



A Comprehensive Housing Needs Analysis for Carver County, Minnesota

Prepared for:

Carver County Community Development Agency
Chaska, Minnesota

February 2024



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February 13, 2024

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Ms. Streich:

Attached is the analysis titled, "A Comprehensive Housing Needs Analysis for Carver County, Minnesota." The Needs Analysis examines current housing market conditions and determines the market potential for developing different types of owned and rented housing in the County to 2040.

The scope of this study includes: an analysis of the demographic and economic characteristics of Carver County and its communities; a review of existing housing stock characteristics; an analysis of the for-sale housing market; an evaluation of rental market conditions; a senior housing supply and demand analysis; an assessment of housing affordability in the County, and an overview of housing needs for homeless and special needs populations. Recommendations on the number and types of housing products that should be considered in each submarket are also provided.

Please contact us if you have questions or require additional information.

Sincerely,

MAXFIELD RESEARCH AND CONSULTING, LLC

Joe Hollman
Senior Associate

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Attachment

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Purpose and Scope of Study

Maxfield Research and Consulting, LLC was engaged by the Carver County Community Development Agency (CDA) to prepare a Comprehensive Housing Needs Analysis for the County. The analysis provides recommendations on the amount and types of housing that may be developed to meet the needs of current and future households residing in the County. For the purpose of this housing needs analysis, Carver County was divided into nine submarkets, each of which is comprised of county subdivisions (cities and townships).

The scope of this study includes an analysis of the demographic and economic characteristics of Carver County and its submarkets, a review of existing housing stock characteristics, and market analyses covering the for-sale, rental, and senior housing markets. Additionally, the study includes an assessment of housing affordability in the County and an overview of housing needs for homeless and special needs populations. Detailed demand calculations and development concept recommendations are provided for Carver County and its submarkets. The study concludes with an evaluation of challenges and opportunities associated with housing development in the County.

Demographic Analysis

- Between 2010 and 2023, Carver County experienced an estimated 25% population growth, adding 22,496 people, compared to 13% growth in the Metro Area.
- The largest population growth in the County occurred in the Chaska and Victoria Submarkets, adding 4,933 people (21% growth) and 4,283 people (45%), respectively. Population growth occurred among all the submarkets, but growth was generally strongest in the communities located along the major transportation corridors (i.e. Highways 5 and 212) in the eastern portion of the County.
- Carver County is projected to add another 19,172 people (17% growth) and 7,908 households (19% growth) between 2023 and 2030, outpacing Metro Area growth (7% population and household growth). We anticipate that Carver County will contain 156,439 people and 58,536 households by 2040, adding 23,729 people (18% growth) and 9,445 households (19% growth) between 2030 and 2040.
- The Chaska Submarket is projected to experience the largest increase in households between 2010 and 2040 (5,436), followed by the Chanhassen (5,150) and Waconia (4,580) Submarkets.
- Growth is projected among all age groups in Carver County between 2023 and 2030, including 22% growth in 25 to 34 age group (3,076 people) and 17% growth in the 35 to 44 age group (2,851 people). The 75 and older age group is projected to experience the fastest growth, increasing 52% (2,661 people) in Carver County and 33% in the Metro Area.

- In 2023, Carver County's median household income is at \$106,058, 18% higher than \$89,780 in the Metro Area. Within the County, median household incomes are estimated to be highest in the Victoria (\$159,163), Chanhassen (\$124,829), and Carver (\$110,718) submarkets and lowest in the Hamburg-Norwood Young America (\$70,739) and Mayer-New Germany (\$88,135) submarkets.
- Typically, as income increases, so does the rate of homeownership. This can be seen in Carver County, where the homeownership rate increases from 54% of households with incomes below \$15,000 to 97% of households with incomes above \$150,000. In contrast, 46% of all households with incomes below \$150,000 are renters while just 3% of all households with incomes of \$150,000 or more are renters.
- In Carver County, an estimated 82% of all households own in 2023, giving it a homeownership rate that is notably higher than the Metro Area (69% of households own). The total number of owner households residing in Carver County expanded by an estimated 6,938 households between 2010 and 2023 (26% growth), outpacing the increase in renter households (1,354 households, 22% growth).
- Homeownership rates are highest in the Victoria (92.0%), Mayer-New Germany (92.0%), Cologne (90.9%), and Watertown (90.7%) Submarkets, and lowest in the Chaska (69.0%), Hamburg-Norwood Young America (75.3%), and Waconia (81.0%) Submarkets.
- In Carver County, married couple without children households are the most common household type in 2023 (32.3% of all households), followed closely by married couples with children (30.7%). The number of family households in the County increased 26% between 2010 and 2023 (6,222 households), compared to 12% growth in the Metro Area. Nonfamily households increased 24% in the County (2,070 households) and 15% in the Metro Area
- The majority of residents in the County (91%) did not change residences within a one-year time period of the latest ACS Survey, while 9% moved. Resident mobility was greatest in the Victoria (12% moved in past year) and Mayer-New Germany (10%) Submarkets and lowest in the Carver (6%) and Hamburg-Norwood Young America (7%) Submarkets.

Employment Analysis

- In 2022, Carver County had an annual labor force of 59,251 with 57,973 employed residents, which equates to a 2.2% unemployment rate. By comparison, Metro Area unemployment was at 2.5%.
- The County's labor force increased at an average annual rate of 1.6% from 2010 through 2019 before flattening to 0.7% in 2020 and declining -3.2% in 2021. Resident employment experienced 2.1% average annual growth from 2010 through 2021, before declining -1.8% in 2020 and -0.9% in 2021. Labor force and resident employment contraction in 2020 and 2021 was related to the COVID-19 pandemic and subsequent recession.

- Both labor force and resident employment are recovering, as the labor force increased 2.0% during 2022 in Carver County against a 2.9% increase in resident employment.
- Overall, Carver County is an exporter of workers as a higher number of residents leave the County for work than nonresidents commute into the County. Approximately 21,969 workers come into the County for employment daily, while 40,112 resident workers commute out of the County. An estimated 12,433 people both live and work in the County.
- With 21,969 workers commuting into Carver County for employment daily, including 1,642 workers that commute from over 50 miles, there appears to be an opportunity to provide housing options for a portion of these workers. Chanhassen experiences the largest inflow, importing 20,584 workers, followed by the Chaska (inflow of 9,465 workers) and Waconia (imports 3,932 workers) Submarkets.
- Current data indicates that employment is recovering from the COVID-19 pandemic, as the number of jobs in the County increased 10.8% (4,061 jobs) between 2020 and the second quarter of 2023.
- Continued job growth is anticipated between 2023 and 2030, as employment in Carver County is projected to expand to 46,121 jobs in 2030, an 11% increase from the second quarter of 2023 with the addition of 4,476 jobs. The County is projected to add another 6,187 jobs (13.4% growth) between 2030 and 2040.
- With 10,663 new jobs projected for Carver County by 2040, additional housing will be needed to support a portion of the anticipated job growth in the County. Chanhassen is expected to experience the largest job growth, adding 4,374 jobs between the second quarter of 2023 and 2040 (30% increase), followed by the Chaska (3,763 jobs, 30% growth) and Waconia (2,810 jobs, 39% growth) Submarkets.
- A household earning the average weekly wage in Carver County (\$1,267) would be able to afford an apartment renting for approximately \$1,647 per month to not exceed 30% of its monthly income on housing costs, notably higher than the average rent for a one-bedroom units at existing market rate rental properties in the County (\$1,400).
- Assuming that a potential home buyer has good credit and makes a 10% down payment, a household earning the average weekly wage in the County would be able to afford to purchase a home priced at approximately \$194,900 or lower to not be cost-burdened (paying more than 30% of their income for housing). By comparison, the median resale price for detached single-family homes in Carver County in 2023 is \$489,900.
- The data indicates that an individual working in Carver County and earning the average wage would likely be able to afford to rent an apartment, but an individual earning the average wage would not be able to afford to purchase a detached single-family home at the median sale price.

Housing Characteristics

- As of the 2021 American Community Survey, there were an estimated 39,185 housing units in Carver County. Chaska contains the largest number of housing units with 10,552 (27% of the total), followed closely by Chanhassen with 9,894 units (25%).
- Approximately 96.0% of all housing units in the County were occupied, ranging from a low of 92.9% in the Watertown Submarket to 98.0% in the Chaska Submarket.
- Among the nine Carver County submarkets, Mayer-New Germany and Cologne had the highest proportions of owner-occupied housing, at 88.6% and 88.0% respectively, while the Chaska and Hamburg-Norwood Young America Submarkets had the highest proportions of renter-occupied housing units at 28.9% and 22.5%, respectively.
- Median home values are generally highest in the eastern portion of Carver County, notably in the Victoria (\$470,092), Chanhassen (\$426,200), and Carver (\$360,910) Submarkets. The northern and western county subdivisions have the lowest median home values, including the Hamburg-Norwood Young America (\$241,733), Watertown (\$273,615), and Mayer-New Germany (\$293,867) Submarkets.
- The median contract rent in Carver County was \$1,164 during the 2017-2021 ACS period, roughly 2% higher than the Twin Cities Metro Area (\$1,142). The Victoria and Chanhassen Submarkets have the highest median monthly contract rent, at \$1,647 and \$1,390, respectively, while the lowest median contract rents are found in the Cologne (\$519) and Watertown (\$766) Submarkets.
- The housing stock in Carver County is relatively new when compared to the Metro Area. Over 58% of the County's housing inventory has been constructed since 1990, compared to 32% in the Metro Area. Generally, county subdivisions on the east side of Carver County have newer housing stocks than the communities in the western portion of the County.
- A total of 9,571 residential housing units were permitted in Carver County between 2010 and 2022, averaging 736 new units per year. The type of product being built in the County has shifted slightly, with more multifamily units being developed in recent years.
- From 2010 through 2014, nearly three-quarters (73%) of the permitted units were detached single-family, while 19% were townhome units, and 8% were multifamily units. Multifamily activity has increased to 23% of all units since 2015, while detached single-family and townhome units declined to 65% and 12% of all permitted units, respectively.
- Residential development activity varies greatly between submarkets, with the communities in the eastern portion of the County generally experiencing more building activity than in the western portion. On an average annual basis, housing unit construction ranges from as high as 164 units per year in Chaska to 15 new units per year in the Cologne Submarket.

For-Sale Housing Market Analysis

- In Carver County, 73% of all resales since 2017 have been detached single-family homes, while 27% were resales of multifamily (i.e. townhomes, twin homes, condominium) units.
- Due, in part to rising mortgage rates and reduced supply, sales activity in the County declined in 2022 and 2023. Increasing competition for homes in the Market Area (as indicated by the decreasing supply of available housing and shortened marketing times) has caused strong sale price appreciation in recent years.
- In Carver County the median resale price for detached single-family homes increased 40%, climbing from \$349,900 in 2017 to \$489,900 in 2023, averaging 5.9% increases annually. The median resale price for multifamily units jumped 59% (8.1% average annual increases), from \$194,900 in 2017 to \$310,000 in 2023.
- By comparison, the 2023 median sale price for new construction homes is \$577,495 for detached single-family homes and \$363,740 for multifamily units.
- The pace of resales in the County ranges from highs of 37.5 per month in Chanhassen and 34.4 resales per month in Chaska to lows of 3.5 and 4.5 resales per month in the Cologne and Mayer-New Germany Submarkets, respectively.
- As of 2023, median resale prices for detached single-family homes are highest in the Chanhassen (\$644,500) and Victoria (\$636,000) Submarkets. The Cologne Submarket experienced the largest price appreciation (64% increase between 2017 and 2023).
- Median resale prices for multifamily units are highest in the Victoria (\$405,000) and Carver (\$331,000) Submarkets, with the largest increase occurring in the Watertown Submarket (72% increase since 2017).
- As of the end of October 2023, there was a 2.8-month supply of detached single-family homes and a 1.4-month supply of multifamily units available for sale on the market in Carver County. Equilibrium in the for-sale housing market is generally considered to be a six-month supply of homes on the market. As such, it appears that the current inventory of available for-sale housing in the County is well below equilibrium.
- The supply of detached single-family homes ranges from 1.6-months in Chanhassen to 6.7-months in the Cologne Submarket. The supply of available multifamily units ranges from no supply available in the Cologne Submarket to 2.1 months in the Victoria Submarket.
- There are 72 active subdivisions in the County, containing a total of 7,182 lots. We identified 1,154 vacant developed lots and 5,043 future lots in the County. Additionally, we identified 661 pending (concept) residential lots in the County.

Rental Housing Market Analysis

- Maxfield Research compiled detailed information for general occupancy rental housing properties in the County, including 34 general occupancy market rate properties and 21 affordable and subsidized general occupancy rental projects.
 - These properties represent 2,266 general occupancy market rate rental housing units and 944 affordable or subsidized units.
- The competitive set of stabilized general occupancy market rate properties in the County is currently 2.2% vacant, well-below equilibrium (7.0% vacancy). Additionally, affordable and subsidized rental properties are 5.6% vacant in the County, with many properties maintaining lengthy prospect lists. **These tight market conditions suggest pent-up demand for new general occupancy rental housing units in Carver County.**
- The average rental rate across all market rate general occupancy properties is \$1,521 per month with a range of \$837 for a studio unit in Waconia to a high of \$3,235 for a three-bedroom unit in Chanhassen.
- On a per square-foot basis (psf), these market rate rental properties have an average rent of \$1.61 psf. With an average rent of \$2.08 psf (\$1,794 per month), the newest properties (built in 2018 or earlier) are priced 29% higher, on average, than the market average of \$1.61 psf.
- Maxfield Research identified 14 pending rental housing developments in the County, containing a total of 2,221 new rental units under construction, approved, or proposed. Six projects, totaling 695 units are under construction and two other projects, totaling 320 units, have been approved. Approximately 1,206 units in six projects have been proposed and are in various stages of a planning approval process.
- Ten of the pending developments are market rate (1,448 units) and there are two affordable projects, totaling 76 units. There are also two preliminary projects, totaling 697 units, where the mix of market rate or affordable units is not known at this time.

Senior Housing Market Analysis

- Maxfield Research identified 33 senior housing facilities in Carver County, containing a total of 2,218 units. The Chaska Submarket contains the largest share of the County's senior housing market with 737 units (33% of the County's total inventory), followed by the Chanhassen Submarket with 565 units (25%) and the Waconia Submarket (461 units, 21%).

- The County's senior housing inventory includes two market rate active adult ownership projects, seven market rate active adult rental properties, ten affordable or subsidized active adult properties, and 14 facilities offering service-enhanced senior housing. Among the service-enhanced facilities, six properties offer independent living, 13 provide assisted living, and 11 facilities provide memory care units.
- Roughly 22% of the senior housing inventory is comprised of assisted living units (490), while 21% of the units are market rate active adult rental units (474) and another 21% are affordable or subsidized active adult units (468). Roughly 16% of the senior housing units are independent living (358), while memory care represents 11% of the inventory (236 units). Market rate active adult ownership units represent 9% of the County's senior housing inventory with 192 units.
- There are 20 vacant units in the competitive set of stabilized market rate rental properties representing a 4.8% vacancy rate, slightly below equilibrium (5.0% vacancy). Among the affordable and subsidized properties, there are 23 vacancies (4.9% vacancy rate).
- There were also 87 vacant service-enhanced units at the time of our survey, representing a 7.9% vacancy rate. There were 19 independent living vacancies, representing a 5.2% vacancy rate, approximately at equilibrium. At 12.1% vacant (60 vacancies), the assisted living facilities are operating at vacancy rates that are above equilibrium. Feedback from senior housing marketing directors indicates that, while still slightly high, assisted living vacancies are gradually recovering from the COVID-19 pandemic. There were eight vacant memory care units (3.4% vacancy rate), which is well-below equilibrium.

Housing Affordability

- An estimated 17.6% of owner households (5,565 households) are estimated to be cost burdened (paying more than 30% of their income for housing) in Carver County, slightly lower than 18.0% in the Metro Area. Roughly 40.7% of all renter households (2,693) in the County are cost burdened compared to 44.9% in the Metro Area. The percent of all households considered cost burdened ranges from 10.4% in the Victoria Submarket to 28.3% in the Waconia Submarket.
- An estimated 64% of existing owner households could afford to buy a moderately priced entry-level detached single-family home (\$300,000) in the County. The proportion of income-qualified households declines as the sale price increases, and roughly 36% of existing owner households could afford to purchase a move-up detached single-family home priced at \$500,000. The proportion declines to 20% of existing households that could afford a home priced at \$750,000.
- An estimated 50% of existing renter households can afford to rent a one-bedroom unit in the County at the average quoted rate of \$1,400 per month. The proportion declines to 42% that could afford a new construction one-bedroom unit priced at \$1,600 per month.

- Housing affordability varies by submarket in Carver County, as the percent of existing owner households that can afford a move-up home ranges from 14% in the Hamburg-Norwood Young America Submarket to 56% in the Victoria Submarket. The proportion of renter households able to afford a new construction one-bedroom unit ranges from 29% in the Hamburg-Norwood Young America Submarket to 65% in the Carver Submarket.

Homeless and Special Needs

- As of mid-April 2023, there were 133 households in Scott and Carver County who had been assessed in the Coordinated Entry System (CES), 21 of which were age 55 years or older. To be assessed for the CES, a person must be in a shelter for 14 days or in a place not meant for human habitation.
- A majority of the Carver County households in CES are White alone, female, adults, singles, and have a disability. In addition, 25% are chronically homeless and 3% are Veterans.
- There is limited emergency and transitional housing available in Carver and Scott Counties as of 2023. There are currently four family shelter units (average of 12 beds) that were available until December 2023. There are another four additional units (two beds each for a total of 8 beds) which can be utilized for either families or singles through an OEO ESP Grant plus weather vouchers which are inconsistent, but can serve up to 40 households annually, most during the winter months.

Housing Demand Analysis and Recommendations

- Anecdotal feedback from interviews with local real estate professionals and major employers suggests that there is a limited inventory of existing homes available, and much of what is available is higher-end new construction. While all housing product types are in demand, there is a particular lack of inventory for first-time homebuyers as well as empty nesters who want to move out of their single-family home. Housing affordability is a major issue, as many potential buyers can't afford the housing that's available, especially new construction.
- Highway expansion projects (Highways 212 and 5) will stimulate demand for new housing in the western half of the County, particularly Cologne and Norwood Young America. Some of communities in Carver County have a limited supply of developable land which could restrain growth, require annexation, or allow increased residential development density.
- **It was stated that the greatest housing need in the County is housing for moderate income buyers and renters, notably entry-level housing to attract young families.** There is also a need for more housing targeted to seniors that want to move out of their single-family homes, which could increase the availability of some older, more affordably priced housing.

- The following figure summarizes our housing demand calculations for Carver County from 2023 to 2040.

General Occupancy Housing Demand 2023 to 2040	
For-Sale Units	20,402
Detached Single-Family Units	16,208
Multifamily Units*	4,194
General Occupancy Rental Units	5,130
Market Rate	2,264
Affordable^	1,268
Subsidized^	1,598
Total General Occupancy Housing Units	25,532

Senior Housing Demand			
	2023	2030	2040
Market Rate Active Adult	938	1,347	1,384
Owner-Occupied	413	549	568
Renter-Occupied	525	798	816
Affordable & Subsidized Senior Housing	1,605	2,401	2,315
Subsidized^	605	834	795
Affordable^	1,000	1,567	1,520
Service-Enhanced Senior Housing	714	1,259	2,463
Independent Living (IL)	447	719	928
Assisted Living (AL)	105	255	902
Memory Care (MC)	162	285	633
Total Senior Housing Units	3,257	5,007	6,162

*Includes twin homes, townhomes, condominiums

^Affordable = affordable to households at 30% to 60% AMI

^Subsidized = affordable to households at 30% AMI or less

- As shown, we find demand for 25,532 general occupancy housing units in the County between 2023 and 2040, including 20,402 for-sale units and 5,130 rental housing units.
- We identified 1,050 vacant developed detached single-family lots and 4,255 future detached single-family lots in Carver County, along with 104 vacant developed multifamily lots and 788 future multifamily lots. Additionally, we identified 595 detached single-family and 66 multifamily lots pending (concept) in the County.
- Based on the general occupancy for-sale housing demand calculations (16,208 detached single-family units and 4,194 multifamily units needed by 2040), there is an approximately 5.6-year supply of detached single-family lots and a 3.6-year supply of multifamily lots in Carver County. However, the supply of development-ready (vacant developed lots) is much smaller, at a 1.1-year supply of detached single-family and a 0.4-year supply of multifamily vacant developed lots.

- The supply of vacant and future lots is sufficient to satisfy short-term demand, but additional lots will be needed by 2030.
- We also estimate that there is excess demand for 3,257 senior housing units in Carver County in 2023. Rapid growth projected for the older adult and senior population in the County will cause excess demand to increase to 5,007 units in 2030 and 6,162 units in 2040.
- The following figures summarize key demand findings by submarket in Carver County along with recommended price points and development concepts for various product types. Detailed findings are described in the *Conclusions & Recommendations* section of this report.

**General Occupancy For-Sale Housing Demand by Submarket and Price Point
2023 - 2040**

			----- Submarkets -----				
Purchase Price ¹		Pct.	Carver	Chanhassen	Chaska	Cologne	Hamburg-NYA
Detached Single-Family							
Entry-level	Less than \$350,000	25%	510	844	760	196	215
Move-up	\$450,000-\$550,000	60%	1,223	2,026	1,823	470	517
Executive	\$750,000+	15%	306	506	456	118	129
Submarket Total:		100%	2,039	3,376	3,039	784	861
			Mayer-New Germany	Victoria	Waconia	Watertown	
Entry-level			202	292	841	193	
Move-up			485	700	2,019	462	
Executive			121	175	505	116	
Submarket Total:			809	1,167	3,365	770	
Multifamily (i.e. townhomes, twin homes)							
Entry-level	Less than \$300,000	30%	68	253	228	26	172
Move-up	\$400,000-\$500,000	60%	136	506	456	52	344
Executive	\$600,000+	10%	23	84	76	9	57
Submarket Total:		100%	227	844	760	87	574
			Mayer-New Germany	Victoria	Waconia	Watertown	
Entry-level			43	117	252	99	
Move-up			86	233	505	198	
Executive			14	39	84	33	
Submarket Total:			143	389	841	330	

Note: Numbers may not add due to rounding
¹ Pricing in 2024 dollars and can be adjusted to account for inflation.

**General Occupancy Rental Housing Demand by Submarket and Product Type
2023 - 2040**

	----- Monthly Rent Range by Product Type -----				
	Market Rate		Workforce*		Affordable^
	Apartments	Townhomes	Apartments	Townhomes	Apts or Townhomes
	Recommended Rent by Unit Type	\$1,450/studio - \$2,700/3BR	\$2,400/2BR - \$3,100/3BR	\$1,200/studio - \$1,600/2BR	\$1,900/2BR - \$2,300/3BR
Submarket	----- Estimated Demand ('23 - '40) by Submarket and Product Type -----				
	Market Rate		Workforce*		Affordable^
	Apartments	Townhomes	Apartments	Townhomes	Apts or Townhomes
	Carver	144	36	59	15
Chanhassen	266	67	256	64	152
Chaska	370	92	217	54	598
Cologne	9	2	19	5	18
Hamburg-NYA	100	25	35	9	120
Mayer-NG	21	5	11	3	29
Victoria~	--	--	--	--	40
Waconia	149	37	174	44	228
Watertown	48	12	26	6	45

Pricing in 2024 dollars and can be adjusted to account for inflation.
 *Workforce housing targets households at 80% to 120% AMI
 ^Subject to income guidelines per HUD & MN Housing at 50%-60% AMI
 ~The amount of new product pending exceeds the demand potential in the Victoria Submarket

Note - The number of units by submarket and product type reflects excess demand from 2023 to 2040, not the size of a property that could be supported in a single development.

**Senior Housing Demand by Submarket and Service Level
2030**

	----- Monthly Rents/Fees by Service Level -----				
	Market Rate	Affordable^	Service-Enhanced		
	Rental Apartments	Rental Apartments	Independent Living*	Assisted Living*	Memory Care
	Recommended Rent/Fees	\$1,500/1BR - \$2,500/2BR	Moderate Income	\$2,300/studio - \$4,300/2BR	\$3,800/studio - \$5,200/2BR

	----- Estimated Demand (2030) by Submarket and Service Level -----				
	Market Rate	Affordable^	Service-Enhanced		
	Rental Apartments	Rental Apartments	Independent Living*	Assisted Living*	Memory Care
	Submarket				
Carver	81	124	52	14	24
Chanhassen	241	374	179	99	65
Chaska	112	407	122	34	41
Cologne	33	46	27	8	13
Hamburg-NYA~	26	113	48	--	10
Mayer-NG	44	76	37	13	17
Victoria	104	143	127	51	62
Waconia	90	235	73	39	32
Watertown	66	50	53	7	23

Pricing in 2024 dollars and can be adjusted to account for inflation.
 Additional demand for owned active adult units and subsidized senior housing units.
 ^Subject to income guidelines per HUD & MN Housing at 50%-60% AMI
 *Catered living recommended which allows residents to receive AL services without switching units
 ~Existing and pending AL product exceeds the demand potential in the Hamburg-NYA Submarket

Note - The number of units by submarket and service level reflects excess demand in 2030, not the size of a property that could be supported in a single development.

Purpose and Scope of Study

Maxfield Research and Consulting, LLC was engaged by the Carver County Community Development Agency (CDA) to prepare a Comprehensive Housing Needs Analysis for the County. The analysis provides recommendations on the amount and types of housing that may be developed to meet the needs of current and future households residing in the County.

The scope of this study includes an analysis of the demographic and economic characteristics of Carver County and its submarkets, a review of existing housing stock characteristics, and market analyses covering the for-sale, rental, and senior housing markets. Additionally, the study includes an assessment of housing affordability in the County and an overview of housing needs for homeless and special needs populations.

Detailed demand calculations and development concept recommendations are provided for Carver County and its submarkets. The study concludes with an evaluation of challenges and opportunities associated with housing development in the County.

Methodology

This report includes both primary and secondary research. Primary research includes personal interviews, data on existing rental properties, and information on pending developments. Secondary research, which is credited to the source when used, is always used as a basis for analysis and is carefully considered along with other factors that may impact projections. Data resources include:

- Carver County CDA and the Cities located in the County
- Phone calls and/or emails with rental property leasing agents, senior housing marketing directors, Realtors, employers, and other stakeholders.
- ESRI
- Metropolitan Council
- Minneapolis Area Association of Realtors
- Minnesota 2022 PIT Counts
- Minnesota Continuum of Care
- Minnesota Homeless Management Information System (HMIS)
- Minnesota State Demographic Center
- Minnesota Department of Employment and Economic Development (DEED)
- Rental property marketing services (i.e. CoStar, apartments.com, rentcafe')
- United States Census Bureau Decennial Census, American Community Survey, and Local Employment Dynamics
- United States Department of Housing and Urban Development (HUD)
- Wilder Research
- Zonda

Demographic Review

Introduction

Demographic characteristics and trends are important factors when evaluating housing needs in any given market. This section of the report reviews the demographic and economic characteristics of Carver County to provide insight into demand for various housing product types in the County. The following topics are evaluated.

- ▶ Population and household growth trends and projections
- ▶ Age distribution of the population
- ▶ Household income distribution by age group
- ▶ Net worth of area households
- ▶ Household tenure by income and age group
- ▶ Average household sizes
- ▶ Household types
- ▶ Race and ethnicity
- ▶ Household mobility

Data sources utilized for this analysis include the U.S Census Bureau Decennial Census and American Community Survey (“ACS”), along with ESRI, a nationally recognized demographic services firm, and the Metropolitan Council, the regional planning organization for the seven-county Metro Area.

The ACS is an ongoing statistical survey that gathers data previously contained only in the long form of the Decennial Census to provide an ongoing portrait of demographic, economic, social, and household characteristics every year, not just every ten years. Maxfield Research and Consulting, LLC utilizes five-year data estimates, which provide a larger sample size and have a longer data collection period than the one-year data estimates. At the time this analysis was prepared, the 2017-2021 ACS was the most recent five-year data available.

Submarket Definitions

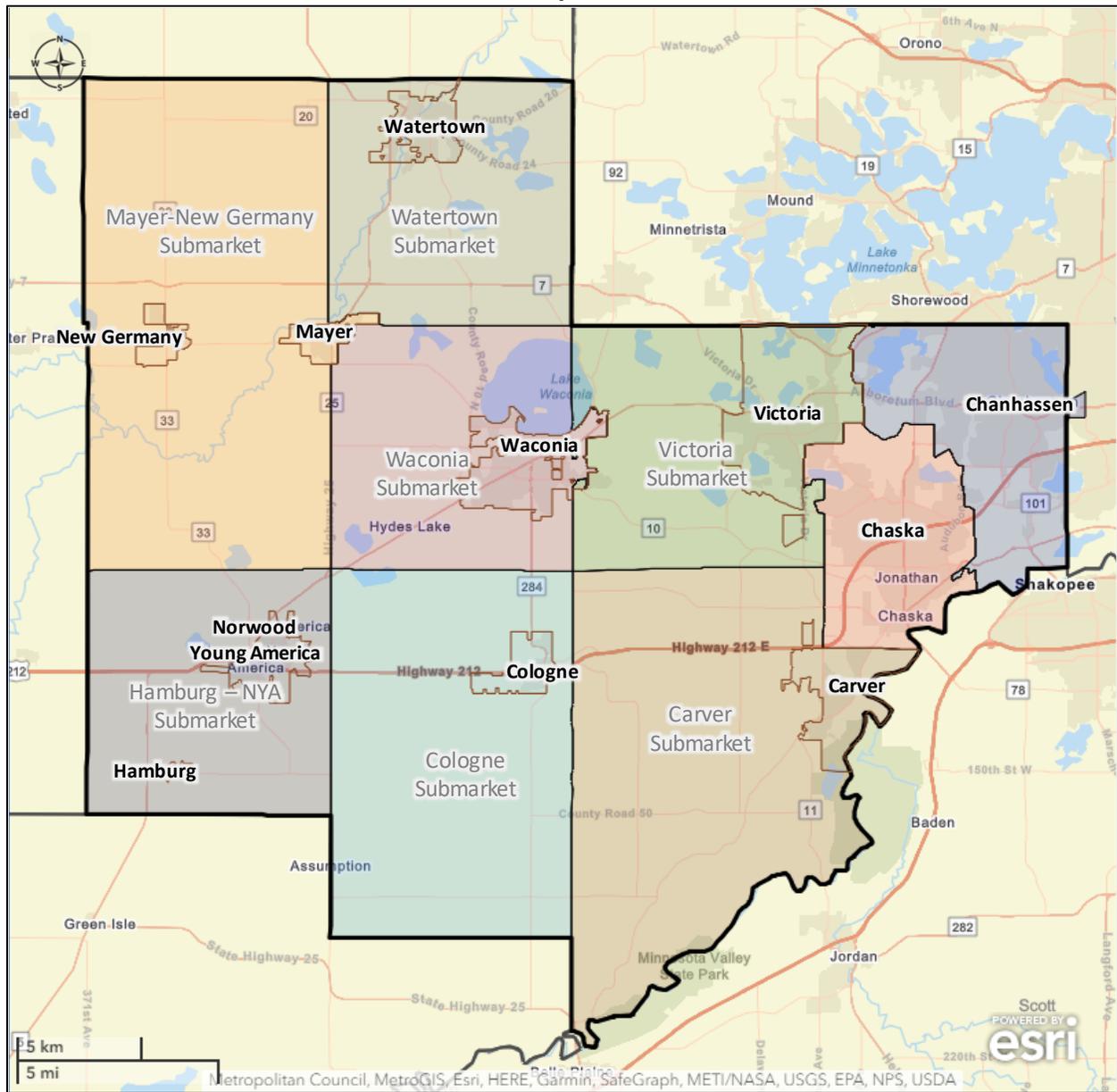
Based on a review of geographic and man-made boundaries, commuting patterns, and community orientation, Carver County was divided into nine submarkets for the purpose of this housing needs analysis. Each submarket is comprised of county subdivisions (cities and townships) as summarized below. With the exception of the portion of Chanhassen located in Hennepin County, all county subdivisions are located in Carver County, Minnesota.

- **Carver Submarket:** Carver city, Dahlgren township, San Francisco township
- **Chanhassen Submarket:** Chanhassen city (Carver County), Chanhassen city (Hennepin County)
- **Chaska Submarket:** Chaska city
- **Cologne Submarket:** Cologne city, Benton township, Hancock township
- **Hamburg – Norwood Young America Submarket:** Hamburg city, Norwood Young America city, Young America township
- **Mayer – New Germany Submarket:** Mayer city, New Germany city, Camden township, Hollywood township
- **Victoria Submarket:** Victoria city, Laketown township
- **Waconia Submarket:** Waconia city, Waconia township
- **Watertown Submarket:** Watertown city, Watertown township

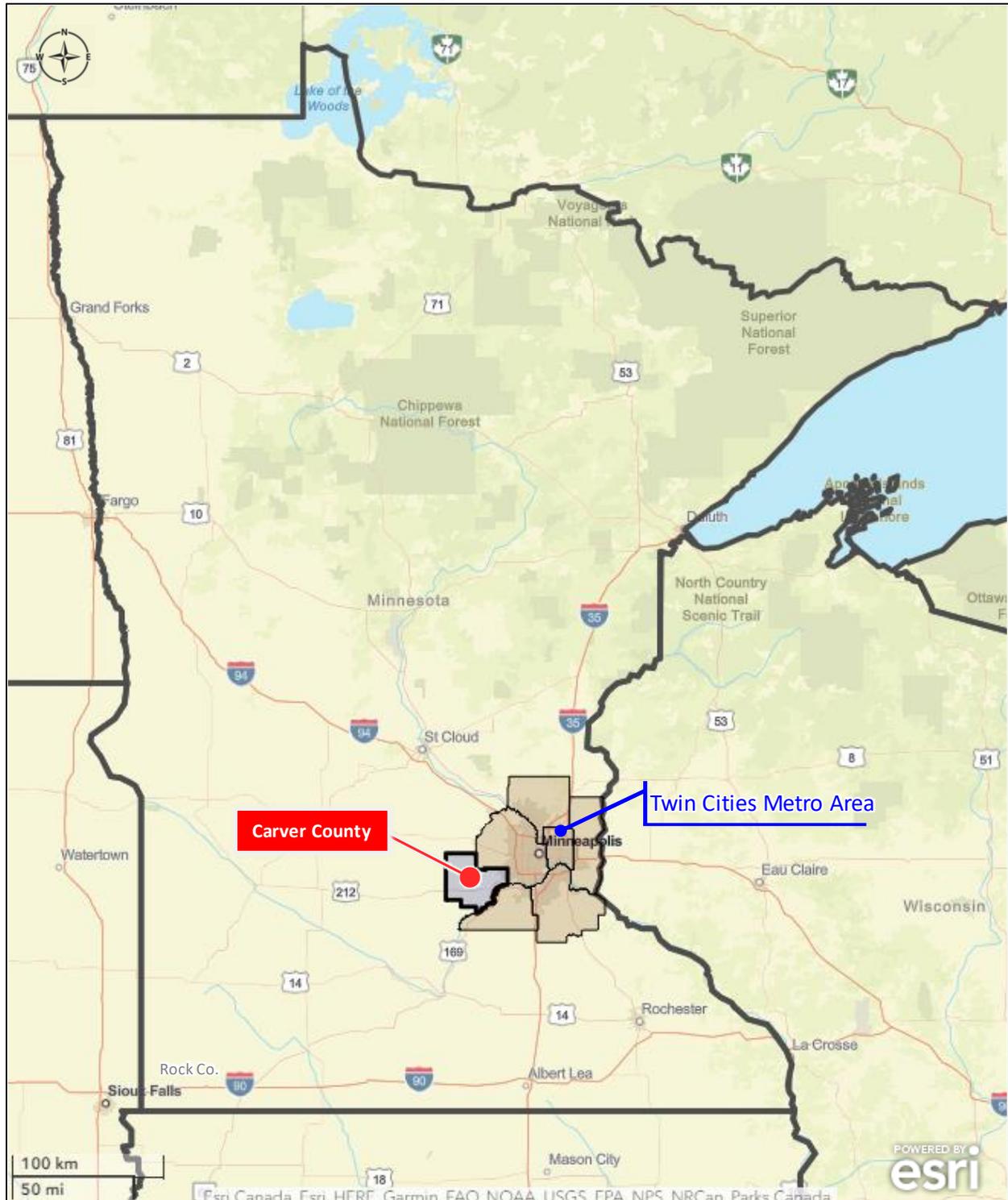
Housing demand in the County will be generated by household growth and turnover of existing households in these submarkets. A portion of the housing demand, however, will be generated from outside the area, so demographic and economic comparisons are made to the seven-county Twin Cities Metro Area which includes Carver County, as well as the Counties of Anoka, Dakota, Hennepin, Ramsey, Scott, and Washington.

The following maps illustrate the various submarket boundaries for each community as well as the location of Carver County in the Twin Cities Metro Area.

Carver County Submarkets



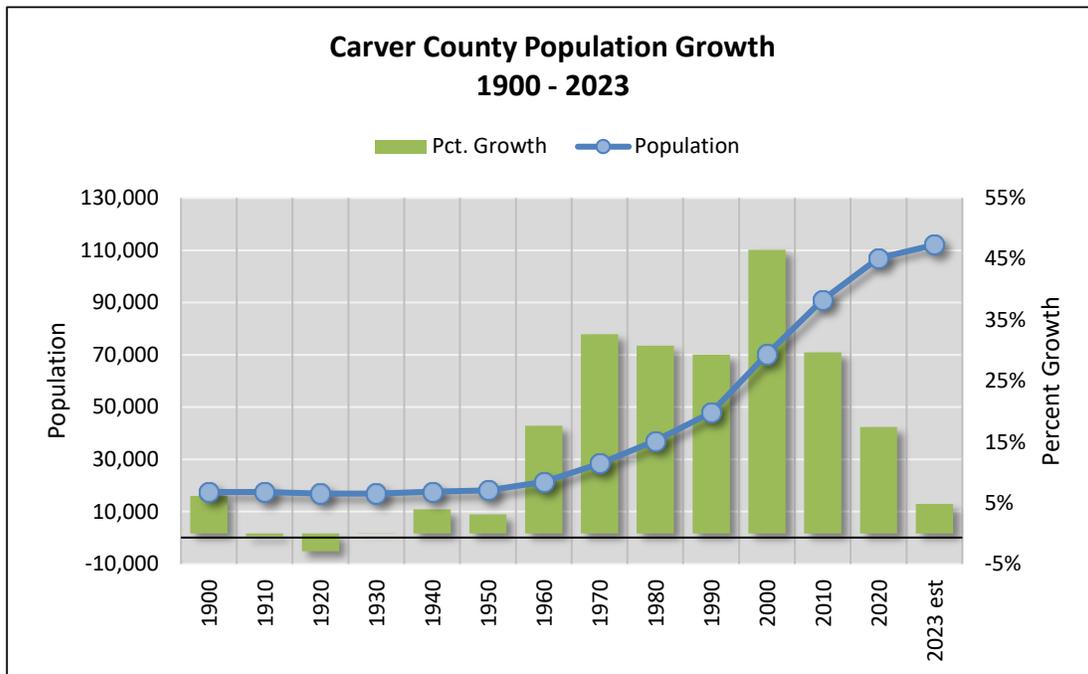
Regional Location



Population and Household Growth Trends

The tables on the following pages present population and household growth trends in the Market Area from 2010 to 2040. The 2010 and 2020 figures are from the U.S. Census. The 2023 household estimates are based on Metropolitan Council growth rate estimates for 2021 and 2022 along with a review of building permit data, while population estimates for 2023 are based on average household size data. The population and household forecasts for 2028, 2030, and 2040 were determined by applying the Metropolitan Council’s growth rate projections to the 2020 Census numbers with adjustments made by Maxfield Research to reflect factors such as community orientation and development patterns.

- The following graph depicts historical population growth trends in Carver County from 1900 to 2023.



- As shown, the County’s population held fairly steady from 1900 to 1950, then began to experience strong growth, starting in the 1950s. The most rapid population growth in Carver County occurred in the 1990s, as the population jumped 47% during the decade from 47,915 in 1990 to 70,205 in 2000.
- The pace of population growth in the County is slowing, achieving 30% growth between 2000 and 2010 and 17% growth from 2010 to 2020. As of the 2020 Census, the County had a population of 106,922.
- The County’s population and household base increased an estimated 6% between 2020 and 2023 to 113,538 people and 41,183 households.

TABLE 1

POPULATION GROWTH TRENDS AND PROJECTIONS
CARVER COUNTY MARKET AREA
2010 - 2040

Submarket/City	Census						Estimate		Forecast			Change								
	2010		2020		2023		2028		2030		2040		2010-2020		2020-2023		2023-2030		2030-2040	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Carver	5,887	7,554	9,445	10,277	10,610	14,100	1,667	28.3%	1,891	25.0%	1,165	12.3%	3,490	32.9%						
Carver	3,724	5,241	7,188	8,174	8,569	12,211	1,517	40.7%	1,947	37.1%	1,381	19.2%	3,642	42.5%						
Remainder	2,163	2,313	2,257	2,103	2,042	1,889	150	6.9%	-56	-2.4%	-215	-9.5%	-152	-7.5%						
Chanhassen	22,952	25,947	26,340	29,530	30,806	36,054	2,995	13.0%	393	1.5%	4,466	17.0%	5,248	17.0%						
Chaska	23,770	27,810	28,703	31,657	32,838	37,559	4,040	17.0%	893	3.2%	4,136	14.4%	4,721	14.4%						
Cologne	2,650	3,136	3,176	3,738	3,962	4,630	486	18.3%	40	1.3%	786	24.7%	668	16.8%						
Cologne	1,519	2,047	2,103	2,648	2,866	3,525	528	34.8%	56	2.7%	763	36.3%	659	23.0%						
Remainder	1,131	1,089	1,074	1,090	1,097	1,105	-42	-3.7%	-15	-1.4%	23	2.1%	8	0.8%						
Hamburg-NYA	4,777	5,112	5,452	6,812	7,356	8,790	335	7.0%	340	6.6%	1,904	34.9%	1,434	19.5%						
Hamburg	513	566	582	602	610	650	53	10.3%	16	2.7%	29	4.9%	40	6.5%						
Norwood Young Am.	3,549	3,863	4,159	5,526	6,073	7,457	314	8.8%	296	7.7%	1,913	46.0%	1,385	22.8%						
Remainder	715	683	711	684	673	683	-32	-4.5%	28	4.1%	-38	-5.4%	10	1.5%						
Mayer-New Germany	4,084	4,899	5,160	5,512	5,652	6,298	815	20.0%	261	5.3%	492	9.5%	646	11.4%						
Mayer	1,749	2,453	2,625	2,883	2,986	3,496	704	40.3%	172	7.0%	362	13.8%	510	17.1%						
New Germany	372	464	487	584	622	738	92	24.7%	23	5.0%	135	27.7%	116	18.6%						
Remainder	1,963	1,982	2,049	2,045	2,044	2,064	19	1.0%	-4	-0.2%	-5	-0.2%	21	1.0%						
Victoria	9,588	12,512	13,871	14,234	14,380	17,150	2,924	30.5%	1,359	10.9%	509	3.7%	2,770	19.3%						
Victoria	7,345	10,546	11,892	13,040	13,500	16,875	3,201	43.6%	1,346	12.8%	1,608	13.5%	3,375	25.0%						
Remainder	2,243	1,966	1,979	1,194	880	275	-277	-12.3%	13	0.7%	-1,099	-55.5%	-605	-68.7%						
Waconia	11,925	14,101	15,147	18,659	20,064	23,886	2,176	18.2%	1,046	7.4%	4,917	32.5%	3,822	19.0%						
Waconia	10,697	13,033	14,088	17,530	18,907	22,688	2,336	21.8%	1,055	8.1%	4,819	34.2%	3,781	20.0%						
Remainder	1,228	1,068	1,059	1,129	1,157	1,197	-160	-13.0%	-9	-0.8%	98	9.2%	40	3.5%						
Watertown	5,409	5,847	6,245	6,814	7,042	7,972	438	8.1%	398	6.8%	797	12.8%	930	13.2%						
Watertown	4,205	4,659	5,031	5,648	5,895	6,846	454	10.8%	372	8.0%	864	17.2%	951	16.1%						
Remainder	1,204	1,188	1,213	1,166	1,147	1,127	-16	-1.3%	25	2.1%	-66	-5.5%	-20	-1.8%						
Carver County	91,042	106,922	113,538	127,233	132,710	156,439	15,880	17.4%	6,616	6.2%	19,172	16.9%	23,729	17.9%						
Twin Cities^	2,849,567	3,163,104	3,226,140	3,382,619	3,451,000	3,653,000	313,537	11.0%	63,036	2.0%	224,860	7.0%	202,000	5.9%						

^Seven-county Metro Area (Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington Counties)

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

TABLE 2

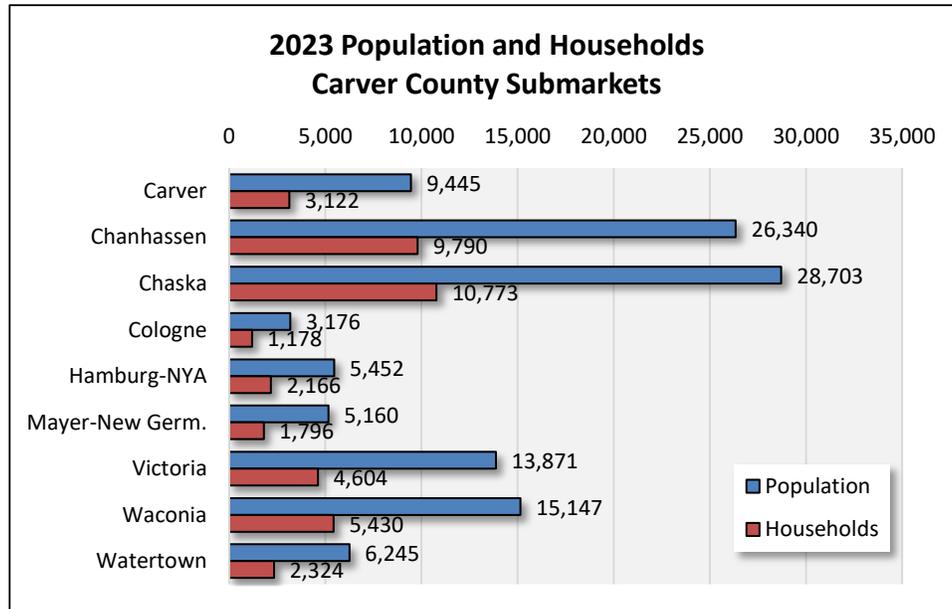
HOUSEHOLD GROWTH TRENDS AND PROJECTIONS
CARVER COUNTY MARKET AREA
2010 - 2040

Submarket/City	Census						Change							
	Census		Estimate	Forecast			2010-2020		2020-2023		2023-2030		2030-2040	
	2010	2020	2023	2028	2030	2040	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Carver	1,983	2,497	3,122	3,467	3,605	4,891	514	25.9%	625	25.0%	483	15.5%	1,286	35.7%
Carver	1,182	1,669	2,289	2,695	2,858	4,181	487	41.2%	620	37.1%	569	24.8%	1,323	46.3%
Remainder	801	828	833	772	747	710	27	3.4%	5	0.6%	-86	-10.3%	-37	-4.9%
Chanhassen	8,352	9,644	9,790	10,995	11,476	13,502	1,292	15.5%	146	1.5%	1,686	17.2%	2,025	17.6%
Chaska	8,816	10,438	10,773	11,896	12,345	14,252	1,622	18.4%	335	3.2%	1,572	14.6%	1,907	15.4%
Cologne	963	1,163	1,178	1,423	1,521	1,817	200	20.8%	15	1.3%	343	29.1%	296	19.5%
Cologne	539	734	754	982	1,073	1,361	195	36.2%	20	2.7%	319	42.4%	287	26.8%
Remainder	424	429	424	441	447	457	5	1.2%	-5	-1.2%	23	5.5%	9	2.1%
Hamburg-NYA	1,856	2,031	2,166	2,750	2,984	3,605	175	9.4%	135	6.6%	818	37.8%	621	20.8%
Hamburg	201	219	225	236	240	254	18	9.0%	6	2.7%	15	6.6%	15	6.1%
Norwood Young Am.	1,389	1,551	1,670	2,244	2,473	3,060	162	11.7%	119	7.7%	803	48.1%	587	23.7%
Remainder	266	261	271	271	271	290	-5	-1.9%	10	3.8%	0	-0.1%	19	7.1%
Mayer-New Germany	1,451	1,705	1,796	2,001	2,083	2,403	254	17.5%	91	5.3%	287	16.0%	320	15.4%
Mayer	589	800	856	991	1,045	1,280	211	35.8%	56	7.0%	189	22.1%	235	22.4%
New Germany	146	180	189	237	256	313	34	23.3%	9	5.0%	67	35.3%	57	22.2%
Remainder	716	725	751	773	782	810	9	1.3%	22	3.0%	31	4.1%	28	3.6%
Victoria	3,095	4,153	4,604	4,884	4,996	6,057	1,058	34.2%	451	10.9%	392	8.5%	1,061	21.2%
Victoria	2,435	3,542	3,994	4,495	4,696	5,988	1,107	45.5%	452	12.8%	702	17.6%	1,292	27.5%
Remainder	660	611	610	388	300	69	-49	-7.4%	-1	-0.2%	-310	-50.9%	-231	-76.9%
Waconia	4,343	5,055	5,430	6,805	7,355	8,923	712	16.4%	375	7.4%	1,925	35.4%	1,568	21.3%
Waconia	3,909	4,659	5,036	6,369	6,902	8,438	750	19.2%	377	8.1%	1,866	37.1%	1,535	22.2%
Remainder	434	396	394	436	453	485	-38	-8.8%	-2	-0.5%	59	14.9%	32	7.1%
Watertown	2,032	2,176	2,324	2,612	2,727	3,088	144	7.1%	148	6.8%	403	17.3%	361	13.2%
Watertown	1,564	1,714	1,851	2,140	2,255	2,616	150	9.6%	137	8.0%	404	21.8%	361	16.0%
Remainder	468	462	473	472	471	471	-6	-1.3%	11	2.4%	-2	-0.3%	0	0.0%
Carver County	32,891	38,863	41,183	46,832	49,091	58,536	5,972	18.2%	2,320	6.0%	7,908	19.2%	9,445	19.2%
Twin Cities^	1,117,749	1,239,526	1,266,716	1,325,439	1,351,000	1,447,000	121,777	10.9%	27,190	2.2%	84,284	6.7%	96,000	7.1%

^Seven-county Metro Area (Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington Counties)

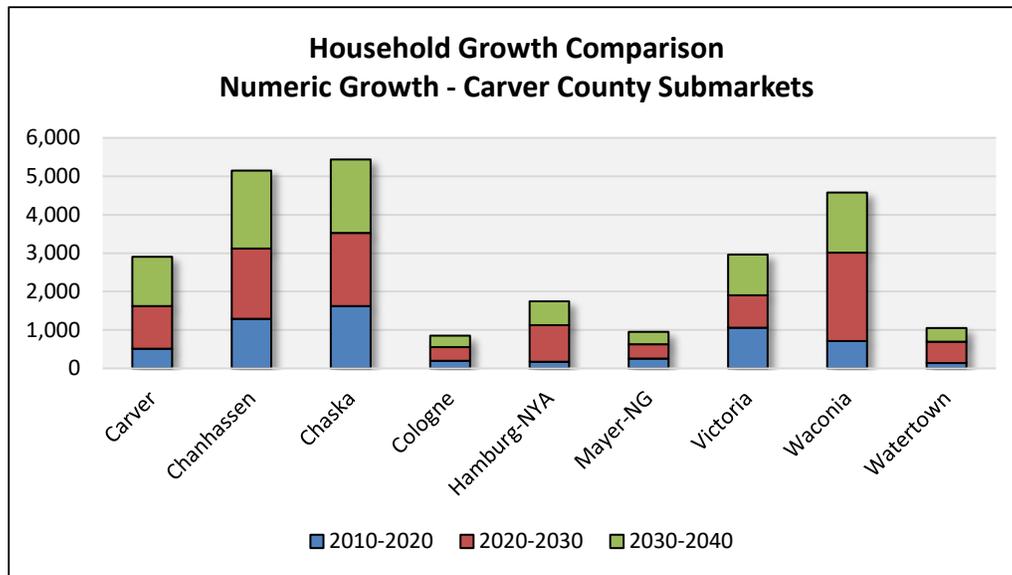
Sources: US Census Bureau; ESRI; Metropolitan Council; Maxfield Research & Consulting, LLC

- As depicted in the following graph, with 28,703 people and 10,773 households, Chaska is the largest submarket in the County, followed by Chanhassen (26,340 people, 9,790 households), and Waconia (15,147 people, 5,430 households).

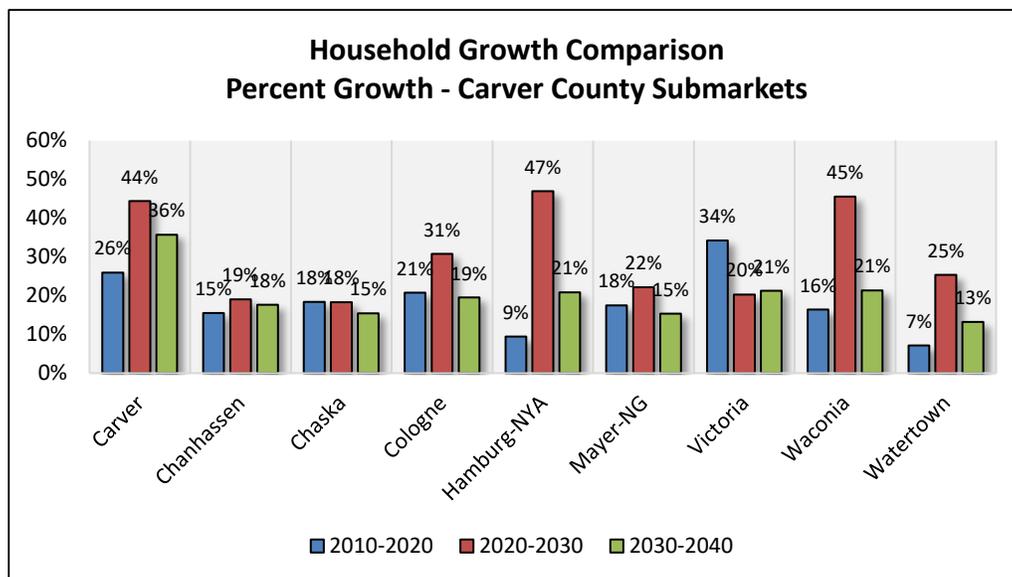


- Between 2010 and 2023, Carver County experienced an estimated 25% population growth, adding 22,496 people, compared to 13% growth in the Metro Area.
 - The largest population growth in the County occurred in the Chaska and Victoria Submarkets, adding 4,933 people (21% growth) and 4,283 people (45%), respectively.
 - On a percentage basis, the Carver Submarket experienced the most rapid population growth, expanding 60% with the addition of 3,558 people.
 - Population growth occurred among all the submarkets, but growth was generally strongest in the communities located along the major transportation corridors (i.e. Highways 5 and 212) in the eastern portion of the County.
- Carver County is projected to add another 19,172 people (17% growth) and 7,908 households (19% growth) between 2023 and 2030, outpacing Metro Area growth (7% population and household growth).
- We anticipate that Carver County will contain 156,439 people and 58,536 households by 2040, adding 23,729 people (18% growth) and 9,445 households (19% growth) between 2030 and 2040.
- The following charts depict household growth trends and projections for each of the submarkets in Carver County, including numeric growth and percent growth.

- The Chaska Submarket is projected to experience the largest increase in households between 2010 and 2040 (5,436), followed by the Chanhassen (5,150) and Waconia (4,580) Submarkets.



- On a percentage basis, household growth is projected to be strongest in the Carver (147% growth), Waconia (105% growth), and Victoria (96%) Submarkets from 2010 to 2040.



- Achieving the projected population and household growth in Carver County will be highly dependent on the availability of suitable housing options in the area catering to a variety of household types, age groups, and income levels.

Population Age Distribution

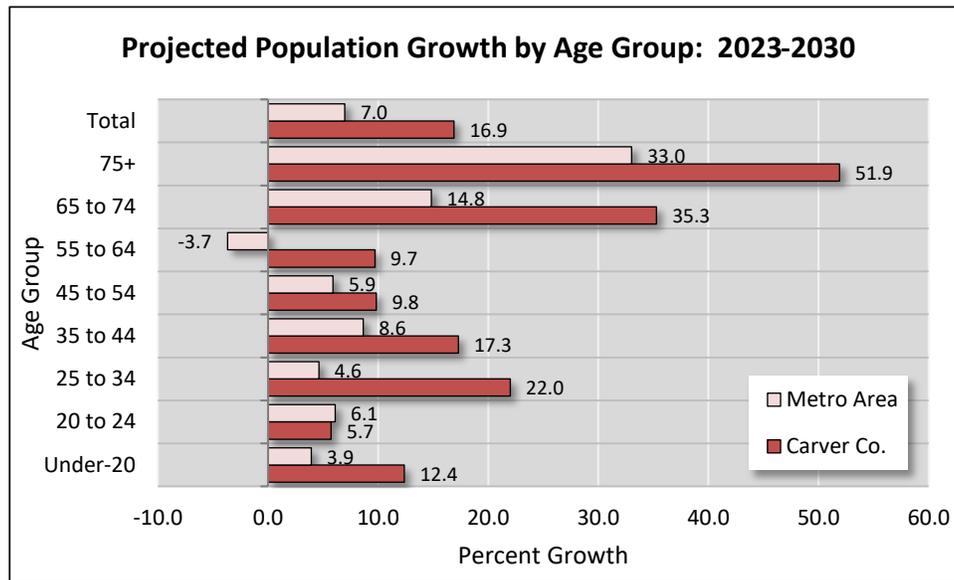
The population age distribution of a community helps evaluate the type(s) of housing needed. For example, younger and older people are generally drawn to higher density housing near urban services and entertainment while middle-aged people (particularly those with children) traditionally prefer lower-density single-family homes. The following tables present the age distribution of the population in Carver County, its submarkets, and the Metro Area. Information from 2010 and 2020 is sourced from the U.S. Census. The 2023 estimates and projections for 2030 were provided by ESRI, with adjustments made by Maxfield Research to reflect current estimates and projections. The 2040 projections for the County and Metro Area are based on data provided by the Minnesota State Demographic Center, adjusted by Maxfield Research to reflect current projections.

TABLE 3
POPULATION AGE DISTRIBUTION
CARVER COUNTY MARKET AREA
2010 - 2040

Age	Census		Estimate	Projection		Change				
	2010	2020	2023	2030	2040	2010-2023		2023-2030		
						No.	Pct.	No.	Pct.	
Carver County										
Under-20	29,167	31,767	32,266	36,256	40,626	3,099	10.6	3,990	12.4	
20 to 24	3,931	5,156	5,965	6,306	7,479	2,033	51.7	342	5.7	
25 to 34	10,828	10,972	13,988	17,064	15,406	3,160	29.2	3,076	22.0	
35 to 44	14,440	15,423	16,495	19,346	22,221	2,054	14.2	2,851	17.3	
45 to 54	15,858	15,027	15,352	16,862	21,097	-505	-3.2	1,509	9.8	
55 to 64	9,110	14,923	15,037	16,496	17,780	5,927	65.1	1,458	9.7	
65 to 74	4,160	8,415	9,307	12,591	14,391	5,147	123.7	3,284	35.3	
75+	3,547	5,239	5,128	7,789	17,438	1,581	44.6	2,661	51.9	
Total	91,042	106,922	113,538	132,710	156,439	22,496	24.7	19,172	16.9	
Twin Cities Metro Area										
Under-20	774,287	807,779	799,205	830,570	891,592	24,918	3.2	31,365	3.9	
20 to 24	190,135	204,449	205,697	218,227	209,809	15,562	8.2	12,530	6.1	
25 to 34	420,311	461,051	450,957	471,765	515,369	30,646	7.3	20,808	4.6	
35 to 44	391,324	433,219	452,724	491,797	493,552	61,400	15.7	39,073	8.6	
45 to 54	440,753	383,582	390,974	413,995	485,570	-49,779	-11.3	23,021	5.9	
55 to 64	326,007	407,529	413,265	398,124	410,753	87,258	26.8	-15,141	-3.7	
65 to 74	163,425	280,321	309,379	355,226	301,422	145,954	89.3	45,847	14.8	
75+	143,325	185,209	203,939	271,297	344,933	60,614	42.3	67,358	33.0	
Total	2,849,567	3,163,140	3,226,140	3,451,000	3,653,000	376,573	13.2	224,860	7.0	
Sources: US Census; ESRI; Met. Council; MN State Demographic Ctr.; Maxfield Research & Consulting, LLC										

- Generation Z (under age 22) represents the largest share of the population in Carver County (31% of the total population), followed by Millennials (age 23 to 40) at 24% of the population. Generation X (age 41 to 56) represents 22% of the population, while Baby Boomers (age 57 to 74) represent 19% of the population. The Silent Generation (age 75+) represents 5% of the County’s population.

- In 2023, the largest adult cohort by age in Carver County is 35 to 44 with 16,495 people (14.5% of the population), followed by the 45 to 54 age group with 15,352 people (13.5%). By comparison, age 35 to 44 is the largest cohort in the Metro Area (14.0%), followed closely by the 25 to 34 age group (14.0%).
- The 35 to 44 age group is projected to remain the most populous age cohort in Carver County in 2030 (14.6% of the population) and in 2040 (14.2%). In the Metro Area, age 35 to 44 is expected to be the largest cohort in 2030 (14.3%), while the 25 to 34 age group becomes the largest cohort in 2040 (14.1%).



- Strong growth is expected to occur among older adults in the Market Area, as aging of baby boomers led to substantial increases in the 65 to 74 population between 2010 and 2023.
 - Between 2023 and 2030, the 75 and older age group is projected to experience the fastest growth, increasing 52% (2,661 people) in Carver County and 33% in the Metro Area.
 - The 65 to 74 age group is projected to increase 35% in Carver County (3,284 people) and 15% in the Metro Area between 2023 and 2030.
- Growth is projected among all age groups in Carver County between 2023 and 2030, including 22% growth in 25 to 34 age group (3,076 people) and 17% growth in the 35 to 44 age group (2,851 people).
- Modest growth is projected in the middle-aged cohorts in the County, a result of the comparatively small number of people who will move into these age groups by 2030 due to the “baby bust” (a reference to the generation of children born between 1965 and 1980, an era when the United States’ birthrate dropped sharply).

TABLE 4
POPULATION AGE DISTRIBUTION
CARVER COUNTY SUBMARKETS
2010 - 2030

Age					Change			
	Census		Estimate	Projection	2010-2023		2023-2030	
	2010	2020	2023	2030	No.	Pct.	No.	Pct.
Carver Submarket								
Under-20	1,934	2,442	2,840	3,018	906	46.9	178	6.3
20 to 24	266	357	457	522	191	71.6	66	14.4
25 to 34	730	704	1,044	1,107	314	43.0	63	6.0
35 to 44	1,024	1,190	1,322	1,453	297	29.0	131	9.9
45 to 54	1,010	1,106	1,389	1,539	378	37.4	150	10.8
55 to 64	523	1,000	1,264	1,371	741	141.6	107	8.5
65 to 74	253	526	754	1,037	501	197.9	283	37.5
75+	146	229	376	562	230	157.4	186	49.5
Total	5,887	7,554	9,445	10,610	3,558	60.4	1,165	12.3
Chanhasen Submarket								
Under-20	7,415	7,361	6,667	7,233	-748	-10.1	566	8.5
20 to 24	784	1,211	1,422	1,348	637	81.3	-73	-5.2
25 to 34	2,113	2,256	3,125	3,778	1,012	47.9	653	20.9
35 to 44	3,478	3,593	3,478	4,443	0	0.0	965	27.8
45 to 54	4,829	3,868	3,612	3,831	-1,217	-25.2	219	6.1
55 to 64	2,568	4,202	4,393	4,557	1,825	71.1	164	3.7
65 to 74	1,000	2,171	2,475	3,688	1,475	147.5	1,213	49.0
75+	765	1,285	1,168	1,928	403	52.6	760	65.1
Total	22,952	25,947	26,340	30,806	3,388	14.8	4,466	17.0
Chaska Submarket								
Under-20	7,631	8,175	8,246	9,174	615	8.1	928	11.3
20 to 24	1,128	1,411	1,676	1,764	548	48.6	88	5.3
25 to 34	3,548	3,388	4,343	5,259	796	22.4	916	21.1
35 to 44	3,765	4,243	4,489	5,048	723	19.2	559	12.5
45 to 54	3,902	3,650	3,568	3,911	-334	-8.6	343	9.6
55 to 64	2,230	3,692	3,408	3,654	1,177	52.8	246	7.2
65 to 74	862	2,069	1,984	2,569	1,122	130.3	585	29.5
75+	704	1,182	990	1,459	285	40.5	470	47.5
Total	23,770	27,810	28,703	32,838	4,933	20.8	4,135	14.4
Cologne Submarket								
Under-20	792	895	927	1,148	135	17.1	221	23.8
20 to 24	118	116	147	222	30	25.0	74	50.4
25 to 34	379	399	338	418	-42	-11.0	80	23.7
35 to 44	434	448	487	533	53	12.1	46	9.4
45 to 54	387	423	449	540	62	15.9	91	20.2
55 to 64	291	417	389	484	98	33.8	96	24.6
65 to 74	150	285	291	382	141	94.1	92	31.5
75+	99	153	148	235	49	50.1	87	58.7
Total	2,650	3,136	3,176	3,962	526	19.8	786	24.7

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TABLE continued

POPULATION AGE DISTRIBUTION CARVER COUNTY SUBMARKETS 2010 - 2030								
Age	Census		Estimate	Projection	Change			
	2010	2020	2023	2030	2010-2023		2023-2030	
					No.	Pct.	No.	Pct.
Hamburg-Norwood Young America Submarket								
Under-20	1,335	1,332	1,403	1,970	68	5.1	567	40.4
20 to 24	252	255	273	335	21	8.3	62	22.5
25 to 34	655	600	721	942	66	10.1	222	30.8
35 to 44	639	716	785	1,089	146	22.9	305	38.8
45 to 54	777	591	638	843	-139	-17.9	205	32.2
55 to 64	549	715	754	847	205	37.3	93	12.3
65 to 74	271	514	552	776	280	103.3	224	40.7
75+	299	389	327	553	27	9.2	226	69.3
Total	4,777	5,112	5,452	7,356	675	14.1	1,904	34.9
Mayer-New Germany Submarket								
Under-20	1,231	1,524	1,569	1,695	338	27.5	126	8.0
20 to 24	154	183	212	237	57	37.3	26	12.2
25 to 34	621	664	578	597	-44	-7.0	19	3.3
35 to 44	574	724	889	826	315	55.0	-63	-7.0
45 to 54	659	582	605	760	-55	-8.3	156	25.8
55 to 64	445	643	638	647	193	43.4	9	1.5
65 to 74	254	370	427	540	174	68.5	112	26.3
75+	146	209	243	349	96	65.9	106	43.7
Total	4,084	4,899	5,160	5,652	1,076	26.3	492	9.5
Victoria Submarket								
Under-20	3,255	3,932	4,201	4,079	946	29.1	-122	-2.9
20 to 24	574	731	676	623	101	17.7	-53	-7.9
25 to 34	628	951	1,364	1,397	736	117.2	33	2.4
35 to 44	1,634	1,702	1,892	2,159	258	15.8	266	14.1
45 to 54	1,678	1,967	2,069	1,914	391	23.3	-155	-7.5
55 to 64	1,005	1,748	1,783	1,833	778	77.4	50	2.8
65 to 74	493	941	1,220	1,409	726	147.3	190	15.6
75+	320	540	666	966	346	108.2	300	45.1
Total	9,588	12,512	13,871	14,380	4,283	44.7	509	3.7
Waconia Submarket								
Under-20	3,958	4,450	4,787	6,101	829	20.9	1,313	27.4
20 to 24	408	596	758	922	350	85.6	164	21.6
25 to 34	1,408	1,317	1,659	2,730	251	17.8	1,071	64.5
35 to 44	2,052	2,051	2,278	2,801	226	11.0	523	23.0
45 to 54	1,790	2,075	2,198	2,557	408	22.8	359	16.3
55 to 64	928	1,639	1,582	2,225	654	70.5	643	40.6
65 to 74	606	998	1,004	1,456	399	65.8	452	45.0
75+	774	975	879	1,272	105	13.6	392	44.6
Total	11,925	14,101	15,147	20,064	3,222	27.0	4,917	32.5

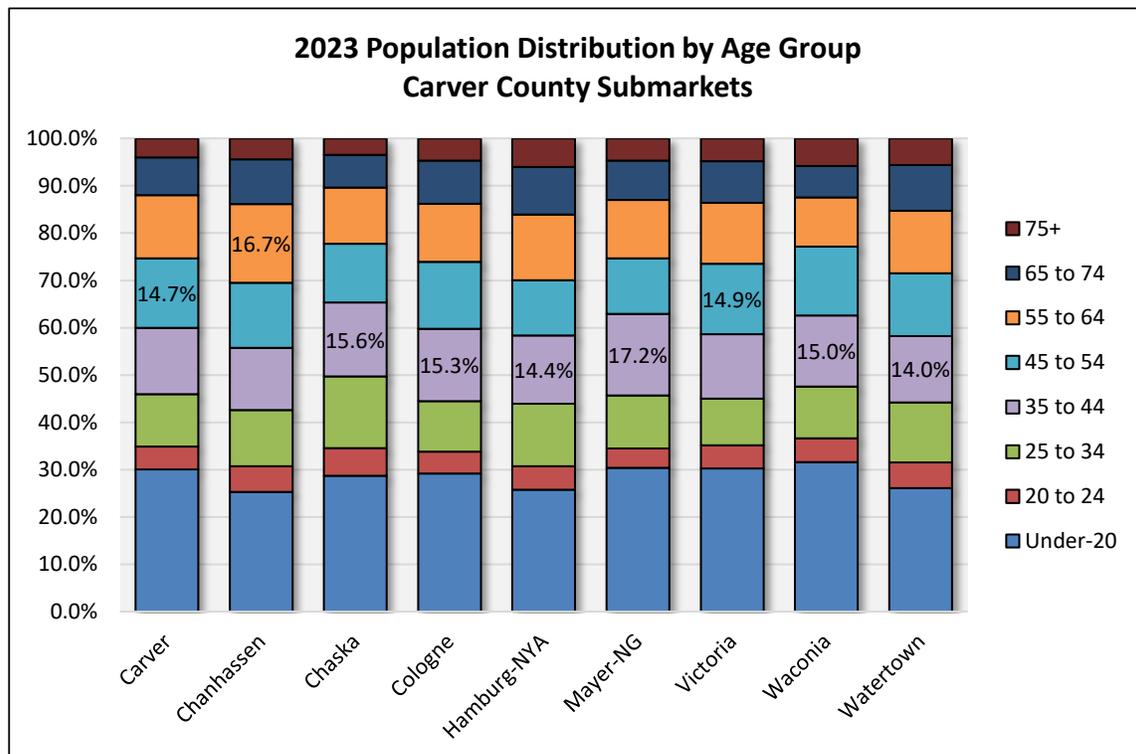
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TABLE continued
 POPULATION AGE DISTRIBUTION
 CARVER COUNTY SUBMARKETS
 2010 - 2030

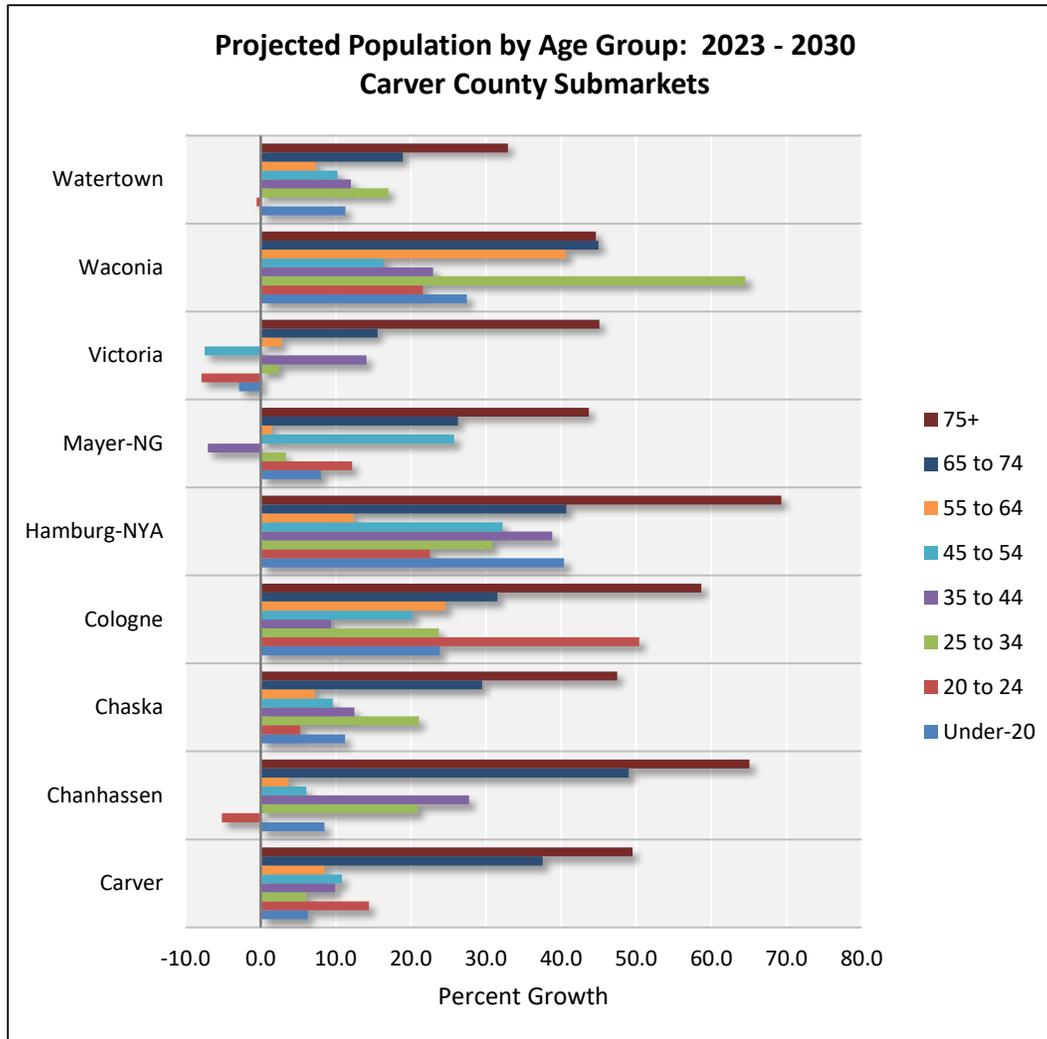
Age	Census		Estimate	Projection	Change			
	2010	2020	2023	2030	2010-2023		2023-2030	
					No.	Pct.	No.	Pct.
Watertown Submarket								
Under-20	1,620	1,652	1,631	1,815	11	0.7	184	11.3
20 to 24	259	296	338	336	78	30.2	-2	-0.6
25 to 34	712	693	794	929	82	11.5	135	17.0
35 to 44	842	756	874	979	32	3.8	105	12.0
45 to 54	834	765	831	916	-3	-0.3	85	10.2
55 to 64	583	867	823	883	240	41.1	60	7.3
65 to 74	270	541	604	719	335	124.2	114	18.9
75+	289	277	350	466	61	21.2	115	32.9
Total	5,409	5,847	6,245	7,042	836	15.5	797	12.8

Sources: U.S. Census; ESRI; Metropolitan Council; Maxfield Research & Consulting, LLC

- As illustrated in the following chart, age 35 to 44 is largest adult cohort in the Chaska, Cologne, Hamburg-Norwood Young America, Mayer-New Germany, Waconia, and Watertown Submarkets. Age 45 to 54 is the largest age group in the Carver and Victoria Submarkets, while the 55 to 64 age group is the largest cohort in the Chanhassen Submarket.



- The following graph illustrates projected population group by age group for each of the Carver County submarkets from 2023 to 2030. As shown, solid growth is expected to occur among multiple age groups across all of the submarkets.

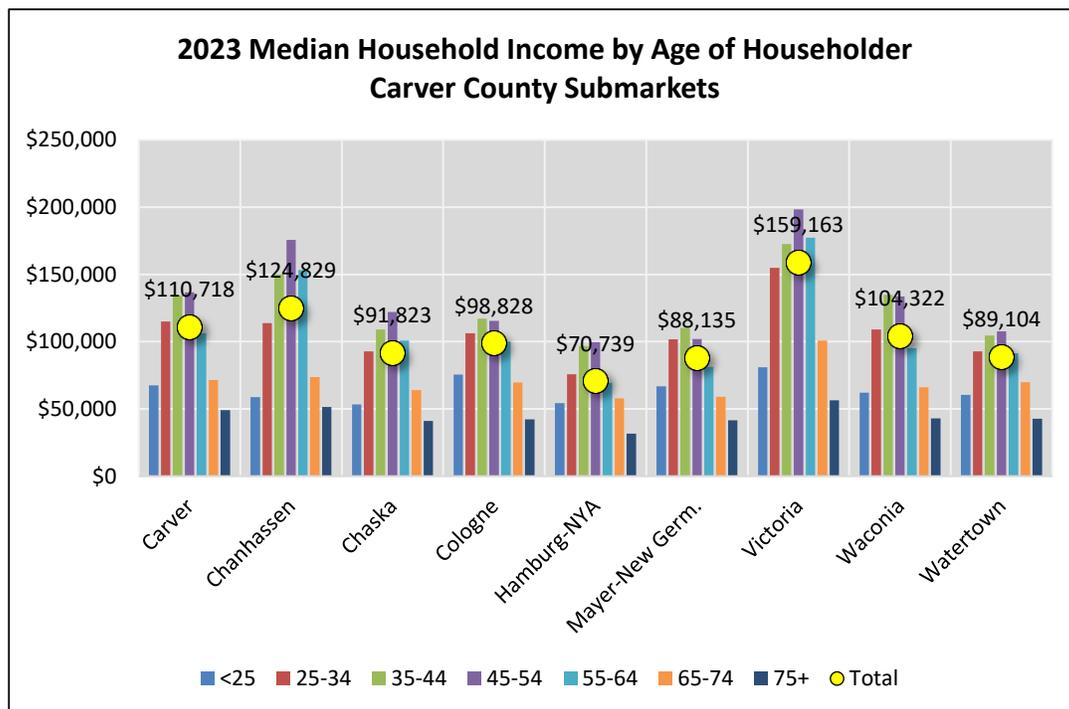


- Based on age distribution projections for the County, demand growth is expected to be strongest for housing units catering to the senior population, rental housing and entry-level ownership housing, and move-up ownership housing. Typical housing products sought by households in various age groups include:
 - Rental housing targeting the young adult (20 to 24 and 25 to 34) age groups
 - Maintenance-free, single-level housing (ownership or rental) targeting the empty nester population (55 to 74 age group)
 - Entry-level ownership housing for first-time home buyers (age 25 to 34)
 - Move-up ownership housing for family households (age 35 to 54), and,
 - Age-restricted active adult or service-enhanced (i.e. assisted living) housing for seniors.

Household Income

Household income data helps ascertain the demand for different types of housing based on the size of the market at specific cost levels. In general, housing costs of up to 30% of income are considered affordable by the U.S. Department of Housing and Urban Development (HUD). The tables on the following pages present data on household income by age of householder for Carver County and its submarkets in 2023 and 2030. The data is estimated by ESRI with adjustments made by Maxfield Research to reflect the household estimates and projections.

- In 2023, Carver County’s median household income is at \$106,058, 18% higher than \$89,780 in the Metro Area.
- Within the County, median household incomes are estimated to be highest in the Victoria (\$159,163), Chanhassen (\$124,829), and Carver (\$110,718) submarkets and lowest in the Hamburg-Norwood Young America (\$70,739) and Mayer-New Germany (\$88,135) submarkets.
- As households age through the lifecycle, incomes tend to peak in their 40s to early 50s. As illustrated in the following chart, this trend is evident throughout Carver County as the age 35 to 44 and 45 to 54 cohorts generally have the highest estimated incomes.



- By 2030, the median household income in Carver County is projected to increase 19.6% to \$126,894. The average annual increase (2.8%) will exceed the historical annual inflation rate of 2.5% over the past ten years.

TABLE 5
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
CARVER COUNTY
2023 & 2030

	Age of Householder							
	Total	<25	25-34	35-44	45-54	55-64	65 -74	75+
2023								
Less than \$15,000	811	49	98	94	82	178	143	167
\$15,000 to \$24,999	1,755	100	212	186	165	379	319	394
\$25,000 to \$34,999	2,512	98	342	271	295	440	432	634
\$35,000 to \$49,999	2,682	125	405	382	304	461	433	572
\$50,000 to \$74,999	6,647	233	963	1,048	851	1,195	1,617	741
\$75,000 to \$99,999	4,849	159	908	1,064	789	930	730	270
\$100,000 to \$199,999	14,569	177	2,454	3,589	3,560	3,112	1,284	393
\$200,000 or more	7,358	25	847	1,842	2,245	1,803	482	113
Total	41,183	966	6,228	8,475	8,291	8,498	5,441	3,284
Median Income	\$106,058	\$59,221	\$104,762	\$126,025	\$144,890	\$116,094	\$69,953	\$45,780
2030								
Less than \$15,000	816	57	97	82	74	139	134	233
\$15,000 to \$24,999	1,425	77	168	114	109	261	285	410
\$25,000 to \$34,999	2,431	92	312	202	206	352	446	820
\$35,000 to \$49,999	2,633	119	385	325	240	368	435	760
\$50,000 to \$74,999	7,191	250	1,035	958	799	1,093	1,934	1,122
\$75,000 to \$99,999	5,303	183	988	1,072	773	908	946	433
\$100,000 to \$199,999	19,335	250	3,408	4,556	4,230	3,841	2,185	864
\$200,000 or more	9,957	27	1,243	2,555	2,679	2,265	906	282
Total	49,091	1,056	7,636	9,866	9,111	9,228	7,270	4,924
Median Income	\$126,894	\$68,991	\$126,264	\$161,129	\$160,232	\$148,985	\$90,830	\$57,362
Change 2023 - 2030								
Less than \$15,000	5	8	-1	-12	-8	-39	-9	66
\$15,000 to \$24,999	-329	-22	-43	-72	-56	-117	-34	16
\$25,000 to \$34,999	-81	-6	-30	-69	-89	-88	13	187
\$35,000 to \$49,999	-50	-6	-20	-56	-64	-93	2	188
\$50,000 to \$74,999	545	18	72	-89	-52	-102	317	381
\$75,000 to \$99,999	454	24	80	8	-15	-22	216	163
\$100,000 to \$199,999	4,766	73	955	967	670	729	901	471
\$200,000 or more	2,599	2	396	713	434	462	423	169
Total	7,908	90	1,408	1,391	820	730	1,829	1,641
Median Income	\$20,836	\$9,770	\$21,502	\$35,104	\$15,342	\$32,891	\$20,877	\$11,582

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

TABLE 6

MEDIAN HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
CARVER COUNTY MARKET AREA
2023 & 2030

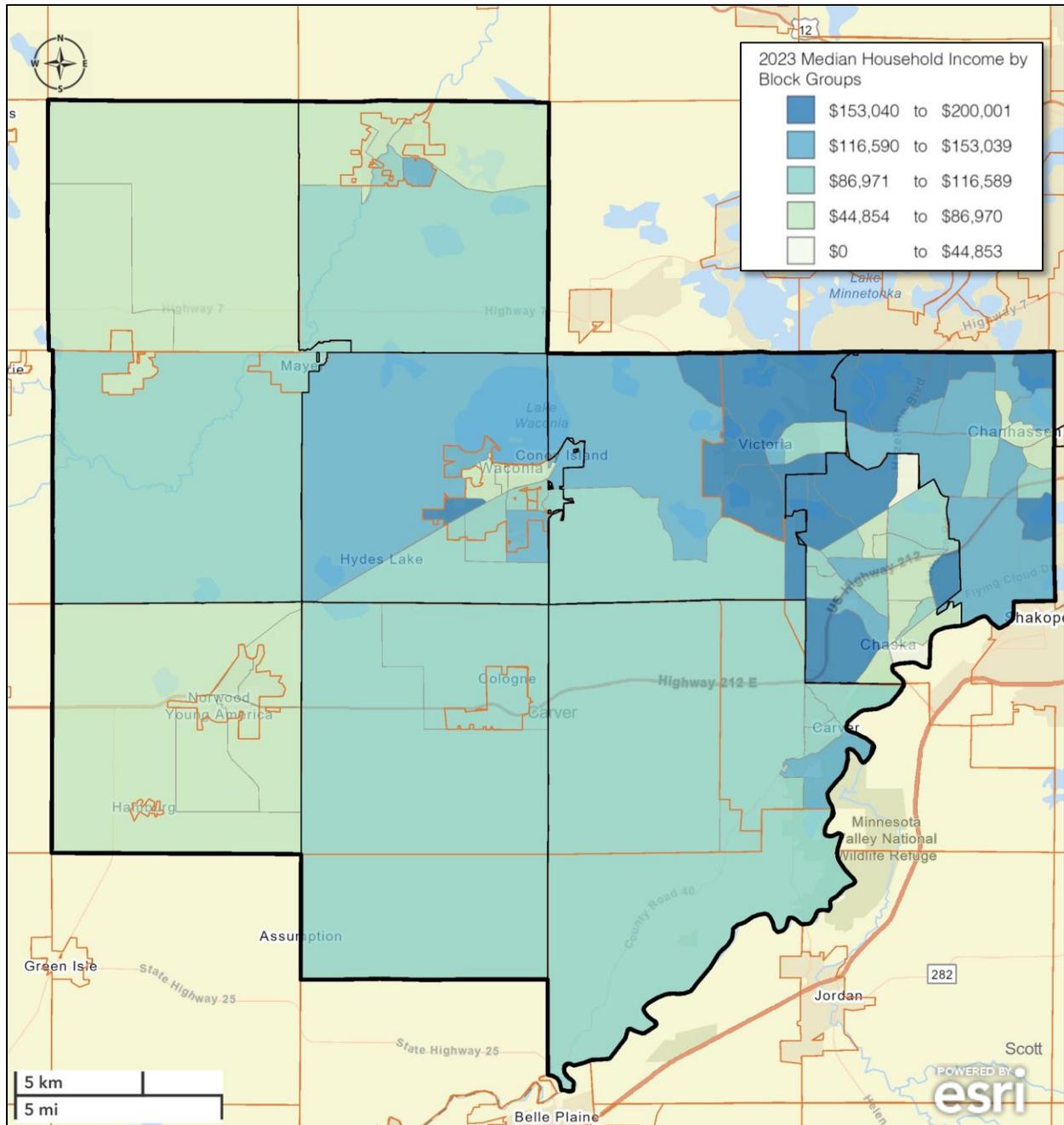
Submarket	Age of Householder														Median HH Income
	15-24		25-34		35-44		45-54		55-64		65 -74		75+		
	HHs	Income*	HHs	Income	No.	Income	No.	Income	No.	Income	No.	Income	No.	Income	
2023															
Carver	73	\$67,664	423	\$114,966	611	\$134,220	715	\$136,794	683	\$106,129	390	\$71,454	227	\$49,085	\$110,718
Chanhassen	134	\$58,941	1,325	\$113,715	1,750	\$150,247	1,894	\$175,592	2,464	\$153,132	1,455	\$73,672	767	\$51,490	\$124,829
Chaska	360	\$53,360	2,057	\$92,853	2,433	\$109,122	2,005	\$122,108	2,037	\$100,865	1,232	\$63,943	649	\$41,215	\$91,823
Cologne	38	\$75,599	148	\$106,215	249	\$117,161	241	\$115,428	225	\$100,000	174	\$69,790	103	\$42,413	\$98,828
Hamburg-NYA	61	\$54,330	333	\$75,899	438	\$96,792	351	\$99,661	421	\$69,379	331	\$57,762	230	\$31,754	\$70,739
Mayer-New Germ.	34	\$66,859	251	\$101,792	444	\$110,208	323	\$101,970	351	\$81,220	242	\$59,082	151	\$41,571	\$88,135
Victoria	79	\$81,108	551	\$154,755	918	\$172,438	1,066	\$198,375	924	\$177,323	667	\$100,833	399	\$56,493	\$159,163
Waconia	130	\$62,121	795	\$108,968	1,197	\$134,804	1,268	\$133,543	926	\$95,243	562	\$66,103	551	\$43,116	\$104,322
Watertown	54	\$60,489	338	\$92,902	437	\$104,575	435	\$107,704	460	\$91,477	384	\$69,877	216	\$42,758	\$89,104
Carver County	966	\$59,221	6,228	\$104,762	8,475	\$126,025	8,291	\$144,890	8,498	\$116,094	5,441	\$69,953	3,284	\$45,780	\$106,058
Metro Area	50,265	\$48,041	206,903	\$86,322	241,269	\$109,486	216,314	\$117,684	236,434	\$103,671	186,474	\$71,930	129,057	\$45,706	\$89,780
2030															
Carver	80	\$76,741	449	\$139,810	669	\$159,398	793	\$158,982	742	\$132,465	534	\$90,886	338	\$57,597	\$126,923
Chanhassen	125	\$68,754	1,546	\$149,583	2,139	\$170,982	1,945	\$192,481	2,453	\$172,025	2,065	\$100,724	1,203	\$61,606	\$158,571
Chaska	401	\$59,657	2,475	\$113,462	2,687	\$136,077	2,187	\$140,790	2,127	\$126,503	1,543	\$79,362	925	\$51,670	\$112,395
Cologne	52	\$83,011	194	\$122,755	280	\$130,804	301	\$138,943	290	\$115,632	237	\$104,424	166	\$61,796	\$112,159
Hamburg-NYA	78	\$64,955	447	\$86,180	623	\$122,321	476	\$115,338	481	\$88,226	478	\$67,985	401	\$37,651	\$86,716
Mayer-New Germ.	42	\$88,138	275	\$118,599	427	\$120,708	426	\$118,834	370	\$118,380	314	\$73,981	231	\$55,742	\$109,895
Victoria	73	\$109,534	570	\$173,570	1,058	\$192,565	1,002	\$200,657	947	\$198,012	772	\$130,928	574	\$69,105	\$174,113
Waconia	157	\$66,544	1,327	\$130,342	1,481	\$163,793	1,473	\$165,329	1,306	\$125,789	811	\$80,996	800	\$54,162	\$127,761
Watertown	52	\$69,840	399	\$113,030	504	\$124,897	494	\$137,342	509	\$119,914	471	\$89,819	299	\$58,904	\$111,134
Carver County	1,056	\$68,991	7,636	\$126,264	9,866	\$161,129	9,111	\$160,232	9,228	\$148,985	7,270	\$90,830	4,924	\$57,362	\$126,894
Metro Area	53,966	\$54,441	214,145	\$106,726	256,621	\$126,815	225,983	\$134,194	223,330	\$125,333	208,940	\$92,016	168,015	\$60,002	\$109,216

*Median Household Income

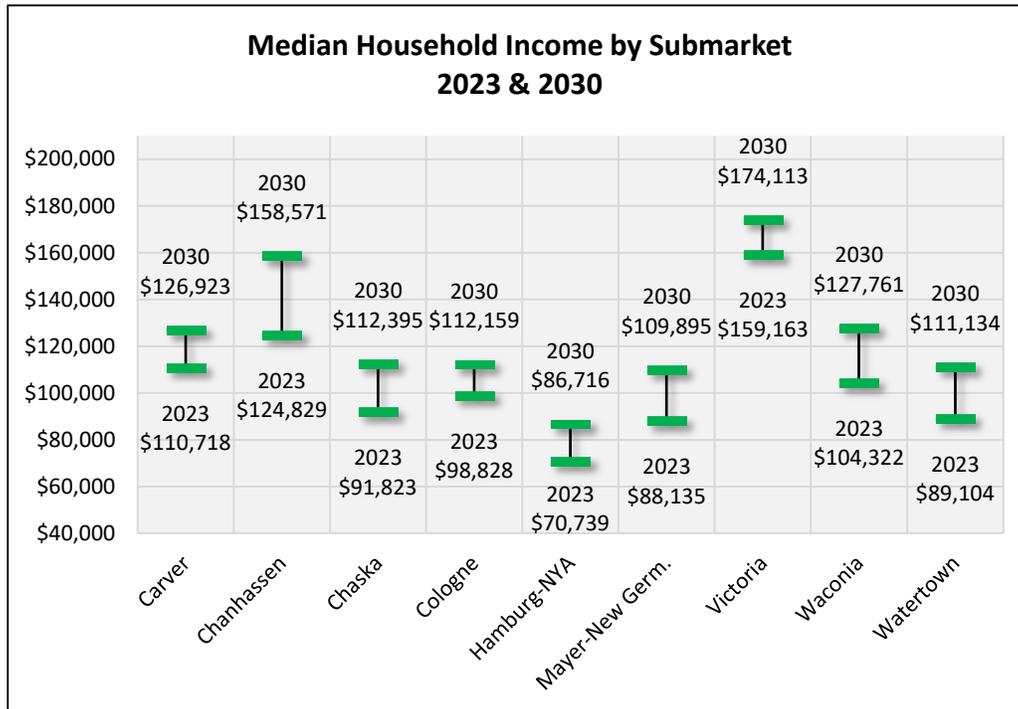
Sources: ESRI; Metropolitan Council; US Census Bureau; Maxfield Research & Consulting, LLC

- The following map illustrates the 2023 estimated median household income by Census Block Group in Carver County from ESRI.
- As shown, median household incomes are highest in portions of Victoria, Chaska, and Chanhassen. Portions of Chaska as well as Norwood Young America and Young America Township in the southwestern corner of the County have some of the lowest median household incomes in the County.

Estimated Median Household Income

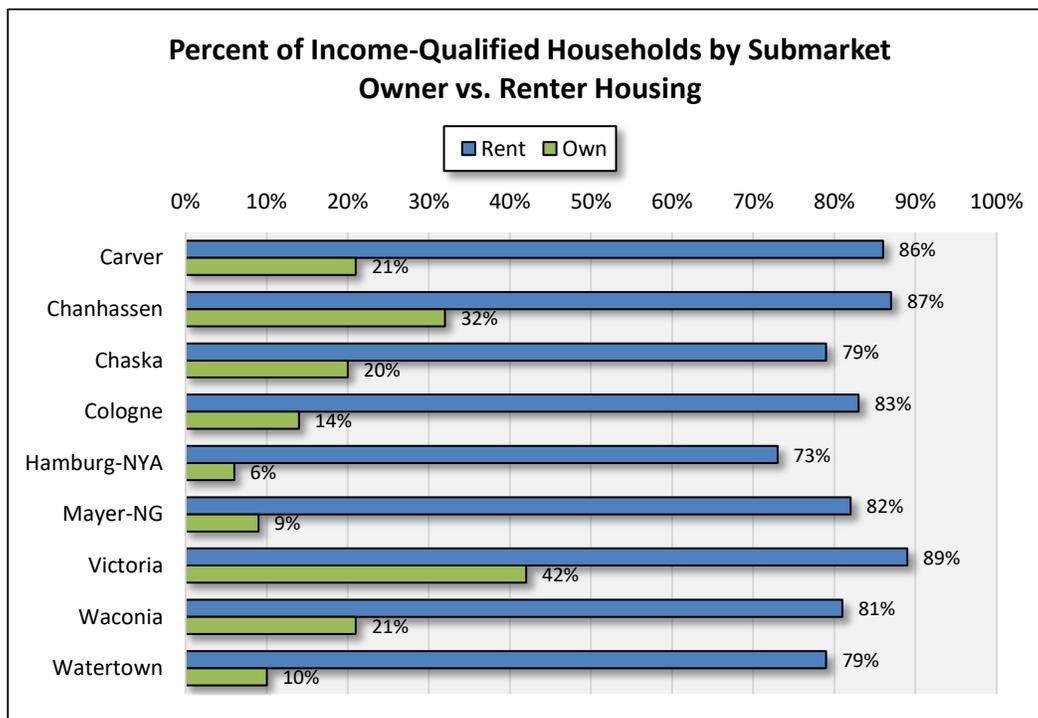


- Household growth is projected to be strongest among the highest income brackets in Carver County, as the total number of households with incomes of \$100,000 or higher increases 34% (7,365 households) between 2023 and 2030.
- The following chart illustrates projected changes to the median household income for each Carver County submarket from 2023 to 2030.



- Average annual increases will exceed the historical annual inflation rate (2.5%) in the Chanhassen (3.9%), Mayer-New Germany (3.5%), Watertown (3.5%), Chaska (3.2%), Hamburg- Norwood Young America (3.2%), and Waconia (3.2%) submarkets. Income growth in the Victoria (1.3%), Cologne (1.9%), and Carver (2.1%) submarkets is projected to trail the historical rate of inflation.
- HUD defines affordable housing cost as less than 30% of a household’s adjusted gross income. Generally, housing that is income-restricted to households earning at or below 80% of Area Median Income (AMI) is considered affordable.
- The median contract rent for renter-occupied housing units in Carver County is \$1,164 (2017-2021 American Community Survey). Based on this rent, a household would need to have an annual income of \$46,560 or greater to not exceed 30% of its monthly income on rental housing costs.
 - In 2023, an estimated 34,040 households in the County (83% of the total) are estimated to have incomes of at least \$46,560.

- As presented in the For-Sale Market Analysis section of this study, the 2023 median resale price for detached single-family homes in Carver County was \$489,900. A household would need a minimum annual income of \$165,603 to be income-qualified (based on 30% of income) for a single-family home purchased at the median resale price. This assumes a 30-year interest rate of 7.44% (November 2023), a potential buyer makes a 10% down payment, and has good credit.
 - An estimated 12,312 households in Carver County (30% of the total) have incomes of \$165,603 or higher.
- This data indicates that the existing rental housing stock is relatively affordable proportionate to household incomes in the County, while for-sale housing is somewhat unattainable for many County households (based on the 2023 recent median resale price).
- The Affordability section of this report provides a detailed summary of for-sale and rental housing affordability by submarket, but the following graph summarizes the number of households that can afford these rental housing (\$1,164) and for-sale housing costs (\$489,900) by submarket.



- The percentage of households that can afford the median contract rent of \$1,164 ranges from 73% in the Hamburg-Norwood Young America Submarket to 89% in the Victoria Submarket. The percent of income-qualified households for a home sale at \$489,900 ranges from 6% of households in the Hamburg-Norwood Young America Submarket to 42% in the Victoria Submarket.

Net Worth

The tables on the following pages show the estimated net worth by age of household in Carver County compared to the Metro Area, along with the submarkets comprising the County. Household net worth data was estimated by ESRI based on the Federal Reserve Board “Survey of Consumer Finances”.

- In 2023, the median net worth for households in Carver County is estimated to be \$388,799 compared to \$241,045 in the Metro Area.
- In Carver County, median net worth is highest for households in the 55 to 64 age cohort at \$685,574, followed by the 45 to 54 age group at \$607,448.
- The net worth distribution for households in Carver County shows concentrations of net worth at the high ends of the spectrum. The largest concentration (25%) of households has an estimated net worth of \$1,000,000 or more, while 19% of households have a net worth of \$500,000 to \$999,999.
- By comparison 19% of households in the Metro Area have a net worth of \$1,000,000 or more, while 17% have an estimated net worth of less than \$15,000.
- The following graph depicts the median net worth of households in Carver County by submarket. As shown, the median net worth is highest for households in the Victoria, Chanhasen, and Carver submarkets and lowest in the Hamburg-Norwood Young America, Chaska, and Watertown submarkets.

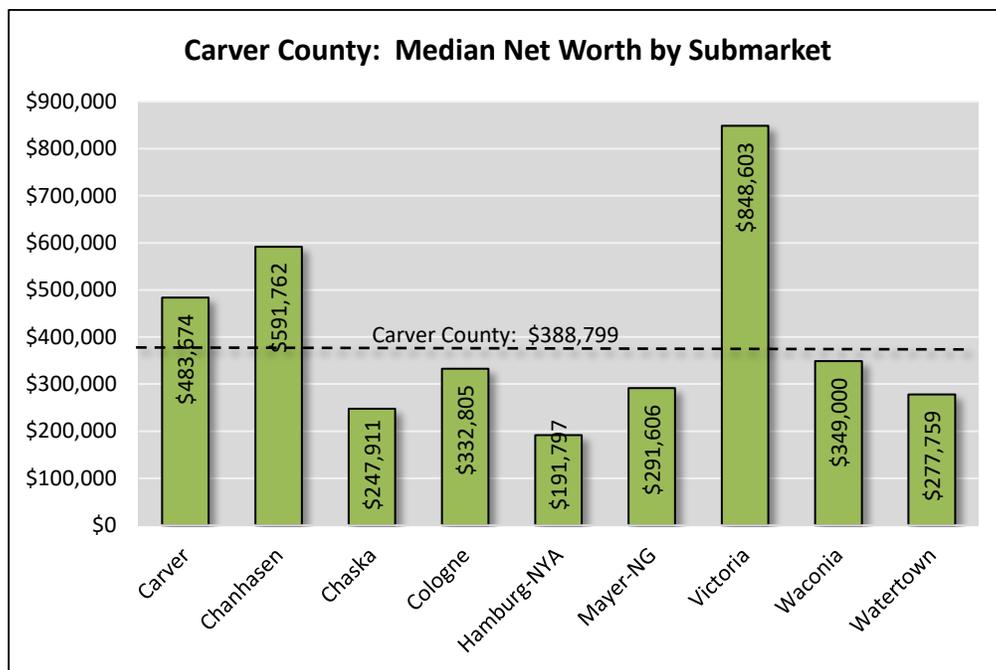


TABLE 7

2023 ESTIMATED NET WORTH BY AGE OF HOUSEHOLDER
CARVER COUNTY MARKET AREA

Carver County			<25	25-34	35-44	45-54	55-64	65 -74	75+
Total	% of Total								
Less than \$15,000	2,565	6.2%	270	869	549	174	286	288	129
\$15,000 to \$34,999	1,071	2.6%	133	352	241	75	83	146	42
\$35,000 to \$49,999	588	1.4%	48	195	136	42	63	60	42
\$50,000 to \$74,999	1,565	3.8%	55	603	253	205	239	79	131
\$75,000 to \$99,999	1,897	4.6%	161	606	383	197	290	109	150
\$100,000 to \$149,999	2,788	6.8%	133	752	519	476	503	194	211
\$150,000 to \$249,999	5,107	12.4%	106	925	1,346	959	781	464	527
\$250,000 to \$499,999	7,412	18.0%	36	1,253	1,565	1,304	1,355	1,125	774
\$500,000 to \$999,999	7,850	19.1%	23	467	2,094	2,094	1,315	1,274	582
\$1,000,000 or more	10,338	25.1%	0	204	1,390	2,763	3,584	1,701	696
Total	41,183	100%	966	6,228	8,475	8,291	8,498	5,441	3,284
Median Net Worth	\$388,799		\$62,713	\$128,650	\$346,853	\$607,448	\$685,574	\$558,709	\$346,516
Average Net Worth	\$1,729,785		\$97,466	\$255,704	\$1,173,756	\$2,443,285	\$2,874,205	\$1,946,364	\$1,318,691
Metro Area			<25	25-34	35-44	45-54	55-64	65 -74	75+
Total	% of Total								
Less than \$15,000	216,166	17.1%	26,546	72,794	39,808	17,425	23,774	24,701	11,118
\$15,000 to \$34,999	58,265	4.6%	8,089	17,617	14,235	5,057	4,906	6,793	1,568
\$35,000 to \$49,999	25,821	2.0%	1,576	7,663	5,248	2,867	3,741	3,297	1,429
\$50,000 to \$74,999	60,763	4.8%	1,675	21,603	9,988	8,369	9,281	4,580	5,267
\$75,000 to \$99,999	58,480	4.6%	5,135	13,930	15,177	7,562	7,631	3,289	5,756
\$100,000 to \$149,999	80,663	6.4%	3,648	18,154	16,145	16,048	13,391	5,660	7,617
\$150,000 to \$249,999	142,374	11.2%	2,317	22,046	34,304	28,940	24,016	12,869	17,882
\$250,000 to \$499,999	196,134	15.5%	819	21,831	39,489	36,543	36,051	33,264	28,137
\$500,000 to \$999,999	183,647	14.5%	456	8,327	39,838	42,186	36,120	37,617	19,103
\$1,000,000 or more	244,300	19.3%	0	2,921	27,017	51,299	77,504	54,389	31,170
Total	1,266,716	100%	50,261	206,886	241,249	216,296	236,415	186,459	129,047
Median Net Worth	\$241,045		\$14,200	\$54,857	\$198,589	\$368,163	\$452,657	\$485,383	\$338,807
Average Net Worth	\$1,324,393		\$50,523	\$145,139	\$841,835	\$1,750,410	\$2,269,398	\$1,846,160	\$1,414,027
Data Note: Net Worth is total household wealth minus debt, secured and unsecured. Net worth includes home equity, equity in pension plans, net equity in vehicles, IRAs and Keogh accounts, business equity, interest-earning assets and mutual fund shares, stocks, etc. Examples of secured debt include home mortgages and vehicle loans; examples of unsecured debt include credit card debt, certain bank loans, and other outstanding bills. Forecasts of net worth are based on the Survey of Consumer Finances, Federal Reserve Board. Detail may not sum to totals due to rounding.									
Sources: ESRI; Maxfield Research & Consulting, LLC									

TABLE 8

NET WORTH BY AGE OF HOUSEHOLDER
CARVER COUNTY SUBMARKETS
2023

Age of Householder	Submarket					
	Carver		Chanhassen		Chaska	
	Median	Average	Median	Average	Median	Average
15 to 24	\$88,415	\$123,584	\$76,996	\$104,673	\$17,994	\$61,869
25 to 34	\$173,950	\$285,846	\$156,904	\$303,425	\$89,620	\$209,524
35 to 44	\$473,569	\$1,865,324	\$466,485	\$1,319,555	\$230,735	\$1,130,719
45 to 54	\$604,634	\$2,258,180	\$1,000,001	\$3,606,245	\$414,230	\$1,863,962
55 to 64	\$588,329	\$2,255,651	\$1,000,001	\$4,102,381	\$443,612	\$2,264,039
65 to 74	\$629,006	\$1,743,079	\$659,939	\$2,399,188	\$374,189	\$1,410,221
75+	\$452,065	\$1,292,334	\$405,896	\$1,528,742	\$277,223	\$1,139,529
Total	\$483,674	\$1,729,186	\$591,762	\$2,485,182	\$247,911	\$1,302,370

Age of Householder	Cologne		Hamburg-NYA		Mayer-New Germ.	
	Median	Average	Median	Average	Median	Average
15 to 24	\$84,840	\$96,631	\$38,703	\$56,195	\$93,787	\$106,730
25 to 34	\$155,800	\$212,465	\$75,000	\$110,091	\$151,935	\$217,225
35 to 44	\$310,138	\$877,812	\$167,271	\$334,929	\$286,583	\$517,020
45 to 54	\$413,456	\$1,077,960	\$266,010	\$586,012	\$334,583	\$705,900
55 to 64	\$491,594	\$1,415,653	\$270,234	\$652,514	\$350,749	\$925,337
65 to 74	\$532,641	\$1,440,217	\$320,086	\$675,401	\$420,828	\$1,111,192
75+	\$371,513	\$1,311,883	\$197,199	\$481,367	\$349,969	\$827,818
Total	\$332,805	\$1,033,364	\$191,797	\$462,554	\$291,606	\$687,437

Age of Householder	Victoria		Waconia		Watertown	
	Median	Average	Median	Average	Median	Average
15 to 24	\$134,035	\$243,362	\$85,357	\$112,019	\$77,719	\$76,011
25 to 34	\$267,758	\$482,581	\$142,233	\$241,885	\$105,285	\$157,610
35 to 44	\$587,871	\$932,276	\$429,406	\$1,716,169	\$250,000	\$613,608
45 to 54	\$1,000,001	\$4,059,456	\$556,407	\$2,025,917	\$343,251	\$957,747
55 to 64	\$1,000,001	\$5,277,768	\$418,218	\$1,774,502	\$386,537	\$1,228,584
65 to 74	\$1,000,001	\$3,758,628	\$492,324	\$1,583,471	\$479,791	\$1,286,739
75+	\$638,312	\$2,144,497	\$289,892	\$1,191,405	\$317,067	\$1,104,408
Total	\$848,603	\$2,977,178	\$349,000	\$1,476,971	\$277,759	\$877,821

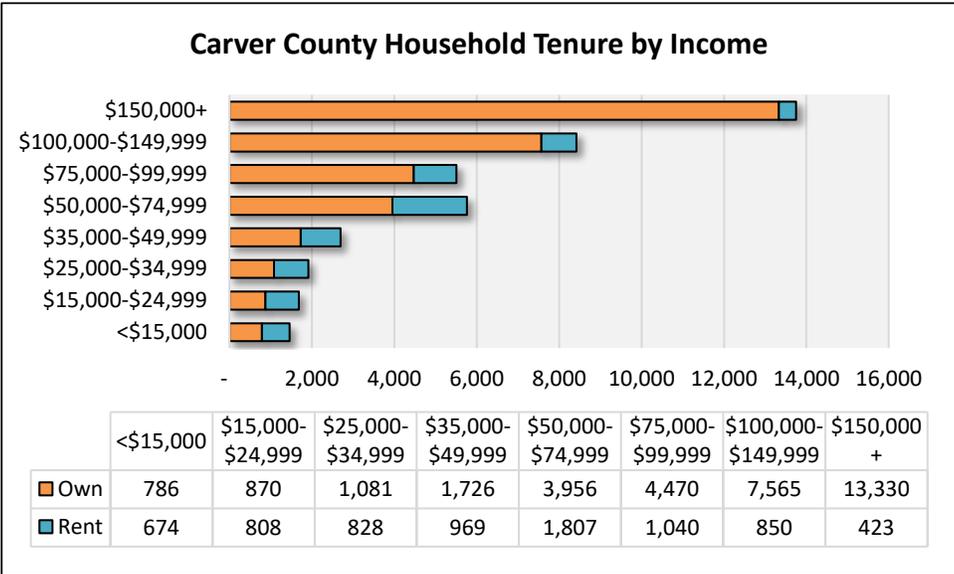
Data Note: Net Worth is total household wealth minus debt, secured and unsecured. Net worth includes home equity, equity in pension plans, net equity in vehicles, IRAs and Keogh accounts, business equity, interest-earning assets and mutual fund shares, stocks, etc. Examples of secured debt include home mortgages and vehicle loans; examples of unsecured debt include credit card debt, certain bank loans, and other outstanding bills. Forecasts of net worth are based on the Survey of Consumer Finances, Federal Reserve Board. Detail may not sum to totals due to rounding.

