

2010 Excensus Change Report – Suburban Hennepin County, MN

ULI MN/Regional Council of Mayors – Hennepin County HCW&T

January 31, 2011

Summary

This report spans a recent and critical period of demographic and economic changes in Suburban Hennepin County. The initial years, May 2004 through April 2006, reflect an expanding housing market with increasing housing availability. The second phase, from May, 2006 through April, 2008, shows a reversal in the region's housing market with dramatically reduced resident turnover. In the final year, May of 2008 through April of 2009, there are initial signs of some housing market recovery for some demographic segments. These economic swings have affected communities and household age groups in different ways.

Overall, Suburban Hennepin County has a stable household base with a diversity of housing options, in both owner and renter-occupied housing. The County has experienced interesting changes in household characteristics and the types of housing they are living in. The most significant trend is the drop in turnover of households, particularly for those who are over 55 and living in single family homes. While low turnover indicates that residents may be happy with their housing choice, turnover that is too low could reduce opportunities for younger households to locate in the county or could indicate that older residents are not able to move due to underwater mortgages, loss of jobs or lack of downsizing options. The following are key observations in the household trends that provide a basis for Hennepin County HCW&T's policy discussions.

- **Household Growth.** From 2004 to 2009, Suburban Hennepin County saw its occupied housing base grow by six percent from 295,226 to 312,931 households. There was a net loss of householders between ages 35 and 54 (-4,070) while significant increases were seen in households ages 55 to 74 (+16,389) and in households ages 75+ (+5,154). In 2009, thirty-nine percent of the County's households were age 55 or older. Most of this gain in the age 55+ category can be attributed to "aging in place".
- **Turnover:** The housing turnover rate (the rate that the County's housing is changing hands) declined steadily over the period and particularly during the housing downturn beginning in 2007. Average turnover over the period 2004 to 2009 was significantly lower for older households age 55 to 74 (at 3.6%) than it was for households under age 35 (12.8%) and ages 35 to 54 (5.1%). Turnover bottomed out in the 2007/2008 period when single family detached housing dropped to 2.0 percent and apartments dropped to 10.2 percent. In 2009, turnover rebounded to 2.6 percent for single family detached housing and 13.1 percent for apartments. Even with the rebound, housing turnover in 2009 was still well below the levels at the start of the period. Seventy-one percent of all households chose to remain in their homes over this five year period.
- **Mix.** Between 2004 and 2009, owner-occupied housing showed a modest decrease as a percent of all housing. The percent of single family detached homes in 2009 that were reported as rented was a relatively low 3.6 percent. Half (53%) of young households (under age 35) were in rental apartments. This is average for the 7-county metro area. A third of all households in Suburban Hennepin County under age 35 were owners of a single family detached home.
- **Value of Housing.** Twelve percent of Suburban Hennepin County's owned single family detached homes in 2009 were valued at less than \$200,000 and of these homes 18 percent were occupied by households under age 35. Homes valued at \$300,000 or more account for 40 percent of all housing in Suburban Hennepin County. Households age 55 or older occupy 42 percent of these higher value

“move-up” homes. Between 2004 and 2009, there was an eleven percent increase in homes under \$200,000 owned by households age 55 or older compared to an overall 2.3 percent increase in the number of homes with a tax value under \$200,000.

- **Retention.** From 2004 to 2009, two-thirds of the Suburban Hennepin County households that moved within the 7-county area ended up finding a home in Suburban Hennepin County. Younger households (at 61.4%) were the least likely to find another home in the County while households over age 75 were the most likely (at 83.1%).
- **Migration.** Half (55%) of all moves to a home in Suburban Hennepin County (from 2004 to 2009) originated from within Suburban Hennepin County. Minneapolis contributed another 14 percent. St. Paul, the largest contributor outside of Hennepin County, accounted for just 2.5% of the incoming households. A quarter of all households that moved out of Suburban Hennepin County during this period chose a home in Minneapolis followed by St. Paul (5.6%), Shakopee (5.0%), Burnsville (4.9%), and Coon Rapids (4.2%).
- **Foreclosures.** Foreclosures increased 5-fold between 2005 and its high point in 2008. Three percent of all homeowners under age 35 went through a Sheriff’s Sale during the period compared to 1.3 percent for households overall. Of the 473 foreclosures from 2005 to 2009 that were tracked to a new dwelling, half had moved into single family housing (owned or rented), eleven percent into a condo or townhome, and 31 percent into a rental apartment.

Report Findings:

Availability of housing is just as critical to a household wishing to move into Suburban Hennepin County as home style, location, and affordability. Suburban Hennepin County has a mix of housing that is helping to ensure that housing options remain available even during a slowdown in the housing market. This mix is important since much of the county's single family housing stock has not been turning over fast enough to maintain a stable demographic base. With opportunities to develop vacant land and redevelop older apartments and housing developments, the county remains in a good position to continue providing housing choices that can meet the needs of new households, growing families, and existing single family residents seeking other housing in Suburban Hennepin County.

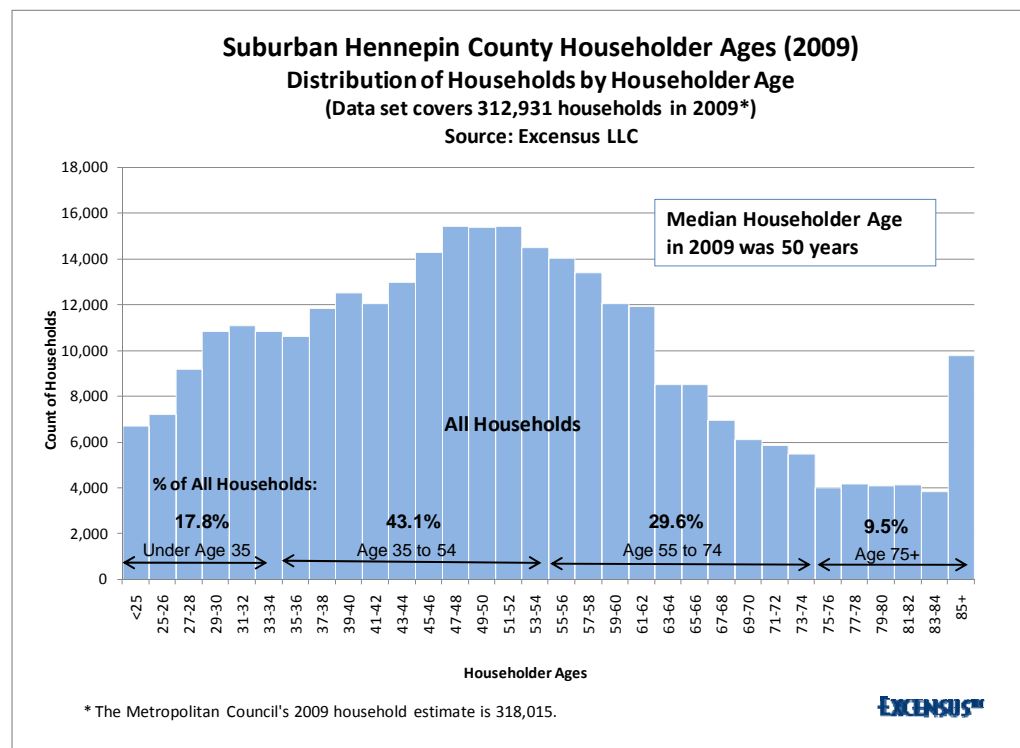
Housing needs are changing. These changes are being driven by long term population aging patterns as well as the recent downturn on the economy. This report uses detailed, household-level tracking data to show how the County's household base has changed over the period from May of 2004 to May 2009. This information was developed by Excensus LLC using data shared for research purposes by state and local governmental units. Definitions and a description of the methodology used in developing this data set are provided at the end of this report.

