



Comprehensive Housing Market Study
for the City of Ramsey, Minnesota



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September 19, 2019

Mr. Tim Gladhill
Community Development Director
City of Ramsey
7550 Sunwood Drive NW
Ramsey, MN 55303

Dear Mr. Gladhill:

Attached is the *Comprehensive Housing Market Study for the City of Ramsey, Minnesota* conducted by Maxfield Research and Consulting, LLC. The study projects housing demand through 2030 and provides recommendations on the amount and type of housing that could be built in Ramsey to satisfy demand from current and future residents over the next decade.

The study identifies a potential demand for approximately 2,375 new housing units through 2030. Because the population in Ramsey skews younger about 15% of the total demand will be for age-restricted housing types. Strong demand exists for general-occupancy apartments with a need for over 550 units through 2030. Based on the survey of occupancies, Ramsey vacancies are below equilibrium, posting an overall vacancy rate of only 2.9% for general-occupancy housing and 5.7% for senior housing. Finally, for-sale housing demand over the next decade shows a need for nearly 1,500 housing units. Based on the current vacant lot supply and lot absorption, newly platted lots will be needed soon to meet the growing demand for new construction.

Detailed information regarding recommended housing concepts can be found in the *Recommendations & Conclusions* section at the end of the report. If you have any questions or need additional information, please contact us. We have enjoyed conducting this study for you.

Sincerely,

MAXFIELD RESEARCH AND CONSULTING, LLC

A handwritten signature in black ink that reads "Matt Mullins".

Matt Mullins
Vice President
Attachment

A handwritten signature in black ink that reads "Max Perrault".

Max Perrault
Associate

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Purpose and Scope of Study

Maxfield Research and Consulting LLC (i.e. “Maxfield Research”) was engaged by the City of Ramsey to conduct a *Comprehensive Housing Market Study* for the City of Ramsey. The Housing Market Study provides recommendations on the amount and types of housing that should be developed in order to meet the needs of current and future households who choose to reside in Ramsey.

The scope of this study includes: an analysis of the demographic and economic characteristics of the City; a review of the characteristics of the existing housing stock, building permit trends, and residential land supply; an analysis of the market condition for a variety of rental and for-sale housing products; and an assessment of the need for housing by product type in the City. Recommendations on the number and types of housing products that should be considered in the City are also supplied.

Demographic Analysis

- As of the 2010 Census, the City of Ramsey had 23,668 people and 8,033 households. The City of Ramsey is estimated to have grown by 3,494 people and 1,479 households between 2010 and 2019 and forecast to increase by another 6,188 people and 1,988 households between 2019 and 2030.
- From 2019 to 2024, growth is expected in all ages except in those ages 20 to 24 and in 45 to 54-year olds. The under-20 and 35 to 44 age cohorts are projected to have the greatest numeric growth increasing by 557 people, while the 75+ age cohort is projected to have the greatest percentage growth in Ramsey increasing by 70% between 2019 and 2024.
- The City of Ramsey had an estimated median household income of \$92,484 in 2019. Non-senior household median incomes peak in the 45 to 54 age group at \$105,140. The median income for seniors age 65 to 74 is \$79,049 and for 75+ is \$43,351.
- Between 2000 and 2017, homeownership rates decreased from 97% to 87% in the City of Ramsey. The decline was a result of lender-mediated properties during the Great Recession and the rental housing market that is currently booming in Ramsey.
- Married without children households accounted for the highest household type percentage in 2017 at 39%. However, married with children is the second largest household type accounting for about 29% of households in Ramsey.

Employment Analysis

- Ramsey and Anoka County had an unemployment rate of 2.6% and 2.8% respectively in 2018. By comparison, the State of Minnesota's unemployment rate was 2.9% in 2018 while the U.S.'s unemployment rate was 3.9%.
- According to Employer-Household Dynamics data from the U.S. Census Bureau there are roughly 6,403 workers in Ramsey in 2015, 17% live in Ramsey. Most other workers are commuting from Minneapolis (12.9%), Anoka (8.2%) and Coon Rapids (8.1%). Ramsey is considered an exporter of workers, as over 90% of the residents in Ramsey commute elsewhere for work.

Housing Characteristics

- Per the City of Ramsey Building Department there were approximately 1,700 units permitted from 2008 to May 2019. In 2009 (the peak of the recession), Ramsey observed the fewest building permits issued at 42, but has averaged building permits for 208 units per year since 2012.
- Nearly one-half of Ramsey's renter-occupied housing was constructed in the 2000s or later (49%), while 23% of Ramsey's owner-occupied housing stock was built in the 1990s.
- Approximately 81% of Ramsey homeowners have a mortgage compared to 74% of Anoka County and 72% of the metro area in 2017. About 17.6% of homeowners with mortgages also have a second mortgage, home equity loan, or both.
- The median estimated home value in Ramsey was roughly \$259,594 in 2018. The income required to afford a home at this price would be about \$74,170 to \$86,531 based on the standard of 3.0 to 3.5 times the median income (and assuming these households do not have a high level of debt). About 68% of non-senior households in Ramsey have incomes of \$74,170 or more in 2019.
- The median contract rent in Ramsey was \$1,219 in 2017. Based on a 30% allocation of income to housing, a household would need an income of about \$48,760 to afford the median contract rent in Ramsey.

Rental Housing Market Analysis

- In total, Maxfield Research inventoried 547 general occupancy rental units in Ramsey spread across 6 multifamily developments. At the time of the survey, there were 16 vacant units resulting in an overall vacancy rate of 2.9%. Typically, a healthy rental market maintains a vacancy rate of roughly 5%, which promotes competitive rates, ensures adequate consumer choice, and allows for unit turnover.

EXECUTIVE SUMMARY

- For-Sale Single-family 1,104 units
- For-Sale Multifamily 373 units

• In addition, we find demand for multiple senior housing product types. By 2024, demand in the Ramsey Market Area for senior housing is forecast for the following:

- Active Adult Ownership 72 units
- Active Adult Rental 3 units
- Active Adult Affordable 65 units
- Active Adult Subsidized 22 units
- Congregate 109 units
- Assisted Living 27 units
- Memory Care 49 units

Recommendations and Conclusions

• Based on the finding of our analysis and demand calculations, the following chart provides a summary of the recommended development concepts by product type for the City of Ramsey through 2030. Detailed findings are described in the *Recommendations* section of the report.

EXECUTIVE SUMMARY

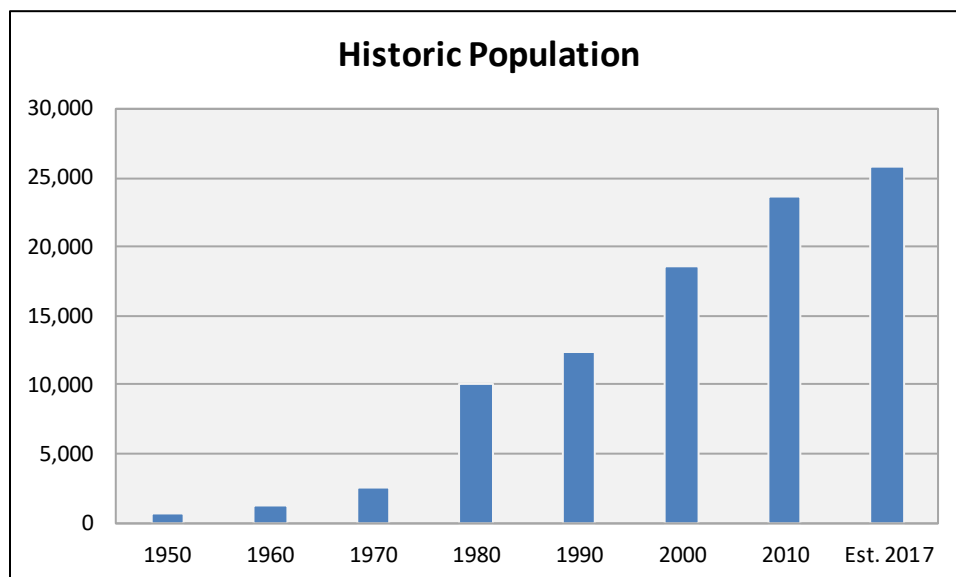
RECOMMENDED HOUSING DEVELOPMENT				
CITY OF RAMSEY				
2019 to 2030				
		Purchase Price/ Monthly Rent Range ¹	No. of Units	Development Timing
Owner-Occupied Homes				
<i>Single Family</i>				
	Entry-level	<\$300,000	350 - 400	Ongoing
	Move-up	\$300,000 - \$500,000	550 - 600	Ongoing
	Executive	\$500,000+	350 - 400	Ongoing
	Total		1,250 - 1,400	
<i>Townhomes/Twinhomes/Detached Townhomes²</i>				
	Entry-level	<\$250,000	225 - 250	Ongoing
	Move-up	\$250,000 - \$400,000	200 - 225	Ongoing
	Executive	\$400,000+	150 - 175	Ongoing
	Total		575 - 650	
Total Owner-Occupied			1,825 - 2,050	
General Occupancy Rental Housing				
<i>Market Rate Rental Housing</i>				
	Apartment-style (moderate)	\$900/EFF - \$1,800/2BR+D	175 - 200	2021+
	Apartment-style (luxury)	\$1,100/EFF - \$2,600/3BR	100 - 120	2023+
	Townhomes	\$1,600/2BR - \$1,900/3BR	120 - 140	2020+
	Total		395 - 460	
<i>Affordable Rental Housing</i>				
	Apartment-style	Moderate Income ³	70 - 80	2022+
	Townhomes	Moderate Income ³	40 - 50	2020+
	Total		110 - 130	
Total Renter-Occupied			505 - 590	
Senior Housing (i.e. Age Restricted) - 2019 to 2024				
	Senior Coop./Ownership Active Adult	\$150,000 - \$200,000+	60 - 70	2020+
	Active Adult Affordable Rental ⁵	Moderate Income ³	70 - 80	2020+
	Independent living/Congregate	\$1,800/1BR-\$2,500/2BR	80 - 100	2020+
	Assisted Living	\$3,000/EFF - \$5,500/2BR	20 - 24	2024+
	Memory Care	\$4,000/EFF - \$6,000/2BR	40 - 50	2020+
	Total		270 - 324	
Total - All Units			2,600 - 2,964	
<p>¹ Pricing in 2019 dollars. Pricing can be adjusted to account for inflation.</p> <p>² For-Sale Multifamily includes a variety of multifamily product types; including twinhomes, villas, detached townhomes, row homes, quads, etc.</p> <p>³ Affordability subject to income guidelines per Minnesota Housing Finance Agency (MHFA). See Table HA-1 for Anoka County Income limits.</p> <p>⁴ Alternative development concept is to combine active adult affordable and market rate active adult into mixed-income senior community</p> <p>Note - Recommended development does not coincide with total demand. Ramsey may not be able to accommodate all recommended housing types based on land availability and development constraints.</p>				
Source: Maxfield Research & Consulting, LLC				

Introduction

This section of the report examines factors related to the current and future demand for owner- and renter-occupied housing units in Ramsey, Minnesota. It includes an analysis of population and household growth trends and projections, projected age distribution, household size, household incomes, net worth, household tenure, household type, diversity, and mobility trends. A review of these characteristics provides insight into the demand for various types of housing in the City of Ramsey.

Population and Household Growth Trends and Projections

Table D-1 presents population and household growth trends and projections from 1990 to 2040. The 1990 to 2010 data is from the U.S. Census. Estimate and projection data is calculated from the Metropolitan Council; ESRI (a national demographics service provider); with adjustments calculated by Maxfield Research and Consulting LLC. The adjustments are intended to reflect growth that will likely be realized after considering the impact of the current housing market, employment, and review of building permit trends.

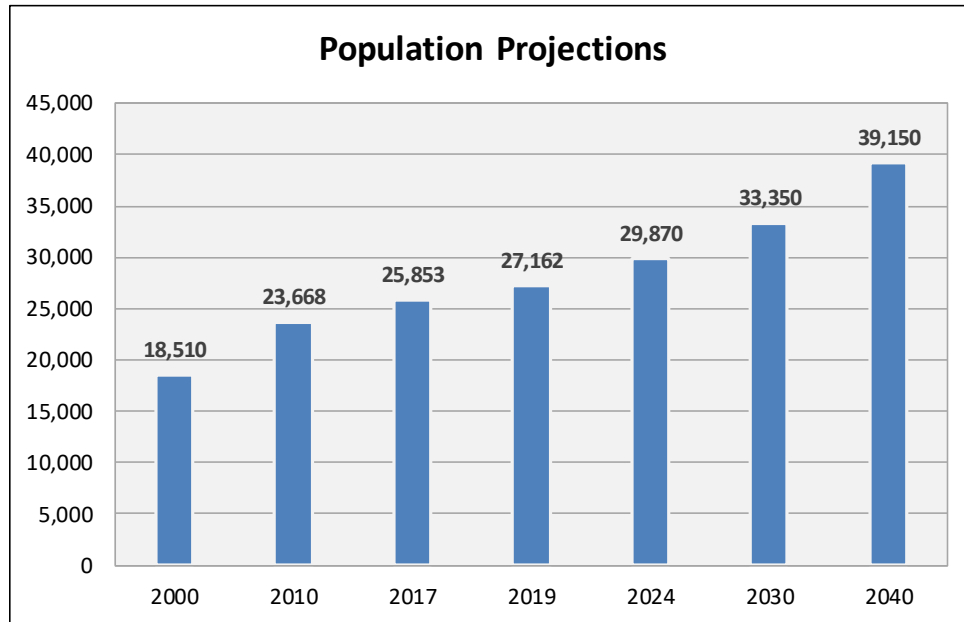


Population

- The City of Ramsey’s population grew by 5,158 people (27.9%) between 2000 and 2010. During this same period Anoka County grew by 11% and the 7-County Metro Area grew by 7.9%.
- In 2010, The City of Ramsey included roughly 7.2% of the total population in Anoka County, compared to 6.2% in 2000 and 5.1% in 1990.

DEMOGRAPHIC ANALYSIS

- Maxfield Research projects that Ramsey will have an increase in its population by 3,494 people (14.8%) between 2010 and 2019.
- We project that between 2019 and 2030, Ramsey will increase by approximately 6,188 people (22.8%).



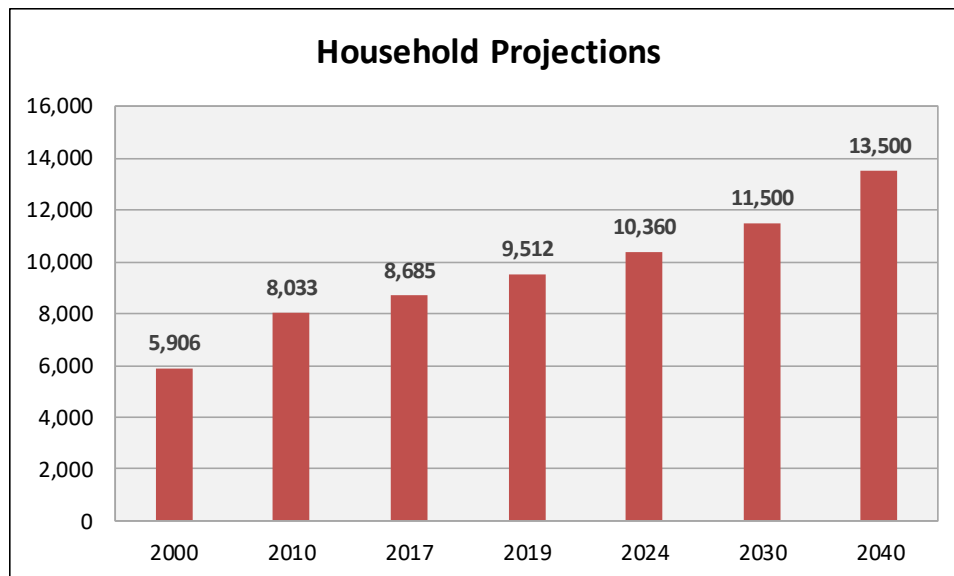
DEMOGRAPHIC ANALYSIS

**TABLE D-1
POPULATION AND HOUSEHOLD GROWTH TRENDS AND PROJECTIONS
RAMSEY ANALYSIS AREA
1990 to 2040**

	Change												
	U.S. Census			Estimate	Forecast			2000 to 2010		2010 to 2019		2019 to 2030	
	1990	2000	2010	2019	2024	2030	2040	No.	Pct.	No.	Pct.	No.	Pct.
POPULATION													
City of Ramsey	12,408	18,510	23,668	27,162	29,870	33,350	39,150	5,158	27.9%	3,494	14.8%	6,188	22.8%
Anoka County	243,641	298,084	330,844	357,876	377,308	401,950	440,420	32,760	11.0%	27,032	8.2%	44,074	12.3%
Seven-County Metro Area	2,288,729	2,642,056	2,849,567	3,127,164	3,290,156	3,459,000	3,738,000	207,511	7.9%	277,597	9.7%	331,836	10.6%
HOUSEHOLDS													
City of Ramsey	3,620	5,906	8,033	9,512	10,360	11,500	13,500	2,127	36.0%	1,479	18.4%	1,988	20.9%
Anoka County	82,437	106,428	121,227	135,297	144,236	155,300	171,930	14,799	13.9%	14,070	11.6%	20,003	14.8%
Seven-County Metro Area	1,032,431	1,021,454	1,117,749	1,234,977	1,296,885	1,402,000	1,537,000	96,295	9.4%	117,228	10.5%	167,023	13.5%
Sources: U.S. Census Bureau; ESRI; Metropolitan Council; Maxfield Research & Consulting, LLC													

Households

- Household growth trends are typically a more accurate indicator of housing needs than population growth since a household is, by definition, an occupied housing unit. However, additional demand can come from changing demographics of the population base, which results in demand for different housing products.
- Ramsey gained 2,127 households during the 2000s (an increase of 36%), increasing its household base to 8,033 households as of 2010.
- Maxfield Research projects household growth in Ramsey to increase by 1,479 households (18.4%) between 2010 and 2019. Overall, we project Ramsey to grow to 13,500 households by 2040.



Age Distribution Trends

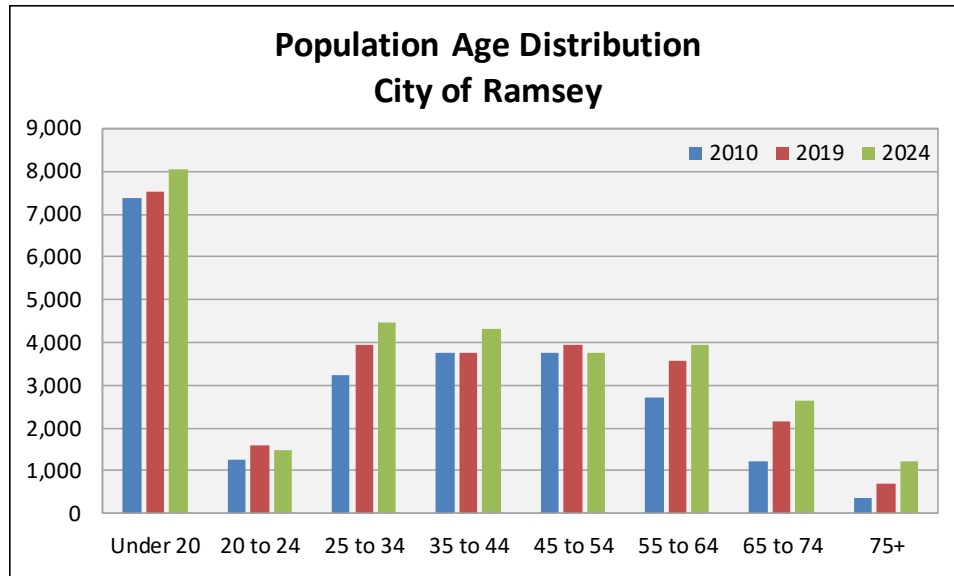
Age distribution affects demand for different types of housing since needs and desires change at different stages of the life cycle. Table D-2 shows the distribution of persons within nine age cohorts for Ramsey, Anoka County, and the Metro Area in 2000 and 2010 with estimates for 2019 and projections for 2024. The 2000 and 2010 age distributions are from the U.S. Census Bureau and the 2019 and 2024 figures are estimates based on ESRI data with adjustments made by Maxfield. The following are key points from the table.

- In Ramsey between 2000 and 2010, growth occurred in all age cohorts. The majority of the growth occurred in those between the ages of 55 to 75+.

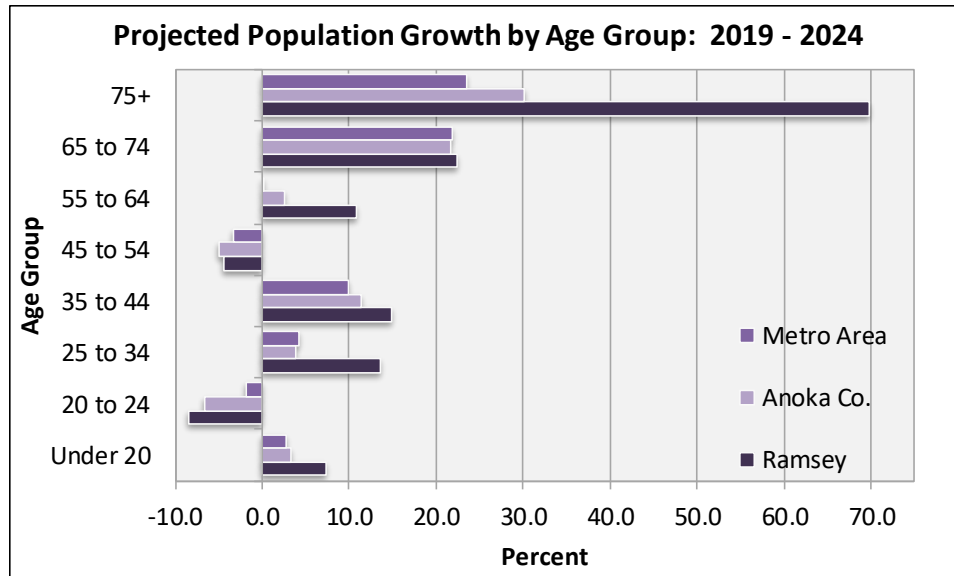
DEMOGRAPHIC ANALYSIS

- The City of Ramsey's population of 20 to 34-year olds, which consists primarily of renters and first-time homebuyers, increased by 18% between 2000 and 2010. This age group is expected to increase further by 400 people (7.2%) between 2019 and 2024, even though the 20 to 24 age group is projected to decline by 134 people.

Age					Change			
	Census		Estimate	Projection	2000 - 2010		2019 - 2024	
	2000	2010	2019	2024	No.	Pct.	No.	Pct.
City of Ramsey								
Under-20	6,438	7,385	7,507	8,064	947	14.7	557	7.4
20 to 24	814	1,254	1,604	1,470	440	54.1	-134	-8.4
25 to 34	2,974	3,228	3,932	4,466	254	8.5	534	13.6
35 to 44	3,596	3,751	3,761	4,318	155	4.3	557	14.8
45 to 54	2,805	3,744	3,943	3,772	939	33.5	-171	-4.3
55 to 64	1,371	2,721	3,563	3,952	1,350	98.5	389	10.9
65 to 74	344	1,207	2,140	2,619	863	250.9	479	22.4
75+	168	378	711	1,208	210	125.0	497	69.8
Total	18,510	23,668	27,162	29,870	5,158	27.9	2,708	10.0
Anoka County								
Under-20	93,987	94,222	93,186	96,239	235	0.3	3,053	3.3
20 to 24	16,981	18,480	19,997	18,658	1,499	8.8	-1,339	-6.7
25 to 34	44,575	43,632	48,855	50,695	-943	-2.1	1,840	3.8
35 to 44	57,058	48,295	48,614	54,118	-8,763	-15.4	5,503	11.3
45 to 54	40,813	55,929	51,424	48,883	15,116	37.0	-2,541	-4.9
55 to 64	23,588	38,054	48,780	50,061	14,466	61.3	1,281	2.6
65 to 74	12,622	19,556	30,192	36,743	6,934	54.9	6,552	21.7
75+	8,460	12,676	16,828	21,911	4,216	49.8	5,082	30.2
Total	298,084	330,844	357,876	377,308	32,760	11.0	19,432	5.4
Twin Cities Metro Area								
Under-20	768,028	774,287	796,703	818,922	6,259	0.8	22,219	2.8
20 to 24	173,732	190,135	208,579	204,600	16,403	9.4	-3,979	-1.9
25 to 34	411,155	420,311	449,960	469,342	9,156	2.2	19,382	4.3
35 to 44	469,324	391,324	416,157	457,195	-78,000	-16.6	41,038	9.9
45 to 54	363,592	440,753	411,655	397,774	77,161	21.2	-13,882	-3.4
55 to 64	200,980	326,007	408,224	408,242	125,027	62.2	17	0.0
65 to 74	130,615	163,425	260,814	317,762	32,810	25.1	56,948	21.8
75+	124,630	143,325	175,072	216,320	18,695	15.0	41,248	23.6
Total	2,642,056	2,849,567	3,127,164	3,290,156	207,511	7.9	162,992	5.2
Sources: U.S. Census Bureau; ESRI; Maxfield Research & Consulting, LLC								



- The senior age cohorts are projected to have the greatest percentage growth. The 75+ age cohort is forecast to increase by 70% (497 people) in Ramsey between 2019 and 2024. The growth in the senior age cohorts can be primarily attributed to the baby boom generation aging into their senior years.
- The social changes that occurred with the aging of the baby boom generation, such as higher divorce rates, higher levels of education, and lower birth rates has led to a greater variety of lifestyles than existed in the past – not only among baby boomers, but also among their parents and children. The increased variety of lifestyles has also fueled demand for alternative housing products to single-family homes. Seniors, in particular, and middle-aged persons tend to do more traveling and participate in more activities than previous generations, and they increasingly prefer maintenance-free housing that enables them to spend more time on activities outside the home.



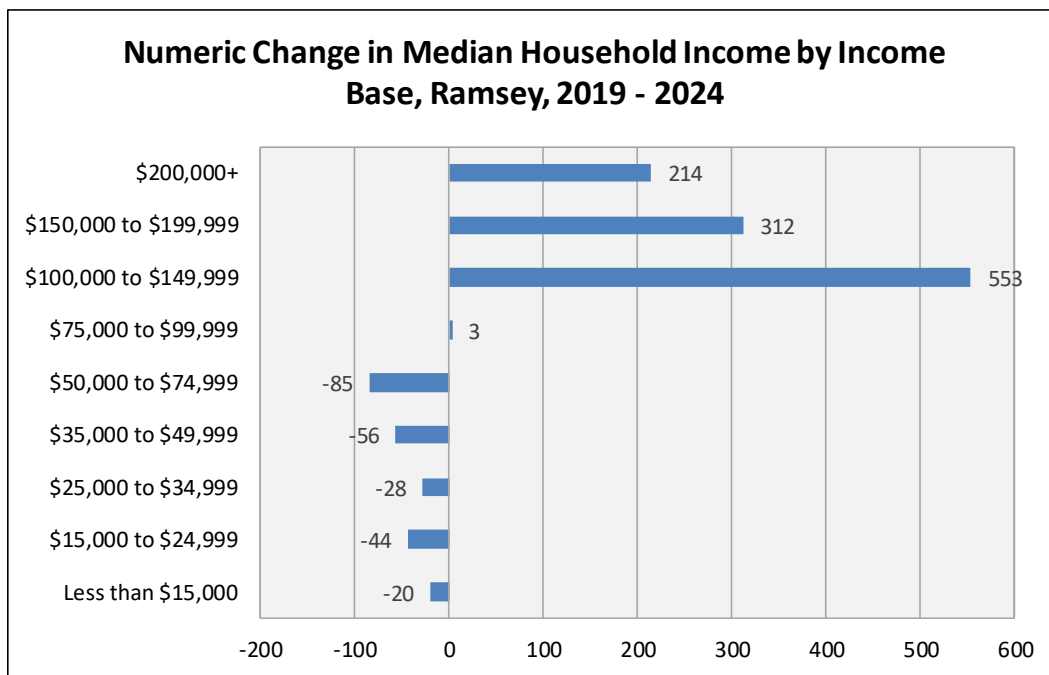
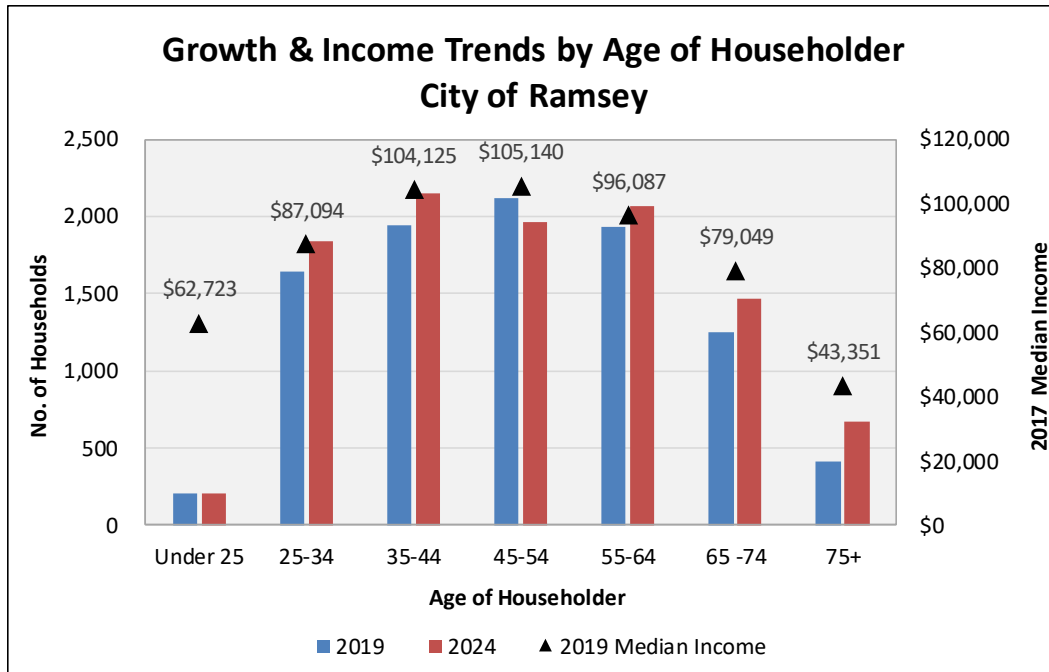
Household Income by Age of Householder

The estimated distribution of household incomes in Ramsey for 2019 and 2024 are shown in Table D-3. The data was estimated by Maxfield Research based on income trends provided by ESRI. The data helps ascertain the demand for different housing products based on the size of the market at specific cost levels.

The Department of Housing and Urban Development defines affordable housing costs as 30% of a household’s adjusted gross income. For example, a household in Ramsey with the median income of \$92,484 per year would be able to afford a monthly housing cost of about \$2,312. Maxfield Research uses a figure of 25% to 30% for younger households and 40% or more for seniors, since seniors generally have lower living expenses and can often sell their homes and use the proceeds toward rent payments.

A generally accepted standard for affordable owner-occupied housing is that a typical household can afford to pay 3.0 to 3.5 times their annual income on a single-family home. Thus, a \$92,484 income would translate to an affordable single-family home of \$277,452 to \$323,694. The higher end of this range assumes that the person has adequate funds for down payment and closing costs but does not include savings or equity in an existing home which would allow them to purchase a higher priced home.

- Ramsey has an estimated median household income of \$92,484 in 2019 and is expected to increase over the next five years to \$102,941 in 2024 (11.3%). This equates to an increase of 2.3% annually.



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TABLE D-3 HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER CITY OF RAMSEY 2019 and 2024								
	Age of Householder							
	Total	Under 25	25-34	35-44	45-54	55-64	65 -74	75+
2019								
Less than \$15,000	163	2	12	19	19	41	42	27
\$15,000 to \$24,999	402	15	50	42	41	72	112	71
\$25,000 to \$34,999	297	11	51	45	40	53	46	51
\$35,000 to \$49,999	871	35	161	138	138	154	145	99
\$50,000 to \$74,999	1,756	65	374	304	329	336	248	100
\$75,000 to \$99,999	1,814	31	351	371	423	379	237	21
\$100,000 to \$149,999	2,615	30	459	646	641	527	278	36
\$150,000 to \$199,999	1,034	9	126	223	321	251	97	7
\$200,000+	560	4	65	153	167	120	46	4
Total	9,512	202	1,648	1,942	2,119	1,932	1,252	417
<i>Median Income</i>	<i>\$92,484</i>	<i>\$62,723</i>	<i>\$87,094</i>	<i>\$104,125</i>	<i>\$105,140</i>	<i>\$96,087</i>	<i>\$79,049</i>	<i>\$43,351</i>
2024								
Less than \$15,000	142	3	10	23	11	28	31	37
\$15,000 to \$24,999	358	13	41	26	25	57	98	98
\$25,000 to \$34,999	269	8	45	37	23	42	44	70
\$35,000 to \$49,999	814	30	148	115	100	129	140	151
\$50,000 to \$74,999	1,671	61	359	277	250	300	261	163
\$75,000 to \$99,999	1,817	33	366	374	354	376	274	40
\$100,000 to \$149,999	3,168	36	587	784	651	636	391	83
\$150,000 to \$199,999	1,346	14	176	299	354	330	155	18
\$200,000+	774	6	108	212	194	167	74	12
Total	10,360	205	1,839	2,147	1,962	2,066	1,470	672
<i>Median Income</i>	<i>\$102,941</i>	<i>\$68,894</i>	<i>\$97,512</i>	<i>\$110,700</i>	<i>\$113,183</i>	<i>\$106,757</i>	<i>\$89,347</i>	<i>\$48,227</i>
Change - 2019 to 2024								
Less than \$15,000	-20	1	-2	4	-8	-13	-11	9
\$15,000 to \$24,999	-44	-2	-9	-16	-16	-15	-14	27
\$25,000 to \$34,999	-28	-3	-5	-9	-17	-11	-2	19
\$35,000 to \$49,999	-56	-5	-14	-23	-38	-25	-4	52
\$50,000 to \$74,999	-85	-4	-14	-27	-79	-36	13	63
\$75,000 to \$99,999	3	3	14	3	-69	-3	36	19
\$100,000 to \$149,999	553	6	128	138	11	110	114	47
\$150,000 to \$199,999	312	5	50	76	33	79	58	11
\$200,000+	214	2	42	59	27	47	28	8
Total	848	3	190	205	-158	134	218	255
<i>Median Income</i>	<i>\$10,457</i>	<i>\$6,171</i>	<i>\$10,418</i>	<i>\$6,575</i>	<i>\$8,044</i>	<i>\$10,670</i>	<i>\$10,298</i>	<i>\$4,876</i>

Sources: ESRI; Maxfield Research & Consulting, LLC

Non-Senior Households

- In 2019, 1.2% of non-senior (under age 65) households in Ramsey had incomes under \$15,000 (93 households). All of these households would be eligible for deep-subsidy rental housing. Another 2.8% of Ramsey's non-senior households had incomes between \$15,000 and \$24,999 (220 households). Many of these households would qualify for deep-subsidy

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housing, but many could also afford shallow-subsidy or older market rate rentals. If housing costs absorb 30% of income, households with incomes of \$15,000 to \$24,999 could afford to pay \$375 to \$625 per month.

- In most geographic areas, household median incomes peak in the 45 to 54 age group and that group is usually considered to be in their peak earning years. In 2019, the median household income in Ramsey was highest in the 45 to 54 age group at \$105,140. The 35 to 44 age group has a median income of \$104,125 in 2019. By 2024, the median income for the 35 to 44 and the 45 to 54 age groups are projected to increase to \$110,700 (6.3%) and \$113,183 (7.6%) respectively. The 55 to 64 age group is projected to increase from \$96,087 to \$106,757 (11.1%) by 2024.
- The median estimated home value in Ramsey was roughly \$310,000 in 2019. The income required to afford a home at this price would be about \$88,571 to \$103,333 based on the standard of 3.0 to 3.5 times the median income (and assuming these households do not have a high level of debt). About 53% of non-senior households in Ramsey have incomes of \$88,571 or more in 2019.
- Non-senior incomes are expected to increase by 9% from \$97,775 to \$106,309 between 2019 and 2024 in Ramsey. This equates to an increase of 1.7% annually.

Senior Households

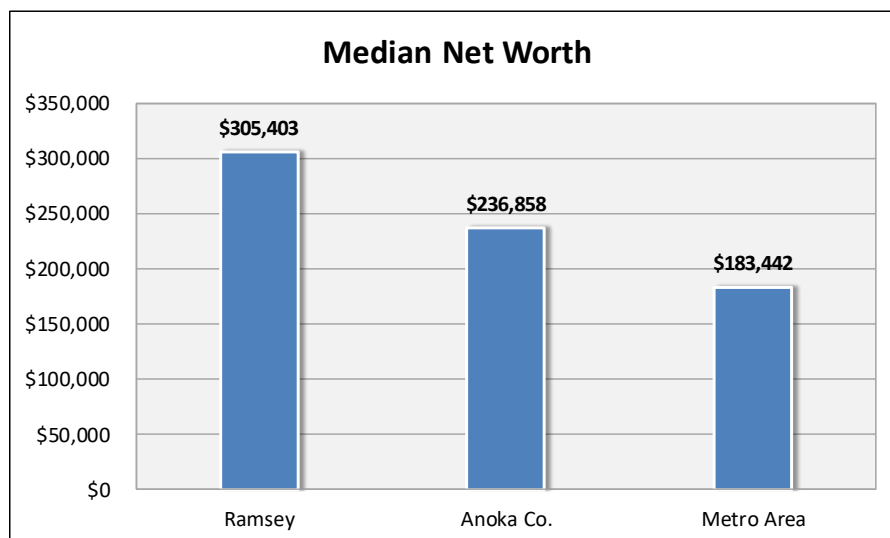
- The oldest householders have lower incomes in 2019. In Ramsey, 3.4% of households ages 65 to 74 had incomes below \$15,000, compared to 6.6% of households ages 75 and over. Many of these low-income older senior households rely solely on social security benefits. Typically, younger seniors have higher incomes due to the fact they are still able to work or are married couples with two pensions or higher social security benefits. The 2019 median income for Ramsey householders decline significantly for those ages 65 to 74 and 75+ at \$79,049 and \$43,351, respectively.
- Generally, senior households with incomes greater than \$25,000 will be able to afford market rate senior housing in Ramsey. Based on a 40% allocation of income for housing, this translates to monthly rents of at least \$833. About 1,416 senior households in Ramsey (85% of senior households) have incomes above \$25,000 in 2019.
- The median income for seniors age 65+ in Ramsey is \$70,130 in 2019. It is projected to increase by \$6,318 (9%) to \$76,448 by 2024.

Household Net Worth

Table D-4 shows household net worth in the Ramsey in 2019. Simply stated, net worth is the difference between assets and liabilities, or the total value of assets after the debt is subtracted. The data was compiled and estimated by ESRI based on the Survey of Consumer Finances and Federal Reserve Board data.

According to data released by the National Association of Realtors, the average American homeowner has a net worth about 31 to 46 times greater than that of a renter and that in 2016 the average American homeowner net worth is estimated at 44 times greater than that of a renter. The Federal Reserve survey is conducted every three years and this research was based on the 2016 Federal Reserve survey that showed the median net worth of a homeowner was \$231,400, whereas the median net worth of a renter was \$5,200.

- Ramsey has an estimated median net worth of \$305,403 in 2019. Median net worth is generally a more accurate depiction of wealth than the average figure. A few households with very large net worth can significantly skew the average.
- Similar to household income, net worth increases as households age and decreases after they pass their peak earning years and move into retirement. Median and average net worth usually peak in the 65 to 74 age cohort. The median net worth in the Ramsey for age cohorts 45+ was \$250,001 in 2019. Senior households usually have higher net worth due to their saving investments and other retirement funds.
- Households often delay purchasing homes and instead choose to rent until they acquire sufficient assets to cover the costs of a down payment and closing costs associated with home ownership. Lending has recently become slightly easier for obtaining mortgages making mortgages with little or no down payments easier to obtain in today's mortgage lending environment than it has been the past year.



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	Age of Householder							
	Total	Under 25	25-34	35-44	45-54	55-64	65 -74	75+
City of Ramsey								
Less than \$15,000	442	37	129	100	71	56	38	12
\$15,000 to \$34,999	317	33	130	77	33	22	18	4
\$35,000 to \$49,999	222	32	64	64	30	20	8	3
\$50,000 to \$99,999	961	51	404	245	115	69	49	30
\$100,000 to \$149,999	850	24	306	205	123	87	78	26
\$150,000 to \$249,999	1,298	17	307	333	316	191	92	42
\$250,000 or more	5,422	8	308	917	1,432	1,488	969	300
Subtotal	9,512	202	1,648	1,942	2,119	1,932	1,252	417
<i>Median Net Worth</i>	<i>\$305,403</i>	<i>\$50,653</i>	<i>\$114,070</i>	<i>\$232,139</i>	<i>\$255,001</i>	<i>\$255,001</i>	<i>\$255,001</i>	<i>\$255,001</i>
<i>Average Net Worth</i>	<i>\$1,093,026</i>	<i>\$88,523</i>	<i>\$194,000</i>	<i>\$517,340</i>	<i>\$1,273,409</i>	<i>\$1,946,629</i>	<i>\$1,638,367</i>	<i>\$1,304,335</i>
Anoka County								
Less than \$15,000	16,792	1,551	4,305	3,200	2,812	2,217	1,525	1,181
\$15,000 to \$34,999	7,019	522	2,071	1,507	1,127	747	687	358
\$35,000 to \$49,999	4,051	297	919	931	672	665	378	188
\$50,000 to \$99,999	13,489	522	4,375	3,168	1,784	1,409	1,181	1,051
\$100,000 to \$149,999	11,111	191	3,058	2,560	1,792	1,637	1,134	739
\$150,000 to \$249,999	17,461	85	2,864	3,953	3,976	3,116	2,120	1,347
\$250,000 or more	65,374	55	2,830	9,993	16,296	18,164	11,619	6,417
Subtotal	135,297	3,224	20,423	25,312	28,458	27,955	18,645	11,280
<i>Median Net Worth</i>	<i>\$236,858</i>	<i>\$16,642</i>	<i>\$78,365</i>	<i>\$177,541</i>	<i>\$255,001</i>	<i>\$255,001</i>	<i>\$255,001</i>	<i>\$255,001</i>
<i>Average Net Worth</i>	<i>\$942,474</i>	<i>\$47,685</i>	<i>\$151,133</i>	<i>\$474,415</i>	<i>\$1,127,418</i>	<i>\$1,614,548</i>	<i>\$1,281,111</i>	<i>\$989,432</i>
Twin Cities Metro Area								
Less than \$15,000	247,262	34,134	76,360	44,723	33,754	27,847	16,898	13,545
\$15,000 to \$34,999	78,377	6,114	25,258	16,517	11,588	8,308	6,515	4,077
\$35,000 to \$49,999	40,068	2,156	10,781	8,936	6,073	6,425	3,605	2,092
\$50,000 to \$99,999	116,598	3,776	33,353	29,113	15,582	12,805	10,695	11,274
\$100,000 to \$149,999	86,591	1,283	19,746	19,415	14,822	14,405	9,430	7,490
\$150,000 to \$249,999	127,914	995	19,308	26,340	27,837	24,184	17,346	11,904
\$250,000 or more	538,167	856	25,223	80,220	122,994	145,749	96,569	66,556
Total	1,234,977	49,314	210,028	225,265	232,651	239,724	161,057	116,938
<i>Median Net Worth</i>	<i>\$183,442</i>	<i>\$11,052</i>	<i>\$39,787</i>	<i>\$133,779</i>	<i>\$255,001</i>	<i>\$255,001</i>	<i>\$255,001</i>	<i>\$255,001</i>
<i>Average Net Worth</i>	<i>\$960,630</i>	<i>\$34,517</i>	<i>\$128,618</i>	<i>\$484,967</i>	<i>\$1,177,500</i>	<i>\$1,719,879</i>	<i>\$1,396,231</i>	<i>\$1,173,945</i>

Sources: ESRI; Maxfield Research & Consulting, LLC

Tenure by Household Income

Table D-5 shows household tenure by income for Ramsey in 2017. Data is an estimate from the American Community Survey. Household tenure information is important to assess the propensity for owner-occupied or renter-occupied housing options based on household affordability. As stated earlier, the Department of Housing and Urban Development determines affordable housing as not exceeding 30% of the household's income. The higher the income, the lower percentage a household typically allocates to housing. Many lower income households, as well

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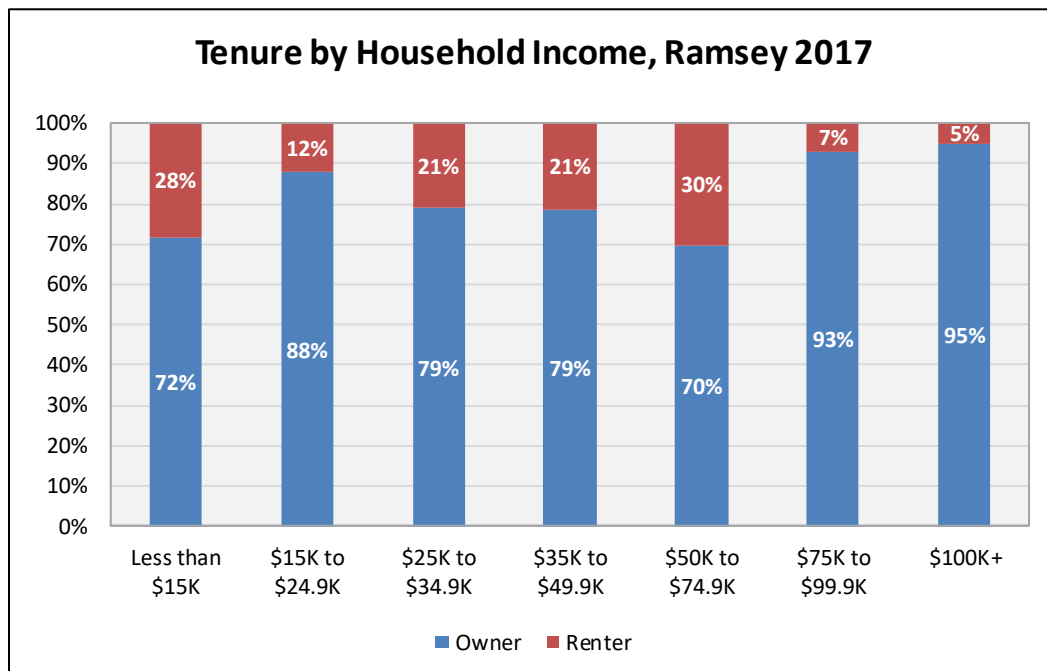
as many young and senior households spend more than 30% of their income, while middle-aged households in their prime earning years typically allocate 20% to 25% of their income.

TABLE D-5
TENURE BY HOUSEHOLD INCOME
RAMSEY MARKET AREA
2017

	City of Ramsey				Anoka County				Twin Cities Metro Area			
	Owner		Renter		Owner		Renter		Owner		Renter	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Less than \$15,000	139	71.6	55	28.4	2947	48.5	3,135	51.5	25136	28.0	64,562	72.0
\$15,000 to \$24,999	187	87.8	26	12.2	4444	53.3	3,894	46.7	33111	39.3	51,234	60.7
\$25,000 to \$34,999	251	78.9	67	21.1	5,380	61.1	3,428	38.9	41,553	47.7	45,534	52.3
\$35,000 to \$49,999	569	78.7	154	21.3	10,168	69.8	4,404	30.2	72,284	55.3	58,395	44.7
\$50,000 to \$74,999	1,119	69.7	487	30.3	18,302	77.0	5,453	23.0	132,737	65.8	69,109	34.2
\$75,000 to \$99,999	1,573	92.9	120	7.1	17,851	86.6	2,773	13.4	122,383	76.3	37,967	23.7
\$100,000+	3,742	95.0	196	5.0	41,867	95.4	2,026	4.6	370,230	89.5	43,433	10.5
Total	7,580	87.3	1,105	12.7	100,959	80.1	25,113	19.9	797,434	68.3	370,234	31.7

Source: U.S. Census Bureau; Maxfield Research & Copnsulting, LLC

- Typically, as income increases, so does the rate of homeownership. This can be seen in Ramsey, where the homeownership rate increases from 72% of households with incomes below \$15,000 to 95% of households with incomes above \$100,000.
- A portion of renter households that are referred to as lifestyle renters, or those who are financially-able to own but choose to rent, have household incomes of \$50,000 or more (about 73% of the Ramsey's renters in 2015). Households with incomes below \$15,000 are typically a market for deep subsidy rental housing (about 5% of the Ramsey's renters in 2017).