Sources: ESRI; Maxfield Research & Consulting, LLC

Household Tenure by Income

The table on the following pages shows estimated household tenure by income in the Market Area in 2023. Data is based on an estimate from the 2017-2021 American Community Survey and adjusted by Maxfield Research to reflect 2023 data. Generally, the higher the income, the lower the percentage a household allocates to housing. Many lower income households, as well as many young and senior households, spend more than 30% of their income on housing, while middle-aged households in their prime earning years often allocate 20% to 25% of their income to housing.

- Typically, as income increases, so does the rate of homeownership. This can be seen in Carver County, where the homeownership rate increases from 54% of households with incomes below \$15,000 to 97% of households with incomes above \$150,000.
- The reverse is generally true among renter households, as 46% of all households with incomes below \$150,000 are renters, while just 3% of all households with incomes of \$150,000 or more are renters.



- The largest number of owner households in Carver County have incomes in excess of \$150,000 at an estimated 13,330 households, representing 40% of all owner households in the County, followed by households with incomes in the \$100,000 to \$149,999 range with 7,565 households (22% of all owner households).
- Among renter households, households with incomes in the \$50,000 to \$74,999 range represent the highest proportion at an estimated 1,807 households (24% of all renter households).

TABLE 9

TENURE BY HOUSEHOLD INCOME
 CARVER COUNTY MARKET AREA
 2023

	Carver		Chanhassen		Chaska		Cologne		Hamburg-NYA		Mayer-New Germ.	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Owner Households												
Less than \$15,000	43	61.9	246	90.3	185	40.4	16	34.2	45	50.0	27	81.2
\$15,000 to \$24,999	150	91.4	133	51.1	245	40.5	40	82.8	66	45.8	62	89.4
\$25,000 to \$34,999	51	52.2	174	55.6	252	42.2	57	82.1	61	38.8	43	53.9
\$35,000 to \$49,999	128	91.9	388	78.0	442	46.7	44	75.5	169	65.0	93	78.7
\$50,000 to \$74,999	373	89.8	972	80.2	698	40.5	118	92.0	323	71.8	280	88.1
\$75,000 to \$99,999	384	94.5	956	74.8	990	73.3	201	89.5	293	94.8	273	95.9
\$100,000 to \$149,999	702	80.8	1,645	90.5	1,651	84.8	286	97.5	412	88.3	583	98.1
\$150,000+	946	98.2	3,743	96.7	2,974	94.4	308	100.0	261	90.5	292	97.9
<i>Subtotal:</i>	<i>2,775</i>	<i>88.9</i>	<i>8,257</i>	<i>86.7</i>	<i>7,435</i>	<i>69.0</i>	<i>1,071</i>	<i>90.9</i>	<i>1,630</i>	<i>75.3</i>	<i>1,653</i>	<i>92.0</i>
Renter Households												
Less than \$15,000	27	38.1	26	9.7	273	59.6	31	65.8	45	50.0	6	18.8
\$15,000 to \$24,999	14	8.6	127	48.9	359	59.5	8	17.2	78	54.2	7	10.6
\$25,000 to \$34,999	46	47.8	139	44.4	345	57.8	12	17.9	97	61.2	37	46.1
\$35,000 to \$49,999	11	8.1	109	22.0	505	53.3	14	24.5	91	35.0	25	21.3
\$50,000 to \$74,999	42	10.2	240	19.8	1,024	59.5	10	8.0	127	28.2	38	11.9
\$75,000 to \$99,999	22	5.5	322	25.2	360	26.7	24	10.5	16	5.2	12	4.1
\$100,000 to \$149,999	167	19.2	173	9.5	296	15.2	7	2.5	55	11.7	12	1.9
\$150,000+	17	1.8	126	3.3	176	5.6	-	0.0	27	9.5	6	2.1
<i>Subtotal:</i>	<i>347</i>	<i>11.1</i>	<i>1,263</i>	<i>13.3</i>	<i>3,338</i>	<i>31.0</i>	<i>107</i>	<i>9.1</i>	<i>536</i>	<i>24.7</i>	<i>143</i>	<i>8.0</i>
Total Households	3,122	100	9,520	100	10,773	100	1,178	100	2,166	100	1,796	100

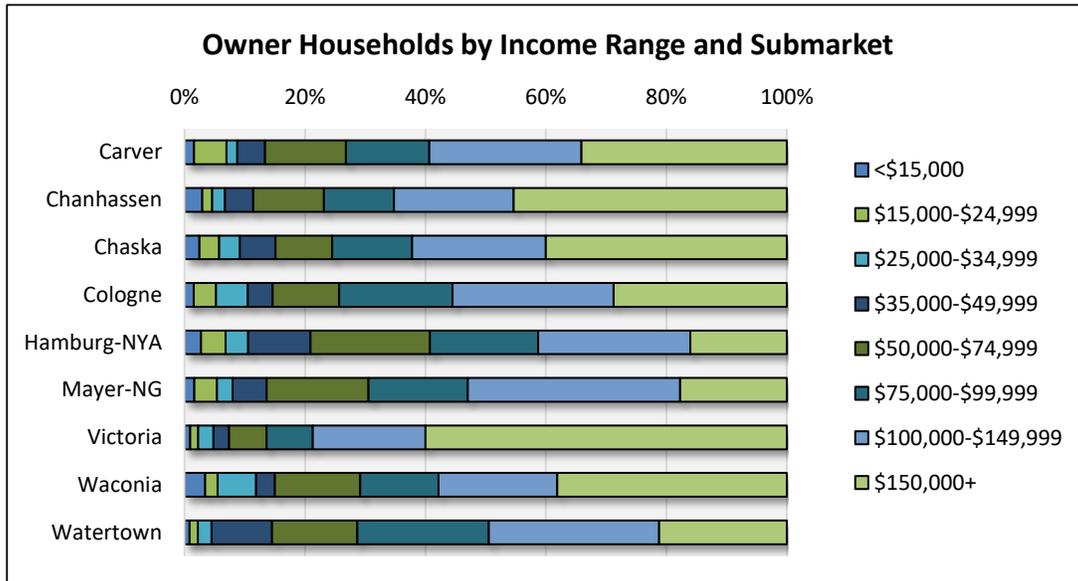
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TABLE continued
 TENURE BY HOUSEHOLD INCOME
 CARVER COUNTY MARKET AREA
 2023

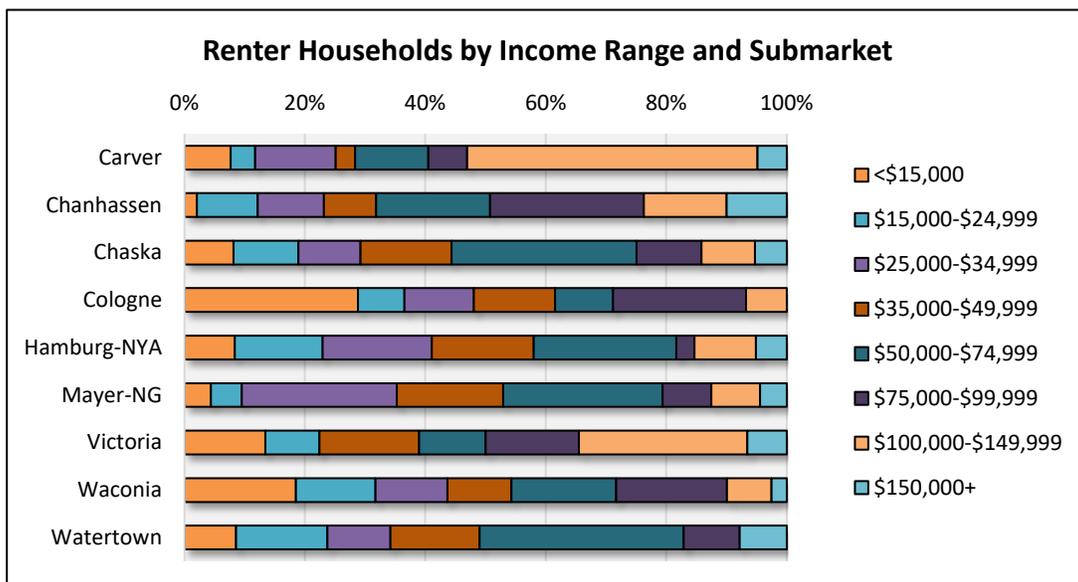
	Victoria		Waconia		Watertown		Carver County		Metro Area
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	Pct.
Owner Households									
Less than \$15,000	41	22.6	151	44.1	17	48.6	786	53.8	31.0
\$15,000 to \$24,999	56	37.8	92	40.2	29	47.0	870	51.8	37.3
\$25,000 to \$34,999	107	100.0	279	69.3	48	67.8	1,081	56.6	45.2
\$35,000 to \$49,999	109	39.0	139	55.9	212	86.9	1,726	64.0	51.6
\$50,000 to \$74,999	263	69.8	622	77.6	299	80.4	3,956	68.7	62.2
\$75,000 to \$99,999	325	67.0	571	75.0	460	95.8	4,470	81.1	71.0
\$100,000 to \$149,999	792	73.3	867	91.9	596	100.0	7,565	89.9	82.4
\$150,000+	2,540	97.4	1,675	98.5	447	96.4	13,330	96.9	91.8
<i>Subtotal:</i>	<i>4,234</i>	<i>80.4</i>	<i>4,396</i>	<i>81.0</i>	<i>2,108</i>	<i>90.7</i>	<i>33,784</i>	<i>82.0</i>	<i>69.1</i>
Renter Households									
Less than \$15,000	139	77.4	191	55.9	18	51.4	674	46.2	69.0
\$15,000 to \$24,999	93	62.2	137	59.8	33	53.0	808	48.2	62.7
\$25,000 to \$34,999	-	0.0	124	30.7	23	32.2	828	43.4	54.8
\$35,000 to \$49,999	171	61.0	110	44.1	32	13.1	969	36.0	48.4
\$50,000 to \$74,999	114	30.2	180	22.4	73	19.6	1,807	31.3	37.8
\$75,000 to \$99,999	160	33.0	190	25.0	20	4.2	1,040	18.9	29.0
\$100,000 to \$149,999	289	26.7	76	8.1	-	0.0	850	10.1	17.6
\$150,000+	68	2.6	26	1.5	17	3.6	423	3.1	8.2
<i>Subtotal:</i>	<i>1,033</i>	<i>19.6</i>	<i>1,033</i>	<i>19.0</i>	<i>216</i>	<i>9.3</i>	<i>7,399</i>	<i>18.0</i>	<i>30.9</i>
Total Households	5,267	100	5,429	100	2,324	100	41,183	100	100

Sources: 2017-2021 American Community Survey; Metropolitan Council; Maxfield Research & Consulting, LLC

- Owner households with incomes in excess of \$150,000 are most common in the Victoria (60% of all owner households), Chanhassen (45%), Chaska (40%), Waconia (38%), Carver (34%), and Cologne (29%) Submarkets. Owner households in the \$100,000 to \$149,999 income range are most common in the Mayer-New Germany (35%), Watertown (28%), and Hamburg-Norwood Young America (25%) Submarkets.



- Renter households with incomes in the \$50,000 to \$74,999 range are most common in the Watertown (34% of all renter households), Chaska (31%), Mayer-New Germany (27%), and Hamburg-Norwood Young America (24%) Submarkets. Renter households with incomes between \$100,000 and \$150,000 are most common in the Carver (48%) and Victoria (28%) Submarkets, while renter households with incomes below \$15,000 are most common in the Cologne (29%) and Waconia (19%) Submarkets.

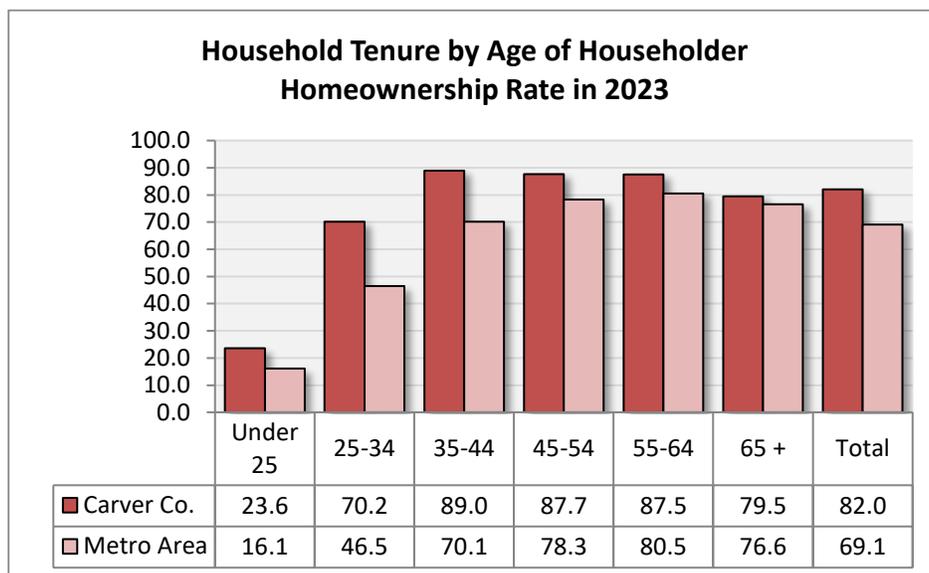


Household Tenure by Age

The following tables summarize household tenure by age of householder for the Carver County Market Area in 2010 and 2023. Data for 2010 is obtained from the Decennial Census, while the 2023 information is sourced from the 2017-2021 American Community Survey and adjusted by Maxfield Research to reflect 2023 data. The table shows the number and percent of renter- and owner-occupied housing units in the County. All data excludes unoccupied units and group quarters such as dormitories and nursing homes.

Household tenure information is important in understanding households’ preferences to rent or own their housing. In addition to preferences, other contributing factors include mortgage interest rates, household age, and lifestyle considerations, among others.

- In Carver County, an estimated 82% of all households own in 2023, giving it a homeownership rate that is notably higher than the Metro Area (69% of households own).
 - Within the prime ownership years (35 to 64), 88% of Carver County households own, higher than the 76% home ownership rate in the Metro Area.



- Typically, the youngest and oldest households rent their housing in greater proportions than middle-age households. This pattern is apparent among the younger households as 36% of households under the age of 35 rents in Carver County compared to 59% of Metro Area householders under the age of 35.
 - Roughly 76% of households under age 25 rent in the County, slightly lower than the Metro Area (84%), while an estimated 30% of County households age 25 to 34 rent (54% in the Metro Area).

TABLE 10

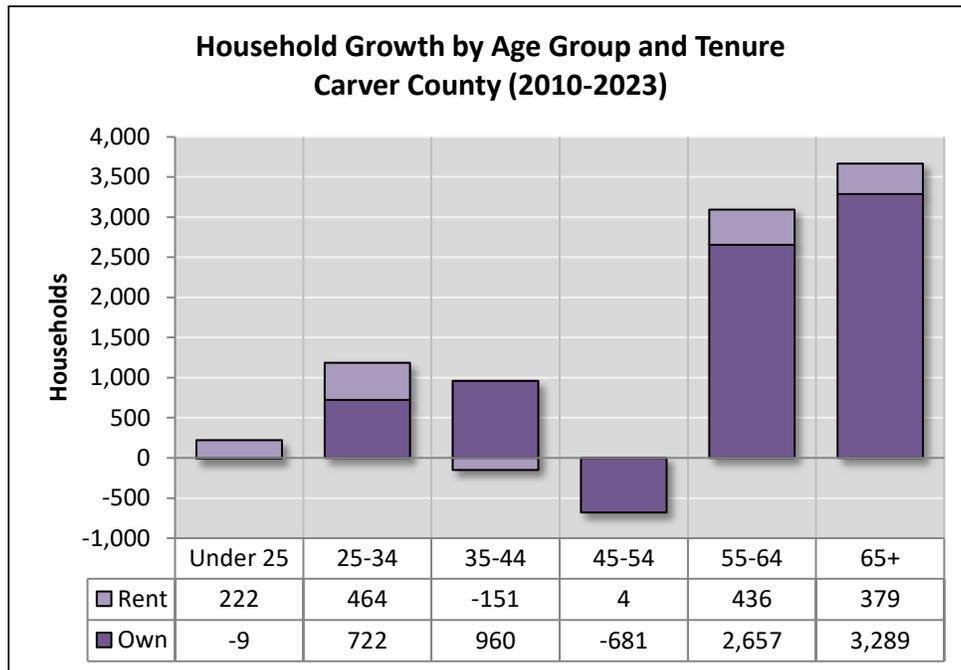
TENURE BY AGE OF HOUSEHOLDER
CARVER COUNTY MARKET AREA
2010 & 2023

Age		Carver County				Twin Cities Metro Area			
		2010		2023		2010		2023	
		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 25	Own	237	31.5	228	23.6	7,947	16.0	8,107	16.1
	Rent	516	68.5	738	76.4	41,789	84.0	42,158	83.9
	Total	753	100.0	966	100.0	49,736	100.0	50,265	100.0
25-34	Own	3,649	72.4	4,371	70.2	102,236	50.6	96,253	46.5
	Rent	1,393	27.6	1,857	29.8	99,716	49.4	110,650	53.5
	Total	5,042	100.0	6,228	100.0	201,952	100.0	206,903	100.0
35-44	Own	6,582	85.9	7,542	89.0	154,678	72.3	169,225	70.1
	Rent	1,084	14.1	933	11.0	59,303	27.7	72,044	29.9
	Total	7,666	100.0	8,475	100.0	213,981	100.0	241,269	100.0
45-54	Own	7,949	88.6	7,268	87.7	202,404	79.8	169,477	78.3
	Rent	1,019	11.4	1,023	12.3	51,379	20.2	46,837	21.7
	Total	8,968	100.0	8,291	100.0	253,783	100.0	216,314	100.0
55-64	Own	4,780	88.4	7,437	87.5	162,595	82.6	190,386	80.5
	Rent	625	11.6	1,061	12.5	34,355	17.4	46,047	19.5
	Total	5,405	100.0	8,498	100.0	196,950	100.0	236,434	100.0
65 +	Own	3,649	72.2	6,938	79.5	152,615	75.8	241,770	76.6
	Rent	1,408	27.8	1,787	20.5	48,732	24.2	73,761	23.4
	Total	5,057	100.0	8,725	100.0	201,347	100.0	315,532	100.0
TOTAL	Own	26,846	81.6	33,784	82.0	782,475	70.0	875,219	69.1
	Rent	6,045	18.4	7,399	18.0	335,274	30.0	391,497	30.9
	Total	32,891	100.0	41,183	100.0	1,117,749	100.0	1,266,716	100.0

Sources: 2017-2021 American Community Survey; Metropolitan Council; Maxfield Research & Consulting, LLC

- The total number of owner households residing in Carver County expanded by an estimated 6,938 households between 2010 and 2023 (26% growth), outpacing the increase in renter households (1,354 households, 22% growth).
 - By comparison, renter household growth in the Metro Area (17%) outpaced the increase in owner households (12%).
- In the Metro Area, the rate of growth from 2010 to 2023 was fastest among owner households age 65 and older (58% growth), followed by renter households age 65 and older (51% growth), renter households age 55 to 64 (34% growth), and renter households age 35 to 44 (22% growth).

- As depicted in the following chart, with the exception of the 45 to 54 age cohort, household growth occurred among all other age groups in Carver County between 2010 and 2023.



- The largest overall increase occurred in the 65 and older age group in the County, with the addition of 3,289 owner households (90% growth) and 379 renter households (27%). The 55 to 64 age group also experienced rapid growth, adding 2,657 owner households (56%) and 436 renter households (70%).
- Renter household growth occurred among most age groups in Carver County between 2010 and 2023, with modest contraction (-14%) occurring in the 35 to 44 age group. The 25 to 34 age group experienced the largest increase in renter households, adding 464 households (33% growth).
- Owner household contraction occurred among households under the age of 25 (-4%) as well as the 45 to 54 age group (9%). Aside from the previously mentioned growth in the 55 to 64 and 65 and older age groups, solid owner household growth also occurred in the 25 to 34 age group (722 households, 20% increase) and the 35 to 44 age group (960 households, 15% growth).
- The table on the following pages summarizes household tenure by age of householder for each of the Carver County submarkets.

TABLE 11
TENURE BY AGE OF HOUSEHOLDER
CARVER COUNTY SUBMARKETS
2010 & 2023

Age	Carver				Chanhassen				Chaska				
	2010		2023		2010		2023		2010		2023		
	No.	Pct.											
Under 25	Own	21	52.5	0	0.0	32	26.7	82	61.3	55	20.8	32	8.9
	Rent	19	47.5	73	100.0	88	73.3	52	38.8	210	79.2	328	91.1
	Total	40	100.0	73	100.0	120	100.0	134	100.0	265	100.0	360	100.0
25-34	Own	280	88.1	328	77.6	730	75.4	941	71.0	1,048	60.8	1,024	49.8
	Rent	38	11.9	95	22.4	238	24.6	384	29.0	676	39.2	1,033	50.2
	Total	318	100.0	423	100.0	968	100.0	1,325	100.0	1,724	100.0	2,057	100.0
35-44	Own	478	93.4	590	96.6	1,664	89.9	1,630	93.1	1,621	78.0	1,950	80.1
	Rent	34	6.6	21	3.4	186	10.1	120	6.9	456	22.0	483	19.9
	Total	512	100.0	611	100.0	1,850	100.0	1,750	100.0	2,077	100.0	2,433	100.0
45-54	Own	513	91.6	663	92.7	2,480	92.5	1,671	88.2	1,901	82.3	1,663	83.0
	Rent	47	8.4	52	7.3	202	7.5	224	11.8	409	17.7	342	17.0
	Total	560	100.0	715	100.0	2,682	100.0	1,894	100.0	2,310	100.0	2,005	100.0
55-64	Own	289	93.2	583	85.4	1,432	92.9	2,253	91.4	1,107	80.7	1,649	81.0
	Rent	21	6.8	100	14.6	110	7.1	212	8.6	264	19.3	388	19.0
	Total	310	100.0	683	100.0	1,542	100.0	2,464	100.0	1,371	100.0	2,037	100.0
65 +	Own	222	91.4	611	99.0	874	73.4	1,951	87.8	660	61.7	1,117	59.4
	Rent	21	8.6	6	1.0	316	26.6	271	12.2	409	38.3	764	40.6
	Total	243	100.0	617	100.0	1,190	100.0	2,222	100.0	1,069	100.0	1,881	100.0
TOTAL	Own	1,803	90.9	2,775	88.9	7,212	86.4	8,527	87.1	6,392	72.5	7,435	69.0
	Rent	180	9.1	347	11.1	1,140	13.6	1,263	12.9	2,424	27.5	3,338	31.0
	Total	1,983	100.0	3,122	100.0	8,352	100.0	9,790	100.0	8,816	100.0	10,773	100.0

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TABLE continued
 TENURE BY AGE OF HOUSEHOLDER
 CARVER COUNTY SUBMARKETS
 2010 & 2023

Age		Cologne				Hamburg-Norwood Young America				Mayer-New Germany			
		2010		2023		2010		2023		2010		2023	
		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 25	Own	13	52.0	38	100.0	26	37.7	20	32.3	18	66.7	12	34.6
	Rent	12	48.0	0	0.0	43	62.3	41	67.7	9	33.3	22	65.4
	Total	25	100.0	38	100.0	69	100.0	61	100.0	27	100.0	34	100.0
25-34	Own	145	84.3	135	91.3	206	70.1	237	71.2	252	85.7	235	93.5
	Rent	27	15.7	13	8.7	88	29.9	96	28.8	42	14.3	16	6.5
	Total	172	100.0	148	100.0	294	100.0	333	100.0	294	100.0	251	100.0
35-44	Own	199	88.4	205	82.5	273	77.3	375	85.6	267	88.7	395	89.0
	Rent	26	11.6	44	17.5	80	22.7	63	14.4	34	11.3	49	11.0
	Total	225	100.0	249	100.0	353	100.0	438	100.0	301	100.0	444	100.0
45-54	Own	186	89.4	231	95.9	372	85.9	276	78.6	326	92.1	295	91.3
	Rent	22	10.6	10	4.1	61	14.1	75	21.4	28	7.9	28	8.7
	Total	208	100.0	241	100.0	433	100.0	351	100.0	354	100.0	323	100.0
55-64	Own	152	88.9	216	95.9	269	87.1	313	74.4	214	92.6	332	94.7
	Rent	19	11.1	9	4.1	40	12.9	108	25.6	17	7.4	19	5.3
	Total	171	100.0	225	100.0	309	100.0	421	100.0	231	100.0	351	100.0
65 +	Own	137	84.6	245	88.5	278	69.8	409	72.8	214	87.7	384	97.8
	Rent	25	15.4	32	11.5	120	30.2	153	27.2	30	12.3	9	2.2
	Total	162	100.0	277	100.0	398	100.0	561	100.0	244	100.0	393	100.0
TOTAL	Own	832	86.4	1,071	90.9	1,424	76.7	1,630	75.3	1,291	89.0	1,653	92.0
	Rent	131	13.6	107	9.1	432	23.3	536	24.7	160	11.0	143	8.0
	Total	963	100.0	1,178	100.0	1,856	100.0	2,166	100.0	1,451	100.0	1,796	100.0

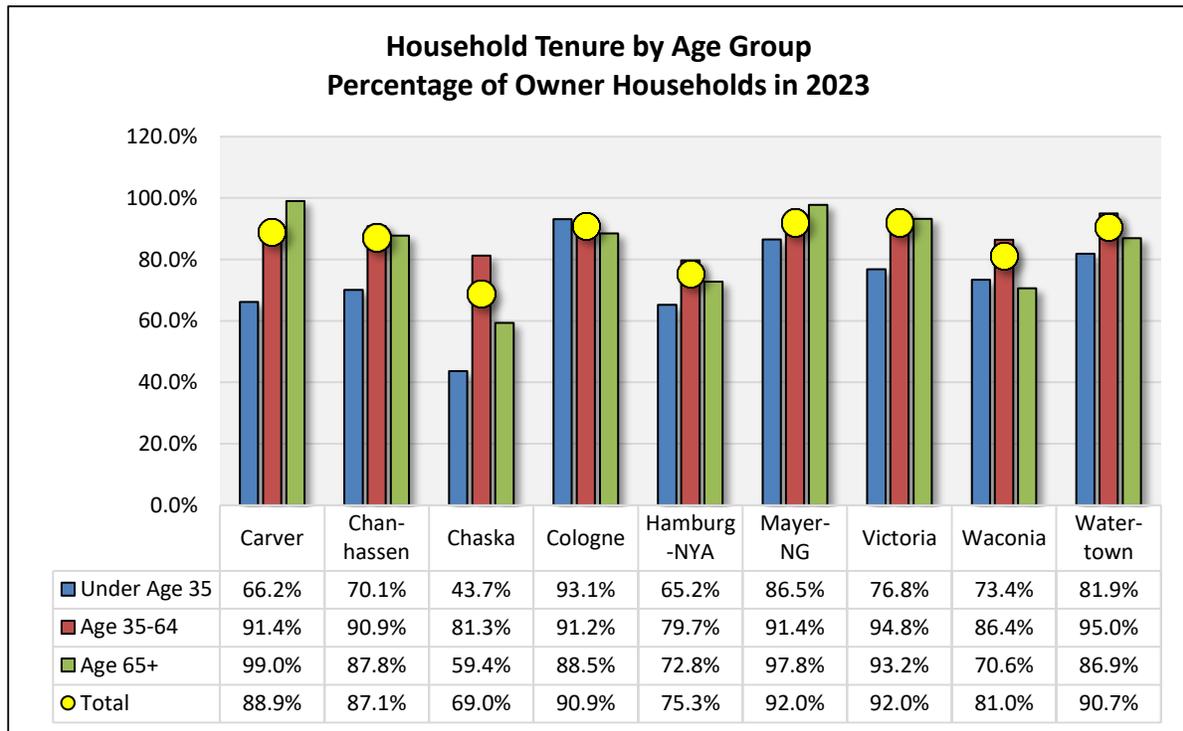
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TABLE continued
 TENURE BY AGE OF HOUSEHOLDER
 CARVER COUNTY SUBMARKETS
 2010 & 2023

Age		Victoria				Waconia				Watertown			
		2010		2023		2010		2023		2010		2023	
		No.	Pct.										
Under 25	Own	12	20.3	36	45.0	31	34.8	61	46.6	29	49.2	8	15.0
	Rent	47	79.7	43	55.0	58	65.2	69	53.4	30	50.8	46	85.0
	Total	59	100.0	79	100.0	89	100.0	130	100.0	59	100.0	54	100.0
25-34	Own	205	79.5	448	81.3	547	78.6	618	77.8	236	74.2	313	92.6
	Rent	53	20.5	103	18.7	149	21.4	177	22.2	82	25.8	25	7.4
	Total	258	100.0	551	100.0	696	100.0	795	100.0	318	100.0	338	100.0
35-44	Own	756	94.4	918	100.0	948	85.6	1,074	89.7	376	85.5	403	92.2
	Rent	45	5.6	0	0.0	159	14.4	123	10.3	64	14.5	34	7.8
	Total	801	100.0	918	100.0	1,107	100.0	1,197	100.0	440	100.0	437	100.0
45-54	Own	861	93.6	1,015	95.2	904	87.8	1,060	83.6	406	86.2	423	97.1
	Rent	59	6.4	51	4.8	126	12.2	208	16.4	65	13.8	12	2.9
	Total	920	100.0	1,066	100.0	1,030	100.0	1,268	100.0	471	100.0	435	100.0
55-64	Own	544	96.1	824	89.1	447	82.5	797	86.1	326	89.8	440	95.6
	Rent	22	3.9	100	10.9	95	17.5	129	13.9	37	10.2	20	4.4
	Total	566	100.0	924	100.0	542	100.0	926	100.0	363	100.0	460	100.0
65 +	Own	448	91.2	993	93.2	526	59.8	786	70.6	290	76.1	522	86.9
	Rent	43	8.8	73	6.8	353	40.2	327	29.4	91	23.9	78	13.1
	Total	491	100.0	1,066	100.0	879	100.0	1,113	100.0	381	100.0	600	100.0
TOTAL	Own	2,826	91.3	4,234	92.0	3,403	78.4	4,396	81.0	1,663	81.8	2,108	90.7
	Rent	269	8.7	370	8.0	940	21.6	1,033	19.0	369	18.2	216	9.3
	Total	3,095	100.0	4,604	100.0	4,343	100.0	5,430	100.0	2,032	100.0	2,324	100.0

Sources: 2017-2021 American Community Survey; Metropolitan Council; Maxfield Research & Consulting, LLC

- The following chart illustrates estimated home ownership rates by age group for each Carver County submarket in 2023.



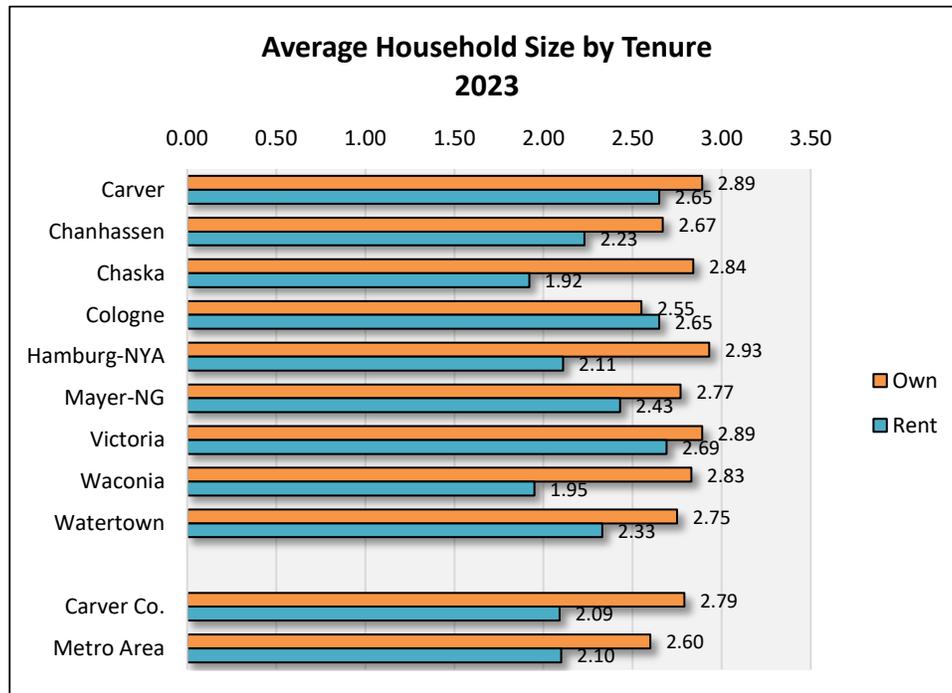
- Homeownership rates are highest in the Victoria (92.0%), Mayer-New Germany (92.0%), Cologne (90.9%), and Watertown (90.7%) Submarkets, and lowest in the Chaska (69.0%), Hamburg-Norwood Young America (75.3%), and Waconia (81.0%) Submarkets.
- Between 2010 and 2023, the largest household tenure shifts occurred in the Watertown Submarket, as the homeownership rate increased 8.9% to 90.7% in 2023, followed by the Cologne Submarket as the homeownership rate increased 4.5% to 90.9%.
- The proportion of renter households increased 3.5% in the Chaska Submarket, rising from 27.5% of all households in 2010 to 31.0% in 2023. The Carver and Hamburg-Norwood Young America Submarkets also experienced increases in the proportion of renter households, climbing 2.0% to 11.1% and 1.4% to 24.7%, respectively.
- Renter household growth between 2010 and 2023 was largest in the Chaska (914 households, 38% growth), Carver (167 households, 93% growth), and Chanhassen (123 households, 11% growth) Submarkets.
- Owner household growth was largest in the Victoria (1,408 households, 50% growth), Chanhassen (1,314 households, 18% growth), and Chaska (1,043 households, 16% growth) Submarkets between 2010 and 2023.

Tenure by Household Size

The table on the following pages summarizes household tenure by size of household in Carver County and its Submarkets compared to the Metro Area during 2010 and 2023 from the U.S. Census and American Community Survey, with adjustments made by Maxfield Research to reflect 2023 household estimates. All data excludes unoccupied units and group quarters such as nursing homes.

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 less likely to be married with children, as well as older adults and seniors who choose to downsize from their single-family homes.

- In 2023, Carver County had an average owner household size of 2.79 persons per household, larger than 2.60 persons per household in the Metro Area. Average renter households are notably smaller, at 2.09 in Carver County and 2.10 in the Metro Area.
- Average owner household sizes in the County range from 2.55 persons per household in the Cologne Submarket to 2.93 persons in the Hamburg-Norwood Young America Submarket. Average renter household sizes range from 1.92 in the Chaska Submarket to 2.69 in the Victoria Submarket.



- Average household sizes declined in Carver County between 2010 and 2023, as average renter household sizes decreased from 2.18 in 2010 to 2.09 in 2023 while average owner household sizes contracted from 2.86 in 2010 to 2.79 in 2023.

- In the Metro Area, average owner household sizes decreased from 2.61 in 2010 to 2.60 in 2023, while average renter household sizes declined from 2.17 to 2.10.
- In Carver County, average owner household sizes declined between 2010 and 2023 in all Submarkets, except for Chaska, Hamburg-Norwood Young America, and Watertown. Average renter household sizes increased in all Submarkets, except for Chaska, Hamburg-Norwood Young America, and Mayer-New Germany.

TABLE 12
TENURE BY HOUSEHOLD SIZE
CARVER COUNTY MARKET AREA
2010 & 2023

HH Size		Carver County				Twin Cities Metro Area			
		2010		2023		2010		2023	
		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
1-Person	Own	4,242	61.5	5,320	64.5	171,241	53.7	191,090	52.1
	Rent	2,651	38.5	2,988	36.3	147,789	46.3	175,692	47.9
	Total	6,893	100	8,242	100	319,030	100	366,673	100
2-Person	Own	8,812	85.2	11,983	83.5	280,552	76.3	320,390	74.6
	Rent	1,530	14.8	2,361	16.5	87,139	23.7	109,017	25.4
	Total	10,342	100	14,345	100	367,691	100	429,407	100
3-Person	Own	4,776	86.1	5,896	87.1	128,197	75.1	139,413	75.1
	Rent	772	13.9	871	12.9	42,563	24.9	46,282	24.9
	Total	5,548	100	6,767	100	170,760	100	185,695	100
4-Person	Own	5,639	90.5	6,974	89.1	123,219	80.6	136,839	81.3
	Rent	589	9.5	850	10.9	29,587	19.4	31,561	18.7
	Total	6,228	100	7,824	100	152,806	100	168,400	100
5-Person	Own	2,440	88.4	2,615	91.2	50,854	77.4	56,331	78.1
	Rent	319	11.6	252	8.8	14,883	22.6	15,824	21.9
	Total	2,759	100	2,867	100	65,737	100	72,155	100
6-Person	Own	686	85.9	706	94.0	16,887	71.0	18,440	71.0
	Rent	113	14.1	45	6.0	6,908	29.0	7,542	29.0
	Total	799	100	750	100	23,795	100	25,982	100
7+Person	Own	251	78.0	290	89.9	11,525	64.3	12,717	69.5
	Rent	71	22.0	32	10.1	6,405	35.7	5,580	30.5
	Total	322	100	322	100	17,930	100	18,297	100
TOTAL	Own	26,846	81.6	33,784	82.0	782,475	70.0	875,219	69.1
	Rent	6,045	18.4	7,399	18.0	335,274	30.0	391,497	30.9
	Total	32,891	100	41,183	100	1,117,749	100	1,266,716	100
Avg. HH Size	Own	2.86		2.79		2.61		2.60	
	Rent	2.18		2.09		2.17		2.10	

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TABLE continued
 TENURE BY HOUSEHOLD SIZE
 CARVER COUNTY MARKET AREA
 2010 & 2023

HH Size		Carver				Chanhassen				Chaska			
		2010		2023		2010		2023		2010		2023	
		No.	Pct.	No.	Pct.								
1-Person	Own	201	74.2	474	90.2	1,188	69.2	1,434	78.7	1,106	52.4	1,357	49.1
	Rent	70	25.8	51	9.6	530	30.8	400	21.9	1,004	47.6	1,446	52.3
	Total	271	100	526	100	1,718	100	1,822	100	2,110	100	2,762	100
2-Person	Own	610	93.3	780	85.8	2,291	88.0	3,304	87.2	1,999	76.3	2,155	64.3
	Rent	44	6.7	129	14.2	312	12.0	486	12.8	622	23.7	1,196	35.7
	Total	654	100	910	100	2,603	100	3,789	100	2,621	100	3,350	100
3-Person	Own	331	93.5	375	84.8	1,291	91.6	1,483	90.3	1,174	78.7	1,588	84.1
	Rent	23	6.5	67	15.2	118	8.4	159	9.7	318	21.3	300	15.9
	Total	354	100	442	100	1,409	100	1,642	100	1,492	100	1,888	100
4-Person	Own	407	96.0	965	91.5	1,564	93.9	1,559	91.1	1,339	83.3	1,234	78.8
	Rent	17	4.0	90	8.5	102	6.1	152	8.9	268	16.7	332	21.2
	Total	424	100	1,055	100	1,666	100	1,712	100	1,607	100	1,566	100
5-Person	Own	174	91.1	117	92.2	661	92.8	545	91.6	546	79.8	866	96.8
	Rent	17	8.9	10	7.8	51	7.2	50	8.4	138	20.2	28	3.2
	Total	191	100	127	100	712	100	595	100	684	100	895	100
6-Person	Own	49	87.5	40	100	163	90.6	135	100	162	78.6	205	85.0
	Rent	7	12.5	0	0.0	17	9.4	0	0.0	44	21.4	36	15.0
	Total	56	100	40	100	180	100	135	100	206	100	241	100
7+Person	Own	31	93.9	24	100	54	84.4	67	80.2	66	68.8	30	100
	Rent	2	6.1	0	0.0	10	15.6	17	19.8	30	31.3	0	0.0
	Total	33	100	24	100	64	100	84	100	96	100	30	100
TOTAL	Own	1,803	90.9	2,775	88.9	7,212	86.4	8,527	87.1	6,392	72.5	7,435	69.0
	Rent	180	9.1	347	11.1	1,140	13.6	1,263	12.9	2,424	27.5	3,338	31.0
	Total	1,983	100	3,122	100	8,352	100	9,790	100	8,816	100	10,773	100
Avg. HH Size	Own	3.01		2.89		2.85		2.67		2.839		2.843	
	Rent	2.42		2.65		2.06		2.23		2.24		1.92	

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TABLE continued
 TENURE BY HOUSEHOLD SIZE
 CARVER COUNTY MARKET AREA
 2010 & 2023

HH Size		Cologne				Hamburg-NYA				Mayer-New Germany			
		2010		2023		2010		2023		2010		2023	
		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
1-Person	Own	138	73.8	203	80.8	255	58.2	271	57.8	198	80.5	264	82.1
	Rent	49	26.2	50	20.1	183	41.8	203	43.2	48	19.5	58	18.0
	Total	187	100	251	100	438	100	470	100	246	100	322	100
2-Person	Own	294	90.7	440	97.0	542	83.0	629	72.7	467	91.0	573	95.4
	Rent	30	9.3	13	3.0	111	17.0	236	27.3	46	9.0	27	4.6
	Total	324	100	453	100	653	100	865	100	513	100	601	100
3-Person	Own	153	88.4	163	96.3	246	78.6	242	95.1	209	89.7	320	93.5
	Rent	20	11.6	6	3.7	67	21.4	12	4.9	24	10.3	22	6.5
	Total	173	100	169	100	313	100	254	100	233	100	342	100
4-Person	Own	150	93.8	191	89.4	247	86.1	172	96.5	253	93.0	340	94.7
	Rent	10	6.3	23	10.6	40	13.9	6	3.5	19	7.0	19	5.3
	Total	160	100	214	100	287	100	179	100	272	100	359	100
5-Person	Own	66	81.5	55	100	82	87.2	172	68.7	116	89.2	103	89.9
	Rent	15	18.5	0	0.0	12	12.8	78	31.3	14	10.8	12	10.1
	Total	81	100	55	100	94	100	251	100	130	100	114	100
6-Person	Own	19	79.2	18	85.3	37	77.1	26	100	34	87.2	43	95.3
	Rent	5	20.8	3	14.7	11	22.9	0	0.0	5	12.8	2	4.7
	Total	24	100	21	100	48	100	26	100	39	100	45	100
7+Person	Own	12	85.7	2	14.3	15	65.2	117	100	14	77.8	10	76.9
	Rent	2	14.3	11	85.7	8	34.8	0	0.0	4	22.2	3	23.1
	Total	14	100	13	100	23	100	117	100	18	100	14	100
TOTAL	Own	832	86.4	1,071	90.9	1,424	76.7	1,630	75.3	1,291	89.0	1,653	92.0
	Rent	131	13.6	107	9.1	432	23.3	536	24.7	160	11.0	143	8.0
	Total	963	100	1,178	100	1,856	100	2,166	100	1,451	100	1,796	100
Avg. HH Size	Own	2.78		2.55		2.67		2.93		2.83		2.77	
	Rent	2.50		2.65		2.19		2.11		2.60		2.43	

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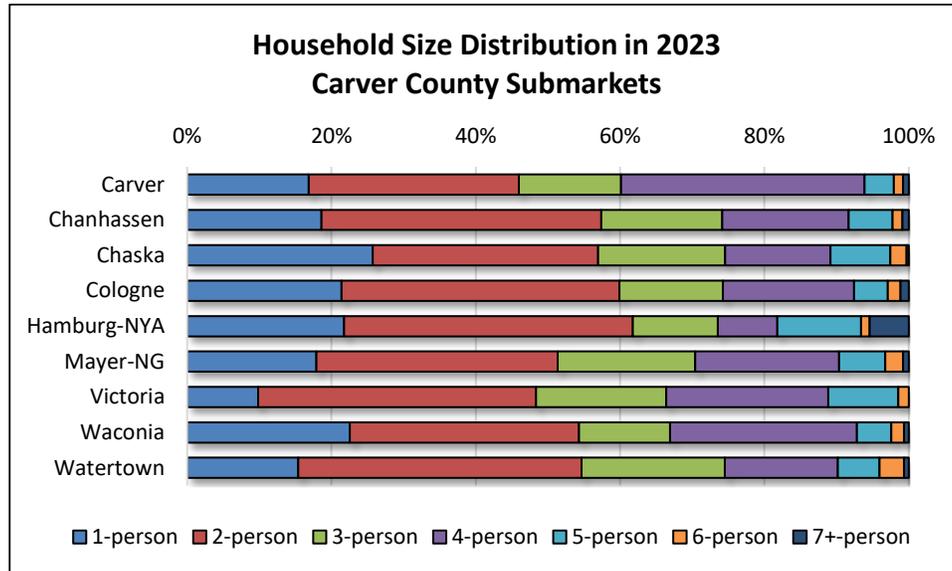
TABLE continued
 TENURE BY HOUSEHOLD SIZE
 CARVER COUNTY MARKET AREA
 2010 & 2023

HH Size		Victoria				Waconia				Watertown			
		2010		2023		2010		2023		2010		2023	
		No.	Pct.										
1-Person	Own	308	80.0	335	74.2	539	51.0	680	55.6	309	64.2	276	76.7
	Rent	77	20.0	128	28.2	518	49.0	543	44.4	172	35.8	70	19.4
	Total	385	100	452	100	1,057	100	1,224	100	481	100	360	100
2-Person	Own	992	91.8	1,683	95.1	1,025	83.9	1,551	89.9	592	88.2	894	97.3
	Rent	89	8.2	87	4.9	197	16.1	174	10.1	79	11.8	24	2.7
	Total	1,081	100	1,769	100	1,222	100	1,725	100	671	100	918	100
3-Person	Own	497	91.7	801	96.8	605	85.8	543	79.0	270	82.6	362	78.1
	Rent	45	8.3	27	3.2	100	14.2	144	21.0	57	17.4	102	21.9
	Total	542	100	828	100	705	100	687	100	327	100	464	100
4-Person	Own	645	95.8	998	96.8	753	91.8	1,233	87.8	281	88.1	347	94.5
	Rent	28	4.2	33	3.2	67	8.2	172	12.2	38	11.9	20	5.5
	Total	673	100	1,031	100	820	100	1,405	100	319	100	367	100
5-Person	Own	296	95.5	353	79.1	354	88.9	259	100	145	91.2	135	100
	Rent	14	4.5	93	20.9	44	11.1	0	0.0	14	8.8	0	0.0
	Total	310	100	447	100	398	100	259	100	159	100	135	100
6-Person	Own	72	88.9	63	96.1	99	90.8	96	100	51	91.1	79	100
	Rent	9	11.1	3	3.9	10	9.2	0	0.0	5	8.9	0	0.0
	Total	81	100	66	100	109	100	96	100	56	100	79	100
7+Person	Own	16	69.6	0	0.0	28	87.5	36	100	15	78.9	15	100
	Rent	7	30.4	0	0.0	4	12.5	0	0.0	4	21.1	0	0.0
	Total	23	100	0	0.0	32	100	36	100	19	100	15	100
TOTAL	Own	2,826	91.3	4,234	92.0	3,403	78.4	4,396	81.0	1,663	81.8	2,108	90.7
	Rent	269	8.7	370	8.0	940	21.6	1,033	19.0	369	18.2	216	9.3
	Total	3,095	100	4,604	100	4,343	100	5,430	100	2,032	100	2,324	100
Avg. HH Size	Own	2.97		2.89		2.93		2.83		2.74		2.75	
	Rent	2.51		2.69		1.90		1.95		2.12		2.33	

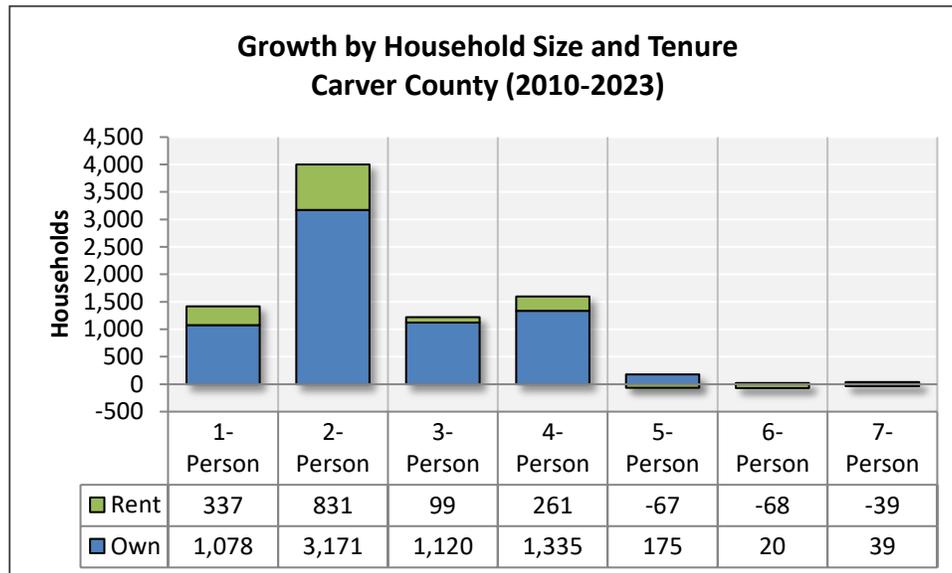
Sources: 2017-2021 American Community Survey; Metropolitan Council; Maxfield Research & Consulting, LLC

- In Carver County, two-person households are the most common household size (35% of all households), followed by one-person households (20%), and four-person households (19%). Similarly, one- and two-person households are most common in the Metro Area, representing 29% and 34% of all households, respectively.
- Two-person households are the most common owner household size in Carver County and Metro Area (35% of owner households in the County, 37% in the Metro Area) while one-person households are the most common renter household (40% of renter households in the County, 45% in the Metro Area).

- As depicted in the following chart, two-person households are the most common household size in eight of the submarkets, ranging from 31% of all households in the Chaska Submarket to 40% of all households in the Hamburg-Norwood Young America and Watertown Submarkets. Four-person households are most common (34%) in the Carver Submarket.



- Between 2010 and 2023, the largest growth occurred in the number of two-person households in Carver County, adding 3,171 owner households (36% growth) and 831 renter households (54%).

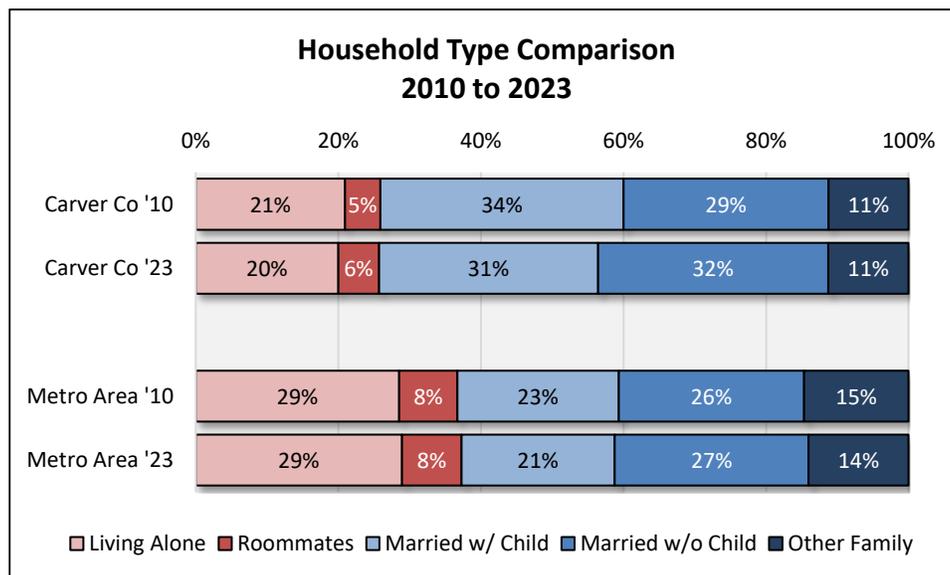


- One-, three-, and four-person households also experienced solid growth in the County between 2010 and 2023 among both renter and owner households. Contraction occurred among five-, six-, and seven-person renter households during that timeframe.

Household Type

The table on the following pages shows household type trends in Carver County and its submarkets compared to the Twin Cities Metro in 2010 and 2023. Data for 2010 is obtained from the Decennial Census, while the 2023 data is based on the 2017-2021 American Community Survey and adjusted by Maxfield Research to reflect 2023 household estimates. Shifting household types can stimulate demand for a variety of housing products.

- Married couple family households typically generate demand for single-family detached ownership housing.
 - Married couples without children often desire multifamily housing for convenience reasons. Married couple families without children are generally made up of younger couples that have not had children (and may not have children) and older couples with adult children that have moved out of the home.
 - Other family households, defined as a male or female householder with no spouse present (typically single-parent households), often require affordable housing.
 - Changes in non-family households (households living alone and households composed of unrelated roommates) drive demand for rental housing.
- In Carver County, married couple without children households are the most common household type in 2023 (32.3% of all households), followed closely by married couple households with children (30.7%). Single-person households are the most common household type in the Metro Area (28.9%), followed by married couples without children (27.2%).



- The number of family households in Carver County increased nearly 26% between 2010 and 2023 (6,222 households), compared to 12% growth in the Metro Area. Nonfamily households increased 24% in the County (2,070 households) and 15% in the Metro Area

TABLE 13
HOUSEHOLD TYPE
CARVER COUNTY MARKET AREA
2010 & 2023

	Carver		Chanhassen		Chaska	
	2010	2023	2010	2023	2010	2023
	Total Households	1,983	3,122	8,352	9,790	8,816
Non-Family Households	374	691	2,095	2,362	2,628	3,638
Living Alone	271	526	1,718	1,822	2,110	2,762
Other (Roommates)	103	165	377	539	518	876
Family Households	1,609	2,431	6,257	7,428	6,188	7,135
Married w/ Children	778	1,220	3,024	2,754	2,698	3,072
Married w/o Children	643	954	2,481	3,580	2,114	2,398
Other Family	188	256	752	1,094	1,376	1,666
Change (2010 - 2023)	No.	Pct.	No.	Pct.	No.	Pct.
Total Households	1,139	57.4%	1,438	17.2%	1,957	22.2%
Non-Family Households	317	84.8%	267	12.7%	1,010	38.4%
Living Alone	255	94.0%	104	6.1%	652	30.9%
Other (Roommates)	62	60.6%	162	43.0%	358	69.0%
Family Households	822	51.1%	1,171	18.7%	947	15.3%
Married w/ Children	442	56.9%	-270	-8.9%	374	13.8%
Married w/o Children	311	48.4%	1,099	44.3%	284	13.4%
Other Family	68	36.2%	342	45.5%	290	21.0%
	Cologne		Hamburg-NYA		Mayer-New Germ.	
	2010	2023	2010	2023	2010	2023
	Total Households	963	1,178	1,856	2,166	1,451
Non-Family Households	237	294	541	638	316	399
Living Alone	187	251	438	470	246	322
Other (Roommates)	50	43	103	169	70	78
Family Households	726	884	1,315	1,528	1,135	1,397
Married w/ Children	313	336	444	532	507	568
Married w/o Children	327	483	613	806	496	642
Other Family	86	65	258	190	132	187
Change (2010 - 2023)	No.	Pct.	No.	Pct.	No.	Pct.
Total Households	215	22.3%	310	16.7%	345	23.8%
Non-Family Households	57	24.2%	97	18.0%	83	26.4%
Living Alone	64	34.4%	32	7.3%	76	30.8%
Other (Roommates)	-7	-14.3%	66	63.6%	8	10.8%
Family Households	158	21.7%	213	16.2%	262	23.0%
Married w/ Children	23	7.4%	88	19.8%	61	12.1%
Married w/o Children	156	47.7%	193	31.4%	146	29.4%
Other Family	-21	-24.7%	-68	-26.3%	55	41.4%

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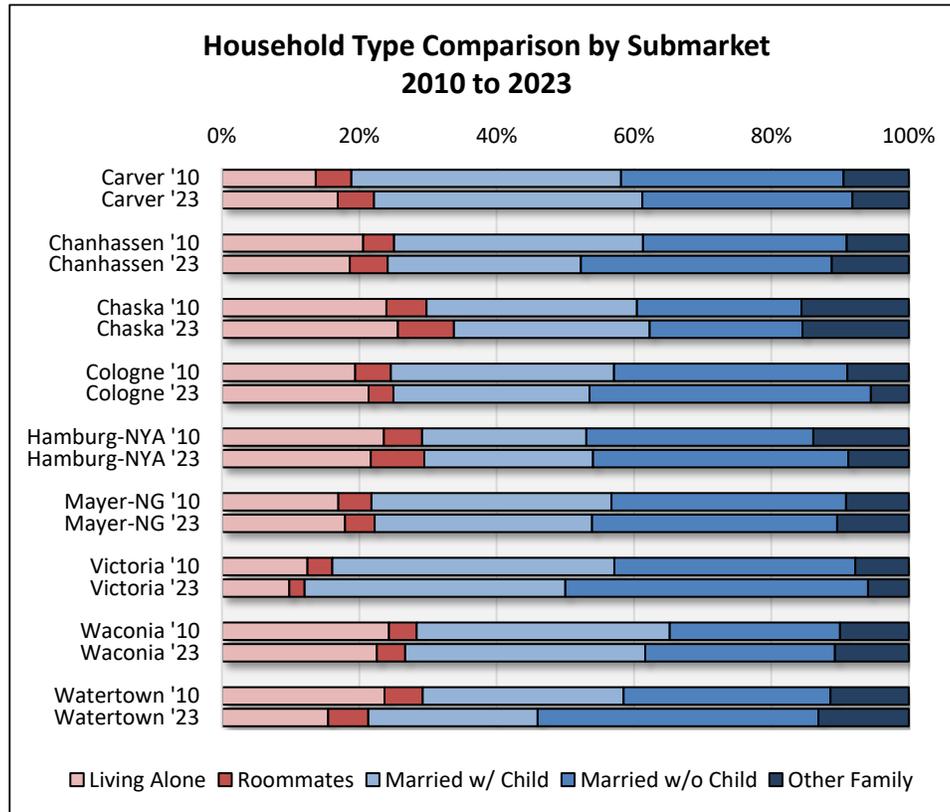
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**HOUSEHOLD TYPE
CARVER COUNTY MARKET AREA
2010 & 2023**

	Victoria		Waconia		Watertown	
	2010	2023	2010	2023	2010	2023
Total Households	3,095	4,604	4,343	5,430	2,032	2,324
Non-Family Households	497	553	1,231	1,449	594	496
Living Alone	385	452	1,057	1,224	481	360
Other (Roommates)	112	101	174	225	113	136
Family Households	2,598	4,051	3,112	3,981	1,438	1,828
Married w/ Children	1,272	1,749	1,600	1,899	594	573
Married w/o Children	1,085	2,029	1,079	1,500	613	950
Other Family	241	273	433	582	231	306
Change (2010 - 2023)	No.	Pct.	No.	Pct.	No.	Pct.
Total Households	1,509	48.8%	1,087	25.0%	292	14.4%
Non-Family Households	56	11.3%	218	17.7%	-98	-16.6%
Living Alone	67	17.5%	167	15.8%	-121	-25.2%
Other (Roommates)	-11	-9.7%	51	29.4%	23	20.3%
Family Households	1,453	55.9%	869	27.9%	390	27.1%
Married w/ Children	477	37.5%	299	18.7%	-21	-3.5%
Married w/o Children	944	87.0%	421	39.1%	337	54.9%
Other Family	32	13.2%	149	34.3%	75	32.3%
			Carver County		Metro Area	
			2010	2023	2010	2023
Total Households			32,891	41,183	1,117,749	1,266,716
Non-Family Households			8,513	10,583	410,253	472,104
Living Alone			6,893	8,242	319,030	366,673
Other (Roommates)			1,620	2,341	91,223	105,431
Family Households			24,378	30,600	707,496	794,612
Married w/ Children			11,230	12,654	252,934	272,092
Married w/o Children			9,451	13,296	290,476	344,895
Other Family			3,697	4,650	164,086	177,625
Change (2010 - 2023)			No.	Pct.	No.	Pct.
Total Households			8,292	25.2%	148,967	13.3%
Non-Family Households			2,070	24.3%	61,851	15.1%
Living Alone			1,349	19.6%	47,643	14.9%
Other (Roommates)			721	44.5%	14,208	15.6%
Family Households			6,222	25.5%	87,116	12.3%
Married w/ Children			1,424	12.7%	19,158	7.6%
Married w/o Children			3,845	40.7%	54,419	18.7%
Other Family			953	25.8%	13,539	8.3%

Sources: U.S. Census; 2017-2021 American Community Survey; Maxfield Research & Consulting, LLC

- Married couple households without children are the most common household type in the Chanhassen (36.6%), Cologne (41.0%), Hamburg-Norwood Young America (36.6%), Mayer-New Germany (35.7%), Victoria (44.1%), and Watertown (40.9%) Submarkets. Married couple with children households are most common in the Carver (39.1%), Chaska (28.5%), and Waconia (35.0%) Submarkets.



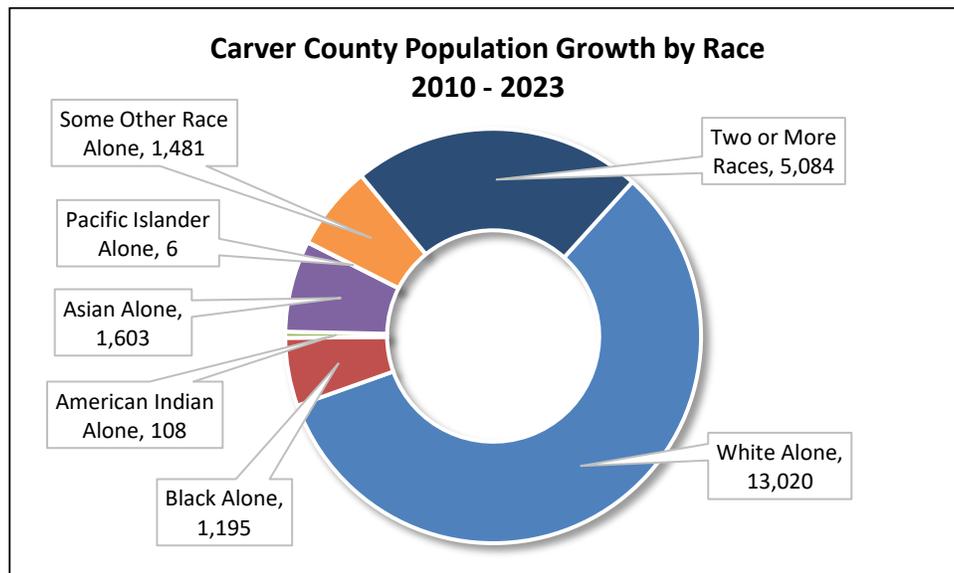
- The largest household type shift occurred in the Watertown Submarket, as the proportion of family households increased 7.9% from 70.8% of all households in 2010 to 78.7% of all households in 2023, with the proportion of married couple without children households climbing 10.7% to 40.9% of all households. Other substantial shifts are summarized below.
 - The Victoria Submarket experienced a sizable increase in the proportion of family households, climbing 4.0% to 88.0% of all households in 2023, most notably the proportion of married couples without children increased 9.0% to 44.1% of all households.
 - The Chaska Submarket experienced a 4.0% increase in the proportion of non-family households to 33.8% of all households in 2023.
 - The proportion of non-family households in the Carver Submarket increased 3.3% to 22.1% of all households in 2023, most notably single-person households as the proportion increased 3.2% to 16.8% of all households.

Race and Ethnicity

The table on the following pages displays the breakdown of the Market Area population by race and ethnicity. This data is useful in that it illustrates shifts in the demographic characteristics of the Market Area population from 2010 to 2023. Information for 2010 is obtained from the Decennial Census, while the 2023 data is sourced from ESRI and adjusted by Maxfield Research to reflect current population estimates.

Federal standards mandate that race and ethnicity are separate and distinct identities and Census results are based on self-identification. A person may be categorized as one of two ethnic categories; “Hispanic or Latino” origin or “Not Hispanic or Latino.” In addition, a person can self-identify as having one or more racial identity, including “White,” “Black or African American,” “American Indian or Alaska Native,” “Asian,” and “Native Hawaiian or Other Pacific Islander.” Respondents could also identify as being “Some Other Race.”

- In 2023, “White Alone” comprises the largest proportion of Carver County’s population, at an estimated 86% compared to 69% in the Metro Area. In the County, people identified as Two or More Races and Asian Alone were the second and third most populous groups with 6,520 people (6%) and 4,081 people (4%), respectively.
- Based on ESRI’s estimates, all races experienced population growth between 2010 and 2023 in Carver County. As depicted below, population growth was largest among White Alone, expanding by 13,020 people, followed by growth among individuals identified as Two or More Races (5,084 people) and Asian Alone (1,603 people).



- In the Metro Area, population growth occurred among all races except for White Alone, which contracted -1.4%. Largest growth occurred among people identified as Two or More Races, followed by Some Other Race Alone, Black Alone, and Asian Alone.

TABLE 14
POPULATION DISTRIBUTION BY RACE & ETHNICITY
CARVER COUNTY MARKET AREA
2010 - 2030

Submarket Race/Ethnicity	2010		2023		Change	
	No.	Pct.	No.	Pct.	2010-2023	
					No.	Pct.
Carver						
White Alone	5,473	93.0%	8,107	85.8%	2,634	48.1%
Black Alone	39	0.7%	197	2.1%	158	404.6%
American Indian Alone	13	0.2%	9	0.1%	-4	-27.5%
Asian Alone	241	4.1%	436	4.6%	195	80.7%
Pacific Islander Alone	0	0.0%	4	0.0%	4	--
Some Other Race Alone	26	0.4%	143	1.5%	117	451.6%
Two or More Races	95	1.6%	549	5.8%	454	477.4%
Total	5,887	100%	9,445	100%	3,558	60.4%
Hispanic (ethnicity)	96	1.6%	363	3.8%	267	278.4%
Chanhassen						
White Alone	21,237	92.5%	22,248	84.5%	1,011	4.8%
Black Alone	254	1.1%	361	1.4%	107	42.0%
American Indian Alone	24	0.1%	46	0.2%	22	93.6%
Asian Alone	886	3.9%	1,706	6.5%	820	92.5%
Pacific Islander Alone	2	0.0%	7	0.0%	5	253.5%
Some Other Race Alone	198	0.9%	387	1.5%	189	95.4%
Two or More Races	350	1.5%	1,584	6.0%	1,234	352.5%
Total	22,952	100%	26,340	100%	3,388	14.8%
Hispanic (ethnicity)	525	2.3%	1,051	4.0%	526	100.1%
Chaska						
White Alone	20,951	88.1%	22,488	78.3%	1,538	7.3%
Black Alone	585	2.5%	1,266	4.4%	681	116.3%
American Indian Alone	96	0.4%	150	0.5%	54	55.8%
Asian Alone	866	3.6%	1,182	4.1%	316	36.5%
Pacific Islander Alone	7	0.0%	8	0.0%	1	13.6%
Some Other Race Alone	801	3.4%	1,637	5.7%	836	104.4%
Two or More Races	464	2.0%	1,972	6.9%	1,508	324.6%
Total	23,770	100%	28,703	100%	4,933	20.8%
Hispanic (ethnicity)	2,012	8.5%	2,941	10.2%	929	46.2%
Cologne						
White Alone	2,535	95.7%	2,940	92.6%	405	16.0%
Black Alone	25	0.9%	32	1.0%	7	28.3%
American Indian Alone	1	0.0%	3	0.1%	2	200.7%
Asian Alone	26	1.0%	25	0.8%	-1	-3.6%
Pacific Islander Alone	0	0.0%	0	0.0%	0	--
Some Other Race Alone	28	1.1%	37	1.2%	9	32.4%
Two or More Races	35	1.3%	138	4.4%	103	295.2%
Total	2,650	100%	3,176	100%	526	19.8%
Hispanic (ethnicity)	76	2.9%	103	3.3%	27	35.8%

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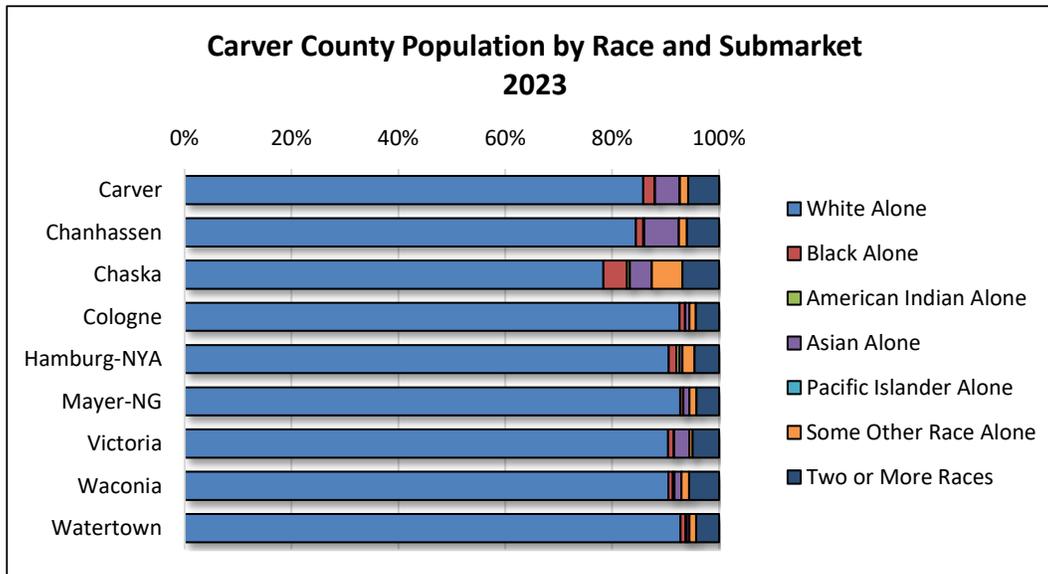
POPULATION DISTRIBUTION BY RACE & ETHNICITY CARVER COUNTY MARKET AREA 2010 - 2030						
Submarket Race/Ethnicity	2010		2023		Change 2010-2023	
	No.	Pct.	No.	Pct.	No.	Pct.
Hamburg-Norwood Yound America						
White Alone	4,568	95.6%	4,939	90.6%	371	8.1%
Black Alone	17	0.4%	79	1.4%	62	363.7%
American Indian Alone	8	0.2%	29	0.5%	21	267.9%
Asian Alone	25	0.5%	30	0.6%	5	21.9%
Pacific Islander Alone	1	0.0%	1	0.0%	0	5.1%
Some Other Race Alone	110	2.3%	123	2.3%	13	11.8%
Two or More Races	48	1.0%	250	4.6%	202	421.2%
Total	4,777	100%	5,452	100%	675	14.1%
Hispanic (ethnicity)	185	3.9%	296	5.4%	111	60.2%
Mayer-New Germany						
White Alone	3,948	96.7%	4,784	92.7%	836	21.2%
Black Alone	24	0.6%	28	0.5%	4	15.0%
American Indian Alone	5	0.1%	5	0.1%	0	6.4%
Asian Alone	46	1.1%	58	1.1%	12	26.8%
Pacific Islander Alone	0	0.0%	0	0.0%	0	--
Some Other Race Alone	19	0.5%	68	1.3%	50	269.7%
Two or More Races	43	1.0%	217	4.2%	174	405.6%
Total	4,084	100%	5,160	100%	1,076	26.3%
Hispanic (ethnicity)	57	1.4%	116	2.3%	60	105.5%
Victoria						
White Alone	9,109	95.0%	12,552	90.5%	3,443	37.8%
Black Alone	49	0.5%	144	1.0%	95	196.5%
American Indian Alone	10	0.1%	14	0.1%	4	44.3%
Asian Alone	228	2.4%	390	2.8%	162	71.0%
Pacific Islander Alone	1	0.0%	0	0.0%	-1	-100.0%
Some Other Race Alone	32	0.3%	88	0.6%	56	178.3%
Two or More Races	160	1.7%	684	4.9%	523	326.1%
Total	9,588	100%	13,871	100%	4,283	44.7%
Hispanic (ethnicity)	184	1.9%	364	2.6%	181	98.4%
Waconia						
White Alone	11,435	95.9%	13,713	90.5%	2,278	19.9%
Black Alone	113	1.0%	128	0.8%	15	13.4%
American Indian Alone	35	0.3%	44	0.3%	9	25.8%
Asian Alone	126	1.1%	195	1.3%	69	54.6%
Pacific Islander Alone	2	0.0%	1	0.0%	-1	-46.1%
Some Other Race Alone	79	0.7%	219	1.4%	140	176.8%
Two or More Races	135	1.1%	846	5.6%	712	528.0%
Total	11,925	100%	15,147	100%	3,222	27.0%
Hispanic (ethnicity)	275	2.3%	585	3.9%	310	112.5%

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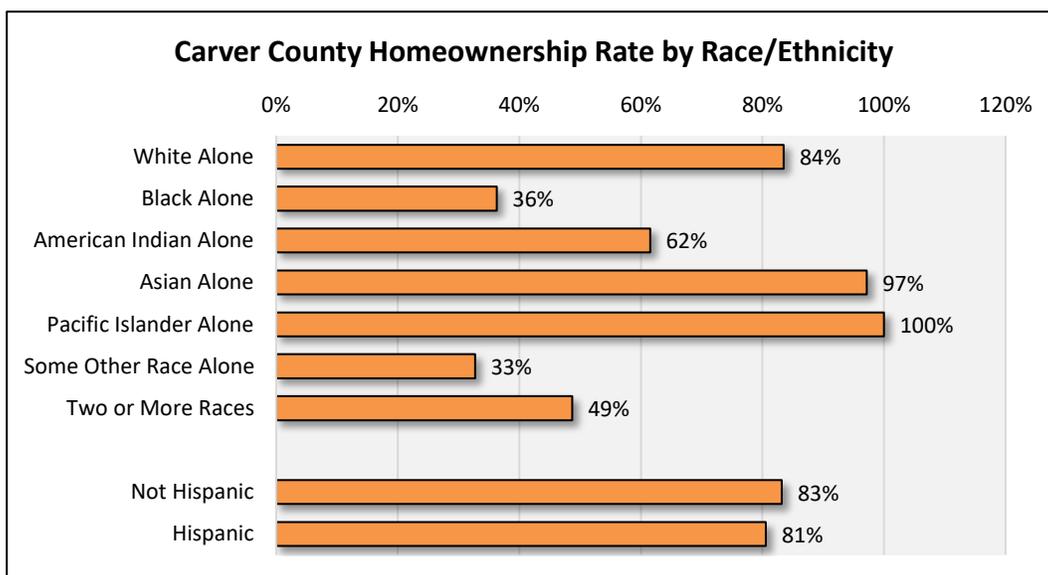
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POPULATION DISTRIBUTION BY RACE & ETHNICITY CARVER COUNTY MARKET AREA 2010 - 2030						
Submarket Race/Ethnicity	2010		2023		Change	
	No.	Pct.	No.	Pct.	2010-2023	
					No.	Pct.
Watertown						
White Alone	5,204	96.2%	5,795	92.8%	592	11.4%
Black Alone	14	0.3%	59	0.9%	44	309.5%
American Indian Alone	16	0.3%	14	0.2%	-3	-16.8%
Asian Alone	36	0.7%	32	0.5%	-3	-9.3%
Pacific Islander Alone	2	0.0%	0	0.0%	-2	-100.0%
Some Other Race Alone	31	0.6%	78	1.3%	48	155.9%
Two or More Races	106	2.0%	267	4.3%	160	151.0%
Total	5,409	100%	6,245	100%	836	15.5%
Hispanic (ethnicity)	89	1.6%	176	2.8%	87	97.7%
Carver County						
White Alone	84,450	92.8%	97,469	85.8%	13,020	15.4%
Black Alone	1,124	1.2%	2,319	2.0%	1,195	106.3%
American Indian Alone	208	0.2%	316	0.3%	108	51.9%
Asian Alone	2,478	2.7%	4,081	3.6%	1,603	64.7%
Pacific Islander Alone	15	0.0%	21	0.0%	6	41.8%
Some Other Race Alone	1,331	1.5%	2,812	2.5%	1,481	111.2%
Two or More Races	1,436	1.6%	6,520	5.7%	5,084	354.0%
Total	91,042	100%	113,538	100%	22,496	24.7%
Hispanic (ethnicity)	3,515	3.9%	6,044	5.3%	2,528	71.9%
Twin Cities Metro Area						
White Alone	2,246,356	78.8%	2,215,965	68.7%	-30,391	-1.4%
Black Alone	238,723	8.4%	357,877	11.1%	119,154	49.9%
American Indian Alone	20,906	0.7%	25,252	0.8%	4,346	20.8%
Asian Alone	183,421	6.4%	273,027	8.5%	89,606	48.9%
Pacific Islander Alone	1,262	0.0%	1,490	0.0%	228	18.1%
Some Other Race Alone	74,516	2.6%	122,961	3.8%	48,445	65.0%
Two or More Races	84,383	3.0%	229,568	7.1%	145,185	172.1%
Total	2,849,567	100%	3,226,140	100%	376,573	13.2%
Hispanic (ethnicity)	167,558	5.9%	242,801	7.5%	75,243	44.9%
Sources: U.S. Census; ESRI; Maxfield Research & Consulting, LLC						

- The number of people self-identifying as being of Hispanic or Latino origin, which represents 5.3% of the population in Carver County, expanded 72% between 2010 and 2023 with the addition of 2,528 people.
- In the Twin Cities Metro Area, people identifying as being Hispanic or Latino represents an estimated 7.5% of the population after experiencing 45% growth between 2010 and 2023.
- The following chart illustrates the composition the 2023 population by race for each of Carver County’s submarkets.



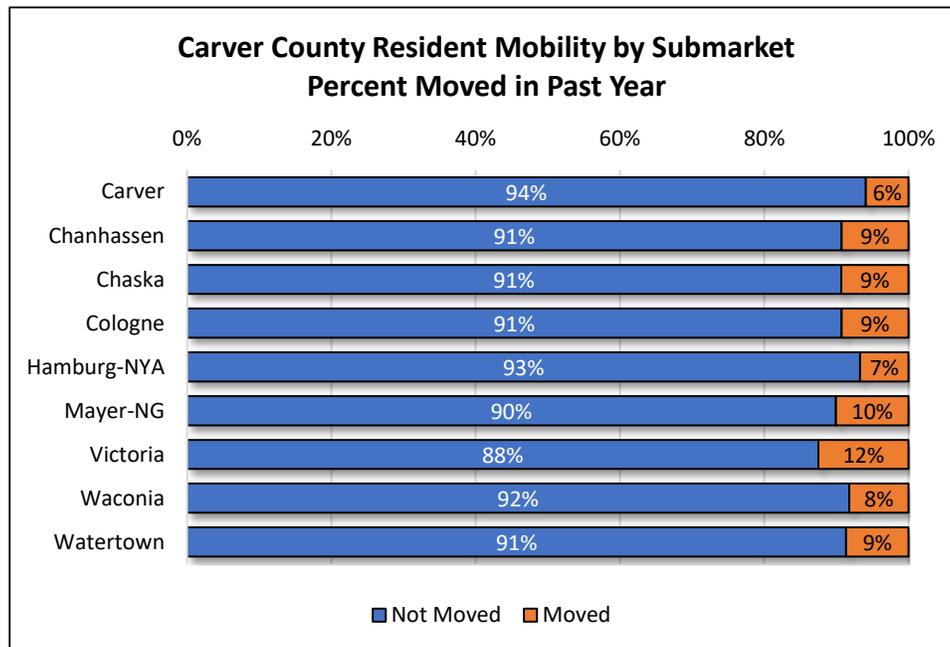
- As shown above, White Alone represents the largest proportion of the population in all submarkets, ranging from 78% of the population in Chaska to 93% in the Cologne, Mayer-New Germany, and Watertown Submarkets.
- The proportion of people self-identifying as being of Hispanic or Latino origin ranges from 2.3% of the population in the Mayer-New Germany Submarket to 10.2% in Chaska.
- Based on 2017-2021 American Community Survey estimates, approximately 84% of White Alone households in Carver County own their housing while the remaining 16% rent. The home ownership rate declines to 57% for all other races in the County, ranging from 33% of Some Other Race Alone and 36% of Black Alone households to 97% of Asian Alone and 100% of Pacific Islander households.



Resident Mobility

The table on the following pages shows mobility patterns of County residents within a one-year timeframe. Data for 2023 is based on the 2017-2021 American Community Survey and adjusted by Maxfield Research to reflect 2023 population estimates. People move for various reasons, but housing is a primary motivator, followed by family-related reasons, and job-related reasons. Local moves are generally housing-related, while longer-distance moves are often job-related.

- The majority of residents in Carver County (91%) did not change residences, while 9% moved within a one-year time period of the ACS Survey.
- As depicted in the following graph, resident mobility was greatest in the Victoria (12% moved in past year) and Mayer-New Germany (10%) Submarkets and lowest in the Carver (6%) and Hamburg-Norwood Young America (7%) Submarkets.



- Among the residents that moved, most moved within Minnesota, but from a different County (4.8% of all residents), while 3.2% moved from within Carver County and 0.8% moved from a different State. Another 0.3% moved to the County from abroad.
- Renter households and younger households tend to be more highly mobile than owner households and older households. This trend is evident in Carver County, as 22% of the residents that moved within the one-year time period were in the 25 to 34 age group, 21% were under age 18, and 16% were in the 18 to 24 age group.

TABLE 15
RESIDENT MOBILITY IN PAST YEAR BY AGE GROUP
CARVER COUNTY BY SUBMARKET
2023

Age	Not Moved		----- Moved from -----							
			Within Same County		Different County, Same State		Different State		Abroad	
Carver County	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	27,011	23.8%	1,068	0.9%	906	0.8%	127	0.1%	113	0.1%
18 to 24	7,537	6.6%	432	0.4%	950	0.8%	264	0.2%	13	0.0%
25 to 34	9,836	8.7%	572	0.5%	1,396	1.2%	312	0.3%	26	0.0%
35 to 44	15,485	13.6%	683	0.6%	710	0.6%	63	0.1%	13	0.0%
45 to 54	15,336	13.5%	359	0.3%	524	0.5%	65	0.1%	23	0.0%
55 to 64	14,779	13.0%	243	0.2%	380	0.3%	81	0.1%	0	0.0%
65 to 74	8,167	7.2%	145	0.1%	409	0.4%	28	0.0%	49	0.0%
75+	4,975	4.4%	161	0.1%	212	0.2%	0	0.0%	86	0.1%
Total	103,126	90.8%	3,663	3.2%	5,487	4.8%	940	0.8%	322	0.3%
Carver	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	2,422	25.6%	37	0.4%	4	0.0%	0	0.0%	0	0.0%
18 to 24	727	7.7%	4	0.0%	34	0.4%	8	0.1%	0	0.0%
25 to 34	737	7.8%	78	0.8%	112	1.2%	37	0.4%	0	0.0%
35 to 44	1,536	16.3%	79	0.8%	5	0.1%	0	0.0%	0	0.0%
45 to 54	1,223	13.0%	13	0.1%	0	0.0%	0	0.0%	0	0.0%
55 to 64	1,295	13.7%	70	0.7%	6	0.1%	13	0.1%	0	0.0%
65 to 74	633	6.7%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
75+	313	3.3%	3	0.0%	56	0.6%	0	0.0%	1	0.0%
Total	8,886	94.1%	283	3.0%	218	2.3%	57	0.6%	1	0.0%
Chanhassen	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	6,171	23.4%	173	0.7%	238	0.9%	68	0.3%	54	0.2%
18 to 24	1,615	6.1%	71	0.3%	216	0.8%	97	0.4%	0	0.0%
25 to 34	2,119	8.0%	97	0.4%	287	1.1%	146	0.6%	5	0.0%
35 to 44	3,271	12.4%	50	0.2%	193	0.7%	20	0.1%	12	0.0%
45 to 54	3,324	12.6%	49	0.2%	236	0.9%	17	0.1%	19	0.1%
55 to 64	4,064	15.4%	67	0.3%	91	0.3%	24	0.1%	0	0.0%
65 to 74	2,170	8.2%	0	0.0%	21	0.1%	23	0.1%	41	0.2%
75+	1,166	4.4%	12	0.0%	46	0.2%	0	0.0%	68	0.3%
Total	23,900	90.7%	519	2.0%	1,327	5.0%	394	1.5%	200	0.8%
Chaska	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	7,093	24.7%	346	1.2%	153	0.5%	0	0.0%	0	0.0%
18 to 24	1,992	6.9%	186	0.6%	160	0.6%	40	0.1%	5	0.0%
25 to 34	2,452	8.5%	146	0.5%	510	1.8%	31	0.1%	20	0.1%
35 to 44	4,113	14.3%	291	1.0%	98	0.3%	17	0.1%	0	0.0%
45 to 54	4,088	14.2%	118	0.4%	55	0.2%	16	0.1%	0	0.0%
55 to 64	3,356	11.7%	40	0.1%	170	0.6%	20	0.1%	0	0.0%
65 to 74	1,655	5.8%	11	0.0%	206	0.7%	0	0.0%	0	0.0%
75+	1,276	4.4%	19	0.1%	22	0.1%	0	0.0%	0	0.0%
Total	26,023	90.7%	1,157	4.0%	1,374	4.8%	124	0.4%	25	0.1%

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TABLE continued

RESIDENT MOBILITY IN PAST YEAR BY AGE GROUP CARVER COUNTY BY SUBMARKET 2023										
Age	Not Moved		----- Moved from -----							
			Within Same County		Different County, Same State		Different State		Abroad	
Cologne	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	663	20.9%	81	2.5%	16	0.5%	9	0.3%	1	0.0%
18 to 24	130	4.1%	6	0.2%	25	0.8%	3	0.1%	0	0.0%
25 to 34	305	9.6%	17	0.5%	37	1.2%	0	0.0%	0	0.0%
35 to 44	352	11.1%	32	1.0%	20	0.6%	10	0.3%	0	0.0%
45 to 54	443	13.9%	3	0.1%	21	0.7%	0	0.0%	0	0.0%
55 to 64	596	18.8%	4	0.1%	5	0.2%	0	0.0%	0	0.0%
65 to 74	263	8.3%	7	0.2%	0	0.0%	0	0.0%	0	0.0%
75+	128	4.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	2,881	90.7%	150	4.7%	123	3.9%	22	0.7%	1	0.0%
Hamburg-NYA	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	1,196	21.9%	19	0.4%	43	0.8%	0	0.0%	0	0.0%
18 to 24	411	7.5%	6	0.1%	81	1.5%	0	0.0%	0	0.0%
25 to 34	584	10.7%	56	1.0%	23	0.4%	0	0.0%	0	0.0%
35 to 44	841	15.4%	2	0.0%	21	0.4%	0	0.0%	0	0.0%
45 to 54	643	11.8%	5	0.1%	0	0.0%	0	0.0%	0	0.0%
55 to 64	636	11.7%	6	0.1%	0	0.0%	0	0.0%	0	0.0%
65 to 74	398	7.3%	0	0.0%	0	0.0%	0	0.0%	5	0.1%
75+	376	6.9%	93	1.7%	0	0.0%	0	0.0%	4	0.1%
Total	5,086	93.3%	189	3.5%	167	3.1%	0	0.0%	10	0.2%
Mayer-New Germ.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	1,169	22.7%	15	0.3%	81	1.6%	10	0.2%	15	0.3%
18 to 24	311	6.0%	34	0.7%	26	0.5%	3	0.1%	0	0.0%
25 to 34	582	11.3%	32	0.6%	49	1.0%	19	0.4%	0	0.0%
35 to 44	792	15.4%	19	0.4%	115	2.2%	3	0.1%	0	0.0%
45 to 54	587	11.4%	4	0.1%	17	0.3%	0	0.0%	3	0.1%
55 to 64	663	12.9%	21	0.4%	32	0.6%	0	0.0%	0	0.0%
65 to 74	379	7.3%	10	0.2%	0	0.0%	0	0.0%	0	0.0%
75+	155	3.0%	9	0.2%	3	0.1%	0	0.0%	0	0.0%
Total	4,640	89.9%	143	2.8%	323	6.3%	35	0.7%	19	0.4%
Victoria	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	2,864	20.6%	320	2.3%	145	1.0%	27	0.2%	0	0.0%
18 to 24	1,210	8.7%	37	0.3%	183	1.3%	76	0.5%	8	0.1%
25 to 34	998	7.2%	87	0.6%	84	0.6%	71	0.5%	0	0.0%
35 to 44	1,753	12.6%	165	1.2%	123	0.9%	0	0.0%	0	0.0%
45 to 54	2,096	15.1%	77	0.6%	113	0.8%	21	0.2%	0	0.0%
55 to 64	1,537	11.1%	30	0.2%	56	0.4%	0	0.0%	0	0.0%
65 to 74	1,267	9.1%	29	0.2%	79	0.6%	0	0.0%	0	0.0%
75+	413	3.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	12,140	87.5%	745	5.4%	783	5.6%	195	1.4%	8	0.1%

----- continued -----

TABLE continued

RESIDENT MOBILITY IN PAST YEAR BY AGE GROUP CARVER COUNTY BY SUBMARKET 2023										
Age	Not Moved		----- Moved from -----							
			Within Same County		Different County, Same State		Different State		Abroad	
Waconia	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	4,109	27.1%	57	0.4%	94	0.6%	0	0.0%	41	0.3%
18 to 24	594	3.9%	44	0.3%	155	1.0%	27	0.2%	0	0.0%
25 to 34	1,313	8.7%	50	0.3%	292	1.9%	9	0.1%	0	0.0%
35 to 44	2,210	14.6%	51	0.3%	56	0.4%	0	0.0%	0	0.0%
45 to 54	2,149	14.2%	62	0.4%	46	0.3%	0	0.0%	0	0.0%
55 to 64	1,563	10.3%	11	0.1%	0	0.0%	26	0.2%	0	0.0%
65 to 74	977	6.5%	70	0.5%	81	0.5%	0	0.0%	0	0.0%
75+	985	6.5%	4	0.0%	70	0.5%	0	0.0%	0	0.0%
Total	13,900	91.8%	350	2.3%	794	5.2%	62	0.4%	41	0.3%
Watertown	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	1,354	21.7%	14	0.2%	125	2.0%	10	0.2%	0	0.0%
18 to 24	574	9.2%	38	0.6%	68	1.1%	9	0.1%	0	0.0%
25 to 34	731	11.7%	15	0.2%	0	0.0%	0	0.0%	0	0.0%
35 to 44	672	10.8%	0	0.0%	73	1.2%	11	0.2%	0	0.0%
45 to 54	790	12.7%	29	0.5%	27	0.4%	11	0.2%	0	0.0%
55 to 64	1,016	16.3%	0	0.0%	13	0.2%	0	0.0%	0	0.0%
65 to 74	418	6.7%	21	0.3%	22	0.3%	4	0.1%	0	0.0%
75+	149	2.4%	20	0.3%	22	0.3%	0	0.0%	9	0.1%
Total	5,705	91.4%	137	2.2%	350	5.6%	45	0.7%	9	0.1%

Sources: 2017-2021 American Community Survey; Maxfield Research & Consulting, LLC

Employment Trends

Introduction

Employment characteristics are relevant when evaluating housing needs in any given market area as employment growth often fuels household growth. Typically, households prefer to live near work for convenience, which is a primary factor in choosing a housing location. Many households, however, choose to commute greater distances to work provided their housing is affordable enough to offset the additional transportation costs. In many areas, particularly less densely populated areas, people will choose to live further from their place of work because they prefer a rural lifestyle (i.e. they want to live on a wooded lot or be near a body of water) or suitable housing may not be available in their employer's community.

This section of the report evaluates employment trends and characteristics in Carver County and its submarkets as they relate to housing demand in the County, with select comparisons made to the seven-county Twin Cities Metro Area. The following topics are reviewed.

- ▶ Labor force, resident employment, and unemployment trends
- ▶ Commuting patterns
- ▶ Job growth trends and projections
- ▶ Employment and average wages by industry sector
- ▶ Major employers

The Minnesota Department of Employment and Economic Development (DEED) is the primary data resource for this section of the market study. Other information sources include the Metropolitan Council, the United States Bureau of Labor Statistics, and the United States Census Bureau Longitudinal Employer-Household Dynamics (LEHD) program. Additionally, Maxfield Research and Consulting, LLC researched General Obligation Bond Official Statements via the Municipal Securities Rulemaking Board (MSRB) Electronic Municipal Market Access (EMMA) to obtain information on major employers in the communities located in Carver County.

Resident Employment

The following table shows information on the labor force, resident employment, and unemployment in Chanhassen and Carver County compared to the Metro Area. Data is sourced from DEED. City-level resident employment data is only available for large cities in Minnesota, so information specific to the Carver County submarkets, except for Chanhassen, is not provided. Resident employment data reveals the workforce and number of employed people living in the area. It is important to note that not all of these individuals necessarily work in the area.

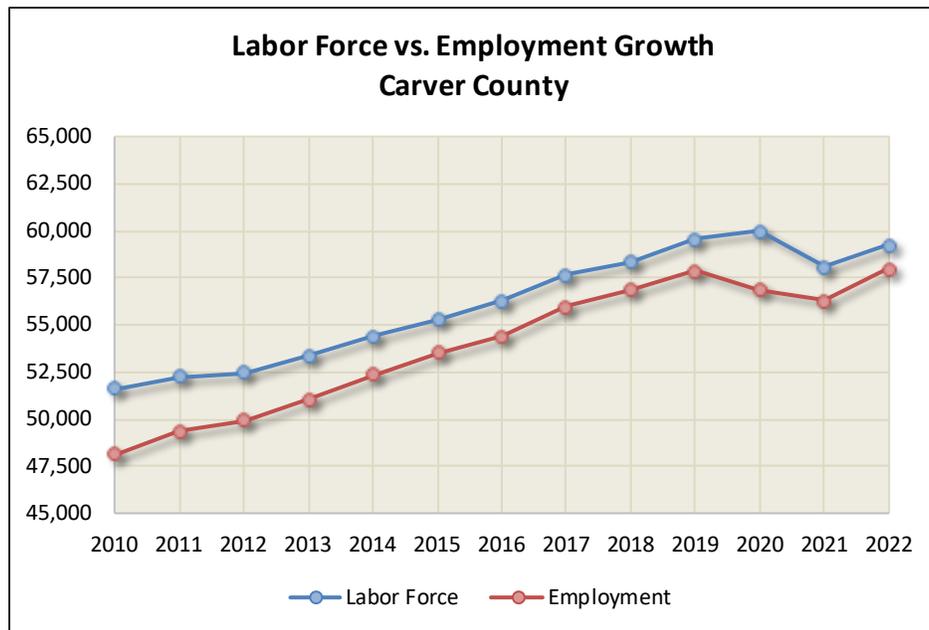
TABLE 16

LABOR FORCE AND RESIDENT EMPLOYMENT TRENDS CARVER COUNTY MARKET AREA 2010 through 2022									
Year	Chanhassen			Carver County			Twin Cities Metro Area		
	Labor Force	Employed Residents	UE Rate	Labor Force	Employed Residents	UE Rate	Labor Force	Employed Residents	UE Rate
2022	14,500	14,222	1.9%	59,251	57,973	2.2%	1,717,199	1,674,601	2.5%
2021	14,200	13,819	2.7%	58,099	56,330	3.0%	1,688,645	1,625,275	3.8%
2020	14,702	13,950	5.1%	60,002	56,862	5.2%	1,749,292	1,636,317	6.5%
2019	14,688	14,321	2.5%	59,566	57,911	2.8%	1,734,928	1,684,949	2.9%
2018	14,235	13,882	2.5%	58,350	56,873	2.5%	1,714,156	1,668,797	2.6%
2017	14,203	13,796	2.9%	57,678	55,976	3.0%	1,706,940	1,653,641	3.1%
2016	14,054	13,618	3.1%	56,292	54,436	3.3%	1,669,746	1,612,583	3.4%
2015	13,859	13,451	2.9%	55,301	53,510	3.2%	1,653,838	1,597,310	3.4%
2014	13,697	13,233	3.4%	54,396	52,377	3.7%	1,642,460	1,577,850	3.9%
2013	13,460	12,907	4.1%	53,369	51,033	4.4%	1,626,969	1,550,140	4.7%
2012	13,131	12,544	4.5%	52,484	49,934	4.9%	1,611,797	1,524,778	5.4%
2011	12,885	12,263	4.8%	52,236	49,344	5.5%	1,606,856	1,506,887	6.2%
2010	12,728	11,957	6.1%	51,621	48,148	6.7%	1,593,385	1,479,385	7.2%

Sources: Minnesota DEED; Maxfield Research & Consulting, LLC

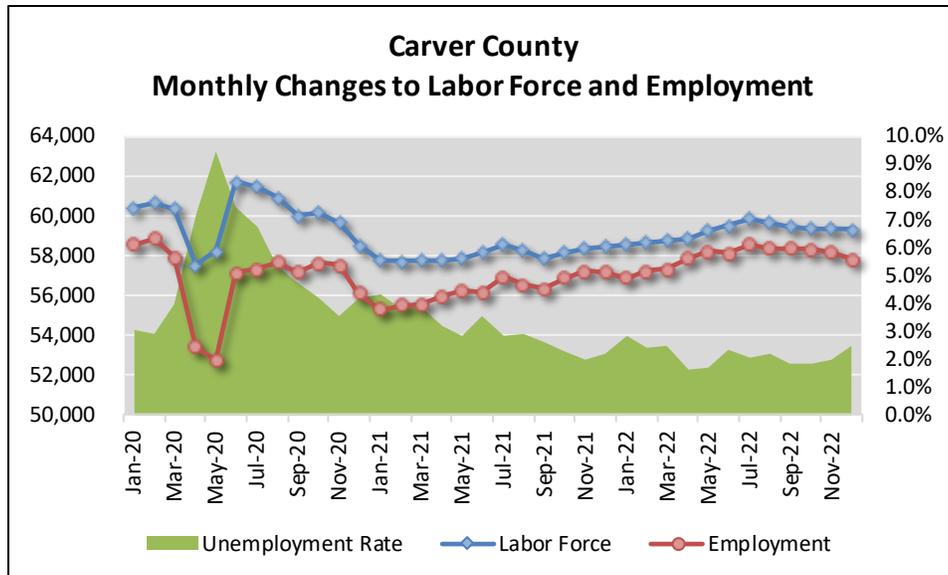
- In 2022, Carver County had an annual labor force of 59,251 with 57,973 employed residents, which equates to a 2.2% unemployment rate. By comparison, Metro Area unemployment was at 2.5%.
 - Chanhassen had a labor force of 14,500 in 2022 with a 1.9% unemployment rate (14,222 employed residents), while the Remainder of Carver County had a labor force of 44,751 with a 2.2% unemployment rate (43,751 employed residents).
- Carver County’s labor force expanded 14.8% between 2010 and 2022 (7,630), while resident employment increased 20.4% (9,825), compared to 7.8% labor force growth and 13.2% resident employment growth in the Twin Cities Metro Area.
 - Chanhassen’s labor force increased 13.9% against 18.9% resident employment growth, while the Remainder of the County experienced 15.1% labor force growth and 20.9% resident employment growth.

- Because resident employment growth has outpaced labor force growth, unemployment rates dropped substantially across the Market Area. Carver County’s unemployment rate decreased from 6.7% in 2010 to 1.9% in 2022, while unemployment in the Metro Area contracted from 7.2% to 2.5%.
- Carver County’s labor force increased at an average annual rate of 1.6% from 2010 through 2019 before flattening to 0.7% in 2020 and declining -3.2% in 2021. Resident employment in the County experienced 2.1% average annual growth from 2010 through 2021, before declining -1.8% in 2020 and -0.9% in 2021.

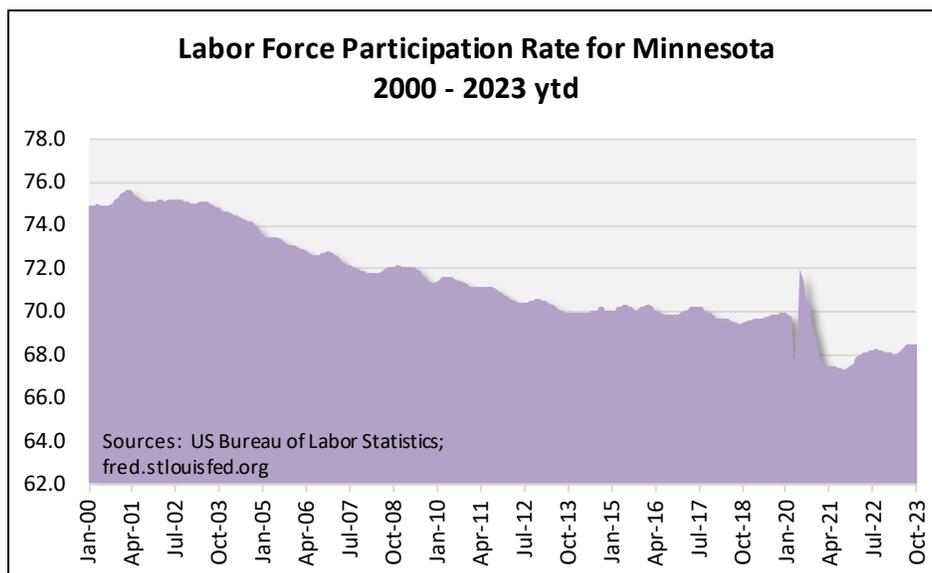


- Labor force and resident employment contraction in 2020 and 2021 was related to the COVID-19 pandemic and subsequent economic recession.
- Labor force and resident employment are both recovering, as the labor force increased 2.0% during 2022 in Carver County against a 2.9% increase in resident employment. By comparison, the Metro Area’s labor force and resident employment expanded 1.7% and 3.0% during 2022, respectively.
 - Chanhassen’s labor force increased 2.1% against 2.9% resident employment growth in 2022, while the Remainder of the County experienced 1.9% labor force growth and 2.9% resident employment growth over the year.
- Due to the number of job losses related to the pandemic, unemployment rates increased dramatically during the first half of 2020, peaking at 9.6% in Chanhassen and 9.4% in Carver County, compared to peaks of 11.9% in the Metro Area and 14.4% nationally.

- Unemployment rates have since declined after spiking during the spring of 2020, decreasing to 2.4% in Chanhassen, 2.4% in Carver County, and 2.7% in the Metro Area as of September 2023.



- Decreasing labor force participation has contributed to the declining unemployment rates. In Minnesota, the labor force participation rate declined to a low of 67.0% in March 2021, the lowest participation rate since March 1977 (66.8%). The labor force participation rate was at 68.5% as of October 2023 in Minnesota compared to 62.7% nationally.
- The decline is due to several factors, notably an aging population but also by workers being forced out of the labor market, children needing to attend school from home, and increased unemployment benefits, among others.



Commuting Patterns

Proximity to employment is often a primary consideration when choosing where to live, particularly for lower income households since transportation costs often account for a greater proportion of their budgets. For this analysis, we reviewed commuting patterns in each of the nine submarkets in Carver County.

The table on the following pages summarizes the inflow and outflow characteristics of the workers in each community. Data is sourced from the U.S. Census Bureau Longitudinal Employer-Household Dynamics (LEHD) program for 2021, the most recent data available. Outflow reflects the number of workers living in the area but employed outside the community, while inflow measures the number of workers that are employed in the community but live outside the area. Interior flow reflects the number of workers that live and work in the community.

- Overall, Carver County is an exporter of workers as a higher number of residents leave the County for work than nonresidents commute into the County.
 - Approximately 21,969 workers come into Carver County for employment daily (inflow), while 40,112 resident workers commute out of the County (outflow). An estimated 12,433 people both live and work in the County (interior flow).
- Of the County residents leaving Carver County for employment, over 10% (5,316) commute to Minneapolis and another 10% (5,189) commute to Eden Prairie.
- As depicted in the following graph, except for the Chanhassen submarket, the remaining submarkets all export more workers (outflow) than they import (inflow).