Suburban Hennepin County Demographic and Housing Profiles (2004 to 2009)

A. Trends in Householder Ages 2004 to 2009

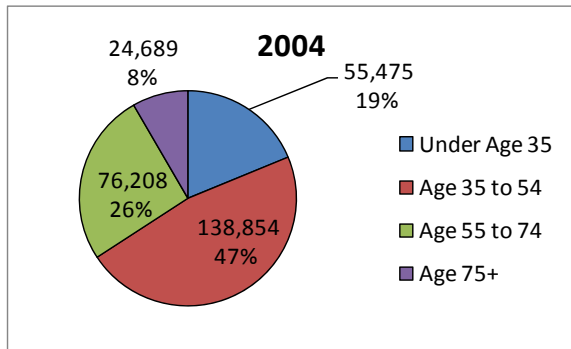
Suburban Hennepin County has a resident base in 2009 that is dominated by households ages 45 to 62. The large number of middle aged residents coupled with low housing turnover, is causing the county's demographic profile to age rapidly.

Household Age Curve - Suburban Hennepin County Householder Ages (May, 2009)

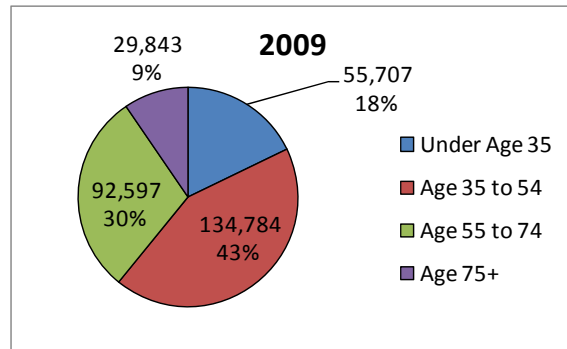


In 2009, there were 312,931 occupied housing units in Suburban Hennepin County. Forty-three percent of these households had a householder between the ages of 35 and 54 and another 29 percent were between 55 and 74 years of age.

Suburban Hennepin County Householder Ages (May, 2004)

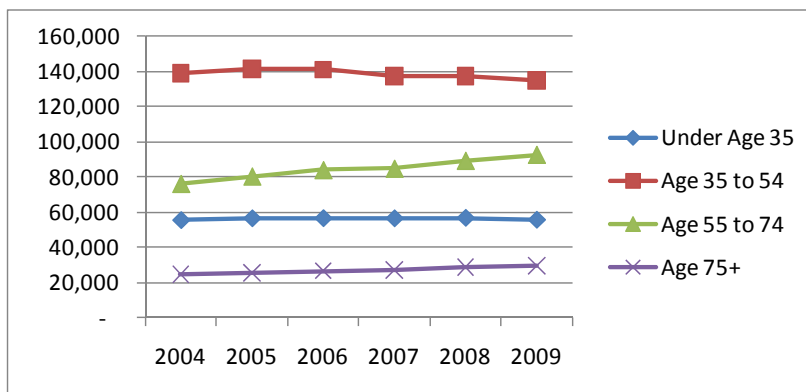


Householder Ages (May, 2009)



There were 3,838 fewer householders under age 55 in 2009 than in 2004 with all of this decrease essentially occurring in the 35 to 54 age group. The number of households age 35 to 54 increased during the years of the expanding housing market (2004 to 2005) but all of this growth was lost in the later years with the housing market downturn. Households age 55 to 74 increased steadily through this period – growing by 16,389 households, a 22 percent increase over the 2004 base. The number of older households (ages 75 or more) increased by 21 percent – a net increase of 5,154 households. Nearly all of the growth in Households age 55+ can be attributed to “aging in place.”

Suburban Hennepin County Households by Age (2004 to 2009)

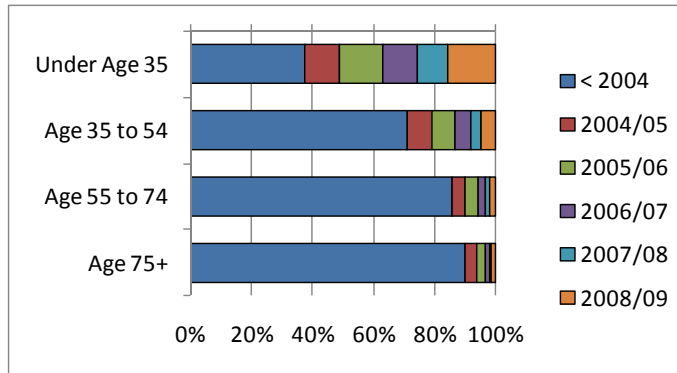


B. Household Aging

There is a cost to an aging household base. Local commercial areas, built on an expectation of young families or workers, may become less viable in the face of an aging community. Community services may have to retool to meet the changing needs of an aging community. And, as workers age, employers may feel the need to relocate in order to find the workforce they need. For local workers, commuting distances to work may increase. Furthermore, there is an impact to local schools as families with children age and leave the community and are not replaced.

The primary cause of community aging is “aging in place.” Households that would otherwise move to accommodate a growing family or to meet the needs of a changing lifestyle choose instead to remain in their existing homes. With only limited turnover, housing availability is reduced and there are fewer opportunities to attract and retain a more balanced mix of households. Seventy-one percent of all Suburban Hennepin County’s households remained in their existing home through the period 2004 to 2009. For households age 55 and older, eighty-seven percent remained in place during this period.

Suburban Hennepin County Households – Year Moved into Current Dwelling



Net # of Householders that Aged into (+) or Aged out of (-) an Age Category by Year

	<u>Under Age 35</u>	<u>Age 35 to 54</u>	<u>Age 55 to 74</u>	<u>Age 75+</u>
2004/2005	(5,319)	(742)	3,388	2,673
2005/2006	(5,193)	(1,174)	3,673	2,694
2006/2007	(4,910)	(1,864)	4,069	2,705
2007/2008	(4,882)	(1,773)	4,015	2,640
2008/2009	(4,915)	(2,014)	4,328	2,601

Source: Excensus LLC

Suburban Hennepin County currently needs 4,915 new households under age 35, or nine percent of the households currently in this group, each year just to maintain the existing base of younger households. Conversely, 2,601 householders age 75 or older (nine percent of the current total) would need to move out of the County and be replaced by younger households each year for this age segment to keep from growing. The impact of aging in place can be mitigated over time through new housing construction or by leveraging turnover so that as existing households move they are replaced with younger households.

