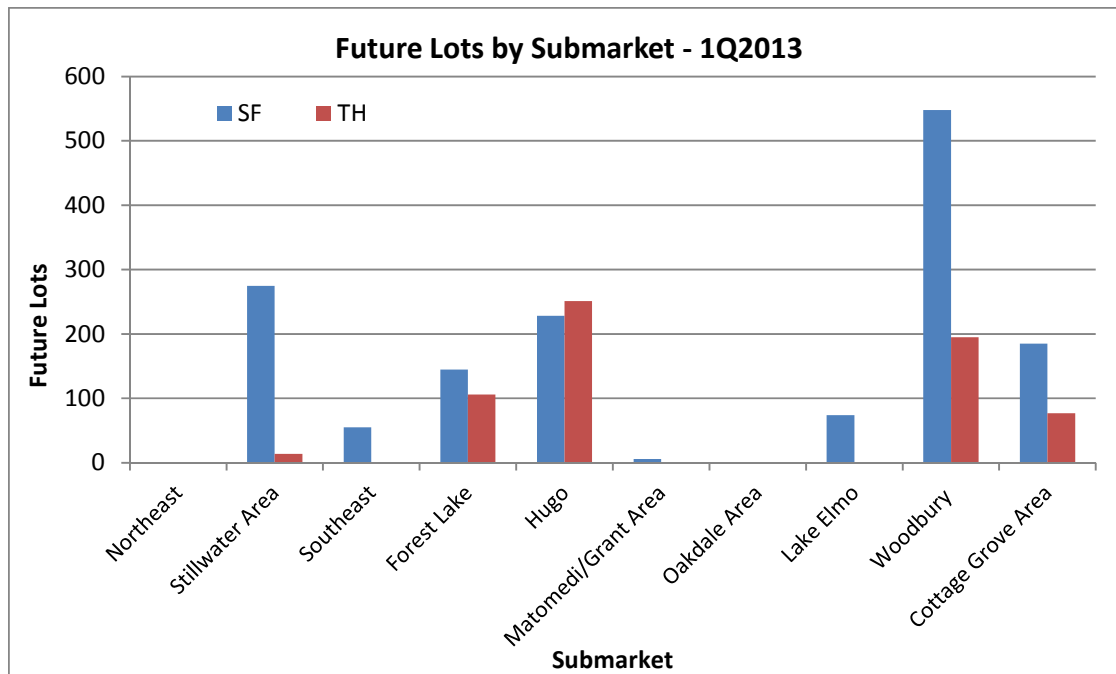
FOR-SALE MARKET ANALYSIS

TABLE FS-16
SUMMARY OF FUTURE LOTS
WASHINGTON COUNTY
1st Quarter 2013

Submarket	Single-Family			Townhome/Twinhome		
	Existing Subdivisions	Future Subdivisions	Total Future Lots	Existing Subdivisions	Future Subdivisions	Total Future Lots
Northeast	0	0	0	0	0	0
Stillwater Area	91	184	275	14	0	14
Southeast	55	0	55	0	0	0
Forest Lake	117	28	145	106	0	106
Hugo	157	71	228	147	104	251
Matomedi/Grant Area	6	0	6	0	0	0
Oakdale Area	0	0	0	0	0	0
Lake Elmo	74	0	74	0	0	0
Woodbury	381	167	548	115	80	195
Cottage Grove Area	52	133	185	39	38	77
Total	933	583	1,516	421	222	643

Source: Metrostudy; Maxfield Research Inc.





New Construction

Table FS-17 presents summary information on new home construction constructed since 2010 for all MLS real estate listings sold, pending, or active in Washington County. Table FS-18 compares new home construction in Washington County versus other Metro Area counties. The data was provided by the Regional Multiple Listing Services of Minnesota (RMLS) and was compiled in June 2013. Although MLS listings generally account for the vast majority of all residential sale listings in a given area, they account for only a portion of new construction listings. Many subdivisions may only market a few listings on the MLS within a much larger subdivision. A review of new construction listings finds the following characteristics:

Washington County

- Two-story homes are the dominant single-family housing type constructed today. Single-family homes make up 90% of the East Submarket and 78% of the West Submarket's single-family new construction housing type. In both submarkets, pricing for two-story homes surpasses \$400,000.
- Although the East Submarket has higher pricing for single-family homes, the West Submarket has higher townhome pricing. This is due to a number of move-up twinhomes and detached townhomes in the West Submarket that are similar to single-family homes but are association maintained.

FOR-SALE MARKET ANALYSIS

TABLE FS-17
SUMMARY OF NEW CONSTRUCTION MARKETING ON MLS
WASHINGTON COUNTY: EAST VS. WEST SUBMARKETS
HOMES CONSTRUCTED 2010 - 2013

Property Type	Listings	Pct.	Avg. Price	Avg. Size (Sq. Ft.)	Avg. Price Per Sq. Ft.	Avg. Bedrooms	Avg. Bathrooms
EAST SUBMARKET							
Single-Family							
One story	14	9.0%	\$623,018	3,371	\$183	3.71	3.35
1.5-story	1	0.6%	\$829,900	4,300	\$193	5.00	5.00
2-story	141	90.4%	\$409,615	3,110	\$131	4.15	3.57
Modified 2-story	0	0.0%	--	--	--	--	--
More than 2-stories	0	0.0%	--	--	--	--	--
Split entry/Bi-level	0	0.0%	--	--	--	--	--
3-level split	0	0.0%	--	--	--	--	--
4 or more split-level	0	0.0%	--	--	--	--	--
Other	0	0.0%	--	--	--	--	--
Total/Avg.	156	100.0%	\$431,460	3,141	\$136	4.12	3.56
Townhomes/Twinhomes							
Detached	0	0.0%	--	--	--	--	--
Quad/4 Corners	0	0.0%	--	--	--	--	--
Twin Home	0	0.0%	--	--	--	--	--
Side-by-Side	32	100.0%	\$176,865	1,739	1.1.7935	2.97	2.97
Total/Avg.	32	100.0%	\$176,865	1,739	\$102	2.97	2.97
East Total/Avg.	188		\$388,125	2,903	\$131	3.92	3.46
WEST SUBMARKET							
Single-Family							
One story	58	7.6%	\$432,264	2,680	\$160	3.21	2.79
1.5-story	6	0.8%	\$390,034	2,496	\$156	3.17	2.33
2-story	594	78.1%	\$402,468	2,939	\$138	4.13	3.45
Modified 2-story	4	0.5%	\$529,323	3,132	\$153	3.75	3.50
More than 2-stories	1	0.1%	\$512,500	3,348	\$153	4.00	5.00
Split entry/Bi-level	75	9.9%	\$222,412	1,714	\$137	3.40	2.09
3-level split	14	1.8%	\$264,422	1,857	\$146	3.43	2.29
4 or more split-level	9	1.2%	\$284,685	2,174	\$140	3.67	2.78
Other	0	0.0%	--	--	--	--	--
Total/Avg.	761	100.0%	\$383,774	2,768	\$140	3.96	3.23
Townhomes/Twinhomes							
Detached	74	24.7%	\$385,835	2,513	\$153	3.08	2.82
Quad/4 Corners	3	1.0%	\$299,393	2,092	\$152	2.67	2.33
Twin Home	46	15.3%	\$342,614	2,402	\$123	2.87	2.91
Side-by-Side	177	59.0%	\$224,580	1,993	\$111	2.72	3.12
Total/Avg.	300	100.0%	\$275,104	2,185	\$124	2.83	3.01
West Total/Avg.	1,061	100.0%	\$353,076	2,603	\$135	3.64	3.17

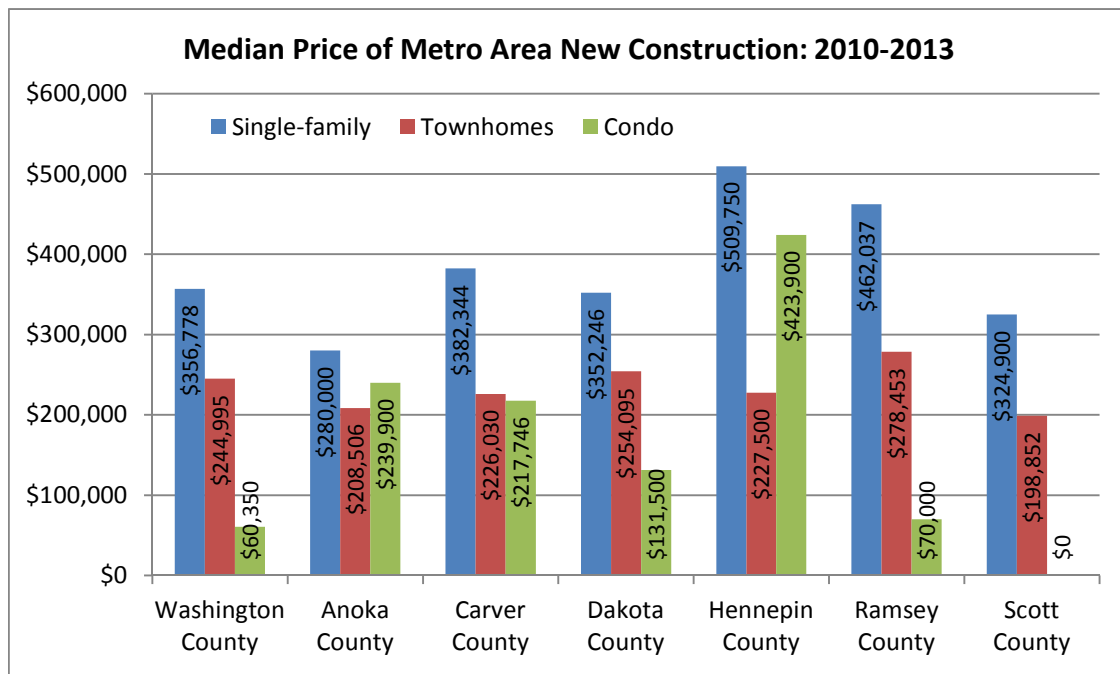
Source: Regional Multiple Listing Service of MN; Maxfield Research Inc.

FOR-SALE MARKET ANALYSIS

- Split-level single-family homes are most affordable among all new single-family construction types, averaging about \$222,400. Additionally, these homes are the smallest (1,714 square feet) and have the lowest per square foot costs (\$137 PSF). However, many of these homes have unfinished basements that can be finished later.
- There are no new condominiums actively marketing at this time. After the real estate bubble collapse, condominium pricing plummeted and new development stalled across the Metro Area.

Metro Area Comparison

- The average sales price of a newer single-family home in the Metro Area is approximately \$426,400. This is higher than the average sales price in Washington County of about \$380,000.
- The average price per square foot (PSF) costs for newer single-family housing in Washington County is \$137 PSF. This is lower than the Metro Area average of \$147; therefore buyers in Washington County are obtaining more house for their dollar than other areas in the Metro Area.
- Compared to other counties in the Metro Area, newer construction pricing in Washington County is generally lower than Hennepin, Ramsey, and Carver Counties and on-par with Dakota County. Washington County newer construction is generally more expensive than Anoka and Scott Counties.

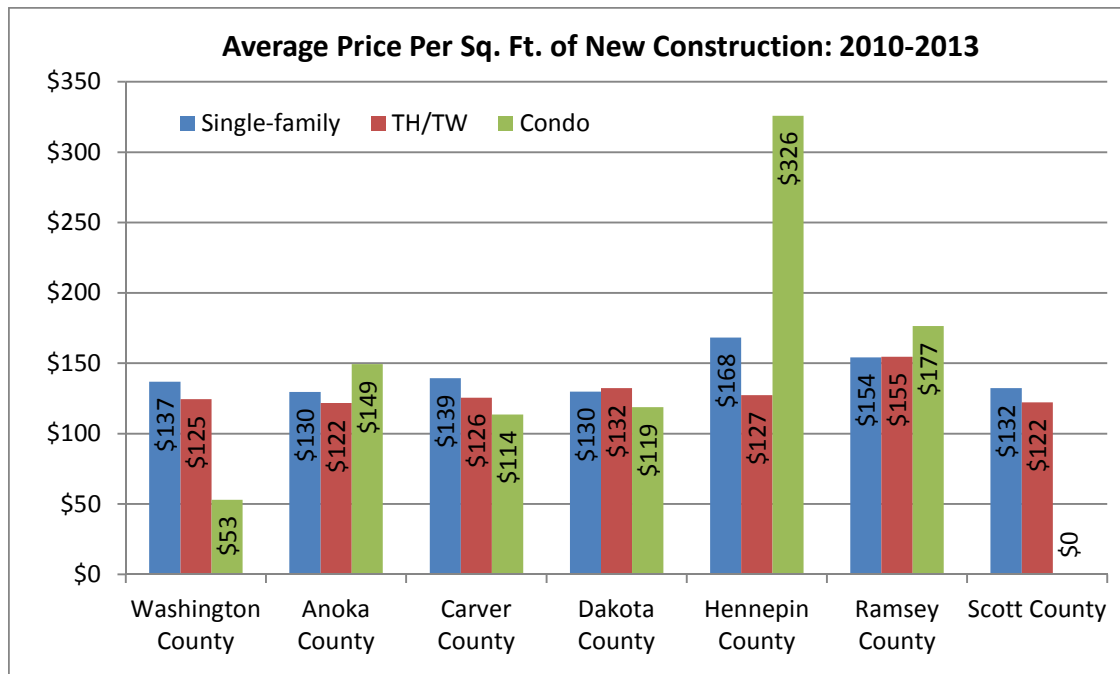


FOR-SALE MARKET ANALYSIS

TABLE FS-18								
SUMMARY OF NEWER CONSTRUCTION MARKETING ON MLS								
METRO AREA COUNTIES								
HOMES CONSTRUCTED 2010 - 2013								
Property Type	Listings	Pct.	Avg. Price	Med. Price	Avg. Size (Sq. Ft.)	Avg. Price Per Sq. Ft.	Avg. Bedrooms	Avg. Bathrooms
Single-Family								
Washington County	982	14.4%	\$380,030	\$356,778	2,777	\$137	4.00	3.00
Anoka County	1,193	17.5%	\$299,447	\$280,000	2,310	\$130	4.00	3.00
Carver County	653	9.6%	\$404,686	\$382,344	2,901	\$139	4.00	3.00
Dakota County	993	14.5%	\$362,329	\$352,246	2,790	\$130	4.00	3.00
Hennepin County	2,163	31.6%	\$577,766	\$509,750	3,436	\$168	4.00	4.00
Ramsey County	272	4.0%	\$419,694	\$462,037	2,722	\$154	4.00	3.00
Scott County	579	8.5%	\$338,804	\$324,900	2,558	\$132	4.00	3.00
Total/Avg.	6,835	100.0%	\$426,410	\$371,890	2,897	\$147	4.00	3.32
Townhomes/Twinhomes								
Washington County	350	20.5%	\$265,644	\$244,995	2,133	\$125	3.00	3.00
Anoka County	303	17.8%	\$236,572	\$208,506	1,942	\$122	3.00	3.00
Carver County	198	11.6%	\$257,960	\$226,030	2,055	\$126	3.00	3.00
Dakota County	167	9.8%	\$282,312	\$254,095	2,131	\$132	3.00	3.00
Hennepin County	440	25.8%	\$267,797	\$227,500	2,103	\$127	3.00	3.00
Ramsey County	84	4.9%	\$294,244	\$278,453	1,903	\$155	3.00	2.00
Scott County	162	9.5%	\$232,466	\$198,852	1,903	\$122	3.00	3.00
Total/Avg.	1,704	100.0%	\$260,027	\$229,141	2,049	\$127	3.00	2.95
Condominiums/Cooperatives								
Washington County	3	0.9%	\$65,733	\$60,350	1,240	\$53	2.00	1.00
Anoka County	21	6.4%	\$231,414	\$239,900	1,549	\$149	2.00	2.00
Carver County	15	4.6%	\$210,029	\$217,746	1,849	\$114	3.00	3.00
Dakota County	22	6.7%	\$138,404	\$131,500	1,165	\$119	2.00	2.00
Hennepin County	242	74.2%	\$548,459	\$423,900	1,683	\$326	2.00	2.00
Ramsey County	23	7.1%	\$144,207	\$70,000	817	\$177	2.00	2.00
Scott County	--	--	--	--	--	--	--	--
Total/Avg.	326	100.0%	\$451,828	\$369,450	1,582	\$278	2.05	2.04
Note: Active Newer Construction as of August 7, 2013								
Source: Regional Multiple Listing Service of MN; Maxfield Research Inc.								

Affordable For-Sale Housing

As the market data earlier in this section shows, home prices in many of the Washington County submarkets are rising out-of-reach of many moderate-income families. In response, two organizations are providing for-sale homes at affordable costs to low- and moderate-income families – *Twin Cities Habitat for Humanity* and *Two Rivers Community Land Trust*.



Two Rivers Community Land Trust is a nonprofit organization whose mission is to create, preserve, and support affordable homeownership for low- and moderate-income households in Washington County and St. Croix and Pierce Counties in Wisconsin. Two Rivers owns the land underneath a home and sells the homeowner the house. This reduces the cost of the house by approximately 25%. In return for the reduced cost in price, the homeowner agrees to take only 25% of the increase in value when they sell their home making it affordable to the next homebuyer. The homes are available to homebuyers with qualifying incomes (it varies by household size, but is between \$35,000 and \$65,000 for a family of four).

Two Rivers Community Land Trust has a total of 45 homes in the following Washington County communities:

<u>Community</u>	<u># of homes</u>
Bayport	1
Cottage Grove	7
Forest Lake	3
Lakeland	1
Newport	1
Oak Park Heights	2
Oakdale	24
St. Paul Park	3
Stillwater	3
Woodbury	1

Twin Cities Habitat for Humanity builds homes in partnership with families who demonstrate sufficient need and willingness to work with Habitat for Humanity to construct their own housing. Habitat for Humanity relies on volunteer labor and tax deductible contributions of cash, materials, professional services and property to build simple, decent homes with low-income families. Working under the principle that no profit should be gained from assisting those in need, Habitat for Humanity charges no interest on the mortgages that it issues to homebuyers. In operation since 1985, Twin Cities Habitat for Humanity has built about 730 homes in the seven-county metro area.

In Washington County, approximately 60 Habitat homes have been developed – 19 in Newport and 40 in Woodbury. Twin Cities Habitat for Humanity is currently constructing four homes in Woodbury and one home in Oakdale. In addition, Twin Cities Habitat for Humanity is currently negotiating the construction of eight affordable townhome units in Cottage Grove.

Vacant Lots

Because Washington County includes urban, suburban, and rural communities the lot types and costs, vary considerably. City lots in communities such as Woodbury, Cottage Grove, or Hugo generally range from 0.25 to 0.50 acres per lot, with a trend of declining lot sizes in the larger master-planned communities. The decrease in lot sizes in these subdivisions has allowed housing costs to come down as developers have increased density while reducing the price of the lot.

Lot costs vary by a number of factors (i.e. size, topography, views, etc.); however, city lots have recently averaged from \$100,000 to \$150,000. Lot costs over the past few years have been most affordable in Hugo and Forest Lake where lots have recently sold from \$20,000 to \$40,000. However, as the housing market has improved this year, the availability of deeply discounted lots has been absorbed.

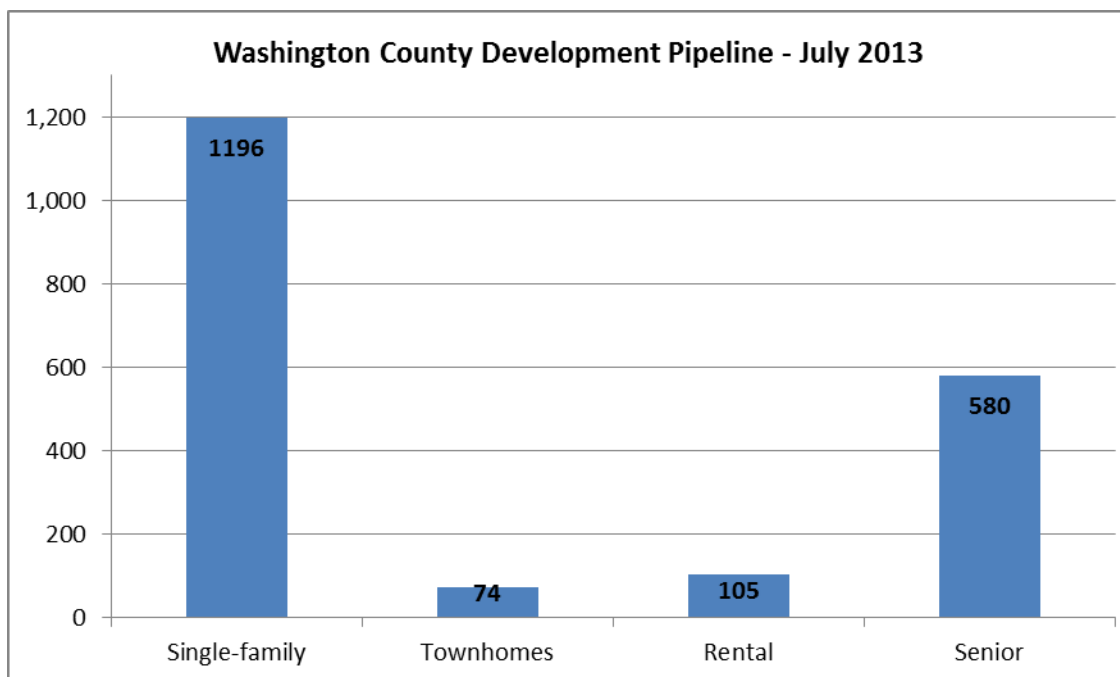
Larger lot requirements in jurisdictions such as Afton, Lake Elmo, Scandia, and Stillwater Township typically average from 0.75 to 5.0 acres with lot costs anywhere from \$79,000 to \$500,000. Many of the larger lots average from \$175,000 to \$250,000.

As illustrated in Table FS-12, the vacant developed lot supply is decreasing as few new developments have been platted since the downturn in the housing market. During the Great Recession builders purchased steeply discounted previously completed finished lots in open subdivisions versus developing a new subdivision and holding lots. Builders shifted to the “just in time” business model to mitigate risk and because of financing difficulties during the downturn. As the for-sale market has improved and housing starts have increased in 2013, production builders are again starting to increase their land holdings and have started to seek out raw land for future subdivisions. However, because the land development process can be long it may take one to two years to have new lots available for newly platted residential subdivisions.

Planned and Proposed Housing Projects

Maxfield Research interviewed municipal staff members in communities throughout Washington county 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. In addition, we also identified other projects that are either in the concept stages or that have stalled.

- There are about 1,950 housing units in the development pipeline either under construction, planned, or pending. About 65% of the housing units would be located in Woodbury.
- Nearly two-thirds of the housing units planned to move forward in Washington County are single-family homes (nearly 1,200 housing units). Senior housing is the second largest category accounting for 29% of the units in the pipeline.



- There are over 3,000 housing units that are either in the concept stages or have stalled. Many of these projects were approved prior the downturn in the housing market and were never developed. Because many of these projects have already received city approvals, some projects have the potential to move forward again.

PLANNED & PENDING HOUSING DEVELOPMENTS

TABLE P-1
DEVELOPMENT PIPELINE
WASHINGTON COUNTY
JULY 2013

Subdivision/Project Name	City	Submarket	Address/Intersection	Lots/ Units	Project Type	Market Rate vs. Aff./Subs.	Developer/Builder/Applicant	Project Status	Projected Occupancy
Projects Expected to Move Forward									
Cherrywood Pointe of Forest Lake	Forest Lake	Forest Lake	231 West Broadway Ave.	92	Senior	Market Rate	United Properties	Planned	Summer 2014
Mill Pond III	Forest Lake	Forest Lake	685 SW 4th St.	30	Rental	Market Rate	Kaeding Properties (Ed Kaeding)	Under Construction	Aug-13
Mill Pond IV	Forest Lake	Forest Lake	685 SW 4th St.	30	Rental	Market Rate	Kaeding Properties (Ed Kaeding)	Planned	Spring 2014
Savona	Lake Elmo	Lake Elmo	Keats Ave N. (I-94 Corridor)	311	Single Family	Market Rate	Lennar Homes Corp.	Preliminary Plat	2014
Gateway Plaza	Mahtomedi	Mahtomedi/Grant	Mahtomedi Avenue and Stillwater Road	79	Senior	Affordable	Sand Company	City Approvals	2014
Tartan Crossing	Oakdale	Oakdale Area	Old Oakdale Mall site	92	Senior	Market Rate	Waters Senior Living	Planned	Fall 2014
Tii Gavo	Scandia	Northeast	Lakamaga Trail North	29	Single Family	Market Rate	Tomten Environmental Design	Planned	n/a
Oak Park Senior Living	Oak Park Heights	Stillwater Area	13936 Lower 59th St.	30	Senior Memory Care	Market Rate	Southview Senior Living	Construction - August 2013	Early 2014
Browns Creek Preserve	Stillwater	Stillwater Area	County Road 64 near County Road 15	15	Single Family	Market Rate	Whitcomb	under development	2013+
Settlers Glen	Stillwater	Stillwater Area	County Road 64 near County Road 15	28	Single Family	Market Rate	U.S. Home	under development	2014+
Cottonwood Trail Addition	Stillwater	Stillwater Area	County Road 12 at Maryknoll Drive	2	Single Family	Market Rate	Garley	Final Plat approved	2014
Ashton Ridge	Woodbury	Woodbury	South of Bailey and Pioneer	127	Single Family	Market Rate	Lennar	Under Construction	2013+
Autumn Ridge	Woodbury	Woodbury	West of Radio and Military	20	Single Family	Market Rate	Custom One	Under Construction	2013+
Bailey Lake	Woodbury	Woodbury	South of Bailey and Pioneer	98	Single Family	Market Rate	Ryland	Under Construction	2013+
East Meadows	Woodbury	Woodbury	East of Liberty Ridge Elementary	21	Single Family	Market Rate	Metro Land	Planned	n/a
Eastview Place (formerly Garden Gate)	Woodbury	Woodbury	Eastview and Settler's Ridge	74	Townhomes	Market Rate	Centra Homes	Planned	n/a
Fields of Woodbury	Woodbury	Woodbury	South of East Ridge HS	324	Single Family	Market Rate	Hunter Emerson	In Review	n/a
Southridge	Woodbury	Woodbury	South of Dale and Pioneer	221	Single Family	Market Rate	Maplewood Development/Pulte	Planned	n/a
Views @ City Walk	Woodbury	Woodbury	South of Hudson and Lake View Drive	45	Rental	Affordable	CommonBond	Under Construction	Oct. 2013
Bielenberg Gardens	Woodbury	Woodbury	Radio Drive & Bailey Road	275	Senior	Market Rate	St. Therese	No city submittals	Early 2015
Prelude Senior Living	Woodbury	Woodbury	10020 Raleigh Rd.	12	Senior	Market Rate	Prelude Senior Living	Planned	2014+
Projects Preliminarily Planned, Approved but Stalled, or Speculative									
Inspiration	Bayport	Stillwater Area	Inspiration Parkway	60	Condo	Market Rate		Approved - stalled out	
Lehigh Acres	Cottage Grove	Cottage Grove Area	Manning Ave. & 100th St. S.	39	Single-family	Market Rate		Final plat approved - stalled out	
Oak Cove	Cottage Grove	Cottage Grove Area		12	Single-family	Market Rate		Final plat approved - stalled out	
Gateway Green 1	Forest Lake	Forest Lake	Everton Ave. & 19th St.	42	Condo	Market Rate	Midwest R.E. Mgt. Inc./Jon Whitcomb	Approved PUD - stalled out	
Gateway Green 2	Forest Lake	Forest Lake	Everton Ave. & 19th St.	42	Condo	Market Rate		Approved PUD - stalled out	
North Shore Estates	Forest Lake	Forest Lake		9	Single-family	Market Rate		Stalled	
Timberlake	Forest Lake	Forest Lake		23	Single-family	Market Rate		Stalled	
White Rock Ranch	Forest Lake	Forest Lake		14	Single-family	Market Rate		Stalled	
Ecumen/Walker Methodist Senior (Headwater)	Forest Lake	Forest Lake	Hwy 61 & 202nd St.	206	Senior	Market Rate	Ecumen (originally Walker Methodist)	Stalled	
Everton Commons	Forest Lake	Forest Lake	Everton Avenue	140	Senior	Market Rate	Mularoni Architects LLC	Project Denied by City Council	
Hopkins Farm	Hugo	Hugo		29	Single-family	Market Rate		Stalled	
Oneka Lake (TH)	Hugo	Hugo		30	Townhomes	Market Rate		Stalled	
Oneka Shores/Cattail Ponds	Hugo	Hugo		69	Single-family	Market Rate		Stalled	
Oneka Shores/Sand Hill Shores	Hugo	Hugo		71	Single-family	Market Rate		Stalled	
Oneka Shores/Three Pines	Hugo	Hugo		107	Single-family	Market Rate		Stalled	
Oneka Shores/White Violet	Hugo	Hugo		37	Single-family	Market Rate		Stalled	
Oneka Shores/Wild Turkey Run	Hugo	Hugo		184	Single-family	Market Rate		Stalled	
Oneka Shores/Wild Turkey	Hugo	Hugo		12	Single-family	Market Rate		Stalled	
Oneka Shores/Wild Turkey	Hugo	Hugo		48	Single-family	Market Rate		Stalled	
Sunset Shores	Hugo	Hugo		39	Single-family	Market Rate		Stalled	
Wilderness View	Hugo	Hugo		119	Single-family	Market Rate		Stalled	
Hidden Meadows	Lake Elmo	Lake Elmo	59th St. N.	25	Single-family	Market Rate		Stalled	
Country Air Golf Park	Lake Elmo	Lake Elmo	404 Lake Elmo Ave. N.	70	Senior	Market Rate	Nicole Park	Speculative	
Lake Elmo Farm School & Senior Living	Lake Elmo	Lake Elmo	9434 Stillwater Blvd. N.	50	Senior	Market Rate	Tammy Malmquist	Stalled	
Wildwood school site	Mahtomedi	Mahtomedi/Grant	Old Wildwood Elementary - 535 N. Warner Ave.	16	Single-family	Market Rate	Applying in Fall for approvals	Concept Plan	
Hammes Estates	Lake Elmo	Lake Elmo	Keats Ave N & 10th St.	171	Single Family	Market Rate	Ryland Homes	Concept Plan	2014+
Tanners Lake Site	Oakdale	Oakdale Area	Century Avenue	110	Rental	Market Rate	HAF Group	Stalled	
Waters of Oakdale/Tartan Crossing	Oakdale	Oakdale Area	Former Oakdale Center; I-694 & 10th St.	90	Senior	Market Rate	Waters Senior Living	Stalled	
Rivers Edge	St. Paul Park	St. Paul Park	annexed from Grey Cloud	1137	Mix	Market Rate	DR Horton	Speculative	
Stillwater Senior Coop	Stillwater	Stillwater Area	County Road 12 at Minar	100	Senior Coop	Market Rate	Not yet public	Concept Discussions	2014 const.
Cates Homes	Stillwater	Stillwater Area	County Road 12 at Minar	25	Single-family	Market Rate	Cates Homes	Concept Discussions	2014 dev./Const
JJ Hause Townhomes	Stillwater	Stillwater Area	County Road 5 at Curve Crest Blvd.	12	Townhomes	Market Rate	JJ Hause	Concept Discussions	2013/2014 Const.
Stonemill Farms Senior	Woodbury	Woodbury	Northof Halstad Trail/S. of Eagle View Blvd.	45	Senior	Market Rate	Newland Communities	Speculative	

Sources: Local government staff, Maxfield Research Inc.

Introduction

Housing and economic development are interconnected in a variety of ways. A strong housing market and strong economy reinforce one another. As new jobs are produced and household incomes rise, housing demand increases. This, in turn, results in housing construction that provides additional jobs and consumer spending.

The primary goal of affordable housing is to lower the monthly housing costs for households. However, research also shows that affordable housing also impacts local economic growth. A household generally spends about three-fifths of its income on goods and services sold in the local economy. Affordable housing payments can significantly increase a household's discretionary income. Funds freed up as a result of lower housing costs can be used to meet other necessities such as groceries, clothing, and health-related expenses.

In addition, the development of affordable housing can help attract both new employers and a skilled workforce. Many employers have reported that a lack of affordable housing makes it more difficult to recruit and retain employees. In addition, the availability of affordable housing plays a role in where businesses decide to build, relocate, or expand their operations.

The housing market also plays an important role in the overall national economy. In normal economic times, housing accounts for about 17% of the Gross Domestic Product (GDP).

The following section analyzes Washington County housing affordability as it relates household incomes and wages in the County.

Housing Affordability Definition

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

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

FIGURE 1
AREA MEDIAN INCOME (AMI) DEFINITIONS

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

Note: Washington County 4-person AMI = \$82,300 (2013)

Naturally-Occurring Affordable Housing (i.e. Unsubsidized Affordable)

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

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

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

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 Washington 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 (MHFA) based on the date the project was placed into service. Fair market rent is the amount needed to pay gross monthly rent at modest rental housing in a given area. This table is used as a basis for determining the payment standard amount used to calculate the maximum monthly subsidy for families at financially assisted housing.

Table HA-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 bedroom. For each additional bedroom, the maximum household size increases by two persons.

Table HA-1 MHFA/HUD INCOME AND RENT LIMITS WASHINGTON COUNTY - 2013								
Income Limits by Household Size								
	1 phh	2 phh	3 phh	4 phh	5 phh	6 phh	7 phh	8 phh
30% of median	\$17,280	\$19,740	\$22,230	\$24,690	\$26,670	\$28,650	\$30,630	\$32,580
50% of median	\$28,800	\$32,900	\$37,050	\$41,150	\$44,450	\$47,750	\$51,050	\$54,300
60% of median	\$34,560	\$39,480	\$44,460	\$49,380	\$53,340	\$57,300	\$61,260	\$65,160
80% of median	\$46,080	\$52,640	\$59,280	\$65,840	\$71,120	\$76,400	\$81,680	\$86,880
100% of median	\$57,600	\$65,800	\$74,100	\$82,300	\$88,900	\$95,500	\$102,100	\$108,600
120% of median	\$69,120	\$78,960	\$88,920	\$98,760	\$106,680	\$114,600	\$122,520	\$130,320
Maximum Gross Rent								
	EFF	1BR	2BR	3BR	4BR			
30% of median	\$432	\$493	\$555	\$617	\$666			
50% of median	\$720	\$822	\$926	\$1,028	\$1,111			
60% of median	\$864	\$987	\$1,111	\$1,234	\$1,333			
80% of median	\$1,152	\$1,316	\$1,482	\$1,646	\$1,778			
100% of median	\$1,440	\$1,645	\$1,852	\$2,057	\$2,222			
120% of median	\$1,728	\$1,974	\$2,223	\$2,469	\$2,667			
Fair Market Rent/Payment Standards								
	EFF	1BR	2BR	3BR	4BR			
FMR/Payment Standard	\$625	\$751	\$920	\$1,210	\$1,377			
Sources: MHFA, HUD, Maxfield Research Inc.								

Sources: MHFA, HUD, Maxfield Research Inc.