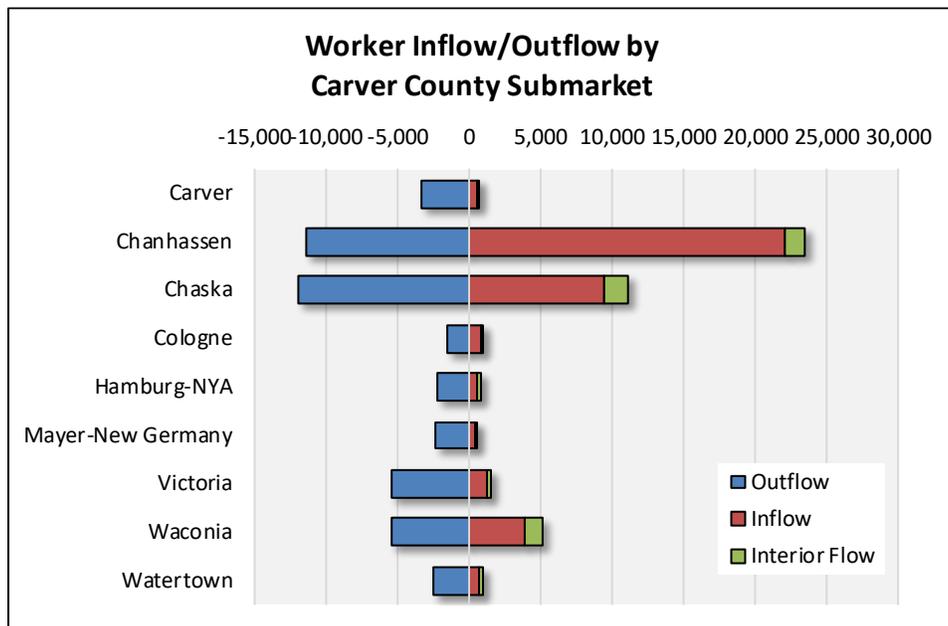


TABLE 17

COMMUTING INFLOW/OUTFLOW CHARACTERISTICS
 CARVER COUNTY SUBMARKETS
 2021

	Outflow		Inflow		Interior Flow	
Carver - Primary Jobs	3,646	100%	590	100%	125	100%
<u>Workers by Age</u>						
Aged 29 or younger	654	17.9%	185	31.4%	34	27.2%
Aged 30 to 54	2,189	60.0%	303	51.4%	58	46.4%
Aged 55 or older	803	22.0%	102	17.3%	33	26.4%
<u>Workers by Monthly Wage</u>						
\$1,250/month or less	413	11.3%	146	24.7%	31	24.8%
\$1,251 to \$3,333/month	530	14.5%	208	35.3%	42	33.6%
More than \$3,333/month	2,703	74.1%	236	40.0%	52	41.6%
<u>Workers by Industry</u>						
"Goods Producing"	752	20.6%	75	12.7%	31	24.8%
"Trade, Transportation, & Utilities"	617	16.9%	76	12.9%	17	13.6%
"All Other Services"*	2,277	62.5%	439	74.4%	77	61.6%
Chanhassen - Primary Jobs	11,472	100%	20,584	100%	1,402	100%
<u>Workers by Age</u>						
Aged 29 or younger	1,947	17.0%	5,487	26.7%	414	29.5%
Aged 30 to 54	6,369	55.5%	10,126	49.2%	547	39.0%
Aged 55 or older	3,156	27.5%	4,971	24.1%	441	31.5%
<u>Workers by Monthly Wage</u>						
\$1,250/month or less	1,257	11.0%	3,776	18.3%	363	25.9%
\$1,251 to \$3,333/month	1,642	14.3%	4,765	23.1%	326	23.3%
More than \$3,333/month	8,573	74.7%	12,043	58.5%	713	50.9%
<u>Workers by Industry</u>						
"Goods Producing"	1,487	13.0%	4,805	23.3%	243	17.3%
"Trade, Transportation, & Utilities"	1,876	16.4%	2,890	14.0%	347	24.8%
"All Other Services"*	8,109	70.7%	12,889	62.6%	812	57.9%
Chaska - Primary Jobs	12,166	100%	9,465	100%	1,577	100%
<u>Workers by Age</u>						
Aged 29 or younger	2,485	20.4%	1,713	18.1%	322	20.4%
Aged 30 to 54	6,821	56.1%	5,408	57.1%	745	47.2%
Aged 55 or older	2,860	23.5%	2,344	24.8%	510	32.3%
<u>Workers by Monthly Wage</u>						
\$1,250/month or less	1,503	12.4%	817	8.6%	273	17.3%
\$1,251 to \$3,333/month	2,268	18.6%	1,436	15.2%	366	23.2%
More than \$3,333/month	8,395	69.0%	7,212	76.2%	938	59.5%
<u>Workers by Industry</u>						
"Goods Producing"	1,968	16.2%	4,858	51.3%	533	33.8%
"Trade, Transportation, & Utilities"	2,182	17.9%	675	7.1%	127	8.1%
"All Other Services"*	8,016	65.9%	3,932	41.5%	917	58.1%

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TABLE continued

COMMUTING INFLOW/OUTFLOW CHARACTERISTICS CARVER COUNTY SUBMARKETS 2021						
	Outflow		Inflow		Interior Flow	
Cologne - Primary Jobs	1,544	100%	725	100%	115	100%
<u>Workers by Age</u>						
Aged 29 or younger	296	19.2%	130	17.9%	24	20.9%
Aged 30 to 54	908	58.8%	408	56.3%	56	48.7%
Aged 55 or older	340	22.0%	187	25.8%	35	30.4%
<u>Workers by Monthly Wage</u>						
\$1,250/month or less	161	10.4%	73	10.1%	21	18.3%
\$1,251 to \$3,333/month	235	15.2%	98	13.5%	47	40.9%
More than \$3,333/month	1,148	74.4%	554	76.4%	47	40.9%
<u>Workers by Industry</u>						
"Goods Producing"	417	27.0%	512	70.6%	46	40.0%
"Trade, Transportation, & Utilities"	295	19.1%	51	7.0%	34	29.6%
"All Other Services"*	832	53.9%	162	22.3%	35	30.4%
Hamburg-NYA - Primary Jobs	2,044	100%	596	100%	243	100%
<u>Workers by Age</u>						
Aged 29 or younger	407	19.9%	176	29.5%	69	28.4%
Aged 30 to 54	1,137	55.6%	290	48.7%	103	42.4%
Aged 55 or older	500	24.5%	130	21.8%	71	29.2%
<u>Workers by Monthly Wage</u>						
\$1,250/month or less	225	11.0%	120	20.1%	86	35.4%
\$1,251 to \$3,333/month	472	23.1%	133	22.3%	60	24.7%
More than \$3,333/month	1,347	65.9%	343	57.6%	97	39.9%
<u>Workers by Industry</u>						
"Goods Producing"	585	28.6%	188	31.5%	58	23.9%
"Trade, Transportation, & Utilities"	452	22.1%	125	21.0%	60	24.7%
"All Other Services"*	1,007	49.3%	283	47.5%	125	51.4%
Mayer-New Germany - Primary Jobs	2,345	100%	366	100%	105	100%
<u>Workers by Age</u>						
Aged 29 or younger	505	21.5%	137	37.4%	30	28.6%
Aged 30 to 54	1,305	55.7%	172	47.0%	44	41.9%
Aged 55 or older	535	22.8%	57	15.6%	31	29.5%
<u>Workers by Monthly Wage</u>						
\$1,250/month or less	283	12.1%	92	25.1%	25	23.8%
\$1,251 to \$3,333/month	482	20.6%	90	24.6%	39	37.1%
More than \$3,333/month	1,580	67.4%	184	50.3%	41	39.0%
<u>Workers by Industry</u>						
"Goods Producing"	595	25.4%	181	49.5%	49	46.7%
"Trade, Transportation, & Utilities"	473	20.2%	44	12.0%	21	20.0%
"All Other Services"*	1,277	54.5%	141	38.5%	35	33.3%
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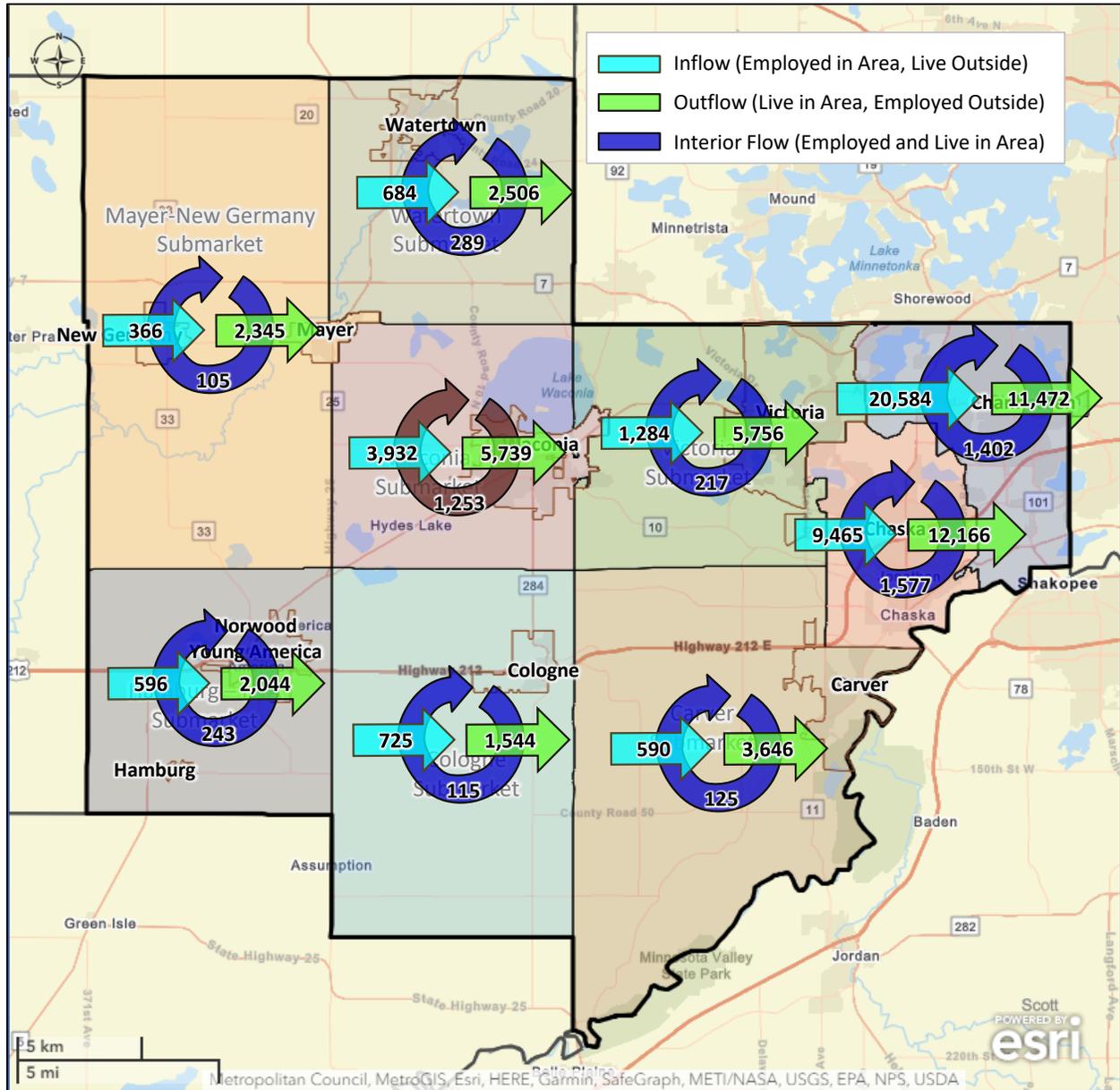
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COMMUTING INFLOW/OUTFLOW CHARACTERISTICS						
CARVER COUNTY SUBMARKETS						
2021						
	Outflow		Inflow		Interior Flow	
Victoria - Primary Jobs	5,756	100%	1,284	100%	217	100%
<u>Workers by Age</u>						
Aged 29 or younger	991	17.2%	336	26.2%	62	28.6%
Aged 30 to 54	3,456	60.0%	694	54.0%	105	48.4%
Aged 55 or older	1,309	22.7%	254	19.8%	50	23.0%
<u>Workers by Monthly Wage</u>						
\$1,250/month or less	722	12.5%	253	19.7%	80	36.9%
\$1,251 to \$3,333/month	709	12.3%	263	20.5%	32	14.7%
More than \$3,333/month	4,325	75.1%	768	59.8%	105	48.4%
<u>Workers by Industry</u>						
"Goods Producing"	892	15.5%	265	20.6%	19	8.8%
"Trade, Transportation, & Utilities"	1,062	18.5%	153	11.9%	40	18.4%
"All Other Services"*	3,802	66.1%	866	67.4%	158	72.8%
Waconia - Primary Jobs	5,739	100%	3,932	100%	1,253	100%
<u>Workers by Age</u>						
Aged 29 or younger	1,062	18.5%	1,119	28.5%	423	33.8%
Aged 30 to 54	3,486	60.7%	1,922	48.9%	547	43.7%
Aged 55 or older	1,191	20.8%	891	22.7%	283	22.6%
<u>Workers by Monthly Wage</u>						
\$1,250/month or less	621	10.8%	773	19.7%	428	34.2%
\$1,251 to \$3,333/month	938	16.3%	1,032	26.2%	359	28.7%
More than \$3,333/month	4,180	72.8%	2,127	54.1%	466	37.2%
<u>Workers by Industry</u>						
"Goods Producing"	1,103	19.2%	996	25.3%	204	16.3%
"Trade, Transportation, & Utilities"	1,046	18.2%	650	16.5%	200	16.0%
"All Other Services"*	3,590	62.6%	2,286	58.1%	849	67.8%
Watertown - Primary Jobs	2,506	100%	684	100%	289	100%
<u>Workers by Age</u>						
Aged 29 or younger	558	22.3%	209	30.6%	104	36.0%
Aged 30 to 54	1,347	53.8%	316	46.2%	111	38.4%
Aged 55 or older	601	24.0%	159	23.2%	74	25.6%
<u>Workers by Monthly Wage</u>						
\$1,250/month or less	327	13.0%	137	20.0%	110	38.1%
\$1,251 to \$3,333/month	484	19.3%	173	25.3%	89	30.8%
More than \$3,333/month	1,695	67.6%	374	54.7%	90	31.1%
<u>Workers by Industry</u>						
"Goods Producing"	599	23.9%	226	33.0%	48	16.6%
"Trade, Transportation, & Utilities"	454	18.1%	97	14.2%	40	13.8%
"All Other Services"*	1,453	58.0%	361	52.8%	201	69.6%
*includes the following sectors: Information, Financial Activities, Professional & Business Services, Education & Health Services, Leisure & Hospitality, Other Services, and Public Administration						
Sources: US Census Bureau LEHD; Maxfield Research & Consulting, LLC						

- The Chanhassen and Chaska Submarkets are, by far, the largest exporters of workers in the County, with outflow of 11,472 and 12,166 workers, respectively, followed by the Victoria (exports 5,756 workers) and Waconia (exports 5,739 workers) Submarkets.
- Chanhassen experiences the largest inflow, importing 20,584 workers, followed by the Chaska (inflow of 9,465 workers) and Waconia (imports 3,932 workers) Submarkets.
- Interior flow is largest in the Chaska (1,577 workers), Chanhassen (1,402), and Waconia (1,253 workers) Submarkets.
- Roughly 64% of the jobs in Carver County are filled by workers commuting into the area. The highest proportion of workers coming into the County are aged 30 to 54 and earn more than \$3,333 per month (\$40,000 per year). The “All Other Services” sector brings in most of the employees (46%), followed by “Goods Producing” industries (39%).
- With 21,969 workers commuting into Carver County for employment daily, including 1,642 workers that commute from over 50 miles, there appears to be an opportunity to provide housing options for a portion of these workers.
- The following summarizes the number of jobs that are filled by workers commuting into each submarket (inflow) in Carver County.
 - Carver: 83% of jobs in the submarket filled by inflow (590 workers)
 - Chanhassen: 94% of jobs filled by inflow (20,584 workers)
 - Chaska: 86% of jobs filled by inflow (9,465 workers)
 - Cologne: 86% of jobs filled by inflow (725 workers)
 - Hamburg – Norwood Young America: 71% of jobs filled by inflow (596 workers)
 - Mayer – New Germany: 78% of jobs filled by inflow (366 workers)
 - Victoria: 86% of jobs filled by inflow (1,284 workers)
 - Waconia: 76% of jobs filled by inflow (3,932 workers)
 - Watertown: 70% of jobs filled by inflow (684 workers)
- On a percentage basis, inflow ranges from 70% of jobs in Watertown to 94% in Chanhassen. Based on the number of workers commuting into the Submarket, inflow ranges from 366 workers in Mayer – New Germany to 20,584 workers in Chanhassen.

- While data does not yet fully reflect impacts on commuting patterns post-pandemic, we anticipate that with potential shifts in work locations long-term for some worker segments (i.e. increased telecommuting) more people are likely to consider working remotely which would impact commuting patterns.

Carver County Commuting Patterns (Inflow/Outflow) by Submarket



The following tables highlight commuting patterns, including distance and destination, of workers in Carver County, as well as each of the submarkets, based on U.S. Census Bureau LEHD data for 2021, the most recent data available. Home Destination summarizes where workers live who are employed in the area, while Work Destination represents where workers are employed who live in the area.

- Roughly 64% of the workers employed in Carver County reside outside the County, while 36% (12,433) reside in Carver County.
- As summarized below, the largest proportion of workers with jobs in Carver County reside in Chaska (8.9%), followed by Waconia (6.1%), Chanhassen (5.6%), Shakopee (4.9%), and Eden Prairie (4.3%).

TABLE 18

COMMUTING PATTERNS CARVER COUNTY 2021					
Home Destination Place of Residence			Work Destination Place of Employment		
	Count	Share		Count	Share
Chaska city, MN	3,049	8.9%	Minneapolis city, MN	5,316	10.1%
Waconia city, MN	2,099	6.1%	Eden Prairie city, MN	5,189	9.9%
Chanhassen city, MN	1,926	5.6%	Chanhassen city, MN	4,164	7.9%
Shakopee city, MN	1,675	4.9%	Chaska city, MN	3,846	7.3%
Eden Prairie city, MN	1,463	4.3%	Minnetonka city, MN	2,763	5.3%
All Other Locations	24,190	70.3%	All Other Locations	31,267	59.5%
Distance Traveled			Distance Traveled		
	Count	Share		Count	Share
Total Jobs	34,402	100.0%	Total Jobs	52,545	100.0%
Less than 10 miles	15,619	45.4%	Less than 10 miles	17,424	33.2%
10 to 24 miles	12,934	37.6%	10 to 24 miles	25,207	48.0%
25 to 50 miles	4,207	12.2%	25 to 50 miles	7,626	14.5%
Greater than 50 miles	1,642	4.8%	Greater than 50 miles	2,288	4.4%

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

- Of the 34,402 workers employed in Carver County, 45% commute less than ten miles to their place of work, while 38% commute between ten and 24 miles and 12% commute from 25 to 50 miles. Another 5% (1,642) commute to their job from over 50 miles away.
- Roughly 24% of the workers living in Carver County also have jobs in the County. The remaining 76% commute outside of the County for employment.
- Of the 52,545 resident workers in the County, 10.1% commute to Minneapolis, while 9.9% commute to Eden Prairie, 7.9% work in Chanhassen, 7.3% work in Chaska, and 5.3% commute to Minnetonka. Over 33% of resident workers travel less than ten miles for their jobs, while 48% have a commute distance from ten to 24 miles. Approximately 15% commute between 25 and 50 miles while 4% commute more than 50 miles for employment.

TABLE 19
COMMUTING PATTERNS
CARVER COUNTY SUBMARKETS
2021

Carver					
Home Destination			Work Destination		
Place of Residence	Count	Share	Place of Employment	Count	Share
Carver city, MN	92	12.9%	Chaska city, MN	440	11.7%
Chaska city, MN	59	8.3%	Eden Prairie city, MN	405	10.7%
Chanhassen city, MN	29	4.1%	Minneapolis city, MN	315	8.4%
Minneapolis city, MN	27	3.8%	Chanhassen city, MN	270	7.2%
Belle Plaine city, MN	26	3.6%	Bloomington city, MN	175	4.6%
All Other Locations	482	67.4%	All Other Locations	2,166	57.4%
Distance Traveled	Count	Share	Distance Traveled	Count	Share
Total Jobs	715	100.0%	Total Jobs	3,771	100.0%
Less than 25 miles	571	79.9%	Less than 25 miles	3,035	80.5%
Greater than 25 miles	144	20.1%	Greater than 25 miles	736	19.5%
Chanhassen					
Home Destination			Work Destination		
Place of Residence	Count	Share	Place of Employment	Count	Share
Chanhassen city, MN	1,402	6.4%	Minneapolis city, MN	1,840	14.3%
Minneapolis city, MN	1,245	5.7%	Eden Prairie city, MN	1,455	11.3%
Chaska city, MN	1,156	5.3%	Chanhassen city, MN	1,402	10.9%
Eden Prairie city, MN	1,142	5.2%	Minnetonka city, MN	889	6.9%
Shakopee city, MN	979	4.5%	Bloomington city, MN	717	5.6%
All Other Locations	16,062	73.1%	All Other Locations	6,571	51.0%
Distance Traveled	Count	Share	Distance Traveled	Count	Share
Total Jobs	21,986	100.0%	Total Jobs	12,874	100.0%
Less than 25 miles	16,962	77.1%	Less than 25 miles	11,734	91.1%
Greater than 25 miles	5,024	22.9%	Greater than 25 miles	1,140	8.9%
Chaska					
Home Destination			Work Destination		
Place of Residence	Count	Share	Place of Employment	Count	Share
Chaska city, MN	1,577	14.3%	Chaska city, MN	1,577	11.5%
Shakopee city, MN	706	6.4%	Minneapolis city, MN	1,473	10.7%
Chanhassen city, MN	482	4.4%	Eden Prairie city, MN	1,467	10.7%
Eden Prairie city, MN	437	4.0%	Chanhassen city, MN	1,156	8.4%
Minneapolis city, MN	432	3.9%	Bloomington city, MN	688	5.0%
All Other Locations	7,408	67.1%	All Other Locations	7,382	53.7%
Distance Traveled	Count	Share	Distance Traveled	Count	Share
Total Jobs	11,042	100.0%	Total Jobs	13,743	100.0%
Less than 25 miles	9,209	83.4%	Less than 25 miles	11,919	86.7%
Greater than 25 miles	1,833	16.6%	Greater than 25 miles	1,824	13.3%

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TABLE continued

**COMMUTING PATTERNS
CARVER COUNTY SUBMARKETS
2021**

Cologne					
Home Destination			Work Destination		
Place of Residence	Count	Share	Place of Employment	Count	Share
Cologne city, MN	72	8.6%	Chaska city, MN	178	10.7%
Waconia city, MN	63	7.5%	Eden Prairie city, MN	142	8.6%
Chaska city, MN	50	6.0%	Waconia city, MN	134	8.1%
Glencoe city, MN	45	5.4%	Chanhassen city, MN	99	6.0%
Norwood YA city, MN	39	4.6%	Minneapolis city, MN	84	5.1%
All Other Locations	571	68.0%	All Other Locations	1,022	61.6%
Distance Traveled	Count	Share	Distance Traveled	Count	Share
Total Jobs	840	100.0%	Total Jobs	1,659	100.0%
Less than 25 miles	656	78.1%	Less than 25 miles	1,156	69.7%
Greater than 25 miles	184	21.9%	Greater than 25 miles	503	30.3%
Hamburg-Norwood Young America					
Home Destination			Work Destination		
Place of Residence	Count	Share	Place of Employment	Count	Share
Norwood YA city, MN	183	21.8%	Norwood YA city, MN	213	9.3%
Waconia city, MN	42	5.0%	Waconia city, MN	194	8.5%
Glencoe city, MN	39	4.6%	Chaska city, MN	166	7.3%
Hamburg city, MN	34	4.1%	Eden Prairie city, MN	156	6.8%
Cologne city, MN	23	2.7%	Chanhassen, MN	148	6.5%
All Other Locations	518	61.7%	All Other Locations	1,410	61.7%
Distance Traveled	Count	Share	Distance Traveled	Count	Share
Total Jobs	839	100.0%	Total Jobs	2,287	100.0%
Less than 25 miles	680	81.0%	Less than 25 miles	1,319	57.7%
Greater than 25 miles	159	19.0%	Greater than 25 miles	968	42.3%
Mayer-New Germany					
Home Destination			Work Destination		
Place of Residence	Count	Share	Place of Employment	Count	Share
Mayer city, MN	40	8.5%	Waconia city, MN	245	10.0%
Waconia city, MN	26	5.5%	Chaska city, MN	132	5.4%
Watertown city, MN	15	3.2%	Chanhassen city, MN	131	5.3%
Hutchinson city, MN	13	2.8%	Eden Prairie city, MN	130	5.3%
New Germany city, MN	13	2.8%	Minnetonka city, MN	116	4.7%
All Other Locations	364	77.3%	All Other Locations	1,696	69.2%
Distance Traveled	Count	Share	Distance Traveled	Count	Share
Total Jobs	471	100.0%	Total Jobs	2,450	100.0%
Less than 25 miles	344	73.0%	Less than 25 miles	1,465	59.8%
Greater than 25 miles	127	27.0%	Greater than 25 miles	985	40.2%

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TABLE continued
COMMUTING PATTERNS
CARVER COUNTY SUBMARKETS
2021

Victoria					
Home Destination			Work Destination		
Place of Residence	Count	Share	Place of Employment	Count	Share
Victoria city, MN	185	12.3%	Eden Prairie city, MN	697	11.7%
Chaska city, MN	126	8.4%	Minneapolis city, MN	632	10.6%
Waconia city, MN	104	6.9%	Chanhassen city, MN	422	7.1%
Minneapolis city, MN	55	3.7%	Chaska city, MN	399	6.7%
Chanhassen city, MN	48	3.2%	Minnetonka city, MN	375	6.3%
All Other Locations	983	65.5%	All Other Locations	3,448	57.7%
Distance Traveled	Count	Share	Distance Traveled	Count	Share
Total Jobs	1,501	100.0%	Total Jobs	5,973	100.0%
Less than 25 miles	1,197	79.7%	Less than 25 miles	5,049	84.5%
Greater than 25 miles	304	20.3%	Greater than 25 miles	924	15.5%
Waconia					
Home Destination			Work Destination		
Place of Residence	Count	Share	Place of Employment	Count	Share
Waconia city, MN	1,147	22.1%	Waconia city, MN	1,182	16.9%
Chaska city, MN	234	4.5%	Eden Prairie city, MN	618	8.8%
Glencoe city, MN	198	3.8%	Minneapolis city, MN	542	7.8%
Victoria city, MN	177	3.4%	Chanhassen city, MN	433	6.2%
Norwood YA city, MN	161	3.1%	Chaska city, MN	364	5.2%
All Other Locations	3,268	63.0%	All Other Locations	3,853	55.1%
Distance Traveled	Count	Share	Distance Traveled	Count	Share
Total Jobs	5,185	100.0%	Total Jobs	6,992	100.0%
Less than 25 miles	4,237	81.7%	Less than 25 miles	4,949	70.8%
Greater than 25 miles	948	18.3%	Greater than 25 miles	2,043	29.2%
Watertown					
Home Destination			Work Destination		
Place of Residence	Count	Share	Place of Employment	Count	Share
Watertown city, MN	235	24.2%	Minneapolis city, MN	205	7.3%
Mayer city, MN	44	4.5%	Watertown city, MN	165	5.9%
Delano city, MN	42	4.3%	Waconia city, MN	152	5.4%
Montrose city, MN	38	3.9%	Plymouth city, MN	145	5.2%
Waconia city, MN	23	2.4%	Minnetonka city, MN	137	4.9%
All Other Locations	591	60.7%	All Other Locations	1,991	71.2%
Distance Traveled	Count	Share	Distance Traveled	Count	Share
Total Jobs	973	100.0%	Total Jobs	2,795	100.0%
Less than 25 miles	813	83.6%	Less than 25 miles	2,004	71.7%
Greater than 25 miles	160	16.4%	Greater than 25 miles	791	28.3%
Home Destination = Where workers live who are employed in the selection area					
Work Destination = Where workers are employed who live in the selection area					
Sources: US Census Bureau LEHD; Maxfield Research & Consulting, LLC					

- Minneapolis, Eden Prairie, Minnetonka, and Bloomington represent key commute destinations for workers residing in the County, particularly for workers residing in the eastern portion of the County. Generally, the western submarkets have higher proportions of workers with jobs in the County.
- Workers commuting into each submarket, particularly those commuting from further away, represent a potential target market for housing in those communities.
- The following figure highlights key findings from our analysis of commuting patterns for each submarket.

	Key Home Destinations	Key Work Destinations
Carver Submarket	Carver (13%), Chaska (8%), Chanhassen (4%) *144 workers (20%) commute from 25+ miles	Chaska (12%), Eden Prairie (11%), Minneapolis (8%)
Chanhassen Submarket	Chanhassen (6%), Minneapolis (6%), Chaska (5%) *5,024 workers (23%) commute from 25+ miles	Minneapolis (14%), Eden Prairie (11%), Chanhassen (11%)
Chaska Submarket	Chaska (14%), Shakopee (6%), Chanhassen (4%) *1,833 workers (17%) commute from 25+ miles	Chaska (12%), Minneapolis (11%), Eden Prairie (11%)
Cologne Submarket	Cologne (9%), Waconia (8%), Chaska (6%) *184 workers (22%) commute from 25+ miles	Chaska (11%), Eden Prairie (9%), Waconia (8%)
Hamburg - Norwood Young America Submarket	Norwood Young America (22%), Waconia (5%), Glencoe (5%) *159 workers (19%) commute from 25+ miles	Norwood Young America (9%), Waconia (9%), Chaska (7%)
Mayer - New Germany Submarket	Mayer (9%), Waconia (6%), Watertown (3%) *127 workers (27%) commute from 25+ miles	Waconia (10%), Chaska (5%), Chanhassen (5%)
Victoria Submarket	Victoria (12%), Chaska (8%), Waconia (7%) *304 workers (20%) commute from 25+ miles	Eden Prairie (12%), Minneapolis (11%), Chanhassen (7%)
Waconia Submarket	Waconia (22%), Chaska (5%), Glencoe (4%) *948 workers (18%) commute from 25+ miles	Waconia (17%), Eden Prairie (9%), Minneapolis (8%)
Watertown Submarket	Watertown (24%), Mayer (5%), Delano (4%) *160 workers (16%), commute from 25+ miles	Minneapolis (7%), Watertown (6%), Waconia (5%)

Employment Growth Trends

The table on the following page shows employment growth trends and projections from 2010 to 2040 for Carver County and its submarkets compared to the Twin Cities Metro Area. Data for 2010, 2019, and 2020 represents the annual average employment for that year, while 2023 reflects second quarter data, the most recent information available at the time this report was prepared. Annual and quarterly employment figures are sourced from the Quarterly Census of Employment and Wages (QCEW) through DEED, while employment forecasts for 2030 and 2040 are based on growth rate projections provided by the Metropolitan Council, adjusted to 2023 employment numbers.

All establishments covered under the Unemployment Insurance Program are required to report wage and employment statistics quarterly. Federal government establishments are also covered by the QCEW program. Workers and jobs excluded from these statistics include the self-employed, family farm workers, and those who work only on a commission basis.

- Data from the QCEW indicates that Carver County gained 8,885 jobs (28% growth) between 2010 and 2019, while Metro Area employment expanded 16% during that time period.
- Due to the COVID-19 pandemic and subsequent economic recession during the second quarter of 2020, Carver County employment declined by -3,003 jobs (-7.4%) between 2019 and 2020, while Metro Area employment also contracted -7.4%.
- Current data indicates that employment is recovering, as the number of jobs in the County increased 10.8%, adding 4,061 jobs, between 2020 and the second quarter of 2023. By comparison, the number of jobs increased 7.1% in the Metro Area since 2020.
- Continued job growth is anticipated between 2023 and 2030, as 1.9 million jobs are expected in the Metro Area by 2030, a 7.8% increase from the second quarter of 2023.
- Employment in Carver County is projected to expand to 46,121 jobs in 2030, an 11% increase from the second quarter of 2023 with the addition of 4,476 jobs.
- The Metro Area is projected to add another 116,000 jobs between 2030 and 2040 (6.1% growth), including 13.4% job growth in Carver County with the addition of 6,187 jobs. By 2040, we anticipate that there will be 52,308 jobs in the County and 2.0 million jobs in the Metro Area.
- With 10,663 new jobs projected for Carver County by 2040, additional housing will be needed to support a portion of the anticipated job growth in the County.

TABLE 20

EMPLOYMENT GROWTH TRENDS AND PROJECTIONS
CARVER COUNTY MARKET AREA
2010 - 2040

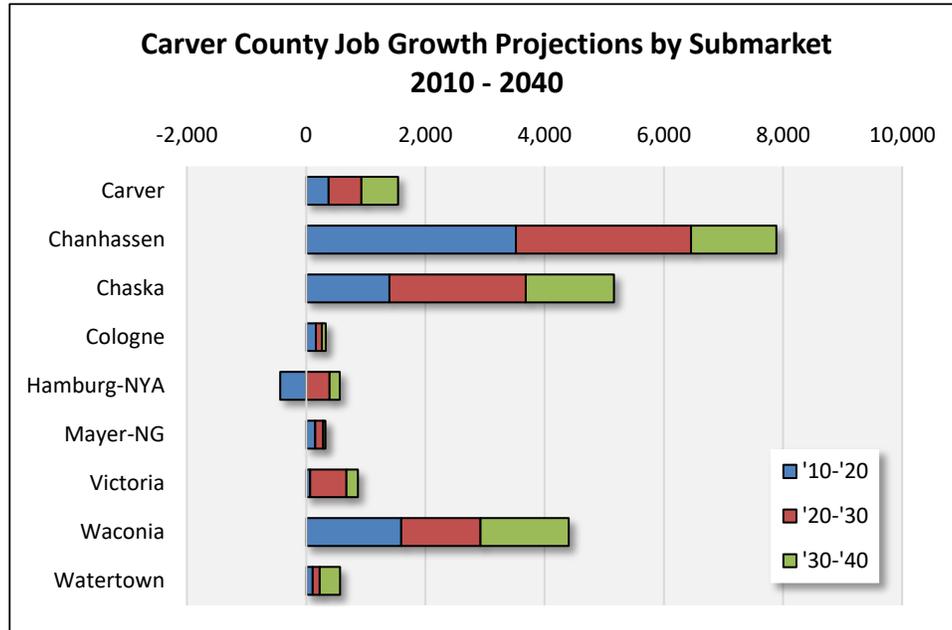
Submarket/City	Annual Average						Change							
	Annual Average			2nd Qtr.	Forecast		2010-2020		2020-2023		2023-2030		2030-2040	
	2010	2019	2020	2023	2030	2040	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Carver	411	832	784	1,047	1,339	1,949	373	90.8%	263	33.5%	292	27.9%	610	45.6%
Carver	183	273	245	402	567	935	62	33.9%	157	64.1%	165	41.0%	368	64.9%
Remainder	228	559	539	645	772	1,014	311	136.4%	106	19.7%	127	19.7%	242	31.3%
Chanhassen*	10,935	16,200	14,450	16,364	17,392	18,824	3,515	32.1%	1,914	13.2%	1,028	6.3%	1,432	8.2%
Chaska	11,084	13,234	12,481	13,144	14,768	16,244	1,397	12.6%	663	5.3%	1,624	12.4%	1,476	10.0%
Cologne	551	698	711	757	812	876	160	29.0%	46	6.5%	55	7.3%	64	7.9%
Cologne	276	360	369	393	430	481	93	33.7%	24	6.5%	37	9.4%	51	11.9%
Remainder	275	338	342	364	382	395	67	24.4%	22	6.4%	18	4.9%	13	3.4%
Hamburg-NYA	1,432	1,140	997	1,264	1,388	1,559	-435	-30.4%	267	26.8%	124	9.8%	171	12.3%
Hamburg	105	89	88	87	92	98	-17	-16.2%	-1	-1.1%	5	5.7%	6	6.5%
Norwood Young Am.	1,206	984	846	1,076	1,194	1,355	-360	-29.9%	230	27.2%	118	11.0%	161	13.5%
Remainder	121	67	63	101	102	106	-58	-47.9%	38	60.3%	1	1.0%	4	3.9%
Mayer-New Germany	348	499	498	591	635	672	150	43.1%	93	18.7%	44	7.4%	37	5.8%
Mayer	153	157	166	187	194	204	13	8.5%	21	12.7%	7	3.7%	10	5.2%
New Germany	55	58	45	40	44	50	-10	-18.2%	-5	-11.1%	4	10.0%	6	13.6%
Remainder	140	284	287	364	397	418	147	105.0%	77	26.8%	33	9.1%	21	5.3%
Victoria	1,555	1,703	1,622	2,102	2,231	2,420	67	4.3%	480	29.6%	129	6.1%	189	8.5%
Victoria	1,445	1,172	1,082	1,378	1,513	1,659	-363	-25.1%	296	27.4%	135	9.8%	146	9.6%
Remainder	110	531	540	724	718	761	430	390.9%	184	34.1%	-6	-0.8%	43	6.0%
Waconia	5,669	7,627	7,260	7,769	8,594	10,070	1,591	28.1%	509	7.0%	825	10.6%	1,476	17.2%
Waconia	5,577	7,491	7,134	7,655	8,431	9,884	1,557	27.9%	521	7.3%	776	10.1%	1,453	17.2%
Remainder	92	136	126	114	163	186	34	37.0%	-12	-9.5%	49	43.0%	23	14.1%
Watertown	908	1,021	1,017	1,067	1,132	1,476	109	12.0%	50	4.9%	65	6.1%	344	30.4%
Watertown	556	592	603	608	660	954	47	8.5%	5	0.8%	52	8.6%	294	44.5%
Remainder	352	429	414	459	472	522	62	17.6%	45	10.9%	13	2.8%	50	10.6%
Carver County	31,702	40,587	37,584	41,645	46,121	52,308	5,882	18.6%	4,061	10.8%	4,476	10.7%	6,187	13.4%
Twin Cities^	1,537,041	1,776,439	1,644,852	1,761,804	1,900,000	2,016,000	107,811	7.0%	116,952	7.1%	138,196	7.8%	116,000	6.1%

*Includes the portion of Chanhassen located in Hennepin County

^Seven-county Metro Area (Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington Counties)

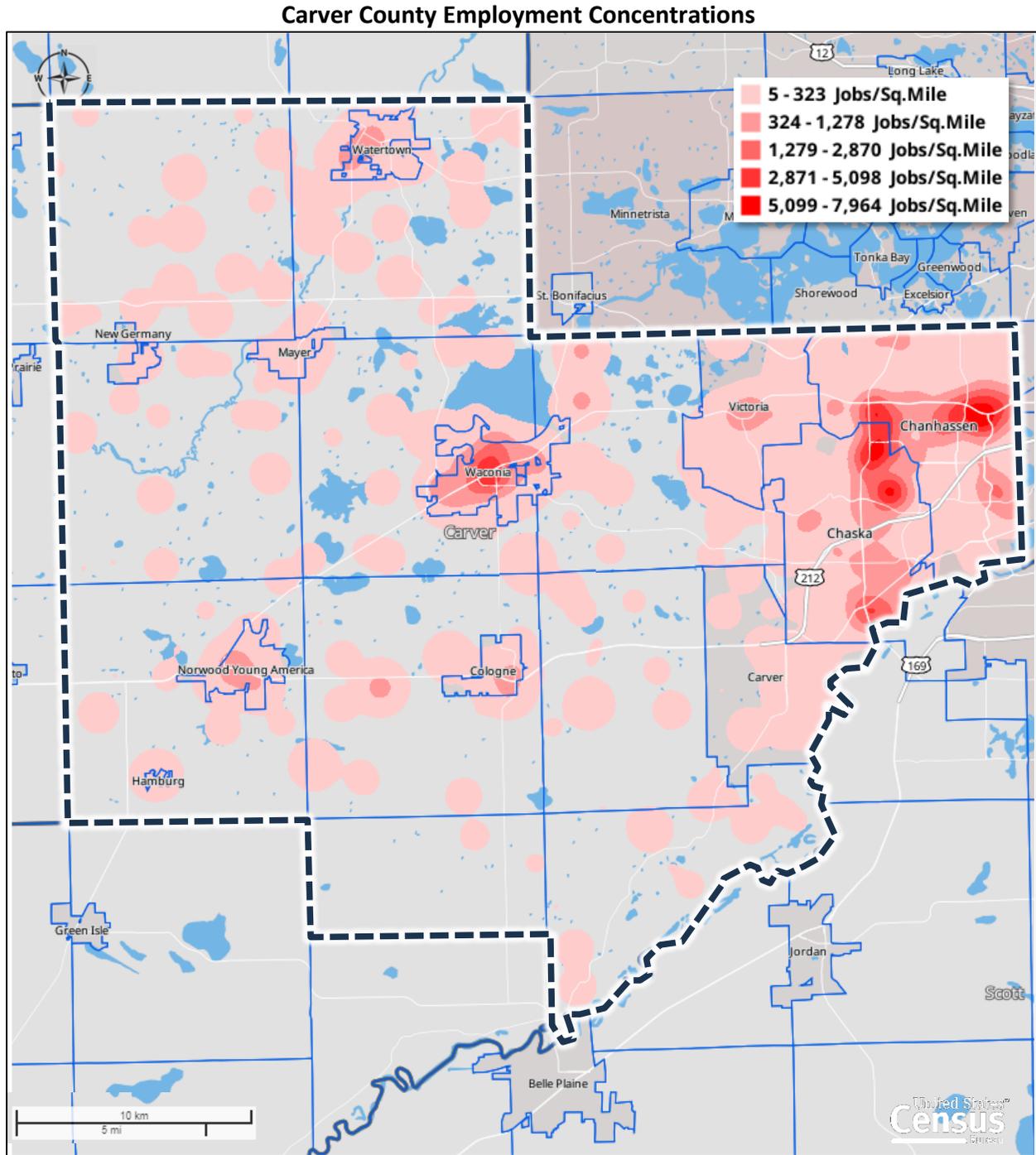
Sources: MN DEED; Metropolitan Council; Maxfield Research & Consulting, LLC

- In Carver County, job growth is expected to be highest near concentrations of existing businesses and in communities along the major transportation corridors (i.e. Highways 5 and 212) where there is convenient highway access. The following graph summarizes employment growth trends and projections by submarket.



- As depicted in the graph, Chanhassen is expected to experience the largest job growth, adding 4,374 jobs between the second quarter of 2023 and 2040 (30% increase), followed by the Chaska (3,763 jobs, 30% growth) and Waconia (2,810 jobs, 39% growth) Submarkets.
 - On a percentage basis, growth will be strongest in the Carver Submarket, experiencing 149% growth with the addition of 1,165 jobs between the second quarter of 2023 and 2040, followed by the Hamburg-Norwood Young America Submarket (56% growth after adding 562 jobs).
- Within Carver County, there will be a modest shift in employment concentrations between 2023 and 2040, with the Carver, Waconia, and Watertown Submarkets each gaining market share of jobs.
 - As of the second quarter of 2023, the Carver Submarket contained 2.5% of County jobs but this proportion will grow to 3.7% by 2040. Employment in the Waconia Submarket will increase from 18.7% of County jobs in 2023 to 19.3% in 2040, while the Watertown Submarket’s market share will increase from 2.6% of County jobs to 2.8%.
- All other submarkets will lose market share, most notably Chanhassen which contains 39.3% of County jobs in 2023, declining to 36.0% in 2040.

- The following map depicts current concentrations of employment in Carver County. As shown, job densities are highest surrounding the Highway 5 intersection with Market Boulevard in Chanhassen, along Highway 41 in Chaska between Highways 5 and 212, and along Highway 5 in Waconia.



Industry Employment and Wage Data

The following tables display information on the employment and wage situation in Carver County compared to the Twin Cities Metro Area, as well as each of the submarkets in the County. Data is sourced from the QCEW program through DEED and represents second quarter data for 2022 and 2023.

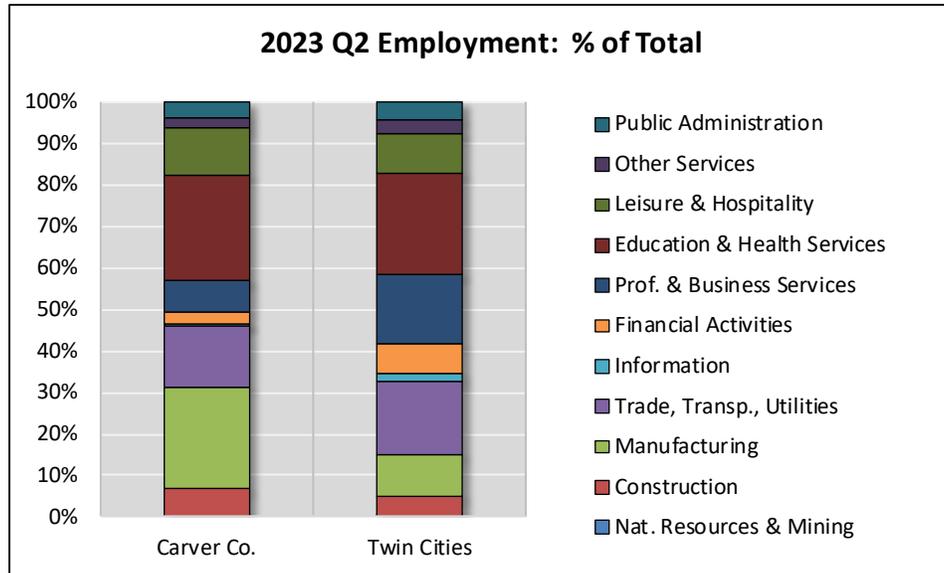
Certain industries in the tables may not display any information which means that there is either no reported economic activity for that industry or the data has been suppressed to protect the confidentiality of cooperating employers. This generally occurs when there are too few employers or one employer comprises too much of the employment in that geography.

TABLE 21
QUARTERLY CENSUS OF EMPLOYMENT AND WAGES
CARVER COUNTY
2022 - 2023

Industry	2022 Q2		2023 Q2		Change 2022 - 2023			
	Employment	Weekly Wage	Employment	Weekly Wage	Employment #	Employment %	Wage #	Wage %
Carver County								
Total, All Industries	40,715	\$1,229	41,645	\$1,267	930	2.3%	\$38	3.1%
Nat. Resources & Mining	129	\$763	125	\$856	-4	-3.1%	\$93	12.2%
Construction	2,689	\$1,431	2,699	\$1,499	10	0.4%	\$68	4.8%
Manufacturing	9,779	\$1,538	10,288	\$1,624	509	5.2%	\$86	5.6%
Trade, Transp., Utilities	6,066	\$1,002	6,115	\$1,100	49	0.8%	\$98	9.8%
Information	253	\$1,482	230	\$1,437	-23	-9.1%	(\$45)	-3.0%
Financial Activities	1,176	\$1,506	1,140	\$1,422	-36	-3.1%	(\$84)	-5.6%
Prof. & Business Services	3,566	\$1,928	3,237	\$1,946	-329	-9.2%	\$18	0.9%
Education & Health Services	10,018	\$1,104	10,492	\$1,117	474	4.7%	\$13	1.2%
Leisure & Hospitality	4,592	\$487	4,776	\$481	184	4.0%	(\$6)	-1.2%
Other Services	965	\$713	981	\$803	16	1.7%	\$90	12.6%
Public Administration	1,477	\$1,349	1560	\$1,354	83	5.6%	\$5	0.4%
Twin Cities Metro Area								
Total, All Industries	1,738,029	\$1,408	1,761,804	\$1,432	23,775	1.4%	\$24	1.7%
Natural Resources & Mining	4,700	\$994	4,830	\$990	130	2.8%	(\$4)	-0.4%
Nat. Resources & Mining	80,075	\$1,568	81,362	\$1,671	1,287	1.6%	\$103	6.6%
Manufacturing	174,414	\$1,618	175,638	\$1,624	1,224	0.7%	\$6	0.4%
Trade, Transp, Utilities	315,188	\$1,200	317,133	\$1,237	1,945	0.6%	\$37	3.1%
Information	31,315	\$1,920	30,188	\$1,998	-1,127	-3.6%	\$78	4.1%
Financial Activities	133,072	\$2,035	131,007	\$2,093	-2,065	-1.6%	\$58	2.9%
Prof. & Business Services	296,789	\$1,929	294,340	\$1,892	-2,449	-0.8%	(\$37)	-1.9%
Education & Health Services	414,829	\$1,208	427,024	\$1,255	12,195	2.9%	\$47	3.9%
Leisure & Hospitality	162,759	\$622	170,260	\$648	7,501	4.6%	\$26	4.2%
Other Services	53,514	\$886	55,464	\$948	1,950	3.6%	\$62	7.0%
Public Administration	71,370	\$1,451	74555	\$1,523	3,185	4.5%	\$72	5.0%

Sources: MN DEED; Maxfield Research & Consulting, LLC

- Education and Health Services is the largest employment sector in Carver County with 10,492 jobs (25.2% of total employment), followed closely by the Manufacturing sector with 10,288 jobs (24.7%). Education and Health Services is the also largest employment sector in the Twin Cities Metro Area (24% of total jobs).



- In Carver County, total employment expanded 2.3%, adding 930 jobs, between the second quarters of 2022 and 2023, with the largest growth occurring in the Manufacturing (added 509 jobs) and the Education and Health Services (474 jobs) sectors. The Metro Area experienced 1.4% job growth during the period, with the largest job gain occurring in the Education and Health Services sector.
- Average weekly wages in Carver County (\$1,267) are -12% lower than the Metro Area (\$1,432). Highest wages in the County are found in the Professional and Business Services (\$1,946) and Manufacturing (\$1,624) industry sectors.
- A household earning the average weekly wage in Carver County (\$1,267) would be able to afford an apartment renting for approximately \$1,647 per month to not exceed 30% of its monthly income on housing costs, notably higher than the average rent for a one-bedroom units at existing market rate rental properties in the County (\$1,400).
- Assuming that a potential home buyer has good credit and makes a 10% down payment, a household earning the average weekly wage in the County would be able to afford to purchase a home priced at approximately \$194,900 or lower to not be cost-burdened (paying more than 30% of their income for housing). By comparison, the median resale price for detached single-family homes in Carver County in 2023 is \$489,900.

TABLE 22
QUARTERLY CENSUS OF EMPLOYMENT AND WAGES
CARVER COUNTY BY SUBMARKET
2022 - 2023

Industry	2022 Q2		2023 Q2		Change 2022 - 2023			
	Employment	Weekly Wage	Employment	Weekly Wage	Employment #	Employment %	Wage #	Wage %
Carver								
Total, All Industries	931	\$766	1,047	\$770	116	12.5%	\$3	0.4%
Nat. Resources & Mining	--	--	--	--	--	--	--	--
Construction	29	\$1,211	29	\$1,245	0	0.0%	\$34	2.8%
Manufacturing	--	--	--	--	--	--	--	--
Trade, Transp., Utilities	236	\$535	307	\$482	71	30.1%	(\$53)	-10.0%
Information	--	--	--	--	--	--	--	--
Financial Activities	14	\$1,281	16	\$1,193	2	14.3%	(\$88)	-6.9%
Prof. & Business Serv.	206	\$880	222	\$1,012	16	7.8%	\$131	14.9%
Education & Health Serv.	134	\$663	153	\$653	19	14.2%	(\$10)	-1.5%
Leisure & Hospitality	54	\$315	74	\$291	20	37.0%	(\$24)	-7.6%
Other Services	--	--	--	--	--	--	--	--
Public Administration	44	\$679	42	\$917	-2	-4.5%	\$238	35.1%
Chanhasen								
Total, All Industries	15,466	\$1,409	16,364	\$1,501	898	5.8%	\$92	6.5%
Nat. Resources & Mining	12	\$635	9	\$655	-3	-25.0%	\$20	3.1%
Construction	846	\$1,652	870	\$1,608	24	2.8%	(\$44)	-2.7%
Manufacturing	4,491	\$1,544	5,081	\$1,797	590	13.1%	\$253	16.4%
Trade, Transp., Utilities	2,748	\$1,284	2,629	\$1,548	-119	-4.3%	\$264	20.6%
Information	107	\$1,561	119	\$1,730	12	11.2%	\$169	10.8%
Financial Activities	427	\$1,667	426	\$1,561	-1	-0.2%	(\$106)	-6.4%
Prof. & Business Serv.	2,143	\$2,315	2,177	\$2,110	34	1.6%	(\$205)	-8.9%
Education & Health Serv.	2,197	\$1,074	2,505	\$1,079	308	14.0%	\$5	0.5%
Leisure & Hospitality	1,876	\$605	1,920	\$602	44	2.3%	(\$3)	-0.5%
Other Services	401	\$720	411	\$778	10	2.5%	\$58	8.1%
Public Administration	217	\$1,390	214	\$1,491	-3	-1.4%	\$101	7.3%
Chaska								
Total, All Industries	13,293	\$1,300	13,144	\$1,397	-149	-1.1%	\$97	7.5%
Nat. Resources & Mining	10	\$2,426	11	\$1,929	1	10.0%	(\$497)	-20.5%
Construction	453	\$1,542	477	\$1,590	24	5.3%	\$48	3.1%
Manufacturing	4,907	\$1,657	4,977	\$1,823	70	1.4%	\$166	10.0%
Trade, Transp., Utilities	1,371	\$951	1,364	\$984	-7	-0.5%	\$33	3.5%
Information	54	\$1,448	38	\$1,275	-16	-29.6%	(\$173)	-11.9%
Financial Activities	393	\$1,435	353	\$1,400	-40	-10.2%	(\$35)	-2.4%
Prof. & Business Serv.	864	\$1,728	801	\$1,877	-63	-7.3%	\$149	8.6%
Education & Health Serv.	2,764	\$1,011	2,610	\$1,069	-154	-5.6%	\$58	5.7%
Leisure & Hospitality	1,198	\$460	1,200	\$463	2	0.2%	\$3	0.7%
Other Services	245	\$657	213	\$879	-32	-13.1%	\$222	33.8%
Public Administration	980	\$1,465	1,038	\$1,473	58	5.9%	\$8	0.5%

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TABLE continued
 QUARTERLY CENSUS OF EMPLOYMENT AND WAGES
 CARVER COUNTY BY SUBMARKET
 2022 - 2023

Industry	2022 Q2		2023 Q2		Change 2022 - 2023			
	Employment	Weekly	Employment	Weekly	Employment	Wage		
Cologne								
Total, All Industries	747	\$1,329	757	\$1,229	10	1.3%	(\$99)	-7.5%
Nat. Resources & Mining	--	--	--	--	--	--	--	--
Construction	78	\$1,019	72	\$1,261	-6	-7.7%	\$242	23.7%
Manufacturing	--	--	--	--	--	--	--	--
Trade, Transp., Utilities	81	\$818	76	\$924	-5	-6.2%	\$106	13.0%
Information	--	--	--	--	--	--	--	--
Financial Activities	24	\$1,264	22	\$836	-2	-8.3%	(\$428)	-33.9%
Prof. & Business Serv.	18	\$1,306	23	\$1,293	5	27.8%	(\$13)	-1.0%
Education & Health Serv.	128	\$876	143	\$869	15	11.7%	(\$7)	-0.8%
Leisure & Hospitality	--	--	--	--	--	--	--	--
Other Services	--	--	--	--	--	--	--	--
Public Administration	6	\$1,282	8	\$1,255	2	33.3%	(\$27)	-2.1%
Hamburg - Norwood Young America								
Total, All Industries	1,077	\$880	1,264	\$972	187	17.4%	\$91	10.4%
Nat. Resources & Mining	--	--	--	--	--	--	--	--
Construction	187	\$1,159	181	\$1,312	-6	-3.2%	\$153	13.2%
Manufacturing	--	--	--	--	--	--	--	--
Trade, Transp., Utilities	236	\$706	247	\$688	11	4.7%	(\$17)	-2.5%
Information	8	\$754	6	\$797	-2	-25.0%	\$43	5.7%
Financial Activities	43	\$971	43	\$954	0	0.0%	(\$17)	-1.8%
Prof. & Business Serv.	70	\$722	51	\$1,014	-19	-27.1%	\$292	40.4%
Education & Health Serv.	164	\$1,145	172	\$1,136	8	4.9%	(\$9)	-0.8%
Leisure & Hospitality	152	\$319	151	\$307	-1	-0.7%	(\$12)	-3.8%
Other Services	14	\$442	17	\$407	3	21.4%	(\$35)	-7.9%
Public Administration	39	\$518	73	\$330	34	87.2%	(\$188)	-36.3%
Mayer - New Germany								
Total, All Industries	579	\$817	591	\$879	12	2.1%	\$62	7.5%
Nat. Resources & Mining	--	--	--	--	--	--	--	--
Construction	77	\$1,046	63	\$1,163	-14	-18.2%	\$117	11.2%
Manufacturing	--	--	--	--	--	--	--	--
Trade, Transp., Utilities	65	\$728	94	\$728	29	44.6%	(\$1)	-0.1%
Information	--	--	--	--	--	--	--	--
Financial Activities	9	\$1,344	8	\$1,346	-1	-11.1%	\$2	0.1%
Prof. & Business Serv.	25	\$1,233	16	\$1,739	-9	-36.0%	\$506	41.0%
Education & Health Serv.	7	\$352	7	\$318	0	0.0%	(\$34)	-9.7%
Leisure & Hospitality	22	\$279	24	\$285	2	9.1%	\$6	2.2%
Other Services	18	\$769	18	\$755	0	0.0%	(\$14)	-1.8%
Public Administration	18	\$436	22	\$636	4	22.2%	\$200	45.8%

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TABLE continued
 QUARTERLY CENSUS OF EMPLOYMENT AND WAGES
 CARVER COUNTY BY SUBMARKET
 2022 - 2023

Industry	2022 Q2		2023 Q2		Change 2022 - 2023			
	Employment	Weekly Wage	Employment	Weekly Wage	Employment #	Employment %	Wage #	Wage %
Victoria								
Total, All Industries	2,014	\$967	2,102	\$1,025	88	4.4%	\$58	6.0%
Nat. Resources & Mining	--	--	--	--	--	--	--	--
Construction	326	\$1,314	309	\$1,652	-17	-5.2%	\$338	25.7%
Manufacturing	90	\$1,030	74	\$1,058	-16	-17.8%	\$28	2.7%
Trade, Transp., Utilities	231	\$981	254	\$977	23	10.0%	(\$4)	-0.4%
Information	--	--	--	--	--	--	--	--
Financial Activities	68	\$2,165	63	\$2,450	-5	-7.4%	\$285	13.2%
Prof. & Business Serv.	185	\$1,457	170	\$1,541	-15	-8.1%	\$84	5.7%
Education & Health Serv.	471	\$878	527	\$945	56	11.9%	\$67	7.6%
Leisure & Hospitality	333	\$392	379	\$362	46	13.8%	(\$30)	-7.7%
Other Services	--	--	--	--	--	--	--	--
Public Administration	61	\$904	65	\$1,001	4	6.6%	\$97	10.7%
Waconia								
Total, All Industries	7,783	\$1,076	7,769	\$1,061	-14	-0.2%	(\$15)	-1.4%
Nat. Resources & Mining	--	--	--	--	--	--	--	--
Construction	--	--	--	--	--	--	--	--
Manufacturing	1,072	\$1,279	843	\$1,229	-229	-21.4%	(\$50)	-3.9%
Trade, Transp., Utilities	1,183	\$724	1,146	\$747	-37	-3.1%	\$23	3.1%
Information	55	\$695	56	\$653	1	1.8%	(\$42)	-6.0%
Financial Activities	108	\$1,493	106	\$1,232	-2	-1.9%	(\$261)	-17.5%
Prof. & Business Serv.	255	\$1,132	253	\$1,347	-2	-0.8%	\$215	19.0%
Education & Health Serv.	3,916	\$1,253	4,132	\$1,231	216	5.5%	(\$22)	-1.8%
Leisure & Hospitality	715	\$373	767	\$361	52	7.3%	(\$12)	-3.2%
Other Services	144	\$698	131	\$736	-13	-9.0%	\$38	5.4%
Public Administration	90	\$1,248	72	\$1,213	-18	-20.0%	(\$35)	-2.8%
Watertown								
Total, All Industries	1,036	\$856	1,067	\$857	31	3.0%	\$0	0.0%
Nat. Resources & Mining	--	--	--	--	--	--	--	--
Construction	176	\$1,095	181	\$1,104	5	2.8%	\$9	0.8%
Manufacturing	50	\$851	38	\$805	-12	-24.0%	(\$46)	-5.4%
Trade, Transp., Utilities	138	\$687	127	\$689	-11	-8.0%	\$2	0.3%
Information	--	--	--	--	--	--	--	--
Financial Activities	56	\$925	56	\$887	0	0.0%	(\$38)	-4.1%
Prof. & Business Serv.	85	\$1,103	84	\$1,154	-1	-1.2%	\$51	4.6%
Education & Health Serv.	83	\$557	74	\$655	-9	-10.8%	\$98	17.6%
Leisure & Hospitality	130	\$350	151	\$372	21	16.2%	\$22	6.2%
Other Services	--	--	--	--	--	--	--	--
Public Administration	17	\$1,295	22	\$1,015	5	29.4%	(\$279)	-21.6%

Sources: MN DEED; Maxfield Research & Consulting, LLC

- Year-over-year job growth was largest in the Chanhassen Submarket, adding 898 jobs (5.8% growth), followed by the Hamburg – Norwood Young America Submarket with the addition of 187 jobs (17.4% growth) and the Carver Submarket (116 jobs, 12.5% growth).
- Average weekly wages among the various submarkets ranges from lows of \$770 in the Carver Submarket and \$857 in the Watertown Submarket to highs of \$1,397 in Chaska and \$1,501 in Chanhassen.
- The average weekly wage increased 3.1% in Carver County between the second quarter of 2022 and the second quarter of 2023, compared to a 1.7% increase in the Metro Area.
 - Among the Carver County Submarkets, wage growth was largest in Chaska, increasing \$97 (7.5%) and Chanhassen, increasing \$92 per week (6.5%). On a percentage basis, wage growth was strongest in the Hamburg – Norwood Young America Submarket (10.4% growth over the year, increasing \$91 per week).
- The following figure summarizes housing affordability, both rental housing and for-sale housing, based on the average weekly wage for each submarket compared to median contract rents and median resale prices for detached single-family homes.

Submarket	Avg. Weekly Wage	Affordable Rent	Med. Contract Rent	Affordable Home Purch.	'23 Median Resale Price
Carver	\$770	\$1,000	\$1,108	\$118,400	\$455,000
Chanhassen	\$1,501	\$1,951	\$1,390	\$230,900	\$644,500
Chaska	\$1,397	\$1,816	\$1,168	\$214,800	\$455,000
Cologne	\$1,229	\$1,598	\$519	\$189,100	\$379,000
Hamburg - NYA	\$972	\$1,263	\$959	\$149,400	\$300,000
Mayer - New Germ.	\$879	\$1,143	\$860	\$135,200	\$347,500
Victoria	\$1,025	\$1,333	\$1,647	\$157,700	\$636,000
Waconia	\$1,061	\$1,379	\$1,020	\$163,200	\$472,000
Watertown	\$857	\$1,114	\$766	\$131,700	\$370,500
Carver County	\$1,267	\$1,647	\$1,164	\$194,900	\$489,900
Metro Area	\$1,432	\$1,862	\$1,142	\$220,200	\$395,133

- Housing affordability is based on a 30% allocation of income to housing, and the affordable home purchase price assumes that a potential buyer has good credit and makes a 10% down payment for a previously owned detached single-family home at a 30-year mortgage rate of 7.44% (weekly average mortgage rate as of November 16, 2023).
- The data indicates that an individual working in Carver County and earning the average wage would likely be able to afford to rent an apartment, although rental affordability varies by submarket. An individual earning the average wage would not be able to afford to purchase a detached single-family home at the median sale price. In most submarkets, households with two persons earning the average wage would not be able to afford a single-family home sold at the median resale price.

Major Employers

The table on the following pages identifies the top five largest employers in each of the cities located in Carver County. This data is sourced from the most recent available General Obligation Bond Official Statements from Carver County and its communities via the Municipal Securities Rulemaking Board (MSRB) Electronic Municipal Market Access (EMMA). The Official Statements were posted between 2021 and 2023. Recent General Obligation Bond Official Statements were not available for Cologne and Hamburg.

- In total, we identified 45 major employers in Carver County. Combined, these employers employ an estimated 16,155 workers, representing approximately 39% of all jobs in the County.
- The ten largest employers in Carver County employ an estimated 11,249 workers, representing 70% of the jobs among the list of 45 major employers and 27% of all jobs in the County. Four of the County’s ten largest employers are located in Chaska, while three are in Chanhassen, and three are in Waconia.
 - The top ten employers in the County include Ridgeview Medical Center (Waconia), Life Time Fitness (Chanhassen), Independent School District 112 (Chaska), Instant Web Companies (Chanhassen), Emerson – Rosemount Inc. (Chanhassen), Strom Aviation Inc. (Waconia), Entegris (Chaska), Beckman-Coulter Inc. (Chaska), TEL-FSI Inc. (Chaska), and Independent School District 110 (Waconia).
- Based on the industry sector composition of these employers, it appears that these major employers represent a fairly diverse employment base, although weighted toward the Manufacturing industry with 5,699 jobs (35%) and the Educational Services sector with 3,777 jobs (23%).

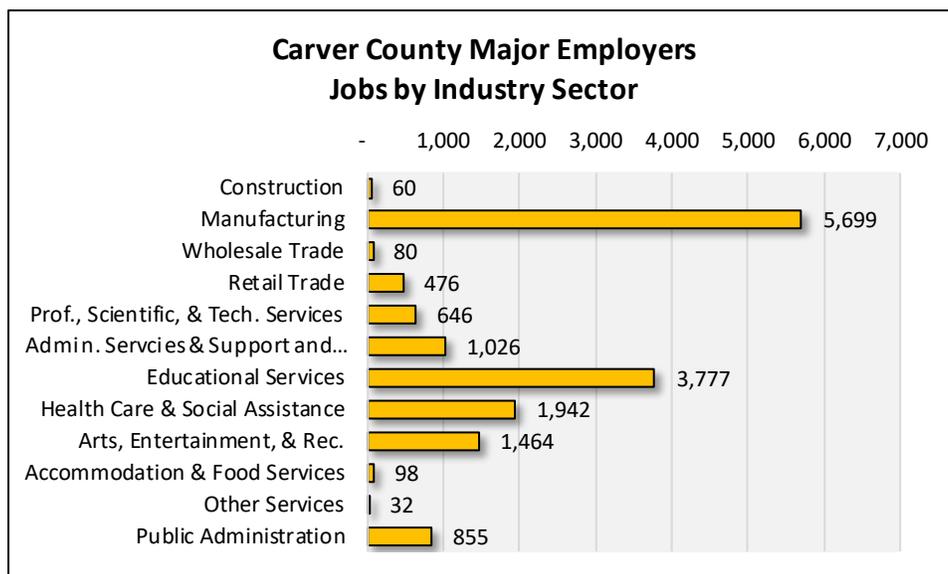


TABLE 23
MAJOR EMPLOYERS BY CITY
CARVER COUNTY
2021 - 2023

Company	City	Product/Service	Emps.
Mills Fleet Farm	Carver	Retail	170
ISD No. 112	Carver	Elementary & secondary education	113
City of Carver	Carver	City government	53
Kwik Trip	Carver	Convenience store	40
Carver Ridge Senior Living	Carver	Senior living facility	36
Life Time Fitness	Chanhassen	Health club & fitness center	1,464
Instant Web Companies	Chanhassen	Commercial printing	1,157
Emerson - Rosemount, Inc.	Chanhassen	Measuring instruments	1,067
Bernard Group	Chanhassen	Outdoor advertising	646
ISD No. 112	Chanhassen	Elementary & secondary education	465
ISD No. 112	Chaska	Elementary & secondary education	1,346
Entegris Inc.	Chaska	Semiconductor processing	925
Beckman-Coulter, Inc.	Chaska	Diagnostic reagents	850
TEL-FSI, Inc.	Chaska	Semi-centrifugal products	850
Carver County	Chaska	County government	700
ISD No. 111	Mayer	Elementary & secondary education	345
Casey's General Store	Mayer	Convenience store	11
Fill Me Up & BP Food & Fuel	Mayer	Convenience store	10
City of Mayer	Mayer	Municipal government	7
Knuckleheads Bar & Grill	Mayer	Full service restaurant	7
Top Dog Country Club	New Germany	Pet boarding, sitting, & kennels	22
BNR Irrigation Services, Inc.	New Germany	Irrigation systems & equipment	20
Award Baking International	New Germany	Bakers-wholesale	20
Kenny B's	New Germany	Cookie shops	15
Paws Inn Resort	New Germany	Pet boarding, sitting, & kennels	10
Bongards' Creameries, Inc.	Norwood Young America	Cheese & whey processing	250
ISD No. 108	Norwood Young America	Elementary & secondary education	125
Vickerman Co.	Norwood Young America	Manufacturer & wholesaler	60
Haven at Peace Village	Norwood Young America	Home health services	57
Accurate Concrete Forming, Inc.	Norwood Young America	Concrete contractors	40
Holy Family High School	Victoria	Private school	142
ISD No. 112	Victoria	Public elementary school	136
Winchester and Rye	Victoria	Restaurant	76
City of Victoria	Victoria	City government	70
Hartman Companies	Victoria	Landscaping	25

----- continued -----

TABLE continued
 MAJOR EMPLOYERS BY CITY
 CARVER COUNTY
 2021 - 2023

Company	City	Product/Service	Emps.
Ridgeview Medical Center	Waconia	Hospital	1,749
Strom Aviation, Inc.	Waconia	Aircraft dealers	1,001
ISD No. 110	Waconia	Elementary & secondary education	840
CabinetWorks Group	Waconia	Wood cabinets & door mfg.	600
Mackenthun's Supermarket	Waconia	Retail grocery store	200
ISD No. 111	Watertown	Elementary & secondary education	265
River Oaks at Watertown	Watertown	Assisted living	78
Market Place Foods	Watertown	Grocery store	45
Watertown Fire Department	Watertown	Fire department	25
Westwood Place	Watertown	Assisted living	22

Sources: Communities in Carver County; MSRB EMMA; Maxfield Research & Consulting, LLC

Housing Characteristics

Introduction

This section of the report examines characteristics of the existing housing stock in Carver County and its submarkets compared to the Metro Area. Housing demand is influenced, in large part, by factors related to the supply of housing in a market area such as the age and condition of the housing stock, as well as financial considerations (i.e. home values, rental rates). The following topics are covered in this analysis.

- ▶ Housing units by tenure and occupancy, including mortgage status
- ▶ Housing units by structure type and tenure
- ▶ Owner-occupied units by value
- ▶ Renter-occupied units by contract rent
- ▶ Age of the existing housing stock, and
- ▶ Residential building permit trends

The U.S. Census Bureau American Community Survey (“ACS”) is the primary data resource for the Housing Characteristics section of this report. Maxfield Research and Consulting, LLC utilizes five-year data estimates which provide a larger sample size and has a longer period of data collection than the one-year data estimates. At the time this analysis was prepared, the 2017-2021 ACS was the most recent five-year data available. Other data sources include the U.S. Census Decennial Census and the Metropolitan Council.

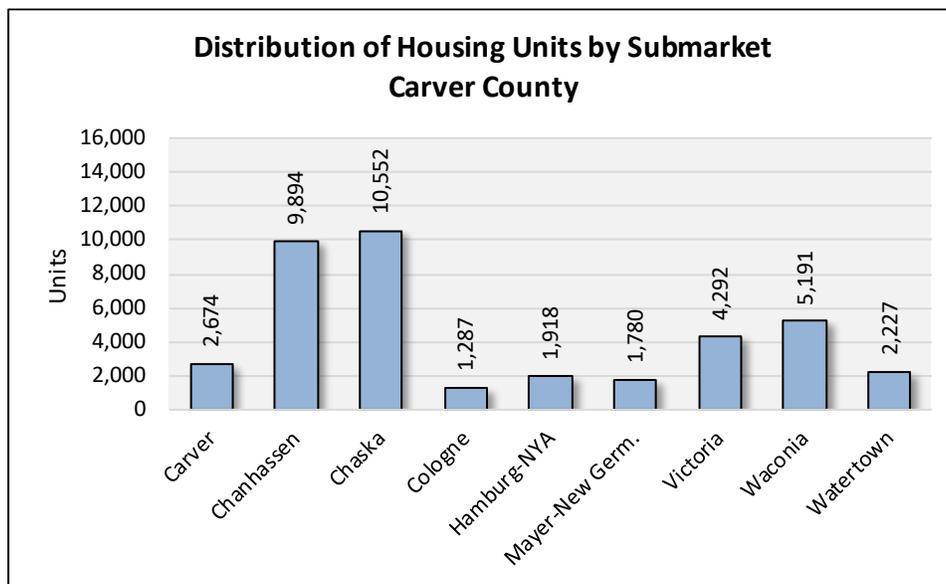
Housing unit is defined as a house, an apartment, a group of rooms, or a single room occupied or intended for occupancy as separate living quarters, while a household is an occupied housing unit. A householder refers to the person in whose name the housing unit is owned or rented.

Housing Unit Occupancy

The table on the following pages shows the total number of housing units, as well as the occupancy status for Carver County and its nine submarkets compared to the seven-county Twin Cities Metro Area. Information is sourced from the 2010 Decennial Census and the 2017-2021 ACS, the most recent data available.

The Census’ definition of a vacant housing unit includes units that were listed for sale or for rent at the time of the Census survey, units that have been rented or sold but were not yet occupied, seasonal housing (vacation or second homes), and “other” vacant housing. Other vacant housing units include housing for migratory workers, housing units held for occupancy of a caretaker, and units in the foreclosure process.

- As of the 2021 ACS period, there were an estimated 39,185 housing units in Carver County. As depicted in the following chart, Chaska contains the largest number of housing units with 10,552 (27% of the total), followed closely by Chanhassen with 9,894 units (25%).



- The number of housing units in the County increased 15% between the 2010 Decennial Census and the 2021 ACS estimate, increasing by 5,279 units.
 - Largest housing unit increases occurred in Chaska and Chanhassen, adding 1,262 units (14% growth) and 1,215 units (14% growth), respectively.
- On a percentage basis, largest growth occurred in the Victoria Submarket (33% increase with the addition of 1,061 housing units), the Carver Submarket (29% growth, 604 units), and the Cologne Submarket (28% growth, 283 units).

TABLE 24
HOUSING UNIT OCCUPANCY
CARVER COUNTY MARKET AREA

		----- Submarkets -----											
		Carver		Chanhassen		Chaska		Cologne		Hamburg-NYA		Mayer-New Germ.	
		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
2021	2021 Total Housing Units	2,674	100%	9,894	100%	10,552	100%	1,287	100%	1,918	100%	1,780	100%
	Occupied Units	2,548	95.3%	9,406	95.1%	10,336	98.0%	1,237	96.1%	1,812	94.5%	1,713	96.2%
	Owner-Occupied mortgage or loan free and clear	2,301	86.1%	8,262	83.5%	7,288	69.1%	1,133	88.0%	1,381	72.0%	1,577	88.6%
		1,616	60.4%	6,169	62.4%	5,304	50.3%	712	55.3%	991	51.7%	1,160	65.2%
		685	25.6%	2,093	21.2%	1,984	18.8%	421	32.7%	390	20.3%	417	23.4%
	Renter-Occupied	247	9.2%	1,144	11.6%	3,048	28.9%	104	8.1%	431	22.5%	136	7.6%
	Vacant Units	126	4.7%	488	4.9%	216	2.0%	50	3.9%	106	5.5%	67	3.8%
	For Rent	0	0.0%	116	1.2%	0	0.0%	0	0.0%	11	0.6%	8	0.4%
	For Sale Only	0	0.0%	36	0.4%	37	0.4%	0	0.0%	42	2.2%	2	0.1%
	Seasonal/Recreational Rented/Sold, Not Occ. Other	27	1.0%	166	1.7%	0	0.0%	0	0.0%	0	0.0%	7	0.4%
	0	0.0%	64	0.6%	52	0.5%	10	0.8%	27	1.4%	13	0.7%	
	99	3.7%	106	1.1%	127	1.2%	40	3.1%	26	1.4%	37	2.1%	
2010	2010 Total Housing Units	2,070	100%	8,679	100%	9,290	100%	1,004	100%	1,974	100%	1,533	100%
	Occupied Units	1,983	95.8%	8,352	96.2%	8,816	94.9%	963	95.9%	1,856	94.0%	1,451	94.7%
	Owner-Occupied mortgage or loan free and clear	1,803	87.1%	7,212	83.1%	6,392	68.8%	832	82.9%	1,424	72.1%	1,291	84.2%
		1,478	71.4%	6,162	71.0%	5,404	58.2%	621	61.9%	1,062	53.8%	962	62.8%
		325	15.7%	1,050	12.1%	988	10.6%	211	21.0%	362	18.3%	329	21.5%
	Renter-Occupied	180	8.7%	1,140	13.1%	2,424	26.1%	131	13.0%	432	21.9%	160	10.4%
	Vacant Units	87	4.2%	327	3.8%	474	5.1%	41	4.1%	118	6.0%	82	5.3%
	For Rent	4	0.2%	57	0.7%	228	2.5%	4	0.4%	41	2.1%	21	1.4%
	For Sale Only	38	1.8%	124	1.4%	97	1.0%	12	1.2%	24	1.2%	27	1.8%
	Seasonal/Recreational Rented/Sold, Not Occ. Other	9	0.4%	62	0.7%	50	0.5%	5	0.5%	8	0.4%	6	0.4%
	3	0.1%	39	0.4%	28	0.3%	4	0.4%	9	0.5%	0	0.0%	
	33	1.6%	45	0.5%	71	0.8%	16	1.6%	36	1.8%	28	1.8%	

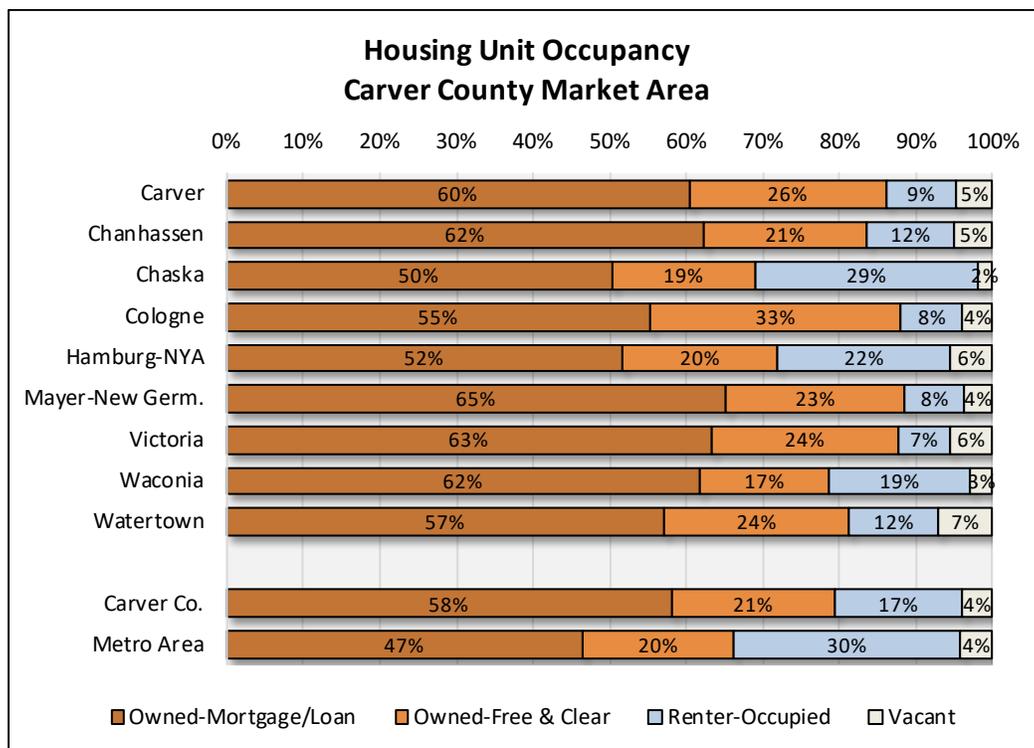
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TABLE continued
HOUSING UNIT OCCUPANCY
CARVER COUNTY MARKET AREA

		----- Submarkets -----									
		Victoria		Waconia		Watertown		Carver County		Metro Area	
		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	Pct.	
2021	2021 Total Housing Units	4,292	100%	5,191	100%	2,227	100%	39,815	100%	100%	
	Occupied Units	4,052	94.4%	5,041	97.1%	2,068	92.9%	38,213	96.0%	95.7%	
	Owner-Occupied mortgage or loan free and clear	3,762	87.7%	4,080	78.6%	1,811	81.3%	31,595	79.4%	66.2%	
		2,717	63.3%	3,211	61.9%	1,272	57.1%	23,152	58.1%	46.5%	
		1,045	24.3%	869	16.7%	539	24.2%	8,443	21.2%	19.7%	
	Renter-Occupied	290	6.8%	961	18.5%	257	11.5%	6,618	16.6%	29.6%	
	Vacant Units	240	5.6%	150	2.9%	159	7.1%	1,602	4.0%	4.3%	
	For Rent	11	0.3%	22	0.4%	104	4.7%	272	0.7%	1.4%	
	For Sale Only	78	1.8%	0	0.0%	0	0.0%	195	0.5%	0.4%	
	Seasonal/Recreational Rented/Sold, Not Occ. Other	113	2.6%	15	0.3%	0	0.0%	328	0.8%	0.6%	
	0	0.0%	40	0.8%	55	2.5%	261	0.7%	0.7%		
	38	0.9%	73	1.4%	0	0.0%	546	1.4%	1.1%		
2010	2010 Total Housing Units	3,231	100%	4,563	100%	2,192	100%	34,536	100%	100%	
	Occupied Units	3,095	95.8%	4,343	95.2%	2,032	92.7%	32,891	95.2%	94.2%	
	Owner-Occupied mortgage or loan free and clear	2,826	87.5%	3,403	74.6%	1,663	75.9%	26,846	77.7%	65.9%	
		2,317	71.7%	2,823	61.9%	1,253	57.2%	22,082	63.9%	52.3%	
		509	15.8%	580	12.7%	410	18.7%	4,764	13.8%	13.7%	
	Renter-Occupied	269	8.3%	940	20.6%	369	16.8%	6,045	17.5%	28.2%	
	Vacant Units	136	4.2%	220	4.8%	160	7.3%	1,645	4.8%	5.8%	
	For Rent	21	0.6%	73	1.6%	63	2.9%	512	1.5%	2.3%	
	For Sale Only	38	1.2%	57	1.2%	43	2.0%	460	1.3%	1.3%	
	Seasonal/Recreational Rented/Sold, Not Occ. Other	51	1.6%	28	0.6%	12	0.5%	231	0.7%	0.7%	
	8	0.2%	21	0.5%	6	0.3%	118	0.3%	0.4%		
	18	0.6%	41	0.9%	36	1.6%	324	0.9%	1.2%		

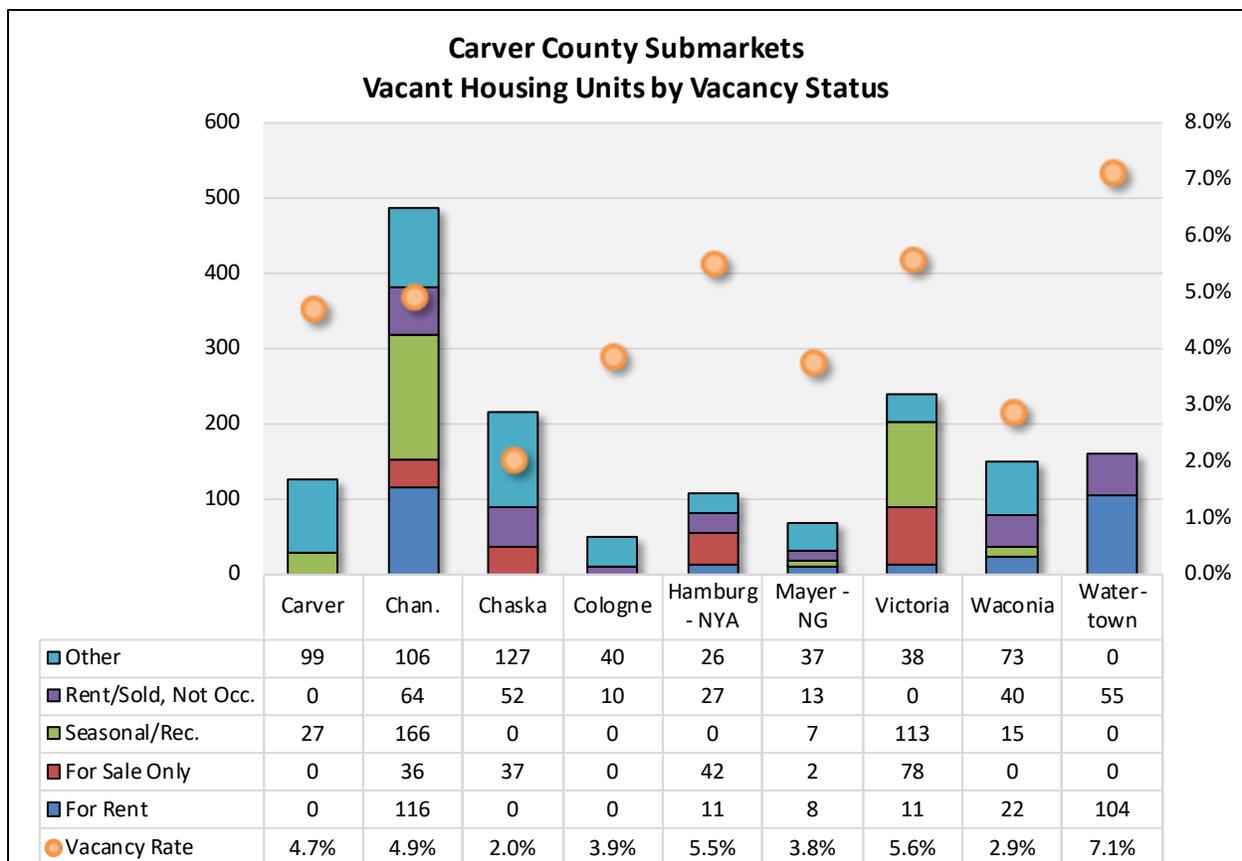
Sources: US Census; 2017-2021 American Community Survey; Maxfield Research & Consulting, LLC

- Approximately 96.0% of all housing units in Carver County were occupied during 2021 ACS period. Occupancy rates ranged from a low of 92.9% in the Watertown Submarket to 98.0% in Chaska.
 - By comparison, the Metro Area had an estimated occupancy rate of 95.7% in the 2021.
- An estimated 79.4% of Carver County housing units were owner-occupied in 2021, including 58.1% that were owned with a mortgage or loan and 21.2% that were owned free and clear. By comparison, 66.2% of all housing units were owner-occupied in the Metro Area (46.5% owned with a mortgage or loan and 19.7% owned free and clear).
- An estimated 16.6% of housing units were renter-occupied in Carver County, notably lower than 29.6% in the Metro Area.
- The following graph summarizes estimated housing unit occupancy for each of the submarkets in 2021, compared to the County and the Metro Area.



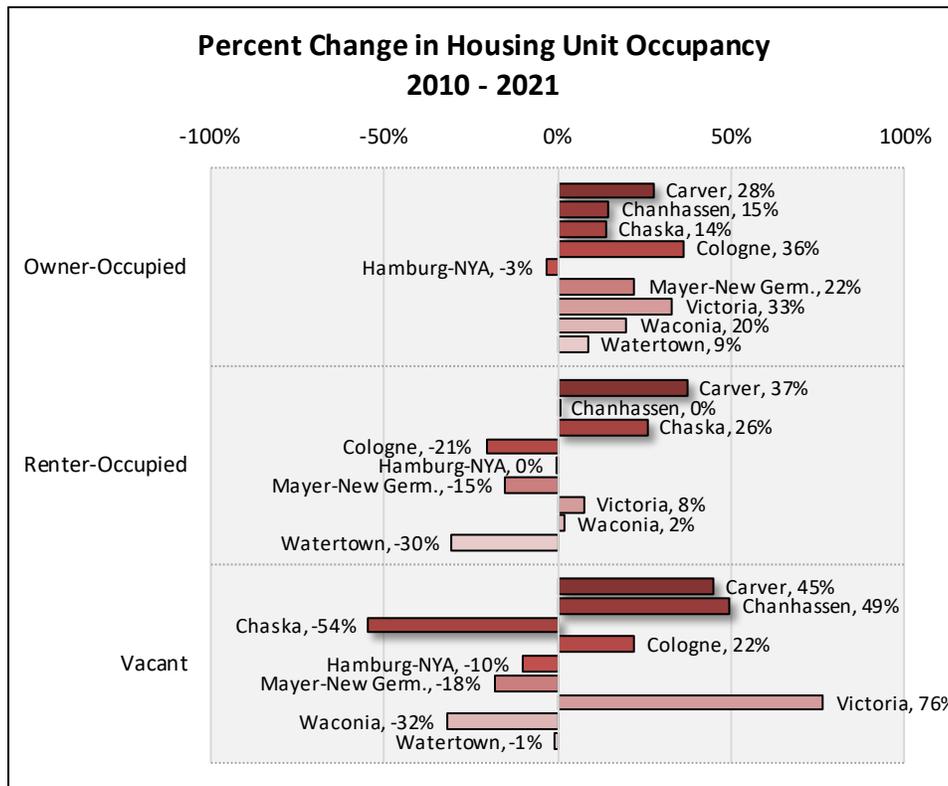
- Among the nine submarkets, Mayer – New Germany and Cologne had the highest proportions of owner-occupied housing, at 88.6% and 88.0% respectively, while the proportions were lowest in the Chaska (69.1%) and Hamburg – Norwood Young America (72.0%) Submarkets.

- The Chaska Submarket had the highest proportion of renter-occupied housing units (28.9%), followed by the Hamburg – Norwood Young America Submarket (22.5%). The Victoria Submarket had the lowest proportion of renter-occupied units (6.8%), followed by the Mayer – New Germany (7.6%) and Cologne (8.1%) Submarkets.
- Carver County had an estimated 4.0% vacancy rate (1,602 vacant units) in 2021, slightly lower than the 4.3% vacancy rate in the Metro Area.
- The Watertown Submarket had the highest vacancy rate (7.1%) in the County, followed by the Victoria (5.6%) and Hamburg – Norwood Young America (5.5%) Submarkets. With vacancy rates at 2.0% and 2.9%, housing markets were tightest in the Chaska and Waconia Submarkets, respectively.



- As depicted in the preceding graph, vacancies were highest for reasons other than the identified categories (i.e. vacant for rent). In Carver County, “other” units represented the largest number of vacancies with 546 (34% of all vacant units), with the majority of these being located in the Chaska (127), Chanhassen (106), and Carver (99) Submarkets. These “other” vacancies could include units held for occupancy by a caretaker or units held for personal reasons of the owner.

- Approximately 20% of the vacant units in the County (328 units) were seasonal/recreational units, with the Chanhassen (166) and Victoria (113) Submarkets containing the majority of these vacancies.
- There were 272 vacant units for rent in Carver County (17% of all vacancies) in 2021, while For Sale units represented 12% of the vacancies (195). There were also 261 vacant units classified as being rented or sold, but not occupied (16% of the vacancies) in the County.
- Housing occupancy rates increased modestly in Carver County between 2010 and 2021, as the number of owner-occupied units increased 18% while renter-occupied units increased 9% against a -3% decline in vacant units.
- As depicted in the following graph, owner-occupied housing unit growth was strongest in the Cologne (36% growth), Victoria (33%), and Carver (28%) Submarkets. Renter-occupied growth was strongest in the Carver (37%) and Chaska (26%) Submarkets.

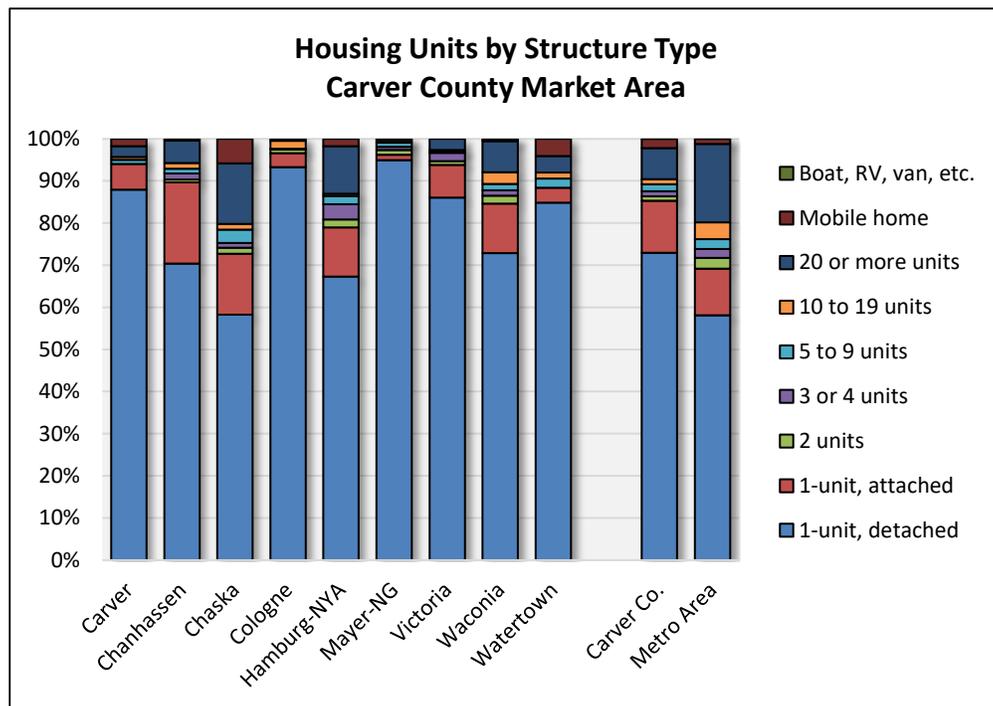


- The number of vacant housing units contracted in the Chaska (-54%), Waconia (-32%), Mayer – New Germany (-18%), Hamburg – Norwood Young America (-10%), and Watertown (-1%) Submarkets. These decreases were partially offset by increased vacancies in the Victoria (76%), Chanhassen (49%), Carver (45%), and Cologne (22%) Submarkets.

Housing Stock by Structure Type

Information presented in the table on the following page summarizes the number of housing units by structure type in Carver County and its submarkets compared to the Twin Cities Metro Area. Data is sourced from the 2017-2021 ACS with adjustments made by Maxfield Research.

- Single-family (one-unit) detached units are the most common housing type in the Market Area, comprising 73% of all housing units in Carver County compared to 58% of all units in Metro Area. Among the nine submarkets, the proportion of detached single-family units ranges from 58% of all units in Chaska to 95% in the Mayer – New Germany Submarket.



- Single-unit attached structures (i.e. twin homes and townhomes) are the second most common housing product type in the County, at 12% of all units compared to 11% in the Metro Area. Within Carver County, proportions range from 1% of the units in the Mayer – New Germany Submarket to over 19% in Chanhassen.
- Another 7% of the units in Carver County are in structures with 20 or more units, compared to 19% in the Metro Area. Chaska contains the highest percentage of units in buildings with 20 or more units (14%), while the Cologne and Mayer – New Germany Submarkets do not have any units in buildings with 20 or more units.
- Based on this data, it appears that the Chaska, Hamburg – Norwood Young America, Waconia, and Chanhassen Submarkets offer the greatest housing variety, while the variety of housing in submarkets such as Mayer – New Germany and Cologne is more limited.

TABLE 25

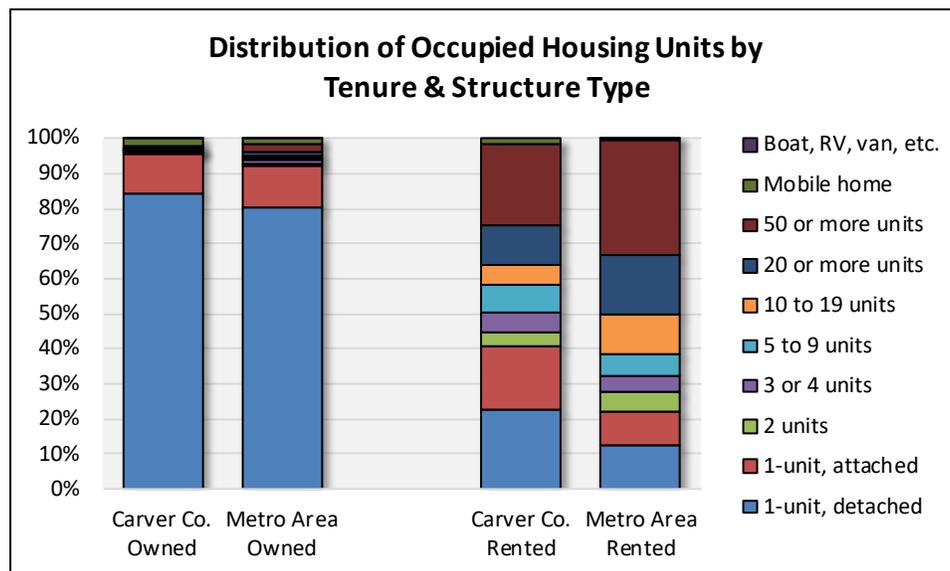
HOUSING UNITS BY STRUCTURE TYPE CARVER COUNTY MARKET AREA								
	Carver		Chanhasen		Chaska		Cologne	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Total Housing Units	2,674	100%	9,894	100%	10,552	100%	1,287	100%
1-unit, detached	2,351	87.9%	6,965	70.4%	6,146	58.2%	1,200	93.2%
1-unit, attached	163	6.1%	1,904	19.2%	1,530	14.5%	43	3.3%
2 units	0	0.0%	68	0.7%	144	1.4%	12	0.9%
3 or 4 units	0	0.0%	141	1.4%	120	1.1%	2	0.2%
5 to 9 units	27	1.0%	110	1.1%	334	3.2%	0	0.0%
10 to 19 units	18	0.7%	135	1.4%	143	1.4%	24	1.9%
20 or more units	68	2.5%	532	5.4%	1,521	14.4%	0	0.0%
Mobile home	47	1.8%	39	0.4%	614	5.8%	6	0.5%
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0.0%	0	0.0%
	Hamburg-NYA		Mayer-New Germ.		Victoria		Waconia	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Total Housing Units	1,918	100%	1,780	100%	4,292	100%	5,191	100%
1-unit, detached	1,291	67.3%	1,689	94.9%	3,694	86.1%	3,782	72.9%
1-unit, attached	224	11.7%	23	1.3%	332	7.7%	612	11.8%
2 units	35	1.8%	20	1.1%	37	0.9%	94	1.8%
3 or 4 units	70	3.6%	14	0.8%	85	2.0%	67	1.3%
5 to 9 units	38	2.0%	17	1.0%	11	0.3%	78	1.5%
10 to 19 units	9	0.5%	3	0.2%	18	0.4%	145	2.8%
20 or more units	217	11.3%	0	0.0%	115	2.7%	384	7.4%
Mobile home	34	1.8%	10	0.6%	0	0.0%	11	0.2%
Boat, RV, van, etc.	0	0.0%	4	0.2%	0	0.0%	18	0.3%
	Watertown				Carver County		Metro Area	
	No.	Pct.			No.	Pct.	Pct.	
Total Housing Units	2,227	100%			39,815	100%	100%	
1-unit, detached	1,889	84.8%			29,046	73.0%	58.1%	
1-unit, attached	79	3.5%			4,910	12.3%	11.1%	
2 units	0	0.0%			410	1.0%	2.5%	
3 or 4 units	0	0.0%			499	1.3%	2.1%	
5 to 9 units	49	2.2%			664	1.7%	2.4%	
10 to 19 units	32	1.4%			477	1.2%	4.0%	
20 or more units	86	3.9%			2,934	7.4%	18.6%	
Mobile home	92	4.1%			853	2.1%	1.2%	
Boat, RV, van, etc.	0	0.0%			22	0.1%	0.0%	

Sources: 2017-2021 American Community Survey; Maxfield Research & Consulting, LLC

Tenure by Structure Type

Information presented in the following table summarizes housing structure type of occupied housing units by tenure (i.e. owner-occupied and renter-occupied) in Carver County and its submarkets compared to the Twin Cities Metro Area. Data is sourced from the 2017-2021 ACS.

- Compared to the Twin Cities Metro Area, Carver County has relatively high proportions of detached single-family units (both renter- and owner-occupied) as well as renter-occupied attached single-family units. The proportion of renter-occupied units in larger structures (i.e. ten or more units) is notably lower in the County than the Metro Area.



- Of the owner-occupied housing units in Carver County, 84% are single-unit, detached structures (26,619 owner-occupied units), ranging from 77% in Chaska to 98% in the Cologne and Mayer – New Germany Submarkets.
- Attached single-family units comprise the second highest number of owner-occupied housing units in the County with 3,615 units (10% of all owner-occupied units).
 - The Chanhassen Submarket contains the highest percentage of attached single-family units (18% of all owner-occupied units), followed by Chaska at 13%. The Mayer – New Germany Submarket has the lowest proportion, at just 1.0% of all owner-occupied units.
- An estimated 23% of the renter-occupied housing units in Carver County (1,510 units) are in single-unit, detached structures, most notably while another 23% (1,519 units) are in structures with 50 or more units.
 - Chaska contains the highest number of detached single-family renter-occupied units (437), as well as the largest number of units in structures with 50 or more units (977).

TABLE 26

HOUSING UNIT STRUCTURE TYPE BY TENURE
CARVER COUNTY MARKET AREA

	Carver		Chanhassen		Chaska		Cologne		Hamburg-NYA		Mayer-New Germ.	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Total Occupied Housing Units	2,548	100%	9,406	100%	10,336	100%	1,253	100%	1,812	100%	1,713	100%
Owner-Occupied	2,301	90.3%	8,262	87.8%	7,288	70.5%	1,149	91.7%	1,381	76.2%	1,577	92.1%
1-unit, detached	2,136	83.8%	6,526	69.4%	5,578	54.0%	1,121	89.5%	1,177	65.0%	1,541	90.0%
1-unit, attached	163	6.4%	1,458	15.5%	960	9.3%	20	1.6%	153	8.4%	16	0.9%
2 units	0	0.0%	27	0.3%	39	0.4%	3	0.3%	19	1.0%	4	0.2%
3 or 4 units	0	0.0%	36	0.4%	8	0.1%	0	0.0%	0	0.0%	1	0.1%
5 to 9 units	0	0.0%	55	0.6%	70	0.7%	0	0.0%	0	0.0%	1	0.1%
10 to 19 units	0	0.0%	37	0.4%	13	0.1%	0	0.0%	0	0.0%	0	0.0%
20 to 49 units	0	0.0%	50	0.5%	82	0.8%	0	0.0%	0	0.0%	0	0.0%
50 or more units	0	0.0%	34	0.4%	31	0.3%	0	0.0%	0	0.0%	0	0.0%
Mobile home	2	0.1%	39	0.4%	507	4.9%	4	0.3%	32	1.8%	10	0.6%
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	4	0.2%
Renter-Occupied	247	9.7%	1,144	12.2%	3,048	29.5%	104	8.3%	431	23.8%	136	7.9%
1-unit, detached	134	5.3%	233	2.5%	437	4.2%	65	5.2%	56	3.1%	95	5.5%
1-unit, attached	0	0.0%	411	4.4%	559	5.4%	13	1.0%	44	2.4%	7	0.4%
2 units	0	0.0%	16	0.2%	105	1.0%	6	0.5%	14	0.8%	10	0.6%
3 or 4 units	0	0.0%	92	1.0%	88	0.9%	7	0.6%	62	3.4%	8	0.5%
5 to 9 units	27	1.1%	55	0.6%	264	2.6%	0	0.0%	38	2.1%	13	0.8%
10 to 19 units	18	0.7%	62	0.7%	130	1.3%	13	1.0%	9	0.5%	3	0.2%
20 to 49 units	0	0.0%	97	1.0%	381	3.7%	0	0.0%	79	4.4%	0	0.0%
50 or more units	68	2.7%	178	1.9%	977	9.5%	0	0.0%	129	7.1%	0	0.0%
Mobile home	0	0.0%	0	0.0%	107	1.0%	0	0.0%	0	0.0%	0	0.0%
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%

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TABLE continued

HOUSING UNIT STRUCTURE TYPE BY TENURE
CARVER COUNTY MARKET AREA

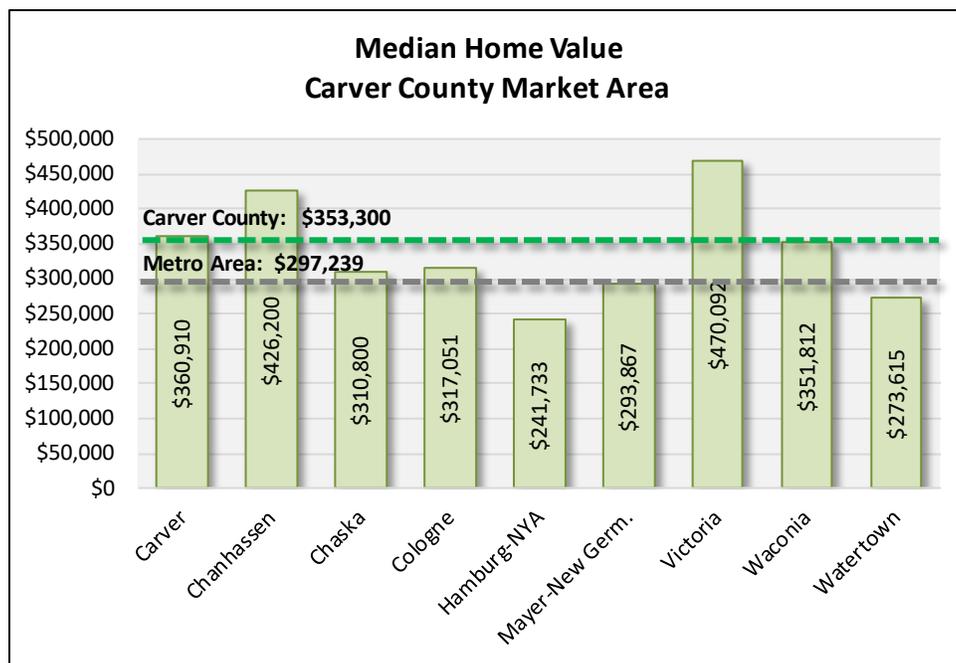
	Victoria		Waconia		Watertown		Carver County		Metro Area
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	Pct.
Total Occupied Housing Units	4,052	100%	5,041	100%	2,068	100%	38,213	100%	100%
Owner-Occupied	3,762	92.8%	4,080	80.9%	1,811	87.6%	31,595	82.7%	69.1%
1-unit, detached	3,395	83.8%	3,507	69.6%	1,662	80.4%	26,619	69.7%	55.4%
1-unit, attached	283	7.0%	497	9.9%	57	2.8%	3,615	9.5%	8.2%
2 units	37	0.9%	0	0.0%	0	0.0%	128	0.3%	0.6%
3 or 4 units	0	0.0%	25	0.5%	0	0.0%	70	0.2%	0.5%
5 to 9 units	0	0.0%	28	0.6%	0	0.0%	154	0.4%	0.5%
10 to 19 units	0	0.0%	0	0.0%	0	0.0%	50	0.1%	0.3%
20 to 49 units	47	1.2%	0	0.0%	0	0.0%	179	0.5%	0.7%
50 or more units	0	0.0%	2	0.0%	0	0.0%	67	0.2%	1.8%
Mobile home	0	0.0%	3	0.1%	92	4.4%	691	1.8%	1.0%
Boat, RV, van, etc.	0	0.0%	18	0.4%	0	0.0%	22	0.1%	0.0%
Renter-Occupied	290	7.2%	961	19.1%	257	12.4%	6,618	17.3%	30.9%
1-unit, detached	129	3.2%	173	3.4%	154	7.4%	1,510	4.0%	3.8%
1-unit, attached	21	0.5%	115	2.3%	22	1.1%	1,194	3.1%	3.0%
2 units	0	0.0%	94	1.9%	0	0.0%	249	0.7%	1.7%
3 or 4 units	85	2.1%	42	0.8%	0	0.0%	379	1.0%	1.5%
5 to 9 units	11	0.3%	50	1.0%	49	2.4%	507	1.3%	1.8%
10 to 19 units	18	0.4%	145	2.9%	32	1.5%	388	1.0%	3.6%
20 to 49 units	11	0.3%	169	3.4%	0	0.0%	765	2.0%	5.2%
50 or more units	15	0.4%	173	3.4%	0	0.0%	1,519	4.0%	10.1%
Mobile home	0	0.0%	0	0.0%	0	0.0%	107	0.3%	0.2%
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0.0%

Sources: 2017-2021 American Community Survey; Maxfield Research & Consulting, LLC

Owner-Occupied Housing Units by Value

The following table presents data on owner-occupied home values summarized in ranges and median value for Carver County and its submarkets compared to the Twin Cities Metro Area. Home value reflects the owner’s estimate of how much the property (house and lot or condominium unit) would sell for if it were for sale. The information is sourced from the 2017-2021 American Community Survey.

- The estimated median value of owner-occupied housing units in Carver County (\$353,300 during the 2017-2021 ACS period) is 19% higher than the estimated value of \$297,239 across the Metro Area.



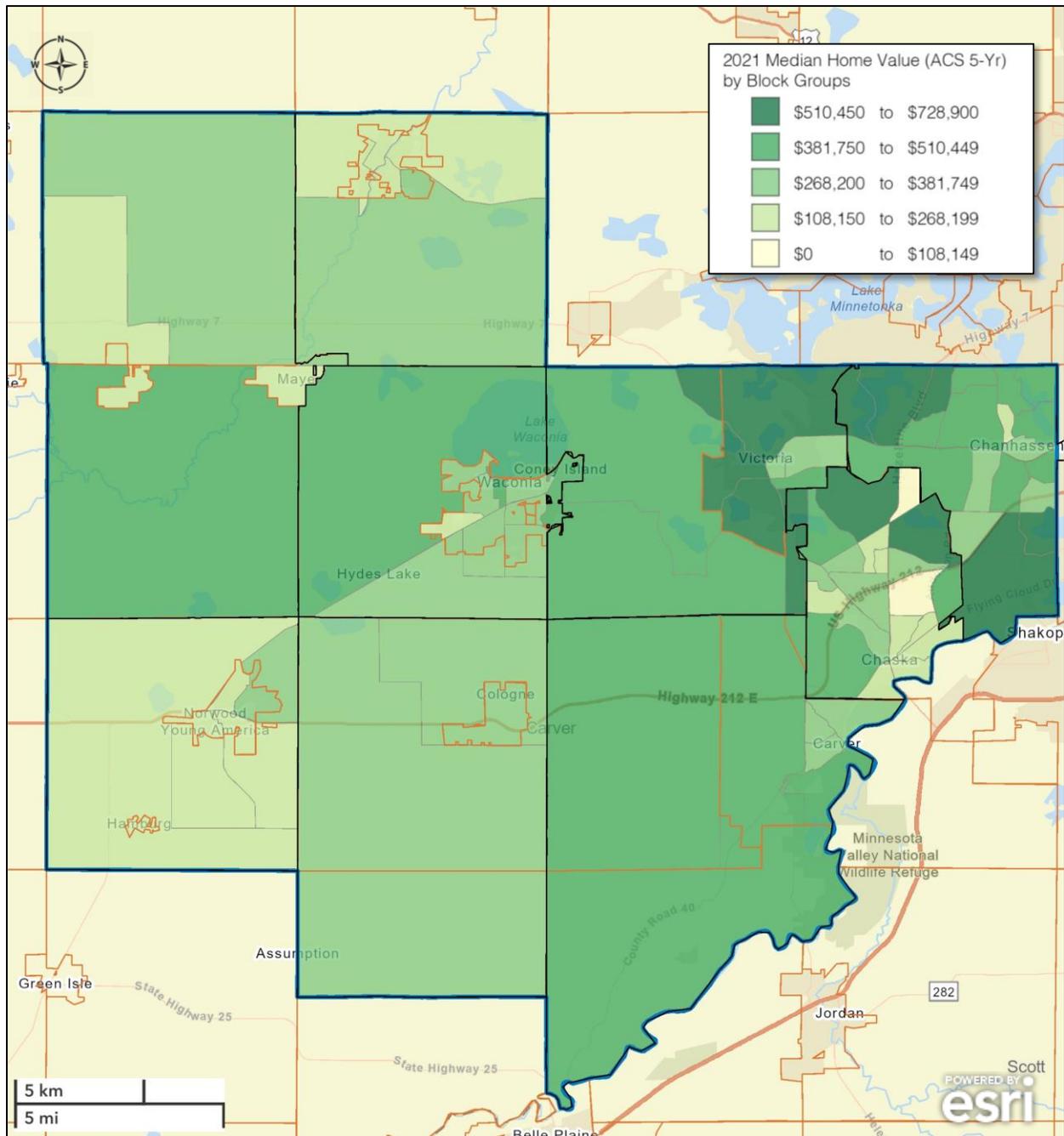
- Median home values are generally highest in the eastern portion of Carver County, notably in the Victoria (\$470,092), Chanhassen (\$426,200), and Carver (\$360,910) Submarkets.
- The northern and western county subdivisions have the lowest median home values, including the Hamburg – Norwood Young America (\$241,733), Watertown (\$273,615), and Mayer – New Germany (\$293,867) Submarkets.
- Median home values in the Victoria, Chanhassen, Carver, Waconia, Cologne, and Chaska Submarkets are all higher than the Metro Area, while the Hamburg – Norwood Young America, Watertown, and Mayer – New Germany Submarkets all have median home values that are lower than the Region.