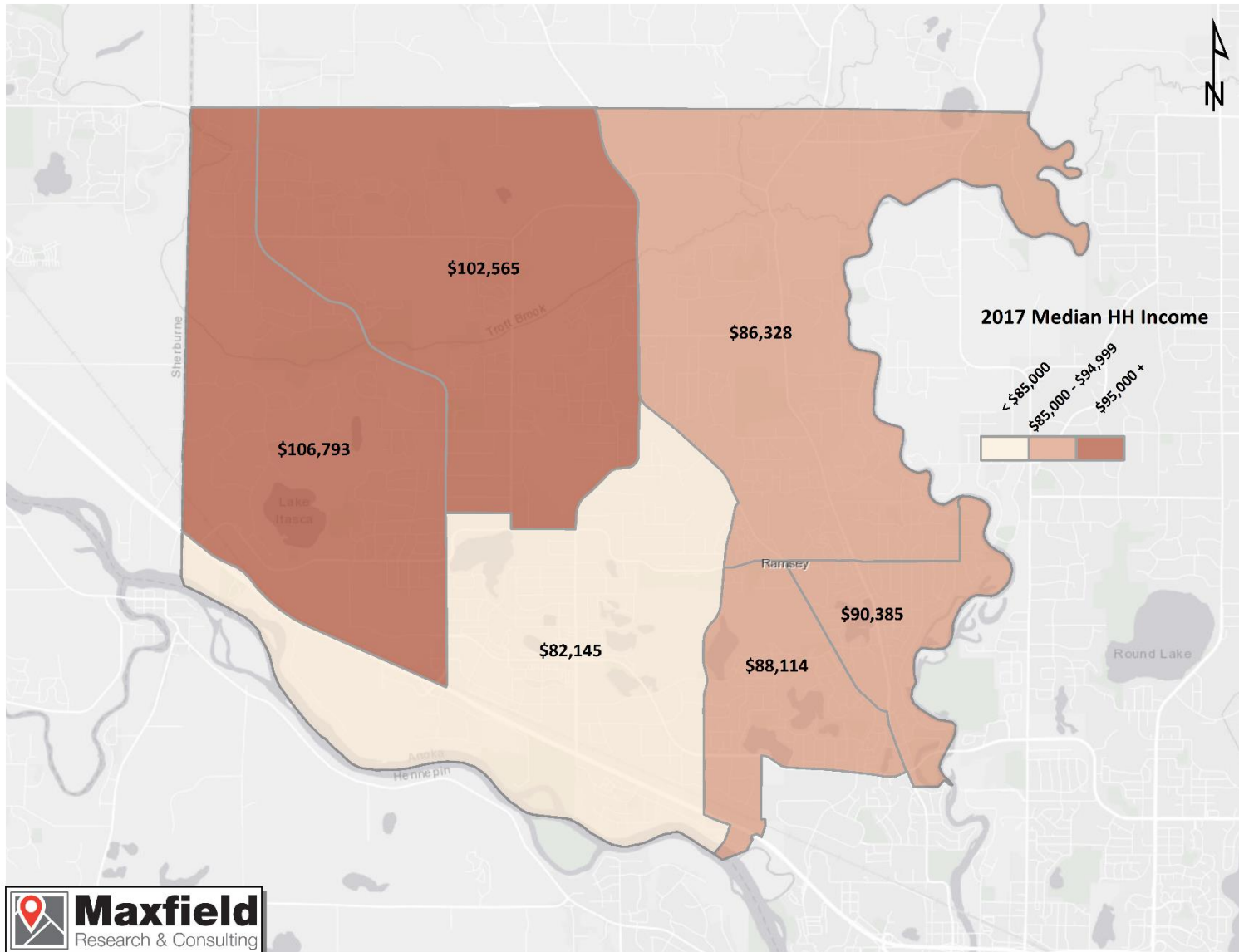


Median Household Income by Census Tract

The map on the following page shows median household income by census tract in Ramsey in 2017. Geographic Information System (GIS) data was provided through ESRI, a national demographics and GIS service provider. Below are key points from the map.

- Census tracts with the highest median income tend to be located on the Northwest side of Ramsey. Median incomes in Ramsey ranged from \$82,145 on the low end to \$106,793 on the high end.
- The census tract located in the south-central portion of the city, bordering US-Hwy 10 / US-Hwy 169, has the lowest median income (\$82,145). This census tract also contains the majority of multifamily units in the city which typically house more modest earners.

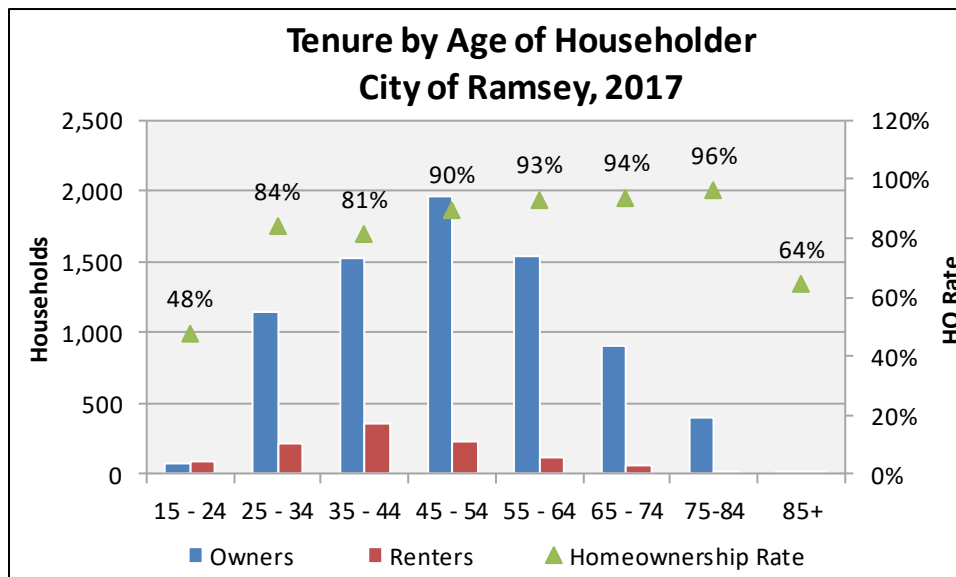
2017 Median Income by Census Tract



Tenure by Age of Householder

Table D-6 shows the number of owner and renter households in Ramsey by age group in 2000, 2010 and 2017. This data is useful in determining demand for certain types of housing since housing preferences change throughout an individual’s life cycle. The following are key findings from Table D-6.

- In 2000, 97% of all households in the Ramsey owned their housing. By 2010, that percentage declined to 91% and in 2017 it is estimated that 87% of all Ramsey households owned their housing.
- The housing market downturn contributed to the decrease in the homeownership rate during the late 2000s as it became more difficult for households to secure mortgage loans, households delayed purchasing homes due to the uncertainty of the housing market, and foreclosures forced households out of their homes. Currently it is estimated that there is a growing trend of lifestyle renters seeking rental properties in the Ramsey area and Metro Area as can be seen by the growing percentage of renters.



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TABLE D-6
TENURE BY AGE OF HOUSEHOLDER
RAMSEY MARKET AREA
2000 - 2017

Age		City of Ramsey						Anoka County						Twin Cities Metro Area					
		2000		2010		2017		2000		2010		2017		2000		2010		2017	
		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
15-24	Own	91	89.2	126	70.8	84	47.7	1,696	39.2	1,309	39.0	893	34.3	9,790	17.3	7,947	16.0	5,253	12.7
	Rent	11	10.8	52	29.2	92	52.3	2,631	60.8	2,046	61.0	1,714	65.7	46,699	82.7	41,789	84.0	36,143	87.3
	Total	102	100.0	178	100.0	176	100.0	4,327	100.0	3,355	100.0	2,607	100.0	56,489	100.0	49,736	100.0	41,396	100.0
25-34	Own	1,255	97.7	1,205	86.9	1,147	83.7	15,672	76.4	13,211	70.9	12,651	67.6	114,071	55.5	102,236	50.6	97,479	46.3
	Rent	29	2.3	182	13.1	223	16.3	4,833	23.6	5,419	29.1	6,075	32.4	91,342	44.5	99,716	49.4	113,257	53.7
	Total	1,284	100.0	1,387	100.0	1,370	100.0	20,505	100.0	18,630	100.0	18,726	100.0	205,413	100.0	201,952	100.0	210,736	100.0
35-44	Own	1,865	98.5	1,757	89.7	1,526	81.1	27,076	87.7	20,740	82.6	18,342	78.4	203,729	77.7	154,678	72.3	143,430	67.9
	Rent	29	1.5	201	10.3	355	18.9	3,811	12.3	4,382	17.4	5,065	21.6	58,438	22.3	59,303	27.7	67,787	32.1
	Total	1,894	100.0	1,958	100.0	1,881	100.0	30,887	100.0	25,122	100.0	23,407	100.0	262,167	100.0	213,981	100.0	211,217	100.0
45-54	Own	1,519	98.9	1,922	93.9	1,962	89.5	20,864	90.2	27,142	87.0	24,438	85.0	177,090	83.1	202,404	79.8	184,562	78.1
	Rent	17	1.1	125	6.1	229	10.5	2,258	9.8	4,039	13.0	4,297	15.0	36,077	16.9	51,379	20.2	51,723	21.9
	Total	1,536	100.0	2,047	100.0	2,191	100.0	23,122	100.0	31,181	100.0	28,735	100.0	213,167	100.0	253,783	100.0	236,285	100.0
55-64	Own	774	98.5	1,449	96.1	1,543	93.0	12,762	91.7	19,676	89.1	22,966	87.2	102,583	84.9	162,595	82.6	181,161	80.3
	Rent	12	1.5	59	3.9	117	7.0	1,151	8.3	2,419	10.9	3,376	12.8	18,205	15.1	34,355	17.4	44,543	19.7
	Total	786	100.0	1,508	100.0	1,660	100.0	13,913	100.0	22,095	100.0	26,342	100.0	120,788	100.0	196,950	100.0	225,704	100.0
65-74	Own	188	91.3	703	97.1	902	93.6	6,968	87.2	10,797	88.5	13,658	86.7	68,030	82.4	85,347	82.6	112,765	82.2
	Rent	18	8.7	21	2.9	62	6.4	1,020	12.8	1,402	11.5	2,103	13.3	14,491	17.6	17,998	17.4	24,391	17.8
	Total	206	100.0	724	100.0	964	100.0	7,988	100.0	12,199	100.0	15,761	100.0	82,521	100.0	103,345	100.0	137,156	100.0
75-84	Own	52	69.3	156	84.3	398	95.9	3,205	71.1	5,180	80.0	6,350	82.5	43,576	71.8	50,083	75.6	53,452	76.5
	Rent	23	30.7	29	15.7	17	4.1	1,303	28.9	1,294	20.0	1,345	17.5	17,109	28.2	16,185	24.4	16,405	23.5
	Total	75	100.0	185	100.0	415	100.0	4,508	100.0	6,474	100.0	7,695	100.0	60,685	100.0	66,268	100.0	69,857	100.0
85+	Own	12	52.2	31	67.4	18	64.3	497	42.2	1,203	55.4	1,661	59.3	10,097	49.9	17,185	54.2	19,332	54.7
	Rent	11	47.8	15	32.6	10	35.7	681	57.8	968	44.6	1,138	40.7	10,127	50.1	14,549	45.8	15,985	45.3
	Total	23	100.0	46	100.0	28	100.0	1,178	100.0	2,171	100.0	2,799	100.0	20,224	100.0	31,734	100.0	35,317	100.0
TOTAL	Own	5,756	97.5	7,349	91.5	7,580	87.3	88,740	83.4	99,258	81.9	100,959	80.1	728,966	71.4	782,475	70.0	797,434	68.3
	Rent	150	2.5	684	8.5	1,105	12.7	17,688	16.6	21,969	18.1	25,113	19.9	292,488	28.6	335,274	30.0	370,234	31.7
	Total	5,906	100.0	8,033	100.0	8,685	100.0	106,428	100.0	121,227	100.0	126,072	100.0	1,021,454	100.0	1,117,749	100.0	1,167,668	100.0

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

DEMOGRAPHIC ANALYSIS

- As households progress through their life cycle, housing needs change. The proportion of renter households decreases significantly as households' age out of their young-adult years. However, by the time households reach their senior years, rental housing often becomes a more viable option than homeownership, reducing the responsibility of maintenance and a financial commitment.
- In 2017, the ACS estimated that 52% of the Ramsey's households between the ages of 15 and 24 rented their housing, compared to 16% of households between the ages of 25 and 34. Householders between 35 and 84 were overwhelmingly homeowners, with no more than 19% of the householders in each 10-year age cohort renting their housing.
- The higher homeownership rates in Ramsey (87%) compared to Anoka County (80%), and the Metro Area (68%) reflects the suburban character of the City and was originally developed as a single-family housing community.

Household Type

Table D-7 shows a breakdown of the type of households present in Ramsey in 2010 and 2017. The data is useful in assessing housing demand since the household composition often dictates the type of housing needed and preferred.

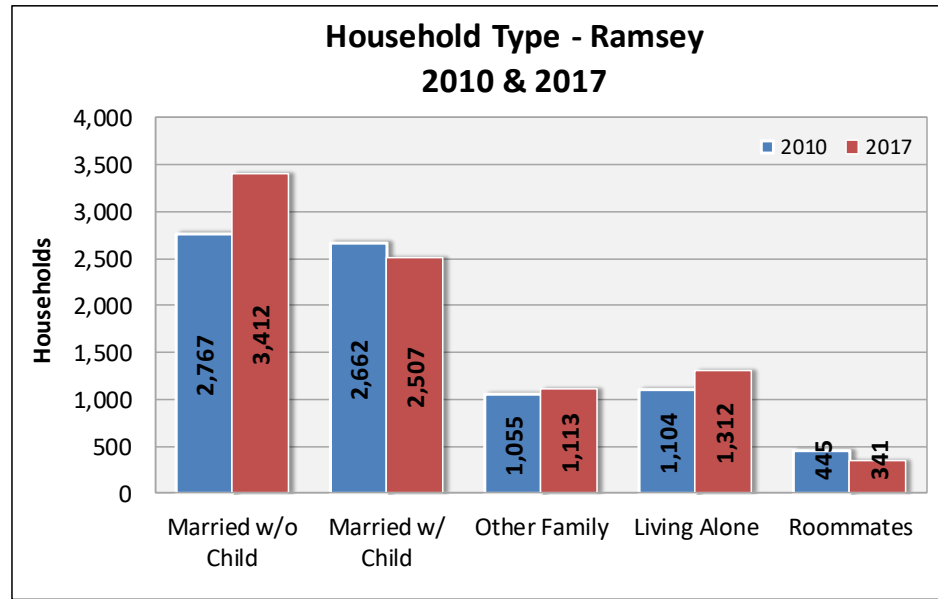
- Between 2010 and 2017, Ramsey experienced an increase in all household types besides married with children households, which decreased by 6%, and roommate households, which contracted by 23%. Married families without children grew the most, adding 645 households (23%). The increase in households married without children can be attributed to couples waiting longer to have children, and the baby boomers aging into empty nester years.
- The differences between Ramsey compared to Anoka County and the Twin Cities Metro Area reflect the demographic changes that were seen in Table D-2 Population Age Distribution. The aging of baby boomers is increasing the Married without child category and decreasing the Married with Child category. The Other category (Single-parent families, unmarried couples with children) is also increasing at a higher rate in Ramsey but is catching up to a similar distribution of Other households as compared to Anoka County and the Twin Cities Metro Area. Roommates are accounting for smaller percentages in all areas which shows that economic conditions are changing in the area for households with more households seeking living alone options and more households are considered family households in Ramsey in 2017 than there was in 2010.

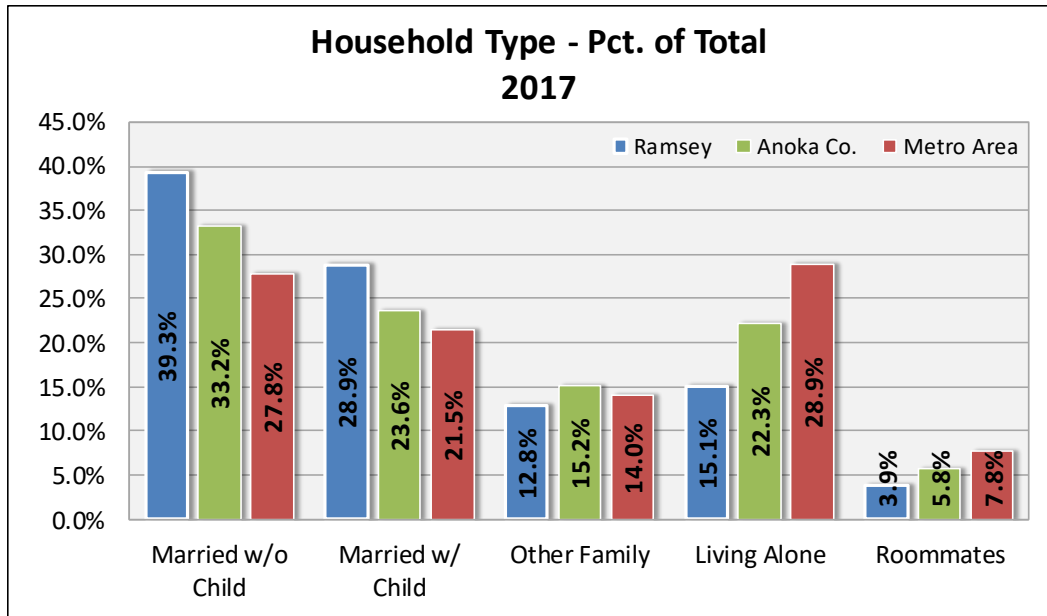
DEMOGRAPHIC ANALYSIS

**TABLE D-7
HOUSEHOLD TYPE
RAMSEY MARKET AREA
2010 & 2017**

Number of Households	Total HH's		Family Households						Non-Family Households			
	2010	2017	Married w/o Child		Married w/ Child		Other *		Living Alone		Roommates	
			2010	2017	2010	2017	2010	2017	2010	2017	2010	2017
City of Ramsey	8,033	8,685	2,767	3,412	2,662	2,507	1,055	1,113	1,104	1,312	445	341
Anoka County	121,227	126,072	38,217	41,868	30,763	29,733	18,843	19,110	25,795	28,058	7,609	7,303
Twin Cities Metro Area	1,117,749	1,167,668	298,723	325,097	244,687	250,771	164,086	163,625	319,030	337,191	91,223	90,984
Percent of Total												
City of Ramsey	100%	100%	34.4%	39.3%	33.1%	28.9%	13.1%	12.8%	13.7%	15.1%	5.5%	3.9%
Anoka County	100%	100%	31.5%	33.2%	25.4%	23.6%	15.5%	15.2%	21.3%	22.3%	6.3%	5.8%
Twin Cities Metro Area	100%	100%	26.7%	27.8%	21.9%	21.5%	14.7%	14.0%	28.5%	28.9%	8.2%	7.8%

* Single-parent families, unmarried couples with children.
Sources: U.S. Census Bureau; American Community Survey; Maxfield Research & Consulting, LLC





Tenure by Household Size

Table D-8 shows the distribution of households by size and tenure in Ramsey in 2017 and 2010. This data is useful in that it sheds insight into the number of units by unit type that may be most needed in Ramsey.

- Household size for renters tends to be smaller than for owners. This trend is a result of the typical market segments for rental housing, including households that are younger and are less likely to be married with children as well as older adults and seniors who choose to downsize from their single-family homes. In 2017, approximately 28% of the total renter-occupied households in Ramsey were one-person households, while only 13% of owner-occupied households were one-person households.
- Approximately 53% of renter households in Ramsey in 2017 have either one or two people. The one-person households would primarily seek one-bedroom units and two-person households that are couples would primarily seek one-bedroom units. Two-person households that consist of a parent and child or roommate would primarily seek two-bedroom units. Larger households would seek units with multiple bedrooms.

DEMOGRAPHIC ANALYSIS

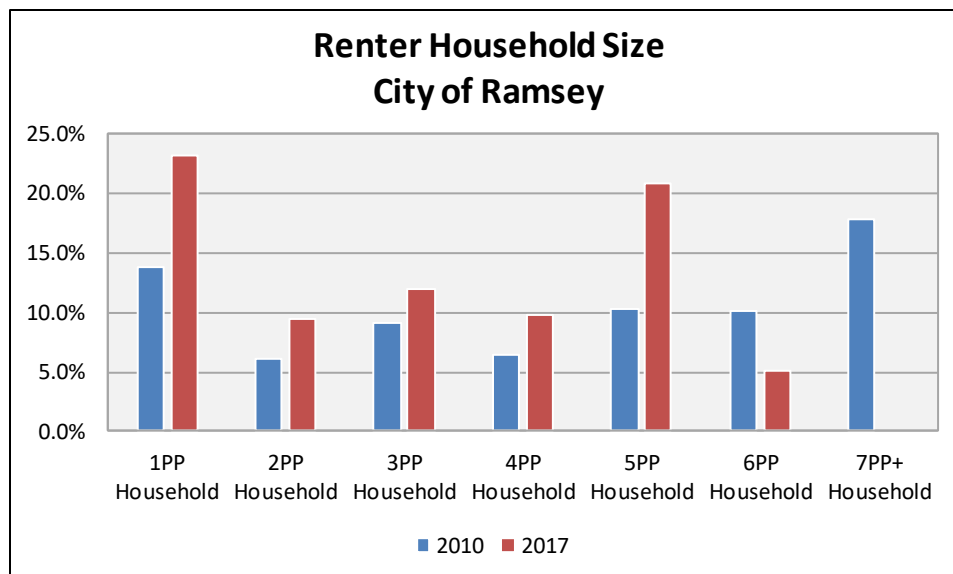
**TABLE D-8
TENURE BY HOUSEHOLD SIZE
RAMSEY ANALYSIS AREA
2010 & 2017**

2017												
Age	City of Ramsey				Anoka County				Twin Cities Metro Area			
	Owners	Pct.	Renters	Pct.	Owners	Pct.	Renters	Pct.	Owners	Pct.	Renters	Pct.
1PP Household	1,008	76.8	304	23.2	18,909	67.4	9,149	32.6	177,054	52.5	160,137	47.5
2PP Household	2,676	90.6	279	9.4	37,471	84.0	7,161	16.0	291,754	74.3	100,880	25.7
3PP Household	1,446	88.0	198	12.0	16,936	82.6	3,577	17.4	127,501	73.6	45,676	26.4
4PP Household	1,471	90.2	160	9.8	16,551	86.3	2,618	13.7	124,699	79.0	33,149	21.0
5PP Household	578	79.1	153	20.9	7,522	82.0	1,651	18.0	50,170	74.9	16,781	25.1
6PP Household	207	95.0	11	5.0	2,163	80.7	518	19.3	16,200	67.5	7,810	32.5
7PP+ Household	194	100.0	0	0.0	1,407	76.2	439	23.8	10,056	63.4	5,801	36.6
Total	7,580	87.3	1,105	12.7	100,959	80.1	25,113	19.9	797,434	68.3	370,234	31.7
Average HH Size	3.02		2.69		2.78		2.43		2.68		2.27	

2010												
Age	City of Ramsey				Anoka County				Twin Cities Metro Area			
	Owners	Pct.	Renters	Pct.	Owners	Pct.	Renters	Pct.	Owners	Pct.	Renters	Pct.
1PP Household	951	86.1	153	13.9	17,593	68.2	8,202	31.8	171,241	53.7	147,789	46.3
2PP Household	2,496	93.9	163	6.1	35,144	86.4	5,528	13.6	280,552	76.3	87,139	23.7
3PP Household	1,407	91.0	140	9.0	17,538	83.5	3,469	16.5	128,197	75.1	42,563	24.9
4PP Household	1,525	93.6	105	6.4	17,465	87.4	2,527	12.6	123,219	80.6	29,587	19.4
5PP Household	647	89.6	75	10.4	7,385	85.1	1,289	14.9	50,854	77.4	14,883	22.6
6PP Household	212	89.8	24	10.2	2,534	81.6	573	18.4	16,887	71.0	6,908	29.0
7PP+ Household	111	82.2	24	17.8	1,599	80.8	381	19.2	11,525	64.3	6,405	35.7
Total	7,349	91.5	684	8.5	99,258	81.9	21,969	18.1	782,475	70.0	335,274	30.0
Average HH Size	2.95		2.94		2.77		2.40		2.65		2.20	

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

- One-person households in Ramsey have the highest percentage of renters among all household types. Seven-person plus households have the lowest renter percentage among all household types.

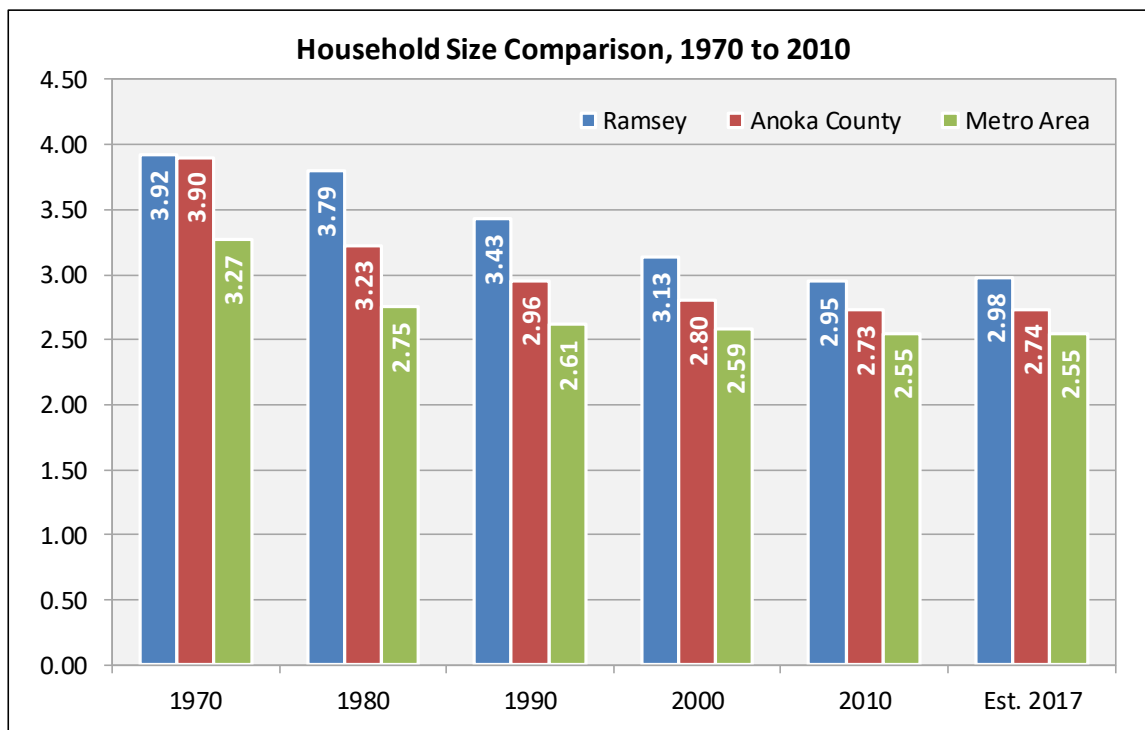


Persons Per Household

Household size is calculated by dividing the number of persons in households by the number of households (or householders). Nationally, the average number of people per household has been declining for over a century; however, there have been sharp declines starting in the 1960s and 1970s. Persons per household in the U.S. were about 4.5 in 1916 and declined to 3.2 in the 1960s. Over the past 50 years, it dropped to 2.57 as of the 2000 Census. However, due to the economic recession this trend has been temporarily halted as renters and laid-off employees “doubled-up,” which increased the average U.S. household size to 2.59 as of the 2010 Census.

The declining household size has been caused by many factors, including: aging of the population, higher divorce rates, cohabitation, smaller family sizes, demographic trends in marriage, etc. Most of these changes have resulted from shifts in societal values, the economy, and improvements in health care that have influenced how people organize their lives.

- In 2000, the average household size ranged between 3.13 (City of Ramsey) and 2.59 (Twin Cities Metro Area). The average household size in Anoka County was 2.80 in 2000.
- By 2017, it is estimated that the average household sizes range decreased to 2.98 in Ramsey and 2.74 in Anoka County. The average household size in the seven-county metro area is significantly lower than that of the City of Ramsey at 2.55 persons per household.



Diversity/Ethnicity

The population distribution by race, Table D-9 presents the diversity of the population in Ramsey and Anoka County for 2010 and 2017. The data was obtained from the U.S. Census.

- In 2017, “White Alone” comprised the largest proportion of the population in Ramsey (90.5%), Anoka County (82.7%), and the Metro Area (73.7%). The percentage has decreased since 2010 where “White Alone” was 92% in Ramsey, 87% in Anoka County, and 79% in the Metro Area.
- U.S. Census respondents that list themselves ethnically as Hispanic or Latino, racially list themselves in various race categories. As of 2017, 2.2% of Ramsey’s population was Hispanic/Latino. The Hispanic/Latino population was 2.4% of Ramsey’s population in 2010.
- The race “Asian Alone” experienced the largest percentage growth between 2010 and 2017 in Ramsey, increasing by 39% from 573 to 798 people.

DEMOGRAPHIC ANALYSIS

TABLE D-9
POPULATION DISTRIBUTION BY RACE
RAMSEY ANALYSIS AREA
2010 and 2017

NUMBER	White Alone		Black or African American Alone		American Indian and Alaska Native Alone (AIAN)		Native Hawaiian and Pacific Islander Alone (NHPI)		Asian Alone		Some Other Race		Two or More Races Alone		Hispanic or Latino ¹ <i>Ethnicity not Race</i>	
	2010	2017	2010	2017	2010	2017	2010	2017	2010	2017	2010	2017	2010	2017	2010	2017
City of Ramsey	21,732	23,390	662	481	106	38	5	0	573	798	185	0	405	572	566	574
Anoka County	287,802	285,056	14,503	18,860	2,257	1,852	104	116	12,868	14,627	4,789	426	8,521	9,327	12,020	14,597
Metro Area	2,246,356	2,221,244	238,723	272,569	20,906	14,023	1,262	979	183,421	218,969	74,516	5,785	84,383	92,371	167,558	187,473
PERCENTAGE																
City of Ramsey	91.8%	90.5%	2.8%	1.9%	0.4%	0.1%	0.02%	0.00%	2.4%	3.1%	0.8%	0.0%	1.7%	2.2%	2.4%	2.2%
Anoka County	87.0%	82.7%	4.4%	5.5%	0.7%	0.5%	0.0%	0.0%	3.9%	4.2%	1.4%	0.1%	2.6%	2.7%	3.6%	4.2%
Metro Area	78.8%	73.7%	8.4%	9.0%	0.7%	0.5%	0.0%	0.0%	6.4%	7.3%	2.6%	0.2%	3.0%	3.1%	5.9%	6.2%

¹ US Census respondents list themselves ethnically Hispanic or Latino and racially in one of the other listed categories.

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

DEMOGRAPHIC ANALYSIS

Mobility in the Past Year

Table D-10 shows the mobility patterns of Ramsey residents within a one-year time frame (2017 is the last year available).

- The majority of residents in Ramsey (90.5%) did not move within the last year.
- Of the remaining 9.5% of residents, approximately 3% moved from outside of Anoka County but within Minnesota and 5% were intra-county moves (i.e. one location in Anoka County to another Anoka County location).
- A greater proportion of younger age cohorts (a large student population) tended to move compared to older age cohorts. Approximately 13% of those age 18 to 24 moved within the last year compared to 3% of those age 75+.

City of Ramsey Age	Not Moved		Moved							
	Same House		Within Same County		Different County Same State		Different State		Abroad	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	5,776	89.2%	429	6.6%	120	1.9%	143	2.2%	4	0.1%
18 to 24	1,992	86.8%	153	6.7%	145	6.3%	6	0.3%	0	0.0%
25 to 34	3,110	84.8%	231	6.3%	249	6.8%	69	1.9%	8	0.2%
35 to 44	3,085	87.9%	237	6.8%	142	4.0%	46	1.3%	0	0.0%
45 to 54	3,936	95.0%	106	2.6%	84	2.0%	16	0.4%	0	0.0%
55 to 64	2,854	96.2%	78	2.6%	20	0.7%	16	0.5%	0	0.0%
65 to 74	1,630	94.8%	0	0.0%	38	2.2%	43	2.5%	9	0.5%
75+	685	96.8%	0	0.0%	23	3.2%	0	0.0%	0	0.0%
Total	23,068	90.5%	1,234	4.8%	821	3.2%	339	1.3%	21	0.1%

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

Demographic Comparison

Table D-11, on the following page, provides a demographic summary that compares the City of Ramsey to neighboring cities in the Metro Area.

DEMOGRAPHIC ANALYSIS

TABLE D-11
DEMOGRAPHIC COMPARISON SUMMARY
RAMSEY ANALYSIS AREA

Demographic Summary	Ramsey		Andover		Anoka		Blaine		Brooklyn Park		Champlin		Coon Rapids		Corcoran		Dayton		Elk River		Hugo		Otsego		Rogers	
	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.
Total Population and Households																										
Population (2017)	12,564		32,257		17,374		62,453		79,462		24,209		62,342		5,671		5,238		23,924		14,415		15,630		12,564	
Households (2017)	8,685		10,513		7,060		22,922		26,928		8,736		23,781		1,979		1,796		8,321		5,293		5,397		4,118	
Age Distribution (2017)																										
Under 18	6,842	54.5%	8,828	27.4%	3,788	21.8%	16,367	26.2%	22,790	28.7%	6,383	26.4%	13,794	22.1%	1,367	24.1%	1,430	27.3%	6,639	27.8%	3,978	27.6%	4,862	31.1%	3,710	29.5%
18 to 24	2,296	18.3%	2,812	8.7%	1,375	7.9%	3,964	6.3%	6,464	8.1%	1,837	7.6%	5,067	8.1%	389	6.9%	293	5.6%	1,460	6.1%	1,175	8.2%	961	6.1%	953	7.6%
25 to 64	10,662	84.9%	17,278	53.6%	9,177	52.8%	34,931	55.9%	42,177	53.1%	13,736	56.7%	34,287	55.0%	3,249	57.3%	2,929	55.9%	13,067	54.6%	7,876	54.6%	8,676	55.5%	6,536	52.0%
65+	2,428	19.3%	3,339	10.4%	3,034	17.5%	7,191	11.5%	8,031	10.1%	2,253	9.3%	9,194	14.7%	666	11.7%	586	11.2%	2,758	11.5%	1,386	9.6%	1,131	7.2%	1,365	10.9%
Median Age	35.4		39.1		39.3		37.3		33.7		38.4		38.2		43.3		40.4		37.1		35.3		34.3		35.9	
Household Income (2017)																										
Median Household Income	\$92,984		\$105,270		\$50,625		\$80,423		\$68,274		\$89,043		\$68,586		\$102,708		\$87,966		\$85,974		\$88,813		\$99,037		\$120,602	
Median Income by Tenure (2017)																										
Owner	\$98,835		\$108,824		\$67,143		\$86,028		\$84,381		\$99,175		\$79,129		\$103,958		\$93,152		\$97,594		\$93,872		\$99,223		\$131,367	
Renter	\$64,050		\$70,402		\$35,123		\$48,721		\$34,302		\$42,444		\$40,375		\$72,065		\$35,000		\$43,371		\$45,284		\$82,107		\$50,977	
Household Tenure (2017)																										
Owner	7,580	87.3%	9,645	91.7%	3,566	50.5%	19,738	86.1%	19,172	71.2%	7,456	85.3%	18,116	76.2%	1,859	93.9%	1,688	94.0%	6,422	77.2%	4,625	87.4%	5,056	93.7%	3,431	83.3%
Renter	1,105	12.7%	868	8.3%	3,494	49.5%	3,184	13.9%	7,756	28.8%	1,280	14.7%	5,665	23.8%	120	6.1%	108	6.0%	1,899	22.8%	668	12.6%	341	6.3%	687	16.7%
Household Type (2017)																										
Married With Children	3,247	37.4%	4,193	39.9%	1,769	25.1%	8,187	35.7%	9,984	37.1%	3,230	37.0%	6,729	28.3%	569	28.8%	616	34.3%	3,161	38.0%	1,996	37.7%	2,591	48.0%	1,711	41.5%
Married Without Children	2,672	30.8%	3,383	32.2%	969	13.7%	5,644	24.6%	3,369	12.5%	2,399	27.5%	5,286	22.2%	873	44.1%	706	39.3%	2,132	25.6%	1,040	19.6%	912	16.9%	939	22.8%
Other	1,113	12.8%	1,221	11.6%	1,396	19.8%	3,290	14.4%	5,865	21.8%	1,011	11.6%	4,134	17.4%	206	10.4%	225	12.5%	1,228	14.8%	750	14.2%	844	15.6%	397	9.6%
Living Alone	1,312	15.1%	1,307	12.4%	2,470	35.0%	4,811	21.0%	6,419	23.8%	1,810	20.7%	5,936	25.0%	268	13.5%	211	11.7%	1,442	17.3%	1,241	23.4%	797	14.8%	675	16.4%
Roommates	341	3.9%	409	3.9%	456	6.5%	990	4.3%	1,291	4.8%	286	3.3%	1,696	7.1%	63	3.2%	38	2.1%	358	4.3%	266	5.0%	253	4.7%	396	9.6%
Average HH Size by Tenure (2017)																										
Owner	3.02		3.08		2.67		2.73		3.07		2.77		2.67		2.85		2.85		2.85		2.81		2.91		3.20	
Renter	2.69		2.92		2.01		2.67		2.63		2.77		2.40		3.03		4.02		2.60		2.13		2.57		2.17	

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

Summary of Demographic Trends

The following points summarize key demographic trends that will impact demand for housing throughout Ramsey.

- The City of Ramsey experienced a population increase of an estimated 3,494 people (14.8%) and 1,479 households (18.4%) between 2010 and 2019.
- Between 2010 and 2040, Ramsey's population is expected to increase by 65% (15,482 people) while the number of households is expected to increase by 68% (5,467 households). The City of Ramsey can expect to see continued population growth as it is located near employment opportunities and urban services that would support residential development. More people will choose to locate near their place of work as increasing transportation costs increase the desirability of living close to employment.
- In the City of Ramsey, growth is projected to occur in all age cohorts except the 20 to 24-year olds (-8.4%) and the 45 to 54-year olds (-4.3%) between 2019 and 2024. The greatest percentage growth is projected to occur among seniors 75+ age group (69.8%).
- Ramsey has an estimated median household income of \$92,484 in 2019 and is projected to increase over the next five years to \$102,941. There are 93 non-senior households (1.2% of households with incomes less than \$15,000) eligible for deep-subsidy rental housing. Median incomes for households in Ramsey peak at \$105,140 for the 45 to 54 age group in 2019. Incomes are expected to increase by 11.3% (2.3% annually) between 2019 and 2024 in the Ramsey.
- Ramsey had an average net worth of \$1,093,026 in 2019 and a median net worth of \$305,403. Median net worth is generally a more accurate depiction of wealth than the average figure. A few households with very large net worth can significantly skew the average.
- Typically, as income increases, so does the rate of homeownership. Homeownership in the Ramsey increases from 72% of households with incomes below \$15,000 to 95% of households with incomes above \$100,000.
- Between 2010 and 2017, Ramsey experienced an increase in all household types besides married with children households, which decreased by 6%, and roommate households, which contracted by 23%. Married families without children grew the most, adding 645 households (23%). The increase in households married without children can be attributed to couples waiting longer to have children, and the baby boomers aging into empty nester years.
- An estimated 23% of renter households in Ramsey in 2017 had either one or two people.

DEMOGRAPHIC ANALYSIS

- In 2017, “White Alone” (90.5%) comprised the largest proportion of the population in Ramsey. The race “Asian Alone” experienced the largest percentage growth between 2010 and 2017 in Ramsey, increasing by 39% from 573 to 798 people.
- The majority of residents in Ramsey (90.5%) did not move within the last year. Of Ramsey residents that moved in the past year, approximately 3% moved outside of Anoka County but within Minnesota and 5% were intra-county moves.

Introduction

The variety and condition of the housing stock in a community provides the basis for an attractive living environment. Housing functions as a building block for neighborhoods and goods and services. We initially examined the characteristics of the housing supply in Ramsey by reviewing data on the age of the existing housing stock; examining residential building trends since 2000; and reviewing housing data from the American Community Survey that relates to the City of Ramsey.

Residential Construction Trends 2008 to Present

Maxfield Research obtained data from the Metropolitan Council on the number of building permits issued for new housing units in Ramsey from 2000 through 2017 and compared this with the number of units permitted as identified by the City of Ramsey. Table HC-1 displays units permitted issued for different housing types as reported by the City of Ramsey, while Table HC-2 displays total units permitted for different housing types as reported by the Metropolitan Council. The following are key points about housing development since 2000.

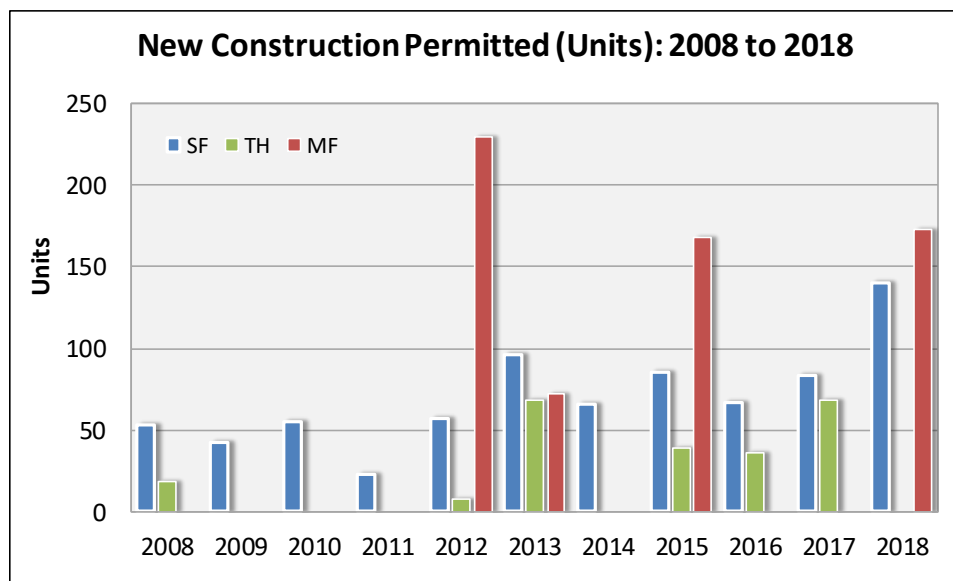
- Per the City of Ramsey, there have been 1,698 permits issued between 2008 and 2018. That equates to about 150 residential units permitted annually since 2008.
- The City of Ramsey experienced a spike in multifamily units permitted in 2012 and has averaged 208 units permitted since.
- The City of Ramsey averages roughly 58 multifamily units permitted since 2008. Ramsey issued a high of 230 multifamily units in 2012. There was a total of seven years between 2008 and 2018 where no multifamily permits were issued.
- Through May 2019, City of Ramsey has issued roughly 51 single-family (detached) permits, which is only 19 single-family units below the average for the past 10 years.

HOUSING CHARACTERISTICS

HC-1 RESIDENTIAL CONSTRUCTION BUILDING PERMITTED UNITS ISSUED CITY OF RAMSEY <i>per City of Ramsey</i> 2008 to May 2019				
Year	Units Permitted			Total Units
	Single-Family (Detached)	Townhomes (Single-Family Attached)	Multifamily	
2008	53	18	0	71
2009	42	0	0	42
2010	55	0	0	55
2011	23	0	0	23
2012	57	8	230	295
2013	96	68	72	236
2014	66	0	0	66
2015	85	39	168	292
2016	67	36	0	103
2017	83	68	0	151
2018	140	0	173	313
2019*	51	0	0	51
Total	818	237	643	1,698

*Data shown through May 2019

Sources: City of Ramsey; Maxfield Research & Consulting LLC



HOUSING CHARACTERISTICS

HC-2 RESIDENTIAL CONSTRUCTION BUILDING PERMITTED UNITS ISSUED CITY OF RAMSEY <i>per Metropolitan Council</i> 2000 to 2017					
Year	Units Permitted				Total Units
	Single-Family (Detached)	Townhomes (Single-Family Attached)	Duplex, Triplex, Quadplex	Multifamily (5+ Units)*	
2000	79	20	10	0	109
2001	66	40	0	12	118
2002	112	0	0	107	219
2003	175	279	0	0	454
2004	166	398	0	0	564
2005	91	300	0	0	391
2006	67	109	0	0	176
2007	89	78	0	63	230
2008	57	18	0	0	75
2009	45	0	0	0	45
2010	60	0	0	0	60
2011	23	0	0	0	23
2012	57	8	0	230	295
2013	96	68	0	0	164
2014	66	0	0	0	66
2015	85	39	0	168	292
2016	66	19	0	0	85
2017	82	68	0	54	204
Total	1,482	1,444	10	634	3,570

* 2000-2003 may contain units from structures of 3+ units

Sources: Metropolitan Council; Maxfield Research & Consulting LLC

American Community Survey

The American Community Survey (“ACS”) is an ongoing statistical survey administered by the U.S. Census Bureau that is sent to approximately 3 million addresses annually. The survey gathers data previously contained only in the long form of the Decennial Census. As a result, the survey is ongoing and provides a more “up-to-date” portrait of demographic, economic, social, and household characteristics every year, not just every ten years. The most recent ACS highlights data collected between 2013 and 2017. Tables HC-3 to HC-9 show key data for Ramsey.

Age of Housing Stock

The following graph shows the age distribution of the housing stock in 2017 based on data from the U.S. Census Bureau American Community Survey (5-Year). Table HC-3 includes the number of housing units built in Ramsey, prior to 1940 and during each decade since.

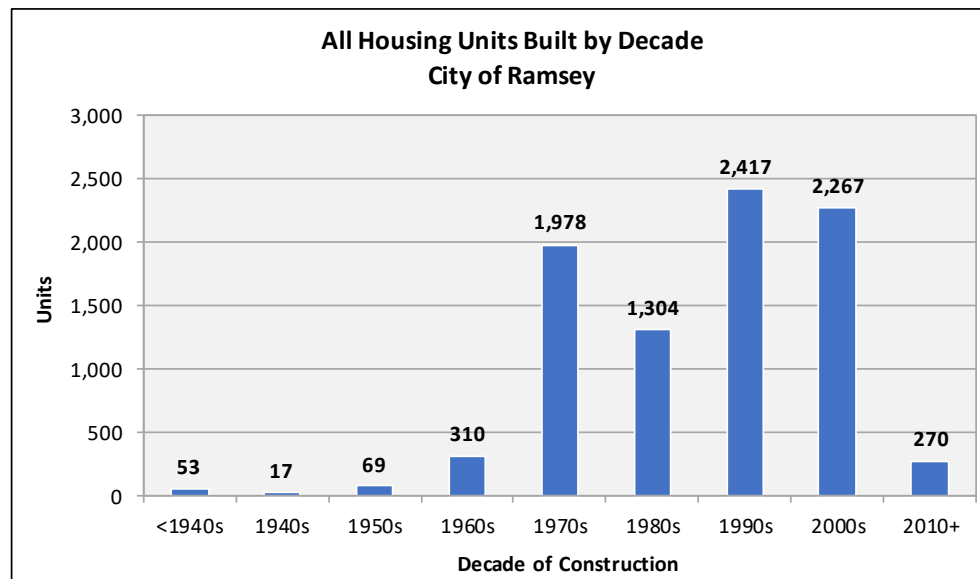
- As of 2017, the City of Ramsey was estimated to have 8,685 housing units, of which roughly 87% were owner-occupied and 13% were renter-occupied. In Anoka County, approximately 20% were renter-occupied while in the Seven-County Metro Area 32% of the housing stock was renter-occupied.
- Homes in Ramsey are newer than homes in Anoka County. Most housing (92%) were built in the 1970’s, 1980’s, 1990’s, and 2000’s. The greatest number of homes in Ramsey were constructed in the 1990’s (roughly 26%). By comparison, the highest number of homes in Anoka County were built in the 1980’s (20%).
- Compared to Anoka County and the Metro Area, 29% of Ramsey’s housing stock has been built since 2000 compared to 19% of Anoka County, 16% of Metro Area.