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TABLE HA-2
MAXIMUM RENT BASED ON HOUSEHOLD SIZE AND AREA MEDIAN INCOME
WASHINGTON COUNTY - 2013

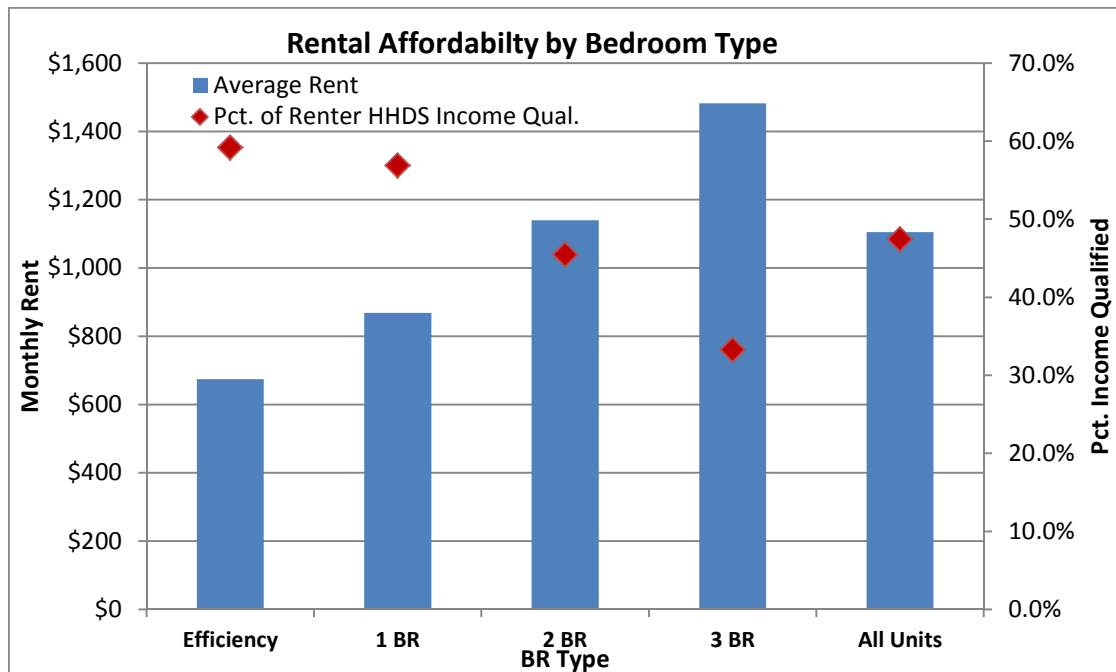
Unit Type ¹	HHD Size		Maximum Rent Based on Household Size (@30% of Income)											
	Min	Max	30%		50%		60%		80%		100%		120%	
			Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Studio	1	1	\$432 - \$432		\$720 - \$720		\$864 - \$864		\$1,152 - \$1,152		\$1,440 - \$1,440		\$1,728 - \$1,728	
1BR	1	2	\$432 - \$494		\$720 - \$823		\$864 - \$987		\$1,152 - \$1,316		\$1,440 - \$1,645		\$1,728 - \$1,974	
2BR	2	4	\$494 - \$617		\$823 - \$1,029		\$987 - \$1,235		\$1,316 - \$1,646		\$1,645 - \$2,058		\$1,974 - \$2,469	
3BR	3	6	\$556 - \$716		\$926 - \$1,194		\$1,112 - \$1,433		\$1,482 - \$1,910		\$1,853 - \$2,388		\$2,223 - \$2,865	
4BR	4	8	\$617 - \$815		\$1,111 - \$1,358		\$1,334 - \$1,629		\$1,778 - \$2,172		\$2,223 - \$2,715		\$2,667 - \$3,258	
¹ One-bedroom plus den and two-bedroom plus den units are classified as 1BR and 2BR units, respectively. To be classified as a bedroom, a den must have a window and closet.														
Note: 4-person Washington County AMI is \$82,300 (2013)														
Sources: HUD, MHFA, Maxfield Research Inc.														

Rental Affordability by Bedroom Type

Table HA-3 shows the average market rate rents by unit type and the proportion of Washington County renter households that could afford the monthly rents. Monthly rents are based on a 30% allocation of household income to housing costs. Key findings from the table follow.

- Across all market rate rental units, about 47% of existing renters can afford the market rate monthly rents without being cost burdened. Therefore, over one-half of renters seeking market rate rental product are considered cost burdened.
- About 60% of Washington County renters can afford to rent an efficiency unit. The number of income-qualified renter households decreases with each larger unit. Approximately 57% can afford one-bedroom units, 45% could afford two-bedroom units, and 33% could afford three-bedroom units.

TABLE HA-3 HOUSEHOLD INCOME NEEDED TO AFFORD AVERAGE RENT WASHINGTON COUNTY 2013			
Unit Type	Average Rent	HHD Income Needed to Afford	Pct. of Renter HHDS that can Afford*
Efficiency	\$675	\$27,000	59.2%
1 BR	\$868	\$34,720	56.9%
2 BR	\$1,140	\$45,600	45.4%
3 BR	\$1,482	\$59,280	33.3%
All Units	\$1,105	\$44,200	47.4%
* Based on 2011 rental incomes			
Source: Maxfield Research Inc.			



Home Ownership and Rental Affordability by Submarket

In 2012, housing affordability for householders seeking to purchase a new home was recently at an all-time high. This was based on the relationship between median home price, median family income, and average mortgage rates. Because of falling home prices since the housing bust and record-low interest rates, today's households have favorable purchasing power in today's real estate market. However, as interest rates increased in the summer of 2013 and as the housing market has improved, ownership affordability has started to decline.

The Minneapolis Association of Realtors utilizes methodologies administered by the National Association of Realtors to determine the Housing Affordability Index (HAI). The HAI formula assumes buyers have equity for a down payment (20% down), good to excellent credit, and that monthly principle and interest (P&I) payments cannot exceed 25% of the median family income. The Metro Area HAI was at historic highs in 2012 as households earning the median family income had twice the purchasing power than in 2006 at the height of the real estate boom. Again, the HAI index is based on strict guidelines that not all households meet (i.e. lender underwriting standards, length of employment, etc.). Some households who would not have been able to afford to buy a home last decade may consider homeownership given today's circumstances. Consequently, affordability decreases as the for-sale market stabilizes and appreciation returns, which began to occur in the summer of 2013.

At the same time, rental affordability has been diminishing due to historic low vacancy rates which have led to rising rents for tenants. Because the Metro Area rental market is tight and

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there is high demand, landlords continue to increase rents until new product is delivered to the market.

Table HA-4 shows the average sales price of a home in 2012 by Washington County submarket and the minimum household income needed to afford to purchase a home. Prior to the Great Recession and housing bust, a household could afford to purchase a home of about three times their gross income. However, due to the low mortgage rates today and depressed pricing, affordability has increased and the purchasing power is higher (from 3.0 to 3.5 times gross income). The table also illustrates the number of Washington County income-qualified households by tenure (i.e. owner vs. renter) that could afford market rate rents based on the average rent of each submarket. The following bullet points identify key findings.

- Based on the average sales price of a home in Oakdale, Oakdale has the highest percentage of income-qualified households for the average home price (85%) while Lake Elmo has the smallest percentage (35%).
- Over 70% of West Submarket owner households are income-qualified to purchase an average priced home; compared to about 59% in the East Submarket.
- Approximately 60% of existing rental households can afford market rate rents based on the average market rate rent and a 30% allocation of income to housing.

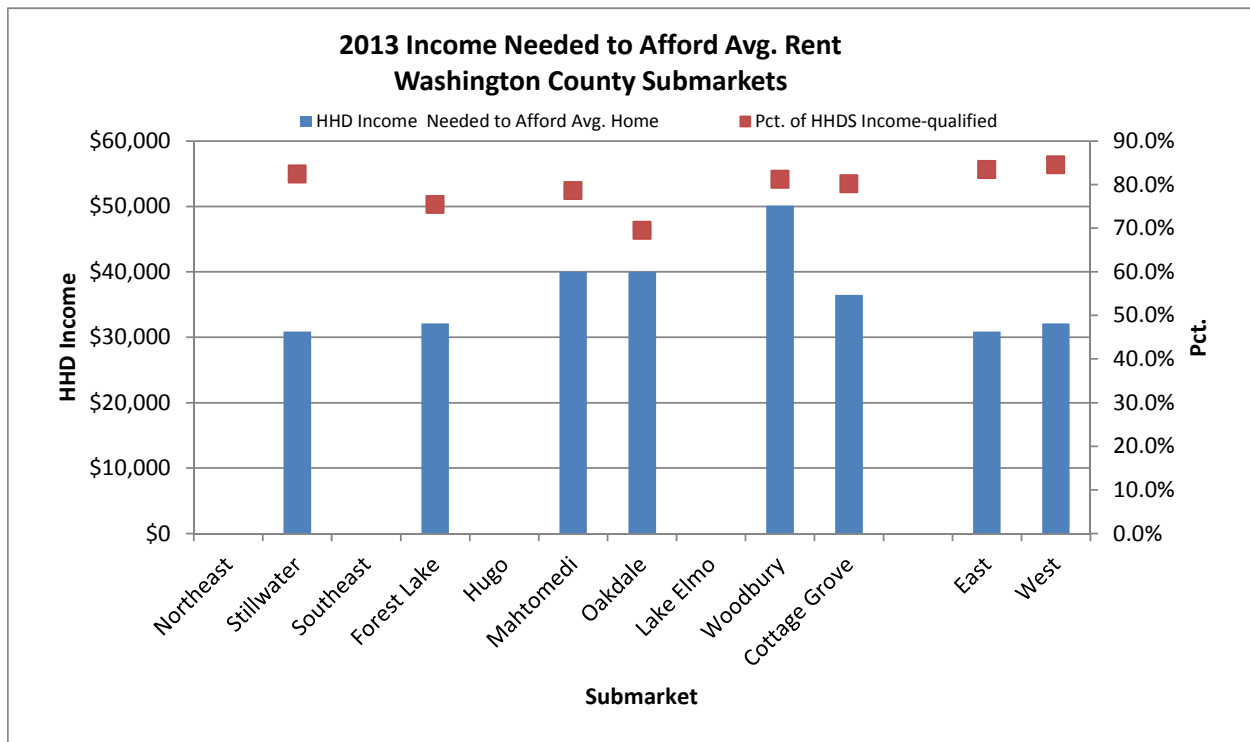
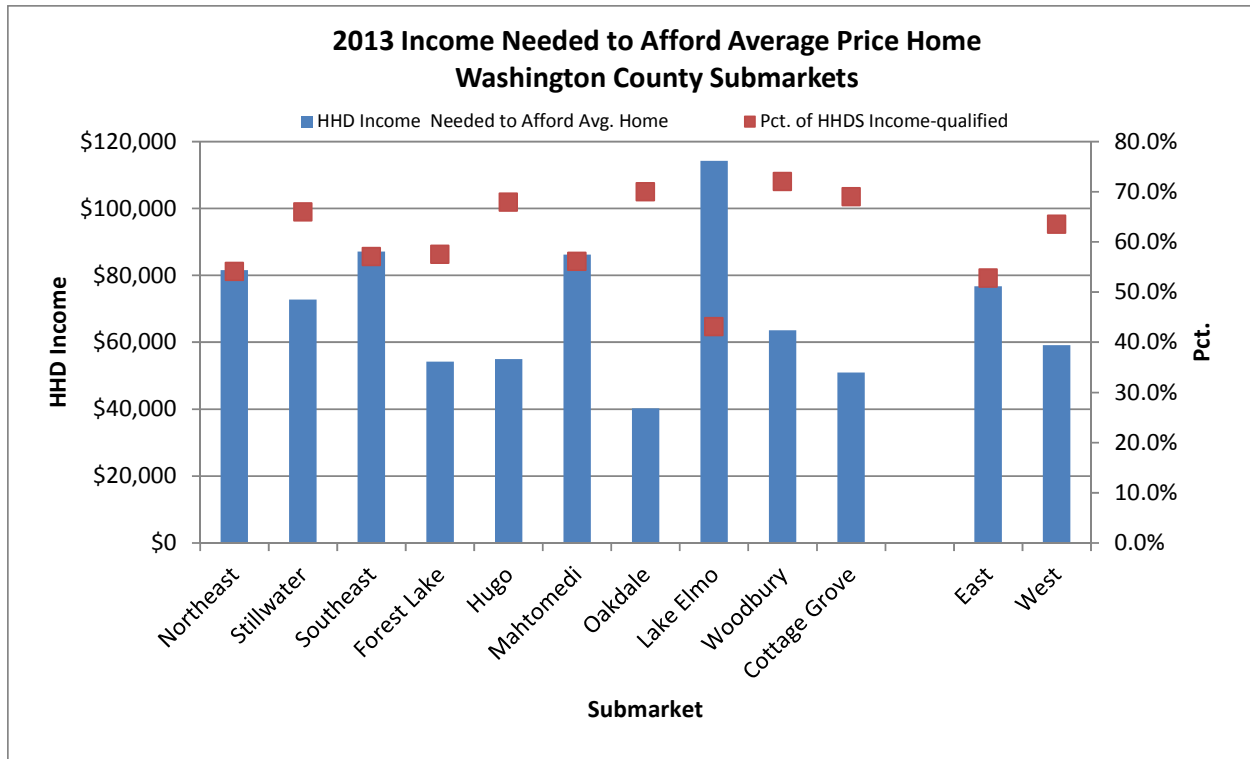
TABLE HA-4 PCT. OF HOUSEHOLDS THAT CAN AFFORD AVERAGE PRICED HOME & RENT WASHINGTON COUNTY 2013						
Submarket	Home Ownership			Market Rate Rental housing		
	Average Sales Price ¹	HHD Income Needed to Afford Avg. Home	Pct. of Wash. Co. Owner HHDs Who can Afford ²	Average Rent	HHD Income Needed to Afford Avg. Rent	Pct. of Wash. Co. Renter HHDs Who can Afford ²
Northeast	\$297,882	\$81,612	55.2%	na	na	na
Stillwater	\$265,456	\$72,728	62.0%	\$771	\$30,840	61.7%
Southeast	\$318,059	\$87,140	51.4%	na	na	na
Forest Lake	\$197,836	\$54,202	75.8%	\$803	\$32,120	60.2%
Hugo	\$200,720	\$54,992	75.2%	na	na	na
Mahtomedi	\$314,669	\$86,211	52.1%	\$1,000	\$40,000	51.6%
Oakdale	\$146,989	\$40,271	85.2%	\$1,000	\$40,000	51.6%
Lake Elmo	\$416,944	\$114,231	35.4%	na	na	na
Woodbury	\$232,200	\$63,617	68.8%	\$1,253	\$50,120	41.4%
Cottage Grove	\$185,931	\$50,940	78.2%	\$912	\$36,480	55.2%
East	\$280,007	\$76,714	58.8%	\$771	\$30,840	61.8%
West	\$215,878	\$59,145	72.0%	\$803	\$32,120	60.2%

¹ Average sales price includes both single-family and multifamily resales. Based on 2012 resale data.

² Based on 2011 ACS household incomes by tenure (i.e. owner and renter incomes)

Note: Affordability has been adjusted to account for today's low interest rates (4.25% 30-year fixed)

Source: Maxfield Research Inc.



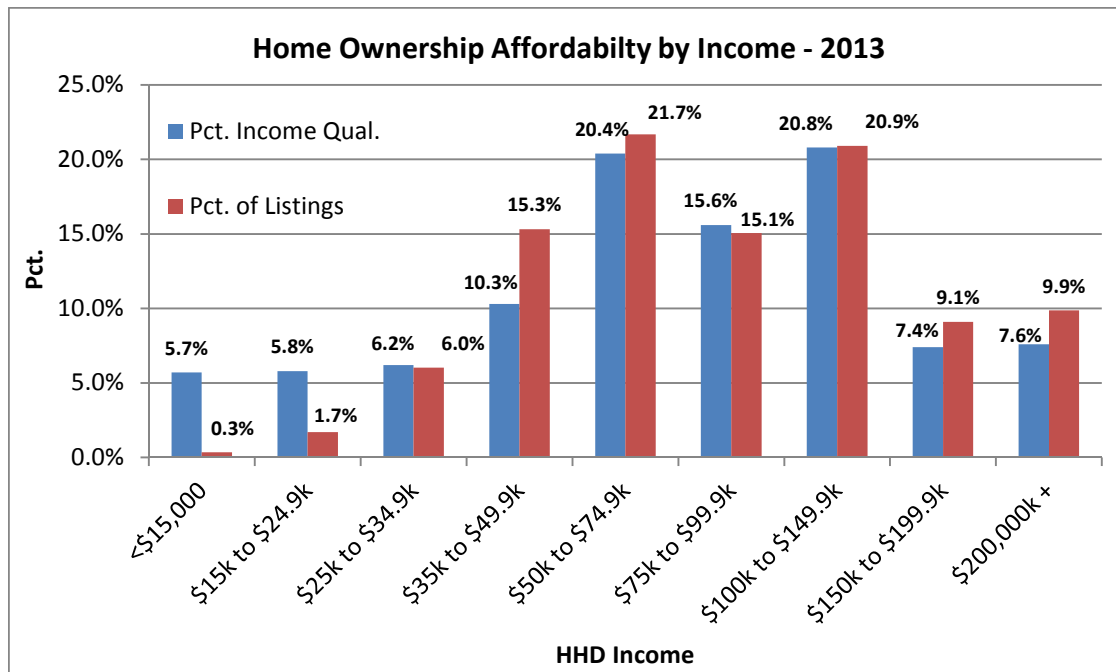
Home Ownership Affordability by Household Income

Table HA-5 illustrates the price point of a home Washington County householders could afford based on household income. In addition, the table shows the number of active listings that fall within the home price range. The active listings were provided by the Regional Multiple Listing Service of Minnesota from June 2013. Key findings from the table follow.

- About 18% of Washington County households have household incomes less than \$35,000. Persons earning less than \$35,000 could afford a home value of up to \$127,750. However, only 8% of all active listings in Washington County are affordable to persons earning less than \$35,000.
- The proportion of listings to household income is near equilibrium for those householders earning between \$50,000 and \$150,000 annually. Householders in the aforementioned income ranges should have a sufficient home inventory based on their income.
- The number of luxury homes on the market is higher than the number of households that can afford the housing costs. About 15% of Washington County households have incomes above \$150,000, but nearly 20% of the active listings in the County are priced more than \$547,500.

Table HA-5 Home Ownership Affordability by Income - 2013 Washington County					
2013 Income	Pct. of HHDs Income Qual.	Affordable Home Price		Active Listings	
		Min	Max	No.	Pct.
<\$15,000	5.7%	\$0 - \$54,750		4	0.3%
\$15k to \$24.9k	5.8%	\$54,750 - \$91,246		20	1.7%
\$25k to \$34.9k	6.2%	\$91,250 - \$127,746		71	6.0%
\$35k to \$49.9k	10.3%	\$127,750 - \$182,496		180	15.3%
\$50k to \$74.9k	20.4%	\$182,500 - \$273,746		255	21.7%
\$75k to \$99.9k	15.6%	\$273,750 - \$364,996		177	15.1%
\$100k to \$149.9k	20.8%	\$365,000 - \$547,496		246	20.9%
\$150k to \$199.9k	7.4%	\$547,500 - \$729,996		107	9.1%
\$200,000k +	7.6%	\$730,000		116	9.9%

Source: Regional Multiple Listing Service of MN, Maxfield Research Inc.



Earnings by Occupation and Housing Affordability

Table HA-6 displays the average annual salary of various occupations in the Metro Area. Using these estimates, Maxfield Research estimated the housing costs for both for-sale and rental housing to determine if a particular occupation could afford to rent the average priced market rate rental unit or purchase the average priced home in Washington County. The calculation is based on a one income householder based on 2013 salaries, a median resale value of \$200,231, and an average market rate rent of \$1,105.

Based on housing costs and average wages, the table shows that it is challenging for workers in the service/support industries to afford the median priced home or average monthly rent. However, workers in the management and professional occupations would income qualify for both for-sale and rental housing. For further information on wages and occupations, please see the *Employment Trends* Section of this report.

TABLE HA-6
AVERAGE EARNINGS BY OCCUPATION AND AFFORDABILITY
WASHINGTON COUNTY
2013

Occupations	Avg. Annual Salary	Monthly Rent or Mortgage PMT (@ 30%)	Occupation can afford Median Home Value	Occupation can afford Median Monthly Rent
Service/Support Occupations				
Firefighter	\$53,000	\$1,325	No	Yes
Police Officer	\$59,000	\$1,475	Yes	Yes
Registered Nurse	\$60,000	\$1,500	Yes	Yes
Retail Sales Associate	\$30,000	\$750	No	No
Teacher	\$41,750	\$1,044	No	No
Social Worker	\$44,000	\$1,100	No	No
Janitor	\$25,500	\$638	No	No
Management/Professional Occupations				
Manager	\$95,375	\$2,384	Yes	Yes
Sales	\$60,000	\$1,500	Yes	Yes
Engineer	\$71,690	\$1,792	Yes	Yes

Note: Assumes one income householder earner. Median resale value is \$200,231 (2012) and average market rate monthly rent is \$1,105.

Sources: Glassdoor, Maxfield Research Inc.

Housing Cost Burden

Table HA-7 shows the number and percentage of owner and renter households in the Seven County Metro Area that pay 30% or more of their gross income for housing. This information was compiled from the American Community Survey 2011 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.

Additional data is presented in this section from the HUD Comprehensive Housing Affordability Strategy (CHAS) which estimates the number of households that have housing problems and those that are moderately cost-burdened (pay between 30% and 50% of their income for housing) or severely cost burdened (pay 50% or more 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.

- Washington County has the highest housing costs in the Metro Area. Median contract rent is \$1,045 compared to \$868 in the entire Metro Area (about 20% higher). Anoka County has the second highest rent at \$932.

- Approximately 22% of all owner households had incomes less than \$50,000, while 43% of renter households had incomes less than \$35,000 in Washington County.
- About 28% of owner households and 47% of renter householders are estimated to be paying more than 30% of their income for housing costs. Compared to other counties in the Metro Area, the percentage of cost burdened households is low in Washington County. Washington County has the second lowest percentage of cost burdened owner and renter households behind Dakota County (27.0% renter, 46.1% owner).
- The number of cost burdened households increased proportionally based on lower incomes. About 83% of renters with incomes below \$35,000 are cost burdened and 64% of owners with incomes below \$50,000 are cost burdened.
- While the total percentage of cost burdened households in Washington County is low, a much larger percentage of lower-income households are cost burdened. Washington County has the fifth highest percentage of cost burdened **owner** households at 47.3%. However, it has the highest percentage of cost burdened **renter** households at 82.9%.

HOUSING AFFORDABILITY

TABLE HA-7
HOUSING COST BURDEN
7-COUNTY METRO AREA
2011

	Anoka Co.		Carver Co.		Dakota Co.		Hennepin Co.		Ramsey Co.		Scott Co.		Wash Co.	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Owner Households														
All Owner Households	99,474		27,295		116,871		305,885		122,573		38,394		72,214	
Cost Burden 30% or greater	29,084	29.4%	8,021	29.5%	31,395	27.0%	90,762	29.8%	33,776	27.7%	11,242	29.4%	19,863	27.6%
Owner Households w/incomes <\$50,000	27,042		5,092		27,157		78,057		37,226		6,782		15,885	
Cost Burden 30% or greater	16,210	61.0%	3,057	61.0%	16,881	63.2%	50,379	65.7%	20,994	57.2%	4,324	64.7%	10,014	63.8%
Renter Households														
All Renter Households	22,117		5,505		35,520		169,629		81,273		6,872		15,808	
Cost Burden 30% or greater	11,006	51.7%	2,905	55.1%	15,804	46.1%	81,601	50.0%	42,262	54.1%	3,106	46.5%	7,039	47.3%
Renter Households w/incomes <\$35,000	10,878		3,019		16,421		88,821		49,109		3,245		6,780	
Cost Burden 30% or greater	8,445	81.4%	2,197	76.6%	12,904	82.7%	68,998	82.1%	37,413	80.2%	2,394	77.8%	5,229	82.9%
Median Contract Rent	\$932		\$906		\$879		\$868		\$809		\$894		\$1,045	

Note: Calculations exclude households not computed.

Source: American Community Survey; Maxfield Research Inc.

TABLE HA-8
Housing Cost Burdens for Owners with Incomes Under \$50,000
Washington County
2011

Tract	Area	HH - Incomes of Less than \$50K HHs-30% or More of Income	Total HHs	Pct.
701.03	Forest Lake	217	886	24.5%
701.04	Forest Lake	313	893	35.1%
701.05	Forest Lake	318	1,598	19.9%
701.06	Forest Lake	355	2,004	17.7%
702.03	Hugo	545	2,444	22.3%
702.04	Hugo	438	1,928	22.7%
702.05	Scandia	277	1,355	20.4%
702.06	May Twp.	220	1,367	16.1%
703.01	Dellwood	82	567	14.5%
703.03	Pine Springs	235	1,426	16.5%
703.04	Willernie	286	1,327	21.6%
704.03	Grant	204	1,270	16.1%
704.04	Stillwater	178	1,024	17.4%
704.05	Lake Elmo	121	1,431	8.5%
704.06	Lake Elmo	356	1,241	28.7%
705.01	Stillwater	161	1,192	13.5%
705.02	Stillwater	312	1,074	29.1%
706.01	Stillwater	395	1,854	21.3%
706.02	Stillwater	394	956	41.2%
707.01	West Lakeland	236	1,667	14.2%
707.03	Oak Park Heights	361	1,009	35.8%
707.04	Bayport	305	936	32.6%
708.01	Bayport	0	0	0.0%
708.02	Oak Park Heights	0	0	0.0%
709.06	Oakdale	533	1,766	30.2%
709.07	Oakdale	377	1,187	31.8%
709.09	Oakdale	407	1,904	21.4%
709.1	Oakdale	610	1,665	36.6%
709.11	Oakdale	475	1,463	32.5%
709.12	Oakdale	170	650	26.2%
710.01	Woodbury	302	1,112	27.2%
710.03	Newport	264	904	29.2%
710.06	Woodbury	297	1,371	21.7%
710.1	Woodbury	293	1,394	21.0%
710.11	Woodbury	114	980	11.6%
710.12	Woodbury	579	1,505	38.5%
710.13	Woodbury	282	1,564	18.0%
710.14	Woodbury	82	1,342	6.1%
710.15	Woodbury	240	2,015	11.9%
710.16	Woodbury	137	1,405	9.8%
710.17	Woodbury	216	1,810	11.9%
710.18	Woodbury	330	3,559	9.3%
711.01	Lakeland Shores	342	1,280	26.7%
711.02	Denmark Twp.	342	1,649	20.7%
712.06	Cottage Grove	321	2,398	13.4%
712.07	Cottage Grove	366	2,416	15.1%
712.08	Cottage Grove	465	1,632	28.5%
712.09	Cottage Grove	167	1,813	9.2%
713	St. Paul Park	622	1,759	35.4%
714	Cottage Grove	620	2,298	27.0%
Total		15,262	72,290	21.1%

Sources: American Community Survey, 2010 Estimates; Maxfield Research Inc.

Housing Cost Burden for Owners w/Incomes less than \$50k (by Census Tract & Percentage)

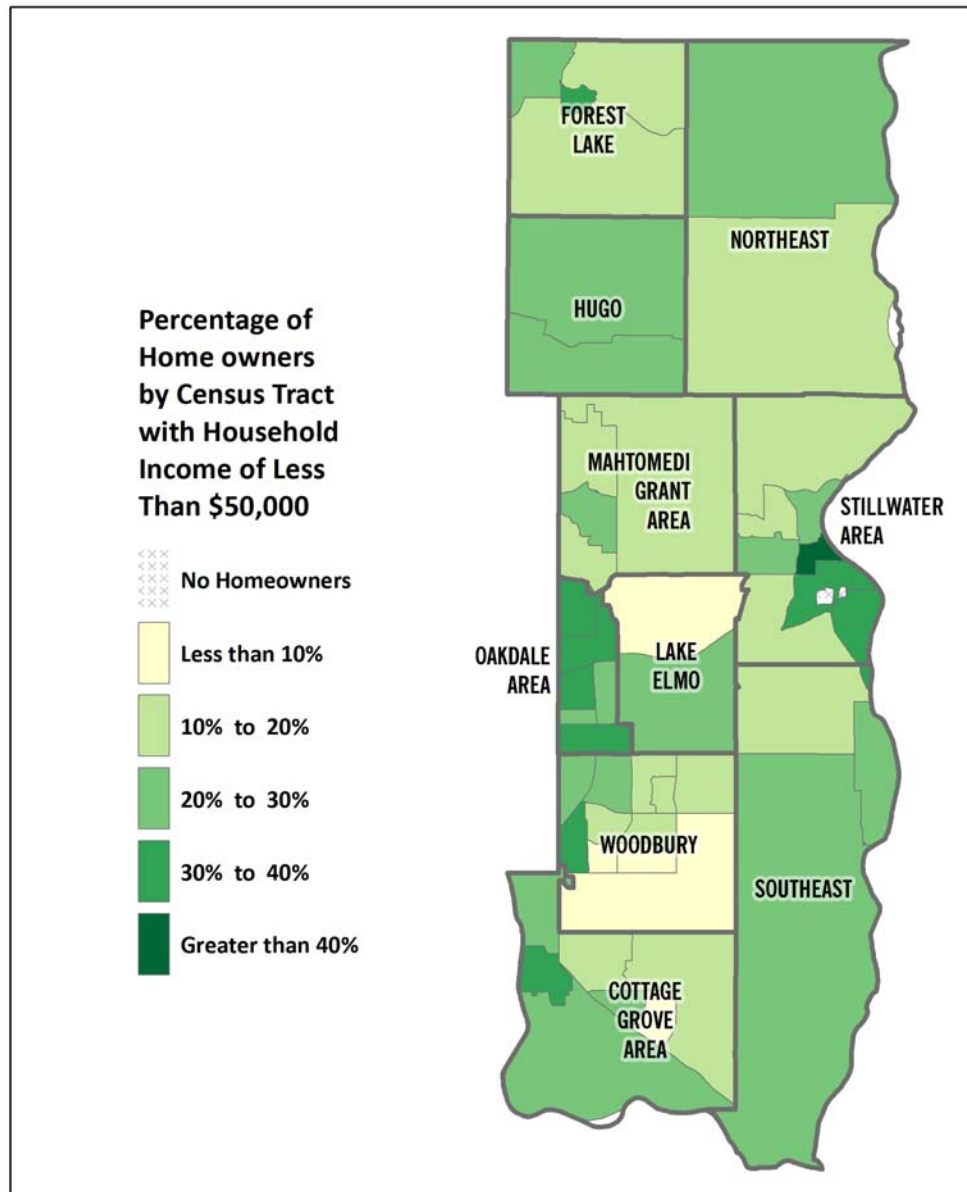
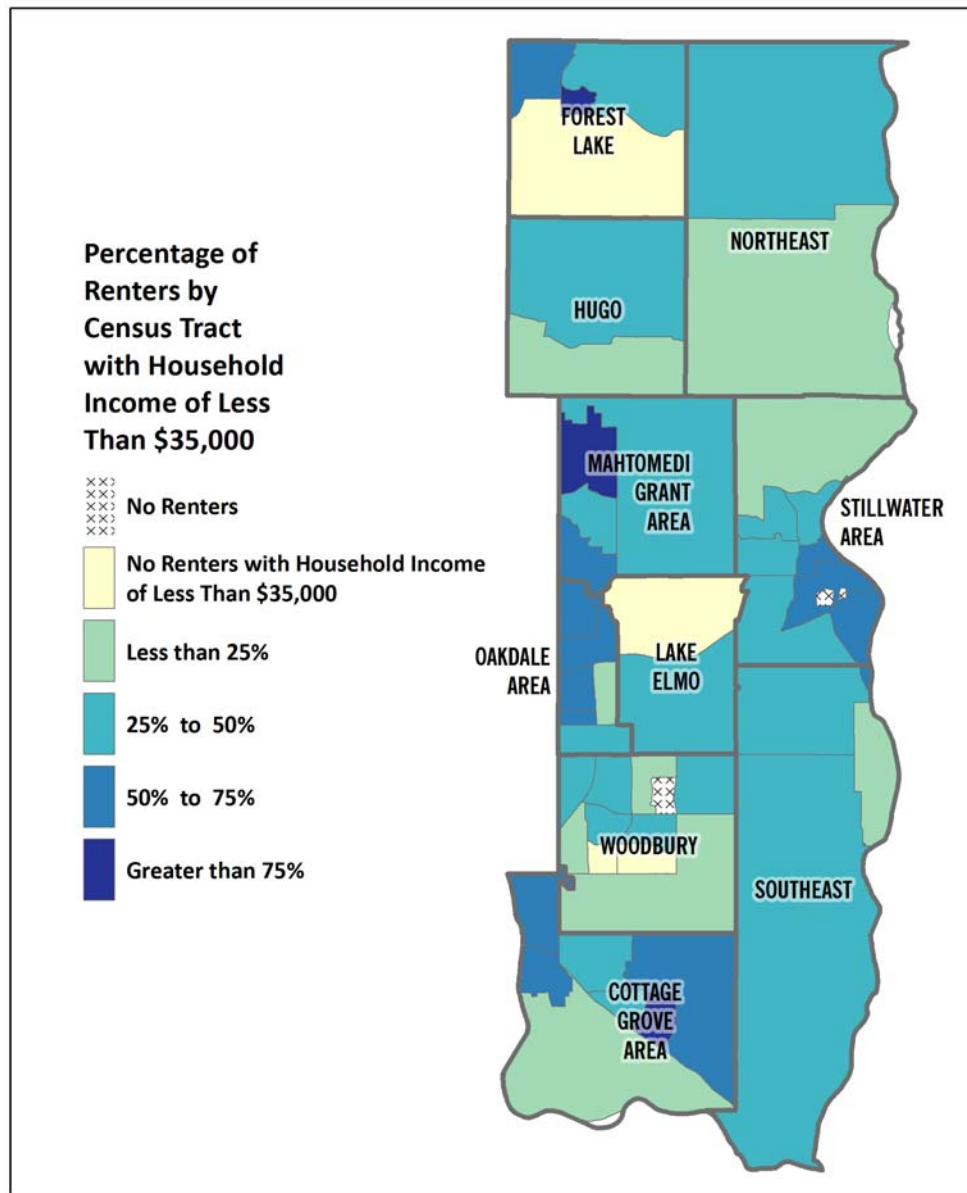


TABLE HA-9
Housing Cost Burdens for Renters with Incomes Under \$35,000
2011

Tract	Area	HH - Incomes of Less than \$35K HHs-30% or More of Income	Total HHs	Pct.
701.03	Forest Lake	613	1,061	57.8%
701.04	Forest Lake	290	381	76.1%
701.05	Forest Lake	28	82	34.1%
701.06	Forest Lake	0	190	0.0%
702.03	Hugo	125	338	37.0%
702.04	Hugo	14	66	21.2%
702.05	Scandia	43	102	42.2%
702.06	May Twp.	3	36	8.3%
703.01	Dellwood	19	25	76.0%
703.03	Pine Springs	216	332	65.1%
703.04	Willernie	161	382	42.1%
704.03	Grant	19	52	36.5%
704.04	Stillwater	13	90	14.4%
704.05	Lake Elmo	0	21	0.0%
704.06	Lake Elmo	97	194	50.0%
705.01	Stillwater	29	88	33.0%
705.02	Stillwater	293	590	49.7%
706.01	Stillwater	250	650	38.5%
706.02	Stillwater	158	285	55.4%
707.01	West Lakeland	169	479	35.3%
707.03	Oak Park Heights	408	566	72.1%
707.04	Bayport	197	357	55.2%
708.01	Bayport	0	0	0.0%
708.02	Oak Park Heights	0	0	0.0%
709.06	Oakdale	111	189	58.7%
709.07	Oakdale	400	723	55.3%
709.09	Oakdale	26	144	18.1%
709.1	Oakdale	111	326	34.0%
709.11	Oakdale	235	394	59.6%
709.12	Oakdale	383	609	62.9%
710.01	Woodbury	351	983	35.7%
710.03	Newport	335	537	62.4%
710.06	Woodbury	106	375	28.3%
710.1	Woodbury	32	282	11.3%
710.11	Woodbury	0	0	0.0%
710.12	Woodbury	134	736	18.2%
710.13	Woodbury	81	176	46.0%
710.14	Woodbury	0	65	0.0%
710.15	Woodbury	115	362	31.8%
710.16	Woodbury	0	37	0.0%
710.17	Woodbury	106	288	36.8%
710.18	Woodbury	50	616	8.1%
711.01	Lakeland Shores	27	155	17.4%
711.02	Denmark Twp.	26	87	29.9%
712.06	Cottage Grove	289	646	44.7%
712.07	Cottage Grove	42	78	53.8%
712.08	Cottage Grove	71	175	40.6%
712.09	Cottage Grove	28	35	80.0%
713	St. Paul Park	166	249	66.7%
714	Cottage Grove	55	222	24.8%
Total		6,425	14,856	43.2%

Sources: American Community Survey, 2010 Estimates; Maxfield Research Inc.

Housing Cost Burden for Renters w/Incomes less than \$35k (by Census Tract & Percentage)



Introduction

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

- number of people in the County with disabilities;
- number of people with AIDS;
- estimates of disability by income level;
- distribution of long-term homelessness by family type;
- bi-yearly shelter survey;
- US Census American Community Survey results; and
- inventory of housing for disabled persons in Washington County.

Persons with Disabilities

Data on the number of people in the Washington County with disabilities was obtained from the 2011 US Census American Community Survey. The Census Bureau defines a disability as a long-lasting physical, mental, or emotional condition lasting six months or more.

Table SN-1 shows the number of people by age group who are classified as having one of four types of disabilities: hearing, vision, cognitive (difficulty with various types of mental tasks) and ambulatory (difficulty moving from place to place without aid). It should be noted that a person can have more than one disability.

The following are key points from Table SN-1.