C. The Demographics of Homeownership – 2004 to 2009

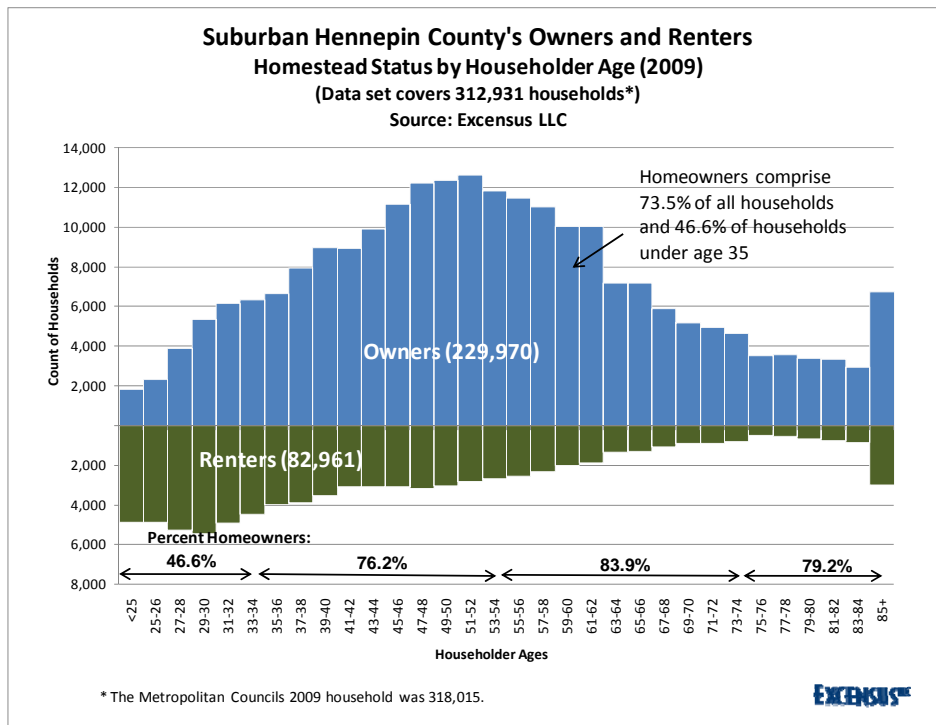
Overall, 73 percent of Suburban Hennepin County’s households live in owner-occupied housing. Owner-occupied single family housing accounts for 60 percent of the County’s housing stock. Less than half (47%) of all households under age 35 are homeowners. These households are using a wide variety of owned and renter-occupied housing. Thirty-six percent of the Counties 82,961 rental units are in the hands of households under the age of 35. This percentage is consistent with the rate reported in other metro area counties and shows that rental housing is not unique to younger aged residents.

Suburban Hennepin County Homeowners and Renters – Percent by Householder Age Group (2009)

Householder Age	All HHs	Owners	Pct. Owners	Renters	Pct. Renters
Under Age 35	55,707	25,969	46.6%	29,738	53.4%
Age 35 to 54	134,784	102,645	76.2%	32,139	23.8%
Age 55 to 74	92,597	77,720	83.9%	14,877	16.1%
Age 75+	29,843	23,636	79.2%	6,207	20.8%
Occupied Housing Units	312,931	229,970	73.5%	82,961	26.5%

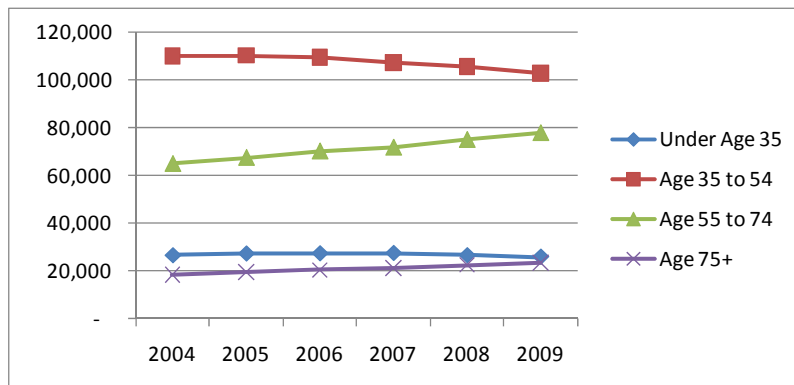
Source: Excensus LLC

Suburban Hennepin County Age Curve – Homeowners and Renters by Householder Age (2009)

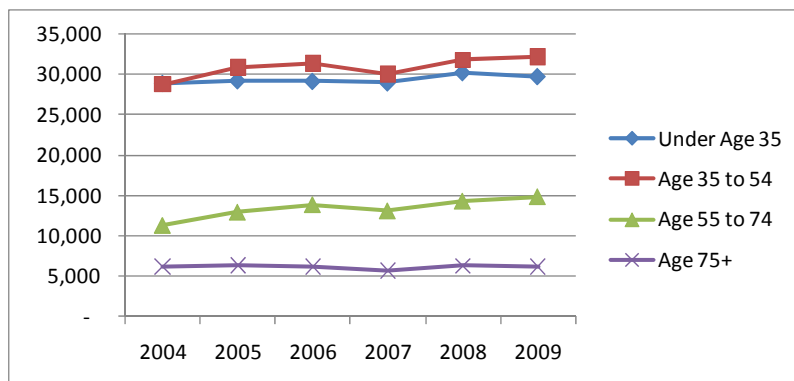


Suburban Hennepin County's homeowner base is aging – with significantly more households age 55 or older in 2009 than at the start of the period. The number of homeowners age 35 to 54 decreased steadily in the last half of the period. Usage of rental housing increased for all household age groups but most notably in households age 35 to 74.

Homeowners by Householder Age (2004 to 2009)



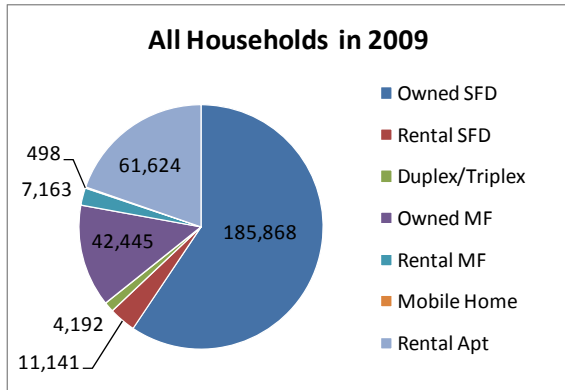
Renters by Householder Age (2004 to 2009)



D. Housing Usage and Home Tax Values – 2004 to 2009

Owner-occupied single family detaching housing dominates housing usage for the two middle age categories. Each age group, however, shows a significant share of other owned and rental options as well. This is particularly true for households under age 35 and households age 75 or more where there are large numbers of households in owned single family, owned multifamily, and rental apartments. Currently, half of all residential households age 75 or more (15,360) are living in owned single family detached housing. This is 8.3 percent of all Suburban Hennepin County’s single family detached housing – a share that has been increasing over the period. A significant portion of this housing can be expected to turn over in the next 5 to 10 years as this age group actively seeks other housing options.

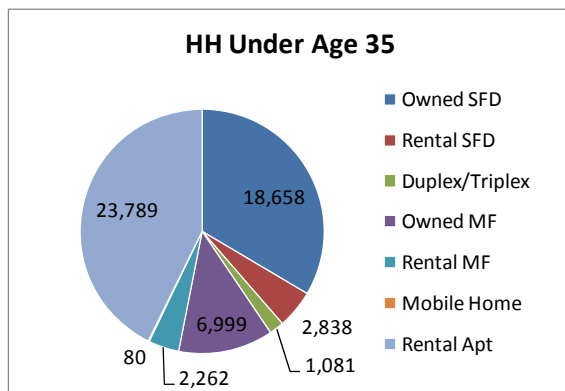
All Households by Housing and Ownership Type (2009)