HOUSING CHARACTERISTICS

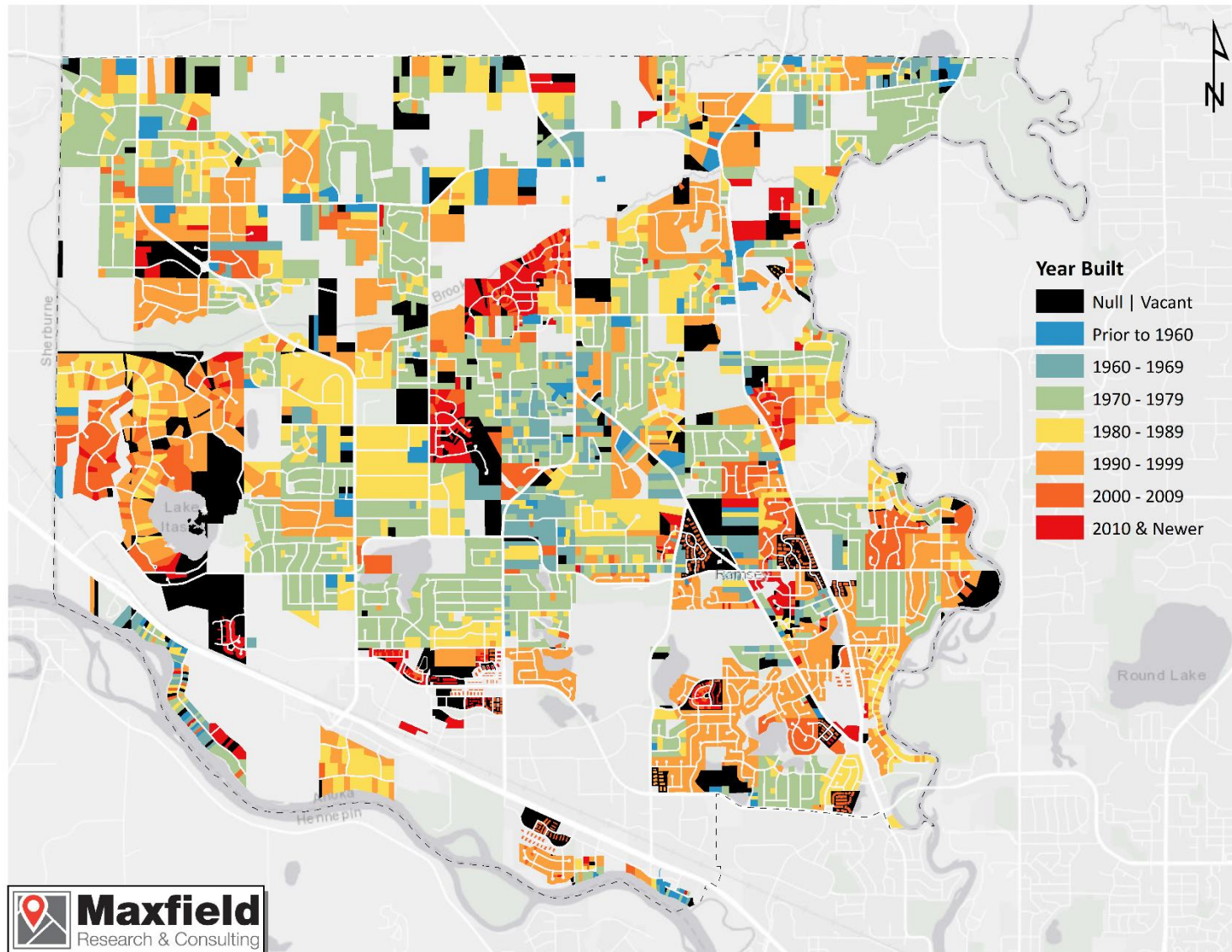
**TABLE HC-3
AGE OF HOUSING STOCK
RAMSEY ANALYSIS AREA
2017**

	Total Units	Med. Yr. Built	Year Unit Built																	
			<1940		1940s		1950s		1960s		1970s		1980s		1990s		2000s		2010 or later	
			No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
City of Ramsey																				
Owner-Occupied	7,580	1992	44	0.6	17	0.2	63	0.8	304	4.0	1,807	23.8	1,210	16.0	2,143	28.3	1,783	23.5	209	2.8
Renter-Occupied	1,105	2000	9	0.8	0	0.0	6	0.5	6	0.5	171	15.5	94	8.5	274	24.8	484	43.8	61	5.5
Total	8,685	1993	53	0.6	17	0.2	69	0.8	310	3.6	1,978	22.8	1,304	15.0	2,417	27.8	2,267	26.1	270	3.1
Anoka County																				
Owner-Occupied	100,959	1985	2,323	2.3	2,078	2.1	9,372	9.3	11,764	11.7	15,385	15.2	17,927	17.8	21,953	21.7	17,102	16.9	3,055	3.0
Renter-Occupied	25,113	1980	1,054	4.2	422	1.7	2,265	9.0	3,478	13.8	5,113	20.4	4,687	18.7	3,953	15.7	3,377	13.4	764	3.0
Total	126,072	1984	3,377	2.7	2,500	2.0	11,637	9.2	15,242	12.1	20,498	16.3	22,614	17.9	25,906	20.5	20,479	16.2	3,819	3.0
Seven-County Metro Area																				
Owner-Occupied	797,434	1986	109,784	13.8	34,293	4.3	95,014	11.9	76,341	9.6	105,609	13.2	122,752	15.4	123,065	15.4	110,041	13.8	20,535	2.6
Renter-Occupied	370,234	1985	59,443	16.1	12,507	3.4	29,656	8.0	47,500	12.8	70,909	19.2	55,066	14.9	39,542	10.7	41,119	11.1	14,492	3.9
Total	1,167,668	1986	169,227	14.5	46,800	4.0	124,670	10.7	123,841	10.6	176,518	15.1	177,818	15.2	162,607	13.9	151,160	12.9	35,027	3.0

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



City of Ramsey Residential Parcels by Year Built



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

Table HC-4 shows the housing stock in the City of Ramsey by type of structure and tenure as of 2017.

- The dominant housing type in Ramsey is the single-family detached home, representing an estimated 89% of all owner-occupied housing units and 33% of renter-occupied housing units as of 2017.

Units in Structure	City of Ramsey				Anoka County				Seven-County Metro Area			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
1, detached	6,748	89.0%	365	33.0%	85,555	84.7%	5,423	21.6%	643,989	80.8%	50,760	14%
1, attached	790	10.4%	491	44.4%	10,316	10.2%	3,864	15.4%	92,624	11.6%	37,807	10%
2	0	0.0%	0	0.0%	224	0.2%	967	3.9%	7,044	0.9%	22,090	6%
3 to 4	0	0.0%	15	1.4%	282	0.3%	917	3.7%	5,391	0.7%	18,607	5%
5 to 9	9	0.1%	40	3.6%	373	0.4%	1,545	6.2%	5,781	0.7%	21,715	6%
10 to 19	0	0.0%	7	0.6%	140	0.1%	2,789	11.1%	3,387	0.4%	43,592	12%
20 to 49	0	0.0%	43	3.9%	189	0.2%	4,774	19.0%	8,215	1.0%	63,528	17%
50 or more	0	0.0%	128	11.6%	405	0.4%	4,390	17.5%	18,422	2.3%	110,102	30%
Mobile home	33	0.4%	16	1.4%	3,449	3.4%	432	1.7%	12,434	1.6%	1,919	1%
Boat, RV, van, etc.	0	0.0%	0	0.0%	26	0.0%	12	0.0%	147	0.0%	114	0%
Total	7,580	100%	1,105	100%	100,959	100%	25,113	100%	797,434	100%	370,234	100%

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

- About 44% of the renter-occupied housing units in Ramsey are single-family attached homes (townhomes), while 12% are within structures that have 50 or more units.
- Most of the housing units with two or more units are renter-occupied.

Owner-Occupied Housing Units by Mortgage Status

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

HOUSING CHARACTERISTICS

- Approximately 81% of Ramsey homeowners have a mortgage. About 18% of homeowners with mortgages in Ramsey also have a second mortgage and/or home equity loan. These numbers are slightly higher compared to Anoka County and the Metro Area where approximately 14% of homeowners in Anoka County and in the Metro Area have a mortgage.
- The median value for homes with a mortgage for the City of Ramsey homeowners is approximately \$221,100, while the median value for homes without a mortgage are \$1,800 higher at \$222,900. Housing units with a mortgage are 5% higher than those in Anoka County but 12% lower when compared to the Metro Area. Housing units with without mortgage are 16% higher than those in Anoka County but 5% lower when compared to the Metro Area.

TABLE HC-5 OWNER-OCCUPIED HOUSING UNITS BY MORTGAGE STATUS RAMSEY ANALYSIS AREA 2017						
Mortgage Status	City of Ramsey		Anoka County		Metro Area	
	No.	Pct.	No.	Pct.	No.	Pct.
Housing units without a mortgage	1,450	19.1	26,273	26.0	220,774	27.7
Housing units with a mortgage/debt	6,130	80.9	74,686	74.0	576,660	72.3
<i>Second mortgage only</i>	354	4.7	4,146	4.1	28,655	3.6
<i>Home equity loan only</i>	932	12.3	9,662	9.6	83,238	10.4
<i>Both second mortgage and equity loan</i>	50	0.7	579	0.6	4,077	0.5
<i>No second mortgage or equity loan</i>	4,794	63.2	60,299	59.7	460,690	57.8
Total	7,580	100.0	100,959	100.0	797,434	100.0
Median Value by Mortgage Status						
Housing units with a mortgage	\$221,100		\$210,200		\$249,300	
Housing units without a mortgage	\$222,900		\$190,100		\$234,900	

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

Housing Units by Occupancy Status & Tenure

Tenure is a key variable that analyzes the propensity for householders to rent or own their housing unit. Tenure is an integral statistic used by numerous governmental agencies and private sector industries to assess neighborhood stability. The Follow are key points from Table HC-6:

- The City of Ramsey had a larger portion (85%) of the City's housing stock devoted to owner occupied units in 2017 than Anoka County (77%) and the Metro Area (65%).

HOUSING CHARACTERISTICS

- Approximately 12% of housing units in the City of Ramsey were renter occupied in the 2017, compared to a moderately higher percentage in Anoka County (19%) and the Metro Area (30%).
- About 3.2% of Ramsey’s housing stock was vacant in 2010 and decreased to 2.5% in 2017. It is important to note, however, that the Census’s definition of vacant housing units includes: units that have been rented or sold, but not yet occupied, seasonal housing (vacation or second homes), housing for migrant workers, and even boarded-up housing. Thus, the U.S. Census vacancy figures are not always a true indicator of adequate housing available for new households wishing to move into the area.

TABLE HC-6 HOUSING UNITS BY OCCUPANCY STATUS & TENURE RAMSEY ANALYSIS AREA 2010 & 2017						
Occupancy	City of Ramsey		Anoka County		Metro Area	
	No.	Pct.	No.	Pct.	No.	Pct.
2010						
Owner Occupied	7,349	88.5	99,258	78.3	782,475	65.9
Renter Occupied	684	8.2	21,969	17.3	335,274	28.2
Vacant	269	3.2	5,461	4.3	69,237	5.8
Total	8,302	100.0	126,688	100.0	1,186,986	100.0
2017						
Owner Occupied	7,580	85.1	100,959	77.5	797,434	65.3
Renter Occupied	1,105	12.4	25,113	19.3	370,234	30.3
Vacant	226	2.5	4,178	3.2	53,811	4.4
Total	8,911	100.0	130,250	100.0	1,221,479	100.0
Sources: U.S. Census Bureau; American Community Survey; Maxfield Research & Consulting, LLC						

Renter-Occupied Units by Contract Rent

Table HC-7 presents information on the monthly housing costs for renters called contract rent (also known as asking rent). Contract rent is the monthly rent agreed to regardless of any utilities, furnishings, fees, or services that may be included.

- The median contract rent in Ramsey was \$1,219 and \$936 in Anoka County. Based on a 30% allocation of income to housing, a household in Ramsey would need an income of about \$48,760 to afford an average monthly rent of \$1,219.
- Approximately 75% of Ramsey renters have monthly rents over \$1,000, 19% of renters paying between \$750 and \$999, 4% of renters pay less than \$749.

HOUSING CHARACTERISTICS

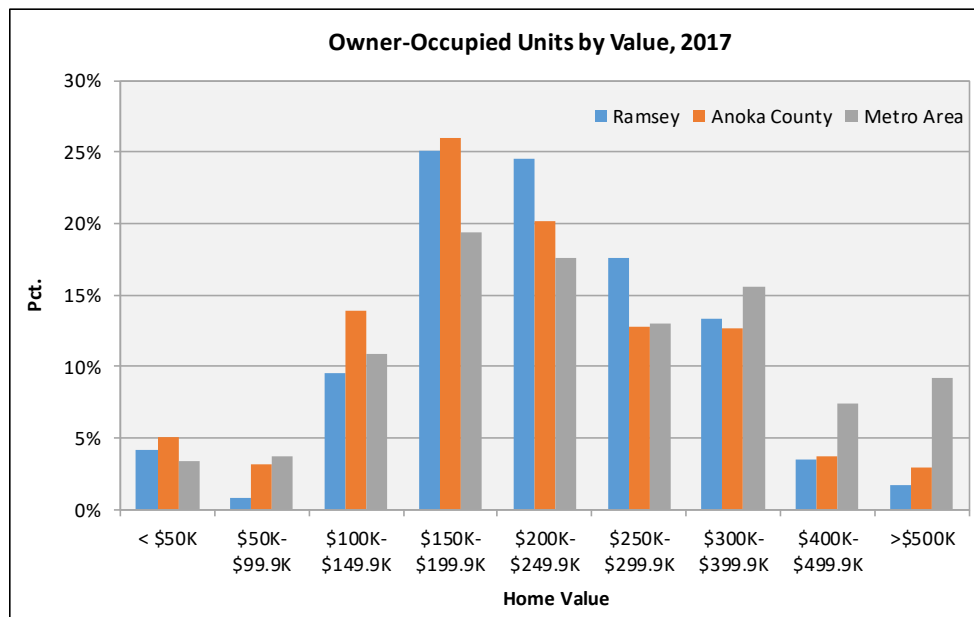
- Within Anoka County, nearly half of renters (49.7%) paid a contract rent between \$500 and \$999, while 40% of renters paid a contract rent above \$1,000. The remaining renters who paid cash rent in Anoka County consist of renters who paid a contract rent less than \$500 (6.3%).

Contract Rent	RAMSEY		ANOKA COUNTY		METRO AREA	
	No.	Pct.	No.	Pct.	Pct.	Pct.
No Cash Rent	9	0.8	904	3.6	9,259	2.5
Cash Rent	1,096	99.2	24,209	96.4	360,975	97.5
\$0 to \$249	0	0.0	457	1.8	18,400	5.0
\$250-\$499	15	1.4	1,123	4.5	21,394	5.8
\$500-\$749	34	3.1	4,104	16.3	59,170	16.0
\$750-\$999	214	19.4	8,371	33.3	108,492	29.3
\$1,000-\$1,500	631	57.1	8,176	32.6	110,709	29.9
\$1,500+	202	18.3	1,978	7.9	42,810	11.6
Total	1,105	100.0	25,113	100.0	370,234	100.0
Median Contract Rent	\$1,219		\$936		\$936	
Sources: U.S. Census Bureau; American Community Survey; Maxfield Research & Consulting, LLC						

Owner-Occupied Housing Units by Value

Table HC-8 presents data on housing values summarized by nine price ranges. Housing value refers to the estimated price point the property would sell if the property were for sale. For single-family and townhome properties, value includes both the land and the structure. For condominium units, value refers to only the unit.

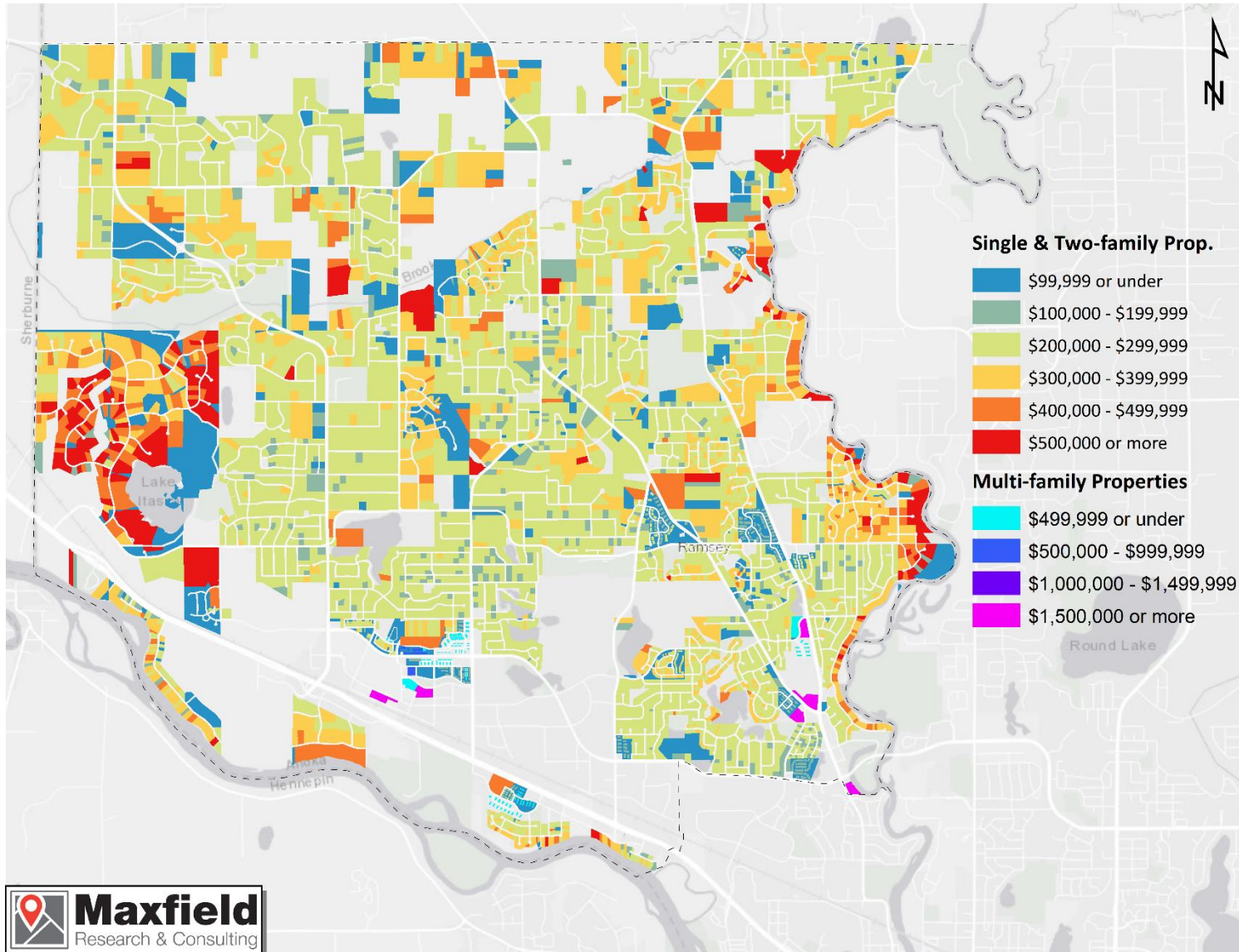
- The median home value in Ramsey (\$221,500) was 7.7% higher than the median home value in Anoka County (\$205,000), a difference of \$16,500.
- Within Ramsey, about 39% of homes were valued under \$200,000, while in Anoka County 48% of homes were valued under \$200,000. The highest proportion of homes in Ramsey were valued in the \$150,000 to \$199,999 grouping, combining for 25% of all homes.
- In Ramsey, 60% of homes were valued above \$200,000. Due to the higher costs of new construction, new homes would likely be priced at \$300,000 or higher.
- By comparison, the Twin Cities Metro Area has a median home value of \$238,097, compared to \$221,500 in Ramsey. About 22% of Metro Area homes have a home value of \$100,000 or less, and 57% are worth \$200,000 or more.



HOUSING CHARACTERISTICS

TABLE HC-8 OWNER-OCCUPIED UNITS BY VALUE RAMSEY ANALYSIS AREA 2017						
Home Value	RAMSEY		ANOKA COUNTY		METRO AREA	
	No.	Pct.	No.	Pct.	No.	Pct.
Less than \$50,000	311	4.1	5,064	5.0	26,872	3.4
\$50,000-\$99,999	58	0.8	3,150	3.1	29,651	3.7
\$100,000-\$149,999	723	9.5	14,026	13.9	86,295	10.8
\$150,000-\$199,999	1,900	25.1	26,192	25.9	154,290	19.3
\$200,000-\$249,999	1,859	24.5	20,330	20.1	139,928	17.5
\$250,000-\$299,999	1,333	17.6	12,839	12.7	103,565	13.0
\$300,000-\$399,999	1,006	13.3	12,715	12.6	124,136	15.6
\$400,000-\$499,999	263	3.5	3,722	3.7	59,197	7.4
Greater than \$500,000	127	1.7	2,921	2.9	73,500	9.2
Total	7,580	100.0	100,959	100.0	797,434	100.0
Median Home Value	\$221,500		\$205,000		\$238,097	
Sources: U.S. Census Bureau; American Community Survey; Maxfield Research & Consulting, LLC						

City of Ramsey Residential Parcels by Total Assessed Parcel Value



HOUSING CHARACTERISTICS

Housing Characteristics Comparison

Table HC-9, on the following page, provides a comparison on various housing characteristics in Ramsey compared to neighboring peer cities in the Metro Area.

Housing Characteristics Summary	Ramsey	Andover	Anoka	Blaine	Brooklyn Park	Champlin	Coon Rapids	Corcoran	Dayton	Elk River	Hugo	Otsego	Rogers
Owner Units (2017)	7,580	9,645	3,566	19,738	19,172	7,456	18,116	1,859	1,688	6,422	4,625	5,056	3,431
Renter Units (2017)	1,105	868	3,494	3,184	7,756	1,280	5,665	120	108	1,899	668	341	687
Median Year Built													
Owner	1992	1992	1969	1990	1984	1986	1983	1979	1979	1994	2002	2001	1998
Renter	2000	1995	1975	1993	1974	1987	1984	1978	1983	1989	2003	2005	2003
Median Contract Rent (2017)	\$1,219	\$1,431	\$828	\$971	\$854	\$1,079	\$983	\$1,210	\$822	\$903	\$1,125	\$1,226	\$1,194
Resales (2018)	395	416	218	876	853	298	732	60	183	401	174	372	176
Median Resale Price (2018)	\$294,000	\$314,950	\$235,500	\$300,000	\$266,000	\$270,000	\$247,500	\$449,743	\$401,540	\$280,000	\$386,000	\$340,144	\$343,750
Mortgage Status - Housing Units with a Mortgage (2017)	6,130	7,447	2,382	14,831	14,565	5,653	13,476	1,240	1,155	4,995	3,736	4,072	2,701
Median Home Value (2017)	\$221,500	\$258,400	\$175,200	\$202,000	\$194,200	\$219,700	\$178,400	\$304,500	\$246,800	\$229,000	\$249,300	\$199,600	\$298,700

Source: U.S. Census Bureau; American Community Survey; Northstar MLS; Maxfield Research & Consulting, LLC

Employment Trends

Since employment growth generally fuels household growth, employment trends are a reliable indicator of housing demand. Typically, households prefer to live near work for convenience. However, housing is often less expensive in smaller towns, making commuting from outlying communities to work in larger employment centers attractive for households concerned about housing affordability.

Employment Growth and Projections

Table E-1 shows projected employment growth in Ramsey, Anoka County, and the Twin Cities Metro Area. Table E-1 shows employment growth trends and projections from 2000 to 2040 based on the most recent Metropolitan Council employment outlook projections.

	Employment						Change					
	Actual			Forecast			2000-2010		2010-2020		2020-2030	
	2000	2010	2017	2020	2030	2040	No.	Pct.	No.	Pct.	No.	Pct.
City of Ramsey	4,008	4,779	6,758	6,900	7,500	8,100	771	19.2%	2,121	44.4%	600	8.7%
Anoka County	110,091	106,500	123,197	127,160	136,600	145,920	-3,591	-3.3%	20,660	19.4%	9,440	7.4%
Twin Cities Metro Area	1,607,916	1,544,613	1,737,584	1,828,000	1,910,000	2,039,000	-63,303	-3.9%	283,387	18.3%	82,000	4.5%
Note: Twin Cities Metro represents the Seven-County planning region												
Sources: Metropolitan Council; Maxfield Research & Consulting, LLC												

- There was an estimated total of 6,758 jobs in Ramsey in 2017, which was 5.5% of the Anoka County total (123,197 jobs).
- The number of jobs in Ramsey is projected to grow by 2,121 jobs from 2010 through 2020 (44.4%). This projection is significantly higher than what is expected for Anoka County (19.4%) and the Twin Cities Metro Area (18.3%). Between 2010 and 2017 it is estimated that Ramsey added 1,979 jobs. Job creation in Ramsey continues to grow, making Ramsey more appealing for housing.
- Ramsey’s employment is anticipated to increase by 8.7% between 2020 and 2030, while Anoka County’s employment is forecast to increase 7.4%. Growth in the Metro Area during this time period is forecast to be more modest (4.5%).

Resident Labor Force

Recent employment growth trends are shown in Tables E-2, which presents resident employment data for the City of Ramsey from 2008 through 2018. These numbers were derived from the proportion of jobs in Ramsey as compared to Anoka County, the State of Minnesota, and the United States. Resident employment data is calculated as an annual average *and reveals the work force and number of employed persons living in the City*. It is important to note that not all of these individuals necessarily work in the City or County. The following are key trends derived from the employment data:

Resident Employment

- Resident employment (number of employed persons) in Ramsey increased by approximately 1,431 people between 2008 and 2018 (10%) and the unemployment rate decreased from 5% in 2008 to 2.6% in 2018. By comparison, Anoka County's unemployment rate was at 2.8% and the State of Minnesota was at 2.9% as of 2018.
- Ramsey's unemployment rate has mirrored Anoka County's unemployment rate and has remained slightly lower since 2008. The greatest yearly difference was 0.7% lower than Anoka County in 2011.
- The unemployment rate in Anoka County increased to a high of 8.4% (2009) which was the peak of the recession. However, as of year-end 2018, the unemployment rate has fallen to 2.8%, which is considered below equilibrium (5.0%).

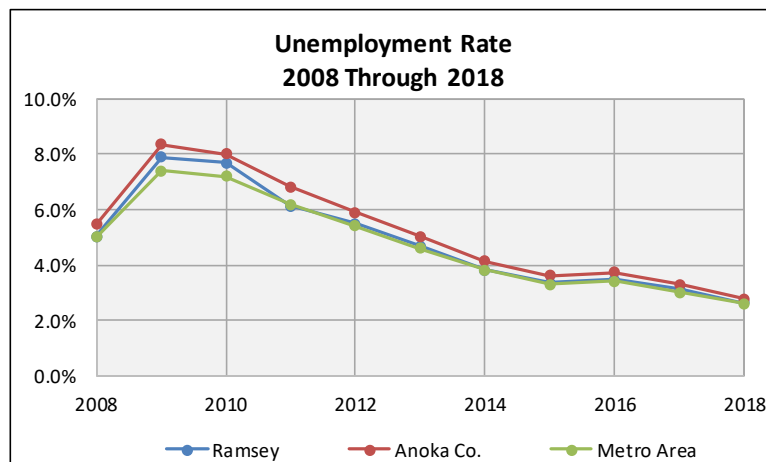


TABLE E-2 ANNUAL AVERAGE RESIDENT EMPLOYMENT CITY OF RAMSEY 2008 to 2018				
Year	Labor Force	Employed	Unemployed	Rate
CITY OF RAMSEY				
2008	14,239	13,524	715	5.0%
2009	14,501	13,356	1,145	7.9%
2010	14,004	12,925	1,079	7.7%
2011	13,938	13,085	853	6.1%
2012	13,978	13,212	766	5.5%
2013	14,427	13,753	674	4.7%
2014	14,722	14,160	562	3.8%
2015	14,774	14,278	496	3.4%
2016	14,945	14,426	519	3.5%
2017	15,251	14,773	478	3.1%
2018	15,670	15,258	412	2.6%
Change 2008-2018				
Number	1,431	1,734	-303	--
Percent	10.0%	12.8%	-42.4%	--
ANOKA COUNTY				
2008	189,874	179,506	10,368	5.5%
2009	190,905	174,945	15,960	8.4%
2010	187,355	172,342	15,013	8.0%
2011	187,000	174,217	12,783	6.8%
2012	187,260	176,226	11,034	5.9%
2013	188,370	178,904	9,466	5.0%
2014	189,012	181,179	7,833	4.1%
2015	189,817	182,979	6,838	3.6%
2016	192,442	185,277	7,165	3.7%
2017	195,304	188,873	6,431	3.3%
2018	196,586	191,154	5,432	2.8%
MINNESOTA				
2008	2,925,088	2,766,342	158,746	5.4%
2015	2,997,748	2,887,132	110,616	3.7%
2016	3,033,406	2,916,353	117,053	3.9%
2017	3,057,014	2,952,960	104,054	3.4%
2018	3,070,223	2,980,884	89,339	2.9%
U.S.				
2008	154,286,666	145,362,500	8,924,166	9.6%
2015	157,129,916	148,833,416	8,296,500	5.3%
2016	159,187,166	151,435,833	7,751,333	4.9%
2017	160,319,750	153,337,416	6,982,334	4.4%
2018	162,075,000	155,761,000	6,314,000	3.9%
Note: Data not seasonally adjusted Sources: U.S. Dept. of Labor, MN Dept. of Employment & Economic Development (MN DEED), Maxfield Research & Consulting, LLC				

Covered Employment and Wages by Industry

Table E-3 presents covered employment numbers as available for the City of Ramsey from 2008 through 2018. Covered employment data is calculated as an annual average and *reveals the number of jobs in the designated area*, which are covered by unemployment insurance. Many temporary workforce positions, agricultural, self-employed persons, and some other types of jobs are not covered by unemployment insurance and are not included in the table. Some agricultural businesses and employees are listed in Table E-3, but not all positions are included. The data in both tables is sourced from the Minnesota Department of Employment and Economic Development. The following are key trends derived from the employment data:

- Between 2000 and 2018, the number of jobs increased in Ramsey by 2,884, an 89% increase in the City. Manufacturing gained the greatest number of jobs (784 jobs) between 2010 and 2018. The Information industry was the only sector to decline, decreasing by 9 jobs between 2010 and 2018.
- As of 2018, the Manufacturing sector accounted for the largest share of employment in Ramsey, with 2,370 employees accounting for 39% of employment. Between 2015 and 2018, the Manufacturing sector has grown by 245 employees, an increase of approximately 11%.
- The next two largest employment sectors were the Trade, Transportation and Utilities sector, which accounted for 24% of employment in 2018 and the Education and Health Services sector, which accounted for 13% of employment.
- Between 2015 and 2018, the Trade, Transportation, and Utilities industry experienced the largest growth in the city, adding 292 employees, a 25% increase. The Professional and Business Services experienced the largest decline, decreasing by 140 jobs (27.5%).

EMPLOYMENT TRENDS

City of Ramsey						Change						
Average Number of Employees						2015 - 2018		% of Total				
Industry	2000	2005	2010	2015	2018	No.	Pct.	2000	2005	2010	2015	2018
Natural Resources & Mining	--	--	--	--	--	--	--	--	--	--	--	--
Construction	--	--	--	--	--	--	--	--	--	--	--	--
Manufacturing	1,255	1,509	1,586	2,125	2,370	245	11.5%	--	--	36.5%	38.4%	38.8%
Trade, Transportation & Utilities	724	921	936	1,171	1,463	292	24.9%	22.4%	22.6%	21.6%	21.2%	23.9%
Information	--	--	76	58	67	9	15.5%	--	--	1.7%	1.0%	1.1%
Financial Services	--	--	85	132	143	11	8.3%	--	--	2.0%	2.4%	2.3%
Professional & Business Services	355	504	366	509	369	-140	-27.5%	11.0%	12.4%	8.4%	9.2%	6.0%
Education & Health Services	407	437	624	625	803	178	28.5%	12.6%	10.7%	14.4%	11.3%	13.1%
Leisure & Hospitality	269	406	384	460	453	-7	-1.5%	8.3%	10.0%	8.8%	8.3%	7.4%
Other Services	147	202	190	274	246	-28	-10.2%	4.6%	5.0%	4.4%	4.9%	4.0%
Public Administration	72	100	96	182	199	17	9.3%	2.2%	2.5%	2.2%	3.3%	3.3%
Totals	3,229	4,079	4,343	5,536	6,113	577	10.4%					

Twin Cities Metro Area						Change						
Average Number of Employees						2015 - 2018		% of Total				
Industry	2000	2005	2010	2015	2018	No.	Pct.	2000	2005	2010	2015	2018
Natural Resources & Mining	3,220	3,568	3,444	3,427	3,678	251	7.3%	0.2%	0.2%	0.2%	0.2%	0.2%
Construction	75,163	78,475	49,972	66,709	71,893	5,184	7.8%	5.1%	5.1%	3.3%	4.0%	4.1%
Manufacturing	217,161	186,238	156,570	168,480	171,259	2,779	1.6%	14.6%	12.0%	10.2%	10.1%	9.7%
Trade, Transportation & Utilities	341,177	327,767	294,894	313,380	324,537	11,157	3.6%	23.0%	21.2%	19.2%	18.7%	18.5%
Information	--	--	41,010	38,798	37,117	-1,681	-4.3%	--	--	2.7%	2.3%	2.1%
Financial Services	126,979	137,347	130,997	137,046	137,020	-26	0.0%	8.5%	8.9%	8.5%	8.2%	7.8%
Professional & Business Services	263,779	244,025	250,111	277,443	297,496	20,053	7.2%	17.8%	15.7%	16.3%	16.6%	16.9%
Education & Health Services	263,963	302,256	341,678	380,336	409,823	29,487	7.8%	17.8%	19.5%	22.2%	22.7%	23.3%
Leisure & Hospitality	138,716	150,712	148,531	164,825	176,108	11,283	6.8%	9.3%	9.7%	9.7%	9.8%	10.0%
Other Services	55,632	55,269	52,359	56,000	56,891	891	1.6%	3.7%	3.6%	3.4%	3.3%	3.2%
Public Administration	--	63,754	67,435	68,847	72,727	3,880	5.6%	--	4.1%	4.4%	4.1%	4.1%
Totals	1,485,790	1,549,411	1,537,001	1,675,291	1,758,549	83,258	5.0%					

Source: MN Dept. of Employment & Economic Development (MN DEED); Maxfield Research & Consulting, LLC

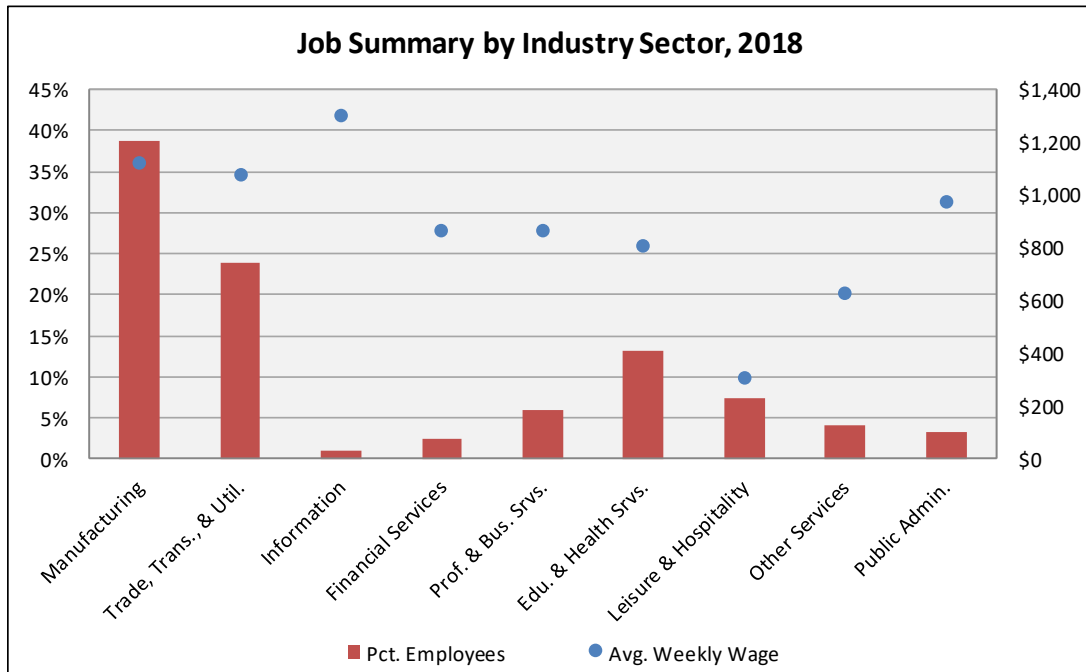
Table E-4 displays information on average weekly wages in Ramsey compared to the Twin Cities Metro Area. The Quarterly Census of Employment and Wages (QCEW) data is sourced from Minnesota Employment and Economic Development (MN DEED) for the annual average of 2015 through 2018, the most recent annual data available. All establishments covered under the Unemployment Insurance (UI) Program are required to report wage and employment statistics quarterly to MN DEED. Federal government establishments are also covered by the QCEW program.

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

- Declining average weekly wages between 2015 and 2018 occurred in only two sectors: Information and the Education and Health Services sectors. The Information sector decreased by \$100 (7.1%) a week while the Education and Health Services sector decreased \$65 (7.5%).

EMPLOYMENT TRENDS

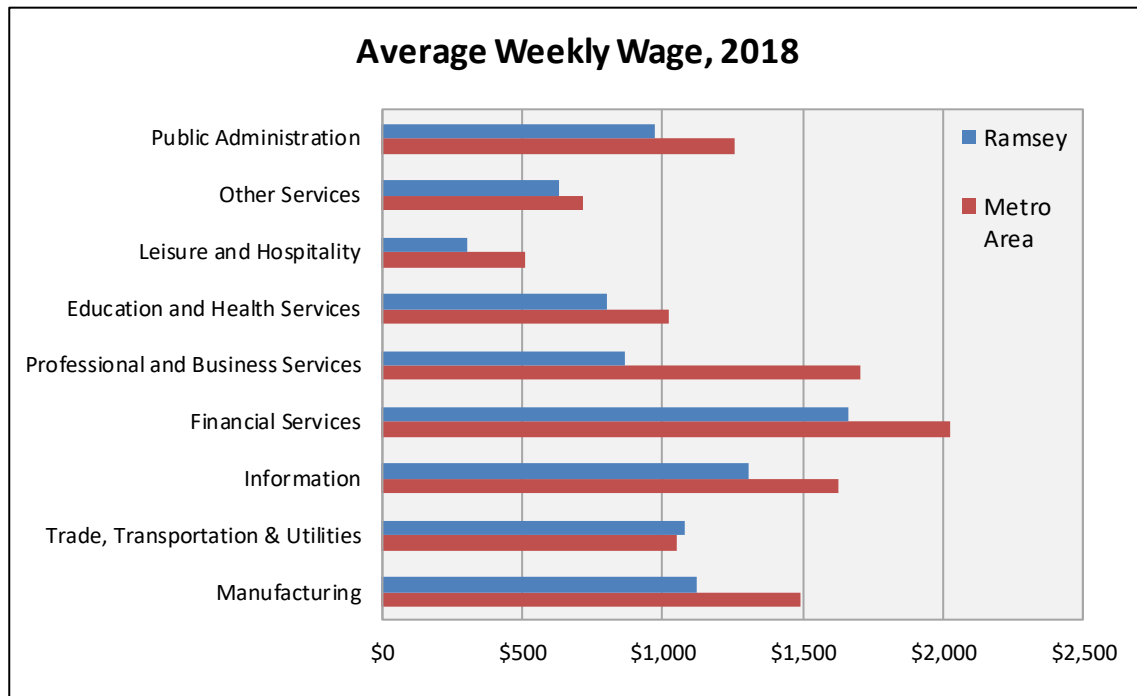
- The Financial Services sector saw the largest growth increasing average weekly wages by \$279 (20.1%) between 2015 to 2018. The Other Services sector saw the second largest growth, increasing by \$159 (33.8%).
- Wages in the Ramsey were lower in each industry category compared to the Twin Cities Metro Area with the exception of the Trade, Transportation, and Utilities sector which was \$30 higher in Ramsey.



EMPLOYMENT TRENDS

TABLE E-4 WAGES RAMSEY ANALYSIS AREA 2015 - 2018 North American Industrial Classification System (NAICS)						
City of Ramsey					Change	
Average Weekly Wage					2015 - 2018	
Industry	2015	2016	2017	2018	No.	Pct.
Natural Resources & Mining	--	--	--	--	--	--
Construction	--	--	--	--	--	--
Manufacturing	\$1,117	\$1,101	\$1,125	\$1,119	\$2	0.2%
Trade, Transportation & Utilities	\$953	\$990	\$1,014	\$1,077	\$124	13.0%
Information	\$1,404	\$1,312	\$1,287	\$1,304	-\$100	-7.1%
Financial Services	\$1,385	\$1,611	\$1,564	\$1,664	\$279	20.1%
Professional & Business Services	\$747	\$735	\$807	\$866	\$119	15.9%
Education & Health Services	\$869	\$832	\$847	\$804	-\$65	-7.5%
Leisure & Hospitality	\$260	\$271	\$288	\$305	\$45	17.3%
Other Services	\$470	\$596	\$579	\$629	\$159	33.8%
Public Administration	\$969	\$920	\$932	\$972	\$3	0.3%
Totals	\$912	\$923	\$955	\$988	\$76	8.3%
Twin Cities Metro Area					Change	
Average Weekly Wage					2015 - 2018	
Industry	2015	2016	2017	2018	No.	Pct.
Natural Resources & Mining	\$870	\$908	\$899	\$907	\$37	4.3%
Construction	\$1,304	\$1,339	\$1,388	\$1,423	\$119	9.1%
Manufacturing	\$1,426	\$1,432	\$1,472	\$1,491	\$65	4.6%
Trade, Transportation & Utilities	\$984	\$988	\$1,025	\$1,047	\$63	6.4%
Information	\$1,507	\$1,494	\$1,551	\$1,625	\$118	7.8%
Financial Services	\$1,886	\$1,849	\$1,934	\$2,027	\$141	7.5%
Professional & Business Services	\$1,560	\$1,602	\$1,675	\$1,703	\$143	9.2%
Education & Health Services	\$959	\$977	\$989	\$1,025	\$66	6.9%
Leisure & Hospitality	\$449	\$464	\$482	\$509	\$60	13.4%
Other Services	\$660	\$668	\$710	\$718	\$58	8.8%
Public Administration	\$1,151	\$1,184	\$1,216	\$1,254	\$103	8.9%
Totals	\$1,160	\$1,171	\$1,210	\$1,244	\$84	7.2%

Source: MN Dept. of Employment & Economic Development (MN DEED), Maxfield Research & Consulting, LLC



Business Summary

Table E-5 displays business summary information by North American Industry Classification System (NAICS) codes in Ramsey. This data sourced from ESRI for 2018.

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

- As of 2018, there were approximately 585 businesses in the City of Ramsey.
- The Retail Trade sector has the highest proportion of establishments (14.4%), while the Manufacturing sector had the highest proportion of employees (26.3%) in Ramsey.
- The Construction sector accounts for nearly the same share of businesses and employees, accounting for 13.3% of businesses and 13.5% of employees.
- The Manufacturing sector is the largest industry type in Ramsey with 11.6% businesses and 26.3% employees.

EMPLOYMENT TRENDS

**TABLE E-5
BUSINESS SUMMARY - BY NAICS CODE
CITY OF RAMSEY
2018**

Business/Industry	Businesses		Employees	
	Number	Pct	Number	Pct
NAICS CODES				
Agriculture & Mining	3	0.5%	55	0.8%
Mining	0	0.0%	0	0.0%
Utilities	0	0.0%	0	0.0%
Construction	78	13.3%	910	13.5%
Manufacturing	68	11.6%	1,768	26.3%
Wholesale Trade	38	6.5%	453	6.7%
Retail Trade	84	14.4%	797	11.9%
Transportation & Warehousing	16	2.7%	80	1.2%
Information	13	2.2%	87	1.3%
Finance & Insurance	24	4.1%	170	2.5%
Real Estate, Rental & Leasing	28	4.8%	117	1.7%
Professional, Scientific & Tech Services	46	7.9%	550	8.2%
Management of Companies & Enterprises	0	0.0%	0	0.0%
Admin& Support & Waste Management & Remediation Services	35	6.0%	378	5.6%
Educational Services	9	1.5%	296	4.4%
Health Care & Social Assistance	28	4.8%	256	3.8%
Arts, Entertainment & Recreation	12	2.1%	117	1.7%
Accommodation & Food Services	21	3.6%	297	4.4%
Other Services (except Public Administration)	54	9.2%	256	3.8%
Public Administration	4	0.7%	127	1.9%
Unclassified Establishments	24	4.1%	9	0.1%
Total	585	100.0%	6,723	100.0%

Sources: ESRI, Maxfield Research & Consulting, LLC

Commuting Patterns

Proximity to employment is often a primary consideration when choosing where to live, since transportation costs often account for a large proportion of households' budgets. Table E-6 highlights the commuting patterns of workers in Ramsey in 2015 (the most recent data available), based on Employer-Household Dynamics data from the U.S. Census Bureau.

- As shown in Table E-6, 7.7% of Ramsey residents were employed in Ramsey. Most employees that live in Ramsey commuted to jobs in Minneapolis (12.9%).
- Of the workers who are employed in Ramsey, 16.8% also live in Ramsey. The remaining workers are commuting from mostly Coon Rapids (7.4%), Andover (5.5%), and Elk River (4.9%).
- 12% of Ramsey residents commute to either Anoka or Coon Rapids.