- Overall, 7.9% of the County's non-institutionalized population has some form of disability. This percentage is lower than the State's (10%). Washington County is a younger, suburban County, which might explain the lower percentage. In addition, many older communities have more services available and affordable housing tends to have higher proportions of people with disabilities.
- When comparing disabilities by age, 4.7% of the County's age 5 to 17 population had a disability, as did about 6.3% of the age 18 to 64 population and 28% of the age 65 and over population.
- Cognitive disability is the most prevalent type of disability among children (48.3%). Among people age 18 to 64, ambulatory disability is the most common (22.8%), followed by cognitive disability (22.4%). Among seniors, the most common disability is ambulatory (33.9%). Whereas cognitive disability was most common among children, it is least common among seniors.

TABLE SN-1 TYPE OF DISABILITY BY AGE OF NON-INSTITUTIONALIZED PERSON WASHINGTON COUNTY 2011		
	<u>Total Number</u>	<u>Percent with a Disability</u>
Age 5 to 17 years		
Hearing disability	477	1.0%
Vision disability	578	1.2%
Cognitive disability	1,542	3.2%
Ambulatory disability	90	0.2%
Total	3,190	4.7%
<i>Self-care disability</i>	503	1.1%
Age 18 to 64 years		
Hearing disability	2,719	1.8%
Vision disability	1,751	1.2%
Cognitive disability	3,547	2.4%
Ambulatory disability	3,604	2.4%
Total	15,778	6.3%
<i>Self-care disability</i>	1,473	1.0%
<i>Independent Living Disability</i>	2,684	1.8%
Age 65 years and over		
Hearing disability	2,783	10.9%
Vision disability	1,150	4.5%
Cognitive disability	1,128	4.4%
Ambulatory disability	5,068	19.9%
Total	14,946	28.0%
<i>Self-care disability</i>	1,786	7.0%
<i>Independent Living Disability</i>	3,031	11.9%
Total disabilities (all ages):	33,914	7.9%
Sources: Census 2011 ACS; Maxfield Research Inc.		

People with Limitations/Disabilities

The 2000 Census provided a strong dataset on the number of people with disabilities. Disability categories were expanded in the 2000 Census and included several categories. This data gathering was not available for the 2010 Census and information obtained through the American Community Survey provides only limited information for selected larger communities. HUD Consolidated Planning division has compiled specific tabulations of households with various types of disabilities to address this issue. The special tabulations were developed using information specifically provided to HUD by the Census Bureau using an average of three years between 2008 and 2010.

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

The following are key points from Table SN-2.

- A large number of renter households (3,125 households) or 62.5% of all renter households with incomes of 30% or less of AMI indicated some type of limitation either vision/hearing, ambulatory, cognitive, or self-care. The lowest figures are for households with incomes greater than 80% of AMI.
- As incomes increase, the number of owner households also increases as well. As identified on the table, there are approximately 60,200 owner households with incomes of 80% or higher of the AMI.
- Comparatively, 16,725 (21%) owner households indicated some type of limitation versus 7,500 (4%) renter households. Owner households with limitations are more likely to have higher incomes than are renter households with limitations. The data does not however, identify the severity of the limitation other than the disability or limitation must last six months or more.

TABLE SN-2
ESTIMATES OF DISABILITY BY INCOME LEVEL
WASHINGTON COUNTY
2008-2010 (Three Year Average)

Type of Limitation and Income Category	Total HHs		Owner HHs		Renter HHs	
	No.	Pct.	No.	Pct.	No.	Pct.
Households w/incomes at or less than 30% AMI						
With a hearing or vision impairment	1,035	1.1%	475	0.6%	560	3.1%
With an ambulatory limitation	1,355	1.4%	390	0.5%	965	5.4%
With a cognitive limitation	985	1.0%	220	0.3%	765	4.3%
With a self-care or independent living limitation	1,185	1.2%	350	0.4%	835	4.7%
With none of the above limitations	3,985	4.1%	2,110	2.7%	1,875	10.5%
Households w/incomes greater than 30% but 50% or less of AMI						
With a hearing or vision impairment	775	0.8%	485	0.6%	290	1.6%
With an ambulatory limitation	970	1.0%	620	0.8%	350	2.0%
With a cognitive limitation	635	0.7%	350	0.4%	285	1.6%
With a self-care or independent living limitation	905	0.9%	590	0.7%	315	1.8%
With none of the above limitations	5,220	5.4%	3,460	4.4%	1,760	9.9%
Households w/incomes greater than 50% but 80% or less of AMI						
With a hearing or vision impairment	1,340	1.4%	930	1.2%	410	2.3%
With an ambulatory limitation	1,165	1.2%	710	0.9%	455	2.6%
With a cognitive limitation	925	1.0%	685	0.9%	240	1.3%
With a self-care or independent living limitation	1,055	1.1%	705	0.9%	350	2.0%
With none of the above limitations	8,475	8.8%	6,315	8.0%	2,160	12.1%
Households w/incomes greater than 80% of AMI						
With a hearing or vision impairment	3,405	3.5%	2,945	3.7%	460	2.6%
With an ambulatory limitation	2,755	2.9%	2,395	3.0%	360	2.0%
With a cognitive limitation	2,960	3.1%	2,525	3.2%	435	2.4%
With a self-care or independent living limitation	2,775	2.9%	2,350	3.0%	425	2.4%
With none of the above limitations	54,545	56.6%	50,060	63.6%	4,485	25.2%
Total	96,450	100.0%	78,670	100.0%	17,780	100.0%
Proportion Owner vs. Renter			81.6%		18.4%	

Source: HUD CHAS 2008-2010 (Three-year average)

Housing Facilities for Disabled Persons

Washington County has 141 facilities that serve persons with disabilities licensed with the Minnesota Department of Human Services in 2013. These facilities are summarized in Table SN-3 by the type of program. The table also provides a program description.

The following are key points from Table SN-3.

- Adult foster care provides the greatest amount of housing for persons with disabilities in Washington County. There are 137 adult foster care facilities in the County. The majority of adult foster care homes serve persons with developmental disabilities and mental illness. A smaller portion is licensed to serve other populations such as persons with traumatic brain injury or the elderly.
- There are no Semi-Independent Living Services buildings within the County and only three Residential Services building. The three are Phoenix at Newport in Newport and two facilities operated by REM Minnesota Community Services in Stillwater and Lake Elmo.

- There is one Intensive Residential Treatment Services facility in the County – Willow Haven in Lake Elmo.
- Overall, housing options for disabled persons are spread throughout the County in a pattern that closely follows overall population. The largest communities like Woodbury, Cottage Grove, and Oakdale have the greatest number of adult foster care beds. Meanwhile, communities and townships with smaller populations have fewer beds

TABLE SN-3 INVENTORY OF HOUSING FOR DISABLED PERSONS WASHINGTON COUNTY August 2013		
	Total Facilities	Program Description
Adult Foster Care	137	A living arrangement that provides food, lodging, supervision, and household services. They may also provide personal care and medication assistance. Adult foster care providers may be licensed to serve up to four adults and costs for room and board are met with client such as Social Security Income and Group Residential Housing (GRH).
Waiver Services	N/A	Home and community-based services for people who would otherwise require the level of care provided in a nursing facility. Waiver services may be provided in a private home, foster care home, board & lodging, or assisted living facility.
Semi-Independent Living Services (SILS)	0	Includes training and assistance to persons managing money, preparing meals, shopping, personal appearance, hygiene and other activities needed to maintain and improve the capacity of a person with a diagnosis of mental retardation to live in the community.
Residential Mental Illness	1	Intensive Residential Treatment Services (IRTS) facility designed to enhance psychiatric stability and personal and emotional adjustment.
Residential Services	3	Licensed residential service providers for persons with mental retardation or related conditions.
Total	141	
Source: MN Dept. of Human Services; Maxfield Research Inc.		

People Living With AIDS

Acquired Immunodeficiency Syndrome, or AIDS, was first reported in the United States in mid-1981. Since that time, the Public Health Service has received reports of more than 1.2 million people with AIDS in the Country. Through 2012 in Minnesota, 10,112 HIV and AIDS cases have been reported including 3,947 that have died.

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

Table SN-4 shows the estimated number of people living with AIDS in 2012 in each of the major metro area counties in the State, as well as in Minnesota and the United States. The data is from the Minnesota Department of Health and includes only those with AIDS, not those diagnosed with HIV but only AIDS. As the table shows, about 71 people in Washington County were living with AIDS in 2012, or about one in every 2,700 residents.

TABLE SN-4 ESTIMATED PEOPLE LIVING WITH AIDS METRO AREA COUNTY, 2012	
County	No. of People with AIDS
Hennepin County	1,920
Ramsey County	592
Dakota County	160
Anoka County	165
Washington County	71
St. Louis County	61
Olmsted County	53
Stearns County	33
Scott County	44
Carver County	29
Total	3,542
State Total	3,974
U.S. Total¹	487,968
¹ US Total is the 2009 value from the Kaiser Family Foundation.	
Source: Minnesota Department of Health, Washington County HRA, Maxfield Research Inc.	

Homelessness

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

- Individuals and families who lack a fixed, regular, and adequate nighttime residence and includes a subset for an individual that resided in an emergency shelter or a place not meant for human habitation and who is exiting a residence where they temporarily resided.
- Individuals and families who imminently lose their primary nighttime residence.

- Unaccompanied youth and families with children and youth who are defined as homeless under other federal statutes who do not otherwise qualify as homeless under this definition.
- Individuals and families who are fleeing or who are attempting to flee domestic violence, dating violence, sexual assault, stalking or other dangerous or life-threatening conditions that relate to violence against a family member.

Shelter Survey

The Minnesota Department of Children, Families and Learning conducts the Shelter Survey two times each year, but conducted the survey four times each year in the past. The survey covers over 300 shelters, transitional housing programs, and motel voucher providing agencies, such as County social service agencies, community action agencies, and Salvation Army units across the state, including five facilities in Washington County.

The Shelter Survey does not count the number of people sleeping on the street, in cars, in abandoned buildings, or those who are inappropriately doubled up. For this reason, the survey is not a count of all homeless people, only those provided with shelter for the night. The survey counts people staying in shelter facilities and those provided with motel vouchers. The following types of agencies are included in the survey:

Overnight Shelters	Transitional Housing Programs
Battered Women's Shelters	Battered Women's Safe Homes
Youth Shelters/Transitional Housing	Salvation Army Centers
County Social Service Agencies	Community Action Agencies
Miscellaneous Agencies	Detoxification Centers

Table SN-5 on the following page shows the total number of people sheltered in Washington County in January 2013 and July 2013. The following are key points from Table SN-5.

- In the July 2013 survey, 56 homeless people were sheltered in Washington County's eight facilities. This included 16 women and 32 children (86% of the total persons sheltered). Only eight men were sheltered. There are fewer options for homeless men, as most facilities serve single women or women with children.
- In January 2013, 71 people were sheltered in Washington County. The percentage of men, women and children sheltered was similar to the July 2013 survey.
- Compared to our previous report in 2007, which included the Shelter Survey for August 2005 and February 2006, the total number of people sheltered in Washington County in 2013 was similar. However, the percentage of women and children was greater in 2006 (95%), than 2013 (86%).

TABLE SN-5 SHELTER SURVEY WASHINGTON COUNTY January 2013 and July 2013				
Agency Legal Name	Persons Sheltered			
	Men	Women	Kids	Total
January 2013				
Canvas Health- Men's Transitional Housing	2	0	0	2
Canvas Health- Family Transitional Housing	2	2	2	6
Canvas Health- Women's Transitional Housing	0	3	0	3
St. Andrew's Church- Hope for Journey Home	3	5	18	26
Hotel/Motel Shelter- Washington County	0	2	4	6
DOC Emergency Housing Funds- Dept. of Corrections	1	0	0	1
RAHO (short-term rental assistance)- Dept. of Corrections	1	0	0	1
Washington County Total	9	12	24	45
July 2013				
Canvas Health- Men's Transitional Housing	2	0	0	2
Canvas Health- Family Transitional Housing	1	1	2	4
Canvas Health- Women's Transitional Housing	0	3	0	3
St. Andrew's Church- Hope for Journey Home	4	11	27	42
Hotel/Motel Shelter- Washington County	1	1	3	5
DOC Emergency Housing Funds- Dept. of Corrections	-	-	-	-
RAHO (short-term rental assistance)- Dept. of Corrections	-	-	-	-
Washington County Total	8	16	32	56
Note: Solid Ground and Department of Corrections did not report any individuals in Washington County in July 2013.				
Sources: Dept. of Children, Families and Learning; Maxfield Research Inc.				

Table SN-6 shows the distribution of long-term homelessness by family type in Washington County and throughout the Metro Area for comparison purposes. This data is obtained through Wilder Research, which specializes in providing research to address the needs of people in the metro area. The following are important points from Table SN-6:

- Washington County has the least amount of households experiencing long-term homelessness in the Metro Area, which accounts for 0.9% of the metro total.
- A total of 57 persons in Washington County (2.5% of the metro total), which ranks third lowest in the metro area. Scott/Carver County has the least amount with 38 persons, followed by Anoka County with 53 persons.

SPECIAL NEEDS HOUSING

- Washington County has the lowest rate of Adults (18+) without children that have experienced long-term homelessness (0.9%). Dakota County has the second lowest rate.
- Nearly 5% of children with their parents are experiencing long-term homelessness in Washington County, which ranks fourth highest in the metro area. However, Dakota County is close behind in the same category (4.8%).

TABLE SN-6
DISTRIBUTION OF LONG-TERM HOMELESSNESS BY FAMILY TYPE
WASHINGTON COUNTY AND SURROUNDING COUNTIES
2013

	Adults (18+) w/o children		Unaccompanied minors (<18) w/o children		Parents w/children		Children w/their parents		Total persons		Total households	
	#	%	#	%	#	%	#	%	#	%	#	%
Anoka	35	2.6%	0	0.0%	6	2.0%	12	2.1%	53	2.4%	42	2.5%
Dakota	23	1.7%	0	0.0%	16	5.4%	27	4.8%	66	2.9%	39	2.3%
Hennepin	868	63.8%	14	70.0%	218	73.2%	413	73.1%	1513	67.4%	1100	65.5%
Ramsey	394	28.9%	6	30.0%	38	12.8%	79	14.0%	517	23.0%	438	26.1%
Scott/Carver	29	2.1%	0	0.0%	3	1.0%	6	1.1%	38	1.7%	32	1.9%
Washington	12	0.9%	0	0.0%	17	5.7%	28	5.0%	57	2.5%	28	1.7%
Metro Total	1361	100.0%	20	100.0%	298	100.0%	565	100.0%	2244	100.0%	1679	100.0%
Statewide Total	2102		39		459		914		3514		2600	

Source: Wilder Research Inc.; Maxfield Research Inc.

Wilder Research conducts a statewide homeless study to better understand the severity, causes, and effects of homelessness. The study was last conducted on October 25, 2012. Counts include battered women's shelters, transitional housing sites, and emergency shelters. These numbers were reported by housing providers. The count does not contain estimates of unidentified or uncounted homeless individuals within Washington County. Table SN-7 shows the breakdown per age group for the various homeless shelter and site options.

The following are key points in Table SN-7:

- As of the October 25, 2012 study, there were 37 people in emergency shelters, 56 in battered women's shelters, and 46 in transitional housing.
- Nearly 20 minors and adults were found in the battered women's shelters and transitional housing category, which makes up 78.8% of the total number of minors and adults in shelters.
- A total of 35 children with parents were found in battered women's shelters, which contributes to 40.2% of the number of children with parents discovered in battered women's shelter.

TABLE SN-7
CONTINUUM OF CARE COUNTS OF PEOPLE AND FAMILIES
WASHINGTON COUNTY
2012

		Emergency Shelters	Battered Women's Shelters	Transitional Housing	Total in Shelters	Total not in Shelters	Total
Unaccompanied	Male	-	-	-	-	1	1
minors	Female	-	-	-	-	3	3
(age <18)	<i>Total</i>	-	-	-	-	4	4
Young	Male	-	-	-	-	6	6
Adults	Female	-	2	1	3	12	15
(age 18-21)	<i>Total</i>	-	2	1	3	18	21
Adults	Male	2	-	4	6	5	11
age 22-54	Female	9	19	15	43	7	50
	<i>Total</i>	11	19	19	49	12	61
Adults	Male	-	-	-	-	4	4
55 and older	Female	-	-	-	-	4	4
	<i>Total</i>	-	-	-	-	8	8
Number of minors and adults		11	21	20	52	42	94
Number of children with parents		26	35	26	87	14	101
Total number of homeless people		37	56	46	139	56	195

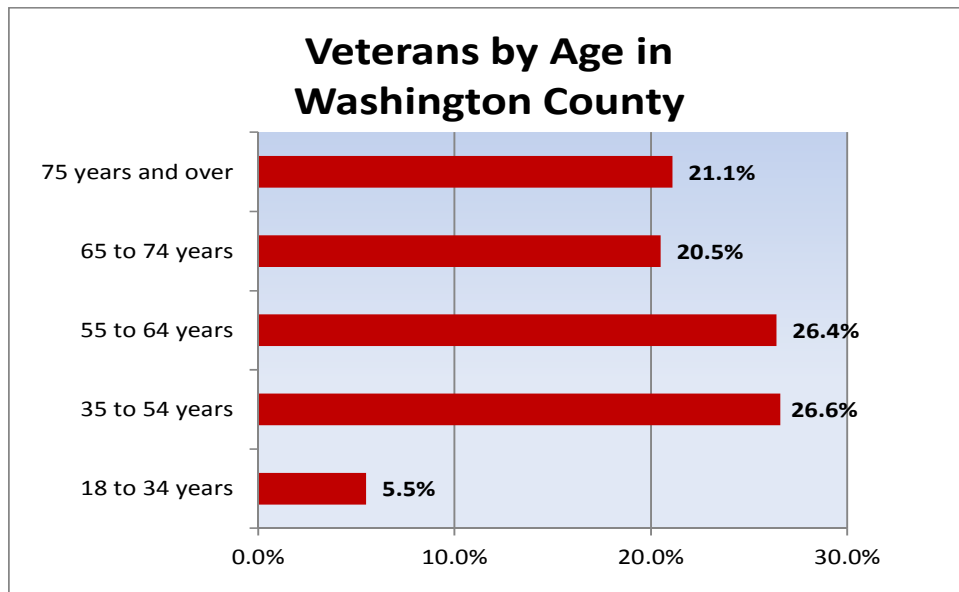
Source: Washington County Continuum of Care; Wilder Research; Maxfield Research Inc.

American Community Survey

Veterans

According to the Federal Government, a veteran is any person who served honorably on active duty in the armed forces of the United States. According to the US Census Bureau's American Community Survey 2011, Washington County had an estimated 16,360 veterans. Among these veterans, the dominant demographic characteristics are:

- 37.4% are Vietnam era Veterans
- 14.3% are Gulf War Veterans (8/1990 to 8/2001)
- 93.7% are male
- 26.6% are between the ages of 35 to 54
- 26.4% are between the ages of 55 to 64
- 97.1% are white
- Median Income over the past 12 months was \$45,580
- 37.3% have some college or an associate's degree

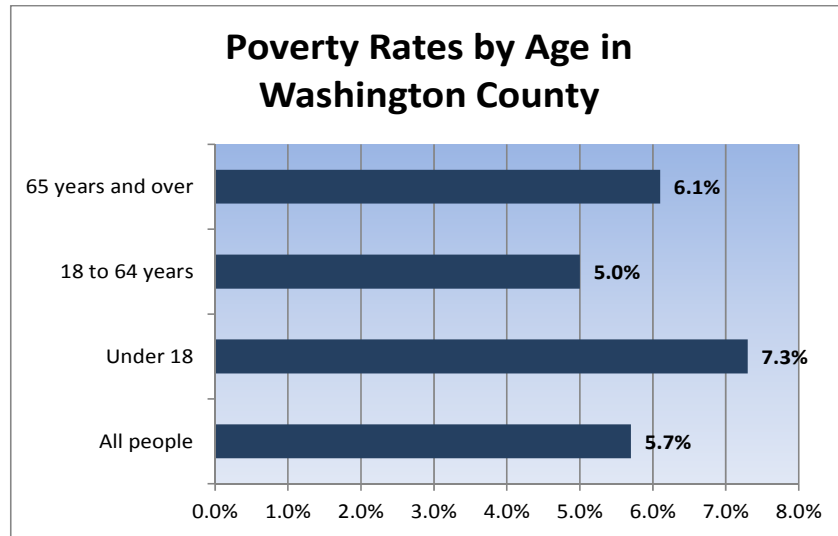


The unemployment rate for veterans is slightly higher than for the population overall. This could however be due to the proportion of World War II and Korean War Veterans, most of whom are likely retired. Combined, 20.3% of the Veteran population in Washington County is veterans of these wars.

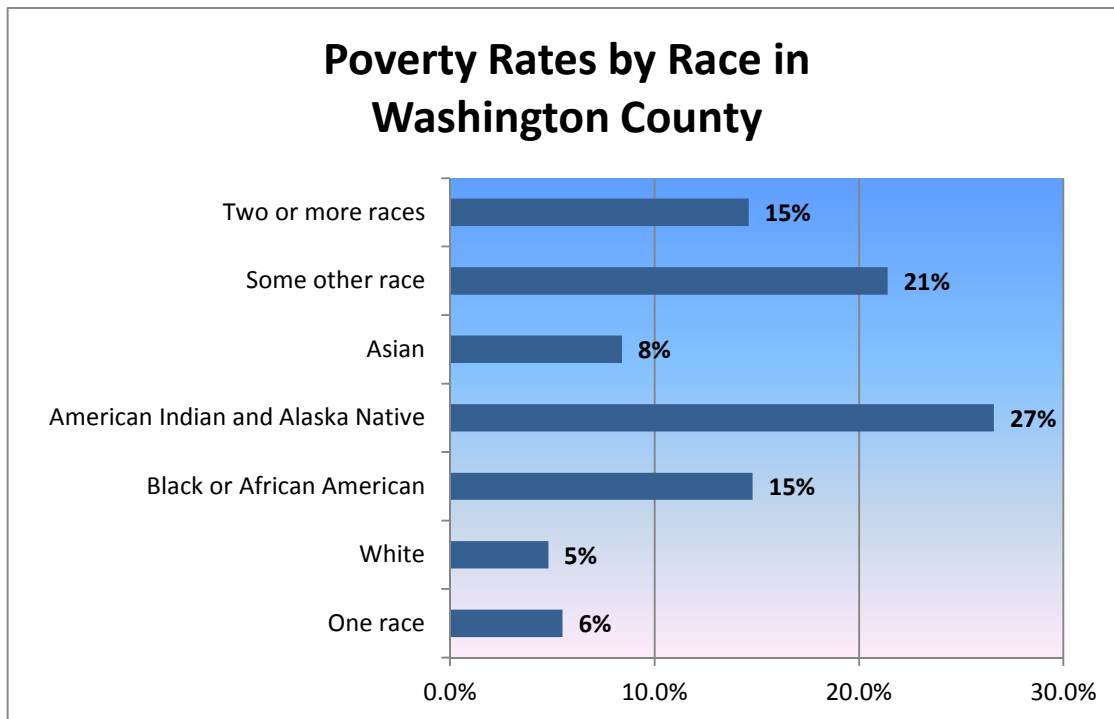
Poverty

As stated in the US Census Bureau's American Community Survey 2011, Washington County had an estimated 13,303 persons below poverty level in the past 12 months. People who fall below the poverty level have these demographic features:

- 5.7% of Washington County population is below poverty level
- 7.3% are under the age of 18
- 6.2% are female
- 26.6% are American Indian or Alaskan Native
- 12.5% have less than a high school education
- 16.9% are unemployed



The unemployment rate for those who fall under the poverty level is more than double the overall population's rate. This can be largely attributed to many not working full-time year-round in the past 12 months. According to American Community Survey, only 2% worked full-time, year-round. In addition, about 24% worked less than full-time year-round and 30% did not work at all.



In Washington County, poverty rates are lowest among white residents and highest among American Indian and Alaska Natives. Also, as illustrated in the graph, persons who are one race (5.5%) are much less likely to fall under the poverty level than those who are two or more races (14.6%).

Introduction

Previous sections of this study analyzed the existing housing supply and the growth and demographic characteristics of the population and household base in Washington County. This section of the report presents our estimates of housing demand in the County from 2013 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.

Because of the relatively young age of the County's housing stock and the fact that redevelopment has not taken a significant number of homes out of the market, demand for housing in Washington County will be driven almost exclusively by household growth. Between 2013 and 2020, Washington County is projected to see an increase of approximately 18,000 households. Between 2020 and 2030, another 17,000 households are projected to be added. Since each household equates to an occupied housing unit, the County will need to build an equal number of housing units to support this growth – or approximately 35,000 housing units by 2030.

The graphic on the following page 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 Washington County. In this section, we utilize findings from the economic and demographic analysis to calculate demand for new general occupancy housing units in the County. In addition, we present housing demand for each submarket in the County.

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

HOUSING DEMAND ANALYSIS

DEMOGRAPHICS & HOUSING DEMAND							
Age Cohort	Student Housing	Rental Housing	1st-time Home Buyer	Move-up Home Buyer	2nd Home Buyer	Empty Nester/ Downsizer	Senior Housing
18-24	18 - 24						
25-29		18-34					
30-34			25-39				
35-39				30-49			
40-44							
45-49							
50-54					40-64		
55-59							
60-64						55-74	
65-69		65-79					
70-74							55+ & 65+
75-79							
80-84							
85+							

Source: Maxfield Research Inc.

HOUSING DEMAND ANALYSIS

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

Source: Maxfield Research Inc.

Demographics

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

Economy & Job Growth

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

relates to reduced housing demand. Additionally, low income growth results in fewer move-up buyers which results in diminished housing turnover across all income brackets.

Consumer Choice/Preferences

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

Supply (Existing Housing Stock)

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

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

Housing Finance

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

The ability of buyers to obtain mortgage financing has been increasingly challenging over the past few years as lenders have overcorrected from the subprime mortgage crisis. As a result, many borrowers have remained on the sidelines as lenders have enforced tight lending requirements, thereby increasing the demand for rental housing.

Mobility

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

Elmo, Lake Elmo may also capture a portion of Woodbury and Oakdale submarkets' potential demand. Consequently, Woodbury and Oakdale could capture lower demand.

For-Sale Housing Market Demand Analysis

Tables DMD-1 and DMD-2 presents our demand calculations for general occupancy for-sale housing in Washington County between 2013 and 2020 and between 2020 and 2030, respectively. This analysis identifies potential demand for general occupancy for-sale housing that is generated from both new households and turnover households. The following points summarize our findings.

- Because the 65 and older cohort is typically not a target market for new general occupancy for-sale housing, we limit demand from household growth to only those households under the age of 65. According to our projections, the County is expected to grow by 16,443 households under age 65 between 2013 and 2020.
- Demand for ownership housing in Washington County is projected to remain robust, as the fringe of the Twin Cities Metro Area continues to expand outward into the County. Most of the land closer to the core of the Twin Cities is fully developed, with little land available to accommodate new housing, particularly single-family homes. Thus, Washington County will account for an increasingly greater share of the Twin Cities overall single-family housing development.
- Based on household tenure data from the US Census, we expect that between 77.6% of the demand (Stillwater) to 94.9% of the demand (Lake Elmo) will be for owner-occupied housing units, equating to a potential 13,849 owner households from household growth.
- As of 2013, there are approximately 60,394 owner households under the age of 65 in the County. Based on household turnover data from the 2011 American Community Survey, we estimate that between 13.6% and 44.9% of these under-65 owner households will experience turnover between 2013 and 2020 (turnover rate varies by submarket). This estimate results in anticipated turnover of approximately 16,579 existing households by 2020.
- We then estimate the percent of existing owner households turning over that would prefer to purchase new housing. Throughout the United States, approximately 8% of all home sales were for new homes over the past three years while slightly over 5% of Midwest sales were for new homes. Considering the age of the County's housing stock, we estimate that between 5%-10% of the households turning over will desire new housing. This estimate results in demand from existing households for 1,253 new residential units in the County between 2013 and 2020.

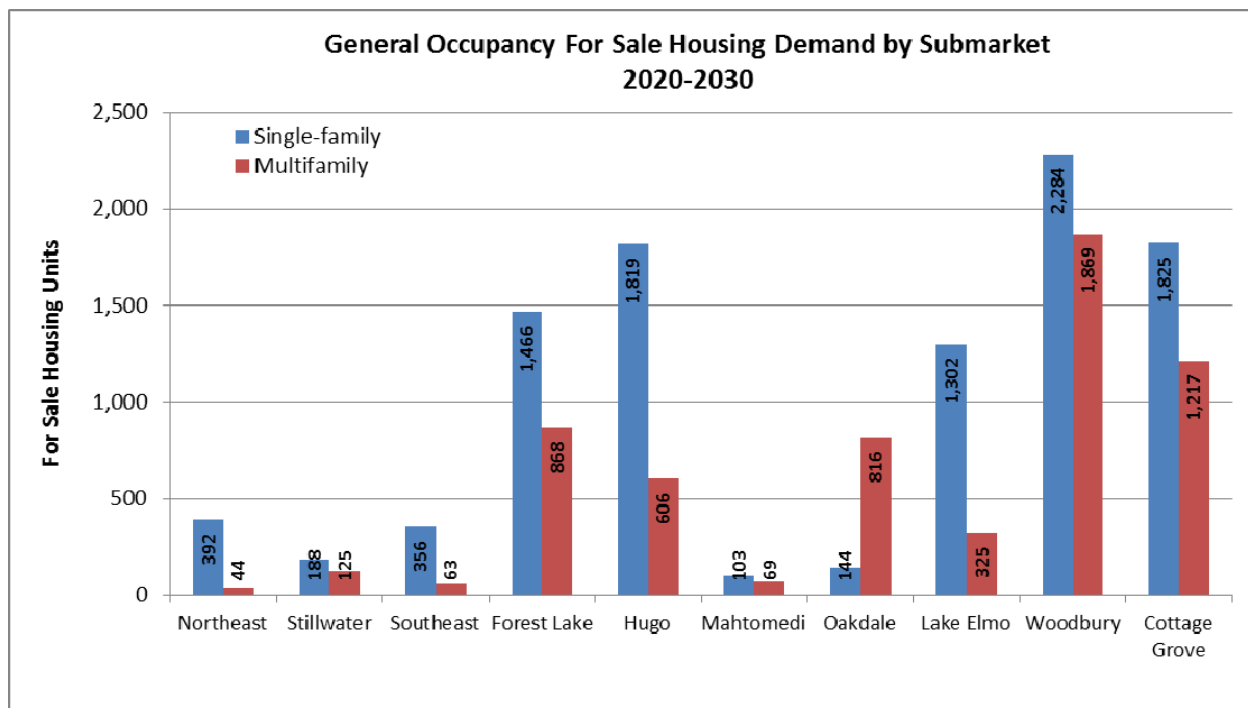
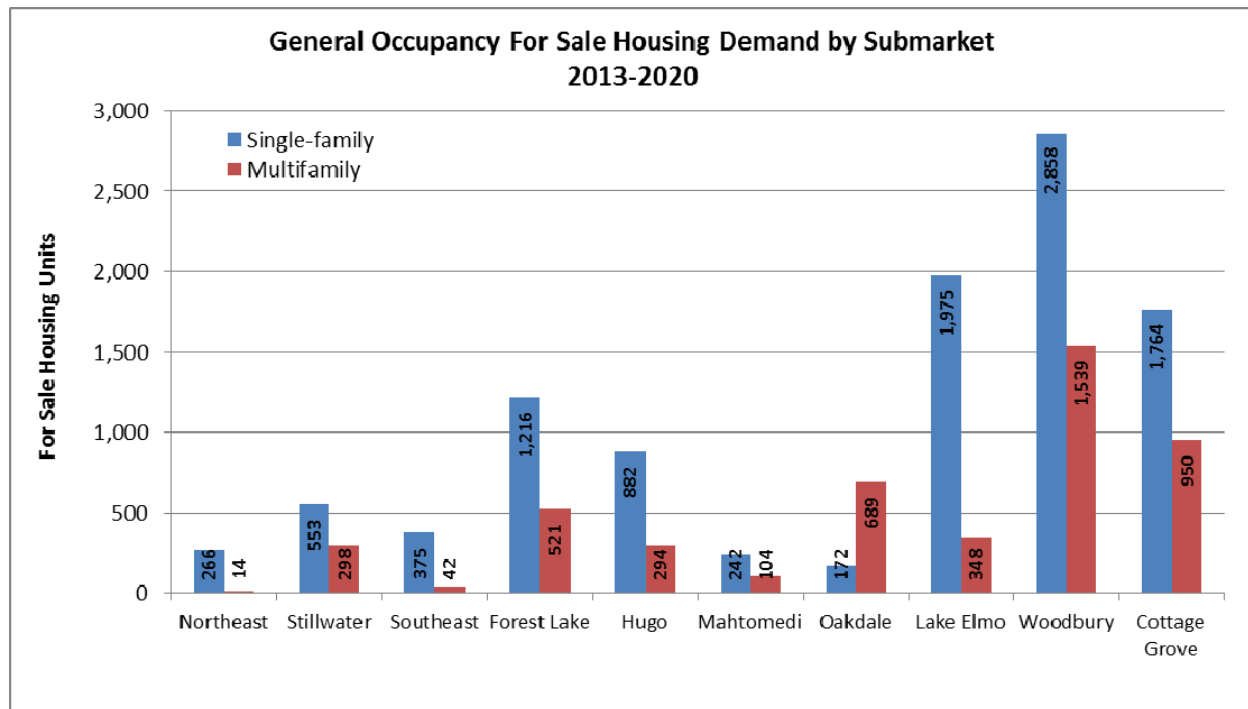
- Total demand from household growth and existing household turnover between 2013 and 2020 equates to 15,102 new for-sale housing units.
- Single-family demand is calculated for modest homes (<\$350,000), move-up homes (\$350,000 to \$550,000) and executive homes (\$550,000+). Approximately 49% of the new single-family homes built in Washington County between 2013 and 2020 are projected to be move-up and 36% are projected to be executive homes. Increased costs for building materials and labor, together with a diminishing finished lot supply have made housing construction more expensive. Existing single-family homes and new for-sale townhomes will accommodate much of the demand for modest homes.
- The greatest percentage of new single-family homes built in the Northeast, Southeast, and Lake Elmo submarkets will be executive homes. These three submarkets will satisfy about 49% of the County's demand for executive homes between 2013 and 2020.
- While there are various target markets for multifamily ownership housing, the majority of demand will be from younger households who have modest incomes and little savings or equity in an existing home. Thus, the majority of multifamily demand will be for units priced under \$250,000. Most of the demand for higher priced units will be from empty-nesters seeking to downsize from their existing single-family homes into a one-level townhome.

HOUSING DEMAND ANALYSIS

TABLE DMD-1 DEMAND FOR ADDITIONAL FOR-SALE HOUSING WASHINGTON COUNTY 2013 to 2020																						
	Northeast		Stillwater		Southeast		Forest Lake		Hugo		Mahtomedi		Oakdale		Lake Elmo		Woodbury		Cottage Grove		Washington County	
DEMAND FROM NEW HOUSEHOLD GROWTH																						
Household growth under age 65, 2013 to 2020	287		997		419		2,221		1,190		343		981		2,432		4,775		2,798		16,443	
(times) % propensity to own¹	92.6%		77.6%		93.7%		75.7%		91.2%		90.6%		78.3%		94.9%		80.6%		86.3%		83.3%	
(Equals) Demand from new household growth	266		774		393		1,681		1,085		311		768		2,308		3,849		2,415		13,849	
DEMAND FROM EXISTING HOUSEHOLDS																						
Total owner households under age 65, 2013	2,033		6,664		3,302		4,373		4,029		3,838		7,127		2,018		16,041		10,970		60,394	
(times) % of owner turnover 2012-2020²	13.6%		23.1%		14.5%		25.8%		44.9%		18.1%		26.2%		15.1%		34.2%		27.3%			
(times) % desiring new owner housing	5.0%		5.0%		5.0%		5.0%		5.0%		5.0%		5.0%		5.0%		10.0%		10.0%			
(Equals) Demand from existing households	14		77		24		56		90		35		93		15		549		299		1,253	
TOTAL MARKET DEMAND																						
Total demand from new HH growth and turnover	280		851		417		1,738		1,176		345		861		2,323		4,397		2,714		15,102	
Proportion Single-family vs. Multifamily	95%	5%	65%	35%	90%	10%	70%	30%	75%	25%	70%	30%	20%	80%	85%	15%	65%	35%	65%	35%	68%	32%
No. of Single-family vs. Multifamily Units	266	14	553	298	375	42	1,216	521	882	294	242	104	172	689	1,975	348	2,858	1,539	1,764	950	10,303	4,799
Single-Family																						
Percent Modest (<\$350,000)	0%		10%		0%		50%		25%		0%		10%		0%		15%		10%		15%	
Number	0		55		0		608		220		0		17		0		429		176		1,506	
Percent Move-up (\$350,000 - \$550,000)	15%		65%		15%		35%		65%		15%		70%		35%		50%		75%		49%	
Number	40		359		56		426		573		36		121		691		1,429		1,323		5,055	
Percent Executive (\$550,000+)	85%		25%		85%		15%		10%		85%		20%		65%		35%		15%		36%	
Number	226		138		319		182		88		206		34		1,284		1,000		265		3,742	
Multifamily³																						
Percent Modest (<\$250,000)	0%		45%		0%		55%		50%		30%		60%		35%		40%		60%		48%	
Number	0		134		0		287		147		31		414		122		616		570		2,320	
Percent Move-up (\$250,000+)	100%		55%		100%		45%		50%		70%		40%		65%		60%		40%		52%	
Number	14		164		42		235		147		73		276		227		923		380		2,479	
¹ Based on percent owner households under age 65 in 2010																						
² Based on household turnover and mobility data (2011 American Community Survey, Five Year Estimates)																						
³ Includes twinhomes, townhomes, condos, etc.																						
Source: Maxfield Research Inc.																						