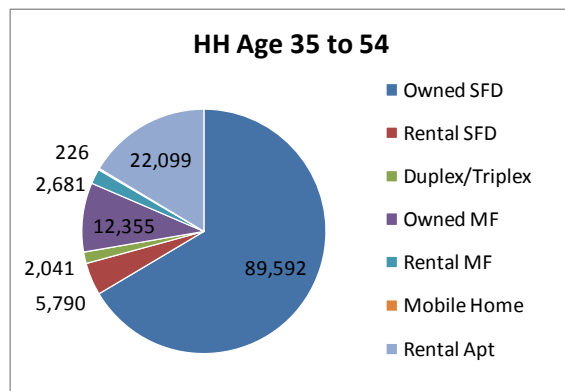
All Households in 2009

Housing Type	Occupied Dwellings	Percent of Total
Owned SFD	185,868	59.4%
Rental SFD	11,141	3.6%
Duplex/Triplex	4,192	1.3%
Owned MF	42,445	13.6%
Rental MF	7,163	2.3%
Mobile Home	498	0.2%
Rental Apt	61,624	19.7%
All Occupied Units	312,931	100.0%

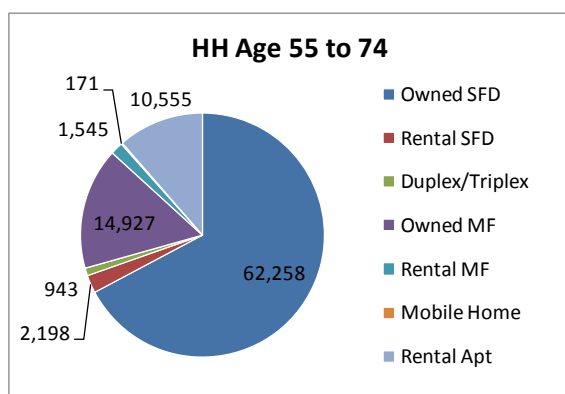
Households Under Age 35



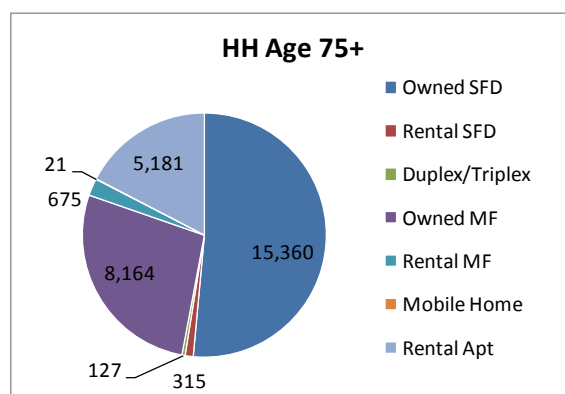
Households Age 35 to 54



Households Ages 55 to 74



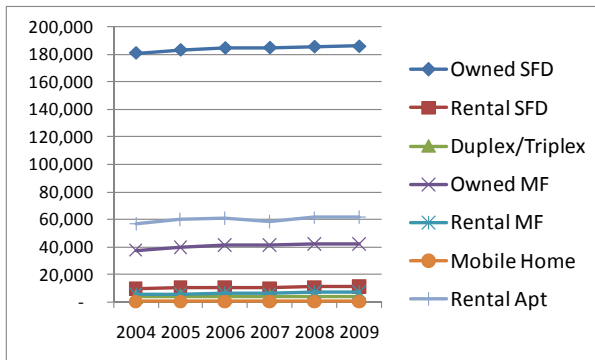
Households Ages 75+



The tables below show the changes in housing usage since 2004. The most significant changes are in single family housing and owned multifamily housing. An increasing proportion of this housing is owned by households ages 55 or older and a decreasing share by households under age 55. Some of this may be related to increases in home foreclosures in recent years but most is due to aging in place. This decrease in the base of younger households may already be affecting the suburban county's ability to attract new young homebuyers and families to existing homes.

Housing Usage Trends by Householder Age (2004 to 2009)

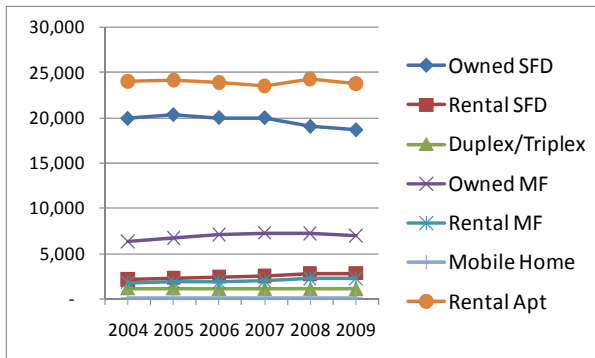
All Occupied Housing Units



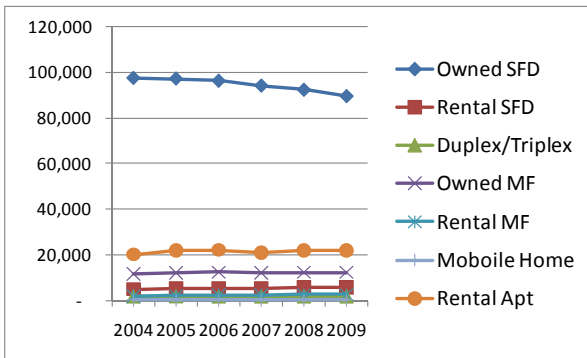
Housing Usage - 2004 to 2009

Housing Types	Housing Types - All Occupied Units		
	2004	2,009	Chg '04-'09
Owned SFD	180,795	185,868	5,073
Rental SFD	9,987	11,141	1,154
Duplex/Triplex	4,053	4,192	139
Owned MF	37,701	42,445	4,744
Rental MF	5,536	7,163	1,627
Mobile Home	455	498	43
Rental Apt	56,699	61,624	4,925
All Occupied Units	295,226	312,931	17,705

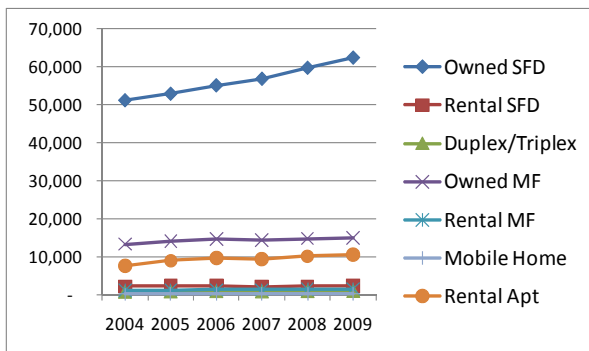
Households Under Age 35



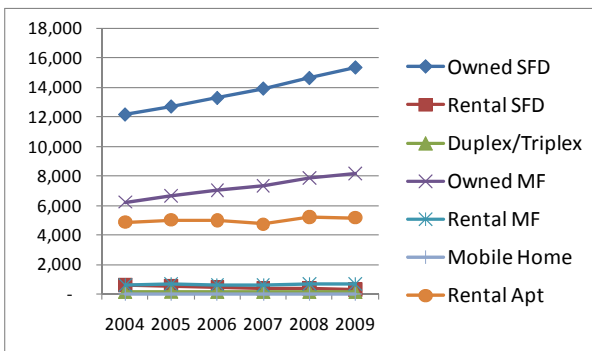
Households Age 35 to 54



Households Age 55 to 74

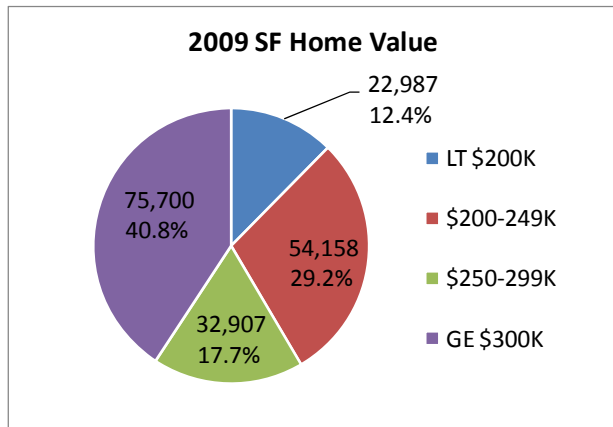


Households Ages 75+



There are affordable single family homes in the county. This study identified 185,868 owner-occupied single family detached homes in Suburban Hennepin County. Forty-two percent of these homes had a 2009 tax value under \$250,000 and 12 percent were valued at less than \$200,000.