TABLE 27

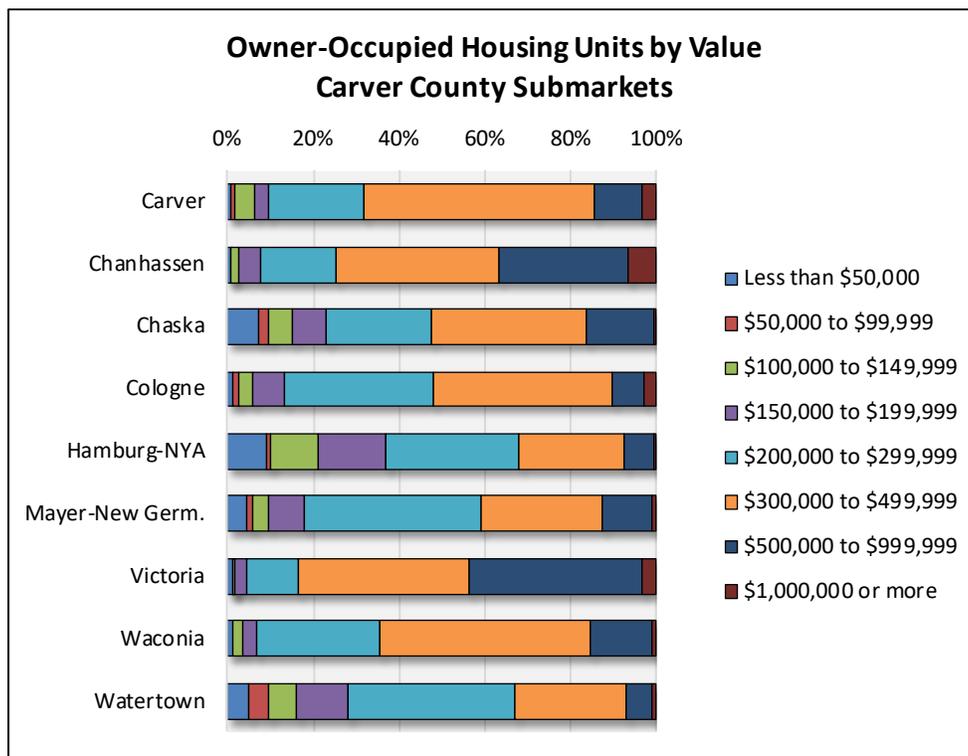
OWNER-OCCUPIED HOUSING UNITS BY VALUE CARVER COUNTY MARKET AREA								
	Carver		Chanhassen		Chaska		Cologne	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Total:	2,301	100%	8,262	100%	7,288	100%	1,133	100%
Median Home Value	\$360,910		\$426,200		\$310,800		\$317,051	
Less than \$50,000	16	0.7%	61	0.7%	536	7.4%	14	1.2%
\$50,000 to \$99,999	23	1.0%	10	0.1%	174	2.4%	15	1.3%
\$100,000 to \$149,999	108	4.7%	151	1.8%	387	5.3%	35	3.1%
\$150,000 to \$199,999	73	3.2%	427	5.2%	588	8.1%	86	7.6%
\$200,000 to \$299,999	511	22.2%	1,442	17.5%	1,786	24.5%	393	34.7%
\$300,000 to \$499,999	1,234	53.6%	3,127	37.8%	2,616	35.9%	472	41.7%
\$500,000 to \$999,999	254	11.0%	2,480	30.0%	1,159	15.9%	86	7.6%
\$1,000,000 or more	82	3.6%	564	6.8%	42	0.6%	32	2.8%
	Hamburg - NYA		Mayer - New Germ.		Victoria		Waconia	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Total:	1,381	100%	1,577	100%	3,762	100%	4,080	100%
Median Home Value	\$241,733		\$293,867		\$470,092		\$351,812	
Less than \$50,000	123	8.9%	73	4.6%	38	1.0%	57	1.4%
\$50,000 to \$99,999	12	0.9%	19	1.2%	12	0.3%	0	0.0%
\$100,000 to \$149,999	154	11.2%	55	3.5%	5	0.1%	80	2.0%
\$150,000 to \$199,999	220	15.9%	137	8.7%	103	2.7%	140	3.4%
\$200,000 to \$299,999	430	31.1%	646	41.0%	470	12.5%	1,163	28.5%
\$300,000 to \$499,999	338	24.5%	448	28.4%	1,498	39.8%	2,013	49.3%
\$500,000 to \$999,999	97	7.0%	185	11.7%	1,505	40.0%	575	14.1%
\$1,000,000 or more	7	0.5%	14	0.9%	131	3.5%	52	1.3%
	Watertown				Carver County		Metro Area	
	No.	Pct.			No.	Pct.	Pct.	
Total:	1,811	100%			31,595	100%	100%	
Median Home Value	\$273,615				\$353,300		\$297,239	
Less than \$50,000	91	5.0%			1,009	3.2%	2.6%	
\$50,000 to \$99,999	85	4.7%			350	1.1%	1.7%	
\$100,000 to \$149,999	118	6.5%			1,093	3.5%	4.5%	
\$150,000 to \$199,999	218	12.0%			1,992	6.3%	11.5%	
\$200,000 to \$299,999	697	38.5%			7,538	23.9%	31.9%	
\$300,000 to \$499,999	470	26.0%			12,216	38.7%	33.8%	
\$500,000 to \$999,999	115	6.4%			6,456	20.4%	12.3%	
\$1,000,000 or more	17	0.9%			941	3.0%	1.9%	
Sources: 2017-2021 American Community Survey; Maxfield Research & Consulting, LLC								

- The following map illustrates median home value by Census Block Group in Carver County based on estimates from the 2017-2021 ACS.
- As shown, median home values are highest in portions of Victoria, Chaska, and Chanhassen and lowest in portions of Chaska and Young America Township in the southwestern corner of the County.

Estimated Median Home Value



- In Carver County, there are 12,216 owner-occupied housing units valued in the \$300,000 to \$499,999 range comprising the largest proportion of owner-occupied units in the County (39%).
 - Another 24% of the units are valued in the \$200,000 to \$299,999 range and units valued between \$500,000 and \$999,999 represent 20% of all owner-occupied units in the County.
- Housing units valued in the \$300,000 to \$499,999 range comprise the highest proportion of owner-occupied units in the majority of the Carver County submarkets, including the Carver (54%), Chanhassen (38%), Chaska (36%), Cologne (42%), and Waconia (49%) Submarkets.

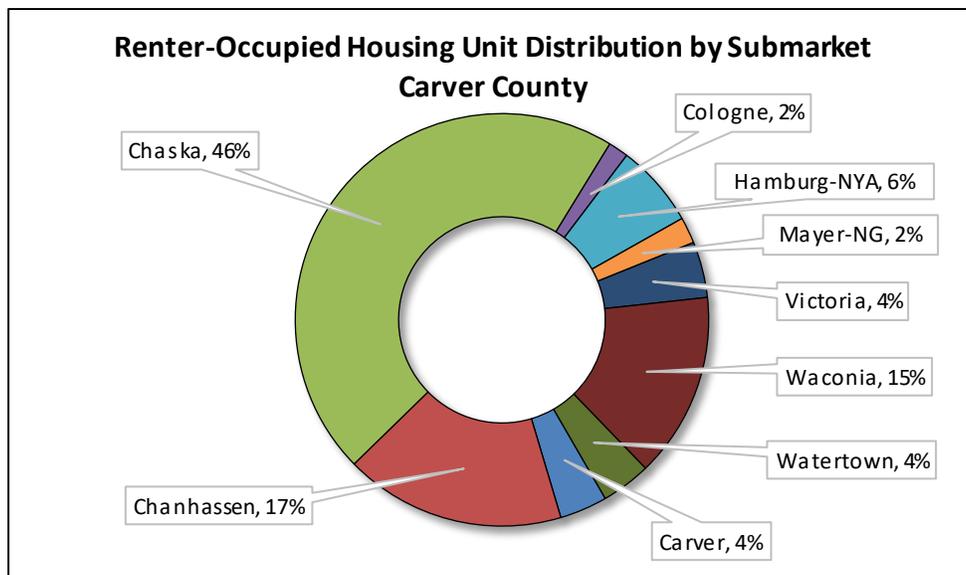


- In the Hamburg – Norwood Young America, Mayer – New Germany, and Watertown Submarkets, owner-occupied units valued in the \$200,000 to \$299,999 are most common, at 31%, 41%, and 38%, respectively.
- In the Victoria Submarket, owner-occupied units valued in the \$500,000 to \$999,999 range represent the largest share (40%).
- The Chaska, Hamburg – Norwood Young America, and Watertown Submarkets contain the largest proportions of units valued below \$100,000 (each at 10% of the owner-occupied units), while the Chanhassen and Carver Submarkets have the highest proportion of units valued at \$1.0 million or higher, at 7% and 4%, respectively.

Renter-Occupied Units by Contract Rent

The table on the following page presents information on the monthly contract rent (also known as asking rent) for renter-occupied housing units in Carver County and its submarkets compared to the Twin Cities Metro Area. Contract rent is the monthly rent agreed to regardless of any utilities, furnishings, fees, or services that may be included. Data is sourced from the 2017-2021 American Community Survey.

- Based on ACS data, there are an estimated 6,618 renter-occupied housing units in Carver County, with the largest number of units being located in Chaska with 3,048 (46% of all renter-occupied units in the County), followed by Chanhassen with 1,144 units (15%), and Waconia with 961 units (15%).

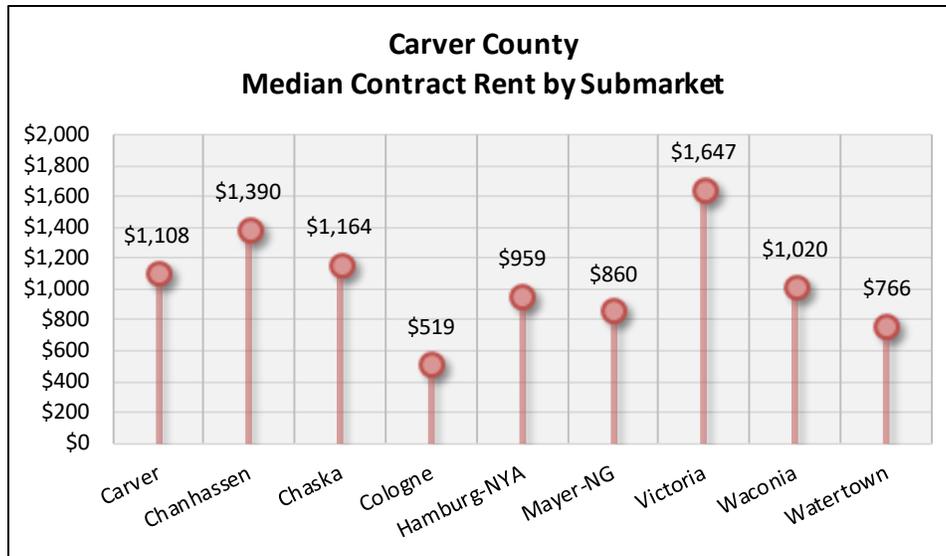


- The median contract rent in Carver County was \$1,164 during the 2017-2021 ACS period, roughly 2% higher than the Twin Cities Metro Area (\$1,142).
- Based on a 30% allocation of income to housing, a household in Carver County would need an income of about \$46,560 to afford the median monthly contract rent of \$1,164. By comparison, a household would need an income of \$45,662 to afford the median contract rent in the Metro Area.
- Approximately 97% of Carver County renters are paying cash rent, with 3% paying no cash rent. In the Metro Area, 98% of renter-occupied households pay cash rent, while 2% pay no cash rent. Housing units without payment of rent (“no cash rent”) are typically units 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 28

RENTER-OCCUPIED HOUSING UNITS BY CONTRACT RENT								
CARVER COUNTY MARKET AREA								
	Carver		Chanhassen		Chaska		Cologne	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Total:	247	100%	1,144	100%	3,048	100%	104	100%
Median Contract Rent	\$1,108		\$1,390		\$1,164		\$519	
Less than \$250	0	0.0%	15	1.3%	50	1.6%	35	33.7%
\$250 to \$499	5	2.0%	0	0.0%	290	9.5%	13	12.5%
\$500 to \$749	27	10.9%	27	2.4%	119	3.9%	17	16.3%
\$750 to \$999	39	15.8%	50	4.4%	569	18.7%	0	0.0%
\$1,000 to \$1,249	78	31.6%	202	17.7%	703	23.1%	8	7.7%
\$1,250 to \$1,499	7	2.8%	445	38.9%	287	9.4%	14	13.5%
\$1,500 to \$1,999	3	1.2%	224	19.6%	757	24.8%	0	0.0%
\$2,000 or more	59	23.9%	122	10.7%	205	6.7%	2	1.9%
No cash rent	29	11.7%	59	5.2%	68	2.2%	15	14.4%
	Hamburg - NYA		Mayer - New Germ.		Victoria		Waconia	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Total:	431	100%	136	100%	290	100%	961	100%
Median Contract Rent	\$959		\$860		\$1,647		\$1,020	
Less than \$250	0	0.0%	3	2.2%	0	0.0%	67	7.0%
\$250 to \$499	0	0.0%	5	3.7%	5	1.7%	109	11.3%
\$500 to \$749	112	26.0%	40	29.4%	19	6.6%	70	7.3%
\$750 to \$999	122	28.3%	27	19.9%	67	23.1%	217	22.6%
\$1,000 to \$1,249	106	24.6%	23	16.9%	22	7.6%	176	18.3%
\$1,250 to \$1,499	68	15.8%	14	10.3%	15	5.2%	153	15.9%
\$1,500 to \$1,999	0	0.0%	5	3.7%	48	16.6%	156	16.2%
\$2,000 or more	23	5.3%	0	0.0%	99	34.1%	13	1.4%
No cash rent	0	0.0%	19	14.0%	15	5.2%	0	0.0%
	Watertown				Carver County		Metro Area	
	No.	Pct.			No.	Pct.	Pct.	
Total:	257	100%			6,618	100%	100%	
Median Contract Rent	\$766				\$1,164		\$1,142	
Less than \$250	16	6.2%			186	2.8%	3.3%	
\$250 to \$499	71	27.6%			498	7.5%	5.7%	
\$500 to \$749	52	20.2%			483	7.3%	6.6%	
\$750 to \$999	53	20.6%			1,144	17.3%	21.7%	
\$1,000 to \$1,249	39	15.2%			1,357	20.5%	20.9%	
\$1,250 to \$1,499	13	5.1%			1,016	15.4%	16.6%	
\$1,500 to \$1,999	0	0.0%			1,193	18.0%	16.4%	
\$2,000 or more	5	1.9%			528	8.0%	6.6%	
No cash rent	8	3.1%			213	3.2%	2.3%	
Sources: 2017-2021 American Community Survey; Maxfield Research & Consulting, LLC								

- As depicted in the following graph, the Victoria and Chanhassen Submarkets have the highest median monthly contract rent, at \$1,647 and \$1,390, respectively, while the lowest median contract rents are found in the Cologne (\$519) and Watertown (\$766) Submarkets.



- Based on a 30% allocation of income to housing, household incomes would need to range from \$20,767 (Cologne) to \$65,897 (Victoria) to afford the median monthly contract rent in each submarket. The following figure illustrates minimum household incomes required to afford the median contract rent in each submarket.

Submarket	Income	Submarket	Income	Submarket	Income
Carver	\$44,335	Cologne	\$20,767	Victoria	\$65,897
Chanhassen	\$55,600	Hamburg-NYA	\$38,374	Waconia	\$40,800
Chaska	\$46,560	Mayer-NG	\$34,402	Watertown	\$30,648

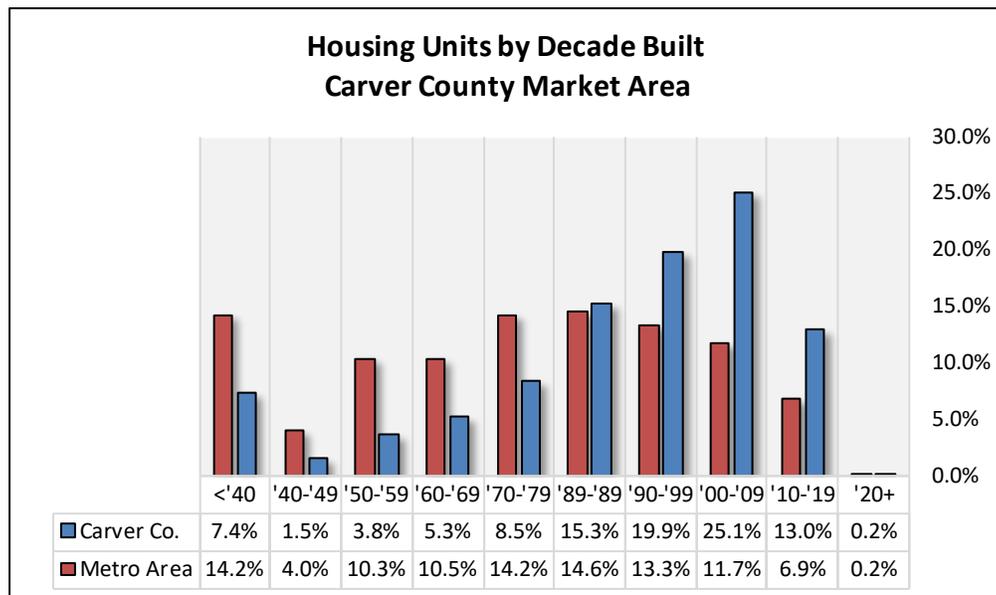
- The largest proportion of renter-occupied housing units have monthly contract rents in the \$1,000 to \$1,249 range in Carver County (21%), followed by rents in the \$1,500 to \$1,999 range. The following figure summarizes the rent ranges with the highest number of renter-occupied housing units by submarket in Carver County:

Submarket	Most Common Monthly Rent Range
Carver	\$1,000 to \$1,249 (32% of all renter-occupied units)
Chanhassen	\$1,250 to \$1,499 (39%)
Chaska	\$1,500 to \$1,999 (25%)
Cologne	Less than \$250 (34%)
Hamburg-Norwood Young America	\$750 to \$999 (28%)
Mayer-New Germany	\$500 to \$749 (29%)
Victoria	\$2,000 or more (34%)
Waconia	\$750 to \$999 (23%)
Watertown	\$250 to \$499 (28%)

Age of Housing Stock

Information in the table on the following page is sourced from the 2017 - 2021 American Community Survey (ACS). The table includes the number of housing units built prior to 1940 and during each subsequent decade in Carver County and its submarkets compared to the Metro Area. The Census Bureau began collecting year-built data in 1940. Housing unit is defined as a house, an apartment, a group of rooms, or a single room occupied or intended for occupancy as separate living quarters.

- As depicted in the following chart, housing production in Carver County increased gradually from the 1940s through the 1970s, before taking off in the 1970s and accelerating through the 2000s, with over 25% of the housing units being built from 2000 through 2009.
- Housing unit production declined from 2010 through 2019, with units built during the decade representing 13% of Carver County’s housing stock.



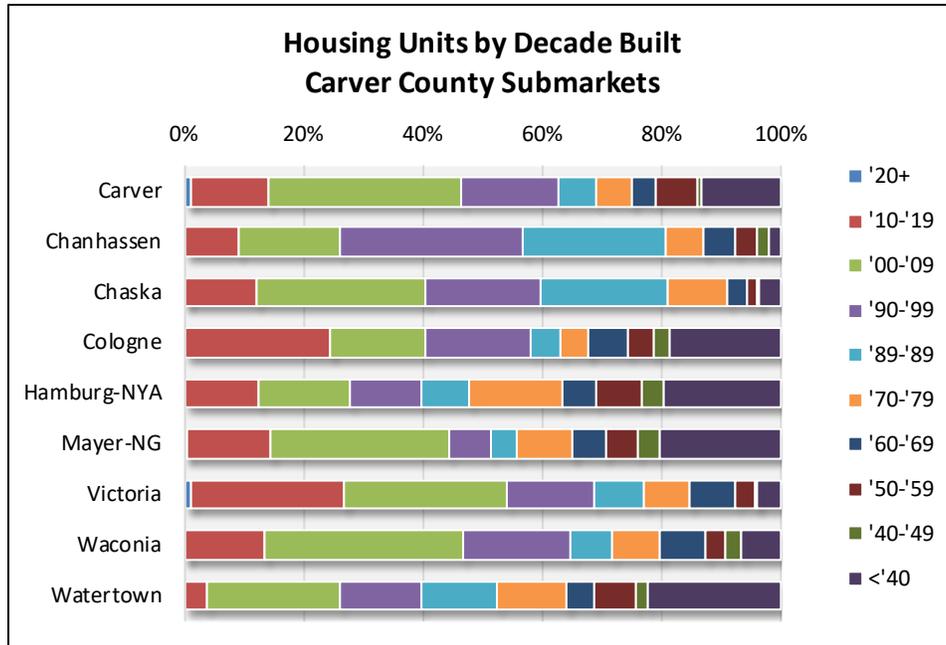
- By comparison, the 1980s was the most active decade in the Metro Area with 15% of the housing supply being building between 1980 and 1989.
- In Carver County, roughly 7% of the housing units (2,928 units) were built prior to 1940, compared to 14% in the Metro Area. Within the County, the Watertown and Mayer – New Germany Submarkets had the largest percentages of homes built prior to 1940, at 22% and 20%, respectively.
 - While many homes built before 1940 may be in good condition, housing units this age are at risk of becoming substandard or functionally obsolete and maintenance costs are generally higher.

TABLE 29

HOUSING UNITS BY YEAR STRUCTURE BUILT CARVER COUNTY MARKET AREA								
	Carver		Chanhassen		Chaska		Cologne	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Total	2,674	100%	9,894	100%	10,552	100%	1,287	100%
2020 or later	29	1.1%	0	0.0%	11	0.1%	0	0.0%
2010 to 2019	345	12.9%	888	9.0%	1,258	11.9%	314	24.4%
2000 to 2009	869	32.5%	1,699	17.2%	3,003	28.5%	207	16.1%
1990 to 1999	435	16.3%	3,012	30.4%	2,035	19.3%	225	17.5%
1980 to 1989	164	6.1%	2,374	24.0%	2,259	21.4%	64	5.0%
1970 to 1979	163	6.1%	645	6.5%	1,029	9.8%	62	4.8%
1960 to 1969	106	4.0%	532	5.4%	346	3.3%	85	6.6%
1950 to 1959	187	7.0%	354	3.6%	194	1.8%	56	4.4%
1940 to 1949	19	0.7%	193	2.0%	43	0.4%	35	2.7%
1939 or earlier	357	13.4%	197	2.0%	374	3.5%	239	18.6%
	Hamburg - NYA		Mayer - New Germ.		Victoria		Waconia	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Total	1,918	100%	1,780	100%	4,292	100%	5,191	100%
2020 or later	0	0.0%	6	0.3%	43	1.0%	2	0.0%
2010 to 2019	239	12.5%	252	14.2%	1,098	25.6%	696	13.4%
2000 to 2009	293	15.3%	533	29.9%	1,174	27.4%	1,723	33.2%
1990 to 1999	227	11.8%	124	7.0%	631	14.7%	930	17.9%
1980 to 1989	157	8.2%	76	4.3%	361	8.4%	363	7.0%
1970 to 1979	297	15.5%	169	9.5%	323	7.5%	423	8.1%
1960 to 1969	111	5.8%	101	5.7%	337	7.9%	395	7.6%
1950 to 1959	145	7.6%	94	5.3%	136	3.2%	180	3.5%
1940 to 1949	72	3.8%	63	3.5%	15	0.3%	129	2.5%
1939 or earlier	377	19.7%	362	20.3%	174	4.1%	350	6.7%
	Watertown		Carver County		Metro Area			
	No.	Pct.	No.	Pct.	Pct.			
Total	2,227	100%	39,815	100%	100%			
2020 or later	0	0.0%	91	0.2%	0.2%			
2010 to 2019	81	3.6%	5,171	13.0%	6.9%			
2000 to 2009	496	22.3%	9,997	25.1%	11.7%			
1990 to 1999	306	13.7%	7,925	19.9%	13.3%			
1980 to 1989	284	12.8%	6,102	15.3%	14.6%			
1970 to 1979	258	11.6%	3,369	8.5%	14.2%			
1960 to 1969	102	4.6%	2,115	5.3%	10.5%			
1950 to 1959	162	7.3%	1,508	3.8%	10.3%			
1940 to 1949	40	1.8%	609	1.5%	4.0%			
1939 or earlier	498	22.4%	2,928	7.4%	14.2%			

Sources: 2017-2021 American Community Survey; Maxfield Research & Consulting, LLC

- The housing stock in Carver County is relatively new when compared to the Metro Area. Over 58% of the County’s housing inventory has been constructed since 1990, compared to 32% in the Metro Area. Generally, county subdivisions on the east side of Carver County have newer housing stocks than the communities in the western portion of the County.



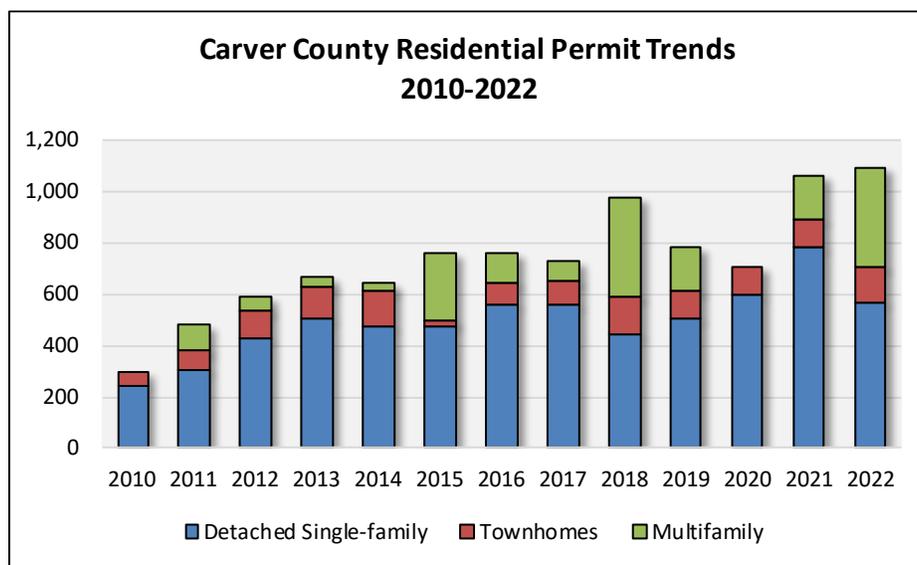
- The Victoria Submarket has some of the newest housing in the County, with 26% of its inventory being building from 2010 through 2019 and 27% of the units were built in the 2000s.
- The largest number of housing units in the Carver Submarket were constructed in the 2000s (33% of the total), followed by the 1990s (15%). Similarly, the 2000s was the most active decade in the Waconia Submarket (33%), followed by the 1990s (18%).
- The 2000s was all the most active decade in the Chaska (29%) and Mayer – New Germany (30%) Submarkets, while the 1980s was the second most active decade in Chaska (21%). In the Mayer – New Germany Submarket, the second highest number of housing units were built prior to 1940 (20%). In Chanhassen, 30% of the units were built in the 1990s and 24% opened in the 1980s.
- Housing units built prior to 1940 were most common in the Hamburg – Norwood Young America (20%) and Watertown (22%) Submarkets, while the second most active a decade was the 1970s in (16%) in Hamburg – Norwood Young America and the 2000s (22%) in the Watertown Submarket.
- In the Cologne Submarket, the 2010s represented the most active decade (24%), while 19% of the units in the Submarket were built prior to 1940.

Residential Building Permit Trends

Maxfield Research obtained data from the Metropolitan Council on the number of building permits issued for new housing units in Carver County by submarket from 2010 through 2022, the most recent information available. The table on the following pages displays the number of units permitted for detached single-family homes, townhome units, and multifamily structures. Permits issued for accessory dwelling units are excluded from this analysis.

Detached single-family is defined as a fully detached housing unit, while townhomes are considered attached single-family units. Multifamily includes buildings with five or more units and units in structures classified as a duplex, triplex, or quad. A multifamily structure is generally defined as a residential building 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.

- A total of 9,571 residential housing units were permitted in Carver County between 2010 and 2022, averaging 736 new units per year.



- The pace of residential development in the County has accelerated through the decade, averaging 537 permitted units per year during the five-year period from 2010 through 2014, increasing to 803 units per year, on average, from 2015 through 2019. The County averaged 956 new units annually from 2020 through 2022.
- The type of product being built in the County has shifted slightly over the past several years.
 - From 2010 through 2014, nearly three-quarters (73%) of the permitted units were detached single-family, while 19% were townhome units, and 8% were multifamily units. Multifamily activity has increased to 23% of all units since 2015, while detached single-family and townhome units declined to 65% and 12% of all permitted units, respectively.

TABLE 30
RESIDENTIAL BUILDING PERMIT TRENDS
CARVER COUNTY BY SUBMARKET
2010-2022

Submarket	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Ann. Avg.
Carver (Total)	36	46	39	42	26	97	81	48	53	207	175	202	118	90
Detached Single-family	24	46	33	30	17	17	60	48	53	137	175	202	70	70
Townhomes	12	0	6	12	9	12	21	0	0	0	0	0	48	9
Multifamily	0	0	0	0	0	68	0	0	0	70	0	0	0	11
Chanhassen (Total)	101	166	185	190	183	104	124	67	371	57	67	210	48	144
Detached Single-family	71	104	107	89	57	80	46	55	48	39	67	98	46	70
Townhomes	30	62	78	76	102	4	2	12	55	18	0	0	0	34
Multifamily	0	0	0	25	24	20	76	0	268	0	0	110	0	40
Chaska (Total)	43	54	173	148	163	271	175	101	194	113	113	226	352	164
Detached Single-family	43	54	115	130	135	131	128	79	54	113	105	182	153	109
Townhomes	0	0	4	4	22	2	47	22	23	0	8	44	24	15
Multifamily	0	0	54	14	6	138	0	0	117	0	0	0	175	39
Cologne (Total)	5	0	0	21	24	8	18	39	25	23	9	10	13	15
Detached Single-family	5	0	0	21	24	8	18	39	25	23	9	10	13	15
Townhomes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Multifamily	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hamburg-NYA (Total)	3	2	10	17	8	48	20	27	16	17	32	10	5	17
Detached Single-family	3	2	10	17	8	12	18	11	10	9	24	4	3	10
Townhomes	0	0	0	0	0	0	2	16	6	8	8	6	2	4
Multifamily	0	0	0	0	0	36	0	0	0	0	0	0	0	3
Mayer-New Germany (Total)	1	7	18	14	23	32	48	47	38	28	37	13	13	25
Detached Single-family	1	7	18	14	19	30	48	43	34	24	33	11	9	22
Townhomes	0	0	0	0	0	2	0	4	4	4	4	2	4	2
Multifamily	0	0	0	0	4	0	0	0	0	0	0	0	0	0

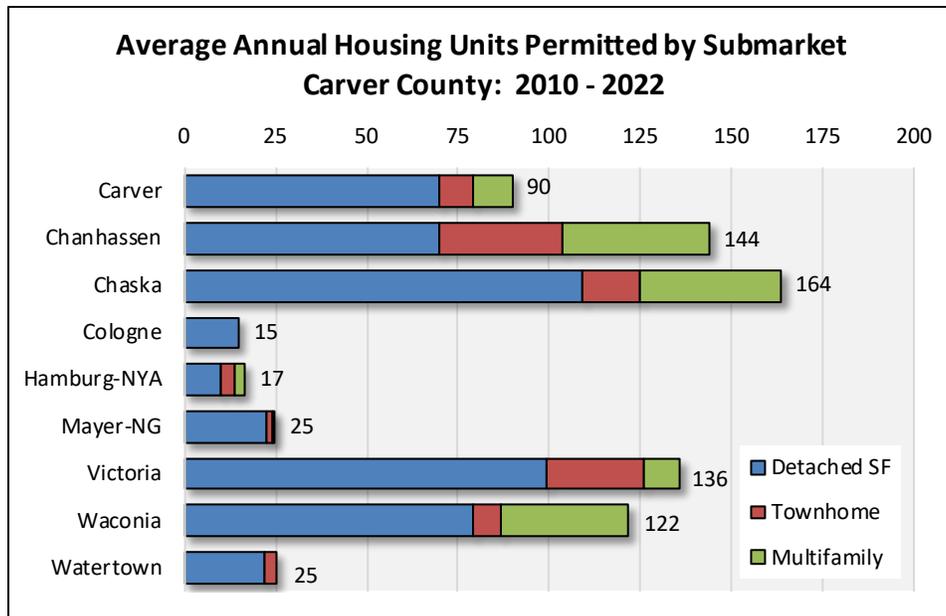
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TABLE continued
 RESIDENTIAL BUILDING PERMIT TRENDS
 CARVER COUNTY BY SUBMARKET
 2010-2022

Submarket	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Ann. Avg.
Victoria (Total)	55	69	78	119	111	85	120	281	173	227	168	145	138	136
Detached Single-family	45	54	60	95	111	85	116	164	136	112	119	91	106	100
Townhomes	10	15	18	24	0	0	4	36	36	63	49	54	32	26
Multifamily	0	0	0	0	0	0	0	81	0	52	0	0	0	10
Waconia (Total)	46	129	90	110	87	101	152	74	71	76	47	205	393	122
Detached Single-family	46	32	88	106	87	97	108	71	51	25	31	137	149	79
Townhomes	0	0	2	4	0	4	9	3	20	0	16	8	34	8
Multifamily	0	97	0	0	0	0	35	0	0	51	0	60	210	35
Watertown (Total)	7	9	1	6	21	16	22	50	36	37	60	47	16	25
Detached Single-family	7	9	1	4	15	16	22	48	36	25	36	47	16	22
Townhomes	0	0	0	2	6	0	0	2	0	12	24	0	0	4
Multifamily	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Carver County (Total)	297	482	594	667	646	762	760	734	976	785	708	1,066	1,094	736
Detached Single-family	245	308	432	506	473	476	564	558	447	507	599	782	565	497
Townhomes	52	77	108	122	139	24	85	95	144	105	109	114	144	101
Multifamily	0	97	54	39	34	262	111	81	385	173	0	170	385	138

Sources: Metropolitan Council; Maxfield Research & Consulting, LLC

- Since 2010, Chaska has experienced the most residential development activity, issuing permits for 2,126 new units (22% of the County’s total), followed by Chanhassen with 1,873 units (20%), the Victoria Submarket with 1,769 units (18%), and the Waconia Submarket with 1,581 units (17%).
- As depicted in the following chart, residential development activity varies greatly between submarkets, with the communities in the eastern portion of the County generally experiencing more building activity than in the western portion of the County.



- On an average annual basis, housing unit construction ranges from as high as 164 units per year in Chaska to 15 new units per year in the Cologne Submarket.
- Multifamily development activity has been strongest in Chanhassen, averaging 40 new units per year, Chaska (39 units/year), and the Waconia Submarket (35 units/year).
- Chaska (109 units/year) and Victoria (100 units/year) were the most active detached single-family Submarkets, while permitting activity for new townhomes was strongest in the Chanhassen (34 units/year) and Victoria (26 units/year) Submarkets.
- Based on the percentage of all units permitted, detached single-family activity was strongest in the Cologne (100% of the permitted units), Hamburg – Norwood Young America (91%), and Watertown (86%) Submarkets. Multifamily activity was strongest in the Chanhassen (28%), Waconia (29%), and Chaska (24%) Submarkets.
- Note that there were also five accessory dwelling units permitted in Carver County between 2010 and 2022 (four in Chanhassen and one in Victoria).

The following photographs represent a sample of the housing stock Carver County.



Pre-1940's single-family homes in Cologne



1960's era single-family homes in Hamburg



New construction detached single-family neighborhood in Watertown



New construction detached single-family homes in Waconia



Newer attached single-family twin homes in Mayer



Attached single-family side-by-side townhomes in Norwood Young America

Photographs representing a sample of the housing stock in Carver County continued.



Owned multifamily condominium structure in Chaska



New construction multifamily apartment building in Waconia



Newer multifamily apartment building in Victoria



1970s era, 18-unit multifamily apartment building in Carver



1980s era, eight-unit multifamily apartment building in New Germany



1960s era, four-unit multifamily apartment building in Hamburg

For-Sale Market Analysis

Introduction

Maxfield Research analyzed the for-sale housing market in Carver County and its submarkets by collecting data on home sales, home listings, and the supply of residential lots in the area. This section of the report reviews recent home sale trends against the supply of available for-sale housing in the County, including detached single-family and multifamily housing. For the purposes of this analysis, housing sales data for townhomes and twin homes (i.e. attached single-family) are combined with sales information for condominium units under the “multifamily” description. This section evaluates for-sale housing market conditions in Carver County by examining the following data.

- ▶ Home resale trends
- ▶ The supply of homes currently listed as available for sale
- ▶ A review and analysis of actively marketing subdivisions
- ▶ Information on new construction sales activity

Data was collected in November 2023. Information on home resales and active listings was obtained from the Minneapolis Area Association of Realtors and includes all transactions sold through a Realtor which generally accounts for 90% to 95% of all home sales. Private sales (not sold on the Multiple Listing Service by a Realtor) are not included. Residential subdivision data was sourced from Zonda (formerly known as Metrostudy), a homebuilding consulting company that maintains a database of all subdivision activity in the greater Twin Cities Metro Area.

Home Resale Trends

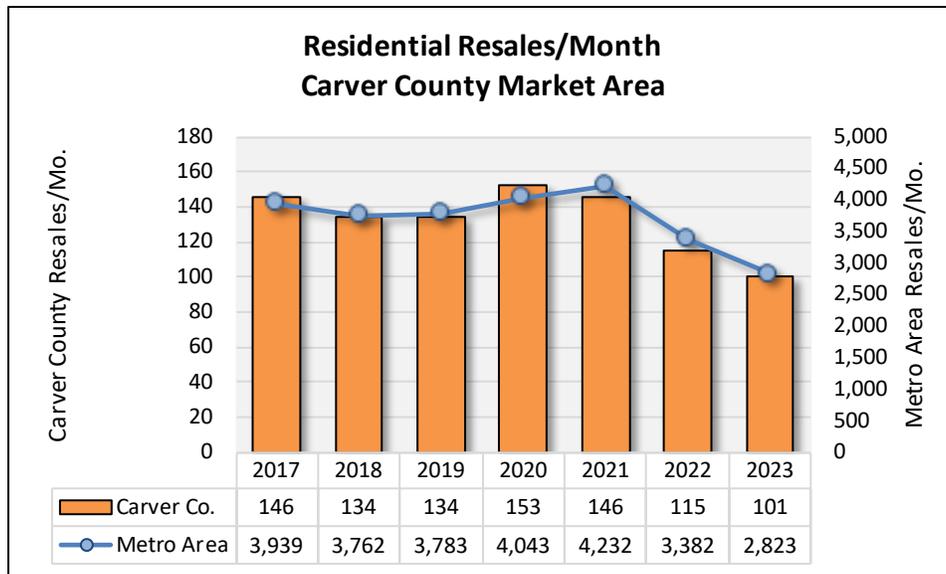
The following table presents home resale (excludes new construction sales) data from 2017 through October 2023 for Carver County compared to the seven-county Twin Cities Metro Area. The table displays the median resale price, number of closed transactions and marketing times (average days on market) for all detached single-family and multifamily (i.e townhomes, twin homes, condominiums) resales.

- From 2017 through October 2023, there were 10,948 residential resales in Carver County, representing approximately 4% of all resales in the Twin Cities Metro Area (305,914 total resales).
- In Carver County, 73% of all resales (7,977) since 2017 have been detached single-family homes, while 27% (2,971) were resales of multifamily units. Similarly, in the Metro Area 72% of the resales were detached single-family and 28% were multifamily units.

TABLE 31
RESIDENTIAL RESALES
CARVER COUNTY MARKET AREA
2017 - 2023

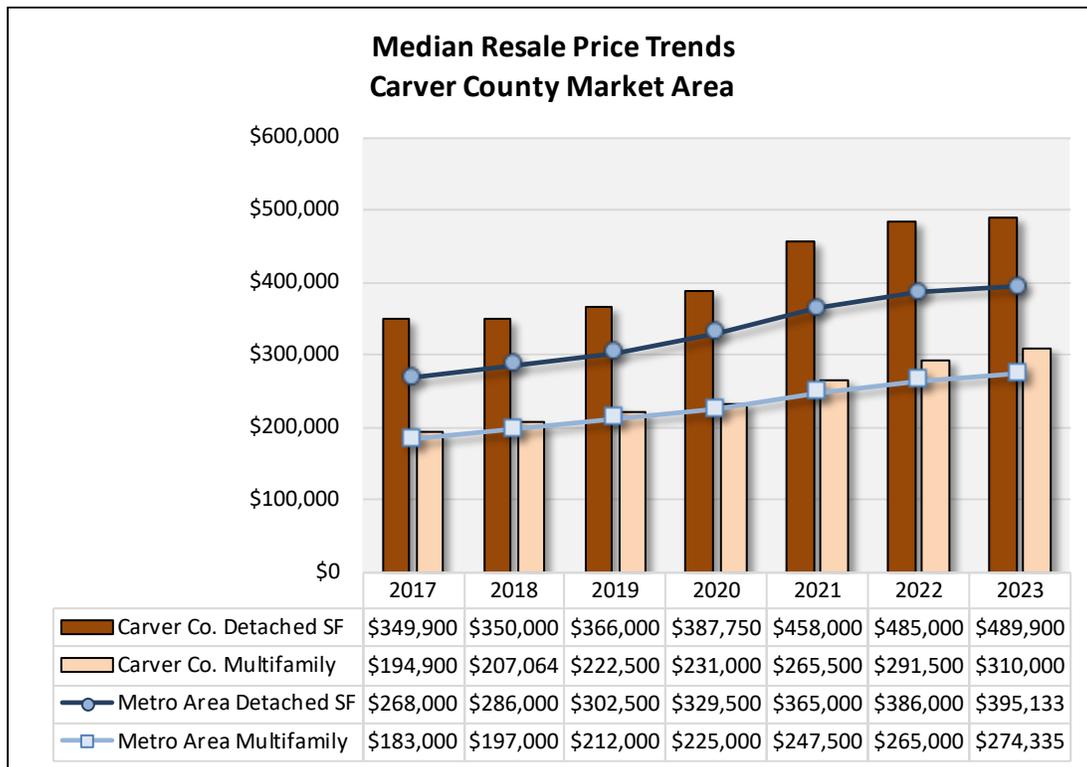
	Carver County					Twin Cities Metro Area				
	Median Sale Price	% Change	Closed Sales	% Change	Avg. Days on Market	Median Sale Price	% Change	Closed Sales	% Change	Avg. Days on Market
Detached Single-family										
2023 ytd*	\$489,900	1.0%	711	--	25	\$395,133	2.4%	19,950	--	32
2022	\$485,000	5.9%	1,028	-19.6%	19	\$386,000	5.8%	29,579	-20.1%	24
2021	\$458,000	18.1%	1,279	-7.7%	16	\$365,000	10.8%	37,018	2.6%	22
2020	\$387,750	5.9%	1,386	17.4%	31	\$329,500	8.9%	36,091	10.0%	37
2019	\$366,000	4.6%	1,181	2.1%	37	\$302,500	5.8%	32,806	1.7%	45
2018	\$350,000	0.0%	1,157	-6.3%	38	\$286,000	6.7%	32,260	-5.3%	45
2017	\$349,900	--	1,235	--	44	\$268,000	--	34,062	--	54
Multifamily (townhomes, twin homes, condos, etc.)										
2023 ytd*	\$310,000	6.3%	294	--	24	\$274,335	3.5%	8,277	--	43
2022	\$291,500	9.8%	354	-24.8%	19	\$265,000	7.1%	11,002	-20.1%	35
2021	\$265,500	14.9%	471	5.6%	19	\$247,500	10.0%	13,762	10.8%	33
2020	\$231,000	3.8%	446	3.2%	30	\$225,000	6.1%	12,423	-1.3%	36
2019	\$222,500	7.5%	432	-5.3%	28	\$212,000	7.6%	12,589	-2.3%	37
2018	\$207,064	6.2%	456	-12.0%	28	\$197,000	7.7%	12,888	-2.4%	36
2017	\$194,900	--	518	--	29	\$183,000	--	13,207	--	43
*2023 through October 31										
Sources: Minneapolis Area Association of Realtors; Maxfield Research & Consulting, LLC										

- Sales activity in Carver County was fairly steady from 2017 through 2021, averaging 143 re-sales per month, ranging from a low of 134 resales in 2018 and 2019 to a high of 153 resales in 2020.
- Due, in part to rising mortgage rates and reduced supply, sales activity in the County declined to 115 resales per month in 2022, a -21% decrease from 2021. Sales activity dropped another -13% in 2023, averaging 101 resales per month during the first ten months of the year.



- In the Twin Cities Metro Area, the number of resales per month decreased -20% in 2022 and -17% through the first ten months of 2023.
- Marketing times declined sharply in Carver County between 2017 and 2021, as the average number of days on market for detached single-family homes dropped from 44 days in 2017 to 16 days in 2021. Similarly, multifamily listings sold in 29 days, on average, in 2017, declining to an average of 19 days on market in 2021.
- As sales activity declined, marketing times increased slightly the past two years in Carver County. Marketing times for detached single-family units increased to 19 days on market in 2022 and 25 days on market in 2023. Multifamily marketing times increased from 19 days on market in 2022 to 24 days on market in 2023.
- In the Metro Area, detached single-family marketing times decreased from 54 days on market in 2017 to 22 days in 2021, before increasing to 32 days on market in 2023. Multifamily marketing times declined from 43 days in 2017 to 33 days in 2021, before increasing to 43 days in 2023.

- Increasing competition for homes in the Market Area (as indicated by the decreasing supply of available housing and shortened marketing times) has caused strong sale price appreciation in recent years.
- In Carver County the median resale price for detached single-family homes increased 40%, climbing from \$349,900 in 2017 to \$489,900 in 2023, averaging 5.9% increases annually.
- The median resale price for multifamily units jumped 59% (8.1% average annual increases), from \$194,900 in 2017 to \$310,000 in 2023.



- The median resale price for detached single-family homes in Carver County (\$489,900 in 2023) is 24% higher than the Metro Area median price of \$395,133, while the median price for multifamily units in the County (\$310,000) is 13% higher than the Metro Area median price of \$274,335.
- In the Metro Area, the median detached single-family resale price increased 47% (6.7% annually, on average) from 2017 to 2023, while the multifamily median price appreciated 50% (7.0% annual increases, on average).

The table on the following pages presents home resale data from 2017 through October 2023 for each of the nine submarkets in Carver County. The table displays the median resale price, number of closed transactions, and average marketing times by year for detached single-family resales and multifamily resales.

TABLE 32
RESIDENTIAL REALES
CARVER COUNTY SUBMARKETS
2017 - 2023

Submarket Year	Detached Single-family			Multifamily		
	Closed Sales	Median Resale Price	Avg. Days on Market	Closed Sales	Median Resale Price	Avg. Days on Market
Carver						
2023 ytd*	47	\$455,000	28	10	\$331,000	28
2022	69	\$477,000	21	12	\$274,990	17
2021	73	\$453,000	22	17	\$280,000	18
2020	105	\$375,000	35	14	\$298,000	44
2019	79	\$365,000	34	14	\$222,950	29
2018	85	\$354,600	36	18	\$246,000	23
2017	93	\$345,000	38	17	\$200,000	27
Chanhasen						
2023 ytd*	176	\$644,500	23	118	\$313,500	23
2022	244	\$631,250	17	118	\$314,000	16
2021	330	\$581,500	17	186	\$287,000	17
2020	306	\$525,000	33	167	\$267,000	32
2019	312	\$490,683	44	172	\$239,900	25
2018	286	\$470,766	43	172	\$220,000	25
2017	303	\$465,000	46	199	\$205,000	25
Chaska						
2023 ytd*	164	\$455,000	21	88	\$295,000	21
2022	247	\$470,000	18	137	\$282,500	19
2021	302	\$433,500	14	158	\$257,450	20
2020	320	\$381,510	31	155	\$220,000	29
2019	271	\$349,900	30	144	\$212,000	27
2018	252	\$330,000	39	152	\$195,100	28
2017	270	\$340,000	38	175	\$189,900	31
Cologne						
2023 ytd*	21	\$379,000	34	2	\$286,750	34
2022	34	\$400,500	22	1	\$282,500	102
2021	46	\$367,500	25	4	\$252,500	17
2020	50	\$299,950	24	1	\$210,000	139
2019	50	\$322,500	35	0	--	--
2018	49	\$286,000	37	0	--	--
2017	31	\$230,400	52	2	\$190,450	1
Hamburg-NYA						
2023 ytd*	42	\$300,000	36	7	\$264,900	50
2022	56	\$252,000	25	5	\$275,000	21
2021	62	\$256,500	18	5	\$215,000	37
2020	76	\$218,000	27	9	\$157,500	45
2019	64	\$205,000	42	7	\$192,500	51
2018	64	\$194,500	36	4	\$184,900	47
2017	80	\$206,250	64	7	\$179,000	19

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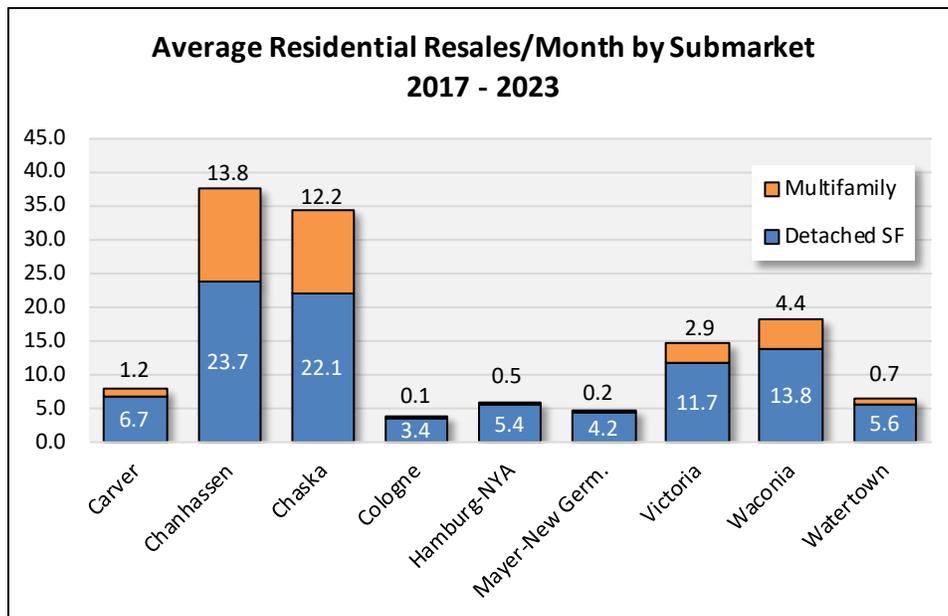
RESIDENTIAL RESALES
CARVER COUNTY SUBMARKETS
2017 - 2023

Submarket Year	Detached Single-family			Multifamily		
	Closed Sales	Median Resale Price	Avg. Days on Market	Closed Sales	Median Resale Price	Avg. Days on Market
Mayer-New Germ.						
2023 ytd*	37	\$347,500	35	3	\$329,900	33
2022	45	\$335,000	19	5	\$295,000	28
2021	43	\$322,000	9	2	\$288,750	32
2020	65	\$288,900	40	3	\$239,000	31
2019	51	\$268,000	38	1	\$190,900	91
2018	47	\$260,000	46	3	\$205,000	108
2017	61	\$234,000	37	2	\$187,450	39
Victoria						
2023 ytd*	96	\$636,000	28	27	\$405,000	25
2022	134	\$651,750	21	33	\$380,000	22
2021	158	\$595,450	18	42	\$367,950	32
2020	171	\$509,900	28	26	\$357,950	31
2019	131	\$495,000	39	42	\$297,450	39
2018	126	\$455,000	43	34	\$275,000	26
2017	148	\$447,250	57	36	\$277,500	40
Waconia						
2023 ytd*	89	\$472,000	22	35	\$250,000	24
2022	142	\$431,000	17	39	\$264,500	15
2021	181	\$418,900	12	44	\$219,000	13
2020	215	\$355,000	24	61	\$200,000	21
2019	151	\$328,000	33	45	\$194,500	30
2018	184	\$324,500	29	63	\$185,000	32
2017	181	\$323,600	37	72	\$169,450	29
Watertown						
2023 ytd*	39	\$370,500	27	4	\$303,750	23
2022	57	\$359,900	19	4	\$285,950	30
2021	84	\$330,000	14	13	\$240,000	10
2020	78	\$297,500	37	10	\$198,950	15
2019	72	\$259,000	41	7	\$210,000	31
2018	64	\$265,000	31	10	\$166,450	19
2017	68	\$239,900	41	8	\$177,000	55

*2023 through October 31

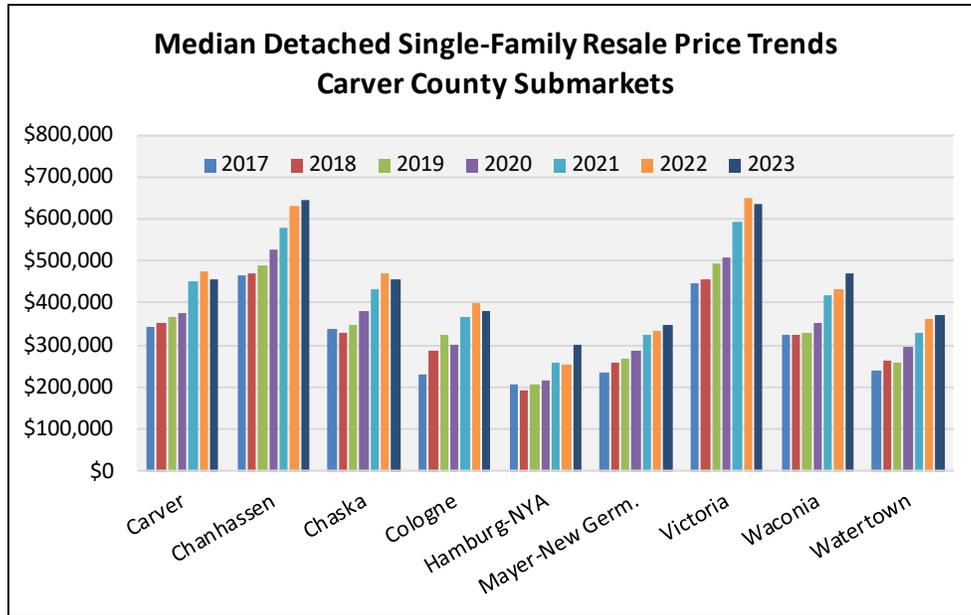
Sources: Minneapolis Area Association of Realtors; Maxfield Research & Consulting, LLC

- Resales activity was strongest in Chanhassen with a total of 3,089 resales since 2017 (28% of all County sales during that time), followed by Chaska with 2,835 resales (26%) and Waconia with 1,502 resales (13%).
- The pace of resales in the County ranges from highs of 37.5 month in Chanhassen and 34.4 resales per month in Chaska to lows of 3.5 and 4.5 resales per month in the Cologne and Mayer-New Germany Submarkets, respectively.

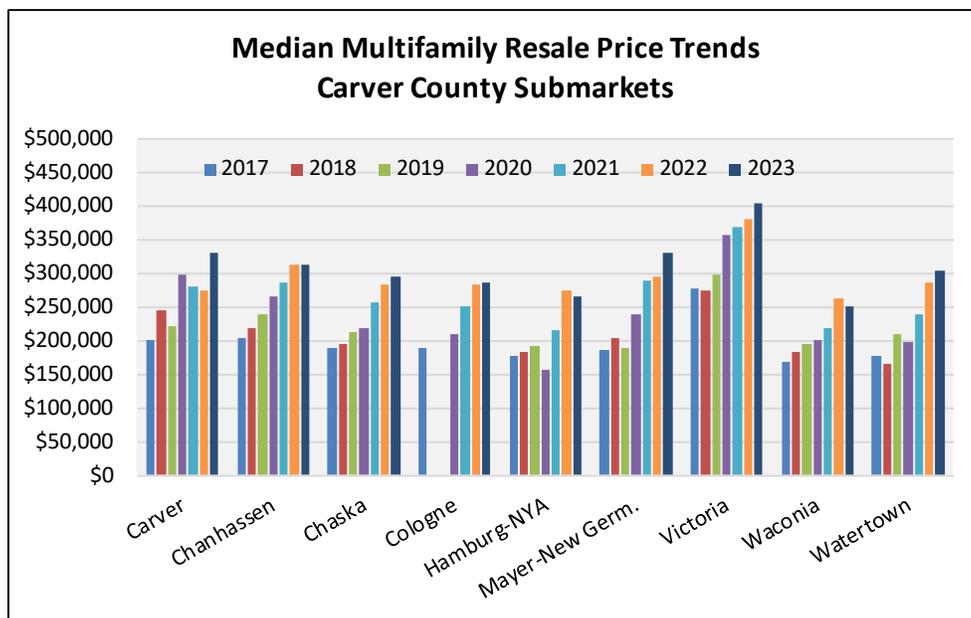


- As noted previously, 73% of the resales in Carver County since 2017 were detached single-family homes and 27% were multifamily units.
 - The proportion of detached single-family resales to all resales ranges from 63% in Chanhassen (37% multifamily) and 64% in Chaska (36% multifamily) to 97% and 95% in the Cologne (3% multifamily) and Mayer – New Germany (5% multifamily) Submarkets.
- Sales volume, which peaked in 2020 and 2021, experienced notable declines during 2022 and 2023 across all nine of the submarkets in Carver County.
- Average marketing times have declined across the County, with the number of days on market for detached single-family homes ranging from as low as 21 days in Chaska to 36 days in the Hamburg – Norwood Young America Submarket in 2023.
- Average multifamily marketing times range from 21 days on market in Chaska to 50 days on market in the Hamburg – Norwood Young America Submarket.

- As illustrated in the following graph, 2023 median resale prices for detached single-family homes are highest in the Chanhassen (\$644,500) and Victoria (\$636,000) Submarkets. Strong price appreciation occurred across the County, with the Cologne Submarket experiencing the largest increase as the median resale price jumped 64% between 2017 and 2023.



- Median resale prices for multifamily units are highest in the Victoria (\$405,000) and Carver (\$331,000) Submarkets. Strong price appreciation occurred in every Submarket, with the Watertown Submarket experiencing the largest increase, as the median resale price jumped 72% between 2017 and 2023.



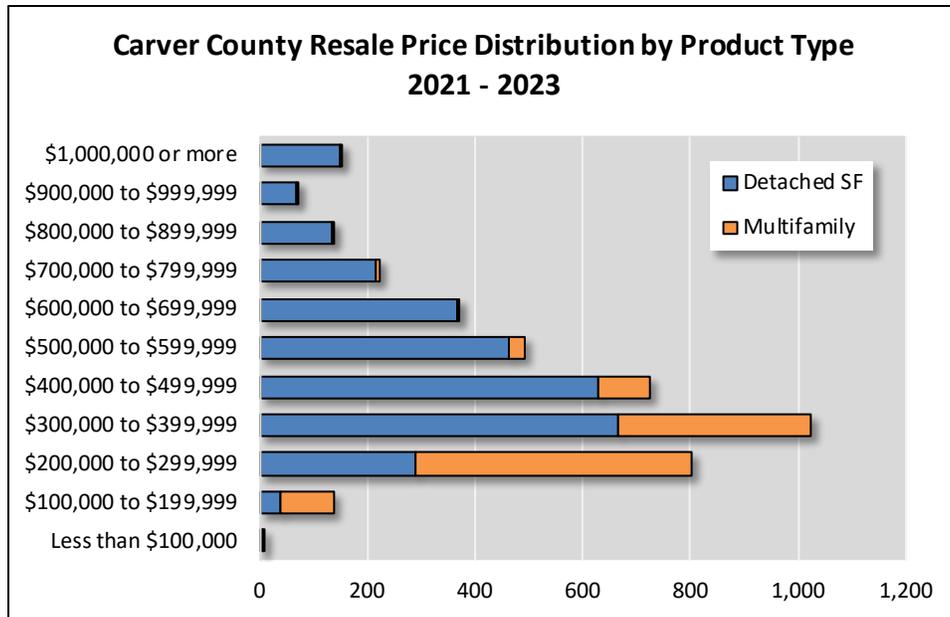
The following table summarizes residential resales in Carver County from 2021 through October 2023 by price range, including the price distribution for detached single-family and multifamily resales.

TABLE 33

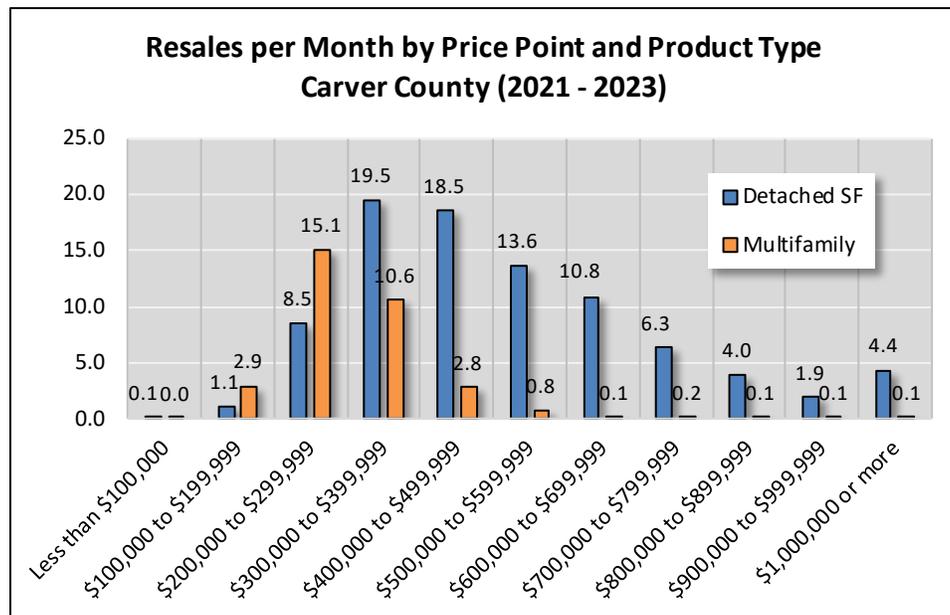
RESIDENTIAL RESALE PRICE DISTRIBUTION CARVER COUNTY 2021 - 2023								
	2021		2022		2023 ytd*		Total	
	Closed Sales	% of Total						
Detached Single-family								
Less than \$100,000	3	0.2%	0	0.0%	1	0.1%	4	0.1%
\$100,000 to \$199,999	16	1.3%	16	1.6%	5	0.7%	37	1.2%
\$200,000 to \$299,999	151	11.8%	91	8.9%	47	6.6%	289	9.6%
\$300,000 to \$399,999	291	22.8%	213	20.7%	160	22.5%	664	22.0%
\$400,000 to \$499,999	260	20.3%	217	21.1%	153	21.5%	630	20.9%
\$500,000 to \$599,999	215	16.8%	147	14.3%	102	14.3%	464	15.4%
\$600,000 to \$699,999	140	10.9%	140	13.6%	86	12.1%	366	12.1%
\$700,000 to \$799,999	96	7.5%	64	6.2%	55	7.7%	215	7.1%
\$800,000 to \$899,999	39	3.0%	53	5.2%	43	6.0%	135	4.5%
\$900,000 to \$999,999	22	1.7%	29	2.8%	15	2.1%	66	2.2%
\$1,000,000 or more	46	3.6%	58	5.6%	44	6.2%	148	4.9%
Total	1,279	100%	1,028	100%	711	100%	3,018	100%
Multifamily								
Less than \$100,000	1	0.2%	0	0.0%	0	0.0%	1	0.1%
\$100,000 to \$199,999	57	12.1%	27	7.6%	16	5.4%	100	8.9%
\$200,000 to \$299,999	241	51.2%	158	44.6%	113	38.4%	512	45.8%
\$300,000 to \$399,999	128	27.2%	116	32.8%	115	39.1%	359	32.1%
\$400,000 to \$499,999	31	6.6%	32	9.0%	32	10.9%	95	8.5%
\$500,000 to \$599,999	7	1.5%	11	3.1%	9	3.1%	27	2.4%
\$600,000 to \$699,999	0	0.0%	3	0.8%	2	0.7%	5	0.4%
\$700,000 to \$799,999	1	0.2%	3	0.8%	2	0.7%	6	0.5%
\$800,000 to \$899,999	2	0.4%	1	0.3%	1	0.3%	4	0.4%
\$900,000 to \$999,999	2	0.4%	1	0.3%	2	0.7%	5	0.4%
\$1,000,000 or more	1	0.2%	2	0.6%	2	0.7%	5	0.4%
Total	471	100%	354	100%	294	100%	1,119	100%
*Includes 2023 resales through October 31								
Sources: Minneapolis Area Association of Realtors; Maxfield Research & Consulting, LLC								

- Detached single-family homes priced between \$300,000 and \$399,999 have been the most commonly purchased product in Carver County since 2021, representing 16% of all resales (22% of all detached single-family resales), followed by detached single-family homes priced in the \$400,000 to \$499,999 range (15% of all resales, 21% of detached single-family resales).

- Of the multifamily unit resales in the County since 2021, 46% were priced in the \$200,000 to \$299,999 range (12% of all resales) and another 32% were priced between \$300,000 and \$399,999 (9% of all resales).



- The following chart illustrates resale activity in the County by product type and price point. Based on the 4,137 resales from 2021 through October 2023, Carver County experienced an average of roughly 122 residential resales per month, including 88.8 detached single-family resales per month and 32.9 multifamily resales per month.



Active Listings

The following table presents a summary of detached single-family homes and multifamily housing products listed for sale in Carver County as of November 13, 2023. Data includes information on the number of active listings by price range, median age of homes listed for sale, median size (based on total finished square feet), median price, and median price per square foot.

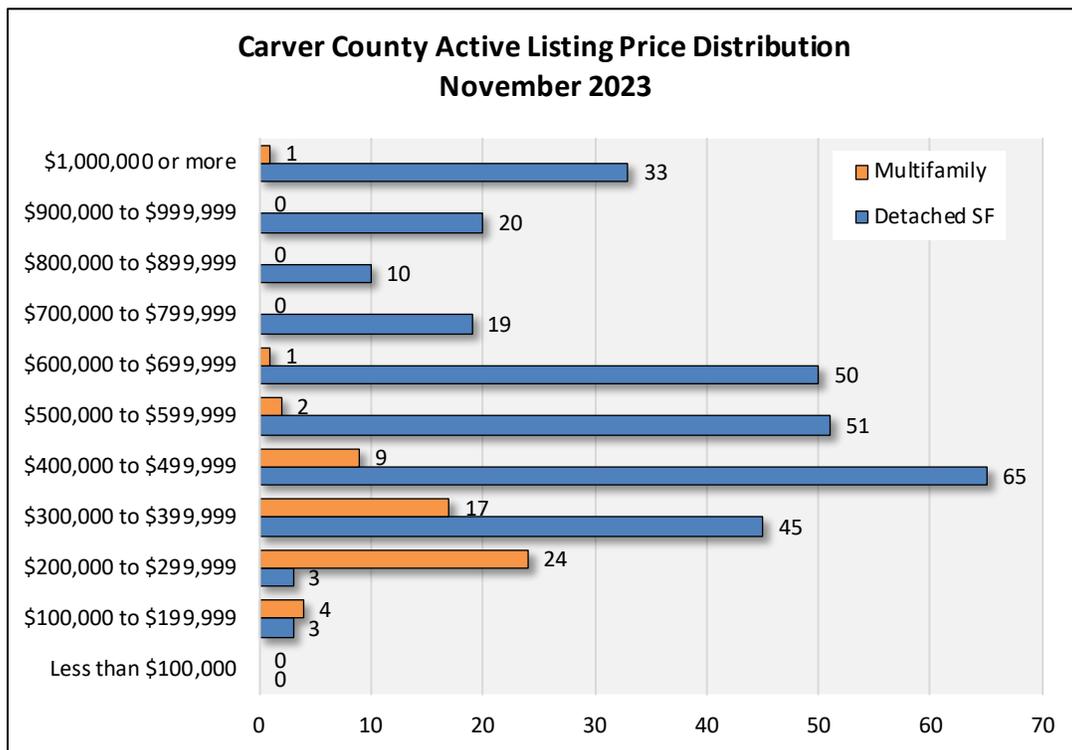
- There were 357 homes listed for sale in Carver County as of November 13, 2023. Nearly 84% of the for-sale listings (299 homes) were detached single-family homes and the remaining 16% (58 homes) were multifamily housing product types.

TABLE 34

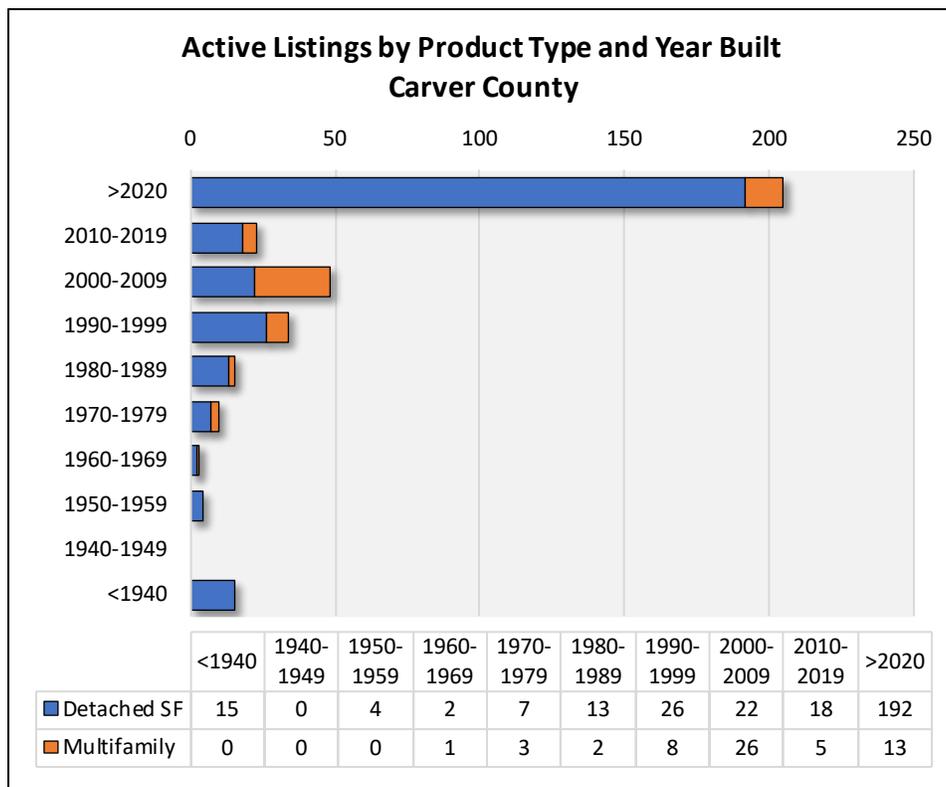
ACTIVE LISTINGS CARVER COUNTY November 2023						
	Listings	% of Total	Median Year Built	Median Size	Median Price	Price per Sq. Ft.
Detached Single-family						
Less than \$100,000	0	0.0%	--	--	--	--
\$100,000 to \$199,999	3	0.8%	1900	1,855	\$192,000	\$104
\$200,000 to \$299,999	3	0.8%	1938	1,714	\$299,000	\$174
\$300,000 to \$399,999	45	12.6%	2023	1,400	\$379,900	\$271
\$400,000 to \$499,999	65	18.2%	2023	2,103	\$467,990	\$223
\$500,000 to \$599,999	51	14.3%	2023	2,599	\$559,990	\$215
\$600,000 to \$699,999	50	14.0%	2023	3,003	\$644,890	\$215
\$700,000 to \$799,999	19	5.3%	2023	3,299	\$749,900	\$227
\$800,000 to \$899,999	10	2.8%	2001	3,318	\$845,850	\$255
\$900,000 to \$999,999	20	5.6%	2023	3,970	\$959,900	\$242
\$1,000,000 or more	33	9.2%	2023	4,731	\$1,385,000	\$293
Subtotal	299	83.8%	2023	2,645	\$575,000	\$217
Multifamily (Townhome, Twin Home, Condo, etc.)						
Less than \$100,000	0	0.0%	--	--	--	--
\$100,000 to \$199,999	4	1.1%	1994	969	\$177,500	\$183
\$200,000 to \$299,999	24	6.7%	2003	1,350	\$259,900	\$193
\$300,000 to \$399,999	17	4.8%	2013	1,931	\$369,900	\$192
\$400,000 to \$499,999	9	2.5%	2013	2,385	\$449,900	\$189
\$500,000 to \$599,999	2	0.6%	2010	2,648	\$567,450	\$214
\$600,000 to \$699,999	1	0.3%	2024	2,102	\$664,000	\$316
\$700,000 to \$799,999	0	0.0%	--	--	--	--
\$800,000 to \$899,999	0	0.0%	--	--	--	--
\$900,000 to \$999,999	0	0.0%	--	--	--	--
\$1,000,000 or more	1	0.3%	2022	3,519	\$1,216,800	\$346
Subtotal	58	16.2%	2004	1,613	\$307,500	\$191
County Total	357	100%	2023	2,366	\$534,340	\$226

Sources: Minneapolis Area Association of Realtors; Maxfield Research & Consulting, LLC

- The median asking price for detached single-family homes in the County is \$575,000, 17% higher than the 2023 median resale price of \$489,900. The median list price for multifamily product types is \$307,500, comparable to the median price of closed resales in 2023 (\$310,000).
- The median size of all homes listed for sale was 2,366 square feet which equates to a median price per square foot (psf) of \$226 based on a total median list price of \$534,340 (all housing product types).
 - With a median size of 2,645 square feet, the median price per square foot for detached single-family homes was \$217 psf.
 - Multifamily units are smaller, at 1,613 square feet, and priced lower on a per square foot basis with a median price of \$191 psf.
- Detached single-family homes priced in the \$400,000 to \$499,999 range are the most common listings in Carver County, with 65 homes listed for sale (18.2% of all listings), followed by detached single-family units priced in the \$500,000 to \$599,999 range with 51 listings (14.3%).
- Among the multifamily units listed for sale, homes priced in the \$200,000 to \$299,999 range are most common with 24 listings (6.7% of all homes listed for sale), followed by the \$300,000 to \$399,999 range with 17 (4.8%).



- The median year built of the homes listed for sale in Carver County is 2023 (158 of the available homes are 2023 builds), indicating that much of the available housing product is new construction.
- Roughly 57% of the homes (205) listed for sale were built in 2020 or more recently. Homes built in the 1990s (34 listings) and 2000s (48 listings) represent roughly 10% and 13% of active listings in the County, respectively.
- Another 6% of the listings (23) were homes built from 2010 to 2019, while 4% of the homes listed for sale (15) were built in the 1980s and another 4% (15) of the listings were homes built prior to 1940.



- Among the detached single-family home listings, 64% of the homes were built in 2020 or more recently (192 listings). Roughly 9% of the detached single-family homes listed for sale were constructed in the 1990s (26), 7% opened in the 2000s (22 listings), and another 6% (18 listings) were built from 2010 to 2019.
- Roughly 45% of the multifamily units listed for sale were built in the 2000s (26 listings), while 22% have been built since 2020 (13 listings). Another 14% of the multifamily listings were for units built in the 1990s (eight) and 9% were for units built in the 2010s (five).

The following summarizes the actively marketing homes listed for sale in Carver County as of November 2023 by product type and housing style.

- With 162 listings (45% of the total), two-story detached single-family homes are the most commonly available housing product type available in Carver County, followed by one-story detached single-family homes with 91 listings (26%).
- The two-story homes listed for sale have a median year built of 2023, and they are the highest-priced detached single-family product type with a median list price of \$629,945.
- The median list price for the one-story homes listed for sale, which also have a median year built of 2023, is \$544,900.

TABLE 35

ACTIVE LISTINGS BY STYLE OF HOME CARVER COUNTY November 2023						
	Listings	% of Total	Median Year Built	Median Size	Median Price	Price per Sq. Ft.
Detached Single-family						
One Story	91	25.5%	2023	1,953	\$544,900	\$279
Two Story	162	45.4%	2023	3,003	\$629,945	\$210
One and One-Half Story	7	2.0%	1929	2,714	\$479,900	\$177
Modified Two Story	1	0.3%	1998	3,298	\$572,899	\$174
Two Level Split	19	5.3%	2023	1,381	\$375,000	\$272
Three Level Split	12	3.4%	2023	1,772	\$389,400	\$220
Four or More Level Split	7	2.0%	1992	2,074	\$409,900	\$198
Multifamily Product Types						
Side x Side Townhome	44	12.3%	2004	1,642	\$317,000	\$193
Quad/4 Corners Townhome	4	1.1%	2001	2,269	\$464,950	\$205
Detached Townhome	3	0.8%	2024	2,102	\$664,000	\$316
Condominium	7	2.0%	2003	1,073	\$200,000	\$186
Market Total	357	100%	2023	2,366	\$534,340	\$226

Sources: Minneapolis Area Association of Realtors; Maxfield Research & Consulting, LLC

- There are three detached townhomes listed for sale (all new construction units) at a median price of \$664,000, the highest-priced product in the County.
- Side-by-side townhomes, which represent 76% of the multifamily listings (12% of all listings), have a median list price of \$317,000 and a median year built of 2004.
- Based on per square foot (psf) pricing, the detached townhomes are priced highest (\$316 psf), followed by one-story detached single-family (\$279 psf), two level split detached single-family (\$272 psf), and three level split detached single-family (\$220 psf).

The following table summarizes detached single-family homes and multifamily housing products listed for sale in Carver County by submarket. Data includes information on the number of active listings, median age of homes listed for sale, median size (based on total finished square feet), median price, and median price per square foot.

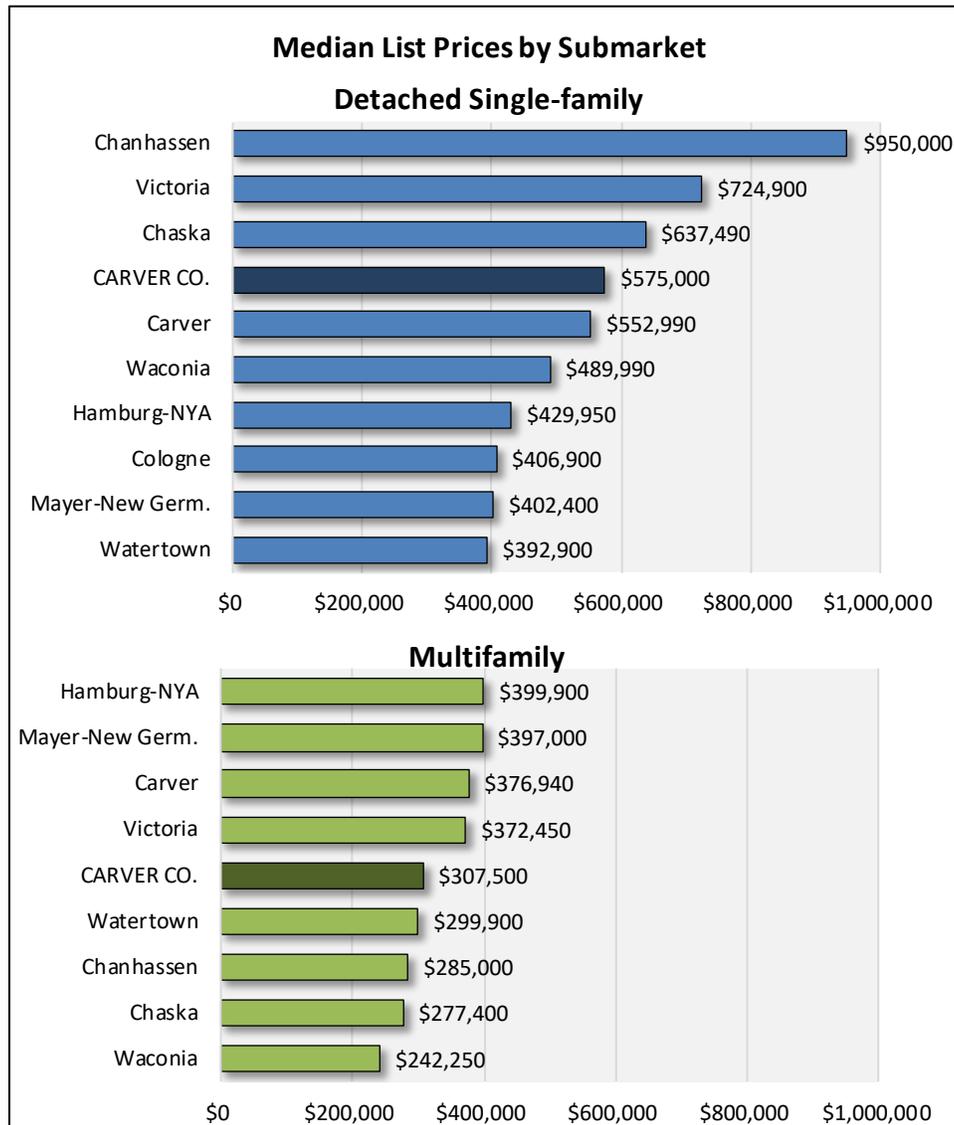
- Submarkets in the eastern portion of the County (i.e. Chanhassen, Chaska, Victoria) generally have more active listings than in the western portion of the County. Chaska has the most active listings, with 90 detached single-family homes listed for sale (30% of all detached single-family listings) and 20 multifamily listings (35% of all multifamily units listed for sale).

TABLE 36

ACTIVE LISTING SUMMARY BY SUBMARKET						
CARVER COUNTY						
November 2023						
County Subdivision	Listings	% of Total	Median Year Built	Median Size	Median Price	Price per Sq. Ft.
Detached Single-family						
Carver	24	8.0%	2023	2,984	\$552,990	\$185
Chanhassen	33	11.0%	1998	3,379	\$950,000	\$281
Chaska	90	30.1%	2023	2,834	\$637,490	\$225
Cologne	23	7.7%	2023	1,436	\$406,900	\$283
Hamburg-NYA	8	2.7%	1976	2,285	\$429,950	\$188
Mayer-New Germany	21	7.0%	2023	1,665	\$402,400	\$242
Victoria	41	13.7%	2023	3,257	\$724,900	\$223
Waconia	37	12.4%	2023	2,375	\$489,990	\$206
Watertown	22	7.4%	2023	1,541	\$392,900	\$255
County Total	299	100%	2023	2,645	\$575,000	\$217
Multifamily						
Carver	2	3.4%	2023	1,748	\$376,940	\$216
Chanhassen	15	25.9%	2001	1,472	\$285,000	\$194
Chaska	20	34.5%	2003	1,525	\$277,400	\$182
Cologne	0	0.0%	--	--	--	--
Hamburg-NYA	1	1.7%	2021	2,594	\$399,900	\$154
Mayer-New Germany	1	1.7%	2023	2,095	\$397,000	\$189
Victoria	10	17.2%	2013	1,932	\$372,450	\$193
Waconia	8	13.8%	2005	1,370	\$242,250	\$177
Watertown	1	1.7%	2023	1,466	\$299,900	\$205
County Total	58	100%	2004	1,613	\$307,500	\$191
Sources: Minneapolis Area Association of Realtors; Maxfield Research & Consulting, LLC						

- The number of detached single-family listings is also fairly high in the Victoria (41 listings, 14%), Waconia (37 listings, 12%), and Chanhassen (33 listings, 11%) Submarkets.
- Aside from Chaska, multifamily listing activity is highest in Chanhassen with 15 units listed for sale (26% of all multifamily listings), the Victoria Submarket with ten listings (15%), and the Waconia Submarket with eight listings (14%).

- As depicted in the following graph, median list prices for detached single-family homes ranges from \$392,900 in the Watertown Submarket to \$950,000 in Chanhassen.
- Median multifamily list prices range from \$242,250 in the Waconia Submarket to \$399,900 in the Hamburg – Norwood Young America Submarket.



- On a per square foot basis, detached single-family homes have the highest list price in the Cologne (\$283 psf), Chanhassen (\$281 psf), and Watertown (\$255 psf) Submarkets.
- Multifamily units have the highest per square foot prices in the Carver (\$216 psf), Watertown (\$205 psf), and Chanhassen (\$194) Submarkets.

- As of the end of October 2023, there was a 2.8-month supply of detached single-family homes and a 1.4-month supply of multifamily units available for sale on the market in Carver County. By comparison, there was a 1.7-month supply of detached single-family homes and a 2.0-month supply of multifamily units available across the Metro Area.
- Equilibrium in the for-sale housing market is generally considered to be a six-month supply of homes on the market. As such, it appears that the current inventory of available for-sale housing in Carver County is undersupplied.

TABLE 37
MONTHS SUPPLY
CARVER COUNTY MARKET AREA
October 2023

Submarket	Detached	
	Single-family	Multifamily
Carver	2.1	1.7
Chanhassen	1.6	1.4
Chaska	2.6	1.0
Cologne	6.7	0.0
Hamburg-NYA	1.7	1.2
Mayer-New Germany	6.4	0.9
Victoria	3.0	2.1
Waconia	3.1	1.6
Watertown	4.4	1.1
Carver County	2.8	1.4
Twin Cities Metro Area*	1.7	2.0
*Seven-County Metro Area		
Sources: Minneapolis Area Association of Realtors; Maxfield Research & Consulting, LLC		

- As summarized in the table, the supply of detached single-family homes ranges from 1.6-months in Chanhassen to 6.7-months in the Cologne Submarket.
- The supply of available multifamily units ranges from no supply available in the Cologne Submarket to 2.1 months in the Victoria Submarket.
- The supply of available housing is well-below equilibrium in the vast majority of communities in Carver County, suggesting that there is likely pent-up demand for new for-sale housing units in most areas of the County.

Residential Subdivisions

Maxfield Research obtained lot inventory and subdivision data from Zonda, a homebuilding consulting company that maintains a database of all subdivision activity in the greater Twin Cities Metro Area. This data provides an overview of the supply of residential lots by community in Carver County, including the total number of residential lots, vacant lots, base price ranges, product type, absorption, and typical lot sizes. Note that detailed pricing information for new construction homes is summarized in the New Construction Home Pricing portion of this section of the study, which is presented next.

Zonda categorizes their subdivisions as either “detached” or “attached”. For this analysis, we include “detached” subdivisions under detached single-family while “attached” subdivisions are considered multifamily.

The following terms are used in the residential subdivision summary tables:

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

The following points summarize our findings regarding the residential lot supply in Carver County. Data is current through the third quarter of 2023, the most recent information available from Zonda.

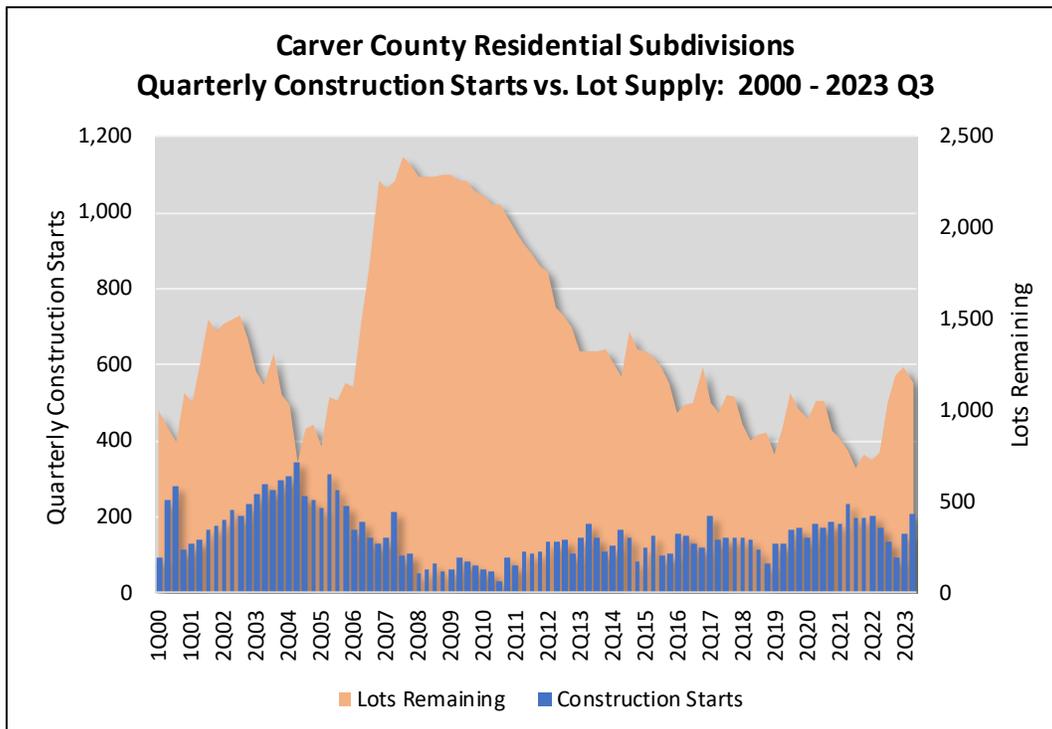
- Zonda is tracking 383 residential subdivisions in Carver County containing a total of 24,122 lots, including 283 detached single-family subdivisions (18,710 lots) and 100 multifamily subdivisions (5,412 lots).

- As summarized below, there are 72 active subdivisions in the County (60 detached single-family and 12 multifamily subdivisions). The active subdivisions contain a total of 7,182 lots, including 6,262 detached lots and 920 multifamily lots. Active is defined as a subdivision with developed lots available to build upon or standing inventory available to buy.

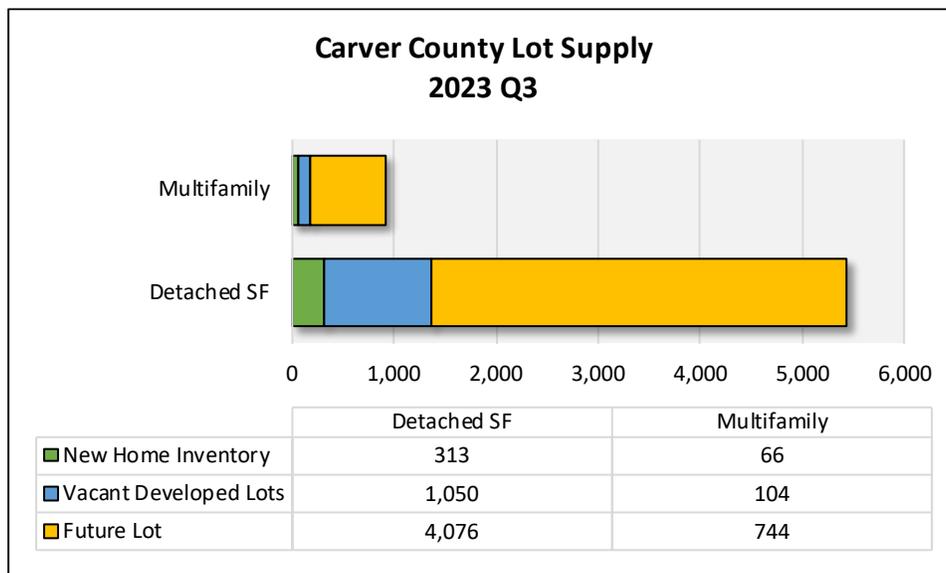
Carver County Residential Subdivision Summary - 2023 Q3						
Status	Detached Single-family		Multifamily		Total	
	Subdivisions	Lots	Subdivisions	Lots	Subdivisions	Lots
Active	60	6,262	12	920	72	7,182
Built Out	191	10,451	82	4,134	273	14,585
Future	32	1,997	6	358	38	2,355
Total:	283	18,710	100	5,412	383	24,122

Sources: Zonda; Maxfield Research and Consulting, LLC

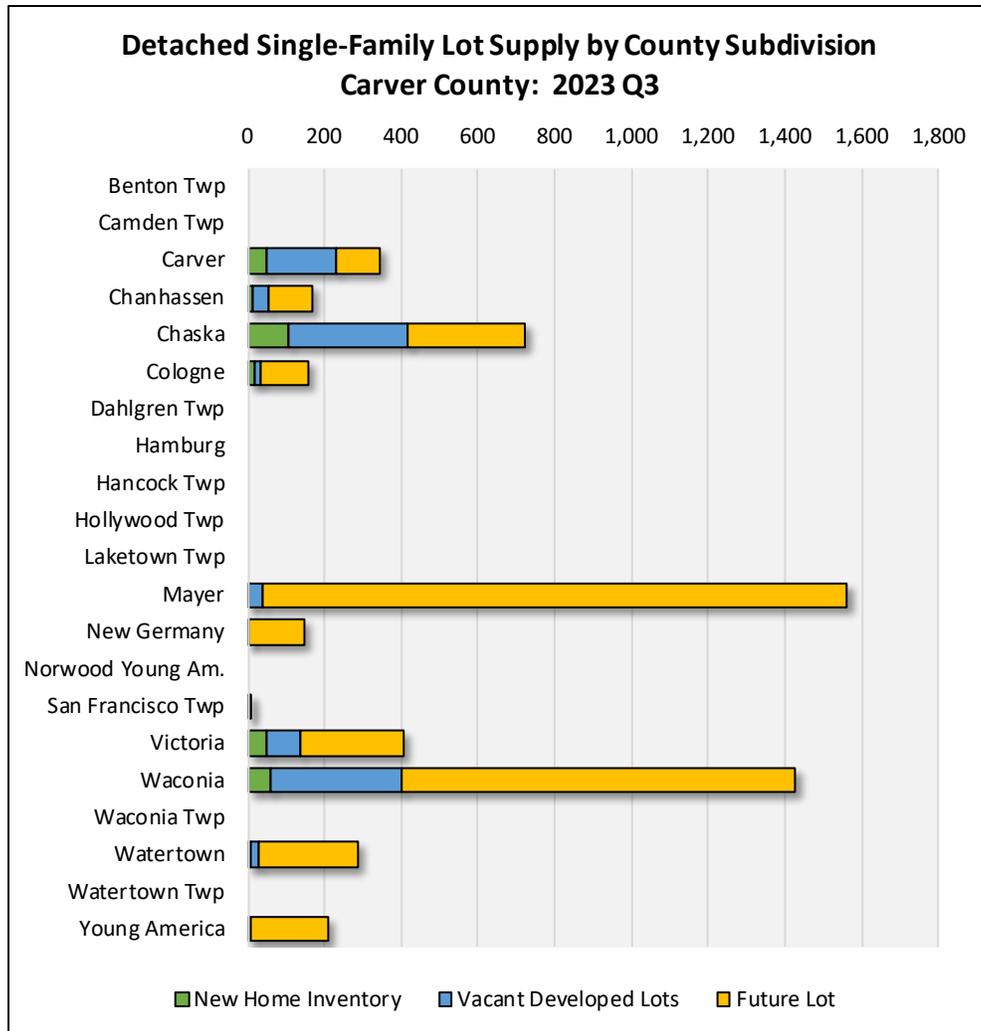
- Another 273 subdivisions are fully developed (14,585 total lots), including 191 detached single-family subdivisions (10,451 lots) and 82 multifamily subdivisions (4,134 lots). There are also 38 pending future developments (2,355 total lots), including 32 future detached single-family subdivisions (1,997 lots) and six future multifamily developments (358 lots).
- Of the 7,182 lots in active subdivisions, 1,154 are vacant, including 1,050 detached single-family lots and 104 multifamily lots.
- The following graph illustrates the number of quarterly construction starts against the supply of vacant developed lots in Carver County since 2000.



- On average, there have been 156 construction starts in these subdivisions on a quarterly basis (625 per year) since 2000.
 - Prior to 2010, these subdivisions in Carver County averaged 184 construction starts per quarter. Construction starts slowed to an average of 122 per quarter between 2010 and 2020.
 - Construction activity has accelerated, averaging 176 construction starts per quarter between 2020 and the third quarter of 2023.
- With increased home building activity, the residential lot supply declined to a low inventory of 679 lots in the third quarter of 2021 after peaking at 2,388 lots in late 2007.
- The vacant developed lot inventory has since increased to 1,154 lots as of the third quarter of 2023, remaining below the historical average inventory of 1,363 vacant developed lots (2000 – 2023).
- Along with the vacant developed lots, there are 2,543 future lots planned in the active subdivisions, including 2,157 detached single-family lots and 386 multifamily lots. Additionally, there are 1,997 future detached single-family lots and 358 future multifamily lots in pending subdivisions.
- In addition to the available lot supply, there was a new home inventory of 379 units as of the third quarter of 2023, including 313 detached single-family units and 66 multifamily units. The new home inventory includes model units, finished vacant homes, and homes under construction.

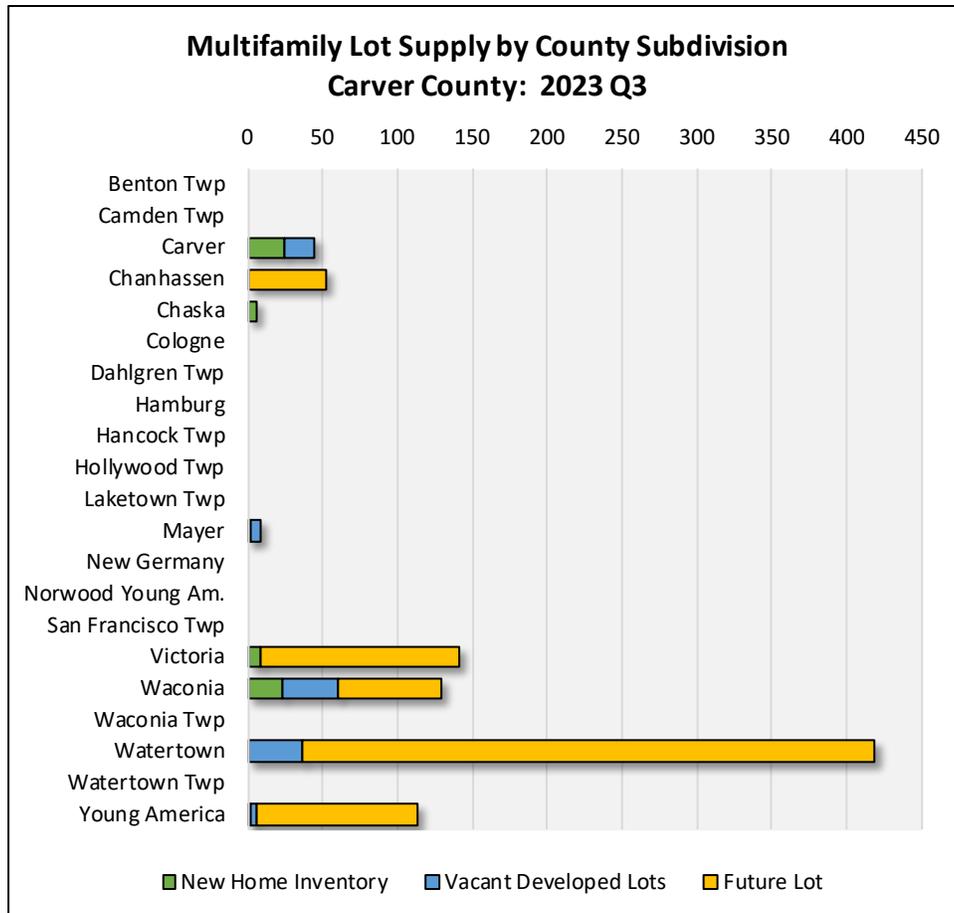


- The following graph illustrates the detached single-family lot supply by county subdivision in Carver County as of the third quarter of 2023, including new home inventory, vacant developed lots, and future lots.



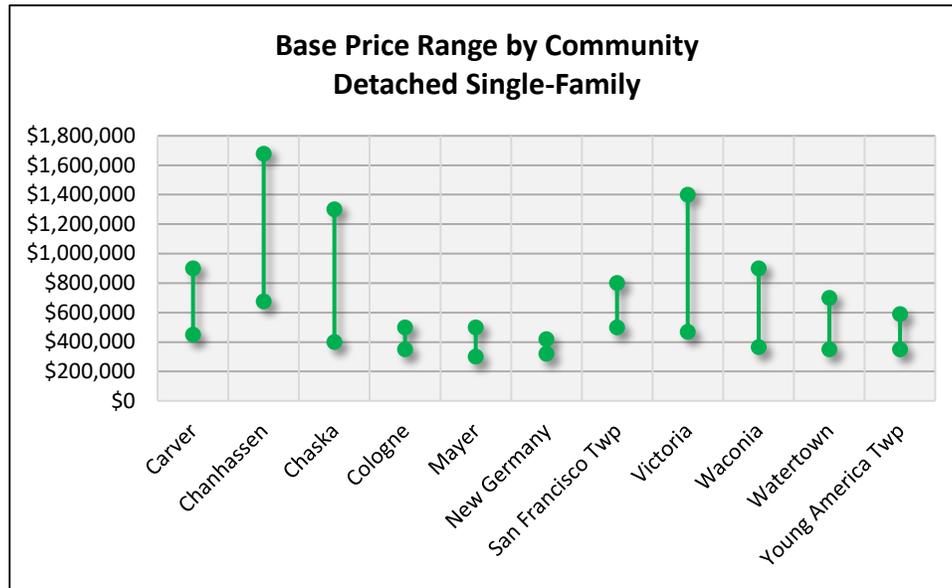
- As shown above, Chaska and Waconia have the largest inventory of vacant developed detached single-family lots with 309 and 342, respectively, followed by Carver with 179, Victoria with 89, and Chanhassen with 42 lots.
 - Chaska and Waconia also have the largest new home inventories with 108 and 59, respectively.
- Mayer has the largest supply of future lots with 1,524 (most notably in the Fieldstone Estates subdivision with 1,279 future lots planned), followed by Waconia with 1,026 future lots.

- The following graph illustrates the multifamily lot supply by county subdivision in Carver County as of the third quarter of 2023, including new home inventory, vacant developed lots, and future lots.



- As shown in the graph, Waconia and Watertown have the largest inventories of vacant developed multifamily lots with 38 and 36, respectively, followed by Carver with 20. Carver and Waconia have the largest new multifamily home inventories with 25 and 23 new homes, respectively.
- Watertown has the largest supply of future lots in multifamily subdivisions with 382 (most notably in the Forest Hills development with 289 lots), followed by Victoria with 133 and Young America with 108 future lots.
- Chaska has the most active detached single-family market, averaging 187 new construction closings annually, which represents 34% of all new detached single-family closings in the County, followed by Victoria with 128 (23% market share) and Waconia with 117 (21%).
- Carver is most active new construction multifamily market, averaging 29 closings per year (37% market share), followed by Victoria with 25 (32%) and Waconia with 19 (24%).

- The following graphs illustrate average base price ranges by community. Communities that do not have active subdivisions are not represented in the graphs.
- Homes in the active detached single-family subdivisions have base prices ranging from \$300,000 to nearly \$1.7 million. Minimum base prices range from \$300,000 to \$675,000, while the maximum base price range has a much larger gap (\$420,000 to \$1.7 million).



- Base prices for units in the active multifamily subdivisions range from \$300,000 to \$485,000, with a minimum price range of \$300,000 to \$378,000 and a maximum price range of \$400,000 to \$485,000.

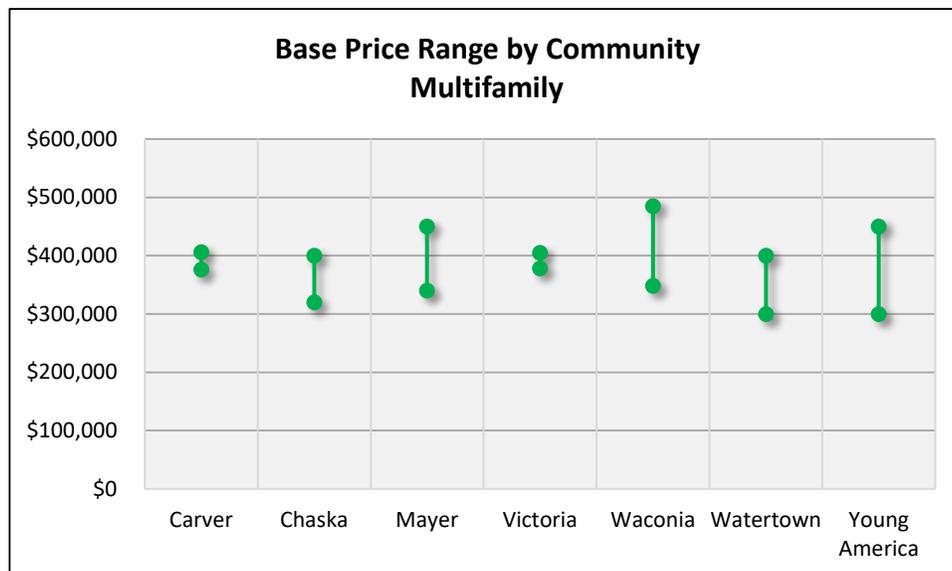


TABLE 38
LOT SUPPLY SUMMARY
CARVER COUNTY
2023 Q3

City	Detached Single-family						Multifamily (townhomes, etc.)					
	Total Subdivisions	Home Inventory ¹	New Inventory ²	Vacant Dev. Lots	Future Lots ³	Total Lots	Total Subdivisions	Home Inventory ¹	New Inventory ²	Vacant Dev. Lots	Future Lots ³	Total Lots
Benton Twp	0	0	0	0	0	0	0	0	0	0	0	0
Camden Twp	0	0	0	0	0	0	0	0	0	0	0	0
Carver	27	1,525	49	179	117	1,870	6	237	25	20	0	282
Chanhassen	61	2,049	13	42	111	2,215	20	1,424	0	0	53	1,477
Chaska	58	3,062	108	309	306	3,785	28	1,484	6	0	0	1,490
Cologne	8	471	17	18	124	630	1	20	0	0	0	20
Dahlgren Twp	1	110	0	0	0	110	0	0	0	0	0	0
Hamburg	0	0	0	0	0	0	0	0	0	0	0	0
Hancock Twp	0	0	0	0	0	0	0	0	0	0	0	0
Hollywood Twp	0	0	0	0	0	0	0	0	0	0	0	0
Laketown Twp	0	0	0	0	0	0	0	0	0	0	0	0
Mayer	7	630	4	34	1,524	2,192	1	40	2	6	0	48
New Germany	1	35	0	3	142	180	0	0	0	0	0	0
Norwood Young Am.	2	44	0	0	0	44	1	26	0	0	0	26
San Francisco Twp	1	2	5	3	0	10	0	0	0	0	0	0
Victoria	40	1,740	49	89	270	2,148	12	513	8	0	133	654
Waconia	57	2,769	59	342	1,026	4,196	12	463	23	38	68	592
Waconia Twp	0	0	0	0	0	0	0	0	0	0	0	0
Watertown	15	646	9	21	257	933	13	155	0	36	382	573
Watertown Twp	0	0	0	0	0	0	0	0	0	0	0	0
Young America	5	188	0	10	199	397	6	136	2	4	108	250
County Total:	283	13,271	313	1,050	4,076	18,710	100	4,498	66	104	744	5,412

¹ Includes occupied units

² Includes model units (i.e. spec homes), finished vacant homes, and homes under construction

³ Includes only future lots in actively marketing subdivisions. Additional future lots identified in new subdivisions in the pipeline.