HOUSING DEMAND ANALYSIS

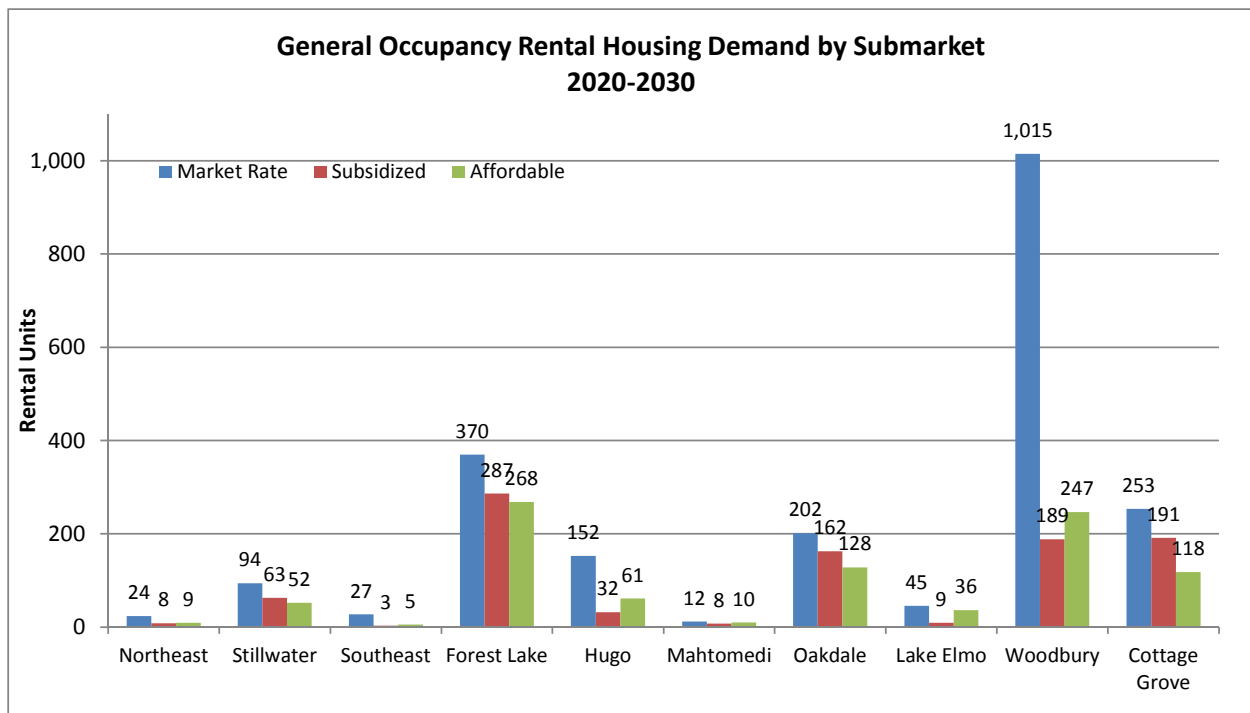
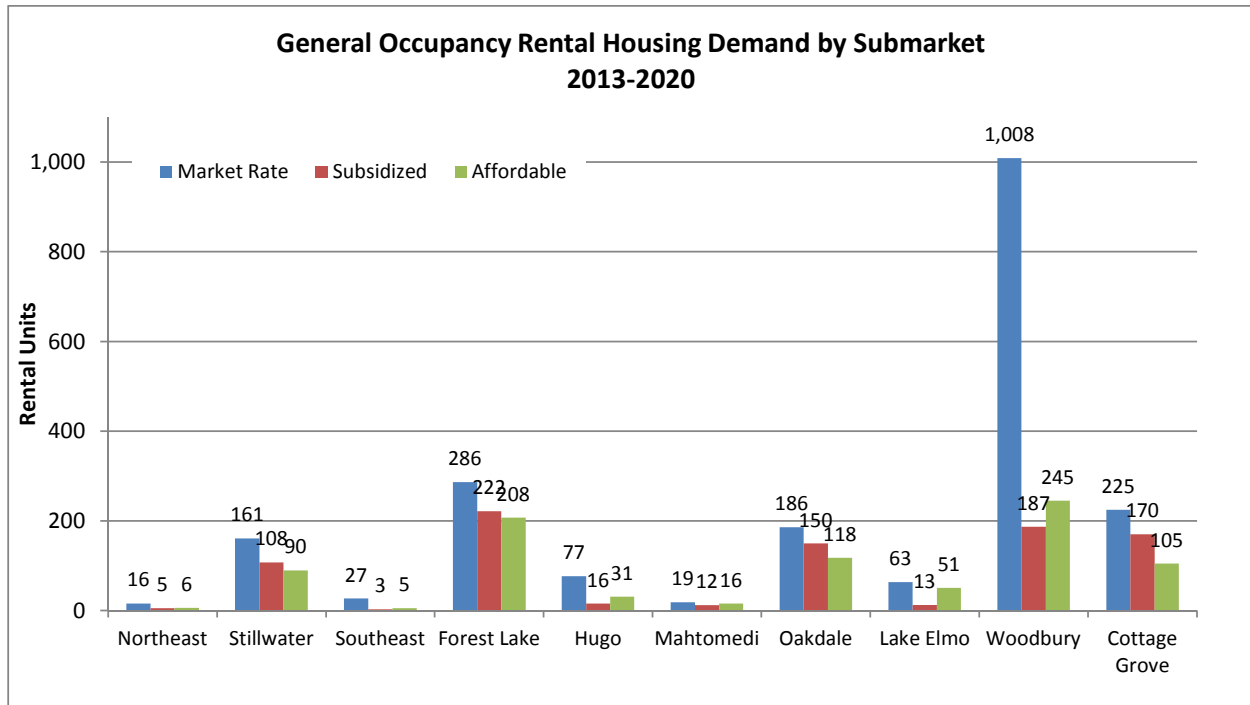
TABLE DMD-2 DEMAND FOR ADDITIONAL FOR-SALE HOUSING WASHINGTON COUNTY 2020 to 2030																						
	Northeast		Stillwater		Southeast		Forest Lake		Hugo		Mahtomedi		Oakdale		Lake Elmo		Woodbury		Cottage Grove		Washington County	
DEMAND FROM NEW HOUSEHOLD GROWTH																						
Household growth under age 65, 2020 to 2030	455		300		420		2,885		2,540		150		1,100		1,685		4,350		3,125		17,010	
(times) % propensity to own ¹	92.6%		77.6%		93.7%		75.7%		91.2%		90.6%		78.3%		94.9%		80.6%		86.3%		83.3%	
(Equals) Demand from new household growth	421		233		394		2,184		2,316		136		861		1,599		3,506		2,697		14,347	
DEMAND FROM EXISTING HOUSEHOLDS																						
Total households under age 65, 2020	2,143		6,975		3,491		5,560		4,839		3,916		7,509		3,715		18,906		12,622		69,677	
(times) % of owner turnover 2020-2030 ²	13.6%		23.1%		14.5%		25.8%		44.9%		18.1%		26.2%		15.1%		34.2%		27.3%			
(times) % desiring new owner housing	5.0%		5.0%		5.0%		5.0%		5.0%		5.0%		5.0%		5.0%		10.0%		10.0%			
(Equals) Demand from existing households	15		81		25		72		109		35		98		28		647		345		1,454	
TOTAL MARKET DEMAND																						
Total demand from new HH growth and turnover	436		313		419		2,256		2,425		171		960		1,627		4,153		3,041		15,801	
Proportion Single-family vs. Multifamily	90%	10%	60%	40%	85%	15%	65%	35%	75%	25%	60%	40%	15%	85%	80%	20%	55%	45%	60%	40%	63%	37%
No. of Single-family vs. Multifamily Units	392	44	188	125	356	63	1,466	789	1,819	606	103	69	144	816	1,302	325	2,284	1,869	1,825	1,217	9,879	5,922
Single-Family																						
Percent Modest (<\$350,000)	0%		5%		0%		35%		20%		0%		5%		0%		10%		5%		12%	
Number	0		9		0		513		364		0		7		0		228		91		1,213	
Percent Move-up (\$350,000 - \$550,000)	10%		60%		10%		40%		55%		10%		60%		25%		50%		70%		47%	
Number	39		113		36		586		1,000		10		86		325		1,142		1,277		4,616	
Percent Executive (\$550,000+)	90%		35%		90%		25%		25%		90%		35%		75%		40%		25%		41%	
Number	353		66		320		367		455		93		50		976		914		456		4,050	
Multifamily ³																						
Percent Modest (<\$250,000)	0%		35%		0%		45%		40%		25%		50%		25%		35%		50%		41%	
Number	0		44		0		355		243		17		408		81		654		608		2,410	
Percent Move-up (\$250,000+)	100%		65%		100%		65%		60%		75%		50%		75%		65%		50%		61%	
Number	44		81		63		513		364		51		408		244		1,215		608		3,591	
¹ Based on percent owner households under age 65 in 2010																						
² Based on household turnover and mobility data (2011 American Community Survey, Five Year Estimates)																						
³ Includes twinhomes, townhomes, condos, etc.																						
Source: Maxfield Research Inc.																						



Rental Housing Demand Analysis

Tables D-3 and D-4 presents our calculation of general-occupancy rental housing demand for Washington County. This analysis identifies potential demand for rental housing that is generated from both new households and turnover households. Market rate housing is defined as non-income restricted, affordable housing is 40% to 80% AMI, and subsidized is 30% AMI.

- According to our projections, Washington County is expected to grow by 16,443 households under age 65 between 2013 and 2020. Because the 65 and older cohort is typically not a target market for new general-occupancy market rate rental housing, we limit demand from household growth to only those households under the age of 65.
- We identify the percentage of households that are likely to rent their housing based on 2010 tenure data. The propensity to rent ranges from 5.1% to 24.3% based on the submarket. After adjusting household growth by renters, growth through 2020 is reduced to 2,594 new renter households in Washington County.
- Secondly, we calculate demand from existing households under the age of 65 in the County that could be expected to turnover between 2013 and 2020. As of 2013, there are 12,185 renter households under the age of 65 in the County. Based on household turnover data from the 2011 American Community Survey, we estimate that between 49.5% (Lake Elmo) and 96.1% (Hugo) of these under-65 owner households will experience turnover between 2013 and 2020 (turnover rate varies by submarket). This estimate results in anticipated turnover of approximately 9,752 existing households by 2020.
- We then estimate the percent of existing renter households turning over that would prefer to rent in a new rental development. Considering the age of the County's housing stock, we estimate that 5% to 15% of the households turning over in Washington County will desire new rental housing. This estimate results in demand from existing households for 1,234 new residential rental units between 2013 and 2020.
- Combining demand from household growth plus turnover results in total demand in the County for 3,828 rental units between 2013 and 2020.
- Based on a review of renter household incomes and sizes and monthly rents at existing properties, we estimate that 41% to 76% of the total demand will be for market rate housing. Through 2020, demand exists for over 2,000 market rate rental units. Demand for market rate rental housing will be concentrated mainly in Woodbury, as about 50% of all market rate demand is located in the Woodbury submarket.
- We estimate that about 23% of the total demand in Washington County will be for affordable housing and 23% will be for subsidized housing. The majority of the demand will be in the Forest Lake and Woodbury submarkets.



HOUSING DEMAND ANALYSIS

TABLE DMD-3 DEMAND FOR ADDITIONAL RENTAL HOUSING WASHINGTON COUNTY 2013 to 2020											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
DEMAND FROM NEW HOUSEHOLD GROWTH											
Household growth under age 65, 2013 to 2020	287	997	419	2,221	1,190	343	981	2,432	4,775	2,798	16,443
(times) % propensity to rent ¹	7.4%	22.4%	6.3%	24.3%	8.8%	9.4%	21.7%	5.1%	19.4%	13.7%	15.8%
(Equals) Demand from new household growth	21	223	26	540	105	32	213	124	926	383	2,594
DEMAND FROM EXISTING HOUSEHOLDS											
Total renter households under age 65, 2013	162	1,924	222	1,404	389	398	1,975	108	3,861	1,741	12,185
(times) % of renter turnover 2013-2020 ²	80.7%	70.2%	79.7%	83.5%	96.1%	73.3%	81.1%	49.5%	88.8%	67.3%	
(times) % desiring new rental housing	5.0%	10.0%	5.0%	15.0%	5.0%	5.0%	15.0%	5.0%	15.0%	10.0%	
(Equals) Demand from existing households	7	135	9	176	19	15	240	3	514	117	1,234
TOTAL MARKET DEMAND											
Total demand from new HH growth and turnover	28	358	35	716	123	47	453	127	1,441	501	3,828
Percent Market Rate ³	58%	45%	76%	40%	62%	40%	41%	50%	70%	45%	54%
Number	16	161	27	286	77	19	186	63	1,008	225	2,068
Percent Affordable ³	23%	25%	15%	29%	25%	34%	26%	40%	17%	21%	23%
Number	6	90	5	208	31	16	118	51	245	105	874
Percent Subsidized ³	19%	30%	9%	31%	13%	26%	33%	10%	13%	34%	23%
Number	5	108	3	222	16	12	150	13	187	170	886
¹ Based on percent renter households under age 65 in 2010 ² Based on household turnover and mobility data (2011 American Community Survey, Five Year Estimates) ³ Based on the pricing of current rental product and household incomes of area renters (i.e. excludes owner incomes)											
Source: Maxfield Research Inc.											

HOUSING DEMAND ANALYSIS

TABLE DMD-4 DEMAND FOR ADDITIONAL RENTAL HOUSING WASHINGTON COUNTY 2020 to 2030											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
DEMAND FROM NEW HOUSEHOLD GROWTH											
Household growth under age 65, 2020 to 2030	455	300	420	2,885	2,540	150	1,100	1,685	4,350	3,125	17,010
(times) % propensity to rent ¹	7.4%	22.4%	6.3%	24.3%	8.8%	9.4%	21.7%	5.1%	19.4%	13.7%	15.7%
(Equals) Demand from new household growth	34	67	26	701	224	14	239	86	844	428	2,663
DEMAND FROM EXISTING HOUSEHOLDS											
Total renter households under age 65, 2020	171	2,013	235	1,785	467	406	2,081	200	4,551	2,004	13,912
(times) % of renter turnover 2020-2030 ²	80.7%	70.2%	79.7%	83.5%	96.1%	73.3%	81.1%	49.5%	88.8%	67.3%	
(times) % desiring new rental housing	5.0%	10.0%	5.0%	15.0%	5.0%	5.0%	15.0%	5.0%	15.0%	10.0%	
(Equals) Demand from existing households	7	141	9	224	22	15	253	5	606	135	1,418
TOTAL MARKET DEMAND											
Total demand from new HH growth and turnover	41	209	36	925	246	29	492	91	1,450	563	4,080
Percent Market Rate ³	58%	45%	76%	40%	62%	40%	41%	50%	70%	45%	54%
Number	24	94	27	370	152	12	202	45	1,015	253	2,194
Percent Affordable ³	23%	25%	15%	29%	25%	34%	26%	40%	17%	21%	23%
Number	9	52	5	268	61	10	128	36	247	118	935
Percent Subsidized ³	19%	30%	9%	31%	13%	26%	33%	10%	13%	34%	23%
Number	8	63	3	287	32	8	162	9	189	191	951
¹ Based on percent renter households under age 65 in 2010 ² Based on household turnover and mobility data (2011 American Community Survey, Five Year Estimates) ³ Based on the pricing of current rental product and household incomes of area renters (i.e. excludes owner incomes)											
Source: Maxfield Research Inc.											

Senior Housing Demand Analysis

Tables DMD-5 through DMD-9 shows demand calculations for senior housing in Washington County by submarket in 2013, 2020 and 2030. Demand methodology employed by Maxfield Research Inc. utilizes capture and penetration rates that blend national senior housing trends with local market characteristics, preferences and patterns. Unlike demand for general occupancy housing, demand for senior housing is need driven and dependent on the capture rate of the point-in-time population versus population growth. As a result, senior demand is calculated for 2013, 2020, and 2030. Our demand calculations consider the following target market segments for each product types:

Market Rate Active Adult Rental and Ownership Housing: Target market base 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.

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

Congregate Housing: Target market base includes age 65+ seniors who would be financially able to pay for housing and service costs associated with congregate 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 some homeowners with incomes below \$40,000). Additional demand for subsidized assisted living is not included in this demand but would result in greater demand for assisted living housing if considered.

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

TABLE DMD-5 DEMAND FOR MARKET RATE ACTIVE ADULT RENTAL HOUSING WASHINGTON COUNTY 2013 to 2030											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
2013											
Households age 55-64	870	2,426	1,219	1,414	842	1,413	2,158	631	4,056	2,804	17,833
(times) % income qualified ¹	87.7%	84.4%	87.9%	78.3%	85.9%	89.8%	47.7%	85.8%	92.2%	83.9%	
(times) HO factor \$25k-\$35k	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	
(plus) Homeowners w/incomes \$25k-35k ²	78	218	110	127	76	127	194	57	365	252	
(times) potential capture rate	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	
(equals) demand potential	4	11	6	6	4	7	6	3	21	13	
Households age 65-74	467	1,456	600	827	472	769	1,219	362	1,965	1,527	9,664
(times) % income qualified ¹	69.3%	66.5%	80.3%	54.0%	65.1%	76.1%	47.7%	77.0%	81.3%	63.7%	
(times) HO factor \$25k-\$35k	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	
(plus) Homeowners w/incomes \$25k-35k ²	61	189	78	108	61	100	158	47	255	199	
(times) potential capture rate	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	
(equals) demand potential	21	64	31	30	20	38	41	18	102	64	
Households age 75+	246	1,509	272	575	230	652	1,048	180	1,458	1,064	7,234
(times) % income qualified ¹	34.2%	40.4%	49.6%	30.6%	45.0%	52.7%	47.7%	51.9%	52.6%	36.7%	
(times) HO factor \$25k-\$35k	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	
(plus) Homeowners w/incomes \$25k-35k ²	57	347	63	132	53	150	241	41	335	245	
(times) potential capture rate	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	
(equals) demand potential	23	158	33	51	26	81	122	22	182	105	
(Equals) Demand potential	49	233	69	88	50	126	169	43	304	182	1,313
Percent Owner-Occupied	25%	35%	35%	40%	20%	30%	40%	35%	35%	35%	
Number	12	81	24	35	10	38	68	15	107	64	454
(minus) Existing and Pending Units ³	0	0	0	0	0	0	52	0	72	0	124
(equals) Total Owner-Occupied Demand	12	81	24	35	10	38	15	15	34	64	329
Percent Renter-Occupied	75%	65%	65%	50%	80%	70%	60%	65%	65%	65%	
Number	36	151	45	44	40	88	101	28	198	118	851
(minus) Existing and Pending Units ³	0	29	0	0	0	69	154	0	0	4	256
(equals) Total Renter-Occupied Demand	36	122	45	44	40	19	0	28	198	115	647
CONTINUED											

HOUSING DEMAND ANALYSIS

TABLE DMD-5 CONT. DEMAND FOR MARKET RATE ACTIVE ADULT RENTAL HOUSING WASHINGTON COUNTY 2013 to 2030											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
2020											
Households age 55-64	972	2,707	1,380	1,911	1,080	1,536	2,442	1,245	5,071	3,445	21,789
(times) % income qualified ¹	87.7%	84.4%	87.9%	78.3%	85.9%	89.8%	47.7%	85.8%	92.2%	83.9%	
(times) HO factor \$25k-\$35k	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	
(plus) Homeowners w/incomes \$25k-35k ²	87	244	124	172	97	138	220	112	456	310	
(times) potential capture rate	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	
(equals) demand potential	5	13	7	8	5	8	7	6	26	16	
Households age 65-74	602	1,855	777	1,281	701	968	1,577	823	2,828	2,151	13,563
(times) % income qualified ¹	69.3%	66.5%	80.3%	54.0%	65.1%	76.1%	47.7%	77.0%	81.3%	63.7%	
(times) HO factor \$25k-\$35k	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	
(plus) Homeowners w/incomes \$25k-35k ²	78	241	101	167	91	126	205	107	368	280	
(times) potential capture rate	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	
(equals) demand potential	27	81	40	47	30	47	53	41	147	91	
Households age 75+	278	1,707	312	774	303	710	1,183	362	1,814	1,323	8,766
(times) % income qualified ¹	34.2%	40.4%	49.6%	30.6%	45.0%	52.7%	47.7%	51.9%	52.6%	36.7%	
(times) HO factor \$25k-\$35k	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	
(plus) Homeowners w/incomes \$25k-35k ²	64	393	72	178	70	163	272	83	417	304	
(times) potential capture rate	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	
(equals) demand potential	26	179	37	68	34	89	138	45	226	130	
(Equals) Demand potential	58	272	84	124	69	144	198	91	399	237	1,676
Percent Owner-Occupied	25%	35%	35%	40%	20%	30%	40%	35%	35%	35%	
Number	15	95	29	50	14	43	79	32	140	83	579
(minus) Existing and Pending Units ³	0	0	0	0	0	0	52	0	72	0	124
(equals) Total Owner-Occupied Demand	15	95	29	50	14	43	27	32	67	83	455
Percent Renter-Occupied	75%	65%	65%	50%	80%	70%	60%	65%	65%	65%	
Number	44	177	55	62	55	101	119	59	259	154	1,084
(minus) Existing and Pending Units ³	0	29	0	0	0	69	154	0	0	4	256
(equals) Total Renter-Occupied Demand	44	148	55	62	55	32	0	59	259	150	864
CONTINUED											

HOUSING DEMAND ANALYSIS

TABLE DMD-5 CONT. DEMAND FOR MARKET RATE ACTIVE ADULT RENTAL HOUSING WASHINGTON COUNTY 2013 to 2030											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
2030											
Households age 55-64	1,156	2,858	1,550	2,580	2,354	1,623	2,766	1,716	6,011	4,192	26,806
(times) % income qualified ¹	87.7%	84.4%	87.9%	78.3%	85.9%	89.8%	47.7%	85.8%	92.2%	83.9%	
(times) HO factor \$25k-\$35k	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	
(plus) Homeowners w/incomes \$25k-35k ²	104	257	140	232	212	146	249	154	541	377	
(times) potential capture rate	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	
(equals) demand potential	6	13	8	11	11	8	8	8	30	19	
Households age 65-74	765	2,084	930	1,842	1,599	1,094	1,899	1,210	3,585	2,791	17,799
(times) % income qualified ¹	69.3%	66.5%	80.3%	54.0%	65.1%	76.1%	47.7%	77.0%	81.3%	63.7%	
(times) HO factor \$25k-\$35k	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	
(plus) Homeowners w/incomes \$25k-35k ²	99	271	121	239	208	142	247	157	466	363	
(times) potential capture rate	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	
(equals) demand potential	35	91	48	68	69	54	63	60	186	118	
Households age 75+	325	1,793	348	1,029	664	738	1,314	496	2,108	1,600	10,415
(times) % income qualified ¹	34.2%	40.4%	49.6%	30.6%	45.0%	52.7%	47.7%	51.9%	52.6%	36.7%	
(times) HO factor \$25k-\$35k	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	
(plus) Homeowners w/incomes \$25k-35k ²	75	412	80	237	153	170	302	114	485	368	
(times) potential capture rate	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	
(equals) demand potential	31	188	42	91	75	92	153	61	263	158	
(Equals) Demand potential	71	292	97	170	154	154	225	129	479	295	2,066
Percent Owner-Occupied	25%	35%	35%	40%	20%	30%	40%	35%	35%	35%	
Number	18	102	34	68	31	46	90	45	168	103	705
(minus) Existing and Pending Units ³	0	0	0	0	0	0	52	0	72	0	124
(equals) Total Owner-Occupied Demand	18	102	34	68	31	46	38	45	96	103	580
Percent Renter-Occupied	75%	65%	65%	50%	80%	70%	60%	65%	65%	65%	
Number	53	190	63	85	123	108	135	84	312	192	1,344
(minus) Existing and Pending Units ³	0	29	0	0	0	69	154	0	0	4	256
(equals) Total Renter-Occupied Demand	53	161	63	85	123	39	0	84	312	188	1,108
¹ Based on households earning \$35,000+ in 2013											
² Estimated homeowners with incomes between \$25,000 and \$34,000 in 2013											
³ Existing and pending units are deducted at market equilibrium (95% occupancy)											
Source: Maxfield Research Inc.											

HOUSING DEMAND ANALYSIS

TABLE DMD-6 DEMAND FOR SUBSIDIZED/AFFORDABLE SENIOR HOUSING WASHINGTON COUNTY 2013 to 2030											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
2013											
Households age 55-64	870	2,426	1,219	1,414	842	1,413	2,158	631	4,056	2,804	17,833
(times) % income qualified ¹	12.3%	15.6%	12.1%	21.7%	14.1%	10.2%	52.3%	14.2%	7.8%	16.1%	
(times) potential capture rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Households age 65-74	467	1,456	600	827	472	769	1,219	362	1,965	1,527	9,664
(times) % income qualified ¹	30.7%	33.5%	19.7%	46.0%	34.9%	23.9%	52.3%	23.0%	18.7%	36.3%	
(times) potential capture rate	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	
Households age 74+	246	1,509	272	575	230	652	1,048	180	1,458	1,064	7,234
(times) % income qualified ¹	65.8%	59.6%	50.4%	69.4%	55.0%	47.3%	52.3%	48.1%	47.4%	63.3%	
(times) potential capture rate	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	
(Equals) Demand potential	49	236	42	124	44	83	196	27	181	199	1,182
Percent Subsidized ²	52%	52%	51%	49%	35%	50%	45%	43%	36%	40%	
Number	25	123	22	61	15	41	88	12	65	80	532
(minus) Existing and Pending Units	38	134	0	169	27	58	47	0	0	91	563
(equals) Total Subsidized Demand	0	0	22	0	0	0	42	12	65	0	140
Percent Affordable ²	48%	48%	49%	51%	65%	50%	55%	57%	64%	60%	
Number	23	113	21	63	29	41	108	16	116	119	650
(minus) Existing and Pending Units	0	0	0	67	0	67	258	0	43	51	486
(equals) Total Affordable Demand	23	113	21	0	29	0	0	16	73	68	343
CONTINUED											

HOUSING DEMAND ANALYSIS

TABLE DMD-6 CONT. DEMAND FOR SUBSIDIZED/AFFORDABLE SENIOR HOUSING WASHINGTON COUNTY 2013 to 2030											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
2020											
Households age 55-64	972	2,707	1,380	1,911	1,080	1,536	2,442	1,245	5,071	3,445	21,789
(times) % income qualified ¹	12.3%	15.6%	12.1%	21.7%	14.1%	10.2%	52.3%	14.2%	7.8%	16.1%	
(times) potential capture rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Households age 65-74	602	1,855	777	1,281	701	968	1,577	823	2,828	2,151	13,563
(times) % income qualified ¹	30.7%	33.5%	19.7%	46.0%	34.9%	23.9%	52.3%	23.0%	18.7%	36.3%	
(times) potential capture rate	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	
Households age 74+	278	1,707	312	774	303	710	1,183	362	1,814	1,323	8,766
(times) % income qualified ¹	65.8%	59.6%	50.4%	69.4%	55.0%	47.3%	52.3%	48.1%	47.4%	63.3%	
(times) potential capture rate	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	
(Equals) Demand potential	57	274	50	175	61	93	232	57	233	257	1,489
Percent Subsidized ²	52%	52%	51%	49%	35%	50%	45%	43%	36%	40%	
Number	30	143	26	86	21	47	104	25	84	103	667
(minus) Existing and Pending Units	38	134	0	169	27	58	47	0	0	91	563
(equals) Total Subsidized Demand	0	9	26	0	0	0	58	25	84	11	212
Percent Affordable ²	48%	48%	49%	51%	65%	50%	55%	57%	64%	60%	
Number	28	132	25	89	40	47	127	33	149	154	822
(minus) Existing and Pending Units	0	0	0	67	0	67	258	0	43	51	486
(equals) Total Affordable Demand	28	132	25	23	40	0	0	33	106	103	487
CONTINUED											

HOUSING DEMAND ANALYSIS

TABLE DMD-6 CONT. DEMAND FOR SUBSIDIZED/AFFORDABLE SENIOR HOUSING WASHINGTON COUNTY 2013 to 2030											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
2030											
Households age 55-64	1,156	2,858	1,550	2,580	2,354	1,623	2,766	1,716	6,011	4,192	26,806
(times) % income qualified ¹	12.3%	15.6%	12.1%	21.7%	14.1%	10.2%	52.3%	14.2%	7.8%	16.1%	
(times) potential capture rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Households age 65-74	765	2,084	930	1,842	1,599	1,094	1,899	1,210	3,585	2,791	17,799
(times) % income qualified ¹	30.7%	33.5%	19.7%	46.0%	34.9%	23.9%	52.3%	23.0%	18.7%	36.3%	
(times) potential capture rate	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	
Households age 74+	325	1,793	348	1,029	664	738	1,314	496	2,108	1,600	10,415
(times) % income qualified ¹	65.8%	59.6%	50.4%	69.4%	55.0%	47.3%	52.3%	48.1%	47.4%	63.3%	
(times) potential capture rate	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	
(Equals) Demand potential	69	292	57	239	135	99	266	80	276	317	1,832
Percent Subsidized ²	52%	52%	51%	49%	35%	50%	45%	43%	36%	40%	
Number	36	152	29	117	47	50	120	35	99	127	812
(minus) Existing and Pending Units	38	134	0	169	27	58	47	0	0	91	563
(equals) Total Subsidized Demand	0	18	29	0	21	0	73	35	99	36	311
Percent Affordable ²	48%	48%	49%	51%	65%	50%	55%	57%	64%	60%	
Number	33	140	28	122	88	50	146	46	177	190	1,020
(minus) Existing and Pending Units	0	0	0	67	0	67	258	0	43	51	486
(equals) Total Affordable Demand	33	140	28	55	88	0	0	46	134	139	664
¹ Based on households earning \$35,000 and under in 2013 ² Based on household turnover and mobility data (2010 American Community Survey, Five Year Estimates)											
Source: Maxfield Research Inc.											

HOUSING DEMAND ANALYSIS

TABLE DMD-7 DEMAND FOR CONGREGATE RENTAL HOUSING WASHINGTON COUNTY 2013 to 2030											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
2013											
Households age 65-74	467	1,456	600	827	472	769	1,219	362	1,965	1,527	9,664
(times) % income qualified ¹	69.3%	66.5%	80.3%	54.0%	65.1%	76.1%	47.7%	77.0%	81.3%	63.7%	
(times) HO factor \$25k-\$35k	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	
(plus) Homeowners w/incomes \$25k-35k ²	61	189	78	108	61	100	158	47	255	199	
(times) potential capture rate	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
(equals) demand potential	6	17	8	8	6	10	11	5	28	18	
Households age 75+	246	1,509	272	575	230	652	1,048	180	1,458	1,064	7,234
(times) % income qualified ¹	34.2%	40.4%	49.6%	30.6%	45.0%	52.7%	47.7%	51.9%	52.6%	36.7%	
(times) HO factor \$25k-\$35k	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	
(plus) Homeowners w/incomes \$25k-35k ²	57	347	63	132	53	150	241	41	335	245	
(times) potential capture rate	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%
(equals) demand potential	15	105	22	34	17	54	82	15	121	70	
(Equals) Demand potential	21	123	30	42	23	65	93	20	149	87	652
(minus) Existing and Pending Units ³	0	381	0	0	0	0	59	0	73	82	595
(Equals) Total Congregate Demand	21	0	30	42	23	65	34	20	76	6	316
CONTINUED											

HOUSING DEMAND ANALYSIS

TABLE DMD-7 CONT. DEMAND FOR CONGREGATE RENTAL HOUSING WASHINGTON COUNTY 2013 to 2030											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
2020											
Households age 65-74	602	1,855	777	1,281	701	968	1,577	823	2,828	2,151	13,563
(times) % income qualified ¹	69.3%	66.5%	80.3%	54.0%	65.1%	76.1%	47.7%	77.0%	81.3%	63.7%	
(times) HO factor \$25k-\$35k	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	
(plus) Homeowners w/incomes \$25k-35k ²	78	241	101	167	91	126	205	107	368	280	
(times) potential capture rate	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
(equals) demand potential	7	22	11	13	8	13	14	11	40	25	
Households age 75+	278	1,707	312	774	303	710	1,183	362	1,814	1,323	8,766
(times) % income qualified ¹	34.2%	40.4%	49.6%	30.6%	45.0%	52.7%	47.7%	51.9%	52.6%	36.7%	
(times) HO factor \$25k-\$35k	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	
(plus) Homeowners w/incomes \$25k-35k ²	64	393	72	178	70	163	272	83	417	304	
(times) potential capture rate	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%
(equals) demand potential	17	119	25	46	23	59	92	30	151	87	
(Equals) Demand potential	25	141	36	59	31	72	106	41	191	112	813
(minus) Existing and Pending Units ³	0	381	0	34	0	0	59	0	73	82	629
(Equals) Total Congregate Demand	25	0	36	24	31	72	47	41	118	30	424
CONTINUED											

HOUSING DEMAND ANALYSIS

TABLE DMD-7 CONT. DEMAND FOR CONGREGATE RENTAL HOUSING WASHINGTON COUNTY 2013 to 2030											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
2030											
Households age 65-74	756	2,084	930	1,842	1,599	1,094	1,899	1,210	3,585	2,791	17,790
(times) % income qualified ¹	69.3%	66.5%	80.3%	54.0%	65.1%	76.1%	47.7%	77.0%	81.3%	63.7%	
(times) HO factor \$25k-\$35k	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	
(plus) Homeowners w/incomes \$25k-35k ²	98	271	121	239	208	142	247	157	466	363	
(times) potential capture rate	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
(equals) demand potential	9	25	13	19	19	15	17	16	51	32	
Households age 75+	321	1,793	348	1,029	664	738	1,314	496	2,108	1,600	10,411
(times) % income qualified ¹	34.2%	40.4%	49.6%	30.6%	45.0%	52.7%	47.7%	51.9%	52.6%	36.7%	
(times) HO factor \$25k-\$35k	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	
(plus) Homeowners w/incomes \$25k-35k ²	74	412	80	237	153	170	302	114	485	368	
(times) potential capture rate	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%
(equals) demand potential	20	125	28	61	50	61	102	41	175	105	
(Equals) Demand potential	30	150	41	79	68	76	119	57	226	137	984
(minus) Existing and Pending Units ³	0	381	0	34	0	0	59	0	73	82	629
(Equals) Total Congregate Demand	30	0	41	45	68	76	61	57	153	55	586
¹ Based on households earning \$35,000+ in 2013 ² Estimated homeowners with incomes between \$25,000 and \$34,000 in 2013 ³ Existing and pending units are deducted at market equilibrium (95% occupancy)											
Source: Maxfield Research Inc.											