**TABLE 6
COMMUTING PATTERNS
CITY OF RAMSEY
2015**

Home Destination			Work Destination		
<u>Place of Residence</u>	<u>Count</u>	<u>Share</u>	<u>Place of Employment</u>	<u>Count</u>	<u>Share</u>
Ramsey, MN	1,075	16.8%	Minneapolis, MN	1,813	12.9%
Coon Rapids, MN	477	7.4%	Anoka, MN	1,146	8.2%
Andover, MN	349	5.5%	Coon Rapids, MN	1,137	8.1%
Elk River, MN	312	4.9%	Ramsey, MN	1,075	7.7%
Anoka, MN	297	4.6%	St. Paul, MN	600	4.3%
Blaine, MN	222	3.5%	Elk River, MN	520	3.7%
Nowthen, MN	179	2.8%	Brooklyn Park, MN	483	3.4%
Brooklyn Park, MN	156	2.4%	Plymouth, MN	464	3.3%
Minneapolis, MN	148	2.3%	Blaine, MN	456	3.2%
Champlin, MN	128	2.0%	Fridley, MN	454	3.2%
All Other Locations	3,060	47.8%	All Other Locations	5,894	42.0%
Total All Jobs	6,403		Total All Jobs	14,042	

Home Destination = Where workers live who are employed in Ramsey

Work Destination = Where workers are employed who live in Ramsey

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

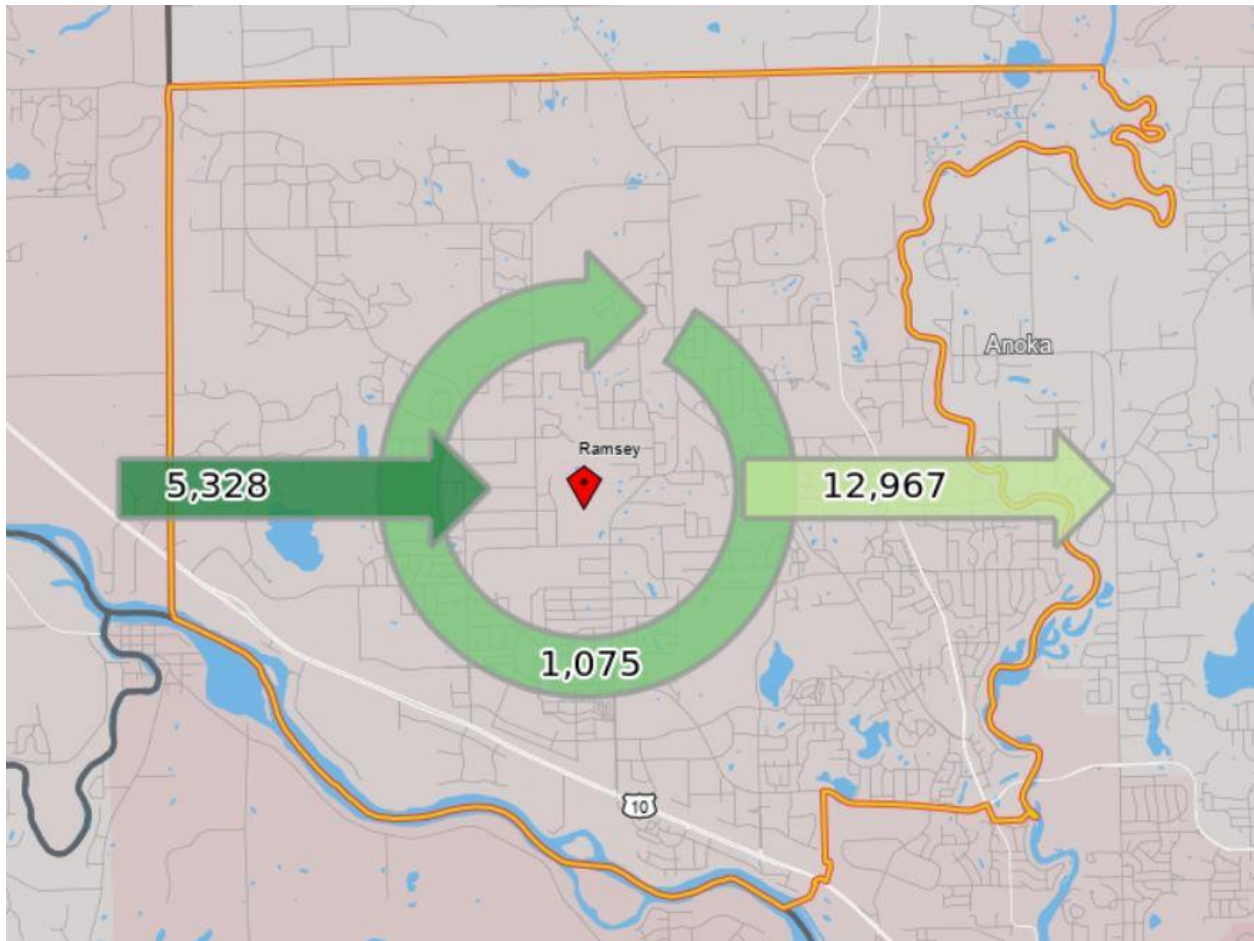
Inflow/Outflow

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

- The City of Ramsey can be considered an exporter of workers, as the number of residents leaving the City (outflow) for employment was more than the number of residents coming into the City for work (inflow). Approximately 12,967 workers left the City of Ramsey for work while 5,328 workers came into the City, for a net difference of -7,639 workers.

TABLE E-7 COMMUTING INFLOW/OUTFLOW CITY OF RAMSEY 2015						
	<table border="1"> <thead> <tr> <th colspan="2">RAMSEY</th> </tr> <tr> <th>Num.</th> <th>Pct.</th> </tr> </thead> </table>		RAMSEY		Num.	Pct.
RAMSEY						
Num.	Pct.					
Employed in the Selection Area	6,403	100%				
Employed in the Selection Area but Living Outside	5,328	83.2%				
Employed and Living in the Selection Area	1,075	16.8%				
Living in the Selection Area	14,042	100%				
Living in the Selection Area but Employed Outside	12,967	92.3%				
Living and Employed in the Selection Area	1,075	7.7%				
Commuting Distance - Work to Home	Num.	Pct.				
Less than 10 miles	3,148	49.2%				
10 to 24 miles	2,289	35.7%				
25 to 50 miles	640	10.0%				
Greater than 50 miles	326	5.1%				
Commuting Distance - Home to Work	Num.	Pct.				
Less than 10 miles	4,814	34.3%				
10 to 24 miles	6,876	49.0%				
25 to 50 miles	1,896	13.5%				
Greater than 50 miles	456	3.2%				
Sources: Longitudinal Employer-Household Dynamics; Maxfield Research & Consulting LLC						

Commuting Inflow / Outflow



Sources: Longitudinal Employer-Household Dynamics

Major Employers

Table E-8 shows the major employers in Ramsey based on data provided by the City of Ramsey. Please note that the table is not a comprehensive list of all employers and presents a selected list of employers and their employees as identified by the City of Ramsey. The data is updated and collected by the city in fragmented time periods and is not an official survey. The following are key points from the major employers table.

- Life Fitness is the largest identified employer with approximately 460 employees. It is a commercial fitness equipment manufacturer that expanded its facility by 50,000 square-feet in 2016 and now totals more than 333,000 square-feet.

TABLE E-8 MAJOR EMPLOYERS CITY OF RAMSEY 2018	
Name	Approximate Employee Size
Life Fitness	457
Vision-Ease Lens	349
Connexus Energy	250
Anderson Dahlen	175
Zero-Zone Refrigeration	174
Green Valley Greenhouse	165
Diamond Graphics	160
In'Tech Industries	148
Ramsey Elementary	135
Altron Manufacturing	112
Ace Solid Waste	100
NAU Country Insurance	100
Allina Medical Clinic	86
MultiSource Manufacturing	85
Coborn's Superstore	85
RJM / General Paper	84
City of Ramsey	78
Waltek	75
PACT Charter School	72
Dedicated Networks	72

Source: City of Ramsey; Maxfield Research & Consulting, LLC

- The list of major employers represents several industry sectors, but the highest concentrations of large employers are in the manufacturing, Healthcare & Social Assistance, and utility sectors.
- The top five employers account for approximately 51% of the employee base out of the major employers in the City of Ramsey.

Employment Comparison

Table E-9, on the following page, provides an employment summary that compares the City of Ramsey to neighboring cities in the Metro Area.

- The City of Ramsey's average weekly wage ranks 6th among neighboring cities that were surveyed. Cities with higher average weekly wages include Anoka, Brooklyn Park, Corcoran, Dayton, and Rogers.
- The unemployment rate in Ramsey is consistent with neighboring cities in the Metro Area at 2.6%. The lowest recorded employment rate was in Andover at 2.4% while the highest was in Elk River at 3.2%.

EMPLOYMENT TRENDS

TABLE E-9
EMPLOYMENT COMPARISON SUMMARY
RAMSEY ANALYSIS AREA

Employment Summary	Ramsey		Andover		Anoka		Blaine		Brooklyn Park		Champlin		Coon Rapids		Corcoran		Dayton		Elk River		Hugo		Otsego		Rogers	
	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.	Num	Pct.
Inflow/Outflow (2015)																										
Inflow	5,328		4,011		13,011		23,216		24,718		3,362		21,497		1,285		1,194		9,481		2,362		2,433		8,819	
Outflow	12,967		16,774		8,117		30,772		39,062		13,513		30,815		2,694		2,419		10,454		7,540		7,838		5,555	
Interior Flow	1,075		1,096		1,132		3,770		3,951		625		4,353		133		100		2,299		380		267		768	
Employee Monthly Earnings - Inflow (2015)																										
\$1,250 or Less	1,060	19.9%	1,270	31.7%	2,171	16.7%	5,455	23.5%	4,491	18.2%	1,172	34.9%	5,712	26.6%	228	17.7%	267	22.4%	2,768	29.2%	520	22.0%	779	32.0%	1,675	19.0%
\$1,251 to \$3,333	1,643	30.8%	1,320	32.9%	2,974	22.9%	6,279	27.0%	6,676	27.0%	1,190	35.4%	6,267	29.2%	380	29.6%	304	25.5%	2,875	30.3%	606	25.7%	792	32.6%	2,474	28.1%
More Than \$3,333	2,625	49.3%	1,421	35.4%	7,866	60.5%	11,482	49.5%	13,551	54.8%	1,000	29.7%	9,518	44.3%	677	52.7%	623	52.2%	3,838	40.5%	1,236	52.3%	862	35.4%	4,670	53.0%
Employee Ages - Inflow (2015)																										
Age 29 or Younger	1,245	23.4%	1,030	25.7%	2,354	18.1%	5,553	23.9%	5,067	20.5%	1,095	32.6%	5,481	25.5%	246	19.1%	229	19.2%	2,393	25.2%	566	24.0%	673	27.7%	2,094	23.7%
Age 30 to 54	2,944	55.3%	2,171	54.1%	7,448	57.2%	13,006	56.0%	14,561	58.9%	1,658	49.3%	11,386	53.0%	807	62.8%	662	55.4%	5,204	54.9%	1,363	57.7%	1,368	56.2%	5,069	57.5%
Age 55 or Older	1,139	21.4%	810	20.2%	3,209	24.7%	4,657	20.1%	5,090	20.6%	609	18.1%	4,630	21.5%	232	18.1%	303	25.4%	1,884	19.9%	433	18.3%	392	16.1%	1,656	18.8%
Average Weekly Wage (2018)																										
Total, All Industries	\$988		\$684		\$1,031		\$877		\$1,127		\$758		\$987		\$1,034		\$1,092		\$872		\$912		\$725		\$998	
Unemployment Rate (2018)																										
Total, All Industries	2.6%		2.4%		2.8%		2.5%		2.9%		2.5%		2.7%		2.5%		2.5%		3.2%		2.5%		3.0%		2.5%	

Source: U.S. Census Bureau; MN DEED; Maxfield Research & Consulting, LLC

Introduction

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

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

FIGURE 1
AREA MEDIAN INCOME (AMI) DEFINITIONS

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

Note: Anoka County 4-person AMI = \$100,000 (2019)

Rent and Income Limits

Table HA-1 shows the maximum allowable incomes by household size to qualify for affordable housing and maximum gross rents that can be charged by bedroom size in Anoka County. These incomes are published and revised annually by the Department of Housing and Urban Development (HUD) and also published separately by the Minnesota Housing Finance Agency based on the date the project was placed into service. Fair market rent is the amount needed to pay gross monthly rent at modest rental housing in a given area. This table is used as a basis for determining the payment standard amount used to calculate the maximum monthly subsidy for families at financially assisted housing.

HOUSING AFFORDABILITY

TABLE HA-1 MHFA/HUD INCOME AND RENT LIMITS ANOKA COUNTY- 2019								
Income Limits by Household Size								
	1 pph	2 pph	3 pph	4 pph	5 pph	6 pph	7 pph	8 pph
30% of median	\$21,000	\$24,000	\$27,000	\$30,000	\$32,400	\$34,800	\$37,200	\$39,600
50% of median	\$35,000	\$40,000	\$45,000	\$50,000	\$54,000	\$58,000	\$62,000	\$66,000
60% of median	\$42,000	\$48,000	\$54,000	\$60,000	\$64,800	\$69,600	\$74,400	\$79,200
80% of median	\$56,000	\$64,000	\$72,000	\$80,000	\$86,400	\$92,800	\$99,200	\$105,600
100% of median	\$70,000	\$80,000	\$90,000	\$100,000	\$108,000	\$116,000	\$124,000	\$132,000
120% of median	\$84,000	\$96,000	\$108,000	\$120,000	\$129,600	\$139,200	\$148,800	\$158,400
Maximum Gross Rent								
	EFF	1BR	2BR	3BR	4BR			
30% of median	\$525	\$562	\$675	\$780	\$870			
50% of median	\$875	\$937	\$1,125	\$1,300	\$1,450			
60% of median	\$1,050	\$1,125	\$1,350	\$1,560	\$1,740			
80% of median	\$1,400	\$1,500	\$1,800	\$2,080	\$2,320			
100% of median	\$1,750	\$1,875	\$2,250	\$2,600	\$2,900			
120% of median	\$2,100	\$2,250	\$2,700	\$3,120	\$3,480			
Fair Market Rent								
	EFF	1BR	2BR	3BR	4BR			
Fair Market Rent	\$763	\$915	\$1,151	\$1,636	\$1,923			

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

Table HA-2 shows the maximum rents by household size and AMI based on income limits illustrated in Table HA-1. The rents on Table HA-2 are based on HUD’s allocation that monthly rents should not exceed 30% of income. In addition, the table reflects maximum household size based on HUD guidelines of number of persons per unit. For each additional bedroom, the maximum household size increases by two persons.

HOUSING AFFORDABILITY

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

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

¹ One-bedroom plus den and two-bedroom plus den units are classified as 1BR and 2BR units, respectively. To be classified as a bedroom, a den must have a window and closet.

Note: 4-person Anoka County AMI is \$100,000 (2019)

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

Housing Cost Burden

Table HA-3 shows the number and percentage of owner and renter households in the City of Ramsey, Anoka County, and the Twin Cities Metro Area that pay 30% or more of their gross income for housing. This information was compiled from the American Community Survey 2017 estimates. This information is different than the 2000 Census which separated households that paid 35% or more in housing costs. As such, the information presented in the tables may be overstated in terms of households that may be “cost burdened.” The Federal standard for affordability is 30% of income for housing costs. Without a separate break out for households that pay 35% or more, there are likely a number of households that elect to pay slightly more than 30% of their gross income to select the housing that they choose. Moderately cost-burdened is defined as households paying between 30% and 50% of their income to housing; while severely cost-burdened is defined as households paying more than 50% of their income for housing.

Higher-income households that are cost-burdened may have the option of moving to lower priced housing, but lower-income households often do not. The figures focus on owner households with incomes below \$50,000 and renter households with incomes below \$35,000.

Key findings from Table HA-3 follow.

- In Ramsey, 16% of owner households and 36% of renter households are considered cost burdened. Ramsey is slightly less cost burdened for owner households than Anoka County (18.7%) and the Metro Area (19.8%). Ramsey is also slightly less cost burdened for renter households than Anoka County (48%) and the Metro Area (47.5%).
- Among owner households earning less than \$50,000, 51% were cost burdened in Ramsey. This is lower than both Anoka County (53.3%) and the Metro Area (57.4%).
- Approximately 90% of Ramsey renter households earning less than \$35,000 were cost burdened which is slightly higher than Anoka County (87%) and the Metro Area (83.9%).
- The median contract rent in Ramsey was \$1,219 in 2017 and was significantly higher than Anoka County (\$936) and the Metro Area (\$936). Ramsey’s median contract rent was roughly 30% higher than that of Anoka County.

HOUSING AFFORDABILITY

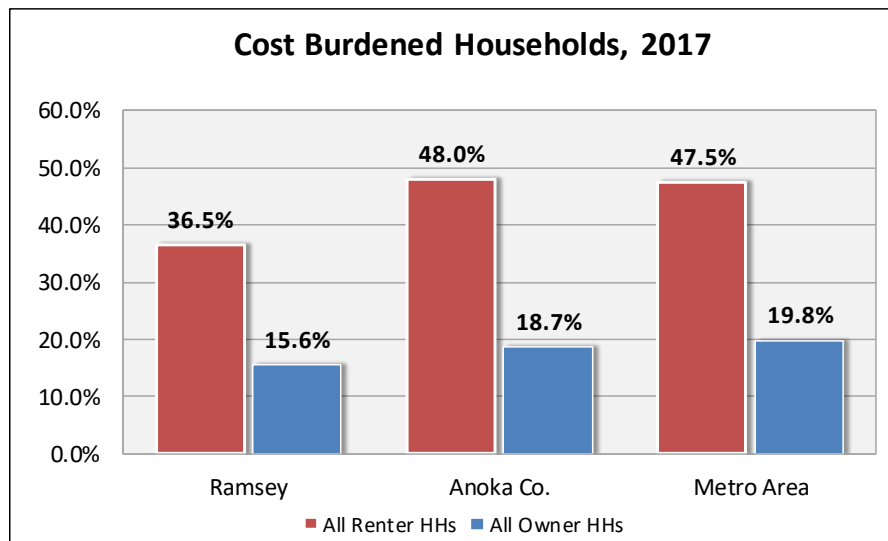
**TABLE HA-3
HOUSING COST BURDEN
RAMSEY ANALYSIS AREA
2017**

Community	City of Ramsey		Anoka County		Metro Area	
	No.	Pct.	No.	Pct.	No.	Pct.
Owner Households						
All Owner Households	7,580		100,959		797,434	
Cost Burden 30% or greater	1,181	15.6%	18,838	18.7%	157,516	19.8%
Owner Households w/ incomes <\$50,000	1,146		22,939		172,084	
Cost Burden 30% or greater	580	51.3%	12,017	53.3%	96,961	57.4%
Renter Households						
All Renter Households	1,105		25,113		370,234	
Cost Burden 30% or greater	400	36.5%	11,497	48.0%	169,445	47.5%
Renter Households w/ incomes <\$35,000	148		10,457		161,330	
Cost Burden 30% or greater	125	89.9%	8,447	87.0%	128,158	83.9%
Median Contract Rent ¹	\$1,219		\$936		\$936	

¹Median Contract Rent 2017

Note: Calculations exclude households not computed.

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



Housing Costs as Percentage of Household Income

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

The housing affordability calculations assume the following:

For-Sale Housing

- 10% down payment with good credit score
- Closing costs rolled into mortgage
- 30-year mortgage at 4.000% interest rate
- Private mortgage insurance (equity of less than 20%)
- Homeowners insurance for single-family homes and association dues for townhomes
- Owner household income per 2017 ACS

Rental Housing

- Background check on tenant to ensure credit history
 - 30% allocation of income
 - Renter household income per 2017 ACS
-
- The median income of all Ramsey households in 2019 was about \$92,484. However, the median income varies by tenure. According to the 2017 American Community Survey, the median income of a homeowner is \$98,835 compared to \$64,050 for renters.
 - Approximately 83% of all households and 86% of owner households could afford to purchase an entry-level home in Ramsey (\$200,000). When adjusting for move-up buyers (\$300,000) about 66% of all households and 72% of owner households would income qualify.
 - Roughly 86% of all households and 88% of owner households could afford to purchase an entry-level townhome/condo in Ramsey (\$175,000). When adjusting for move-up buyers (\$250,000) about 74% of all households and 79% of owner households would income qualify.
 - About 74% of existing renter households can afford to rent a one-bedroom unit in Ramsey (\$1215/month). The percentage of renter income-qualified households decreases to 29% that can afford an existing three-bedroom unit (\$1,875/month). After adjusting for new construction rental housing, the percentage of renters that are income-qualified decreases slightly. About 73% of renters can afford a new market rate one-bedroom unit while 23% can afford a new three-bedroom unit.

HOUSING AFFORDABILITY

**TABLE HA-4
HOUSING AFFORDABILITY - BASED ON HOUSEHOLD INCOME
CITY OF RAMSEY**

For-Sale (Assumes 10% down payment and good credit)	Single-Family			Townhome/Twinhome/Condo		
	Entry-Level	Move-Up	Executive	Entry-Level	Move-Up	Executive
	Price of House	\$200,000	\$300,000	\$450,000	\$175,000	\$250,000
Pct. Down Payment	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Total Down Payment Amt.	\$20,000	\$30,000	\$45,000	\$17,500	\$25,000	\$35,000
Estimated Closing Costs (rolled into mortgage)	\$6,000	\$9,000	\$13,500	\$5,250	\$7,500	\$10,500
Cost of Loan	\$186,000	\$279,000	\$418,500	\$162,750	\$232,500	\$325,500
Interest Rate	3.875%	3.875%	3.875%	3.875%	3.875%	3.875%
Number of Pmts.	360	360	360	360	360	360
Monthly Payment (P & I)	-\$875	-\$1,312	-\$1,968	-\$765	-\$1,093	-\$1,531
(plus) Prop. Tax	-\$167	-\$250	-\$375	-\$146	-\$208	-\$292
(plus) HO Insurance/Assoc. Fee for TH	-\$67	-\$100	-\$150	-\$100	-\$100	-\$100
(plus) PMI/MIP (less than 20%)	-\$81	-\$121	-\$181	-\$71	-\$101	-\$141
Subtotal monthly costs	-\$1,189	-\$1,783	-\$2,674	-\$1,082	-\$1,502	-\$2,063
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	\$47,543	\$71,314	\$106,972	\$43,267	\$60,095	\$82,534
Pct. of ALL Ramsey HHDS who can afford¹	82.7%	65.9%	40.4%	85.8%	74.4%	57.6%
No. of Ramsey HHDS who can afford¹	7,867	6,270	3,844	8,157	7,078	5,480
Pct. of Ramsey owner HHDS who can afford²	85.6%	72.2%	45.0%	88.1%	79.0%	63.9%
No. of Ramsey owner HHDS who can afford²	6,491	5,472	3,412	6,681	5,986	4,843
No. of Ramsey owner HHDS who cannot afford²	1,089	2,108	4,168	899	1,594	2,737
Rental (Market Rate)	Existing Rental			New Rental		
	1BR	2BR	3BR	1BR	2BR	3BR
Monthly Rent	\$1,215	\$1,557	\$1,875	\$1,250	\$1,800	\$2,200
Annual Rent	\$14,580	\$18,684	\$22,500	\$15,000	\$21,600	\$26,400
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	\$48,600	\$62,280	\$75,000	\$50,000	\$72,000	\$88,000
Pct. of ALL Ramsey HHDS who can afford¹	82.6%	72.6%	63.3%	81.8%	65.5%	53.4%
No. of Ramsey HHDS who can afford¹	7,861	6,902	6,024	7,780	6,235	5,081
Pct. of Ramsey renter HHDS who can afford²	74.0%	50.6%	28.6%	72.7%	33.9%	23.0%
No. of Ramsey renter HHDS who can afford²	817	560	316	803	374	254
No. of Ramsey renter HHDS who cannot afford²	288	546	789	302	731	851

¹ Based on 2019 household income for ALL households

² Based on 2017 ACS household income by tenure (i.e. owner and renter incomes. Owner incomes = \$98,835 vs. renter incomes = \$64,050)

Source: Maxfield Research & Consulting, LLC

Introduction

Maxfield Research and Consulting LLC identified and surveyed larger rental properties of 8 or more units in Ramsey. For purposes of our analysis, rental properties are classified rental projects into two groups, general occupancy and senior (age-restricted). All senior properties are included in the *Senior Housing Market Analysis* section of this report. The general occupancy rental properties are divided into three groups: market rate (those without income restrictions); affordable or shallow-subsidy housing (those receiving tax credits or another type of shallow-subsidy and where there is a quoted rent for the unit and a maximum income that cannot be exceeded by the tenant); and subsidized or deep-subsidy properties (those with income restrictions at 30% or less of AMI where rental rates are based on 30% of their gross adjusted income).

Overview of Rental Market Conditions

Maxfield Research utilized data from CoStar, a worldwide commercial real estate information & marketing provider, for the Outlying Anoka County submarket, the Outer Coon Rapids/Fridley/Blaine submarket, the Dayton/Champlin submarket, and the Twin Cities Metro Area to summarize rental market conditions in the Ramsey Analysis Area. The data is shown for the first quarters of 2018 and 2019, the most recent data available. Data on was also take from the 2013 – 2017 ACS to summarize bedrooms by gross rent in 2017 for the City of Ramsey, Anoka County, and the Metro Area.

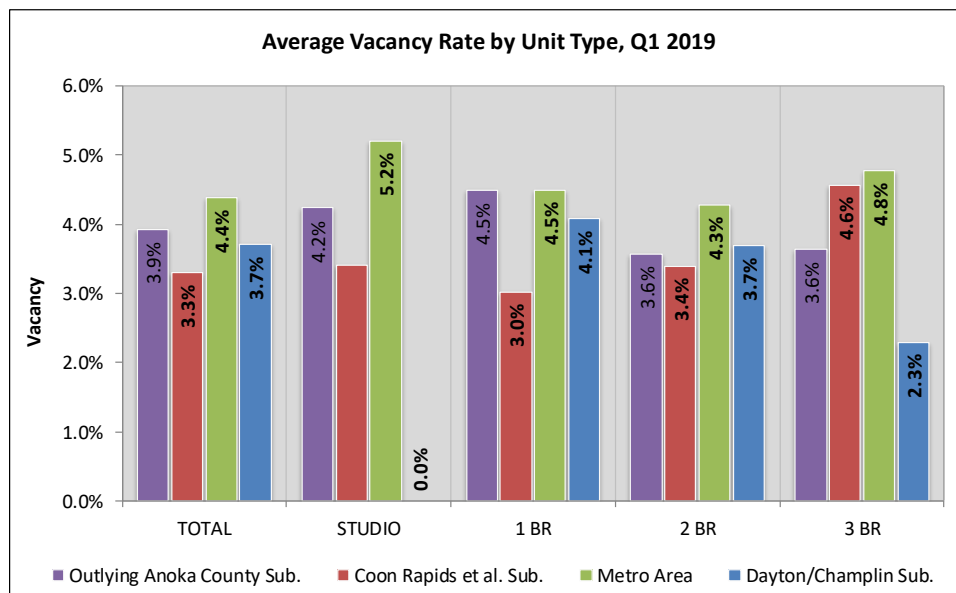
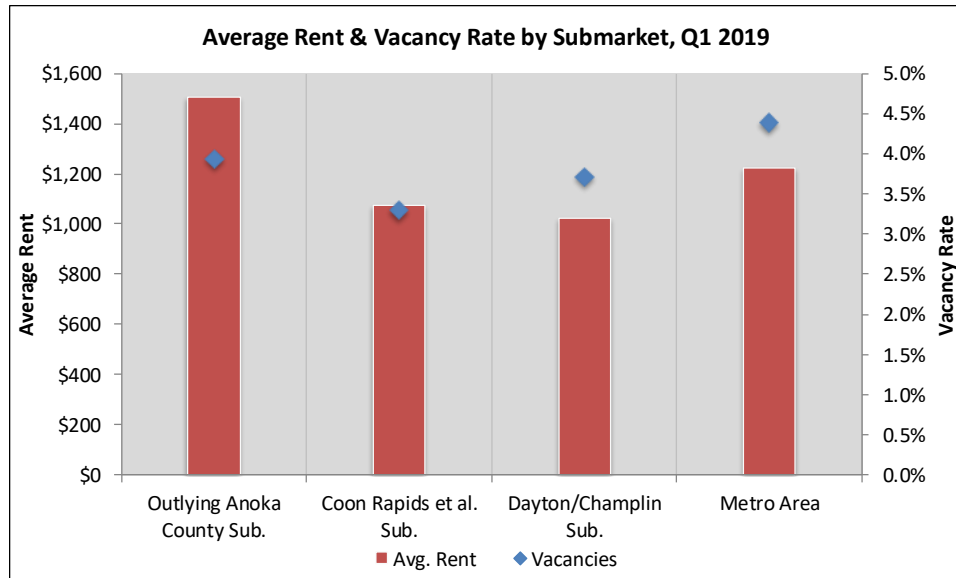
The following are key points concerning Ramsey's rental conditions from Tables R-1 and R-2.

Average Rents/Vacancies Trends

- The equilibrium vacancy rate for rental housing is considered to be 5.0%. This allows for normal turnover and an adequate supply of alternatives for prospective renters. During the first quarter of 2019, the vacancy rate was 3.9% in Anoka County submarket overall, with the highest vacancies in one-bedroom (4.5%) and studio (4.2%) units.
- Between the first quarter 2018 and 2019, the average rents in the Anoka County submarket increased 2.3% overall, with two-bedroom units increasing the most (4.8%) and one-bedroom units contracting slightly by 0.8%.
- Overall, rents in the Anoka County submarket were \$1,505 in the first quarter of 2019, which was a 2.3% increase from the first quarter of 2018. By comparison, rents in the Outer Coon Rapids/Fridley/Blaine submarket were \$1,073 and \$1,022 in the Dayton/Champlin submarket in the first quarter 2019.

RENTAL MARKET ANALYSIS

TABLE R-1 AVERAGE RENTS/VACANCIES TRENDS FIRST QUARTER 2019						
		Total	Studio	1 BR	2 BR	3 BR
Outlying Anoka County Submarket						
Q1/2019	Units	1,679	118	423	615	220
	No. Vacant	66	5	19	22	8
	Avg. Rent	\$1,505	\$2,555	\$1,407	\$1,393	\$1,455
	Vacancy	3.9%	4.2%	4.5%	3.6%	3.6%
Q1/2018	Units	1,625	118	423	595	200
	No. Vacant	132	6	46	50	16
	Avg. Rent	\$1,471	\$2,490	\$1,418	\$1,329	\$1,397
	Vacancy	8.1%	5.1%	10.9%	8.4%	8.0%
Outer Coon Rapids/Fridley/Blaine Submarket						
Q1/2019	Units	11,815	235	3,472	4,623	963
	No. Vacant	390	8	105	157	44
	Avg. Rent	\$1,073	\$845	\$975	\$1,150	\$1,374
	Vacancy	3.3%	3.4%	3.0%	3.4%	4.6%
Q1/2018	Units	11,621	235	3,404	4,543	921
	No. Vacant	413	14	116	164	38
	Avg. Rent	\$1,026	\$775	\$934	\$1,096	\$1,320
	Vacancy	3.6%	6.0%	3.4%	3.6%	4.1%
Dayton/Champlin Submarket						
Q1/2019	Units	1,889	5	588	976	218
	No. Vacant	70	0	24	36	5
	Avg. Rent	\$1,022	\$785	\$919	\$1,019	\$1,312
	Vacancy	3.7%	0.0%	4.1%	3.7%	2.3%
Q1/2018	Units	1,705	5	527	914	157
	No. Vacant	51	0	18	26	3
	Avg. Rent	\$1,001	\$730	\$895	\$999	\$1,292
	Vacancy	3.0%	0.0%	3.4%	2.8%	1.9%
Twin Cities Metro Area						
Q1/2019	Units	286,318	21,923	121,636	94,529	16,201
	No. Vacant	12,558	1,140	5,469	4,042	773
	Avg. Rent	\$1,221	\$1,002	\$1,100	\$1,362	\$1,572
	Vacancy	4.4%	5.2%	4.5%	4.3%	4.8%
Q1/2018	Units	279,041	20,609	118,325	92,402	15,749
	No. Vacant	12,458	1,122	5,318	4,100	810
	Avg. Rent	\$1,183	\$971	\$1,066	\$1,317	\$1,520
	Vacancy	4.5%	5.4%	4.5%	4.4%	5.1%
Sources: CoStar Group, Inc.; Maxfield Research & Consulting, LLC						

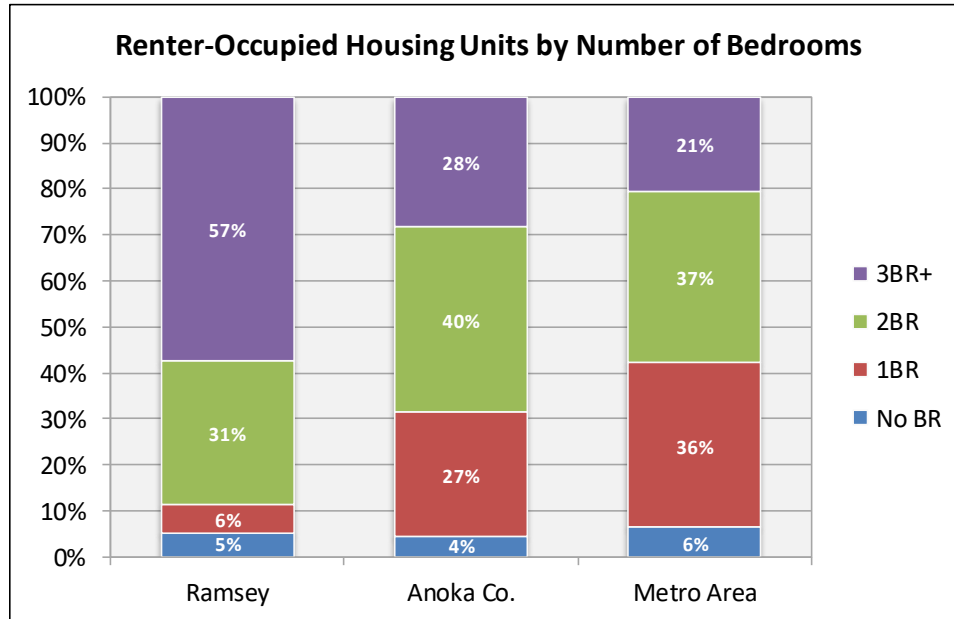


Bedrooms by Gross Rent

- Ramsey has much higher rents compared to Anoka County and the Metro Area. The median gross rent in Ramsey (estimated as of 2017 ACS) was \$1,408 per month, which was 36% higher than the median monthly rent of \$1,034 in Anoka County and 37% higher than the median monthly rent of \$1,024 in the Metro Area.
- Monthly gross rents in Ramsey ranged from \$500 to more than \$1,500 with approximately 39% renting for \$1,500 or more per month. Over 49% had gross monthly rents between \$1,000 and \$1,499, 9% had rents between \$750 and \$999, while less than 3% had rents between \$500 and \$749.

RENTAL MARKET ANALYSIS

- By comparison, an estimated 17% in the Anoka County had gross monthly rents that were \$1,500 or more. Also, 34% had gross monthly rents from \$1,000 to \$1,500, 29% had rents between \$750 and \$999 and 11% had rents between \$500 and \$749. In addition, an estimated 5% had rents of less than \$500.



RENTAL MARKET ANALYSIS

R-2 BEDROOMS BY GROSS RENT, RENTER-OCCUPIED HOUSING UNITS RAMSEY ANALYSIS AREA 2017						
	Ramsey		Anoka County		Metro Area	
	#	% of Total	#	% of Total	#	% of Total
Total:	1,105	100%	25,113	100%	370,234	100%
Median Gross Rent	\$1,408		\$1,034		\$1,024	
No Bedroom	58	5%	1,077	4%	23,594	6%
Less than \$300	0	0%	29	0%	2,122	1%
\$300 to \$499	0	0%	70	0%	2,045	1%
\$500 to \$749	0	0%	358	1%	7,740	2%
\$750 to \$999	26	2%	302	1%	6,140	2%
\$1,000 to \$1,499	32	3%	232	1%	3,434	1%
\$1,500 or more	0	0%	43	0%	1,868	1%
No cash rent	0	0%	43	0%	245	0%
1 Bedroom	69	6%	6,841	27%	133,329	36%
Less than \$300	0	0%	386	2%	11,332	3%
\$300 to \$499	0	0%	424	2%	8,228	2%
\$500 to \$749	0	0%	1,577	6%	22,383	6%
\$750 to \$999	37	3%	3,004	12%	52,075	14%
\$1,000 to \$1,499	32	3%	1,064	4%	28,298	8%
\$1,500 or more	0	0%	297	1%	9,583	3%
No cash rent	0	0%	89	0%	1,430	0%
2 Bedrooms	346	31%	10,104	40%	137,399	37%
Less than \$300	0	0%	71	0%	3,570	1%
\$300 to \$499	0	0%	148	1%	3,596	1%
\$500 to \$749	14	1%	702	3%	7,729	2%
\$750 to \$999	36	3%	3,471	14%	35,719	10%
\$1,000 to \$1,499	268	24%	4,623	18%	63,609	17%
\$1,500 or more	28	3%	846	3%	20,012	5%
No cash rent	0	0%	243	1%	3,164	1%
3 or More Bedrooms	632	57%	7,091	28%	75,912	21%
Less than \$300	0	0%	41	0%	1,105	0%
\$300 to \$499	0	0%	40	0%	2,267	1%
\$500 to \$749	15	1%	256	1%	4,618	1%
\$750 to \$999	0	0%	493	2%	4,878	1%
\$1,000 to \$1,499	205	19%	2,641	11%	25,083	7%
\$1,500 or more	403	36%	3,091	12%	33,541	9%
No cash rent	9	1%	529	2%	4,420	1%

Sources: 2013-2017 American Community Survey; Maxfield Research & Co

General-Occupancy Multifamily Rental Properties

Our research of Ramsey's general occupancy rental market included a survey of four market rate and two affordable apartment properties (8 units and larger) in June 2019. These properties represent a combined total of 547 units, including 446 market rate units and 101 affordable units.

Although we were able to contact and obtain up-to-date information from most rental properties, some information was unable to be confirmed via phone and was obtained from third party sources.

Table R-3 summarizes information on market rate and affordable general occupancy projects in Ramsey. Table R-4 summarizes common area features and amenities while Table R-5 includes a breakdown of unit types and rents among all general-occupancy housing developments.

Market Rate

- At the time of our survey, 14 market rate units were vacant, resulting in an overall vacancy rate of 3.1% for all units. The combined overall vacancy rate is well below the industry standard of 5% vacancy for a stabilized rental market rate which promotes competitive rates, ensures adequate choice, and allows for sufficient unit turnover.
- The newest market rate general occupancy rental housing project in Ramsey is *Park View East Apartments*, which came online in 2017 and has a total of 121 units. Market rate rents average \$1,440 a month or approximately \$1.48 per square foot.
- Sizes for market rate units ranged from 478 square feet for a studio apartment to 2,160 square feet for a three-bedroom unit. The average size of all market rate apartments in Ramsey is 942 square feet.
- Average rent per square foot for market rate rentals is \$1.50 with studios being the highest at \$1.85 and two-bedroom plus den units being the lowest at \$1.20 rent per square foot.

Affordable

- There are two general occupancy affordable properties in Ramsey with 101 total units. There were two vacant units as of June 2019.
- Typically, tax credit rental properties should be able to maintain vacancy rates of 3% or less in most housing markets. The lack of vacancies for tax credit housing units indicates a need for additional housing of this type.

RENTAL MARKET ANALYSIS

- Both properties have come online in the last few years, Sunwood Village opened in 2016 while Greenway Terrace Apartments opened in 2018.

RENTAL MARKET ANALYSIS

**TABLE R-3
SELECT GENERAL OCCUPANCY RENTAL DEVELOPMENT SURVEY
CITY OF RAMSEY
JUNE 2019**

Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent	Rent per Square Foot	Amenities/Comments
Affordable							
Greenway Terrace Apts. 7562 146th Ave NW Ramsey, MN	2018	54 0 0.0%	6 - 1BR 21 - 2BR 21 - 3BR 6 - 4BR	685 - 724 951 - 1,124 1,124 - 1,225 1,470 - 1,479	\$807 - \$807 \$966 - \$966 \$1,113 - \$1,427 \$1,670 - \$1,670	\$1.11 - \$1.18 \$0.86 - \$1.02 \$0.99 - \$1.16 \$1.13 - \$1.14	Off Street Parking, Laundry Facilities, Fitness Center, BBQ/Picnic Area, Playground, Community Room, Dishwasher, Walk-in Closets (Some Units), Garden Plots.
Sunwood Village 7750 NW Sunwood Dr Ramsey, MN	2016	47 2 4.3%	9 - 1BR 26 - 2BR 12 - 3BR	703 - 752 892 - 902 1,095 - 1,116	\$674 - \$674 \$783 - \$783 \$925 - \$925	\$0.90 - \$0.96 \$0.87 - \$0.88 \$0.83 - \$0.84	Laundry Facilities, Community Room, Dishwasher, Playground, Located Near NorthStar Commuter Rail, Computer Room, 60% AMI.
Affordable Total		101	2	2.0%			
Market Rate							
Park View East Apts. 14450 Rhinestone St Ramsey, MN	2017	121 5 4.1%	46 - 1BR 57 - 2BR 18 - 3BR	672 - 848 948 - 1,103 1,287 - 1,428	\$1,040 - \$1,240 \$1,390 - \$1,690 \$1,740 - \$2,040	\$1.46 - \$1.55 \$1.47 - \$1.53 \$1.35 - \$1.43	Clubhouse, Fitness Center, Playground, Dog Park & Indoor Washing Station, Surface Parking & Detached Parking Garage, Patio/Balcony, In-Unit Washer & Dryer.
The Residence at the COR 7700 Sunwood Dr NW Ramsey, MN	2015	230 7 3.0%	42 - Studio 69 - 1BR 1 - 1BR + D 98 - 2BR 15 - 2BR + D 5 - 3BR	546 - 642 676 - 793 1,039 - 1,039 976 - 1,236 1,598 1,598 1,598 1,598	\$1,085 - \$1,130 \$1,180 - \$1,310 \$1,335 - \$1,335 \$1,680 - \$1,720 \$1,920 - \$1,920 \$2,047 - \$2,047	\$1.76 - \$1.99 \$1.65 - \$1.75 \$1.28 - \$1.28 \$1.39 - \$1.72 \$1.20 - \$1.20 \$1.28 - \$1.28	Outdoor Pool, Resident Lounge, 24-Hour Fitness Center, Clubhouse, Bike Storage, Coffee Station, Electric Car Charging Station, Gameroom, Tanning Bed, Courtyard, BBQs, In-Unit Washer & Dryer, Walk-In Closets In Some Units, Patio/Balcony, Dishwasher.
Terrace Hill Apts. 14320 Dysprosium St NW Ramsey, MN	2008	63 2 3.2%	40 - 1BR 16 - 2BR 7 - 3BR	762 - 878 966 - 1,161 1,323 - 1,323	\$1,425 - \$1,425 \$1,360 - \$1,430 \$1,795 - \$1,795	\$1.62 - \$1.87 \$1.23 - \$1.41 \$1.36 - \$1.36	Surface and garage parking, rent includes heat, garbage, water, and sewer, fitness center, club room.
Rivers Bend Apts. 13929 St Francis Blvd NW Ramsey, MN	1988	32 0 0.0%	1 - Studio 15 - 1BR 15 - 2BR 1 - 3BR	478 - 478 735 - 735 740 - 956 2,160 - 2,160	\$650 - \$650 \$740 - \$760 \$810 - \$920 \$1,300 - \$1,300	\$1.36 - \$1.36 \$1.01 - \$1.03 \$0.96 - \$1.09 \$0.60 - \$0.60	Surface and underground garage parking, common area laundry facilities, extra storage available, patio/blcony.
Market Rate Total		446	14	3.1%			
City of Ramsey Rental Housing Total		547	16	2.9%			
Source: Maxfield Research & Consulting, LLC							

RENTAL MARKET ANALYSIS

TABLE R-4
COMMON AREA FEATURES/AMENITIES
SELECT GENERAL OCCUPANCY RENTAL DEVELOPMENT SURVEY
CITY OF RAMSEY
JUNE 2019

Projects	In Unit/Common Area Amenities										Utilities and Parking							
	Air Conditioning	Dishwasher	Patio/Balcony	Walk-in Closet	Laundry	Elevator	Community Room	Fitness Center	Playground	Pool	Extra Storage Space	Heat/Gas	Electricity	Water/Sewer	Trash	Cable	Parking	Parking Fee (per month)
Affordable																		
Greenway Terrace Apts.	CA	Y	S	S	C	Y	Y	Y	Y	N	Y	I		I	I		O	--
Sunwood Village	CA	Y	N	S	C	Y	Y	N	Y	N	Y	I		I	I		O	--
Market Rate Rental																		
Park View East Apts.	W	Y	Y	S	IU	Y	Y	Y	Y	N	Y	I		I	I		O, AG, DG	\$80-\$120
The Residence at the COR	CA	Y	Y	S	IU	Y	Y	Y	N	Y	Y						O, AG	--
Terrace Hill Apts.	W	Y	Y	S	IU	Y	Y	Y	N	N	Y	I		I	I		O, DG	\$70-\$90
Rivers Bend Apts.	W	Y	Y	S	C	Y	Y	N	N	N	Y	I		I	I		O, UG	\$50
Y=Available, N=Not Available; I=Included; CA=Central Air; W=Wall unit; S=Some units; DG=Detached Garage; UG=Underground; AG=Attached Garage; O=Off-street; IU=In-unit; C=Common																		
Note: Some properties were unable to verify amenities on the phone. Maxfield has updated any remaining information from third party sources.																		
Source: Maxfield Research & Consulting, LLC																		

RENTAL MARKET ANALYSIS

R-5 SURVEYED UNIT TYPE SUMMARY SELECT GENERAL OCCUPANCY RENTAL DEVELOPMENT SURVEY CITY OF RAMSEY JUNE 2019					
Market Rate			Monthly Rents		
Unit Type	Total Units	% of Total	Range Low - High	Avg. Rent	Avg. Rent/ Sq. Ft.
Studio	43	10%	\$650 - \$1,130	\$1,097	\$1.85
1BR	170	38%	\$740 - \$1,425	\$1,215	\$1.60
1BR/D	1	0%	\$1,335 \$1,335	\$1,335	\$1.28
2BR	186	42%	\$810 - \$1,720	\$1,557	\$1.47
2BR/D	15	3%	\$1,920 \$1,920	\$1,920	\$1.20
3BR	31	7%	\$1,300 - \$2,047	\$1,875	\$1.33
Total:	446	100%	\$650 - \$2,047	\$1,416	\$1.50
Vacant:	14	3.1%			

Affordable			Monthly Rents		
Unit Type	Total Units	% of Total	Range Low - High	Avg. Rent	Avg. Rent/ Sq. Ft.
1BR	15	15%	\$674 - \$807	\$727	\$1.01
2BR	47	47%	\$783 - \$966	\$865	\$0.90
3BR	33	33%	\$925 - \$1,427	\$1,145	\$1.00
4BR	6	6%	\$1,670 - \$1,670	\$1,670	\$1.14
Total:	101	100%	\$674 - \$1,670	\$984	\$0.97
Vacant:	2	2.0%			

* This table includes data from rental developments that provided complete survey information

Source: Maxfield Research & Consulting, LLC

General Occupancy Multifamily Rental Housing Properties



Terrace Hill Apartment
14320 Dysprosium Street NW



Parkview East Apartments
14450 Rhinestone Street



Sunwood Village
7750 NW Sunwood Drive



Greenway Terrace Apartments
7562 146th Avenue NW

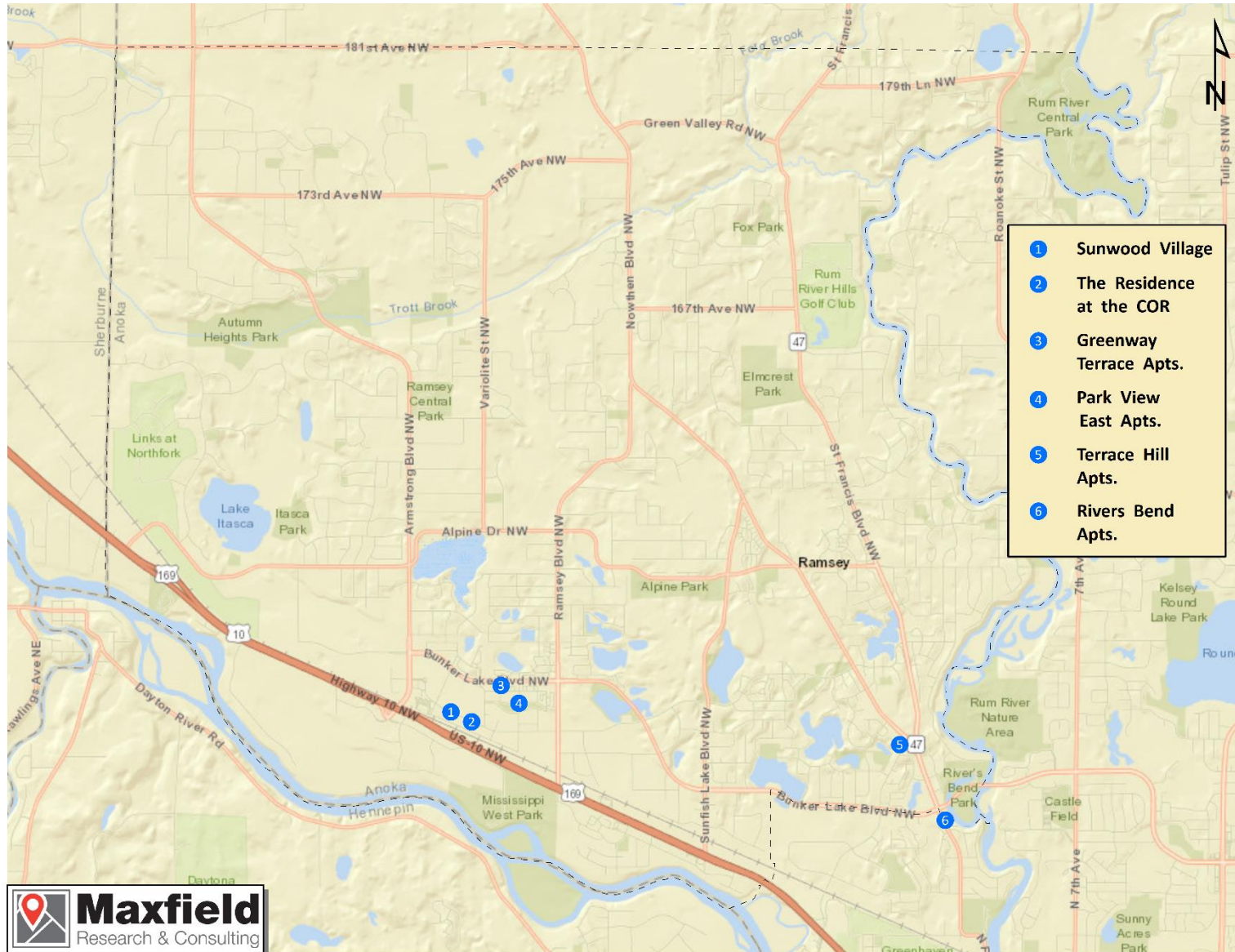


The Residence at the COR
7700 Sunwood Drive NW



Rivers Bend Apartments
13929 St. Francis Boulevard NW

General Occupancy Multifamily Rental Housing Properties



Licensed Rental Ordinance

The City of Ramsey has an ordinance that requires the licensing of all rental properties in the community. The ordinance is designed to ensure all rental properties meet local building and fire safety codes. The rental ordinance requires that all landlords or owners register all rental housing units (from single-family homes to traditional multifamily apartment buildings) and apply for a rental dwelling license. The city issues a new license every year and will automatically renew a license for up to two years after the initial issue date providing there are no confirmed violations of the city code. On the fourth year, a full license renewal must take place. In addition, initial inspection and periodic inspections will occur in order to ensure code requirements are met.