Sources: Zonda; Maxfield Research and Consulting, LLC

TABLE 39

SUMMARY OF ACTIVELY MARKETING DETACHED SUBDIVISIONS
CARVER COUNTY
2023 Q3

City	Active Subdivisions	Supply		Activity		Months Supply		Price Range		
		New Home Inventory ¹	VDL ² Inventory	Annual Starts	Annual Closings	Inventory Months	VDL ² Months	Min. (\$000s)	Max. (\$000s)	
Benton Twp	0	0	0	0	0	--	--	--	-	--
Camden Twp	0	0	0	0	0	--	--	--	-	--
Carver	6	49	179	75	50	11.8	28.6	\$449	-	\$900
Chanhassen	4	13	42	28	46	3.4	18.0	\$675	-	\$1,677
Chaska	18	108	309	188	187	6.9	19.7	\$400	-	\$1,300
Cologne	1	17	18	24	18	11.3	9.0	\$350	-	\$500
Dahlgren Twp	0	0	0	0	0	--	--	--	-	--
Hamburg	0	0	0	0	0	--	--	--	-	--
Hancock Twp	0	0	0	0	0	--	--	--	-	--
Hollywood Twp	0	0	0	0	0	--	--	--	-	--
Laketown Twp	0	0	0	0	0	--	--	--	-	--
Mayer	2	4	34	6	3	16.0	68.0	\$300	-	\$500
New Germany	1	0	3	0	0	--	--	\$320	-	\$420
Norwood Young Am.	0	0	0	0	0	--	--	--	-	--
San Francisco Twp	1	5	3	5	0	--	7.2	\$500	-	\$800
Victoria	11	49	89	118	128	4.6	9.1	\$470	-	\$1,400
Waconia	12	59	342	87	117	6.1	47.2	\$366	-	\$900
Waconia Twp	0	0	0	0	0	--	--	--	-	--
Watertown	2	9	21	8	6	18.0	31.5	\$350	-	\$700
Watertown Twp	0	0	0	0	0	--	--	--	-	--
Young America	2	0	10	0	0	--	--	\$350	-	\$590
County Total:	60	313	1,050	539	555	6.8	23.4	\$300	-	\$1,677

¹ New home inventory includes model units (i.e. spec homes), finished vacant homes, and homes under construction

² Vacant Developed Lots

Sources: Zonda; Maxfield Research and Consulting, LLC

TABLE 40

SUMMARY OF ACTIVELY MARKETING MULTIFAMILY SUBDIVISIONS
 CARVER COUNTY
 2023 Q3

City	Active Subdivisions	Supply		Activity		Months Supply		Price Range	
		New Home Inventory ¹	VDL ² Inventory	Annual Starts	Annual Closings	Inventory Months	VDL ² Months	Min. (\$000s)	Max. (\$000s)
Benton Twp	0	0	0	0	0	--	--	--	--
Camden Twp	0	0	0	0	0	--	--	--	--
Carver	1	25	20	18	29	10.3	13.3	\$376	\$406
Chanhassen	0	0	0	0	0	--	--	--	--
Chaska	1	6	0	0	1	72.0	--	\$320	\$400
Cologne	0	0	0	0	0	--	--	--	--
Dahlgren Twp	0	0	0	0	0	--	--	--	--
Hamburg	0	0	0	0	0	--	--	--	--
Hancock Twp	0	0	0	0	0	--	--	--	--
Hollywood Twp	0	0	0	0	0	--	--	--	--
Laketown Twp	0	0	0	0	0	--	--	--	--
Mayer	1	2	6	2	2	12.0	36.0	\$340	\$450
New Germany	0	0	0	0	0	--	--	--	--
Norwood Young Am.	0	0	0	0	0	--	--	--	--
San Francisco Twp	0	0	0	0	0	--	--	--	--
Victoria	1	8	0	6	25	3.8	--	\$378	\$405
Waconia	2	23	38	26	19	14.5	17.5	\$348	\$485
Waconia Twp	0	0	0	0	0	--	--	--	--
Watertown	4	0	36	0	0	--	--	\$300	\$400
Watertown Twp	0	0	0	0	0	--	--	--	--
Young America	2	2	4	2	2	12.0	24.0	\$300	\$450
County Total:	12	66	104	54	78	10.2	23.1	\$300	- \$485

¹ New home inventory includes model units (i.e. spec homes), finished vacant homes, and homes under construction

² Vacant Developed Lots

Sources: Zonda; Maxfield Research and Consulting, LLC

TABLE 41

NEW CONSTRUCTION HOUSING ACTIVITY STATISTICS
CARVER COUNTY
2023 Q3

City	Detached Single-family				Multifamily (townhomes, etc.)				Total			
	Annual Closings	Market Share	Vacant Dev. Lots	Market Share	Annual Closings	Market Share	Vacant Dev. Lots	Market Share	Annual Closings	Market Share	Vacant Dev. Lots	Market Share
Benton Twp	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Camden Twp	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Carver	50	9.0%	179	17.0%	29	37.2%	20	19.2%	79	12.5%	199	17.2%
Chanhassen	46	8.3%	42	4.0%	0	0.0%	0	0.0%	46	7.3%	42	3.6%
Chaska	187	33.7%	309	29.4%	1	1.3%	0	0.0%	188	29.7%	309	26.8%
Cologne	18	3.2%	18	1.7%	0	0.0%	0	0.0%	18	2.8%	18	1.6%
Dahlgren Twp	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Hamburg	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Hancock Twp	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Hollywood Twp	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Laketown Twp	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Mayer	3	0.5%	34	3.2%	2	2.6%	6	5.8%	5	0.8%	40	3.5%
New Germany	0	0.0%	3	0.3%	0	0.0%	0	0.0%	0	0.0%	3	0.3%
Norwood Young Am.	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
San Francisco Twp	0	0.0%	3	0.3%	0	0.0%	0	0.0%	0	0.0%	3	0.3%
Victoria	128	23.1%	89	8.5%	25	32.1%	0	0.0%	153	24.2%	89	7.7%
Waconia	117	21.1%	342	32.6%	19	24.4%	38	36.5%	136	21.5%	380	32.9%
Waconia Twp	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Watertown	6	1.1%	21	2.0%	0	0.0%	36	34.6%	6	0.9%	57	4.9%
Watertown Twp	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Young America	0	0.0%	10	1.0%	2	2.6%	4	3.8%	2	0.3%	14	1.2%
County Total:	555		1,050		78		104		633		1,154	

Sources: Zonda; Maxfield Research and Consulting, LLC

TABLE 42

ACTIVE DETACHED SINGLE-FAMILY SUBDIVISIONS BY SUBMARKET
CARVER COUNTY
2023 Q3

Submarket Subdivision Name	Active Quarter	Lot Inventory					Absorption		Pricing (\$000's)	Frontage (ft.)
		Total Lots	Occupied Lots	New Homes	Vacant Dev. Lots	Future Lots	Annual Starts	Annual Closings	Min. - Max.	Min. - Max.
Carver										
Brookview Villas	2Q23	22	0	2	20	0	2	0	\$500 - \$700	50 - 50
Christys Bluff	4Q14	24	23	1	0	0	2	1	\$500 - \$900	70 - 70
Meadows at Spring Creek	3Q18	101	95	6	0	0	9	27	\$480 - \$600	50 - 50
Preserve in Carver, The	4Q22	66	9	11	46	0	20	9	\$468 - \$593	65 - 65
Timber Creek/Discovery	1Q23	157	2	15	36	104	17	2	\$505 - \$593	65 - 65
Timber Creek/Heritage	4Q22	115	11	14	77	13	25	11	\$449 - \$503	60 - 60
Chanhassen										
Avienda/Villa	2Q23	39	0	2	37	0	2	0	\$700 - \$1,100	56 - 56
Bluffs at Lake Lucy, The	3Q21	31	26	1	4	0	3	13	\$1,100 - \$1,677	90 - 90
Fawn Hill in Chanhassen	4Q17	9	8	0	1	0	0	0	\$675 - \$759	75 - 75
Park, The/Landmark	4Q19	100	90	10	0	0	23	33	\$692 - \$776	65 - 65
Chaska										
Adelwood/Classic	1Q21	90	68	9	13	0	27	41	\$484 - \$533	50 - 50
Adelwood/Estate	2Q21	57	33	8	16	0	20	17	\$551 - \$606	60 - 60
Adelwood/Garden	2Q21	122	51	13	58	0	31	37	\$402 - \$440	40 - 40
Brickyard Villas (DTH)	2Q10	36	30	0	6	0	0	0	\$400 - \$460	60 - 60
Chaska Bluffs/SF	1Q22	17	4	3	10	0	4	4	\$800 - \$1,100	65 - 65
Clover Field/	3Q01	151	150	1	0	0	0	0	\$400 - \$450	60 - 60
Ensconsed Woods	2Q23	28	0	5	23	0	5	0	\$750 - \$1,300	75 - 75
Harvest West North/Heritage	1Q22	27	17	4	6	0	7	15	\$570 - \$705	66 - 66
Harvest West North/Tradition	2Q22	30	3	6	21	0	9	3	\$620 - \$840	75 - 75
Harvest West North/Villa	1Q22	35	20	1	14	0	6	10	\$455 - \$580	52 - 52
Harvest West/Villa	1Q20	49	36	4	9	0	6	7	\$455 - \$600	53 - 53
Harvest West/Village	1Q20	79	69	6	4	0	9	26	\$500 - \$640	65 - 65
Harvest, The	4Q13	318	289	2	2	25	2	8	\$455 - \$840	65 - 65
Oak Creek Tradition	1Q23	101	1	13	42	45	14	1	\$500 - \$700	65 - 65

----- continued -----

TABLE continued

ACTIVE DETACHED SINGLE-FAMILY SUBDIVISIONS BY SUBMARKET
CARVER COUNTY
2023 Q3

Submarket Subdivision Name	Active Quarter	Lot Inventory					Absorption		Pricing (\$000's)	Frontage (ft.)
		Total Lots	Occupied Lots	New Homes	Vacant Dev. Lots	Future Lots	Annual Starts	Annual Closings	Min. - Max.	Min. - Max.
Reserve at Autumn Woods/Discovery	4Q22	20	11	8	1	0	19	11	\$556 - \$586	55 - 55
Reserve at Autumn Woods/Landmark	4Q22	66	3	16	47	0	19	3	\$621 - \$714	70 - 70
Rivertown Heights Tradition	2Q23	89	0	9	34	46	9	0	\$550 - \$643	65 - 65
Savanna Estates	1Q18	50	47	0	3	0	1	4	\$500 - \$800	75 - 75
Cologne										
Winkler Crossing	2Q02	225	126	17	18	64	24	18	\$350 - \$500	75 - 75
Hamburg-Norwood Young America										
Brand Lake Highlands	4Q04	26	18	0	8	0	0	0	\$390 - \$590	80 - 80
Preserve of NYA/SF	4Q02	150	148	0	2	0	0	0	\$350 - \$500	85 - 85
Mayer-New Germany										
Coldwater Crossing	3Q01	393	239	4	28	122	6	2	\$300 - \$500	75 - 75
Fieldstone/Estates	1Q06	1345	60	0	6	1279	0	1	\$300 - \$350	80 - 80
Black Forest Estates	3Q05	180	35	0	3	142	0	0	\$320 - \$420	85 - 85
Victoria										
Brookmoore	2Q23	80	0	9	18	53	9	0	\$540 - \$626	68 - 68
Hawks Pointe	3Q16	15	14	0	1	0	0	0	\$600 - \$900	130 - 130
Hillpointe	3Q18	22	20	1	1	0	0	1	\$750 - \$1,100	80 - 80
Huntersbrook/Heritage	2Q22	67	9	6	4	48	12	9	\$590 - \$740	66 - 66
Huntersbrook/Revere	1Q22	77	28	8	1	40	29	28	\$470 - \$570	55 - 55
Huntersbrook/SF	1Q22	37	11	6	20	0	11	11	\$1,070 - \$1,400	66 - 66
Huntersbrook/Tradition	4Q22	56	10	5	7	34	15	10	\$650 - \$870	76 - 76
Laketown/Landmark	4Q13	244	240	0	4	0	5	27	\$523 - \$646	70 - 70
Madelyn Trail Expressions	1Q22	49	40	4	5	0	26	36	\$558 - \$628	68 - 68
Shores of Marsh Lake, The (DTH)	1Q22	42	6	10	26	0	11	6	\$700 - \$1,400	65 - 65
Wasserman Lake Woods	4Q14	65	63	0	2	0	0	0	\$560 - \$700	80 - 80

----- continued -----

TABLE continued

ACTIVE DETACHED SINGLE-FAMILY SUBDIVISIONS BY SUBMARKET
CARVER COUNTY
2023 Q3

Submarket Subdivision Name	Active Quarter	Lot Inventory					Absorption		Pricing (\$000's)	Frontage (ft.)
		Total Lots	Occupied Lots	New Homes	Vacant Dev. Lots	Future Lots	Annual Starts	Annual Closings	Min. - Max.	Min. - Max.
Waconia										
Fairlane	1Q18	10	9	0	1	0	0	0	\$600 - \$800	90 - 90
Fields of Waconia/Express Select	1Q22	100	13	8	79	0	6	11	\$425 - \$460	55 - 55
Fields of Waconia/Tradition	1Q22	112	17	12	83	0	10	14	\$561 - \$900	65 - 65
Interlaken/Inspiration	4Q20	72	66	6	0	0	21	34	\$393 - \$411	60 - 60
Orchard Park/Smart	3Q21	60	16	4	40	0	6	6	\$400 - \$487	55 - 55
Orchard Park/Villa	3Q21	59	33	12	14	0	21	24	\$366 - \$536	50 - 50
Somerwood Cottages (DTH)	3Q16	42	36	1	5	0	1	1	\$500 - \$650	59 - 59
Waterford in Waconia/75	3Q22	29	0	0	22	7	0	0	\$500 - \$600	70 - 70
Waterford in Waconia/Discovery	4Q21	182	17	10	62	93	13	15	\$452 - \$521	65 - 65
Windmill Creek	4Q00	160	156	1	0	3	1	0	\$500 - \$700	90 - 90
Woodland Creek in Waconia/SF	2Q21	53	11	4	28	10	7	8	\$550 - \$750	70 - 70
Woodland Creek in Waconia/Villa	4Q21	42	4	1	8	29	1	4	\$550 - \$750	65 - 65
Watertown										
Forest Hills/SF	3Q07	170	145	7	18	0	6	5	\$350 - \$390	70 - 70
Kings Highlands	3Q05	59	54	2	3	0	2	1	\$459 - \$700	90 - 90

Sources: Zonda; Maxfield Research and Consulting, LLC

TABLE 43
ACTIVE MULTIFAMILY SUBDIVISIONS BY SUBMARKET
CARVER COUNTY
2023 Q3

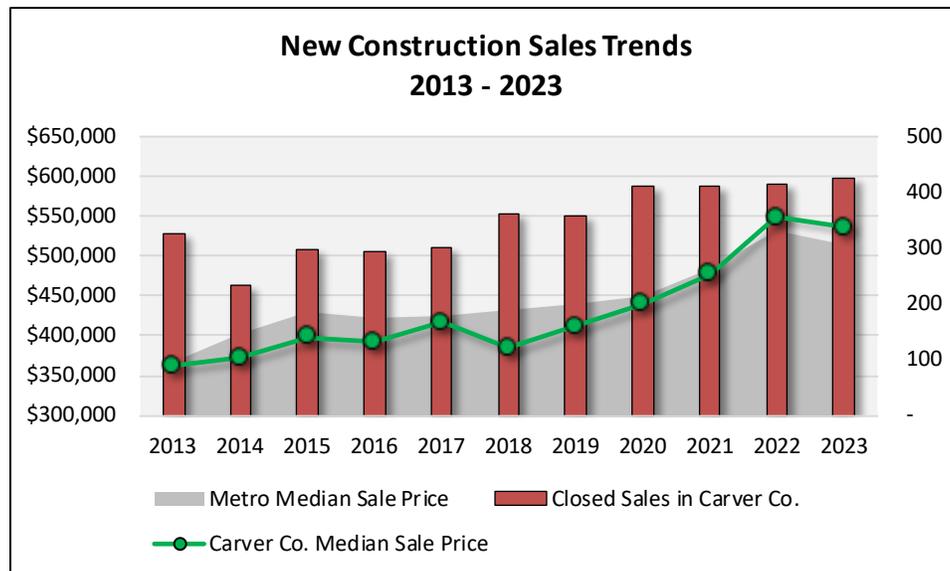
Submarket Subdivision Name	Active Quarter	Lot Inventory					Absorption		Pricing (\$000's)	Frontage (ft.)
		Total Lots	Occupied Lots	New Homes	Vacant Dev. Lots	Future Lots	Annual Starts	Annual Closings	Min. - Max.	Min. - Max.
Carver										
Timber Creek/Liberty (TH)	2Q22	74	29	25	20	0	18	29	\$376 - \$406	25 - 25
Chaska										
Clover Ridge, Arbor Field Village/(TH)	3Q05	48	42	6	0	0	0	1	\$320 - \$400	15 - 15
Hamburg-Norwood Young America										
Preserve of NYA/TH	2Q03	82	78	0	4	0	0	2	\$350 - \$450	33 - 33
Serenity Pointe (TW)	4Q04	10	8	2	0	0	2	0	\$300 - \$400	41 - 41
Mayer-New Germany										
Sunset Meadows (TW)	1Q06	48	40	2	6	0	2	2	\$340 - \$450	37 - 37
Victoria										
Laketown/Colonial Patriot (TH)	3Q20	99	91	8	0	0	6	25	\$378 - \$405	33 - 33
Waconia										
Legacy Heights Townhomes (TW)	1Q20	24	22	2	0	0	0	2	\$385 - \$485	47 - 47
Waterford in Waconia/Liberty (TH)	1Q22	144	17	21	38	68	26	17	\$348 - \$381	25 - 25
Watertown										
Forest Hills/Crescent Ridge (TW)	1Q10	4	2	0	2	0	0	0	\$300 - \$400	40 - 40
Forest Hills/Rowhomes (TH)	4Q06	247	4	0	18	225	0	0	\$300 - \$400	26 - 26
Rosewood Estates (TW)	3Q06	26	18	0	8	0	0	0	\$300 - \$400	40 - 40
Tuscany Village/TH	3Q05	114	13	0	8	93	0	0	\$300 - \$400	35 - 35

Sources: Zonda; Maxfield Research and Consulting, LLC

New Construction Home Pricing

The table on the following page summarizes new construction sales activity over the past 12 months (through October 2023) in Carver County. Data includes new construction homes sold by a Realtor with the Minneapolis Area Association of Realtors, which captures only a portion of new construction sales data. Information included in the table summarizes new construction sales activity by community, including number of closed transactions, median sale price, and median price per square foot.

- The following graph illustrates new construction sales activity trends in Carver County from 2013 through October 2023, including data on the median sale price and number of sales for new construction homes (detached single-family and multifamily combined) in the County, with pricing comparisons to the Metro Area.



- New construction pricing in Carver County was consistently lower than Metro Area pricing from 2013 to 2021, before surpassing the Metro Area median sale price in 2022 and 2023. As of October 2023, the new construction median sale price in Carver County (\$536,533) was 4% higher than the Metro Area median of \$514,990.
- Over the past ten years, new construction median prices increased 49% in Carver County, climbing from \$361,291 in 2013 to \$536,533 in 2023. By comparison, Metro Area pricing increased 40% to \$514,990.
- New construction sales activity has also increased, climbing from 325 closed sales in 2013 to 426 transactions in 2023, a 31% increase, although the rate of increase flattened from 2021 to 2023.

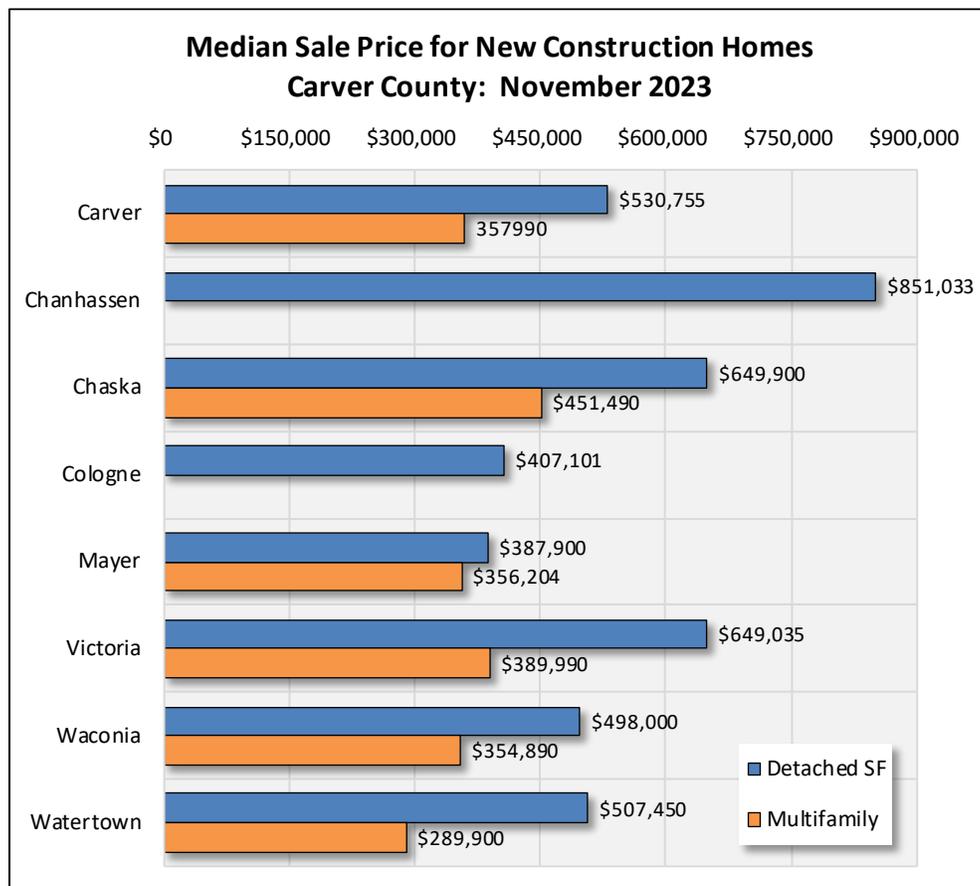
- Within Carver County, sales volume for new construction detached single-family homes was highest in Victoria over the past 12 months, with 82 sales, followed by Waconia (80 sales), Chaska (57 sales), and Carver (54 sales).
- New construction multifamily sales activity was highest in Carver, with 23 closed sales, followed closely by Victoria with 21 sales, Waconia (20 sales), and Watertown (20 sales).

TABLE 44

NEW CONSTRUCTION HOME SALES BY COUNTY SUBDIVISION						
CARVER COUNTY						
November 2023						
County Subdivision	Detached Single-Family			Multifamily		
	Sales	Median Price	Price per Sq. Ft.	Sales	Median Price	Price per Sq. Ft.
Benton township	--	--	--	--	--	--
Camden township	--	--	--	--	--	--
Carver	54	\$530,755	\$229	23	\$357,990	\$203
Chanhassen	26	\$851,033	\$268	--	--	--
Chaska	57	\$649,900	\$229	14	\$451,490	\$197
Cologne	15	\$407,101	\$275	--	--	--
Dahlgren township	--	--	--	--	--	--
Hamburg	--	--	--	--	--	--
Hancock township	--	--	--	--	--	--
Hollywood township	--	--	--	--	--	--
Laketown township	--	--	--	--	--	--
Mayer	3	\$387,900	\$257	2	\$356,204	\$170
New Germany	--	--	--	--	--	--
Norwood Young America	--	--	--	--	--	--
San Francisco township	--	--	--	--	--	--
Victoria	82	\$649,035	\$228	21	\$389,990	\$207
Waconia	80	\$498,000	\$225	20	\$354,890	\$205
Waconia township	--	--	--	--	--	--
Watertown	10	\$507,450	\$269	20	\$289,900	\$201
Watertown township	--	--	--	--	--	--
Young America township	--	--	--	--	--	--
County Total	327	\$577,495	\$233	100	\$363,740	\$202
Trailing 12 months sales data through October 2023						
Sources: Minneapolis Area Association of Realtors; Maxfield Research & Consulting, LLC						

- The median sale prices for new construction detached single-family homes sold in the past 12 months range from \$387,900 in Mayer (three sales) to \$851,033 in Chanhassen (54 sales).
- On a per square foot (psf) basis, the median sale price for new construction single-family homes is \$233, ranging from \$225 psf in Waconia to \$275 psf in Cologne.

- Based on the countywide median price of \$233 psf, we estimate that the average new construction detached single-family homes sold in the County over the past 12 months is 2,479 square feet.
- The median sale price for new construction multifamily units sold in the past 12 months ranges from \$289,900 in Watertown (20 sales) to \$451,490 in Chaska (14 sales).
 - The median sale price for new construction multifamily units in the County is \$202 psf, ranging from \$170 psf in Mayer (two sales) to \$207 psf in Victoria (21 sales).
 - New construction multifamily units are smaller than the detached single-family homes, with an average size of 1,801 finished square feet in the County (based on the median sale price and the median psf sale price).
- The following graph illustrates the median sale price for new construction homes sold over the past twelve months by community in Carver County. Communities without any new construction sales are not included in the graph.



Pending Residential Subdivisions

Maxfield Research compiled information provided by municipal staff from the communities located in Carver County to identify any residential subdivisions that are proposed or planned in the County. Our findings are summarized below. These pending subdivisions are not included in the residential lot supply data presented previously.

- Overall, we identified ten pending residential subdivisions in the County, containing a total of 854 new lots, including 774 detached single-family lots and 80 multifamily lots. Of the 854 pending lots, 127 are in subdivisions that have been approved while the remaining 727 lots are in subdivisions that are in a preliminary concept planning stage.
- Over half of the pending lots (55%, 471 lots) are in Waconia, while 25% are in Chaska (212) and 12% are in Watertown (102). Another 45 lots are in New Germany (5%) and there are 24 lots pending in Chanhassen (3%).

TABLE 45

PENDING RESIDENTIAL SUBDIVISIONS CARVER COUNTY December 2023				
Subdivision City	Total Lots	Single-family Lots	Multifamily Lots	Developer Status
755 96th St W Chanhassen	19	19	0	Gonyea Custom Homes 18 vacant, 1 under construction
Glendale Dr Homes Chanhassen	5	5	0	Lake West Development 4 vacant, 1 under construction
Frenz/Worm Neighborhood Chaska	190	190	0	Forestar Concept plan approved
Club West 11th Add Chaska	18	18	0	Tradition Development Approved
Chaska Yards Chaska	4	4	0	Carver County CDA Approved
Trophy Lakes New Germany	45	45	0	Pink Investments, LLC Approved 2007, no activity
Falk-Saltire Property Waconia	323	323	0	Pulte Homes Sketch plan
Kirsch Property Waconia	148	82	66	Tamarack Land Sketch plan
Oak Grove Estates Watertown	36	22	14	Oak Grove Estates, LLC Approved
Cove at River Ridge Watertown	66	66	0	Alliant Ventures X, LLC Preliminary plat approved
Total Pending Lots:	854	774	80	
Multifamily includes lots for townhomes, twin homes, etc. Data excludes subdivisions included in the Zonda reports				
Sources: Maxfield Research & Consulting, LLC				

Rental Market Analysis

Introduction

Maxfield Research analyzed the general occupancy (i.e. not age restricted) rental housing market in Carver County by collecting data on key rental housing industry metrics such as vacancy rates, absorption, rental rates, and development activity. Most of the data was collected in November and December 2023. Topics covered in this section of the analysis include.

- ▶ An overview of rental housing market conditions
- ▶ Detailed information on select general occupancy market rate, affordable, and subsidized rental properties in the County
- ▶ An inventory of pending rental housing developments in the County

Maxfield Research and Consulting, LLC identified and surveyed rental properties with 24 or more units in the County along with a select group of smaller properties from communities with a limited number of larger (24 units or more) rental housing properties. General occupancy rental properties are typically categorized into one of three sectors:

- Market rate properties (those without income restrictions)
- Affordable properties (those with income restrictions and rents affordable to households with incomes at 80% of Area Median Income or lower), and
- Subsidized properties (restricted to households with incomes at 50% of Area Median Income or lower).

Secondary data resources utilized for this section of the analysis include GVA Marquette Advisors *Apartment Trends* reports and CoStar, a provider of information, analytics, and marketing services to the commercial real estate industry.

Overview of Rental Market Conditions

The following information offers an overview of rental housing market conditions in Carver County compared to the Twin Cities Metro Area. Data is sourced from CoStar and is provided for the third quarter of 2022 compared to the third quarter of 2023, the most recent quarterly data available.

Additionally, Maxfield Research supplements this information with data from the GVA Marquette Advisors *Apartment Trends* report for the third quarter of 2023. The *Apartment Trends* report does not include information for all of Carver County, although properties in Chanhassen and Chaska are included in their quarterly survey.

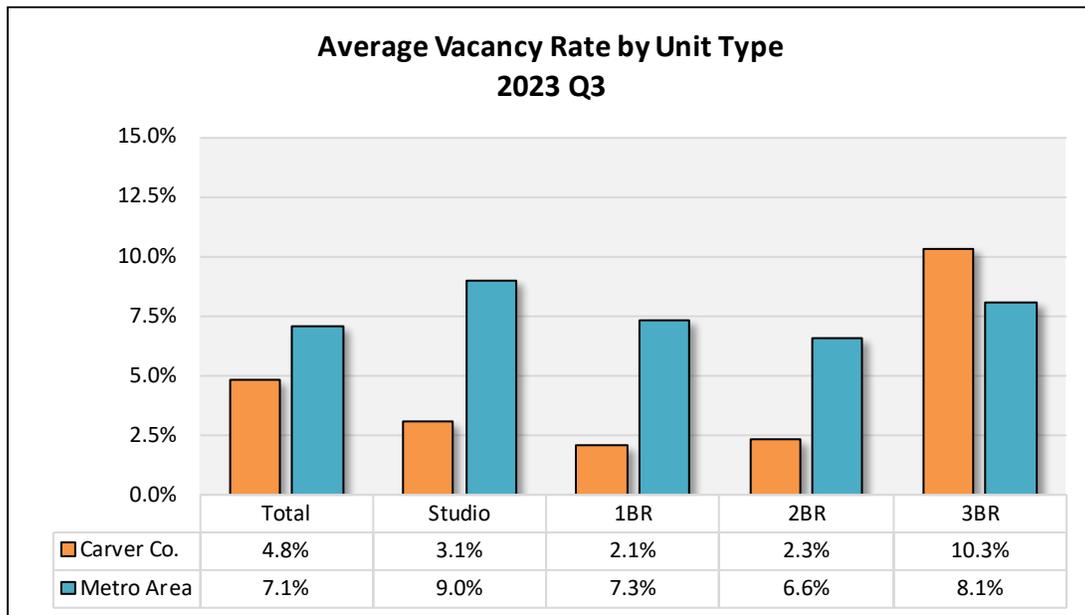
- CoStar’s inventory includes multifamily rental properties with five or more units. CoStar is tracking 79 rental housing properties in Carver County, totaling 2,868 units, which represents 1.1% of the Metro Area’s inventory (269,129 units).

TABLE 46

RENTAL HOUSING MARKET TRENDS CARVER COUNTY MARKET AREA 2022 Q2 - 2023 Q2								
	Carver County				Twin Cities Metro Area			
	2023 Q3	2022 Q3	Ch. ('22 - '23)		2023 Q3	2022 Q3	Ch. ('22 - '23)	
			No.	Pct.			No.	Pct.
Inventory (units)	2,868	2,758	110	4.0%	269,129	260,009	9,120	3.5%
Vacant Units	138	74	63	84.9%	19,108	17,941	1,168	6.5%
Vacancy Rate	4.8%	2.7%	--	2.1%	7.1%	6.9%	--	0.2%
Absorption*	47	-27	74	--	7,837	8,224	-387	--
Under Construction	1,274	573	701	122.3%	15,027	16,931	-1,904	-11.2%
Monthly Rent	\$1,641	\$1,616	\$25	1.5%	\$1,458	\$1,441	\$17	1.2%
*Previous 12 months								
Unit Type Vacancy Rate								
Studio	3.1%	3.0%	--	0.1%	9.0%	11.2%	--	-2.2%
1BR	2.1%	3.2%	--	-1.1%	7.3%	7.1%	--	0.2%
2BR	2.3%	2.5%	--	-0.2%	6.6%	6.0%	--	0.6%
3BR	10.3%	1.3%	--	9.0%	8.1%	5.9%	--	2.2%
Unit Type Monthly Rent								
Studio	\$1,286	\$1,260	\$26	2.1%	\$1,096	\$1,096	\$0	0.0%
1BR	\$1,453	\$1,434	\$19	1.3%	\$1,285	\$1,269	\$16	1.3%
2BR	\$1,631	\$1,606	\$25	1.6%	\$1,638	\$1,618	\$20	1.2%
3BR	\$2,026	\$1,987	\$39	2.0%	\$2,090	\$2,066	\$24	1.2%

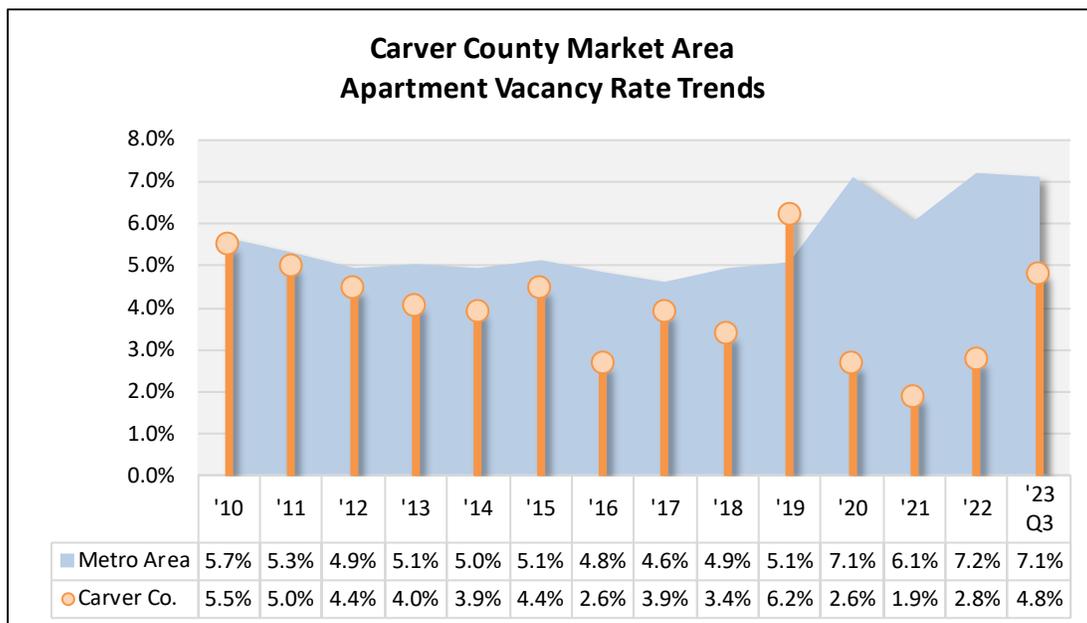
Sources: CoStar; Maxfield Research & Consulting, LLC

- Nationally, the equilibrium vacancy rate for rental housing is considered to be 7.0%, although 5.0% vacancy is often referenced as being equilibrium locally. Equilibrium vacancy allows for normal turnover and an adequate supply of alternatives for prospective renters.
 - During the third quarter of 2023, vacancy rates were at 4.8% in Carver County compared to 7.1% in the Twin Cities Metro Area.
 - CoStar’s vacancy number include properties that opened recently and are in initial lease-up. According to the GVA Marquette Advisors *Apartment Trends* report for the third quarter of 2023, the vacancy rate among stabilized properties (excluding those in initial lease-up) in the Metro Area is at 4.2%. CoStar estimates that the stabilized vacancy rate in Carver County is at 1.9%.
 - This data indicates that vacancy rates in Carver County and the Metro Area are below equilibrium, suggesting pent-up demand for units.
- In Carver County, three-bedroom units have the highest vacancy rate at 10.3%, followed by studio units (3.1%). One-bedroom units had the lowest vacancy rate at 2.1% while two-bedroom units are 2.3% vacant.



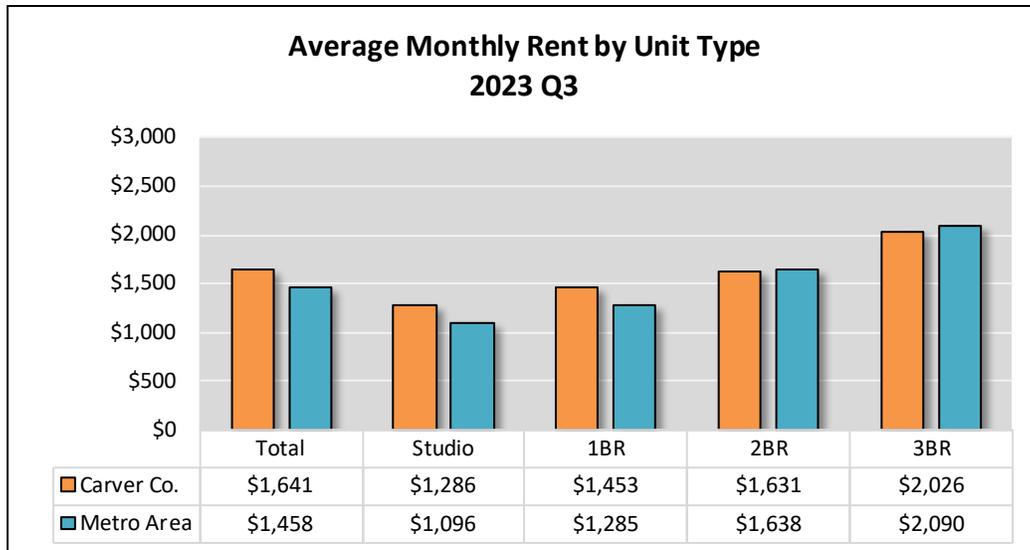
- Studio units had the highest vacancy rate in the Metro Area, at 9.0%, followed by three-bedroom units at 8.1% and one-bedroom units at 7.3%. Two-bedroom units have the tightest vacancy rate at 6.6%.
- Vacancy rates increased over the year in the Market Area, climbing 2.1% in Carver County and 0.2% in the Metro Area.

- In Carver County, three-bedroom unit vacancy rates jumped 9.0% over the year, while studio unit vacancy rates increased 0.1%. Vacancy rates among one- and two-bedroom units contracted -1.1% and -0.2% respectively over the year.
 - By comparison, studio vacancy rates contracted -2.2% over the year in the Metro Area, while one-, two-, and three-bedroom unit vacancy rates increased 0.2%, 0.6%, and 2.2%, respectively.
- The following chart illustrates vacancy trends in Carver County compared to the Twin Cities Metro Area from 2010 through the third quarter of 2023. Carver County has typically achieved lower rental housing vacancy rates than the Twin Cities Metro Area.

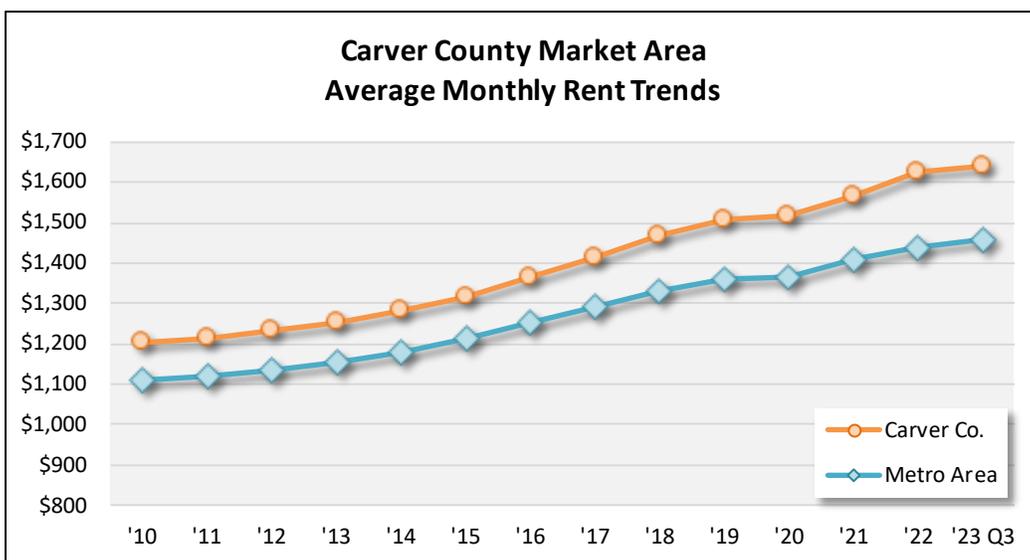


- Vacancy rates generally trended down from 2010 through 2018 in Carver County, declining from 5.5% in 2010 to 3.4% in 2018. However, vacancy rates jumped to 6.2% in 2019 due to the delivery of new product. Vacancies decreased to a low of 1.9% in 2021, before climbing back to 4.8% as of the third quarter of 2023.
- In the Metro Area, vacancy rates declined gradually from 5.7% in 2010 to a low of 4.6% in 2017. Vacancy rates climbed rapidly from 4.9% in 2018 to 7.1% in 2020. Metro Area vacancies declined to 6.1% in 2021 before increasing to 7.2% in 2022 and 7.1% in 2023.
- Generally, Carver County has maintained below-equilibrium vacancy rates, but Metro Area vacancy rates surpassed equilibrium in recent years. However, per GVA Marquette Advisors, stabilized vacancy rates in the Metro Area (4.4% in 2020, 3.6% in 2021, and 4.2% in 2022) have remained below equilibrium.

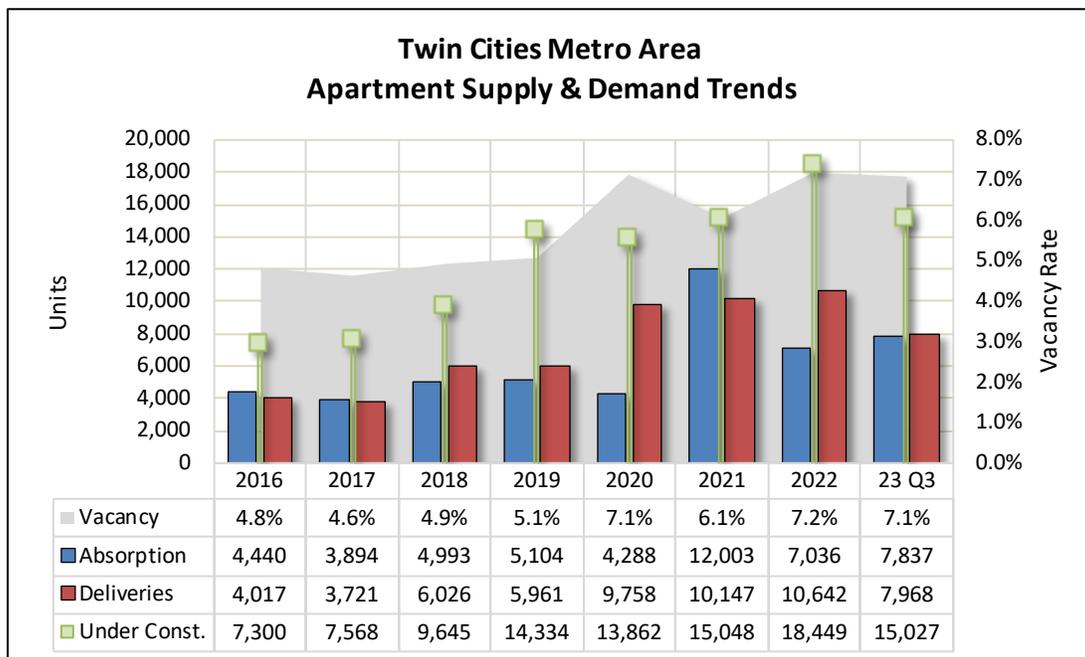
- Average monthly rents increased 1.5% over the past year to \$1,641 in Carver County, compared to a 1.2% increase to \$1,458 in the Metro Area. Average rents in Carver County are 12.6% higher than the Metro Area average, as of the third quarter of 2023.



- In Carver County, year-over-year rent growth occurred across all unit types, including a 2.1% increase among studio units to \$1,286, 1.3% growth among one-bedroom units to \$1,453, a 1.6% increase in two-bedroom units to \$1,631, and 2.0% growth among three-bedroom units to \$2,026.
- The Metro Area experienced flat rent growth among studio units (\$1,096), while one- and two-bedroom units experienced increases of 1.3% to \$1,285 and 1.2% to \$1,638, respectively. Three-bedroom unit rents increased 1.2% to \$2,090.

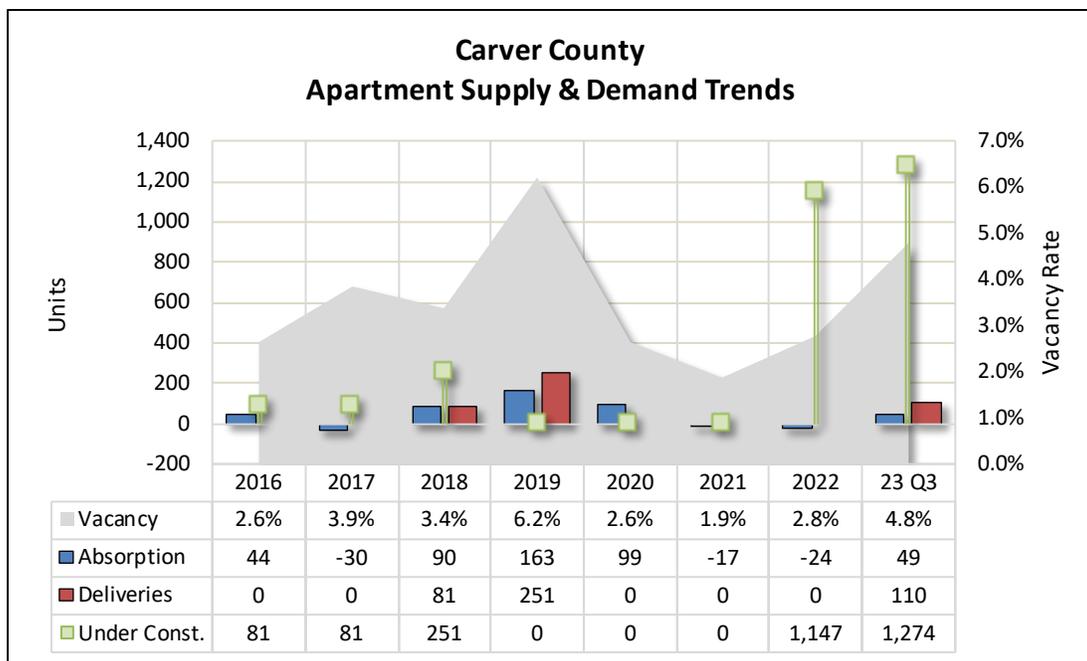


- The preceding chart illustrates how the Market Area’s apartment market achieved steady rent growth since 2010.
 - Average rents in Carver County increased 2.5% annually, on average, from 2010 through 2022, outpacing the rate of growth in the Twin Cities Metro Area (2.2% average annual growth) during that time period.
 - However, as noted previously, rent growth flattened slightly over the past year, increasing 1.5% in Carver County and 1.2% in the Metro Area.
- According to CoStar, 7,559 units were absorbed in the Metro Area over the past nine months (third quarter of 2023) against the delivery of 7,968 units during the same time period, as the vacancy rate contracted modestly from 7.2% as of year-end 2022 to 7.1%.
- Over the past several years, strong rental housing demand and rising rents generated robust development activity and numerous projects have been delivered or are under construction in the Metro Area.



- From 2016 through 2020, 22,719 units were absorbed in the Metro Area against the delivery of 29,483 units, causing the vacancy rate to climb from 4.8% to 7.1% at year-end 2020 (above equilibrium).
 - However, a record 12,003 units were absorbed in 2021 against the delivery of 10,147 units, causing vacancy rates to drop to 6.1%. The vacancy rate climbed to 7.2%, as new deliveries outpaced absorption in 2022.

- Development activity accelerated in 2021 and 2022, and there were 18,449 units under construction in the Metro Area as of year-end 2022.
- New deliveries are expected to outpace absorption over the next several quarters, which will cause vacancy to increase.
 - CoStar is currently tracking 15,027 units under construction across the Metro Area, including 1,274 units under construction in Carver County.
- Carver County absorbed 374 units between 2016 and the third quarter of 2023 against the delivery of 442 units during that time period, causing the vacancy rate to climb from 2.6% in 2016 to 4.8%.



- Generally, absorption has tracked with new deliveries in Carver County, although with 1,274 units under construction, new deliveries will likely outpace absorption in the County over the next several quarters. Vacancy rates are expected to increase as a result.
- Should the Market Area’s rental housing market soften as expected, as indicated by rising vacancy rates, CoStar is forecasting year-over-year rent growth to flatten in the short-term in Carver County as well as the Twin Cities Metro Area.
- Several new projects have opened recently in Carver County, and detailed information on these properties, as well as existing, older properties in the County, is summarized on the following pages.

General Occupancy Rental Housing Properties

Maxfield Research and Consulting, LLC compiled detailed information for general occupancy rental housing properties in Carver County. The following information is categorized into two groups; market rate housing (properties that do not have any income restrictions) and affordable or subsidized properties.

Surveyed market rate rental properties include projects with 24 or more units in the County along with a select group of smaller properties from communities that have a limited number of larger (24 units or more) rental housing properties. In total, Maxfield Research surveyed 34 market rate rental housing properties in Carver County.

The data for affordable and subsidized properties includes five properties owned by the Carver County CDA, 12 Low Income Housing Tax Credit (LIHTC) properties, three United States Department of Agriculture Rural Development (USDA) Section 515 properties that target family households, and one project-based Section 8 facility.

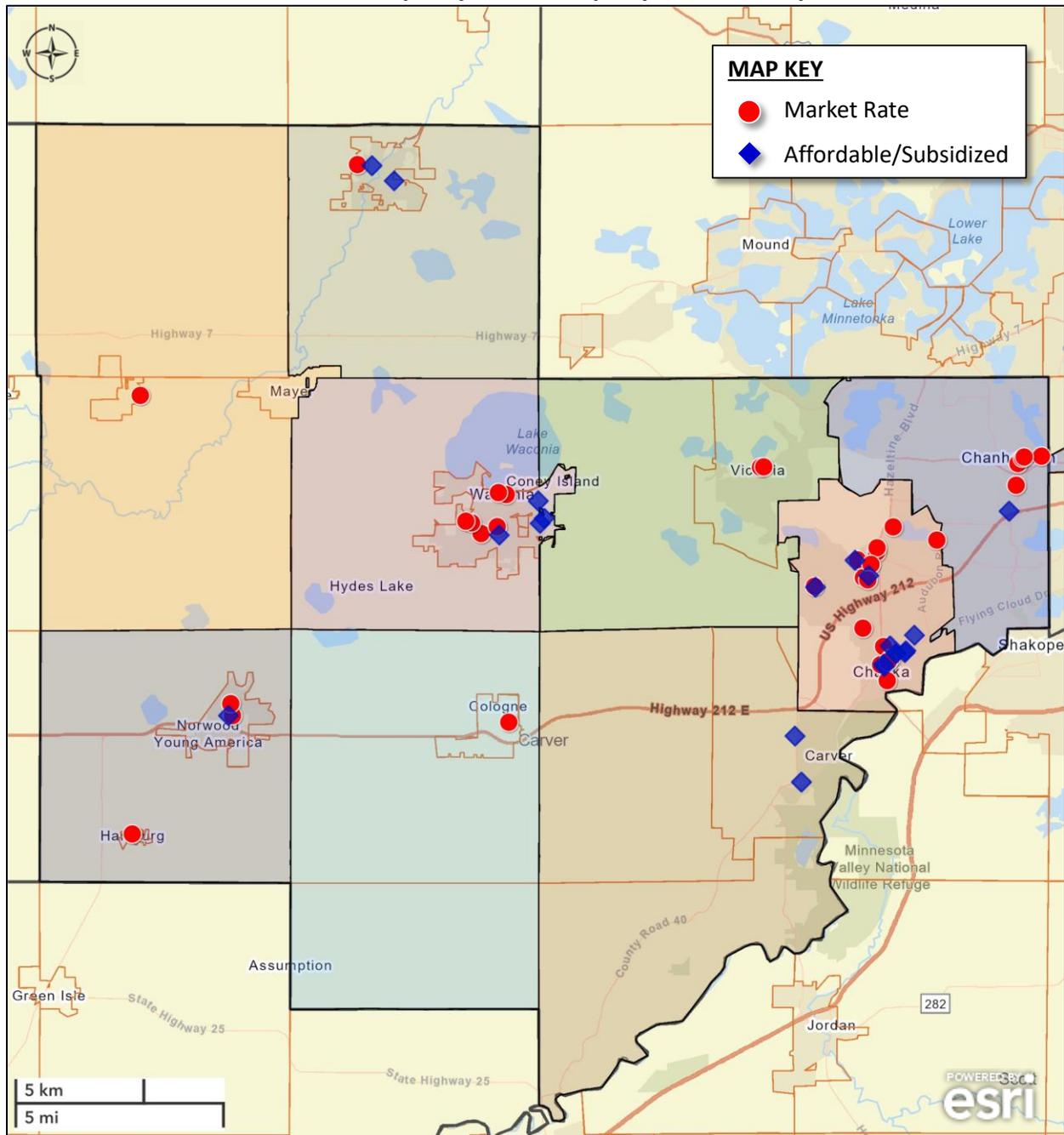
- The properties owned by the Carver County CDA are restricted to households at 80% AMI or lower, except for Trails Edge South which is a LIHTC property (60% AMI).
- All of the LIHTC properties in Carver County are income-restricted to households at 60% AMI or lower, and residents pay basic monthly rents.
- The USDA Rural Development Section 515 program offers loans for the development of multifamily rental housing targeting “very low” (50% AMI), “low” (80% AMI), and “moderate-income” (\$5,500 more than 80% AMI) households. Tenants in Rural Development Section 515 housing pay basic rent or 30% of their adjusted income, whichever is greater.
- Rents at the project-based Section 8 property are based on 30% of income.

Data was collected by contacting managers and owners for each of the properties in November and December of 2023. The rents shown represent quoted rents and have not been adjusted to reflect the inclusion or exclusion of utilities at this time.

The map on the following page illustrates the location of these general occupancy rental properties in Carver County, including market rate properties, affordable and subsidized (Carver County CDA, LIHTC, Rural Development Section 515, and project-based Section 8) facilities.

- As shown, the largest concentrations of surveyed rental properties are in Chaska, Waconia, and Chanhassen.

General Occupancy Rental Property Location Map



Market Rate Summary

The table below summarizes the unit mix, vacancies, average unit sizes, and average rental rate ranges among the surveyed market rate rental properties in Carver County, while the “Market Rate General Occupancy Rental Properties” table toward the end of this section presents detailed information for each of the properties. Rental rates represent a weighted average based on the number of units at each property, so buildings with a larger number of units of any one type contribute more toward the average than those with fewer units.

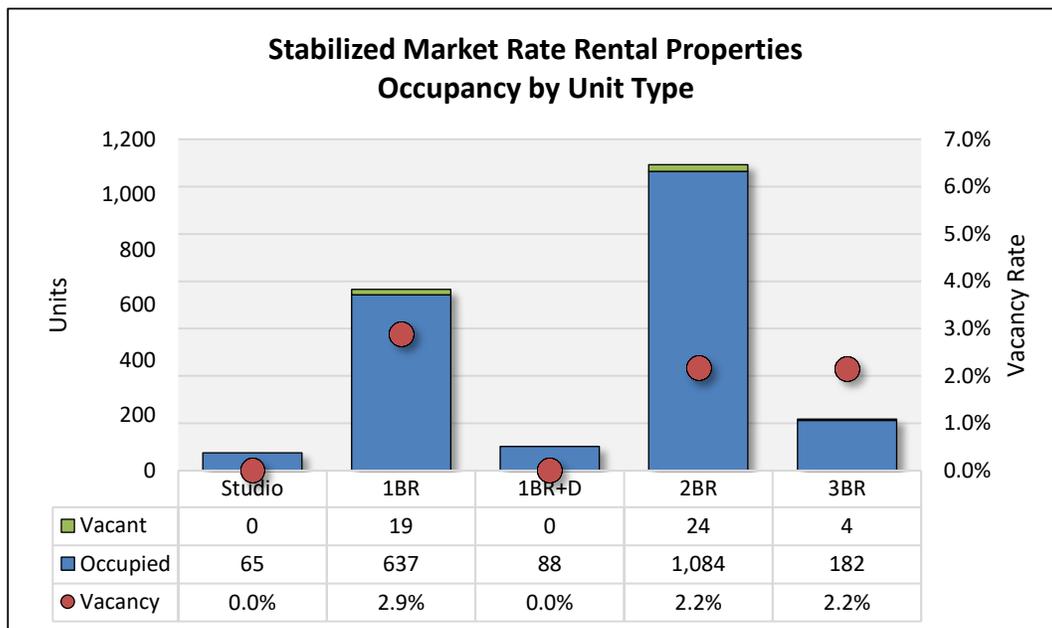
- We surveyed 34 general occupancy market rate apartment properties in Carver County, totaling 2,266 units.
 - There are 33 stabilized properties, totaling 2,103 units, and one 163-unit project (The Otto in Waconia) which opened in late 2023 and is in initial lease-up.

TABLE 47

UNIT TYPE SUMMARY								
SELECT MARKET RATE GENERAL OCCUPANCY RENTAL PROPERTIES								
December 2023								
Unit Type	Total Units	% of Total	Vacant Units*	Pct. Vacant	Avg. Size	Monthly Rents		
						Range Low - High	Avg. Rent	Avg. Rent/ Sq. Ft.
Studio	78	3%	0	0.0%	547	\$837 - \$1,539	\$1,285	\$2.39
1BR	744	33%	19	2.9%	759	\$715 - \$2,085	\$1,400	\$1.85
1BR+Den	96	4%	0	0.0%	952	\$1,175 - \$2,256	\$1,526	\$1.60
2BR	1,154	51%	24	2.2%	1,032	\$650 - \$2,772	\$1,565	\$1.50
3BR	194	9%	4	2.2%	1,294	\$1,200 - \$3,235	\$1,817	\$1.40
Total:	2,266	100%	47	2.2%	945	\$650 - \$3,235	\$1,521	\$1.61
*Vacancy among stabilized properties, excluding properties in initial lease-up								
Source: Maxfield Research & Consulting, LLC								

- Approximately 51% of the units in the market rate inventory are two-bedroom units, while 33% of the units have one bedroom and 9% have three bedrooms. Another 4% of the inventory is comprised of one-bedroom plus den units and 3% of the units are studios.
- On average, units in these general occupancy market rate projects have 945 square feet, ranging from 547 square feet, on average, for studio units to an average of 1,294 square feet for three-bedroom units.
 - One-bedroom and one-bedroom plus den units average 759 feet and 952 square feet, respectively, while two-bedroom units average 1,032 square feet.

- At the time of the survey, there were 47 vacant units in the stabilized properties, resulting in an overall market rate vacancy rate of 2.2% in Carver County.
 - Nationally, the equilibrium vacancy rate for market rate rental housing is considered to be 7.0% which allows for normal turnover and an adequate supply of alternatives for prospective renters. In effect, the supply of general occupancy market rate rental housing in the County is below the level to adequately meet demand.
- Vacancy rates are highest among one-bedroom units at 2.9% (19 vacancies), followed by two-bedroom units at 2.2% (24 vacancies). Three-bedroom units also have a 2.2% vacancy rate with four vacancies. Studio and one-bedroom plus den units are fully occupied.



- The average rental rate across all market rate general occupancy properties is \$1,521 per month with a range of \$837 for a studio unit in Waconia to a high of \$3,235 for a three-bedroom unit in Chanhassen.
- Studio unit rents average \$1,285 per month, while one-bedroom units average \$1,400 per month and one-bedroom plus den units average \$1,526 per month. Two- and three-bedroom unit rents average \$1,565 and \$1,817 per month, respectively.
- On a per square-foot basis (psf), these market rate rental properties have an average rent of \$1.61 psf.
 - Studio unit rents average \$2.39 psf, one-bedroom units average \$1.85 psf, one-bedroom plus den units average \$1.60 psf, two-bedroom units average \$1.50 psf, and three-bedroom units average \$1.40 psf.

The following figure summarizes the select general occupancy market rate rental properties by age, including information on unit mix, average sizes, average monthly rents, and average per square foot rents.

- Roughly 23% of the units surveyed were in buildings that opened between 2000 and 2010, while 23% of the units also opened in 2018 or more recently. Another 19% of the units opened in the 1980s, 19% opened in the 1970s or earlier, and 16% opened in the 1990s.
- With an average rent of \$2.08 psf (\$1,794 per month), the newest properties (built in 2018 or earlier) are priced 29% higher, on average, than the market average of \$1.61 psf.

General Occupancy Market Rate Rental Property Summary by Decade Built									
Decade Built	No. of	Avg.	Avg.	Rent/	Decade Built	No. of	Avg.	Avg.	Rent/
Unit Type	Units	Rent	Size	Sq. Ft.	Unit Type	Units	Rent	Size	Sq. Ft.
Newest (2018+)					2000s				
Studio	57	\$1,397	543	\$2.57	Studio	3	\$1,297	599	\$2.16
1BR	252	\$1,600	765	\$2.09	1BR	155	\$1,542	861	\$1.79
1BR+D	24	\$1,943	957	\$2.03	1BR+D	12	\$1,786	1,031	\$1.73
2BR	170	\$2,138	1,070	\$2.00	2BR	296	\$1,857	1,180	\$1.57
3BR	12	\$2,581	1,355	\$1.90	3BR	64	\$2,074	1,419	\$1.46
Subtotal:	515	\$1,794	864	\$2.08	Subtotal:	530	\$1,786	1,109	\$1.61
1990s					1980s				
Studio	4	\$1,150	542	\$2.12	Studio	0	--	--	--
1BR	90	\$1,413	735	\$1.92	1BR	57	\$1,273	751	\$1.69
1BR+D	0	--	--	--	1BR+D	28	\$1,377	894	\$1.54
2BR	185	\$1,469	977	\$1.50	2BR	315	\$1,290	985	\$1.31
3BR	78	\$1,704	1,252	\$1.36	3BR	40	\$1,399	1,156	\$1.21
Subtotal:	357	\$1,503	971	\$1.55	Subtotal:	440	\$1,303	964	\$1.35
1960s/70s					Market Rate Total				
Studio	14	\$861	553	\$1.56	Studio	78	\$1,285	547	\$2.39
1BR	190	\$1,050	681	\$1.54	1BR	744	\$1,400	759	\$1.85
1BR+D	32	\$1,245	970	\$1.28	1BR+D	96	\$1,526	952	\$1.60
2BR	188	\$1,143	896	\$1.28	2BR	1,154	\$1,565	1,032	\$1.50
3BR	0	--	--	--	3BR	194	\$1,817	1,294	\$1.40
Subtotal:	424	\$1,100	794	\$1.38	Subtotal:	2,266	\$1,521	947	\$1.61

- Average monthly rents among the market rate units decline with age, ranging from an average of \$1,794 per month among the newest properties to \$1,100 per month among properties building in the 1970s or earlier.
- Rents in the properties that opened in the 2000s average \$1,786 per month, while 1990s-era properties have an average rent of \$1,503 per month, and buildings that opened in the 1980s have an average monthly rent of \$1,303.

Affordable/Subsidized Property Summary

The table below summarizes the unit mix, vacancies, average unit sizes, and average rental rate ranges among the surveyed affordable and subsidized rental properties in Carver County, while the “Affordable/Subsidized General Occupancy Rental Properties” table toward the end of this section presents detailed information for each of the properties. Rental rates represent a weighted average based on the number of units at each property.

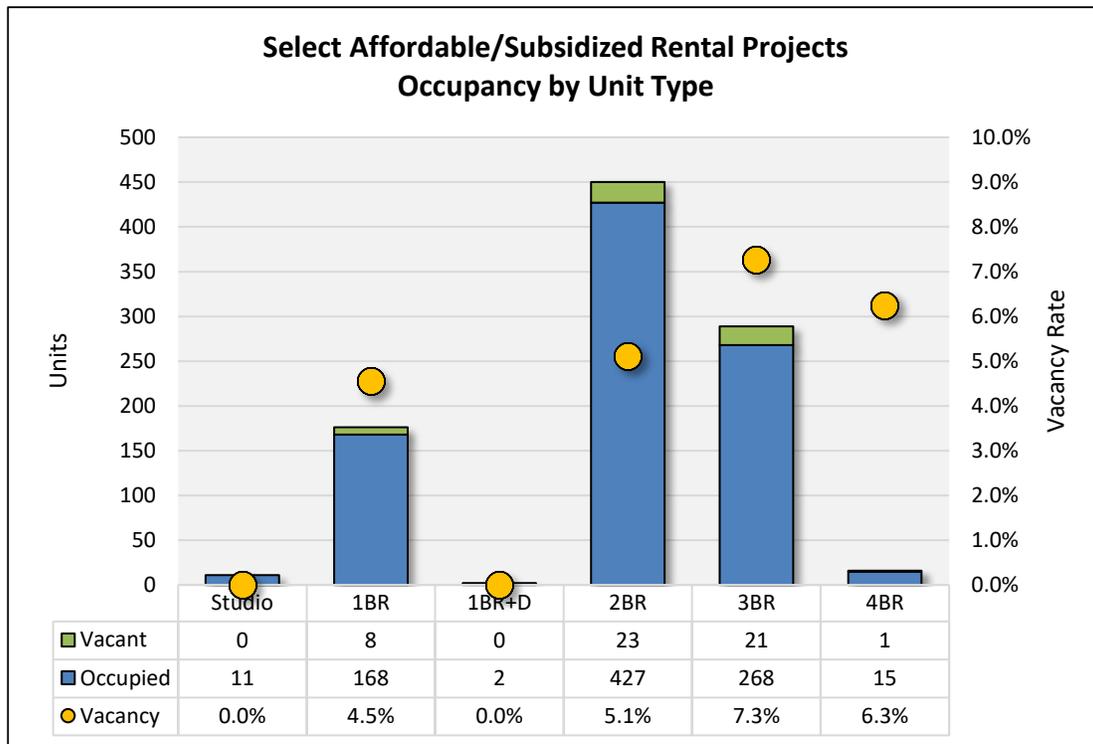
- We surveyed 21 affordable and subsidized general occupancy apartment properties in Carver County, totaling 944 units.

TABLE 48

UNIT TYPE SUMMARY								
SELECT AFFORDABLE/SUBSIDIZED GENERAL OCCUPANCY RENTAL PROPERTIES								
December 2023								
Unit Type	Total Units	% of Total	Vacant Units	% Vacant	Avg. Size	Monthly Rents*		
						Range Low - High	Avg. Rent	Avg. Rent/Sq. Ft.
Studio	11	1%	0	0.0%	694	\$870 - \$968	\$919	\$1.32
1BR	176	19%	8	4.5%	840	\$670 - \$1,354	\$1,195	\$1.42
1BR+D	2	0.2%	0	0.0%	840	\$1,195 - \$1,195	\$1,195	\$1.42
2BR	450	48%	23	5.1%	1,003	\$690 - \$1,632	\$1,297	\$1.33
3BR	289	31%	21	7.3%	1,403	\$710 - \$2,009	\$1,509	\$1.11
4BR	16	2%	1	6.3%	2,063	\$1,450 - \$1,877	\$1,653	\$0.80
Total:	944	100%	53	5.6%	1,082	\$670 - \$2,009	\$1,317	\$1.29
*average rents based on the properties with a flat monthly rental rate								
Source: Maxfield Research & Consulting, LLC								

- Approximately 48% of the units in the inventory are two-bedroom units, while 31% of the units have three bedrooms and 19% have one bedroom. Another 2% of the inventory is comprised of four-bedroom units, while 1% of the units are studios and less than 1% have one bedroom plus a den.
- On average, units in these general occupancy affordable and subsidized projects have 1,082 square feet, ranging from 694 square feet, on average, for studio units and an average of 2,063 square feet for four-bedroom units.
 - One-bedroom and one-bedroom plus den units both average 840 square feet, while two- and three-bedroom units average 1,003 square feet and 1,403 square feet, respectively.

- At the time of the survey, there were 53 vacant units, resulting in an overall vacancy rate of 5.6% among the affordable and subsidized rental properties in Carver County.
- Vacancy rates are highest among three-bedroom units at 7.3% (21 vacancies), followed by four-bedroom units at 6.3% (one vacancy). Two-bedroom units have a 5.1% vacancy rate with 23 vacancies, and one-bedroom units are 4.5% vacant (eight vacancies). Studio and one-bedroom plus den units are fully occupied.



- The five properties owned by the Carver County CDA contain a total of 293 units with a 3.4% vacancy rate (ten vacancies). The 12 LIHTC properties (624 units) have the highest vacancy rate at 6.3% (39 vacant units), while the project-based Section 8 facility and the Rural Development Section 515 properties are fully occupied.
- Many of these affordable properties are maintaining lengthy prospect lists, ranging from 35 names at Bluff Creek Apartments in Carver and Lake Grace Apartments in Chaska to 55 names at Carver Crossing in Carver and 161 names at Brickyard Apartments in Chaska.
- The weighted average rental rate across the affordable and subsidized properties is \$1,317 per month, which equates to \$1.29 psf.

- Studio units average \$919 per month (\$1.32 psf), while one- and one-bedroom plus den units both average \$1,195 per month (\$1.42 psf). Monthly rents in the two-bedroom units average \$1,297 (\$1.33 psf), while three- and four-bedroom unit monthly rents average \$1,509 (\$1.11 psf) and \$1,653 (\$0.80 per square foot), respectively.
- The following figure summarizes maximum household incomes by household size at 30%, 50%, 60%, and 80% AMI for residents at these affordable and subsidized facilities.

----- Income Limits by Household Size -----				
HH Size	30% AMI	50% AMI	60% AMI	80% AMI
1-Person	\$26,100	\$43,500	\$52,200	\$69,600
2-Person	\$29,820	\$49,700	\$59,640	\$79,520
3-Person	\$33,540	\$55,900	\$67,080	\$89,440
4-Person	\$37,260	\$62,100	\$74,520	\$99,360
5-Person	\$40,260	\$67,100	\$80,520	\$107,360
6-Person	\$43,230	\$72,050	\$86,460	\$115,280
7-Person	\$46,230	\$77,050	\$92,460	\$123,280
8-Person	\$49,200	\$82,000	\$98,400	\$131,200

- Unit types range from studios and one-bedrooms, which target one- to two-person households, to four-bedroom units which have an eight -person maximum household size. Two- and three-bedroom units have four- and six-person maximum household sizes, respectively.

TABLE 49

MARKET RATE GENERAL OCCUPANCY RENTAL PROPERTIES											
CARVER COUNTY											
December 2023											
Project Name/Location	Occp. Date	No. of Units	Total Vacant	Unit Description			Monthly Rent		Rent/sq. ft.		
				Type	No.	Vac.	Size	Min	Max	Min	Max
Carver											
-- No market rate apartment buildings surveyed in Carver --											
Chanhassen											
Venue 541 W 78th St Chanhassen, MN	2019	134	6	Studio	11	0	447 - 447	\$1,505 - \$1,539	\$3.37 - \$3.44		
			vacancy rate: 4.5%	1BR	53	0	646 - 767	\$1,655 - \$1,807	\$2.36 - \$2.56		
				1BR+D	4	0	982 - 982	\$1,695 - \$1,695	\$1.73 - \$1.73		
				2BR	62	6	920 - 1,009	\$1,770 - \$2,319	\$1.92 - \$2.30		
				3BR	4	0	1,357 - 1,357	\$3,235 - \$3,235	\$2.38 - \$2.38		
Notes: Units feature SS appliances, granite countertops, washer/dryer, patio/balcony, AC. Amenities include UG parking, skydeck and lounge, sports simulator, club room, coffee lounge, on-site Aldi grocery store.											
Lake Susan Apts 8260 Market Blvd Chanhassen, MN	2001	162	5	1BR	59	4	821 - 821	\$1,507 - \$1,556	\$1.84 - \$1.90		
			vacancy rate: 3.1%	1BR+D	12	0	1,031 - 1,031	\$1,786 - \$1,786	\$1.73 - \$1.73		
				2BR	82	1	1,125 - 1,153	\$1,848 - \$2,018	\$1.64 - \$1.75		
				3BR	9	0	1,344 - 1,344	\$2,164 - \$2,164	\$1.61 - \$1.61		
Notes: Units feature granite countertops, balcony, walk-in closets, 9' ceilings, central heat/AC, SS appliances, washer/dryer. Amenities include outdoor pool, fitness room, conference room, picnic area, trails, clubhouse, terrace with firepit, package receiving. Tenant pays all utilities.											
Heritage Park 425 Chan View Chanhassen, MN	1989	60	0	1BR	18	0	763 - 766	\$1,460 - \$1,555	\$1.91 - \$2.03		
			vacancy rate: 0.0%	1BR+D	6	0	868 - 872	\$1,565 - \$1,665	\$1.80 - \$1.91		
				2BR	36	0	954 - 1,100	\$1,755 - \$1,880	\$1.71 - \$1.84		
Notes: Amenities include community room, weekly coffee hour, car wash, UG parking, fitness center, pet-friendly, in-unit patio/balcony.											
Chanhassen Village 7721 Hwy 101 Chanhassen, MN	'71/'73	120	0	1BR	69	0	700 - 700	\$1,080 - \$1,180	\$1.54 - \$1.69		
			vacancy rate: 0.0%	2BR	51	0	945 - 954	\$1,230 - \$1,355	\$1.30 - \$1.42		
Notes: Heat, water, sewer, trash removal included in rent. Amenities include exercise room, outdoor pool, garage parking available, on-site laundry, picnic area.											
Chan View Estates 420-489 Chan View Chanhassen, MN	'66/'69	35	0	Studio	2	0	545 - 545	\$865 - \$865	\$1.59 - \$1.59		
			vacancy rate: 0.0%	1BR	11	0	690 - 690	\$937 - \$937	\$1.36 - \$1.36		
				2BR	22	0	900 - 900	\$1,274 - \$1,274	\$1.42 - \$1.42		
Notes: Property contact would not participate in survey. Information is sourced from the management company website and secondary sources. Heat, water, sewer, trash removal included in rent. Features include in-unit AC and patio/balcony, on-site laundry, bike storage, off-street parking.											
Chaska											
Lake Jonathan Flats 3000 N Chestnut St Chaska, MN	2019	117	8	Studio	26	0	516 - 559	\$1,400 - \$1,420	\$2.54 - \$2.71		
			vacancy rate: 6.8%	1BR	48	7	768 - 811	\$1,600 - \$1,750	\$2.08 - \$2.16		
				1BR+D	6	0	950 - 993	\$2,124 - \$2,178	\$2.19 - \$2.24		
				2BR	37	1	951 - 1,267	\$1,875 - \$2,528	\$1.97 - \$2.00		
Notes: Units feature granite countertops, SS appliances, patio/balcony, full-size washer/dryer. Amenities include community room, coffee bar with Wi-Fi, outdoor patio, firepit, fitness center, rooftop lounge, grilling areas, bike parking, UG parking. Tenant pays all utilities.											
----- continued -----											

TABLE continued

MARKET RATE GENERAL OCCUPANCY RENTAL PROPERTIES CARVER COUNTY December 2023											
Project Name/Location	Occp. Date	No. of Units	Total Vacant	Unit Description			Monthly Rent		Rent/sq. ft.		
				Type	No.	Vac.	Size	Min	Max	Min	Max
Highland Shores 3100 Chestnut St N Chaska, MN	2008	58	1	Studio	2	0	583 - 583	\$1,180 - \$1,190	\$2.02 - \$2.04		
				1BR	26	1	830 - 1,070	\$1,390 - \$1,570	\$1.47 - \$1.67		
				2BR	30	0	1,242 - 1,463	\$1,770 - \$1,995	\$1.36 - \$1.43		
Notes: Units feature granite countertops, walk-in closets, washer/dryer, central AC, patio/balcony. Amenities include bike racks, grills, fitness center, community room, UG parking, car wash. Garage space included in rent. Tenant pays water, sewer, trash, gas, and electric.											
Clover Field Marketplace 2915 Clover Ridge Dr Chaska, MN	2008	57	5	1BR	15	2	681 - 774	\$1,260 - \$1,320	\$1.71 - \$1.85		
				2BR	29	2	960 - 1,139	\$1,500 - \$1,560	\$1.37 - \$1.56		
				3BR	13	1	1,364 - 1,379	\$1,358 - \$1,820	\$1.00 - \$1.32		
Notes: Mixed-income with 59 units income-restricted at 60% AMI plus 57 market rate units. Unable to obtain information from property management; data sourced from property website and secondary resources.											
Chaska Place 325 Engler Blvd Chaska, MN	2004	129	1	Studio	1	0	632 - 632	\$1,520 - \$1,520	\$2.41 - \$2.41		
				1BR	23	0	644 - 802	\$1,542 - \$1,651	\$2.06 - \$2.39		
				2BR	78	0	842 - 1,305	\$1,870 - \$1,950	\$1.49 - \$2.22		
Notes: Units feature SS appliances, granite countertops, full-size washer/dryer, central AC, balcony/patio. Amenities include community room WiFi lounge, fitness center, indoor pool, hydration room, package receiving, picnic area, UG parking (one stall included in rent), car wash bay.											
Lake Hazeltine Woods 3400 Autumn Woods Dr Chaska, MN	2002	42	2	1BR	14	0	1,222 - 1,342	\$1,985 - \$2,085	\$1.55 - \$1.62		
				2BR	25	2	1,502 - 1,568	\$2,050 - \$2,195	\$1.36 - \$1.40		
				3BR	3	0	3,000 - 3,000	\$3,220 - \$3,220	\$1.07 - \$1.07		
Notes: Amenities include grilling area, pet-friendly, patio/balcony on all units, full-size washer/dryer in all units.											
Sun Lake Woods 1045 Yellow Brick Rd Chaska, MN	2001	82	6	1BR	18	0	816 - 839	\$1,395 - \$1,445	\$1.71 - \$1.72		
				2BR	52	5	1,128 - 1,282	\$1,595 - \$1,795	\$1.40 - \$1.41		
				3BR	12	1	1,392 - 1,392	\$1,845 - \$1,945	\$1.33 - \$1.40		
Notes: Units feature washer/dryer, walk-in closets, central AC, screened patio/balcony. Amenities include UG parking, car wash bay, indoor pool, exercise room, billiards room, library, business center.											
Brickstone Estates 800 Walnut Pl Chaska, MN	1999	53	0	Studio	4	0	542 - 542	\$1,150 - \$1,150	\$2.12 - \$2.12		
				1BR	19	0	783 - 850	\$1,350 - \$1,350	\$1.59 - \$1.72		
				2BR	26	0	1,061 - 1,239	\$1,550 - \$1,550	\$1.25 - \$1.46		
Notes: Units feature dishwasher, washer/dryer, AC. Some units have SS appliances, quartz countertops, patio/balcony, walk-in closets. Amenities include lounge, clubroom, fitness center, grill, package receiving, UG parking available.											
Hazeltine Shores 3456 Lake Shore Dr Chaska, MN	1990	166	0	1BR	48	0	737 - 737	\$1,650 - \$1,650	\$2.24 - \$2.24		
				2BR	83	0	1,015 - 1,030	\$1,850 - \$1,850	\$1.80 - \$1.82		
				3BR	35	0	1,380 - 1,380	\$2,100 - \$2,100	\$1.52 - \$1.52		
Notes: Townhome units featuring washer/dryer, central AC, attached garage, patio. Amenities include outdoor pool and playground.											
----- continued -----											

TABLE continued

MARKET RATE GENERAL OCCUPANCY RENTAL PROPERTIES CARVER COUNTY December 2023											
Project Name/Location	Occp. Date	No. of Units	Total Vacant	Unit Description			Monthly Rent		Rent/sq. ft.		
				Type	No.	Vac.	Size	Min	Max	Min	Max
Townsquare Apts 220 Walnut St Chaska, MN	1989	30	0	2BR	24	0	970 - 1,100				
				3BR	6	0	1,372 - 1,372				
Notes: Tenant pays utilities. Manager requested that rent information remain confidential. Amenities include wall-unit AC, off-street parking, on-site laundry, game room.											
Sun Lake Apts 902 Yellow Brick Rd Chaska, MN	1988	64	1	1BR	10	0	800 - 800	\$1,280 - \$1,295	\$1.60 - \$1.62		
				1BR+D	22	0	900 - 900	\$1,305 - \$1,320	\$1.45 - \$1.47		
				2BR	32	1	1,025 - 1,025	\$1,375 - \$1,390	\$1.34 - \$1.36		
Notes: Amenities include balcony on some units, detached garage parking available, playground, in-unit washer/dryer, outdoor grilling area.											
Waters Edge 218 Waters Edge Dr Chaska, MN	1986	120	0	1BR	6	0	800 - 800	\$1,075 - \$1,075	\$1.34 - \$1.34		
				2BR	102	0	966 - 988	\$1,200 - \$1,238	\$1.24 - \$1.25		
				3BR	12	0	1,134 - 1,134	\$1,500 - \$1,500	\$1.32 - \$1.32		
Notes: Water, sewer, trash removal included in rent. Townhome units featuring AC, garage parking (included in rent), dishwasher. Amenities include on-site laundry, playground.											
Woodcrest 2479 Woodcrest Dr Chaska, MN	1986	84	0	1BR	8	0	800 - 850	\$1,115 - \$1,175	\$1.38 - \$1.39		
				2BR	64	0	1,000 - 1,000	\$1,240 - \$1,290	\$1.24 - \$1.29		
				3BR	12	0	1,146 - 1,146	\$1,425 - \$1,425	\$1.24 - \$1.24		
Notes: Features include on-site laundry, in-unit washer/dryer hookups, updated kitchens and dishwashers in some units, wall AC, playground, garage and off-street parking. Tenant pays water, sewer, trash, electric, heat. Garage space included in rent.											
Barbary Knoll 1595 Millpond Ct Chaska, MN	1975	60	1	1BR	4	0	717 - 717	\$1,120 - \$1,145	\$1.56 - \$1.60		
				1BR+D	32	0	970 - 970	\$1,175 - \$1,315	\$1.21 - \$1.36		
				2BR	24	1	972 - 972	\$1,240 - \$1,315	\$1.28 - \$1.35		
Notes: Units feature walk-in closets, AC, dishwasher, patio/balcony, and single-stall garage (included in rent). Amenities include on-site laundry, playground. Heat included in rent. Tenant pays water, sewer, trash, and electric.											
Cedar Creek 135 Crosstown Blvd Chaska, MN	'72/'80	49	1	Studio	1	0	550 - 550	\$848 - \$848	\$1.54 - \$1.54		
				1BR	33	0	731 - 731	\$1,139 - \$1,139	\$1.56 - \$1.56		
				2BR	15	1	967 - 967	\$1,210 - \$1,230	\$1.25 - \$1.27		
Notes: Heat, water, sewer, trash removal included in rent. Features include in-unit dishwashers and AC, fitness room, on-site laundry. Garage parking available for additional charge.											
Aspen Oaks 111201 Village Rd Chaska, MN	1970	44	0	Studio	4	0	475 - 475	\$880 - \$930	\$1.85 - \$1.96		
				1BR	30	0	485 - 673	\$940 - \$1,070	\$1.59 - \$1.94		
				2BR	10	0	794 - 823	\$1,105 - \$1,130	\$1.37 - \$1.39		
Notes: Units feature vaulted ceilings, gas ranges, wall AC, patio/balcony. Amenities include on-site laundry, bike racks, off-street parking. Tenant pays water, sewer, trash, and electric. Heat included in rent.											
Cologne											
Lakeside Villa Apts. 315 Paul Ave N Cologne, MN	1982	13	1	1BR	12	1	625 - 625	\$1,197 - \$1,197	\$1.92 - \$1.92		
				2BR	1	0	800 - 800	\$1,400 - \$1,400	\$1.75 - \$1.75		
Notes: Former project-based Section 8 facility; owner opted out October 2020. Amenities include wall-unit AC, on-site laundry, off-street parking lot, community room. Tenant pays electric.											
----- continued -----											

TABLE continued

MARKET RATE GENERAL OCCUPANCY RENTAL PROPERTIES CARVER COUNTY December 2023											
Project Name/Location	Occp. Date	No. of Units	Total Vacant	Unit Description			Monthly Rent		Rent/sq. ft.		
				Type	No.	Vac.	Size	Min	Max	Min	Max
Hamburg - Norwood Young America											
Country Cove 100-104 Polar Ridge Dr Norwood Young Am.	1994	48	2	1BR	2	0	624 - 721	\$860 - \$860	\$1.19 - \$1.38		
			vacancy rate: 4.2%	2BR	34	1	861 - 912	\$995 - \$995	\$1.09 - \$1.16		
				3BR	12	1	1,218 - 1,218	\$1,200 - \$1,200	\$0.99 - \$0.99		
Notes: Property contact would not respond to survey request - information obtained from secondary sources. Former LIHTC property. Units feature breakfast bar, master suite walk-in closet, AC, patio or palcony. Amenities include playground, off-street parking, garage parking available. Heat, water,											
Young America Apts 326-404 S Central Norwood Young Am.	1974	32	1	1BR	4	0	700 - 750	\$875 - \$900	\$1.20 - \$1.25		
			vacancy rate: 3.1%	2BR	28	1	800 - 900	\$950 - \$950	\$1.06 - \$1.19		
Notes: Four 8-unit buildings. Amenities include in-unit AC, off-street parking. Tenant pays electric. Heat, water, sewer, trash removal included in rent.											
Huron Rentals 440 Brad-613 Park Hamburg, MN	'69-'72	24	0	1BR	4	0	700 - 700				
			vacancy rate: 0.0%	2BR	20	0	750 - 900				
Notes: Three buildings (12 units at 450 Brad St, 8 units at 440 Brad St, 4 units at 613 Park Ave). Unit sizes estimated. Former Rural Development Section 515 buildings. Properties offer off-street parking. Tenant pays utilities. Manager requested that rent information remain confidential.											
Mayer - New Germany											
Deutschland Apts 600 Broadway E New Germany, MN	1983	8	0	1BR	1	0	600 - 600	\$765 - \$765	\$1.28 - \$1.28		
			vacancy rate: 0.0%	2BR	7	0	750 - 750	\$800 - \$800	\$1.07 - \$1.07		
Notes: Former Rural Development Section 515 building. Water, sewer, trash removal included in rent. Amenities include wall-unit AC, off-street parking, on-site laundry.											
Victoria											
Victoria Flats 1699 Stieger Lake Ln Victoria, MN	2018	81	2	Studio	7	0	577 - 577	\$1,399 - \$1,495	\$2.42 - \$2.59		
			vacancy rate: 2.5%	1BR	51	2	714 - 777	\$1,650 - \$1,790	\$2.30 - \$2.31		
				1BR+D	6	0	968 - 980	\$2,136 - \$2,256	\$2.21 - \$2.30		
				2BR	17	0	1,099 - 1,216	\$2,296 - \$2,772	\$2.09 - \$2.28		
Notes: Units feature granite countertops, SS appliances, washer/dryer, balcony. Amenities include fitness center, grilling stations, rooftop deck, package system, pet-friendly, garage parking.											
Park Vista 1570 Commercial Ave Victoria, MN	'79/'91	36	0	1BR	2	0	717 - 840	\$900 - \$900	\$1.07 - \$1.26		
			vacancy rate: 0.0%	2BR	30	0	840 - 1,020	\$1,050 - \$1,100	\$1.08 - \$1.25		
				3BR	4	0	960 - 1,065	\$1,200 - \$1,200	\$1.13 - \$1.25		
Notes: Units feature private entrances, washer/dryer. Garage parking available for \$75/month. Water, sewer, trash removal included in rent.											
Waconia											
The Otto 601 Industrial Blvd W Waconia, MN	2023	163	117	Studio	13	1	556 - 675	\$1,195 - \$1,285	\$1.90 - \$2.15		
			vacancy rate: 71.8%	1BR	88	66	722 - 814	\$1,285 - \$1,565	\$1.78 - \$1.92		
				1BR+D	8	5	903 - 936	\$1,681 - \$1,761	\$1.86 - \$1.88		
				2BR	46	42	1,043 - 1,191	\$1,833 - \$2,350	\$1.76 - \$1.97		
				3BR	8	3	1,354 - 1,354	\$2,208 - \$2,300	\$1.63 - \$1.70		
Notes: Open December 2023; in initial lease-up. Units feature SS appliances, quartz countertops, balcony, walk-in closets, AC, washer/dryer. Amenities include theater, fitness center, yoga room, UG parking, community room, bike storage, package room, rooftop deck, co-working lounges.											
----- continued -----											

TABLE continued

MARKET RATE GENERAL OCCUPANCY RENTAL PROPERTIES CARVER COUNTY December 2023											
Project Name/Location	Occp. Date	No. of Units	Total Vacant	Unit Description			Monthly Rent		Rent/sq. ft.		
				Type	No.	Vac.	Size	Min	Max	Min	Max
City Homes 27-29 10th St W Waconia, MN	2019	20	1	1BR	12	1	995 - 995	\$1,495	\$1,495	\$1.50	\$1.50
				2BR	8	0	1,260 - 1,260	\$1,995	\$1,995	\$1.58	\$1.58
Notes: Rental townhouse units. One-bedroom units have single-stall attached garage, two-bedrooms have attached two-stall garage.											
Prairie Village 800 Meadow Lake Pl Waconia, MN	1993	60	1	1BR	18	1	657 - 670	\$990	\$990	\$1.48	\$1.51
				2BR	24	0	770 - 947	\$1,050	\$1,050	\$1.11	\$1.36
				3BR	18	0	984 - 1,060	\$1,370	\$1,370	\$1.29	\$1.39
Notes: Property contact would not respond to survey request - information obtained from secondary sources. Units feature breakfast bar, master suite walk-in closet, AC, patio or balcony. Amenities include playground, off-street parking, garage parking available (\$75/month). Heat, water, sewer, trash removal included in rent.											
Timberlea Terrace 930 Farm Line Rd Waconia, MN	1993	30	1	1BR	3	0	670 - 670	\$930	\$930	\$1.39	\$1.39
				2BR	18	1	850 - 850	\$1,050	\$1,050	\$1.24	\$1.24
				3BR	9	0	1,060 - 1,060	\$1,370	\$1,370	\$1.29	\$1.29
Notes: Property contact would not respond to survey request - information obtained from secondary sources. Units feature breakfast bar, master suite walk-in closet, AC, patio or balcony. Amenities include playground, off-street parking, garage parking available (\$50/month). Heat, water, sewer, trash removal included in rent.											
Park Apts. 140 E Main St Waconia, MN	1971	36	0	1BR	18	0	645 - 645	\$895	\$925	\$1.39	\$1.43
				2BR	18	0	780 - 780	\$1,025	\$1,055	\$1.31	\$1.35
Notes: Amenities include in-unit AC, on-site laundry, garage parking available, pet-friendly. Water, sewer, heat, trash removal included in rent. Unable to make contact; information from company website and secondary resources.											
Galway on the Lake 33 Lake St W Waconia, MN	1960	24	0	Studio	7	0	600 - 600	\$837	\$837	\$1.40	\$1.40
				1BR	17	0	700 - 700	\$937	\$937	\$1.34	\$1.34
Notes: Amenities include on-site laundry, off-street parking. Heat included in rent. Currently being updated with new siding.											
Watertown											
Turnbridge Wells 517-527 Stevens St SW Watertown, MN	1983	25	1	2BR	19	1	900 - 1,000	\$1,200	\$1,200	\$1.20	\$1.33
				3BR	6	0	1,100 - 1,100	\$1,300	\$1,300	\$1.18	\$1.18
Notes: Rental townhomes. Tenant pays gas and electric. Water, sewer, trash removal included in rent. Unit sizes estimated. Amenities include private entrance, wall AC, off-street parking.											
Stabilized Properties Subtotal:		2,103	47 vacant								
			vacancy rate: 2.2%								
Properties in Initial Lease-up:		163	117 vacant								
Total:		2,266	164 vacant								
Sources: Maxfield Research & Consulting, LLC											

The following are photographs of select market rate rental properties in Carver County.



Venue – Chanhassen



Lake Susan Apartments – Chanhassen



Lake Jonathon Flats – Chaska



Brickstone Estates – Chaska



Lakeside Villa – Cologne



Huron Rentals – Hamburg

The following are photographs of select market rate rental properties in Carver County.



Young America Apartments – Norwood
Young America



Country Cove – Norwood
Young America



Deutchland Apartments – New Germany



Victoria Flats – Victoria



The Otto – Waconia



Turnbridge Wells – Watertown

TABLE 50

AFFORDABLE/SUBSIDIZED GENERAL OCCUPANCY RENTAL PROPERTIES											
CARVER COUNTY											
December 2023											
Project Name/Location	Occp. Date	No. of Units	Total Vacant	Unit Description			Monthly Rent		Rent/sq. ft.		
				Type	No.	Vac.	Size	Min	Max	Min	Max
Carver County CDA Properties											
Bluff Creek Apts 1800 Main Carver, MN	1992	18	3	1BR	1	0	875 - 875	\$991 - \$991	\$1.13 - \$1.13		
				2BR	17	3	1,025 - 1,025	\$1,061 - \$1,061	\$1.04 - \$1.04		
<p>Notes: Owned by Carver County CDA. Income-restricted to households at 80% AMI or lower. Includes 4 RAD units restricted at 50% AMI and 5 project-based Section 8 units (2 regular PBV, 1 homeless PBV, 2 mainstream PBV). Currently 35 names on waitlist for Bluff Creek and Lake Grace.</p>											
Lake Grace Apts 1108 Village Rd Chaska, MN	1972	91	2	1BR	36	1	640 - 640	\$941 - \$981	\$1.47 - \$1.53		
				2BR	36	1	840 - 840	\$1,114 - \$1,114	\$1.33 - \$1.33		
				3BR	19	0	1,190 - 1,190	\$1,435 - \$1,435	\$1.21 - \$1.21		
<p>Notes: Owned by Carver County CDA. Income-restricted to households at 80% AMI or lower. Includes 10 PBV units serving 50% AMI HHs and 5 Section 811 PRA units serving 30% AMI HHs. Rent includes heat. Currently 35 names on waitlist at Lake Grace and Bluff Creek.</p>											
Brickyard Apts. 710-709 Walnut St Chaska, MN	2001	32	0	Studio	11	0	694 - 694	\$870 - \$968	\$1.25 - \$1.39		
				1BR	19	0	635 - 694	\$1,039 - \$1,043	\$1.50 - \$1.64		
				1BR+D	2	0	840 - 840	\$1,195 - \$1,195	\$1.42 - \$1.42		
<p>Notes: Owned by Carver County CDA. Income-restricted to households at 80% AMI or lower. Includes 8 PBV units at 50% AMI. Currently, 161 names on interest list.</p>											
Windstone Townhomes 110550 Windmill Ct Chaska, MN	1971	92	0	1BR	10	0	941 - 941	\$967 - \$967	\$1.03 - \$1.03		
				2BR	60	0	1,241 - 1,241	\$1,136 - \$1,136	\$0.92 - \$0.92		
				3BR	22	0	1,492 - 1,492	\$1,351 - \$1,402	\$0.91 - \$0.94		
<p>Notes: Owned by Carver County CDA. Includes 4 PBV and 9 other units serving HHs at 50% AMI. Income-restricted to households earning 80% AMI or lower.</p>											
Trails Edge South 885 Airport Rd Waconia, MN	2022	60	5	1BR	15	1	648 - 794	\$978 - \$978	\$1.23 - \$1.51		
				2BR	30	3	885 - 1,047	\$1,150 - \$1,271	\$1.21 - \$1.30		
				3BR	15	1	1,151 - 1,186	\$1,325 - \$1,464	\$1.15 - \$1.23		
<p>Notes: Carver County CDA LIHTC property income-restricted at 60% AMI. Includes 8 PBV units at 50% AMI along with 4 HPH and 4 PWD units at 30% AMI. Units feature dishwasher, AC, washer/dryer, patio/balcony. Amenities include playground, fitness center, bike racks, UG parking.</p>											
Low Income Housing Tax Credit (LIHTC) Properties											
Carver Crossing 1593 Hartwell Dr Carver, MN	2016	68	1	1BR	14	0	796 - 807	\$1,000 - \$1,346	\$1.26 - \$1.67		
				2BR	36	1	1,013 - 1,315	\$1,200 - \$1,610	\$1.18 - \$1.22		
				3BR	18	0	1,294 - 1,352	\$1,380 - \$1,857	\$1.07 - \$1.37		
<p>Notes: Income-restricted to residents at 60% AMI or lower. Water, sewer, trash, heat included in rent. Units feature AC, dishwasher, kitchen island, patio/deck, washer/dryer. Amenities include picnic area, fitness center, community room, elevator, playground, UG parking. Currently maintaining a prospect list with 55 names on the list.</p>											
Gateway Place 721 Lake Susan Dr Chanhassen, MN	2008	48	2	1BR	4	1	896 - 896	\$1,137 - \$1,137	\$1.27 - \$1.27		
				2BR	27	1	1,041 - 1,041	\$1,529 - \$1,529	\$1.47 - \$1.47		
				3BR	17	0	1,386 - 1,386	\$1,763 - \$1,763	\$1.27 - \$1.27		
<p>Notes: Income-restricted at 60% AMI or lower. Heat, UG and surface parking, storage space included in rent. Units feature dishwasher, washer/dryer, AC, breakfast bar, walk-in closets, patio/deck. Amenities include playground, on-site laundry, fitness center.</p>											
----- continued -----											

TABLE continued

AFFORDABLE/SUBSIDIZED GENERAL OCCUPANCY RENTAL PROPERTIES											
CARVER COUNTY											
December 2023											
Project Name/Location	Occp. Date	No. of Units	Total Vacant	Unit Description				Monthly Rent		Rent/sq. ft.	
				Type	No.	Vac.	Size	Min	Max	Min	Max
East Creek Carriage 744 Ravoux Rd Chaska, MN	1998	39	1	2BR	15	0	1,171 - 1,171	\$1,184	\$1,448	\$1.01	\$1.24
				3BR	24	1	1,344 - 1,344	\$1,364	\$1,669	\$1.01	\$1.24
<p>Notes: Income-restricted with 23 units at 60% AMI, 16 units at 50% AMI, and 5 MHOP units (rents based on 30% AGI). Water, sewer, trash removal included in rent. Units feature dishwasher, washer/dryer, central heat/AC, patio/deck. Amenities include attached garage and playground.</p>											
Brickstone Townhomes 850 Walnut Pl Chaska, MN	1999	30	1	3BR	28	1	1,320 - 2,046	\$1,683	\$1,683	\$0.82	\$1.28
				4BR	2	0	2,046 - 2,046	\$1,877	\$1,877	\$0.92	\$0.92
<p>Notes: Income-restricted at 60% AMI or lower with 4 MHOP units at 30% AMI. Rent includes heat. Units feature central heat and AC, patio, washer/dryer. Amenities include playground, attached garage, picnic area.</p>											
Carver Ridge Townhomes 340 Crosstown Blvd Chaska, MN	1999	82	3	1BR	5	0	650 - 650	\$1,100	\$1,100	\$1.69	\$1.69
				2BR	76	3	750 - 853	\$1,350	\$1,350	\$1.58	\$1.80
				3BR	1	0	1,000 - 1,000	\$1,727	\$1,727	\$1.73	\$1.73
<p>Notes: Mixed-income with 82 units income-restricted at 60% AMI or lower plus 10 market rate units (one 2BR at \$1,539 and nine 3BR at \$1,850). Units feature dishwasher and AC. Amenities include on-site laundry, covered parking, playground, fitness center, package receiving, clubhouse, business center, pet-friendly.</p>											
Crosstown Commons 1200 Crosstown Blvd Chaska, MN	1980	34	3	1BR	22	3	650 - 650	\$1,254	\$1,354	\$1.93	\$2.08
				2BR	12	0	750 - 750	\$1,520	\$1,620	\$2.03	\$2.16
<p>Notes: Income-restricted at 60% AMI. Rent includes heat, water, trash removal. Units feature updated white cabinetry, granite countertops, SS appliances, AC, and some with walk-in closets. Amenities include outdoor patio with grilling area, on-site laundry, off-street parking.</p>											
Clover Field Marketplace 2915 Clover Ridge Dr Chaska, MN	2008	59	4	1BR	16	2	681 - 774	\$1,260	\$1,320	\$1.71	\$1.85
				2BR	29	2	960 - 1,139	\$1,500	\$1,560	\$1.37	\$1.56
				3BR	14	0	1,364 - 1,379	\$1,358	\$1,820	\$1.00	\$1.32
<p>Notes: Mixed-income with 59 units income-restricted at 60% AMI plus 57 market rate units. Project-based rent assistance for 21 households. Unable to obtain information from property management; data sourced from property website and secondary resources.</p>											
Creek's Run I 421 Yellow Brick Cir Chaska, MN	2014	40	6	2BR	7	1	1,730 - 1,730	\$1,400	\$1,400	\$0.81	\$0.81
				3BR	25	4	1,850 - 1,850	\$1,600	\$1,600	\$0.86	\$0.86
				4BR	8	1	2,065 - 2,065	\$1,750	\$1,750	\$0.85	\$0.85
<p>Notes: Income-restricted at 60% AMI with 4 LTH units at 30% AMI. Amenities include attached garage, fitness center, playground, clubhouse. Units feature washer/dryer, AC, patio.</p>											
Creek's Run II 421 Yellow Brick Cir Chaska, MN	2017	38	1	2BR	4	0	1,730 - 1,730	\$1,150	\$1,150	\$0.66	\$0.66
				3BR	28	1	1,850 - 1,850	\$1,319	\$1,319	\$0.71	\$0.71
				4BR	6	0	2,065 - 2,065	\$1,450	\$1,450	\$0.70	\$0.70
<p>Notes: Income-restricted at 60% AMI with 4 LTH units at 30% AMI. Amenities include attached garage, fitness center, playground, clubhouse. Units feature washer/dryer, AC, patio.</p>											
----- continued -----											

TABLE continued

AFFORDABLE/SUBSIDIZED GENERAL OCCUPANCY RENTAL PROPERTIES													
CARVER COUNTY													
December 2023													
Project Name/Location	Occp. Date	No. of Units	Total Vacant	Unit Description				Monthly Rent		Rent/sq. ft.			
				Type	No.	Vac.	Size	Min	Max	Min	Max		
InterLaken Place 925 Airport Rd Waconia, MN	2008	48	11	2BR	26	2	815 - 815	\$1,175 - \$1,175	\$1.44 - \$1.44				
				3BR	22	9	950 - 950					\$1,550 - \$1,550	\$1.63 - \$1.63
<p>Notes: Income-restricted at 60% AMI. Rent includes heat. Units feature dishwasher, AC, and washer/dryer. Amenities include off-street parking, playground, UG parking, fitness center.</p>													
Vista Ridge 861 Vista Blvd Waconia, MN	2020	51	10	1BR	12	0	674 - 674	\$1,045 - \$1,045	\$1.55 - \$1.55				
				2BR	24	6	916 - 916					\$1,290 - \$1,290	\$1.41 - \$1.41
				3BR	15	4	1,184 - 1,360					\$1,550 - \$1,550	\$1.14 - \$1.31
<p>Notes: Income-restricted to households at 60% AMI or lower. Units feature dishwasher, AC, washer/dryer. Amenities include fitness center, playground, UG parking.</p>													
Waters Edge Townhomes 828 County Rd 24 Watertown, MN	2000	30	0	2BR	9	0	1,040 - 1,088	\$1,176 - \$1,176	\$1.08 - \$1.13				
				3BR	21	0	1,206 - 1,206					\$1,208 - \$1,208	\$1.00 - \$1.00
<p>Notes: Income-restricted to households at 60% AMI or lower with 8 MHOP units with rents based on 30% AGI. Currently, one person on waitlist for units.</p>													
Rural Development Section 515 Properties													
Fox Run Apts. 28 W 13th St Waconia, MN	1986	24	0	1BR	12	0	650 - 650	\$670 - \$875	\$1.03 - \$1.35				
				2BR	8	0	1,143 - 1,143					\$690 - \$895	\$0.60 - \$0.78
				3BR	4	0	1,200 - 1,200					\$710 - \$915	\$0.59 - \$0.76
<p>Notes: Heat, water, sewer, trash removal included in rent. Amenities include off-street parking with plug-ins, on-site laundry, storage units, playground.</p>													
Hillside 101 Angel Ave SW Watertown, MN	1987	8	0	1BR	8	0	510 - 510	\$805 - \$805	\$1.58 - \$1.58				
				<p>Notes: Complex has 8 family designated units (Hillside bldg) and 22 units designated for residents age 62+ (Riverside bldg). Heat, water, trash removal included in rent. Amenities include community room, pet-friendly, and on-site laundry. Quoted rent (\$805) effective 1/1/24. Extensive waitlist (applicants waiting over a year).</p>									
Poplar Ridge 10 Poplar Ridge Dr Young America, MN	1989	24	0	1BR	2	0	584 - 610	NA	NA				
				2BR	14	0	778 - 778						
				3BR	8	0	1,026 - 1,026						
<p>Notes: Amenities include on-site laundry, washer-dryer hookups, patio/balcony (some units), community terrace, playground, detached garage parking (additional fee). Vacancy from property website; unable to obtain base rent data from property manager. Most residents at Section 515 facilities pay 30% AGI for rent.</p>													
Project-Based Section 8 Properties													
Chaska Village THs 1111 Crosstown Blvd Chaska, MN	1980	28	0	2BR	20	0	960 - 1,110	\$1,632 - \$1,632	\$1.47 - \$1.70				
				3BR	8	0	1,160 - 1,160					\$2,009 - \$2,009	\$1.73 - \$1.73
<p>Notes: Rents based on 30% of income. Amenities include business center, community garden, picnic area, playground.</p>													
Total:		944	53	Vacant									
		5.6%		Vacancy Rate									
Source: Maxfield Research & Consulting, LLC													

The following are pictures of select affordable/subsidized rental properties in Carver County.



Carver Crossing – Carver



Bluff Creek Apartments – Carver



Gateway Place – Chanhassen



Brickyard Apartments – Chaska



Crosstown Commons – Chaska



Chaska Village Townhomes - Chaska

The following are pictures of select affordable/subsidized rental properties in Carver County.



Trails Edge South – Waconia



InterLaken Place – Waconia



Fox Run Apartments – Waconia



Waters Edge Townhomes – Watertown



Hillside – Watertown



Poplar Ridge – Norwood Young America

Pending Rental Housing Developments

Maxfield Research compiled information provided by municipal staff from the communities located in Carver County to identify any general occupancy rental housing developments that are proposed, planned, or under construction that may impact future demand for rental housing in the County.

The table on the following page summarizes pending general occupancy apartment developments in the County with their locations, number of units and name of developer, if known.

- We identified 14 pending rental housing developments in the County, containing a total of 2,221 new rental units under construction, approved, or proposed.
 - Ten of the pending developments are market rate (1,448 units) and there are two affordable projects, totaling 76 units. There are also two preliminary projects, totaling 697 units, where the mix of market rate or affordable units is not known at this time.
- Six projects, totaling 695 units are under construction and two other projects, totaling 320 units, have been approved.
 - Approximately 1,206 units in six projects have been proposed and are in various stages of a planning approval process.
- Five of the pending developments, totaling 702 units are in the City of Chaska (32% of all units in the development pipeline), while another 31% of the units (697) are in the City of Chanhassen. There are 343 pending units in the City of Victoria (15%) and 323 units (15%) pending in the City of Waconia. There is also a 60-unit affordable project proposed in Carver (4%) and a 96-unit market rate project (4%) proposed in Watertown.
- Units that are under construction or approved and expected to move forward in the near-term are included in the demand calculations presented later in this study.
 - In total, we include 999 market rate units from seven developments in our demand calculations (Hazeltine Plaza, Oak Ridge Commons, Clover Ridge Apartments, Rowe, The Uptown, The Gallery, and Downtown West Phase I).
 - We also incorporate the 16-unit West Creek Apartments into our projections for subsidized rental housing.
- Due to the preliminary nature of the proposed projects, we exclude these units from our demand calculations.

TABLE 51

PENDING GENERAL OCCUPANCY RENTAL DEVELOPMENTS CARVER COUNTY December 2023				
Project Name & Location	City	Units	Developer/Applicant	Status/Notes
Projects Under Construction				
Hazeltine Plaza Hazeltine Blvd at Hundertmark	Chaska	112	Trident Development	Under Construction Market rate
Oak Ridge Commons 1 Oak Ridge Dr	Chaska	280	RCA Oak Ridge LLC	Under Construction Market rate
Clover Ridge Apts Pioneer Trl & Clover Ridge Dr	Chaska	119	AV Development, LLC	Under Construction Market rate
West Creek Apartments* 401 Hickory St	Chaska	16	Community Asset Development Group	*Targets homeless young adults
Rowe Hwy 5 at Rose St	Victoria	125	Roers Development	Under Construction Market rate
The Uptown 233 Olive St S	Waconia	43	Lundgren Construction	Under Construction Market rate
Approved Projects				
The Gallery Clover Ridge Dr	Chaska	175	Chase Real Estate	Approved Market rate
Downtown West Ph I Stieger Lake Ln	Victoria	145	Marco McLane Development, LLC	Approved Market rate
Proposed Projects				
Carver Place 1591 Hartwell Dr	Carver	60	Carver County CDA	Proposed Affordable
Chanhassen Cinema Project 78th St at Market Blve	Chanhassen	280	Roers Development	Proposed; 2 buildings Market rate
Avienda Lyman Blvd at Powers Blvd	Chanhassen	417	Level 7 Development	Proposed
Gannon Property Quamoclit St at Tower Blvd	Victoria	73	Monarch Development Partners, LLC	Proposed Market rate
Kirsch Property Airport Rd	Waconia	280	Tamarack Land	Proposed 105-280 units potential
Spring Mill Paul Ave at Co Rd 24	Watertown	96	Elk Development LLC	Proposed; Eight 12-unit Market rate buildings
Under Construction Subtotal:		695		
Approved Subtotal:		320		
Preliminary/Proposed Subtotal:		1,206		
Total Pending Units:		2,221		
Source: Maxfield Research & Consulting, LLC				

Senior Housing Analysis

Introduction

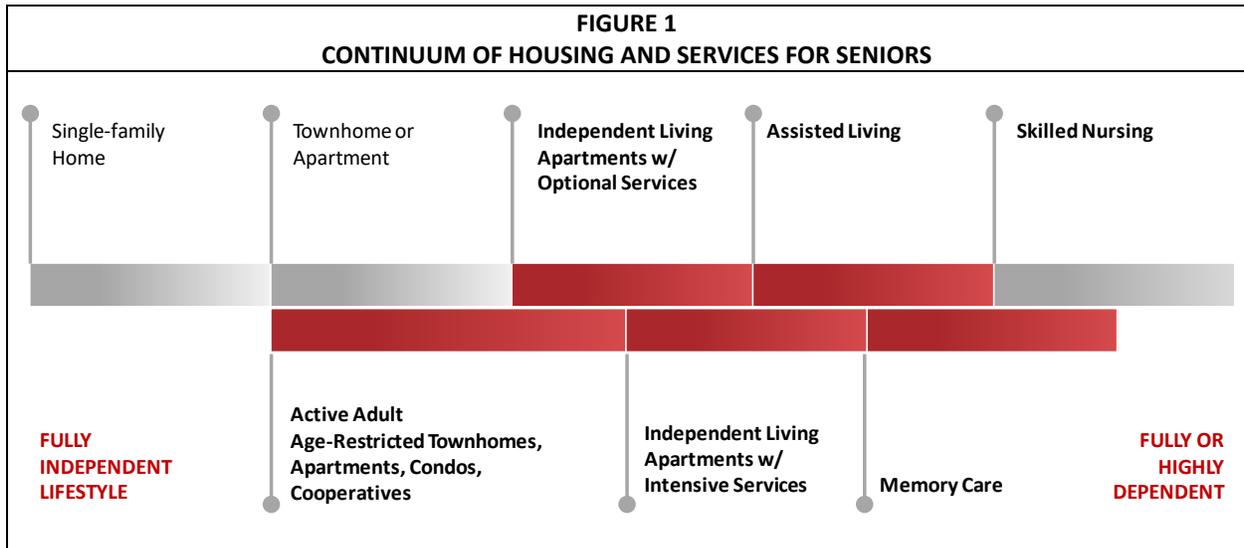
This section provides an assessment of the market support for senior housing, including a review of demographic and economic characteristics of the senior population along with detailed information on existing and pending senior housing facilities in Carver County. The senior housing survey includes affordable and market rate active adult properties, as well as service-enhanced facilities that provide independent living, assisted living, and/or memory care services. Data on the senior housing facilities was collected in December 2023 and January 2024. Topics covered in this section of the analysis include.

- ▶ A definition of senior housing product types
- ▶ An overview of older adult and senior demographic characteristics in the County
- ▶ Detailed information on senior housing facilities
- ▶ An inventory of pending senior housing developments in the County

Secondary data resources utilized for this analysis include the U.S Census Bureau Decennial Census and American Community Survey (“ACS”), along with ESRI and the Metropolitan Council. Information from Care Options Network and the Health Care Provider Directory from the Minnesota Department of Health was also referenced.

Senior Housing Defined

Senior housing is a concept that generally refers to the integrated delivery of housing and services to seniors. However, as Figure 1 illustrates, senior housing embodies a wide variety of product types across the service-delivery spectrum.



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

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

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

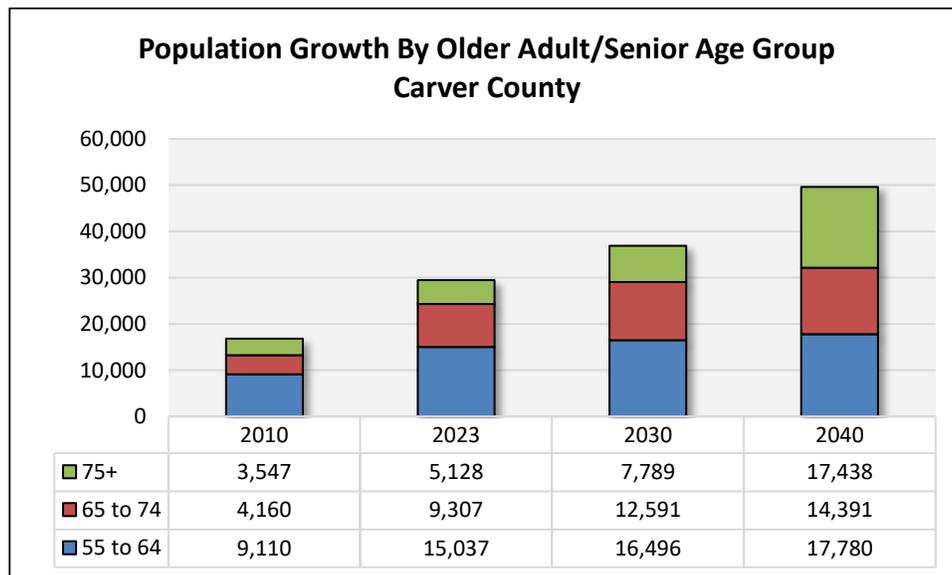
Facilities referred to as “catered living” offer a flexible living arrangement where residents can live independently and purchase assisted living services as needed without relocating to a unit specifically designated for independent living or assisted living.