HOUSING DEMAND ANALYSIS

TABLE DMD-8 DEMAND FOR ASSISTED LIVING RENTAL HOUSING WASHINGTON COUNTY 2013 to 2030											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
2013											
People age 75-79	173	691	204	348	145	350	615	135	1,010	739	4,410
(times) % needing assistance ¹	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%
People age 80-84	113	686	123	236	98	292	416	102	648	455	3,169
(times) % needing assistance ¹	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%
People age 85+	94	878	95	296	99	377	415	65	617	351	3,287
(times) % needing assistance ¹	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%
(Equals) Number needing assistance	131	860	142	321	121	382	511	102	794	522	3,885
(times) Percent Income-Qualified ²	53.7%	48.8%	65.5%	45.4%	58.1%	61.1%	45.5%	68.3%	62.0%	51.2%	
(times) Percent Living Alone	31.8%	56.8%	31.5%	49.5%	36.9%	52.3%	53.3%	29.0%	44.2%	41.1%	
(plus) Proportion of demand from couples (12%) ³	3	32	4	10	4	17	17	3	30	15	134
(times) Potential penetration rate ⁴	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	
(Equals) Demand Potential	53	357	59	132	50	159	211	42	329	215	1,608
(minus) Existing and Pending Units ⁵	0	143	0	42	10	48	39	0	153	50	485
(Equals) Total Assisted Living Demand	53	214	59	91	40	111	172	42	176	165	1,123
CONTINUED											

HOUSING DEMAND ANALYSIS

TABLE DMD-8 CONT. DEMAND FOR ASSISTED LIVING RENTAL HOUSING WASHINGTON COUNTY 2013 to 2030											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
2020											
People age 75-79	203	818	235	493	195	405	736	436	1,317	960	5,798
(times) % needing assistance ¹	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%
People age 80-84	118	729	127	298	120	301	114	295	748	521	3,371
(times) % needing assistance ¹	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%
People age 85+	102	1,005	104	400	130	412	122	204	756	441	3,676
(times) % needing assistance ¹	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%
(Equals) Number needing assistance	144	972	156	432	157	417	289	316	977	647	4,508
(times) Percent Income-Qualified ²	53.7%	48.8%	65.5%	45.4%	58.1%	61.1%	45.5%	68.3%	62.0%	51.2%	
(times) Percent Living Alone	31.8%	56.8%	31.5%	49.5%	36.9%	52.3%	53.3%	29.0%	44.2%	41.1%	
(plus) Proportion of demand from couples (12%) ³	3	37	4	13	5	18	10	9	37	19	154
(times) Potential penetration rate ⁴	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
(Equals) Demand Potential	59	404	64	178	65	174	119	130	406	266	1,865
(minus) Existing and Pending Units ⁵	0	143	0	66	10	48	89	0	153	48	558
(Equals) Total Assisted Living Demand	59	261	64	112	55	126	31	130	252	218	1,307
CONTINUED											

HOUSING DEMAND ANALYSIS

TABLE DMD-8 CONT. DEMAND FOR ASSISTED LIVING RENTAL HOUSING WASHINGTON COUNTY 2013 to 2030											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
2030											
People age 75-79	235	864	265	651	294	426	820	740	1,612	1,195	7,102
(times) % needing assistance ¹	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%
People age 80-84	129	728	134	369	170	300	281	488	852	604	4,055
(times) % needing assistance ¹	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%
People age 85+	117	1,068	116	529	188	428	332	349	915	553	4,595
(times) % needing assistance ¹	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%	51.6%
(Equals) Number needing assistance	164	1,016	172	563	229	430	475	533	1,169	793	5,545
(times) Percent Income-Qualified ²	53.7%	48.8%	65.5%	45.4%	58.1%	61.1%	45.5%	68.3%	62.0%	51.2%	
(times) Percent Living Alone	31.8%	56.8%	31.5%	49.5%	36.9%	52.3%	53.3%	29.0%	44.2%	41.1%	
(plus) Proportion of demand from couples (12%) ³	4	38	5	17	7	19	16	14	44	23	186
(times) Potential penetration rate ⁴	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
(Equals) Demand Potential	67	422	71	232	94	180	196	219	485	326	2,292
(minus) Existing and Pending Units ⁵	0	143	0	66	10	48	89	0	153	48	558
(Equals) Total Assisted Living Demand	67	279	71	166	85	131	107	219	332	278	1,734
¹ The percentage of seniors unable to perform or having difficulty with ADLs, based on the publication Health, United States, 1999 Health and Aging Chartbook, conducted by the Centers for Disease Control and Prevention and the National Center for Health Statistics. ² Includes households with incomes of \$40,000 or more (who could afford monthly rents of \$3,000+ per month) plus 40% of the estimated owner households with incomes below \$40,000 (who will spend down assets, including home-equity, in order to live in assisted living housing). ³ The 2009 Overview of Assisted Living (a collaborative project of AAHSA, ASHA, ALFA, NCAL & NIC) found that 12% of assisted living residents are couples. ⁴ We estimate that 60% of the qualified market needing assistance with ADLs could either remain in their homes or reside at less advanced senior housing with the assistance of a family member or home health care, or would need greater care provided in a skilled care facility. ⁵ Existing and pending units at 95% occupancy. We exclude 15% of units to be Elderly Waiver.											
Source: Maxfield Research Inc.											

HOUSING DEMAND ANALYSIS

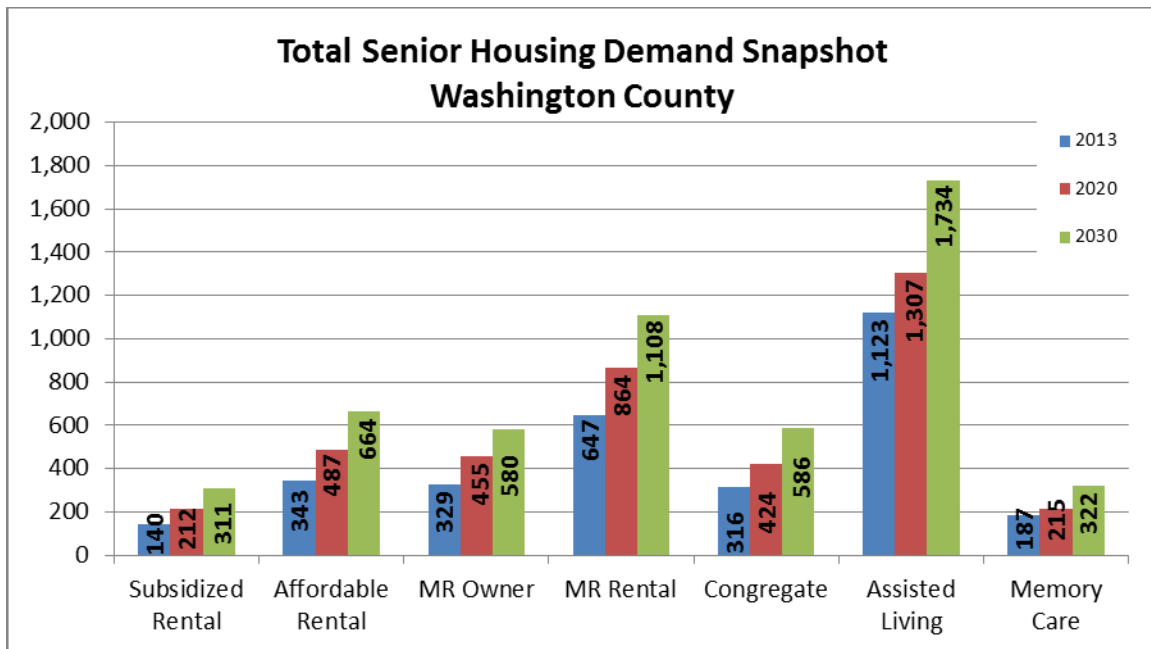
TABLE DMD-9 DEMAND FOR MEMORY CARE RENTAL HOUSING WASHINGTON COUNTY 2013 to 2030											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
2013											
People age 65-74	757	2,273	1,003	1,336	795	1,252	1,859	635	3,272	2,523	15,705
(times) Dementia incident rate ¹	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
People age 75-84	286	1,377	327	584	243	642	1,031	237	1,658	1,194	7,579
(times) Dementia incident rate ¹	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
People age 85+	94	878	95	296	99	377	415	65	617	351	3,287
(times) Dementia incident rate ¹	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%
(Equals) Total senior population with dementia	109	1,186	178	434	161	524	648	123	998	629	4,990
(times) Percent Income-Qualified ²	32.4%	33.0%	44.8%	25.0%	33.2%	43.3%	25.7%	49.2%	41.5%	29.2%	
(times) Potential penetration rate	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
(Equals) Demand Potential	9	98	20	27	13	57	42	15	104	46	430
(minus) Existing and Pending Units ³	0	53	0	23	10	72	10	0	44	50	262
(Equals) Total Memory Care Demand	9	45	20	4	4	0	32	15	59	0	187
CONTINUED											

HOUSING DEMAND ANALYSIS

TABLE DMD-9 CONT. DEMAND FOR MEMORY CARE RENTAL HOUSING WASHINGTON COUNTY 2013 to 2030											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
2020											
People age 65-74	964	2,900	1,273	2,075	1,170	1,596	1,173	2,234	4,693	3,552	21,630
(times) Dementia incident rate ¹	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
People age 75-84	321	1,547	362	791	315	706	850	731	2,065	1,481	9,169
(times) Dementia incident rate ¹	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
People age 85+	102	1,005	104	400	130	412	122	204	756	441	3,676
(times) Dementia incident rate ¹	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%
(Equals) Total senior population with dementia	123	1,357	199	592	214	578	307	388	1,243	794	5,795
(times) Percent Income-Qualified ²	32.4%	33.0%	44.8%	25.0%	33.2%	43.3%	25.7%	49.2%	41.5%	29.2%	
(times) Potential penetration rate	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
(Equals) Demand Potential	10	112	22	37	18	63	20	48	129	58	516
(minus) Existing and Pending Units ³	0	78	0	40	10	72	32	0	44	50	326
(Equals) Total Memory Care Demand	10	34	22	0	8	0	0	48	85	8	215
CONTINUED											

HOUSING DEMAND ANALYSIS

TABLE DMD-9 CONT. DEMAND FOR MEMORY CARE RENTAL HOUSING WASHINGTON COUNTY 2013 to 2030											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
2030											
People age 65-74	1,181	3,228	1,518	2,914	1,849	1,995	875	3,910	6,095	4,646	28,211
(times) Dementia incident rate ¹	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
People age 75-84	364	1,592	399	1,020	464	726	1,101	1,228	2,464	1,799	11,157
(times) Dementia incident rate ¹	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
People age 85+	117	1,068	116	529	198	428	332	349	915	553	4,605
(times) Dementia incident rate ¹	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%	42.0%
(Equals) Total senior population with dementia	142	1,435	223	782	324	606	559	661	1,505	988	7,289
(times) Percent Income-Qualified ²	32.4%	33.0%	44.8%	25.0%	33.2%	43.3%	25.7%	49.2%	41.5%	29.2%	
(times) Potential penetration rate	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
(Equals) Demand Potential	11	118	25	49	27	66	36	81	156	72	642
(minus) Existing and Pending Units ³	0	78	0	40	10	72	32	0	44	50	326
(Equals) Total Memory Care Demand	11	41	25	8	17	-6	4	81	112	22	315
¹ Alzheimer's Association: Alzheimer's Disease Facts & Figures (2007)											
² Includes seniors with income at \$60,000 or above plus 25% of homeowners with incomes below this threshold (who will spend down assets, including home-equity, in order to live in memory care housing).											
³ Existing and pending units at 93% occupancy. We exclude 15% of the units to be Elderly Waiver.											
Source: Maxfield Research Inc.											



Washington County Demand Summary

The housing demand calculations in Tables DMD-1 through DMD-9 indicate that between 2013 and 2020, over 15,100 for-sale housing units, 3,828 rental units, and 3,964 senior units will be needed in Washington 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 DMD-10 and DMD-11.

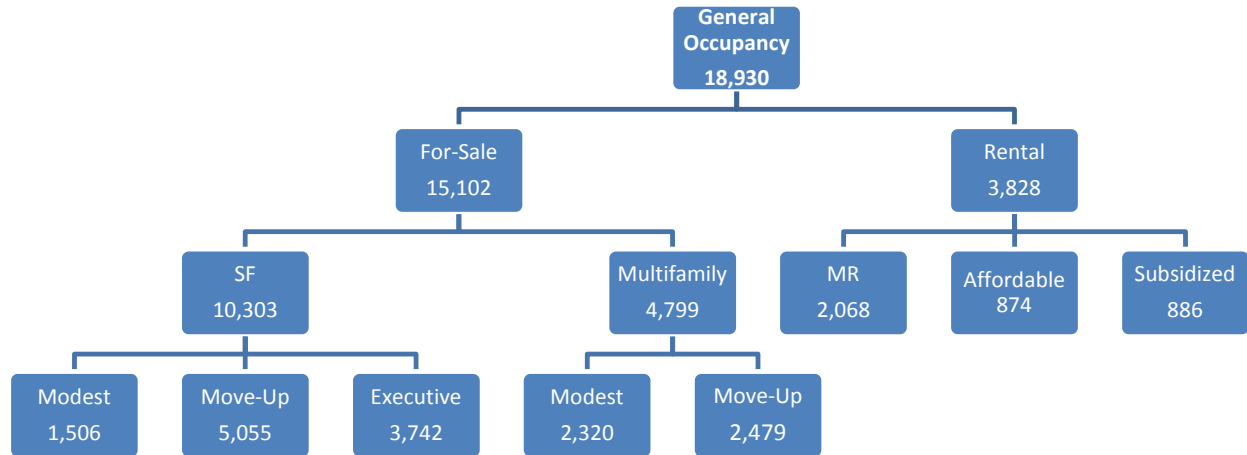
We recommend maintaining a single-family lot supply of at least three years to provide adequate consumer choice but not prolong developer carrying costs. With an average of about 1,190 new single-family homes built annually between 2005 and 2012, this equates to a lot supply of nearly 3,570 lots. Currently, Washington County has 933 vacant developed lots. This equates to less than a year lot supply.

Washington County also has an overall supply of 420 for-sale townhome units available in active subdivisions. With an average annual demand for 600 for-sale multifamily units, the current available units will only accommodate demand for less than a year.

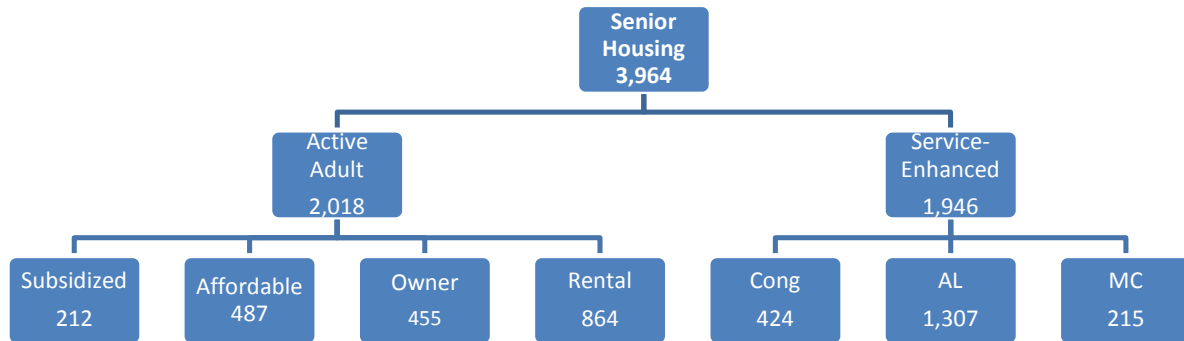
Overall, the rental market has been strong in Washington County within the past two years with vacancies below the stabilized rate of 5%. The entire Metro Area has a low vacancy rate of 2.8%, as of 1st Quarter 2013. With a strong rental market, we find that new units will need to be added in the short-term to satisfy potential household growth. While most of the smaller communities can support some rental units, the majority of the demand will be in Woodbury, Oakdale, Forest Lake, and Cottage Grove, or where the majority of jobs, as well as shopping and services, are located.

Existing senior projects built within the past couple of years in Washington County are performing well and additional senior developments will be needed to meet the demand from the growing senior population. There are four senior projects expected to move forward that will meet a portion of this demand in the short-term (see Table P-1).

Washington County Projected General Occupancy Demand, 2013 – 2020



Washington County Projected Senior Demand, 2013 – 2020



DEMAND SUMMARY AND RECOMMENDATIONS

TABLE DMD-10
GENERAL OCCUPANCY EXCESS DEMAND SUMMARY
WASHINGTON COUNTY
2013 to 2030

2013 to 2030											
Submarket	Single-Family				For-Sale Multifamily			Rental			
	Modest	Move-up	Executive	Total	Modest	Move-up	Total	Market Rate	Affordable	Subsidized	Total
Northeast	0	40	226	266	0	14	14	16	6	5	28
Stillwater	55	359	138	553	134	164	298	161	90	108	358
Southeast	0	56	319	375	0	42	42	27	5	3	35
Forest Lake	608	426	182	1,216	287	235	521	286	208	222	716
Hugo	220	573	88	882	147	147	294	77	31	16	123
Mahtomedi	0	36	206	242	31	73	104	19	16	12	47
Oakdale	17	121	34	172	414	276	689	186	118	150	453
Lake Elmo	0	691	1,284	1,975	122	227	348	63	51	13	127
Woodbury	429	1,429	1,000	2,858	616	923	1,539	1,008	245	187	1,441
Cottage Grove	176	1,323	265	1,764	570	380	950	225	105	170	501
WASHINGTON COUNTY	1,506	5,055	3,742	10,303	2,320	2,479	4,799	2,068	874	886	3,828
East Total	55	455	683	1,193	134	219	353	204	101	116	421
West Total	1,451	4,599	3,059	9,109	2,186	2,260	4,446	1,864	773	770	3,407

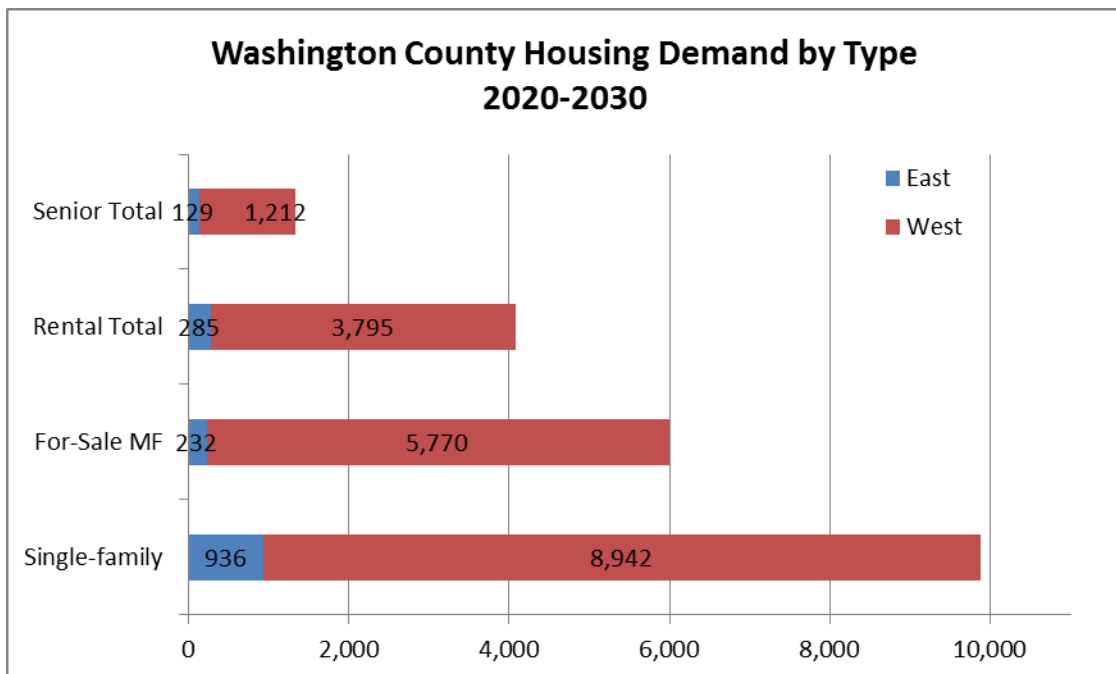
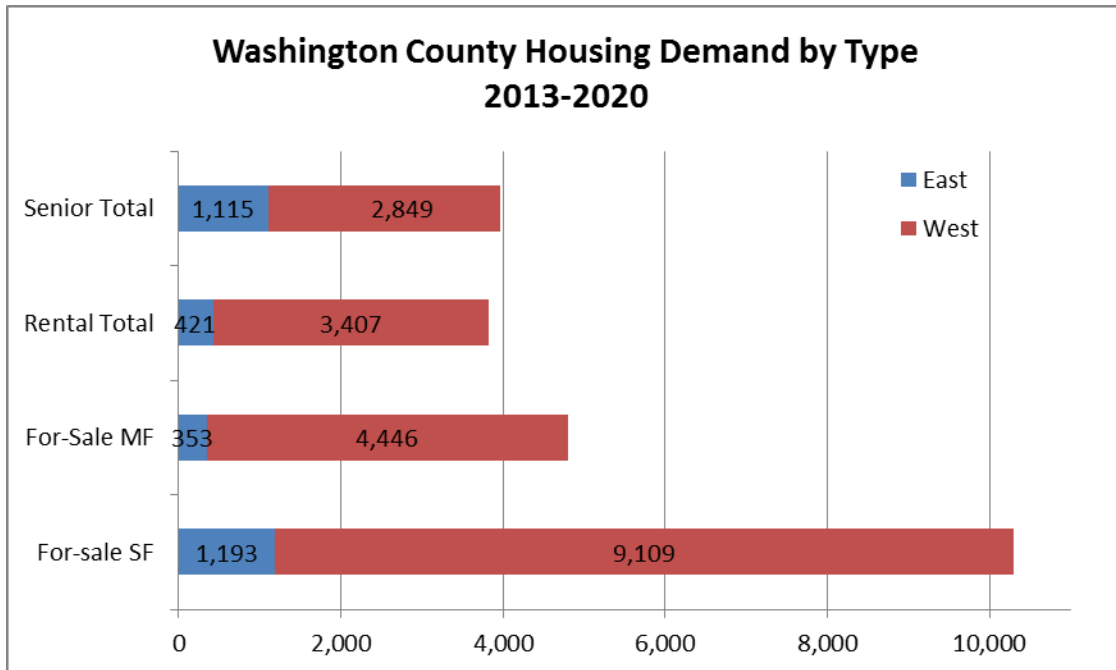
2020 to 2030											
Submarket	Single-Family				For-Sale Multifamily			Rental			
	Modest	Move-up	Executive	Total	Modest	Move-up	Total	Market Rate	Affordable	Subsidized	Total
Northeast	0	39	353	392	0	44	44	24	9	8	41
Stillwater	9	113	66	188	44	81	125	94	52	63	209
Southeast	0	36	320	356	0	63	63	27	5	3	36
Forest Lake	513	586	367	1,466	355	513	868	370	268	287	925
Hugo	364	1,000	455	1,819	243	364	606	152	61	32	246
Mahtomedi	0	10	93	103	17	51	69	12	10	8	29
Oakdale	7	86	50	144	408	408	816	202	128	162	492
Lake Elmo	0	325	976	1,302	81	244	325	45	36	9	91
Woodbury	228	1,142	914	2,284	654	1,215	1,869	1,015	247	189	1,450
Cottage Grove	91	1,277	456	1,825	608	608	1,217	253	118	191	563
WASHINGTON COUNTY	1,213	4,616	4,050	9,879	2,410	3,591	6,001	2,194	935	951	4,080
East Total	9	188	739	936	44	188	232	145	67	73	285
West Total	1,204	4,428	3,310	8,942	2,366	3,403	5,770	2,049	868	877	3,795

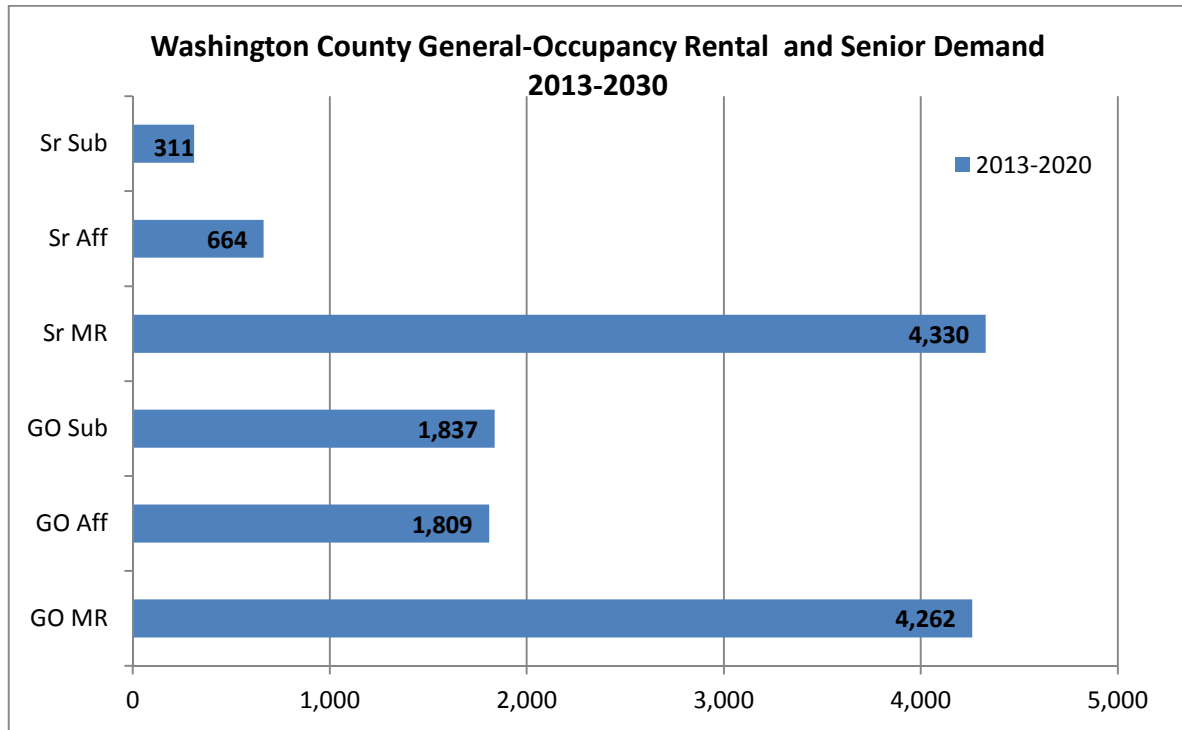
2013 to 2030											
Submarket	Single-Family				For-Sale Multifamily			Rental			
	Modest	Move-up	Executive	Total	Modest	Move-up	Total	Market Rate	Affordable	Subsidized	Total
Northeast	0	79	579	658	0	58	58	40	16	13	68
Stillwater	65	472	204	741	178	245	423	255	142	170	567
Southeast	0	92	639	731	0	104	104	54	11	6	71
Forest Lake	1,121	1,012	549	2,683	642	748	1,390	656	476	508	1,640
Hugo	584	1,574	543	2,701	389	511	900	229	92	48	369
Mahtomedi	0	47	298	345	48	124	172	30	26	20	76
Oakdale	24	207	85	316	821	684	1,505	387	246	312	945
Lake Elmo	0	1,017	2,260	3,276	203	471	674	109	87	22	218
Woodbury	657	2,571	1,914	5,142	1,270	2,138	3,408	2,023	491	376	2,891
Cottage Grove	268	2,601	721	3,589	1,178	988	2,167	479	223	362	1,064
WASHINGTON COUNTY	2,719	9,671	7,791	20,182	4,730	6,070	10,800	4,262	1,809	1,837	7,908
East Total	65	643	1,422	2,130	178	407	585	349	168	189	706
West Total	2,655	9,028	6,369	18,052	4,552	5,663	10,215	3,914	1,641	1,647	7,202

Sources: Maxfield Research Inc.

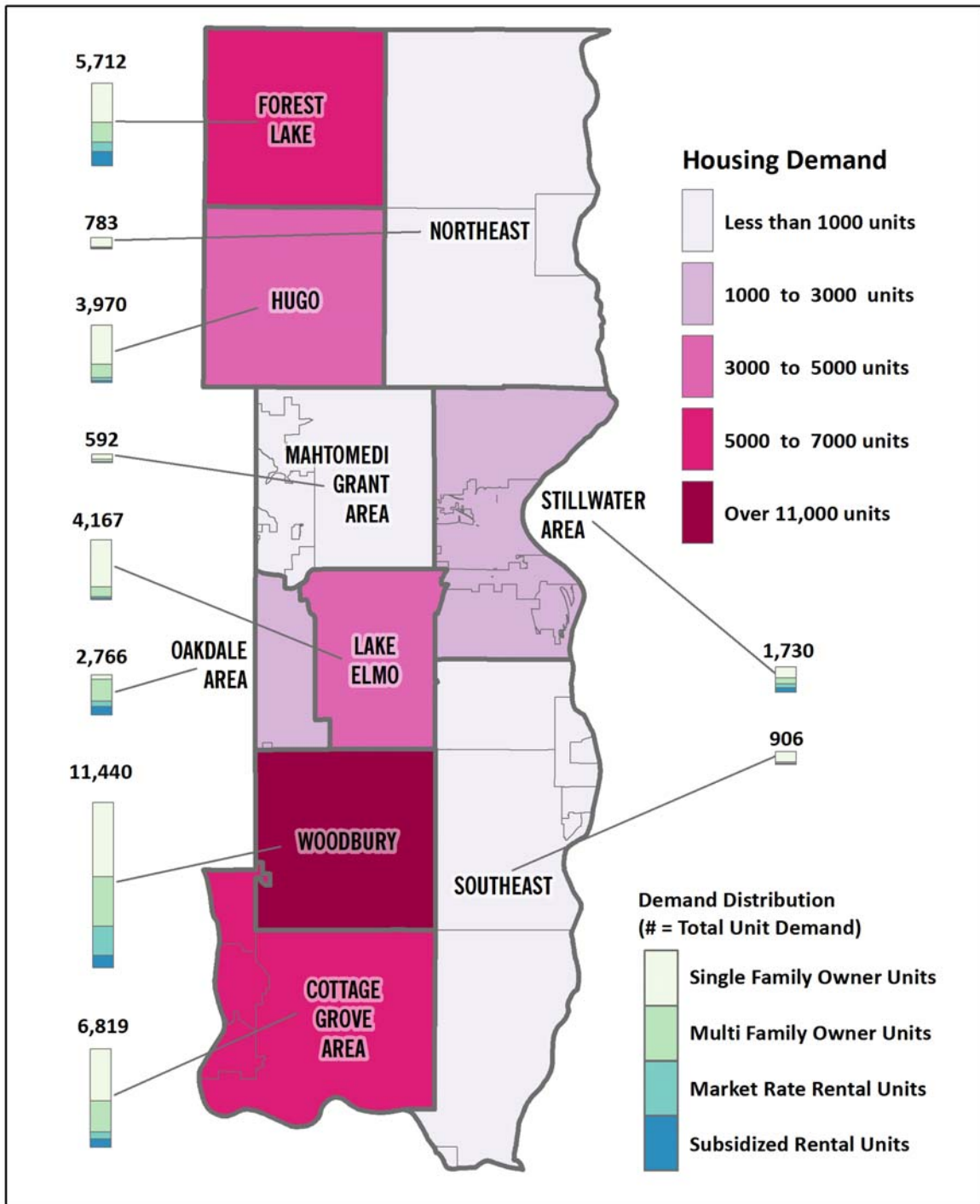
DEMAND SUMMARY AND RECOMMENDATIONS

TABLE DMD-11 SENIOR HOUSING EXCESS DEMAND SUMMARY WASHINGTON COUNTY 2013 to 2030									
2013									
	ACTIVE ADULT					SERVICE-ENHANCED**			
	Subsidized Rental	Affordable Rental	MR Owner	MR Rental	Total	Congregate	Assisted Living	Memory Care	Total
Northeast	0	23	12	36	72	21	53	9	84
Stillwater	0	113	81	122	317	0	214	45	258
Southeast	22	21	24	45	111	30	59	20	109
Forest Lake	0	0	35	44	79	42	91	4	137
Hugo	0	29	10	40	79	23	40	4	67
Mahtomedi	0	0	38	19	57	65	111	0	176
Oakdale	42	0	15	0	57	34	172	32	238
Lake Elmo	12	16	15	28	71	20	42	15	77
Woodbury	65	73	34	198	371	76	176	59	311
Cottage Grove	0	68	64	115	247	6	165	0	171
WASHINGTON COUNTY	140	343	329	647	1,460	316	1,123	187	1,626
2020									
	ACTIVE ADULT					SERVICE-ENHANCED**			
	Subsidized Rental	Affordable Rental	MR Owner	MR Rental	Total	Congregate	Assisted Living	Memory Care	Total
Northeast	0	28	15	44	86	25	59	10	94
Stillwater	9	132	95	148	383	0	261	34	295
Southeast	26	25	29	55	134	36	64	22	122
Forest Lake	0	23	50	62	134	24	112	0	136
Hugo	0	40	14	55	109	31	55	8	94
Mahtomedi	0	0	43	32	75	72	126	0	198
Oakdale	58	0	27	0	85	47	31	0	78
Lake Elmo	25	33	32	59	149	41	130	48	218
Woodbury	84	106	67	259	516	118	252	85	454
Cottage Grove	11	103	83	150	347	30	218	8	256
WASHINGTON COUNTY	212	487	455	864	2,018	424	1,307	215	1,946
2030									
	ACTIVE ADULT					SERVICE-ENHANCED**			
	Subsidized Rental	Affordable Rental	MR Owner	MR Rental	Total	Congregate	Assisted Living	Memory Care	Total
Northeast	0	33	18	53	104	30	67	11	108
Stillwater	18	140	102	161	422	0	279	41	320
Southeast	29	28	34	63	154	41	71	25	137
Forest Lake	0	55	68	85	208	45	166	8	219
Hugo	21	88	31	123	263	68	85	17	170
Mahtomedi	0	0	46	39	85	76	131	0	207
Oakdale	73	0	38	0	111	61	107	4	172
Lake Elmo	35	46	45	84	210	57	219	81	357
Woodbury	99	134	96	312	641	153	332	112	596
Cottage Grove	36	139	103	188	466	55	278	22	356
WASHINGTON COUNTY	311	664	580	1,108	2,663	586	1,734	322	2,642
** 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 Inc.									

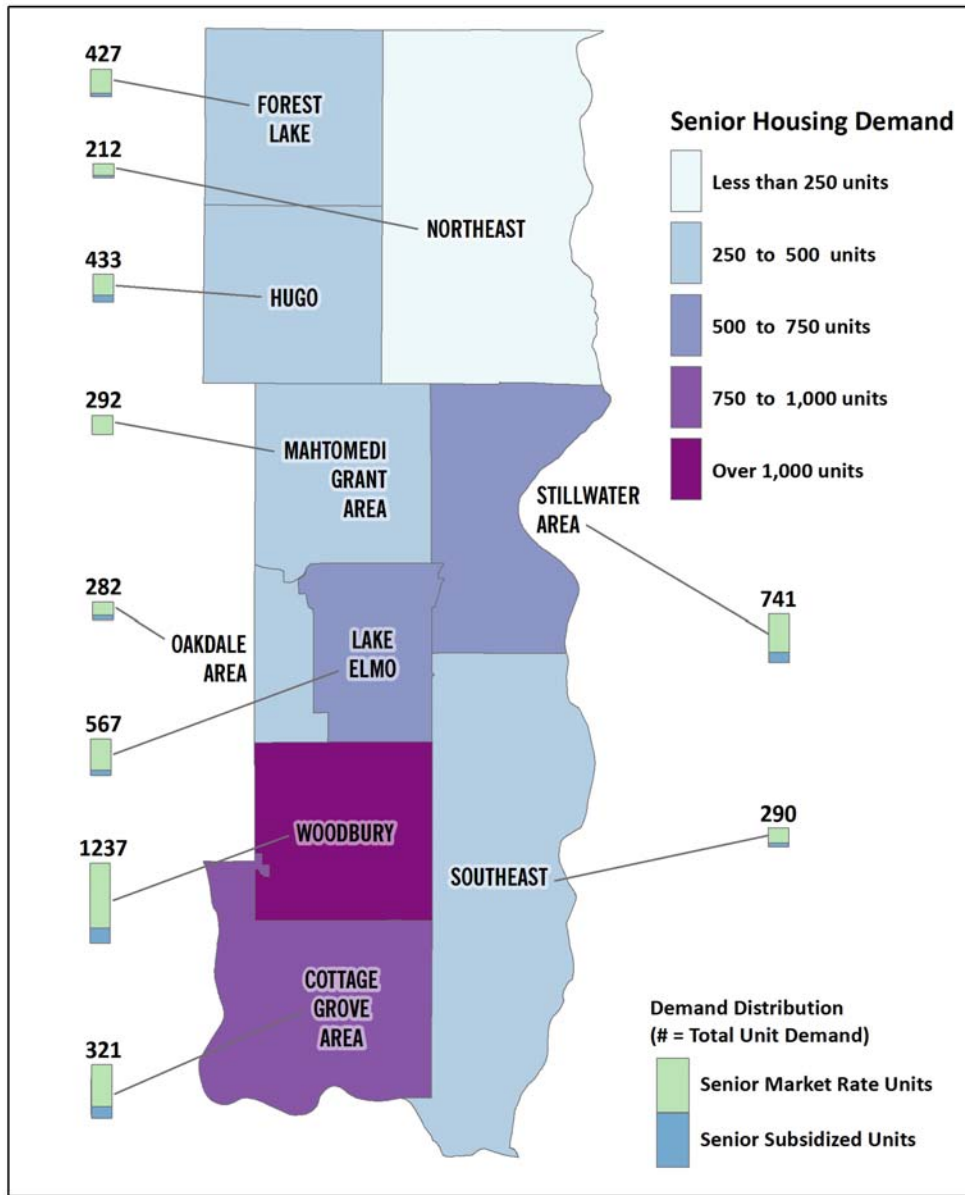




General-Occupancy Housing Demand 2013-2030



Senior Housing Demand 2013-2030



Comparison between 2007 Housing Study and 2013 Housing Study

Table DMD-12 provides a comparison between the demand calculations in the 2007 Housing Study and the 2013 Housing Study. Maxfield Research Inc. made revisions to the 2013 calculations to include turnover demand and separated the senior demand to include capture rates.