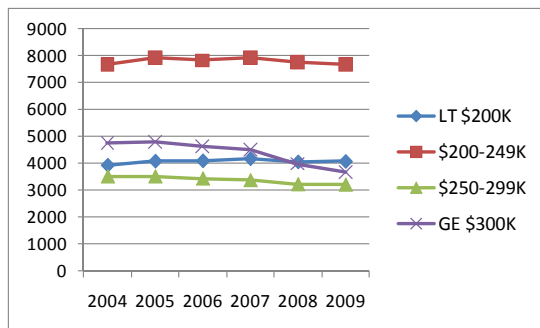
Single Family Homeownership by Tax Value of Home (2009)



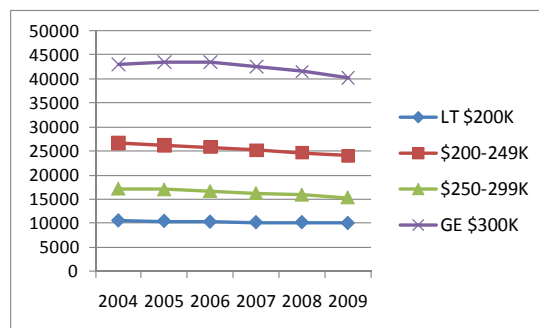
In 2009, nearly two-thirds (62.9%) of SF homeowners under age 35 lived in homes valued at less than \$250K. The downturn in the housing market has had an impact on younger households. Trends since 2004 show a significant decrease in younger household usage of homes valued at \$300K or more. Households age 35 to 54 saw declines in all price categories while households age 55 or older saw extended growth in all price ranges.

Mix of Owned Single Family Homes by Tax Value (2009) and Age of Householder

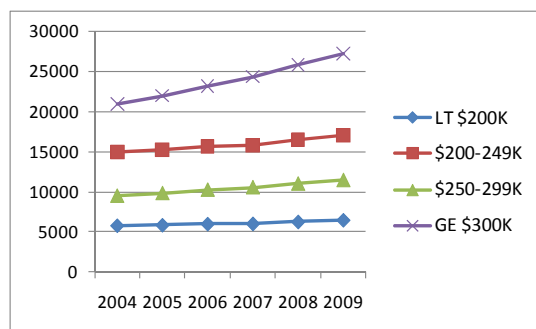
Households Under Age 35



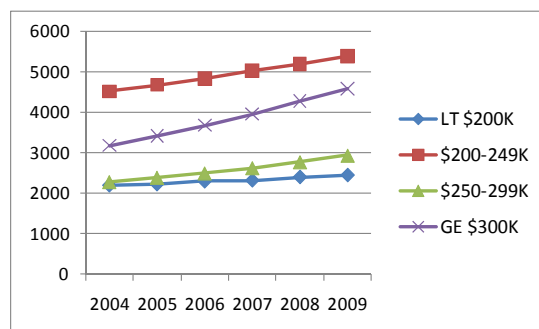
Households Age 35 to 54



Households Age 55 to 74



Households Ages 75+



E. Housing Usage and New Birth Families – 2004 to 2009

The number of new births in the metro area tends to remain relatively stable year to year. Between 2004 and 2009, the number of Suburban Hennepin County households with new births decreased by 3.4 percent overall and by 14 percent for households living in owned SF detached homes. There were significant increases in birth families living in owned-multifamily dwellings (+62%) and rental apartments (+16%). Over the period, a third of the county's new births occurred in housing other than owner-

occupied single family housing. This trend towards more families with young children living in non-traditional housing is a metro wide trend and points up the changing expectations for rental and multifamily housing.

Housing Usage by Suburban Hennepin County New Birth Families (2004 to 2009)

NewHousType	2004	2005	2006	2007	2008	2009	Total	Pct. Of Total
Owned SFD	5,784	5,630	5,726	5,519	5,094	4,968	32,721	66.3%
Rental SFD	421	419	380	394	410	449	2,473	5.0%
Duplex/Triplex	124	122	129	131	132	140	778	1.6%
Owned MF	424	461	468	589	637	689	3,268	6.6%
Rental MF	133	121	109	135	144	152	794	1.6%
Mobile Home	18	14	13	10	14	8	77	0.2%
Rental Apt	1,334	1,404	1,645	1,658	1,641	1,554	9,236	18.7%
All Housing Units	8,238	8,171	8,470	8,436	8,072	7,960	49,347	100.0%

Sources : MN Dept of Health, Public Birth Records; Excensus LLC

F. Household Turnover and Retention – 2004 to 2009

Household turnover is a measure of mobility and an important indicator of housing availability. The household turnover rate is defined as the percentage of all households that moved from their home in a given year. In 2009, Suburban Hennepin County’s turnover rate was at 5.6 percent. This is a moderate rate, but well below the suburban county’s 7.8 percent rate at the beginning of the period. The fact that this rate is up from a low of 4.2 Percent in 2008, shows some increasing housing market activity – a positive outcome following the very low 4.2 percent recorded in 2007/2008.

While slow turnover rates are seen across the metro area, the County’s 2009 single family homeowner turnover rate of 2.6 percent is at the low to moderate range when compared to other metro area counties. This rate is also up from a very low 2.0 percent rate in 2007/2008.

The 2009 turnover rate differs dramatically depending on type of housing – ranging from two percent for moves from owner-occupied single family housing to 13 percent for moves from rental apartment units. The low turnover for owner-occupied single family households translates into limited availability of owner-occupied housing in the County for new households wishing to move into the County and for existing households looking for other housing options within the County.

Housing Turnover Trends in Suburban Hennepin County – May 2004 through April 2009

Housing Types	Percent of All HHs that Moved				
	2004/05	2005/06	2006/07	2007/08	2008/09
Owned SFD	4.1%	3.6%	3.1%	2.0%	2.6%
Rental SFD	13.4%	14.2%	14.2%	8.4%	11.9%
Duplex/Triplex	15.5%	14.9%	13.0%	9.3%	11.9%
Owned MF	6.9%	6.1%	5.1%	3.1%	4.3%
Rental MF	13.2%	13.8%	13.9%	8.4%	10.9%
Mobile Home	10.1%	7.2%	10.1%	5.6%	7.6%
Rental Apt	17.8%	17.0%	15.4%	10.2%	13.1%
All Occupied Units	7.8%	7.3%	6.5%	4.2%	5.6%

Source: Excensus LLC

Turnover rates dropped across a range of housing types in Suburban Hennepin County, not just in owned single family housing. In all cases, turnover showed a turnaround in 2009 but not yet back to the rates prior to 2007. As single family turnover has decreased, rental apartments and multi-family properties have been taking on a more significant role providing a foothold for new households wishing

to find a home in the county, providing transitional housing, and supporting a broader range of households types and needs. The section of new birth families supports this point.

Of the 95,344 households that moved during this five year period, fifty-five percent (52,782 HHs) were tracked to a new residential address in the 7-county metro area. Two-thirds of the households that stayed within the Metro area were able to find another home in Suburban Hennepin County. Existing in-area households represent the largest market for housing in Suburban Hennepin County.