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

Older Adult (Age 55+) Population and Household Trends

The Demographic Review section of this study presented general demographic characteristics of the population and household base in Carver County. The following points summarize key findings from that section as they pertain to the older adult and senior population in the County.

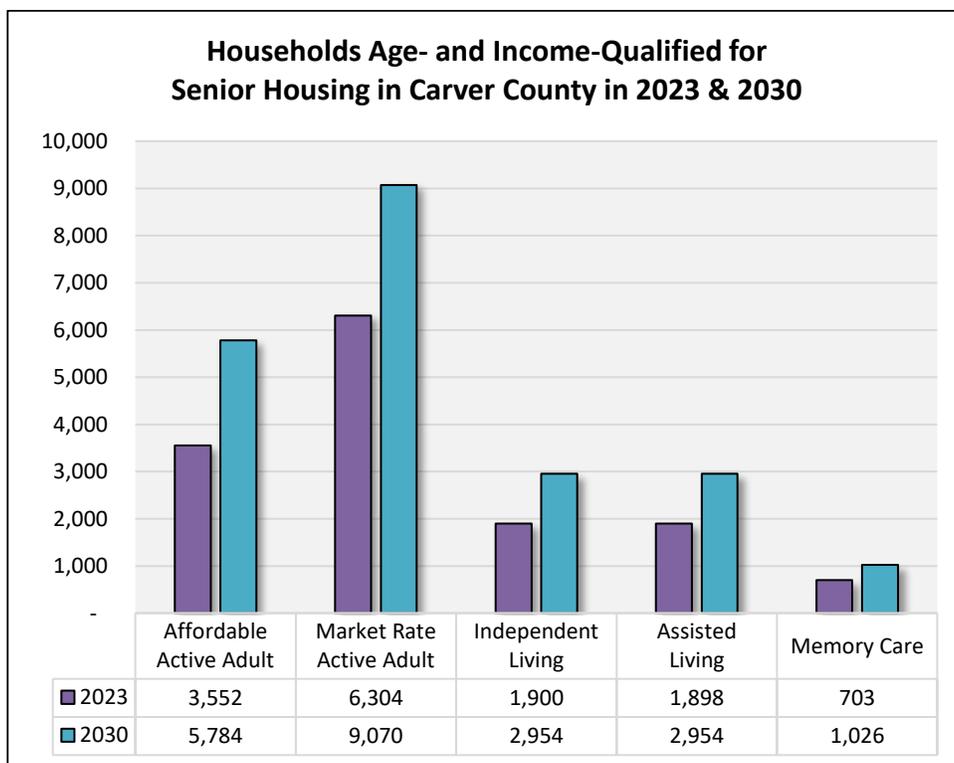
- Rapid growth is expected to occur among older adults in Carver County. Aging of baby boomers led to 124% growth in the 65 to 74 population in the County between 2010 and 2023, adding 5,147 people. As this group ages, the 65 and older age cohorts are expected to experience increases between 2023 and 2040.
 - The 75 and older age group is projected to grow 52%, adding 2,662 people between 2023 and 2030, then add another 9,649 people (124% growth) between 2030 and 2040.
 - The 65 to 74 age group is projected to expand 35% (3,284 people) between 2023 and 2030 and 14% (1,800 people) between 2030 and 2040.
 - Slightly more modest growth is projected for the 55 to 64 age group, increasing 10% (1,458 people) between 2023 and 2030 and 8% (1,284 people) between 2030 and 2040.



- The key market for active adult housing is comprised of senior households age 65 and older, although many active adult properties are restricted to residents age 55 and older. The primary market for service-enhanced housing is senior households age 75 and older.
- While individuals in their 50s and 60s typically do not comprise the market base for service-enhanced senior housing, they often have elderly parents to whom they provide support when they decide to relocate to senior housing. Elderly parents often prefer to be near their adult caregivers, so the older adult age cohort (age 55 to 64) also generates some additional demand for service-enhanced senior housing products.

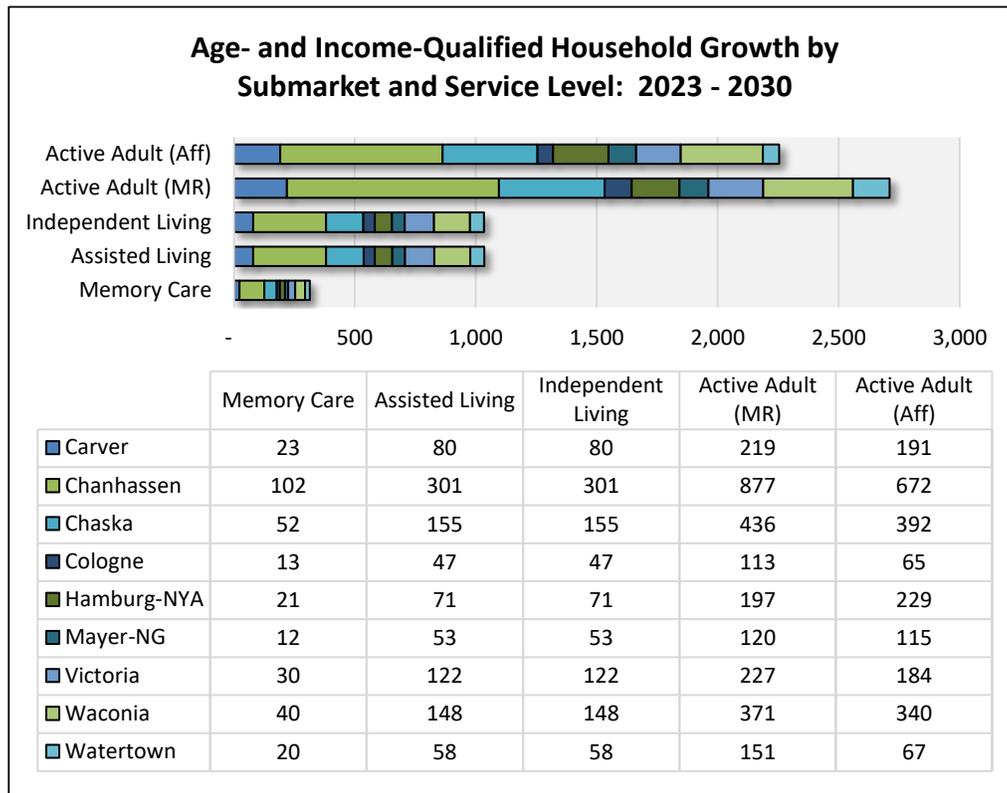
- The frailer the senior, the greater the proportion of their income they will typically spend on housing and services. Studies have shown that seniors are willing to pay increasing proportions of their incomes on housing with services, with income allocations as follows: 40% to 50% for market rate active adult senior housing, 65% for independent living, and 80% to 90% or more for assisted living housing.
 - The proceeds from home sale, as well as financial assistance from their adult children, are often used as supplemental income to afford senior housing alternatives.
- The target market for affordable active adult housing is households age 65 and older with incomes at or below 60% Area Median Income (AMI), although some affordable properties may be restricted to households at 80% AMI or lower. At 60% AMI, household income limits are \$52,200 for a one-person household and \$59,640 for a two-person household.
 - As of 2023, there are an estimated 3,552 households age 65 and older in the County with incomes at or below \$59,640 (32% of all age 65 and older households). The number of households projected to income-qualify for affordable active adult housing at 60% AMI is projected to increase by 2,232 households in 2030 (63% growth).
- The key market for market rate active adult housing is comprised of senior households (age 65 and older) with incomes of \$40,000 or more. Older adult and senior households with incomes of \$40,000 allocating 40% of their income toward housing costs could afford monthly rents of \$1,333, slightly higher than the average rent of \$1,317 for one-bedroom units in the existing market rate active adult rental properties in Carver County.
 - In 2023, we estimate there are an estimated 6,304 age- (65 and older) and income-qualified households in the County that comprise the key market for active adult housing. The number of age- and income-qualified households is expected to grow 44% to 9,070 households by 2030, after accounting for inflation.
- Independent living housing demand is driven by senior households age 75 and older with incomes of \$40,000 or more. We estimate the number of age- and income-qualified households in the County to be 1,900 householders in 2023, increasing to 2,954 householders (56% growth) in 2030.
- The target market for assisted living housing is senior households age 75 and older with incomes of at least \$40,000 (plus senior homeowners with lower incomes). As of 2023, there are an estimated 1,898 older senior households (age 75 and older) in the County with incomes of at least \$40,000, accounting for 58% of all older senior households.
 - Including all households with incomes of \$45,000 and over (adjusted for inflation), the number of older senior households projected to income-qualify for assisted living is expected to grow 56% to 2,954 households in 2030.

- Memory care housing has a target market of senior households age 65 and older with a memory impairment and incomes of at least \$60,000. We estimate that roughly 15% of the senior population has a memory impairment.
 - In 2023, we estimate that there are 4,687 age 65 and older households in the County with incomes of at least \$60,000, accounting for 54% of all senior households. Based on the estimated 15% incidence rate of Alzheimer’s/dementia, approximately 703 households in the County are candidates for memory care housing in 2023.
 - The number of income-qualified (\$65,000 adjusted for inflation) households is projected to increase 46% to 6,838 by 2030 (1,026 households eligible for memory care housing based on the 15% incidence rate).

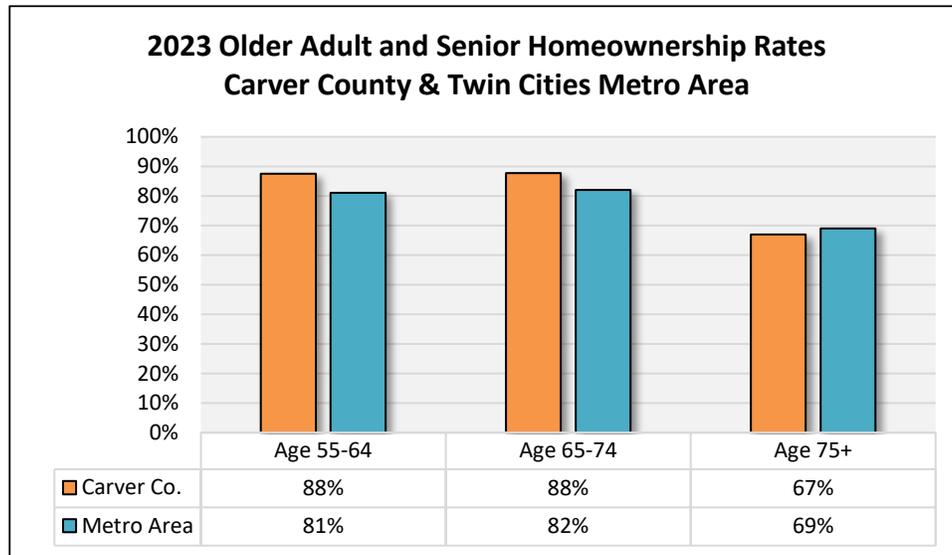


- The income qualifications identified above account for pricing at existing, older, market rate senior housing products in the County. We expect that new construction senior housing development will be priced higher than much of the existing product, so higher household incomes may be needed to support new construction senior housing.
- Between 2023 and 2030, senior (age 65 and older) population growth is expected to be strongest in the Chanhassen Submarket, with the addition of 1,973 seniors (54% growth), followed by the Chaska (1,055 seniors, 36% growth) and Waconia (844 seniors, 45% growth) Submarkets.

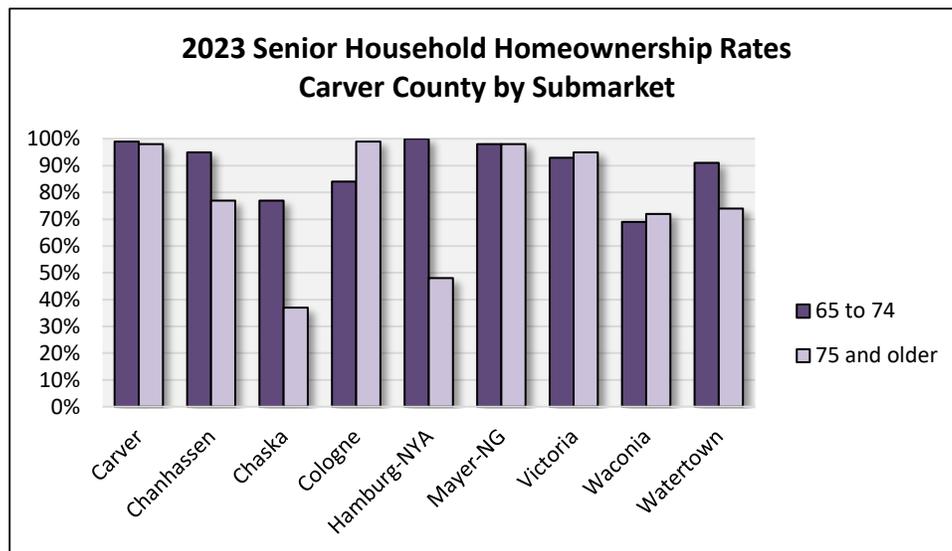
- As depicted in the following graph, age- and income-qualified household growth between 2023 and 2030 is projected to be strongest for market rate active adult senior housing, followed by affordable active adult housing. Slightly more modest growth among households age- and income-qualified for service-enhanced (independent living, assisted living, memory care) senior housing is anticipated.



- Homeownership information lends insight into the number of households that may still have homes to sell and could potentially supplement their incomes from the sales of their homes to support monthly fees for alternative housing. Carver County maintains homeownership rates in the older adult age cohorts that are slightly higher than the Metro Area.
- The estimated homeownership rate is 88% for age 55 to 64 households compared to 81% throughout the Metro Area. The County’s homeownership rate for age 65 to 74 households remains at 88% compared to 82% in the Metro.
- Seniors typically begin to consider moving into senior housing alternatives in their early to mid-70s. This movement pattern is demonstrated by a decline in homeownership between the 65 to 74 age cohort (88%) and the 75 and older age cohort (67%) in the County. Metro Area homeownership rates dropped from 82% (age 65 to 74) to 69% (age 75 and older).



- Among the Carver County submarkets, senior household (age 65 and older) homeownership rates are highest in the Carver (99.0%), Mayer-New Germany (97.8%), and Victoria (93.2%) Submarkets. Senior homeownership rates are lowest in the Chaska (59.4%), Waconia (70.6%), and Hamburg-Norwood Young America (72.8%) Submarkets.
- The Hamburg-Norwood Young America Submarket has the largest shift in homeownership rates between the 65 to 74 cohort (100%) and 75 and older cohort (48%), followed by the Chaska Submarket (77% homeownership among age 65 to 74 households, 37% among age 75 and older households).



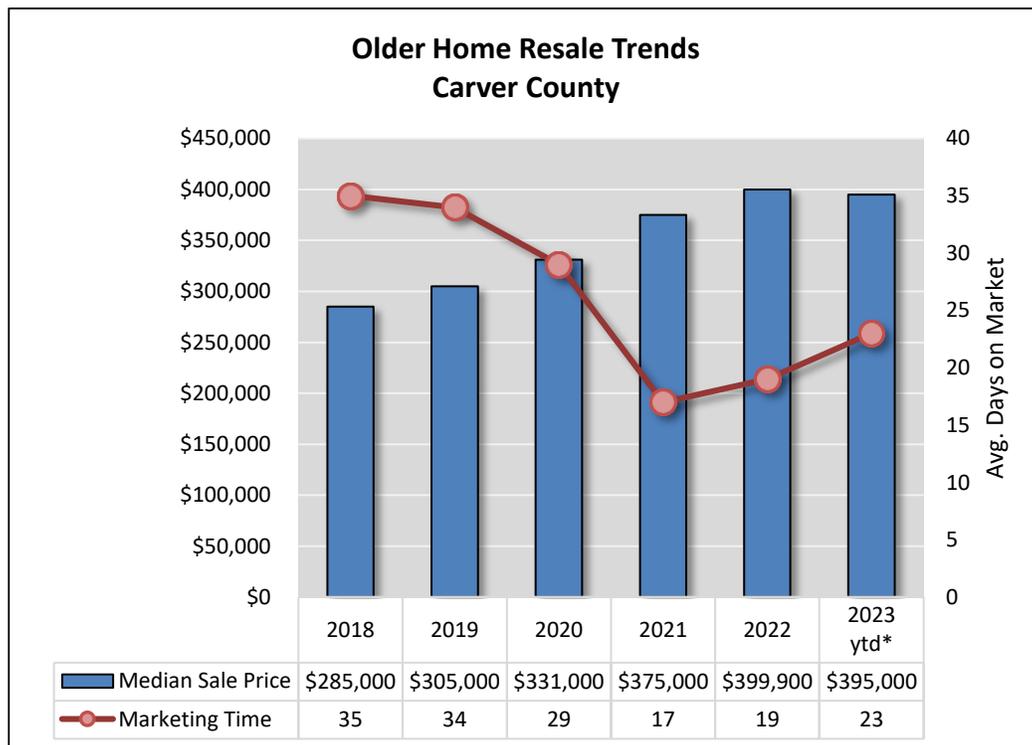
- The homeownership rate increases from the age 65 to 74 cohort to the 75 and older cohort in the Cologne, Victoria, and Waconia Submarkets.

- With a homeownership rate of 80% for all Carver County households age 65 and older, many residents would be able to use proceeds from the sales of their homes toward senior housing alternatives.

Home sale data is useful in that it represents the amount of equity seniors may be able to derive from the sales of their homes that could be used to cover the cost of senior housing alternatives. The following information summarizes home resale data for homes that were built in 2008 or earlier in Carver County from 2018 through October 31, 2023. Sales of newer homes are excluded because older adults and seniors often reside in older homes and are typically not a target market for new single-family home construction, so we evaluate sales data for homes that are at least 15 years old.

The data is useful in that it represents the amount of equity older adults and seniors may be able to derive from the resales of their homes that could be used to cover the cost of senior housing alternatives. The data was obtained from the Minneapolis Area Association of Realtors.

- Resale values of older homes experienced strong growth in Carver County in recent years, climbing 39% from \$285,000 in 2018 to \$395,000 through the first ten months of 2023.
- Additionally, marketing times have decreased, declining -34% from an average of 35 days on market in 2018 to 23 days on market in 2023, although marketing times have increased modestly from 17 days on market in 2021 and 19 days on market in 2022.



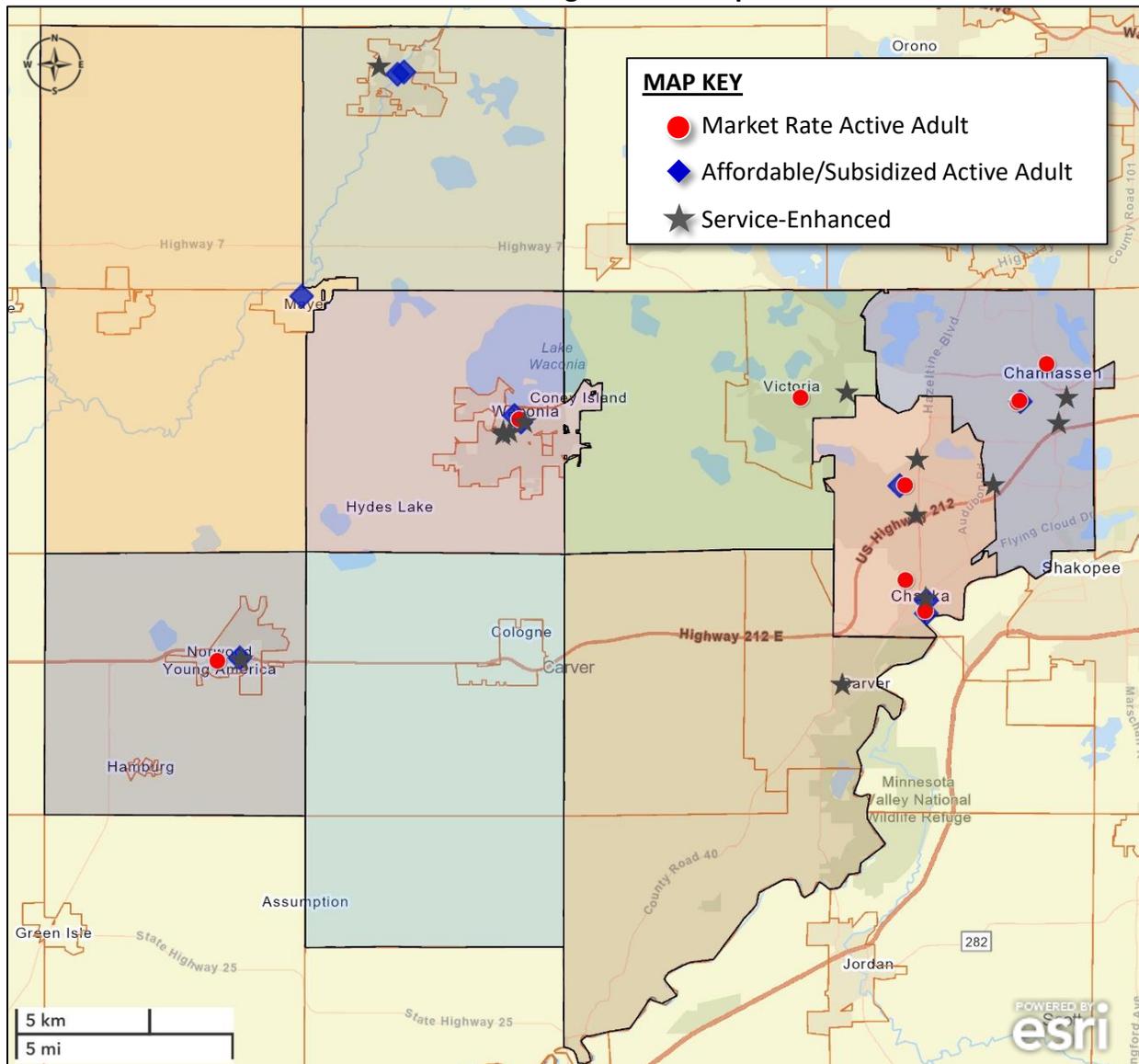
-
- Resale activity has slowed, as the number of closed transactions declined roughly -20% from 2018 (1,384 resales) to 2022 (1,111 sales). Resale volume has slowed due, in part, to a low inventory of homes being listed for sale along with rising mortgage rates.
 - The elevated mortgage rates have reduced the affordability of homes, causing many potential buyers to defer a decision to purchase until rates decline.
 - Based on the 2023 median resale price for older (built in 2008 or earlier) homes in the County (\$395,000), a senior household could generate an estimated \$7,426 of additional income annually (about \$619 per month) if they invested in an income-producing account (2.0% interest rate) after accounting for marketing costs and/or real estate commissions (6.0% of home sale price).
 - Due, in part, to strong demand for homes (as indicated by rising resale prices and shortened marketing times) many older adults and seniors – particularly those in the market for independent housing products – may be inclined to sell their home and consider housing alternatives.
 - However, the COVID-19 pandemic caused some older adults and seniors to remain in their homes rather than seeking housing alternatives.
 - Should a senior utilize the home sale proceeds dollar for dollar to support living in senior housing with services, the proceeds would last over 12 years in independent living housing (monthly rent approximated at \$2,500), roughly eight years in assisted living (monthly rent approximated at \$4,000), or approximately six years in memory care housing (monthly rent approximated at \$5,500).
 - Seniors in service-intensive housing typically have lengths of stays between two and three years indicating that a large portion of seniors in the County will be financially prepared to privately pay for their housing and services.

Supply of Senior Housing

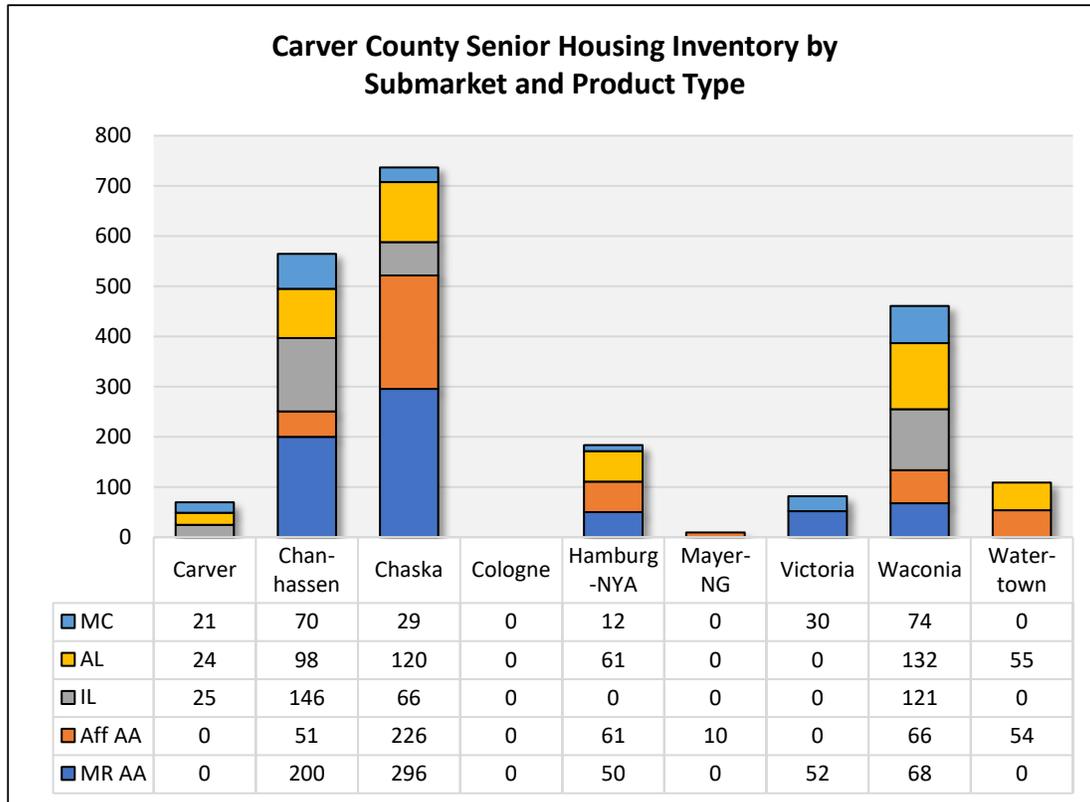
The tables and points on the following pages summarize information on the various senior housing products in Carver County. Information in the tables include year built, number of units, unit mix, unit sizes, vacancies, and monthly fees. The senior housing inventory is divided into three groups, as follows:

- Market rate active adult properties (those without income restrictions along with the Carver County CDA properties restricted to households at 100% AMI or lower)
- Affordable (income-restricted to households at 80% AMI or lower) and subsidized properties (restricted to households with incomes at 50% of AMI or lower)
- Service-enhanced facilities (independent living, assisted living, and memory care).

Senior Housing Location Map

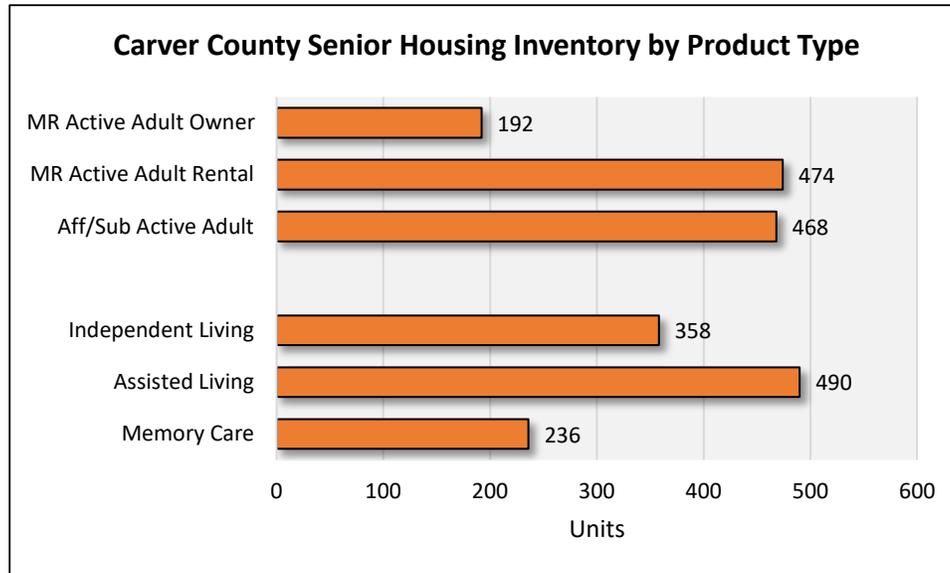


- Maxfield Research identified 33 senior housing facilities in Carver County, containing a total of 2,218 units. The following graph illustrates the size (number of units) of the County’s senior housing market by submarket.



- The Chaska Submarket contains the largest share of the County’s senior housing market with 737 units (33% of the County’s total inventory), followed by the Chanhassen Submarket with 565 units (25%) and the Waconia Submarket (461 units, 21%).
- There are 184 senior housing units in the Hamburg-Norwood Young America Submarket (all in Norwood Young America), representing 8% of the total inventory.
- The Watertown and Carver Submarkets contain 109 units (5%) and 70 units (3%), respectively, and there are ten senior housing units in the Mayer-New Germany Submarket. We did not identify any senior housing facilities in the Cologne Submarket.
- The County’s senior housing inventory includes two market rate active adult ownership projects, seven market rate active adult rental properties, ten affordable or subsidized active adult properties, and 14 facilities offering service-enhanced senior housing.
 - Among the service-enhanced facilities, six properties offer independent living, 13 provide assisted living, and 11 facilities provide memory care units.

- As depicted in the following graph, 22% of the inventory is comprised of assisted living units (490), while 21% of the units are market rate active adult (474) and another 21% are affordable or subsidized active adult units (468).



- Roughly 16% of the senior housing units are independent living (358), while memory care represents 11% of the inventory (236 units). Market rate active adult ownership units represent 9% of the County’s senior housing inventory with 192 units.
- The senior housing inventory is factored into our demand calculations presented later in this study. Many of these senior housing facilities will draw residents from areas outside of their respective submarkets. As such, we adjust the number of competitive units for our demand calculations based on location and format of each facility, ranging from a low of 30% to 100%.

Market Rate Active Adult Summary

- Maxfield Research identified two active adult ownership developments totaling 192 units.
 - Village Grace is a 40-unit age 55 and older condominium building in Chaska that opened in 2003. There are currently no units for sale in the building, but assessed values range from \$181,400 to \$238,200 (\$181 to \$202 per square foot).
 - The Del Webb project in Chaska is a detached villa development restricted to households age 55 and older. As of December 2023, 152 units were built and occupied and another 117 units/lots are vacant or undeveloped. Based on active listings, base purchase prices range from \$409,990 to \$692,990 (\$267 to \$336 per square foot).

Maxfield Research also surveyed seven market rate active adult rental housing properties, totaling 474 units. The following table and subsequent points summarize our findings. The per square foot average rents presented in the table reflect a weighted average based on the number of units in each property, so properties with a larger number of units of any one type contribute more toward the average than those with only a few units of a specific type.

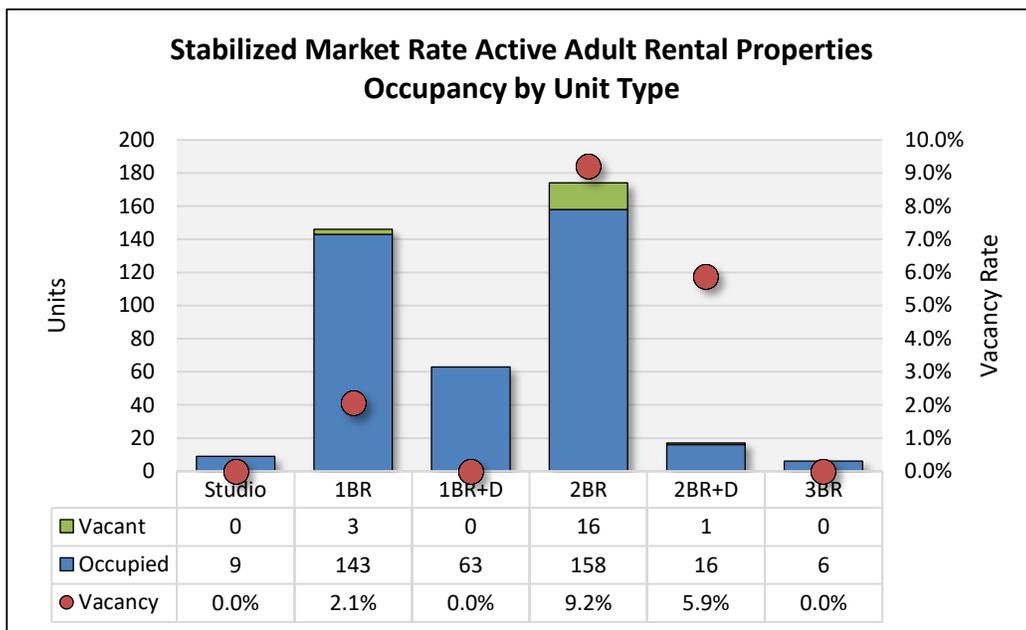
TABLE 52

UNIT TYPE SUMMARY								
SELECT MARKET RATE ACTIVE ADULT RENTAL PROPERTIES								
December 2023								
Unit Type	Total Units	% of Total	Vacant Units	% Vacant	Avg. Size	Monthly Rents		
						Range Low - High	Avg. Rent	Avg. Rent/ Sq. Ft.
Studio	9	1.9%	0	0.0%	541	\$814 - \$1,265	\$886	\$1.63
1BR	147	31.0%	3	2.1%	757	\$973 - \$2,067	\$1,317	\$1.73
1BR+Den	63	13.3%	0	0.0%	949	\$1,216 - \$2,150	\$1,325	\$1.39
2BR	226	47.7%	16	9.2%	1,030	\$1,310 - \$2,767	\$2,001	\$1.94
2BR+Den	23	4.9%	1	5.9%	1,238	\$1,649 - \$2,993	\$2,261	\$1.85
3BR	6	1.3%	0	0.0%	1,440	\$2,635 - \$2,710	\$2,673	\$1.86
Total:	474	100%	20	4.8%	940	\$814 - \$2,993	\$1,699	\$1.81

Source: Maxfield Research & Consulting, LLC

- The properties included in the surveyed set of market rate active adult rental properties contain 474 units, including six stabilized properties totaling 415 units and one other property with 59 units (Lake Place) that opened recently and is in initial lease-up.
- Two-bedroom units comprise 48% of the inventory, and another 31% are one-bedroom units. One-bedroom plus den units represent 13% of the inventory and 5% of the units have two bedrooms plus a den. Roughly 2% of the units are studios and 1% of the units have three bedrooms.
- On average, units in these market rate active adult rental housing properties have 940 square feet, with studio units being the smallest (541 square feet, on average) and the three-bedroom units being the largest at an average size of 1,440 square feet.
- Monthly rental rates range from a low of \$814 for studio units at Crossings at Town Centre in Waconia to a high of \$2,993 for a two-bedroom plus den unit at AbleLight Village in Victoria.
- Monthly rents average \$886 for studio units, \$1,317 for one-bedroom units, \$1,325 for one-bedroom plus den units, \$2,001 for two-bedroom units, \$2,261 for two-bedroom plus den units, and \$2,673 for the three-bedroom units.

- The weighted average monthly rent at these market rate active adult properties is \$1,699 which equates to \$1.81 per square foot.
- The three properties owned by the Carver County CDA, which are restricted to households earning 100% AMI or lower, have an average monthly rent of \$1,193 which is -41% lower, on average, than the average rent (\$2,017) at the properties not owned by the CDA.
- There are 20 vacant units in the competitive set of stabilized properties representing a 4.8% vacancy rate, slightly below equilibrium (5.0% vacancy).
- As depicted in the following chart, vacancy rates range from full occupancy among the studio, one-bedroom plus den, and three-bedroom units to 9.2% in the two-bedroom units. One-bedroom and two-bedroom plus den units are 2.1% vacant and 5.9% vacant, respectively.



Affordable and Subsidized Active Adult Summary

The table on the following page summarizes key metrics for the affordable and subsidized active adult rental properties in Carver County. Average monthly rents and per square foot average rents presented reflect a weighted average based on the number of units in each property.

- We identified ten affordable and subsidized active adult rental properties in the County, totaling 468 units, 23 of which are vacant representing a 4.9% vacancy rate.

- There is one affordable property, which opened in December 2022, with 51 units income-restricted to households earning 60% AMI or lower. These units are fully occupied.
- There are five Rural Development Section 515 properties, totaling 145 units, income-restricted to households at 80% AMI or lower as well as moderate-income (\$5,500 more than 80% AMI) households age 62 and older or those with a disability. With 18 vacancies, these facilities are 12.4% vacant. The vacancies are concentrated in the Hilltop Apartments facility in Watertown (14 vacancies), but these units are being held vacant intentionally as they get renovated.
- We also identified four subsidized project-based Section 8 facilities with 272 units, five of which are vacant (1.8% vacancy rate). These facilities are restricted to age 62 and older households, and those with disabilities, with incomes at 50% AMI or lower

TABLE 53
UNIT TYPE SUMMARY
AFFORDABLE/SUBSIDIZED SENIOR RENTAL PROPERTIES
December 2023

Unit Type	Total Units	% of Total	Vacant Units	% Vacant	Avg. Size	Monthly Rents		
						Range Low - High	Avg. Rent	Avg. Rent/Sq. Ft.
1BR	413	88%	22	5.3%	710	\$520 - \$978	\$967	\$1.55
2BR	55	12%	1	1.8%	886	\$705 - \$795	\$1,109	\$1.28
Total:	468	100%	23	4.9%	643	\$520 - \$978	\$986	\$1.51

Source: Maxfield Research & Consulting, LLC

- One-bedroom units comprise 88% of the inventory and the remaining 12% are two-bedroom units. On average, units in these properties have 643 square feet, with one-bedroom units being 710 square feet, on average, and two-bedroom units averaging 886 square feet.
- Residents of project-based Section 8 facilities pay 30% of their adjusted income on rent, and most tenants in Rural Development Section 515 housing pay either a basic market rent or 30% of their adjusted income, whichever is less.
- The weighted average monthly rent at these affordable and subsidized properties is \$986, which equates to \$1.51 per square foot. One-bedroom unit rents average \$967 per month (\$1.55 per square foot), while two-bedroom units average \$1,109 per month (\$1.28 per square foot).
- The following figure summarizes maximum household incomes by household size and AMI for residents at these affordable and subsidized facilities. One-bedroom units target one- to two-person households while two-bedroom units have a four-person maximum household size.

-----Income Limits by Household Size-----				
	1 PERSON	2 PERSON	3 PERSON	4 PERSON
30% AMI	\$26,100	\$29,820	\$33,540	\$37,260
40% AMI	\$34,800	\$39,760	\$44,720	\$49,680
50% AMI	\$43,500	\$49,700	\$55,900	\$62,100
60% AMI	\$52,200	\$59,640	\$67,080	\$74,520
70% AMI	\$60,900	\$69,580	\$78,260	\$86,940
80% AMI	\$69,600	\$79,520	\$89,440	\$99,360

Service-Enhanced Summary

The following table summarizes average unit sizes and pricing, including average monthly fees and monthly fees on a per square foot basis, for the service-enhanced senior housing properties in Carver County. Average monthly rents and per square foot average rents presented reflect a straight average and are presented by service level.

- Overall, we identified 15 facilities in Carver County, totaling 1,084 service-enhanced senior housing units.

TABLE 54

PRICING SUMMARY BY UNIT TYPE AND SERVICE LEVEL SERVICE-ENHANCED SENIOR HOUSING FACILITIES December 2023				
Service Level Unit Type	Avg. Size (Sq. Ft.)	Monthly Fees		
		Range Low - High	Avg. Fee	Avg. Fee/ Sq. Ft.
Independent Living				
Studio	493	\$1,704 - \$2,550	\$2,150	\$4.36
1BR	708	\$1,395 - \$3,950	\$2,569	\$3.63
1BR+Den	944	\$2,730 - \$4,050	\$3,469	\$3.68
2BR	1,139	\$1,857 - \$5,340	\$3,760	\$3.30
2BR+Den	1,370	\$4,855 - \$4,855	\$4,855	\$3.54
Summary	888	\$1,395 - \$5,340	\$3,173	\$3.57
Assisted Living				
Studio	390	\$1,575 - \$4,800	\$3,113	\$7.98
1BR	643	\$2,186 - \$4,820	\$3,706	\$5.76
1BR+Den	823	\$3,804 - \$5,285	\$4,496	\$5.46
2BR	899	\$2,566 - \$5,850	\$4,498	\$5.00
2BR+Den	1,370	\$6,310 - \$6,310	\$6,310	\$4.61
Summary	668	\$1,575 - \$6,310	\$3,868	\$5.79
Memory Care				
Studio/Room	395	\$1,575 - \$7,700	\$4,191	\$10.60
1BR	539	\$4,655 - \$5,280	\$5,013	\$9.30
2BR	738	\$5,280 - \$6,075	\$5,678	\$7.70
Summary	464	\$1,575 - \$7,700	\$4,724	\$10.17
Source: Maxfield Research & Consulting, LLC				

- The competitive inventory includes six facilities with independent living units, totaling 358 units. There are 13 facilities providing assisted living, totaling 490 units, and 11 facilities offering memory care (236 unit).
- Independent living units have an average size of 888 square feet, including averages of 493 square feet studio units, 708 square feet for one-bedroom units, 944 square feet for one-bedroom plus den units, 1,139 square feet for two-bedroom units, and 1,370 square feet for units with two bedrooms plus a den.
- The average monthly fee at the independent living facilities is \$3,173 per month, which equates to \$3.57 per square foot (psf).
 - Independent living fees vary greatly depending on services included and unit size, ranging from a low of \$1,395 for a one-bedroom unit at SummerWood in Chanhassen to a high of \$5,340 for a two-bedroom unit at SummerWood.
- Monthly independent living fees average \$2,150 for studio units (\$4.36 psf), \$2,569 for one-bedroom units (\$3.63 psf), \$3,469 for one-bedroom plus den units (\$3.68 psf), \$3,760 for two-bedroom units (\$3.30 psf), and \$4,855 for two-bedroom plus den units (\$3.54 psf).
- Assisted living units are generally smaller, with an average size of 668 square feet. Studio units average of 390 square feet, while one-bedroom and one-bedroom plus den units average 643 square feet and 823 square feet, respectively. Two-bedroom assisted living units average 899 square feet, and the two-bedroom plus den units are 1,370 square feet.
- The average assisted living fee is \$3,868 per month (\$5.79 psf), ranging from \$1,575 for a room at Nagel Assisted Living in Waconia to \$6,310 for a two-bedroom plus den unit at Riley Crossing in Chanhassen.
- Monthly assisted living fees average \$3,113 for studio units (\$7.98 psf), \$3,706 for one-bedroom units (\$5.76 psf), \$4,496 for one-bedroom plus den units (\$5.46 psf), \$4,498 for two-bedroom units (\$5.00 psf), and \$6,310 for two-bedroom plus den units (\$4.61 psf).
- Memory care units average 464 square feet, including averages of 395 square feet for studios and suites, 539 square feet for one-bedroom units, and 738 square feet for two-bedroom units.
- Memory care units have an average fee of \$4,724 per month (\$10.17 psf), ranging from \$1,575 for a room at Nagel Memory Care in Waconia to \$7,700 for a studio unit at Chaska Heights in Chaska.
- Monthly memory care fees average \$4,191 for studio units/suites (\$10.60 psf), \$5,013 for one-bedroom units (\$9.30 psf), and \$5,678 for two-bedroom units (\$7.70 psf).

- Base fees for independent living units generally includes utilities, scheduled transportation, a meal plan (i.e. daily breakfast, noon meal) and limited housekeeping options. Additional customized care and services are generally available for extra fees.
- Assisted living and memory care fees presented in the table generally include a base housing fee plus a minimum level of care fee which is required for assisted living and memory care housing. Fees often include three meals per day, weekly housekeeping, and emergency call systems. Most facilities offer multiple level of care options.
- Market equilibrium for senior housing ranges from 5.0% vacancy (active adult and independent living) to 7.0% vacancy (assisted living and memory care), which allows for an adequate supply of alternatives for prospective residents. There were 87 vacant units at the time of our survey, representing a 7.9% vacancy rate.
 - There were 19 independent living vacancies, representing a 5.2% vacancy rate, approximately at equilibrium.
 - At 12.1% vacant (60 vacancies), the assisted living facilities are operating at vacancy rates that are above equilibrium. Feedback from senior housing marketing directors indicates that, while still slightly high, assisted living vacancies are gradually recovering from the COVID-19 pandemic.
 - There were eight vacant memory care units (3.4% vacancy rate), which is well-below equilibrium.

TABLE 55

MARKET RATE ACTIVE ADULT PROPERTIES CARVER COUNTY December 2023											
Project Name/Location	Occp. Date	No. of Units	Total Vacant	Unit Description			Rent/Value		\$ per sq. ft.		
				Type	No.	Vac.	Size	Min	Max	Min	Max
Active Adult Ownership											
Village Grace 110696 Village Rd Chaska, MN	2003	40	0	1BR	18	0	900 - 1,030	\$181,400 - \$201,400	\$196 - \$202		
			vacancy rate: 0.0%	2BR	22	0	1,020 - 1,319	\$188,100 - \$238,200	\$181 - \$184		
<i>Notes: Age 55+ condominium building. Values represent 2023 assessed market value. Building amenities include screened porches, central AC, heated UG parking garage, community room, fitness room, patio.</i>											
Del Webb 950 Goldfinch St Chaska, MN	2021	152	NA	1BR-3BR	NA	NA	1,222 - 2,600	\$409,990 - \$692,990	\$267 - \$336		
<i>Notes: Age 55+ detached single-family lots with 269 lots including 152 built and occupied and 117 vacant or undeveloped. Amenities include outdoor swimming pool, pickleball courts, bocce ball courts, fire pit, activity lawn, trails, and clubhouse with fitness center, locker room, lounge, craft rooms, meeting rooms, event space.</i>											
Carver County CDA Market Rate Rental Properties											
Centennial Hill 820 Santa Vera Dr Chanhassen, MN	1997	65	0	1BR	45	0	700 - 750	\$973 - \$1,114	\$1.39 - \$1.49		
			vacancy rate: 0.0%	1BR+D	17	0	965 - 984	\$1,337 - \$1,337	\$1.36 - \$1.39		
				2BR	3	0	1,060 - 1,060	\$1,440 - \$1,440	\$1.36 - \$1.36		
<i>Notes: Owned by Carver County CDA. Income-restricted to age 55+ households at 100% AMI or lower. Units feature dishwasher, central AC, full-size washer/dryer, deck. Heat included in rent. Amenities include activity room, community room, exercise room, game room, guest suite, hair salon, UG parking available. Includes 6 PBV units. Currently 179 names on waitlist.</i>											
Oak Grove 114 Reform St Norwood Young Am., MN	2009	50	1	Studio	5	0	507 - 518	\$833 - \$852	\$1.64 - \$1.64		
			vacancy rate: 2.0%	1BR	15	0	696 - 705	\$1,006 - \$1,059	\$1.45 - \$1.50		
				1BR+D	21	0	919 - 962	\$1,243 - \$1,350	\$1.35 - \$1.40		
				2BR	6	1	1,020 - 1,020	\$1,388 - \$1,491	\$1.36 - \$1.46		
				2BR+D	3	0	1,443 - 1,443	\$1,663 - \$1,663	\$1.15 - \$1.15		
<i>Notes: Owned by Carver County CDA. Income-restricted to age 55+ households at 100% AMI or lower. Units feature dishwasher, balcony, washer/dryer, individually controlled heat/AC. Amenities include community room, exercise room, guest suite, library/ game room, storage lockers, UG parking available, woodshop. Includes 4 PBV units. Currently 59 names on interest list for Oak Grove and Crossings at Town Centre.</i>											
Crossings at Town Centre 200 S Olive St Waconia, MN	2003	68	0	Studio	3	0	553 - 553	\$814 - \$851	\$1.47 - \$1.54		
			vacancy rate: 0.0%	1BR	21	0	714 - 714	\$1,059 - \$1,086	\$1.48 - \$1.52		
				1BR+D	22	0	922 - 922	\$1,216 - \$1,244	\$1.32 - \$1.35		
				2BR	15	0	1,067 - 1,072	\$1,310 - \$1,352	\$1.23 - \$1.26		
				2BR+D	7	0	1,086 - 1,433	\$1,649 - \$1,676	\$1.17 - \$1.52		
<i>Notes: Owned by Carver County CDA. Income-restricted to age 55+ households at 100% AMI or lower. Units feature dishwasher, washer/dryer, individually-controlled heat/AC, fireplaces (some units). Amenities include activity room, beauty salon, car wash, card room, community room, game room, guest room, library, storage lockers, woodshop, UG parking available. Includes 4 PBV units. Currently, 59 names on interest list for Crossings at Town Centre and Oak Grove.</i>											

----- continued -----

TABLE continued

MARKET RATE ACTIVE ADULT PROPERTIES											
CARVER COUNTY											
December 2023											
Project Name/Location	Occp. Date	No. of Units	Total Vacant	Unit Description			Rent/Value		\$ per sq. ft.		
				Type	No.	Vac.	Size	Min	Max	Min	Max
Active Adult Market Rate Rental											
Powers Ridge 1351 Lake Dr W Chanhassen, MN	2017	76	3	1BR	22	0	709 - 1,041	\$1,661 - \$2,067	\$1.99 - \$2.34		
			vacancy rate: 3.9%	1BR+D	3	0	1,065 - 1,065	\$2,150 - \$2,150	\$2.02 - \$2.02		
				2BR	45	3	1,066 - 1,175	\$2,210 - \$2,410	\$2.05 - \$2.07		
				3BR	6	0	1,426 - 1,453	\$2,635 - \$2,710	\$1.85 - \$1.87		
<i>Notes: Age 55+ building. All utilities and UG parking included in rent. Units feature granite countertops, full kitchen appliance package, extra storage, patio/balcony, washer/dryer. Amenities include business center, clubhouse, fitness center, indoor pool, playground area, community deck with grill, salon, TV lounge, UG parking.</i>											
Lake Place 1361 Lake Dr W Chanhassen, MN	2022	59	16	1BR	1	1	776 - 776	\$1,515 - \$1,515	\$1.95 - \$1.95		
			vacancy rate: 27.1%	2BR	52	12	903 - 1,098	\$1,810 - \$2,325	\$2.00 - \$2.12		
				2BR+D	6	3	1,021 - 1,253	\$2,080 - \$2,725	\$2.04 - \$2.17		
<i>Notes: Age 55+ building open Dec. 2022 in initial lease-up. Contact would not disclose vacancies; vacancy information from secondary source. Also includes 54 affordable units. Amenities include sky lounge, media center, coffee bar, patio, fitness center, library, pickleball, gardening area, art room, workshop, pet-friendly, UG parking (\$80 standard, \$125 EV). Unit feature walk-in showers, washer/dryer, 9' ceilings, SS appliances, solid-surface countertops. Rent includes water, sewer, trash removal.</i>											
Zen Chaska 110 E 1st ST Chaska, MN	2001	104	7	Studio	1	0	650 - 650	\$1,265 - \$1,265	\$1.95 - \$1.95		
			vacancy rate: 6.7%	1BR	32	2	765 - 797	\$1,350 - \$1,410	\$1.76 - \$1.77		
				2BR	71	5	881 - 1,062	\$1,545 - \$1,765	\$1.66 - \$1.75		
<i>Notes: Age 55+ building. Units feature AC, full kitchen appliance package, individual climate control, washer/dryer. Amenities include clubhouse, pet-friendly, package receiving, sky room, library, fitness center, sundeck, garage parking available. Currently offering 1 month free rent.</i>											
AbleLight Village 1519 82nd St Victoria, MN	2020	52	9	1BR	11	1	734 - 734	\$1,991 - \$1,991	\$2.71 - \$2.71		
			vacancy rate: 17.3%	2BR	34	7	1,017 - 1,100	\$2,552 - \$2,767	\$2.51 - \$2.52		
				2BR+D	7	1	1,216 - 1,216	\$2,993 - \$2,993	\$2.46 - \$2.46		
<i>Notes: Age 55+. Units feature central AC, SS appliances, granite countertops, washer/dryer, patio/balcony, high ceilings, handrails. Amenities include fitness room, community room, activities/classes, package hub, courtyard. Up to 20% of units for people with a developmental disability.</i>											
Stabilized Rental Subtotal:		415	20								
			vacancy rate: 4.8%								
Rental Property Total:		474									
Sources: Maxfield Research & Consulting, LLC											

The following are photographs of select market rate active adult properties in Carver County:



Del Webb – Chaska



Centennial Hill – Chanhassen



Oak Grove – Norwood Young America



Crossings at Town Centre – Waconia



Powers Ridge – Chanhassen



Zen – Chaska

TABLE 56

AFFORDABLE/SUBSIDIZED SENIOR RENTAL PROPERTIES
 CARVER COUNTY
 December 2023

Project Name/Location	Occp. Date	No. of Units	Total Vacant	Unit Description			Monthly Rent		Rent/sq. ft.	
				Type	No.	Vac.	Size	Min	Max	Min
Affordable Active Adult Properties										
Lake Place 1361 Lake Dr W Chanhassen, MN	2022	51	0	1BR	32	0	680 - 802	\$1,320 - \$1,320	\$1.65 - \$1.94	
				2BR	19	0	763 - 903	\$1,584 - \$1,584	\$1.75 - \$2.08	
<p>Notes: Contact would not disclose vacancies; vacancy data from secondary source. Age 55+ building also includes 59 market rate units. Affordable at 60% AMI. Amenities include sky lounge, media center, coffee bar, patio, fitness center, fireplace room, library, pickleball, firepit, gardening area, art room, workshop, pet-friendly, UG parking (\$80 standard, \$125 EV). Unit feature walk-in showers, washer/dryer, 9' ceilings, SS appliances, solid-surface countertops. Rent includes water, sewer, trash removal.</p>										
Rural Development Section 515 Properties										
Mayer Elderly 419 Bluejay Ave Mayer, MN	1988	10	2	1BR	10	2	650 - 700	\$520 - \$978	\$0.80 - \$1.40	
<p>Notes: Owned by Carver County CDA. Age 62+ or disabled residents (roughly 60% of residents disabled/40% age 62+). Rents typically based on 30% of adjusted gross income. Amenities include wall-unit AC and off-street parking. Units held vacant intentionally as they get rehab'd.</p>										
Peace Villa 308 Faxon Rd Norwood Young Am., MN	1978	61	0	1BR	33	0	621 - 672	\$570 - \$700	\$0.92 - \$1.04	
				2BR	28	0	932 - 932	\$705 - \$795	\$0.76 - \$0.85	
<p>Notes: Restricted to residents age 62+ or with a disability; part of Peace Village Senior Living campus. Rents based on household income. Currently, 20 names on waitlist.</p>										
Maple Crest Commons 300 W 1st St Waconia, MN	1983	20	0	1BR	20	0	625 - 625	\$767 - \$767	\$1.23 - \$1.23	
<p>Notes: Restricted to residents age 62+ or with a disability. Water, sewer, trash removal, heat, and hot water included in rent. Amenities include on-site laundry, off-street parking, pet-friendly. Rent based on 30% of income with rental assistance. Basic rent as of 1/1/24.</p>										
Riverside 210 Territorial St E Watertown, MN	1981	22	2	1BR	22	2	630 - 630	\$805 - \$805	\$1.28 - \$1.28	
<p>Notes: Complex has 8 family designated units (Hillside bldg) and 22 units designated for residents age 62+ (Riverside bldg). Heat, water, sewer, trash removal included in rent. Amenities include community room, pet-friendly, on-site laundry, patio. Quoted rent (\$805) effective 1/1/24. Vacant units undergoing remodel. Extensive waitlist (applicants waiting over a year).</p>										
Hilltop Apts I & II 309 Carter St NE Watertown, MN	1981	32	14	1BR	30	14	620 - 620	\$520 - \$678	\$0.84 - \$1.09	
				2BR	2	0	900 - 900	\$536 - \$715	\$0.60 - \$0.79	
<p>Notes: Owned by Carver County CDA. Age 62+ or disabled residents (roughly 55% of residents disabled/45% age 62+). Rents typically based on 30% of adjusted gross income. Amenities include wall-unit AC and off-street parking. Units held vacant intentionally as they get rehab'd.</p>										
----- continued -----										

TABLE continued

AFFORDABLE/SUBSIDIZED SENIOR RENTAL PROPERTIES										
CARVER COUNTY										
December 2023										
Project Name/Location	Occp. Date	No. of Units	Total Vacant	Unit Description			Monthly Rent		Rent/sq. ft.	
				Type	No.	Vac.	Size	Min	Max	Min
Project-Based Section 8 Properties										
The Landing Apts. 105 E 1st St Chaska, MN	2014	54	0	1BR	54	0	540 - 540	\$714 - \$714	\$1.32 - \$1.32	
vacancy rate: 0.0%										
Notes: Rents not to exceed 30% of monthly income. Restricted to households at 50% AMI or lower. Amenities include community room (game tables, kitchenette), garden plots, outdoor patio, computer lab, lobby with fireplace, on-site laundry. Heat and AC included in rent.										
Talheim 407 N Oak St Chaska, MN	1983	58	0	1BR	58	0	530 - 530	30% of AGI	NA	
vacancy rate: 0.0%										
Notes: Restricted to residents age 62+ or with a disability. Connected to Auburn Senior Campus. Rent includes heat, water, trash removal, recycling, basic cable, emergency call system. Amenities include exercise room, on-site laundry, lounge and balcony on each floor, off-street parking, car plug-ins, on-site barber/beauty salon.										
Waybury 110340 Geske Rd Chaska, MN	1979	114	3	1BR	109	3	600 - 640	\$1,295 - \$1,325	\$2.07 - \$2.16	
vacancy rate: 2.6%										
Notes: Owned by Carver County CDA. Restricted to residents age 62+ or with a disability. Heat included in rent. Units feature AC and patio/balcony. Amenities include picnic area, clubhouse, garage and off-street parking, on-site laundry, media room, package receiving, library. Project-based Section 8. Rent based on 30% AGI. Currently 251 applicants on waitlist for 1BR units and 40 applicants for 2BR units.										
Evergreen Apts. 100 W 3rd St Waconia, MN	1979	46	2	1BR	45	1	618 - 618	\$894 - \$894	\$1.45 - \$1.45	
vacancy rate: 4.3%										
Notes: Restricted to residents age 62+ or with a disability. Unit rents based on 30% of income. Amenities include off-street parking, wall AC.										
Total: 468 23										
vacancy rate: 4.9%										
Source: Maxfield Research & Consulting, LLC										

The following are photographs of select affordable and subsidized active adult properties in Carver County:



Lake Place (market rate and affordable) – Chanhassen



Mayer Elderly – Mayer



Peace Villa – Norwood Young America



Riverside – Watertown



The Landing – Chaska



Evergreen Apartments – Waconia

TABLE 57

SERVICE-ENHANCED SENIOR HOUSING PROPERTIES										
CARVER COUNTY										
December 2023										
Project Name/Location <i>Service Level</i>	Occp. Date	No. of Units	Total Vacant	Unit Description			Monthly Rent		Rent/sq. ft.	
				Type	No.	Size	Min	Max	Min	Max
Carver										
Carver Ridge 920 6th St W <i>Independent Living</i>	2020	49	1	1BR	39	597 - 843	\$3,450 - \$3,950		\$4.69 - \$5.78	
			vacancy rate: 2.0%	1BR+D	1	863 - 863	\$4,050 - \$4,050		\$4.69 - \$4.69	
				2BR	9	750 - 1,129	\$4,000 - \$4,450		\$3.94 - \$5.33	
				1BR		597 - 843	\$3,950 - \$4,450		\$5.28 - \$6.62	
				1BR+D		863 - 863	\$4,550 - \$4,550		\$5.27 - \$5.27	
				2BR		750 - 1,129	\$4,500 - \$4,950		\$4.38 - \$6.00	
Carver Ridge 920 6th St W <i>Memory Care</i>	2020	21	0	Studio	21	597 - 597	\$5,100 - \$5,600		\$8.54 - \$9.38	
			vacancy rate: 0.0%							
Chanhausen										
SummerWood 525 Lake Dr <i>Independent Living</i>	2003	90	6	1BR	44	705 - 758	\$1,395 - \$2,035		\$1.98 - \$2.68	
			vacancy rate: 6.7%	1BR+D	13	1,000 - 1,100	\$2,730 - \$3,005		\$2.73 - \$2.73	
				2BR	33	1,240 - 2,009	\$3,355 - \$5,340		\$2.66 - \$2.71	
SummerWood 525 Lake Dr <i>Assisted Living</i>	2003	53	16	Studio	2	265 - 265	\$3,545 - \$3,545		\$13.38 - \$13.38	
			vacancy rate: 30.2%	1BR	41	555 - 690	\$4,085 - \$4,670		\$6.77 - \$7.36	
				2BR	10	950 - 950	\$5,325 - \$5,325		\$5.61 - \$5.61	
SummerWood 525 Lake Dr <i>Memory Care</i>	2003	18	0	Studio	4	265 - 265	\$4,075 - \$4,075		\$15.38 - \$15.38	
			vacancy rate: 0.0%	1BR	13	525 - 580	\$4,655 - \$4,835		\$8.34 - \$8.87	
				2BR	1	950 - 950	\$6,075 - \$6,075		\$6.39 - \$6.39	
Riley Crossing 620 Aldrich Dr <i>Independent Living</i>	2020	56	0	Studio	3	504 - 571	\$2,165 - \$2,225		\$3.90 - \$4.30	
			vacancy rate: 0.0%	1BR	23	658 - 803	\$2,735 - \$3,365		\$4.16 - \$4.19	
				1BR+D	11	832 - 1,088	\$3,525 - \$3,830		\$3.52 - \$4.24	
				2BR	17	903 - 1,109	\$3,930 - \$4,395		\$3.96 - \$4.35	
				2BR+D	2	1,370 - 1,370	\$4,855 - \$4,855		\$3.54 - \$3.54	
Riley Crossing* 620 Aldrich Dr <i>Assisted Living</i>	2020	45	0	Studio	2	504 - 571	\$3,620 - \$3,680		\$6.44 - \$7.18	
			vacancy rate: 0.0%	1BR	20	658 - 803	\$4,190 - \$4,820		\$6.00 - \$6.37	
				1BR+D	8	832 - 1,088	\$4,980 - \$5,285		\$4.86 - \$5.99	
				2BR	13	903 - 1,109	\$5,385 - \$5,850		\$5.28 - \$5.96	
				2BR+D	2	1,370 - 1,370	\$6,310 - \$6,310		\$4.61 - \$4.61	
Riley Crossing* 620 Aldrich Dr <i>Memory Care</i>	2020	28	0	Studio	28	399 - 560	\$6,140 - \$6,640		\$11.86 - \$15.39	
			vacancy rate: 0.0%							
Elysian Senior Homes 1850 Pioneer Trail <i>Memory Care</i>	2015	24	0	Studio	20	278 - 312	\$4,150 - \$4,150		\$13.30 - \$14.93	
			vacancy rate: 0.0%	1BR	2	525 - 525	\$5,280 - \$5,280		\$10.06 - \$10.06	
				2BR	2	525 - 525	\$5,280 - \$5,280		\$10.06 - \$10.06	
Chaska										
Chaska Heights 3120 N Chestnut St <i>Independent Living</i>	2016	66	9	Studio	1	560 - 560	\$2,550 - \$2,550		\$4.55 - \$4.55	
			vacancy rate: 13.6%	1BR	34	709 - 889	\$2,650 - \$3,000		\$3.37 - \$3.74	
				1BR+D	6	1,128 - 1,273	\$3,100 - \$3,400		\$2.67 - \$2.75	
				2BR	25	1,419 - 1,419	\$3,500 - \$3,700		\$2.47 - \$2.61	
Chaska Heights* 3120 N Chestnut St <i>Assisted Living</i>	2016	58	2	Studio	9	574 - 615	\$4,250 - \$4,250		\$6.91 - \$7.40	
			vacancy rate: 3.4%	1BR	42	709 - 779	\$4,400 - \$4,700		\$6.03 - \$6.21	
				2BR	7	1,007 - 1,141	\$4,650 - \$5,400		\$4.62 - \$4.73	
Chaska Heights* 3120 N Chestnut St <i>Memory Care</i>	2016	14	2	Studio	14	390 - 393	\$7,450 - \$7,700		\$19.10 - \$19.59	
			vacancy rate: 14.3%							

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TABLE continued

SERVICE-ENHANCED SENIOR HOUSING PROPERTIES											
CARVER COUNTY											
December 2023											
Project Name/Location <i>Service Level</i>	Occp. Date	No. of Units	Total Vacant	Unit Description			Monthly Rent		Rent/sq. ft.		
				Type	No.	Size	Min	Max	Min	Max	
Chaska continued											
Auburn Courts	1997	40	3	Studio	26	383 - 412	\$2,255 - \$2,665		\$5.89 - \$6.47		
501 N Oak St			vacancy rate: 7.5%	1BR	11	516 - 550	\$3,390 - \$3,390		\$6.16 - \$6.57		
<i>Assisted Living</i>				2BR	3	770 - 770	\$4,065 - \$4,065		\$5.28 - \$5.28		
Courtyard at Auburn	1997	15	0	Double	2	383 - 412	\$3,550 - \$3,550		\$8.62 - \$9.27		
501 N Oak St			vacancy rate: 0.0%	Studio	13	383 - 412	\$4,610 - \$4,610		\$11.19 - \$12.04		
<i>Memory Care</i>											
Hidden Creek	1999	22	4	Studio	22	150 - 150	Not Provided		NA		
112001 Hidden Creek Pl			vacancy rate: 18.2%								
<i>Assisted Living</i>											
Norwood Young America											
Peace Village - Harbor	2006	36	5	Studio	15	509 - 539	\$2,765 - \$2,895		\$5.37 - \$5.43		
300 N Faxon Rd			vacancy rate: 13.9%	1BR	21	609 - 609	\$3,480 - \$3,480		\$5.71 - \$5.71		
<i>Assisted Living</i>											
Peace Village - Haven	2016	25	4	Studio	12	324 - 557	\$2,230 - \$3,215		\$5.77 - \$6.88		
600 Railroad Dr			vacancy rate: 16.0%	1BR	13	610 - 744	\$3,435 - \$3,930		\$5.28 - \$5.63		
<i>Assisted Living</i>											
Peace Village - Haven	2016	12	0	Studio	12	326 - 363	\$2,735 - \$2,845		\$7.84 - \$8.39		
600 Railroad Dr			vacancy rate: 0.0%								
<i>Memory Care</i>											
Victoria											
Emerald Crest	2005	30									
8150 Bavaria Rd			Facility closing March 10, 2024								
<i>Memory Care</i>											
Waconia											
Auburn Meadows	2012	44	2	Studio	29	356 - 442	\$2,970 - \$3,200		\$7.24 - \$8.34		
591 Cherry Dr			vacancy rate: 4.5%	1BR	12	505 - 546	\$3,545 - \$3,545		\$6.49 - \$7.02		
<i>Assisted Living</i>				2BR	3	505 - 712	\$3,990 - \$3,990		\$5.60 - \$7.90		
Auburn Reflections	2012	17	0	Studio	17	356 - 442	\$4,580 - \$4,630		\$10.48 - \$12.87		
591 Cherry Dr			vacancy rate: 0.0%								
<i>Memory Care</i>											
New Perspective	'05/'12	76	0	Studio	14	330 - 434	\$1,704 - \$1,704		\$3.93 - \$5.16		
500 Cherry St			vacancy rate: 0.0%	1BR	48	515 - 778	\$2,510 - \$2,510		\$3.23 - \$4.87		
<i>Independent Living</i>				1BR+D	2	646 - 646	\$3,500 - \$3,500		\$5.42 - \$5.42		
				2BR	12	759 - 878	\$4,183 - \$4,183		\$4.76 - \$5.51		
<i>Assisted Living*</i>				Studio		330 - 434	\$2,008 - \$2,008		\$4.63 - \$6.08		
				1BR		515 - 778	\$2,814 - \$2,814		\$3.62 - \$5.46		
				1BR+D		646 - 646	\$3,804 - \$3,804		\$5.89 - \$5.89		
				2BR		759 - 878	\$4,487 - \$4,487		\$5.11 - \$5.91		
New Perspective*	'05/'12	40	4	Studio	40	330 - 434	\$4,616 - \$4,616		\$10.64 - \$13.99		
500 Cherry St			vacancy rate: 10.0%								
<i>Memory Care</i>											
----- continued -----											

TABLE continued

SERVICE-ENHANCED SENIOR HOUSING PROPERTIES										
CARVER COUNTY										
December 2023										
Project Name/Location <i>Service Level</i>	Occp. Date	No. of Units	Total Vacant	Unit Description			Monthly Rent		Rent/sq. ft.	
				Type	No.	Size	Min	Max	Min	Max
Waconia continued										
Westview Acres 433 W 5th St <i>Independent Living</i>	1985	110	4	1BR	66	500 - 741	\$1,477 - \$1,755		\$2.37 - \$2.95	
				2BR	44	844 - 1,208	\$1,857 - \$2,226		\$1.84 - \$2.20	
<i>Assisted Living*</i>				1BR		500 - 741	\$2,186 - \$2,464		\$3.33 - \$4.37	
				2BR		844 - 1,208	\$2,566 - \$2,935		\$2.43 - \$3.04	
Nagel AL 232 S Elm St <i>Assisted Living</i>	2017	34	8	Room	34	NA - NA	\$1,575 - \$1,975		NA - NA	
				vacancy rate: 23.5%						
Nagel MC 232 S Elm St <i>Memory Care</i>	2017	18	2	Room	18	NA - NA	\$1,575 - \$1,975		NA - NA	
				vacancy rate: 11.1%						
Watertown										
Westwood Place 209 Jefferson Ave SW <i>Assisted Living</i>	1989	55	15	Studio	55	196 - 225	\$4,800 - \$4,800		\$21.33 - \$24.49	
				vacancy rate: 27.3%						
Independent Living:		363	19	vacancy rate: 5.2%						
Assisted Living:		497	60	vacancy rate: 12.1%						
Memory Care:		237	8	vacancy rate: 3.4%						
Service-Enhanced Total:		1,096	87	vacancy rate: 7.9%						
*AL and MC includes base monthly fee plus minimum required level of care fee										
Sources: Maxfield Research & Consulting, LLC										

The following are photographs of select service-enhanced senior housing properties in Carver County:



Carver Ridge Senior Living – Carver



Summerwood – Chanhassen



Chaska Heights Senior Living – Chaska



Peace Village – Norwood Young America



New Perspective – Waconia



Westwood Place – Watertown

Pending Senior Housing Developments

Maxfield Research compiled information provided by municipal staff from the communities located in Carver County to identify any senior housing developments that are proposed, planned, or under construction that may impact future demand for senior housing in the County. The following points summarize our findings.

In total, we identified five pending senior housing developments in the County, totaling 807 units. These projects include a 269-unit active adult detached villa ownership project which is under construction and a 48-unit memory care project which has been approved. Three other projects are preliminary, including a 43-unit income-restricted active adult rental housing development and a 147-unit market rate active adult rental project. Another 300 units are being considered in the County, but service levels are not known at this time.

- The Carver County CDA is considering a 43-unit income-restricted active adult rental housing development adjacent to their planned 60-unit general occupancy project at 1591 Hartwell Drive in Carver. The active adult units are conceptual, and no formal plans are under review.
- Moments of Chanhasen is a 48-unit memory care senior housing development that has been approved on a Site near West 78th Street and Lake Ann Park in Chanhasen.
- Level 7 Development has preliminary approvals for 300 units of senior housing as part of the Avienda development near the intersection of Lyman Boulevard and Powers Boulevard in Chanhasen. The senior housing component of this project could include active adult owned and/or rented housing as well as service-enhanced housing, but the exact service level mix is not known at this time.
- Pulte Homes is developing Del Webb at Chaska near the Highway 41 intersection with Victoria Drive in Chaska. This is a 269-unit detached villa active adult ownership project targeted to residents age 55 and older. As of December 2023, 152 units are occupied and 117 remain vacant or undeveloped.
- United Properties has preliminary concept approvals for a 147-unit market rate apartment development restricted to residents age 55 and older, but final approval has not yet been issued. The project, referred to as “Amira”, will be located at 2285 Arboretum Boulevard in Victoria if approved.

Housing Affordability

Introduction

Affordable housing is a term that has various definitions according to different people and is a product of supply and demand. According to the United States 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 following topics are covered in this analysis.

- ▶ Housing Choice Voucher program
- ▶ Household income and rent limits for affordable housing
- ▶ Naturally Occurring Affordable Housing (NOAH) units
- ▶ Housing cost burdened households in the County, and
- ▶ Housing costs in Carver County in relation to household income

Minnesota Housing, HUD, and the United States Census Bureau American Community Survey (ACS) are the primary data resources for the Housing Affordability section of this report. Additionally, Maxfield Research and Consulting, LLC utilizes findings from the For-Sale Housing Market Analysis and Rental Market Analysis sections of this study to evaluate housing cost affordability in the County.

Generally, housing that is income-restricted to households earning at or below 80% of Area Median Income (AMI) is considered affordable. However, individual properties may 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. The definition is broadly defined as housing that is income-restricted to households earning between 50% and 120% AMI. The following figure summarizes generally recognized AMI Definitions:

AREA MEDIAN INCOME (AMI) DEFINITIONS	
Definition	AMI Range
Extremely Low Income	0% to 30%
Very Low Income	31% to 50%
Low Income	51% to 80%
Moderate Income (Workforce Housing)	50% to 120%
Carver County 4-person AMI = \$124,900 (2023)	

Housing Choice Vouchers

In addition to subsidized apartments, “tenant-based” subsidies such as *Housing Choice Vouchers*, assist low income households to secure housing through the private market. The tenant-based subsidy is funded by HUD. In Carver County, application for Housing Choice Vouchers is made through the Twin Cities **Metro 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 at or less than the payment standards by bedroom type for their area. The household then pays approximately 30% of their Adjusted Gross Income (AGI) 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% of Area Median Income (AMI) based on household size.

The following are key points about the Housing Choice Voucher Program, currently administered by administered by the HRA.

- The Metro HRA manages a total of 7,200 vouchers. These vouchers cover all of Carver and Anoka Counties and suburban Hennepin and Ramsey Counties. The Cities of Minneapolis and St. Paul have their own allocations of HCVs and are not included in the above total.
- All vouchers are currently in use and there is a waiting list estimated at 1,940.
- This is the lowest number in use and reflects rising rental rates and budget constraints, which have not kept pace with rising housing costs.

- The Federal Government has not been increasing budget allocations for the Housing Choice Voucher program to accommodate these increases. As a result, agencies that manage Housing Choice Vouchers are serving fewer households than their total allocations would allow. This situation is expected to continue, increasing the number of low-income households that need assistance, but are unable to obtain it. This situation also further exacerbates the number of households that are precariously housed and at risk of becoming homeless due to housing costs that exceed their ability to pay.
- The wait list was last opened for five days in June 2022 and 11,000 applications were received. From those, 2,000 applications were randomly selected to be placed on the Metro HRA’s wait list, which is currently closed. The estimated wait time for assistance is one to five years, once being placed on the wait list.
- The following summarizes households on the Voucher Wait List by bedroom size:

Bedroom Size	No. of HHs
1	1,032
2	630
3	221
4	48
5	9
Total	1,940

Following is information regarding the number of vouchers that were returned unused that were issued over the past 12 to 24 months, along with the primary reason (if known):

Reason Returned	No	Pct
Absorbed (moved out of service area)	242	30%
Voucher Expired	116	14%
Voluntary Drop (tenant gave up voucher)	169	21%
Violation of Family Obligations (tenant did not follow program rules)	118	14%
Deceased	89	11%
Over Income	68	8%
Evicted	9	1%
No Reason Listed	5	1%

- There are currently 311 voucher holders living in Carver County and 35 County residents with vouchers seeking residence. Thirty-two vouchers are ported out of the County and 15 are ported into the County. There are 35 participants currently living in Carver County.
 - Portability refers to a process that allows a household to transfer or “port” their rental subsidy if they move to a location outside of the HRA jurisdiction. The HRA that absorbed the household administers the voucher but does not pay for the costs of vouchers ported into the jurisdiction.

- The voucher program uses a payment standard which matches the cost of housing and utilities and households may use the housing voucher for units with rent that is below or above the payment standard. Metro HRA has payment standards that are set up by Metro Area Zip Code depending on where the geographic location.

TABLE 58
RENT PAYMENT STANDARDS
METRO HRA - CARVER COUNTY ZIP CODES
Effective 04/01/2024

Zip Code	Studio	1BR	2BR	3BR	4BR	5BR	6BR
55315	\$1,156	\$1,313	\$1,597	\$2,166	\$2,440	\$2,806	\$3,172
55318	\$1,166	\$1,323	\$1,617	\$2,185	\$2,470	\$2,840	\$3,210
55322	\$1,190	\$1,350	\$1,650	\$2,230	\$2,520	\$2,898	\$3,276
55331	\$1,199	\$1,364	\$1,661	\$2,244	\$2,541	\$2,922	\$3,303
55360	\$1,210	\$1,370	\$1,670	\$2,250	\$2,550	\$2,933	\$3,315
55367	\$910	\$1,040	\$1,270	\$1,730	\$1,990	\$2,289	\$2,587
55368	\$892	\$1,019	\$1,245	\$1,695	\$1,950	\$2,243	\$2,535
55386	\$1,600	\$1,810	\$2,210	\$2,980	\$3,380	\$3,887	\$4,394
55387	\$1,068	\$1,215	\$1,480	\$1,999	\$2,264	\$2,603	\$2,943
55388	\$910	\$1,040	\$1,270	\$1,730	\$1,990	\$2,289	\$2,587
55397	\$921	\$1,039	\$1,274	\$1,715	\$1,950	\$2,243	\$2,535

Source: Metro HRA

- Housing Choice Vouchers can be used for several types of residences to include apartment rentals, single family housing rentals, duplexes, townhouses, and homeownership.
- The overall number of active landlords has decreased. However, it is hard to know if some larger landlords just own more units or if the actual number of landlords willing to accept vouchers has decreased.
- The most significant issues that are being faced with the need for and the use of Section 8 vouchers are low vacancy rates and rising rents. Rising rents reduce the overall budget allocation for the vouchers so fewer households can be served at the same allocation level. Low vacancy rates reduce incentives from landlords to accept HCVs.

Rent and Income Limits

The following table displays the maximum allowable incomes by household size to qualify for affordable housing and maximum gross rents that can be charged by bedroom size in Carver County. These incomes are published and revised annually by HUD and also published separately by Minnesota Housing based on the date a project is placed into service. Fair Market Rent reflects the amount needed to pay gross monthly rent at modest rental housing in a given area.

TABLE 59

2023 INCOME LIMITS CARVER COUNTY Effective Date: 05/15/2023								
-----Income Limits by Household Size-----								
	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
30% AMI	\$26,100	\$29,820	\$33,540	\$37,260	\$40,260	\$43,230	\$46,230	\$49,200
40% AMI	\$34,800	\$39,760	\$44,720	\$49,680	\$53,680	\$57,640	\$61,640	\$65,600
50% AMI	\$43,500	\$49,700	\$55,900	\$62,100	\$67,100	\$72,050	\$77,050	\$82,000
60% AMI	\$52,200	\$59,640	\$67,080	\$74,520	\$80,520	\$86,460	\$92,460	\$98,400
80% AMI	\$69,600	\$79,520	\$89,440	\$99,360	\$107,360	\$115,280	\$123,280	\$131,200
100% AMI	\$87,000	\$99,400	\$111,800	\$124,200	\$134,200	\$144,100	\$154,100	\$164,000
120% AMI	\$104,400	\$119,280	\$134,160	\$149,040	\$161,040	\$172,920	\$184,920	\$196,800
-----Maximum Gross Rents by Bedroom Size-----								
	0-BR	1-BR	2-BR	3-BR	4-BR			
30% AMI	\$652	\$699	\$838	\$969	\$1,080			
40% AMI	\$870	\$932	\$1,118	\$1,292	\$1,441			
50% AMI	\$1,087	\$1,165	\$1,397	\$1,615	\$1,801			
60% AMI	\$1,305	\$1,398	\$1,677	\$1,938	\$2,161			
80% AMI	\$1,740	\$1,864	\$2,236	\$2,584	\$2,882			
100% AMI	\$2,175	\$2,485	\$2,795	\$3,105	\$3,355			
120% AMI	\$2,610	\$2,982	\$3,354	\$3,726	\$4,026			
Fair Market Rent	\$1,007	\$1,149	\$1,410	\$1,916	\$2,209			

Sources: Minnesota Housing; HUD; Novogradac; Maxfield Research & Consulting, LLC

The following table summarizes maximum rents by household size and AMI based on income limits illustrated in the preceding table. The rents in the following table are based on HUD’s allocation that monthly rents should not exceed 30% of income. In addition, the table reflects maximum household size based on HUD guidelines of number of persons per unit. For each additional bedroom, the maximum household size increases by two persons.

TABLE 60

MAXIMUM RENT BASED ON HOUSEHOLD SIZE AND AREA MEDIAN INCOME CARVER COUNTY - 2023						
----- Maximum Rent Based on Household Size (@ 30% of Income) -----						
Unit Type	HHD Size Min - Max	30% AMI Min - Max	50% AMI Min - Max	60% AMI Min - Max	80% AMI Min - Max	120% AMI Min - Max
Studio	1 - 1	\$653 - \$653	\$1,088 - \$1,088	\$1,305 - \$1,305	\$1,740 - \$1,740	\$2,610 - \$2,610
1BR	1 - 2	\$653 - \$746	\$1,088 - \$1,243	\$1,305 - \$1,491	\$1,740 - \$1,988	\$2,610 - \$2,982
2BR	2 - 4	\$746 - \$932	\$1,243 - \$1,553	\$1,491 - \$1,863	\$1,988 - \$2,484	\$2,982 - \$3,726
3BR	3 - 6	\$839 - \$1,081	\$1,398 - \$1,801	\$1,677 - \$2,162	\$2,236 - \$2,882	\$3,354 - \$4,323
4BR	4 - 8	\$932 - \$1,230	\$1,553 - \$2,050	\$1,863 - \$2,460	\$2,484 - \$3,280	\$3,726 - \$4,920

Sources: MN Housing; HUD; Novogradac; Maxfield Research & Consulting, LLC

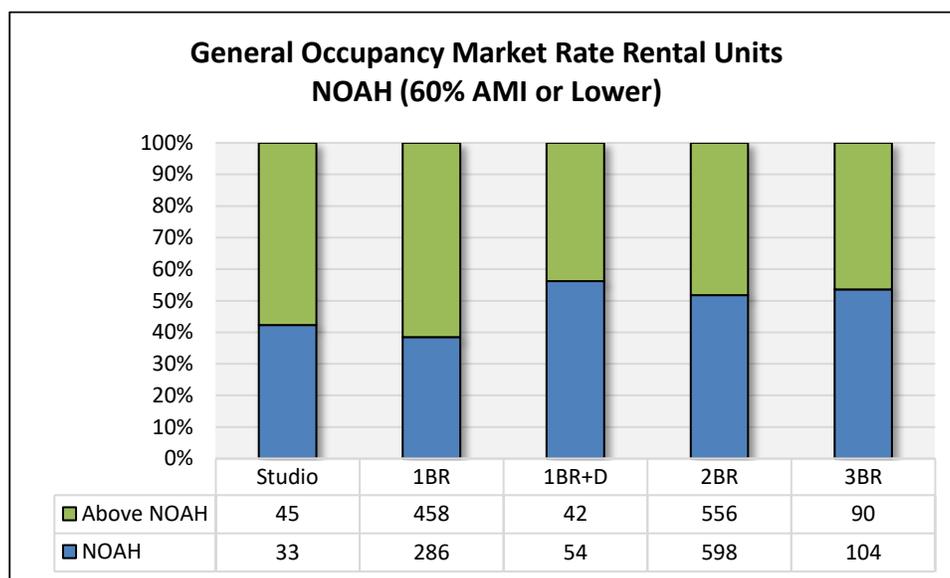
Naturally Occurring Affordable Housing (NOAH)

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 restrictions yet are more affordable than other units in a community are considered “naturally occurring affordable housing” (NOAH) units.

The NOAH housing 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, location, condition, size, functionally obsolete, etc. Because of these factors, housing costs tend to be lower. According to the *Joint Center for Housing Studies of Harvard University*, the privately unsubsidized housing stock supplies three times as many low-cost affordable units than assisted projects nationwide.

Unlike assisted rental developments, most unsubsidized affordable units are scattered across small properties or in older multifamily structures. These older developments are often 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.

The following chart illustrates the number and percent of general occupancy market rate rental housing units that would be considered NOAH units compared to units that have rents that are above the NOAH threshold. Maximum gross rents at 60% AMI are used as the NOAH threshold. Rents are based on the average rent by unit type for the market rate properties surveyed for the Rental Housing Analysis section of this study.



- Based on the average rents by unit type in each of the surveyed properties, roughly 49% of all general occupancy market rate rental housing units have rents that fall below the NOAH threshold (ranges from \$1,305 for studio units to \$1,938 for three-bedroom units).
- An estimated 57% of the three-bedroom units, 56% of the one-bedroom plus den units, and 53% of the two-bedroom units have quoted rents that are below the NOAH threshold. Additionally, 42% of studio units and 40% of one-bedroom units are estimated to be NOAH units.

Housing Cost Burden

The table on the following pages shows the number and percentage of owner and renter households that pay 30% or more of their gross income for housing in Carver County and each of its submarkets compared to the Twin Cities Metro Area. This information was compiled from the American Community Survey 2021 five-year estimates.

The Federal standard for affordability is 30% of income for housing costs. Moderately cost-burdened is defined as households paying between 30% and 50% of their income to housing; while severely cost-burdened is defined as households paying more than 50% of their income for housing. Higher-income households that are cost-burdened may have the option of moving to lower priced housing, but lower-income households often do not. The figures focus on owner households with incomes below \$50,000 and renter households with incomes below \$35,000.

- In total, an estimated 8,258 households in Carver County are considered cost-burdened, representing 21.6% of all households, lower than 26.3% of households in the Twin Cities Metro Area.
- An estimated 17.6% of owner households (5,565 households) are estimated to be paying more than 30% of their income for housing costs in Carver County, slightly lower than 18.0% in the Metro Area.
- Roughly 40.7% of all renter households (2,693) in Carver County pay more than 30% of their income on housing compared to 44.9% in the Metro Area.
- The number of cost burdened households increases proportionally based on lower incomes. An estimated 83% of renters with incomes below \$35,000 are cost burdened and 60% of owners with incomes below \$50,000 are cost burdened in Carver County.
- Roughly 7.5% of all households in Carver County (2,851 households) are severely cost-burdened (paying 50% or more of their income toward housing costs), lower than 11.0% in the Twin Cities Metro Area.

- In Carver County, an estimated 5.5% of owner households and 16.8% of renter households are severely cost-burdened, compared to 6.5% of owner households and 21.2% of renter households in the Metro Area.

TABLE 61

HOUSING COST BURDEN CARVER COUNTY MARKET AREA								
	Carver		Chanhassen		Chaska		Cologne	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Owner Households								
All Owner HHs	2,301		8,262		7,288		1,133	
Cost Burden 30.0% or greater	423	18.4%	1,708	20.7%	1,176	16.1%	145	12.8%
Cost Burden 30.0% to 34.9%	139	6.0%	467	5.7%	464	6.4%	28	2.5%
Cost Burden 35.0% to 49.9%	175	7.6%	715	8.7%	441	6.1%	50	4.4%
Cost Burden 50.0% or more	109	4.7%	526	6.4%	271	3.7%	67	5.9%
Owner HHs w/ incomes <\$50,000	304		902		1,061		165	
Cost Burden 30.0% or greater	147	48.4%	644	71.4%	503	47.4%	80	48.5%
Renter Households								
All Renter HHs	247		1,144		3,048		104	
Cost Burden 30.0% or greater	62	25.1%	496	43.4%	1,286	42.2%	39	37.5%
Cost Burden 30.0% to 34.9%	3	1.2%	129	11.3%	356	11.7%	30	28.8%
Cost Burden 35.0% to 49.9%	0	0.0%	127	11.1%	428	14.0%	4	3.8%
Cost Burden 50.0% or more	59	23.9%	240	21.0%	502	16.5%	5	4.8%
Renter HHs w/ incomes <\$35,000	59		241		849		45	
Cost Burden 30.0% or greater	59	100%	222	92.1%	698	82.2%	35	77.8%
	Hamburg-NYA		Mayer-NG		Victoria		Waconia	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Owner Households								
All Owner HHs	1,381		1,577		3,762		4,080	
Cost Burden 30.0% or greater	235	17.0%	308	19.5%	347	9.2%	949	23.3%
Cost Burden 30.0% to 34.9%	53	3.8%	97	6.2%	102	2.7%	175	4.3%
Cost Burden 35.0% to 49.9%	113	8.2%	117	7.4%	96	2.6%	370	9.1%
Cost Burden 50.0% or more	69	5.0%	94	6.0%	149	4.0%	404	9.9%
Owner HHs w/ incomes <\$50,000	269		215		267		602	
Cost Burden 30.0% or greater	123	45.7%	143	66.5%	182	68.2%	485	80.6%
Renter Households								
All Renter HHs	431		136		290		961	
Cost Burden 30.0% or greater	141	32.7%	49	36.0%	76	26.2%	480	49.9%
Cost Burden 30.0% to 34.9%	0	0.0%	5	3.7%	3	1.0%	153	15.9%
Cost Burden 35.0% to 49.9%	85	19.7%	37	27.2%	22	7.6%	155	16.1%
Cost Burden 50.0% or more	56	13.0%	7	5.1%	51	17.6%	172	17.9%
Renter HHs w/ incomes <\$35,000	159		38		65		420	
Cost Burden 30.0% or greater	111	69.8%	32	84.2%	65	100%	342	81.4%

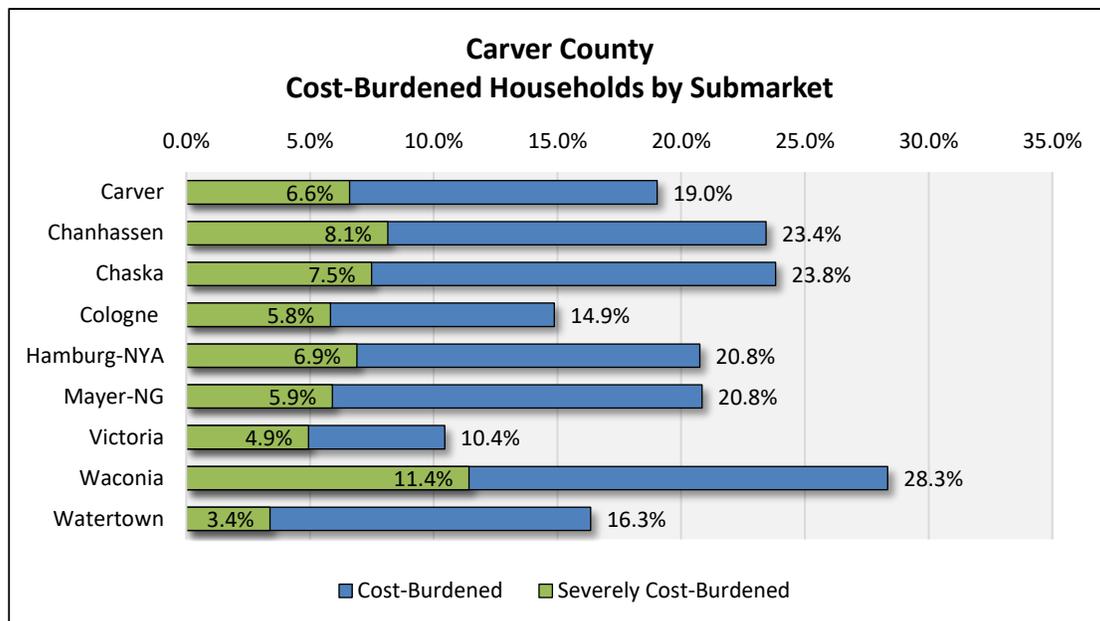
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TABLE continued

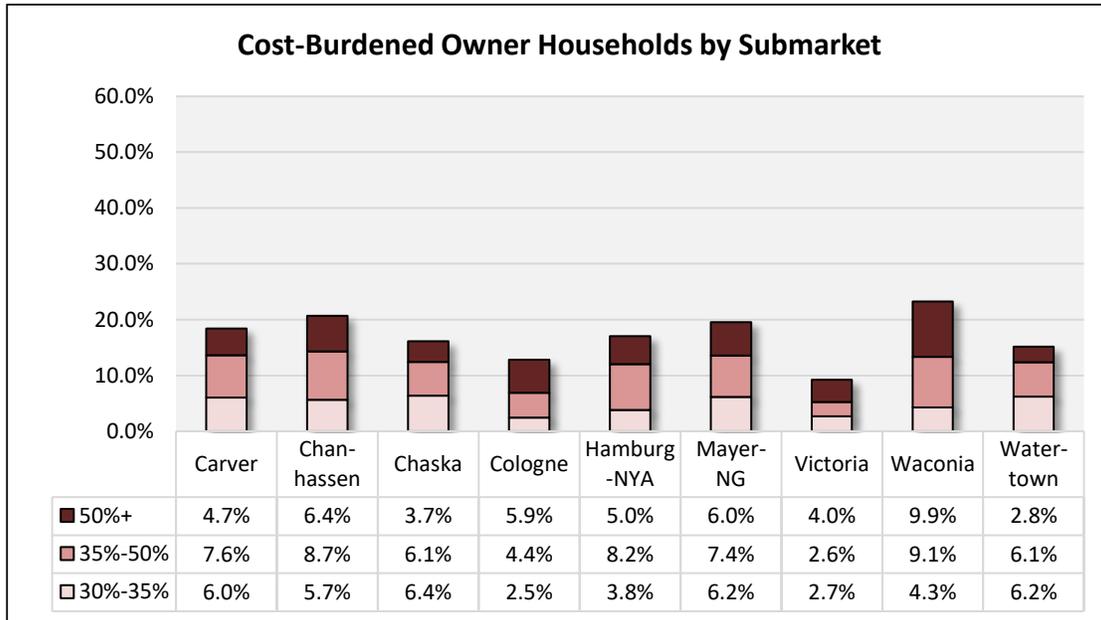
HOUSING COST BURDEN CARVER COUNTY MARKET AREA						
	Watertown		Carver County		Metro Area	
	No.	Pct.	No.	Pct.	Pct.	
Owner Households						
All Owner HHs	1,811		31,595			
Cost Burden 30.0% or greater	274	15.1%	5,565	17.6%	18.0%	
Cost Burden 30.0% to 34.9%	113	6.2%	1,638	5.2%	4.9%	
Cost Burden 35.0% to 49.9%	111	6.1%	2,188	6.9%	6.6%	
Cost Burden 50.0% or more	50	2.8%	1,739	5.5%	6.5%	
Owner HHs w/ incomes <\$50,000	263		4,048			
Cost Burden 30.0% or greater	136	51.7%	2,443	60.4%	62.1%	
Renter Households						
All Renter HHs	257		6,618			
Cost Burden 30.0% or greater	64	24.9%	2,693	40.7%	44.9%	
Cost Burden 30.0% to 34.9%	0	0.0%	679	10.3%	9.2%	
Cost Burden 35.0% to 49.9%	44	17.1%	902	13.6%	14.5%	
Cost Burden 50.0% or more	20	7.8%	1,112	16.8%	21.2%	
Renter HHs w/ incomes <\$35,000	80		1,956			
Cost Burden 30.0% or greater	64	80.0%	1,628	83.2%	85.6%	

Sources: American Community Survey, 2017-2021 estimates; Maxfield Research & Consulting, LLC

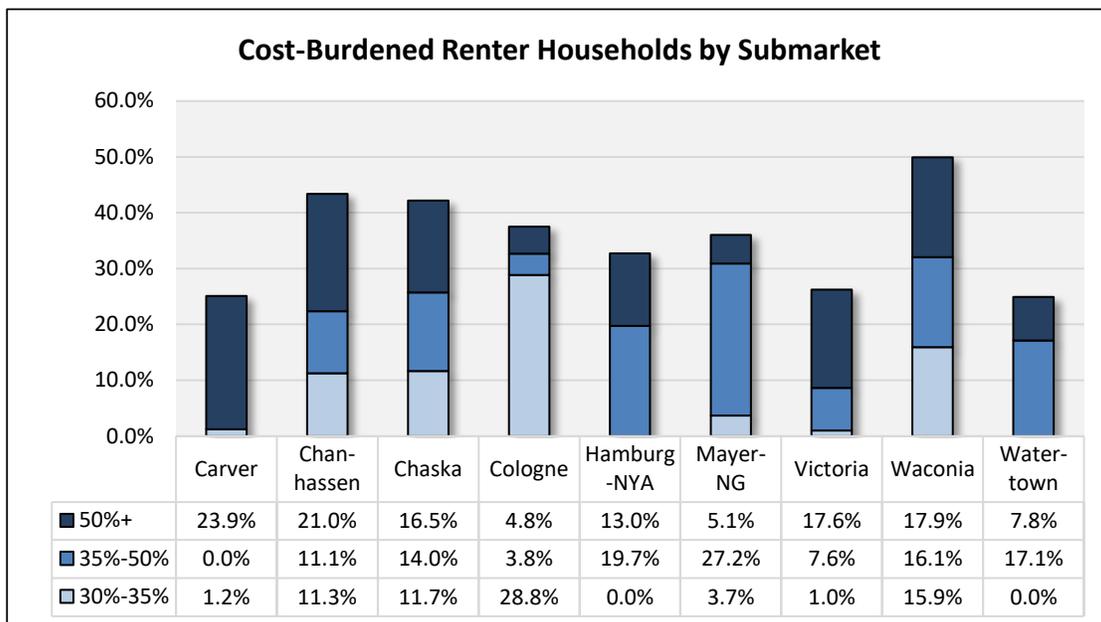
- As depicted in the following chart, the percent of all households considered cost-burdened ranges from 10.4% in the Victoria Submarket to 28.3% in the Waconia Submarket. The percent of households considered severely cost-burdened ranges from 3.4% in the Watertown Submarket to 11.4% in the Waconia Submarket.



- The percentage of cost-burdened owner households is highest in the Waconia Submarket, at 23% of all owner households including 10% that are severely cost-burdened, followed by Chanhassen at 21% of all owner households. Cost-burdened owner households are lowest in the Victoria (9%) and Cologne (13%) Submarkets.



- Cost-burdened renter household percentages ranges from 25% in the Watertown and Carver Submarkets to highs of 50% in the Waconia Submarket and 43% in Chanhassen. The percent of renter households considered severely cost-burdened is highest in the Carver (24%) and Chanhassen (21%) Submarkets.



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 the County. The table estimates the percentage of 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 6.61% interest rate (rate as of December 28, 2023)
- Private mortgage insurance (equity of less than 20%)
- Homeowners insurance for single-family homes and association dues for townhomes
- Owner household income estimates per 2021 ACS

Rental Housing

- Background check on tenant to ensure credit history
- 30% allocation of income
- Renter household income estimates per 2021 ACS

Because of the down payment requirement and strict underwriting criteria for a mortgage, not all households will meet the income qualifications as outlined above.

- An estimated 64% of existing owner households could afford to buy a moderately priced entry-level detached single-family home (\$300,000) in the County.
- The proportion of income-qualified households declines as the sale price increases, and roughly 36% of existing owner households could afford to purchase a move-up detached single-family home priced at \$500,000.
 - The proportion able to afford an executive single-family home priced at \$750,000 declines to 20% of existing owner households.
- Roughly 71% of owner households could afford an entry-level townhome or twin home priced at \$250,000, while 50% could afford a move-up unit priced at \$400,000.
 - Roughly 26% of existing owner households in the County could afford a townhome or twin home priced at \$600,000.

- An estimated 50% of existing renter households can afford to rent a one-bedroom unit in the County at the average quoted rate of \$1,400 per month. The percentage of income-qualified renter households decreases to 43% that can afford an existing two-bedroom unit (\$1,565 per month) and 34% of existing renter households that can afford a three-bedroom unit (\$1,817 per month).
- An estimated 42% of existing renters could afford to rent a one-bedroom apartment within a new development renting for \$1,600 per month, while 25% could afford a new two-bedroom unit priced at \$2,138 and just 17% of renter households could afford a new construction three-bedroom unit priced at \$2,581.

TABLE 62
HOUSING AFFORDABILITY - BASED ON HOUSEHOLD INCOME
CARVER COUNTY
December 2023

For-Sale (Assumes 10% down payment and good credit)						
	Detached Single-Family			Townhome/Condo/Twinhome		
	Entry-Level	Move-Up	Executive	Entry-Level	Move-Up	Executive
Price of House	\$300,000	\$500,000	\$750,000	\$250,000	\$400,000	\$600,000
Pct. Down Payment	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Total Down Payment Amt.	\$30,000	\$50,000	\$75,000	\$25,000	\$40,000	\$60,000
Estimated Closing Costs*	\$9,000	\$15,000	\$22,500	\$7,500	\$12,000	\$18,000
Cost of Loan	\$279,000	\$465,000	\$697,500	\$232,500	\$372,000	\$558,000
Interest Rate	6.61%	6.61%	6.61%	6.61%	6.61%	6.61%
Number of Pmts.	360	360	360	360	360	360
Monthly Payment (P & I)	-\$1,784	-\$2,973	-\$4,459	-\$1,486	-\$2,378	-\$3,567
(plus) Prop. Tax	-\$375	-\$625	-\$938	-\$313	-\$500	-\$750
(plus) HO Insurance/Assoc. Fee (TH)	-\$100	-\$167	-\$250	-\$150	-\$150	-\$150
(plus) PMI/MIP (less than 20%)	-\$121	-\$202	-\$302	-\$101	-\$161	-\$242
Subtotal monthly costs	-\$2,380	-\$3,966	-\$5,949	-\$2,050	-\$3,189	-\$4,709
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	\$95,184	\$158,640	\$237,960	\$81,987	\$127,579	\$188,368
Pct. of Owner HHs - Carver County	64.4%	36.4%	20.1%	71.4%	49.5%	25.9%
Pct. of Owner HHs - Carver	62.0%	31.0%	15.2%	69.3%	45.4%	20.5%
Pct. of Owner HHs - Chanhassen	67.5%	42.8%	28.2%	73.6%	54.3%	34.0%
Pct. of Owner HHs - Chaska	64.8%	36.8%	19.8%	71.8%	50.0%	25.7%
Pct. of Owner HHs - Cologne	59.1%	25.3%	8.0%	69.1%	40.8%	13.4%
Pct. of Owner HHs - Hamburg-NYA	44.7%	13.8%	2.8%	54.2%	27.3%	6.0%
Pct. of Owner HHs - Mayer-NG	56.1%	15.3%	3.8%	64.8%	33.5%	7.3%
Pct. of Owner HHs - Victoria	80.2%	56.3%	35.5%	84.2%	68.4%	43.5%
Pct. of Owner HHs - Waconia	60.3%	34.5%	16.1%	67.2%	47.0%	22.3%
Pct. of Owner HHs - Watertown	53.7%	18.6%	5.8%	65.2%	33.9%	9.7%

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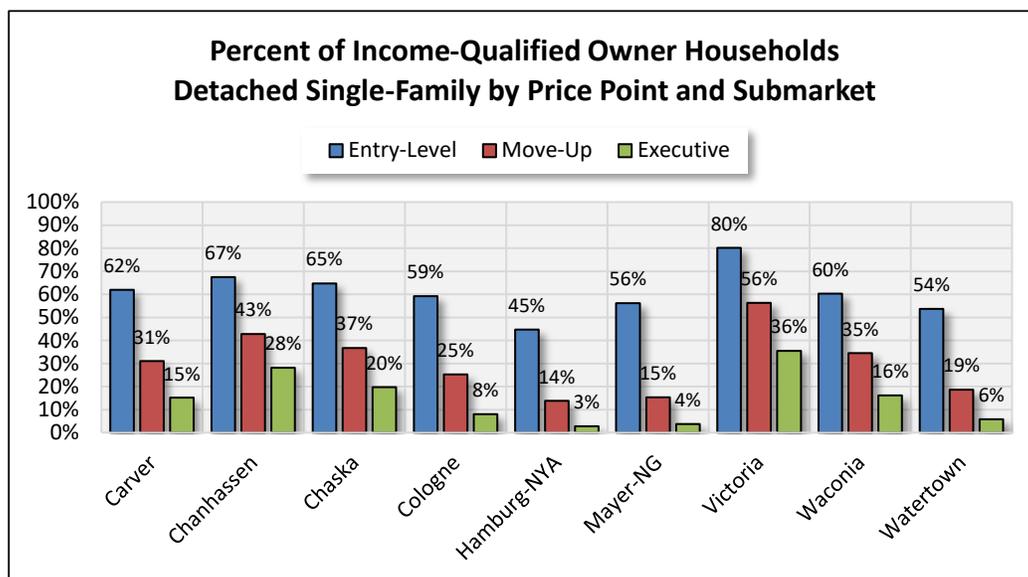
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HOUSING AFFORDABILITY - BASED ON HOUSEHOLD INCOME						
CARVER COUNTY						
December 2023						
Rental (Market Rate)						
	Existing Rental			New Rental		
	1BR	2BR	3BR	1BR	2BR	3BR
Monthly Rent	\$1,397	\$1,564	\$1,802	\$1,600	\$2,138	\$2,581
Annual Rent	\$16,764	\$18,768	\$21,624	\$19,200	\$25,656	\$30,972
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	\$55,880	\$62,560	\$72,080	\$64,000	\$85,520	\$103,240
Pct. of Renter HHs - Carver County	49.9%	43.4%	34.1%	42.0%	25.3%	16.5%
Pct. of Renter HHs - Carver	68.8%	65.6%	60.9%	64.9%	56.8%	49.9%
Pct. of Renter HHs - Chanhassen	63.7%	58.7%	51.4%	57.6%	38.5%	22.8%
Pct. of Renter HHs - Chaska	48.4%	40.2%	28.5%	38.4%	20.4%	13.6%
Pct. of Renter HHs - Cologne	36.2%	33.6%	30.0%	33.1%	19.5%	6.3%
Pct. of Renter HHs - Hamburg-NYA	36.4%	30.1%	21.1%	28.7%	17.1%	14.7%
Pct. of Renter HHs - Mayer-NG	40.8%	33.8%	23.7%	32.2%	17.2%	12.0%
Pct. of Renter HHs - Victoria	58.4%	55.5%	51.3%	54.9%	43.5%	32.7%
Pct. of Renter HHs - Waconia	41.6%	37.0%	30.3%	36.0%	20.6%	9.4%
Pct. of Renter HHs - Watertown	43.0%	34.0%	21.1%	32.0%	13.2%	7.8%

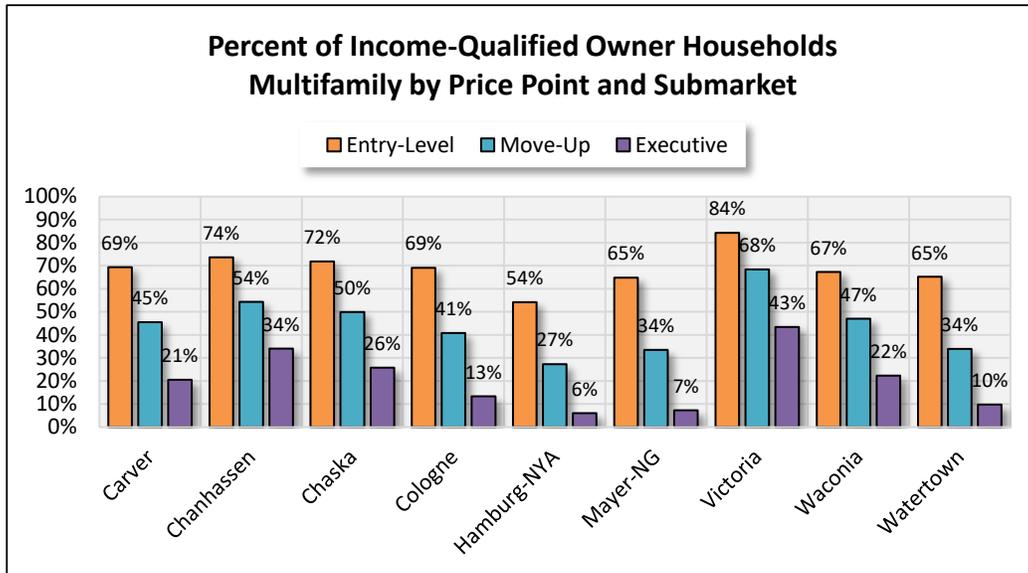
*Estimated closing costs rolled into mortgage

Source: Maxfield Research & Consulting, LLC

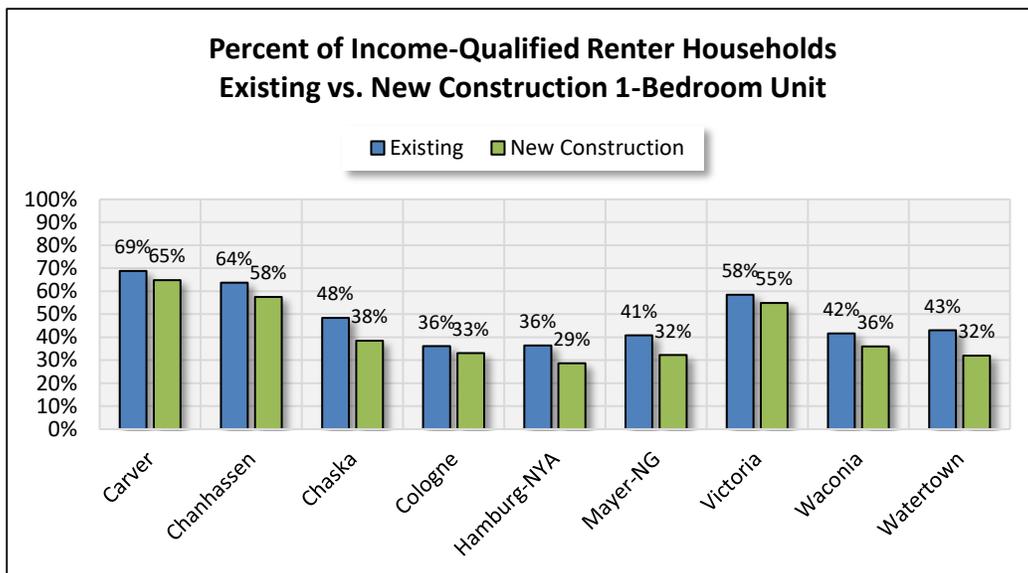
- Housing affordability varies by submarket in Carver County. As illustrated below, the percent of existing owner households that can afford a move-up home ranges from 14% in the Hamburg-Norwood Young America Submarket to 56% in the Victoria Submarket.