- There was demand for about 440 single-family and 1,100 multifamily fewer homes in the 2013 Housing Study than in 2007. This discrepancy is mainly due to the revised household projections in 2013. Maxfield Research Inc. used Metropolitan Council projections in 2007 while the projections in 2013 were adjusted to reflect the downturn in the housing and overall economy.
- However, our rental demand projections were significantly higher in 2013 (+2,643 more units). Maxfield Research Inc. included existing household turnover into the demand calculations. This added demand for an additional 1,234 households for rental housing between 2013 and 2020. Turnover demand had a greater impact on rental demand than ownership demand since a significantly larger percentage of renter households move more frequently. For instance, about 32% of renter demand came from turnover households compared to only 9% of homeowner demand.
- Our senior demand projections were also higher in 2013 (+2,230 more units). Maxfield Research Inc. only accounted for the population and households age 65+ and applied capture and penetration rates based on national senior housing trends.

TABLE DMD-12 DIFFERENCE IN DEMAND FROM 2007 STUDY TO 2013 STUDY WASHINGTON COUNTY 2013												
	2013-2020		2020-2030		2013-2030		Difference					
	2007 Study*	2013 Study	2007 Study	2013 Study	2007 Study	2013 Study	2013-2020		2020-2030		2013-2030	
							No.	Pct.	No.	Pct.	No.	Pct.
GENERAL OCCUPANCY												
Single-Family	9,865	10,303	9,546	9,879	19,411	20,182	438	4.4%	333	3.5%	771	4.0%
Multifamily	6,929	4,799	8,624	6,001	15,553	10,800	-2,130	-30.7%	-2,623	-30.4%	-4,753	-30.6%
Rental	1,185	3,828	1,300	4,080	2,485	7,908	2,643	223.1%	2,780	213.8%	5,423	218.3%
Market Rate	700	2,068	860	2,194	1,560	4,262	1,368	195.4%	1,334	155.1%	2,702	173.2%
Affordable	363	874	305	935	668	1,809	511	140.5%	630	206.6%	1,141	170.6%
Subsidized	121	886	135	951	256	1,837	765	631.3%	816	604.4%	1,581	617.1%
Total	17,979	18,930	19,470	19,960	37,449	38,890	951	5.3%	490	2.5%	1,441	3.8%
SENIOR												
Active Adult	905	1,806	2,655	2,352	3,560	4,158	901	99.6%	-303	-11.4%	598	16.8%
Subsidized	--	212	--	311	0	523	--	--	0	0.0%	523	0.0%
Affordable	237	487	810	664	1,047	1,151	250	105.6%	-146	-18.0%	104	9.9%
Owner	350	455	1,180	580	1,530	1,035	105	30.0%	-600	-50.8%	-495	-32.4%
Rental	318	864	665	1,108	983	1,972	546	172.0%	443	66.6%	989	100.7%
Congregate	412	424	650	586	1,062	1,010	12	2.9%	-64	-9.8%	-52	-4.9%
Assisted Living	275	1,307	425	1,734	700	3,041	1,032	375.9%	1,309	308.0%	2,341	334.7%
Memory Care	159	215	250	322	409	537	56	35.4%	72	28.8%	128	31.3%
Total	1,750	3,752	3,980	4,994	5,730	8,746	2,002	114.4%	1,014	25.5%	3,016	52.6%
Combined Total	19,729	22,682	23,450	24,954	43,179	47,636	2,953	15.0%	1,504	6.4%	4,457	10.3%
* Demand was from 2007 to 2020. Adjusted to reflect 7-year growth.												
Sources: Maxfield Research Inc.												

Northeast – Summary of Demographic and Housing Condition Findings

Key demographic and housing market findings for the Northeast submarket from the housing study are highlighted below. For a comparison, figures for Washington County are shown as well.

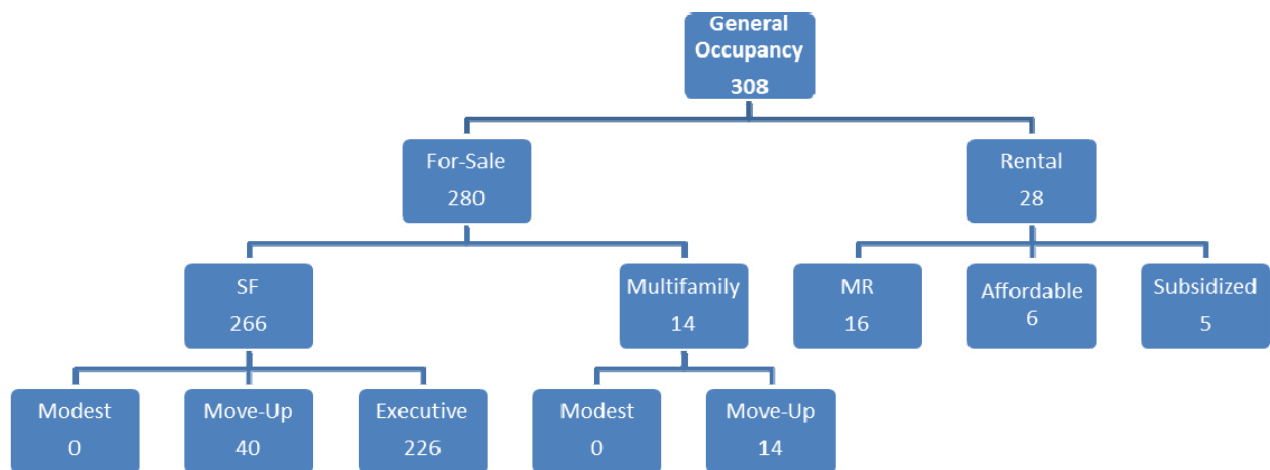
Demographic and Housing Characteristics Summary		
	Northeast	Washington County
Demographics		
Population (2010 & 2020)	7,401 / 7,950	238,136 / 282,575
Households (2010 & 2020)	2,883 / 3,195	87,855 / 105,920
Household Growth (2010 & 2020)	312	18,065
Median Household Income (2013)	\$85,068	\$76,800
Median Net Worth (2013)	\$351,368	\$216,586
Homeownership Rate (2010)	92.6%	82.8%
Housing Characteristics		
Occupied Housing Units (2010)	2,884 / 88%	87,859 / 95%
Vacant Housing Units (2010)	394 / 12%	4,515 / 5%
Number of single-family units permitted (2005-2012)	96	8,164
Number of multifamily units permitted (2005-2012)	0	1,339
Median age of housing stock (2011)	1972	1986
Housing stock built before 1950	447 / 16%	7,537 / 14%
Housing stock built between 1950 and 1990	1,724 / 60%	6,519 / 12%
Housing stock built after 1990	689 / 24%	41,316 / 75%
Median home value of owner-occupied units (2011)	\$383,599	\$257,200
Median contract rent for renter-occupied units (2011)	\$817	\$922
Employment		
Number of Employees	817	73,684
Average Annual Wage	\$33,020	\$39,832
For-Sale Housing		
Median resale price of existing single-family homes (2012)	\$290,000	\$224,900
Median resale price of existing multifamily homes (2012)	\$183,500	\$126,000
Median list price of actively marketing sf homes (Jun. 2013)	\$480,000	\$378,498
Median list price of actively marketing mf homes (Jun. 2013)	--	\$168,530
General Occupancy Rental Housing		
Distribution of rental units by type		
Market rate	0 / 0.0%	5,232 / 71.5%
Affordable/Subsidized	0 / 0.0%	2,082 / 28.5%
Average rent for market rate unit		
1BR	--	\$868
2BR	--	\$1,071
3BR	--	\$1,482
Senior Housing		
Distribution of senior housing by type		
Affordable/Subsidized Active Adult	40 / 100.0%	1,128 / 34.6%
Market Rate Active Adult	0 / 0.0%	546 / 16.7%
Congregate	0 / 0.0%	626 / 19.2%
Assisted Living	0 / 0.0%	638 / 19.5%
Memory Care	0 / 0.0%	326 / 10.0%

Northeast Recommendations

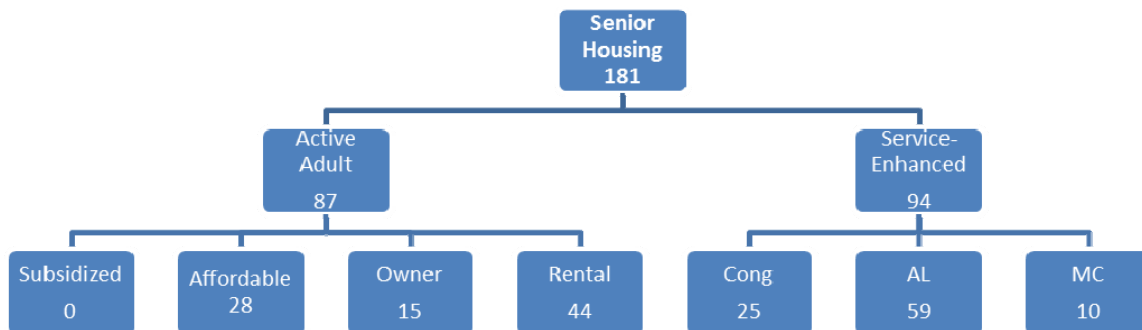
The Northeast submarket is expected to experience modest growth through 2030 and will become Washington County’s smallest submarket over this decade. About 310 households are projected to be added between 2010 and 2020.

About 80% of all the general occupancy housing demand in the Northeast submarket between 2013 and 2020 is projected to be for single-family homes – or 266 of 334 total units. Most new residents will be higher-income households in search of single-family homes.

Northeast Projected General Occupancy Demand, 2013 – 2020



Northeast Projected Senior Demand, 2020



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations.

DEMAND SUMMARY AND RECOMMENDATIONS

For-Sale Housing: To meet the projected single-family home demand in the Northeast through 2020, a supply of about 115 lots will need to be maintained to allow adequate consumer choice. Like the Southeast Submarket, most of these lots will be created in several smaller, large-lot acreage developments. There are no vacant developed lots platted in the Northeast submarket.

Rental Housing: Although there is demand for 27 rental units, it would be difficult to develop a rental property due to economies of scale. Therefore, householders seeking rental housing will likely seek out other Washington County Submarkets.

Senior Housing: By 2020 there will be demand for 181 senior rental units. Most of this demand will occur closer to 2020 when senior demand begins to increase due to the aging of the baby boomers into their 70s. Seniors in the Northeast will tend to be older than those closer to the Twin Cities core when they make the transition into age restricted housing. The greatest demand will be for active adult rental and assisted living units.

Stillwater – Summary of Demographic and Housing Condition Findings

Key demographic and housing market findings for the Stillwater submarket from the housing study are highlighted below. For a comparison, figures for Washington County are shown as well.

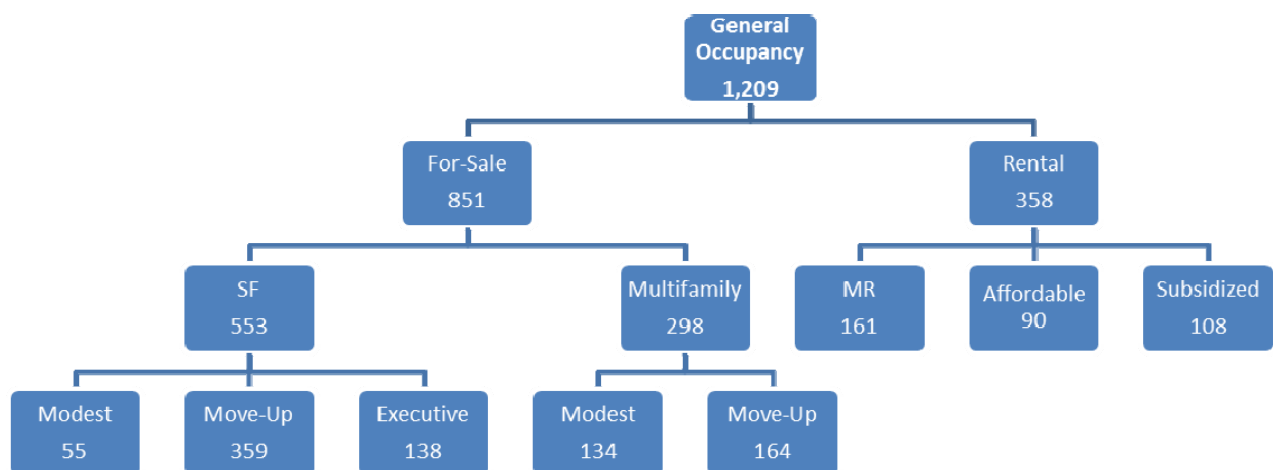
Demographic and Housing Characteristics Summary		
	Stillwater	Washington County
Demographics		
Population (2010 & 2020)	30,124 / 32,725	238,136 / 282,575
Households (2010 & 2020)	11,270 / 12,550	87,855 / 105,920
Household Growth (2010 & 2020)	1,280	18,065
Median Household Income (2012)	\$74,652	\$76,800
Median Net Worth (2012)	\$175,236	\$216,586
Homeownership Rate (2010)	75.0%	82.8%
Housing Characteristics		
Occupied Housing Units (2010)	11,270 / 93%	87,859 / 95%
Vacant Housing Units (2010)	811 / 7%	4,515 / 5%
Number of single-family units permitted (2005-2011)	778	8,164
Number of multifamily units permitted (2005-2011)	211	1,339
Median age of housing stock (2011)	1977	1986
Housing stock built before 1950	2,545 / 22%	7,537 / 14%
Housing stock built between 1950 and 1990	5,118 / 44%	6,519 / 12%
Housing stock built after 1990	3,952 / 34%	41,316 / 75%
Median home value of owner-occupied units (2011)	\$277,277	\$257,200
Median contract rent for renter-occupied units (2011)	\$901	\$922
Employment		
Number of Employees	14,097	73,684
Average Annual Wage	\$38,948	\$39,832
For-Sale Housing		
Median resale price of existing single-family homes (2012)	\$245,000	\$224,900
Median resale price of existing multifamily homes (2012)	\$176,245	\$126,000
Median list price of actively marketing sf homes (Jun. 2013)	\$390,000	\$378,498
Median list price of actively marketing mf homes (Jun. 2013)	\$229,900	\$168,530
General Occupancy Rental Housing		
Distribution of rental units by type		
Market rate	322 / 43.6%	5,232 / 71.5%
Affordable/Subsidized	417 / 56.4%	2,082 / 28.5%
Average rent for market rate unit		
1BR	\$701	\$868
2BR	\$822	\$1,071
3BR	--	\$1,482
Senior Housing		
Distribution of senior housing by type		
Affordable/Subsidized Active Adult	242 / 22.5%	1,128 / 34.6%
Market Rate Active Adult	147 / 13.7%	546 / 16.7%
Congregate	401 / 37.3%	626 / 19.2%
Assisted Living	220 / 20.4%	638 / 19.5%
Memory Care	66 / 6.1%	326 / 10.0%

Stillwater Recommendations

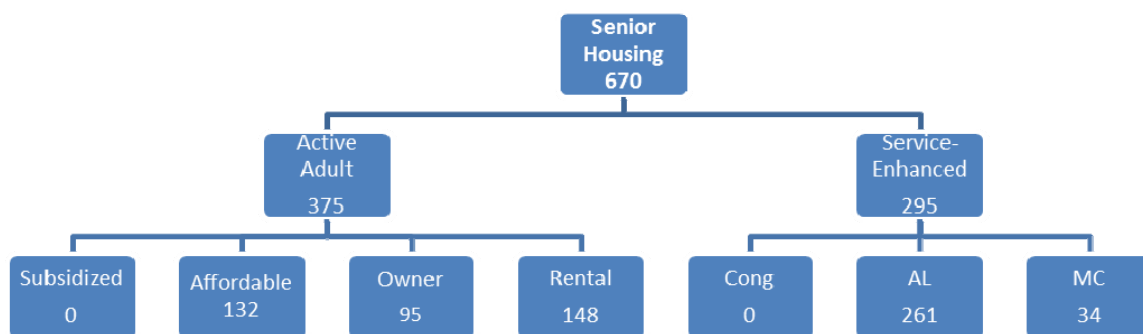
The Stillwater submarket has somewhat of a limited supply of land for new development as much of the land in Stillwater and Baytown Townships are guided for lower-density. Thus, a significant portion of the housing added will be in Stillwater, Oak Park Heights, and Bayport.

The Stillwater submarket is projected to add 1,017 households between 2013 and 2020. Approximately 45% of the general occupancy housing demand will be for single-family homes, 25% for owner-occupied multifamily homes, and 30% for rental units.

Stillwater Projected General Occupancy Demand, 2013 – 2020



Stillwater Projected Senior Demand, 2020



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations.

DEMAND SUMMARY AND RECOMMENDATIONS

For-Sale Housing: To meet the projected single-family home demand in the Stillwater submarket through 2020, a supply of about 235 lots will need to be maintained to allow adequate consumer choice. Currently, the supply is about 90 available lots, meaning that the existing supply needs to triple in the short term to keep pace with potential demand.

Rental Housing: A new market rate rental development has not been built for about ten years since *Curve Crest Villas*. There is sufficient demand for either a market rate, affordable, and/or subsidized property.

Senior Housing: The Stillwater submarket has an abundant supply of senior housing with Boutwell's Landing, Oak Park Senior Living, and Croixdale, among others. However, these buildings have been successful by drawing residents from a broad area and many of these facilities have future expansion plans. We project demand from local seniors to continue between 2013 and 2020 such that about 375 units of active adult and 295 of service-enhanced units will be needed. The greatest need will be for affordable and/or market rate active adult rental units (there is not an affordable senior development in the submarket) and assisted living units.

Southeast – Summary of Demographic and Housing Condition Findings

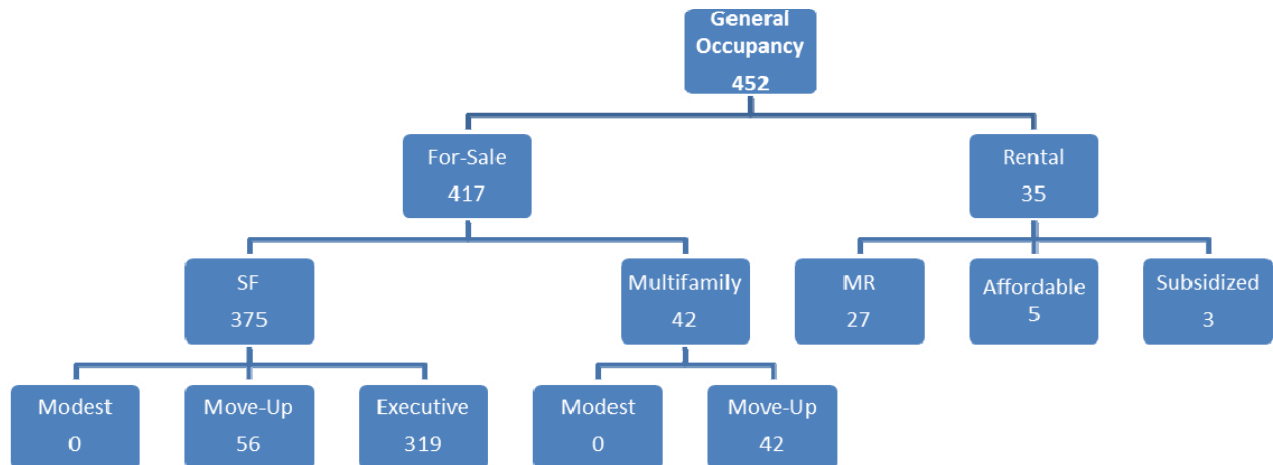
Key demographic and housing market findings for the Southeast submarket from the housing study are highlighted below. For a comparison, figures for Washington County are shown as well.

Demographic and Housing Characteristics Summary		
	Southeast	Washington County
Demographics		
Population (2010 & 2020)	12,195 / 13,050	238,136 / 282,575
Households (2010 & 2020)	4,384 / 4,815	87,855 / 105,920
Household Growth (2010 & 2020)	431	18,065
Median Household Income (2012)	\$104,355	\$76,800
Median Net Worth (2012)	\$449,874	\$216,586
Homeownership Rate (2010)	94.3%	82.8%
Housing Characteristics		
Occupied Housing Units (2010)	4,384 / 95%	87,859 / 95%
Vacant Housing Units (2010)	250 / 5%	4,515 / 5%
Number of single-family units permitted (2005-2011)	176	8,164
Number of multifamily units permitted (2005-2011)	0	1,339
Median age of housing stock (2011)	1980	1986
Housing stock built before 1950	525 / 12%	7,537 / 14%
Housing stock built between 1950 and 1990	2,237 / 51%	6,519 / 12%
Housing stock built after 1990	1,611 / 37%	41,316 / 75%
Median home value of owner-occupied units (2011)	\$379,207	\$257,200
Median contract rent for renter-occupied units (2011)	\$765	\$922
Employment		
Number of Employees	1,735	73,684
Average Annual Wage	\$34,060	\$39,832
For-Sale Housing		
Median resale price of existing single-family homes (2012)	\$281,750	\$224,900
Median resale price of existing multifamily homes (2012)	\$128,700	\$126,000
Median list price of actively marketing sf homes (Jun. 2013)	\$390,000	\$378,498
Median list price of actively marketing mf homes (Jun. 2013)	\$229,900	\$168,530
General Occupancy Rental Housing		
Distribution of rental units by type		
Market rate	0 / 0.0%	5,232 / 71.5%
Affordable/Subsidized	0 / 0.0%	2,082 / 28.5%
Average rent for market rate unit		
1BR	--	\$868
2BR	--	\$1,071
3BR	--	\$1,482
Senior Housing		
Distribution of senior housing by type		
Affordable/Subsidized Active Adult	0 / 0.0%	1,128 / 34.6%
Market Rate Active Adult	0 / 0.0%	546 / 16.7%
Congregate	0 / 0.0%	626 / 19.2%
Assisted Living	0 / 0.0%	638 / 19.5%
Memory Care	0 / 0.0%	326 / 10.0%

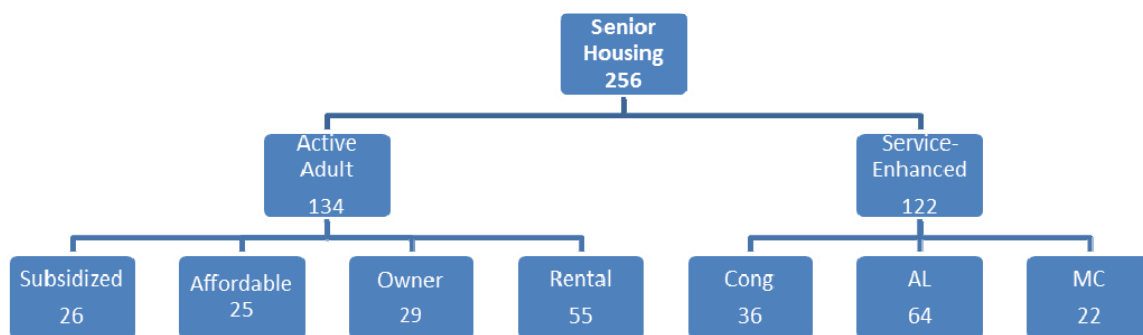
Southeast Recommendations

The Southeast submarket is projected to add 419 households between 2013 and 2020. Nearly 92% of the general occupancy demand will be for single-family housing at lower density due to the rural nature of the submarket. Most new residents will be higher-income households in search of single-family homes.

Southeast Projected General Occupancy Demand, 2013 – 2020



Southeast Projected Senior Demand, 2020



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations.

DEMAND SUMMARY AND RECOMMENDATIONS

For-Sale Housing: The Southeast submarket currently has 55 vacant developed single-family lots; however, approximately 160 lots are needed to meet the projected single-family home demand. Like the Northeast, most of these lots will be created in several smaller, large-lot developments.

Rental Housing: Although there is demand for 35 rental units, it would be difficult to develop a rental property due to economies of scale. Much of the submarket is rural without the services needed to support a multifamily rental development.

Senior Housing: By 2020 there will be demand for 256 senior rental units. Most of this demand will occur closer to 2020 when senior demand begins to increase due to the aging of the baby boomers into their 70s. Currently, there are no senior housing options for local residents and they have to relocate outside of the submarket. The Southeast submarket could support a service-intensive senior housing development by 2020.

Forest Lake – Summary of Demographic and Housing Condition Findings

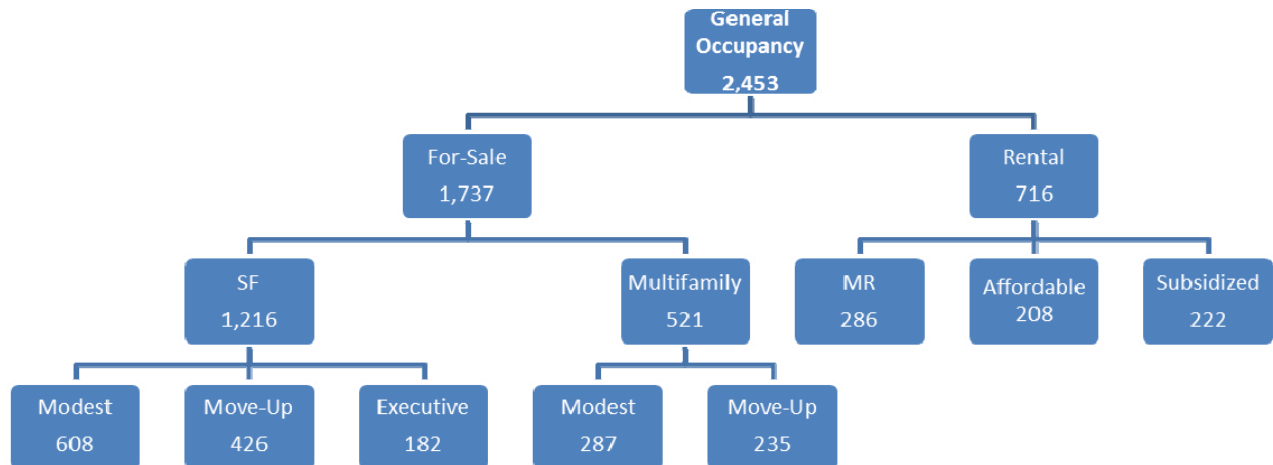
Key demographic and housing market findings for the Forest Lake submarket from the housing study are highlighted below. For a comparison, figures for Washington County are shown as well.

Demographic and Housing Characteristics Summary		
	Forest Lake	Washington County
Demographics		
Population (2010 & 2020)	18,375 / 24,250	238,136 / 282,575
Households (2010 & 2020)	7,014 / 9,400	87,855 / 105,920
Household Growth (2010 & 2020)	2,386	18,065
Median Household Income (2012)	\$59,812	\$76,800
Median Net Worth (2012)	\$121,587	\$216,586
Homeownership Rate (2010)	76.4%	82.8%
Housing Characteristics		
Occupied Housing Units (2010)	7,014 / 93%	87,859 / 95%
Vacant Housing Units (2010)	494 / 7%	4,515 / 5%
Number of single-family units permitted (2005-2011)	391	8,164
Number of multifamily units permitted (2005-2011)	170	1,339
Median age of housing stock (2011)	1986	1986
Housing stock built before 1950	685 / 10%	7,537 / 14%
Housing stock built between 1950 and 1990	3,178 / 45%	6,519 / 12%
Housing stock built after 1990	3,232 / 46%	41,316 / 75%
Median home value of owner-occupied units (2011)	\$258,600	\$257,200
Median contract rent for renter-occupied units (2011)	\$781	\$922
Employment		
Number of Employees	6,294	73,684
Average Annual Wage	\$29,536	\$39,832
For-Sale Housing		
Median resale price of existing single-family homes (2012)	\$209,365	\$224,900
Median resale price of existing multifamily homes (2012)	\$116,000	\$126,000
Median list price of actively marketing sf homes (Jun. 2013)	\$279,900	\$378,498
Median list price of actively marketing mf homes (Jun. 2013)	\$180,000	\$168,530
General Occupancy Rental Housing		
Distribution of rental units by type		
Market rate	667 / 75.5%	5,232 / 71.5%
Affordable/Subsidized	216 / 24.5%	2,082 / 28.5%
Average rent for market rate unit		
1BR	\$733	\$868
2BR	\$853	\$1,071
3BR	\$915	\$1,482
Senior Housing		
Distribution of senior housing by type		
Affordable/Subsidized Active Adult	248 / 76.5%	1,128 / 34.6%
Market Rate Active Adult	0 / 0.0%	546 / 16.7%
Congregate	0 / 0.0%	626 / 19.2%
Assisted Living	46 / 14.2%	638 / 19.5%
Memory Care	30 / 9.3%	326 / 10.0%

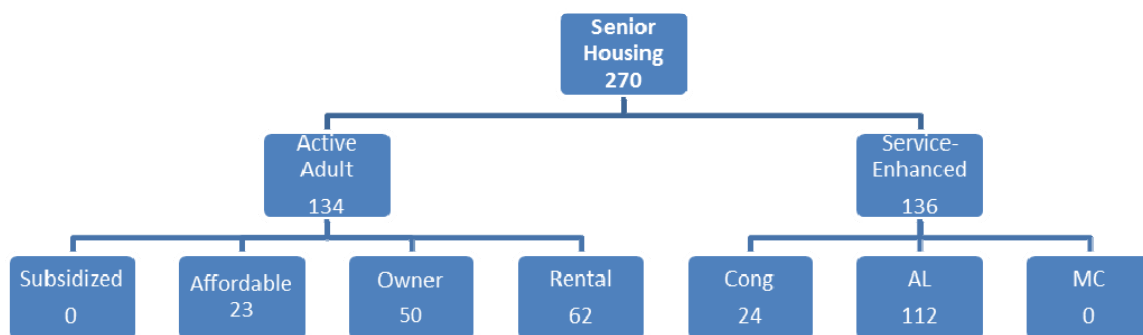
Forest Lake Recommendations

The Forest Lake submarket is poised for strong growth as the urban fringe moves northward. Forest Lake is projected to add an estimated 2,220 households between 2013 and 2020. Approximately 70% of the general occupancy demand will be for for-sale housing and 30% will be for rental housing.

Forest Lake Projected General Occupancy Demand, 2013 – 2020



Forest Lake Projected Senior Demand, 2020



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations.

DEMAND SUMMARY AND RECOMMENDATIONS

For-Sale Housing: There is demand for 1,216 single-family homes between 2013 and 2020. Of the total single-family housing demand, we project that about half is for modest homes (less than \$350,000). First-time homebuyers may be attracted to the Forest Lake submarket as the price for a new home is less than other submarkets in Washington County.

Rental Housing: Demand was calculated for 716 rental units between 2013 and 2020, of which market rate accounts for 286 units, 208 affordable units, and 222 subsidized units. Some of the short-term demand for general occupancy rental housing will be supported by the third and fourth phases of Mill Pond, which will have 30 units each. With strong job growth in the area and low vacancies in existing rental buildings, we find that a new affordable rental development could also be supported in the short-term.

Senior Housing: A senior housing development has not been built since *Birchwood Arbors* in 2003. There have been two pending senior developments in Forest Lake but have stalled due to not obtaining financing or not receiving City approval. However, the proposed *Cherrywood Pointe of Forest Lake* by United Properties will likely move forward. This new project should meet the demand for service-enhanced senior housing in the short-term.

Hugo – Summary of Demographic and Housing Condition Findings

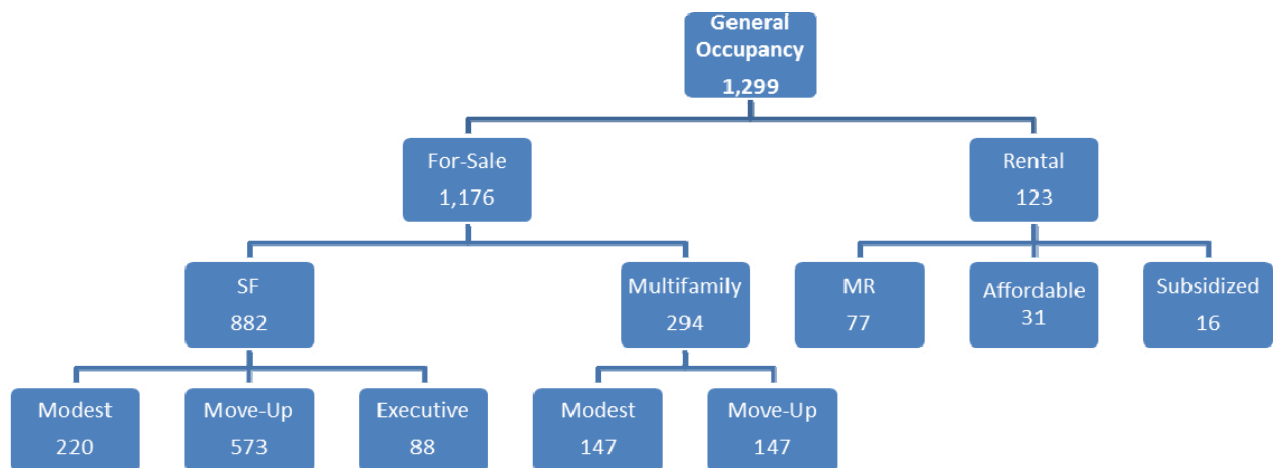
Key demographic and housing market findings for the Hugo submarket from the housing study are highlighted below. For a comparison, figures for Washington County are shown as well.

Demographic and Housing Characteristics Summary		
	Hugo	Washington County
Demographics		
Population (2010 & 2020)	13,332 / 16,500	238,136 / 282,575
Households (2010 & 2020)	4,990 / 6,310	87,855 / 105,920
Household Growth (2010 & 2020)	1,320	18,065
Median Household Income (2012)	\$64,930	\$76,800
Median Net Worth (2012)	\$167,129	\$216,586
Homeownership Rate (2010)	91.0%	82.8%
Housing Characteristics		
Occupied Housing Units (2010)	4,990 / 96%	87,859 / 95%
Vacant Housing Units (2010)	199 / 4%	4,515 / 5%
Number of single-family units permitted (2005-2011)	1,855	8,164
Number of multifamily units permitted (2005-2011)	60	1,339
Median age of housing stock (2011)	2001	1986
Housing stock built before 1950	129 / 3%	7,537 / 14%
Housing stock built between 1950 and 1990	1,199 / 25%	6,519 / 12%
Housing stock built after 1990	3,448 / 72%	41,316 / 75%
Median home value of owner-occupied units (2011)	\$237,100	\$257,200
Median contract rent for renter-occupied units (2011)	\$1,146	\$922
Employment		
Number of Employees	2,335	73,684
Average Annual Wage	\$42,068	\$39,832
For-Sale Housing		
Median resale price of existing single-family homes (2012)	\$230,000	\$224,900
Median resale price of existing multifamily homes (2012)	\$118,500	\$126,000
Median list price of actively marketing sf homes (Jun. 2013)	\$349,900	\$378,498
Median list price of actively marketing mf homes (Jun. 2013)	\$164,900	\$168,530
General Occupancy Rental Housing		
Distribution of rental units by type		
Market rate	0 / 0.0%	5,232 / 71.5%
Affordable/Subsidized	0 / 0.0%	2,082 / 28.5%
Average rent for market rate unit		
1BR	--	\$868
2BR	--	\$1,071
3BR	--	\$1,482
Senior Housing		
Distribution of senior housing by type		
Affordable/Subsidized Active Adult	28 / 53.8%	1,128 / 34.6%
Market Rate Active Adult	0 / 0.0%	546 / 16.7%
Congregate	0 / 0.0%	626 / 19.2%
Assisted Living	12 / 23.1%	638 / 19.5%
Memory Care	12 / 23.1%	326 / 10.0%

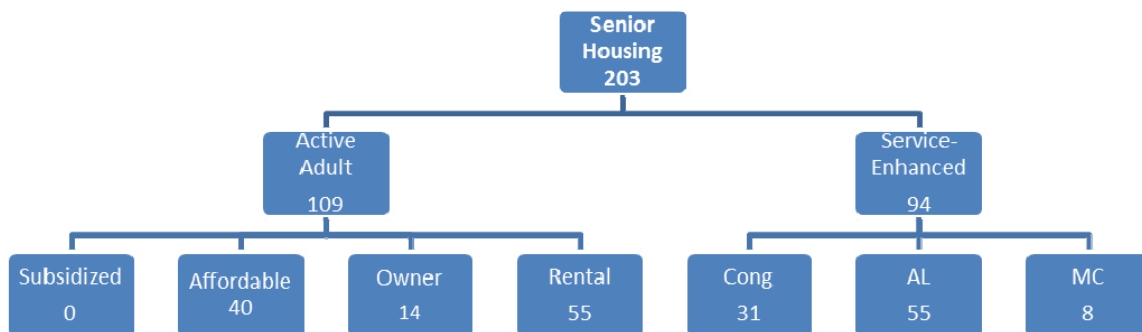
Hugo Recommendations

Hugo had strong growth in the early 2000s during the housing boom. However, new construction drastically slowed during the Great Recession and Hugo is expecting slower growth through 2020 than originally projected. Hugo has ample land availability that will make for-sale product in the community more affordable and thus more appealing than other areas closer to the core of the Metro Area.