Rental Housing Comparison

Table R-6 includes select affordable and market rate properties in neighboring communities. These properties were selected based on proximity to Ramsey and mainly includes newer properties. Table R-7 provides a breakdown of unit types and rents among all general-occupancy housing developments identified in Table R-6.

- Select properties were surveyed from Anoka, Champlin, Coon Rapids, and Elk River. Among surveyed market rate properties, the average rent for a one-bedroom unit is \$1,093/month, while the average one-bedroom with affordable rents was \$926/month. Rents range up to \$1,637 for a three-bedroom market rate unit and \$1,277 for a three-bedroom affordable unit.
- Market rate units have an average rent per square foot (PSF) that range from \$1.32 for three-bedroom units to \$1.54 for a one-bedroom plus den unit.
- Vacancy rates among market rate properties was 3.4% and 1.9% for affordable properties. Both are below the market equilibrium of 5%.

RENTAL MARKET ANALYSIS

TABLE R-6 SELECT MARKET RATE & AFFORDABLE APARTMENT PROPERTIES NEIGHBORING COMMUNITIES JUNE 2019										
SELECT AFFORDABLE PROPERTIES IN NEIGHBORING COMMUNITIES										
Project Name/Location	Occp. Date	No. of Units	Total Vacant	Unit Description			Monthly Rent		Rent/sq. ft.	
				Type	No.	Size	Min	Max	Min	Max
Coachman Ridge 17250 Twin Lake Elk River, MN	2015	52	0	1BR	9	701 - 738	\$790	\$790	\$1.07	\$1.13
		vac. rate:	0.0%	2BR	26	1,018 - 1,018	\$945	\$945	\$0.93	\$0.93
				3BR	17	1,242 - 1,242	\$1,080	\$1,080	\$0.87	\$0.87
Amenities/Notes: In-unit washer and dryer, dishwasher, water/sewer, garbage, and heat included. Underground parking included. Elevator, business center, fitness center, community room, and playground.										
The Depot of Elk River Station 10653 172nd Avenue NW Elk River, MN	2011	53	0	1BR	11	796 - 796	\$845	\$845	\$1.06	\$1.06
		vac. rate:	0.0%	2BR	26	1,097 - 1,134	\$1,013	\$1,013	\$0.89	\$0.92
				3BR	16	1,309 - 1,332	\$1,134	\$1,134	\$0.85	\$0.87
Amenities/Notes: In-unit washer and dryer, dishwasher, water/sewer, garbage, and heat included. Underground parking included. Elevator, business center, fitness center, community room, and playground.										
Northstar Ridge Apts. 10060 Dogwood Street Coon Rapids, MN	2000	37	0	1BR	6	868 - 868	\$919	\$1,040	\$1.06	\$1.20
		vac. rate:	0.0%	2BR	17	965 - 1,095	\$1,115	\$1,195	\$1.09	\$1.16
				3BR	14	1,386 - 1,386	\$1,283	\$1,450	\$0.93	\$1.05
Amenities/Notes: Dishwasher, in-unit washer and dryer, walk-in closets, garage included, patio/balcony, playground, market rate and affordable units available.										
Woodland Park 2614 Cutters Grove Avenue Anoka, MN	1993	90	2	1BR	5	624 - 624	\$1,018	\$1,018	\$1.63	\$1.63
		vac. rate:	2.2%	2BR	39	810 - 884	\$1,216	\$1,216	\$1.38	\$1.50
				3BR	46	1,000 - 1,248	\$1,401	\$1,401	\$1.12	\$1.40
Amenities/Notes: Surface parking and detached garages, laundry facilities, renovated clubhouse, picnic area, playground, community room, fitness center, volleyball court, utilities included: heat, water, sewer, and trash.										
Elm Creek Apts. 11719 Champlin Drive Champlin, MN	1990	144	4	1BR	54	550 - 720	\$1,018	\$1,018	\$1.41	\$1.85
		vac. rate:	2.8%	2BR	60	920 - 950	\$1,004	\$1,216	\$1.09	\$1.28
				3BR	30	1,150 - 1,200	\$1,401	\$1,401	\$1.17	\$1.22
Amenities/Notes: Surface and garage parking, community room with lounge area, community kitchen, playground, volleyball and basketball courts, walk-in closets in some units, patio/balcony, dishwasher, in-unit washer and dryer in select units, laundry facilities. Utilities included: water, sewer, heat, and trash.										
Rainbow Plaza Apts. 820 W Main Street Anoka, MN	1989	105	3	1BR	75	624 - 794	\$895	\$915	\$1.15	\$1.43
		vac. rate:	2.9%	2BR	30	936 - 936	\$1,050	\$1,050	\$1.12	\$1.12
Amenities/Notes: Balcony/patio, laundry facilities, surface parking, dishwasher., close to public transportation, short term leases available.										
Affordable Total		481	9	1.9% Vacancy Rate						
Source: Maxfield Research & Consulting, LLC										

RENTAL MARKET ANALYSIS

TABLE R-6 SELECT MARKET RATE & AFFORDABLE APARTMENT PROPERTIES NEIGHBORING COMMUNITIES JUNE 2019										
SELECT MARKET RATE PROPERTIES IN NEIGHBORING COMMUNITIES										
Project Name/Location	Occp. Date	No. of Units	Total Vacant	Unit Description			Monthly Rent		Rent/sq. ft.	
				Type	No.	Size	Min	Max	Min	Max
Homes on the River 2022 N Ferry Street Anoka, MN	2015 Reno. 2017	31 vac. rate:	1 3.2%	1BR	28	606 - 805	\$799 - \$799	\$0.99 - \$1.32		
Amenities/Notes: Surface Paring and Detached Garage, In-Unit Washer & Dryer, Dishwasher, Balconies, Patios, Heat Included.										
Granite Shores 633 Main Street Elk River, MN	2008 Reno. 2013	67 vac. rate:	1 1.5%	1BR	27	737 - 1,081	\$1,309 - \$1,519	\$1.41 - \$1.78		
Amenities/Notes: Three story apartments, first floor retail. 24-hour fitness center, pet washing station, underground parking, additional storage space, balcony, clubhouse, and in-unit washer and dryer.										
Northstar Ridge Apts. 10060 Dogwood Street Coon Rapids, MN	2000	19 vac. rate:	1 5.3%	1BR	3	868 - 868	\$919 - \$1,040	\$1.06 - \$1.20		
Amenities/Notes: Dishwasher, in-unit washer and dryer, walk-in closets, garage included, patio/balcony, playground, market rate and affordable units available.										
Meadows of Coon Rapids 1770 121st Avenue NW Coon Rapids, MN	1992	148 vac. rate:	5 3.4%	1BR	103	500 - 856	\$935 - \$1,245	\$1.45 - \$1.87		
Amenities/Notes: Surface and garage parking, playground, clubhouse, BBQ/picnic area, basketball court, dishwasher, patio/balcony, laundry facilities.										
Wedgewood Park Apts. 3393 Northdale Boulevard NW Coon Rapids, MN	1991	105 vac. rate:	2 1.9%	1BR	42	774 - 774	\$1,025 - \$1,165	\$1.32 - \$1.51		
Amenities/Notes: BBQ/grilling area, outdoor pool, dishwasher, extra storage available, fitness center, playground, community room, in-unit washer and dryer.										
Wellington Ridge 9787 Palm St NW Coon Rapids, MN	1991 Reno. 2009	105 vac. rate:	5 4.8%	1BR	42	565 - 702	\$949 - \$1,091	\$1.55 - \$1.68		
Amenities/Notes: Surface and garage parking, basketball court, community room, laundry facilities, playground, dishwasher, extra storage available, patio/balcony.										
Cutters Grove Apts. 2901 Cutters Grove Avenue Anoka, MN	1989	238 vac. rate:	9 3.8%	1BR	103	810 - 945	\$1,110 - \$1,400	\$1.37 - \$1.48		
Amenities/Notes: Car wash, basketball court, BBQ grilling area, patio/balcony, outdoor pool, surface and underground garage parking, dishwasher, laundry facilities.										
Market Rate Total		713	24	3.4%	Vacancy Rate					
Source: Maxfield Research & Consulting, LLC										

RENTAL MARKET ANALYSIS

TABLE R-7 UNIT TYPE SUMMARY SELECT GENERAL OCCUPANCY RENTAL DEVELOPMENTS NEIGHBORING COMMUNITIES JUNE 2019						
AFFORDABLE UNITS						
Unit Type	Total Units	% of Total	Avg. Size	Monthly Rents		
				Range Low - High	Avg. Rent	Avg. Rent/ Sq. Ft.
1BR	160	33.3%	725	\$790 - \$1,040	\$926	\$1.28
2BR	198	41.2%	980	\$945 - \$1,216	\$1,082	\$1.10
3BR	123	25.6%	1,250	\$1,080 - \$1,450	\$1,277	\$1.02
Total:	481	100%	985	\$790 - \$1,450	\$1,095	\$1.11
MARKET RATE UNITS						
Unit Type	Total Units	% of Total	Avg. Size	Monthly Rents		
				Range Low - High	Avg. Rent	Avg. Rent/ Sq. Ft.
1BR	348	48.8%	778	\$799 - \$1,519	\$1,093	\$1.41
1BR + D	5	0.7%	1,021	\$1,529 - \$1,619	\$1,574	\$1.54
2BR	304	42.6%	1,015	\$1,115 - \$1,879	\$1,360	\$1.34
3BR	56	7.9%	1,245	\$1,283 - \$1,990	\$1,637	\$1.32
Total:	713	100%	1,015	\$799 - \$1,990	\$1,416	\$1.40
Source: Maxfield Research & Consulting, LLC						

See the *Planned and Proposed Housing Developments* on Page 120 for a summary of under construction and pending multifamily rental housing in the City of Ramsey.

Senior Housing Defined

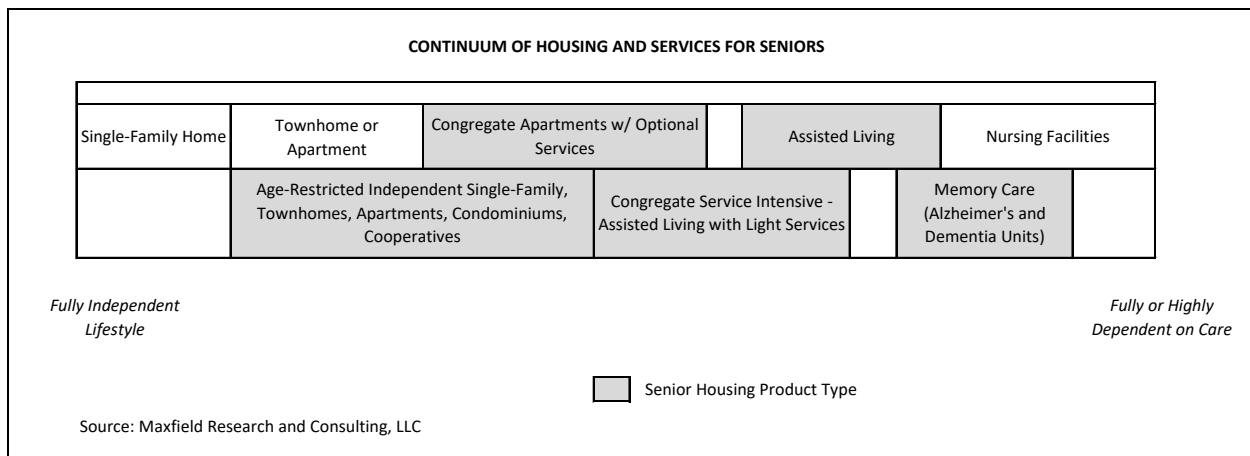
The term “senior housing” refers to any housing development that is restricted to people age 55 or older. Today, senior housing includes an entire spectrum of housing alternatives, which occasionally overlap, thus making the differences somewhat ambiguous. However, the level of support services offered best distinguishes them. Maxfield Research and Consulting LLC classifies senior housing projects into five categories based on the level of support services offered:

- ▶ **Active Adult** properties (or independent living without services available) are similar to a general-occupancy building, in that they offer virtually no services but have age-restrictions (typically 55 or 62 or older). Organized activities and occasionally a transportation program are usually all that are available at these properties. Because of the lack of services, active adult properties typically do not command the rent premiums of more service-enriched senior housing. Active adult properties can have a rental or owner-occupied (condominium or cooperative) format.
- ▶ **Congregate** properties (or independent living with services available) offer support services such as meals and/or housekeeping, either on an optional basis or a limited amount included in the rents. These properties typically dedicate a larger share of the overall building area to common areas, in part, because the units are smaller than in adult housing and in part to encourage socialization among residents. Congregate properties attract a slightly older target market than adult housing, typically seniors age 75 or older. Rents are also above those of the active adult buildings, even excluding the services. Sponsorship by a nursing home, hospital or other health care organization is common.
- ▶ **Assisted Living** properties come in a variety of forms, but the target market for most is generally the same: very frail seniors, typically age 80 or older (but can be much younger, depending on their particular health situation), who are in need of extensive support services and personal care assistance. Absent an assisted living option, these seniors would otherwise need to move to a nursing facility. At a minimum, assisted living properties include two meals per day and weekly housekeeping in the monthly fee, with the availability of a third meal and personal care (either included in the monthly fee or for an additional cost). Assisted living properties also have either staff on duty 24 hours per day or at least 24-hour emergency response.
- ▶ **Memory Care** properties, designed specifically for persons suffering from Alzheimer’s disease or other dementias, is one of the newest trends in senior housing. Properties consist mostly of suite-style or studio units or occasionally one-bedroom apartment-style units, and large amounts of communal areas for activities and programming. In addition, staff typically undergoes specialized training in the care of this population. Because of the greater amount of individualized personal care required by residents, staffing ratios are much higher than traditional assisted living and thus, the costs of care are also higher. Unlike conventional assisted living, however, which deals almost exclusively with widows or widowers, a higher proportion of persons afflicted with Alzheimer’s disease are in two-

SENIOR HOUSING MARKET ANALYSIS

person households. That means the decision to move a spouse into a memory care facility involves the caregiver’s concern of incurring the costs of health care at a special facility while continuing to maintain their home.

- ▶ **Skilled Nursing Care**, or long-term care facilities, provides a living arrangement that integrates shelter and food with medical, nursing, psychosocial and rehabilitation services for persons who require 24-hour nursing supervision. Residents in skilled nursing homes can be funded under Medicare, Medicaid, Veterans, HMOs, insurance as well as use of private funds.



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

Senior Housing in Ramsey

As of June 2019, Maxfield Research identified two senior housing developments in Ramsey. These properties contain a total of 122 units. There are seven vacancies resulting in an overall vacancy rate of 5.7% for senior housing developments. The equilibrium vacancy rate for senior housing is considered to be between 5% and 7%.

Table S-1 provides information on the senior housing properties and includes information on year built, number of units, unit mix, number of vacant units, rents, and general comments about each project.

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

Market Rate Active Adult (Rental)

- *Savannah Oaks of Ramsey* is the only active adult rental project in Ramsey. As of June 2019, there was no vacancies and had a waitlist of up to two and a half years. This property has 50 units and is a 55+ community.
- Units at *Savannah Oaks of Ramsey* have rents that range from \$872 for a one-bedroom to \$1,262 for a two-bedroom unit.

Assisted Living

- There is one facility offering assisted living services in Ramsey, *Stoney River of Ramsey*. As of June 2019, there were 5 vacancies across 48 total assisted living units, for a vacancy rate of 10.4%.
- Market rate basic service rents range from \$3,850 for a studio apartment to \$5,900 for a one-bedroom unit. Additional cost is based on service level needed, this can range from \$400 for level one to \$1,900 for level four.

Memory Care

- *Stoney River of Ramsey* is also the lone facility offering memory care services in Ramsey. As of June 2019, there were 2 vacant units across 24 total memory care units, for a vacancy rate of 8.3%.
- Basic market rate rents for memory care range from \$3,700 for a shared suite to \$5,100 for a private studio unit. There is additional cost based on service level needed. Some features include daily exercise and programs, dining, and common areas for recreation.

SENIOR HOUSING MARKET ANALYSIS

TABLE S-1
SENIOR HOUSING PROJECTS
CITY OF RAMSEY
JUNE 2019

Project Name/City	Year Built	No. of Units	No. Vacant	No.	Type	Sizes	Monthly Rent/ Sale Price	Rent/Sales price/PSF Min - Max	Services/Amenities/Comments
Market Rate Active Adult									
Savannah Oaks of Ramsey	1999	50	0	18 - 1BR		705 - 705	\$872 - \$872	\$1.24 - \$1.24	55+ property, elevator, in-unit washer & dryer, surface & underground garage (\$40/month) parking, storage space available, library, community room with kitchen, outdoor deck with grill, planned events/ activities, community garden, private balconies. Rent includes heat, water sewer, recycling, and trash. 2 to 2.5 year
14351 Dysprosium St NW			0.0%	20 - 1BR + D		908 - 956	\$999 - \$1,033	\$1.08 - \$1.10	
Ramsey, MN				12 - 2BR		1020 - 1020	\$1,262 - \$1,262	\$1.24 - \$1.24	
Assisted Living									
Stoney River of Ramsey	2015	48	5	8 - Studio		349 - 349	\$3,850 - \$4,250	\$11.03 - \$12.18	Salon, three meals daily + snacks, scheduled transportation, planned activities & outings, 24-hour car & emergency call system, weekly housekeeping & laundry, all utilities included except phone, basic cable included, whirlpool spa, medication management. Care Levels range from I (\$400) to IV (\$1,900). 1BR units include 1BR + Companion/1BR Deluxe suites.
14401 Nowthen Blvd NW			10.4%	40 - 1BR		533 - 845	\$4,500 - \$5,900	\$6.98 - \$8.44	
Ramsey, MN									
Memory Care									
Stoney River of Ramsey	2015	24	2	18 - Private Suite		280 - 280	\$5,100 - \$5,100	\$18.21 - \$18.21	Located in secure memory care wing. Salon, three meals daily + snacks, scheduled transportation, planned activities & outings, 24-hour car & emergency call system, weekly housekeeping & laundry, all utilities included except phone, basic cable included, whirlpool spa, medication management.
14401 Nowthen Blvd NW			8.3%	6 - Shared Suite		357 - 357	\$3,700 - \$3,700	\$10.36 - \$10.36	
Ramsey, MN									

Source: Maxfield Research & Consulting, LLC

Senior Housing Properties

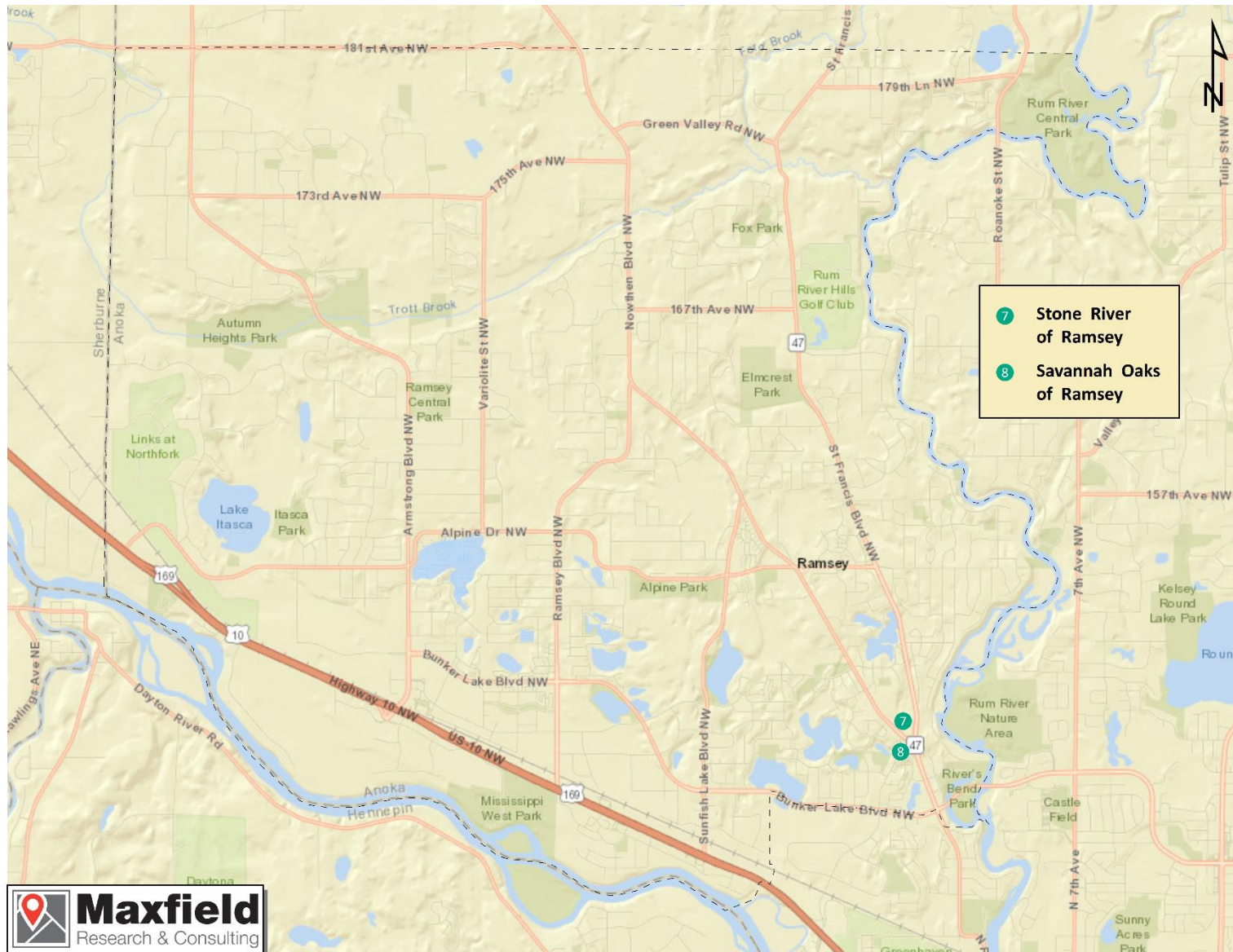


Stoney River of Ramsey
14401 Nowthen Boulevard NW



Savannah Oaks of Ramsey
14351 Dysprosium Street NW

Senior Housing Properties



See the *Planned and Proposed Housing Developments* on Page 120 for a summary of recently completed and pending senior housing in the City of Ramsey.

Senior Housing Comparison

Table S-2 provide a comparison on senior housing and demographics in Ramsey compared to neighboring peer cities in the Metro Area.

- Compared to other surveyed peer cities, the City of Ramsey has the highest percentage of people 65 years or older, which account for 19% of the total population in Ramsey. The City of Anoka ranked second, with 17.5% of the population 65+.
- In contrast, the City of Ramsey has one of the lowest share of householder ages 65 years or older, accounting for 16.2% of the total households. The City of Champlin had the same share of householders over the age of 64, while the City of Otsego ranked the lowest (12%).
- Seniors in Ramsey are relatively affluent in comparison to seniors in neighboring peer cities. The median household income for seniors ages 65 years and older was \$57,591 in Ramsey. The only cities that ranked higher were the Cities of Corcoran (\$64,205) and Andover (\$61,544).
- Seniors in Ramsey also tend to remain homeowners at later stages in life compared to the neighboring peer cities. 94% of seniors 65 years and older are homeowners. Only Dayton, Hugo, and Otsego have higher percentage of seniors remaining homeowners. This may be due to the lack of other housing options that seniors might find attractive (i.e. active adult rental housing).

SENIOR HOUSING MARKET ANALYSIS

TABLE S-2
SENIOR HOUSING & DEMOGRAPHIC COMPARISON
RAMSEY ANALYSIS AREA

Senior Housing Summary	Ramsey	Andover	Anoka	Blaine	Brooklyn Park	Champlin	Coon Rapids	Corcoran	Dayton	Elk River	Hugo	Otsego	Roger
Total Population (2017)	12,564	32,257	17,374	62,453	79,462	24,209	62,342	5,671	5,238	23,924	14,415	15,630	12,564
Total Households (2017)	8,685	10,513	7,060	22,922	26,928	8,736	23,781	1,979	1,796	8,321	5,293	5,397	4,118
65+ Population (2017)	2,428	3,339	3,034	7,191	8,031	2,253	9,194	666	586	2,758	1,386	1,131	1,365
65+ Pop. Percent of Total	19.3%	10.4%	17.5%	11.5%	10.1%	9.3%	14.7%	11.7%	11.2%	11.5%	9.6%	7.2%	10.9%
65+ Households (2017)	452	547	367	1,192	1,400	454	1,237	103	93	433	275	281	214
65+ HHs Percent of Total	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%
Median Household Income (2017)													
65 years and older	\$57,591	\$61,544	\$37,208	\$46,934	\$48,570	\$54,891	\$48,455	\$64,205	\$53,250	\$36,544	\$52,404	\$41,886	\$43,974
Homeownership Rate (2017)													
65 years and older	94%	86%	60%	86%	84%	87%	82%	92%	100%	77%	95%	98%	61%
75 years and older	94%	67%	57%	75%	73%	76%	73%	82%	100%	68%	93%	83%	45%

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

Introduction

Maxfield Research & Consulting, LLC analyzed the for-sale housing market in Ramsey by analyzing data on single-family and multifamily home sales and active listings, condominium developments, and lender-mediated sales.

Overview of For-Sale Housing Market Conditions

Table FS-1 presents home resale data on single-family and multifamily housing in Ramsey from 2000 through 2018. The data was obtained from the Regional Multiple Listing Services of Minnesota and shows annual number of sales, median and average pricing, average days on market, cumulative days on market, and percentage of sales that are lender-mediated (i.e. short-sale or foreclosure). It should be noted that lender-mediated sales were not categorized until July 2008 and the cumulative days on market were not calculated until 2006.

Table FS-1 breaks down resale activity from Table FS-2 into single-family and multifamily resales. The following are key points observed from our analysis of this data.

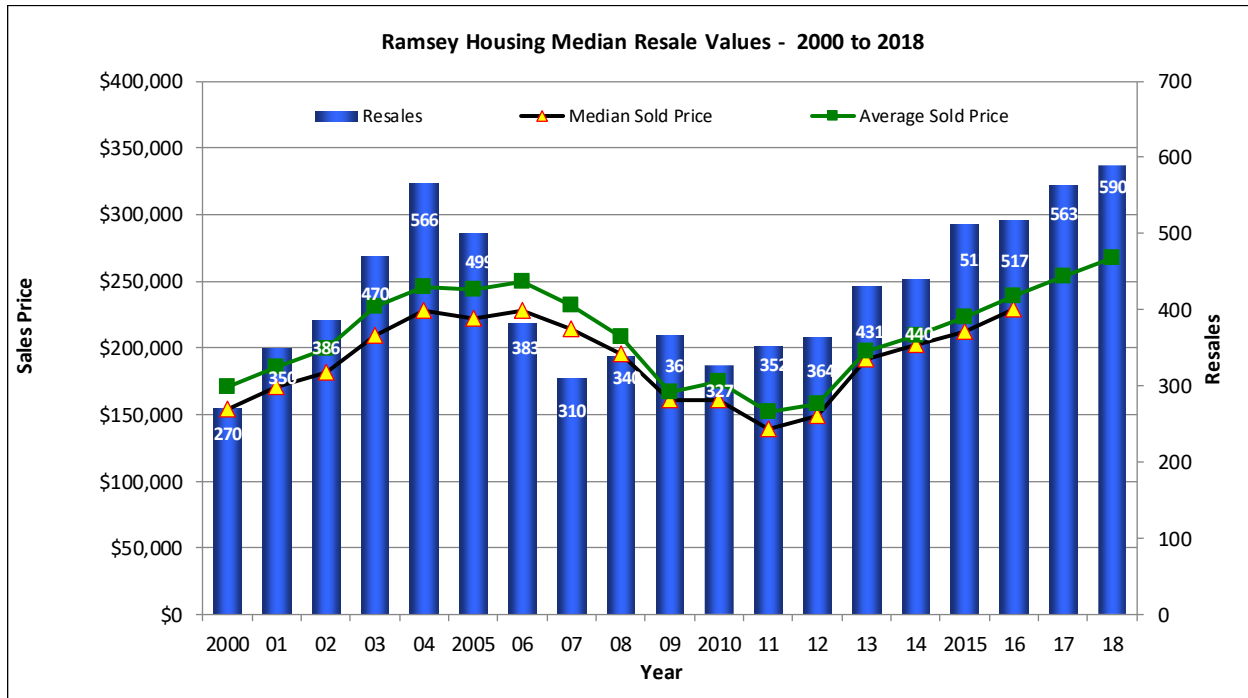
- Like across the Twin Cities Metro Area and the nation, pricing in Ramsey reached a high point between 2004 and 2007 at the height of the real estate boom. The median sales price reached a high of \$227,882 in 2006 before significantly falling to \$139,517 in 2011. Since 2012, pricing has been steadily recovering and the median sales price in Ramsey reached a new peak of \$259,594 in 2018.
- Between 2000 and 2006, the median sales price increased annually from \$153,733 to \$227,882 a gain of 48%. From 2007 to 2011 the median sales price declined to \$139,517 (35%). However, from 2011 to 2018, the median sales recovered and again increased annually to \$259,594 (86%).
- Sales prices increased the most between 2012 and 2013, with the median sales price rising by 27.8%. While not with the same magnitude, sales prices continued to increase through 2018 and are expected to do so in the future.
- The percentage of lender-mediated properties (short sales and foreclosures) increased annually between 2008 (38.6%) and 2011 (64.2%). However, lender-mediated transactions have been declining since 2011 and accounted for only 3.2% of all resales in 2018. Many communities on the fringe of the Metro Area have at times averaged 50% lender-mediated sales between 2009 and 2011.

FOR-SALE HOUSING ANALYSIS

TABLE FS-1 HOME RESALES RAMSEY 2000 to 2018								
Year	No. Sold	Avg. Sales Price	Avg. % Change	Med. Sales Price	Median % Change	Days on Market Avg.	Days on Market Median	% Lender Mediated²
2000	270	\$170,533	-	\$153,733	-			-
2001	350	\$185,031	8.5%	\$170,951	11.2%			-
2002	386	\$199,224	7.7%	\$181,874	6.4%			-
2003	470	\$231,290	16.1%	\$208,937	14.9%			-
2004	566	\$245,143	6.0%	\$227,621	8.9%			-
2005	499	\$243,992	-0.5%	\$222,010	-2.5%			1.5%
2006	383	\$249,479	2.2%	\$227,882	2.6%			4.4%
2007	310	\$231,622	-7.2%	\$214,095	-6.1%	141	112	13.2%
2008	340	\$207,878	-10.3%	\$195,180	-8.8%	172	139	38.6%
2009	366	\$166,728	-19.8%	\$160,879	-17.6%	144	93	62.3%
2010	327	\$174,102	4.4%	\$161,149	0.2%	127	84	63.9%
2011	352	\$151,492	-13.0%	\$139,517	-13.4%	128	98	64.2%
2012	364	\$157,694	4.1%	\$149,405	7.1%	106	69	55.8%
2013	431	\$196,984	24.9%	\$190,949	27.8%	73	41	33.2%
2014	440	\$208,756	6.0%	\$202,063	5.8%	64	40	22.9%
2015	512	\$223,004	6.8%	\$212,322	5.1%	63	41	13.8%
2016	517	\$239,067	7.2%	\$229,020	7.9%	55	31	9.8%
2017	563	\$253,364	6.0%	\$235,906	3.0%	45	26	3.7%
2018	590	\$267,500	5.6%	\$259,594	10.0%	40	21	3.2%
Total 00'-18'	8,036							
Summary 00' to 18'								
		Change	56.9%	68.9%				
	Average	423	\$210,678	\$197,005		97	66	
² Lender Mediated Properties include foreclosures and short sales. MLS data for this property type began in July 2008.								
Sources: RMLS, Maxfield Research & Consulting, LLC								

FOR-SALE HOUSING ANALYSIS

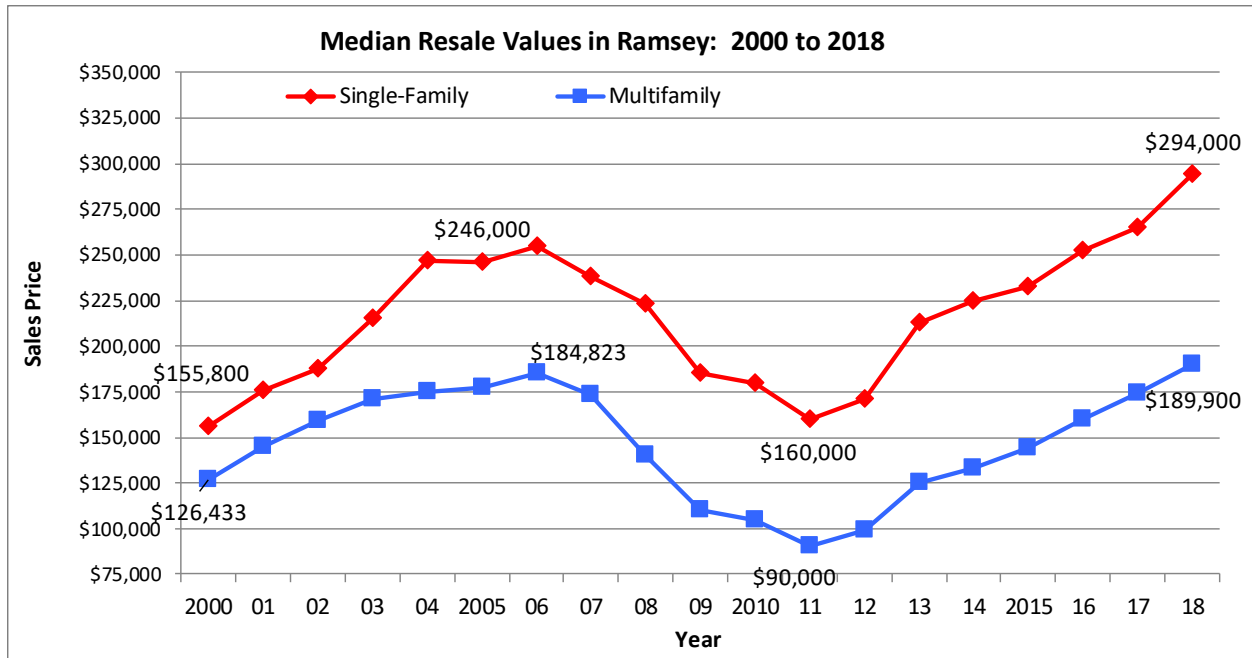
- The days on market also decreased from 2007 to 2018 indicating continued improvement in the Ramsey real estate market. The median days on market in 2018 was only 21 days, indicating a sellers' market.
- The number of resales was highest between 2015 and 2018, averaging 546 resales annually. Resale activity was lowest in 2000 with 270 resales.



- Single-family housing types accounted for about 73% of all resales since 2000. Multifamily resales have been strong the last two years, accounting for 33% of the resales (about 188 resales annually).
- Multifamily for-sale housing is usually priced lower than single-family housing (about 20% less between 2000 and 2018).
- The median resale value for single-family homes has rebounded to over \$290,000. In 2018, the multifamily home value increased to \$189,900, the highest the values have been since the previous peak level in 2006.

FOR-SALE HOUSING ANALYSIS

TABLE FS-2 SINGLE-FAMILY AND MULTIFAMILY RESIDENTIAL REALES RAMSEY MN 2000 through 2018					
Year	Number of Sales	Median Sales Price	% Chg.	Average Sales Price	% Chg.
Single-Family					
2000	251	\$155,800	--	\$173,034	--
2001	293	\$176,000	13.0%	\$192,399	11.2%
2002	305	\$187,900	6.8%	\$209,251	8.8%
2003	406	\$214,900	14.4%	\$240,785	15.1%
2004	414	\$247,000	14.9%	\$268,659	11.6%
2005	325	\$246,000	-0.4%	\$275,060	2.4%
2006	235	\$255,000	3.7%	\$282,808	2.8%
2007	196	\$238,000	-6.7%	\$263,228	-6.9%
2008	226	\$223,064	-6.3%	\$239,784	-8.9%
2009	248	\$184,850	-17.1%	\$191,930	-20.0%
2010	245	\$180,000	-2.6%	\$198,554	3.5%
2011	249	\$160,000	-11.1%	\$176,370	-11.2%
2012	255	\$170,950	6.8%	\$182,667	3.6%
2013	323	\$213,000	24.6%	\$221,504	21.3%
2014	330	\$225,000	5.6%	\$232,974	5.2%
2015	394	\$232,750	3.4%	\$245,673	5.5%
2016	388	\$252,000	8.3%	\$264,133	7.5%
2017	383	\$265,000	5.2%	\$287,562	8.9%
2018	395	\$294,000	10.9%	\$303,901	5.7%
Pct. Change					
00' - 18'	57.4%	0.88703466		0.75630801	
Multifamily**					
2000	19	\$126,433	--	\$137,499	--
2001	57	\$145,000	14.7%	\$147,154	7.0%
2002	81	\$159,185	9.8%	\$161,470	9.7%
2003	64	\$171,110	7.5%	\$171,054	5.9%
2004	152	\$174,840	2.2%	\$181,092	5.9%
2005	174	\$177,202	1.4%	\$185,963	2.7%
2006	148	\$184,823	4.3%	\$196,559	5.7%
2007	114	\$172,995	-6.4%	\$177,281	-9.8%
2008	114	\$139,900	-19.1%	\$144,627	-18.4%
2009	118	\$110,500	-21.0%	\$113,760	-21.3%
2010	82	\$104,825	-5.1%	\$101,046	-11.2%
2011	103	\$90,000	-14.1%	\$91,351	-9.6%
2012	109	\$99,000	10.0%	\$99,271	8.7%
2013	108	\$125,000	26.3%	\$123,651	24.6%
2014	110	\$133,250	6.6%	\$136,103	10.1%
2015	118	\$144,115	8.2%	\$147,314	8.2%
2016	129	\$159,900	11.0%	\$163,673	11.1%
2017	180	\$174,000	8.8%	\$180,597	10.3%
2018	195	\$189,900	9.1%	\$193,764	7.3%
Pct. Change					
00' - 18'	926.3%	0.50198129		0.40920298	
** Multifamily includes twinhomes, townhomes, condominiums, and cooperatives					
Source: RMLS; Maxfield Research & Consulting, LLC					



Home Resales by Price Point

Table FS-3 shows the distribution of sales within nine price ranges from resales in 2018. The graph on the following page visually displays the sales data.

- Approximately 52% of the single-family homes sold in 2018 were priced between \$200,000 and \$300,000; of which over one-third (34.4%) was priced from \$250,000 to \$300,000. However, homes priced from \$300,000 to \$400,000 made-up 38% of all single-family sales in 2018.
- About 55% of the multifamily product sold last year was priced from \$150,000 to \$200,000. Another 37% was priced from \$200,000 to \$250,000; hence over 90% of the multifamily housing sold was between \$150,000 and \$250,000.

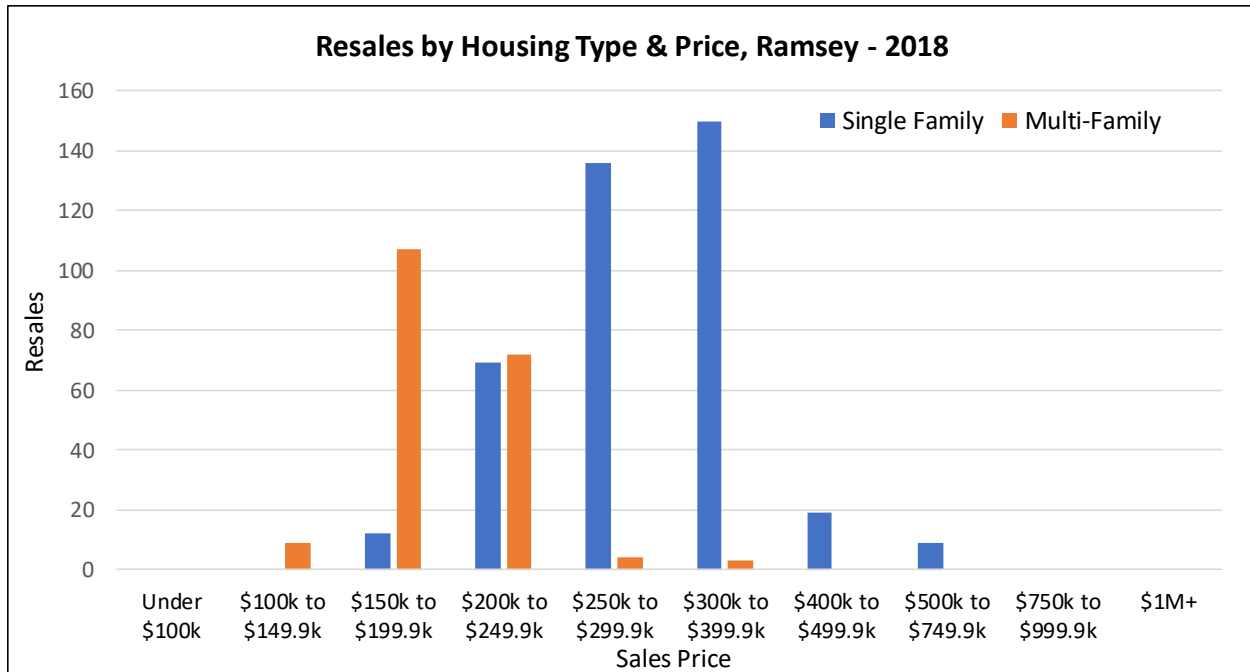
**TABLE FS-3
RESALES BY PRICE POINT
RAMSEY
2018**

Price Range	Ramsey					
	Single-Family		Multifamily ¹		Total	
	No.	Pct.	No.	Pct.	No.	Pct.
< \$99,999	0	0.0%	0	0.0%	0	0.0%
\$100,000 to \$149,999	0	0.0%	9	4.6%	9	1.5%
\$150,000 to \$199,999	12	3.0%	107	54.9%	119	20.2%
\$200,000 to \$249,999	69	17.5%	72	36.9%	141	23.9%
\$250,000 to \$299,999	136	34.4%	4	2.1%	140	23.7%
\$300,000 to \$349,999	93	23.5%	3	1.5%	96	16.3%
\$350,000 to \$399,999	57	14.4%	0	0.0%	57	9.7%
\$400,000 to \$449,999	17	4.3%	0	0.0%	17	2.9%
\$450,000 to \$499,999	2	0.5%	0	0.0%	2	0.3%
\$500,000 to \$749,999	9	2.3%	0	0.0%	9	1.5%
\$750,000 to \$999,999	0	0.0%	0	0.0%	0	0.0%
\$1,000,000 and Over	0	0.0%	0	0.0%	0	0.0%
	395	100%	195	100%	590	100%
Minimum	\$160,000		\$137,000		\$137,000	
Maximum	\$675,000		\$329,144		\$675,000	
Median	\$294,000		\$189,900		\$259,594	
Average	\$303,901		\$193,764		\$267,500	

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

Sources: Regional Multiple Listing Service of Minnesota (RMLS)

Maxfield Research & Consulting, LLC



Home Resales per Square Foot (“PSF”)

Table FS-4 shows the distribution of sales by sales price per square foot (“PSF”) from 2005 to 2018. The sales per square foot metric is simply the sales price of the home divided by the finished square footage. Table FS-5 illustrates PSF pricing between existing homes and new construction in Ramsey, Anoka County, and the Twin Cities Metro Area. The graphs on the following page visually displays the sales data.

- The median and average price per square foot declined significantly between 2005 and 2011. Ramsey’s median price per square foot was \$126 in 2006 before declining to its lowest point in 2011 at \$71 per square foot (-38%). Since 2011 the price per square foot has steadily increase to \$131 per square foot (+84%) as of 2018.
- Ramsey housings costs on a median PSF basis are about 13% less than the Twin Cities Metro Area average. However, Ramsey is closer to Anoka County as housing costs are about 5% than the median PSF cost in Anoka County.
- On average, the price of an existing home in Ramsey is about 24% less than the cost of new construction. During the recession the gap between existing construction and new construction was as high as 50% in 2013. However, since 2015 the gap has shrunk and new construction carries a 20% premium today.

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- New construction in Ramsey has historically been lower than the Metro Area. Since 2005, new construction in Ramsey has been priced about 18% lower. In 2019, the median PSF cost for a new home in Ramsey was \$152 vs. \$174 in the Metro Area.