- The proportions are slightly higher for owned multifamily housing (i.e. townhomes), as the percentage that could afford a move-up multifamily units ranges from 34% in the Mayer-New Germany and Watertown Submarkets to 68% in the Victoria Submarket.



- The following graph depicts the proportion of rental households that could afford the average one-bedroom unit rent in existing market rate rental properties in the County compared to new construction one-bedroom unit rents.



- The proportion of households able to afford exiting one-bedroom units ranges from 36% in the Cologne Submarket to 69% of renter households in the Carver Submarket. For new construction, the range declines to 29% in the Hamburg-Norwood Young America Submarket to 65% of renter households in the Carver Submarket.

Homeless and Special Needs

Introduction

The following section of the housing needs analysis provides an overview of housing needs for homeless and special needs populations in Carver County and the surrounding area. The following topics are covered.

- ▶ Point-in-Time (PIT) counts of homeless populations
- ▶ Demographic statistics of homeless populations
- ▶ Coordinated Entry System (CES) findings
- ▶ Summary of homeless veterans in the County
- ▶ Service characteristics of homelessness in the County
- ▶ Carver County shelter and long-term homeless units
- ▶ At-Risk population summary

Data sources for this information include Minnesota Continuum of Care, Minnesota 2022 PIT Counts, Minnesota Homeless Management Information System (HMIS), and Wilder Research.

This section presents information from the Coordinated Entry System (CES), which is a national database system and centralized process to coordinate the intake, assessment and referrals for people experiencing homelessness to access homeless dedicated housing. It is also a system to track availability of homeless dedicated beds and to connect people experiencing homelessness to those spaces. Homeless dedicated housing includes rapid re-housing, transitional housing, and permanent supportive housing (including Housing Support Long-Term Homeless (formerly GRH-LTH)).

Since 1991, Wilder Research has been conducting research and presenting data on the homeless population in Minnesota. The Wilder study has been conducted every year through 2018, but was then delayed by the pandemic. The research resumed in October 2023 and results of the study will be released in March 2024. Wilder Research also conducts additional on-site surveys in emergency shelters and transitional housing facilities to obtain more detailed information on the demographic and financial characteristics of those that are homeless. Homeless numbers continue to rise in Minnesota and across the nation. In addition, the 2018 detailed study completed by Wilder Research identified significant increases in the number of persons, singles, and families, who were “unsheltered,” meaning they were not housed in an emergency shelter, transitional housing facility or in rapid re-housing properties.

Each state in the country including Minnesota conducts a single night survey of people that are homeless. This single night count is referred to “Point-in-Time” and occurs each year in January. For states that are in northern climates, conducting the count in January often results in some undercounting because volunteers cannot as easily identify those that may be “doubled up” with friends and relatives or those that are “unsheltered” and may be sleeping in a car, van, shed or other location that is not fit or intended for human habitation.

The 2023 Point-in-Time count for Minnesota identified 8,393 people who were homeless, a 6% increase over 2022. The number of people in households with children increased by more than 27% between 2022 and 2023. The number of people in households without children decreased modestly (7%), but remain the majority of those that are homeless (55%) as of 2023.

The increase in the number of households with children experiencing homelessness likely rose because of the end of the eviction moratorium and other COVID-19 protections, which were particularly effective in serving families.

The unsheltered homeless reported higher rates of behavioral health challenges. People sleeping outside were more than three times as likely to report having a serious mental illness and nearly four times as likely to report a substance abuse disorder than those in shelters.

Since 2022, the number of people unsheltered decreased by 5% and the number of people in shelters increased by 9% across the State. The number of people in the Twin Cities Metro Area experiencing homelessness increased by 13% in 2023, with both sheltered and unsheltered increasing. Family homelessness in the Twin Cities Metro Area increased by 53%.

Statewide, people of color continue to be over-represented among the homeless population. American Indian and African American populations experience the greatest disparities in representation among the homeless. Latino and people identifying as multiple races who were homeless increased by 53% and 46%, respectively between 2022 and 2023.

Hennepin and Ramsey Counties each have their own CES system. The outlying collar counties in the Twin Cities Metro Area (Anoka, Carver, Dakota, Scott, and Washington) are grouped together in the Suburban Metro Area CES.

Hennepin and Ramsey Counties account for more than half of the statewide homeless population. The 6% increase in the homeless population in Minnesota is largely accounted for by the increase in the homeless population in Hennepin County.

All counties in Minnesota conduct a one-night count of people that are homeless. The most recent data available for individual counties including the Twin Cities Metro Area is 2022. Data for 2023 PIT has not yet been released to the “dashboard.” The Point-in-Time Counts (2022) identified a total of 726 people that were homeless in the five collar counties in the core Metro Area. This total was spread across the five suburban Metro Area counties as follows:

Anoka	218 people
Carver	49 people
Dakota	331 people
Scott	40 people
Washington	88 people

The homeless populations for Hennepin and Ramsey Counties are shown below:

Hennepin	2,591 people
Ramsey	1,668 people

The Wilder Research study incorporates findings from detailed face-to-face interviews with people who are homeless and residing in emergency shelters, domestic violence shelters and transitional housing. These detailed survey findings will be available beginning in March 2024 with the results of the Wilder Homeless report, conducted in October 2023.

Demographic Statistics on Homeless Populations

Number of Homeless in Carver/Scott Counties and the Seven County Metro

The following table shows the number of homeless people identified through the most recent point-in-time counts as of 2022. As shown, in the Metro Area, 4,985 people were counted as homeless, including 726 people in the suburban Metro Area and 89 people in Carver and Scott Counties.

TABLE 63

NUMBER OF HOMELESS PEOPLE			
CARVER/SCOTT COUNTIES, SUBURBAN COUNTIES AND SEVEN COUNTY METRO AREA*			
2022			
	Carver/Scott Counties	Suburban Metro Area	Seven County Metro
TOTAL	89	726	4,985
Note: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties Sources: Minnesota Continuum of Care (CoC); Maxfield Research & Consulting, LLC.			

These are single night counts and may not incorporate all those that are homeless including those doubled up with others in private residential situations and those that may be unable to be clearly identified as homeless. These counts are often lower than those collected by Wilder Research through their more detailed homeless assessment, conducted every three years.

Race/Ethnicity of Homeless

The table on the following page presents information on the race/ethnicity of those identified as homeless during the point-in-time counts in 2022 for the Suburban Metro Area and the Seven County Metro. Race and Ethnicity data for individual counties is not available.

As shown, 49% of the homeless population in the Suburban Metro self-identified as White, compared to 26% in the overall Seven-County Metro Area.

The proportion of people self-identifying as Multiple Races in the Suburban Metro was nearly equal to that of the Seven-County Metro Area at 11%.

Black, African American, and African proportions were 25% for the Suburban Metro Area and 37% for the Seven-County Metro Area.

TABLE 64

RACE/ETHNICITY OF THE HOMELESS
 CARVER/SCOTT COUNTIES, SUBURBAN METRO AND TWIN CITIES METRO AREA
 2022

Race/Ethnicity	Suburban Metro Area		Seven County Metro	
	Number	Pct.	Number	Pct.
White	357	49.2%	1,283	25.7%
Black, African American, or African	182	25.1%	1,832	36.8%
Asian or Asian American	8	1.1%	107	2.1%
American Indian, Alaska Native or Indigenous	8	1.1%	290	5.8%
Hawaiian or Pacific Islander	<5	--	13	0.3%
Multiple Races	85	11.7%	564	11.3%
Race Unknown	86	11.8%	896	18.0%
Totals	726	100.0%	4,985	100.0%
Ethnicity				
Non Hispanic, Non Latino,a,x	573	78.9%	3,580	71.8%
Hispanic, Latino,a,x	54	7.4%	374	7.5%
Ethnicity Unknown	99	13.6%	1,031	20.7%
Totals	726	100.0%	4,985	100.0%

Note: The Suburban Metro Area includes the following counties: Carver, Scott, Dakota, Washington, and Anoka. The Seven County Metro includes the following counties: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sources: Minnesota 2022 PIT Counts; Maxfield Research and Consulting, LLC

Gender of the Homeless Population

The following table presents information on gender among the homeless. This information is based on self-identification in the categories.

Males represent the highest proportion of the homeless population followed by females. Another 10% to 15% do not identify a gender. Other categories, are proportionally much lower, not calculated or less than 1%.

TABLE 65

GENDER OF THE HOMELESS POPULATION SUBURBAN METRO AREA AND SEVEN COUNTY METRO AREA 2022				
Monthly Income	Suburban Metro Area		Seven County Metro	
	Number	Pct.	Number	Pct.
Gender Other than Singularly Female or Male*	<5	--	8	0.2%
Gender Unknown	76	10.5%	762	15.3%
Questioning	<5	--	<5	--
Transgender	<5	--	20	0.4%
Female	300	41.4%	1,686	33.9%
Male	348	48.1%	2,504	50.3%
TOTAL	724	100.0%	4,980	100.0%

* Other than Singularly Male or Female includes Nonbinary, Gender Fluid, Agender, Culturally Specific Gender

Note: The Suburban Metro Area includes the following counties: Carver, Scott, Dakota, Washington, and Anoka. The Seven County Metro includes the following counties: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sources: Minnesota Point-in-Time Counts: 2022; Maxfield Research and Consulting, LLC

Age of the Homeless Population

The following table presents information on the age of the homeless as identified through the 2022 Point-in-Time counts. As shown, most homeless in the Suburban Metro Area and the Seven County Metro Area are adults, whether singles or in families. The table displays 64% in the Suburban Metro Area and 66% in the Seven-County Metro are adults. The next highest category is those under age 18, 24% in the Suburban Metro Area. Nearly 13% however, are considered as homeless unaccompanied youth, those ages 18 to 24. This is higher than for the Metro Area at 9%.

TABLE 66

AGE OF THE HOMELESS POPULATION SUBURBAN METRO AREA AND SEVEN COUNTY METRO AREA 2022				
Age	Suburban Metro Area		Seven County Metro	
	Number	Pct.	Number	Pct.
Under 18	179	23.5%	1,162	23.1%
18 to 24	98	12.8%	461	9.2%
25 or older	486	63.7%	3,327	66.2%
Age Unknown	<5	--	72	1.4%
TOTAL	763	100.0%	5,022	100.0%

Note: The Suburban Metro Area includes the following counties: Carver, Scott, Dakota, Washington, and Anoka. The Seven County Metro includes the following counties: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sources: Minnesota Point-in-Time Count, 2022; Maxfield Research and Consulting, LLC

Point-in-Time Results for Minnesota (2023)

The 2023 Point-in-Time count for Minnesota revealed a total of 8,393 people identified as homeless on the single night of the count.

Of those, 80% were sheltered and 20% were unsheltered.

Households without children accounted for 55% of the homeless and households with children accounted for 45% of the total.

People of color represent a much higher proportion of the homeless than their proportion of the overall population. People of color accounted for two-thirds (64%) of those sheltered and unsheltered. People of color account for 22% of Minnesota's population.

Coordinated Entry System

The Coordinated Entry System (CES) is a centralized process that coordinates the intake, assessment, and referrals for people experiencing homelessness to access homeless dedicated housing. The system tracks the availability of homeless dedicated beds and connects people experiencing homelessness to those spaces. Homeless dedicated housing includes rapid re-housing, transitional housing, permanent supportive housing (including Housing Support Long-Term Homeless (formerly GRH-LTH)). Some programs are site-based while others offer a subsidy to be used in market rate housing (scattered site).

To be eligible to be assessed for the CES system, a person must be in a shelter for 14 days or in a place not meant for human habitation (living outside, on the train, a car, etc. or fleeing or attempting to flee domestic violence). People who are "couch hopping," in jail, treatment, or any transitional setting are not considered eligible for assessment. Only homeless dedicated housing is filled through CES. This may create additional barriers for those that may be residing with friends and/or relatives and may have temporary but not permanent shelter.

As of mid-April 2023, there was a total of 674 households in the Suburban Metro Area who had been assessed in CES and are awaiting housing. Of those, 97 households were age 55 years or older.

In Carver and Scott Counties, there were 133 households who had been assessed in CES and of those 21 households were age 55 years or older.

Households may be currently living in Hennepin or Ramsey County and may have identified they want to return or relocate to Carver County. Households in other counties may list Carver County as their first priority or a subsequent priority. Often the goal is to just secure a permanent affordable residence that meets their needs.

As of 2022, a total of 6,140 clients were served in suburban Metro Area Counties across the following housing products:

- Coordinated Entry System – 2,188 people served**
- Emergency Shelter – 1,285 people served**
- Homeless Prevention – 1,317 people served**
- Permanent Housing – 1,414 people housed**
- Rapid Re-Housing – 653 people served**
- Street Outreach – 1,008 people contacted/served**
- Support Services – 473 people served**
- Transitional Housing – 154 people housed**

Homeless Veterans

The following table shows the number of Veterans and Non-Veterans in Carver County and those with incomes that are below the Federal Poverty Level. The table shows that Veterans comprise 5.4% of the population in Carver County and of those 1.2% have incomes that are below the Poverty Level. Among the Non-Veteran population 4.1% have incomes that are below the Federal Poverty Level.

TABLE 67

VETERAN & NON VETERAN* DEMOGRAPHICS CARVER COUNTY 2021		
	Veteran Population	Non Veteran Population*
Population	4,260	74,674
% of Total Population	5.4%	94.6%
Population Below Poverty Level	50	3070
% of Population Below Poverty Level	1.2%	4.1%
*Includes civilian population 18 and Over.		
Source: American Community Survey Five-Year Estimates.		

The Minnesota Assistance Council for Veterans (MACV) provides assistance to Veterans and their families including housing support, emergency assistance, employment assistance, health care assistance, legal aid, and other services. It is MACV’s mission to end Veteran homelessness in Minnesota. MACV works with local non-profit agencies to provide transitional and permanent supportive housing for Veterans across the State. In 2022, MACV and its related service and development partners housed 299 Veterans from homelessness. While most housing for homeless Veterans has been developed in Hennepin and Ramsey Counties, additional facilities are in Carver, Dakota, and Scott Counties.

MACV and its partners have made significant inroads to housing homeless Veterans and getting them the services they need to be able to support and retain a permanent housing situation. Less than 10% of Veterans housed through MACV services return to homelessness.

Carver County – Service Characteristics of the Homeless

In 2022, the following statistics were specific to Carver County. All Clients served during 2022 totaled 500 including those in the CES system. Some clients were served through multiple segments. The percent listed is the proportion of the Suburban Metro Area that was accounted for in Carver County. As shown, support services ranked high at 20.3% served. Despite limited shelter resources, 12.1% of the total Suburban Metro numbers were sheltered in Carver County.

Coordinated Entry System – 232 people served (9.4%)

Emergency Shelter – 156 people sheltered (12.1%)

Homeless Prevention – 64 people served (4.9%)

Permanent Housing – 126 people housed (8.9%)

Rapid Re-Housing – 44 people housed (6.7%)

Street Outreach – 8 people contacted/served (0.8%)

Support Services – 96 people served (20.3%)

Transitional Housing – 13 people housed (8.4%)

Carver County – Demographic Statistics – Households in Coordinated Entry

The following table displays a summary of demographic statistics of households in Carver County in the Coordinated Entry System. As shown, most of the households in Carver County in CES are White alone, female, adults, singles and have a disability. In addition, 25% are chronically homeless and only three percent are Veterans.

TABLE 68

DEMOGRAPHIC CHARACTERISTICS OF CLIENTS SERVED/HOUSED COORDINATED ENTRY SYSTEM CARVER COUNTY 2022							
Race	Carver Co Percent	Gender	Carver Co Percent	Age	Carver Co Percent	HH Type	Carver Co Percent
White alone	59%	Male	44%	Under 18	25%	Families	46%
Black, African American	25%	Female	55%	18-24	18%	Singles	54%
Native American	10%	N/A	1%	25-54	45%		
Asian	2%			55+	9%		
N/A	4%			N/A	3%		
Latino/Hispanic Origin	18%						
Disability	Carver Co Percent	Homeless	Carver Co Percent	Veteran	Carver Co Percent		
No Disability	45%	Chronic	25%	No Veteran	97%		
Disability	50%	Not Chronic	75%	Veteran	3%		
N/A	5%						
Note: N/A = Not Available							
Source: MN HMIS; Maxfield Research and Consulting, LLC							

Key Findings Regarding Homeless and Homeless Families

According to HMIS, nearly 8,400 Minnesotans were homeless on a single night in January 2023. Emergency shelters fill as winter approaches in Minnesota, and there are not enough shelter beds to accommodate the demand. As a result, a portion of homeless are forced to find other types of shelter, including tents and clustering in encampments to be able to live.

A recent study released by the Minnesota Department of Health (MDH) and the Hennepin Healthcare Research Institute (HHRI) demonstrates that the homeless die at much higher rates than the general population. This pattern holds true regardless of age, gender, or race.

The Minnesota Homeless Mortality Report 2017-2021 summarizes data from the first systematic look at mortality among people experiencing homelessness who die in Minnesota. The Health, Homelessness, and Criminal Justice Lab at HHRI merged Minnesota Homeless Management Information System data on people who used homeless services from 2017 to 2021 with Minnesota state death data and Minnesota population data from 2017 to 2020 from the U.S. Census to compare sociodemographic differences and causes of death. The report and its recommendations can be found at [Center of Excellence on Public Health and Homelessness](#).

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

In May 2023, Minnesota Governor Tim Walz signed a bill that was the State's largest ever investment in affordable housing. In total, the 2023 legislative session resulted in \$2 billion dedicated to housing and homelessness resources. Their budget seeks to help those experiencing homelessness with a variety of provisions including:

- Funding to prevent youth and family homelessness, including rental assistance, down payment assistance, and the expansion of the Homework Starts with Home program;
- Increasing emergency shelter and funding for access to affordable and transitional housing;
- Supporting Minnesotans living with addiction by establishing overdose prevention hubs and expanding access to harm reduction services for people experiencing homelessness;
- Providing access to stable housing and successful reintegration into society for Minnesotans leaving the criminal justice system; and
- Funding to make Minnesota the fourth state in the nation to end veterans' homelessness.

Homeless Populations Summary

Based on the data presented in this section, following are the key points relating to the potential need/demand for housing to serve the homeless population and particularly, the homeless older adult population.

- The most recent Point-in-Time counts for 2022 identified 89 homeless people in Carver and Scott Counties.
- Most homeless are adults over the age of 25 (63.7%) and the highest proportion of homeless in the Suburban Metro Area are White (49.2%), followed by Black, African American or African (25.1%). In the Metro Area, a higher proportion of homeless are adults (66%) and a higher proportion are Black, African American or African (36.8%) versus White (25.7%).
- According to data from the Metro Area Coordinated Entry System, 133 households in Carver and Scott Counties are in the CES system waiting to be able to access permanent shelter and of those, 21 are age 55 years or older. These figures only account for persons that are currently residing in Carver/Scott Counties and do not include any households that are living

in adjacent counties that have identified Carver/Scott County as their first or subsequent choice for housing. Many homeless households will relocate across the Metro Area to secure permanent housing that is affordable and serves their needs.

Carver County Shelter and Long-Term Homeless Units

There is limited emergency and transitional housing available in Carver and Scott Counties as of 2023. There are currently four family shelter units (average of 12 beds) that were available until December 2023. There are another four additional units (two beds each for a total of 8 beds) which can be utilized for either families or singles through an OEO ESP Grant plus weather vouchers which are inconsistent, but can serve up to 40 households annually, most during the winter months.

There is also Board funding that provides for another five units (usually single adults, couples or small families), equating to ten beds. These equal a total of 13 units or 30 beds at this time.

There is no transitional housing in the County. CAP has a Rapid Re-Housing program, but no transitional housing program. Southern Valley Alliance, situated in Scott County and in partnership with the Carver County CDA has a transitional housing grant. SVA has four transitional units in Carver County.

Community Action Partnership (CAP) Agency of Scott, Carver, and Dakota Counties serves households in Scott, Carver, and Dakota Counties with emergency assistance. The agency has a location servicing Scott and Carver Counties at 738 1st Avenue East in Shakopee.

Home health care service providers in proximity to the Site include BrightStar Care of Carver and Scott Counties and the home health division of Ridgeview Health System. Brightstar Care of Carver and Scott Counties is at 7460 South Park Drive and Savage and Home Health of Ridgeview is located at 501 South Maple Street in Waconia.

According to data provided by the CDA, the following properties in Carver County provide housing for Long-Term Homeless (LTH), High Priority Homeless (HPH) and Persons with Disabilities (PWD).

These properties are:

- Creeks Run – 8 units (all LTH)
- Carver Crossing – 4 units (all LTH)
- Clover Field MarketPlace – 6 units (all LTH)
- Vista Ridge - 8 units (4 – HPH, 4 – PWD)
- Trails Edge – 8 units (4 – HPH, 4 – PWD)

There are also Project-Based Vouchers allocated to the CDA through the Metro HRA:

- Mainstream - 20
- Homeless – 9
- Regular PBV – 26
- RAD (former public housing) – 81
- School District Partnership for homeless or at risk of homelessness – 10
- Beyond New Beginnings (for young mothers) – 4
- Homeless Veterans - 3

Planned Housing for Long-Term Homeless and Special Needs

West Creek will have 19 studio permanent supportive housing units designated for homeless youth ages 18 to 24 (one unit will be for the caretaker). The property will be in Chaska. Supportive services will be provided by Launch Ministries. Of the 16 units, four will be designated for High Priority Homeless (HPH) and another four will serve People with Disabilities (PWD). The remaining eight units will have rent and income restrictions set a 30% of AMI, allowing for homeless youth that do not qualify for Housing Support to access stable housing.

Carver Place in Carver will be owned by the CDA. A spring 2024 groundbreaking is planned and the property will have a total of 60 affordable rental units. Of those, 7 will be reserved for HPH households and 7 for Section 811 PRA households (those with disabilities).

The very tight housing market along with the economic recession contributed to the destabilization of the housing market and individuals who may have been at one time able to maintain a permanent living situation have been faced with more significant challenges to keeping and maintaining housing that is affordable. An increasing number of households, singles and families are at risk of becoming homeless.

There is a lack of properties that will accept Housing Choice Vouchers and many properties have rent levels set higher than the payment standards currently accepted by Metro HRA for the Zip Codes identified in Carver County. In addition, many landlords will not accept individuals and households that have backgrounds with barriers. As such, individuals already facing challenges are then significantly more limited in their ability to secure stable housing.

TABLE 69

EXISTING RENTAL DEVELOPMENTS FOR LONG-TERM HOMELESS/PERMANENT SUPPORTIVE HOUSING
CARVER COUNTY
December 2023

Development/Location	Date Opened	No. of Units No. for Homeless	Vacant	Unit Mix	Unit Size	Monthly Rent/Fees	Resident Profile	Notes
TARGETED AFFORDABLE PROPERTIES WITH HIGH PRIORITY HOMELESS UNITS AND PERMANENT SUPPORTIVE HOUSING UNITS								
Creeks Run Townhomes - I 421 Yellow Brick Circle Chaska, MN	2014	40 4-HPH	4 10%	7 - 2BR 25 - 3BR 8 - 4BR	1,730 - 1,730 1,865 - 1,865 2,065 - 2,065	\$1,400 - \$1,400 \$1,600 - \$1,600 \$1,750 - \$1,750	Targeted to families w/children	Managed by Premier Management; Property was funded through the LIHTC program; four units receive Housing Supports (formerly GRH) for formerly homeless. Units targeted at 50% of AMI. HPH units targeted at 30% of AMI. None of the units vacant are HPH.
Creeks Run Townhomes - II 525-535 Yellow Brick Circle Chaska, MN	2017	36 4-HPH	1 3%	4 - 2BR 26 - 3BR 6 - 4BR	1,730 - 1,730 1,865 - 1,865 2,065 - 2,065	\$1,150 - \$1,150 \$1,319 - \$1,319 \$1,350 - \$1,350	Targeted to families w/children	Managed by Premier Management. Property funded through the LIHTC program; four units receive Housing Supports (formerly GRH) for formerly homeless. Units targeted at 50% of AMI. HPH units targeted at 30% of AMI. None of the vacant units at HPH.
Carver Crossing 1593 Hartwell Drive Carver, MN	2016	68 4-HPH	1 1%	14 - 1BR 36 - 2BR 18 - 3BR	796 - 807 1,015 - 1,315 1,294 - 1,352	\$1,000 - \$1,346 \$1,200 - \$1,610 \$1,380 - \$1,857	General Occupancy; Singles and families	Managed by Steven Scott Management; LIHTC project with four units for high priority homeless. None of the vacant units are HPH.
Vista Ridge 861 Vista Boulevard Waconia, MN	2020	52 4-PSH	10 15%	12 - 1BR 25 - 2BR 15 - 3BR	674 - 674 916 - 1,040 1,184 - 1,360	\$1,045 \$1,290 \$1,550	General Occupancy; Singles and families	Managed by Velair Management; four units of permanent supportive housing for formerly homeless.
Trails Edge South 885 Airport Road Waconia, MN	2016	60 4-PSH	5 8%	15 - 1BR 30 - 2BR 15 - 3BR	648 - 794 885 - 1,047 1,151 - 1,186	\$978 \$1,150 - \$1,271 \$1,325 - \$1,464	General Occupancy; Singles and families	Managed and operated by Carver County CDA; permanent supportive housing (four units); none of the vacant units are PSH. Project funded with 9% LIHTC restricted to HHs at 60% AMI or lower and HPH (plus 4 PWD units) at 30% AMI.
Clover Field Marketplace 2915 Clover Ridge Dr Chaska, MN	2008	59 6-LTH	4 7%	16 - 1BR 29 - 2BR 14 - 3BR	681 - 774 960 - 1,139 1,364 - 1,379	\$1,260 - \$1,320 \$1,500 - \$1,560 \$1,358 - \$1,820	General Occupancy; Singles and families	Mixed-income with 59 units income-restricted at 60% AMI plus 57 market rate units. Project-based rent assistance for 21 households. Unable to obtain information from property management; data sourced from property website and secondary resources.
Total Units		315	Vacancy Rate = 7.9%					
Total Vacant Units - Affordable		25						
Total Units HPH/PSW/LTH		26						
Total Vacant Units - HPH/PSW		0	HPH Vacancy Rate = 0.0%					
Source: Maxfield Research and Consulting LLC								

At-Risk Populations

The graphic on the following page demonstrates key demographic and economic data regarding the at-risk population in the County (Primary Market Area).

An estimated 4.0% of households live below the poverty level and 5,814 people residing in the County have some type of disability. The diversity index in the is 32 of 100, indicating that the County is somewhat diverse.

The high proportion of units that will be available to households with incomes at or below 30% of AMI, supports the need in the County for low income units that are affordable to single and family households that have a significant need for this type of housing.

An estimated 0.7% of households in the County have a limited ability to speak in English or not at all.



Demand Analysis

Introduction

Maxfield Research & Consulting, LLC was engaged to quantify the demand potential for housing development in Carver County from 2023 to 2040. Earlier sections of this report examined growth trends and demographic characteristics of the household base in Carver County, as well as employment trends, housing characteristics, and housing market conditions in the County and its submarkets. This section of the report provides our demand calculations for new housing in the County to 2040, including the following product types.

- ▶ General occupancy for-sale housing demand
- ▶ General occupancy rental housing demand calculations, including demand for subsidized, affordable, and market rate rental housing
- ▶ Owned and rented market rate active adult senior housing demand
- ▶ Demand for affordable and subsidized senior rental housing
- ▶ Demand for service-enhanced (independent living, assisted living, and memory care) senior housing

Interview Summary

In an attempt to gain additional insight into housing market needs in Carver County, Maxfield Research solicited input from real estate professionals and representatives from major employers in the area. Topics addressed included issues such as types of housing being sought in the area, whether there are gaps in the existing supply of available housing in the area, and the impact housing availability has on the ability of employers to attract and retain workers. The following points summarize findings from this process.

- Carver County was described as having a strong economy and a great place to raise a family.
- Communities in the eastern half of the County are very different than the more rural communities in the northern and western portions of the County, in terms of housing values, incomes, jobs, etc.
- It was stated that the County has really good schools, and people are moving to the County for its schools.
- Some of the school districts, particularly the more rural districts (i.e. Watertown-Mayer, Central Public Schools) are experiencing stable to declining enrollment. There seems to be a demographic shift where people are having fewer children.
- The presence of Ridgeview Medical Center in Waconia is a vital service and draws people to the County.
- The housing inventory in Carver County has been very tight over the past several years, and there's a shortage of listings. Homes seem to get sold shortly after being on the market. These conditions are driving up prices.
- There is a limited inventory of existing homes available, and much of what is available is higher-end new construction.
- There is a lack of inventory for first-time homebuyers as well as empty nesters who want to move out of their single-family home.
- All product types are in demand, including acreage. Many buyers looking for acreage have to leave the County. It was suggested that the County should consider allowing some higher density residential development in the townships/rural areas than what is currently allowed.
- Housing affordability is a major issue, as many potential buyers can't afford the housing that's available, especially new construction.

- Home prices seem high relative to incomes, particularly in the western half of the County.
- It's especially difficult for first-timer buyers to find housing anywhere in the County.
- High land costs and high development costs, including City fees, are driving up the price of new construction homes.
- Expensive land is leading to the construction of expensive housing, and no affordable product is being built.
- Generally, price points are higher in the eastern half of the County than in the western and northern portions of the County. You can buy "more house for the money" in the western half of the County.
- There is a gap in the market for lower-priced housing, and many of these buyers end up moving west or north, out of the County.
- Carver County is losing some young, family households because they can't find affordable housing in the County.
- A typical price-point for entry-level detached single-family housing ranges from \$275,000 to \$350,000. Move-up housing ranges from \$450,000 to \$550,000, and executive housing starts at around \$750,000 and increases from there.
- Much of the executive housing is being built on acreages.
- Some of the communities have a limited supply of developable land which could restrain growth.
- It would be very difficult to build anything for under \$350,000, although there would be strong demand for new housing priced below \$350,000.
- Some of the newer residential developments have high HOA fees, with seemingly little in return. These fees further impact housing affordability.
- Many buyers are looking for one-level single-family homes and empty nesters are looking for maintenance-free housing in the \$300,000 to \$400,000 range, but there's little product available.
- There are pockets of attached single-family homes throughout the County, but these homes aren't on the market very often.
- Most of the homes being built are two-story homes, not single-level.

- Many potential buyers are “sitting on the fence” due to the relatively high interest rates, unless they’re a cash buyer. Many cash buyers are investors turning single-family homes into rentals.
- There was a “boom” in the market post-COVID with strong demand and unprecedented increases in home sale values. That “boom” is over, and values are stabilizing. Many buyers overspent, in some cases by \$100,000 or more.
- The market was described as being in a “log-jam” as homeowners that are considering selling have nowhere to move.
- The rental market is also expensive and very tight, with little availability for renters with modest incomes.
- The County’s rental market has been experiencing fast growth, although rents in the new buildings are high.
- There is a niche market for “tiny homes” as an affordable housing option, but very few locations to construct a tiny home.
- The Highway 212 expansion project will stimulate demand for new housing in the western half of the County, particularly Cologne and Norwood Young America.
- There is a need for more commercial services in these communities, notably a grocery store. Additional commercial goods/services could potentially attract more residents.
- Many new hires want to relocate to the County but have a difficult time finding affordable housing, particularly younger workers.
- Workers with annual incomes in the \$40,000 to \$50,000 range have a hard time affording the housing that’s available in the County.
- In some cases, new hires have had to leave their job or turn down the opportunity, because they weren’t able to find housing.
- Overall, the lack of available affordably priced housing is making it difficult for some employers to hire new workers.
- Many new hires would like to rent for a period before purchasing a home, but there seems to be a lack of available rental housing.
- There is very little rental housing available, and much of the rental stock is older and somewhat undesirable.

-
- Much of the affordably priced rental housing is subsidized and not available to area workers, and rents at the new rental properties are too high for people earning modest incomes.
 - It was stated that the greatest housing need in the County is housing for moderate income buyers.
 - There is also a need for more housing targeted to seniors that want to move out of their single-family homes, which could increase the availability of some older, more affordably priced housing.
 - More entry-level housing to attract young families is needed in the County.
 - It seems that much of the housing in the County is either “high-end” or subsidized, and there is little available for the “middle”.
 - Communities such as Norwood Young America and Cologne could benefit from the development of rental townhomes or apartments priced for moderate income renters.
 - It was suggested that the County could try to find a way to bring down development costs. Being creative with infrastructure expansion/costs and forming a land trust were suggested as possible ways to reduce development costs.
 - It was also recommended that the County should try to acquire land and pick a builder to construct affordably priced housing, although subsidies may be needed to make this work financially for a builder.
 - The development of more affordable housing begins with more affordable lot prices. This might be easier to accomplish in the western half of the County.
 - There is a strong need for a public-private partnership to create additional affordable housing opportunities in the County.

General Occupancy For-Sale Housing Market Demand Analysis

Earlier sections of this report examined growth trends and demographic characteristics of the household base in Carver County and its submarkets along with housing market conditions in the area. The table on the following pages presents demand calculations for general occupancy for-sale housing in each of the County submarkets from 2023 to 2040. This analysis identifies potential demand for general occupancy for-sale housing that is generated from both new households and turnover households.

First, we calculate potential demand from new household growth based on the propensity of households to own their housing. For this analysis, we focus on households under the age of 75 that will account for the majority of general-occupancy for-sale housing demand. Next, we calculate the percentage of household growth that would likely own their housing based on 2021 American Community Survey data.

- We estimate that household growth will generate demand for 5,225 units between 2023 and 2030. Household growth will generate demand for an estimated 6,130 units in the County from 2030 to 2040.

As of 2023, there are an estimated 31,617 owner households under the age of 75 in the County that comprise the primary market for general occupancy for-sale housing. Based on household turnover data from the 2021 American Community Survey, we estimate that 28% of these owner households will experience turnover between 2023 and 2030 and another 39% will experience turnover from 2030 to 2040. We then estimate the percent of existing owner households turning over that would prefer to purchase new housing based on national metrics and local new construction home sale data.

- Total demand from household growth plus existing household turnover equates to 6,864 new for-sale housing units in the County between 2023 and 2030 with demand for another 8,438 units from 2030 to 2040.

An additional proportion is added for households that would purchase a home in each submarket who currently reside outside the area. We estimated that 25% of the demand potential for general occupancy ownership per submarket.

- **Overall, we find demand potential for 9,152 new general occupancy for-sale housing units in the County between 2023 and 2030 and 11,250 new units from 2030 to 2040.**

Based on the age distribution of households in each submarket, residential building permit trends, and residential lot supply, we estimate the proportion of new housing units that will be detached single-family units versus multifamily units (townhomes, twin homes, condominiums). We estimate that there will be demand for 7,221 new detached single-family units (79%) between 2023 and 2030 and 1,931 multifamily units (21%). From 2030 to 2040, we estimate demand for 8,988 detached single-family units and 2,263 multifamily units.

TABLE 70

GENERAL OCCUPANCY FOR-SALE HOUSING DEMAND
CARVER COUNTY BY SUBMARKET
2023 to 2030

	Carver	Chanhassen	Chaska	Cologne	Hamburg-NYA	Mayer-NG	Victoria	Waconia	Watertown
Demand from Projected HH Growth									
HH growth, 2023-2030 ¹	372	1,250	1,296	279	647	207	217	1,677	320
(times) Propensity to own ²	x 90%	x 89%	x 73%	x 91%	x 81%	x 92%	x 93%	x 82%	x 88%
(equals) Demand from HH growth	= 335	= 1,113	= 950	= 254	= 524	= 190	= 202	= 1,375	= 282
Demand from Existing Owner HHs									
Existing owner HHs under age 75, 2023	= 2,553	= 7,895	= 7,130	= 990	= 1,484	= 1,557	= 3,980	= 3,996	= 2,032
(times) Est. % HH turnover, 2023-2030 ³	x 25%	x 25%	x 29%	x 28%	x 24%	x 30%	x 38%	x 28%	x 20%
(times) Est. % desiring new housing ⁴	x 30%	x 15%	x 15%	x 25%	x 15%	x 30%	x 15%	x 20%	x 30%
(equals) Demand from existing HHs	= 194	= 296	= 310	= 70	= 53	= 140	= 227	= 226	= 123
Total demand from HH growth+turnover	= 529	= 1,409	= 1,260	= 324	= 577	= 331	= 429	= 1,601	= 405
(plus) Demand from outside submarket	+ 25%	+ 25%	+ 25%	+ 25%	+ 25%	+ 25%	+ 25%	+ 25%	+ 25%
(equals) Demand Potential	= 705	= 1,878	= 1,680	= 432	= 770	= 441	= 572	= 2,135	= 540
	SF MF	SF MF	SF MF	SF MF	SF MF	SF MF	SF MF	SF MF	SF MF
(times) Pct. SF vs. MF*	x 90% 10%	x 80% 20%	x 80% 20%	x 90% 10%	x 60% 40%	x 85% 15%	x 75% 25%	x 80% 20%	x 70% 30%
(equals) Total Demand Potential	= 634 70	= 1,502 376	= 1,344 336	= 389 43	= 462 308	= 375 66	= 429 143	= 1,708 427	= 378 162

¹ Projected growth among households under age 75

² Pct. Owner households under age 75 from American Community Survey

³ Based on owner household turnover and mobility data (American Community Survey)

⁴ Based on new construction sales data, construction trends, and growth projections by age group

*Single-family (SF) includes detached single-family; Multifamily (MF) includes attached single-family (i.e. townhomes, twinhomes) and condominium units.

Note: Some totals may not add due to rounding

Source: Maxfield Research & Consulting, LLC

TABLE continued

GENERAL OCCUPANCY FOR-SALE HOUSING DEMAND
CARVER COUNTY BY SUBMARKET
2030 to 2040

	Carver	Chanhassen	Chaska	Cologne	Hamburg-NYA	Mayer-NG	Victoria	Waconia	Watertown									
Demand from Projected Household Growth																		
HH growth, 2030-2040 ¹	990	1,501	1,572	241	491	231	589	1,366	287									
(times) Propensity to own ² x	90%	89%	73%	91%	81%	92%	93%	82%	88%									
(equals) Demand from HH growth =	891	1,336	1,152	220	398	213	548	1,120	253									
Demand from Existing Owner Households																		
Owner HHs under age 75, 2030 =	2,498	7,572	7,459	1,129	1,912	1,385	2,577	5,253	1,913									
(times) Est. % HH turnover, 2030-2040 ³ x	37%	37%	39%	39%	35%	41%	49%	41%	29%									
(times) Est. % desiring new housing ⁴ x	30%	15%	15%	25%	15%	30%	15%	20%	30%									
(equals) Demand from existing HHs =	280	420	436	110	101	170	190	433	167									
Total demand from HH growth+turnover =	1,171	1,756	1,589	330	499	383	738	1,553	420									
(plus) Demand from outside submarket +	25%	25%	25%	25%	25%	25%	25%	25%	25%									
(equals) Demand Potential =	1,561	2,342	2,118	440	665	511	984	2,071	560									
	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF
(times) Pct. SF vs. MF* x	90%	10%	80%	20%	80%	20%	90%	10%	60%	40%	85%	15%	75%	25%	80%	20%	70%	30%
(equals) Total Demand Potential =	1,405	156	1,873	468	1,695	424	396	44	399	266	434	77	738	246	1,656	414	392	168

¹ Projected growth among households under age 75

² Pct. Owner households under age 75 from American Community Survey

³ Based on owner household turnover and mobility data (American Community Survey)

⁴ Based on new construction sales data, construction trends, and growth projections by age group

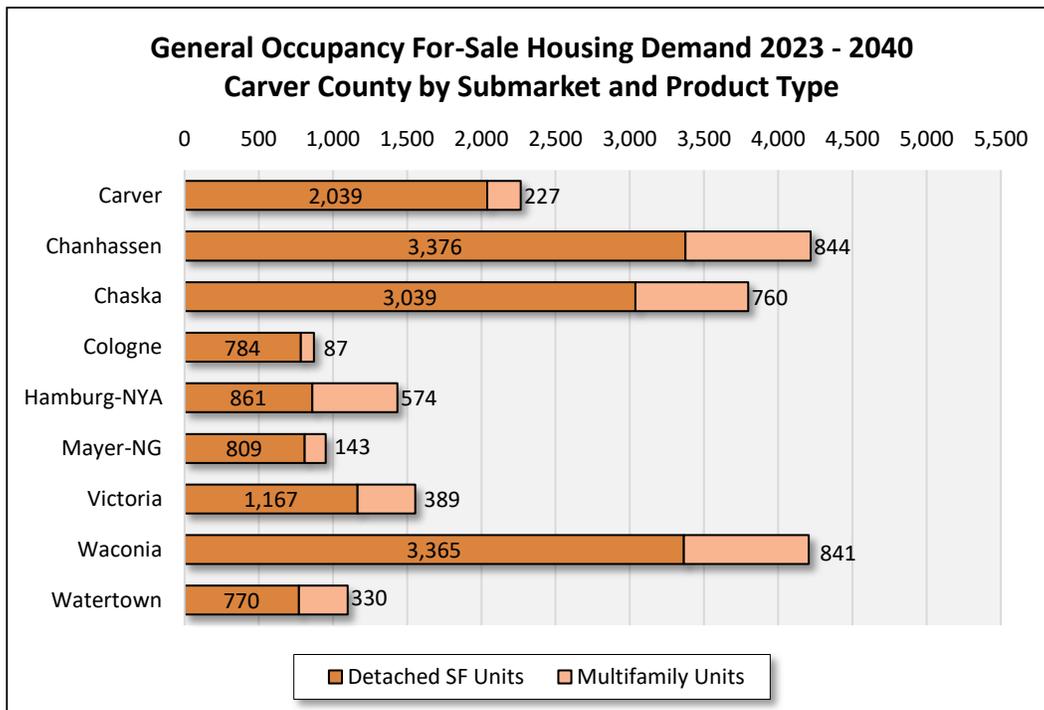
*Single-family (SF) includes detached single-family; Multifamily (MF) includes attached single-family (i.e. townhomes, twinhomes) and condominium units.

Note: Some totals may not add due to rounding

Source: Maxfield Research & Consulting, LLC

These demand projections suggest an increased pace of residential development in the County relative to the past several years. We estimate that there will be demand for 1,307 new housing units annually, on average, from 2023 to 2030, declining to 1,125 new units annually between 2030 and 2040. By comparison, 926 new housing units were permitted annually, on average, between 2018 and 2022 in the County.

The following graph depicts total general occupancy for-sale housing demand in the County from 2023 to 2040 by product type for each submarket. As illustrated, demand is projected to be highest in the Chanhassen, Waconia, Chaska, and Carver Submarkets.



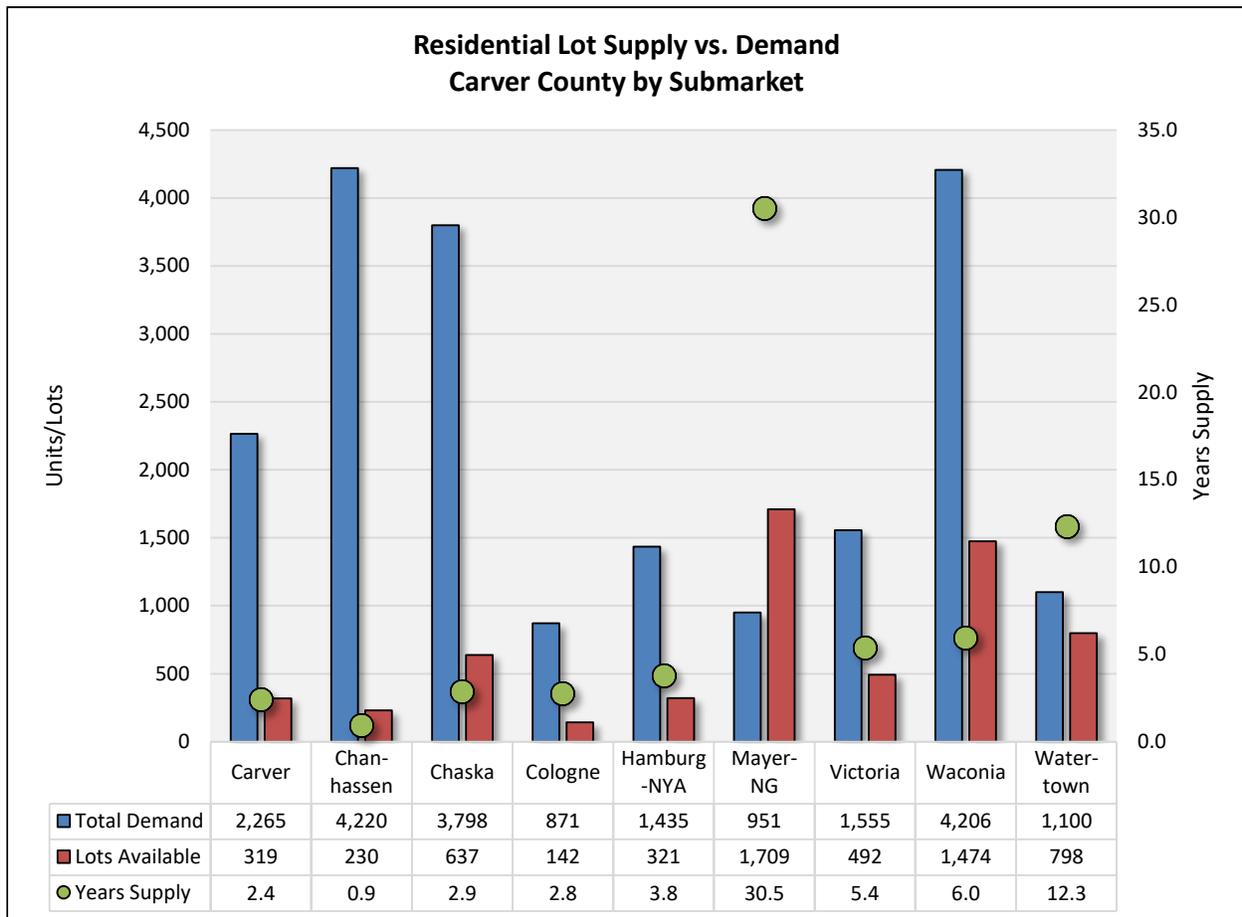
Lot Supply

These estimates assume that residential lots will be available to support the projected demand in each submarket. As summarized below, the current supply of vacant developed lots and future lots is not sufficient to satisfy projected for-sale housing demand in many of the submarkets.

We identified 1,050 vacant developed detached single-family lots and 4,255 future detached single-family lots in Carver County, along with 104 vacant developed multifamily lots and 788 future multifamily lots. Additionally, we identified 595 detached single-family and 66 multifamily lots pending (concept) in the County.

Based on the for-sale housing demand calculations (16,208 detached single-family units and 4,194 multifamily units needed by 2040), the existing supply of vacant and future lots is sufficient to satisfy short-term demand, but additional lots will be needed by 2040. There is an approximately 5.6-year supply of detached single-family lots (vacant plus future) and a 3.6-year supply of multifamily lots in Carver County. However, the supply of development-ready (vacant developed lots) is much smaller, at a 1.1-year supply of detached single-family and a 0.4-year supply of multifamily vacant developed lots.

The following graph illustrates the supply of residential lots available (vacant developed lots and future lots) relative to the general occupancy for-sale housing demand estimated for each submarket.



Based on years’ supply, the Chanhassen (0.9 years), Carver (2.4), Cologne (2.8), and Chaska (2.9) Submarkets have the most immediate need for additional residential lots. The Mayer-New Germany Submarket has the largest inventory of residential lots, based on years’ supply, with the vast majority being future lots in the Fieldstone Subdivision (1,279 lots) in Mayer.

General Occupancy Rental Housing Demand Analysis

The demand table on the following page presents our calculation of general occupancy rental housing demand in Carver County by submarket between 2023 and 2040. Factors considered include demographic trends, population shifts, and pending developments. Potential rental housing demand is calculated from two categories:

1. From new household growth based on the propensity of households to rent their housing; and,
2. From existing households that will remain in the Market Area because new product is available and they value other area amenities including proximity to education, employment, entertainment and recreation.

First, we calculate potential demand from new household growth based on the propensity of households to rent their housing. For this analysis, we focus on households under the age of 75 that will account for the majority of general occupancy rental demand. Next, we calculate the percentage of household growth that will likely rent their housing based on 2021 American Community Survey data.

- Estimated demand from household growth equates to 1,050 rental housing units from 2023 to 2030 and 1,152 units between 2030 and 2040.

The second part of the analysis calculates demand from existing households, or turnover demand. Younger households tend to be highly mobile, relative to older households. Mobility rates were calculated for the renter population based on American Community Survey data and were applied to the existing renter household base. As of 2023, there are an estimated 6,226 renter households under age 75 in the County.

Based on household turnover data from the 2021 American Community Survey, we estimate that 73% of these renter households will experience turnover from 2023 to 2030 and 83% will turnover between 2030 and 2040. We then estimate the percentage of the existing renter households that will seek new rental housing resulting in demand for 1,150 new units from turnover by 2030 and 1,102 units between 2030 and 2040.

- Together, demand from projected household growth plus turnover equals estimated demand for 2,155 rental housing units from 2023 to 2030 and 2,254 units between 2030 and 2040 in Carver County.

An additional proportion is added for households that would move to a rental project in each submarket. We estimate a range of 20% to 30% depending on factors such as location and proximity to employment, entertainment, and services. This results in total rental housing demand potential for 3,017 new rental units by 2030 and 3,156 units between 2030 and 2040.

TABLE 71

GENERAL OCCUPANCY RENTAL HOUSING DEMAND
CARVER COUNTY BY SUBMARKET
2023 to 2030

	Carver	Chanhassen	Chaska	Cologne	Hamburg-NYA	Mayer-NG	Victoria	Waconia	Watertown
Demand from Projected Household Growth									
HH growth, 2023-2030 ¹	372	1,250	1,296	279	647	207	217	1,677	320
(times) Propensity to rent ²	x 10%	x 11%	x 27%	x 9%	x 19%	x 8%	x 7%	x 18%	x 12%
(equals) Demand from HH growth	= 38	= 139	= 350	= 25	= 123	= 17	= 16	= 304	= 38
Demand from Existing Renter Households									
Existing renter HHs under age 75, 2023	= 343	= 1,056	= 2,781	= 106	= 368	= 141	= 355	= 879	= 197
(times) Est. % HH turnover, 2023-2030 ³	x 81%	x 75%	x 75%	x 60%	x 75%	x 65%	x 71%	x 61%	x 78%
(times) Est. % desiring new housing ⁴	x 25%	x 25%	x 25%	x 20%	x 20%	x 20%	x 25%	x 25%	x 20%
(equals) Demand from existing HHs	= 70	= 199	= 521	= 13	= 55	= 18	= 63	= 134	= 31
Total demand from HH growth+turnover	108	338	871	38	178	36	79	438	69
(plus) Demand from outside submarket	+ 25%	+ 30%	+ 30%	+ 20%	+ 20%	+ 20%	+ 30%	+ 30%	+ 25%
(equals) Total Demand Potential	= 144	= 482	= 1,245	= 47	= 223	= 44	= 113	= 626	= 92
(times) % for Market Rate units ⁵	x 71%	x 67%	x 53%	x 38%	x 40%	x 45%	x 60%	x 44%	x 48%
(minus) Pending Market Rate units ⁶	- 0	- 0	- 686	- 0	- 0	- 0	- 270	- 149	- 0
(equals) Excess Market Rate Demand	= 102	= 323	= 22	= 18	= 89	= 20	= -183	= 137	= 44
(times) % for Affordable units ⁵	x 11%	x 16%	x 23%	x 20%	x 28%	x 33%	x 18%	x 19%	x 23%
(minus) Pending Affordable units ⁶	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0
(equals) Excess Affordable Demand	= 16	= 75	= 288	= 9	= 63	= 15	= 20	= 116	= 21
(times) % for Subsidized units ⁵	x 18%	x 17%	x 24%	x 42%	x 32%	x 22%	x 22%	x 38%	x 29%
(minus) Pending Subsidized units ⁶	- 0	- 0	- 16	- 0	- 0	- 0	- 0	- 0	- 0
(equals) Excess Subsidized Demand	= 26	= 84	= 283	= 20	= 71	= 10	= 25	= 235	= 27

¹ Projected growth among households under age 75

² Pct. renter households under age 75 from American Community Survey

³ Based on renter household turnover and mobility data (American Community Survey)

⁴ Based on leasing trends, occupancy rates among existing product, and renter household incomes

⁵ Based on income limits and renter household incomes

⁶ Pending product includes units under construction or approved at equilibrium (93% occupancy)

Note: Some totals may not add due to rounding

Source: Maxfield Research & Consulting, LLC

TABLE continued
**GENERAL OCCUPANCY RENTAL HOUSING DEMAND
 CARVER COUNTY BY SUBMARKET
 2030 to 2040**

	Carver	Chanhassen	Chaska	Cologne	Hamburg-NYA	Mayer-NG	Victoria	Waconia	Watertown
Demand from Projected Household Growth									
HH growth, 2030-2040 ¹	990	1,501	1,572	241	491	231	589	1,366	287
(times) Propensity to rent ²	x 10%	x 11%	x 27%	x 9%	x 19%	x 8%	x 7%	x 18%	x 12%
(equals) Demand from HH growth	= 102	= 167	= 424	= 22	= 93	= 19	= 43	= 247	= 34
Demand from Existing Renter Households									
Existing renter HHs under age 75, 2030	= 286	= 944	= 2,748	= 111	= 448	= 125	= 202	= 1,159	= 260
(times) Est. % HH turnover, 2030-2040 ³	x 81%	x 75%	x 75%	x 60%	x 75%	x 65%	x 71%	x 61%	x 78%
(times) Est. % desiring new housing ⁴	x 25%	x 25%	x 25%	x 20%	x 20%	x 20%	x 25%	x 25%	x 20%
(equals) Demand from existing HHs	= 58	= 178	= 515	= 13	= 67	= 16	= 36	= 177	= 41
Total demand from HH growth+turnover	160	344	940	35	161	35	79	425	75
(plus) Demand from outside submarket	+ 25%	+ 30%	+ 30%	+ 20%	+ 20%	+ 20%	+ 30%	+ 30%	+ 25%
(equals) Total Demand Potential	= 214	= 492	= 1,342	= 44	= 201	= 44	= 113	= 607	= 100
(times) % for Market Rate units ⁵	x 71%	x 67%	x 53%	x 38%	x 40%	x 45%	x 60%	x 44%	x 48%
(minus) Pending Market Rate units ⁶	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0
(equals) Excess Market Rate Demand	= 152	= 330	= 711	= 17	= 80	= 20	= 68	= 267	= 48
(times) % for Affordable units ⁵	x 11%	x 16%	x 23%	x 20%	x 28%	x 33%	x 18%	x 19%	x 23%
(minus) Pending Affordable units ⁶	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0
(equals) Excess Affordable Demand	= 23	= 77	= 310	= 9	= 57	= 15	= 20	= 112	= 23
(times) % for Subsidized units ⁵	x 18%	x 17%	x 24%	x 42%	x 32%	x 22%	x 22%	x 38%	x 29%
(minus) Pending Subsidized units ⁶	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0
(equals) Excess Subsidized Demand	= 39	= 86	= 321	= 18	= 64	= 10	= 25	= 227	= 29

¹ Projected growth among households under age 75

² Pct. renter households under age 75 from American Community Survey

³ Based on renter household turnover and mobility data (American Community Survey)

⁴ Based on leasing trends, occupancy rates among existing product, and renter household incomes

⁵ Based on income limits and renter household incomes

⁶ Pending product includes units under construction or approved at equilibrium (93% occupancy)

Note: Some totals may not add due to rounding

Source: Maxfield Research & Consulting, LLC

Based on a review of renter household incomes and income limits set by HUD and Minnesota Housing, we estimate the proportion of the total demand potential by rental housing product type, as follows:

- Market rate housing
- Affordable housing (affordable to households with incomes between 30% and 60% AMI)
- Subsidized housing (affordable to households at 30% AMI or less)

These proportions vary by submarket, but an estimated 53% of the demand potential in the County will be for market rate units, ranging from 38% in the Cologne Submarket to 71% in the Carver Submarket. An estimated 26% of the total demand potential will be for subsidized units, ranging from 17% in the Chanhassen Submarket to 42% in the Cologne Submarket. The remaining 21% will be for affordable units with a range from 11% in the Carver Submarket to 33% in the Mayer-New Germany Submarket.

Due to the income limits in Carver County relative to market rate rents, there is some crossover between affordable demand and market rate demand, as some households income-qualified for affordable housing may also be able to afford new market rate rental housing.

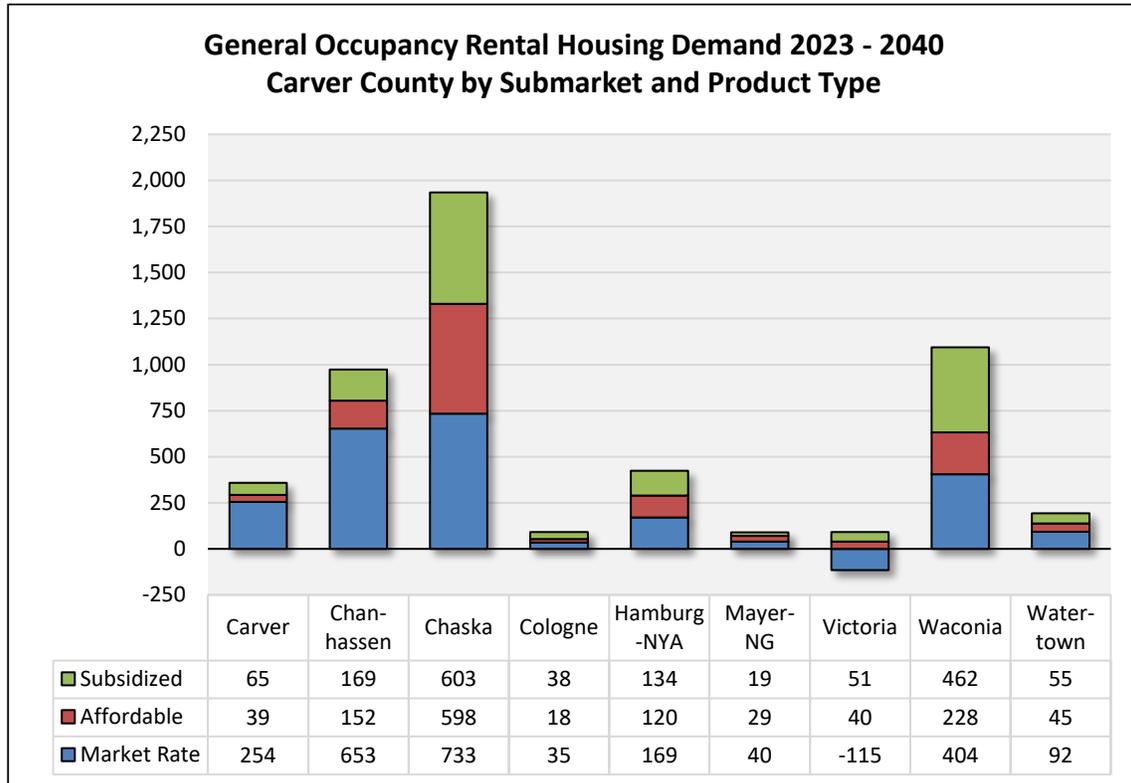
From the 2023 to 2030 demand potential, we subtract pending developments at stabilized occupancy (93%) to find the remaining excess demand in each submarket. Due to the longer-term nature of the demand calculations from 2030 to 2040, we do not know of any pending rental housing developments that would likely open during that time period, so we do not subtract any pending units from the 2030 to 2040 estimates.

We identified four market rate projects and one subsidized approved or under construction in Chaska, containing a total of 686 market rate units and 16 subsidized units. We also identified two market rate projects in Victoria, totaling 270 units, and one 43-unit market rate project under construction in Waconia. We also include 106 units at The Otto in Waconia which need to be leased for the project to reach stabilized occupancy.

By 2040, we find total excess demand for 2,264 market rate rental housing units, 1,268 affordable rental units, and 1,598 subsidized units in Carver County. From 2023 to 2030, we calculate excess demand for 572 market rate units, 623 affordable units, and 780 subsidized units. We estimate that there will be demand for another 1,692 market rate units, 645 affordable units, and 819 subsidized units between 2030 and 2040.

The number of units in the development pipeline (approved and under construction) exceed the estimated demand potential for new market rate rental housing units in the Victoria Submarket and capture a majority of the demand potential in Chaska between 2023 and 2030, indicating that the general occupancy market rate rental market in these submarkets is at risk of reaching saturation in the short-term. For these pending projects to lease-up successfully, they will need to attract a greater proportion of households from outside the submarket than projected in this demand calculation.

The following graph illustrates the excess demand potential by submarket and rental housing product type (market rate, affordable, subsidized) from 2023 to 2040. Excess rental housing demand is projected to be strongest in the Chaska (1,934 total units), Waconia (1,094 total units), and Chanhassen (974 total units) between 2023 and 2040.



Senior Housing Demand Analysis

The following table summarizes our senior housing demand estimates for Carver County by service level in 2023, 2030, and 2040, while the detailed demand tables presented on the subsequent pages summarize our senior housing demand calculations by submarket, including demand for market rate active adult owned and rented units, affordable and subsidized active adult rental units, independent living, assisted living, and memory care.

Assumptions used to estimate demand in 2040 are summarized as follows: 1) the percentages used to determine income- and asset-qualifications for senior housing are the same proportions used for the 2030 calculations; 2) all capture rates hold steady for each age group from 2030 to 2040 and no new product is added to the inventory between 2030 and 2040.

- Due to the strong growth projected for the older adult and senior population between 2023 and 2040, strong senior housing demand growth is projected across all service levels in Carver County.

TABLE 72

EXCESS SENIOR HOUSING DEMAND BY SERVICE LEVEL CARVER COUNTY 2023, 2030, 2040			
	2023	2030	2040
Market Rate Active Adult Units	938	1,347	1,384
Owner	413	549	568
Renter	525	798	816
Affordable/Subsidized Units	1,605	2,401	2,315
Subsidized	605	834	795
Affordable	1,000	1,567	1,520
Service-Enhanced Units	714	1,259	2,463
Independent Living	447	719	928
Assisted Living	105	255	902
Memory Care	162	285	633

Source: Maxfield Research & Consulting, LLC

- Demand for affordable and subsidized senior housing units is projected to increase by 796 units (50% growth), while there will be demand for an additional 409 market rate active adult units (44%). Service-enhanced senior housing demand is projected to increase 76% (545 units) in the County between 2023 and 2030.
- Demand growth for market rate active adult and affordable/subsidized housing is expected to flatten between 2030 and 2040, as the “baby bust” population moves through the age cohorts targeted by active adult housing.
- The aging “baby boom” population will generate strong demand growth for service-enhanced senior housing between 2030 and 2040, particularly for assisted living and memory care units.
 - While we identified strong demand growth for assisted living senior housing, labor challenges and prospective residents’ preferences for independent living with add-on services will capture a portion of the assisted living demand in the County.

The table on the following page summarizes our senior housing demand findings by submarket and service-level in 2023, 2030, and 2040. Detailed senior housing demand calculations by submarket for each service level in 2023 and 2030 are provided on the subsequent pages.

TABLE 73

EXCESS SENIOR HOUSING DEMAND BY SERVICE LEVEL
 CARVER COUNTY BY SUBMARKET
 2023, 2030, 2040

	Carver			Chanhassen			Chaska		
	2023	2030	2040	2023	2030	2040	2023	2030	2040
Market Rate Active Adult Units	89	125	130	253	389	401	138	177	178
Owner	31	44	47	104	148	154	62	65	65
Renter	58	81	83	149	241	247	76	112	113
Affordable/Subsidized Units	124	182	180	359	571	552	405	554	533
Subsidized	55	58	52	154	197	184	99	147	145
Affordable	69	124	128	205	374	368	306	407	388
Service-Enhanced Units	51	90	171	186	343	682	114	197	366
Independent Living	32	52	68	94	179	233	80	122	155
Assisted Living	6	14	49	47	99	316	10	34	122
Memory Care	13	24	54	45	65	133	24	41	89
	Cologne			Hamburg-NYA			Mayer-NG		
	2023	2030	2040	2023	2030	2040	2023	2030	2040
Market Rate Active Adult Units	34	51	54	27	60	64	49	68	68
Owner	12	18	19	22	34	35	17	24	25
Renter	22	33	35	5	26	29	32	44	43
Affordable/Subsidized Units	54	74	68	117	202	199	85	120	111
Subsidized	24	28	25	57	89	87	34	44	41
Affordable	30	46	43	60	113	112	51	76	70
Service-Enhanced Units	30	48	89	13	48	112	46	67	118
Independent Living	17	27	35	29	48	61	26	37	47
Assisted Living	5	8	27	-19	-10	27	8	13	36
Memory Care	8	13	27	3	10	24	12	17	35
	Victoria			Waconia			Watertown		
	2023	2030	2040	2023	2030	2040	2023	2030	2040
Market Rate Active Adult Units	154	193	194	114	182	191	78	102	103
Owner	72	89	90	65	92	97	27	36	36
Renter	82	104	104	49	90	94	51	66	67
Affordable/Subsidized Units	144	201	186	234	392	393	84	103	95
Subsidized	43	58	55	92	157	157	47	53	49
Affordable	101	143	131	142	235	236	37	50	46
Service-Enhanced Units	158	240	446	60	144	332	55	83	146
Independent Living	95	127	161	35	73	100	38	53	67
Assisted Living	36	51	141	12	39	153	0	7	32
Memory Care	27	62	144	13	32	79	17	23	47

Source: Maxfield Research & Consulting, LLC

Market Rate Active Adult Senior Housing Demand by Submarket

The following table presents our demand calculations for market rate active adult housing in each Carver County submarket in 2023 and 2030. The market for active adult housing is comprised of older adult (age 55 to 64), younger senior (age 65 to 74) and older senior (age 75+) households, with market demand weighted most heavily toward older seniors.

In order to arrive at the potential age-, income- and asset-qualified base for market rate active adult housing, we include all age-qualified households with incomes of \$40,000 or more plus homeowner households with incomes between \$30,000 and \$39,999 who would qualify with the proceeds from a home sale. The number of qualifying homeowner households is estimated by applying the appropriate homeownership rate to each age cohort.

Seniors are willing to pay increasing proportions of their income on alternative housing, beginning with an income allocation of 40% to 50% for market rate active adult senior housing with little or no services. Older adult and senior households with incomes of \$40,000 allocating 40% of their income toward housing costs could afford monthly rents of \$1,333, slightly higher than the average rent of \$1,317 for one-bedroom units in the existing market rate active adult rental properties in Carver County.

- We estimate there are 14,628 age-, income- and asset-qualified households in Carver County that comprise the market for active adult housing in 2023, increasing to 18,039 qualified households in 2030.

Adjusting to include appropriate capture rates for each age cohort (1.5% of households age 55 to 64, 8.0% of households age 65 to 74, and 18.0% of households age 75 and older) results in a demand potential for 898 active adult housing units in 2023 and 1,225 units in 2030.

- These capture rates reduce the total number of age/income/asset-qualified households to consider only the portion of older adult and senior households who would be willing, able, and inclined to move to senior housing alternatives, including both owner- and renter-occupied housing.

We estimate that seniors currently residing outside the submarket will generate 20% to 30% of the demand for active adult housing in each submarket. Demand from outside the submarket includes parents of adult children living in the area, individuals who live outside the submarket but have an orientation to the area (i.e. church, doctor), and former residents who desire to return upon retirement.

Demand for market rate active adult housing is apportioned between ownership and rental product types. Based on the age distribution of the population, homeownership rates, existing product, and trends for active adult housing products, we project that 30% to 50% of the demand will be for owner-occupied active adult housing, depending on submarket, and the remaining demand (50% to 70%) will be for active adult rental housing units.

TABLE 74

MARKET RATE ACTIVE ADULT HOUSING DEMAND CARVER COUNTY BY SUBMARKET 2023 & 2030															
2023 DEMAND	Carver			Chanhassen			Chaska			Cologne			Hamburg-NYA		
Age of Householder	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+
HHs w/ Incomes of >\$40,000	586	340	135	2,219	1,281	493	1,717	909	345	195	133	55	346	246	83
HHs w/ Incomes of \$30,000 to \$39,999	20	12	34	73	56	100	105	107	100	9	16	14	31	38	52
(times) Homeownership Rate	x 85%	x 99%	x 98%	x 91%	x 95%	x 77%	x 81%	x 77%	x 37%	x 96%	x 84%	x 99%	x 74%	x 100%	x 48%
(equals) Total Potential Market Base	= 603	= 352	= 168	= 2,285	= 1,334	= 570	= 1,802	= 991	= 382	= 204	= 146	= 69	= 369	= 284	= 108
(times) Potential Capture Rate	x 1.5%	x 8.0%	x 18.0%	x 1.5%	x 8.0%	x 18.0%	x 1.5%	x 8.0%	x 18.0%	x 1.5%	x 8.0%	x 18.0%	x 1.5%	x 8.0%	x 18.0%
(equals) Demand Potential	= 9	= 28	= 30	= 34	= 107	= 103	= 27	= 79	= 69	= 3	= 12	= 12	= 6	= 23	= 19
Potential Demand from Submarket	=	67		=	244		=	175		=	27		=	48	
(plus) Demand from Outside Submarket ¹	+ 25%			+ 30%			+ 30%			+ 20%			+ 25%		
(equals) Total Demand Potential	= 90			= 348			= 250			= 34			= 64		
	% Own	% Rent		% Own	% Rent		% Own	% Rent		% Own	% Rent		% Own	% Rent	
(times) % for Owner/Rental Housing	x 35%	x 65%		x 30%	x 70%		x 50%	x 50%		x 35%	x 65%		x 35%	x 65%	
(equals) Demand Potential	= 31	= 58		= 104	= 244		= 125	= 125		= 12	= 22		= 22	= 41	
(minus) Existing & Pending MR Units ²	- 0	- 0		- 0	- 95		- 63	- 49		- 0	- 0		- 0	- 36	
(equals) Excess Demand	= 31	= 58		= 104	= 149		= 62	= 76		= 12	= 22		= 22	= 5	
2023 DEMAND continued	Mayer-NG			Victoria			Waconia			Watertown					
Age of Householder	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+			
HHs w/ Incomes of >\$40,000	292	175	80	861	603	292	725	423	298	399	288	121			
HHs w/ Incomes of \$30,000 to \$39,999	22	26	26	22	21	57	62	48	91	29	37	33			
(times) Homeownership Rate	x 95%	x 98%	x 98%	x 89%	x 93%	x 95%	x 86%	x 69%	x 72%	x 96%	x 91%	x 74%			
(equals) Total Potential Market Base	= 313	= 200	= 105	= 881	= 623	= 346	= 778	= 456	= 364	= 427	= 322	= 145			
(times) Potential Capture Rate	x 1.5%	x 8.0%	x 18.0%	x 1.5%	x 8.0%	x 18.0%	x 1.5%	x 8.0%	x 18.0%	x 1.5%	x 8.0%	x 18.0%			
(equals) Demand Potential	= 5	= 16	= 19	= 13	= 50	= 62	= 12	= 36	= 65	= 6	= 26	= 26			
Potential Demand from Submarket	=	40		=	125		=	114		=	58				
(plus) Demand from Outside Submarket ¹	+ 20%			+ 30%			+ 30%			+ 25%					
(equals) Total Demand Potential	= 50			= 179			= 162			= 78					
	% Own	% Rent		% Own	% Rent		% Own	% Rent		% Own	% Rent				
(times) % for Owner/Rental Housing	x 35%	x 65%		x 40%	x 60%		x 40%	x 60%		x 35%	x 65%				
(equals) Demand Potential	= 17	= 32		= 72	= 107		= 65	= 97		= 27	= 51				
(minus) Existing & Pending MR Units ²	- 0	- 0		- 0	- 25		- 0	- 48		- 0	- 0				
(equals) Excess Demand	= 17	= 32		= 72	= 82		= 65	= 49		= 27	= 51				

----- continued -----

TABLE continued

MARKET RATE ACTIVE ADULT HOUSING DEMAND CARVER COUNTY BY SUBMARKET 2023 & 2030															
2030 DEMAND	Carver			Chanhassen			Chaska			Cologne			Hamburg-NYA		
Age of Householder	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+
HHs w/ Incomes of >\$45,000	674	479	215	2,275	1,858	794	1,841	1,191	499	268	199	101	402	371	154
HHs w/ Incomes of \$35,000 to \$44,999	10	14	31	33	49	110	76	82	100	5	7	12	36	44	53
(times) Homeownership Rate	x 85%	99%	98%	91%	95%	77%	81%	77%	37%	96%	84%	99%	74%	100%	48%
(equals) Total Potential Market Base	= 683	493	245	2,305	1,905	879	1,903	1,254	536	273	205	113	429	415	179
(times) Potential Capture Rate	x 1.5%	8.0%	18.0%	1.5%	8.0%	18.0%	1.5%	8.0%	18.0%	1.5%	8.0%	18.0%	1.5%	8.0%	18.0%
(equals) Demand Potential	= 10	39	44	35	152	158	29	100	96	4	16	20	6	33	32
Potential Demand from Submarket	= 94			345			225			41			72		
(plus) Demand from Outside Submarket ¹	+ 25%			30%			30%			20%			25%		
(equals) Total Demand Potential	= 125			493			322			51			96		
	% Own	% Rent		% Own	% Rent		% Own	% Rent		% Own	% Rent		% Own	% Rent	
(times) % for Owner/Rental Housing	x 35%	65%		30%	70%		50%	50%		35%	65%		35%	65%	
(equals) Demand Potential	= 44	81		148	345		161	161		18	33		34	62	
(minus) Existing & Pending MR Units ²	- 0	0		0	104		96	49		0	0		0	36	
(equals) Excess Demand	= 44	81		148	241		65	112		18	33		34	26	
2030 DEMAND continued	Mayer-NG			Victoria			Waconia			Watertown					
Age of Householder	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+			
HHs w/ Incomes of >\$45,000	323	243	133	898	708	414	1,074	646	447	453	381	179			
HHs w/ Incomes of \$35,000 to \$44,999	15	16	25	11	19	61	36	29	81	24	28	36			
(times) Homeownership Rate	x 95%	98%	98%	89%	93%	95%	86%	69%	72%	96%	91%	74%			
(equals) Total Potential Market Base	= 337	259	158	908	726	472	1,105	666	505	476	406	206			
(times) Potential Capture Rate	x 1.5%	8.0%	18.0%	1.5%	8.0%	18.0%	1.5%	8.0%	18.0%	1.5%	8.0%	18.0%			
(equals) Demand Potential	= 5	21	28	14	58	85	17	53	91	7	33	37			
Potential Demand from Submarket	= 54			157			161			77					
(plus) Demand from Outside Submarket ¹	+ 20%			30%			30%			25%					
(equals) Total Demand Potential	= 68			224			230			102					
	% Own	% Rent		% Own	% Rent		% Own	% Rent		% Own	% Rent				
(times) % for Owner/Rental Housing	x 35%	65%		40%	60%		40%	60%		35%	65%				
(equals) Demand Potential	= 24	44		89	134		92	138		36	66				
(minus) Existing & Pending MR Units ²	- 0	0		0	30		0	48		0	0				
(equals) Excess Demand	= 24	44		89	104		92	90		36	66				

¹ We estimate that 20% to 30% of the demand will come from outside each submarket

² Existing and pending units are deducted at market equilibrium (95% occupancy).

Source: Maxfield Research & Consulting, LLC

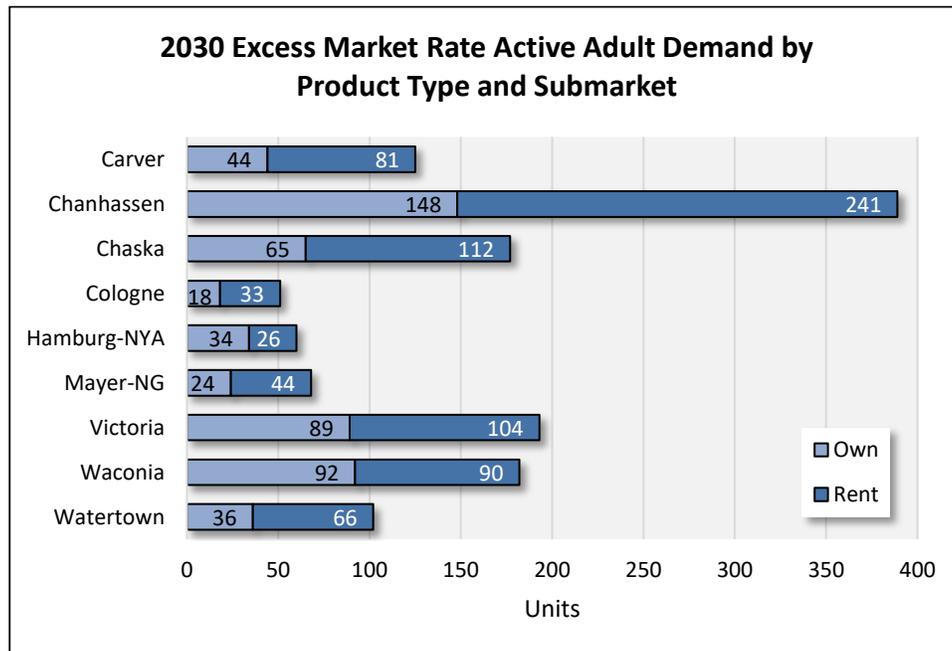
From the demand potential, we subtract existing and pending market rate active adult units at 95% occupancy. We identified two active adult owned projects, totaling 192 units, and seven market rate active adult rental projects, totaling 474 units. After accounting for a 5% vacancy rate and adjusting the number of competitive units based on location and format, we subtract 63 active adult owned units and 253 market rate rental units.

- **In total, we find excess demand for 413 market rate active adult ownership units and 525 market rate active adult rental units in 2023.**

We then incorporate pending active adult owned units (Del Webb) along with units at Lake Place in Chanhassen and AbleLight Village in Victoria which need to be leased for those facilities to reach equilibrium and subtract the total from the 2030 demand potential.

- **Adjusting for inflation, and following the same methodology, we project that excess demand will increase to 549 active adult ownership units and 798 market rate active adult rental units in 2030.**

The following chart illustrates our 2030 excess market rate active adult demand estimates by submarket in Carver County. As shown, excess demand is anticipated in all submarkets, with the strongest excess demand in the Chanhassen, Victoria, Waconia, and Chaska Submarkets.



Affordable/Subsidized Active Adult Senior Housing Demand

The table on the following pages presents our demand calculations for affordable (30% to 60% AMI) and subsidized (30% AMI or less) active adult senior housing in Carver County by submarket in 2023 and 2030. While the methodology used to calculate demand for affordable housing closely mirrors the methodology used to calculate demand for market rate housing, we make adjustments to more precisely quantify demand among this market segment. The following points summarize these adjustments:

- **Income-Qualifications:** In order to arrive at the potential age and income-qualified base for low-income and affordable housing, we include all senior households age 55 and older that qualify for the income guidelines for two-person households in 2023. Households earning between 30% and 60% of AMI are generally candidates for affordable housing, while households earning less than 30% AMI are typically a market for deep-subsidy housing. The income-restriction in Carver County for a two-person household at 30% AMI is \$29,820 and the income-restriction for a two-person household at 60% AMI is \$59,640.
- **Capture Rates:** Households in a need-based situation (either requiring services or financial assistance) more readily move to housing alternatives than those not in need-based situations. Based on our experience in market feasibility for affordable and subsidized senior housing, along with our analysis of demographic and competitive market factors in the County, we apply a conservative 25% capture rate to the age/income-qualified market to arrive at a total potential demand.

Using the methodology described above results in a demand potential for a total of 1,373 affordable and subsidized active adult housing units in 2023. An additional proportion is added for senior households that would move into affordable active adult housing in the submarket who currently reside outside the area., ranging from 20% to 30% depending on the submarket.

- In total, we estimate that there is total demand potential for 1,910 affordable and subsidized active adult housing units in the County in 2023.

Based on the existing and projected distribution of households with incomes below \$59,640, we estimate the proportion of demand for affordable and subsidized units. These proportions vary by submarket, but an estimated 39% of the demand potential in the County will be for subsidized units, ranging from 30% in the Victoria Submarket to 44% in the Carver, Cologne, and Waconia Submarkets. The remaining 61% will be for affordable units, ranging from 56% in the Carver, Cologne, and Waconia Submarkets to 70% in the Victoria Submarket.

- We estimate that there is total demand for 753 subsidized units and 1,156 affordable units in Carver County in 2023.

TABLE 75

AFFORDABLE/SUBSIDIZED SENIOR RENTAL HOUSING DEMAND
 CARVER COUNTY BY SUBMARKET
 2023 & 2030

2023 Demand Analysis																														
Submarket	Carver			Chanhassen			Chaska			Cologne			Hamburg-NYA																	
Age of Householder	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+															
# of Households w/ Incomes of <\$59,640 ¹	159	73	140	382	253	445	561	459	430	50	55	66	159	142	186															
Total Potential Market Base	372			1,080			1,450			171			487																	
(times) Ptc. Needing/Desiring Affordable Hsg	25%			25%			25%			25%			25%																	
(equals) Demand Potential	93			270			363			43			122																	
(plus) Demand from Outside Submarket ²	25%			30%			30%			20%			25%																	
(equals) Total Demand Potential	124			386			518			53			162																	
	% Sub	% Aff		% Sub	% Aff		% Sub	% Aff		% Sub	% Aff		% Sub	% Aff																
(times) % Affordable or Subsidized	44%	56%		40%	60%		41%	59%		44%	56%		35%	65%																
(equals) Demand Potential	55	69		154	231		212	306		24	30		57	106																
(minus) Existing & Pending Units ³	0	0		0	26		113	0		0	0		0	46																
(equals) Excess Demand for Units	55			69			154			205			99			306			24			30			57			60		
2023 Demand Analysis continued																														
Submarket	Mayer-NG			Victoria			Waconia			Watertown																				
Age of Householder	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+															
# of Households w/ Incomes of <\$59,640 ¹	108	92	104	99	101	202	286	174	351	126	148	140																		
Total Potential Market Base	304			402			811			414																				
(times) Ptc. Needing/Desiring Affordable Hsg	25%			25%			25%			25%																				
(equals) Demand Potential	76			101			203			104																				
(plus) Demand from Outside Submarket ²	20%			30%			30%			25%																				
(equals) Total Demand Potential	95			144			290			138																				
	% Sub	% Aff		% Sub	% Aff		% Sub	% Aff		% Sub	% Aff		% Sub	% Aff																
(times) % Affordable or Subsidized	36%	64%		30%	70%		44%	56%		34%	66%																			
(equals) Demand Potential	34	61		43	101		127	162		47	91																			
(minus) Existing & Pending Units ³	0	10		0	0		35	20		0	54																			
(equals) Excess Demand for Units	34			51			43			101			92			142			47			37								

----- continued -----

TABLE continued

**AFFORDABLE/SUBSIDIZED SENIOR RENTAL HOUSING DEMAND
CARVER COUNTY BY SUBMARKET
2023 & 2030**

2030 Demand Analysis

Submarket	Carver			Chanhassen			Chaska			Cologne			Hamburg-NYA		
	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+
Age of Householder															
# of Households w/ Incomes of <\$68,508 ¹	144	191	213	302	678	691	588	678	603	52	84	102	188	244	312
Total Potential Market Base	548			1,671			1,869			238			744		
(times) Ptc. Needing/Desiring Affordable Hsg	25%			25%			25%			25%			25%		
(equals) Demand Potential	137			418			467			60			186		
(plus) Demand from Outside Submarket ²	25%			30%			30%			20%			25%		
(equals) Total Demand Potential	183			597			668			74			248		
	% Sub	% Aff		% Sub	% Aff		% Sub	% Aff		% Sub	% Aff		% Sub	% Aff	
(times) % Affordable or Subsidized	32%	68%		33%	67%		39%	61%		38%	62%		36%	64%	
(equals) Demand Potential	58	124		197	400		260	407		28	46		89	159	
(minus) Existing & Pending Units ³	0	0		0	26		113	0		0	0		0	46	
(equals) Excess Demand for Units	58	124		197	374		147	407		28	46		89	113	

2030 Demand Analysis continued

Submarket	Mayer-NG			Victoria			Waconia			Watertown		
	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+	55-64	65-74	75+
Age of Householder												
# of Households w/ Incomes of <\$68,508 ¹	104	148	164	77	195	292	387	343	522	116	174	181
Total Potential Market Base	416			564			1,252			471		
(times) Ptc. Needing/Desiring Affordable Hsg	25%			25%			25%			25%		
(equals) Demand Potential	104			141			313			118		
(plus) Demand from Outside Submarket ²	20%			30%			30%			25%		
(equals) Total Demand Potential	130			201			447			157		
	% Sub	% Aff		% Sub	% Aff		% Sub	% Aff		% Sub	% Aff	
(times) % Affordable or Subsidized	34%	66%		29%	71%		43%	57%		34%	66%	
(equals) Demand Potential	44	86		58	143		192	255		53	104	
(minus) Existing & Pending Units ³	0	10		0	0		35	20		0	54	
(equals) Excess Demand for Units	44	76		58	143		157	235		53	50	

¹ Based on 2-person HH at 60% AMI; 2030 calculations adjusted for inflation (2.0% annually).

² We estimate that a portion of demand will come from outside each submarket (ranging from 20% to 30%)

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

Source: Maxfield Research & Consulting, LLC

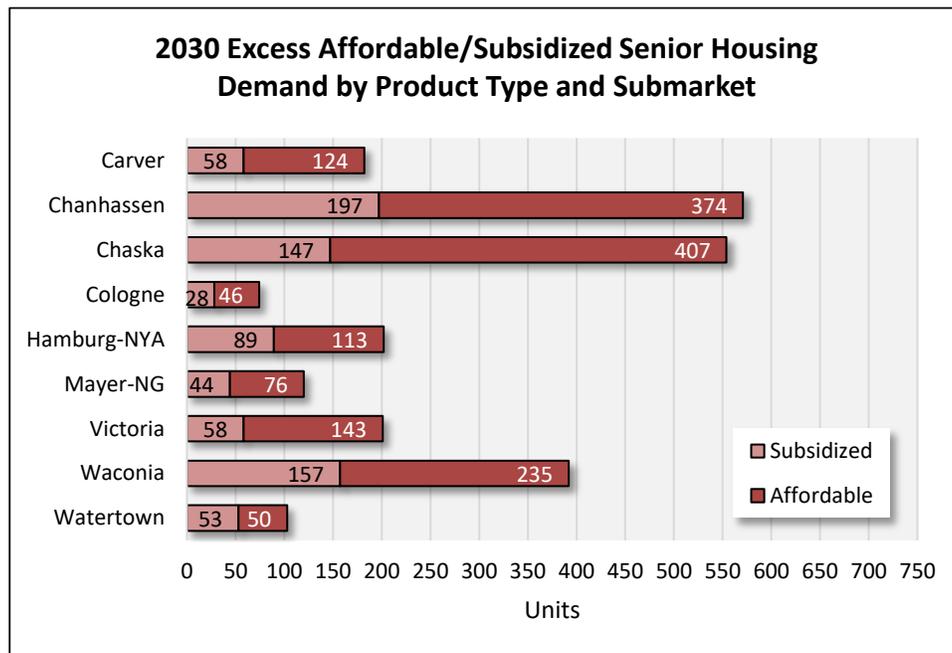
Next, we subtract existing and pending affordable and subsidized units at 95% occupancy. We identified four subsidized facilities, totaling 272 units, and six affordable projects, totaling 196 units. After accounting for a 5% vacancy rate and adjusting the number of competitive units based on location and format, we subtract 141 subsidized units and 148 affordable units.

- **In total, we find excess demand for 605 subsidized units and 1,000 affordable units in 2023.**

To calculate demand in 2030, we increase the income-qualifications to account for inflation and would incorporate pending affordable senior housing units. However, we did not identify any affordable or subsidized senior housing units under construction or approved in Carver County.

- **Following the same methodology as outlined for 2023, we project that excess demand will increase to 834 subsidized units and 1,567 affordable units in 2030.**

The following chart illustrates our 2030 excess affordable and subsidized senior housing demand estimates by submarket in Carver County. As shown, excess demand is anticipated in all submarkets, with the strongest excess demand in the Chanhassen, Chaska, and Waconia Submarkets.



Demand for Independent Living Senior Housing

The table on the following pages presents our demand calculations for independent living senior housing for each of the Carver County submarkets in 2023 and 2030. This analysis focuses on the potential private pay/market rate demand for independent living units.

To arrive at the potential age-income qualified base for independent senior housing, we include all senior households with incomes of \$40,000 or more and homeowners with incomes between \$30,000 and \$40,000 who would qualify with the proceeds from a home sale (this proportion was estimated based on the homeownership rates for each age cohort).

Senior householders with incomes of \$40,000 allocating 65% of their income toward base housing cost could afford beginning rents of approximately \$2,167. Householders with incomes of \$35,000 allocating 60% of their income toward rent and using the proceeds from a home sale could afford rents of \$2,369 per month. These rents are similar to monthly fees being charged for studio and one-bedroom independent living units in Carver County.

- We estimate the number of age/income/asset-qualified households in the County to be 6,966 households in 2023, increasing to 9,621 households in 2030.

Demand for independent living senior housing is need-driven, which reduces the qualified market to only the portion of seniors who need some assistance. Thus, the age/income-qualified base is multiplied by the percentage of seniors who need some assistance with at least three Instrumental Activities of Daily Living (IADLs), but not six or more Activities of Daily Living (ADLs) and IADLs, as these frailer seniors would need the level of care found in service-intensive assisted living.

According to the Summary Health Statistics of the U.S. Population: National Health Interview Survey (conducted by the U.S. Department of Health and Human Services), the percentage of seniors having limitation in ADLs (bathing, dressing, toileting, transferring, eating) and IADLs (using the telephone, shopping, food preparation, housekeeping, laundry, transportation, taking medication, handling finances) are as follows:

Limitation in ADLs & IADLs		
Age	ADLs	IADLs
65-74 years	3.3%	6.3%
75+ years	11.0%	20.0%

It is most likely that seniors who need assistance with ADLs also need assistance with multiple IADLs and are more likely to be candidates for service-intensive assisted living. The prime candidates for independent living are seniors needing assistance with IADLs, but not ADLs.

We derive the capture rate for independent living housing by subtracting the percentage of seniors needing assistance with ADLs from those needing assistance with IADLs, which equates to 3.0% of seniors age 65 to 74 and 9.0% of seniors age 75+.

TABLE 76
INDEPENDENT LIVING DEMAND
CARVER COUNTY BY SUBMARKET
2023 & 2030

2023 Demand Analysis										
Submarket	Carver		Chanhassen		Chaska		Cologne		Hamburg-NYA	
	65-74	75+	65-74	75+	65-74	75+	65-74	75+	65-74	75+
Age of Householder										
HHs w/ Incomes of >\$40,000	340	135	1,281	493	909	345	133	55	246	83
(plus) HHs w/ Incomes of \$30,000 to \$39,999	+ 12	34	56	100	107	100	16	14	38	52
(times) Homeownership Rate	x 99%	98%	95%	77%	77%	37%	84%	99%	100%	48%
(equals) Total Potential Market Base	= 352	168	1,334	570	991	382	146	69	284	108
(times) Potential Capture Rate	x 1.5%	16.5%	1.5%	16.5%	1.5%	16.5%	1.5%	16.5%	1.5%	16.5%
(equals) Demand Potential	= 5	28	20	94	15	63	2	11	4	18
Potential Demand from Submarket Residents	=	33	114		78		14		22	
(plus) Demand from Outside Submarket ¹	+ 25%		30%		30%		20%		25%	
(equals) Total Demand Potential	=	44	163		111		17		29	
(minus) Existing and Pending Units ³	- 12		69		31		0		0	
(equals) Excess Demand for Independent Living Units	=	32	94		80		17		29	
2023 Demand Analysis continued										
Submarket	Mayer-NG		Victoria		Waconia		Watertown			
	65-74	75+	65-74	75+	65-74	75+	65-74	75+		
Age of Householder										
HHs w/ Incomes of >\$40,000	175	80	603	292	423	298	288	121		
(plus) HHs w/ Incomes of \$30,000 to \$39,999	+ 26	26	21	57	48	91	37	33		
(times) Homeownership Rate	x 98%	98%	93%	95%	69%	72%	91%	74%		
(equals) Total Potential Market Base	= 200	105	623	346	456	364	322	145		
(times) Potential Capture Rate	x 1.5%	16.5%	1.5%	16.5%	1.5%	16.5%	1.5%	16.5%		
(equals) Demand Potential	= 3	17	9	57	7	60	5	24		
Potential Demand from Submarket Residents	=	20	66		67		29			
(plus) Demand from Outside Submarket ¹	+ 20%		30%		30%		25%			
(equals) Total Demand Potential	=	26	95		95		38			
(minus) Existing and Pending Units ²	- 0		0		60		0			
(equals) Excess Demand for Independent Living Units	=	26	95		35		38			

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TABLE continued
**INDEPENDENT LIVING DEMAND
 CARVER COUNTY BY SUBMARKET
 2023 & 2030**

2030 Demand Analysis										
Submarket	Carver		Chanhassen		Chaska		Cologne		Hamburg-NYA	
	65-74	75+	65-74	75+	65-74	75+	65-74	75+	65-74	75+
Age of Householder										
HHs w/ Incomes of >\$45,000	479	215	1,858	794	1,191	499	199	101	371	154
(plus) HHs w/ Incomes of \$35,000 to \$44,999	+ 14	31	49	110	82	100	7	12	44	53
(times) Homeownership Rate	x 99%	98%	95%	77%	77%	37%	84%	99%	100%	48%
(equals) Total Potential Market Base	= 493	245	1,905	879	1,254	536	205	113	415	179
(times) Potential Capture Rate	x 1.5%	16.5%	1.5%	16.5%	1.5%	16.5%	1.5%	16.5%	1.5%	16.5%
(equals) Demand Potential	= 7	40	29	145	19	88	3	19	6	30
Potential Demand from Submarket Residents	=	48	174		107		22		36	
(plus) Demand from Outside Submarket ¹	+ 25%		30%		30%		20%		25%	
(equals) Total Demand Potential	=	64	248		153		27		48	
(minus) Existing and Pending Units ²	- 12		69		31		0		0	
(equals) Excess Demand for Independent Living Units	=	52	179		122		27		48	

2030 Demand Analysis continued										
Submarket	Mayer-NG		Victoria		Waconia		Watertown			
	65-74	75+	65-74	75+	65-74	75+	65-74	75+		
Age of Householder										
HHs w/ Incomes of >\$45,000	243	133	708	414	646	447	381	179		
(plus) HHs w/ Incomes of \$35,000 to \$44,999	+ 16	25	19	61	29	81	28	36		
(times) Homeownership Rate	x 98%	98%	93%	95%	69%	72%	91%	74%		
(equals) Total Potential Market Base	= 259	158	726	472	666	505	406	206		
(times) Potential Capture Rate	x 1.5%	16.5%	1.5%	16.5%	1.5%	16.5%	1.5%	16.5%		
(equals) Demand Potential	= 4	26	11	78	10	83	6	34		
Potential Demand from Submarket Residents	=	30	89		93		40			
(plus) Demand from Outside Submarket ¹	+ 20%		30%		30%		25%			
(equals) Total Demand Potential	=	37	127		133		53			
(minus) Existing and Pending Units ²	- 0		0		60		0			
(equals) Excess Demand for Independent Living Units	=	37	127		73		53			

¹ We estimate that a portion of demand will come from outside each Submarket (ranging from 20% to 30%, depending on Submarket).

² Existing and pending units are deducted at market equilibrium (95% occupancy).

Source: Maxfield Research & Consulting, LLC

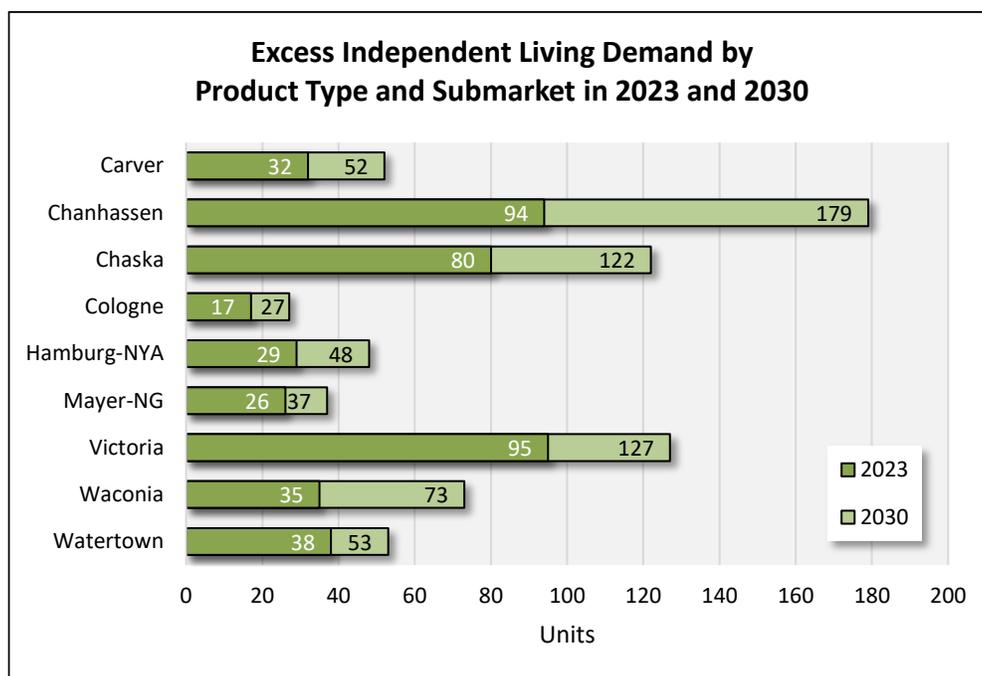
For the purposes of this report and understanding that many seniors do not view senior housing as an alternative retirement destination but a supportive living option only when they can no longer live independently, we have reduced the potential capture rates for the 65 to 74 age group to 1.5% while increasing the capture rate of the 75 and older age group to 16.5%. Multiplying the senior household base by these capture rates results in demand potential for 443 independent living units in 2023 and 638 units in 2030.

We estimate that seniors currently residing outside the submarket will generate 20% to 30% of the demand for active adult housing in each submarket. Together, the demand from seniors plus demand from seniors who would relocate to the area totals 619 independent living units in 2023 and 891 units in 2030.

Next, existing and pending units are subtracted from the demand potential. We identified six facilities with a total of 363 independent living units in Carver County. Overall, we subtract a total of 172 competitive units from the demand potential after accounting for a 5% vacancy rate and adjusting for location and format. We did not identify any independent living senior housing units pending in Carver County to subtract from the 2030 demand potential.

- After subtracting existing units, we find excess demand for a total of 447 independent living units in the County in 2023, increasing to 719 units in 2030.

The following chart illustrates our 2023 and 2030 excess independent living demand estimates by submarket in Carver County. As shown, by 2030, excess demand is projected to be strongest in the Victoria, Chanhassen, and Chaska Submarkets. The Chanhassen Submarket is projected to experience the largest increase in excess demand (85 units) between 2023 and 2030.



Assisted Living Demand Estimate

The table on the following pages presents our demand calculations for assisted living in Carver County by submarket in 2023 and 2030. This analysis focuses on the potential *private pay/market rate* demand for assisted living units.

The availability of more intensive support services such as meals, housekeeping and personal care at assisted living facilities usually attracts older, frailer seniors. According to the Overview of Assisted Living (which is a collaborative research project by the American Association of Homes and Services for the Aging, the American Seniors Housing Association, National Center for Assisted Living, and National Investment Center for the Seniors Housing and Care Industry), the average age of residents in freestanding assisted living facilities is 87 years.

The age-qualified market for assisted living is defined as seniors ages 75 and over, as we estimate that of the half of demand from seniors under age 87, almost all would be over age 75. In 2023, there are an estimated 5,147 seniors ages 75 and over in the County, and we project that this number will increase to 7,789 by 2030.

Demand for assisted living housing is need-driven, which reduces the qualified market to only the portion of seniors who need assistance. According to a study completed by the Centers for Disease Control and the National Center for Health Statistics, about 35% of seniors need assistance with everyday activities (from 25.5% of 75-to-79-year-olds, to 33.6% of 80-to-84-year-olds and 51.6% of 85+ year-olds).

- Applying these percentages to the senior population yields a potential assisted living market of an estimated 1,779 seniors in the County in 2023 and 2,627 seniors in 2030.

Due to the supportive nature of assisted living, most daily essentials are included in monthly fees which allow seniors to spend a higher proportion of their incomes on housing with basic services. Therefore, the second step in determining the potential demand for assisted living is to identify the income-qualified market based on a senior's ability to pay the monthly rent. We consider seniors in households with incomes of \$40,000 or greater to be income-qualified for assisted living senior housing in the County. Households with incomes of \$40,000 could afford monthly assisted living fees of \$3,000 by allocating 90% of their income toward the fees.

According to the Overview of Assisted Living, the average arrival income of assisted living residents was \$27,260, while the average annual assisted living fee was \$37,281 (\$3,107/month). This data highlights that seniors are spending down assets to live in assisted living and avoid institutional care. Thus, in addition to households with incomes of \$40,000 or greater, there is a substantial base of senior households with lower incomes who income-qualify based on assets – their homes, in particular.

TABLE 77

MARKET RATE ASSISTED LIVING DEMAND
CARVER COUNTY BY SUBMARKET
2023 & 2030

2023 AL DEMAND															
	Carver			Chanhassen			Chaska			Cologne			Hamburg-NYA		
Age Group	75-79	80-84	85+	75-79	80-84	85+	75-79	80-84	85+	75-79	80-84	85+	75-79	80-84	85+
People	202	106	68	588	281	299	475	267	248	77	41	30	138	83	106
(times) Percent Needing Assistance ¹	x 25.5%	x 33.6%	x 51.6%	x 25.5%	x 33.6%	x 51.6%	x 25.5%	x 33.6%	x 51.6%	x 25.5%	x 33.6%	x 51.6%	x 25.5%	x 33.6%	x 51.6%
Number Needing Assitance	= 52	= 36	= 35	= 150	= 95	= 154	= 121	= 90	= 128	= 20	= 14	= 15	= 35	= 28	= 55
Total People Needing Assistance		122			399			339			49			118	
(times) Percent Income-Qualified ²		= 75%			= 69%			= 47%			= 72%			= 41%	
Total potential market		92			276			159			35			48	
(times) Percent living alone		x 30%			x 53%			x 61%			x 27%			x 57%	
Age/income-qualified singles		28			146			97			10			28	
(plus) Demand from couples (12%) ³		+ 4			+ 20			+ 13			+ 1			+ 4	
Age/income-qualified market		31			166			110			11			31	
(times) Potential penetration rate ⁴		x 35%			x 35%			x 35%			x 35%			x 35%	
Potential demand		11			58			39			4			11	
(plus) Proportion from outside area		+ 25%			+ 30%			+ 30%			+ 20%			+ 25%	
Total potential AL demand		15			83			55			5			15	
(minus) Existing & pending AL units ⁵		- 9			- 36			- 45			- 0			- 34	
Excess market rate AL demand		6			47			10			5			-19	

2023 AL DEMAND															
	Mayer-NG			Victoria			Waconia			Watertown					
Age Group	75-79	80-84	85+	75-79	80-84	85+	75-79	80-84	85+	75-79	80-84	85+			
People	130	63	50	319	195	152	332	242	305	161	87	102			
(times) Percent Needing Assistance ¹	x 25.5%	x 33.6%	x 51.6%	x 25.5%	x 33.6%	x 51.6%	x 25.5%	x 33.6%	x 51.6%	x 25.5%	x 33.6%	x 51.6%			
Number Needing Assitance	= 33	= 21	= 26	= 81	= 66	= 78	= 85	= 81	= 157	= 41	= 29	= 53			
Total People Needing Assistance		80			225			323			123				
(times) Percent Income-Qualified ²		= 71%			= 82%			= 61%			= 63%				
Total potential market		57			185			199			78				
(times) Percent living alone		x 30%			x 34%			x 56%			x 52%				
Age/income-qualified singles		17			63			111			40				
(plus) Demand from couples (12%) ³		+ 2			+ 9			+ 15			+ 6				
Age/income-qualified market		19			71			126			46				
(times) Potential penetration rate ⁴		x 35%			x 35%			x 35%			x 35%				
Potential demand		7			25			44			16				
(plus) Proportion from outside area		+ 20%			+ 30%			+ 30%			+ 25%				
Total potential AL demand		8			36			63			21				
(minus) Existing & pending AL units ⁵		- 0			- 0			- 51			- 21				
Excess market rate AL demand		8			36			12			0				

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TABLE continued

MARKET RATE ASSISTED LIVING DEMAND CARVER COUNTY BY SUBMARKET 2023 & 2030																
2030 AL DEMAND		Carver			Chanhassen			Chaska			Cologne			Hamburg-NYA		
Age Group		75-79	80-84	85+	75-79	80-84	85+	75-79	80-84	85+	75-79	80-84	85+	75-79	80-84	85+
People		290	167	105	984	550	394	745	407	307	119	71	45	270	143	140
(times) Percent Needing Assistance ¹	x	25.5%	33.6%	51.6%	25.5%	33.6%	51.6%	25.5%	33.6%	51.6%	25.5%	33.6%	51.6%	25.5%	33.6%	51.6%
Number Needing Assitance	=	74	56	54	251	185	203	190	137	158	30	24	23	69	48	72
Total People Needing Assistance		184			639			485			77			189		
(times) Percent Income-Qualified ²		77%			70%			47%			76%			42%		
Total potential market	=	143			449			228			59			80		
(times) Percent living alone	x	30%			53%			61%			27%			57%		
Age/income-qualified singles	=	43			238			139			16			45		
(plus) Demand from couples (12%) ³	+	6			32			19			2			6		
Age/income-qualified market	=	49			270			158			18			52		
(times) Potential penetration rate ⁴	x	35%			35%			35%			35%			35%		
Potential demand	=	17			95			55			6			18		
(plus) Proportion from outside area	+	25%			30%			30%			20%			25%		
Total potential AL demand	=	23			135			79			8			24		
(minus) Existing & pending AL units ⁵	-	9			36			45			0			34		
Excess market rate AL demand	=	14			99			34			8			-10		
2030 AL DEMAND		Mayer-NG			Victoria			Waconia			Watertown					
Age Group		75-79	80-84	85+	75-79	80-84	85+	75-79	80-84	85+	75-79	80-84	85+			
People		163	116	69	488	261	217	536	342	394	233	129	104			
(times) Percent Needing Assistance ¹	x	25.5%	33.6%	51.6%	25.5%	33.6%	51.6%	25.5%	33.6%	51.6%	25.5%	33.6%	51.6%			
Number Needing Assitance	=	42	39	36	124	88	112	137	115	203	59	43	54			
Total People Needing Assistance		116			324			455			156					
(times) Percent Income-Qualified ²		74%			81%			62%			66%					
Total potential market	=	86			264			284			103					
(times) Percent living alone	x	30%			34%			56%			52%					
Age/income-qualified singles	=	26			90			159			54					
(plus) Demand from couples (12%) ³	+	4			12			22			7					
Age/income-qualified market	=	29			102			181			61					
(times) Potential penetration rate ⁴	x	35%			35%			35%			35%					
Potential demand	=	10			36			63			21					
(plus) Proportion from outside area	+	20%			30%			30%			25%					
Total potential AL demand	=	13			51			90			28					
(minus) Existing & pending AL units ⁵	-	0			0			51			21					
Excess market rate AL demand	=	13			51			39			7					

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TABLE continued

MARKET RATE ASSISTED LIVING DEMAND
 CARVER COUNTY BY SUBMARKET
 2023 & 2030

Notes:

¹ The percentage of seniors unable to perform or having difficulty with ADLs, based on the publication Health, United States, 2018 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 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 65% of the qualified market needing assistance with ADLs could either remain in their homes or reside at less advanced senior housing with the assistance of a family member or home health care, or would need greater care provided in a skilled care facility.

⁵ Existing and pending units at 93% occupancy, minus units estimated to be occupied by Elderly Waiver residents.

Source: Maxfield Research & Consulting, LLC

An estimated 67% of age 75 and older households in Carver County are homeowners and the estimated median sale price for older homes in Carver County in 2023 is \$395,000 (through October 2023). Seniors selling their homes for the median price would generate roughly \$371,300 in proceeds after selling costs. Using an average monthly fee of \$4,000, these proceeds would last approximately roughly eight years (100 months) in assisted living housing, which is much longer than the average length of stay in assisted living (20 months according to the Overview of Assisted Living).