Hugo Projected General Occupancy Demand, 2013 – 2020



Hugo Projected Senior Demand, 2020



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations.

DEMAND SUMMARY AND RECOMMENDATIONS

For-Sale Housing: Currently, Hugo has 157 vacant developed single-family lots and there are 71 identified in the future pipeline. There have been several stalled subdivisions that did not move forward after the Great Recession. To meet the projected single-family home demand in Hugo through 2020, a supply of about 375 lots will need to be maintained to allow adequate consumer choice.

Rental Housing: Hugo has very few rental units. In the short-term demand for for-sale product will exceed demand for rental product. However, as the area continues to grow, rental demand will increase. We find support for a new market rate rental building with up to 77 units by 2020.

Senior Housing: Hugo only has one 24-unit assisted living/memory care facility and a 28-unit subsidized senior facility. In the next few years, Hugo could support a market rate senior development. There is demand for 94 service-enhanced and 109 active adult units by 2020.

Mahtomedi – Summary of Demographic and Housing Condition Findings

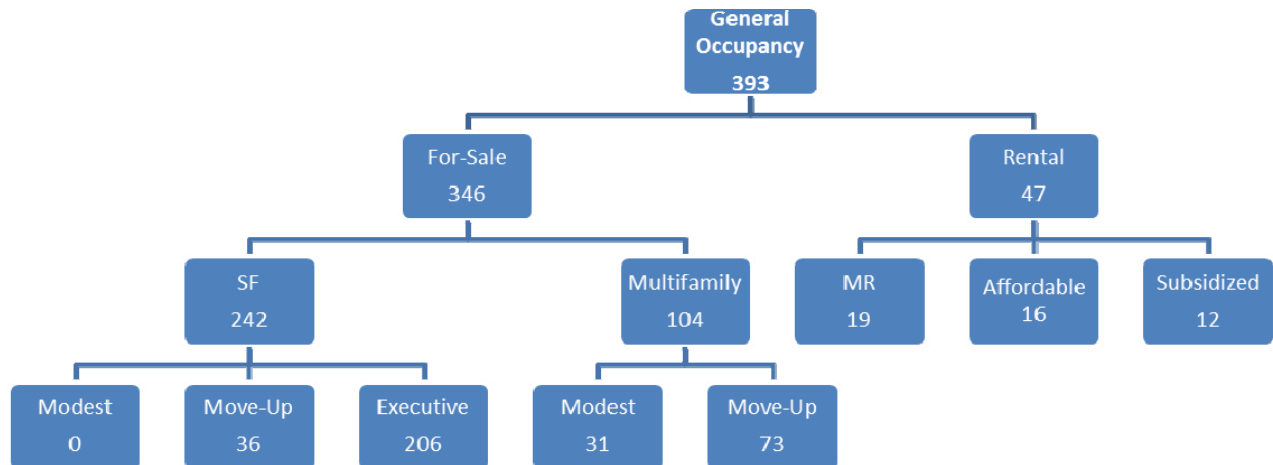
Key demographic and housing market findings for the Mahtomedi submarket from the housing study are highlighted below. For a comparison, figures for Washington County are shown as well.

Demographic and Housing Characteristics Summary		
	Mahtomedi	Washington County
Demographics		
Population (2010 & 2020)	15,023 / 15,900	238,136 / 282,575
Households (2010 & 2020)	5,574 / 6,000	87,855 / 105,920
Household Growth (2010 & 2020)	426	18,065
Median Household Income (2012)	\$97,681	\$76,800
Median Net Worth (2012)	\$418,603	\$216,586
Homeownership Rate (2010)	87.7%	82.8%
Housing Characteristics		
Occupied Housing Units (2010)	5,574 / 96%	87,859 / 95%
Vacant Housing Units (2010)	224 / 4%	4,515 / 5%
Number of single-family units permitted (2005-2011)	220	8,164
Number of multifamily units permitted (2005-2011)	9	1,339
Median age of housing stock (2011)	1981	1986
Housing stock built before 1950	969 / 18%	7,537 / 14%
Housing stock built between 1950 and 1990	2,705 / 50%	6,519 / 12%
Housing stock built after 1990	1,707 / 32%	41,316 / 75%
Median home value of owner-occupied units (2011)	\$379,019	\$257,200
Median contract rent for renter-occupied units (2011)	\$894	\$922
Employment		
Number of Employees	3,171	73,684
Average Annual Wage	\$30,680	\$39,832
For-Sale Housing		
Median resale price of existing single-family homes (2012)	\$293,000	\$224,900
Median resale price of existing multifamily homes (2012)	\$176,500	\$126,000
Median list price of actively marketing sf homes (Jun. 2013)	\$475,000	\$378,498
Median list price of actively marketing mf homes (Jun. 2013)	\$189,900	\$168,530
General Occupancy Rental Housing		
Distribution of rental units by type		
Market rate	12 / 13.3%	5,232 / 71.5%
Affordable/Subsidized	78 / 86.7%	2,082 / 28.5%
Average rent for market rate unit		
1BR	--	\$868
2BR	--	\$1,071
3BR	\$1,000	\$1,482
Senior Housing		
Distribution of senior housing by type		
Affordable/Subsidized Active Adult	132 / 37.7%	1,128 / 34.6%
Market Rate Active Adult	69 / 19.7%	546 / 16.7%
Congregate	0 / 0.0%	626 / 19.2%
Assisted Living	60 / 17.1%	638 / 19.5%
Memory Care	89 / 25.4%	326 / 10.0%

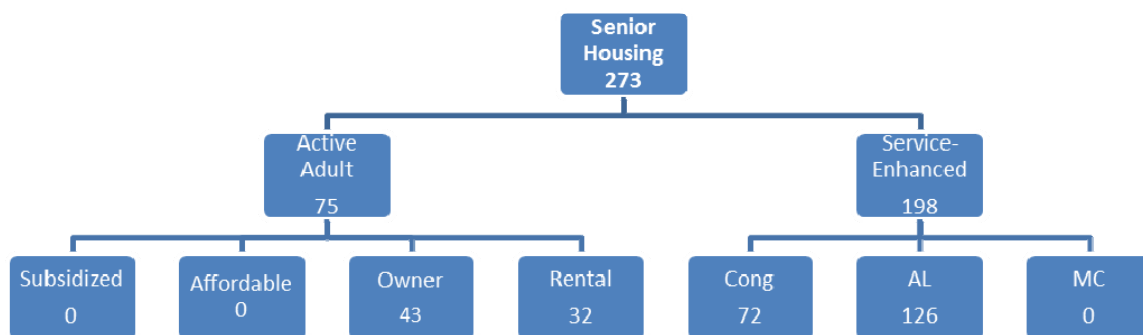
Mahtomedi Recommendations

The Mahtomedi submarket has land available in Grant; however, household growth in the submarket will remain modest as most of this land is zoned for lower-density housing. The Mahtomedi submarket is projected to increase by only 343 households through 2020, the lowest growth rate in the County.

Mahtomedi Projected General Occupancy Demand, 2013 – 2020



Mahtomedi Projected Senior Demand, 2020



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations.

DEMAND SUMMARY AND RECOMMENDATIONS

For-Sale Housing: The Mahtomedi submarket will have to maintain a supply of 100 lots to maintain adequate consumer choice. With only six vacant developed lots, the submarket will need to take efforts to approve additional single-family home developments. New single-family development may also be pursued through redevelopment and infill sites.

Rental Housing: Although there is demand for 27 rental units, it would be difficult to develop a rental property due to economies of scale. Rental demand from local households would be accommodated by other communities, such as Oakdale, which has enough demand to support new rental buildings.

Senior Housing: *Coventry Senior Living* was recently built in Mahtomedi in 2011 and accommodates some of the demand for assisted living and memory care. *Gateway Plaza* is an affordable senior housing development proposed by Sand Companies and the Washington County HRA. Since it will cater to households earning 60% AMI or less, it is expected to draw residents from Mahtomedi as well as several surrounding communities.

The City of Mahtomedi and the Washington County HRA are partnering on an affordable senior housing development to be called “Piccadilly Square.” The development will contain 79 units affordable to senior households at or below 50% AMI. The development will be located on the west end of Downtown Mahtomedi and Willernie. Separate market studies for this development have been completed, which show that there is sufficient demand for this development. A development of this size will likely meet the affordable senior housing demand for the area beyond 2020.

Oakdale – Summary of Demographic and Housing Condition Findings

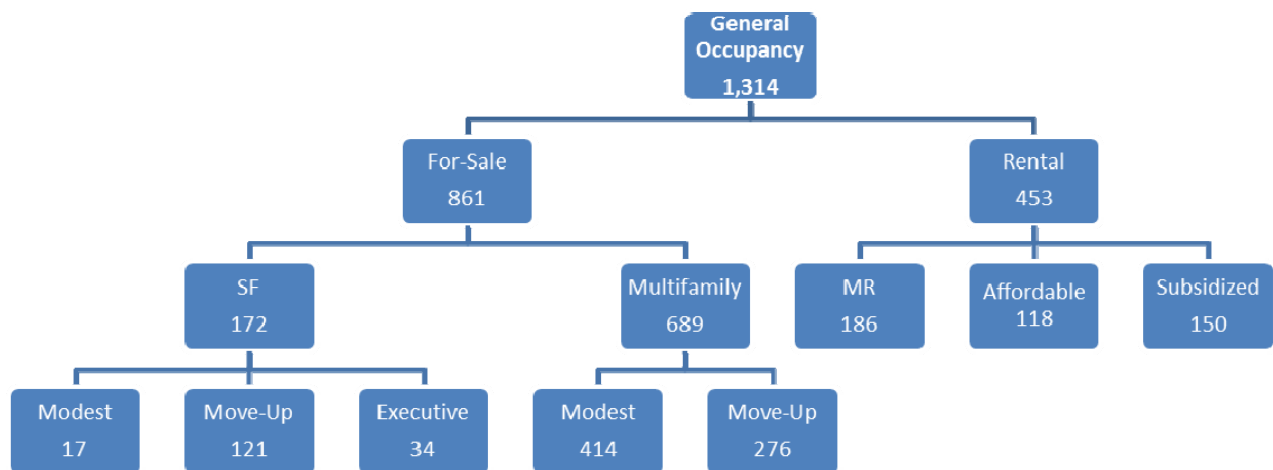
Key demographic and housing market findings for the Oakdale submarket from the housing study are highlighted below. For a comparison, figures for Washington County are shown as well.

Demographic and Housing Characteristics Summary		
	Oakdale	Washington County
Demographics		
Population (2010 & 2020)	28,064 / 30,550	238,136 / 282,575
Households (2010 & 2020)	11,213 / 12,350	87,855 / 105,920
Household Growth (2010 & 2020)	1,137	18,065
Median Household Income (2012)	\$59,143	\$76,800
Median Net Worth (2012)	\$131,035	\$216,586
Homeownership Rate (2010)	77.6%	82.8%
Housing Characteristics		
Occupied Housing Units (2010)	11,213 / 96%	87,859 / 95%
Vacant Housing Units (2010)	460 / 4%	4,515 / 5%
Number of single-family units permitted (2005-2011)	123	8,164
Number of multifamily units permitted (2005-2011)	169	1,339
Median age of housing stock (2011)	1988	1986
Housing stock built before 1950	657 / 6%	7,537 / 14%
Housing stock built between 1950 and 1990	5,379 / 49%	6,519 / 12%
Housing stock built after 1990	4,984 / 45%	41,316 / 75%
Median home value of owner-occupied units (2011)	\$201,784	\$257,200
Median contract rent for renter-occupied units (2011)	\$811	\$922
Employment		
Number of Employees	9,486	73,684
Average Annual Wage	\$47,684	\$39,832
For-Sale Housing		
Median resale price of existing single-family homes (2012)	\$177,000	\$224,900
Median resale price of existing multifamily homes (2012)	\$93,000	\$126,000
Median list price of actively marketing sf homes (Jun. 2013)	\$216,021	\$378,498
Median list price of actively marketing mf homes (Jun. 2013)	\$125,000	\$168,530
General Occupancy Rental Housing		
Distribution and vacancy rate of rental units by type		
Market rate	514 / 37.1%	5,232 / 71.5%
Affordable/Subsidized	870 / 62.9%	2,082 / 28.5%
Average rent for market rate unit		
1BR	\$832	\$868
2BR	\$1,103	\$1,071
3BR	\$1,253	\$1,482
Senior Housing		
Distribution of senior housing by type		
Affordable/Subsidized Active Adult	321 / 51.9%	1,128 / 34.6%
Market Rate Active Adult	175 / 28.3%	546 / 16.7%
Congregate	62 / 10.0%	626 / 19.2%
Assisted Living	48 / 7.8%	638 / 19.5%
Memory Care	12 / 1.9%	326 / 10.0%

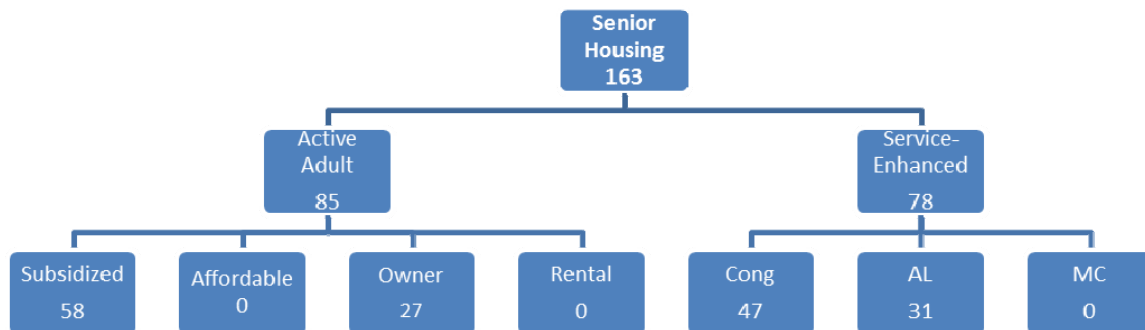
Oakdale Recommendations

Household growth will be driven by both employment growth as well as Oakdale's close proximity to the Twin Cities core. While demand will continue to exist for single-family homes in Oakdale, the community's land supply to support lower-density housing is dwindling. Thus, most new housing added in the community will be multifamily, which tends to be medium-density townhomes or higher-density rental and senior. We project that between 2013 and 2020, about 52% of the demand will be for for-sale multifamily, 34% for rental, and 14% for single-family.

Oakdale Projected General Occupancy Demand, 2013 – 2020



Oakdale Projected Senior Demand, 2020



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations.

DEMAND SUMMARY AND RECOMMENDATIONS

For-Sale Housing: Available land in Oakdale will significantly decrease so that single-family homes will come about almost exclusively through redevelopment and infill. Currently there are no vacant developed lots in Oakdale and no pending developments in the pipeline.

Rental Housing: We calculated demand for 186 market rate, 118 affordable, and 150 subsidized rental units in Oakdale from 2013 to 2020. Due to the close proximity to jobs and the low vacancy rate among existing rental developments, both market rate and affordable projects could be developed in the next few years to meeting growing rental demand in Oakdale.

Senior Housing: The proposed *Tartan Crossing*, which replaces the former Oakdale Mall, will satisfy the majority of the demand for senior housing with services with 120 units.

Lake Elmo – Summary of Demographic and Housing Condition Findings

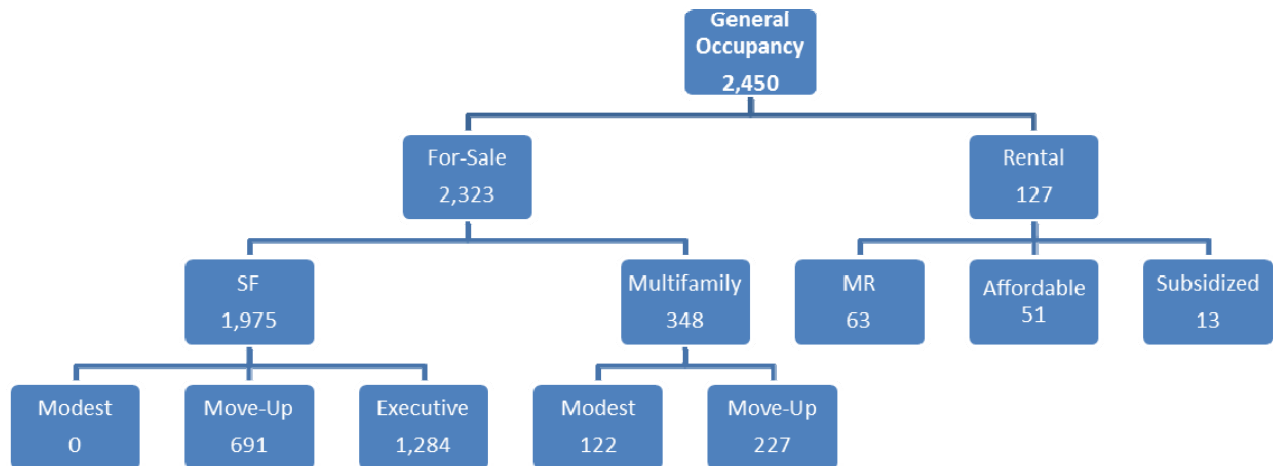
Key demographic and housing market findings for the Lake Elmo submarket from the housing study are highlighted below. For a comparison, figures for Washington County are shown as well.

Demographic and Housing Characteristics Summary		
	Lake Elmo	Washington County
Demographics		
Population (2010 & 2020)	8,069 / 14,500	238,136 / 282,575
Households (2010 & 2020)	2,776 / 5,100	87,855 / 105,920
Household Growth (2010 & 2020)	2,324	18,065
Median Household Income (2012)	\$100,410	\$76,800
Median Net Worth (2012)	\$457,260	\$216,586
Homeownership Rate (2010)	95.3%	82.8%
Housing Characteristics		
Occupied Housing Units (2010)	2,779 / 97%	87,859 / 95%
Vacant Housing Units (2010)	98 / 3%	4,515 / 5%
Number of single-family units permitted (2005-2011)	197	8,164
Number of multifamily units permitted (2005-2011)	0	1,339
Median age of housing stock (2011)	1981	1986
Housing stock built before 1950	281 / 10%	7,537 / 14%
Housing stock built between 1950 and 1990	1,563 / 54%	6,519 / 12%
Housing stock built after 1990	1,043 / 36%	41,316 / 75%
Median home value of owner-occupied units (2011)	\$386,200	\$257,200
Median contract rent for renter-occupied units (2011)	\$573	\$922
Employment		
Number of Employees	1,927	73,684
Average Annual Wage	\$46,176	\$39,832
For-Sale Housing		
Median resale price of existing single-family homes (2012)	\$380,000	\$224,900
Median resale price of existing multifamily homes (2012)	\$287,500	\$126,000
Median list price of actively marketing sf homes (Jun. 2013)	\$539,811	\$378,498
Median list price of actively marketing mf homes (Jun. 2013)	--	\$168,530
General Occupancy Rental Housing		
Distribution of rental units by type		
Market rate	0 / 0.0%	5,232 / 71.5%
Affordable/Subsidized	0 / 0.0%	2,082 / 28.5%
Average rent for market rate unit		
1BR	--	\$868
2BR	--	\$1,071
3BR	--	\$1,482
Senior Housing		
Distribution of senior housing by type		
Affordable/Subsidized Active Adult	0 / 0.0%	1,128 / 34.6%
Market Rate Active Adult	0 / 0.0%	546 / 16.7%
Congregate	0 / 0.0%	626 / 19.2%
Assisted Living	0 / 0.0%	638 / 19.5%
Memory Care	0 / 0.0%	326 / 10.0%

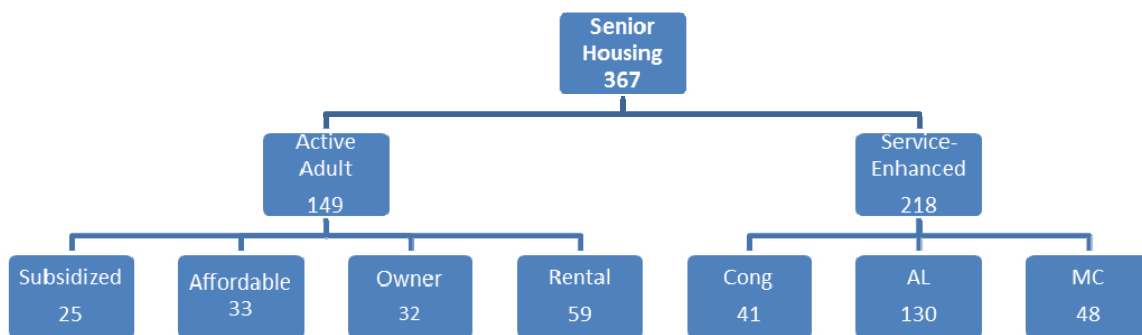
Lake Elmo Recommendations

In 2005, the Metropolitan Council and the City of Lake Elmo signed a memorandum of understanding requiring the Lake Elmo comprehensive plan to be consistent with the Metropolitan Council's regional system plans. The understanding requires Lake Elmo to accept its share of the region's projected growth. Lake Elmo is projected to add about 2,430 households between 2013 and 2020. About 95% of the general occupancy housing demand will be for single-family homes.

Lake Elmo Projected General Occupancy Demand, 2013 – 2020



Lake Elmo Projected Senior Demand, 2020



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations.

DEMAND SUMMARY AND RECOMMENDATIONS

For-Sale Housing: Lake Elmo will need to maintain a supply of about 850 lots to allow adequate consumer choice, thereby enabling it to meet its projected single-family home demand. Lake Elmo currently has only 74 vacant developed lots. While the current housing slowdown has eased the need for new lots, the low supply will need to increase to allow adequate consumer choice if Lake Elmo is to meet its projections by 2020.

Rental Housing: Lake Elmo has a limited supply of rental housing; however, as the employment base continues to grow, demand for rental housing will increase. Lake Elmo could support a medium-sized rental building, but should be built later this decade.

Senior Housing: There are no senior housing developments in Lake Elmo. There have been several speculative developments but nothing has moved forward. Demand will be higher later this decade when the local senior population increases to higher numbers.

Woodbury – Summary of Demographic and Housing Condition Findings

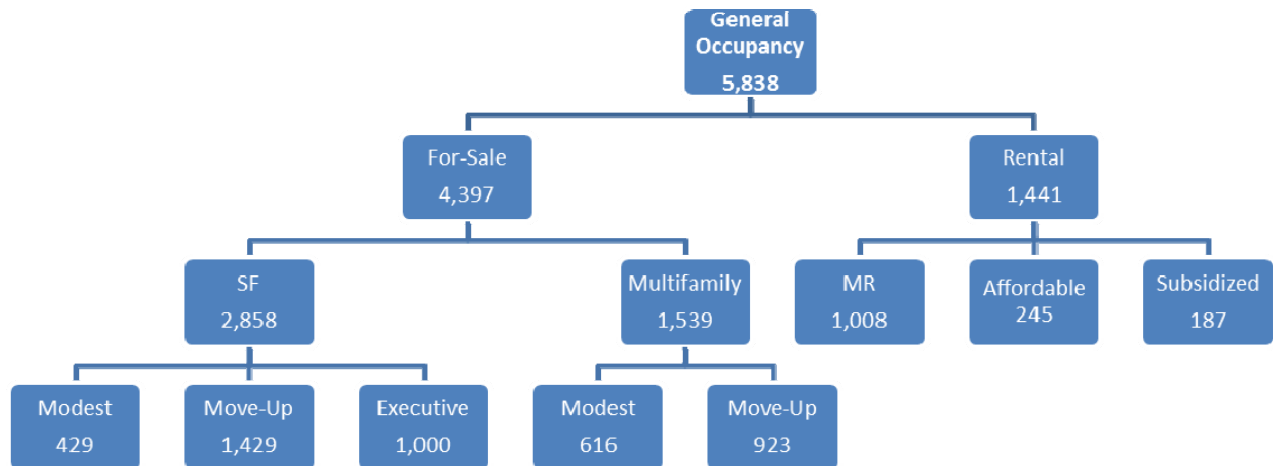
Key demographic and housing market findings for the Woodbury submarket from the housing study are highlighted below. For a comparison, figures for Washington County are shown as well.

Demographic and Housing Characteristics Summary		
	Woodbury	Washington County
Demographics		
Population (2010 & 2020)	61,961 / 75,900	238,136 / 282,575
Households (2010 & 2020)	22,594 / 28,100	87,855 / 105,920
Household Growth (2010 & 2020)	5,506	18,065
Median Household Income (2012)	\$95,568	\$76,800
Median Net Worth (2012)	\$294,426	\$216,586
Homeownership Rate (2010)	81.0%	82.8%
Housing Characteristics		
Occupied Housing Units (2010)	22,594 / 96%	87,859 / 95%
Vacant Housing Units (2010)	974 / 4%	4,515 / 5%
Number of single-family units permitted (2005-2011)	3,399	8,164
Number of multifamily units permitted (2005-2011)	503	1,339
Median age of housing stock (2011)	1995	1986
Housing stock built before 1950	208 / 1%	7,537 / 14%
Housing stock built between 1950 and 1990	6,667 / 30%	6,519 / 12%
Housing stock built after 1990	15,402 / 69%	41,316 / 75%
Median home value of owner-occupied units (2011)	\$281,100	\$257,200
Median contract rent for renter-occupied units (2011)	\$1,117	\$922
Employment		
Number of Employees	20,467	73,684
Average Annual Wage	\$39,832	\$39,832
For-Sale Housing		
Median resale price of existing single-family homes (2012)	\$245,000	\$224,900
Median resale price of existing multifamily homes (2012)	\$145,000	\$126,000
Median list price of actively marketing sf homes (Jun. 2013)	\$377,000	\$378,498
Median list price of actively marketing mf homes (Jun. 2013)	\$167,000	\$168,530
General Occupancy Rental Housing		
Distribution of rental units by type		
Market rate	3,128 / 95.2%	5,232 / 71.5%
Affordable/Subsidized	157 / 4.8%	2,082 / 28.5%
Average rent for market rate unit		
1BR	\$983	\$868
2BR	\$1,250	\$1,071
3BR	\$1,650	\$1,482
Senior Housing		
Distribution of senior housing by type		
Affordable/Subsidized Active Adult	45 / 10.2%	1,128 / 34.6%
Market Rate Active Adult	73 / 16.6%	546 / 16.7%
Congregate	77 / 17.5%	626 / 19.2%
Assisted Living	190 / 43.2%	638 / 19.5%
Memory Care	55 / 12.5%	326 / 10.0%

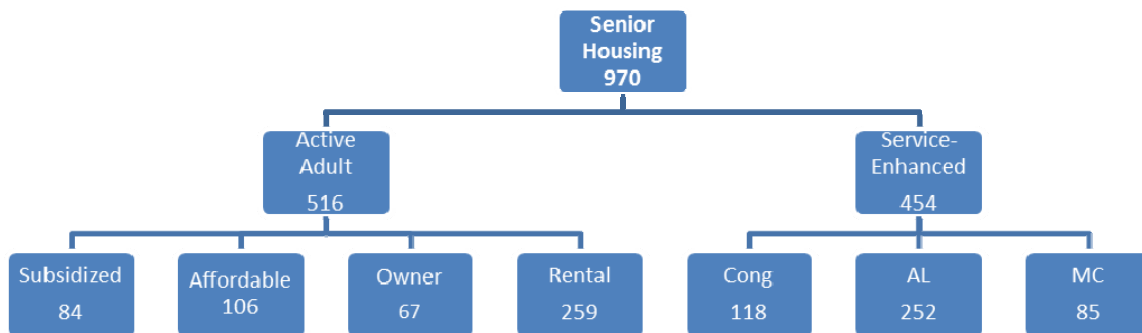
Woodbury Recommendations

Woodbury is the largest submarket in the County and is projected to maintain the largest population and household base through 2020. In addition to housing and population, Woodbury also has the largest employment base in Washington County. Demand will be driven by the expanding local employment base as well as the close proximity to job centers in the Twin Cities core. Woodbury also has an ample supply of land on its east side available for new housing.

Woodbury Projected General Occupancy Demand, 2013 – 2020



Woodbury Projected Senior Demand, 2020



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations.

DEMAND SUMMARY AND RECOMMENDATIONS

For-Sale Housing: To meet the projected single-family home demand, Woodbury will need to maintain a supply of about 1,225 lots to allow adequate consumer choice. Currently the supply is about 381 vacant developed lots and 167 future lots in existing developments. In addition, there are about 885 lots in new subdivisions that are under construction or planned. All of these future lots would need to be platted in order for Woodbury to have a three year lot supply.

Rental Housing: There is significant rental demand in Woodbury, and rents in Woodbury are among the highest in Washington County. About 70% of the general occupancy rental demand will be for market rate units. In addition to high rents, the vacancy rate in Woodbury is below market equilibrium at 3.1% as of 1st Quarter 2013, indicating high demand for rental units.

Senior Housing: The majority of the senior housing developments in Woodbury are newer (built after 2000). However, demand for senior housing in Woodbury is projected to continue to grow through 2020. There is sufficient demand to support additional senior housing units in Woodbury. There is demand for 516 active adult units and 454 service-enhanced units by 2020.

Cottage Grove – Summary of Demographic and Housing Condition Findings

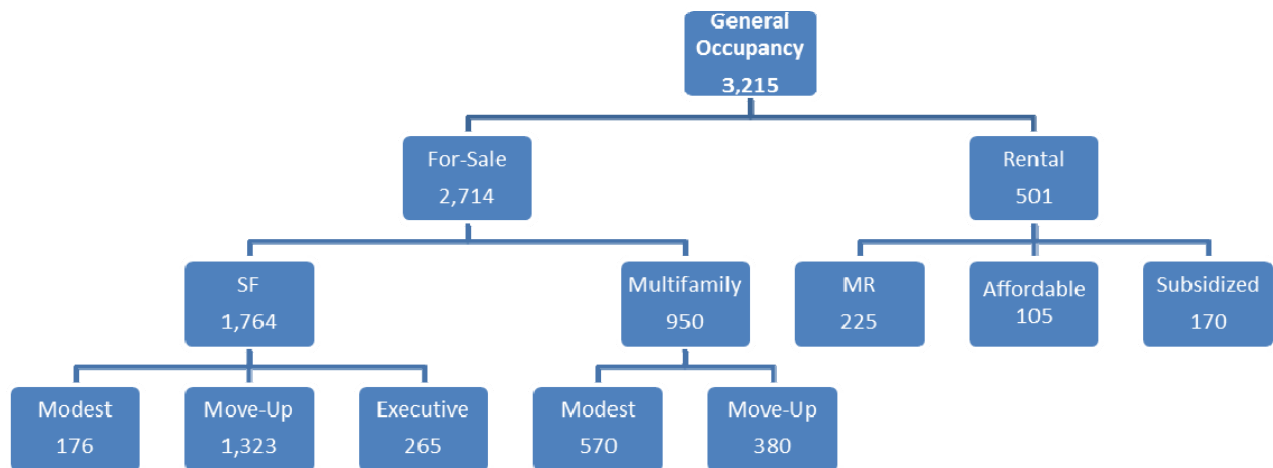
Key demographic and housing market findings for the Cottage Grove submarket from the housing study are highlighted below. For a comparison, figures for Washington County are shown as well.

Demographic and Housing Characteristics Summary		
	Cottage Grove	Washington County
Demographics		
Population (2010 & 2020)	43,592 / 51,250	238,136 / 282,575
Households (2010 & 2020)	15,157 / 18,100	87,855 / 105,920
Household Growth (2010 & 2020)	2,943	18,065
Median Household Income (2012)	\$66,288	\$76,800
Median Net Worth (2012)	\$170,979	\$216,586
Homeownership Rate (2010)	86.0%	82.8%
Housing Characteristics		
Occupied Housing Units (2010)	15,157 / 96%	87,859 / 95%
Vacant Housing Units (2010)	611 / 4%	4,515 / 5%
Number of single-family units permitted (2005-2011)	929	8,164
Number of multifamily units permitted (2005-2011)	217	1,339
Median age of housing stock (2011)	1980	1986
Housing stock built before 1950	1,091 / 7%	7,537 / 14%
Housing stock built between 1950 and 1990	8,823 / 58%	6,519 / 12%
Housing stock built after 1990	5,248 / 35%	41,316 / 75%
Median home value of owner-occupied units (2011)	\$216,178	\$257,200
Median contract rent for renter-occupied units (2011)	\$834	\$922
Employment		
Number of Employees	9,368	73,684
Average Annual Wage	\$38,584	\$39,832
For-Sale Housing		
Median resale price of existing single-family homes (2012)	\$175,000	\$224,900
Median resale price of existing multifamily homes (2012)	\$104,250	\$126,000
Median list price of actively marketing sf homes (Jun. 2013)	\$198,000	\$378,498
Median list price of actively marketing mf homes (Jun. 2013)	\$129,900	\$168,530
General Occupancy Rental Housing		
Distribution of rental units by type		
Market rate	589 / 63.1%	5,232 / 71.5%
Affordable/Subsidized	344 / 36.9%	2,082 / 28.5%
Average rent for market rate unit		
1BR	\$745	\$868
2BR	\$867	\$1,071
3BR	\$1,151	\$1,482
Senior Housing		
Distribution of senior housing by type		
Affordable/Subsidized Active Adult	72 / 19.8%	1,128 / 34.6%
Market Rate Active Adult	82 / 22.5%	546 / 16.7%
Congregate	86 / 23.6%	626 / 19.2%
Assisted Living	62 / 17.0%	638 / 19.5%
Memory Care	62 / 17.0%	326 / 10.0%

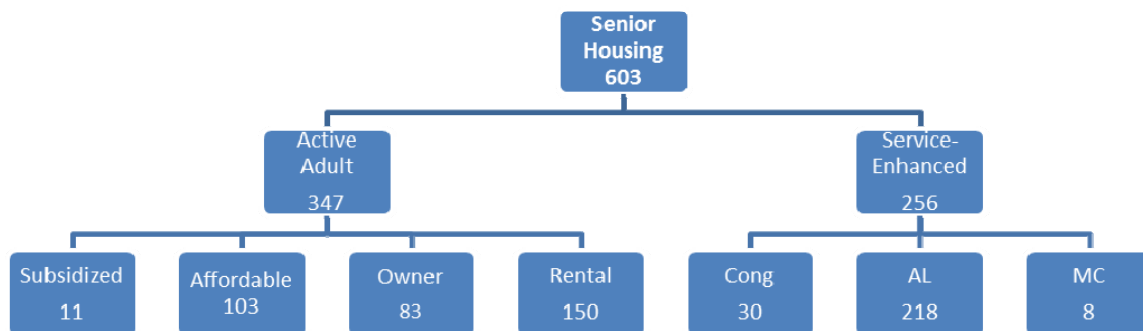
Cottage Grove Recommendations

Cottage Grove's close proximity to jobs in Woodbury, combined with access to the remainder of the Twin Cities, will make Cottage Grove an attractive place to live. We project the Cottage Grove submarket will add about 2,800 households between 2013 and 2020.