Turnover and Retention – All Suburban Hennepin County Household Moves (May, 2004 to May, 2009)

Housing Types	All HH Ages 5-year Base	Moved 2004-09	Turnover Rate	Relocated in		Sub Henn. Co. Retention
				7-Co. Area	Sub Henn. Co.	
Owned SFD	919,024	28,339	3.1%	15,993	10,946	68.4%
Rental SFD	52,113	6,469	12.4%	3,516	2,334	66.4%
Duplex/Triplex	20,704	2,678	12.9%	1,502	997	66.4%
Owned MF	202,329	10,251	5.1%	5,309	3,591	67.6%
Rental MF	31,012	3,721	12.0%	2,038	1,393	68.4%
Mobile Home	2,445	198	8.1%	76	48	63.2%
Rental Apt	297,373	43,688	14.7%	24,348	15,902	65.3%
All Occupied Units	1,525,000	95,344	6.3%	52,782	35,211	66.7%

Source: Excensus LLC

The table below shows turnover of households under age 35. This group had higher levels of turnover across all housing types (12.8 percent) including owner-occupied housing (5.9 percent). Sixty percent of these younger households were able to find another residence in Suburban Hennepin County.

Turnover and Retention – Moves by Households under Age 35 (May, 2004 to May, 2009)

Housing Types	HHs <35 5-year Base	Moved 2004-09	Turnover Rate	Relocated in		Sub Henn. Co. Retention
				7-Co. Area	Sub Henn. Co.	
Owned SFD	99,190	5,803	5.9%	3,395	2,055	60.5%
Rental SFD	12,259	1,888	15.4%	1,075	658	61.2%
Duplex/Triplex	5,672	1,061	18.7%	611	370	60.6%
Owned MF	34,717	3,352	9.7%	1,799	1,110	61.7%
Rental MF	9,867	1,540	15.6%	899	585	65.1%
Mobile Home	465	66	14.2%	27	17	63.0%
Rental Apt	119,768	22,482	18.8%	13,054	8,012	61.4%
All Occupied Units	281,938	36,192	12.8%	20,860	12,807	61.4%

Source: Excensus LLC

Turnover drops sharply starting with households between 35 and 54 years of age while retention rates increased. Turnover among households age 55 to 74 was the lowest overall at 3.6 percent (2.3% for owned single family housing). Retention rates were significantly higher for households age 75 or more.

Turnover and Retention – Moves by Households Age 35 to 54 (May, 2004 to May, 2009)

Housing Types	HHs 35-54 5-year Base	Moved 2004-09	Turnover Rate	Relocated in		Sub Henn. Co. Retention
				7-Co. Area	Sub Henn. Co.	
Owned SFD	477,445	14,174	3.0%	8,557	6,002	70.1%
Rental SFD	26,567	3,162	11.9%	1,846	1,271	68.9%
Duplex/Triplex	10,182	1,246	12.2%	705	491	69.6%
Owned MF	61,263	3,469	5.7%	1,924	1,288	66.9%
Rental MF	11,573	1,412	12.2%	812	559	68.8%
Mobile Home	1,165	88	7.6%	29	20	69.0%
Rental Apt	107,091	15,097	14.1%	8,443	5,789	68.6%
All Occupied Units	695,286	38,648	5.6%	22,316	15,420	69.1%

Source: Excensus LLC

Turnover and Retention – Moves by Households Age 55 to 74 (May, 2004 to May, 2009)

Housing Types	HHs 55-74	Moved 2004-09	Turnover Rate	Relocated in		Sub Henn. Co. Retention
	5-year Base			7-Co. Area	Sub Henn. Co.	
Owned SFD	275,578	6,357	2.3%	3,337	2,309	69.2%
Rental SFD	10,874	1,108	10.2%	520	344	66.2%
Duplex/Triplex	4,184	326	7.8%	174	125	71.8%
Owned MF	71,196	2,148	3.0%	1,157	827	71.5%
Rental MF	6,379	547	8.6%	268	198	73.9%
Mobile Home	702	33	4.7%	14	8	57.1%
Rental Apt	45,665	4,320	9.5%	2,305	1,651	71.6%
All Occupied Units	414,578	14,839	3.6%	7,775	5,462	70.3%

Source: Excensus LLC

Turnover and Retention – Moves by Households Age 75 or more (May, 2004 to May, 2009)

Housing Types	HHs 75+	Moved 2004-09	Turnover Rate	Relocated in		Sub Henn. Co. Retention
	5-year Base			7-Co. Area	Sub Henn. Co.	
Owned SFD	66,811	2,005	3.0%	704	580	82.4%
Rental SFD	2,413	311	12.9%	75	61	81.3%
Duplex/Triplex	666	45	6.8%	12	11	91.7%
Owned MF	35,153	1,282	3.6%	429	366	85.3%
Rental MF	3,193	222	7.0%	59	51	86.4%
Mobile Home	113	11	9.7%	6	3	50.0%
Rental Apt	24,849	1,789	7.2%	546	450	82.4%
All Occupied Units	133,198	5,665	4.3%	1,831	1,522	83.1%

Source: Excensus LLC

G. Housing Choices – Housing Type Before and After the Move

Choices in housing are important to Suburban Hennepin County residents. Between May 2004 and May 2009 a total of 62,815 households moved into a Suburban Hennepin County home from a home either in Suburban Hennepin County or elsewhere in the 7-county metro area. A third of these moves were to an owned single-family. Of these moves to single family housing, 63 percent moved from another single family home. Most of the remaining 37 percent came from an apartment or condo/townhome. Similarly, of the 24,657 households entering an apartment in the county, 37 percent (9,147 HHs) had previously been living in a single family home.

All Households Moving Into a Home in Suburban Hennepin County (May, 2008 to May, 2009)

Sub. Henn. Housing	Sub. Henn. HHs ('04-09)		Previous Housing Types for Incoming Households				
	Move-Ins	Percent	Single Family	Duplex/Triplex	Condo/TH	Mobile Home	Apartment
Owned SFD	21,048	33.5%	63.0%	3.6%	8.1%	0.2%	25.1%
Rental SFD	4,049	6.4%	58.2%	6.9%	6.2%	0.6%	28.1%
Duplex/Triplex	1,655	2.6%	44.2%	12.7%	6.2%	0.8%	36.1%
Owned MF	8,874	14.1%	51.1%	2.2%	10.5%	0.2%	36.0%
Rental MF	2,423	3.9%	46.4%	3.8%	11.8%	0.2%	37.8%
Mobile Home	109	0.2%	50.5%	4.6%	0.0%	13.8%	31.2%
Rental Apt	24,657	39.3%	37.1%	3.7%	5.1%	0.4%	53.7%
Grand Total	62,815	100.0%	49.7%	3.9%	7.2%	0.3%	38.9%

Source: Excensus LLC

In looking at single family residents that moved out of a home in Suburban Hennepin County, more than two-thirds (69%) moved to another single family home and 39 percent of those leaving an apartment moved to a single family home. Half (52%) of all outbound moves were to a single family home.