For the age groups in the preceding table, we estimate the income-qualified percentage to be all seniors in households with incomes at or above \$40,000 (who could afford beginning monthly rents of \$3,000+ per month) plus 40% of the estimated seniors in owner households with incomes below \$40,000 (who will spend down assets, including home-equity, to live in assisted living housing). This results in a total potential market for 1,129 units from the County as of 2023.

Because the vast majority of assisted living residents are single (88% according to the Overview of Assisted Living), our demand methodology multiplies the total potential market by the percentage of seniors age 75 and older in the County living alone, or 52% based on Census data. This results in a total base of 540 age/income-qualified singles. The Overview of Assisted Living found that 12% of residents in assisted living were couples. Including couples results in a total of 613 age/income-qualified seniors needing assistance in the County in 2023.

We estimate that 65% of the qualified market needing significant assistance with ADLs could either remain in their homes or less service-intensive senior housing with the assistance of a family member or home health care or would need greater care provided in a skilled care facility. The remaining 35% could be served by assisted living housing.

- Applying this market penetration rate of 35% results in demand for 215 assisted living units in 2023.

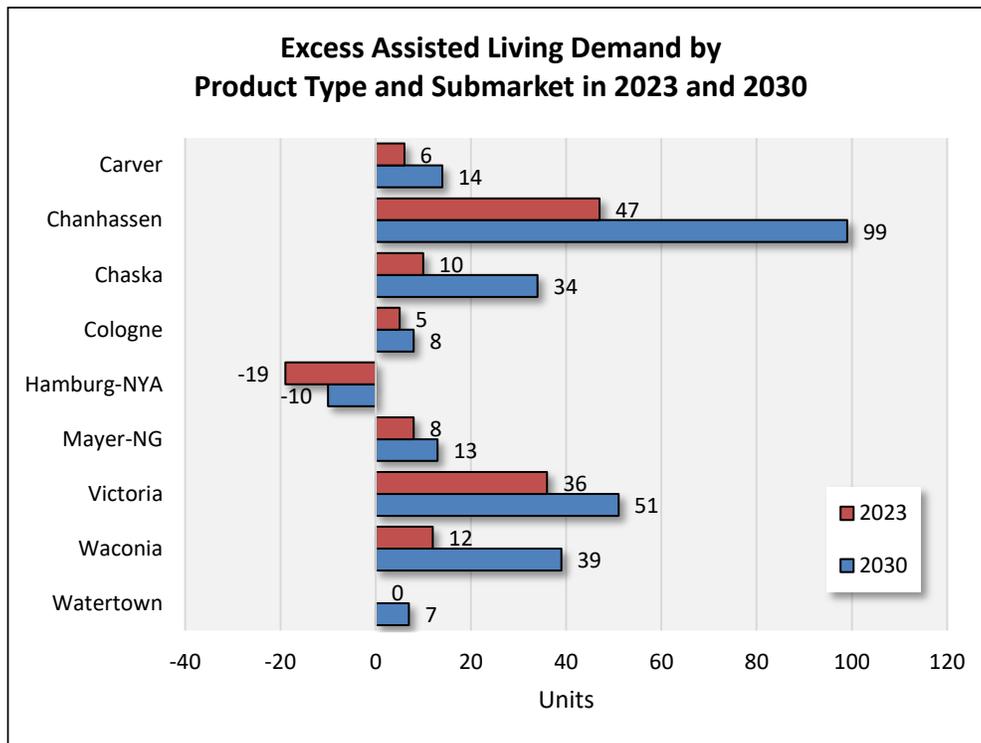
A portion of demand for assisted living units in the County (20% to 30%, depending on submarket) will come from outside the area. Account for demand from outside each submarket results in total potential demand for 301 assisted living units in 2023.

Next, existing and pending assisted living units are subtracted from overall demand. There are 12 existing facilities providing assisted living, totaling 497 assisted living units. However, we adjust the number of competitive units based on location and format and exclude estimated units occupied by low-income seniors utilizing Elderly Waivers (20%).

- After subtracting the existing competitive units (minus a 7% vacancy factor) from the total potential demand equals excess demand potential for 105 assisted living units in the County in 2023.

We did not identify any pending assisted living projects in the County to subtract from the 2030 demand potential. Following the same methodology as the 2023 demand calculations and adjusting for inflation, we find that excess demand increases to 255 assisted living units in the County in 2030.

The following chart illustrates our 2023 and 2030 excess assisted living demand estimates by submarket in Carver County. As shown, by 2030, excess demand is projected to be strongest in the Chanhassen, Victoria, and Waconia Submarkets, and the Chanhassen Submarket is projected to experience the largest increase in excess demand (52 units) between 2023 and 2030.



Demand for Memory Care Senior Housing

The table on the following pages presents our demand calculations for memory care housing in Carver County by submarket in 2023 and 2030. Demand is calculated by starting with the estimated senior (ages 65+) population in 2023 and multiplying by the incidence rate of Alzheimer's/dementia among the age cohorts in this population.

- This yields a potential market of 1,472 seniors in the County. We anticipate that this number will climb to 2,092 in 2030.

According to data from the National Institute of Aging, about 25% of all individuals with memory care impairments are a market for memory care housing units. This figure considers that seniors in the early stages of dementia will be able to live independently with the care of a spouse or other family member, while those in the latter stages of dementia will require intensive medical care that would only be available in skilled care facilities.

- Applying this figure to the estimated population with memory impairments yields a potential market of about 368 seniors in the County in 2023 and 523 seniors in 2030.

Because of the staff-intensive nature of dementia care, typical monthly fees for this type of housing start at about \$4,500. Although some of the seniors will have high monthly incomes, most will be willing to spend down assets and/or receive financial assistance from family members to afford memory care housing.

Based on our review of senior household incomes, homeownership rates, and home sale data, we estimate that approximately 51% of all seniors in the County have incomes and/or assets to sufficiently cover the costs for memory care housing in 2023 (ranges from 31% in the Hamburg-Norwood Young America Submarket to 67% in the Victoria Submarket). These estimates take into account married couple households where one spouse may have memory care needs and allows for a sufficient income for the other spouse to live independently.

Multiplying the potential market by the percent income- and asset-qualified results in a total of 188 income-qualified seniors in the County in 2023, increasing to 279 seniors in 2030. An additional proportion is added for seniors that would move into memory care housing who currently reside outside the area, ranging from 20% to 30%, depending on the submarket.

- In total, we estimate that there is total demand potential for 263 memory care senior housing units in the County in 2023, increasing to 390 units in 2030.

TABLE 78
MEMORY CARE DEMAND
CARVER COUNTY BY SUBMARKET
2023 & 2030

2023 Memory Care Demand										
	Carver	Chanhassen	Chaska	Cologne	Hamburg-NYA	Mayer-NG	Victoria	Waconia	Watertown	
65 to 74 Population	754	2,475	1,984	291	552	427	1,220	1,004	604	
(times) Dementia Incidence Rate ¹	x 5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
(equals) Est. Senior Pop. with Dementia	= 38	124	99	15	28	21	61	50	30	
75 to 84 Population	308	869	741	118	221	193	514	574	248	
(times) Dementia Incidence Rate ¹	x 14%	14%	14%	14%	14%	14%	14%	14%	14%	14%
(equals) Est. Senior Pop. with Dementia	= 43	122	104	17	31	27	72	80	35	
85+ Population	68	299	248	30	106	50	152	305	102	
(times) Dementia Incidence Rate ¹	x 35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
(equals) Est. Senior Pop. with Dementia	= 24	105	87	11	37	18	53	107	36	
(equals) Total Population with Dementia	105	350	290	42	96	66	186	237	101	
(times) Pct. Needing Memory Care Assistance	x 25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
(equals) Total Need for Dementia Care	= 26	88	72	10	24	16	47	59	25	
(times) Percent Income/Asset-Qualified ²	x 62%	56%	35%	61%	31%	58%	67%	51%	51%	
(equals) Total Income-Qualified Market Base	= 16	49	25	6	7	10	31	30	13	
(plus) Demand from Outside the Submarket ³	+ 25%	30%	30%	20%	25%	20%	30%	30%	25%	
(equals) Total Demand for Memory Care Units	= 22	70	36	8	10	12	45	43	17	
(minus) Existing and Pending Units ⁴	- 9	25	12	0	7	0	18	30	0	
(equals) Excess Memory Care Demand Potential	= 13	45	24	8	3	12	27	13	17	

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TABLE continued
MEMORY CARE DEMAND
CARVER COUNTY BY SUBMARKET
2023 & 2030

2030 Memory Care Demand										
	Carver	Chanhassen	Chaska	Cologne	Hamburg-NYA	Mayer-NG	Victoria	Waconia	Watertown	
65 to 74 Population	1,037	3,688	2,569	382	776	540	1,409	1,456	719	
(times) Dementia Incidence Rate ¹	x 5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
(equals) Est. Senior Pop. with Dementia	= 52	184	128	19	39	27	70	73	36	
75 to 84 Population	457	1,534	1,153	191	413	279	749	878	362	
(times) Dementia Incidence Rate ¹	x 14%	14%	14%	14%	14%	14%	14%	14%	14%	14%
(equals) Est. Senior Pop. with Dementia	= 64	215	161	27	58	39	105	123	51	
85+ Population	105	394	307	45	140	69	217	394	104	
(times) Dementia Incidence Rate ¹	x 35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
(equals) Est. Senior Pop. with Dementia	= 37	138	107	16	49	24	76	138	36	
(equals) Total Population with Dementia	153	537	397	62	146	90	251	334	123	
(times) Pct. Needing Memory Care Assistance	x 25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
(equals) Total Need for Dementia Care	= 38	134	99	15	36	23	63	83	31	
(times) Percent Income/Asset-Qualified ²	x 64%	58%	37%	65%	34%	59%	69%	52%	55%	
(equals) Total Income-Qualified Market Base	= 24	78	37	10	12	13	44	43	17	
(plus) Demand from Outside the Submarket ³	+ 25%	30%	30%	20%	25%	20%	30%	30%	25%	
(equals) Total Demand for Memory Care Units	= 33	112	53	13	17	17	62	62	23	
(minus) Existing and Pending Units ⁴	- 9	47	12	0	7	0	0	30	0	
(equals) Excess Memory Care Demand Potential	= 24	65	41	13	10	17	62	32	23	

¹ Alzheimer's Association: Alzheimer's Disease Facts & Figures (2021)

² Income greater than \$60,000 in 2023 and greater than \$65,000 in 2030, plus some lower-income homeowners.

³ We estimate that a portion of demand will come from outside each Submarket (ranging from 20% to 30%, depending on Submarket)

⁴ Existing and pending units at 93% occupancy, minus units estimated to be occupied by Elderly Waiver residents.

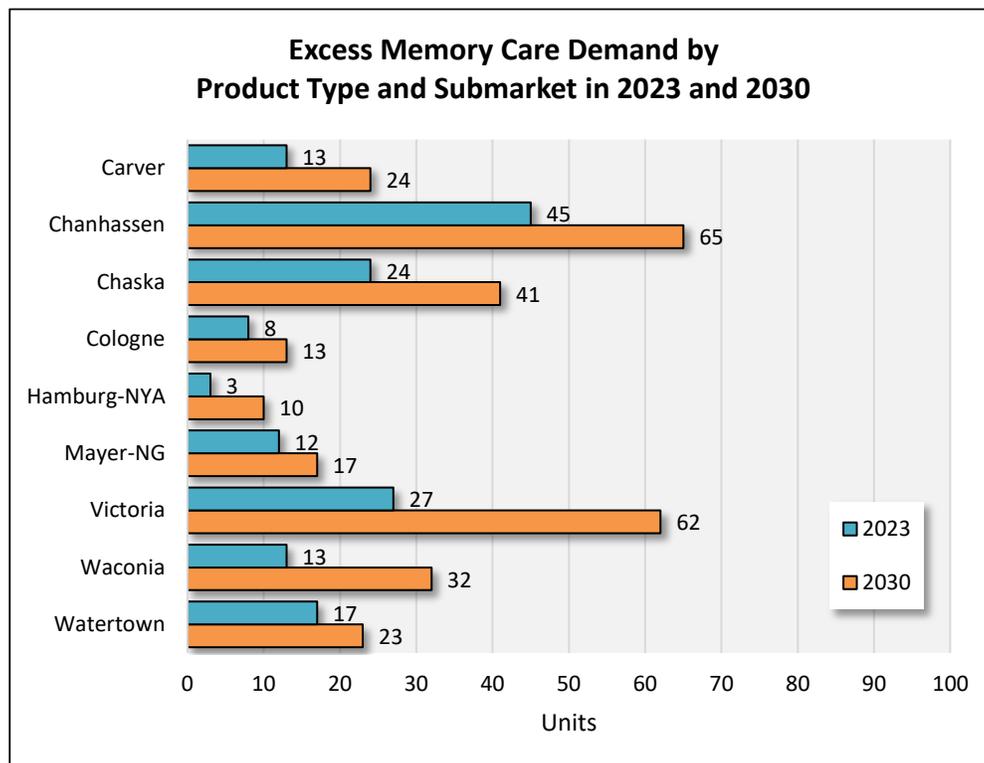
Source: Maxfield Research & Consulting, LLC

Next, existing and pending memory care units are subtracted from overall demand. There are 11 existing facilities providing 237 memory care units. However, we adjust the number of competitive units based on location and format and exclude estimated units occupied by low-income seniors utilizing Elderly Waivers (15%).

- After subtracting the existing competitive units (minus a 7% vacancy factor) from the total potential demand equals excess demand potential for 162 memory care units in the County in 2023.

Next, we include pending competitive memory care units in Chanhassen, adjusted for location, format, equilibrium, and elderly waivers. Following the same methodology as the 2023 demand calculations and adjusting for inflation, we find that excess demand increases to 285 memory care units in the County in 2030.

The following chart illustrates our 2023 and 2030 excess memory care demand estimates by submarket in Carver County. As shown, by 2030, excess demand is projected to be strongest in the Chanhassen, Victoria, and Chaska Submarkets, while the Victoria Submarket is projected to experience the largest increase in excess demand (35 units) between 2023 and 2030.



Conclusions & Recommendations

Introduction

This section of the report summarizes calculated demand for specific housing products in Carver County and recommends development concepts to meet the housing needs forecast for the County. All recommendations are based on findings of the *Comprehensive Housing Needs Analysis*. The following topics are covered.

- ▶ A general profile on how demographic trends impact housing demand
- ▶ Summary of the housing demand findings
- ▶ Development concept recommendations to meet projected demand, and
- ▶ An overview of challenges and opportunities as they pertain to housing development in Carver County

Demographic Profile and Housing Demand

The demographic profile of a community affects housing demand and the types of housing that are needed. The various housing life-cycle stages can generally be described as follows.

Entry-level householders

- Often prefer to rent basic, inexpensive apartments
- Will often “double-up” with roommates in apartment setting
- Usually singles or couples without children in their early 20's

First-time homebuyers and move-up renters

- Often married or cohabitating couples in their mid-20's or 30's, some with children, but most are without children
- Prefer to purchase modestly-priced single-family homes or rent more upscale apartments

Move-up homebuyers

- Typically families with children where householders are in their late 30's to mid-40's
- Prefer to purchase newer, larger, and therefore more expensive single-family homes

Empty-nesters (persons whose children have grown and left home) and never-nesters (persons who never have children)

- Generally couples in their 50's or 60's
- Prefer owning but will consider renting their housing
- Some will move to alternative lower-maintenance housing products

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 responsibilities for housing maintenance
- Generally in their late 60's or 70's

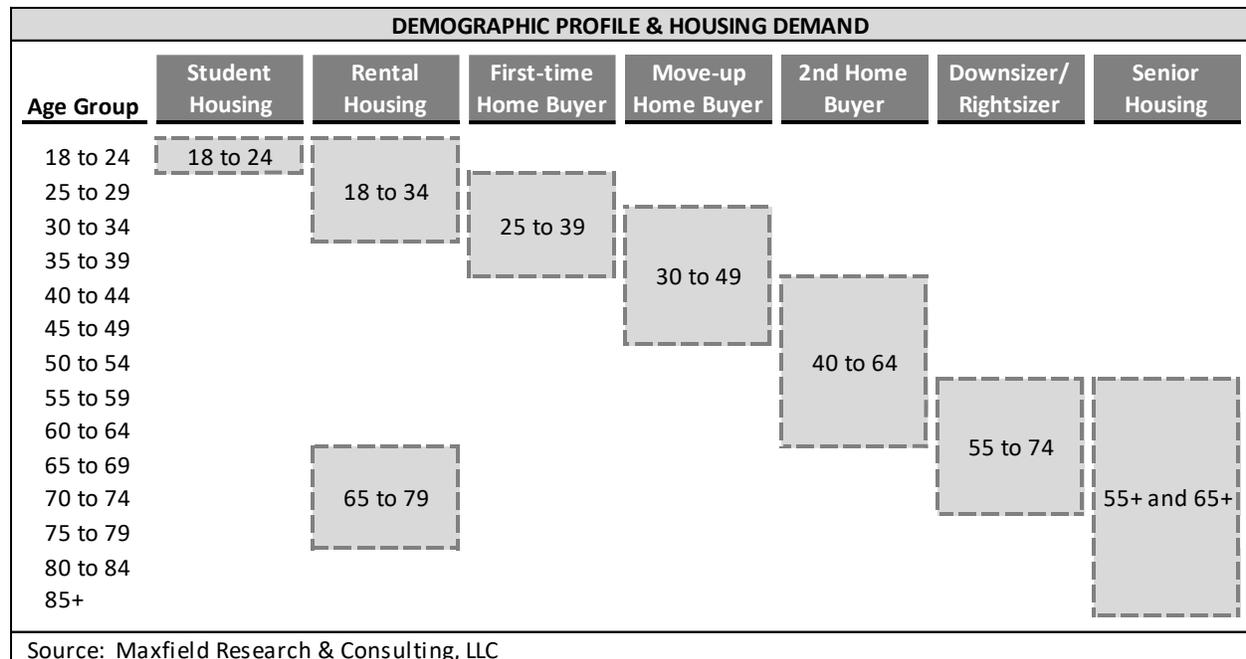
Older seniors

- 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
- Typically older seniors in their early-80's or older

Demand for housing can come from several sources including household growth, changes in housing preferences, and replacement need. Household growth necessitates the construction of new housing unless there is enough vacant housing available to absorb the increase in households. Demand is also affected by shifting demographics such as the aging population, which dictates the type of housing preferred. New housing to meet replacement need may also be required 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.

Demographic Trends

Demographic shifts are a significant factor influencing housing demand. Household growth and formation are critical (natural growth, immigration, etc.), as well as household type, size, age of householders, incomes, etc.



Economy & Job Growth

The economy and housing market are intertwined, and housing market growth often depends on job growth (or the prospect of). Jobs generate income growth which results in the formation of more households and can stimulate household turnover. Historically low unemployment rates have driven both existing home purchases and new-home purchases.

Restrained job growth, or negative growth, can lead to slow or diminishing household growth, reducing housing demand. Additionally, slow income growth results in fewer move-up buyers which results in diminished housing turnover across all income brackets.

Consumer Choice

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. renter to owner or vice versa), or simply move to a new location.

Supply (Existing Housing Stock)

The existing housing stock plays a crucial component in the demand for new housing. There are a variety of unique housing 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 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.

Financing

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 is becoming increasingly challenging as recent interest rate hikes by the Federal Reserve has decreased affordability for buyers. While still low relative to the past 40+ years, rising interest rates combined with increased housing costs have decreased affordability in 2023. Mortgage rates more than doubled between early 2022 and late 2023, increasing mortgage payments by more than 30%.

Mobility

Housing demand in can be somewhat fluid between communities in the County, and demand will be impacted by development activity and housing availability in area communities. Much of the housing demand in a community is generated by the turnover of existing households. Satisfying future demand will be highly dependent on the availability of suitable housing options in each of the communities located in Carver County.

Housing Demand Summary

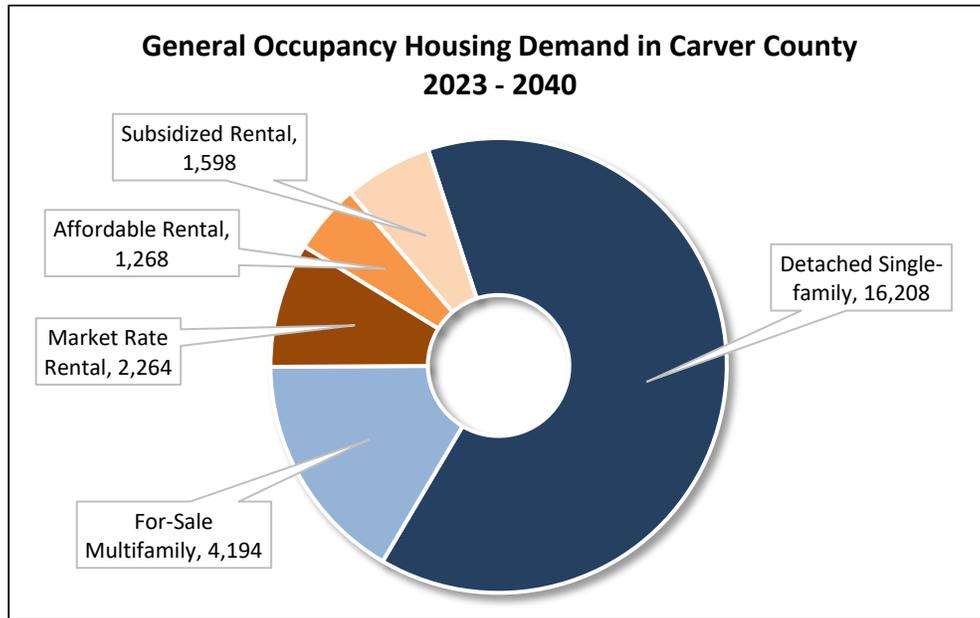
The following table summarizes demand calculated by housing product type in Carver County from 2023 to 2040, while the charts on the subsequent pages illustrate demand for each sub-market in the County.

Housing demand can be somewhat fluid between submarkets and communities, and satisfying the anticipated demand will be highly dependent on the availability of suitable housing options catering to a variety of household types, age groups, and income levels. Additionally, housing demand in the County will be impacted by development activity in nearby areas, notably in communities surrounding Carver County as well as the southwest portion of the Twin Cities Metro Area.

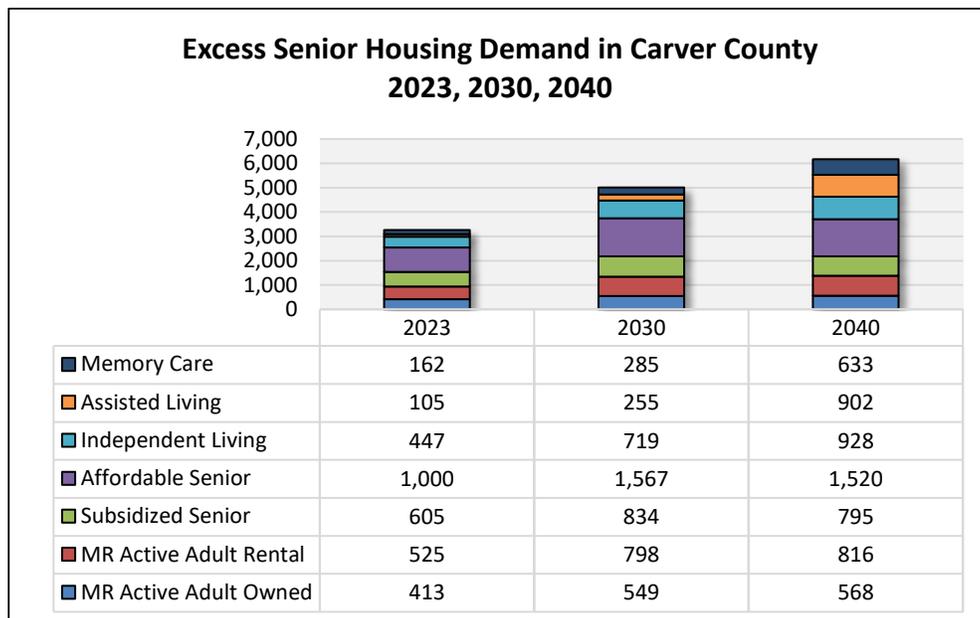
TABLE 79

HOUSING DEMAND SUMMARY CARVER COUNTY December 2023			
General Occupancy Housing Demand 2023 to 2040			
For-Sale Units	20,402		
Detached Single-Family Units	16,208		
Multifamily Units*	4,194		
General Occupancy Rental Units	5,130		
Market Rate	2,264		
Affordable^	1,268		
Subsidized^	1,598		
Total General Occupancy Housing Units	25,532		
Senior Housing Demand			
	2023	2030	2040
Market Rate Active Adult	938	1,347	1,384
Owner-Occupied	413	549	568
Renter-Occupied	525	798	816
Affordable & Subsidized Senior Housing	1,605	2,401	2,315
Subsidized^	605	834	795
Affordable^	1,000	1,567	1,520
Service-Enhanced Senior Housing	714	1,259	2,463
Independent Living (IL)	447	719	928
Assisted Living (AL)	105	255	902
Memory Care (MC)	162	285	633
Total Senior Housing Units	3,257	5,007	6,162
*Includes twin homes, townhomes, condominiums			
^Affordable = affordable to households at 30% to 60% AMI			
^Subsidized = affordable to households at 30% AMI or less			
Source: Maxfield Research & Consulting, LLC			

In total, we find demand for 25,532 general occupancy housing units in the County between 2023 and 2040, with 63% of the demand for detached single-family units for sale and 16% for-sale multifamily units. Roughly 20% of the anticipated demand will be for rental units (5,130 units), including 9% market rate, 6% subsidized, and 5% affordable units.

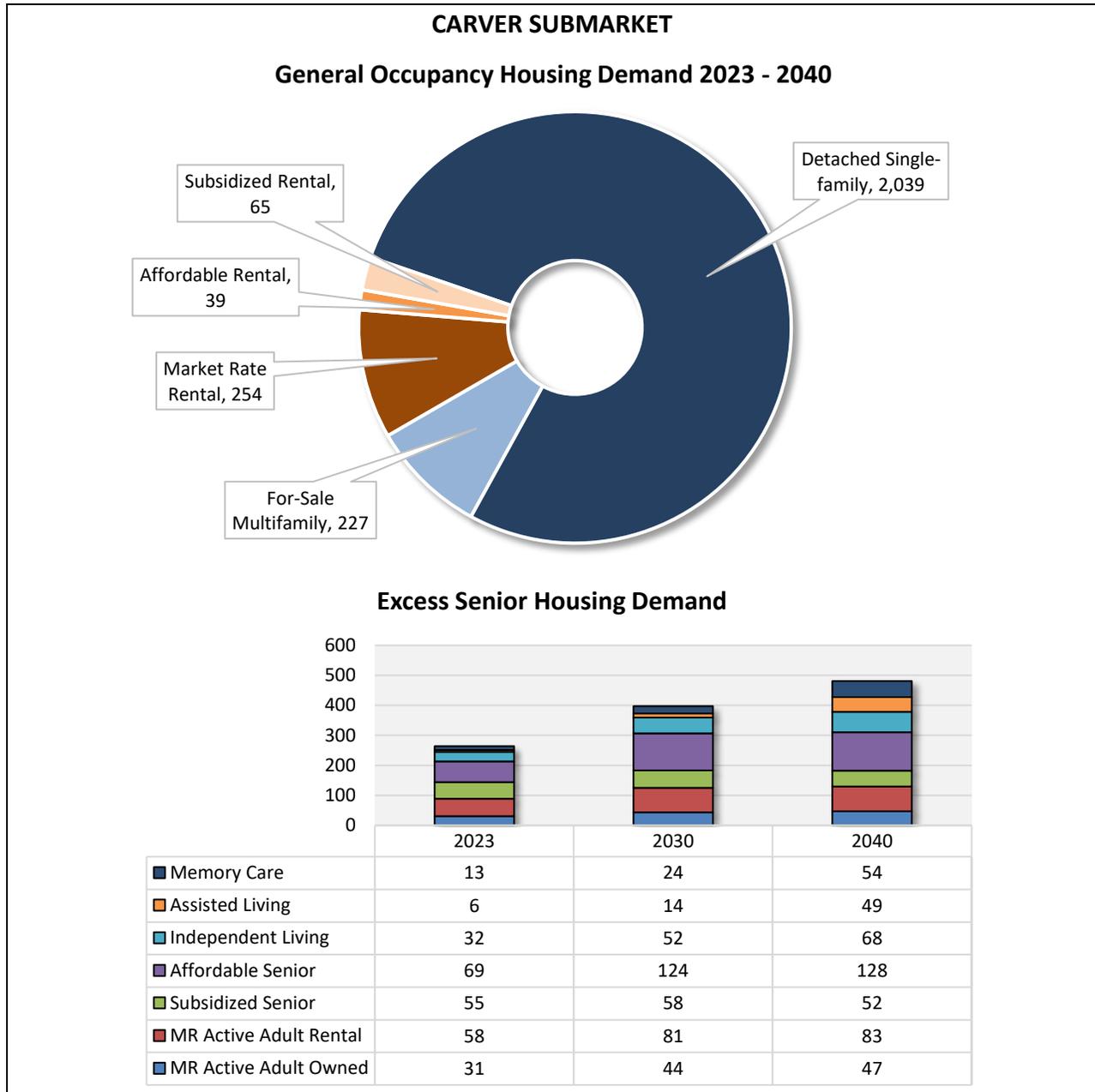


The following chart illustrates excess senior housing demand potential in the County in 2023, 2030, and 2040. Between 2023 and 2040, excess demand growth is projected to be strongest for assisted living units, followed by independent living and memory care units. Due to the age distribution of the population, demand growth for market rate active adult units is expected to be more modest, most notably from 2030 to 2040.



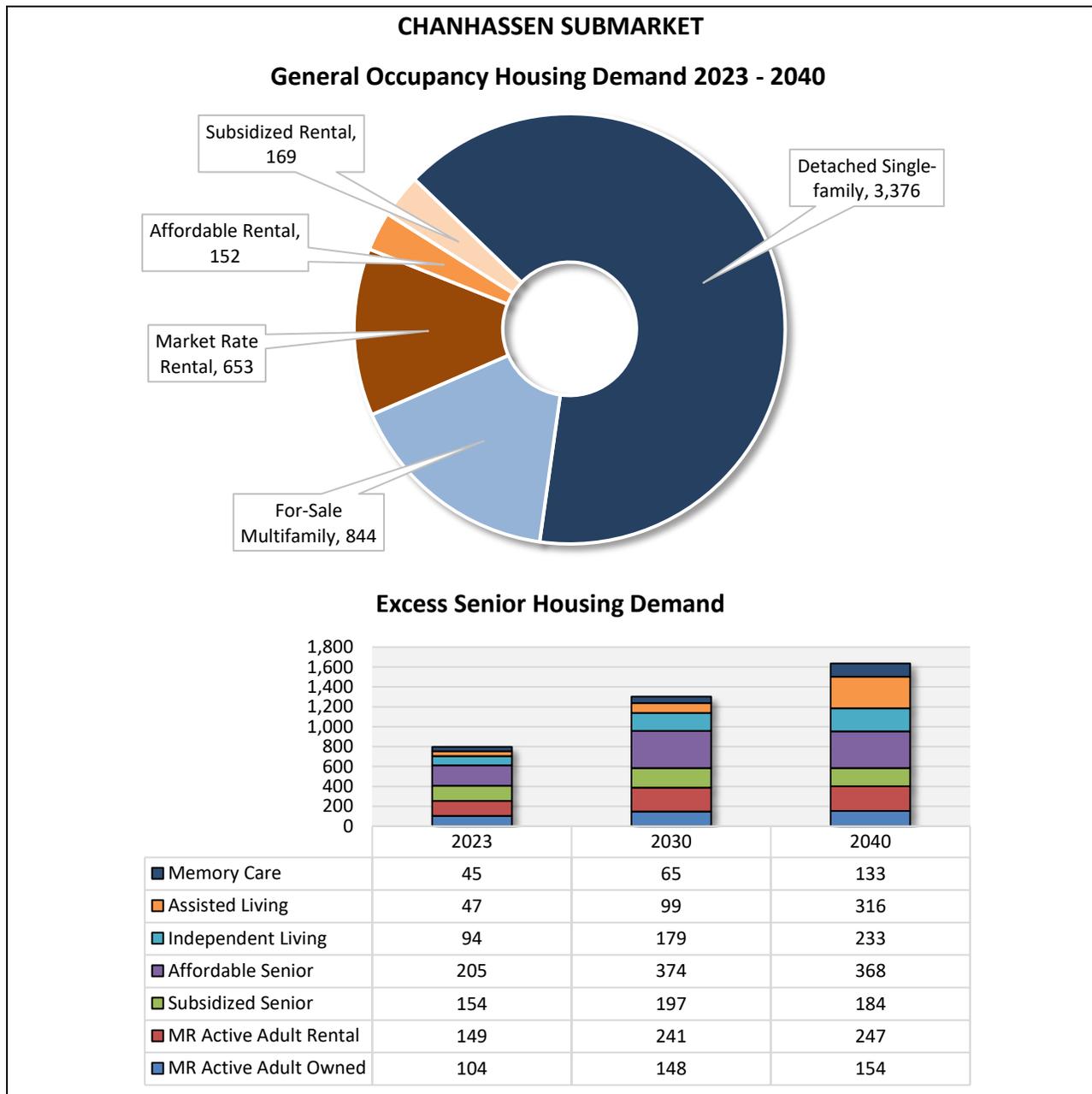
Carver Submarket

We find excess demand for 264 senior housing units in the Carver Submarket in 2023, increasing to a total of 481 senior units by 2040. We also estimate that there will be demand for 2,624 general occupancy housing units in the submarket between 2023 and 2040, including 348 rental units and 2,266 for-sale units. We identified a total of 319 residential lots in the Carver Submarket to support future demand (2.4-year supply), including 202 vacant developed lots and 117 future lots.



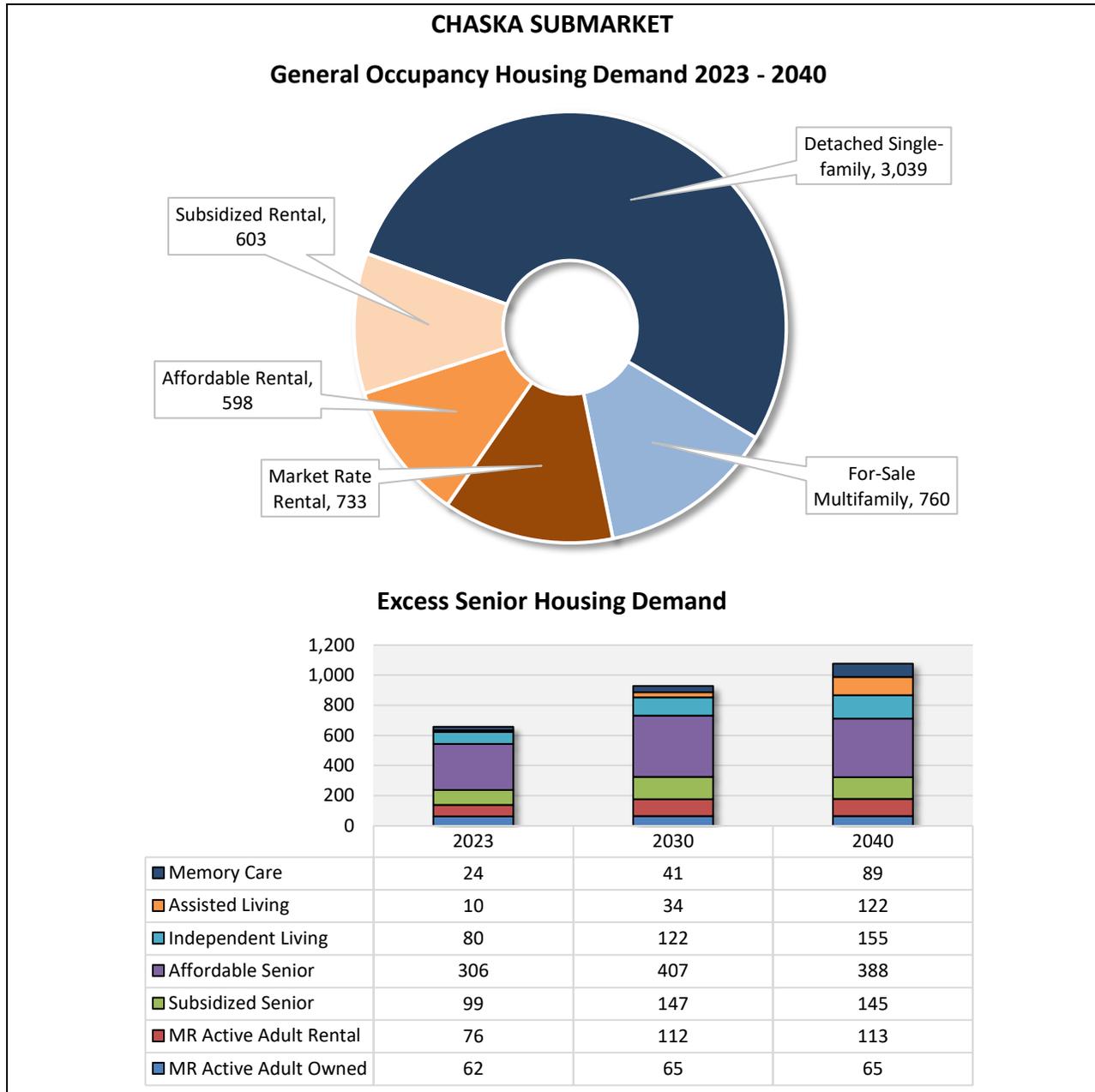
Chanhasen Submarket

We find excess demand for 798 senior housing units in the Chanhasen Submarket in 2023, increasing to a total of 1,635 senior units by 2040. We also estimate that there will be demand for 5,194 general occupancy housing units in the submarket between 2023 and 2040, including 974 rental units and 4,220 for-sale units. We identified a total of 230 residential lots to support future demand (0.9-year supply), including 42 vacant developed lots, 164 future lots, and 24 pending lots. We understand the supply of land zoned for residential development may be insufficient to meet projected demand in Chanhasen, so the City may want to consider guiding additional land for residential development or increasing the allowable densities.



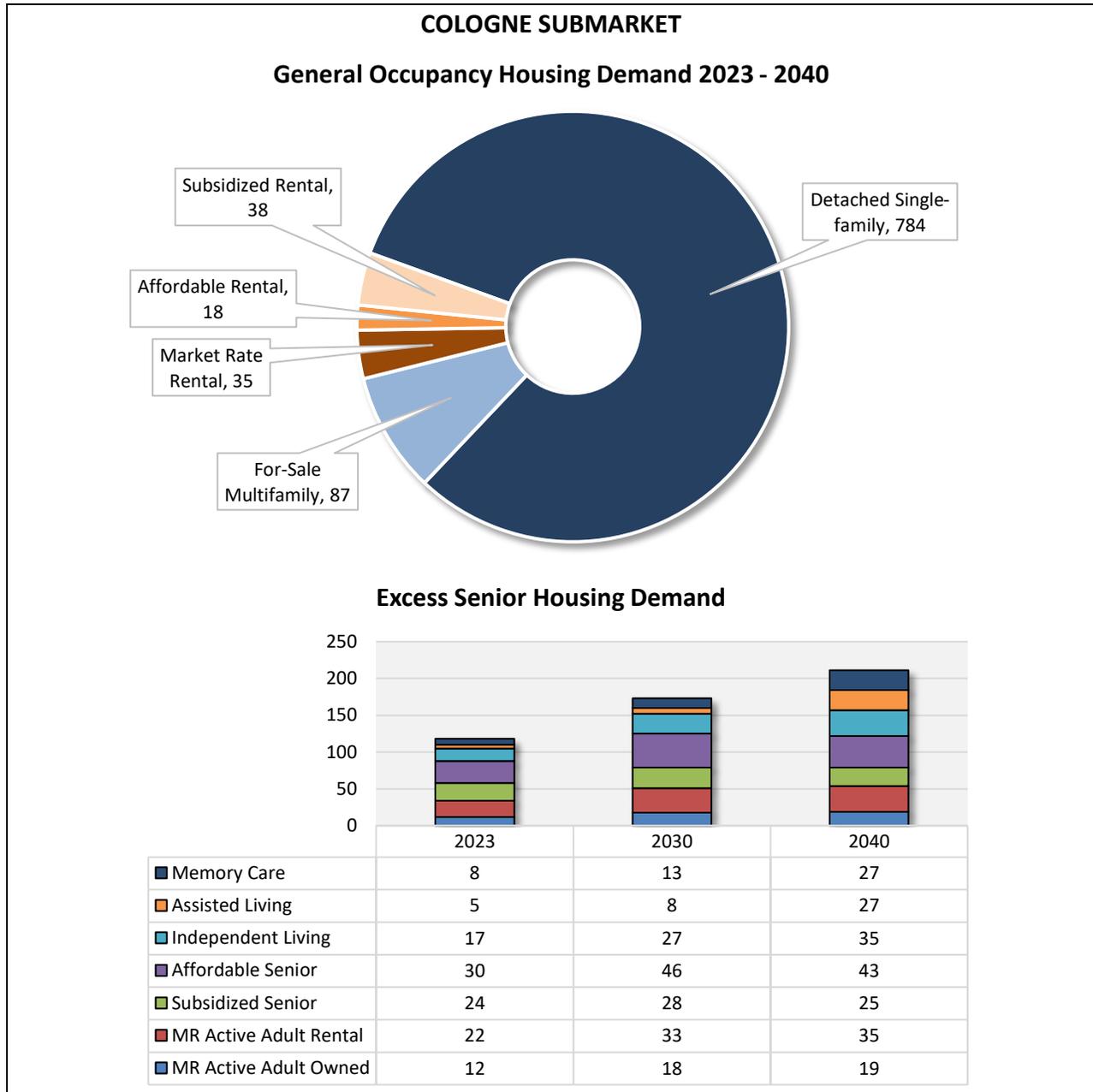
Chaska Submarket

We find excess demand for 657 senior housing units in the Chaska Submarket in 2023, increasing to a total of 1,077 senior units by 2040. We also estimate that there will be demand for 5,733 general occupancy housing units in the Submarket between 2023 and 2040, including 1,934 rental units and 3,799 for-sale units. We identified a total of 637 residential lots in Chaska to support future demand (2.9-year supply), including 309 vacant developed lots, 306 future lots, and 22 pending lots.



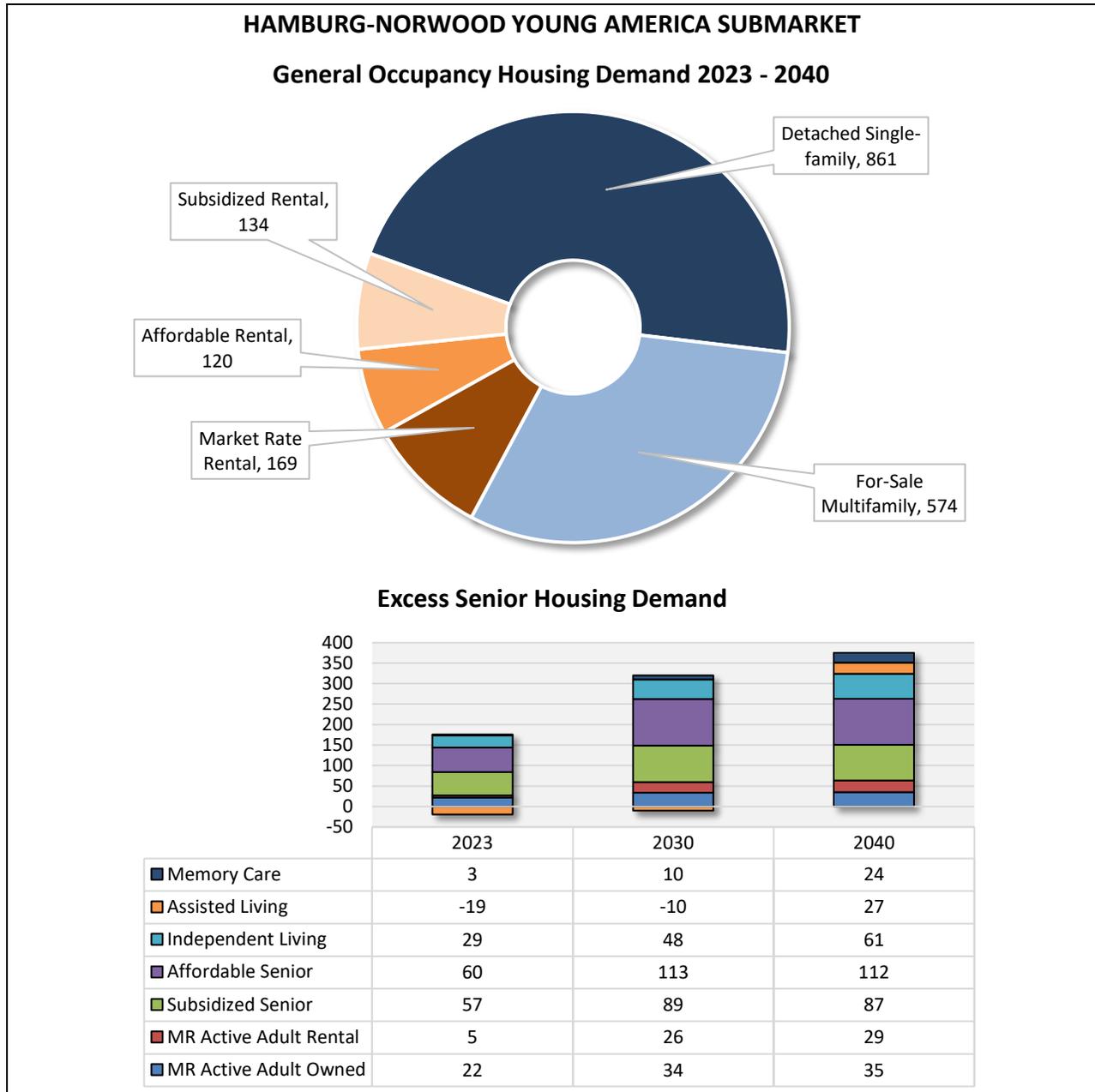
Cologne Submarket

We find excess demand for 118 senior housing units in the Cologne Submarket in 2023, increasing to a total of 211 senior units by 2040. We also estimate that there will be demand for 962 general occupancy housing units in the Submarket between 2023 and 2040, including 91 rental units and 871 for-sale units. We identified a total of 142 residential lots in the Cologne Submarket to support future demand (2.8-year supply), including 18 vacant developed lots and 124 future lots.



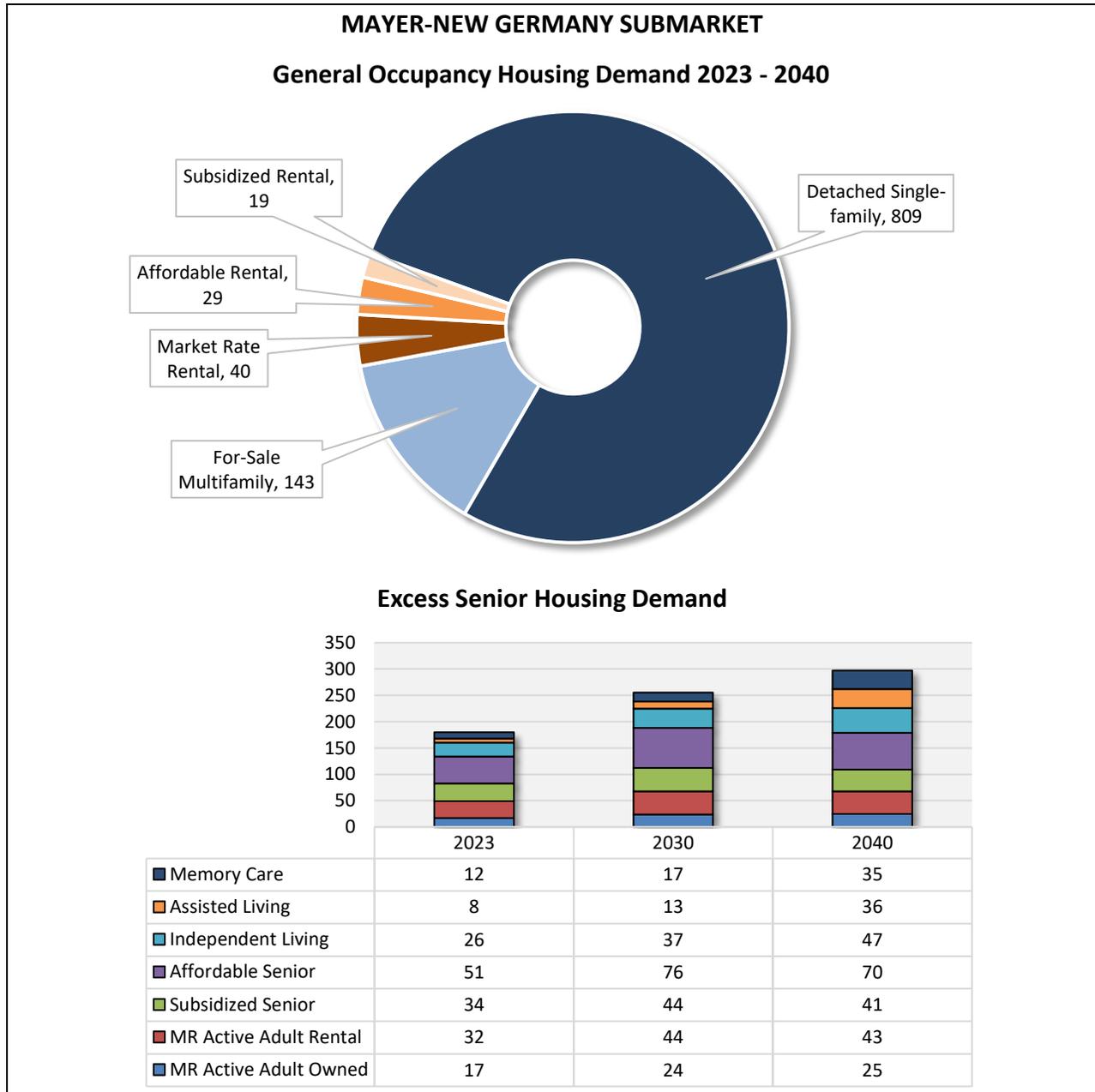
Hamburg-Norwood Young America Submarket

We find excess demand for 157 senior housing units in the Hamburg-Norwood Young America Submarket in 2023, increasing to a total of 375 senior units by 2040. We also estimate that there will be demand for 1,858 general occupancy housing units between 2023 and 2040, including 423 rental units and 1,435 for-sale units. We identified a total of 321 residential lots in the Submarket to support future demand (3.8-year supply), including 14 vacant developed lots and 307 future lots.



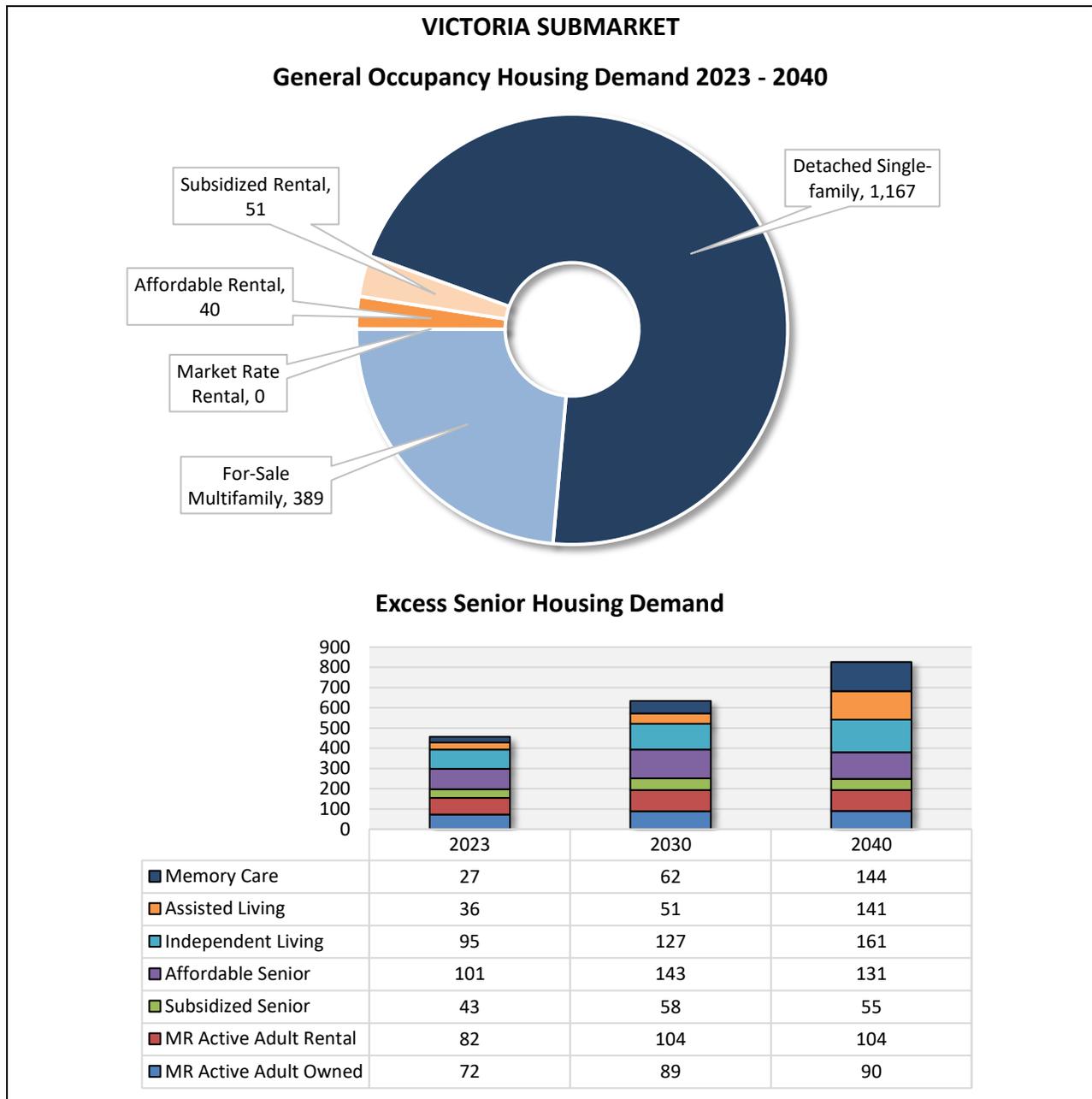
Mayer-New Germany Submarket

We find excess demand for 180 senior housing units in the Mayer-New Germany Submarket in 2023, increasing to a total of 826 senior units by 2040. We also estimate that there will be demand for 1,040 general occupancy housing units between 2023 and 2040, including 88 rental units and 952 for-sale units. We identified a total of 1,709 residential lots in the Submarket to support future demand (30.5-year supply), including 43 vacant developed lots but 1,666 future lots (primarily in the Fieldstone subdivision in Mayer).



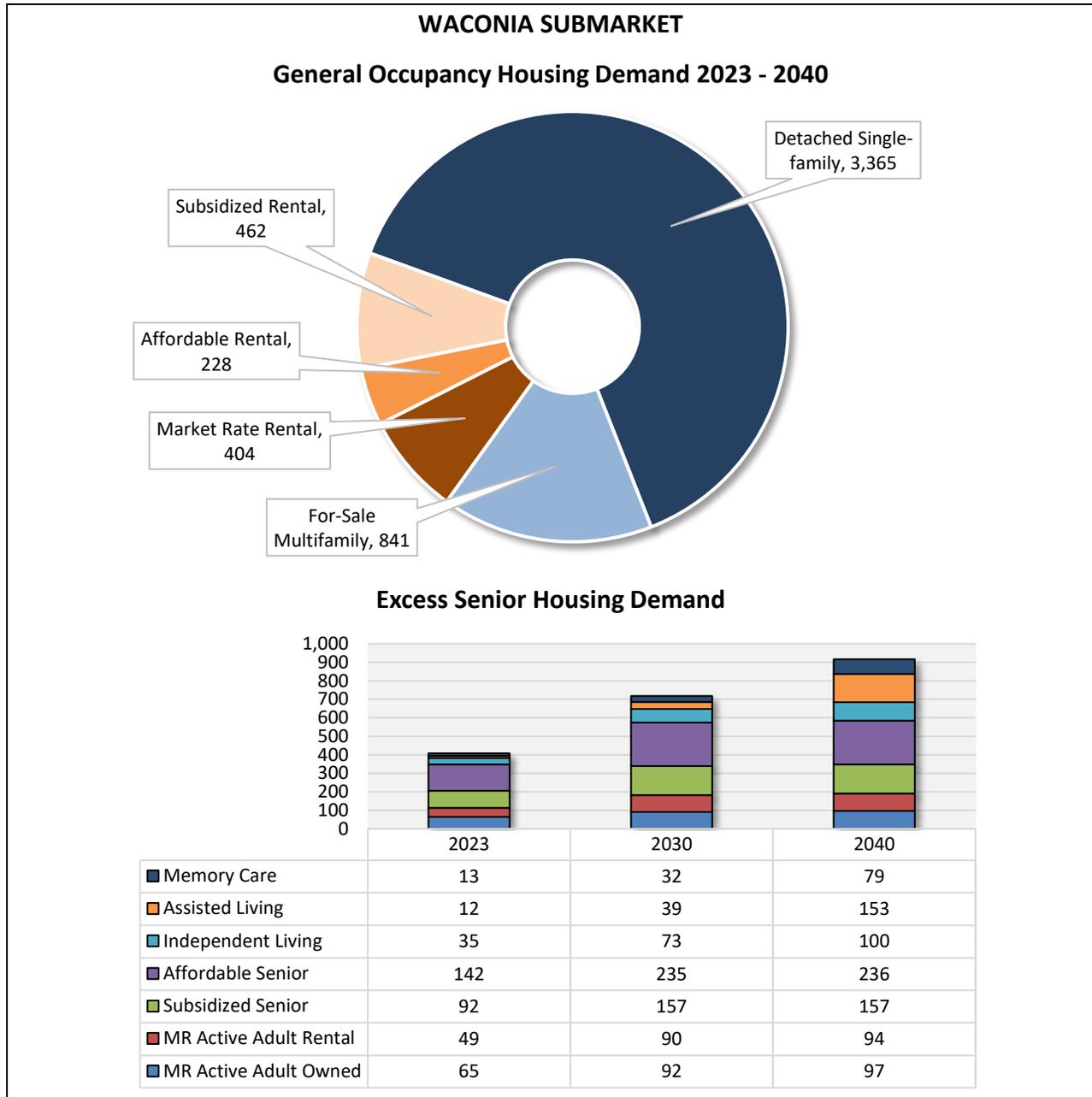
Victoria Submarket

We find excess demand for 456 senior housing units in the Victoria Submarket in 2023, increasing to a total of 826 senior units by 2040. We also estimate that there will be demand for 1,647 general occupancy housing units between 2023 and 2040, including 91 rental units and 1,556 for-sale units. We identified a total of 492 residential lots in the Victoria Submarket to support future demand (5.4-year supply), including 89 vacant developed lots and 403 future lots.



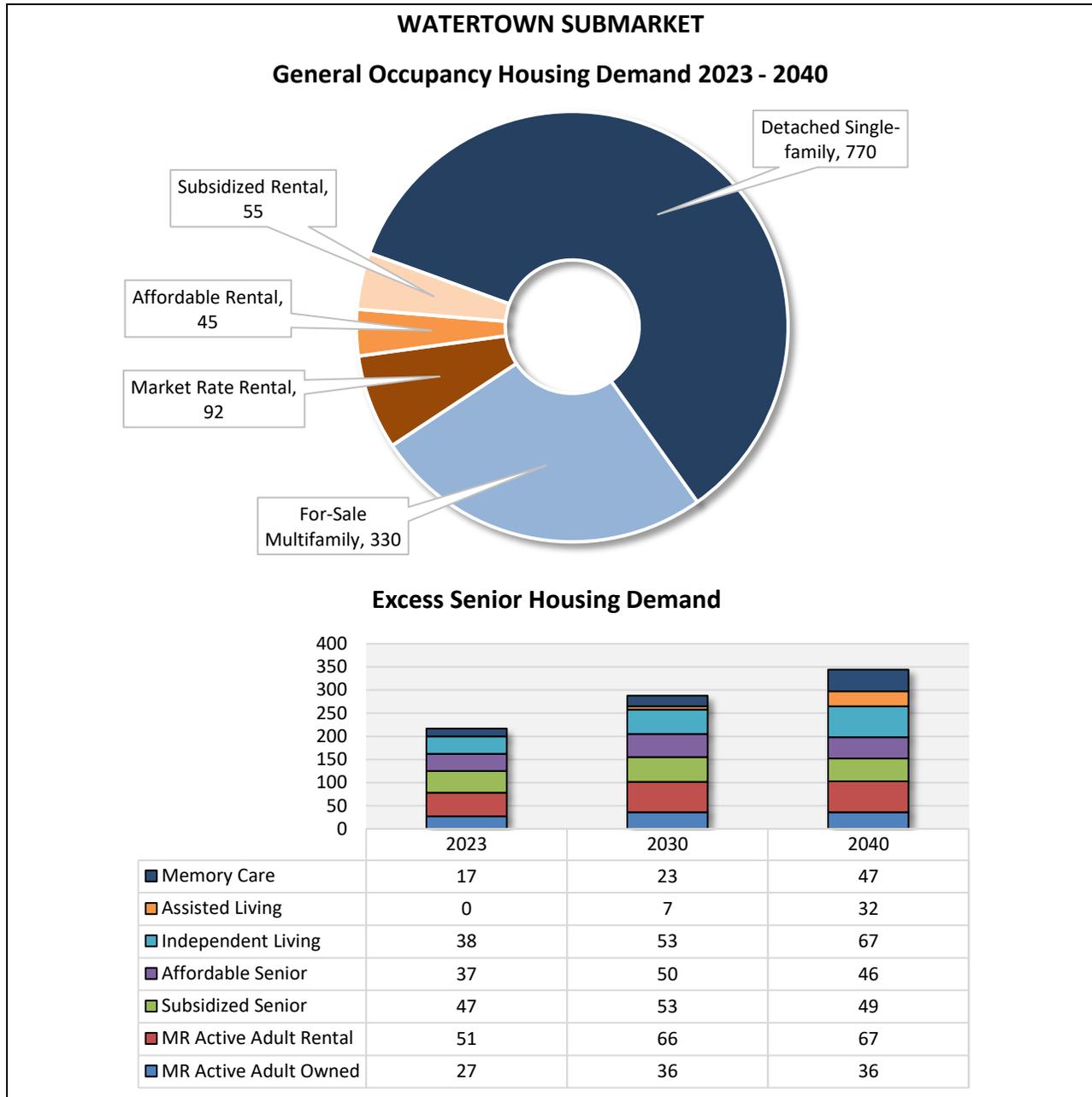
Waconia Submarket

We find excess demand for 408 senior housing units in the Waconia Submarket in 2023, increasing to a total of 916 senior units by 2040. We also estimate that there will be demand for 5,300 general occupancy housing units between 2023 and 2040, including 1,094 rental units and 4,206 for-sale units. We identified a total of 1,474 residential lots in the Waconia Submarket to support future demand (6.0-year supply), including 380 vacant developed lots and 1,094 future lots.



Watertown Submarket

We find excess demand for 217 senior housing units in the Watertown Submarket in 2023, increasing to a total of 344 senior units by 2040. We also estimate that there will be demand for 1,292 general occupancy housing units between 2023 and 2040, including 192 rental units and 1,100 for-sale units. We identified a total of 798 residential lots in the Submarket to support future demand (12.3-year supply), including 57 vacant developed lots, 639 future lots, and 102 pending lots.



Recommendations

Based on the findings of the analysis and demand calculations, the tables and comments on the following pages summarize recommended development concepts for general occupancy and senior housing in Carver County through 2040. These proposed concepts are intended to act as a development guide to meet the housing needs of existing and future households in the County and its communities.

For-Sale Housing

Based on information gathered on for-sale properties in the County along with feedback from area real estate professionals, we provide the following conclusions regarding the for-sale housing market in Carver County. Our recommendations include a breakdown of units by price range.

Detached single-family price points are generally considered to be less than \$350,000 for entry-level housing, while move-up housing is considered to be the \$450,000 to \$550,000 range, and executive housing is priced at \$750,000 or higher. Multifamily housing (townhomes, twin homes, condominium) price points are generally considered to be less than \$300,000 for entry-level, \$400,000 to \$500,000 for move-up, and \$600,000 or higher for executive multifamily housing.

- A move-up buyer is typically one who is selling one house and purchasing another one, usually a larger and more expensive home. The move is typically desired because of a lifestyle change, such as a new job or a growing family. The 35 to 44 and 45 to 54 age groups are generally target markets for move-up and executive housing, while move-up and executive multifamily units would target an older buyer (age 55 to 74) looking to downsize.
- In total, we estimate that there will be demand for 16,208 detached single-family housing units in Carver County between 2023 and 2040. We anticipate that 60% of these new units (9,725 units) will target move-up buyers (generally considered to be priced in the \$450,000 to \$550,000 range in 2024 dollars).
 - Another 25% of the units (4,052) would target entry-level buyers, and 15% (2,431 units) will target the executive buyer market.
- Anecdotal feedback from area real estate professionals indicates that the greatest housing need in the County is for modestly priced housing (e.g. entry-level) targeting moderate income buyers.
 - It can be difficult to construct new housing for less than \$350,000, so the development of any new entry-level for-sale housing products in the County may necessitate a public-private partnership.

- One way to provide entry-level for-sale housing is to generate household turnover by increasing the supply of move-up housing or with the increased development of attached single-family (townhomes, twin homes) products. Entry-level home demand will primarily be satisfied by existing single-family homes as existing homeowners purchase move-up housing products built in the County.

TABLE 80

GENERAL OCCUPANCY FOR-SALE HOUSING PRICING RECOMMENDATIONS							
CARVER COUNTY BY SUBMARKET							
2023 - 2040							
Purchase Price ¹		Pct.	----- Submarkets -----				
Detached Single-Family			Carver	Chanhassen	Chaska	Cologne	Hamburg-NYA
Entry-level	Less than \$350,000	25%	510	844	760	196	215
Move-up	\$450,000-\$550,000	60%	1,223	2,026	1,823	470	517
Executive	\$750,000+	15%	306	506	456	118	129
Submarket Total:		100%	2,039	3,376	3,039	784	861
			Mayer-New Germany	Victoria	Waconia	Watertown	
Entry-level			202	292	841	193	
Move-up			485	700	2,019	462	
Executive			121	175	505	116	
Submarket Total:			809	1,167	3,365	770	
Multifamily (i.e. townhomes, twin homes)			Carver	Chanhassen	Chaska	Cologne	Hamburg-NYA
Entry-level	Less than \$300,000	30%	68	253	228	26	172
Move-up	\$400,000-\$500,000	60%	136	506	456	52	344
Executive	\$600,000+	10%	23	84	76	9	57
Submarket Total:		100%	227	844	760	87	574
			Mayer-New Germany	Victoria	Waconia	Watertown	
Entry-level			43	117	252	99	
Move-up			86	233	505	198	
Executive			14	39	84	33	
Submarket Total:			143	389	841	330	
Note: Numbers may not add due to rounding							
¹ Pricing in 2024 dollars and can be adjusted to account for inflation.							
Source: Maxfield Research & Consulting, LLC							

- We estimate that there will also be demand for 4,194 for-sale multifamily housing units in the County between 2023 and 2040. We anticipate that 60% of these new units (2,516) will target move-up buyers (generally considered to be priced in the \$400,000 to \$500,000 range in 2024 dollars) and 30% (1,258 units) will target entry-level buyers). Another 10% (419 units) will be executive-level multifamily units.

General Occupancy Rental Housing

Strong demand, below equilibrium vacancy rates, and rent growth have stimulated development activity throughout the Metro Area over the past several years. The strong demand for apartment units is being generated, in large part, by job growth along with a tight for-sale housing market as there is a limited supply of housing available to purchase, particularly for first-time homebuyers.

The competitive set of stabilized general occupancy market rate properties in the County is currently 2.2% vacant, well-below equilibrium (7.0% vacancy). Additionally, affordable and subsidized rental properties are 5.6% vacant in the County, with many properties maintaining lengthy prospect lists. **These tight market conditions suggest pent-up demand for new general occupancy rental housing units in Carver County.**

We find excess demand potential for 2,264 market rate rental housing units in the County between 2023 and 2040. Based on the income distribution of renter households, we estimate that roughly 41% of the market rate demand would come from households that fall within the typical income band for workforce housing, totaling 928 units. We also find demand for 1,268 affordable units and 1,598 subsidized units in the County between 2023 and 2040.

Understanding that there is pent-up demand for new market rate and affordable rental housing (as indicated by below equilibrium vacancy rates), we find sufficient market support for additional general occupancy market rate and affordable rental units in the County. Strong demographics from the tail end of the Millennial generation will likely continue to generate rental housing demand over the next several years in the County. Additionally, the area is experiencing more lifestyle renters, those with busy professional lives and people who prefer to spend their free time in leisure pursuits rather than on upkeep and maintenance of a home.

The strongest sources of demand for new market rate rental housing in the County will likely be young singles and couples without children in their late-20s to mid-30s who work for nearby employers, along the I-494 or I-394 corridors, or in Minneapolis. Mid-age households (never-nesters or empty-nesters) who want to sell their single-family homes and have more freedom for leisure pursuits could also account for a portion of demand for new rental housing.

Affordable units will attract residents who are not able to afford new market rate units in the County, but do not income-qualify for subsidized units. A variety of residents will be drawn to affordable units, including young singles, single-parent families, and seniors. Much of the demand for new affordable rental units will likely come from people residing in older rentals and/or currently living as roommates with other low/moderate-income individuals.

The following table provides a summary of the recommended mix of general occupancy rental housing units by product type, including monthly rent ranges and a breakdown of demand by submarket. The recommendations in this table are intended to reflect potential development concepts for rental housing projects within the County.

The breakdown of demand by submarket and product type do not necessarily reflect total demand for an individual development, as the primary draw area for a new project would likely be a combination of multiple submarkets and may also include communities from outside the County, depending on location.

TABLE 81

GENERAL OCCUPANCY RENTAL HOUSING RECOMMENDATIONS CARVER COUNTY BY SUBMARKET 2023 - 2040					
----- Monthly Rent Range by Product Type -----					
Recommended Rent by Unit Type	Market Rate		Workforce*		Affordable^
	Apartments	Townhomes	Apartments	Townhomes	Apts or Townhomes
	\$1,450/studio - \$2,700/3BR	\$2,400/2BR - \$3,100/3BR	\$1,200/studio - \$1,600/2BR	\$1,900/2BR - \$2,300/3BR	Moderate Income
----- Estimated Demand ('23 - '40) by Submarket and Product Type -----					
Submarket	Market Rate		Workforce*		Affordable^
	Apartments	Townhomes	Apartments	Townhomes	Apts or Townhomes
Carver	144	36	59	15	39
Chanhassen	266	67	256	64	152
Chaska	370	92	217	54	598
Cologne	9	2	19	5	18
Hamburg-NYA	100	25	35	9	120
Mayer-NG	21	5	11	3	29
Victoria~	--	--	--	--	40
Waconia	149	37	174	44	228
Watertown	48	12	26	6	45
Pricing in 2024 dollars and can be adjusted to account for inflation.					
*Workforce housing targets households at 60% to 120% AMI					
^Subject to income guidelines per HUD & MN Housing at 50%-60% AMI					
~The amount of new product pending exceeds the demand potential in the Victoria Submarket					
Note - The number of units by submarket and product type reflects excess demand from 2023 to 2040, not the size of a property that could be supported in a single development.					
Source: Maxfield Research & Consulting, LLC					

Subsidized general occupancy projects are essentially no longer being built as available funding is very limited, so we exclude subsidized units from the recommended development concepts table. There are, however, properties under special funding programs that target long-term homeless, households with disabilities, or households that require permanent supportive housing that have been constructed recently. Rural Development projects typically have rental assistance to support very low-income households.

- **Market Rate Apartments** – We recommend middle- to upper-market rental projects that could attract a diverse resident profile, including young singles and couples across all ages. To appeal to a wide target market, we suggest a project with a mix of studio, one-, two-, and three-bedroom units. Units with dens are also recommended, as the den could be utilized as a home office or guest bedroom.

Monthly rents (in 2024 dollars) should average roughly \$1,450 for studio units to \$2,700 for three-bedroom units. Average market rate rents in the County are approximately \$1.61 per square foot, however average monthly rents in a new construction project would likely average approximately \$2.00 per square foot, depending on unit types and sizes. Monthly rents can be trended up by 2.0% annually prior to occupancy to account for inflation depending on overall market conditions.

New market rate rental units should be designed with contemporary amenities that include open floor plans, high ceilings, in-unit washer and dryer, stainless steel kitchen appliances, granite or quartz countertops, central air-conditioning, garage parking, outdoor recreation (fire pit, grilling area, etc.), and electric vehicle charging stations.

Since the pandemic, an increasing number of people are working remotely, a trend that is likely to continue to some degree. Subsequently, buildings that are well-equipped for telecommuting are becoming more important to residents. Including building and in-unit features like units with dens, built in desks, and built in USB ports should be well-received by prospective renters looking for a designated workspace. These features will be especially useful long-term as some workers transition into hybrid in-person and work-from-home schedules post-COVID-19.

- **Market Rate General Occupancy Rental Townhomes** – We anticipate that demand exists for market rate rental townhome units (estimated at 20% of market rate demand) targeting empty-nesters and families, including those families who are new to the community and want to rent until they find a home for purchase.

As an alternative to an apartment-style building, we recommend townhome projects with rents ranging from roughly \$2,400 for two-bedroom units to \$3,100 for three-bedroom units. Units should be larger than in an apartment development and feature contemporary amenities (i.e. in-unit washer/dryer, stainless steel kitchen appliance package, kitchen island, solid-surface countertops, high ceilings, etc.), an attached two car garage, and the development should provide some open/green space.

- **Workforce Rental Housing** – Based on our demand findings and conversations with area real estate professionals, we anticipate that strong demand exists for rental housing (either apartments or townhomes) with rents targeted to households with modest incomes. We recommend a project targeted to the area's workforce with a mix of studio, one-, and two-bedroom apartments units or two- and three-bedroom townhomes units.

We recommend rents range from \$1,200 for a studio apartment unit to \$2,300 for a three-bedroom townhome unit. A \$1,200 per month rent would be affordable to a single-person household earning \$48,000 per year (\$23.08 per hour) which falls in the 50% to 60% AMI range. A \$2,300 monthly rent would be affordable to households earning \$92,000 per year, consistent with four- to six-person households in the 60% to 80% AMI range.

- **Affordable General Occupancy Multifamily Housing** – Demand also exists for general occupancy affordable units in Carver County, although we anticipate that many qualified seniors would be also drawn to a new affordable general occupancy rental housing development.

Affordable rental housing attracts households that cannot afford new market rate rental units but do not income-qualify for subsidized housing. Affordable projects often attract a broad group of tenants based on the unit type. One-bedroom units target singles and couples, while two and three-bedroom units target family households. Although there is an older supply of apartment units in the County that indirectly serves as affordable housing, we recommend affordable developments that would target residents at approximately 40% to 60% AMI. We recommend either a traditional apartment-style project or a rental townhome concept with a mix of one, two- and three-bedroom units. Alternatively, a new market rate development could incorporate a small percentage of affordable units in a mixed-income project.

Units should feature central air conditioning, full kitchen appliance package, in-unit washer/dryer, and garage parking. A townhome development should include an attached one/two car garage along with open/green space.

- **Subsidized Rental Housing** – Subsidized housing receives financial assistance (i.e. operating subsidies, rent payments, etc.) from governmental agencies in order to make the rent affordable to low-to-moderate income households. Although we find demand for 1,598 general occupancy subsidized rental housing units in Carver County between 2023 and 2040, this housing is very difficult to develop financially.

A new subsidized or public housing development would have pent-up demand. However, since this housing is challenging to develop, a portion of this demand could be captured in an affordable rental housing development or in market rate housing project with a subsidized component.

Through the Section 811 Supportive Housing for Persons with Disabilities program, HUD provides funding to develop and subsidize rental housing with support services available for very low- and extremely low-income adults with disabilities. A Section 811 subsidized project in Carver County would meet a need by providing housing for this population. This population could also be served through the Low Income Housing Tax Credit (LIHTC) program as well as through a combination of other funding resources, some of which may combine LIHTC with other programs and/or bond financing.

Senior Housing

The following table summarizes senior housing demand in Carver County, included recommended pricing by service level, along with a breakdown of short-term demand (2030) for each service level by submarket. We anticipate that the growing older adult and senior population will support long-term demand for additional senior housing in the County through 2040. Development of additional senior housing units is recommended in order to provide alternate housing options to these residents as they age.

TABLE 82

SENIOR HOUSING DEVELOPMENT RECOMMENDATIONS CARVER COUNTY BY SUBMARKET January 2024						
----- Monthly Rents/Fees by Service Level -----						
	Market Rate	Affordable^	Service-Enhanced			
	Rental Apartments	Rental Apartments	Independent Living*	Assisted Living*	Memory Care	
	Recommended Rent/Fees	\$1,500/1BR - \$2,500/2BR	Moderate Income	\$2,300/studio - \$4,300/2BR	\$3,800/studio - \$5,200/2BR	\$5,500 - \$6,000/studio
----- Estimated Demand (2030) by Submarket and Service Level -----						
	Market Rate	Affordable^	Service-Enhanced			
	Rental Apartments	Rental Apartments	Independent Living*	Assisted Living*	Memory Care	
Submarket	Carver	81	124	52	14	24
	Chanhassen	241	374	179	99	65
	Chaska	112	407	122	34	41
	Cologne	33	46	27	8	13
	Hamburg-NYA~	26	113	48	--	10
	Mayer-NG	44	76	37	13	17
	Victoria	104	143	127	51	62
	Waconia	90	235	73	39	32
	Watertown	66	50	53	7	23
Pricing in 2024 dollars and can be adjusted to account for inflation. Additional demand for owned active adult units and subsidized senior housing units. ^Subject to income guidelines per HUD & MN Housing at 50%-60% AMI *Catered living recommended which allows residents to receive AL services without switching units ~Existing and pending AL product exceeds the demand potential in the Hamburg-NYA Submarket Note - The number of units by submarket and service level reflects excess demand in 2030, not the size of a property that could be supported in a single development.						
Source: Maxfield Research & Consulting, LLC						

The development of senior housing will serve a dual purpose in meeting the housing needs in the County; 1) older adult and senior residents are able to relocate to new age-restricted housing and receive services, if needed, and 2) existing homes and rental units that were occupied by seniors become available to other households, stimulating turnover.

In addition to demand summarized in the table, we also estimate that there will be excess demand for 549 market rate active adult ownership units in 2030. Active adult ownership demand can be satisfied through a variety of products, including age-restricted detached single-family or villa communities, townhome/twin-home developments, age-restricted condominium projects, or senior cooperative developments. Pricing for owned active adult housing can vary greatly, depending on product type, unit sizes, amenities, and services available.

We did not identify any senior housing cooperatives in the County, although the cooperative model is common in the Twin Cities Metro Area and could be an attractive option for County residents seeking active adult housing. Senior cooperatives are typically a minimum of 50 units and allows prospective residents an ownership option and homestead tax benefits without the substantial upfront investment required for other types of owned products.

- **Market Rate Active Adult** – Total demand was projected for 525 market rate active adult rental units in Carver County in 2023, increasing to 798 units in 2030, and 816 units in 2040. There is excess demand for market rate active adult rental units across the County, although the depth of demand ranges from 26 units in the Hamburg-Norwood Young America Submarket to 407 units in the Chaska Submarket in 2030.

Because active adult senior housing is not need-driven, demand for this product type competes, to some degree, with general occupancy rental housing projects. Many existing rental buildings have older residents that could potentially be drawn to an age-restricted building if additional product was available. Monthly rents for new active adult rental units would be similar to new general occupancy market rate rental housing, although the unit mix would likely consist of slightly larger units.

- **Affordable and Subsidized Senior Rental** – Demand was calculated for 1,000 affordable senior housing units in 2023, increasing to 1,520 units in 2040. We find demand for affordable senior housing across all submarkets, but the larger submarkets have the deepest demand. Many candidates for affordable senior rental may be residents at older market rate rental properties. These older properties would have similar (or lower) rents that would be considered affordable for these seniors.

An affordable senior housing development would most likely be a LIHTC project through Minnesota Housing. We recommend affordable senior housing developments as either stand-alone buildings or incorporated into a mixed-income development.

While not shown in the table, we also find demand for 605 subsidized units in the County in 2023, increasing to 795 units in 2040. The development of subsidized senior housing can be challenging due to the limited availability of financing as federal funds have been shrinking. A new subsidized development would likely rely on a mix of funding sources; from LIHTC, tax-exempt bonds, Section 202 program, Rural Development 515 program, and/or Rural Development rental assistance, among others.

- **Service-Enhanced Senior Housing** – We find demand for a total of 714 market rate service-enhanced units in Carver County in 2023 (447 independent living units, 105 assisted living units, and 162 memory care units), increasing to 2,463 units in 2040 (928 independent living, 902 assisted living, and 633 memory care units). Because assisted living vacancy rates are slightly elevated, there is not likely an immediate need for new assisted living units, but strong demand growth is projected. Anecdotal feedback from senior housing leasing managers indicates that there is a strong and growing need for additional memory care units in the County.

We recommend the development of catered living facilities, allowing residents to change their level of care as they age without having to relocate from one unit to another within the facility.

Independent Living Service Level

The monthly fees should include the base monthly rent, utilities, and some services, such as programs (social, health, wellness and educational), 24-hour emergency call system, and regularly scheduled van transportation. In addition, meals and other support and personal care services should be made available to independent living residents on a fee-for-service basis. When their care needs increase, residents should be provided the option of receiving assisted living services in their existing units, either in bundled packages or a-la-carte.

Assisted Living Service Level

The fees should include the base monthly rent, utilities, and assisted living services, such as three meals per day plus snacks, weekly housekeeping, linen service, professional activity programs, scheduled outings, nursing care management, and 24-hour on site staffing. Additional services should also be available either in service packages or a la carte for an extra monthly charge.

Memory Care Component

We suggest that any memory care units be located in a separate, secured, self-contained wing located on the first floor of the building with its own dining and common area amenities including a secure outdoor patio and wandering area. Fees should the same services as assisted living along with medication reminders, medication administration, and personal care assistance, with other service packages available a-la-carte.

Challenges and Opportunities

The previous tables identified and recommended housing types that would satisfy housing needs in Carver County through 2040. The following were identified as significant challenges and opportunities for developing the recommended housing types (in no particular order).

- **Affordability.** Approximately 18% of all owner households in Carver County are considered to be cost burdened, while 41% of existing renter households in the County are considered cost burdened. By comparison, 18% of owner households and 45% of renter households are cost burdened in the Metro Area.

Based on current home prices, roughly 64% of existing owner households in the County could afford to purchase a moderately priced entry-level detached single-family home (\$300,000), although the proportion drops to 36% that could afford a move-up home priced at \$500,000. Roughly 50% of existing renter householders could afford to rent a one-bedroom unit at a market rate rental property in the County at the average rent of \$1,400 per month; however, the income-qualified percentage drops to 42% that could afford monthly rents for a new construction one-bedroom unit priced at \$1,600 per month.

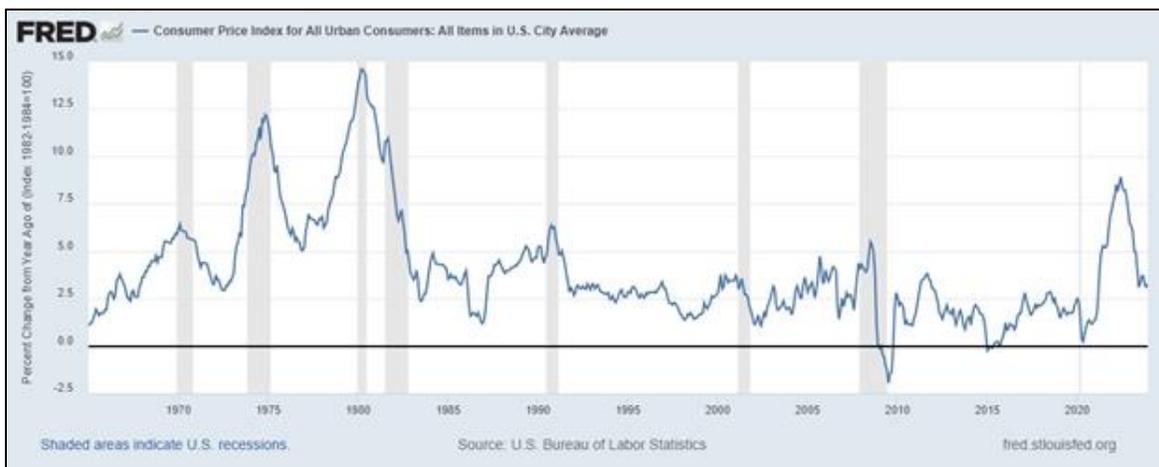
Due to the relatively high cost to own an entry-level home in the County, many renter households will continue to choose rental housing over ownership housing, and the purchasing affordability factor will decrease with continued price appreciation. There is also a growing segment of the population that is choosing rental housing over ownership housing. These households are referred to as “lifestyle renters,” those with busy professional lives and people who prefer to spend their free time in leisure pursuits rather than on the up-keep and maintenance of a home.

- **Aging Population/Aging Baby Boomers.** Significant growth in the senior population is projected for Carver County, and homeownership rates among seniors age 65 and older is relatively high. High homeownership rates among seniors suggests that there could be a lack of senior housing options available, or simply that many seniors prefer to live in their home and age in place. Because of the increasing older adult and senior population, demand for alternative maintenance-free housing products is rising. In addition, demand for home health care services and home remodeling programs to assist seniors with retrofitting their existing homes should also increase.
- **Capture Commuters.** Roughly 64% of the primary jobs in Carver County are filled by workers commuting into the area. With nearly 22,000 workers commuting into the County for employment daily, many commuting more than 50 miles, there appears to be an opportunity to provide housing options for a portion of these workers. While data does not yet reflect impacts on commuting patterns post-pandemic, we anticipate that with potential shifts in work locations long-term for some worker segments (i.e. increased telecommuting), more people are likely to remain within the County for work.

- **Household Growth and Mobility.** As highlighted in the Demographic Analysis section of this study as well as the demand calculations, household growth is projected to be fairly strong in Carver County between 2023 and 2040, with most age groups experiencing growth. The older age cohorts are expected to experience the most rapid growth, while slightly more moderate growth is projected for the age groups that are typically the target market for general occupancy rental and for-sale housing.

Much of the demand for new housing units will be generated by turnover of existing households in the County, although turnover often leads to opportunities for new households to move into the area. Population and household growth in the County will be highly dependent on the availability of suitable housing options catering to a variety of age groups and household types.

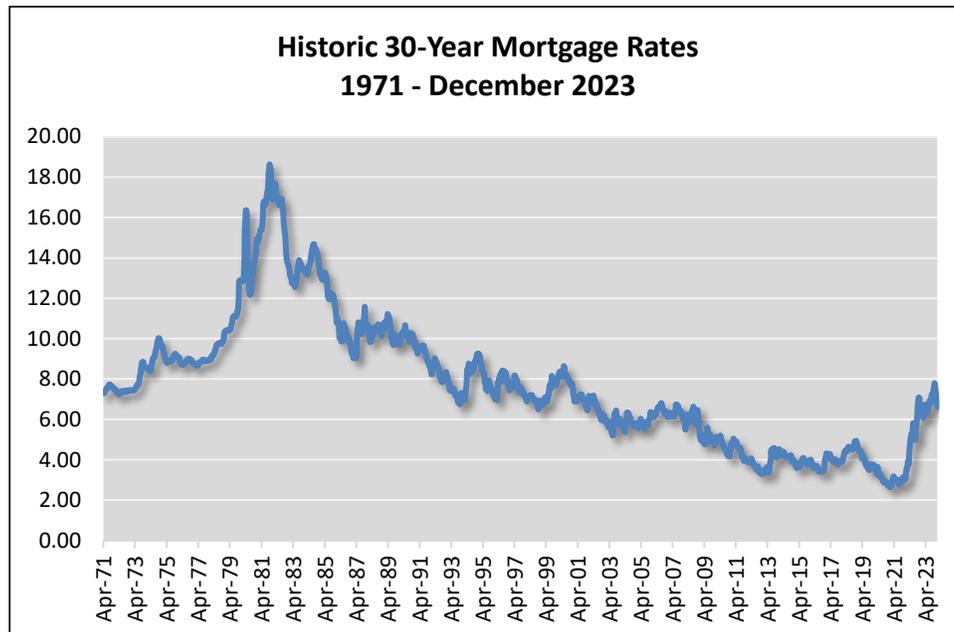
- **Inflation.** U.S. inflation rates hit a new 40-year high of nearly 9% in summer 2022, the largest annual increase since December 1981. Price increases across most goods and services, notably energy and food costs, are impacting consumers and affecting housing affordability. As a result, the Federal Reserve implemented interest rate hikes and increasing borrowing costs in an attempt to avoid recession. As interest rates increased, for-sale housing demand slowed and demand for rental housing increased, resulting in higher housing costs for both buyers and renters. While consumer price increases have decelerated in recent months, interest rates remain elevated. Household budgets will continue to be stretched as rising costs affect local residents, which could hinder housing production in the short term as new construction will be difficult to afford.



- **Mortgage Rates.** Mortgage rates play a crucial role in housing affordability. Lower mortgage rates result in a lower monthly mortgage payment and buyers receiving more home for their dollar. Rising interest rates often require homebuyers to raise their down payment in order to maintain the same housing costs. Mortgage rates were at historic lows, staying below 5.0% through much of the 2010s, then dropping to all-time lows (below 3.0%) at the onset of the COVID-19 pandemic through most of 2020 and part of 2021. However, in response to rapid inflation, the Federal Reserve increased interest rates in 2022.

The 30-year fixed rate mortgage according to Freddie Mac reached 7.79% for qualified buyers in October 2023, the highest rate since November 2000 (7.79%). Continued high mortgage rates will raise the overall cost of for-sale housing, likely slowing projected for-sale housing demand.

The following chart illustrates historical mortgage rate averages as compiled by Freddie Mac. The Freddie Mac Market Survey (PMMS) has been tracking mortgage rates since 1971 and is the most relied upon benchmark for evaluating mortgage interest market conditions. The Freddie Mac survey is based on 30-year mortgages with a loan-to-value of 80%.



- Job Growth and Unemployment.** Low unemployment often generates demand for both existing home purchases and new-home purchases. Carver County has historically maintained a lower unemployment rate than the Twin Cities Metro Area, as well as the nation. The 2022 unemployment rates of 2.2% in Carver County and 2.5% in the Metro Area were well-below equilibrium (generally considered to be 5.0%). Current unemployment rates have come down since spiking in the first half of 2020 due to the COVID-19 pandemic, peaking at 9.4% in the County, 11.9% in the Metro Area, 11.0% in Minnesota, and 14.4% in the United States.

Solid job growth is anticipated over the next several years, and we anticipate that employment growth in Carver County will outpace job growth in the remainder of the Metro Area. Employment in Carver County is projected to expand 11%, adding 4,476 jobs, between 2023 and 2030, compared to 8% growth in the Metro Area. Another 6,187 jobs are expected to be added in the County between 2030 and 2040, achieving 13% growth during the decade compared to 6% growth in the Metro Area. With 10,663 new jobs projected for the County by 2040, additional housing will be needed to support a portion of the anticipated job growth in Carver County.

- **Residential Lot Supply.** We identified 1,050 vacant developed detached single-family lots and 4,255 future detached single-family lots in Carver County, along with 104 vacant developed multifamily lots and 788 future multifamily lots. Additionally, we identified 595 detached single-family and 66 multifamily lots pending (concept) in the County.

Based on the for-sale housing demand calculations (16,208 detached single-family units and 4,194 multifamily units needed by 2040), the existing supply of vacant and future lots is sufficient to satisfy short-term demand, but additional lots will be needed by 2040. There is an approximately 5.6-year supply of detached single-family lots (vacant plus future) and a 3.6-year supply of multifamily lots in Carver County. However, the supply of development-ready (vacant developed lots) is much smaller, at 1.1-year supply of detached single-family and a 0.4-year supply of multifamily vacant developed lots.

- **Residential Construction and Development Costs.** The cost to build and develop new single-family housing has increased significantly over the past decade, and since the Great Recession in all markets across the United States. New construction pricing peaked last decade between 2005 and 2007 before falling during the recession. However, since the Great Recession it has become increasingly difficult for builders to construct entry-level new homes due to a number of constraints, including rising land costs, rising material and labor costs, lack of construction labor, and increasing regulation and entitlement fees.

As a result, affordable new construction homes have become rare as builders are unable to pencil-out modestly priced new construction. New construction in Carver County is difficult to achieve under the \$400,000 price point and many communities have homes being developed above \$700,000, out of reach for many middle-income households.

- **COVID-19.** The COVID-19 pandemic has impacted the housing market, both directly and indirectly. Economic conditions are still adjusting to the impacts of the pandemic with high inflation and elevated interest rates. Locally, job growth has resumed, and unemployment is near historic lows, although statewide labor force participation rates remain low.

Because of the pandemic, an increasing number of people are working remotely, a trend that is likely to continue to some degree, creating an opportunity for Carver County to capture a portion of the working population that may otherwise live closer to their place of employment.

The for-sale housing market experienced strong demand, shortened marketing times, and rising sale prices. Supply remains low and many listings receive multiple offers. The pandemic has changed some buyer preferences, and many buyers are seeking outdoor features, green space, more square footage, flexible spaces for home offices, and healthy living conditions.

In the rental market, demand for smaller units (i.e. studios) has waned post-pandemic as renters desire larger spaces as they work from home. With telecommuting becoming the norm, tenants are seeking a separation of work and live spaces along with access to balconies and patios. These trends are expected to continue.

The senior housing industry was directly impacted by the pandemic as the virus affected older adults at a much higher rate. Senior properties hit record high vacancy rates, and many seniors continue to age in place as long as possible to avoid shared living spaces.

- **Workforce Housing** is generally considered to be housing that targets households earning between 50% and 120% AMI. Often referred to as moderate-income housing, units are priced at rates affordable to the local workforce. In Carver County, the workforce housing income band ranges from \$43,500 (one-person household at 50% AMI) to \$172,920 (six-person household at 120% AMI). The development of workforce housing, both owned and rented, is important for communities to attract and maintain employees, although public-private partnerships may be needed to help finance the development of workforce housing.

Housing Programs

Many local governments offer housing programs designed to enhance, improve, or develop new housing stock. The following points are designed to provide ideas and suggestions to help the public and private sector support housing programs and incentives to spur housing development in Carver County.

The examples presented on the following pages identify housing tools utilized in other communities; however, this is not an all-encompassing list as many governmental agencies offer different programs based on their individual needs.

Federal funds for housing development have been declining for decades and the remaining housing programs include the Community Development Block Grant (CDBG), the HOME Investment Partnerships Program, Housing Choice Vouchers, Low-Income Housing Tax Credits (LIHTC), and USDA rural housing programs. However, local units of government are increasingly dependent on other resources to support development such as housing trust funds and housing bonds.

State/National Resources:

Minnesota Housing Finance Agency (“Minnesota Housing”) – Minnesota Housing is a housing finance agency whose mission is to finance affordable housing for low- and moderate-income households across Minnesota. Minnesota Housing partners with for-profit, non-profit, and governmental sectors to help develop and preserve affordable housing. The organization provides numerous products and services for both the single-family and multifamily housing sectors.

Their five strategic priorities are as follows; preserve federally subsidized rental housing, promote and support successful homeownership, address specific and critical rental housing needs, prevent and end homelessness, prevent foreclosure and support community recovery.

The Minnesota Affordable Housing Tax Credit (AHTC) and the Housing Tax Credit Contribution Account (HTCCA), which were established in 2021, offer a flexible fund that provides loans and grants to developers for eligible housing projects.

The fund is capitalized by contributions from taxpayers. Participating taxpayers receive a \$0.85 credit for every dollar contributed to the Housing Tax Credit Contribution Account (minimum contribution of \$1,000). The program is expected to start in 2023 and for the next six years, but Minnesota Housing and the Department of Revenue need to adopt program guidelines and criteria.

- Eligible uses include multifamily units for households with incomes at or below the greater of 80% AMI or SMI; single-family homes for households with incomes at or below the greater of 115% AMI or SMI; gap financing; new construction; acquisition; rehabilitation; demolition; construction financing; permanent financing; interest rate reduction; and refinancing.
- Eligible awardees include a City, federally recognized American Indian tribe or subdivision, tribal housing corporation, private developer, non-profit organization, housing and redevelopment authority, public housing authority or agency, owner of the housing.

The Economic Development and Housing Challenge funds the construction, purchase, financing, and redevelopment of single-family homes and multifamily rental properties with deferred loans. The program has a specific goal of enhancing economic development and is a primary resource for workforce housing.

The Low- and Moderate-Income Rental Program (LMIR) provides long-term amortizing mortgage debt for multifamily rental housing affordable to low- and moderate-income households in Minnesota. Generally, properties with less than 24 units are not financially feasible, although smaller projects may be considered. Eligible activities include new construction, rehabilitation of existing affordable housing, adaptive reuse, preservation of affordable housing, preservation of federally assisted housing, construction to permanent financings, and refinance of existing mortgages.

The Workforce and Affordable Homeownership Development Program provides a one-time grant of up to \$375,000 for the development of workforce and affordable homeownership projects across Minnesota. Funds serve households up to 115% AMI, and may be used for residential housing development, rehabilitation, land development, infrastructure development, and repair for manufactured home parks.

Minnesota Department of Employment and Economic Development – MN DEED offers community development funding through two programs for projects that assist communities stay vital and pursue economic development. The Small Cities Development Program offers state grant funds to rehabilitate local housing stock. Local governments lend funds to projects benefiting low- and moderate-income households and may be used for owner-occupied or rental projects. Additionally, public facility grants are directed toward wastewater treatment projects.

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

Other Resources

There are many other housing programs that Carver County communities could consider utilizing to aid and improve the housing stock. The following is a list of potential programs that could be explored.

- Accessory Dwelling Units - An Accessory Dwelling Unit (ADU) is a self-contained residential unit that meets the requirements of the State Building Code. These units, often referred to as “granny flats” or “backyard cottages” may be located inside the principal building on the lot or may be located in a detached accessory building on the same lot. Cities within the County could consider allowing ADUs in residential zoning districts to increase the variety of housing types available in the City.
- Affordable Housing Trust Fund - Local Housing Trust Funds (LHTF) are funds established by a local government by dedicating local public revenue for housing. They are a consistent, flexible resource for housing within a local jurisdiction. Trust funds help communities leverage public and private resources and initiate projects that draw investment and jobs. Minnesota Housing Partnership recently completed a Local Housing Trust Fund Manual which is available on their website: <https://www.mhponline.org/images/LHTFManual/LHTFManualMN.pdf>
- Architectural Design Services - The local government authority (City, HRA, etc.) partners with local architects to provide design consultation with homeowners. Homeowner pays a small fee for service, while the City/public entity absorbs the majority of the cost. No income restriction.
- 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.
- Fast Track Permitting - Program designed to reduce delays during the development process that ultimately add to the total costs of housing development. By expediting the permitting process costs can be reduced to developers while providing certainty into the development process. Typically, no-cost to the local government jurisdiction.
- First-Time Home Buyers - Below market-rate mortgage loans for first-time homebuyers, or those who have not owned a home in the past three years. Financial assistance may also be available for down payment, closing costs, and principal reduction. Usually subject to income guidelines, purchase price limits, and eligible property. Some cities partner with a 3rd party.
- Historic Preservation - Encourage residents to preserve historic housing stock in neighborhoods with homes with character through restoring and preserving architectural and building characteristics. Typically funded with low interest rates on loans for preservation construction costs.
- Home Improvement Area (HIA) - HIAs allow a townhome or condo association low interest loans to finance improvements to communal areas. Unit owners repay the loan through fees imposed on the property, usually through property taxes. Typically, a "last resort" tool when associations are unable to obtain traditional financing due to the loss of equity from the real estate market or deferred maintenance on older properties.
- Home-Building Trades Partnerships - Partnership between local Technical Colleges or High Schools that offer building trades programs. Affordability is gained through reduced labor costs provided by the school. New housing production serves as the "classroom" for future trades people to gain experience in the construction industry.
- Home Point of Sale - City ordinance requiring an inspection prior to the sale or transfer of residential real estate. The inspection is intended to prevent adverse conditions and meet minimum building codes. Sellers are responsible for incurring any costs for the inspection. Depending on the community, evaluations are completed by either city inspectors or third-party licensed inspectors.
- Housing Fair - Free seminars and advice for homeowners related to remodeling and home improvements. Most housing fairs offer educational seminars and "ask the expert" consulting services. Exhibitors include architects, landscapers, building contractors, home products, city inspectors, financial services, among others.

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- Home Energy Loans – Offer low interest home energy loans to make energy improvements in their homes.
 - Household and Outside Maintenance for the Elderly (H.O.M.E.) - 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.
 - Infill Lots - Purchase blighted or substandard housing units from willing sellers. After the home has been removed, the vacant land is placed into the program for future redevelopment. Future purchasers can be builders or the future owner-occupant who has a contract with a builder.
 - 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.
 - Land Trust - Utilizing a long-term 99-year ground lease, housing is affordable as the land is owned by a non-profit organization. Subject to income limits and targeted to workforce families with low-to-moderate incomes. If the family chooses to sell their home, the selling price is lower as land is excluded.
 - Live Where You Work - Program designed to promote homeownership in the same community where employees work. City provides a grant to eligible employees to purchase a home near their workplace. Employers can also contribute or match the city's contribution. Participants must obtain a first mortgage through participating lenders. The grant can be allocated towards down payment assistance, closing costs, and gap financing.
 - Low or No Cost City/County-Supplied Land - Sell city/county-owned land at low/no cost for the construction of mixed-income and affordable housing.
 - Realtor Forum - Typically administered by City with partnership by local school board. Inform local Realtors about school district news, current development projects, and other marketing factors related to real estate in the community. In addition, Realtors usually receive CE credits.
 - Remodeling Tours - City-driven home remodeling tour intended to promote the enhancement of the housing stock through home renovations/additions. Homeowners open their homes to the public to highlight home improvements.
 - Rental License - Licensing rental properties in the communities. Designed to ensure all rental properties meet local building and safety codes. Typically enforced by the fire marshal or building inspection department. Should require annual license renewal.

- Rent to Own - Income-eligible families rent for a specified length of time with the end-goal of buying a home. The administering agency saves a portion of the monthly rent that will be allocated for a down payment on a future house.
- Scattered Site Housing Program - Target distressed or blighted single-family properties for demolition and rehabilitation. Once demolished, vacant lots can be sold for the construction of a new single-family home.
- Tax Abatement - A temporary reduction in property taxes over a specific time period on new construction homes or home remodeling projects. Encourages new construction or rehabilitation through property tax incentives.
- Tax Increment Financing (TIF) - Program that offers communities a flexible financing tool to assist housing development projects and related infrastructure. TIF enables communities to dedicate the incremental tax revenues from new housing development to help make the housing more affordable or pay for related costs.

TIF funds can be used to provide a direct subsidy to a particular housing project or they can also be used to promote affordable housing by setting aside a portion of TIF proceeds into a dedicated fund from other developments receiving TIF.

- 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.
- Visitability - Defined as designs that allow persons with mobility impairments to enter and stay, but not live, in a residence. There are three specific design elements that must be incorporated in the dwelling to satisfy the State visitability requirements: the dwelling must include at least one no-step entrance, 32-inch clear opening doorways, and at least a one-half bathroom on the main level that meets minimum clear floor space for half baths. The requirement applies to new construction financed by Minnesota Housing, including single-family homes, duplexes, triplexes, and multi-level townhomes. Cities could adopt similar requirements for a portion of new development projects, particularly developments that utilize municipal finance tools.

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 – 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 – 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 housing choices in 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.

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)

APPENDIX

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

Effective Rents – Contract rent less applicable concessions.

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

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

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

Fair Market Rent – Carver County 2023

	----Fair Market Rent by Bedroom Size----				
	0-BR	1-BR	2-BR	3-BR	4-BR
Fair Market Rent	\$1,007	\$1,149	\$1,410	\$1,916	\$2,209

Floor Area Ratio (FAR) Ratio of the floor area of a building to area of the lot on which the building is located.

Foreclosure – A legal process in which a lender or financial institute attempts to recover the balance of a loan from a borrower who has stopped making payments to the lender by using the sale of the house as collateral for the loan.

Generations – A generation is a group of people born in the same time period and raised in the same geographic area. Generations exhibit comparable characteristics because they experienced similar trends at roughly the same life stage and through similar channels. In America, there are six living generations.

GI Generation: Born between 1901 and 1926, they came of age during the Great Depression and fought in World War II; also referred to as “The Greatest Generation”.

Mature/Silent Generation: Born between 1927 and 1945 during the Great Depression and World War II; also referred to as “The Lucky Few”. This was a relatively small generation as their parents had fewer children due to financial insecurity and World War II.

Baby Boomers: Born just after World War II between 1946 and 1964; also referred to as the “me” generation. Increased birth rates during the post-World War II baby boom make this a relatively large generation.

Generation X: Born between 1965 and 1980; also referred to as the “Baby Bust” generation due to a decline in the birth rate following the baby boom.

Millennials: Born between 1981 and 2000; also known as “Generation Y”, “The 9/11 Generation”, and “Echo Boomers”. Children of baby boomers, this represents the largest generation since the baby boom. Buying homes and starting families later than previous generations.

Generation Z: Born after 2001; also known as “Boomlets”, “the iGeneration”, and “Post Millennials”. Children of Generation X and will be larger and more diverse than Baby Boomer and Millennial generations.

Gross Rent – The monthly housing cost to a tenant which equals the Contract Rent provided for in the lease, plus the estimated cost of all utilities paid by tenants. Maximum Gross Rents for Carver County in 2023 are as follows:

**Maximum Gross Rent
Carver County – 2023**

-----Maximum Gross Rents by Bedroom Size-----					
	0-BR	1-BR	2-BR	3-BR	4-BR
30% AMI	\$652	\$699	\$838	\$969	\$1,080
40% AMI	\$870	\$932	\$1,118	\$1,292	\$1,441
50% AMI	\$1,087	\$1,165	\$1,397	\$1,615	\$1,801
60% AMI	\$1,305	\$1,398	\$1,677	\$1,938	\$2,161
80% AMI	\$1,740	\$1,864	\$2,236	\$2,584	\$2,882

Household – All persons who occupy a housing unit, including occupants of a single-family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Household Trends – Changes in the number of households for any particular areas over a measurable period of time, which is a function of new household formations, changes in average household size, and net migration.

Housing Choice Voucher Program – The federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing

in the private market. A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. Housing choice vouchers are administered locally by public housing agencies. They receive federal funds from the United States Department of Housing and Urban Development (HUD) to administer the housing choice voucher program. A housing subsidy is paid to the landlord directly by the public housing agency on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

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

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

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

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

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

Income limits – Maximum 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.

Independent Living – Independent Living properties offer support services such as meals and/or housekeeping, either on an optional basis or a limited amount included in the rents. These properties 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. Independent living 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.

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.

Memory Care – Memory Care properties, designed specifically for persons suffering from Alzheimer’s disease or other dementias, is one of the newest trends in senior housing. Properties consist mostly of suite-style or studio units or occasionally one-bedroom apartment-style units, and large amounts of communal areas for activities and programming. In addition, staff typically undergoes specialized training in the care of this population. Because of the greater amount of individualized personal care required by residents, staffing ratios are much higher than traditional assisted living and thus, the costs of care are also higher. Unlike conventional assisted living, however, which deals almost exclusively with widows or widowers, a higher proportion of persons afflicted with Alzheimer’s disease are in two-person households. That means the decision to move a spouse into a memory care facility involves the caregiver’s concern of incurring the costs of health care at a special facility while continuing to maintain their home.

Migration – The movement of households and/or people into or out of an area.

Mixed-income property – An apartment property contained either both income-restricted and unrestricted units or units restricted at two or more income limits.

APPENDIX

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, Independent Living, Assisted Living and Memory Care.

Short Sale – A sale of real estate in which the net proceeds from selling the property do not cover the sellers’ mortgage obligations. The difference is forgiven by the lender, or other arrangements are made with the lender to settle the remainder of the debt.

Single-family home – A dwelling unit, either attached or detached, designed for use by one household and with direct street access. It does not share heating facilities or other essential electrical, mechanical or building facilities with another dwelling.

Stabilized level of occupancy – The underwritten or actual number of occupied units that a property is expected to maintain after the initial lease-up period.

Subsidized housing – Housing that is income-restricted to households earning at or below 30% AMI. Rent is generally based on income, with the household contributing 30% of their adjusted gross income toward rent. Also referred to as extremely low income housing.

Subsidy – Monthly income received by a tenant or by an owner on behalf of a tenant to pay the difference between the apartment’s contract/market rate rent and the amount paid by the tenant toward rent.

Substandard conditions – Housing conditions that are conventionally considered unacceptable and can be defined in terms of lacking plumbing facilities, one or more major mechanical or electrical system malfunctions, or overcrowded conditions.

Target population – The market segment or segments of the given population a development would appeal or cater to.

Tenant – One who rents real property from another individual or rental company.

Tenant-paid utilities – The cost of utilities, excluding cable, telephone, or internet necessary for the habitation of a dwelling unit, which are paid by said tenant.

Tenure – The distinction between owner-occupied and renter-occupied housing units.

Turnover – A measure of movement of residents into and out of a geographic location.

Turnover period – An estimate of the number of housing units in a geographic location as a percentage of the total house units that will likely change occupants in any one year.

Unrestricted units – Units that are not subject to any income or rent restrictions.

Vacancy period – The amount of time an apartment remains vacant and is available on the market for rent.

Workforce housing – Housing that is income-restricted to households earning between 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.