Cottage Grove Projected General Occupancy Demand, 2013 – 2020



Cottage Grove Projected Senior Demand, 2020



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations.

DEMAND SUMMARY AND RECOMMENDATIONS

For-Sale Housing: Between 2013 and 2020, we project demand for roughly 1,765 single-family homes, or about 65% of the general occupancy housing demand. Cottage Grove has a vacant lot supply of only 52 lots and 133 future lots resulting in a future lot shortage. Additional lots will need to be platted in order to accommodate demand.

Rental Housing: There is demand for 501 rental units in Cottage Grove. Because of Cottage Grove's close proximity to higher paying jobs, we find that a significant portion of rental demand will be for market rate units (225 units by 2020). In addition, a rental develop has not been built since *Hinton Heights* in 1993. Cottage Grove renters would desire newer contemporary finishes and amenities.

Separate market studies have been completed for the redevelopment of the southwest area of I-494 and Highway 61 in the City of Newport. Any housing as part of this development would be in addition to the projections identified in this section.

Senior Housing: *Norris Square* was recently built in 2010 and has 86 congregate, 21 assisted living, and 18 memory care units. We find that Cottage Grove could also support additional senior units in the next few years. The greatest demand is for active adult rental units (up to 150) and assisted living units (up to 218 units).

CHALLENGES AND OPPORTUNITIES

The following were identified as the greatest challenges and opportunities for developing the recommended housing types.

- **Housing Costs as Percentage of Household Income.** Housing costs are generally considered affordable at 30% of a households' adjusted gross income. The table on the following page illustrates key housing metrics based on housing costs and household incomes in Washington County. The table estimates the percentage of Washington County householders that can afford rental and for-sale housing based on a 30% allocation of income to housing.

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 4.5% interest rate
- Private mortgage insurance (equity of less than 20%)
- Homeowners insurance for single-family homes and association dues for town-homes
- Owner household income per 2011 ACS

Rental Housing

- Background check on tenant to ensure credit history
- 30% allocation of income
- Renter household income per 2011 ACS

In the for-sale market, about 29% of owner households (20,753) cannot afford entry level single family products prices at \$225,000, and about 53% cannot afford move housing priced at \$350,000 (38,161 households). More households can afford townhome or condominium units priced at \$125,000, however, because of the down payment requirement and strict underwriting criteria for a mortgage, not all households will meet the income qualifications as outlined above.

In the rental market, the ability to afford a new one-bedroom rental units is out of reach for about 56% of rental households (8,400 households) and two-thirds of renter households cannot afford a new two-bedroom unit (9,916 households).

- **Housing Affordability for Residents compared to Workers.** Many residents commute outside of the County for higher paying jobs in Ramsey or Hennepin County. While the median household income in Washington County was \$76,800 in 2013, the average yearly wages in Washington County was \$39,832. As a result, it can be more difficult for County workers to afford to also live in the County. Table CH-2 provides a comparison of resident household income and worker's wages and whether they can afford various types of housing. The minimum income required for each housing type was derived from CH-1 and is based on similar assumptions as mentioned above.

As illustrated in CH-2, all submarket resident households earning the average household income would be able to afford an entry-level single-family and/or multifamily homes as well as existing and new rental housing. However, all submarket workers earning the average yearly wage cannot afford an entry-level single-family home or new rental housing, while only workers in six submarkets (Stillwater, Hugo, Oakdale, Lake Elmo, Woodbury, and Cottage Grove) could afford an entry-level multifamily home or existing rental units.

CHALLENGES AND OPPORTUNITES

TABLE CH-1
WASHINGTON COUNTY HOUSING AFFORDABILITY - BASED ON HOUSEHOLD INCOME

For-Sale (Assumes 10% down payment and good credit)

	Single-Family			Townhome/Condo		
	Entry-Level	Move-Up	Executive	Entry-Level	Move-Up	Executive
Price of House	\$225,000	\$350,000	\$550,000	\$125,000	\$250,000	\$300,000
Pct. Down Payment	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Total Down Payment Amt.	\$22,500	\$35,000	\$55,000	\$12,500	\$25,000	\$30,000
Estimated Closing Costs (rolled into mortgage)	\$6,750	\$10,500	\$16,500	\$3,750	\$7,500	\$9,000
Cost of Loan	\$209,250	\$325,500	\$511,500	\$116,250	\$232,500	\$279,000
Interest Rate	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%
Number of Pmts.	360	360	360	360	360	360
Monthly Payment (P & I)	-\$1,060	-\$1,649	-\$2,592	-\$589	-\$1,178	-\$1,414
(plus) Prop. Tax	-\$263	-\$408	-\$642	-\$146	-\$292	-\$350
(plus) HO Insurance/Assoc. Fee for TH	-\$75	-\$117	-\$183	-\$150	-\$150	-\$150
(plus) PMI/MIP (less than 20%)	-\$91	-\$141	-\$222	-\$50	-\$101	-\$121
Subtotal monthly costs	-\$1,488	-\$2,315	-\$3,638	-\$935	-\$1,720	-\$2,035
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	\$59,537	\$92,612	\$145,534	\$37,409	\$68,818	\$81,382
Pct. of Washington Cty. owner HHDs who can afford*	71.4%	47.4%	20.5%	87.0%	64.8%	55.4%
No. of Washington Cty. owner HHDs who can afford*	51,837	34,429	14,845	63,143	47,032	40,194
No. of Washington Cty. owner HHDS who cannot afford*	20,753	38,161	57,745	9,447	25,558	32,396

Rental (Market Rate)

	Existing Rental			New Rental		
	1BR	2BR	3BR	1BR	2BR	3BR
Monthly Rent	\$868	\$1,071	\$1,482	\$1,200	\$1,500	\$2,000
Annual Rent	\$10,416	\$12,852	\$17,784	\$14,400	\$18,000	\$24,000
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	\$34,720	\$42,840	\$59,280	\$48,000	\$60,000	\$80,000
Pct. of Washington Cty. renter HHDs who can afford*	57.1%	48.8%	30.8%	43.5%	33.3%	18.9%
No. of Washington Cty. renter HHDs who can afford*	8,485	7,251	4,573	6,456	4,940	2,812
No. of Washington Cty. renter HHDS who cannot afford*	6,371	7,605	10,283	8,400	9,916	12,044

* Based on 2011 ACS household income by tenure (i.e. owner and renter incomes. Owner incomes = \$91,300 vs. renter incomes = \$51,400)

Source: Maxfield Research Inc.

CHALLENGES AND OPPORTUNITES

TABLE CH-2 HOUSING AFFORDABILITY FOR RESIDENTS COMPARED TO WORKERS WASHINGTON COUNTY 2013											
	Northeast	Stillwater	Southeast	Forest Lake	Hugo	Mahtomedi	Oakdale	Lake Elmo	Woodbury	Cottage Grove	Washington County
WASHINGTON COUNTY RESIDENTS											
Average Household Income*	\$85,068	\$74,652	\$104,355	\$59,812	\$64,930	\$97,681	\$59,143	\$100,410	\$95,568	\$66,288	\$76,800
Can Avg. HH afford?											
Single-Family											
Entry-Level (\$59,537 min)	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Move-Up (\$92,612 min)	no	no	yes	no	no	yes	no	yes	yes	no	no
Executive (\$145,534 min)	no	no	no	no	no	no	no	no	no	no	no
Multifamily											
Entry-Level (\$37,409 min)	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Move-Up (\$68,818 min)	yes	yes	yes	no	no	yes	no	yes	yes	no	yes
Executive (\$81,382 min)	yes	no	yes	no	no	yes	no	yes	yes	no	no
Existing Rental											
1BR (\$34,720 min)	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
2BR (\$42,840 min)	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
3BR (\$59,280 min)	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes
New Rental											
1BR (\$48,000 min)	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
2BR (\$60,000 min)	yes	yes	yes	no	yes	yes	no	yes	yes	yes	yes
3BR (\$80,000 min)	yes	no	yes	no	no	yes	no	yes	yes	no	no
WASHINGTON COUNTY WORKERS											
Average Yearly Wage	\$33,020	\$38,948	\$34,060	\$29,536	\$42,068	\$30,680	\$47,684	\$46,176	\$39,832	\$38,584	\$39,832
Can Avg. HH afford?											
Single-Family											
Entry-Level (\$59,537 min)	no	no	no	no	no	no	no	no	no	no	no
Move-Up (\$92,612 min)	no	no	no	no	no	no	no	no	no	no	no
Executive (\$145,534 min)	no	no	no	no	no	no	no	no	no	no	no
Multifamily											
Entry-Level (\$37,409 min)	no	yes	no	no	yes	no	yes	yes	yes	yes	yes
Move-Up (\$68,818 min)	no	no	no	no	no	no	no	no	no	no	no
Executive (\$81,382 min)	no	no	no	no	no	no	no	no	no	no	no
Existing Rental											
1BR (\$34,720 min)	no	yes	no	no	yes	no	yes	yes	yes	yes	yes
2BR (\$42,840 min)	no	no	no	no	no	no	yes	yes	no	no	no
3BR (\$59,280 min)	no	no	no	no	no	no	no	no	no	no	no
New Rental											
1BR (\$48,000 min)	no	no	no	no	no	no	no	no	no	no	no
2BR (\$60,000 min)	no	no	no	no	no	no	no	no	no	no	no
3BR (\$80,000 min)	no	no	no	no	no	no	no	no	no	no	no
* May include double household incomes											
Source: Maxfield Research Inc.											

- Gateway and Red Rock Corridors.** The Gateway and Red Rock Corridors are two potential corridors for transit projects in Washington County. These infrastructure improvements have the potential to attract new households from new transit-oriented development. If one or both of these transit projects moves forward, growth could exceed the population and household projections. The Gateway Corridor would extend from Woodbury and Lake Elmo to Downtown St. Paul along Hudson Road. Depending upon federal and local funding, a new transitway in the Gateway Corridor could be operational by 2022. The Red Rock Corridor would extend from Hastings to Downtown St. Paul. The Red Rock Corridor is in a more preliminary planning stage and would not likely be operational until after 2030.
- Affordable Housing Production.** Tables DMD-10 and DMD-11 identified excess demand for about 4,600 affordable and subsidized units through 2030 (including general-occupancy and senior housing). Affordable and subsidized demand accounts for only 8% of the total units demand in Washington County over this timeframe; however approximately 275 units are needed annually to fulfill this demand. Table CH-3 illustrates the number of affordable/subsidized units that have been produced in Washington County since.

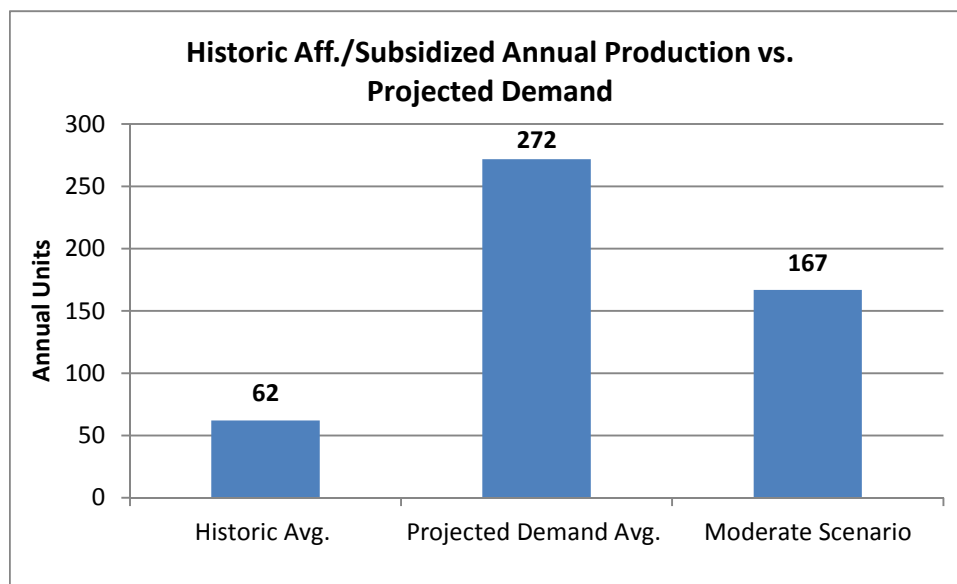
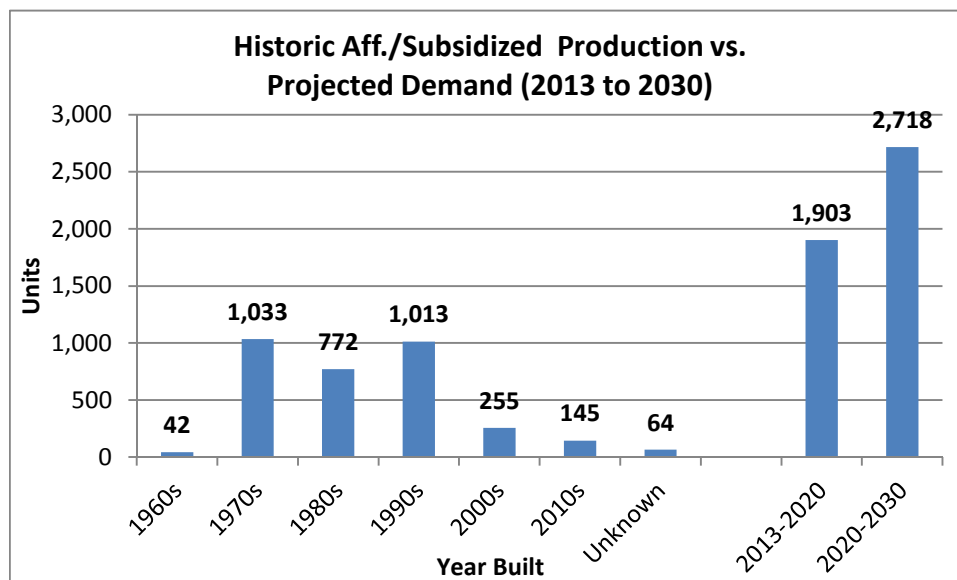
TABLE CH-3 HISTORIC AFFORDABLE/SUBSIDIZED HOUSING PRODUCTION WASHINGTON COUNTY 1970 - 2013					
Year Built	General Occupancy		Senior	Total	Avg. Units
	Affordable	Subsidized	Aff./ Sub.	Units	per Year
1970 to 1979	350	455	228	1,033	103
1980 to 1989	385	152	235	772	77
1990 to 1999	438	0	575	1,013	101
2000 to 2009	162	0	14	176	18
2010 to Present	0	0	109	109	31
Year Unknown	157	48	16	221	22
Total	1,492	655	1,177	3,324	76
Avg. per Year	34	15	27	76	
Avg. per Decade	347	152	274	773	
Note: Project based affordable/subsidized units only. Excludes housing vouchers.					
Source: Maxfield Research Inc.					

As illustrated in the table and the following chart, on average 62 units have been developed annually since 1960. Based on the projected demand for this product type over the next two decades, the historical production of affordable/subsidized housing development will be insufficient to meet this need.

CHALLENGES AND OPPORTUNITIES

At the current rate of affordable/subsidized production (62 units annually) about 1,050 units would be developed through 2030, resulting in a gap of about 3,550 units compared to the demand of 4,621 units found through 2030.

As previously stated, just over 300 affordable/subsidized units are needed annually in order to meet the demand through 2030. Averaging the historic production (62 annual units) with the projected demand (272 units) results in a blended average of 167 affordable/subsidized annually. Maxfield Research recommends establishing a goal of 200 units or more annually to meet the growing need over the next two decades. In order to achieve this need, both public and private sector developers will be necessary. Furthermore, collaborative public-private partnerships should be fostered to encourage housing production.

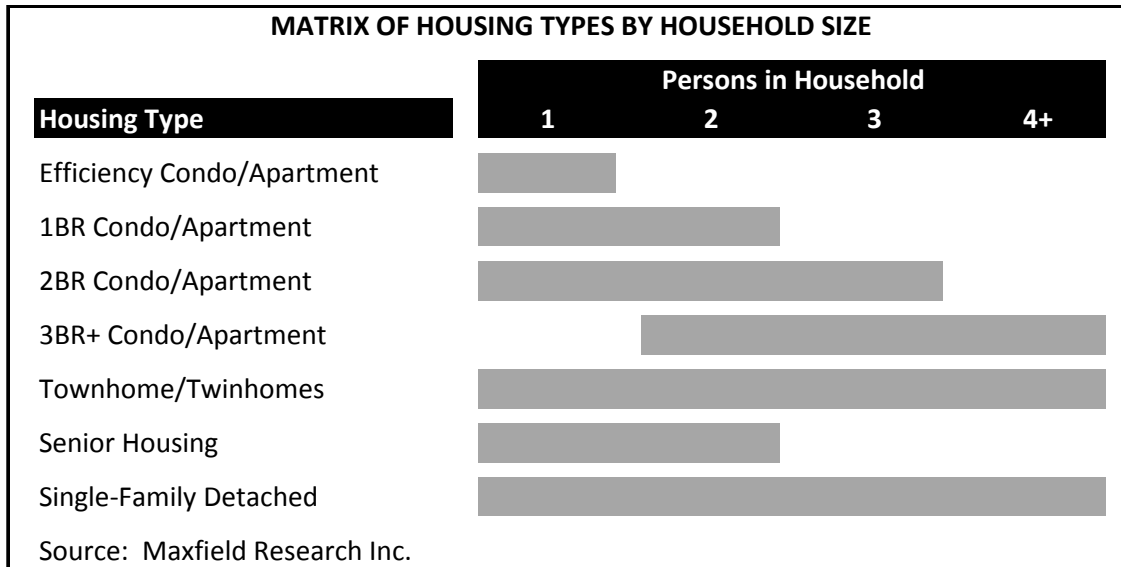


- **Job Growth.** Washington County's growth is partially tied to the Twin Cities Metropolitan Area's overall growth. While Washington County has its own employment base that drives housing demand, much of its housing growth is tied to the health of the Twin Cities Metro Area as a whole. Since 1990, the Twin Cities has been the fastest growing large metropolitan area in the Midwest and Northeast. Its steady growth is attributable to an overall diverse economy, which added 290,000 jobs during the 1990s. However, the impact of the Great Recession in the second half of the 2000s affected housing markets across the Twin Cities. Although Washington County's job base was more resilient during the recession, its housing market also experienced a downturn. The good news is that the Twin Cities and Washington County have been able to rebound more rapidly than the Nation in job growth and housing values. The Twin Cities remain in the midst of an economic recovery that has been slower than expected, but in comparison to many other areas of the country, is proceeding more rapidly. The Metropolitan Council originally projected job growth for the 7-County area at 209,737 jobs. Instead, the Twin Cities Metro lost jobs between 2000 and 2010, a loss of 63,708 jobs. Washington County was originally projected to gain 20,396 jobs during the 2000s, but job growth was instead 4,246 jobs.

Metropolitan Council projects that between 2010 and 2030, the Twin Cities seven-county area is forecast to grow by 597,000 people and 346,000 households (to totals of 3.44 million people and 1.46 million households). Over the next three decades to 2040, the Twin Cities Metro Area is projected to grow by 893,000 people and 458,000 households. Washington County is projected to experience faster growth in population and households than the Metro Area in this decade 2010 to 2020 (19% and 20% versus 10% and 16% for the Metro Area).

- **Household Size.** Table D-3 in the *Demographic Analysis* section of the report illustrated the declining household sizes of Washington County. The average household size in Washington County in 1980 was 3.24 persons per household and decreased to 2.71 as of the 2010 Census. Future projections show the trend continuing over the next two decades. Table D-12 (*Household Type*) showed that while married couple households are the largest household type in Washington County, the fastest growing sectors are persons living alone, other family, and married households without children.

Because of the changing household type dynamics, future housing types will be needed to accommodate the shift to smaller household sizes. The following chart illustrates the type of housing product typically demanded based on the size of the household.



- Millennials and “Missing Households”.** According to a Pew Research Center report, approximately 36% of people age 18 to 32 (the Millennial Generation – 80 million strong) live in their parents’ homes. This percentage is up from 32% in 2007. These higher rates of living with parents have contributed to lower household formation, or equal to about 2.4 million “missing households” in the US. Unemployment is the main factor associated with living with parents. As these householders “leave the nest” as they become employed, new household formation will follow increasing the demand for housing. Many of the Millennials will seek out rental housing developments with modern features and amenities.

By 2018, the Millennial generation is projected to comprise the largest percentage in Washington County (27.5% of the total population). This will increase demand for rental units and starter homes.

- Lifestyle Renters.** The for-sale market, which until recently has been considered the worst downturn since the Great Depression, has resulted in a fundamental shift in the way American’s view homeownership today. Home buyer psychology remains fragile as many former owners lost their homes to foreclosures, lost home equity in the sale of their home, or simply have decided to temporarily return to the renter pool during the economic recovery. Although buyers are returning to the market, many potential buyers are on the sidelines waiting for clear improvements in the economy before deciding to purchase a home. Historically, householders rented because they couldn’t afford to buy or didn’t have the credit to qualify for a mortgage. Today that is no longer the case and many householders are renting by choice. Demand is being driven by the Millennials, would-be buyers on the side-line, and empty nesters. As a result, rental housing is one of the preferred real estate asset classes today across the Twin Cities and the country.
- Aging Baby Boomers.** The aging of the baby boom generation is increasing the need for maintenance-free housing in Washington County. As of 2013, the baby boom generation

comprised the greatest percentage of the total population at 25%. People's housing preferences change as their life cycle continues. As of 2013, baby boomers are ages 49 to 67, and as they age over the next 15 years, they will cause a significant increase in the empty-nester and young senior age groups. Although the majority of these people will prefer to stay in their single-family homes, others will prefer to relocate to maintenance-free housing. In addition, baby boomers have created demand for new housing products as they have aged through every part of their life-cycles. It is anticipated that baby boomers may not act in the same manner as did their parents when consider housing products for their senior years. Although maintenance-free housing products are likely to increase in popularity, the type of housing product selected may not be the current traditional products of the past.

- **Housing Programs.** The Washington County Housing and Redevelopment Authority (HRA) offers programs to promote and preserve the existing housing stock in Washington County. Some of the key programs that are offered or promoted through the County or through 3rd party referrals include:
 - First Time Homebuyer First Mortgage Program
 - Foreclosure Counseling
 - Home Buyer Education (Home Stretch) and Home Buyer Counseling
 - Owner-Occupied Residential Rehabilitation Deferred Loan Program

However, there are other programs the HRA and the municipalities could consider to aid and improve the housing stock. The following is a sampling of potential programs that could be explored.

- Home Energy Loans – Offer low interest home energy loans to make energy improvements in their homes.
- Live Where You Work Homebuyer Program – Provides low-interest mortgage loans to homebuyers purchasing homes in the municipalities in which they work. The goal is to encourage people to live closer to their jobs to reduce the dependence on cars and increase the use of alternative transportation.
- 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.
- Construction Management Services – Assist homeowners regarding local building codes, reviewing contractor bids, etc. Typically provided as a service by the building department. This type of service could also be rolled into various remodeling related programs.
- Density Bonuses – Since the cost of land is a significant barrier to housing affordability, increasing densities can result in lower housing costs by reducing the land costs per unit. Municipalities can offer density bonuses as a way to encourage higher-density residential development while also promoting an affordable housing component.

- H.O.M.E. Program – Persons 60 and over receive homemaker and maintenance services. Typical services include house cleaning, grocery shopping, yard work/lawn care, and other miscellaneous maintenance requests.
 - Inclusionary Housing – Inclusionary housing policies and programs rely on private sector housing developers to create affordable housing as they develop market rate projects. Inclusionary zoning encourages or mandates the inclusion of a set proportion of affordable housing units in each new market rate housing development above a certain size. These programs are popular approaches for local and state governments to encourage the development of affordable housing.
 - Land Banking – Land Banking is a program of acquiring land with the purpose of developing at a later date. After a holding period, the land can be sold to a developer (often at a price lower than market) with the purpose of developing affordable housing.
 - 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.
 - Shallow Rent Subsidy: The HRA funds a shallow rent subsidy program to provide program participants living in market rate rentals a rent subsidy (typically about \$100 to \$300 per month).
 - Tax Increment Financing (TIF): Program that offers communities a flexible financing tool to assist housing projects and related infrastructure. TIF enables communities to dedicate the incremental tax revenues from new housing development to help make the housing more affordable or pay for related costs.
 - Transfer of Development Rights – Transfer of Development Rights (TDR) is a program that shifts the development potential of one site to another site or different location, even a different community. TDR programs allow landowners to sever development rights from properties in government-designated low-density areas, and sell them to purchasers who want to increase the density of development in areas that local governments have selected as higher density areas.
 - Waiver or Reduction of Development Fees – There are several fees developers must pay including impact fees, utility and connection fees, park land dedication fees, etc. To help facilitate affordable housing, some fees could be waived or reduced to pass the cost savings onto the housing consumer.
- **Lender-Mediated Properties.** Tables FS-9 to FS-11 illustrated the declining number of foreclosures, short sales, and sheriff sales. Traditional transactions account for about 70% of all Washington county real estate sales in July 2013 and the number of lender mediated properties should continue to wane as the real estate market continues its recovery. Although we recommend that local governmental authorities continue to monitor these properties, the private market will continue to absorb these homes and they are in high demand from investors and traditional buyers.
 - **Lot Supply.** A three- to five-year supply of lots is an appropriate balance between providing adequate consumer choice and minimizing developers' carrying costs. With an annual average absorption of 563 lots (based on the average annual number of closings), Washington

County would need at least a supply of 1,700 platted lots. With about 1,350 vacant developed lots today, Washington County does not have an adequate lot supply to meet future demand. Future lots will be needed to be converted to finished lots to meet lot demand.

- **Land Costs.** According to the Washington County Assessor, there are over 2,400 agricultural parcels in the County as of 2012. Land values for agricultural land and pasture land are estimated to be up about 20% to 30% annually over the past few years due to strong commodity prices. Because of increasing land values, new home builders seeking to purchase large plots of land for new subdivisions will face escalated acquisition costs, which will continue to drive-up the costs of retail sales price of homes.
- **Multifamily Development Costs.** Multifamily rental housing has been the bright spot in the Twin Cities real estate market over the past year and will continue in the short-term. The downturn in the for-sale housing market and the overall economic slowdown initially created an increased demand for rental housing. Metro vacancies continue to be at historic lows while rent growth ticks up.

New rental properties recently completed or under construction in the Twin Cities are charging rents (on average, per month) from \$1.35 per square foot to \$2.30 per square foot depending on the location of the property. Most of the new rental development that has occurred or is currently being developed in the Twin Cities is located in Downtown Minneapolis, Downtown St. Paul, Southwest Minneapolis, near the University of Minnesota or in popular suburban communities such as St. Louis Park, Edina, and Bloomington. The average rent per square foot at new urban properties is approximately \$1.70 per square foot, while ranging from about \$1.50 to \$2.00. New properties in Downtown Minneapolis and the Uptown neighborhood are averaging about \$1.95 to \$2.30 per square foot. New suburban properties are charging between \$1.30 and \$1.45 on average; some of these properties are located in second- and third-tier suburban communities.

Newer Washington County properties (built over the past decade) top out at about \$1.50 per square foot in Woodbury, while averaging about \$1.00 or less per square foot in all communities. Maxfield Research projects market rate rents for traditional multifamily construction could obtain per square foot fees of about \$1.50 to \$1.75 in communities such as Woodbury, Oakdale, and Stillwater. However, other communities such as Cottage Grove and Forest Lake can likely support rents of no more than \$1.25 per square foot. Given the achievable rents in Washington County and today's development costs, it may be difficult to construct market rate general-occupancy housing.

- **Private/Public Partnerships ("PPP").** Private/public partnerships are a creative alliance formed to achieve a mutual purpose and goal. Partnerships between local jurisdictions, the private sector, and nonprofit groups can help communities develop housing products through collaboration that otherwise may not materialize. Private sector developers can benefit through greater access to sites, financial support, and relaxed regulatory processes.

Public sectors have increased control over the development process, maximize public benefits, and can benefit from and increased tax base.

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

- **Low Mortgage Interest Rates.** This situation is perhaps one of the best opportunities now for households that are capable of and desire to own a home to purchase one. Mortgage interest rates are near their lowest level since the 1970s. Although mortgage rates increased in late May 2013 with the announcement of the Federal Reserve's slowdown of the bond buy-back program, mortgage rates are still extremely low based on historical standards. Housing values dropped because of the recession and for-sale housing became much affordable; the combination of falling home prices and low mortgage rates. In 2011 and 2012, home prices started to inch up slowly. Because of the limited number of homes on the market and the deep reduction in new homebuilding with the start of the recession, market activity (sales) of existing homes has increase rapidly over the past 12 to 18 months. The supply of homes on the market has dropped as some potential sellers continue to sit on the sidelines, waiting for higher price increases before selling. The lack of existing product on the market has caused a modest increase in new construction as there are buyers. During the last half of the decade, interest rates were not the cause of home price deflation, rather the national economic recession and high unemployment rate that caused home price deflation.

Because of their unpredictability, the demand calculations do not factor in changes in interest rates that may occur in the future.

- **Zoning/Density Requirements.** One way jurisdictions can reduce infrastructure costs is through the implementation of flexible zoning requirements. Many communities incorporate Planned Unit Developments (PUD) into their zoning code that allows developers some flexibility from the zoning code in exchange for fulfilling an established set of planning criteria. Because infrastructure costs are one of the key barriers for housing development, PUD's allow more efficient site design and lower infrastructure costs, translating into lower per-unit housing costs compared to a traditional single-family subdivision. We recommend exploring strategies and policies that encourage flexible single family regulations.

APPENDIX

Definitions

Absorption Period – The period of time necessary for newly constructed or renovated properties to achieve the stabilized level of occupancy. The absorption period begins when the first certificate of occupancy is issued and ends when the last unit to reach the stabilized level of occupancy has signed a lease.

Absorption Rate – The average number of units rented each month during the absorption period.

Active adult (or independent living without services available) – Active Adult properties are similar to a general-occupancy apartment building, in that they offer virtually no services but have age-restrictions (typically 55 or 62 or older). Organized activities and occasionally a transportation program are usually all that are available at these properties. Because of the lack of services, active adult properties typically do not command the rent premiums of more service-enriched senior housing.

Adjusted Gross Income “AGI” – Income from taxable sources (including wages, interest, capital gains, income from retirement accounts, etc.) adjusted to account for specific deductions (i.e. contributions to retirement accounts, unreimbursed business and medical expenses, alimony, etc.).

Affordable housing – The general definition of affordability is for a household to pay no more than 30% of their income for housing. For purposes of this study we define affordable housing that is income-restricted to households earning at or below 80% AMI, though individual properties can have income-restrictions set at 40%, 50%, 60% or 80% AMI. Rent is not based on income but instead is a contract amount that is affordable to households within the specific income restriction segment. It is essentially housing affordable to low or very low-income tenants.

Amenity – Tangible or intangible benefits offered to a tenant in the form of common area amenities or in-unit amenities. Typical in-unit amenities include dishwashers, washer/dryers, walk-in showers and closets and upgraded kitchen finishes. Typical common area amenities include detached or attached garage parking, community room, fitness center and an outdoor patio or grill/picnic area.

Area Median Income “AMI” – AMI is the midpoint in the income distribution within a specific geographic area. By definition, 50% of households earn less than the median income and 50% earn more. The U.S. Department of Housing and Urban Development (HUD) calculates AMI annually and adjustments are made for family size.

Assisted Living – Assisted Living properties come in a variety of forms, but the target market for most is generally the same: very frail seniors, typically age 80 or older (but can be much younger, depending on their particular health situation), who are in need of extensive support services and personal care assistance. Absent an assisted living option, these seniors would otherwise need to move to a nursing facility. At a minimum, assisted living properties include two meals per day and weekly housekeeping in the monthly fee, with the availability of a third meal and personal care (either included in the monthly fee or for an additional cost). Assisted living properties also have either staff on duty 24 hours per day or at least 24-hour emergency response.

Building Permit – Building permits track housing starts and the number of housing units authorized to be built by the local governing authority. Most jurisdictions require building permits for new construction, major renovations, as well as other building improvements. Building permits ensure that all the work meets applicable building and safety rules and is typically required to be completed by a licensed professional. Once the building is complete and meets the inspector's satisfaction, the jurisdiction will issue a "CO" or "Certificate of Occupancy." Building permits are a key barometer for the health of the housing market and are often a leading indicator in the rest of the economy as it has a major impact on consumer spending.

Capture Rate – The percentage of age, size, and income-qualified renter households in a given area or "Market Area" that the property must capture to fill the units. The capture rate is calculated by dividing the total number of units at the property by the total number of age, size and income-qualified renter households in the designated area.

Comparable Property – A property that is representative of the rental housing choices of the designated area or "Market Area" that is similar in construction, size, amenities, location and/or age.

Concession – Discount or incentives given to a prospective tenant to induce signature of a lease. Concessions typically are in the form of reduced rent or free rent for a specific lease term, or free amenities, which are normally charged separately, such as parking.

Congregate (or independent living with services available) – Congregate properties offer support services such as meals and/or housekeeping, either on an optional basis or a limited amount included in the rents. These properties typically dedicate a larger share of the overall building area to common areas, in part, because the units are smaller than in adult housing and in part to encourage socialization among residents. Congregate properties attract a slightly older target market than adult housing, typically seniors age 75 or older. Rents are also above those of the active adult buildings, even excluding the services.

Contract Rent – The actual monthly rent payable by the tenant, including any rent subsidy paid on behalf of the tenant, to the owner, inclusive of all terms of the lease.

Demand – The total number of households that would potentially move into a proposed new or renovated housing project. These households must be of appropriate age, income, tenure and size for a specific proposed development. Components vary and can include, but are not limited to: turnover, people living in substandard conditions, rent over-burdened households, income-qualified households and age of householder. Demand is project specific.

Density – Number of units in a given area. Density is typically measured in dwelling units (DU) per acre – the larger the number of units permitted per acre the higher the density; the fewer units permitted results in lower density. Density is often presented in a gross and net format:

- **Gross Density** – The number of dwelling units per acre based on the gross site acreage.
Gross Density = Total residential units/total development area
- **Net Density** - The number of dwelling units per acre located on the site, but excludes public right-of-ways (ROW) such as streets, alleys, easements, open spaces, etc.
Net Density = Total residential units/total residential land area (excluding ROWs)

Detached housing – a freestanding dwelling unit, most often single-family homes, situated on its own lot.

Effective Rents – Contract rent less applicable concessions.

Elderly or Senior Housing – Housing where all the units in the property are restricted for occupancy by persons age 62 years or better, or at least 80% of the units in each building are restricted for occupancy by households where at least one household member is 55 years of age or better and the housing is designed with amenities, facilities and services to meet the needs of senior citizens.

Extremely low-income – person or household with incomes below 30% of Area Median Income, adjusted for respective household size.

Fair Market Rent – Estimates established by HUD of the Gross Rents needed to obtain modest rental units in acceptable conditions in a specific geographic area. The amount of rental income a given property would command if it were open for leasing at any given moment and/or the amount derived based on market conditions that is needed to pay gross monthly rent at modest rental housing in a given area. This figure is used as a basis for determining the payment standard amount used to calculate the maximum monthly subsidy for families on at financially assisted housing.

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.

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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 households formations, changes in average household size, and net migration.

Housing Choice Voucher Program – The federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. Housing choice vouchers are administered locally by public housing agencies. They receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program. A housing subsidy is paid to the landlord directly by the public housing agency on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

Housing unit – House, apartment, mobile home, or group of rooms used as a separate living quarters by a single household.

HUD Project-Based Section 8 – A federal government program that provides rental housing for very low-income families, the elderly, and the disabled in privately owned and managed rental units. The owner reserves some or all of the units in a building in return for a Federal government guarantee to make up the difference between the tenant's contribution and the rent. A tenant who leaves a subsidized project will lose access to the project-based subsidy.

HUD Section 202 Program – Federal program that provides direct capital assistance and operating or rental assistance to finance housing designed for occupancy by elder household who have incomes not exceeding 50% of Area Median Income.

HUD Section 811 Program – Federal program that provides direct capital assistance and operating or rental assistance to finance housing designed for occupancy of persons with disabilities who have incomes not exceeding 50% Area Median Income.

HUD Section 236 Program – Federal program that provides interest reduction payments for loans which finance housing targeted to households with income not exceeding 80% Area Median Income who pay rent equal to the greater of market rate or 30% of their adjusted income.

Income limits – Maximum households 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 house 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.

Median Rent/Home Price – The median refers to the price point where half of the rents/homes are priced above the point, and half are priced below it. The median is a more accurate gauge of housing costs as averages tend to skew prices at the high and low end of the market.

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

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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.

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 Inc. 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.

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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 50% 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.