Households Moving from a Home in Suburban Hennepin County (2004 to 2009)

Sub. Henn. Housing	Sub. Henn. HHs ('04-09)		Distribution of Destination Housing Types for Move-out Households				
	Move-Outs	Percent	Single Family	Duplex/Triplex	Condo/TH	Mobile Home	Apartment
Owned SFD	15,857	30.3%	69.1%	1.6%	12.9%	0.5%	16.0%
Rental SFD	3,479	6.6%	65.7%	3.9%	9.6%	0.6%	20.2%
Duplex/Triplex	1,493	2.9%	55.5%	12.7%	7.4%	0.3%	24.1%
Owned MF	5,265	10.1%	54.5%	1.7%	18.2%	0.2%	25.5%
Rental MF	2,021	3.9%	52.5%	3.1%	17.0%	0.1%	27.3%
Mobile Home	76	0.1%	52.6%	1.3%	3.9%	19.7%	22.4%
Rental Apt	24,171	46.2%	39.0%	3.7%	11.5%	0.5%	45.3%
Grand Total	52,362	100.0%	52.5%	3.1%	12.5%	0.5%	31.4%

Source: Excensus LLC

A total of 35,030 Suburban Hennepin County households moved to another home in the County during this five year period. Two-thirds (67%) of all single family homeowners found another single family home in the county. Half (53%) of all apartment renters moved to another apartment in the County. A third of those moving from an apartment found a single family dwelling rather than to another apartment.

Housing Choices for Moves that began and ended in Suburban Hennepin County (2004 to 2009)

Sub. Henn. Housing	Sub. Henn. HHs ('04-09)		Type of Housing After the Move (2004-2009)				
	Move-Outs	Percent	Single Family	Duplex/Triplex	Condo/TH	Mobile Home	Apartment
Owned SFD	10,875	31.0%	67.2%	1.1%	13.5%	0.1%	18.1%
Rental SFD	2,314	6.6%	65.0%	3.0%	9.9%	0.1%	22.0%
Duplex/Triplex	998	2.8%	54.1%	13.3%	7.3%	0.0%	25.3%
Owned MF	3,568	10.2%	49.3%	1.1%	19.6%	0.0%	30.0%
Rental MF	1,394	4.0%	48.4%	2.2%	18.0%	0.1%	31.3%
Mobile Home	48	0.1%	45.8%	0.0%	4.2%	29.2%	20.8%
Rental Apt	15,833	45.2%	34.2%	2.3%	10.0%	0.1%	53.5%
Grand Total	35,030	100.0%	49.1%	2.2%	12.3%	0.1%	36.3%

Source: Excensus LLC

H. Household Migration – Suburban Hennepin County’s Resident Origins and Destinations

Fourteen percent of the moves into Suburban Hennepin County originated in Minneapolis. Other major contributors included Brooklyn Park (7.5%), Bloomington (7.1%), Plymouth (6.6%), and St. Louis Park (5.3%). The largest contributor outside of Hennepin County was St. Paul at just 2.5 percent.

Top Metro Area Origination Cities for Moves into or within Suburban Hennepin County (May, 2004 to May, 2009)

Sub Henn. Housing	Metro Area Move-ins	Top Origination Cities for Moves into or within Suburban Hennepin County (2004-2009)									
		Minneapolis	Brooklyn Park	Bloomington	Plymouth	St. Louis Park	Eden Prairie	Minnetonka	Maple Grove	Edina	
Owned SFD	21,190	14.8%	6.6%	5.8%	7.2%	5.7%	5.0%	4.8%	5.9%	3.9%	
Rental SFD	4,090	17.3%	6.9%	6.5%	5.6%	3.9%	4.3%	4.3%	3.4%	3.5%	
Duplex/Triplex	1,688	17.4%	9.5%	6.9%	4.6%	5.5%	2.9%	3.9%	2.0%	2.3%	
Owned MF	8,918	10.5%	5.9%	7.0%	9.8%	5.8%	6.7%	5.9%	5.8%	5.6%	
Rental MF	2,454	11.2%	6.6%	5.1%	8.1%	5.4%	7.5%	6.7%	5.7%	3.8%	
Mobile Home	109	22.0%	6.4%	11.9%	0.9%	0.9%	0.9%	0.9%	2.8%	0.0%	
Rental Apt	24,818	15.1%	8.8%	8.4%	5.1%	5.0%	4.3%	3.9%	2.7%	3.1%	
Grand Total	63,267	14.4%	7.5%	7.0%	6.6%	5.3%	5.0%	4.6%	4.4%	3.8%	

Source: Excensus LLC

Of those 17,551 households that moved within the metro area but out of Suburban Hennepin County from 2004 to 2009, a quarter ended up in Minneapolis and 60 percent in one of these nine cities.

Top Destination Cities for Moves out of Homes in Suburban Hennepin County (May, 2004 to May, 2009)

Sub Henn. Housing	Moves out of Sub. Co.	Top Destination Cities for Moves out of Sub Henn. County (2004-2009)								
		Minneapolis	St. Paul	Shakopee	Burnsville	Coon Rapids	Chanhassen	Eagan	Blaine	Chaska
Owned SFD	5,038	18.5%	3.9%	4.0%	3.5%	2.9%	6.3%	3.1%	4.2%	2.9%
Rental SFD	1,180	25.6%	6.0%	4.0%	3.6%	5.3%	3.1%	4.0%	4.1%	3.3%
Duplex/Triplex	504	34.9%	6.9%	2.6%	4.0%	6.5%	3.0%	1.8%	2.6%	2.4%
Owned MF	1,716	21.7%	5.4%	5.1%	4.4%	3.9%	4.9%	3.0%	4.4%	4.4%
Rental MF	645	26.0%	5.3%	6.5%	3.6%	4.7%	4.2%	3.7%	4.2%	3.9%
Mobile Home	28	17.9%	7.1%	3.6%	0.0%	10.7%	0.0%	0.0%	7.1%	0.0%
Rental Apt	8,440	30.1%	6.6%	5.9%	6.2%	4.6%	2.5%	4.0%	2.9%	3.1%
Grand Total	17,551	25.6%	5.6%	5.0%	4.9%	4.2%	3.9%	3.6%	3.5%	3.2%

Source: Excensus LLC

This table shows those households that moved from Suburban Hennepin County to a single family home elsewhere in the 7-county area. Minneapolis accounted for 20 percent of the total. Half of these moves were to homes in one of these nine communities.

Top Destination Cities for Suburban Hennepin County Household Moves to a Single Family Dwelling (2004-2008)

Sub. Henn. Housing	Moves to SF Out of Sub.Co.	Top Destination Cities for Moves to a SF Home Outside of Sub Henn. County (2004-2009)								
		Minneapolis	Chanhassen	Blaine	Coon Rapids	St. Paul	Shakopee	Chaska	Ramsey	Savage
Owned SFD	3,661	13.6%	8.1%	5.2%	3.0%	3.1%	4.4%	1.7%	2.0%	1.6%
Rental SFD	782	21.4%	4.6%	5.6%	5.1%	5.4%	4.2%	2.4%	2.0%	0.8%
Duplex/Triplex	290	32.1%	4.8%	3.1%	6.6%	4.8%	1.4%	2.4%	1.7%	0.7%
Owned MF	1,108	17.6%	6.7%	6.0%	4.4%	4.3%	4.7%	3.2%	1.5%	2.8%
Rental MF	389	21.6%	6.4%	5.4%	6.7%	4.1%	5.1%	2.6%	2.3%	3.1%
Mobile Home	18	22.2%	0.0%	5.6%	11.1%	5.6%	0.0%	0.0%	0.0%	0.0%
Rental Apt	4,018	27.6%	4.2%	5.1%	6.2%	5.6%	4.2%	2.4%	1.7%	1.7%
Grand Total	10,266	20.9%	6.0%	5.2%	4.8%	4.5%	4.3%	2.3%	1.9%	1.7%

Source: Excensus LLC

I. Home Foreclosure (Sheriff's Sale) Demographics – 2005 to 2009

Sheriff's sale home foreclosures in Suburban Hennepin County increased five-fold from 2005 to 2008 (723 foreclosed homes in 2005 to 3,689 homes in 2008) before coming down again 2009. More than half of these sales involved resident householders between the ages of 35 and 54.