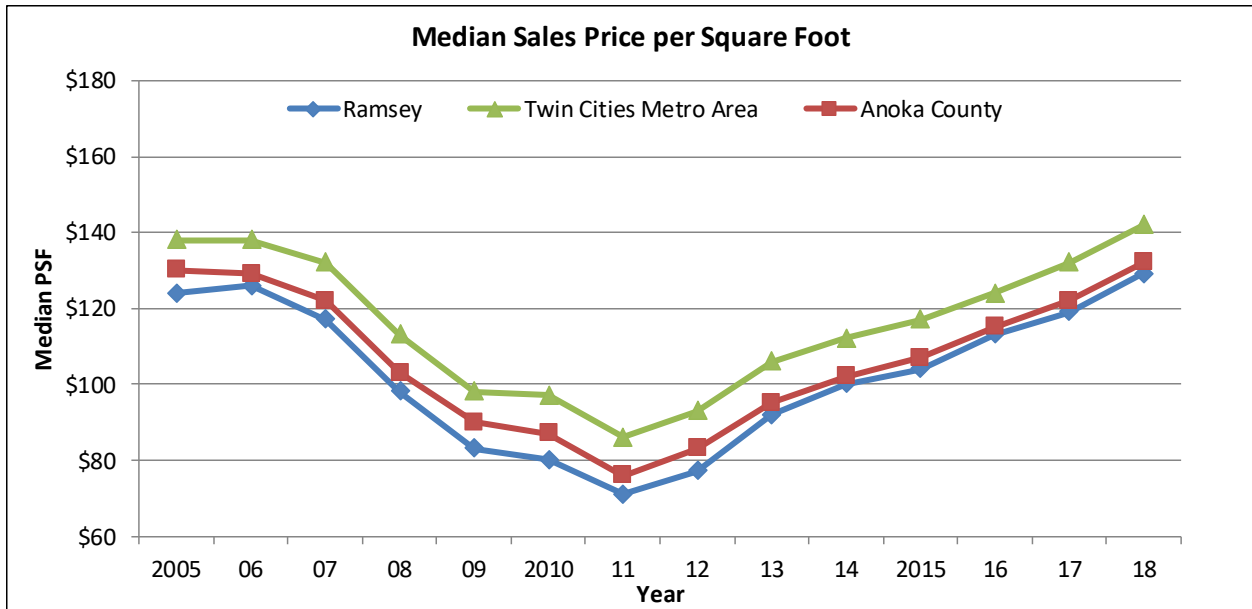
**TABLE FS-4
AVERAGE & MEDIAN SALES PRICE PER SQUARE FOOT (PSF)
RAMSEY, ANOKA COUNTY, AND TWIN CITIES METRO AREA
2005 to 2019 (May)**

Year	Ramsey		Anoka County		Twin Cities Metro Area	
	Avg.	Median	Avg.	Median	Avg.	Median
2005	\$131	\$124	\$137	\$130	\$150	\$138
2006	\$130	\$126	\$136	\$129	\$150	\$138
2007	\$123	\$117	\$128	\$122	\$143	\$132
2008	\$103	\$98	\$106	\$103	\$120	\$113
2009	\$86	\$83	\$92	\$90	\$104	\$98
2010	\$85	\$80	\$91	\$87	\$104	\$97
2011	\$76	\$71	\$79	\$76	\$93	\$86
2012	\$82	\$77	\$86	\$83	\$101	\$93
2013	\$100	\$92	\$98	\$95	\$113	\$106
2014	\$104	\$100	\$106	\$102	\$122	\$112
2015	\$108	\$104	\$112	\$107	\$127	\$117
2016	\$118	\$113	\$119	\$115	\$134	\$124
2017	\$123	\$119	\$128	\$122	\$143	\$132
2018	\$134	\$129	\$138	\$132	\$154	\$142
2019*	\$137	\$131	\$140	\$134	\$157	\$144

* Through May 2019

Note: Twin Cities Metro Area = Twin Cities MSA

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



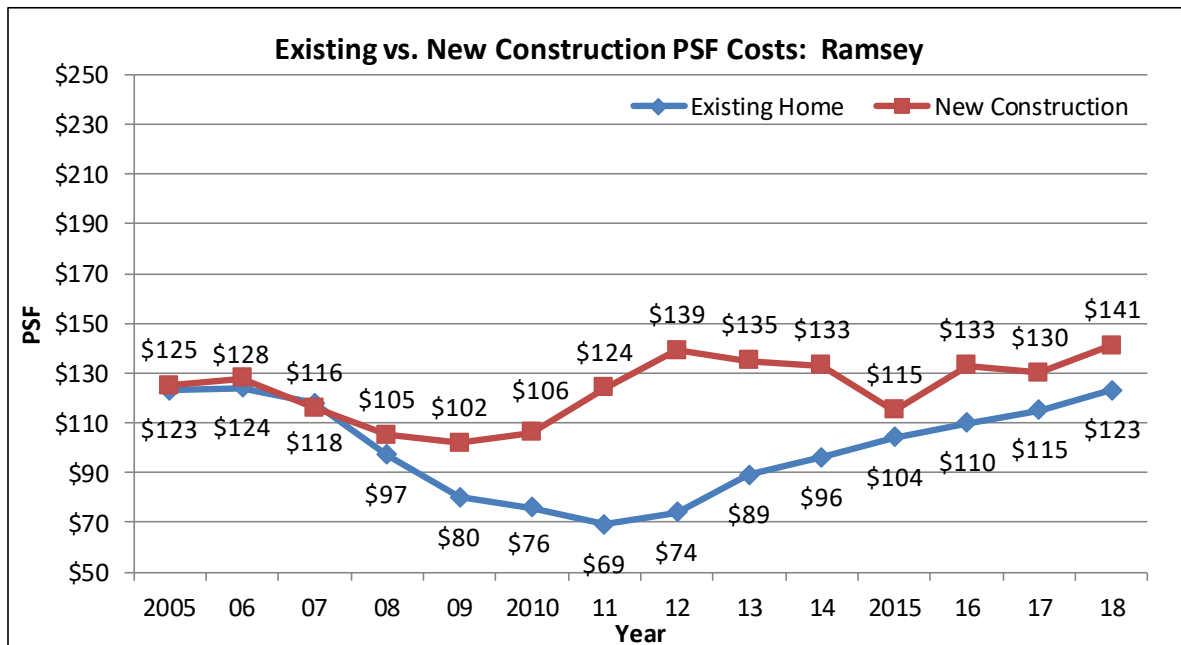
**TABLE FS-5
 MEDIAN SALES PRICE PER SQUARE FOOT (PSF) COMPARISON
 EXISTING HOME VS. NEW CONSTRUCTION
 RAMSEY, ANOKA COUNTY, AND TWIN CITIES METRO AREA
 2005 to 2019 (May)**

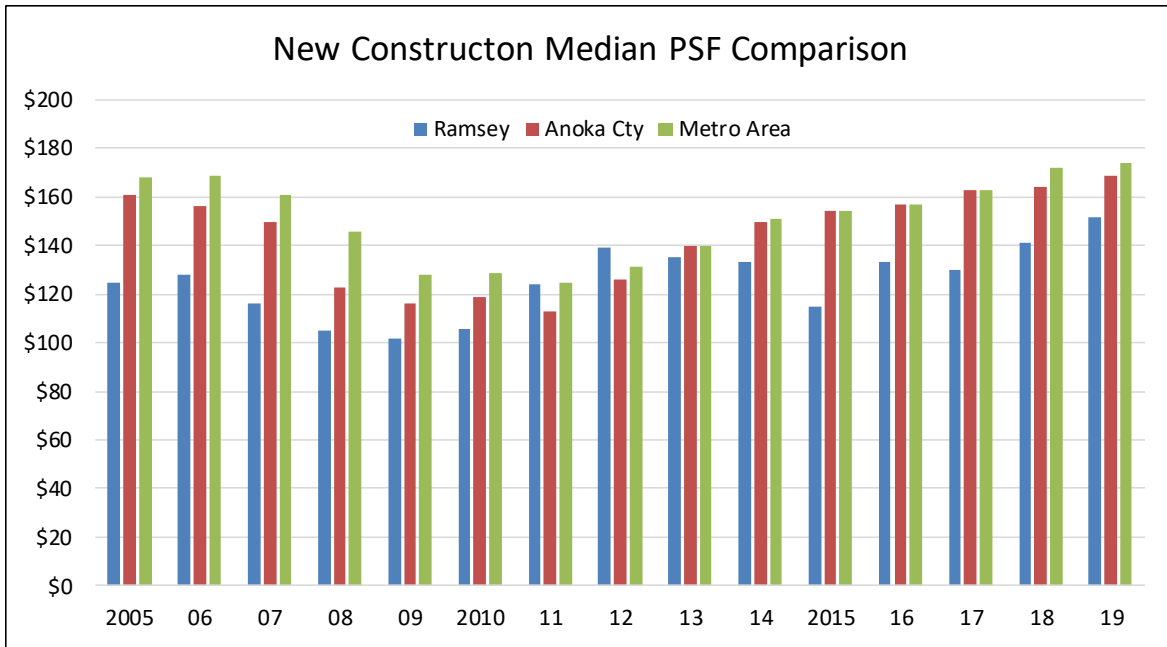
Year	Ramsey		Anoka County		Twin Cities Metro Area	
	Existing Home	New Const.	Existing Home	New Const.	Existing Home	New Const.
2005	\$123	\$125	\$126	\$161	\$135	\$168
2006	\$124	\$128	\$126	\$156	\$135	\$169
2007	\$118	\$116	\$120	\$150	\$130	\$161
2008	\$97	\$105	\$101	\$123	\$111	\$146
2009	\$80	\$102	\$88	\$116	\$96	\$128
2010	\$76	\$106	\$84	\$119	\$95	\$129
2011	\$69	\$124	\$74	\$113	\$84	\$125
2012	\$74	\$139	\$81	\$126	\$91	\$131
2013	\$89	\$135	\$93	\$140	\$103	\$140
2014	\$96	\$133	\$100	\$150	\$110	\$151
2015	\$104	\$115	\$105	\$154	\$115	\$154
2016	\$110	\$133	\$113	\$157	\$122	\$157
2017	\$115	\$130	\$120	\$163	\$130	\$163
2018	\$123	\$141	\$130	\$164	\$139	\$172
2019*	\$127	\$152	\$132	\$169	\$144	\$174

* Through May 2019

Note: Twin Cities Metro Area = Twin Cities MSA

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





Current Supply of Homes on the Market

To more closely examine the current market for available owner-occupied housing in Ramsey, we reviewed the current supply of homes on the market (listed for sale). Tables FS-6 through FS-9 homes shows currently listed for sale in the Ramsey. The data was provided by the Regional Multiple Listing Services of Minnesota and is based on active listings in June 2019. MLS listings generally account for the vast majority of all residential sale listings in a given area.

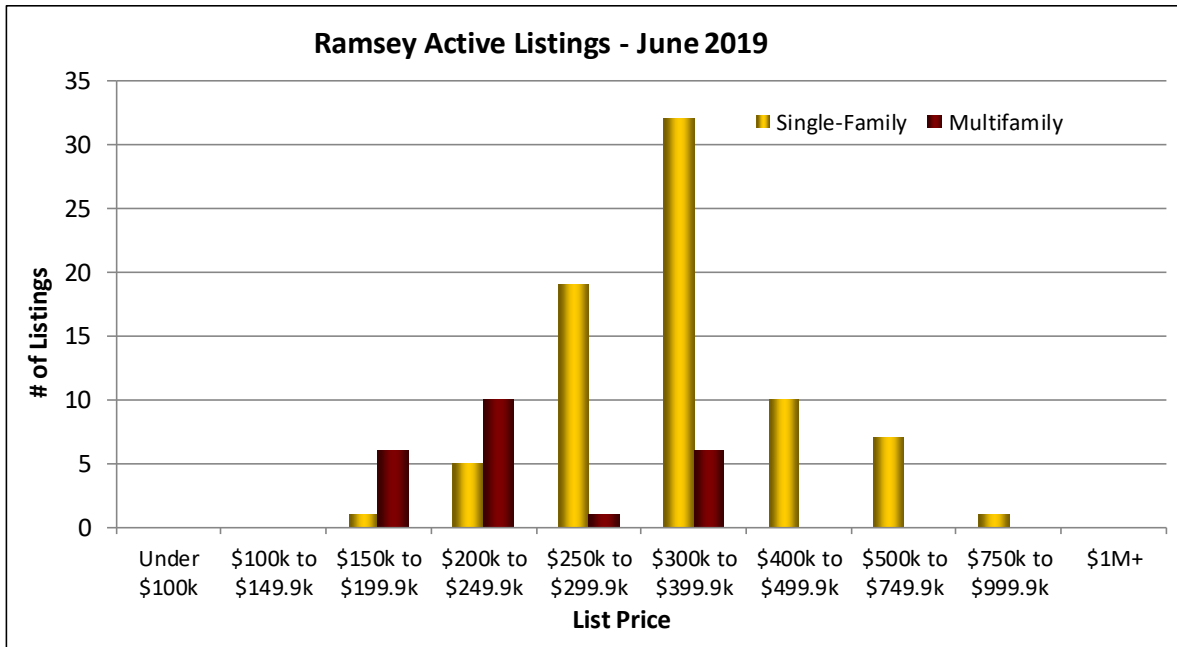
Table FS-6 shows the number of listings by property type (i.e. single-family, town-home/twinhome, or condominium) while Table FS-7 and FS-8 shows listings by home style. Table FS-9 shows the historic supply of actively marketing properties. The following points are key findings from our assessment of the active single-family and multifamily homes listed in the Ramsey.

- Nearly 100 homes were listed for sale in Ramsey as of June 2019. Single-family homes accounted for 77% of all active listings. The majority of the multifamily for-sale product was townhomes and detached townhomes; there were no actively marketing condominiums.
- The median list price in Ramsey was about \$344,000 for single-family homes and \$220,000 for multifamily homes; combined the median sales price across all housing types is about \$315,000. The median sale price is generally a more accurate indicator of housing values in a community than the average sale price. Average sale prices can be easily skewed by a few very high-priced or low-priced home sales in any given year, whereas the median sale price better represents the pricing of a majority of homes in a given market.

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- Based on a median list price of \$315,000 for both single-family and multifamily listings, a household would need an income of about \$75,000 in order to afford to make monthly housing payments of about \$1,875 (assuming a 10% down payment, 3.875% 30-year fixed mortgage, property taxes, insurance, and PMI). A household with significantly more equity (in an existing home and/or savings) could put more than 10% down and afford a higher priced home. About 68% of Ramsey’s non-senior households have annual incomes at or above \$75,000.

TABLE FS-6 HOMES CURRENTLY LISTED FOR-SALE RAMSEY June 2019						
Price Range	Ramsey					
	Single-Family		Multifamily ¹		Total	
	No.	Pct.	No.	Pct.	No.	Pct.
< \$99,999	0	0.0%	0	0.0%	0	0.0%
\$100,000 to \$149,999	0	0.0%	0	0.0%	0	0.0%
\$150,000 to \$199,999	1	1.3%	6	26.1%	7	7.1%
\$200,000 to \$249,999	5	6.7%	10	43.5%	15	15.3%
\$250,000 to \$299,999	19	25.3%	1	4.3%	20	20.4%
\$300,000 to \$349,999	14	18.7%	4	17.4%	18	18.4%
\$350,000 to \$399,999	18	24.0%	2	8.7%	20	20.4%
\$400,000 to \$449,999	7	9.3%	0	0.0%	7	7.1%
\$450,000 to \$499,999	3	4.0%	0	0.0%	3	3.1%
\$500,000 to \$749,999	7	9.3%	0	0.0%	7	7.1%
\$750,000 to \$999,999	1	1.3%	0	0.0%	1	1.0%
\$1,000,000 and Over	0	0.0%	0	0.0%	0	0.0%
	75	100%	23	100%	98	100%
Minimum	\$179,900		\$170,000		\$170,000	
Maximum	\$849,000		\$378,000		\$849,000	
Median	\$344,010		\$220,000		\$314,906	
Average	\$368,013		\$245,745		\$339,317	
¹ Includes townhomes, detached townhomes, twinhomes, and condominiums						
Sources: Regional Multiple Listing Service of Minnesota Maxfield Research & Consulting, LLC						



About 9% of Ramsey’s single-family homes for sale are priced less than \$250,000. However, 25% of the active inventory is priced between \$250,000 and \$300,000. About 24% of the active homes are priced above \$400,000.

- One and two-story home styles comprise nearly 60% of the active single-family listings in Ramsey. Two-story homes make-up 31% of the homes for sale in Ramsey; the largest percentage in the single-family property types. Two-story homes tend to be new construction and have higher housing costs; averaging about \$419,000.

Property Type	Listings	Pct.
Single-family	75	76.5%
Detached Townhome/Townhome/Twinhome	23	23.5%
Condominium/Cooperatives	0	0.0%
Total	98	100.0%

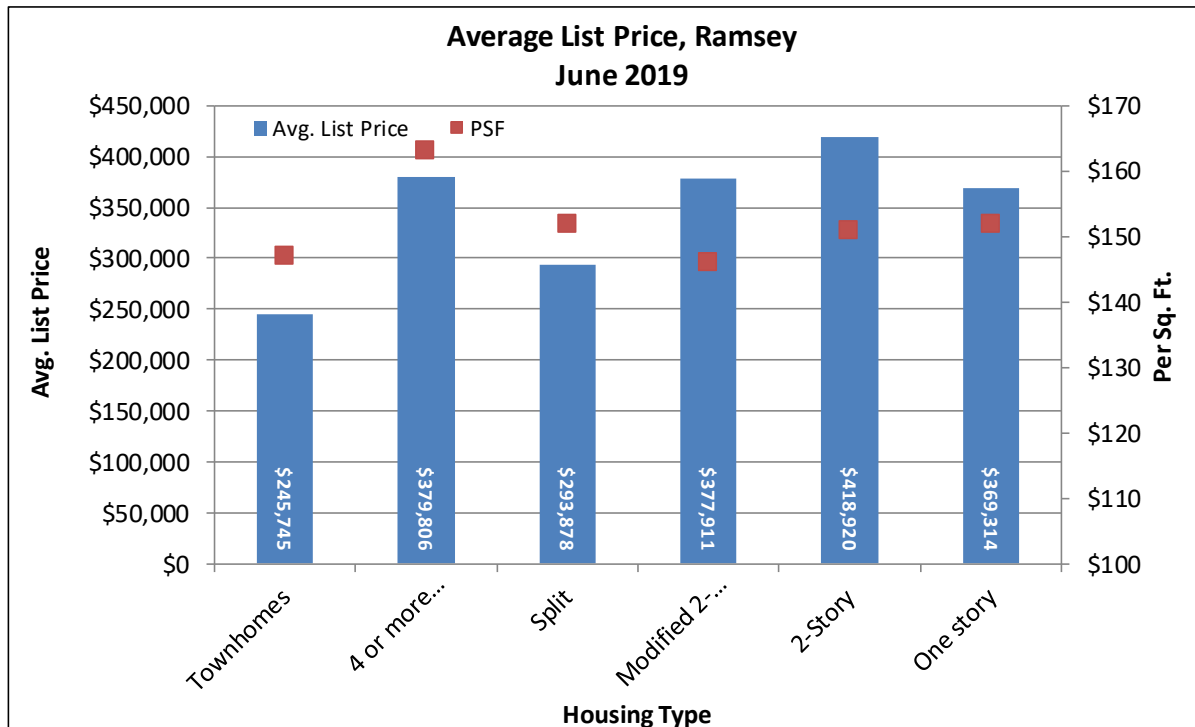
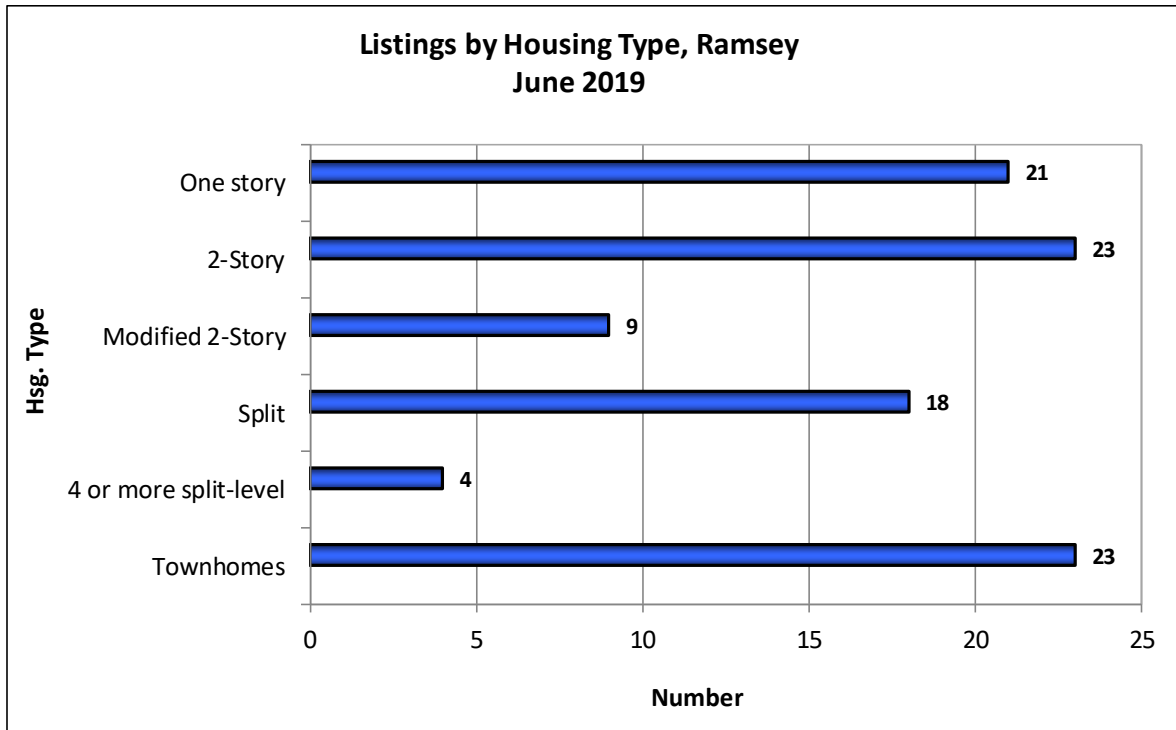
Sources: Regional Multiple Listing Service of MN; Maxfield Research & Consulting, LLC.

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- Two-level splits account for nearly one-quarter of single-family listings and are the most “affordable” with an average list price of \$294,000; significantly lower than most single-family product types. This is a result of a smaller foundation size and fewer finished square feet than all other single-family types.
- New detached townhomes (\$320,000+) account for the majority of multifamily for-sale listings and have the highest PSF costs among all housing units for sale (\$195 PSF). Most detached townhomes are one-level living homes with at least 1,500 square feet on the main level that target buyers seeking association-maintained housing.

Property Type	Listings	Pct.	Avg. List Price	Avg. Size (Sq. Ft.)	Avg. List Price Per Sq. Ft.	Avg. Bedrooms	Avg. Bathrooms	Avg. Age of Home
Single-Family								
One story	21	28.0%	\$369,314	2,500	\$152	3.5	2.6	1999
2-story	23	30.7%	\$418,920	2,896	\$151	4.1	3.3	2013
Modified 2-story	9	12.0%	\$377,911	2,676	\$146	4.3	3.3	1993
Split entry/Bi-level	18	24.0%	\$293,878	2,025	\$152	3.7	2.2	1988
4 or more split-level	4	5.3%	\$379,806	2,338	\$163	4.0	2.8	1991
Total	75	100.0%	\$368,013	2,520	\$152	3.9	2.8	2000
Townhomes/Twinhomes								
Side-by-Side	14	60.9%	\$205,614	1,694	\$122	2.9	2.7	2007
Detached Townhomes	8	34.8%	\$322,630	1,722	\$195	2.3	2.1	2016
Quad Townhome	1	4.3%	\$192,500	1,666	\$116	3.0	2.0	2003
Total	23	100.0%	\$245,745	1,703	\$147	2.7	2.5	2010

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



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- Tables FS-9 illustrates the historic supply of actively marketing properties in the Twin Cities Metro Area, Anoka County, and Ramsey from 2005 to May 2019. The table depicts the number of months' supply by housing product type. The months of supply metric calculates the number of months it would take for all the current homes for sale to sell given the monthly sales absorption. Generally, a balanced supply is considered four to six months. The higher the months of supply indicates there are more sellers than buyers; and the lower the months of supply indicates there are more buyers than sellers.

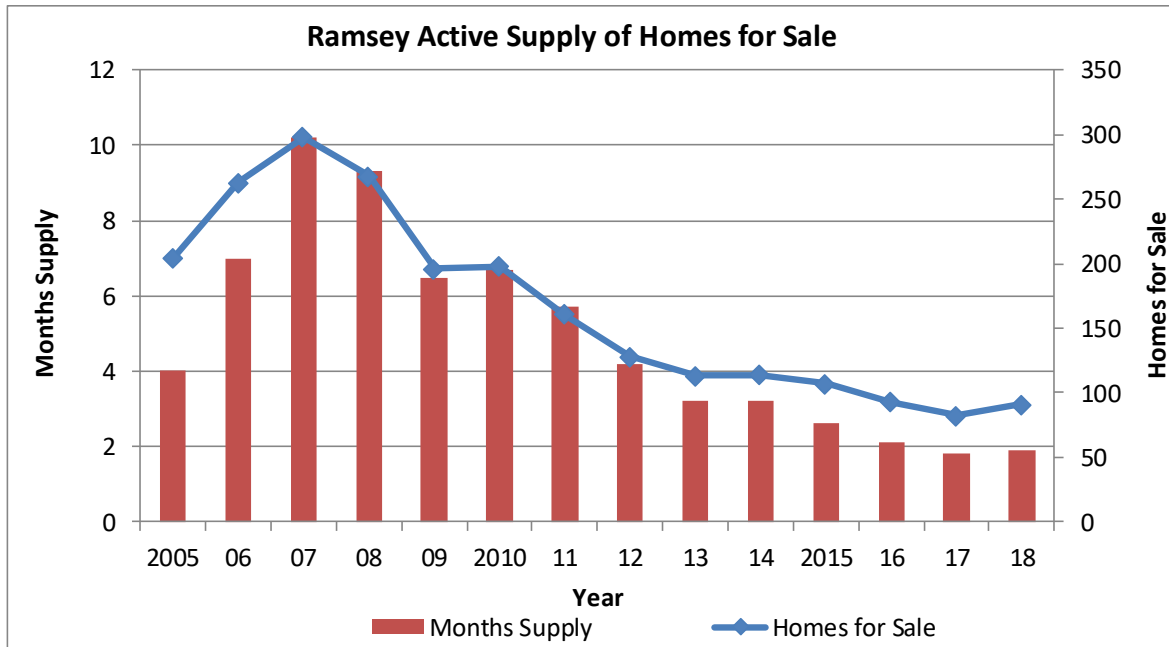
**TABLE FS-9
ACTIVE SUPPLY OF HOMES FOR SALE
RAMSEY , ANOKA COUNTY, & METRO AREA
2005 to 2019 (May)**

Year	Months Supply			Homes for Sale		
	City of Ramsey	Anoka County	Twin Cities Metro	City of Ramsey	Anoka County	Twin Cities Metro
2005	4.0	3.5	4.2	204	1,974	22,706
2006	7.0	6.0	6.6	263	2,591	29,366
2007	10.2	9.5	8.8	298	3,176	32,373
2008	9.3	10.5	9.7	268	3,120	31,557
2009	6.5	7.0	7.3	196	2,458	26,156
2010	6.7	6.9	7.4	198	2,478	26,498
2011	5.7	6.6	7.1	161	2,176	22,712
2012	4.2	3.8	4.5	128	1,522	17,217
2013	3.2	3.1	3.5	113	1,339	15,029
2014	3.2	3.5	3.9	114	1,472	16,178
2015	2.6	2.8	3.4	107	1,294	15,037
2016	2.1	2.3	2.6	93	1,132	12,985
2017	1.8	1.9	2.3	82	989	11,457
2018	1.9	1.8	2.2	91	873	10,774
2019*	1.8	1.8	2.2	88	883	10,975

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

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

- The supply of homes in Ramsey mirrors the Twin Cities; however historically the supply in Ramsey is slightly lower than the Twin Cities average.
- After the housing downturn, the supply of homes in Ramsey skyrocketed in 2007 when there were about 10 months of inventory. Since 2007 the inventory of supply has dwindled annually as lender-mediated properties were absorbed. At the end of 2018, there was only a 1.9 months' supply of homes for sale in Ramsey.



New Construction Housing Activity

Maxfield Research & Consulting, LLC obtained lot inventory and subdivision data from Metro Study, a homebuilding consulting company that maintains a database of all subdivision activity in the greater Metro Area. Tables FS-10 to FS-11 provide a variety of information on the new construction market in Ramsey and various comparisons to the greater Twin Cities Metro Area.

The following terms are used in the lot inventory tables:

- ▶ Annual Starts and Closings: The sum of activity for the most recent four quarters.
- ▶ Closing: Defined as when a “move in” has occurred and the home is occupied.
- ▶ Future Lots Inventory: Future lots are recorded after a preliminary plat or site plan has been submitted for consideration by the city.
- ▶ Lot Front: Range of all lot sizes within the subdivision; based on the lot front foot width
- ▶ Occupied: A buyer has taken possession of the home that was previously under construction or a model home.
- ▶ Price: Range of all base home price offered within the subdivision
- ▶ Starts: The housing slab or foundation has been poured.

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- ▶ **Total Lots:** A summation of all lots platted in a subdivision, including those closed, under construction, and vacant.
- ▶ **Vacant Developed Lot (VDL):** The subdivision is considered developed after subdivision streets are paved and vehicles can physically drive in front of the lot.

Lot Supply by Lot Size

FS-10 depicts trends in new single-family home construction based on lot size (i.e. front footage). The data is current as of first quarter 2019 for Ramsey and Anoka County and is broken down by eight different lot size categories.

- Within Anoka County, the vast majority of lot closings have been with lots sized between 70 and 79 feet and 80 and 89 feet. Approximately 61% of all lot closings over the past year have fallen into these two categories. In Ramsey, 45% of the closed lots have fallen between 70 and 89 lot widths.

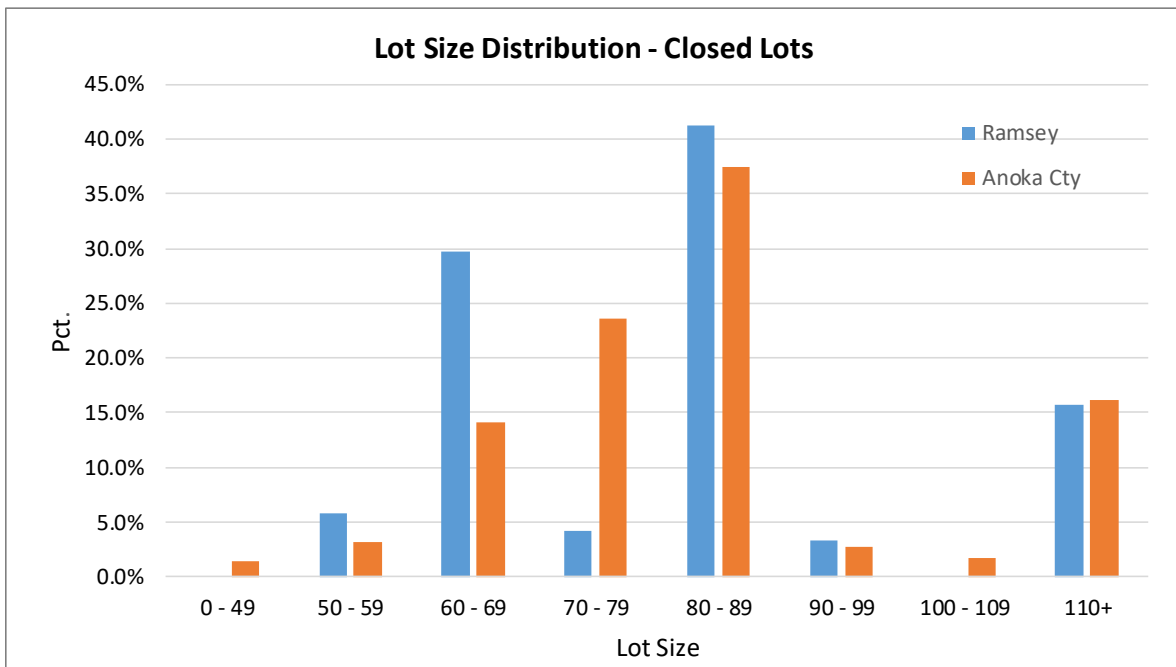
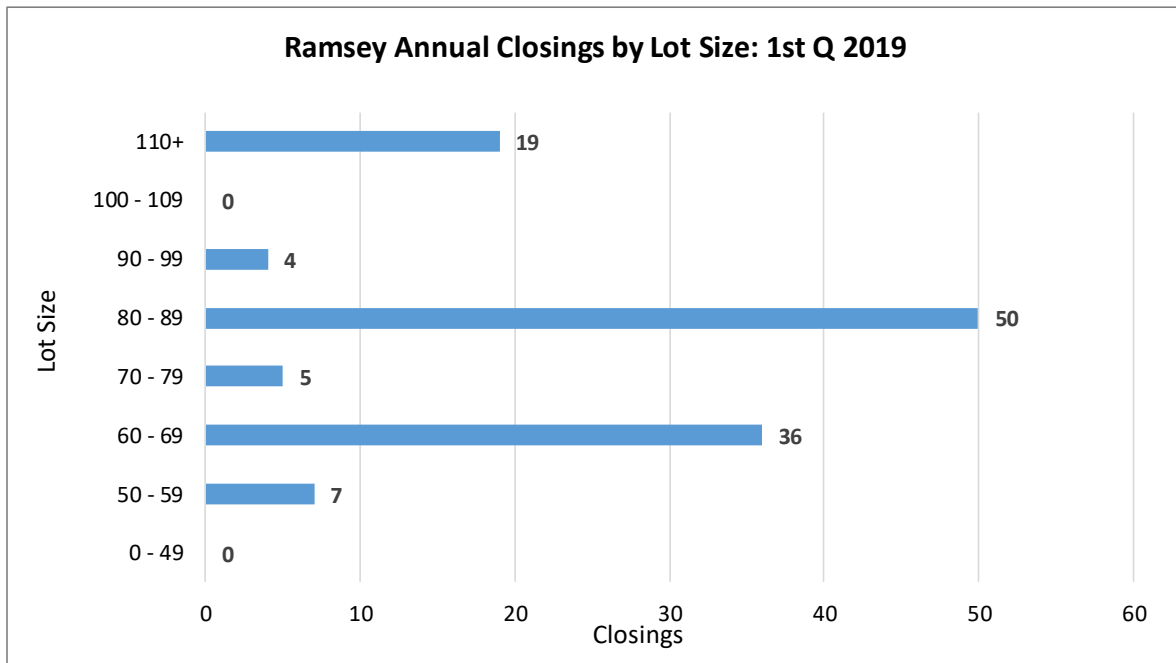
Lot Size (Width)	Quarterly		Annual		Finished Vacant (FV)	Under Const. (UC)	Housing Inventory	Vac. Dev. Lots (VDL)	Future Lots (Fut)
	Starts	Closings	Starts	Closings					
Ramsey									
0 - 49	0	0	0	0	0	0	0	0	40
50 - 59	0	1	14	7	1	6	8	0	34
60 - 69	4	5	31	36	5	9	14	33	165
70 - 79	0	1	5	5	0	2	2	0	0
80 - 89	8	10	43	50	2	12	15	60	19
90 - 99	1	3	7	4	0	3	3	25	0
100 - 109	1	0	2	0	1	1	2	5	0
110 And Over	0	2	20	19	5	5	10	27	0
Summary	14	22	122	121	14	38	54	150	258
Anoka County									
0 - 49	0	2	8	9	1	6	10	0	40
50 - 59	15	3	37	21	8	22	32	59	163
60 - 69	19	14	93	96	13	27	46	191	421
70 - 79	33	21	159	160	17	60	86	192	245
80 - 89	35	34	214	255	36	52	105	416	536
90 - 99	7	4	27	18	1	12	14	100	154
100 - 109	2	1	12	11	3	2	5	31	61
110 And Over	14	19	122	110	21	55	80	372	267
Summary	125	98	672	680	100	236	378	1,361	1,887

Source: Metrostudy, Maxfield Research & Consulting, LLC

- Lot sizes have decreased since the recession as developers have sought to maximize density. Nearly 48% of lot closings in the Metro Area in the past year have been on lots between 60 feet and 79 feet. Another 24% of lot closings in the Metro Area have been from 80 to 89 feet. About 11% of lots have widths larger than 110 feet; these would generally be considered executive lots.

FOR-SALE MARKET ANALYSIS

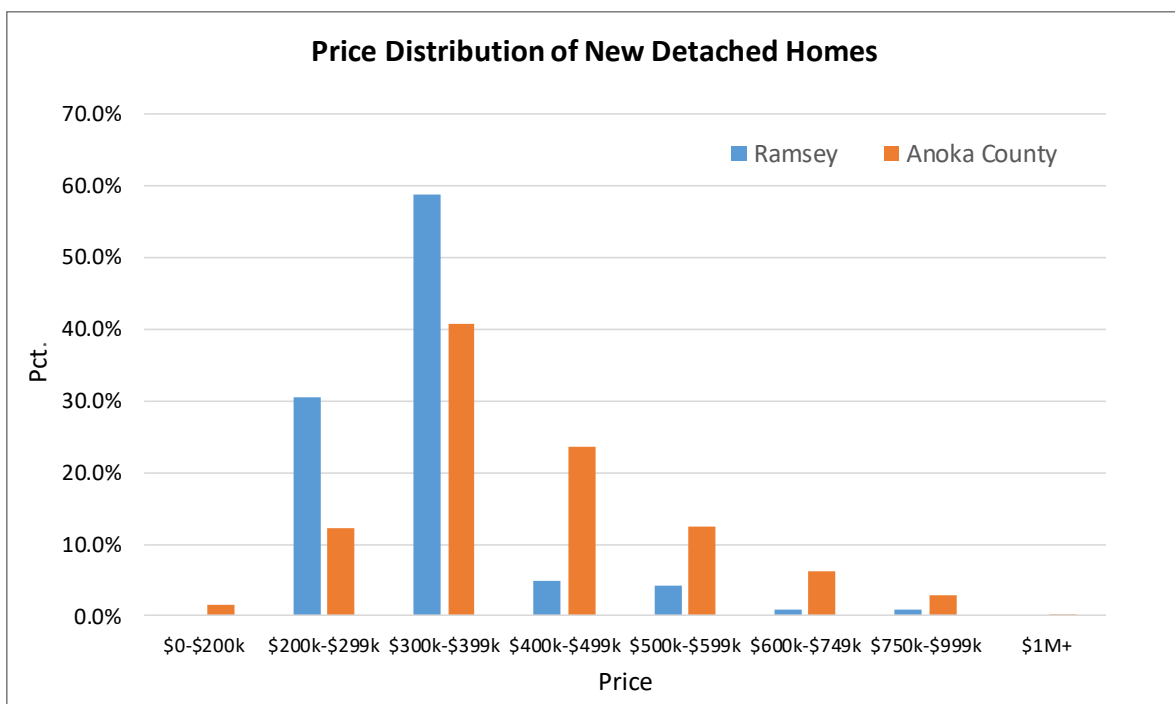
- About 30% of closed lots in Ramsey had lot widths of 60 to 69 feet; compared to 14% in Anoka County. About 16% of lots in Ramsey are executive lots; those over 110 feet.



New Construction Pricing

Table FS-11 depicts new construction inventory for detached housing units in Ramsey and Anoka County. The table depicts quarterly and annual starts, finished vacant lots, number of homes under construction and homes previously built, and the number of vacant lots. All of these attributes are provided based on the estimated sales price of the home. Key findings follow.

- In Ramsey, there have been about 120 closings and 120 housing starts over the past year. Nearly 60% of the closings have been on homes priced between \$300,000 and \$400,000. Another 31% of closings are priced between \$200,000 and \$300,000.



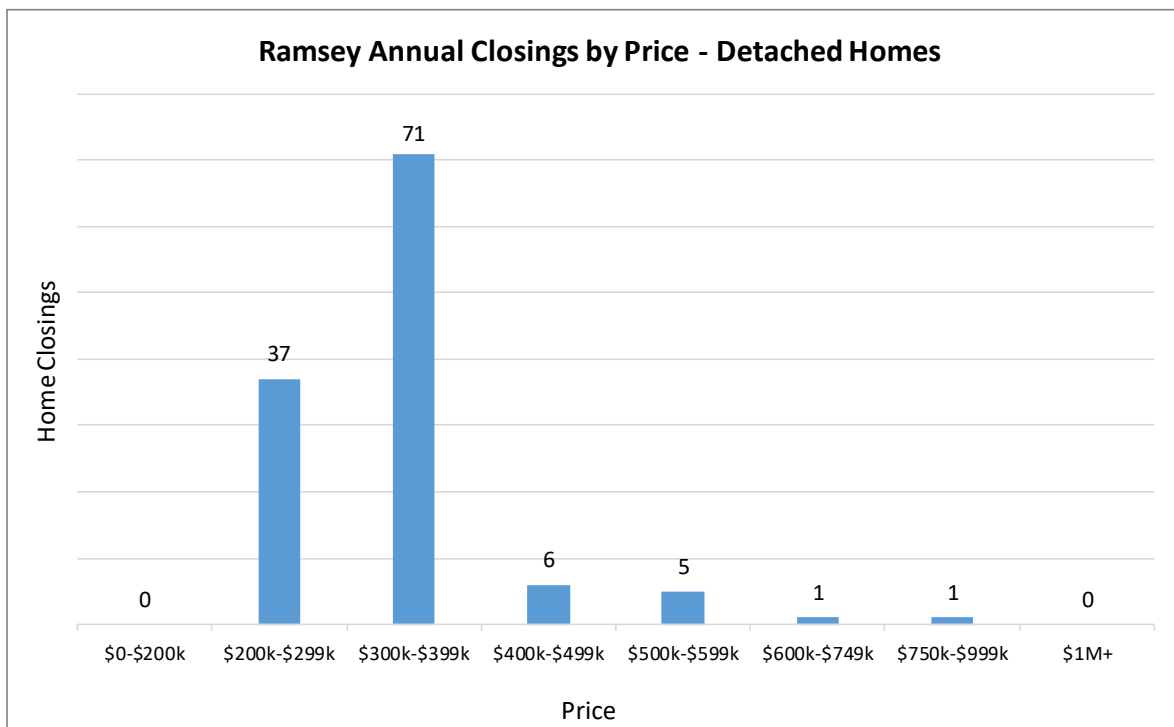
- About 10% of Ramsey homes are priced above \$400,000; compared to 45% in Anoka County.

FOR-SALE MARKET ANALYSIS

**TABLE FS-11
DETACHED HOUSING BY PRICE
RAMSEY & ANOKA COUNTY
1ST QUARTER 2019**

Price Point (Base Pricing)	Quarterly		Annual		Finished Vacant (FV)	Under Const. (UC)	Housing Inventory	Vac. Dev. Lots (VDL)
	Starts	Closings	Starts	Closings				
Ramsey								
\$0 - \$199,000	0	0	0	0	0	0	0	0
\$200,000 - \$299,000	2	4	40	37	5	9	15	37
\$300,000 - \$399,000	10	15	64	71	8	21	30	77
\$400,000 - \$499,000	1	1	8	6	1	3	4	17
\$500,000 - \$599,000	1	1	6	5	0	3	3	10
\$600,000 - \$749,000	0	1	2	1	0	1	1	6
\$750,000 - \$999,000	0	1	1	1	0	1	1	4
\$1,000,000 & Over	0	0	0	0	0	0	0	0
Summary	14	23	121	121	14	38	54	151
Anoka County								
\$0 - \$199,000	0	0	2	10	0	0	0	1
\$200,000 - \$299,000	4	11	72	84	10	16	28	130
\$300,000 - \$399,000	61	43	277	278	40	96	152	555
\$400,000 - \$499,000	29	24	168	161	25	62	99	392
\$500,000 - \$599,000	16	10	87	85	12	30	49	167
\$600,000 - \$749,000	11	7	47	42	11	19	34	75
\$750,000 - \$999,000	3	3	18	20	2	12	15	41
\$1,000,000 & Over	0	0	1	1	0	0	0	0
Summary	124	98	672	681	100	235	377	1,361

Source: Metrostudy, Maxfield Research & Consulting, LLC



Actively Marketing Subdivisions

Tables FS-12 and FS-13 show an inventory of detached and attached lots within platted subdivisions in Ramsey. The tables provide information on the initial date the subdivision became active, product type, lot sizes, typical pricing, starts and closings, and the lot inventory. Please note; not all of the subdivisions may be actively marketing but may simply have available lots for future development. Key findings follow.

- Table FS-10 identifies 19 single-family subdivisions with available lots in Ramsey. Collectively, there are only 164 vacant developed lots in Ramsey. However, there are another 177 future lots in the same subdivisions.
- The older subdivision in Ramsey platted last decade have few lots remaining. Most of the lot supply with vacant lots have been platted in the last three years.
- There are five future subdivisions in Ramsey boasting about 250 lots.
- The average price for new single-family detached housing in Ramsey is approximately \$325,000 to \$350,000. Most of the new single-family construction is either two-story homes or split-level homes with an average cost of about \$160 PSF.
- The most active subdivisions are in the Riverstone subdivision by Capstone Homes and the Woodlands subdivision by Lennar.
- Because Ramsey has historically been a single-family dominant market, there are substantially fewer identified attached housing units than detached housing units. A total of four attached subdivisions with a vacant lot supply of 174 units.
- All of the active association-maintained product is for detached townhomes/villas with higher price points than attached row-homes. The D.R. Horton project “The Station” was constructed in 2018 and is sold out. Pricing for these townhomes averaged \$220,000 or \$133 PSF.

FOR-SALE MARKET ANALYSIS

**TABLE FS-12
SUBDIVISION & LOT INVENTORY - DETACHED HOUSING UNITS
CITY OF RAMSEY
4th QUARTER 2018**

Subdivision Name	Initial Active Qtr.	Status	Product Type	Lot Range (Ft.)	Pricing (\$1,000)		Annual Starts	Annual Closings	Currently Occupied	Vacant Developed Lot Inventory (VDL)	Future Units (Fut)	Total Units (Tot)
					Min	Max						
Previously Platted/Marketing Subdivisions												
Northfork at Ramsey	1Q00	Active 1Q00	Single Family	195'	\$400	\$555	3	1	58	1	0	61
Sunfish Lake, The Village of/	1Q05	Active 1Q05	Single Family	60'	\$350	\$399	5	2	73	1	0	77
Meadow, The	1Q07	Active 1Q07	Single Family	70'	\$175	\$245	0	0	46	1	0	47
Ramsey TC/Gleason DTH	1Q17	Active 1Q17	Single Family	135'	\$200	\$300	5	5	5	4	0	12
Shade Tree Creek	2Q08	Active 2Q08	Single Family	260'	\$280	\$300	0	0	0	16	0	16
Harvest Estates	3Q15	Active 3Q15	Single Family	80'	\$275	\$600	11	14	28	15	0	45
Woodlands, The	3Q15	Active 3Q15	Single Family	80'	\$316	\$349	15	12	45	44	12	110
Tall Pine Ridge	3Q17	Active 3Q17	Single Family	350'	\$300	\$600	1	2	4	1	0	6
Cole Addition	3Q18	Active 3Q18	Single Family	90'	\$280	\$500	1	1	1	7	0	8
Estates of Silver Oaks	3Q18	Active 3Q18	Single Family	100'	\$400	\$500	1	0	0	6	0	7
Rum River Prairie	3Q18	Active 3Q18	Single Family	90'	\$400	\$850	5	0	0	19	0	24
Sunfish Lake, The Village of/(DTH)	4Q04	Active 4Q04	Single Family	50'	\$330	\$370	1	0	35	0	0	36
Ramsey TC/Parkside	4Q05	Active 4Q05	Single Family	60'	\$280	\$375	1	1	65	1	0	67
Brookfield Addition	4Q06	Active 4Q06	Single Family	85'	\$280	\$402	17	21	259	8	0	273
North Commons Cor 3	4Q15	Active 4Q15	Single Family	75'	\$240	\$375	5	7	14	0	0	17
Covenant Meadows	4Q17	Active 4Q17	Single Family	130'	\$250	\$375	7	9	9	2	0	12
Pearson Place	4Q17	Active 4Q17	Single Family	200'	\$240	\$350	9	4	4	3	0	12
Riverstone/	4Q17	Active 4Q17	Single Family	60'	\$256	\$351	35	30	30	35	165	241
Riverstone/Villas	4Q17	Active 4Q17	Single Family	50'	\$276	\$300	14	6	6	0	0	14
Subtotal							136	115	682	164	177	1,085
Future Subdivisions												
Cottages at the COR (DTH)	0	Future	Single Family	30'	\$0	\$0	0	0	0	0	40	40
Northfork Meadows (DTH)	0	Future	Single Family	0	\$0	\$0	0	0	0	0	97	97
Ridgepoint	0	Future	Single Family	80'	\$0	\$0	0	0	0	0	7	7
Rum River Hills	0	Future	Single Family	0	\$0	\$0	0	0	0	0	72	72
Shade Tree Cottages (DTH)	0	Future	Single Family	55'	\$250	\$270	0	0	0	0	34	34
Subtotal							0	0	0	0	250	250

Source: Metrostudy, Maxfield Research & Consulting, LLC

FOR-SALE MARKET ANALYSIS

**TABLE FS-13
SUBDIVISION & LOT INVENTORY - ATTACHED HOUSING UNITS
CITY OF RAMSEY
4th QUARTER 2018**

Subdivision Name	Initial Active Qtr.	Status	Product Type	Lot Range (Ft.)	Pricing (\$1,000)		Annual Starts	Annual Closings	Currently Occupied	Vacant Developed Lot Inventory (VDL)	Future Units (Fut)	Total Units (Tot)
					Min	Max						
Ramsey TC/Parkside (TH)	Active 4Q05	Active 4Q05	Townhouse	30'	\$213	\$257	0	0	12	65	0	77
Ramsey TC/Symphony/Hometow	Active 4Q05	Active 4Q05	Townhouse	20'	\$190	\$225	0	0	56	98	0	154
Sunflower Ridge/TH)	Active 4Q08	Active 4Q08	Townhouse	30'	\$170	\$180	0	0	0	11	0	11
The Station (TH)	Active 4Q16	Active 4Q16	Townhouse	25'	\$209	\$227	0	47	76	0	0	77
Subtotal							0	47	144	174	0	319
Future Lots/Units												
Riverstone/TH	Future	Future	Townhouse	42'	\$250	\$350	0	0	0	0	48	48

Source: Metrostudy, Maxfield Research & Consulting, LLC

Select Newer Single-Family and Townhome Properties



Under Construction Single-Family



The Station



Symphony at Town Center



Under Construction Detached Townhome



Under Construction Single-Family



Single-Family



Single-Family



Villa

Planned and Proposed Housing Developments

Maxfield Research obtained data from the City of Ramsey in order to identify housing developments under construction, planned, or pending. Table P-1 inventory and summarize the number of housing units by product type that are either recently completed, under construction, or are planned to move forward.