Suburban Hennepin County Sheriff's Sale Foreclosures by Resident Householder Age (2005 to 2009)

Suburban Hennepin County Foreclosure Trends (2005-09)					
Householder Age	2005	2006	2007	2008	2009
Under Age 35	148	296	642	913	786
Age 35 to 54	414	745	1,267	2,078	1,649
Age 55 to 74	150	216	367	653	562
Age 75+	11	14	40	45	56
Foreclosed Total	723	1,271	2,316	3,689	3,053

Source: Excensus LLC

On a proportionate basis, homeowners under the age of 35 have been hardest hit. In 2009, 3.0 percent of all homeowners under age 35 had a home sold through a Sheriff's sale. This is more than twice the average for all homeowners and nearly twice the rate for homeowners age 35 to 54. Additional affordable housing options are needed as these households attempt to re-enter the housing market.

Homeowners in Sheriff's Sale Foreclosures as a Percent of All Homeowners (2009)

Sub Henn. Co. Foreclosures as Pct. of All HHs (2009)			
Homeowner Age	All HHs	HHs in Foreclosed Units	
		Total	Percent
Under Age 35	25,969	786	3.0%
Age 35 to 54	102,645	1,649	1.6%
Age 55 to 74	77,720	562	0.7%
Age 75+	23,636	56	0.2%
Foreclosed Total	229,970	3,053	1.3%

Source: Excensus LLC

For households that moved as a result of a Sheriff's sale foreclosure during this period, only 15 percent have as yet shown up in new housing in the Twin Cities metro area. Many of the moves may not be showing up because the households moved in with parents or friend, left the metro area, or have not yet settled into a permanent location. Of the 473 foreclosures from 2005 to 2009 that were tracked to a new dwelling in the metro area, half had moved into single family housing (owned or rented), eleven percent into a condo or townhome, and 31 percent into a rental apartment.

Housing Choices after Foreclosure – Housing Type After Relocation (7-County Metro Area – 2005-2009)

Sub Henn. Co. Foreclosed Dwellings	7-Co. Moves ('05-'09)		Housing Type Chosen Following 7-County Metro Area Move				
	Total	Percent	Single Family	Duplex/Triplex	Condo/TH	Mobile Home	Apartment
Owned SFD	282	59.6%	48.6%	5.7%	12.8%	1.1%	31.9%
Rental SFD	101	21.4%	66.3%	5.0%	5.0%	0.0%	23.8%
Duplex/Triplex	4	0.8%	0.0%	50.0%	25.0%	0.0%	25.0%
Owned MF	63	13.3%	42.9%	4.8%	7.9%	0.0%	44.4%
Rental MF	23	4.9%	39.1%	0.0%	34.8%	4.3%	21.7%
Mobile Home	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rental Apt	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grand Total	473	100.0%	50.7%	5.5%	11.6%	0.8%	31.3%

Source: Excensus LLC

Three-quarters of the tracked foreclosure households ended up in another home in Hennepin County. Housing type does not appear to be a factor in determining the likelihood of foreclosed households finding another residence in Suburban Hennepin County.

Destination Counties following Suburban Hennepin County Home Foreclosures (Metro Area – 2005-2009)

Foreclosure Type	7-Co. Area Moves ('05-'09)	County Destination following Sub Henn. Co. Sheriff's Sale						
		Hennepin	Anoka	Carver	Dakota	Ramsey	Scott	Washington
Owned SFD	283	74.2%	7.1%	3.5%	1.8%	4.6%	4.9%	3.9%
Rental SFD	103	73.8%	10.7%	2.9%	2.9%	2.9%	6.8%	0.0%
Duplex/Triplex	4	75.0%	0.0%	0.0%	25.0%	0.0%	0.0%	0.0%
Owned MF	63	81.0%	6.3%	1.6%	1.6%	4.8%	1.6%	3.2%
Rental MF	24	75.0%	8.3%	0.0%	0.0%	4.2%	8.3%	4.2%
Mobile Home	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rental Apt	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grand Total	477	75.1%	7.8%	2.9%	2.1%	4.2%	5.0%	2.9%

Source: Excensus LLC

J. Data Description and Definition of Terms

The information presented in this report is based on household-level profiles and tracking data developed and maintained by Excensus LLC. All rights to this information remain the property of Excensus LLC.

Data Sources

The demographic profiles have been created by Excensus from administrative data sets shared for research and planning purposes by Federal, State, and local government sources. Principal data sets include the US Postal Service resident file, the Minnesota Department of Public Safety driver's license and vehicle registration files, the Minnesota Department of Health Live Birth data, and the MetroGIS parcel and property ownership files. All private and confidential information on individuals and households is protected by non-disclosure agreements, usage licenses, and/or Minnesota privacy statutes and may not be released by Excensus.

Methodology

All charts and tables used in this report refer to actual household counts. The 7-County metro area data set consists of more than 1 million households and their occupied housing units. Each household record is linked to its individual property parcel using GIS. This helps provide address verification and permits household and housing attributes to be mapped and linked by means of a relational database. This is a longitudinal data set. All householders and other adults in these households are assigned a unique identifier which permits the tracking of householders as they move from location to location within the 7-county metro area.

Definitions of Terms

Household – For purposes of this analysis, a household is equivalent to an “occupied housing unit.” Note that households may be created or lost as members of a single household relocate to separate dwellings or where separate households come together into a single housing unit. This differs from the definition used by the Census Bureau which permits multiple households (unrelated individuals or families) to occupy a single housing unit.

Householder – This is the oldest adult living in an occupied housing unit. Note that the householder may change from year to year as the members of the household change. In the Excensus system, the householder in each dwelling is updated annually.

Turnover – The base consists of household moves from an existing home. A move is indicated when the household is no longer residing at a particular address. The turnover rate is the percent of all households that moved and is computed as an average annual rate.

Retention – Moves within the 7-county metro area where the householder relocated in the same geographic area (i.e., county for purposes of this report). The retention rate is the proportion of all moves that are retained in the same geographic area.

Move-up Housing – Typically a larger, more expensive home that a homeowner buys in response to an expanding household or increasing income.

Aging in Place – Household members that remain in their current home rather than moving. Household members age during that period. A community that is aging-in-place may appear to be unchanged, but the needs of the residents change due to aging.

Housing Choices – These are the housing options (type, style, price and location) available to a household looking for new owned or rental housing. This analysis shows “choice” based on actual market behavior – that is, what different groups of households are buying or renting.

Single Family Housing – Generally, this is a dwelling with a separate, private entrance. A single family detached (SFD) home is a dwelling that is not attached to another dwelling unit. A single family attached (SFA) home is a dwelling that is physically attached to at least one other dwelling unit.

Examples of single family attached homes include townhomes, duplexes, triplexes and quad homes. Mobile homes are also considered single family attached dwellings for purposes of this research.

Multi-Family Housing – Generally, this is a group of attached dwelling units with a common entrance. Examples of a multi-family home would include most condominiums and apartments.

Lifecycle Segments – These are groupings of householders by age that are representative of different stages in the life of a household – “forming households” (under age 35), “growing households” (ages 35 to 54), “mature households” (ages 55 to 74), and “aging households” (ages 75+). This typology is useful for describing underlying household needs and housing requirements.