- There are several housing developments either under construction, approved, or are pending/awaiting approval in Ramsey at this time. However, it is unknown if all the projects on Table P-1 will move forward.
- Currently, there are three multifamily apartment projects, all pending at this time. Aeon, LLC is proposing a 54-unit affordable multifamily rental development in the COR, named *Greenway Terrace 2*. The remaining two proposed multifamily projects include *The Sapphire*, a 118-unit building, and the *Springs at Ramsey*, a 320-unit project.
- The Inland Group has proposed the *Affinity at Ramsey*, a 174-unit active adult apartment, near the intersection of Sunwood Drive and Center Street in the COR area of Ramsey. This is the only development geared towards seniors at this time.
- Within the City of Ramsey, there are three for-sale developments that are under construction in 2019 and another three developments that are approved. These projects include two townhome developments that total 85-units, while the remaining 81-units are single-family homes. Additionally, there are 104 pending single-family homes proposed in Ramsey.

PLANNED & PENDING HOUSING DEVELOPMENTS

**TABLE P-1
HOUSING DEVELOPMENT PIPELINE
CITY OF RAMSEY
2nd Quarter 2019**

Project Name/Address	Developer/Applicant	Address/Area	Status	Product Type	Total Units/Lots	Affordability
Multi-Family Apartments						
Greenway Terrace 2	Aeon, LLC	S of 146th Ave NW W of Traprock St NW (COR)	Pending	Multifamily	54	Affordable
The Sapphire	N/A	145th Ave NW (COR)	Pending	Multifamily	118	Market Rate
Springs at Ramsey	Continental Properties	Armstrong Blvd/N of Bunker Lake Blvd	Pending	Multifamily	320	Market Rate
Senior Housing						
Affinity at Ramsey	Inland Group	Sunwood Dr/Center St (COR)	Under Construction	AA	174	Market Rate
For-Sale Market						
Brookfield 8th Addition	Brookfield Land LLC	168th Cr NW	Approved	SF Lots	25	Market Rate
Bacon Property Res. Subdivision	N/A	7363 175th Ave NW	Pending	SF Lots	20	Market Rate
Cole Addition	Byron & Lynn Cole	168th Av NW & Garnet St NW	Approved	SF Lots	6	Market Rate
Cottages at the COR	Centra Homes, LLC	SE Corner of Bunker Lake Blvd Ramsey Blvd (COR)	Under Construction	Townhomes (Detached)	20	Market Rate
Harvest Estates 2	G S Land, LLC/Rice Creek Builders	15153 Nowthen Blvd	Pending	SF Lots	15	Market Rate
Parkside Village	Centra Homes, LLC	14832 Willemite St NW (COR)	Approved	Townhomes	65	Market Rate
Rum River Prairie	Rum River Prairie, LLC Eric Thomsen	Baught St/169th Ave NW /Armstrong Blvd	Under Construction	SF Lots	25	Market Rate
Riverstone 3rd Addition	Capstone Homes	150th Lane NW, Tiger St, and 149th Ave NW	Pending	SF Lots	35	Market Rate
Shade Tree Cottages	Shade Tree Communities, LLC	15451 Nowthen Blvd	Pending	SF Lots	34	Market Rate
Woodlands 4th Addition	Lennar Homes	159th Ave NW/Sapphire St /Peridot St	Under Construction	SF Lots	25	Market Rate
Sources: City of Ramsey, Maxfield Research & Consulting, LLC						

Introduction

Previous sections of this study analyzed the existing housing supply and the growth and demographic characteristics of the population and household base in Ramsey. This section of the report presents our estimates of housing demand in Ramsey from 2019 through 2030.

Demographic Profile and Housing Demand

The demographic profile of a community affects housing demand and the types of housing that are needed. The housing life-cycle stages are:

1. *Entry-level householders*
 - Often prefer to rent basic, inexpensive apartments
 - Usually singles or couples in their early 20's without children
 - Will often "double-up" with roommates in apartment setting
2. *First-time homebuyers and move-up renters*
 - Often prefer to purchase modestly-priced single-family homes or rent more upscale apartments
 - Usually married or cohabiting couples, in their mid-20's or 30's, some with children, but most are without children
3. *Move-up homebuyers*
 - Typically prefer to purchase newer, larger, and therefore more expensive single-family homes
 - Typically, families with children where householders are in their late 30's to 40's
4. *Empty-nesters (persons whose children have grown and left home) and never-nesters (persons who never have children)*
 - Prefer owning but will consider renting their housing
 - Some will move to alternative lower-maintenance housing products
 - Generally, couples in their 50's or 60's
5. *Younger independent seniors*
 - Prefer owning but will consider renting their housing
 - Will often move (at least part of the year) to retirement havens in the Sunbelt and desire to reduce their responsibilities for upkeep and maintenance
 - Generally, in their late 60's or 70's

6. *Older seniors*

- May need to move out of their single-family home due to physical and/or health constraints or a desire to reduce their responsibilities for upkeep and maintenance
- Generally single females (widows) in their mid-70's or older

Demand for housing can come from several sources including: household growth, changes in housing preferences, and replacement need. Household growth necessitates building new housing unless there is enough desirable vacant housing available to absorb the increase in households. Demand is also affected by shifting demographic factors such as the aging of the population, which dictates the type of housing preferred. New housing to meet replacement need is required, even in the absence of household growth, when existing units no longer meet the needs of the population and when renovation is not feasible because the structure is physically or functionally obsolete.

Rural areas tend to have higher proportions of younger households that own their housing than in the larger growth centers or metropolitan areas such as the Twin Cities Metro Area. In addition, senior households tend to move to alternative housing at an older age. These conditions are a result of housing market dynamics, which typically provide more affordable single-family housing for young households and a scarcity of senior housing alternatives for older households.

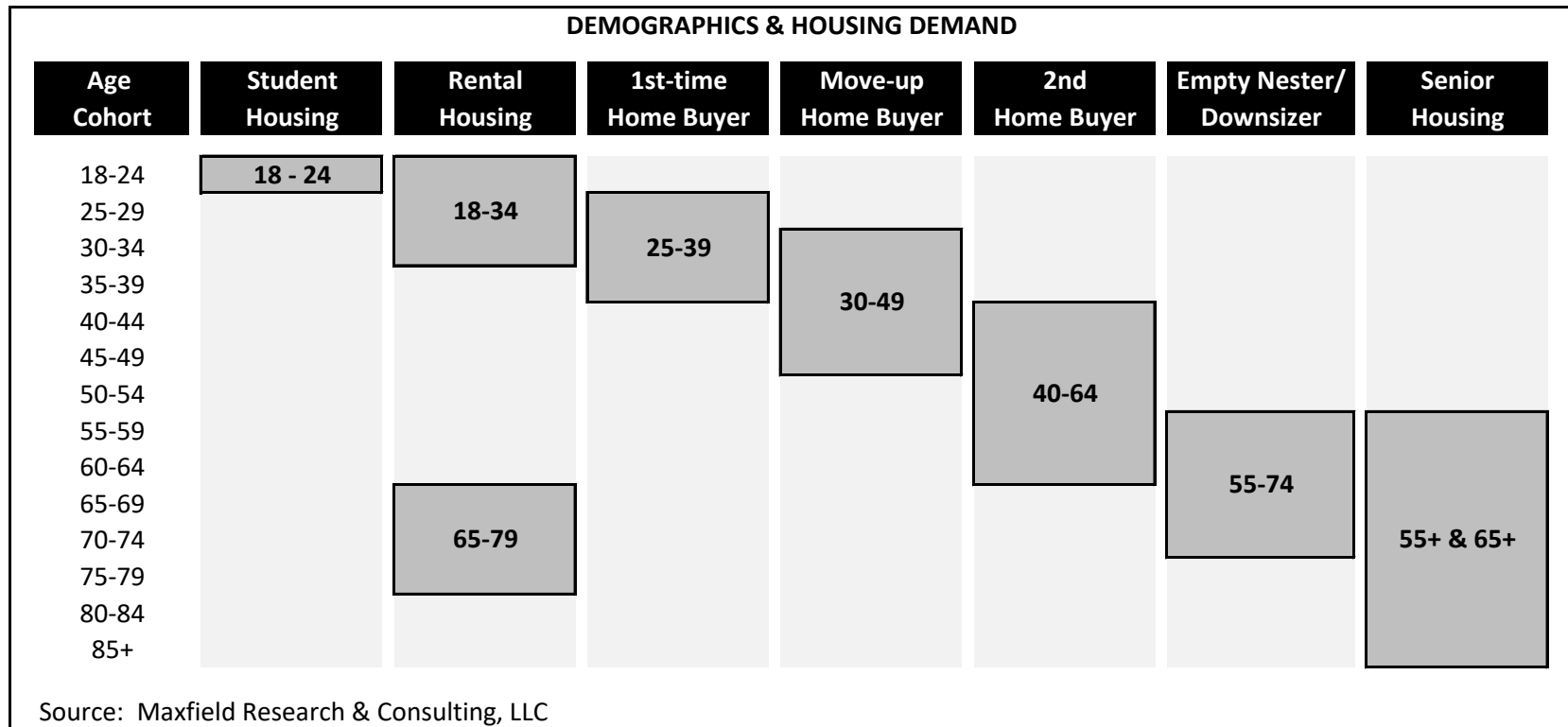
The graphic on the following page provides greater detail of various housing types supported within each housing life cycle. Information on square footage, average bedrooms/bathrooms, and lot size is provided on the subsequent graphic.

Housing Demand Overview

The previous sections of this assessment focused on demographic and economic factors driving demand for housing in Ramsey. In this section, we utilize findings from the economic and demographic analysis to calculate demand for new general occupancy housing units in Ramsey.

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

HOUSING DEMAND ANALYSIS



HOUSING DEMAND ANALYSIS

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

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

Source: Maxfield Research & Consulting, LLC

Demographics

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

Economy & Job Growth

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

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

Consumer Choice/Preferences

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

Supply (Existing Housing Stock)

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

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

Housing Finance

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

After the Great Recession lenders "tightened the belts" on mortgage lending and it was difficult for many buyers to obtain financing. The ability of buyers to obtain mortgage financing has recently lightened as lenders have eased restrictions that had been in place since the recession. However, lenders are still requiring substantially higher credit scores and equity than last decade.

Mobility

It is important to note that demand is somewhat fluid between other west/northwest Twin Cities Metro Area communities and will be impacted by development activity in nearby areas.

Estimated Demand for General-Occupancy Rental Housing

Table HD-1 presents our calculation of general-occupancy rental housing demand in Ramsey. This analysis identifies potential demand for rental housing that is generated from both new households and turnover households. A portion of the demand will be drawn from existing households in Ramsey that want to upgrade their housing situations.

The 65 and older cohort is typically not a target market for new general occupancy rental housing, therefore, we limit demand from senior household growth to only 20% and include all households under the age of 65. According to our projections, Ramsey is expected to add 1,279 new households under 65 and 709 over 65 between 2019 and 2030. We estimate that 14% of those under 65 will be renting their housing, while only 6% of senior households are renters. This produces demand for 222 new general occupancy rental housing units between 2019 and 2030.

Demand is also forecast to emerge from existing Market Area householders through turnover. An estimated 1,095 renter-occupied households under the age of 65 plus 106 senior renters are located in Ramsey in 2019. Based on mobility data from the Census Bureau, an estimated 89% of under 65 renter households and 84% of over 65 renter households will turnover in a 15-year period, resulting in 1,059 existing households projected to turnover. Finally, we estimate 20% of the existing renter households will seek new rental housing, resulting in demand for 968 rental units through 2030.

Next, we estimate that 30% of the total demand for new rental units in Ramsey will come from people currently living outside of the City of Ramsey. Adding demand from outside Ramsey to the existing demand potential, results in a total estimated demand for 550 rental housing units by 2030.

Based on a review of rental household incomes and sizes and monthly rents at existing projects, we estimate that approximately 5% of the total demand will be for subsidized housing (30% AMI), 15% will be for affordable housing (40% to 60% AMI), and 80% will be for market rate housing (non-income restricted).

As of June 2019, there are no under construction or approved general occupancy rental housing projects that will satisfy the calculated rental housing demand, which results in an overall demand for 28 subsidized units, 83 affordable units, and 440 market rate units.

HOUSING DEMAND ANALYSIS

TABLE HD-1 RENTAL HOUSING DEMAND CITY OF RAMSEY 2019 to 2030			
		--- Number of Households ---	
		Under 65	Over 65
Demand from Projected Household Growth			
Projected HH growth in Ramsey 2019 to 2030 ¹		1,279	709
(times) Estimated % to be renting their housing ²	x	14%	6%
(equals) Projected demand from new HH growth	=	<u>179</u>	<u>43</u>
Demand from Existing Renter Households			
Number of renter HHs in Ramsey (2019) ³		1,095	106
(times) Estimated percent of renter turnover ⁴	x	89%	84%
(equals) Total existing households projected to turnover	=	<u>970</u>	<u>89</u>
(times) Estimated percent desiring new rental housing	x	20%	
(equals) Demand from existing households ⁵		<u>198</u>	
(equals) Total demand from HH growth and existing HHs 2019 to 2030⁶	=	385	
(times) Demand from outside Ramsey		30%	
(equals) Total demand potential for rental housing, 2019 to 2030		550	
		Deep Subsidy	Shallow Subsidy
(times) Percent of rental demand by product type ⁷	x	5%	15%
(equals) Total demand potential for general-occupancy rental housing units	=	<u>28</u>	<u>83</u>
(minus) Units under construction or pending ⁸	-	0	0
(equals) Excess demand for new general occupancy rental housing	=	28	83
¹ Estimated household growth based on projections as adjusted by Maxfield Research & Consulting, LLC ² Pct. of renter households under the age of 65 (ACS - 2017, ESRI, Maxfield Research and Consulting LLC). ³ Estimate based on 2017 ACS renter households and new renter household growth 2010 to 2017 (under age 65) ⁴ Based on on turnover from 2017 American Community Survey for households moving over 15-year period. ^{5 & 6} Calculations include on 20% of Senior Households (65+) ⁷ Based on the combination of current rental product and household incomes of area renters (non-senior households) ⁸ Pending/proposed/under construction at 95% occupancy.			
Source: Maxfield Research & Consulting, LLC			

Estimated Demand for Market Rate Active Adult Senior Housing

Table HD-2 presents our demand calculations for market rate active adult senior housing in Ramsey in 2019 and 2024.

In order to determine demand for active adult senior housing, the potential market is reduced to those households that are both age and income qualified. The age-qualified market is defined as seniors age 55 and older, although active adult living projects will primarily attract seniors age 65 and older.

We calculate that the minimum income needed to afford monthly rents is \$35,000 or more plus homeowner households with incomes between \$25,000 and \$34,999 who would be able to supplement their incomes with the proceeds from a home sale. We estimate the number of age/income-qualified senior households in the Ramsey in 2019 to be 3,226 households.

Adjusting to include appropriate long-term capture rates for each age cohort (1.5% of households age 55 to 64, about 8.5% of households age 65 to 74, and 15% of households age 75 and over) results in a market rate demand potential for 168 active adult senior rental units in 2019.

Some additional demand will come from outside the Ramsey. We estimate that 25% of the long-term demand for active adult senior housing will be generated by seniors currently residing outside the Ramsey. This demand will consist primarily of parents of adult children living in the Ramsey area, individuals who live just outside of Ramsey and have an orientation to the area, as well as former residents who desire to return. Together, the demand from Ramsey seniors and demand from seniors who would relocate to Ramsey results in a demand for 224 market rate active adult units in 2019.

Active adult demand in Ramsey is apportioned between ownership and rental housing. Based on the age distribution, homeownership rates and current product available in Ramsey, we project that 25% of Ramsey's demand will be for adult ownership housing (56 units) and 75% will be for rental housing (168 units).

Next, we subtract existing competitive market rate units (minus a vacancy factor of 5% to allow for sufficient consumer choice and turnover) from the owner and rental demand. Subtracting the existing competitive market rate units results in total demand potential for 56 adult owner-occupied units and 120 active adult rental units.

HOUSING DEMAND ANALYSIS

TABLE HD-2 MARKET RATE ACTIVE ADULT HOUSING DEMAND CITY OF RAMSEY 2019 and 2024						
	2019			2024		
	Age of Householder			Age of Householder		
	55-64	65-74	75+	55-64	65-74	75+
# of Households w/ Incomes of >\$35,000 ¹	1,767	1,051	268	1,896	1,249	417
# of Households w/ Incomes of \$25,000 to \$34,999 ¹	+ 53	46	51	+ 64	69	85
(times) Homeownership Rate	x 93%	94%	94%	x 93%	94%	94%
(equals) Total Potential Market Base	= 1,816	1,094	316	= 1,956	1,314	497
(times) Potential Capture Rate	x 1.5%	8.5%	15.0%	x 1.5%	8.5%	15.0%
(equals) Demand Potential	= 27	93	47	= 29	112	75
Potential Demand from Residents	= 168			= 216		
(plus) Demand from Outside Ramsey (25%)	+ 56			+ 72		
(equals) Total Demand Potential	= 224			= 287		
	Owner-Occupied		Renter-Occupied	Owner-Occupied		Renter-Occupied
(times) % by Product Type	x 25%		x 75%	x 25%		x 75%
(equals) Demand Potential by Product Type	= 56		= 168	= 72		= 216
(minus) Existing and Pending MR Active Adult Units ²	- 0		- 48	- 0		- 213
(equals) Excess Demand for MR Active Adult Units	= 56		= 120	= 72		= 3

¹ 2024 calculations define income-qualified households as all households with incomes greater than \$40,000 and homeowner households with incomes between \$30,000 and \$39,999.
² Existing and pending are deducted at market equilibrium (95% occupancy).

Source: Maxfield Research & Consulting, LLC

Adjusting for inflation, we have estimated that households with incomes of \$40,000 or more and homeowners with incomes of \$30,000 to \$34,999 would income qualify for market rate independent senior housing in 2024. Considering the growth in the older adult base, the income distribution of the older adult population in 2024, and under construction units at the Affinity at Ramsey, the methodology projected that demand will be 72 adult owner-occupied units and 3 adult rental units in the City of Ramsey.

Estimated Demand for Subsidized/Affordable Active Adult Senior Housing

Table HD-3 presents our demand calculations for subsidized/affordable independent senior housing in the City of Ramsey in 2019 and 2024.

In order to arrive at the potential age and income qualified base for low income and affordable housing, we exclude all senior (65+) households with incomes more than \$35,000. We exclude homeowner households with incomes between \$30,000 and \$34,999, as these households would have additional equity that could be converted to monthly income following the sales of their single-family homes.

Households in a need-based situation (either requiring services or financial assistance) more readily move to housing alternatives than those in non-need-based situations. Hence, the capture rate among each age group is higher than for market rate housing. Capture rates are employed at 1.5% for households age 55 to 64, 10.0% for households age 65 to 74 and 20.0% for households age 75 and older.

Seniors in need-based situations are less selective when securing housing than those in non-need-based situations. We estimate that a high-quality site would capture a greater proportion of total demand for financially-assisted housing than for market rate housing.

Using the methodology described above results in a demand potential for 65 total subsidized or affordable senior units. However, after adjusted for household incomes demand results for 16 subsidized units and 48 affordable units.

Adjusting for inflation, we estimate that households with incomes up to \$40,000 would be candidates for financially-assisted independent housing in 2024. We reduce the potential market by homeowner households earning between \$35,000 and \$39,999 that would exceed income-restrictions once equity from their home sales is converted to monthly income.

Following the same methodology, we project demand in Ramsey for 22 subsidized units and 65 affordable units in 2024.

HOUSING DEMAND ANALYSIS

TABLE HD-3 DEEP-SUBSIDY/SHALLOW SUBSIDY ACTIVE ADULT HOUSING DEMAND CITY OF RAMSEY 2019 and 2024						
	2019			2024		
	Age of Householder			Age of Householder		
	55-64	65-74	75+	55-64	65-74	75+
# of Households w/ Incomes of <\$35,000 ¹	166	201	149	170	220	255
Less Households w/ Incomes of \$30,000 to \$34,999 ¹	- 26	- 23	- 25	- 43	- 47	- 50
(times) Homeownership Rate	x 93%	x 94%	x 94%	x 93%	x 94%	x 94%
(equals) Total Potential Market Base	= 142	= 179	= 126	= 130	= 176	= 208
(times) Potential Capture Rate	x 1.5%	x 10.0%	x 20.0%	x 1.5%	x 10.0%	x 20.0%
(equals) Demand Potential	= 2	= 18	= 25	= 2	= 18	= 42
(equals) Potential Demand from Residents		= 45			= 61	
(plus) Demand from outside Ramsey (30%)		+ 19			+ 26	
(equals) Total Demand Potential		= 65			= 87	
	Deep-Subsidy		Shallow-Subsidy			
(times) % by Product Type	x 25%		x 75%		x 25%	x 75%
(equals) Demand Potential by Product Type	= 16		= 48		= 22	= 65
(minus) Existing and Pending Sub-Aff Active Adult Units ²	- 0	- 0	- 0	- 0	- 0	- 0
(equals) Excess Demand for Aff/Sub Units	= 16	= 48		= 22	= 65	

¹ 2024 calculations define income-qualified households as all households with incomes less than \$40,000. Homeowner households with incomes between \$35,000 and \$39,999 are excluded from the market potential for financially-assisted housing.

² Existing units are deducted at market equilibrium, or 97% occupancy.

Source: Maxfield Research & Consulting, LLC

Estimated Demand for Independent Living (Congregate) Senior Housing

Table HD-4 presents our demand calculations for congregate housing in Ramsey in 2019 and 2024.

The potential age- and income-qualified base for congregate senior housing includes all senior (65+) households with incomes of \$35,000 as well as homeowner households with incomes between \$30,000 and \$34,999 who would qualify with the proceeds from the sales of their homes. The proportion of eligible homeowners is based on the 2017 ACS homeownership rates of the Ramsey seniors. The number of age, income, and asset-qualified households in Ramsey is estimated to be 1,364 households in 2019.

Demand for congregate housing is need-drive, which reduces the qualified market to only the portion of seniors who need some assistance. Adjusting to include appropriate capture rates for each age cohort (1.5% of households age 65 to 74 and 13.5% of households age 75 and older) results in a local demand potential for 55 congregate units in 2019.

We estimate that seniors currently residing outside of the Ramsey will generate 25% of the demand for congregate senior housing. Together, the demand from Ramsey seniors and demand from seniors who are willing to locate to the Ramsey totals 74 congregate units in 2019.

HOUSING DEMAND ANALYSIS

As of June 2019, there are no under construction or approved senior housing projects with congregate units. This results in an overall demand for 74 congregate units.

Adjusting for inflation, we estimate that households with incomes of \$40,000 or more and senior homeowners with incomes between \$35,000 and \$39,999 would qualify for congregate housing in 2024. Following the same methodology, demand is calculated to increase to 109 units through 2024.

TABLE HD-4				
MARKET RATE CONGREGATE RENTAL HOUSING DEMAND				
CITY OF RAMSEY				
2019 and 2024				
	2019		2024	
	Age of Householder		Age of Householder	
	65-74	75+	65-74	75+
# of Households w/ Incomes of >\$35,000 ¹	1,051	268	1,249	417
# of Households w/ Incomes of \$30,000 to \$34,999 ¹	+	23	+	47
(times) Homeownership Rate	x	94%	x	94%
(equals) Total Potential Market Base	=	1,073	=	1,293
(times) Potential Capture Rate ²	x	1.5%	x	1.5%
(equals) Potential Demand	=	16 + 39	=	19 + 63
Potential Demand from Ramsey Residents	=	55	=	82
(plus) Demand from Outside Ramsey (25%)	+	18	+	27
(equals) Total Demand Potential	=	74	=	109
(minus) Existing and Pending Congregate Units ³	-	0	-	0
(equals) Total Congregate Demand Potential	=	74	=	109
¹ 2024 calculations define income-qualified households as all households with incomes greater than \$40,000 and homeowner households with incomes between \$35,000 and \$39,999.				
² The potential capture rate is derived from data from the Summary Health Statistics for the U.S. Population: National Health Interview Survey, 2008 by the U.S. Department of Health and Human Services. The capture rate used is the percentage of seniors needing assistance with IADLs, but not ADLs (seniors needing assistance with ADLs typically need assistance with multiple IADLs and are primary candidates for service-intensive assisted living).				
³ Competitive units include congregate units at 95% occupancy (market equilibrium).				
Source: Maxfield Research and Consulting LLC				

Estimated Demand for Assisted Living Housing

Table HD-5 presents our demand calculations for assisted living senior housing in Ramsey in 2019 and 2024. 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 2009 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 was 87 years in 2008. Hence, 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 from seniors over age 75. In 2019, there are a projected 711 seniors age 75 and older in Ramsey.

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 U.S. Census Bureau (1999 panels of the Survey of Income and Program Participation (SIPP) files), 30% of seniors needed 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 224 seniors in Ramsey.

Due to the supportive nature of assisted living housing, most daily essentials are included in monthly rental 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 housing in Ramsey 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 Ramsey. 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 2009 Overview of Assisted Living, the average arrival income of assisted living residents in 2008 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.

For each age group in Table HD-5, we estimate the income-qualified percentage to be all seniors in households with incomes above \$40,000 (who could afford monthly rents of \$3,000+ per month) plus 40% of the estimated seniors in homeowner households with incomes below

HOUSING DEMAND ANALYSIS

\$40,000 (who will spend down assets, including home-equity, in order to live in assisted living housing). This results in a total potential market of 163 units in 2019.

Because the vast majority of assisted living residents are single (88% according to the 2009 Overview of Assisted Living), our demand methodology multiplies the total potential market by the percentage of seniors age 75+ in Ramsey living alone. Based on 2017 ACS data, only 44% of age 75+ households in Ramsey lived alone. Applying this percentage results in a total base of 554 age/income-qualified singles. The 2009 Overview of Assisted Living found that 12% of residents in assisted living were couples. There is a total of 303 age/income-qualified seniors needing assistance in Ramsey including both couples and singles.

We estimate that roughly 60% of the qualified market needing significant assistance with Activities of Daily Living (“ADLs”) would 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 40% could be served by assisted living housing. Applying this potential market penetration rate of 40% results in demand for 33 assisted living units in 2019.

We estimate that a portion of demand for assisted living units (25%) will come from outside of the Ramsey. Applying this figure results in total potential demand for 43 market rate assisted living units in Ramsey.

There is a total of 48 assisted living units in Ramsey. After deducting these competitive units (minus a 93% occupancy rate) from the total demand potential, we calculate that there is no current demand for assisted living units in the Ramsey in 2019. However, after applying the aforementioned calculations to the age/income-qualified base in 2024, resulting in demand for 27 units.

Additional demand could come from seniors that will need to receive supplemental income in order to afford assisted living or memory care housing. While some of these seniors will receive income from the sales of their homes, others will need to rely on other sources of public aid. The Elderly Waiver program has provided public funding for seniors who wish to receive “alternative” care that allows them to stay in the community as opposed to receiving similar care at a nursing home.

Most assisted living developments require residents to have lived in their facility for a certain amount of time before they can use a waiver, and many try to limit the number of waivers accepted within the community to around roughly 10% to 20%. Some facilities accept higher amounts of residents on waivers and many newer facilities do not accept any waivers.

HOUSING DEMAND ANALYSIS

TABLE HD-5 MARKET RATE ASSISTED LIVING DEMAND CITY OF RAMSEY 2019 and 2024						
	2019			2024		
	People	Percent Needing Assistance ¹	Number Needing Assistance ¹	People	Percent Needing Assistance ¹	Number Needing Assistance ¹
Age group						
75 - 79	429	25.5%	109	724	25.5%	185
80 - 84	173	33.6%	58	321	33.6%	108
85+	109	51.6%	56	163	51.6%	84
Total	711		224	1,208		377
Percent Income-Qualified²			73%			72%
Total potential market			163			270
(times) Percent living alone			x 44%			44%
(equals) Age/income-qualified singles needing assistance			= 72			119
(plus) Proportion of demand from couples (12%) ³			+ 10			16
(equals) Total age/income-qualified market needing assistance			= 81			135
(times) Potential penetration rate ⁴			x 40%			40%
(equals) Potential demand from Ramsey residents			= 33			54
(plus) Proportion from outside Ramsey (25%)			+ 11			18
(equals) Total potential assisted living demand			= 43			72
(minus) Existing market rate assisted living units ⁵			- 45			45
(equals) Total excess market rate assisted living demand			= 0			27
¹ The percentage of seniors unable to perform or having difficulty with ADLs, based on the publication Health, United States, 1999 Health and Aging Chartbook, conducted by the Centers for Disease Control and Prevention and the National Center for Health Statistics.						
² Includes households with incomes of \$40,000 or more (who could afford monthly rents of \$3,000+ per month) plus 40% of estimated owner households with incomes below \$40,000 (who will spend down assets, including home-equity, in order to live in assisted living housing).						
³ The 2009 Overview of Assisted Living (a collaborative project of AAHSA, ASHA, ALFA, NCAL & NIC) found that 12% of assisted living residents are couples.						
⁴ We estimate that 60% of the qualified market needing assistance with ADLs could either remain in their homes or reside at less advanced senior housing with the assistance of a family member or home health care, or would need greater care provided in a skilled care facility.						
⁵ Existing and pending units at 93% occupancy.						
Source: Maxfield Research & Consulting, LLC						

Estimated Demand for Memory Care Housing

Table HD-6 presents our demand calculations for market rate memory care senior housing in Ramsey in 2019 and 2024.

Demand is calculated by starting with the estimated Ramsey senior (age 65+) population in 2019 and multiplying by the incidence rate of Alzheimer's/dementia among this population's age cohorts. According to the Alzheimer's Association (Alzheimer's Disease Facts and Figures, 2007), 2% of seniors ages 65 to 74, 19% of seniors ages 75 to 84, and 42% of seniors ages 85+ are afflicted with Alzheimer's Disease. This yields a potential market of 203 seniors in Ramsey in 2019.

Because of the staff-intensive nature of dementia care, typical monthly fees for this type of housing are at least \$4,000 and range upwards of \$5,000 to \$6,000 when including service packages. Based on our review of senior household incomes in Ramsey, homeownership rates and home sale data, we estimate that 66% of seniors in Ramsey would have incomes and/or assets to sufficiently cover the costs of memory care housing. This figure takes 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 number of seniors with Alzheimer's/dementia (203 seniors) by the income-qualified percentage results in a total of 135 age/income-qualified seniors in the Ramsey in 2019.

According to data from the National Institute of Aging, about 25% of all individuals with memory care impairments comprise the 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 later 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 34 seniors in the Ramsey.

We estimate that 25% of the overall demand for memory care housing would come from outside of Ramsey. Together, demand totals 45 memory care units in 2019.

HOUSING DEMAND ANALYSIS

TABLE HD-6 MARKET RATE MEMORY CARE DEMAND CITY OF RAMSEY 2019 and 2024		
	2019	2024
65 to 74 Population	2,140	2,619
(times) Dementia Incidence Rate ¹	x 2%	x 2%
(equals) Estimated Age 65 to 74 Pop. with Dementia	= 43	= 52
75 to 84 Population	602	1,045
(times) Dementia Incidence Rate ¹	x 19%	x 19%
(equals) Estimated Age 75 to 84 Pop. with Dementia	= 114	= 199
85+ Population	109	163
(times) Dementia Incidence Rate ¹	x 42%	x 42%
(equals) Estimated Age 85+ Pop. with Dementia	= 46	= 68
(equals) Total Senior Population with Dementia	= 203	= 319
(times) Percent Income/Asset-Qualified ²	x 66%	x 67%
(equals) Total Income-Qualified Market Base	= 135	= 214
(times) Percent Needing Specialized Memory Care Assistance	x 25%	x 25%
(equals) Total Need for Dementia Care	= 34	= 53
(plus) Demand from Outside the City of Ramsey (25%)	+ 11	+ 18
Total Demand for Memory Care Units	= 45	71
(minus) Existing and Pending Memory Care Units ³	- 22	- 22
(equals) Excess Demand Potential	= 23	= 49
¹ Alzheimer's Association: Alzheimer's Disease Facts & Figures (2007)		
² Includes seniors with income at \$60,000 or above (\$65,000 in 2024) plus 40% of homeowners with incomes below this threshold (who will spend down assets, including home-equity), in order to live in memory care housing.		
³ Existing memory care units at 7% vacancy rate.		
Source: Maxfield Research & Consulting, LLC		

We reduce the demand potential by accounting for the existing memory care product in Ramsey. There is a total of 24 units; however, we reduce the competitive units to include memory care units at a 7% vacancy rate. Subtracting these competitive units results in a demand for 23 units.

The same calculations are applied to the age/income-qualified base in 2024. Following the same methodology, potential demand for market rate memory care units is expected to increase to 49 units in Ramsey through 2024.

Estimated Demand for For-Sale Housing

Table HD-7 presents our demand calculations for general occupancy for-sale housing in Ramsey between 2019 and 2030.

The 65 and older cohort is typically not a target market for new general occupancy for-sale housing, therefore, we limit demand from household growth to only those households under the age of 65. According to our projections, the City of Ramsey is expected to add 1,988 new households; of which 1,279 households will be under the age of 65. We estimate that 86% have the propensity to own, which produces demand for 1,099 new general occupancy for-sale housing units between 2019 and 2030.

Demand is also forecast to emerge from existing Ramsey householders through turnover. An estimated 6,745 owner-occupied households under age 65 are in the Ramsey in 2019. Based on mobility data from the Census Bureau, an estimated 57% of owner households will turnover in a thirteen-year period, resulting in over 3,800 existing households projected to turnover. Finally, we estimate 10% of the existing owner households will seek new for-sale housing, resulting in demand for 382 for-sale units through 2030.

Next, we estimate that 25% of the total demand for new for-sale units in the Ramsey will come from people currently living outside of the City. A portion of this market will be former residents of the area, such as “snow-birds” heading south for the winters. Adding demand from outside the Ramsey to the existing demand potential, results in a total estimated demand for 1,975 for-sale housing units by 2030.

Based on land available, building trends, and demographic shifts (increasing older adult population), we project 68% of the for-sale owners will prefer traditional single-family product types while the remaining 32% will prefer a maintenance-free multi-family product (i.e. twin homes, townhomes, condominiums, detached townhomes, etc.).

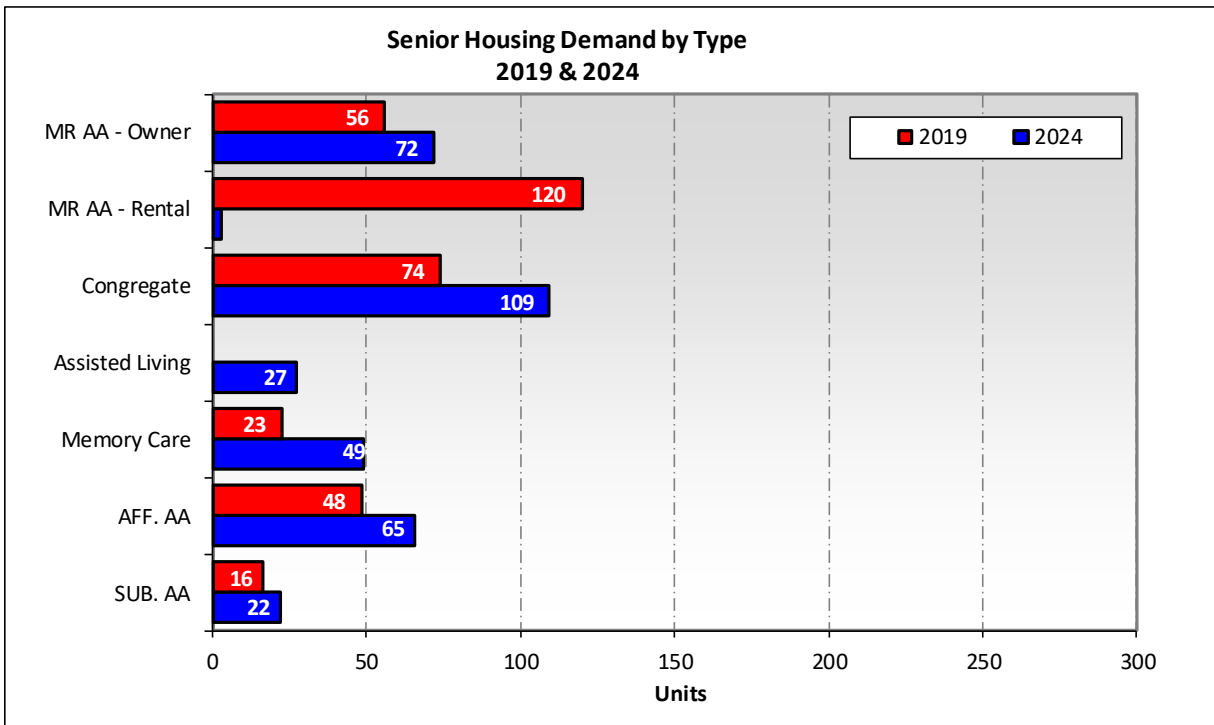
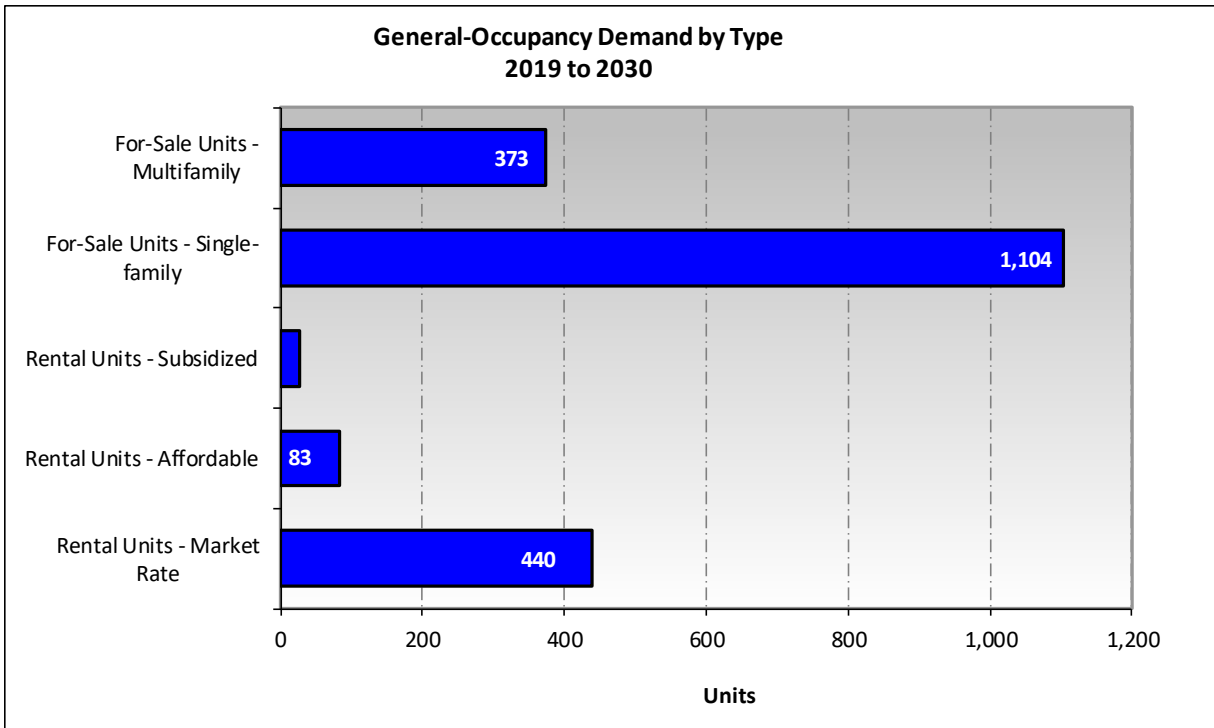
Subtracting any vacant platted lots in subdivisions and planned for-sale single-family and multi-family projects, demand exists for 1,104 single-family homes and 373 for-sale multifamily units through 2030.

Introduction/Overall Housing Recommendations

This section summarizes demand calculated for specific housing products in Ramsey and recommends development concepts to meet the housing needs forecast for the City. All recommendations are based on findings of the *Comprehensive Housing Market Study*. The following table and charts illustrate calculated demand by product type. It is important to recognize that housing demand is highly contingent on projected household growth and land availability; household growth could be higher if additional acreage was available for housing development/redevelopment.

TABLE CR-1 SUMMARY OF HOUSING DEMAND CITY OF RAMSEY 2019 to 2030		
Type of Use	2019 - 2030	
<i>General-Occupancy</i>		
Rental Units - Market Rate	440	
Rental Units - Affordable	83	
Rental Units - Subsidized	28	
For-Sale Units - Single-family	1,104	
For-Sale Units - Multifamily	373	
<i>Total General Occupancy Supportable</i>	2,027	
	2019	2024
<i>Age-Restricted (Senior)</i>		
<i>Market Rate</i>		
Adult Few Services (Active Adult)	176	75
<i>Ownership</i>	56	72
<i>Rental</i>	120	3
Congregate	74	109
Assisted Living	0	27
Memory Care	23	49
<i>Total Market Rate Senior Supportable</i>	273	260
<i>Affordable/Subsidized</i>		
Active Adult - Subsidized	16	22
Active Adult - Affordable	48	65
<i>Total Affordable Senior Supportable</i>	65	87
Note: Demand subtracts projects under construction or planned		
Source: Maxfield Research & Consulting, LLC		

RECOMMENDATIONS AND CONCLUSIONS



Based on the finding of our analysis and demand calculations, Table CR-2 provides a summary of the recommended development concepts by product type for the City of Ramsey. It is important to note that these proposed concepts are intended to act as a development guide to

RECOMMENDATIONS AND CONCLUSIONS

most effectively meet the housing needs of existing and future households in Ramsey. The recommended development types do not directly coincide with total demand as illustrated in Table CR-1.

TABLE CR-2 RECOMMENDED HOUSING DEVELOPMENT CITY OF RAMSEY 2019 to 2030				
		Purchase Price/ Monthly Rent Range ¹	No. of Units	Development Timing
Owner-Occupied Homes				
<i>Single Family</i>				
	Entry-level	<\$300,000	350 - 400	Ongoing
	Move-up	\$300,000 - \$500,000	550 - 600	Ongoing
	Executive	\$500,000+	350 - 400	Ongoing
	Total		1,250 - 1,400	
<i>Townhomes/Twinhomes/Detached Townhomes⁴</i>				
	Entry-level	<\$250,000	225 - 250	Ongoing
	Move-up	\$250,000 - \$400,000	200 - 225	Ongoing
	Executive	\$400,000+	150 - 175	Ongoing
	Total		575 - 650	
Total Owner-Occupied			1,825 - 2,050	
General Occupancy Rental Housing				
<i>Market Rate Rental Housing</i>				
	Apartment-style (moderate)	\$900/EFF - \$1,800/2BR+D	175 - 200	2021+
	Apartment-style (luxury)	\$1,100/EFF - \$2,600/3BR	100 - 120	2023+
	Townhomes	\$1,600/2BR - \$1,900/3BR	120 - 140	2020+
	Total		395 - 460	
<i>Affordable Rental Housing</i>				
	Apartment-style	Moderate Income ³	70 - 80	2022+
	Townhomes	Moderate Income ³	40 - 50	2020+
	Total		110 - 130	
Total Renter-Occupied			505 - 590	
Senior Housing (i.e. Age Restricted) - 2019 to 2024				
	Senior Coop./Ownership Active Adult	\$150,000 - \$200,000+	60 - 70	2020+
	Active Adult Affordable Rental ⁵	Moderate Income ³	70 - 80	2020+
	Independent living/Congregate	\$1,800/1BR-\$2,500/2BR	80 - 100	2020+
	Assisted Living	\$3,000/EFF - \$5,500/2BR	20 - 24	2024+
	Memory Care	\$4,000/EFF - \$6,000/2BR	40 - 50	2020+
	Total		270 - 324	
Total - All Units			2,600 - 2,964	
¹ Pricing in 2019 dollars. Pricing can be adjusted to account for inflation.				
² For-Sale Multifamily includes a variety of multifamily product types; including twinhomes, villas, detached townhomes, row homes, quads, etc.				
³ Affordability subject to income guidelines per Minnesota Housing Finance Agency (MHFA). See Table HA-1 for Anoka County Income limits.				
⁴ Alternative development concept is to combine active adult affordable and market rate active adult into mixed-income senior community				
Note - Recommended development does not coincide with total demand. Ramsey may not be able to accommodate all recommended housing types based on land availability and development constraints.				
Source: Maxfield Research & Consulting, LLC				

Recommended Housing Product Types

For-Sale Housing

Single-Family Housing

Table HD-2 identified demand for about 1,340 single-family housing units in Ramsey through 2030. However, after accounting for the existing and newly platted lots about 240 newer lots are available in Ramsey (see Table FS-9); demand is reduced to about 1,100 new lots in Ramsey through 2030. Based on historic construction activity over the past three years, there has been an average of about 100 new single-family units per year in Ramsey; down substantially from the early part of last decade when over 170 single family homes on average were added between 2003 and 2004.

The lot supply benchmark for growing communities is a three- to five-year lot supply, which ensures adequate consumer choice without excessively prolonging developer-carrying costs. Given the number of existing platted lots in Ramsey and the number of homes constructed annually, the current lot supply is able to meet demand only for about two to three years. Although Table FS-9 identified 341 future lots; many of these subdivisions may still be future based on preliminary plat information that may have been platted last decade prior to the housing market slowdown. Therefore, new lots will need to be platted or moved from future lots to vacant developed lots to meet future demand.

Due to the resales price of the single-family housing stock in Ramsey, most of the existing older housing stock appeals to entry-level buyers. Entry-level existing homes, which we generally classify as homes priced under \$250,000 will be mainly satisfied by existing single-family homes as residents of existing homes move into newer housing products built in the Ramsey Area, such as move-up single-family homes, twinhomes, rental housing and senior housing. A move-up buyer or step-up buyer is typically one who is selling one house and purchasing another one, usually a larger and more expensive home. Usually the move is desired because of a lifestyle change, such as a new job or a growing family. Move-up homes are generally priced from \$300,000 to \$500,000. Executive-level homes are loosely defined as those homes priced above \$500,000. Most of these homes would be build-to-suit new construction on larger lots in the northern portion of Ramsey or in new subdivisions targeting executive buyers.

Ramsey is one of the most affordable cities in the Metro Area for buyers seeking new construction. About one-third of the new construction has been priced between \$200,000 and \$300,000; compared to only 11% in Anoka County and 5% in the 7-County Metro Area. In the Metro Area, new homes priced in the \$400s have been in the highest demand. Although demand is significant for new homes priced under \$300,000; most builders have not been able to deliver product at the lower-end due to several factors (i.e. increased land costs, labor, materials, regulations, building codes, etc.). Most new construction in Ramsey starts from the mid \$250s and runs to the mid- to upper \$300s; or about \$160 to \$165 PSF. Although demand is

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strong for homes priced under \$300,000; it will be more difficult for builders to deliver single-family housing product at that price point unless public assistance or smaller lot sizes are approved.

Many of the existing lots in Ramsey target the entry-level and move-up buyer; however, there are few executive lots. We recommend additional “choice lots” that cater to executive buyers and have the topography for walk-out lots and more vegetation on the property. We also recommend considering smaller lots that will increase density while bringing down new subdivision infrastructure costs.

For-Sale Multifamily Housing

A growing number of households desire alternative housing types such as townhouses, detached townhomes, and twinhomes. Typically, the target market for for-sale multifamily housing is empty-nesters and retirees seeking to downsize from their single-family homes. In addition, professionals, particularly singles and couples without children, also will seek townhomes if they prefer not to have the maintenance responsibilities of a single-family home. In many housing markets, younger households also find purchasing multifamily units to be generally more affordable than purchasing new single-family homes. This is particularly true in Ramsey where many townhomes have been developed last decade that cater to first-time home buyers.

As Table FS-4 2 showed, multifamily resales make-up about 27% of the for-sale housing market in Ramsey since 2000. However, the median resales price has been around 33% lower than single-family housing. The median sales price has increased significantly since 2011 when townhome foreclosures dominated the market. The recent increase in median sales prices is due to the recently completed “Station” by D.R. Horton and the increase in detached townhome housing targeting one-level living households.

Based on the changing demographics and the need for alternative housing types, demand was calculated for 632 new multifamily for-sale units in Ramsey through 2030. However, Maxfield Research identified about 260 vacant townhome lots or recently platted multifamily lots; hence demand was reduced to 373 units. Given the aging of the population, desire for association-maintained housing, and affordability; Ramsey is expected to see an increase of attached housing product type. Neighborhoods near the Cor will be in high demand as buyers seek proximity to retail, parks, walking paths, and transit. These attached units could be developed as twin homes, detached townhomes or villas, townhomes/row homes, or any combination. We recommend offering both one-level and two-story townhome units; however two-story units should have the option for a master suite on the main level.

The following provides greater detail into several for-sale multifamily housing products.

- *Twinhomes*– By definition, a twin home is basically two units with a shared wall with each owner owning half of the lot the home is on (also referred to as a duplex). Some one-level

RECOMMENDATIONS AND CONCLUSIONS

living units are designed in three-, four-, or even six-unit buildings in a variety of configurations. The swell of support for twinhome and one-level living units is generated by the aging baby boomer generation, which is increasing the numbers of older adults and seniors who desire low-maintenance housing alternatives to their single-family homes but are not ready to move to service-enhanced rental housing (i.e. downsizing or right sizing).

Traditionally most twin home developments have been designed with the garage being the prominent feature of the home; however, today's newer twin homes have much more architectural detail. Many higher-end twinhome developments feature designs where one garage faces the street and the other to the side yard. This design helps reduce the prominence of the garage domination with two separate entrances. Housing products designed to meet the needs of these aging Ramsey residents, many of whom desire to stay in their current community if housing is available to meet their needs, will be needed into the foreseeable future.

Twinhomes are also a preferred for-sale product by builders in today's market as units can be developed as demand warrants. Because twinhomes bring higher density and economies of scale to the construction process, the price point can be lower than stand-alone single-family housing with similar finishing's and square footage. Move-up twinhomes have especially been popular in the Twin Cities Metro Area over the past five years and have commanded price premiums. Most new twinhomes in the Twin Cities have catered to the move-up or "right-sized" buyers that have commanded prices from \$350,000 to \$550,000 on average. Most of these homes feature a main-level floor plan averaging 1,500 square feet plus lower levels, resulting in an average total finished square footage of about 2,350 square feet. Lot sizes typically average about 40' wide and range from 36' wide to 50' wide.

Twinhomes would be well-received in Ramsey and could start at \$300,000 for a slab-on-grade product while offering buyers the option for a full basement increasing the square footage to about 2,500 finished square feet.

Detached Townhomes/Villas – An alternative to the twinhome is the one-level villa product and/or rambler. This product also appeals mainly to baby boomers and empty nesters seeking a product similar to a single-family living on a smaller scale while receiving the benefits of maintenance-free living. Many of these units are designed with a walk-out or look-out lower level if the topography warrants. We recommend lot widths ranging from 45 to 55 feet with main-level living areas between 1,600 and 1,800 square feet. The main level living area usually features a master bedroom, great room, dining room, kitchen, and laundry room while offering a "flex room" that could be another bedroom, office, media room, or exercise room. However, owners should also be able to purchase the home with the option to finish the lower level (i.e. additional bedrooms, game room, storage, den/study, etc.) and some owners may want a slab-on-grade product for affordability reasons. Finally, builders could also provide the option to build a two-story detached product that could be mixed with the villa product.

RECOMMENDATIONS AND CONCLUSIONS

Current detached townhomes marketing in Ramsey are among the lowest priced in the entire Metro Area at around \$290,000 with about 1,500 square feet (\$190 PSF). Pricing for a detached townhome/villa will vary based on a slab-on-grade home versus a home with a basement. Base pricing should start at \$300,000 (slab-on-grade) and will fluctuate based on custom finishes, upgrades, etc.

- *Side-by-Side and Back-to-Back Townhomes* – This housing product is designed with three or four or more separate living units in one building and can be built in a variety of configurations. With the relative affordability of these units and multi-level living, side-by-side and back-to-back townhomes have the greatest appeal among entry-level households without children, young families and singles and/or roommates across the age span. However, two-story townhomes would also be attractive to middle-market, move-up, and empty-nester buyers. Many of these buyers want to downsize from a single-family home into maintenance-free housing, many of which will have equity from the sale of their single-family home.

Side-by-side townhomes were overbuilt across Ramsey and the Metro Area last decade and suffered during the recession from foreclosures and short sales. Many of these properties were attractive to investors who purchased the homes and converted to townhome rentals. New construction townhomes have begun to bounce back in the Metro Area as there is a shortage of affordably priced new construction. Prior to the recession new construction townhomes were typically priced around \$200,000; however today entry-level townhomes in the Metro Area have pushed closer to \$275,000. The recently completed Station by D.R. Horton was among the most affordable townhome projects in the Metro Area with an average sales price of about \$220,000 or \$135 PSF.

We recommend side-by-side units, which tend to appeal to a slightly broader market, including older adults and retirees as well as younger families with children. Side-by-side units (or rowhomes) have increased density and could provide higher returns on investment to builders/developers that would spread out the costs of infrastructure. Association-maintained townhomes and/or rowhomes can have lot widths ranging from 22' to 35'.

Side-by-side townhomes base pricing should start from \$240,000 and would be attractive to a variety of first-time and move-up buyers. Because of the growth in the older population, two-story units should be designed with the option of a master suite on the main level. Side-by-side townhomes command the highest density among the various townhome products and would be the recommended concept for Ramsey, especially near the COR neighborhood.

- *Condominiums* – Given Ramsey's location as an outer ring suburban community; we do not recommend any condominiums at this time due to several hurdles affecting new condo construction. Condominium development across the Metro Area has been slow since the Great Recession. At first the condominium slowdown was a result of overbuilding and sub-prime lending leading up to the housing crash and ensuing recession. However, demand

has returned while development has waned in part due to statutory laws. Due to the statutory home warranty changes initiated in 2010; builders and developers focused on less adverse real estate types due to regulatory effects. In addition to pre-sale requirements and owner-occupied minimums by lenders, condominium developers and contractors faced a wave of litigation over the past decade related to condo projects that were built prior to the recession, which deterred building.

However, in 2017 the State Legislature revised the state law and requires homeowner's association to implement a preventative maintenance plan, go through mediation, and have the majority of the home owner's association members to vote on whether they will proceed with a construction defect lawsuit. Although the law has been revised, developers are still skittish about constructing new condominiums; unless in high-dollar markets such as Wayzata, Edina, or Downtown Minneapolis. We find the COR neighborhood would be excellent for condo product; but it's still too premature as too many developers are on the sidelines and pursuing rental housing due in part to favorable financing.

General Occupancy Rental Housing

Our competitive inventory identified that the vacancy rates for all types of general occupancy rental product is below market equilibrium (2.9% vacancy rate) indicating pent-up demand for rental housing. Vacancy rates are low for both affordable rental housing (2.0%) and market rate housing (3.1%). The rental housing stock is newer as most product has been constructed in the past five years in and near the COR neighborhood. As Table P-1 illustrated, there are three pending projects that could bring another 500 units on-line should they all move forward. Similar across the Metro Area, market rate rental housing is the real estate product type experiencing the strongest demand and lenders favor this product type given the historic performance. However, the Metro Area is peaking and the overall market is expected to experience increased vacancies as over 8,000 units are finished in 2019. Should all the units proceed simultaneously in Ramsey, the rental market will likely experience some softening in rents and concessions could ensue as new units are absorbed.

- ***Market Rate Rental*** – Demand for market rate housing was found for over 440 units through 2030. Currently, vacancies rates are below equilibrium suggesting the market has pent-up demand for new rental product. However, the two proposed projects would include a total of 438 units that would accommodate the recommended rental housing demand over the next decade if they were to proceed.

We recommend new market rate housing targeting both middle-market and upper-bracket renters. In addition, we recommend a townhome style product that would have separate entrances; a product type that is popular among a wide-range of target demographics (i.e. families, couples, single parents, etc.)

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- *Affordable General Occupancy Multifamily Housing*– There are two new affordable rental projects in Ramsey; these developments have been very successful and are 98% occupied as of June 2019. The existing products target households between 50% and 60% of area median income. However, new affordable projects would have income-restrictions established by HUD and could target households with incomes between 50% to 80% of area median income; however, some could be workforce units with affordability up to 120% AMI.

Because of the stronger household incomes in Ramsey, affordable housing demand is lower than market rate housing. Together with subsidized housing, we find demand for about 130 income-restricted units in Ramsey. However, since affordable housing developments are in high demand the need is higher as a new project would be attractive to households living outside of Ramsey.

Affordable housing attracts households that cannot afford market rate housing units but do not income-qualify for deep subsidy housing. One-bedroom units target singles and couples, whereas two and three-bedroom units target families. Some retired seniors would also be attracted to an affordable concept. We recommend affordable concepts that would target residents at 50% to 60% AMI; but could also target the workforce population with higher AMI guidelines.

Demand is strong for both stand-alone tax credit projects and for mixed-income market rate developments that have a small proportion of units at 50% to 60% AMI. Similar to market rate general-occupancy rental housing, new affordable development will likely occur in multifamily development with higher densities. There is also very strong demand for rental townhomes; especially for families with children.

Senior Housing

As illustrated in Table CR-1, demand exists for most types of senior housing product types in Ramsey. Over the course of the next five years, there is demand for roughly 350 new senior units through 2024. The unmet of additional senior housing is recommended in order to provide housing opportunity to these aging residents in their stages of later life. The development of additional senior housing serves a two-fold purpose in meeting the housing needs in Ramsey: older adult and senior residents are able to relocate to new age-restricted housing in Ramsey, and existing homes and rental units that were occupied by seniors become available to other new households. Hence, development of additional senior housing does not mean the housing needs of younger households are neglected; it simply means that a greater percentage of housing need is satisfied by housing unit turnover. The types of housing products needed to accommodate the aging population base are discussed individually in the following section.

- *Active Adult Rental* – Although there is strong demand at this time for active adult rental housing; the *Affinity at Ramsey* project will be 174 total units and will absorb all demand

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for active rental senior housing in the next five years. Hence, we do not recommend any additional active adult senior housing until this project has been absorbed and the senior population grows.

- Active Adult Senior Cooperative/Owner – There are no age-restricted senior housing ownership projects in Ramsey at this time. Maxfield Research and Consulting, LLC projected demand for 72 ownership units over the next five years. The cooperative model, in particular, appeals to a larger base of potential residents in that it has characteristics of both rental and ownership housing. Cooperative developments allow prospective residents an ownership option and homestead tax benefits without a substantial upfront investment as would be true in a condominium development or life care option. Maxfield Research & Consulting, LLC has found the cooperative model to be very well-accepted in suburban communities in the Twin Cities Metro Area and across the Midwest. As such, we recommend a 60 to 70-unit senior cooperative later this decade with sliding scale share costs starting at about \$150,000.
- Affordable/Subsidized Active Adult Rental – Ramsey’s demand for affordable and subsidized senior housing is approximately 50 affordable units and 35 subsidized units through 2024. Although this product would be well received by seniors in and near the Ramsey area; it can be difficult to develop given financing challenges and development costs. Affordable senior housing will likely be a low-income tax credit project through the Minnesota Housing Finance Agency (MHFA). MHFA recently started to consider affordable senior housing projects under the tax credit program and is slowly starting to expand financing for this product type. Affordable/subsidized senior housing products can also be incorporated into a mixed-income building which may increase the projects financial feasibility. We recommend a 70 to 80-units affordable building that could be a stand-alone concept or incorporated into a mixed-income building in the future after the Affinity at Ramsey has reached stabilize occupancy and demand has increased.
- Independent Living/Congregate – There are no independent living senior housing properties in Ramsey at the time of this study. Demand was calculated for upwards of 110 congregate units through 2024. Based on this demand, one or two projects could be supported in the community to meet this forthcoming demand. We recommend a mix of one-bedroom, one-bedroom plus den, and two-bedroom units. Base monthly rents should range from \$1,800 for one-bedroom units to \$2,500 for two-bedroom units. The monthly fees should include all utilities (except telephone and basic cable/satellite television) and the following services:
 - I’m OK program;
 - Daily noon meal;
 - Regularly scheduled van transportation;
 - Social, health, wellness and educational programs;
 - 24-hour emergency call system; and
 - Complimentary use of laundry facilities.

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

New independent housing could be developed adjacent to an existing senior project or in a stand-alone development.

- *Assisted Living and Memory Care Senior Housing* – The existing Stoney River of Ramsey assisted living project satisfies the demand for assisted living in the short-term. However, we project demand for another 27 units by 2024. Demand for service-based housing will continue to escalate after 2025 as the baby boomers start to desire services as the decade progresses. The Stoney River of Ramsey development is also the only project that offers memory care housing in Ramsey. Demand was projected for about 50 units of memory care over the next five years.

We recommend assisted living units include a mix of studio, and one-bedroom, and a few two-bedroom units with base monthly rents ranging from \$3,000 to \$5,500. Memory care unit mix should be mostly studios and one-bedroom units with a few two-bedroom units for couples with base monthly rents ranging from \$4,000 to \$6,000. Memory care units should be located in a secured, self-contained wing located on the first floor of a building and should feature its own dining and common area amenities including a secured outdoor patio and wandering area.

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

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

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

Challenges and Opportunities

Table CR-2 identified and recommended housing types that would satisfy the housing needs in Ramsey over the next eleven years. The following were identified as the greatest challenges and opportunities for developing the recommended housing types (in no particular order - alphabetically).

- **Accessory Dwelling Units (“ADU”):** Accessory dwelling units (“ADUs”) go by several different names such as: In-law suites, garage apartments, backyard cottages, granny flats, etc. An ADU is simply a small, stand-alone residential dwelling unit located on the same property as a detached single-family home. However, in some cases an ADU could include an addition on an existing home, apartment over a garage, or be located within an attic or basement within the home. Legally, however, an ADU is still a part of the original parcel’s PID number and title is with the property owner. The most common reason for building an ADU is generating rental income for the home owner or housing a family member (often for free).

Because of increased density on the property and smaller sized units, ADUs have the potential to increase housing affordability and create a wider range of housing options. Many communities that permit ADUs in their zoning code limit the number of accessory structures to just one; however, some cities have recently revised their zoning code to allow up to two accessory structures. Some communities monitor ADU construction by limiting new construction to only owner-occupied housing units (main structure is owned), minimum lot size, setbacks, and number of occupants or bedrooms in the accessory structure.

- **Age of Housing Stock.** As illustrated in *the Housing Characteristics* Section of the report (Table HC-3, the median year built for a home in Ramsey is 1993 and over 50% of the housing stock was built in the past two decades. As such, Ramsey has a newer housing stock compared to most Twin Cities suburban communities. At the same time, about 23% of the housing stock in Ramsey was constructed in the 1970s, a portion of the housing stock in Ramsey may be in need of remodeling programs that reinvestment into the city’s owner and renter housing stock.
- **Affordability.** As illustrated in Table HA-4, most householders (83%) can afford the average market rate rent for a one-bedroom at an existing rental project (\$1,200) in Ramsey. However, when adjusted for rental household incomes the affordability decreases as 74% of renters could afford a one-bedroom rent. Because the rental housing stock in Ramsey is newer, market rate rents are higher than other Anoka County communities. At the same time, household incomes for Ramsey householders are higher with a median income of \$64,000. The new rental housing development in the COR has targeted “lifestyle renters” or those with higher incomes who have enough money to buy a house but choose to rent for the convenience and lifestyle. Many of these renters may be cost burdened, but they choose so for the location, amenities, and proximity to transit.

- **Housing Resources & Programs.** Many communities and local Housing and Redevelopment Authorities (HRAs) offer programs to promote and preserve the existing housing stock. In addition, there are various regional and state organizations that assist local communities enhance their housing stock. The City of Ramsey does not have a tool kit of housing programs that are found in other suburban communities that have a local HRA. However, many of these cities have funding mechanisms and other levies to assist with the cost of offering these programs. The following is a sampling of potential programs that could be explored to aid and improve Ramsey's housing stock.
 - 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.
 - Corridor Housing Program - Program where city provides a funding source to acquire sites for multifamily housing development on or near community, commercial, or transit corridors. Funds can also be utilized to assemble larger redevelopment sites for new mixed-income and ownership multifamily housing. At least 20% of the units need to be affordable. Typically located near a TOD or BRTOD location.
 - Density Bonuses – Since the cost of land is a significant barrier to housing affordability, increasing densities can result in lower housing costs by reducing the land costs per unit. The City of Ramsey can offer density bonuses as a way to encourage higher-density residential development while also promoting an affordable or mixed-income housing component.
 - Fast Track Permitting – Program designed to reduce delays during the development process that ultimately add to the total costs of housing development. By expediting the permitting process costs can be reduced to developers while providing certainty into the development process. Typically, no-cost to the local government jurisdiction.
 - Home Improvement Area (HIA) - HIAs allow a townhome or condo association low interest loans to finance improvements to common areas. Unit owners repay the loan through fees imposed on the property, usually through property taxes. Typically, a "last resort" financing tool when associations are unable to obtain traditional financing due to the loss of equity from the real estate market or deferred maintenance on older properties.
 - Infill Lots – The City or HRA purchase blighted or substandard housing units from willing sellers. After the home has been removed, the vacant land is placed into the program for future housing redevelopment. Future purchasers can be builders or the future owner-occupant who has a contract with a builder. Typically, all construction must be completed within an allocated time-frame (one year in most cases).
 - Land Banking – Land Banking is a program of acquiring land with the purpose of developing at a later date. After a holding period, the land can be sold to a developer (often at a price lower than market) with the purpose of developing affordable housing.

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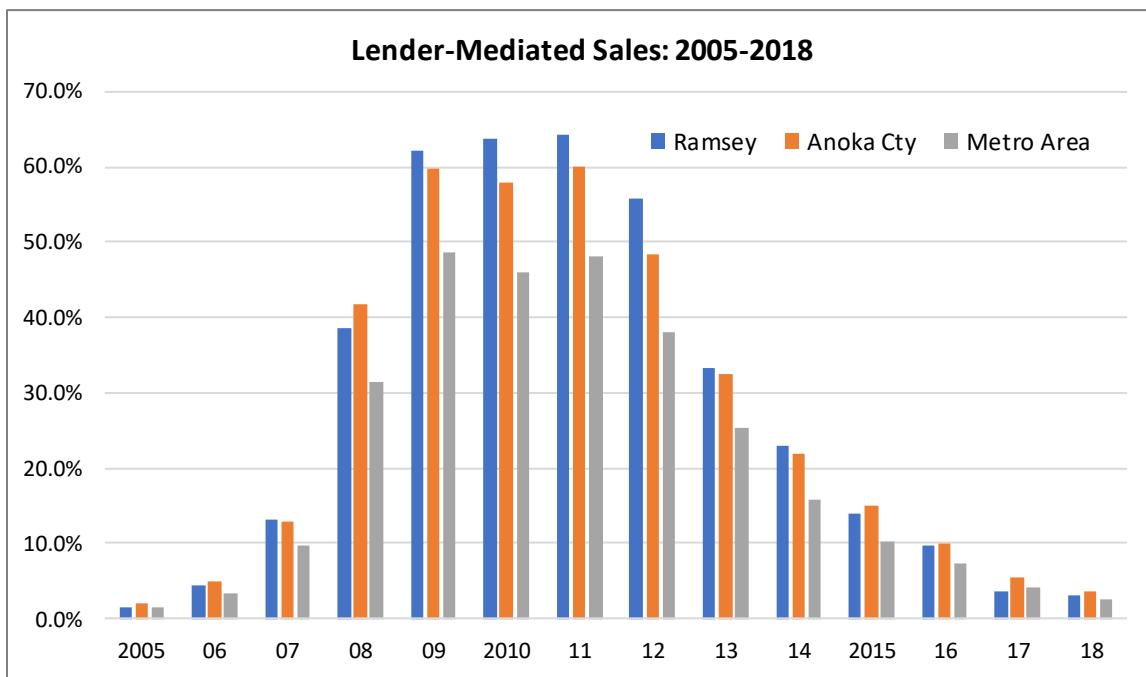
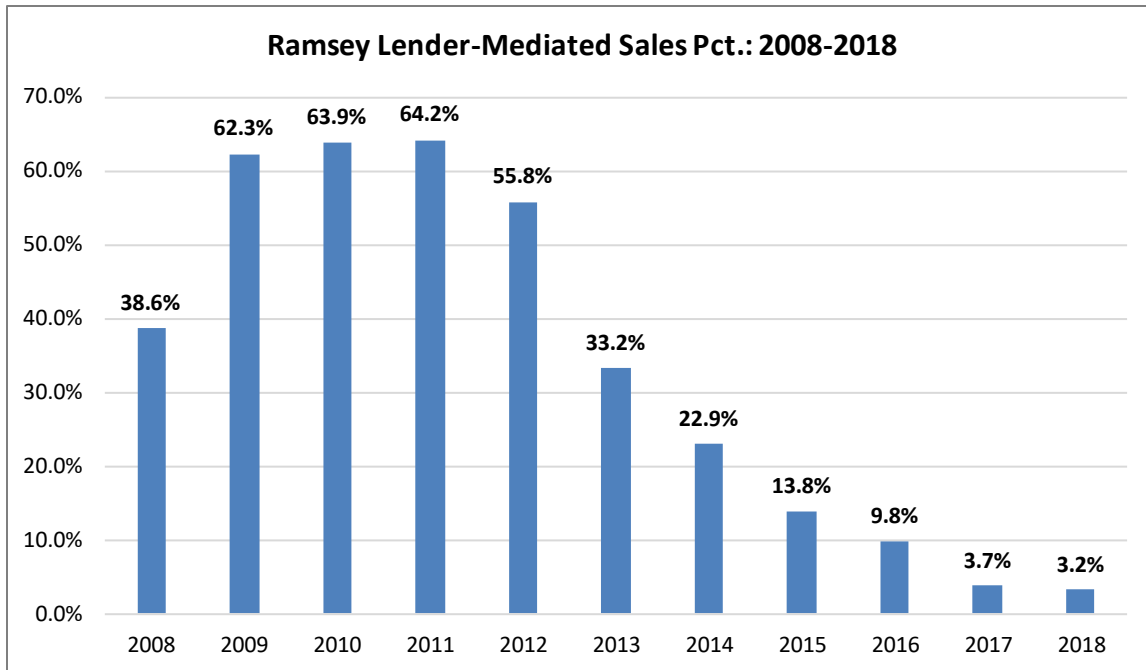
- Live Where You Work - Program designed to promote homeownership in the same community where employees work. City provides a grant to eligible employees to purchase a home near their workplace. Employers can also contribute or match the city's contribution. Participants must obtain a first mortgage through participating lenders. The grant can be allocated towards down payment assistance, closing costs, and gap financing. Some restrictions apply (i.e. length of employment, income, home buyer education, etc.)
 - Realtor Forum - Typically administered by City with partnership by local school board. Inform local Realtors about school district news, current development projects, and other marketing factors related to real estate in the community. In addition, Realtors usually receive CE credits.
 - Remodeling Tours - City-driven home remodeling tour intended to promote the enhancement of the housing stock through home renovations/additions. Homeowners open their homes to the public to showcase home improvements.
 - Rent to Own - Income-eligible families rent for a specified length of time with the end-goal of buying a home. The HRA saves a portion of the monthly rent that will be allocated for a down payment on a future house.
 - Shallow Rent Subsidy: The HRA funds a shallow rent subsidy program to provide program participants living in market rate rentals a rent subsidy (typically about \$100 to \$300 per month).
 - Tax Increment Financing (TIF): Program that offers communities a flexible financing tool to assist housing projects and related infrastructure. TIF enables communities to dedicate the incremental tax revenues from new housing development to help make the housing more affordable or pay for related costs. TIF funds can be used to provide a direct subsidy to a particular housing project or they can also be used to promote affordable housing by setting aside a portion of TIF proceeds into a dedicated fund from other developments receiving TIF.
 - Transfer of Development Rights – Transfer of Development Rights (TDR) is a program that shifts the development potential of one site to another site or different location, even a different community. TDR programs allow landowners to sever development rights from properties in government-designated low-density areas and sell them to purchasers who want to increase the density of development in areas that local governments have selected as higher density areas.
 - Waiver or Reduction of Development Fees – There are several fees developers must pay including impact fees, utility and connection fees, park land dedication fees, etc. To help facilitate affordable housing, some fees could be waived or reduced to pass the cost savings onto the housing consumer.
- **Job Growth/Employment/Outflow.** Historically, low unemployment rates have driven both existing home purchases and new-home purchases. Lack of job growth leads to slow or diminishing household growth, which in-turn relates to reduced housing demand. Like most areas across the Twin Cities and Minnesota, the unemployment rate in Ramsey peaked in 2009 during the Great Recession at 7.9%. However, over the past nine years the unemployment rate has decreased annually and is presently at only 2.6% in Ramsey through 2018.

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Although the low unemployment rate is positive, if the unemployment rate continues to decline it could be difficult for Ramsey businesses to find enough labor to fill job openings.

Like many suburban communities on the fringe of the Metro Area, Ramsey householders are commuting outside the city for employment. Only 8% of Ramsey's householders are also working in Ramsey; meaning over 90% of Ramsey householders commute for employment outside of Ramsey. Additional job creation in Ramsey will result in household growth that could exceed projections and accelerate housing demand.

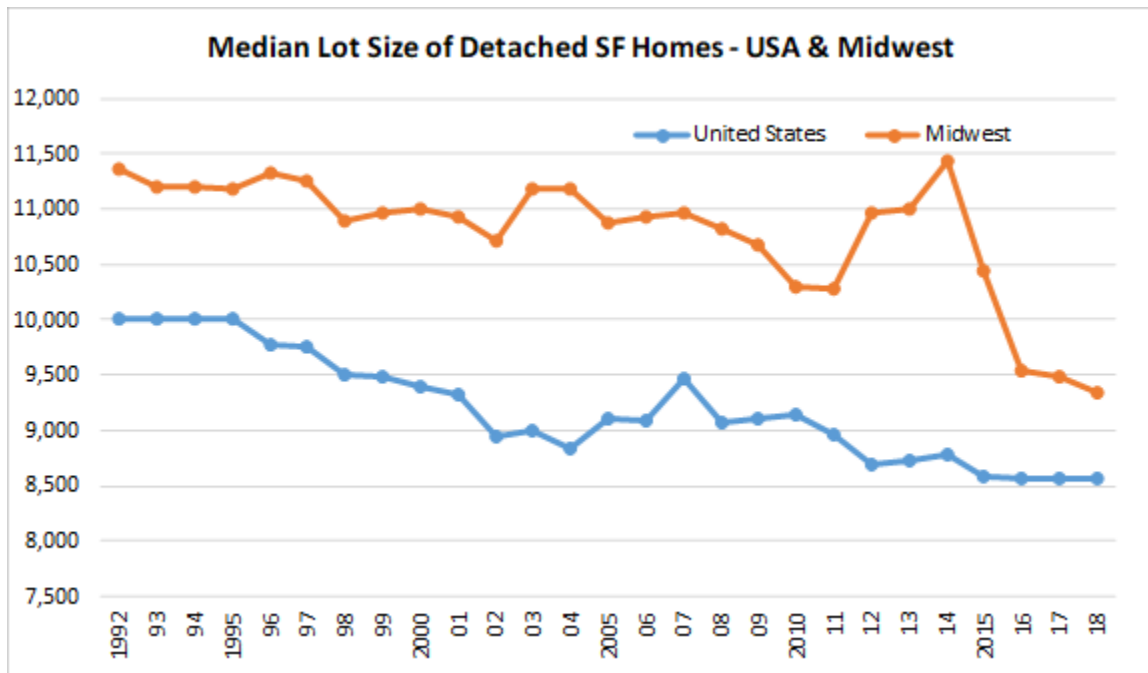
- **Land Supply.** New construction activity in Ramsey has been strong the past two years and is approaching production levels between 2002 and 2004 before the housing market slowdown. Based on the current supply of vacant developed lots, the current lot supply is estimated to be about three years should lots continue to absorb at the same pace for the next few years. Because new lot product tends to take a few years before homes are shovel ready; new lot production should be occurring now to ensure adequate land supply in the short-term. If new lots are not developed soon, upward pressure on land costs will result driving up the cost of housing.
- **Lender-mediated Properties.** Lender-mediated properties in Ramsey have declined substantially since the housing downturn and Great Recession of last decade. Lender mediated properties (i.e. foreclosures and short sales) accounted for about two-thirds of transactions between 2009 and 2011 declining annually since and comprising about 3.2% of transactions in 2016. Ramsey, like other further out suburban communities, experienced far more foreclosures than many communities in the Metro Area. The continued decline in lender-mediated properties will enhance the overall real estate market and pricing will continue to gain from all the losses of last decade. As most homeowners have regained lost equity, the Ramsey housing market should continue to experience stronger velocity as existing homeowners who were unable to move now may have the equity to pursue a trade-up home.



- Lot Size:** Across the Twin Cities and the U.S. there has been a growing trend of lot size compression for decades and especially since the Great Recession of last decade. As illustrated in the chart below, the median lot size of a new single-family detached home in the United

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States sold in 2018 (most recent statistics) dropped to its smallest size since the Census Bureau has been tracking lot sizes. Nationwide median lot sizes have dropped below 8,600 square feet (0.20 acres), down about 8% since 2010. Historically lot sizes in the Midwest have been about 15% larger than nationwide trends, however, Midwest lot sizes are also down about 10% since 2010.



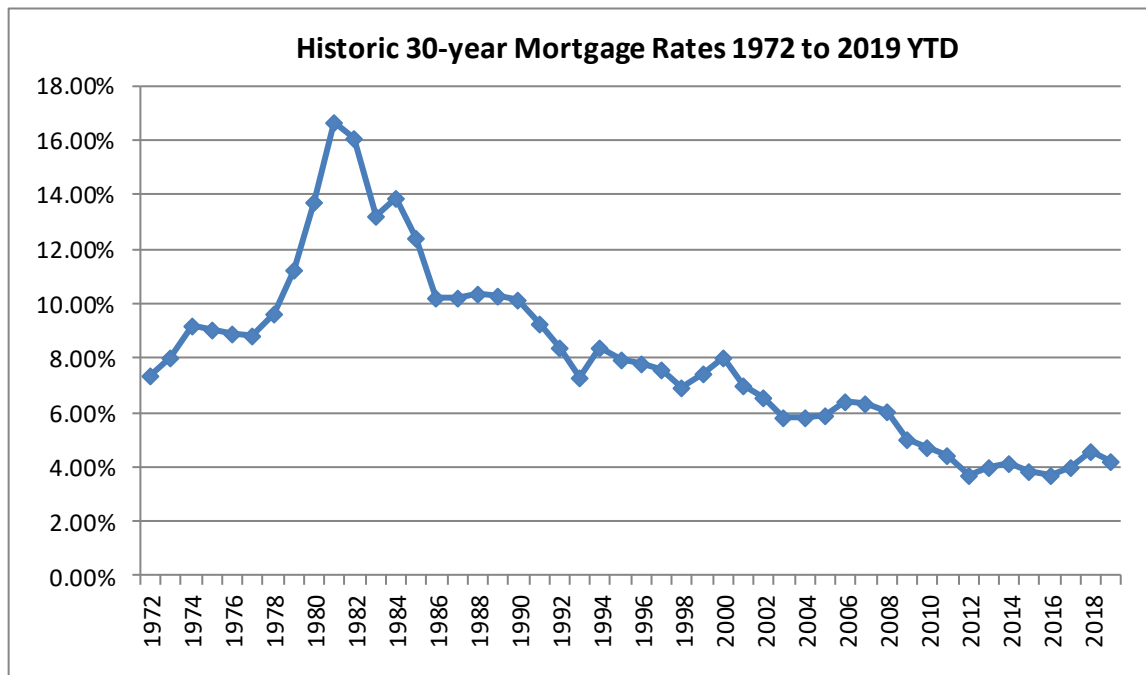
Lot sizes have decreased in part due to increasing raw land, lot prices, and rising regulatory and infrastructure costs (i.e. curb and gutter, streets, etc.). As a result, builders and developers have reduced lot sizes in an effort to increase density and absorb higher land development costs across more units. Many new single-family subdivisions have lot widths of about 65 to 75 feet, down from the standard width of 80 to 90 feet prior to the Great Recession. Because many local governments have large minimum lot size requirements, the cost of housing continues to rise as developers and buyers may be required to purchase a lot this is larger than they prefer.

- **Mortgage Rates.** Mortgage rates play a crucial part in housing affordability. Lower mortgage rates result in a lower monthly mortgage payment and buyers receiving more home for their dollar. Rising interest rates often require homebuyers to raise their down payment in order to maintain the same housing costs. Mortgage rates have remained at historic lows over the past several years coming out of the Great Recession. Although rates ticked-up in 2018 and early 2019, concerns about global growth have pushed long-term interest rates lower as mortgage rates have fallen to their lowest levels since 2017. The Federal Reserve has indicated that rates will be stable for the next year and has hinted at a possible rate cut. A rate cut would further reduce lending costs and increase affordability. A significant increase in rates (+1% or more; over 5% in the short term – although unlikely in next year)

CHALLENGES AND OPPORTUNITIES

would greatly affect the housing market and would slow projected for-sale housing demand.

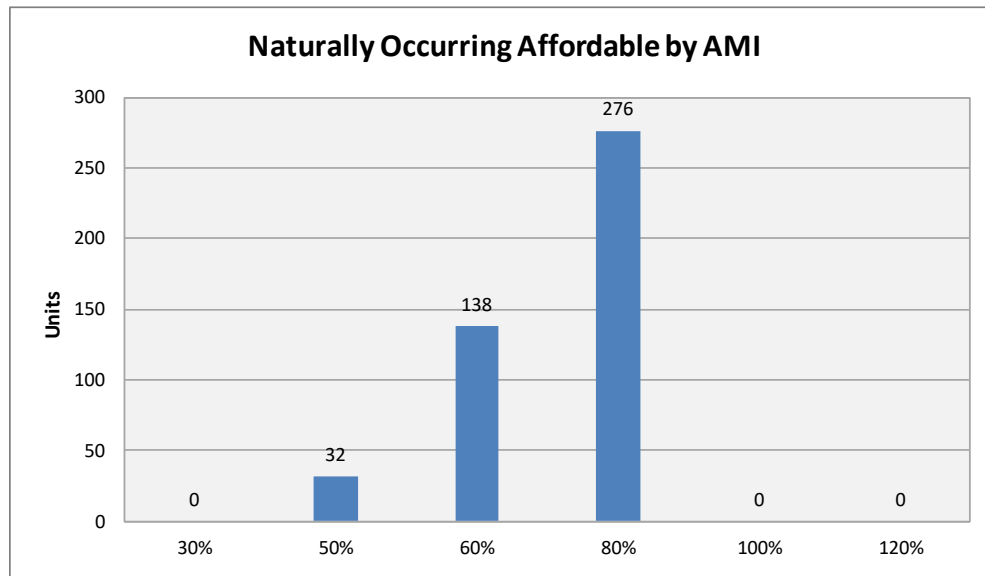
The following chart illustrates historical mortgage rate averages as compiled by Freddie Mac. The Freddie Mac Market Survey (PMMS) has been tracking mortgage rates since 1971 and is the most relied upon benchmark for evaluating mortgage interest market conditions. The Freddie Mac survey is based on 30-year mortgages with a loan-to-value of 80%.



- **Ramsey COR.** The 300+-acre COR is centered around the NorthStar Commuter Rail Station along U.S. Highway 10/U.S. Highway 169 and is the epicenter of activity in the City of Ramsey. Several multifamily housing projects have been completed or are under construction and the neighborhoods either within or adjacent to the COR should continue to attract multifamily housing development. The sites in the COR will be favored from multifamily housing developers due to the proximity to transit, retail, services, and parks. However, as vacant parcels are absorbed it will be imperative for the City of maintain other higher-density guided land to accommodate future multifamily housing products.
- **Naturally Occurring Affordable Housing/Preservation.** Based on the rental rates among the rental housing stock inventoried in Ramsey, about 38% of the market rate rental units are considered affordable at 50% and 60% AMI. Although the majority of new rental housing in Ramsey is considered move-up or luxury rentals; 62% of all units in Ramsey are considered affordable at 80% AMI.

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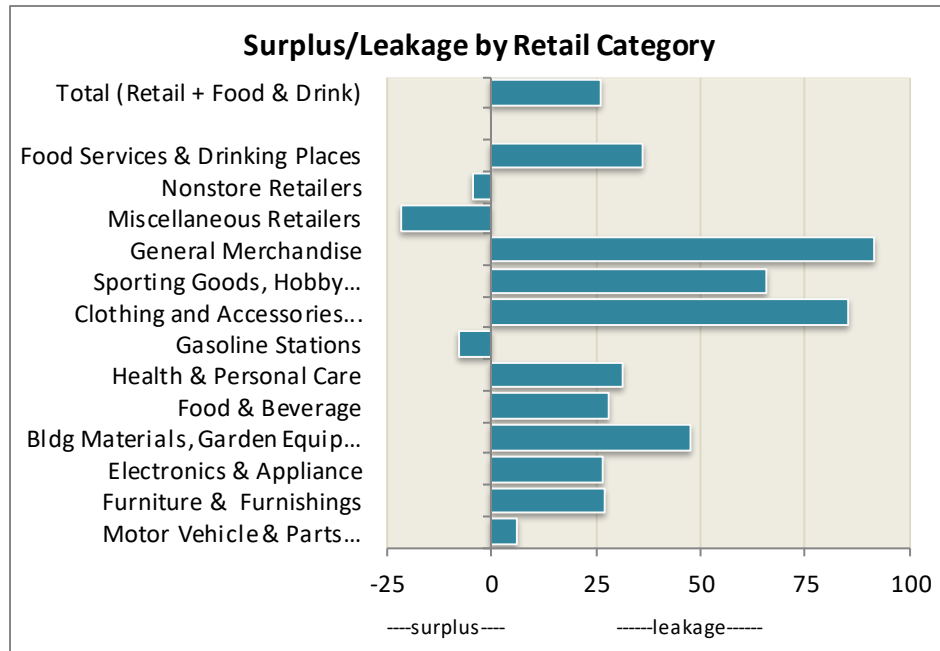
According to the Harvard's Joint Center for Housing Studies (JCHS) unsubsidized rentals account for more than 75% of the affordable housing stock in the United States. It is estimated that over one-third of the naturally occurring affordable housing stock is composed of smaller multifamily buildings from 5 to 49 units. Within the Twin Cities Metro Area, it is estimated that about 60% of the rental stock is unsubsidized rentals affordable to households at or below 50% AMI.



Because the unsubsidized housing market is unregulated and is fluid, there is the chance some affordable market rate units could be lost. New construction costs for apartments in Ramsey will likely exceed \$180,000 per unit; whereas an older Class B or Class C rental building may be acquired for under \$100,000 per unit. Therefore, it is typically more economical to rehabilitate an existing property than build a new one. Because of the high cost of new construction, we recommend the City monitor and maintain the unsubsidized rental market as an effort to maintain the affordable housing product type.

- **Retail Leakage.** Although outside the scope of the Comprehensive Housing Study, Maxfield Research and Consulting analyzed the retail demand potential in Ramsey. Although the rule of thumb in the real estate industry is “retail follows rooftops,” Ramsey is currently under-retailed given the number of households and consumer expenditures. The chart below shows the retail leakage – the gap between the retail supply and demand. A positive value represents “leakage” of retail opportunity to stores outside of Ramsey. A negative value represents a “surplus,” where more customers are coming into the area for retail goods and services than there are households in the area.

As illustrated in the bar chart, most retail categories of retail in Ramsey show a leakage of expenditures being transacted outside of Ramsey. An increase of retail goods and services will enhance the desirability of Ramsey and will further enhance housing demand.



- Short-term Rentals:** Short-term rentals is a trend appealing to travelers who desire more than a traditional hotel room but do not want the commitment of a long-term contract. Technology and the sharing economy are driving the short-term rental market as capital and hotel companies is investing heavily into this concept. In fact, the lines are blurred between hotels and traditional rental communities as new business ventures such as Airbnb, VRBO, HomeAway, Sonder, StayAlfred, Vacada, Minnestay, and others are aggressively expanding.

According to recent surveys, more than two-thirds of all Airbnb bookings are located in traditional multifamily rental buildings and charging fees about 20% lower than a traditional hotel room. Because of this trend, hotel companies are also creating new formats targeting this consumer while other companies are securing long-term leases in apartment buildings and marketing the units in the short-term stay category. As a result, many cities are considering redrafting zoning ordinances to level the playing field with hotels that are subject to lodging taxes. Some communities are instituting 30-day minimum stays in an effort to regulate short-term rentals.

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Definitions

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

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

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

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

Affordable housing – Housing that is income-restricted to households earning at or below 80% AMI, though individual properties can have income-restrictions set at 40%, 50%, 60% or 80% AMI. Rent is not based on income but instead is a contract amount that is affordable to households within the specific income restriction segment. It is essentially housing affordable to low or very low-income tenants.

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

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

Assisted Living – Assisted Living properties come in a variety of forms, but the target market for most is generally the same: very frail seniors, typically age 80 or older (but can be much younger, depending on their particular health situation), who are in need of extensive support services and personal care assistance. Absent an assisted living option, these seniors would otherwise need to move to a nursing facility. At a minimum, assisted living properties include

two meals per day and weekly housekeeping in the monthly fee, with the availability of a third meal and personal care (either included in the monthly fee or for an additional cost). Assisted living properties also have either staff on duty 24 hours per day or at least 24-hour emergency response.

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

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

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

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

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

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

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

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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-way (ROW) such as streets, alleys, easements, open spaces, etc.
Net Density = Total residential units/total residential land area (excluding ROWs)

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

Effective Rents – Contract rent less applicable concessions.

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

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

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

Fair Market Rent – Anoka County 2019

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

Floor Area Ratio (FAR) Ratio of the floor area of a building to area of the lot on which the building is located.

Foreclosure – A legal process in which a lender or financial institute attempts to recover the balance of a loan from a borrower who has stopped making payments to the lender by using the sale of the house as collateral for the loan.

Gross Rent – The monthly housing cost to a tenant which equals the Contract Rent provided for in the lease, plus the estimated cost of all utilities paid by tenants. Maximum Gross Rents for Anoka County in 2019 are as follows:

**Gross Rent
Anoka County – 2019**

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

Household – All persons who occupy a housing unit, including occupants of a single-family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Household Trends – Changes in the number of households for any particular areas over a measurable period of time, which is a function of new household’s formations, changes in average household size, and net migration.

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

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

HUD Project-Based Section 8 – A federal government program that provides rental housing for very low-income families, the elderly, and the disabled in privately owned and managed rental

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units. The owner reserves some or all of the units in a building in return for a Federal government guarantee to make up the difference between the tenant's contribution and the rent. A tenant who leaves a subsidized project will lose access to the project-based subsidy.

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

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

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

Income limits – Maximum household's 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.

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

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.

Mobility – The ease at which people move from one location to another.

Moderate Income – Person or household with gross household income between 80% and 120% of the Area Median Income, adjusted for household size.

Multifamily – Properties and structures that contain more than two housing units.

Naturally Occurring Affordable Housing – Although affordable housing is typically associated with an income-restricted property, there are other housing units in communities that indirectly provide affordable housing. Housing units that were not developed or designated with income guidelines (i.e. assisted) yet are more affordable than other units in a community are

considered “naturally-occurring” or “unsubsidized affordable” units. This rental supply is available through the private market, versus assisted housing programs through various governmental agencies. Property values on these units are lower based on a combination of factors, such as: age of structure/housing stock, location, condition, size, functionally obsolete, school district, etc.

Net Income – Income earned after payroll withholdings such as state and federal income taxes, social security, as well as retirement savings and health insurance.

Net Worth – The difference between assets and liabilities, or the total value of assets after the debt is subtracted.

Pent-up demand – A market in which there is a scarcity of supply and as such, vacancy rates are very low or non-existent.

Population – All people living in a geographic area.

Population Density – The population of an area divided by the number of square miles of land area.

Population Trends – Changes in population levels for a particular geographic area over a specific period of time – a function of the level of births, deaths, and in/out migration.

Project-Based rent assistance – Rental assistance from any source that is allocated to the property or a specific number of units in the property and is available to each income eligible tenant of the property or an assisted unit.

Redevelopment – The redesign, rehabilitation or expansion of existing properties.

Rent burden – gross rent divided by adjusted monthly household income.

Restricted rent – The rent charged under the restriction of a specific housing program or subsidy.

Saturation – The point at which there is no longer demand to support additional market rate, affordable/subsidized, rental, for-sale, or senior housing units. Saturation usually refers to a particular segment of a specific market.

Senior Housing – The term “senior housing” refers to any housing development that is restricted to people age 55 or older. Today, senior housing includes an entire spectrum of housing alternatives. Maxfield Research Inc. classifies senior housing into four categories based on the level of support services. The four categories are: Active Adult, Congregate, Assisted Living and Memory Care.

Short Sale – A sale of real estate in which the net proceeds from selling the property do not cover the sellers' mortgage obligations. The difference is forgiven by the lender, or other arrangements are made with the lender to settle the remainder of the debt.

Single-family home – A dwelling unit, either attached or detached, designed for use by one household and with direct street access. It does not share heating facilities or other essential electrical, mechanical or building facilities with another dwelling.

Stabilized level of occupancy – The underwritten or actual number of occupied units that a property is expected to maintain after the initial lease-up period.

Subsidized housing – Housing that is income-restricted to households earning at or below 30% AMI. Rent is generally based on income, with the household contributing 30% of their adjusted gross income toward rent. Also referred to as extremely low-income housing.

Subsidy – Monthly income received by a tenant or by an owner on behalf of a tenant to pay the difference between the apartment's contract/market rate rent and the amount paid by the tenant toward rent.

Substandard conditions – Housing conditions that are conventionally considered unacceptable and can be defined in terms of lacking plumbing facilities, one or more major mechanical or electrical system malfunctions, or overcrowded conditions.

Target population – The market segment or segments of the given population a development would appeal or cater to.

Tenant – One who rents real property from another individual or rental company.

Tenant-paid utilities – The cost of utilities, excluding cable, telephone, or internet necessary for the habitation of a dwelling unit, which are paid by said tenant.

Tenure – The distinction between owner-occupied and renter-occupied housing units.

Turnover – A measure of movement of residents into and out of a geographic location.

Turnover period – An estimate of the number of housing units in a geographic location as a percentage of the total house units that will likely change occupants in any one year.

Unrestricted units – Units that are not subject to any income or rent restrictions.

Vacancy period – The amount of time an apartment remains vacant and is available on the market for rent.

Workforce housing – Housing that is income-restricted to households earning between 80% and 120% AMI. Also referred to as moderate-income housing.

Zoning – Classification and regulation of land use by local governments according to use categories (zones); often also includes density designations and limitations.